



Quarterly Review of the Software & Internet Sector

Q4 2014



Mergers & Acquisitions

Custom Capital Solutions

Corporate Finance Advisory

Member: FINRA / SIPC



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 and Customized Solutions
- Focused on the Middle Corridor of the United States

Past Transactions Executed by Navidar

<p>October 2014</p>  <p>Has acquired Leadtec Buyside Advisor</p>	<p>September 2014</p>  <p>Has been acquired by ConVerge-One Sellside Advisor</p>	<p>June 2014</p>  <p>Has been acquired by stamps.com Sellside Advisor</p>	<p>April 2014</p>  <p>Has been acquired by bazaarvoice Sellside Advisor</p>
<p>March 2014</p>  <p>Private Equity Placement</p>	<p>December 2013</p>  <p>Has been acquired by NTT DATA Sellside Advisor</p>	<p>October 2013</p>  <p>Has acquired avenate Buyside Advisor</p>	<p>December 2012</p>  <p>Has been acquired by TENEX CAPITAL MANAGEMENT Sellside Advisor</p>
<p>October 2012</p>  <p>Has been acquired by ExactTarget Sellside Advisor</p>	<p>August 2012</p>  <p>Has been acquired by Alta Equity Partners Sellside Advisor</p>	<p>February 2012</p>  <p>Capital Structure Review</p>	<p>February 2012</p>  <p>NOL Shareholder Rights Plan</p>
<p>October 2011</p>  <p>Has been acquired by AeroScout Sellside Advisor</p>	<p>July 2011</p>  <p>Has been acquired by HARMAN Sellside Advisor</p>	<p>January 2011</p>  <p>Private Equity Placement</p>	<p>January 2011</p>  <p>Debt Placement</p>
<p>November 2010</p>  <p>Private Equity Placement</p>	<p>July 2010</p>  <p>Has acquired World Golf Systems Group PLC Buyside Advisor</p>	<p>July 2009</p>  <p>Recapitalization</p>	<p>January 2009</p>  <p>Private Equity Placement</p>

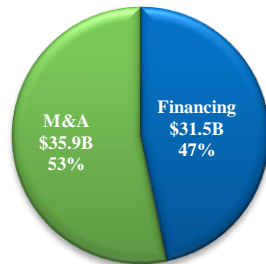
Note: Transactions above only represent a sample of past transactions executed by Navidar.



Navidar at a Glance

Experienced Strategic Advisors

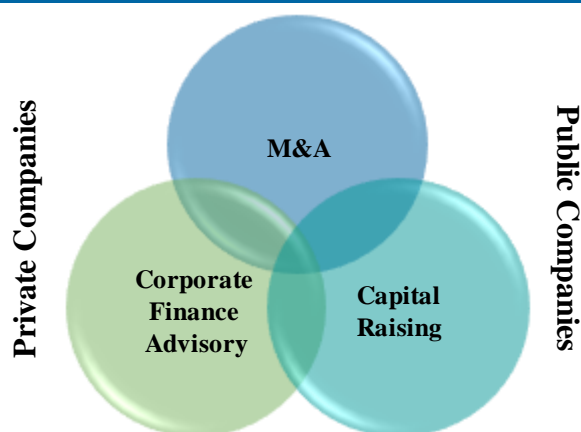
*Executed Over 300 Deals,
Nearly \$70B of Transaction Volume*



Advising Dynamic Companies

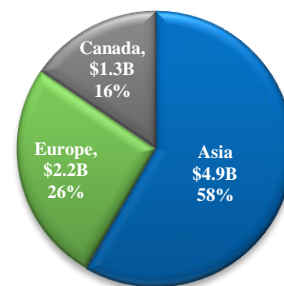


Creative Insights & Customized Solutions



International Expertise

\$8.4B of Transaction Volume



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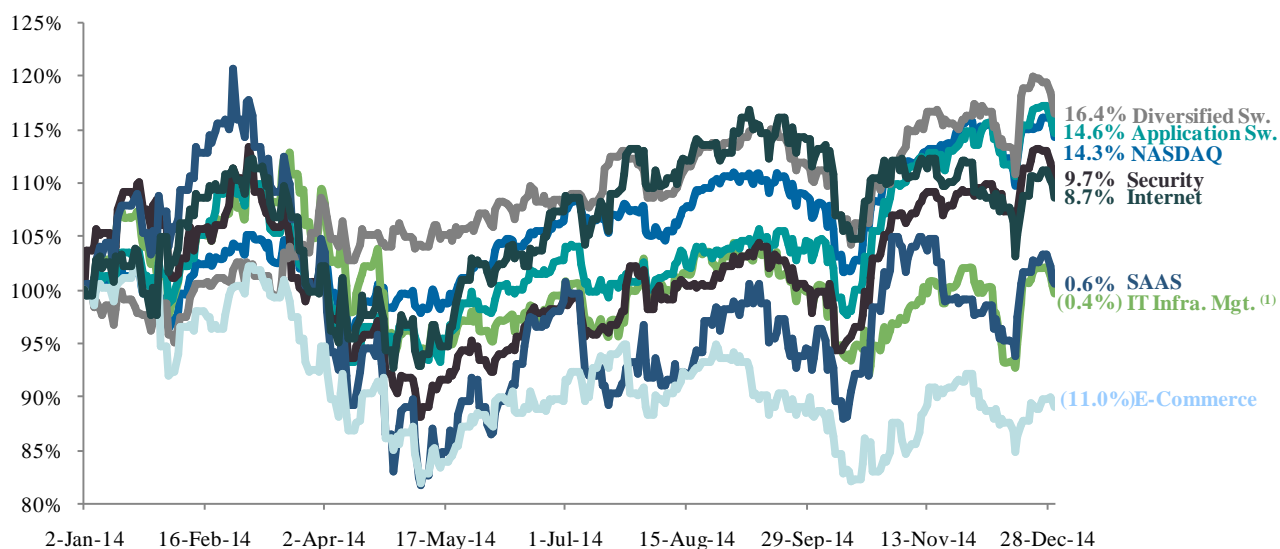
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Q4 2014 Software & Internet Sector Review

Relative Share Price Performance – YTD



Software & Internet Sector Share Price Performance

Sub-Sector		Q4 Return	YTD Return
Security		12.3%	9.7%
Application Software		11.6%	14.6%
SaaS		8.8%	(0.6%)
NASDAQ		7.1%	14.3%
Diversified Software		5.6%	16.4%
IT Infra. Mgt. ⁽¹⁾		1.5%	(0.4%)
eCommerce		0.9%	(11.0%)
Internet		(2.6%)	8.7%

Top 5 Global M&A Deals in Q4 By Value

Date	Buyer	Target	Deal Value (\$M)
12/01/2014	Centerbridge	IPC	\$1,200
10/23/2014	SIRIS	Digital River	1,032
10/09/2014	Apax PARTNERS	= exact	932
11/12/2014	CHURCHILL DOWNS INCORPORATED	BIG FISH	835
12/11/2014		fotolia	800

Key Takeaways From the Quarter:

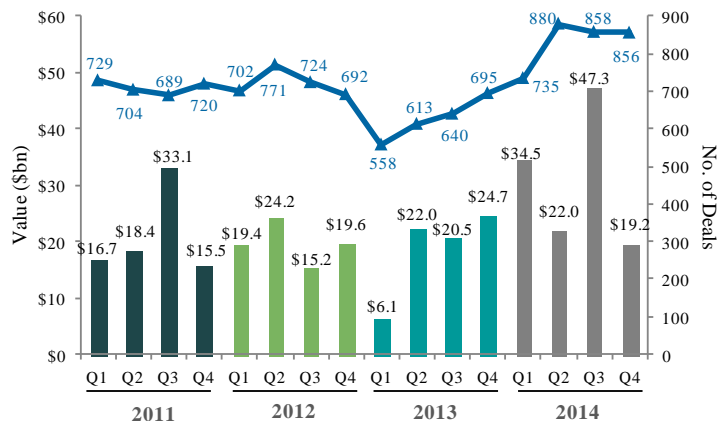
- Navidar's Software & Internet sub-sector exhibited mixed performance in Q4'14 with three sub-sectors (Security, Application Software and SaaS) outperforming the NASDAQ Index and four sub-sectors (Diversified Software, IT Infrastructure Management, eCommerce and Internet) underperforming the NASDAQ Composite.
- Global Software & Internet M&A deal volume was relatively flat in Q4'14 with 856 announced deals compared to 858 announced deals in Q3'14. Global disclosed deal value decreased significantly to \$19.2 billion in Q4'14 from \$47.3 billion in Q3'14.
- U.S. deal volume in Q4'14 experienced a steep decline with 341 transactions as compared to 395 transactions in Q3'14. Likewise, U.S. disclosed deal value also declined to \$9.2 billion in Q4'14 from \$35.8 billion in Q3'14.
- There were eleven large deals (EV > \$500M) in Q4'14 as compared to nineteen deals in Q3'14, nine deals in Q2'14 and 13 deals in Q1'14.
- Strategic acquirers accounted for 93% of deal volume in Q4'14 (794 out of 856 transactions).
- U.S. Middle Market M&A deal volume declined slightly in Q4'14 as compared to Q3'14 (71 deals to 69 deals).
- Over 70% of announced transactions in Q4'14 with disclosed deal values were below \$50 million.

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 deal volume remained flat in Q4'14 as compared to Q3'14. Disclosed deal value in Q4'14 reached its lowest level over the last six quarters.

- Global transaction volume in Q4'14 increased by 23% as compared to Q4'13, from 695 acquisitions to 856. However, global transaction value decreased by 22% over the same period. Transaction value in Q4'14 was primarily driven by:

- Centerbridge Partners' \$1.2 billion acquisition of IPC Systems
- Siris Capital's \$1.0 billion acquisition of Digital River

U.S. transaction volume declined sharply in Q4'14 as compared to Q3'14. Likewise, U.S. transaction value also experienced declines in Q4'14. U.S. transaction value contributed 48% of global transaction value in Q4'14.

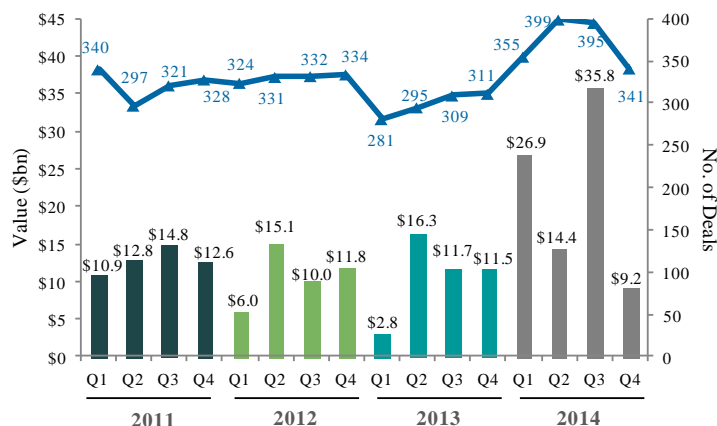
- U.S. transaction volume increased 10% in Q4'14, as compared to Q4'13, from 311 to 341 acquisitions. U.S. transaction value decreased by 20%, from \$11.5 billion to \$9.2 billion, over the same period.

- About 60% of U.S. Software & Internet transaction value in Q4'14 was driven by six deals over \$500 million EV.

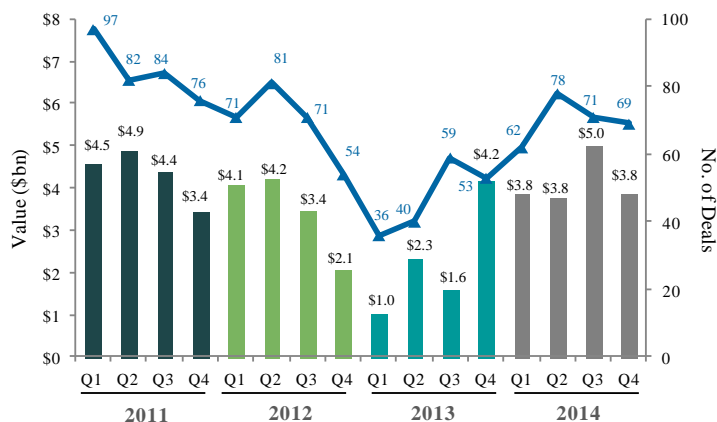
U.S. Middle Market transaction volume in Q4'14 continued its downtrend in Q4'14, declining from 71 deals in Q3'14 to 69 deals in Q4'14.

- Transaction volume in Q4'14 increased 30% from Q4'13, from 53 to 69 acquisitions. Deal value decreased from \$4.2 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.

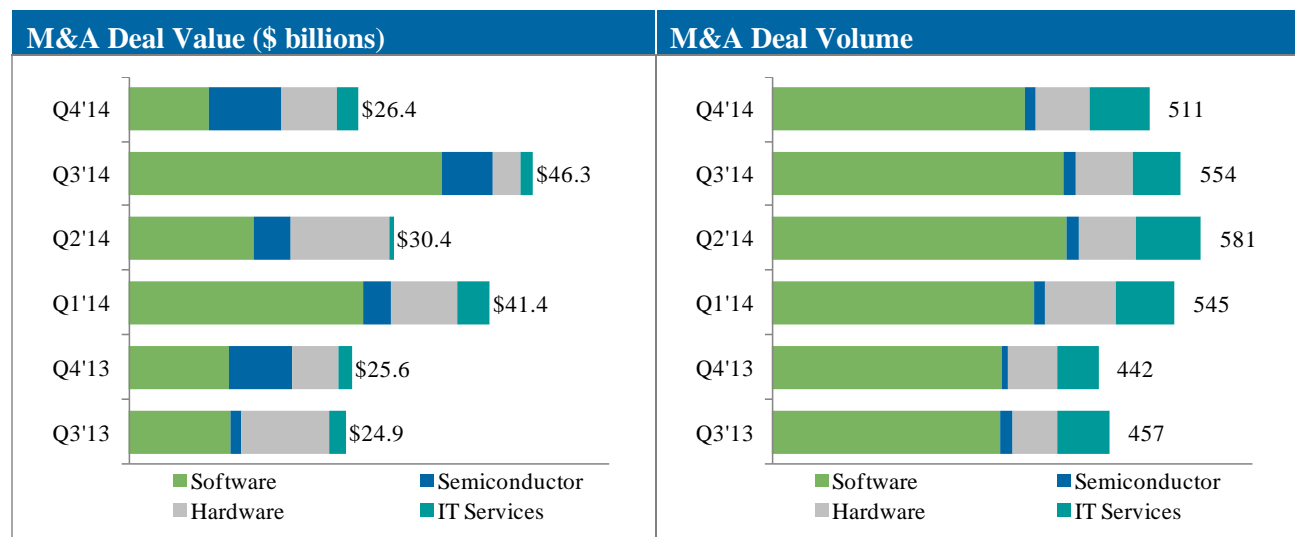


Software & Internet Sector M&A Review (Cont.)

Top 10 Global Software & Internet M&A Transactions in Q4 2014

Announced Date	Acquirer	Target	Ent. Value (\$USDmm)	EV / LTM Revenue (x)	EV / LTM EBITDA (x)
12/18/2014	Tack Fiori International Group (Hong Kong)	Beijing Feiliu Jiutian Technology (China)	\$624.9	NA	NA
12/11/2014	Adobe Systems (U.S.)	Fotolia (U.S.)	800.0	NA	NA
12/09/2014	Belden (U.S.)	Tripwire (U.S.)	710.0	NA	NA
12/01/2014	Centerbridge Partners (U.S.)	IPC Systems (U.S.)	1,200.0	NA	NA
11/18/2014	Mozido (U.S.)	PayEase (U.S.)	750.0	NA	NA
11/13/2014	ORIX (Japan)	Yayoi (Japan)	691.4	5.0x	NA
11/12/2014	Churchill Downs (U.S.)	Big Fish Games (U.S.)	835.0	NA	14.6x
11/05/2014	The Carlyle Group (U.S.); Euromoney Institutional Investor (U.K.)	Dealogic (Holdings) (U.K.)	522.1	3.6x	9.6x
10/23/2014	Siris Capital Group (U.S.)	Digital River (U.S.)	1,031.7	1.7x	18.1x
10/09/2014	Apax Partners (U.K.)	Exact Holding NV (Netherlands)	932.3	3.2x	16.2x

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



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

\$ in millions (except # of deals)	Q4'2013		Q4'2014		Q3'2014	
	Number of Deals	Total Deal Value	Number of Deals	Total Deal Value	Number of Deals	Total Deal Value
< \$50M	34	478	50	646	47	423
\$50M to \$100M	4	255	9	689	7	452
\$100M to \$250M	9	1,035	5	738	10	1,869
\$250M to \$500M	5	1,633	5	1,763	7	2,266
\$500M to \$1000M	2	1,494	4	3,095	5	4,113
>\$1B	4	6,312	2	2,232	9	26,656
Undisclosed	243	-	266	-	310	-
Total	311	11,476	341	9,163	395	35,779

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 Q4

Cloud / SaaS

EnerNOC acquired World Energy Solutions for \$80M EV, which implied 2.02x LTM Revenue.

- Acquisition accelerates EnerNOC's product roadmap and adds approximately \$30 million to EnerNOC's annual enterprise recurring revenue.
- Acquisition advances EnerNOC's energy intelligence software business by capitalizing on World Energy's strategic position and core competencies in the United States retail energy market.

Headquartered in Worcester, MA, World Energy Solutions provides cloud-based energy intelligence software (EIS) and services to enterprise customers and utilities. EnerNOC's EIS solutions for enterprise customers improve energy productivity by optimizing how they buy as well as how much and when they use energy. The Company serves more than 4,000 enterprises, and has over 100 employees.

LivePerson acquired ContactAtOnce for \$70M EV.

- Acquisition adds ContactAtOnce's unique technology that enables routing and tracking of chat from multiple websites directly to an individual business through a single user interface.
- Acquisition is in line with LivePerson's core strategy of enabling a greater number of consumers to engage businesses in real-time from any digital channel across any device.

Headquartered in Alpharetta, GA, ContactAtOnce provides a cloud-based platform that connects consumers to businesses across various websites through chat, mobile and video. The Company is a leading chat provider in the automotive industry with a consumer base that includes over 13,000 dealerships, many auto manufacturers and most major car search and advertising sites. ContactAtOnce employs over 170 people.

The Descartes Systems Group acquired AirClic for \$30M EV.

- Acquisition strengthens Descartes' market-leading Routing, Mobile and Telematics solution portfolio.

Headquartered in Trevose, PA, AirClic provides cloud-based enterprise mobility software solutions to automate and streamline paper-based processes. Its solutions help customers across a number of industry verticals, including third-party logistics (3PL), food and beverage, retail and healthcare, improve transportation efficiency and reduce the cost of delivering goods. AirClic has proven solutions operating on more than 40,000 handheld devices.

West Corporation acquired GroupCast for \$14M EV.

- Acquisition expands West Corporation's communication services for the K-12 education market.

Headquartered in Sunset Hills, MO, GroupCast provides SaaS-based mass notification and custom interactive voice response solutions. It offers voice broadcasting, automated phone survey solutions, appointment reminders and interactive voice services. The Company serves various markets including K-12 education, healthcare, staffing, senior living centers and retailing.

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 LTM = Last Twelve Months.



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

Cloud / SaaS (Cont.)

LexisNexis Group acquired Moreover Technologies. Valuation was not disclosed.

- Acquisition enables LexisNexis to combine Moreover Technologies' solutions into a singular resource to comprehensively gather, analyze and share all the information needed to track current events that impact a business.
- LexisNexis plans to combine Moreover's Newsdesk with its own news and business content product, LexisNexis Publisher, and launch a new product, LexisNexis Newsdesk, in 2015.

Headquartered in Reston, VA, Moreover Technologies provides content delivery and media management. It is a leading media management company with a strong emphasis on providing web, social media and broadcast content. The Company's solutions deliver nearly 4 million articles daily from 100 countries and in 75 languages.

Iron Mountain acquired Fontis International. Valuation was not disclosed.

- Acquisition will provide Iron Mountain with automated capabilities for managing records retention and policy, ensuring compliance with global guidelines.

Headquartered in Denver, CO, Fontis International provides cloud-based subscription service for records retention guidelines. It helps companies to manage their information governance obligations. The Company's cloud-based subscription service allows it to deliver automated, up-to-date retention guidelines that are researched, curated and vetted by legal experts across industries and geographies.

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

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

Mobile

New Call Telecom acquired 70% stake in Nimbuzz for \$250M EV.

- Acquisition enables New Call Telecom to integrate the capabilities of the Nimbuzz platform along with new apps across Wi-Fi and home broadband services in India and worldwide.

Headquartered in New Delhi, India, Nimbuzz provides a leading, cross-platform mobile calling and messaging application. The Nimbuzz messenger provides a multilingual solution and offers services in over 25 regional Indian languages. It provides a single tool for making voice and peer-to-peer video calls, sending instant messages and sharing data via all major communications platforms. The Company employs over 100 people.

Microsoft acquired Acomplí. Valuation was not disclosed, but is estimated to be ~\$200M EV.

- Acquisition of Acomplí bolsters Microsoft's workforce optimization portfolio, and expands Microsoft's depth of products and services to mobile operating systems.

Based in San Francisco, CA, Acomplí operates as an email application platform. Acomplí offers an Android and iOS email client designed to simplify certain tasks on mobile devices, including sending typical responses, sorting messages and searching for attachments.

Pulse Secure acquired MobileSpaces for \$100M EV.

- Acquisition expands Pulse Secure's proficiency in customer experience and innovation, creating a unified user experience for remote and on-campus mobility across platforms with central policy and administration.

Based in Washington, D.C., MobileSpaces helps enterprises to mobilize their applications, govern their data, and respect the privacy of their employees. MobileSpaces offers a BYOD policy-managed workspace that protects mobile enterprise apps and data against loss and leakage.

Upland Software acquired Mobile Commons for \$10M EV.

- Acquisition bolsters the capabilities of Upland Software's existing Enterprise Work Management products.

Headquartered in New York, New York, Mobile Commerce operates a mobile marketing platform that provides data analysis tools and platform offering mobile CRM, text messaging, phone calls, mobile Web, mobile giving campaigns and APIs. The Company works with some of the largest brands, government agencies, healthcare groups and non-profit organizations in the U.S.

Yahoo acquired LittleInc Labs. Valuation was not disclosed.

- Acquisition augments Yahoo's mobile communications products, including Yahoo's existing mobile messaging platform.

Headquartered in San Francisco, CA, LittleInc Labs develops and offers a multimedia messaging application for mobile devices. The Company's user base increased significantly from 1 million to 5 million active users in less than three months after founding.

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 LTM = Last Twelve Months.



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

eCommerce and Marketing

Epicor Software acquired ShopVisible for \$25M EV.

- Acquisition strengthens Epicor Software's position as a leading provider of omni-channel eCommerce solutions for large and mid-size retail chains.

Headquartered in Atlanta, GA, ShopVisible offers an end-to-end SaaS commerce platform, enabling back-office management across orders, inventory, channel and content management. The ShopVisible commerce platform is extensible and easily integrates with third party systems such as fulfillment, ERP, PIM and other platforms. ShopVisible helps brands and businesses to attract and retain the new connected customer and is the chosen platform for leading brands such as 3M, Liberty Hardware, Tempur-Pedic, Bluemercury, Hue, Plow & Hearth and Atwood.

Stamps.com acquired ShipWorks for \$22M EV.

- Acquisition is part of Stamps.com's strategic investment in eCommerce business, and extends Stamps.com into over 50 online sales and marketplace systems with multi-carrier shipping options and advanced features.

Based in St. Louis, MO, ShipWorks provides client-based shipping software for online merchants. The Company's solutions are integrated in over 50 popular online sales and marketplace systems including eBay, PayPal, Amazon, Yahoo and others. ShipWorks offers multi-carrier shipping options and features, including sending email notifications to buyers, updating online order status and generating reports. ShipWorks employs approximately 20 people.

SPS Commerce acquired Leadtec Systems for \$15M EV, which implied 2.38x LTM Revenue.

- Acquisition strengthens SPS Commerce's international footprint and adds key retailer relationships to its existing trading partner network.
- Navidar Group sourced this acquisition opportunity for SPS Commerce based on its network of global technology relationships.

Based in Burwood East, Australia, Leadtec Systems operates as a business-to-business solution provider that specializes in EDI messaging, catalogue synchronization, and scan packing and logistics. The Company serves a wide range of industries including grocery, retail, automotive and healthcare.

Nielsen acquired Affinova. Valuation was not disclosed.

- Acquisition adds Affinova's intuitive user interface platform and automated analytics capabilities.
- Acquisition builds on Nielsen's 35-year BASES (sales forecasting system) heritage and new product expertise, bringing innovative digital capabilities including geographic expansion in Europe and Asia.

Based in Waltham, MA, Affinova provides marketing optimization software and services that enable marketers to develop products, advertisements and designs. Its optimization solution features an interactive, evolutionary algorithm that checks robust spaces of alternative concepts with target consumers to find the best top concept. The Company has operations in multiple geographies across the Americas, Europe and Asia-Pacific.

Demandware acquired CQuotient. Valuation was not disclosed.

- Acquisition accelerates Demandware's plans to turn valuable data created across its community of leading retail brands into actionable insights that empower retailers to optimize their businesses and differentiate consumer shopping experiences.

Based in Cambridge, MA, CQuotient provides a technology solution for retailers enabling hyper-personalized email marketing. The Company applies advanced predictive science to the full picture of the shopper journey, including on- and off-line customer and product data, promotions and content.

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 LTM = Last Twelve Months.



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

eCommerce and Marketing (Cont.)

Blue Summit Media acquired Intershop Communications Online Marketing. Valuation was not disclosed.

- Acquisition expands Blue Summit's product portfolio to include the areas of search engine optimization, search engine advertising, product data marketing and social media marketing.

Headquartered in Frankfurt, Germany, Intershop Communications Online Marketing develops eCommerce software and provides online marketing services. Over 500 large and mid-sized enterprises and organizations worldwide rely on Intershop – including HP, BMW, Bosch, Deutsche Telekom and Mexx. The Company operates through presences across the U.S., Europe, Australia and China.

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 LTM = Last Twelve Months.



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

Social

SeaChange International acquired Timeline Labs for \$25M EV.

- Acquisition enables SeaChange to launch ready-made and differentiated live or on-demand content packages tailored to the interests of subscribers.
- Acquisition also offers potential for cross-selling opportunities enabling SeaChange to extend its platform to new customers including multiscreen and Over-the-Top service providers in new geographies.

Based in Santa Monica, CA, Timeline Labs operates a SaaS platform that enables local broadcasters, local and national news organizations, and other media companies and brands to analyze social media messages in real-time, find and broadcast newsworthy social trends and insights and measure viewing audience engagement across platforms. The Company's customers include FOX Television, Sinclair, Media General and Tribune broadcast television stations, as well as online content providers.

Janrain acquired Arktan. Valuation was not disclosed.

- Acquisition allows Janrain to leverage complementary product portfolios and bring an integrated customer identity and customer engagement solution to the market.
- Acquisition also enables customer identity to be deeply integrated with engagement and activity data, enhancing marketers' understanding of their customers through increased engagement.

Headquartered in Menlo Park, CA, Arktan provides innovative, real-time social curation and social engagement products. Arktan solutions help brands increase customer engagement on their sites and mobile apps with real-time innovative social experiences. The Arktan platform powers social experiences for clients such as Sony Music, WWE, A&E and Turner Entertainment.

WrapMail acquired Prosperity Systems. Valuation was not disclosed.

- Acquisition enhances WrapMail's product offerings and enables it to gain access to a larger user base.

Headquartered in Levittown, NY, Prosperity Systems specializes in the development and commercialization of cloud-based platforms for managing business functions. The Company offers a Cloud Content Management platform, a SaaS-based solution that provides an integrated platform for social collaboration and content management to the mobile workforce.

Meredith acquired MyWedding. Valuation was not disclosed.

- Acquisition enables Meredith to create one of the largest audiences in the wedding media marketplace. MyWedding provides Meredith improved access to millennial consumers at the earliest stages of family formation, integrating with Meredith brands including Fitness, American Baby, Parents and Allrecipes.

Headquartered in Castle Rock, WA, MyWedding operates a social networking site that offers wedding planning tools for engaged couples in North America. It operates mywedding.com, a community of wedding guests, vendors, brides, and grooms to facilitate communication between various parties.

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 LTM = Last Twelve Months.



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

Big Data / Analytics / Business Intelligence **Cision acquired Gorkana Group for \$323M EV.**

- Acquisition strengthens Cision's base of professional communicators and PR consultants in the media industry.

Headquartered in London, U.K., Gorkana Group provides media intelligence and insight services that allow users to bundle database, monitoring, social media and analysis services. The Company also offers PR services, including media database and PR planning, media monitoring, PR measurement and media analysis, social media, surveys and PR staffing services.

OpenText Corporation acquired Actuate Corporation for \$307M EV.

- Acquisition adds analytics solutions to OpenText's portfolio of products that enable customers to analyze and visualize a broad range of structured, semi-structured and unstructured data.

Headquartered in San Mateo, CA, Actuate provides software solutions and services including analytics, visualization and Big Data insights to corporate and government customers worldwide. The Company also provides BIRT (Business Intelligence and Reporting Tools) Content Services to integrate individual components within their existing infrastructures. In addition, Actuate offers consulting services across application development, project management, security integration and application design.

Oracle acquired DataLogix. Valuation was not disclosed.

- Oracle and DataLogix's Data-as-a-Service (DaaS) cloud solutions will provide marketers and publishers with the richest understanding of consumers across both digital and traditional channels based on what they do, what they say, and what they buy, enabling leading brands to personalize and measure every customer interaction and maximize the value of their digital marketing.
- Acquisition represents a further extension of Oracle's Public Cloud strategy to combine IaaS, PaaS, SaaS and Data as a Service on a common cloud and to transform SaaS business applications and processes by integrating data within these applications.

Headquartered in Westminster, CO, DataLogix develops and delivers purchase-based audiences models targeting to drive online and offline sales. The Company maintains a database of retailer purchasing information and functions as a third-party intermediary between brands and social media online sites. DataLogix technology allows online ads to be specifically targeted to likely customers without compromising their personal identities. The Company employs 250 people and caters to 650 customers including Facebook and Twitter.

Target Corp. acquired PoweredAnalytics. Valuation was not disclosed.

- Acquisition strengthens Target's expertise in mobile technology, location data and machine learning to deliver superior in-store shopping experiences.

Headquartered in Pittsburgh, PA, PoweredAnalytics offers online analytics solutions including cloud-based platform that enables companies to make predictions from Big Data. The Company is a first mover in developing an in-store personalization platform to bring an "Amazon-like shopping experience" into a physical store.

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

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

IT Infrastructure Management / Network Management / Security

Belden acquired Tripwire for \$710M EV.

- Acquisition enables Belden to integrate Tripwire technology into its existing products and provide Tripwire with access to existing Belden customers to help them improve the robustness and security of their networks.

Based in Portland, OR, Tripwire delivers advanced threat, security and compliance solutions used by over 9,000 organizations, including over 50% of the Fortune 500. The Company enables enterprises, service providers and government agencies to detect, prevent and respond to cyber security threats. Tripwire's solutions also deliver actionable reports and alerts and enable integration of valuable endpoint intelligence into operational systems, including change management databases, ticketing systems, patch management and security solutions.

BAE Systems acquired Perimeter Internetworking for \$233M EV.

- Acquisition bolsters BAE's cybersecurity business and increase activity in the U.S., while enhancing BAE's strategy to grow its Applied Intelligence commercial cybersecurity business.

Based in New York, NY, Perimeter Internetworking provides Security-as-a-Service solutions. The Company offers firewall management and monitoring, intrusion detection and prevention management and monitoring, Web application firewall management and monitoring, log management, vulnerability management, and brand protection services and network security services. Internetworking has principal operations in the U.S. and the Philippines and employs nearly 400 people.

Proofpoint acquired Nexgate for \$35M EV.

- Acquisition extends Proofpoint's security and compliance capabilities into an expanding set of social communication platforms and further solidifies its position in providing next-generation technology to protect against the advanced threats facing the modern enterprise across all communication channels.

Headquartered in Burlingame, CA, Nexgate offers security and compliance solutions for social media communication channels. Nexgate uses a cloud-based architecture for social media risk management with no on-premise hardware or software required. The architecture connects to social media sites, as well as key social media marketing and relationship management suites, through APIs to prevent abuse, add security and ensure compliance. Nexgate has remediated more than 12 million risky social items and helped its customers save an average of 100 days in manual moderation and remediation time.

CenturyLink acquires DataGardens. Valuation was not disclosed.

- Acquisition expands CenturyLinks' existing cloud-to-cloud disaster recovery product and enables it to offer broad services for both cloud-located and on-premise offerings.

Based in Edmonton, Canada, DataGardens designs and develops business continuity and management solutions. The Company's flagship product, DataGardens WAVE platform, focuses on live virtual machine migration, automatic IP readdressing, live rollback of servers and data volumes, physical and virtual infrastructure protection, failure condition diagnosis and detection and disaster recovery. Selected clients include Cybera and Symplex Document Imaging. DataGardens has strategic partnerships with TRILabs, Alberta Ingenuity Fund, and NRC-IRAP.

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 LTM = Last Twelve Months.



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

IT Infrastructure Management / Network Management / Security (Cont.)

Citrix Systems acquired Solid Instance. Valuation was not disclosed.

- Citrix's focus on providing secure, personal workspaces to apps, desktops, data and communications over any network and the cloud, aligns perfectly with Solid Instance's long-term focus on helping ISVs build GPU enabled Rich Apps-as-a-Service, RaaS.

Headquartered in Palo Alto, CA, Solid Instance provides hosted virtual desktops and desktop-as-a-service (DaaS) solutions to carriers and service providers. The Company offers a cloud-hosted DaaS that delivers DaaS on various devices that support the Citrix Receiver, a set of virtual servers to publish desktops and applications to the entire enterprise, creating a cloud-based system and a cloud filing system that provides an interface to a cloud objectstore.

Interoute Communications acquired Vtesse Networks. Valuation was not disclosed.

- Acquisition enables Interoute to add its twelfth data center in Europe to expand its global cloud services platform.

Headquartered in Hertford, U.K., Vtesse Networks Limited provides network management and data center solutions to carriers and resellers, medium and large enterprises, system integrators and cloud and data center operators in the U.K. Vtesse Networks is one of the largest national networks in the U.K., connecting 55 data centers in 48 cities nationally. Vtesse partners with system integrators, including as IBM, ARUP, Redstone and Logicalis, to provide metropolitan area networking and wide-area network services to its customers.

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 LTM = Last Twelve Months.



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

Vertical Specific Software

ORIX acquired Yayoi for \$692M EV, which implied 4.97x LTM Revenue.

- Acquisition allows ORIX to gain access to Yayoi's customer base of small businesses, and enhances services that are tailored to the needs of small businesses by combining the capabilities and know-how of the two companies.

Based in Tokyo, Japan, Yayoi Co. operates as a software developer, distributor and support service provider targeting small businesses. The services include software updates and provision of associated supplies, as well as a variety of business support services including employee benefits packages which are often difficult to adopt and maintain. Its customer base is comprised of more than 1,250,000 registered users in Japan.

C.H. Robinson acquired Freightquote.com for \$365M EV, which implied 2.94x 2014E Revenue and 10.7x 2014E EBITDA.

- Acquisition brings synergies to C.H. Robinson's less-than-truckload and truckload business and also brings a talented technology team with expertise developing seamless eCommerce storefront experiences.
- Acquisition of Freightquote enables C.H. Robinson to increase market share with small businesses and significantly expand its presence in the Kansas City market.

Based in Kansas City, MO, Freightquote.com operates as an online freight shipping brokerage company in the United States. The Company provides truckload, less-than-truckload and intermodal services to approximately 80,000 customers. Its proprietary eCommerce technology allows shippers to easily access competitive rates and automated load acceptance and payment functionality. Freightquote's 2014 net revenues are projected to be approximately \$124 million and adjusted EBITDA of \$34 million, and employs approximately 1,000 people.

Digital Media / Internet

Adobe Systems acquired Fotolia for \$800M EV.

- Acquisition strengthens Adobe's Creative Cloud through product updates and new capabilities such as Creative Talent Search, complementary mobile apps, training content, creative assets and services.

Based in New York, NY, Fotolia operates as an online stock photography community that enables professional and amateur photographers to sell their image licenses to SMEs, creative agencies, graphic designers, individuals and corporate clients. Fotolia currently operates in 23 countries and has websites in 14 languages. The Company offers products in various categories including landscapes, architecture, people, fauna and flora, objects, transportation, food and drink, sports and leisure, and backgrounds and textures.

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 LTM = Last Twelve Months.



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

Others

Mozido merged with PayEase. The deal was valued at \$750M EV.

- **Merger provides a strong and enlarged platform to the combined entity for turn-key payment solutions to merchants worldwide, and expands the geographical coverage of PayEase for its payment service business.**

Based in Santa Clara, CA, PayEase provides electronic payment services including mobile payments, internet, call centers and point of sales terminals. The Company serves media, travel, TV shopping, Internet shopping, insurance and mobile carrier industries and online game operators in the U.S.

Mozido provides an integrated platform of cloud-based, white-label, mobile payment, shopping and marketing solutions, complemented by real-time, customer behavior analytics. The Company caters to the retail, financial services, banking, consumer packaged goods and telecom sectors.

Aetna acquired bswift for \$400M EV.

- **Acquisition advances Aetna's consumer vision to transform the health benefits industry to a retail model that is consumer-centric, affordable and convenient.**
- **bswift's technology platform provides Aetna with the capability to deliver a new private-exchange offering for employers of all sizes where the focus is on helping people easily choose a plan that's right for them and their families.**

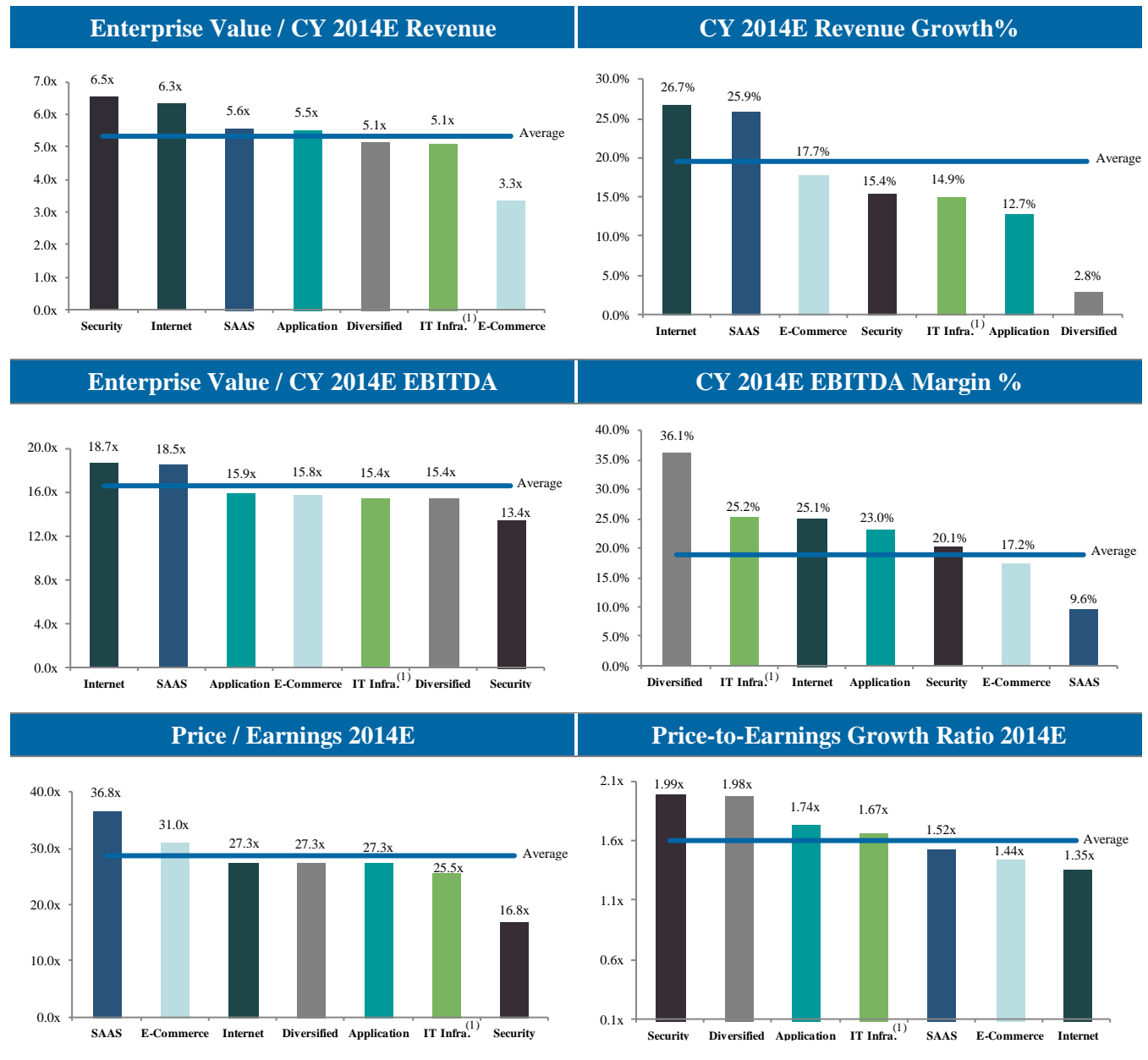
Based in Chicago, bswift offers software and services for HR and payroll administration for employer brokers, and public and private exchanges in the United States. bswift's cloud-based technology and outsourcing solutions and Springboard Marketplace exchange platform reduce administrative costs and time. It also offers solutions for cover audits, benchmarking, benefit portal, benefits administration, benefits information system, plan advisor, billing business process outsourcing.

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 LTM = Last Twelve Months.



Comparable Public Company Valuation Metrics – Software & Internet Sector



Source: CapitalIQ.

Note: Market Data as of Q4 2014 Quarter End.

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

Note: Multiples Excludes Outlier for EV / CY Revenue > 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.)



Source: CapitalIQ.

Note: Market Data as of Q4 2014 Quarter End.

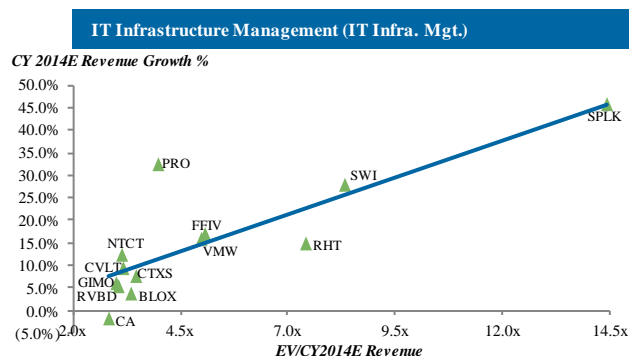
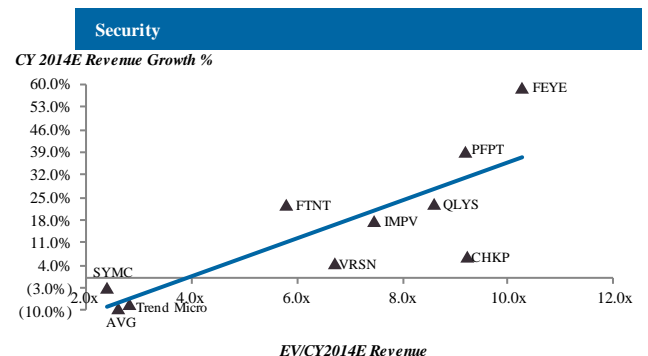
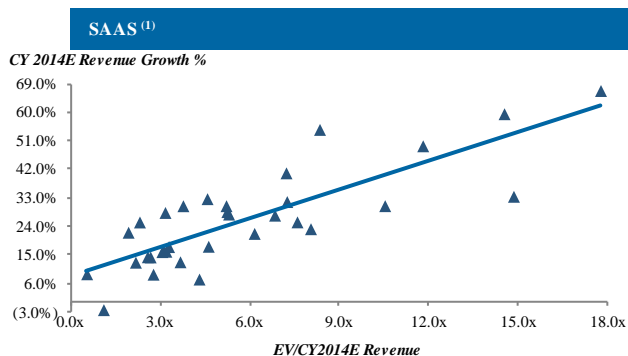
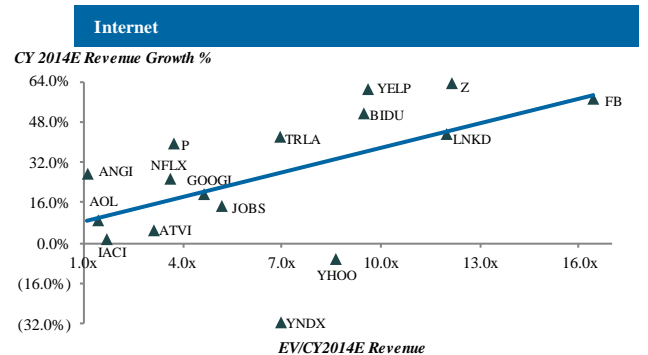
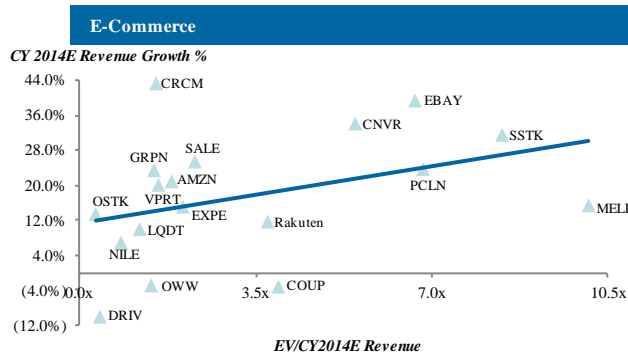
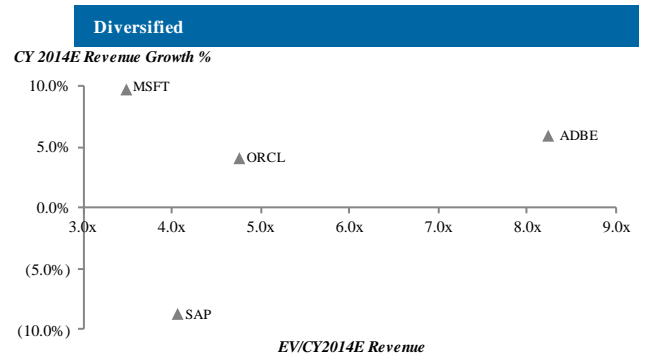
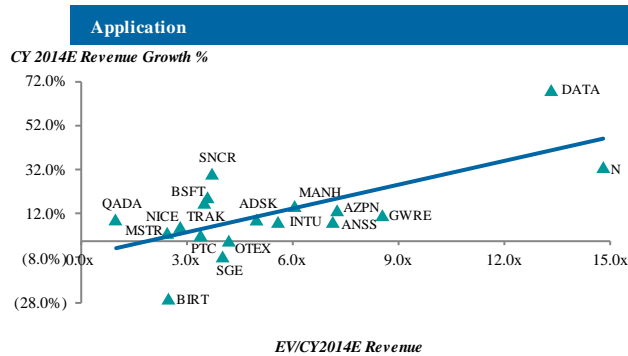
Note: Estimates Based on Consensus of Equity Research Analyst Estimates.

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 Q4 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, CVT, SPSC, CRM, ATHN, EOPN, ECOM, AWAY, FLTX, SALE, LOGM, SQI, RP, SNCR, QLIK, BLKB, JIVE, CTCT, TNGO, LOCK, LPSN, IL, CARB, MM, SREV, WDAY and BV



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	\$92.19	96%	1.34x	\$26,322.5	(\$1,090.0)	\$25,232.5	5.6x	5.6x	15.6x	17.6x	28.5x	33.1x	2.00x	2.34x
Autodesk	\$60.06	95%	1.34x	\$13,664.9	(\$1,154.4)	\$12,510.5	5.0x	4.8x	28.1x	22.6x	51.3x	42.0x	NM	NM
NetSuite	\$109.17	90%	1.57x	\$8,377.6	(\$184.7)	\$8,218.5	14.8x	11.4x	NM	NM	NM	NM	NM	NM
Sage Group	\$7.26	98%	1.34x	\$7,815.2	\$643.4	\$8,433.2	4.0x	3.8x	13.5x	12.7x	20.2x	18.1x	2.38x	2.14x
Ansys	\$82.00	94%	1.15x	\$7,536.5	(\$817.5)	\$6,718.9	7.2x	6.7x	14.5x	13.2x	24.7x	22.7x	2.14x	1.96x
OpenText ⁽¹⁾	\$58.26	96%	1.32x	\$7,109.9	\$749.0	\$7,923.4	4.2x	4.0x	12.9x	11.8x	16.3x	14.5x	1.57x	1.40x
Tableau Software	\$84.76	83%	1.63x	\$5,876.9	(\$680.6)	\$5,232.4	13.4x	9.5x	NM	NM	NM	NM	NM	NM
PTC	\$36.65	91%	1.12x	\$4,251.2	\$318.2	\$4,569.4	3.4x	3.3x	12.5x	11.5x	17.7x	15.0x	1.14x	0.97x
Guidewire Software	\$50.63	87%	1.50x	\$3,523.3	(\$500.2)	\$3,023.1	8.6x	7.8x	NM	NM	NM	NM	NM	NM
Aspen Technology	\$35.02	72%	1.11x	\$3,168.3	(\$231.1)	\$2,902.8	7.3x	6.3x	19.7x	15.3x	35.7x	27.3x	2.86x	2.18x
NICE Systems	\$50.59	97%	1.51x	\$3,072.2	(\$253.2)	\$2,877.8	2.8x	2.7x	12.9x	11.8x	18.1x	NM	1.51x	NM
Manhattan Associates	\$40.72	94%	1.44x	\$3,039.0	(\$124.4)	\$2,927.5	6.1x	5.6x	20.5x	18.5x	35.6x	32.2x	NM	NM
Dealertrack Technologies ⁽¹⁾	\$44.31	75%	1.22x	\$2,403.5	\$552.2	\$2,986.0	3.5x	2.9x	15.6x	12.7x	29.0x	24.5x	1.87x	1.58x
MicroStrategy	\$162.40	92%	1.64x	\$1,835.3	(\$345.5)	\$1,480.7	2.5x	2.4x	NM	NM	NM	NM	NM	NM
Synchronoss Technologies	\$41.86	77%	1.66x	\$1,772.5	(\$47.9)	\$1,708.5	3.7x	3.1x	11.2x	9.0x	25.1x	22.1x	1.11x	0.98x
BroadSoft	\$29.02	91%	1.54x	\$836.0	(\$73.4)	\$775.0	3.6x	3.0x	15.8x	12.6x	22.5x	18.7x	1.53x	1.27x
QAD	\$22.62	98%	1.36x	\$351.1	(\$56.2)	\$294.9	1.0x	1.0x	13.5x	12.2x	29.8x	32.8x	0.99x	1.09x
Actuate	\$6.60	82%	2.01x	\$308.2	(\$58.0)	\$250.2	2.5x	2.8x	NM	NM	NM	NM	NM	NM
Average							5.5x	4.8x	15.9x	14.0x	27.3x	25.2x	1.74x	1.59x
Median							4.1x	3.9x	14.5x	12.7x	25.1x	23.6x	1.57x	1.49x

Application – 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
Application															
Intuit	\$92.19	96%	1.34x	\$26,322.5	(\$1,090.0)	\$25,232.5	8.8%	0.2%	36.0%	31.8%	14.2%	85.3%	28.6%	17.2%	10.3%
Autodesk	\$60.06	95%	1.34x	\$13,664.9	(\$1,154.4)	\$12,510.5	9.8%	3.7%	17.9%	21.4%	9.3%	86.7%	38.6%	28.6%	12.4%
NetSuite	\$109.17	90%	1.57x	\$8,377.6	(\$184.7)	\$8,218.5	33.6%	30.3%	8.6%	9.1%	32.8%	68.2%	52.3%	19.2%	11.7%
Sage Group	\$7.26	98%	1.34x	\$7,815.2	\$643.4	\$8,433.2	(6.9%)	7.2%	30.0%	29.8%	8.5%	94.3%	NM	NM	NM
Ansys	\$82.00	94%	1.15x	\$7,536.5	(\$817.5)	\$6,718.9	8.7%	7.4%	49.3%	50.6%	11.6%	87.5%	NM	17.6%	NM
OpenText ⁽¹⁾	\$58.26	96%	1.32x	\$7,109.9	\$749.0	\$7,923.4	0.3%	4.8%	32.8%	34.3%	10.4%	71.9%	19.6%	10.0%	8.4%
Tableau Software	\$84.76	83%	1.63x	\$5,876.9	(\$680.6)	\$5,232.4	68.4%	40.4%	11.8%	9.1%	43.4%	91.0%	52.5%	26.9%	10.1%
PTC	\$36.65	91%	1.12x	\$4,251.2	\$318.2	\$4,569.4	2.8%	3.8%	27.4%	28.8%	15.5%	72.5%	26.3%	16.7%	9.5%
Guidewire Software	\$50.63	87%	1.50x	\$3,523.3	(\$500.2)	\$3,023.1	11.8%	10.3%	16.3%	15.2%	15.0%	59.6%	20.1%	21.7%	10.2%
Aspen Technology	\$35.02	72%	1.11x	\$3,168.3	(\$231.1)	\$2,902.8	14.0%	15.9%	37.0%	41.1%	12.5%	87.4%	21.9%	16.6%	11.0%
NICE Systems	\$50.59	97%	1.51x	\$3,072.2	(\$253.2)	\$2,877.8	6.5%	6.4%	22.1%	22.8%	12.0%	62.9%	26.1%	14.7%	8.5%
Manhattan Associates	\$40.72	94%	1.44x	\$3,039.0	(\$124.4)	\$2,927.5	15.9%	8.5%	29.7%	30.4%	NA	56.8%	10.7%	9.9%	9.0%
Dealertrack Technologies ⁽¹⁾	\$44.31	75%	1.22x	\$2,403.5	\$552.2	\$2,986.0	17.4%	20.3%	22.6%	23.0%	15.5%	45.0%	NM	12.2%	NM
MicroStrategy	\$162.40	92%	1.64x	\$1,835.3	(\$345.5)	\$1,480.7	3.8%	4.2%	5.3%	16.4%	15.0%	76.7%	38.8%	17.8%	16.6%
Synchronoss Technologies	\$41.86	77%	1.66x	\$1,772.5	(\$47.9)	\$1,708.5	30.6%	19.7%	33.5%	34.7%	22.5%	59.7%	NM	16.0%	NM
BroadSoft	\$29.02	91%	1.54x	\$836.0	(\$73.4)	\$775.0	19.9%	19.1%	22.9%	24.2%	14.7%	73.4%	32.1%	22.8%	15.1%
QAD	\$22.62	98%	1.36x	\$351.1	(\$56.2)	\$294.9	9.9%	3.3%	7.5%	8.0%	30.0%	55.6%	24.0%	14.7%	11.9%
Actuate	\$6.60	82%	2.01x	\$308.2	(\$58.0)	\$250.2	(26.0%)	(10.8%)	2.9%	(10.8%)	15.0%	84.4%	44.6%	22.7%	21.0%
						Average	12.7%	10.8%	23.0%	23.3%	17.5%	73.3%	31.2%	18.0%	11.8%
						Median	9.8%	7.3%	22.8%	23.6%	15.0%	72.9%	27.5%	17.2%	10.7%

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

Note: Market Data as of Q4 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	\$46.45	93%	1.34x	\$382,880.5	(\$60,831.0)	\$318,070.5	3.5x	3.2x	10.7x	9.0x	18.6x	15.5x	2.16x	1.80x
Oracle	\$44.97	96%	1.27x	\$197,479.8	(\$12,277.0)	\$185,621.8	4.7x	NM	9.7x	9.6x	15.1x	NM	1.83x	NM
SAP AG	\$70.62	93%	1.16x	\$84,421.1	\$4,521.0	\$85,673.9	4.0x	3.8x	11.6x	10.7x	16.9x	15.8x	1.95x	1.82x
Adobe Systems	\$72.70	94%	1.27x	\$36,258.3	(\$2,225.2)	\$34,033.1	8.2x	7.0x	29.5x	20.2x	58.6x	35.1x	NM	NM
Average							5.1x	4.7x	15.4x	12.4x	27.3x	22.1x	1.98x	1.81x
Median							4.4x	3.8x	11.1x	10.2x	17.7x	15.8x	1.95x	1.81x

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
							2014E	2015E	2014E	2015E	Growth %	LTM	LTM	LTM	LTM
Diversified															
Microsoft	\$46.45	93%	1.34x	\$382,880.5	(\$60,831.0)	\$318,070.5	9.8%	9.7%	32.5%	35.0%	8.6%	65.9%	17.4%	12.7%	4.3%
Oracle	\$44.97	96%	1.27x	\$197,479.8	(\$12,277.0)	\$185,621.8	4.2%	NM	48.9%	NA	8.2%	61.5%	NM	13.8%	2.7%
SAP AG	\$70.62	93%	1.16x	\$84,421.1	\$4,521.0	\$85,673.9	(8.6%)	7.1%	35.0%	35.3%	8.7%	70.0%	24.5%	13.3%	5.1%
Adobe Systems	\$72.70	94%	1.27x	\$36,258.3	(\$2,225.2)	\$34,033.1	6.0%	17.4%	27.9%	34.7%	13.8%	85.0%	39.8%	20.4%	12.9%
Average							2.8%	11.4%	36.1%	35.0%	9.8%	70.6%	27.3%	15.0%	6.2%
Median							5.1%	9.7%	33.7%	35.0%	8.6%	67.9%	24.5%	13.5%	4.7%

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

Note: Market Data as of Q4 2014 Quarter End.

Note: Multiples Excludes Outlier for EV / CY Revenue > 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.)

eCommerce – 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
E-Commerce														
Amazon.com	\$310.35	76%	1.09x	\$143,693.9	(\$2,847.0)	\$139,909.9	1.6x	1.3x	22.5x	17.1x	NM	NM	NM	NM
eBay	\$56.12	94%	1.21x	\$69,721.6	(\$2,471.0)	\$66,936.6	3.7x	3.3x	11.7x	10.6x	19.0x	17.2x	1.60x	1.44x
priceline.com	\$1,140.21	83%	1.12x	\$59,696.8	(\$403.6)	\$57,385.6	6.8x	5.8x	16.8x	14.2x	21.7x	18.5x	1.12x	0.96x
Rakuten ⁽¹⁾	\$14.04	91%	1.49x	\$18,572.3	\$1,346.3	\$19,490.3	3.9x	3.5x	17.6x	14.1x	NM	NM	NM	NM
Expedia	\$85.36	93%	1.36x	\$10,802.1	(\$11.7)	\$10,537.6	1.8x	1.6x	10.1x	8.8x	20.8x	18.2x	1.34x	1.17x
TripAdvisor	\$74.66	67%	1.11x	\$10,670.7	(\$225.0)	\$10,440.7	8.4x	6.7x	22.7x	18.0x	38.3x	29.8x	1.46x	1.14x
Mercadolibre	\$127.67	89%	1.61x	\$5,637.3	(\$370.3)	\$5,518.4	10.1x	8.5x	29.1x	24.9x	47.1x	38.8x	1.57x	1.30x
Groupon	\$8.26	67%	1.59x	\$5,545.4	(\$1,033.7)	\$4,690.2	1.5x	1.3x	18.2x	14.0x	NM	NM	NM	NM
Shutterstock	\$69.10	67%	1.19x	\$2,448.6	(\$288.3)	\$2,188.1	6.7x	5.0x	31.6x	22.5x	NM	NM	NM	NM
Vistaprint N.V.	\$74.84	98%	2.02x	\$2,440.1	\$316.4	\$2,863.2	2.0x	1.8x	13.8x	11.3x	22.7x	17.6x	1.21x	0.94x
Coupons.com	\$17.75	54%	1.53x	\$1,419.0	(\$193.6)	\$1,233.3	5.5x	4.2x	NM	NM	NM	NM	NM	NM
Orbitz Worldwide	\$8.23	83%	1.27x	\$911.1	\$259.3	\$1,111.5	1.2x	1.1x	7.1x	6.6x	37.1x	18.0x	1.54x	0.75x
RetailMeNot	\$14.62	30%	1.10x	\$790.5	(\$194.5)	\$602.8	2.3x	2.0x	6.6x	5.7x	16.7x	13.5x	0.89x	0.72x
Digital River	\$24.73	96%	1.82x	\$788.4	(\$250.6)	\$537.7	1.4x	1.3x	11.2x	10.4x	53.2x	40.5x	NM	NM
Overstock.com	\$24.27	79%	1.76x	\$583.1	(\$181.6)	\$470.4	0.3x	0.3x	13.4x	9.4x	43.3x	28.6x	NM	NM
Blue Nile	\$36.01	76%	1.56x	\$426.6	(\$31.8)	\$394.8	0.8x	0.8x	17.0x	14.8x	43.4x	35.8x	2.21x	1.83x
Care.com	\$8.28	28%	1.14x	\$260.7	(\$83.1)	\$177.6	1.5x	1.0x	NM	NM	NM	NM	NM	NM
Liquidity Services	\$8.17	30%	1.10x	\$244.5	(\$74.2)	\$181.9	0.4x	0.4x	3.1x	4.9x	8.7x	13.2x	NM	NM
Average							3.3x	2.8x	15.8x	12.9x	31.0x	24.1x	1.44x	1.14x
Median							1.9x	1.7x	15.3x	12.7x	29.9x	18.3x	1.46x	1.14x

eCommerce – 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									
E-Commerce															
Amazon.com	\$310.35	76%	1.09x	\$143,693.9	(\$2,847.0)	\$139,909.9	20.1%	18.8%	7.0%	7.7%	38.4%	29.5%	4.9%	10.4%	0.7%
eBay	\$56.12	94%	1.21x	\$69,721.6	(\$2,471.0)	\$66,936.6	11.7%	12.1%	32.0%	31.4%	11.9%	68.0%	20.0%	11.2%	10.1%
priceline.com	\$1,140.21	83%	1.12x	\$59,696.8	(\$403.6)	\$57,385.6	23.7%	17.6%	40.6%	41.0%	19.3%	89.8%	34.4%	NM	5.3%
Rakuten ⁽¹⁾	\$14.04	91%	1.49x	\$18,572.3	\$1,346.3	\$19,490.3	(3.2%)	12.1%	22.4%	25.0%	22.6%	87.4%	14.0%	NM	NM
Expedia	\$85.36	93%	1.36x	\$10,802.1	(\$11.7)	\$10,537.6	20.9%	13.9%	18.1%	18.3%	15.5%	79.5%	48.7%	11.9%	7.3%
TripAdvisor	\$74.66	67%	1.11x	\$10,670.7	(\$225.0)	\$10,440.7	31.5%	25.8%	37.0%	37.2%	26.2%	96.8%	40.3%	13.7%	10.0%
Mercadolibre	\$127.67	89%	1.61x	\$5,637.3	(\$370.3)	\$5,518.4	15.4%	19.7%	34.7%	34.0%	30.0%	71.4%	20.1%	9.6%	11.2%
Groupon	\$8.26	67%	1.59x	\$5,545.4	(\$1,033.7)	\$4,690.2	23.4%	14.3%	8.1%	9.2%	23.5%	48.5%	8.4%	NM	NM
Shutterstock	\$69.10	67%	1.19x	\$2,448.6	(\$288.3)	\$2,188.1	39.4%	32.2%	21.1%	22.4%	34.3%	60.4%	25.0%	11.7%	11.9%
Vistaprint N.V.	\$74.84	98%	2.02x	\$2,440.1	\$316.4	\$2,863.2	15.1%	10.9%	14.8%	16.3%	18.8%	62.7%	33.1%	12.9%	8.0%
Coupons.com	\$17.75	54%	1.53x	\$1,419.0	(\$193.6)	\$1,233.3	34.1%	31.9%	10.2%	16.1%	NA	61.1%	35.6%	22.4%	15.1%
Orbitz Worldwide	\$8.23	83%	1.27x	\$911.1	\$259.3	\$1,111.5	10.0%	5.5%	16.8%	17.2%	24.0%	80.7%	35.9%	NM	NM
RetailMeNot	\$14.62	30%	1.10x	\$790.5	(\$194.5)	\$602.8	25.4%	16.9%	34.9%	34.4%	18.8%	93.0%	34.0%	18.1%	16.0%
Digital River	\$24.73	96%	1.82x	\$788.4	(\$250.6)	\$537.7	(2.9%)	6.4%	12.7%	12.9%	10.0%	65.8%	26.7%	19.9%	11.2%
Overstock.com	\$24.27	79%	1.76x	\$583.1	(\$181.6)	\$470.4	13.4%	10.8%	2.4%	3.1%	NA	18.6%	7.3%	NM	10.6%
Blue Nile	\$36.01	76%	1.56x	\$426.6	(\$31.8)	\$394.8	6.9%	8.8%	4.8%	5.1%	19.6%	18.5%	5.3%	NM	NM
Care.com	\$8.28	28%	1.14x	\$260.7	(\$83.1)	\$177.6	43.3%	45.9%	(21.0%)	(9.0%)	20.0%	75.9%	68.9%	15.1%	24.1%
Liquidity Services	\$8.17	30%	1.10x	\$244.5	(\$74.2)	\$181.9	(10.1%)	(2.2%)	13.0%	8.4%	(9.3%)	34.3%	8.4%	NM	9.3%
						Average	17.7%	16.7%	17.2%	18.4%	20.2%	63.4%	26.2%	14.3%	10.7%
						Median	17.7%	14.1%	15.8%	16.8%	19.8%	66.9%	25.9%	12.9%	10.3%

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

Note: Market Data as of Q4 2014 Quarter End.

Note: Multiples Excludes Outlier for EV / CY Revenue > 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.)

Internet – 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
Internet														
Google	\$530.66	86%	1.07x	\$358,535.9	(\$54,618.0)	\$307,118.9	4.6x	3.9x	11.7x	9.9x	20.5x	17.7x	1.15x	0.99x
Facebook	\$78.02	95%	1.50x	\$217,507.9	(\$10,966.0)	\$203,535.9	16.4x	12.0x	25.1x	19.8x	45.4x	40.0x	1.29x	1.14x
Baidu	\$227.97	90%	1.62x	\$79,957.2	(\$5,126.7)	\$75,762.1	9.5x	6.7x	27.9x	19.8x	34.3x	25.4x	1.06x	0.78x
Yahoo	\$50.51	96%	1.57x	\$47,850.7	(\$6,681.8)	\$37,888.8	8.6x	8.5x	28.8x	28.9x	32.1x	49.3x	NM	NM
LinkedIn Corporation	\$229.71	94%	1.69x	\$28,524.6	(\$2,361.8)	\$26,266.2	12.0x	8.9x	NM	NM	NM	NM	NM	NM
Netflix	\$341.61	70%	1.14x	\$20,580.8	(\$678.9)	\$19,813.9	3.6x	2.9x	35.1x	NM	NM	NM	NM	NM
Activision Blizzard	\$20.15	83%	1.22x	\$14,488.5	(\$534.0)	\$14,982.5	3.1x	3.2x	9.1x	8.6x	14.7x	13.9x	1.32x	1.25x
Yandex	\$17.96	40%	1.20x	\$5,716.9	(\$5.0)	\$5,756.8	7.0x	5.7x	16.5x	13.6x	25.5x	21.1x	1.20x	0.99x
IAC/InterActiveCorp	\$60.79	75%	1.08x	\$5,094.3	(\$71.1)	\$5,159.2	1.7x	1.6x	9.6x	8.7x	25.0x	18.0x	1.67x	1.20x
Zillow	\$105.89	64%	1.39x	\$4,288.7	(\$372.6)	\$3,922.4	12.1x	9.0x	NM	NM	NM	NM	NM	NM
Yelp	\$54.73	54%	1.11x	\$3,968.9	(\$365.8)	\$3,604.9	9.6x	6.7x	NM	NM	NM	50.2x	NM	0.76x
Pandora	\$17.83	44%	1.07x	\$3,710.2	(\$354.6)	\$3,393.8	3.7x	2.8x	NM	NM	NM	35.0x	NM	0.41x
AOL	\$46.17	87%	1.43x	\$3,596.0	(\$37.1)	\$3,587.8	1.4x	1.3x	7.1x	6.6x	22.8x	18.9x	1.55x	1.28x
51job	\$35.85	83%	1.23x	\$2,116.7	(\$539.8)	\$1,576.9	5.2x	4.6x	16.0x	13.6x	22.0x	19.3x	1.38x	1.21x
Trulia ⁽¹⁾	\$46.03	68%	1.65x	\$1,740.2	\$18.0	\$1,758.2	6.9x	5.3x	NM	NM	NM	NM	NM	NM
Renren ⁽²⁾	\$2.51	52%	1.02x	\$901.4	(\$812.2)	\$89.2	1.0x	1.0x	NM	NM	31.0x	NM	1.55x	NM
Angie's List	\$6.23	31%	1.12x	\$364.6	(\$5.4)	\$344.9	1.1x	1.0x	NM	15.3x	NM	NM	NM	NM
Average							6.3x	5.0x	18.7x	14.5x	27.3x	28.1x	1.35x	1.00x
Median							5.2x	4.6x	16.2x	13.6x	25.3x	21.1x	1.32x	1.06x

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
							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										
Internet															
Google	\$530.66	86%	1.07x	\$358,535.9	(\$54,618.0)	\$307,118.9	19.7%	17.4%	39.5%	39.9%	17.8%	61.6%	12.3%	14.9%	8.9%
Facebook	\$78.02	95%	1.50x	\$217,507.9	(\$10,966.0)	\$203,535.9	57.5%	37.1%	65.4%	60.6%	35.2%	83.5%	13.5%	21.2%	7.8%
Baidu	\$227.97	90%	1.62x	\$79,957.2	(\$5,126.7)	\$75,762.1	51.7%	40.8%	34.0%	34.0%	32.5%	68.8%	NM	14.2%	NM
Yahoo	\$50.51	96%	1.57x	\$47,850.7	(\$6,681.8)	\$37,888.8	(6.0%)	1.9%	29.9%	29.2%	1.8%	71.9%	26.7%	26.1%	12.4%
LinkedIn Corporation	\$229.71	94%	1.69x	\$28,524.6	(\$2,361.8)	\$26,266.2	43.6%	34.4%	26.2%	27.4%	41.3%	86.8%	34.9%	24.2%	15.4%
Netflix	\$341.61	70%	1.14x	\$20,580.8	(\$678.9)	\$19,813.9	25.8%	23.2%	10.3%	10.3%	37.9%	31.8%	11.0%	8.6%	4.9%
Activision Blizzard	\$20.15	83%	1.22x	\$14,488.5	(\$534.0)	\$14,982.5	5.4%	(1.6%)	34.0%	36.8%	11.1%	65.4%	16.2%	13.0%	9.5%
Yandex	\$17.96	40%	1.20x	\$5,716.9	(\$5.0)	\$5,756.8	(31.1%)	21.4%	42.1%	42.1%	21.3%	71.8%	NM	17.4%	NM
IAC/InterActiveCorp	\$60.79	75%	1.08x	\$5,094.3	(\$71.1)	\$5,159.2	1.9%	7.2%	17.4%	17.9%	15.0%	71.6%	36.2%	5.2%	14.3%
Zillow	\$105.89	64%	1.39x	\$4,288.7	(\$372.6)	\$3,922.4	63.7%	34.7%	16.0%	20.4%	69.7%	91.0%	51.5%	25.5%	20.1%
Yelp	\$54.73	54%	1.11x	\$3,968.9	(\$365.8)	\$3,604.9	61.4%	43.6%	18.7%	22.6%	65.7%	93.5%	53.3%	17.3%	15.4%
Pandora	\$17.83	44%	1.07x	\$3,710.2	(\$354.6)	\$3,393.8	39.8%	30.6%	6.7%	11.0%	86.0%	44.8%	30.1%	5.8%	12.2%
AOL	\$46.17	87%	1.43x	\$3,596.0	(\$37.1)	\$3,587.8	9.3%	8.2%	19.9%	19.8%	14.8%	24.0%	NM	NM	12.6%
51job	\$35.85	83%	1.23x	\$2,116.7	(\$539.8)	\$1,576.9	15.0%	11.4%	32.3%	34.1%	16.0%	73.1%	30.8%	NM	11.4%
Trulia ⁽¹⁾	\$46.03	68%	1.65x	\$1,740.2	\$18.0	\$1,758.2	42.5%	30.6%	9.5%	17.6%	28.8%	82.0%	56.3%	22.7%	20.2%
Renren ⁽²⁾	\$2.51	52%	1.02x	\$901.4	(\$812.2)	\$89.2	NM	2.4%	NM	NM	20.0%	28.1%	36.4%	61.8%	18.2%
Angie's List	\$6.23	31%	1.12x	\$364.6	(\$5.4)	\$344.9	27.8%	15.6%	0.3%	6.2%	23.1%	72.4%	64.9%	NM	10.8%
Average							26.7%	21.1%	25.1%	26.9%	31.6%	66.0%	33.9%	19.8%	12.9%
Median							26.8%	21.4%	23.0%	25.0%	23.1%	71.8%	32.9%	17.3%	12.4%

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

Note: Market Data as of Q4 2014 Quarter End.

Note: Multiples Excludes Outlier for EV / CY Revenue > 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.

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



Appendix – Comparable Public Company Analysis (Cont.)

SaaS – Valuation Metrics

\$Millions, except per share values)

SMLlions, 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	
SaaS														
salesforce.com	\$59.31	89%	1.23x	\$37,424.6	\$1,424.8	\$38,849.4	7.2x	6.0x	NM	NM	NM	NM	NM	NM
Workday	\$81.61	70%	1.27x	\$15,261.1	(\$1,345.1)	\$13,915.9	17.8x	12.4x	NM	NM	NM	NM	NM	NM
ServiceNow	\$67.85	94%	1.54x	\$10,062.2	(\$225.0)	\$9,852.4	14.5x	10.4x	NM	NM	NM	NM	NM	NM
NetSuite	\$109.17	90%	1.57x	\$8,377.6	(\$184.7)	\$8,218.5	14.8x	11.4x	NM	NM	NM	NM	NM	NM
athenahealth	\$145.70	70%	1.50x	\$5,550.3	\$93.5	\$5,657.8	7.6x	6.2x	NM	34.2x	NM	NM	NM	NM
The Ultimate Software Group	\$146.82	85%	1.34x	\$4,165.3	(\$108.2)	\$4,064.4	8.0x	6.6x	33.7x	26.8x	NM	NM	NM	NM
HomeAway	\$29.78	61%	1.07x	\$2,808.6	(\$497.0)	\$2,330.4	5.2x	4.4x	19.8x	17.1x	48.8x	NM	2.07x	NM
Qlik Technologies	\$30.89	96%	1.53x	\$2,789.8	(\$244.0)	\$2,547.8	4.6x	4.0x	NM	NM	NM	NM	NM	NM
Demandware	\$57.54	70%	1.30x	\$2,089.3	(\$243.7)	\$1,830.2	11.8x	8.6x	NM	NM	NM	NM	NM	NM
Blackbaud	\$43.26	94%	1.47x	\$1,958.6	\$265.8	\$2,075.8	3.7x	3.4x	17.3x	16.1x	33.7x	30.9x	NM	NM
Cornerstone OnDemand	\$35.20	57%	1.35x	\$1,885.1	(\$57.0)	\$1,881.5	7.2x	5.5x	NM	NM	NM	NM	NM	NM
Synchronoss Technologies	\$41.86	77%	1.66x	\$1,772.5	(\$47.9)	\$1,708.5	3.7x	3.1x	11.2x	9.0x	25.1x	22.1x	1.11x	0.98x
LifeLock	\$18.51	81%	1.77x	\$1,732.4	(\$273.9)	\$1,494.1	3.1x	2.6x	27.3x	18.6x	39.4x	28.5x	1.12x	0.81x
RealPage	\$21.96	94%	1.48x	\$1,728.9	\$7.9	\$1,736.8	4.3x	3.9x	24.9x	21.5x	57.8x	46.6x	2.89x	2.33x
Marketo	\$32.72	73%	1.49x	\$1,348.5	(\$107.3)	\$1,236.8	8.3x	6.2x	NM	NM	NM	NM	NM	NM
Fleetmatics Group	\$35.49	80%	1.40x	\$1,339.6	(\$151.7)	\$1,203.4	5.2x	4.2x	17.0x	13.4x	37.4x	28.4x	1.44x	1.09x
LogMeIn	\$49.34	92%	1.59x	\$1,203.1	(\$201.2)	\$1,006.7	4.6x	3.9x	20.7x	17.5x	42.5x	37.4x	1.51x	1.33x
Constant Contact	\$36.70	95%	1.74x	\$1,162.5	(\$162.6)	\$1,008.1	3.0x	2.6x	16.6x	13.2x	35.0x	28.3x	1.55x	1.26x
Cvent	\$27.84	63%	1.26x	\$1,150.5	(\$182.7)	\$967.8	6.8x	5.5x	NM	NM	NM	NM	NM	NM
SPS Commerce	\$56.63	79%	1.29x	\$921.8	(\$130.8)	\$781.0	6.1x	5.0x	NM	NM	NM	NM	NM	NM
RetailMeNot	\$14.62	30%	1.10x	\$790.5	(\$194.5)	\$602.8	2.3x	2.0x	6.6x	5.7x	16.7x	13.5x	0.89x	0.72x
LivePerson	\$14.10	93%	1.60x	\$770.6	(\$49.4)	\$683.5	3.3x	2.6x	31.7x	22.5x	NM	47.0x	NM	2.35x
Textura Corporation	\$28.47	78%	2.06x	\$725.1	(\$66.3)	\$659.8	10.5x	7.4x	NM	NM	NM	NM	NM	NM
IntraLinks Holdings	\$11.90	97%	1.53x	\$667.8	\$26.3	\$701.5	2.7x	2.6x	18.8x	15.4x	NM	NM	NM	NM
Bazaarvoice	\$8.04	92%	1.37x	\$627.4	(\$54.5)	\$572.9	3.1x	2.7x	NM	NM	NM	NM	NM	NM
ChannelAdvisor Corporation	\$21.58	43%	1.82x	\$537.1	(\$63.8)	\$459.5	5.3x	4.1x	NM	NM	NM	NM	NM	NM
Tango	\$13.03	65%	1.15x	\$506.2	(\$49.7)	\$458.6	2.2x	1.9x	13.8x	11.4x	18.8x	15.7x	1.10x	0.92x
Jive Software	\$6.03	53%	1.19x	\$431.7	(\$107.6)	\$340.1	1.9x	1.7x	NM	NM	NM	NM	NM	NM
SciQuest	\$14.45	44%	1.09x	\$397.7	(\$130.9)	\$273.5	2.7x	2.5x	14.3x	12.6x	49.8x	45.2x	NM	NM
ServiceSource International	\$4.68	49%	1.67x	\$392.1	(\$104.8)	\$287.3	1.1x	1.1x	NM	NM	NM	NM	NM	NM
Carbonite	\$14.27	96%	1.73x	\$384.8	(\$61.1)	\$313.4	2.6x	2.3x	19.6x	15.4x	NM	NM	NM	NM
E2open	\$9.61	32%	1.81x	\$280.7	(\$17.7)	\$256.4	3.2x	2.7x	NM	NM	NM	NM	NM	NM
Millennial Media	\$1.60	19%	1.10x	\$222.6	(\$76.5)	\$146.1	0.5x	0.5x	NM	NM	NM	NM	NM	NM
Demand Media ⁽²⁾	\$6.12	20%	1.19x	\$112.6	(\$39.5)	\$73.1	0.4x	0.5x	2.2x	3.5x	NM	NM	NM	NM
Average							5.6x	4.4x	18.5x	16.1x	36.8x	31.2x	1.52x	1.31x
Median							4.4x	3.9x	15.4x	15.4x	37.4x	28.5x	1.44x	1.09x

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

Note: Market Data as of Q4 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 / Divestitures.



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
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	
SAAS															
salesforce.com	\$59.31	89%	1.23x	\$37,424.6	\$1,424.8	\$38,849.4	31.9%	21.1%	17.4%	17.5%	28.1%	76.2%	52.4%	15.0%	13.0%
Workday	\$81.61	70%	1.27x	\$15,261.1	(\$1,345.1)	\$13,915.9	67.0%	43.0%	0.8%	3.6%	40.0%	65.1%	41.0%	40.3%	14.2%
ServiceNow	\$67.85	94%	1.54x	\$10,062.2	(\$225.0)	\$9,852.4	59.7%	39.6%	6.3%	9.3%	40.7%	63.6%	50.0%	21.7%	13.9%
NetSuite	\$109.17	90%	1.57x	\$8,377.6	(\$184.7)	\$8,218.5	33.6%	30.3%	8.6%	9.1%	32.8%	68.2%	52.3%	19.2%	11.7%
athenahealth	\$145.70	70%	1.50x	\$5,550.3	\$93.5	\$5,657.8	25.5%	23.0%	18.7%	18.0%	22.7%	59.8%	25.2%	9.2%	16.6%
The Ultimate Software Group	\$146.82	85%	1.34x	\$4,165.3	(\$108.2)	\$4,064.4	23.3%	21.8%	23.9%	24.6%	27.0%	59.8%	23.1%	16.5%	9.4%
HomeAway	\$29.78	61%	1.07x	\$2,808.6	(\$497.0)	\$2,330.4	28.7%	18.5%	26.4%	25.8%	23.6%	84.9%	34.7%	17.3%	20.8%
Qlik Technologies	\$30.89	96%	1.53x	\$2,789.8	(\$244.0)	\$2,547.8	17.7%	15.5%	7.2%	9.3%	25.3%	86.4%	55.4%	13.0%	19.6%
Demandware	\$57.54	70%	1.30x	\$2,089.3	(\$243.7)	\$1,830.2	49.5%	38.0%	6.4%	6.2%	37.5%	73.8%	46.4%	21.8%	23.0%
Blackbaud	\$43.26	94%	1.47x	\$1,958.6	\$265.8	\$2,075.8	12.8%	7.7%	21.1%	21.1%	NA	51.6%	19.0%	13.7%	10.3%
Cornerstone OnDemand	\$35.20	57%	1.35x	\$1,885.1	(\$57.0)	\$1,881.5	41.0%	30.7%	1.1%	3.6%	30.7%	70.5%	61.7%	11.6%	15.9%
Synchronoss Technologies	\$41.86	77%	1.66x	\$1,772.5	(\$47.9)	\$1,708.5	30.6%	19.7%	33.5%	34.7%	22.5%	59.7%	NM	16.0%	NM
LifeLock	\$18.51	81%	1.77x	\$1,732.4	(\$273.9)	\$1,494.1	28.4%	21.6%	11.5%	13.9%	35.3%	74.7%	45.0%	10.7%	12.7%
RealPage	\$21.96	94%	1.48x	\$1,728.9	\$7.9	\$1,736.8	7.4%	9.6%	17.2%	18.2%	20.0%	58.1%	27.3%	15.7%	16.0%
Marketo	\$32.72	73%	1.49x	\$1,348.5	(\$107.3)	\$1,236.8	54.7%	35.5%	(15.0%)	(10.1%)	22.5%	66.1%	65.9%	20.2%	16.9%
Fleetmatics Group	\$35.49	80%	1.40x	\$1,339.6	(\$151.7)	\$1,203.4	30.6%	24.8%	30.6%	31.1%	26.0%	75.2%	34.1%	7.4%	18.3%
LogMeIn	\$49.34	92%	1.59x	\$1,203.1	(\$201.2)	\$1,006.7	32.8%	17.0%	22.0%	22.3%	28.1%	87.1%	53.8%	15.1%	13.4%
Constant Contact	\$36.70	95%	1.74x	\$1,162.5	(\$162.6)	\$1,008.1	16.1%	17.0%	18.3%	19.7%	22.5%	72.5%	37.9%	16.0%	12.6%
Cvent	\$27.84	63%	1.26x	\$1,150.5	(\$182.7)	\$967.8	27.6%	24.5%	12.5%	10.7%	25.0%	70.0%	43.0%	10.1%	15.2%
SPS Commerce	\$56.63	79%	1.29x	\$921.8	(\$130.8)	\$781.0	21.8%	22.1%	13.7%	14.0%	22.5%	68.7%	36.7%	10.5%	15.5%
RetailMeNot	\$14.62	30%	1.10x	\$790.5	(\$194.5)	\$602.8	25.4%	16.9%	34.9%	34.4%	18.8%	93.0%	34.0%	18.1%	16.0%
LivePerson	\$14.10	93%	1.60x	\$770.6	(\$49.4)	\$683.5	17.6%	27.7%	10.3%	11.4%	20.0%	74.9%	39.7%	17.8%	19.1%
Textura Corporation	\$28.47	78%	2.06x	\$725.1	(\$66.3)	\$659.8	30.6%	43.0%	(10.1%)	9.5%	45.0%	80.6%	31.6%	32.1%	39.7%
IntraLinks Holdings	\$11.90	97%	1.53x	\$667.8	\$26.3	\$701.5	8.9%	6.1%	14.6%	16.8%	15.0%	72.9%	45.3%	8.8%	27.3%
Bazaarvoice	\$8.04	92%	1.37x	\$627.4	(\$54.5)	\$572.9	16.4%	13.9%	(10.1%)	(4.8%)	15.0%	65.5%	47.0%	21.1%	16.8%
ChannelAdvisor Corporation	\$21.58	43%	1.82x	\$537.1	(\$63.8)	\$459.5	27.9%	28.0%	(21.2%)	(11.2%)	25.0%	71.5%	65.8%	19.5%	26.2%
Tangoe	\$13.03	65%	1.15x	\$506.2	(\$49.7)	\$458.6	12.7%	12.9%	15.6%	16.7%	17.1%	54.1%	18.6%	10.7%	17.9%
Jive Software	\$6.03	53%	1.19x	\$431.7	(\$107.6)	\$340.1	22.2%	15.2%	(2.3%)	(1.0%)	20.0%	62.7%	50.4%	29.3%	13.8%
SciQuest	\$14.45	44%	1.09x	\$397.7	(\$130.9)	\$273.5	14.4%	5.9%	18.5%	19.9%	15.0%	69.1%	25.1%	27.8%	13.8%
ServiceSource International	\$4.68	49%	1.67x	\$392.1	(\$104.8)	\$287.3	(2.3%)	(4.3%)	(12.3%)	(4.6%)	NA	30.5%	22.6%	9.2%	17.4%
Carbonite	\$14.27	96%	1.73x	\$384.8	(\$61.1)	\$313.4	14.4%	11.0%	13.0%	14.9%	24.2%	68.5%	40.7%	19.7%	13.6%
E2open	\$9.61	32%	1.81x	\$280.7	(\$17.7)	\$256.4	16.2%	19.3%	(18.9%)	(11.1%)	25.2%	63.0%	53.5%	26.6%	16.3%
Millennial Media	\$1.60	19%	1.10x	\$222.6	(\$76.5)	\$146.1	9.0%	13.7%	(8.4%)	(2.3%)	15.0%	39.4%	17.3%	8.8%	25.2%
Demand Media ⁽²⁾	\$6.12	20%	1.19x	\$112.6	(\$39.5)	\$73.1	NM	NM	20.3%	13.9%	NA	42.3%	8.9%	11.0%	17.3%
Average							25.9%	20.9%	9.6%	11.9%	25.4%	67.1%	39.6%	17.1%	17.3%
Median							25.4%	19.7%	12.8%	13.9%	24.2%	68.6%	40.7%	16.0%	16.0%

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

Note: Market Data as of Q4 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 / Divestitures.



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	\$25.66	96%	1.43x	\$17,705.7	(\$1,698.0)	\$16,007.7	2.4x	2.4x	7.9x	7.1x	14.7x	12.9x	2.08x	1.82x
Check Point Software Tech.	\$78.57	97%	1.30x	\$14,990.4	(\$1,312.5)	\$13,750.5	9.2x	8.7x	15.8x	14.7x	21.2x	19.4x	2.35x	2.14x
VeriSign	\$57.00	91%	1.23x	\$6,902.1	(\$43.5)	\$6,804.5	6.7x	6.4x	10.1x	9.5x	20.8x	18.3x	1.54x	1.35x
Fortinet	\$30.66	97%	1.62x	\$5,054.5	(\$720.0)	\$4,393.9	5.8x	5.0x	30.9x	26.0x	NM	52.0x	NM	NM
FireEye ⁽¹⁾	\$31.58	32%	1.27x	\$4,750.3	(\$402.2)	\$4,352.4	10.3x	7.0x	NM	NM	NM	NM	NM	NM
Trend Micro	\$27.88	88%	1.10x	\$3,745.3	(\$1,147.2)	\$2,702.0	2.8x	2.7x	8.3x	8.1x	NM	NM	NM	NM
Proofpoint	\$48.23	95%	2.01x	\$1,839.2	(\$52.7)	\$1,766.9	9.2x	7.4x	NM	NM	NM	NM	NM	NM
Imperva	\$49.43	74%	2.69x	\$1,314.1	(\$109.7)	\$1,212.9	7.5x	6.1x	NM	NM	NM	NM	NM	NM
Qualys	\$37.75	93%	2.10x	\$1,257.8	(\$127.2)	\$1,144.4	8.6x	7.1x	NM	33.8x	NM	NM	NM	NM
AVG Technologies	\$19.74	92%	1.30x	\$1,018.2	\$86.0	\$974.2	2.6x	2.3x	7.2x	6.7x	10.4x	10.3x	NM	NM
Average							6.5x	5.5x	13.4x	15.1x	16.8x	22.6x	1.99x	1.77x
Median							7.1x	6.3x	9.2x	9.5x	17.8x	18.3x	2.08x	1.82x

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	\$25.66	96%	1.43x	\$17,705.7	(\$1,698.0)	\$16,007.7	(2.8%)	0.8%	30.7%	33.7%	7.1%	83.5%	35.9%	16.6%	6.1%
Check Point Software Tech.	\$78.57	97%	1.30x	\$14,990.4	(\$1,312.5)	\$13,750.5	6.8%	6.4%	58.5%	59.0%	9.0%	88.2%	20.5%	8.9%	5.3%
VeriSign	\$57.00	91%	1.23x	\$6,902.1	(\$43.5)	\$6,804.5	4.8%	5.1%	67.0%	67.4%	13.5%	81.3%	9.1%	6.7%	9.7%
Fortinet	\$30.66	97%	1.62x	\$5,054.5	(\$720.0)	\$4,393.9	22.9%	15.4%	18.8%	19.3%	15.9%	70.0%	41.0%	16.0%	5.4%
FireEye ⁽¹⁾	\$31.58	32%	1.27x	\$4,750.3	(\$402.2)	\$4,352.4	59.1%	46.1%	(56.1%)	(27.3%)	64.7%	58.9%	94.2%	47.7%	28.1%
Trend Micro	\$27.88	88%	1.10x	\$3,745.3	(\$1,147.2)	\$2,702.0	(7.9%)	3.6%	34.5%	33.9%	12.4%	82.3%	NM	NM	NM
Proofpoint	\$48.23	95%	2.01x	\$1,839.2	(\$52.7)	\$1,766.9	39.3%	24.9%	(0.8%)	0.0%	29.1%	66.4%	52.4%	26.5%	13.6%
Imperva	\$49.43	74%	2.69x	\$1,314.1	(\$109.7)	\$1,212.9	17.8%	22.4%	(9.4%)	(4.6%)	24.4%	77.8%	64.9%	26.2%	20.3%
Qualys	\$37.75	93%	2.10x	\$1,257.8	(\$127.2)	\$1,144.4	23.1%	20.7%	21.0%	21.1%	20.7%	78.3%	36.0%	19.7%	15.7%
AVG Technologies	\$19.74	92%	1.30x	\$1,018.2	\$86.0	\$974.2	(9.2%)	13.8%	36.7%	34.8%	NA	86.1%	25.9%	18.8%	20.3%
Average							15.4%	15.9%	20.1%	23.7%	21.9%	77.3%	42.2%	20.8%	13.8%
Median							12.3%	14.6%	25.9%	27.4%	15.9%	79.8%	36.0%	18.8%	13.6%

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

Note: Market Data as of Q4 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)

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
IT Infrastructure Management														
Vmware	\$82.52	73%	1.09x	\$35,523.6	(\$5,575.0)	\$29,935.6	5.0x	4.3x	13.5x	11.8x	23.2x	20.0x	1.38x	1.19x
CA Technologies	\$30.45	84%	1.21x	\$13,547.4	(\$1,285.0)	\$12,254.4	2.8x	2.8x	7.3x	7.3x	12.6x	12.5x	2.51x	2.50x
Red Hat	\$69.14	96%	1.46x	\$12,986.0	(\$404.6)	\$12,581.4	7.4x	6.4x	27.0x	24.1x	46.7x	39.1x	NM	2.62x
Citrix Systems	\$63.80	88%	1.25x	\$10,269.9	\$503.5	\$10,807.8	3.4x	3.2x	12.8x	11.2x	19.8x	17.3x	1.63x	1.43x
F5 Networks	\$130.47	96%	1.49x	\$9,626.1	(\$654.1)	\$8,980.7	5.1x	4.4x	13.2x	11.5x	23.5x	19.9x	1.42x	1.21x
Splunk	\$58.95	56%	1.50x	\$7,148.5	(\$796.4)	\$6,352.1	14.4x	11.0x	NM	NM	NM	NM	NM	NM
SolarWinds	\$49.83	93%	1.36x	\$3,769.0	(\$250.3)	\$3,559.4	8.3x	6.8x	17.6x	15.3x	27.8x	24.5x	1.49x	1.31x
Riverbed Technology	\$20.41	90%	1.22x	\$3,209.9	\$0.8	\$3,325.9	3.0x	2.9x	9.3x	9.5x	18.2x	16.6x	1.54x	1.40x
CommVault Systems	\$51.69	67%	1.31x	\$2,365.5	(\$364.9)	\$1,951.0	3.1x	3.0x	14.3x	14.5x	31.9x	32.0x	1.72x	1.72x
NetScout Systems	\$36.54	76%	1.28x	\$1,506.1	(\$194.7)	\$1,336.3	3.1x	2.7x	11.1x	8.6x	NM	18.5x	NM	1.09x
Infoblox	\$20.21	52%	1.73x	\$1,128.3	(\$282.0)	\$846.3	3.3x	2.8x	NM	25.7x	NM	NM	NM	NM
PROS Holdings	\$27.48	66%	1.45x	\$797.4	(\$50.6)	\$758.9	4.0x	3.3x	27.9x	19.8x	NM	NM	NM	NM
Gigamon	\$17.73	48%	1.78x	\$577.1	(\$149.4)	\$443.1	3.0x	2.7x	NM	NM	NM	NM	NM	NM
						Average	5.1x	4.3x	15.4x	14.5x	25.5x	22.3x	1.67x	1.61x
						Median	3.4x	3.2x	13.3x	11.8x	23.4x	19.9x	1.54x	1.40x

IT Infrastructure Management – 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									
IT Infrastructure Management															
VMware	\$82.52	73%	1.09x	\$35,523.6	(\$5,575.0)	\$29,935.6	15.7%	14.3%	36.8%	36.9%	16.8%	84.8%	35.4%	20.5%	11.5%
CA Technologies	\$30.45	84%	1.21x	\$13,547.4	(\$1,285.0)	\$12,254.4	(2.0%)	(1.2%)	38.3%	38.9%	5.0%	85.4%	25.6%	13.8%	8.8%
Red Hat	\$69.14	96%	1.46x	\$12,986.0	(\$404.6)	\$12,581.4	14.7%	15.3%	27.4%	26.7%	14.9%	84.7%	40.3%	20.8%	9.4%
Citrix Systems	\$63.80	88%	1.25x	\$10,269.9	\$503.5	\$10,807.8	7.4%	7.3%	27.0%	28.6%	12.1%	84.9%	40.7%	17.6%	9.5%
F5 Networks	\$130.47	96%	1.49x	\$9,626.1	(\$654.1)	\$8,980.7	16.7%	13.7%	38.4%	38.8%	16.5%	82.3%	32.0%	15.1%	6.3%
Splunk	\$58.95	56%	1.50x	\$7,148.5	(\$796.4)	\$6,352.1	45.5%	31.0%	4.5%	5.4%	28.5%	85.6%	77.6%	32.2%	23.2%
SolarWinds	\$49.83	93%	1.36x	\$3,769.0	(\$250.3)	\$3,559.4	27.7%	22.2%	47.2%	44.5%	18.7%	89.7%	34.6%	13.2%	14.8%
Riverbed Technology	\$20.41	90%	1.22x	\$3,209.9	\$0.8	\$3,325.9	5.2%	3.5%	32.7%	30.8%	11.8%	74.1%	41.8%	18.9%	7.0%
CommVault Systems	\$51.69	67%	1.31x	\$2,365.5	(\$364.9)	\$1,951.0	9.2%	4.4%	22.0%	20.8%	18.6%	86.8%	53.0%	10.2%	12.1%
NetScout Systems	\$36.54	76%	1.28x	\$1,506.1	(\$194.7)	\$1,336.3	12.1%	16.2%	28.1%	31.0%	17.0%	78.6%	30.8%	15.8%	7.9%
Infoblox	\$20.21	52%	1.73x	\$1,128.3	(\$282.0)	\$846.3	3.6%	17.9%	6.8%	11.0%	19.2%	77.5%	56.8%	20.6%	12.1%
PROS Holdings	\$27.48	66%	1.45x	\$797.4	(\$50.6)	\$758.9	32.2%	19.7%	14.2%	16.7%	21.6%	69.9%	33.4%	24.4%	20.3%
Gigamon	\$17.73	48%	1.78x	\$577.1	(\$149.4)	\$443.1	5.8%	12.4%	4.0%	11.4%	20.6%	76.2%	48.4%	27.2%	13.2%
						Average	14.9%	13.6%	25.2%	26.3%	17.0%	81.6%	42.4%	19.2%	12.0%
						Median	12.1%	14.3%	27.4%	28.6%	17.0%	84.7%	40.3%	18.9%	11.5%

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

Note: Market Data as of Q4 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 – Q4 Selected Software & Internet M&A Transactions

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

Date	Target	Acquirer	Enterprise Value (\$USDmm)	Valuation Metrics	
				EV / LTM Revenues	EV / LTM EBITDA
12/31/2014	Jiangxi Bowei New Technology	Ningbo Ligong Online Monitoring	\$210.4	NA	NA
12/31/2014	Beijing SysTek Orient Environmental Hi-Tech	Ningbo Ligong Online Monitoring	72.6	NA	NA
12/30/2014	Forgame Holdings	Kongzhong	46.8	0.3x	1.7x
12/29/2014	Shenzhen Daoxi Technology	Xiamen 35.Com Technology	134.1	NA	NA
12/29/2014	Liandi Information Systems	Nanjing Defurui Management Consulting	10.8	0.4x	NA
12/26/2014	99Bill	Dalian Wanda Group	NA	NA	NA
12/26/2014	MiningBrownie	Aucfan	0.3	1.1x	NA
12/24/2014	SEKAIE	Gree	10.8	NA	NA
12/22/2014	Wireless Maingate	Sierra Wireless	90.0	NA	NA
12/22/2014	Peerless Systems	LCV Capital Management	12.9	5.6x	NA
12/22/2014	Timeline Labs	SeaChange International	24.5	NA	NA
12/22/2014	Crew Marketing International	Points International	15.7	NA	NA
12/22/2014	Celebrus Technologies	IS Solutions	14.0	4.6x	NA
12/19/2014	RandomStorm	Accumuli	13.9	2.5x	8.9x
12/18/2014	Beijing Feiliu Jiutian Technology	Tack Fiori International	624.9	NA	NA
12/18/2014	Incadea	Dealertrack Technologies	202.5	3.7x	NM
12/18/2014	ObjectVideo, Patent Portfolio	Avigilon	80.3	NA	NA
12/18/2014	Kingworld Technology	SinoCom Software Group	58.0	10.4x	NA
12/18/2014	Gael	Ideagen	28.2	2.3x	11.3x
12/18/2014	Finzsoft Solutions	Silverlake Axis	19.3	1.9x	6.7x
12/18/2014	EGLS	Beijing Zhongyuan Xingrong	481.0	NA	NA
12/17/2014	intergenia	Host Europe	260.6	NA	15.2x
12/16/2014	Akimbo Financial	FiCentive	3.8	NM	NA
12/15/2014	Corelogic	Servelec Group	36.7	2.5x	NA
12/15/2014	Softpharma Desenvolvimento e Edição	Linx Sistemas e Consultoria	24.2	NA	NA
12/15/2014	MailStore Software	Carbonite Germany	19.9	NA	NA
12/15/2014	Sarenet	Lomedel	19.9	0.9x	NA
12/15/2014	Mark-i	REALWORLD	8.1	0.9x	NA
12/11/2014	Fotolia	Adobe Systems	800.0	NA	NA
12/11/2014	Shanghai JunMeng Network Technology	Fuchun Communications	158.3	NA	NA
12/11/2014	AwesomenessTV	The Hearst Corp.	325.0	NA	NA
12/11/2014	AdSame Networks Technology	Jiangsu Phoenix Digital Media	84.8	NA	NA
12/11/2014	ShopVisible	Epicor Software	25.0	NA	NA
12/10/2014	Heroic Coronet	SinoCom Software Group	39.6	NM	NA
12/10/2014	Beijing HuaTech Information Technology	Beijing VRV Software	16.2	9.4x	NA
12/09/2014	Tripwire	Belden	710.0	NA	NA
12/09/2014	Chengdu Zhangwo Wuxian Technology	Guanghe Landscape Culture	58.2	NA	NA
12/09/2014	Mobile Commons	Upland Software	10.0	NA	NA
12/09/2014	Draftteam Fantasy Sports	Sabre Graphite	0.9	16.1x	NA
12/08/2014	Axel Springer Digital Classifieds	Axel Springer	3,656.1	NA	NA
12/08/2014	Gocompare.com	esure Group	297.0	1.7x	NA
12/08/2014	Investis	ECI Partners	78.2	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 – Q4 Selected Software & Internet M&A Transactions (Cont.)

Date	Target	Acquirer	Enterprise Value (\$USDmm)	Valuation Metrics	
				EV / LTM Revenues	EV / LTM EBITDA
12/08/2014	Proteus Software	Sanderson Group	3.0	1.0x	NA
12/06/2014	Shenzhen Bytter Tech	Shenzhen Qianhai Hourunde	22.6	2.2x	NA
12/05/2014	Actuate	Open Text	248.5	2.3x	NA
12/05/2014	MDS Technology	Hancom	104.1	1.2x	9.4x
12/04/2014	Axcess	Atea	53.0	0.5x	7.9x
12/04/2014	The AMARA Group	Wirecard	44.8	NA	NA
12/04/2014	Kirona Solutions	Living Bridge	NA	NA	NA
12/03/2014	Carbonite	j2 Global	333.1	2.8x	37.3x
12/02/2014	OpenJaw Technologies	GuestLogix Ireland	43.0	NA	NA
12/01/2014	IPC Systems	Centerbridge Partners	1,200.0	NA	NA
12/01/2014	Freightquote.com	C.H. Robinson	365.0	NA	NA
12/01/2014	DST Global Solutions	SS&C Technologies Holdings	95.0	1.4x	NA
11/30/2014	Chongqing Iron & Steel Group Electronics	Chongqing Iron & Steel	20.8	NA	NA
11/28/2014	Fujian Strongsoft	Fujian Star-net Communications	97.7	4.4x	NA
11/28/2014	Excitor	Soliton Systems	0.0	0.0x	NA
11/26/2014	Shanda Games	Zhongrong Shengda Holdings	2,750.2	4.1x	9.4x
11/25/2014	Gamania Digital Entertainment	Aeria	2.4	0.3x	NA
11/24/2014	Cimatron	3D Systems	76.4	1.6x	10.6x
11/24/2014	Owners Advantage	Altisource Portfolio Solutions	27.0	NA	NA
11/24/2014	N200 Holding	Global Experience Specialists	13.7	NA	NA
11/20/2014	AirClic	The Descartes Systems Group	29.7	NA	NA
11/19/2014	Smarterer	Pluralsight	75.0	NA	NA
11/19/2014	Servion Global Solutions	Solmark; Everttech	NA	NA	NA
11/18/2014	PayEase	Mozido	750.0	NA	NA
11/17/2014	isocket	The Rubicon Project	23.2	NA	NA
11/14/2014	Move	REA Group	963.2	4.0x	NM
11/14/2014	Integrated Financial Group	ADCM; Qannas Investments	40.8	NA	NA
11/14/2014	Hyperspring and 50% interest in IntelliQlik	GSE Power Systems	11.9	NA	NA
11/14/2014	MDS Technology	Hancom	105.3	1.2x	9.3x
11/13/2014	Yayoi	ORIX	692.1	5.0x	NA
11/13/2014	Appia	Digital Turbine	74.6	2.5x	NA
11/13/2014	Geldvoorelkaar.nl	TrustBuddy International	13.1	NA	NA
11/13/2014	Fixstars	Aval Data	177.2	7.0x	NM
11/12/2014	Big Fish Games	Churchill Downs	835.0	NA	14.6x
11/12/2014	WebCrew	Newton Financial Consulting	143.7	0.8x	8.0x
11/12/2014	Broner Metals Solutions	PSI Aktiengesellschaft für Produkte	15.0	NA	NA
11/11/2014	Xtime	Cox Automotive	325.0	NA	NA
11/11/2014	One2Car	iCarAsia	14.5	11.1x	NA
11/10/2014	Vizrt	Nordic Capital	318.3	2.3x	11.2x
11/10/2014	Rutube CJSC	Rostelecom	117.4	NA	NA
11/10/2014	VisionOne Worldwide	accesso Technology Group	33.4	4.4x	12.4x
11/08/2014	Effyis	Hottolink	21.8	3.1x	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 – Q4 Selected Software & Internet M&A Transactions (Cont.)

Date	Target	Acquirer	Enterprise Value (\$USDmm)	Valuation Metrics	
				EV / LTM Revenues	EV / LTM EBITDA
11/07/2014	Beijing Mission Communication	Beijing Shenzhou Green League IT	2.9	8.0x	NA
11/06/2014	Astrapia	King Digital Entertainment	17.0	NA	NA
11/06/2014	Brain Force Holding	Pierer Industrie	10.5	1.5x	NA
11/06/2014	Beacon Information Technology	Bsp	41.6	1.6x	NA
11/06/2014	E-Tale Marketing Solutions	ChannelAdvisor UK	NA	NA	NA
11/05/2014	Dealogic	The Carlyle Group	502.5	3.6x	9.6x
11/05/2014	ContactAtOnce	LivePerson	70.0	NA	NA
11/05/2014	Norman Safeground	AVG Technologies	14.0	NA	NA
11/05/2014	IT and HCS Business	Inabox Group	12.4	0.4x	NA
11/04/2014	World Energy Solutions	EnerNOC	77.2	2.0x	22.5x
11/04/2014	BuyDomains.com	Endurance International Group Holdings	44.9	NA	NA
11/04/2014	Arvix	Endurance International Group Holdings	22.0	NA	NA
11/04/2014	Kickserv	ReachLocal	10.8	NA	NA
11/04/2014	Aconite Technology	Proxama	6.4	2.3x	NA
11/03/2014	bswift	Aetna	400.0	NA	NA
11/03/2014	StyleHaul	RTL Group	150.1	NA	NA
11/03/2014	CoSine Holdings	SPH Interactive International	38.8	NA	NA
11/03/2014	GroupCast	West	13.5	NA	NA
11/03/2014	PingTone Communications	Fusion Telecommunications	10.1	1.3x	4.8x
10/31/2014	WISeKey	Garnero Group	NA	NA	NA
10/31/2014	WISeKey	Garnero Group	138.3	NM	NA
10/31/2014	XPIENT Solutions	Heartland Payment Systems	30.0	NA	NA
10/31/2014	DataMarket	Qlik Technologies	13.5	NA	NA
10/31/2014	Yooz	CDML	2.5	1.7x	NA
10/30/2014	Beijing Tianyuan MetarNet Technologies	Beijing Ultrapower Software	72.0	NA	NA
10/30/2014	Shenzhou Xiangsheng Software	Beijing Ultrapower Software	49.1	NA	NA
10/30/2014	KT Commerce	KTCS Corp.	20.0	0.0x	NA
10/30/2014	Documotive	Castleton Technology	6.4	1.5x	9.3x
10/29/2014	NetSila SAL	Dapur Masak	12.6	NM	NA
10/28/2014	Nimbuzz	New Call Telecom	250.0	NA	NA
10/28/2014	AspiviaUnison Proprietary	Adapt IT	18.4	NA	NA
10/28/2014	MobFox Mobile Advertising	Matomy Media Group	16.7	NA	NA
10/28/2014	Springworks	NetX Holdings	6.2	1.1x	NA
10/24/2014	Riverbed Technology, SteelStore Product Line	NetApp	80.0	NA	NA
10/24/2014	PSWinCom	Link Mobility Group	12.1	0.9x	7.4x
10/23/2014	Digital River	Siris Capital Group	645.8	1.7x	18.1x
10/23/2014	Wausau Financial Systems	Deluxe Corp.	90.0	NA	NA
10/23/2014	Nexgate	Proofpoint	35.0	NA	NA
10/23/2014	Next IT	Startia	1.2	0.2x	NA
10/22/2014	Gorkana Group	Cision	323.0	NA	NA
10/22/2014	Telerik	Progress Software	262.5	4.4x	NA
10/22/2014	Bundesdruckerei	Giesecke & Devrient	60.0	NA	NA
10/22/2014	Carview	Yahoo Japan	37.9	1.1x	4.2x
10/22/2014	Arte Mobile Technology	Isentric	15.9	NA	NA
10/21/2014	Perimeter Internetworking	BAE Systems	232.5	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 – Q4 Selected Software & Internet M&A Transactions (Cont.)

Date	Target	Acquirer	Enterprise Value (\$USDmm)	Valuation Metrics	
				EV / LTM Revenues	EV / LTM EBITDA
10/20/2014	RightSignature	Citrix Systems	36.0	NA	NA
10/20/2014	ShipWorks	Stamps.com	22.0	NA	NA
10/20/2014	QuantiSense	Epicor Software	15.9	NA	NA
10/16/2014	Kx Systems	First Derivatives	124.2	9.4x	NA
10/16/2014	DigiSmart	Newtree Group Holdings	NA	NA	NA
10/16/2014	GDC Technology	Huayi Brothers Media	128.2	1.2x	6.3x
10/16/2014	Shanghai Tangdi Technology	Hebei Huijin Electromechanical	39.2	10.0x	NA
10/15/2014	Guiyang Zhongdian Gaoxin Digital Technologies	Armarda Group	32.7	NA	NA
10/15/2014	I-Freek Mobile, Educational Application Business	Cookpad	0.8	6.2x	NA
10/14/2014	Allocate Software	HgCapital	145.3	2.3x	15.3x
10/14/2014	Square Foot	iProperty Group	11.0	NA	NA
10/13/2014	Matomy Media Group	Publicis Groupe	384.5	1.9x	26.9x
10/13/2014	Strategic Payments Services	Cuscal	32.7	NA	NA
10/13/2014	Txtlocal	IMImobile	21.1	1.9x	NA
10/13/2014	Big Automação EPP and BigFarma Sistemas	Linx Sistemas e Consultoria	16.2	2.9x	NA
10/13/2014	LTG Lakeside	SPS Commerce Australia	14.9	2.4x	NA
10/13/2014	Transactis	GB Group	9.6	1.0x	NA
10/10/2014	Mighty Eight Investments	China Mobile Games	134.3	7.4x	NA
10/10/2014	Lakshya Digital	Keywords Studios	4.0	1.0x	NA
10/10/2014	SmartEbook.com	R-1	16.0	4.2x	NA
10/09/2014	Exact Holding	Apax Partners	860.5	3.2x	16.2x
10/09/2014	BlueQuest	Media Kobo	1.2	1.5x	NA
10/08/2014	Tiny Piece	XPEC Entertainment	524.7	NA	NA
10/08/2014	Tongbu Technology	XPEC Entertainment	173.9	NA	NA
10/07/2014	Trovit Search	Next	101.0	4.6x	13.6x
10/07/2014	Evolv	Cornerstone OnDemand	44.5	NA	NA
10/07/2014	AOL, Sterling Facility	Infomart Data Centers	33.7	NA	NA
10/07/2014	Reimage	Crossrider	NA	NA	NA
10/06/2014	ELEQT	EFactor Group	28.8	NA	NA
10/06/2014	Qumu Cloud	Qumu	14.6	2.7x	NA
10/03/2014	Bluebeam Software	Nemetschek	100.0	4.5x	NA
10/03/2014	Xceed Technologies	Anite	35.0	3.0x	21.9x
10/02/2014	Internships	Chegg	11.0	NA	NA
10/01/2014	MobileSpaces	Pulse Secure	100.0	NA	NA
10/01/2014	UUU9.Com	Dalian Zhuohao Trading	192.2	NA	NA

Average ⁽¹⁾	3.13x	12.5x
Median ⁽¹⁾	2.27x	10.1x

Source: CapitalIQ.

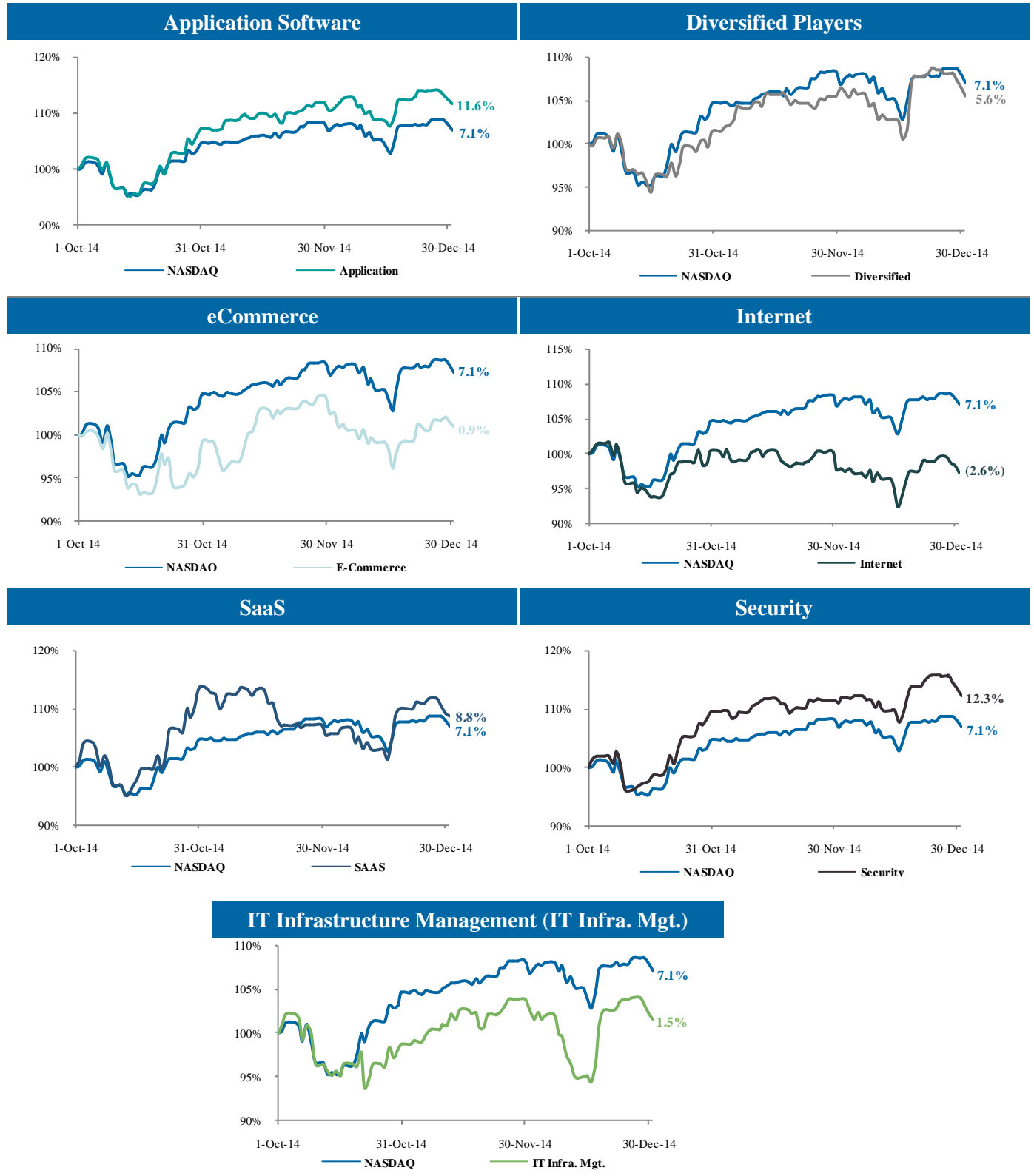
Note: EV = Enterprise Value (Equity Value + Debt + Minority Interest – Cash and Cash Equivalents).

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

Note: (1) 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

eCommerce	
Company Name	Ticker
Amazon.com	AMZN
eBay	EBAY
priceline.com	PCLN
Rakuten	4755
TripAdvisor	TRIP
Expedia	EXPE
Groupon	GRPN
Mercadolibre	MELI
Shutterstock	SSTK
Coupons.com	COUP
RetailMeNot	SALE
Vistaprint	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
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	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 / InterActive	IACI
Yelp	YELP
AOL	AOL
Zillow	Z
51job	JOBS
Renren	RENN
Trulia	TRLA
Angie's List	ANGI

Security	
Company Name	Ticker
Symantec	SYMC
Check Point Software	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
SolarWinds	SWI
Riverbed Technology	RVBD
CommVault Systems	CVLT
NetScout Systems	NTCT
Infoblox	BLOX
Gigamon	GIMO
PROS Holdings	PRO



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