

Q2 2014 Infrastructure Software Market Snapshot

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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 more than 600 completed transactions and offices in Baltimore, Bangalore, Boston, Mumbai, 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

 LOFTWARE HAS BEEN ACQUIRED BY  JULY 2014	 GLOBAL LT HAS RECEIVED A SIGNIFICANT INVESTMENT FROM  JULY 2014	 Metropolitan DIVESTITURE OF KNOWLES ASSISTED LIVING & ADULT DAY SERVICES  JULY 2014	 acceler HAS MERGED WITH  JUNE 2014	 LRW TECHNOLOGIES HAS SOLD CERTAIN ASSETS TO  JUNE 2014	 AMX HAS BEEN ACQUIRED BY  JUNE 2014	 vizury HAS RECEIVED GROWTH EQUITY INVESTMENT FROM  JUNE 2014	 KIP COMPLETES SALE OF SELECT BUSINESSES TO Safanad Education Ventures Limited JUNE 2014
 FIREMQN RECEIVED MAJORITY INVESTMENT FROM  JUNE 2014	 eMedia HAS BEEN ACQUIRED BY Reed Elsevier  JUNE 2014	 LetMobile HAS BEEN ACQUIRED BY  MAY 2014	 uptivity HAS BEEN ACQUIRED BY  MAY 2014	 TOTAL DEFENSE Consumer Business Line HAS MERGED WITH  APRIL 2014	 DSCI HAS RECEIVED AN EQUITY INVESTMENT FROM  MARCH 2014	 TRUBIQUITY HAS BEEN ACQUIRED BY  FEBRUARY 2014	 clarity HAS RECEIVED AN INVESTMENT FROM  FEBRUARY 2014
 Cyberoam HAS BEEN ACQUIRED BY  FEBRUARY 2014	 firstory HAS RECEIVED GROWTH EQUITY INVESTMENT FROM  JANUARY 2014	 BuyerZone HAS BEEN ACQUIRED BY Reed Elsevier  JANUARY 2014	 iJET HAS RECEIVED AN INVESTMENT FROM  DECEMBER 2013	 Catapult Learning HAS ACQUIRED Newton Alliance, LLC DECEMBER 2013	 OCG HAS BEEN ACQUIRED BY  DECEMBER 2013	 ShiftWise HAS BEEN ACQUIRED BY  NOVEMBER 2013	 CRESTCOM HAS BEEN ACQUIRED BY  NOVEMBER 2013
 Catapult Systems HAS BEEN ACQUIRED BY  NOVEMBER 2013	 Thinksoft MAJORITY STAKE ACQUISITION BY  NOVEMBER 2013	 CMO COMPLIANCE HAS RECEIVED AN EQUITY INVESTMENT FROM  OCTOBER 2013	 pivot Data Centres HAS BEEN ACQUIRED BY  OCTOBER 2013	 ARBITRON HAS BEEN ACQUIRED BY  SEPTEMBER 2013	 NATIONWIDE VISION HAS BEEN ACQUIRED BY  SEPTEMBER 2013	 Acurion Predictable Patient Recruitment HAS BEEN ACQUIRED BY  AUGUST 2013	 imm HAS BEEN ACQUIRED BY  AUGUST 2013

Signal Hill's Infrastructure Software Practice

 <p>HAS SOLD CERTAIN ASSETS TO</p>  <p>JUNE 2014</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>MAY 2014</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>MARCH 2013</p>	 <p>CERTAIN ASSETS HAVE BEEN ACQUIRED BY</p>  <p>MAY 2013</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>SEPTEMBER 2012</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>MAY 2012</p>
 <p>HAS BEEN ACQUIRED BY</p>  <p>MAY 2012</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>MAY 2012</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>SEPTEMBER 2011</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>JUNE 2011</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>MARCH 2011</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>OCTOBER 2010</p>
 <p>HAS ACQUIRED</p>  <p>OCTOBER 2009</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>JULY 2009</p>	 <p>HAS SOLD ASSETS TO</p>  <p>MAY 2009</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>JANUARY 2009</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>OCTOBER 2008</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>JUNE 2008</p>
 <p>HAS ACQUIRED</p>  <p>MAY 2008</p>	 <p>HAS ACQUIRED</p>  <p>MARCH 2008</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>FEBRUARY 2008</p>	 <p>HAS ACQUIRED</p>  <p>DECEMBER 2007</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>JANUARY 2007</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>JUNE 2005</p>

Q2 2014 Infrastructure Software M&A Overview

The Infrastructure Software sector continued its upward trend in terms of deal volume in Q2 2014 with the number of announced deals increasing more than 67 percent and reaching its highest point of the last twelve months (LTM). Total announced enterprise value (EV) did not follow suit, however, but compared to Q3 and Q4 2013, it held steady. Median announced deal size made a sizeable increase of almost 270 percent and median revenue multiple hit its highest point of the LTM with 5.2x.

Source: Signal Hill	Q2 2013*	Q3 2013	Q4 2013	Q1 2014	Q2 2014
Number of Announced Deals	49	36	37	40	67
<i>% change from prior quarter</i>	-	-26.5%	2.8%	8.1%	67.5%
Total Announced Enterprise Value (\$M)	\$8,313.9	\$1,209.5	\$1,907.9	\$3,786.4	\$2,119.4
<i>% change from prior quarter</i>	-	-85.5%	57.7%	98.5%	-44.0%
Median Announced Deal Size (\$M)	\$120.0	\$36.7	\$103.0	\$23.0	\$84.9
<i>% change from prior quarter</i>	-	-69.4%	180.7%	-77.7%	269.2%
Median EV/TTM Revenue Multiple	3.8x	2.5x	4.5x	2.4x	5.2x
<i>% change from prior quarter</i>	-	-33.1%	76.1%	-45.9%	117.2%

*Includes the \$7,027.1M sale of BMC Software to an investor group led by Bain Capital and Golden Gate Capital

Notable Q2 2014 Infrastructure Software M&A Transactions

Select Infrastructure Software Transactions, Q2 2014



LetMobile Acquired by LANdesk

Signal Hill advised LetMobile. LetMobile, a leading provider of advanced gateway-based security solutions for enterprise mobility, has been acquired by LANDesk Software (“LANDesk”), the leading provider of systems lifecycle management, endpoint security and IT service management solutions for desktop, servers and mobile devices across the enterprise. The acquisition will allow LANDesk to move aggressively to assist enterprise IT and security teams to address modern user work styles through security extension from mobile devices to content and applications.



Fusion-io to be Acquired by SanDisk Corporation
EV: \$1,100.0M
Revenue Multiple: 2.8x

Fusion-io (NYSE: FIO), a leading developer of flash-based PCIe hardware and software solutions that enhance application performance in enterprise and hyperscale datacenters, has entered into a definitive agreement to be acquired by SanDisk Corporation (Nasdaq: SNDK), a global leader in flash storage solutions. The acquisition is expected to accelerate SanDisk’s efforts to enable the flash-transformed data center, helping companies to better manage heavy data workloads with a lower total cost of ownership.



Tail-f Systems to be Acquired by Cisco Systems
EV: \$175.0M

Tail-f Systems, a leader in multi-vendor network service orchestration solutions for traditional and virtualized networks, has agreed to be acquired by Cisco Systems (Nasdaq: CSCO). The acquisition is expected to accelerate Cisco’s cloud virtualization strategy of delivering software that increases value to its customers’ applications and services, while supporting open standards, architectures and multi-vendor environments.



eNovance to be Acquired by Red Hat
EV: \$94.8M
Revenue Multiple: 7.6x

eNovance, a leading provider of open source cloud computing services, has entered into an agreement to be acquired by Red Hat (NYSE: RHT), the world’s leading provider of open source solutions. The addition of eNovance’s systems integration capabilities and engineering talent is aimed at meeting growing demand for enterprise OpenStack consulting, design and deployment.



Pingdom Acquired by SolarWinds

Pingdom, a leading provider of website monitoring and performance management solutions, has been acquired by SolarWinds (NYSE: SWI), a leading provider of powerful and affordable IT management software. The acquisition allows SolarWinds to expand beyond on-premise IT management and to support the evolution of performance management from on-premise IT, to IT-as-a-Service and to IT in the Cloud.



Q2 2014 Infrastructure Software M&A Transactions

Date Announced	Seller	Buyer	Enterprise Value	Revenues	EBITDA	Enterprise Value	
						Revenue	EBITDA
30-Jun-14	OhmData Inc. / Assets	WANdisco International Ltd	NA	NA	NA	NA	NA
27-Jun-14	MoFuse	The Search Agency	NA	NA	NA	NA	NA
25-Jun-14	Appurify Inc.	Google Inc.	NA	NA	NA	NA	NA
24-Jun-14	AdColony	Opera Mediaworks	\$75.0	\$53.0	NA	1.4x	NA
24-Jun-14	Sensor Platforms Inc.	Audience Inc.	\$41.0	NA	NA	NA	NA
18-Jun-14	Pingdom AB	SolarWinds Inc.	NA	\$5.0	NA	NA	NA
18-Jun-14	eNovance SaS	Red Hat Inc.	\$94.8	\$12.5	NA	7.6x	NA
17-Jun-14	Radoop LLC	RapidMiner, Inc.	NA	NA	NA	NA	NA
17-Jun-14	Tail-f Systems	Cisco Systems Inc.	\$175.0	NA	NA	NA	NA
16-Jun-14	Parastructure	Dropbox, Inc.	NA	NA	NA	NA	NA
16-Jun-14	Stroom	Box, Inc.	NA	NA	NA	NA	NA
16-Jun-14	Fusion-io, Inc.	SanDisk Corporation	\$1,100.0	\$387.4	NA	2.8x	NA
13-Jun-14	Strikelron Inc.	Informatica Corporation	NA	NA	NA	NA	NA
13-Jun-14	Applications Technology / Machine Translation	eBay, Inc.	NA	NA	NA	NA	NA
10-Jun-14	ASDIS Solutions GmbH	Auconet, Inc.	NA	NA	NA	NA	NA
09-Jun-14	NetNearU Corp.	ViaSat, Inc.	NA	NA	NA	NA	NA
09-Jun-14	Modulus LLC	Progress Software Corporation	NA	NA	NA	NA	NA
09-Jun-14	Cloudfinder	eFolder, Inc.	NA	NA	NA	NA	NA
05-Jun-14	Eversync Solutions, Inc.	Infrascale Inc.	NA	NA	NA	NA	NA
04-Jun-14	Namo Media	Twitter Inc.	NA	NA	NA	NA	NA
03-Jun-14	Simplikate	Phunware	NA	NA	NA	NA	NA
03-Jun-14	Pryte Ltd.	Facebook	NA	NA	NA	NA	NA
29-May-14	Yuruware Pty Ltd	Unitrends	NA	NA	NA	NA	NA

Q2 2014 Infrastructure Software M&A Transactions

Date Announced	Seller	Buyer	Enterprise Value	Revenues	EBITDA	Enterprise Value	
						Revenue	EBITDA
28-May-14	FilmFlex Movies Ltd.	Vubiquity, Inc.	NA	NA	NA	NA	NA
28-May-14	Distimo Holding B.V.	App Annie Limited	NA	NA	NA	NA	NA
27-May-14	sachcontrol AG	Solera Holdings Inc.	NA	NA	NA	NA	NA
23-May-14	Huddler	Wikia, Inc.	NA	NA	NA	NA	NA
22-May-14	iyeTek.com	LexisNexis Risk Solutions	NA	NA	NA	NA	NA
21-May-14	LetMobile	LANDesk Software	\$15.0	\$1.0	NA	15.0x	NA
21-May-14	Renesys	Dyn	NA	NA	NA	NA	NA
19-May-14	Enterproid, Inc. (Divide)	Google, Inc.	\$130.0	NA	NA	NA	NA
15-May-14	Kalistick	Coverity, Inc.	NA	NA	NA	NA	NA
15-May-14	Prosch Consulting / Assets	WPC	NA	NA	NA	NA	NA
15-May-14	STATS LLC / Assets	Vista Equity Partners	NA	NA	NA	NA	NA
15-May-14	GreenBytes, Inc.	Oracle Corporation	NA	NA	NA	NA	NA
14-May-14	Besol Soluciones SL (Tapp Technology) / Assets	Flexiant Ltd.	NA	NA	NA	NA	NA
08-May-14	SynapSense Corporation	Panduit Corporation	NA	NA	NA	NA	NA
07-May-14	Stackdriver Inc.	Google, Inc.	NA	NA	NA	NA	NA
07-May-14	Appetas, Inc.	Google, Inc.	NA	NA	NA	NA	NA
06-May-14	Soft-ex Communications	WidePoint Corporation	\$5.0	NA	NA	NA	NA
06-May-14	Digby	Phunware	NA	NA	NA	NA	NA
06-May-14	ScaleXtreme Inc.	Citrix Systems Inc.	NA	NA	NA	NA	NA
06-May-14	TeamViewer / Assets	Permira Funds	NA	NA	NA	NA	NA
06-May-14	nPulse Technologies, Inc.	FireEye, Inc.	\$60.0	\$7.0	NA	8.6x	NA
05-May-14	Veloxum Corporation / Assets	AmbiCom Holdings, Inc.	\$3.0	NA	NA	NA	NA
02-May-14	GlobeRanger Corporation	Fujitsu UK & Ireland	NA	NA	NA	NA	NA

Q2 2014 Infrastructure Software M&A Transactions

Date Announced	Seller	Buyer	Enterprise Value	Revenues	EBITDA	Enterprise Value	
						Revenue	EBITDA
01-May-14	GreenButton Limited	Microsoft Corporation	NA	NA	NA	NA	NA
30-Apr-14	Inktank Storage, Inc. / Ceph Storage Software	Red Hat, Inc.	\$175.0	NA	NA	NA	NA
30-Apr-14	ORSYP	Automic Software	NA	NA	NA	NA	NA
29-Apr-14	Web IP	NetNames Group	NA	NA	NA	NA	NA
29-Apr-14	Velocent Systems, Inc.	Zettics, Inc.	NA	NA	NA	NA	NA
28-Apr-14	metaquark GmbH	Software AG	NA	NA	NA	NA	NA
25-Apr-14	Scroll Kit	Automattic Inc. (WordPress)	NA	NA	NA	NA	NA
22-Apr-14	CORENA A/S	Flatirons Solutions, Inc.	NA	NA	NA	NA	NA
18-Apr-14	FixStream Network, Inc. / 75% Stake	Tech Mahindra Ltd	\$13.3	NA	NA	NA	NA
17-Apr-14	Fliptop / Social Data Matching Business	Dun & Bradstreet Corporation	NA	NA	NA	NA	NA
17-Apr-14	Loom, Inc.	Dropbox Inc.	NA	NA	NA	NA	NA
15-Apr-14	Gnip, Inc.	Twitter, Inc.	NA	NA	NA	NA	NA
14-Apr-14	Unicor Medical Inc.	MEGAS LLC	NA	NA	NA	NA	NA
14-Apr-14	EnTech USB, Inc.	EnerNOC Inc.	NA	\$10.0	NA	NA	NA
10-Apr-14	RapidEngines, Inc.	SevOne, Inc.	NA	NA	NA	NA	NA
10-Apr-14	Beijing Topwalk Co., Ltd	Beijing TRS Information Technology Co., Ltd	\$97.3	NA	NA	NA	NA
08-Apr-14	InnLink LLC	IHS GmbH	NA	NA	NA	NA	NA
07-Apr-14	Network Automation, Inc.	HelpSystems Inc.	NA	NA	NA	NA	NA
07-Apr-14	ByteSphere, LLC / assets	EXFO	NA	NA	NA	NA	NA
04-Apr-14	SpryWare	Pico Quantitative Trading	NA	NA	NA	NA	NA

Q2 2014 Infrastructure Software IPO Data

Company	Gross Offering Amount (\$M)	% Net Proceeds to Company	Offer Price	1-Day	30-Day
Arista Networks	\$226.0	100%	\$43.00	27.9%	67.8%
MobileIron	\$100.0	100%	\$9.00	14.4%	9.1%

Q2 2014 Infrastructure Software Public Company Valuation Metrics

Infrastructure Software <i>Pricing Date 06/30/14</i> <i>Median Metrics</i>	Financial Data					Enterprise Value /						Equity Multiples		
	% of 52 Week Hi	Q/Q Rev Growth YoY	Seq.	LTM Margins		Revenues			EBITDA ⁽¹⁾			Price/Earnings		
				Gross	EBITDA	LTM	CY14E	CY15E	LTM	CY14E	CY15E	LTM	CY14E	CY15E
Storage Software Trading Comps	84.5%	1.9%	-4.7%	68.8%	18.1%	2.2x	2.1x	2.1x	13.6x	8.4x	7.7x	20.4x	13.8x	14.0x
Application Infrastructure Trading Comps	77.5%	9.9%	-3.7%	76.7%	8.9%	3.7x	3.5x	3.0x	16.9x	12.7x	11.3x	38.1x	23.1x	20.4x
IT Operations & Management Trading Comps	81.2%	31.8%	-4.4%	77.2%	8.9%	8.0x	6.5x	5.2x	25.9x	17.9x	13.7x	59.6x	36.4x	27.4x
Mean	81.0%	14.5%	-4.3%	74.2%	12.0%	4.6x	4.0x	3.4x	18.8x	13.0x	10.9x	39.4x	24.4x	20.6x
Median	81.2%	9.9%	-4.4%	76.7%	8.9%	3.7x	3.5x	3.0x	16.9x	12.7x	11.3x	38.1x	23.1x	20.4x

Q2 2014 Infrastructure Software Public Company Valuation Metrics

Storage Software Trading Comps

(\$ in millions, except per share and per employee data)

Company	Ticker	Market Data				Financial Data						Enterprise Value /						Equity Multiples		
		Price 6/30/14	% of 52 Week Hi	Market Cap ⁽¹⁾	Enterprise Value ⁽²⁾	LTM Revenue	QoQ Rev. Δ	YoY Rev Growth		LTM Margin		Revenues			EBITDA ⁽³⁾			Price/Earnings		
							MRQ	14E-15E	Gross	EBITDA	LTM	CY14E	CY15E	LTM	CY14E	CY15E	LTM	CY14E	CY15E	
EMC Corporation	EMC	\$26.34	93.2%	\$54,682	\$53,464	\$23,311	-18.0%	1.9%	6.8%	56.7%	25.5%	2.3x	2.2x	2.0x	9.0x	7.2x	6.7x	20.9x	13.8x	12.3x
Symantec Corporation	SYMC	22.90	84.5%	16,030	14,041	6,676	-4.7%	-7.0%	1.1%	80.5%	29.1%	2.1x	2.1x	2.1x	7.2x	6.3x	6.1x	17.9x	12.1x	11.5x
NetApp, Inc.	NTAP	36.52	79.5%	12,285	8,278	6,327	2.5%	-3.9%	1.4%	57.6%	18.3%	1.3x	1.3x	1.3x	7.1x	5.7x	5.7x	20.0x	12.6x	11.7x
Riverbed Technology, Inc.	RVBD	20.63	90.6%	3,410	3,454	1,060	-6.3%	7.8%	8.2%	68.8%	15.9%	3.3x	3.0x	2.8x	20.5x	9.5x	8.8x	NM	17.7x	15.6x
CommVault Systems, Inc.	CVLT	49.17	54.6%	2,430	1,947	586	2.3%	13.4%	14.2%	86.3%	18.1%	3.3x	3.0x	2.6x	18.3x	11.7x	9.8x	38.1x	24.6x	21.9x
Carbonite, Inc.	CARB	11.97	72.5%	320	249	112	1.2%	18.9%	13.0%	68.4%	7.8%	2.2x	2.0x	1.8x	28.7x	22.3x	18.3x	NM	NM	997.5x
FalconStor Software, Inc.	FALC	1.70	94.4%	82	61	55	-18.1%	-21.5%	NA	75.6%	-10.1%	1.1x	NA	NA	NM	NA	NA	NM	NA	NA
Mean			81.3%				-5.9%	1.4%	7.4%	70.5%	15.0%	2.2x	2.3x	2.1x	15.1x	10.5x	9.2x	24.2x	16.2x	178.4x
Median			84.5%				-4.7%	1.9%	7.5%	68.8%	18.1%	2.2x	2.1x	2.1x	13.6x	8.4x	7.7x	20.4x	13.8x	14.0x

Application Infrastructure Trading Comps

Company	Ticker	Market Data				Financial Data						Enterprise Value /						Equity Multiples		
		Price 6/30/14	% of 52 Week Hi	Market Cap ⁽¹⁾	Enterprise Value ⁽²⁾	LTM Revenue	QoQ Rev. Δ	YoY Rev Growth		LTM Margin		Revenues			EBITDA ⁽³⁾			Price/Earnings		
							MRQ	14E-15E	Gross	EBITDA	LTM	CY14E	CY15E	LTM	CY14E	CY15E	LTM	CY14E	CY15E	
Red Hat, Inc.	RHT	\$55.27	89.9%	\$10,582	\$9,779	\$1,595	5.8%	16.7%	13.8%	83.8%	19.1%	6.1x	5.6x	4.9x	32.1x	20.3x	17.5x	60.1x	36.2x	31.2x
TIBCO Software Inc.	TIBX	20.17	74.3%	3,366	3,334	1,091	-0.2%	2.6%	5.7%	69.2%	19.8%	3.1x	3.0x	2.9x	15.5x	13.6x	12.3x	42.9x	24.0x	20.8x
Software AG	SOW-DE	36.10	89.0%	3,138	3,322	1,281	-22.6%	-3.6%	3.8%	63.0%	25.4%	2.6x	2.6x	2.5x	10.2x	9.3x	8.6x	17.9x	13.3x	12.2x
Informatica Corporation	INFA	35.65	81.4%	3,990	3,260	977	-11.9%	13.4%	11.6%	80.3%	20.2%	3.3x	3.1x	2.8x	16.6x	11.4x	9.9x	42.4x	21.9x	19.2x
Pegasystems Inc.	PEGA	21.12	82.0%	1,610	1,389	533	-8.4%	20.8%	10.0%	67.8%	15.8%	2.6x	2.4x	2.1x	16.5x	13.4x	11.5x	34.3x	26.2x	22.4x
Progress Software Corporatio	PRGS	24.04	89.2%	1,242	1,016	324	8.4%	-1.1%	2.0%	89.9%	29.1%	3.1x	3.1x	3.0x	10.8x	8.3x	8.1x	30.8x	16.9x	16.4x
MobileIron, Inc.	MOBL	9.52	81.1%	711	650	108	0.3%	9.3%	37.6%	83.0%	-33.8%	6.0x	5.8x	4.2x	NM	NM	NM	NM	NM	NM
Rally Software Development	RALY	10.89	32.9%	271	185	78	-0.9%	21.1%	21.2%	76.5%	-24.0%	2.4x	2.1x	1.8x	NM	NM	NM	NM	NM	NM
Mean			77.5%				-3.7%	9.9%	13.2%	76.7%	8.9%	3.7x	3.5x	3.0x	16.9x	12.7x	11.3x	38.1x	23.1x	20.4x
Median			81.7%				-0.6%	11.4%	10.8%	78.4%	19.4%	3.1x	3.1x	2.8x	16.0x	12.4x	10.7x	38.4x	22.9x	20.0x

Q2 2014 Infrastructure Software Public Company Valuation Metrics

IT Operations & Management Trading Comps

(\$ in millions, except per share and per employee data)

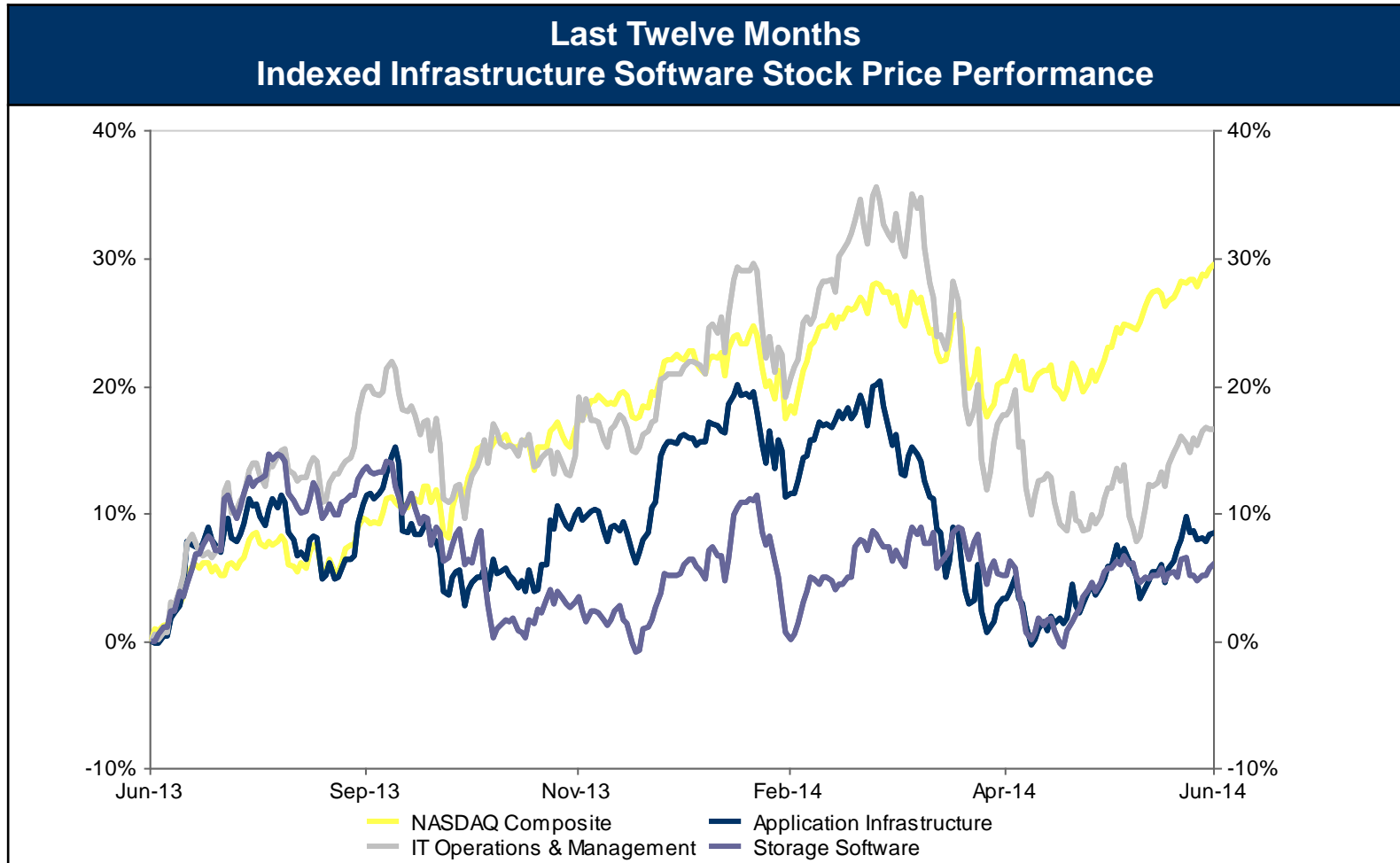
Company	Ticker	Market Data				Financial Data						Enterprise Value /						Equity Multiples		
		Price 6/30/14	% of 52 Week Hi	Market Cap ⁽¹⁾	Enterprise Value ⁽²⁾	LTM Revenue	QoQ Rev. Δ	YoY Rev Growth		LTM Margin		Revenues			EBITDA ⁽³⁾			Price/Earnings		
								MRQ	14E-15E	Gross	EBITDA	LTM	CY14E	CY15E	LTM	CY14E	CY15E	LTM	CY14E	CY15E
VMware, Inc. Class A	VMW	\$96.81	85.8%	\$42,086	\$36,970	\$5,321	-8.3%	14.1%	15.9%	85.9%	27.7%	6.9x	6.1x	5.3x	25.1x	16.8x	14.0x	40.3x	27.5x	22.9x
CA, Inc.	CA	28.74	79.4%	12,835	11,488	4,515	-4.7%	-3.7%	0.7%	76.0%	38.2%	2.5x	2.6x	2.6x	6.7x	6.6x	6.4x	14.4x	10.9x	11.1x
Citrix Systems, Inc.	CTXS	62.55	81.1%	11,614	10,785	2,996	-6.4%	11.6%	9.3%	79.8%	22.8%	3.6x	3.4x	3.1x	15.8x	11.5x	10.6x	35.1x	20.3x	17.0x
ServiceNow, Inc.	NOW	61.96	86.3%	8,926	8,692	478	11.1%	61.8%	37.9%	63.2%	-12.9%	18.2x	13.3x	9.6x	NM	NM	NM	NM	NM	NM
Splunk Inc.	SPLK	55.33	52.1%	6,560	5,733	331	-14.0%	50.2%	33.3%	87.6%	-31.0%	17.3x	14.3x	10.7x	NM	NM	NM	NM	NM	NM
Arista Networks, Inc.	ANET	62.39	85.9%	3,967	3,986	417	2.1%	91.1%	33.6%	66.6%	20.6%	9.6x	7.5x	5.6x	46.3x	49.5x	33.1x	222.8x	88.4x	62.5x
SolarWinds, Inc.	SWI	38.66	82.3%	2,946	2,763	358	-1.2%	31.5%	18.2%	91.0%	41.3%	7.7x	6.6x	5.6x	18.7x	13.7x	11.6x	35.1x	23.5x	20.1x
Compuware Corporation	CPWR	9.99	85.2%	2,225	1,945	721	-26.8%	-23.5%	-3.8%	68.4%	17.3%	2.7x	2.7x	2.8x	15.6x	9.5x	8.7x	31.2x	22.8x	18.8x
NetScout Systems, Inc.	NTCT	44.34	99.6%	1,858	1,680	397	1.7%	14.5%	13.7%	77.8%	24.2%	4.2x	3.8x	3.3x	17.5x	12.9x	10.9x	37.9x	25.9x	22.4x
Zendesk, Inc.	ZEN	17.38	92.7%	1,220	1,186	83	11.5%	80.4%	44.1%	65.6%	-24.3%	14.3x	10.7x	7.4x	NM	NM	NM	NM	NM	NM
LogMeIn, Inc.	LOGM	46.62	97.8%	1,154	950	178	8.5%	30.9%	18.3%	88.1%	8.6%	5.3x	4.5x	3.8x	61.8x	20.9x	16.9x	NM	46.6x	38.7x
Gigamon Inc.	GIMO	19.14	45.8%	611	468	146	-26.3%	23.0%	25.9%	76.7%	-25.8%	3.2x	2.7x	2.1x	NM	19.6x	11.1x	NM	61.4x	33.0x
Infoblox Inc.	BLOX	13.15	26.9%	717	455	248	0.2%	5.1%	10.3%	77.3%	-1.2%	1.8x	1.8x	1.6x	NM	16.0x	12.8x	NM	46.7x	48.6x
Mean			81.2%				-4.4%	31.8%	20.6%	77.2%	8.9%	8.0x	6.5x	5.2x	25.9x	17.9x	13.7x	59.6x	36.4x	27.4x
Median			85.5%				-3.0%	27.0%	18.2%	77.3%	19.0%	6.1x	5.3x	4.5x	18.1x	13.7x	11.1x	35.1x	25.9x	22.4x

Source: All figures, estimates and prices per FactSet as of June 30, 2014.

Notes:

- (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 preferred stock less cash and cash equivalents.
- (3) EBITDA excludes one-time charges, extraordinary and non-recurring income and expenses per FactSet.

LTM Relative Infrastructure Software Stock Price Performance





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