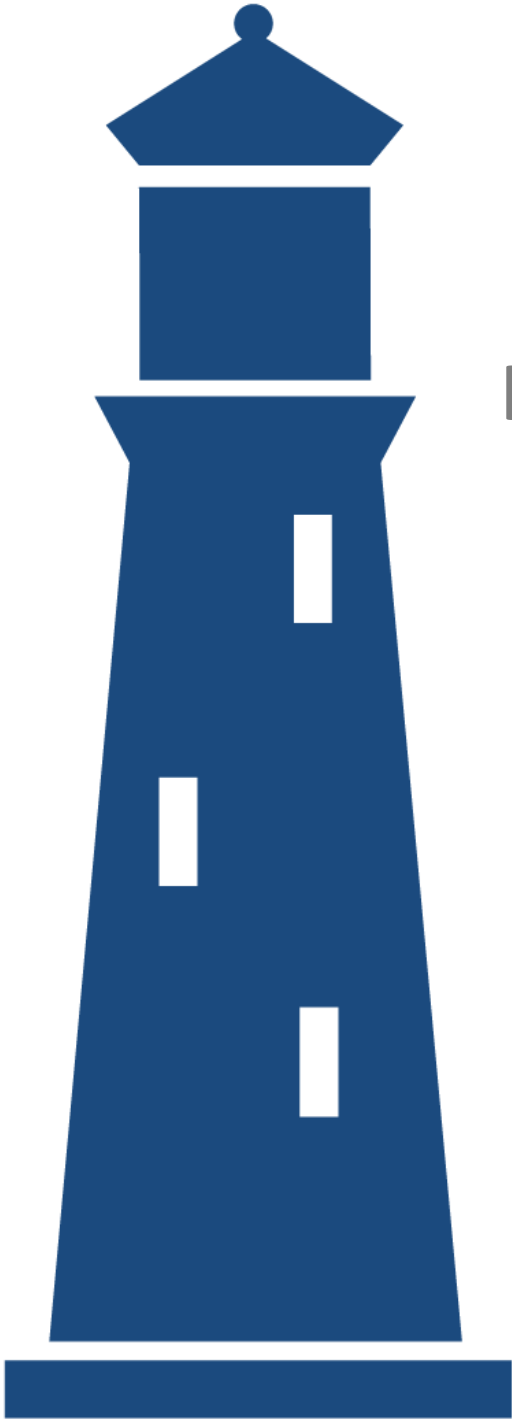


# The Lighthouse



**February 2014**  
**Software**  
**Business Services**  
**Internet & Digital Media**

# Table of Contents

<b>1. Capital Market Trends</b>	<b>3</b>
<b>2. Public Market Valuations</b>	<b>4</b>
<b>3. Public Market Universe</b>	<b>13</b>
<b>4. M&amp;A Transactions</b>	<b>15</b>
<b>5. Recent Transactions</b>	<b>24</b>
<b>6. Pharus Overview</b>	<b>25</b>

If you would like to be included on (or removed from) the distribution list for the Software & Services version of The Lighthouse, please contact Nathan Bullock at: [nbullock@pharus.com](mailto:nbullock@pharus.com).

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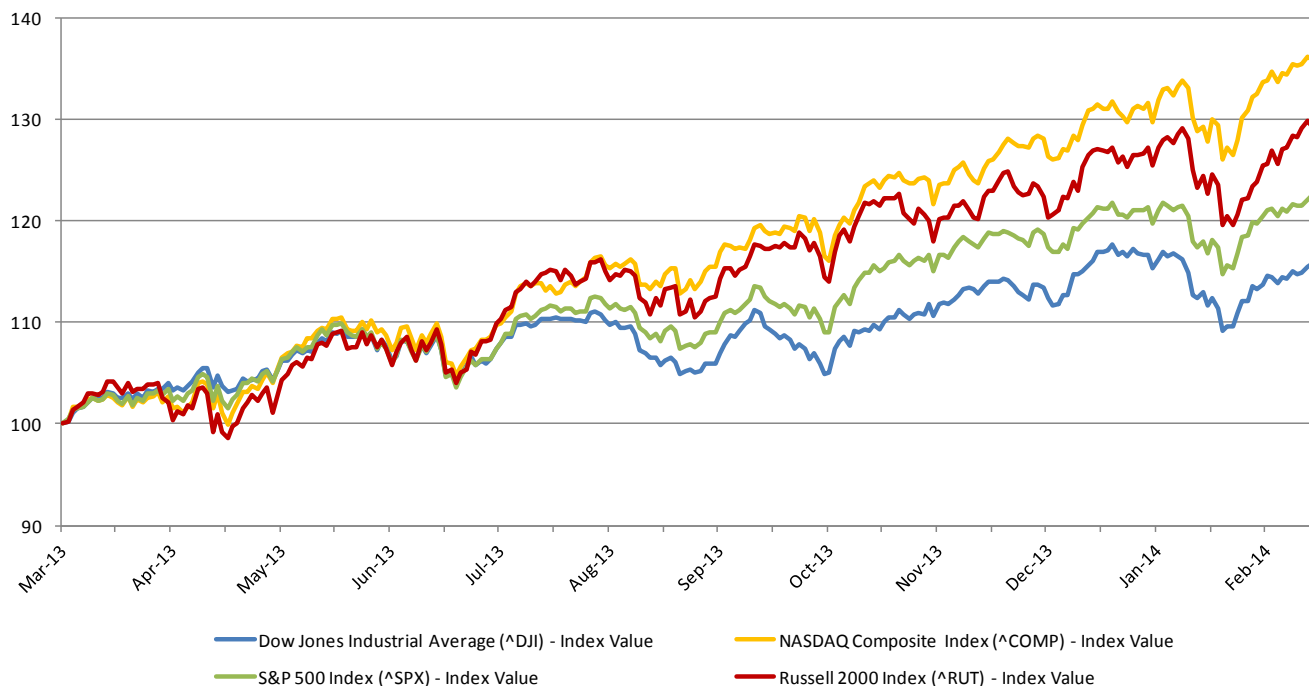
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# 1. Capital Market Trends

## Relative Performance of Major Stock Indices through February 28, 2014

(Base = 100, 3/1/2013)



Index	As of 28-Feb-14	Change %		
		1 Year	3 Months	1 Month
Dow Jones	16,321.71	16.1%	1.5%	4.0%
Nasdaq	4,308.12	36.3%	6.1%	5.0%
S&P 500	1,859.45	22.8%	3.0%	4.3%
Russell 2000	1,183.03	29.8%	3.5%	4.6%

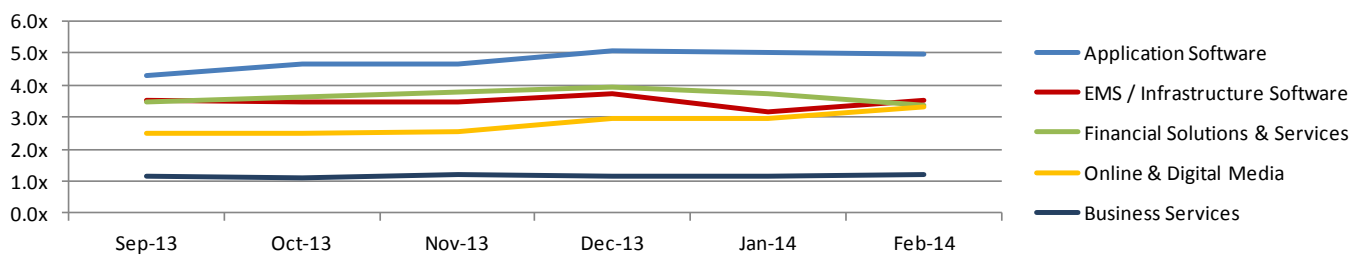
# 2. Public Market Valuations

## Historical Median TEV/Revenue Multiples

	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14
<b>Application Software</b>						
Customer Relationship Management (CRM)	6.9x	6.9x	6.5x	6.8x	7.3x	7.2x
Accounting / ERP	3.7x	3.7x	3.9x	4.3x	4.1x	4.2x
Retail Software	2.0x	2.0x	2.0x	2.1x	2.0x	2.1x
Supply Chain Management	4.7x	4.8x	4.9x	5.0x	5.4x	5.3x
Human Capital Management	12.4x	12.2x	11.2x	12.3x	13.5x	13.6x
Knowledge / Content Management	4.6x	4.9x	4.9x	5.2x	5.2x	6.5x
<b>EMS / Infrastructure Software</b>						
Business Intelligence	2.8x	2.7x	3.4x	3.4x	3.1x	3.3x
Security Software	7.2x	5.7x	6.1x	7.2x	7.6x	7.3x
System and Network Management Software	2.5x	2.6x	3.0x	3.0x	2.9x	3.0x
Integration / Middleware	4.1x	3.5x	3.5x	3.5x	3.1x	3.3x
Platform / OS	2.5x	2.5x	2.7x	2.7x	2.6x	2.7x
<b>Financial Solutions &amp; Services</b>						
Bank Processing	3.5x	3.8x	3.9x	4.1x	3.9x	3.9x
Capital Market Rating Services	5.3x	5.2x	5.5x	5.6x	5.5x	5.4x
Consumer Rating Services	3.8x	3.9x	4.1x	4.2x	4.2x	4.3x
Payment Processing	3.3x	3.5x	3.7x	3.8x	3.4x	3.3x
Insurance Solutions	1.8x	2.0x	2.3x	2.4x	2.2x	2.4x
Investment Solutions	3.3x	4.1x	4.3x	4.3x	4.1x	3.8x
<b>Online &amp; Digital Media</b>						
Digital Media & Advertising	4.1x	4.2x	3.6x	3.5x	3.3x	3.6x
Online Retailers	1.6x	1.7x	2.5x	2.5x	2.1x	2.1x
Other Online Companies	2.8x	2.6x	2.9x	3.0x	3.9x	4.1x
Social Networking & Gaming	1.8x	1.9x	1.9x	1.9x	2.5x	2.8x
<b>Business Services</b>						
IT Integration & Consulting	1.5x	1.6x	1.6x	1.7x	1.6x	1.7x
Education & Training	0.8x	0.6x	0.8x	0.8x	0.7x	0.6x
IT Services	2.7x	2.7x	2.7x	3.2x	3.1x	3.2x
Call Center	0.8x	0.9x	0.9x	0.9x	0.8x	0.8x

### Medians:

Application Software	4.3x	4.6x	4.7x	5.1x	5.0x	5.0x
EMS / Infrastructure Software	3.5x	3.5x	3.4x	3.7x	3.1x	3.5x
Financial Solutions & Services	3.5x	3.6x	3.8x	3.9x	3.7x	3.4x
Online & Digital Media	2.5x	2.5x	2.6x	3.0x	3.0x	3.3x
Business Services	1.1x	1.1x	1.2x	1.2x	1.2x	1.2x



# 2. Public Market Valuations

## Current & Forward Looking Market Multiples

	Median TEV/Revenue		Median TEV/EBITDA	
	LTM	NTM	LTM	NTM
<b>Application Software</b>				
Customer Relationship Management (CRM)	7.2x	5.9x	81.0x	43.9x
Accounting / ERP	4.2x	4.1x	14.6x	11.1x
Retail Software	2.1x	1.9x	11.7x	9.7x
Supply Chain Management	5.3x	5.3x	24.1x	20.9x
Human Capital Management	13.6x	10.2x	141.5x	38.2x
Knowledge / Content Management	6.5x	6.7x	17.3x	21.8x
<b>EMS / Infrastructure Software</b>				
Business Intelligence	3.3x	2.8x	17.6x	13.4x
Security Software	7.3x	6.8x	15.3x	15.7x
System and Network Management Software	3.0x	3.0x	12.8x	11.6x
Integration / Middleware	3.3x	3.2x	15.9x	11.3x
Platform / OS	2.7x	2.6x	8.5x	8.1x
<b>Financial Solutions &amp; Services</b>				
Bank Processing	3.9x	3.7x	12.2x	11.1x
Capital Market Rating Services	5.4x	5.1x	12.5x	12.0x
Consumer Rating Services	4.3x	3.5x	12.1x	11.1x
Payment Processing	3.3x	2.7x	13.8x	9.9x
Insurance Solutions	2.4x	2.8x	13.4x	11.7x
Investment Solutions	3.8x	3.7x	20.5x	11.7x
<b>Online &amp; Digital Media</b>				
Digital Media & Advertising	3.6x	2.9x	23.1x	18.1x
Online Retailers	2.1x	1.8x	18.0x	12.7x
Other Online Companies	4.1x	3.6x	20.9x	13.6x
Social Networking & Gaming	2.8x	3.0x	21.0x	18.0x
<b>Business Services</b>				
IT Integration & Consulting	1.7x	1.5x	12.2x	9.6x
Education & Training	0.6x	0.6x	11.6x	8.4x
IT Services	3.2x	2.7x	13.0x	11.5x
Call Center	0.8x	0.7x	7.1x	6.1x
<b>Medians:</b>				
Application Software	4.8x	4.5x	17.3x	18.5x
EMS / Infrastructure Software	3.5x	3.1x	15.7x	11.6x
Financial IT Services	3.4x	3.4x	13.0x	11.1x
Online & Digital Solutions & Services	3.3x	2.9x	21.0x	13.8x
Business Services	1.0x	1.2x	12.0x	9.3x

# 2. Public Market Valuations

## Application Software

(\$ in millions)

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>Customer Relationship Management (CRM)</b>							
Cvent	NYSE:CVT	\$1,435	\$1,593	12.9x	10.3x	249.8x	108.6x
Interactive Intelligence	NasdaqGS:ININ	1,512	1,611	4.8x	4.2x	53.8x	70.5x
Kofax Limited	LSE:KFX	614	696	2.2x	2.0x	17.2x	12.6x
LivePerson	NasdaqGM:LPSN	616	708	3.5x	3.1x	108.2x	28.4x
Marketo	NasdaqGS:MKTO	1,489	1,609	15.5x	11.4x	NM	NM
Salesforce.com	NYSE:CRM	39,279	37,609	9.6x	7.6x	NM	43.9x
<b>Median</b>				<b>7.2x</b>	<b>5.9x</b>	<b>81.0x</b>	<b>43.9x</b>

### Accounting / ERP

American Software	NasdaqGS:AMSW.A	\$222	\$288	2.2x	2.1x	14.6x	10.2x
Intuit	NasdaqGS:INTU	21,309	22,141	5.2x	4.5x	16.4x	11.1x
Model N	NYSE:MODN	164	266	1.6x	2.1x	65.1x	NM
Netsuite	NYSE:N	8,398	8,595	20.3x	15.6x	NM	199.4x
Oracle	NYSE:ORCL	163,564	175,894	4.4x	4.2x	10.0x	8.4x
QAD	NasdaqGS:QADA	240	290	0.9x	0.9x	22.0x	12.0x
Sage	LSE:SGE	8,541	7,938	3.7x	NA	12.8x	NA
SAP	DB:SAP	98,309	96,215	4.2x	4.0x	12.9x	11.1x
Textura	NYSE:TXTR	592	668	14.5x	8.9x	NM	NM
<b>Median</b>				<b>4.2x</b>	<b>4.1x</b>	<b>14.6x</b>	<b>11.1x</b>

### Retail Software

Micros	NasdaqGS:MCRS	\$3,553	\$4,177	2.7x	2.6x	13.9x	11.5x
NCR	NYSE:NCR	8,540	5,676	1.4x	1.3x	9.6x	7.9x
<b>Median</b>				<b>2.1x</b>	<b>1.9x</b>	<b>11.7x</b>	<b>9.7x</b>

### Supply Chain Management

Aspen Technology	NasdaqGS:AZPN	\$4,124	\$4,342	11.8x	10.3x	42.7x	32.0x
BasWare	HLSE:BAS1V	652	659	3.8x	NM	85.7x	NA
ClickSoftware Technologies	NasdaqGS:CKSW	261	318	2.5x	2.3x	NM	58.1x
Dassault	ENXTPA:DSY	12,303	14,250	4.3x	NM	13.8x	NA
Descartes Systems Group	TSX:DSG	865	895	6.3x	5.1x	22.5x	16.6x
Manhattan Associates	NasdaqGS:MANH	2,764	2,897	6.7x	6.1x	25.8x	21.6x
Mix Telematics	JSE:MIX	308	376	2.7x	2.2x	13.0x	10.0x
Parametric Technology	NasdaqGS:PTC	4,663	4,666	3.6x	3.4x	16.1x	12.5x
SciQuest	NasdaqGS:SQI	669	703	7.4x	6.0x	NM	29.6x
Fleetmatics Group	NYSE:FLTIX	1,248	1,362	7.0x	5.4x	27.7x	20.3x
<b>Median</b>				<b>5.3x</b>	<b>5.3x</b>	<b>24.1x</b>	<b>20.9x</b>

### Human Capital Management

Benefit Focus	NasdaqGM:BNFT	\$1,508	\$1,585	15.6x	12.3x	NM	NM
Callidus	NasdaqGM:CALD	535	555	4.8x	4.2x	NM	37.3x
Concur	NasdaqGS:CNQR	6,800	6,991	11.6x	9.3x	204.4x	57.8x
Cornerstone OnDemand	NasdaqGS:CSOD	2,993	3,083	16.2x	11.1x	NM	NM
Ultimate Software	NasdaqGS:ULTI	4,617	4,697	11.2x	9.1x	78.6x	38.2x
Workday	NYSE:WDAY	18,473	19,878	39.4x	25.2x	NM	NM
<b>Median</b>				<b>13.6x</b>	<b>10.2x</b>	<b>141.5x</b>	<b>38.2x</b>

# 2. Public Market Valuations

## Application Software (Continued)

(\$ in millions)

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>Knowledge / Content Management</b>							
Adobe Systems	NasdaqGS:ADBE	\$32,422	\$34,082	8.0x	8.0x	42.1x	30.6x
Akamai	NasdaqGS:AKAM	10,268	10,942	6.5x	5.5x	17.3x	12.9x
Open Text	NasdaqGS:OTEX	6,196	6,165	4.5x	3.3x	14.7x	10.3x
SDL	LSE:SDL	506	507	1.1x	NA	12.8x	NA
Veeva	NYSE:VEEV	4,125	4,399	22.0x	15.0x	107.3x	75.6x
Median				6.5x	6.7x	17.3x	21.8x

# 2. Public Market Valuations

## EMS / Infrastructure Software

(\$ in millions)

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>Business Intelligence</b>							
Actuate	NasdaqGS:BIRT	\$192	\$271	1.4x	1.5x	13.9x	7.5x
Covisint	NasdaqGS:COVS	348	403	3.5x	3.2x	NM	NM
Informatica	NasdaqGS:INFA	3,861	4,539	4.1x	3.6x	23.5x	13.4x
MicroStrategy	NasdaqGS:MSTR	1,102	1,459	1.9x	1.8x	27.3x	15.6x
Pegasystems	NasdaqGS:PEGA	1,431	1,588	2.8x	2.5x	17.6x	16.4x
Tableau	NYSE:DATA	5,695	5,948	24.5x	17.3x	NM	NM
Varonis Systems	NasdaqGS:VRNS	1,081	1,049	14.5x	NM	NM	NM
Verint Systems	NasdaqGS:VRNT	2,778	2,502	3.2x	2.8x	15.7x	11.8x
<b>Median</b>				3.3x	2.8x	17.6x	13.4x
<b>Security Software</b>							
Barracuda Networks	NYSE:CUDA	\$1,712	\$1,829	7.6x	6.8x	NM	33.3x
Check Point Software	NasdaqGS:CHKP	11,798	12,965	8.5x	8.0x	15.3x	13.8x
FireEye	NasdaqGS:FEYE	11,624	11,798	72.0x	28.6x	NM	NM
NetQin Mobile	NYSE:NQ	886	1,036	5.6x	3.1x	181.1x	9.9x
Palo Alto Networks	NYSE:PANW	4,832	5,270	10.0x	7.3x	NM	53.6x
Qualys	NasdaqGS:QLYS	783	880	7.3x	6.0x	65.7x	36.4x
Qihoo 360 Technology	NYSE:QIHU	13,066	13,458	23.7x	12.2x	92.0x	34.6x
Symantec	NasdaqGS:SYMC	13,059	14,855	1.9x	2.0x	6.7x	6.3x
Trend Micro	TSE:4704	3,108	4,485	2.9x	NA	8.6x	NA
VASCO	NasdaqCM:VDSI	211	309	1.4x	1.3x	13.5x	9.0x
VeriSign	NasdaqGS:VRSN	7,017	7,366	7.3x	6.9x	11.9x	10.7x
Zix	NasdaqGS:ZIXI	255	282	5.3x	4.8x	21.0x	17.6x
<b>Median</b>				7.3x	6.8x	15.3x	15.7x
<b>System and Network Management Software</b>							
CA Technologies	NasdaqGS:CA	\$13,917	\$15,000	3.0x	3.1x	8.9x	7.9x
Compuware	NasdaqGS:CPWR	2,301	2,389	2.4x	3.0x	18.1x	13.7x
Cyna	NYSE:CYNI	97	156	0.8x	1.0x	NM	NM
EMC	NYSE:EMC	51,396	53,416	2.2x	2.1x	9.7x	6.9x
Gigamon	NYSE:GIMO	843	981	6.0x	4.6x	NM	26.7x
Mavenir Systems	NYSE:MVNR	346	362	3.4x	2.8x	NM	NM
Netscout Systems	NasdaqGS:NTCT	1,425	1,570	3.7x	3.4x	15.8x	11.6x
<b>Median</b>				3.0x	3.0x	12.8x	11.6x
<b>Integration / Middleware</b>							
Citrix Systems	NasdaqGS:CTXS	\$10,300	\$11,034	3.5x	3.2x	15.9x	11.3x
Progress Software	NasdaqGS:PRGS	1,055	1,286	3.2x	3.1x	11.3x	8.5x
Rally Software	NYSE:RALY	391	486	5.6x	4.5x	NM	NM
TIBCO Software	NasdaqGS:TIBX	3,333	3,538	3.1x	2.9x	17.2x	11.4x
<b>Median</b>				3.3x	3.2x	15.9x	11.3x
<b>Platform / OS</b>							
Hewlett-Packard	NYSE:HPQ	\$65,667	\$56,845	0.6x	0.6x	5.0x	4.8x
IBM	NYSE:IBM	221,627	192,825	2.2x	2.2x	8.9x	8.0x
Microsoft Corp.	NasdaqGS:MSFT	258,704	318,001	3.1x	2.9x	8.1x	8.2x
Red Hat	NYSE:RHT	10,214	11,181	6.9x	6.0x	34.0x	21.3x
<b>Median</b>				2.7x	2.6x	8.5x	8.1x



# 2. Public Market Valuations

## Financial Solutions & Services

(\$ in millions)		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>Bank Processing</b>							
Bottomline Technologies	NasdaqGS:EPAY	\$1,270	\$1,332	4.7x	4.0x	43.7x	18.4x
Fiserv	NasdaqGS:FISV	18,221	14,773	3.8x	3.6x	12.4x	11.0x
Heartland	NYSE:HPY	1,574	1,494	0.7x	2.4x	9.8x	9.9x
Jack Henry & Associates	NasdaqGS:JKHY	4,823	4,969	4.1x	3.8x	12.0x	11.1x
Median				3.9x	3.7x	12.2x	11.1x
<b>Capital Market Rating Services</b>							
Moodys	NYSE:MCO	\$16,958	\$16,882	5.7x	5.3x	12.5x	11.5x
Morningstar	NasdaqGS:MORN	3,441	3,740	4.9x	4.5x	15.3x	13.6x
MSCI	NYSE:MSCI	5,621	5,097	5.4x	5.1x	12.3x	12.0x
Median				5.4x	5.1x	12.5x	12.0x
<b>Consumer Rating Services</b>							
Equifax	NYSE:EFX	\$9,797	\$8,550	4.3x	4.0x	12.1x	11.5x
Experian	LSE:EXPN	21,416	17,986	4.3x	NA	12.6x	NA
Fair Isaac	NYSE:FICO	2,258	1,876	3.1x	2.9x	11.8x	10.8x
Median				4.3x	3.5x	12.1x	11.1x
<b>Payment Processing</b>							
ACI Worldwide	NasdaqGS:ACIW	\$2,913	\$2,252	3.4x	2.7x	15.7x	9.9x
Cielo	BOVESPA:CIEL3	22,260	21,370	7.7x	NA	14.7x	NA
econtext Asia Limited	SEHK:1390	\$184	\$378	1.3x	NA	13.8x	NA
Global Payments	NYSE:GPN	5,547	5,058	2.3x	2.1x	10.7x	10.0x
Total System Services	NYSE:TSS	6,998	5,722	3.3x	2.8x	13.7x	9.6x
Median				3.3x	2.7x	13.8x	9.9x
<b>Insurance Solutions</b>							
Corelogic	NYSE:CLGX	\$3,669	\$2,976	2.8x	2.5x	12.3x	9.0x
CorVel	NasdaqGS:CRVL	930	963	2.0x	1.8x	13.0x	NA
Ebix	NasdaqGS:EBIX	645	623	3.1x	3.1x	7.7x	8.4x
Innovation Group	LSE:TIG	562	601	1.6x	NA	15.8x	NA
Sapiens International	NasdaqCM:SPNS	272	342	2.0x	NA	13.8x	15.5x
Verisk	NasdaqGS:VRSK	11,736	10,630	7.4x	6.6x	15.9x	14.4x
Median				2.4x	2.8x	13.4x	11.7x
<b>Investment Solutions</b>							
Advent Software	NasdaqGS:ADVS	\$1,847	\$1,576	4.8x	4.6x	25.9x	13.2x
Thomson Reuters	TSX:TRI	34,793	28,120	2.9x	2.8x	15.2x	10.2x
Median				3.8x	3.7x	20.5x	11.7x

# 2. Public Market Valuations

## Online & Digital Media Companies

(\$ in millions)

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>Digital Media &amp; Advertising</b>							
AdThink Media	ENXTPA:ALADM	\$27	\$32	0.6x	NA	4.2x	NA
Baidu	NasdaqGS:BI DU	56,817	59,877	10.8x	7.5x	27.1x	23.7x
Blinkx	AIM:BLNX	602	674	2.6x	2.2x	18.3x	13.3x
Brightcove	NasdaqGS:BCOV	243	279	2.2x	1.9x	NM	NM
Constant Contact	NasdaqGS:CTCT	722	845	2.5x	2.2x	23.7x	12.3x
Criteo	NasdaqGS:CRTO	2,733	3,040	4.5x	3.1x	82.2x	39.9x
Conversant	NasdaqGS:CNVR	1,718	1,660	3.0x	2.8x	8.3x	7.5x
DemandMedia	NYSE:DMD	357	414	0.9x	0.9x	7.7x	6.5x
Google	NasdaqGS:GOOG	357,605	408,520	6.0x	5.2x	19.8x	13.9x
IAC/Interactive	NasdaqGS:IACI	6,433	6,374	2.1x	2.0x	12.0x	9.9x
Marin Software	NYSE:MRIN	280	378	3.6x	2.9x	NM	NM
Netflix	NasdaqGS:NFLX	25,982	26,652	5.9x	4.9x	93.9x	46.6x
Perion Network	NasdaqGS:PERI	782	802	8.3x	1.7x	42.7x	6.1x
QuinStreet	NasdaqGS:QNST	250	287	0.8x	0.9x	9.3x	7.7x
Rocket Fuel	NasdaqGS:FUEL	1,879	1,965	7.8x	4.3x	NM	397.5x
SINA Corp	NasdaqGS:SINA	3,977	4,561	6.0x	4.7x	64.4x	30.7x
Tremor Video	NYSE:TRMR	123	216	0.9x	0.8x	NM	NM
Yahoo	NasdaqGS:YHOO	36,829	39,033	7.9x	8.1x	19.1x	25.8x
Yandex	NasdaqGS:YNDX	11,618	12,137	9.7x	7.9x	23.1x	18.1x
Youku	NYSE:YOKU	5,037	5,561	10.1x	7.3x	95.3x	205.6x
YuMe	NYSE:YUME	154	204	1.0x	0.8x	29.0x	30.0x
<b>Median</b>				<b>3.6x</b>	<b>2.9x</b>	<b>23.1x</b>	<b>18.1x</b>
<b>Online Retailers</b>							
Amazon	NasdaqGS:AMZN	\$159,989	\$166,300	2.1x	1.8x	46.0x	23.2x
Blue Nile	NasdaqGS:NILE	334	449	0.7x	0.7x	21.1x	12.7x
Ebay	NasdaqGS:EBAY	71,185	76,087	4.4x	3.9x	14.9x	11.9x
Overstock	NasdaqGM:OSTK	323	471	0.2x	0.2x	14.3x	7.0x
Zulily	NasdaqGS:ZU	8,178	8,486	11.8x	7.1x	NM	160.9x
<b>Median</b>				<b>2.1x</b>	<b>1.8x</b>	<b>18.0x</b>	<b>12.7x</b>
<b>Other Online Companies</b>							
AOL	NYSE:AOL	\$3,393	\$3,478	1.5x	1.4x	7.8x	6.6x
Bankrate	NYSE:RATE	2,136	2,069	4.7x	4.0x	19.6x	14.4x
Bridgeline Digital	NasdaqCM:BLIN	27	21	1.1x	0.9x	NM	37.4x
Demandware	NYSE:DWRE	2,324	2,599	22.4x	16.1x	NM	575.2x
Digital River	NasdaqGS:DRIV	294	588	0.8x	0.8x	9.0x	5.8x
Endurance International	NasdaqGS:EIGI	2,949	1,948	5.7x	4.7x	49.6x	13.5x
Intershop	XTRA:ISH2	74	84	0.9x	0.9x	109.2x	NA
PFS Web	NasdaqCM:PFSW	134	143	0.6x	0.7x	14.8x	9.9x
Phoenix New Media	NYSE:FENG	600	830	2.5x	2.1x	13.5x	10.8x
Shutterstock	NYSE:SSTK	3,276	3,486	13.9x	10.6x	69.7x	47.7x
Web.com	NasdaqGS:WWWV	2,367	1,818	4.8x	4.0x	27.2x	13.7x
WebMD Health	NasdaqGS:WBMD	1,864	1,736	3.6x	3.3x	22.1x	12.2x
Wix	NasdaqGM:WIX	1,050	1,151	13.0x	8.1x	NM	NM
Yelp	NYSE:YELP	6,174	6,563	26.5x	17.2x	NM	105.0x
<b>Median</b>				<b>4.1x</b>	<b>3.6x</b>	<b>20.9x</b>	<b>13.6x</b>

## 2. Public Market Valuations

### Online & Digital Media Companies (Continued)

(\$ in millions)		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>Social Networking &amp; Gaming</b>							
Activision	NasdaqGS:ATVI	\$13,707	\$13,457	3.0x	3.0x	9.3x	8.5x
Electronic Arts	NasdaqGS:EA	7,356	8,851	2.0x	1.8x	33.0x	9.8x
Facebook	NasdaqGS:FB	163,582	174,555	20.8x	14.5x	41.6x	24.2x
IGG	SEHK:8002	1,712	1,733	26.8x	NA	121.5x	NA
Jiayuan.com International	NasdaqGS:DATE	126	221	1.5x	1.3x	11.3x	8.7x
Konami	TSE:9766	3,433	3,471	1.6x	1.5x	13.9x	10.3x
LinkedIn	NYSE:LNKD	22,269	24,593	14.6x	10.5x	133.6x	42.9x
MeetMe	AMEX:MEET	101	102	2.6x	2.2x	NM	19.0x
Renren	NYSE:RENN	459	1,367	2.4x	3.2x	NM	NM
Taomee Holdings	NYSE:TAOM	109	225	2.4x	2.0x	21.0x	17.0x
Twitter	NYSE:TWTR	27,873	29,909	41.9x	22.5x	NM	153.3x
Ubisoft	ENXTPA:UBI	2,053	1,856	1.2x	NA	3.1x	NA
XING	XTRA:O1BC	628	724	5.5x	NA	20.3x	NA
Zynga	NasdaqGS:ZNGA	3,312	4,437	3.8x	4.1x	45.0x	36.1x
<b>Median</b>				<b>2.8x</b>	<b>3.0x</b>	<b>21.0x</b>	<b>18.0x</b>

# 2. Public Market Valuations

## Business Services

(\$ in millions)

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>IT Integration &amp; Consulting</b>							
Accenture	NYSE:ACN	\$49,078	\$53,093	1.7x	1.6x	11.1x	10.0x
CIBER	NYSE:CBR	322	366	0.4x	0.4x	12.5x	6.9x
The Hackett Group	NasdaqGS:HCKT	182	181	0.9x	0.8x	9.9x	7.9x
iGATE	NasdaqGS:IGTE	3,199	1,988	2.8x	2.6x	12.0x	10.7x
Perficient	NasdaqGS:PRFT	685	674	2.0x	1.6x	16.0x	9.5x
Sapient	NasdaqGS:SAPE	2,162	2,441	1.8x	1.5x	13.7x	9.8x
<b>Median</b>				<b>1.7x</b>	<b>1.5x</b>	<b>12.2x</b>	<b>9.6x</b>

### Education & Training

Blackbaud	NasdaqGS:SCHL	\$1,073	\$1,122	0.6x	0.6x	6.5x	9.1x
Cambium Learning Group	NasdaqCM:ABCD	218	94	1.4x	NA	10.4x	NA
Chegg	NYSE:CHGG	401	515	1.6x	1.3x	17.7x	6.1x
Houghton Mifflin	NasdaqGS:HMHC	2,732	2,844	2.0x	NA	14.7x	8.4x
K12 Inc.	NYSE:LRN	821	924	0.9x	0.9x	13.0x	6.4x
LeapFrog Enterprises	NYSE:LF	337	505	0.6x	0.6x	6.1x	6.8x
Scholastic	NasdaqGS:SCHL	1,073	1,122	0.6x	0.6x	6.5x	9.1x
Scientific Learning Corp.	OTCPK:SCIL	11	9	0.5x	0.5x	NM	6.0x
Pearson	LSE:PSON	16,318	13,729	1.9x	1.9x	12.7x	11.1x
Promethean World	LSE:PRW	101	130	0.4x	NA	NA	NA
Rosetta Stone	NYSE:RST	151	249	0.6x	0.5x	NM	9.1x
<b>Median</b>				<b>0.6x</b>	<b>0.6x</b>	<b>11.6x</b>	<b>8.4x</b>

### IT Services

CACI International	NYSE:CACI	\$3,206	\$1,850	0.9x	0.8x	9.6x	8.7x
Luxoft Holdings	NYSE:LXFT	1212	1226	3.2x	2.7x	17.7x	13.4x
ManTech International	NasdaqGS:MANT	1,015	1,084	0.4x	0.5x	6.0x	7.4x
MAXIMUS	NYSE:MMS	3,124	3,243	2.2x	1.8x	13.0x	11.0x
Atos Origin	ENXTPA:ATO	8,340	9,549	0.7x	NA	6.2x	NA
Cap Gemini	ENXTPA:CAP	11,650	12,432	0.8x	NA	8.5x	NA
Cognizant Technology	NasdaqGS:CTSH	27,857	31,604	3.2x	2.7x	15.0x	13.1x
HCL Technologies	BSE:532281	16,975	17,837	3.8x	NA	15.6x	NA
Syntel	NasdaqGS:SYNT	3,417	3,940	4.1x	3.7x	12.1x	11.5x
Tata Consultancy Services	BSE:532540	70,254	72,059	5.7x	NA	18.7x	NA
Wipro	BSE:507685	21,650	23,658	3.2x	2.8x	15.1x	12.5x
<b>Median</b>				<b>3.2x</b>	<b>2.7x</b>	<b>13.0x</b>	<b>11.5x</b>

### Call Center

Sykes Enterprises	NasdaqGS:SYKE	\$749	\$863	0.6x	0.6x	6.6x	5.8x
TeleTech Holdings	NasdaqGS:TTEC	1,048	1,204	1.0x	0.8x	7.6x	6.5x
<b>Median</b>				<b>0.8x</b>	<b>0.7x</b>	<b>7.1x</b>	<b>6.1x</b>

# 3. Public Market Universe

## Application Software

### CRM



### Accounting/ERP



### Retail Software



### Knowledge/Content Management



### Human Capital Management



### Supply-Chain Management



## EMS / Infrastructure Software

### Business Intelligence



### Security Software



### System & Network Development Software



### Integration/Middleware



### Platform/OS



## Financial Solutions & Services

### Bank Processing



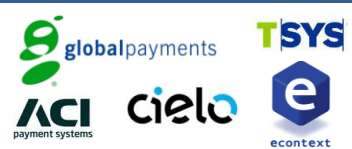
### Capital Market Rating Services



### Consumer Rating Services



### Payment Processing



### Insurance Solutions



### Investment Solutions



# 3. Public Market Universe

## Online & Digital Media

### Digital Media & Advertising



### Social Networking & Gaming



### Online Retailers



### Other Online Companies



## Business Services

### IT Integration & Consulting



### Education & Training



### Call Center



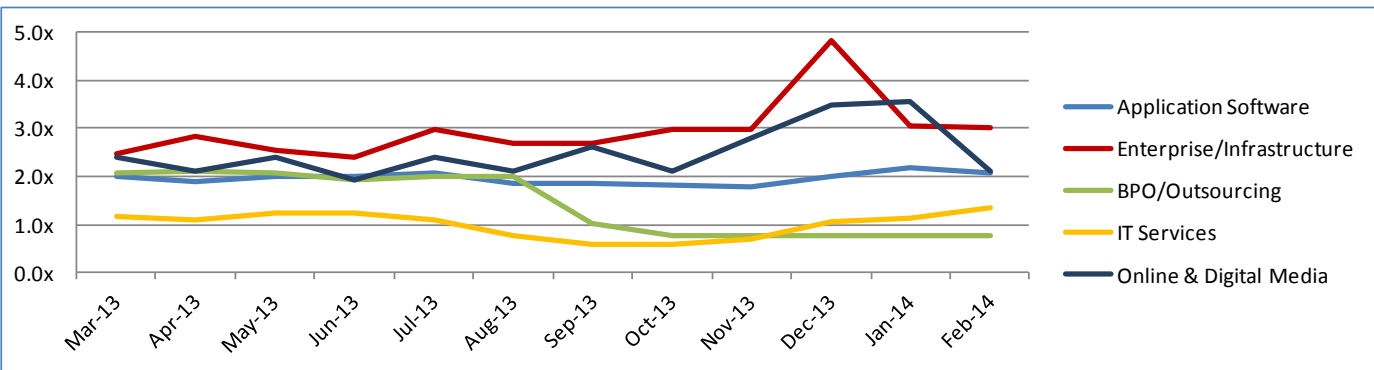
### IT Services



# 4. M&A Transactions

Trailing 12 Month Moving Median EV/Revenue Multiple

	Period Ending											
	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14
<i>Application Software</i>	2.0x	1.9x	2.0x	2.0x	2.1x	1.9x	1.9x	1.8x	1.8x	2.0x	2.2x	2.1x
<i>Enterprise/Infrastructure</i>	2.5x	2.8x	2.5x	2.4x	3.0x	2.7x	2.7x	3.0x	3.0x	4.8x	3.1x	3.0x
<i>BPO/Outsourcing</i>	2.1x	2.1x	2.1x	1.9x	2.0x	2.0x	1.0x	0.8x	0.8x	0.8x	0.8x	0.8x
<i>IT Services</i>	1.2x	1.1x	1.2x	1.2x	1.1x	0.8x	0.6x	0.6x	0.7x	1.1x	1.1x	1.3x
<i>Online &amp; Digital Media</i>	2.4x	2.1x	2.4x	1.9x	2.4x	2.1x	2.6x	2.1x	2.8x	3.5x	3.6x	2.1x



**Movement in Mobile Apps and Technology:** Over the course of February, strategic buyers actively sought to acquire a number of mobile focused technology providers.

The most notable amongst these deals shook the mobile world on February 19<sup>th</sup> when **Facebook, Inc. (NasdaqGS:FB)**, entered into an agreement to acquire **WhatsApp, Inc.**, a cross-platform mobile messaging company, at an impressive enterprise value of \$16.4 billion. Facebook aims to capitalize on WhatsApp's high user engagement and rapid growth to further their mission of delivering core internet services efficiently and affordably.

A few days earlier, on January 14<sup>th</sup>, **Viber Media, Inc.**, a provider of multi-platform mobile messaging and VoIP experiences, was acquired by **Rakuten, Inc. (TSE:4755)**, a leading global provider of internet services. The deal values Viber at an enterprise value of \$900 million, and enables Rakuten to penetrate new markets with multiple digital content and gaming offerings.

On February 3<sup>rd</sup>, **Monitise plc (AIM:MONI)**, a provider of mobile banking and payment solutions, acquired **Pozitron Yazilim A.S.**, a Turkish provider of mobile banking and commerce solutions, at an enterprise value of \$97.8 million. The deal aims to reinforce Monitise's position as a leader in the mobile money ecosystem.

Other transactions occurring during January include: **BulkLoadsNow, LLC's** acquisition of **CoopsOpen.com**; **MasterCard Incorporated's (NYSE:MA)** acquisition of **C-SAM, Inc.**; **Google, Inc.'s (NasdaqGS:GOOG)** acquisition of **SlickLogin**; **Integral Ad Science, Inc.'s** acquisition of **Simplytics Ltd.**; **Titan Iron Ore Corp.'s (OTCBB:TFER)** acquisition of **iHookup Social, Inc.**; **Saxon Global, Inc.'s** acquisition of **Wit Innovation Technologies Pvt Ltd**; and **Brisio Innovations, Inc.'s (OTCPK:NTCE.F)** acquisition of **40 Mobile Applications**.

Might mobile technology providers remain attractive targets over the coming months?



# 4. M&A Transactions

## Application Software

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
Feb-14	Q1'2014	Transics International(ENXTBR:TRAN)	WABCO Europe	\$122.3	1.8x
Feb-14	Q1'2014	AutoNavi Holdings	Alibaba Group Holding	1,167.74	7.4x
Feb-14	Q1'2014	Compass Computer Consultants	Advanced Computer Software Group	19.4	2.1x
Jan-14	Q1'2014	Accelrys	Dassault Systemes	592.39	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
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	Alternet Transaction Systems	Utiba Mobility	10.1	8.3x
Nov-13	Q4'2013	Ionics Informatica e Automacao., Certain	LinxSistemas 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	Sapura	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	SimplexHoldings	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	Indieo Retail Technologv	HTEC	6.0	1.9x



# 4. M&A Transactions

## Application Software (Continued)

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
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	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	1234.5	12.4x
Mar-13	Q1'2013	MakeMusic (72.2% Stake)	LaunchEquity Partners	18.2	1.0x
Mar-13	Q1'2013	Direção Processamento de Dados	LinxSistemas E Consultoria	13.5	1.6x
Mar-13	Q1'2013	Computer Software Holdings	Advanced Computer Software Group	164.2	1.8x
Mar-13	Q1'2013	Altosoft Corporation	Kofax	13.5	4.0x
Feb-13	Q1'2013	FFastFill (76.69% Stake)	Pattington Limited	161.5	5.0x
Feb-13	Q1'2013	Skyfire Labs	Opera Software	147.0	35.9x
Feb-13	Q1'2013	CapitalStream	Linedata Services	45.0	1.5x
Jan-13	Q1'2013	Angoss Software	Peterson Partners	7.9	1.2x
Dec-12	Q4'2012	CEBOS	QAD	5.0	1.1x
Dec-12	Q4'2012	Progress Software, Orbix, Orbacus and	Micro Focus International	15.0	0.5x
Dec-12	Q4'2012	Eloqua	Oracle	871.0	9.7x
Dec-12	Q4'2012	Pyramid Control Systems	Matthews International	24.5	1.4x
Dec-12	Q4'2012	Connect holdings (61.41% Stake)	S&P Co.	28.0	1.3x
Dec-12	Q4'2012	Advanced Learning	Advanced Computer Software Group	10.0	0.5x
Dec-12	Q4'2012	Accesso	Lo-Q	22.3	3.9x
Nov-12	Q4'2012	Shandong HongAo Power Technology	Shandong High-Tech Investment Corp &	7.0	0.9x
Nov-12	Q4'2012	Versant Corp.	Actian Corporation	14.5	1.0x
Nov-12	Q4'2012	Systems Alternatives International	Brady plc	9.9	1.2x
Nov-12	Q4'2012	Tikit Group plc	BT Group plc	\$86.6	2.1x
Nov-12	Q4'2012	Trunkbow International Holdings	Management Buyout	66.8	2.2x
Nov-12	Q4'2012	Retalix	NCR Corp.	605.1	2.4x
Nov-12	Q4'2012	JDA Software Group	RedPrairie Corporation	1,804.3	2.7x
Oct-12	Q4'2012	FMx	McLaren Software	9.0	2.1x
Oct-12	Q4'2012	Motex	Kyocera Communication Systems Co.	127.0	3.3x
Oct-12	Q4'2012	Pizu Group Holdings	Ma Qiang	19.0	2.1x
Oct-12	Q4'2012	Metaskil Group	Quindell Portfolio Plc	7.4	1.5x
Oct-12	Q4'2012	Certipost, Network and e-Invoicing	BasWare Oyj	23.8	2.0x
Oct-12	Q4'2012	Heiler Software AG	Informatica Deutschland AG	88.0	3.7x
Sep-12	Q3'2012	Image Recognition Integrated Systems	Canon Europa	106.6	0.8x
Sep-12	Q3'2012	Sensage	The KEYW Holding Corporation	84.9	7.0x
Aug-12	Q3'2012	Kenexa Corp	IBM	1,307.1	4.1x
Aug-12	Q3'2012	Deltek	Thoma Bravo	1,030.5	3.0x
Aug-12	Q3'2012	TMW Systems	Trimble Navigation Limited	335.0	3.5x
Aug-12	Q3'2012	Converse Technology	Verint Systems	1,048.3	0.7x
Aug-12	Q3'2012	Servigistics	Parametric Technology	220.0	2.8x
Aug-12	Q3'2012	Campus Labs	Higher One Holdings	38.4	3.8x
Aug-12	Q3'2012	Springsoft	Synopsys Taiwan Limited	284.4	3.6x
Aug-12	Q3'2012	Visualization Sciences Group	FEI Company	55.1	2.4x

# 4. M&A Transactions

## EMS / Infrastructure Software

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
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	Action 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
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
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	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	Time Engineering (55.5% Stake)	Censof Holdings Berhad	47.6	1.1x
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	iSoftStone Holdings (90.6% Stake)	ChinaAMC Capital Management	298.6	0.8x
May-13	Q2'2013	AccessKenya Group Limited	Dimension Data Holdings plc	43.6	1.9x
May-13	Q2'2013	Civica	OMERS Private Equity	607.8	1.9x
May-13	Q2'2013	TriTek Solutions	Perficient	18.5	1.0x
May-13	Q2'2013	Branded3 Search Limited Company	St Ives plc	38.3	6.1x
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	Altia Consultores, S.A.	5.3	0.3x
Mar-13	Q1'2013	Nebula	Ratos	106.2	3.4x
Mar-13	Q1'2013	Morse Spain & Morse Computer Group	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	Panasonic AVC Technology (66.6% Stake)	Tempstaff Co., Ltd.	15.3	0.4x
Jan-13	Q1'2013	Panasonic AVC Multimedia Software (66.6% Stake)	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	Academica Oy	Telecity Group	35.8	1.9x
Nov-12	Q4'2012	AR Enterprise	Kedrios	36.4	1.9x
Oct-12	Q4'2012	Power Technology	Systemsoft	32.7	1.4x
Oct-12	Q4'2012	Epsilon AB	ÅF AB	432.4	1.4x
Oct-12	Q4'2012	ASG Group	Undisclosed Buyer	220.8	1.4x

# 4. M&A Transactions

## IT Services (Continued)

Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
Jul-12	Q3'2012	Comm Zed Sdn	TFP Solutions	4.5	8.7x
Jul-12	Q3'2012	Northridge Systems	Perficient	14.4	1.2x
Jun-12	Q2'2012	Vital Support Systems	TDS Hosted & Managed Services	45.0	0.6x
Jun-12	Q2'2012	Burnbank Systems	Sectra	12.4	3.3x
Jun-12	Q2'2012	Nascent Systems	Perficient	18.1	1.1x
May-12	Q2'2012	Logica	CGI Group Holdings Europe	3,107.1	0.5x
May-12	Q2'2012	Yucheng Technologies (83.9% Stake)	Management Buyout	70.6	0.9x
May-12	Q2'2012	Buongiorno	DOCOMO Deutschland	332.5	1.0x
May-12	Q2'2012	Elucid Solutions	Sonda	72.7	1.2x
Apr-12	Q2'2012	Ideas International	Gartner Australia	15.0	1.7x
Mar-12	Q1'2012	Satyam Computer Services (57.4% Stake)	Tech Mahindra	1,325.4	1.1x
Mar-12	Q1'2012	HiTechPros (50.2% Stake)	HTP Manager	11.7	0.6x
Mar-12	Q1'2012	GlassHouse Technologies	Taldor Computer Systems	174.9	1.5x
Mar-12	Q1'2012	Patni Coputer Systems (18.8% Stake)	Pan-Asia iGATE Solutions	586.6	0.8x
Mar-12	Q1'2012	GFI Solutions Group (62.4% Stake)	Desjardins Venture Capital & others	111.0	1.3x
Feb-12	Q1'2012	Sygnity Spolka Akcyjna	Asseco Poland	87.9	0.5x
Feb-12	Q1'2012	Emcom Consulting	Gaitame Japan & PlanexForce Systems	15.5	0.6x
Feb-12	Q1'2012	ATS	Salient Federal Solutions	76.4	0.8x
Feb-12	Q1'2012	Pointbridge Solutions	Perficient	22.0	1.3x
Jan-12	Q1'2012	Consinto	Datagroup IT Services Holding	25.9	0.4x
Jan-12	Q1'2012	NaviCom	EG	16.6	1.0x

# 4. M&A Transactions

## BPO/Outsourcing


Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
Jan-14	Q1'2014	Stream Global Services, Inc.	Convergys Corporation	\$820.0	0.8x
Sep-13	Q3'2013	Official Payments Holdings	ACI Worldwide	107.9	0.8x
Sep-13	Q3'2013	IBM, Global Customer Care BPO Business	Concentrix	505.0	0.4x
Jun-13	Q2'2013	Aedian (65.6% Stake)	Aubay	13.0	0.3x
Jun-13	Q2'2013	Veramark Technologies	Hubspoke Holdings	11.7	0.7x
May-13	Q2'2013	Lender Processing Services	ServiceLink	3,849.7	1.9x
Mar-13	Q1'2013	CSC Digital Brand Services	Corporation Service Company	157.3	2.8x
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
Oct-12	Q4'2012	Litle & Co.	NPC Group; Vantiv	361.0	1.3x
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
Aug-12	Q3'2012	Luottokunta	Nets Holding	209.5	0.8x
Aug-12	Q3'2012	Edifice Information Management Systems	SPS Commerce	37.4	3.3x
Jul-12	Q3'2012	BancTec	TransCentra	100.9	0.4x
Feb-12	Q1'2012	ADEA (98.5% Stake)	Atlas Capital Private Equity	19.9	1.4x
Jan-12	Q1'2012	JBIS Holdings (98.7% Stake)	NTT Data Corporation	141.1	0.3x
Jan-12	Q1'2012	First Businesspost	BasWare	15.6	5.1x

# 4. M&A Transactions

## Online & Digital Media


Date Announced	Period	Target	Buyer	Enterprise Value	EV/Revenue
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
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 ADVISORS

has been acquired by



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

Pharus Advisors, LLC  
November 2012

Social TV Software



PHARUS ADVISORS


has been acquired by



*The undersigned acted as financial advisor to ExpertTune Inc. in its sale to Metso Corporation*

Pharus Advisors, LLC  
November 2012

Industrial Software



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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

has received growth capital from



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

Pharus Securities, LLC  
October 2010

Online Marketing



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has acquired



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

Pharus Advisors, LLC  
AUGUST 2007

Retail Software



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

December 2008

Audio Technology



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


Pharus Advisors, LLC  
September 2010

Business Services




PHARUS ADVISORS

has completed the divestiture of



business to



*The undersigned served as exclusive financial advisor to Corbis Corporation*

Pharus Advisors, LLC  
June 2008

Digital Asset Management



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has acquired



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

Pharus Advisors, LLC  
February 2008

Financial Technology



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



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

Pharus Advisors, LLC  
April 2007

Broadcast Technology



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*The undersigned acted as exclusive financial advisor to the shareholders of Two Way Media Limited*


Pharus Advisors, LLC  
May 2007

Interactive TV



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

Pharus Advisors, LLC  
August 2007

E-publishing Technology



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*The undersigned served as financial advisor to Cablecam International, Inc.*

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July 2006

Broadcasting Technology



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

Pharus Advisors, LLC  
May 2006

Retail Software



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*The undersigned provided a fairness opinion to the Board of Directors of SecuriMetrics, Inc.*

Pharus Advisors, LLC  
February 2006

Security Technology



PHARUS ADVISORS

has been acquired by



*The undersigned acted as exclusive financial advisor to Blingo, Inc.*

Pharus Advisors, LLC  
June 2006

Web Services

# 6. Pharus Overview

## Introduction to Pharus

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
- Cleantech
- 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 Pharus 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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