



Evolve  
Capital Partners

# QUARTERLY DEALS & MARKET ROUNDUP

## Data & Analytics / IoT

November 2017



*Analytics Software Solutions*



*Outsourced Analytics Solutions*



*Consumer IoT*



*Industrial IoT*



## Highlights

*This quarter's Data & Analytics / IoT roundup discusses the following key developments:*



***STRONG POTENTIAL OF HISTORICAL & REAL-TIME DATA INTEGRATION IN FINANCIAL SERVICES***



***COMBINING PREDICTIVE & PRESCRIPTIVE ANALYTICS FOR CRITICAL DECISIONS***



***INCREASING USE OF DATA ANALYTICS IN FINANCIAL REPORTING AND VALUATIONS***



***DEAL VOLUMES CONTINUE TO RISE AS MARKET SATURATES AND FRESH SECURITY CONCERNS EMERGE***

# Overview of Evolve Capital Partners

## ABOUT ECP

- Evolve Capital Partners (ECP) is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology.
- We are dedicated investment bankers focused on evolving industries, and we support sustainable growth through transformational M&A / financing transactions.
- ECP is a dedicated, creative, and fully independent investment bank that advises private and public companies on merger, divestiture and acquisition transactions, and capital raising through private placements.
- We also provide structured finance advisory services — our investment banking practice provides a comprehensive suite of solutions to businesses.
- With over 30 engagements executed by its leaders, Evolve Capital Partners has served as a proud partner, bringing renewed value to companies at the intersection of finance and technology.
- We were founded in 2012 and are based in New York, NY.

## HIGH-TOUCH INVESTMENT BANKING

*Few investment banks have transaction experience across both corporate and asset finance.*



### Our Clients

- Corporations
- Management Teams
- VC & PE Backed Companies
- Independent Directors / Boards



### Investment Banking Advisory

- M&A
- Strategic Alliances
- Capital Raises and Asset Finance
- Financial Restructuring



### Industry Focus

#### Finance and Technology Firms

**BPO**

**IoT**

**B2B**

**Specialty Finance**

**Enterprise Software**

**Analytics**

**Payments**

**Lending**

**InsuranceTech**

**Securities**

**Financial Services**

**Financial Management**

## We Focus Exclusively on Finance and Technology-Related Firms

### Financial Management Solutions



### Payments



### Bank Tech / Solutions



### BPO



## Capabilities

### M&A Advisory

*Sales / Recaps*

*Acquisitions*

*Divestiture*

*Strategic Advisory*

### Specialty Finance / Alternative Lending



### Healthcare Tech



### Securities



## Financing

*Private Placements*

*Debt Capital*

*Restructuring*

### Data & Analytics / IoT



### Insurance





# Contents

## 1. Market Summary

- A. Multiples and Margins – All Sectors
- B. Multiples and Margins – Data & Analytics / IoT
- C. Stock Comparables – Data & Analytics / IoT

## 2. Market Updates

- A. Recent Updates
- B. Key Initiatives by Leading Data & Analytics / IoT Companies

## 3. Deal Activity

- A. Overview
- B. M&A Transaction Activity Summary
- C. Key M&A Deal Profiles
- D. Financing Transaction Activity Summary
- E. Key Financing Deal Profiles

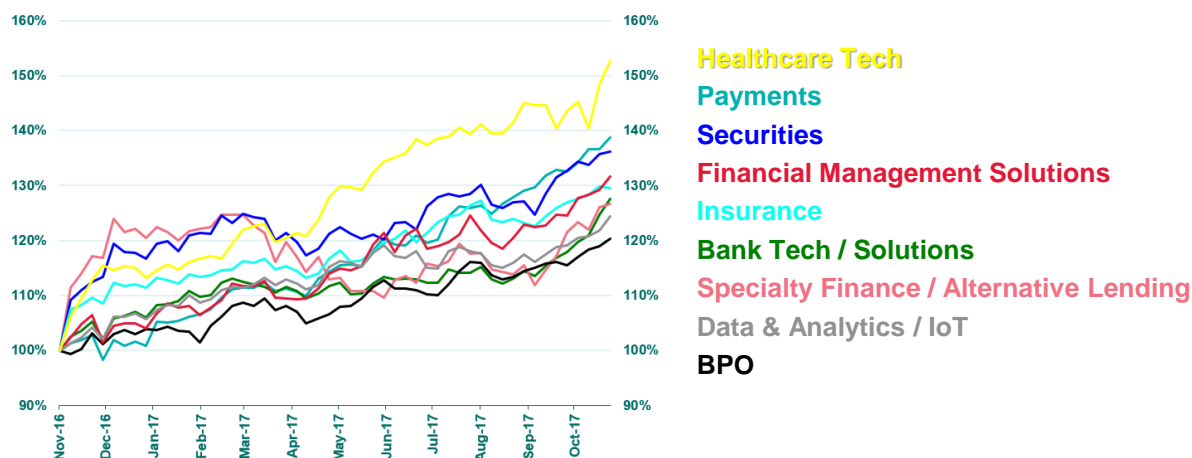
## 4. IPO Activity Summary

## 5. Select Wall Street Research & Commentary

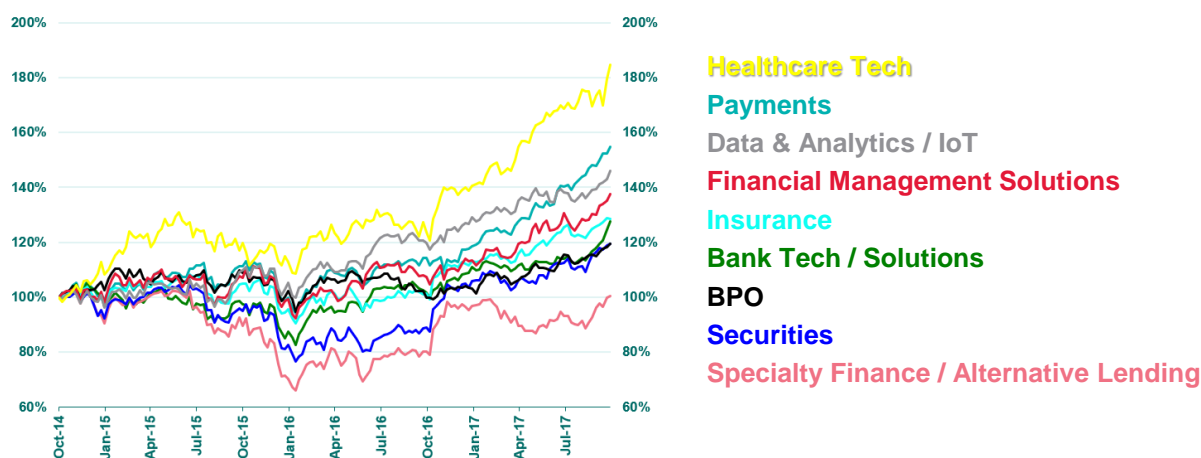
# Market Summary

## Industry Stock Market Performance of ECP Sector Coverage

### Last 12 Months



### Last 3 Years



### Indexed Price Performance

Sector	3 Months	1 Year	3 Years
Payments	15.9%	35.3%	54.7%
Bank Tech / Solutions	13.7%	25.6%	27.5%
Specialty Finance / Alternative Lending	9.3%	24.9%	0.4%
Securities	8.0%	33.9%	19.4%
Healthcare Tech	6.7%	26.6%	84.7%
BPO	9.0%	19.7%	19.6%
Financial Management Solutions	10.7%	28.1%	37.5%
Data & Analytics / IoT	8.2%	21.8%	46.0%
Insurance	11.2%	49.3%	28.5%

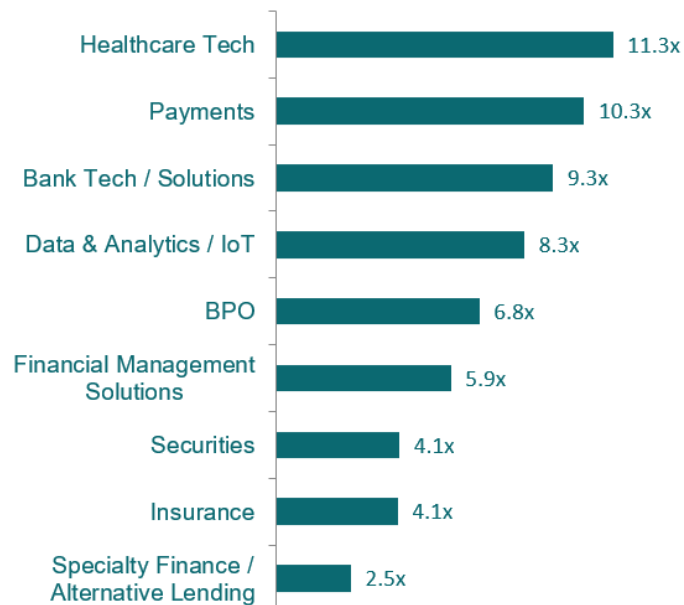
Source: Capital IQ and market data as of October 31, 2017



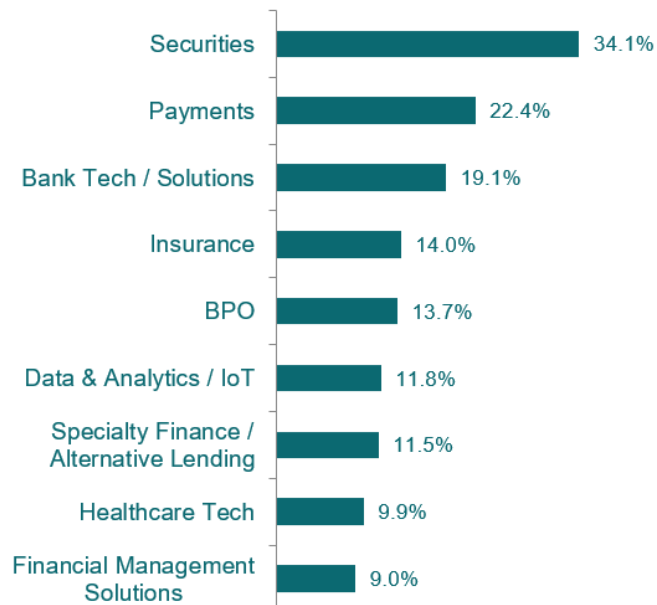
# Multiples & Margins – All Sectors

## Industry-wide Multiples and Margins

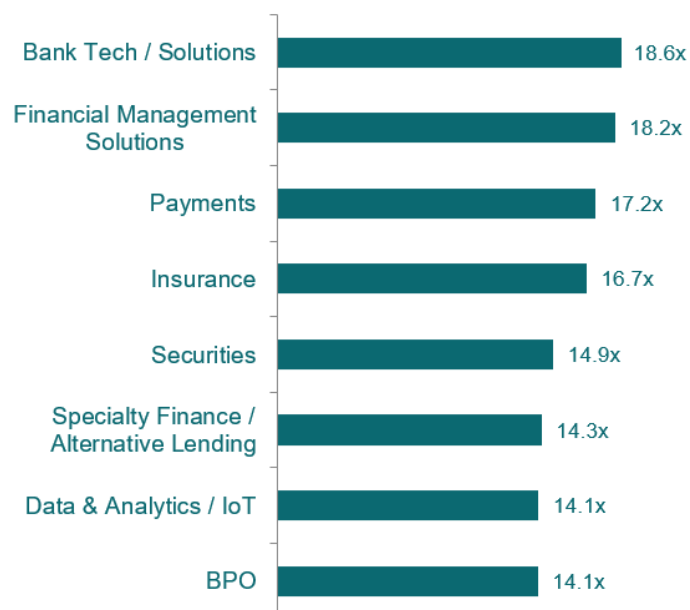
### 2017E EBITDA Multiples



### LTM EBITDA Margins



### 2017E Price / Earnings Multiples



### 2017E PEG Ratio

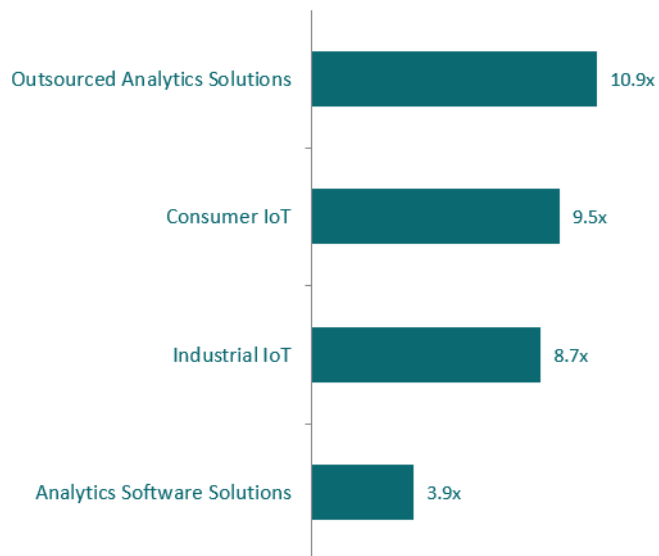


Source: Capital IQ and market data as of October 31, 2017

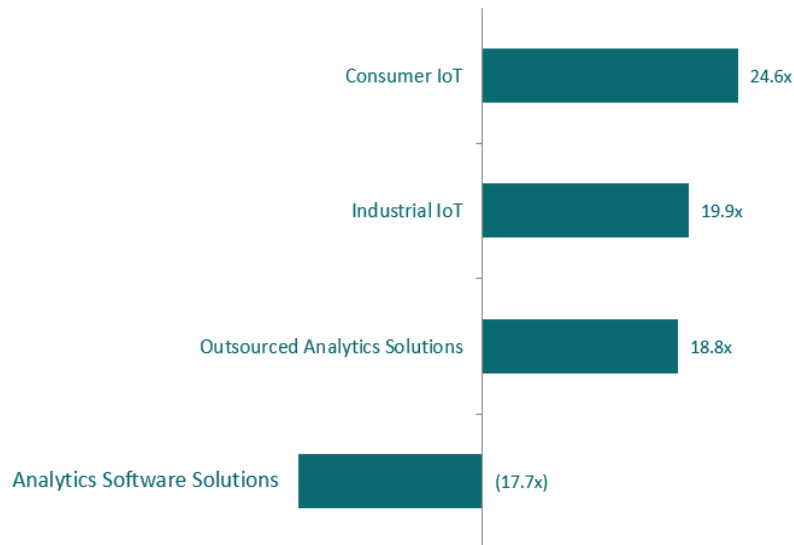
# Multiples & Margins – Data & Analytics / IoT

## Sub-sector Multiples and Margins

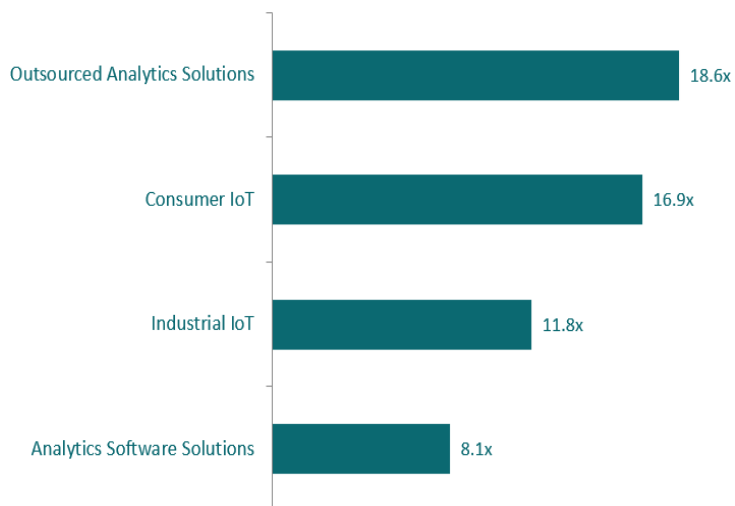
### 2017E EBITDA Multiples



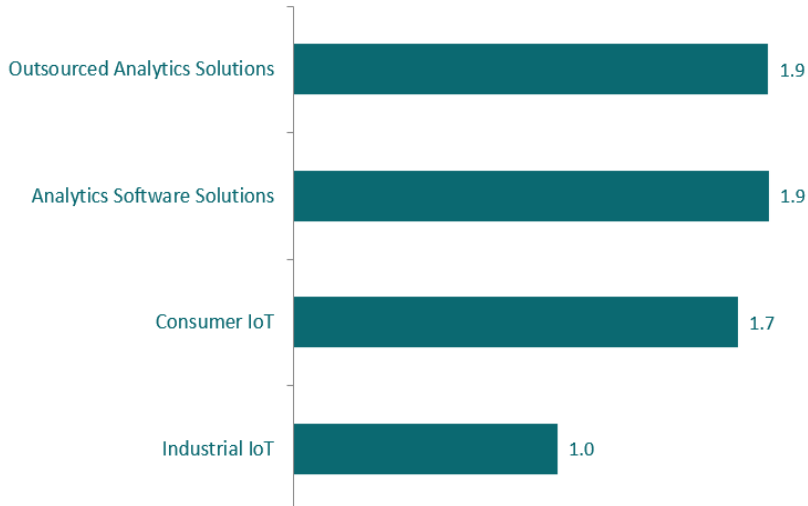
### LTM EBITDA Margins



### 2017E Price / Earnings Multiples



### 2017E PEG Ratio



Source: Capital IQ and market data as of October 31, 2017



## Stock Comparables – Data & Analytics / IoT

(All figures in US Dollars. Figures in millions, except per share data, as of October 31, 2017)

Data & Analytics / IoT Sub-Sector	Aggregate		Price / Earnings		Multiples			
	Market Cap	Enterprise Value	FY 17E		EV / EBITDA		EV / Sales	
			FY 17E	FY18E	FY 17E	FY 18E	FY 17E	FY 18E
Analytics Software Solutions	\$530,802	\$512,343	8.1x	22.0x	3.9x	10.6x	1.7x	4.2x
Consumer IoT	\$3,009,700	\$3,195,855	16.9x	21.0x	9.5x	11.6x	2.5x	3.0x
Industrial IoT	\$1,008,929	\$1,186,218	11.8x	21.6x	8.7x	11.3x	2.2x	3.1x
Outsourced Analytics Solutions	\$269,722	\$331,363	18.6x	20.1x	10.9x	11.6x	3.1x	3.2x
<b>Median</b>			<b>14.4x</b>	<b>21.3x</b>	<b>9.1x</b>	<b>11.5x</b>	<b>2.4x</b>	<b>3.2x</b>
<b>Mean</b>			<b>13.9x</b>	<b>21.2x</b>	<b>8.2x</b>	<b>11.3x</b>	<b>2.4x</b>	<b>3.4x</b>

Data & Analytics / IoT Sub-Sector	Number of Companies	Growth Rates			EBITDA Margin		PEG* FY 17E
		Revenue		EPS	FY 17E	FY 18E	
		FY 17E	FY 18E	5 Yr			
Analytics Software Solutions	17	13.9%	22.5%	14.8%	(17.7%)	12.5%	1.86
Consumer IoT	19	7.0%	9.8%	14.0%	24.6%	27.3%	1.74
Industrial IoT	19	4.0%	6.2%	10.6%	19.9%	24.5%	1.03
Outsourced Analytics Solutions	15	4.0%	7.2%	10.4%	18.8%	25.3%	1.86
Median		5.5%	8.5%	12.3%	19.3%	24.9%	1.80
Mean		7.2%	11.4%	12.5%	11.4%	22.4%	1.62

\* Price/Earnings to Growth ratio is a valuation metric for determining the relative trade-off between the price of a stock, the earnings generated per share (EPS), and the company's expected growth. In general, the P/E ratio is higher for a company with a higher growth rate.

## Stock Comparables – Data & Analytics / IoT Sub-Sectors

(All figures in US Dollars. Figures in millions, except per share data, as of October 31, 2017)

### Analytics Software Solutions

Company Name	Market Cap	Enterprise Value	LTM Sales	LTM EBITDA Margin	EV / Sales		EV / EBITDA		P / E		PEG FY2017
					FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	
Oracle Corporation	\$212,430	\$199,231	\$38,320	38.9%	NA	5.0x	NA	10.4x	NA	17.2x	NA
SAP SE	\$136,331	\$137,005	\$27,631	25.2%	5.0x	4.7x	14.4x	13.9x	23.5x	21.8x	2.6
Salesforce.com, inc.	\$73,552	\$72,633	\$9,388	4.9%	NA	6.9x	NA	NM	NA	NM	NA
VMware, Inc.	\$48,928	\$41,526	\$7,093	26.1%	NA	5.3x	NA	13.9x	NA	23.6x	NA
Experian plc	\$19,210	\$22,624	\$4,335	35.0%	NA	4.9x	NA	14.0x	NA	21.8x	NA
Open Text Corporation	\$9,243	\$11,371	\$2,440	27.2%	NA	4.2x	NA	11.5x	NA	13.8x	NA
Splunk Inc.	\$9,421	\$8,419	\$1,074	(26.5%)	NA	6.8x	NA	NM	NA	NM	NA
Tableau Software, Inc.	\$6,414	\$5,421	\$878	(12.8%)	6.0x	5.5x	NM	NM	NM	NM	19.4
Fair Isaac Corporation	\$4,446	\$4,927	\$932	23.4%	5.3x	4.9x	19.5x	17.7x	29.2x	25.1x	1.8
Software Aktiengesellschaft	\$3,888	\$3,836	\$1,034	28.9%	3.7x	3.6x	11.6x	11.4x	17.6x	17.0x	2.5
New Relic, Inc.	\$2,798	\$2,571	\$306	(15.1%)	NA	7.2x	NA	NM	NA	NM	NA
MicroStrategy Incorporated	\$1,514	\$868	\$507	19.1%	1.8x	1.8x	8.8x	13.2x	27.1x	35.3x	NA
Cloudera, Inc.	\$2,107	\$1,713	\$310	(116.1%)	NA	4.8x	NA	NM	NA	NM	NA
Alteryx, Inc.	\$1,326	\$1,174	\$118	(15.9%)	NA	NA	NA	NA	NM	NM	NA
Hortonworks, Inc.	\$1,108	\$1,036	\$239	(84.8%)	4.1x	3.3x	NM	NM	NM	NM	NM
Veritone, Inc.	\$531	\$465	\$13	NM	NA	NA	NA	NA	NM	NM	NM
Datawatch Corporation	\$153	\$124	\$36	(7.9%)	3.3x	2.9x	NM	NM	NM	NM	NM
<b>Median</b>				<b>12.0%</b>	<b>4.1x</b>	<b>4.9x</b>	<b>13.0x</b>	<b>13.5x</b>	<b>25.3x</b>	<b>21.8x</b>	<b>2.5</b>
<b>Mean</b>				<b>(3.1%)</b>	<b>4.2x</b>	<b>4.8x</b>	<b>13.6x</b>	<b>13.2x</b>	<b>24.3x</b>	<b>22.0x</b>	<b>6.6</b>

### Consumer IoT

Company Name	Market Cap	Enterprise Value	LTM Sales	LTM EBITDA Margin	EV / Sales		EV / EBITDA		P / E		PEG FY2017
					FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	
Alphabet Inc.	\$712,027	\$615,848	\$104,596	32.9%	5.6x	4.8x	14.0x	11.8x	30.0x	24.3x	1.5
Microsoft Corporation	\$641,700	\$597,040	\$92,560	34.7%	NA	5.7x	NA	14.2x	NA	24.8x	NA
Amazon.com, Inc.	\$532,604	\$551,480	\$161,154	8.0%	3.1x	2.4x	NM	21.5x	NM	NM	5.8
Samsung Electronics Co., Ltd.	\$331,547	\$280,043	\$198,413	29.8%	1.3x	1.2x	4.2x	3.7x	9.3x	7.8x	0.4
AT&T Inc.	\$206,577	\$322,506	\$160,711	30.4%	2.0x	2.0x	6.2x	6.1x	11.5x	11.4x	3.7
Comcast Corporation	\$168,396	\$231,432	\$83,636	34.0%	2.8x	2.6x	8.2x	7.8x	17.6x	16.2x	1.3
Verizon Communications Inc.	\$195,283	\$310,079	\$124,419	35.3%	2.5x	2.4x	6.9x	6.7x	12.8x	12.4x	5.3
QUALCOMM Incorporated	\$75,294	\$76,318	\$22,291	29.4%	3.5x	3.5x	9.7x	9.5x	13.1x	15.1x	1.2
T-Mobile US, Inc.	\$49,726	\$79,893	\$39,627	26.8%	2.0x	1.9x	7.4x	6.8x	24.6x	21.1x	1.3
Nokia Corporation	\$27,574	\$24,124	\$27,332	10.2%	0.9x	0.9x	6.6x	6.6x	14.5x	14.7x	1.1
Sprint Corporation	\$26,140	\$58,106	\$33,172	33.7%	NA	1.8x	NA	5.2x	NA	NM	NA
Garmin Ltd.	\$10,626	\$9,517	\$3,059	24.1%	3.1x	3.1x	13.0x	12.7x	20.1x	19.9x	3.1
LogMein, Inc.	\$6,372	\$6,096	\$802	24.6%	6.0x	5.2x	16.4x	13.5x	28.7x	24.5x	1.9
Silicon Laboratories Inc.	\$4,039	\$3,659	\$750	15.7%	4.7x	4.3x	21.2x	19.2x	29.3x	26.4x	2.0
InterDigital, Inc.	\$2,546	\$1,873	\$602	69.9%	4.4x	5.4x	7.3x	14.3x	18.5x	40.4x	0.9
Ambarella, Inc.	\$1,875	\$1,474	\$324	18.3%	NA	4.8x	NA	17.8x	NA	29.0x	NA
Globant S.A.	\$1,317	\$1,291	\$358	14.5%	3.2x	2.6x	20.2x	15.8x	29.9x	24.3x	NA
Fitbit, Inc.	\$1,430	\$754	\$1,619	(19.6%)	0.5x	0.4x	NM	NM	NM	NM	NM
Control4 Corporation	\$732	\$669	\$234	9.0%	2.7x	2.4x	19.6x	16.5x	27.5x	24.2x	1.9
<b>Median</b>				<b>26.8%</b>	<b>2.9x</b>	<b>2.6x</b>	<b>9.0x</b>	<b>12.2x</b>	<b>19.3x</b>	<b>22.6x</b>	<b>1.7</b>
<b>Mean</b>				<b>24.3%</b>	<b>3.0x</b>	<b>3.0x</b>	<b>11.5x</b>	<b>11.6x</b>	<b>20.5x</b>	<b>21.0x</b>	<b>2.2</b>

Source: Capital IQ

## Stock Comparables – Data & Analytics / IoT Sub-Sectors (cont'd.)

(All figures in US Dollars. Figures in millions, except per share data, as of October 31, 2017)

### Industrial IoT

Company Name	Market Cap	Enterprise Value	LTM Sales	LTM EBITDA Margin	EV / Sales		EV / EBITDA		P / E		PEG FY2017
					FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	
General Electric Company	\$176,997	\$321,597	\$121,134	13.5%	2.6x	2.5x	17.6x	17.8x	19.1x	17.1x	1.7
Intel Corporation	\$207,652	\$221,788	\$62,082	40.5%	3.6x	3.5x	8.6x	8.1x	13.7x	13.6x	1.7
Cisco Systems, Inc.	\$168,559	\$131,784	\$48,005	30.7%	NA	2.7x	NA	7.7x	NA	14.0x	NA
Siemens Aktiengesellschaft	\$117,342	\$139,173	\$94,356	12.8%	1.4x	1.4x	10.7x	10.3x	15.5x	15.1x	2.0
Honeywell International Inc.	\$110,190	\$116,960	\$39,676	20.5%	2.9x	2.8x	13.9x	12.5x	20.4x	18.6x	2.3
Texas Instruments Incorporated	\$94,749	\$94,888	\$14,625	45.5%	6.3x	6.1x	13.7x	13.0x	21.4x	20.6x	2.1
Hitachi, Ltd.	\$38,088	\$50,402	\$81,568	11.1%	NA	0.6x	NA	5.5x	NA	12.9x	NA
Hewlett Packard Enterprise Company	\$22,640	\$31,517	\$48,287	14.3%	0.9x	1.1x	5.2x	5.9x	10.5x	11.8x	NM
Skyworks Solutions, Inc.	\$20,579	\$19,135	\$3,502	41.4%	5.2x	4.7x	12.1x	10.8x	17.5x	15.4x	1.1
Red Hat, Inc.	\$21,428	\$20,526	\$2,644	18.5%	NA	7.1x	NA	NM	NA	43.5x	NA
Arrow Electronics, Inc.	\$7,344	\$10,038	\$24,604	4.4%	0.4x	0.4x	8.5x	8.0x	11.4x	10.3x	1.2
PTC Inc.	\$7,649	\$8,031	\$1,164	11.8%	NA	6.5x	NA	NM	NA	49.6x	NA
Zebra Technologies Corporation	\$5,867	\$8,215	\$3,607	17.0%	2.3x	2.2x	12.3x	11.7x	16.5x	14.6x	1.5
Cypress Semiconductor Corporation	\$5,442	\$6,415	\$2,260	13.1%	2.8x	2.6x	13.0x	10.3x	19.1x	13.7x	1.3
Iridium Communications Inc.	\$1,190	\$2,564	\$440	51.2%	5.8x	5.3x	9.7x	9.0x	14.0x	20.5x	1.7
Sierra Wireless, Inc.	\$714	\$622	\$652	6.5%	0.9x	0.8x	11.7x	9.8x	22.2x	19.2x	1.0
ORBCOMM Inc.	\$823	\$986	\$202	18.3%	4.1x	3.8x	20.4x	15.4x	NM	NM	NM
CalAmp Corp.	\$807	\$827	\$347	10.4%	NA	2.3x	NA	15.5x	NA	19.4x	NA
Silver Spring Networks, Inc.	\$869	\$751	\$452	(4.4%)	2.5x	2.2x	NM	20.5x	NM	58.8x	NA
<b>Median</b>				<b>14.3%</b>	<b>2.7x</b>	<b>2.6x</b>	<b>12.1x</b>	<b>10.3x</b>	<b>17.0x</b>	<b>16.3x</b>	<b>1.7</b>
<b>Mean</b>				<b>19.9%</b>	<b>3.0x</b>	<b>3.1x</b>	<b>12.1x</b>	<b>11.3x</b>	<b>16.8x</b>	<b>21.6x</b>	<b>1.6</b>

### Outsourced Analytics Solutions

Company Name	Market Cap	Enterprise Value	LTM Sales	LTM EBITDA Margin	EV / Sales		EV / EBITDA		P / E		PEG FY2017
					FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	
International Business Machines Corporation	\$143,854	\$178,095	\$78,367	22.7%	2.3x	2.3x	9.4x	9.0x	11.2x	11.1x	2.3
RELX PLC	\$46,097	\$52,826	\$9,553	30.2%	5.3x	5.1x	15.4x	14.0x	21.5x	20.1x	2.7
Equifax Inc.	\$13,122	\$15,611	\$3,294	37.0%	4.6x	4.4x	12.5x	12.3x	18.3x	17.8x	1.6
Nielsen Holdings plc	\$13,413	\$21,399	\$6,467	25.9%	3.3x	3.2x	10.6x	10.2x	14.4x	13.5x	2.0
Verisk Analytics, Inc.	\$13,938	\$16,197	\$2,030	46.4%	7.7x	7.3x	15.9x	14.7x	27.0x	24.8x	2.9
Gartner, Inc.	\$11,268	\$14,107	\$2,746	13.6%	4.2x	3.5x	20.1x	16.5x	36.5x	30.2x	2.2
TransUnion	\$9,571	\$11,789	\$1,864	35.6%	6.2x	5.7x	15.8x	14.2x	28.2x	24.9x	2.4
The Dun & Bradstreet Corporation	\$4,350	\$5,668	\$1,717	24.9%	3.2x	3.1x	11.4x	10.8x	16.7x	15.9x	2.3
Teradata Corporation	\$4,433	\$3,901	\$2,182	11.5%	1.9x	1.9x	10.9x	10.9x	27.2x	26.4x	3.4
CoreLogic, Inc.	\$3,864	\$5,512	\$1,872	20.9%	3.0x	2.9x	11.6x	11.1x	20.1x	18.8x	1.7
Verint Systems Inc.	\$2,674	\$3,081	\$1,091	8.9%	NA	2.7x	NA	11.9x	NA	15.2x	NA
Axiom Corporation	\$1,973	\$2,040	\$878	8.9%	NA	2.2x	NA	11.3x	NA	31.2x	NA
Forrester Research, Inc.	\$777	\$652	\$331	11.0%	2.0x	1.9x	17.0x	14.1x	36.3x	29.1x	2.7
Aimia Inc.	\$303	\$378	\$1,683	5.3%	0.2x	0.2x	2.0x	2.1x	2.8x	3.1x	NA
Mattersight Corporation	\$85	\$107	\$44	(20.5%)	2.4x	2.0x	NM	NM	NM	NM	NM
<b>Median</b>				<b>20.9%</b>	<b>3.2x</b>	<b>2.9x</b>	<b>12.1x</b>	<b>11.6x</b>	<b>20.8x</b>	<b>19.4x</b>	<b>2.3</b>
<b>Mean</b>				<b>18.8%</b>	<b>3.6x</b>	<b>3.2x</b>	<b>12.7x</b>	<b>11.6x</b>	<b>21.7x</b>	<b>20.1x</b>	<b>2.4</b>

Source: Capital IQ



## Stock Comparables – Data & Analytics / IoT Sub-Sectors (cont'd.)

(All figures in US Dollars. Figures in millions, except per share data, as of October 31, 2017)

### Industrial IoT

Company Name	Market Cap	Enterprise Value	LTM Sales	LTM EBITDA Margin	EV / Sales		EV / EBITDA		P / E		PEG FY2017
					FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	
General Electric Company	\$174,829	\$319,779	\$121,134	14.6%	2.6x	2.5x	17.6x	17.8x	19.1x	17.1x	1.7
Intel Corporation	\$212,893	\$227,029	\$62,082	40.5%	3.6x	3.5x	8.6x	8.1x	13.7x	13.6x	1.7
Cisco Systems, Inc.	\$169,103	\$132,328	\$48,005	30.7%	NA	2.7x	NA	7.7x	NA	14.0x	NA
Siemens Aktiengesellschaft	\$117,492	\$139,351	\$98,155	13.1%	1.4x	1.4x	10.7x	10.3x	15.5x	15.1x	2.0
Honeywell International Inc.	\$109,824	\$116,594	\$39,676	20.5%	2.9x	2.8x	13.9x	12.5x	20.4x	18.6x	2.3
Texas Instruments Incorporated	\$95,371	\$95,510	\$14,625	45.3%	6.3x	6.1x	13.7x	13.0x	21.4x	20.6x	2.1
Hitachi, Ltd.	\$38,088	\$50,402	\$81,568	11.1%	NA	0.6x	NA	5.5x	NA	12.9x	NA
Hewlett Packard Enterprise Company	\$22,543	\$31,420	\$48,287	14.3%	0.9x	1.1x	5.2x	5.9x	10.5x	11.8x	NM
Skyworks Solutions, Inc.	\$20,921	\$19,477	\$3,651	41.5%	5.2x	4.7x	12.1x	10.8x	17.5x	15.4x	1.1
Red Hat, Inc.	\$21,381	\$20,478	\$2,644	18.5%	NA	7.1x	NA	NM	NA	43.5x	NA
Arrow Electronics, Inc.	\$7,378	\$10,071	\$25,622	4.4%	0.4x	0.4x	8.5x	8.0x	11.4x	10.3x	1.2
PTC Inc.	\$7,682	\$8,064	\$1,164	11.8%	NA	6.5x	NA	NM	NA	49.6x	NA
Zebra Technologies Corporation	\$6,160	\$8,508	\$3,638	17.3%	2.3x	2.2x	12.3x	11.7x	16.5x	14.6x	1.5
Cypress Semiconductor Corporation	\$5,292	\$6,293	\$2,260	13.2%	2.8x	2.6x	13.0x	10.3x	19.1x	13.7x	1.2
Iridium Communications Inc.	\$1,176	\$2,549	\$440	51.2%	5.8x	5.3x	9.7x	9.0x	14.0x	20.5x	1.7
Sierra Wireless, Inc.	\$721	\$629	\$672	6.8%	0.9x	0.8x	11.7x	9.8x	22.2x	19.2x	1.0
ORBCOMM Inc.	\$837	\$1,000	\$225	15.7%	4.1x	3.8x	20.4x	15.4x	NM	NM	NM
CalAmp Corp.	\$809	\$829	\$347	10.4%	NA	2.3x	NA	15.5x	NA	19.4x	NA
Silver Spring Networks, Inc.	\$870	\$752	\$426	(8.1%)	2.5x	2.2x	NM	20.5x	NM	58.8x	NA
<b>Median</b>				<b>14.6%</b>	<b>2.7x</b>	<b>2.6x</b>	<b>12.1x</b>	<b>10.3x</b>	<b>17.0x</b>	<b>16.3x</b>	<b>1.7</b>
<b>Mean</b>				<b>19.6%</b>	<b>3.0x</b>	<b>3.1x</b>	<b>12.1x</b>	<b>11.3x</b>	<b>16.8x</b>	<b>21.6x</b>	<b>1.6</b>

### Outsourced Analytics Solutions

Company Name	Market Cap	Enterprise Value	LTM Sales	LTM EBITDA Margin	EV / Sales		EV / EBITDA		P / E		PEG FY2017
					FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	
International Business Machines Corporatio	\$142,627	\$176,884	\$78,366	21.5%	2.3x	2.3x	9.4x	9.0x	11.2x	11.1x	2.3
RELX PLC	\$46,043	\$52,771	\$9,553	30.2%	5.3x	5.1x	15.4x	14.0x	21.5x	20.1x	2.7
Equifax Inc.	\$13,064	\$15,553	\$3,325	35.0%	4.6x	4.4x	12.5x	12.3x	18.3x	17.8x	1.6
Nielsen Holdings plc	\$13,203	\$21,189	\$6,467	25.9%	3.3x	3.2x	10.6x	10.2x	14.4x	13.5x	2.0
Verisk Analytics, Inc.	\$14,007	\$16,743	\$2,081	46.3%	7.7x	7.3x	15.9x	14.7x	27.0x	24.8x	3.0
Gartner, Inc.	\$11,353	\$14,192	\$3,000	12.2%	4.2x	3.5x	20.1x	16.5x	36.5x	30.2x	2.2
TransUnion	\$9,574	\$11,792	\$1,864	35.6%	6.2x	5.7x	15.8x	14.2x	28.2x	24.9x	2.4
The Dun & Bradstreet Corporation	\$4,318	\$5,635	\$1,733	24.5%	3.2x	3.1x	11.4x	10.8x	16.7x	15.9x	2.3
Teradata Corporation	\$4,215	\$3,683	\$2,156	7.9%	1.9x	1.9x	10.9x	10.9x	27.2x	26.4x	8.1
CoreLogic, Inc.	\$3,863	\$5,511	\$1,872	21.2%	3.0x	2.9x	11.6x	11.1x	20.1x	18.8x	1.8
Verint Systems Inc.	\$2,690	\$3,097	\$1,091	8.9%	NA	2.7x	NA	11.9x	NA	15.2x	NA
Axiom Corporation	\$1,989	\$2,057	\$886	9.0%	NA	2.2x	NA	11.3x	NA	31.2x	NA
Forrester Research, Inc.	\$775	\$650	\$331	11.0%	2.0x	1.9x	17.0x	14.1x	36.3x	29.1x	2.7
Aimia Inc.	\$299	\$373	\$1,709	5.3%	0.2x	0.2x	2.0x	2.1x	2.8x	3.1x	NA
Mattersight Corporation	\$85	\$107	\$45	(14.5%)	2.4x	2.0x	NM	NM	NM	NM	NM
<b>Median</b>				<b>21.2%</b>	<b>3.2x</b>	<b>2.9x</b>	<b>12.1x</b>	<b>11.6x</b>	<b>20.8x</b>	<b>19.4x</b>	<b>2.3</b>
<b>Mean</b>				<b>18.7%</b>	<b>3.6x</b>	<b>3.2x</b>	<b>12.7x</b>	<b>11.6x</b>	<b>21.7x</b>	<b>20.1x</b>	<b>2.8</b>

Source: Capital IQ

## Recent Updates



### ***STRONG POTENTIAL OF HISTORICAL & REAL-TIME DATA INTEGRATION IN FINANCIAL SERVICES***

Real-time analytics is briskly making its way into processes across industries, but the financial services industry has only seen its first inkling so far. The industry has always juggled with incalculable amounts of historical data and now, it also has throngs of real-time data to deal with. The quiet ingress of IoT into financial services is only adding to the industry's real-time data volumes. Combining real-time, modern distributed data applications with analytics techniques for historical data have several noteworthy use cases.

For example, stock prices have been streaming live forever, but they have largely been analyzed based on historical data sets. Real-time reproduction and analysis of financial data combined with historical analysis can have unmentionable implications for niche segments.

For example, financial firms such as institutional traders and credit card providers, could start making decisions based on small changes in price index, and consumers could expect to be evaluated for loans differently, based on temporary fluctuations.

The integration of both historical and real-time data as well as operational and analytical systems by banks has put transaction data in line with analytical or modeling data for vastly improved efficiency and faster time to market. The ability to synthesize real-time operational data and historical data analytics into new converged application models using a microservices development approach could become far more prevalent in coming quarters.



### ***COMBINING PREDICTIVE & PRESCRIPTIVE ANALYTICS FOR CRITICAL DECISIONS***

Businesses today are confronted with a two-edged sword – strategic decisions are becoming increasingly complex and the need for agility is very high. With competitors working to progressively reduce their time to market, sometimes sitting on decisions for even a day can cost dearly.

Despite the pressing need to stay abreast with competitors on time to market, increasing business complexities make decision makers vary of outsourcing key decisions or relying on technology to make decisions for them. In this environment, exclusive reliance on predictive or prescriptive analytics models falls short of requirement.

Leaders need to combine predictive and prescriptive analytics tools to help them with mission-critical decisions.

Analytics companies are being pushed to develop hybrid solutions that bring together predictive and prescriptive approaches and let their clients handpick the combination of tools depending on the nature of each problem. Organizations need to combine competences across multiple data & analytic platforms, and integrate them with operational platforms. There are several piecemeal platforms in the market that do this, but there is no single platform that integrates them all effectively.



### ***INCREASING USE OF DATA ANALYTICS IN FINANCIAL REPORTING AND VALUATIONS***

The use of data analytics is expanding rapidly among regulators and financial reporting professionals. By employing analytics and valuation intelligence, companies have been able to make financial reporting more transparent, supportable, internally consistent, and efficacious for stakeholders, especially shareholders and regulators.

Employing modern analytical tools for valuations has helped companies gain the faith and backing of shareholders, counterparties, and regulators for capital transactions. They have successfully presented their analyses as transparent and based on sound data and fair estimates.

They have also been able to proactively identify potential “soft spots” and mitigate risks for all parties before their fair value estimates are finalized, audited, and, where applicable, made public.

Cognitive computing platforms, such as IBM Watson, combine natural language processing, machine learning, and real-time computing power to sift through massive amounts of data from documents, emails, journals, and social posts. They hold groundbreaking potential as they can bring data collected from atypical sources into the fold of financial analysis and reporting.



## Key Initiatives by Leading Data & Analytics / IoT Companies

### ***CrunchTime! Information Systems leverages MicroStrategy 10™***

CrunchTime! Information Systems, a leading restaurant management software provider has embedded MicroStrategy 10 into its BizIQ data warehouse and business intelligence product. CrunchTime's BizIQ will leverage the MicroStrategy platform's capabilities to deliver an embedded analytics solution that enables deep access to transactional-level data, natively tracking over 20,000 metrics measuring sales, purchasing, and labor. This robust enterprise-grade solution will help restaurants, cruise lines, hotels, resorts and casino operators reduce food and beverage costs, drive labor efficiencies, and better manage the quality and consistency of their food service operations.

### ***Salesforce launches new connectors for CRM data***

Salesforce is making it easier to connect a company's data stores with its cloud-based analytics function by including wizard-like connectors in the platform. Salesforce Analytics has launched new updates for connecting data inside and outside of Salesforce. New functions integrated in the platform include augmenting CRM data with external web-based data sources such as Google BigQuery, and intelligently preparing, cleaning, and combining data from diverse sources by deploying Einstein's AI-powered suggestions. Smarter data prep blends data from all those sources via connectors or collaborators to create custom and more global dashboards, a complete view of your entire business, and a true 360 degree view of your customer.

### ***Quantum adds Veritone's AI platform to its Xcellis Storage System***

Quantum recently announced that it has integrated aiWare, an AI platform from Veritone, in its Xcellis storage systems. Bundling Veritone's technology with Quantum's StorNext shared-storage will allow users to leverage technologies including optical character recognition, object detection, and speech-to-text transcription in on-premise storage. This will be a game-changing capability for many media companies, as it opens up new realms of possibility for monetizing the extensive media libraries. Quantum said the technology could enable customized VOD offerings through automated tagging of existing content, faster search and discovery for post-production applications, and the ability to automatically tally all appearances of a sponsor's brand name or logo, in speech or in text, in broadcast media and redistributed clips.

### ***Adobe introduces data management platform Audience Analytics***

Adobe has integrated its data management platform Audience Analytics for Adobe Audience Manager (AAM) in beta this September, following the release of Adobe Analytics Cloud earlier this year. The platform has brought together its Audience Manager platform and its Analytics solution to create a full customer engine that provides insights into customer behaviors and needs. Adobe will provide a way to bring the two capabilities together to allow marketers to bring segments from Audience Manager — including media exposure, third-party data, email engagement, survey data and more — into analytics. The marketer can then introduce other metrics, such as site or app metrics or customer engagement information, to form a more complete customer profile.



## Deal Activity

### Highlighted M&A Transactions

Date	Target	Acquirer	Sector	Amount (\$mm)
10/10/17	eBureau	TransUnion	Outsourced Analytics Solutions	NA
9/17/17	syncsort VISION SOLUTIONS	Centerbridge	Analytics Software Solutions	\$1,260
7/19/17	MAKE	Verisk SERVE   ADD VALUE   INNOVATE	Outsourced Analytics Solutions	NA
6/16/17	idwatchdog	EQUIFAX	Outsourced Analytics Solutions	\$65

- Strong deal momentum of previous years has carried into 2017.
- IoT M&A volumes reached 80% of 2016's full year volumes in H1:2017
- US accounted for 70% of global IoT M&A transactions in H1:2017
- Analytics deal activity has picked pace in the second half of 2017
- Volumes have been particularly strong in the Analytics Software and Solutions space
- With renewed concerns around security, data security-motivated M&As are also increasing

### Highlighted Financing Transactions

Date	Company	Lead Investor	Type	Amount (\$mm)
10/3/17	INFINIDAT	Goldman Sachs	Series C	\$95
8/3/17	databricks	ANDREESSEN HOROWITZ	Series D	\$140

### Deal volumes continue rising as market saturates and fresh security concerns emerge

The strong deal momentum of previous years has carried into 2017 in the Data & Analytics / IoT space. Deal activity was slow in the Data & Analytics space towards the beginning of the year, but has gained momentum through Q3:2017. 45 transactions were recorded in the IoT segment in the first six months of 2017, representing 80% of 2016's full year transaction volumes of 57. Deal values, however, have not been as encouraging as 2016. The median deal size in the first six months of 2017 was \$73 million compared to \$100 million in 2016. IoT deal activity has been highly concentrated in the US, with the nation accounting for 70% of global M&A transactions in the space.

Deal activity in the Analytics segment has picked pace in the second half of 2017, with several key deals being announced. Volumes have been particularly strong in the Analytics Software and Solutions space, as the market has started to mature. With renewed concerns around data security after the Equifax breach, deal volumes in the data security space are expected to increase. M&A activity in the Analytics space is expected to increase sharply over the coming quarters, as the demand of analytics-driven solutions continues growing and players look at horizontal acquisitions to broaden their service offerings and gain market strength.

*M&A activity in the Analytics space is expected to increase sharply over the coming quarters, as the demand of analytics-driven solutions continues growing and players look at horizontal acquisitions to broaden their service offerings*

## M&A Transaction Activity Summary

Date	Target	Acquirer(s)	Sector	Amount (\$mm)
10/5/17 Transaction Profiled	 eBureau®	 TransUnion®	Outsourced Analytics Solutions	NA
10/5/17	 Data Virtualization business	 TIBCO®	Outsourced Analytics Solutions	NA
9/26/17	 automotiveMastermind™	 IHS Markit™	Analytics Software Solutions	\$392
9/24/17 Transaction Profiled	 GIGYA	 SAP Hybris (V)	Analytics Software Solutions	\$350
9/17/17 Transaction Profiled	 syncsort  VISION SOLUTIONS	 Centerbridge	Analytics Software Solutions	\$1,260
9/11/17	 ForRent.com®	 Apartments.com™	Analytics Software Solutions	\$350
9/7/17	 ctp Cloud Technology Partners	 Hewlett Packard Enterprise	Analytics Software Solutions	NA
9/6/17	 IQOR Consulting DATA ANALYTICS	 EXL look deeper.	Analytics Software Solutions	NA
9/4/17	 KOEMEI	 CREALOGIX	Analytics Software Solutions	NA

Source: Capital IQ and Media Reports

## M&A Transaction Activity Summary

Date	Target	Acquirer(s)	Sector	Amount (\$mm)
9/4/17	 CYPHORT	 JUNIPER NETWORKS	Analytics Software Solutions	NA
8/29/17	 REDOWL ANALYTICS	 FORCEPOINT	Analytics Software Solutions	NA
8/22/17	 APPRENTO	 M-Files®	Analytics Software Solutions	NA
8/16/17	 SCYFER	 QUALCOMM®	Analytics Software Solutions	NA
7/19/17	 DATASOURCE CONSULTING	 EXL look deeper.	Analytics Software Solutions	NA
6/16/17 Transaction Profiled	 idwatchdog	 EQUIFAX®	Analytics Software Solutions	\$65
6/14/17	 inergy	 Main Capital Partners	Analytics Software Solutions	NA
6/8/17	 Ravel Law	 LexisNexis®	Outsourced Analytics Solutions	NA
6/1/17	 TRUE OFFICE LEARNING	 MARLIN EQUITY PARTNERS	Analytics Software Solutions	NA

Source: Capital IQ and Media Reports



## Key M&A Deal Profiles

### TransUnion acquires eBureau for faster risk analytics

#### Target Company Overview



eBureau, LLC provides big data, predictive analytic, and information solutions to business-to-consumer and business-to-business companies. The company offers customized solutions for marketing and lead management, fraud preventions, credit risk assessments, and collections and recovery. eBureau was founded in 2004 and is headquartered in St. Cloud, MN.

#### Services Offered

eBureau offerings include the following:

- **eScore:** generating customized credit scores
- **eVerify:** verifying consumer identity information
- **eTarget:** appending information to lead customer records
- **eLink:** solution for information and account monitoring
- **eMonitor:** UI web-based reporting and visualization
- **eAuthenticate:** Knowledge-based identity authentication service

#### Acquisition Details



TransUnion acquired eBureau, LLC on October 2, 2017. Post acquisition, eBureau will be integrated into TransUnion's Prama platform. The financial terms of the transaction were not disclosed.

#### Transaction Rationale

The acquisition will allow TransUnion to combine eBureau's analytics solutions with its data and attributes. The company will be able to leverage its existing relationships with financial institutions and help them quickly develop and deploy customized analytical models based on TransUnion's data. With the addition of eBureau's analytics capabilities, TransUnion will also be able to bring predictive analytics to organizations of varying sizes and capabilities.

### SAP acquires GIGYA for \$350 million

#### Target Company Overview



Gigya's customer identity management platform helps companies build better customer relationships by turning unknown visitors into known, loyal and engaged customers. It also helps businesses increase registrations, consolidate data into rich customer profiles, and provide better experiences by integrating data into marketing and service applications. The company is based in Mountain View, CA.

#### Services Offered

Gigya's offerings include:

- **Gigya 4 Social Optimization Platform** – it helps to maximize referral traffic to their web sites from lead.
- **NEXUS Partner Ecosystem** - leverage permission-based social data to power online marketing.
- **User Management Solutions**

#### Acquisition Details



SAP entered into an agreement to acquire Gigya, Inc. on September 24, 2017. Gigya will be incorporated into SAP's Hybris marketing business. The transaction is subject to regulatory approval and is expected to close in the final quarter of 2017. Goldman Sachs & Co. LLC acted as the exclusive financial advisor to Gigya.

#### Transaction Rationale

The acquisition will combine the data matching and enrichment capabilities of SAP Hybris Profile with Gigya's consent-based identity data and access management platform. This will allow the company to identify customers across channels and offer a robust single customer profile.

Source: Capital IQ, company websites and press releases



## Key M&A Deal Profiles

### Centerbridge acquires Syncsort and Vision Solutions for \$1.3 billion

#### Target Company Overview



Syncsort Incorporated provides fast, secure, enterprise-grade software spanning big data solutions in Hadoop to big iron applications on mainframes. Syncsort is based in Woodcliff Lake, NJ.

Vision Solutions Inc. provides IT software solutions to protect data and minimize downtime for the modern data center. The Company is based in Irvine, CA.

#### Services Offered

Syncsort's offering includes **Big Data Products** that helps organizations extract, transform and load data in less time; **Mainframe Products** includes MFX, Ironstream, DL/2, VS/2, ZPSaver Suite and Zen; **Sort Products** that includes DMX Sort, DMX AppMod, MFX for Mainframe.

Vision Solutions serves enterprises, channel partners and managed service providers with a robust portfolio of MIMIX®, iTERA® and Enforcive® product brands.

#### Acquisition Details



Centerbridge Partners, L.P., a leading private investment firm, announced that it has completed the \$1.26 billion acquisition of enterprise software providers Syncsort Incorporated and Vision Solutions, Inc. from affiliates of Clearlake Capital Group, L.P. on September 17, 2017.

#### Transaction Rationale

The acquisition will create a great opportunity to bring together Syncsort and Vision to create a global Big Iron to Big Data platform that addresses critical business requirements for leading enterprises across all major industries.

### Equifax completes ID Watchdog acquisition for \$63 million

#### Target Company Overview



ID Watchdog is a leading provider of identity theft protection and resolution services. The company offers breach resolution, white label, wholesale, and embedded programs, primarily to individuals and families on a subscription basis. The company was founded in 2005 and is based in Denver, CO.

#### Services Offered

ID Watchdog offers a diversity of identity protection services, including:

- Identity monitoring
- Cyber monitoring
- Non-credit loan monitoring
- Credit reports and credit scores
- Credit monitoring solution
- Full-services identity restoration

#### Acquisition Details



Equifax Consumer Services, Inc. entered into a definitive agreement to acquire ID Watchdog, Inc. for \$63 million on June 16, 2017 in an all-cash deal. After the acquisition, ID Watchdog's shares will be delisted from the TSX exchange and the company will operate as a subsidiary of Equifax.

#### Transaction Rationale

The acquisition is aimed to provide a boost to Equifax's access, range, and depth of its employee benefits solutions. This investment will weigh on Equifax's upcoming quarterly earnings, eliminate uncertainties surrounding its IT spending, and strengthen its market position amidst increasing competition.

Source: Capital IQ, company websites and press releases



## Financing Transaction Activity Summary

Date	Target	Sector	Amount (\$mm)	Type	Investor(s)
10/19/17	 <b>Automile</b>	Consumer IoT	\$34	Series B	
10/6/17		Analytics Software Solutions	\$2	Bridge	
10/4/17	 <b>numetric</b>	Analytics Software Solutions	\$13	Series A	 and others
10/4/17		Industrial IoT	\$30	Series B	 
10/3/17 Transaction Profiled	<b>INFINIDAT</b>	Outsourced Analytics Solutions	\$95	Series C	
10/3/17		Analytics Software Solutions	\$25	Series C	 and others
9/27/17	 <b>logtrust</b>	Analytics Software Solutions	\$35	Series B	
9/20/17	 <b>SECURONIX</b>	Analytics Software Solutions	\$29	Series A	

Source: Capital IQ and Media Reports



## Financing Transaction Activity Summary

Date	Target	Sector	Amount (\$mm)	Type	Investor(s)
9/19/17	 TigerGraph	Analytics Software Solutions	\$31	Series A	  and others
9/12/17	 incorta.	Analytics Software Solutions	\$15	Series B	 KLEINER PERKINS CAUFIELD BYERS
8/29/17	 Sapience	Analytics Software Solutions	NA	Growth	 CREDIT SUISSE
8/22/17	 Amplero	Analytics Software Solutions	\$18	Series B	 GREYLOCK ignition
8/22/17	 Databricks	Analytics Software Solutions	\$15	Series C	NA
8/15/17	 Lumina	Outsourced Analytics Solutions	\$7	Venture	 Atlantic MERCHANT CAPITAL
8/3/17 Transaction Profiled	 databricks	Analytics Software Solutions	\$140	Series D	ANDREESSEN HOROWITZ
6/9/17	 HIGHSPOT	Analytics Software Solutions	\$15	Series B	 SHASTA VENTURES  salesforce

Source: Capital IQ and Media Reports



## Key Financing Deal Profiles

### Infinidat raises \$95 million in Series C funding

#### Target Company Overview

INFINIDAT

Infinidat LTD. manufactures organizational data storage systems and solutions that are aimed at eliminating compromises between cost, capacity, functionality, and performance. The company was founded in 2010 and is based in Herzliya, Israel.

#### Products and Services Offered

Infinidata's offerings include:

- **InfiniBox** enterprise storage system
- **Host Side** data center solution that provides management tools for storage and application administrators
- **Host PowerTools** software management tools that help storage administrators automate repetitive, manual, and time-consuming tasks

#### Financing Details



Infinidat received \$95 million in a Series C funding round led by new investor Goldman Sachs Private Capital Investing on October 3, 2017. Existing investor, TPG Growth also participated in the round. The funds were raised at a post money valuation of \$1.6 billion. With this round, Infinidat has raised a total of \$325 million in funding till date.

#### Use of Funds

Infinidat LTD. will use the proceeds to accelerate its innovations, reach more customers, move faster and, continue to serve its loyal and amazing customer community.

### Databricks raises \$140 million in Series D funding

#### Target Company Overview



Databricks Inc. provides a cloud platform that helps traditional and disruptive organizations to turn data into value. The company was incorporated in 2013 and is based in San Francisco, CA.

#### Products and Services Offered

The company offers Databricks, a cloud-based just-in-time data platform that simplifies data integration, real-time experimentation, and robust deployment of production applications for developers and data scientists. The company also provides Databricks Delta, a unified data management system that provides the scale and cost-efficiency of a data warehouse and the low latency of a streaming ingest system.

#### Financing Details

ANDREESSEN  
HOROWITZ

Databricks received \$140 million in Series D funding from a consortium led by Andreessen Horowitz on August 3, 2017. This was the company's fifth round of funding and also included participation from A Capital Partners, L.P.; Battery Ventures; Future Fund Investments Corporation; Geodesic Capital; Green Bay Ventures; and New Enterprise Associates

#### Use of Funds

Databricks will use the proceeds to increase product investment in its unified analytics platform, accelerate its global growth strategy, expand its markets through industry-specific solutions, and grow its engineering and customer success teams that deliver Spark expertise and global support for its cloud platform.

Source: Capital IQ, company websites and press releases

## IPO Activity Summary

Company	IPO Date	Amount Raised (\$mm)	IPO Price	Current Market Price	Total Return
 VERITONE	5/12/17	\$35	\$15	\$45.45	203%
 cloudera	4/28/17	\$1,877	\$23.6	\$16.62	-30%
 alteryx <small>The Thrill of Solving</small>	3/24/17	\$117	\$14	\$20.37	46%
 BLACKLINE	10/28/16	\$146	\$17	\$30.87	82%
 coupa	6/10/16	\$133	\$18	\$30.46	69%
 workiva	12/11/14	\$101	\$13.75	\$20.85	52%
 TransUnion <sup>tu</sup>	6/25/15	\$6,648	\$22.5	\$47.26	110%
 fitbit	6/25/15	\$688	\$20	\$6.96	-65%

Source: Capital IQ and Pitchbook  
Market data as of September 29, 2017



## Select Wall Street Research Updates and Commentary

### cloudera

#### Update from J.P. Morgan, September 2017

The company's strong quarter stemmed from **underlying strength in big-data related secular trends**, as the company enjoyed expansion in the number of customers generating >\$1M of ARR and robust traction in international markets, where Cloudera is growing at ~50% y/y.

We believe Cloudera's leading big data management and analytics platform is well positioned to capture a large portion of **the shift in IT spend as organizations reassess and retool their enterprise data analytics needs under the Big Data paradigm**. Cloudera's enterprise-grade proprietary capabilities which **allow the largest companies in the world to take advantage of the rapid pace of innovation and cost efficiency offered by Open Source software**, while complying with enterprise needs such as **enhanced data security and governance**.

### ORACLE

#### Update from Raymond James, October 2017

While the migration of Oracle Database (DB) customers to cloud is just beginning, we continue to **view the outlook for that migration and at least market rate growth in the overall DB market (on prem + cloud) as bolstered** by a) the new DB "bring your own license" to the cloud program and b) the 18C "autonomous" DB launch.

In the near term **we expect to see additional engagements like the movement announced this spring of Oracle AT&T applications to the Oracle cloud**, in this case we believe at least initially as a "cloud@customer" deployment where the Oracle cloud hardware/software stack is deployed behind the customer firewall.

### EQUIFAX

#### Update from RBC Capital Markets, October 2017

**A significant amount of uncertainty remains regarding the financial and operational impacts from Equifax's breach** (impact on earnings power, potential for market share losses, regulatory/legislative risks, etc.). We believe that it could take several quarters for these questions to come into focus, and we do not expect Q3/17 results to provide many answers.

Breach-related impact proves more limited than expected (i.e. lower costs, less revenue/bookings disruption), **macro tailwinds persist, mortgage activity remains healthy, and continued product momentum drive ~2% higher revenue growth and better margins**.

### TERADATA

#### Update from Deutsche Bank, September 2017

Our checks offered us takes on the impact of cloud adoption on Teradata as well as fresh color on the pace at which banks are embracing AWS for data storage and analytics. It was clear that **financial services interest in AWS is high but adoption is very early-stage, well <10% of attendees had moved any data into AWS**. Roadblocks include security concerns, data isolation requirements, resiliency/back-up in the event of an AWS regional failure and data migration latency. In reaction to these roadblocks, AWS-based Snowflake announced a new service giving customers a fully dedicated and isolated (not shared) compute/storage pod within AWS, akin to what VMware is offering as part of its new AWS service.



# Appendix – Coverage Universe Components

The coverage universe for various sectors is as follows.

- 1 **Payments:**  
ADS, FLT, ENXTPA:EDEN, WEX, FIS, FISV, JKHY, ACIW, EPAY, V, MA, AXP, PYPL, SHOP, ENXTAM:GTO, DBD, CATM, MB, EVRI, PMTS, BOVESPA:CIEL3, FDC, GPN, TSS, VNTV, SQ, LSE:WPG, XTRA:WDI, ENXTPA:WLN, DLX, LSE:PAYS, TSE:3769, QIWI, EVTC, LSE:PAY, UEPS, NEWT, JTPY, ENXTPA:ING, NCR, SZSE:002152, PAY, SEHK:327, AIM:SCH, PAR, WU, EEFT, HAWK, GDOT, MGI, ASX:OFX, PLPM
- 2 **Bank Tech / Solutions:**  
FIS, FISV, JKHY, SWX:TEMN, BSE:532466, TSE:6457, Q TWO, SGX:5CP, EPAY, OTCPK:CSVI, BSE:538835, SWX:CLXN, AIM:MONI, LSE:EXPN, EFX, TRU, OM:INTRUM, FICO, FNF, ZG, CSGP, ELLI, CLGX, BKI, LSE:ZPG, STC, TSX:REAL, RP, RDFN, ASPS, REIS, ENXTAM:WKL, PEGA, DNB, ENXTPA:SOP, WSE:ACP, MITK, AIM:SQS, NTKW, INTC, IBM, AXP, PYPL, FDC
- 3 **Specialty Finance / Alternative Lending:**  
NAVI, NNI, PRAA, ECPG, PRGX, PFMT, ASFI, CIT, CACC, NEWS, MRLN, TSX:CHW, ASX:ZML, CPSS, COF, SYF, DFS, SLM, LSE:PFG, SC, OMF, FCFS, AAN, LSE:TCS, SGBK, WRLD, LSE:IPF, TBBK, EZPW, RM, OB:MONO-ME, ATLC, URI, AL, TSX:EFN, TGH, RCII, ASX:FXL, CAI, FLY, NSM, CASH, PHH, PFSI, OCN, WAC, LC, TREE, YRD, DB:FRU, ENVA, XRF, ELVT, ONDK, DB:MBC
- 4 **Securities:**  
BGCP, LSE:NXXG, LSE:IGG, IBKR, ENXTAM:FLOW, KCG, VIRT, ITG, ENXTPA:VIL, INTL, SWX:CFT, BMV:FINAMEX O, WFC, BAC, C, LSE:HSBA, ASX:CBA, TSX:RY, TSX:TD, ENXTPA:BNP, USB, AXP, LSE:LLOY, PNC, ASX:NAB, TSX:BMO, LSE:BARC, SEHK:11, LSE:RBS, SGX:D05, TSX:CM, NSEI:ICICIBANK, MTB, BIT:MB, UMBF, LSE:CBG, FII, NSEI:IIFL, XTRA:COM, CME, ICE, SEHK:388, XTRA:DB1, LSE:LSE, BOVESPA:BVMF3, NDAQ, CBOE, ASX:ASX, SGX:S68, ENXTPA:ENX, BME:BME, TSX:X, SPGI, TSX:TRI, MCO, INFO, MSCI, FDS, ENXTPA:FIM, MORN, NSEI:CRISIL, VALU, JPM, GS, MS, SWX:UBSG, DB:DBK, SWX:CSGN, ASX:MQG, TSE:8604, RJF, LAZ, SF, PJC, GHL, COWN, AMEX:LTS, AIM:NUM, JMP, BLK, BK, BEN, NTRS, AMP, TROW, IVZ, LSE:HL, LSE:INVP, JHG, AB, CNS, WDR, APAM, WETF, VRTS, SCHW, AMTD, ETFC, MKTX, TSE:8628, AIM:PLUS, TSE:8698, YIN, LSE:CMCX, SWX:SQN, GCAP, GLBR, STT, BR, SEIC, ASX:CPU, DST, LPLA, LSE:TCAP, FNGN, ENV, LSE:SNN, ASX:BVS, ENXTAM:KA, SSNC, CPSE:SIM, LSE:ALFA, ASX:IRE, LSE:FDSA, AIM:FDP, ENXTPA:LIN, AIM:SOG
- 5 **Insurance:**  
LSE:REL, VRSK, DNB, ACXM, MMC, AON, WLTW, AJG, BRO, LSE:JLT, MET, PRU, CI, TSX:MFC, AFL, LSE:AV, TSX:GWO, TSX:SLF, LSE:LGEN, PFG, LNC, SWX:SLHN, LSE:SLA, ENXTAM:AGN, TMK, PRI, ANAT, LSE:HSD, DB:ALV, ENXTPA:CS, AIG, SWX:ZURN, ALL, AFG, GNW, LSE:MONY, RATE, EHTH, ASX:ISU, QNST, CB, TRV, PGR, HIG, CINF, LSE:RSA, THG, MCY, SIGI, EIG, STFC, MKL, WRB, AIZ, AWH, PRA, AFSI, RLI, AGII, OB, NAVG, AMSF, GBLI, GWRE, EBIX, SPNS, CRD.B, AMEX:MJCO, TSXV:SY, PN, FNF, ORI, FAF, STC
- 6 **BPO:**  
ENXTPA:RCF, CVG, TTEC, SYKE, SRT, ESRX, ATHN, HQY, BOVESPA:QUAL3, MDRX, HMSY, QSII, CSLT, CPSI, RCM, ADP, PAYX, ULTI, WAGE, TNET, CSOD, NSP, BNFT, ACN, NSEI:TCS, CTSH, NSEI:INFY, DXC, BSE:507685, NSEI:HCLTECH, ENXTPA:CAP, ENXTPA:ATO, DOX, OTEX, NSEI:TECHM, CACI, EXLS, WNS, CALD, SYNT, BSE:532819, NSEI:HEXAWARE, VRTU, UIS, VDSI, LSE:MCGN, BIT:BET, TSX:GIB.A, LSE:CPI, G, BSE:526299, CSGS, BSE:532809, AIM:IBPO, PRGX
- 7 **Financial Management Solutions:**  
INTU, LSE:SGE, BL, COUP, ASX:RKN, NZSE:XRO, SPLK, MSTR, DATA, TDC, TYL, PEGA, ASX:TNE, QADA, AMSW.A, LSE:MCGN, BOVESPA:TOTS3, NSEI:RAMCOSYS, ADP, PAYX, WDAY, ULTI, HRB, PAYC, WAGE, PCTY, CSOD, NSP, LSE:HRG, CALD, CSGS
- 8 **Data & Analytics / IoT:**  
ORCL, DB:SAP, CRM, VMW, LSE:EXPN, OTEX, SPLK, DATA, FICO, XTRA:SOW, NEWR, MSTR, CLDR, AYX, HDP, VERI, DWCH, GOOGL, MSFT, AMZN, KOSE:A005930, T, CMCS.A, VZ, QCOM, TMUS, HLSE:NOKIA, S, GRMN, LOGM, SLAB, IDCC, AMBA, GLOB, FIT, CTRL, GE, INTC, CSCO, DB:SIE, HON, TXN, TSE:6501, HPE, SWKS, RHT, ARW, PTC, ZBRA, CY, IRDM, TSX:SW, ORBC, CAMP, SSNI, IBM, LSE:REL, EFX, NLSN, VRSK, IT, TRU, DNB, TDC, CLGX, VRNT, ACXM, FORR, TSX:AIM, MATR
- 9 **Healthcare Tech:**  
INOV, OMCL, VCRA, TRHC, STRM, CERN, DB:COP, MDRX, EVH, QSII, HSTM, AIM:EMIS, CPSI, COTV, HMSY, ATHN, AIM:CRW, RCM, SREV, UNH, AET, ANTM, HUM, CNC, WCG, NUAN, MMS, MOH, MGLN, GTS, HIIQ



## DISCLAIMER

The principals of Evolve Capital Partners are registered representatives of BA Securities, LLC Member FINRA SIPC, located at Four Tower Bridge, 200 Barr Harbor Drive, Suite 400 W. Conshohocken, PA 19428. Evolve Capital Partners and BA Securities, LLC are unaffiliated entities. All investment banking services are offered through BA Securities, LLC, Member FINRA SIPC. This presentation is for informational purposes only and does not constitute an offer, invitation or recommendation to buy, sell, subscribe for or issue any securities or a solicitation of any such offer or invitation and shall not form the basis of any contract with BA Securities, LLC.

The information in this presentation is based upon Evolve Capital Partners estimates and reflects prevailing conditions and our views as of this date, all of which are accordingly subject to change. In preparing this presentation, we have relied upon and assumed, without independent verification, the accuracy and completeness of information available from public sources. In addition, our analyses are not and do not purport to be appraisals of the assets, stock, or business of the Company or any other entity. Neither BA Securities, LLC nor Evolve Capital Partners makes any representations as to the actual value which may be received in connection with a transaction nor the legal, tax or accounting effects of consummating a transaction. BA Securities, LLC and Evolve Capital Partners do not render legal or tax advice, and the information contained in this communication should not be regarded as such.

The information in this presentation does not take into account the effects of a possible transaction or transactions involving an actual or potential change of control, which may have significant valuation and other effects.

If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination or copying of this presentation is prohibited.

## KEY SENIOR PROFESSIONAL

### Alexander Koles

Founder, CEO, Managing Director  
akoles@evolve-capital.com

Mr. Koles has over 14 years of financial advisory experience including advising middle-market and multinational firms on merger and acquisition strategies and execution, restructurings and capital raises. Prior to founding Evolve Capital Partners, he worked at a number of leading investment banks in leadership roles focused on restructuring transactions. He started his career at Merrill Lynch as an investment banker in the corporate finance group.

## CONTACT

### Evolve Capital Partners

1350 Avenue of the Americas  
2nd Floor  
New York, NY 10019  
T: (646) 688-2792  
[evolve-capital.com](http://evolve-capital.com)