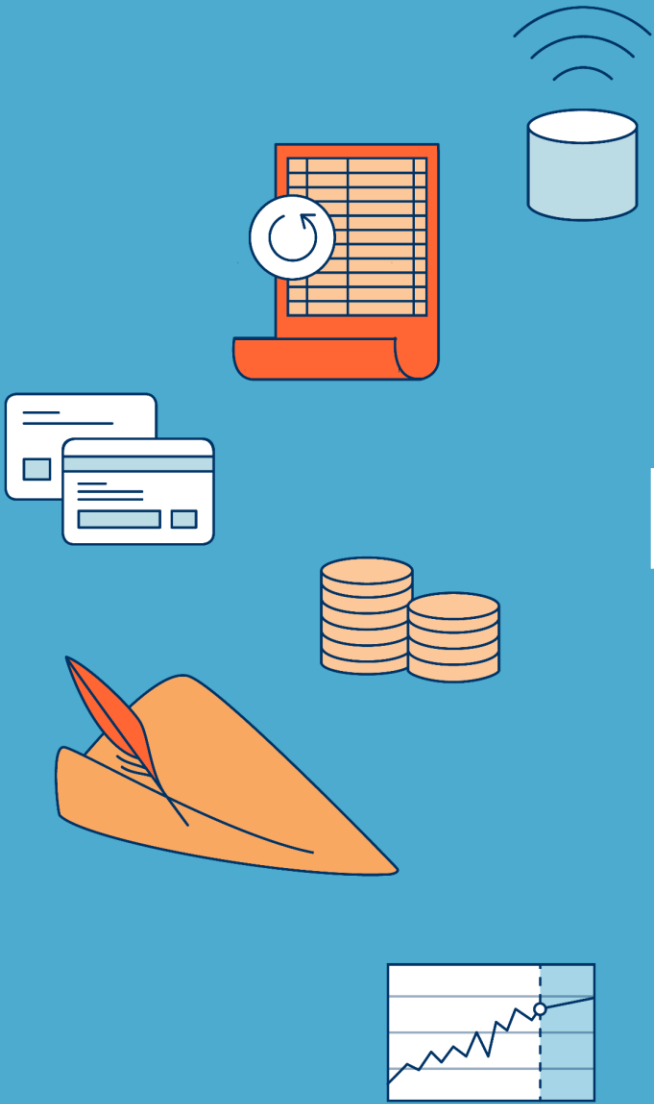


Global Fintech Report Q1 2018

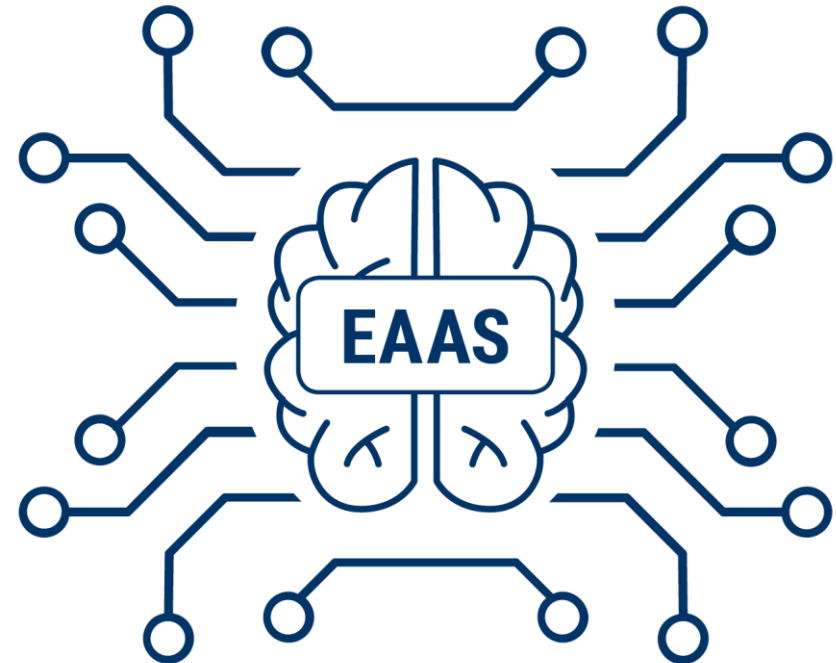
 CBINSIGHTS



WHO WE ARE

The technology market intelligence platform.

CB Insights software lets you predict, discuss, and communicate emerging technology trends using data in ways that are beyond human cognition. We are a leader in the Expert Automation & Augmentation Software (EAAS) space.



TRUSTED BY THE WORLD'S LEADING COMPANIES



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FIRSTMARK 



NORWEST | VENTURE PARTNERS



SEQUOIA 

“We use CB Insights to find emerging trends and interesting companies that might signal a shift in technology or require us to reallocate resources.”



Beti Cung, Corporate Strategy, Microsoft



The CBI Community – Membership Has Benefits

INDUSTRY-SCALE SUMMITS



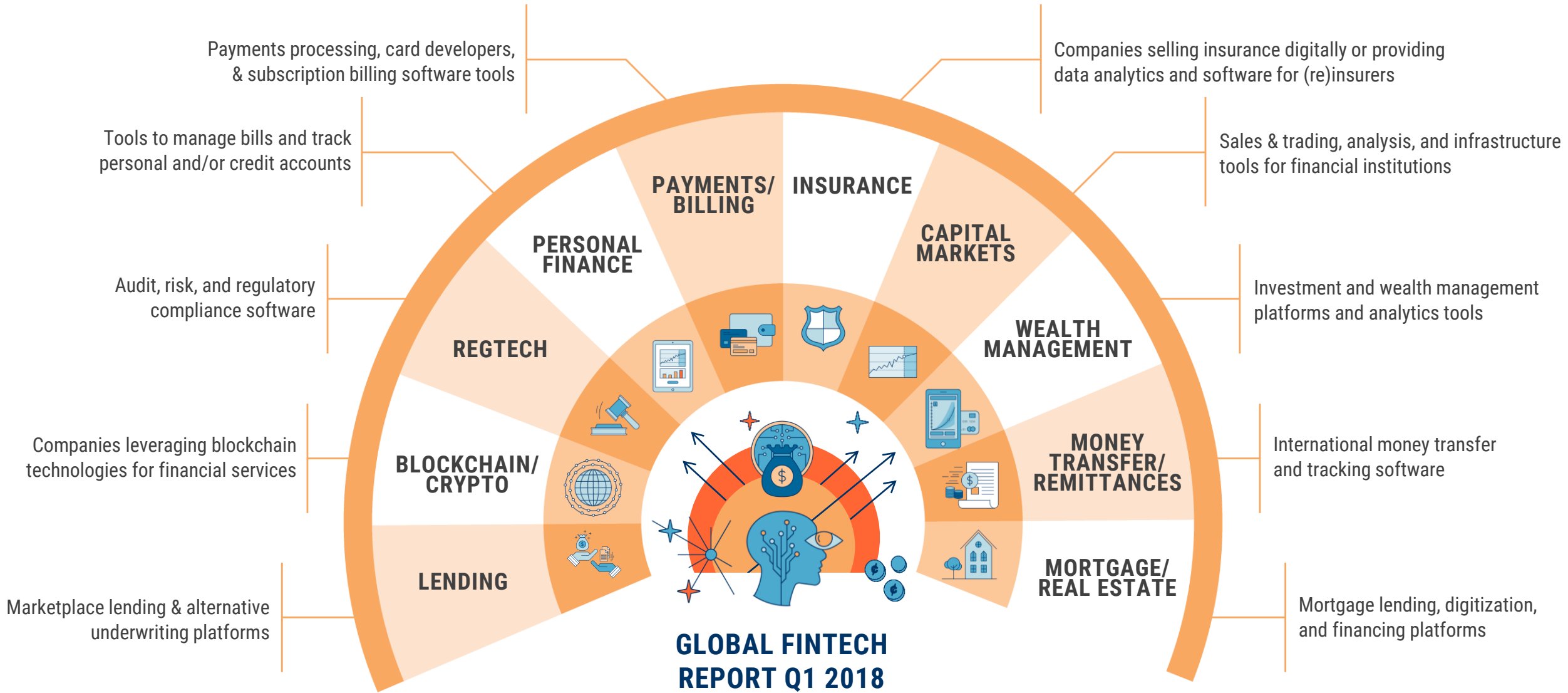
PEER-TO-PEER NETWORK



CLIENT-ONLY EVENTS



WHAT THIS REPORT COVERS



Contents

- 8** Q1'2018 Financing Trends
 - Annual Deals & Dollars
 - Regional Trends
 - Fintech Unicorns
- 20** Top Deals and Top Investors
 - Q1' 2018 Top VC-Backed Fintech Deals
 - Most Active Fintech Investors Q1'17-Q1'18
- 25** Q1'2018 Sector Trends
- 53** Incumbent Fintech Investing Update
- 62** Appendix:
 - Major markets financing trends

Summary of findings

VC-backed fintech companies raised \$5.4B across 323 deals globally in Q1'2018: Global fintech deal activity hit a new quarterly record. The US saw the largest boost in deals, while Europe saw fintech deal activity dip to a 5-quarter low.

Q1'18 fintech funding in South America already surpassed 2017's annual total: In the first 3 months of 2018, VC-backed fintech companies in South America raised \$271M, already surpassing 2017's annual funding total. Funding saw a boost from a \$150M mega-round deal to Brazilian mobile banking unicorn Nubank.

Fintech funding in Q1'18 saw a boost from 12 \$100M+ investments, a quarterly record for mega-rounds: The 10 largest fintech deals to VC-backed companies in Q1'2018 were all \$100M or greater as investors continued to make more concentrated bets in the sector. \$100M+ investments spanned four continents and included N26, eToro, Oscar Health, and C2FO.

Asia fintech funding saw the largest quarterly spike in Q1'2018 on the back of 4 \$100M+ investments: Funding to Asia-based fintech companies surged on the back of 4 mega-round deals of \$100M+ or greater.

Europe fintech deals dipped to 5-quarter low in Q1'18: VC-backed fintech companies in Europe saw the largest pull back in early-stage investments. Despite the dip in deals, funding hit a 5-quarter high driven by \$100M+ investments to later-stage digital banking startups N26 and Atom Bank.

Banks continue to make fintech investments, but slow down pace: Over the last five quarters, top US banks including Goldman Sachs, Citigroup, and JPMorgan slowed down their fintech investments relative to 2016's highs. European banks were more active as Santander made three new portfolio investments in Q1'18.

Note: Report focuses on all equity rounds to VC-backed fintech companies. This report does not cover companies funded solely by angels, private equity firms or any debt, secondary or line of credit transactions. All data is sourced from CB Insights.

GLOBAL FINTECH VC-BACKED EQUITY FUNDING IN Q1'2018:

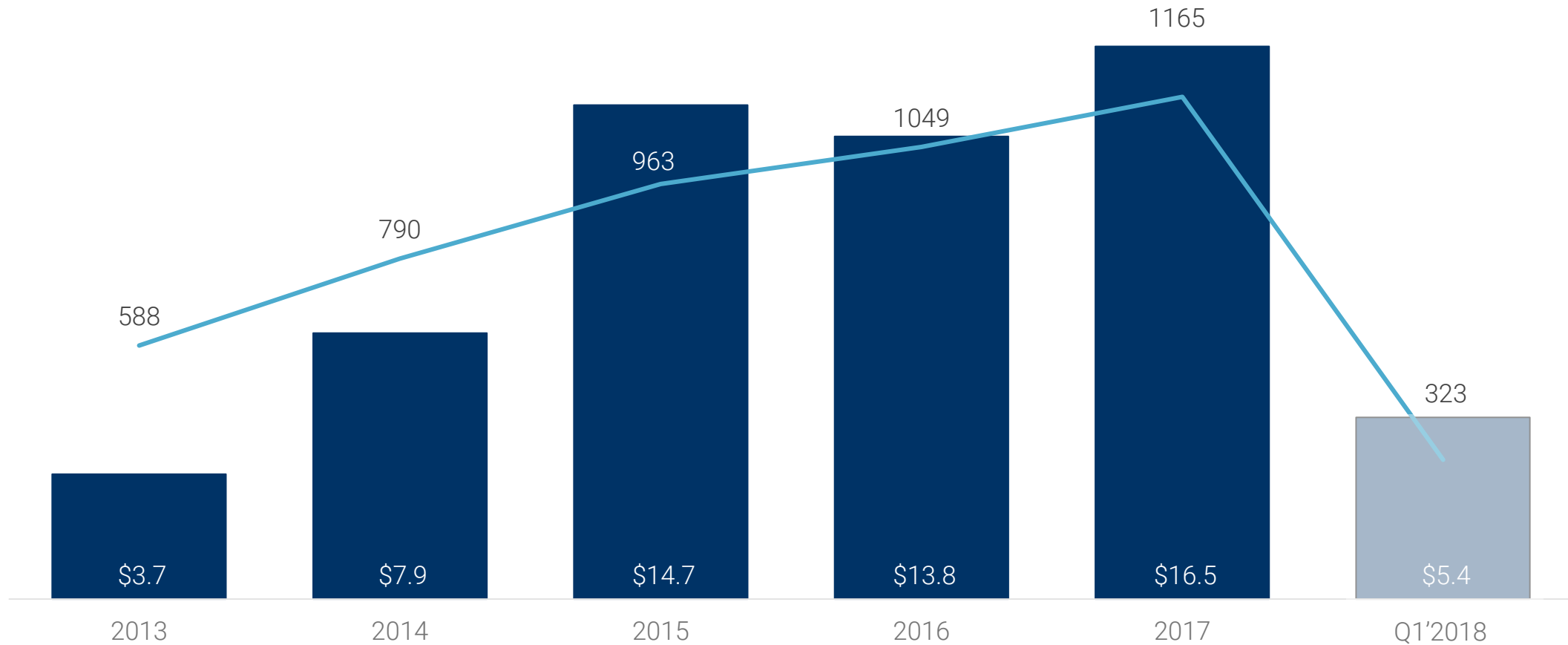
\$5.4 BILLION

ACROSS

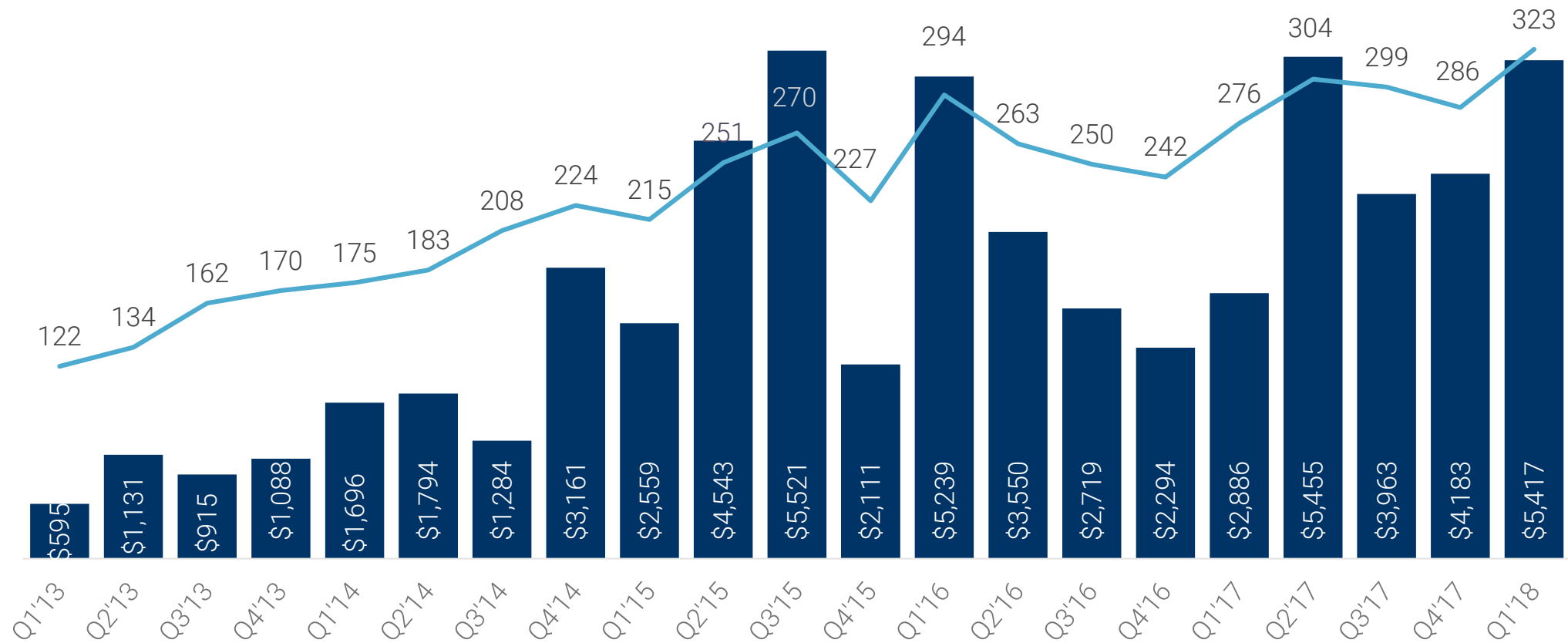
323 DEALS

Global fintech investment on pace for new high

Annual VC-backed global fintech deals and financing, 2013 – 2018 (Q1'18), (\$B)

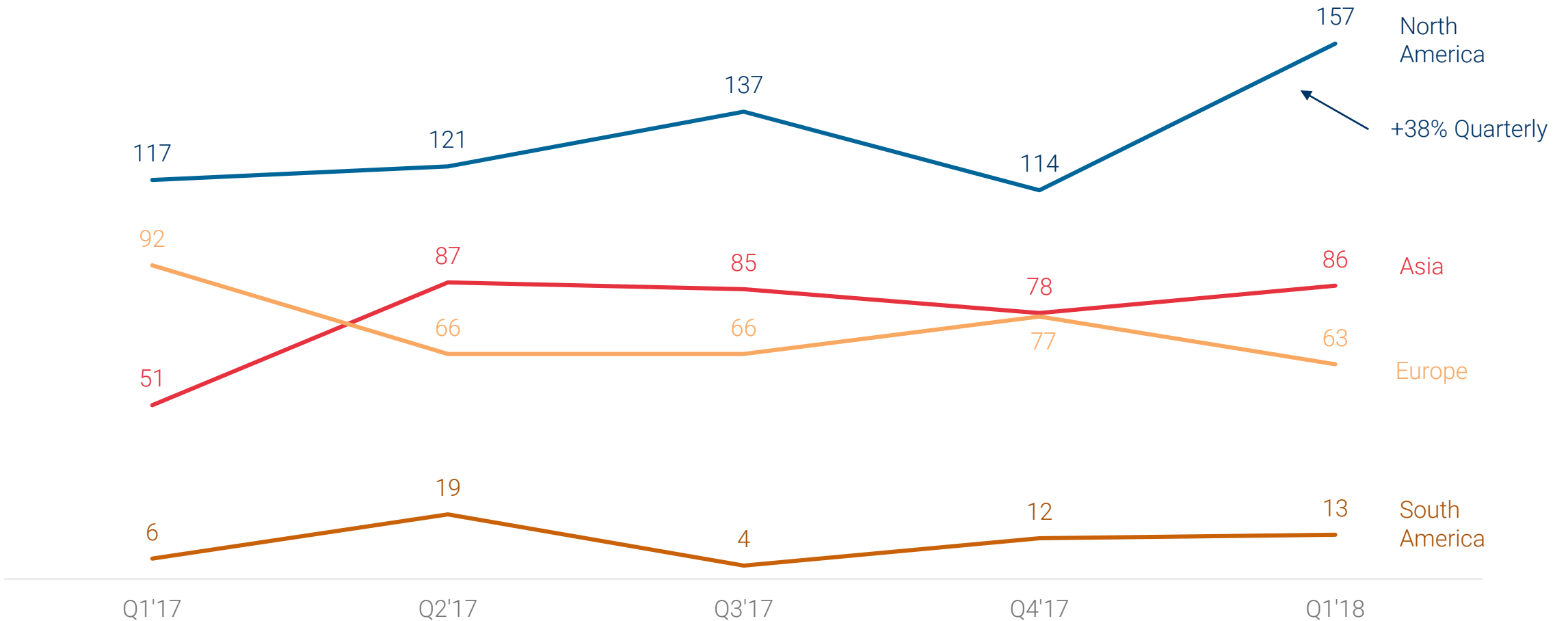


Q1'18 sees new quarterly record for global VC-backed fintech deals as funding rebounds



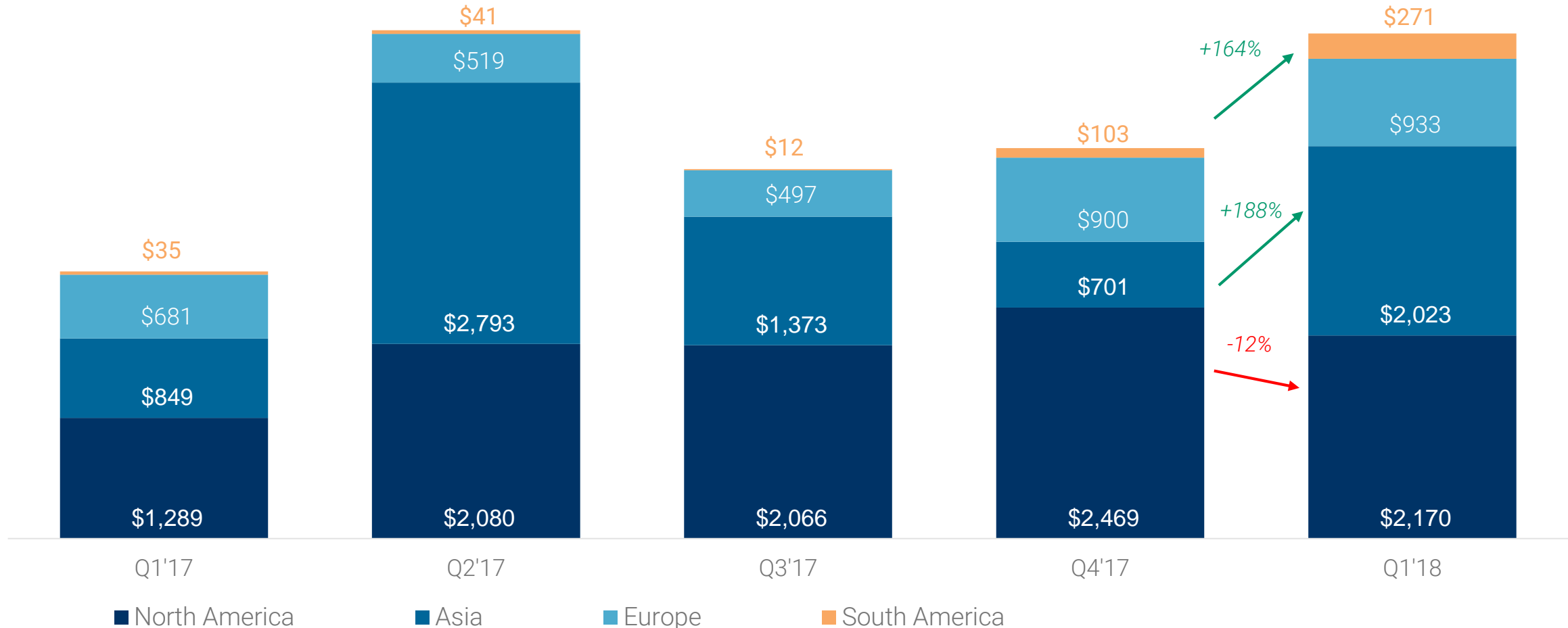
North America sees biggest fintech deals jump

Global VC-backed fintech deal share by continent, Q1'17 – Q1'18, (\$M)



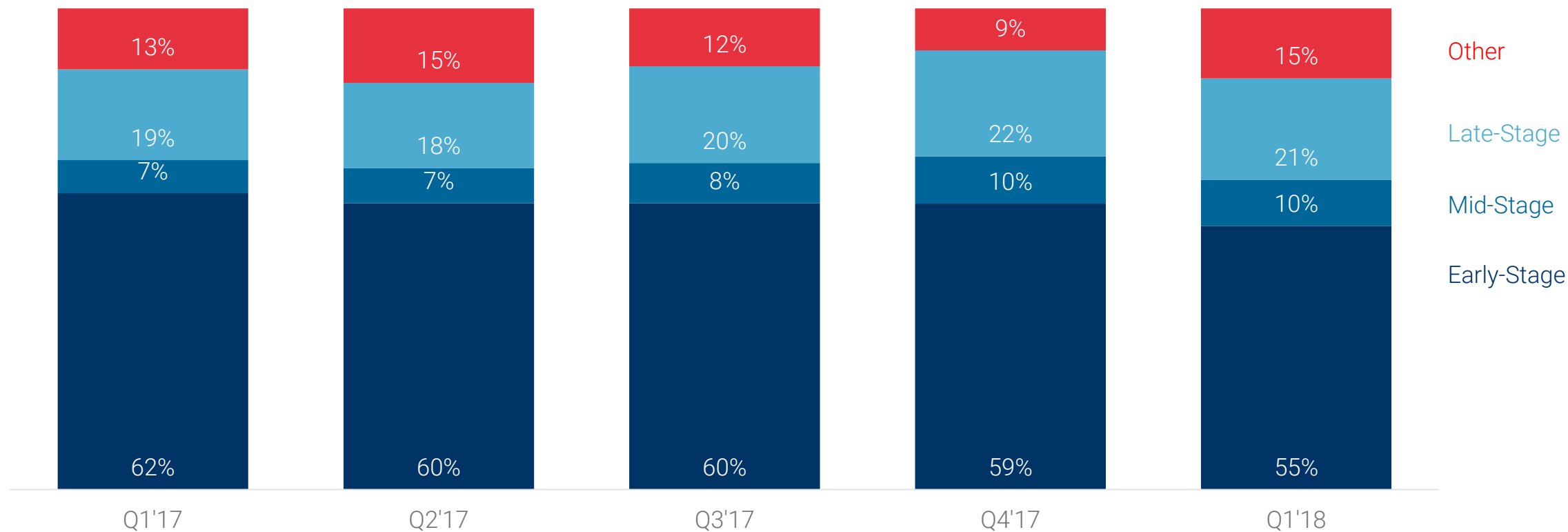
South America, Asia see biggest funding growth

Global VC-backed fintech funding share by continent, Q1'17 – Q1'18, (\$M)



Early-stage fintech deal drops to 5-quarter low

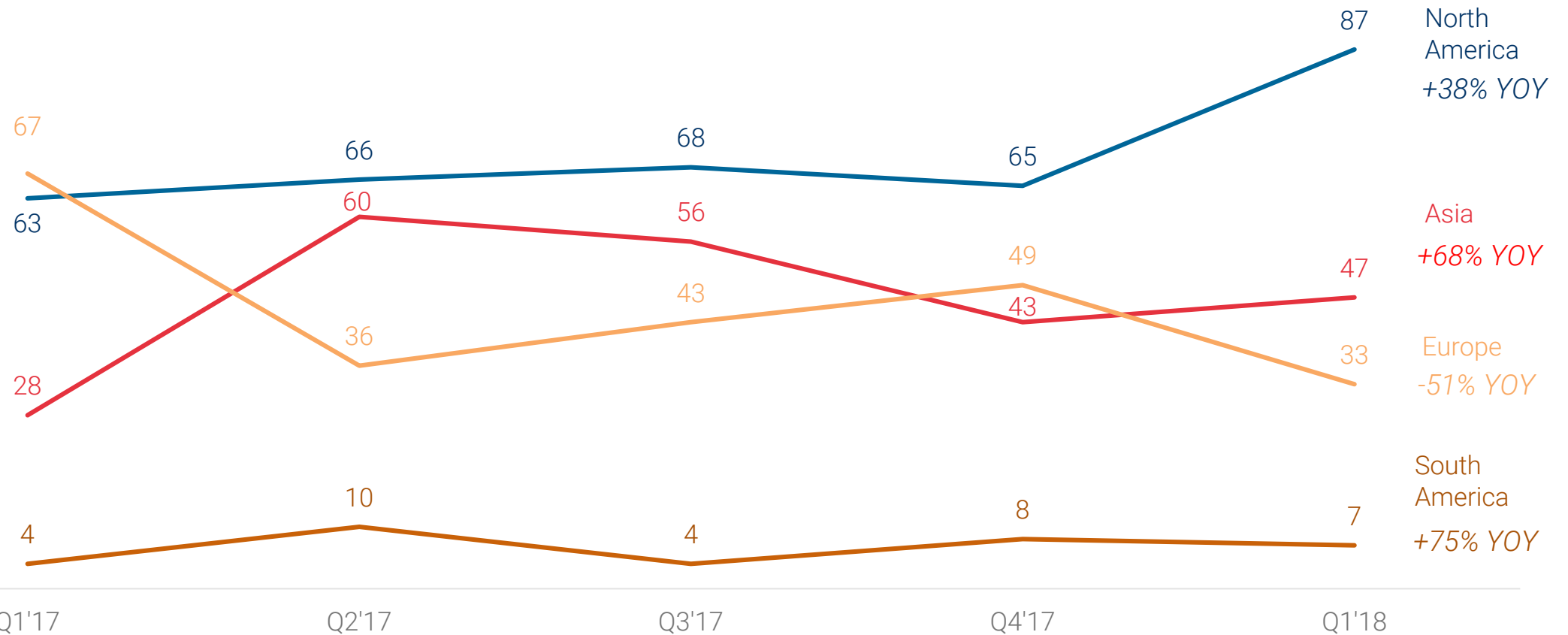
Quarterly deal share by stage to global VC-backed fintech companies, Q1'17 – Q1'18



EARLY-STAGE FINTECH ACTIVITY STRONG IN US & ASIA IN Q1'18

US early-stage fintech deals hit a 5-quarter high

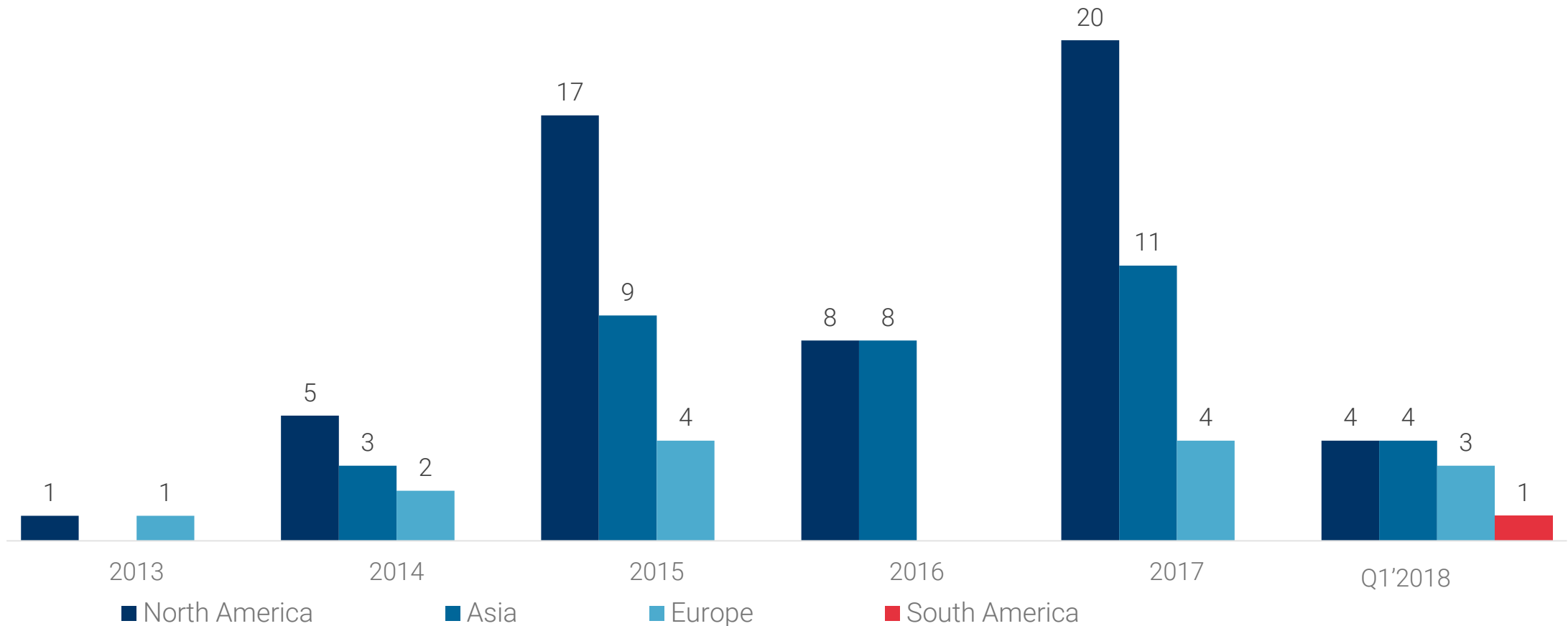
Annual Seed and Series A deals to VC-backed fintech startups, Q1'17 – Q1'18



INVESTORS CONTINUE TO MAKE MORE CONCENTRATED BETS IN FINTECH

Q1'18: 12 fintech mega-rounds total \$2.2B

Global number of fintech mega-rounds (\$100M+), 2013 – Q1'18

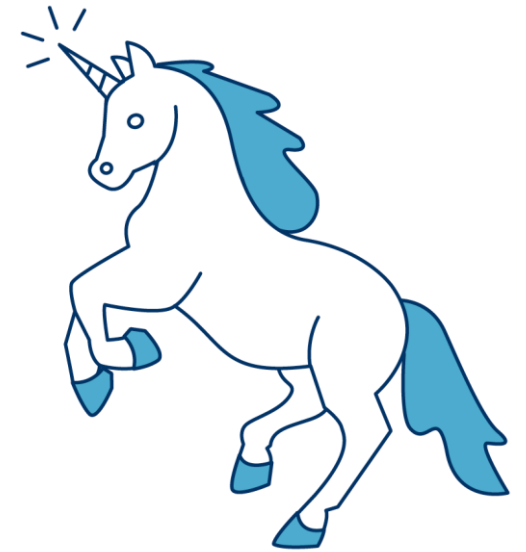


Globally there are

26 Fintech Unicorns

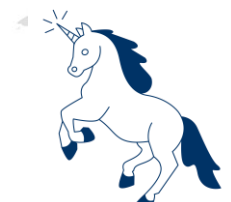
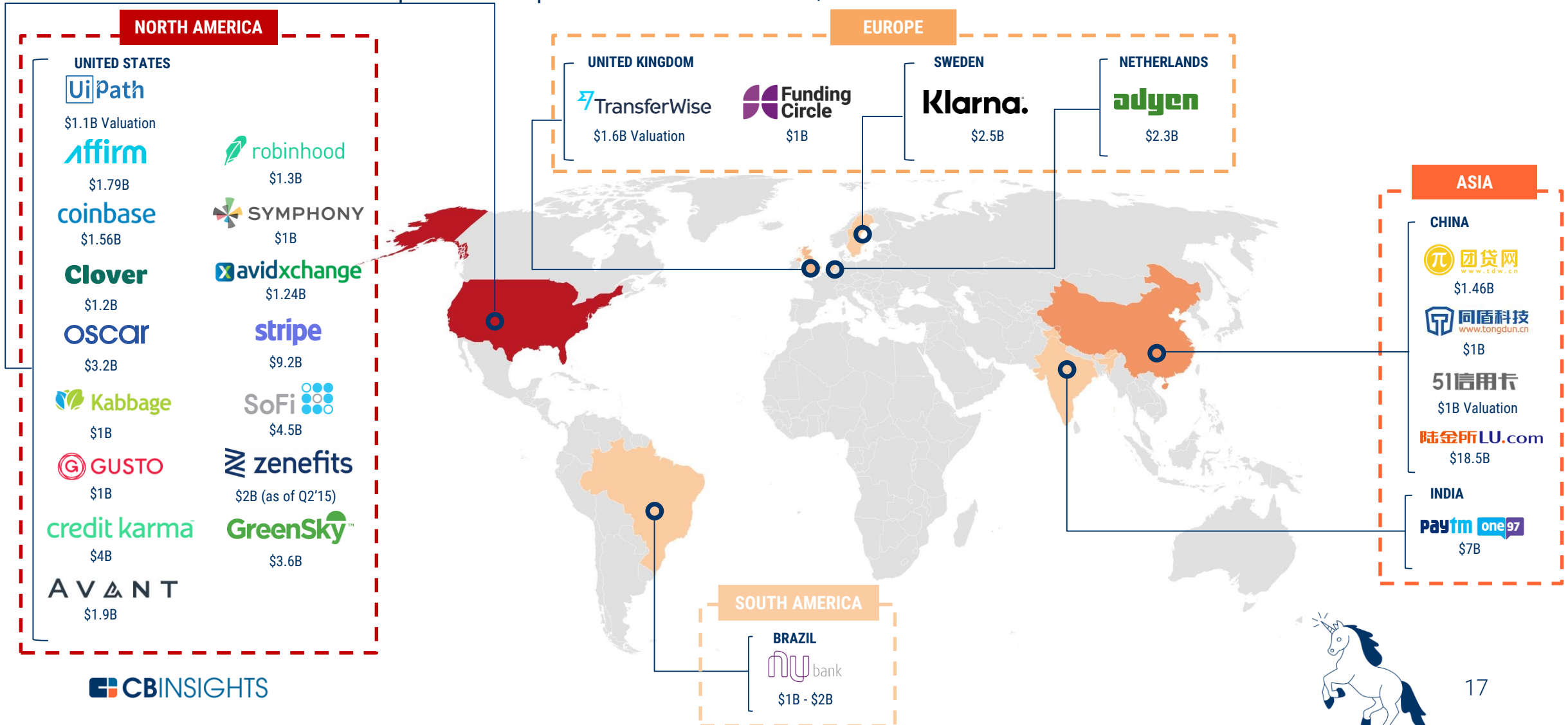
Valued, in aggregate, at

\$77.6 Billion



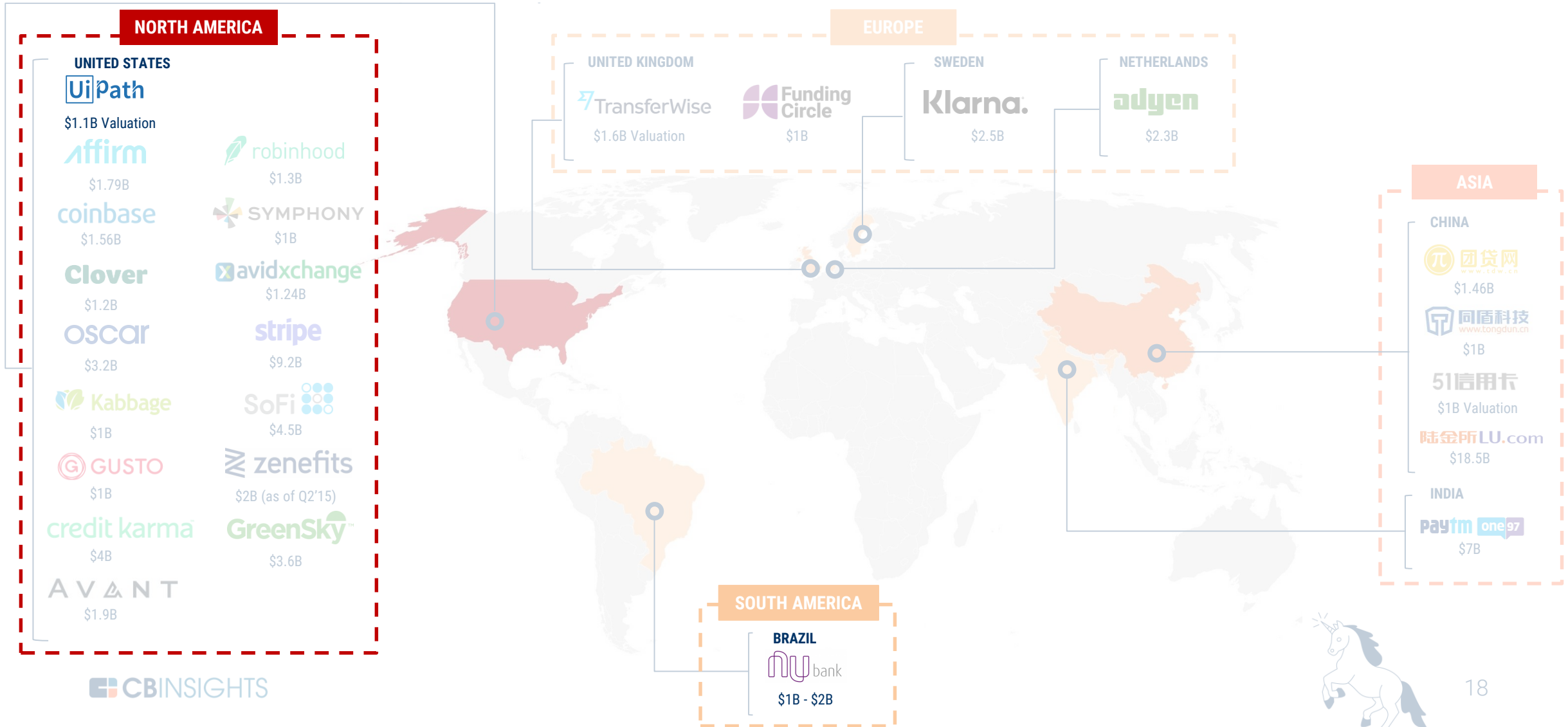
26 fintech unicorns valued at \$77.6B

Global VC-backed fintech companies with a private market valuation of \$1B+



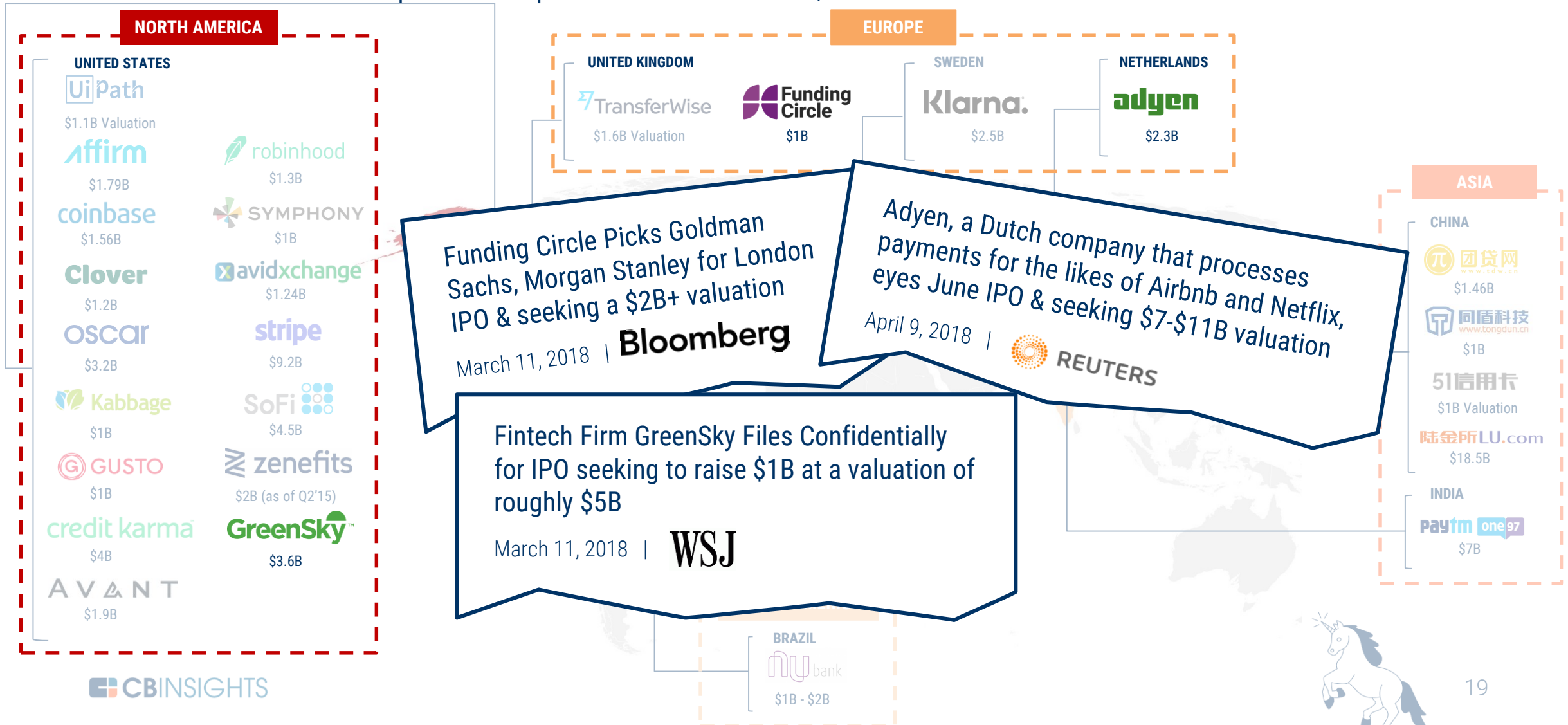
Q1'2018 sees 2 fintech unicorn births

Global VC-backed fintech companies with a private market valuation of \$1B+



Rumored IPOs to watch for in 2018

Global VC-backed fintech companies with a private market valuation of \$1B+



GLOBAL VC-BACKED FINTECH IN Q1'18

Top deals & investors



Top 11 global fintech deals in Q1'18

The top 11 deals to VC-backed fintech companies were all mega-rounds

Company	Deal Date // Amount	Total Disclosed Funding (M)	Select Investors	Description
 金融壹账通 ONECONNECT	Jan'18 // \$650M	\$650M	IDG Capital and SBI Group	A spin-out from Ping An and provides a platform for financial account management for SMBs.
 Atom	Mar'18 // \$206.9M	\$514M (\$1.25B Valuation)	BBVA, Toscafund	Mobile-only bank – or ‘challenger bank’ – for retail banking services that allows customers to open accounts remotely, using just a mobile application
 oscar	Mar'18 // \$165M	\$892.5M (\$3.2B Valuation)	Founders Fund, General Catalyst, Khosla Ventures, Thrive Capital, 8VC, capitalG	Tech-enabled health insurance carrier
 Wecash 闪银奇异	Mar'18 // \$160M	\$266.6M	Forebright Capital Management, Lingfeng Capital	Alternative credit risk monitoring and assessment platform for individuals
 N26	Mar'18 // \$160M	\$212M (\$500-\$750M Valuation)	Allianz X, Tencent Holdings	German-based ‘challenger bank’ for retail banking services that allows customers to open accounts remotely using just a mobile application
















































Top 11 global fintech deals in Q1'2018 (continued)

2 of the top 11 deals to VC-backed fintech companies created new unicorns

Company	Deal Date // Amount	Total Disclosed Funding (M)	Select Investors	Description
	Mar'18 // \$153M	\$183M (\$1.1B Valuation)	Accel, capitalG, Credo Ventures, Earlybird Venture Capital, Kleiner Perkins Caufield & Byers	Robotic process automation (RPA) software solutions for back office automation
	Mar'18 // \$150M	\$605M (\$1-\$2B Valuation)	Ribbit Capital, Thrive Capital, DST Global, Founders Fund, QED, Redpoint Ventures	Brazil-based 'challenger bank' for retail banking services that allows customers to open accounts remotely using just a mobile application.
	Feb'18 // \$145.97M	\$146M	Lightspeed China Partners, Fullshare Group, Gobi Partners, Morningside Venture Capital	China-based alternative lending platform
	Mar'18 // \$110M	\$229M	Founders Fund, Google Ventures, New Enterprise Associates, Sun Life Financial	Insurance platform for SMBs that administers medical, pharmacy, dental, and vision claims on a single platform on behalf of its customers.
	Mar'18 // \$100M	\$172M (\$800M Valuation)	China Minsheng Investment, SBI Group, Korea Investment Partners	Digital brokerage for retail investors to access equity and crypto market
	Feb'18 // \$100M	\$199M (\$495M Valuation)	Mithril Capital Management, Mubadala Investment Co, Union Square Ventures	Digital marketplace for buyers and sellers of working capital financing

























The most active fintech VCs from Q1'17 – Q1'18

By unique fintech company investments (new or follow-on)

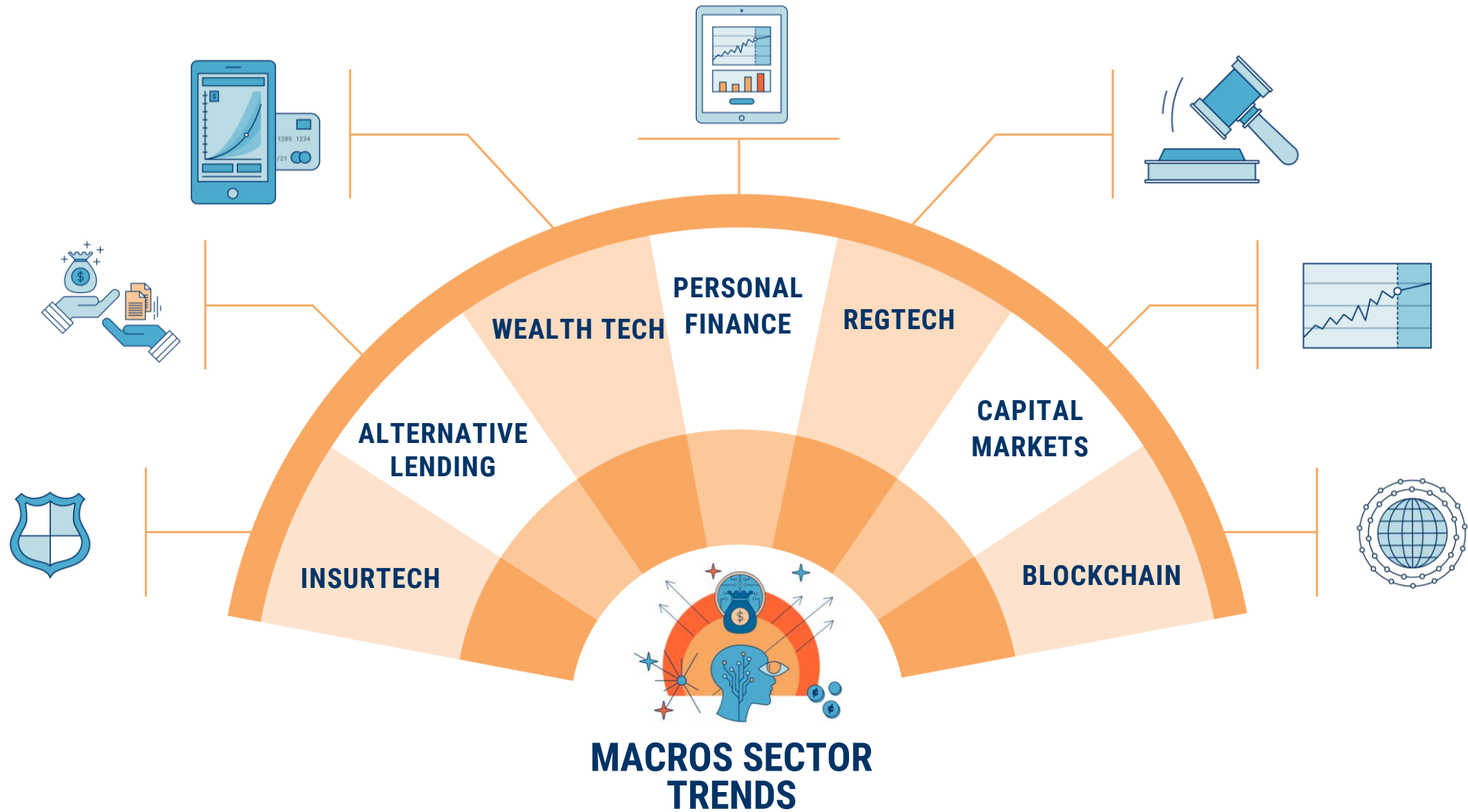
Rank	Investor	Select Q1'17 – Q1'18 Fintech Investments
1	500 startups	           
2	Ribbit Capital	           
3	CEFIF 宜信新金融产业投资基金 CREDITASE FINTECH INVESTMENT FUND	        
4	 Index Ventures	      
5	NEA	     

The most active fintech VCs from Q1'17 – Q1'18

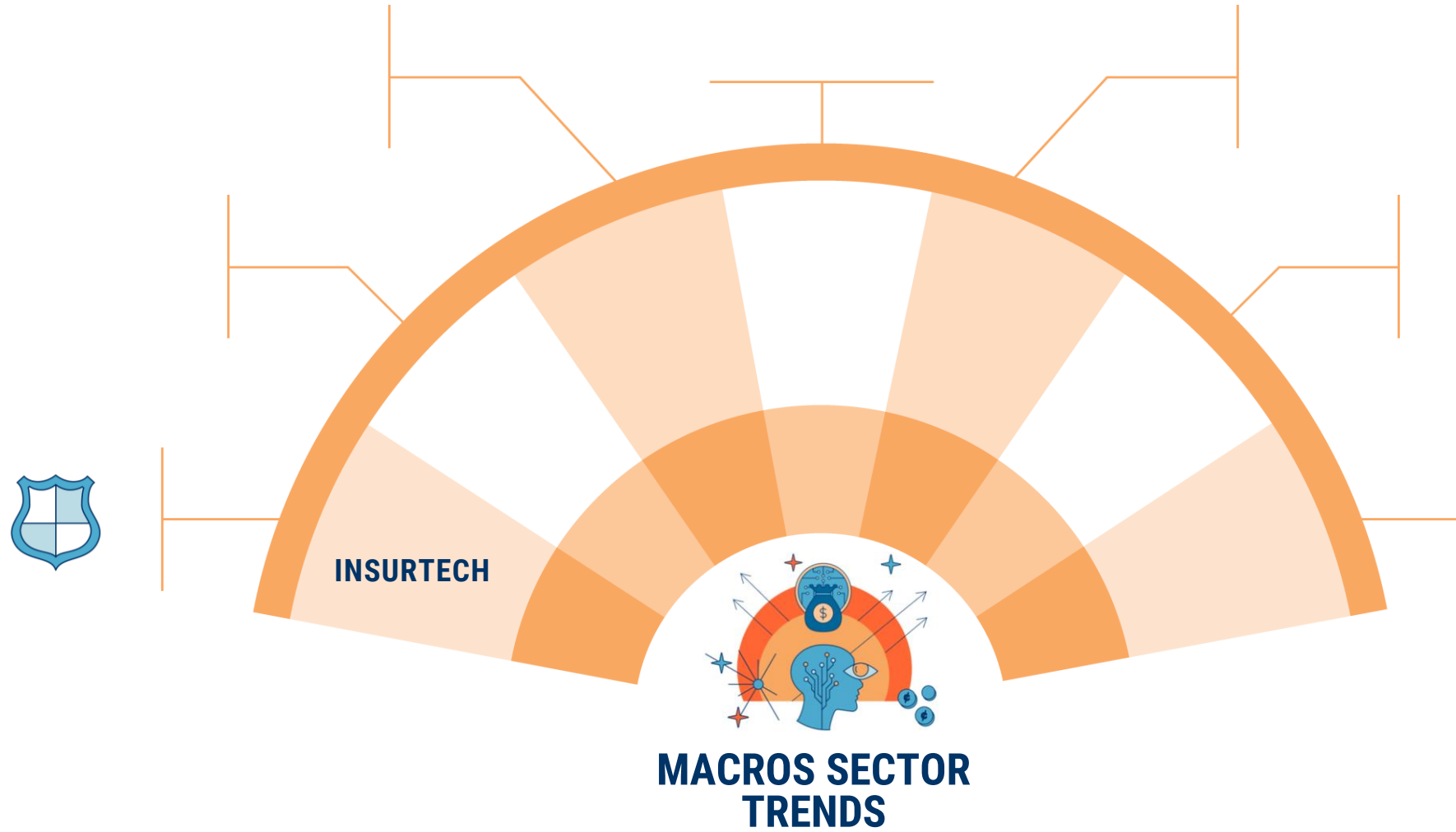
By unique fintech company investments (new or follow-on)

Rank	Investor	Select Q1'17 – Q1'18 Fintech Investments
5	 anthemis group	      TRU=LAYER
7	 Accel	 YAPSTONE POWERING PAYMENTS  GOCARDLESS  travelbank.  UiPath  Funding Circle
7	 BESSEMER VENTURE PARTNERS	 Betterment  bread  toast  bright HEALTH™  Raise
9	 nyca	 avidxchange  openfin  roofstock  blend

GLOBAL VC-BACKED FINTECH Q1'2018

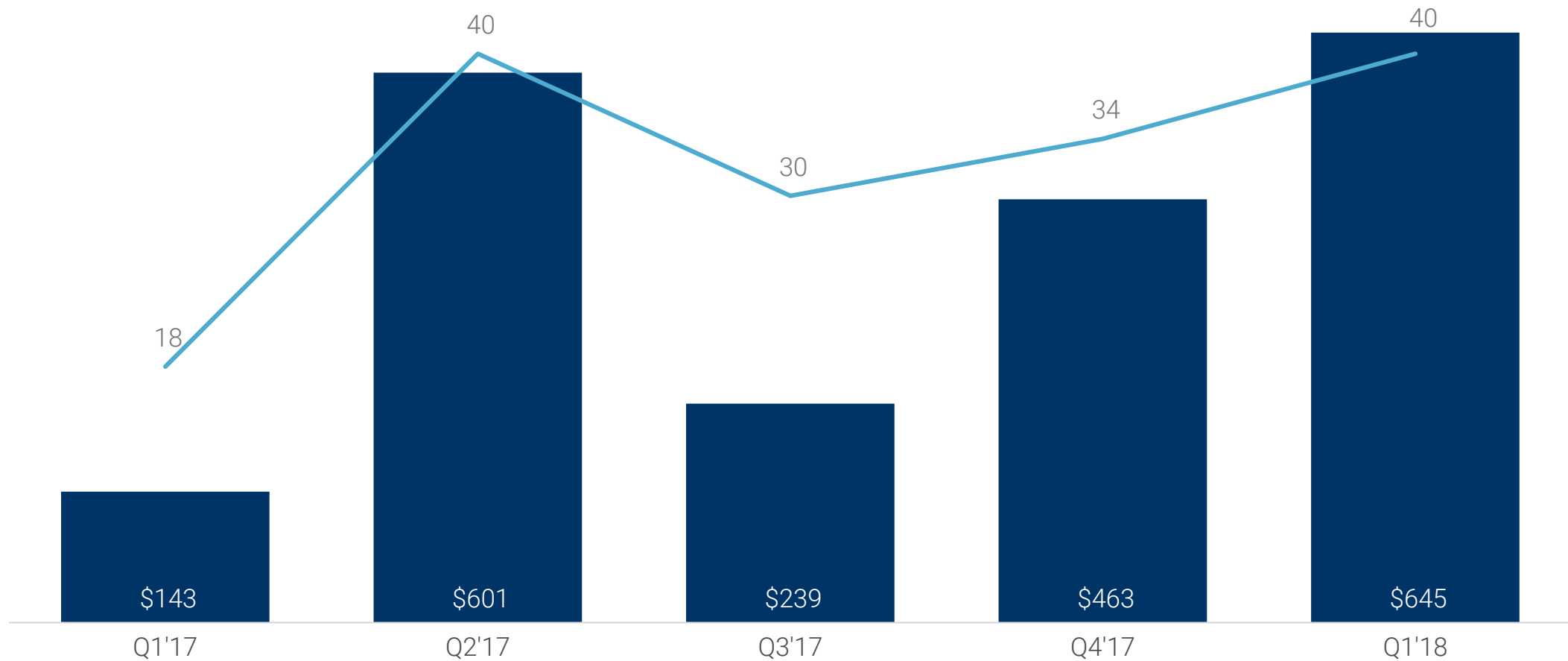


GLOBAL VC-BACKED FINTECH Q1'2018



Insurance tech deals and funding rebound in Q1'18

Global VC-backed insurance tech financing trends, Q1'17 – Q1'18, (\$M)



Carriers cap off big funding quarter for insurance tech

OSCAR

Mar'18 // \$165M Series D

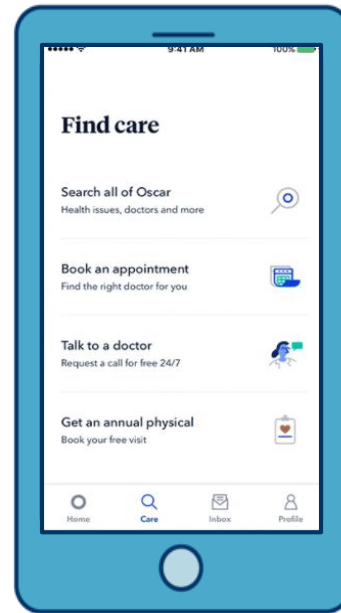
\$3.2B Valuation

Select Investors:

Founders Fund, General Catalyst, Khosla Ventures, Thrive Capital, 8VC, capital

Q1'18 announcements:

- Multi-year quota-share reinsurance agreement with AXA
- Estimated 15% share of individual market in Cleveland Clinic-Oscar plan
- Forecasted to grow to 260K members in 2018



ROOT

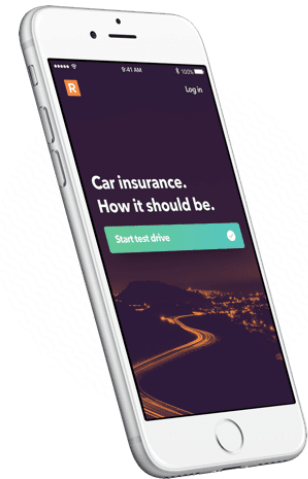
Mar'18 // \$51M Series C

Select Investors:

Redpoint Ventures, Ribbit Capital, Scale Venture Partners, Drive Capital

Description:

- Root Insurance's mobile app tests driving habits for 2-3 weeks including mileage, hard braking, dangerous routes, driving regularity, and time of day before insuring "good drivers."
- Expanded to 11 states in Q1'18 (now in 16 states)
- 100K+ installs in Google Play store



Cyber insurance becomes new area of early-stage investments

Select Q1'18 investments:



Coalition™

- \$10M Series A from VY Capital and Ribbit Capital
- Cyber insurance managing general agent for Swiss Re and Argo Group
- Offers online portal for retail brokers as well as free cybersecurity tools

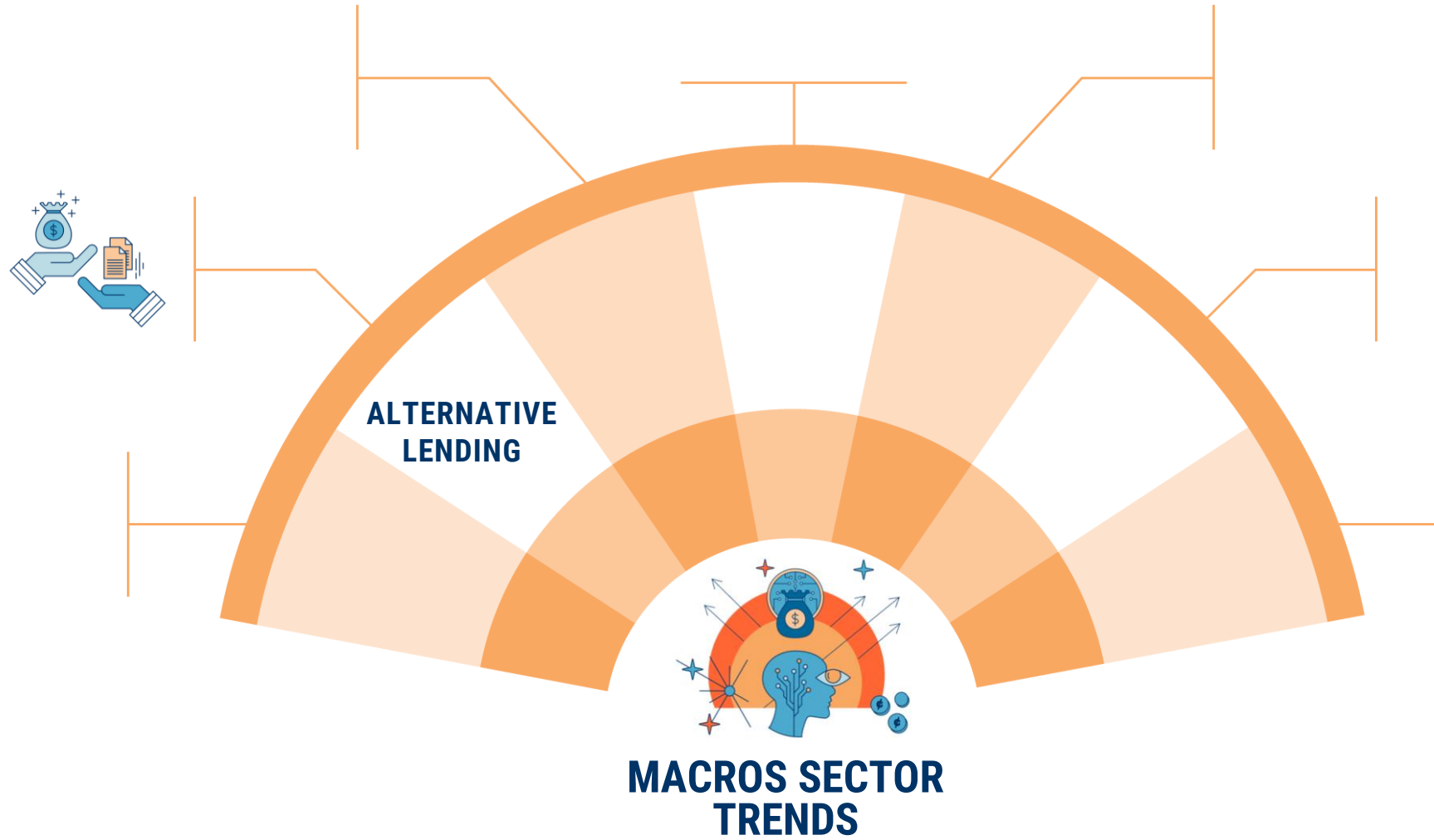


- \$4M seed round from investors including Lightbank
- Cyber insurance broker providing up to \$1M in cyber liability coverage
- Free phishing and company cyber risk assessment



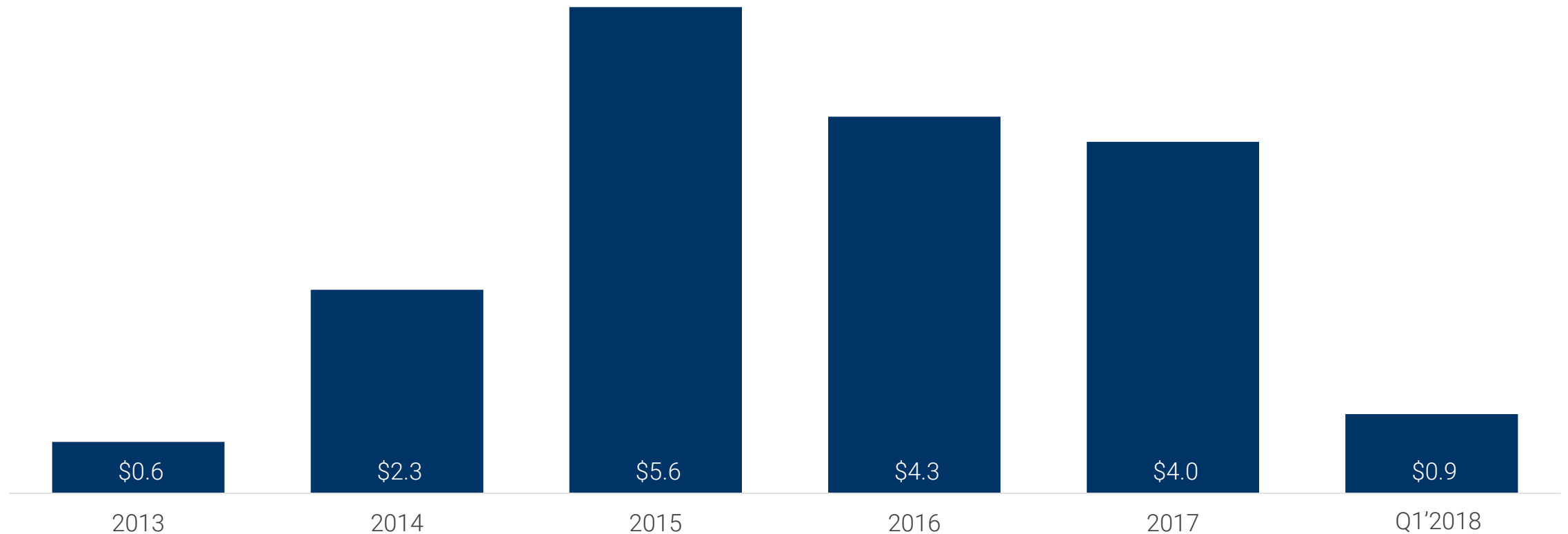
- Investors include ForgePoint Capital and Symantec Ventures
- Cyber risk analytics platform spun out of Symantec
- Data license from Symantec to augment Cybercube risk models.

GLOBAL VC-BACKED FINTECH Q1'2018



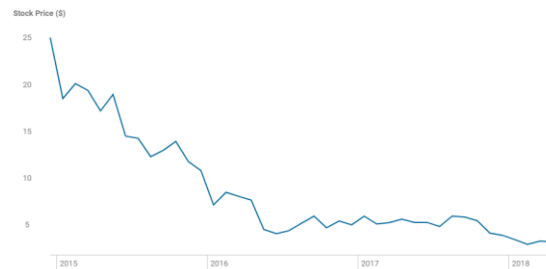
Investment to alternative lending startups is on pace for a new low in 2018

Global alternative lending VC-backed financing trends, 2013 – 2018 (Q1'18), (\$B)



Despite public market struggles for alternative lenders, new rivals are finding traction

Lending Club Stock Price



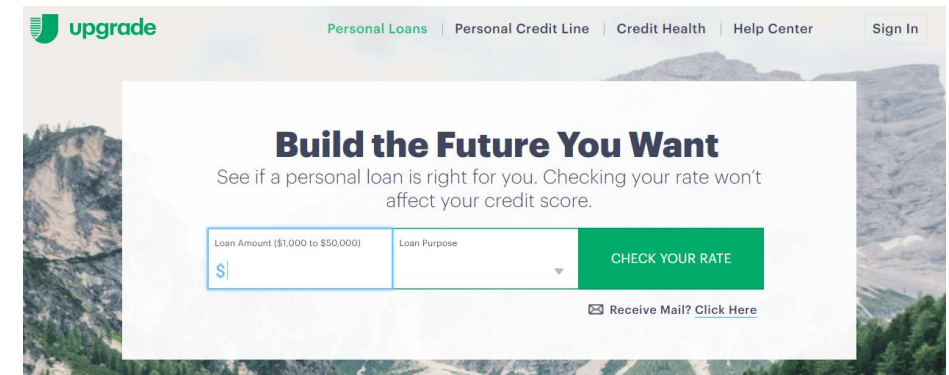
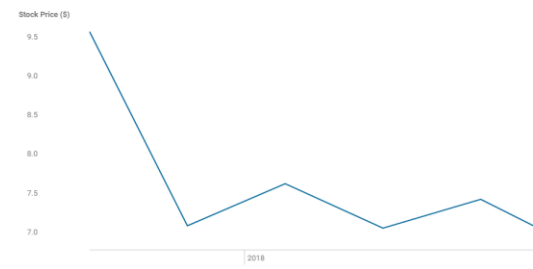
OnDeck Capital Stock Price



Qudian Stock Price



PPDai Group Stock Price



Launched by former Lending Club CEO Renaud Leplanche in 2017, Upgrade provides online personal loans up to \$50K. In April, Upgrade announced that it's originating \$100M in personal loans a month and expects to do over \$2B in originations in 2018. Upgrade raised a \$60M in Series A funding from investors including Union Square Ventures, VY Capital, CreditEase, and Ribbit Capital in March 2017, and is reportedly valued at \$180M.

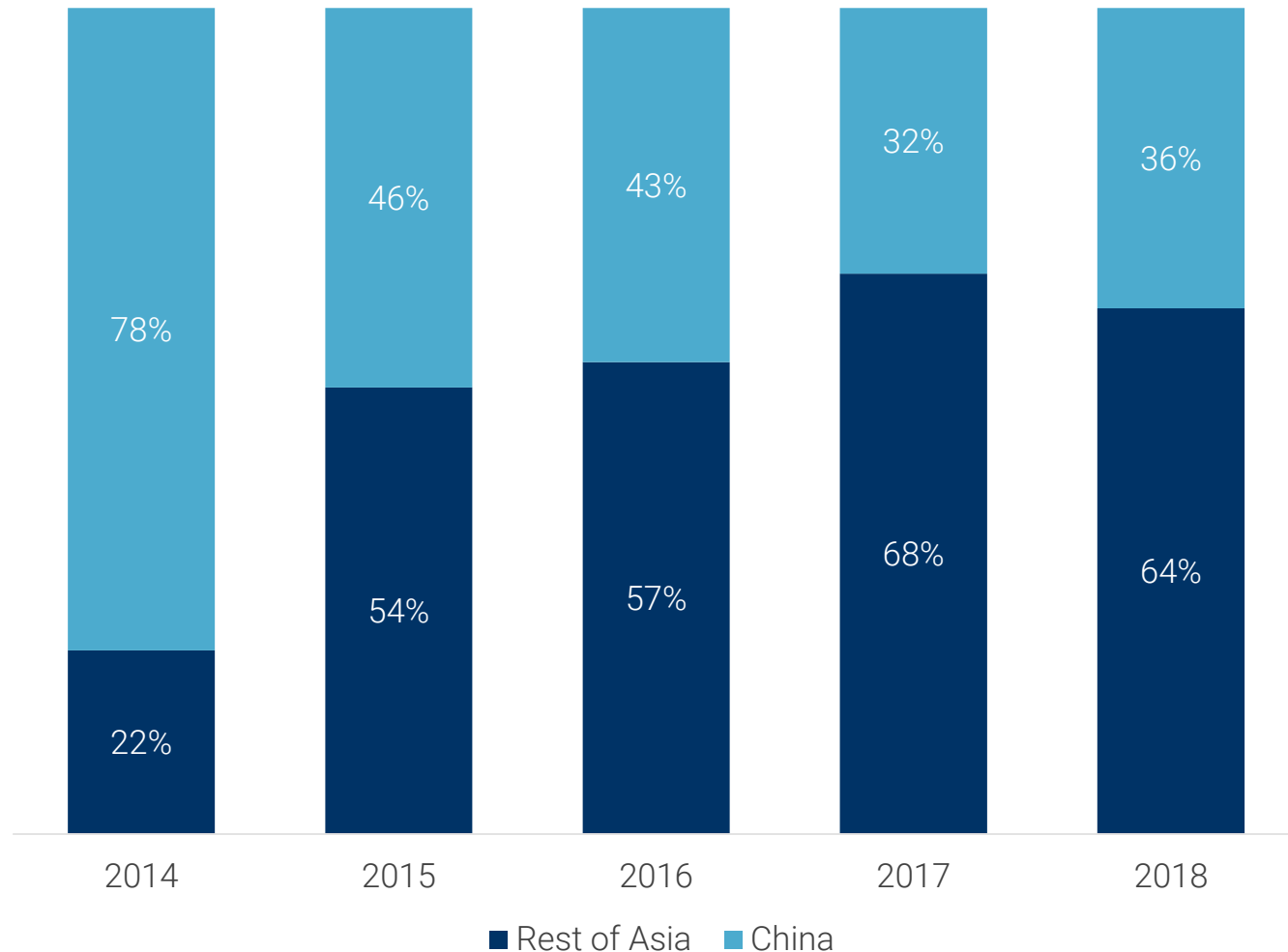
In Asia, alternative lending deals continue shift away from China

India saw a spate of alternative lending deals in Q1'18, including to small business lending firm Lendingkart (\$87M), microlender Avail Finance (\$17M), salary advance startup EarlySalary (\$15.7M), and asset-backed online lender Rupeek (\$7M).

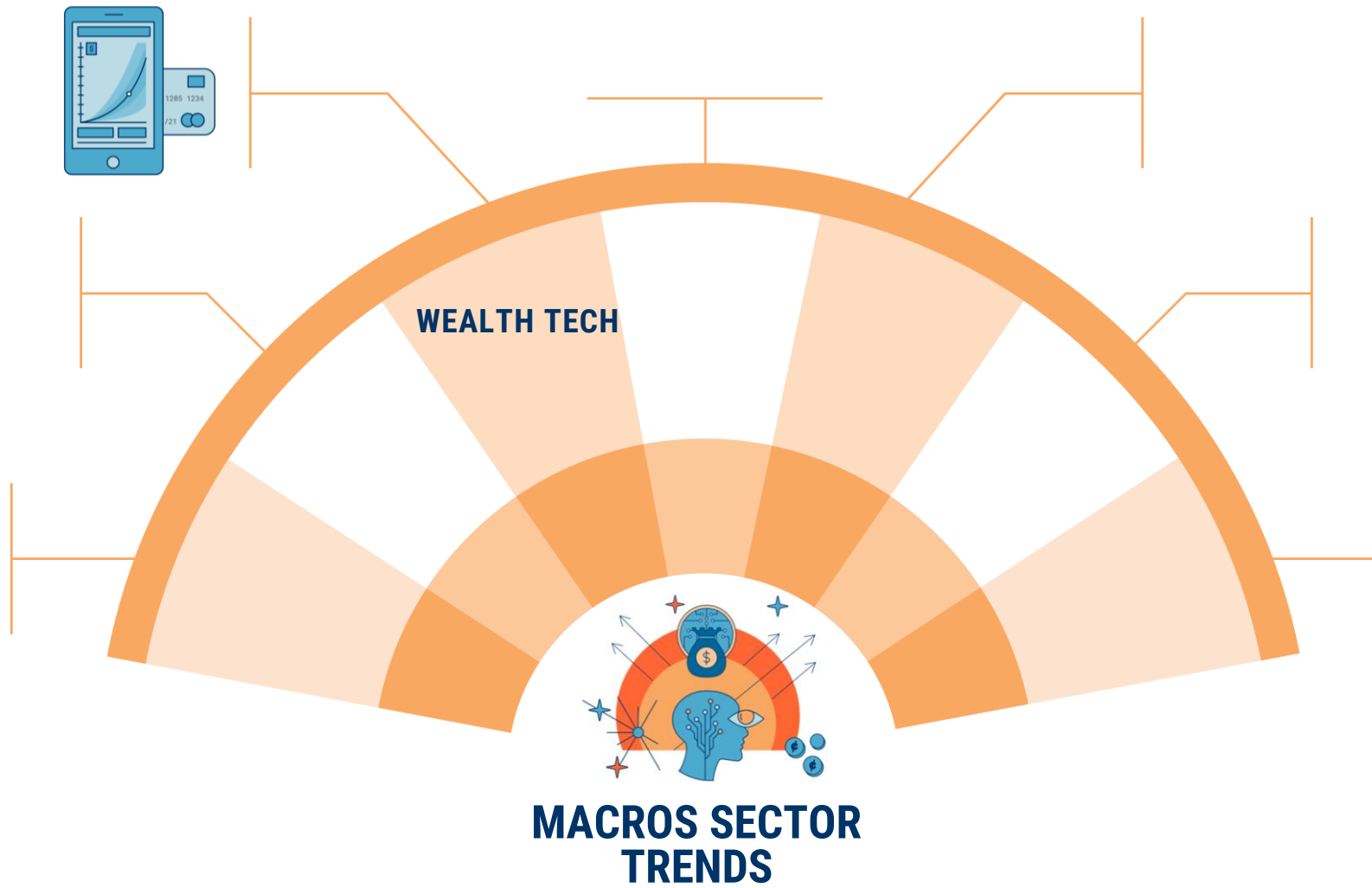


VC-backed alternative lending deal activity

China vs. rest of Asia, 2014 – 2018 (Q1'18)

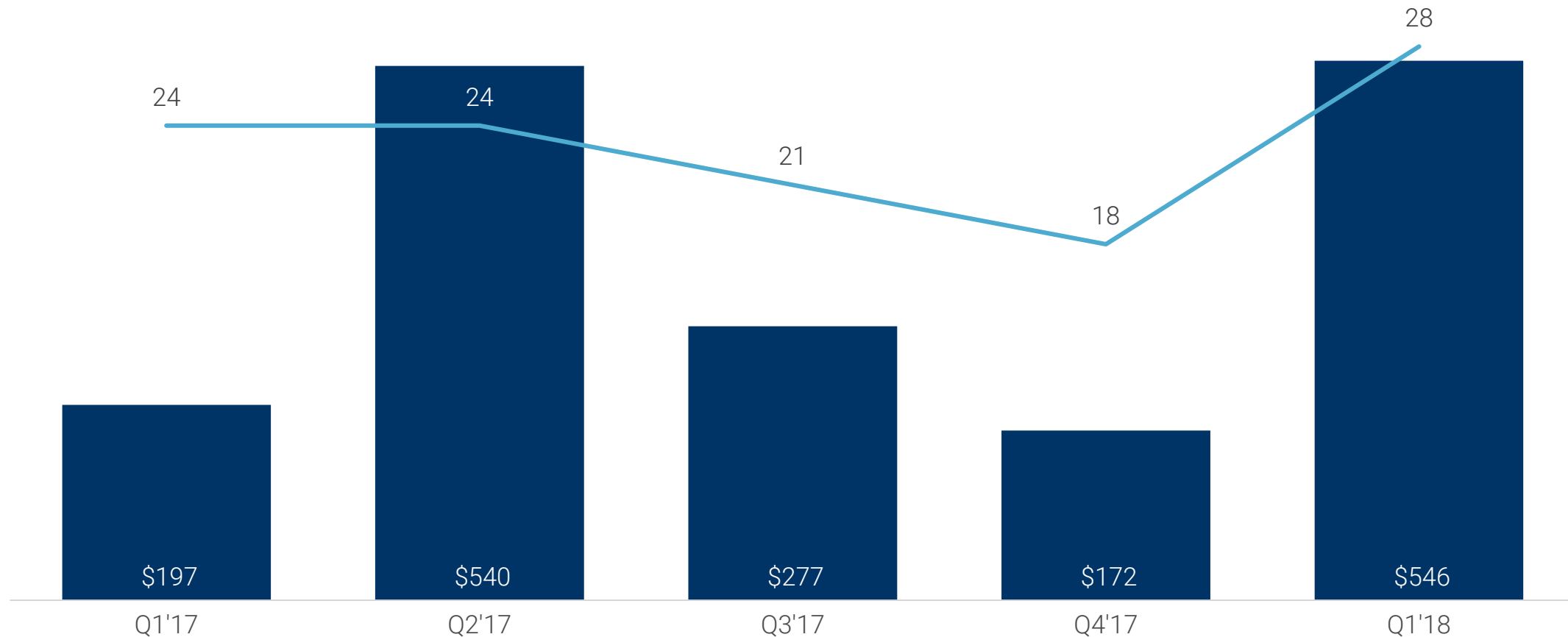


GLOBAL VC-BACKED FINTECH Q1'2018



Wealth tech deals and funding hit 5-quarter high

Global wealth tech VC-backed fintech financing trends, Q1'17 – Q1'18, (\$M)



Q1'18 wealth tech investment saw a boost from established players pursuing contrasting models



Focus: B2C technology-backed wealth management services. \$10B AUM.

Q1'18 Funding: \$75M Series G

Select Investors: Tiger Global Management, Benchmark, DAG Ventures, Greylock Partners, Index Ventures, Ribbit Capital, Social Capital, Spark Capital



Wealthfront launched in house mutual fund with 0.50% expense ratio, to introduce Risk Parity to the PassivePlus suite

February 22, 2018 **BUSINESS INSIDER**

Stash has grown to 1.7M clients. 86% of users continue to be first-time investors, looks to add bank accounts next

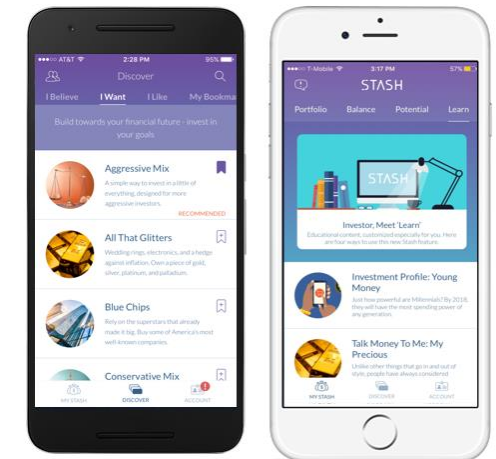
February 12, 2018 |



Focus: B2C & B2B micro-investing and automatic savings

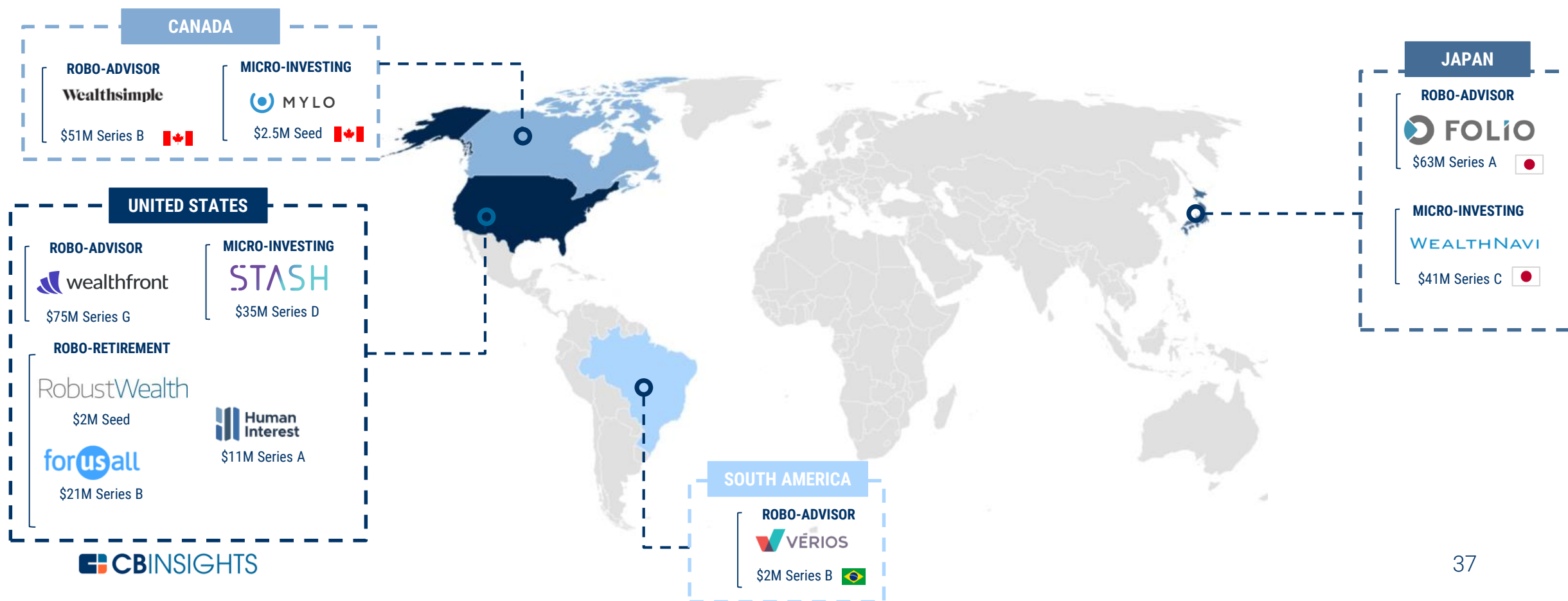
Q1'18 Funding: \$38 Series D

Select Investors: Union Square Ventures, Valar Ventures, Goodwater Ventures, Entrée Capital, Breyer Capital, Coatue Management

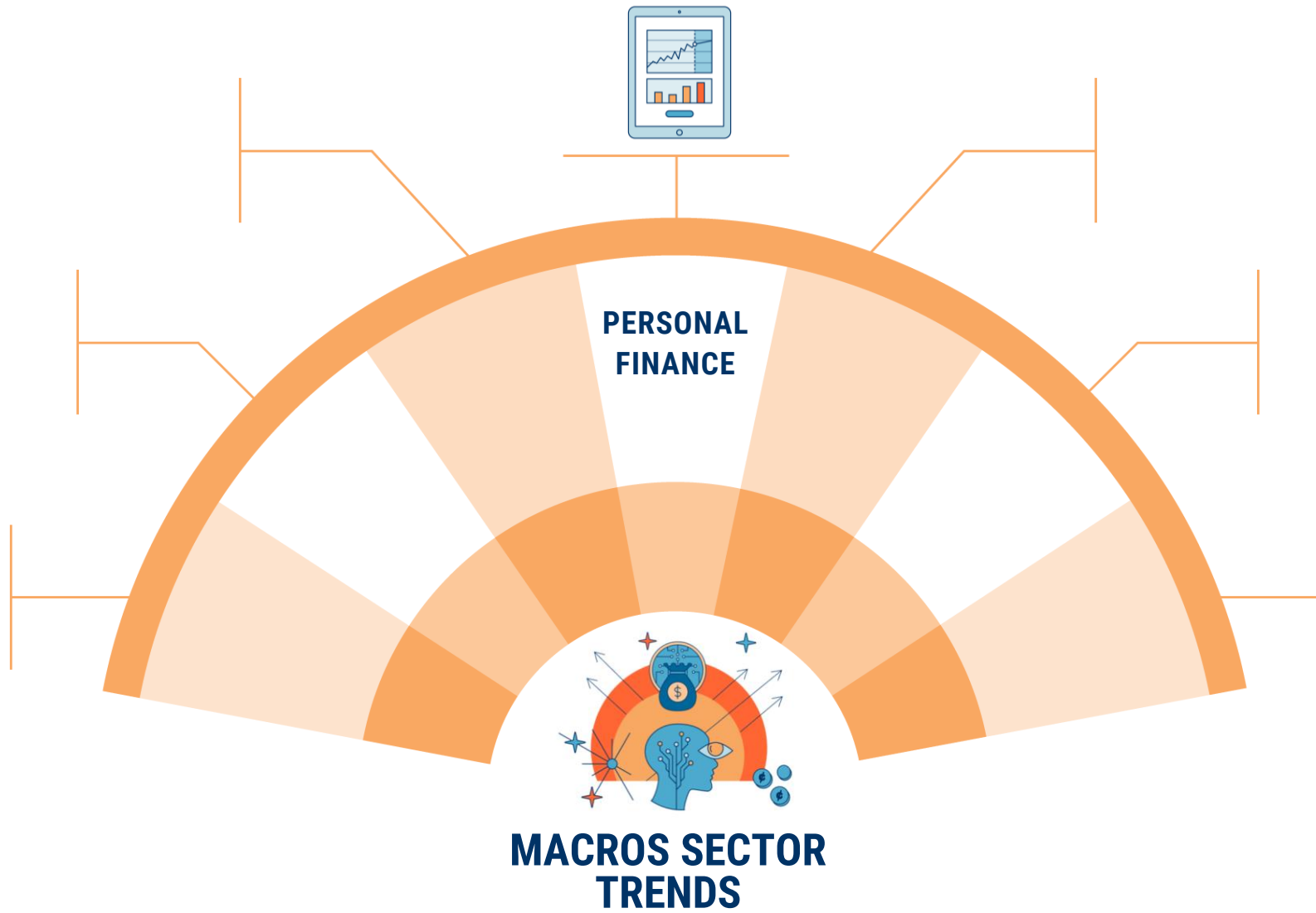


Q1'18 saw investments to robo-focused startups across different business models and markets

Select Q1'18 investments:

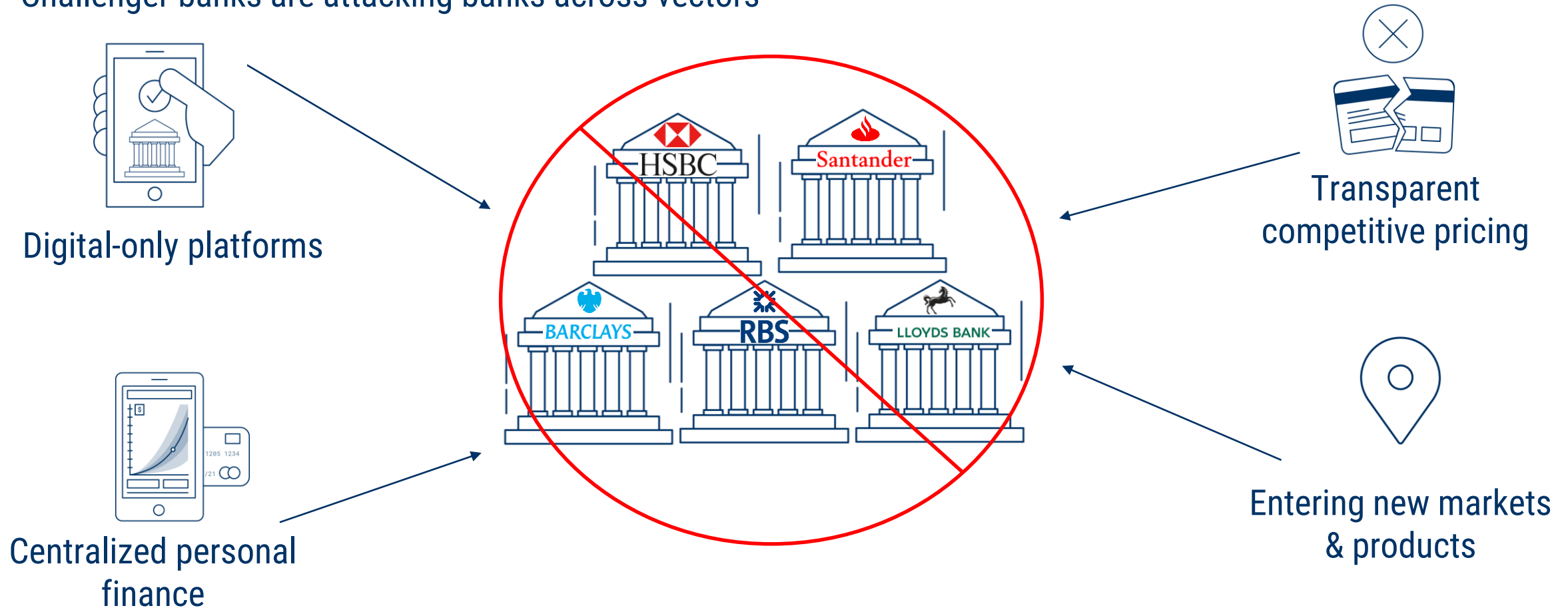


GLOBAL VC-BACKED FINTECH Q1'2018



Will challenger banks replace physical branches?

Challenger banks are attacking banks across vectors



CHALLENGE ACCEPTED

Top Q1'18 deals in Europe went to digital-first challenger banks

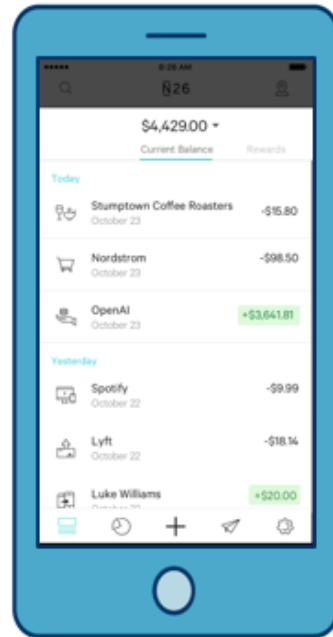
N26

Mar'18 // \$160M Series C

\$500M - \$750M Valuation

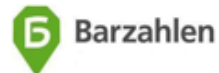
Select Investors:

Allianz X & Tencent Holdings



PARTNERS

Payments



Payments



Insurance



Lending



Savings



Wealth management

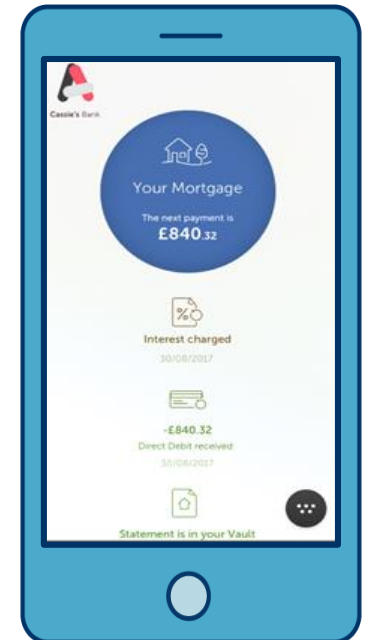


Mar'18 // \$207M Series D

\$1.25B Valuation

Select Investors:

BBVA & Toscafund Asset Management



NUBANK IS EXPANDING INTO RETAIL BANKING WITH CURRENT SAVINGS ACCOUNT



Mar'18 // \$150M Series E

\$2B Valuation

Select Investors:

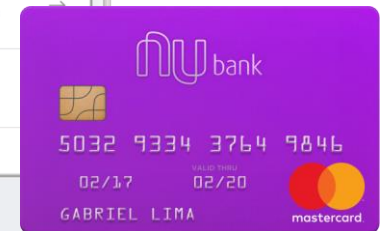
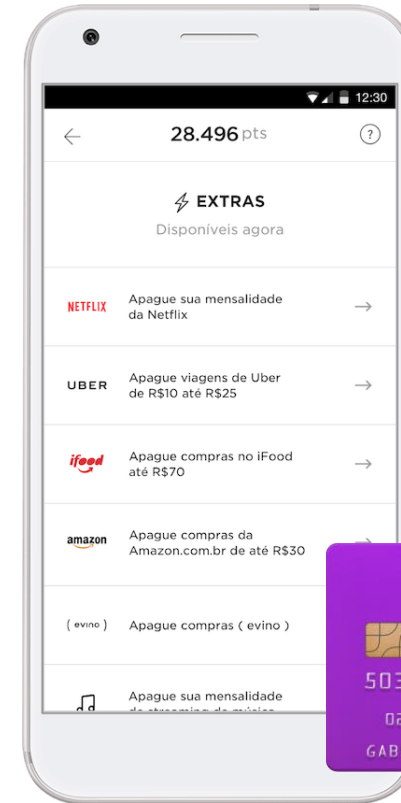
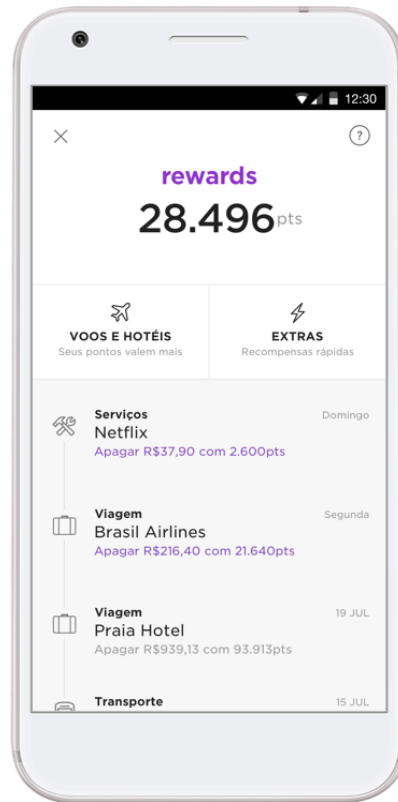
Goldman Sachs, Sequoia Capital, Tiger Global Management, Ribbit Capital, Thrive Capital, DST Global, Founders Fund, QED, Redpoint Ventures

Brazil-based Nubank is a mobile-only 'challenger bank' focused on the 60M unbanked & underbanked people in LatAm. In 2017, Nubank reported having approximately 3M customers and 850 employees.

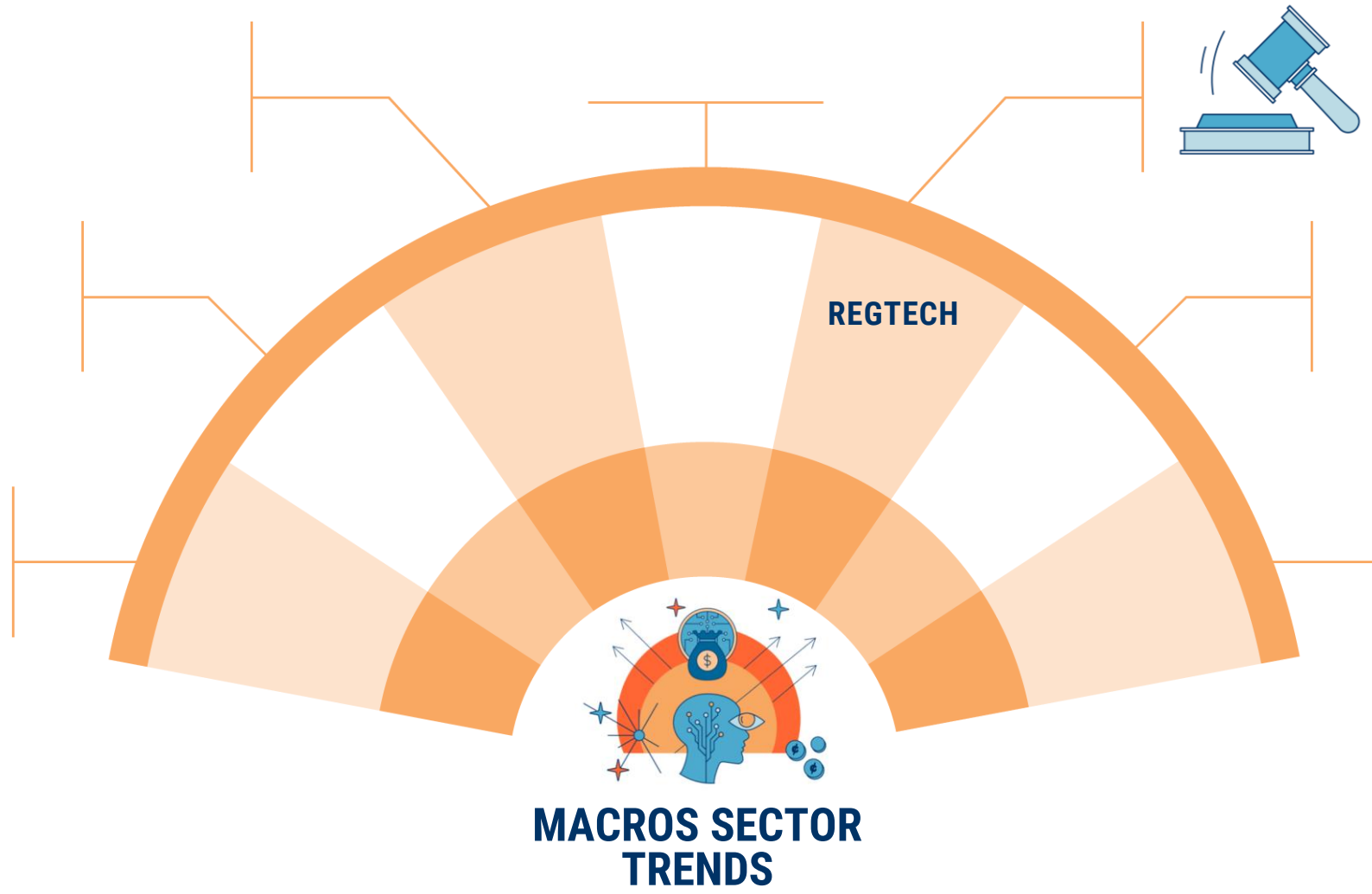
Up next, they're launching personal savings & hiring internationally.

Nubank reduces losses with client base growth
March 29, 2018 | REUTERS

Nubank launches NuCanta digital savings accounts
January 18, 2018 | EL PAÍS

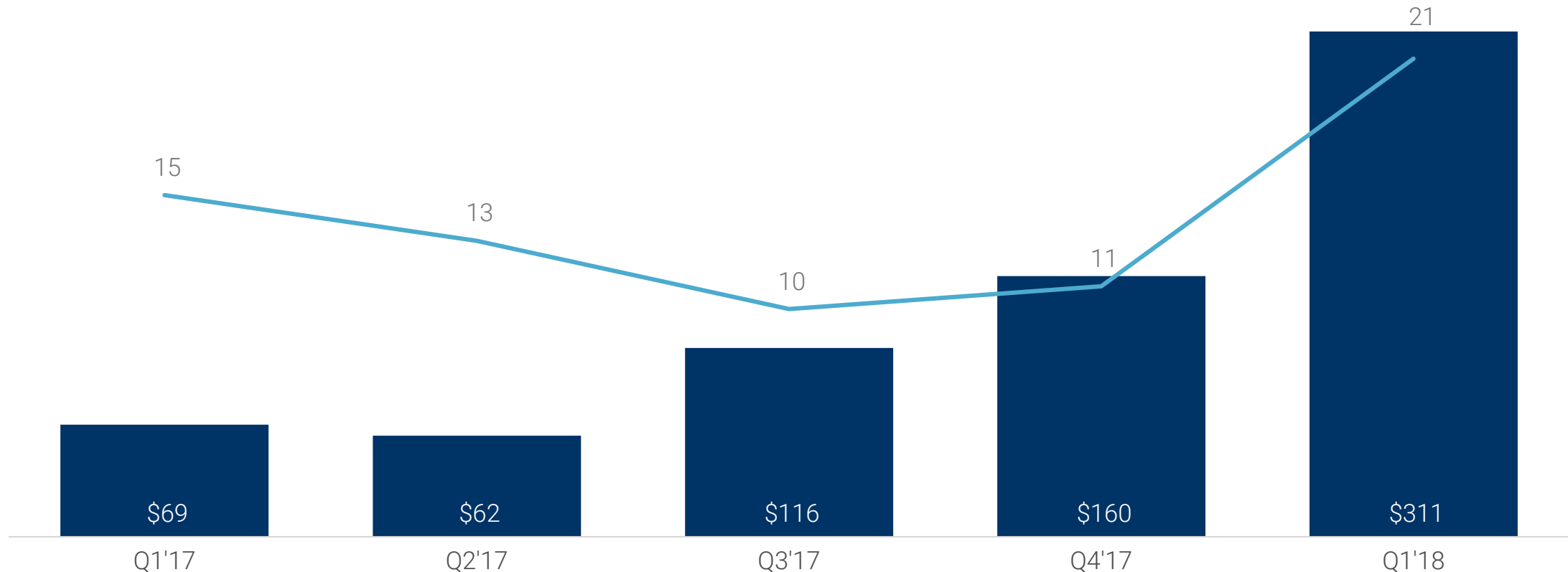


GLOBAL VC-BACKED FINTECH Q1'2018



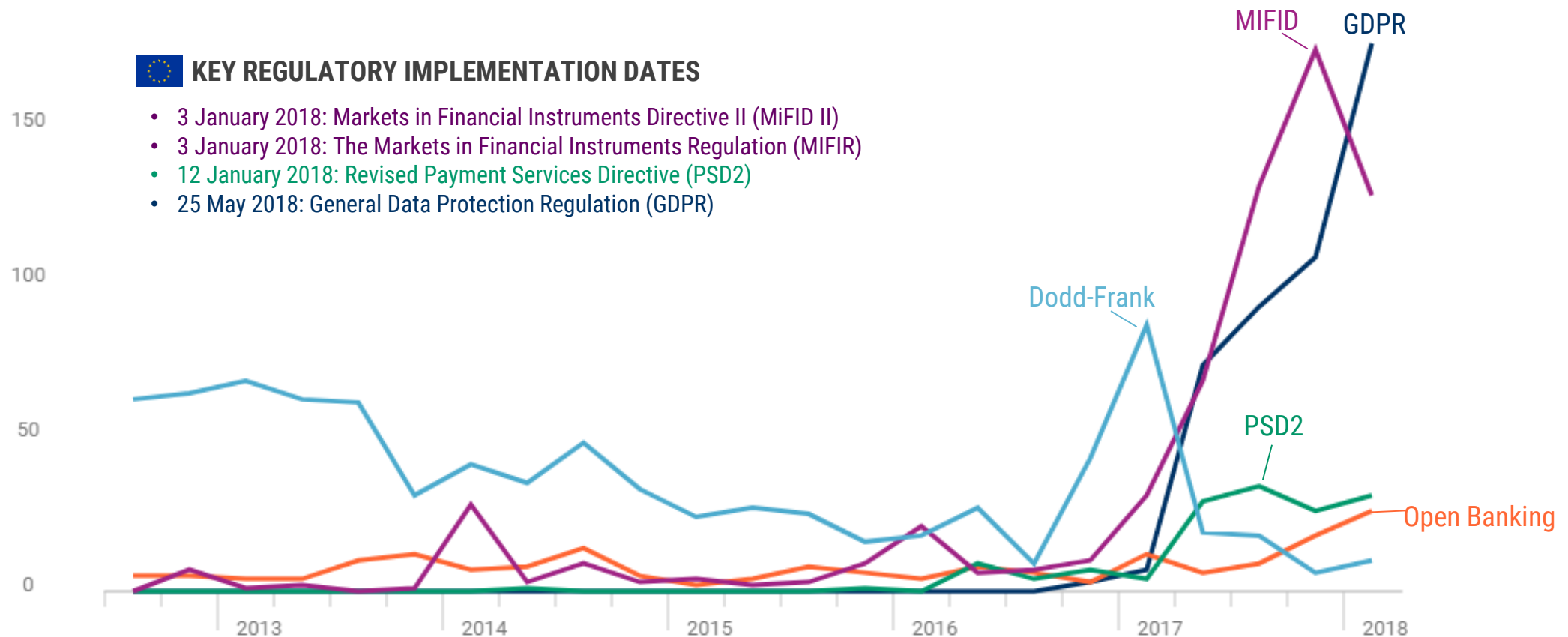
Regtech deals and funding grow as early-stage companies raise follow-on investments to scale

Global VC-backed regtech financing trends, Q1'17 – Q1'18, (\$M)



Regulations are top of mind on earnings calls ahead of implementation deadlines

Mentions of financial services regulation terms in earnings call from Q1'12 - Q4'17



Corporates boosted funding to mid- and late-stage regtechs to tackle regulatory compliance

Select Q1'18 Investments:



BEHAVIOR TRACKING

Last Funding

\$17.5M Series B



ANTI-MONEY LAUNDERING

Last Funding

Undisclosed Series B



TAX COMPLIANCE

Last Funding

\$30M Series C

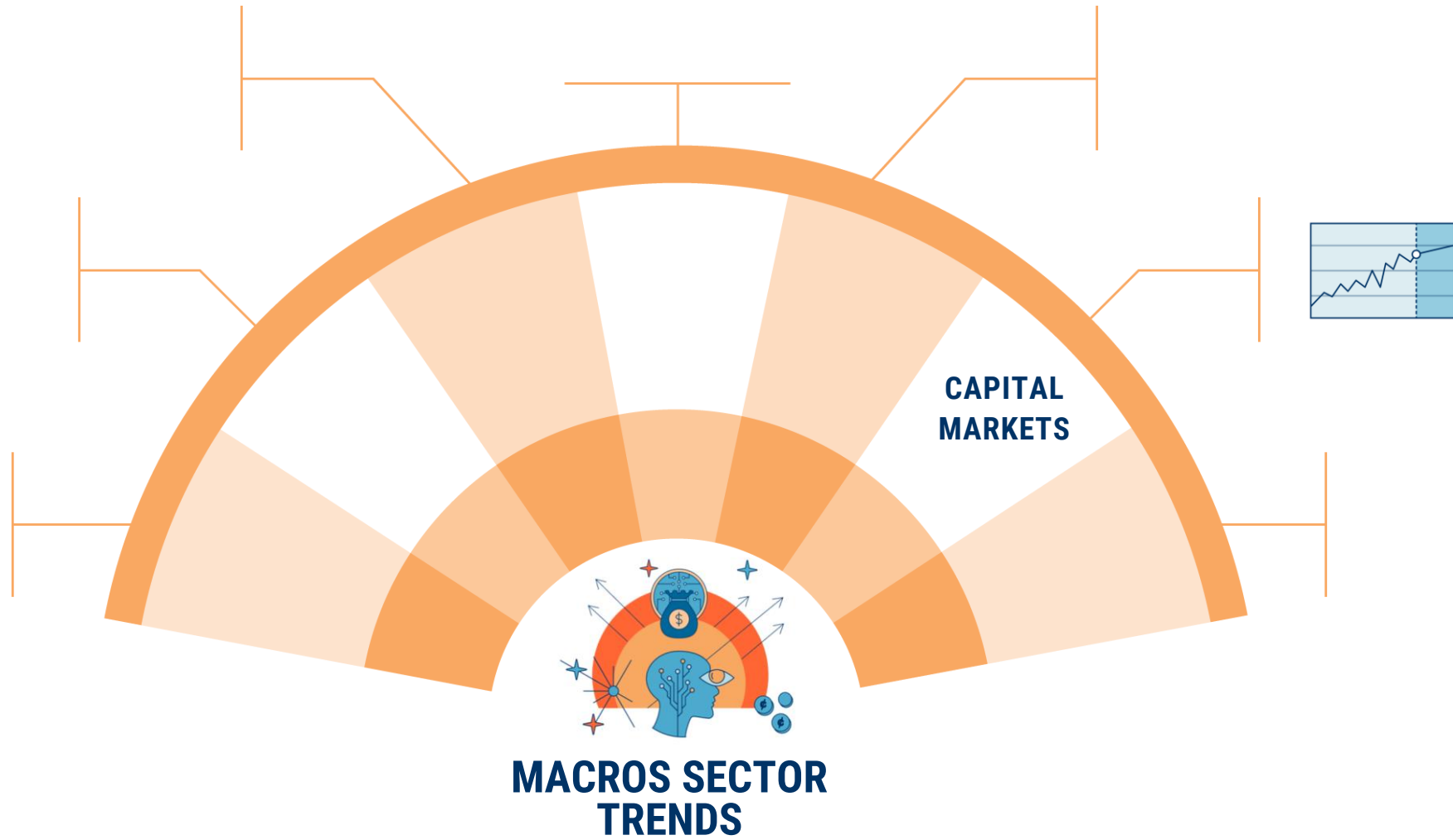


DATA RISK MANGEMENT

Last Funding

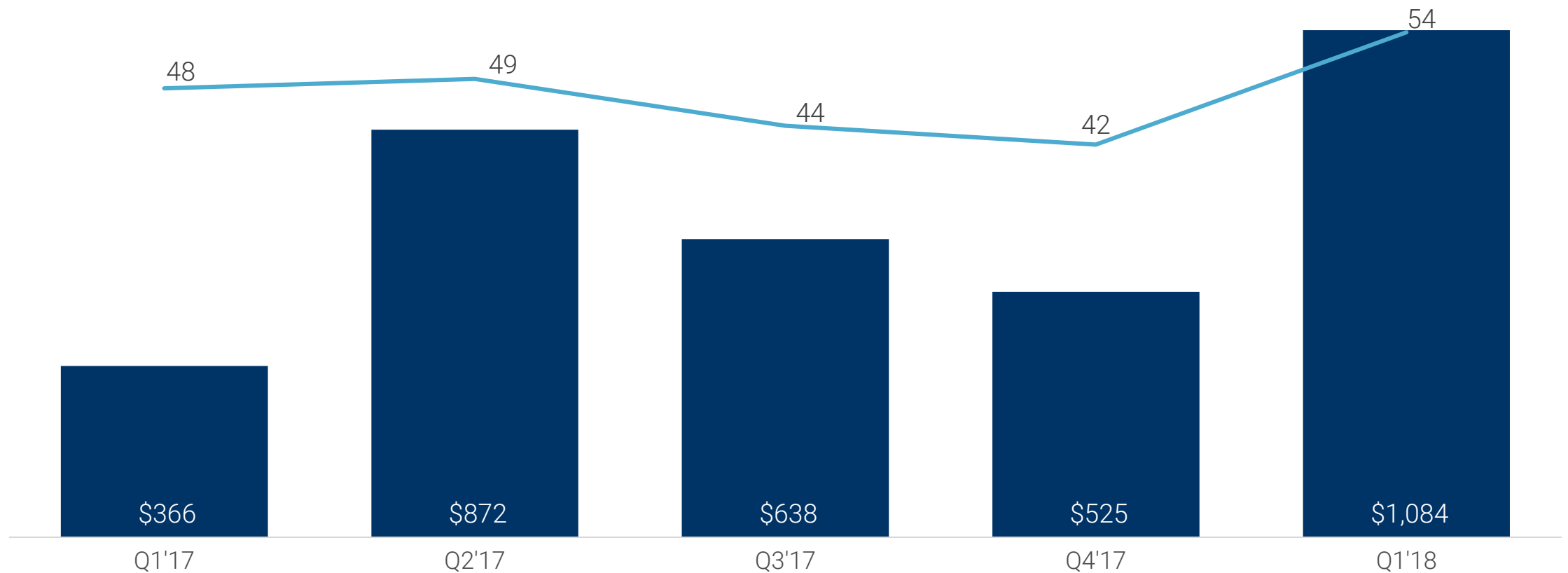
\$30M Series D

GLOBAL VC-BACKED FINTECH Q1'2018



Infrastructure is a core focus for capital markets tech investors

Global VC-backed capital markets tech financing trends, Q1'17 – Q1'18, (\$M)



AUTOMATION STILL A CORE FOCUS AREA FOR THE INDUSTRY



Last Funding

\$153M Series B // Q1'18

Valuation \$1.1B

UiPath specializes in robotic process automation, leveraging computer vision to operate the user interface layer of software more efficiently & accurately than human users.

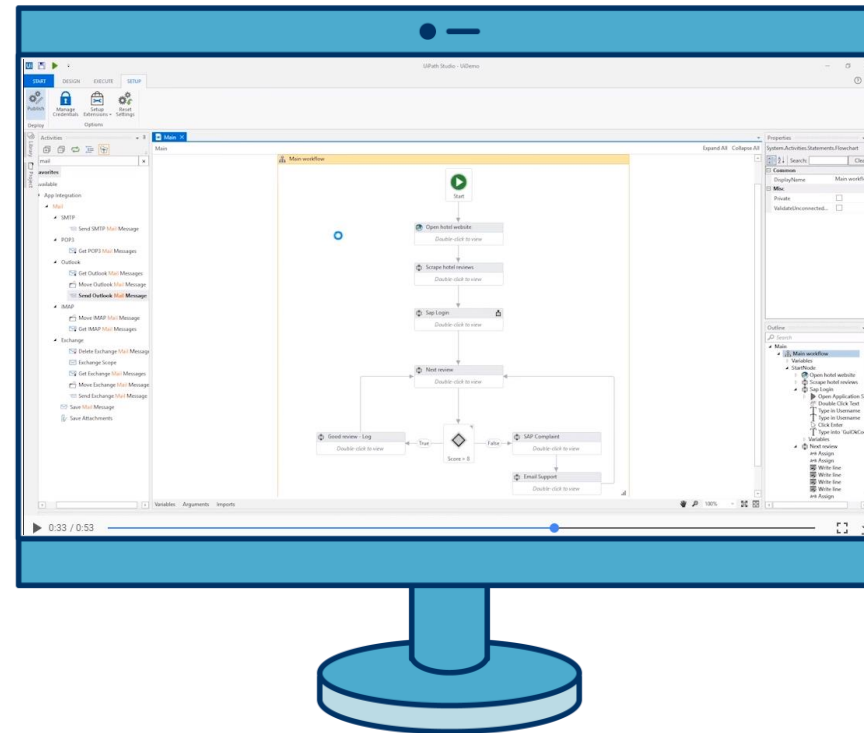
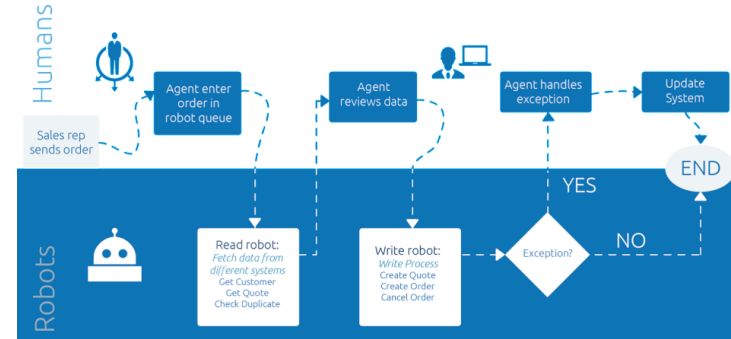
Select Investors

Accel, capitalG, Credo Ventures, Kleiner Perkins Caufield & Byers

SELECT CUSTOMERS



EXAMPLE WORKFLOW AUTOMATION



BANK INVESTORS MAKE BEAUTIFUL MUSIC CO-INVESTING IN COMMUNICATIONS

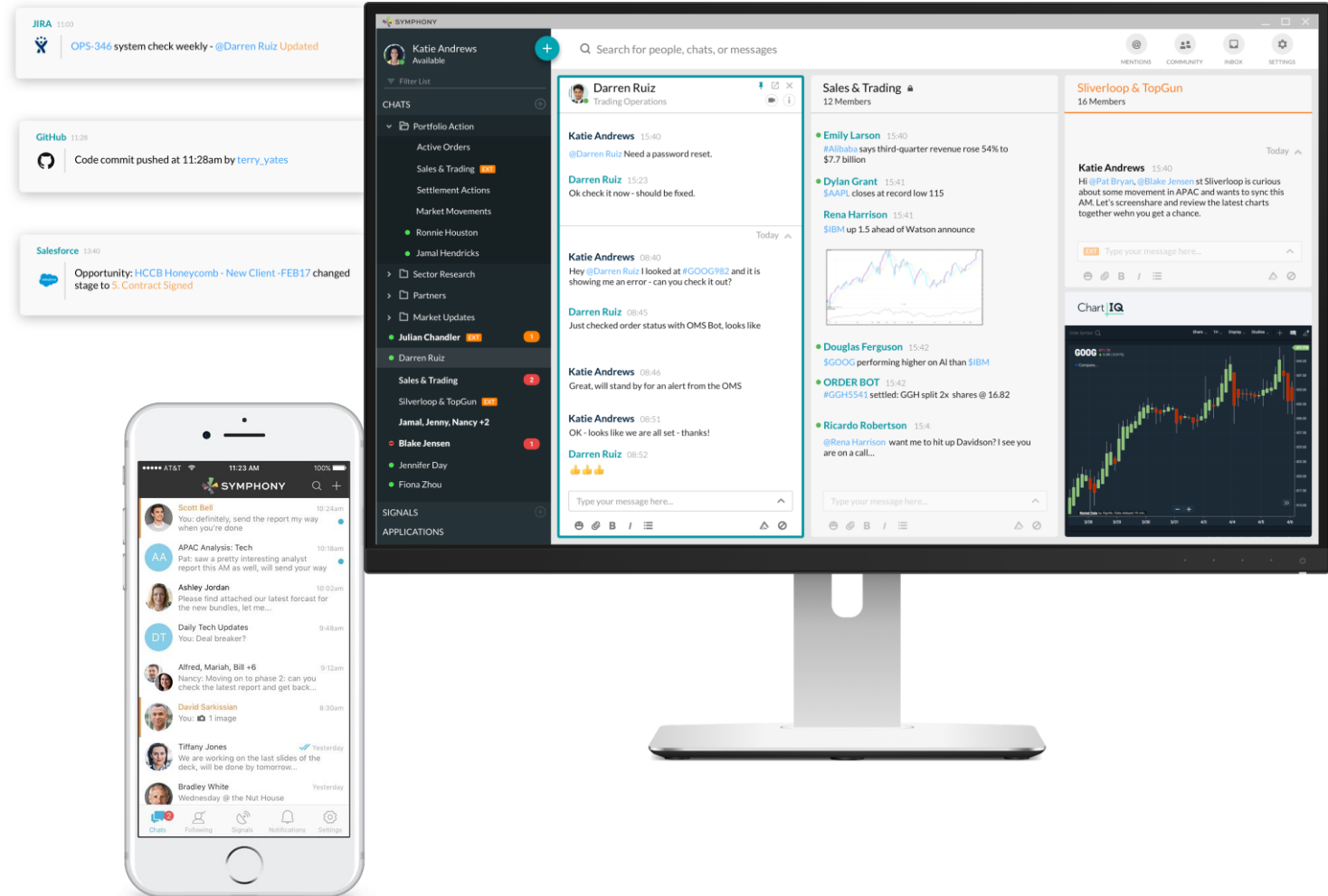


Last Funding

\$67M Series D // Q2'18

Symphony's communication platform is a cloud-based messaging and collaboration platform led by Goldman Sachs.

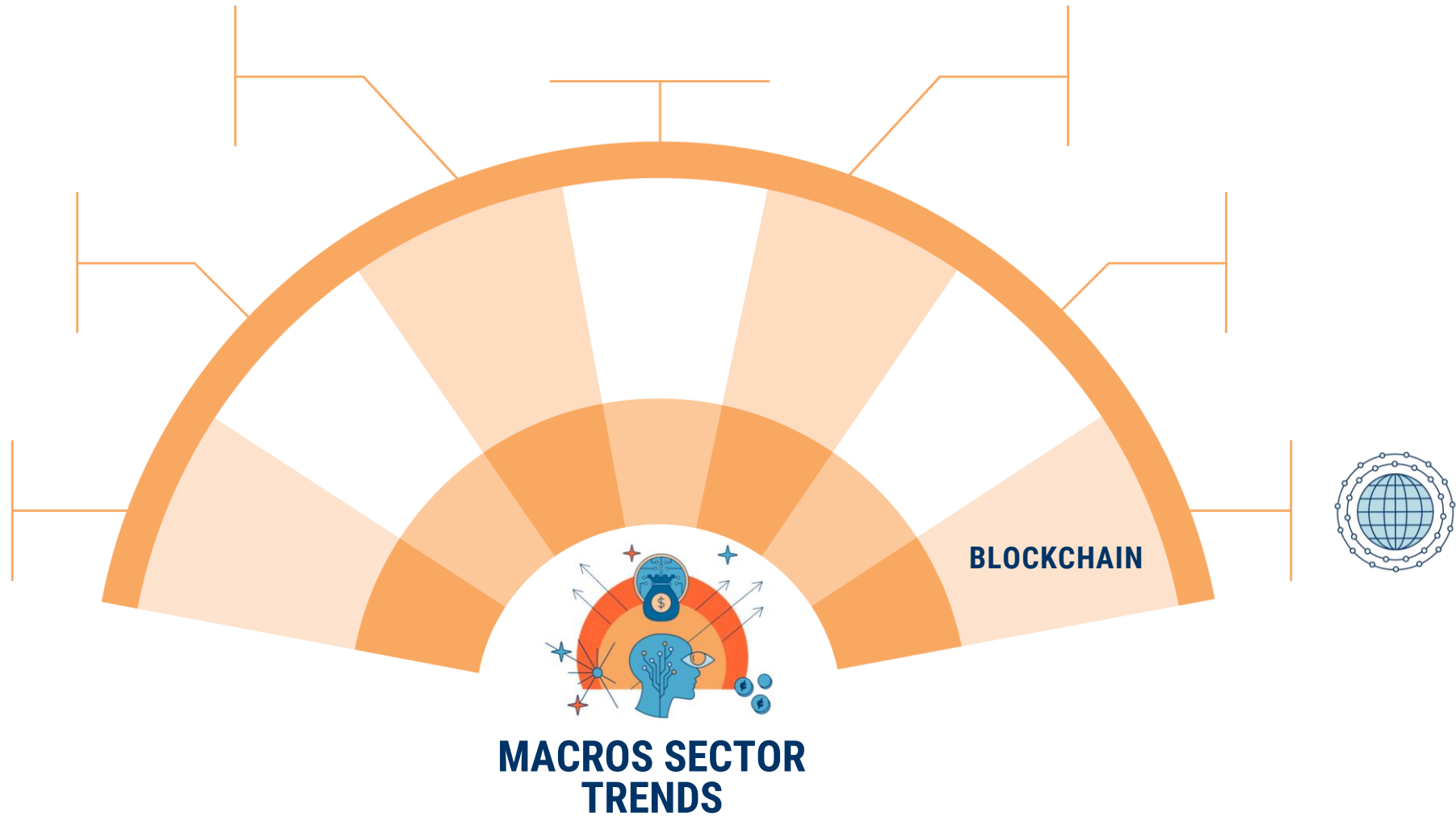
The technology originated out of an internal messaging system at Goldman called LiveCurrent. As of May, Symphony counted 200,000 paying customers.



SELECT BANK INVESTORS

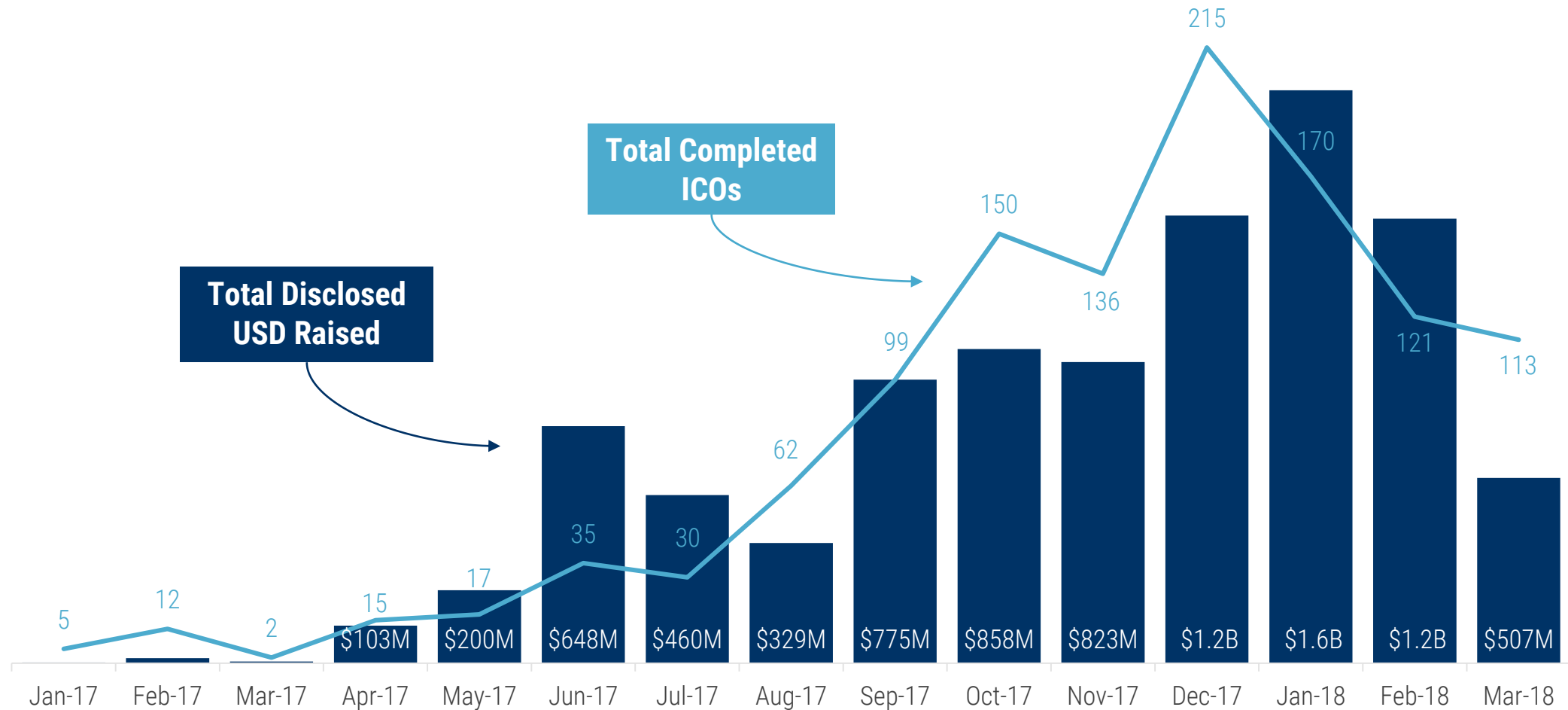


GLOBAL VC-BACKED FINTECH Q1'2018



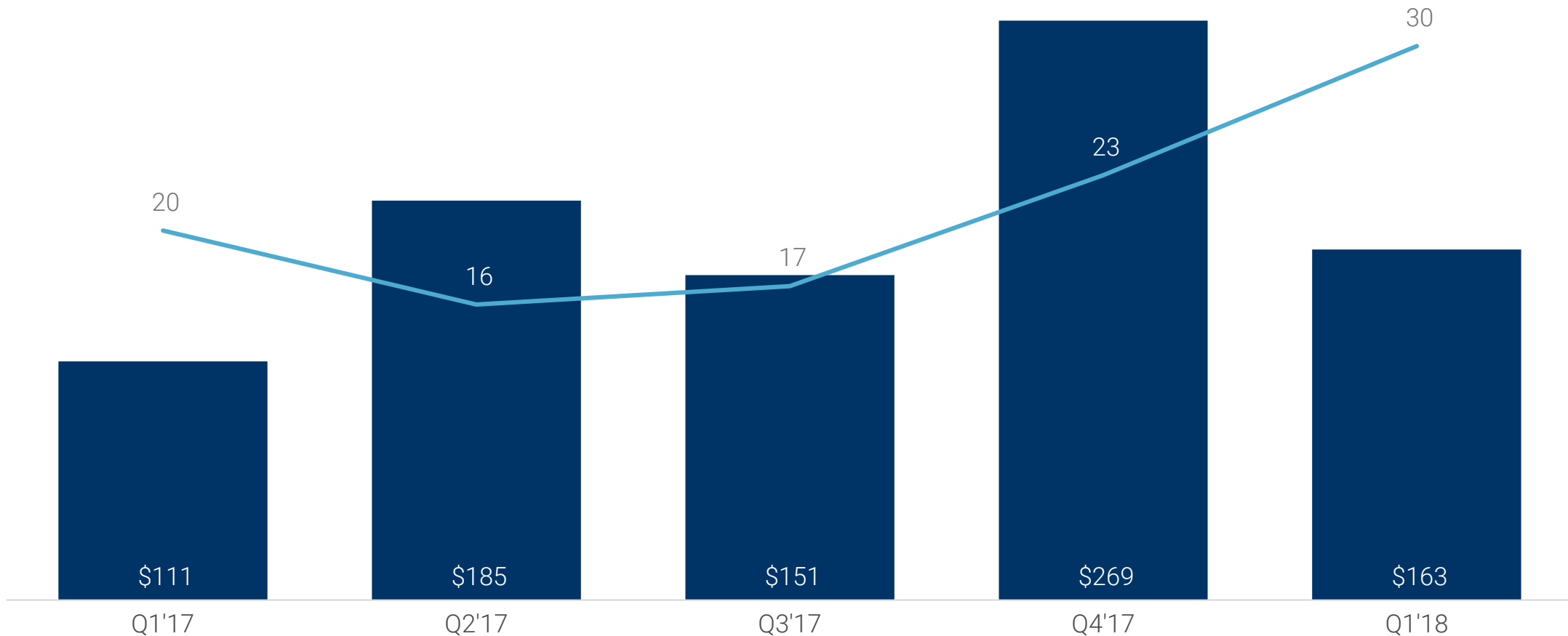
Pure-play ICOs are losing funding momentum

Disclosed funding of completed ICOs, January 2017 – March 2018



Blockchain fintech deals rebound in Q1'18

Global VC-backed blockchain fintech financing trends, Q1'17 – Q1'18, (\$M)

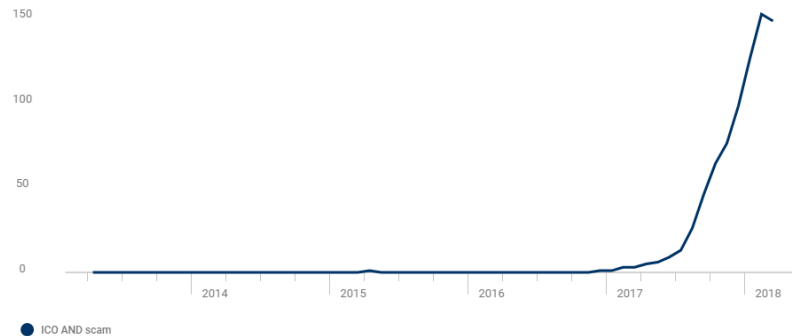


VCS look to invest in tokenized securities as regulators clamp down

Select Q1'18 investments:

News Mentions

Number of unique news articles



News mentions of initial coin offering scams reached an apex in February 2018 as regulators pressed Congress for more oversight of cryptocurrencies...

HARBOR

- \$10M Series A from VY Capital, Valor Equity Partners, and Fifth Wall Ventures
- Decentralized compliance protocol for standardizing crypto-securities issuance and trading
- Use cases include real estate assets including private REITs and real estate funds

TEMPLUM

- \$5M Series A in February 2018
- Templum is building a regulatory compliant trading platform for digital assets offered as securities
- Acquired Liquid Markets Group's broker dealer and alternative trading system Liquid M Capital in February 2018

Investment and custody solutions for cryptocurrencies attract more funding

Select Q1'18 investments:



- \$75M Series B from investors including FirstMark Capital, Draper Esprit, and Cathay Innovation in January 2018
- Ledger says it sold a million hardware wallets for cryptocurrencies in 2017 vs. 30,000 in 2016



- \$3.4M seed round in February 2018 led by True Ventures
- The Boston-based startup provides investment portfolio and data solutions for cryptocurrencies
- Portfolios include acquisition, digital wallet preparation and an cold storage custody process



- \$2.1M seed round from Lerer Hippeau Ventures, Compound, and Boost VC in March 2018
- Casa plans to provide a personal key system to protect cryptocurrency holdings

INVESTOR SPOTLIGHT:

Incumbent fintech investing update



US banks slowed down fintech investing in 2017

Over the last five quarters, top US banks including Goldman Sachs, Citigroup, and JPMorgan slowed down their fintech investments relative to 2016's highs.

However, when they did participate in fintech deals, they continued to spread their bets across data analytics, infrastructure, alternative lending, payments, and more.

Top ten US banks by assets, ranked by fintech portfolio companies

Equity financing 2012 - Q1'2018

	Rank	Blockchain	Data Analytics	Insurance	Personal Finance	Wealth Management	Capital Markets Software	Lending	Payments & Settlement	Real Estate	Regulatory Technology	Supply Chain
	1	Digital Asset AXONI CIRCLE	visible.alpha KENSHC DataFox (PERSADO)	OSCAR	CompareAsia	FOLIO motif	SYMPHONY PLAID CURVEGLOBAL IPREO	NAV neyber Financit	billfrust MO namiPay nmi Square Aquilon	better MFS CADRE	ACADIASOFT droit Digital Reasoning	NYSHEX
	2	AXONI SETL Digital Asset Chain Cobalt r3	KENSHC (PERSADO) visible.alpha AYASDI SELENTY		claritymoney Linkable	Betterment	SYMPHONY PLAID CURVEGLOBAL TRADEIT mDAQ InvestLab	C2FO BlueVine FST Aquilon	highradius vivo Square Aquilon		ACADIASOFT JUMIO	
	3	Digital Asset AXONI	KENSHC mosaic		Dave	motif	openfin SYMPHONY CURVEGLOBAL investcloud	PROPER LevelUp Bill.com GORGASO Square	ROOSTIFY	ACADIASOFT Cloud9		
	4		KENSHC visible.alpha	众安保险 zhongan insurance			SYMPHONY ERIS eleni iCapital	陆金所 LU.com		ACADIASOFT		
	4	r3 AXONI	KENSHC ALT X visible.alpha				SYMPHONY	FST TRANSACTIS		droit canopy		
	6	r3	KENSHC visible.alpha				SYMPHONY CURVEGLOBAL	Bill.com		ACADIASOFT		
	7	r3			Moven			TRANSACTIS		SECURE KEY		
	8	Chain						TRANSACTIS				
	8	r3						InstaMed				
	8	Digital Asset						highradius TRANSACTIS				

Key:
New 2017-2018 portfolio co.
Acquired by investor
Acquired

Investing in infrastructure takes priority for US banks over blockchain

Banks are ramping up their focus on updating infrastructure by invested in capital markets software startups across sales & trading to communications.

US financial services investors have invested in more capital markets software companies than blockchain startups.

Top ten US banks by assets, ranked by fintech portfolio companies
Equity financing 2012 - Q1'2018

	Rank	Blockchain	Data Analytics	Insurance	Personal Finance	Wealth Management	Capital Markets Software	Lending	Payments & Settlement	Real Estate	Regulatory Technology	Supply Chain
Goldman Sachs	1	Digital Asset AXONI CIRCLE	visible alpha KENSHC Datafix (PERSADO)	OSCAR	PrepareAgo	FOLIO motif	SYMPHONY PLAID CURVEGLOBAL IPREO	nov neyber Financet	billtrust mo mo nmi Square Aquilon	better MFS CADRE	ACADIA droit Digital Reasoning	NYSHEX
citi	2	AXONI SETL Digital Asset Chain Cobalt r3	KENSHC (PERSADO) visible alpha AYASDI		Pritymoney Linkable	Betterment	SYMPHONY PLAID CURVEGLOBAL TRADEIT m D A Q InvestLab	G2FO BlueVine FST P&Y	Wells Fargo VIVO Square Aquilon		ACADIA JUMIO	
Bank of America	3	Digital Asset AXONI	KENSHC MOBIC		Dave	motif	open fin SYMPHONY CURVEGLOBAL investcloud	PROSPER				
Wells Fargo	4	r3 AXONI	KENSHC ALT X visible alpha				SYMPHONY ERIS eleni iCapital	FST P&Y				
Bank of America Merrill Lynch	6	r3	KENSHC visible alpha				SYMPHONY CURVEGLOBAL		Bill.com		ACADIA	
TD Bank	7	r3			Moven				TRANSACTIS		SECURE KEY	
Capital One	8	Chain							TRANSACTIS			
usbancorp	8	r3							InstaMed			
PNC	8	Digital Asset							Wells Fargo TRANSACTIS			

7
BLOCKCHAIN
STARTUPS

VS.

12
SOFTWARE
STARTUPS

European banks slowed fintech investing in 2017

Relative to 2016, European banks including Santander, Barclays, and UBS also slowed down participating in fintech deals.

In Q1'18, however, they picked up the pace, participating in 11 deals. Santander participated in 3 deals Rootsify, Autofi, & Payever – all new to the portfolio. BBVA also participated in 3 deals, but only Solaris bank was new to the portfolio.

	Rank	Blockchain	Data Analytics	Personal Finance	Wealth Management	Capital Markets Software	Lending	Payments & Settlement	Regulatory Technology
	1	Digital Asset elliptic ripple r3	visible alpha	curve	Real estate investing ROOSTIFY SIGFIG	personetics TRADESHIFF	Autofi eFesos Kabbage	payever PAYJOY PayKey iZettle MyCheck	SOCURE
	2	r3	Dataminr		canopy	SYMPHONY iCapital NETWORK	WeLab PROSPER		ACADIASOFT Digital Reasoning
	3	Digital Asset r3	visible alpha		SIGFIG	SYMPHONY iCapital NETWORK	信而富 China Rapid Finance		ACADIASOFT
	4	r3				SYMPHONY OpenExchange CURVEGLOBAL		FORM3 FINANCIAL CLOUD	Digital Reasoning Cloud9
	5	r3		solarisBank Atom saveUp DESTACAME.cl				sum up*	
	5	r3				SYMPHONY CURVEGLOBAL	PayCar		Digital Reasoning ACADIASOFT
	5	r3	visible alpha. quantexa			TRADESHIFF			ACADIASOFT kyriba
	8	r3				TrustBills SYMPHONY		tyfone	ACADIASOFT
	8	r3				ERIS SYMPHONY		TagPay	ACADIASOFT
	8	Digital Asset		solarisBank tink			CLOUD LENDING SOLUTIONS		BehavioSec
	8	r3					fintonic WeLab Kabbage	twisto	
	12			SETL	Linxo				
	13	r3							
	13	r3							

European banks are also actively investing in infrastructure

Over the last few years, European banks including Barclays and UBS have been investing in capital markets infrastructure over blockchain.

A focus on building up a compliant infrastructure makes sense given Europe's pending regulations. This includes the UK's open banking system and the EU's PSD2, which requires banks to open up their APIs to third parties.

	Rank	Blockchain	Data Analytics	Personal Finance	Wealth Management	Capital Markets Software	Lending	Payments & Settlement	Regulatory Technology
	1	Digital Asset, Elliptic, ripple, r3	visible alpha	Curve	ROOSTIFY, SIGFIG	personetics, TRADESHIFF	AutoFi, Kabbage	payever, PAYJOY, PayKey, iZettle, MyCheck	SOCURE
	2	r3	Dataminr		canopy	SYMPHONY, iCapital NETWORK	WeLab, PROSPER		ACADIASOFT, Digital Reasoning
	3	Digital Asset, r3	visible alpha		SIGFIG	SYMPHONY, iCapital NETWORK	信而富		ACADIASOFT
	4	r3				SYMPHONY, OpenExchange, CURVEGLOBAL			
	5	r3							
	5	r3	visible alpha, quantexa			SYMPHONY, CURVEGLOBAL, TRADESHIFF			
	8	r3				TrustBills, SYMPHONY		LYONE, ACADIASOFT	
	8	r3				ERIS, SYMPHONY		TagPay, ACADIASOFT	
	8	Digital Asset, r3		solarisBank, tink			CLOUD LENDING SOLUTIONS		BehavioSec
	8	r3					fintonic, WeLab, Kabbage	twisto	
	12	SETL			Linx				
	13	r3							
	13	r3							

5
BLOCKCHAIN
STARTUPS

VS.

8
SOFTWARE
STARTUPS

Top banks are finally picking up fintech acquisitions

2013 – 2018 YTD (04/16/2018)

	Artificial Intelligence	Capital Markets Tech	Digital Banking	Lending & Credit	Alternative Payments	Personal Finance	Real Estate	Wealth Tech

- 20 fintechs have been acquired by banks
- 40% of acquisitions occurred in the last 7 months
- The latest was Goldman's acquisition of PFM app Claritymoney in April 2018

Acquired after September 1, 2017 =

Startup acquired for talent =

Insurers jump into fintech mega-rounds

Select Q1'18 investments:

N26

Allianz X
We build companies

- \$160M Series C co-led by Allianz X
- The digital challenger bank counts close to 1M customers across 17 European banks
- Allianz earlier partnered with N26 in October 2016 to offer travel insurance as part of N26's black card offering

Collective Health

Sun Life Financial

- Sun Life Financial participated in \$110M Series D
- Sun Life partnered to offer its stop-loss offering into Collective's health insurance platform
- Collective Health counts 30 enterprise clients and 120K members in the US

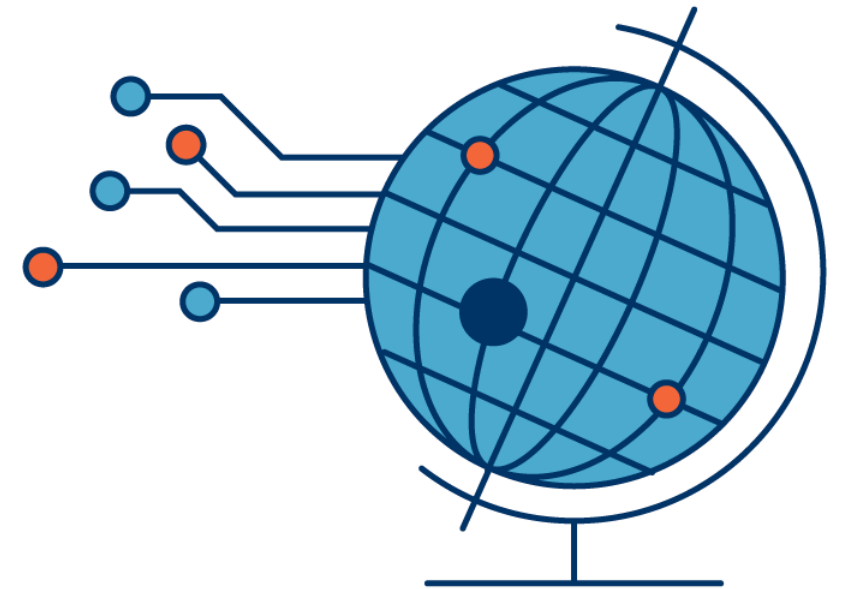
G2FO

Allianz X
We build companies

- \$100M Series F co-led by Allianz X
- The working capital marketplace planned to use the funding for international growth
- C2FO said it had provided \$1B of funding per week to businesses in more than 100 countries at the end of 2017

APPENDIX:

VC-backed fintech regional trends



US FINTECH VC-BACKED EQUITY FUNDING IN Q1'2018:

\$2.1 BILLION

ACROSS

147 DEALS

US financing saw a boost from early-stage fintech bets

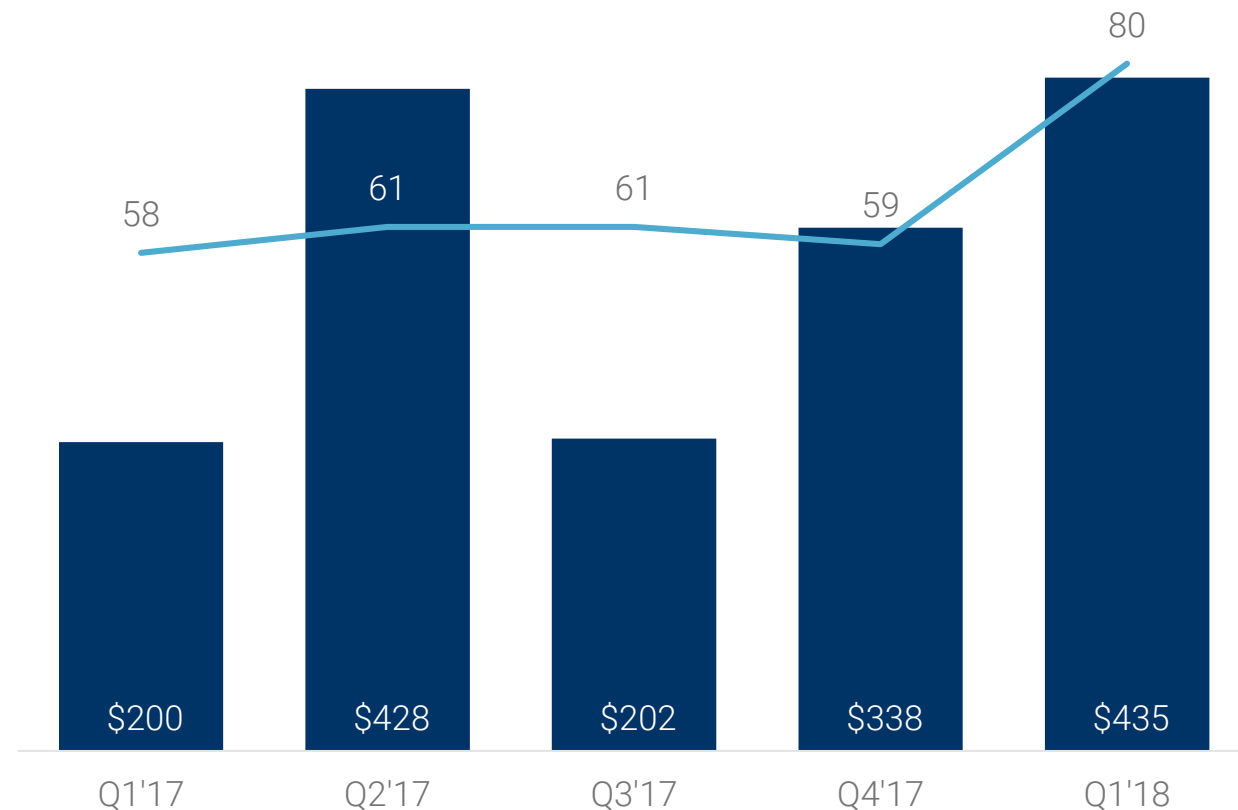
After ending 2017 on a downward trend, early-stage deals rebounded in the first quarter of 2018.

In Q1'18, early-stage deals were up 38% and funding was up 118% compared to Q1'17.



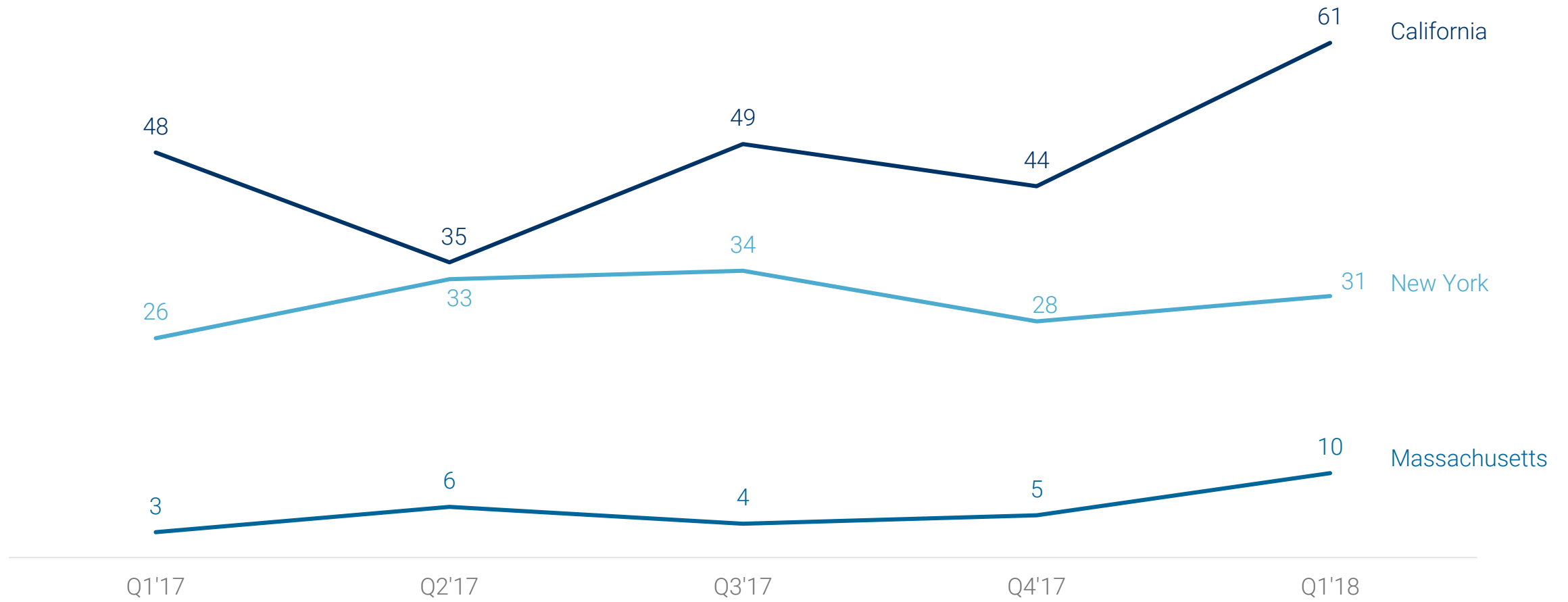
US early-stage fintech deals & funding hit a 5-quarter high in Q1'18

Early-stage US VC-backed fintech financing trends, Q1'17 – Q1'18, (\$M)



California saw nearly 2x more deals than NY

US VC-backed fintech deals by major states, Q1'17 – Q1'18



EUROPE FINTECH VC-BACKED EQUITY FUNDING IN Q1'2018:

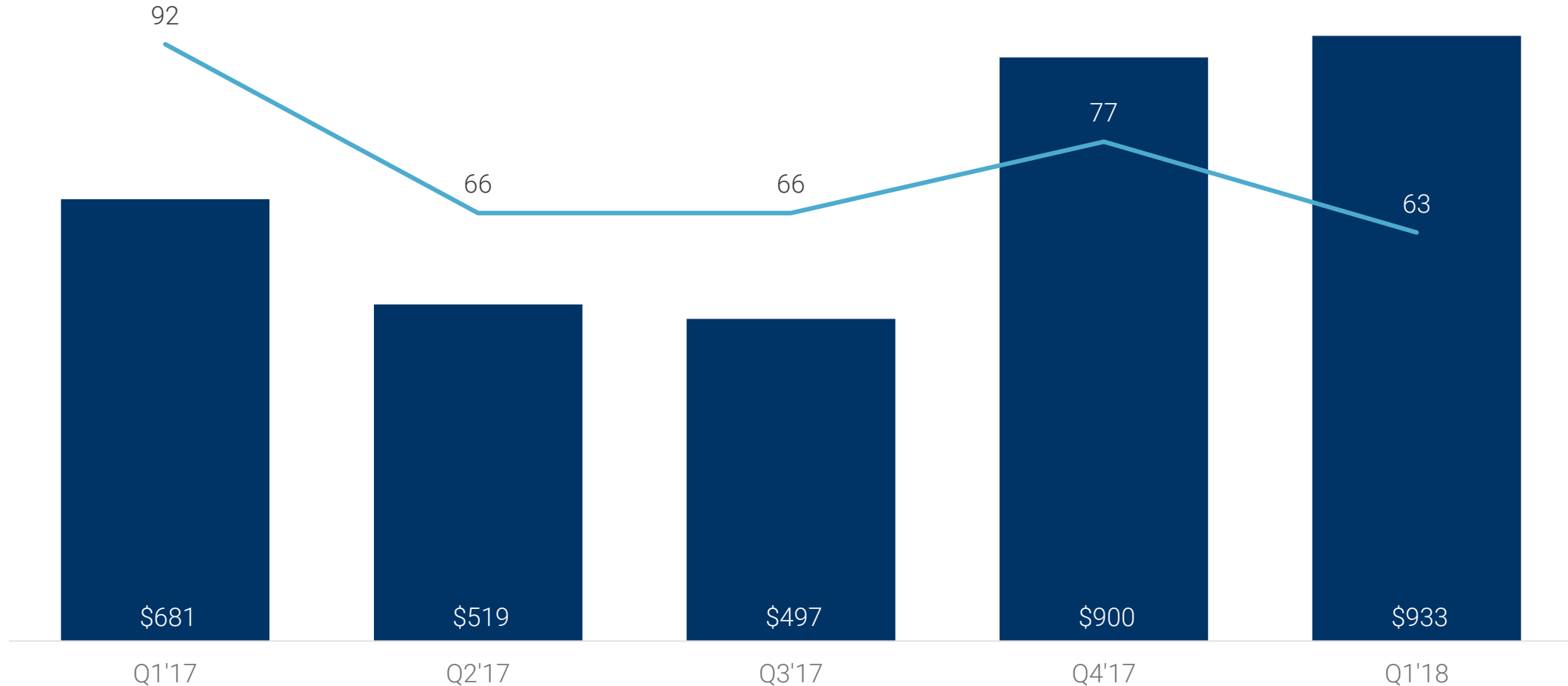
\$933 MILLION

ACROSS

63 DEALS

Europe saw deals dip to 5-quarter low in Q1'18

Deals to VC-backed fintech companies in Q1'18 were down 32% from Q1'17



ASIA FINTECH VC-BACKED EQUITY FUNDING IN Q1'2018:

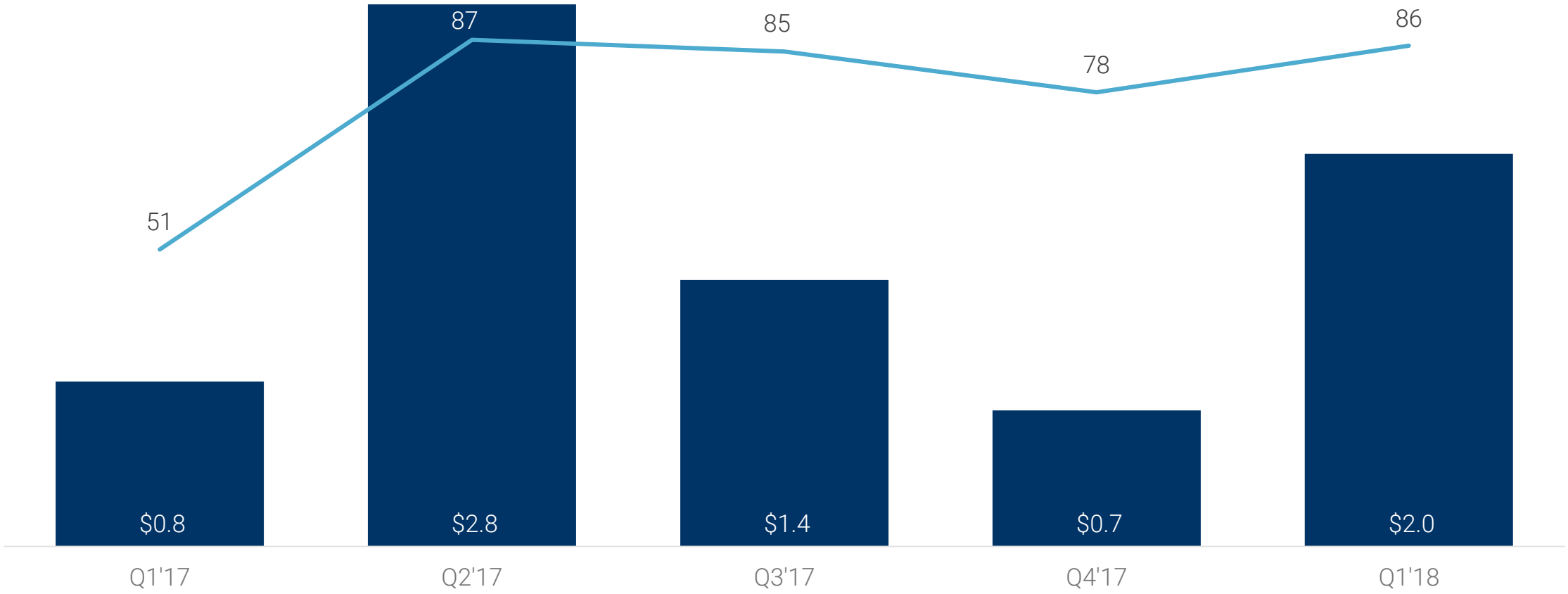
\$2 BILLION

ACROSS

86 DEALS

Asia fintech funding up 2.5x YOY in Q1'2018

Meanwhile, deals to VC-backed fintech companies in Asia grew 69% on a year-over-year basis



Methodology

CB Insights encourages you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, we encourage you to reach out to CB Insights directly. Additionally, if you feel your firm has been under-represented, please send an email to info@cbinsights.com and we can work together to ensure your firm's investment data is up to date.

What is included:

- Equity financings into emerging fintech companies. Fundings must be put into VC-backed companies, which are defined as companies who have received funding at any point from venture capital firms, corporate venture groups, or super angel investors.
- Fundings of only private companies. Funding rounds raised by public companies of any kind on any exchange (including Pink Sheets) are excluded from our numbers, even if they received investment by a venture firm(s). *Note:* For the purposes of this analysis, JD.com's finance arm JD Finance and its \$1B financing were included in the data per its investment from Sequoia Capital China in Q1'16.
- Only includes the investment made in the quarter for tranced investments. If a company does a second closing of its Series B round for \$5M and previously had closed \$2M in a prior quarter, only the \$5M is reflected in our results.
- Round numbers reflect what has closed – not what is intended. If a company indicates the closing of \$5M out of a desired raise of \$15M, our numbers reflect only the amount which has closed.
- Only verifiable fundings are included. Fundings are verified via various federal and state regulatory filings, direct confirmation with firm or investor, or press release.
- Previous quarterly VC reports issued by CBI have exclusively included VC-backed rounds. In this report, any rounds raised by VC-backed companies are included, with the exceptions listed.

What is excluded:

- No contingent funding. If a company receives a commitment for \$20M subject to hitting certain milestones but first gets \$8M, only the \$8M is included in our data.
- No business development / R&D arrangements, whether transferable into equity now, later, or never. If a company signs a \$300M R&D partnership with a larger corporation, this is not equity financing, nor is it from a venture capital firm. As a result, it is not included.
- No buyouts, consolidations, and/or recapitalizations. All three of these transaction types are commonly employed by private equity firms and are tracked by CB Insights. However, they are excluded for the purposes of this report.
- No private placements. These investments, also known as PIPEs (Private Investment in Public Equities), are excluded even if made by a venture capital firm(s).
- No debt / loans of any kind (except convertible notes). Venture debt or any kind of debt / loan issued to emerging startup companies, even if included as an additional part of an equity financing, is not included. If a company receives \$3M with \$2M from venture investors and \$1M in debt, only the \$2M is included.
- No government funding. Grants, loans, or equity financings by the federal government, state agencies, or public-private partnerships to emerging startup companies are not included.

WHERE IS ALL THIS DATA FROM?

The CB Insights platform has the details on all the data included in this report

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