

September 3, 2014

FINANCIAL TECHNOLOGY PARTNERS Advises KUBRA

and is pleased to announce its exclusive role as sole strategic and financial advisor to



in its 80% majority sale to

H E A R S T *corporation*

Courtesy of:



The Only Investment Bank
Focused Exclusively on Financial Technology

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HEARST corporation

Hearst Acquires KUBRA

FT Partners Advises KUBRA in its Sale to Hearst

Transaction Overview and Rationale

Overview of Transaction

- On September 3, 2014, KUBRA announced its 80% sale to the Hearst Corporation (“Hearst”)
- Backed by Clairvest, KUBRA provides billing and payment solutions to customers across multiple industry verticals via electronic and physical channels
- The Company has grown to be a leader in the emerging Customer Interaction Management industry

Significance of Transaction

- The acquisition increases Hearst’s presence in both the billing and payments space (already owning CDS Global), while strengthening its foothold in the utilities vertical
- CDS Global provides customer relationship management solutions to publishers, direct marketing firms, etc.
- Clairvest realized proceeds equal to 13.5x invested capital and an internal rate of return (“IRR”) of over 40% over eight years

FT Partners’ Role

- FT Partners served as exclusive strategic and financial advisor to KUBRA and its Board of Directors
- FT Partners leveraged its deep knowledge, extensive experience (understanding all the unique aspects of the Company’s billing, payments, outsourcing, customer interaction and electronic commerce businesses) and broad industry relationships to help achieve a highly favorable outcome for stakeholders
- Successfully helped find a unique acquirer
- Transaction demonstrates FT Partners’ continued success advising top-tier financial technology companies

**KUBRA PE Backers
Clairvest Realize
13.5x Initial
Investment on
KUBRA Sale**

Financial Technology Partners LP FTP Securities LLC

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HEARST corporation

Hearst Acquires KUBRA

KUBRA Overview

KUBRA Overview

CEO: Rick Watkin
Headquarters: Mississauga, ON
Founded: 1992
Employees: Approximately 350
Ownership: Management & Clairvest

KUBRA PE Backers
Clairvest Realize
13.5x Initial
Investment on
KUBRA Sale

- KUBRA is a leading provider of customer interaction management solutions to some of the largest utility, insurance, financial services, healthcare and government providers
 - Large base of over 500 clients, interacting with 50 mm customer relationships
 - Services three of the five largest U.S. utility companies and two of the top 10 insurance companies
- Offers cloud-based solutions, hosted on a single-source, interactive platform allowing for seamless integration across all product lines
- Used effectively to manage and support all viable end-customer interaction channels through one administrative dashboard

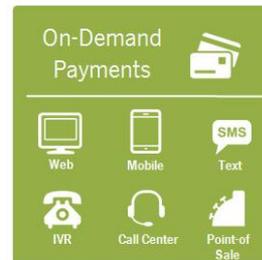
KUBRA Product / Customer Interaction Channel Overview



- **KUBRA BCS** is a complete document composition, print and mailing solution that allows KUBRA's clients to maximize the potential of every customer
- Advanced service for capturing, personalizing, composing, printing and distributing bills, statements, invoices and letters via the mail stream
- Over 300mm mail pieces delivered in 2013



- **i-doxs Suite**, KUBRA's flagship e-billing and self-service platform, combines the entire set of document management, customer interaction and payment features with a common solution platform
- Specifically designed to accommodate the natural progression of clients and their end-users to e-Commerce solutions
- 15 years of investment in the technology



- **EZ-PAY**, KUBRA's on-demand payments offering, is a comprehensive, non-enrolled application that supports multiple sales channels and payment types
- The solution is a convenience fee-based solution where the end users pay a fee to use the service
- Consumers drive the demand for fee-based payments through desire of same-day (or next-day) payment options to avoid late fee penalties



Hearst Acquires KUBRA

Hearst Overview

Hearst Company Overview

CEO:	Steven Swartz
CFO:	Mitchell Scherzer
Headquarters:	New York, NY
Founded:	1887
Employees:	Over 20,000

Company Description

- The Hearst Corporation, a diversified mass media and information company, engages in the businesses of:
 - Publishing
 - Broadcasting / cable networking
 - Diversified communications
- The Hearst Corporation owns CDS Global, which is strategically relevant to the acquisition of KUBRA

Selected Acquisition Summary ⁽¹⁾

Announce Date	Target	Value (\$ mm)
October '11		na
June '10		\$425
July '09		177

Relevant Company Offerings

- KUBRA will operate as an independent unit of Hearst Magazines, and will work closely with CDS Global, another independent Hearst company, based in Des Moines, Iowa
- CDS Global provides customer relationship management solutions to publishers, direct marketing firms, financial institutions and government organizations, specializing in outsourced magazine fulfillment services (ranked as the top fulfillment service bureau in North America)
- In addition to magazine fulfillment, CDS Global also provides outsourced business solutions to publishers, direct marketing firms, financial institutions, nonprofits, municipalities and utilities
- ***KUBRA complements CDS Global's print and mail management, e-commerce and payment processing products, putting Hearst in a leading position to provide services to a wide range of clients across multiple industry verticals***

(1) Source: S&P Capital IQ.



Hearst Acquires KUBRA

Selected FT Partners Transactions

HEARST corporation

Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as lead strategic and financial advisor to



in its Growth Recapitalization by



NEW MOUNTAIN CAPITAL LLC

valued at approximately

\$1,300,000,000



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is pleased to announce its exclusive role as sole strategic and financial advisor to



in its Strategic Investment by



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Financial Technology Partners LP
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in its cash sale to



for total consideration of

\$ 1,650,000,000



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in its sale to



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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as financial advisor to



in its Series D investment led by



for total consideration of approximately

\$ 27,000,000



*The Only Investment Bank
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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole strategic and financial advisor to



in its approximately 60% majority sale to



for aggregate consideration of approx.

\$ 700,000,000



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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as exclusive strategic and financial advisor to



NETWORK MERCHANTS INC.

in its growth investment by



for a total valuation of approximately

\$200,000,000



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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as exclusive strategic and financial advisor to



in its cash sale to



for total consideration of approximately

\$369,000,000



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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its exclusive role as sole debt capital advisor to



in its acquisition of



for total consideration of approximately

\$ 300,000,000



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Financial Technology Partners LP
FTP Securities LLC

is pleased to announce its role as advisor to



in its lead investment in



with additional participation from





for approximately

\$ 85,000,000



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