

DECISIONPOINT

QUARTERLY VIEWPOINT:

For the Quarter Ended September 30, 2013 and the Latest Twelve Months

Q3 | 13

QUARTERLY VIEWPOINT:

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Market Leader for Mid-Market Technology M&A:

This Quarterly ViewPoint covers trends, public valuation multiples and relevant M&A activity for the software and services sectors. To illustrate general capital market and M&A trends within these sectors, DecisionPoint has selected a group of representative public comparables and transactions. This data is provided for informational purposes only. All data represents publicly available information.

DecisionPoint is a unique leader in M&A advisory services for middle-market technology companies and their venture capital investors in the software, services, cleantech, biotech, and healthcare IT sectors.



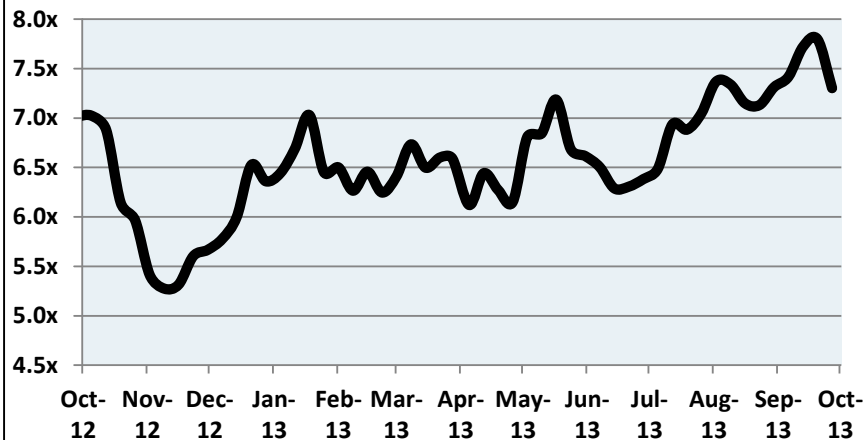
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Software: Software as a Service (SaaS)

HIGHLIGHTS, VALUATION METRICS AND RECENT M&A ACTIVITY

MARKET PERFORMANCE

DP SaaS Index EV/Revenue Multiple
Latest Twelve Months



VALUATION METRICS

Company	Stock Price 09/30/13	Market Cap.	Enterprise Value (EV)	EV/ LTM Revenue	EV / LTM EBITDA
Salesforce.com, Inc	\$52.43	\$31,248.3	\$33,064.6	9.5x	NM
Red Hat, Inc.	\$45.95	\$8,698.5	\$7,834.9	5.5x	27.1x
NetSuite Inc.	\$108.99	\$8,085.2	\$7,891.7	22.1x	NM
Concur Technologies, Inc.	\$112.79	\$6,319.4	\$6,039.4	11.9x	NM
The Ultimate Software	\$146.10	\$4,066.8	\$3,985.7	10.8x	75.1x
athenahealth, Inc.	\$109.07	\$4,019.1	\$4,231.8	8.6x	99.2x
Cornerstone OnDemand,	\$52.49	\$2,698.5	\$2,625.8	17.6x	NM
Medidata Solutions, Inc.	\$98.38	\$2,624.5	\$2,484.2	10.1x	62.9x
Dealertrack Technologies,	\$42.49	\$1,858.9	\$1,859.8	4.3x	28.9x
RealPage, Inc.	\$23.40	\$1,802.7	\$1,768.3	5.0x	31.8x
OpenTable, Inc.	\$70.76	\$1,623.1	\$1,531.1	8.8x	28.3x
Demandware, Inc.	\$45.29	\$1,387.1	\$1,282.6	14.5x	NM
Evertz Technologies Ltd.	\$15.40	\$1,140.0	\$939.5	3.4x	13.4x
Responsys, Inc.	\$16.75	\$843.3	\$737.5	4.0x	43.9x
Ellie Mae, Inc.	\$30.63	\$810.7	\$739.7	6.0x	25.6x
Constant Contact, Inc.	\$23.99	\$736.0	\$636.8	2.4x	32.5x
LivePerson Inc.	\$9.41	\$508.5	\$433.5	2.6x	34.6x
Ebix Inc.	\$9.85	\$374.0	\$409.7	1.9x	4.9x
Median:	\$45.62	\$1,830.8	\$1,814.0	7.3x	31.8x

SECTOR HIGHLIGHTS

- The median SaaS index was trading at 7.3x revenue (based on Enterprise Value) at the closing of Q3.
- Security remains the biggest hurdle for the SaaS industry and some enterprises are choosing to forego the cost savings and convenience of using the cloud apps, and switching back to on-premise software. According to an August report from the Information Technology & Innovation Foundation, the U.S. cloud computing industry can lose between \$22 and \$25 billion over the next three years as a result of security concerns. To address this problem, SaaS vendors and their customers are turning to a new crop of security solutions for the cloud.
- Oracle is offering a series of new services that position it as a one-stop shop for all things cloud and directly target the likes of Amazon Web Services and Salesforce.com. While Oracle had already offered SaaS applications, database-as-a-service and other products, it announced ten additional cloud services at the OpenWorld conference.
- IBM was downgraded recently amid warning bells that the computing giant is struggling to garner growth in the cloud and SaaS field.
- SaaS ERP in India and China is on a growth curve. Based on Gartner's forecast, SaaS ERP in India is expected to grow at a compound annual growth rate of 28% and SaaS ERP in China is expected to grow at CAGR of 37% for the next five years.

MERGERS & ACQUISITIONS (SAMPLE DEALS)

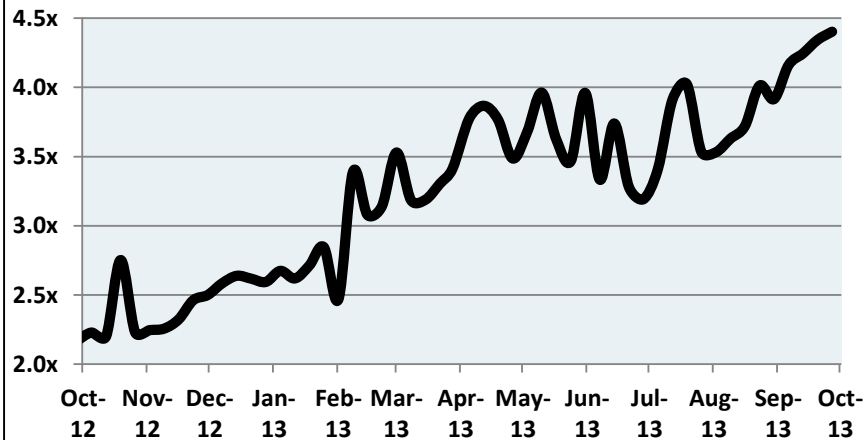
Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
2013-09-20	Xchanging UK Ltd.	SBB Services Inc.	11.0
2013-09-10	SAP	KXEN, Inc.	-
2013-09-12	Transport IT Solutions Pvt Ltd.	Four Soft, Ltd. (assets)	43.4
2013-09-03	SciQuest, Inc.	CombineNet, Inc.	43.0
2013-08-21	Altisource	Equator, LLC	70.0
2013-08-19	Go Daddy Group, Inc.	Locu, Inc.	70.0
2013-07-31	Kofax plc	Kapow Technologies, Inc.	40.4
2013-07-09	ServiceNow, Inc.	Mirror42 B.V.	13.3
2013-07-01	Thoma Bravo LLC	Intuit, Inc. (IFS division)	1,025.0
2013-07-01	CoreLogic Systems, Inc	Decision Insight Information Group (real estate data assets)	661.0

Software: Internet Software and Services

HIGHLIGHTS, VALUATION METRICS AND RECENT M&A ACTIVITY

MARKET PERFORMANCE

DP Internet Software & Services EV/Revenue Multiple
Latest Twelve Months



VALUATION METRICS

Company	Stock Price 09/30/13	Market Cap.	Enterprise Value (EV)	EV/ LTM Revenue	EV / LTM EBITDA
Google Inc.	\$876.39	\$291,856.2	\$245,624.3	4.4x	14.4x
Amazon.com Inc.	\$316.01	\$144,379.9	\$139,958.9	2.1x	52.2x
Facebook, Inc.	\$51.24	\$124,785.8	\$116,700.8	19.1x	42.2x
eBay Inc.	\$55.78	\$72,209.0	\$66,306.0	4.4x	15.0x
priceline.com	\$1,014.97	\$52,272.0	\$48,622.0	8.3x	23.1x
Yahoo! Inc.	\$33.55	\$34,231.8	\$31,701.8	6.6x	15.5x
LinkedIn Corporation	\$246.72	\$28,984.7	\$28,111.3	22.6x	NM
Netflix, Inc.	\$312.40	\$18,407.4	\$17,827.3	4.5x	NM
Groupon, Inc.	\$11.64	\$7,746.9	\$6,562.9	2.7x	49.9x
Pandora Media, Inc.	\$25.52	\$4,827.3	\$4,768.4	9.0x	NM
IAC/InterActiveCorp	\$54.52	\$4,523.8	\$4,532.7	1.5x	9.5x
AOL Inc.	\$34.39	\$2,645.6	\$2,278.6	1.0x	4.6x
Vistaprint N.V.	\$55.59	\$1,832.4	\$2,020.8	1.7x	19.4x
OpenTable, Inc.	\$70.76	\$1,623.1	\$1,531.1	8.8x	28.3x
ValueClick, Inc.	\$20.66	\$1,535.0	\$1,510.4	2.2x	6.9x
WebMD Health Corp.	\$28.75	\$1,425.4	\$1,199.3	2.5x	25.4x
RealNetworks Inc.	\$8.53	\$304.2	\$67.5	0.3x	NM
Median:	\$54.52	\$7,746.9	\$6,562.9	4.4x	19.4x

SECTOR HIGHLIGHTS

- The median Internet Software & Services index was trading at 4.4x revenue (based on Enterprise Value) at the closing of Q3.
- More than a year after Marissa Mayer took the top job at Yahoo, the company's revenues and profits are still down, even as Ms. Mayer continues her start-up shopping spree and rolls out Yahoo product update after another. Specifically, its display advertising business, which accounts for about 40% of sales, fell 7% in large part because of increased competition from Google and Facebook.
- Amazon is working with HTC to produce a range of Android-powered smartphones to pair with its Kindle Fire range of Android tablets and to compete with offerings from Google and Apple.
- Newly appointed Groupon CEO wants to move the company from a push model (shoving deals through e-mail) to a pull model (drawing customers to the website through search engines).
- Angie's List (NASDAQ: ANGI) has struggled lately. The company offers paid subscribers access to reviews of local service professionals and is under extreme pressure to show that paid memberships outweigh the free reviews on sites such as Yelp (NYSE:YELP).
- Netflix, which began as a video rental service, is discussing with several U.S. cable operators the inclusion of its streaming video service on their set-top boxes, helping to boost the company's shares.

MERGERS & ACQUISITIONS (SAMPLE DEALS)

Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
2013-09-16	Delticom AG	Tirendo Germany GmbH	66.5
2013-08-23	Baidu	Nuomi Holdings Inc.	160.0
2013-08-22	Woolworths Limited	EziBuy Holdings Limited	280.0
2013-08-19	CVC Capital Partners Limited	Skrill Ltd.	797.0
2013-08-19	Zillow	NMD Interactive Inc.	50.0
2013-08-09	William Hill PLC	Tom Waterhouse N.T. Pty Limited	35.6
2013-08-07	AOL, Inc.	Adap.tv Inc.	465.0
2013-08-01	Blucora	Monoprice, Inc.	180.0
2013-07-25	Rosetta Stone Ltd.	Lexia Learning Systems, Inc.	22.5
2013-07-11	Playtech	PokerStrategy.com Ltd.	49.2
2013-07-03	Perform Group PLC	Opta Sports	60.9

Software: Enterprise Software

HIGHLIGHTS, VALUATION METRICS AND RECENT M&A ACTIVITY

MARKET PERFORMANCE

DP Enterprise Software Index EV/Revenue Multiple
Latest Twelve Months



VALUATION METRICS

Company	Stock Price 09/30/13	Market Cap.	Enterprise Value (EV)	EV/ LTM Revenue	EV / LTM EBITDA
Microsoft Corporation	\$33.27	\$277,137.6	\$217,213.6	2.8x	7.2x
IBM	\$186.92	\$204,757.0	\$228,623.0	2.2x	8.7x
Oracle Corporation	\$33.78	\$153,951.0	\$139,382.0	3.7x	8.6x
SAP AG	\$74.74	\$89,125.8	\$91,258.3	4.1x	11.8x
Dassault Systemes SA	\$133.86	\$16,730.7	\$14,647.0	5.2x	16.8x
Autodesk, Inc.	\$41.79	\$9,319.2	\$8,067.3	3.5x	17.4x
Ansys, Inc.	\$86.49	\$7,994.9	\$7,361.6	8.9x	19.0x
Amdocs Limited	\$37.07	\$5,967.6	\$4,876.9	1.5x	7.9x
Stratasys Ltd.	\$101.47	\$4,416.3	\$4,268.4	13.2x	NM
Informatica Corporation	\$39.28	\$4,251.5	\$3,647.4	4.2x	21.7x
TIBCO Software Inc.	\$25.60	\$4,200.8	\$4,012.9	3.8x	20.6x
MICROS Systems, Inc.	\$50.19	\$3,845.1	\$3,216.2	2.5x	12.7x
Constellation Software	\$175.81	\$3,725.8	\$3,879.8	3.6x	18.4x
PTC Inc.	\$28.35	\$3,387.3	\$3,398.4	2.7x	13.4x
Tyler Technologies, Inc.	\$87.42	\$2,783.6	\$2,780.6	7.2x	36.2x
NICE Systems Ltd.	\$40.69	\$2,461.8	\$2,218.3	2.4x	13.6x
Verint Systems Inc.	\$40.69	\$2,169.6	\$2,288.3	2.7x	13.7x
Manhattan Associates, Inc.	\$94.93	\$1,833.3	\$1,726.8	4.4x	18.7x
Blackbaud Inc.	\$38.74	\$1,768.3	\$1,956.9	4.0x	22.7x
QAD Inc.	\$13.79	\$216.0	\$155.1	0.6x	14.5x
Median:	\$41.24	\$4,226.2	\$3,946.4	3.7x	14.5x

SECTOR HIGHLIGHTS

- The median Enterprise Software index was trading at 3.7x revenue (based on Enterprise Value) at the closing of Q3.
- Software buying is driven by the interdependent forces of cloud-based services, data analytics, mobility and socialization. Vendors should keep in mind that, while enterprise software markets showed signs of recovery in 2012, economic uncertainty will support only moderate growth through 2014.
- For application software, key growth segments are BI, collaboration/social software suites, content management, CRM and SCM. The focus is enabling any device per user access through SaaS and cloud services, and driving revenue and innovation.
- Hitachi Data Systems Corporation today announced its expansion of Hitachi solutions for SAP software. The enhanced portfolio includes solutions specifically designed to optimize the performance, business continuity, data protection, and scalability of SAP software-enabled platforms.
- New technologies such as NoSQL and SaaS almost always save money over on-premise deployments, but there are a few wrinkles. Customization negates price advantages and some collaboration tools like Box will cost more.

MERGERS & ACQUISITIONS (SAMPLE DEALS)

Announced

Date	Acquirer Name	Target Name	Enterprise Value (\$m)
2013-09-30	Vista Equity Partners	Active Network Inc., The	946.0
2013-09-23	Vista Equity Partners	Greenway Medical Technologies	632.8
2013-09-23	DealerTrack Holdings, Inc.	VINtek	53.4
2013-09-16	Perion Network Ltd	Conduit Ltd. (Client Connect business)	750.7
2013-09-13	EMIS Group plc	Ascribe plc	90.6
2013-09-04	Premiere Global Services	ACT Teleconferencing, Inc.	44.0
2013-08-20	Lexmark International, Inc.	Saperion AG	72.0
2013-08-13	Extreme Reach, Inc.	DG (TV business)	485.0
2013-08-06	IRESS Market Technology Limited	Avelo FS Holdings Ltd	320.9
2013-08-06	Computer Sciences Corporation	Infochimps, Inc.	25.0
2013-07-23	Davis + Henderson	Harland Financial Solutions, Inc	1,200.0
2013-07-18	Yelp, Inc.	SeatMe, Inc.	12.7
2013-07-16	TOTVS S.A.	RMS Software S.A.	16.5

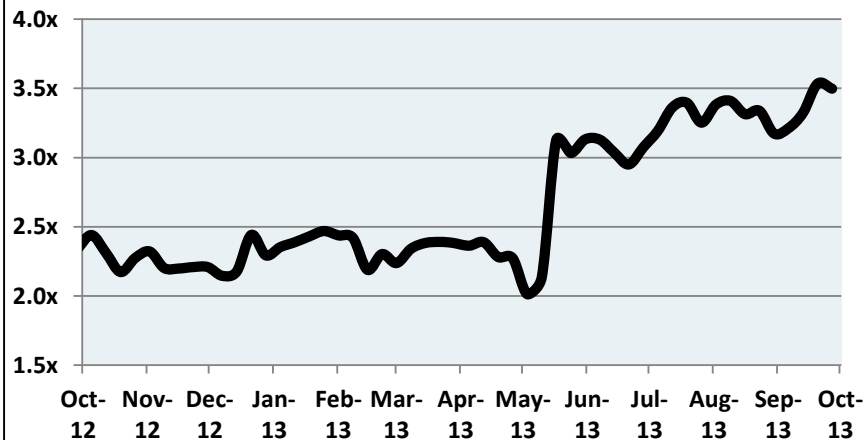
Software: Business Intelligence Software

HIGHLIGHTS, VALUATION METRICS AND RECENT M&A ACTIVITY

MARKET PERFORMANCE

DP BI Software Index EV/Revenue Multiple

Latest Twelve Months



* The large increase in May is due to the Tableau Software IPO and their inclusion in our BI Software Index.

VALUATION METRICS

Company	Stock Price 09/30/13	Market Cap.	Enterprise Value (EV)	EV/ LTM Revenue	EV / LTM EBITDA
Informatica Corporation	\$39.28	\$4,251.5	\$3,647.4	4.2x	21.7x
Tableau Software, Inc.	\$69.23	\$4,096.6	\$3,875.2	23.7x	NM
Qlik Technologies, Inc.	\$34.83	\$3,060.2	\$2,836.6	6.6x	NM
Pegasystems Inc.	\$39.47	\$1,497.3	\$1,323.5	2.8x	19.7x
MicroStrategy Inc.	\$103.83	\$1,173.4	\$855.6	1.5x	29.2x
PROS Holdings, Inc.	\$34.11	\$957.5	\$869.3	6.6x	NM
Accelrys Inc.	\$9.90	\$549.5	\$418.6	2.5x	43.7x
Actuate Corporation	\$7.40	\$354.8	\$281.6	2.0x	16.3x
Median:	\$37.06	\$1,335.4	\$1,096.4	3.5x	21.7x

SECTOR HIGHLIGHTS

- The median Business Intelligence Software index was trading at 3.5x revenue (based on Enterprise Value) at the closing of Q3.
- Social media has a double impact on the BI and analytics space. First, social provides new subject areas to report and analyze. For example, marketers can now analyze sentiment analysis of relevant brands by monitoring social media sites. Second, social augments existing BI and analytics technologies with more collaboration (such as Collaborative Decision Making), making it more actionable and decisive.
- Traditional BI methods have focused on structured information almost exclusively. Organizations that now include unstructured data in their analysis -- like customer comments and social media data -- are able to add context to their business reports, identify relevant data points faster, provide higher quality analysis, and ultimately make better, faster business decisions.
- Two of the biggest takeaways from several Gartner reports released over the past few months are the poor satisfaction rating mobile BI received in the face of its high popularity and the poor performance of big vendors compared to their smaller counterparts.
- Decision makers are looking to location analytics as the next missing puzzle piece to potentially enhance their organizational efficiency. In a recent study conducted by Ventana Research, results showed that organizations using location analytics have improved the results of their activities and processes.

MERGERS & ACQUISITIONS (SAMPLE DEALS)

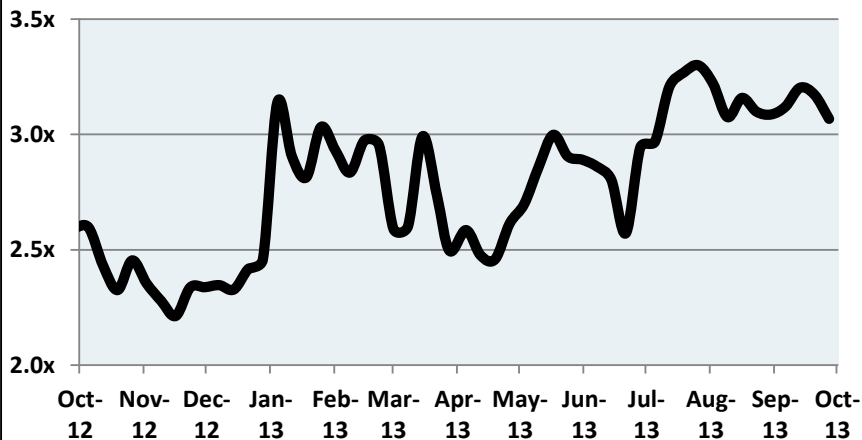
Announced	Date	Acquirer Name	Target Name	Enterprise Value (\$m)
	2013-09-18	TIBCO Software Inc.	Extended Results, Inc.	21.0
	2013-09-12	Confluence Technologies, Inc.	Data Agent, LLC	-
	2013-09-12	F3 Technologies, Inc.	Covi Point LLC (assets)	-
	2013-09-10	Wolters Kluwer N.V.	CitizenHawk, Inc.	-
	2013-08-22	Software AG	Jackbe Corp.	40.0
	2013-08-01	Adobe Systems Inc.	Search Discovery, Inc. (Satellite)	-
	2013-07-18	Yahoo! Inc.	Ztelic	-
	2013-07-16	Criteo SA	AD-X Ltd.	7.2
	2013-07-11	Sword Group	ActiveRisk	11.5
	2013-07-09	ServiceNow, Inc.	Mirror42 B.V.	13.3

Software: Infrastructure Software

HIGHLIGHTS, VALUATION METRICS AND RECENT M&A ACTIVITY

MARKET PERFORMANCE

DP Infrastructure Software Index EV/Revenue Multiple
Latest Twelve Months



VALUATION METRICS

Company	Stock Price 09/30/13	Market Cap.	Enterprise Value (EV)	EV/ LTM Revenue	EV / LTM EBITDA
EMC Corporation	\$26.07	\$54,247.9	\$51,631.9	2.3x	10.2x
Symantec Corporation	\$24.73	\$17,296.1	\$15,607.1	2.2x	8.2x
Citrix Systems, Inc.	\$70.80	\$13,266.6	\$12,566.5	4.5x	20.6x
Check Point Software	\$56.49	\$11,096.7	\$9,856.2	7.2x	12.9x
Red Hat, Inc.	\$45.95	\$8,698.5	\$7,834.9	5.5x	27.1x
F5 Networks, Inc.	\$86.80	\$6,796.8	\$6,245.5	4.3x	13.7x
Trend Micro Inc.	\$37.88	\$5,031.6	\$3,724.8	3.6x	11.0x
CommVault Systems, Inc.	\$87.21	\$4,075.5	\$3,616.7	7.0x	39.7x
SolarWinds, Inc.	\$35.75	\$2,696.0	\$2,520.1	8.5x	17.4x
Progress Software Corp.	\$25.93	\$1,403.1	\$1,161.1	3.3x	16.3x
Radware Ltd.	\$14.18	\$635.5	\$580.7	3.1x	16.5x
Allot Communications	\$12.93	\$421.1	\$286.3	2.9x	NM
VASCO Data Security	\$7.90	\$305.4	\$219.8	1.5x	12.1x
Guidance Software, Inc.	\$9.05	\$259.8	\$237.1	1.9x	NM
Magic Software	\$6.91	\$254.6	\$218.2	1.6x	8.5x
Geeknet, Inc.	\$16.06	\$106.1	\$58.4	0.5x	NM
BSQUARE Corp.	\$2.72	\$30.4	\$10.3	0.1x	11.4x
Median:	\$25.93	\$2,696.0	\$2,520.1	3.1x	13.3x

SECTOR HIGHLIGHTS

- The median Infrastructure Software index was trading at 3.1x revenue (based on Enterprise Value) at the closing of Q3.
- Moderate worldwide growth of 5.5% is expected from 2012 through 2017 in the infrastructure software space as the global economic recovery continues.
- A focus on efficiency and optimizing back-office performance is driving growth in key markets, such as data integration tools and data quality tools, virtualization, storage, application infrastructure and middleware (AIM), and security.
- In Q3, BMC Software successfully completed its privatization transaction (valued at \$7 billion) led by Bain Capital and Golden Gate Capital together with Insight Venture Partners, GIC Special Investments and Elliott Management Corporation.
- Dell recently announced new and enhanced infrastructure, software and services offerings designed to help organizations maximize performance of traditional IT and cloud environments running on Dell infrastructure and drive business innovation. The offerings demonstrate continued customer enthusiasm for the expanded Dell and Oracle relationship to deliver comprehensive, end-to-end solutions.
- TIBCO Software has announced a series of new cloud offerings that give customers the tools to deploy and manage all of their data in the cloud. TIBCO's cloud portfolio now includes advanced location, business, and data prep analytics, as well as new open APIs, integration tools and management solutions.

MERGERS & ACQUISITIONS (SAMPLE DEALS)

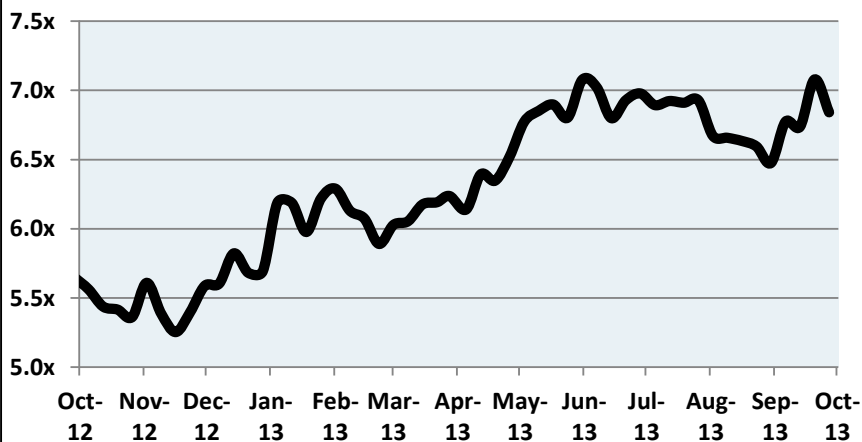
Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
2013-09-26	Ford Motor Company	Myine Electronics, Inc.	-
2013-09-16	Splunk, Inc.	BugSense	-
2013-09-04	Telit Communications PLC	ILS Technology LLC	8.5
2013-08-16	OpenText Corporation	Cordys Software B.V.	33.0
2013-08-06	BMC Software, Inc.	Partnerpedia	-
2013-08-01	OpenText Corporation	ICCM Professional Services Limited	13.8
2013-07-18	Facebook	Monoidics Ltd (assets)	-
2013-07-11	EMC Corporation	ScaleIO	-
2013-07-09	IBM Corporation	CSL International	-
2013-07-09	Kaseya International Limited	Zyrion, Inc.	50.0
2013-07-02	Idera	Precise Software Solutions Inc.	-

Services: IT Services

HIGHLIGHTS, VALUATION METRICS AND RECENT M&A ACTIVITY

MARKET PERFORMANCE

DP IT Services Index EV/EBITDA Multiple
Latest Twelve Months



VALUATION METRICS

Company	Stock Price 09/30/13	Market Cap.	Enterprise Value (EV)	EV/ LTM Revenue	EV / LTM EBITDA
Accenture plc	\$74.09	\$47,121.2	\$41,980.1	1.5x	9.0x
NTT Data Corporation	\$34.58	\$9,699.0	\$11,613.9	0.9x	5.3x
Cap Gemini S.A.	\$59.65	\$9,399.1	\$9,189.2	0.7x	6.8x
Atos S.A.	\$78.53	\$6,830.2	\$6,376.4	0.5x	5.0x
Booz Allen Hamilton	\$19.44	\$2,802.6	\$4,121.2	0.7x	7.5x
CACI International Inc.	\$69.21	\$1,610.1	\$2,146.5	0.6x	6.6x
Sopra Group	\$90.15	\$1,071.5	\$1,364.2	0.8x	6.5x
ManTech International	\$28.80	\$1,070.1	\$1,076.5	0.4x	5.8x
ICF International Inc.	\$35.31	\$698.0	\$767.6	0.8x	8.6x
Perficient Inc.	\$18.40	\$608.7	\$624.3	1.9x	15.7x
Ciber, Inc.	\$3.29	\$246.4	\$242.2	0.3x	8.7x
The Hackett Group, Inc.	\$6.99	\$221.0	\$225.2	1.1x	11.7x
Dynamics Research	\$7.48	\$77.7	\$165.9	0.6x	5.5x
NCI, Inc.	\$5.77	\$74.6	\$83.6	0.2x	4.6x
Edgewater Technology	\$5.47	\$59.2	\$47.8	0.5x	13.6x
Median:	\$32.35	\$1,070.1	\$1,076.5	0.7x	6.8x

SECTOR HIGHLIGHTS

- The median IT Services index was trading at 6.8x EBITDA (based on Enterprise Value) at the closing of Q3.
- In U.S. dollars, the worldwide IT services market will grow 2.0% in 2013, reaching \$905.8 billion, and will exceed \$1.1 trillion in 2017. Outsourcing will contribute nearly 60% of market growth. Data center, desktop outsourcing and implementation are expected to underperform, while BPaaS, consulting and IaaS are poised to outperform.
- IT services providers that are gaining market share are making acquisitions, have an India-based heritage, have a business consulting reputation, operate in high growth geographies, and operate public cloud infrastructure as a service (IaaS) services.
- The IT services market continues to bridge legacy offerings and new cloud delivery paradigms. IT services providers that are able to adapt to change, improve competitiveness and identify growth opportunities are expected to do well.
- More than 20% of IT spending is outside the control of central IT in 40% of organizations. The growing influence of business leaders stresses the necessity of building out consultative capabilities in areas of business operations and strategy, as well as business process services.

MERGERS & ACQUISITIONS (SAMPLE DEALS)

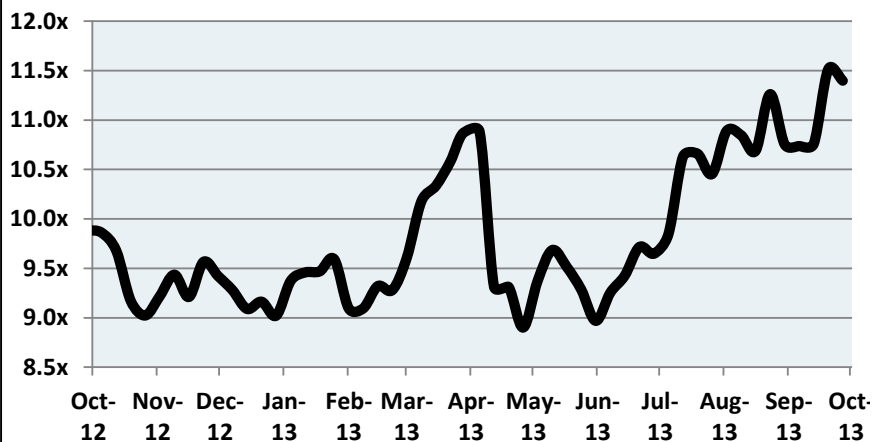
Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
2013-09-27	Turquino Equity	Pride Group (QLD) Pty Ltd, The	1.1
2013-09-25	SMS Management & Technology	Birchman Group Asia Pacific Pty. Ltd	11.8
2013-09-23	Empired Ltd	OBS	14.2
2013-09-20	Huron Consulting Group Inc.	Blue Stone International LLC (assets)	30.0
2013-09-16	Vita Group Limited	Camelon IT	4.3
2013-09-13	Maintel Holdings plc	Point-On Holdings Ltd. (UK and Irish operations)	5.5
2013-09-10	ILX Group Plc	Progility Pty Ltd.	25.0
2013-08-28	American CyberSystems Inc.	Analysts International Corporation	28.5
2013-08-26	Wasserstein & Company	Globecomm Systems Inc.	284.7
2013-08-19	SageNet LLC	Spacenet Inc.	16.0
2013-08-06	WPP Group plc	Verticurl	-
2013-07-31	Accenture Ltd.	ASM Research Inc.	-
2013-07-02	Anite PLC	Genetel SAS	1.9

Services: IT Outsourcing

HIGHLIGHTS, VALUATION METRICS AND RECENT M&A ACTIVITY

MARKET PERFORMANCE

DP IT Outsourcing Index EV/EBITDA Multiple
Latest Twelve Months



VALUATION METRICS

Company	Stock Price 09/30/13	Market Cap.	Enterprise Value (EV)	EV/ LTM Revenue	EV / LTM EBITDA
Automatic Data Processing, Inc.	\$72.56	\$34,845.4	\$33,378.9	3.0x	14.2x
Infosys Ltd.	\$48.09	\$27,479.2	\$23,705.5	3.3x	11.8x
Cognizant Technology Solutions Corporation	\$82.70	\$24,923.2	\$22,022.6	2.7x	13.2x
Wipro Ltd.	\$7.60	\$18,608.5	\$16,858.9	2.8x	13.3x
CGI Group, Inc.	\$34.99	\$10,835.6	\$13,641.4	1.5x	11.4x
Computer Sciences Corporation	\$52.02	\$7,682.7	\$8,476.7	0.6x	4.0x
Syntel, Inc.	\$79.75	\$3,343.1	\$2,940.1	3.8x	12.1x
DST Systems Inc.	\$76.09	\$3,274.1	\$3,711.6	1.4x	8.6x
iGATE Corporation	\$28.30	\$1,639.3	\$2,567.0	2.3x	10.2x
Unisys Corporation	\$25.13	\$1,096.7	\$998.2	0.3x	3.8x
CSG Systems International Inc.	\$24.92	\$790.0	\$871.2	1.2x	6.7x
Median:	\$48.09	\$7,682.7	\$8,476.7	2.3x	11.4x

SECTOR HIGHLIGHTS

- The median IT Outsourcing index was trading at 11.4x EBITDA (based on Enterprise Value) at the closing of Q3.
- The troubled launch of the U.S. federal government's healthcare information exchange is a high-profile example of outsourced IT gone wrong. The \$400 million project, which was supposed to be a one-stop online shop for Americans seeking health insurance, made headlines for its bugs and glitches. Deadline after deadline was missed on the multi-contractor project for a variety of reasons -- from government agencies slow to issue their specifications to last minute changes to the Healthcare.gov's primary features.
- India's IT services sector is enjoying a brightening demand outlook from clients in the United States, its biggest market, as well as in Europe, where companies looking to cut costs are increasingly turning to outsourcing. Wipro is looking to regain momentum after its growth lagged that of Indian rivals Tata Consultancy Services (TCS) and HCL Technologies as well as U.S. based Cognizant Technology, in part by seeking more business from its biggest existing clients.
- According to ISG, 60% more IT outsourcing deals were sealed in Q3 than in Q2 in EMEA. Average contract value was also up 16% over last year and 89% over the previous quarter.
- More organizations will look to shorten their IT outsourcing contracts with providers as they demand more agility and flexibility, according to research firm Ovum. This is creating greater competition among the vendors.

MERGERS & ACQUISITIONS (SAMPLE DEALS)

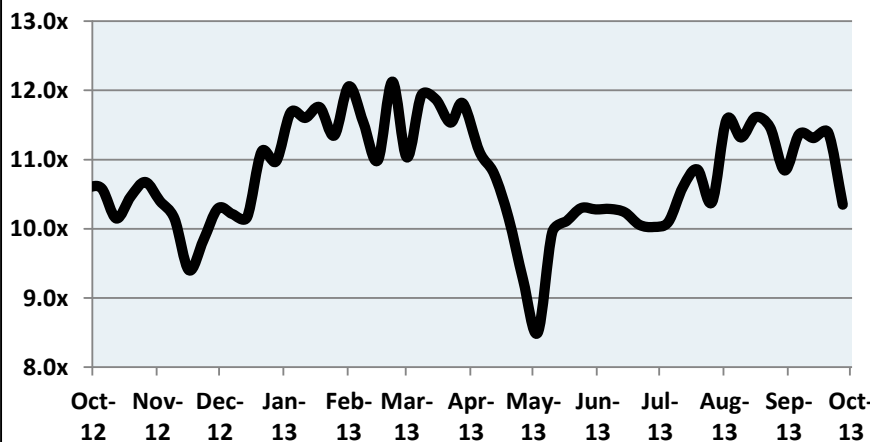
Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
2013-09-12	Ogilvy & Mather	PennyWise Solutions Pvt. Ltd.	-
2013-09-10	SYNNEX Corporation	IBM Corporation (CRM BPO business)	505.0
2013-08-22	1st Holdings, Inc. [MBO]	1st Holdings, Inc.	312.0
2013-08-20	3D Systems, Inc.	CRDM Ltd.	-
2013-08-13	Twitter, Inc.	Marakana Inc	-
2013-07-15	Oasis Systems	PeakPoint Technologies Inc.	-
2013-07-03	Asseco Poland SA [Softbank]	R-Style Softlab	28.0
2013-07-03	Doro AB	Isidor SAS	2.6

Services: IT Staffing

HIGHLIGHTS, VALUATION METRICS AND RECENT M&A ACTIVITY

MARKET PERFORMANCE

DP IT Staffing Index EV/EBITDA Multiple
Latest Twelve Months



VALUATION METRICS

Company	Stock Price 09/30/13	Market Cap.	Enterprise Value (EV)	EV/ LTM Revenue	EV / LTM EBITDA
Robert Half International Inc.	\$38.97	\$5,410.8	\$5,165.3	1.2x	12.0x
On Assignment Inc.	\$33.25	\$1,782.0	\$2,137.2	1.3x	12.8x
Kforce Inc.	\$17.67	\$585.5	\$636.1	0.6x	12.0x
Computer Task Group Inc.	\$16.43	\$309.3	\$275.3	0.6x	10.3x
CDI Corp.	\$15.39	\$299.5	\$277.9	0.3x	7.4x
Hudson Global, Inc	\$3.28	\$106.0	\$78.9	0.1x	NM
RCM Technologies Inc.	\$6.04	\$74.7	\$61.5	0.4x	8.4x
Mastech Holdings, Inc.	\$11.48	\$38.4	\$41.3	0.4x	9.1x
Median:	\$15.91	\$304.4	\$276.6	0.5x	10.3x

SECTOR HIGHLIGHTS

- The median IT Staffing index was trading at 10.3x EBITDA (based on Enterprise Value) at the closing of Q3.
- The global information technology staffing market is estimated at \$55.4 billion, according to Staffing Industry Analysts' first-ever detailed global estimates. Within the professional staffing category, IT staffing represented 40% of all global professional temporary revenue, followed by healthcare, finance and accounting and engineering staffing.
- Based on the U.S. forecast, IT staffing looks to be very strong for the near future, with growth of 7% in 2014.
- According to a new study, concerns over compliance burdens and IT staffing shortages are the main issues for IT decision makers. Most IT security professionals do not believe their departments are adequately staffed. Just 23% said they have the right amount of people, while 67% said they could use additional staff.
- The trend in online staffing and service providers targeting the enterprise market continues. Elance, one of the largest online staffing firms, announced it is rolling out an offering for enterprise-level users called "Private Talent Cloud". This private talent cloud is consistent with an emerging trend where more online platform players, such as Work Market and others, are starting to address the mid-large enterprise market, not just small businesses.

MERGERS & ACQUISITIONS (SAMPLE DEALS)

Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
2013-09-25	HRBoss	Aqayo	-
2013-09-06	Matchtech Group Plc	Application Services Limited	6.2
2013-08-28	American CyberSystems Inc.	Analysts International Corporation	28.5
2013-08-20	Skoda Minotti	Assurance Concepts LLC	-
2013-08-19	Staffing 360 Solutions, Inc.	Control Solutions International, Inc.	-
2013-07-31	Reserves Network, The	Summit Technical Services, Inc.	-
2013-07-24	Dice Holdings Inc	Job Board Enterprises Ltd.	12.2
2013-07-17	ONS Interactive Solutions Pvt Ltd	Revosys IT Inc.	-
2013-07-09	Stefanini International Holdings Ltd.	RCG Global Services, Inc. (IT staffing division)	-

Services: Value Added Resellers

HIGHLIGHTS, VALUATION METRICS AND RECENT M&A ACTIVITY

MARKET PERFORMANCE

DP VAR Index EV/EBITDA Multiple
Latest Twelve Months



VALUATION METRICS

Company	Stock Price 09/30/13	Market Cap.	Enterprise Value (EV)	EV/ LTM Revenue	EV / LTM EBITDA
Avnet, Inc.	\$41.73	\$5,736.6	\$6,772.5	0.3x	7.6x
Ingram Micro Inc.	\$22.85	\$3,490.4	\$3,598.8	0.1x	5.9x
Insight Enterprises Inc.	\$19.05	\$806.4	\$717.3	0.1x	4.1x
ALSO Holding AG	\$51.96	\$666.2	\$810.5	0.1x	5.6x
ePlus inc.	\$54.11	\$443.7	\$517.0	0.5x	6.9x
PC Connection, Inc.	\$15.17	\$396.8	\$333.1	0.2x	5.2x
PCM, Inc.	\$9.49	\$109.7	\$219.0	0.2x	6.5x
Emtec, Inc.	\$0.90	\$15.3	\$40.0	0.2x	8.7x
Median:	\$32.29	\$2,148.4	\$2,204.7	0.1x	6.2x

SECTOR HIGHLIGHTS

- The median VAR index was trading at 6.2x EBITDA (based on Enterprise Value) at the closing of Q3.
- According to Monitor, VARs that resell Office 365 can boost their operating margins, compared to reselling equivalent premise offerings or other cloud services. They can also considerably cut the sales time compared to using traditional, premise-oriented sales processes.
- The confluence of new mobile devices, a new Windows 8.1 operating system, a push to the cloud and security issues from the coming end of Windows XP support together mean solution providers have little time to get up to speed on their mobility business. Microsoft has been shifting its focus away from package software to two new pillars: mobile devices and services.
- Arrow Electronics announced that the company has signed a definitive agreement to acquire Computerlinks, a value-added reseller with a comprehensive offering of IT solutions from many of the world's leading technology suppliers, for \$308 million. This acquisition supports Arrow's strategy to serve the data center of the future and strengthens its position in this rapidly growing segment.
- AT&T's new Partner Exchange program, while still less than a year old, is quickly gaining traction with solution providers eyeing the IT-telco convergence. The program focuses on three primary AT&T product lines, including IP networking, mobility managed services, and cloud-based offerings such as compute- and storage-as-a-service.

MERGERS & ACQUISITIONS (SAMPLE DEALS)

Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
2013-09-03	Acal Plc	Young Electronics Group	2.6
2013-08-27	Arrow Electronics Inc.	Computerlinks AG	307.7
2013-07-22	Datto, Inc	Paradeon Technologies Limited	-
2013-07-12	ITsavvy	Directech Solutions, Inc.	-
2013-07-02	Cansel	Solid Engineering Solutions Inc.	-
2013-07-01	CameronTec Intressenter AB	E2E infotech	-

Our team of professionals brings a unique combination of technological, financial and operational experience to our clients and their transactions. With backgrounds and deal experience spanning Wall Street investment banks, multi-billion dollar corporations and high growth start-ups, we have an exceptional understanding of how to successfully achieve our clients' strategic initiatives.



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