TECH M&A MONTHLY

….starts in 2 minutes

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Past Attendees Include:

Past Conferences & Reports

- Private Equity Panel
- Buyers Panel
- Google Acquisition Strategy
- Crowdfunding M&A Impact
- Special Reports: SaaS, Mobile, Gaming, Social, Cloud, Geospatial, Security
- Special Reports: Facebook Effect, Dell, Microsoft, HP, IBM…

TECH M&A MONTHLY

….starts in 1 minute

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Merge Briefing

- 90 Minutes
- Industry Update
- Overview of the M&A Process
- Upcoming events in:

- Seattle
- Chicago
- Cleveland
- Tel Aviv
- Phoenix
- Madrid
- Atlanta
- Grenoble
- Miami
- Orlando
- Paris
- Amsterdam

MERGE BRIEFING

CORUM

Selling Up, Selling Out

- Half-Day
- Tech M&A Bootcamp
- The most attended tech executive conference in history
- Upcoming events in:
  - Columbus
  - Toronto
  - Tel Aviv
  - London
  - Vancouver BC

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SELLING UP
SELLING OUT

8 Stages for an **Optimal Outcome**

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Typical Negotiation Flow

AVOIDING THE

DEAL DISASTERS

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Upcoming Conference Schedule

Selling Up Selling Out (SUSO) - Ready to go to market? During this half-day workshop, learn to prepare, position, research, value, negotiate, and execute due diligence for maximum price and structure. This is the most attended Tech M&A event ever – participants have done over $1 trillion in transaction value.

Merge Briefing (MB) - The Merge Briefing is a 90-minute executive briefing providing a current M&A market update (trends, valuations, etc.), as well as a brief overview of the Tech M&A process: "8 Steps To An Optimal Outcome."

Jan. 20: **Seattle** – MB

Jan. 26: **Chicago** – MB

Jan. 27: **Cleveland** – MB

Jan. 28: **Phoenix** – MB

Feb. 2: **Atlanta** – MB

Feb. 9: **Miami** – MB

Feb. 11: **Orlando** – MB

Feb. 16: **Paris** – MB

Feb. 17: **Tel Aviv** – MB

Feb. 17: **Amsterdam** – MB

Feb. 22: **Tel Aviv** – SUSO

Feb. 24: **San Francisco** – SUSO

Feb. 25: **Palo Alto** – SUSO

Mar. 8: **Grenoble**– MB

Mar. 8: **London** – SUSO

Mar. 9: **Dublin**– MB

www.CorumGroup.com/Events

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Logistics

- Ask questions any time
  - Use Q&A tab on bottom of screen
  - Click “Refresh Now” to view responses

- This event is being recorded
  - European broadcast January 15, 1 PM Berlin Time
  - On demand webcast will be available at www.corumgroup.com

Global Tech M&A Monthly Forecast 2016

January 14, 2016

Join the conversation!

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#FORECAST2015

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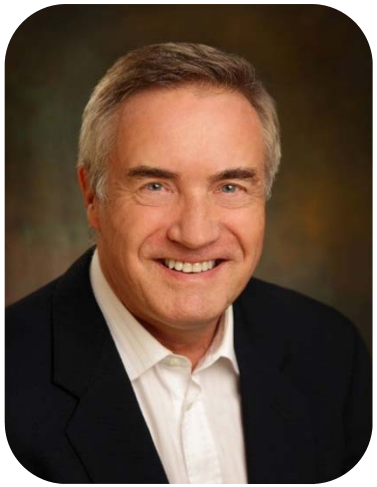
Welcome



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.

5 Reasons for Continued Growth

1. Record cash – strategic & financial buyers
2. Strategic imperative – acquire or perish
3. Solid growth/financial markets
4. More global buyers than ever
5. Inexpensive debt (PE buyouts)

Moderator

Nat Burgess
President
Corum Group Ltd.

Nat joined Corum in 1996 and brings a diverse background in technology M&A and law. While with the Enforcement Division of the U.S. Securities and Exchange Commission, Nat helped identify and build cases against securities fraud schemes. With the Strategic Development Division of Morgan Stanley's M&A group, Nat worked on cross-border acquisitions of U.S. and European companies by Japanese firms, and on financings by large Japanese public companies. Nat moved to Morgan Stanley's Tokyo office, where he reported directly to the President of Morgan Stanley, Japan Ltd. and focused exclusively on cross-border M&A.

After Morgan Stanley, Nat co-founded Postcard Software, a creator of advertiser-driven bilingual (English and Japanese) Internet content. At Activision, Nat led the company's on-line business development.

Nat earned an undergraduate degree in Japanese literature from Yale College and a law degree from UCLA. While in law school, Nat wrote articles for the International Forum at Yale, Tokyo Journal.

Agenda

- Welcome
- Field Report: SIGNificant Software acquired by Namirial
- 2016 Predictions
- Top 10 Tech Trends 2016
- Research Report
- Luminary Panel
  - Peter Coffee – salesforce.com
  - Dr. Karl Popp – SAP
  - Reese Jones – Singularity University
  - Mukund Mohan – Microsoft Ventures
- Closing Thoughts
- Q&A

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Field Report: SIGNificant Software acquired by Namirial

Jon Scott
Senior Vice President
Corum Group Ltd.

- E-signing SaaS
- Signature verification and capture
- DTM solutions compliant throughout the EU

Namirial
Information Technology
has acquired
xyzmo
SIGNificant SIGNATURE SOLUTIONS
Corum acted as the exclusive advisor to Xyzmo
CORUM
MERGERS & ACQUISITIONS

Corum 2015 Prediction Scorecard

0	Chinese web companies move in to the US slowly, with a tempered eastern flavor. Then, Alibaba buys Yahoo.
5	Google gives up on Glass hardware, sells assets to Lenovo, waits for acceptance to build software tools.
6	Major IT Services firms shift significant resources and focus to the Internet of Things.
7	Adtech companies continue to be in high demand outside of their sector—and even outside of media & technology.
10	Wearable fitness tech begins to become integrated into overall healthcare.
10	Security breaches do not slow down yet, and first major IoT breach occurs.
10	Major fashion retailer or designer makes major move into wearable technology.

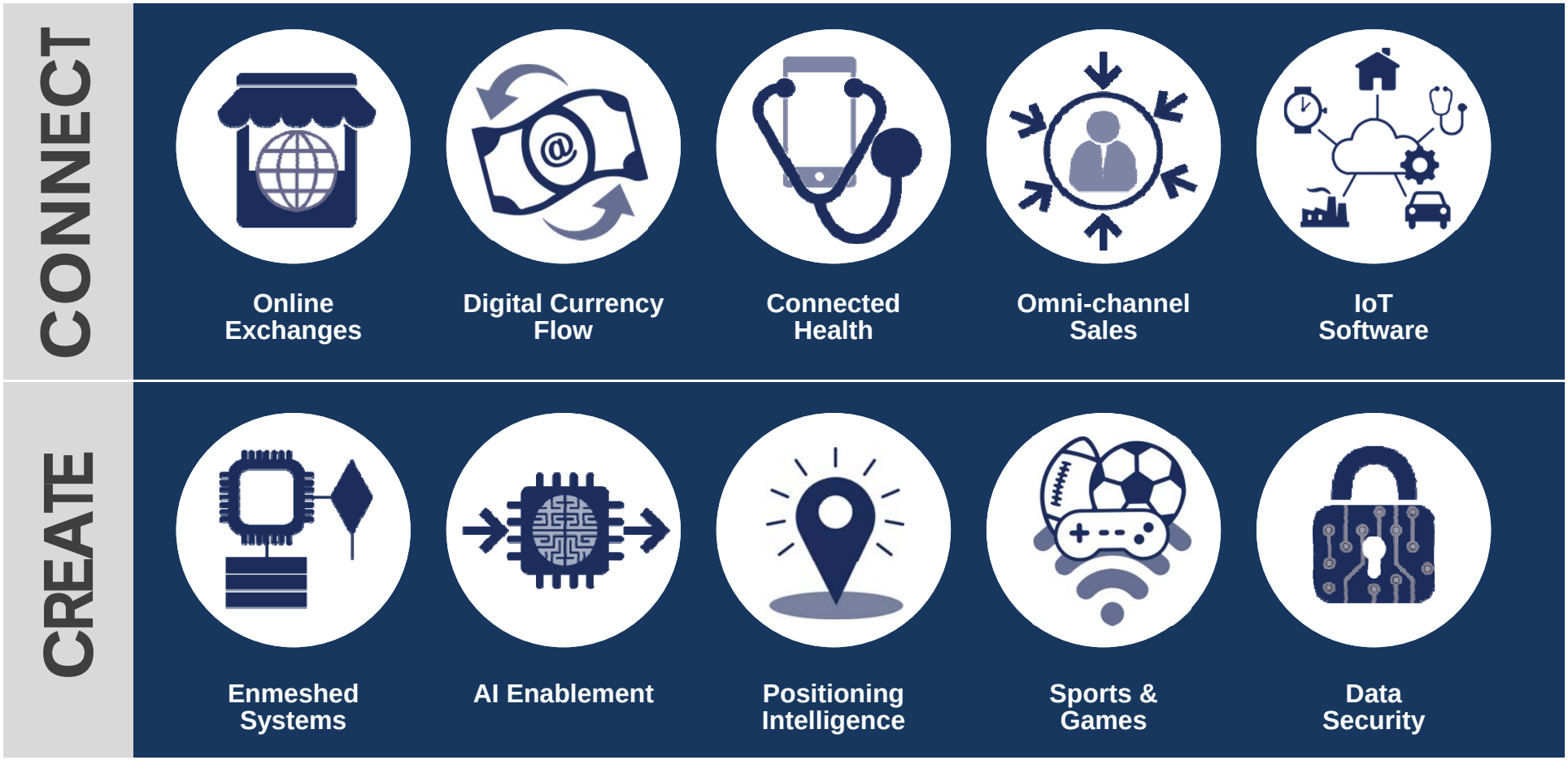
Corum 2016 Predictions

- Vehicles, not houses or cities, become the central hub of the IoT—driving a global M&A wave with multiple megadeals.
- Food ordering & delivery apps integrated into gaming & social media.
- Asian Internet giants acquire strategic European travel sites and services.
- Consumer traction in entry-level VR driven by immersive sports and viral videos—not games.

Corum 2016 Predictions

- Apple makes a major acquisition in the IoT or Enterprise space.
- Private Equity acquires an underperforming public Internet company such as Groupon, RetailMeNot or Yahoo.
- Booming Indian product M&A doubles, including at least one megadeal.
- Drone software M&A takes off, with image processing and analytics at the forefront.

Corum Top Ten Technology Trends 2016



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#1: Online Exchanges

Connecting Creators & Consumers

John Norton
Vice President
Corum Group Ltd.

Over the last 20 years, John has founded and led multiple technology ventures. He has experience in outsourced software development, web hosting services, cloud technologies and SaaS. John has been involved in the sale of 2 technology businesses.

Most recently, John was President of iHost Networks, a leading provider of web hosting services for SMBs. iHost was one of the first shared web hosts to move its entire infrastructure to Microsoft Azure. He led the sale of iHost in 2014 to a private buyer.

John was a partner in MicroCrafts, Inc., a Redmond, WA based custom software development firm. The company built applications, on contract, for leading technology companies such as Hewlett Packard as well as venture-backed startups. MicroCrafts was sold to publicly traded Metamor Worldwide. From 1999-2001, John held the position of VP of Professional Services at Stamps.com.

John holds a BA in Economics from the University of Washington.

#1: Online Exchanges

Connecting Creators & Consumers

- Connecting buyers & sellers, creators & consumers.
- Previously, disintermediators like Napster, Expedia, iTunes, etc. Today, building new kinds of connections.
- Disruptive opportunities include:
  - Medical services
  - Banking
  - Gambling

#2: Digital Currency Flow

Decreasing Friction in Payments & Exchange

Mark Johnson
Director
Corum Group
International, Ltd.

Mark's professional experience is as an M&A advisor, CEO of an IT company, Venture Capitalist, IT Management Consultant and Naval Officer. The thread throughout his career has been Information Technology, its commercialization, and its applications towards improving business effectiveness. His undergraduate education is from the U.S. Naval Academy in Annapolis, MD, where he received a degree in Systems Engineering.

In 2006 he spent one year at the Stockholm School of Economics attaining an MBA. Additionally, he was a semi-professional road cyclist and was ranked 1st in the U.S. Mid-Atlantic. He enjoys the challenges and dynamism involved with identifying new technology innovations with strong commercialization applications, particularly in an international setting where he has had the opportunity to work in numerous countries throughout Asia, the Middle East, Europe, and Africa.

Serving as a Naval Officer provided an exceptional leadership opportunity in a challenging and diverse environment.

#2: Digital Currency Flow

Decreasing Friction in Payments & Exchange

- Currency flow has moving towards fewer barriers and less friction on transactions.
- Examples include digital currencies, mobile wallets, innovative payment systems, online game and social network currencies & more.
- Software & systems that improve upon or harness this flow have significant potential.

#3: Connected Health

Linking people to their health data & services

Dave Levine
Vice President
Corum Group Ltd.

Dave joined Corum in 2015 and has a diverse background in technology and life sciences. As an executive and entrepreneur, Dave has been operating and investing in companies sitting at the convergence of commerce and eCommerce as well as innovative life science businesses for over twenty-five years. Recently, Dave was CEO North America for Gaxsys, an eCommerce and logistics company that is a leader in last mile logistics and fulfillment for eCommerce marketplaces.

Dave has been on both sides of the mergers and acquisitions table having sold a life science technology company, facilitated sell side and buy side technology transactions and has also scaled multiple technology companies globally in the eCommerce, life sciences and innovation intelligence markets. Dave sits on boards of public and private companies including one company that recently filed for an IPO.

Dave holds a business degree from the Indiana University, Kelley School of Business.

#3: Connected Health

Linking people to their health data & services

- Technological, regulatory and demographic changes converging to create significant opportunity
- Leveraging new hardware: smartphones, fitness trackers, connected medical devices.
- Improved self-care and remote care/diagnosis.
- Makes healthcare more patient-centric by enabling healthcare consumerism

#4: Omni-Channel Sales

Purchasing decisions anywhere, any platform

Daniel Bernstein
Vice President
Corum Group Ltd.

Daniel Bernstein has worked in a number of roles over a twenty year career in high technology, most recently as the founder and CEO of Sandlot Games Corporation, a leading casual games publisher and developer. Having sold Sandlot Games to Digital Chocolate in 2011, Daniel started a small games studio and a consulting practice where he advises larger companies such as RealNetworks and smaller high growth businesses on product development, strategic initiatives, and M&A opportunities.

Prior to Sandlot Games, Daniel Bernstein held director level positions in companies such as Wild Tangent and Monolith. An accomplished composer, Daniel also writes music for most of the games he works on.

Daniel holds a BS in Computer Science and an MA in Music Composition from the University of Virginia.

#4: Omni-Channel Sales

Purchasing decisions anywhere, any platform

- Consumer platforms & devices continually fragmenting.
- Marketing keeping pace – next challenge is sales, both decision points and actual purchase.
- Point at which money changes to product must be immediately with customer, moving closer by being on their favorite device.
- Consumer brands leading the way, but enterprise is not far off.

#5: IoT Software

Emerging Platforms, Standards & Analytics

Rob Schram
Senior Vice President
Corum Group Ltd.

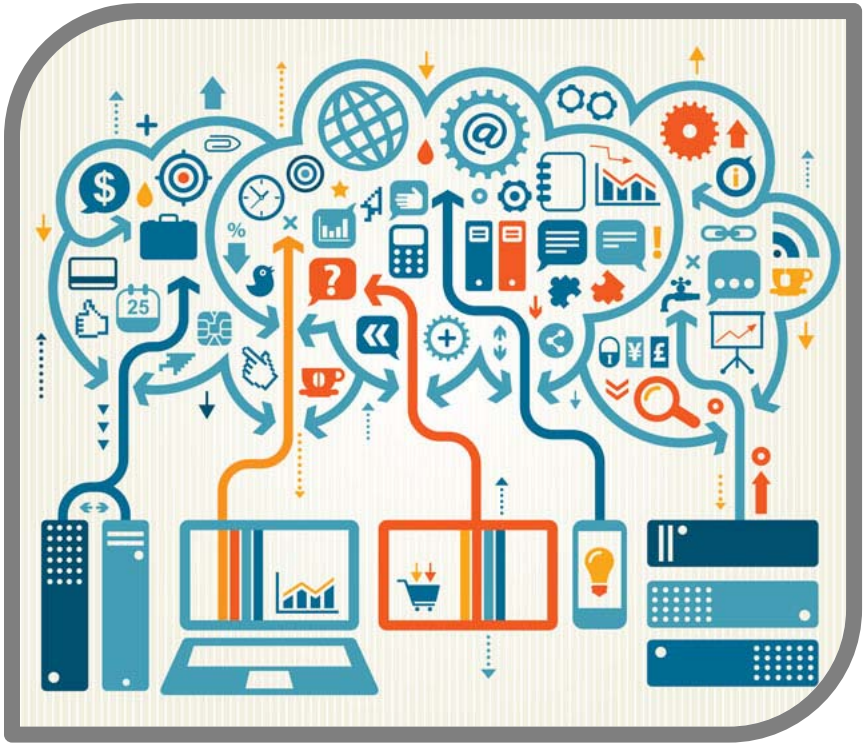
Rob has over 30 years of executive and entrepreneurial experience in multiple technologies: Integrated circuit testing, industrial process automation and control, communications software, security software, and energy software and services.

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.

#5: IoT Software

Emerging Platforms, Standards & Analytics

- Internet of Things (IoT) shocking growth towards multi-trillion dollar market spawns first full software cycle.
- Each “Thing” needs platforms, communication, analytics, etc.
- Competing ecosystems beginning to coalesce.
- Compatibility-driven, as in other cycles of disruption.



#6: Enmeshed Systems

Blurring the Lines between Software & Hardware

John Simpson
Vice President
Corum Group Ltd.

Prior to joining Corum's team, for 12 years John ran a leading boutique M&A firm in Silicon Valley specializing in technology-based transactions that included company sales and acquisitions, asset divestitures, management buyouts and capital raises.

Previously John spent more than 20 years in the enterprise software arena, including C-level executive roles with BMC Software Inc. Ingres Corporation, and DEC. During these assignments he managed product lines located across the USA and Europe, and drove multimillion $$ strategic alliances and OEM sales channels. John also participated in several software startups in Silicon Valley during the 1980's, including founding Analytica, one of the industry's first ever software firms to be venture-capital funded.

John has been a presenter and panelist at many technology and business conferences in the USA and Europe. He is a past member of Microsoft's Advisory Board for Application Development. He has published numerous articles on Growth & Exit planning, and has taught M&A basics to burgeoning capitalists in Shanghai, China.

#6: Enmeshed Systems

Blurring the Lines between Software & Hardware

- The line between software and hardware continues to blur.
- Beyond embedded systems to those so enmeshed that it is hard to tell where one ends and the other begins.
- Both consumer devices and industrial systems impacted.
- Product evolution seeing hardware replaced by software—and vice versa.

#7: AI Enablement

Putting AI to work by means of big data and feedback

Allan Wilson
Director
Corum Group Ltd.

Allan has over 30 years of executive and entrepreneurial experience and has built and sold several software companies in sectors including, manufacturing, supply chain, big data, predictive analytics and social networks. He has deep understanding of Aerospace, Automotive, High Tech, Healthcare, Consumer Products and Military Contracting operating models.

Allan has extensive international experience and lived in Germany for a time working for SAP, following the sale of his company to them in 2009.

#7: AI Enablement

Putting AI to work by means of big data and feedback

- Nascent AIs need big data to learn from and interactive tasks that benefit from improving expertise.
- Watson, Siri, Cortana, Alexa, Google Now and others growing in daily use.
- Mostly consumer-oriented, but Watson already driving major healthcare M&A.
- Other verticals & business cases developing quickly.
- Targets provide machine learning opportunities.

#8: Positioning Intelligence

Pivotal Levels of Precision and Understanding

Ward Carter
Chairman
Corum Group Ltd.

Corum's former President and now Chairman, Ward Carter's technology background includes a variety of management positions with the Burroughs Corporation (later Unisys). Then, as vice president of a Wall Street investment firm and as principal in a regional venture firm, he raised capital for ventures in computer hardware, software, and biotechnology. As an executive for a Seattle-based archival storage software company, he attracted venture capital and assisted with the eventual acquisition of the company by a larger competitor. As president of InfoMatrix, and later Discovery Sales + Marketing, Ward provided strategic consulting support to emerging software companies.

He joined Corum in 1997, has successfully managed numerous software company mergers and acquisitions worldwide, was appointed President in 2006 and Chairman in 2010. He graduated with Honors from Seattle University with a B.A. in Business.

#8: Positioning Intelligence

Pivotal Levels of Precision and Understanding

- Increasingly granular location data and processing now available.
- Setting in motion a new wave of highly contextual services and information.
- Use cases for location and proximity technology being dramatically enhanced and refined – drones, cars, smartphones, personal trackers and more
- Vertical opportunities beckon now, as key players position for future horizontal plays.

#9: Sports & Gaming

Reaching pivotal moment in culture & tech

Jim Perkins
Vice President
Corum Group, Ltd.

Entertainment software entrepreneur Jim Perkins is directly responsible for publishing some of the industry's biggest franchises, including Unreal, Duke Nukem, Wolfenstein, Doom, Hunting Unlimited, and Driver. A well-known senior executive with a 22-year track record of publishing such bestselling hits, he founded and grew two highly successful software publishing companies (FormGen and ARUSH) from start-ups to multi-million dollar enterprises.

Jim also launched Radar Group, the first Transmedia Incubation Company to monetize entertainment franchises across all media, including film and television. His success and extensive experience in software production, marketing and public relations, packaging, online and retail distribution and software M&A, uniquely qualify him as an expert in building value and realizing wealth. Jim joined Corum Group, the world's leading software M&A firm, with a specific focus on educating and helping prospective sellers maximize the value of their digital media companies.

#9: Sports & Gaming

Reaching pivotal moment in culture & tech

- Sports and gaming reaching critical point of cultural importance globally.
- Tech creating new opportunities to change the games, viewership and marketing.
- Sports and video games converging—sports more interactive and gaming more a spectator sport (i.e., e-sports, daily fantasy).
- Gambling creating value opportunities in both sectors and their intersection.

#10: Data Security

Building Barriers in an Age of Blurred Lines

Jon Scott
Senior Vice President
Corum Group Ltd.

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.

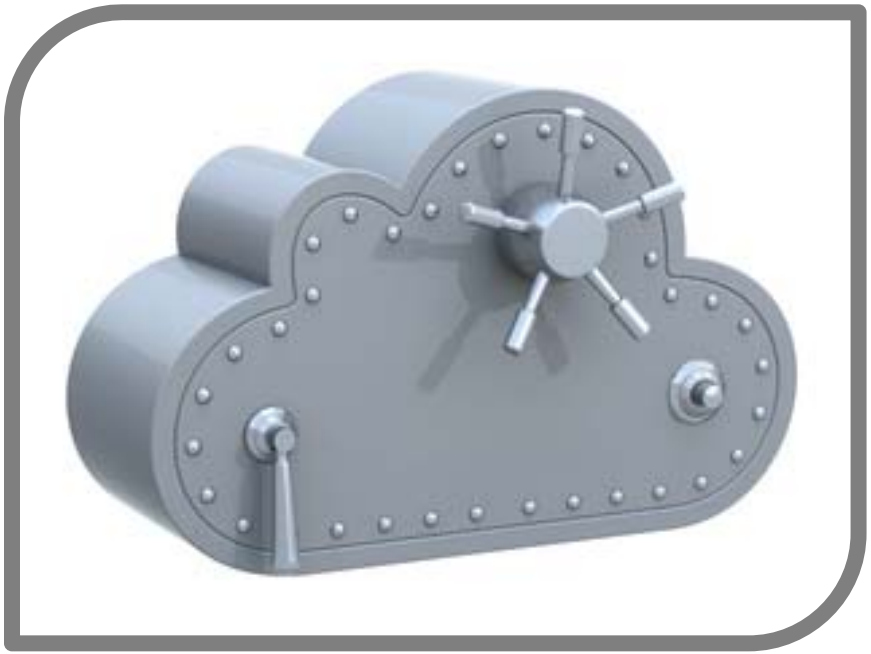
Jon has served as President and CEO of The PowerTech Group, a security and compliance software company sold to Help/Systems in 2008, and Microserv Technology Services, a nationwide tech services company which was acquired by Halifax Corporation in 2003. Earlier he served as President and COO of Traveling 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.

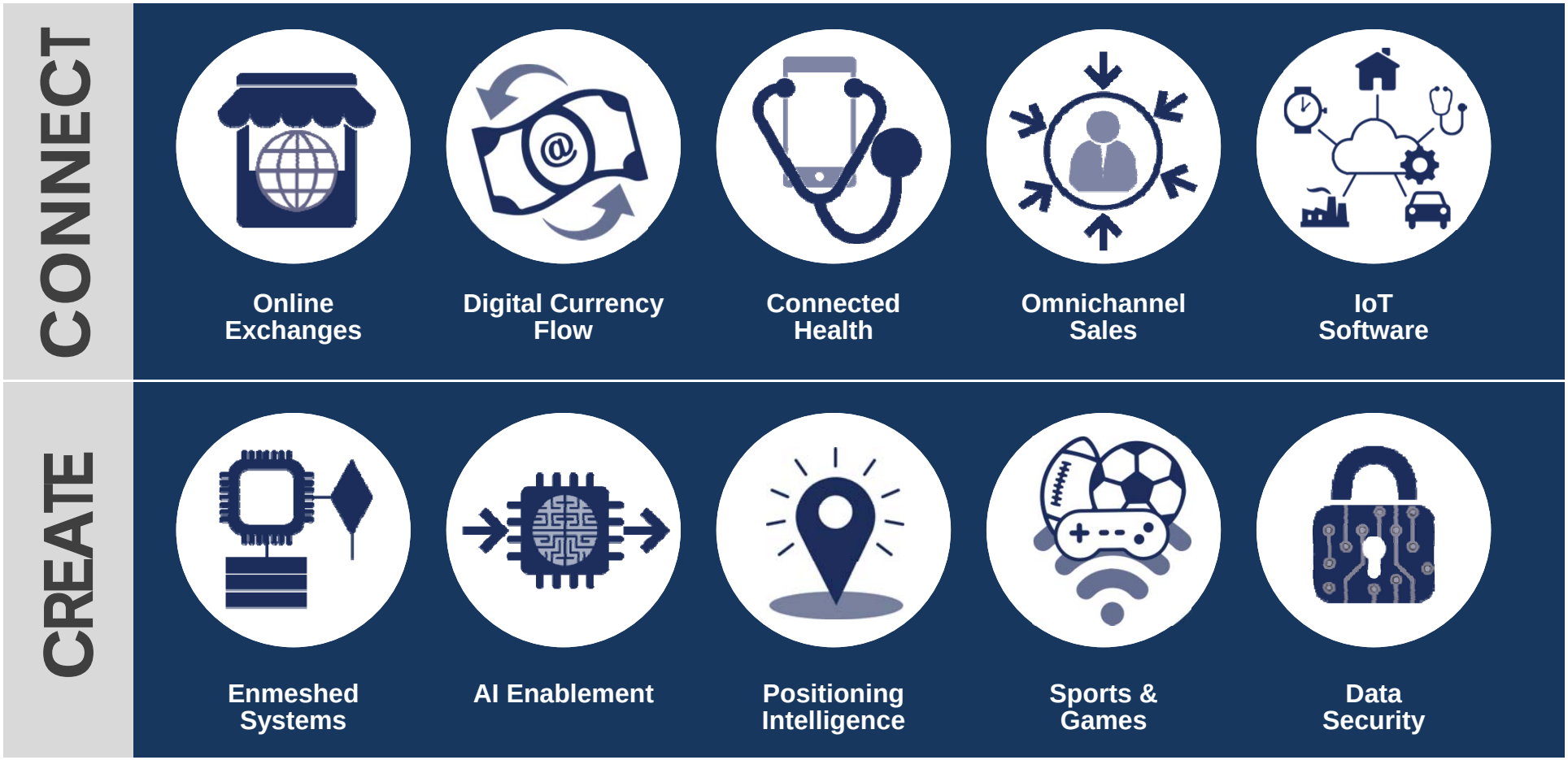
#10: Data Security

Building Barriers in an Age of Blurred Lines

- New technologies creating new risks from freer flowing data.
- High profile hacks (OPM, Patreon, Ashley Madison, Target, Sony, JP Morgan) drive broad recognition of security needs.
- Key trends include security analytics, rapid detection & in-process threat response.
- Internet of Things opening a new front in this fight.



Corum Top Ten Technology Trends 2016



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Corum Research Report

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Analyst

Aaron King
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Artem Mamaiev
Analyst

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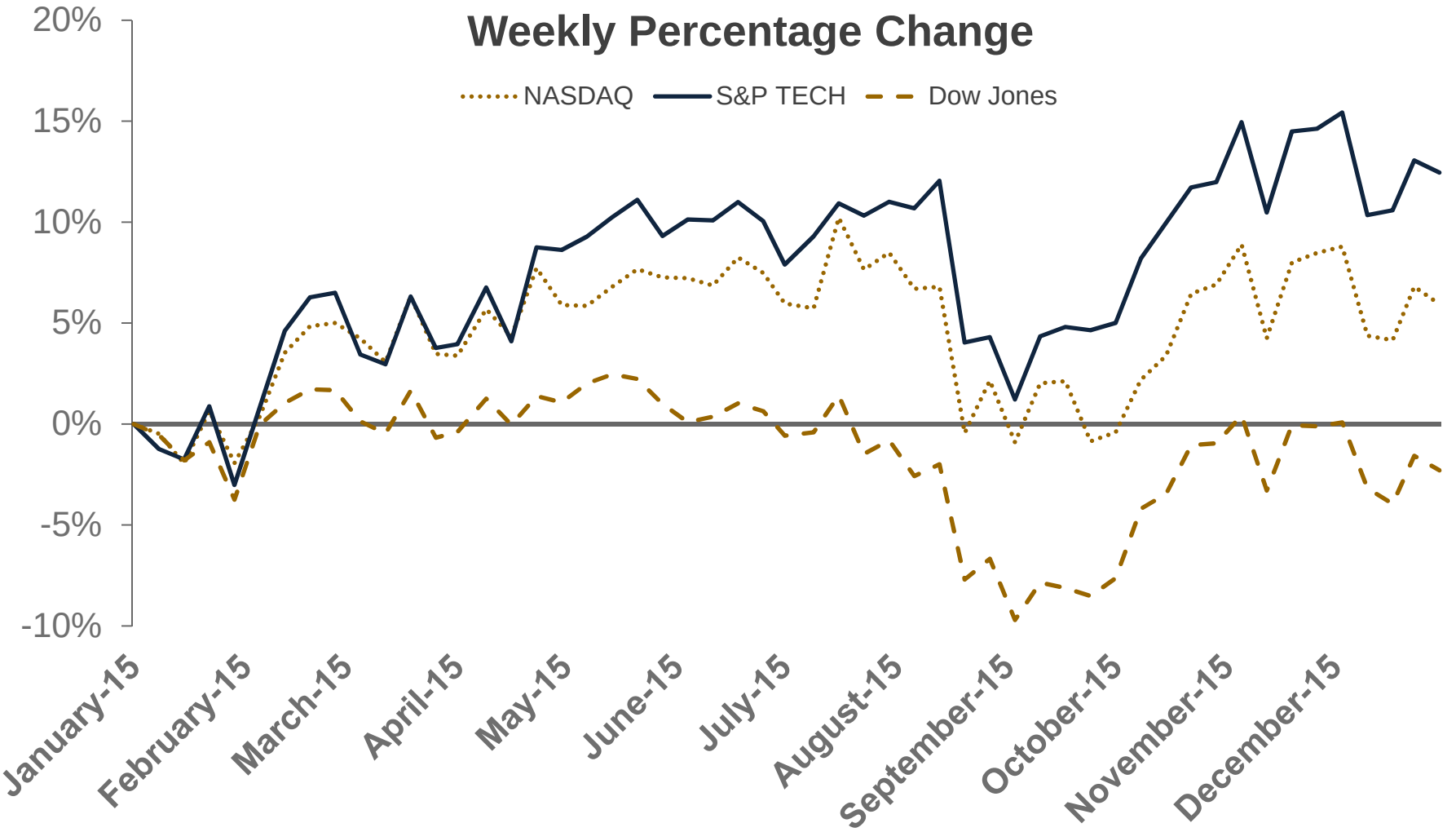
Public Markets



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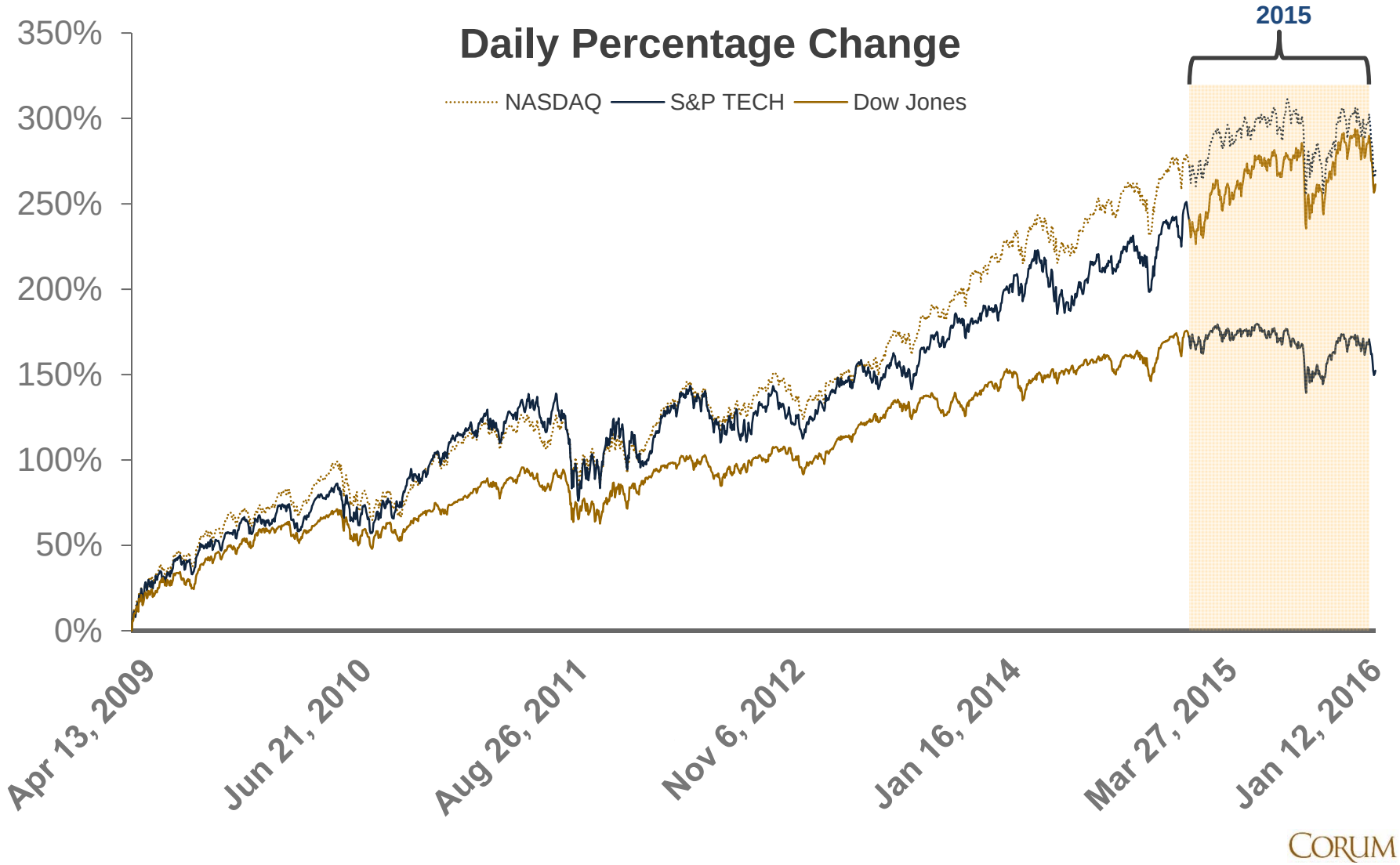
The Bull Market, 2009-2015



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Corum Index

		2014	2015	
Market	Transactions	3879	4307	11%
	Mega Deals	46	59	28%
	Largest Deal	$22B	$63B	186%
		2014	2015	
Pipeline	Private Equity Deals	219	232	5.9%
	VC Backed Exits	671	648	3.4%
		2014	2015	
Attributes	Cross Border Transactions	35%	34%	2.9%
	Start-Up Acquisitions	13%	13%	
	Average Life of Target	14 yrs	14 yrs	

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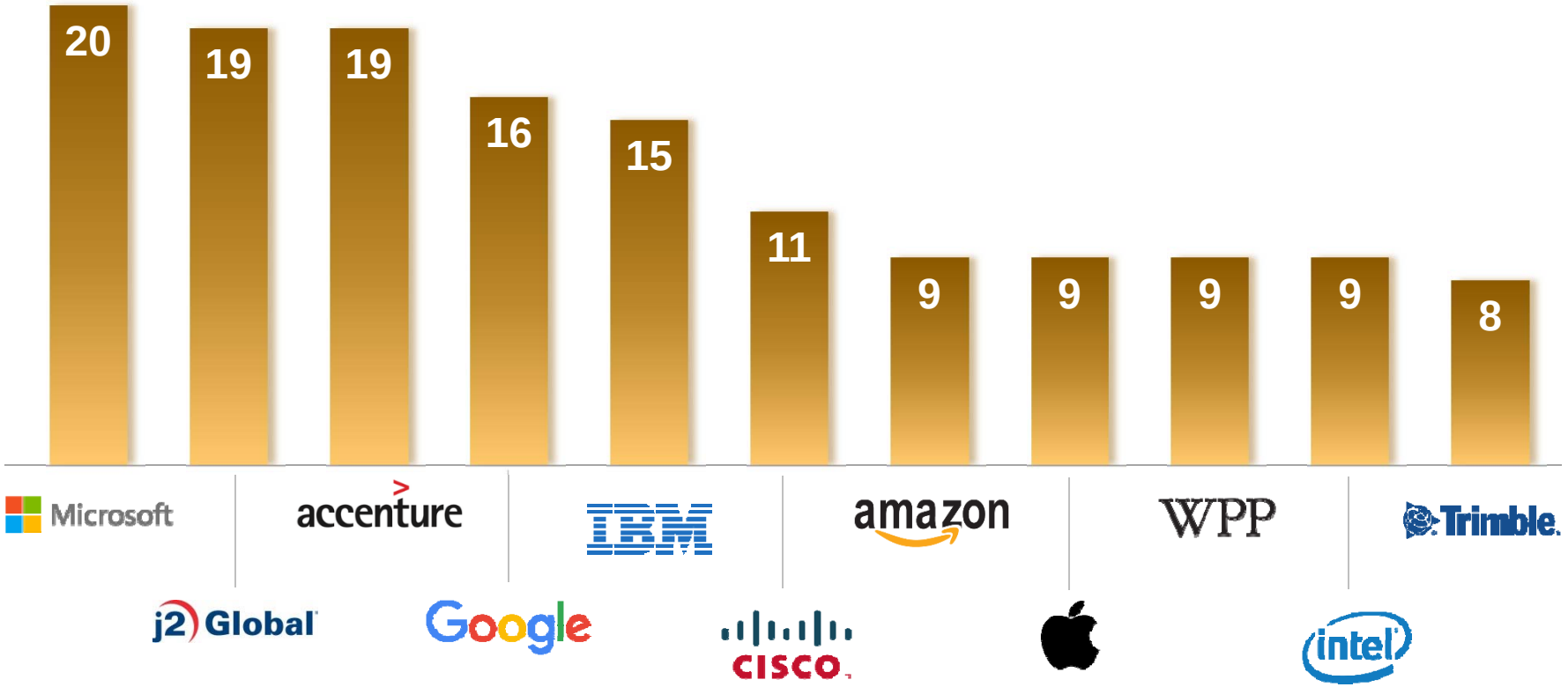
Top Strategic Acquirers – 2015



Microsoft Acquisitions 2015

Analytics

- Metanautix
- DATAZEN
- VoloMetrix
- equivio
- Revolution Analytics

Satya Nadella, CEO Microsoft

Enterprise

- adxstudio
- Sensei Project Solutions
- FieldOne Enterprise Field Service
- Fantasy Sales Team FST
- LiveLoop
- BlueStripe Software

Security

- secure islands
- ADALLOM

Other

- N-trig
- havok

Mobile

- talko
- Mileiq
- Echo Lockscreen
- Sunrise
- Wunderlist

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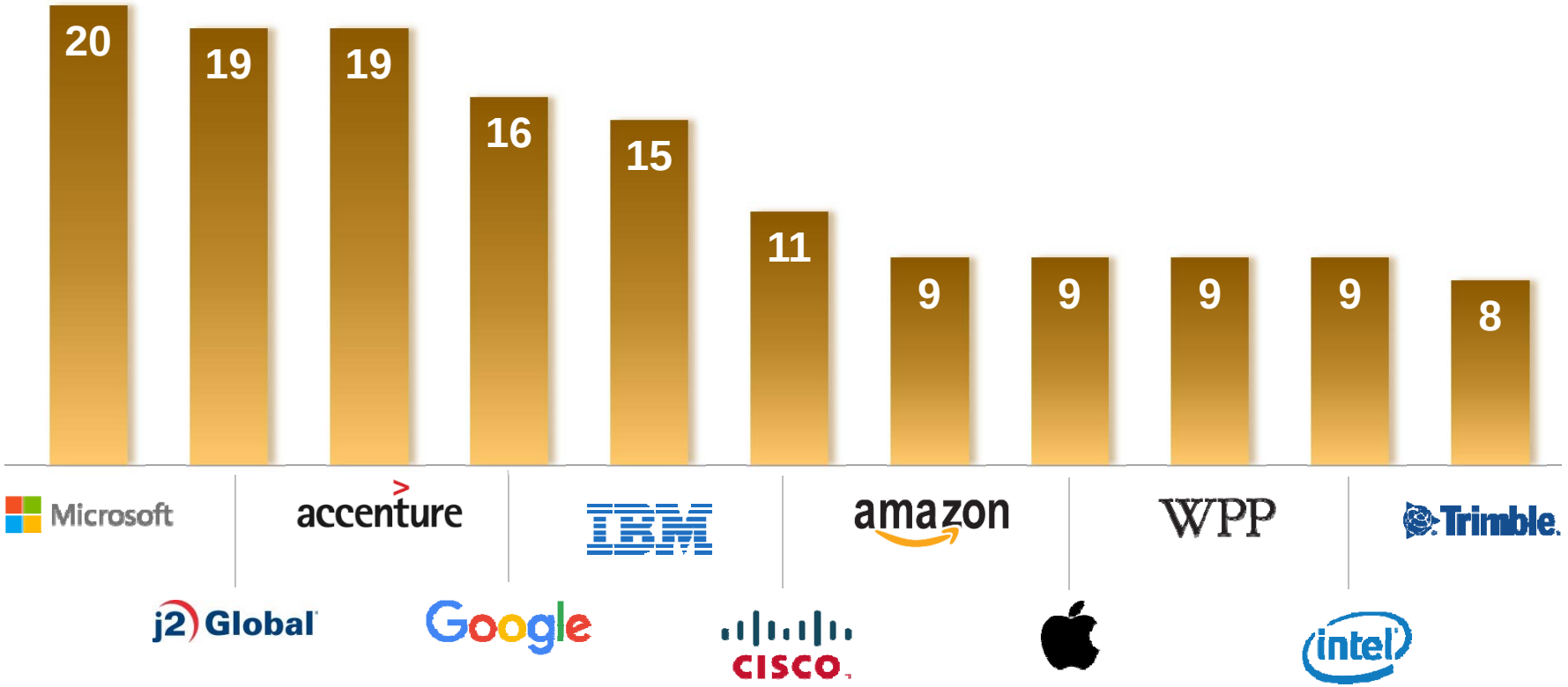
Top Strategic Acquirers – 2015



Buyer Leaderboard Rotation 2014 - 2015

Change		2014	2015
↑	280% Accenture	5	19
↑	200% IBM	5	15
↑	83% Cisco	6	11
↑	54% Microsoft	13	20
↑	50% Intel	6	9
↑	50% Amazon	6	9
↑	5% J2 Global	18	19
—	0% Apple	9	9
↓	20% Trimble	10	8
↓	57% Google	37	16
↓	59% WPP	22	9

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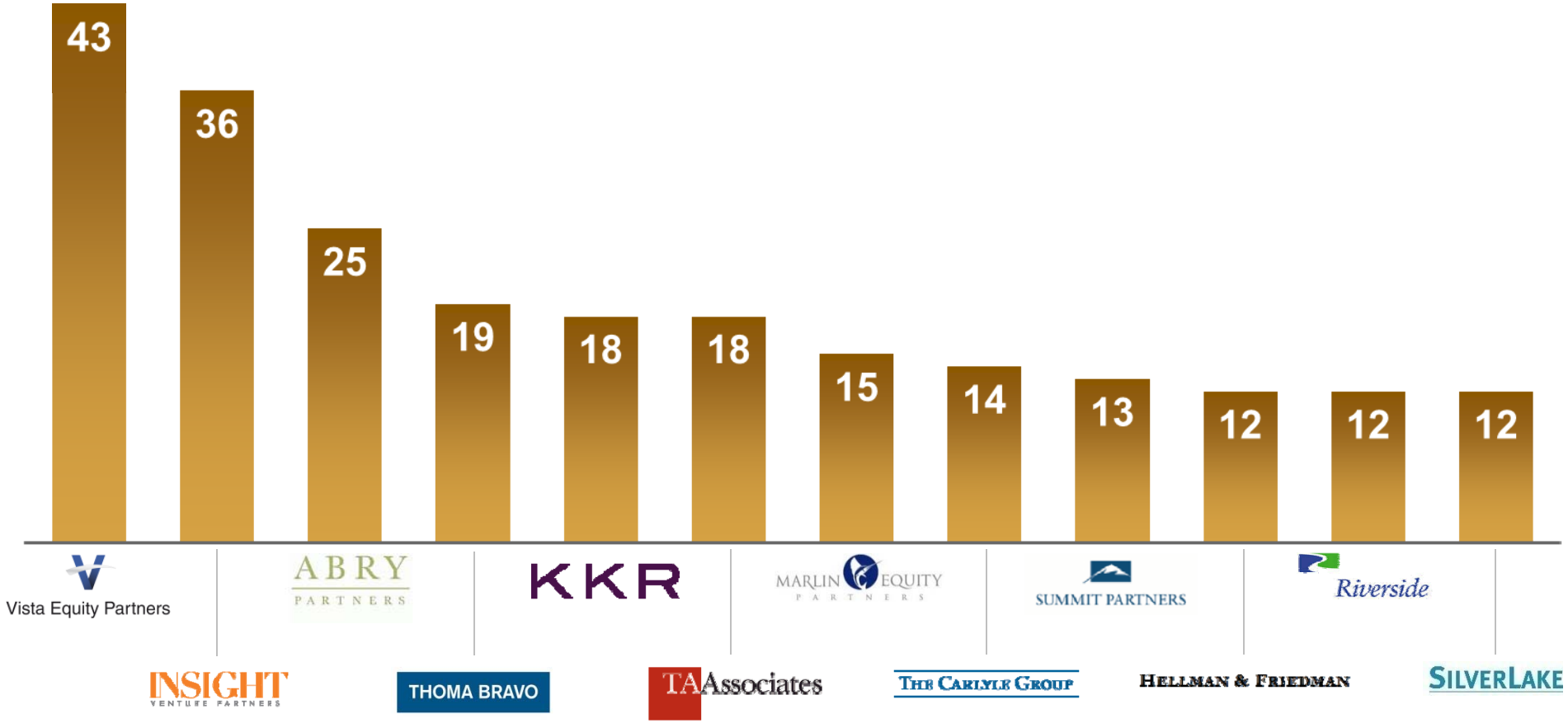
Top Private Equity Acquirers – 2015



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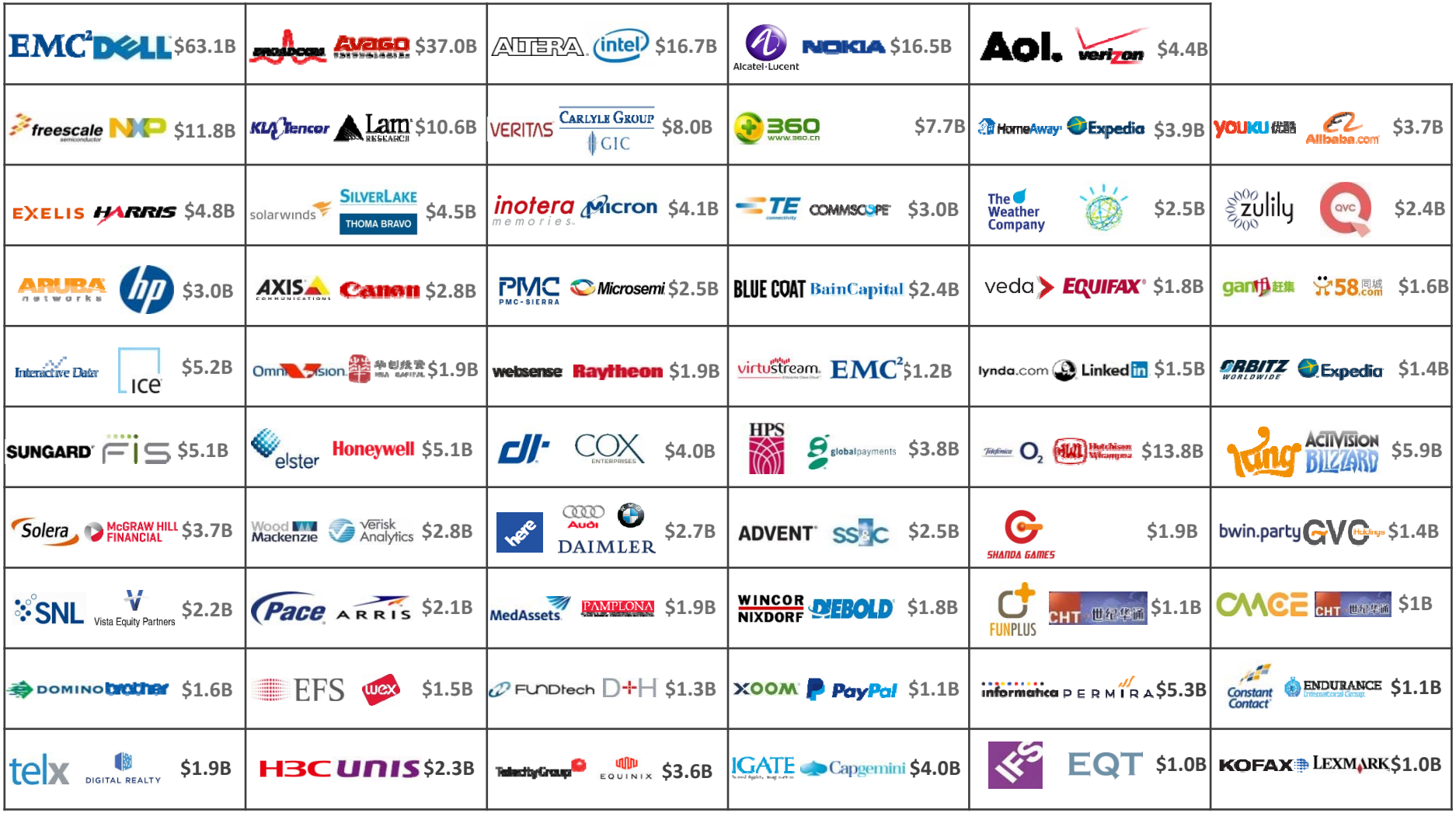
2015 Technology Megadeals



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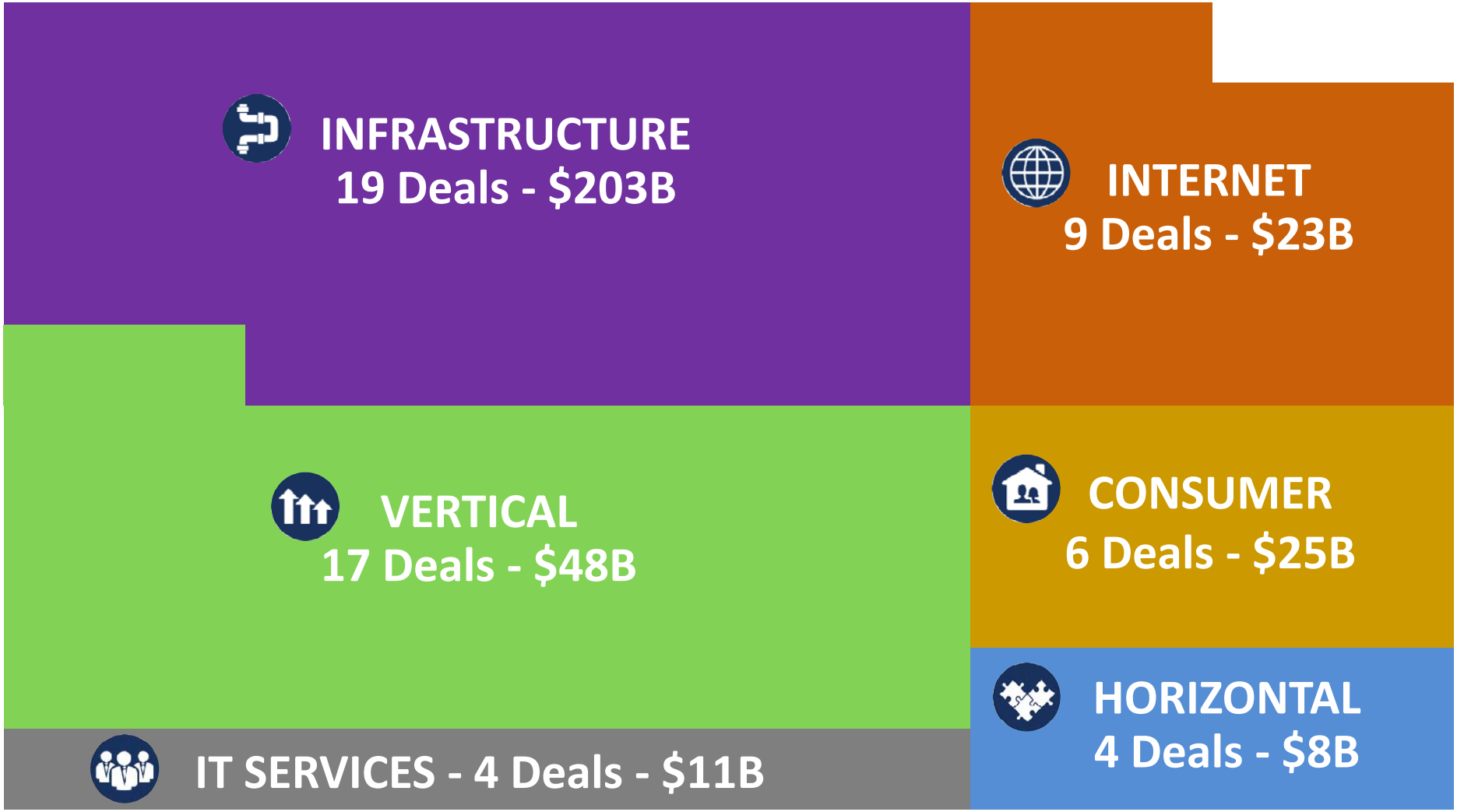
59 Megadeals of 2015 - $318B Total



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2015 Infrastructure Megadeals

EMC² DELL $63.1B	BROADCOM AVAGO $37.0B	ALTERA intel $16.7B	Alcatel-Lucent NOKIA $16.5B
freescale NXP $11.8B	KLA-Tencor Lam RESEARCH $10.6B	VERITAS CARLYLE GROUP GIC $8.0B	360 www.360.cn $7.7B
EXELIS HARRIS $4.8B	solarwinds SILVERLAKE THOMA BRAVO $4.5B	inotera memories Micron $4.1B	TE connectivity COMMSCOPE $3.0B
ARUBA networks hp $3.0B	AXIS COMMUNICATIONS Canon $2.8B	PMC PMC-SIERRA Microsemi $2.5B	BLUE COAT RainCapital $2.4B
	OmniVision 华创投资 $1.9B	websense Raytheon $1.9B	virtustream EMC² $1.2B

EMC² **Sold to** DELL

Target: EMC [USA]
Acquirer: Dell [USA]
Transaction Value: $63.1B (2.5x revenue, 11.5x EBITDA)

2015 Vertical Megadeals

Wood Mackenzie **Sold to** Verisk Analytics

Target: Wood Mackenzie [Scotland]
Acquirer: Verisk Analytics [USA]
Transaction Value: $2.8B (7.9x revenue, 16.7x EBITDA)

Interactive Data / ICE $5.2B			
SUNGARD / FIS $5.1B	elster / Honeywell $5.1B	dji / COX ENTERPRISES $4.0B	HPS / globalpayments $3.8B
Solera / McGRAW HILL FINANCIAL $3.7B	Wood Mackenzie / Verisk Analytics $2.8B	here / Audi / DAIMLER $2.7B	ADVENT / SS&C $2.5B
SNL / Vista Equity Partners $2.2B	Pace / ARRIS $2.1B	MedAssets / PAMPLONA $1.9B	WINCOR NIXDORF / DIEBOLD $1.8B
DOMINO / brother $1.6B	EFS / wex $1.5B	FUNDtech / D+H $1.3B	XOOM / PayPal $1.1B

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2015 IT Services Megadeals

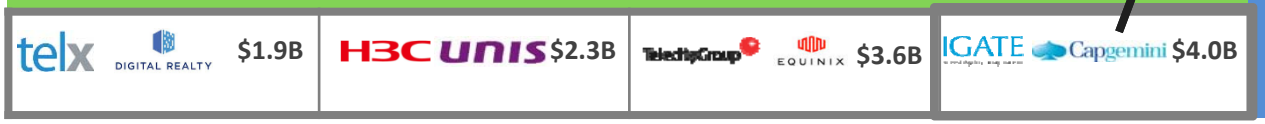
IGATE
Speed.Agility.Imagination

Sold to

Capgemini

Target: IGATE [USA]
Acquirer: Capgemini [France]
Transaction Value: $4B (3.5x revenue, 17.4x EBITDA)

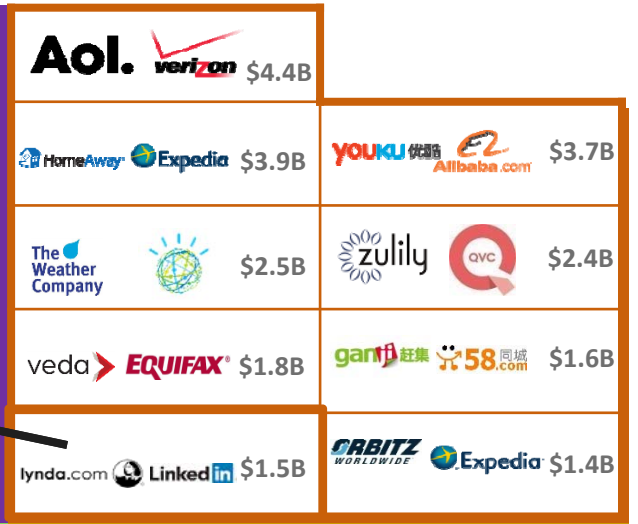
- Largest acquisition by Capgemini since 2000



2015 Internet Megadeals

lynda.com **Sold to** LinkedIn

Target: Lynda.com [USA]
Acquirer: LinkedIn [USA]
Transaction Value: $1.5B (10x revenue)



2015 Consumer Megadeals

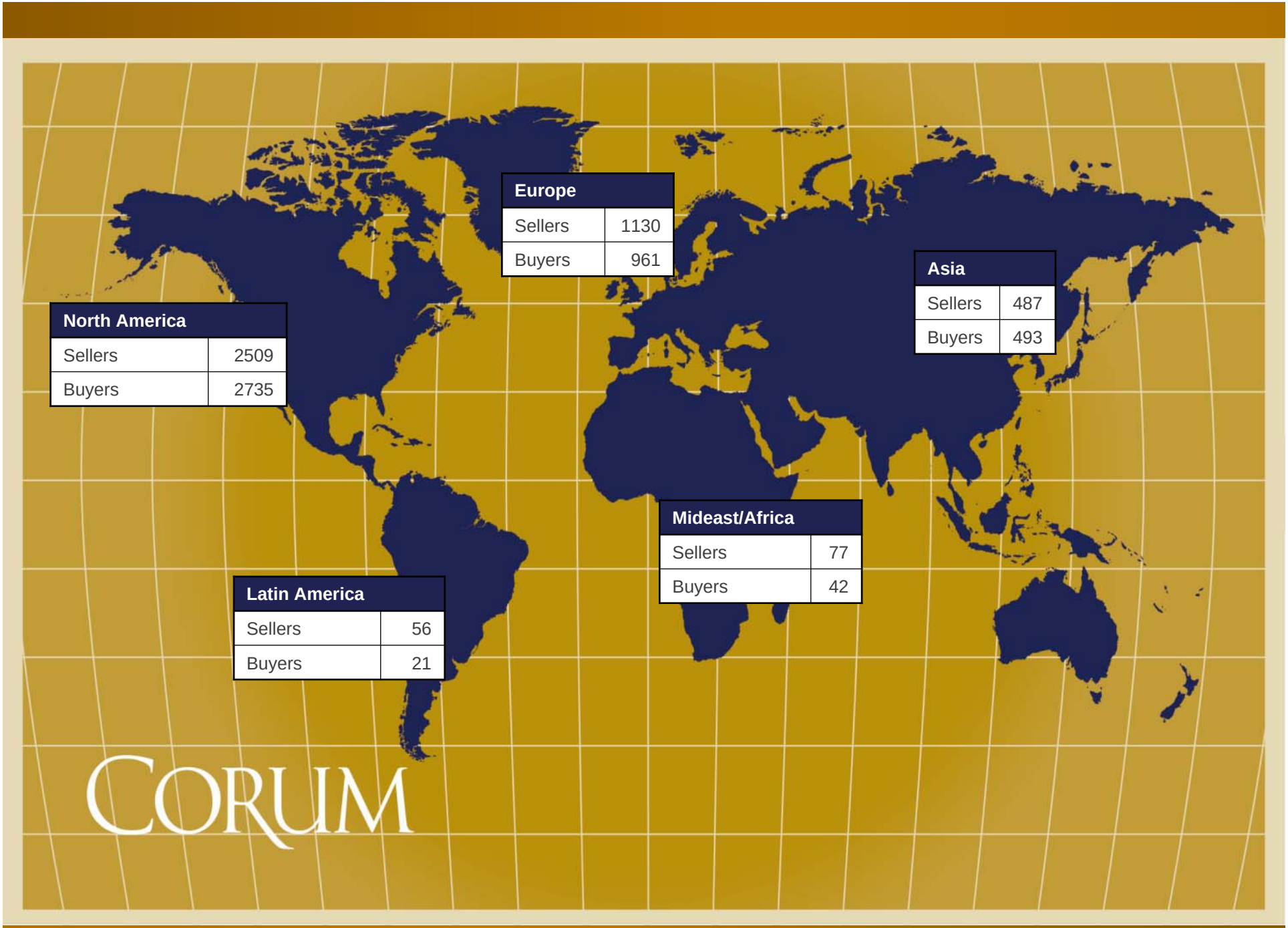
Sold to

Target: King Digital Entertainment PLC [Ireland]
Acquirer: Activision Blizzard [USA]
Transaction Value: $5.9B (2.4x revenue)

2015 Horizontal Megadeals

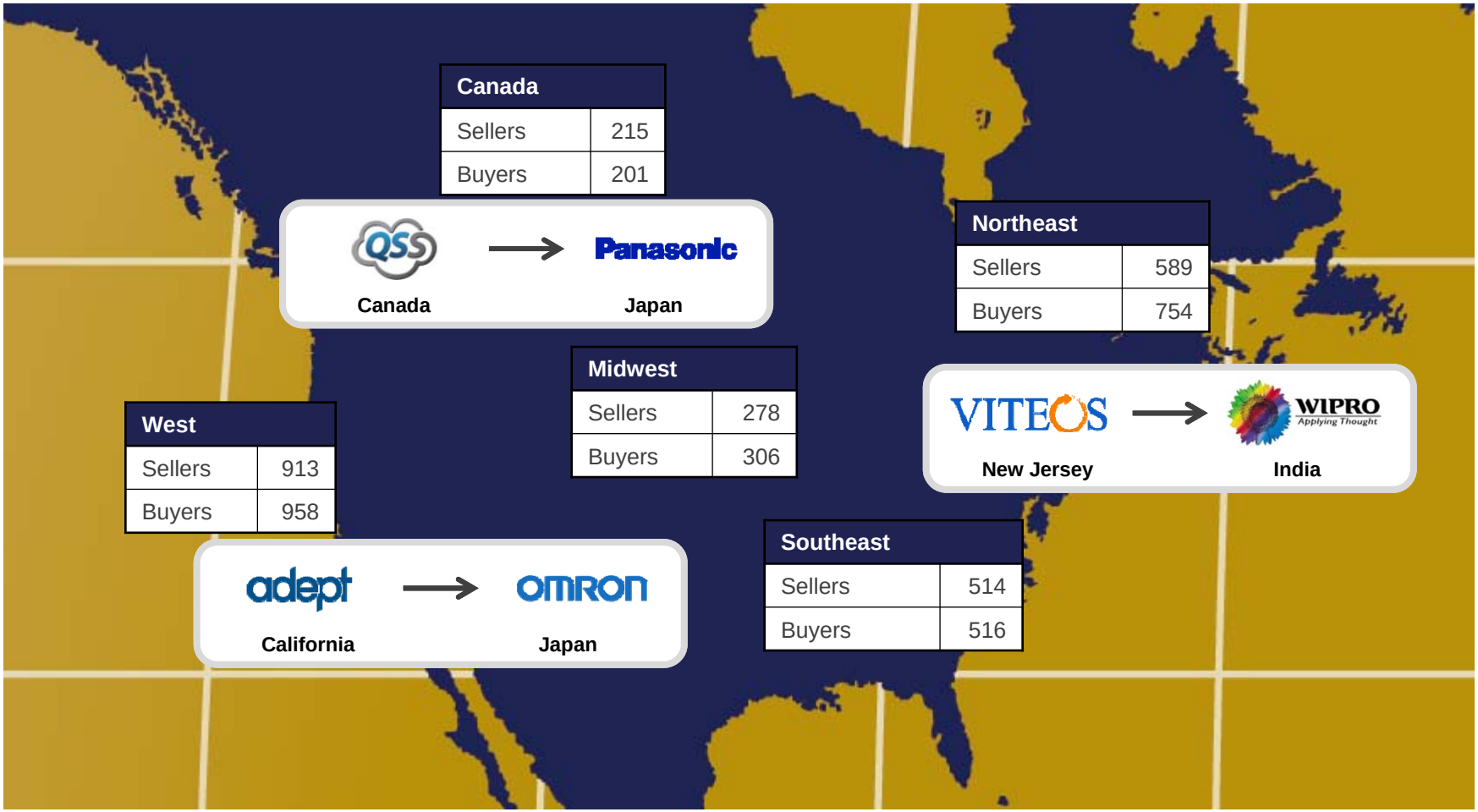
KOFAX **Sold to** LEXMARK

Target: Kofax [USA]
Acquirer: Lexmark [USA]
Transaction Value: $1B (3.2x revenue, 38x EBITDA)



Source: 451 Research

2015 North American Deals



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Source: 451 Research

2015 Latin American Deals

Latin America	
Sellers	56
Buyers	21

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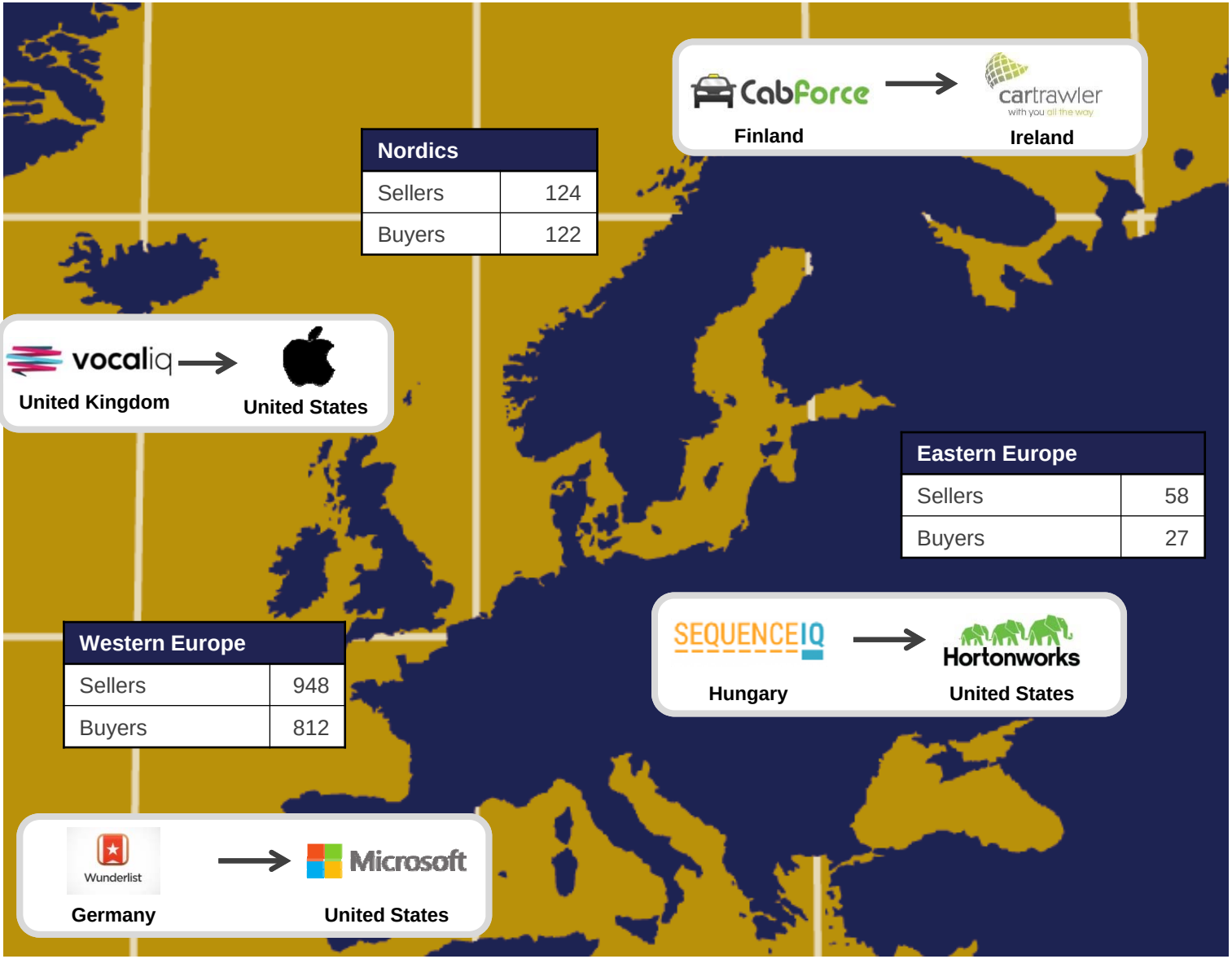
Source: 451 Research

2015 European Deals



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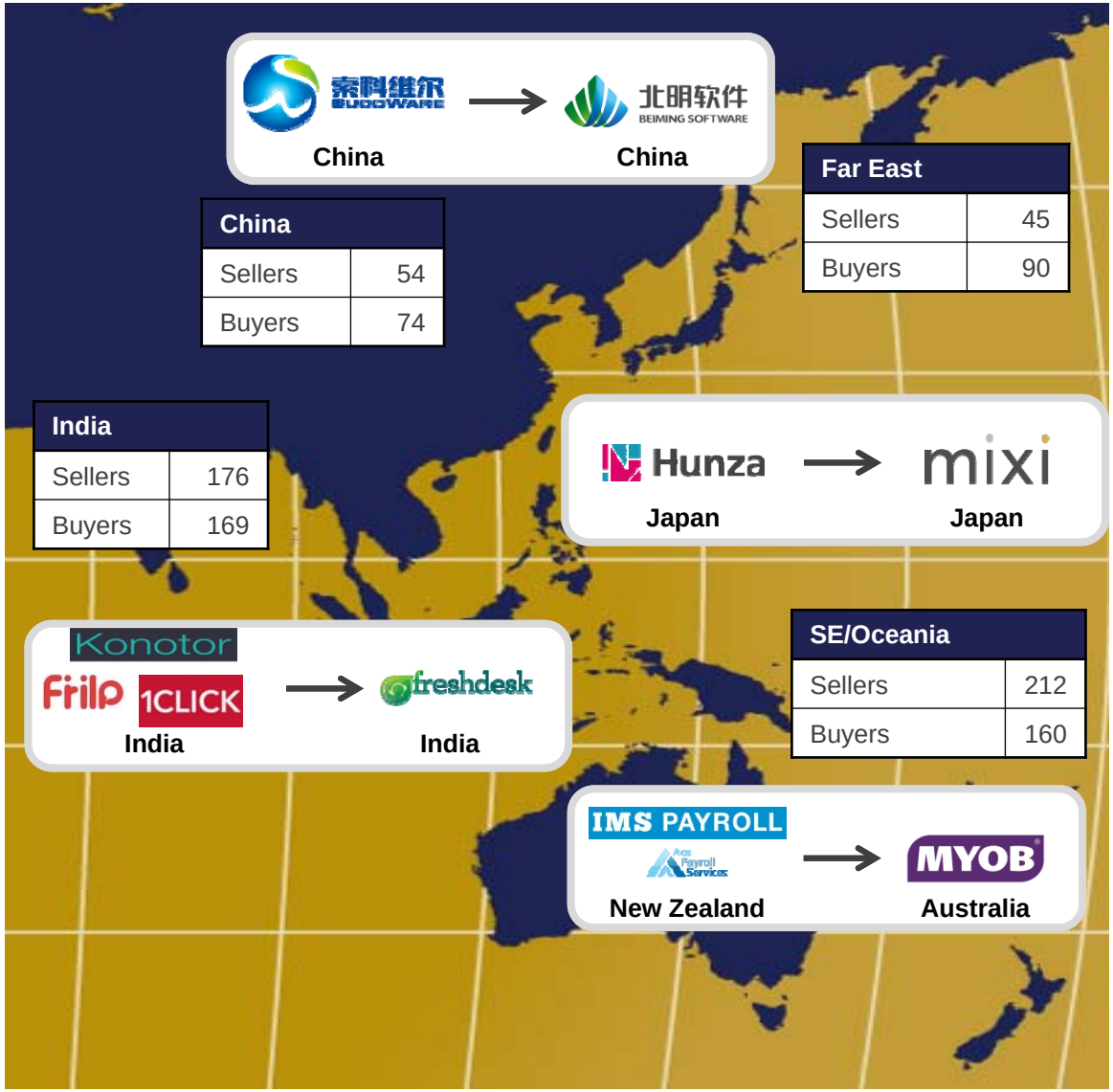
Source: 451 Research

2015 Asia-Pacific Deals



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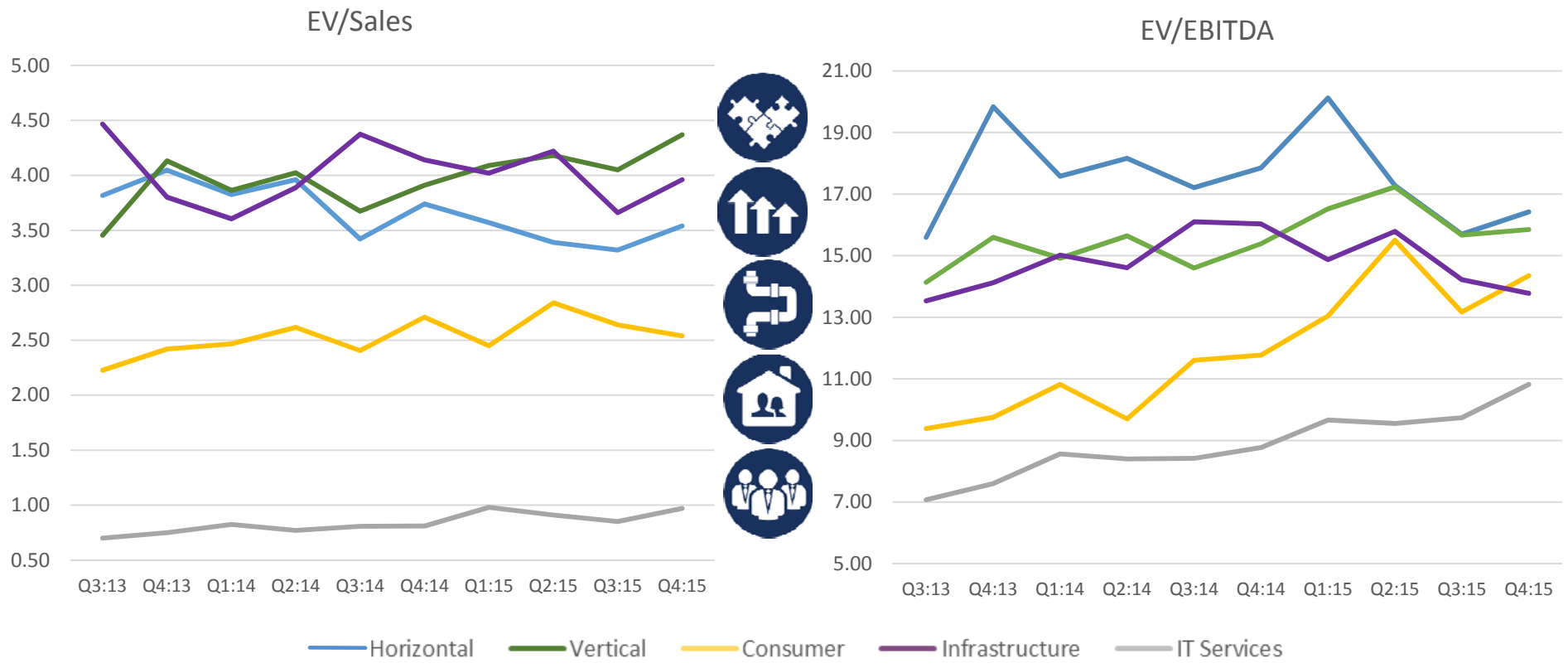
Source: 451 Research

Source: 451 Research

Market Valuations



Market Sectors

Horizontal Application Software

Vertical Application Software

Consumer Application Software

Infrastructure Software

Internet

IT Services and BPO

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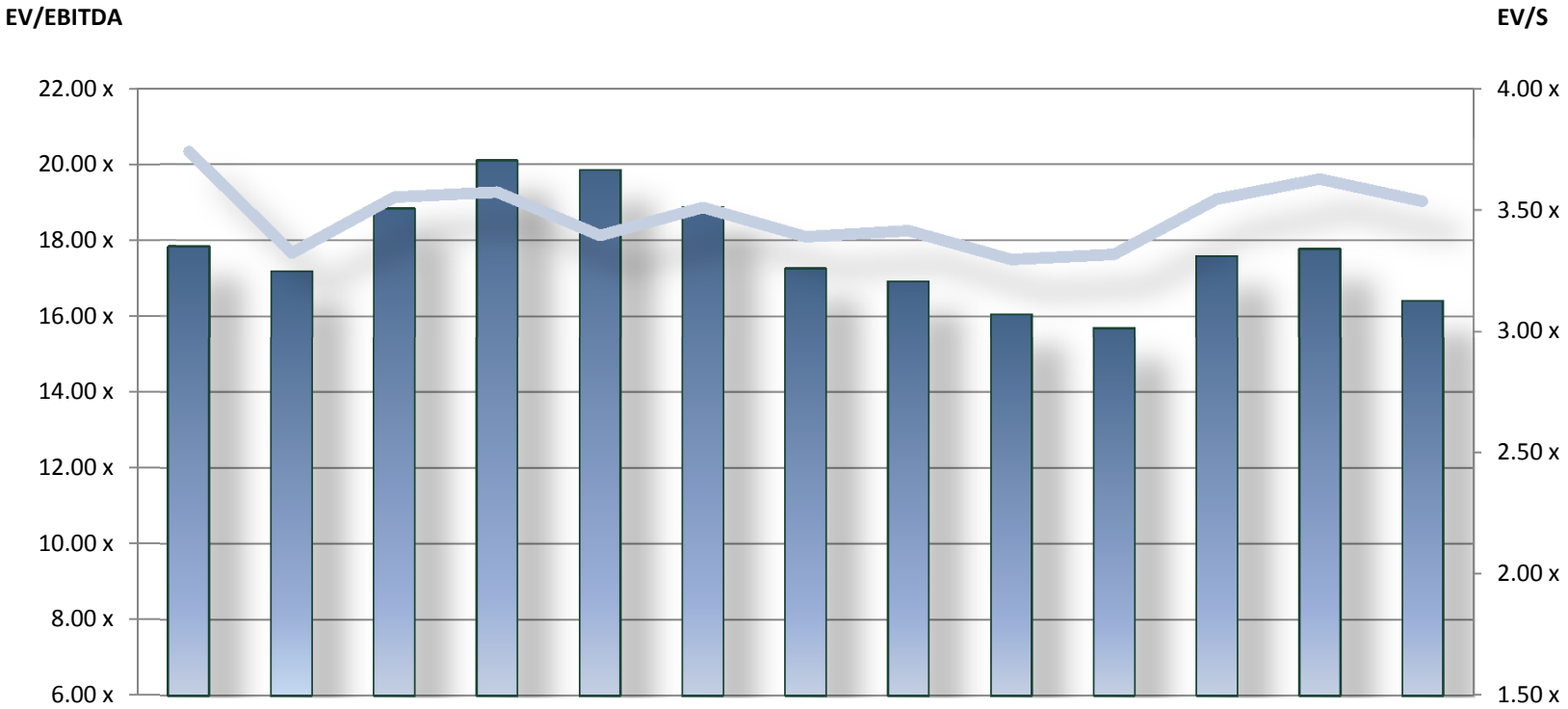
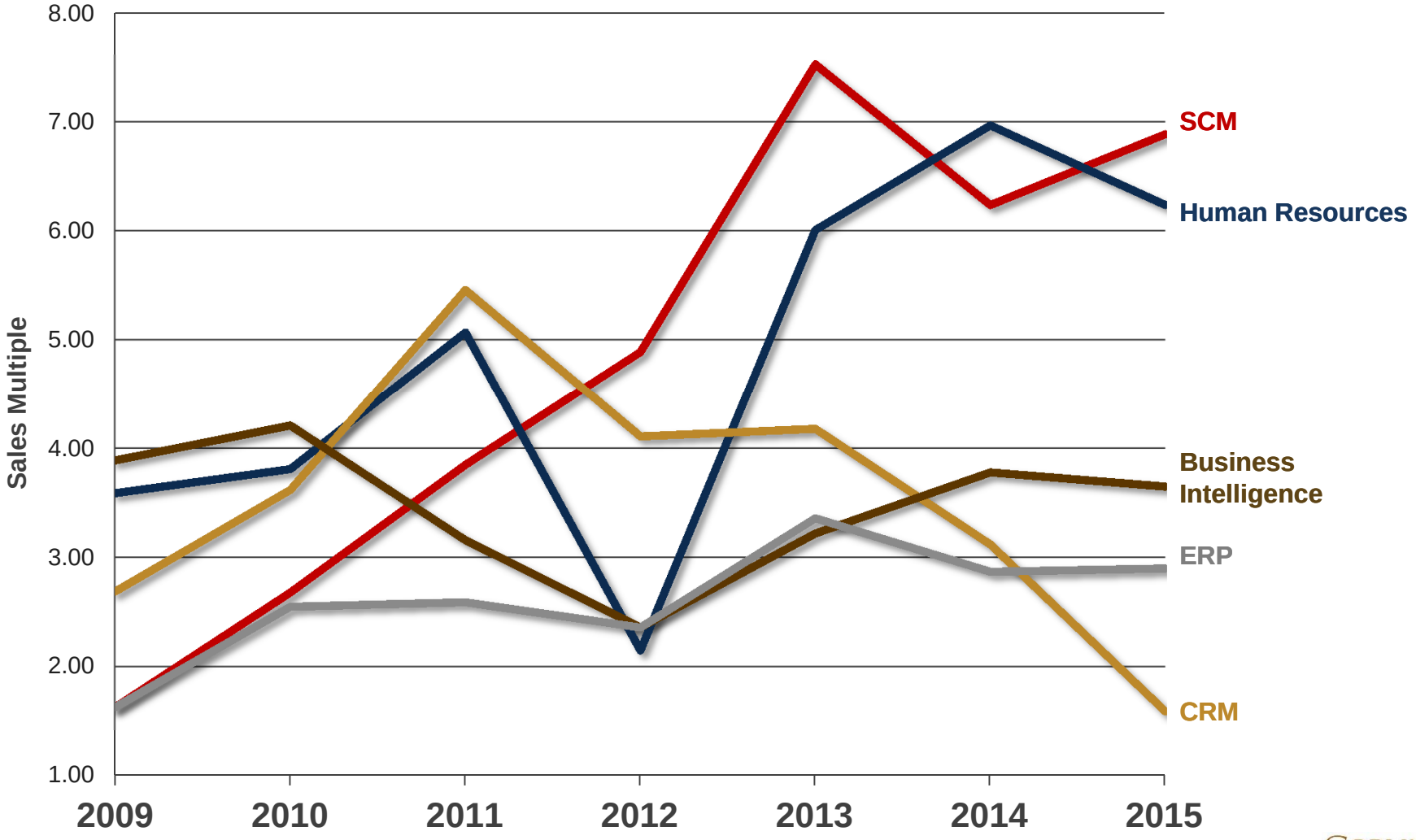
Horizontal Application Software Market

Public Valuation Multiples



	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
EV/EBITDA	17.85 x	17.20 x	18.85 x	20.12 x	19.86 x	18.88 x	17.28 x	16.94 x	16.07 x	15.70 x	17.60 x	17.79 x	16.42 x
EV/S	3.74 x	3.33 x	3.55 x	3.57 x	3.40 x	3.51 x	3.39 x	3.42 x	3.30 x	3.32 x	3.55 x	3.63 x	3.54 x

7-year Horizontal EV/S Trends



Horizontal Application Software Valuations

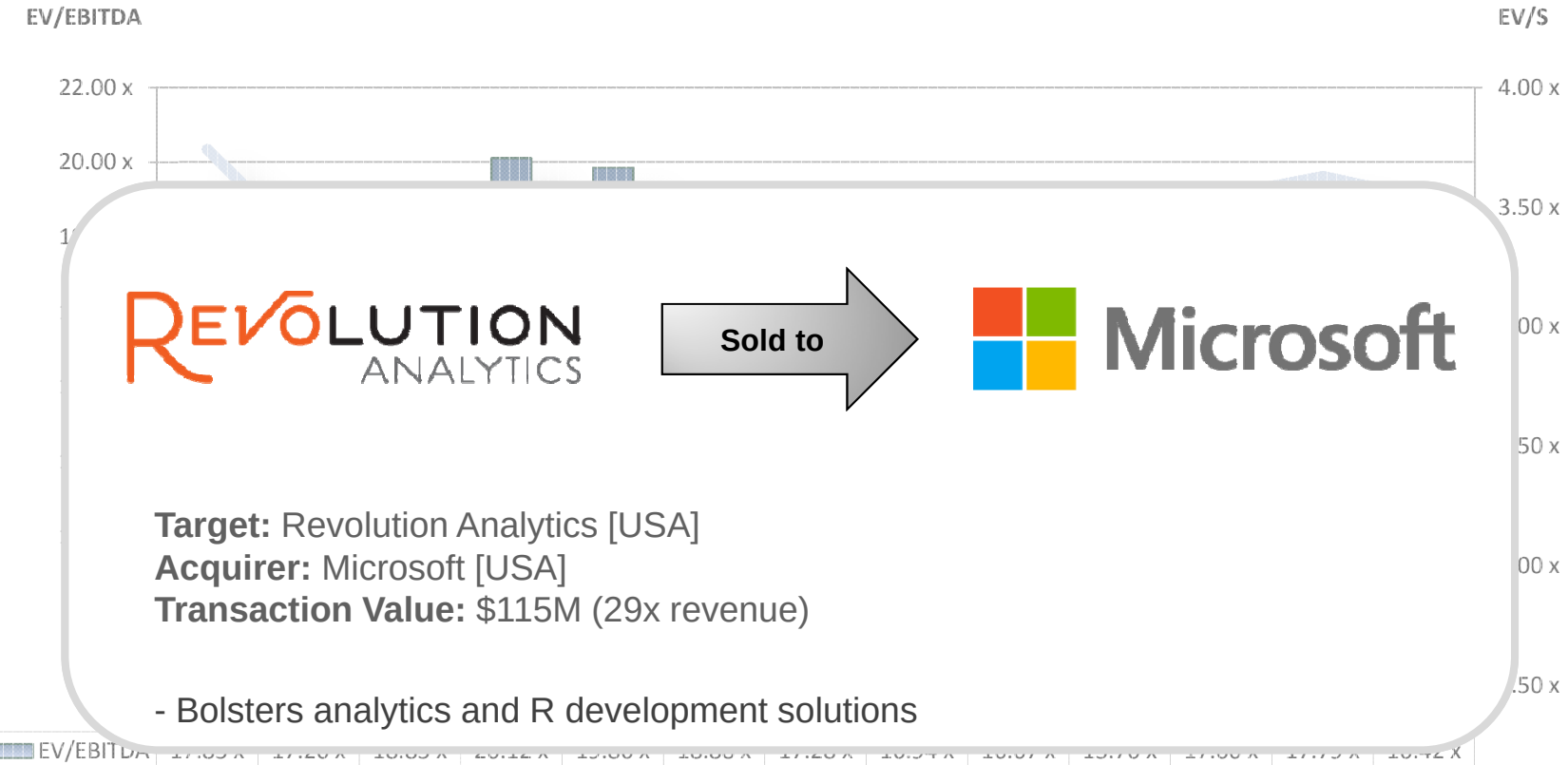
Subsector	Sales	EBITDA	Examples
Business Intelligence	3.65x	15.81x	MicroStrategy, NICE, tableau
Marketing & Ad Tech	1.94x	16.74x	AllianceData, acxiom, amdocs
CRM	1.59x	20.88x	CONVERGYS, LIVEPERSON, salesforce
ERP	2.90x	14.25x	NETSUITE, ORACLE, SAP
Human Resources	6.24x	35.12x	ADP, PAYCHEX, workday.
SCM	6.89x	25.88x	aspentech, DESCARTES, Manhattan Associates
Payments	4.13x	16.03x	ACI UNIVERSAL PAYMENTS, PayPal, pay
Other	2.74x	28.33x	NUANCE, OPENTEXT, Trimble.

Horizontal Application Software Valuations

Subsector		Sales	EBITDA	Examples		
Business Intelligence		3.65x	15.81x	MicroStrategy	NICE	tableau
Marketing & Ad Tech		1.94x	16.74x	AllianceData	acxiom	amdocs
CRM		1.59x	20.88x	CONVERGYS	LIVEPERSON	salesforce
ERP		2.90x	14.25x	NETSUITE	ORACLE	SAP
Human Resources		6.24x	35.12x	ADP	PAYCHEX	workday.
SCM		6.89x	25.88x	aspentech	DESCARTES	Manhattan Associates
Payments	↑	**4.13x**	**16.03x**	ACI UNIVERSAL PAYMENTS	PayPal	pay
Other		2.74x	28.33x	NUANCE	OPENTEXT	Trimble

Horizontal Application Software Market

Deal Spotlight: Analytics



REVOLUTION ANALYTICS

Sold to

Microsoft

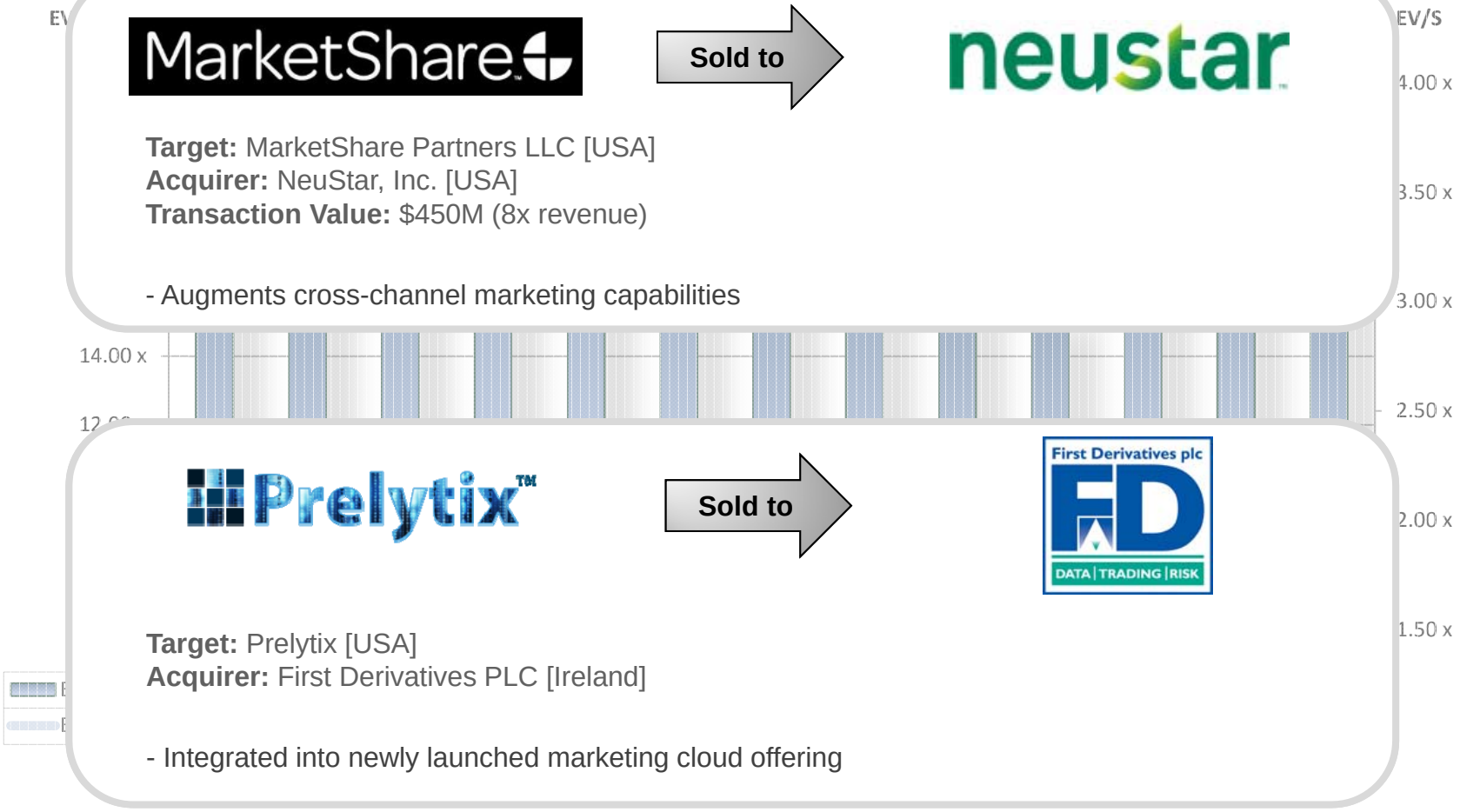
Target: Revolution Analytics [USA]
Acquirer: Microsoft [USA]
Transaction Value: $115M (29x revenue)

- Bolsters analytics and R development solutions

EV/EBITDA													
EV/S	3.74 x	3.33 x	3.55 x	3.57 x	3.40 x	3.51 x	3.39 x	3.42 x	3.30 x	3.32 x	3.55 x	3.63 x	3.54 x

Horizontal Application Software Market

Deal Spotlight: Analytics



Horizontal Application Software Market

Deal Spotlight: Enterprise Mobility

Target: eMOBUS [USA]
Acquirer: Asentinel [USA]

Sold to

Target: Asentinel [USA]
Acquirer: Marlin Equity [USA]

Sold to

3.00 x
2.50 x
2.00 x
1.50 x

Target: MOBI Wireless [USA]
Acquirer: Bregal Sagemount [USA]

Sold to

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Horizontal Application Software Market

Deal Spotlight: E-signature

Target	Acquirer	Deal Value	Target Country	Acquirer Country	Description
SIGNificant XYZMO	Namirial	-	Austria	Italy	Digital signatures and handwritten signatures capture
silanis	VASCO	$85M	Canada	USA	E-signature and digital transaction management
JUMPTRACK	ECi Software Solutions	-	USA	USA	Proof Of Delivery solutions and shipment tracking
Arx	DocuSign	-	USA	USA	Digital signatures for security businesses
OPENTRUST	DocuSign	-	France	USA	Trusted Documents and Transactions division

Horizontal Application Software Market

Deal Spotlight: E-mail Marketing

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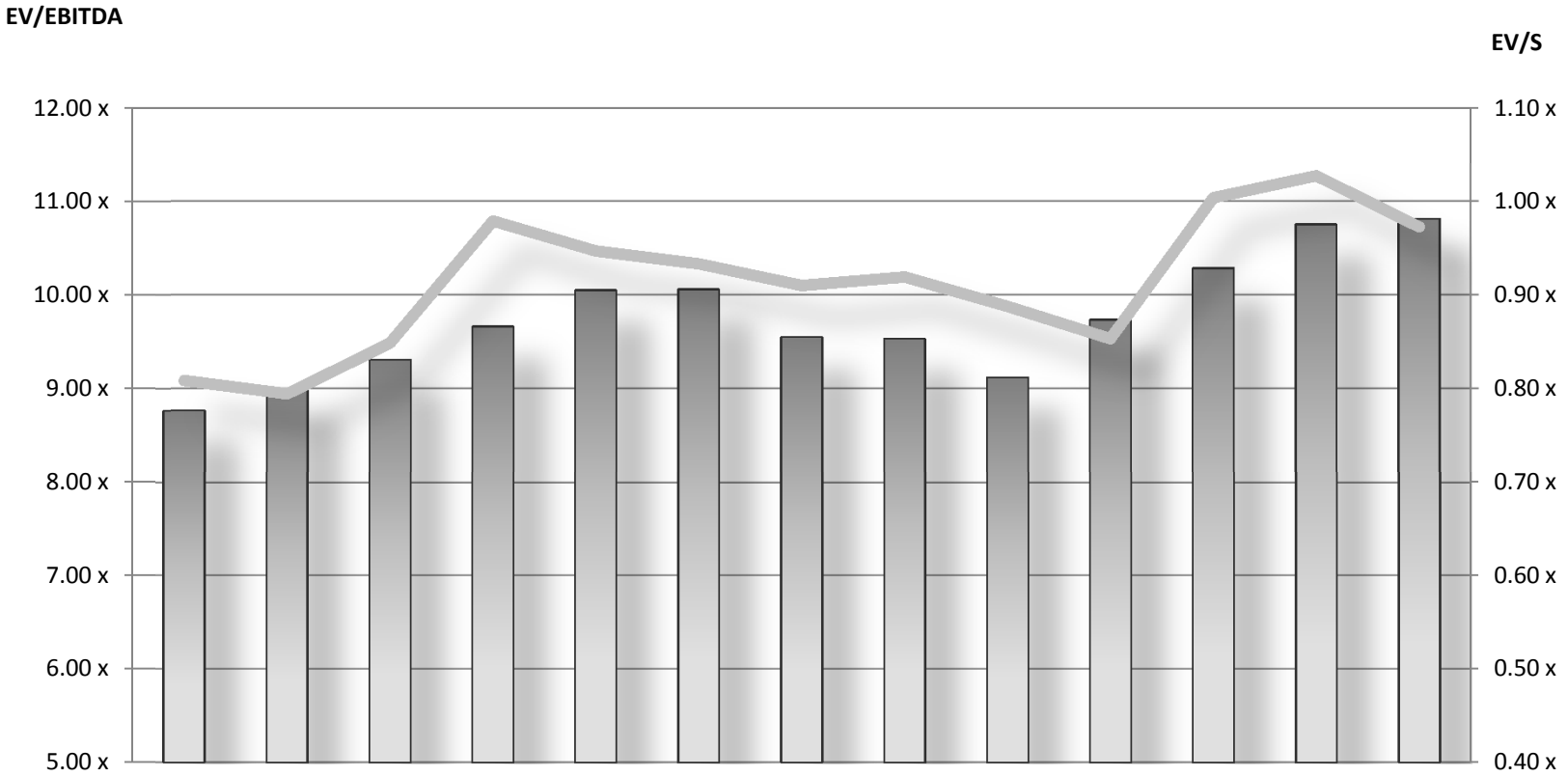
2015 Horizontal Megadeals

Constant Contact® Sold to ENDURANCE International Group

Target: Constant Contact [USA]
Acquirer: Endurance International [USA]
Transaction Value: $1.1B

IT Services – Developed Markets

Public Valuation Multiples



	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
EV/EBITDA	8.77 x	9.00 x	9.31 x	9.66 x	10.05 x	10.06 x	9.55 x	9.53 x	9.12 x	9.74 x	10.29 x	10.76 x	10.82 x
EV/S	0.81 x	0.79 x	0.85 x	0.98 x	0.95 x	0.93 x	0.91 x	0.92 x	0.89 x	0.85 x	1.00 x	1.03 x	0.97 x

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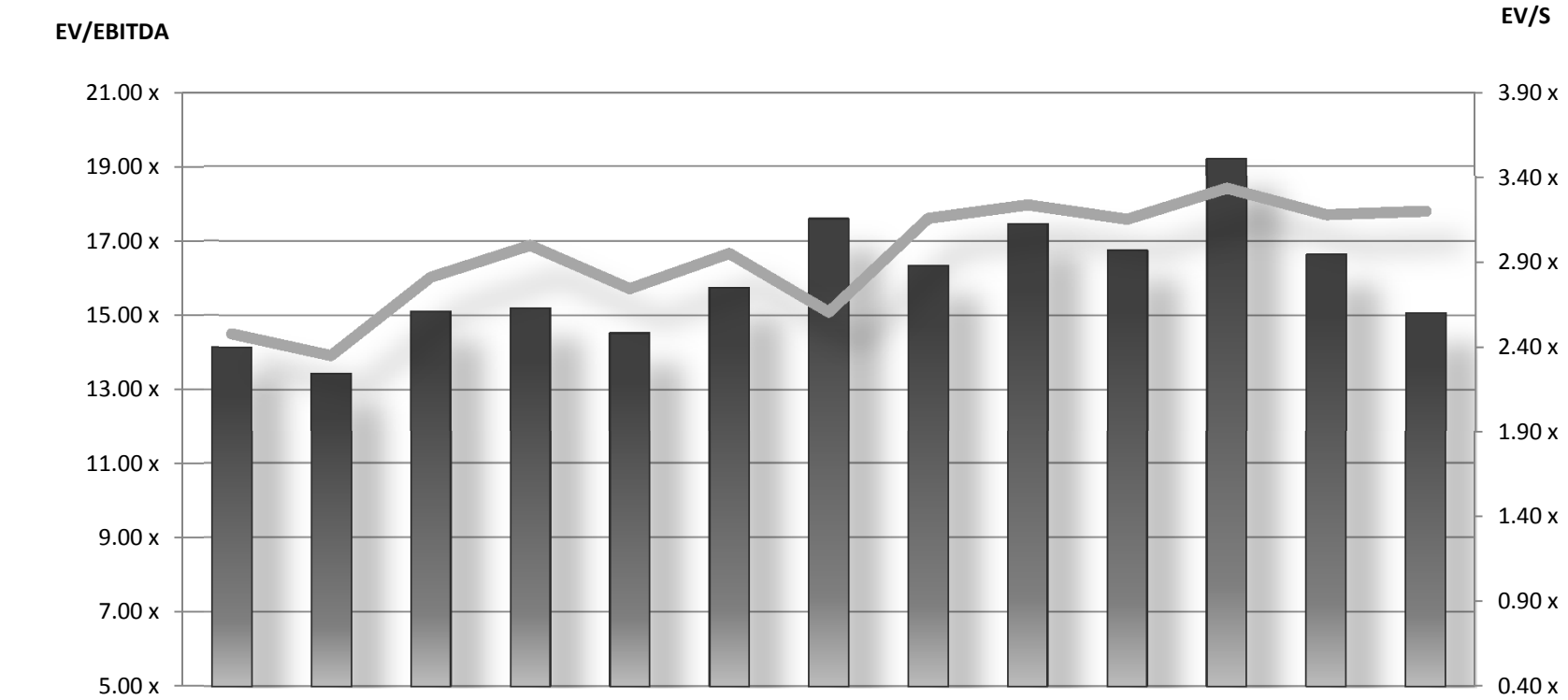
IT Services – Emerging Markets

Public Valuation Multiples



	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
EV/EBITDA	14.15 x	13.45 x	15.12 x	15.21 x	14.54 x	15.76 x	17.62 x	16.35 x	17.47 x	16.77 x	19.21 x	16.65 x	15.07 x
EV/S	2.48 x	2.35 x	2.81 x	3.00 x	2.75 x	2.95 x	2.61 x	3.16 x	3.24 x	3.16 x	3.34 x	3.18 x	3.20 x

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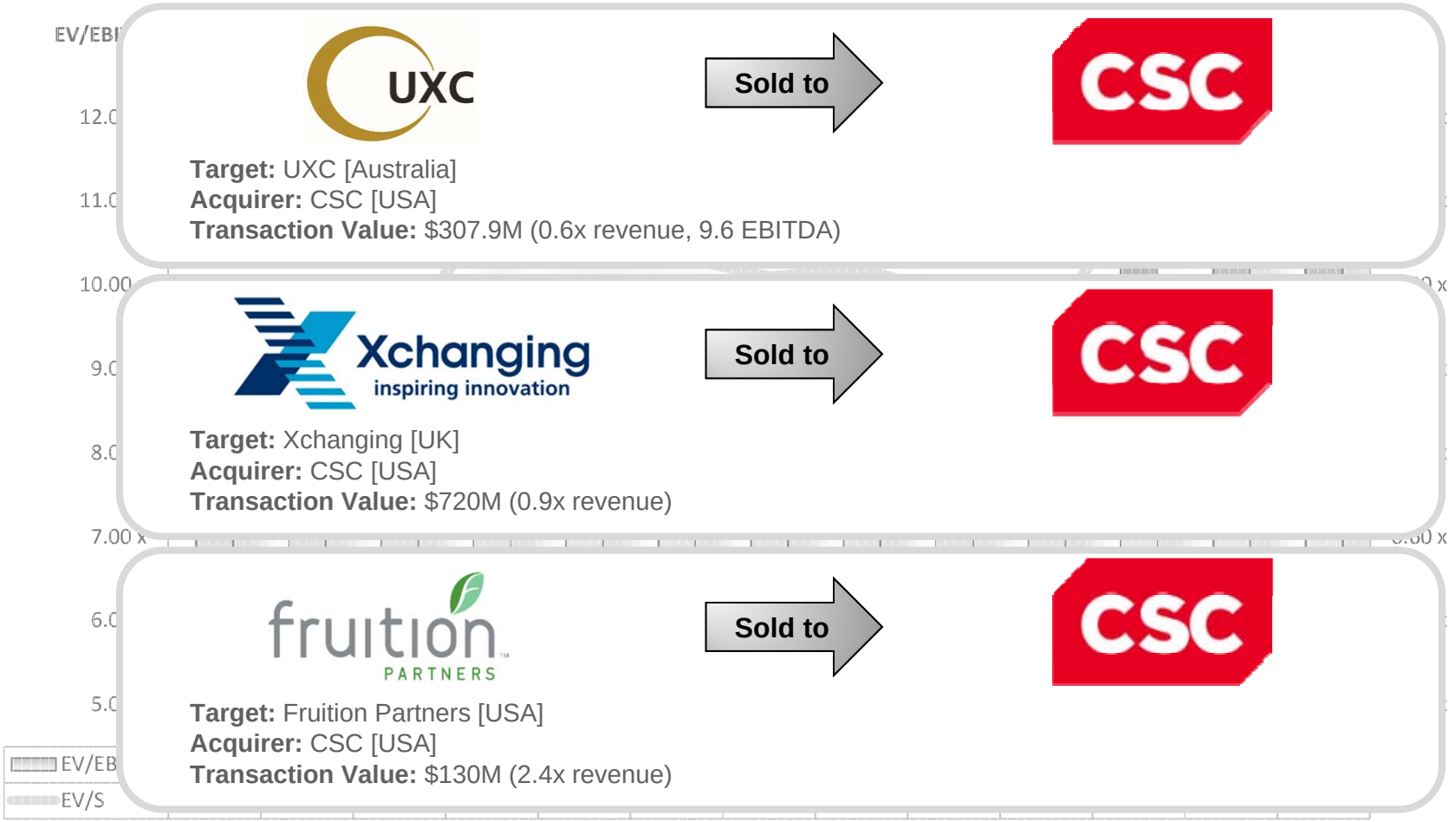
IT Services – Developed Markets

Deal Spotlight: CSC



IT Services – Developed Markets

Deal Spotlight: Consulting and Integration Services

Target	Acquirer	Deal Value	Target Country	Acquirer Country	Description
CrossView	PFSweb	$38M	USA	USA	Ecommerce SaaS solutions; IBM and SAP hybris partner
Crimsonwing	KPMG	$27.8M	UK	USA	ERP, CRM, ecommerce and IT integration
Towers Watson HR services	KPMG	-	Canada	USA	HR service delivery SaaS
meteorix	IBM	$120M	USA	USA	Workday consulting; HR & finance
cellent ...more than just IT	Wipro	$77M	Germany	India	SAP consulting and infrastructure solutions
kerensen consulting	salesforce	$24.2M	France	USA	CRM consulting, management and support

IT Services – Emerging Markets

Deal Spotlight: Eastern Europe

CIKLUM
EMPOWERING COLLABORATION

Sold to

SOROS
Soros Fund Management

Target: Ciklum Holding Limited [Ukraine]
Acquirer: Soros Fund Management LLC [Ukraine]
Transaction Value: $180M

- Software engineering, QA, R&D and consulting

- Hopes to invigorate the “New Ukraine”

home.pl

Sold to

1&1

Target: Home.pl [Poland]
Acquirer: 1&1 Internet [Germany]
Transaction Value: $149M

- Becomes webhosting market leader in Poland

- 1&1 parent company, United Internet, considering spinning out division through IPO

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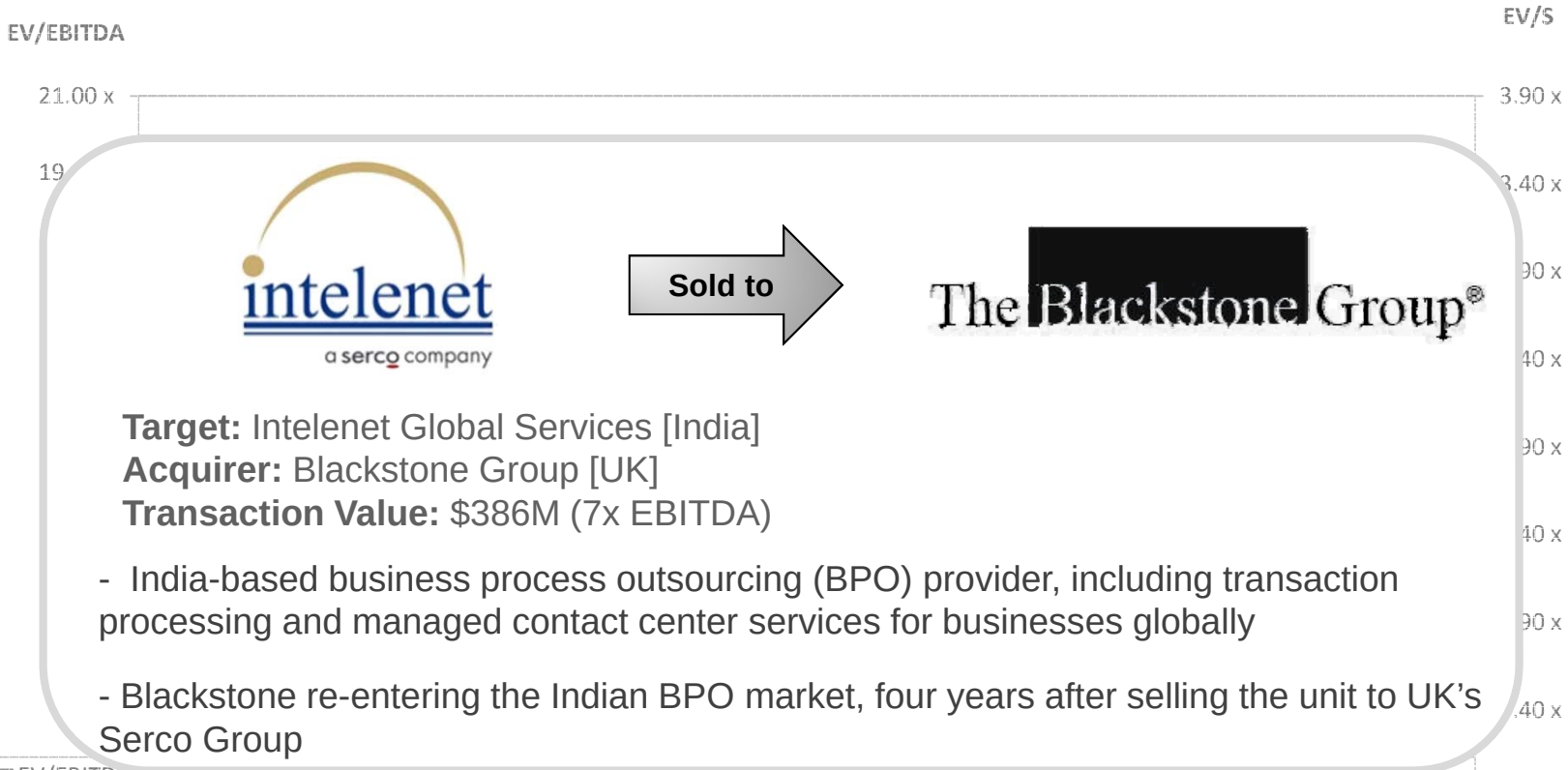
IT Services – Emerging Markets

Deal Spotlight: India



Target: Intelenet Global Services [India]
Acquirer: Blackstone Group [UK]
Transaction Value: $386M (7x EBITDA)

- India-based business process outsourcing (BPO) provider, including transaction processing and managed contact center services for businesses globally

- Blackstone re-entering the Indian BPO market, four years after selling the unit to UK's Serco Group

EV/EBITDA	14.15 x	13.45 x	15.12 x	15.21 x	14.54 x	15.76 x	17.62 x	16.35 x	17.47 x	16.77 x	19.21 x	16.65 x	15.07 x
EV/S	2.48 x	2.35 x	2.81 x	3.00 x	2.75 x	2.95 x	2.61 x	3.16 x	3.24 x	3.16 x	3.34 x	3.18 x	3.20 x

IT Services – Emerging Markets

Deal Spotlight: China

EV/EBITDA

EV/S

3.90 x

40 x

90 x

40 x

90 x

40 x

90 x

40 x

Sold to

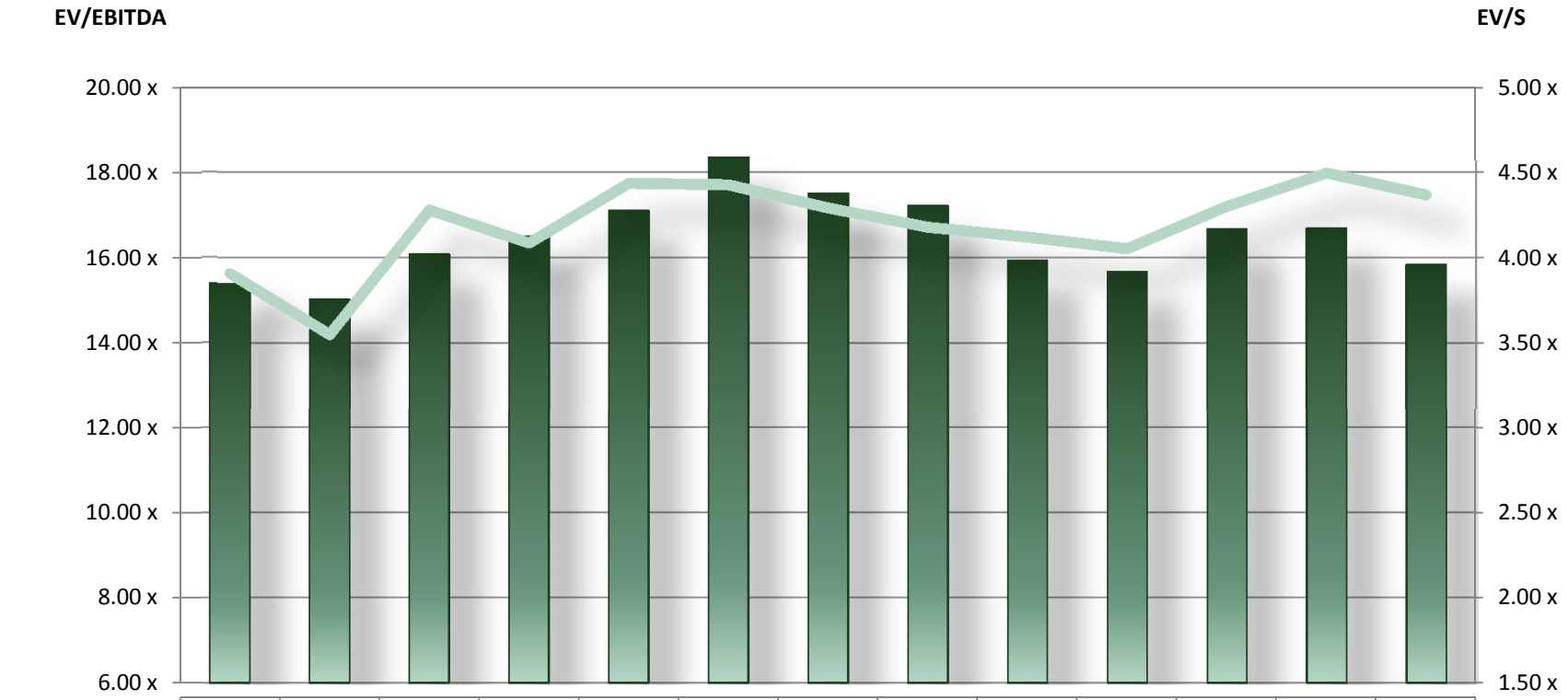
Target: Hangzhou Maimiao Network Tech [China]
Acquirer: Shenzhen Comix Group [China]
Transaction Value: $55.2M (13x revenue)

- Software development focused on customer analytics & online marketing for Alibaba

EV/EBI												
EV/S	2.48 x	2.35 x	2.81 x	3.00 x	2.75 x	2.95 x	2.61 x	3.16 x	3.24 x	3.16 x	3.34 x	3.18 x	3.20 x

Vertical Application Software Market

Public Valuation Multiples



	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
EV/EBITDA	15.39 x	15.03 x	16.09 x	16.52 x	17.11 x	18.35 x	17.52 x	17.23 x	15.95 x	15.67 x	16.69 x	16.70 x	15.85 x
EV/S	3.91 x	3.55 x	4.28 x	4.09 x	4.44 x	4.43 x	4.29 x	4.18 x	4.12 x	4.05 x	4.30 x	4.50 x	4.37 x

COMING UP: 2016 Luminary Panel

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Vertical Application Software Valuations

Subsector	Sales	EBITDA	Examples
A/E/C	5.13x	17.25x	AUTODESK. DASSAULT SYSTEMES SYNOPSYS
Automotive	3.98x	36.54x	Autotrader BitAuto 易车 CDK Global
Energy & Environment	3.34x	15.78x	IHS Itron Schlumberger
Financial Services	4.80x	15.24x	Broadridge FIS fiserv.
Government	1.75x	12.25x	Northrop Grumman Raytheon tyler technologies
Healthcare	5.23x	18.31x	Allscripts Cerner imshealth
Real Estate	7.17x	31.16x	CoreLogic CoStar Group Zillow
Vertical Other	4.46x	14.83x	AMADEUS Rockwell Automation Sabre

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Vertical Application Software Valuations

Subsector		Sales	EBITDA	Examples		
A/E/C	↑	**5.13x**	**17.25x**	AUTODESK.	DASSAULT SYSTEMES	SYNOPSYS
Automotive		3.98x	36.54x	Autotrader	AutoNation	CDK Global
Energy & Environment		3.34x	15.78x	IHS	Itron	Schlumberger
Financial Services	↑	**4.80x**	**15.24x**	Broadridge	FIS	fiserv.
Government		1.75x	12.25x		Bayliens	tyler
Healthcare	↑	**5.23x**	**18.31x**	Allscripts	Cerner	imshealth
Real Estate		7.17x	31.16x	CoreLogic	CoStar Group	Zillow
Vertical Other		4.46x	14.83x	amadeus	Rockwell Automation	Sabre

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Vertical Application Software Market

Deal Spotlight: EHR

HealthFusion → Sold to → QSI

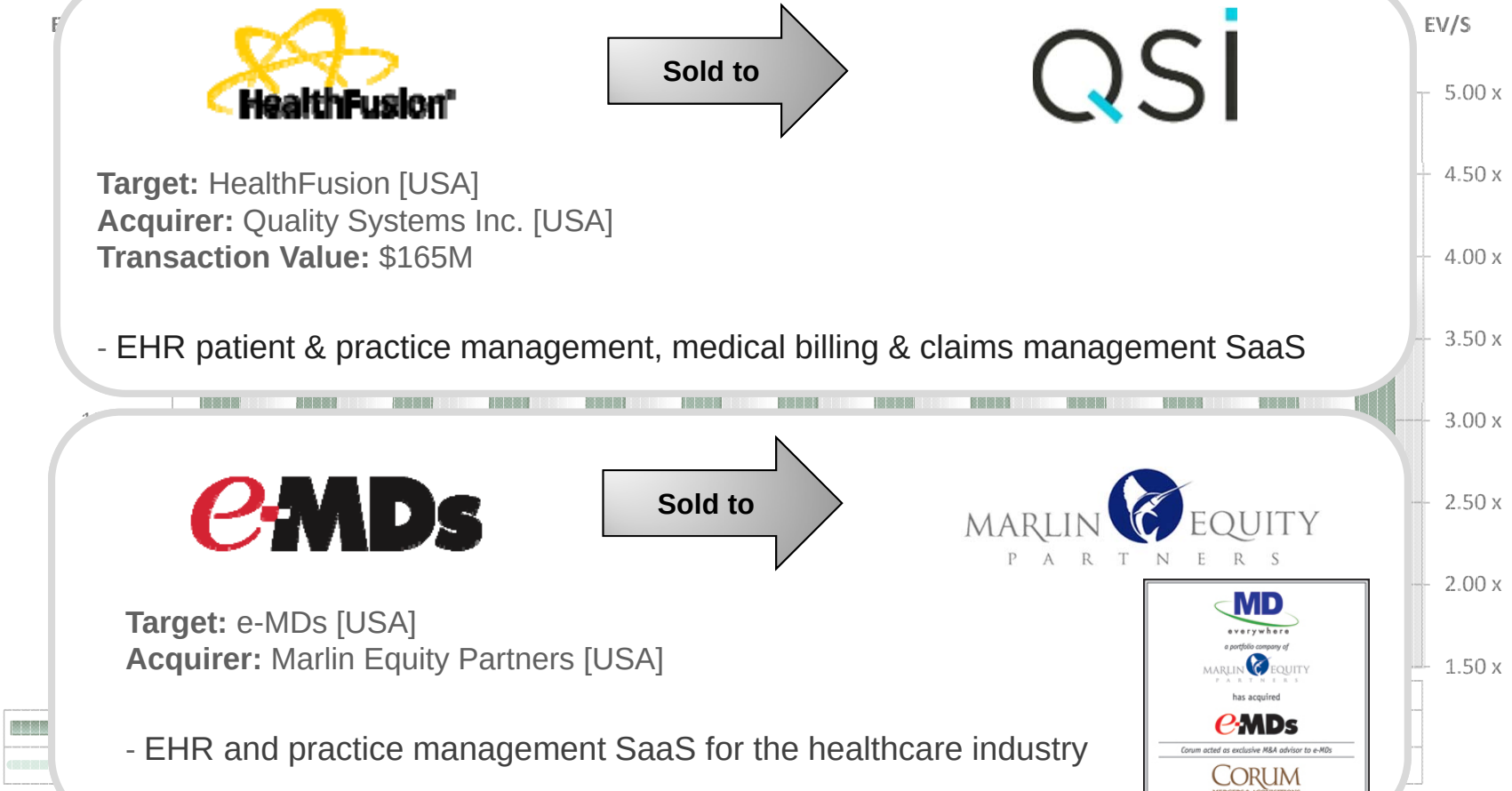
Target: HealthFusion [USA]
Acquirer: Quality Systems Inc. [USA]
Transaction Value: $165M

- EHR patient & practice management, medical billing & claims management SaaS

e-MDs → Sold to → MARLIN EQUITY PARTNERS

Target: e-MDs [USA]
Acquirer: Marlin Equity Partners [USA]

- EHR and practice management SaaS for the healthcare industry



Vertical Application Software Market

Deal Spotlight: Europe

Zorgverband — Sold to — CGM

Target: BS Concept Realization [Netherlands]
Acquirer: CompuGroup Medical [USA]

caretrace® — Sold to — CGM

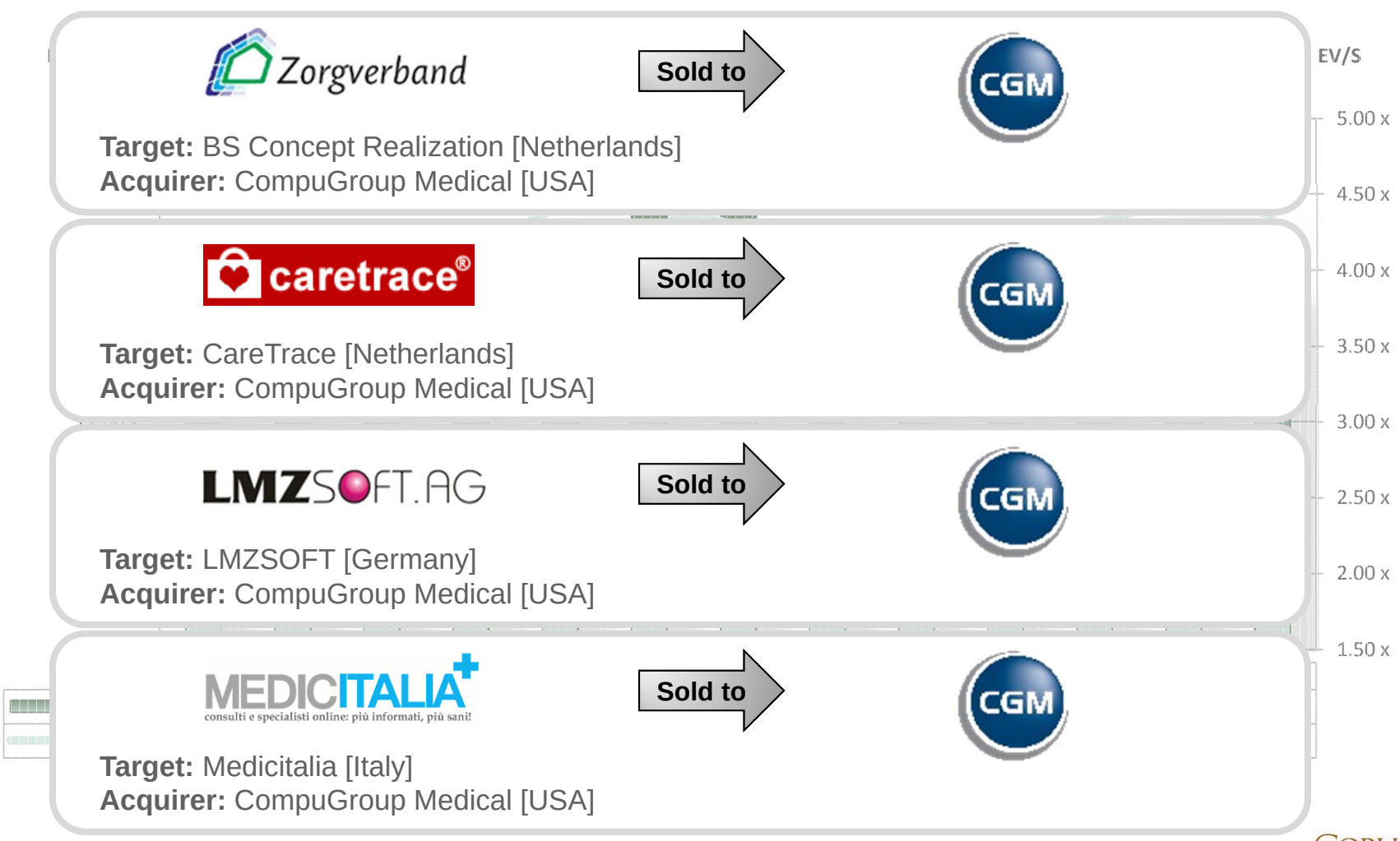
Target: CareTrace [Netherlands]
Acquirer: CompuGroup Medical [USA]

LMZSOFT.AG — Sold to — CGM

Target: LMZSOFT [Germany]
Acquirer: CompuGroup Medical [USA]

MEDICITALIA consulti e specialisti online: più informati, più sani! — Sold to — CGM

Target: Medicitalia [Italy]
Acquirer: CompuGroup Medical [USA]



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Vertical Application Software Market

Deal Spotlight: Healthcare Analytics

Sold to

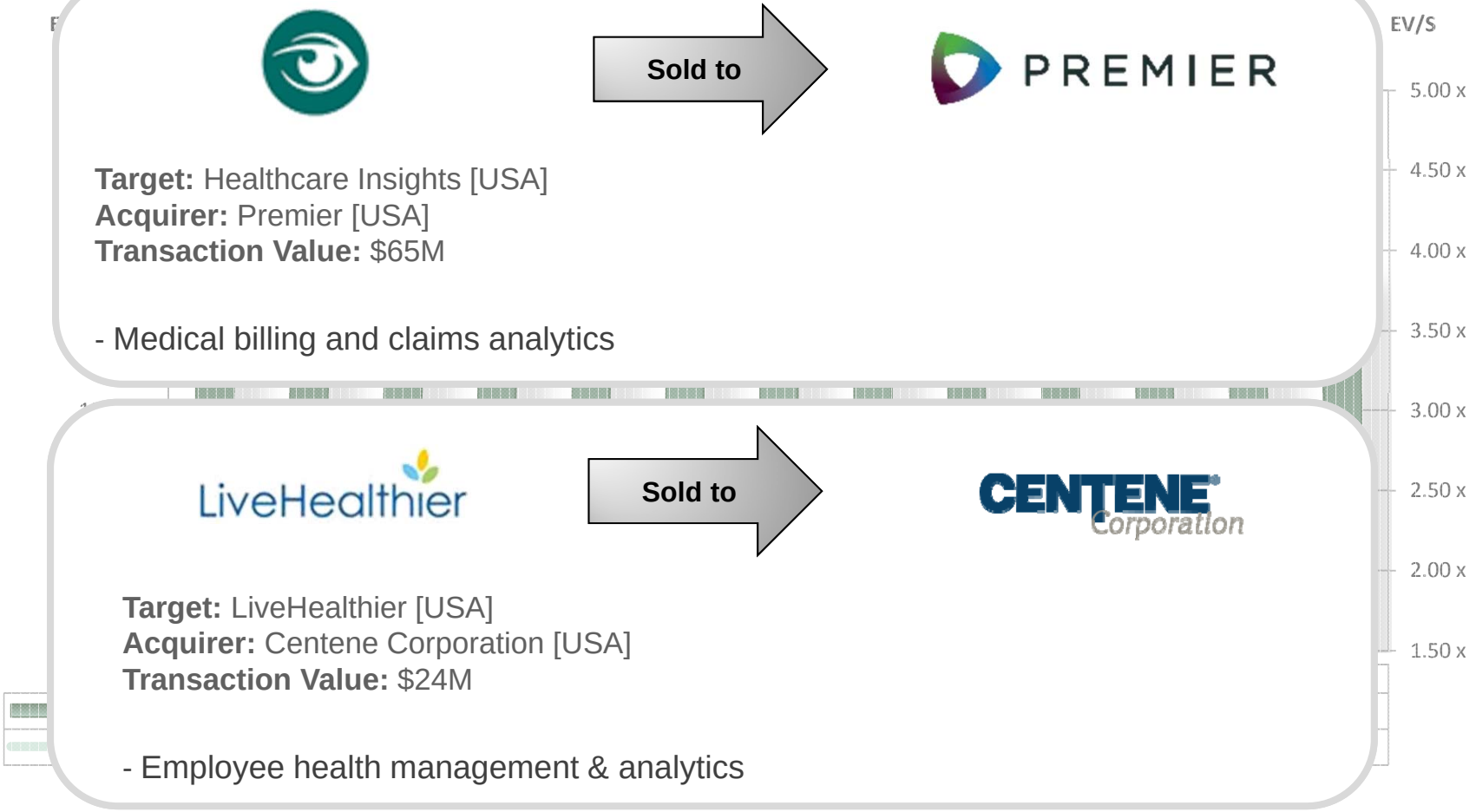
Target: Healthcare Insights [USA]
Acquirer: Premier [USA]
Transaction Value: $65M

- Medical billing and claims analytics

Sold to

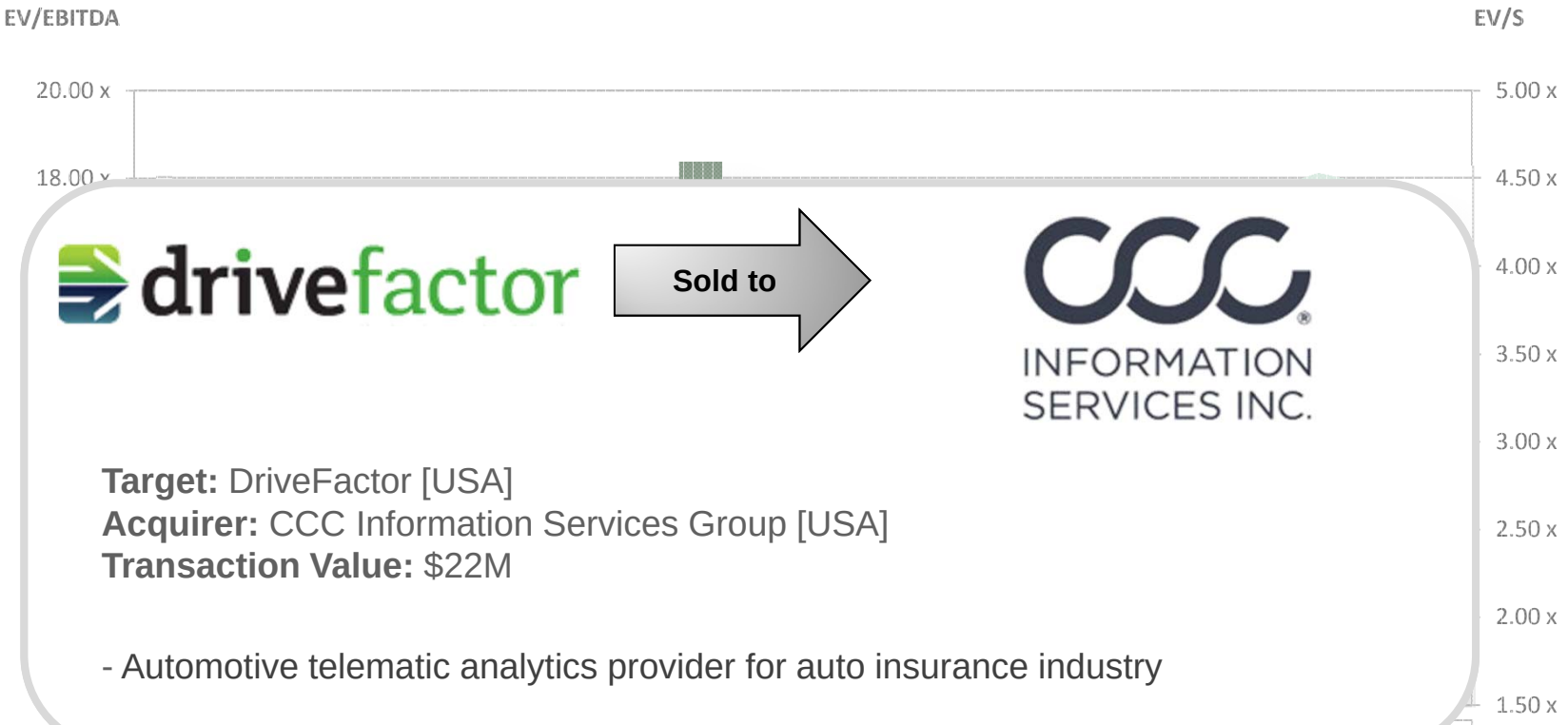
Target: LiveHealthier [USA]
Acquirer: Centene Corporation [USA]
Transaction Value: $24M

- Employee health management & analytics



Vertical Application Software Market

Deal Spotlight: Insurance Analytics



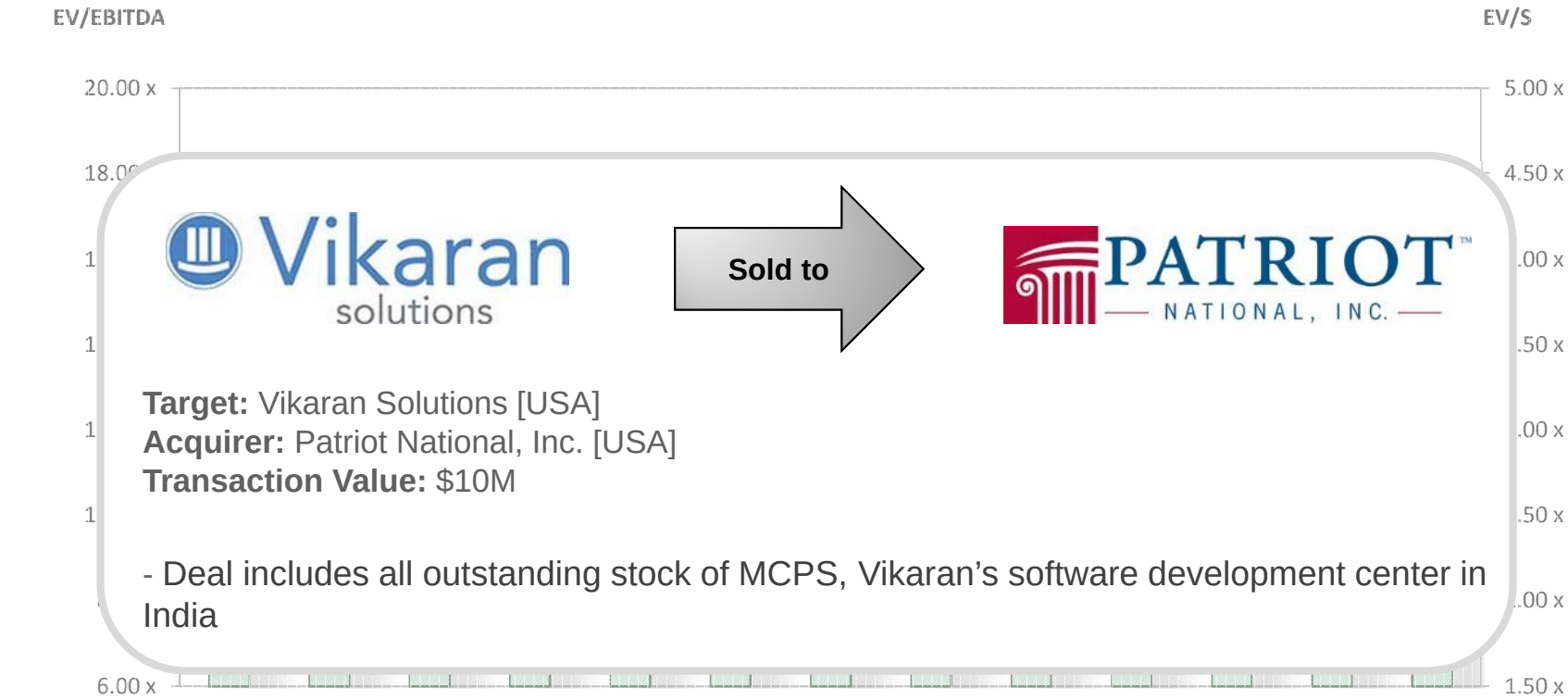
Target: DriveFactor [USA]
Acquirer: CCC Information Services Group [USA]
Transaction Value: $22M

- Automotive telematic analytics provider for auto insurance industry

EV/EBITDA	15.39 x	15.03 x	16.09 x	16.52 x	17.11 x	18.35 x	17.52 x	17.23 x	15.95 x	15.67 x	16.69 x	16.70 x	15.85 x
EV/S	3.91 x	3.55 x	4.28 x	4.09 x	4.44 x	4.43 x	4.29 x	4.18 x	4.12 x	4.05 x	4.30 x	4.50 x	4.37 x

Vertical Application Software Market

Deal Spotlight: Insurance



Vikaran solutions

Sold to

PATRIOT NATIONAL, INC.

Target: Vikaran Solutions [USA]
Acquirer: Patriot National, Inc. [USA]
Transaction Value: $10M

- Deal includes all outstanding stock of MCPS, Vikaran's software development center in India

	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
EV/EBITDA	15.39 x	15.03 x	16.09 x	16.52 x	17.11 x	18.35 x	17.52 x	17.23 x	15.95 x	15.67 x	16.69 x	16.70 x	15.85 x
EV/S	3.91 x	3.55 x	4.28 x	4.09 x	4.44 x	4.43 x	4.29 x	4.18 x	4.12 x	4.05 x	4.30 x	4.50 x	4.37 x

Vertical Application Software Market

Deal Spotlight: Insurance business process management

QQSOLUTIONS **Sold to** Vertafore

Target: QQ Solutions [USA]
Acquirer: Vertafore [USA]

- Combines to provide solutions for all sizes of insurance agencies

BROVADA **Sold to** TOWERS WATSON

Target: Brovada Technologies [Canada]
Acquirer: Towers Watson [USA]
Transaction Value: $15.2M

- Streamlines communication between agents, brokers and property & casualty carriers

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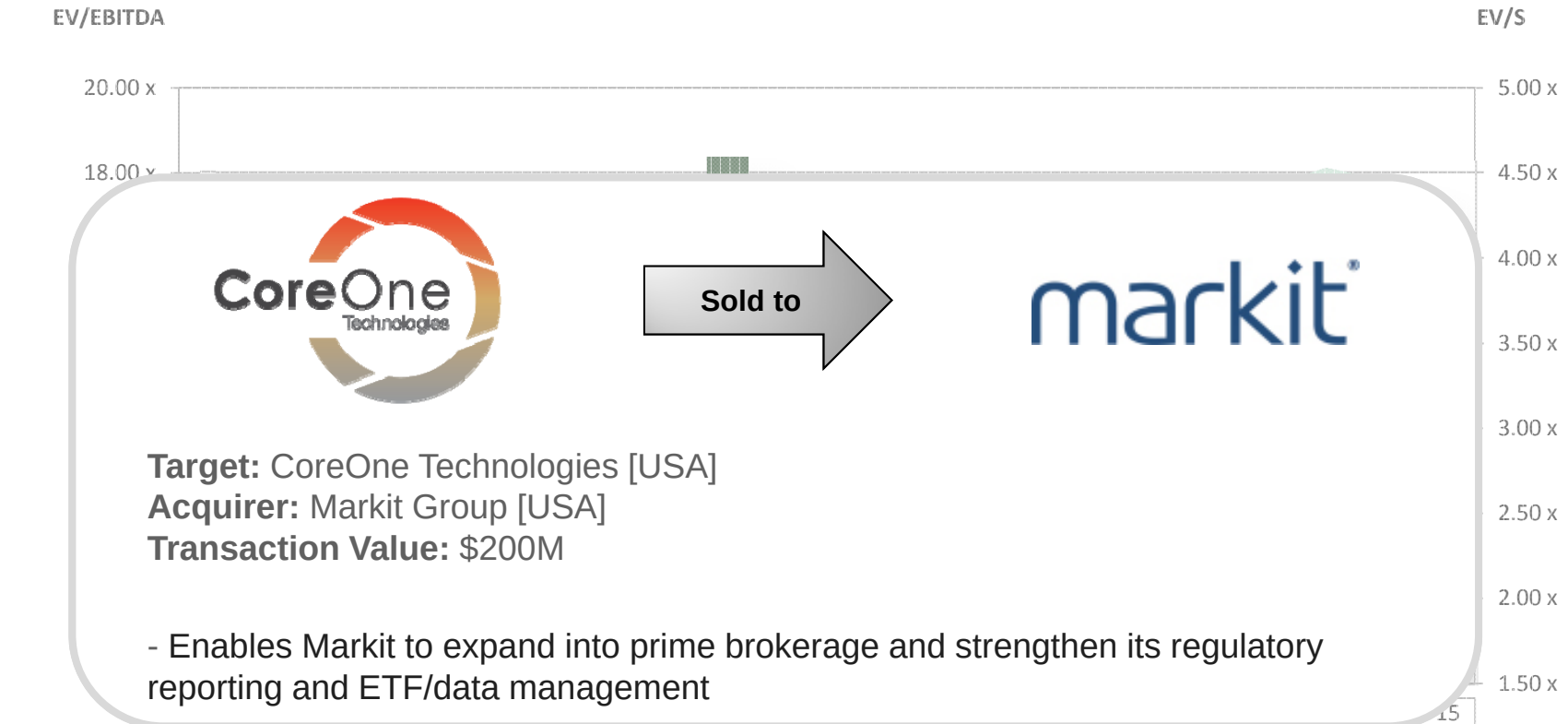
Vertical Application Software Market

Deal Spotlight: Financial Services



Target: CoreOne Technologies [USA]
Acquirer: Markit Group [USA]
Transaction Value: $200M

- Enables Markit to expand into prime brokerage and strengthen its regulatory reporting and ETF/data management

EV/EBITDA	15.39 x	15.03 x	16.09 x	16.52 x	17.11 x	18.35 x	17.52 x	17.23 x	15.95 x	15.67 x	16.69 x	16.70 x	15.85 x
EV/S	3.91 x	3.55 x	4.28 x	4.09 x	4.44 x	4.43 x	4.29 x	4.18 x	4.12 x	4.05 x	4.30 x	4.50 x	4.37 x

Vertical Application Software Market

Deal Spotlight: Financial analytics

QED Financial Systems → Sold to → Broadridge

Target: QED Financial Systems [USA]
Acquirer: Broadridge Financial Solutions [USA]

- Provides support for the front and back office solutions offered by Broadridge

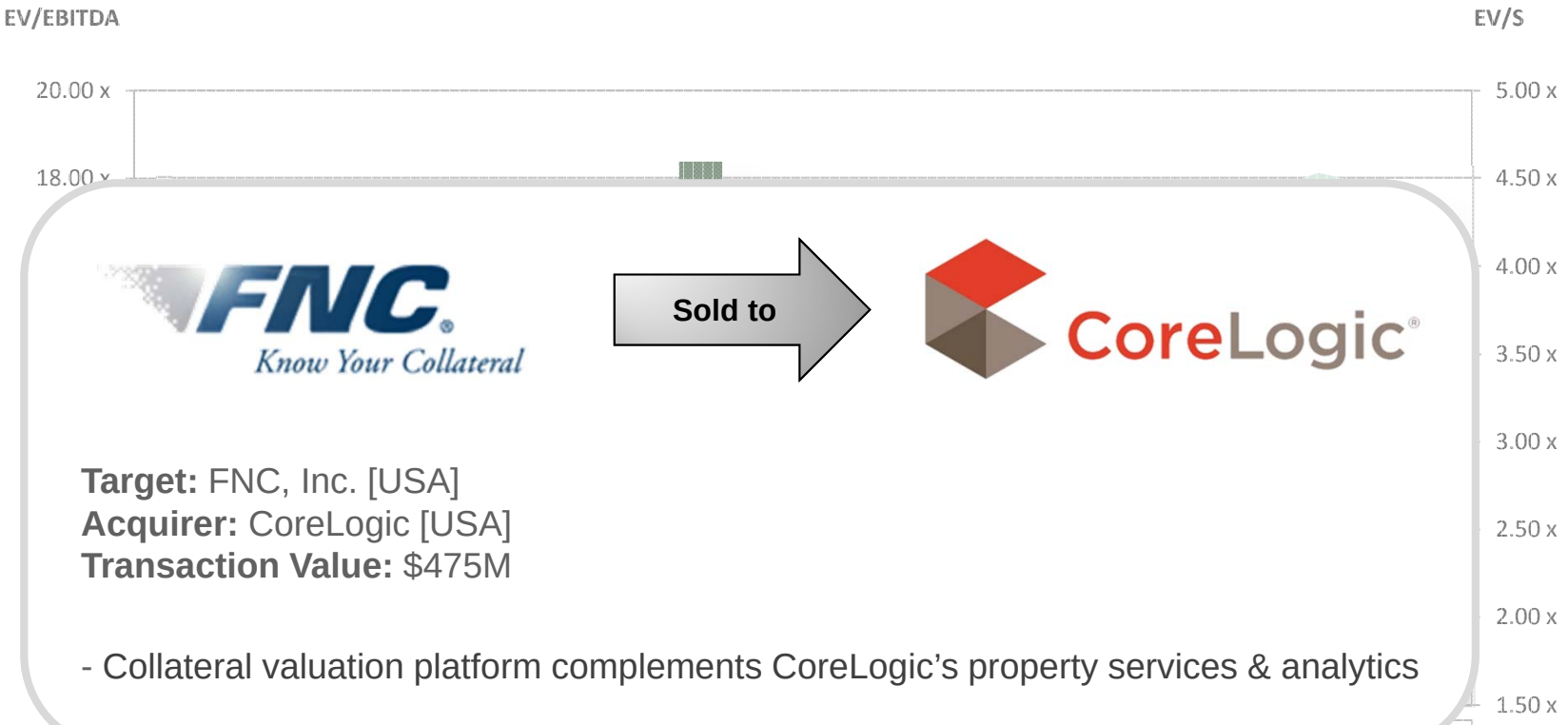
tyche™ Marriott Sinclair LLP → Sold to → RPC

Target: Marriott Sinclair [UK]
Acquirer: RPC Consulting [UK]

- Streamlines communication between agents, brokers and property & casualty carriers

Vertical Application Software Market

Deal Spotlight: Real Estate



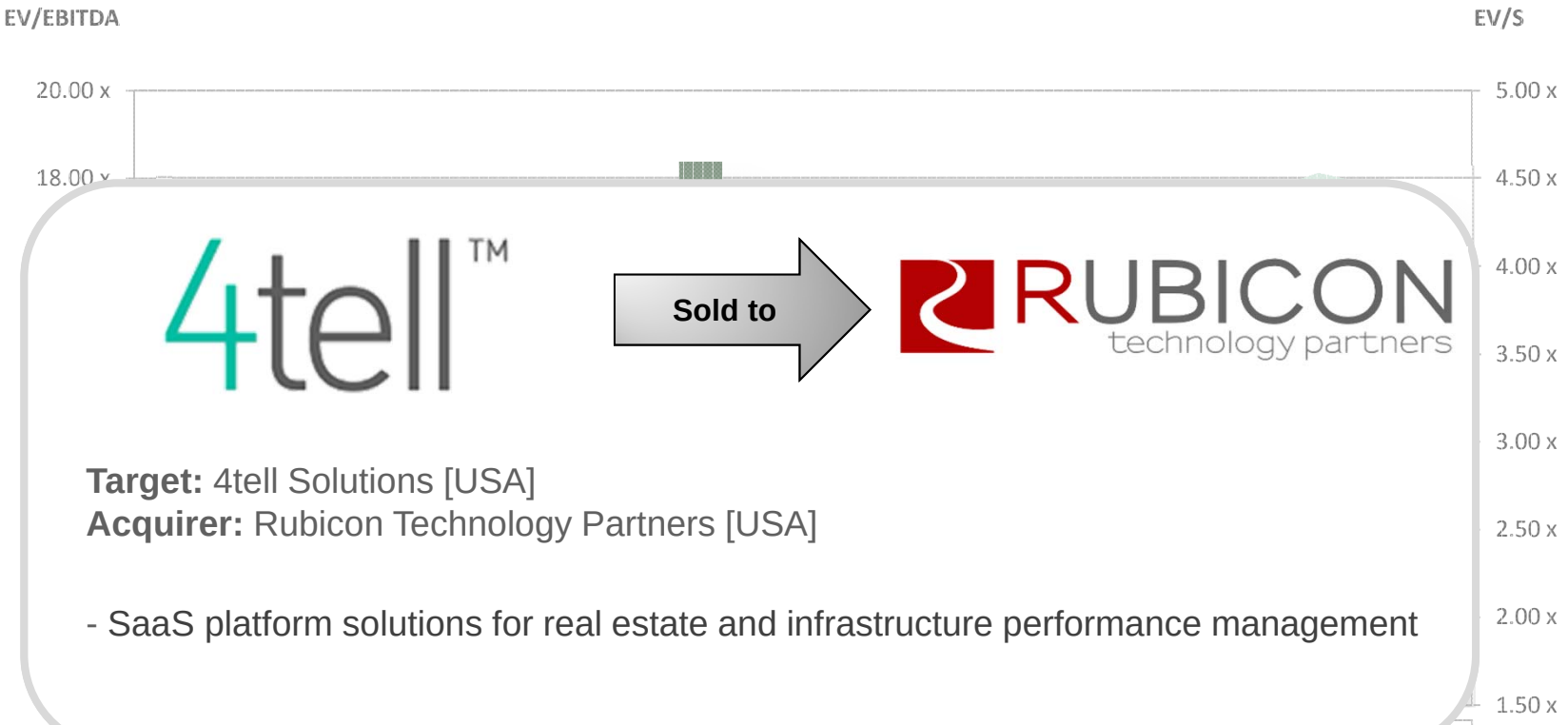
Target: FNC, Inc. [USA]
Acquirer: CoreLogic [USA]
Transaction Value: $475M

- Collateral valuation platform complements CoreLogic's property services & analytics

EV/EBITDA	15.39 x	15.03 x	16.09 x	16.52 x	17.11 x	18.35 x	17.52 x	17.23 x	15.95 x	15.67 x	16.69 x	16.70 x	15.85 x
EV/S	3.91 x	3.55 x	4.28 x	4.09 x	4.44 x	4.43 x	4.29 x	4.18 x	4.12 x	4.05 x	4.30 x	4.50 x	4.37 x

Vertical Application Software Market

Deal Spotlight: Real Estate



4tell™ **Sold to** RUBICON technology partners

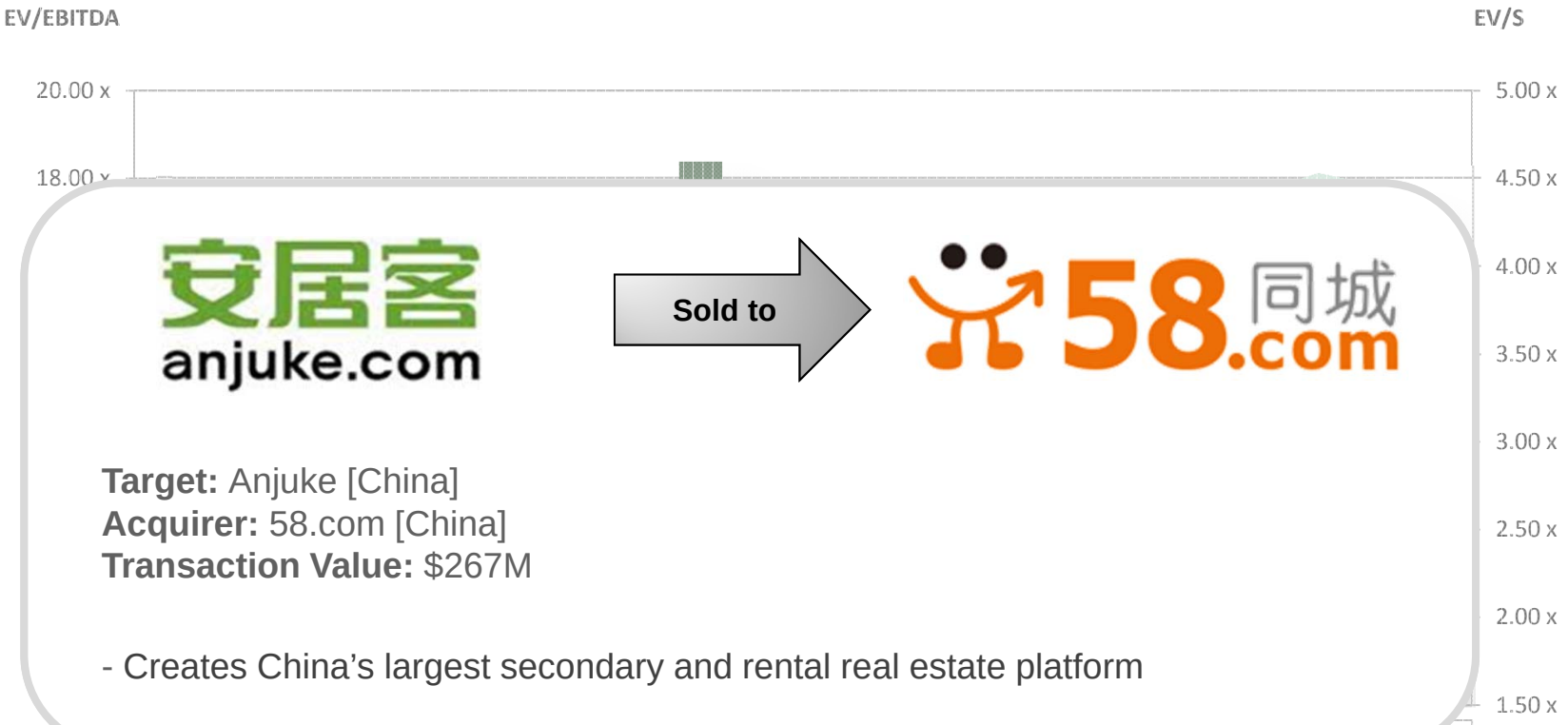
Target: 4tell Solutions [USA]
Acquirer: Rubicon Technology Partners [USA]

- SaaS platform solutions for real estate and infrastructure performance management

EV/EBITDA	15.39 x	15.03 x	16.09 x	16.52 x	17.11 x	18.35 x	17.52 x	17.23 x	15.95 x	15.67 x	16.69 x	16.70 x	15.85 x
EV/S	3.91 x	3.55 x	4.28 x	4.09 x	4.44 x	4.43 x	4.29 x	4.18 x	4.12 x	4.05 x	4.30 x	4.50 x	4.37 x

Vertical Application Software Market

Deal Spotlight: Real Estate



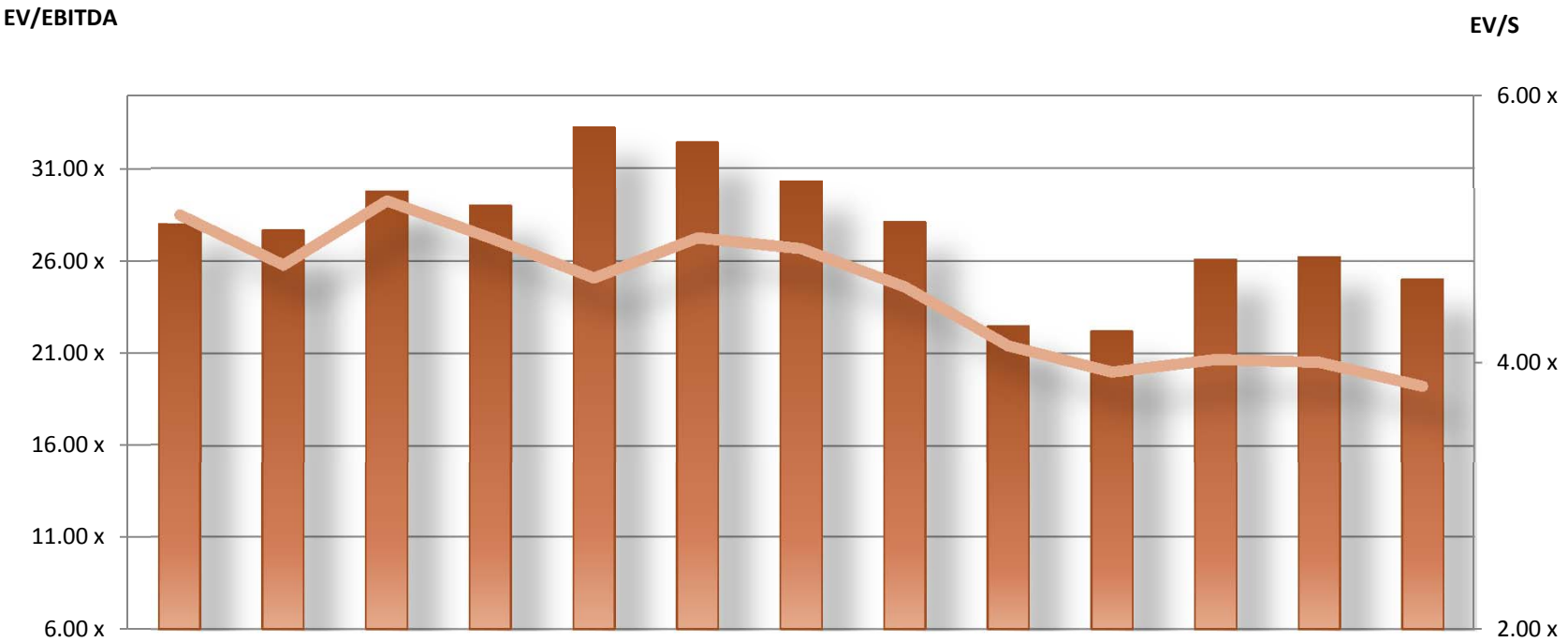
Target: Anjuke [China]
Acquirer: 58.com [China]
Transaction Value: $267M

- Creates China's largest secondary and rental real estate platform

EV/EBITDA	15.39 x	15.03 x	16.09 x	16.52 x	17.11 x	18.35 x	17.52 x	17.23 x	15.95 x	15.67 x	16.69 x	16.70 x	15.85 x
EV/S	3.91 x	3.55 x	4.28 x	4.09 x	4.44 x	4.43 x	4.29 x	4.18 x	4.12 x	4.05 x	4.30 x	4.50 x	4.37 x

Internet Market

Public Valuation Multiples



	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
EV/EBITDA	28.01 x	27.67 x	29.78 x	29.01 x	33.23 x	32.43 x	30.32 x	28.14 x	22.49 x	22.21 x	26.11 x	26.23 x	25.04 x
EV/S	5.11 x	4.73 x	5.21 x	4.93 x	4.63 x	4.93 x	4.85 x	4.57 x	4.13 x	3.93 x	4.03 x	4.01 x	3.83 x

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Internet Valuations

Subsector	Sales	EBITDA	Examples		
Diversified Internet	5.63x	20.00x	Alphabet	Baidu 百度	Tencent 腾讯
eCommerce	1.53x	26.55x	ebay	JD.COM 京东	zalando
Social Network	7.75x	42.11x	facebook	LinkedIn	twitter
Travel & Leisure	5.25x	25.92x	JUST EAT	Expedia	priceline.com

Internet Market

Deal Spotlight: Travel

Target	Acquirer	Deal Value	Target Country	Acquirer Country	Description
travelocity	Expedia	$280M	USA	USA	Travel reservation and distribution services
ORBITZ	Expedia	$1.3B	USA	USA	Online travel reservation services
HomeAway	Expedia	$3.9B	USA	USA	Vacation property rental classified ads and reservations website
travelmob	HomeAway	-	Singapore	USA	Social network for booking accommodations and room rentals
Dwellable	HomeAway	-	USA	USA	Online directory of rental vacation properties and reservation booking
etraveli	ProSiebenSat.1 Media AG	$265M	Sweden	Germany	Online flight and hotel reservation services in Scandinavia
艺龙 eLong	Ctrip 携程	$671M	China	China	Hotel reservation and vacation booking; call center service for tours

Internet Market

Deal Spotlight: Food Ordering

Target	Acquirer	Deal Value	Target Country	Acquirer Country	Description
Menulog	JUSTEAT	$682M	Australia	UK	Online food ordering SaaS
Clicca e Mangia	JUSTEAT	-	Italy	UK	Online food ordering and delivery service
DeliveRex	JUSTEAT	-	Italy	UK	Priority personalized and trackable e-content delivery
orderit.ca	JUSTEAT	-	Canada	UK	Restaurant delivery service
Delivered Dish	grubHub	-	USA	USA	Food delivery and catering
Dining In	grubHub	$80M	USA	USA	Online food ordering and delivery service
Restaurants On The Run	grubHub	-	USA	USA	Online food delivery service
Yemeksepeti	Delivery Hero	$589M	Turkey	Germany	Online food ordering site
Talabat.com	Delivery Hero	$170M	Kuwait	Germany	Online food delivery for MENA region

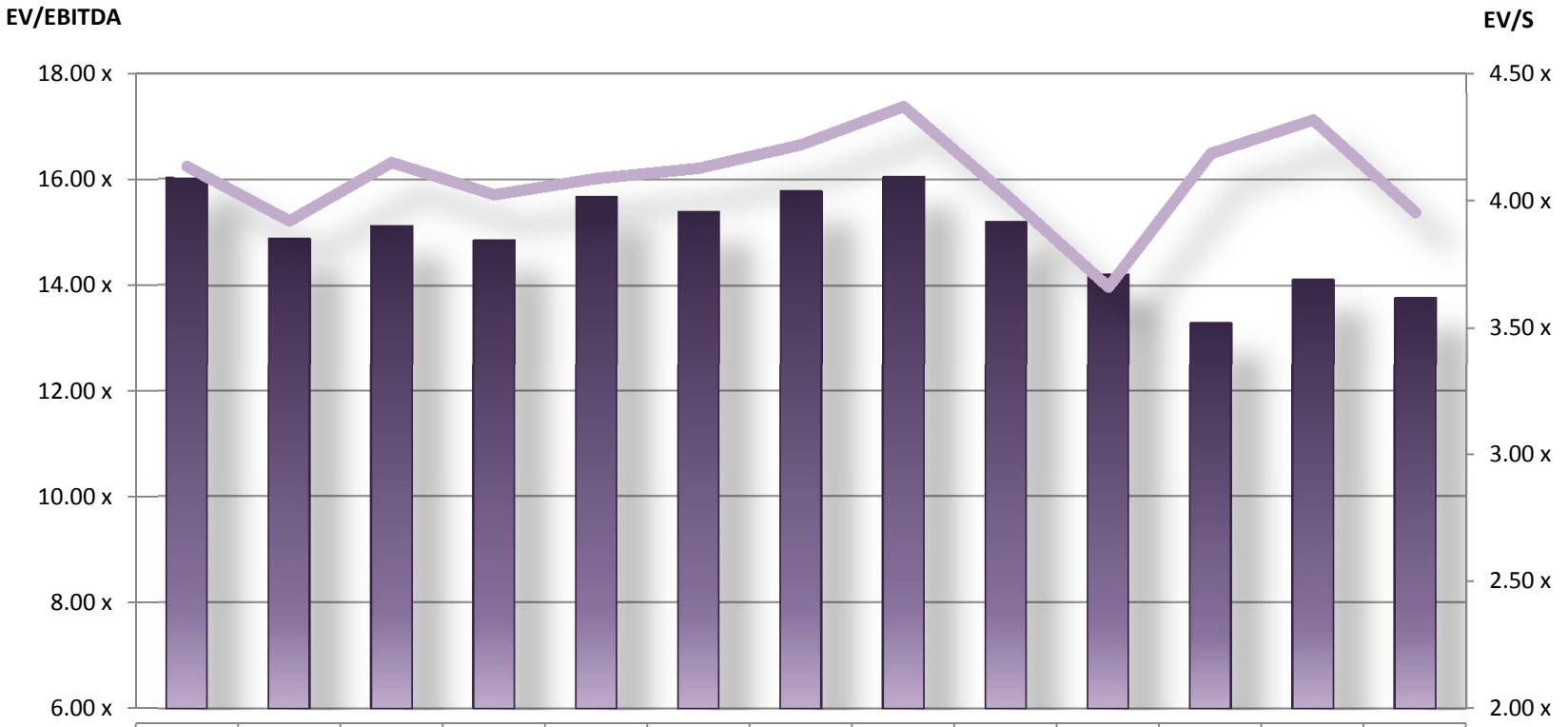
Internet Market

Deal Spotlight: Internet Dating

Target	Acquirer	Deal Value	Target Country	Acquirer Country	Description
POF	match	$575M	Canada	USA	Subscription based online dating website & app
世纪佳缘 jiayuan.com	百合 baihe.com 实名婚恋同开创者	$250M	China	China	Chinese online dating service
PARSHIP.de	OAKLEY Capital Limited	-	Germany	UK	Online dating classified ads services for Europe & Mexico
ElitePartner	OAKLEY Capital Limited	$24M	Germany	UK	Online academic & degree-focused dating service
J	sparknetworks	$7M	USA	USA	Mobile Jewish dating application
Datingfactory	AGILE WINGS	-	Switzerland	Hong Kong	Swiss-based dating website development & marketing

Infrastructure Software Market

Public Valuation Multiples



	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
EV/EBITDA	16.03 x	14.90 x	15.14 x	14.87 x	15.68 x	15.40 x	15.79 x	16.06 x	15.21 x	14.22 x	13.30 x	14.12 x	13.78 x
EV/S	4.14 x	3.92 x	4.15 x	4.02 x	4.09 x	4.13 x	4.22 x	4.37 x	4.02 x	3.66 x	4.19 x	4.32 x	3.96 x

Infrastructure Software Market

Subsector	Sales	EBITDA	Examples
Endpoint	3.23x	14.93x	CITRIX, OPERA software, vmware
IT Services Management	6.20x	27.40x	ca technologies, redhat., servicenow
Network Management	2.29x	19.22x	ARISTA, CISCO, JUNIPER NETWORKS
Security	4.84x	15.42x	360 www.360.cn, Check Point SOFTWARE TECHNOLOGIES LTD., gemalto security to be free
Storage & Hosting	2.34x	6.68x	BROCADE, NetApp, rackspace
Other	4.32x	13.78x	Atlassian, PROGRESS, New Relic.

Infrastructure Software Market

Subsector		Sales	EBITDA	Examples		
Endpoint		3.23x	14.93x	CITRIX	OPERA software	vmware
IT Services Management	↑	**6.20x**	**27.40x**	ca technologies	redhat.	servicenow
Network Management		2.29x	19.22x	ARISTA	CISCO	JUNIPER NETWORKS
Security		4.84x	15.42x	360	Check Point SOFTWARE TECHNOLOGIES LTD.	gemalto
Storage & Hosting		2.34x	6.68x	BROCADE	NetApp	rackspace
Other		4.32x	13.78x	Atlassian	PROGRESS	New Relic.

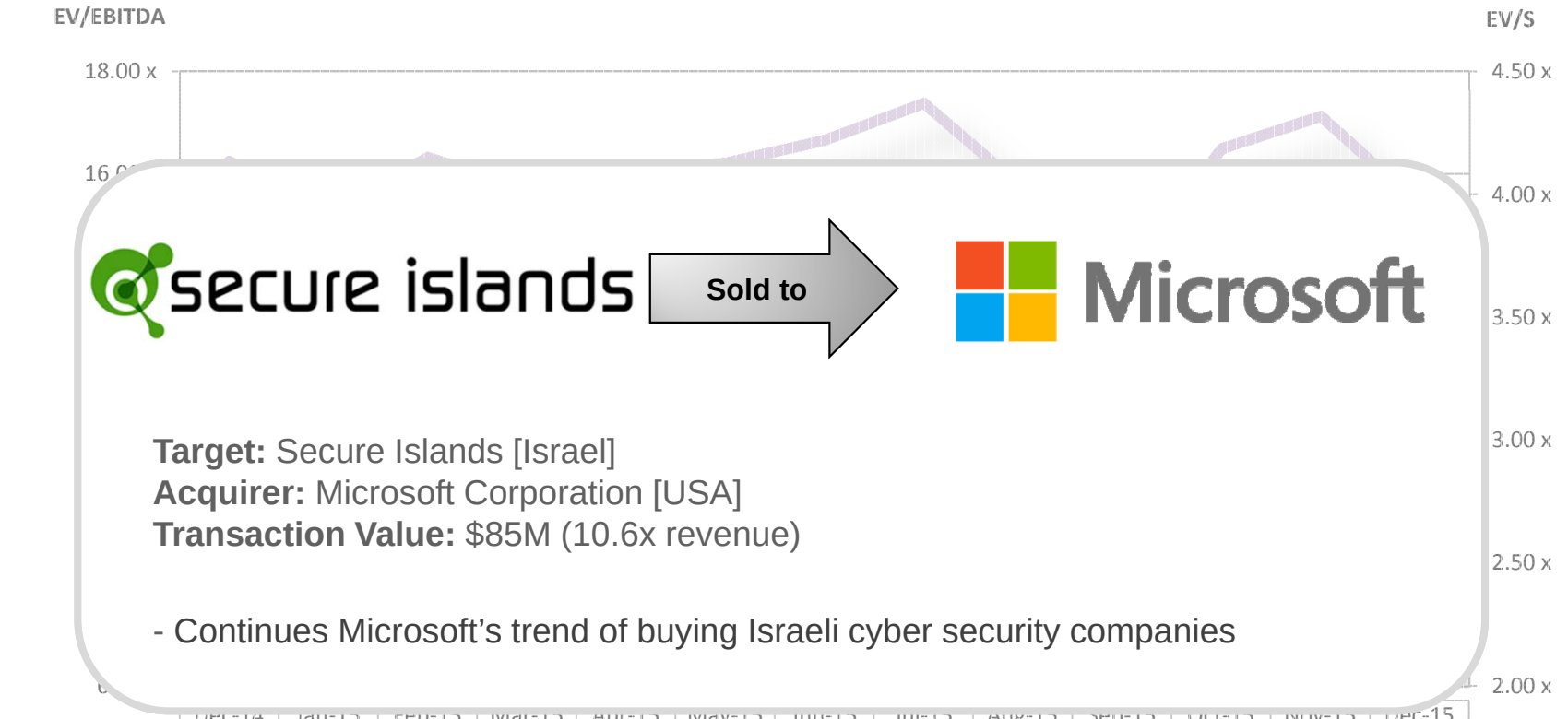
2015 Infrastructure Megadeals

websense → **Sold to** → **Raytheon**

Target: Websense [USA]
Acquirer: Raytheon [USA]
Transaction Value: $1.3B

Infrastructure Software Market

Deal Spotlight: Data Security



secure islands **Sold to** Microsoft

Target: Secure Islands [Israel]
Acquirer: Microsoft Corporation [USA]
Transaction Value: $85M (10.6x revenue)

- Continues Microsoft's trend of buying Israeli cyber security companies

	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
EV/EBITDA	16.03 x	14.90 x	15.14 x	14.87 x	15.68 x	15.40 x	15.79 x	16.06 x	15.21 x	14.22 x	13.30 x	14.12 x	13.78 x
EV/S	4.14 x	3.92 x	4.15 x	4.02 x	4.09 x	4.13 x	4.22 x	4.37 x	4.02 x	3.66 x	4.19 x	4.32 x	3.96 x

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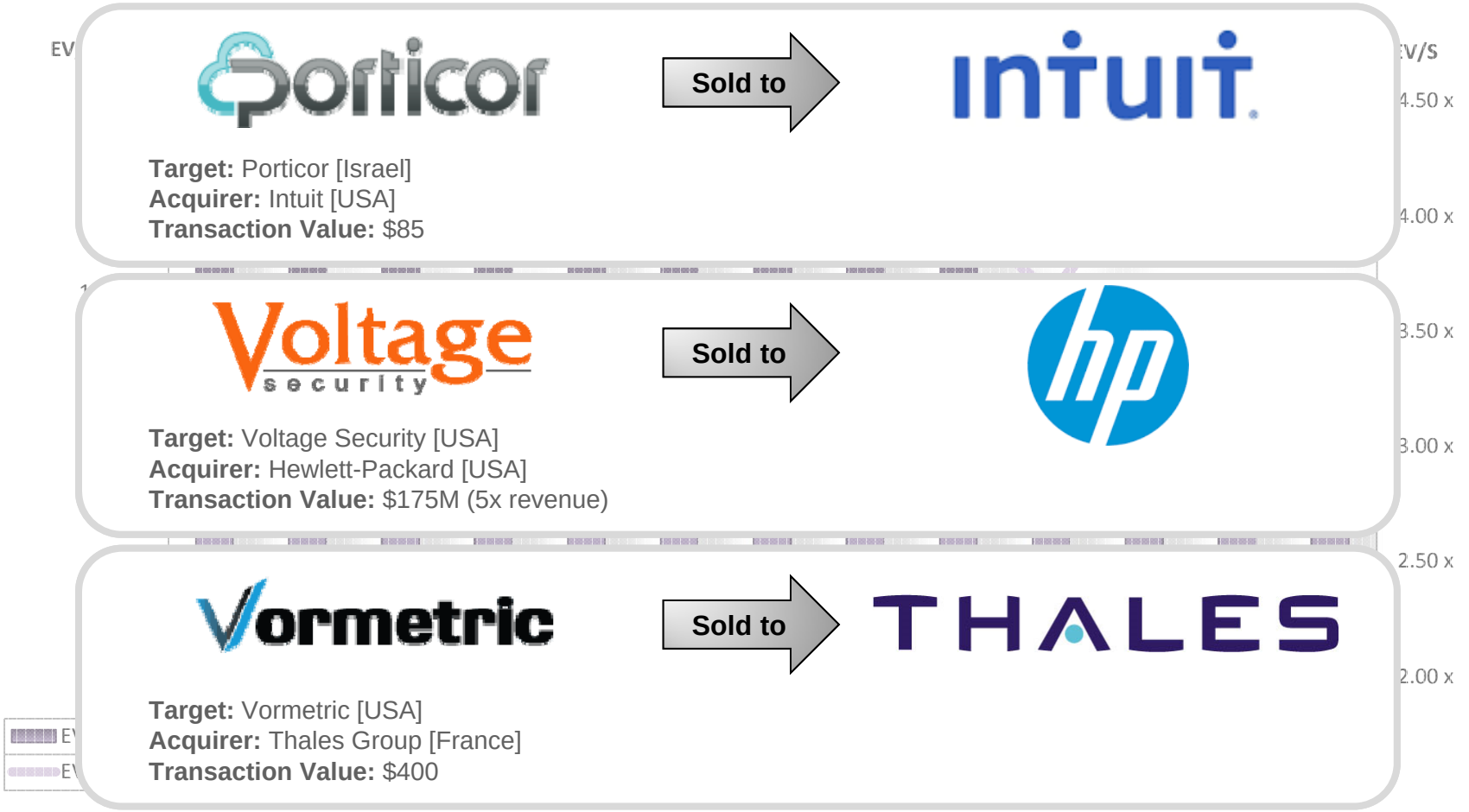
Infrastructure Software Market

Deal Spotlight: Enterprise Security



Infrastructure Software Market

Deal Spotlight: Storage

SANBOLIC **Sold to** CITRIX®

Target: Sanbolic [USA]
Acquirer: Citrix Systems [USA]
Transaction Value: $89.5M

- 2nd attempt at storage optimization after 2011's lackluster Cloud.com acquisition

SOLIDFIRE **Sold to** NetApp™

Target: SolidFire [USA]
Acquirer: NetApp [USA]
Transaction Value: $870M

- Provides NetApp with access to service providers market

Infrastructure Software Market

Deal Spotlight: M2M Networking

B+B SmartWorx. **Sold to** ADVANTECH

Target: B+B SmartWorx [USA]
Acquirer: Advantech Co. [Taiwan]
Transaction Value: $99.8M

- Largest acquisition in company history

	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
EV/EBITDA	16.03 x	14.90 x	15.14 x	14.87 x	15.68 x	15.40 x	15.79 x	16.06 x	15.21 x	14.22 x	13.30 x	14.12 x	13.78 x
EV/S	4.14 x	3.92 x	4.15 x	4.02 x	4.09 x	4.13 x	4.22 x	4.37 x	4.02 x	3.66 x	4.19 x	4.32 x	3.96 x

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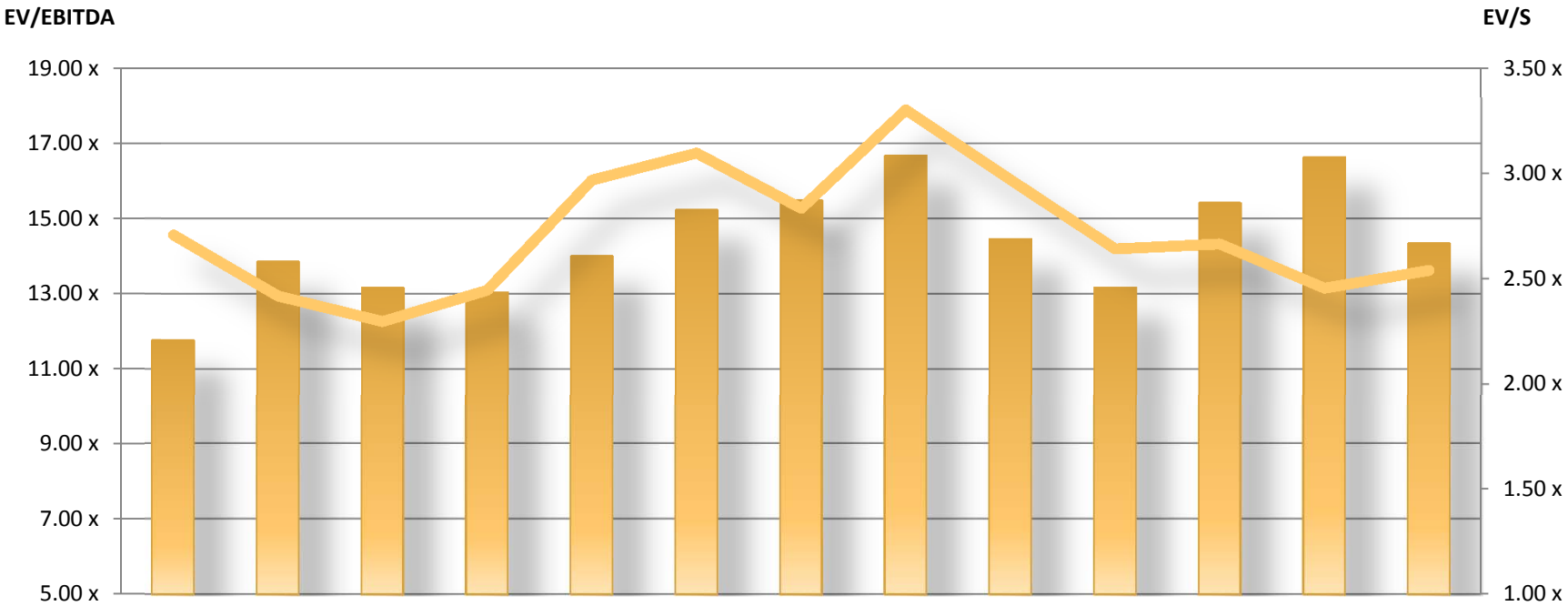
Consumer Application Software Market

Public Valuation Multiples



	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
EV/EBITDA	11.77 x	13.87 x	13.18 x	13.04 x	14.01 x	15.24 x	15.50 x	16.69 x	14.47 x	13.17 x	15.43 x	16.64 x	14.35 x
EV/S	2.71 x	2.42 x	2.30 x	2.45 x	2.97 x	3.10 x	2.84 x	3.30 x	2.97 x	2.64 x	2.67 x	2.46 x	2.54 x

Consumer Application Software Valuations

Subsector	Sales	EBITDA	Examples
Education	1.54x	14.35x	Chegg, LeapFrog, Rosetta Stone
Entertainment	3.51x	62.51x	GoPro, Netflix, Pandora
Gaming	2.74x	14.15x	Activision, EA, King

Consumer Application Software Market

Deal Spotlight: Fitness Tracking

Target	Acquirer	Deal Value	Target Country	Acquirer Country	Description
endomondo	Under Armour	$85M	Denmark	USA	Exercise tracking application & website
myfitnesspal	Under Armour	$475M	USA	USA	Meal tracking and analysis
GRITNESS	Under Armour	-	USA	USA	Fitness schedule management software
FITSTAR	fitbit	$25M	USA	USA	Provides video streaming of custom training and yoga sessions
MISFIT	FOSSIL GROUP	$260M	USA	USA	Wearable health and fitness sensors, related sleep monitoring technology
Fitho	practo	-	India	India	Diet & exercise mobile app providing preventative healthcare solutions
runtastic	adidas	$241M	Austria	Germany	Mobile fitness planning and tracking applications
	AMER SPORTS	-	Finland	Finland	Wearable and bike-mountable GPS-based sports and fitness tracking
5	weightwatchers	-	USA	USA	5-minute video workout fitness app
weilos	weightwatchers	$6.7M	USA	USA	Online weight loss community and support group
TANGRAM®	Daum KAKAO	-	USA	South Korea	Fitness-tracking jump rope
	ANYTIME FITNESS	-	USA	USA	On-demand exercise videos, images and personal training app

Consumer Application Software Market

Deal Spotlight: Smart Homes

Target	Acquirer	Deal Value	Target Country	Acquirer Country	Description
wally	SEARS HOLDINGS	-	USA	USA	Home humidity and temperature detection sensors
alertme	British Gas	$67M	UK	UK	Wireless home energy monitoring software and reporting SaaS
verisure ALARMS WITH IQ	HELLMAN & FRIEDMAN	-	Sweden	USA	Home monitoring, fire detection, alarm and connected smart home systems
Quirky	flex	$15M	USA	Singapore	Wireless smart home systems controller that programs multiple third-party smart home devices
LiveWatch SECURITY	ASCENT CAPITAL GROUP INC	$67M	USA	USA	Home security systems, sensors and remote monitoring services
Ecolink intelligent technology	UNIVERSAL ELECTRONICS	$12.4M	USA	USA	Sensor-based, RF-enabled physical security and home automation systems

Consumer Software Market

Deal Spotlight: Ubisoft

Sold to

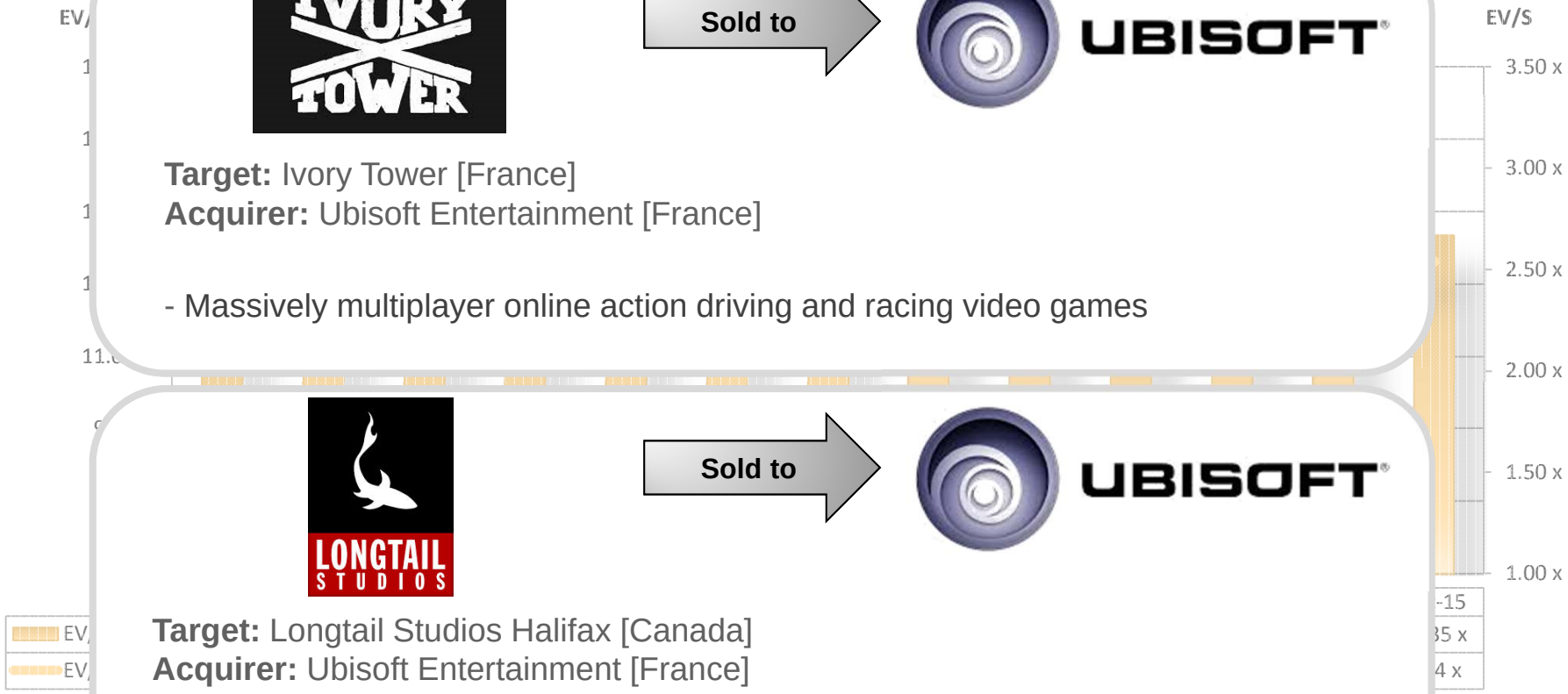
Target: Ivory Tower [France]
Acquirer: Ubisoft Entertainment [France]

- Massively multiplayer online action driving and racing video games

Sold to

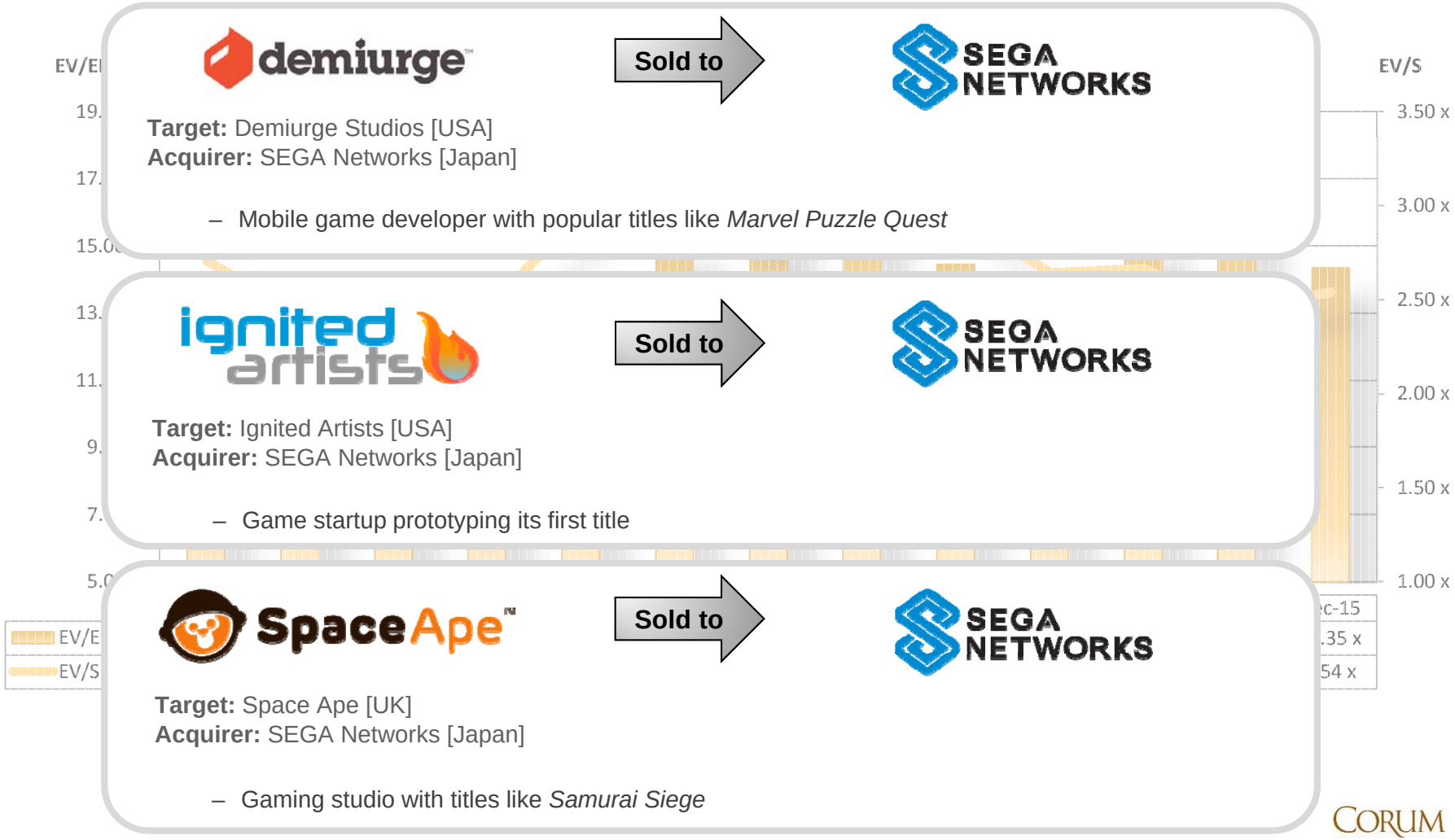
Target: Longtail Studios Halifax [Canada]
Acquirer: Ubisoft Entertainment [France]

- Will operate as a hub for Ubisoft's mobile development



Consumer Software Market

Deal Spotlight: SEGA



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Consumer Application Software Market

Deal Spotlight: Music Streaming

Target	Acquirer	Deal Value	Target Country	Acquirer Country	Description
NEXT BIG SOUND	PANDORA	-	USA	USA	BI analytics, reporting and market intelligence SaaS on musical artists and fan behavior
rdio	PANDORA	$75M	USA	USA	Online and mobile music streaming and downloading service
Soundtracker		-	USA	Italy	Social music streaming mobile app
aspiro	JAY-Z	$56.5M	Sweden	USA	Music, music videos, live concerts & interviews streaming app
earbits	YOU 42	-	USA	USA	Music streaming service and band advertising
bop	LifeLock	-	India	USA	Music streaming and sharing mobile app

Consumer Application Software Market

Deal Spotlight: Music Streaming

Target	Acquirer	Deal Value	Target Country	Acquirer Country	Description
NEXT BIG SOUND					BI analytics, reporting and market …sical artists
rdio					…treaming
Soundtra…					…obile app
aspir…					…oncerts &
earbits	YOU42	-	USA	USA	Music streaming service and band advertising
bop	LifeLock	-	India	USA	Music streaming and sharing mobile app

LOEN ENTERTAINMENT **Sold to** kakao

Target: Loen Entertainment [South Korea]
Acquirer: Kakao Corp. [South Korea]
Transaction Value: $1.5B (33x revenue)

– First megadeal of 2016
– Streaming service and record label located in Seoul's Gangnam district

Corum Research Report

Elon Gasper
Vice President,
Director of Research

Amber Stoner
Senior Analyst

Yasmin Khodamoradi
Analyst

Aaron King
Analyst

Artem Mamaiev
Analyst

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Tech Leader Panel – The Year Ahead

Peter Coffee
@petercoffee
Salesforce

Karl Popp
@karl_popp
SAP

Reese Jones
@Reese_Jones
Singularity University

Mukund Mohan
@mukundmohan
Microsoft

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Special Guest

Peter Coffee
Salesforce
VP for Strategic Research

Peter Coffee is VP for Strategic Research at salesforce.com inc. He has been with the company for seven years, following nineteen years as a columnist and editor with the industry publications PC Tech Journal, PC Week and eWEEK. He works with IT managers and application developers to build a global community on the Salesforce1 cloud platform, combining the Force.com, Heroku1 and ExactTarget Fuel service portfolios. Peter holds an engineering degree from MIT and an MBA from Pepperdine University, with subsequent faculty appointments in IT management at Pepperdine; expert-systems programming at UCLA; and business analytics at Chapman College. He is the author of two books, “How To Program Java” and “Peter Coffee Teaches PCs”. He is a winner of the Neal Award for excellence in business journalism and the McGan “Silver Antenna” Award for service to amateur radio. In recent years, Peter has worked with customers and partners throughout the Americas and in Australia, India and EU countries as well as lecturing at MIT, Harvard, Stanford, the CalTech/MIT Enterprise Forum and UCLA.

Special Guest

Dr. Karl Popp
SAP
Senior Director, Corp. Dev.

Dr. Karl Michael Popp is senior director of mergers and acquisitions in the corporate development team at SAP AG, responsible for holistic analysis of acquisition opportunities and post merger integration. With more than 20 years of experience in the software business, he evaluated and successfully integrated many acquired companies into SAP. In addition, he continually improves the M&A process for SAP.

Before working on M&A, Karl has managed several dozen strategic OEM and Resell partnerships for SAP NetWeaver, one of SAP´s technology platforms. Karl has published several books on the software business, including “Profit from Software Ecosystems” and the recently published book “Mergers and Acquisitions in the Software Industry – Foundations of Due Diligence”.

Special Guest

Reese Jones
Singularity University
Associate Founder

SINGULARITY UNIVERSITY

Inventor, venture investor, and business strategist Reese Jones has engaged in over a dozen companies' start up, financing, development, IPO and acquisitions. They include Netopia, where he served as CEO until its acquisition by Motorola in 2006, after having founded it as Farallon Computing, then taken it public in 1996. Other notable technology endeavors in which he's applied his leadership include Convergence, Mediabolic, and Jobvite, as well as Venture Partnerships at Accel, August, and TelesoftVC. He is a Fellow in Innovation and Entrepreneurship at UC Berkeley, where as a grad student in the 1980s he started and ran BMUG, which became the largest nonprofit computer user group of its kind. Reese is an Associate Founder and active Trustee of Singularity University. His current interests include network theory, human/Internet interfaces, phones as synapses, and Internet evolution.

Special Guest

Mukund Mohan
Director
Strategy for Cloud & Enterprise

Microsoft

Mukund Mohan is the director at Microsoft Ventures. He runs a team who invest in startups via a seed stage fund, help early-stage companies at our accelerator and engage with the startup ecosystem via our BizSpark efforts in Asia-Pacific.

Mukund founded and sold BuzzGain, a leader in Do It Yourself PR, to Meltwater in January 2010. Before that he founded and sold 2 Silicon Valley startups in the Internet & Enterprise software markets. Besides having held executive and management roles in Hewlett Packard (Mercury), he also worked at Cisco Systems as an engineer.

Mukund studied at the University of Maryland, Baltimore County pursuing a Master's degree in Computer Science and has a Bachelor's degree in engineering and computer science from the University of Mysore in India.

Tech Leader Panel – The Year Ahead

Peter Coffee
@petercoffee
Salesforce

Karl Popp
@karl_popp
SAP

Reese Jones
@Reese_Jones
Singularity University

Mukund Mohan
@mukundmohan
Microsoft

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Q&A

- We welcome your questions!
  - Use Q&A tab at the bottom of screen
  - Submit to queue at any time

Upcoming Conference Schedule

Selling Up Selling Out (SUSO) - Ready to go to market? During this half-day workshop, learn to prepare, position, research, value, negotiate, and execute due diligence for maximum price and structure. This is the most attended Tech M&A event ever – participants have done over $1 trillion in transaction value.

Merge Briefing (MB) - The Merge Briefing is a 90-minute executive briefing providing a current M&A market update (trends, valuations, etc.), as well as a brief overview of the Tech M&A process: "8 Steps To An Optimal Outcome."

Jan. 20: **Seattle** – MB

Jan. 26: **Chicago** – MB

Jan. 27: **Cleveland** – MB

Jan. 28: **Phoenix** – MB

Feb. 2: **Atlanta** – MB

Feb. 9: **Miami** – MB

Feb. 11: **Orlando** – MB

Feb. 16: **Paris** – MB

Feb. 17: **Tel Aviv** – MB

Feb. 17: **Amsterdam** – MB

Feb. 22: **Tel Aviv** – SUSO

Feb. 24: **San Francisco** – SUSO

Feb. 25: **Palo Alto** – SUSO

Mar. 8: **Grenoble**– MB

Mar. 8: **London** – SUSO

Mar. 9: **Dublin**– MB

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After the Deal – Celebration

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