

Investor diversification driven by increasing maturity of the sector – and competition

March 2018

Financial institutions

- Financial institutions realize the necessity to drive digitization, either to defend against competition or to seize the opportunity to tap into areas of new growth potential
- FinTechs are more realistic about their ambition to really disrupt the financial industry and to quickly scale on stand-alone basis
- Already 52% of top 100 global banks have formed 130+ partnerships and 37% have completed 60+ acquisitions
- European players are catching up – latest examples include:



Financial sponsors / Private equity

- Increasing maturity and consolidation plays move FinTechs in the focus of PE investors
- Both initial investments and buy-and-build strategies have materialized not only in FinTech's most developed sub-sector payment services:

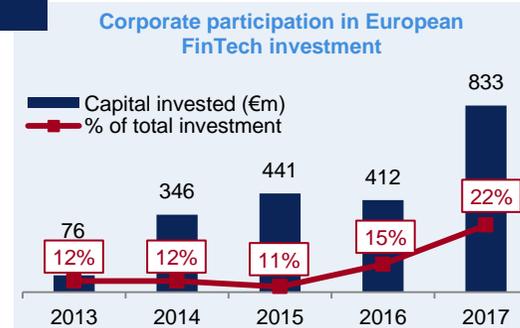


Arne Laarveld
Partner, Capitalmind

“Although the pace of overall investment activity and volume has slowed down slightly in recent months, the progressive development of the FinTech industry is undeniable. While market structures and business models mature, the investor universe expands.”

Corporates (non-financial)

- Besides financial institutions, “non-financials” more and more engage in FinTech in order to leverage on own core product and existing (end) client access, at the same time enhancing client benefit and customer loyalty
- Including venture capital, corporate investments into FinTech have doubled y-o-y 2017



In addition to venture capital we see a growing number of financial institutions, financial investors and non-financial strategic participants entering the stage. While PE focus on the developed segments (software, lending, payment services), the strategic approach involves leveraging the own core products and client base with adjacent financial technology areas.”

Selected team deal experience in FinTech

Our FinTech team

As part of its TMT practice, Capitalmind has an experienced and dedicated team focused on the Financial Technology sector providing financial and strategic advice to FinTech companies, financial and non-financial corporates as well as financial sponsors.

If you would like to discuss this note or opportunities for your business (strategic co-operations, expansion strategies, growth financing), please reach out to:



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 VISMA HgCapital }

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 Sale to
 SUNGARD®

Payment services provider

Ferratum®
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