

Varo Announces Investment by Warburg Pincus

New mobile-only banking start-up backed by leading private equity firm

SAN FRANCISCO AND NEW YORK, May 2, 2016 – Varo Money, Inc. (“Varo” or “the Company”), a mobile-only banking start-up that will help consumers gain greater control of their financial lives, announced today that Warburg Pincus, a global private equity firm focused on growth investing, is leading a round of investment in the Company that will total more than \$27 million.

Varo will empower customers with the tools to develop positive spending, borrowing and savings habits to achieve better financial outcomes. Varo will provide debit card, deposit and lending products via a mobile app and will be built around a 24/7 digital financial coach that will offer proactive insights, analysis of spending and real-time budgeting. Varo will also provide access to and integration with popular finance apps through an in-app marketplace. Varo’s products will be provided via a sponsor bank that shares Varo’s values and commitment to innovation.

Colin Walsh, a seasoned financial services executive with significant experience in financial technology, is the Chief Executive Officer (“CEO”) and Co-Founder of Varo. Mr. Walsh previously served as CEO of the United Kingdom (“UK”) for American Express as well as Executive Vice President of European Cards, where he led the digital transformation of the UK business. He has also held senior roles at Lloyds Banking Group, where he was responsible for several European and UK large retail banking businesses, and at Wells Fargo, where he built and launched the first online Home Equity lending business. Varo’s co-founders include design, data and technology experts, Assaf Guery, Chief Design Officer; Roger Van Duinen, Chief Data Officer; and Mykola Klymenko, Chief Technology Officer. David Coulter, a special limited partner of Warburg Pincus whose experience includes serving in senior leadership positions at J.P. Morgan Chase and as Chairman and CEO of BankAmerica Corporation, will be a member of Varo’s board of directors.

Mr. Walsh commented, “The U.S. banking market is undergoing a huge transformation, and Varo is ideally positioned to offer a unique and unrivalled banking service to our target customer base. We have the team, strategy, product vision and execution capabilities to change the way that people interact with their banks – empowering customers to achieve a better financial future. We are excited to partner with the Warburg Pincus team given their deep experience in both financial services and technology, and look forward to the value they will bring to Varo.”

Michael Martin, Managing Director and Head of the Financial Services Group, Warburg Pincus, added, “Varo is an excellent fit within our industry thesis focused on the bank of the future. We are at a tipping point in retail banking, and there is a real opportunity to build a new and differentiated bank model based on a mobile platform serving the needs of many people. We look forward to working with Colin Walsh and the Varo management team as they bring a new level of innovation to the traditional world of banking.”

Wachtell, Lipton, Rosen & Katz is providing legal counsel to Warburg Pincus.



About Varo

Varo Money, Inc. is a financial technology company based in San Francisco, California. Varo was founded on the belief that there is a better way to bank that will help improve the financial outcomes of a generation of consumers. Varo is working with several partners and a panel of millennial advisors to develop and deliver an innovative banking experience in the U.S. For more information please visit www.varomoney.com.

About Warburg Pincus

Warburg Pincus LLC is a leading global private equity firm focused on growth investing. The firm has more than \$40 billion in private equity assets under management. The firm's active portfolio of more than 120 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 15 private equity funds, which have invested more than \$55 billion in over 750 companies in more than 40 countries. Since inception, Warburg Pincus has invested over \$9.3 billion across the financial technology and financial services sectors around the world. Notable investments include FIS Global (NYSE:FIS), InComm, Wall Street Systems, Primerica (NYSE: PRI), Santander Asset Management, Santander Consumer USA, Sterling Financial Corp (NASDAQ: STSA) and Webster Financial Corp (NYSE: WBS). The firm is headquartered in New York with offices in Amsterdam, Beijing, Hong Kong, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo and Shanghai. For more information please visit www.warburgpincus.com.

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