

# Q3 2013 Enterprise Application Software Market Snapshot

**Gregory Ager**  
*Managing Director*  
[gager@signalhill.com](mailto:gager@signalhill.com)

**Joe Morgan**  
*Managing Director*  
[jmorgan@signalhill.com](mailto:jmorgan@signalhill.com)

**David Dolan**  
*Director*  
[ddolan@signalhill.com](mailto:ddolan@signalhill.com)

**Peter Gant**  
*Managing Director*  
[pgant@signalhill.com](mailto:pgant@signalhill.com)

**Chase Sanders**  
*Managing Director*  
[csanders@signalhill.com](mailto:csanders@signalhill.com)

[www.signalhill.com](http://www.signalhill.com)

# Contents

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|   |    |
|---|----|
| Signal Hill at a Glance.....  | 3  |
| Signal Hill’s Enterprise Application Software Practice.....                   | 4  |
| Q3 2013 Enterprise Application Software M&A Overview.....                     | 5  |
| Notable Q3 2013 Enterprise Application Software M&A Transactions.....         | 6  |
| Q3 2013 M&A Enterprise Application Software Transactions.....                 | 7  |
| Q3 2013 Enterprise Application Software IPO Data.....                         | 14 |
| Q3 2013 Enterprise Application Software Public Company Valuation Metrics..... | 15 |
| LTM Relative Enterprise Application Software Stock Price Performance.....     | 16 |

# Signal Hill at a Glance

Signal Hill is a leading independent advisory boutique serving the M&A and private capital raising needs of growth companies. Signal Hill's experienced bankers provide deep domain expertise and an unyielding commitment to clients in our sectors: Internet & Digital Media, Internet Infrastructure, Services and Software. With over 600 completed transactions and offices in Baltimore, Bangalore, Boston, Nashville, New York, Reston and San Francisco, Signal Hill leverages deep strategic industry and financial sponsor relationships to help our clients achieve Greater Outcomes®.

- Mergers & Acquisitions
- Equity Private Placements
- Restructurings
- Strategic Advisory
- Special Committee Advisory
- Fairness Opinions

## Recent Mergers & Acquisitions, Strategic Advisory Transactions

|  |   |   |   |  |  |  |   |
|--|---|---|---|--|--|--|---|
| <br>HAS BEEN ACQUIRED BY<br><br>OCTOBER 2013                     | <br>HAS BEEN ACQUIRED BY<br><br>SEPTEMBER 2013                          | <br>HAS BEEN ACQUIRED BY<br><br>SEPTEMBER 2013                      | <br>HAS BEEN ACQUIRED BY<br><br>AUGUST 2013   | <br>HAS BEEN ACQUIRED BY<br><br>AUGUST 2013              | <br>HAS BEEN ACQUIRED BY<br><br>AUGUST 2013            | <br>HAS BEEN ACQUIRED BY<br><br>AUGUST 2013  | <br>MINORITY RECAPITALIZATION BY<br><br>JULY 2013 |
| <br>HAVE BEEN ACQUIRED BY<br><br>JULY 2013                       | <br>HAS BEEN ACQUIRED BY<br><br>JUNE 2013                               | <br>HAS RECEIVED EQUITY FUNDING FROM<br><br>JUNE 2013               | <br>HAS BEEN ACQUIRED BY<br><br>JUNE 2013     | <br>CERTAIN ASSETS HAVE BEEN ACQUIRED BY<br><br>MAY 2013 | <br>HAS RECEIVED EQUITY FUNDING FROM<br><br>MARCH 2013 | <br>HAS BEEN ACQUIRED BY<br><br>APRIL 2013   | <br>HAS BEEN ACQUIRED BY<br><br>MARCH 2013        |
| <br>HAS RECEIVED GROWTH EQUITY INVESTMENT FROM<br><br>MARCH 2013 | <br>HAS BEEN ACQUIRED BY<br><br>MARCH 2013                              | <br>HAS RECEIVED GROWTH EQUITY INVESTMENT FROM<br><br>FEBRUARY 2013 | <br>HAS BEEN ACQUIRED BY<br><br>FEBRUARY 2013 | <br>HAS BEEN ACQUIRED BY<br><br>JANUARY 2013             | <br>HAS BEEN ACQUIRED BY<br><br>JANUARY 2013           | <br>HAS BEEN ACQUIRED BY<br><br>JANUARY 2013 | <br>HAS BEEN ACQUIRED BY<br><br>DECEMBER 2012     |
| <br>HAS BEEN ACQUIRED BY<br><br>DECEMBER 2012                    | <br>HAS RECEIVED GROWTH EQUITY INVESTMENT FROM<br><br><br>DECEMBER 2012 | <br>RECEIVED A GROWTH INVESTMENT FROM<br><br>NOVEMBER 2012          | <br>HAS BEEN ACQUIRED BY<br><br>NOVEMBER 2012 | <br>HAS BEEN ACQUIRED BY<br><br>OCTOBER 2012             | <br>HAS BEEN ACQUIRED BY<br><br>OCTOBER 2012           | <br>PRIVATE PLACEMENT<br>SEPTEMBER 2012      | <br>HAS BEEN ACQUIRED BY<br><br>OCTOBER 2012      |

# Signal Hill's Enterprise Application Software Practice

|  |   |   |  |  |  |  |   |   |
|--|---|---|--|--|--|--|---|---|
| <br>PROMETHEUS GROUP<br><small>PROFESSIONAL SERVICE GROUP</small><br>MINORITY RECAPITALIZATION BY<br><br>TA Associates<br><small>JULY 2013</small>         | <br>VENTRAO<br><small>an ABBE Group Company</small><br>HAVE BEEN ACQUIRED BY<br><br>GENBAND<br><small>JULY 2013</small>                         | <br>NOETIX<br>HAS BEEN ACQUIRED BY<br><br>SILVERBACK<br><small>Enterprise Group</small><br><small>JUNE 2013</small>   | <br>Daptivity<br><small>The IT Design Company</small><br>CERTAIN ASSETS HAVE BEEN ACQUIRED BY<br><br>EMC <sup>2</sup><br><small>MAY 2013</small> | <br>alk<br><small>TECHNOLOGIES</small><br>HAS BEEN ACQUIRED BY<br><br>Trimble<br><small>JANUARY 2013</small>   | <br>ICREATE<br><small>SOFTWARE</small><br>HAS RECEIVED GROWTH EQUITY INVESTMENT FROM<br><br>SEQUOIA CAPITAL<br><small>IDG Ventures</small><br><small>DECEMBER 2012</small> | <br>JOBAPP<br><small>Find. Hire. Manage.</small><br>RECEIVED A GROWTH INVESTMENT FROM<br><br>FrontierCapital<br><small>NOVEMBER 2012</small> | <br>aegis<br>HAS BEEN ACQUIRED BY<br><br>accelrys <sup>®</sup><br><small>OCTOBER 2012</small>                                 | <br>involver <sup>™</sup><br>HAS BEEN ACQUIRED BY<br><br>ORACLE <sup>®</sup><br><small>AUGUST 2012</small>                                    |
| <br>CLARUS SYSTEMS <sup>™</sup><br><small>Powering Global Enterprises</small><br>HAS BEEN ACQUIRED BY<br><br>OPNET<br><small>MAY 2012</small>              | <br>MCA<br><small>SOLUTIONS</small><br>HAS MERGED WITH<br><br>SERVICISTICS <sup>™</sup><br><small>MARCH 2011</small>                            | <br>Compliance 360 <sup>®</sup><br>HAS BEEN ACQUIRED BY<br><br>SAI GLOBAL<br><small>JANUARY 2012</small>  | <br>approva.<br>HAS BEEN ACQUIRED BY<br><br>infor<br><small>SEPTEMBER 2011</small>   | <br>AGENTEK<br>HAS BEEN ACQUIRED BY<br><br>versata.<br><small>SEPTEMBER 2011</small>   | <br>RAZORSIGHT<br>SERIES B PRIVATE PLACEMENT<br><br>GEORGIAN PARTNERS<br><small>JULY 2011</small>  | <br>JET<br>HAS BEEN ACQUIRED BY<br><br>3i-MIND<br><small>MAY 2011</small>  | <br>AlertSite. <sup>™</sup><br>HAS BEEN ACQUIRED BY<br><br>SmartBear<br><small>SOFTWARE</small><br><small>MARCH 2011</small>  | <br>M FACTOR<br>HAS BEEN ACQUIRED BY<br><br>DemandTec <sup>®</sup><br><small>MARCH 2011</small>   |
| <br>EDMZ<br>HAS BEEN ACQUIRED BY<br><br>QUEST SOFTWARE<br><small>FEBRUARY 2011</small>   | <br>OBVIENT<br><small>STRATEGIES</small><br>HAS BEEN ACQUIRED BY<br><br>Ventyx<br><small>An ABBE Company</small><br><small>JANUARY 2011</small> | <br>passlogix <sup>®</sup><br>HAS BEEN ACQUIRED BY<br><br>ORACLE <sup>®</sup><br><small>OCTOBER 2010</small>  | <br>TrueCommerce <sup>®</sup><br>HAS BEEN ACQUIRED BY<br><br>HighJump<br><small>SOFTWARE</small><br><small>SEPTEMBER 2010</small>                | <br>Acclaris<br><small>Experience More.</small><br>HAS BEEN ACQUIRED BY INVESTOR GROUP THAT INCLUDES<br><br>STALEY CAPITAL<br><br>TALENT<br><br>HUDSON ASSET MANAGEMENT<br><br>MODATA<br><small>JULY 2010</small> | <br>cengea<br><small>A TRIMBLE COMPANY</small><br>HAS BEEN ACQUIRED BY<br><br>Trimble<br><small>SEPTEMBER 2010</small>   | <br>Learn.com.<br>HAS BEEN ACQUIRED BY<br><br>Taleo<br><small>SEPTEMBER 2010</small>   | <br>LANGUAGE<br><small>WEAVER</small><br>HAS BEEN ACQUIRED BY<br><br>SDU<br><small>JULY 2010</small>                          | <br>EMSYSTEMS <sup>™</sup><br><small>Respecting the unexpected</small><br>HAS BEEN ACQUIRED BY<br><br>intermedix<br><small>APRIL 2010</small> |
| <br>telarix<br>EQUITY INVESTMENT AND RECAPITALIZATION<br><br>BROWN BROTHERS EDISON<br><small>HARRIMAN VENTURE FUND</small><br><small>MARCH 2010</small> | <br>CODE<br><small>ENGINEERING SOFTWARE</small><br>HAS BEEN ACQUIRED BY<br><br>INTERGRAPH<br><small>JANUARY 2010</small>                     | <br>PurchasingNet, Inc.<br><small>procurement &amp; eProcables solutions</small><br>HAS BEEN ACQUIRED BY<br><br>versata.<br><small>DECEMBER 2009</small> | <br>Compuware<br>HAS ACQUIRED<br><br>>gomez<br><small>OCTOBER 2009</small>  | <br>EVEREST<br><small>SOFTWARE</small><br>HAS BEEN ACQUIRED BY<br><br>versata.<br><small>AUGUST 2009</small>  | <br>DRIVECAM<br><small>The Drive Science Company</small><br>PRIVATE PLACEMENT<br><br>Triangle Peak<br><small>PARTNERS</small><br><small>AUGUST 2009</small>             | <br>QuickArrow.<br><small>People. Projects. Performance.</small><br>HAS BEEN ACQUIRED BY<br><br>NETSUITE<br><small>JULY 2009</small>      | <br>Orchestra <sup>™</sup><br>HAS BEEN ACQUIRED BY<br><br>ca<br><small>technologies</small><br><small>JANUARY 2009</small> | <br>Prescient<br>HAS MERGED WITH<br><br>PARK CITY GROUP<br><small>trusted business solutions</small><br><small>SEPTEMBER 2008</small>      |











## Q3 2013 Enterprise Application Software M&A Overview

Activity in the Enterprise Application Software sector was healthy in Q3 2013. Deal velocity increased more than 15 percent, up from 152 deals in Q2 2013 to 175 deals in Q3 2013. Following along, total announced Enterprise Value (EV) also experienced an uptick, increasing more than 18 percent to hit \$11,877.7M. Median announced deal size followed suit, with an approximately 25 percent increase.

| <i>Source: Signal Hill</i>             | Q3 2012   | Q4 2012   | Q1 2013   | Q2 2013   | Q3 2013    |
|--|-----------|-----------|-----------|-----------|------------|
| Number of Deals                        | 195       | 220       | 203       | 152       | 175        |
| % change from prior quarter            | 20.4%     | 12.8%     | -7.7%     | -25.1%    | 15.1%      |
| Total Announced Enterprise Value (\$M) | \$8,544.3 | \$6,423.6 | \$3,813.4 | \$9,985.7 | \$11,877.7 |
| % change from prior quarter            | -28.9%    | -24.8%    | -40.6%    | 161.9%    | 18.9%      |
| Median Announced Deal Size (\$M)       | \$30.0    | \$26.5    | \$17.9    | \$34.7    | \$43.4     |
| % change from prior quarter            | -61.4%    | -11.8%    | -32.4%    | 93.8%     | 25.1%      |
| Median EV/TTM Revenue Multiple         | 2.5x      | 2.1x      | 1.7x      | 2.5x      | 1.8x       |
| % change from prior quarter            | -35.5%    | -16.8%    | -20.3%    | 49.8%     | -29.7%     |

# Notable Q3 2013 Enterprise Application Software M&A Transactions

## Select Enterprise Application Software Transactions, Q3 2013

|   |  |   |
|---|--|---|
|  <p><b>Intuit Financial Services</b><br/>Acquired by <b>Thoma Bravo</b><br/>EV: \$1,025.0M<br/>Revenue Multiple: 3.4x</p> | <p>Intuit Financial Services, a division of Intuit, Inc., has been acquired by Thoma Bravo, a leading middle-market private equity firm. As a result of the acquisition, a stand-alone company with a familiar name, Digital Insight, will be formed. Digital Insight was originally purchased by Intuit in February 2007, and is now once again an independent company. Digital Insight provides digital banking and payments capabilities to financial institutions.</p> |    |
|  <p><b>ACTIVE Network</b><br/>Acquired by <b>Vista Equity Partners</b><br/>EV: \$946.0M<br/>Revenue Multiple: 2.1x</p>    | <p>ACTIVE Network (NYSE: ACTV), the leader in cloud-based Activity and Participant Management (APM) solutions, has entered into a definitive agreement to be taken private by Vista Equity Partners, a leading private equity firm focused on investments in software, data and technology-enabled businesses.</p>   |    |
|  <p><b>Invensys</b><br/>Acquired by <b>Schneider Electric</b><br/>EV: \$4,534.1M<br/>Revenue Multiple: 1.7x</p>           | <p>Invensys (ISYS:London), a London-based company which develops computer systems for refineries, chemical and nuclear plants, has agreed to be acquired by France-based Schneider Electric (SU:EN Paris), a provider of low- and medium-voltage electrical equipment and services. The acquisition is expected to boost Schneider's factory automation offering, as the company has recently faced a slump in European construction.</p>                                  |    |
|  <p><b>icon-scm</b><br/>Acquired by <b>E2open</b><br/>EV: \$34.0M<br/>Revenue Multiple: 3.4x</p>                         | <p>icon-scm, a market leader in supply chain planning and collaboration, has been acquired by E2open (NASDAQ: EOPN), a leading provider of cloud-based solutions for collaborative planning and execution across global trading networks. The acquisition will enable E2open to expand its market opportunity and solutions portfolio, to accelerate its product roadmap and to extend its position as the leader in the collaborative planning and execution space.</p>   |   |
|  <p><b>Extended Results</b><br/>Acquired by <b>TIBCO Software</b><br/>EV: \$21.0M<br/>Revenue Multiple: 2.9x</p>        | <p>Extended Results, a privately-held provider of mobile business intelligence software and services, has been acquired by TIBCO Software (NASDAQ: TIBX), a provider of infrastructure for companies to use on-premise or as part of cloud computer environments. Extended Results' monitoring capabilities will complement TIBCO's event enabled infrastructure, cloud, loyalty and social software platforms.</p>  |  |

# Q3 2013 M&A Enterprise Application Software Transactions

\$ in millions

| Date Announced | Seller  | Buyer                                | Enterprise Value | Revenues | EBITDA | Enterprise Value |        |
|----------------|---|--------------------------------------|------------------|----------|--------|------------------|--------|
|                |   |                                      |                  |          |        | Revenue          | EBITDA |
| 30-Sep-13      | Circle Computer Group                           | Syncsort Inc.                        | NA               | NA       | NA     | NA               | NA     |
| 30-Sep-13      | AdStack   | TellApart                            | NA               | NA       | NA     | NA               | NA     |
| 30-Sep-13      | Active Network Inc., The                        | Vista Equity Partners                | \$946.0          | \$441.3  | NA     | 2.1x             | NA     |
| 27-Sep-13      | Avia Health Informatics PLC                     | Advanced Computer Software Group plc | NA               | NA       | NA     | NA               | NA     |
| 25-Sep-13      | Learnboost, Inc.                                | Automattic Inc.                      | NA               | NA       | NA     | NA               | NA     |
| 25-Sep-13      | Aqayo   | HRBoss                               | NA               | NA       | NA     | NA               | NA     |
| 24-Sep-13      | Ember, Inc.                                     | Adaptive Media                       | NA               | NA       | NA     | NA               | NA     |
| 23-Sep-13      | Offical Payments Holdings                       | ACI Worldwide                        | \$149.3          | \$140.8  | \$5.0  | 1.1x             | 29.9x  |
| 23-Sep-13      | VINtek  | DealerTrack Holdings, Inc.           | \$53.4           | NA       | NA     | NA               | NA     |
| 23-Sep-13      | Greenway Medical Technologies, Inc.             | Vista Equity Partners                | \$632.7          | \$134.8  | \$2.2  | 4.7x             | NM     |
| 20-Sep-13      | SBB Services Inc.                               | Xchanging UK Ltd.                    | \$11.0           | NA       | NA     | NA               | NA     |
| 19-Sep-13      | Empathica Inc.                                  | Mindshare Technologies, Inc.         | NA               | NA       | NA     | NA               | NA     |
| 19-Sep-13      | Centauris Solutions LLC                         | Intrix Technology Inc.               | NA               | NA       | NA     | NA               | NA     |
| 19-Sep-13      | Daeja Image Systems Ltd.                        | IBM Corporation                      | NA               | NA       | NA     | NA               | NA     |
| 18-Sep-13      | Extended Results, Inc.                          | TIBCO Software Inc.                  | \$21.0           | \$7.3    | NA     | 2.9x             | NA     |
| 18-Sep-13      | Metadata Partners, LLC                          | Relevance, Inc.                      | NA               | NA       | NA     | NA               | NA     |
| 17-Sep-13      | ISD Corp. / Assets                              | Daily Journal Corporation            | \$16.0           | NA       | NA     | NA               | NA     |
| 17-Sep-13      | Solus Industries, LLC / operating and IP assets | Trailblazer Resources, Inc.          | NA               | NA       | NA     | NA               | NA     |
| 17-Sep-13      | SoftWriters, Inc. / 51% Stake                   | TA Associates                        | NA               | NA       | NA     | NA               | NA     |
| 17-Sep-13      | Adept Cloud, Inc.                               | Hightail Inc.                        | NA               | NA       | NA     | NA               | NA     |
| 16-Sep-13      | American Cadastre LLC / 51% Stake               | Riverside Partners                   | NA               | NA       | NA     | NA               | NA     |
| 16-Sep-13      | Anchor Box LLC                                  | eFolder                              | NA               | NA       | NA     | NA               | NA     |
| 16-Sep-13      | Conduit Ltd. / Client Connect business          | Perion Network Ltd                   | \$750.7          | \$438.0  | \$88.5 | 1.7x             | 8.5x   |
| 16-Sep-13      | Spigit, Inc.                                    | Mindjet Corp.                        | NA               | \$15.0   | NA     | NA               | NA     |
| 13-Sep-13      | Ascribe plc                                     | EMIS Group plc                       | \$90.6           | \$36.5   | NA     | 2.5x             | NA     |

# Q3 2013 M&A Enterprise Application Software Transactions

\$ in millions

| Date Announced | Seller   | Buyer                                    | Enterprise Value | Revenues | EBITDA | Enterprise Value |        |
|----------------|--|--|------------------|----------|--------|------------------|--------|
|                |  |  |                  |          |        | Revenue          | EBITDA |
| 13-Sep-13      | Indisys  | Intel Corporation                        | \$26.0           | NA       | NA     | NA               | NA     |
| 12-Sep-13      | Four Soft, Ltd. / Assets                           | Transport IT Solutions                   | \$43.4           | \$23.6   | NA     | 1.8x             | NA     |
| 12-Sep-13      | Data Agent, LLC                                    | Confluence Technologies, Inc.            | NA               | NA       | NA     | NA               | NA     |
| 12-Sep-13      | Covi Point LLC / Assets                            | F3 Technologies, Inc.                    | NA               | NA       | NA     | NA               | NA     |
| 11-Sep-13      | Blytheco LLC / Abila practice                      | Net@Work                                 | NA               | NA       | NA     | NA               | NA     |
| 10-Sep-13      | CitizenHawk, Inc.                                  | Wolters Kluwer N.V.                      | NA               | NA       | NA     | NA               | NA     |
| 10-Sep-13      | KXEN, Inc.   | SAP AG                                   | NA               | \$18.0   | NA     | NA               | NA     |
| 10-Sep-13      | Parametric Technology Corp.                        | Parametric Technology Corp.              | NA               | NA       | NA     | NA               | NA     |
| 10-Sep-13      | Asure Software / WebEvent solution division        | Active Data Exchange, Inc.               | NA               | NA       | NA     | NA               | NA     |
| 09-Sep-13      | Baptist Leadership Group                           | HealthStream, Inc.                       | \$8.5            | NA       | NA     | NA               | NA     |
| 09-Sep-13      | Enghouse Systems Limited                           | Enghouse Systems Limited                 | NA               | NA       | NA     | NA               | NA     |
| 09-Sep-13      | Knowillage Systems, Inc.                           | Desire2Learn                             | NA               | NA       | NA     | NA               | NA     |
| 05-Sep-13      | Mitchell International                             | KKR                                      | NA               | NA       | NA     | NA               | NA     |
| 04-Sep-13      | Safe Technology Limited                            | Dassault Systèmes S.A.                   | NA               | NA       | NA     | NA               | NA     |
| 04-Sep-13      | ACT Teleconferencing, Inc.                         | Premiere Global Services                 | \$44.0           | NA       | NA     | NA               | NA     |
| 04-Sep-13      | eScan Data Systems, Inc.                           | TransUnion                               | NA               | NA       | NA     | NA               | NA     |
| 04-Sep-13      | ThoughtBuzz  | TO THE NEW                               | NA               | NA       | NA     | NA               | NA     |
| 04-Sep-13      | Easy2 Technologies Inc.                            | Answers Corporation                      | NA               | NA       | NA     | NA               | NA     |
| 03-Sep-13      | ChemSW, Inc.                                       | Accelrys Inc.                            | \$15.3           | NA       | NA     | NA               | NA     |
| 03-Sep-13      | TVP Group  | RRsat Global Communications Network Ltd. | \$9.0            | NA       | NA     | NA               | NA     |
| 03-Sep-13      | T-Links  | Integrated Business Systems              | NA               | NA       | NA     | NA               | NA     |
| 03-Sep-13      | CombineNet, Inc.                                   | SciQuest, Inc.                           | \$43.0           | \$10.0   | NA     | 4.3x             | NA     |
| 29-Aug-13      | HStreaming Inc.                                    | Adello AG                                | NA               | NA       | NA     | NA               | NA     |
| 29-Aug-13      | Database Consultants Australia / eHealth division  | Telstra Corporation Limited              | NA               | NA       | NA     | NA               | NA     |
| 28-Aug-13      | APOS Systems Inc. / Location Intelligence Division | Galigeo                                  | NA               | NA       | NA     | NA               | NA     |



# Q3 2013 M&A Enterprise Application Software Transactions

\$ in millions

| Date Announced | Seller   | Buyer                      | Enterprise Value | Revenues | EBITDA | Enterprise Value |        |
|----------------|--|----------------------------|------------------|----------|--------|------------------|--------|
|                |  |                            |                  |          |        | Revenue          | EBITDA |
| 28-Aug-13      | Paymetric Inc. / 51% Stake                         | Francisco Partners         | NA               | NA       | NA     | NA               | NA     |
| 27-Aug-13      | IQ Irrigation / Assets                             | Trimble Navigation Ltd.    | NA               | NA       | NA     | NA               | NA     |
| 27-Aug-13      | RainWave / Assets                                  | Trimble Navigation Ltd.    | NA               | NA       | NA     | NA               | NA     |
| 27-Aug-13      | WaveMark, Inc.                                     | Cardinal Health, Inc.      | NA               | NA       | NA     | NA               | NA     |
| 27-Aug-13      | WiredFax.com                                       | Fax87                      | NA               | NA       | NA     | NA               | NA     |
| 26-Aug-13      | RyanTech, Inc. / automotive technology portfolio   | Authenticom                | NA               | NA       | NA     | NA               | NA     |
| 23-Aug-13      | Omnitracs  | Vista Equity Partners      | NA               | NA       | NA     | NA               | NA     |
| 23-Aug-13      | IQ Engines, Inc.                                   | Yahoo! Inc.                | NA               | NA       | NA     | NA               | NA     |
| 23-Aug-13      | GameOfficials.net                                  | Bonzi Technology, Inc.     | NA               | NA       | NA     | NA               | NA     |
| 22-Aug-13      | PathCentral, Inc.                                  | XIFIN, Inc.                | NA               | NA       | NA     | NA               | NA     |
| 22-Aug-13      | Jackbe Corp.                                       | Software AG                | \$40.0           | \$10.0   | NA     | 4.0x             | NA     |
| 21-Aug-13      | Get The Point, LLC / technology assets             | Autodesk, Inc.             | NA               | NA       | NA     | NA               | NA     |
| 21-Aug-13      | Avectra  | Abila, Inc.                | NA               | NA       | NA     | NA               | NA     |
| 21-Aug-13      | Equator, LLC                                       | Altisource                 | \$70.0           | NA       | NA     | NA               | NA     |
| 20-Aug-13      | Saperion AG  | Lexmark                    | \$72.0           | NA       | NA     | NA               | NA     |
| 20-Aug-13      | Computer Prompting & Captioning Co.                | Telestream, Inc.           | NA               | NA       | NA     | NA               | NA     |
| 20-Aug-13      | Intuit Health                                      | Steve Malik                | NA               | \$16.0   | NA     | NA               | NA     |
| 20-Aug-13      | Mitchell & McCormick Inc/Behavioral Healthline Biz | Qualifacts Systems, Inc.   | NA               | NA       | NA     | NA               | NA     |
| 20-Aug-13      | Time Link International Corp                       | Kronos Inc.                | NA               | NA       | NA     | NA               | NA     |
| 20-Aug-13      | GoExpo LLC   | Core-apps, LLC             | NA               | NA       | NA     | NA               | NA     |
| 19-Aug-13      | Midiaware Virtual Systems S / C Ltd                | NFe do Brasil S/A          | \$4.1            | NA       | NA     | NA               | NA     |
| 19-Aug-13      | WorkOasis  | Verisae Inc                | NA               | NA       | NA     | NA               | NA     |
| 19-Aug-13      | iMakeNews, Inc.                                    | Reynolds and Reynolds      | NA               | NA       | NA     | NA               | NA     |
| 19-Aug-13      | Locu, Inc.   | Go Daddy Group, Inc.       | \$70.0           | NA       | NA     | NA               | NA     |
| 19-Aug-13      | GiftWorks, Inc.                                    | FrontStream Payments, Inc. | NA               | NA       | NA     | NA               | NA     |

# Q3 2013 M&A Enterprise Application Software Transactions

\$ in millions

| Date Announced | Seller   | Buyer                           | Enterprise Value | Revenues | EBITDA | Enterprise Value |        |
|----------------|--|---------------------------------|------------------|----------|--------|------------------|--------|
|                |  |                                 |                  |          |        | Revenue          | EBITDA |
| 19-Aug-13      | Artez Interactive, Inc.                            | FrontStream Payments, Inc.      | NA               | NA       | NA     | NA               | NA     |
| 19-Aug-13      | Savoy Computing Services Ltd/AutoTrack tech assets | Autodesk, Inc.                  | NA               | NA       | NA     | NA               | NA     |
| 19-Aug-13      | Bestech Systems Ltd. / SAM technology assets       | Autodesk, Inc.                  | NA               | NA       | NA     | NA               | NA     |
| 19-Aug-13      | e-economic international a/s                       | HgCapital                       | NA               | NA       | NA     | NA               | NA     |
| 16-Aug-13      | Cordys Software B.V.                               | OpenText Corporation            | \$33.0           | \$53.2   | NA     | 0.6x             | NA     |
| 15-Aug-13      | Isotrak Ltd.                                       | Lyceum Capital Partners LLP     | NA               | NA       | NA     | NA               | NA     |
| 15-Aug-13      | Agero / connected vehicle services business        | Sirius XM Radio Inc.            | \$530.0          | NA       | NA     | NA               | NA     |
| 15-Aug-13      | Axxiem Web Solutions, Inc.                         | Litera Corp.                    | NA               | NA       | NA     | NA               | NA     |
| 15-Aug-13      | OneView  | Handshake Software, Inc.        | NA               | NA       | NA     | NA               | NA     |
| 14-Aug-13      | ReportGrid, Inc. / assets                          | RichRelevance, Inc.             | NA               | NA       | NA     | NA               | NA     |
| 14-Aug-13      | Insurecom  | Applied Systems, Inc.           | NA               | NA       | NA     | NA               | NA     |
| 14-Aug-13      | Niceware International LLC / Assets                | Euro Plus d. o. o.              | NA               | NA       | NA     | NA               | NA     |
| 13-Aug-13      | CPAS Systems Inc                                   | Xerox Corporation               | NA               | NA       | NA     | NA               | NA     |
| 13-Aug-13      | Digital Generation, Inc. / TV Business             | Extreme Reach, Inc.             | \$485.0          | NA       | NA     | NA               | NA     |
| 12-Aug-13      | proALPHA Software AG                               | Bregal Capital                  | NA               | NA       | NA     | NA               | NA     |
| 12-Aug-13      | PRION Group  | Accenture Ltd.                  | NA               | NA       | NA     | NA               | NA     |
| 12-Aug-13      | Prodigy Group, The                                 | ACL Services Ltd.               | NA               | NA       | NA     | NA               | NA     |
| 10-Aug-13      | Four Soft, Ltd. / Assets                           | Kewill                          | NA               | NA       | NA     | NA               | NA     |
| 07-Aug-13      | TripFlavor   | ekoVenture, Inc.                | NA               | NA       | NA     | NA               | NA     |
| 07-Aug-13      | Nonlinear Dynamics Limited                         | Waters Corporation              | NA               | NA       | NA     | NA               | NA     |
| 07-Aug-13      | Causata Inc.                                       | NICE Systems Ltd                | NA               | NA       | NA     | NA               | NA     |
| 07-Aug-13      | Arpeggi, Inc.                                      | Gene by Gene, Ltd.              | NA               | NA       | NA     | NA               | NA     |
| 06-Aug-13      | Prisma GmbH  | Prisma Global Limited           | \$4.4            | NA       | NA     | NA               | NA     |
| 06-Aug-13      | Avelo FS Holdings Ltd                              | IRESS Market Technology Limited | \$320.9          | \$84.1   | \$22.0 | 3.8x             | 14.6x  |
| 06-Aug-13      | Verticurl / 51% Stake                              | WPP Group plc                   | NA               | \$4.8    | NA     | NA               | NA     |

# Q3 2013 M&A Enterprise Application Software Transactions

\$ in millions

| Date Announced | Seller  | Buyer                                 | Enterprise Value | Revenues | EBITDA | Enterprise Value |        |
|----------------|---|---------------------------------------|------------------|----------|--------|------------------|--------|
|                |   |                                       |                  |          |        | Revenue          | EBITDA |
| 06-Aug-13      | VisPower Technology, Inc.                     | 3D Systems, Inc.                      | NA               | NA       | NA     | NA               | NA     |
| 05-Aug-13      | Newron System S.A.                            | ABB Group                             | NA               | NA       | NA     | NA               | NA     |
| 05-Aug-13      | Cosinus Informationssysteme GmbH / 51% Stake  | RIB Software AG                       | NA               | NA       | NA     | NA               | NA     |
| 02-Aug-13      | KineticGlue Online Communities Pvt. Ltd.      | BMC Software, Inc.                    | NA               | NA       | NA     | NA               | NA     |
| 02-Aug-13      | Teletrac, Inc.                                | Danaher Corporation                   | NA               | \$100.0  | NA     | NA               | NA     |
| 01-Aug-13      | Gestion Electronica Logistica, S.L.           | TomTom NV                             | NA               | NA       | NA     | NA               | NA     |
| 01-Aug-13      | Wyle Inc. / telemetry and data systems assets | Smartronix, Inc.                      | NA               | NA       | NA     | NA               | NA     |
| 01-Aug-13      | ICCM Professional Services                    | OpenText Corporation                  | \$14.0           | NA       | NA     | NA               | NA     |
| 01-Aug-13      | Search Discovery                              | Adobe                                 | NA               | NA       | NA     | NA               | NA     |
| 01-Aug-13      | Gaffey and Associates Inc.                    | HealthTech Solutions Group            | NA               | NA       | NA     | NA               | NA     |
| 30-Jul-13      | Palaran                                       | Yahoo! Inc.                           | NA               | NA       | NA     | NA               | NA     |
| 30-Jul-13      | Tech 7 Systems, Inc                           | Interactive Leisure Systems, Inc.     | NA               | NA       | NA     | NA               | NA     |
| 30-Jul-13      | Quantum GeoServices (Asia Pacific) Pte Ltd    | Dolphin Group ASA                     | NA               | NA       | NA     | NA               | NA     |
| 30-Jul-13      | Pitney Bowes Management Services              | Apollo Global Management, LLC         | \$400.0          | \$911.5  | NA     | 0.4x             | NA     |
| 30-Jul-13      | icon-scm                                      | E2open                                | \$34.0           | \$10.0   | NA     | 3.4x             | NA     |
| 29-Jul-13      | IT Resources, Inc.                            | Software Paradigms International Inc. | NA               | NA       | NA     | NA               | NA     |
| 25-Jul-13      | SFE GmbH                                      | Dassault Systèmes S.A.                | NA               | NA       | NA     | NA               | NA     |
| 24-Jul-13      | FoxWeave                                      | CloudBees                             | NA               | NA       | NA     | NA               | NA     |
| 24-Jul-13      | EASY Software Solutions LLC                   | Bullhorn, Inc.                        | NA               | NA       | NA     | NA               | NA     |
| 24-Jul-13      | Advanced Software Development                 | VerticalLive                          | NA               | NA       | NA     | NA               | NA     |
| 23-Jul-13      | Electronic Legal Software, LLC                | U.S. Legal Support, Inc.              | NA               | NA       | NA     | NA               | NA     |
| 23-Jul-13      | Digital Technology International              | Vista Equity Partners                 | NA               | NA       | NA     | NA               | NA     |
| 23-Jul-13      | Smart Button                                  | Aimia Inc.                            | NA               | NA       | NA     | NA               | NA     |
| 23-Jul-13      | Definitive Homecare Solutions, Ltd.           | Mediware Information Systems, Inc.    | NA               | NA       | NA     | NA               | NA     |
| 23-Jul-13      | Harland Financial Solutions                   | Davis + Henderson                     | \$1,200.0        | NA       | NA     | NA               | NA     |

# Q3 2013 M&A Enterprise Application Software Transactions

\$ in millions

| Date Announced | Seller  | Buyer                             | Enterprise Value | Revenues | EBITDA | Enterprise Value |        |
|----------------|---|-----------------------------------|------------------|----------|--------|------------------|--------|
|                |   |                                   |                  |          |        | Revenue          | EBITDA |
| 22-Jul-13      | Saxotech  | Vista Equity Partners             | NA               | NA       | NA     | NA               | NA     |
| 22-Jul-13      | Dimensio Informatics GmbH / 77% Stake             | mic IT AG                         | NA               | NA       | NA     | NA               | NA     |
| 19-Jul-13      | SmartStream Technologies / SVENSON business       | Wolters Kluwer Financial Services | NA               | NA       | NA     | NA               | NA     |
| 19-Jul-13      | IntelliFlo Ltd / 51% Stake                        | HgCapital                         | NA               | NA       | NA     | NA               | NA     |
| 19-Jul-13      | Locationary                                       | Apple Inc.                        | NA               | NA       | NA     | NA               | NA     |
| 18-Jul-13      | Ztelic  | Yahoo! Inc.                       | NA               | NA       | NA     | NA               | NA     |
| 18-Jul-13      | ThoughtLeadr                                      | Chaotic Moon Studios              | NA               | NA       | NA     | NA               | NA     |
| 18-Jul-13      | Fifo Pty Ltd.                                     | Intuit, Inc.                      | NA               | NA       | NA     | NA               | NA     |
| 17-Jul-13      | Akiban Technologies, Inc.                         | FoundationDB                      | NA               | NA       | NA     | NA               | NA     |
| 17-Jul-13      | Position Logic                                    | RACO Wireless LLC                 | NA               | NA       | NA     | NA               | NA     |
| 17-Jul-13      | Anaqua, Inc. / 51% Stake                          | Insight Venture Partners, LLC     | NA               | NA       | NA     | NA               | NA     |
| 17-Jul-13      | Evenex  | HighJump Software                 | NA               | NA       | NA     | NA               | NA     |
| 16-Jul-13      | RMS Software S.A.                                 | TOTVS S.A.                        | \$16.5           | \$9.4    | NA     | 1.8x             | NA     |
| 16-Jul-13      | BoxLogix Automation / software and controls group | Wynright Corporation              | NA               | NA       | NA     | NA               | NA     |
| 16-Jul-13      | EverGreen Data Continuity Inc.                    | Rentsys Recovery Services         | NA               | NA       | NA     | NA               | NA     |
| 16-Jul-13      | Enigma Information Retrieval Systems, Inc.        | Parametric Technology Corp.       | NA               | NA       | NA     | NA               | NA     |
| 16-Jul-13      | Omek Interactive, Ltd.                            | Intel Corporation                 | \$50.0           | NA       | NA     | NA               | NA     |
| 16-Jul-13      | MatrixGroup                                       | Eka Software Solutions Pvt Ltd    | \$20.0           | NA       | NA     | NA               | NA     |
| 16-Jul-13      | AD-X Ltd.   | Criteo SA                         | NA               | NA       | NA     | NA               | NA     |
| 15-Jul-13      | Zimbra Inc. / Assets                              | Telligent Systems, Inc.           | NA               | NA       | NA     | NA               | NA     |
| 15-Jul-13      | RinkNet Scouting Software                         | Siegel Enterprises, Inc.          | NA               | NA       | NA     | NA               | NA     |
| 15-Jul-13      | Salient Stills, Inc.                              | Digital Audio Corporation         | NA               | NA       | NA     | NA               | NA     |
| 15-Jul-13      | Acumen  | Deltek, Inc.                      | NA               | NA       | NA     | NA               | NA     |
| 11-Jul-13      | United Systems Technology, Inc.                   | StarDyne Technologies, Inc.       | NA               | NA       | NA     | NA               | NA     |
| 11-Jul-13      | Xterprise Inc.                                    | SML Group Ltd.                    | NA               | NA       | NA     | NA               | NA     |

# Q3 2013 M&A Enterprise Application Software Transactions

\$ in millions

| Date Announced | Seller   | Buyer   | Enterprise Value | Revenues  | EBITDA  | Enterprise Value |        |
|----------------|--|---|------------------|-----------|---------|------------------|--------|
|                |  |   |                  |           |         | Revenue          | EBITDA |
| 11-Jul-13      | Racing Snail, Inc.                                 | Imprezzio Inc.                                      | NA               | NA        | NA      | NA               | NA     |
| 11-Jul-13      | Pearson Data Solutions/ National Transcript Center | Hobsons   | NA               | NA        | NA      | NA               | NA     |
| 11-Jul-13      | QLINE Solutions Inc. / 51% Stake                   | Biosign Technologies Inc.                           | \$2.8            | NA        | NA      | NA               | NA     |
| 11-Jul-13      | Invensys   | Schneider Electric                                  | \$4,534.1        | \$2,721.9 | \$164.0 | 1.7x             | 27.6x  |
| 10-Jul-13      | MyRedis  | Garantia Data Ltd.                                  | NA               | NA        | NA      | NA               | NA     |
| 10-Jul-13      | ProSuite Conveyancing Software                     | Do Process LP                                       | NA               | NA        | NA      | NA               | NA     |
| 10-Jul-13      | Otwarty Rynek Elektroniczny S.A                    | AVALLON Sp. z o.o./Otwarty Rynek Elektroniczny Mgmt | NA               | NA        | NA      | NA               | NA     |
| 09-Jul-13      | Gantto Inc.  | Toms Planner N.V.                                   | NA               | NA        | NA      | NA               | NA     |
| 09-Jul-13      | Mirror42 B.V.                                      | ServiceNow, Inc.                                    | NA               | NA        | NA      | NA               | NA     |
| 09-Jul-13      | Tribold Limited                                    | Sigma Systems Group                                 | NA               | NA        | NA      | NA               | NA     |
| 09-Jul-13      | Ventraq / data integration and dynamic mediation   | GENBAND   | NA               | NA        | NA      | NA               | NA     |
| 09-Jul-13      | Red Cedar Technology, Inc.                         | CD-adapco   | NA               | NA        | NA      | NA               | NA     |
| 09-Jul-13      | Imaging Path / St. Cloud division                  | Loffler Companies Inc                               | NA               | NA        | NA      | NA               | NA     |
| 08-Jul-13      | FCP Internet Limited                               | Dillistone Group Plc                                | \$1.1            | \$1.5     | NA      | 0.7x             | NA     |
| 08-Jul-13      | TicketMob LLC                                      | Cvent Inc.  | \$5.2            | NA        | NA      | NA               | NA     |
| 08-Jul-13      | Blue Horseshoe/Warehousing & Transportation for AX | Microsoft Corporation                               | NA               | NA        | NA      | NA               | NA     |
| 03-Jul-13      | WinSched Software Corp.                            | Floor Focus   | NA               | NA        | NA      | NA               | NA     |
| 03-Jul-13      | Xobni Corporation                                  | Yahoo! Inc.   | \$70.0           | NA        | NA      | NA               | NA     |
| 03-Jul-13      | cyberGRID GMBH / 76% stake                         | Toshiba Corporation                                 | NA               | NA        | NA      | NA               | NA     |
| 02-Jul-13      | Customer Value Group Ltd.                          | Xerox Corporation                                   | NA               | NA        | NA      | NA               | NA     |
| 02-Jul-13      | Atlas Interactive Deutschland GmbH                 | InternetQ plc                                       | NA               | NA        | NA      | NA               | NA     |
| 02-Jul-13      | Joint Collaboration AS                             | Addnode AB  | \$15.6           | \$20.5    | NA      | 0.8x             | NA     |
| 01-Jul-13      | Crunched, Inc.                                     | ClearSlide Inc.                                     | NA               | NA        | NA      | NA               | NA     |
| 01-Jul-13      | Red Bee Media Limited                              | Ericsson, Inc.                                      | NA               | NA        | NA      | NA               | NA     |
| 01-Jul-13      | Intuit, Inc. (IFS division)                        | Thoma Bravo   | \$1,025.0        | \$301.5   | NA      | 3.4x             | NA     |

## Q3 2013 Enterprise Application Software IPO Data

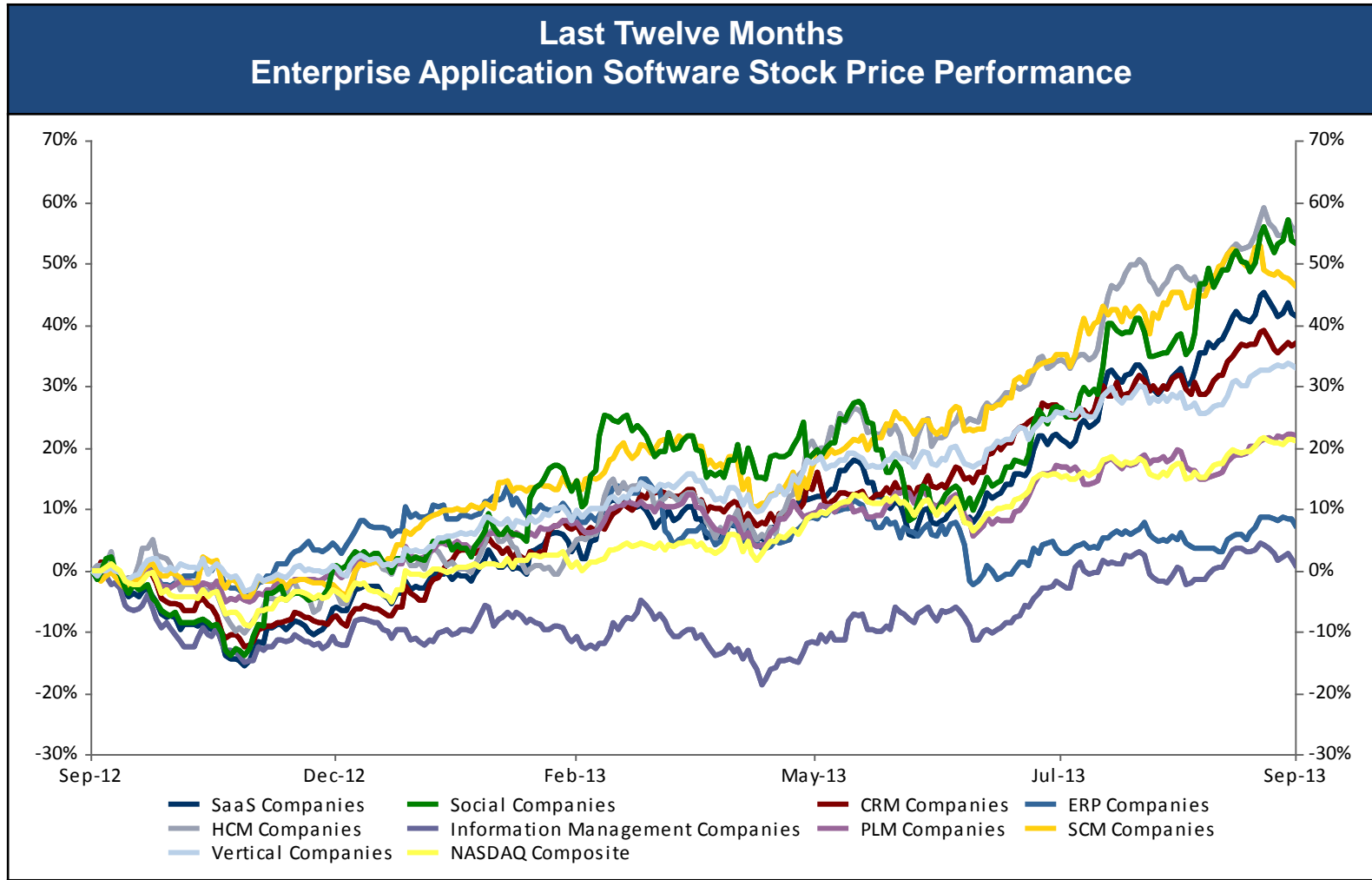
| Company        | Gross Offering Amount (\$M) | % Net Proceeds to Company | Offer Price | 1-Day  | 30-Day |
|----------------|-----------------------------|---------------------------|-------------|--------|--------|
| Benefitfocus   | \$130.8                     | 56.5%                     | \$26.50     | 102.0% | 83.4%  |
| Covisint       | \$64.0                      | 91.4%                     | \$10.00     | 23.1%  | NA     |
| Cvent          | \$117.6                     | 93.0%                     | \$21.00     | 56.7%  | 97.9%  |
| MiX Telematics | \$100.7                     | 64.9%                     | \$16.00     | 13.3%  | (2.9%) |
| Ring Central   | \$97.5                      | 92.0%                     | \$13.00     | 40.0%  | NA     |

# Q3 2013 Enterprise Application Software Public Company Valuation Metrics

| Enterprise Application Software<br><i>Pricing Date 09/30/13</i><br><i>Median Metrics</i> | % of 52<br>Week Hi | Financial Data |      |             |        | Enterprise Value / |       |       |        |       |       |
|--|--------------------|----------------|------|-------------|--------|--------------------|-------|-------|--------|-------|-------|
|  |                    | Q/Q Rev Growth |      | LTM Margins |        | Revenues           |       |       | EBITDA |       |       |
|  |                    | YoY            | Seq. | Gross       | EBITDA | LTM                | CY13E | CY14E | LTM    | CY13E | CY14E |
|  |                    |                |      |             |        |                    |       |       |        |       |       |
| SaaS: Software as a Service  | 93%                | 26%            | 7%   | 68%         | 9%     | 6.8x               | 6.3x  | 5.2x  | 27.4x  | 21.6x | 16.6x |
| CRM: Customer Relationship Management  | 89%                | 14%            | 3%   | 60%         | 9%     | 3.4x               | 3.1x  | 2.6x  | 25.3x  | 14.6x | 11.8x |
| ERP: Enterprise Resource Planning  | 93%                | 7%             | 5%   | 65%         | 20%    | 3.6x               | 3.4x  | 3.2x  | 13.0x  | 11.1x | 10.2x |
| HCM: Human Capital Management  | 96%                | 16%            | 1%   | 59%         | -10%   | 7.5x               | 6.9x  | 5.7x  | 50.2x  | 39.7x | 32.1x |
| IM: Information Management   | 92%                | 10%            | 5%   | 69%         | 14%    | 3.3x               | 3.1x  | 2.9x  | 16.5x  | 13.9x | 12.4x |
| PLM: Product Lifecycle Management  | 96%                | 9%             | 3%   | 80%         | 22%    | 3.6x               | 3.6x  | 3.5x  | 17.5x  | 15.4x | 13.0x |
| SCM: Supply Chain Management   | 91%                | 17%            | 4%   | 61%         | 18%    | 5.5x               | 5.1x  | 5.1x  | 18.0x  | 20.2x | 19.2x |
| Social Enterprise Applications   | 96%                | 31%            | 7%   | 64%         | 5%     | 5.6x               | 5.1x  | 4.0x  | NM     | 53.0x | 39.1x |
| Vertically Focused Software  | 96%                | 13%            | 4%   | 52%         | 21%    | 4.0x               | 3.9x  | 3.6x  | 15.3x  | 14.2x | 12.3x |
| All Enterprise Apps Companies  | 94%                | 13%            | 5%   | 66%         | 16%    | 4.3x               | 4.1x  | 3.6x  | 18.0x  | 15.6x | 13.8x |

Note: Analysis above delineates the SaaS bucket from All Enterprise Apps Companies separately. However, all buckets also include SaaS companies as appropriate.

# LTM Relative Enterprise Application Software Stock Price Performance







Baltimore | Bangalore | Boston | Nashville | New York | Reston | San Francisco