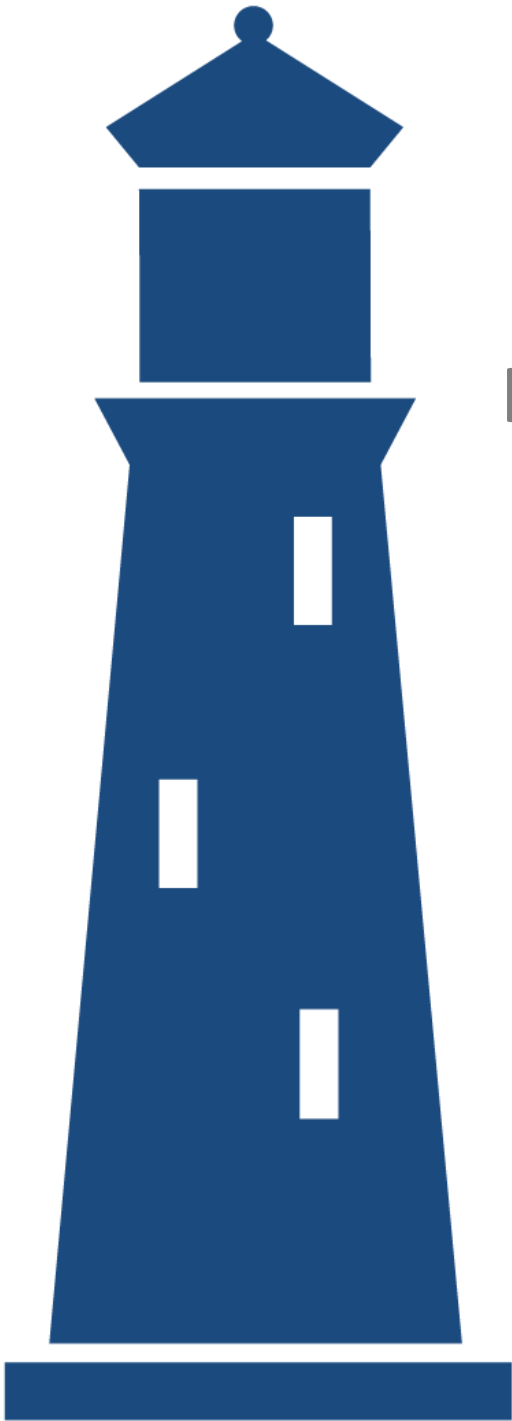


The Lighthouse



August 2014
Software
Business Services
Internet & Digital Media

Table of Contents

1. Capital Market Trends	3
2. Public Market Valuations	4
3. Public Market Universe	13
4. M&A Transactions	15
5. Recent Transactions	23
6. Pharus Overview	24

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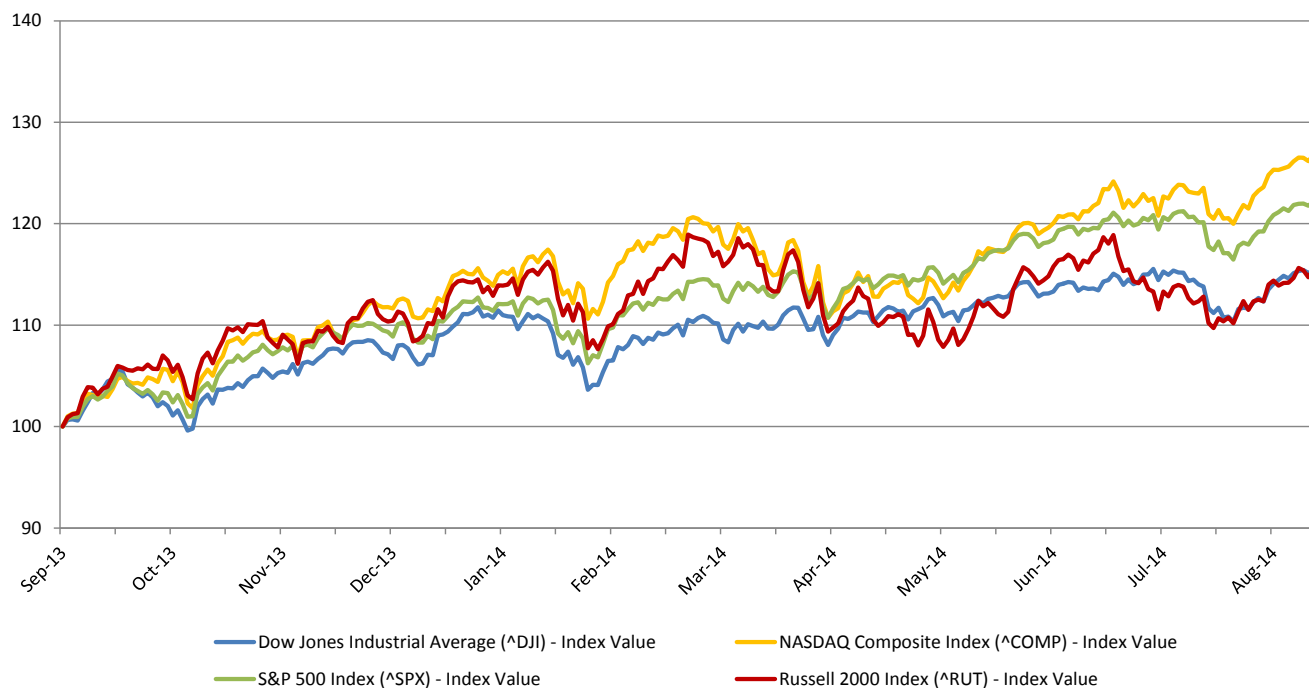
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1. Capital Market Trends

Relative Performance of Major Stock Indices through August 31, 2014

(Base = 100, 7/31/2013)



Index	As of 31-Aug-14	Change %		
		1 Year	3 Months	1 Month
Dow Jones	17,098.45	15.4%	2.3%	3.2%
Nasdaq	4,580.27	27.6%	8.0%	4.8%
S&P 500	2,003.37	22.7%	4.1%	3.8%
Russell 2000	1,174.35	16.2%	3.5%	4.8%

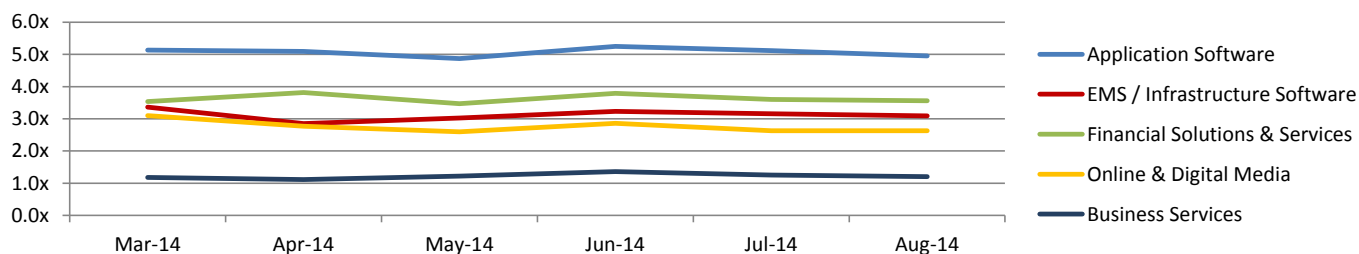
2. Public Market Valuations

Historical Median TEV/Revenue Multiples

	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
Application Software						
Customer Relationship Management (CRM)	6.7x	6.0x	6.0x	6.6x	6.3x	5.1x
Accounting / ERP	4.3x	4.1x	4.0x	4.0x	4.2x	4.2x
Retail Software	3.1x	2.6x	2.3x	2.5x	2.0x	2.1x
Supply Chain Management	5.1x	4.9x	4.7x	5.0x	4.7x	4.6x
Human Capital Management	9.9x	7.2x	7.9x	9.3x	8.2x	8.6x
Knowledge / Content Management	6.2x	5.6x	5.3x	6.5x	6.0x	5.9x
EMS / Infrastructure Software						
Business Intelligence	2.7x	2.5x	2.8x	2.9x	2.7x	2.8x
Security Software	6.9x	5.0x	5.9x	6.2x	5.3x	5.8x
System and Network Management Software	3.2x	2.6x	2.7x	2.9x	2.5x	2.5x
Integration / Middleware	3.0x	3.0x	3.1x	3.0x	2.9x	3.0x
Platform / OS	2.8x	2.8x	2.8x	2.8x	2.9x	3.0x
Financial Solutions & Services						
Bank Processing	3.9x	3.8x	3.8x	3.9x	3.8x	3.9x
Capital Market Rating Services	5.3x	4.9x	5.3x	5.6x	5.4x	5.1x
Consumer Rating Services	4.1x	4.4x	4.3x	4.2x	4.3x	4.4x
Payment Processing	3.3x	3.2x	3.0x	3.1x	3.0x	3.0x
Insurance Solutions	2.4x	2.6x	2.5x	2.4x	2.1x	2.6x
Investment Solutions	4.6x	4.5x	4.7x	5.0x	4.9x	4.9x
Online & Digital Media						
Digital Media & Advertising	3.2x	2.5x	2.5x	2.9x	2.6x	2.4x
Online Retailers and Offers	2.0x	1.7x	1.8x	2.7x	2.7x	2.9x
Other Online Companies	3.7x	3.8x	3.4x	3.8x	3.8x	3.4x
Social Networking & Gaming	3.0x	2.8x	2.6x	2.6x	2.4x	2.7x
Business Services						
IT Integration & Consulting	1.6x	1.6x	1.6x	1.6x	1.5x	1.5x
Education & Training	0.7x	0.7x	0.7x	0.7x	0.7x	0.7x
IT Services	2.9x	2.3x	2.5x	2.8x	2.6x	2.5x
Call Center	0.8x	0.8x	0.8x	0.9x	0.9x	0.9x

Medians:

Application Software	5.1x	5.1x	4.9x	5.2x	5.1x	5.0x
EMS / Infrastructure Software	3.4x	2.8x	3.0x	3.2x	3.2x	3.1x
Financial Solutions & Services	3.5x	3.8x	3.5x	3.8x	3.6x	3.6x
Online & Digital Media	3.1x	2.8x	2.6x	2.9x	2.6x	2.6x
Business Services	1.2x	1.1x	1.2x	1.4x	1.3x	1.2x



2. Public Market Valuations

Current & Forward Looking Market Multiples

	Median TEV/Revenue		Median TEV/EBITDA	
	LTM	NTM	LTM	NTM
Application Software				
Customer Relationship Management (CRM)	5.1x	4.3x	75.6x	31.1x
Accounting / ERP	4.2x	4.2x	12.2x	11.3x
Retail Software	2.1x	1.7x	9.5x	20.5x
Supply Chain Management	4.6x	4.3x	22.9x	15.2x
Human Capital Management	8.6x	6.6x	61.3x	31.0x
Knowledge / Content Management	5.9x	5.0x	17.1x	11.9x
EMS / Infrastructure Software				
Business Intelligence	2.8x	2.5x	24.0x	13.6x
Security Software	5.8x	5.7x	17.5x	15.4x
System and Network Management Software	2.5x	2.4x	14.0x	8.0x
Integration / Middleware	3.0x	2.9x	16.6x	12.0x
Platform / OS	3.0x	2.7x	9.4x	8.5x
Financial Solutions & Services				
Bank Processing	3.9x	3.6x	12.1x	11.0x
Capital Market Rating Services	5.1x	5.3x	13.0x	13.0x
Consumer Rating Services	4.4x	3.6x	12.7x	11.8x
Payment Processing	3.0x	2.6x	13.2x	9.5x
Insurance Solutions	2.6x	2.8x	14.7x	11.7x
Investment Solutions	4.9x	4.6x	17.8x	15.0x
Online & Digital Media				
Digital Media & Advertising	2.2x	2.0x	17.5x	12.5x
Online Retailers	2.9x	2.0x	17.8x	12.5x
Other Online Companies	3.4x	3.0x	15.2x	10.4x
Social Networking & Gaming	2.7x	2.4x	14.4x	14.5x
Business Services				
IT Integration & Consulting	1.5x	1.3x	11.4x	8.3x
Education & Training	0.7x	0.7x	9.8x	8.8x
IT Services	2.5x	1.8x	10.6x	10.7x
Call Center	0.9x	0.8x	7.4x	6.7x
Medians:				
Application Software	4.8x	4.4x	17.1x	15.0x
EMS / Infrastructure Software	3.1x	2.8x	16.6x	12.4x
Financial IT Services	3.6x	3.1x	13.1x	11.5x
Online & Digital Solutions & Services	2.5x	2.4x	14.6x	11.3x
Business Services	1.1x	1.1x	10.6x	8.9x

2. Public Market Valuations

Application Software

(\$ in millions)		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
Customer Relationship Management (CRM)							
Cvent	NYSE:CVT	\$872	\$1,062	7.0x	5.6x	NM	55.1x
Five9	NasdaqGM:FIVN	240	284	2.6x	2.5x	NM	NM
Interactive Intelligence	NasdaqGS:ININ	825	898	2.5x	2.5x	77.1x	NM
Kofax Limited	LSE:KFX	626	719	2.2x	1.8x	20.3x	11.2x
LivePerson	NasdaqGM:LPSN	623	694	3.3x	3.0x	75.6x	25.6x
Marketo	NasdaqGS:MKTO	1,082	1,194	8.9x	7.2x	NM	NM
Salesforce.com	NYSE:CRM	38,079	36,577	8.0x	7.0x	NM	36.6x
Zendesk	NYSE:ZEN	1,846	1,968	19.2x	14.0x	NM	NM
Median				5.1x	4.3x	75.6x	31.1x

Accounting / ERP

American Software	NasdaqGS:AMSW.A	\$199	\$260	2.0x	1.8x	12.1x	9.3x
Intuit	NasdaqGS:INTU	22,199	23,614	4.9x	5.1x	15.1x	17.4x
Model N	NYSE:MODN	127	230	1.4x	1.5x	NM	NM
Netsuite	NYSE:N	6,488	6,697	13.6x	10.4x	NM	NM
Oracle	NYSE:ORCL	170,929	185,012	4.5x	4.3x	10.2x	8.3x
QAD	NasdaqGS:QADA	257	317	0.9x	0.9x	15.9x	11.3x
Sage	LSE:SGE	7,647	7,049	3.5x	NA	11.8x	NA
SAP	DB:SAP	94,493	93,045	4.2x	4.1x	12.3x	11.4x
Textura	NYSE:TXTR	666	733	11.3x	8.3x	NM	NM
Median				4.2x	4.2x	12.2x	11.3x

Retail Software

Borderfree	NasdaqGS:BRDR	321	441	2.8x	2.1x	NM	32.4x
NCR	NYSE:NCR	9,219	5,742	1.5x	1.3x	9.5x	8.6x
Median				2.1x	1.7x	9.5x	20.5x

Supply Chain Management

Aspen Technology	NasdaqGS:AZPN	\$3,483	\$3,750	8.9x	7.9x	26.2x	19.3x
BasWare	HLSE:BAS1V	537	554	3.3x	NA	53.7x	NA
ClickSoftware Technologies	NasdaqGS:CKSW	220	262	1.9x	1.6x	NM	45.0x
Dassault	ENXTPA:DSY	15,479	16,724	5.6x	4.9x	19.5x	15.2x
Descartes Systems Group	TSX:DSG	1,031	1,054	6.5x	5.6x	22.9x	18.7x
Manhattan Associates	NasdaqGS:MANH	2,067	2,169	4.6x	4.2x	16.7x	14.2x
Materialise NV	NasdaqGS:MTLS	508	589	5.0x	4.5x	53.3x	68.5x
Mix Telematics	JSE:MIX	222	295	1.8x	1.7x	10.6x	7.2x
Parametric Technology	NasdaqGS:PTC	4,550	4,539	3.4x	3.3x	14.4x	11.6x
SciQuest	NasdaqGS:SQI	324	439	3.3x	3.0x	NM	15.2x
Fleetmatics Group	NYSE:FLTX	1,101	1,232	5.4x	4.3x	24.8x	14.9x
Median				4.6x	4.3x	22.9x	15.2x

2. Public Market Valuations

Application Software (Continued)

		TEV		TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<i>(\$ in millions)</i>							
Human Capital Management							
Benefit Focus	NasdaqGM:BNFT	\$808	\$841	6.8x	5.3x	NM	NM
Callidus	NasdaqGM:CALD	491	528	3.9x	3.5x	NM	31.0x
CastLight Health	NYSE:CSLT	908	1,068	32.8x	15.6x	NM	NM
Concur	NasdaqGS:CNQR	5,583	5,725	8.4x	6.9x	NM	41.3x
Cornerstone OnDemand	NasdaqGS:CSOD	1,980	1,999	8.9x	6.2x	NM	NM
Paycom	NYSE:PAYC	928	915	7.3x	5.7x	62.2x	33.1x
Paylocity	NasdaqGS:PCTY	1,048	1,127	9.6x	7.4x	NM	NM
TriNet Group	NYSE:TNET	2,328	1,853	1.2x	1.7x	14.7x	12.6x
Ultimate Software	NasdaqGS:ULTI	4,073	4,154	8.9x	7.3x	61.3x	29.7x
Workday	NYSE:WDAY	15,511	16,848	25.2x	16.6x	NM	NM
Median				8.6x	6.6x	61.3x	31.0x
Knowledge / Content Management							
Adobe Systems	NasdaqGS:ADBE	33,937	35,761	8.3x	7.7x	45.4x	26.2x
Akamai	NasdaqGS:AKAM	10,603	10,765	6.0x	5.0x	17.1x	11.9x
Open Text	NasdaqGS:OTEX	7,740	6,848	4.8x	4.0x	17.3x	11.6x
Opower	NYSE:OPWR	622	771	5.7x	4.6x	NM	NM
Sabre	NasdaqGS:SABR	7,669	4,827	2.6x	2.5x	12.3x	8.2x
SDL	LSE:SDL	440	443	1.0x	NA	14.3x	NA
TrueCar	NasdaqGS:TRUE	1,477	1,589	8.6x	6.3x	NM	NM
Veeva	NYSE:VEEV	3,480	3,830	13.4x	10.3x	NM	38.6x
Median				5.9x	5.0x	17.1x	11.9x

2. Public Market Valuations

EMS / Infrastructure Software

(\$ in millions)		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
Business Intelligence							
Actuate	NasdaqGS:BIRT	\$147	\$206	1.3x	1.5x	58.9x	NM
Covisint	NasdaqGS:COVS	139	182	1.5x	1.5x	NM	NA
Informatica	NasdaqGS:INFA	3,060	3,746	3.0x	2.8x	16.6x	10.7x
MicroStrategy	NasdaqGS:MSTR	1,203	1,570	2.0x	2.0x	40.2x	23.9x
Pegasystems	NasdaqGS:PEGA	1,478	1,694	2.6x	2.3x	18.4x	15.0x
Tableau	NYSE:DATA	3,872	4,499	12.6x	9.0x	NM	NM
Varonis Systems	NasdaqGS:VRNS	463	583	5.4x	4.2x	NM	NM
Verint Systems	NasdaqGS:VRNT	3,812	2,998	4.0x	3.2x	24.0x	12.2x
Median				2.8x	2.5x	24.0x	13.6x
Security Software							
Barracuda Networks	NYSE:CUDA	\$1,143	\$1,279	4.7x	4.1x	289.0x	15.4x
Check Point Software	NasdaqGS:CHKP	12,316	13,550	8.6x	8.1x	15.7x	13.9x
Cheetah Mobile	NYSE:CMCM	3,068	3,378	16.6x	7.9x	NM	39.9x
FireEye	NasdaqGS:FEYE	4,173	4,638	15.6x	7.9x	NM	NM
Imprivata Inc.	NYSE:IMPR	264	348	3.2x	NA	NM	NA
MobileIron	NasdaqGS:MOBL	724	879	6.3x	NA	NM	NA
NetQin Mobile	NYSE:NQ	248	349	1.3x	0.8x	NM	2.7x
Palo Alto Networks	NYSE:PANW	6,183	6,551	11.6x	7.5x	NM	50.7x
Qualys	NasdaqGS:QLYS	693	802	5.8x	4.8x	48.9x	25.5x
Qihoo 360 Technology	NYSE:QIHU	10,942	11,060	11.0x	6.6x	42.5x	17.7x
Symantec	NasdaqGS:SYMC	14,811	16,765	2.2x	2.2x	7.6x	6.2x
Trend Micro	TSE:4704	3,217	4,321	3.0x	NA	8.6x	NA
VASCO	NasdaqCM:VDSI	456	580	2.7x	2.6x	20.3x	12.7x
VeriSign	NasdaqGS:VRSN	6,958	7,136	7.0x	6.7x	11.4x	10.2x
Zix	NasdaqGS:ZIXI	202	228	4.1x	3.7x	17.5x	15.8x
Median				5.8x	5.7x	17.5x	15.4x
System and Network Management Software							
A10 Networks	NYSE:ATEN	585	697	3.4x	2.8x	NM	NM
CA Technologies	NasdaqGS:CA	11,218	12,569	2.5x	2.6x	7.9x	6.6x
Compuware	NasdaqGS:CPWR	1,799	2,058	2.5x	2.5x	21.0x	8.6x
Cyna	NYSE:CYNI	143	177	1.4x	1.2x	NM	NM
EMC	NYSE:EMC	59,286	59,906	2.5x	2.3x	11.5x	7.5x
Gigamon	NYSE:GIMO	213	348	1.4x	1.5x	NM	NM
Mavenir Systems	NYSE:MVNR	323	323	2.8x	2.3x	NM	NM
Netscout Systems	NasdaqGS:NTCT	1,713	1,891	4.1x	3.7x	16.5x	12.7x
Median				2.5x	2.4x	14.0x	8.0x
Integration / Middleware							
Citrix Systems	NasdaqGS:CTXS	\$12,013	\$11,556	3.9x	3.6x	16.6x	12.0x
Progress Software	NasdaqGS:PRGS	947	1,173	2.9x	2.8x	10.0x	7.8x
Rally Software	NYSE:RALY	210	287	2.6x	2.2x	NM	NM
TIBCO Software	NasdaqGS:TIBX	3,420	3,453	3.1x	3.1x	17.4x	12.7x
Median				3.0x	2.9x	16.6x	12.0x
Platform / OS							
Hewlett-Packard	NYSE:HPQ	\$76,863	\$71,111	0.7x	0.7x	5.8x	5.9x
IBM	NYSE:IBM	228,718	191,837	2.3x	2.3x	9.1x	8.1x
Microsoft Corp.	NasdaqGS:MSFT	312,610	374,336	3.6x	3.1x	9.7x	9.0x
Red Hat	NYSE:RHT	10,717	11,520	6.7x	5.8x	35.0x	21.3x
Median				3.0x	2.7x	9.4x	8.5x

2. Public Market Valuations

Financial Solutions & Services

(\$ in millions)		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
Bank Processing							
Bottomline Technologies	NasdaqGS:EPAY	\$1,070	\$1,113	3.6x	3.2x	32.1x	14.2x
Fiserv	NasdaqGS:FISV	19,586	16,067	4.0x	3.8x	12.8x	11.5x
Heartland	NYSE:HPY	1,866	1,719	0.9x	2.6x	11.5x	9.9x
Jack Henry & Associates	NasdaqGS:JKHY	4,707	4,768	3.9x	3.6x	11.3x	10.5x
Q2 Holdings	NYSE:QTWO	413	505	6.3x	4.7x	NM	NM
Median				3.9x	3.6x	12.1x	11.0x
Capital Market Rating Services							
Moodys	NYSE:MCO	\$20,258	\$19,762	6.5x	5.9x	13.9x	13.0x
Morningstar	NasdaqGS:MORN	2,853	3,072	3.9x	3.7x	13.0x	12.3x
MSCI	NYSE:MSCI	5,492	5,377	5.1x	5.3x	12.3x	13.5x
Median				5.1x	5.3x	13.0x	13.0x
Consumer Rating Services							
Equifax	NYSE:EFX	\$11,090	\$9,591	4.7x	4.4x	13.2x	12.2x
Experian	LSE:EXPN	21,179	17,214	4.4x	NA	12.7x	NA
Fair Isaac	NYSE:FICO	2,307	1,870	3.0x	2.9x	11.7x	11.4x
Median				4.4x	3.6x	12.7x	11.8x
Payment Processing							
ACI Worldwide	NasdaqGS:ACIW	\$2,926	\$2,221	3.0x	2.6x	13.9x	9.5x
Cielo	BOVESPA:CIEL3	30,063	29,208	9.3x	NA	18.2x	NA
econtext Asia Limited	SEHK:1390	9	198	0.1x	NA	0.6x	NA
Global Payments	NYSE:GPN	6,346	4,958	2.5x	2.3x	12.2x	11.0x
Medical Transcription Billing	NasdaqCM:MTBC	40	37	3.6x	NA	56.0x	NA
Total System Services	NYSE:TSS	7,081	5,842	2.9x	2.7x	12.6x	9.4x
Median				3.0x	2.6x	13.2x	9.5x
Insurance Solutions							
Corelogic	NYSE:CLGX	\$3,899	\$2,576	3.0x	2.8x	15.4x	10.0x
CorVel	NasdaqGS:CRVL	819	853	1.7x	1.6x	11.3x	NA
Ebix	NasdaqGS:EBIX	594	592	2.9x	2.8x	7.6x	7.1x
Innovation Group	LSE:TIG	515	610	1.5x	NA	14.1x	NA
Sapiens International	NasdaqCM:SPNS	341	386	2.3x	2.0x	20.2x	15.0x
Verisk	NasdaqGS:VRSK	11,538	10,686	6.9x	6.2x	15.3x	13.3x
Median				2.6x	2.8x	14.7x	11.7x
Investment Solutions							
Advent Software	NasdaqGS:ADVS	\$1,905	\$1,666	4.9x	4.6x	20.2x	15.0x
Amber Road	NYSE:AMBR	341	378	5.7x	5.0x	NM	NM
Thomson Reuters	TSX:TRI	38,179	30,497	3.1x	3.0x	15.3x	NA
Median				4.9x	4.6x	17.8x	15.0x

2. Public Market Valuations

Online & Digital Media Companies

(\$ in millions)

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
Digital Media & Advertising							
AdThink Media	ENXTPA:ALADM	\$18	\$21	0.4x	NA	4.6x	NA
Baidu	NasdaqGS:BI DU	71,573	75,213	NM	7.4x	29.1x	22.4x
Blinkx	AIM:BLNX	119	246	0.5x	0.5x	3.9x	NA
Brightcove	NasdaqGS:BCOV	176	196	1.5x	1.4x	NM	NM
Constant Contact	NasdaqGS:CTCT	848	988	2.8x	2.4x	25.1x	12.5x
Criteo	NasdaqGS:CRTO	1,909	2,223	2.5x	4.5x	32.9x	18.6x
Conversant	NasdaqGS:CNVR	1,746	1,765	2.9x	2.7x	8.8x	8.0x
Demand Media	NYSE:DMD	125	186	0.3x	0.6x	5.9x	3.2x
Google	NasdaqGS:GOOGL	340,276	390,264	5.2x	4.7x	17.5x	11.8x
IAC/Interactive	NasdaqGS:IACI	5,840	5,803	2.0x	1.8x	11.7x	9.9x
Marin Software	NYSE:MRIN	211	291	2.4x	2.0x	NM	NM
Netflix	NasdaqGS:NFLX	27,888	28,702	5.7x	4.5x	67.0x	42.1x
Perion Network	NasdaqGS:PERI	415	445	1.1x	1.1x	5.1x	3.8x
QuinStreet	NasdaqGS:QNST	164	210	0.6x	0.6x	11.9x	10.1x
Rightside	NasdaqGS:NAME	169	221	0.9x	NA	NM	NA
Rocket Fuel	NasdaqGS:FUEL	415	584	1.3x	0.8x	NM	NM
SINA Corp	NasdaqGS:SINA	1,817	3,052	2.5x	2.2x	20.8x	46.1x
The Rubicon Project	NYSE:RUBI	244	349	2.5x	1.8x	NM	NM
Tremor Video	NYSE:TRMR	68	152	0.5x	0.4x	NM	NM
TubeMogul	NasdaqGS:TUBE	403	414	4.7x	3.6x	NM	NM
Xunlei Limited	NasdaqGS:XNET	253	717	1.5x	1.2x	7.4x	4.4x
Yahoo	NasdaqGS:YHOO	36,774	38,302	8.0x	8.5x	20.6x	31.4x
Yandex	NasdaqGS:YNDX	8,957	9,039	6.7x	5.9x	17.7x	14.1x
Youku	NYSE:YOKU	2,490	4,124	4.5x	3.3x	41.1x	39.8x
YuMe	NYSE:YUME	111	172	0.7x	0.6x	NM	NM
Median				2.2x	2.0x	17.5x	12.5x

Online Retailers and Offers

Amazon	NasdaqGS:AMZN	\$151,782	\$156,649	1.9x	1.5x	37.6x	21.3x
Blue Nile	NasdaqGS:NILE	297	336	0.7x	0.6x	18.2x	12.5x
Coupons.com	NYSE:COUP	987	1,186	5.1x	3.8x	NM	31.6x
Ebay	NasdaqGS:EBAY	66,839	68,887	3.9x	3.4x	13.4x	10.7x
Overstock	NasdaqGM:OSTK	323	425	0.2x	0.2x	17.5x	8.4x
Zulily	NasdaqGS:ZU	3,786	4,096	4.0x	2.6x	NM	NM
Median				2.9x	2.0x	17.8x	12.5x

2. Public Market Valuations

Online & Digital Media Companies (Continued)

(\$ in millions)		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
Other Online Companies							
AOL	NYSE:AOL	\$3,512	\$3,400	1.4x	1.4x	8.0x	6.6x
Bankrate	NYSE:RATE	\$1,587	\$1,466	3.1x	2.7x	13.4x	10.4x
Bridgeline Digital	NasdaqCM:BLIN	21	16	0.9x	0.8x	NM	NM
Demandware	NYSE:DWRE	1,664	1,920	13.0x	9.5x	NM	NM
Digital River	NasdaqGS:DRIV	231	488	0.6x	0.6x	6.8x	4.4x
Endurance International	NasdaqGS:EIGI	2,822	1,739	5.0x	4.1x	35.0x	10.9x
Grubhub	NYSE:GRUB	2,823	3,030	13.9x	10.2x	NM	36.7x
Intershop	XTRA:ISH2	42	50	0.6x	0.7x	NM	NA
PFS Web	NasdaqCM:PFSW	130	143	0.7x	0.5x	24.0x	8.0x
Phoenix New Media	NYSE:FENG	542	765	2.2x	1.8x	11.2x	9.6x
Shutterstock	NYSE:SSTK	2,266	2,502	8.1x	6.2x	49.4x	30.5x
Web.com	NasdaqGS:WWWV	1,507	994	2.9x	2.5x	14.2x	8.7x
WebMD Health	NasdaqGS:WBMD	2,017	1,846	3.7x	3.3x	20.4x	11.9x
Wix	NasdaqGS:WIX	523	620	4.8x	3.2x	NM	NM
Yelp	NYSE:YELP	5,590	5,941	18.8x	12.3x	NM	NM
Zhaopin	NYSE:ZPIN	647	768	3.8x	3.2x	16.3x	13.1x
Median				3.4x	3.0x	15.2x	10.4x
Social Networking & Gaming							
Activision	NasdaqGS:ATVI	\$17,007	\$16,890	4.0x	3.5x	14.6x	10.3x
Electronic Arts	NasdaqGS:EA	10,099	11,829	2.6x	2.4x	27.6x	10.8x
Facebook	NasdaqGS:FB	180,906	194,536	18.1x	12.7x	33.3x	20.0x
iDreamSky Technology	NasdaqGS:DSKY	846	871	NM	4.1x	63.5x	18.2x
IGG	SEHK:8002	638	795	4.2x	NA	12.8x	NA
Jiayuan.com International	NasdaqGS:DATE	83	173	1.0x	0.8x	13.9x	8.4x
King Entertainment	NYSE:KING	3,577	4,409	1.5x	1.7x	4.1x	4.2x
Konami	TSE:9766	3,129	3,213	1.5x	1.4x	12.7x	9.9x
LinkedIn	NYSE:LNKD	25,385	27,747	13.7x	10.1x	NM	38.2x
MeetMe	NasdaqCM:MEET	102	103	2.4x	2.0x	NM	18.4x
Renren	NYSE:RENN	313	1,200	2.7x	3.4x	NM	NM
Taomee Holdings	NYSE:TAOM	64	169	1.3x	1.3x	14.4x	NM
Twitter	NYSE:TWTR	28,286	30,181	29.0x	16.2x	NM	NM
Ubisoft	ENXTPA:UBI	1,784	1,764	1.3x	NA	4.1x	NA
XING	XTRA:O1BC	610	684	5.2x	NA	24.5x	NA
Zynga	NasdaqGS:ZNGA	1,866	2,594	2.7x	2.4x	NM	20.7x
Median				2.7x	2.4x	14.4x	14.5x

2. Public Market Valuations

Business Services

(\$ in millions)

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
IT Integration & Consulting							
Accenture	NYSE:ACN	\$47,685	\$51,168	1.6x	1.5x	10.5x	9.3x
CIBER	NYSE:CBR	286	298	0.3x	0.3x	13.8x	7.9x
The Hackett Group	NasdaqGS:HCKT	204	186	1.0x	0.9x	11.6x	7.7x
iGATE	NasdaqGS:IGTE	3,094	2,204	2.6x	2.3x	11.2x	10.0x
Perficient	NasdaqGS:PRFT	657	593	1.7x	1.4x	12.6x	8.0x
Sapient	NasdaqGS:SAPE	1,770	2,057	1.3x	1.2x	10.1x	8.6x
Median				1.5x	1.3x	11.4x	8.3x
Education & Training							
Blackbaud	NasdaqGS:SCHL	\$1,246	\$1,131	0.7x	0.7x	9.0x	8.8x
Cambium Learning Group	NasdaqCM:ABCD	212	74	1.5x	NA	10.7x	NA
Chegg	NYSE:CHGG	519	578	1.9x	1.5x	29.7x	NM
Houghton Mifflin	NasdaqGS:HMHC	2,749	2,698	2.0x	1.9x	19.8x	7.6x
K12 Inc.	NYSE:LRN	581	723	0.6x	0.6x	6.5x	4.8x
LeapFrog Enterprises	NYSE:LF	254	454	0.5x	0.5x	7.5x	9.0x
Scholastic	NasdaqGS:SCHL	1,246	1,131	0.7x	0.7x	9.0x	8.8x
Scientific Learning Corp.	OTCPK:SCIL	6	4	0.3x	NA	NM	NA
Pearson	LSE:PERSON	18,535	14,929	2.3x	2.3x	13.6x	12.6x
Promethean World	LSE:PRW	82	98	0.4x	NA	NM	NA
Rosetta Stone	NYSE:RST	144	186	0.6x	0.5x	NM	5.7x
Median				0.7x	0.7x	9.8x	8.8x
IT Services							
CACI International	NYSE:CACI	\$2,922	\$1,696	0.8x	0.8x	8.8x	9.1x
Luxoft Holdings	NYSE:LXFT	1156	1182	2.7x	2.3x	15.0x	12.0x
ManTech International	NasdaqGS:MANT	1,104	1,080	0.6x	0.6x	7.9x	8.4x
MAXIMUS	NYSE:MMS	2,579	2,760	1.6x	1.4x	9.6x	8.9x
Atos Origin	ENXTPA:ATO	8,713	8,759	0.8x	NA	7.3x	NA
Cap Gemini	ENXTPA:CAP	11,120	11,255	0.8x	NA	8.5x	NA
Cognizant Technology	NasdaqGS:CTSH	23,671	27,800	2.5x	2.2x	11.7x	10.7x
HCL Technologies	BSE:532281	17,472	18,868	3.3x	NA	12.5x	NA
Syntel	NasdaqGS:SYNT	3,109	3,736	3.5x	NA	10.6x	10.9x
Tata Consultancy Services	BSE:532540	78,316	81,621	5.5x	NA	18.0x	NA
Wipro	BSE:507685	20,289	22,873	2.7x	2.6x	12.0x	11.1x
Median				2.5x	1.8x	10.6x	10.7x
Call Center							
Sykes Enterprises	NasdaqGS:SYKE	\$791	\$917	0.6x	0.6x	6.3x	6.0x
TeleTech Holdings	NasdaqGS:TTEC	1,336	1,321	1.1x	1.0x	8.5x	7.4x
Median				0.9x	0.8x	7.4x	6.7x

3. Public Market Universe

Application Software

CRM	Accounting/ERP	Retail Software	Knowledge/Content Management
salesforce.com LIVEPERSON cvent Five9 zendesk INTERACTIVE INTELLIGENCE Marketo	intuit Model N QAD ORACLE NETSUITE sage Textura SAP AMERICAN SOFTWARE	NCR BORDERFREE	SDU Veeva OPOWER KOFAX Sabre TRUECar OPENTEXT Akamai Adobe
Human Capital Management	Supply-Chain Management		
Concur Cornerstone ONDEMAND TriNet CALLIDUS CLOUD paycom Ultimate SOFTWARE workday CASTLIGHT HEALTH paylocity BENEFITFOCUS	aspentech DESCARTES Fleetmatics basware ClickSoftware DASSAULT SYSTEMES Manhattan Associates Mx PTC sciQuest Materialise innovators you can count on		

EMS / Infrastructure Software

Business Intelligence	Security Software	System & Network Development Software
ACTUATE Pega INFORMATICA VARONIS VERINT MicroStrategy +tableau covisint	Check Point SOFTWARE TECHNOLOGIES LTD. VASCO imprivata 360 www.360.cn Cheetah Mobile VeriSign NetQin QUALYS FireEye zixcorp. TREND MICRO MobileIron Symantec Barracuda paloalto NETWORKS	Compuware NETSCOUT Gigamon QUEST SOFTWARE EMC ² ca technologies AVENIR SYSTEMS CYAN AIB Networks
Integration/Middleware	Platform/OS	
TIBCO PROGRESS software CITRIX RALLY SOFTWARE	redhat IBM Microsoft hp	

Financial Solutions & Services

Bank Processing	Capital Market Rating Services	Consumer Rating Services	Payment Processing
fiserv. Bottomline Technologies Heartland FINANCIAL USA, INC. Q2 jack henry & ASSOCIATES INC.	MOODY'S MSCI MORNINGSTAR	Experian EQUIFAX FairIsaac.	globalpayments TSYS ACI cielo econtext ASIA MTBC A Unique Healthcare IT Company
Insurance Solutions			Investment Solutions
SAPIENS Experience Insurance Innovation verisk Analytics innovation group EBIX CoreLogic CORVEL			THOMSON REUTERS Amber Road POWERING GLOBAL TRADE ADVENT

3. Public Market Universe

Online & Digital Media

Digital Media & Advertising



Social Networking & Gaming



Online Retail and Offers



Other Online Companies



Business Services

IT Integration & Consulting



Education & Training



Call Center



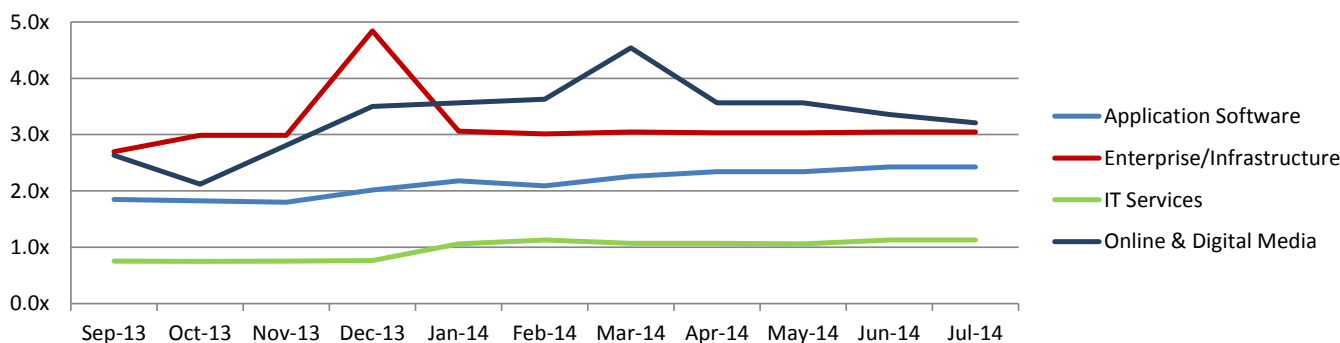
IT Services



4. M&A Transactions

Trailing 12 Month Moving Median EV/Revenue Multiple

	Period Ending											
	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
<i>Application Software</i>	1.9x	1.8x	1.8x	2.0x	2.2x	2.1x	2.3x	2.3x	2.3x	2.4x	2.4x	2.4x
<i>Enterprise/Infrastructure</i>	2.7x	3.0x	3.0x	4.8x	3.1x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x
<i>IT Services</i>	0.8x	0.7x	0.8x	0.8x	1.1x	1.1x	1.1x	1.1x	1.1x	1.1x	1.1x	1.0x
<i>Online & Digital Media</i>	2.6x	2.1x	2.8x	3.5x	3.6x	3.6x	4.5x	3.6x	3.6x	3.4x	3.2x	3.4x



Gaming and Other Digital Media Companies Remain Hot M&A Targets: Over the course of August a number of significant gaming and digital media players were acquired in strategic transactions.

The most notable of these transactions occurred when **Twitch Interactive, Inc.**, the leading live video platform for gamers, was acquired by online giant **Amazon.com, Inc. (NasdaqGS:AMZN)**. The transaction values Twitch at \$970.0 million. Amazon aims to capitalize on the growing trend of gaming and the increased popularity of live stream and “let’s play” gaming as a passive entertainment format.

On the other side of the world, **OShanghai Douwan Network Technology Co., Ltd.** a developer of web and mobile based games, was acquired by **Song Liao Automotive Co., Ltd (SHSE:600715)**, a Chinese conglomerate primarily focused on the automotive sector. The transaction values Douwan at an enterprise value of \$232.0 million, an astounding 17.3x revenue. This acquisition enables Song Liao to stem losses by further diversifying its holdings into the growing gaming and digital media sector.

Earlier in the month, on August 11th, **Telstra Corporation Limited (ASX:TLS)**, a leading global provider of telecommunications and information services, acquired **Ooyala, Inc.**, which provides one of the leading digital platforms for the delivery and monetization of online video. The transaction values Ooyala at an enterprise value of \$360.0 million and provides Telstra with the opportunity to deliver platforms and services for the next generation of TV and video.

Other transactions occurring during August include: **Shanghai Chenghai Enterprise Development Co., Ltd. (SHSE:600634)** acquiring **DIANDIAN Interactive (Beijing) Technology Ltd.** for \$960.0 million; **King Digital Entertainment plc (NYSE:KING)** acquiring **NonStop Games Ltd.** for \$90.0 million; **SmileGate Inc.** acquiring **AfreecaTV Co., Ltd.**, **Tales Runner Game Business** for \$2.92 million; and **YouTube, LLC** acquiring **Directr, Inc.** for an undisclosed amount.

Gaming remains a red hot sector, as recently indicated in our October 2013 version of the Lighthouse ([See it Here](#)). Might the appetite for gaming and digital media companies remain strong in the coming months?

4. M&A Transactions

Application Software

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
Aug-14	Q3'2014	Interinbox and ERNEPH 2012A and ERNEPH 2012B and Quattro Hosting	SMTP	\$5.8	1.5x
Aug-14	Q3'2014	[x+1], Inc.	Rocket Fuel	236.0	3.3x
Aug-14	Q3'2014	Jinny Software	Enghouse Systems Limited	17.7	0.8x
Jul-14	Q3'2014	Exact Software	Sage Software	28.2	1.6x
Jul-14	Q3'2014	Open Roads Consulting	Q-Free	550.6	1.0x
Jul-14	Q3'2014	Aegis Business Group	Teleperformance	104.5	1.5x
Jul-14	Q3'2014	New Vision Baltija	PSI Group	1,119.4	0.6x
Jun-14	Q2'2014	Cegedim SA	IMS Health Holdings	523.2	0.9x
Jun-14	Q2'2014	MICROS Systems Inc.	Oracle Corporation	4,604.1	3.4x
Jun-14	Q2'2014	ReadSoft AB	Hyland Software UK Ltd.	183.9	1.6x
Jun-14	Q2'2014	AtegoTM	PTC Inc.	50.0	2.5x
Jun-14	Q2'2014	OpenTable Inc.	The Priceline Group Inc.	2,495.5	12.6x
Jun-14	Q2'2014	MPayMe Limited	Powa Technologies Limited	75.0	2.5x
Jun-14	Q2'2014	ViryaNet Ltd.	VERISAE Inc.	18.7	1.69x
Jun-14	Q2'2014	UNUM Tecnologia e Consultoria em Informática Ltd	Bematech SA	17.7	4.0x
Jun-14	Q2'2014	Human Edge Software Corporation	Tribal Group plc	14.1	2.1x
May-14	Q2'2014	Check	Intuit	360.0	24.0x
May-14	Q2'2014	Update Software	Aurea Software	34.5	0.7x
May-14	Q2'2014	Perfect Information	Mergermarket	43.7	4.3x
May-14	Q2'2014	Rezende Sistemas & Net4Biz Web	Linx Sistemas E Consultoria	22.6	2.8x
May-14	Q2'2014	Datasys	Traccis Plc	7.6	2.0x
May-14	Q2'2014	Pittsburgh Glass Works, Insurance and Services Division	Claims Services Group	280.0	4.8x
May-14	Q2'2014	ReadSoft AB	Lexmark International Technology S.A.	175.0	1.5x
May-14	Q2'2014	Uptivity	inContact	50.2	2.6x
May-14	Q2'2014	PNI Digital Media	Staples	61.6	2.9x
Apr-14	Q2'2014	Omnilink Systems	Numerex	37.5	2.9x
Apr-14	Q2'2014	24 ORE Software	TeamSystem	143.0	1.7x
Apr-14	Q2'2014	E-Learning	John Wiley & Sons	175.0	4.7x
Apr-14	Q2'2014	Vocus	GTCR	441.7	2.4x
Apr-14	Q2'2014	i:FAO	Amadeus Corporate Business	98.0	5.0x
Apr-14	Q2'2014	Profiles International	John Wiley & Sons	51.0	1.9x
Mar-14	Q1'2014	KnowledgePath Solutions	Digital Management	22.0	1.5x
Mar-14	Q1'2014	Pebble Beach Systems	Visiink	24.7	2.6x
Mar-14	Q1'2014	X2O Media	Barco	18.8	4.2x
Mar-14	Q1'2014	Techno Vision	RCG Holdings	9.4	14.4x
Mar-14	Q1'2014	Sample Digital Holdings	Prime Focus Technologies	12.5	3.0x
Feb-14	Q1'2014	Transics International	WABCO Europe	122.3	1.8x
Feb-14	Q1'2014	AutoNavi Holdings	Alibaba Group Holding	1,167.7	7.4x
Feb-14	Q1'2014	Compass Computer Consultants	Advanced Computer Software Group	19.4	2.1x
Jan-14	Q1'2014	Accelrys	Dassault Systemes	592.4	3.6x
Jan-14	Q1'2014	Scout Analytics	ServiceSource International	32.5	6.0x
Jan-14	Q1'2014	Pilat Media Global (77.3% Stake)	SintecMedia; Sintec Media Software	76.5	1.8x
Jan-14	Q1'2014	Quest Solution	Amerigo Energy	16.0	0.5x
Dec-13	Q4'2013	Digital Insight	NCR	1,650.0	5.0x
Dec-13	Q4'2013	Responsys	Oracle	1,589.2	8.2x
Dec-13	Q4'2013	Total Specific Solutions	Constellation Software	330.3	1.4x
Dec-13	Q4'2013	Realtime Technology (84% Stake)	Dassault Systemes	263.3	2.3x
Dec-13	Q4'2013	Trunkbow Intl. Holdings (56.1% Stake)	Management Buyout	69.5	2.6x

4. M&A Transactions

Application Software (Continued)

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
Dec-13	Q4'2013	Eshbel Technologies	Fortissimo Capital	55.1	3.2x
Dec-13	Q4'2013	QUMAS	Accelrys Software	47.8	2.5x
Dec-13	Q4'2013	Siriusware	accesso Technology Group	12.9	1.6x
Dec-13	Q4'2013	Geoplan	Ubisense Group	5.6	0.6x
Nov-13	Q4'2013	Unit 4	Advent International	1,709.1	2.6x
Nov-13	Q4'2013	Delcam	Autodesk Development	245.7	3.1x
Nov-13	Q4'2013	Optima Service Solutions	3PD	26.6	0.7x
Nov-13	Q4'2013	COR&FJA Banking Solutions	Sopra Banking Software	17.5	0.6x
Nov-13	Q4'2013	Altnet Transaction Systems	Utiba Mobility	10.1	8.3x
Nov-13	Q4'2013	Ionics Informatica e Automacao., Certain Assets	Linx Sistemas E Consultoria	5.2	2.2x
Nov-13	Q4'2013	Pentana Limited	Ideagen	4.9	1.3x
Oct-13	Q4'2013	Procurian	Accenture	375.0	2.7x
Sep-13	Q3'2013	The Active Network	Vista Equity	800.3	1.8x
Sep-13	Q3'2013	Knowledge Center	Charles Taylor	11.1	2.6x
Sep-13	Q3'2013	Lifestyle Services Group	Assurant	166.8	0.9x
Sep-13	Q3'2013	CombineNet	SciQuest	43.1	3.6x
Aug-13	Q3'2013	Qianlong Technology Intl (65.5% Stake)	Parko (Hong Kong) Limited	39.2	2.4x
Aug-13	Q3'2013	WISEMAN Co.	Management Buyout	59.9	0.8x
Aug-13	Q3'2013	Avelo FS Holdings Limited	IRESS Limited	320.4	3.8x
Jul-13	Q3'2013	Portalify	Sepura	\$9.3	7.0x
Jul-13	Q3'2013	Harland Financial Solutions	Davis + Henderson Corporation	1,200.0	4.7x
Jul-13	Q3'2013	RMS Software	Totvs Nordeste Software	18.9	2.2x
Jul-13	Q3'2013	Triple Point Technology	Ion Investment Group	900.0	4.5x
Jul-13	Q3'2013	Active Risk Group	Sword Group	12.9	1.0x
Jul-13	Q3'2013	Macro Kiosk Berhad (70.0% Stake)	Management Buyout	13.1	0.4x
Jul-13	Q3'2013	Joint Collaboration	Addnode Group	31.3	1.6x
Jul-13	Q3'2013	Mayrise	Yotta	9.1	3.1x
Jul-13	Q3'2013	ATLAS Interactive Deutschland	InternetQ	7.6	0.3x
Jul-13	Q3'2013	Intuit Financial Services	Thoma Bravo	1,025.0	3.4x
Jun-13	Q2'2013	Neolane	Adobe Systems	600.0	10.3x
Jun-13	Q2'2013	Simplex Holdings	The Carlyle Group LP; KARITA & Company	216.2	1.2x
Jun-13	Q2'2013	Bravura Solutions	Ironbridge Capital	169.1	1.4x
Jun-13	Q2'2013	ISS Group	P2 Energy Solutions	36.8	1.8x
Jun-13	Q2'2013	Panopticon Software	Datawatch Corporation	31.4	6.3x
Jun-13	Q2'2013	atBusiness	Innofactor	21.2	0.9x
Jun-13	Q2'2013	Veritape	Eckoh Plc	16.5	13.8x
Jun-13	Q2'2013	Morning Star Software Technology	Anhui USTC iFLYTEK	8.2	0.8x
Jun-13	Q2'2013	Drive Consultoria e Informatica	Senior Solution Consultoria Informatica	7.1	1.0x
Jun-13	Q2'2013	Indigo Retail Technology	HTEC	6.0	1.9x
May-13	Q2'2013	Veramark Technologies	Varsity Acquisition LLC	9.8	0.6x
May-13	Q2'2013	STAR-APIC SA (75.1% Stake)	1Spatial Plc	7.5	0.7x
May-13	Q2'2013	Microlink Solutions Berhad (69.9% Stake)	Formis Holdings Berhad	20.6	1.4x
May-13	Q2'2013	Epic Data International	Sylogist	6.9	1.5x
May-13	Q2'2013	KSD Software Norway AS	The Descartes Systems Group	30.8	3.2x
May-13	Q2'2013	Ebix	Rennes Foundation; Robin Raina Foundation, Inc., Endowment Arm;	811.6	3.9x
May-13	Q2'2013	Expert Systems Development Svenska AB	ReadSoft AB	9.2	4.6x
Apr-13	Q2'2013	RunMyProcess SAS	Fujitsu Limited	20.2	20.0x
Apr-13	Q2'2013	BGC Partners, Inc., E-speed Platform	The Nasdaq OMX Group	1,234.5	12.4x

4. M&A Transactions

EMS / Infrastructure Software

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
Jul-14	Q3'2014	GlobalCollect	Ingenico	\$8.5	2.7x
Jul-14	Q3'2014	Meritus Payment Solutions	Optimal Payments	6.8	2.8x
Jun-14	Q2'2014	Castel Intelligent	Beijing Jiaxun Feihong Electrical Co.	33.4	2.5x
May-14	Q2'2014	Mercury Payment Systems	NPC Group	1,650.0	7.0x
Apr-14	Q2'2014	Systar (65.7% Stake)	Axway Software S.A. (ENXTPA:AXW)	72.0	2.7x
Mar-14	Q1'2014	Blanco	Regeneris Plc (AIM:RGS)	82.7	4.9x
Mar-14	Q1'2014	VaultLogix, LLC	InterCloud Systems, Inc. (NasdaqCM:ICLD)	44.0	3.7x
Feb-14	Q1'2014	Cryptzone Group	Medina Capital	12.3	2.9x
Feb-14	Q1'2014	Shenick Network Systems	Aeroflex Holding	28.5	3.0x
Jan-14	Q1'2014	RJ Participacoes (60.0% Stake)	Bematech	11.7	3.1x
Nov-13	Q4'2013	Comunica Holdings	Coms PLC	15.3	0.3x
Oct-13	Q4'2013	Confio Software	SolarWinds Worldwide	103.0	6.7x
Jul-13	Q3'2013	Kapow Software	Kofax	47.5	3.0x
Jul-13	Q3'2013	Sourcefire	Cisco Systems	2,266.1	9.2x
Jun-13	Q2'2013	ICT Automatisering (79.6% Stake)	DPA Group	46.3	0.4x
May-13	Q2'2013	BMC Software	Insight Venture Partners; GIC Special	6,866.4	3.1x
May-13	Q2'2013	Stonesoft Oyj	McAfee	376.2	7.0x
Apr-13	Q2'2013	Revera Limited	Telecom Corporation of New Zealand	82.7	1.9x
Apr-13	Q2'2013	Arkoon Network Security (83.9% Stake)	Cassidian SAS	19.9	1.4x
Feb-13	Q1'2013	Webscreen Systems	Juniper Networks	9.9	7.0x
Dec-12	Q4'2012	Servage (63.9% Stake)	Getupdated Internet Marketing	5.9	1.1x
Dec-12	Q4'2012	Peer 1 Network Enterprises	Cogeco Cable	599.7	4.2x
Dec-12	Q4'2012	Compuware (93.7% Stake)	Elliott Management	2,341.4	2.4x
Nov-12	Q4'2012	eleven	CommTouch Software	11.3	1.4x
Oct-12	Q4'2012	Versant	The Louisiana Buyout Fund	11.2	0.7x
Oct-12	Q4'2012	OPNET Technologies	Riverbed Technology	899.2	5.0x
Aug-12	Q3'2012	UC4 Software	EQT Partners	271.6	3.6x
Aug-12	Q3'2012	Adepra	Fair Isaac	115.0	3.1x
Aug-12	Q3'2012	Pervasive Software	Actian Corporation	96.7	2.0x
Jun-12	Q2'2012	Quest Software	Dell	2,237.1	2.5x
May-12	Q2'2012	Ariba	SAP America	4,411.4	8.8x
Apr-12	Q2'2012	eLINA Webservices	Adapt Services	20.7	1.3x
Apr-12	Q2'2012	Chengdu Sicent Technology	Hanzhou ICafe Technology	12.7	1.6x
Mar-12	Q1'2012	Tectia (54.4% Stake)	Clasual Computing Oy	17.6	1.6x
Jan-12	Q1'2012	InfoVista (32.7% Stake)	Thoma Bravo	71.6	1.2x

4. M&A Transactions

IT Services

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
Aug-14	Q3'2014	Royal Imtech, ICT Division	VINCI Energies S.A.	\$336.0	0.3x
Aug-14	Q3'2014	PCGI Consulting Services and Paradigm Consulting Group	SOMOS Consulting Group Ltd.	14.4	0.7x
Aug-14	Q3'2014	Grupo Sonitel	Cable & Wireless Panama S.A.	41.0	0.5x
Aug-14	Q3'2014	Yuanjiang Information Technology	Heilongjiang Tianlun Real Estate Development	89.4	5.3x
Aug-14	Q3'2014	Oakton	Dimension Data Australia Pty	156.3	1.0x
Aug-14	Q3'2014	Kryptos Networks Pvt (80% Stake)	Inmeta Crayon ASA	4.9	0.7x
Aug-14	Q3'2014	Synergy Marketing	Yahoo Japan Corporation	66.2	1.7x
Aug-14	Q3'2014	Connectis AG and Softix AG	SPIE SA	52.8	0.4x
Jul-14	Q3'2014	Exxelnet Solutions	RapidCloud International	490.0	1.2x
Jul-14	Q3'2014	HJ Offshore Service	Recomm	336.7	1.2x
Jul-14	Q3'2014	eGistics	Top Image Systems	22.0	1.7x
Jul-14	Q3'2014	Global Merchant Advisors	Optimal Payments	19.6	1.8x
Jun-14	Q2'2014	Montal Holdings Limited	Castleton Technology plc	6.50	0.7x
Jun-14	Q2'2014	Ness Technologies Israel Ltd.	Hilan Ltd.	32.0	0.2x
Jun-14	Q2'2014	Pulsant Limited	Oak Hill Capital Partners	333.8	4.5x
May-14	Q2'2014	Business Connexion Group	Telkom SA SOC	273.6	0.5x
May-14	Q2'2014	G. Fleischhauer Ingenieur-Büro	SPIE GmbH	32.4	0.5x
May-14	Q2'2014	Trifecta Technologies	Perficient	13.7	1.7x
Apr-14	Q2'2014	I-Cubed	KPIT Technologies	24.2	2.4x
Apr-14	Q2'2014	Groupe Steria	Sopra Group	1,272.8	0.5x
Mar-14	Q1'2014	Groupe Telindus France S.A.	Vivendi Société Anonyme	130.6	0.4x
Mar-14	Q1'2014	Cybertrust Japan Co.,Ltd.	Softbank Technology Corp. (TSE:4726)	19.6	1.2x
Mar-14	Q1'2014	CTIS Tecnologia S/A	Sonda S.A. (SNSE:SONDA)	206.0	0.6x
Feb-14	Q1'2014	MHT	Engineering Ingegneria Informatica	8.1	0.6x
Jan-14	Q1'2014	ControlCircle Limited	Alternative Networks	65.4	1.9x
Jan-14	Q1'2014	Intercept IT Limited	Alternative Networks	21.3	1.3x
Jan-14	Q1'2014	Stream Global Services, Inc.	Convergys Corporation	820.0	0.8x
Dec-13	Q4'2013	Context Information Security Limited	Babcock International Group	52.0	3.2x
Dec-13	Q4'2013	Denara Holdings Limited	Nasstar	21.1	2.3x
Dec-13	Q4'2013	GMO Solution Partner	GMO AD Partners	17.5	0.6x
Dec-13	Q4'2013	Solidsoft	Reply S.p.A.	10.1	0.6x
Dec-13	Q4'2013	Enabling Holding ApS	Innofactor A/S	5.0	1.1x
Nov-13	Q4'2013	GXS Group	Open Text	1,165.0	2.4x
Nov-13	Q4'2013	InTechnology Managed Services	Redcentric	104.7	1.6x
Nov-13	Q4'2013	Catapult Systems	CSI Innovations	41.0	0.7x
Nov-13	Q4'2013	Bluemile	Wideopenwest Networks	20.0	2.3x
Nov-13	Q4'2013	Seventeen Tecnologia da Informacao Em Informatica	TOTVS	7.9	1.4x
Oct-13	Q4'2013	RagingWire	NTT Communications	437.5	5.2x
Oct-13	Q4'2013	Join and Share (51.0% Stake)	Beijing PST Service	36.2	5.7x
Oct-13	Q4'2013	Pironet NDH (72.6% Stake)	Cancom	62.7	1.1x
Oct-13	Q4'2013	Backup Technology	iomart Group	37.3	4.4x
Sep-13	Q3'2013	Official Payments Holdings	ACI Worldwide	107.9	0.8x
Sep-13	Q3'2013	Time Engineering (55.5% Stake)	CensofHoldings Berhad	47.6	1.1x
Sep-13	Q3'2013	IBM, Global Customer Care BPO Business	Concentrix	505.0	0.4x
Sep-13	Q3'2013	Application Services	Matchtech Group	7.8	0.3x
Sep-13	Q3'2013	e-vita	Acando	5.4	0.6x
Aug-13	Q3'2013	prisma GmbH (51.0% Stake)	Prisma Global Limited	10.2	1.6x
Jun-13	Q2'2013	Aedian (65.6% Stake)	Aubay	13.0	0.3x

4. M&A Transactions

IT Services (Continued)

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
Jun-13	Q2'2013	Veramark Technologies	Hubspoke Holdings	11.7	0.7x
Jun-13	Q2'2013	iSoftStone Holdings (90.6% Stake)	ChinaAMC Capital Management	298.6	0.8x
May-13	Q2'2013	Lender Processing Services	ServiceLink	3,849.7	1.9x
May-13	Q2'2013	Branded3 Search Limited Company	St Ives plc	38.3	6.1x
May-13	Q2'2013	Civica	OMERS Private Equity	607.8	1.9x
May-13	Q2'2013	AccessKenya Group Limited	Dimension Data Holdings plc	43.6	1.9x
May-13	Q2'2013	TriTek Solutions	Perficient	18.5	1.0x
Apr-13	Q2'2013	Touch Solutions, Inc. (70.0% Stake)	Undisclosed	7.3	4.1x
Apr-13	Q2'2013	Radiant Communications Corp.	Frontier Networks Inc.	8.0	0.3x
Apr-13	Q2'2013	Osiatis SA (61.02% Stake)	Econocom Group	188.7	0.5x
Apr-13	Q2'2013	BLACKIRON Data ULC	Rogers Business Solutions, Inc.	194.9	6.0x
Apr-13	Q2'2013	Alti SA	Tata Consultancy Services Limited	97.5	0.6x
Apr-13	Q2'2013	Exis Inversiones En Consultoria Informatica Y Tecnologia (95.28% Stake)	Altia Consultores, S.A.	5.3	0.3x
Mar-13	Q1'2013	Nebula	Ratos	106.2	3.4x
Mar-13	Q1'2013	CSC Digital Brand Services	Corporation Service Company	157.3	2.8x
Mar-13	Q1'2013	Morse Spain & Morse Computer Group Limited & 2e2 Guernsey Limited	Logicalis Group	31.0	0.2x
Feb-13	Q1'2013	Sigma AB (51.32% Stake)	Danir	103.6	0.5x
Feb-13	Q1'2013	Complex Consultoria em Informatica (51.0% Stake)	Satyam Computer Services	29.3	0.6x
Feb-13	Q1'2013	Northgate Managed Services	Capita	100.8	0.5x
Feb-13	Q1'2013	IDC Technologies	Staffing 360 Solutions	13.4	0.3x
Jan-13	Q1'2013	Online Resources Corp	ACI Worldwide	110.2	0.7x
Jan-13	Q1'2013	Ogone BVBA/SPRL	Ingenico	485.1	8.6x
Jan-13	Q1'2013	Panasonic AVC Technology (66.6% Stake)	Tempstaff Co., Ltd.	15.3	0.4x
Jan-13	Q1'2013	Panasonic AVC Multimedia	Tempstaff Co., Ltd.	13.0	0.4x
Dec-12	Q4'2012	Vixus	Vinculum Japan	12.8	0.1x
Dec-12	Q4'2012	Raber+Marcker (80.0% Stake)	Konica Minolta Business Solutions	45.5	0.6x
Nov-12	Q4'2012	AR Enterprise	Kedrios	36.4	1.9x
Nov-12	Q4'2012	Academica Oy	Telecity Group	35.8	1.9x
Oct-12	Q4'2012	Power Technology	Systemsoft	\$32.7	1.4x
Oct-12	Q4'2012	Litle & Co.	NPC Group; Vantiv	361.0	1.3x
Oct-12	Q4'2012	Epsilon AB	ÅF AB	432.4	1.4x
Oct-12	Q4'2012	ASG Group	Undisclosed Buyer	220.8	1.4x
Oct-12	Q4'2012	T-Chek Systems	Electronic Funds Source	302.5	6.1x
Sep-12	Q3'2012	General Services	Aeon Delight	8.6	2.1x
Sep-12	Q3'2012	LML Payment Systems	Digital River	71.6	2.1x
Sep-12	Q3'2012	Centralny Osrodek Informatyki Górnictwa	WASKO Spółka Akcyjna	25.7	1.5x
Sep-12	Q3'2012	Centrum Informatyki ZETO	Asseco Poland	11.8	0.5x
Sep-12	Q3'2012	Quintica	Quindell Portfolio	7.4	0.9x
Sep-12	Q3'2012	Maxima Holdings	Redstone	18.9	0.4x
Sep-12	Q3'2012	Poole & Associates	The KEYW Holding Corporation	125.8	2.9x
Sep-12	Q3'2012	Beijing Chuanglian Zhongren Technical Service Company	China Oriental Culture Group	51.5	22.8x
Aug-12	Q3'2012	Connection Services	Billing Services Group	9.5	5.5x
Aug-12	Q3'2012	Intrepidus Group	NCC Group	11.0	3.3x
Aug-12	Q3'2012	Luottokunta	Nets Holding	209.5	0.8x
Aug-12	Q3'2012	VancelInfo Technologies	HiSoft Technology	424.8	1.3x
Aug-12	Q3'2012	Zenetek	Star Entertainment Group	10.0	4.8x
Aug-12	Q3'2012	Edifice Information Management Systems	SPS Commerce	37.4	3.3x

4. M&A Transactions

Online & Digital Media

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
Aug-14	Q3'2014	Shanghai Douwan Network Technology	Song Liao Automotive	\$232.0	17.3x
Jul-14	Q3'2014	NQ Mobile	Bison Capital	12.5	2.5x
Jul-14	Q3'2014	MediaMiser	2426818 Ontario	14.0	2.4x
Jul-14	Q3'2014	Ozura Firstlogix	Wintoni Group	11.5	2.5x
Jun-14	Q2'2014	39.net	Longmaster Information & Technology Co.	104.4	6.1x
Jun-14	Q2'2014	Limelight Networks Inc.	Tuition Build Inc.	548.1	3.25x
May-14	Q2'2014	Preloaded	Learning Technologies Group plc	7.0	2.3x
May-14	Q2'2014	Plaor	CrowdGather	5.0	20.6x
Apr-14	Q2'2014	TodayiR.com	EQS Group	6.2	3.2x
Apr-14	Q2'2014	sociomantic labs	Dunnhumby Limited	205.7	2.0x
Apr-14	Q2'2014	Ensogo Holdings	iBuy Group	18.7	0.4x
Mar-14	Q1'2014	.CO Internet	NeuStar	109.0	5.2x
Dec-13	Q4'2013	Stayz Pty	HomeAway	194.8	8.5x
Dec-13	Q4'2013	DEALGURU	iBuy Group	34.3	4.9x
Dec-13	Q4'2013	Buy Together Hong Kong	iBuy Group	21.0	0.6x
Nov-13	Q4'2013	Giant Interactive Group	Baring Private Equity	2,319.7	6.1x
Nov-13	Q4'2013	Emediate	cXense	10.0	1.7x
Nov-13	Q4'2013	MediaSite	Sonic Foundry	7.8	1.0x
Oct-13	Q4'2013	Wirtualna Polska	Grupa	123.7	2.1x
Oct-13	Q4'2013	Shang Game Co. (70.0% Stake)	Ourpalm Co.	190.7	164.5x
Oct-13	Q4'2013	Supercell (51.0% Stake)	SoftBank / GungHo Online Entertainment	3,000.0	29.0x
Sep-13	Q3'2013	Facilitate Digital Holdings	Adslot	13.8	3.6x
Sep-13	Q3'2013	Compricer	Schibsted Tillväxtmedier	20.5	1.9x
Aug-13	Q3'2013	Arsys Internet	1&1 Internet	186.8	3.5x
Aug-13	Q3'2013	myphotobook	Elanders	13.9	1.0x
Jul-13	Q3'2013	EK3 Technologies	Cineplex	113.1	4.5x
Jun-13	Q2'2013	ExactTarget	Salesforce.com	2,249.6	7.1x
Jun-13	Q2'2013	Society6	Demand Media	94.3	6.3x
May-13	Q2'2013	Market Leader	Trulia	314.3	6.6x
Apr-13	Q2'2013	Mascus Danmark A/S	Mascus International B.V.	14.5	2.2x
Apr-13	Q2'2013	LiveMocha, Inc.	Rosetta Stone Ltd.	8.5	2.4x
Mar-13	Q1'2013	GamNED	LeadMedia Group Société Anonyme	6.6	2.1x
Feb-13	Q1'2013	China.com (74.17% Stake)	Individual Investor	26.5	1.5x
Jan-13	Q1'2013	Media Whiz	Matomy Media Group	10.0	0.1x
Nov-12	Q4'2012	SweetIM Technologies	Perion Network	40.5	1.4x
Nov-12	Q4'2012	Aetas	DIGITAL Hearts	9.7	1.8x
Oct-12	Q4'2012	XING AG (61.11% Stake)	Burda Digital GmbH	280.7	3.2x
Oct-12	Q4'2012	PriceGrabber.com, Classes USA, and	Management Buyout	110.0	0.4x
Oct-12	Q4'2012	Ancestry.com	Private Equity Firms	1,544.4	3.4x
Oct-12	Q4'2012	Neowiz Internet Corporation	NEOWIZ Games Corporation	158.5	3.5x
Sep-12	Q3'2012	Geeknet	eFinancialCareers/Dice Career Solutions	20.0	1.0x
Aug-12	Q3'2012	About.com	IAC Search & Media	300.0	2.7x
Jul-12	Q3'2012	AGL SAS	Cupid	4.5	0.6x
Jul-12	Q3'2012	Rent Mine Online	RealPage	9.5	6.3x
Jul-12	Q3'2012	Press Index (87.8% Stake)	The Kantar Group	10.9	0.5x
Jun-12	Q2'2012	Mackolik Internet (51.0% Stake)	Perform Group	44.3	12.1x
Jun-12	Q2'2012	E-consultancy.com	Centaur Communications	77.8	7.6x
Jun-12	Q2'2012	e-tabinet.com (66.7% Stake)	Fisco	10.7	15.4x

4. M&A Transactions

Online & Digital Media (Continued)

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
Jun-12	Q2'2012	MoneySavingExpert.com	Moneysupermarket.com Group	134.6	5.6x
Jun-12	Q2'2012	AKQA	WPP	540.0	2.9x
Jun-12	Q2'2012	Emakina.CH	Emakina Group	2.0	0.4x
May-12	Q2'2012	LeGuide.com	Lagardere Active	76.5	2.1x
Apr-12	Q2'2012	Hangzhou Bianfeng Network Technology	Zhejiang Daily Media Group	498.1	7.9x
Mar-12	Q1'2012	Tudou Holdings Ltd.	Youku	1,006.5	12.4x
Mar-12	Q1'2012	Walla! Communication (28.5% Stake)	Bezeq The Israel Telecommunication	63.5	1.2x
Feb-12	Q1'2012	Banks.com	Remark Media	4.9	1.0x
Feb-12	Q1'2012	Onvia (85.4% Stake)	Symphony Technology Group	24.6	1.1x
Feb-12	Q1'2012	Ntreev Soft	NCSOFT	126.5	2.6x
Feb-12	Q1'2012	Bazaarvoice (14.2% Stake)	General Atlantic & GAPCO	191.0	2.0x
Jan-12	Q1'2012	Pixelpark	MMS Germany Holdings	55.6	1.3x
Jan-12	Q1'2012	Aspiro AB	Schibsted ASA	40.9	1.2x

5. Recent Transactions

PHARUS SECURITIES



Teachers Pay Teachers

Completed a growth financing with




true ventures

The undersigned acted as the exclusive financial advisor to Teachers Synergy Inc. in connection with the transaction.

Pharus Securities
May 2014

Education Technology

PHARUS ADVISORS



MFM Industries

has been acquired by



OIL DRI

The undersigned acted as financial advisor to MFM Delaware, Inc., in its sale, per section 363 of the US bankruptcy code, to Oil-Dr Corporation of America (NYSE:ODC)

Pharus Advisors, LLC
November 2013

Consumer Products

PHARUS SECURITIES



AmberFin

has been acquired by



DALET

The undersigned acted as the exclusive financial advisor to AmberFin Ltd., in its sale to Daler S.A. (ENSTPA:DLT)

Pharus Securities
April 2014

Broadcast Technology

PHARUS ADVISORS



bluewolf™
Remote DBA Business

has been acquired by




datAvail

The undersigned acted as financial advisor to Bluewolf Inc., in the sale of its Remote DBA business to Datawall Corporation, Inc.

Pharus Advisors, LLC
December 2012



IT Services

PHARUS ADVISORS



SG SocialGuide

has been acquired by

nielsen
m incite

Principals of the undersigned acted as financial advisor to SocialGuide, Inc. in its sale to Nielsen Holdings N.V. and M Incite, LLC, a joint venture between Nielsen and McKinsey & Company, Inc.

Pharus Advisors, LLC
November 2012

Social TV Software

PHARUS ADVISORS



ExperTune

has been acquired by




metso

The undersigned acted as financial advisor to ExperTune Inc., in its sale to Metso Corporation

Pharus Advisors, LLC
November 2012

Industrial Software

PHARUS ADVISORS



bluewolf
Success Guaranteed

has been recapitalized by

RIORDAN, LEWIS & HADEN | Equity Partners

The undersigned acted as financial advisor to Bluewolf Group, LLC in connection with the transaction

Pharus Advisors, LLC
October 2011

IT Services

PHARUS SECURITIES



Vertive Offers.com

has received growth capital from



SIG
SUSQUEHANNA

The undersigned served as exclusive financial advisor to Vertive, publisher of Offers.com

Pharus Securities, LLC
October 2010

Online Marketing

PHARUS ADVISORS



netkey

has acquired




WEBPAVEMENT

The undersigned acted as financial advisor to Netkey, Inc. in connection with this acquisition

Pharus Advisors, LLC
AUGUST 2007


Retail Software

PHARUS ADVISORS



neural audio

has been acquired by



dts™
Digital Entertainment

Pharus Advisors, LLC
acted as exclusive financial advisor to Neural Audio Corporation in connection with the acquisition
December 2008

Audio Technology

PHARUS ADVISORS



venali

has been acquired by




j2 Global Communications

The undersigned acted as financial advisor to Venali, Inc. in connection with the transaction

Pharus Advisors, LLC
September 2010


Business Services

PHARUS ADVISORS




corbis

has completed the divestiture of



eMotion
Digital Asset Management Services
business to



OPEN TEXT
CORPORATION

The undersigned served as exclusive financial advisor to Corbis Corporation

Pharus Advisors, LLC
June 2008

Digital Asset Management

PHARUS ADVISORS



HCL

has acquired




CapitalStream

The undersigned acted as financial advisor to HCL Technologies Ltd. in connection with the acquisition

Pharus Advisors, LLC
February 2008


Financial Technology

PHARUS ADVISORS



two way tv

has completed the sale of its ARK technology operators for the UK and Ireland to



Virginia media

The undersigned acted as exclusive financial advisor to Two Way Media Limited

Pharus Advisors, LLC
April 2007

Broadcast Technology

PHARUS ADVISORS



PerformanceRetail

has been acquired by



DRESSER


Dresser Wayne, a division of Dresser, Inc.

The undersigned served as exclusive financial advisor to Performance Retail, Inc.

Pharus Advisors, LLC
May 2006


Retail Software

PHARUS ADVISORS



e pipeline

has been acquired by



MEDIAGRIF
INTERACTIVE TECHNOLOGIES

The undersigned acted as exclusive financial advisor to e pipeline, Inc.

Pharus Advisors, LLC
August 2007

E-publishing Technology

6. Pharos Overview

Introduction to Pharos

Pharus Advisors, LLC ("Pharus") is a boutique investment bank providing focused merger & acquisition, financing, and restructuring advisory services in a variety of industries. Our industry practice areas are:

- Application, Enterprise, and Systems Management Software
- Business Process Outsourcing and IT Services
- Media / Broadcasting Technology and Services
- Financial Technology
- Internet & Digital Media
- Education Technology
- Consumer Products
- Selected Traditional Industries

Pharus' principals established the firm with a commitment to provide clients a high level of attention, independent and objective advice, and creative solutions in challenging environments. With significant expertise our team can help investors, Boards of Directors, and executives evaluate challenging situations and develop defined strategies to maximize value on an expedited basis.

Broad and Deep Knowledge of Sectors

Pharus prides itself in maintaining a deep understanding of sectors in which we serve clients. We feel greater level of strategic understanding allows for added creativity.

Highly Customized Approach for Each Client

Pharus takes additional steps to develop an in-depth understanding of our clients' businesses and marketplaces, and designing and deploying a tailored transaction approach that best meets the needs and sensitivities of each client.

Strong Network of Key Relationships

Clients benefit from the firms' key executive level contacts at relevant companies, private equity, venture capital firms, and debt capital providers.

Highly Experienced and Senior Transaction Team

The Pharos team brings depth and complementary experience of senior professionals to each engagement including: mergers and acquisitions, private and public financings, business development, restructurings, operational turn-arounds, equity research, operations, management consulting and private equity transactions.

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