



Evolve  
Capital Partners

## First Data Corporation

October 2015

### Summary of Initial Public Offering



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**SPECIALIZED INVESTMENT BANKERS AT  
THE INTERSECTION OF FINANCE & TECHNOLOGY**

# First Data Corporation IPO – Executive Summary

## Initial Public Offering Overview

### KEY IPO STATISTICS

<b><u>Description:</u></b>	First Data Corporation provides a complete array of global electronic commerce global electronic commerce integrated solutions in the industry for merchants, financial institutions, and card issuers worldwide.
<b><u>Use of Proceeds:</u></b>	Net proceeds from the offering will go towards the redemption of all \$510 million aggregate principal amount 11% senior unsecured notes due 2021, approximately \$2.0 billion aggregate principal amount 13% senior unsecured notes due 2021, and to pay applicable premiums and related fees and expenses, and for general corporate purposes.
<b><u>Headquarters:</u></b>	Atlanta, GA
<b><u>Founded:</u></b>	1971
<b><u>Employees:</u></b>	24,000+
<b><u>Trading Date:</u></b>	10/15/2015
<b><u>Ticker:</u></b>	NYSE: FDC
<b><u>Filing Price:</u></b>	\$16.00 (Filing Range of \$18.00-\$20.00)
<b><u>Shares Offered:</u></b>	160 million
<b><u>Proceeds:</u></b>	\$2.56 Billion

UNITED STATES  
SECURITIES AND EXCHANGE  
COMMISSION  
Form S-1

First Data Corporation



NYSE: FDC



Morgan Stanley

Bank of America  
Merrill Lynch



KKR

Source(s): Company website, First Data Corporation S-1, First Data Corporation Form 424B4, Capital IQ

# First Data Corporation IPO – Executive Summary

## Key Metrics – IPO

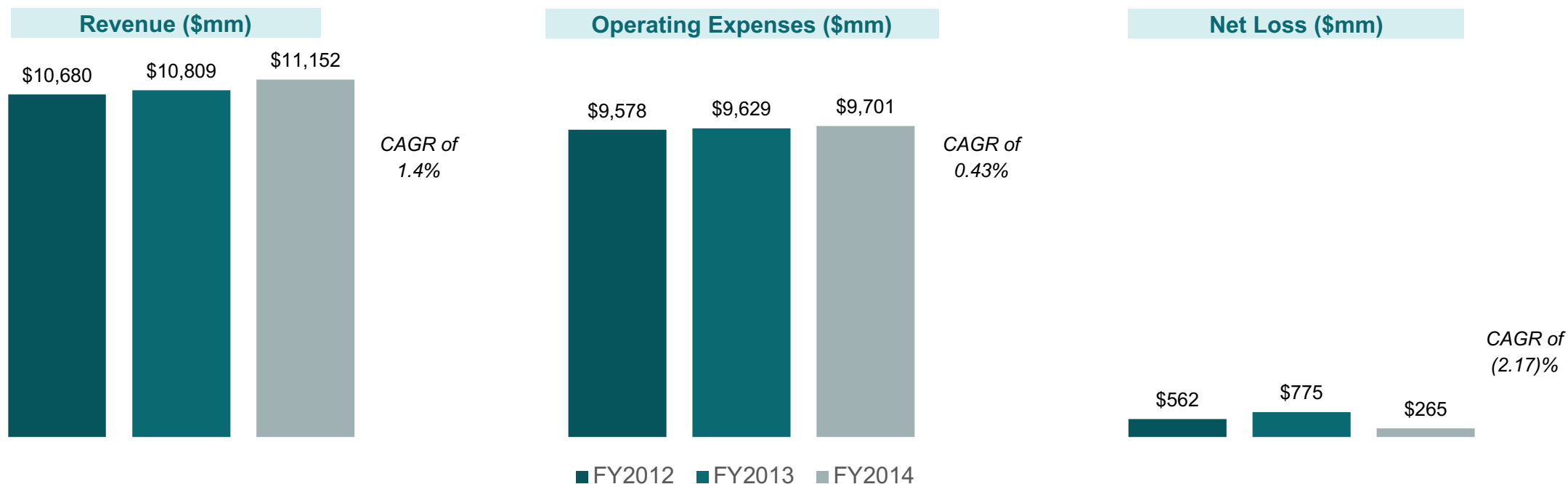
**\$13 Billion**  
Market Value <sup>(1)</sup>

**\$34 Billion**  
Enterprise Value <sup>(2)</sup>

**878 Million**  
Shares Outstanding

**\$16.00**  
Offering Price

**3x**  
EV / 2014 Revenue



Source(s): Company website, First Data Corporation S-1, First Data Corporation Form 424B4, Capital IQ, Pitchbook

(1) Market Value based on shares outstanding and IPO share price of \$16.00 as of offering date

(2) Enterprise Value based on market value, and total debt and cash in SEC filings

# First Data Corporation IPO – Executive Summary

## Company Overview

### OVERVIEW

- The Company serves clients in 118 countries, reaching approximately 6 million business locations and over 4,000 financial institutions. The Company is the largest merchant acquirer, issuer processor, and independent network services provider in the world, enabling businesses to accept electronic payments, helping financial institutions issue credit, debit and prepaid cards, and routing secure transactions between them.
- The company is organized around three primary lines of business:
  - Global Business Solutions (GBS) This segment provides retail point- of- sale merchant acquiring and eCommerce services as well as next- generation offerings such as mobile payment services, webstore- in- a- box solutions, and cloud- based Clover point- of- sale operating system.
  - Global Financial Solutions (GFS) This segment provides credit solutions for bank and non- bank issuers. These include credit and retail private- label card processing within the United States and international markets, as well as licensed financial software systems.
  - Network & Security Solutions (NSS) This segment provides a wide range of value- added solutions that we sell to clients in our GBS and GFS segments, smaller financial institutions, and other enterprise clients.

### KEY STATISTICS in 2014



*Acquired \$1.7 trillion of payment volume in the United States alone*



*Revenue derived from transaction related fees, multi-year contracts, and a diverse client base*



*Processed 74 billion transactions globally, over 2,300 per second*



*28% of Global eCommerce volume is processed by First Data*



*Serves clients in 118 countries, reaching approximately 6 million business locations and over 4,000 financial institutions*

Source(s): Company website, First Data Corporation S-1, First Data Corporation Form 424B4, Capital IQ



# First Data Corporation IPO – Executive Summary

## Market Opportunity

### BUSINESS TRANSFORMATION HAS STRONGLY POSITIONED FDC TO TAKE ADVANTAGE OF GLOBAL INDUSTRY TRENDS

<b>65%</b>	Projected increase in credit card purchase volumes from 2013-2018	<b>9%</b>	Global eCommerce spend as a percentage of global retail spend projected to increase from 6% in 2013	<b>67%</b>	Of restaurant businesses planning to add new functionality, features and/or modules to current POS software	<b>\$125 Billion</b>	Projected spending on security and fraud solutions
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<b>Moving Beyond Payment Processing</b>	The Company's focus on innovation combined with the direct relationships they enjoy with many businesses and financial institutions, and the critical nature of the services provided positions the company well to quickly develop, commercialize, and deliver new commerce solutions to its clients.
<b>Innovation Focused</b>	In the last three years, the company has acquired six commerce- focused technology start- ups: Clover, Perka, Gyft, SpreeCommerce, EasyWay Ordering, and Transaction Wireless; they now employ nearly 200 employees in Silicon Valley and Silicon Alley; and have partnered with some of the world's leading technology companies to deliver commerce- enabling solutions.
<b>Enhancing Client-Facing Teams</b>	The Company is embarking on improving the effectiveness of its client-facing teams to address the new opportunities brought about by its now-expanded solution suite. It is building out an enterprise coverage team to conduct enterprise selling to new and existing clients, and believes initiatives like these will help drive new sales and increase client loyalty and retention.

Source(s): Company website, First Data Corporation S-1, First Data Corporation Form 424B4, Capital IQ

# First Data Corporation IPO – Executive Summary

## Financing History

Date	Series/Type	Amount (mm)	Investors	Transaction Notes
7/7/2014	PE Growth	\$3,500	  	First Data raises a historic \$3.5 billion private placement, including \$1.5 billion from existing investors and \$2.0 billion from new investors.
12/31/2013	PE Growth	\$1,700	  	First Data received \$300 million of development capital in the form of convertible preferred equity. The funding, along with \$1.4 billion in new senior payable in kind (PIK) notes are due 2016.
9/24/2007	LBO	\$29,000		First Data was acquired by KKR and taken private. KKR paid nearly 14x estimated 2007 EBITDA of \$1.9 billion.
1/1/1992	IPO	Undisclosed	NA	Spun out of American Express through an initial public offering.

Source(s): Company website, First Data Corporation S-1, First Data Corporation Form 424B4, Capital IQ, Pitchbook

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