



Tech M&A Monthly

Quarterly Report: Q1 2017

13 April 2017

Welcome



Timothy Goddard
SVP, Marketing
Corum Group Ltd.

Timothy joined Corum in 2011, and oversees the company's marketing efforts globally from the headquarters near Seattle. Chief among these is Corum's extensive conference schedule, "Selling Up, Selling Out," the Merge Briefing, the Tech M&A Monthly webcast and Corum's platinum sponsorship of the World Financial Symposiums' live events and Market Spotlight series. Through these events, Corum Group serves as the world's leading educator in technology mergers and acquisitions.

Prior to joining Corum, Timothy served as marketing and product manager for GIS software startup Depiction, Inc., and previously worked in marketing for VizX Labs, a pioneering SaaS startup delivering DNA analysis tools. In addition to marketing for software startups, Tim has worked for a US Senate campaign and taught science in Rio de Janeiro.

Timothy graduated Magna Cum Laude from Bethel University in St. Paul, Minnesota, with degrees in History and Biology.

Agenda

- Welcome
- Field Reports
 - Netgain acquired by Bluff Point Associates
 - Assistance Software acquired by Unit4
- Special Report: Private Equity Strategies
- 2017 Q1 Research Report
- Q&A

Field Report: Netgain acquired by Bluff Point Associates



Rob Schram
Senior Vice President
Corum Group Ltd.



Rob has over 30 years of executive and entrepreneurial experience in multiple technologies: Integrated circuit testing, industrial process automation and control, communications software, security software, and energy software and services.

Rob has founded and sold several companies and engaged in two IPOs. He was most recently CEO of Evergreen Fuel Technologies, Inc. in the energy sector. Rob is a broadly skilled strategic development professional with a proven reputation for targeting, negotiating and developing profitable ventures and a demonstrated ability to successfully analyze an organization's critical business requirements, identify deficiencies and opportunities, and develop innovative and cost-effective solutions for enhancing competitiveness, increasing revenues, and improving customer relationships.

Field Report: Assistance Software acquired by Unit4



Jon Scott
Managing Director
Corum Group International



Jon joined Corum in 2010 out of their Seattle headquarters and is now based in Amsterdam. He has close to 30 years experience serving high technology companies with the last 20 mainly in chief operating and chief executive roles. During this time Jon has become known for his ability to successfully integrate strategies and tactics into well executed operating plans, building strong teams and achieving excellent results.

Jon has served as President and CEO of The PowerTech Group, a security and compliance software company sold to Help/Systems in 2008, and Microserv Technology Services, a nationwide tech services company which was acquired by Halifax Corporation in 2003. Earlier he served as President and COO of Traveling Software, a leading developer of communications software in Seattle. Prior to his operating roles Jon held vice president roles in sales, marketing and business development for technology companies.

Jon has taught in the software product management program at the University of Washington and holds a business administration degree from San Francisco State University.

Special Report: Private Equity Strategies



Bruce Milne
CEO
Corum Group Ltd.

A leader in the software industry, Bruce has founded or owned four software companies, including the largest vertical market software company, AMI, an Inc. 500 firm rated by IDC as the fastest growing computer-related company in the world.

He has served on advisory boards for Microsoft, IBM, DEC, Comdex and Apple, and as board member/founding investor in some of the most innovative firms in their field, including Blue Coat, Bright Star and Sabaki. Past advisor to two governors and a senator, a board member of the Washington Technology Center, and founder of the WTIA, the nation's most active regional technology trade association.

He worked with the Canadian government to found SoftWorld, and he was recently chosen as one of the 200 most influential individuals in the IT community in Europe. He was also the only American juror for the recent Tornado 100 Awards given to Europe's top technology firms

A graduate with Distinction from Harvard Business School, Bruce has written three books on business models for success, including *Power Planning*. He is a frequent lecturer and author.

Private Equity Portfolio Companies

- Financial buyers behaving like strategics
- Deploying cash through portfolio companies (“platforms”)
- Doing “tuck-in” or “bolt-on” deals for strategic reasons (technology, footprint, channels, etc.)



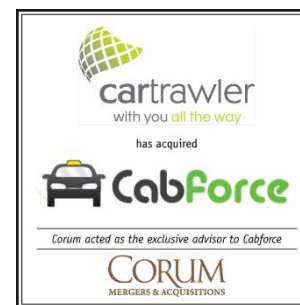
TA Associates



MARLIN EQUITY PARTNERS



Bregal Sagemount



BC Partners

CORUM

PEs Buying Through Strategic Platforms

Old Method



New Method



PEs Buying Through Strategic Platforms

- Shift of resources to Private Equity firms
- Often bring in new CEOs with public experience
- Often sub-funds
- Mostly cash offers
- Faster execution
- Outbidding strategic buyers

Corum Research Report



Elon Gasper
EVP, Research



Amber Stoner
Director of Research



Yasmin Khodamoradi
Director, Valuation Services



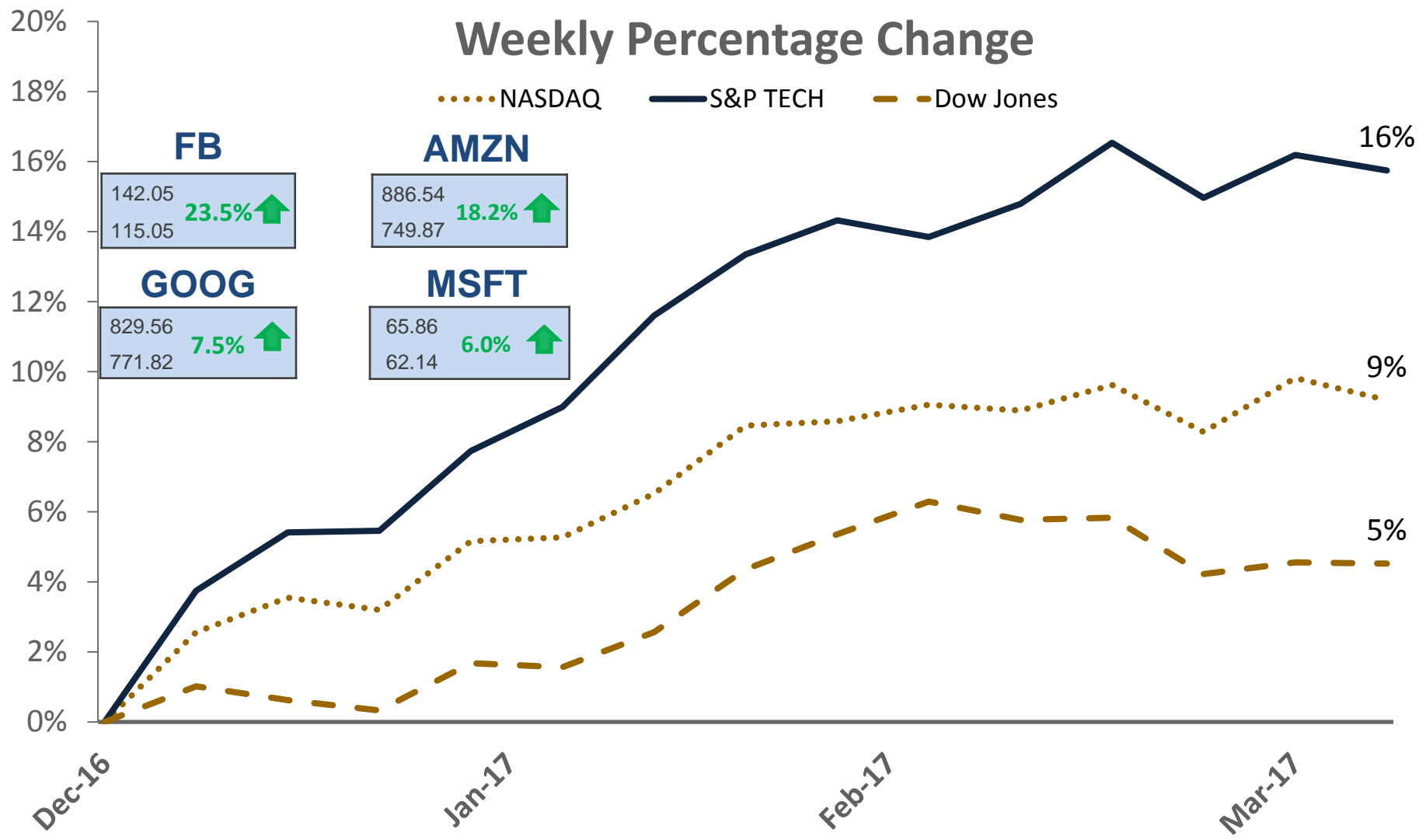
Amanda Tallman
Senior Analyst



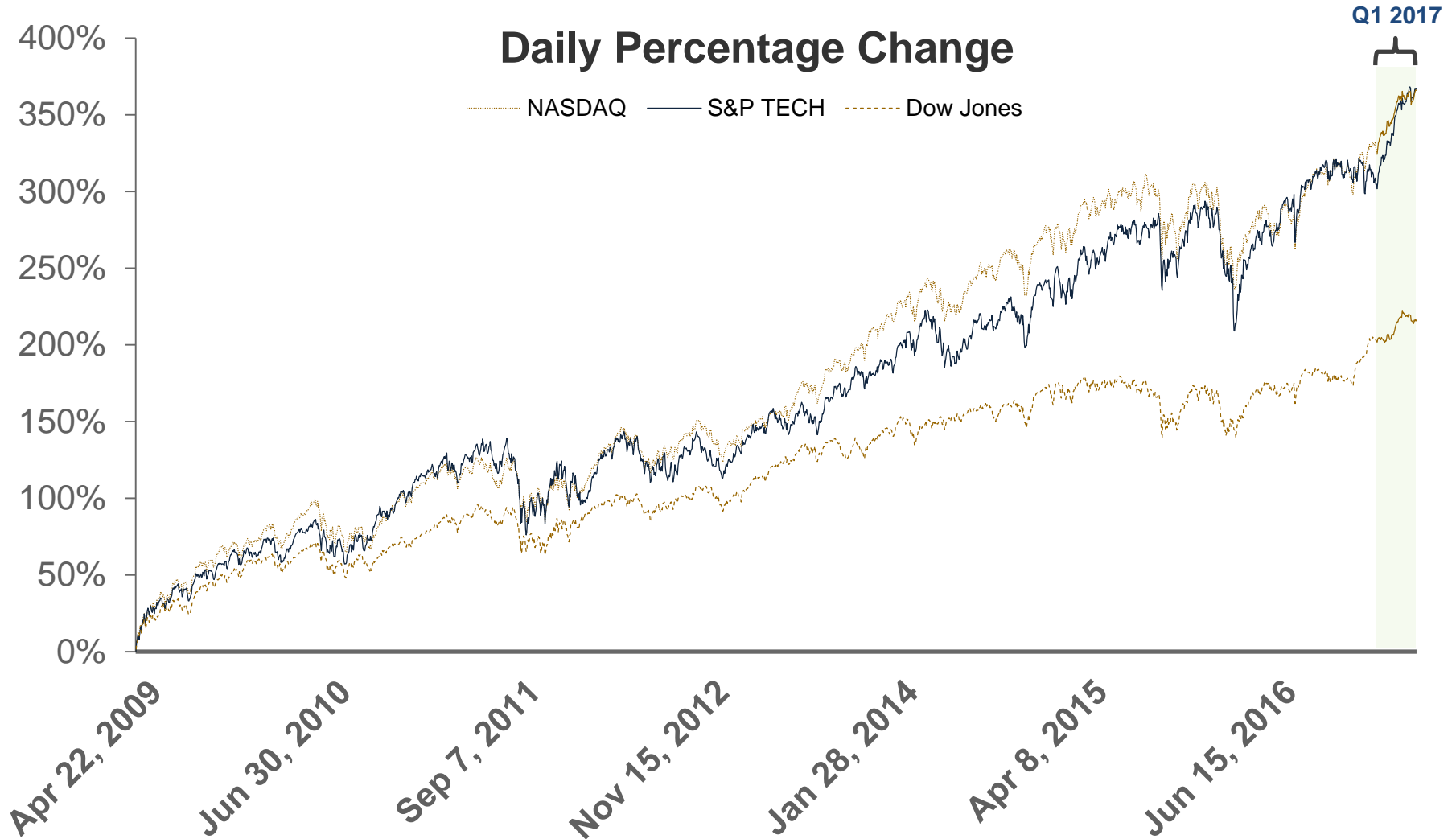
Thomas Wright
Analyst

Public Markets

Weekly Percentage Change



The Bull Market, 2009-Present



Corum Index

Market

Transactions

Q1:2016

1026

Q1:2017

915

11%

Mega Deals

17

14

18%

Largest Deal

\$7B

\$15.3B

114%

Pipeline

Private Equity Deals

Q1:2016

62

Q1:2017

90

45%

VC Backed Exits

165

147

11%

Attributes

Cross Border Transactions

Q1:2016

35%

Q1:2017

39%

Start-Up Acquisitions

11%

10%

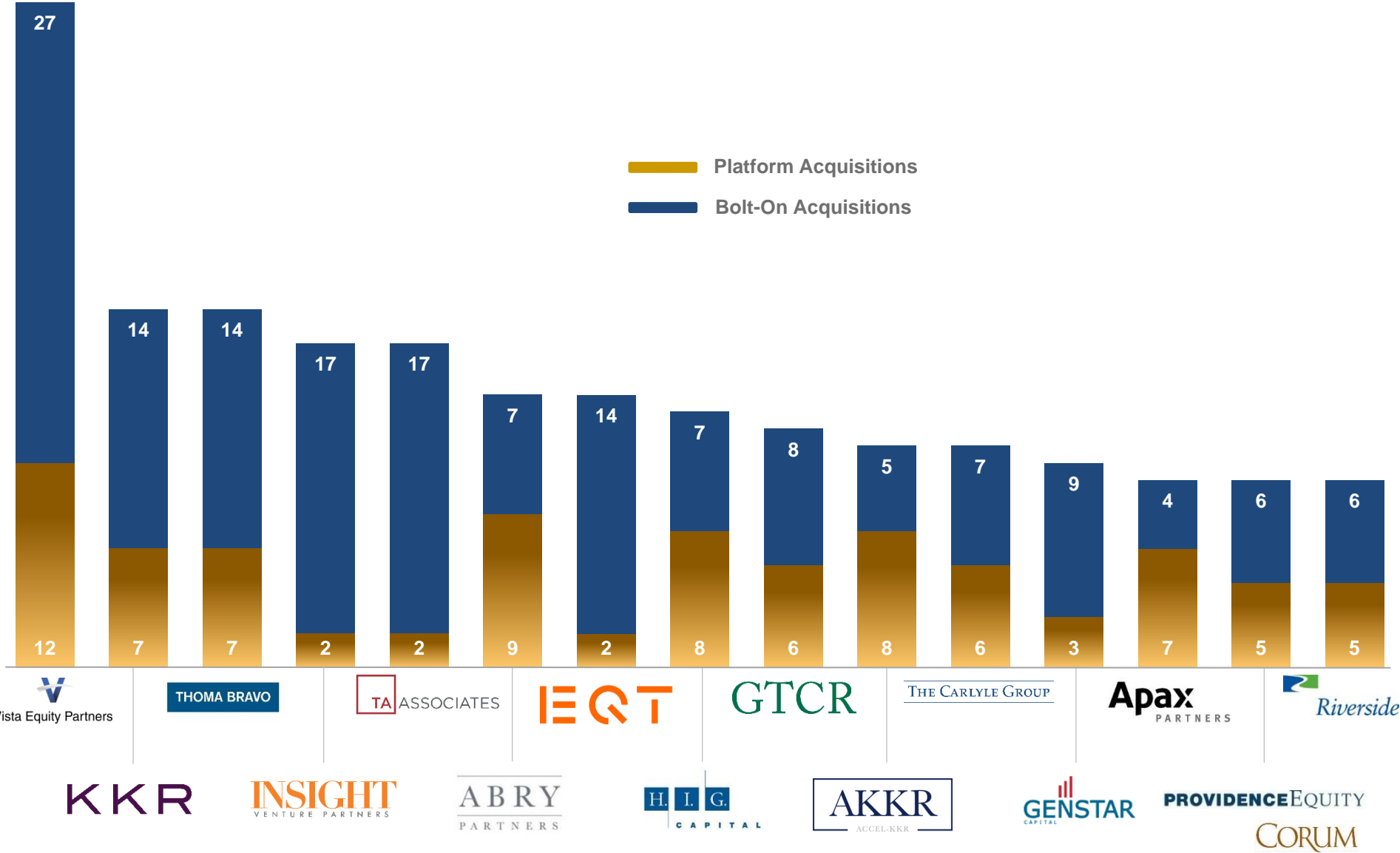
Average Life of Target

15 yrs

16 yrs

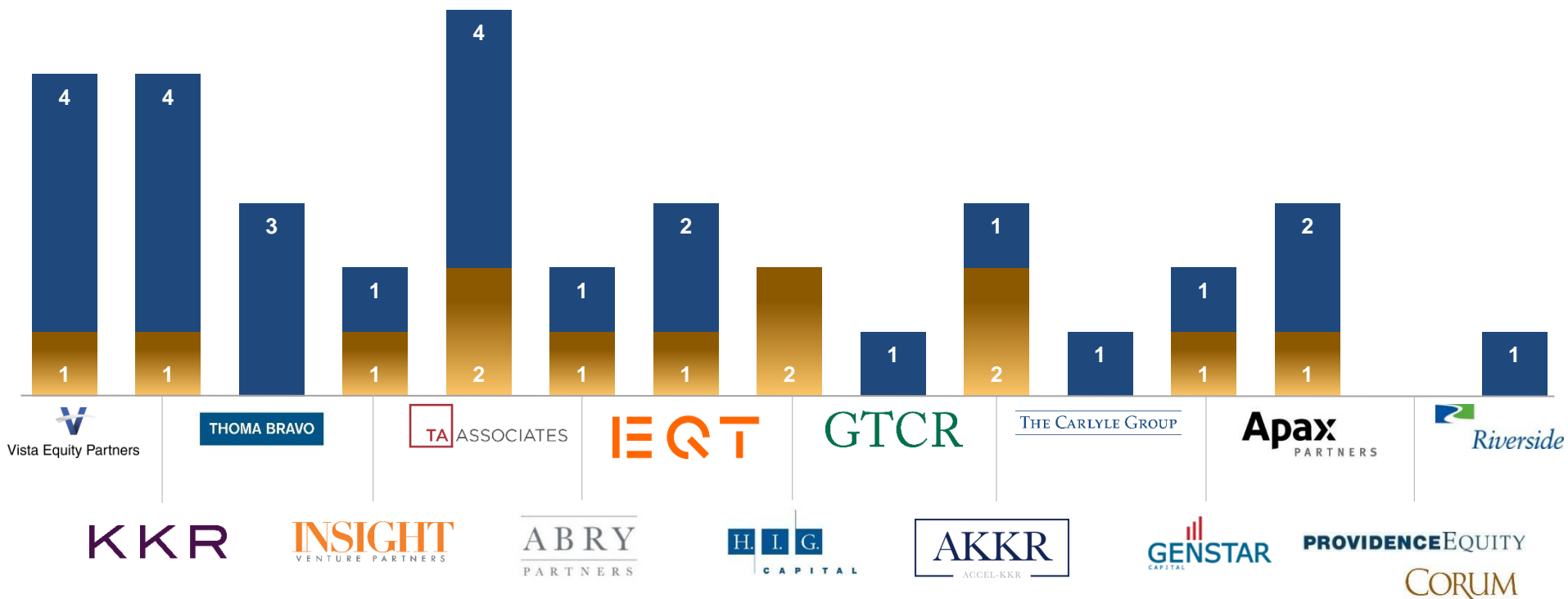


2016 Top Private Equity Acquirers



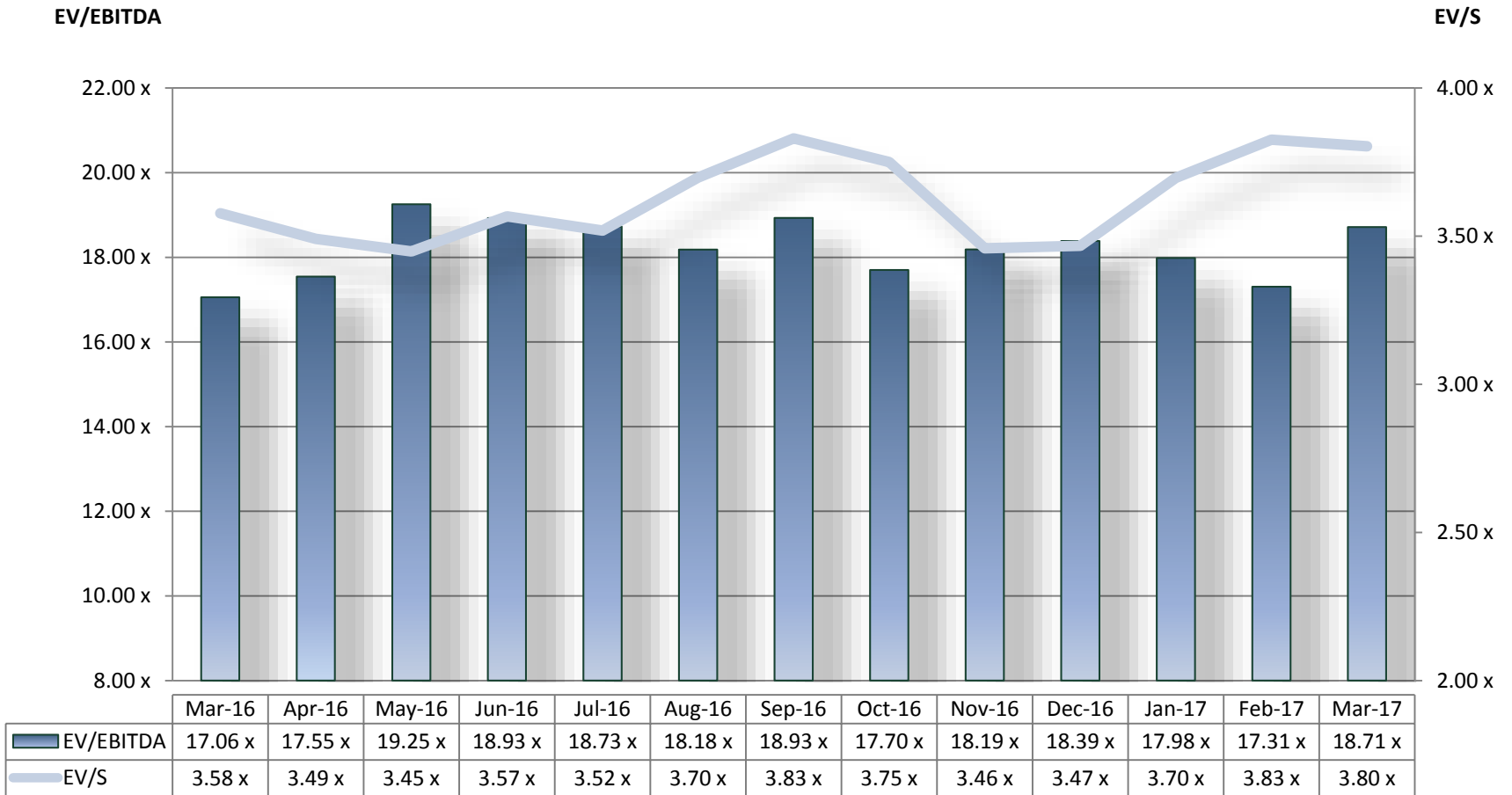
Platform vs. Bolt-On Acquisitions Q1:2017

■ Platform Acquisitions
■ Bolt-On Acquisitions
























Horizontal Application Software Market

Public Valuation Multiples

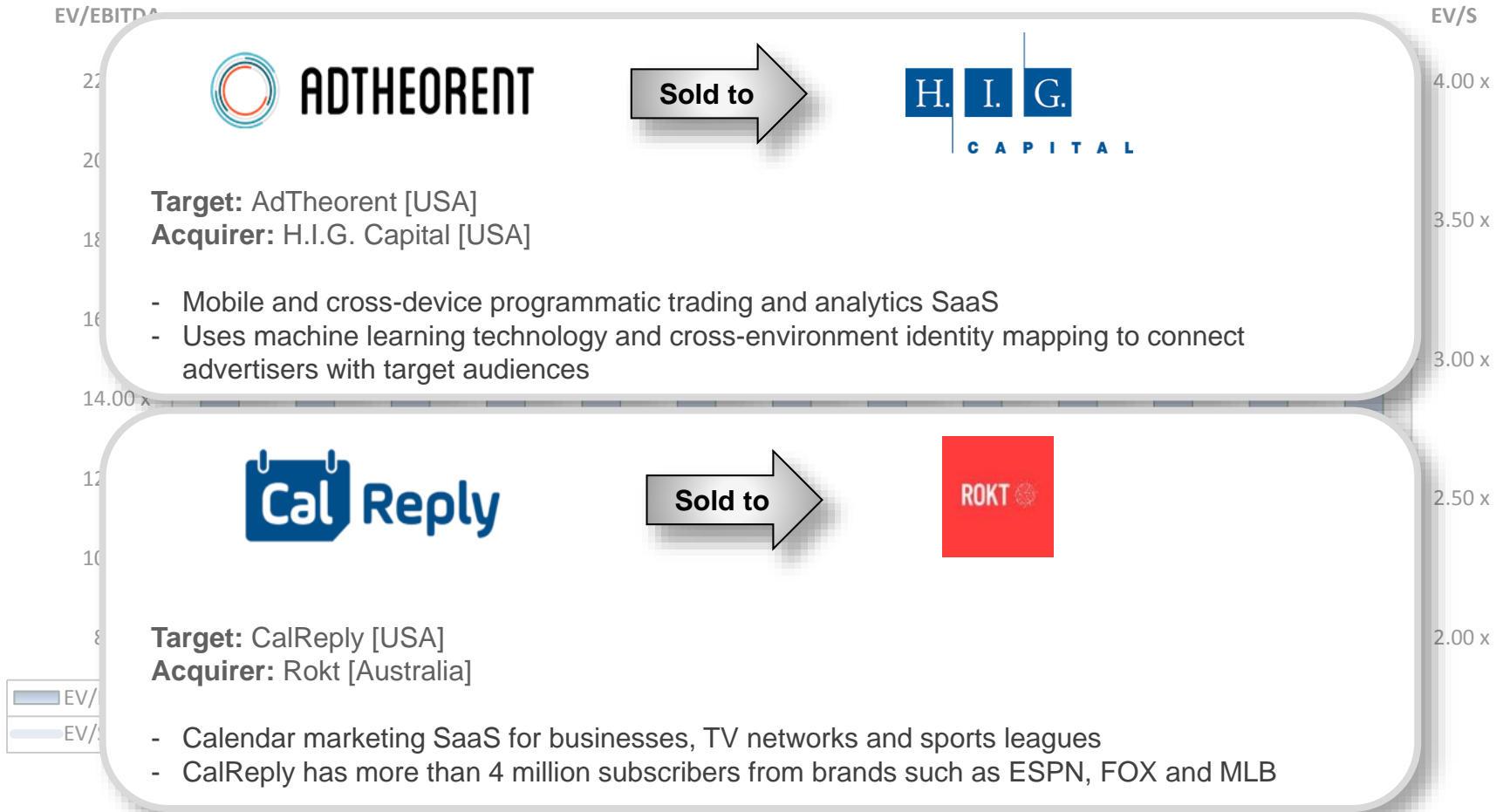


Horizontal Application Software Valuations

Subsector		Sales	EBITDA		Examples
Business Intelligence	▲	3.59x	18.24x		 
Marketing & Ad Tech	▲	1.91x	16.99x		 
CRM	▼	1.56x	24.32x		 
ERP	▲	4.30x	21.35x		 
Human Resources	▬	6.19x	33.20x		 
SCM	▬	5.90x	20.88x		 
Payments	▬	3.87x	16.00x		 
Other	▲	3.54x	16.96x		 

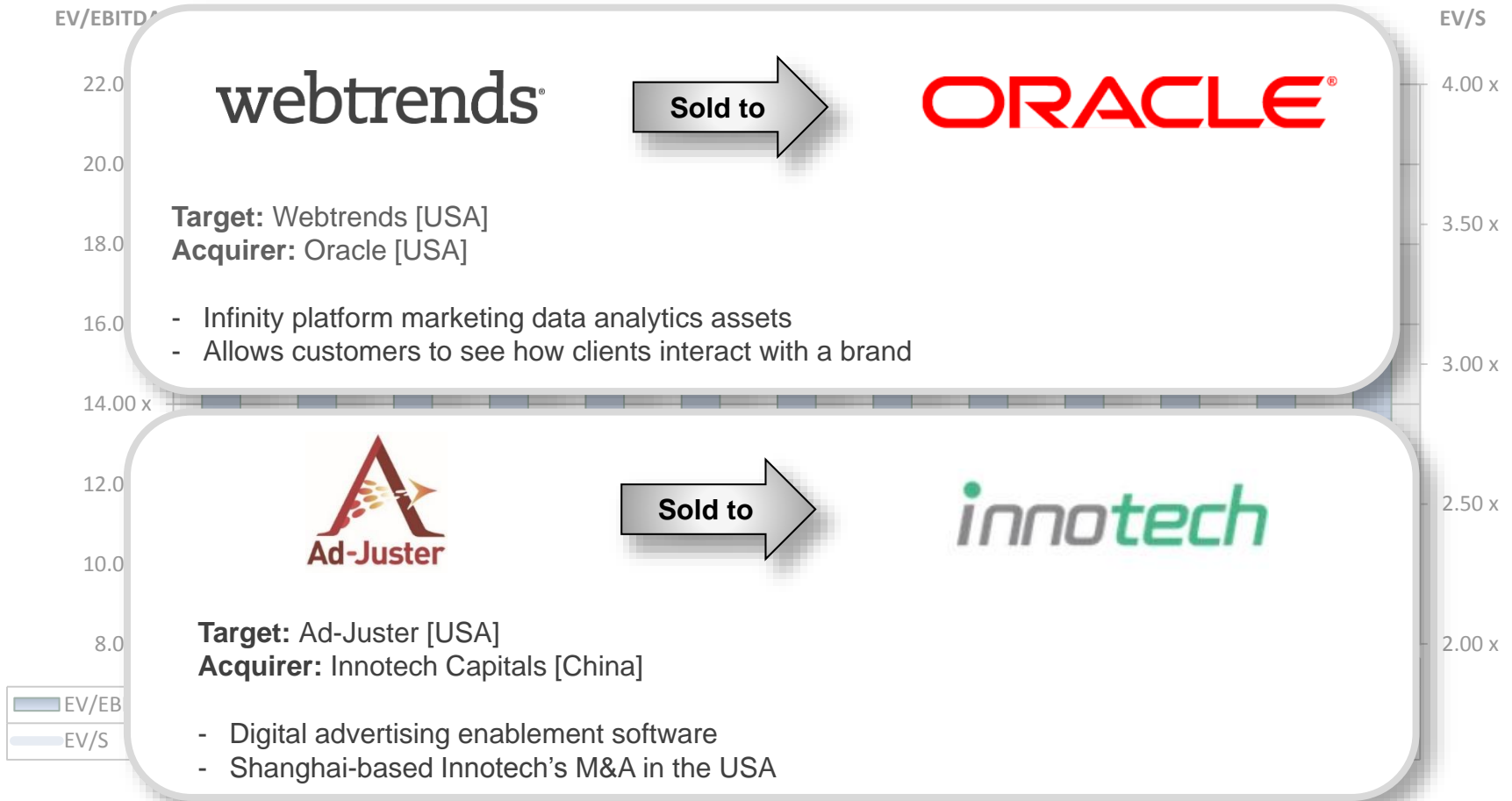
Horizontal Application Software Market

Deal Spotlights: Marketing & AdTech



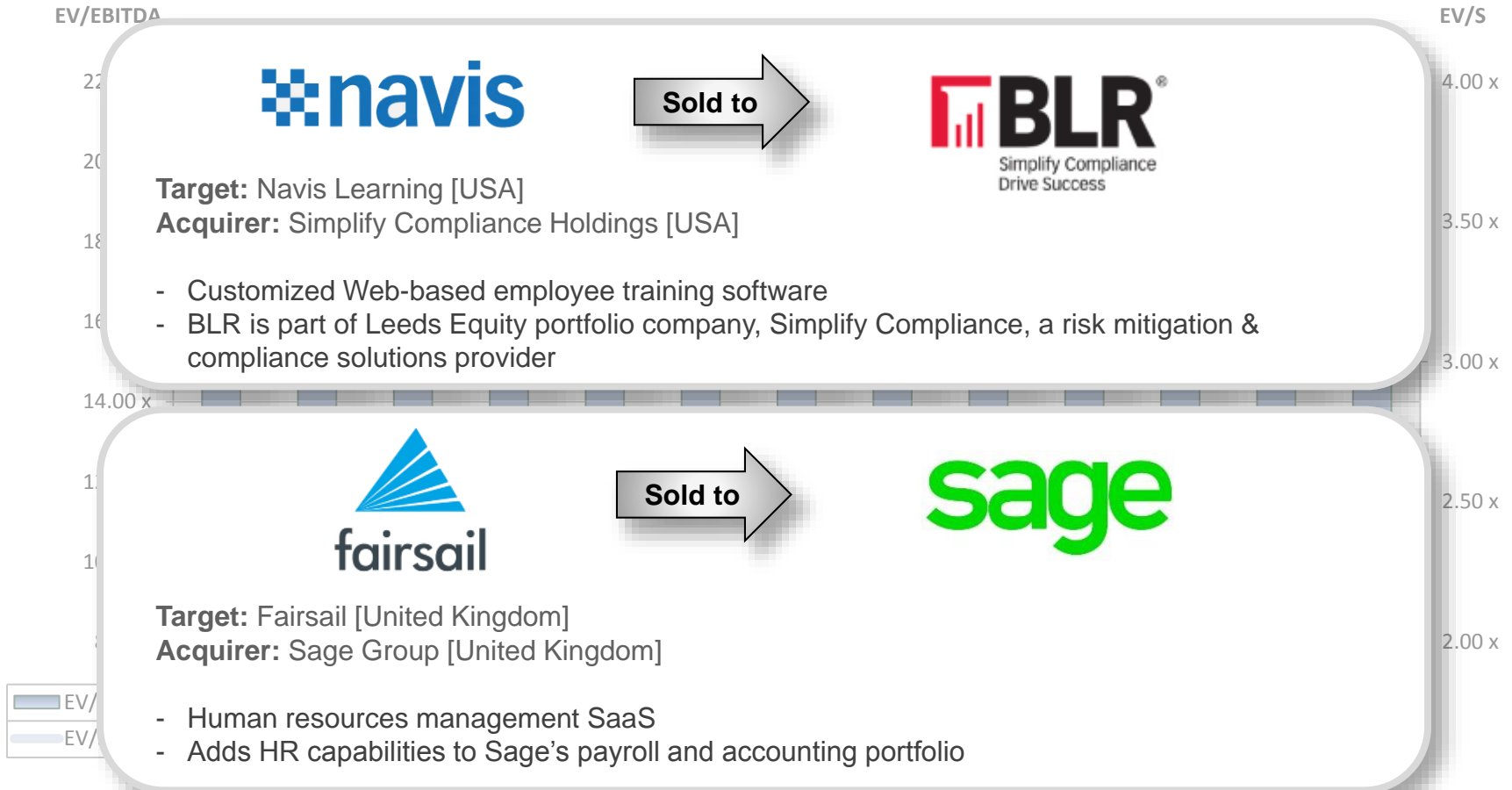
Horizontal Application Software Market

Deal Spotlights: Marketing & AdTech



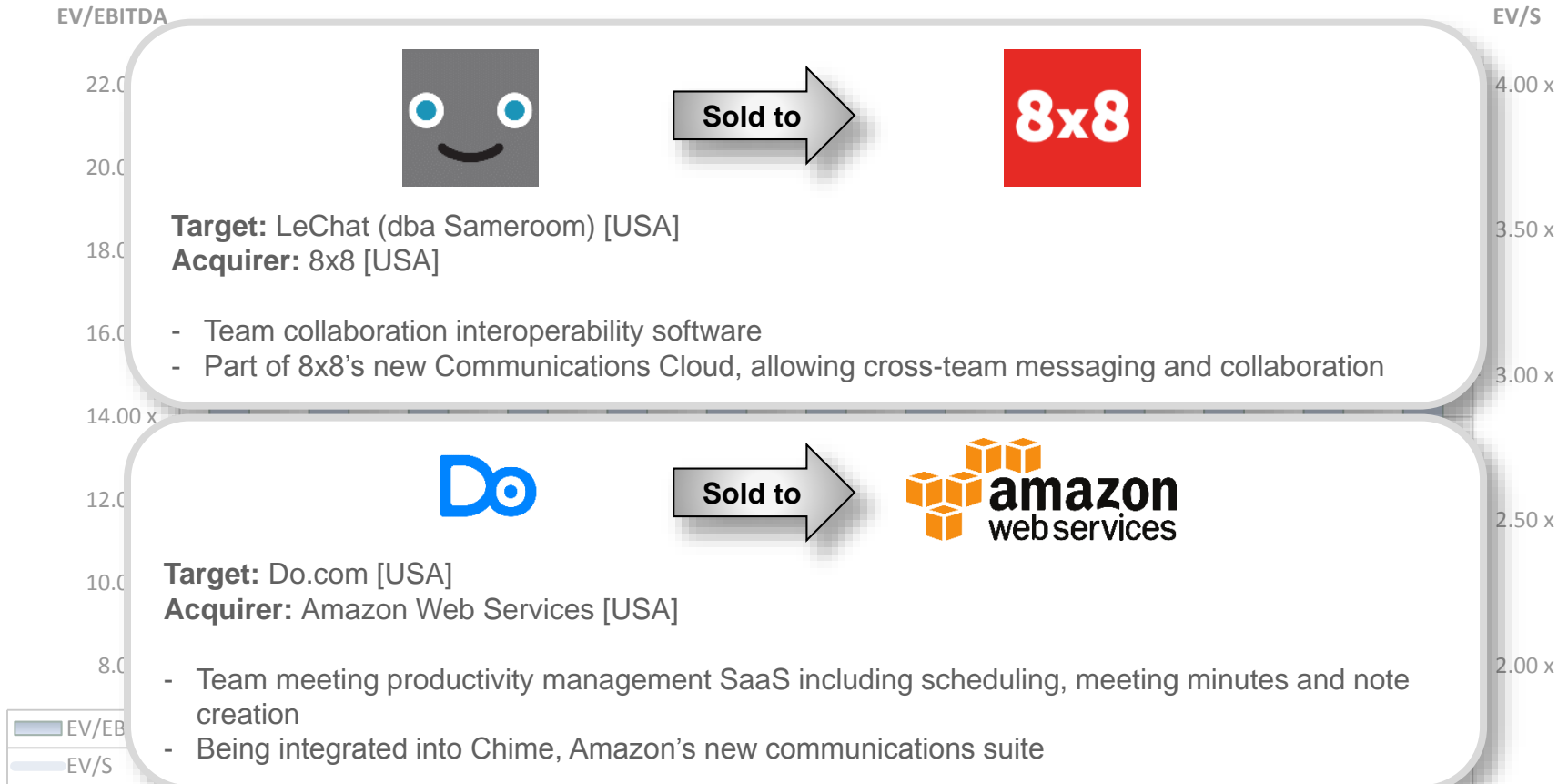
Horizontal Application Software Market

Deal Spotlights: Human Resources



Horizontal Application Software Market

Deal Spotlights: Collaboration Software



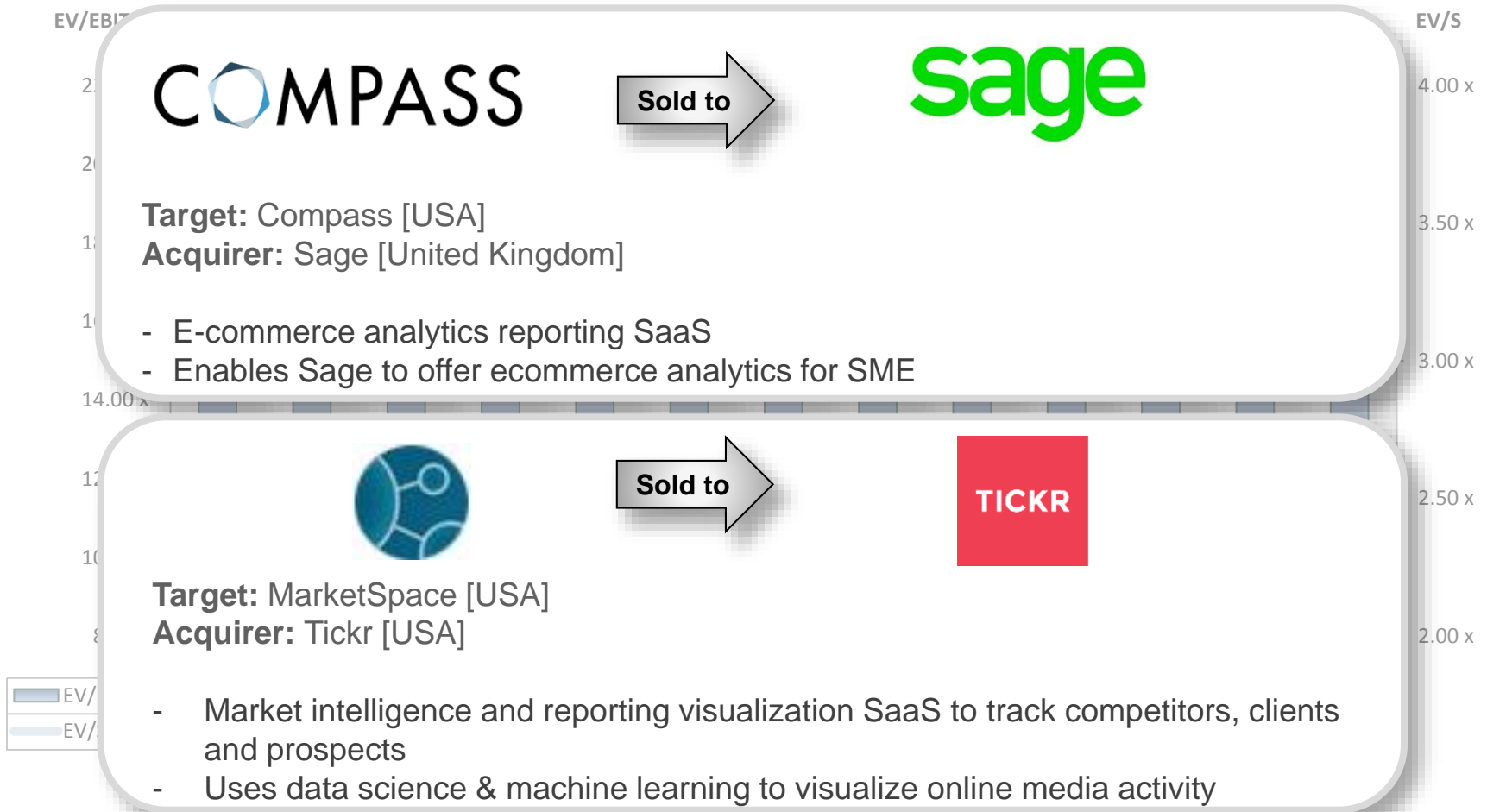
Horizontal Application Software Market

Deal Spotlights: Enterprise Content Management



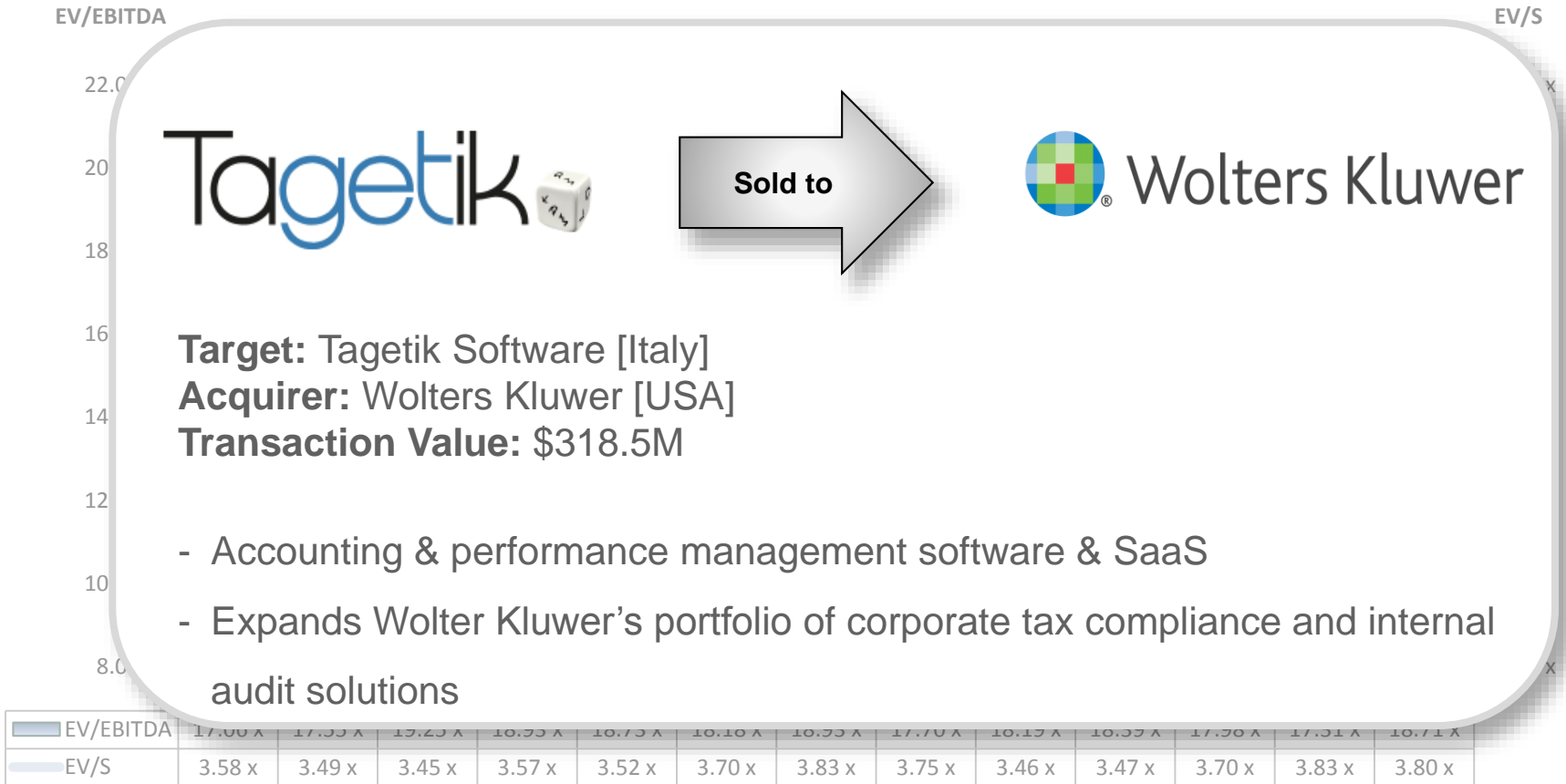
Horizontal Application Software Market

Deal Spotlights: Business Intelligence



Horizontal Application Software Market

Deal Spotlights: ERP

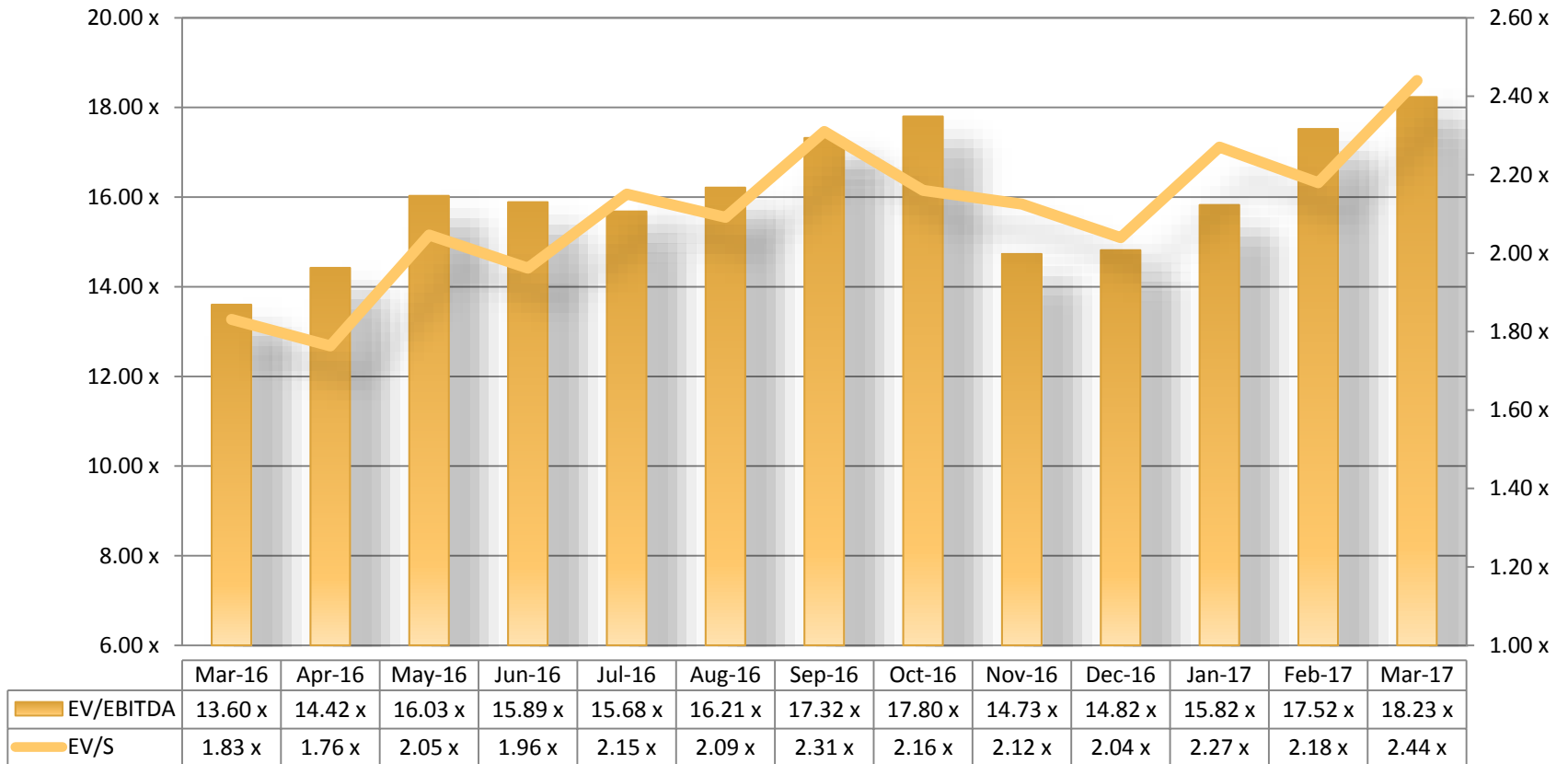


Consumer Application Software Market





Public Valuation Multiples

EV/EBITDA

EV/S



Consumer Application Software Valuations

Subsector		Sales	EBITDA		Examples	
Casual Gaming	▲	3.46x	22.85x	DEVSISTERS		
Core Gaming	▲	2.44x	14.15x	ACTIVISION		
Other	▼	1.47x	N/A	GoPro	NETFLIX	PANDORA internet radio

Consumer Application Software Market


Deal Spotlights: Content Recommendation


EV/

20

18

16.00



Sold to  **revcontent**
Native Reimagined

Target: Rover [USA]
Acquirer: Revcontent [USA]

- Content recommendation engine

1/S

50 x

40 x

2.20 x

14

12

10



SONALYTIC

Sold to  **Spotify**[®]

Target: Sonalytic [United Kingdom]
Acquirer: Spotify [Sweden]

- Audio detection algorithm software

100 x

30 x

50 x

1.40 x

8

6



MIGHTY^{TV}

Sold to  **Spotify**[®]

Target: MightyTV [USA]
Acquirer: Spotify [Sweden]

- Entertainment content recommendation mobile application

20 x

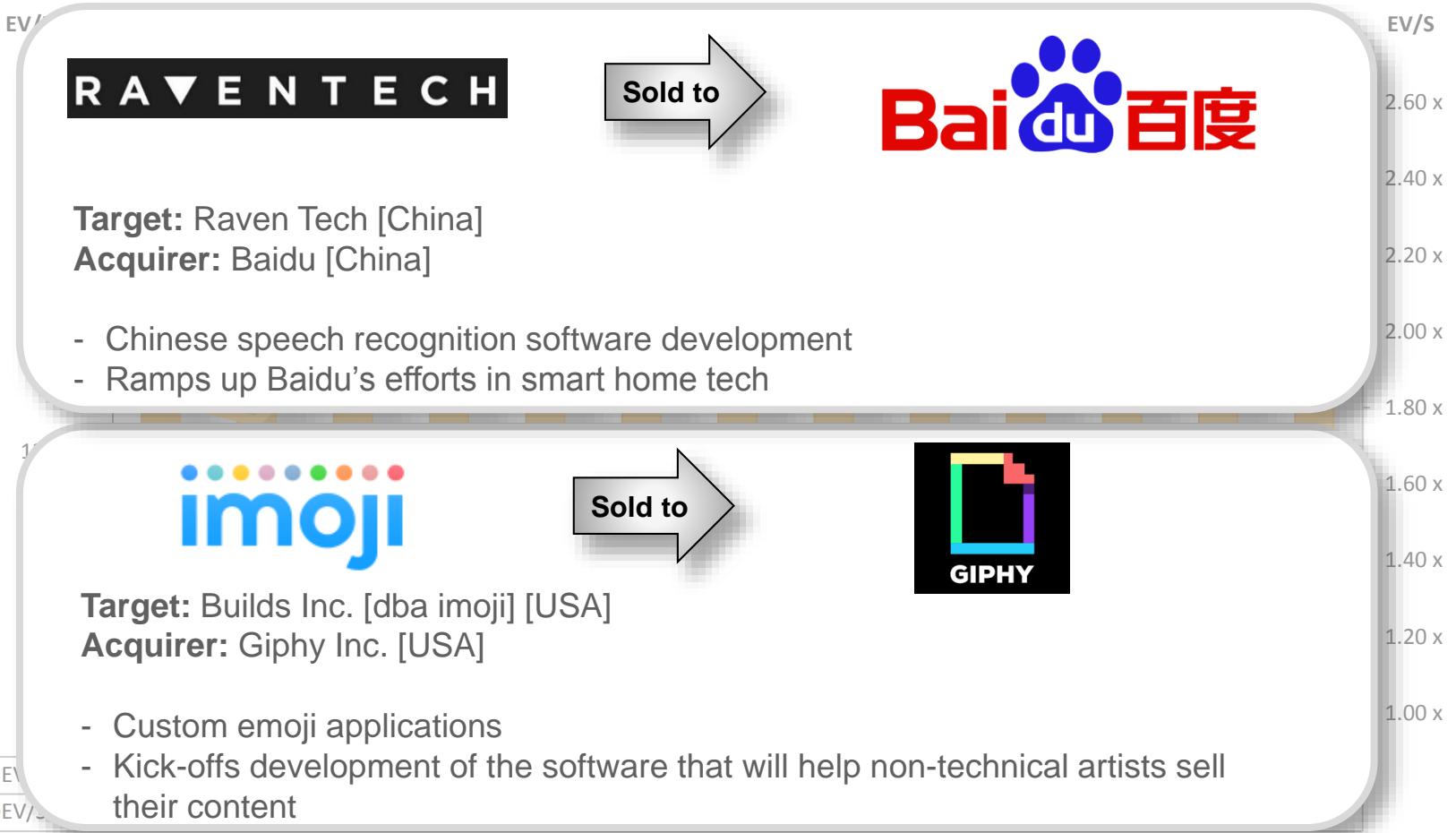
100 x

EV/

EV/


Consumer Application Software Market


Deal Spotlights: Search Engines



Consumer Application Software Market

Deal Spotlights: Video Gaming



Sold to 

Target: Creative Assembly Sofia (fka Crytek Black Sea) [Bulgaria]
Acquirer: SEGA Europe [United Kingdom]


- Developer of the Far Cry series, published by Ubisoft




Sold to 

Target: FreeStyleGames [Activision] [United Kingdom]
Acquirer: Ubisoft [France]

- Collaborative online, music-based video games for use on console systems



Sold to 

Target: Growtopia [USA]
Acquirer: Ubisoft [France]

- Mobile collaborative video game

EV/
EV/

Consumer Application Software Market

Deal Spotlight: Virtual Reality

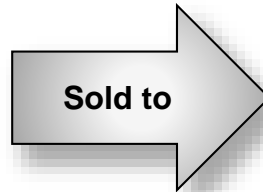
EV/EBITDA

EV/S

20.00

2.60 x

Sprawly




 DIGITAL DOMAIN

Target: Sprawly [USA]

Acquirer: Digital Domain Holdings [China]

- Virtual reality Web applications developer
- Another Chinese holding company to enter the Western video game market

EV/EBITDA	EV/S
1.83 x	1.76 x
2.05 x	1.96 x
2.15 x	2.09 x
2.31 x	2.16 x
2.12 x	2.04 x
2.27 x	2.18 x
2.18 x	2.44 x

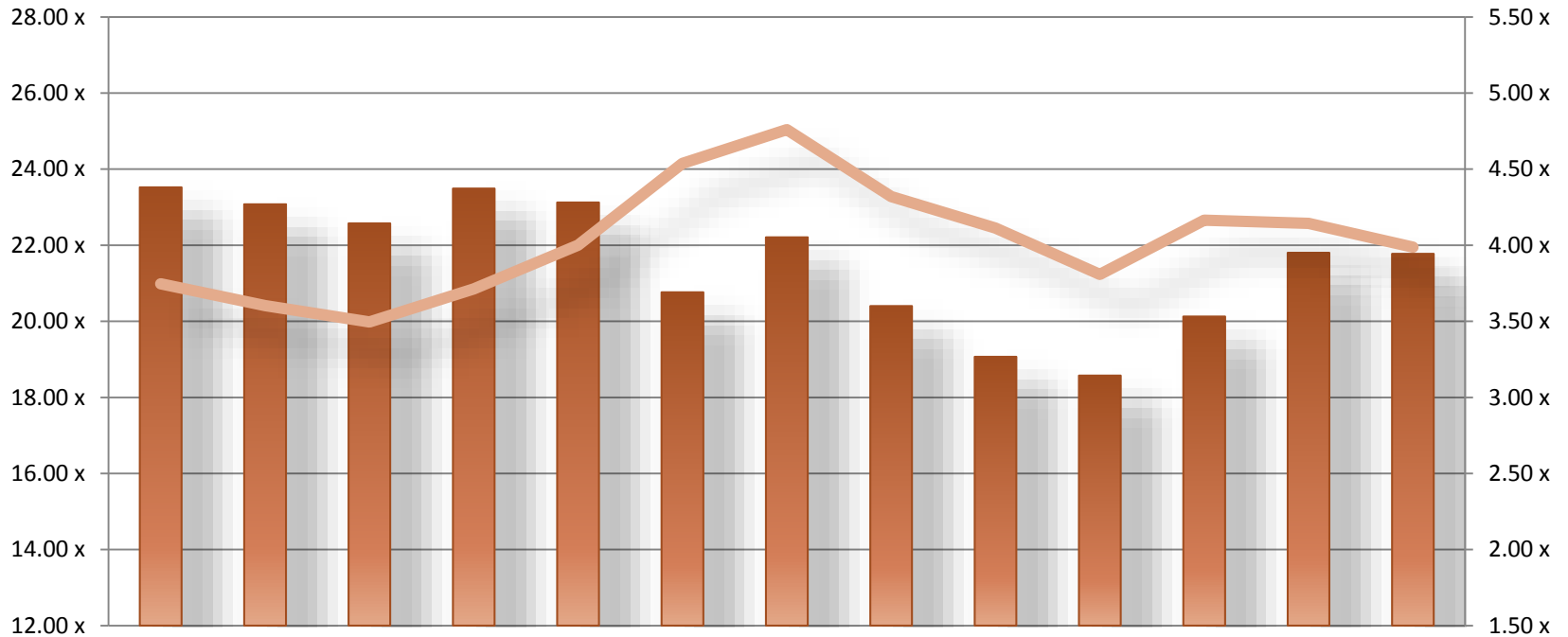


Internet Application Software Market

Public Valuation Multiples
















EV/EBITDA

EV/S



	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
EV/EBITDA	23.52 x	23.08 x	22.58 x	23.49 x	23.13 x	20.76 x	22.21 x	20.40 x	19.07 x	18.57 x	20.12 x	21.80 x	21.78 x
EV/S	3.75 x	3.60 x	3.50 x	3.71 x	4.00 x	4.54 x	4.76 x	4.32 x	4.11 x	3.81 x	4.16 x	4.14 x	3.99 x

Internet Application Software Valuations

Subsector		Sales	EBITDA		Examples	
Diversified Internet		5.15x	19.57x	Alphabet		
eCommerce		1.06x	39.01x			
Social Network		4.18x	25.69x			
Travel & Leisure		6.09x	21.63x			



Internet Application Software Market

Deal Spotlights: Travel

LUXURY
RETREATS

Sold to



Target: Luxury Retreats International [Canada]

Acquirer: Airbnb [USA]

Transaction Value: \$300M

- Short-term rentals classifieds website

Travelopia

Sold to

KKR

Target: Travelopia [United Kingdom]

Acquirer: Kohlberg Kravis Roberts & Co. L.P. [dba KKR] [USA]

Transaction Value: \$404.3M (0.3x EV/Sales)

- Online travel services holding company

EV/S

5.50 x

5.00 x

4.50 x

4.00 x

3.50 x

3.00 x

2.50 x

2.00 x

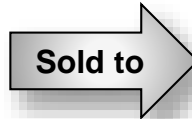
1.50 x

EV/S



Internet Application Software Market

Deal Spotlights: Travel



EV/S

5.50 x

5.00 x

4.50 x

4.00 x

3.50 x

3.00 x

2.50 x

2.00 x

1.50 x

Target: InternetHotels and Hotelsatanywhere [USA]

Acquirer: HotelPlanner.com [USA]

- Online hotel booking services



Target: Tourico Holidays [USA]

Acquirer: Hotelbeds Group [Spain]

- Online travel services to offer hotels, flights and cruises





Internet Application Software Market

Deal Spotlight: Travel

EV/EBITDA

EV/S

momondo

Sold to

priceline.com[®]

Target: Momondo Group [Denmark]
Acquirer: The Priceline Group [USA]
Transaction Value: \$550M

- Online travel booking services for airlines, cruises, hotel and car rentals
- Bolsters Priceline's flight metasearch engine, Kayak

EV/EBITDA	23.52 x	23.08 x	22.58 x	23.49 x	23.13 x	20.76 x	22.21 x	20.40 x	19.07 x	18.57 x	20.12 x	21.80 x	21.78 x
EV/S	3.75 x	3.60 x	3.50 x	3.71 x	4.00 x	4.54 x	4.76 x	4.32 x	4.11 x	3.81 x	4.16 x	4.14 x	3.99 x

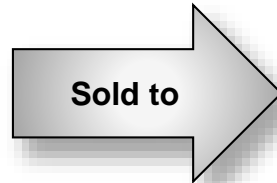


Internet Application Software Market

Deal Spotlight: E-Commerce

EV/EBITDA

EV/S



Target: Souq.com [UAE]

Acquirer: Amazon.com [USA]

Transaction Value: \$793M

- Online retailer of new and used consumer goods and products
- Establishes Amazon's presence in the Middle Eastern region

EV/EBITDA	23.52 x	23.08 x	22.58 x	23.49 x	23.13 x	20.76 x	22.21 x	20.40 x	19.07 x	18.57 x	20.12 x	21.80 x	21.78 x
EV/S	3.75 x	3.60 x	3.50 x	3.71 x	4.00 x	4.54 x	4.76 x	4.32 x	4.11 x	3.81 x	4.16 x	4.14 x	3.99 x



Internet Application Software Market

Deal Spotlights: E-Commerce

EV



EV/S

Target: Shoebuy.com [IAC] [USA]
Acquirer: Jet.com [Walmart] [USA]
Transaction Value: \$70M

5.50 x

5.00 x

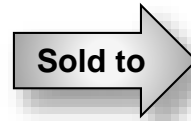
4.50 x

- Online retailer of footwear, handbags, apparel and clothing accessories

4.00 x

20

MODCLOTH



3.50 x

Target: ModCloth [USA]
Acquirer: Jet.com [Walmart] [USA]
Transaction Value: \$50-75M (reportedly)

3.00 x

2.50 x

2.00 x

- Online retailer of vintage-style clothing and accessories for women

1.50 x

EV
EV/S

x

Internet Application Software Market

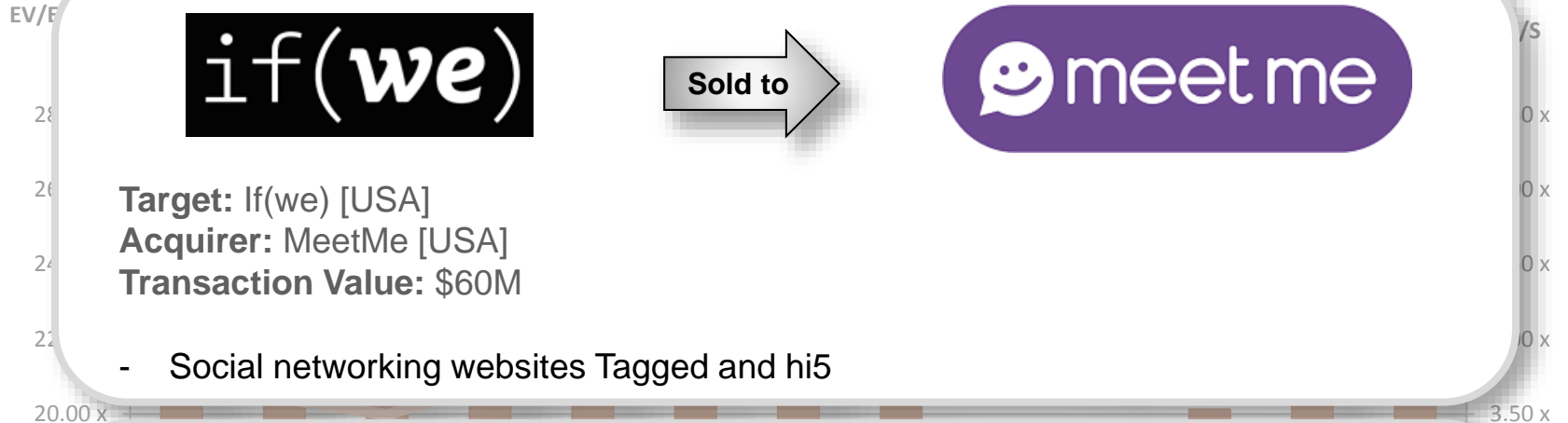
Deal Spotlights: Ticketing





Internet Application Software Market

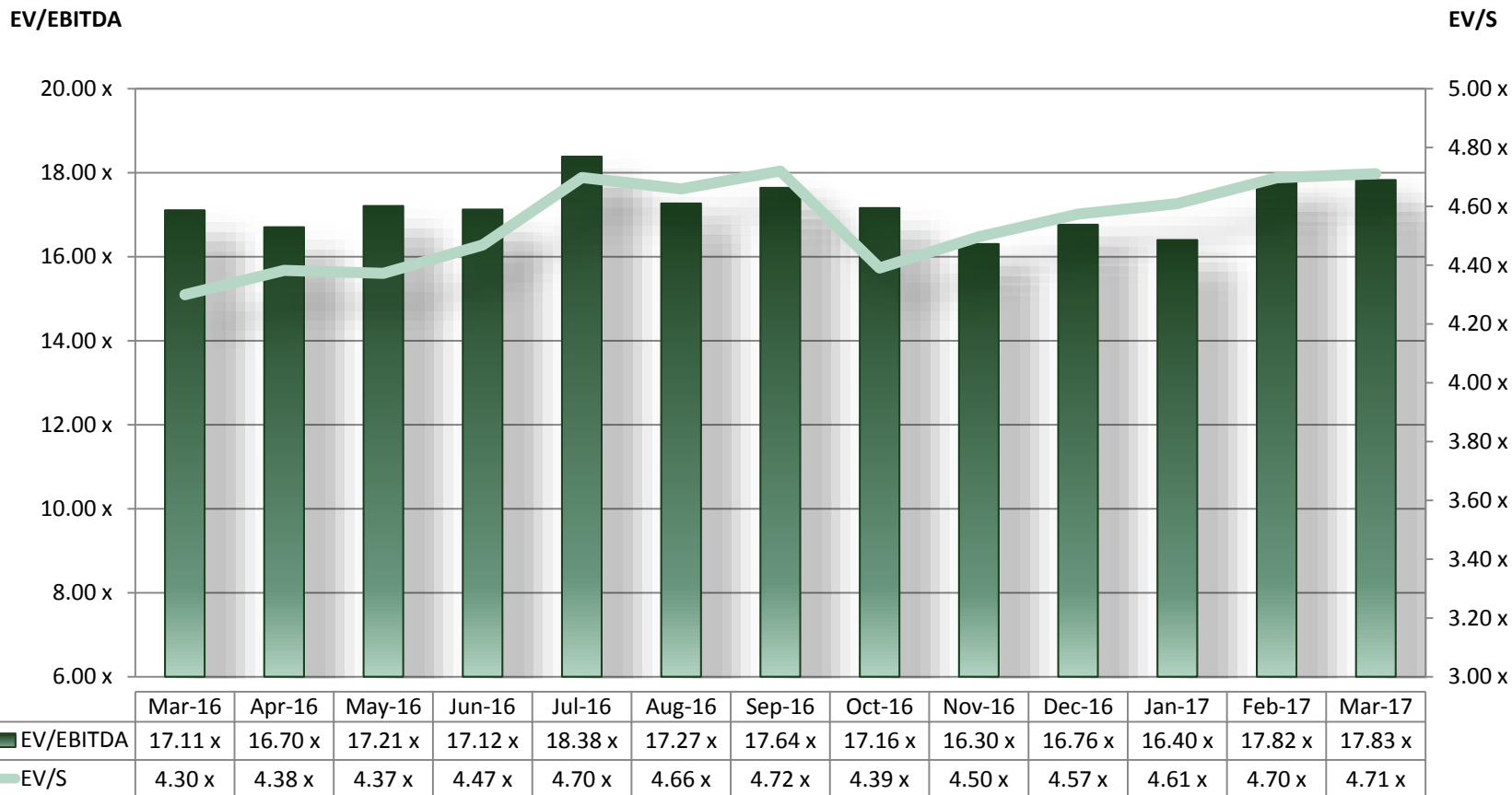
Deal Spotlights: Social Networking



































EV/EBITDA
 EV/Sales

Vertical Application Software Market

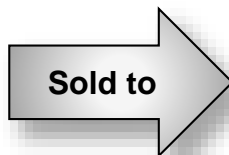
Public Valuation Multiples



Vertical Application Software Valuations

Subsector		Sales	EBITDA	Examples		
A/E/C		5.83x	22.65x			
Automotive		4.92x	20.65x			
Energy & Environment		4.80x	19.78x			
Financial Services		5.06x	16.42x			
Government		1.91x	12.76x			
Healthcare		4.17x	21.01x			
Real Estate		6.97x	23.61x			
Vertical Other		4.54x	13.90x			

2017 Mega Deals – YTD



Target: Mobileye [Israel]

Acquirer: Intel [USA]

Transaction Value: \$15.3B (41.0x EV/Sales and 117.6x EBITDA)

- EyeQ system-on-chip, semiconductors and related systems for automakers

all funds BANK	HELLMAN & FRIEDMAN	\$1.9B
DigitalGlobe	MDA	\$2.4B

INTERNET

\$4.3B

nimble storage	Hewlett Packard Enterprise	\$1.1B
LANDESK	CLEARWAVE CAPITAL	\$1.1B
ixia	KEYSIGHT TECHNOLOGIES	\$1.6B
APPDYNAMICS	CISCO	\$3.7B

INFRASTRUCTURE

\$7.5B

CEB	Gartner	\$2.6B
Novitex	exela	\$2.8B
SourceHOV	Tax	\$4.3B
AON	The Blackstone Group	\$4.3B

IT SERVICES

\$9.7B

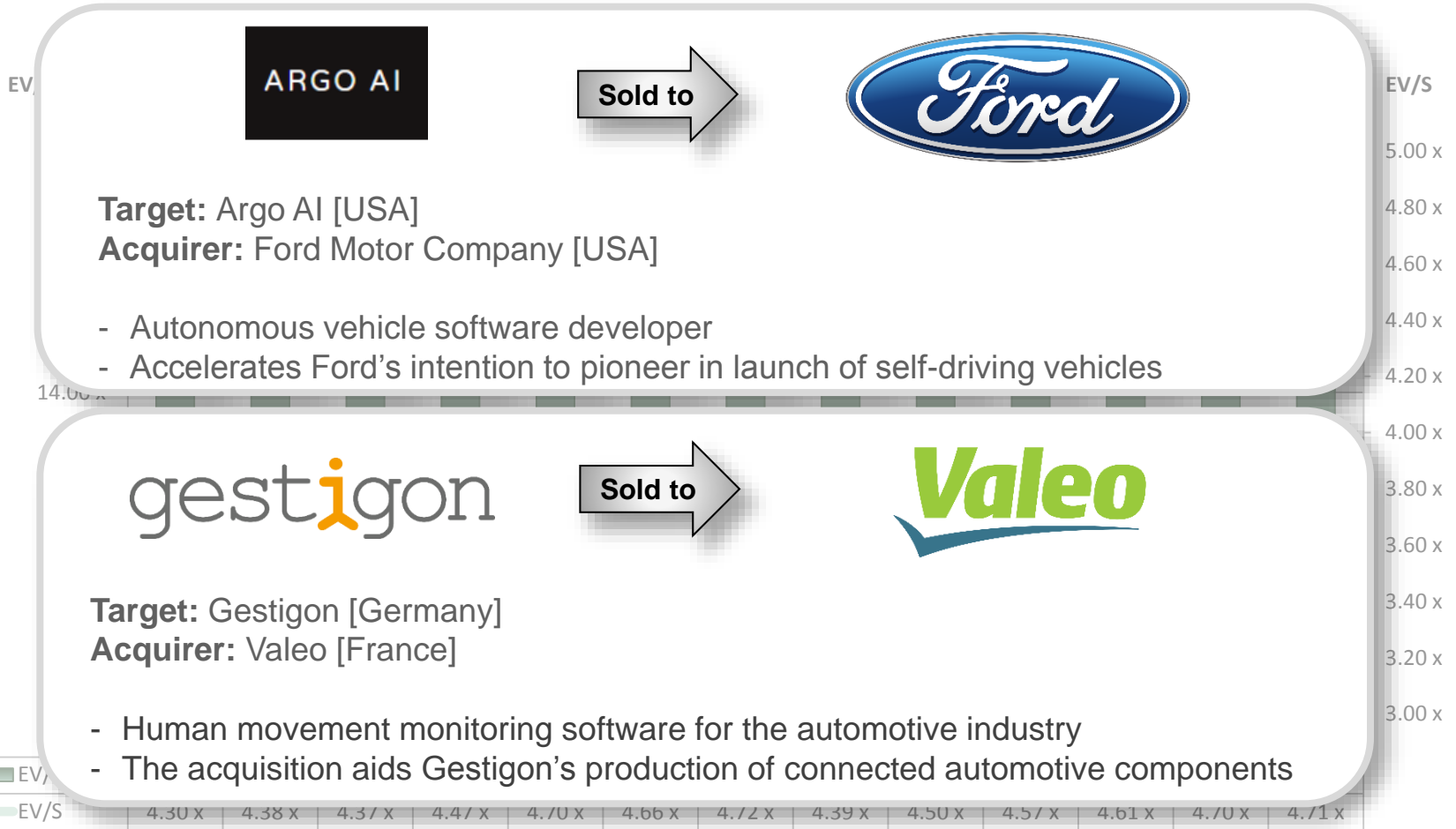
covermymeds	MCKESSON	\$1.1B
D+H	Vista Equity Partners	\$2.0B
MOBILEYE	intel	\$15.3B

VERTICAL

\$18B

Vertical Application Software Market

Deal Spotlights: Automotive



Vertical Application Software Market

Deal Spotlights: Financial Services

EV

BISAM  **FACTSET**


Target: BISAM [Aquiline Capital Partners] [France]
Acquirer: FactSet [USA]
Transaction Value: \$205.2M

- Financial BI software
- Enhances FactSet's risk analysis for derivatives and quantitative portfolio construction

EV/S

5.00 x
4.80 x
4.60 x
4.40 x
4.20 x
4.00 x

1

  **GENPACT**

Target: Rage Frameworks [USA]
Acquirer: Genpact [India]

- Data analytics and aggregation software and SaaS
- The deal strengthens Genpact's artificial intelligence capabilities

EV

3.80 x
3.60 x
3.40 x
3.20 x
3.00 x

2017 Mega Deals – YTD


➔


Sold to

Target: DH Corporation [Canada]

Acquirer: Vista Equity Partners Management [USA]

Transaction Value: \$2.0B (2.8x EV/Sales)



MISYS
FINANCIAL SOFTWARE

- Transaction processing services and financial technology software

 	\$1.9B
 	\$2.4B

INTERNET

\$4.3B

 	\$1.1B
 	\$1.1B
 	\$1.6B
 	\$3.7B

INFRASTRUCTURE

\$7.5B

 	\$2.6B
 	\$2.8B
	
 	\$4.3B

IT SERVICES

\$9.7B

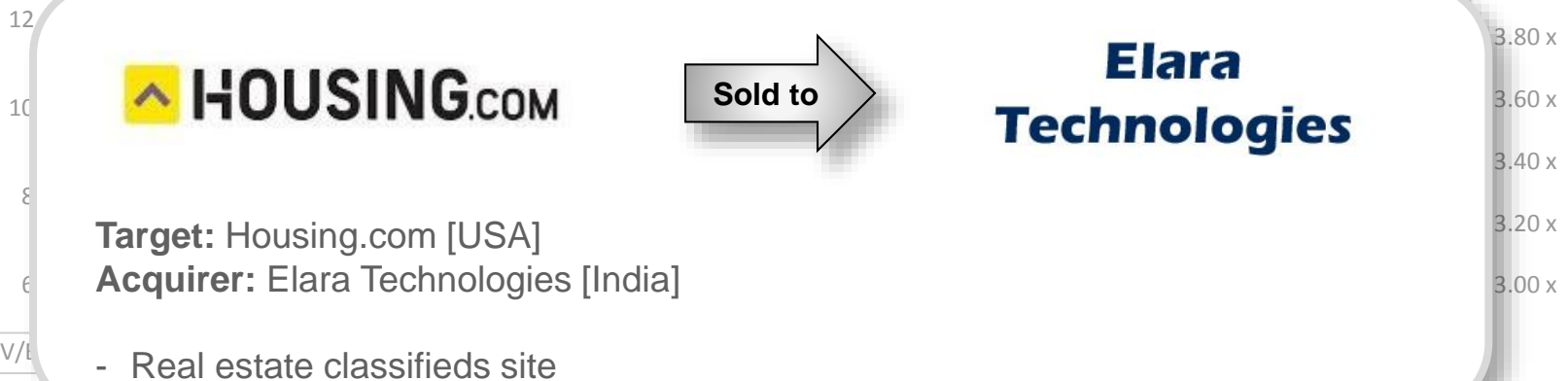
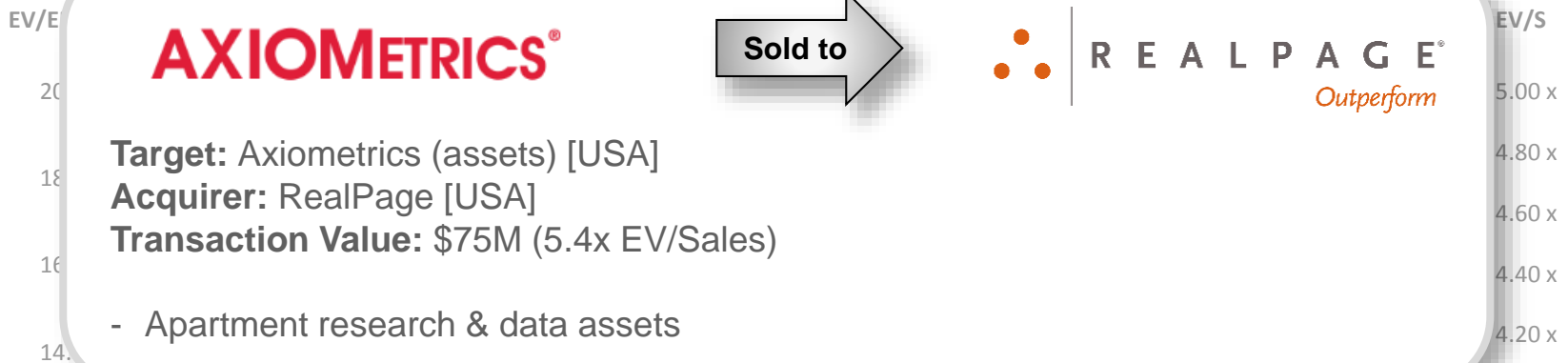
 	\$1.1B
 	\$2.0B
 	\$15.3B

VERTICAL

\$18B

Vertical Application Software Market

Deal Spotlights: Real Estate



EV/E
EV/S

Vertical Application Software Market

Deal Spotlights: Real Estate

EV



Sold to



EV/S

5.00 x

4.80 x

4.60 x

4.40 x

4.20 x

4.00 x

Target: Hometrack.co.uk [United Kingdom]

Acquirer: ZPG [fka Zoopla Property Group] [United Kingdom]

- Online reference content and analysis of real estate prices and residential property trends

1.

2.



Sold to



3.80 x

3.60 x

3.40 x

3.20 x

3.00 x

Target: Expert Agent [USA]

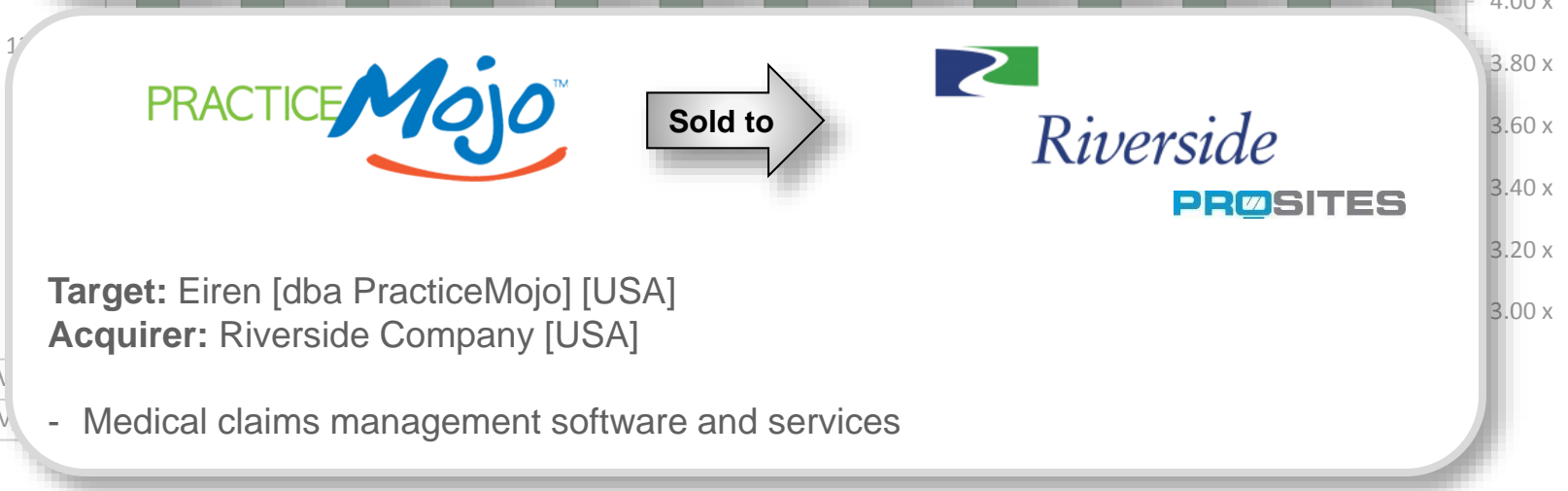
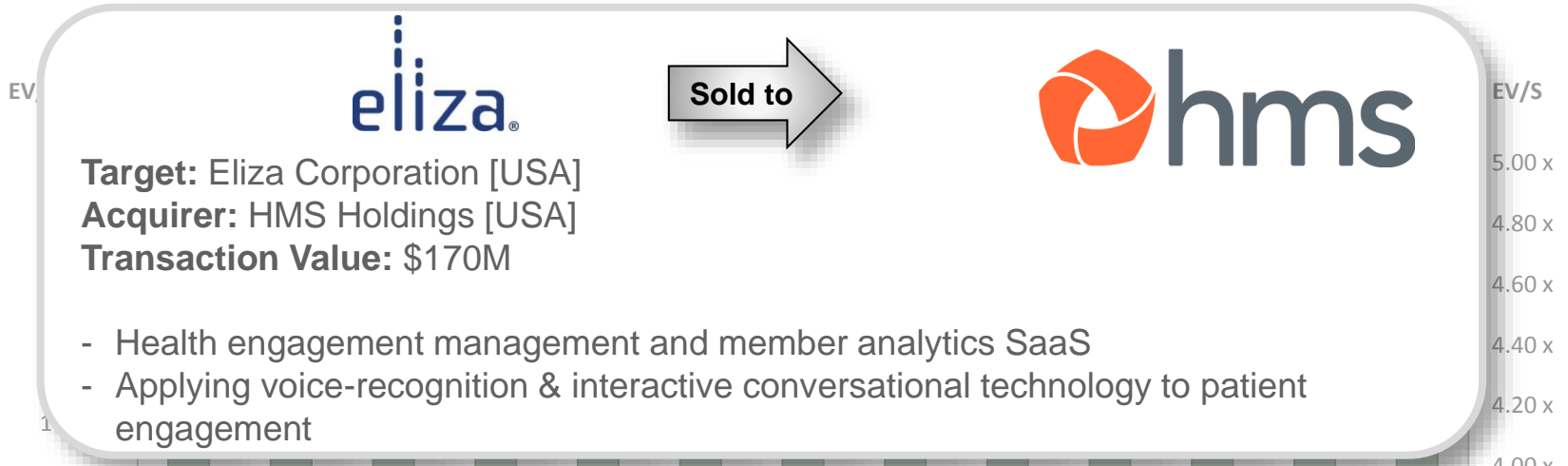
Acquirer: ZPG [fka Zoopla Property Group] [United Kingdom]

- Web-based property listing search, inventory and marketing management software

EV
EV/S

Vertical Application Software Market

Deal Spotlights: Healthcare



EV
EV

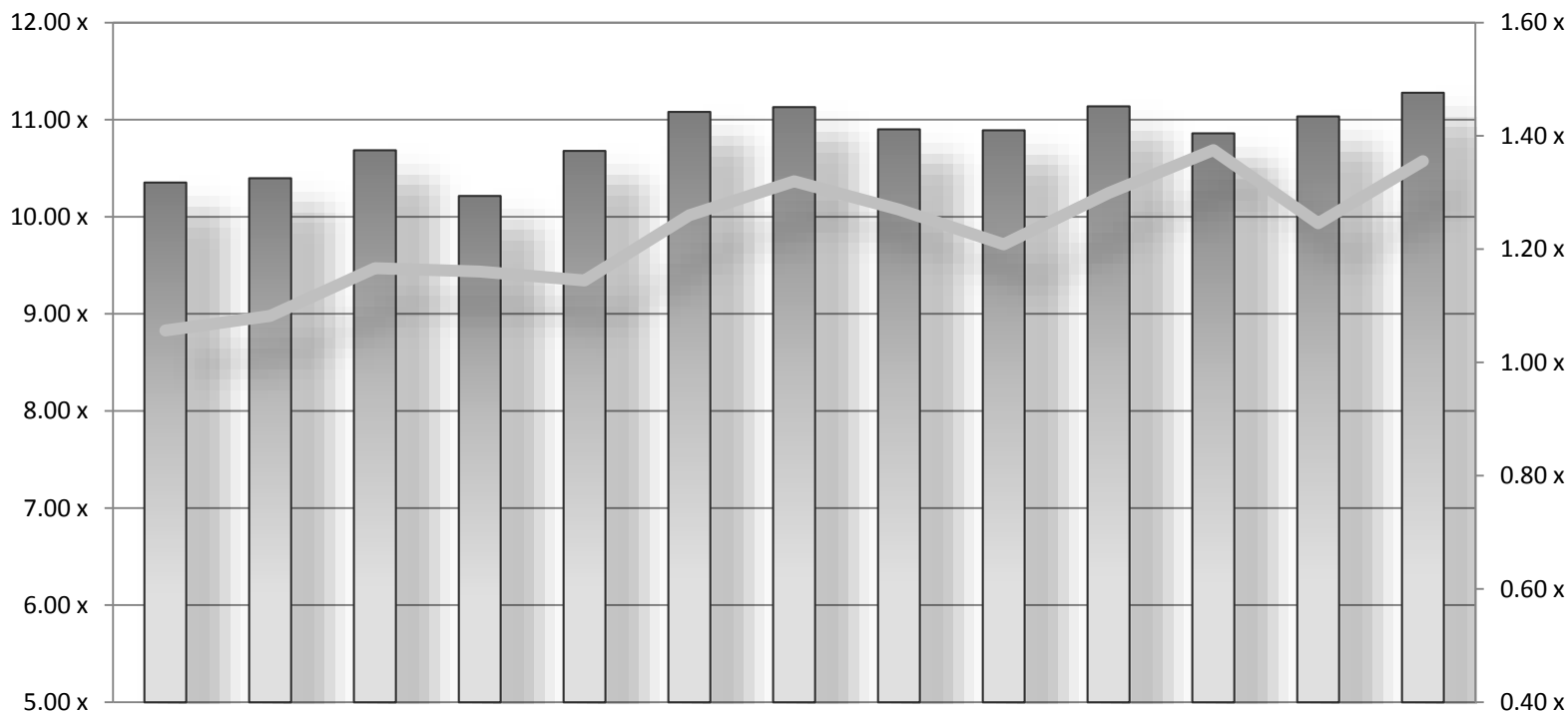


IT Services – Developed Markets

Public Valuation Multiples

EV/EBITDA

EV/S



	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
EV/EBITDA	10.35 x	10.40 x	10.69 x	10.21 x	10.68 x	11.08 x	11.13 x	10.90 x	10.89 x	11.14 x	10.86 x	11.03 x	11.28 x
EV/S	1.06 x	1.08 x	1.17 x	1.16 x	1.14 x	1.26 x	1.32 x	1.27 x	1.21 x	1.30 x	1.37 x	1.25 x	1.36 x

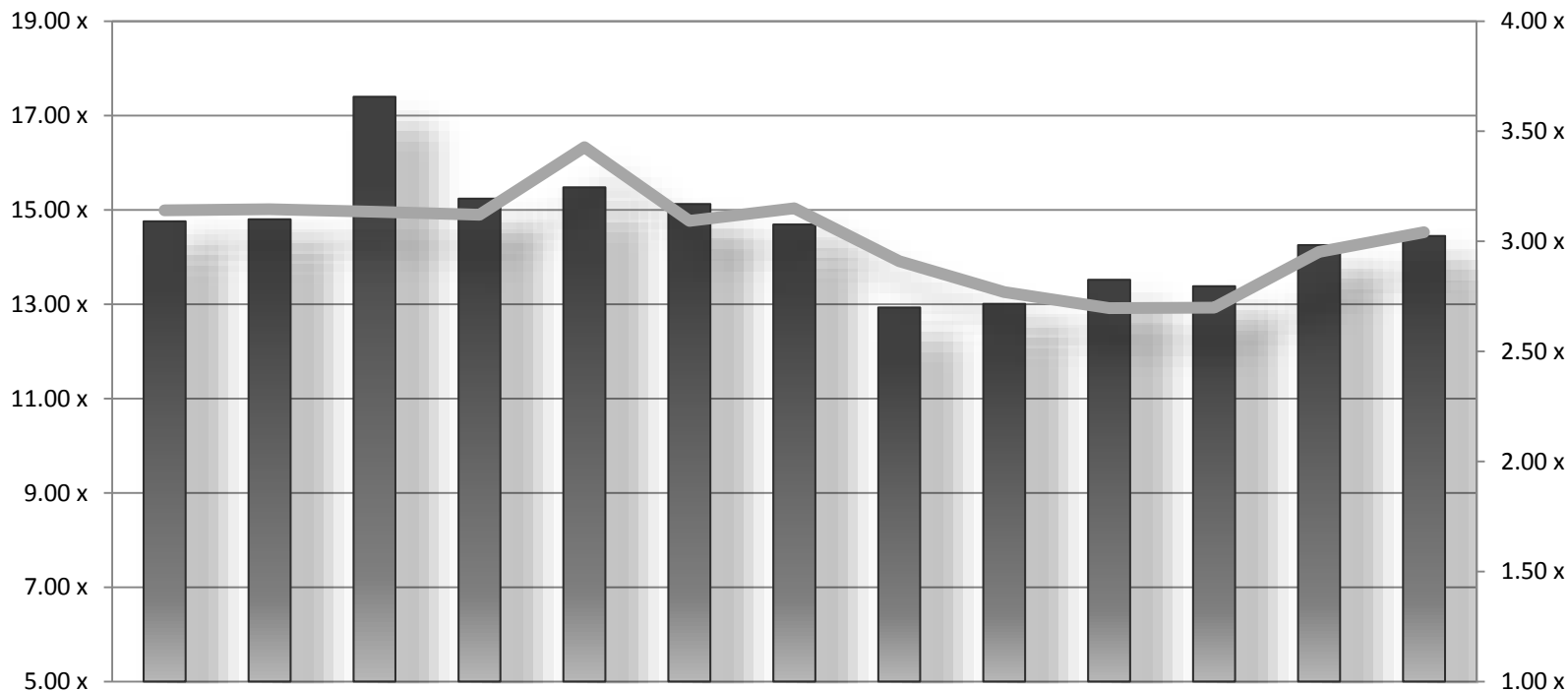


IT Services – Emerging Markets

Public Valuation Multiples



EV/EBITDA

EV/S

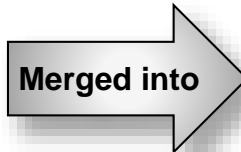


	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
EV/EBITDA	14.76 x	14.80 x	17.40 x	15.24 x	15.48 x	15.12 x	14.69 x	12.93 x	13.01 x	13.52 x	13.38 x	14.25 x	14.45 x
EV/S	3.14 x	3.15 x	3.13 x	3.12 x	3.43 x	3.09 x	3.15 x	2.91 x	2.77 x	2.70 x	2.70 x	2.95 x	3.04 x

IT Services Valuations

Subsector		Sales	EBITDA	Examples		
Developed	—	1.36x	11.28x	accenture	 Capgemini	 CSC
Emerging	▲	3.04x	14.45x	Infosys	 WIPRO Applying Thought	 GENPACT

2017 Mega Deals – YTD



Targets: Novitex Enterprise Solutions Inc / SourceHOV LLC
New Entity: Exela Technologies
Transaction Value: \$2.8B (1.9x EV/Sales)

- The combination of two companies in document outsourcing and EDI services

	HELLMAN & FRIEDMAN 	\$1.9B
		\$2.4B

INTERNET

\$4.3B

		\$1.1B
		\$1.1B
		\$1.6B
		\$3.7B

INFRASTRUCTURE

\$7.5B

		\$2.6B
		\$2.8B
		\$4.3B

IT SERVICES

\$9.7B

		\$1.1B
		\$2.0B
		\$15.3B

VERTICAL

\$18B



IT Services – Developed Markets

Deal Spotlights: Autodesk Services



EV/S

1.60 x

1.40 x

1.20 x

1.00 x

0.80 x

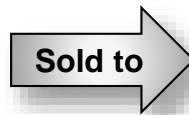
0.60 x

0.40 x

Target: IRISCO du Quebec Inc. (Autodesk services division) [Canada]

Acquirer: SolidCAD Solutions [Canada]

- Autodesk-based CAD systems integration services and IT consulting services
- Positions Cansel as a market leader in SolidCAD offerings



Target: PacifiCAD Inc [USA]

Acquirer: iMAGINiT Technologies [Canada]

- AutoCAD and Autodesk systems integration, consulting, VAR and training services
- Expands iMAGINiT's employee and customer base in Pacific Northwest

EV/S	1.06 x	1.08 x	1.17 x	1.16 x	1.14 x	1.26 x	1.32 x	1.27 x	1.21 x	1.30 x	1.37 x	1.25 x	1.36 x
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IT Services – Developed Markets

Deal Spotlights: Translation & Localization services

EV



EV/S

Target: Lucy Software and Services GmbH [Germany]

Acquirer: United Language Group Inc. [Northern Pacific Group] [USA]

- SAP and machine translation and localization software and integration and IT consulting services

1.60 x

1.40 x

1.20 x

1.00 x

0.80 x

0.60 x

0.40 x

10.00 x



Lionbridge

Target: Exequo [France]

Acquirer: Lionbridge Technologies Inc. [H.I.G. Capital] [USA]

- Outsourced in-game text, audio and visual geographic localization and translation services



Target: LUZ Inc. [USA]

Acquirer: RWS Holdings plc [dba RWS Group] [United Kingdom]

Transaction Value: \$82.5M

- Outsourced translation services, and related project management SaaS, for the life sciences, pharmaceutical and medical sectors

EV

EV



IT Services – Developed Markets

Deal Spotlights: Cloud Migration



EV/S

1.60 x

1.40 x

1.20 x

1.00 x

0.80 x

0.60 x

0.40 x

Target: AppBridge [Canada]

Acquirer: Google [USA]

- On-premise file and data analysis, management and cloud migration SaaS
- Helps Google patch its data migration services for G suite



Target: Day1 Solutions (assets) [USA]

Acquirer: Deloitte [USA]

Transaction Value: \$550M

- Cloud and on-premise managed services such as storage design, AWS migration and integration

EV/S

1.06 x

1.08 x

1.17 x

1.16 x

1.14 x

1.26 x

1.32 x

1.27 x

1.21 x

1.30 x

1.37 x

1.25 x

1.36 x

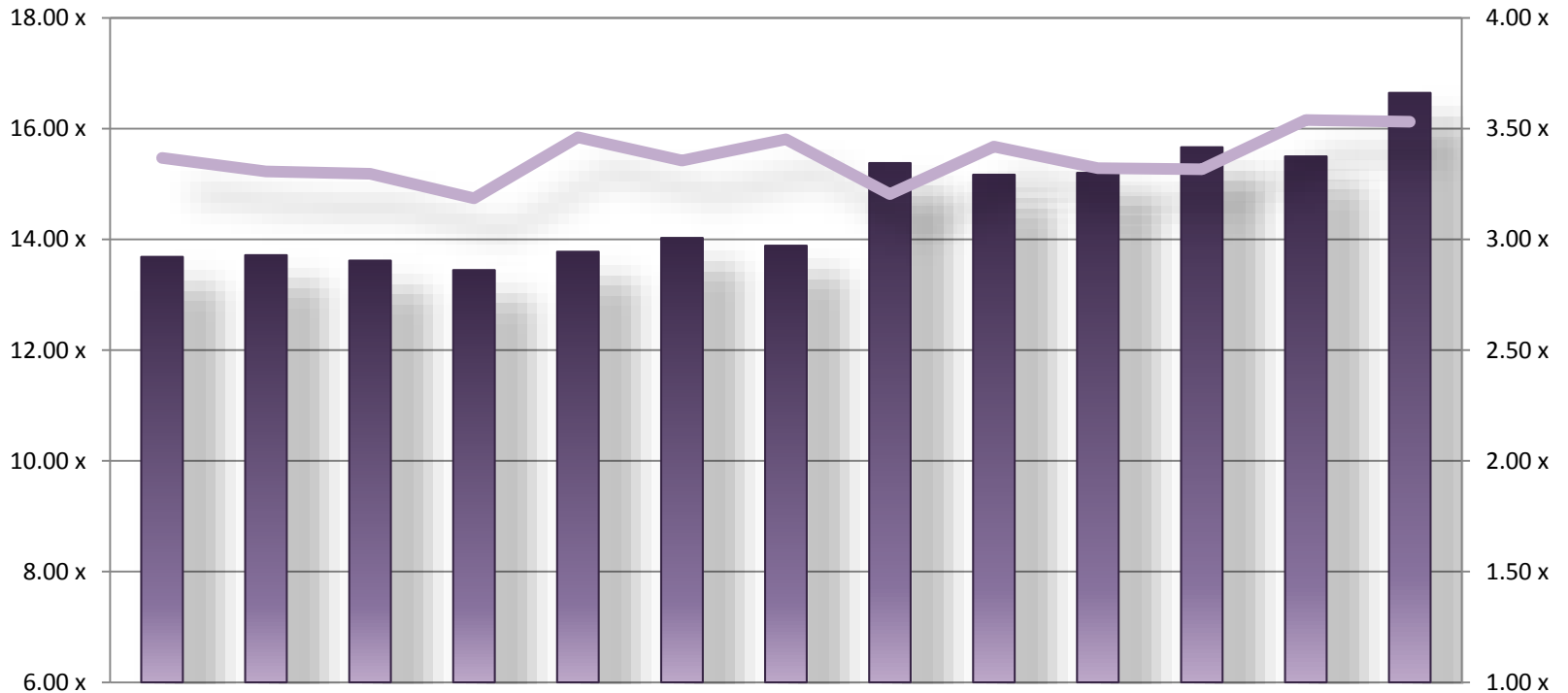


Infrastructure Software Market

Public Valuation Multiples



















EV/EBITDA

EV/S



	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
EV/EBITDA	13.68 x	13.71 x	13.62 x	13.45 x	13.78 x	14.03 x	13.89 x	15.38 x	15.17 x	15.20 x	15.66 x	15.50 x	16.65 x
EV/S	3.37 x	3.31 x	3.30 x	3.19 x	3.46 x	3.36 x	3.45 x	3.20 x	3.42 x	3.32 x	3.32 x	3.54 x	3.53 x

Infrastructure Software Market

Subsector		Sales	EBITDA	Examples		
Endpoint	—	3.63x	16.88x			
IT Services Management	▲	4.60x	30.41x			
Network Management	▲	2.72x	9.14x			
Security	▲	3.59x	19.45x			
Storage & Hosting	▼	2.31x	13.05x			
Other	▲	5.26x	14.33x			



Infrastructure Software Market

Deal Spotlights: Security



Target: LightCyber [USA]
Acquirer: Palo Alto Networks Inc. [USA]
Transaction Value: \$105M (21x EV/Sales)

- Behavior-based profiling SaaS



Target: Niara [USA]
Acquirer: Hewlett Packard Enterprise [USA]

- Machine learning-enabled behavioral analytics SaaS

EV/S

4.00 x

3.50 x

3.00 x

2.50 x

2.00 x

1.50 x

1.00 x

17

16.65 x

EV/Sales	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050		
EV/S	3.37 x	3.31 x	3.30 x	3.19 x	3.46 x	3.36 x	3.45 x	3.20 x	3.42 x	3.32 x	3.32 x	3.54 x	3.53 x																						



Infrastructure Software Market

Deal Spotlights: Security



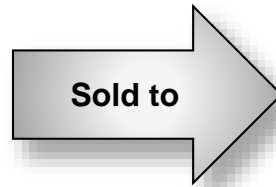


Infrastructure Software Market

Deal Spotlight: Security

EV/EBITDA

EV/S



Target: Agile 3 Solutions [USA]

Acquirer: IBM Corporation [USA]

- Security-focused governance, risk and compliance visualization software
- As part of the deal, IBM purchases Agile 3 sub-contractor, Ravy Technologies

	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
EV/EBITDA	13.68 x	13.71 x	13.62 x	13.45 x	13.78 x	14.03 x	13.89 x	15.38 x	15.17 x	15.20 x	15.66 x	15.50 x	16.65 x
EV/S	3.37 x	3.31 x	3.30 x	3.19 x	3.46 x	3.36 x	3.45 x	3.20 x	3.42 x	3.32 x	3.32 x	3.54 x	3.53 x



Infrastructure Software Market

Deal Spotlights: Identity Management



Sold to



Target: Pip Learning Technologies [USA]

Acquirer: Authentica Solutions [USA]

- Software as a service that regulates identity and access management
- Pip Learning's Single Sign-On solution boosts Authentica's opportunities in K-12



Sold to



Target: Digidentity [Netherlands]

Acquirer: Solera Holdings [Vista Equity Partners] [USA]

- Online identity authentication SaaS
- Expands Solera's high-assurance solutions for digital identity protection and verification

EV/S

4.00 x

3.50 x

3.00 x

2.50 x

2.00 x

1.50 x

1.00 x



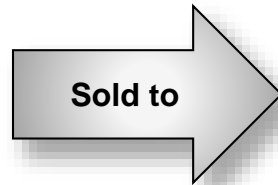
Infrastructure Software Market

Deal Spotlight: IoT Services

EV/EBITDA

EV/S

ZENTRI




SILICON LABS

Target: Zentri [USA]

Acquirer: Silicon Laboratories [USA]

- Connected device embedded operating systems and device management SaaS
- Extends Silicon Labs' multiprotocol connectivity portfolio

EV/EBITDA	3.37 x	3.31 x	3.30 x	3.19 x	3.46 x	3.36 x	3.45 x	3.20 x	3.42 x	3.32 x	3.32 x	3.54 x	3.53 x
EV/S													



Infrastructure Software Market

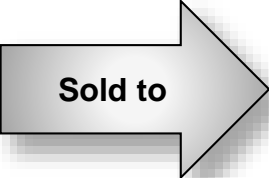
Deal Spotlight: IoT Analytics

EV/EBITDA

EV/S

22.00 x

4.00 x



Target: DataRPM [USA]
Acquirer: Progress Software [USA]
Transaction Value: \$30M

- Machine-learning predictive analytics SaaS for industrial IoT
- The acquisition reinforces Progress' predictive analytics capabilities

EV/...

0 x
0 x
0 x
0 x



Infrastructure Software Market

Deal Spotlights: Testing Software

SOASTA

Sold to



Target: SOASTA [USA]

Acquirer: Akamai Technologies [USA]

Transaction Value: \$200M (6.3x EV/Sales)

- Web and mobile application testing software
- SOASTA was ranked as one of Wall Street Journal's "Next Big Things" back in 2012

TRICENTIS

Sold to

INSIGHT
VENTURE PARTNERS

Target: Tricentis [Germany]

Acquirer: Insight Venture Partners [USA]

Transaction Value: \$165M (4.7x EV/Sales)

- Enterprise software testing and quality analysis (QA) software
- Attracted Insight by agile transition to DevOps platforms and cost-efficient automated testing

EV/S

4.00 x

3.50 x

3.00 x

2.50 x

2.00 x

1.50 x

1.00 x

2017 Mega Deals – YTD

ixia



KEYSIGHT TECHNOLOGIES

Target: Ixia [USA]

Acquirer: Keysight Technologies [USA]

Transaction Value: \$1.6B (3.2x EV/Sales and a19.5x EBITDA)

- Network application performance testing and simulation systems

	HELLMAN & FRIEDMAN 	\$1.9B
		\$2.4B

INTERNET

\$4.3B

	Hewlett Packard Enterprise	\$1.1B
		\$1.1B
		\$1.6B
		\$3.7B

INFRASTRUCTURE

\$7.5B

		\$2.6B
		\$2.8B
	The Blackstone Group	\$4.3B

IT SERVICES

\$9.7B

		\$1.1B
		\$2.0B
		\$15.3B

VERTICAL

\$18B

CORUM



Infrastructure Software Market

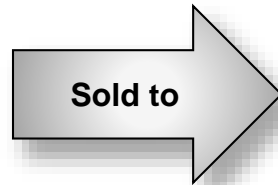
Deal Spotlight: Other

EV/EBITDA

EV/S

18.00 x

4.00 x



Target: BlueCat Networks [USA]

Acquirer: Madison Dearborn Partners [USA]

Transaction Value: \$325M (5.4x EV/Sales)

- Software-based domain name services (DNS), Dynamic Host Configuration Protocol (DHCP) and IP address management SaaS

EV/EBITDA	13.68 x	13.71 x	13.62 x	13.45 x	13.78 x	14.03 x	13.89 x	15.38 x	15.17 x	15.20 x	15.66 x	15.50 x	16.65 x
EV/S	3.37 x	3.31 x	3.30 x	3.19 x	3.46 x	3.36 x	3.45 x	3.20 x	3.42 x	3.32 x	3.32 x	3.54 x	3.53 x



Infrastructure Software Market

Deal Spotlight: Other

 **WAVEFRONT**

Sold to

vmware[®]

Target: Wavefront [USA]

Acquirer: VMware [Dell] [USA]

- Virtual environments, microservice, and container-based applications real-time monitoring software
- Complements VMware's vRealize portfolio and bolsters its suite of cross-cloud management services

Corum Research Report



Elon Gasper
EVP, Research



Amber Stoner
Director of Research



Yasmin Khodamoradi
Director, Valuation Services



Amanda Tallman
Senior Analyst



Thomas Wright
Analyst



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