



Quarterly Review of the Software & Internet Sector

Q2 2014



Mergers & Acquisitions

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Navidar Group Serves as Exclusive Investment Banking Advisor to ShipStation in its Sale to Stamps.com



AUSTIN, TX (June 16th, 2014) – Navidar Group is pleased to announce that our client, ShipStation, has been acquired by Stamps.com, Inc., the leading provider of USPS postage online to over 500,000 customers. Stamps.com purchased ShipStation for up-front consideration of \$50 million in cash plus performance-linked earn-out consideration of up to 768,900 shares of Stamps.com common stock.

ShipStation, headquartered in Austin, TX, supports automatic order importing from over 40 shopping carts and marketplaces, including eBay, Amazon, Shopify, Bigcommerce, Volusion, Squarespace and others. ShipStation offers multi-carrier shipping options, and automation features like custom hierarchical rules and product profiles that allow customers to easily and automatically optimize their shipping. Using ShipStation, an online retailer or e-commerce merchant can ship their orders from wherever they sell and however they ship.

“The Navidar team understood the thesis of ShipStation and clearly articulated the story to the market. Their access to relevant industry players is impressive,” said Nathan Jones, CEO of ShipStation. “Thoughtful process management and a rigorous analytical approach to demonstrating our value was integral to achieving an outstanding outcome.”



Navidar Group Serves as Exclusive Investment Banking Advisor to FeedMagnet in its Sale to Bazaarvoice



AUSTIN, TX (April 15th, 2014) – Navidar Group is pleased to announce that our client, FeedMagnet, has been acquired by Bazaarvoice, Inc., a network where more than 400 million people view and share authentic opinions, questions and experiences about 70 million products.

FeedMagnet’s leading web-based platform helps brands and retailers harness social media to increase conversion, engagement and awareness for their end-customers. FeedMagnet provides clients the ability to capture user-generated content created for social media platforms, providing clients with the opportunity to help transform their websites into dynamic, customer-centric destinations, as well as repurpose images and posts with the highest engagement levels within the brand's own social media, marketing and advertising programs for even higher rates of awareness, engagement and loyalty.




“From our initial meeting through the close of the sale, we were impressed with the Navidar team’s understanding of our industry and software-as-a-service business model,” said Marc Yagjian, CEO of FeedMagnet. “Navidar exceeded our high expectations in every way. We could not have crossed the finish line without their thoughtful advice and ability to effectively and efficiently manage all aspects of the process.”



About Navidar

Navidar is an **investment banking firm** providing companies and investors in dynamic industries with **strategic M&A advice, capital raising solutions**, vital insights and breakthrough opportunities.

- Big Firm Experience Combined with Senior Banker Attention
- Global Relationships With Top Tier Investors and World-Leading Companies
- Greater Creativity & Customized Solutions
- Focused on the Middle Corridor of the United States

Selected Closed Transactions	
	<ul style="list-style-type: none"> ■ <i>“Thoughtful process management and a rigorous analytical approach to demonstrating our value was integral to achieving an outstanding outcome.”</i> <p>Nathan Jones, CEO of ShipStation</p>
	<ul style="list-style-type: none"> ■ <i>“We were impressed with the Navidar team’s understanding of our industry and software-as-a-service business model.”</i> <p>Marc Yagjian, CEO of FeedMagnet</p>
	<ul style="list-style-type: none"> ■ <i>“Navidar’s global technology relationships, understanding of our business, cross-border deal experience and commitment to providing senior banker attention throughout the process were critical differentiators for us.”</i> <p>Gurvendra Suri, Founder and CEO of Optimal Solutions Integration</p>
	<ul style="list-style-type: none"> ■ <i>“Navidar’s global reach, understanding of current technology trends and ability to navigate complex deal issues really sets them apart from the competition.”</i> <p>Eric Tobias, CEO of iGoDigital</p>
	<ul style="list-style-type: none"> ■ <i>“Senior banker attention led to a creative deal structure which resulted in a better outcome for our shareholders.”</i> <p>Joel Haspel, Founder and CEO of Sentient Health</p>

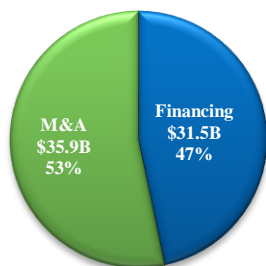
Note: Transactions above only represent a sample of past transactions executed by Navidar.



Navidar at a Glance

Experienced Strategic Advisors

*Executed Over 300 Deals,
Nearly \$70B of Transaction Volume*

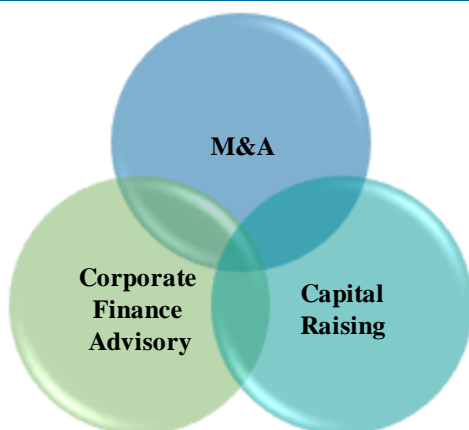


Advising Dynamic Companies



Creative Insights & Customized Solutions

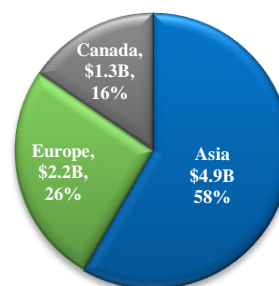
Private Companies



Public Companies

International Expertise

\$8.4B of Transaction Volume



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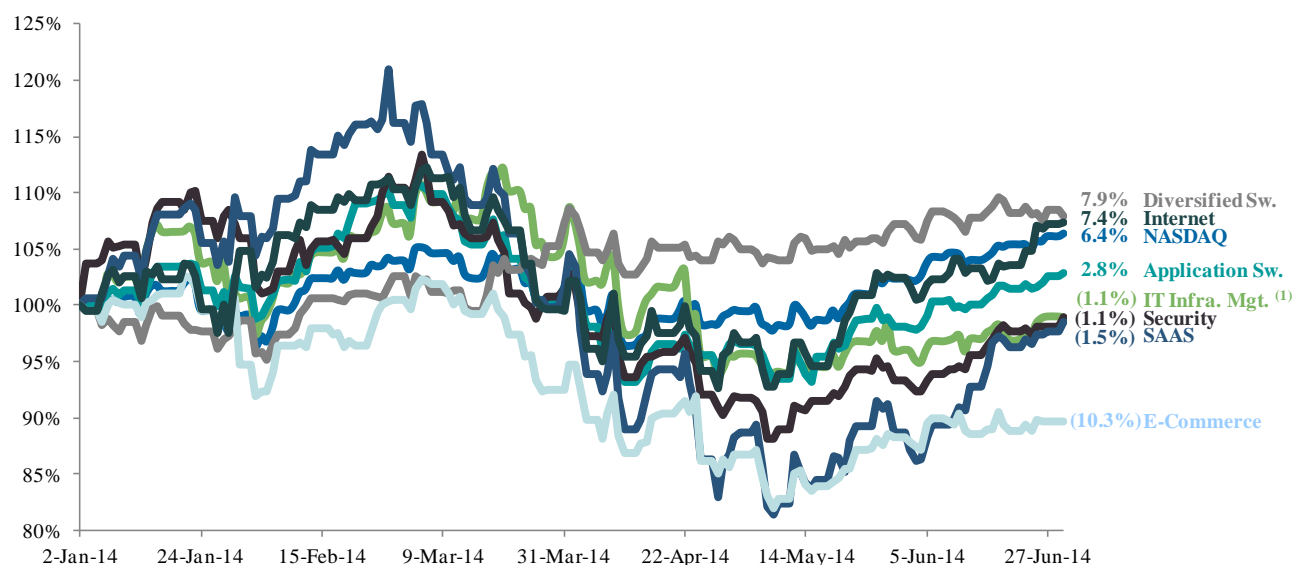
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Q2 2014 Software & Internet Sector Review

Relative Share Price Performance – YTD



Software & Internet Sector Share Price Performance

Sub-Sector	Q2 Return	YTD Return
Internet	5.2%	7.4%
NASDAQ	3.3%	6.4%
Application Software	(0.4%)	2.8%
Diversified Software	(0.6%)	7.9%
Security	(4.7%)	(1.1%)
E-Commerce	(5.3%)	(10.3%)
SaaS	(5.8%)	(1.5%)
IT Infra. Mgt. ⁽¹⁾	(9.2%)	(1.1%)

Top 5 Global M&A Deals in Q2 By Value

Date	Buyer	Target	Deal Value (\$M)
06/23/2014	ORACLE	micros®	5,262
05/12/2014	npc	MERCURY	1,650
05/02/2014	RELATIVITY	FULLSCREEN	1,000
06/02/2014	INSIGHT VENTURE PARTNERS GIC	iParadigms	752
05/12/2014	GI PARTNERS	peak 10 DATA CENTER SOLUTIONS	730

Key Takeaways From the Quarter:

- The majority of the Navidar Universe of Software sub-sectors underperformed the NASDAQ index in Q2'14, with the exception of the Internet sub-sector (+5.2% return). IT Infrastructure Management was the worst performer in Q2'14 (return of (9.2%)).
- Global Software & Internet M&A deal volume continued to accelerate in Q2'14, with a multi-year high of 880 announced deals. Q2'14 was the fifth consecutive quarter to experience M&A deal volume growth on a quarter-over-quarter basis.
- U.S. M&A deal volume in Q2'14, with 399 transactions, reached a three year high and also experienced M&A volume growth on a quarter-over-quarter basis for the fifth consecutive quarter.
- Global Software & Internet total disclosed M&A transaction value in Q2'14 decreased to \$22.0 billion from \$34.5 billion in Q1'14.
 - There were nine large M&A deals (EV>\$500M) in Q2'14, four less than in the prior quarter and three less than Q4'13
- Strategic acquirers accounted for 90%+ of M&A deal volume in Q2'14 (811 out of 880 transactions).
- U.S. Middle Market M&A deal volume experienced an uptick in Q2'14, with deal volume increasing from 62 deals in Q1'14, to 78 deals in Q2'14.

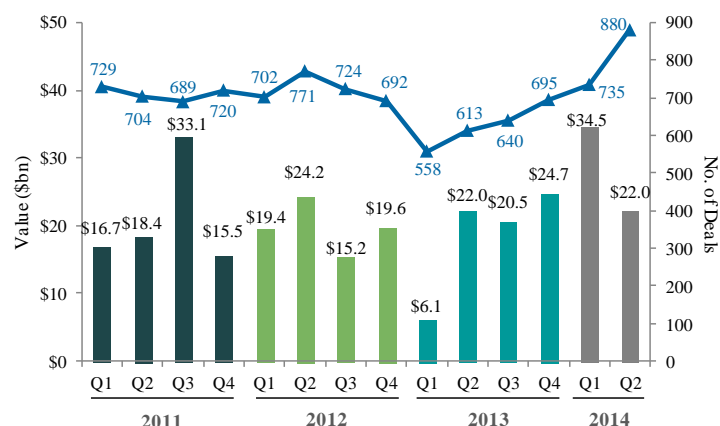
Source: CapitalIQ, Industry Research, Online Publications and Navidar Research.

(1) IT Infrastructure Management.



Software & Internet Sector M&A Review

Global Software & Internet M&A Deals – Since 2011



Commentary

Global Software & Internet sector M&A activity resumed growth in Q2'14, after experiencing multi-year lows in Q1'13. Global M&A Transaction volume in Q2'14 reached a multi-year high and reached the highest level in 15 quarters.

- Global M&A transaction volume in Q2'14 increased by 44% as compared to Q2'13, from 613 acquisitions to 880. Global M&A transaction value was flat at \$22.0 billion over the same period. Transaction value was primarily driven by:

- Oracle's \$5.3 billion acquisition of MICROS Systems
- Eight additional large-deals (EV>\$500 million) in Q2'14

U.S. M&A transaction volume also continued its upward trend in the quarter. U.S. M&A transactions contributed 65% of the Global M&A transaction value in Q2'14.

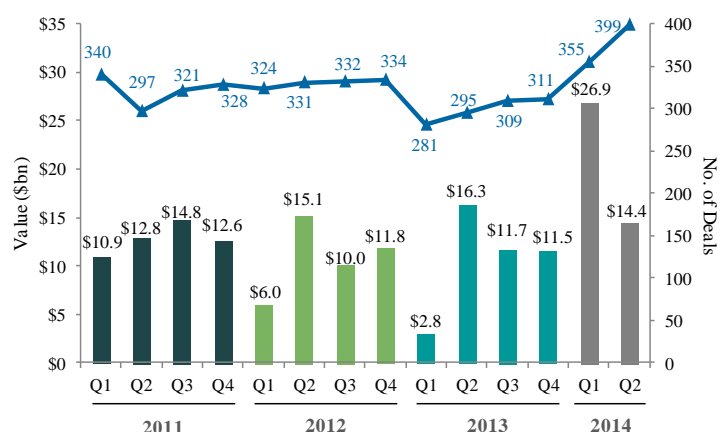
- U.S. M&A transaction volume increased 35% in Q2'14, as compared to Q2'13, from 295 to 399 acquisitions. However, U.S. M&A transaction value decreased by 12%, from \$16.3 billion to \$14.4 billion over the same period

- 74% of U.S. Software & Internet M&A transaction value in Q2'14 was driven by seven large-deals over \$500 million EV

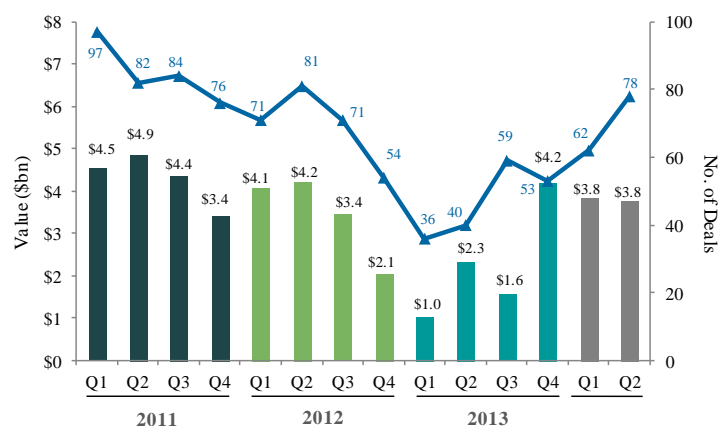
U.S. Middle Market M&A transaction volume in Q2'14 increased by 26% over Q1'14, from 62 deals to 78 deals.

M&A transaction volume in Q2'14 increased 95% from Q2'13, from 40 to 78 acquisitions. M&A deal value increased from \$2.3 billion to \$3.8 billion over the same period

U.S. Software & Internet M&A Deals – Since 2011



U.S. Middle Market Software & Internet M&A – Since 2011⁽¹⁾



Source: CapitalIQ and Industry Research.

(1) Defined as deal value of \$500M EV and less.

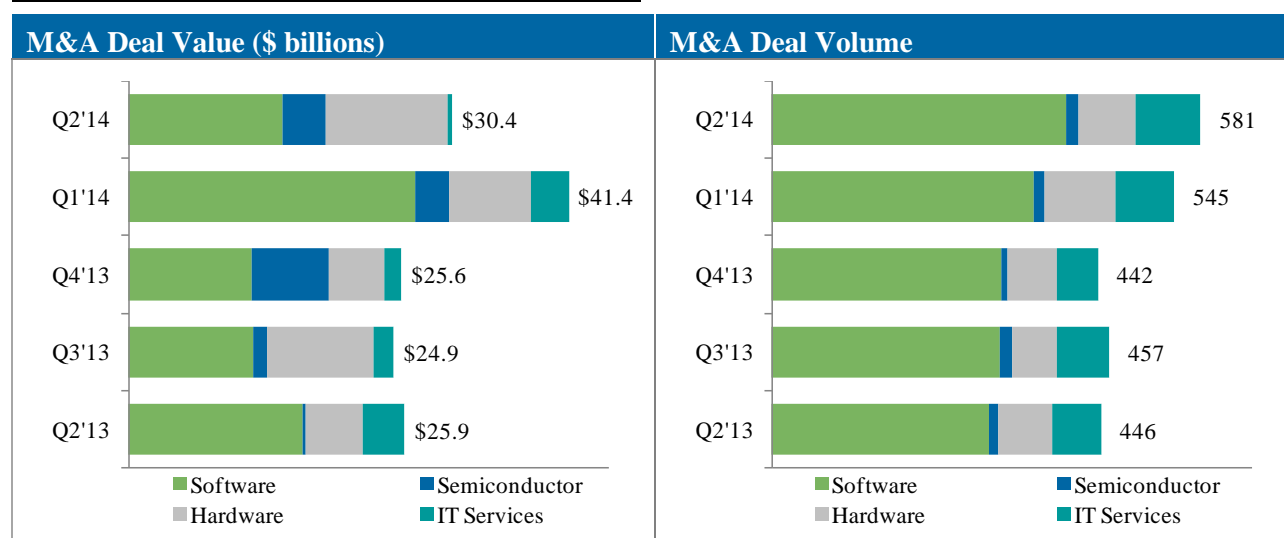


Software & Internet Sector M&A Review (Cont.)

Top 10 Global Software & Internet M&A Transactions in Q2 2014

Announced Date	Buyer	Target	Trn. Value (\$USDmm)	EV/Rev. (x)	EV/EBITDA (x)
06/24/2014	IMS Health Holdings (US)	Cegedim SA, Information Solutions & CRM Business (France)	523.2	0.9x	6.0x
06/23/2014	Oracle (US)	MICROS Systems (US)	5,262.5	3.4x	17.5x
06/20/2014	Nest Labs (US)	Dropcam (US)	555.0	NA	NA
06/13/2014	Tuition Build (US)	Limelight Networks (US)	660.5	3.3x	NA
06/02/2014	Insight Venture Partners (US); GIC Special Investments (Singapore)	iParadigms (US)	752.0	NA	NA
05/12/2014	GI Partners (US)	Peak 10 Holding (US)	730.0	NA	NA
05/12/2014	NPC Group (Vantiv) (US)	Mercury Payment Systems (US)	1,650.0	7.0x	17.7x
05/02/2014	Relativity Media (US)	Fullscreen (US)	1,000.0	NA	NA
04/07/2014	GTCR (US)	Vocus (US)	480.6	2.4x	NA
04/02/2014	Zhejiang Rongxin Network Technology (China)	Hangzhou Handsome Electronics Group (China)	531.7	NA	NA

U.S. Technology M&A Activity by Sub-Sector



U.S. Software & Internet M&A Deal Volume by Size

\$ in millions except #	Q2'2013		Q2'2014		Q1'2014	
	Number of Deals	Total Deal Value	Number of Deals	Total Deal Value	Number of Deals	Total Deal Value
< \$50M	27	226	61	733	44	533
\$50M to \$100M	5	394	6	379	6	438
\$100M to \$250M	6	983	7	1,223	7	1,007
\$250M to \$500M	2	735	4	1,431	5	1,854
\$500M to \$1000M	-	-	4	2,697	4	3,034
>1B	4	13,962	3	7,912	4	20,014
Undisclosed	251	-	314	-	285	-
Total	295	16,300	399	14,375	355	26,881

Source: CapitalIQ and Industry Research.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).



Software & Internet Sector M&A Review (Cont.)

Review of Selected Software & Internet Transactions in Q2

Cloud/SaaS

Amadeus Corporate Business acquired i:FAO AG for \$104M EV, which implied 4.6x LTM revenue and 14.0x LTM EBITDA.

- Acquisition allows Amadeus to deliver innovative, end-to-end travel industry solutions to its Enterprise customers.
- i:FAO will significantly increase Amadeus' growth opportunities in the Corporate Travel IT market.

Headquartered in Germany, i:FAO develops and markets business travel software solutions in Europe. It offers citric, a cloud based business travel eProcurement software that is used for planning, booking, expense reporting, and managing business travel. The company provides its solutions under the cytric Cloud 12 name that helps its customers enhance travel information access, travel planning, travel changing, travel accounting, and travel management. In 2013, i:FAO obtained revenues of €14.4 million (~\$19 million) an increase of 10.6% on a Y-o-Y basis, and EBITDA of €4.6 million (~\$6million) with EBITDA margin of 32%.

inContact acquired Uptivity for \$50M EV, which implied 2.6x LTM revenue.

- With the addition of Uptivity's full-featured WFO solution for the middle-market, inContact now has a multi-tier offering in the growing, multi-billion dollar WFO market.
- The Uptivity acquisition integrates real-time ACD, IVR and WFO capabilities into inContact's Workforce Intelligent Contact Center suite to deliver a single unified solution for customers.

Headquartered in Columbus, Ohio, Uptivity provides contact center workforce optimization and management solutions. It offers Discover Suite, a workforce optimization solution suite that include call recording, coaching and training, compliance recording, desktop analytics and recording, performance management, quality management, speech analytics, surveys, and workforce management. Uptivity earned the top overall vendor satisfaction rating for three straight years in industry analyst DMG Consulting LLC's Workforce Optimization Product and Market Report.

E2open acquired Serus Corporation for \$26M EV.

- Acquisition of Serus adds Cloud-based capabilities in collaboration and early-stage visibility solutions in the semiconductor and technology-driven discrete manufacturing industries to E2open's Business Network.

Headquartered in Sunnyvale, CA, Serus Corporation is as cloud-based manufacturing and product management provider. Its capabilities include the ability to integrate product management and new product introduction information management needs up and down a primarily outsourced supply chain. For high tech companies whose survival depends on complex and outsourced supply chains, SERUS' cloud-based monitoring and adept analysis is the high technology standard bearer. SERUS customers include AMD, Cypress, Flextronics, IDT, Juniper, Nvidia, Oracle and Qualcomm/Atheros.

Paychex acquired NETtime Solutions. Valuation was not disclosed.

- NETtime's platform deepens Paychex's presence in the time and attendance market.

Based in Scottsdale, AZ, NETtime Solutions develops cloud-based solutions for employ time and attendance management applications. Its solutions include NETtime, a SAAS based time and attendance solution; NETOne, a cloud-based push technology for real-time employee time and attendance data; and Telephony, a solution that enables mobile employees to punch from landlines or mobile phones. Its 2012 revenue was \$4.7 million.

Source: CapitalIQ, Press Releases, Equity Research, Online Publications, Industry Research and Navidar Research.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents) and NTM = Next Twelve Months.



Software & Internet Sector M&A Review (Cont.)

Mobile

Intuit acquired Check for \$360M EV.

- **Addition of Check adds a market proven mobile bill payment app with a rapidly expanding network to Intuit's mobile portfolio.**
- **Acquisition provides Intuit with consumer payments capabilities, which will allow the streamlining of interactions between the consumer and their small business customers.**

Headquartered in Palo Alto, CA, Check Inc, a mobile payment company, provides Check, a finance mobile application that allows customers to pay bills and track personal finances. Its highly-rated mobile app automates and consolidates the bill pay process all in one place, reducing the complexity for consumers. Its customers can monitor bills and accounts, receive alerts when bills are due or funds are low, and pay bills automatically.

Twitter acquired TapCommerce. Valuations was not disclosed, but is estimated to be ~\$100M EV.

- **With the acquisition of TapCommerce, Twitter will be able to offer mobile app marketers robust capabilities for app re-engagement, tools and managed service solutions for real-time programmatic buying and improved measurement capabilities to increase monetization of its microblogging platform.**

Based in New York, TapCommerce operates as a mobile technology company that provides mobile retargeting solutions. The company offers TapCommerce, a platform that allows users to retarget, engage, and optimize mobile audience. Its platform allows users to retarget customers across mobile Websites, tablet Websites, and mobile applications on Android, iPhone, or iPad. TapCommerce, clients include eBay Inc. and Zulily and has raised about \$12 million in capital from investors such as RRE Venture and Bain Capital Ventures

Perion Network acquired Grow Mobile for \$42M EV.

- **Grow Mobile's aggregation platform integrates directly with 75+ different marketing sources, including ad networks and ad exchanges, positioning Perion's Lightspeed mobile marketing division as a leading mobile distribution platform.**

Headquartered in San Francisco, CA, Grow Mobile provides mobile marketing solutions. It simplifies the complexity of mobile app advertising, enabling companies to rapidly acquire new customers, increase user engagement and maximize revenue. The company's proprietary mobile advertising management platform streamlines the process of buying ads across multiple channels, with an integrated solution suite that delivers sophisticated reports for quickly analyzing results, optimizing performance and increasing ROI. Grow Mobile was venture-backed by Signia Venture Partners and Bessemer Venture Partners.

Google acquired Appurify and Divide. Valuations for both the transactions were not disclosed.

- **The acquisition of Appurify provides the Android ecosystem with a platform to improve the lifecycle management of mobile apps for both developers and enterprises.**
- **Divide addresses Android's shortcomings in security and manageability by providing device management capabilities to improve Android's attractiveness to enterprises.**

Based in San Francisco, CA, Appurify provides mobile test automation solutions on iOS and Android devices. It helps mobile developers in debugging, testing, and optimization of mobile Web application. Appurify has raised a \$6.3 million from investors including Google, Data Collective, Felicis Ventures, and Foundation Capital.

Based in New York, Divide designs and develops enterprise mobile solutions to create a secure workspace on employee devices. It offers Divide that provides customers with a single platform for managing various corporate and employee-owned mobile devices. Divide had raised about \$25 million from investors including Google Ventures, Comcast Ventures, Qualcomm Ventures, Globespan Capital Partners and Harmony Partners.

Source: CapitalIQ, Press Releases, Equity Research, Online Publications, Industry Research and Navidar Research.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents) and NTM = Next Twelve Months.



Software & Internet Sector M&A Review (Cont.)

E-Commerce and Marketing

Stamps.com acquired ShipStation for \$76M EV.

- **The ShipStation acquisition represents a significant strategic investment in Stamps.com's high volume and E-Commerce shipping business.**
- **The addition of ShipStation will allow Stamps to further accelerate their growth within the fastest growing segment of the mailing and shipping marketplace.**

Based in Austin, TX, ShipStation supports automatic order importing from over 40 shopping carts and marketplaces, including eBay, Amazon, Shopify, Bigcommerce, Volusion, Squarespace and others. ShipStation offers multi-carrier shipping options, and automation features like custom hierarchical rules and product profiles that allow customers to easily and automatically optimize their shipping. Using ShipStation, an online retailer or e-commerce merchant can ship their orders from wherever they sell and however they ship.

Acxiom acquired LiveRamp for \$310M EV.

- **LiveRamp adds critical technologies that bridges the gap between offline data and the rapidly growing universe of online marketing applications with enhanced matching, rapid onboarding and increased connectivity.**
- **LiveRamp's platform will enable Acxiom to offer true cross-channel marketing measurement.**

Headquartered in San Francisco, CA, LiveRamp operates a data onboarding platform that enables customers to upload offline data for their online marketing campaigns. Its platform allows marketers to use their customer database in their choice of online advertising platforms for targeting, ROI measurement, content optimization, etc.

AOL acquired Convertro for \$101M EV.

- **AOL will utilize Convertro's leading attribution modeling technology to power AOL's Adap.tv, AdLearn open platform and ONE solutions.**

Based in Santa Monica, CA, Convertro provides clients with actionable spend recommendations that empower them to confidently reallocate marketing from unprofitable sources to more profitable ones. Convertro accomplishes this by means of its algorithmic attribution models that meld marketing cost and conversion data, including in-store, with customer marketing exposures captured at the most granular level. This algorithmic-based system, combined with other proprietary technologies developed in-house, affords extreme flexibility and enables Convertro to generate spend optimizations for all marketing channels that a client can leverage, whether online (PPC, SEO, display, affiliate and social, for example) or offline (such as TV, radio and direct mail)

IBM acquired Silverpop Systems for \$250M EV.

- **Silverpop's advanced B2B and B2C marketing technology and customer engagement software capabilities bolsters IBM's leadership position in Cloud-based marketing automation.**

Based in Atlanta, GA, Silverpop Systems provides digital marketing software that automates interactions by using customer data and individual's behaviors to inform and drive every interaction in real time. The company offers an email marketing solution that facilitates email creation and delivery, campaign automation, advanced segmentation, multi-channel messaging, Web forms and landing pages, transactional emails and messaging, integrations, and performance and security features. It offers a marketing automation software solution that provides automated campaigns, scoring, Web tracking, landing pages and Web forms, campaign reporting, B2B marketing automation, email, and integrations.

Source: CapitalIQ, Press Releases, Equity Research, Online Publications, Industry Research and Navidar Research.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents) and NTM = Next Twelve Months.



Software & Internet Sector M&A Review (Cont.)

SAP acquired SeeWhy. Valuation was not disclosed.

- **Addition of SeeWhy provides the hybris commerce platform with a 1-to-1 personalized marketing solution based on real-time customer behavior.**

Headquartered in Boston, MA, SeeWhy provides real-time ecommerce shopping cart recovery solutions for corporations and small ecommerce companies. It serves more than 4,000 top brands and retailers with solutions that rapidly improve conversion rates by automatically triggering the right marketing message on the right channel at the right time to complete sales. The company's patented platform, SeeWhy CORE™, uses real-time in-memory processing to calculate the optimized next best action of individual customers, and trigger actions across a broad ecosystem of more than 30 top ad, ecommerce, email service providers, web analytics services and social networks via pre-packaged integrations.

Priceline Group acquired buuteeq. Valuation was not disclosed.

- **The buuteeq acquisition adds improved online customer user experience capabilities, specifically improving the searching and purchasing experience.**

Headquartered in Seattle, WA, buuteeq provides a software-as-a-service/cloud digital marketing system (DMS) for independent hotels worldwide. Its DMS includes a content management system, multi-channel digital marketing, content publishing, online reservations, SEO techniques, search engines, and integrated business intelligence. The company's subscription-based solution enables hotels populate and manage multilingual marketing and promotional content on their Websites, social media sites, and mobile applications.

Source: CapitalIQ, Press Releases, Equity Research, Online Publications, Industry Research and Navidar Research.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents) and NTM = Next Twelve Months.



Software & Internet Sector M&A Review (Cont.)

Social

Viewpoints acquired PowerReviews for \$30M EV, from Bazaarvoice.

- The PowerReview's acquisition significantly boosts Viewpoints' presence in the consumer reviews and product ratings space by adding an additional 22 million consumer reviews.
- PowerReview's Consumer Engagement Engine will be utilized within Viewpoints' global consumer reviews platform, adding the flexibility and scalability to deliver customized solutions to over 1,000 clients of the combined company.

Based in San Francisco, CA, PowerReviews operates as a social commerce network. It helps companies tap into consumer conversations to drive business, while providing consumers a way to share their insights about brands, products, and services. It offers Essential Social Suite (ESS) consisting of solutions, such as customer reviews, social answers, social loyalty, community, social discovery, and social measurement.

Bazaarvoice acquired FeedMagnet for \$9M EV.

- The FeedMagnet acquisition provides Bazaarvoice with a customer-centric, rich media solution that enables brands and retailers to create powerful visual commerce experiences.
- With the addition of FeedMagnet's social media curation platform, Bazaarvoice can extend the deep level of insight provided in product ratings and reviews with highly engaging, emotive customer photos and social posts that increase awareness, engagement and conversion.

Headquartered in Austin, TX, FeedMagnet helps brands deliver more engaging consumer experiences and drive sales by tapping into the power of consumer-generated photos, videos and social content. The company's technology helps brands curate and display content from more than a dozen social networks including Facebook, Twitter, Instagram, Pinterest and YouTube, enabling engaging marketing and sales experiences for Fortune 500 clients.

Fluid acquired 8thBridge. Valuation was not disclosed.

- 8thBride's acquisition bolsters Fluid's ability to offer online retailers a broader range of social commerce tools including on-demand provider social discovery, curation, analytics and marketing solutions.

Based in Minneapolis, MN, 8thBridge develops social commerce solutions for customers to shop where they socialize. The company's social commerce platform, Graphite, enables brands to integrate social commerce into their existing channels and supporting systems. It provides technology and services for merchants to use social commerce for their businesses. The company's platform provides social commerce capabilities for customers to express their feelings about the products they shop and share a brand's products with their friends; and enables brands to know the interests and intentions of their customers.

Twitter acquired Gnip. Valuation was not disclosed.

- The acquisition of Gnip's social media data firehose provides Twitter with additional control over the monetization of its own content.

Based in Boulder, CO, Gnip provides social media data for enterprise needs. Its products include Firehose that provides access to real-time streams of public data from the social networks; PowerTrack, an enterprise-grade filtering language that gives the ability to get coverage of the data; and Data Collector, a turnkey solution to collect social data from multiple public APIs. The value of the deal was not disclosed, but Gnip has raised \$6.6 million in funding. Gnip was the first company to be authorized to resell Twitter's historical data.

Source: CapitalIQ, Press Releases, Equity Research, Online Publications, Industry Research and Navidar Research.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents) and NTM = Next Twelve Months.



Software & Internet Sector M&A Review (Cont.)

Big Data

TIBCO Software acquired Jaspersoft Corporation for \$185M EV.

- **The acquisition of Jaspersoft open source software accelerates TIBCO's expansion into embedded business intelligence (BI) and reporting, providing TIBCO a low-cost and end-to-end solution that addresses the two fastest growing segments of the business intelligence market.**

Headquartered in San Francisco, CA, Jaspersoft provides business intelligence platform solutions. The company offers embeddable and Web-scale reporting and analytics platform that boosts commercial software applications with self-service report design, dashboards, and analysis; delivers reports and embedded dashboards for SaaS or cloud applications; makes insight pervasive for custom internally built applications, and improves brand and customer relationships with customer facing analytics; and turns big data application into an interactive and embedded reporting and analytics application. It empowers people every day to make better decisions faster by bringing them timely, actionable data inside their apps and business processes.

Fair Isaac Corporation (FICO) acquired Karmasphere. Valuation was not disclosed.

- **Karmasphere's acquisition allows FICO to add Big Data Analytics for Hadoop to its FICO Analytic Cloud solution providing broader business user interaction capabilities.**

Headquartered in Cupertino, CA, Karmasphere provides big data analytic solutions for data professionals. It offers Karmasphere 2.0, a solution that provides self-service access to big data and analytic functions for analysis and collaboration; explores data for patterns and trends; analyzes data using queries and skills; and publishes insights for immediate action. Karmasphere's Big Data analytics software for query construction and collaboration uses Hadoop data stores. The company also provides Karmasphere analytics for Amazon Elastic MapReduce, a graphical solution for data analysts and their business user colleagues to analyze any data on Amazon S3.

HERE Maps (operating subsidiary of Nokia) acquired Medio Systems. Valuation was not disclosed.

- **The addition of Medio augments Nokia's real-time maps and location services with personalized recommendations, dynamic routes and location intelligence capabilities.**

Headquartered in Seattle, WA, Medio Systems offers predictive analytics solutions. The company provides inGenius, a big data analytics solution for discovering revenue opportunities in customer usage patterns on connected devices. Additionally, it launches and manages analytics, applications, and content for developers, operators, original equipment manufacturers, and publishers.

Kantar Media Research acquired The Data Republic. Valuation was not disclosed.

- **Kantar will gain access to The Data Republic's proprietary technology, Tuitele, which collects, measures, analyzes and creates visualizations of social media conversations around TV shows and TV advertising.**

Headquartered in Barcelona, Spain, The Data Republic operates as a social media data analytics company. The company develops online platform and suite of tools for monitoring and analyzing real-time data across TV shows and commercials which helps in media planning, audience research and commissioning. It offers curation solutions and analysis of social media conversations and insights for media planning, audience research, and commissioning to TV networks, TV production companies, agencies, and advertisers. The company's products include social TV ratings solutions, social TV analytics solutions for TV shows and commercials, curation and visualization solutions, monitoring solutions, and alerts and notifications solutions.

Source: CapitalIQ, Press Releases, Equity Research, Online Publications, Industry Research and Navidar Research.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents) and NTM = Next Twelve Months.



Software & Internet Sector M&A Review (Cont.)

IT Infrastructure Management/Security

Cisco Systems acquired Tail-f Systems for \$175M EV.

- The addition of Tail-f's industry-leading network service orchestration technology advances Cisco's Cloud virtualization portfolio.
- Acquisition supports Cisco's long-standing commitment to open standards, architectures and multi-vendor environments.

Headquartered in Sweden, Tail-f Systems provides configuration management software for networking equipment and network management systems. The company specializes in multi-vendor service orchestration and network automation solutions. It offers Network Control System enables network operators to manage all of their services and network devices with a single tool. The company also provides ConfD that enables network equipment vendors to deliver management functionality for their products, as well as reduces the time and resources needed to develop network management applications.

EXFO acquired ByteSphere. Valuation was not disclosed.

- ByteSphere's acquisition complements EXFO's BrixWorx line of service-assurance solutions, creating an integrated network and service performance monitoring solution for mobile and fixed telecommunications.

Based in Boston, MA, ByteSphere provides IT management software solutions. The company offers JaguarSX, an IT monitoring and network reporting platform that uses a combination of patented software engines to collect, analyze, correlate, and report on current, historical, and predicted events in the network; and OiDVieW Console, a modular SNMP analysis toolset and MIB browser that provides assistance in basic network administration or engineering projects for network management enthusiasts. ByteSphere's solutions feature advanced patented techniques for infrastructure performance management, including network element polling and fault management. ByteSphere's products and tools are used by some of the world's largest tier-1 network operators and Fortune Global 500 companies.

Auconet acquired ASDIS Solutions. Valuation was not disclosed.

- ASDIS Solutions' Acquisition will strengthen the Auconet Business Infrastructure Control Solution (BICS) with advanced system management capabilities.
- Acquisition adds high-profile customers in the banking, insurance, logistics, transportation and retail sectors to Auconet's existing customer base.

Based in Germany, ASDIS Solutions develops and delivers infrastructure management solutions for IT environments in Germany. ASDIS' comprehensive solutions portfolio includes ATM/Kiosk Management, Server Management, Retail Management, and Mobile Device Management (MDM) to ensure 24/7 reliability and availability with centralized, request-based management, software distribution, persistent monitoring, and self-healing capabilities. Customer installations include 8,500 ATMs securely managed to ensure 100% availability, revision security, and centralized life-cycle management for global financial institution ING, which serves over 47 million customers in 40 countries.

Source: CapitalIQ, Press Releases, Equity Research, Online Publications, Industry Research and Navidar Research.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents) and NTM = Next Twelve Months..



Software & Internet Sector M&A Review (Cont.)

Others

Oracle acquired MICROS Systems for \$5.26B EV, which implied 3.4x LTM revenue and 17.5x LTM EBITDA.

- The addition of MICROS' enterprise service solutions will extend Oracle's offerings in the hospitality and retail verticals
- Acquisition will be immediately accretive to earnings.

Based in Columbia, MD, MICROS Systems provides enterprise-wide applications, services and hardware for the hospitality and retail industries. Serving an extensive portfolio of clients worldwide, MICROS solutions are utilized in hotels, casinos, table and quick service restaurants, retail, leisure and entertainment, fuel and convenience, cruise, and travel operations in more than 180 countries. MICROS combine its industry knowledge and expertise to provide cloud-based, mobile and on premise solutions that allow its clients to streamline operations and successfully engage their customers.

MICROS applications include point of sale, property management, central systems, business intelligence, eCommerce, loyalty, CRM, loss prevention, distributed order management, labor management, inventory management, and merchandise planning solutions. MICROS services include hosting and SaaS, platform implementation and integration, strategic business consulting, interactive marketing, design services including creative and user experience, and managed services.

NPC Group (subsidiary of Vantiv) acquired Mercury Payment Systems for \$1.65B EV, which implied 7.0x LTM revenue and 17.7x LTM EBITDA.

- Acquisition accelerates Vantiv's growth in the integrated payments space, with a combination of leading technology, distribution and scale to power online and omni-channel commerce.
- Mercury's distribution channel, complementary verticals and its ability to design integrated, value-added innovations for the point-of-sale market immediately expands Vantiv's reach into the SMB segment.

Based in Durango, CO, Mercury Payment Systems provides payments technology and services for small and medium sized businesses, merchants, and resellers in the United States and Canada. It offers MercuryPay, a payment processing solution that enables merchant accept common payment types and card brands; integrated payments services that enable restaurant and retail store operators, and service providers to accept common transactions directly from devices; and customer service and technical support services. The company also provides reseller program that offers a way to market POS solutions, sales support, marketing support, communications, and online tools and information enablement services; and agent program, which provides generous compensation, comprehensive certification training, agent support, merchant lead generation, and Web portal services.

Mercury features an extensive network of more than 3,000 point-of-sale software developers and dealers that serve small and medium-sized businesses across the U.S. and Canada. In 2013, Mercury generated net revenue of \$237 million, an increase of 17% on a Y-o-Y basis, and adjusted EBITDA of \$93 million, an increase of 23% over the same period.

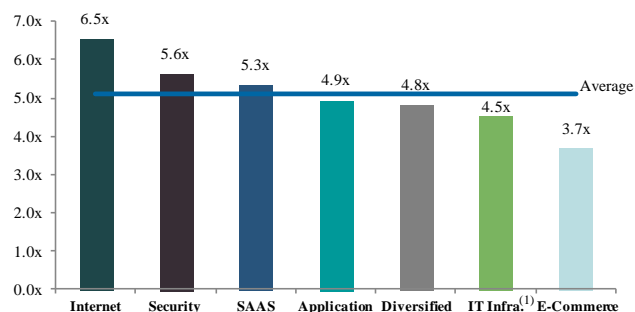
Source: CapitalIQ, Press Releases, Equity Research, Online Publications, Industry Research and Navidar Research.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents) and NTM = Next Twelve Months.

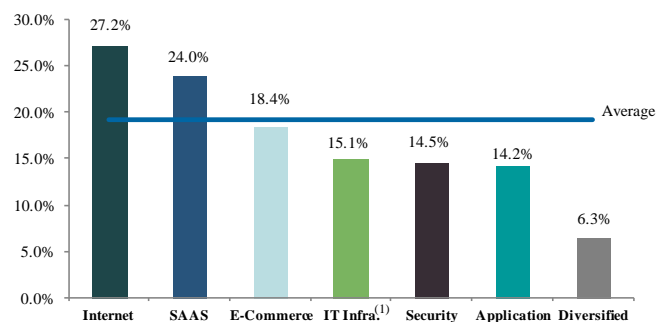


Comparable Public Company Valuation Metrics – Software & Internet Sector

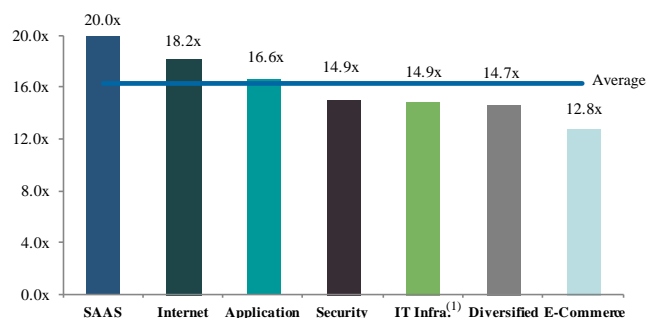
Enterprise Value/CY 2014E Rev.



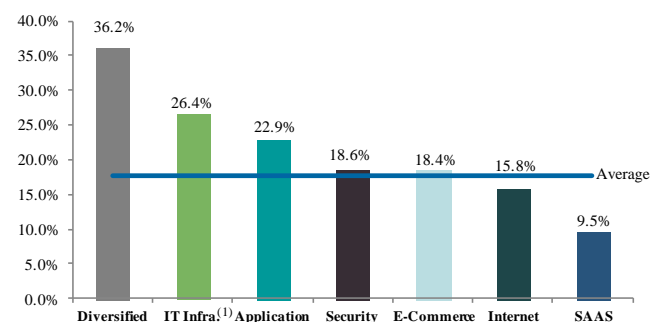
CY 2014E Rev. Growth%



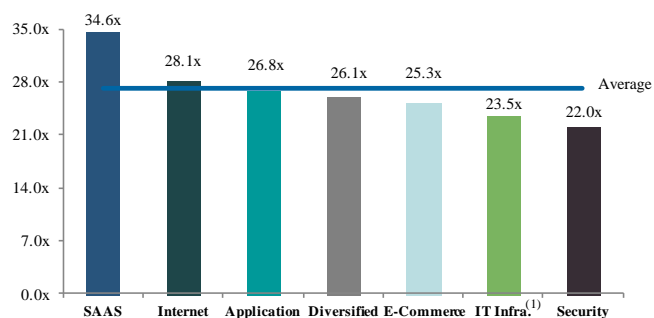
Enterprise Value/CY 2014E EBITDA



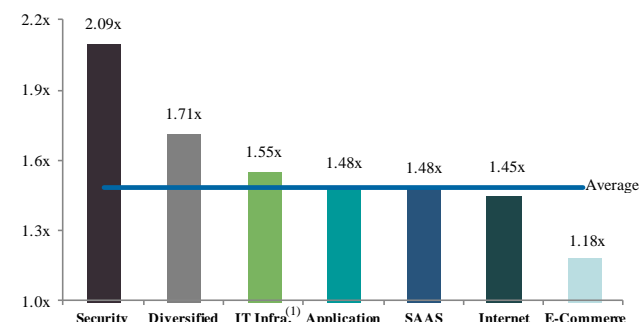
CY 2014E EBITDA Margin %



Price/Earnings 2014E



Price-to-Earnings Growth Ratio 2014E (PEG)



Source: CapitalIQ.

Note: Market Data as of Q2 2014 Quarter End.

Note: Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: Multiples Excludes Outlier for EV/CY Rev. > 20x, EV/CY EBITDA > 40x, P/E > 60x and PEG > 3x.

Note: CY = Calendar Year, LTM = Last Twelve Months and NTM = Next Twelve Months.

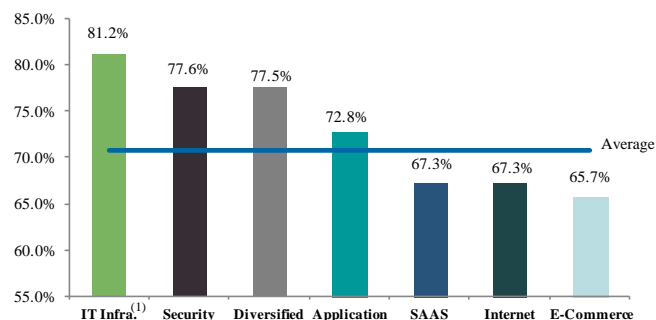
Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

(1) IT Infrastructure Management.

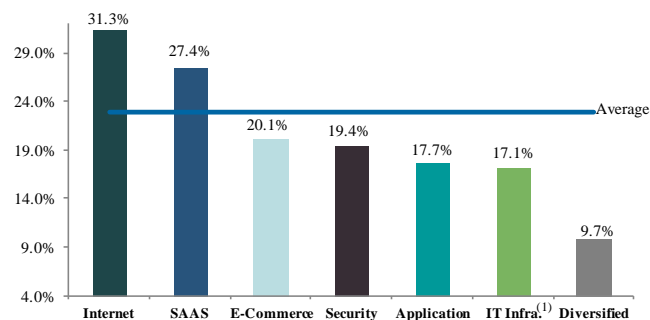


Comparable Public Company Valuation Metrics – Software & Internet Sector (Cont.)

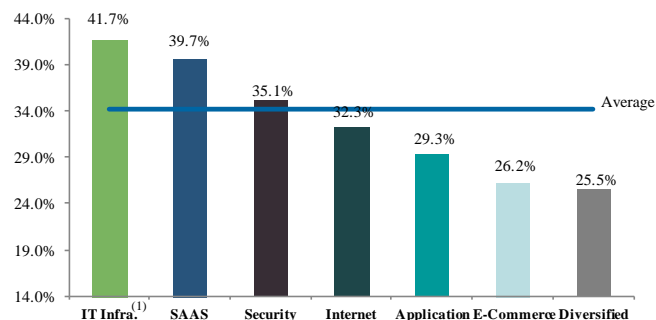
LTM Gross Margin %



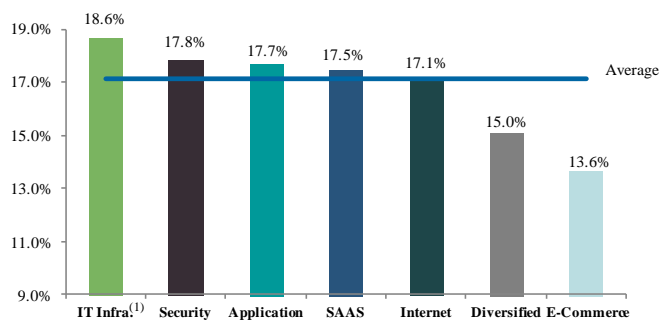
5-Year Net Income Growth %



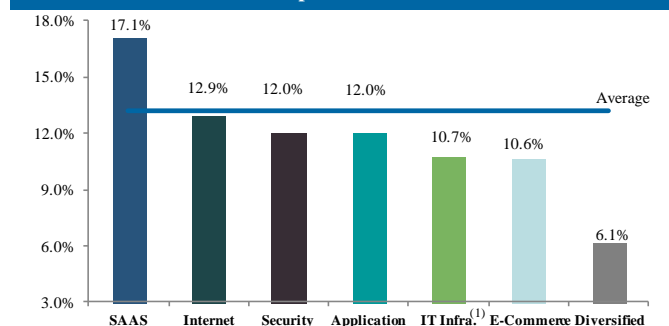
LTM Sales & Marketing Expense as a % of Revenue



LTM R&D Expense as a % of Revenue



LTM G&A Expense as a % of Revenue



Source: CapitalIQ.

Note: Market Data as of Q2 2014 Quarter End.

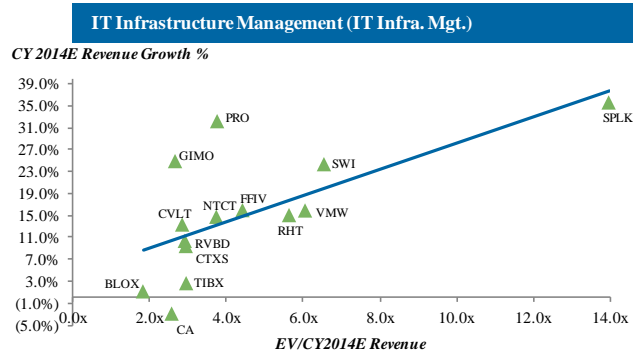
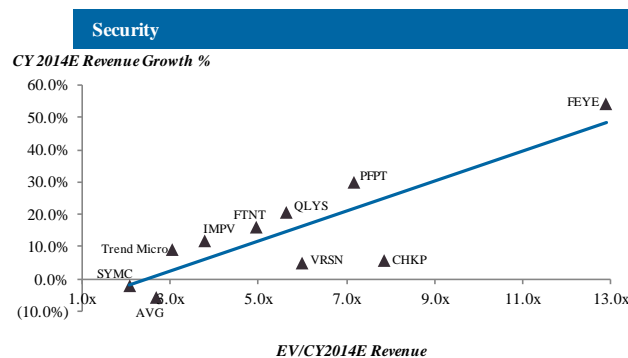
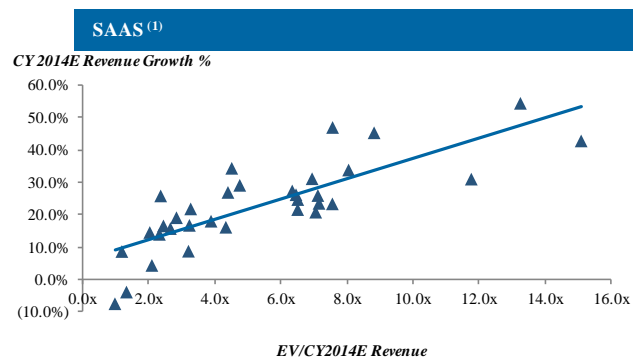
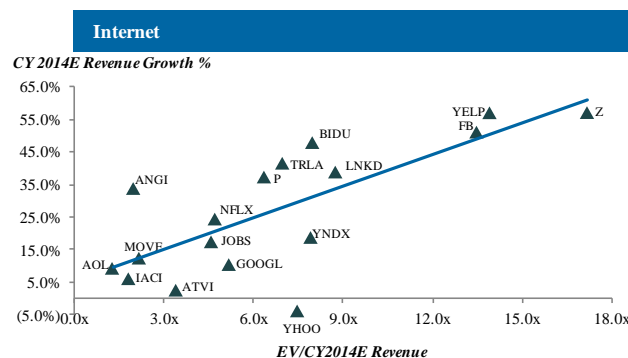
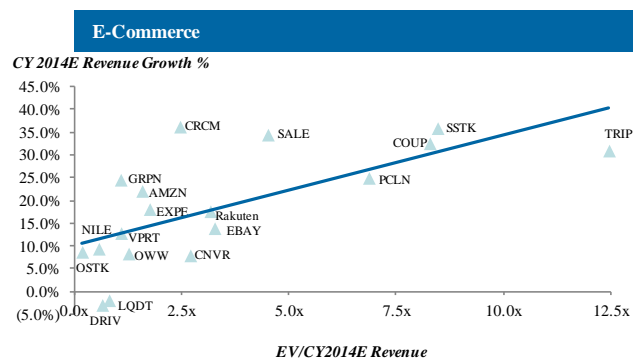
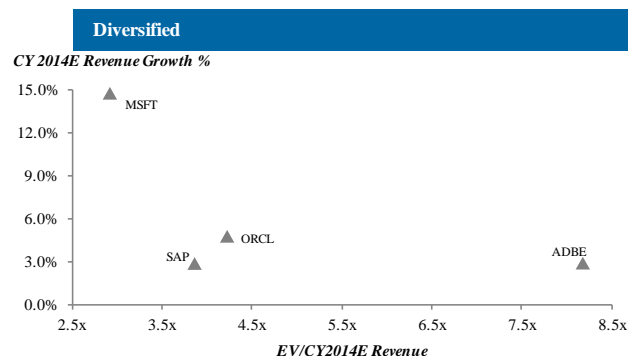
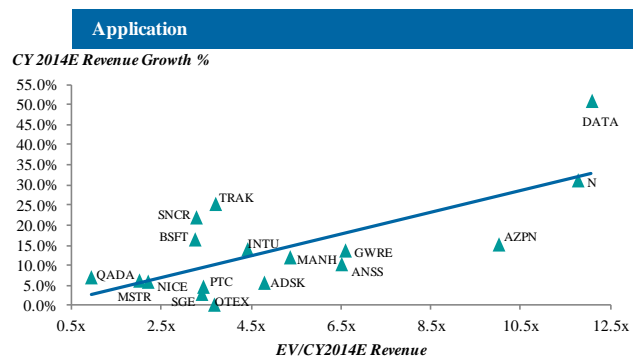
Note: Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: CY = Calendar Year, LTM = Last Twelve Months and NTM = Next Twelve Months.

(1) IT Infrastructure Management.



Valuation & Revenue Growth Correlation – Public Software & Internet Companies



Source: CapitalIQ. Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: Market Data as of Q2 2014 Quarter End.

Note: CY=Calendar Year.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

(1) SaaS includes DWRE, NOW, N, CSOD, TXTR, MKTO, ULTI, CNQR, CVT, SPSC, CRM, ATHN, EOPN, ECOM, AWAY, FLTX, SALE, LOGM, SQI, RP, SNCR, QLIK, BLKB, JIVE, CTCT, TNGO, LOCK, LPSN, IL, CARB, MM, SREV and DMD.



Appendix



Appendix – Comparable Public Company Analysis

Application – Valuation Metrics

\$Millions, except per share values)

Application	Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52 Wk low	Equity Value	Net Debt	Ent. Value	Valuation Metrics							
							EV/CY Revenue		EV/CY EBITDA		P/E		PEG Ratio	
							2014E	2015E	2014E	2015E	2014E	2015E	2014E	2015E
Intuit	\$80.53	98%	1.31x	\$22,861.4	(\$2,134.0)	\$20,727.4	4.4x	4.2x	10.9x	10.5x	21.3x	21.3x	1.61x	1.61x
Autodesk	\$56.38	96%	1.70x	\$12,847.1	(\$1,373.1)	\$11,474.0	4.8x	4.5x	23.4x	20.2x	47.8x	37.3x	NM	NM
Sage Group	\$6.57	87%	1.23x	\$7,181.7	\$601.6	\$7,798.6	3.4x	3.2x	11.2x	10.5x	16.6x	15.0x	2.78x	2.52x
NetSuite	\$86.88	72%	1.25x	\$6,585.3	(\$197.7)	\$6,387.6	11.8x	9.2x	NM	NM	NM	NM	NM	NM
Ansys	\$75.82	85%	1.06x	\$7,025.7	(\$858.1)	\$6,168.2	6.5x	5.9x	13.0x	11.7x	23.0x	20.9x	1.73x	1.57x
OpenText ⁽¹⁾	\$47.94	91%	1.49x	\$5,829.5	\$996.3	\$6,826.1	3.7x	3.5x	11.2x	10.1x	13.5x	12.2x	0.98x	0.88x
Tableau Software	\$71.33	70%	1.37x	\$4,848.0	(\$616.5)	\$4,231.5	12.1x	9.0x	NM	NM	NM	NM	NM	NM
PTC	\$38.80	96%	1.58x	\$4,602.4	\$47.7	\$4,650.1	3.4x	3.2x	12.5x	10.9x	18.9x	16.5x	1.21x	1.05x
Aspen Technology	\$46.40	96%	1.61x	\$4,272.1	(\$256.8)	\$4,015.3	10.0x	8.7x	28.1x	21.7x	49.1x	39.0x	NM	2.79x
Guidewire Software	\$40.66	70%	1.21x	\$2,787.5	(\$430.4)	\$2,357.2	6.6x	5.9x	NM	NM	35.7x	NM	NM	NM
Manhattan Associates	\$34.43	84%	1.79x	\$2,609.4	(\$125.9)	\$2,483.5	5.4x	4.9x	18.3x	16.3x	32.2x	28.7x	NM	NM
NICE Systems	\$40.88	88%	1.07x	\$2,446.7	(\$236.7)	\$2,205.8	2.2x	2.0x	10.1x	9.3x	14.9x	13.7x	1.24x	1.14x
Dealertrack Technologies ⁽¹⁾	\$45.34	77%	1.30x	\$2,429.2	\$600.5	\$3,029.7	3.7x	3.1x	16.5x	13.3x	30.6x	25.8x	1.84x	1.54x
Synchronoss Technologies	\$34.96	89%	1.38x	\$1,439.5	(\$49.1)	\$1,390.4	3.3x	2.8x	9.9x	8.5x	21.3x	17.4x	0.85x	0.70x
MicroStrategy	\$140.62	96%	1.61x	\$1,589.2	(\$365.8)	\$1,223.3	2.0x	1.9x	34.4x	24.4x	NM	NM	NM	NM
BroadSoft	\$26.39	70%	1.40x	\$754.4	(\$81.3)	\$673.1	3.2x	2.8x	14.1x	11.8x	20.6x	16.2x	1.08x	0.85x
QAD	\$21.32	92%	1.85x	\$327.9	(\$62.8)	\$265.1	0.9x	0.9x	13.5x	10.3x	38.8x	30.9x	NM	NM
Actuate	\$4.77	58%	1.40x	\$219.7	(\$64.1)	\$155.6	1.5x	1.6x	21.4x	NM	NM	NM	NM	NM
Average							4.9x	4.3x	16.6x	15.0x	26.8x	22.7x	1.48x	1.46x
Median							3.7x	3.4x	13.5x	11.7x	21.3x	20.9x	1.24x	1.34x

Application – Operating Metrics

\$Millions, except per share values)

\$Millions, except per share values)							Operating Metrics								
							CY Rev. Growth		CY EBITDA Margin		5-Yr NI	GM	S&M Mgn.	R&D Mgn.	G&A Mgn.
Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52-Wk low	Equity Value	Net Debt	Ent. Value	2014E	2015E	2014E	2015E	Growth %	LTM	LTM	LTM	LTM	
Application															
Intuit	\$80.53	98%	1.31x	\$22,861.4	(\$2,134.0)	\$20,727.4	13.8%	5.1%	40.4%	39.9%	13.2%	86.6%	28.9%	16.5%	10.5%
Autodesk	\$56.38	96%	1.70x	\$12,847.1	(\$1,373.1)	\$11,474.0	5.5%	6.0%	20.5%	22.4%	9.7%	87.6%	37.4%	27.5%	11.3%
Sage Group	\$6.57	87%	1.23x	\$7,181.7	\$601.6	\$7,798.6	2.7%	5.6%	30.3%	30.5%	6.0%	94.3%	NA	NA	NA
NetSuite	\$86.88	72%	1.25x	\$6,585.3	(\$197.7)	\$6,387.6	31.0%	28.0%	8.6%	9.4%	31.5%	67.7%	50.9%	19.3%	11.4%
Ansys	\$75.82	85%	1.06x	\$7,025.7	(\$858.1)	\$6,168.2	10.1%	9.3%	49.9%	50.9%	13.3%	87.4%	NA	17.7%	NA
OpenText ⁽¹⁾	\$47.94	91%	1.49x	\$5,829.5	\$996.3	\$6,826.1	0.1%	4.3%	32.6%	34.9%	13.9%	72.8%	17.4%	9.2%	6.9%
Tableau Software	\$71.33	70%	1.37x	\$4,848.0	(\$616.5)	\$4,231.5	50.8%	34.1%	2.6%	4.7%	30.0%	91.7%	52.1%	26.2%	10.5%
PTC	\$38.80	96%	1.58x	\$4,602.4	\$47.7	\$4,650.1	4.5%	5.6%	27.3%	29.8%	15.7%	71.9%	26.6%	16.6%	9.1%
Aspen Technology	\$46.40	96%	1.61x	\$4,272.1	(\$256.8)	\$4,015.3	15.0%	14.5%	35.6%	40.3%	14.0%	85.9%	25.9%	18.4%	12.6%
Guidewire Software	\$40.66	70%	1.21x	\$2,787.5	(\$430.4)	\$2,357.2	13.5%	11.8%	15.4%	16.5%	15.0%	53.6%	21.4%	23.5%	10.9%
Manhattan Associates	\$34.43	84%	1.79x	\$2,609.4	(\$125.9)	\$2,483.5	11.8%	9.4%	29.3%	30.0%	NM	57.0%	10.5%	10.4%	8.9%
NICE Systems	\$40.88	88%	1.07x	\$2,446.7	(\$236.7)	\$2,205.8	5.8%	7.6%	21.8%	22.1%	12.0%	61.3%	26.2%	14.8%	9.0%
Dealertrack Technologies ⁽¹⁾	\$45.34	77%	1.30x	\$2,429.2	\$600.5	\$3,029.7	25.1%	20.9%	22.4%	23.0%	16.7%	39.9%	0.1%	2.9%	NA
Synchronoss Technologies	\$34.96	89%	1.38x	\$1,439.5	(\$49.1)	\$1,390.4	21.8%	17.4%	33.2%	32.8%	25.0%	58.3%	NA	17.2%	NA
MicroStrategy	\$140.62	96%	1.61x	\$1,589.2	(\$365.8)	\$1,223.3	6.0%	7.2%	5.8%	7.7%	34.0%	76.8%	38.3%	17.2%	17.9%
BroadSoft	\$26.39	70%	1.40x	\$754.4	(\$81.3)	\$673.1	16.3%	14.6%	22.9%	24.0%	19.2%	75.6%	36.3%	27.7%	18.1%
QAD	\$21.32	92%	1.85x	\$327.9	(\$62.8)	\$265.1	6.9%	4.9%	6.9%	8.6%	NM	56.1%	24.3%	15.5%	12.1%
Actuate ⁽²⁾	\$4.77	58%	1.40x	\$219.7	(\$64.1)	\$155.6	NM	(1.5%)	7.2%	0.4%	13.5%	85.6%	43.0%	20.2%	18.2%
Average							14.2%	11.4%	22.9%	23.8%	17.7%	72.8%	29.3%	17.7%	12.0%
Median							11.0%	8.5%	22.7%	23.5%	14.5%	74.2%	26.6%	17.2%	11.1%

Source: CapitalIQ. Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: Market Data as of Q2 2014 Quarter End.

Note: Multiples Excludes Outlier for EV/CY Rev. > 20x, EV/CY EBITDA > 40x, P/E > 60x and PEG > 3x.

Note: LTM = Last Twelve Months, CY = Calendar Year, PE = Price/Earnings Ratio, PEG = Price-to-Earnings Growth Ratio.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

(1) CY Revenue Growth and EV/CY Revenue Multiple Adjusted for Acquisitions.



Appendix – Comparable Public Company Analysis (Cont.)

Diversified – Valuation Metrics

\$Millions, except per share values)

\$Millions, except per share values)							Valuation Metrics							
							EV/CY Revenue		EV/CY EBITDA		P/E		PEG Ratio	
Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52-Wk low	Equity Value	Net Debt	Ent. Value	2014E	2015E	2014E	2015E	2014E	2015E	2014E	2015E	
Diversified														
Microsoft	\$41.70	99%	1.35x	\$344,459.2	(\$64,192.0)	\$280,267.2	2.9x	2.7x	8.8x	8.2x	15.4x	14.0x	1.82x	1.65x
Oracle	\$40.53	94%	1.35x	\$180,556.7	(\$14,652.0)	\$166,473.7	4.2x	4.1x	8.6x	8.1x	13.3x	12.3x	1.41x	1.30x
SAP AG	\$77.55	90%	1.09x	\$92,562.1	\$1,393.7	\$92,162.4	3.9x	3.6x	11.0x	10.2x	16.6x	15.1x	1.90x	1.72x
Adobe Systems	\$72.36	97%	1.62x	\$35,990.1	(\$1,823.9)	\$34,166.1	8.2x	6.9x	30.3x	21.3x	58.8x	34.7x	NM	NM
Average							4.8x	4.3x	14.7x	11.9x	26.1x	19.0x	1.71x	1.56x
Median							4.0x	3.8x	9.9x	9.2x	16.0x	14.5x	1.82x	1.65x

Diversified – Operating Metrics

\$Millions, except per share values)

SMillions, except per share values)							Operating Metrics								
							CY Rev. Growth		CY EBITDA Margin		5-Yr NI	GM	S&M Mgn.	R&D Mgn.	G&A Mgn.
Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52 Wk low	Equity Value	Net Debt	Ent. Value	2014E	2015E	2014E	2015E	Growth %	LTM	LTM	LTM	LTM	
Diversified															
Microsoft	\$41.70	99%	1.35x	\$344,459.2	(\$64,192.0)	\$280,267.2	14.8%	9.1%	33.2%	32.8%	8.5%	70.1%	18.4%	13.2%	3.9%
Oracle	\$40.53	94%	1.35x	\$180,556.7	(\$14,652.0)	\$166,473.7	4.8%	4.3%	49.5%	50.3%	9.5%	81.1%	19.8%	13.5%	2.7%
SAP AG	\$77.55	90%	1.09x	\$92,562.1	\$1,393.7	\$92,162.4	2.9%	7.0%	35.1%	35.6%	8.8%	73.3%	23.6%	13.2%	4.9%
Adobe Systems	\$72.36	97%	1.62x	\$35,990.1	(\$1,823.9)	\$34,166.1	2.9%	18.7%	27.0%	32.4%	12.3%	85.4%	40.4%	20.3%	13.0%
Average							6.3%	9.8%	36.2%	37.8%	9.7%	77.5%	25.5%	15.0%	6.1%
Median							3.8%	8.1%	34.1%	34.2%	9.1%	77.2%	21.7%	13.4%	4.4%

Source: CapitalIQ. Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: Market Data as of Q2 2014 Quarter End.

Note: Multiples Excludes Outlier for EV/CY Rev. > 20x, EV/CY EBITDA > 40x, P/E > 60x and PEG > 3x.

Note: LTM = Last Twelve Months, CY = Calendar Year, PE = Price/Earnings Ratio, PEG = Price-to-Earnings Growth Ratio.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).



Appendix – Comparable Public Company Analysis (Cont.)

E-Commerce – Valuation Metrics

\$Millions, except per share values)

SMillions, except per share values)							Valuation Metrics							
	Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52-Wk low	Equity Value	Net Debt	Ent. Value	EV/CY Revenue		EV/CY EBITDA		P/E		PEG Ratio	
							2014E	2015E	2014E	2015E	2014E	2015E	2014E	2015E
E-Commerce														
Amazon.com	\$324.78	80%	1.17x	\$149,453.0	(\$5,519.0)	\$143,934.0	1.6x	1.3x	21.4x	16.2x	NM	NM	NM	NM
eBay	\$50.06	84%	1.04x	\$63,443.2	(\$2,048.0)	\$59,727.2	3.3x	2.9x	9.9x	8.8x	16.8x	14.7x	1.28x	1.12x
priceline.com	\$1,203.00	87%	1.45x	\$63,075.7	(\$4,855.3)	\$58,220.4	6.9x	5.7x	17.1x	13.9x	22.9x	18.7x	1.05x	0.86x
Rakuten	\$12.92	71%	1.21x	\$17,072.8	\$879.0	\$18,387.3	3.2x	2.8x	14.3x	11.3x	NM	NM	NM	NM
TripAdvisor	\$108.66	98%	1.82x	\$15,500.7	(\$100.0)	\$15,400.7	12.5x	9.9x	31.1x	24.3x	49.7x	38.6x	2.03x	1.57x
Expedia	\$78.76	96%	1.72x	\$10,225.9	(\$922.0)	\$9,905.8	1.8x	1.6x	9.8x	8.6x	20.6x	17.6x	1.28x	1.10x
Groupon	\$6.62	52%	1.28x	\$4,516.1	(\$1,038.8)	\$3,475.2	1.1x	0.9x	11.6x	8.8x	NM	27.6x	NM	1.13x
Mercadolibre ⁽²⁾	\$95.40	65%	1.20x	\$4,212.3	(\$209.0)	\$4,007.3	8.3x	7.0x	25.4x	22.0x	38.6x	32.6x	1.78x	1.50x
Shutterstock	\$82.98	81%	1.73x	\$2,920.6	(\$213.0)	\$2,707.7	8.5x	6.6x	NM	28.4x	NM	NM	NM	NM
ValueClick	\$25.40	88%	1.36x	\$1,701.7	(\$30.4)	\$1,671.3	2.7x	2.5x	7.8x	7.1x	14.6x	13.3x	1.02x	0.93x
Coupons.com	\$26.31	80%	1.69x	\$2,039.7	(\$197.5)	\$1,842.1	8.3x	6.3x	NM	NM	NM	NM	NM	NM
RetailMeNot	\$26.61	55%	1.19x	\$1,429.4	(\$156.9)	\$1,272.5	4.5x	3.6x	12.2x	9.2x	27.1x	18.2x	0.89x	0.60x
Vistaprint N.V.	\$40.46	70%	1.08x	\$1,346.8	\$144.5	\$1,497.0	1.1x	1.0x	7.4x	7.4x	12.3x	11.9x	0.64x	0.62x
Orbitz Worldwide	\$8.90	67%	1.39x	\$971.3	\$191.9	\$1,163.2	1.3x	1.2x	7.4x	6.7x	23.1x	17.2x	0.68x	0.51x
Liquidity Services	\$15.76	41%	1.31x	\$505.5	(\$101.8)	\$403.8	0.8x	0.8x	4.9x	7.3x	12.0x	18.2x	0.60x	0.91x
Digital River	\$15.43	76%	1.05x	\$503.8	(\$256.5)	\$247.3	0.7x	0.6x	5.6x	4.3x	34.7x	21.9x	NM	2.19x
Care.com	\$12.66	43%	1.32x	\$392.2	(\$118.6)	\$273.6	2.5x	1.9x	NM	NM	NM	NM	NM	NM
Overstock.com	\$15.77	44%	1.09x	\$378.2	(\$110.6)	\$267.5	0.2x	0.2x	7.3x	6.3x	23.9x	17.1x	NM	NM
Blue Nile	\$28.00	57%	1.02x	\$339.2	(\$56.1)	\$283.1	0.6x	0.5x	11.2x	9.5x	32.0x	25.8x	1.75x	1.41x
Average							3.7x	3.0x	12.8x	11.8x	25.3x	21.0x	1.18x	1.11x
Median							2.5x	1.9x	10.5x	8.8x	23.1x	18.2x	1.05x	1.10x

E-Commerce –Operating Metrics

\$Millions, except per share values)

\$Millions, except per share values)							Operating Metrics								
							CY Rev. Growth		CY EBITDA Margin		5-Yr NI	GM	S&M Mgn.	R&D Mgn.	G&A Mgn.
Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52-Wk low	Equity Value	Net Debt	Ent. Value	2014E	2015E	2014E	2015E	Growth %	LTM	LTM	LTM	LTM	
E-Commerce															
Amazon.com	\$324.78	80%	1.17x	\$149,453.0	(\$5,519.0)	\$143,934.0	22.0%	20.2%	7.4%	8.1%	48.8%	27.8%	4.3%	9.2%	0.6%
eBay	\$50.06	84%	1.04x	\$63,443.2	(\$2,048.0)	\$59,727.2	13.8%	14.4%	33.1%	32.4%	13.1%	68.2%	19.4%	10.9%	10.6%
priceline.com	\$1,203.00	87%	1.45x	\$63,075.7	(\$4,855.3)	\$58,220.4	24.8%	20.4%	40.2%	41.0%	21.8%	85.6%	32.5%	NA	4.9%
Rakuten	\$12.92	71%	1.21x	\$17,072.8	\$879.0	\$18,387.3	17.5%	13.3%	22.1%	24.8%	26.5%	100.0%	NA	NA	NA
TripAdvisor	\$108.66	98%	1.82x	\$15,500.7	(\$100.0)	\$15,400.7	30.8%	25.6%	40.0%	40.8%	24.5%	97.8%	39.2%	14.0%	10.0%
Expedia	\$78.76	96%	1.72x	\$10,225.9	(\$922.0)	\$9,905.8	18.0%	13.2%	18.0%	18.2%	16.0%	78.2%	46.9%	12.1%	7.7%
Groupon	\$6.62	52%	1.28x	\$4,516.1	(\$1,038.8)	\$3,475.2	24.4%	14.3%	9.4%	10.7%	24.3%	55.2%	8.9%	NA	NA
Mercadolibre ⁽²⁾	\$95.40	65%	1.20x	\$4,212.3	(\$209.0)	\$4,007.3	NM	18.5%	32.8%	32.0%	21.7%	78.4%	18.6%	9.0%	11.5%
Shutterstock	\$82.98	81%	1.73x	\$2,920.6	(\$213.0)	\$2,707.7	35.8%	29.3%	21.0%	23.0%	34.3%	61.1%	24.9%	9.7%	10.0%
ValueClick	\$25.40	88%	1.36x	\$1,701.7	(\$30.4)	\$1,671.3	7.8%	8.2%	34.5%	35.1%	14.3%	67.8%	16.0%	9.9%	9.8%
Coupons.com	\$26.31	80%	1.69x	\$2,039.7	(\$197.5)	\$1,842.1	32.4%	32.2%	7.0%	15.7%	NM	67.3%	36.3%	24.8%	14.8%
RetailMeNot	\$26.61	55%	1.19x	\$1,429.4	(\$156.9)	\$1,272.5	34.4%	25.3%	37.0%	39.3%	30.5%	93.5%	34.8%	15.3%	13.5%
Vistaprint N.V.	\$40.46	70%	1.08x	\$1,346.8	\$144.5	\$1,497.0	12.7%	8.0%	14.9%	13.8%	19.3%	65.6%	36.1%	14.1%	9.4%
Orbitz Worldwide	\$8.90	67%	1.39x	\$971.3	\$191.9	\$1,163.2	8.2%	4.6%	17.1%	18.0%	33.7%	81.8%	34.4%	NA	NA
Liquidity Services	\$15.76	41%	1.31x	\$505.5	(\$101.8)	\$403.8	(2.1%)	(0.6%)	16.5%	11.2%	20.0%	39.6%	8.0%	NA	9.5%
Digital River	\$15.43	76%	1.05x	\$503.8	(\$256.5)	\$247.3	(3.2%)	6.8%	11.8%	14.4%	10.0%	66.1%	27.0%	19.5%	13.0%
Care.com	\$12.66	43%	1.32x	\$392.2	(\$118.6)	\$273.6	36.1%	32.8%	(20.9%)	(3.5%)	NM	77.0%	70.8%	14.9%	23.6%
Overstock.com	\$15.77	44%	1.09x	\$378.2	(\$110.6)	\$267.5	8.5%	3.3%	2.6%	2.9%	(35.6%)	19.0%	7.2%	NA	10.6%
Blue Nile	\$28.00	57%	1.02x	\$339.2	(\$56.1)	\$283.1	9.2%	9.4%	5.1%	5.5%	18.3%	18.6%	5.3%	NA	NA
Average							18.4%	15.8%	18.4%	20.2%	20.1%	65.7%	26.2%	13.6%	10.6%
Median							17.7%	14.3%	17.1%	18.0%	21.7%	67.8%	26.0%	13.1%	10.0%

Source: CapitalIQ. Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: Market Data as of Q2 2014 Quarter End.

Note: Multiples Excludes Outlier for EV/CY Rev. > 20x, EV/CY EBITDA > 40x, P/E > 60x and PEG > 3x.

Note: LTM = Last Twelve Months, CY = Calendar Year, PE = Price/Earnings Ratio, PEG = Price-to-Earnings Growth Ratio.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

(2) CY 2014 Revenue Growth considered as "NM" due to Non-adjustments for Acquisitions/Divestiture.



Appendix – Comparable Public Company Analysis (Cont.)

Internet – Valuation Metrics

\$Millions, except per share values)

\$Millions, except per share values)							Valuation Metrics														
							Stock Price		% of 52-Week High	Current Stock Price as a Multiple of 52 Wk low	Equity Value	Net Debt	Ent. Value	EV/CY Revenue		EV/CY EBITDA		P/E		PEG Ratio	
														2014E	2015E	2014E	2015E	2014E	2015E	2014E	2015E
Internet																					
Google	\$584.67	95%	1.40x	\$391,189.6	(\$48,880.0)	\$342,309.6	5.2x	4.4x	13.0x	10.9x	21.9x	18.4x	1.29x	1.08x							
Facebook	\$67.29	93%	2.79x	\$172,689.5	(\$12,237.0)	\$160,452.5	13.5x	10.3x	21.8x	16.3x	47.4x	36.6x	1.40x	1.08x							
Baidu	\$186.81	99%	2.10x	\$65,459.6	(\$3,470.4)	\$62,283.0	8.0x	5.9x	26.2x	18.8x	35.2x	25.2x	1.21x	0.87x							
Yahoo	\$35.13	84%	1.42x	\$35,369.2	(\$1,450.8)	\$33,653.9	7.5x	7.3x	24.5x	23.1x	21.6x	19.3x	2.08x	1.87x							
LinkedIn Corporation	\$171.47	67%	1.26x	\$20,878.1	(\$2,306.2)	\$18,577.0	8.8x	6.6x	35.6x	24.7x	NM	NM	NM	NM							
Netflix	\$440.60	96%	2.08x	\$26,412.9	(\$768.2)	\$25,644.7	4.7x	3.9x	NM	27.8x	NM	NM	NM	NM							
Activision Blizzard	\$22.30	100%	1.58x	\$15,960.7	\$33.0	\$15,993.7	3.4x	3.3x	10.0x	9.3x	17.2x	15.4x	1.20x	1.07x							
Yandex	\$35.64	78%	1.64x	\$11,454.7	(\$141.2)	\$11,313.4	7.9x	6.4x	18.7x	14.9x	28.7x	23.1x	1.03x	0.83x							
Pandora	\$29.50	73%	1.68x	\$6,060.8	(\$341.3)	\$5,719.5	6.4x	4.9x	NM	NM	NM	NM	NM	NM							
IAC/InterActiveCorp	\$69.23	86%	1.49x	\$5,748.8	\$37.1	\$5,813.6	1.8x	1.7x	9.7x	8.1x	19.0x	15.3x	1.82x	1.46x							
Yelp	\$76.68	75%	2.26x	\$5,495.0	(\$399.3)	\$5,095.7	13.9x	9.7x	NM	NM	NM	NM	NM	NM							
AOL	\$39.79	75%	1.24x	\$3,180.7	\$23.7	\$3,214.4	1.3x	1.2x	6.4x	5.8x	18.4x	15.5x	1.25x	1.06x							
Zillow	\$142.93	98%	2.63x	\$5,646.0	(\$309.4)	\$5,336.6	17.2x	12.9x	NM	NM	NM	NM	NM	NM							
51job	\$65.96	77%	1.12x	\$1,961.0	(\$529.7)	\$1,431.2	4.6x	4.0x	15.7x	12.2x	20.7x	17.7x	1.15x	0.98x							
Renren	\$3.34	70%	1.21x	\$1,199.5	(\$985.3)	\$214.3	2.3x	1.8x	NM	NM	NM	NM	NM	NM							
Trulia ⁽¹⁾	\$47.38	90%	1.80x	\$1,749.5	\$9.4	\$1,758.8	7.0x	5.3x	NM	33.8x	NM	NM	NM	NM							
Angie's List	\$11.94	42%	1.24x	\$698.6	(\$49.1)	\$649.6	2.0x	1.6x	NM	17.1x	NM	27.8x	NM	1.06x							
Move	\$14.79	81%	1.56x	\$585.3	(\$32.4)	\$553.0	2.2x	1.9x	18.5x	14.3x	51.0x	31.5x	2.04x	1.26x							
Average							6.5x	5.2x	18.2x	16.9x	28.1x	22.3x	1.45x	1.15x							
Median							5.8x	4.7x	18.5x	15.6x	21.7x	19.3x	1.27x	1.07x							

Internet – Operating Metrics

\$Millions, except per share values)

\$Millions, except per share values)							Operating Metrics								
							CY Rev. Growth		CY EBITDA Margin		5-Yr NI	GM	S&M Mgn.	R&D Mgn.	G&A Mgn.
Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52 Wk low	Equity Value	Net Debt	Ent. Value	2014E	2015E	2014E	2015E	Growth %	LTM	LTM	LTM	LTM	
Internet															
Google	\$584.67	95%	1.40x	\$391,189.6	(\$48,880.0)	\$342,309.6	10.4%	17.6%	39.8%	40.5%	17.1%	57.2%	12.1%	13.5%	8.4%
Facebook	\$67.29	93%	2.79x	\$172,689.5	(\$12,237.0)	\$160,452.5	51.1%	31.0%	61.9%	63.3%	33.8%	79.7%	12.5%	17.7%	8.9%
Baidu	\$186.81	99%	2.10x	\$65,459.6	(\$3,470.4)	\$62,283.0	47.9%	34.5%	30.5%	31.6%	29.0%	63.5%	NA	12.9%	NA
Yahoo	\$35.13	84%	1.42x	\$35,369.2	(\$1,450.8)	\$33,653.9	(3.8%)	3.1%	30.5%	31.4%	10.3%	71.6%	26.3%	24.4%	12.2%
LinkedIn Corporation	\$171.47	67%	1.26x	\$20,878.1	(\$2,306.2)	\$18,577.0	38.8%	33.6%	24.6%	26.5%	38.9%	86.7%	34.5%	26.0%	15.3%
Netflix	\$440.60	96%	2.08x	\$26,412.9	(\$768.2)	\$25,644.7	24.4%	21.3%	11.5%	14.0%	41.3%	30.4%	11.3%	8.6%	4.2%
Activision Blizzard	\$22.30	100%	1.58x	\$15,960.7	\$33.0	\$15,993.7	2.6%	3.2%	34.1%	35.4%	14.3%	66.1%	13.8%	13.8%	11.4%
Yandex	\$35.64	78%	1.64x	\$11,454.7	(\$141.2)	\$11,313.4	18.7%	23.8%	42.5%	42.9%	27.7%	71.8%	NA	15.3%	NA
Pandora	\$29.50	73%	1.68x	\$6,060.8	(\$341.3)	\$5,719.5	37.3%	29.5%	6.3%	11.7%	82.8%	43.2%	28.5%	5.2%	12.2%
IAC/InterActiveCorp	\$69.23	86%	1.49x	\$5,748.8	\$37.1	\$5,813.6	6.1%	9.7%	18.8%	20.5%	10.4%	68.4%	33.8%	4.8%	12.3%
Yelp	\$76.68	75%	2.26x	\$5,495.0	(\$399.3)	\$5,095.7	57.0%	43.4%	16.1%	21.0%	56.4%	93.0%	56.6%	17.1%	17.9%
AOL	\$39.79	75%	1.24x	\$3,180.7	\$23.7	\$3,214.4	9.3%	5.9%	20.0%	20.5%	14.7%	28.4%	2.6%	NA	10.5%
Zillow	\$142.93	98%	2.63x	\$5,646.0	(\$309.4)	\$5,336.6	57.1%	33.8%	16.1%	21.0%	69.4%	90.7%	55.2%	24.4%	19.7%
51job	\$65.96	77%	1.12x	\$1,961.0	(\$529.7)	\$1,431.2	17.4%	14.1%	29.2%	33.1%	18.0%	73.0%	29.5%	NA	11.2%
Renren	\$3.34	70%	1.21x	\$1,199.5	(\$985.3)	\$214.3	NM	26.5%	(117.9%)	(84.5%)	20.0%	51.1%	46.0%	52.6%	12.3%
Trulia ⁽¹⁾	\$47.38	90%	1.80x	\$1,749.5	\$9.4	\$1,758.8	41.5%	31.5%	8.4%	15.7%	27.6%	82.8%	42.9%	19.7%	18.4%
Angie's List	\$11.94	42%	1.24x	\$698.6	(\$49.1)	\$649.6	33.8%	24.7%	0.4%	9.2%	26.3%	73.9%	70.6%	0.7%	11.2%
Move	\$14.79	81%	1.56x	\$585.3	(\$32.4)	\$553.0	12.4%	13.1%	11.7%	13.4%	25.0%	79.6%	40.6%	17.4%	20.5%
Average							27.2%	22.2%	15.8%	20.4%	31.3%	67.3%	32.3%	17.1%	12.9%
Median							24.4%	24.3%	19.4%	21.0%	26.9%	71.7%	31.6%	16.2%	12.2%

Source: CapitalIQ. Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: Market Data as of Q2 2014 Quarter End.

Note: Multiples Excludes Outlier for EV/CY Rev. > 20x, EV/CY EBITDA > 40x, P/E > 60x and PEG > 3x.

Note: LTM = Last Twelve Months, CY = Calendar Year, PE = Price/Earnings Ratio, PEG = Price-to-Earnings Growth Ratio.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

(1) CY Revenue Growth and EV/CY Revenue Multiple Adjusted for Acquisitions.



Appendix – Comparable Public Company Analysis (Cont.)

SaaS – Valuation Metrics

\$Millions, except per share values)

\$Millions, except per share values)							Valuation Metrics							
							EV/CY Revenue		EV/CY EBITDA		P/E		PEG Ratio	
											2014E	2015E	2014E	2015E
	Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52 Wk low	Equity Value	Net Debt	Ent. Value	2014E	2015E	2014E	2015E	2014E	2015E	2014E	2015E
SAAS														
salesforce.com	\$58.08	87%	1.54x	\$35,661.1	\$1,413.8	\$37,075.0	6.9x	5.6x	37.4x	31.4x	NM	NM	NM	NM
Workday	\$89.86	77%	1.41x	\$16,624.1	(\$1,381.9)	\$15,242.2	NM	14.0x	NM	NM	NM	NM	NM	NM
ServiceNow	\$61.96	86%	1.56x	\$8,926.0	(\$233.9)	\$8,692.0	13.3x	9.6x	NM	NM	NM	NM	NM	NM
NetSuite	\$86.88	72%	1.25x	\$6,585.3	(\$197.7)	\$6,387.6	11.8x	9.2x	NM	NM	NM	NM	NM	NM
athenahealth	\$125.13	61%	1.50x	\$4,735.2	\$94.8	\$4,830.0	6.5x	5.3x	36.5x	29.4x	NM	NM	NM	NM
Concur Technologies	\$93.34	72%	1.25x	\$5,309.4	(\$132.9)	\$5,178.2	7.2x	5.7x	NM	31.8x	NM	NM	NM	NM
The Ultimate Software Group	\$138.17	80%	1.26x	\$3,916.9	(\$90.8)	\$3,826.1	7.6x	6.2x	31.7x	24.6x	NM	55.2x	NM	1.99x
HomeAway	\$34.82	71%	1.28x	\$3,256.1	(\$467.4)	\$2,799.0	6.3x	5.3x	23.4x	18.9x	58.0x	45.2x	2.59x	2.01x
Cornerstone OnDemand	\$46.02	74%	1.40x	\$2,445.8	(\$71.8)	\$2,374.0	8.8x	6.5x	NM	NM	NM	NM	NM	NM
Qlik Technologies	\$22.62	60%	1.12x	\$2,027.7	(\$253.3)	\$1,774.4	3.2x	2.8x	NM	30.0x	NM	59.5x	NM	2.10x
Demandware	\$69.37	84%	1.68x	\$2,489.6	(\$253.9)	\$2,235.6	15.1x	10.6x	NM	NM	NM	NM	NM	NM
RetailMeNot	\$26.61	55%	1.19x	\$1,429.4	(\$156.9)	\$1,272.5	4.5x	3.6x	12.2x	9.2x	27.1x	18.2x	0.89x	0.60x
LifeLock	\$13.96	61%	1.33x	\$1,289.9	(\$191.2)	\$1,098.7	2.4x	2.0x	20.2x	15.1x	30.3x	23.1x	1.08x	0.82x
Cvent	\$29.09	63%	1.30x	\$1,198.0	(\$201.7)	\$996.4	7.1x	5.7x	NM	NM	NM	NM	NM	NM
RealPage	\$22.48	85%	1.46x	\$1,770.9	(\$42.1)	\$1,728.8	3.9x	3.4x	16.3x	13.5x	33.6x	28.1x	1.77x	1.48x
Blackbaud	\$35.74	85%	1.21x	\$1,613.5	\$140.6	\$1,754.1	3.2x	3.0x	15.3x	13.4x	29.5x	27.3x	1.55x	1.44x
Synchronoss Technologies	\$34.96	89%	1.38x	\$1,439.5	(\$49.1)	\$1,390.4	3.3x	2.8x	9.9x	8.5x	21.3x	17.4x	0.85x	0.70x
Marketo	\$29.08	65%	1.37x	\$1,177.4	(\$112.3)	\$1,066.7	7.6x	5.8x	NM	NM	NM	NM	NM	NM
Fleetmatics Group	\$32.34	62%	1.27x	\$1,212.6	(\$123.8)	\$1,088.8	4.8x	3.8x	17.8x	13.4x	39.0x	27.9x	1.45x	1.04x
LogMeIn	\$46.62	98%	1.90x	\$1,132.0	(\$204.0)	\$928.0	4.4x	3.7x	20.4x	16.5x	46.6x	39.0x	1.46x	1.22x
SPS Commerce	\$63.19	79%	1.44x	\$1,023.9	(\$134.6)	\$889.3	7.1x	5.9x	NM	39.4x	NM	NM	NM	NM
ChannelAdvisor Corporation	\$26.36	53%	1.74x	\$647.9	(\$93.7)	\$554.2	6.5x	5.1x	NM	NM	NM	NM	NM	NM
Constant Contact	\$32.11	98%	2.00x	\$1,007.9	(\$130.8)	\$877.1	2.7x	2.3x	14.6x	11.7x	31.5x	25.6x	1.40x	1.14x
Millennial Media ⁽¹⁾	\$4.99	48%	1.72x	\$533.9	(\$98.0)	\$435.9	1.3x	1.1x	NM	23.7x	NM	NM	NM	NM
SciQuest	\$17.69	54%	1.12x	\$485.3	(\$31.2)	\$454.1	4.3x	3.9x	25.8x	18.2x	NM	50.5x	NM	2.30x
Tango	\$15.06	58%	1.33x	\$582.6	(\$44.1)	\$538.4	2.4x	2.1x	14.4x	11.4x	19.1x	15.9x	0.86x	0.71x
ServiceSource International	\$5.80	42%	1.47x	\$482.0	(\$130.4)	\$351.6	1.2x	1.1x	NM	NM	NM	NM	NM	NM
E2open	\$20.67	69%	1.34x	\$601.3	(\$46.0)	\$549.8	6.5x	5.4x	NM	NM	NM	NM	NM	NM
LivePerson	\$10.15	67%	1.15x	\$550.1	(\$79.4)	\$470.8	2.3x	2.0x	22.0x	17.8x	44.1x	36.1x	2.35x	1.92x
Textura Corporation	\$23.64	50%	1.71x	\$588.2	(\$71.4)	\$517.2	8.0x	5.3x	NM	NM	NM	NM	NM	NM
IntraLinks Holdings	\$8.89	71%	1.23x	\$500.5	\$12.1	\$512.7	2.1x	2.0x	14.0x	11.6x	NM	NM	NM	NM
Jive Software	\$8.51	46%	1.26x	\$598.7	(\$105.8)	\$492.9	2.8x	2.4x	NM	NM	NM	NM	NM	NM
Bazaarvoice ⁽²⁾	\$7.89	69%	1.35x	\$612.6	(\$45.6)	\$566.9	3.1x	2.8x	NM	NM	NM	NM	NM	NM
Demand Media	\$4.82	67%	1.33x	\$418.1	(\$61.5)	\$356.7	1.0x	0.9x	7.4x	7.0x	NM	NM	NM	NM
Carbonite	\$11.97	73%	1.45x	\$319.5	(\$70.0)	\$249.5	2.0x	1.8x	20.1x	15.8x	NM	NM	NM	NM
Average							5.3x	4.5x	20.0x	18.7x	34.6x	33.5x	1.48x	1.39x
Median							4.5x	3.8x	18.9x	16.1x	31.5x	28.0x	1.45x	1.33x

Source: CapitalIQ. Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: Market Data as of Q2 2014 Quarter End.

Note: Multiples Excludes Outlier for EV/CY Rev. > 20x, EV/CY EBITDA > 40x, P/E > 60x and PEG > 3x.

Note: LTM = Last Twelve Months, CY = Calendar Year, PE = Price/Earnings Ratio, PEG = Price-to-Earnings Growth Ratio.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

(1) CY Revenue Growth and EV/CY Revenue Multiple Adjusted for Acquisitions.



Appendix – Comparable Public Company Analysis (Cont.)

SaaS – Operating Metrics

\$Millions, except per share values)

\$Millions, except per share values)							Operating Metrics									
							CY Rev. Growth		CY EBITDA Margin		5-Yr NI	GM	S&M Mgn.	R&D Mgn.	G&A Mgn.	
							2014E	2015E	2014E	2015E	Growth %	LTM	LTM	LTM	LTM	
	Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52 Wk low	Equity Value	Net Debt	Ent. Value										
SAAS																
salesforce.com	\$58.08	87%	1.54x	\$35,661.1	\$1,413.8	\$37,075.0	31.1%	24.0%	18.6%	17.9%	28.5%	76.1%	53.1%	15.4%	14.3%	
Workday	\$89.86	77%	1.41x	\$16,624.1	(\$1,381.9)	\$15,242.2	59.5%	45.7%	(4.7%)	2.8%	43.0%	63.2%	42.3%	39.3%	13.8%	
ServiceNow	\$61.96	86%	1.56x	\$8,926.0	(\$233.9)	\$8,692.0	54.5%	38.2%	6.9%	9.3%	46.6%	63.2%	47.4%	19.6%	14.9%	
NetSuite	\$86.88	72%	1.25x	\$6,585.3	(\$197.7)	\$6,387.6	31.0%	28.0%	8.6%	9.4%	31.5%	67.7%	50.9%	19.3%	11.4%	
athenahealth	\$125.13	61%	1.50x	\$4,735.2	\$94.8	\$4,830.0	24.7%	24.0%	17.8%	17.8%	22.8%	59.3%	25.3%	9.6%	16.0%	
Concur Technologies	\$93.34	72%	1.25x	\$5,309.4	(\$132.9)	\$5,178.2	23.5%	25.2%	16.8%	17.9%	22.0%	67.4%	41.6%	11.3%	15.3%	
The Ultimate Software Group	\$138.17	80%	1.26x	\$3,916.9	(\$90.8)	\$3,826.1	23.3%	22.7%	23.8%	25.1%	27.8%	59.4%	23.0%	16.5%	9.0%	
HomeAway	\$34.82	71%	1.28x	\$3,256.1	(\$467.4)	\$2,799.0	27.3%	19.9%	27.2%	28.0%	22.5%	84.6%	32.8%	17.2%	21.1%	
Cornerstone OnDemand	\$46.02	74%	1.40x	\$2,445.8	(\$71.8)	\$2,374.0	45.3%	36.7%	1.5%	5.7%	39.3%	70.9%	59.5%	11.6%	17.3%	
Qlik Technologies	\$22.62	60%	1.12x	\$2,027.7	(\$253.3)	\$1,774.4	16.7%	16.4%	7.7%	9.2%	28.3%	86.5%	55.0%	12.8%	19.4%	
Demandware	\$69.37	84%	1.68x	\$2,489.6	(\$253.9)	\$2,235.6	42.8%	42.3%	3.2%	7.0%	37.5%	73.6%	49.6%	19.9%	22.7%	
RetailMeNot	\$26.61	55%	1.19x	\$1,429.4	(\$156.9)	\$1,272.5	34.4%	25.3%	37.0%	39.3%	30.5%	93.5%	34.8%	15.3%	13.5%	
LifeLock	\$13.96	61%	1.33x	\$1,289.9	(\$191.2)	\$1,098.7	25.8%	20.7%	11.7%	13.0%	28.1%	73.0%	45.0%	11.4%	12.0%	
Cvent	\$29.09	63%	1.30x	\$1,198.0	(\$201.7)	\$996.4	25.9%	25.3%	9.9%	11.7%	25.0%	70.0%	42.8%	10.1%	18.0%	
RealPage	\$22.48	85%	1.46x	\$1,770.9	(\$42.1)	\$1,728.8	18.0%	15.1%	23.9%	25.0%	19.0%	60.7%	25.5%	13.8%	15.8%	
Blackbaud	\$35.74	85%	1.21x	\$1,613.5	\$140.6	\$1,754.1	8.7%	8.0%	21.0%	22.1%	19.0%	53.0%	19.1%	12.7%	9.2%	
Synchronoss Technologies	\$34.96	89%	1.38x	\$1,439.5	(\$49.1)	\$1,390.4	21.8%	17.4%	33.2%	32.8%	25.0%	58.3%	NA	17.2%	NA	
Marketo	\$29.08	65%	1.37x	\$1,177.4	(\$112.3)	\$1,066.7	47.0%	30.9%	(23.0%)	(12.5%)	30.0%	62.6%	65.3%	23.5%	18.2%	
Fleetmatics Group	\$32.34	62%	1.27x	\$1,212.6	(\$123.8)	\$1,088.8	29.1%	24.2%	26.7%	28.7%	26.9%	75.6%	32.7%	6.9%	20.5%	
LogMeIn	\$46.62	98%	1.90x	\$1,132.0	(\$204.0)	\$928.0	26.9%	17.8%	21.6%	22.7%	32.0%	88.5%	53.9%	15.9%	13.7%	
SPS Commerce	\$63.19	79%	1.44x	\$1,023.9	(\$134.6)	\$889.3	20.8%	19.9%	13.8%	14.9%	23.7%	69.0%	37.7%	10.3%	16.1%	
ChannelAdvisor Corporation	\$26.36	53%	1.74x	\$647.9	(\$93.7)	\$554.2	26.2%	27.2%	(21.4%)	(12.5%)	28.0%	72.6%	60.1%	19.0%	23.2%	
Constant Contact	\$32.11	98%	2.00x	\$1,007.9	(\$130.8)	\$877.1	15.7%	14.5%	18.2%	19.8%	22.5%	71.8%	38.3%	16.3%	13.1%	
Millennial Media ⁽¹⁾	\$4.99	48%	1.72x	\$533.9	(\$98.0)	\$435.9	(4.0%)	18.3%	(3.9%)	4.7%	36.8%	40.3%	12.7%	5.9%	18.5%	
SciQuest	\$17.69	54%	1.12x	\$485.3	(\$31.2)	\$454.1	16.1%	12.4%	16.8%	21.1%	22.0%	70.0%	27.1%	30.2%	13.5%	
Tangoe	\$15.06	58%	1.33x	\$582.6	(\$44.1)	\$538.4	16.5%	17.2%	16.9%	18.2%	22.3%	54.8%	18.5%	10.2%	15.3%	
ServiceSource International	\$5.80	42%	1.47x	\$482.0	(\$130.4)	\$351.6	8.6%	10.6%	(4.3%)	2.6%	25.0%	38.3%	21.5%	8.7%	16.7%	
E2open	\$20.67	69%	1.34x	\$601.3	(\$46.0)	\$549.8	21.6%	20.0%	(13.7%)	(6.4%)	22.5%	62.0%	51.9%	26.3%	14.9%	
LivePerson	\$10.15	67%	1.15x	\$550.1	(\$79.4)	\$470.8	13.9%	13.8%	10.5%	11.5%	18.8%	75.9%	36.3%	20.4%	21.4%	
Textura Corporation	\$23.64	50%	1.71x	\$588.2	(\$71.4)	\$517.2	33.8%	51.1%	(10.8%)	10.3%	45.0%	77.3%	36.8%	46.3%	43.2%	
IntraLinks Holdings	\$8.89	71%	1.23x	\$500.5	\$12.1	\$512.7	4.3%	5.4%	15.0%	17.2%	15.0%	72.2%	45.9%	8.7%	25.0%	
Jive Software	\$8.51	46%	1.26x	\$598.7	(\$105.8)	\$492.9	19.0%	17.8%	(7.1%)	(2.0%)	25.0%	62.3%	59.3%	36.6%	16.1%	
Bazaarvoice ⁽²⁾	\$7.89	69%	1.35x	\$612.6	(\$45.6)	\$566.9	NM	11.4%	(9.9%)	(6.3%)	15.0%	68.5%	51.6%	22.4%	17.8%	
Demand Media	\$4.82	67%	1.33x	\$418.1	(\$61.5)	\$356.7	(7.6%)	4.4%	13.2%	13.4%	NM	45.5%	10.8%	11.5%	17.7%	
Carbonite	\$11.97	73%	1.45x	\$319.5	(\$70.0)	\$249.5	14.5%	13.5%	10.1%	11.3%	24.4%	68.4%	41.6%	18.7%	11.6%	
						Average	24.0%	21.9%	9.5%	12.9%	27.4%	67.3%	39.7%	17.5%	17.1%	
						Median	23.4%	19.9%	11.7%	13.0%	25.0%	68.5%	41.6%	15.9%	16.1%	

Source: CapitalIQ. Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: Market Data as of Q2 2014 Quarter End.

Note: Multiples Excludes Outlier for EV/CY Rev. > 20x, EV/CY EBITDA > 40x, P/E > 60x and PEG > 3x.

Note: LTM = Last Twelve Months, CY = Calendar Year, PE = Price/Earnings Ratio, PEG = Price-to-Earnings Growth Ratio.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

(1) CY Revenue Growth and EV/CY Revenue Multiple Adjusted for Acquisitions.



Appendix – Comparable Public Company Analysis (Cont.)

Security – Valuation Metrics

\$Millions, except per share values)

\$Millions, except per share values)							Valuation Metrics							
							EV/CY Revenue		EV/CY EBITDA		P/E		PEG Ratio	
Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52 Wk low	Equity Value	Net Debt	Ent. Value	2014E	2015E	2014E	2015E	2014E	2015E	2014E	2015E	
Security														
Symantec	\$22.90	85%	1.28x	\$15,839.8	(\$1,989.0)	\$13,850.8	2.1x	2.0x	6.7x	6.4x	12.8x	11.3x	1.84x	1.63x
Check Point Software Tech.	\$67.03	96%	1.37x	\$12,788.7	(\$1,207.2)	\$11,581.4	7.9x	7.4x	13.5x	13.0x	18.4x	16.9x	2.31x	2.11x
FireEye ⁽¹⁾	\$40.55	42%	1.59x	\$5,883.4	(\$584.5)	\$5,298.9	12.9x	8.8x	NM	NM	NM	NM	NM	NM
VeriSign	\$48.81	78%	1.10x	\$6,416.1	(\$346.1)	\$6,069.9	6.0x	5.7x	9.1x	8.5x	18.3x	16.3x	1.36x	1.21x
Trend Micro	\$32.93	80%	1.10x	\$4,411.8	(\$973.6)	\$3,422.3	3.0x	2.9x	9.1x	8.9x	NM	NM	NM	NM
Fortinet	\$25.13	100%	1.54x	\$4,097.9	(\$561.1)	\$3,536.9	5.0x	4.4x	25.4x	20.7x	50.3x	41.9x	2.88x	2.40x
Imperva	\$26.18	39%	1.42x	\$688.5	(\$105.9)	\$582.6	3.8x	3.1x	NM	NM	NM	NM	NM	NM
Proofpoint	\$37.46	82%	1.62x	\$1,385.7	(\$100.3)	\$1,285.4	7.2x	5.9x	NM	NM	NM	NM	NM	NM
AVG Technologies	\$20.13	76%	1.33x	\$1,061.0	(\$31.4)	\$1,029.6	2.7x	2.4x	7.3x	6.6x	10.1x	9.0x	NM	NM
Qualys	\$25.67	86%	1.71x	\$838.9	(\$105.1)	\$733.8	5.6x	4.7x	33.4x	24.9x	NM	NM	NM	NM
						Average	5.6x	4.7x	14.9x	12.7x	22.0x	19.1x	2.09x	1.84x
						Median	5.3x	4.6x	9.1x	8.9x	18.3x	16.3x	2.07x	1.87x

Security – Operating Metrics

\$Millions, except per share values)

(\$Millions, except per share values)							Operating Metrics								
							CY Rev. Growth		CY EBITDA Margin		5-Yr NI	GM	S&M Mgn.	R&D Mgn.	G&A Mgn.
							2014E	2015E	2014E	2015E	Growth %	LTM	LTM	LTM	LTM
Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52 Wk low	Equity Value	Net Debt	Ent. Value										
Security															
Symantec	\$22.90	85%	1.28x	\$15,839.8	(\$1,989.0)	\$13,850.8	(2.0%)	1.7%	30.9%	32.2%	7.0%	83.6%	36.5%	15.5%	6.7%
Check Point Software Tech.	\$67.03	96%	1.37x	\$12,788.7	(\$1,207.2)	\$11,581.4	5.8%	5.7%	58.0%	57.4%	8.0%	88.4%	20.0%	8.9%	5.1%
FireEye ⁽¹⁾	\$40.55	42%	1.59x	\$5,883.4	(\$584.5)	\$5,298.9	54.3%	46.6%	(56.2%)	(31.8%)	45.0%	63.2%	63.7%	28.9%	18.8%
VeriSign	\$48.81	78%	1.10x	\$6,416.1	(\$346.1)	\$6,069.9	5.0%	5.0%	65.7%	66.9%	13.5%	80.8%	9.4%	7.2%	9.5%
Trend Micro	\$32.93	80%	1.10x	\$4,411.8	(\$973.6)	\$3,422.3	9.2%	3.2%	33.4%	33.0%	8.6%	82.8%	7.0%	NA	NA
Fortinet	\$25.13	100%	1.54x	\$4,097.9	(\$561.1)	\$3,536.9	16.1%	12.7%	19.5%	21.2%	17.5%	70.4%	37.4%	16.4%	5.8%
Imperva	\$26.18	39%	1.42x	\$688.5	(\$105.9)	\$582.6	11.9%	21.7%	(16.9%)	(7.9%)	24.4%	77.9%	61.8%	22.1%	18.7%
Proofpoint	\$37.46	82%	1.62x	\$1,385.7	(\$100.3)	\$1,285.4	30.0%	21.9%	(1.9%)	2.8%	28.5%	69.2%	52.4%	25.9%	12.0%
AVG Technologies	\$20.13	76%	1.33x	\$1,061.0	(\$31.4)	\$1,029.6	(5.7%)	11.2%	36.5%	36.6%	NM	82.8%	23.6%	15.4%	15.7%
Qualys	\$25.67	86%	1.71x	\$838.9	(\$105.1)	\$733.8	20.7%	19.6%	16.9%	18.9%	22.1%	77.3%	39.5%	20.1%	15.7%
Average							14.5%	14.9%	18.6%	22.9%	19.4%	77.6%	35.1%	17.8%	12.0%
Median							10.5%	12.0%	25.2%	26.7%	17.5%	79.3%	36.9%	16.4%	12.0%

Source: CapitalIQ. Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: Market Data as of Q2 2014 Quarter End.

Note: Multiples Excludes Outlier for EV/CY Rev. > 20x, EV/CY EBITDA > 40x, P/E > 60x and PEG > 3x.

Note: LTM = Last Twelve Months, CY = Calendar Year, PE = Price/Earnings Ratio, PEG = Price-to-Earnings Growth Ratio.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

(1) CY Revenue Growth and EV/CY Revenue Multiple Adjusted for Acquisitions.



Appendix – Comparable Public Company Analysis (Cont.)

IT Infrastructure Management – Valuation Metrics

\$Millions, except per share values)

(\$Millions, except per share values)							Valuation Metrics														
							Stock Price		% of 52-Week High	Current Stock Price as a Multiple of 52-Wk low	Equity Value	Net Debt	Ent. Value	EV/CY Revenue		EV/CY EBITDA		P/E		PEG Ratio	
														2014E	2015E	2014E	2015E	2014E	2015E	2014E	2015E
IT Infrastructure Management																					
Vmware	\$96.81	86%	1.49x	\$41,678.2	(\$5,116.0)	\$36,562.2	6.1x	5.2x	16.3x	13.9x	27.5x	22.9x	1.53x	1.27x							
CA Technologies	\$28.74	79%	1.04x	\$12,835.0	(\$1,355.0)	\$11,480.0	2.6x	2.6x	6.6x	6.5x	11.4x	11.2x	NM	NM							
Citrix Systems	\$62.55	81%	1.22x	\$10,249.6	(\$829.3)	\$9,420.4	3.0x	2.7x	9.7x	9.0x	20.2x	17.1x	1.56x	1.32x							
Red Hat	\$55.27	90%	1.32x	\$10,421.5	(\$803.2)	\$9,618.3	5.6x	4.9x	20.5x	18.1x	37.3x	31.4x	2.42x	2.03x							
Splunk	\$55.33	52%	1.41x	\$6,560.4	(\$827.0)	\$5,733.4	14.0x	10.5x	NM	NM	NM	NM	NM	NM							
F5 Networks	\$111.44	95%	1.63x	\$8,438.8	(\$623.8)	\$7,815.0	4.4x	3.9x	11.5x	10.0x	20.2x	17.4x	1.30x	1.12x							
TIBCO Software	\$20.17	74%	1.11x	\$3,282.3	(\$32.9)	\$3,249.4	3.0x	2.8x	13.4x	12.3x	24.0x	20.8x	2.04x	1.77x							
SolarWinds	\$38.66	82%	1.21x	\$2,914.7	(\$182.8)	\$2,731.8	6.6x	5.5x	13.2x	11.3x	23.4x	20.3x	1.04x	0.90x							
Riverbed Technology	\$20.63	91%	1.50x	\$3,312.0	\$47.1	\$3,359.1	2.9x	2.7x	8.7x	8.7x	17.6x	15.6x	1.09x	0.97x							
CommVault Systems	\$49.17	55%	1.08x	\$2,320.2	(\$482.7)	\$1,837.5	2.9x	2.5x	12.0x	9.5x	26.1x	21.8x	1.16x	0.97x							
NetScout Systems	\$44.34	100%	1.91x	\$1,820.6	(\$177.3)	\$1,643.3	3.7x	3.3x	12.8x	10.5x	26.7x	22.9x	1.78x	1.52x							
Infoblox	\$13.15	27%	1.09x	\$716.7	(\$261.7)	\$455.0	1.8x	1.6x	21.4x	10.7x	NM	39.3x	NM	2.03x							
Gigamon	\$19.14	46%	1.30x	\$610.6	(\$142.7)	\$467.9	2.7x	2.1x	19.2x	11.3x	NM	30.9x	NM	1.59x							
PROS Holdings	\$26.44	64%	1.39x	\$765.2	(\$47.0)	\$721.2	3.8x	3.1x	28.0x	19.7x	NM	NM	NM	NM							
							Average	4.5x	3.8x	14.9x	11.7x	23.5x	22.6x	1.55x	1.41x						
							Median	3.4x	3.0x	13.2x	10.7x	23.7x	21.3x	1.53x	1.32x						

IT Infrastructure Management – Operating Metrics

\$Millions, except per share values)

	\$Millions, except per share values)						Operating Metrics								
	Stock Price	% of 52-Week High	Current Stock Price as a Multiple of 52-Wk low	Equity Value	Net Debt	Ent. Value	CY Rev. Growth		CY EBITDA Margin		5-Yr NI	GM	S&M Mgn.	R&D Mgn.	G&A Mgn.
							2014E	2015E	2014E	2015E	Growth %	LTM	LTM	LTM	LTM
IT Infrastructure Management															
Vmware	\$96.81	86%	1.49x	\$41,678.2	(\$5,116.0)	\$36,562.2	15.8%	16.3%	37.3%	37.5%	18.0%	86.1%	34.8%	20.5%	8.4%
CA Technologies	\$28.74	79%	1.04x	\$12,835.0	(\$1,355.0)	\$11,480.0	(3.0%)	1.3%	38.9%	39.5%	2.6%	85.5%	25.5%	13.0%	8.7%
Citrix Systems	\$62.55	81%	1.22x	\$10,249.6	(\$829.3)	\$9,420.4	9.3%	9.3%	30.4%	30.0%	12.9%	85.8%	41.2%	17.3%	9.0%
Red Hat	\$55.27	90%	1.32x	\$10,421.5	(\$803.2)	\$9,618.3	14.9%	14.9%	27.5%	27.1%	15.4%	84.9%	39.6%	20.9%	9.9%
Splunk	\$55.33	52%	1.41x	\$6,560.4	(\$827.0)	\$5,733.4	35.5%	32.7%	2.7%	5.6%	28.8%	87.6%	74.0%	27.5%	19.4%
F5 Networks	\$111.44	95%	1.63x	\$8,438.8	(\$623.8)	\$7,815.0	15.8%	13.1%	38.6%	39.1%	15.5%	82.4%	32.5%	15.1%	6.4%
TIBCO Software	\$20.17	74%	1.11x	\$3,282.3	(\$32.9)	\$3,249.4	2.5%	6.3%	22.0%	22.6%	11.8%	71.0%	32.9%	15.9%	5.9%
SolarWinds	\$38.66	82%	1.21x	\$2,914.7	(\$182.8)	\$2,731.8	24.2%	18.2%	49.8%	49.2%	22.6%	91.0%	31.5%	12.2%	14.6%
Riverbed Technology	\$20.63	91%	1.50x	\$3,312.0	\$47.1	\$3,359.1	10.2%	8.1%	33.8%	31.3%	16.1%	73.3%	44.1%	18.0%	6.9%
CommVault Systems	\$49.17	55%	1.08x	\$2,320.2	(\$482.7)	\$1,837.5	13.2%	15.7%	23.7%	26.1%	22.6%	87.3%	48.3%	9.4%	11.4%
NetScout Systems	\$44.34	100%	1.91x	\$1,820.6	(\$177.3)	\$1,643.3	14.6%	13.5%	29.4%	31.5%	15.0%	78.7%	32.7%	16.2%	7.6%
Infoblox	\$13.15	27%	1.09x	\$716.7	(\$261.7)	\$455.0	1.0%	16.2%	8.6%	14.7%	19.3%	77.9%	52.3%	18.9%	11.6%
Gigamon	\$19.14	46%	1.30x	\$610.6	(\$142.7)	\$467.9	24.8%	27.9%	14.0%	18.4%	19.4%	76.7%	53.2%	32.4%	19.2%
PROS Holdings	\$26.44	64%	1.39x	\$765.2	(\$47.0)	\$721.2	32.1%	20.2%	13.4%	15.9%	20.0%	69.4%	NA	23.6%	NA
						Average	15.1%	15.3%	26.4%	27.8%	17.1%	81.2%	41.7%	18.6%	10.7%
						Median	14.8%	15.3%	28.4%	28.6%	17.1%	83.6%	39.6%	17.7%	9.0%

Source: CapitalIQ. Estimates Based on Consensus of Equity Research Analyst Estimates.

Note: Market Data as of Q2 2014 Quarter End.

Note: Multiples Excludes Outlier for EV/CY Rev. > 20x, EV/CY EBITDA > 40x, P/E > 60x, and PEG > 3x.

Note: LTM = Last Twelve Months, CY = Calendar Year, PE = Price/Earnings Ratio, PEG = Price-to-Earnings Growth Ratio.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).



Appendix – Q2 Selected Software & Internet M&A Transactions

Selected Global Software & Internet M&A Comparables (Deals > \$ 10 million or Disclosed Multiples)

Transactions					Valuation Metrics	
Date	Target	Acquirer	Transaction Value (\$USDmm)	Enterprise Value (\$USDmm)	EV/LTM Revenues	EV/LTM EBITDA
Software Sector						
06/30/2014	Grow Mobile	Perion Network	\$42	\$42	NA	NA
06/30/2014	ALOC A/S	Vitec Software Group	\$13	\$13	NA	NA
06/27/2014	Car&Boat Media SAS	Axel Springer Digital Classifieds	\$98	\$192	NA	NA
06/26/2014	Serenic (Canada); Serenic Software; and Serenic	Sylogist	\$11	\$11	NA	NA
06/26/2014	Bank of Ireland, ICS brand, mortgage	Dilosk	\$341	\$341	NA	NA
06/26/2014	39.net	Longmaster Information & Technology	\$104	\$104	6.1x	NA
06/25/2014	moviepilot GmbH , moviepilot.de	Webedia	\$20	\$20	NA	NA
06/24/2014	Cegedim SA, Information Solutions & CRM	IMS Health Holdings	\$523	\$523	0.9x	6.0x
06/24/2014	Sensor Platforms	Audience	\$41	\$41	NA	NA
06/23/2014	MICROS Systems	Oracle	\$5,262	\$4,604	3.4x	17.5x
06/23/2014	KanHan Educational Services	Star Regal Investments	\$1	\$1	2.6x	NA
06/22/2014	Ness Technologies Israel	Hilan	\$32	\$32	0.2x	NA
06/20/2014	KuniuGame	Kaiser	\$120	\$120	NA	NA
06/20/2014	Dropcam	Nest Labs	\$555	\$555	NA	NA
06/19/2014	Pulpo Media	Entravision Communications	\$18	\$18	NA	NA
06/18/2014	ReadSoft AB	Hyland Software	\$202	\$189	1.7x	31.7x
06/18/2014	eNovance SaS	Red Hat	\$95	\$95	8.8x	NA
06/17/2014	Tail-f Systems AB	Cisco Systems	\$175	\$175	NA	NA
06/17/2014	WhippleHill Communications	Blackbaud	\$35	\$35	NA	NA
06/17/2014	Beijing Refeng Hudong Network	Beijing Enlight Media Co	\$29	\$56	NA	NA
06/17/2014	Beijing Shusheng Science & Technology Co.	Venus Information Security Investment	\$41	\$41	4.7x	NA
06/16/2014	AtegoTM	PTC	\$50	\$50	2.5x	NA
06/16/2014	Castel Intelligent	Beijing Jiaxun Feihong Electrical Co.	\$33	\$33	2.5x	NA
06/16/2014	ShipStation	Stamps.com	\$76	\$76	NA	NA
06/16/2014	Kigo	RealPage	\$38	\$38	NA	NA
06/16/2014	Shenzhen Huayuxun Tech Co.	Huayi Brothers	\$43	\$84	8.9x	NA
06/13/2014	Limelight Networks	Tuition Build	\$660	\$548	3.3x	NA
06/12/2014	MPayMe	Powa Technologies	\$75	\$75	2.5x	NA
06/10/2014	Xu You Game	Hunan Tianrun Enterprises Holding Co.	\$98	\$98	NA	NA
06/10/2014	ViryaNet	VERISAE	\$19	\$19	1.7x	NA
06/09/2014	Zm Software Technology Co.	Beijing Bewinner Communications Co.	\$58	\$70	NA	NA
06/09/2014	Zap Group	Axel Springer	\$40	\$40	NA	NA
06/05/2014	Dragonplay	Bally Technologies	\$100	\$100	NA	10.0x
06/05/2014	Covisint	Compuware	\$5	\$100	1.0x	NA
06/05/2014	Iasta.com and Iasta Resources	Selectica Sourcing	\$13	\$13	NA	NA
06/04/2014	MasterNaut UK	Summit Partners; FleetCor Technologies	\$455	NA	NA	NA
06/04/2014	Serus	E2open	\$26	\$26	NA	NA
06/04/2014	Stargate Information Systems	Rubik Financial	\$32	\$32	NA	NA
06/04/2014	Infinitive	Rubik Financial	\$15	\$15	NA	NA
06/03/2014	Smile Interactive Co.	Macromac	\$3	\$3	0.7x	NA
06/03/2014	Cherrypicks International Holdings	NetDragon WebSoft	\$31	\$31	NA	NA
06/03/2014	Compliance Technologies International	Markit	\$62	\$99	NA	NA
06/02/2014	Utiligroup	Northedge Capital Partners	\$27	\$27	NA	NA
06/02/2014	Human Edge Software Corp.	Tribal Group	\$14	\$14	2.1x	NA
06/02/2014	CUSTOMS	The Descartes Systems	\$42	\$42	NA	NA
06/02/2014	iParadigms	Insight Venture Partners; GIC Special	\$752	\$752	NA	NA
06/02/2014	UNUM Tecnologia e Consultoria em Informática	Bematech SA	\$18	\$18	4.0x	NA
05/30/2014	Beijing Feiliu Jiutian Technology Co.	Bison Capital Holding Company	\$25	\$425	NA	NA
05/30/2014	Leader Act Ltd HK	EZJR	\$16	\$16	NA	NA

Source: CapitalIQ.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

Note: Excludes Outlier Multiples for Transactions with EV/Revenue > 20x & EV/EBITDA > 40x.



Appendix – Q2 Selected Software & Internet M&A Transactions (Cont.)

					Valuation Metrics	
Date	Target	Acquirer	Transaction Value (\$USDmm)	Enterprise Value (\$USDmm)	EV/LTM Revenues	EV/LTM EBITDA
Software Sector						
05/30/2014	Founder International Co.	Founder Technology Group	\$132	\$132	NA	NA
05/30/2014	Founder Broadband Network Service Co.	Founder Technology Group	\$120	\$120	NA	NA
05/29/2014	Anite Travel	LDC	\$75	\$75	NA	NA
05/29/2014	HelloWallet	Morningstar	\$39	NA	NA	NA
05/28/2014	PT AGIT Monitise Indonesia	Monitise	\$15	\$29	NA	NA
05/28/2014	The Bush Telegraph Co.	IP Office	\$1	\$1	0.2x	NA
05/27/2014	Check Inc	Intuit	\$360	\$360	NA	NA
05/27/2014	Update Software	Aurea Software	\$54	\$35	0.7x	NA
05/26/2014	Beijing AsGard Game Science and Technology Co	Shenzhen ZongYi Technology Co., .	\$8	\$32	NM	NA
05/23/2014	Systems & Programming Solutions	Neopost S.A.	\$20	\$20	2.0x	NA
05/23/2014	Beijing eMay Softcom Technology	Shenzhen Infotech Technologies Co.	\$48	\$48	NA	NA
05/22/2014	Beijing Elex Technology Co	Chinese Universe Publishing and Media C	\$427	\$427	NA	NA
05/21/2014	Chicago Data Center	Carter/Validus Operating Partnership;	\$212	\$212	NA	NA
05/21/2014	Virtual Age Soluções Em Tencologia	TOTVS S.A.	\$34	\$34	NA	NA
05/20/2014	Suzhou Raiyi Information Technology Co.	Jiangsu Tongding Optic-Electronic Co.	\$17	\$34	7.0x	NA
05/20/2014	Shanghai Huorong Technology Co.	Talkweb Information System Co.	\$130	\$144	NA	NA
05/20/2014	NetCitadel	Proofpoint	\$24	\$24	NA	NA
05/19/2014	Datasys	Tracsis	\$8	\$8	2.0x	8.2x
05/19/2014	Perfect Information	Mergermarket	\$43	\$43	4.2x	NA
05/19/2014	Rezende Sistemas and Net4Biz Web Hosting	Linx Sistemas E Consultoria	\$23	\$23	2.8x	NA
05/18/2014	Definiti Media and Ajillion	Crossrider Advanced Technologies	\$20	\$20	NA	NA
05/15/2014	MDS Technology Co.	Lindeman Asia Investment Corp.	\$34	\$191	2.2x	17.9x
05/14/2014	LiveRamp	Axiom	\$310	\$310	NA	NA
05/13/2014	Preloaded	Learning Technologies	\$9	\$7	2.3x	7.0x
05/12/2014	OZSALE Pty	Sheldon Capital	\$82	\$328	1.9x	39.3x
05/12/2014	Peak 10 Holding Corp.	GI Partners	\$730	\$730	NA	NA
05/12/2014	Mercury Payment Systems	NPC Group	\$1,650	\$1,650	7.0x	17.7x
05/12/2014	Pittsburgh Glass Works, Insurance and Services	Claims Services Group	\$280	\$280	4.8x	14.2x
05/08/2014	Real Estate Digital	Solutionstar Settlement Services	\$18	\$18	NA	NA
05/07/2014	Caring	Bankrate	\$54	\$54	NA	NA
05/06/2014	ReadSoft AB	Lexmark International Technology	\$198	\$185	1.6x	30.2x
05/06/2014	ISG Holdings	Xerox	\$225	\$225	NA	NA
05/06/2014	Coral-Tell Internet Services	Axel Springer Digital Classifieds	\$233	\$233	NA	NA
05/06/2014	Convertro	AOL	\$101	\$101	NA	NA
05/06/2014	UpdateLogic	Silicon Image	\$14	NA	NA	NA
05/06/2014	Uptivity	inContact	\$50	\$50	2.6x	NA
05/05/2014	PNI Digital Media	Staples	\$69	\$62	2.9x	NA
05/05/2014	Plaor	CrowdGather	\$5	\$5	NM	NA
05/04/2014	Guangzhou Xianhai Network Technology Co.	Beijing Enlight Media Co	\$37	\$66	2.6x	NA
05/02/2014	Fullscreen	Relativity Media	\$1,000	\$1,000	NA	NA
05/01/2014	SpaceClaim Corporation	Ansys	\$85	\$85	NA	NA
05/01/2014	PbNation	VerticalScope	\$1	\$1	3.6x	NA
04/30/2014	PNP Secure Co.	NHN Entertainment Corp.	\$58	\$58	NA	NA
04/30/2014	PlayFirst	Glu Mobile	\$14	\$14	NA	NA
04/30/2014	Joint Technology Development	EPAM Systems	\$45	\$45	NA	NA
04/30/2014	Loton Corp.	KoKo	\$4	\$5	0.8x	10.1x
04/30/2014	Connectmed-CRC Consultoria, Administracao e	Qualicorp S.A.	\$62	\$62	NA	NA
04/30/2014	Beijing Yingcai Changlian Network Technology Co	Shenzhen ZongYi Technology Co.	\$26	\$44	5.8x	NA
04/30/2014	Loton Corp.	JJAT Corp.; KoKo	\$0	\$8	1.1x	14.6x

Source: CapitalIQ.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

Note: Excludes Outlier Multiples for Transactions with EV/Revenue > 20x & EV/EBITDA > 40x.



Appendix – Q2 Selected Software & Internet M&A Transactions (Cont.)

					Valuation Metrics	
Date	Target	Acquirer	Transaction Value (\$USDmm)	Enterprise Value (\$USDmm)	EV/LTM Revenues	EV/LTM EBITDA
Software Sector						
04/29/2014	Intesource	PROACTIS Holdings	\$4	\$4	0.8x	NA
04/29/2014	Omnilink Systems	Numerex Corp.	\$38	\$38	2.9x	NA
04/28/2014	Jaspersoft Corp.	TIBCO Software	\$185	\$185	NA	NA
04/24/2014	PayScale	Warburg Pincus	\$100	NA	NA	NA
04/23/2014	docTrackr	Intralinks, .	\$10	\$10	NA	NA
04/22/2014	Viewpoint	Bain Capital Private Equity	\$230	NA	NA	NA
04/22/2014	Yunnan Lanjiu Information Technology Co.	Talkweb Information System Co.	\$5	\$14	2.7x	NA
04/21/2014	FixStream Network	Tech Mahindra	\$10	\$13	NA	NA
04/21/2014	Shanda Games	Perfect World Co.	\$100	\$1,717	2.5x	5.6x
04/21/2014	HowStuffWorks	Blucora	\$45	\$45	NA	NA
04/21/2014	Jasper Design Automation	Cadence Design Systems	\$170	\$170	NA	NA
04/17/2014	Systar SA	Axway Software	\$53	\$72	2.7x	NA
04/17/2014	OrgSpan	Interactive Intelligence	\$16	\$16	NA	NA
04/16/2014	Square Enix Holdings Co.	SMBC Nikko Securities	\$150	\$1,102	0.7x	6.6x
04/15/2014	Warrior Forum	Freelancer	\$3	\$3	3.0x	NA
04/15/2014	NEMEX S.A.	FCT Investment	\$1	\$35	10.2x	14.6x
04/15/2014	E-Learning S.A.	John Wiley & Sons	\$175	\$175	4.7x	NA
04/15/2014	24 ORE Software	TeamSystem	\$162	\$143	1.7x	NA
04/14/2014	TodayIR.com	EQS Group AG	\$6	\$6	3.2x	NA
04/14/2014	Beijing AutoThink Co.	Shenzhen ZQGame	\$119	\$119	NA	NA
04/11/2014	BdJobs.com	SEEK	\$5	\$20	11.1x	20.0x
04/11/2014	DropWave	SD Entertainment	\$0	\$0	0.1x	NA
04/10/2014	Beijing TopWalk Network Security Technology Co.	Beijing TRS Information Technology	\$97	\$97	NA	NA
04/09/2014	VMK	Mercadolibre	\$40	\$40	NA	NA
04/09/2014	Sicavonline SA	Fortis Assurances	\$28	\$173	NA	NA
04/08/2014	LINE Communications Group	Learning Technologies Group	\$16	\$16	1.1x	11.0x
04/08/2014	PowerReviews	Viewpoints	\$30	\$30	NA	NA
04/08/2014	Anchorage Daily News	Alaska Dispatch Publishing	\$34	\$34	1.2x	NA
04/08/2014	Atlassian Pty	T. Rowe Price Group	\$150	\$3,333	NM	NA
04/08/2014	Beijing Digital Grid Technology Co.	Hangzhou New Century Information	\$344	\$344	NA	NA
04/07/2014	Metaforic	INSIDE Secure	\$16	\$16	NA	NA
04/07/2014	Vocus	GTCR	\$481	\$442	2.4x	NA
04/03/2014	iFAO AG	Amadeus Corporate Business	\$104	\$94	4.6x	14.0x
04/03/2014	sociomantic labs	dunnhumby	\$206	\$206	2.0x	NA
04/02/2014	Profiles International	John Wiley & Sons	\$51	\$51	1.9x	NA
04/02/2014	Lovely	RentPat	\$13	\$13	NA	NA
04/02/2014	Hangzhou Handsome Electronics Group Co.	Zhejiang Rongxin Network Technology C	\$532	\$532	NA	NA
04/02/2014	UUU9.Com Co.	Shanghai Ace Co.	\$190	\$190	NA	NA
04/01/2014	ByAllAccounts	Morningstar	\$28	\$28	NA	NA
04/01/2014	Ensogo Holdings	iBuy Group	\$19	\$19	0.4x	NA

Average⁽¹⁾	3.02x	15.6x
Median⁽¹⁾	2.51x	14.2x

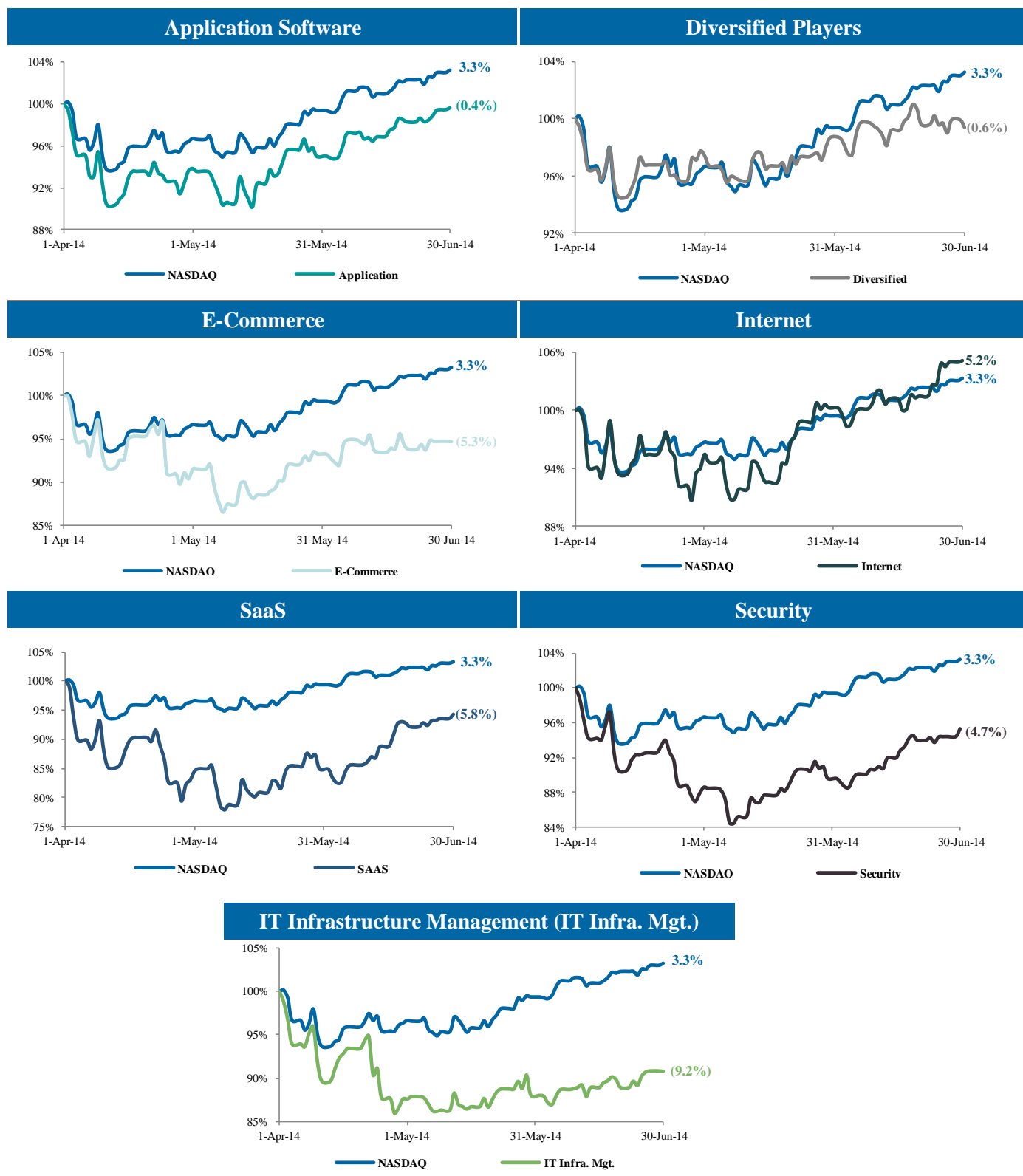
Source: CapitalIQ.

Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

Note: Excludes Outlier Multiples for Transactions with EV/Revenue > 20x & EV/EBITDA > 40x.



Appendix – Software & Internet Public Equity Market Performance



Source: CapitalIQ.



Appendix – Software & Internet Public Company Groups

Application	
Company Name	Ticker
Intuit	INTU
Autodesk	ADSK
Sage Group	SGE
NetSuite	N
Ansys	ANSS
OpenText	OTEX
Tableau Software	DATA
PTC	PTC
Aspen Technology	AZPN
Guidewire Software	GWRE
Manhattan Associates	MANH
NICE Systems	NICE
Dealertrack Technologies	TRAK
Synchronoss Technologies	SNCR
MicroStrategy	MSTR
BroadSoft	BSFT
QAD	QADA
Actuate	BIRT

E-Commerce	
Company Name	Ticker
Amazon.com	AMZN
eBay	EBAY
priceline.com	PCLN
Rakuten	4755
TripAdvisor	TRIP
Expedia	EXPE
Groupon	GRPN
Mercadolibre	MELI
Shutterstock	SSTK
ValueClick,	CNVR
Coupons.com	COUP
RetailMeNot	SALE
Vistaprint N.V.	VPRT
Orbitz Worldwide	OWW
Liquidity Services	LQDT
Digital River	DRIV
Care.com	CRCM
Overstock.com	OSTK
Blue Nile	NILE

SAAS	
Company Name	Ticker
salesforce.com	CRM
Workday	WDAY
ServiceNow	NOW
NetSuite	N
athenahealth	ATHN
Concur Technologies	CNQR
The Ultimate Software Group	ULTI
HomeAway	AWAY
Cornerstone OnDemand	CSOD
Qlik Technologies	QLIK
Demandware	DWRE
RetailMeNot	SALE
LifeLock	LOCK
Cvent	CVT
RealPage	RP
Blackbaud	BLKB
Synchronoss Technologies	SNCR
Marketo	MKTO
Fleetmatics Group	FLTIX
LogMeIn	LOGM
SPS Commerce	SPSC
ChannelAdvisor	ECOM
Constant Contact	CTCT
Millennial Media	MM
SciQuest	SQI
Tangoe	TNGO
ServiceSource International	SREV
E2open	EOPN
LivePerson	LPSN
Textura	TXTR
IntraLinks Holdings	IL
Jive Software	JIVE
Bazaarvoice	BV
Demand Media	DMD
Carbonite	CARB

Diversified	
Company Name	Ticker
Microsoft	MSFT
Oracle	ORCL
SAP AG	SAP
Adobe Systems	ADBE

Internet	
Company Name	Ticker
Google	GOOGL
Facebook	FB
Baidu	BIDU
Yahoo	YHOO
LinkedIn	LNKD
Netflix	NFLX
Activision Blizzard	ATVI
Yandex	YNDX
Pandora	P
IAC/InterActiveCorp	IACI
Yelp	YELP
AOL	AOL
Zillow	Z
51job	JOBS
Renren	RENN
Trulia	TRLA
Angie's List	ANGI
Move	MOVE

Security	
Company Name	Ticker
Symantec	SYMC
Check Point Software Tech.	CHKP
FireEye	FEYE
VeriSign	VRSN
Trend Micro	4704
Fortinet	FTNT
Imperva	IMPV
Proofpoint	PFPT
AVG Technologies	AVG
Qualys	QLYS

IT Infrastructure Management	
Company Name	Ticker
Vmware	VMW
CA Technologies	CA
Citrix Systems	CTXS
Red Hat	RHT
Splunk	SPLK
F5 Networks	FFIV
TIBCO Software	TIBX
SolarWinds	SWI
Riverbed Technology	RVBD
CommVault Systems	CVLT
NetScout Systems	NTCT
Infoblox	BLOX
Gigamon	GIMO
PROS Holdings	PRO



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