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- Given recent payment data breaches, clients are increasingly demanding robust security and fraud solutions; and
- Financial institutions continue to outsource and leverage technology providers given their constrained budgets and growing industry complexity.

We believe First Data is well positioned to take advantage of all of these trends given the breadth of our solutions and our global operating scale.

Industry Background

Overview of Our Industry

Our industry is comprised of technology solution providers with different areas of expertise, specialized capabilities, and proprietary technologies. These providers are positioned across the value-chain of solutions that enable businesses and financial institutions to conduct commerce. Together, these providers help facilitate approximately \$43 trillion of annual personal consumption expenditures and approximately \$120 trillion of annual commercial consumption expenditures, according to The World Bank data obtained in 2015 and an April 2015 industry trends report prepared by Visa Inc., respectively.

These providers include payment processors, core bank processors, information services providers, hardware vendors, software developers, web developers, marketing-program managers, security and risk management solutions vendors, card manufacturers, and business process outsourcers, among others. These providers sell their solutions to businesses or financial institutions across 15 general service categories, as illustrated below.

