



Tech M&A Monthly

Quarterly Report: Q1 2018

12 April 2018

Welcome



Timothy Goddard
EVP, Marketing
Corum Group Ltd.

Timothy joined Corum in 2011, and oversees the company's global marketing efforts from the headquarters near Seattle. Chief among these is Corum's extensive conference schedule, "Selling Up, Selling Out," the Merge Briefing, the Tech M&A Monthly webcast and Corum's platinum sponsorship of the World Financial Symposiums' live events and Market Spotlight series. Through these events, Corum Group serves as the world's leading educator in technology mergers and acquisitions.

Prior to joining Corum, Timothy served as marketing and product manager for GIS software startup Depiction, Inc., and previously worked in marketing for VizX Labs, a pioneering SaaS startup delivering DNA analysis tools. In addition to marketing for software startups, Tim has worked for a US Senate campaign and taught science in Rio de Janeiro.

Timothy graduated Magna Cum Laude from Bethel University in St. Paul, Minnesota, with degrees in History and Biology.

Agenda

- Welcome
- Top Acquirer Spotlight: Constellation
- 2018 Q1 Research Report
 - Market Overview
 - Corum Index
 - All 6 Sectors: Valuations and Deals
- Market Spotlight Preview
- Q&A

Top Acquirer Spotlight: Constellation Software COO, Mark Miller



Mark Miller spends the majority of his time as the Chief Executive Officer of Volaris Operating Group and Trapeze Group, but also acts as Chief Operating Officer at Constellation Software Inc.

Mr. Miller received a B.Sc. in Statistics and a B.Sc. in Mathematics from McMaster University in Hamilton, Ontario. In addition, Mr. Miller has attended the Executive Marketing Program at the Ivey Business School at the University of Western Ontario.

Mr. Miller is also on the Board of Directors of Medgate Inc. and pVelocity Inc., two private software companies both headquartered in Toronto, Ontario.



CONSTELLATION
SOFTWARE
INC.



Focus on Change Management

CORUM

Corum Research Report



Elon Gasper
EVP, Research



Amber Stoner
Director of Research



Yasmin Khodamoradi
Director, Valuation Services



Amanda Tallman
Senior Analyst



Patrick Cunningham
Research Analyst

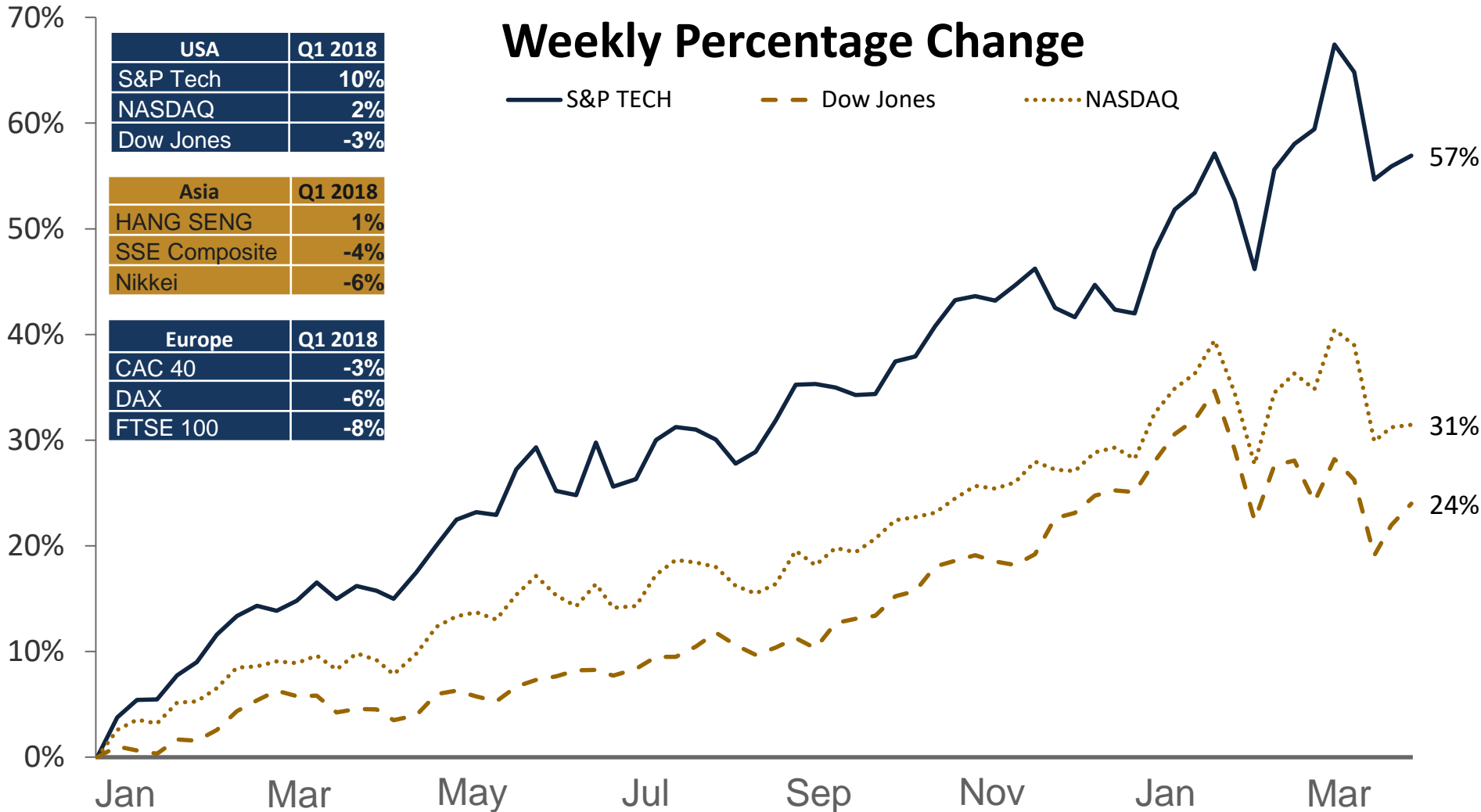


Becky Hill
Research Analyst

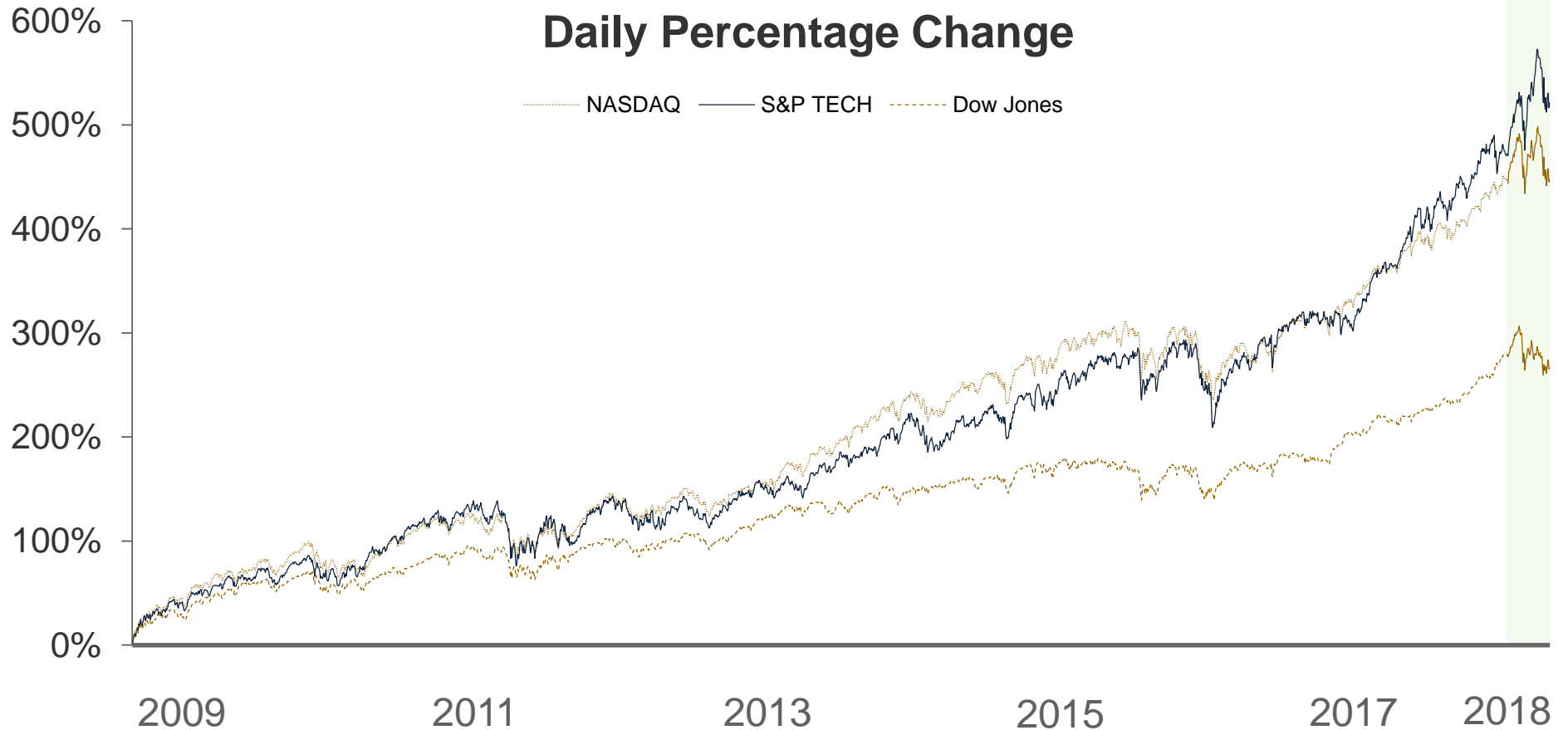
Public Markets

Weekly Percentage Change

— S&P TECH - - - Dow Jones NASDAQ



The Bull Market, 2009-Present



Corum Index

Market

Transactions

Q1:2017

915

Q1:2018

810

11%

Mega Deals

14

17

21%

Largest Deal

\$15.3B

\$17B

11%

Pipeline

Private Equity
Platform Deals

Q1:2017

90

Q1:2018

99

10%

VC Backed Exits

147

134

9%

Attributes

Cross Border
Transactions

Q1:2017

39%

Q1:2018

39%

Start-Up
Acquisitions

10%

13%

Average Life
of Target

16 yrs

18 yrs

CORUM

2018 Mega Deals – YTD



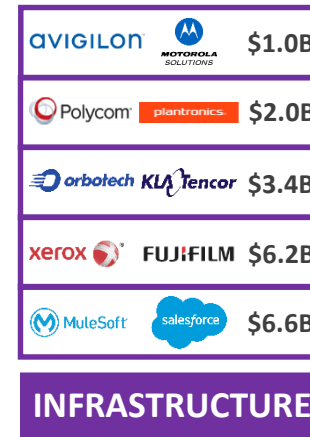
\$9.6B



\$12B



\$14B



\$19B



\$26B

2018 Mega Deals – YTD

YOOX
NET-A-PORTER
GROUP

Sold to

RICHEMONT

Target: YOOX Net-A-Porter Group [Italy]

Acquirer: Richemont Italia Holding [Italy]

Transaction Value: \$3.4B

- Online flagship stores for fashion and luxury brands

CommerceHub Keep Growing	GTCR SYCAMORE PARTNERS	\$1.1B
CallidusCloud	SAP	\$2.4B
Verifone	FPBCI SAN FRANCISCO PARTNERS	\$2.6B
BLACKHAWK AEROSPACE	SILVERLAKE P2 CAPITAL PARTNERS	\$3.5B

HORIZONTAL

\$9.6B

DST MASTER COMPLEXITY	SS&C	\$5.1B
CSRA Think Next. Now.	GENERAL DYNAMICS	\$6.8B

IT SERVICES

\$12B

GE Healthcare	HEALTHCARE IT ASSETS VERITAS CAPITAL	\$1.1B
ABILITY SERVICES PARTNERS	INOVALON	\$1.2B
flatiron	Roche	\$1.9B
Fidessa	TEMENOS	\$2.0B
LIFESCAN LifePoint Hospitals	Platform Equity	\$2.1B
NEX	CME Group	\$5.4B

VERTICAL

\$14B

AVIGILON	MOTOROLA SOLUTIONS	\$1.0B
Polycom	plantronics	\$2.0B
orbotech	KLA Tencor	\$3.4B
xerox	FUJIFILM	\$6.2B
MuleSoft	salesforce	\$6.6B

INFRASTRUCTURE

\$19B

YOOX NET-A-PORTER GROUP	RICHEMONT	\$3.4B
ele.me	Alibaba.com	\$5.4B
THOMSON REUTERS Financial Markets Business	The Blackstone Group	\$17B

INTERNET

\$26B

CORUM

2018 Mega Deals – YTD



Sold to

plantronics®

Target: Polycom [Siris Capital Group] [USA]

Acquirer: Plantronics [USA]

Transaction Value: \$2B (1.7x EV/Sales)

- Collaboration solutions for voice, video and content sharing

CommerceHub Keep Growing	GTCR SYCAMORE PARTNERS	\$1.1B
CallidusCloud	SAP	\$2.4B
Verifone	FPBCI FRANCISCO PARTNERS	\$2.6B
BLACKHAWK P2 CAPITAL PARTNERS	SILVERLAKE	\$3.5B

HORIZONTAL

\$9.6B

DST MASTER COMPLEXITY	SS&C	\$5.1B
CSRA Think Next. Now.	GENERAL DYNAMICS	\$6.8B

IT SERVICES

\$12B

GE Healthcare	VERITAS CAPITAL	\$1.1B
Healthcare IT assets		
ABILITY SERVICES PARTNERS	inovalon	\$1.2B
flatiron	Roche	\$1.9B
Fidessa Trade/Invest/Analyze	TEMENOS	\$2.0B
LIFESCAN LifePoint Pharmacy	Platinum Equity	\$2.1B
NEX	CME Group	\$5.4B

VERTICAL

\$14B

AVIGILON	MOTOROLA SOLUTIONS	\$1.0B
Polycom	plantronics	\$2.0B
orbotech	KLA Tencor	\$3.4B
xerox	FUJIFILM	\$6.2B
MuleSoft	salesforce	\$6.6B

INFRASTRUCTURE

\$19B

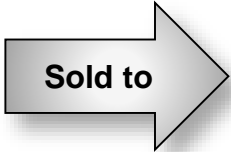
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ele.me	Alibaba.com	\$5.4B
THOMSON REUTERS Financial Markets Business	The Blackstone Group	\$17B

INTERNET

\$26B

CORUM

2018 Mega Deals – YTD



Target: LifeScan [Johnson & Johnson Services] [USA]

Acquirer: Platinum Equity [USA]

Transaction Value: \$2.1B (1.4x EV/Sales)

- Blood glucose monitoring systems for diabetes

CommerceHub Keep Growing	GTCR SYCAMORE PARTNERS	\$1.1B
CallidusCloud	SAP	\$2.4B
Verifone	FPBCi SAN FRANCISCO PARTNERS	\$2.6B
BLACKHAWK AEROSPACE	SILVERLAKE P2 CAPITAL PARTNERS	\$3.5B

HORIZONTAL

\$9.6B

DST MASTER COMPLEXITY	SS&C	\$5.1B
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IT SERVICES

\$12B

GE Healthcare	VERITAS CAPITAL	\$1.1B
Healthcare IT assets	ABILITY SERVICES PARTNERS	\$1.2B
flatiron	Roche	\$1.9B
Fidessa	TEMENOS	\$2.0B
LIFESCAN a Johnson & Johnson company	Platinum Equity	\$2.1B
NEX	CME Group	\$5.4B

VERTICAL

\$14B

AVIGILON	MOTOROLA SOLUTIONS	\$1.0B
Polycom	plantronics	\$2.0B
orbotech	KLA Tencor	\$3.4B
xerox	FUJIFILM	\$6.2B
MuleSoft	salesforce	\$6.6B

INFRASTRUCTURE

\$19B

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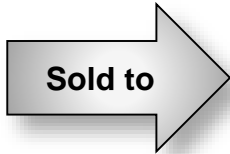
INTERNET

\$26B

CORUM

2018 Mega Deals – YTD

CSRA



GENERAL DYNAMICS

Target: CSRA [USA]

Acquirer: General Dynamics [USA]

Transaction Value: \$6.8B

- Security integration, analytics, support and consulting services for government

CommerceHub Keep Growing	GTCR SYCAMORE PARTNERS	\$1.1B
CallidusCloud	SAP	\$2.4B
Verifone	FPBCi FRANCISCO PARTNERS	\$2.6B
BLACKHAWK P2 CAPITAL PARTNERS	SILVERLAKE	\$3.5B

HORIZONTAL

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VERTICAL

\$14B

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INFRASTRUCTURE

\$19B

YOOX NET-A-PORTER GROUP	LEICHER MOND	\$3.4B
ele.me	Alibaba.com	\$5.4B
THOMSON REUTERS	The Blackstone Group	\$17B
Financial Markets Business		

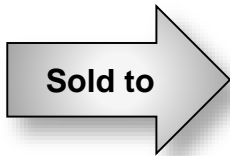
INTERNET

\$26B

CORUM

2018 Mega Deals – YTD

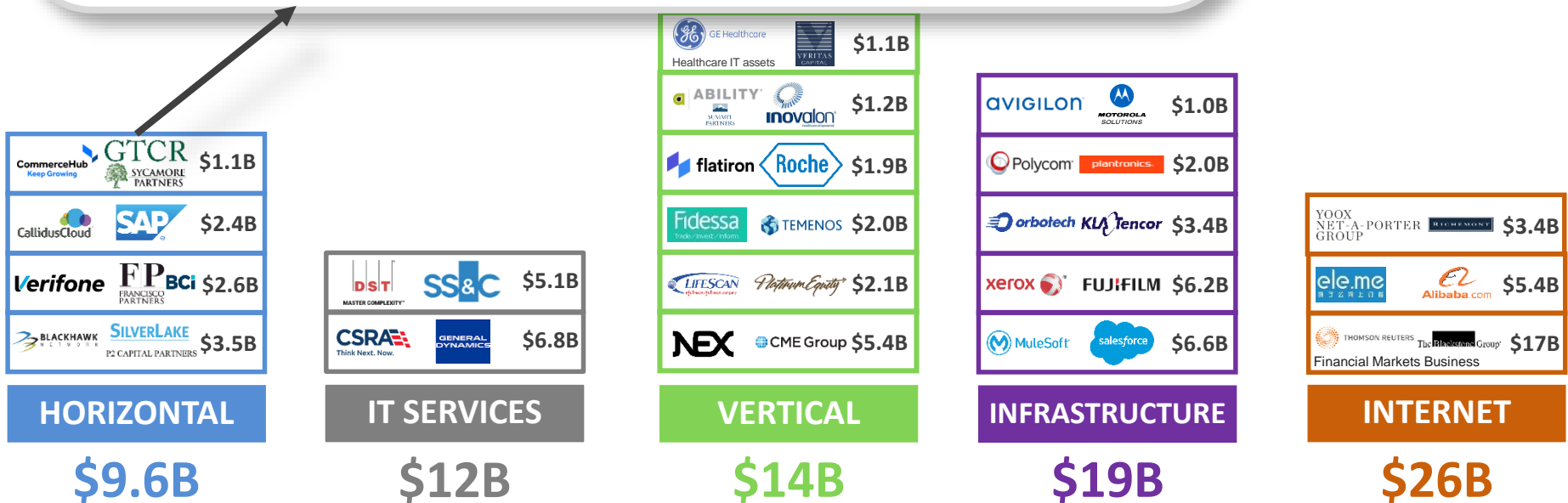
CommerceHub 



GTCR
 **SYCAMORE PARTNERS**

Target: CommerceHub [USA]
Acquirer: GTCR/Sycamore Partners [USA]
Transaction Value: \$1.1B

- Cloud-based e-commerce fulfillment and marketing solutions



2018 Mega Deals – YTD



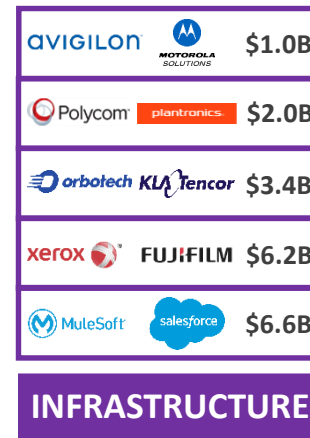
\$9.6B



\$12B



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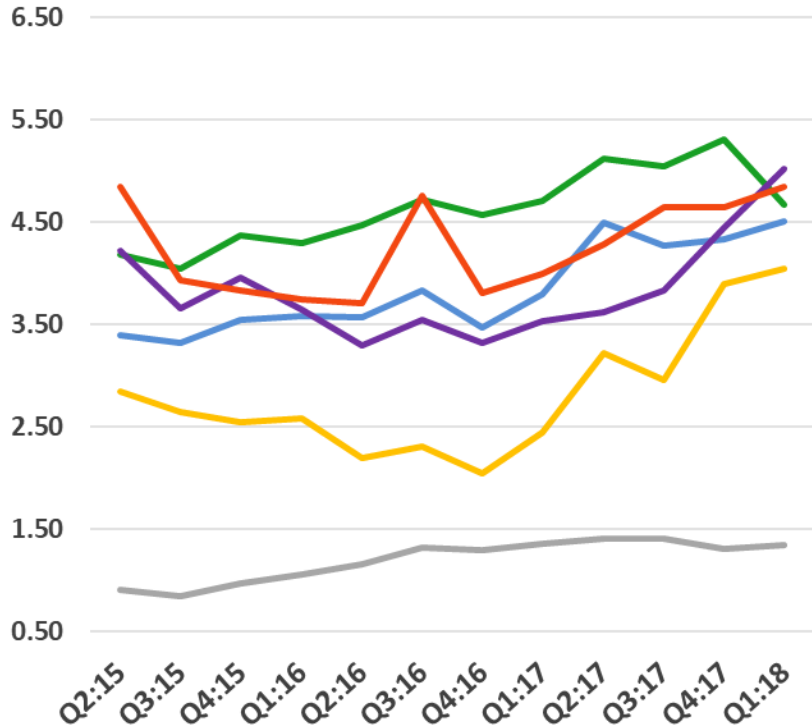


\$26B

CORUM

3-Year Market Valuation Trends

EV/Sales

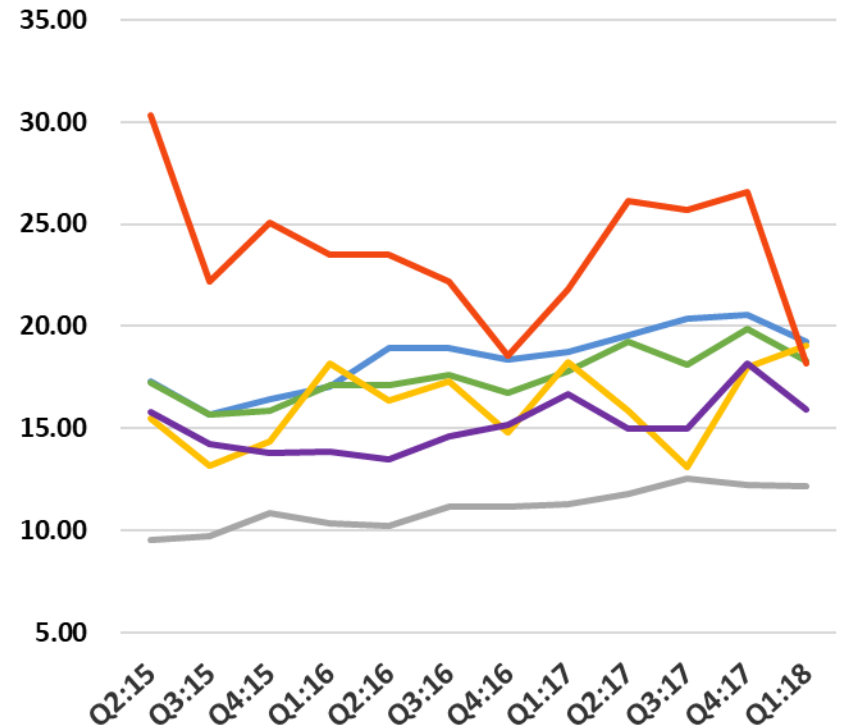


Horizontal
Infrastructure



Vertical
IT Services

EV/EBITDA



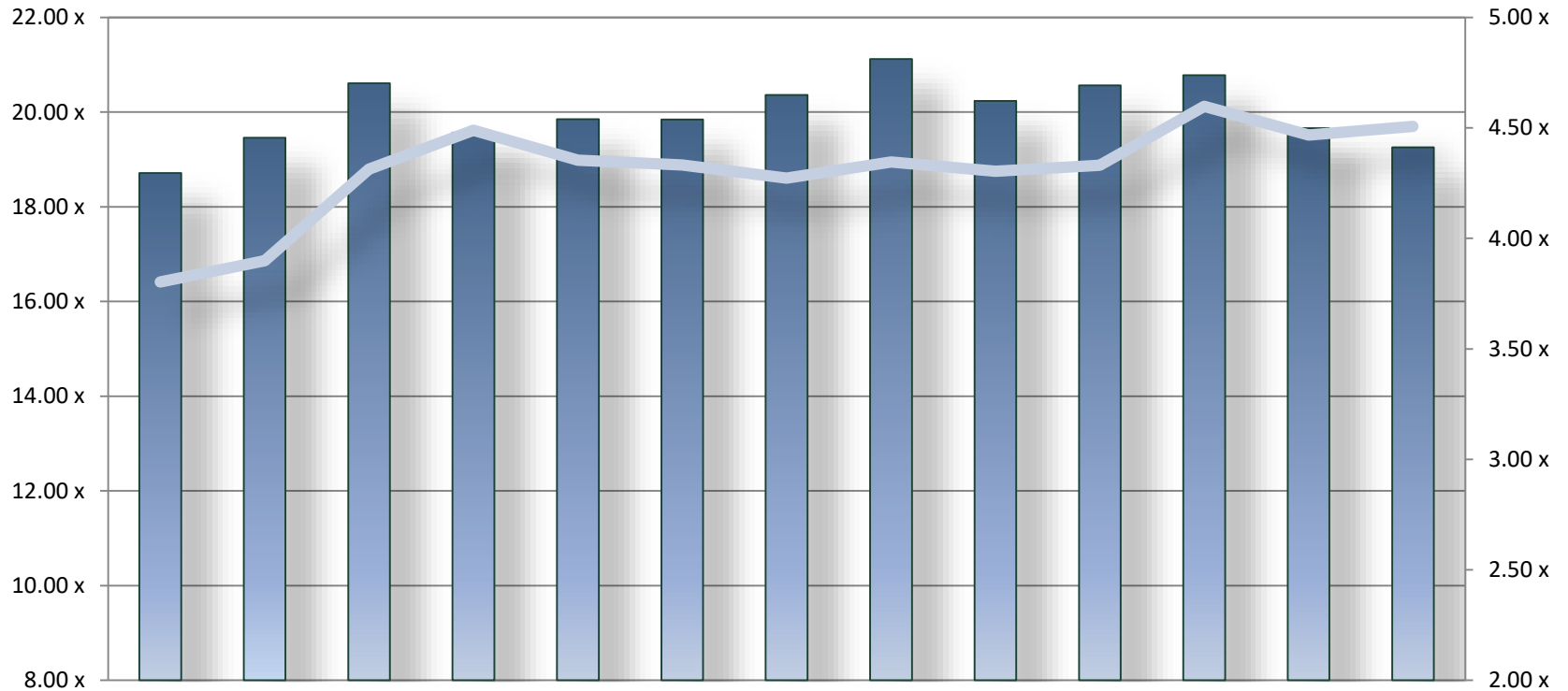
Consumer
Internet

Horizontal Application Software Market

Public Valuation Multiples









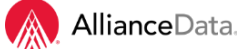































EV/EBITDA

EV/S



	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
EV/EBITDA	18.71 x	19.46 x	20.61 x	19.56 x	19.85 x	19.84 x	20.36 x	21.12 x	20.23 x	20.56 x	20.78 x	19.66 x	19.25 x
EV/S	3.80 x	3.90 x	4.31 x	4.49 x	4.35 x	4.33 x	4.27 x	4.35 x	4.30 x	4.33 x	4.60 x	4.47 x	4.51 x

Horizontal Application Software Valuations

Subsector		Sales		EBITDA		Examples
Business Intelligence		4.33x		18.75x		 
Marketing		4.33x		20.85x		 
CRM		4.24x		50.77x		 
ERP		4.54x		17.76x		 
Human Resources		7.76x		44.06x		 
SCM		4.42x		26.56x		 
Payments		4.48x		18.92x		 
Other		3.39x		17.57x		 

Horizontal Application Software Market

Deal Spotlights: SCM

FSEnet⁺

Sold to

Gladson

Target: FSEnet+ [USA]

Acquirer: Gladson [Wicks Group of Companies] [USA]

- SaaS for suppliers and purchasers in the retail, healthcare and food service industries

 **WEBCOLLAGE**

Sold to

Gladson

Target: Webcollage [USA]

Acquirer: Gladson [Wicks Group of Companies] [USA]

- SaaS solution for managing and publishing rich product information

 **justenough[®]**

Sold to

**Mi9
RETAIL**

Target: JustEnough Software Corporation [USA]

Acquirer: Mi9 Retail [Respida Capital] [Canada]

- Merchandise finance, assortment, space, clustering solutions for retail, wholesale

Horizontal Application Software Market

Deal Spotlights: Advertising



Target: AdsWizz [USA]

Acquirer: Pandora Media Inc. [dba Pandora] [USA]

Transaction Value: \$145M

- Digital audio advertising platform



Target: Ebiquity (advertising intelligence business) [United Kingdom]

Acquirer: Nielsen [USA]

Transaction Value: \$36M

- Market intelligence, advertising, monitoring and analytics reporting SaaS



Target: Spoutable [USA]

Acquirer: Proper Media [USA]

- SaaS for reinventing web monetization to publishers and advertisers

Horizontal Application Software Market

Deal Spotlights: Marketing Automation

DA
Data Artist



dentsu

Target: Data Artist [Japan]

Acquirer: Dentsu [Japan]

- AI-driven marketing automation SaaS

 **SPONGECCELL**



flashtalking“”

Target: Spongecell [USA]

Acquirer: Flashtalking [TA Associates] [United Kingdom]

- Intelligent data integrations, decision support tools and marketing automation SaaS

Horizontal Application Software Market

Deal Spotlights: HR



Sold to



Target: Qustn Technologies [India]

Acquirer: PeopleStrong [India]

- SaaS for training and education of remote employees



Sold to



Target: Recruiterbox [USA]

Acquirer: Turn/River Capital [USA]

- Applicant tracking system for small and midsize businesses



Sold to



Target: Axcel [Denmark]

Acquirer: Paychex [USA]

- Payroll and human resources management software



Sold to



Target: Inking Systems [USA]

Acquirer: Marlin Equity Partners [USA]

- Enterprise software platform for field workforce operations management

Horizontal Application Software Market

Deal Spotlights: Business Intelligence



Target: Angoss Software Corporation [Peterson Partners] [Canada]

Acquirer: Datawatch Corporation [USA]

Transaction Value: \$24.5M (2.3x EV/Sales, 11.1x EBITDA)

- BI software and SaaS primarily to financial services, insurance and retail



Target: X15 Software [USA]

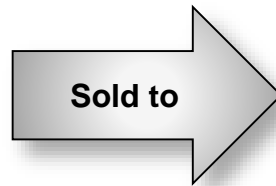
Acquirer: FireEye [USA]

Transaction Value: \$20M

- BI management platform with search and analytic query capabilities

Horizontal Application Software Market

Deal Spotlight: Search Software



SAMSUNG

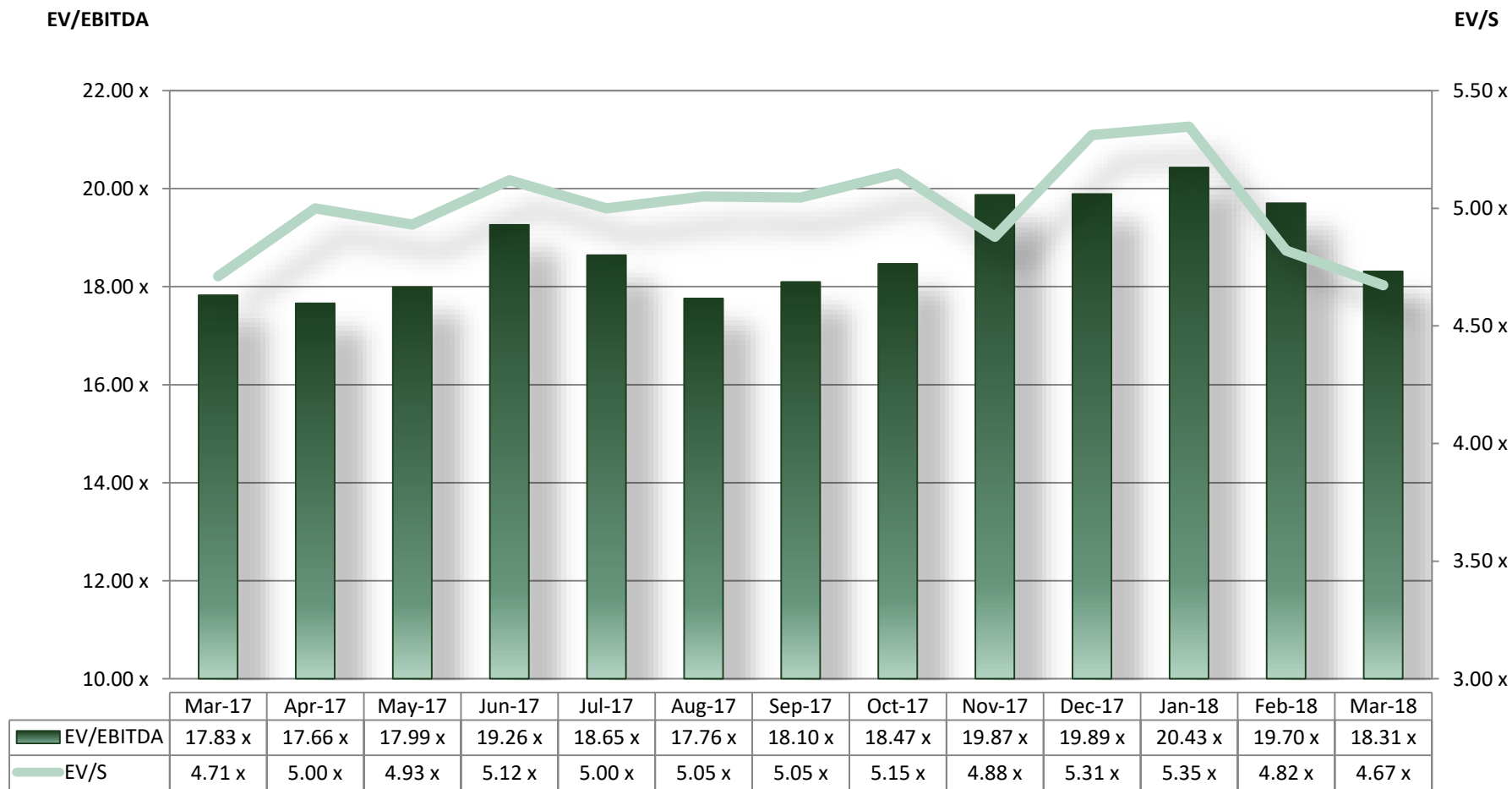
Target: Kngine [Egypt]

Acquirer: Samsung Electronics [South Korea]







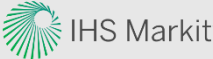

















- BI assistant and answer engine
- Strengthens AI assistant Bixby against competitor Siri
- Follows acquisitions of Viv Labs and Fluenty

Vertical Application Software Market

Public Valuation Multiples



Vertical Application Software Valuations

Subsector		Sales		EBITDA	Examples		
A/E/C	▲	8.26x	▲	28.82x	 AUTODESK.	 DASSAULT SYSTEMES	 SYNOPSYS®
Automotive	▼	4.56x	▼	16.98x	Autotrader 	 BitAuto 易车	 CDK Global.
Energy & Environment	▼	3.39x	▼	15.28x	 IHS Markit	 Itron	 Schlumberger
Financial Services	▬	5.60x	▬	19.04x	 Broadridge®	 FIS	 fiserv.
Government	▬	2.18x	▲	16.55x	 NORTHROP GRUMMAN	 Raytheon	 tyler technologies
Healthcare	▼	2.90x	▼	17.36x	 Allscripts	 athenahealth	 Cerner
Real Estate	▬	7.02x	▲	41.34x	 CoreLogic®	 CoStar Group™	 Zillow
Vertical Other	▼	3.42x	▬	14.54x	 AMADEUS®	 Rockwell Automation	 Sabre

Vertical Application Software Market

Deal Spotlights: A/E/C



Target: e-Builder [USA]

Acquirer: Trimble [USA]

Transaction Value: \$500M (9.4x EV/Sales)

- SaaS-based construction program management solution



Target: Stabiplan [Netherlands]

Acquirer: Trimble [USA]

- 3D CAD and engineering software, Building Information Modeling content



Vertical Application Software Market

Deal Spotlights: A/E/C



Target: CostCon New Zealand Limited [New Zealand]

Acquirer: JDM Technology Group [Canada]

- Accounting ERP and job costing system



Target: AGTEK Development Company [USA]

Acquirer: Hexagon AB [Sweden]

- Surveying, analysis, and control solutions for heavy construction

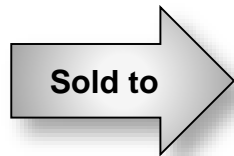


Target: ClearEdge3D [USA]

Acquirer: Topcon Corporation [Japan]

- 3D software for the 3D modeling of plants and buildings

2018 Mega Deals – YTD



Target: ABILITY Network Inc. [Summit Partners] [USA]

Acquirer: Inovalon Holdings [USA]

Transaction Value: \$1.2B

- Web-based solutions in ambulatory, acute, and post-acute settings

CommerceHub Keep Growing	GTCR SYCAMORE PARTNERS	\$1.1B
CallidusCloud	SAP	\$2.4B
Verifone	FPBCi SAN FRANCISCO PARTNERS	\$2.6B
BLACKHAWK P2 CAPITAL PARTNERS	SILVERLAKE	\$3.5B

\$9.6B

DST MASTER COMPLEXITY	SS&C	\$5.1B
CSRA Think Next. Now.	GENERAL DYNAMICS	\$6.8B

\$12B

GE Healthcare	HEALTHCARE IT ASSETS	VERITAS CAPITAL	\$1.1B
ABILITY SUMMIT PARTNERS	INOVALON		\$1.2B
flatiron	Roche		\$1.9B
Fidessa	TEMENOS		\$2.0B
LIFESCAN	Platform Equity		\$2.1B
NEX	CME Group		\$5.4B

\$14B

AVIGILON	MOTOROLA SOLUTIONS	\$1.0B
Polycom	plantronics	\$2.0B
orbotech	KLA Tencor	\$3.4B
xerox	FUJIFILM	\$6.2B
MuleSoft	salesforce	\$6.6B

\$19B

YOOX NET-A-PORTER GROUP	LEICHER MOND	\$3.4B
ele.me	Alibaba.com	\$5.4B
THOMSON REUTERS	The Blackstone Group	\$17B
Financial Markets Business		

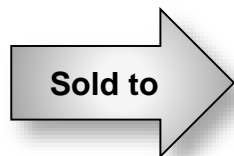
\$26B

CORUM

2018 Mega Deals – YTD



GE Healthcare
Healthcare IT assets



Target: GE Healthcare (Healthcare IT assets) [United Kingdom]

Acquirer: Veritas Capital [USA]

Transaction Value: \$1.1B

- Revenue-cycle, ambulatory care and workforce management software

CommerceHub Keep Growing	GTCR SYCAMORE PARTNERS	\$1.1B
CallidusCloud	SAP	\$2.4B
Verifone	FPBCi FRANCISCO PARTNERS	\$2.6B
BLACKHAWK P2 CAPITAL PARTNERS	SILVERLAKE	\$3.5B

HORIZONTAL

\$9.6B

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CSRA Think Next. Now.	GENERAL DYNAMICS	\$6.8B

IT SERVICES

\$12B

GE Healthcare Healthcare IT assets	VERITAS CAPITAL	\$1.1B
ABILITY SERVIT PARTNERS	inovalon	\$1.2B
flatiron	Roche	\$1.9B
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VERTICAL

\$14B

AVIGILON	MOTOROLA SOLUTIONS	\$1.0B
Polycom	plantronics	\$2.0B
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INFRASTRUCTURE

\$19B

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ele.me	Alibaba.com	\$5.4B
THOMSON REUTERS Financial Markets Business	The Blackstone Group	\$17B

INTERNET

\$26B

CORUM

Vertical Application Software Market

Deal Spotlights: Healthcare Management



Sold to



Target: Connectiv [USA]

Acquirer: Accruent [Genstar Capital] [USA]

- Cloud-based, mobile-enabled management software



Sold to



Target: Aaxis Medical [Belgium]

Acquirer: Cantel Medical [USA]

Transaction Value: \$21.1M (5.9x EV/Sales)

- Software solutions for tracking and monitoring of instrument reprocessing workflows

Home Health Gold

Sold to



Target: Home Health Gold [USA]

Acquirer: Axxess [USA]

- Data analysis and reporting software for staff member management



HomeCare Accounting Solutions

Sold to



Target: HomeCare Accounting Solutions [USA]

Acquirer: Netsmart Technologies [Allscripts Healthcare Solutions/ GI Partners] [USA]

- Cloud-based software products for home care



Vertical Application Software Market

Deal Spotlights: Electronic Medical Records Management



Allscripts®

Target: Practice Fusion [USA]
Acquirer: Allscripts Healthcare Solutions [USA]
Transaction Value: \$100M
- Practice management software platform for doctors



Allscripts®

OneContent assets



Hyland
creator of OnBase®

Target: Allscripts Healthcare Solutions (OneContent assets) [USA]
Acquirer: Hyland Software [Thoma Bravo] [USA]
- Healthcare content management solutions



GulfCapital

Target: AccuMed [USA]
Acquirer: Gulf Capital [UAE]
- Electronic data interchange claims processing and remittance solutions and services













Target: Infian [USA]
Acquirer: Quantitative Medical Systems [Constellation Software] [USA]
- EHR solutions, billing software and Revenue Cycle Management services



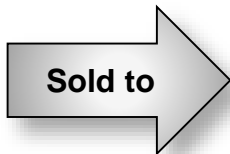
Vertical Application Software Market

Deal Spotlights: Education

Target	Acquirer	Target Country	Month	Description
 <p>WELD NORTH Weld North Education asset</p>	 <p>SILVERLAKE</p>	USA	January	Digital curriculum and tools for pre-K to 12 th grade
 <p>performance matters WELD NORTH</p>	 <p>PEOPLEADMIN VISTA PRIMA IN QUALITY</p>	USA	January	Web-based K-12 education human capital management solutions
 <p>edbacker™</p>	 <p>livingtree</p>	USA	January	Online funding platform for PTA/PTOs, schools, and organizations
 <p>Chalkup</p>	 <p>Microsoft</p>	USA	February	Learning management and collaboration software for the education industry
 <p>myON FP FRANCISCO PARTNERS</p>	 <p>RENAISSANCE LEARNING Accelerating learning for all H&F</p>	USA	March	Cloud-based literacy software program for K-12 education market

2018 Mega Deals – YTD

NEX



CME Group

Target: NEX Group [United Kingdom]

Acquirer: CME Group [USA]

Transaction Value: \$5.4B

- Pricing, analytics, index, and regulatory reporting solutions

CommerceHub Keep Growing	GTCR SYCAMORE PARTNERS	\$1.1B
CallidusCloud	SAP	\$2.4B
Verifone	FPBCI SAN FRANCISCO PARTNERS	\$2.6B
BLACKHAWK AEROSPACE	SILVERLAKE P2 CAPITAL PARTNERS	\$3.5B

HORIZONTAL

\$9.6B

DST MASTER COMPLEXITY	SS&C	\$5.1B
CSRA Think Next. Now.	GENERAL DYNAMICS	\$6.8B

IT SERVICES

\$12B

GE Healthcare	VERITAS CAPITAL	\$1.1B
ABILITY SERVICES PARTNERS	inovalon	\$1.2B
flatiron	Roche	\$1.9B
Fidessa Trade/Finance/Advisors	TEMENOS	\$2.0B
LIFESCAN Life Sciences	Platform Equity	\$2.1B
NEX	CME Group	\$5.4B

VERTICAL

\$14B

AVIGILON	MOTOROLA SOLUTIONS	\$1.0B
Polycom	plantronics	\$2.0B
orbotech	KLA Tencor	\$3.4B
xerox	FUJIFILM	\$6.2B
MuleSoft	salesforce	\$6.6B

INFRASTRUCTURE

\$19B

YOOX NET-A-PORTER GROUP	REICHEIMANN	\$3.4B
ele.me	Alibaba.com	\$5.4B
THOMSON REUTERS	The Blackstone Group	\$17B

INTERNET

\$26B

CORUM

Vertical Application Software Market

Deal Spotlight: Financial Trading and Analytics

KENSHO

Sold to

S&P Global

Target: Kensho Technologies [USA]

Acquirer: S&P Global [USA]

Transaction Value: \$550M and 28.2x EV/Sales

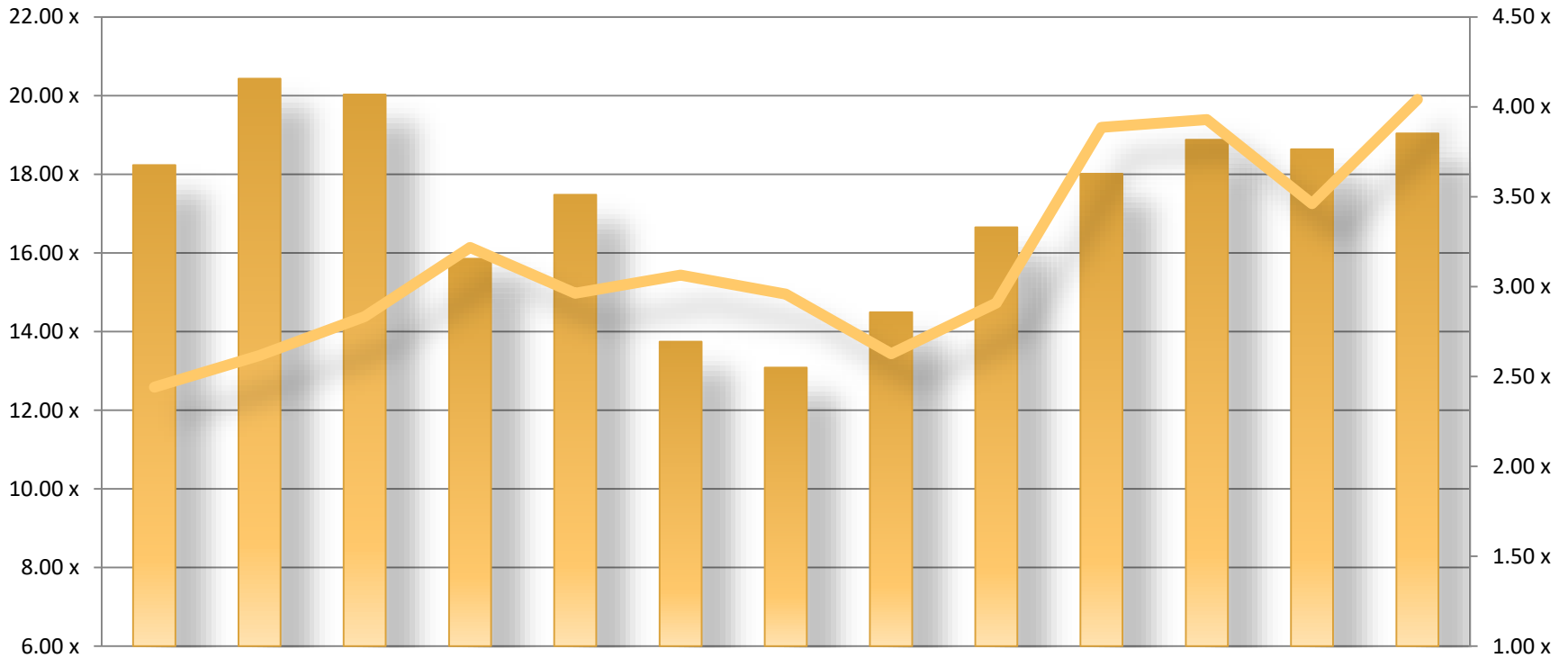
- Analytics, artificial intelligence, machine learning, and data visualization systems
- Follows the purchase of supply chain intelligence company Panjiva

Consumer Application Software Market

Public Valuation Multiples










EV/EBITDA

EV/S



	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
EV/EBITDA	18.23 x	20.43 x	20.02 x	15.85 x	17.48 x	13.74 x	13.09 x	14.49 x	16.65 x	18.01 x	18.88 x	18.64 x	19.04 x
EV/S	2.44 x	2.62 x	2.83 x	3.22 x	2.96 x	3.06 x	2.96 x	2.63 x	2.91 x	3.89 x	3.93 x	3.46 x	4.04 x

Consumer Application Software Valuations

Subsector		Sales	EBITDA	Examples		
Casual Gaming	—	4.04x	▼ 19.06x			
Core Gaming	—	4.32x	▼ 12.43x			
Other	▲	1.05x	N/A			

Consumer Application Software Market

Deal Spotlights: Video Gaming



Target: Blue Mammoth Games [USA]

Acquirer: Ubisoft [France]

- Multiplayer online and free-to-play fighting games



Target: Koch Media [Germany]

Acquirer: THQ Nordic [Sweden]

Transaction Value: \$112.3M

- Digital entertainment software products

Consumer Application Software Market

Deal Spotlights: Betting



Target: Crystalbet [Georgia]

Acquirer: GVC Holdings [Isle of Man]

Transaction Value: \$50.9M

- Online gaming: sports betting, casino games, poker and peer-to-peer games

EsysnetG



Target: EsysnetG [Brazil]

Acquirer: Scientific Games Corporation [USA]

- Video bingo content studio

Consumer Application Software Market

Deal Spotlights: Ride Hailing & Sharing



Target: 99 [Brazil]

Acquirer: Didi Chuxing [China]

- Transport app that offers car booking services



Southeast Asia operations

Target: Uber (Southeast Asia operations) [Singapore]

Acquirer: Grab [Singapore]

- Ride-sharing mobile application



Target: LUXI [South Korea]

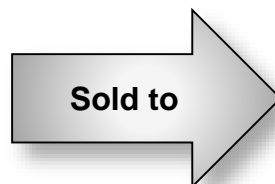
Acquirer: Kakao [South Korea]

Transaction Value: \$23.2M

- Ride-sharing platform that connects drivers and passengers

Consumer Application Software Market

Deal Spotlight: Mobile Parking



Target: Parkmobile [USA]

Acquirer: BMW [Germany]

- On-demand and prepaid mobile payment solutions for parking
- Helps BMW to get a foothold in the U.S. parking services market

Consumer Application Software Market

Deal Spotlight: Mobile Payments

nuggets



Sold to



JD. 京东
.COM

Target: Nuggets [United Kingdom]

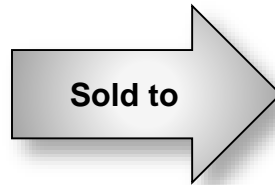
Acquirer: JD.Com [China]

- Blockchain-enabled e-commerce payments and ID platform
- Joins a batch of six companies as a part of JD.com's AI accelerator program
- Adds blockchain tech to JD's AI expertise

Consumer Application Software Market

Deal Spotlight: Google

tenor



Google

Target: Tenor [USA]

Acquirer: Google [Alphabet] [USA]

- GIF Keyboard app for iOS, Android, and Mac devices
- Integrates into Google Images and Gboard, the virtual keyboard of Google
- May touch the messenger space as Tenor is connected to Facebook

Consumer Application Software Market

Deal Spotlights: Composite Commerce

MODIFACE

Sold to

L'ORÉAL

Target: ModiFace [Canada]

Acquirer: L'Oréal [France]

- Virtual makeover, skin care and anti-aging, and hair simulation tech solutions

bevyUp

Sold to

NORDSTROM

Target: BevyUp [USA]

Acquirer: Nordstrom [USA]

- Shopping SaaS that connects sales associates with consumers

Message 

Sold to

NORDSTROM

Target: MessageYes [USA]

Acquirer: Nordstrom [USA]

- Mobile messaging platform for retail brands

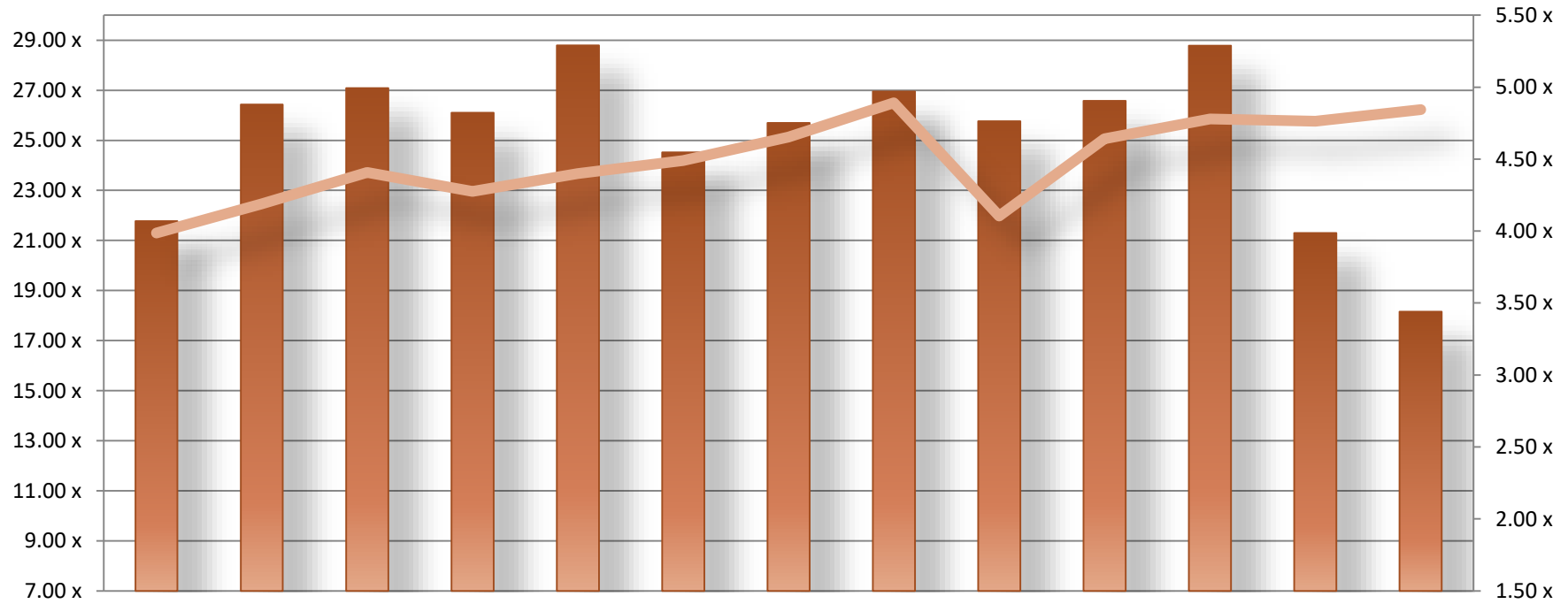


Internet Market

Public Valuation Multiples

EV/EBITDA

EV/S



	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
EV/EBITDA	21.78 x	26.43 x	27.08 x	26.11 x	28.79 x	24.53 x	25.69 x	26.95 x	25.76 x	26.58 x	28.79 x	21.30 x	18.16 x
EV/S	3.99 x	4.19 x	4.41 x	4.28 x	4.40 x	4.49 x	4.65 x	4.89 x	4.11 x	4.64 x	4.78 x	4.76 x	4.84 x

Internet Software Valuations

Subsector		Sales		EBITDA		Examples
Diversified Internet	▼	5.13x	▼	17.37x	Alphabet	Baidu 百度 Tencent 腾讯
eCommerce	▼	0.82x	▲	31.40x	ebay	JD.COM 京东 zalando
Social Network	▲	7.81x	▼	18.19x	f	mixi GROUP twitter
Travel & Leisure	▲	8.09x	▼	25.49x	Expedia®	JUST EAT priceline.com®



Internet Market

Deal Spotlights: Social Networks

500px



Target: 500px [Canada]

Acquirer: Visual China Group [China]

- Online community for photo-sharing

HubPages®



Target: HubPages [USA]

Acquirer: Maven [USA]

Transaction Value: \$10M (2x EV/Sales)

- Online community for writers to share content



Internet Market

Deal Spotlights: Meal Kit Delivery



Target: Green Chef [USA]

Acquirer: HelloFresh [USA]

- Subscription-based organic products delivery



Target: Quitoque [France]


Acquirer: Carrefour [France]

- Online meal kit delivery services

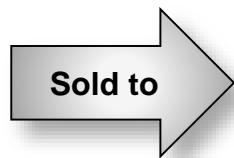


Internet Market

Deal Spotlights: Online Food Delivery

Target	Acquirer	Target Country	Acquirer Country	Description
		China	China	Online food ordering and delivery service
		Bulgaria	Netherlands	Online food delivery from Bulgarian restaurants
		Romania	Netherlands	Online food delivery from Romanian restaurants
		USA	USA	Online food delivery services for consumers in Texas
		USA	USA	Event catering and residential delivery services
		USA	USA	Online food delivery services based in New York
		France	France	Ordering and delivering evening meals at home

2018 Mega Deals – YTD



Target: Ele.me [China]
Acquirer: Alibaba [China]
Transaction Value: \$5.4B

- Online food ordering and delivery app

CommerceHub Keep Growing	GTCR SYCAMORE PARTNERS	\$1.1B
CallidusCloud	SAP	\$2.4B
Verifone	FPBCi SAN FRANCISCO PARTNERS	\$2.6B
BLACKHAWK AEROSPACE	SILVERLAKE P2 CAPITAL PARTNERS	\$3.5B

HORIZONTAL

\$9.6B

DST MASTER COMPLEXITY	SS&C	\$5.1B
CSRA Think Next. Now.	GENERAL DYNAMICS	\$6.8B

IT SERVICES

\$12B

GE Healthcare	VERITAS CAPITAL	\$1.1B
Healthcare IT assets		
ABILITY SERVICES PARTNERS	inovalon	\$1.2B
flatiron	Roche	\$1.9B
Fidessa	TEMENOS	\$2.0B
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\$14B

AVIGILON	MOTOROLA SOLUTIONS	\$1.0B
Polycom	plantronics	\$2.0B
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xerox	FUJIFILM	\$6.2B
MuleSoft	salesforce	\$6.6B

INFRASTRUCTURE

\$19B

YOXX NET-A-PORTER GROUP	LEICHER GROUP	\$3.4B
ele.me 饿了么网上订餐	Alibaba.com	\$5.4B
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INTERNET

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CORUM



Internet Market

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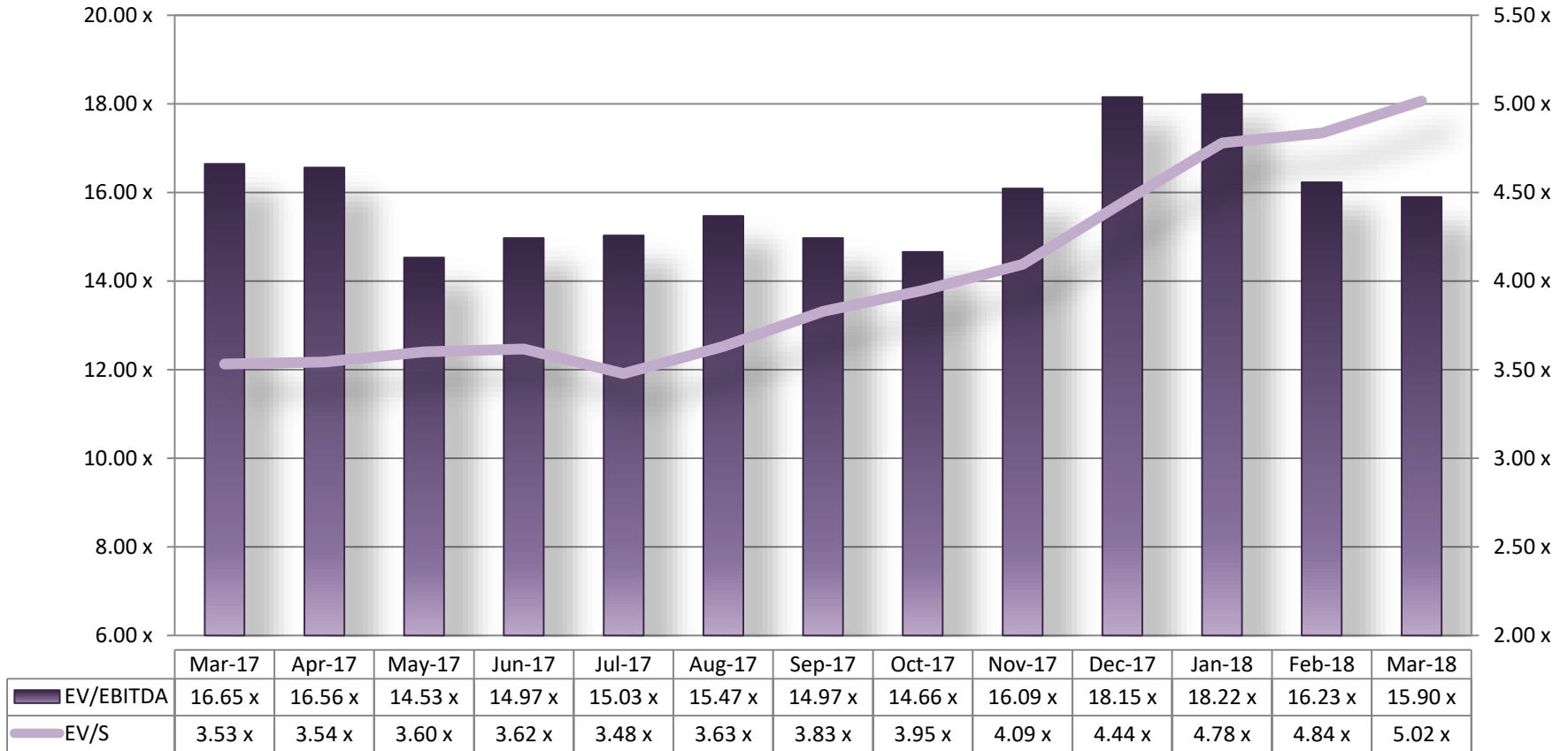


Infrastructure Software Market



















Public Valuation Multiples

EV/EBITDA

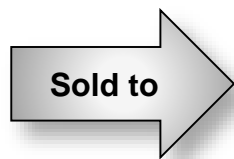
EV/S



Infrastructure Software Market

Subsector		Sales		EBITDA		Examples
Endpoint	▲	4.61x	▼	20.72x		 Opera 
IT Services Management	▲	5.62x	▼	11.55x		 redhat. 
Network Management	▲	3.79x	▲	12.21x		 CISCO 
Security	▲	5.34x	▼	28.97x		 FireEye 
Storage & Hosting	▲	3.49x	▲	12.63x		COMMVAULT  
Other	—	5.40x	▼	12.21x		 Progress 

2018 Mega Deals – YTD



Target: MuleSoft [USA]
Acquirer: Salesforce [USA]
Transaction Value: \$6.6B

- Platform connecting SaaS & enterprise applications in the cloud and on premise

CommerceHub Keep Growing	GTCR SYCAMORE PARTNERS	\$1.1B
CallidusCloud	SAP	\$2.4B
Verifone	FPBCi SAN FRANCISCO PARTNERS	\$2.6B
BLACKHAWK P2 CAPITAL PARTNERS	SILVERLAKE	\$3.5B

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LIFESCAN	Platform Equity	\$2.1B
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Polycom	plantronics	\$2.0B
orbotech	KLA Tencor	\$3.4B
xerox	FUJIFILM	\$6.2B
MuleSoft	salesforce	\$6.6B

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INTERNET

\$26B

CORUM



Infrastructure Software Market

Deal Spotlights: Public Cloud Infrastructure



Target: Evident.io [USA]

Acquirer: Palo Alto Networks [USA]

Transaction Value: \$300M

- Cloud security services, including AWS infrastructure security automation



Target: Minjar Cloud Solutions [India]

Acquirer: Nutanix [USA]

- Cloud assessment and migration services for AWS and Microsoft Azure



Infrastructure Software Market

Deal Spotlights: VMware



Target: CloudCoreo [USA]

Acquirer: VMware [USA]

- Configuration management and community driven DevOps framework



Talent and Technology assets

Target: CloudVelox (Talent and Technology assets) [USA]

Acquirer: VMware [USA]

- Hybrid cloud migration and disaster recovery platform



Target: E8 Security [USA]

Acquirer: VMware [USA]

- Behavioral intelligence driven security solutions



Infrastructure Software Market

Deal Spotlights: Enterprise Security

Vaultive




CYBERARK®

Target: Vaultive [USA]
Acquirer: CyberArk Software [Israel]
- Cloud data encryption solutions

 Phantom®



splunk® >

Target: Phantom [USA]
Acquirer: Splunk [USA]
Transaction Value: \$350M
- Enterprise security automation and orchestration tools

 COFENSE




PAMPLONA
CAPITAL MANAGEMENT
BLACKROCK

Target: Cofense [fka PhishMe] [USA]
Acquirer: Pamplona Capital Management / BlackRock Capital [UK]
Transaction Value: \$400M
- Anti-phishing threat management solutions



Infrastructure Software Market

Deal Spotlights: Identity and Access Management (IAM)

**Threat
Metrix**[®]



RELX Group

Target: ThreatMetrix [USA]
Acquirer: RELX Group [UK]
Transaction Value: \$817M

- Context-based business authentication and fraud prevention solutions

Cyberinc
An Aurionpro Company

Identity and Access Management assets



KPMG

Target: Cyberinc (Identity and Access Management assets) [USA]
Acquirer: KPMG [Netherlands]
Transaction Value: \$34M

- Identity management solution, protection from web-based malware attacks



Infrastructure Software Market

Deal Spotlights: Disaster Backup and Recovery

DATOS IO



 **rubrik™**

Target: Datas IO [USA]

Acquirer: Rubrik [USA]

- Backup and recovery for NoSQL databases and big data file systems


N2W
software



VEEAM

Target: N2W Software [USA]

Acquirer: Veeam Software [Switzerland]

Transaction Value: \$42.5M

- Cloud-native enterprise backup and disaster recovery



Infrastructure Software Market

Deal Spotlights: Network and Application Performance Management



Target: Cedexis [USA]
Acquirer: Citrix Systems [USA]
- Internet performance control and monitoring solutions



Target: NCC Group (Web performance division) [United Kingdom]
Acquirer: TestPlant [Carlyle Group] [United Kingdom]
- SaaS-based, user-centric application performance platform



Target: AppNeta [USA]
Acquirer: Rubicon Technology Partners [USA]
- SaaS-based application performance management solutions

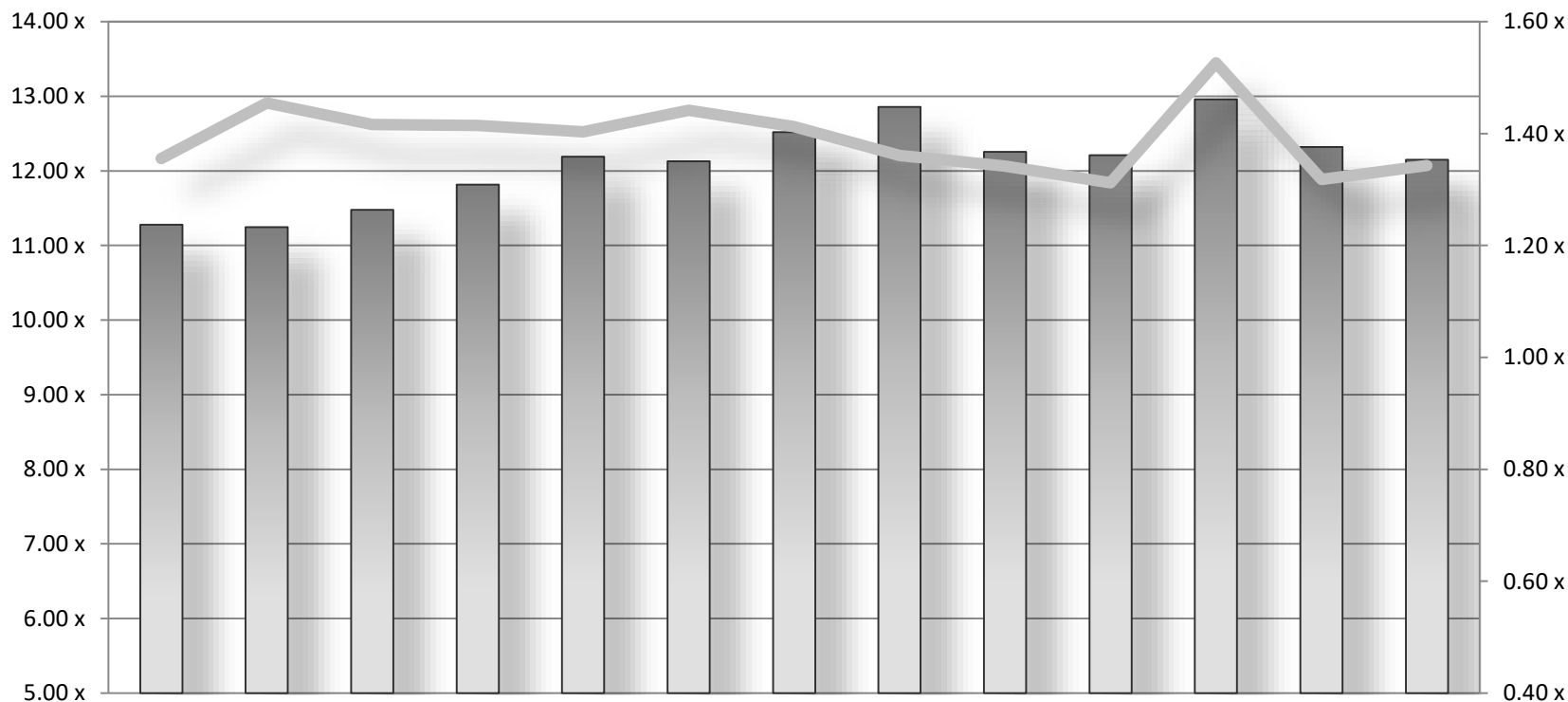


IT Services – Developed Markets

Public Valuation Multiple

EV/EBITDA

EV/S



	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
EV/EBITDA	11.28 x	11.25 x	11.48 x	11.81 x	12.19 x	12.13 x	12.52 x	12.86 x	12.26 x	12.21 x	12.96 x	12.32 x	12.15 x
EV/S	1.36 x	1.45 x	1.42 x	1.41 x	1.40 x	1.44 x	1.41 x	1.36 x	1.34 x	1.31 x	1.53 x	1.32 x	1.34 x

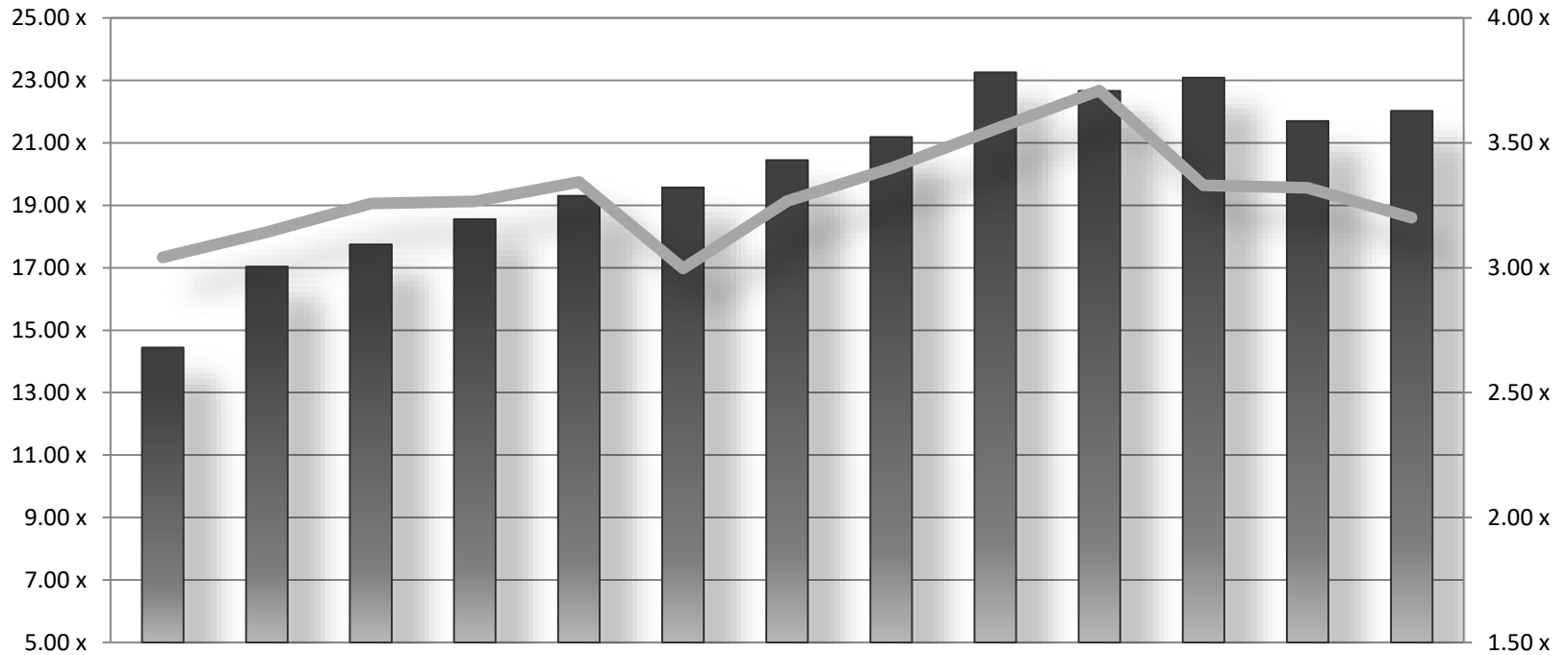


IT Services – Emerging Markets

Public Valuation Multiples

EV/EBITDA

EV/S



	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
EV/EBITDA	14.45 x	17.04 x	17.75 x	18.55 x	19.31 x	19.57 x	20.45 x	21.18 x	23.26 x	22.67 x	23.09 x	21.70 x	22.02 x
EV/S	3.04 x	3.14 x	3.26 x	3.27 x	3.34 x	3.00 x	3.27 x	3.40 x	3.55 x	3.71 x	3.33 x	3.32 x	3.20 x



IT Services – Developed Markets

Deal Spotlights: Salesforce SI



Target: CirrusOne [USA]

Acquirer: Simplus [USA]

- Salesforce and Oracle consulting services for configure, price and quote



Target: Comity Designs [USA]

Acquirer: Brillio [USA]

- Salesforce-based systems integration services



IT Services – Developed Markets

Deal Spotlights: Microsoft SI



Target: Associates Solutions [USA]

Acquirer: High Touch Technologies [USA]

- Dynamics, ERP, CRM and Internet technology networking solutions



Target: iBiz Solutions [Sweden]

Acquirer: TeleComputing [IK Investment Partners] [Norway]

- Azure-based systems integration services



Target: IN2 [Croatia]

Acquirer: Vela Software International [Constellation Software] [USA]

- Oracle and Microsoft-focused SI and VAR services



IT Services – Developed Markets

Deal Spotlights: Oracle-based SI



Target: Newbury Consulting Group [USA]

Acquirer: Evosys [India]

- Oracle IT consulting services and cloud-based system integration



Target: M-Power Solutions [Australia]

Acquirer: DXC Technology Company [USA]

- Oracle cloud solutions for planning, budgeting, analytics and big data



IT Services – Developed Markets

Deal Spotlights: DXC Q2

eBECS



DXC **DXC.technology**

Target: eBECS [United Kingdom]

Acquirer: DXC Technology Company [USA]

- Microsoft ERP, CRM and SharePoint SI services

Sable 37



DXC **DXC.technology**

Target: Sable37 [Australia]

Acquirer: DXC Technology Company [USA]

- Microsoft Dynamics 365 Value Added Reseller (VAR)

Corum Research Report



Elon Gasper
EVP, Research



Amber Stoner
Director of Research



Yasmin Khodamoradi
Director, Valuation Services



Amanda Tallman
Senior Analyst



Patrick Cunningham
Research Analyst



Becky Hill
Research Analyst

Market Spotlight Webcasts



April 24, 2018
wfs.com/logistics-2018

With physical goods challenged to move at the speed of data, a diverse set of global buyers is racing to acquire and apply Smart Logistics technology. Tune in to hear CEOs, bankers and analysts discuss what it means for innovative tech companies tackling these problems.



May 2, 2018
wfs.com/commerce-2018

Globally, online and offline shopping behaviors are fusing into a unified whole; tune in to hear how this trend of Composite Commerce is changing the way we interact with just about everything, and driving M&A across the technology ecosystem.

Q&A

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

Upcoming Conference Schedule

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

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

Apr. 17: **Durham** – MB

Apr. 26: **Sydney** – MB

Apr. 19: **Corum HQ** – MB

Apr. 26: **Toronto** – MB

Apr. 19: **San Francisco** – MB

May 16: **Vancouver** – MB

Apr. 23: **Brisbane** – SUSO

May 24: **Corum HQ** – MB

Apr. 24: **Melbourne** – MB

May 24: **Indianapolis** – SUSO

Apr. 25: **Waterloo** – SUSO

May 29: **Oslo** – MB

Apr. 26: **Denver** – MB

May 30: **Stockholm** – MB

May 31: **Helsinki** – MB

www.CorumGroup.com/Events

CORUM

After the Deal – Celebration





www.corumgroup.com