Presentation to:

TechPoint

CEO Roundtable Discussion Regarding M&A Exits

March 12, 2013

NAVIDAR

Disclaimer

This Presentation (the "Presentation") has been prepared solely for informational purposes and may not be used or relied upon for any purpose other than as specifically contemplated by a written agreement with us.

This Presentation is not intended to provide the sole basis for evaluating, and should not be considered a recommendation with respect to, any transaction or other matter. This Presentation does not constitute an offer, or the solicitation of an offer, to buy or sell any securities or other financial product, to participate in any transaction or to provide any investment banking or other services, and should not be deemed to be a commitment or undertaking of any kind on the part of Navidar Group LLC ("Navidar") or any of its affiliates to underwrite, place or purchase any securities or to provide any debt or equity financing or to participate in any transaction, or a recommendation to buy or sell any securities, to make any investment or to participate in any transaction or trading strategy. This Presentation remains subject to our review and assessment from a legal, compliance, accounting policy and risk perspective, as appropriate, following our discussion with the Company.

Although the information contained in this Presentation has been obtained or compiled from sources deemed reliable, neither Navidar nor any of its affiliates make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein and nothing contained herein is, or shall be relied upon as, a promise or representation whether as to the past, present or future performance. The information set forth herein may include estimates and/or involve significant elements of subjective judgment and analysis. No representations are made as to the accuracy of such estimates or that all assumptions relating to such estimates have been considered or stated or that such estimates will be realized. The information contained herein does not purport to contain all of the information that may be required to evaluate a participation in any transaction and any recipient hereof should conduct its own independent analysis of the data referred to herein. We assume no obligation to update or otherwise revise these materials.

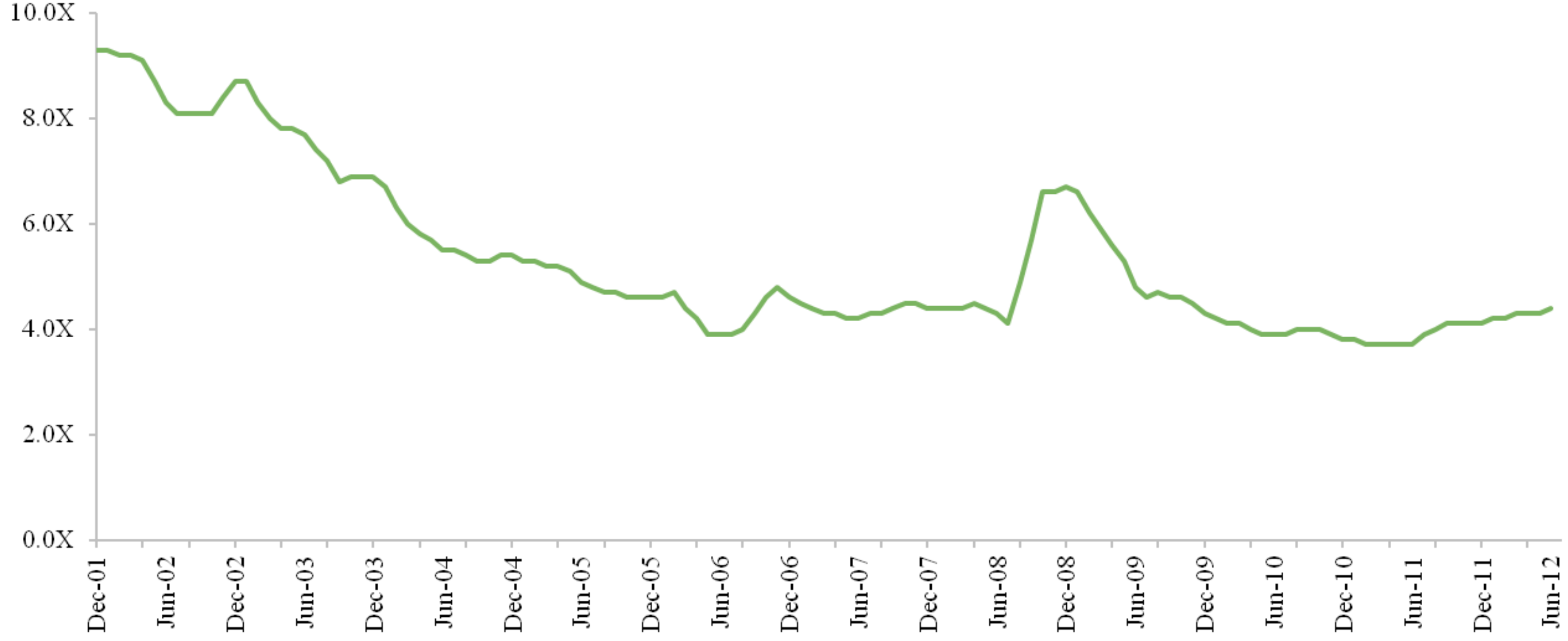
Navidar and its affiliates do not provide legal, tax or accounting advice. Prior to making any investment or participating in any transaction, you should consult, to the extent necessary, your own independent legal, tax, accounting and other professional advisors to ensure that any transaction or investment is suitable for you in the light of your financial capacity and objectives.

This Presentation has not been prepared with a view toward public disclosure under applicable securities laws or otherwise, is intended solely for the benefit and use of the Company, is strictly confidential and may not be reproduced, disseminated, quoted or referred to, in whole or in part, without our prior written consent other than to your advisors and professionals who will be assisting you in evaluating these materials.

I Acquirer's Perspective

Strong Balance Sheets Provide Necessary Headroom to Fund Acquisitions

Balance Sheets Remain Healthy: Leverage, as Measured by Net Debt/EBITDA, is Still Below Pre-Crisis Levels



Source: FactSet.

NAVIDAR

Despite Corporate Cash Balances Having Soared Nearly 60% Since the End of 2007, Strategic Acquirers Have Been Disciplined

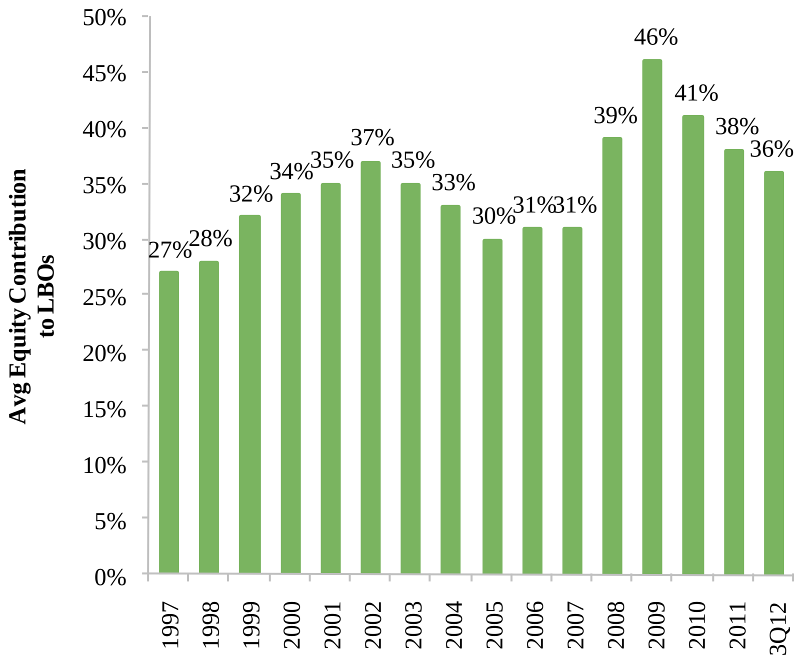
Exit Multiple Matrix – Enterprise Value/LTM EBITDA Exit Multiple		
	2012	2011
Consumer Products and Services	9.8x	11.4x
Consumer Staples	12.0x	11.5x
Energy and Power	11.4x	11.1x
Healthcare	14.3x	12.9x
High Technology	11.9x	13.1x
Industrials	10.5x	11.7x
Materials	10.3x	11.9x
Media and Entertainment	10.8x	11.7x
Real Estate	18.3x	18.8x
Retail	11.1x	11.2x
Telecommunications	9.6x	10.9x
Average All Industries	**11.6x**	**12.2x**

The figures in **red** indicate a decline, while **green** indicates an increase, compared to the figures from the same time period last year listed in black.
Additionally, for rank value/EBITDA the data is capped at 50x.
Source: Thomson Reuters.

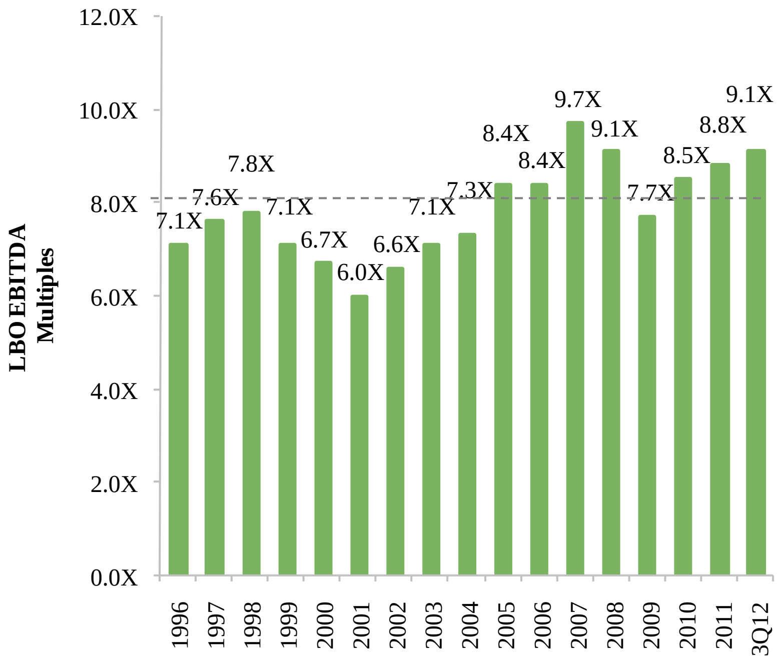
NAVIDAR

Sponsors Have Been Able to Finance Deals With More Debt, Even As the Purchase Multiples Have Moved Higher

Equity Contributions for LBOs Have Drifted Lower…



… and Purchase Price Multiples Have Moved Higher



Source: S&P Capital IQ, Goldman Sachs Research.

II Achieving an Outlier Valuation

Strategy for Creating the Outlier Bid

- **Create Compelling Positioning Story That Clearly Differentiates The Company**

- **“Frame the Debate” – Take Steps To Ensure That The Company Is Evaluated By Acquirers In The Most Advantageous Way**

- **Present Financial Projections That Will Withstand Diligence Scrutiny**

- **Create Valuation Framework That Is Both Analytically And Story Driven, Customized For Each Buyer**

- **Prepare The Company For Diligence And Address Deal Issues Well In Advance**

- **Canvas Broad Set Of Potential Acquirers, But Create The Sense Of A Narrow And Targeted Auction**

Many Factors Influence the Valuation Range

Market Opportunity

- Size and growth of addressable market
- Addressing a customer pain-point
- Competitive landscape/market position
- Barriers to entry

Technology & Operations

- In-house or hosted?
- Reliability/platform management
- Applicability to different industries
- Strength of intellectual property
- Product roadmap

The Business

- Scale and scope
- Market perception
- ROI/Value proposition
- Key customer wins and losses
- Nature of revenue (recurring vs. non-recurring)
- Growth profile
- B2B, B2C or B2B2C?
- Profitability/EBITDA margins
- Geographic profile
- Free cash flow
- Capital intensiveness
- Customer/industry/supplier concentration/diversification

Customer Base

- Enterprise/Mid-market/SMB
- Pipeline of new customer opportunities
- Growth within existing customer base
- Key decision makers at customers
- Length of customer relationships

Management

- Prior success
- Depth
- Execution strength

Synergies

- Cross-sell, up-sell opportunity
- Ability to leverage acquirers sales team
- Enhanced geographic reach
- Economies of scale

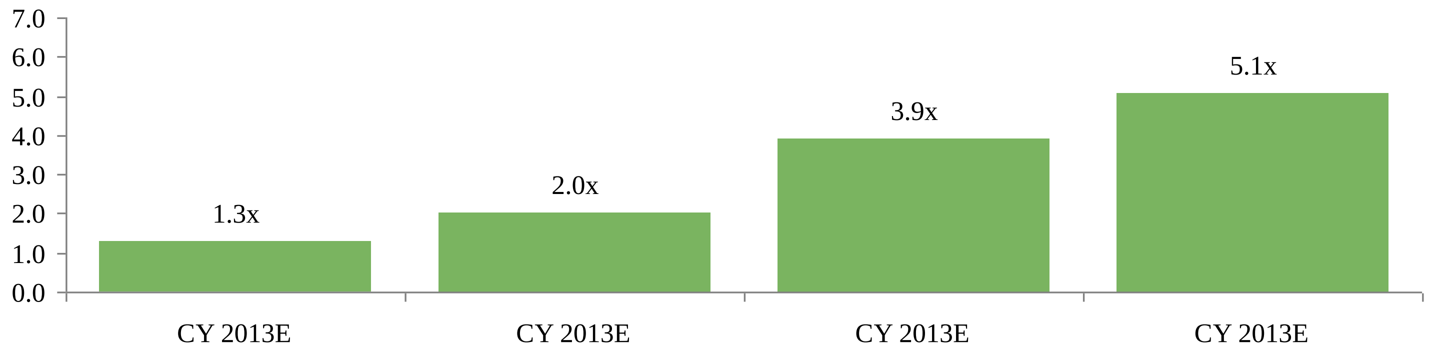
Steps Companies Can Take to Position Themselves for an Outlier Valuation Prior to the Process

- Establish Relationships with Logical Acquirers Early (Customer Relationships, Partnerships, etc.)
- Stage M&A Process; Some of the Most Logical Buyers May be Cross-Border, Which Often Take Longer to Evaluate M&A Opportunities
- Availability of Monthly Financial Reporting Packages
- Get an Audit!
- Track Key Operating Metrics That Will Be Important to Acquirers and Investors in Your Industry
- Demonstrate Ability to Grow Within Your Existing Customer Base
- Product Roadmap and Growth Plan Must be Supportable
- Large and Growing Pipeline and Ability to Convert Pipeline Historically
- Highlight Sales Metrics and Ability to Ramp Sales force
- Acquirers Like Clean Capital and Legal Structures!
- Identify Potential Issues Early

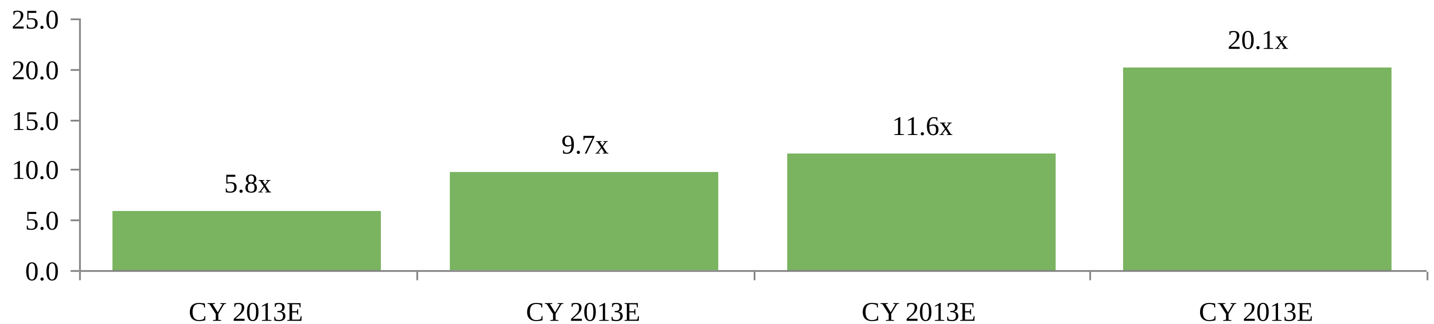
Positioning is Critical to Receiving a Premium Valuation…

	HARDWARE	SERVICES	SOFTWARE	SaaS

ENTERPRISE VALUE/ REVENUE



ENTERPRISE VALUE/ EBITDA



Source: CapitalIQ, and Market data as of March 06, 2013.

…Highlighting Certain Elements of a Story Can Reinforce a Premium Valuation

HOT SECTORS	REPRESENTATIVE HIGH VALUE TRANSACTIONS		
	Buyer/Target	**Value**	**EV/Revenue**
SOCIAL MEDIA	• Salesforce.Com/Buddy Media	$689M	12x
	• Oracle/Vitrue	$389M	5x
	• Microsoft/Yammer	50.0x	50x
	• Facebook/Instagram	$1B	NM
MOBILE	• Apple/Quattro Wireless	$275M	13x
	• Google/AdMob	$750M	15x
	• IBM/Worklight	$70M	11x
	• Opera Software/AdMarvel	$20M	7x
MARKETING INTELLIGENCE	• Teradata/Aprimo	$525M	7x
	• Oracle/Eloqua	$811M	10x
	• IBM/Demandtec	$480M	6x
ONLINE PAYMENTS (BILLPAY & E-COMMERCE)	• MasterCard/Datacash	$520M	8x
	• Visa/CYBS	$2B	7x
	• Jack Henry/iPay	$300M	7x
	• Intuit/Mint	$170M	6x

Source: CapitalIQ, Web Articles.

III Review of Valuation Methodologies

Framework of M&A Valuation

Each of the Below Methodologies Provides Insight Into the Valuation of a Business.

	Methodology	Brief Description
1	Comparison to Publicly Traded Companies	■ Review forward trading multiple of revenue, EBITDA, and P/E of publicity-traded companies with similar product and service offerings, giving the company credit for its probable case financial projections
2	Comparison to Related M&A Transactions	■ Review transaction multiples of revenue and EBITDA for companies with similar product and service offerings
3	Discounted Cash Flow Analysis – Terminal Value Method	■ Analyze the net present value of future cash flows using the company's probable case financial projections
4	Leveraged Buy Out and VC Investment Analysis	■ Leverage Buy Out analysis estimates the current value of a company to a financial sponsor based on the financial projections of the company and the required return on investment of the financial sponsor
5	Synergy Analysis	■ Creating synergy framework that quantifies potential synergy opportunity, with defendable support for assumptions

At the End of the Day, A Business is Worth What Someone is Willing to Pay For It

Developing a Defendable Synergy Framework is Critical to Value Creation

- **Identify Potential Synergies**
  - Potential Cross-Sell and Up-Sell Opportunities
  - Ability to Jointly Enter New Markets (Verticals, Products and Geographies)
  - Accelerate Product Introduction Cycle
  - Accelerate Revenue By Leveraging Acquirer's Sales Force
  - Margin Enhancement from Economies of Scale and Utilizing Acquirers Infrastructure and Resources
  - Tax Reduction Synergies
  - Asset Reduction Synergies
- **Quantify the Potential Synergies and Receive Acquirer Buy-In**
  - Create a Set of Supportable Assumptions (penetration rates, acquirer sales targets, margin on new revenue created, etc.)
  - Have Acquirer Sign-off on Assumptions
- **Translate Synergies to Value**
- **Negotiate for a % of Value to be Assigned to Overall Deal Value**

Other Valuation Approaches Based on Industry Metrics

In "Hot" Sectors of Technology, Valuation May be Based on Industry-Specific Metrics

- **Customer Lifetime Value**
- **Unique Visitors/Page Views**
- **Subscribers**
- **CPM**
- **Renewal Rate**
- **Revenue Multiple Based on Recurring Revenue**
- **Revenue of a Fully Penetrated Existing Customer Base**
- **Bookings**

Typical Business Valuations Conducted are Not Relevant in an M&A or Investment Context

- **Business Valuations Typically Utilize Three Approaches:**
  - **Asset-Based Approaches** – Book value, adjusted book value, option valuation, and liquidation value methods
  - **Market-Based Approaches** – Guideline public company method and comparable company transaction methods
  - **Income-Based Approaches** – Capitalization of dividends, capitalization of earnings, excess earnings, and discounted earnings methods

NAVIDAR

Pros and Cons of Valuation Approaches – Comparable Company and Comparable Transaction Analysis

Comparable Company Analysis	Comparable Transaction Analysis
Advantages	
■ Similar companies should sell for similar prices ■ Can be used when other approaches like DCF are difficult to apply due to negative and/or speculative cash flows ■ Based on expectations of revenue, EBITDA and net income growth ■ Relatively easier given greater data transparency	■ Best approach when valuing business in rapidly consolidating sector of an industry ■ Based on publicly available information ■ May show bidding trends ■ Reflects control premium and synergies
Disadvantages	
■ Difficult to find companies that are truly comparable ■ Builds in errors (overvaluation or undervaluation) that the market might be making in valuing similar businesses ■ Each company has unique growth and risk profiles ■ A public company's scale often results in a premium valuation in the public markets	■ Public data on transactions can be limited ■ You will rarely find a "pure-play" direct comparable ■ Acquirers motivations are unknown (level of synergy, competitive dynamic of the process, ability to solve pain-points, etc.) ■ Market conditions in the past could have influenced acquisitions ■ Scale of company can influence valuation

Pros and Cons of Valuation Approaches – Discounted Cash Flow and LBO Analysis

Discounted Cash Flow Analysis	LBO Analysis

Advantages

Discounted Cash Flow Analysis

- Best way to estimate intrinsic value
- Relies on free cash flow
- Can be used to derive value, or check value (back into assumptions)
- Analysis is always sensitized (WACC range, exit multiple range, sensitized projections, etc.)

LBO Analysis

- Understand valuation from a PE or VC firm's point of view
- Can be used as a "floor" valuation
- Takes into account the expected ROI of the transaction

Disadvantages

Discounted Cash Flow Analysis

- Only good as the inputs (garbage in, garbage out)
- Best fit for situations with predictable cash flows
- Valuation particularly sensitive to assumptions (projections, WACC, exit multiple or perpetual growth rate)
- Valuation ranges can be wide for high-growth businesses

LBO Analysis

- Only looks at the valuation from a financial buyers point of view only (i.e. no synergies, economies of scale, etc..)
- Target IRR can vary greatly amongst different PE and VC firms
- PE and VC firms sensitize the Company's base case assumptions - difficult to estimate those sensitivities
- Many growth companies cannot obtain significant leverage
- Exit multiple is a key assumption

NAVIDAR