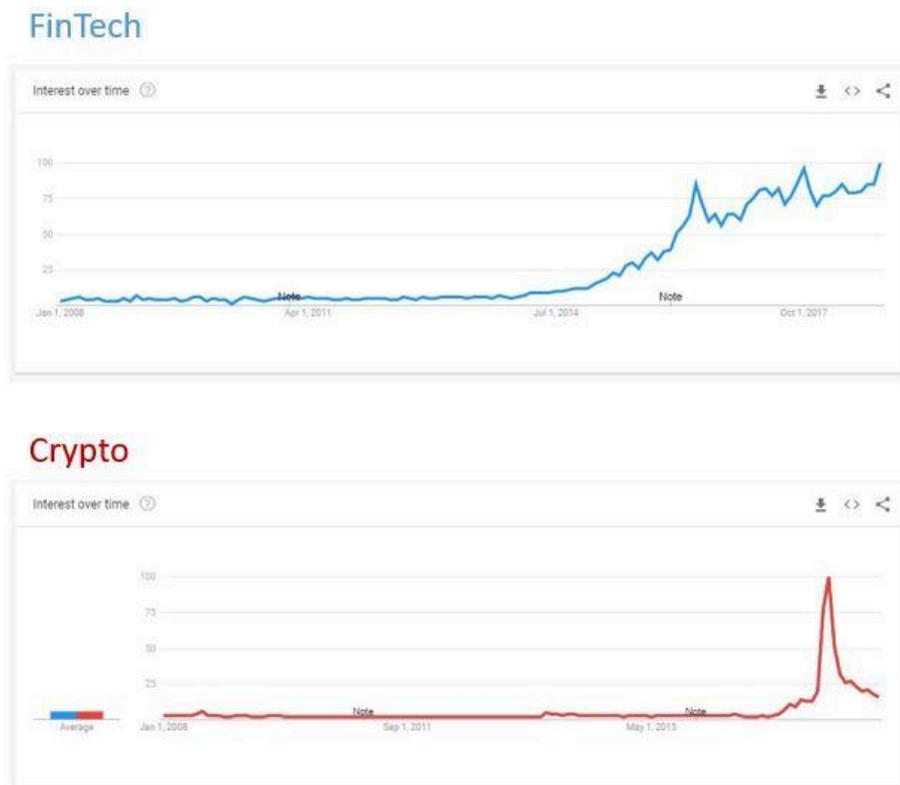


Matrix FinTech Index: 2018 Year-end Wrap up

The full overview of the Matrix FinTech Index 2018 edition is available on TechCrunch [here](#).

At the end of 2017 we published the Matrix FinTech Index for the very first time ever. In what we hope will become an annual tradition, we are excited to publish an updated index and set of supporting data.

There is no doubt that this has been another stellar year for fintech. In last year's [version](#) of the Matrix FinTech Index, we predicted the crypto enthusiasm would be short lived and that the fintechs would be the more relevant disruptors in 2018. By most metrics this seems to have turned out to be true. A comparison of search interest in "crypto" vs. "fintech" is one clear indicator of this:

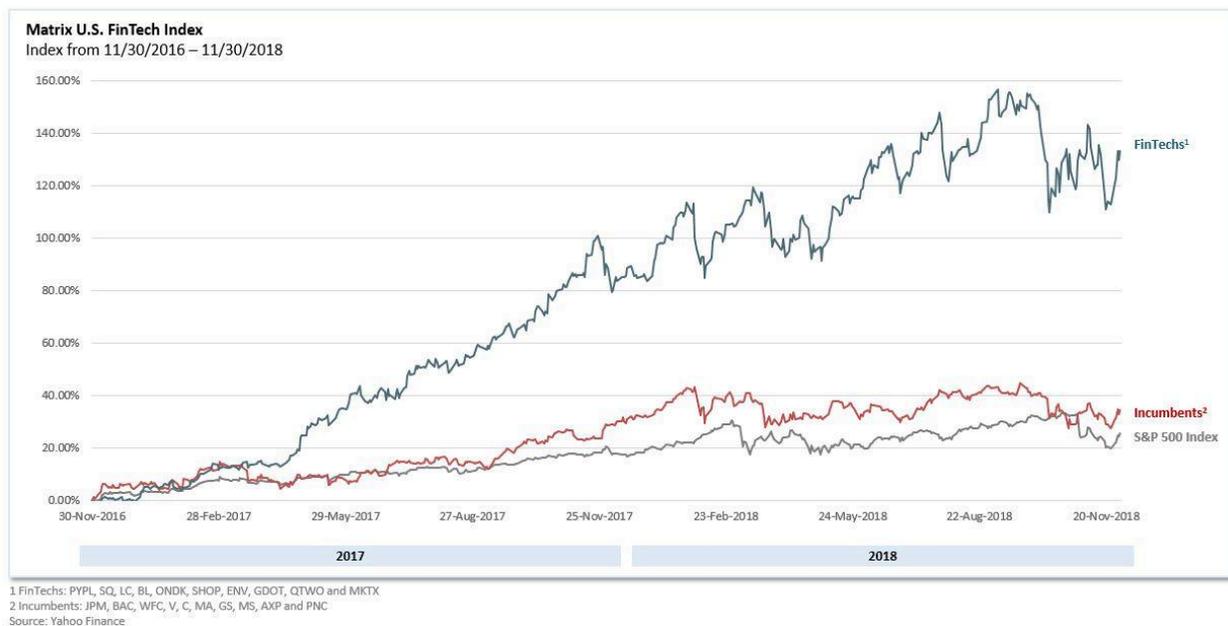


Definition: Matrix Partners considers "fintechs" to be venture-backed organizations that are (a) technology-first companies that leverage software to compete with traditional financial services institutions (e.g. banks, credit card networks, insurers, etc.) in the delivery of traditional financial services (e.g. lending, payments, investing, etc.) or (b) software tools that better enable traditional finance functions (e.g. accounting, point-of-sales systems, etc.)

Methodology & Results

As a refresher, the Matrix FinTech Index is a market-cap weighted index that tracks the progress of a portfolio of the 10 leading public FinTech companies over the course of the last two years (beginning in December of 2016). For comparison, we have also included another portfolio of the 10 large financial services incumbents (companies like JP Morgan, Visa and American Express) as well as the S&P 500 index.

With two years of data now in, the results are pretty clear--the fintechs continue to outperform both the incumbents and the S&P 500. 2 year-returns for the fintechs were 133% compared to 34% for the incumbents and 24% for the S&P 500.



Updated Data Now Available

In addition, we are re-releasing an updated data package we provided last year that anyone can download [here](#) and which has a range of other helpful information on both the fintechs and the incumbents. The updated package has much of what we had last year plus a few newer elements:

1. Market cap and stock price data for the fintechs and incumbents
2. Comp sheets with financial metrics
3. Data on the 20 fintech unicorns
4. Information on the fintech “Brink list” - companies that have raised over \$100M

5. M&A & IPO activity in fintech this past year

As always we appreciate your feedback and thoughts on the process and methodology. And we look forward to sharing our thoughts again in 2019!