

## Strategic Buyers

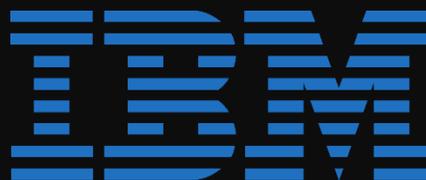
| Rank     | Buyer              | # Deals 1/14 – 5/17 |
|----------|--------------------|---------------------|
| 1        | WPP Group          | 75                  |
| 2        | Google             | 73                  |
| 3        | Accenture          | 62                  |
| 4        | j2Global           | 57                  |
| 5        | Microsoft          | 44                  |
| <b>6</b> | <b>IBM</b>         | <b>34</b>           |
| 7        | Apple              | 31                  |
| 8        | Facebook           | 26                  |
| 9        | Cisco              | 25                  |
| 10       | Trimble Navigation | 23                  |
| 11       | Intel              | 22                  |
| 12       | Twitter            | 21                  |
| 13       | salesforce.com     | 21                  |
| 14       | Oracle             | 20                  |
| 15       | Amazon             | 20                  |
| 16       | Ingram Micro       | 18                  |
| 17       | Synopsys           | 16                  |
| 18       | Autodesk           | 14                  |
| 19       | HP                 | 14                  |
| 20       | Qualcomm           | 12                  |

## Private Equity Buyers

| # Deals 1/14 – 5/17 | Buyer               | Rank |
|---------------------|---------------------|------|
| 32                  | Vista Equity        | 1    |
| 23                  | Carlyle             | 2    |
| 20                  | Thoma Bravo         | 3    |
| 17                  | Marlin Equity       | 4    |
| 17                  | EQT Holdings        | 5    |
| 15                  | Insight Venture     | 6    |
| 13                  | Apax                | 7    |
| 13                  | Accel-KKR           | 8    |
| 12                  | KKR                 | 9    |
| 12                  | GTCR                | 10   |
| 11                  | Francisco Partners  | 11   |
| 10                  | HgCapital           | 12   |
| 9                   | TA Associates       | 13   |
| 9                   | ABRY Partners       | 14   |
| 8                   | Vector Capital      | 15   |
| 7                   | Providence Equity   | 16   |
| 7                   | TPG Capital         | 17   |
| 7                   | Bridgepoint Capital | 18   |
| 7                   | Apollo              | 19   |
| 6                   | Siris Capital       | 20   |



# STRATEGIC BUYER #6



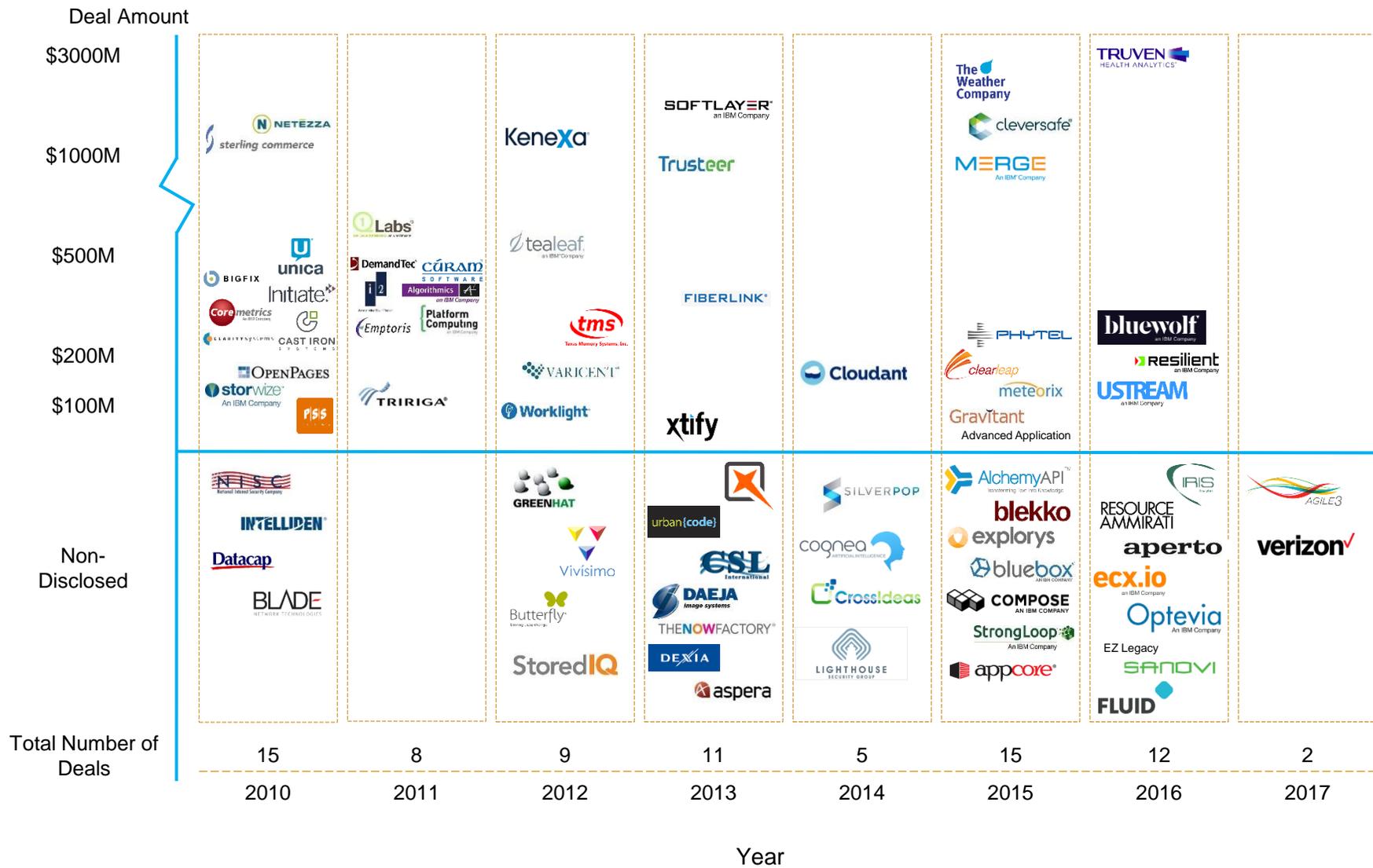
*Our Buyer Profile series regularly shares our Partner intelligence on the world's largest strategic and private equity acquirers of emerging technology companies over the last three years. Helping our private company CEOs understand the motivating factors and personnel that drive the acquisition activity of these very large players in the tech ecosystem is an obligation that we take very seriously at AGC Partners. We are not aware of any other publication quite like this, and we hope that you find it useful. As always, we welcome any and all feedback that you may have.*

# Big Blue Bets Big on Data

- ❑ With 78 completed transactions since 2010, IBM is an active acquirer. More recently, with 34 deals completed since 2014, the Company ranks as the 6th most active acquirer among all U.S. listed tech companies.
- ❑ IBM has done just two small tuck ins in 1H17, well off its pace of 12 deals in 2016. IBM may be digesting what it has already acquired or is poised to reaccelerate in 2H17. All of IBM's recent acquisitions have been in support of the company's "Strategic Imperatives."
- ❑ This initiative, commenced in 2012, identified five areas of focus for future R&D and acquisitions: Analytics, Cloud, Mobile, Security and Social. These sub-segments are ramping quickly and now account for 42% of IBM's overall revenues, helping to offset double-digit declines in software and IT services. IBM's core business is being severely disrupted by the lock-step shift to cloud-SaaS computing, contributing to 20 consecutive quarters of nil or negative top-line growth.
- ❑ Not surprisingly, IBM has been on a rapid acquisition pace to restore growth. The Company even has its own proprietary AI-driven M&A tool to speed the flow of decision making and closing on attractive targets. The algorithm, dubbed "M&A Pro," is the byproduct of two companies it acquired in 2009: the \$1.2 billion acquisition of SPSS and the \$4.9 billion acquisition of Cognos.
- ❑ IBM's Strategic Imperative businesses have demonstrated strong growth across all six of IBM's divisions. The Analytics segment, which includes the Watson ecosystem, has grown to become a major building block. It generates ~\$17 billion in revenue and contributes ~62% of total divisional revenues within Cognitive Solutions.
- ❑ IBM's acquisitions focus on gaining technology and industry expertise. Watson Health is a prime example. The acquisitions of Explorys, Phytel, Truven Health and Merge enabled the company to penetrate the oncology market in short order. It is now churning out predictive analytics to over 10,000 clinicians and researchers.
- ❑ IBM has demonstrated a willingness to pay for growth at a reasonable price. Since 2010, IBM has paid a median EV/Revenue multiple of 5.0x.<sup>1</sup> Notable transactions include:
  - In February 2016, IBM acquired Truven Health Analytics for \$2.6 billion, or 4.3x revenues. Truven, which offers data analytics and corporate performance management SaaS to healthcare providers, marks the continuation of Watson's push into healthcare analytics.
  - In October 2015, IBM acquired the Weather Company for \$2.3 billion. The acquisition was backed by Watson's desire to further develop its IoT and IoT Cloud platform. The Weather Company's existing cloud data platform will provide Watson with increased capabilities to collect, store, and analyze global data sets, and improve Watson's machine learning and analytics capabilities.
- ❑ Since 2010, IBM has spent almost \$22 billion on 78 deals, with 25% allocated to acquire companies in the information storage sector, 24% to the internet and mobile technology sector, 22% to systems management, and 29% to various other tech sectors.
- ❑ IBM's acquisitions have primarily been in North America (78%) and Western Europe (16%).
- ❑ Of the 33 transactions where deal structures were disclosed, 32 were for cash only considerations.

(1) Based on 33 of 78 deals with disclosed or estimated enterprise values and revenues. Source: 451 Research, Dow Jones News Service, Company Reports.

# Rapid Acquisitions to Restore Growth, Some Slowing YTD



Source: 451 Research, Company Reports as of 5/26/17

# IBM Places its Bets



Source: 451 Research Number, transactions reflects disclosed and non-disclosed as of 5/26/17

# IBM's M&A Team

## Prosper Vignone

Vice President, Corporate Development

Prosper serves as the Vice President of M&A Strategy, Investments, and Operations at IBM, where he has served in various positions since 2002. Prior to his promotion to his current position in 2012, Prosper was a Director of M&A Operations from 2010 to 2012, a Corporate Development Executive from 2006 to 2009, a Senior Manager of Finance and Operations from 2004 to 2006, and a Lead Financial Strategy Analyst from 2002 to 2004. Prosper received a BS from the University of Connecticut and an MBA from Yale University.

## Erik Holt

Director, M&A, Corporate Development  
IBM Watson

Erik is a Director of M&A and Corporate Development in the Watson division at IBM, where he has worked since 2012. Erik's responsible for sourcing, evaluating, executing and integrating strategic acquisitions. Prior to his current position, Erik was a Global Partner Ecosystem Strategy Leader of Commerce at IBM from 2012 to 2014. Previously, Erik was a Vice President leading the business media at M2 Media Group from 2009 to 2012. Erik was responsible for P&L and general management of Mercury Magazines, TechPapers and all digital lead generation and subscription services. Erik was also a Director of Corporate Strategy and Development at Toolbox.com and an Interactive Media Buyer at Carat North America. Erik holds a BA in Integrative Arts from Pennsylvania State University and a MBA in Marketing from Villanova University.

## Michael Loria

Vice President, Corporate Development  
IBM Security

Michael is the Vice President of Corporate and Business Development at IBM, where he has worked since 2001. At IBM, he has served a variety of roles including Director of Lotus Worldwide Business Partner Channels from 2001 to 2006 and Vice President of Business Development at Rational Software from 2006 to 2011. Prior to IBM, Michael was a Vice President of Business Development at Prinlife.com, and a Vice President of Marketing and Business Development at Applicant. Michael began his career at Eastman Kodak Company in Product Marketing and Management. Michael holds an AS from Monroe Community College in Business Administration and Marketing, and a BS in Business Management from Saint John Fisher College.

## Kevin Tucker

Director, M&A, Corporate Development

Kevin serves as Director of M&A and Corporate Development at IBM, where he has worked in various corporate development and business development positions since 1999. He was promoted to his current position in August 2014. Previously, he worked at MetLife as an Interactive Commerce Consultant from 1997 to 1998 and in the Management Associate program from 1995 to 1997. Kevin received both a Bachelor's Degree in Finance and an MBA in Finance from the University of Notre Dame.

## Robert Pemberton

Vice President, Corporate Development

Robert is a Vice President of Corporate Development at IBM, where he has worked since 2006. Based in New York, he has served in a variety of roles. Prior to being promoted to his current position, Robert was the Worldwide Chief Financial Officer of the Systems and Technology Group from 2011 to 2013. Previously, from 2009 to 2011, Robert was a General Auditor at IBM, where he reported to the IBM Audit Committee Chairman and was responsible for the ongoing assessment of IBM Control Systems. Robert has also served as the Chief Financial Officer of IBM in Europe from 2006 to 2009. Robert holds a Bachelor's degree in Finance from Villanova University, and an MBA in Finance from Duke Fuqua School of Business.

## Rich Telljohann

Director, Business, Corporate Development  
IBM Security

Rich serves as a Director of Business and Corporate Development of IBM Security. Rich joined IBM in 2006 as Security Market Manager for IBM Tivoli. Rich has also served as Program Director for IBM Security and Business Development Executive for IBM Tivoli. Prior to joining IBM, Rich served as Director of Product Management and Business Development at Micromuse. Previous to that, Rich was a Consulting Systems Engineer at Apple. Rich holds a B.S. in Computer Science and Engineering from the Ohio State University.

Source: LinkedIn, Company Reports

# IBM's M&A Team (Cont'd)

## Sushil Kalyam

Corporate Development  
M&A Strategy and Investments

Sushil is a part of the Corporate Development - M&A Strategy and Investments team at IBM, where he has worked since 2015. Previously, Sushil worked in Product Management at IBM from 2015 to 2016, when he was responsible for business strategy and execution for IBM Digital Recommendations - IBM's Product & Content Recommendation solution. Prior to IBM, Sushil served as a Senior Product Manager at Zynga from 2014 to 2015 and a Director of Product at Fantasy Buzzer from 2012 to 2014. Sushil began his career at MRU Holdings as an Associate in Capital Markets. Sushil holds a BS in Computer Engineering, and an MBA from London Business School.

## Jack Winstead

Corporate Development  
M&A and Strategic Investments

Jack is part of Corporate Development - M&A and Strategic Investments at IBM, an affiliation he has held since 2016. Prior to his current positions, Jack has held several other titles at IBM since 2012 including Managing Consultant, Senior Consultant, and Strategy and Transformation Consultant. Previously, Jack was a Consultant at Evaluando Software Consulting from 2011 to 2012. Jack holds a BS in Communications from the Newhouse School of Public Communications at Syracuse University.

## Yair Cassuto

Corporate Development  
M&A

Yair is part of Corporate Development - M&A at IBM, where he has worked since 2011. Yair focuses on transaction execution of acquisitions and divestitures. Prior to his current position, Yair was a Senior Consultant of Strategy and Transformation in the Global Business Services division at IBM from 2011 to 2012. Previously, Yair was an Associate at McKinsey & Company in 2010. Yair also held multiple positions at Israeli Prime Minister's Office from 2004 to 2009 including most recently of Founder and Senior Director of the Mobile Networks Department. Yair holds a BS in Electronics Engineering from Tel Aviv University and an MBA from the Wharton School, University of Pennsylvania.

## Arindam Guha

Corporate Development Executive  
M&A and VC Investments

Arindam is a Corporate Development Executive at IBM, where he has worked since 2010. Arindam's focus at IBM is sourcing M&A targets, leading management meetings, advising on valuation and assisting in due diligence and execution. Arindam also leads the venture capital fund investment program, where he drives global venture capital relationship, sourcing, negotiation and post-investment operating activities with portfolio start-ups. Prior to IBM, Arindam was a Product Manager at Oracle, where he began his career and was responsible for product strategy, design, and development of Oracle Application Products. Arindam holds a BS in Engineering from the Indian Institute of Technology, Kharagpur, and an MBA from the University of Chicago, Booth School of Business.

## Henry Hu

Corporate Development  
M&A Strategy, Innovation, Investments

Henry is a Corporate Development Executive at IBM where he has worked since 2002. Henry focuses on M&A strategy, innovation, and investments. Henry's team identifies emerging technology innovations through research markets, competitive activities and industry best practices, focusing on Internet of Things and Artificial Intelligence. Prior to his current position, Henry held multiple other titles at IBM, most notable the Chief Financial Officer of Strategic Imperatives Finance and Transformation in the IBM Systems Group. Previously, Henry was a Senior Consultant at Kearney from 1998 to 2002. He also was a Business and Financial Analyst at Ford Motor Company from 1994 to 1998. Henry holds a BS in International Trade and Computer Science from Shanghai Jiao Tong University, a MS in Industrial Engineering and Engineering Management from Stanford University, and an MBA in Finance and General Management from Columbia University.

## Joe Anthony

Corporate, Business Development

Joe serves on IBM's Security Corporate and Business Development team. Joe joined IBM in 1984 as Program Director. After that role, Joe was Director of Security, Risk, and Compliance Product Management at IBM Security. Joe holds a B.S. in Electrical Engineering from the University of Vermont and an M.S. in Engineering from North Carolina State University.

Source: LinkedIn, Company Reports

# Company Profile

## Business Overview

IBM provides information technology products and services worldwide. The Company's Global Technology Services segment provides IT infrastructure services. The Company's Global Business Services segment offers consulting and systems integration services for strategy and transformation, application innovation services, enterprise applications, and analytics. The Company's Software segment provides middleware and operating systems software, including WebSphere software to integrate and manage business processes; and Rational software that supports software development. This segment also provides Watson software to interact in natural language, process big data, and learn from interactions with people and computers; Watson Health that offers data analytics and insights of individual health; and Watson Internet of Things that allows direct sensing and communication of data. The Systems Hardware segment offers infrastructure technologies and data storage products and solutions. The Company's Global Financing segment provides lease and loan financing; commercial financing to suppliers, distributors, and remarketers; and remanufacturing and remarketing services. The Company was founded in 1910.

|            |  |                    |                |
|------------|--|--------------------|----------------|
| Address:   | 1 New Orchard Road<br>Armonk, NY 10504 | Firm               | Analyst        |
| Phone #:   | (914) 499-1900                         | Barclays           | Mark Moskowitz |
| Fax #:     | ND                                     | BofA Merrill Lynch | Wamsi Mohan    |
| Employees: | 380,300                                | Citigroup          | Jim Suva       |
| Website:   | www.ibm.com                            | Deutsche Bank      | Sherri Sribner |
|            |  | (48 others)        |                |

### Research Coverage

## Market Data (USD in millions, except per share data)

| Capitalization      | Financial Data |                 | Multiples |                   |       |
|---------------------|----------------|-----------------|-----------|-------------------|-------|
| Current Price       | \$152.37       | LQA Rev. (\$mm) | \$72,620  | LQA Rev. Mult.    | 2.4x  |
| FD Shares Out       | 939            | LTM Rev.        | 79,390    | LTM Rev. Mult.    | 2.2x  |
| Daily Volume (000s) | 3,746          | '17E Rev.       | 78,251    | '17E Rev. Mult.   | 2.3x  |
| Market Cap. (\$mm)  | 143,931        | LTM EBITDA      | 17,944    | LTM EBITDA Mult.  | 9.8x  |
| Cash                | 10,695         | '17E EBITDA     | 18,498    | '17E EBITDA Mult. | 9.5x  |
| Debt                | 42,786         | LTM EPS         | \$8.54    | LTM P/E           | 17.8x |
| Enterprise Value    | 176,143        | '17E EPS        | \$13.70   | '17E P/E          | 11.1x |

## New Products and Services

| Date      | Announcement   |
|-----------|--|
| 5/18/2017 | Launched MobileFirst   |
| 5/18/2017 | Launched Accelerator Program to Kickstart Blockchain Adoption                        |
| 5/16/2017 | Launched Partnership with Nutanix to Initiate to bring Enterprise into Cognitive Era |

## Ownership (Shares in millions)

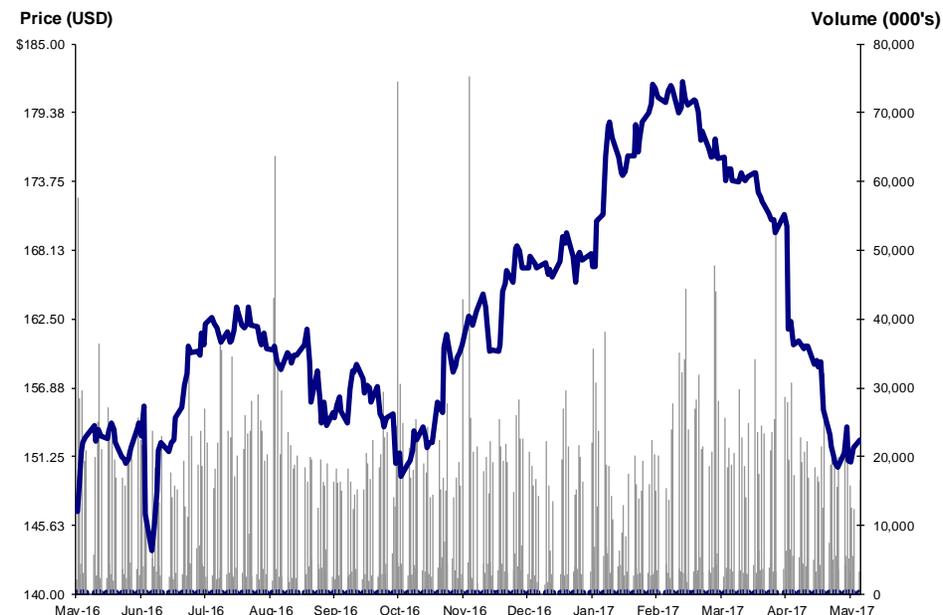
|                                    | Shares | \$      | %    |
|------------------------------------|--------|---------|------|
| <b>Institutional</b>               |        |         |      |
| The Vanguard Group                 | 60.0   | \$9,140 | 6.4% |
| BlackRock                          | 51.7   | 7,877   | 5.5% |
| State Street Global Advisors       | 51.2   | 7,801   | 5.4% |
| <b>Insider</b>                     |        |         |      |
| Virginia M. Rometty                | 0.2    | 31      | 0.0% |
| Steven A. Mills                    | 0.2    | 24      | 0.0% |
| John E. Kelly                      | 0.1    | 10      | 0.0% |
| All Officers, Directors & Insiders | 0.8    | \$125   | 0.1% |

## Management and Board of Directors

| Management       | Title   |
|------------------|---|
| Virginia Rometty | Chief Executive Officer   |
| Simon Beaumont   | Vice President, Treasurer   |
| Michelle Browdy  | Senior Vice President, Legal, Regulatory Affairs, General Counsel |
| Erich Clementi   | Senior Vice President, IBM Global Markets                         |
| Kenneth Keverian | Senior Vice President, Corporate Strategy                         |
| David Kenny      | Senior Vice President, IBM Watson, Cloud Platform                 |
| James Kavanaugh  | Senior Vice President, Transformation, Operations                 |
| Martin Schroeter | Senior Vice President, Chief Financial Officer                    |
| Robert Picciano  | Senior Vice President, IBM Analytics                              |
| Martin Jetter    | Senior Vice President, IBM Global Technology Services             |

| Directors        | Title  |
|------------------|--|
| Kenneth Chenault | Chief Executive Officer, American Express Company  |
| Michael Eskew    | Chief Executive Officer, United Parcel Services    |
| David Farr       | Chief Executive Officer, Emerson Electric          |
| Mark Fields      | Chief Executive Officer, Ford Motor                |
| Alex Gosky       | Chief Executive Officer, Johnson & Johnson         |
| Shirley Jackson  | President, Rensselaer Polytechnic Institute        |
| Andrew Livens    | Chief Executive Officer, The Dow Chemical Company  |
| James McNerney   | Former Chief Executive Officer, The Boeing Company |

## Stock Performance



Source: Capital IQ, 451 Research as of 5/26/17

# Transactions

(US \$ Millions)

| Date | Target | Category   | EV                                    | LTM Rev | EV/<br>LTM Rev | Business Description | Rationale   |   |
|------|--------|--|---------------------------------------|---------|----------------|----------------------|---|---|
| 1    | May-17 | Verizon Communications (cloud and managed hosting services assets) | Hosted Services                       | ND      | ND             | ND                   | Provide managed hosting management and services to businesses globally  | This is a unique cooperation between two tech leaders to support global organizations as they look to fully realize the benefits of their cloud computing investments   |
| 2    | Jan-17 | Agile 3 Solutions  | Security                              | ND      | ND             | ND                   | Provides enterprise security-focused governance, risk and compliance visualization software   | Adds an intuitive tool to improve C-Suite decision making as businesses prepare to defend themselves against cybercrime   |
| 3    | Nov-16 | Fluid (XPS Division)   | Internet/Mobile/ Application Software | ND      | ND             | ND                   | Provides artificial intelligence enabled recommendation SaaS for retailers and allows shoppers to conversationally query and search for product recommendations   | Expands commerce leadership with a proven cognitive solution and extends portfolio of SaaS offerings and services that help companies of all sizes conduct commerce and engage with their customers   |
| 4    | Oct-16 | Sanovi Technologies  | Information Storage/Management        | ND      | ND             | ND                   | Provides disaster recovery and business continuity software and disaster-recovery-as-a-service software for datacenters and cloud service providers   | Strengthens resiliency portfolio to manage the broad range of applications, data, and IT systems of our clients balancing digital and hybrid cloud transformation with increased regulatory compliance  |
| 5    | Jun-16 | EZ Legacy  | System Management                     | ND      | ND             | ND                   | Provides enterprise application management and application discovery software and SaaS for businesses globally that presents a visual dashboard to help developers understand and change legacy mainframe code      | Makes it easier and faster for developers to modernize key applications that previously were manually intensive and many times required specialized skills  |
| 6    | Mar-16 | Bluewolf Group   | System Management                     | \$240   | \$90           | 2.7x                 | Provides Salesforce cloud integration, software development, remote database administration and application monitoring, and IT staffing services for businesses globally  | Extends analytics, experience design and industry consulting leadership with one of the worlds leading Salesforce consulting practices to deliver differentiated, consumer-grade experiences via the cloud  |
| 7    | Mar-16 | Optevia  | System Management                     | ND      | ND             | ND                   | Provides Microsoft Dynamics CRM SaaS systems integration services for government agencies and public sector organizations in the UK   | Helps meet the increasing client demand for CRM SaaS solutions within the public sector   |
| 8    | Feb-16 | Resilient Systems  | Security                              | 145     | 10             | 14.5x                | Provides cybersecurity incident response management SaaS that enables enterprise security teams to automate, orchestrate, analyze and mitigate IT security incidents such as malware and DDoS attacks               | Enables an orchestrated process for addressing security incidents and enhanced analytics capabilities will also deliver an integrated incident response solution spanning organizational and product boundaries                                       |
| 9    | Feb-16 | Truven Health Analytics  | BI/Analytics                          | 2,600   | 599            | 4.3x                 | Provides data analytics and corporate performance management SaaS and services for healthcare providers, employers and health plans, government entities and life sciences businesses                               | Becomes one of the worlds leading health data, analytics and insights companies, and the only one that can deliver the unique cognitive capabilities of the Watson platform   |
| 10   | Feb-16 | ecx international  | Marketing                             | ND      | ND             | ND                   | Provides digital marketing services for businesses globally including content management, customer analytics, and conversion rate optimization  | Deepens longstanding relationship with SAP, and brings the value of design thinking to the companies' expansion in e-commerce   |
| 11   | Feb-16 | Aperto   | Marketing                             | ND      | ND             | ND                   | Provides digital marketing services, including SEO and social media marketing, mobile website and mobile application development for businesses   | Supports growth in the largest economy in Europe  |
| 12   | Jan-16 | Resource/Ammirati  | Marketing                             | ND      | ND             | ND                   | Provides digital marketing services for businesses globally including social media marketing, digital marketing analytics, Web, mobile website and mobile application development                                   | Supports goal of helping clients digitally reinvent to create transformative brand experiences  |
| 13   | Jan-16 | Ustream  | Internet/Mobile/ Application Software | 130     | 25             | 5.2x                 | Provide online live and on-demand video streaming and interactive broadcast SaaS and services for broadcasters, businesses and consumers through their website  | Delivers a powerful portfolio of video services that spans open API development, digital and visual analytics, simplified management and consistent delivery across global industries   |
| 14   | Jan-16 | IRIS Analytics   | Security                              | ND      | ND             | ND                   | Provides real-time payment fraud detection and prevention analytics software that uses machine learning to generate rapid anti-fraud models on electronic payment systems for banks and payment processors globally | Helps organizations more accurately detect fraud at scale and speed so that they are in a position to implement countermeasures quickly, with more control and transparency, while at the same time assist with dramatically lowering false positives |
| 15   | Dec-15 | Clearleap  | Internet/Mobile/ Application Software | 200     | 25             | 8.0x                 | Provides multi-screen video management SaaS for the broadcast entertainment industry, educational and government sectors and corporate enterprise content providers   | Advances cloud strategy to improve the performance and management of this powerful tool, and help clients extract insight from it   |

For the period 1/1/10 through 5/26/17. Source: 451 Research

# Transactions

(US \$ Millions)

|    | Date   | Target  | Category                              | EV    | LTM Rev | EV/<br>LTM Rev | Business Description  | Rationale  |
|----|--------|---|---------------------------------------|-------|---------|----------------|---|--|
| 16 | Nov-15 | Gravitant                                       | System Management                     | 95    | 2       | 47.5x          | Provides enterprise cloud brokerage platform-as-a-service for businesses which enables the design, provisioning and management of public, private and hybrid cloud applications and services through a single web-based user interface                    | Plans to integrate the capabilities into Software-as-a-Service offerings, extending the company's growing hybrid cloud solutions and capabilities  |
| 17 | Oct-15 | The Weather Company                             | Internet/Mobile/ Application Software | 2,284 | ND      | ND             | Provides online and mobile B2C and B2B weather forecasts, news, radar maps and weather data analytics for consumers and businesses  | Allows the collect an even larger variety and higher velocity of global data sets, store them, analyze them and in turn distribute them and empower richer and deeper insights across the Watson platform          |
| 18 | Oct-15 | Cleversafe                                      | Information Storage/Management        | 1,309 | 25      | 52.4x          | Provides object-based dispersed storage network SaaS, enabling cloud-based big data encryption, archiving, backup and slice dispersal for commercial enterprises, governmental agencies, financial, healthcare and energy companies and service providers | Helps clients overcome these challenges by extending and strengthening cloud storage strategy, as well as portfolio  |
| 19 | Sep-15 | Meteorix  | System Management                     | 120   | 40      | 3.0x           | Provides Workday ERP and HR systems integration services for businesses in the US   | Creates one of the leading, most qualified and experienced Workday service providers in the world and deepens the quality of service to existing Workday clients and dramatically expands our reach to new clients |
| 20 | Sep-15 | Advanced Application                            | BI/Analytics                          | 13    | ND      | ND             | Provides outbound marketing-focused predictive modeling, data warehousing and marketing automation SaaS for SMBs  | ND   |
| 21 | Sep-15 | StrongLoop                                      | Internet/Mobile/ Application Software | ND    | ND      | ND             | Provides open-source and commercially licensed Node.js based software for mobile developers that enables the creation of Node.js framework based consumer and enterprise mobile applications  | Rounds out its somewhat incomplete API lifecycle management strategy, and enhances several of its development environments, including MobileFirst, WebSphere, Bluemix PaaS and the IoT Foundation                  |
| 22 | Aug-15 | Appcore   | System Management                     | ND    | ND      | ND             | Provides cloud automation and systems management Infrastructure-as-a-Service that enables enterprises and cloud service providers to deploy, manage and integrate multiple private and hybrid cloud infrastructures                                       | Expands development team within North America to continue to build the best hybrid cloud automation capabilities for the enterprise  |
| 23 | Aug-15 | Merge Healthcare                                | Information Storage/Management        | 904   | 228     | 4.0x           | Provides on-site and cloud-based medical imaging, surgery management and clinical trial data management software for the medical, research and pharmaceutical industries worldwide  | Makes a major investment to drive industry transformation and to facilitate a higher quality of care   |
| 24 | Jul-15 | Compose   | Information Storage/Management        | ND    | ND      | ND             | Provides enterprise software development teams with DBaaS and hosted document stores that auto-provision and deploy open source databases including MongoDB, Redis, Elasticsearch, PostgreSQL and RethinkDB   | Expands Bluemix platform for the many app developers seeking production-ready databases built on open source   |
| 25 | Jun-15 | Blue Box Group                                  | Hosted Services                       | ND    | ND      | ND             | Provides OpenStack-based managed private-cloud hosting services for enterprises that enable the integration of private cloud and on premise software applications into an open-source managed cloud environment   | Strengthens Cloud's existing OpenStack portfolio, with the introduction of a remotely managed OpenStack offering to provide clients with a local cloud and increased visibility, control and security              |
| 26 | Apr-15 | Explorys  | Information Storage/Management        | ND    | ND      | ND             | Provides healthcare clinical data management, population analytics, BI, and performance management SaaS for healthcare and life sciences businesses   | Accelerates the delivery of Health Cloud and Watson cognitive solutions to model and apply medical evidence and large scale analytics to data  |
| 27 | Apr-15 | Phytel  | Internet/Mobile/ Application Software | 232   | ND      | ND             | Provides healthcare patient outcomes, clinical data management, patient outreach and related analytics SaaS that enables chronic disease and population health management for healthcare companies  | Further our mission by giving providers insights into patient health from data about patient behaviors and their engagement with care plans  |
| 28 | Mar-15 | Blekkio (Certain Assets)                        | Internet/Mobile/ Application Software | ND    | ND      | ND             | Provides businesses with fee-based Internet search content and generally provides online, mobile and tablet-based search engines based on categorization and content filtering-centric search software  | ND   |
| 29 | Mar-15 | AlchemyAPI                                      | Information Storage/Management        | ND    | ND      | ND             | Provides a natural language processing PaaS for enterprise software developers that enables the artificial intelligence based text analysis of large volumes of unstructured data, text, videos and images  | Augments Watson's ability to quickly identify hierarchies and understand relationships within large volume data sets   |
| 30 | Aug-14 | Lighthouse Security Group (Business Operations) | Security                              | ND    | ND      | ND             | Provides cloud-based network access control and provisioning SaaS for corporations that enables employees to securely access corporate information being stored in the cloud from multiple locations, including mobile devices in the field               | Helps customers transition from legacy on-premises IAM technologies to lower-cost, cloud-based deployments, particularly midmarket businesses without a sizeable IAM staff   |

For the period 1/1/10 through 5/26/17. Source: 451 Research

# Transactions

(US \$ Millions)

|    | Date   | Target                               | Category                              | EV    | LTM Rev | EV/<br>LTM Rev | Business Description  | Rationale  |
|----|--------|--------------------------------------|---------------------------------------|-------|---------|----------------|---|--|
| 31 | Jul-14 | CrossIdeas                           | Security                              | ND    | ND      | ND             | Provides identity and access management SaaS to enable compliance managers, auditors and risk managers to manage identities and application access for businesses globally  | Enhances identity governance and compliance, as well as intrusion detection  |
| 32 | May-14 | Cognea Group                         | Internet/Mobile/ Application Software | ND    | ND      | ND             | Provides conversational, virtual customer service software for businesses that enables the deployment and integration of human-like virtual customer service agents, tailored to fit a web user's perceived personality                           | Extends effort to rapidly expand the Watson ecosystem  |
| 33 | Apr-14 | Silverpop Systems                    | Marketing                             | ND    | 80      | ND             | Provides email marketing campaign creation, management and analytics software as a service for businesses globally  | Turbocharges ability to put the customer at the center of any organization   |
| 34 | Feb-14 | Cloudant                             | Information Storage/Management        | 150   | 7       | 21.4x          | Provides NoSQL-based non-relational database-as-a-service software for businesses that enables mobile and Web application developers to create access to enterprise data from mobile devices through one common mobile application user interface | Enables clients to rapidly deliver an entirely new level of innovative, engaging and data-rich apps to the marketplace   |
| 35 | Dec-13 | Aspera                               | System Management                     | ND    | ND      | ND             | Provides on premise and cloud-based high-speed file and data transfer software, including digital media transfer and distribution applications, for businesses  | Builds Smarter Commerce initiative by allowing businesses to accelerate their digital supply chains between partners and suppliers   |
| 36 | Dec-13 | Associated Dexia Technology Services | System Management                     | ND    | ND      | ND             | Provides a wide range IT and datacenter services for Dexia and its subsidiaries   | ND   |
| 37 | Nov-13 | Fiberlink Communications             | Internet/Mobile/ Application Software | 300   | 50      | 6.0x           | Provides mobile device and application management software and SaaS for small, medium and large businesses  | Expands the vision for enterprise mobility management to also include secure transactions between businesses, partners and customers   |
| 38 | Oct-13 | Xtify                                | Internet/Mobile/ Application Software | 40    | 5       | 8.0x           | Provides targeted location- and behavior-based mobile messaging SaaS for advertisers and marketers  | Extends mobile capabilities to digital marketers across all industries ranging from retail to citizen engagement in the public sector through cloud-based services   |
| 39 | Oct-13 | The Now Factory                      | Internet/Mobile/ Application Software | ND    | ND      | ND             | Provides real-time mobile device customer analytics software for communication service providers  | Establishes leadership in the era of big data and capitalize on the opportunity to analyze data in real time   |
| 40 | Sep-13 | Daeja Image Systems                  | Information Storage/Management        | ND    | ND      | ND             | Provides multi-format document viewing software to enable users to view documents across multiple formats, including PDF and also enables social collaboration and document sharing across the organization                                       | Complements big data capabilities to help organizations find insights in new and emerging types of data and content to be more agile and competitive   |
| 41 | Aug-13 | Trusteer                             | Security                              | 900   | 35      | 25.7x          | Provides financial anti-fraud software, SaaS to businesses, anti-malware, endpoint integrity and mobile device security software  | Offer our clients several additional layers of defense against sophisticated attackers   |
| 42 | Jul-13 | CSL International                    | System Management                     | ND    | ND      | ND             | Provides systems management, virtualization and provisioning software as a service for IBM MainFrame environments   | Deepens the consolidation and cloud capabilities by offering simplified management of the virtualization environment and expands cloud virtualization capabilities, making it even easier for clients to take advantage of Linux |
| 43 | Jun-13 | SoftLayer Technologies               | Hosted Services                       | 2,000 | 425     | 4.7x           | Provides colocation and application hosting, managed storage, data backup and recovery, and managed security services for businesses globally   | Accelerates the build-out of our public cloud infrastructure to give clients the broadest choice of cloud offerings to drive business innovation   |
| 44 | Apr-13 | UrbanCode                            | System Management                     | ND    | 10      | ND             | Provides enterprise and mobile software build and release management and deployment software for businesses globally  | Enhances SmartCloud and MobileFirst initiatives by making it easier and faster for clients to deliver software through those channels  |
| 45 | Feb-13 | Star Analytics                       | Information Storage/Management        | ND    | ND      | ND             | Provides data integration software for use with Oracle database, ERP and business intelligence software   | Advances business analytics initiatives, allowing organizations to gain faster access and real-time insight into specialized data sources  |

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For the period 1/1/10 through 5/26/17. Source: 451 Research

# Transactions

(US \$ Millions)

| Date | Target | Category             | EV                                    | LTM Rev | EV/<br>LTM Rev | Business Description | Rationale  |  |
|------|--------|----------------------|---------------------------------------|---------|----------------|----------------------|--|--|
| 46   | Dec-12 | StoredIQ             | Information Storage/Management        | ND      | 10             | ND                   | Provides big data business intelligence analytics software for the purposes of e-discovery and compliance management for businesses and law firms globally                       | Advances efforts to help clients derive value from big data and respond more efficiently to litigation and regulations, dispose of information that has outlived its purpose and lower data storage costs  |
| 47   | Sep-12 | Butterfly Software   | Information Storage/Management        | ND      | ND             | ND                   | Provides data storage and backup migration and environment analysis software for use in data centers for businesses globally   | Helps clients find new ways to drive greater value from its storage software and hardware solutions  |
| 48   | Aug-12 | Kenexa               | Internet/Mobile/ Application Software | 1,300   | 318            | 4.1x                 | Provides employee recruitment, performance and compensation management software and software as a service for businesses globally  | Bolsters leadership in helping clients embrace social business capabilities while gaining actionable insights from the enormous streams of information generated from social networks every day  |
| 49   | Aug-12 | Texas Memory Systems | Information Storage/Management        | 250     | ND             | ND                   | Provides Flash- and RAM-based solid state disk systems for businesses, governments and military markets  | Improves existing systems to deliver high-performance database and analytic platforms  |
| 50   | May-12 | Tealeaf Technology   | Internet/Mobile/ Application Software | 500     | 50             | 10.0x                | Provides online and mobile customer behavior analytics and call center performance optimization software for businesses globally   | Creates a social business platform concept and offers mobile app developers and enterprises building mobile experiences not only a tool to understand the conversion rates, but also more nuanced insight into how users access and employ a mobile application  |
| 51   | Apr-12 | Vivisimo             | Information Storage/Management        | ND      | 27             | ND                   | Provides web-based enterprise search software with features for data classification and analytics and document export for businesses and government agencies globally            | Provides federated discovery and navigation across its portfolio of database and data management technologies  |
| 52   | Apr-12 | Varicent Software    | BI/Analytics                          | 172     | ND             | ND                   | Provides sales performance analytics and incentive compensation management software for mid-sized to large businesses in a range of sectors                                      | Advances efforts to drive analytics capabilities into the hands of front line employees to transform business operations and ultimately improve the bottom line  |
| 53   | Jan-12 | Worklight            | Internet/Mobile/ Application Software | 70      | 3              | 23.3x                | Provides cross-platform smart phone and web application development software for businesses in a range of sectors  | Becomes an important piece of mobility strategy, offering clients an open platform that helps speed the delivery of existing and new mobile applications to multiple devices   |
| 54   | Jan-12 | Green Hat            | System Management                     | ND      | ND             | ND                   | Provides software for use in testing cloud and service oriented architecture based applications for businesses globally  | Extends leadership in driving business agility and software quality by changing the way enterprises can manage software development cost, test cycle time and risk   |
| 55   | Dec-11 | Emptoris             | Internet/Mobile/ Application Software | 220     | 110            | 2.0x                 | Provides SCM software and software as a service for businesses globally that sourcing, managing contracts and supplier relationships, and evaluating supplier performance        | Brings a set of new, flexible and integrated solutions that orchestrate and manage the sourcing and procurement of goods and materials as part of supply chain management to Smarter Commerce  |
| 56   | Dec-11 | DemandTec            | Internet/Mobile/ Application Software | 440     | 88             | 5.0x                 | Provides SCM analytics software as a service and related managed services for the retail and wholesale sectors   | Extends Smarter Commerce initiative by adding cloud-based price, promotion and other merchandising and marketing analytics to help companies better define the best price points and product mix based on customer buying trends   |
| 57   | Dec-11 | Curam Software       | Internet/Mobile/ Application Software | 400     | ND             | ND                   | Provides ERP software with features for managing employment and income assistance, workers compensation, and family services programs for social services agencies globally      | Transforms the way citizens do business with government in a way that benefits everyone and builds on Smarter Cities initiatives in Ireland  |
| 58   | Oct-11 | Platform Computing   | System Management                     | 300     | 80             | 3.8x                 | Provides cluster, cloud and grid management software, with a focus on high performance computing workload management, for businesses globally                                    | Improves technical computing because the platform's portfolio of cluster and grid management software, customers and partner base is well aligned with technical computing and wider goals: smarter planet, business analytics, growth markets and cloud   |
| 59   | Oct-11 | Q1 Labs              | Security                              | 575     | 65             | 8.8x                 | Provides security information and event management software with features for risk and log management, network activity and application monitoring, and user activity monitoring | Accelerates efforts to help clients more intelligently secure their enterprises by applying analytics to correlate information from key security domains and creating security dashboards for their organizations  |
| 60   | Sep-11 | Algorithmics         | BI/Analytics                          | 387     | ND             | ND                   | Provides a broad range of governance, risk and compliance management software for the financial sector globally  | Expands business analytics capabilities in the financial services industry by helping clients quantify, manage and optimize their risk exposure across a range of financial risk domains including market, liquidity, credit, operational and insurance risk as well as economic and regulatory capital risk |

For the period 1/1/10 through 5/26/17. Source: 451 Research

# Transactions

(US \$ Millions)

|    | Date   | Target                     | Category                              | EV    | LTM Rev | EV/<br>LTM Rev | Business Description  | Rationale   |
|----|--------|----------------------------|---------------------------------------|-------|---------|----------------|---|---|
| 61 | Aug-11 | i2                         | BI/Analytics                          | 340   | 85      | 4.0x           | Provides master data management and analysis software that enables intelligence organizations and businesses globally to prevent criminal and terrorist activities that enables analysts to search, visualize and analyze data from multiple sources to reveal relationships and patterns | Helps customers uncover patterns and trends that will allow them to more effectively protect the privacy and safety of citizens, businesses and governments   |
| 62 | Mar-11 | Tririga                    | Internet/Mobile/ Application Software | 108   | 45      | 2.4x           | Provides real estate and facilities management software with features for transaction management, space planning, carbon emissions management and business intelligence for businesses in the US  | Accelerates smarter buildings initiatives by adding advanced intelligence that improves real estate performance, capital project management and the outcomes of sustainability initiatives  |
| 63 | Oct-10 | Clarity Systems            | BI/Analytics                          | 230   | 60      | 3.8x           | Provides governance, risk management, and compliance, and financial and regulatory filing and reporting software for businesses   | Expands business analytics initiatives, and represents commitment to address financial governance and risk management challenges faced by financial departments in virtually every industry   |
| 64 | Oct-10 | PSS Systems                | Information Storage/Management        | 65    | 16      | 4.1x           | Provides e-discovery software for governance, risk and compliance purposes for businesses globally  | Expands its suite of Information Lifecycle Governance solutions, which include content assessment, collection, archiving, imaging, advanced classification, records management, e-discovery search and analytics as well as storage management and Smart Archive strategy   |
| 65 | Sep-10 | BLADE Network Technologies | System Management                     | ND    | ND      | ND             | Designs and manufactures Ethernet blade server switching systems for use in data centers for businesses   | Builds on capabilities and technologies being applied to systems, which are optimized to help clients manage a range of new, more demanding workloads   |
| 66 | Sep-10 | Netezza                    | Information Storage/Management        | 1,700 | 223     | 7.6x           | Provides data warehousing and analysis appliances for businesses globally that enable analysis of large volumes of data and consist of software housed in hardware  | Expands information and analytics offerings, including services available through Business Analytics and Optimization Consulting organization   |
| 67 | Sep-10 | OpenPages                  | BI/Analytics                          | 160   | 35      | 4.6x           | Provides governance, risk and compliance management software for businesses   | Provides a holistic and consistent approach to risk management helping companies combine that insight with performance management to drive better decision making   |
| 68 | Aug-10 | Unica                      | Marketing                             | 480   | 109     | 4.4x           | Provides online and email marketing campaign creation and management software and software as a service for businesses  | Expands growing portfolio of industry software solutions designed to help companies automate, manage, and accelerate core business processes across marketing, demand generation, sales, order processing and fulfillment   |
| 69 | Aug-10 | Datacap                    | Information Storage/Management        | ND    | ND      | ND             | Provides data and document capture, recognition, entry and management software for businesses   | Strengthens ability to help organizations digitize, manage and automate their information assets, particularly in paper-intensive industries such as healthcare, insurance, government and finance  |
| 70 | Jul-10 | Storwize                   | Information Storage/Management        | 140   | ND      | ND             | Provides storage data compression appliances for businesses   | Adds important tactical addition to its broad storage portfolio   |
| 71 | Jul-10 | BigFix                     | System Management                     | 400   | 57      | 7.0x           | Provide IT asset and patch management, OS deployment and security change and configuration management software for businesses for the purposes of compliance  | Answers demands from customers for better visibility, more granular controls and a more modular platform upon which to build protections, or tie in third-party technologies  |
| 72 | Jun-10 | Coremetrics                | BI/Analytics                          | 275   | 55      | 5.0x           | Provides online marketing campaign analytics and management software as a service for businesses  | Expands business analytics capabilities by enabling organizations to use a cloud-based delivery model to gain real-time insight into consumer interactions internally and through social media networks to develop faster, more targeted marketing campaigns                |
| 73 | May-10 | Sterling Commerce          | Information Storage/Management        | 1,400 | 550     | 2.5x           | Provides data and application integration, electronic data interchange and SCM software and software as a services for businesses   | Expands ability to help organizations create more intelligent and dynamic business networks by simplifying and automating the way they connect and communicate with customers, partners and suppliers both on premise or through cloud computing delivery models            |
| 74 | May-10 | Cast Iron Systems          | System Management                     | 200   | 30      | 6.7x           | Provides cloud-based and fully hosted data and application integration software for enterprises   | Expands industry-leading business process and integration software portfolio and advances capabilities for a hybrid cloud model, which is attractive to enterprises because it allows them to blend data from on premise applications with public and private cloud systems |
| 75 | Feb-10 | Intelliden                 | System Management                     | ND    | 18      | ND             | Provides network automation, change and configuration management, data reconciliation, and compliance and OS management software for businesses   | Strengthens service management portfolio by offering unmatched, comprehensive solutions for automation and optimization of digital and physical assets  |

For the period 1/1/10 through 5/26/17. Source: 451 Research

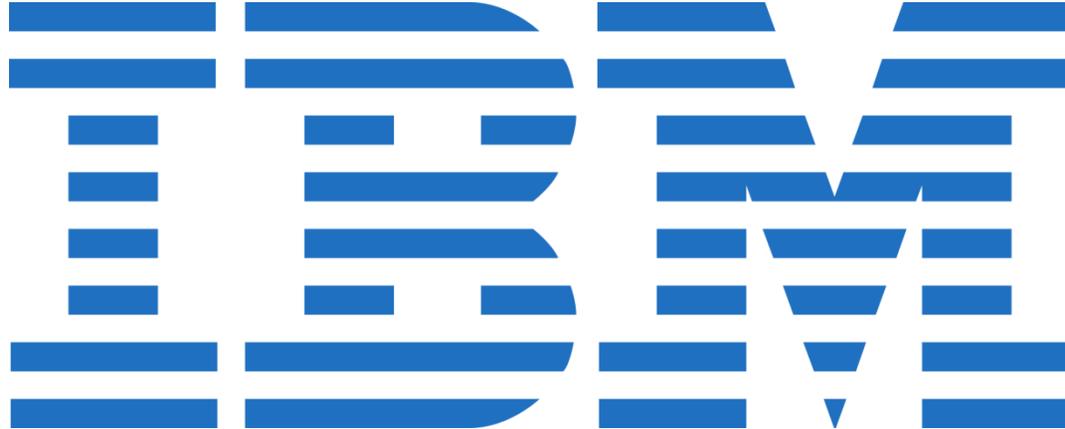
# Transactions

(US \$ Millions)

|               | Date   | Target                             | Category                       | EV    | LTM Rev | EV/<br>LTM Rev | Business Description   | Rationale   |
|---------------|--------|------------------------------------|--------------------------------|-------|---------|----------------|--|---|
| 76            | Feb-10 | Initiate Systems                   | Information Storage/Management | 425   | 80      | 5.3x           | Provides master data management and data quality software for enterprises, governments and the medical sector  | Adds a comprehensive solution for delivering the information they need to improve the well-being of patients at a lower cost  |
| 77            | Jan-10 | National Interest Security Company | System Management              | ND    | ND      | ND             | Provides systems and security integration, IT consulting, software development and business process outsourcing services for the US intelligence community and other government agencies | Allows for the deliver an unprecedented level of service and support to the growing list of government clients, compliments existing public sector offerings, and improves recently launched Business Analytics and Optimization Services for Public Sector |
| <b>MEDIAN</b> |        |                                    |                                | \$275 | \$50    | 5.0x           |  |   |

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For the period 1/1/10 through 5/26/17. Source: 451 Research



*“Think”*

## *Strategic Buyer Profile - #6 Rank*

*IBM*

*Note: This document is intended to serve as an informative article only in order to further discussion, analysis and independent verification. This document is based upon sources believed to be reliable, however, we do not guaranty the sources' actuary. Unless otherwise indicated, AGC does not believe that the information contained herein is sufficient to serve as the basis of an investment decision. There can be no assurance that these statements, estimates or forecasts will be attained and actual results may be materially different. This is not a solicitation of an offer of any kind. To learn more about the company/companies that is/are the subject of this commentary, contact one of persons named herein who can give you additional information.*



## Top Ranked Boutique Bank

- M&A and Growth Equity focus – Enterprise value between \$50M and \$350M
- Reputation for closing deals at premium valuations
- A record 32 announced transactions in 2016 and 14 year-to-date in 2017 with buyers from around the world including Microsoft, Oracle, HPE, Rakuten, Carlyle, and Vista, and more than 50 current engagements
- High transaction volume fuels deep market knowledge and extensive worldwide technology contacts
- One of the largest tech banking teams in the world with 50 employees
- 14 years in business, 309 completed transactions, and 52 consecutive quarters of profitability
- Headquartered in Boston with offices in Silicon Valley, New York, London, and Minneapolis

## Tech M&A Banking Top 2016 Dealmakers



| TECHNOLOGY |                             |           |
|------------|-----------------------------|-----------|
|            | Firm                        | # Trans.  |
| 1.         | Morgan Stanley              | 45        |
| 2.         | William Blair & Co          | 30        |
| 3.         | J.P. Morgan Securities Inc. | 29        |
| 4.         | Goldman Sachs               | 27        |
| 5.         | Evercore Partners           | 23        |
| 6.         | <b>AGC Partners</b>         | <b>22</b> |
| 7.         | Houlihan Lokey              | 22        |
| 8.         | Raymond James               | 22        |
| 9.         | GCA Altium                  | 20        |
| 10.        | BOA Merrill Lynch           | 17        |
| 11.        | Jefferies                   | 17        |
| 12.        | Qatalyst Partners           | 16        |
| 13.        | Arma Partners               | 15        |
| 14.        | Petsky Prunier              | 15        |
| 15.        | Pacific Crest Securities    | 13        |
| 16.        | Pagemill Duff & Phelps      | 13        |
| 17.        | Robert W. Baird & Co.       | 12        |
| 18.        | JEGI                        | 12        |
| 19.        | Signal Hill                 | 12        |
| 20.        | Credit Suisse Securities    | 11        |



# Experienced, Sector-Focused Senior Bankers

## SOFTWARE

|                              |                        |
|------------------------------|------------------------|
| BI / Analytics               | Vertical SaaS          |
| CRM                          | Automotive             |
| ECM                          | Building / Engineering |
| ERP                          | Education              |
| FinTech / Payments           | Healthcare             |
| HCIT / Life Sciences         | Legal                  |
| HCM                          | Non-Profit             |
| IT Services                  | Public Sector          |
| Marketing / Sales Automation | Real Estate            |
| Supply Chain                 | Retail                 |
| Technical Software           | Travel & Expense       |



**Fred Joseph   Jon Guido   Ben Howe   Dennis Rourke   Hugh Hoffman**



**Doug Hurst   Greg Roth   Elena Marcus   Trevor Martin   Charlie Schopp**

## SECURITY

|                            |                         |
|----------------------------|-------------------------|
| Cybersecurity              | Security Orchestration  |
| Advanced Threat Defense    | Security Services       |
| CASB                       | Threat Intelligence     |
| Endpoint                   | User Behavior Analytics |
| Identity Access Management | Vulnerability           |
| Network                    | IOT / SCADA             |



**Maria Lewis Kussmaul   Ben Howe   Joe Dews   Russ Workman   Eric Davis**

## DIGITAL MEDIA & INTERNET

|            |                                     |
|------------|-------------------------------------|
| AdTech     | Internet                            |
| Consumer   | Mobile                              |
| E-Commerce | Social                              |
| Food Tech  | Virtual Reality / Augmented Reality |
| Gaming     |                                     |



**Jon Guido   Elena Marcus   Gee Leung   Linda Gridley   Charlie Schopp**

## INFRASTRUCTURE

|                 |                          |
|-----------------|--------------------------|
| Big Data        | Energy & Industrial Tech |
| Cloud Computing | Internet of Things       |
| Communications  | Mobility Solutions       |
| Data Center     | Semiconductors           |
|                 | Storage                  |



**Scott Card   Markus Salolainen   Joe Dews   Rob Buxton   Fred Joseph**



# Market-Defining M&A

| Client  | Buyer   | EV / Revenue Multiple | Process and Outcome   |
|---|---|-----------------------|---|
|    |    | ND / ND               | <ul style="list-style-type: none"> <li>AGC advised Simplygon, an AR / VR company, on its sale to Microsoft in January, 2017</li> <li>Within two weeks of launching a market test, AGC generated multiple in-person meetings including several top global technology strategic buyers</li> <li>The highly competitive process generated multiple strategic bids</li> <li>Upon receiving Microsoft's term sheet, AGC negotiated seller friendly terms and our client signed the term sheet within 24 hours</li> </ul>   |
| FMCGDirect  |    | \$200M / ND           | <ul style="list-style-type: none"> <li>AGC advised FMCG Direct, a leading data-driven marketing services provider to financial services on its sale to Deluxe Corporation (NYSE: DLX)</li> <li>The Company had inbound interest from multiple parties which AGC fielded, keeping the appropriate amount of tension to create a competitive bidding environment</li> <li>AGC commenced outreach in less than two weeks of engagement resulting in over 40 NDAs signed and ~20 meetings with management</li> <li>AGC leveraged the high level of interest it collected from the outreach to negotiate a more compelling offer and better terms for FMCG</li> </ul>  |
|    |    | ND / ND               | <ul style="list-style-type: none"> <li>AGC advised L2, a provider of digital performance benchmarking to Fortune 500 brands, on its sale to Gartner</li> <li>AGC ran a highly efficient, disciplined process, reaching out to a carefully selected group of top digital media buyers and receiving multiple term sheets</li> <li>The Company's price expectations were very specific; AGC drove effective price valuation rationales to get buyers to meet those expectations and adopt a view of L2's data driven digital measurement capabilities as potentially transformative to their business</li> </ul>  |
|    |    | \$275M / 7.4x         | <ul style="list-style-type: none"> <li>AGC initially advised iSIGHT on their \$30M capital raise from Bessemer in 2014, and subsequently advised the Company on their sale to FireEye (Nasdaq: FEYE) in January 2016</li> <li>In light of inbound interest, AGC was engaged to run a rapid, highly disciplined M&amp;A process to test the market and simultaneously stoke existing interest from the buyer at the table</li> <li>By positioning iSIGHT's superior technology, continued market traction, and viable growth strategy to the market, AGC was able to drive a competitive process that improved negotiating leverage resulting in optimal deal terms and a massive exit multiple</li> </ul> |
|  |  | ND / ND               | <ul style="list-style-type: none"> <li>AGC advised Cognilytics on a sale to CenturyLink</li> <li>AGC reached out to a targeted group of potential acquirers; of that group, several parties conducted an evaluation of the business and held introductory meetings with the management team</li> <li>Following receipt of an LOI, AGC pushed other prospective acquirers into a competitive process that resulted in a higher enterprise value and better terms with the ultimate acquirer, CenturyLink</li> </ul>  |
|  |  | \$400M / 8.5x         | <ul style="list-style-type: none"> <li>AGC initially advised Prolexic on their \$30M capital raise led by Trident Capital and Intel in 2013, and subsequently advised the Company on their \$400M dollar sale to Akamai</li> <li>Following a competitive financing round, Prolexic was approached by Akamai to be acquired</li> <li>By driving an extremely competitive process and providing access to the right decision makers, AGC was able to achieve an 8.5x acquisition transaction multiple</li> </ul>  |
|  |  | \$1B / 8.0x           | <ul style="list-style-type: none"> <li>AGC advised SS&amp;C on a \$1 billion dollar sale to the Carlyle Group at an 8x revenue multiple</li> <li>AGC set up an intense 2-day roadshow with the top 6 technology buyout firms: Carlyle, Summit, Thomas Lee, Tudor, Warburg Pincus, Welsh Carson</li> <li>AGC created an auction environment and generated bids in 30 days</li> <li>AGC drove a 80% premium to the pre-deal trading price</li> </ul>  |

Source: 451 Research



# Market-Defining Financings

| Client  | Investor   | Check Size / Enterprise Value | Process and Outcome  |
|---|--|-------------------------------|--|
| <br>ZAPPROVED™                   | <br>Vista Equity Partners             | ND / ND                       | <ul style="list-style-type: none"> <li>▪ Zapproved engaged AGC Partners to complete a large minority/majority PE financing</li> <li>▪ In less than 30 days, AGC had engaged the leading global PE tech investors in a highly competitive auction which resulted in Vista Equity taking a controlling position in the company</li> <li>▪ The investment provided liquidity for angel investors, added cash to the balance sheet, and resulted in a strong strategic relationship for Zapproved to benefit from Vista's expertise in building enterprise SaaS companies</li> </ul> |
| <br>Building Engines             | <br>WAVECREST<br>GROWTH PARTNERS      | \$27M / ND                    | <ul style="list-style-type: none"> <li>▪ AGC helped Building Engines, a leading real estate software provider, raise \$27M</li> <li>▪ After bringing in multiple term sheets, with both minority and majority options, AGC assisted Building Engines in choosing the right partner with which to move forward</li> <li>▪ The capital was a mix of primary and secondary for liquidity to shareholders and fuel strategic growth</li> </ul>   |
| <br>Buildium<br>Priority Managed | <br>Sumeru<br>EQUITY PARTNERS         | \$65M / ND                    | <ul style="list-style-type: none"> <li>▪ AGC kicked off a highly competitive growth equity process that ultimately brought in 8 term sheets from prospective investors</li> <li>▪ Buildium moved forward with Sumeru and closed a \$65M capital raise</li> <li>▪ The capital was a mix of primary and secondary to provide liquidity to shareholders and K1, and to fuel future strategic growth</li> </ul>  |
| <br>litmus                       | <br>SPECTRUM<br>EQUITY                | \$49M / ND                    | <ul style="list-style-type: none"> <li>▪ AGC advised Litmus on a \$49M capital raise that valued the company at 6x revenues</li> <li>▪ AGC leveraged inbound interest to drive an intense 60-day process, soliciting multiple preemptive term sheets from top PE and strategic buyers, representing a valuation that was over 2x the original offer</li> <li>▪ The invested capital was a mix of primary and secondary to provide liquidity to the existing shareholders and to drive strategic growth initiatives</li> </ul>  |
| <br>erecruit                     | <br>NORTH BRIDGE<br>growth equity     | \$25M / ND                    | <ul style="list-style-type: none"> <li>▪ AGC closed a \$25M investment led by North Bridge Growth Equity</li> <li>▪ The transaction included primary and secondary capital to provide liquidity to shareholders and to finance erecruit's first growth equity round</li> </ul>   |
| <br>planet<br>fitness          | <br>TSG CONSUMER<br>PARTNERS        | \$375M / \$535M               | <ul style="list-style-type: none"> <li>▪ AGC advised Planet Fitness on a \$375M capital raise led by TSG Consumer Partners at a \$535M value</li> <li>▪ AGC conducted a frenzied auction in the middle of August and signed the definitive agreement roughly 60 days after signing the engagement letter</li> <li>▪ Planet Fitness went public on the NYSE in August 2015 opening at an implied equity value of \$1.6B, 4.3x the pre-money equity valuation at the close of the AGC transaction</li> </ul>   |
| <br>MANDIANT™                  | <br>KPCB   MANAGED<br>GROWTH EQUITY | \$70M / \$145M                | <ul style="list-style-type: none"> <li>▪ AGC advised Mandiant on a \$70M capital raise at a \$145M valuation and 5.1x revenue multiple</li> <li>▪ The proceeds were used to repurchase shares from investors and to fuel strategic growth initiatives</li> <li>▪ Mandiant leveraged KPCB's knowledge and expertise following the investment and grew rapidly before being acquired by FireEye in 2014 for \$1B, 6x the pre-money equity value of the AGC growth equity transaction</li> </ul>  |



# AGC Works With Over 800 Global Strategic Buyers

|                          |                         |                  |                        |                     |                   |
|--------------------------|-------------------------|------------------|------------------------|---------------------|-------------------|
| Accenture                | CableVision             | Fiserv           | Johnson Controls       | QinetiQ             | Telefonico        |
| Activision               | Capgemini               | France Telecom   | Juniper Networks       | Microsoft           | Telcel            |
| Adobe                    | CBS                     | Fujitsu          | Konos                  | Queue Software      | Teradata          |
| ADP                      | Check Point             | Gannett          | L3                     | RackSpace           | Thales            |
| Affinion                 | Cisco                   | GE Security      | LG                     | Raytheon            | Thomson Reuters   |
| Akamai                   | Citrix Systems          | Gemalto          | Liberty Media          | ReachLocal          | TIBCO             |
| Alcatel-Lucent           | Comcast / NBC           | Genband          | LinkedIn               | Redhat              | Time Warner       |
| Alibaba                  | commvault               | General Dynamics | Lockheed Martin        | Rediff.com          | Trend Micro       |
| Amazon                   | Compuware               | Getty Images     | LogMeIn                | Rockwell Automation | Trustwave         |
| Amdocs                   | Constant Contact        | Google           | ESI                    | Sage                | Twitter           |
| Ancestry.com             | CSC                     | Groupon          | Manhattan Associates   | SAIC                | Tyco              |
| AOL                      | Deloitte                | GSI Commerce     | Manpower               | Salesforce          | Ultra Electronics |
| Apple                    | Descartes               | Harland Clarke   | ManTech                | Samsung             | Unify             |
| ASG Software             | Deutsche Telecom        | Harris           | Mercadolibre           | SAP                 | United Online     |
| Assurant                 | Digital River           | Harte-Hanks      | Micro Strategy         | Schneider Electric  | ValueClick        |
| AT&T                     | Discover                | HCL              | Microsoft              | Scripps             | Verizon           |
| Avast                    | Discovery               | Headstream       | Motorola               | Seagate             | Viacom            |
| Avaya                    | Disney                  | Hitachi          | NEC                    | Siemens             | Virgin Media      |
| AVG                      | eBay                    | Honeywell        | NetApp                 | SingTel             | Visa              |
| BAE Systems              | Electronic Arts         | HP               | Netscout               | SK Telecom          | Vivendi           |
| Baidu                    | EMC                     | HTC              | New / Asurion          | Software AG         | VMware            |
| Barracuda Networks       | Equifax                 | Huawei           | New York Times         | Solarwinds          | Web.com           |
| BestBuy                  | Equinix                 | IAC              | News Corp.             | Sony                | Webroot           |
| Blue Coat                | Ericsson                | IBM              | Nokia                  | Sprint              | Western Digital   |
| BMC software             | Expedia                 | Informatica      | Nokia Siemens Networks | SRA                 | Western Union     |
| Boeing                   | Experian                | Infospace        | Northrop Grumman       | Staples             | Wipro             |
| Bosch Security           | f5                      | Infosys          | NTT                    | Sunguard            | WPP               |
| British Sky Broadcasting | Facebook                | Intel            | Oracle                 | Symantec            | Xerox             |
| Broadcom                 | Force Computer Software | Intermec         | Orbitz                 | Syntel              | Yahoo!            |
| BT                       | FICO                    | Internet Brands  | Open Systems           | TATA                | Lynga             |
| CA                       | First Data              | Iron Mountain    | Pitney Bowes           | Tech Mahindra       |                   |
|                          |                         | JDSU             | Publicis               | Tekelec             |                   |



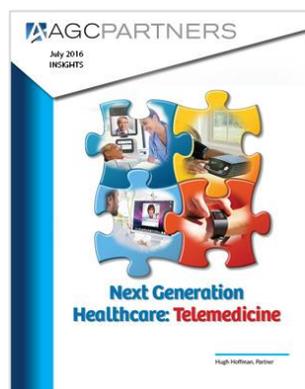
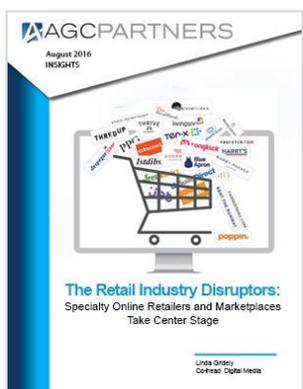
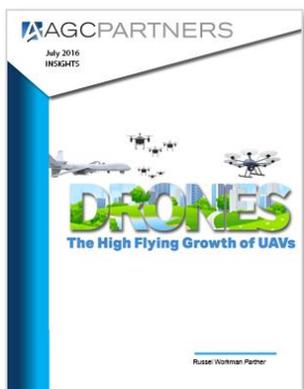
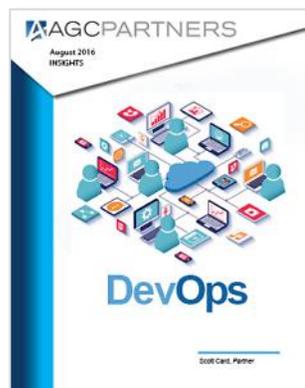
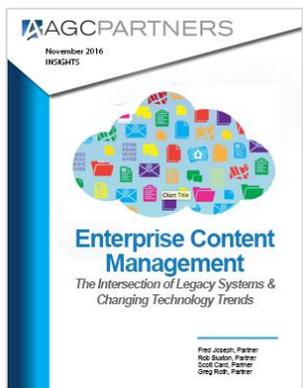
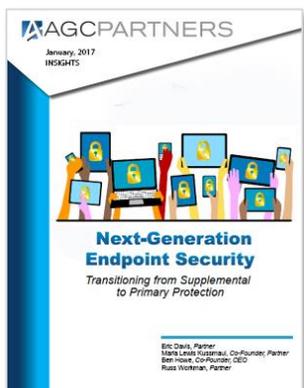
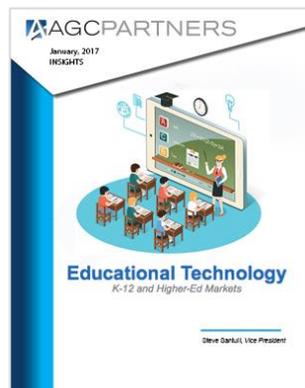
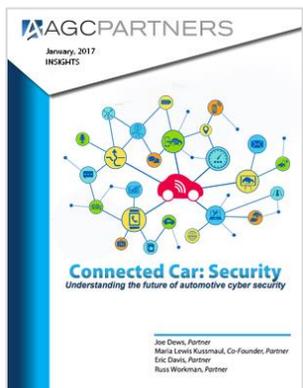
# Premier Industry Investor / Buyer Conferences



- Three annual technology conferences optimized for private companies and entrepreneurs
- Leveraging a robust and proprietary 1-on-1 meeting format to arrange 6,000+ meetings between private company CEOs and investors/buyers at events throughout the year
- High-caliber panel discussions featuring renowned tech industry experts on hot topics and trends
- Leading public and private emerging growth companies spanning all major tech sectors, including Cloud/SaaS, FinTech, HCIT, E-Commerce, Infrastructure, IoT, Security, Mobile and Social, regularly attend our conferences
- 2,000 professionals from all of the leading PE / VC firms and corporate venture funds and strategic buyers attended our conferences over the past 12 months
- San Francisco 2017 featured 450 technology companies and 3,500+ 1-on-1 meetings
- Boston 2016 featured 170 technology companies and 1,500+ 1-on-1 meetings



# Deep Domain Expertise Across Sectors



- Our Partner authored “Insights” publications insure that we are ahead of important sector and financing trends
- We uncover new technologies that are beginning to emerge
- We uncover new companies in emerging landscapes
- We maintain dialog with the most active investors and strategic buyers
- We distribute to a proprietary list of over 10,000 industry participants



# Global Expertise: 46 Cross-Border Deals in 18 Countries





# AGC Works Smart and Hard – 309 Closed Deals

## INFORMATION SECURITY & DEFENSE



## SOFTWARE / TECH ENABLED SERVICES / ENERGY TECH



## COMMUNICATIONS / SEMICONDUCTOR / IT INFRASTRUCTURE



## DIGITAL MEDIA & INTERNET



## HCIT



## FIN TECH





# What Clients Say About Us

**Gary Gauba, President, Advanced Solutions Group, CenturyLink**

*Gary founded and successfully sold three companies—Softline, Systech, and Cognilytics—all with AGC Partners as his advisor*



## ***There is nobody I would rather have in my corner...***

“AGC inherited a complex situation, boiled it down to a very consumable story and ran a highly efficient and effective process. Ultimately they found the best buyer in Providence Equity, and drove a premium valuation for Untangle. There is nobody I would rather have in my corner than Russ and AGC.” – **Untangle sold to Providence Equity**

## ***Provided invaluable counsel and execution support...***

“Jon and his team were an incredible team of advisors and execution partners. At every step they provided invaluable counsel and execution support that changed what could have been a challenging process into an event that changed the lives of our senior officers and entire team. We were so delighted with the AGC Partners team that we increased their compensation above our initial agreement.” – **FMCG sold to Deluxe Financial**

## ***Leveraged multiple indications of interest into an excellent outcome...***

“AGC leveraged multiple indications of interest into an excellent outcome for all of our stakeholders, and provided advice to the Board and management that effectively balanced the deal structure and pricing.” – **M-Files raised a financing round from Partech Ventures**

## ***We’re thrilled with the outcome...***

“We’re thrilled with this outcome and greatly appreciate Maria’s hard work over the years as well as that of her team in helping to guide us to this point.” – **iSight Partners sold to FireEye**

## ***24 x 7 commitment, creativity, and persistence...***

“Their 24x7 commitment, creativity, and persistence drove continuous progress and kept communications flowing throughout the engagement.” – **Cognilytics sold to CenturyLink**

## ***Super smart, responsive, and insightful...***

“It was a pleasure working with AGC. Their commitment to the process was palpable. They have a very strong team who were not only super smart and responsive but also insightful and very well versed on our industry.” – **Litmus raised a financing round from Spectrum Equity**

## ***Head and shoulders above the others...***

“I’ve had the chance to work with many investment banks over the years. AGC stands head and shoulders above the others in three areas: they invested the time and energy to get to know our business at a really granular level; they were tirelessly persistent in working to achieve a great outcome; and the quality of both tactical and strategic advice that I received from Jon Guido was exceptional.” – **Cartera Commerce sold to Ebates**



## Why Partner with AGC

- ✓ Strong Relationships with the Leading Strategic and Financial Buyers and Growth Equity Investors
- ✓ Outstanding Sector Knowledge Enables AGC to Effectively Position our Clients in the Market
- ✓ One of the Largest Global Technology Banking Teams
- ✓ Engagements Led by Partners, Not Handed Down to Junior Bankers
- ✓ Premier Industry Investor Conferences
- ✓ AGC Drives Both Big and Small Deals to Premium Valuations