

# THE LIGHTHOUSE



**OCTOBER 2014**

- Software
- Online & Digital
- Tech Enabled Services

# TABLE OF CONTENTS

1. Capital Market Trends .....	3
2. Public Market Valuations .....	4
3. Public Market Universe .....	14
4. M&A Transactions .....	17
5. Selected Transactions .....	27
6. Pharos Overview .....	28

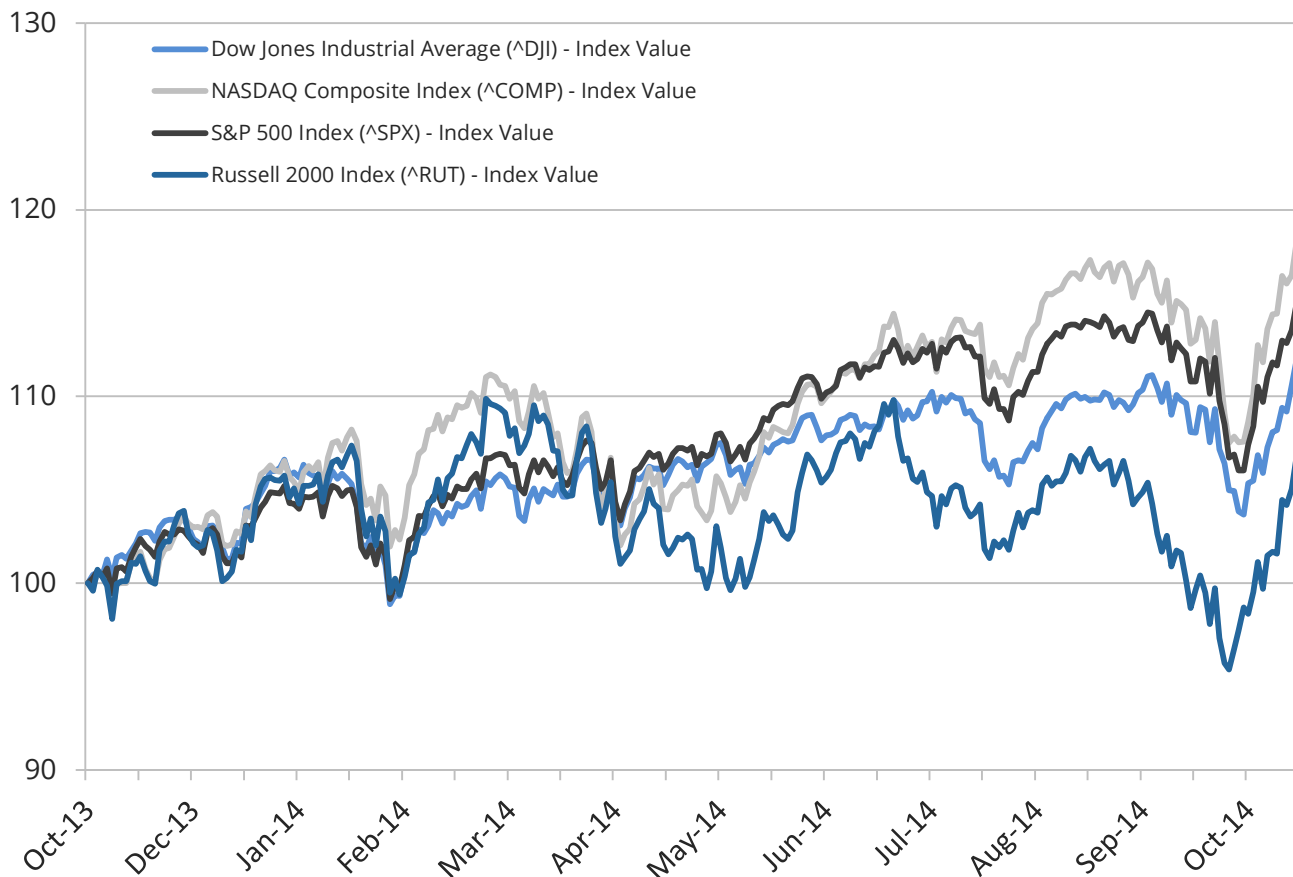
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If you would like to be included on (or removed from) the distribution list for *The Lighthouse*, please contact Nathan Bullock at [nbullock@pharus.com](mailto:nbullock@pharus.com).

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# CAPITAL MARKET TRENDS

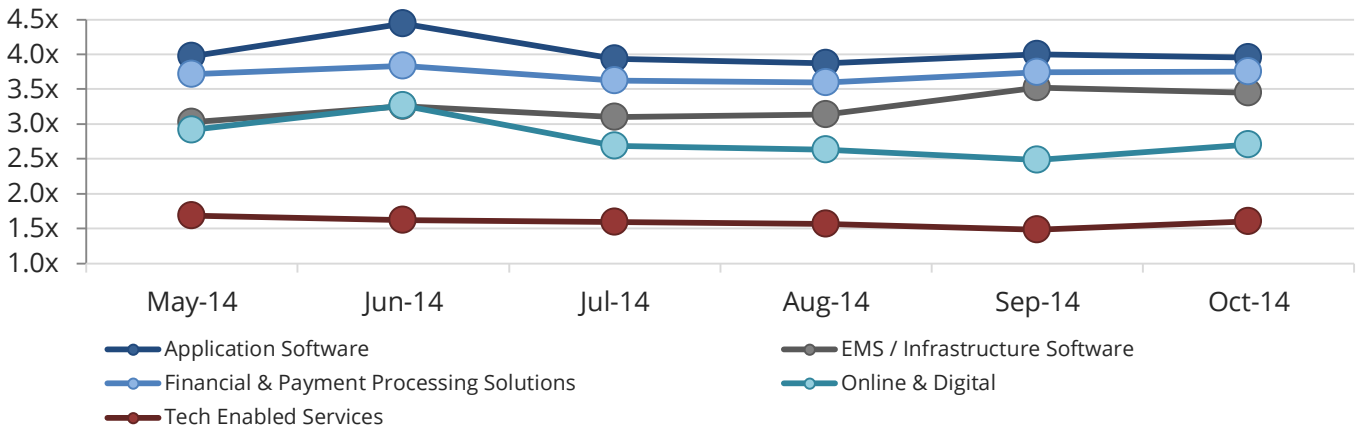
## RELATIVE PERFORMANCE of MAJOR INDICIES Through October 31, 2014 (Base = 100, 10/31/2013)



Index	As of 31-Oct-14	Change %		
		1 Year	3 Months	1 Month
Dow Jones	17,390.52	11.9%	5.0%	2.0%
Nasdaq	4,630.74	18.1%	6.0%	3.1%
S&P 500	2,018.05	14.9%	4.5%	2.3%
Russell 2000	1,173.51	6.7%	4.8%	6.5%

# 2. PUBLIC MARKET VALUATIONS

## HISTORICAL MEDIAN TEV / REVENUE MULTIPLES



	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14
<b>Application Software</b>						
Customer Relationship Management (CRM)	4.9x	4.7x	4.8x	3.3x	3.2x	3.7x
Accounting / ERP	3.7x	3.4x	3.3x	3.5x	3.2x	3.2x
Retail Software	1.4x	1.5x	1.4x	1.5x	1.4x	1.3x
Supply Chain Management	4.7x	5.0x	4.7x	4.6x	4.4x	4.3x
Human Capital Management	8.0x	9.3x	8.2x	8.6x	8.2x	8.6x
Knowledge / Content Management	4.8x	6.5x	5.9x	5.7x	6.0x	5.7x
Education Technology	0.8x	0.8x	0.8x	0.7x	0.6x	0.6x
<b>EMS / Infrastructure Software</b>						
Business Intelligence	2.8x	2.9x	2.7x	2.8x	2.6x	2.9x
Security Software	5.9x	6.2x	5.3x	5.8x	6.2x	6.6x
System and Network Management	2.7x	2.9x	2.5x	2.5x	2.5x	2.5x
Integration / Middleware	3.1x	3.0x	2.9x	3.0x	3.3x	3.4x
Platform / OS	2.8x	2.8x	2.9x	3.0x	3.0x	2.8x
<b>Financial &amp; Payment Processing Solutions</b>						
Bank Processing	3.8x	3.9x	3.8x	3.9x	3.7x	4.0x
Capital Market Rating Services	5.3x	5.6x	5.4x	5.1x	5.0x	5.0x
Consumer Rating Services	4.3x	4.2x	4.3x	4.4x	4.2x	4.0x
Payment Processing	3.0x	3.1x	3.0x	3.0x	2.9x	3.1x
Insurance Solutions	2.5x	2.4x	2.1x	2.6x	2.4x	2.5x
Investment Solutions	4.7x	5.0x	4.9x	4.9x	4.8x	5.0x
<b>Online &amp; Digital</b>						
Digital Advertising and Marketing	2.7x	3.0x	2.6x	2.5x	2.0x	2.1x
Digital Media	2.4x	3.3x	2.7x	2.0x	1.9x	1.9x
Online Retail and Offers	2.7x	2.7x	2.7x	2.9x	3.7x	3.6x
Other Digital Companies	4.0x	4.0x	3.8x	3.5x	3.1x	3.1x
Social Networking & Gaming	2.6x	2.6x	2.4x	2.7x	2.7x	2.9x
<b>Tech Enabled Services</b>						
IT Integration & Consulting	1.6x	1.6x	1.5x	1.5x	1.4x	1.6x
IT Services	2.5x	2.8x	2.6x	2.5x	2.4x	2.7x
Call Center	0.8x	0.9x	0.9x	0.9x	0.8x	0.8x

# 2. PUBLIC MARKET VALUATIONS

## CURRENT & FORWARD MARKET MULTIPLES

	Median TEV/Revenue		Median TEV/EBITDA	
	LTM	NTM	LTM	NTM
<b>Application Software</b>				
Customer Relationship Management (CRM)	3.7x	2.8x	86.5x	37.3x
Accounting / ERP	3.2x	3.7x	12.8x	12.1x
Retail Software	1.3x	1.4x	34.7x	33.9x
Supply Chain Management	4.3x	4.2x	21.5x	15.6x
Human Capital Management	8.6x	6.0x	60.1x	32.8x
Knowledge / Content Management	5.7x	4.7x	16.6x	16.5x
Education Technology	0.6x	0.6x	7.4x	6.4x
<b>EMS / Infrastructure Software</b>				
Business Intelligence	2.9x	2.7x	27.2x	13.8x
Security Software	6.6x	5.3x	26.8x	17.3x
System and Network Management Software	2.5x	2.2x	11.7x	9.2x
Integration / Middleware	3.4x	3.2x	16.6x	11.4x
Platform / OS	2.8x	2.7x	8.9x	8.6x
<b>Financial Solutions and Processing</b>				
Bank Processing	4.0x	3.6x	13.5x	11.5x
Capital Market Rating Services	5.0x	5.3x	12.7x	13.4x
Consumer Rating Services	4.0x	3.6x	12.4x	11.7x
Payment Processing	3.1x	2.7x	14.7x	11.0x
Insurance Solutions	2.5x	2.5x	13.3x	11.4x
Investment Solutions	5.0x	4.2x	20.0x	14.5x
<b>Online &amp; Digital Media</b>				
Digital Advertising & Marketing	2.1x	2.1x	22.7x	17.2x
Digital Media	1.9x	2.3x	11.8x	10.0x
Online Retail and Offers	3.6x	2.6x	29.8x	16.7x
Other Digital Companies	3.1x	2.8x	18.6x	11.9x
Social Networking & Gaming	2.9x	2.6x	12.3x	12.6x
<b>Tech Enabled Business Services</b>				
IT Integration & Consulting	1.6x	1.4x	11.9x	9.0x
IT Services	2.7x	2.3x	11.4x	10.3x
Call Center	0.8x	0.8x	7.3x	6.7x

Medians				
Application Software	3.8x	3.9x	17.0x	16.8x
EMS / Infrastructure Software	3.4x	3.0x	17.2x	13.8x
Financial & Payment Processing Solutions	3.8x	3.1x	13.5x	11.7x
Online & Digital	2.7x	2.6x	17.2x	11.9x
Tech Enabled Services	1.6x	1.4x	11.4x	9.7x

# 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	\$906	\$1,097	7.2x	5.4x	156.2x	52.0x
Five9	NasdaqGM:FIVN	\$169	\$213	1.8x	1.5x	NM	NA
Interactive Intelligence	NasdaqGS:ININ	\$939	\$1,012	2.9x	2.5x	87.7x	93.6x
Kofax Limited	LSE:KFX	\$487	\$546	1.7x	1.3x	33.4x	8.7x
LivePerson	NasdaqGS:LPSN	\$703	\$774	3.7x	2.8x	85.3x	30.1x
Salesforce.com	NYSE:CRM	\$41,112	\$39,610	8.6x	6.9x	NM	37.3x
Zendesk	NYSE:ZEN	\$1,779	\$1,882	16.0x	10.8x	NM	NM
<b>Median</b>				<b>3.7x</b>	<b>2.8x</b>	<b>86.5x</b>	<b>37.3x</b>
<b>Accounting / ERP</b>							
American Software	NasdaqGS:AMSW.A	\$212	\$273	2.1x	1.9x	13.1x	9.9x
Exact Holding	ENXTAM:EXACT	\$831	\$896	3.1x	NA	15.9x	NA
IFS	OM:IFS B	\$734	\$768	1.8x	NA	12.5x	NA
Intuit	NasdaqGS:INTU	\$23,715	\$25,130	5.3x	5.5x	16.0x	18.8x
Model N	NYSE:MODN	\$139	\$242	1.6x	1.5x	NM	NM
Netsuite	NYSE:N	\$8,135	\$8,304	15.8x	12.0x	NM	126.1x
Oracle	NYSE:ORCL	\$154,573	\$173,042	4.0x	3.9x	9.2x	7.8x
QAD	NasdaqGS:QADA	\$276	\$336	1.0x	0.9x	17.2x	12.1x
Sage	LSE:SGE	\$6,847	\$6,270	3.2x	NA	11.0x	NA
SAP	DB:SAP	\$82,189	\$80,893	3.8x	3.6x	10.9x	9.1x
Textura	NYSE:TXTR	\$610	\$677	10.4x	7.5x	NM	135.2x
<b>Median</b>				<b>3.2x</b>	<b>3.7x</b>	<b>12.8x</b>	<b>12.1x</b>
<b>Retail Software</b>							
Borderfree	NasdaqGS:BRDR	\$225	\$345	1.9x	1.6x	179.4x	59.9x
Gk Software AG	DB:GKS	\$73	\$88	1.3x	NA	61.4x	NA
NCR	NYSE:NCR	\$8,007	\$4,660	1.2x	1.2x	8.0x	7.8x
Wincor Nixdorf	XTRA:WIN	\$1,546	\$1,366	0.5x	NA	6.4x	NA
<b>Median</b>				<b>1.3x</b>	<b>1.4x</b>	<b>34.7x</b>	<b>33.9x</b>
<b>Education Technology</b>							
Blackbaud	NasdaqGS:BLKB	\$2,127	\$2,010	3.9x	3.4x	21.5x	15.6x
Cambium Learning Group	NasdaqCM:ABCD	\$206	\$69	1.4x	NA	10.4x	NA
K12 Inc	NYSE:LRN	\$421	\$475	0.5x	0.5x	5.1x	4.1x
Leapfrog Enterprises	NYSE:LF	\$173	\$372	0.3x	0.4x	5.1x	6.3x
Promethean World	LSE:PRW	\$73	\$88	0.4x	NA	NM	NA
Rosetta Stone	NYSE:RST	\$163	\$209	0.6x	0.6x	NM	6.4x
Smart Technologies	TSX:SMA	\$292	\$164	0.5x	0.6x	2.8x	10.0x
Tribal Group	LSE:TRB	\$259	\$237	1.3x	NA	9.7x	NA
<b>Median</b>				<b>0.6x</b>	<b>0.6x</b>	<b>7.4x</b>	<b>6.4x</b>

# 2. PUBLIC MARKET VALUATIONS

## APPLICATION SOFTWARE (CONTINUED)

(\$ in millions)		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>Supply Chain Management</b>							
Aspen Technology	NasdaqGS:AZPN	\$3,075.61	\$3,341.09	7.5x	6.9x	20.1x	16.8x
BasWare	HLSE:BASIV	\$638.72	\$707.72	4.0x	NA	73.6x	NA
ClickSoftware Technologies	NasdaqGS:CKSW	\$191.74	\$233.75	1.6x	1.4x	NM	26.6x
Dassault	ENXTPA:DSY	\$14,992.93	\$15,961.80	5.5x	4.7x	18.8x	13.9x
Descartes Systems Group	TSX:DSG	\$925.05	\$1,061.44	5.9x	5.1x	20.5x	16.8x
Manhattan Associates	NasdaqGS:MANH	\$2,881.97	\$2,993.49	6.1x	5.7x	22.4x	18.7x
Materialise NV	NasdaqGS:MTLS	\$436.61	\$518.26	4.3x	3.8x	45.9x	53.5x
Mix Telematics	JSE:MIX	\$204.79	\$275.51	1.8x	1.6x	10.2x	8.6x
Parametric Technology	NasdaqGS:PTC	\$4,486.16	\$4,475.33	3.4x	3.2x	15.1x	10.8x
SciQuest	NasdaqGS:SQI	\$286.11	\$410.32	2.8x	2.7x	249.2x	13.4x
Fleetmatics Group	NYSE:FLTX	\$1,257.27	\$1,394.53	5.8x	4.6x	24.4x	14.5x
<b>Median</b>				<b>4.3x</b>	<b>4.2x</b>	<b>21.5x</b>	<b>15.6x</b>
<b>Human Capital Management</b>							
Benefit Focus	NasdaqGM:BNFT	\$672.68	\$706.02	5.6x	4.2x	NM	NM
Callidus	NasdaqGM:CALD	\$640.72	\$677.78	5.2x	4.1x	NM	36.6x
CastLight Health	NYSE:CSLT	\$939.66	\$1,121.82	25.9x	13.4x	NM	NM
Concur	NasdaqGS:CNQR	\$7,181.84	\$7,323.74	NM	NM	NM	NM
Cornerstone OnDemand	NasdaqGS:CSOD	\$1,917.34	\$1,936.38	8.6x	6.0x	NM	187.6x
Paycom	NYSE:PAYC	\$919.43	\$905.98	7.3x	5.2x	61.6x	27.5x
Paylocity	NasdaqGS:PCTY	\$1,136.01	\$1,214.86	10.5x	7.5x	NM	346.3x
TriNet Group	NYSE:TNET	\$2,543.34	\$2,067.92	1.3x	1.0x	16.1x	13.7x
Ultimate Software	NasdaqGS:ULTI	\$4,152.74	\$4,253.61	8.6x	7.1x	60.1x	29.0x
Workday	NYSE:WDAY	\$16,422.00	\$17,759.28	26.6x	17.6x	NM	NM
<b>Median</b>				<b>8.6x</b>	<b>6.0x</b>	<b>60.1x</b>	<b>32.8x</b>
<b>Knowledge / Content Management</b>							
Adobe Systems	NasdaqGS:ADBE	\$32,959.64	\$34,971.58	8.0x	7.2x	45.7x	21.6x
Akamai	NasdaqGS:AKAM	\$10,632.41	\$10,743.23	5.7x	4.8x	16.2x	11.4x
Limelight Networks	NasdaqGS:LLNW	\$133.18	\$240.14	0.8x	0.9x	NM	NM
Open Text	NasdaqGS:OTEX	\$7,540.18	\$6,726.73	4.3x	3.9x	14.7x	11.4x
Opower	NYSE:OPWR	\$746.54	\$895.22	6.9x	5.0x	NM	NM
Sabre	NasdaqGS:SABR	\$7,396.73	\$4,553.87	2.5x	2.4x	11.9x	7.8x
SDL	LSE:SDL	\$506.44	\$509.48	1.2x	NA	17.0x	NA
TrueCar	NasdaqGS:TRUE	\$1,181.47	\$1,293.31	6.9x	4.6x	NM	51.3x
Veeva	NYSE:VEEV	\$3,516.37	\$3,866.57	13.5x	10.4x	66.4x	40.5x
<b>Median</b>				<b>5.7x</b>	<b>4.7x</b>	<b>16.6x</b>	<b>16.5x</b>

# 2. PUBLIC MARKET VALUATIONS

## EMS / INFRASTRUCTURE SOFTWARE

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
(\$ in millions)							
<b>Business Intelligence</b>							
Actuate	NasdaqGS:BIRT	\$140	\$199	1.2x	1.6x	56.1x	NM
Covisint	NasdaqGS:COVS	\$65	\$110	0.7x	0.7x	NM	NA
Informatica	NasdaqGS:INFA	\$3,268	\$3,923	3.2x	2.9x	17.1x	11.3x
MicroStrategy	NasdaqGS:MSTR	\$1,464	\$1,818	2.5x	2.4x	65.2x	16.8x
Pegasystems	NasdaqGS:PEGA	\$1,437	\$1,654	2.6x	2.2x	17.9x	13.8x
Tableau	NYSE:DATA	\$5,047	\$5,674	16.4x	10.0x	NM	119.0x
Varonis Systems	NasdaqGS:VRNS	\$357	\$477	4.1x	3.0x	NM	NM
Verint Systems	NasdaqGS:VRNT	\$3,997	\$3,482	3.9x	3.4x	27.2x	12.8x
<b>Median</b>				<b>2.9x</b>	<b>2.7x</b>	<b>27.2x</b>	<b>13.8x</b>
<b>Security Software</b>							
Barracuda Networks	NYSE:CUDA	\$1,518	\$1,670	6.0x	5.1x	188.4x	18.3x
Check Point Software	NasdaqGS:CHKP	\$12,926	\$14,166	8.8x	8.3x	16.2x	14.2x
Cheetah Mobile	NYSE:CMCM	\$2,229	\$2,539	12.0x	4.8x	114.2x	23.7x
Cyber-Ark Software	NasdaqGS:CYBR	\$968	\$1,044	12.8x	9.2x	101.2x	230.0x
FireEye	NasdaqGS:FEYE	\$4,598	\$5,062	17.1x	8.1x	NM	NM
Imprivata Inc.	NYSE:IMPR	\$286	\$370	3.5x	2.6x	NM	NM
MobileIron	NasdaqGS:MOBL	\$617	\$764	5.0x	4.0x	NM	NM
NetQin Mobile	NYSE:NQ	\$545	\$649	2.8x	NA	NM	NA
Palo Alto Networks	NYSE:PANW	\$8,189	\$8,495	13.7x	10.0x	NM	68.5x
Qualys	NasdaqGS:QLYS	\$949	\$1,058	7.9x	6.2x	67.1x	30.4x
Qihoo 360 Technology	NYSE:QIHU	\$9,071	\$9,190	9.1x	5.4x	35.3x	17.3x
Symantec	NasdaqGS:SYMC	\$15,180	\$17,134	2.3x	2.3x	7.8x	6.6x
Trend Micro	TSE:4704	\$3,371	\$4,395	3.4x	NA	9.7x	NA
VASCO	NasdaqCM:VDSI	\$868	\$994	4.8x	4.1x	26.8x	17.0x
VeriSign	NasdaqGS:VRSN	\$7,139	\$7,236	7.1x	6.8x	11.6x	10.5x
Zix	NasdaqGS:ZIXI	\$175	\$196	3.5x	3.3x	17.2x	13.4x
<b>Median</b>				<b>6.6x</b>	<b>5.3x</b>	<b>26.8x</b>	<b>17.3x</b>
<b>System and Network Management Software</b>							
A10 Networks	NYSE:ATEN	\$157	\$264	0.9x	0.9x	NM	NM
CA Technologies	NasdaqGS:CA	\$11,636	\$12,929	2.6x	2.7x	8.3x	7.0x
Compuware	NasdaqGS:CPWR	\$2,033	\$2,271	2.9x	2.9x	22.4x	9.3x
Cyan	NYSE:CYNI	\$114	\$148	1.1x	1.0x	NM	NM
EMC	NYSE:EMC	\$57,435	\$58,466	2.4x	2.2x	11.0x	7.0x
Gigamon	NYSE:GIMO	\$344	\$478	2.3x	2.1x	NM	19.3x
Mavenir Systems	NYSE:MVNR	\$314	\$354	2.6x	2.1x	NM	91.8x
Netscout Systems	NasdaqGS:NTCT	\$1,349	\$1,518	3.1x	2.8x	12.5x	9.1x
<b>Median</b>				<b>2.5x</b>	<b>2.2x</b>	<b>11.7x</b>	<b>9.2x</b>



# 2. PUBLIC MARKET VALUATIONS

## EMS / INFRASTRUCTURE SOFTWARE (CONTINUED)

*(\$ in millions)*

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>Integration / Middleware</b>							
Citrix Systems	NasdaqGS:CTXS	\$11,102	\$10,564	3.6x	3.4x	16.6x	11.4x
Progress Software	NasdaqGS:PRGS	\$1,039	\$1,300	3.2x	3.0x	10.3x	8.4x
Rally Software	NYSE:RALY	\$181	\$258	2.3x	1.8x	NM	NM
TIBCO Software	NasdaqGS:TIBX	\$3,850	\$3,829	3.6x	3.6x	22.9x	16.3x
<b>Median</b>				<b>3.4x</b>	<b>3.2x</b>	<b>16.6x</b>	<b>11.4x</b>
<b>Platform / OS</b>							
Hewlett-Packard	NYSE:HPQ	\$72,714	\$66,962	0.6x	0.7x	5.5x	5.5x
IBM	NYSE:IBM	\$198,974	\$162,700	2.0x	2.2x	8.1x	8.0x
Microsoft Corp.	NasdaqGS:MSFT	\$322,379	\$387,002	3.5x	3.3x	9.7x	9.3x
Red Hat	NYSE:RHT	\$10,263	\$11,066	6.2x	5.4x	32.6x	20.4x
<b>Median</b>				<b>2.8x</b>	<b>2.7x</b>	<b>8.9x</b>	<b>8.6x</b>

# 2. PUBLIC MARKET VALUATIONS

## FINANCIAL & PAYMENT PROCESSING SOLUTIONS

(\$ in millions)		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>Bank Processing</b>							
Bottomline Technologies	NasdaqGS:EPAY	\$953	\$999	3.0x	2.8x	26.3x	13.1x
Fiserv	NasdaqGS:FISV	\$20,390	\$16,951	4.1x	3.9x	12.4x	11.8x
Heartland	NYSE:HPY	\$2,342	\$1,869	1.0x	3.1x	14.6x	11.3x
Jack Henry & Associates	NasdaqGS:JKHY	\$4,831	\$4,893	4.0x	3.6x	11.6x	10.6x
Q2 Holdings	NYSE:QTWO	\$424	\$516	6.4x	4.4x	NM	NM
<b>Median</b>				<b>4.0x</b>	<b>3.6x</b>	<b>13.5x</b>	<b>11.5x</b>
<b>Capital Market Rating Services</b>							
Moodys	NYSE:MCO	\$21,497	\$20,699	6.6x	6.2x	14.2x	13.5x
Morningstar	NasdaqGS:MORN	\$2,847	\$3,043	3.8x	3.5x	12.7x	12.0x
MSCI	NYSE:MSCI	\$5,572	\$5,227	5.0x	5.3x	12.6x	13.4x
<b>Median</b>				<b>5.0x</b>	<b>5.3x</b>	<b>12.7x</b>	<b>13.4x</b>
<b>Consumer Rating Services</b>							
Equifax	NYSE:EFX	\$10,609	\$9,133	4.4x	4.2x	12.5x	11.7x
Experian	LSE:EXPN	\$18,686	\$14,861	4.0x	NA	11.6x	NA
Fair Isaac	NYSE:FICO	\$2,440	\$2,003	3.2x	3.0x	12.4x	11.7x
<b>Median</b>				<b>4.0x</b>	<b>3.6x</b>	<b>12.4x</b>	<b>11.7x</b>
<b>Payment Processing</b>							
ACI Worldwide	NasdaqGS:ACIW	\$3,105	\$2,211	3.1x	2.8x	14.7x	11.0x
Cielo	BOVESPA:CIEL3	\$26,762	\$25,925	8.8x	NA	17.6x	NA
econtext Asia Limited	SEHK:1390	\$31	\$219	0.2x	NA	1.7x	NA
Global Payments	NYSE:GPN	\$7,049	\$5,445	2.7x	2.5x	13.0x	11.6x
Medical Transcription Billing	NasdaqCM:MTBC	\$41	\$38	3.7x	1.1x	56.9x	NA
MOL Global	NasdaqGS:MOLG	\$516	\$507	8.4x	NA	35.1x	NA
Total System Services	NYSE:TSS	\$7,500	\$6,274	3.0x	3.0x	12.9x	9.4x
<b>Median</b>				<b>3.1x</b>	<b>2.7x</b>	<b>14.7x</b>	<b>11.0x</b>
<b>Insurance Solutions</b>							
Corelogic	NYSE:CLGX	\$4,089	\$2,815	3.1x	2.8x	15.0x	10.1x
CorVel	NasdaqGS:CRVL	\$689	\$718	1.4x	1.3x	9.8x	NA
Ebix	NasdaqGS:EBIX	\$568	\$565	2.8x	2.5x	7.2x	6.6x
Innovation Group	LSE:TIG	\$429	\$521	1.3x	NA	12.2x	NA
Sapiens International	NasdaqCM:SPNS	\$326	\$371	2.2x	1.8x	19.3x	14.0x
Verisk	NasdaqGS:VRSK	\$11,123	\$10,283	6.5x	5.9x	14.4x	12.8x
<b>Median</b>				<b>2.5x</b>	<b>2.5x</b>	<b>13.3x</b>	<b>11.4x</b>
<b>Investment Solutions</b>							
Advent Software	NasdaqGS:ADVS	\$2,000	\$1,782	5.1x	4.9x	20.0x	14.5x
Amber Road	NYSE:AMBR	\$299	\$337	5.0x	4.4x	NM	NM
Thomson Reuters	TSX:TRI	\$37,355	\$29,730	3.0x	2.9x	14.0x	10.4x
Yodlee	NasdaqGS:YDLE	\$397	\$392	5.0x	3.9x	71.8x	78.1x
<b>Median</b>				<b>5.0x</b>	<b>4.2x</b>	<b>20.0x</b>	<b>14.5x</b>

# 2. PUBLIC MARKET VALUATIONS

## ONLINE & DIGITAL

(\$ in millions)		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>Digital Advertising &amp; Marketing</b>							
AdThink Media	ENXTPA:ALADM	\$13	\$16	0.3x	NA	3.6x	NA
Constant Contact	NasdaqGS:CTCT	\$966	\$1,120	3.0x	2.6x	26.1x	13.3x
Criteo	NasdaqGS:CRTO	\$1,503	\$1,817	1.9x	3.3x	25.9x	10.8x
Comscore	NasdaqGS:SCOR	\$1,427	\$1,441	4.5x	3.9x	52.7x	17.2x
Conversant	NasdaqGS:CNVR	\$2,240	\$2,259	3.8x	3.5x	11.3x	10.0x
Hi-Media	ENXTPA:HIM	\$52	\$143	0.2x	NA	19.5x	NA
Hubspot	NYSE:HUBS	\$1,080	\$1,082	11.5x	7.8x	NM	NM
Jive Software	NasdaqGS:JIVE	\$343	\$436	2.1x	1.7x	NM	NM
Marin Software	NYSE:MRIN	\$232	\$312	2.6x	2.1x	NM	NM
Marketo	NasdaqGS:MKTO	\$1,204	\$1,316	8.9x	6.5x	NM	NM
Millennial Media	NYSE:MM	\$128	\$221	0.4x	0.4x	NM	NM
Rocket Fuel	NasdaqGS:FUEL	\$391	\$560	1.2x	0.7x	NM	NM
SINA Corp	NasdaqGS:SINA	\$1,473	\$2,707	2.0x	1.7x	16.9x	41.1x
Tremor Video	NYSE:TRMR	\$36	\$119	0.2x	0.2x	NM	NM
The Rubicon Project	NYSE:RUBI	\$307	\$411	2.8x	2.1x	NM	33.0x
YuMe	NYSE:YUME	\$102	\$163	0.6x	0.5x	80.4x	34.9x
<b>Median</b>				<b>2.1x</b>	<b>2.1x</b>	<b>22.7x</b>	<b>17.2x</b>
<b>Digital Media</b>							
Aspiro	OM:ASP	\$25	\$37	0.6x	NA	NM	NA
Blinkx	AIM:BLNX	\$58	\$179	0.2x	0.2x	1.9x	5.3x
Brightcove	NasdaqGS:BCOV	\$186	\$207	1.5x	1.4x	NM	550.0x
Demand Media	NYSE:DMD	\$125	\$186	0.2x	0.8x	4.0x	7.1x
Digimarc	NasdaqGS:DMRC	\$125	\$186	7.6x	4.8x	NM	NA
Google	NasdaqGS:GOOGL	\$330,824	\$382,241	4.9x	4.5x	16.6x	11.2x
IAC/Interactive	NasdaqGS:IACI	\$5,737	\$5,672	1.9x	1.8x	11.8x	10.0x
Netflix	NasdaqGS:NFLX	\$22,896	\$23,663	4.4x	3.6x	48.5x	41.5x
Pandora Media	NYSE:P	\$3,696	\$4,012	4.2x	3.3x	NM	35.0x
Perion Network	NasdaqGS:PERI	\$346	\$377	0.9x	1.1x	4.1x	3.9x
Rovi	NasdaqGS:ROVI	\$2,694	\$1,978	4.8x	5.0x	13.8x	11.7x
Sonic Foundry	NasdaqCM:SOFO	\$42	\$41	1.2x	1.0x	NM	7.4x
TubeMogul	NasdaqGS:TUBE	\$452	\$463	5.3x	3.3x	NM	NM
Xunlei Limited	NasdaqGS:XNET	\$110	\$575	0.6x	0.5x	3.2x	1.9x
Youku	NYSE:YOKU	\$2,448	\$4,082	4.5x	2.9x	40.4x	NM
<b>Median</b>				<b>1.9x</b>	<b>2.3x</b>	<b>11.8x</b>	<b>10.0x</b>
<b>Online Retail and Offers</b>							
Alibaba	NYSE:BABA	\$244,190	\$243,050	26.4x	16.6x	51.7x	NA
Amazon	NasdaqGS:AMZN	\$137,646	\$141,430	1.6x	1.4x	35.3x	18.1x
Blue Nile	NasdaqGS:NILE	\$388	\$420	0.8x	0.8x	23.6x	15.3x
Coupons.com	NYSE:COUP	\$882	\$1,080	4.5x	3.3x	NM	22.8x
Ebay	NasdaqGS:EBAY	\$62,439	\$65,224	3.6x	3.2x	12.6x	10.1x
Overstock	NasdaqGM:OSTK	\$443	\$556	0.3x	0.3x	24.4x	9.6x
Zulily	NasdaqGS:ZU	\$4,233	\$4,543	4.5x	2.6x	179.0x	50.7x
<b>Median</b>				<b>3.6x</b>	<b>2.6x</b>	<b>29.8x</b>	<b>16.7x</b>

# 2. PUBLIC MARKET VALUATIONS

## ONLINE & DIGITAL (CONTINUED)

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<i>(\$ in millions)</i>							
<b>Other Digital Companies</b>							
AOL	NYSE:AOL	\$3,536	\$3,424	1.5x	1.3x	8.0x	6.6x
Baidu	NasdaqGS:BDU	\$79,520	\$83,715	11.0x	7.8x	30.4x	22.7x
Bankrate	NYSE:RATE	\$1,255	\$1,134	2.5x	2.1x	10.6x	7.8x
Bridgeline Digital	NasdaqCM:BLIN	\$19	\$14	0.8x	0.7x	NM	154.4x
Demandware	NYSE:DWRE	\$1,910	\$2,166	14.9x	9.9x	NM	207.4x
Digital River	NasdaqGS:DRIV	\$565	\$815	1.5x	1.4x	15.8x	10.5x
Endurance International	NasdaqGS:EIGI	\$3,230	\$2,147	5.7x	4.5x	40.1x	11.9x
Grubhub	NYSE:GRUB	\$2,634	\$2,912	11.5x	8.6x	45.4x	28.1x
Intershop	XTRA:ISH2	\$39	\$47	0.6x	0.6x	NM	NA
PFS Web	NasdaqCM:PFSW	\$184	\$197	0.9x	0.7x	33.9x	11.3x
Phoenix New Media	NYSE:FENG	\$535	\$759	2.2x	1.7x	11.1x	9.2x
QuinStreet	NasdaqGS:QNST	\$137	\$180	0.5x	0.5x	54.2x	11.5x
Rakuten	TSE:4755	\$15,375	\$14,667	3.1x	NA	14.8x	NA
Rightside	NasdaqGS:NAME	\$122	\$174	0.7x	0.6x	NM	44.3x
Shutterstock	NYSE:SSTK	\$2,512	\$2,748	9.0x	6.2x	54.7x	30.8x
Web.com	NasdaqGS:WWWWW	\$1,590	\$1,078	3.0x	2.8x	15.0x	10.1x
WebMD Health	NasdaqGS:WBMD	\$1,736	\$1,565	3.1x	2.8x	17.5x	10.0x
Wix	NasdaqGS:WIX	\$550	\$647	5.0x	3.0x	NM	NM
Yahoo	NasdaqGS:YHOO	\$35,231	\$45,083	7.6x	7.9x	18.6x	27.1x
Yandex	NasdaqGS:YNDX	\$9,150	\$9,110	7.5x	6.4x	19.5x	15.1x
Yelp	NYSE:YELP	\$3,987	\$4,351	11.8x	8.0x	273.4x	37.0x
Zhaopin	NYSE:ZPIN	\$591	\$689	3.5x	2.8x	14.8x	10.4x
<b>Median</b>				<b>3.1x</b>	<b>2.8x</b>	<b>18.6x</b>	<b>11.9x</b>
<b>Social Networking &amp; Gaming</b>							
Activision	NasdaqGS:ATVI	\$14,431	\$14,314	3.4x	3.1x	12.4x	8.3x
Electronic Arts	NasdaqGS:EA	\$11,011	\$12,808	2.7x	2.6x	16.0x	10.9x
Facebook	NasdaqGS:FB	\$195,089	\$209,061	17.4x	12.4x	32.2x	20.5x
iDreamSky Technology	NasdaqGS:DSKY	\$665	\$690	10.4x	3.2x	49.9x	14.3x
IGG	SEHK:8002	\$501	\$657	3.3x	NA	10.0x	NA
Jiayuan.com International	NasdaqGS:DATE	\$73	\$162	0.8x	0.7x	12.2x	7.4x
King Entertainment	NYSE:KING	\$2,813	\$3,645	1.2x	1.4x	3.2x	3.4x
Konami	TSE:9766	\$2,645	\$2,723	1.3x	1.3x	11.5x	9.4x
LinkedIn	NYSE:LNKD	\$26,173	\$28,431	12.9x	9.6x	115.6x	35.3x
MeetMe	NasdaqCM:MEET	\$87	\$89	2.0x	1.7x	NM	10.9x
Renren	NYSE:RENN	\$360	\$1,246	3.1x	3.9x	NM	NM
Taomee Holdings	NYSE:TAOM	\$40	\$144	0.8x	0.8x	8.9x	54.2x
Twitter	NYSE:TWTR	\$23,036	\$25,158	19.7x	11.5x	NM	50.8x
Ubisoft	ENXTPA:UBI	\$1,995	\$1,940	1.3x	NA	3.3x	NA
XING	XTRA:O1BC	\$521	\$591	4.6x	NA	21.9x	NA
Zynga	NasdaqGS:ZNGA	\$1,557	\$2,284	2.2x	2.0x	NM	20.1x
<b>Median</b>				<b>2.9x</b>	<b>2.6x</b>	<b>12.3x</b>	<b>12.6x</b>

# 2. PUBLIC MARKET VALUATIONS

## TECH ENABLED SERVICES

(\$ in millions)

		TEV	Market Cap	TEV/Revenue		TEV/EBITDA	
				LTM	NTM	LTM	NTM
<b>IT Integration &amp; Consulting</b>							
Accenture	NYSE:ACN	\$46,559	\$50,903	1.6x	1.5x	9.9x	9.0x
CIBER	NYSE:CBR	\$249	\$257	0.3x	0.3x	10.7x	8.9x
The Hackett Group	NasdaqGS:HCKT	\$226	\$207	1.1x	0.9x	12.8x	7.8x
iGATE	NasdaqGS:IGTE	\$3,076	\$2,188	2.5x	2.2x	11.6x	10.0x
Perficient	NasdaqGS:PRFT	\$635	\$571	1.6x	1.4x	12.1x	8.0x
Sapient	NasdaqGS:SAPE	\$2,168	\$2,455	1.6x	1.4x	12.4x	10.2x
<b>Median</b>				<b>1.6x</b>	<b>1.4x</b>	<b>11.9x</b>	<b>9.0x</b>
<b>IT Services</b>							
CACI International	NYSE:CACI	\$3,061	\$1,951	0.9x	0.9x	9.1x	9.7x
Luxoft Holdings	NYSE:LXFT	\$1,287	\$1,314	3.0x	2.3x	16.7x	12.3x
ManTech International	NasdaqGS:MANT	\$995	\$1,050	0.5x	0.6x	7.3x	7.8x
MAXIMUS	NYSE:MMS	\$3,065	\$3,247	1.9x	1.6x	11.4x	10.3x
Atos Origin	ENXTPA:ATO	\$7,875	\$7,918	0.7x	NA	6.9x	NA
Cap Gemini	ENXTPA:CAP	\$10,267	\$10,396	0.8x	NA	8.3x	NA
Cognizant Technology	NasdaqGS:CTSH	\$25,568	\$29,697	2.7x	2.3x	12.7x	11.0x
HCL Technologies	BSE:532281	\$17,024	\$18,326	3.1x	NA	11.7x	NA
Syntel	NasdaqGS:SYNT	\$2,953	\$3,621	3.3x	3.1x	10.3x	10.2x
Tata Consultancy Services	BSE:532540	\$81,188	\$83,020	5.6x	NA	18.8x	NA
Wipro	BSE:507685	\$20,163	\$22,478	2.7x	2.5x	11.8x	11.1x
<b>Median</b>				<b>2.7x</b>	<b>2.3x</b>	<b>11.4x</b>	<b>10.3x</b>
<b>Call Center</b>							
Sykes Enterprises	NasdaqGS:SYKE	\$818	\$943	0.6x	0.6x	6.5x	5.7x
TeleTech Holdings	NasdaqGS:TTEC	\$1,285	\$1,270	1.1x	1.0x	8.2x	7.6x
<b>Median</b>				<b>0.8x</b>	<b>0.8x</b>	<b>7.3x</b>	<b>6.7x</b>

# 3. PUBLIC MARKET UNIVERSE

## APPLICATION SOFTWARE

CRM		Accounting / ERP	
Retail Software		Knowledge / Content Management	
Human Capital Management		Supply Chain Management	
Education Technology			

## EMS / INFRASTRUCTURE SOFTWARE

Business Intelligence		System & Network Management	
Integration / Middleware		Security Software	
Platform / OS			

# 3. PUBLIC MARKET UNIVERSE

## FINANCIAL & PAYMENT PROCESSING SOLUTIONS

Bank Processing		Capital Market Rating Services	
Consumer Rating Services		Payment Processing	
Insurance Solutions		Investment Solutions	

## ONLINE & DIGITAL

Social Networking & Gaming		Digital Media	
Online Retail & Offers		Other Digital Companies	
Digital Advertising & Marketing			

# 3. PUBLIC MARKET UNIVERSE

## TECH ENABLED SERVICES

IT Integration  
& Consulting



Call Center



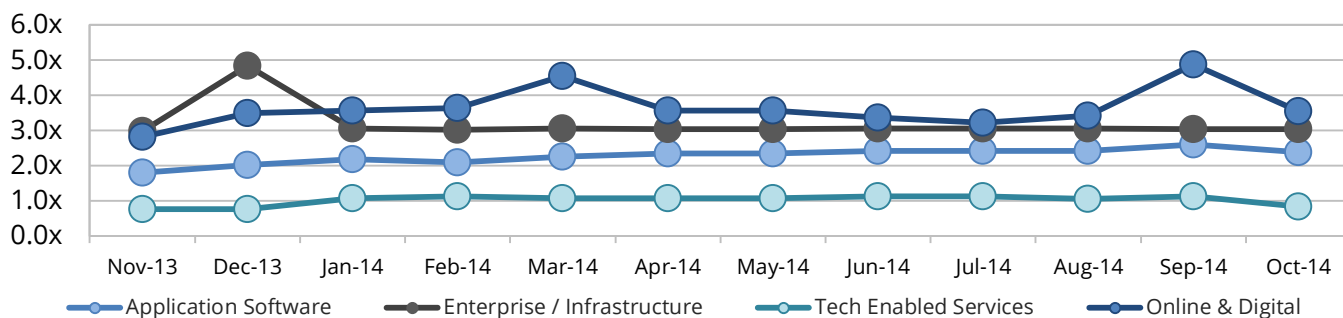
IT Services





# 4. M&A TRANSACTIONS

## TRAILING TWELVE MONTH MEDIAN EV/REVENUE



	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14
<b>Application Software</b>	1.8x	2.0x	2.2x	2.1x	2.3x	2.3x	2.3x	2.4x	2.4x	2.4x	2.6x	2.4x
<b>Enterprise / Infrastructure</b>	3.0x	4.8x	3.1x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x
<b>Tech Enabled Services</b>	0.8x	0.8x	1.1x	1.1x	1.1x	1.1x	1.1x	1.1x	1.1x	1.0x	1.1x	0.8x
<b>Online &amp; Digital</b>	2.8x	3.5x	3.6x	3.6x	4.5x	3.6x	3.6x	3.4x	3.2x	3.4x	4.9x	3.6x

**Movement in Mobile Messaging and Communication Technology:** Throughout October, strategic buyers acquired a number of communication and messaging technology providers, particularly those in the mobile space.

The largest of these transactions occurred when **Nimbuzz B.V.**, an early player in mobile messaging with a significant Indian userbase, was acquired by **New Call Telecom Ltd.**, one of the UK's leading telecom services providers. The transaction values Nimbuzz at an enterprise value of \$250.0 million, and is in line with New Call's objectives to expand their presence in the Indian market.

Earlier in the month, **Txtlocal Ltd.**, a cloud based, mobile messaging business targeting small and mid-sized businesses ("SMBs") in the UK, was acquired by mobile communication technology and service provider **IMImobile Limited (AIM:IMO)**. The transaction values Txtlocal at an enterprise value of \$21.1 million, or 1.9x revenue. The acquisition further enhances IMI's mobile engagement product suite, while simultaneously opening up the SMB market.

Also in October, **Link Mobility Group ASA (OB:LINK)**, a leading provider of mobile software and services in the Nordic and Baltic region, acquired **PSWinCom AS**, a supplier of B2B mobile solutions for messaging and payment in Norway. The transaction values PSWinCom at 0.9x revenue and an enterprise value of \$11.9 million. The deal strengthens Link Mobility's position as the largest provider of mobile solutions in the Norwegian market.

Other transactions occurring during October include: **Maintel Holdings Plc (AIM:MAI)** acquiring **Proximity Communications plc** for \$18.7 million; and **Yahoo! Inc. (NasdaqGS:YHOO)** acquiring **LittleInc Labs, Inc.**

Might the demand for mobile messaging and communication technology providers remain strong in the coming months?

# 4. M&A TRANSACTIONS

## APPLICATION SOFTWARE

Date Announced	Period	Target	Buyer	Enterprise Value	Revenue Multiple
Oct-14	Q4'2014	Documotive	Castleton Technology	\$6.4	1.5x
Oct-14	Q4'2014	Springworks (51.0% Stake)	NetX Holdings Berhad	\$6.2	1.1x
Oct-14	Q4'2014	PSWinCom	Link Mobility Group	\$11.9	0.9x
Oct-14	Q4'2014	Allocate Software	Hgcapital Mercury	\$145.3	2.3x
Oct-14	Q4'2014	Txtlocal	IMImobile	\$21.1	1.9x
Oct-14	Q4'2014	Leadtec Systems	SPS Commerce	\$14.9	2.4x
Oct-14	Q4'2014	Transactis	GB Group	\$9.6	1.0x
Oct-14	Q4'2014	Exact Holding	Apax Partners	\$860.5	3.2x
Oct-14	Q4'2014	Bluebeam Software	Nemetschek	\$100.0	4.5x
Oct-14	Q4'2014	O2i Société Anonyme	Prologue Société Anonyme	\$25.2	0.4x
Sep-14	Q3'2014	ISV Software	Dillistone Group	\$5.7	4.7x
Sep-14	Q3'2014	TIBCO Software	Vista Equity Partners	\$4,001.4	3.7x
Sep-14	Q3'2014	Epiq Systems	P2 Capital Partners	\$1,003.4	2.2x
Sep-14	Q3'2014	McGraw-Hill Construction	Symphony Technology	\$320.0	1.9x
Sep-14	Q3'2014	PAI Group	Sage Group	\$157.8	4.1x
Sep-14	Q3'2014	Bookpad Techsoft India	Yahoo!	\$8.2	50.0x
Sep-14	Q3'2014	Concur Technologies	SAP America	\$7,651.6	11.5x
Sep-14	Q3'2014	Mobilethink	Spirent Communications	\$20.0	2.4x
Sep-14	Q3'2014	Conversant	Alliance Data Systems	\$2,365.3	4.0x
Sep-14	Q3'2014	XRS Corporation	Omnitracs	\$177.5	3.4x
Sep-14	Q3'2014	SOFTPRO	Kofax Limited	\$34.7	2.6x
Sep-14	Q3'2014	Image Integration Systems	Tungsten Network	\$7.0	2.1x
Aug-14	Q3'2014	InterInbox, ERNEPH 2012A/2012B, and Quattro Hosting	SMTIP	\$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

# 4. M&A TRANSACTIONS

## APPLICATION SOFTWARE (CONTINUED)

Date Announced	Period	Target	Buyer	Enterprise Value	Revenue Multiple
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	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	Tracsis 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	\$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	Omnalink 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	Vislink	\$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	\$19.4	2.1x

# 4. M&A TRANSACTIONS

## APPLICATION SOFTWARE (CONTINUED)

Date Announced	Period	Target	Buyer	Enterprise Value	Revenue Multiple
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
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

# 4. M&A TRANSACTIONS

## EMS / INFRASTRUCTURE SOFTWARE

Date Announced	Period	Target	Buyer	Enterprise Value	Revenue Multiple
Oct-14	Q4'2014	DIBS Payment Services	Nets Holding	\$101.2	4.2x
Oct-14	Q4'2014	Telerik	Progress Software	\$262.5	4.4x
Oct-14	Q4'2014	Xceed Technologies	Anite	\$35.0	3.0x
Sep-14	Q3'2014	The Attachmate Group	Micro Focus	\$2,302.4	2.5x
Sep-14	Q3'2014	Location Labs	AVG Technologies	\$233.0	8.5x
Sep-14	Q3'2014	Compuware	Thoma Bravo	\$2,090.9	2.9x
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	\$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	\$72.0	2.7x
Mar-14	Q1'2014	Blanco	Regeneris	\$82.7	4.9x
Mar-14	Q1'2014	VaultLogix, LLC	InterCloud Systems	\$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 Investments; Bain Capital; Golden Gate Private Equity	\$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

# 4. M&A TRANSACTIONS

## EMS / INFRASTRUCTURE SOFTWARE (CONTINUED)

Date Announced	Period	Target	Buyer	Enterprise Value	Revenue Multiple
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

# 4. M&A TRANSACTIONS

## TECH ENABLED SERVICES

Date Announced	Period	Target	Buyer	Enterprise Value	Revenue Multiple
Oct-14	Q4'2014	Agrex (50.2% Stake)	IT Holdings Corporation	\$108.4	0.4x
Oct-14	Q4'2014	Comtec (52.5% Stake)	Management Buyout	\$45.3	0.4x
Oct-14	Q4'2014	Proximity Communications	Maintel Holdings	\$18.7	0.9x
Oct-14	Q4'2014	Intergen	Empired Limited	\$15.2	0.3x
Oct-14	Q4'2014	BEAR Data Solutions	Datalink Corporation	\$18.5	0.1x
Oct-14	Q4'2014	BravePoint	Progress Software	\$12.0	0.6x
Sep-14	Q3'2014	Rejob	ZIGExN	\$18.1	2.2x
Sep-14	Q3'2014	Datatech	Atea	\$4.7	0.8x
Sep-14	Q3'2014	DigitalHongKong.com	Hotex Holdings	\$30.6	62.4x
Sep-14	Q3'2014	Nurun	Publicis Groupe	\$114.4	0.9x
Aug-14	Q3'2014	Royal Imtech, ICT Division	VINCI Energies	\$336.0	0.3x
Aug-14	Q3'2014	PCGI Consulting Services and Paradigm Consulting Group	SOMOS Consulting Group	\$14.4	0.7x
Aug-14	Q3'2014	Grupo Sonitel	Cable & Wireless Panama	\$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	\$6.5	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

# 4. M&A TRANSACTIONS

## TECH ENABLED SERVICES (CONTINUED)

Date Announced	Period	Target	Buyer	Enterprise Value	Revenue Multiple
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	\$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	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	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



# 4. M&A TRANSACTIONS

## ONLINE & DIGITAL

Date Announced	Period	Target	Buyer	Enterprise Value	Revenue Multiple
Oct-14	Q4'2014	Digital River	Siris Capital Group	\$645.8	1.7x
Oct-14	Q4'2014	Carview Corp. (50.2% Stake)	Yahoo Japan	\$46.5	1.3x
Oct-14	Q4'2014	Trovit Search	Next Co.	\$101.0	4.6x
Oct-14	Q4'2014	Qumu Cloud	Qumu Corporation	\$14.6	2.7x
Sep-14	Q3'2014	Move, Inc.	News Corporation	\$913.5	3.9x
Sep-14	Q3'2014	Nexage	Millennial Media	\$88.0	14.4x
Sep-14	Q3'2014	Mojang	Microsoft	\$2,500.0	7.7x
Sep-14	Q3'2014	Ebates Performance Marketing	Rakuten	\$1,000.0	6.0x
Sep-14	Q3'2014	Shanghai Baoku Network	Zhangjiagang Chemical Machinery	\$169.1	2.5x
Aug-14	Q3'2014	Shanghai Douwan Network Tech	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

# 4. M&A TRANSACTIONS

## ONLINE & DIGITAL (CONTINUED)

Date Announced	Period	Target	Buyer	Enterprise Value	Revenue Multiple
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 LowerMyBills	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

# 5. SELECTED TRANSACTIONS

PHARUS SECURITIES



**Teachers Pay Teachers**

Completed a growth financing with




**trueventures**

The undersigned acted as the exclusive financial advisor to Teachers Pay Teachers 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-Dri 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 Dalet S.A. (NYSE:DALET)

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 DataVail Corporation, Inc.

Pharus Advisors, LLC  
December 2012



IT Services

PHARUS ADVISORS



**SG SocialGuide**

has been acquired by

**nielsen**  
**mincrite**

Principals of the undersigned acted as financial advisor to SocialGuide, Inc. in its sale to Nielsen Holdings N.V. and NM Incite, L.L.C., 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** Member of Offers.com

has received growth capital from



**SIG**  
SUSQUEHANNA

The undersigned acted 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

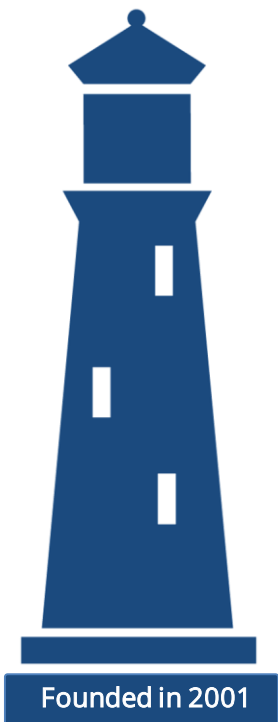
Pharus Advisors, LLC  
June 2008

Digital Asset Management

# 6. PHARUS OVERVIEW

## INTRODUCTION TO PHARUS

We are committed to providing clients a high level of attention, independent and objective advice, and creative solutions in challenging environments



### Industry Specialization and Experience

- Digital Media and Advertising
- Broadcast and Media Technology
- Education Technology
- Tech-Enabled Business Services
- Industrial Technology
- Financial Technology

### Global Reach / Cross-Border Expertise

- New York headquarters, with offices and affiliates in major technology hubs across the globe

### Extensive Advisory and Capital Market Capabilities

- Mergers and Acquisitions
- Valuation and Fairness Opinions
- Corporate Advisory
- Private Placements
- Principal Investments
- Recapitalizations

**90+**  
Successful Transactions  
Completed

**900+**  
Strategic Buyer  
Relationships

**1,100+**  
VC and Private Equity  
Relationships

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