

# Q3 2013 IT Services Market Snapshot

**Michael Parent**

*Managing Director*

[mparent@signalhill.com](mailto:mparent@signalhill.com)

**Matt Fiore**

*Director*

[mfiore@signalhill.com](mailto:mfiore@signalhill.com)

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

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

# Contents

---

Signal Hill at a Glance.....	3
Signal Hill's IT Services Practice.....	4
Q3 2013 IT Services M&A Overview.....	5
Notable Q3 2013 IT Services M&A Transactions.....	6
Q3 2013 IT Services M&A Transactions.....	7
Q3 2013 IT Services Public Company Valuation Metrics.....	12
LTM Relative IT Services Stock Price Performance.....	18

# 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®.


## Recent Mergers & Acquisitions, Strategic Advisory Transactions

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

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

# Signal Hill's IT Services Practice

 <p><b>Acurian</b> Predictable Patient Recruitment</p> <p>HAS BEEN ACQUIRED BY</p>  <p>AUGUST 2013</p>	 <p><b>SOLUTIONARY</b> Relevant   Intelligent   Secure</p> <p>HAS BEEN ACQUIRED BY</p>  <p>AUGUST 2013</p>	 <p><b>IT Staffing Division</b></p> <p>HAS BEEN ACQUIRED BY</p>  <p>POWERING YOUR BUSINESS JUNE 2013</p>	 <p><b>iCREATE SOFTWARE</b></p> <p>HAS RECEIVED GROWTH EQUITY INVESTMENT FROM</p>  <p>IDG Ventures DECEMBER 2012</p>	 <p><b>VAZATA</b> Taking colo to the cloud</p> <p>HAS RECEIVED A GROWTH EQUITY INVESTMENT FROM</p>  <p>SEPTEMBER 2012</p>	 <p><b>BinaryTree</b></p> <p>LICENSED CERTAIN SOURCE CODE TECHNOLOGIES TO</p>  <p>SEPTEMBER 2012</p>	 <p><b>TekLinks</b></p> <p>HAS RECEIVED AN EQUITY INVESTMENT FROM</p>  <p>AUGUST 2012</p>	 <p><b>make</b></p> <p>HAS BEEN ACQUIRED BY</p>  <p>MAY 2012</p>
 <p><b>EXZAC</b> Experience. Success through Knowledge.</p> <p>RECEIVED A STRATEGIC INVESTMENT FROM</p>  <p>JANUARY 2012</p>	 <p><b>STREAM</b> DATA CENTERS</p> <p>HAS RECEIVED EQUITY FUNDING FROM</p>  <p>DECEMBER 2011</p>	 <p><b>CoSentry</b> Business Resiliency Solutions</p> <p>HAS BEEN ACQUIRED BY</p>  <p>OCTOBER 2011</p>	 <p><b>intrasphere</b></p> <p>HAS BEEN ACQUIRED BY</p>  <p>AUGUST 2011</p>	 <p><b>ISFT</b></p> <p>HAS BEEN ACQUIRED BY</p>  <p>JUNE 2011</p>	 <p><b>LEE TECHNOLOGIES</b> MISSION-CRITICAL INFRASTRUCTURE SOLUTIONS</p> <p>HAS BEEN ACQUIRED BY</p>  <p>APRIL 2011</p>	 <p><b>io</b> DATA CENTERS</p> <p>PRIVATE PLACEMENT</p>  <p>APRIL 2011</p>	 <p><b>logicworks</b></p> <p>HAS RECEIVED INVESTMENT FROM</p>  <p>MARCH 2011</p>
 <p><b>peak 10</b> DATA CENTER SOLUTIONS</p> <p>HAS BEEN ACQUIRED BY</p>  <p>OCTOBER 2010</p>	 <p><b>Acclaris</b> Experience More.</p> <p>HAS BEEN ACQUIRED BY INVESTOR GROUP THAT INCLUDES</p>  <p>JULY 2010</p>	 <p><b>virtustream</b> Enterprise Class Cloud™</p> <p>HAS ACQUIRED</p>  <p>JUNE 2010</p>	 <p><b>fusepoint</b></p> <p>HAS BEEN ACQUIRED BY</p>  <p>JUNE 2010</p>	 <p><b>Cincinnati Bell</b></p> <p>HAS ACQUIRED</p>  <p>JUNE 2010</p>	 <p><b>telarix</b></p> <p>EQUITY INVESTMENT AND RECAPITALIZATION</p>  <p>MARCH 2010</p>	 <p><b>VISI</b></p> <p>HAS BEEN ACQUIRED BY</p>  <p>MARCH 2010</p>	 <p><b>SENTINEL</b></p> <p>HAS SOLD BUSINESS TO</p>  <p>JANUARY 2010</p>
 <p><b>SABEY</b> Data Centers</p> <p>HAS BEEN INVESTED BY</p>  <p>JANUARY 2010</p>	 <p><b>FORTRESS</b> International Group, Inc. Where Performance and Efficiency Unite</p> <p>HAS SOLD ASSETS TO</p>  <p>DECEMBER 2009</p>	 <p><b>SOUTHWIND</b> HEALTH PARTNERS, L.L.C.</p> <p>HAS BEEN ACQUIRED BY</p>  <p>DECEMBER 2009</p>	 <p><b>SERVERVAULT</b></p> <p>HAS BEEN ACQUIRED BY</p>  <p>SEPTEMBER 2009</p>	 <p><b>FrontierCapital</b></p> <p>HAS SOLD MINORITY STAKE IN PEAK 10 TO</p>  <p>JULY 2009</p>	 <p><b>SUMMIT PARTNERS</b></p> <p>HAS SOLD ITS INTEREST IN</p>  <p>JUNE 2009</p>	 <p><b>HOSTING.com</b></p> <p>HAS BEEN ACQUIRED BY</p>  <p>MAY 2009</p>	 <p><b>CLINPRO</b></p> <p>HAS BEEN ACQUIRED BY</p>  <p>NOVEMBER 2008</p>

 Includes previous experience

# Q3 2013 IT Services M&A Overview

The IT Services sector experienced a slight decline in deal velocity from Q2 2013 to Q3 2013 – down from 163 deals to 139 deals, respectively. Looking at metrics from the Last Twelve Months (LTM), the numbers have held relatively stable and we do not believe this quarter’s metrics are indicative of a larger trend. Total Announced Enterprise Value (EV) did decrease significantly, however, which can be attributed to a lack of “mega” deals with disclosed values in Q3 2013. This decrease is also reflected in the median announced deal size, while the median revenue multiple held steady at 0.7x.

<i>Source: Signal Hill</i>	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013
Number of Deals	173	134	153	163	139
% change from prior quarter	-	-22.5%	14.2%	6.5%	-14.7%
Total Announced Enterprise Value (\$M)	\$9,430.2	\$2,955.2	\$2,505.2	\$6,929.3	\$2,751.5
% change from prior quarter	-	-68.7%	-15.2%	176.6%	-60.3%
Median Announced Deal Size (\$M)	\$75.0	\$20.5	\$46.5	\$52.5	\$25.0
% change from prior quarter	-	-72.7%	126.8%	12.9%	-52.4%
Median EV/TTM Revenue Multiple	1.5x	1.1x	0.5x	0.7x	0.7x
% change from prior quarter	-	-26.7%	-54.5%	40.0%	0.0%

# Notable Q3 2013 IT Services M&A Transactions

## Selected IT Services Transactions, Q3 2013



**Solutionary Acquired  
by NTT**

**Signal Hill advised Solutionary.** Solutionary, a leading pure-play enterprise Managed Security Services Provider, has been acquired by Nippon Telegraph and Telephone Corp. (NYSE: NTT), the world's largest global IT and telecommunications services company. The acquisition enhances Solutionary's continued global expansion, ongoing R&D and worldwide security intelligence capabilities.



**RCG Global Services' IT  
Staffing Business  
Acquired by Stefanini**

**Signal Hill advised RCG Global Services.** RCG Global Services, a leading international professional services firm, sold its IT recruiting and staffing division to Stefanini, a global IT infrastructure outsourcing, application development and IT strategic staffing company. The acquisition enables Stefanini to meet the needs of a complementary set of clients across industries and affords the company a direct present in the U.S.



**IBM's CRM BPO  
Business to be  
Acquired by SYNEX  
Corporation**  
EV: \$505.0M  
Revenue Multiple: 0.4x

IBM's worldwide customer care services business will be acquired by SYNEX Corporation, a leading business process services company. The acquisition will be combined with Concentrix, a wholly-owned subsidiary of SYNEX and a recognized leader in providing platforms, people and services to support high-value interactions at every stage of the customer lifecycle.



**Blue Stone  
International Acquired  
by Huron Consulting  
Group**  
EV: \$30.0M

Blue Stone International, a provider of Oracle professional services supporting enterprise performance management, information management and business intelligence systems, has been acquired by Huron Consulting Group (NASDAQ: HURN), a leading provider of business consulting services. Blue Stone will be added to Huron's education and life sciences segment, which includes the company's Oracle ERP services practice.



**Analysts International  
Corporation Acquired  
by American  
CyberSystems**  
EV: \$28.5M  
Revenue Multiple: 0.3x

Analysts International Corporation (AIC) (NASDAQ: ANLY), a leading IT staffing and services firm, has been acquired by American CyberSystems (ACS), a global information technology services company. The acquisition allows ACS to accelerate its strategic growth plans in specific desirable geographies and to capitalize on marquee customer opportunities.



# Q3 2013 IT Services M&A Transactions

Date Announced	Seller	Buyer	Enterprise Value	Revenue	EBITDA	Enterprise Value	
						Revenue	EBITDA
30-Sep-13	Addison Group	Trilantic Capital Partners	NA	NA	NA	NA	NA
30-Sep-13	FastConnect	Bull	NA	NA	NA	NA	NA
29-Sep-13	Northwest Telephone Answering Service, Inc.	Responsive Answering Service	NA	NA	NA	NA	NA
25-Sep-13	Birchman Group Asia Pacific Pty. Ltd.	SMS Management & Technology	\$25.0	\$30.2	NA	0.8x	NA
25-Sep-13	FastMail.fm	FastMail.fm management	NA	NA	NA	NA	NA
24-Sep-13	Big Networks LLC	Skyhawk Security, LLC	NA	NA	NA	NA	NA
23-Sep-13	Granite Networks Inc.	Rogers Communications Inc.	\$6.1	NA	NA	NA	NA
23-Sep-13	Pivot Data Centres Inc.	Rogers Communications Inc.	\$151.6	NA	NA	NA	NA
23-Sep-13	OBS	Empired Ltd	\$14.2	NA	NA	NA	NA
20-Sep-13	Blue Stone International LLC / Assets	Huron Consulting Group Inc.	\$30.0	NA	NA	NA	NA
19-Sep-13	CT Networks	ITsavvy	NA	NA	NA	NA	NA
18-Sep-13	FOCUS24, Inc.	Envision Technology Advisors LLC	NA	NA	NA	NA	NA
18-Sep-13	Greenwich Consulting	Ernst and Young	NA	\$33.3	NA	NA	NA
17-Sep-13	IronWare Business Intelligence/Msft Dynamics Prac	NexusTek	NA	NA	NA	NA	NA
16-Sep-13	JAX Meet Me Room	Cologix, Inc.	NA	NA	NA	NA	NA
16-Sep-13	Camelon IT	Vita Group Limited	\$4.3	\$4.2	NA	1.0x	NA
15-Sep-13	Tech 2000, Inc. / 51% Stake	US Boston Capital/Tien Wong	NA	\$10.0	NA	NA	NA
13-Sep-13	SoftCom Inc.	Ingram Micro Inc.	NA	NA	NA	NA	NA
13-Sep-13	Point-On Holdings Ltd. / UK and Irish operations	Maintel Holdings plc	\$5.5	NA	NA	NA	NA
13-Sep-13	Telefónica Germany Online Services	Host Europe Group GmbH	NA	NA	NA	NA	NA
12-Sep-13	Eurodata Support Services Inc.	TERiX Canada	NA	\$1.9	NA	NA	NA
12-Sep-13	PennyWise Solutions Pvt. Ltd. / 51% Stake	Ogilvy & Mather	NA	NA	NA	NA	NA
12-Sep-13	Digicon	Deloitte Touche Tohmatsu	NA	NA	NA	NA	NA
11-Sep-13	Amor Group	Lockheed Martin Corporation	NA	NA	NA	NA	NA
11-Sep-13	Element Creative LLC	SpaceCraft, Inc.	NA	NA	NA	NA	NA
11-Sep-13	SRT Solutions	Atomic Object	NA	NA	NA	NA	NA
10-Sep-13	IBM Corporation / CRM BPO business	SYNNEX Corporation	\$505.0	\$1,200.0	NA	0.4x	NA
10-Sep-13	Proglity Pty Ltd.	ILX Group Plc	\$25.0	\$37.6	NA	0.7x	NA
10-Sep-13	Carolina Cipher /SAP Business One payroll division	Achieve IT Solutions	NA	NA	NA	NA	NA

# Q3 2013 IT Services M&A Transactions

Date Announced	Seller	Buyer	Enterprise Value	Revenue	EBITDA	Enterprise Value	
						Revenue	EBITDA
09-Sep-13	MTT Enterprises, LLC	MRO Corp.	NA	NA	NA	NA	NA
09-Sep-13	Mirth Corporation	Quality Systems, Inc.	NA	NA	NA	NA	NA
09-Sep-13	DSA Mission Critical Services	Seaport Capital LLC	NA	NA	NA	NA	NA
09-Sep-13	Directi Web Technology Pvt. Ltd.	Endurance International Group, Inc., The	\$110.0	NA	NA	NA	NA
09-Sep-13	Lenferna Consulting	Complexus Software	NA	NA	NA	NA	NA
06-Sep-13	Application Services Limited	Matchtech Group Plc	\$6.2	\$22.0	\$1.6	0.3x	3.9x
05-Sep-13	SystemMetrics Corporation	Hawaiian Telcom	\$16.0	\$8.0	\$2.0	2.0x	8.0x
05-Sep-13	InovenAltenor	Orange Business Services	NA	\$13.0	NA	NA	NA
05-Sep-13	TMone LLC	Enhanced Recovery Company LLC	NA	NA	NA	NA	NA
05-Sep-13	Redstation Ltd.	iomart Group PLC	\$10.3	\$7.9	\$3.7	1.3x	2.8x
05-Sep-13	Stoneburn Software Services	Cloud Sherpas	NA	NA	NA	NA	NA
04-Sep-13	EPIC Information Solutions	Manitoba Telecom Services Inc.	NA	NA	NA	NA	NA
04-Sep-13	Aztec Information Systems	Information Resources, Inc.	NA	NA	NA	NA	NA
04-Sep-13	Venyu Solutions Inc.	EATEL	NA	NA	NA	NA	NA
03-Sep-13	MarketSphere Consulting LLC /Oracle Consulting Biz	Grant Thornton, LLP	NA	NA	NA	NA	NA
03-Sep-13	Foundation Systems Group, LLC	Kelser Corporation	NA	NA	NA	NA	NA
03-Sep-13	Asclepius Consulting / 51% Stake	Virinchi Technologies Ltd.	NA	NA	NA	NA	NA
03-Sep-13	Canvisa Consulting Inc.	Tieto	NA	NA	NA	NA	NA
03-Sep-13	Young Electronics Group	Acal Plc	\$2.6	NA	NA	NA	NA
30-Aug-13	Software AG / European SAP business	itelligence AG	NA	NA	NA	NA	NA
29-Aug-13	X7	SDI Inc.	NA	NA	NA	NA	NA
28-Aug-13	Analysts International Corporation	American CyberSystems Inc.	\$28.5	\$102.3	\$1.1	0.3x	25.8x
28-Aug-13	ConvergeOne Ltd	Communicate Better	NA	NA	NA	NA	NA
27-Aug-13	Innoventis GmbH	Preh GmbH	NA	NA	NA	NA	NA
27-Aug-13	Computerlinks AG	Arrow Electronics Inc.	\$307.7	NA	NA	NA	NA
27-Aug-13	Acurian, Inc.	Pharmaceutical Product Development, Inc.	NA	NA	NA	NA	NA
26-Aug-13	Globecomm Systems Inc.	Wasserstein & Company	\$284.7	\$319.6	\$38.4	0.9x	7.4x
26-Aug-13	N2SP Tunisie	Stream Global Services	NA	NA	NA	NA	NA
23-Aug-13	Key Technolabs	US Wireless Online Inc.	NA	NA	NA	NA	NA



# Q3 2013 IT Services M&A Transactions

Date Announced	Seller	Buyer	Enterprise Value	Revenue	EBITDA	Enterprise Value	
						Revenue	EBITDA
23-Aug-13	James Secure Solutions, Inc.	Spry Methods, Inc.	NA	NA	NA	NA	NA
22-Aug-13	aCure Technology Pty Ltd.	Amcom Telecommunications Ltd	\$13.0	NA	NA	NA	NA
21-Aug-13	Tacit Knowledge Inc.	Newgistics, Inc.	NA	NA	NA	NA	NA
21-Aug-13	Red River Solutions LLC	Atherio	NA	NA	NA	NA	NA
20-Aug-13	Stratigent	Ebiquity	NA	NA	NA	NA	NA
20-Aug-13	Industry Retail Group	Vector Security Inc.	NA	NA	NA	NA	NA
20-Aug-13	Assurance Concepts LLC	Skoda Minotti	NA	NA	NA	NA	NA
20-Aug-13	CRDM Ltd.	3D Systems, Inc.	NA	NA	NA	NA	NA
19-Aug-13	Control Solutions International, Inc.	Staffing 360 Solutions, Inc.	NA	NA	NA	NA	NA
19-Aug-13	Arsys Internet S.L.	1&1 Internet Inc.	\$186.0	\$52.0	\$19.5	3.6x	9.5x
16-Aug-13	Digicomp Complete Solutions Pvt. Ltd. / 80% Stake	Regeneris PLC	NA	NA	NA	NA	NA
16-Aug-13	Internet Specialties West, Inc. / assets	Key Information Systems	NA	NA	NA	NA	NA
15-Aug-13	Bracket	Parthenon Capital	NA	NA	NA	NA	NA
15-Aug-13	NVISH Solutions Inc.	Atherio	NA	NA	NA	NA	NA
14-Aug-13	American Communications	Clover Holdings, Inc.	NA	NA	NA	NA	NA
13-Aug-13	Marketwell, Inc.	Antuit	NA	NA	NA	NA	NA
13-Aug-13	Marakana Inc	Twitter, Inc.	NA	NA	NA	NA	NA
13-Aug-13	Red Eagle Consulting	DoxTek Inc	NA	NA	NA	NA	NA
13-Aug-13	cisimple	Appurify	NA	NA	NA	NA	NA
12-Aug-13	proALPHA Software AG / 51% Stake	Bregal Capital	NA	NA	NA	NA	NA
12-Aug-13	Hosted IP Communications (Europe) Limited	BroadSoft, Inc	NA	NA	NA	NA	NA
08-Aug-13	Designercity / 51% Stake	XM Asia Pacific Pte Ltd.	NA	\$5.6	NA	NA	NA
07-Aug-13	EarthLink, Inc. / NEC Systems Business	Forerunner Technologies, Inc.	NA	NA	NA	NA	NA
05-Aug-13	Database & LAN Solutions	Optimal Networks	NA	NA	NA	NA	NA
05-Aug-13	Adam Internet Holdings Pty Ltd	iiNet, Ltd.	\$60.0	\$55.0	\$11.5	1.1x	5.2x
05-Aug-13	MYOB Technology Pty Ltd. / Domain & Hosting Assets	UberGlobal Pty Ltd	NA	NA	NA	NA	NA
05-Aug-13	Arkadin / 91% Stake	NTT Communications Corp.	NA	NA	NA	NA	NA
01-Aug-13	FusionStorm / managed services assets	Synoptek, Inc.	NA	NA	NA	NA	NA

# Q3 2013 IT Services M&A Transactions

Date Announced	Seller	Buyer	Enterprise Value	Revenue	EBITDA	Enterprise Value	
						Revenue	EBITDA
01-Aug-13	WorkflowOne LLC	Standard Register	\$218.0	NA	NA	NA	NA
01-Aug-13	Jet Cooper	Shopify Inc.	NA	NA	NA	NA	NA
01-Aug-13	Sage Technology Group, LLC	EarthBend	NA	NA	NA	NA	NA
01-Aug-13	Focus Business Solutions	Brave River Solutions, Inc.	NA	NA	NA	NA	NA
31-Jul-13	WebMetro	TeleTech Holdings, Inc.	NA	NA	NA	NA	NA
31-Jul-13	Summit Technical Services, Inc.	Reserves Network, The	NA	NA	NA	NA	NA
31-Jul-13	ASM Research Inc.	Accenture Ltd.	NA	NA	NA	NA	NA
30-Jul-13	eDocument Resources LLC	DataBank IMX, LLC	NA	NA	NA	NA	NA
29-Jul-13	East River Technologies, Inc.	EarthBend	NA	NA	NA	NA	NA
29-Jul-13	RevMap, Inc.	Radius Global Solutions LLC	NA	NA	NA	NA	NA
26-Jul-13	Rio Networks	Prime Time Ventures, LLC	NA	NA	NA	NA	NA
25-Jul-13	BOOST	Nerim	NA	NA	NA	NA	NA
24-Jul-13	ECCO Health, LLC	Kareo	NA	NA	NA	NA	NA
22-Jul-13	Qoncert, LLC	GreenPages Technology Solutions	NA	NA	NA	NA	NA
19-Jul-13	Host Europe Group GmbH	Cinven Ltd.	\$664.3	NA	NA	NA	NA
19-Jul-13	Miller Electronics Recycling	ARCOA Group Inc.	NA	NA	NA	NA	NA
18-Jul-13	Balti Group Consulting	StarPoint Advantage	NA	NA	NA	NA	NA
17-Jul-13	Revosys IT Inc.	ONS Interactive Solutions Pvt Ltd	NA	NA	NA	NA	NA
16-Jul-13	ProSites Inc.	Riverside Company, The	NA	NA	NA	NA	NA
16-Jul-13	Cypress Consulting	Ratio Interactive	NA	NA	NA	NA	NA
16-Jul-13	Hines REIT / One Wilshire assets	GI Partners	NA	NA	NA	NA	NA
15-Jul-13	PeakPoint Technologies Inc.	Oasis Systems	NA	NA	NA	NA	NA
12-Jul-13	Directech Solutions, Inc.	Itsavvy	NA	NA	NA	NA	NA
12-Jul-13	24GMedia Limited	txtNation Limited	NA	NA	NA	NA	NA
12-Jul-13	TeleOSS Consulting Ltd	Ericsson, Inc.	NA	NA	NA	NA	NA
11-Jul-13	Impact QA	Icreon Tech	NA	NA	NA	NA	NA
11-Jul-13	DADA S.p.A / 55% Stake	Orascom Telecom	NA	NA	NA	NA	NA
11-Jul-13	Reggi Business LLC	Hosting Community	NA	NA	NA	NA	NA

# Q3 2013 IT Services M&A Transactions

Date Announced	Seller	Buyer	Enterprise Value	Revenue	EBITDA	Enterprise Value	
						Revenue	EBITDA
11-Jul-13	Evocative Inc.	365 Main/Crosslink Capital/Housatonic Partners	NA	NA	NA	NA	NA
10-Jul-13	Net@Ik	Publicis Groupe	NA	NA	NA	NA	NA
10-Jul-13	Quality DPM	directFX Solutions, Inc.	NA	NA	NA	NA	NA
09-Jul-13	internet24 Inc.	intergenia AG	NA	NA	NA	NA	NA
09-Jul-13	Bay Area Internet Solutions	Stephens Group, LLC / vXchnge management	NA	NA	NA	NA	NA
09-Jul-13	RCG Global Services, Inc. / IT staffing division	Stefanini International Holdings Ltd.	NA	NA	NA	NA	NA
09-Jul-13	Anson Group	Navigant	NA	NA	NA	NA	NA
08-Jul-13	Quattro Integration Group	Deloitte	NA	NA	NA	NA	NA
08-Jul-13	Twist Networks / Assets	Momentum Telecom	NA	NA	NA	NA	NA
05-Jul-13	WEBMAXX GmbH / 74 % Stake	All for One Steeb AG	NA	NA	NA	NA	NA
04-Jul-13	BurstNET Technologies, Inc. / UK division assets	UKFast.Net Ltd.	NA	NA	NA	NA	NA
03-Jul-13	R-Style Softlab / 70 % Stake	Asseco Poland SA	\$40.0	\$35.0	NA	1.1x	NA
03-Jul-13	Isidor SAS	Doro AB	\$2.6	NA	NA	NA	NA
02-Jul-13	Ambrose Employer Group, LLC	TriNet Group Inc.	NA	NA	NA	NA	NA
02-Jul-13	Leonia Associates / Infocrossing datacenter assets	Carter Validus Mission Critical REIT Inc	\$14.8	NA	NA	NA	NA
02-Jul-13	Bosz Digital SA	Publicis Groupe	NA	NA	NA	NA	NA
02-Jul-13	Metro Medical Management Services, Inc.	Medical Transcription Billing, Corp.	NA	NA	NA	NA	NA
02-Jul-13	Solid Engineering Solutions Inc.	Cansel	NA	NA	NA	NA	NA
02-Jul-13	Intelladon Corporation	Tribridge	NA	NA	NA	NA	NA
02-Jul-13	Test Technology, Inc.	ReverTech Solutions, LLC	NA	NA	NA	NA	NA
01-Jul-13	DataBill, LLC	Pinnacle Data Systems LLC	NA	NA	NA	NA	NA
01-Jul-13	E2E infotech	CameronTec Intressenter AB	NA	NA	NA	NA	NA
01-Jul-13	Indicium Technology Group Pty Ltd	SMS Management & Technology	\$20.1	\$18.3	NA	1.1x	NA
01-Jul-13	NeoNova Network Services	National Rural Telecommunications Cooperative, The	NA	NA	NA	NA	NA
01-Jul-13	Scangaroo	Legendary Archives Company LLC	NA	NA	NA	NA	NA

# Q3 2013 IT Services Public Company Valuation Metrics

IT Services <i>Pricing Date: 9/30/13</i> <i>Median Metrics</i>	% of 52 Week Hi	Financial Data				Valuation Data						Price/Earnings Multiples		
		Q/Q Rev Growth		LTM Margins		EV/Revenues			EV/EBITDA <sup>(1)</sup>			LTM	CY13E	CY14E
		YoY	Seq.	Gross	EBITDA	LTM	CY13E	CY14E	LTM	CY13E	CY14E			
BPO	96.8%	6.0%	1.4%	29.4%	15.7%	1.5x	1.8x	1.6x	10.4x	9.5x	8.2x	23.0x	17.4x	16.0x
Consulting	96.6%	4.4%	3.1%	35.0%	11.2%	1.1x	1.1x	1.0x	9.7x	8.7x	8.3x	25.0x	18.8x	16.4x
Government Services	98.4%	-3.8%	-2.0%	24.6%	8.8%	0.7x	0.7x	0.7x	7.6x	7.7x	7.8x	15.4x	14.1x	15.1x
Managed Hosting	80.1%	14.6%	2.7%	47.9%	31.6%	6.4x	5.9x	5.2x	14.2x	12.9x	11.5x	48.6x	38.0x	38.5x
Offshore Outsourcing	95.6%	14.3%	7.1%	35.5%	21.8%	2.4x	2.2x	2.1x	11.8x	11.4x	10.4x	19.1x	17.1x	15.9x
Outsourcing	91.6%	-2.5%	0.9%	25.4%	15.1%	1.1x	1.1x	1.1x	7.6x	7.0x	6.5x	18.9x	16.0x	12.4x
IT Staffing	91.9%	1.9%	4.2%	23.6%	5.8%	0.5x	0.6x	0.5x	9.6x	9.7x	8.4x	18.7x	20.1x	16.6x
Systems Integration	95.2%	7.4%	3.5%	28.7%	9.0%	0.8x	0.7x	0.7x	10.3x	8.6x	7.2x	32.2x	15.2x	13.0x
<b>All IT Services Companies</b>	<b>94.7%</b>	<b>4.6%</b>	<b>2.0%</b>	<b>30.1%</b>	<b>11.3%</b>	<b>1.4x</b>	<b>1.5x</b>	<b>1.2x</b>	<b>10.0x</b>	<b>8.8x</b>	<b>8.0x</b>	<b>21.9x</b>	<b>17.4x</b>	<b>15.6x</b>

(1) EBITDA excludes all one-time charges and expenses.

# Q3 2013 IT Services Public Company Valuation Metrics

## Business Process Outsourcing (BPO) Companies

(\$ in Millions, except per share data)

Company	Market Data				Financial Data						Valuation Data						Price/Earnings			
	Price	% of 52	Market	Enterprise	LTM	Seq. QoQ	YoY Rev Growth		LTM Margin		EV/Revenues			EV/EBITDA <sup>(3)</sup>			Multiples			
	9/30/13	Week Hi	Cap <sup>(1)</sup>	Value <sup>(2)</sup>	Revenue	Rev Growth	MRQ	CY 13E	Gross	EBITDA	LTM	CY13E	CY14E	LTM	CY13E	CY14E	LTM	CY13E	CY14E	
Automatic Data Processing, Inc.	\$72.38	96.6%	\$34,958	\$33,246	\$11,310	-9.8%	6.6%	3.5%	46.4%	20.8%	2.9x	2.8x	2.6x	14.1x	13.7x	12.6x	25.8x	23.9x	21.8x	
Paychex, Inc.	\$40.64	98.5%	\$14,903	\$14,343	\$2,355	3.9%	5.2%	1.8%	71.5%	43.3%	6.1x	6.0x	5.7x	14.1x	13.8x	13.0x	25.7x	24.9x	23.1x	
Capita plc	\$16.13	94.0%	\$10,611	\$12,982	\$5,583	4.3%	13.2%	12.4%	26.1%	15.6%	2.3x	2.1x	1.9x	14.9x	13.5x	12.3x	26.5x	17.6x	16.0x	
Iron Mountain Incorporated	\$27.02	68.0%	\$5,203	\$8,863	\$3,008	1.0%	0.3%	0.7%	46.5%	27.7%	2.9x	2.9x	2.9x	10.6x	9.7x	9.4x	39.8x	24.4x	21.3x	
Towers Watson & Co. Class A	\$106.96	98.7%	\$7,642	\$7,174	\$3,597	-7.0%	6.0%	0.4%	27.0%	18.8%	2.0x	2.0x	1.9x	10.6x	10.3x	9.7x	24.0x	18.8x	17.7x	
Genpact Limited	\$18.88	88.6%	\$4,443	\$4,688	\$2,036	5.9%	13.6%	6.6%	38.9%	21.2%	2.3x	2.2x	1.9x	10.8x	12.5x	11.0x	23.3x	17.5x	16.1x	
Teleperformance SA	\$48.41	87.4%	\$2,772	\$2,679	\$3,124	-2.0%	6.1%	6.4%	NM	11.3%	0.8x	0.8x	0.8x	7.6x	6.0x	5.6x	16.4x	13.5x	12.2x	
Convergys Corporation	\$18.75	94.2%	\$2,027	\$1,492	\$2,014	2.2%	2.7%	2.2%	31.0%	11.5%	0.7x	0.7x	0.7x	6.4x	6.2x	5.7x	19.0x	17.4x	15.9x	
TeleTech Holdings, Inc.	\$25.09	97.3%	\$1,320	\$1,292	\$1,149	0.7%	-0.4%	6.0%	24.0%	12.0%	1.1x	1.1x	1.0x	9.4x	8.2x	7.2x	17.2x	16.2x	13.9x	
WNS (Holdings) Limited Sponsored ADR	\$21.22	98.8%	\$1,082	\$1,061	\$469	1.4%	7.5%	8.7%	27.3%	15.7%	2.3x	2.3x	2.1x	14.4x	12.0x	10.2x	16.9x	14.7x	0.0x	
CSG Systems International, Inc.	\$25.05	97.1%	\$847	\$927	\$755	3.0%	1.2%	-0.9%	45.7%	19.6%	1.2x	1.2x	1.2x	6.3x	6.0x	5.6x	15.6x	11.9x	11.1x	
ExlService Holdings, Inc.	\$28.48	86.4%	\$965	\$848	\$462	0.0%	7.4%	3.8%	32.5%	18.1%	1.8x	1.8x	1.6x	10.1x	9.5x	8.2x	22.4x	16.4x	14.5x	
Sykes Enterprises, Incorporated	\$17.89	97.9%	\$788	\$734	\$1,186	1.4%	15.2%	4.2%	28.9%	8.3%	0.6x	0.6x	0.6x	7.5x	6.3x	5.4x	23.0x	14.5x	11.8x	
Firstsource Solutions Limited	\$0.29	99.1%	\$194	\$415	\$526	1.4%	5.6%	-11.4%	29.0%	11.1%	0.8x	NM	NM	7.1x	NM	NM	5.5x	6.3x	4.9x	
Heidrick & Struggles International, Inc.	\$19.06	98.4%	\$347	\$286	\$466	18.7%	4.6%	-0.4%	29.4%	6.4%	0.6x	0.6x	0.6x	9.5x	6.8x	6.6x	79.4x	43.3x	23.3x	
StarTek, Inc.	\$6.44	89.0%	\$99	\$89	\$212	3.3%	25.1%	6.6%	11.6%	3.9%	0.4x	0.4x	0.4x	10.7x	8.7x	4.2x	NM	NM	16.5x	
Mean		93.1%					1.8%	7.5%	3.2%	31.7%	14.8%	1.5x	1.5x	1.4x	10.3x	9.5x	8.5x	21.5x	17.0x	15.0x
Median		96.8%					1.4%	6.0%	3.7%	29.4%	15.7%	1.5x	1.8x	1.6x	10.4x	9.5x	8.2x	23.0x	17.4x	16.0x

# Q3 2013 IT Services Public Company Valuation Metrics

## Consulting Companies

(\$ in Millions, except per share data)

Company	Market Data				Financial Data						Valuation Data						Price/Earnings		
	Price	% of 52	Market	Enterprise	LTM	Seq. QoQ	YoY Rev Growth		LTM Margin		EV/Revenues			EV/EBITDA <sup>(3)</sup>			Multiples		
	9/30/13	Week Hi	Cap <sup>(1)</sup>	Value <sup>(2)</sup>	Revenue	Rev Growth	MRQ	CY 13E	Gross	EBITDA	LTM	CY13E	CY14E	LTM	CY13E	CY14E	LTM	CY13E	CY14E
FTI Consulting, Inc.	\$37.80	96.6%	\$1,533	\$2,164	\$1,607	1.8%	4.6%	1.4%	36.1%	16.3%	1.3x	1.3x	1.3x	8.3x	8.7x	8.5x	NM	17.7x	15.6x
The Advisory Board Company	\$59.48	98.4%	\$2,178	\$2,138	\$470	2.9%	18.3%	7.5%	41.3%	13.3%	4.5x	4.2x	3.7x	34.3x	23.9x	20.1x	99.1x	47.5x	40.0x
Sapient Corporation	\$15.60	96.6%	\$2,229	\$1,989	\$1,233	7.8%	13.0%	1.7%	28.8%	12.7%	1.6x	1.6x	1.4x	12.7x	12.6x	10.3x	31.2x	29.0x	23.4x
Huron Consulting Group Inc.	\$52.61	88.6%	\$1,224	\$1,400	\$606	5.1%	18.4%	13.2%	37.1%	24.1%	2.3x	2.0x	1.9x	9.6x	10.7x	9.6x	21.0x	19.5x	17.3x
Navigant Consulting, Inc.	\$15.46	97.2%	\$789	\$914	\$771	-0.8%	4.2%	8.8%	30.0%	15.6%	1.2x	1.1x	1.0x	7.6x	7.9x	7.3x	15.0x	15.0x	13.8x
Resources Connection, Inc.	\$13.57	97.4%	\$541	\$419	\$461	-6.0%	-3.8%	21.1%	44.4%	9.3%	0.9x	0.8x	0.8x	9.8x	8.6x	8.5x	28.9x	25.1x	24.6x
Management Consulting Group PLC	\$0.43	82.1%	\$213	\$291	\$412	-11.2%	-15.9%	7.7%	34.0%	9.0%	0.7x	0.7x	0.6x	7.8x	6.7x	5.9x	14.8x	9.3x	7.8x
The Hackett Group, Inc.	\$7.13	97.7%	\$230	\$234	\$229	8.5%	-3.8%	0.6%	31.9%	8.6%	1.0x	1.0x	1.0x	11.9x	8.8x	8.1x	16.2x	15.7x	14.1x
Information Services Group, Inc.	\$4.14	92.0%	\$159	\$201	\$202	9.9%	10.1%	3.6%	36.9%	9.5%	1.0x	1.0x	0.9x	10.4x	9.1x	7.9x	41.4x	24.4x	17.3x
CRA International, Inc.	\$18.62	80.6%	\$190	\$174	\$262	3.3%	-3.8%	0.4%	31.1%	9.6%	0.7x	0.7x	0.6x	6.9x	4.5x	4.0x	NM	18.1x	13.6x
Mean		92.7%				2.1%	4.1%	6.6%	35.1%	12.8%	1.5x	1.4x	1.3x	9.4x	8.6x	7.8x	24.1x	19.3x	16.4x
Median		96.6%				3.1%	4.4%	5.5%	35.0%	11.2%	1.1x	1.1x	1.0x	9.7x	8.7x	8.3x	25.0x	18.8x	16.4x

## Government Services Companies

(\$ in Millions, except per share data)

Company	Market Data				Financial Data						Valuation Data						Price/Earnings		
	Price	% of 52	Market	Enterprise	LTM	Seq. QoQ	YoY Rev Growth		LTM Margin		EV/Revenues			EV/EBITDA <sup>(3)</sup>			Multiples		
	9/30/13	Week Hi	Cap <sup>(1)</sup>	Value <sup>(2)</sup>	Revenue	Rev Growth	MRQ	CY 13E	Gross	EBITDA	LTM	CY13E	CY14E	LTM	CY13E	CY14E	LTM	CY13E	CY14E
Leidos Holdings, Inc.	\$45.52	99.0%	\$15,522	\$16,395	\$10,723	-8.6%	-13.1%	-6.7%	11.9%	7.7%	1.5x	1.6x	1.7x	19.9x	24.9x	23.1x	37.0x	18.1x	15.1x
Booz Allen Hamilton Holding Corporation Class A	\$19.32	86.8%	\$2,845	\$4,163	\$5,753	-7.6%	-0.3%	-1.6%	42.0%	9.5%	0.7x	0.7x	0.7x	7.6x	7.7x	7.8x	12.9x	11.8x	12.0x
MAXIMUS, Inc.	\$45.04	99.3%	\$3,147	\$2,948	\$1,248	2.4%	25.5%	10.5%	27.0%	16.5%	2.4x	2.1x	1.8x	14.3x	13.5x	11.7x	30.0x	27.4x	23.2x
CACI International Inc Class A	\$69.11	98.7%	\$1,681	\$2,215	\$3,682	0.7%	-3.8%	-1.7%	29.7%	8.8%	0.6x	0.6x	0.6x	6.8x	6.9x	7.0x	10.9x	11.4x	12.1x
ManTech International Corporation Class A	\$28.76	95.2%	\$1,068	\$1,074	\$2,518	-6.3%	-5.3%	-4.9%	13.7%	7.4%	0.4x	0.4x	0.5x	5.8x	6.1x	6.6x	12.3x	13.4x	14.5x
ICF International, Inc.	\$35.41	98.4%	\$708	\$778	\$945	3.3%	0.8%	1.8%	35.2%	9.5%	0.8x	0.8x	0.8x	8.7x	8.3x	7.9x	18.0x	17.0x	15.7x
The KEYW Holding Corporation	\$13.45	81.8%	\$493	\$580	\$288	0.5%	39.4%	12.4%	24.6%	8.8%	2.0x	1.8x	1.6x	22.9x	20.4x	12.1x	NM	NM	33.5x
Dynamics Research Corporation	\$7.60	98.8%	\$80	\$168	\$296	-2.0%	-10.8%	-4.1%	13.8%	9.4%	0.6x	0.6x	0.6x	6.0x	6.8x	7.0x	NM	14.8x	13.4x
NCI, Inc. Class A	\$5.63	77.5%	\$72	\$81	\$353	-9.4%	-9.0%	-10.8%	11.1%	5.2%	0.2x	0.3x	0.3x	4.4x	4.6x	5.3x	NM	12.4x	15.6x
Mean		92.8%				-3.0%	-2.0%	-0.6%	23.2%	9.2%	1.0x	1.0x	1.0x	7.7x	7.7x	8.2x	20.2x	15.8x	17.2x
Median		98.4%				-2.0%	-3.8%	-1.7%	24.6%	8.8%	0.7x	0.7x	0.7x	7.6x	7.7x	7.8x	15.4x	14.1x	15.1x

# Q3 2013 IT Services Public Company Valuation Metrics

## Managed Hosting Companies

(\$ in Millions, except per share data)

Company	Market Data				Financial Data						Valuation Data						Price/Earnings		
	Price	% of 52	Market	Enterprise	LTM	Seq. QoQ	YoY Rev Growth		LTM Margin		EV/Revenues			EV/EBITDA <sup>(3)</sup>			Multiples		
	9/30/13	Week Hi	Cap <sup>(1)</sup>	Value <sup>(2)</sup>	Revenue	Rev Growth	MRQ	CY 13E	Gross	EBITDA	LTM	CY13E	CY14E	LTM	CY13E	CY14E	LTM	CY13E	CY14E
Level 3 Communications, Inc.	\$26.69	95.8%	\$5,943	\$13,876	\$6,346	-0.8%	-1.3%	-0.4%	47.9%	22.3%	2.2x	2.2x	2.1x	9.8x	8.7x	8.0x	NM	NM	77.7x
Equinix, Inc.	\$183.65	79.3%	\$9,076	\$12,266	\$2,025	1.6%	13.2%	5.7%	50.1%	42.7%	6.1x	5.7x	5.1x	14.2x	12.4x	10.9x	145.4x	119.5x	46.6x
Digital Realty Trust, Inc.	\$53.10	71.8%	\$6,830	\$12,196	\$1,414	1.4%	19.7%	4.9%	32.8%	NM	8.6x	8.2x	7.4x	NA	13.7x	12.2x	37.1x	38.0x	30.3x
Rackspace Hosting, Inc.	\$52.76	64.8%	\$7,501	\$7,327	\$1,427	3.8%	17.8%	7.1%	51.0%	31.6%	5.1x	4.8x	4.1x	16.3x	14.6x	12.5x	70.3x	78.3x	60.8x
Telecity Group plc	\$13.44	80.9%	\$2,755	\$3,192	\$478	9.4%	16.0%	11.9%	NM	NM	6.7x	6.0x	5.2x	NA	12.7x	10.9x	28.5x	23.0x	19.4x
DuPont Fabros Technology, Inc.	\$25.77	94.7%	\$1,680	\$3,126	\$351	4.3%	10.8%	5.7%	41.6%	NM	8.9x	8.4x	7.7x	NA	13.2x	12.1x	48.6x	34.8x	23.6x
Mean		81.2%				3.3%	12.7%	5.8%	44.7%	32.2%	6.3x	5.9x	5.3x	13.4x	12.6x	11.1x	38.1x	31.9x	36.1x
Median		80.1%				2.7%	14.6%	5.7%	47.9%	31.6%	6.4x	5.9x	5.2x	14.2x	12.9x	11.5x	48.6x	38.0x	38.5x

## Offshore Outsourcing Companies

(\$ in Millions, except per share data)

Company	Market Data				Financial Data						Valuation Data						Price/Earnings		
	Price	% of 52	Market	Enterprise	LTM	Seq. QoQ	YoY Rev Growth		LTM Margin		EV/Revenues			EV/EBITDA <sup>(3)</sup>			Multiples		
	9/30/13	Week Hi	Cap <sup>(1)</sup>	Value <sup>(2)</sup>	Revenue	Rev Growth	MRQ	CY 13E	Gross	EBITDA	LTM	CY13E	CY14E	LTM	CY13E	CY14E	LTM	CY13E	CY14E
Tata Consultancy Services Limited	\$30.78	92.8%	\$60,281	\$59,416	\$12,601	16.6%	34.3%	-0.4%	40.8%	28.6%	4.7x	4.7x	3.9x	16.5x	15.7x	13.1x	21.9x	21.5x	17.7x
Infosys Limited	\$48.17	95.0%	\$27,659	\$23,642	\$7,656	7.8%	17.2%	-2.5%	36.2%	26.2%	3.1x	3.1x	2.7x	11.8x	11.7x	10.4x	15.9x	17.1x	15.4x
Cognizant Technology Solutions Corporation Class A	\$82.12	97.6%	\$25,001	\$22,101	\$8,022	7.0%	20.4%	9.2%	40.0%	22.2%	2.8x	2.5x	2.2x	12.4x	12.3x	10.7x	21.9x	20.7x	17.6x
Wipro Limited	\$7.57	94.6%	\$18,663	\$16,960	\$6,683	1.3%	-7.2%	0.8%	34.3%	21.4%	2.5x	2.5x	2.3x	11.8x	11.6x	10.5x	15.3x	16.6x	14.8x
HCL Technologies Limited	\$17.38	98.6%	\$12,138	\$11,594	\$4,664	15.2%	11.1%	6.4%	NM	22.1%	2.5x	2.3x	2.0x	11.2x	10.3x	8.6x	16.4x	15.6x	12.8x
Syntel, incorporated	\$80.10	99.3%	\$3,358	\$2,955	\$766	7.1%	13.1%	6.0%	43.2%	31.1%	3.9x	3.6x	3.3x	12.4x	11.4x	10.6x	17.2x	16.9x	15.9x
Neusoft Corporation Class A	\$2.10	100.0%	\$2,583	\$2,651	\$1,160	21.1%	11.6%	20.5%	30.2%	8.4%	2.3x	1.9x	1.6x	27.2x	NA	NA	34.7x	30.2x	24.5x
Sonda S.A.	\$2.66	76.5%	\$2,317	\$2,226	\$1,409	5.1%	-5.3%	3.6%	21.8%	17.1%	1.6x	1.5x	1.3x	9.3x	9.1x	8.0x	21.1x	20.7x	19.0x
EPAM Systems, Inc.	\$34.50	97.6%	\$1,655	\$1,545	\$493	7.2%	28.3%	10.3%	34.8%	17.0%	4.4x	2.8x	2.3x	18.5x	15.4x	12.4x	29.2x	21.6x	18.3x
MindTree Limited	\$19.52	99.8%	\$822	\$747	\$446	NA	15.4%	-1.1%	NM	20.1%	1.7x	1.7x	1.5x	8.3x	8.0x	7.2x	11.4x	12.2x	10.8x
Rolta India Limited	\$0.89	73.4%	\$148	\$702	\$397	7.4%	37.5%	-13.6%	33.5%	40.1%	1.8x	2.0x	2.1x	4.4x	4.5x	4.0x	NM	3.1x	3.4x
Virtusa Corporation	\$29.06	94.7%	\$762	\$680	\$347	1.2%	18.8%	7.3%	36.6%	14.6%	2.0x	1.8x	1.6x	15.3x	13.7x	11.0x	25.1x	23.1x	18.7x
Hexaware Technologies Limited	\$2.05	96.2%	\$616	\$523	\$374	5.7%	7.3%	-3.8%	28.0%	20.3%	1.5x	1.5x	1.3x	6.9x	6.6x	6.0x	10.2x	10.2x	9.4x
Mean		93.3%				8.8%	16.3%	3.9%	34.5%	22.4%	2.8x	2.6x	2.2x	12.0x	11.2x	9.7x	20.0x	17.6x	15.2x
Median		96.3%				7.2%	16.3%	4.8%	34.8%	21.8%	2.5x	2.4x	2.1x	12.1x	11.6x	10.5x	19.1x	17.1x	15.9x

# Q3 2013 IT Services Public Company Valuation Metrics

Outsourcing Companies																			
(\$ in Millions, except per share data)																			
Company	Market Data				Financial Data						Valuation Data						Price/Earnings		
	Price 9/30/13	% of 52 Week Hi	Market Cap <sup>(1)</sup>	Enterprise Value <sup>(2)</sup>	LTM Revenue	Seq. QoQ Rev Growth	YoY Rev Growth		LTM Margin		EV/Revenues			EV/EBITDA <sup>(3)</sup>			Multiples		
							MRQ	CY 13E	Gross	EBITDA	LTM	CY13E	CY14E	LTM	CY13E	CY14E	LTM	CY13E	CY14E
International Business Machines Corporation	\$185.18	85.8%	\$205,439	\$229,331	\$102,383	6.5%	-3.3%	-0.1%	48.1%	24.6%	2.2x	2.2x	2.2x	9.1x	8.4x	7.8x	13.2x	11.0x	10.1x
Accenture Plc	\$73.64	87.4%	\$52,009	\$46,868	\$30,394	-2.4%	3.2%	-5.0%	31.2%	15.3%	1.6x	1.6x	1.6x	10.1x	9.7x	9.4x	14.9x	17.1x	15.9x
Capita plc	\$16.13	94.0%	\$10,611	\$12,982	\$5,583	4.3%	13.2%	12.4%	26.1%	15.6%	2.3x	2.1x	1.9x	14.9x	13.5x	12.3x	26.5x	17.6x	16.0x
Computer Sciences Corporation	\$51.74	94.4%	\$7,877	\$8,671	\$14,296	-8.4%	-17.6%	-2.8%	15.1%	14.8%	0.6x	0.6x	0.6x	4.1x	4.3x	4.1x	12.4x	14.9x	12.6x
ATOS SA	\$78.15	97.5%	\$7,704	\$7,260	\$11,333	-4.2%	-1.7%	5.0%	24.7%	10.5%	0.6x	0.6x	0.6x	6.1x	5.6x	5.2x	22.9x	13.3x	12.1x
Unisys Corporation	\$25.19	89.2%	\$1,113	\$1,015	\$3,525	6.0%	-6.8%	-2.2%	24.6%	10.5%	0.3x	0.3x	0.3x	2.7x	2.6x	2.1x	28.4x	20.9x	8.7x
Mean		91.4%				0.3%	-2.2%	1.2%	28.3%	15.2%	1.3x	1.2x	1.2x	7.8x	7.4x	6.8x	19.7x	15.8x	12.6x
Median		91.6%				0.9%	-2.5%	-1.1%	25.4%	15.1%	1.1x	1.1x	1.1x	7.6x	7.0x	6.5x	18.9x	16.0x	12.4x

IT Staffing Companies																			
Company	Market Data				Financial Data						Valuation Data						Price/Earnings		
	Price 9/30/13	% of 52 Week Hi	Market Cap <sup>(1)</sup>	Enterprise Value <sup>(2)</sup>	LTM Revenue	Seq. QoQ Rev Growth	YoY Rev Growth		LTM Margin		EV/Revenues			EV/EBITDA <sup>(3)</sup>			Multiples		
							MRQ	CY 13E	Gross	EBITDA	LTM	CY13E	CY14E	LTM	CY13E	CY14E	LTM	CY13E	CY14E
Manpower Inc.	\$72.74	94.1%	\$5,717	\$5,971	\$20,185	5.7%	-3.2%	-0.8%	16.6%	2.9%	0.3x	0.3x	0.3x	10.0x	9.7x	8.4x	27.7x	18.6x	16.7x
On Assignment, Inc.	\$33.00	97.8%	\$1,793	\$2,148	\$1,597	7.4%	11.3%	4.6%	28.5%	9.8%	1.3x	1.3x	1.2x	13.7x	12.5x	11.7x	37.4x	23.3x	20.5x
Kforce Inc.	\$17.69	98.3%	\$599	\$650	\$1,089	6.8%	3.5%	4.4%	26.0%	5.2%	0.6x	0.6x	0.5x	11.5x	11.0x	9.2x	NM	20.7x	16.5x
CDI Corp.	\$15.31	85.1%	\$302	\$281	\$1,083	-2.3%	-4.0%	-1.7%	19.4%	3.5%	0.3x	0.3x	0.3x	7.5x	8.3x	7.5x	18.7x	22.0x	18.8x
Computer Task Group, Incorporated	\$16.16	61.9%	\$304	\$270	\$430	-1.3%	0.4%	0.6%	21.4%	6.6%	0.6x	0.6x	0.6x	9.6x	9.7x	8.2x	16.5x	16.9x	14.3x
RCM Technologies, Inc.	\$6.03	89.7%	\$75	\$62	\$155	2.8%	18.5%	NA	25.9%	6.4%	0.4x	NA	NA	6.2x	NA	NA	17.7x	19.5x	15.5x
Mean		87.8%				3.2%	4.4%	1.4%	23.0%	5.7%	0.6x	0.6x	0.6x	9.8x	10.2x	9.0x	23.6x	20.2x	17.0x
Median		91.9%				4.2%	1.9%	0.6%	23.6%	5.8%	0.5x	0.6x	0.5x	9.6x	9.7x	8.4x	18.7x	20.1x	16.6x



# Q3 2013 IT Services Public Company Valuation Metrics

## Systems Integration Companies

(\$ in Millions, except per share data)

Company	Market Data				Financial Data						Valuation Data						Price/Earnings		
	Price	% of 52	Market	Enterprise	LTM	Seq. QoQ	YoY Rev Growth		LTM Margin		EV/Revenues			EV/EBITDA <sup>(3)</sup>			Multiples		
	9/30/13	Week Hi	Cap <sup>(1)</sup>	Value <sup>(2)</sup>	Revenue	Rev Growth	MRQ	CY 13E	Gross	EBITDA	LTM	CY13E	CY14E	LTM	CY13E	CY14E	LTM	CY13E	CY14E
CGI Group Inc. Class A	\$35.17	95.6%	\$11,171	\$13,689	\$9,185	1.6%	141.1%	8.5%	9.5%	13.8%	1.5x	1.4x	1.3x	10.8x	9.3x	8.5x	87.6x	15.2x	13.1x
Cap Gemini SA	\$59.52	96.4%	\$9,471	\$9,170	\$13,118	-1.6%	-2.3%	7.3%	23.7%	9.8%	0.7x	0.7x	0.7x	5.3x	4.8x	4.5x	17.9x	14.5x	12.9x
Sopra Groupe SA	\$89.34	94.8%	\$1,077	\$1,358	\$1,666	5.4%	12.1%	8.0%	8.2%	8.3%	0.8x	0.8x	0.7x	9.8x	8.7x	7.4x	9.6x	12.1x	10.4x
Perficient, Inc.	\$18.36	99.2%	\$607	\$623	\$350	10.9%	15.1%	6.0%	30.7%	11.4%	1.8x	1.7x	1.5x	15.6x	11.3x	9.7x	32.2x	17.2x	15.1x
CIBER, Inc.	\$3.30	66.1%	\$249	\$245	\$846	-2.0%	-7.0%	5.3%	26.7%	3.1%	0.3x	0.3x	0.3x	9.4x	8.3x	4.9x	NM	20.6x	11.6x
Edgewater Technology, Inc.	\$5.27	70.8%	\$60	\$49	\$100	18.8%	2.6%	4.6%	33.0%	4.3%	0.5x	0.5x	0.4x	11.4x	8.6x	7.0x	34.3x	NM	16.1x
Mean		87.1%				5.5%	4.1%	6.6%	28.5%	8.4%	0.9x	0.9x	0.8x	10.4x	8.5x	7.0x	23.5x	15.9x	13.2x
Median		95.2%				3.5%	7.4%	6.6%	28.7%	9.0%	0.7x	0.7x	0.7x	10.3x	8.6x	7.2x	32.2x	15.2x	13.0x

Source: All figures, estimates and prices per Factset as of September 30, 2013; \$ in millions, except per share data

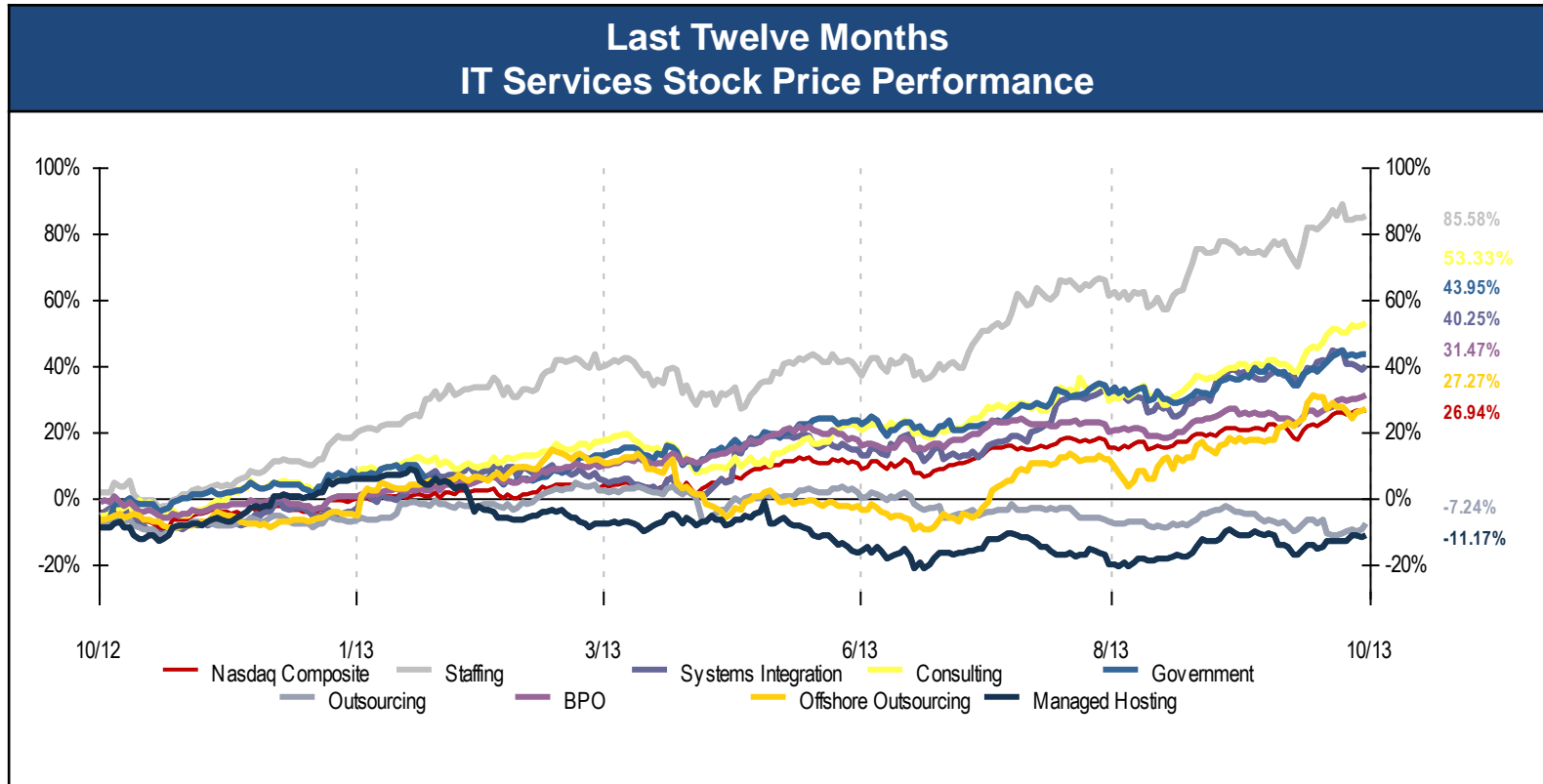
(1) Market value is calculated as diluted shares outstanding times current stock price per share

(2) Enterprise value is equal to market capitalization plus debt and pfd stock minus cash and cash equivalents

(3) EBITDA is per FactSet and excludes one-time charges and expenses

(4) Italics denote an outlier that is excluded from mean calculations; Rolta, CGI and Sopra's gross margins include SG&A expenses, which are traditionally excluded; the current calculation represents an EBIT margin.

# LTM Relative IT Services Stock Price Performance





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