



Technology & Business Services

Strategic Market Insights – Q4 2016 Report

Release Date: Tuesday, February 21, 2017

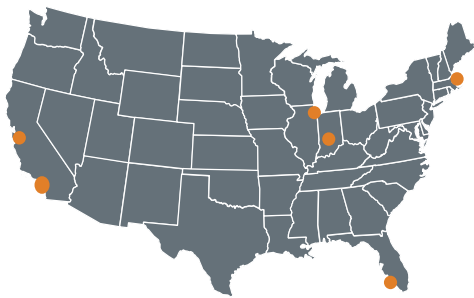


G2 Overview

Investment Banking and Restructuring Advisory

G2 Capital Advisors is pleased to present its Technology & Business Services industry update for Q4 2016, providing commentary and analysis on M&A and market trends within the Technology & Business Services industry. We hope you find this report helpful and encourage you to contact us directly if you would like to discuss our perspective on the current market environment, trends, or our relevant industry experience.

THIRTY-FIVE professionals



across **SIX** offices

FOUR Industry Practice Groups



Transportation & Logistics / Supply Chain



Technology / Business Services



Aerospace & Defense / Security



Industrials / Manufacturing

FIVE Service Offerings

Securities



Sell-Side



Buy-Side

Operational Restructuring



Financial Restructuring

G2 Overview

Sector-Focused; Experience-Based

G2 is focused in four sectors; each practice group headed by a leader with 20+ years of C-level operating experience. G2's managing directors have navigated all stages of the corporate lifecycle, from growth to maturity, and apply that experience to provide advisory services to our clients.



Transportation & Logistics / Supply Chain

Led by Ron Lentz

- Freight Forwarding
- Trucking / Final Mile
- Warehousing / Distribution
- Third Party Logistics (3PL)
- E-Commerce Fulfillment



Industrials / Manufacturing

Led by Jack Shields

- Manufacturing / Distribution
- Flooring
- Plastics / Packaging
- Consumer Products
- Metals



Technology / Business Services

Led by Matt Konkle

- Tech-enabled Services
- BPO
- Managed Services
- Internet & Digital Media
- Business Services



Aerospace & Defense / Security

Led by Bob Kinder

- Cyber Security
- Defense Robotics
- UAV, C4ISR, Hardware
- Aerospace Electronics
- Aerospace Components

G2 offers clients an operational, experience-based approach within each of its practice sectors.

Market Update

G2 Insights



Below highlights a few key trends in the Technology & Business Services industries:

- Digital transformation will drive innovation, new business models and the creation of new value-add capabilities across all business sectors in 2017. Companies with outdated business models are quickly becoming supplanted by companies that have embraced tools of the digital age.
- The business process outsourcing (BPO) industry, both U.S. and abroad, faces uncertainty in the coming year. The global political environment and a trend of higher-end work being outsourced may lead to more work delivered from onshore locations.
- Information and data security will remain a major strategic focus as companies are adjusting to take a holistic approach to enterprise security. Further advances in cloud based technologies will enable a continued trend of “as-a-service” business models.
- Companies will focus in 2017 on improving their candidate and employee experience with the trend towards a blended workforce on the rise. Innovation in human resources technology are enabling a global workforce of full-time permanent employees working side-by-side with freelancers and part-term resources.



Technology & Business Services

Matt Konkle, Managing Director

Matt Konkle brings 20+ years of C-level operating experience to G2’s Technology & Business Services practice group. Deep industry background in ecommerce, supply chain and logistics, enterprise software, and business services, with operational expertise in tech-enabled services, business process outsourcing and managed services.

Company	Title	Role
speedcommerce	COO	Led the reorganization of the company’s e-commerce fulfillment, customer care and supply chain services business units following the acquisition of Fifth Gear.
FIFTHGEAR accelerating commerce	President	End-to-end e-commerce services company specializing in complex order fulfillment and BPO. Led the go-to-market strategy and growth of the business before selling for \$65 million or 15x earnings.
SIGMA SIGMA MICRO	President	Enterprise software company specializing in order management technology for direct-to-consumer retailers. Transformed the business through multiple acquisitions and launch of offshore operations in India.
REVERSE 911 INTERACTIVE COMMUNITY NOTIFICATION	CFO	Pioneer in early warning notification software and services for Public Safety industry. Led the sale of the company to Golden Gate Capital for 3x trailing twelve month revenue.
aprimo	Controller	Enterprise software company that created the Enterprise Marketing Management (EMM) category. Acquired by Teradata Corporation for \$550M or 6x trailing twelve month revenue.



Matt Konkle
Practice Leader
Technology & Business
Services

Technology & Business Services

Case Study

Seller:	VideoLink LLC
Acquirer:	AVI-SPL, a portfolio company of H.I.G. Capital
Transaction Date:	December 2016



Transaction Overview:

- AVI-SPL, a portfolio company of H.I.G. Capital, has acquired VideoLink LLC (“VideoLink”)

G2 Commentary:

- AVI-SPL is the global leader in enterprise grade audio visual systems integration and collaboration solutions
- VideoLink has provided broadcast quality production solutions to simplify live, on-air appearances for top cable and network television organizations worldwide since the company was founded nearly 25 years ago
- VideoLink’s best-in-class broadcasting and production technologies, including its patented ReadyCam® video studio and EnhancedIP® transmission network, will enhance AVI-SPL’s leading broadcasting capabilities and bolster its unmatched collection of technology solutions essential to today’s organizations
- G2 Capital Advisors served as the exclusive advisor to VideoLink LLC on the transaction

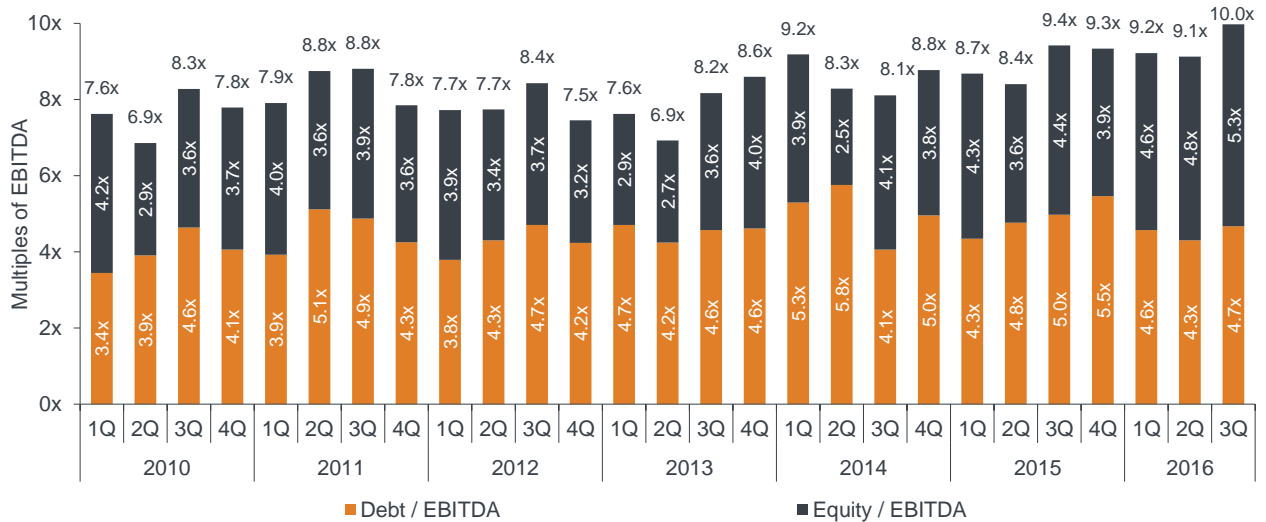
Source: <http://avispl.com/new/avi-spl-acquires-videolink-strengthens-leading-broadcasting-solutions/>

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M&A Activity – Middle Market

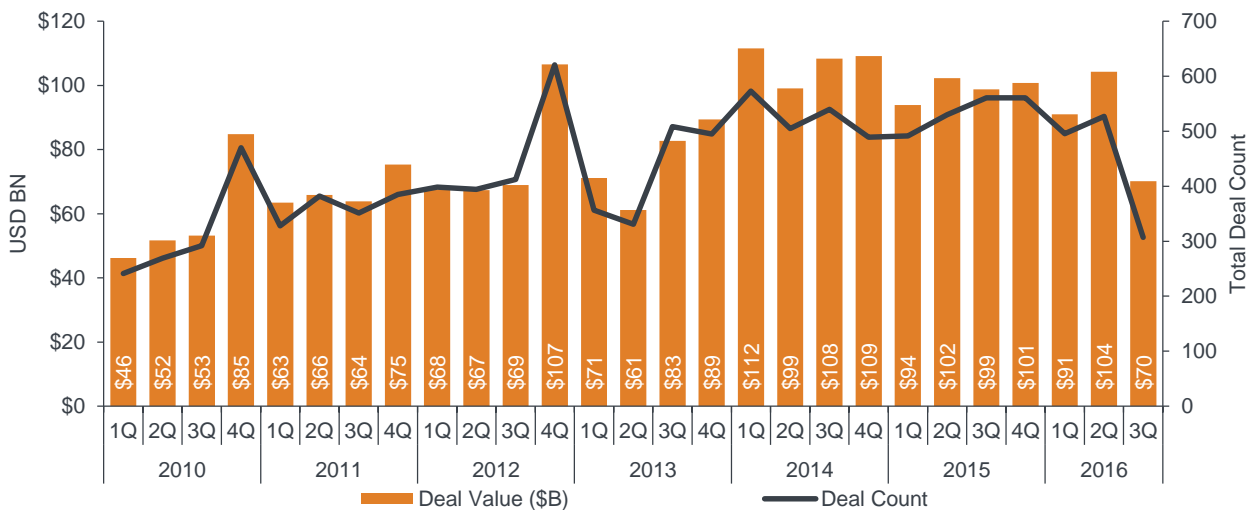
Total deal activity dropped to its lowest level since Q2 2013; overall however, deal multiples remain strong. Though there has been some pullback in capital markets, debt remains a strong driver of transaction valuations.

M&A Transaction Multiples



M&A transaction multiples are an average of North American and European M&A activity independent of target / acquirer industry and enterprise value. The dataset has been restricted to multiples between 0.0x and 30.0x EBITDA; sourced through Pitchbook's 2016 Annual M&A Report.

U.S. Middle Market Private Equity Activity



The U.S. Middle Market as shown in this chart has been defined as companies with an enterprise value between \$25MM and \$1,000MM, and headquartered in the United States.

Data sourced through PitchBook on Friday, December 30, 2016

Technology & Business Services

Selected Industry Deals 2016 Q4

Several notable transactions have already been completed or announced in the Technology & Business Services industry through 2016 Q4. G2 has outlined select transactions below, followed by a more comprehensive list on the following tables.

- **Lionbridge Technology acquired by H.I.G Capital (December 2016)** - Lionbridge Technologies, Inc., a global provider of translation, online marketing, content management, and application testing solutions, has signed a definitive agreement to be acquired by an affiliate of H.I.G. Capital, LLC a leading global private equity investment firm with the transaction valued at approximately \$435 MM
- **IntraLinks Holdings acquired by Synchronoss Technologies, Inc. (December 2016)** - Synchronoss Technologies Inc. has agreed to acquire cloud company IntraLinks Holdings Inc. in a deal with an enterprise value of about \$855 million. IntraLinks will be a major step towards significantly expanding the scale and scope of Synchronoss' transformation to attack the multi-billion dollar enterprise market opportunity
- **ISCS, Inc acquired by Guidewire Software, Inc. (December 2016)** - Guidewire Software, Inc. a provider of software products to Property and Casualty (P&C) insurers, today announced it has entered into a definitive agreement to acquire ISCS. The acquisition will enhance Guidewire's ability to serve those P&C insurers that prefer a cloud-based, all-in-one system supporting the insurance lifecycle

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Key Trading Statistics

Sector	Number of Companies	Median Enterprise Value (MM)	FY 2016 ¹		LTM ²		2016 ³	
			Median Revenue Growth	Median EBITDA Growth	EV / Revenue	EV / EBITDA	EV / Revenue	EV / EBITDA
Cloud Software & Services	14	5,382	24.7%	-47.3%	5.9x	NM	7.1x	25.9x
Internet of Things	14	27,069	18.4%	47.8%	5.1x	NM	5.6x	21.8x
Business Process Outsourcing	16	5,222	6.4%	7.0%	2.3x	12.2x	2.5x	13.4x
HR & Staffing Services	14	1,534	5.3%	8.0%	1.3x	10.2x	1.2x	9.6x
Marketing & Information Services	13	6,659	4.2%	24.5%	3.4x	19.0x	3.4x	18.2x
Specialty Consulting	11	1,371	2.4%	4.7%	1.6x	12.0x	1.4x	10.3x

¹ Estimated – 2016 Fiscal Year

² LTM Multiples as at Friday, December 30, 2016

³ Average daily multiple for 2016

Sector Summary in Millions USD (converted where necessary)
Data sourced from S&P Capital IQ on Friday, December 30, 2016

Technology & Business Services

Recent M&A Activity – Pending & Closed

Cloud Software & Services

Date Closed	Target	Acquirer / Investor	Implied Enterprise Value (MM)	EV / EBITDA	EV / Revenue
Pending	NeuStar	GIC Special Investments	\$2,870.60	6.8x	2.5x
Pending	TriNet Group	Atairos Group	\$2,028.30	14.1x	0.7x
Pending	InvenSense	TDK U.S.A. Corp.	\$1,200.20	-	3.5x
Pending	Grid Dynamics International	Automated Systems Holdings	\$118.00	-	3.0x
Dec-16	Conifer Financial Services	SS&C Technologies Holdings	\$88.50	-	-
Dec-16	Alliance Healthcare Services	Fujian Thaihot Investment Co.	\$710.70	6.0x	1.4x
Dec-16	Revitas	Model N	\$60.00	-	-
Dec-16	Centrify Corporation	Undisclosed	-	-	-
Dec-16	IntraLinks Holdings	Synchronoss Technologies	\$846.60	42.3x	2.9x
Dec-16	Deltek	Roper Technologies	\$2,800.00	-	-
Dec-16	Perk	RhythmOne	-	-	-
Dec-16	Fairpoint Communications	Consolidated Communications Holdings	\$1,447.00	3.1x	1.7x
Dec-16	Alsbridge	ISG Information Services Group	-	-	-
Nov-16	eGov Holdings	Booz Allen Hamilton	\$250.00	-	-
Nov-16	GNP Company	Pilgrim's Pride Corporation	\$350.00	-	-
Nov-16	Euclides Technologies	AnalytixInsight	\$1.70	-	-
Nov-16	Applied Micro Circuits Corporation	MACOM Technology Solutions Holdings	\$670.70	-	4.1x
Nov-16	Harman International Industries	Samsung Electronics America	\$8,854.40	10.4x	1.3x
Nov-16	ServiceMax	GE Digital	\$915.00	-	-
Nov-16	Apptix	Fusion Telecommunications	\$26.60	-	-
Nov-16	Digi International	Belden	\$225.00	10.0x	1.1x
Nov-16	TubeMogul	Adobe Systems	\$542.20	-	2.6x
Nov-16	Datalink Corporation	Insight Enterprises	\$234.60	12.3x	0.3x
Nov-16	EarthLink Holdings	Windstream Holdings	\$1,097.40	5.3x	1.1x
Nov-16	Brocade Communications Systems	Broadcom Corporation	\$5,817.60	11.9x	2.5x
Nov-16	ClariPhy Communications	Inphi Corporation	\$300.00	-	-
Nov-16	Real Matters	Urbana Corp.; Caldwell Investment	-	-	-
Oct-16	Butler America Aerospace	HCL America	\$85.00	-	1.0x
Oct-16	WOW! Lawrence	Midco	\$215.00	9.2x	4.7x
Oct-16	FireLayers	Proofpoint	\$55.70	-	-
Oct-16	Appirio	Wipro Limited	\$500.00	-	2.6x
Oct-16	Appterra	The Descartes Systems Group	\$7.40	-	-
Oct-16	Mobi Corp.	BSM Technologies; BSM Analytics	\$25.00	-	-
Oct-16	Krux Digital	salesforce.com	\$771.20	-	-

Sector Summary in Millions USD (converted where necessary)
Data sourced from S&P Capital IQ on Friday, December 30, 2016

Technology & Business Services

Recent M&A Activity – Pending & Closed

Internet of Things

Date Closed	Target	Acquirer / Investor	Implied Enterprise Value (MM)	EV / EBITDA	EV / Revenue
Pending	Grid Dynamics International, Inc.	Automated Systems Holdings	\$118.00	-	3.0x
Pending	ISCS, Inc.	Guidewire Software, Inc.	\$160.00	-	-
Pending	DeepField, Inc.	Nokia Corporation	-	-	-
Dec-16	eSped, Inc.	Frontline Technologies Group LLC	-	-	-
Dec-16	Flite, Inc	Snap Inc.	-	-	-
Dec-16	Tallie Inc.	Nexonia Inc.	-	-	-
Dec-16	Claimwire, LLC	Origami Risk LLC	-	-	-
Dec-16	Placemeter, LLC	NETGEAR, Inc.	-	-	-
Dec-16	Logicworks Corporation	Pamplona Capital Management LLP	-	-	-
Dec-16	VinTank LLC	Avero, LLC	-	-	-
Dec-16	Ominto, Inc.	Lani Pixels A/S	\$47.50	-	-
Dec-16	Admo.net, LLC	Contegix, LLC	-	-	-
Dec-16	911 ETC, Inc.	West Corporation	\$10.00	-	-
Dec-16	Gradifi, Inc.	First Republic Bank	-	-	-
Dec-16	Revitas Inc.	Model N, Inc.	\$60.00	-	-
Dec-16	Meople.Net, Inc.	Intellectsoft LLC	-	-	-
Dec-16	CarSavvy, Inc.	Undisclosed	-	-	-
Dec-16	IntraLinks Holdings, Inc.	Synchronoss Technologies, Inc.	\$846.60	42.3x	2.9x
Dec-16	FreshLime Inc.	Dasheroo, Inc.	-	-	-
Dec-16	Wegolook, LLC	Crawford Innovative Ventures, LLC	\$42.20	-	-
Nov-16	Array Health Solutions Inc.	Vimo, Inc.	-	-	-
Nov-16	Snowflake Technologies, Inc.	Undisclosed	-	-	-
Nov-16	Product Hunt	AngelList LLC	-	-	-
Nov-16	eGov Holdings, Inc.	Booz Allen Hamilton Inc.	\$250.00	-	-
Nov-16	Operative Media, Inc.	SintecMedia Ltd.	\$200.00	-	-

Business Process Outsourcing

Date Closed	Target	Acquirer / Investor	Implied Enterprise Value (MM)	EV / EBITDA	EV / Revenue
Pending	Lionbridge Technologies	H.I.G. Capital	\$435.30	11.2x	0.8x
Dec-16	Edaptive Systems	Mission Solutions and Services	-	-	-
Dec-16	IWEB	Undisclosed	\$0.40	-	8.1x
Dec-16	Prolific Interactive LLC	Critical Mass	-	-	-
Dec-16	Keystroke Creative	MapAnything	-	-	-
Dec-16	Thrive Networks	M/C Partners	-	-	-
Nov-16	Praxis Information Science	Weidenhammer Systems Corp.	-	-	-
Nov-16	L4 Mobile	Globant	\$20.00	-	-
Nov-16	Integrio Technologies	Sysorex Government Services	\$6.10	-	0.2x
Nov-16	Nashco Consulting	Accenture	-	-	-
Nov-16	Ground Swell	Ancero	-	-	-
Nov-16	Staffing Robot	Advanced Medical Personnel	-	-	-
Nov-16	FLO Code	Undisclosed	-	-	-
Nov-16	Auction123	ARI Network Services	\$12.00	8.0x	-
Nov-16	Boulder Technology	Centerline Solutions	-	-	-
Oct-16	The Nuss Group	Consulting Solutions	-	-	-
Oct-16	Accunet Solutions	Red River Computer	-	-	-
Oct-16	Amadeus Consulting Group	Exade	-	-	-

Sector Summary in Millions USD (converted where necessary)
Data sourced from S&P Capital IQ on Friday, December 30, 2016

Technology & Business Services

Recent M&A Activity – Pending & Closed

HR & Staffing Services

Date Closed	Target	Acquirer / Investor	Implied Enterprise Value (MM)	EV / EBITDA	EV / Revenue
Dec-16	Sirota Consulting	Marsh & McLennan	-	-	-
Dec-16	Garda Screening	Mintz Group	-	-	-
Dec-16	DreamJobs	Yoh	-	-	-
Nov-16	Traind	AlwaysHired	-	-	-
Nov-16	Retirement Educators	Ascensus	-	-	-
Oct-16	Datamatics Management Services	Kronos Incorporated	-	-	-
Oct-16	Recruit Military	Bradley-Morris	\$4.40	-	-
Sep-16	DayNine Consulting	Accenture	\$22.50	-	-

Specialty Consulting

Date Closed	Target	Acquirer / Investor	Implied Enterprise Value (MM)	EV / EBITDA	EV / Revenue
Pending	Architecture Tkalcic Bengert	Stantec	-	-	-
16-Dec	Endeavor Insurance Services	The Hilb Group	-	-	-
16-Nov	Nashco Consulting	Accenture	-	-	-
16-Oct	The ALARIS Group	Paradigm Management	-	-	-

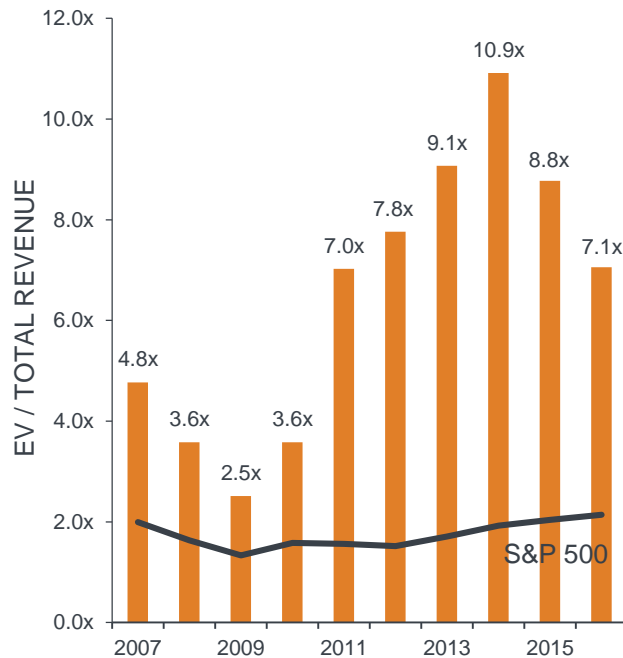
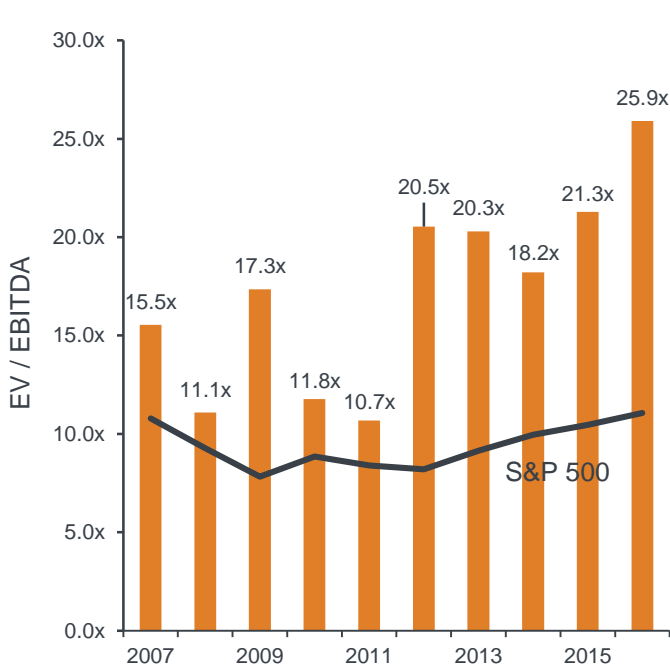
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Technology & Business Services

Public Trading Metrics – Cloud Software & Services

Industry	Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA	EBITDA Margin	LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Mean	39,812	44,734	1,034	7,854	4,173	14.8%	6,105	8.4x	5.9x	NM
Median	5,382	5,183	319	1,056	5	-1.6%	528	1.2x	5.9x	NM

Company	Ticker	Size (Millions USD)					EBITDA Margin	Leverage		Valuation	
		Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA		LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
salesforce.com, inc.	NYSE:CRM	47,806	46,491	1,146	7,907	534	6.8%	1,804	3.4x	6.0x	89.5x
Workday, Inc.	NYSE:WDAY	11,898	13,284	387	1,456	(244)	-16.8%	528	-2.2x	8.2x	NM
ServiceNow, Inc.	NYSE:NOW	12,034	12,341	401	1,391	(69)	-4.9%	508	-7.4x	8.7x	NM
Box, Inc.	NYSE:BOX	1,652	1,755	168	374	(126)	-33.8%	40	-0.3x	4.4x	NM
Cornerstone OnDemand, Inc.	NasdaqGS:CSOD	2,376	2,377	65	410	(47)	-11.4%	236	NM	5.8x	NM
Zendesk, Inc.	NYSE:ZEN	1,810	2,021	78	286	(83)	-29.1%	NA	NA	6.3x	NM
Qualys, Inc.	NasdaqGS:QLYS	920	1,130	98	190	46	24.2%	NA	NA	4.8x	20.0x
Yahoo! Inc.	NasdaqGS:YHOO	31,611	36,896	1,119	5,169	312	6.0%	1,300	4.2x	6.1x	NM
IAC/InterActiveCorp	NasdaqGS:IAC	5,548	5,137	1,190	3,177	390	12.3%	1,641	4.2x	1.7x	14.2x
Twitter, Inc.	NYSE:TWTR	9,553	11,563	1,012	2,523	42	1.7%	1,518	36.4x	3.8x	NM
Microsoft Corporation	NasdaqGS:MSFT	422,303	483,160	8,468	85,688	27,738	32.4%	59,306	2.1x	4.9x	15.2x
Cornerstone OnDemand, Inc.	NasdaqGS:CSOD	2,376	2,377	65	410	(47)	-11.4%	236	-5.1x	5.8x	NM
Tyler Technologies, Inc.	NYSE:TYL	5,216	5,229	23	722	147	20.4%	34	0.2x	7.2x	35.4x
Twilio Inc.	NYSE:TWLO	2,261	2,514	252	247	(32)	-13.0%	NA	NA	9.2x	NM



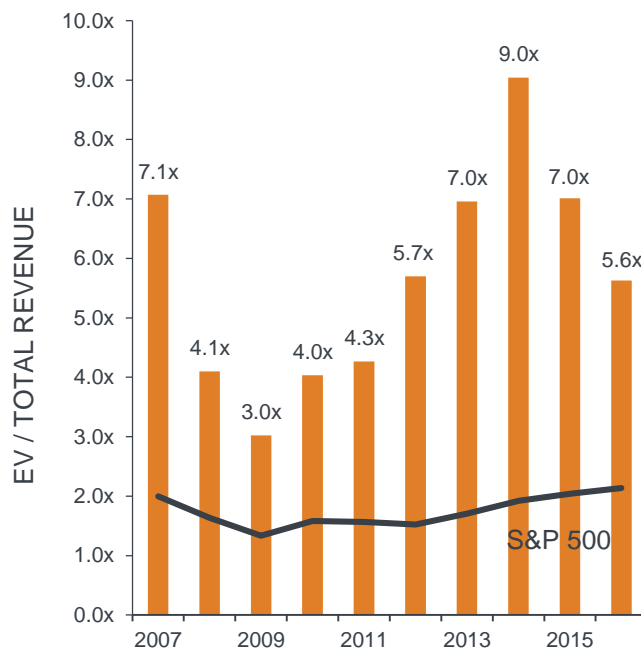
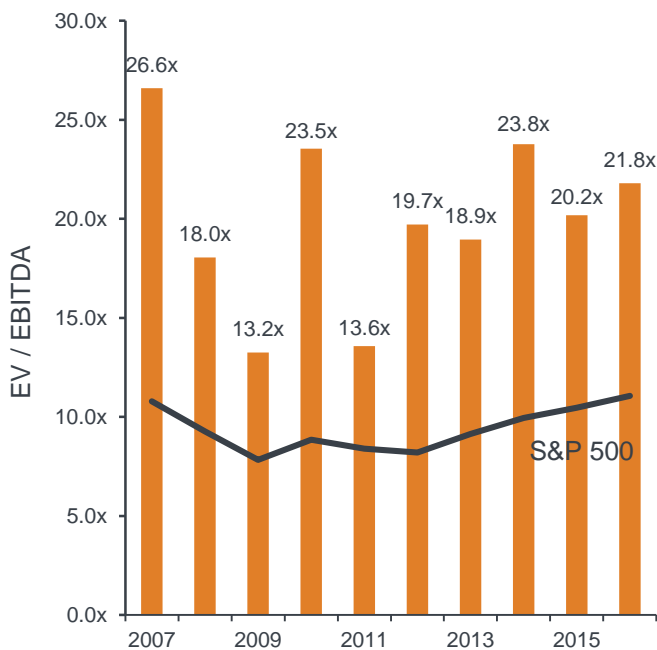
Sector Summary in Millions USD (converted where necessary)
 Charts show average daily multiples for each year
 Data sourced from S&P Capital IQ on Friday, December 30, 2016

Technology & Business Services

Public Trading Metrics – Internet of Things

Industry	Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA	EBITDA Margin	LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Mean	140,411	153,024	5,230	27,816	7,714	24.1%	4,284	4.8x	5.1x	NM
Median	27,069	25,093	1,830	8,679	2,012	25.0%	3,935	1.5x	4.0x	NM

Company	Ticker	Size (Millions USD)					EBITDA Margin	Leverage		Valuation	
		Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA		LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Amazon.com, Inc.	NasdaqGS:AMZN	356,954	356,313	13,656	127,993	10,963	8.6%	8,205	0.7x	2.8x	NM
Alibaba Group Holding Limited	NYSE:BABA	222,506	219,525	19,297	20,722	7,639	36.9%	11,111	1.5x	10.7x	29.1x
eBay Inc.	NasdaqGS:EBAY	34,177	33,191	1,816	8,979	3,007	33.5%	7,509	2.5x	3.8x	11.4x
Alphabet Inc.	NasdaqGS:GOOGL	459,952	539,070	12,918	90,272	29,860	33.1%	3,935	0.1x	5.1x	15.4x
Facebook, Inc.	NasdaqGS:FB	305,454	331,594	6,038	24,670	12,863	52.1%	NA	NM	12.4x	NM
Yelp Inc.	NYSE:YELP	2,559	2,992	225	672	6	0.8%	NA	NA	3.8x	NM
TripAdvisor, Inc.	NasdaqGS:TRIP	6,125	6,756	611	1,473	182	12.4%	20	0.1x	4.2x	NM
Twitter, Inc.	NYSE:TWTR	9,553	11,563	1,012	2,523	42	1.7%	1,518	36.4x	3.8x	NM
ChannelAdvisor Corporation	NYSE:ECOM	307	370	65	111	(6)	-5.2%	NA	NA	2.8x	NM
Web.com Group, Inc.	NasdaqGS:WEB	1,660	996	22	662	125	19.0%	671	5.4x	2.5x	13.2x
Akamai Technologies, Inc.	NasdaqGS:AKAM	11,279	11,556	382	2,303	714	31.0%	635	0.9x	4.9x	15.8x
Expedia, Inc.	NasdaqGS:EXPE	19,960	16,995	1,844	8,379	1,017	12.1%	3,204	3.2x	2.4x	19.6x
The Priceline Group Inc.	NasdaqGS:PCLN	75,310	72,343	2,422	10,395	4,010	38.6%	6,384	1.6x	7.2x	18.8x
Alphabet Inc.	NasdaqGS:GOOGL	459,952	539,070	12,918	90,272	29,860	33.1%	3,935	0.1x	5.1x	15.4x



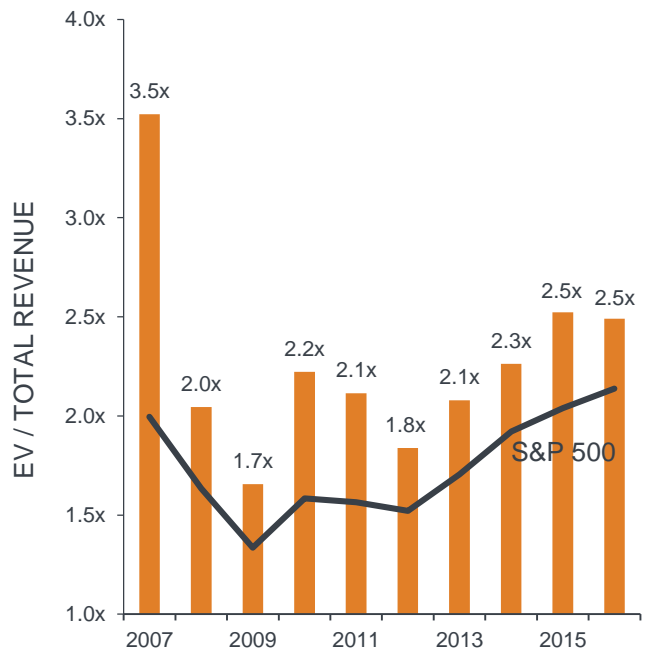
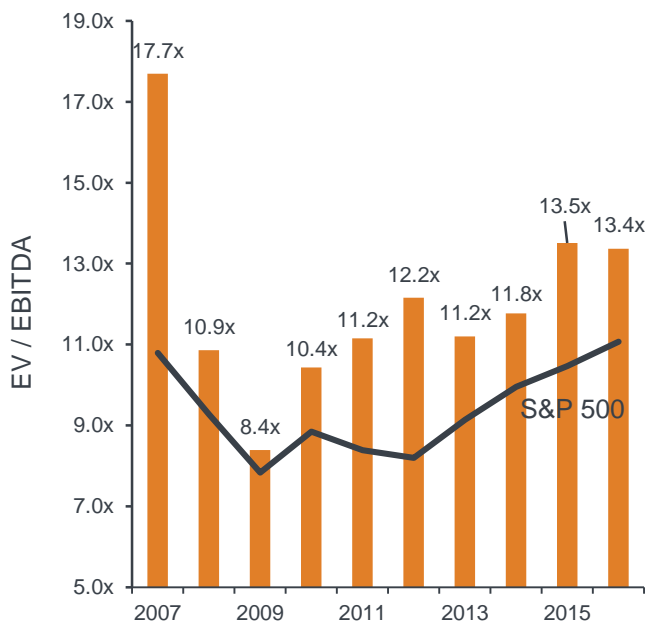
Sector Summary in Millions USD (converted where necessary)
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Technology & Business Services

Public Trading Metrics – Business Process Outsourcing

Industry		Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA	EBITDA Margin	LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Mean		16,329	16,278	1,085	6,369	1,294	19.0%	1,642	1.4x	2.3x	12.2x
Median		5,222	5,110	560	2,721	526	18.4%	348	0.8x	2.2x	12.3x

Company	Ticker	Size (Millions USD)					EBITDA Margin	Leverage		Valuation	
		Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA		LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Exlservice Holdings, Inc.	NasdaqGS:EXLS	1,522	1,690	98	675	102	15.0%	40	0.4x	2.3x	15.0x
Accenture plc	NYSE:ACN	69,493	72,929	4,077	33,385	5,656	16.9%	25	0.0x	2.1x	12.3x
Cognizant Technology Solutions Corporation	NasdaqGS:CTSH	30,031	33,993	1,550	13,258	2,648	20.0%	822	0.3x	2.3x	11.3x
Infosys Limited	NSE:INFY	29,023	34,011	3,844	10,085	2,787	27.6%	NA	NA	2.9x	10.4x
West Corporation	NasdaqGS:WSTC	5,111	2,061	191	2,293	648	28.3%	3,204	NM	2.2x	NM
StarTek, Inc.	NYSE:SRT	164	133	1	312	17	5.3%	6	0.4x	0.5x	9.9x
Convergys Corporation	NYSE:CVG	2,501	2,342	129	2,907	392	13.5%	298	0.8x	0.9x	6.4x
Genpact Limited	NYSE:G	5,333	4,886	419	2,536	404	15.9%	708	1.8x	2.1x	13.2x
WNS (Holdings) Ltd.	NYSE:WNS	1,245	1,404	71	586	96	16.4%	NA	NA	2.1x	13.0x
Wipro Limited	BSE:507685	14,405	17,147	883	8,052	1,607	20.0%	295	0.2x	1.8x	9.0x
Global Payments Inc.	NYSE:GPN	14,665	10,668	996	3,308	831	25.1%	4,316	5.2x	4.4x	17.6x
Sykes Enterprises, Incorporated	NasdaqGS:SYKE	1,213	1,225	283	1,408	164	11.7%	272	1.7x	0.9x	7.4x
TeleTech Holdings, Inc.	NasdaqGS:TTEC	1,493	1,418	61	1,272	155	12.2%	129	0.8x	1.2x	9.6x
Fidelity National Information Services, Inc.	NYSE:FIS	35,010	24,827	701	8,669	2,199	25.4%	10,472	4.8x	4.0x	15.9x
Wirecard AG	XTRA:WDI	4,500	5,334	1,352	1,099	304	27.7%	397	1.3x	4.1x	14.8x
Automatic Data Processing, Inc.	NASDAQGS:ADP	45,562	46,372	2,705	12,051	2,695	22.4%	2,003	0.7x	3.8x	16.9x



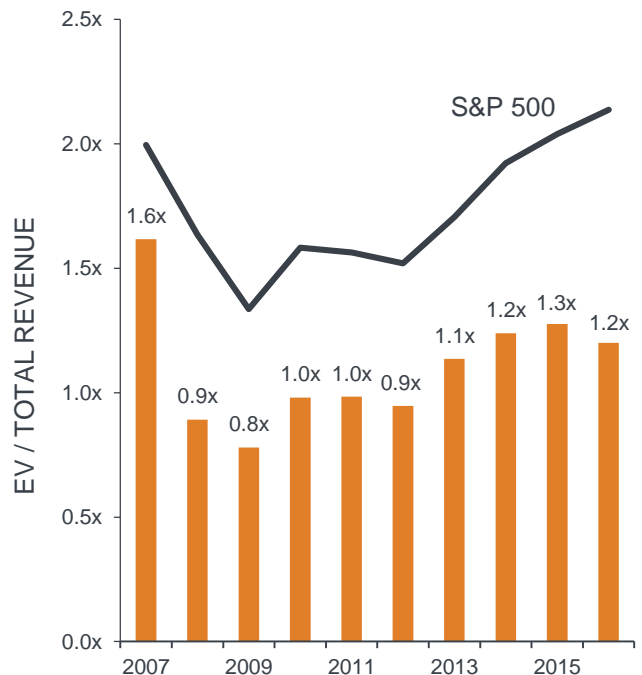
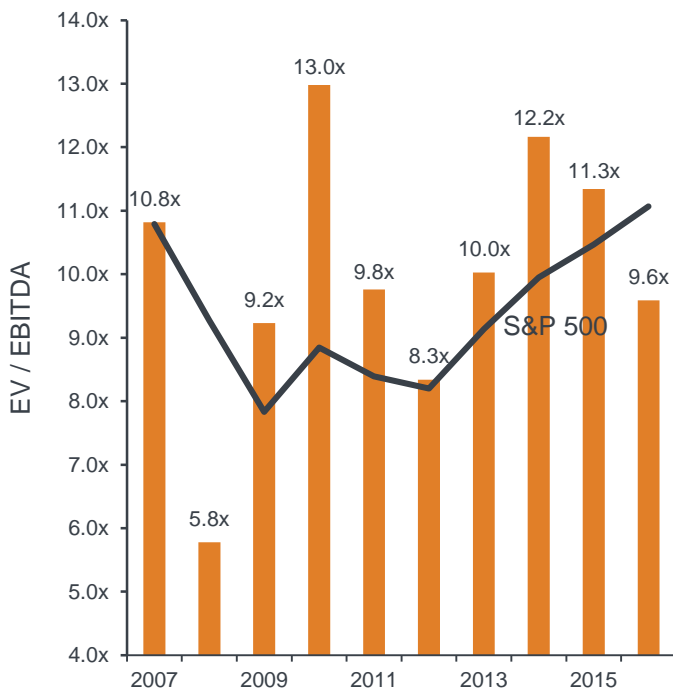
Sector Summary in Millions USD (converted where necessary)
 Charts show average daily multiples for each year
 Data sourced from S&P Capital IQ on Friday, December 30, 2016

Technology & Business Services

Public Trading Metrics – HR & Staffing Services

Industry	Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA	EBITDA Margin	LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Mean	6,521	6,505	313	4,482	473	10.2%	467	1.7x	1.3x	10.2x
Median	1,534	1,600	102	2,844	149	5.7%	218	1.4x	0.6x	9.1x

Company	Ticker	Size (Millions USD)					EBITDA Margin	Leverage		Valuation	
		Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA		LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Automatic Data Processing	NasdaqGS:ADP	45,562	46,372	2,705	12,051	2,695	22.4%	2,003	0.7x	3.8x	16.9x
Manpower Group Inc.	NYSE:MAN	6,413	5,960	599	19,654	836	4.3%	786	0.9x	0.3x	7.7x
Robert Half International	NYSE:RHI	5,896	6,188	0	5,250	617	11.7%	NA	NA	1.1x	9.6x
Kforce Inc.	NasdaqGS:KFRC	699	595	1	1,321	77	5.8%	101	1.3x	0.5x	9.1x
Insperty, Inc.	NYSE:NSP	1,389	1,510	224	2,862	115	4.0%	104	NM	0.5x	NM
Mastech Digital, Inc.	AMEX:MHH	46	30	1	132	7	5.6%	14	1.9x	0.3x	6.2x
TrueBlue, Inc.	NYSE:TBI	1,131	1,017	25	2,826	154	5.4%	137	0.9x	0.4x	7.4x
Paychex, Inc.	NasdaqGS:PAYX	21,656	21,846	165	3,063	1,311	42.8%	NA	NA	7.1x	16.5x
Heidrick & Struggles International	NasdaqGS:HSII	349	449	100	567	50	8.7%	NA	NA	0.6x	7.0x
TriNet Group, Inc.	NYSE:TNET	2,071	1,763	161	2,975	144	4.8%	432	3.0x	0.7x	14.4x
On Assignment, Inc.	NYSE:ASGN	2,979	2,338	17	2,397	258	10.8%	659	2.6x	1.2x	11.6x
Kelly Services, Inc.	NasdaqGS:KELY.A	856	875	28	5,434	97	1.8%	NA	NA	0.2x	8.8x
Korn/Ferry International	NYSE:KFY	1,680	1,690	250	1,522	180	11.9%	246	1.4x	1.1x	9.3x
Impellam Group PLC	AIM:IPEL	572	437	104	2,694	82	3.1%	190	2.3x	0.2x	6.9x



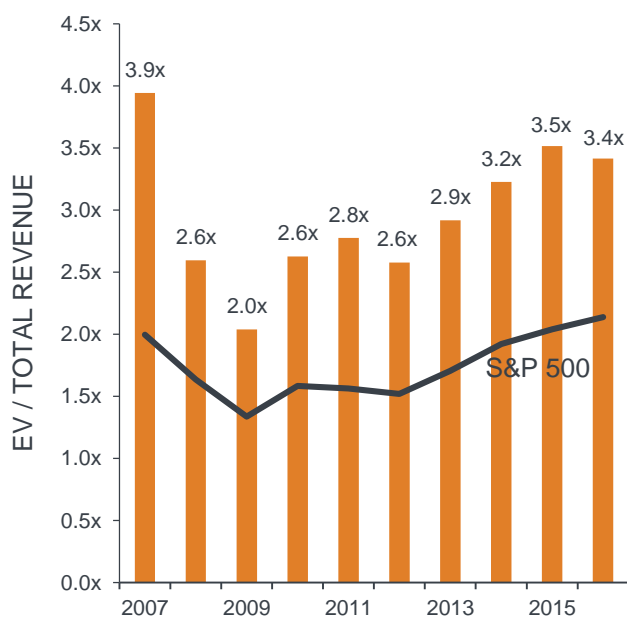
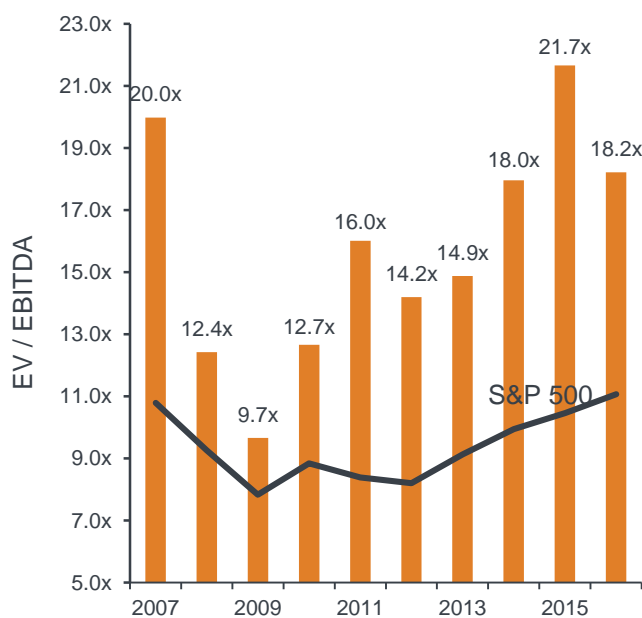
Sector Summary in Millions USD (converted where necessary)
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Technology & Business Services

Public Trading Metrics – Marketing & Information Services

Industry	Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA	EBITDA Margin	LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Mean	12,211	8,996	365	3,194	737	19.2%	3,412	3.2x	3.4x	19.0x
Median	6,659	6,488	147	1,686	402	21.1%	1,861	2.6x	3.6x	16.2x

Company	Ticker	Size (Millions USD)					EBITDA Margin	Leverage		Valuation	
		Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA		LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Alliance Data Systems Corporation	NYSE:ADS	31,037	13,198	1,859	7,138	1,567	22.0%	12,557	8.0x	4.3x	19.8x
Nielsen Holdings plc	NYSE:NLSN	22,706	14,994	446	6,277	1,559	24.8%	7,389	4.7x	3.6x	14.6x
The Dun & Bradstreet Corporation	NYSE:DNB	5,755	4,463	327	1,686	425	25.2%	1,586	3.7x	3.4x	13.6x
Gartner, Inc.	NYSE:IT	8,635	8,349	466	2,385	395	16.6%	711	1.8x	3.6x	21.9x
Equifax Inc.	NYSE:EFX	16,932	14,159	112	3,010	1,036	34.4%	2,136	NM	5.6x	NM
InnerWorkings, Inc.	NasdaqGS:INWK	643	530	21	1,091	42	3.8%	134	3.2x	0.6x	15.3x
Forrester Research Inc.	NasdaqGS:FORR	649	782	70	324	36	11.0%	NA	NA	2.0x	18.2x
Harte Hanks, Inc.	NYSE:HHS	147	93	7	462	13	2.8%	NA	NA	0.3x	11.5x
Experian plc	LSE:EXPN	21,117	18,106	144	4,607	1,401	30.4%	2,417	1.7x	4.6x	15.1x
comScore, Inc.	NasdaqGS:SCOR	1,692	1,806	147	369	37	10.1%	NA	NA	4.6x	45.5x
Thomson Reuters Corporation	TSX:TRI	40,695	31,899	831	12,145	2,560	21.1%	6,621	2.6x	3.4x	15.9x
Axiom Corporation	NasdaqGS:ACXM	2,079	2,080	138	880	106	12.1%	201	1.9x	2.4x	19.6x
FactSet Research Systems Inc.	NYSE:FDS	6,659	6,488	173	1,145	402	35.2%	365	0.9x	5.8x	16.5x



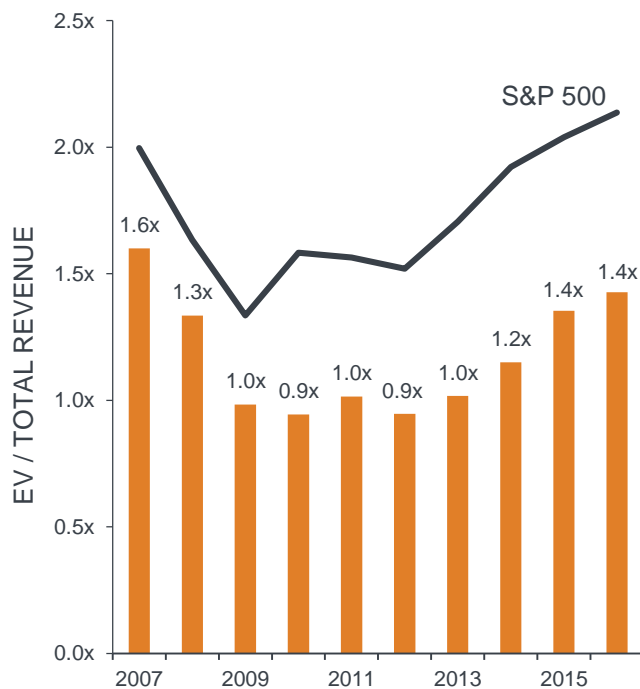
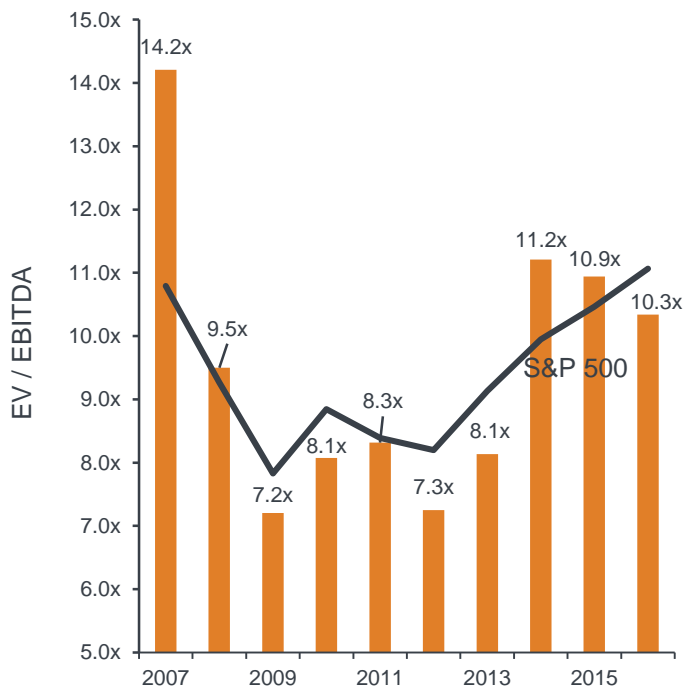
Sector Summary in Millions USD (converted where necessary)
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Technology & Business Services

Public Trading Metrics – Specialty Consulting

Industry	Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA	EBITDA Margin	LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Mean	2,849	2,467	228	2,256	267	12.6%	665	1.3x	1.6x	12.0x
Median	1,371	1,054	53	590	67	11.8%	161	1.2x	1.2x	11.3x

Company	Ticker	Size (Millions USD)					EBITDA Margin	Leverage		Valuation	
		Enterprise Value	Market Cap	Cash	LTM Revenue	LTM EBITDA		LT Debt	LT Debt / EBITDA	EV / LTM Revenue	EV / LTM EBITDA
Booz Allen Hamilton	NYSE:BAH	6,648	5,392	350	5,647	518	9.2%	1,485	2.9x	1.2x	12.8x
Cap Gemini S.A.	ENXTPA:CAP	16,696	14,149	1,653	13,953	1,716	12.3%	3,466	2.0x	1.2x	9.7x
Huron Consulting Group	NasdaqGS:HURN	1,371	1,054	9	733	153	20.8%	326	2.1x	1.9x	9.0x
Navigant Consulting, Inc.	NYSE:NCI	1,386	1,232	7	911	138	15.2%	161	1.2x	1.5x	10.0x
FTI Consulting, Inc.	NYSE:FCN	2,120	1,875	225	1,811	202	11.2%	470	NM	1.2x	NM
Exponent, Inc.	NasdaqGS:EXPO	1,393	1,543	98	296	67	22.7%	NA	NA	4.7x	20.7x
The Hackett Group, Inc.	NasdaqGS:HCKT	502	504	14	257	36	14.1%	13	0.3x	2.0x	13.9x
CRA International	NasdaqGS:CRAI	278	303	25	318	25	7.9%	NA	NA	0.9x	11.1x
Ecology & Environment	NasdaqGM:EEL	36	45	11	101	4	4.4%	0	0.0x	0.4x	8.2x
Resources Connection	NasdaqGS:RECN	592	695	59	590	51	8.6%	58	1.1x	1.0x	11.6x
NV5 Global, Inc.	NasdaqCM:NVEE	310	347	53	203	24	11.8%	10	0.4x	1.5x	12.9x

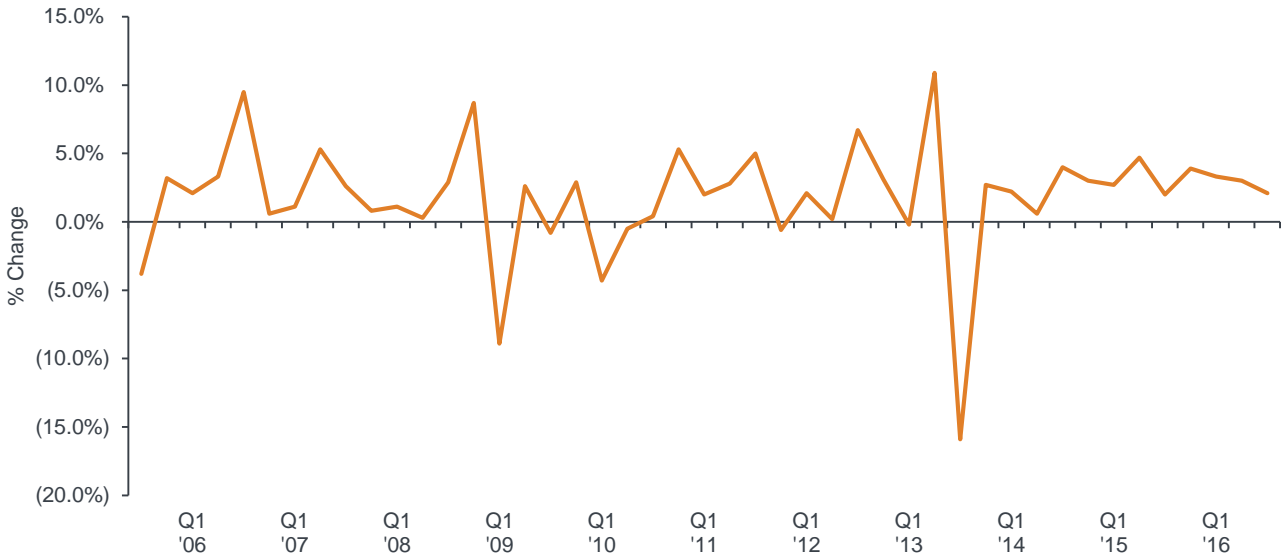


Sector Summary in Millions USD (converted where necessary)
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Technology & Business Services

Economic & Industry Trends

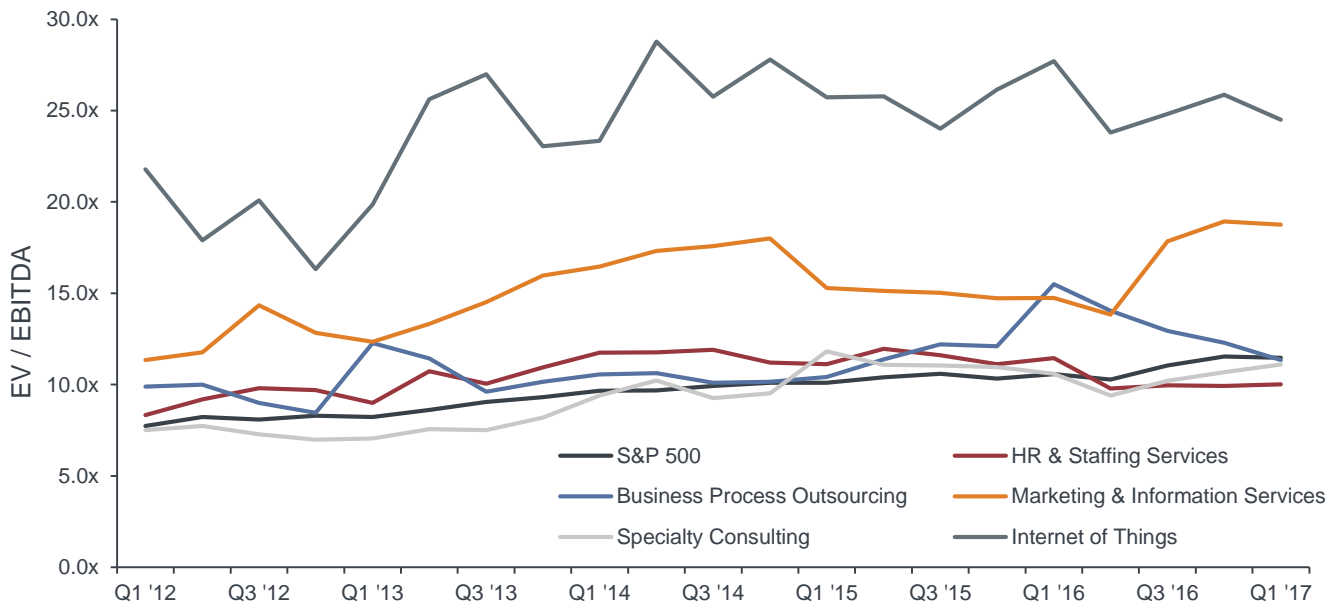
% Change in Personal DPI



% change in DPI measure the percent change in the amount of money that households have available for spending and saving after income taxes have been accounted for.

Data sourced through S&P Capital IQ on Friday, December 30, 2016

Last 5 Year EV / EBITDA Trend by Industry



Data sourced through S&P Capital IQ on Friday, December 30, 2016

Reference

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Term	Definition
Revenue	Total revenue from the sale of goods and services rendered during the reporting period, in normal course of business, reduced by sales returns and allowances, and sales discounts. For banks, this item is defined as net interest income after loan loss provisions
EBITDA	Earnings before interest, taxes, depreciation, and amortization. Calculated as Revenue – Expenses, excluding interest, taxes, depreciation and amortization
Market Cap	Market value of a company using most recently reported basic weighted average shares outstanding. Calculated as Market Price (as of period end) * Basic Weighted Average Shares Outstanding
Long-Term Debt	Sum of the carrying values as of the balance sheet date of long-term debt with a maturity beyond one year or the normal operating cycle, if longer
Net Debt	Net Debt shows the company's overall debt situation by netting the value of debts with cash and other similar liquid assets. Calculated as Total Debt – Cash & Cash Equivalents and Short Term Investments
Enterprise Value	Enterprise Value represents the combined economic value of a company as of the most recent fiscal year end. Calculated as Diluted Market Capitalization + Total Debt + Minority Interest + Preferred Stock – Cash and Short Term investments
P/E	A valuation ratio of a company stock price compared to its per share earnings. Calculated as Market Price / Earnings per Share for the last annual period
Tangible Book Value	Total Shareholder's Equity – Goodwill and Intangible Assets

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