



Tech M&A Monthly

Sellers Panel



TECH M&A MONTHLY

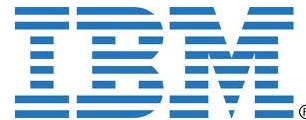
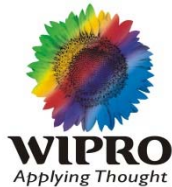
....starts in 2 minutes



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Past Attendees Include:



CORUM

Past Conferences & Reports

- Private Equity Panel
- 10 Key Terms in an M&A Contract
- Google Acquisition Strategy
- Deal Structures Today
- Disruptive Tech Trend Reports: IoT Software, Majority Mobilization, Sports & Gaming, etc.
- Special Reports: Patents, New Buyers, M&A Process, Increasing Deal Value...



TECH M&A MONTHLY

....starts in 1 minute

Merge Briefing

- 90 Minutes
- Industry Update
- Overview of the M&A Process
- Upcoming events in:
 - Detroit
 - Oslo
 - Pittsburgh
 - Stockholm
 - Philadelphia
 - Helsinki
 - Houston
 - Dallas



MERGE BRIEFING

Selling Up, Selling Out

- Half-Day
- Tech M&A Bootcamp
- The most attended tech executive conference in history
- Upcoming events in:
 - Montreal
 - Ottawa
 - Toronto
 - Columbus
 - Kansas City



8 Stages for an Optimal Outcome

1



Typical Negotiation Flow





AVOIDING THE
DEAL DISASTERS

Upcoming Conference Schedule

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Mar. 15: **Detroit** – MB

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Mar. 29: **Houston** – MB

Apr. 19: **Columbus** – SUSO

www.CorumGroup.com/Events

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Logistics

- Ask questions any time
 - Use Q&A tab on bottom of screen
 - Click “Refresh Now” to view responses
- This event is being recorded
 - European broadcast March 11, 1 PM Berlin Time
 - On demand webcast will be available at www.corumgroup.com

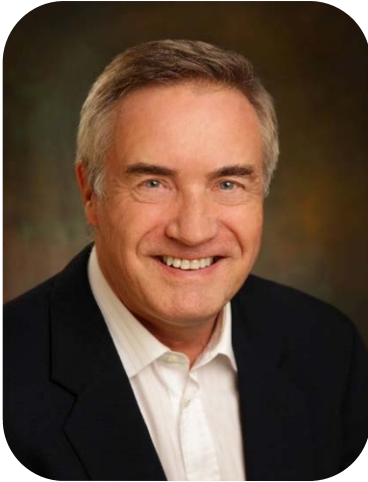


Tech M&A Monthly

Sellers Panel

10 March 2016

Welcome



Bruce Milne
CEO
Corum Group Ltd.

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

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

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

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

Agenda

- Welcome
- Special Reports: RSA and HIMSS
- February 2016 Research Report
- Sellers Panel
 - William Harris [OrthoView]
 - Moe Arnaiz [eMOBUS]
 - James Schmalz [Digital Extremes]
- Upcoming Events: Corum & WFS
- Q&A

Special Report: HIMSS



Dave Levine
Vice President
Corum Group Ltd.



HIMSS 16

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

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

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

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Special Report: RSA



Nat Burgess
President
Corum Group Ltd.



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

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

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

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Corum Research Report



Elon Gasper
Vice President,
Director of Research

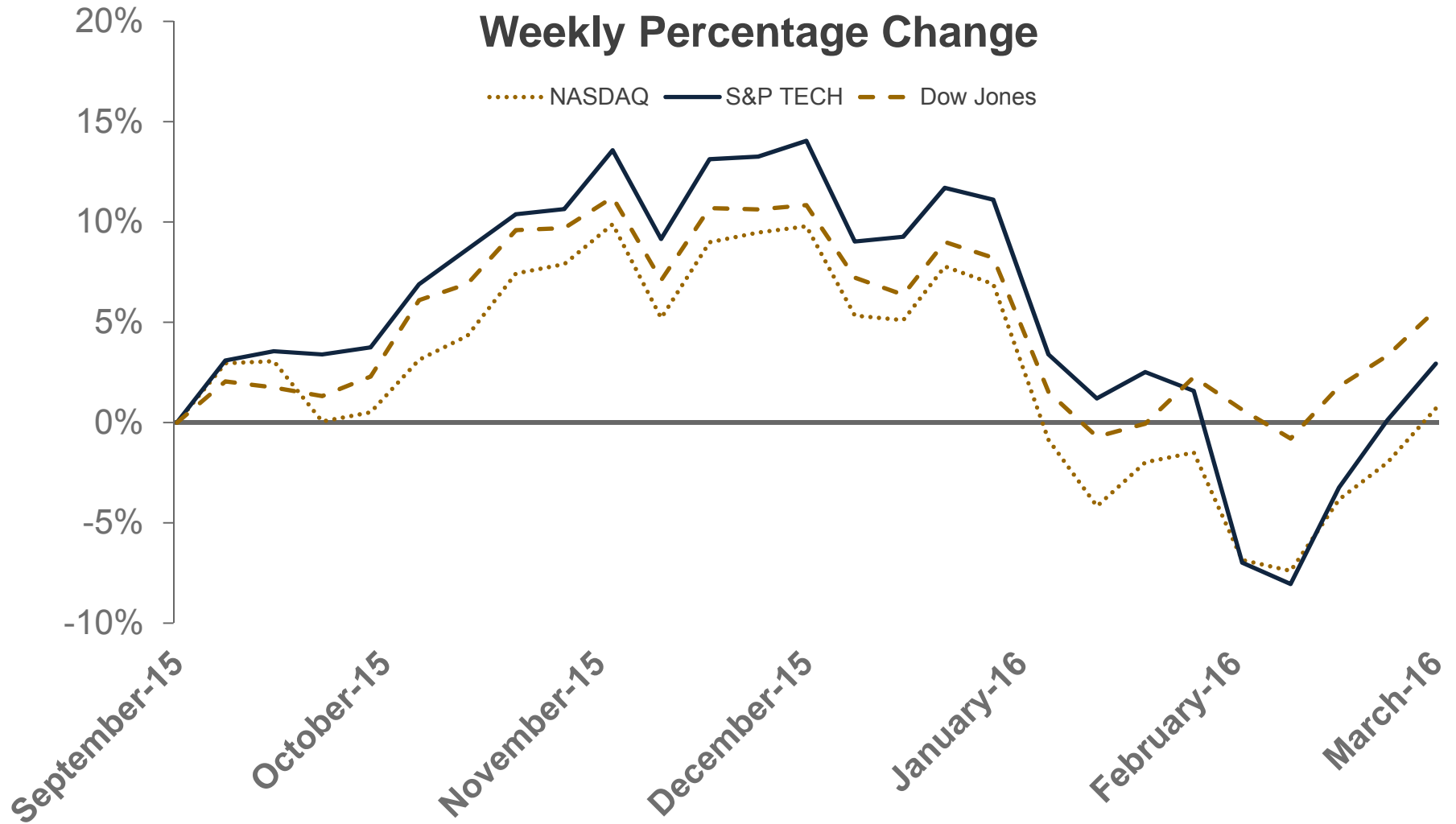


Amber Stoner
Senior Analyst

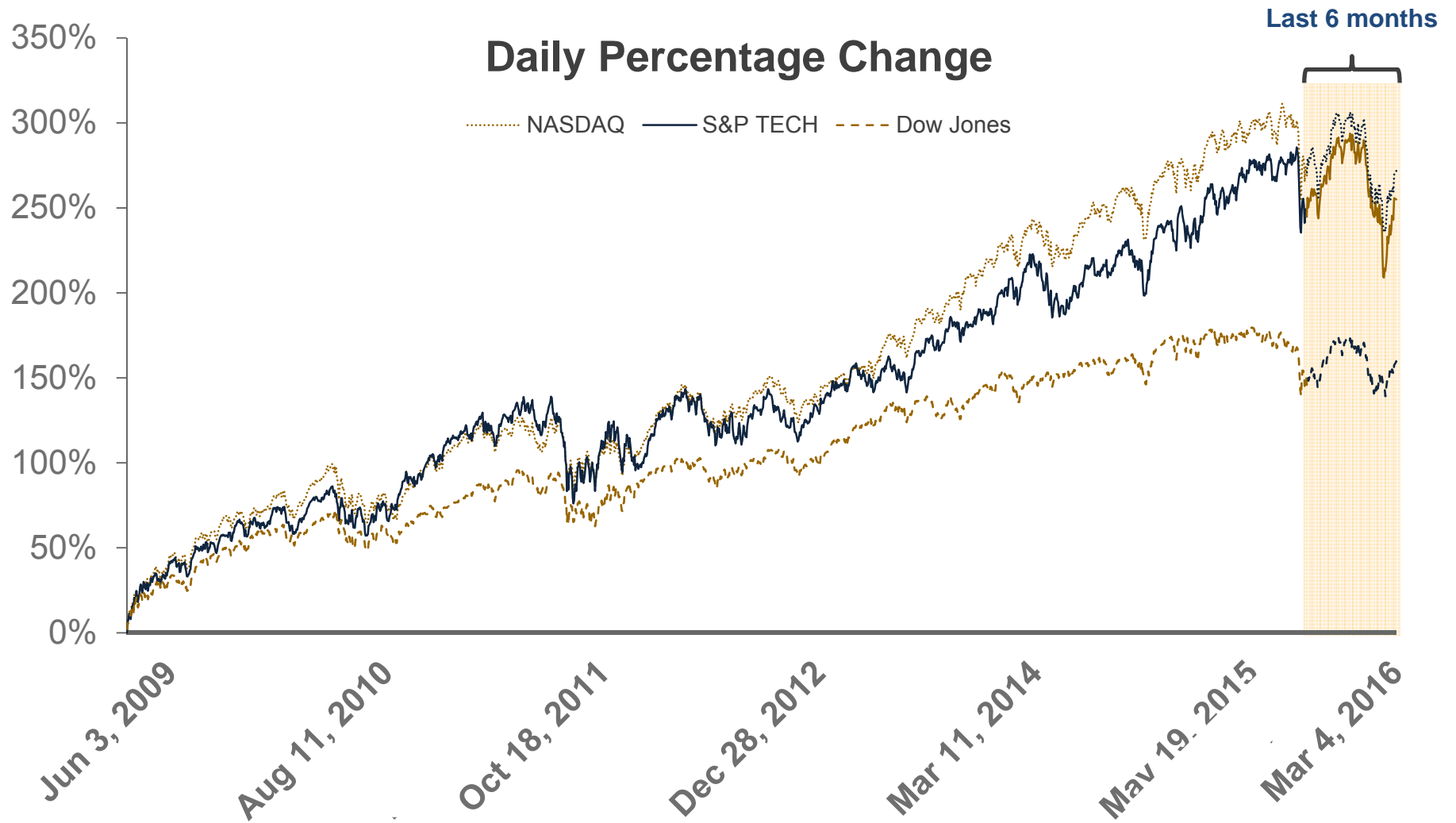
Public Markets

Weekly Percentage Change

..... NASDAQ — S&P TECH - - - Dow Jones



The Bull Market, 2009-Present



Corum Index

Market

Transactions

Feb 2015

331

Feb 2016

313

5%

Mega Deals

4

5

25%

Largest Deal

\$5B

\$7B

40%

Pipeline

Private Equity Deals

Feb 2015

15

Feb 2016

10

33%

VC Backed Exits

62

49

21%

Attributes

Cross Border Transactions

Feb 2015

34%

Feb 2016

33%

1%

Start-Up Acquisitions

11%

11%

Average Life of Target

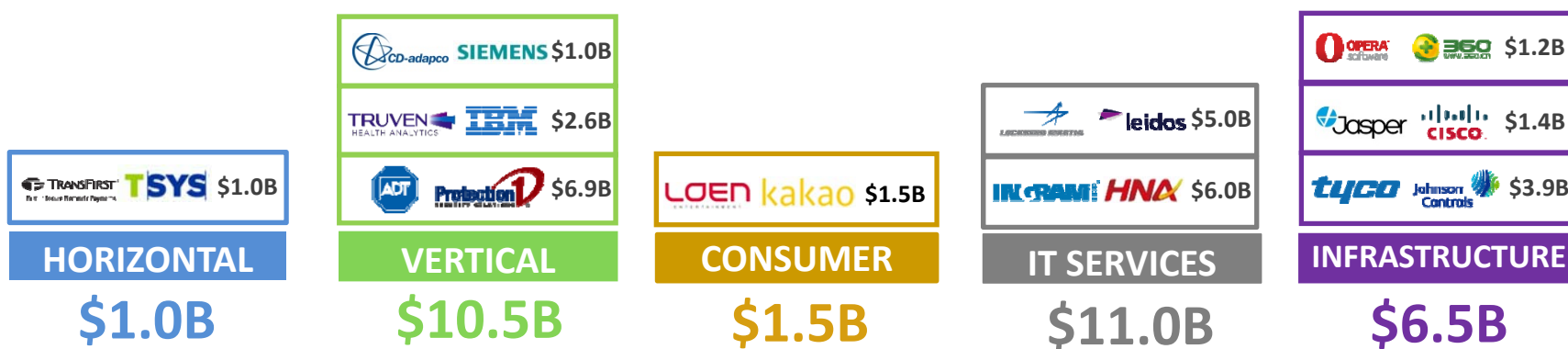
14 yrs

15 yrs

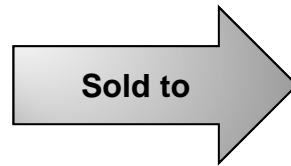
7%

CORUM

Mega Deals - 2016 YTD



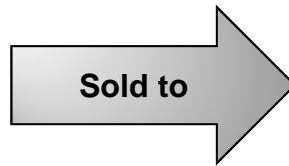
Infrastructure Mega Deals



Target: Opera Software [Norway]
Acquirer: Qihoo 360 [China]
Transaction Value: \$1.2B (2x Revenue, 14x EBITDA)



Infrastructure Mega Deals



Target: Jasper Technologies [USA]
 Acquirer: Cisco [USA]
 Transaction Value: \$1.4B





Infrastructure Software Market

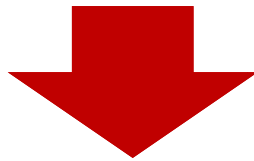
Public Valuation Multiples

Since Q4

Feb. 2016

Corum Analysis

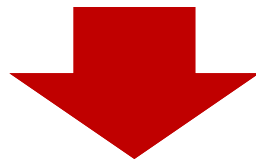
EV
Sales



3.4x

*Significant pullback
from 2015 peaks...*

EV
EBITDA



12.5x

*...with less dramatic
effects on EBITDA-based
valuations*



Infrastructure Software Market

Deal Spotlight: Security

Since Q4

Feb. 2016

Corum Analysis

EV



Sold to



Target: IID [USA]

Acquirer: Infoblox Inc. [USA]

Transaction Value: \$45M

- Enterprise threat intelligence data aggregation and collaboration SaaS for businesses
- Acquisition should help Infoblox build next-generation DNS Firewall

EV

E

CORUM



Infrastructure Software Market

Deal Spotlight: Security

Since Q4

Feb. 2016

Corum Analysis

 iSIGHTPARTNERS

Sold to

 FireEye

Target: iSIGHT Partners [USA]

Acquirer: FireEye Inc. [USA]

Transaction Value: \$200M (5x Revenue)

- Threat intelligence, detection and management SaaS

EV

S

 INVOTAS

Sold to

 FireEye

Target: Invotas International Corporation [USA]

Acquirer: FireEye Inc. [USA]

Transaction Value: \$20M

- Threat response automation and unified threat management platform

EV

EE

tic
-based

CORUM



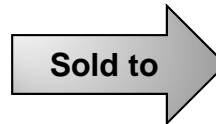
Infrastructure Software Market

Deal Spotlight: Security

Since Q4

Feb. 2016

Corum Analysis



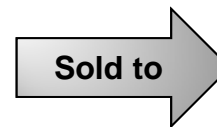
Target: IRIS Analytics GmbH [Germany]

Acquirer: IBM Corporation [USA]

- Real-time fraud analytics engine
- Good match as Big Blue tries to focus on cloud, big data, security and analytics

EV

S



Target: Resilient Systems Inc. USA]

Acquirer: IBM Corporation [USA]

- Incident response management SaaS
- Fits into IBM's X-Force Incident Response Services

EV

EB



Infrastructure Software Market

Deal Spotlight: Network Management

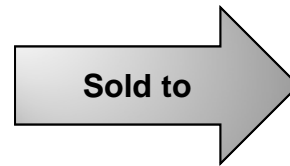
Since Q4

Feb. 2016

Corum Analysis

EV
S

CliQr



CISCO

Target: CliQr Technologies [Germany]

Acquirer: Cisco Systems Inc. [USA]

Transaction Value: \$260M

EV
EB

- Hybrid cloud application management software



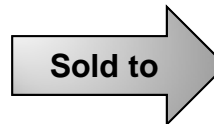
Infrastructure Software Market

Deal Spotlight: Virtualization

Since Q4

Feb. 2016

Corum Analysis



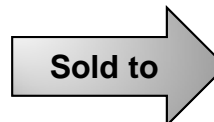
ORACLE

Target: Ravello Systems [Israel]
Acquirer: Oracle Corporation [USA]
Transaction Value: \$500M

- Runs enterprise workloads in public cloud environments

EV

S



Target: NICE Software [Italy]
Acquirer: Amazon Web Services Inc. [USA]

- Scheduling and monitoring high-performance computing (HPC) workloads

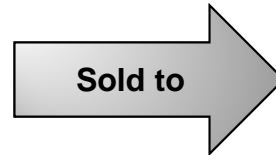
EV

EB



Infrastructure Software Market

Deal Spotlight: Virtualization



**Hewlett Packard
Enterprise**

Target: Trilead AG [Switzerland]

Acquirer: Hewlett Packard Enterprise Development LP [USA]

- Data protection software for VMware vSphere and ESXi and Microsoft Hyper-V virtualized environments



Consumer Software Market

Public Valuation Multiples

Since Q4

Feb. 2016

Corum Analysis



2.5x

Value-to-sales ratio remains relatively stable...



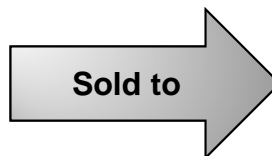
17.9x

...as value of profitable business models spikes



Consumer Software Market

Deal Spotlight: Gaming



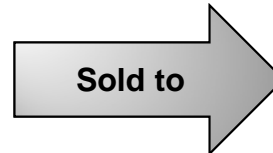
Target: Fiesta Online [Korea]
Acquirer: gamigo AG [Germany]

- Fantasy MMO
- Gamigo now owns all language versions and exclusive global rights of use



Consumer Software Market

Deal Spotlight: Sports gaming



Target: World Golf Tour [USA]

Acquirer: Topgolf [USA]

- TopGolf is adding two new divisions and reorganizing its corporate structure with a holding company to support growth
- Creates largest digital golf audience



Consumer Software Market

Deal Spotlight: e-Sports



Major League Gaming

Target: Major League Gaming [USA]
Acquirer: Activision Blizzard [USA]
Transaction Value: \$46M

Sold to



Target: Multiplay [UK]
Acquirer: Game Digital [UK]

Sold to



Target: Social Electronica Sports [Spain]
Acquirer: Game Digital [UK]

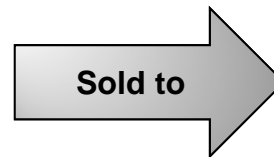
Sold to





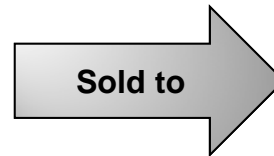
Consumer Software Market

Deal Spotlight: Video editing



Target: Stupeflix [France]
Acquirer: GoPro [USA]

- Video editing mobile application that combines video clips and photos into a single video



Target: Vemory [USA]
Acquirer: GoPro [USA]

- Video editing and sharing mobile application



Consumer Software Market

Deal Spotlight: Sports gaming

 runkeeper

Sold to



Target: RunKeeper [USA]

Acquirer: ASICS [Japan]

Transaction Value: \$85M

- GPS-based fitness tracking app and online runners' community
- Part of billion dollar wave of consolidation in the space by mostly non-tech buyers



Horizontal Application Software Market

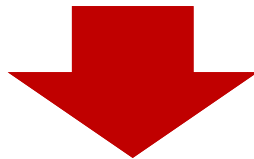
Public Valuation Multiples

Since Q4

Feb. 2016

Corum Analysis

EV
Sales



3.3x

Continued its orderly retreat to August levels...

EV
EBITDA



17.0x

...though profitable models remain entrenched near market highs



Horizontal Application Software Market

Deal Spotlight: AdTech

TAPAD

Sold to



Target: Tapad [USA]

Acquirer: Telenor [Norway]

Transaction Value: \$360M (6.3x revenue)

- Cross-screen targeted advertising software
- Continues trend of telecoms acquiring Adtech



Horizontal Application Software Market

Deal Spotlight



Target: Diligent Corp. [New Zealand]

Acquirer: Insight Venture Partners [USA]

Transaction Value: \$624M (6.6x revenue, 36.4x EBITDA)

- Confidential document collaboration SaaS for boards, committees, etc.
- Comes after wave of consolidation in related markets



Horizontal Application Software Market

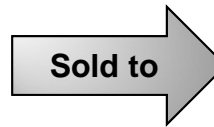
Deal Spotlight

Since Q4

Feb. 2016

Corum Analysis

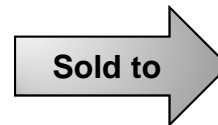
cma | contiki
enterprise contract management



Target: CMA Contiki [Norway]
Acquirer: Exari Group Inc. [USA]

- Enterprise contract lifecycle management software

Contractually™



Target: Contractually [Canada]
Acquirer: Coupa Software Inc. [USA]

- Contract creation & management SaaS



Horizontal Application Software Market

Deal Spotlight: HR



Sold to



Target: Summit Software [USA]
Acquirer: PrismHR [USA]



Sold to



Target: Empower Software Solutions Inc. [USA]
Acquirer: Kronos [USA]



Sold to



Target: CoreHR [Ireland]
Acquirer: JMI Equity [USA]

Deal Spotlight: Connected Car



Sold to



Target: INRIX [USA]

Acquirer: OpenCar [USA]

- Connected Car application platform and developer ecosystem company, founded in 2011
- Open dev environment with automaker-approved profiles, templates, simulators, and secure access to automotive telematics

WFS Spotlight: Connected Cars



Eric Bantégne
President & CEO
Esterel Technologies



Bryan Trussel
Co-Founder & CEO
Glympse



Steve Banfield
CMO
INRIX



Gabriel Nave
Dir. Of Business Dev.
CalAmp

Corum Research Report



Elon Gasper
Vice President,
Director of Research



Amber Stoner
Senior Analyst

5 Major Benefits of a Professional Process

1

Model

The preparation process will help forge a better business model for your firm

2

Research

Your

3

**Market
Feedback**

Buyer

4

**Relation-
ships**

Not everyone

5

Exit

The merger, asset sale, or financial recap of your company

Any of these benefits will justify the time and expense of a global partner search.

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Not everyone is a buyer, but you open many doors which will yield business

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Dealmakers



Jon Scott
Senior Vice President
Corum Group



Rob Schram
Senior Vice President
Corum Group



Jim Perkins
Senior Vice President
Corum Group



Sellers Panel



William Harris
Chairman
OrthoView



Moe Arnaiz
Founder & CEO
eMOBUS



James Schmalz
Founder & CEO
Digital Extremes



Sellers Panel



William Harris
Chairman
OrthoView



William Harris is a Director of Avonglen Limited, a firm of Chartered Accountants which specialises in the provision of Finance Director and Non-Executive Director level support to its clients as well as offering full Finance Function outsourcing. William is currently Chairman, Non-Executive Director or Chief Finance Officer (CFO) of several companies and was Chairman of Orthoview Holdings Limited prior to its sale to Materialise NV in October 2014.

William was Chief Executive of Gullane Entertainment plc until 2002. He helped grow the business from a six-person, £400k turnover business into a London Stock Exchange listed company with a turnover in excess of £50m, 150 employees and offices in the UK, US, Canada and Japan.

William qualified as a Chartered Accountant with Price Waterhouse in 1981. He has a strong international background, having spent a significant proportion of his business life working in North America.

CORUM

Sellers Panel



Moe Arnaiz
Founder & CEO
eMOBUS



Moe Arnaiz is SVP of Mobility at Asentinel, a Marlin Equity Partners company. Moe came to Asentinel through its acquisition of eMOBUS in 2015 where he was the founding CEO and visionary behind the company's industry disruptive MMS (Managed Mobility Services) platform. Moe led eMOBUS' growth from its first customer to eventually serving over 500 innovative companies like Netflix, Silicon Valley Bank and NetSuite.

He was named to San Diego Metropolitan Magazine's "40 under 40" and has spoken about enterprise mobility at such events as Mobile Computing Summit, Channel Partners and M6 Mobility xChange. Moe has a B.A. from San Diego State University.

Sellers Panel



James Schmalz
Founder & CEO
Digital Extremes



James Schmalz founded Digital Extremes, Ltd. in 1993 and served as its Chief Executive Officer. Ten years and more than 11 million units later, Epic Games' Unreal franchise, including the award-winning PC series Unreal and Unreal Tournament as well as Xbox® hit Unreal Championship, has helped set the standard in the first person shooter genre and Digital Extremes has become one of the foremost independent game development studios in the industry.

At the age of 12, he developed his first game, which was an Ultima clone called Sorcery that he created on an Apple IIe computer. He received a degree in mechanical engineering from the University of Waterloo, but rather than venture down the traditional engineering path he made a name for himself creating shareware blockbusters like Epic Pinball.

CORUM

Sellers Panel



William Harris
Chairman
OrthoView



Moe Arnaiz
Founder & CEO
eMOBUS



James Schmalz
Founder & CEO
Digital Extremes



Q&A

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

Upcoming Conference Schedule

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www.CorumGroup.com/Events

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Upcoming WFS Events



Growth & Exit Strategies
Vancouver, BC
March 17



Security Spotlight
March 23



Growth & Exit Strategies
Austin, TX
March 31



Health Tech Spotlight
April 26



Growth & Exit Strategies
Silicon Valley
April 7



IP Spotlight (Rebroadcast)
May 3



Media Technology Spotlight
May 26

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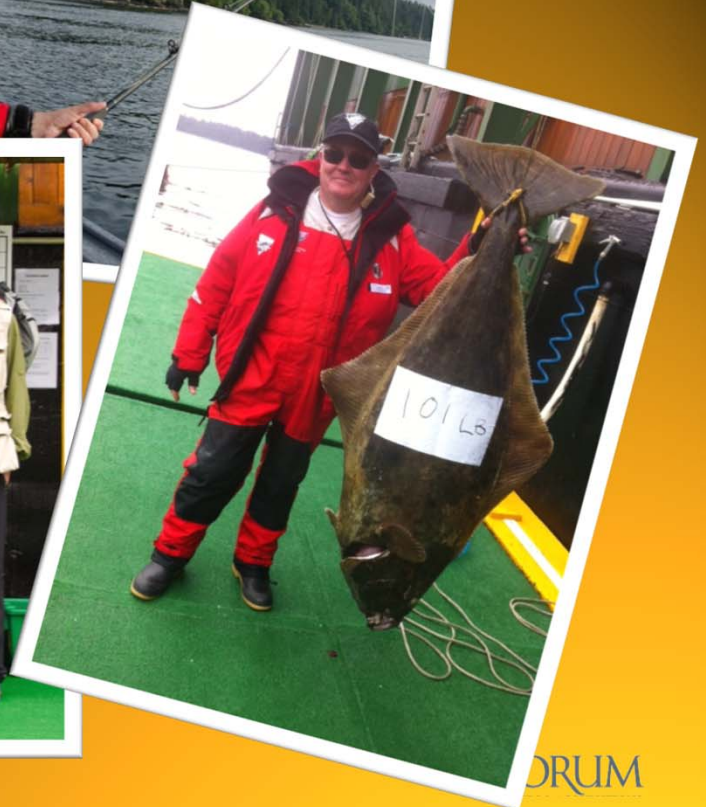
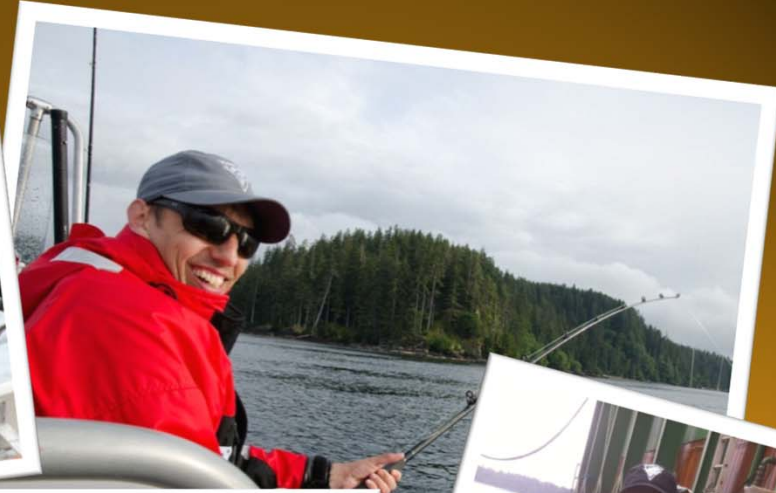
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After the Deal – Celebration





www.corumgroup.com