

Q4 2016

The Software Industry Financial Report



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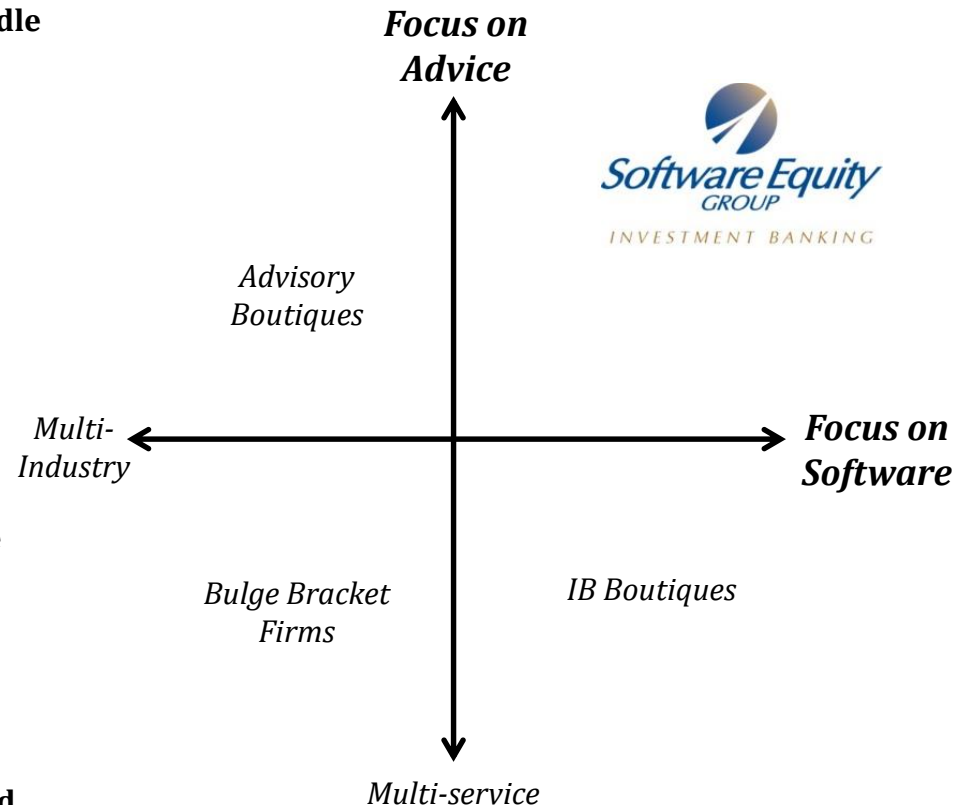
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ABOUT SOFTWARE EQUITY GROUP



About SEG













- Twenty-four year, **exclusive focus on advisory services to B2B enterprise software companies** in the **lower middle market**
- Advisory services encompass:
 - **Strategic exit**
 - **Growth capital**
 - Buyout
 - Inorganic growth via acquisition
 - Fairness opinions and valuations
 - Board advisory services
- **Clients span virtually every technology, product category, delivery model and financial profile**
- **Global presence** providing advice and guidance to more than 2,000 private and public companies throughout US, Canada, Europe, Asia-Pacific, Africa and Israel
- Strong and highly collaborative **cross-functional team** leveraging transaction, operating, legal and engineering experience
- Unparalleled software industry **reputation, track record and industry research**
- **Highly referenceable** base of past clients and buyers / investors



Billions of dollars of lower market software deals, endless buyer and seller references, industry leading close rates, upper decile valuation results.

SEG: Leading Software M&A Advisor

SEG Deal Announcements (Last 9 Months):

 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Verdazo Analytics</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to CallMax</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to iLab Solutions</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Integratec</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Capita Technologies</p>	 <p>has received an investment from</p>  <p>SEG served as exclusive advisor to Lucernex</p>
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 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Acucorp</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Cytiva Software</p>	 <p>has received an investment from</p>  <p>SEG served as exclusive advisor to Cougar Software</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to ChemSW</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Alignent</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Point&Ship</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to KnowledgePoint</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Evoco</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to EnginuityPLM</p>
 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to 360Facility</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to C/S Solutions</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Concord Business Systems</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Asure Software</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to AIM</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Nexternal</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Isera</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to ePace Systems</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Dean Evans & Associates (DEA)</p>
 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Acclamation Systems</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to CRW Systems</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Compliance Depot</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Artez Interactive</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Acumen</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to MediaMiser</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Indatus</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to Davidson & Davidson</p>	 <p>has been acquired by</p>  <p>SEG served as exclusive advisor to ScholarOne</p>

THE SEG SOFTWARE INDUSTRY FINANCIAL REPORT

PUBLIC SaaS COMPANY FINANCIAL PERFORMANCE AND MARKET MULTIPLE TRENDS



THE SEG SaaS INDEX

SEG - SaaS: Median Metrics					
Measure	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	5.8x	4.2x	4.4x	5.2x	5.0x
EV/NTM Revenue	4.6x	3.8x	4.0x	4.6x	4.2x
EV/TTM EBITDA	36.0x	32.5x	29.6x	41.2x	31.9x
EV/TTM CFO	34.1x	28.6x	27.4x	37.4x	36.8x
Gross Profit Margin	65.0%	65.2%	65.5%	66.2%	67.1%
EBITDA Margin	-9.4%	-9.2%	-6.9%	-6.8%	-4.1%
Net Income Margin	-18.8%	-18.4%	-15.9%	-15.6%	-11.6%
TTM Revenue Growth	26.1%	28.9%	29.2%	29.5%	27.9%
TTM Total Revenue (\$M)	\$164.4	\$181.9	\$197.3	\$201.8	\$219.4
TTM EBITDA Growth	22.7%	23.6%	24.1%	23.2%	22.5%
TTM Total EBITDA (\$M)	-\$13.1	-\$12.0	-\$11.3	-\$9.2	-\$6.6
Cash & Eq (\$M)	\$102.3	\$97.2	\$96.3	\$95.3	\$103.0

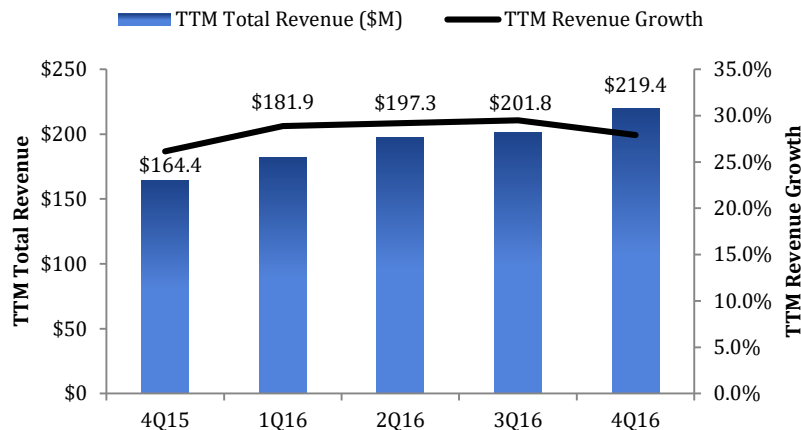
- The SEG SaaS Index tracks public companies that primarily offer hosted, on-demand software under a subscription and/or transaction based pricing model. It is currently comprised of 65 publicly traded pure-play SaaS companies.
- Three companies in SEG's SaaS Index announced an intent to be acquired during the fourth quarter, while three new companies entered our index due to IPO.
- See appendix for SEG SaaS Index public market multiples and financial performance on an annual basis.



* See appendix for complete list of companies in the SEG SaaS Index

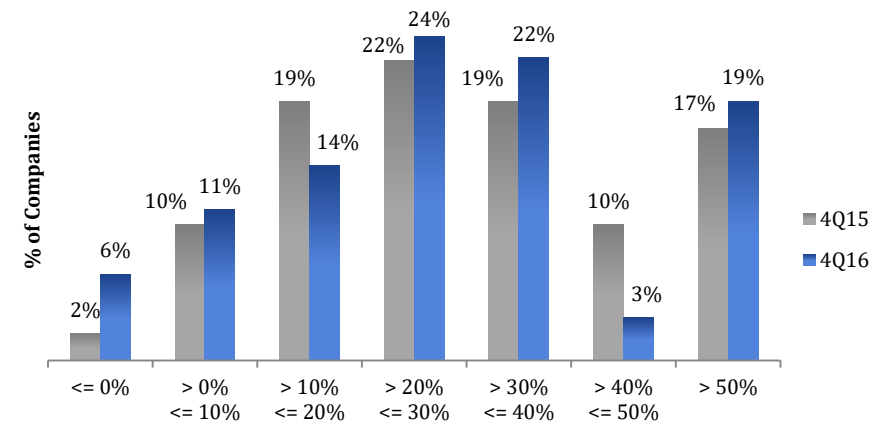
THE SEG SaaS INDEX: FINANCIAL PERFORMANCE

Median Revenue Performance - Quarterly



- The median TTM revenue growth rate of public SaaS companies in 4Q16 was 27.9%, slightly trailing the first three quarters of 2016, but up modestly when compared to 4Q15's 26.1% TTM revenue growth rate. Median TTM revenue of public SaaS companies was \$219.4 million in 4Q16, a 33.5% YOY increase when compared to 4Q15's 164.4 million median TTM revenue figure.
- In 4Q16, 22% of public SaaS companies grew TTM revenue by 40% or more, down from the same quarter last year in which 27% achieved revenue growth of 40% or greater. This can be attributed in part to a softening in global IT spend during 2016.
- As of 4Q16, Gartner estimates global IT spend will improve from 2016's -0.6% growth to 2.7% in 2017. We expect this tailwind to drive SaaS company revenue growth rates higher over the next year.

TTM Revenue Growth Rate Distribution

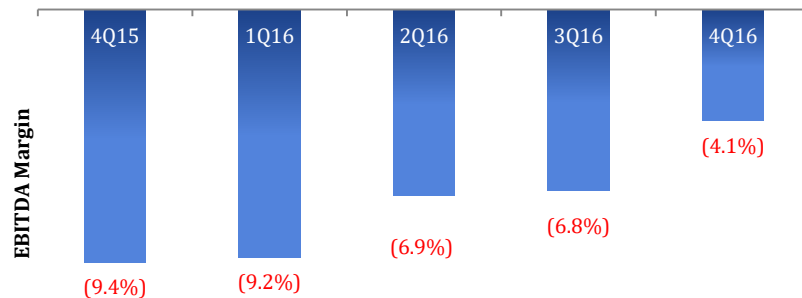


TTM Revenue Growth



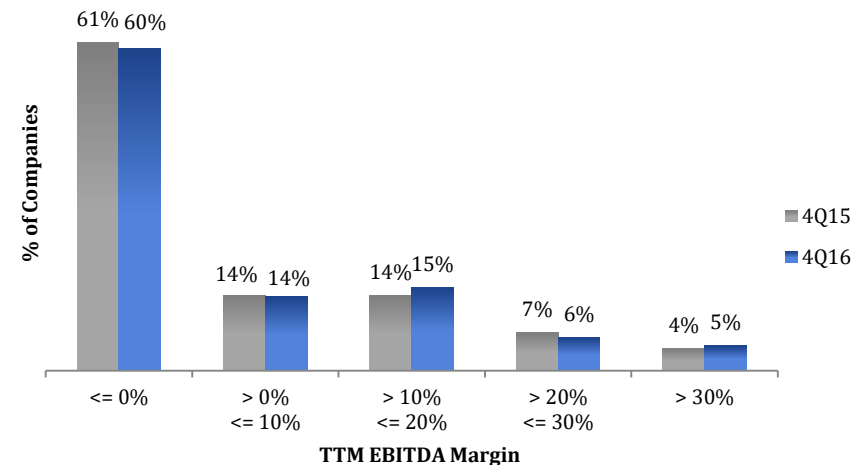
THE SEG SaaS INDEX: FINANCIAL PERFORMANCE

Median EBITDA Margin Performance - Quarterly



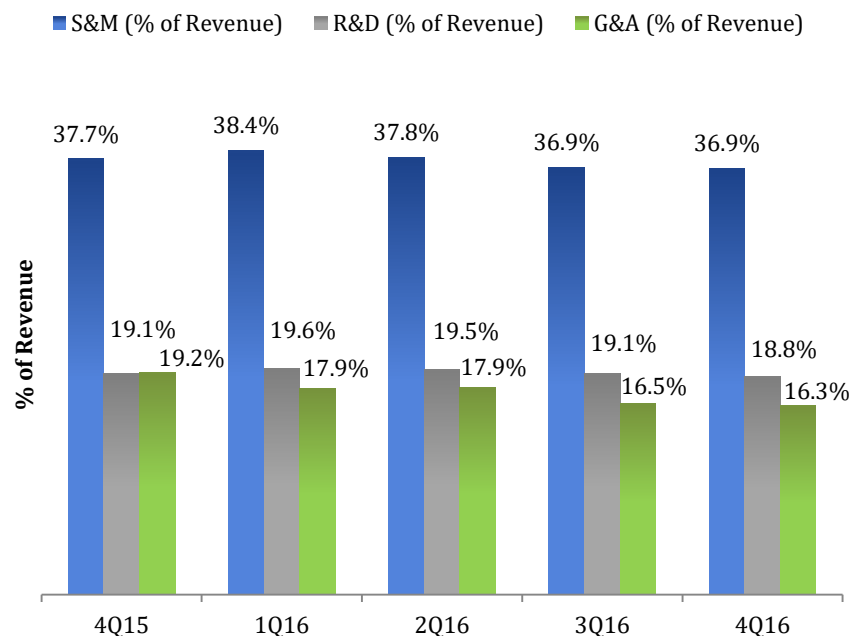
- The median EBITDA margin for public SaaS companies was -4.1% in 4Q16 and has been generally trending toward break-even since 4Q14. We expect median EBITDA margin for all public SaaS companies will turn positive for the first time in history during the second half of 2017.
- While the majority of public SaaS companies continue to post GAAP losses (60% of our index in Q4) due to GAAP revenue recognition requirements, many are nearing positive territory and approximately 70% of public SaaS companies generated positive cash flow from operations (CFO) in Q4.
- Select public SaaS companies posting negative EBITDA Margin while generating positive cash flow from operations during Q4 include: Cornerstone OnDemand (-11.4% EBITDA Margin, \$54.8M CFO); Hubspot (-14.7% EBITDA Margin, \$19.7M CFO); Proofpoint (-15.3% EBITDA Margin, \$60.3M CFO); ServiceNow (-6.4% EBITDA Margin, \$131.1M CFO); Workday (-16.8% EBITDA Margin, \$337.7M CFO).

TTM EBITDA Margin Distribution

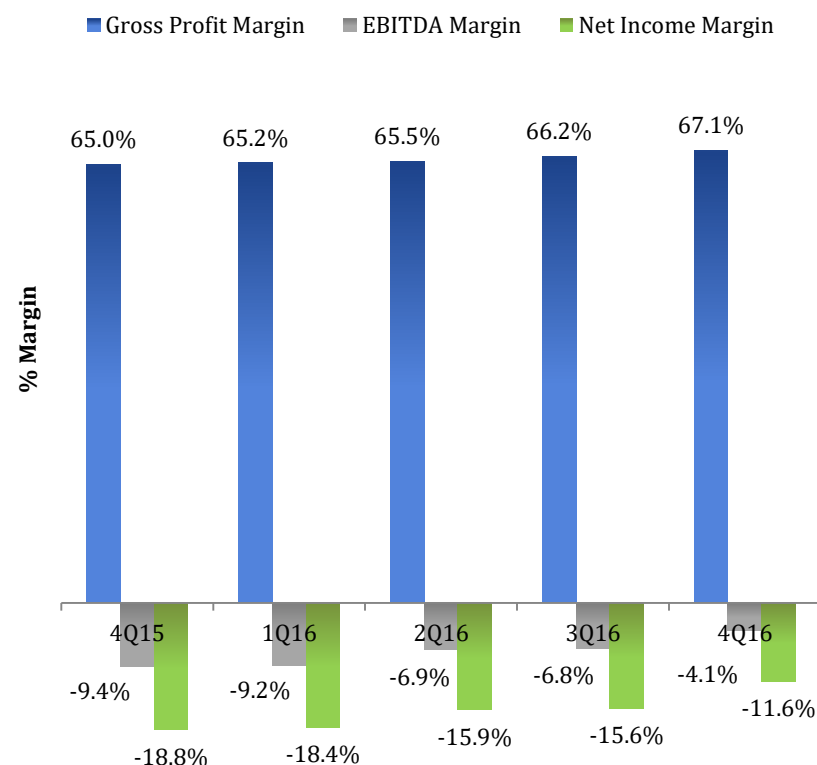


THE SEG SaaS INDEX: FINANCIAL PERFORMANCE

Median Operating Ratios



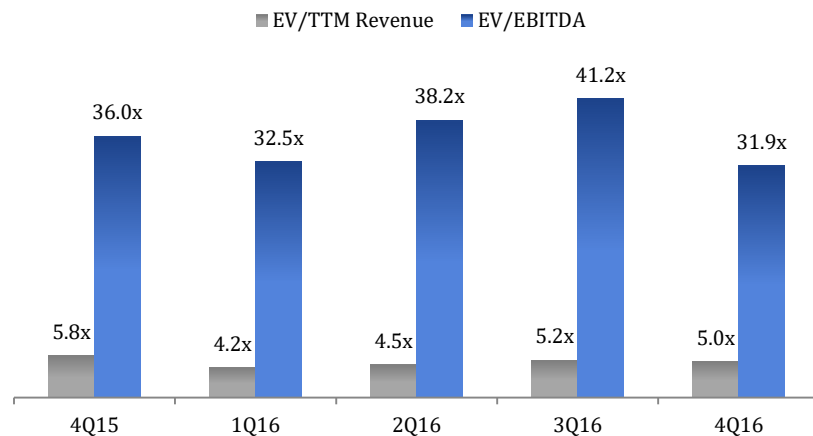
Median Margin Performance



- Public SaaS companies reduced median YOY operating expenses across the board in Q4.
- 4Q16's 16.3% General & Administrative (G&A) expense as a percent of revenue accounted for the most material YOY reduction (19.2% in 4Q15). In comparison, public SaaS providers spent a median 18.8% of revenue on Research & Development (R&D) during 4Q16, down slightly from 19.1% in 4Q15. 4Q16's 36.9% Sales & Marketing (S&M) expense represents a very modest year-over-year decline from 4Q15's 37.7% mark.
- Median Gross Margin, EBITDA Margin and Net Income have all steadily improved for public SaaS companies over the past year.

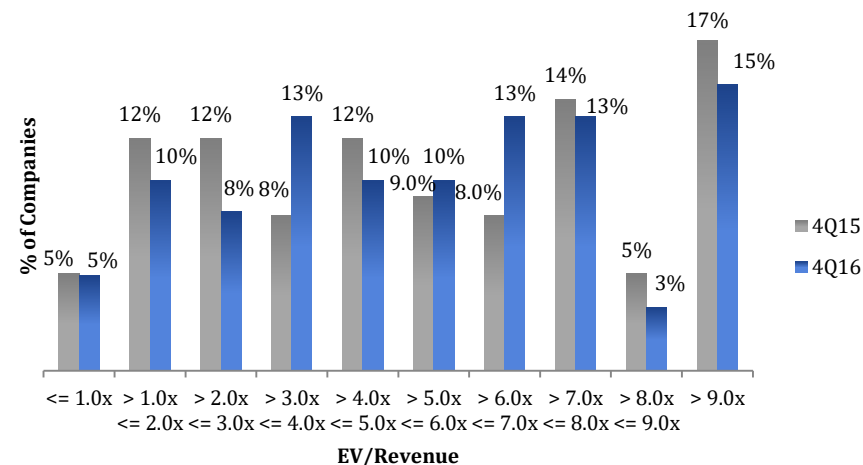
THE SEG SaaS INDEX: PUBLIC MARKET MULTIPLES

Median EV/Revenue and EV/EBITDA - Quarterly



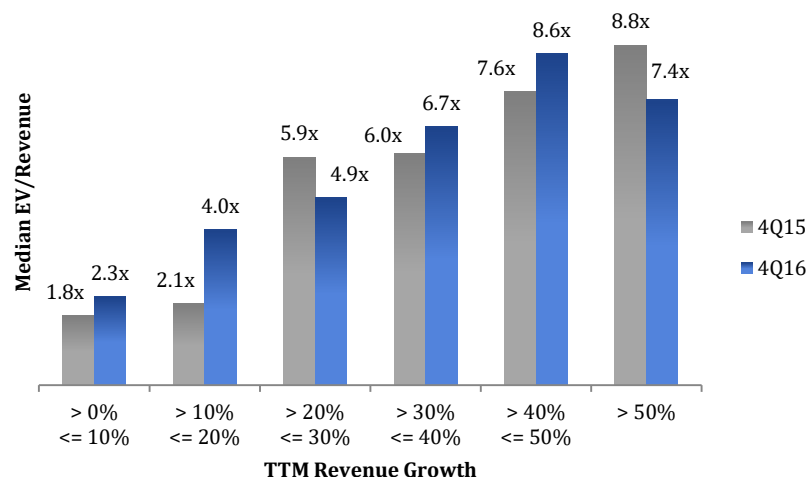
- At the close of 4Q16, the median EV/Revenue multiple of public SaaS companies was 5.0x, 19% above 1Q16's 4.2x, but still down 14% when compared to the same quarter last year.
- Investors and larger strategic buyers certainly took note of 1Q16's "correction" in public SaaS valuations, as did public SaaS companies themselves. Following 1Q16's 28% QoQ decline in median EV/Revenue, twelve public SaaS companies have been acquired (or announced an intent to be acquired) by either strategic or private equity buyers. These public SaaS companies include: Intralinks, Netsuite, Fleetmatics, Apigee, QHR Corporation; Demandware, Marketo, Cvent, Textura, inContact, Sciqwest and OPOWER.
- 15% of public SaaS companies achieved a median EV/Revenue multiple of 9.0x or higher in 4Q16, down from 17% in 4Q15, but significantly higher than 2Q16 and 1Q16, when only 11% and 5% of the companies in the public SaaS index were valued at 9.0x or higher, respectively.

EV/Revenue Multiple Distribution

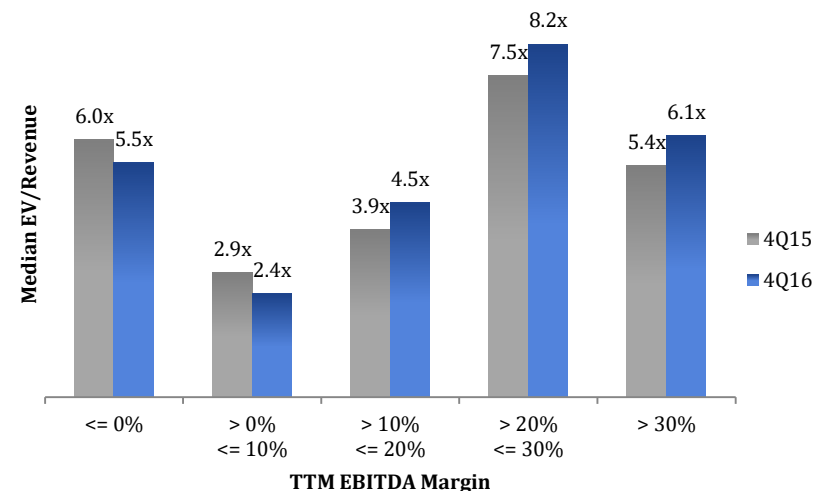


THE SEG SaaS INDEX: PUBLIC MARKET MULTIPLES

EV/Revenue Multiples vs. TTM Revenue Growth



EV/Revenue Multiples vs. TTM EBITDA Margins



- The highest growth SaaS companies received a median 7.4x EV/Revenue multiple in 4Q16, on par with the past two quarters, but down when compared to 4Q15's 8.8x and 4Q14's 11.9x median EV/Revenue multiple, respectively.
- The YoY decline in median EV/Revenue for this high growth cohort can be attributed to:
 - A temporary decline in public SaaS valuations year-over-year as early 2016 macro economic concerns and had many fearing a general reduction in IT spend may be on the horizon. This trend abated mid-way through 2016 and public SaaS valuations recovered modestly in 2H16.
 - Those companies posting significant growth at any cost have fallen out of favor with investors. As an example, Hortonworks posted a median 8.0x TTM revenue multiple in 4Q15 on the back of 119.6% revenue growth, but -224.1% EBITDA margin and -\$113.6 million CFO. During 4Q16, the company grew revenue 74.8%, generated -139% EBITDA margin and -\$99.7 million CFO, and posted median 2.5x EV/Revenue.
 - Larger SaaS companies finding it difficult to maintain 50%+ revenue growth. For example, Workday's revenue growth and TTM multiple were 51.5% and 13.1x in 4Q15, respectively, fell to 36.7% and 10.4x in 4Q16, respectively. Other select examples of public SaaS companies seeing revenue growth fall under 50% YoY include Ellie Mae (62% vs. 39.6%) and ServiceNow (50.5% vs. 40.6%).
- The most profitable SaaS companies posted a median 6.1x EV/Revenue multiple during 4Q16, a roughly 22% premium over the Index median of 5.0x. In comparison, the same cohort received a 5.4x EV/Revenue multiple in 4Q15.

THE SEG SaaS INDEX: PUBLIC MARKET MULTIPLES

Company	Ticker	EV (Median)	TTM Revenue	TTM Revenue Growth	EV/ Revenue	TTM EBITDA	EBITDA Margin	EV/ EBITDA
NantHealth, Inc.	NH	\$1,461.4	\$96.7	102.2%	15.1x	-\$130.6	-135.0%	-
Twilio, Inc.	TWLO	\$2,697.1	\$246.7	72.2%	10.9x	-\$32.0	-13.0%	-
Coupa	COUP	\$1,325.5	\$122.1	68.4%	10.9x	-\$39.2	-32.1%	-
Atlassian Corp	TEAM	\$5,280.8	\$492.0	39.2%	10.7x	-\$0.5	-0.1%	-
Shopify	SHOP	\$3,413.4	\$329.1	93.3%	10.4x	-\$24.2	-7.3%	-
Workday	WDAY	\$15,080.9	\$1,456.2	36.7%	10.4x	-\$244.4	-16.8%	-
Veeva Systems	VEEV	\$5,071.7	\$508.2	33.0%	10.0x	\$104.3	20.5%	48.6x
Service-now.com	NOW	\$12,872.0	\$1,290.5	40.6%	10.0x	-\$82.9	-6.4%	-
Kinaxis	TSX: KXS	\$1,070.1	\$109.9	27.9%	9.7x	\$21.6	19.6%	49.6x
Proofpoint	PFPT	\$3,056.9	\$343.6	39.3%	8.9x	-\$52.7	-15.3%	-
Paycom Software	PAYC	\$2,717.1	\$306.4	50.5%	8.9x	\$62.0	20.2%	43.8x
The Ultimate Software Group	ULTI	\$5,808.7	\$741.4	27.2%	7.8x	\$64.6	8.7%	90.0x
Q2 Holdings	QTWO	\$1,079.7	\$138.5	37.6%	7.8x	-\$21.9	-15.8%	-
Nutanix, Inc	NTNX	\$4,045.6	\$524.0	85.1%	7.7x	-\$234.9	-44.8%	-
Ellie Mae	ELLI	\$2,495.9	\$329.0	39.6%	7.6x	\$68.3	20.8%	36.5x
2U	TWOU	\$1,454.0	\$191.8	39.3%	7.6x	-\$20.3	-10.6%	-
AppFolio	APPF	\$706.0	\$98.0	44.5%	7.2x	-\$7.4	-7.6%	-
Tabula Rasa Healthcare	TRHC	\$284.2	\$86.5	35.1%	3.3x	\$9.4	10.8%	30.3x
HealthStream	HSTM	\$706.4	\$223.1	12.4%	3.2x	\$23.5	10.6%	30.0x
FireEye	FEYE	\$2,031.5	\$714.2	22.9%	2.8x	-\$366.9	-51.4%	-
ChannelAdvisors	NYSE: ECOM	\$291.3	\$110.9	16.7%	2.6x	-\$5.8	-5.2%	-
HortonWorks	HDP	\$420.2	\$169.9	74.8%	2.5x	-\$236.3	-139.0%	-
Upland Software	UPLD	\$176.1	\$73.0	6.1%	2.4x	\$5.0	6.9%	34.9x
IntraLinks Holdings	IL	\$665.2	\$290.4	6.6%	2.3x	\$20.0	6.9%	33.2x
LivePerson	LPSN	\$431.3	\$225.8	-5.2%	1.9x	\$16.8	7.4%	25.7x
DealerTrack	TRAK	\$65.7	\$35.3	28.4%	1.9x	\$4.4	12.5%	14.9x
Bazaarvoice	BV	\$360.2	\$201.5	2.4%	1.8x	-\$8.3	-4.1%	-
Halogen Software	TSX:HGN	\$107.0	\$70.7	11.2%	1.5x	\$3.3	4.6%	32.7x
Tango	TNGO	\$290.6	\$219.4	5.7%	1.3x	\$9.6	4.4%	30.1x
Jive Software	JIVE	\$211.8	\$202.6	4.8%	1.0x	-\$6.6	-3.3%	-
Covisint	COVS	\$50.0	\$73.8	-10.1%	0.7x	-\$10.7	-14.4%	-
Medical Transcript	MTBC	\$11.7	\$21.0	-15.3%	0.6x	-\$1.0	-4.7%	-
Marin Software	MRIN	\$57.3	\$106.0	-0.5%	0.5x	-\$4.4	-4.1%	-

- When the SEG SaaS Index is segmented on the basis of median EV/Revenue multiple, the top 25% boasted an impressive median 9.7x in 4Q16, down slightly from 3Q16's 10.2x multiple.

Top 25%

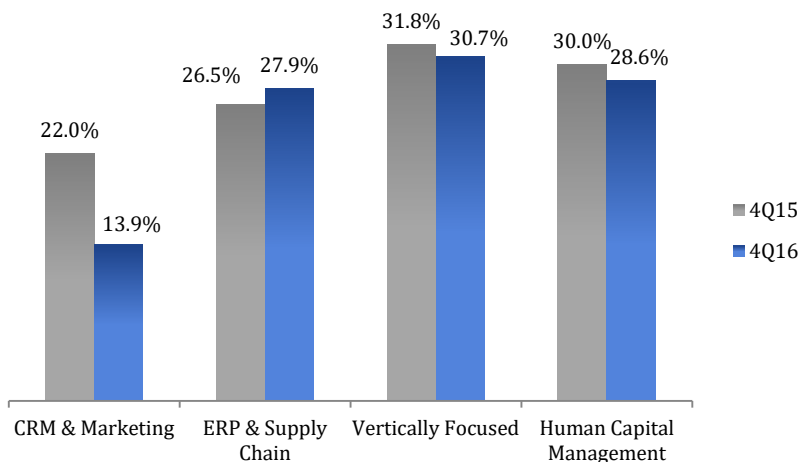
- These SaaS high flyers are market leaders in a wide array of SaaS categories including: Healthcare (NantHealth), Communications (Twilio), Procurement (Coupa), Development Tools (Atlassian), eCommerce (Shopify), ERP (Workday), Service Management (ServiceNow), and Supply Chain Management (Kinaxis).
- The median TTM revenue growth rate of those in the top 25% percentile was 39.6%. Additionally, five of these companies generated positive EBITDA margin, and 14 of 17 companies generated positive cash flow from operations. Only NantHealth, 2U, and Coupa posted negative CFO.

Bottom 25%

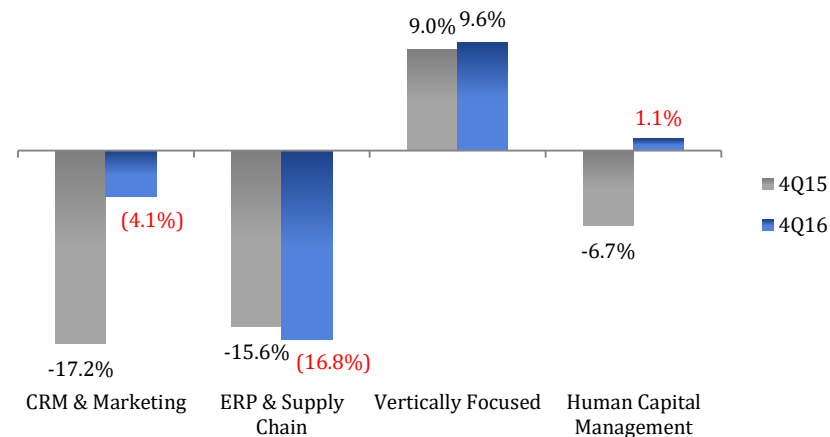
- In contrast, the median TTM revenue growth rate of those comprising the bottom 25% of EV/Revenue multiples was 6.4%. In addition to lagging revenue growth, the bottom quartile posted median EBITDA margin of 0.6% and only 9 of 16 companies generated positive CFO. Median EV/Revenue for the group was 1.9x in 4Q16.

THE SEG SaaS INDEX BY PRODUCT CATEGORY: FINANCIAL PERFORMANCE (YOY COMPARISON)

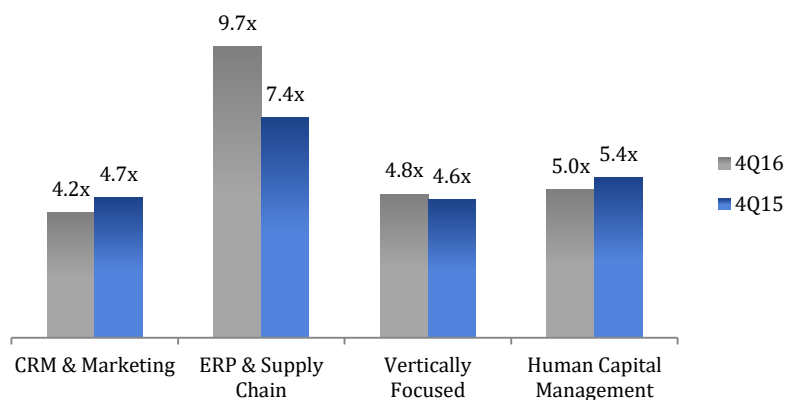
Median TTM Revenue Growth



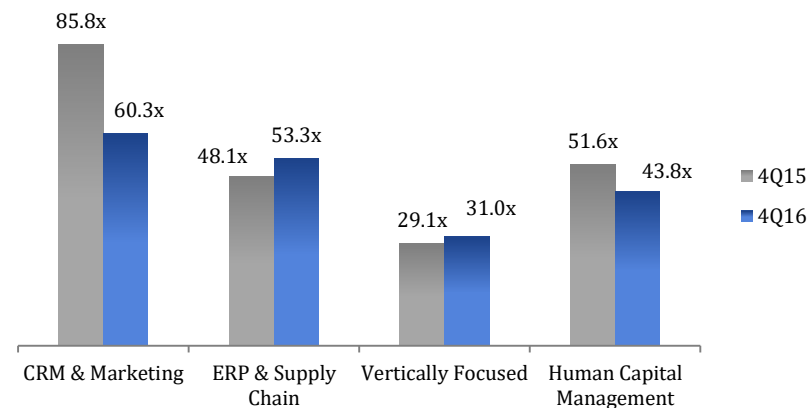
Median TTM EBITDA Margin



Median EV/Revenue Multiples



Median EV/EBITDA Multiples



THE SEG SOFTWARE INDEX

PUBLIC SOFTWARE COMPANY FINANCIAL PERFORMANCE AND MARKET MULTIPLE TRENDS



THE SEG SOFTWARE INDEX

SEG - Software: Median Metrics					
Measure	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	2.9x	2.5x	2.8x	2.9x	3.1x
EV/NTM Revenue	2.7x	2.8x	2.5x	2.9x	2.9x
EV/TTM EBITDA	15.1x	14.4x	15.5x	16.1x	15.9x
EV/TTM CFO	16.0x	15.6x	16.4x	17.7x	18.4x
Gross Profit Margin	63.8%	64.0%	63.8%	64.2%	63.6%
EBITDA Margin	17.7%	18.0%	16.8%	15.3%	16.8%
Net Income Margin	8.5%	8.3%	6.7%	8.3%	7.0%
TTM Revenue Growth	6.3%	7.1%	7.0%	7.6%	6.1%
TTM Total Revenue (\$M)	\$721.1	\$696.0	\$728.7	\$750.0	\$763.1
TTM EBITDA Growth	8.5%	3.5%	2.9%	4.6%	5.6%
TTM Total EBITDA (\$M)	\$91.6	\$98.5	\$91.1	\$102.6	\$102.6
Cash & Eq (\$M)	\$251.3	\$258.2	\$247.5	\$256.0	\$257.7

- The SEG Software Index tracks public software companies that primarily offer on-premise software under a perpetual license with annual M&S.
- The SEG Software Index is currently comprised of 119 public software companies*, down from 218 in 1Q08 (the quarter in which we began publishing individual Software, SaaS and Internet indices).
- The number of public companies comprising the SEG Software Index has declined steadily over the past ten years, as many on premise providers have been acquired, taken private or migrated to a SaaS business model.
- See appendix for SEG Software Index public market multiples and financial performance on an annual basis

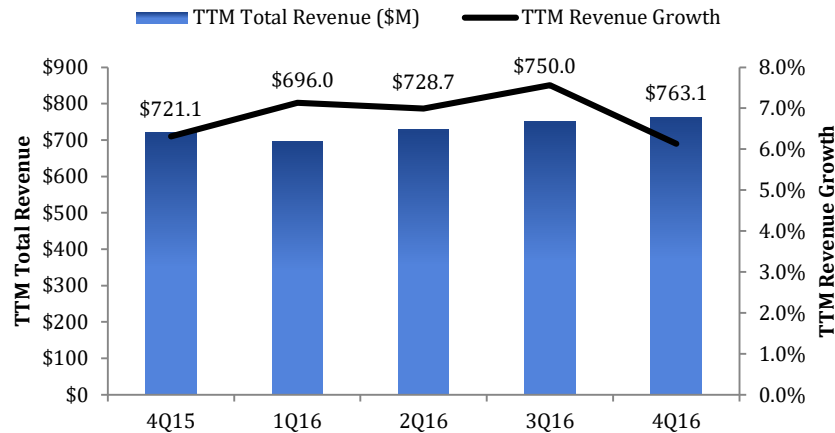


* A number of on-premise software companies are transitioning to subscription based delivery and pricing models; however their SaaS revenue contribution is insufficient for them to be deemed primarily SaaS.

** See appendix for a complete list of companies in The SEG Software Index and detailed financial and trading metrics

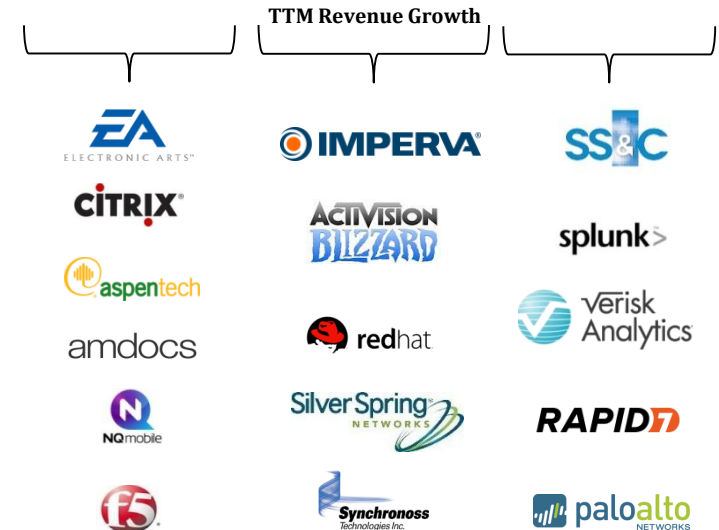
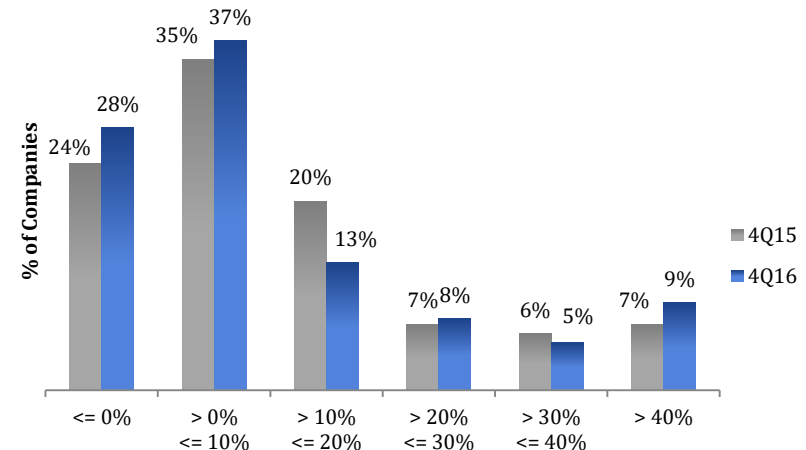
THE SEG SOFTWARE INDEX: FINANCIAL PERFORMANCE

Median Revenue Performance - Quarterly



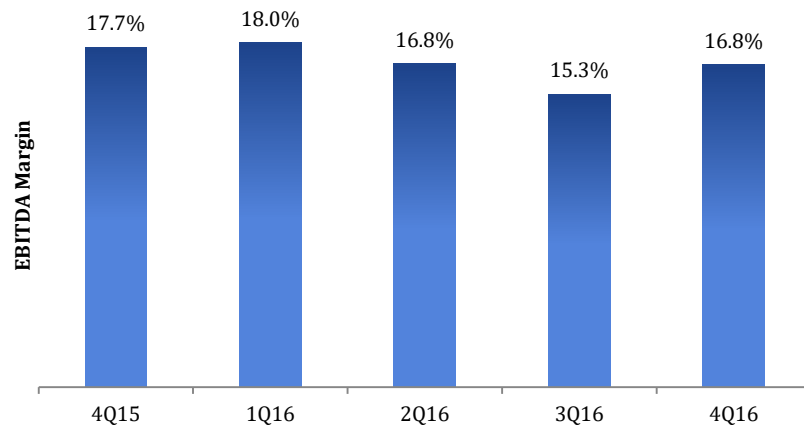
- The median TTM revenue growth rate of public on-premise software companies was 6.1% in 4Q16, down from 3Q16's 7.6%, and slightly trailing 4Q15's 6.3% growth rate. With 64.7% of public on-premise software providers posting revenue growth of less than 10% in 4Q16, SEG's Software Index has now experienced single digit median TTM revenue growth for 17 quarters.
- The few public on-premise software companies growing revenue at 40%+ were focused on two of IT's hottest product categories: security (Palo Alto Networks, 43.2% and Rapid7, 45.8%) and data management (Splunk, 44.9%).
- Median TTM revenue for the publicly traded on-premise software providers was \$763.1 million in 4Q16, an increase of 6% from 4Q15's \$721.1 million. In comparison, median TTM revenue for our SaaS Index grew 33.5% over the same period (\$219.4 million in 4Q16 vs. \$164.4 million in 4Q15).

TTM Revenue Growth Rate Distribution



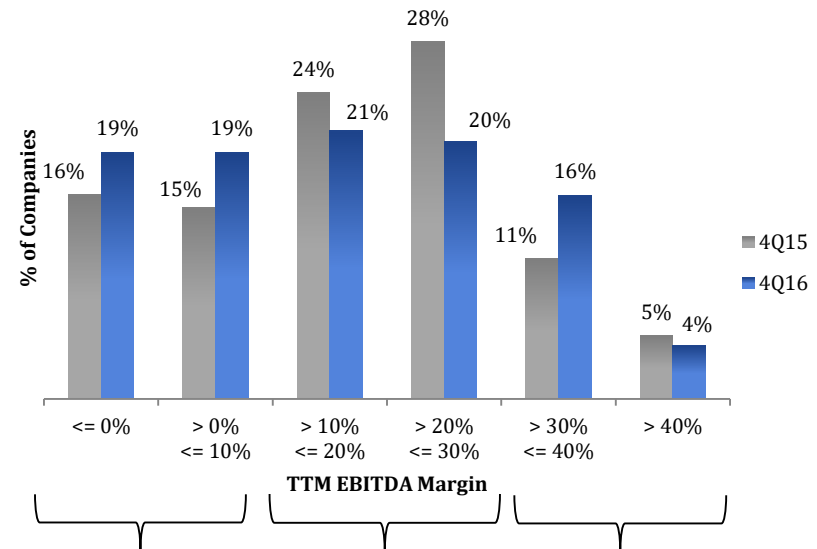
THE SEG SOFTWARE INDEX: FINANCIAL PERFORMANCE

Median EBITDA Performance - Quarterly



- Median TTM EBITDA margin for the SEG Software Index has hovered around 17% for the past five quarters. Buoyed by high margin maintenance and support streams from long tenured customers, many on-premise providers have been able to maintain healthy profits while attempting to fend off cloud competition.
- Microstrategy, a provider of on-premise business intelligence software, posted -3.7% revenue growth in the past 12 months while maintaining 24.7% EBITDA margin, as it counts over 50% of its revenue from highly profitable maintenance and support contracts. Over its three most recent fiscal years, Microstrategy has seen net revenue from license sales decline by \$28 million to \$119 million, net revenue from subscription sales increase by \$16 million to \$28 million, net revenue from services decrease \$37 million to \$101 million, and net revenue from maintenance contracts increase \$4 million to \$282 million. Microstrategy has a tough road ahead as the market has been flooded with new cloud BI and analytics vendors in recent years.

TTM EBITDA Margin Distribution



paloalto
NETWORKS

redhat

aspentech

splunk

CITRIX

ORACLE

NQmobile

amdocs

verisk
Analytics

bango

Silver Spring
NETWORKS

software

REDKNEE

Synchronoss
Technologies Inc.

SS&C

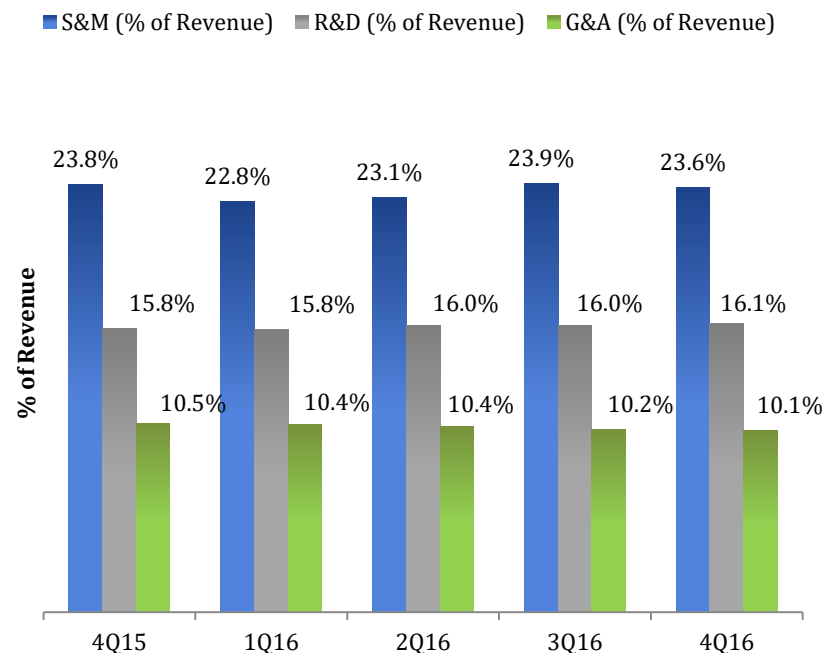
QAD

SAP

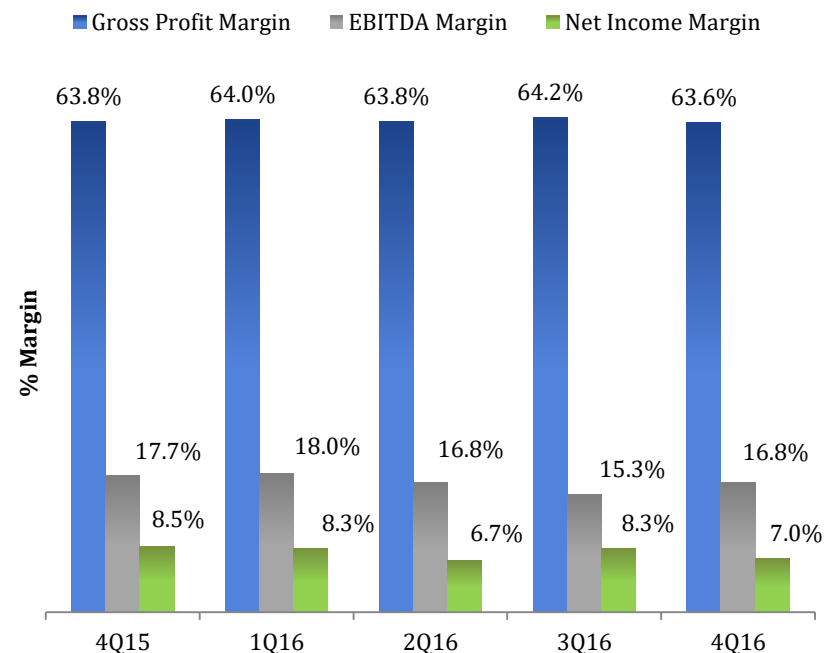
Check Point
SOFTWARE TECHNOLOGIES LTD.

THE SEG SOFTWARE INDEX: FINANCIAL PERFORMANCE

Median Operating Ratios



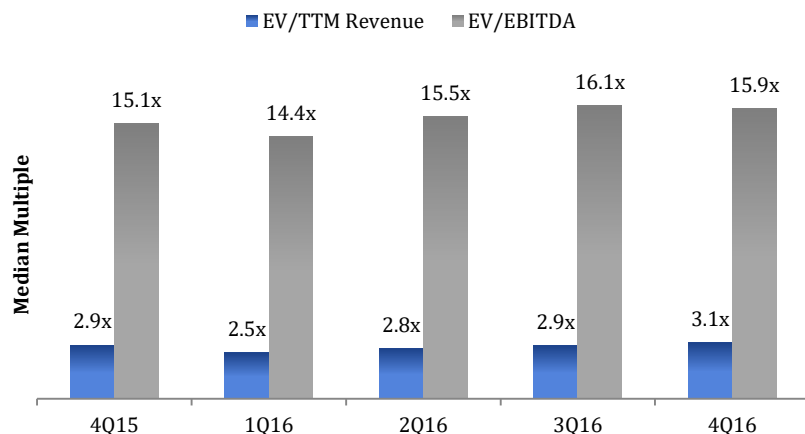
Median Margin Performance



- As a percent of revenue, on-premise software companies spent a median 23.6% of revenue on S&M activities, 16.1% on R&D and 10.1% on G&A functions in 4Q16. Expense contributions for on-premise software providers have remained virtually unchanged each of the past five quarters.
- In aggregate, median operating expenses totaled 49.8% of revenue during 4Q16 for publicly traded on-premise software providers. In comparison, publicly traded SaaS companies spent 72.0% of revenue on operations during the quarter.

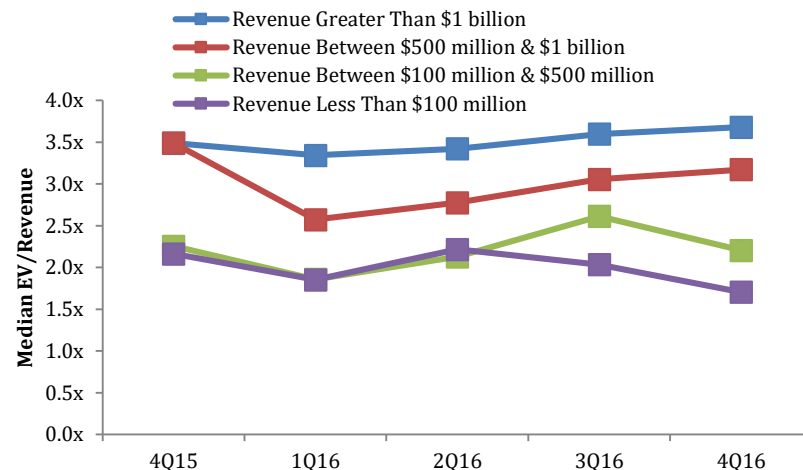
THE SEG SOFTWARE INDEX: PUBLIC MARKET MULTIPLES

Median EV/Revenue and EV/EBITDA Multiples- Quarterly



- The median EV/Revenue market multiple for public on-premise software providers was 3.1x in 4Q16, a modest uptick over recent quarters.
- Multiples for public license model businesses continues to be closely with the ability to generate sustainable profits, as over 80% of companies in the SEG Software Index generated were profitable in 4Q16.

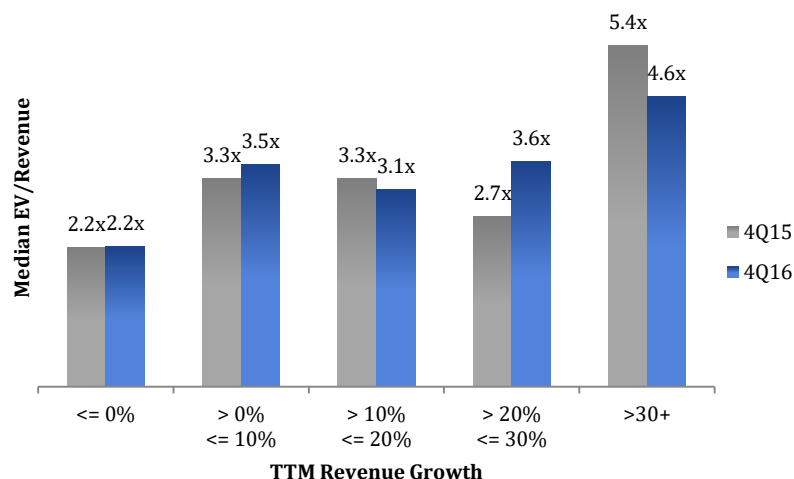
EV/Revenue Multiples by Size (TTM Revenue) - Quarterly



- Median EV/Revenue multiples for on-premise software providers continued to be closely correlated to size and profitability for our on-premise index. During 4Q16, median revenue multiples for companies generating revenue greater than \$500 million continued to expand, versus the prior quarter, whereas those generating revenue less than \$500 million experienced multiple compression during the final quarter of 2016.

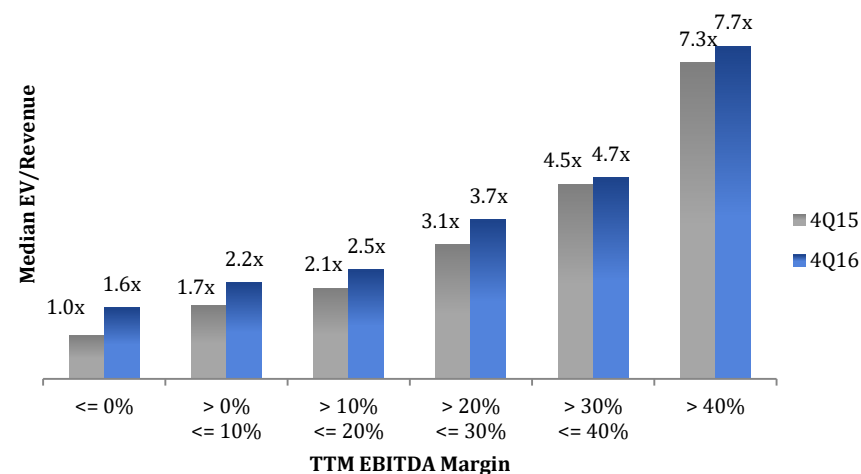
THE SEG SOFTWARE INDEX: PUBLIC MARKET MULTIPLES

EV/Revenue Multiples vs. TTM Revenue Growth



- The market performance of on-premise public software companies remains closely correlated with their ability to sustainably drive profits, as a select group of companies able to generate significant revenue growth in 4Q16 received a more modest premium (4.6x EV/Revenue) than the same cohort in 4Q15 (5.4x EV/Revenue).
- Members of Q4's 30%+ growth club came from a number of product categories, including Business Intelligence, Security and Network Performance Management: Splunk (44.9% TTM revenue growth, 7.9x EV/Revenue), Palo Alto Networks (43.2% TTM revenue growth, 8.6x EV/Revenue), and Proofpoint (39.3% TTM revenue growth, 8.9x EV/Revenue).

EV/Revenue Multiples vs. TTM EBITDA Margins



- As in past quarters, the median market multiples of on-premise software companies generally reflected their median operating margins. The most profitable companies posted a 7.7x EV/Revenue multiple in 4Q16, slightly higher than 4Q15's 7.3x, and 148% above 4Q16's 3.1x median EV/Revenue multiple for all on-premise software vendors.
- On-premise providers with EBITDA margins greater than 40% can be found in product categories requiring high technical barriers to entry or provide products difficult to deploy via the cloud.
 - As an example, engineering simulation and optimization solutions developed by Aspen Technology and ANSYS are highly technical and not easily deployed through a browser. Each has maintained EBITDA Margins well above 40% the past five quarters.

THE SOFTWARE INDEX BY PRODUCT CATEGORY

SEG Software Index																				
Category	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16
Billing & Service Management	1.7x	2.0x	2.0x	2.0x	1.9x	9.8x	8.8x	10.9x	9.2x	7.9x	-0.4%	0.2%	0.6%	1.8%	1.9%	23.9%	21.2%	22.1%	21.8%	22.1%
BI & Analytics	3.0x	2.8x	3.0x	3.9x	3.0x	15.5x	13.5x	12.3x	12.7x	12.2x	6.3%	14.7%	15.2%	14.2%	13.5%	14.9%	13.9%	14.0%	14.1%	13.6%
Development Platforms	2.3x	2.7x	2.8x	3.1x	2.3x	8.4x	9.1x	9.1x	9.8x	11.0x	11.5%	11.1%	10.2%	10.4%	10.4%	18.6%	18.0%	17.5%	17.2%	17.0%
Engineering & PLM	3.5x	3.3x	3.9x	4.1x	3.3x	16.9x	15.6x	17.0x	17.9x	15.6x	7.5%	0.7%	1.3%	2.1%	2.5%	22.4%	19.3%	17.6%	17.6%	18.1%
Enterprise Resource Planning	4.0x	3.9x	4.1x	4.2x	4.0x	15.4x	16.0x	14.8x	18.9x	16.6x	6.1%	4.8%	3.6%	5.2%	-0.6%	27.1%	26.9%	26.7%	27.6%	26.6%
Financial & Accounting	3.9x	3.7x	3.6x	3.6x	3.7x	16.2x	16.3x	17.1x	17.7x	16.4x	3.8%	4.4%	4.1%	6.3%	5.0%	24.8%	24.9%	25.0%	25.9%	25.6%
Gaming	2.5x	2.3x	2.4x	2.7x	2.0x	13.0x	13.2x	18.2x	19.8x	14.1x	4.0%	5.8%	5.8%	12.4%	7.2%	26.3%	22.0%	21.5%	22.5%	26.3%
Healthcare	2.4x	2.1x	2.4x	2.6x	1.9x	14.9x	15.4x	19.3x	16.6x	14.1x	8.0%	3.3%	3.4%	17.6%	12.9%	13.9%	13.4%	12.0%	11.7%	11.5%
IT Conglomerates	4.0x	3.9x	4.0x	4.2x	4.0x	9.8x	9.6x	10.5x	10.8x	10.2x	-3.5%	-4.3%	-3.1%	-2.3%	-4.3%	29.2%	27.5%	27.7%	28.3%	26.6%
Mobile Solutions/Content	1.7x	1.3x	1.8x	1.7x	1.3x	14.8x	21.2x	14.4x	23.0x	18.7x	17.3%	12.9%	11.8%	12.1%	7.2%	-3.4%	-2.9%	-2.4%	-2.7%	-5.9%
Networking & Network Performance Management	2.5x	1.9x	1.8x	2.1x	2.3x	11.7x	9.8x	10.9x	12.5x	11.0x	4.9%	5.0%	6.4%	4.6%	3.9%	18.0%	14.2%	9.3%	10.2%	11.1%
Security	3.3x	1.9x	2.7x	3.0x	3.3x	16.2x	12.4x	13.3x	13.7x	23.0x	12.8%	24.7%	15.6%	17.6%	10.4%	3.8%	4.1%	5.1%	6.0%	6.1%
Storage, Data Management & Integration	2.4x	2.2x	2.6x	3.1x	2.1x	7.9x	6.6x	7.1x	8.1x	8.1x	2.4%	1.7%	0.3%	1.7%	3.6%	12.5%	12.1%	11.4%	13.1%	13.2%
Systems Management	3.8x	2.9x	3.1x	3.5x	2.9x	15.9x	13.2x	13.9x	13.8x	12.2x	11.4%	10.1%	8.7%	7.8%	6.9%	23.9%	25.9%	26.1%	26.9%	27.3%
Vertical - Finance	4.8x	5.0x	5.0x	5.1x	4.4x	13.9x	14.5x	16.0x	16.6x	14.0x	6.6%	7.4%	7.6%	7.8%	8.5%	32.7%	32.9%	32.7%	31.7%	34.5%
Vertical - Other	5.2x	4.5x	4.5x	4.5x	4.4x	29.3x	19.3x	19.4x	19.3x	18.7x	17.5%	17.9%	18.2%	19.0%	17.3%	14.9%	20.1%	15.2%	20.0%	17.1%
Median	2.9x	2.5x	2.8x	2.9x	3.1x	15.1x	14.4x	15.5x	16.1x	15.9x	6.3%	7.1%	7.0%	7.6%	6.1%	17.7%	18.0%	16.8%	15.3%	16.8%

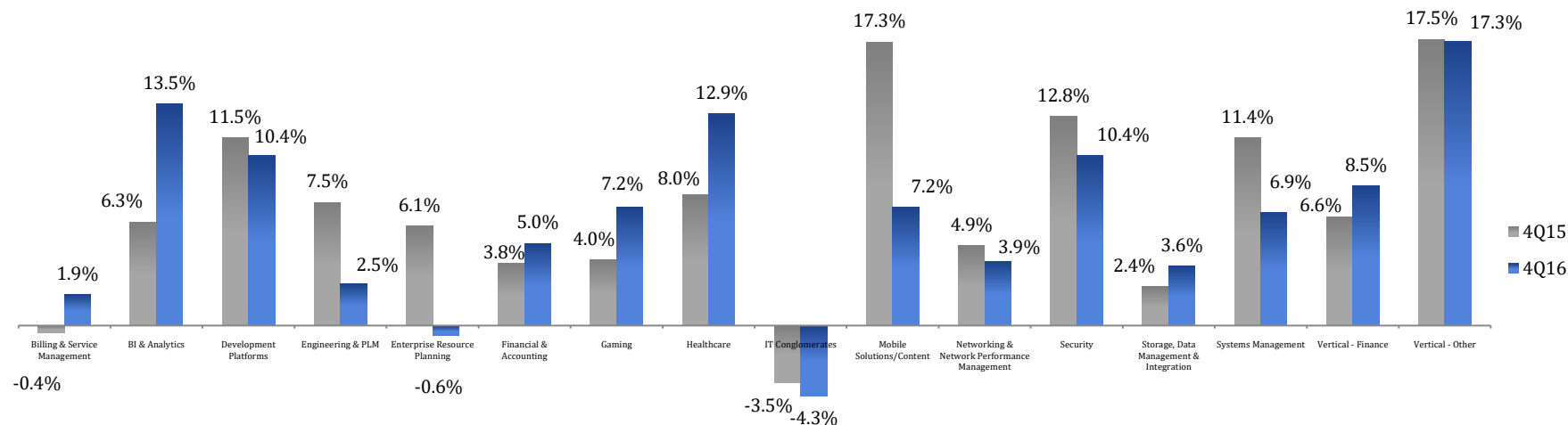
*The SEG Software Index is segmented into 16 product categories.

*Among these product categories, market multiples, TTM growth rates and EBITDA margins fluctuate considerably from quarter to quarter due to public market conditions and investor sentiment.

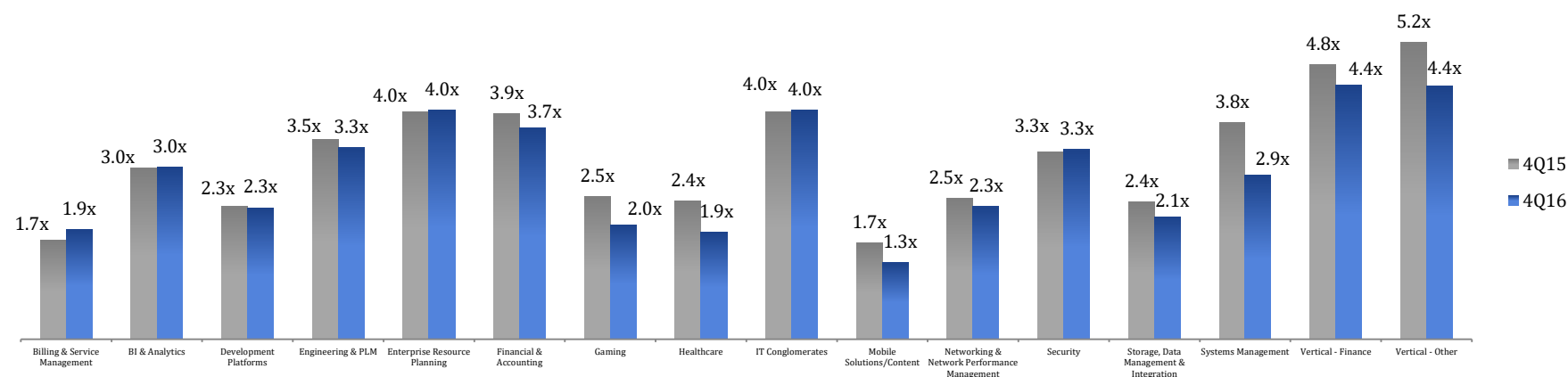
*See Appendix for the complete list of companies within each product category.

THE SEG SOFTWARE INDEX BY PRODUCT CATEGORY: FINANCIAL PERFORMANCE (YoY COMPARISON)

Median TTM Revenue Growth

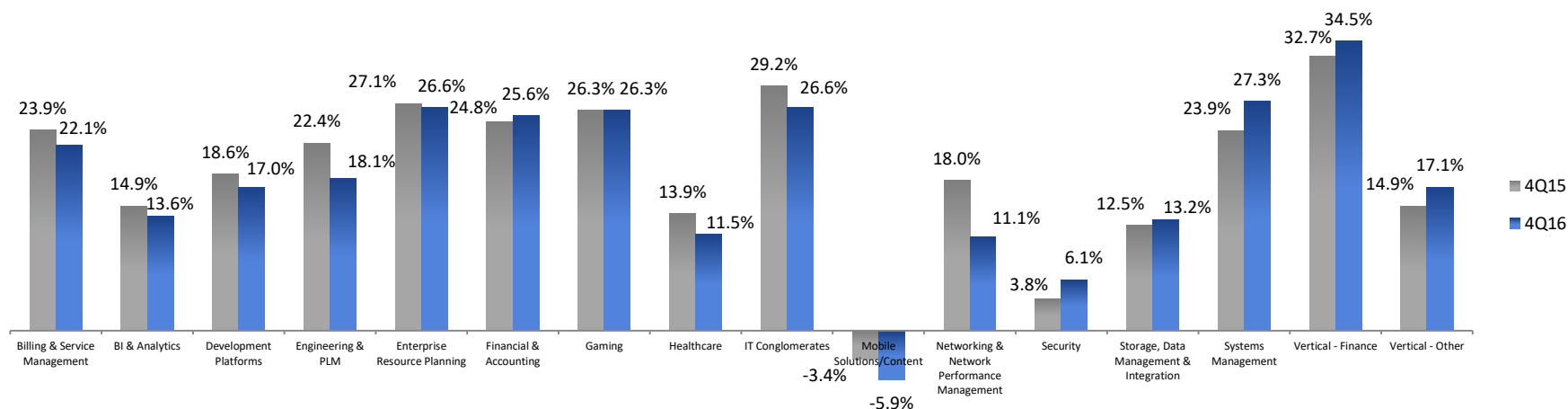


Median EV/Revenue

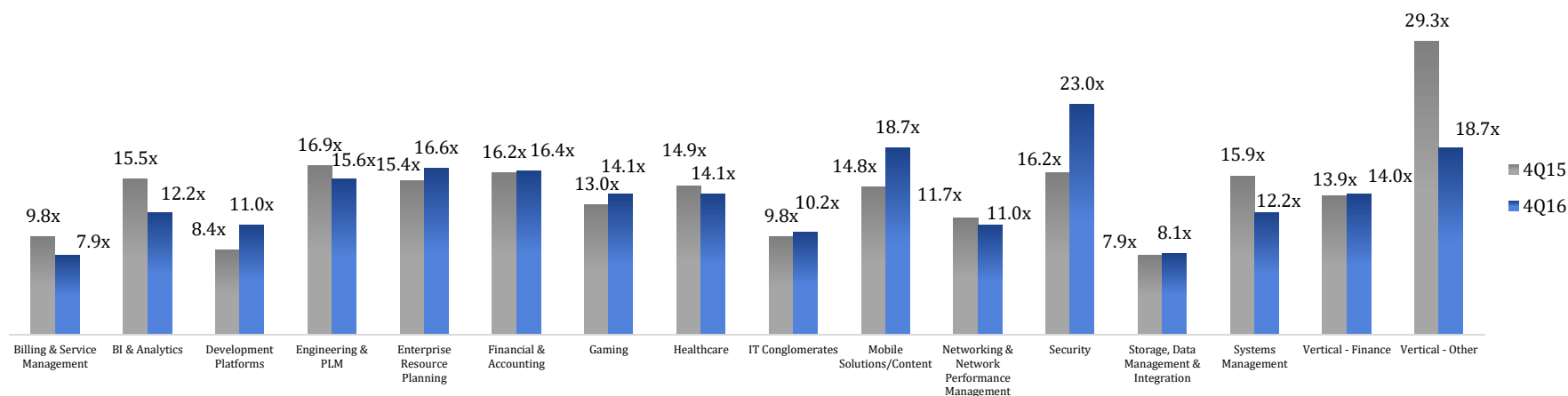


THE SEG SOFTWARE INDEX BY PRODUCT CATEGORY: FINANCIAL PERFORMANCE (YoY COMPARISON)

Median TTM EBITDA Margin



Median EV/EBITDA



THE SEG INTERNET INDEX

PUBLIC INTERNET COMPANY FINANCIAL PERFORMANCE AND MARKET MULTIPLE TRENDS



THE SEG INTERNET INDEX

SEG - Internet: Median Metrics					
Measure	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	1.9x	1.9x	2.0x	2.3x	2.3x
EV/NTM Revenue	1.8x	2.0x	1.9x	2.1x	2.1x
EV/TTM EBITDA	19.5x	18.1x	18.4x	19.5x	19.1x
EV/TTM CFO	18.8x	17.3x	16.3x	18.1x	16.7x
Gross Profit Margin	62.6%	61.3%	61.4%	61.8%	59.2%
EBITDA Margin	6.8%	6.5%	7.0%	7.4%	6.1%
Net Income Margin	0.3%	0.1%	0.9%	0.9%	0.5%
TTM Revenue Growth	15.6%	13.6%	13.3%	12.2%	14.9%
TTM Total Revenue (\$M)	\$475.7	\$480.1	\$501.0	\$507.5	\$505.8
TTM EBITDA Growth	8.4%	4.9%	10.8%	12.1%	16.6%
TTM Total EBITDA (\$M)	\$24.0	\$29.6	\$27.3	\$29.0	\$31.0
Cash & Eq (\$M)	\$146.9	\$170.3	\$169.5	\$159.6	\$166.1

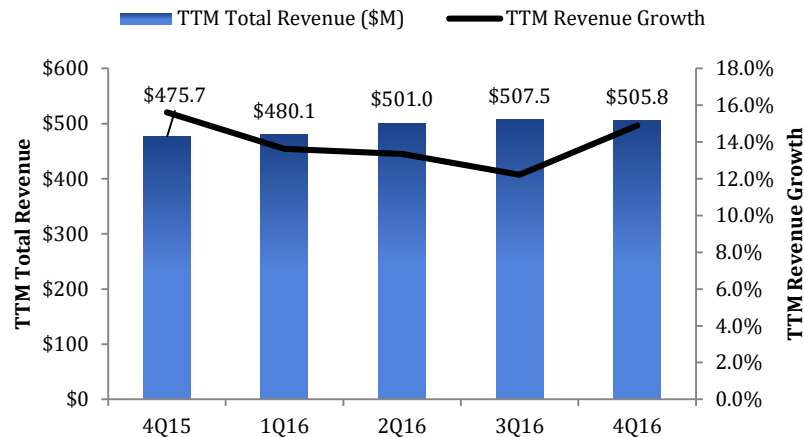
- The SEG Internet Index tracks public companies that primarily offer B2C services or predominantly generate revenue via advertising over the internet.
- The SEG Internet Index is currently comprised of 91 public Internet companies*.
- See appendix for SEG Internet Index public market multiples and financial performance on an annual basis



* See appendix for complete list of companies in the SEG Internet Index

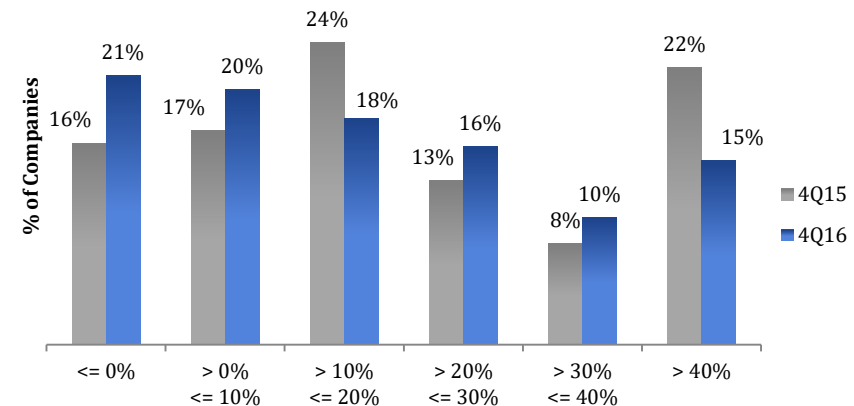
THE SEG INTERNET INDEX: FINANCIAL PERFORMANCE

Median Revenue Performance - Quarterly



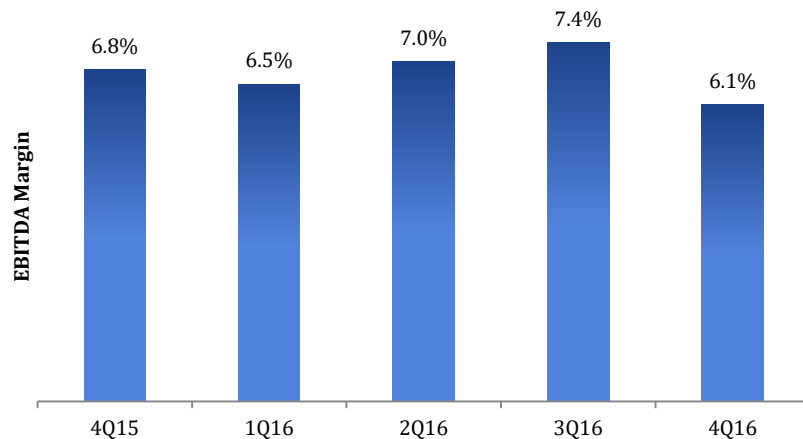
- Median TTM revenue for public companies in the SEG Internet Index was \$505.8 million in 4Q16, a 6.3% YoY increase from 4Q15's \$475.7 million figure. Public internet companies posted their highest TTM revenue growth quarter for the year in 4Q16, generating 14.9% in the last quarter. The metric did, however, slightly trail 4Q15's 15.6% median TTM revenue growth figure.
- Once again demonstrating the Internet is an ecosystem of unequals, 15% of public Internet providers far outpaced the pack, posting TTM revenue growth greater than 40% in 4Q16. These high flyers included 58.com (102.1%), Netease (85.1%), and The Rubicon Project (52.6%).
- Conversely, 41% of public Internet companies struggled to advance, reporting TTM revenue growth of 10% or less in 4Q16. The slow growers included TripAdvisor (0.1%), Yahoo! (0.5%), Limelight Networks (-1.0%), Zynga (-4.5%), and 1-800-FLOWERS (2.8%).

TTM Revenue Growth Rate Distribution



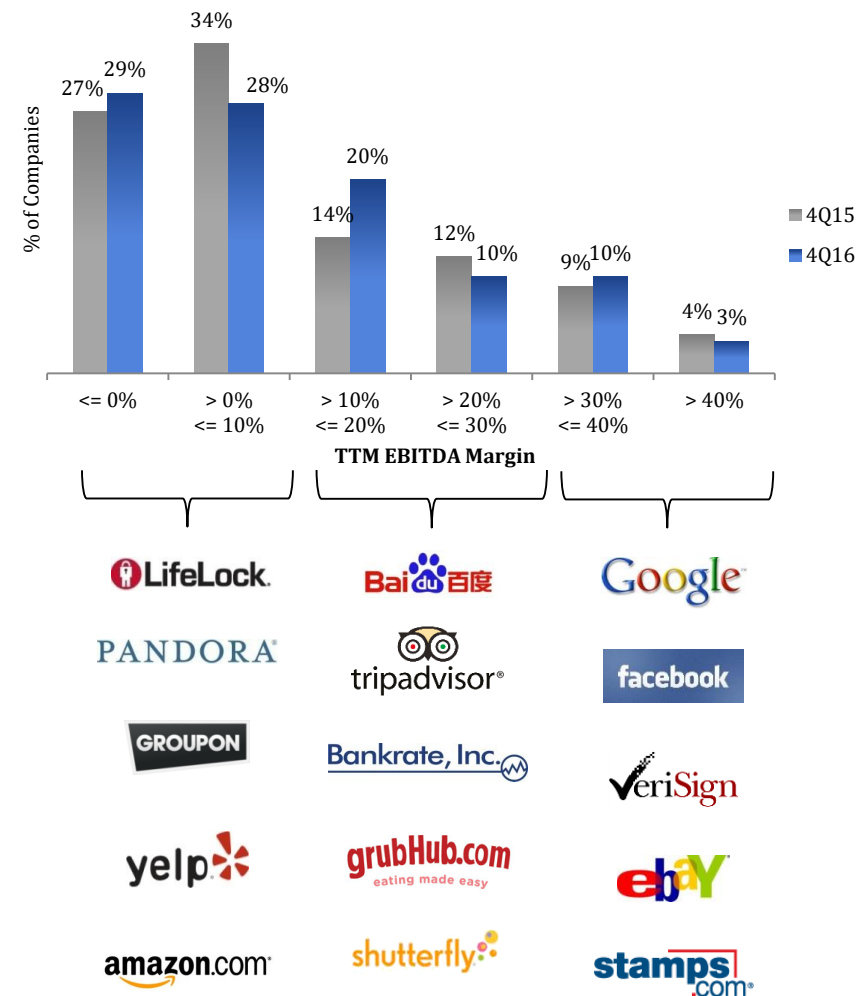
THE SEG INTERNET INDEX: FINANCIAL PERFORMANCE

Median EBITDA Performance - Quarterly



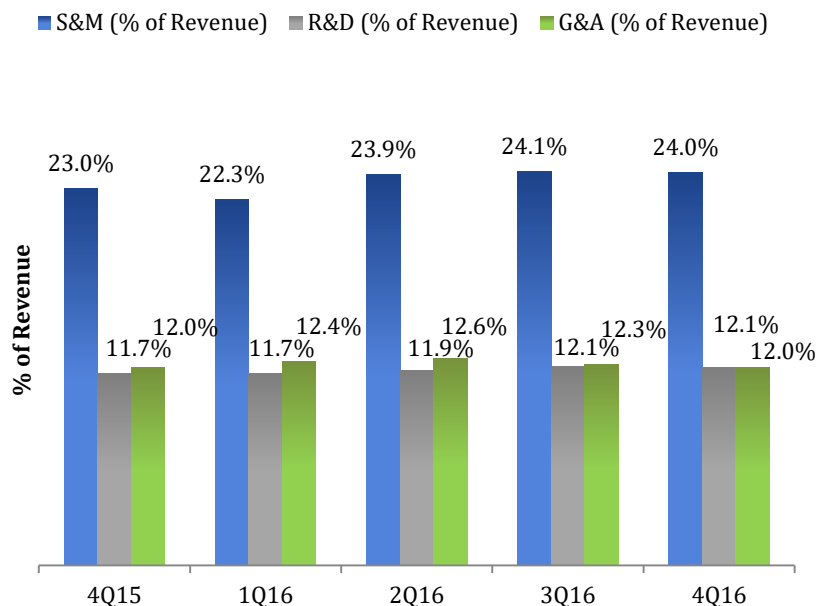
- Median EBITDA margin dropped to 6.1% in 4Q16 after a high of 7.4% in 3Q16. However, 29% of the companies were unprofitable during the quarter, compared to 60% and 19% of publicly traded SaaS and on-premise software vendors, respectively.
- At the other end of the spectrum, 13% of public Internet companies, mostly those with significant transaction or advertising revenue, achieved EBITDA margins above 30%, led by VeriSign (65.1%), Facebook (52.1%) and Tencent Holdings (42.5%).
- With few exceptions, many of the most profitable public Internet companies reported stellar TTM revenue growth. Among them were: Netease (33.7% EBITDA margin, 85.1% TTM revenue growth), Stamps.com (36.7% EBITDA margin, 76.6% TTM revenue growth), and Alibaba (34.9% EBITDA margin, 45.5% TTM revenue growth).

TTM EBITDA Margin Distribution

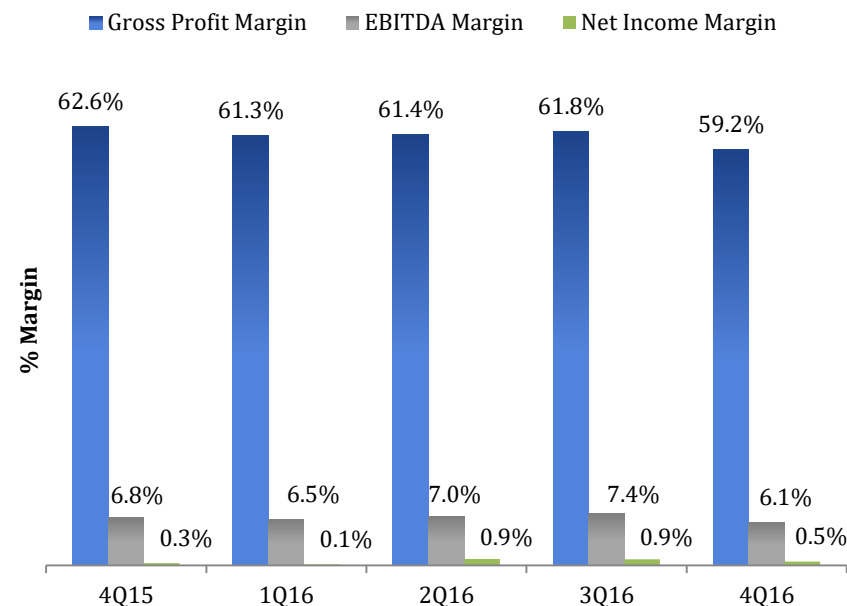


THE SEG INTERNET INDEX: FINANCIAL PERFORMANCE

Median Operating Ratios



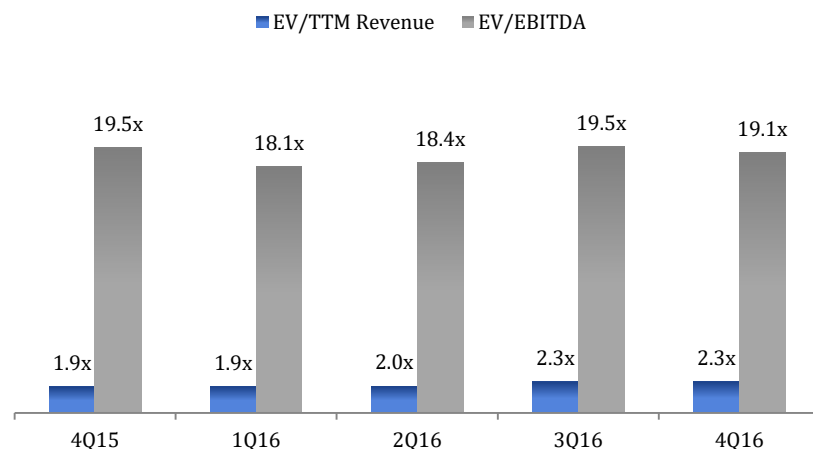
Median Margin Performance



- Median spending on operations by public Internet companies in 4Q16 was consistent with historic norms: 24.0% for S&M, 12.1% for R&D, and 12.0% for G&A. In aggregate, the median operational expenditures for the Internet Index totaled 48.1% of revenue in 4Q16, versus 49.8% and 72% for our on-premise and SaaS indices, respectively.
- Over the past year, S&M, R&D and G&A expenses as a percent of revenue have remained relatively flat.
- Median Gross profit margin and R&D spend as a percent of total revenue has on average been the lowest among our three tracking indices, as Internet companies are comparatively less technical than pure-play SaaS and on-premise software vendors.

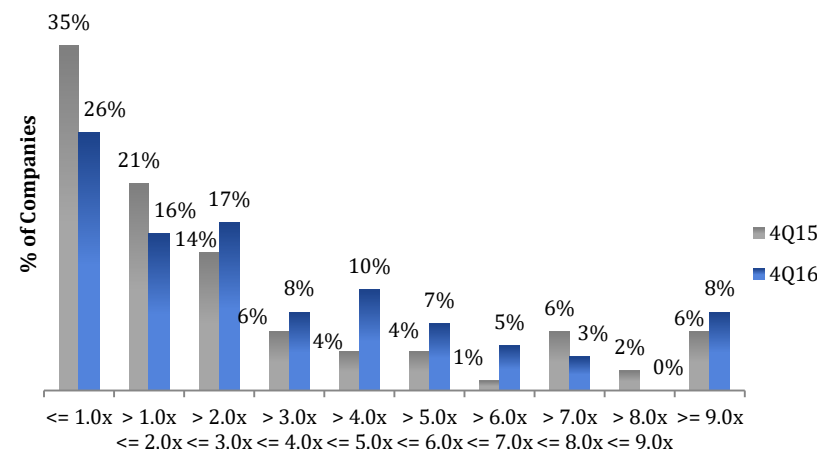
THE SEG INTERNET INDEX: PUBLIC MARKET MULTIPLES

Median EV/Revenue and EV/EBITDA Multiples- Quarterly



- The median EV/Revenue multiple for SEG's Internet Index remains on par at a 2.3x in 4Q16, following the positive trend in our SaaS and on-premise indices as the markets have generally rebounded from a dismal first quarter.
- That said, investors in Q4 continued to richly reward the most rapidly growing and most promising Internet providers, especially those that generated significant revenue from online advertising and ecommerce. Eight percent of companies closed the quarter with a market multiple of 9.0x EV/Revenue or higher, including Alibaba (12.7x EV/Rev), Facebook (13.1x EV/Rev), Ctrip (9.4x EV/Rev) and RenRen (13.9x EV/Rev).

EV/Revenue Multiple Distribution



EV/Revenue

zynga



facebook

Bankrate, Inc.



Yandex

Alibaba.com

Chegg

NETFLIX



matchgroup

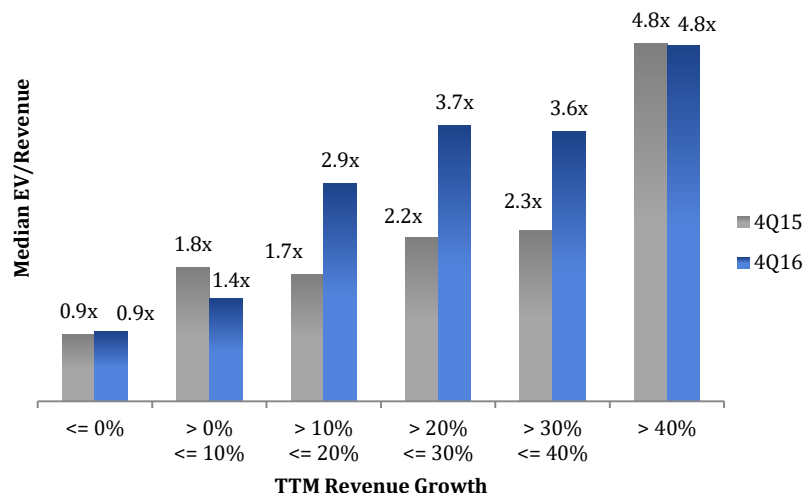


Google

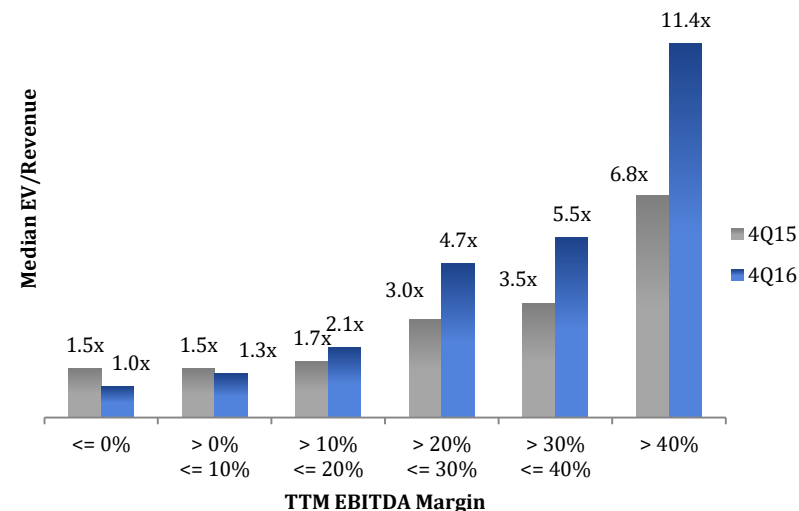


THE SEG INTERNET INDEX: PUBLIC MARKET MULTIPLES

EV/Revenue Multiples vs. TTM Revenue Growth



EV/Revenue Multiples vs. TTM EBITDA Margins



- Here, too, investors favored growth, albeit not to the extent of software and SaaS vendors. Public Internet companies with TTM revenue growth of 30% or higher received a median EV/Revenue multiple of 4.8x in Q4. The outperformers included Stamps.com (76.6%, 5.7x EV/Revenue); Zillow (38.9%, 7.7x EV/Revenue); Facebook (54.8%, 13.1x EV/Revenue) and Alibaba (45.5%, 12.7x EV/Revenue).
- Investors in public Internet companies kept a keen eye on margins, and rewarded more profitable performers with significantly higher public market multiples. Public Internet companies with EBITDA margins above 40% posted a median EV/Revenue multiple of 11.4x in 4Q16, over 9.3x higher than the overall Index median.

THE SEG INTERNET INDEX BY PRODUCT CATEGORY

- The SEG Internet Index is segmented into nine product categories.
- Representative companies in each Internet category are referenced below.
- See the appendix for the complete list of companies within each product category.

Ad Tech



Commerce



Content and Media



Gaming



Infrastructure



Search



Services



Social

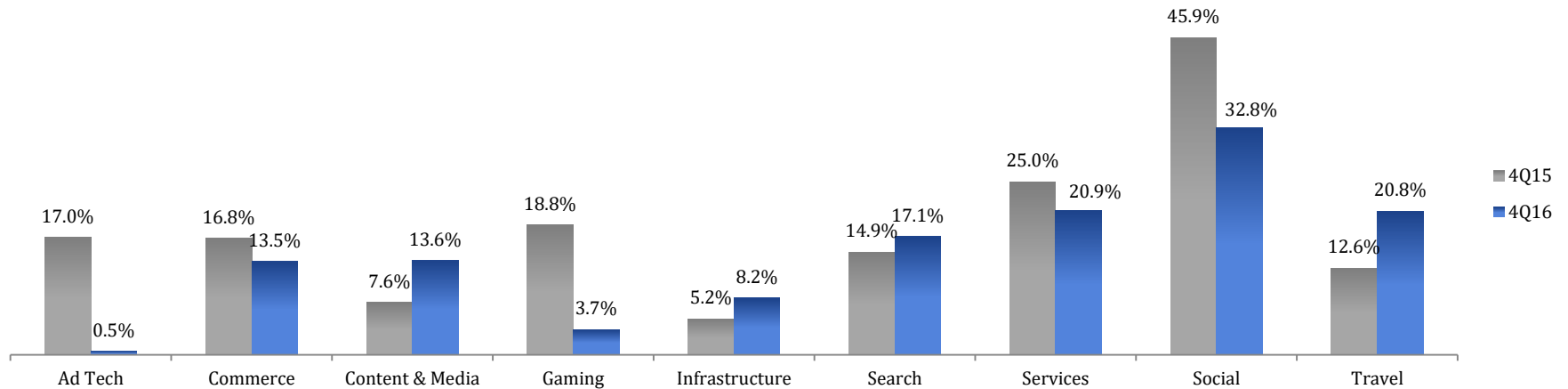


Travel

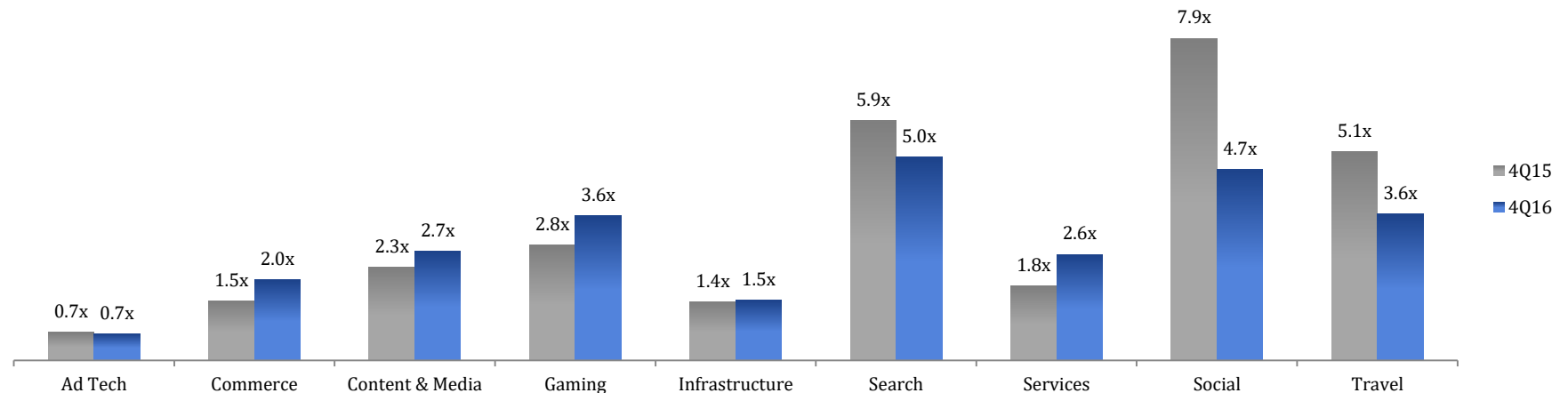


THE SEG INTERNET INDEX BY PRODUCT CATEGORY: FINANCIAL PERFORMANCE (YoY COMPARISON)

Median TTM Revenue Growth

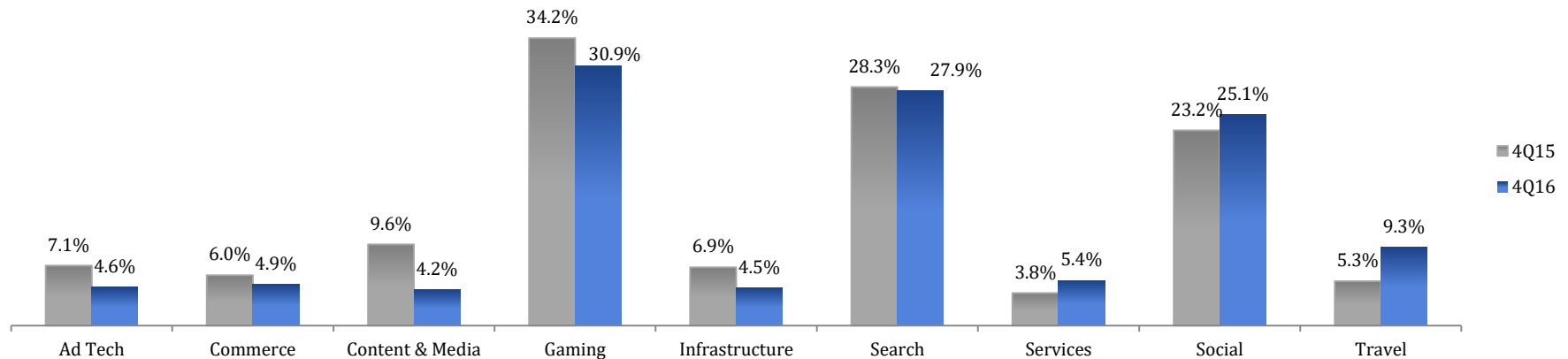


Median EV/Revenue Multiples

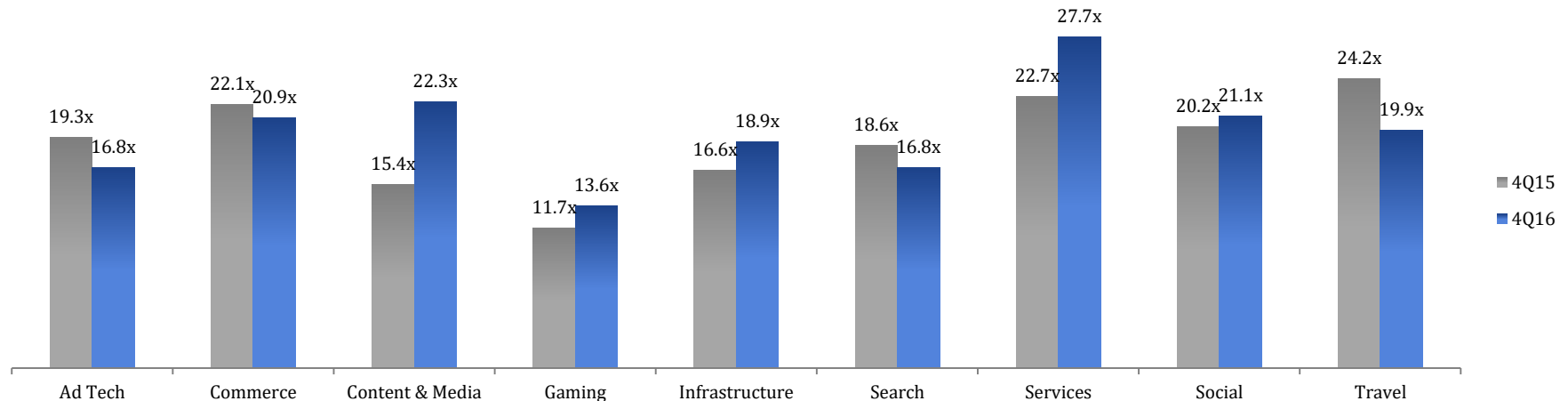


THE SEG INTERNET INDEX BY PRODUCT CATEGORY: FINANCIAL PERFORMANCE (YoY COMPARISON)

Median TTM EBITDA Margin



Median EV/EBITDA Multiples

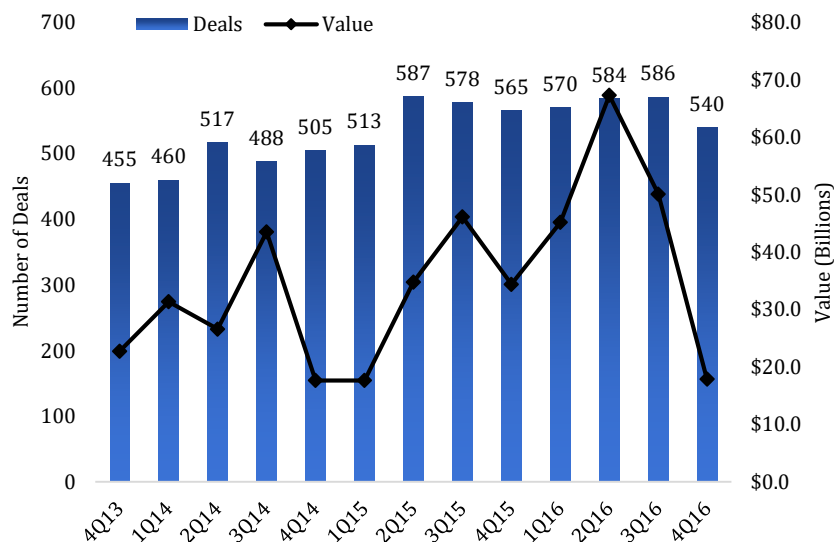


SOFTWARE INDUSTRY M&A MARKET UPDATE

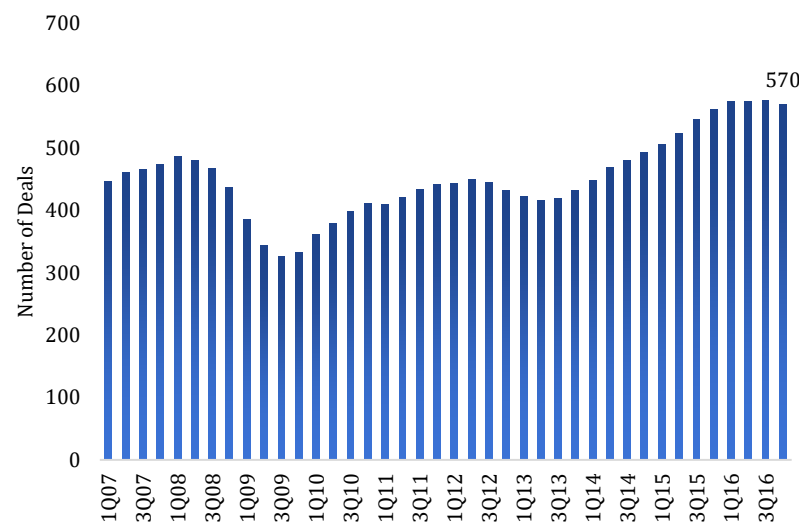


4Q16 SOFTWARE INDUSTRY M&A DEAL VOLUME AND SPENDING

U.S. Software Mergers & Acquisitions Activity



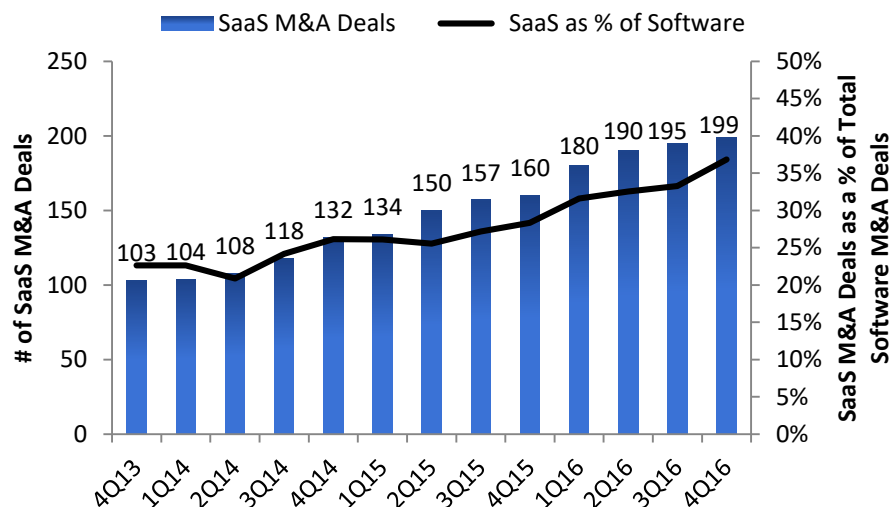
TTM Average Quarterly Deal Volume



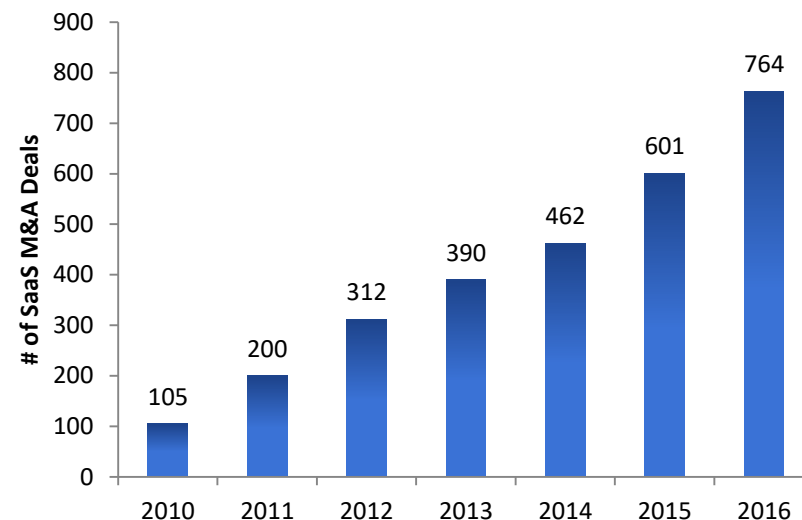
- There were 540 reported software M&A transactions in 4Q16, a modest decline from 3Q16's 586. However, we expect that the fourth quarter tally will likely increase by approximately 15 – 20 transactions as unpublicized deals are added. 4Q16 marks the ninth consecutive quarter in which transaction volume has surpassed 500 deals. In comparison, there has been an average of 458 quarterly transactions announced over the past ten years.
- On a TTM basis, average quarterly deal volume reached 570 transactions in 4Q16, representing a 17% increase in transaction activity over this past decade's pre-recession high in 2Q08 (487 TTM quarterly average). Even more impressive, TTM average quarterly deal volume has posted quarter over quarter increases in 21 of 28 quarters since bottoming out in 4Q09 (326 TTM quarterly average).
- Software M&A spending in 4Q16 totaled \$17.9 billion, down considerably from recent quarters in which very large mega-deals (EV > \$500 million) were announced. The most notable mega-deals announced during Q4 include Siemens' \$4.3 billion acquisition of electronic design automation provider, Mentor Graphics and Roper Technologies' \$2.8 billion acquisition of ERP provider, Deltek. An additional six mega-deals, each with Enterprise Value between \$500 million and \$1 billion, were announced during the final quarter of 2016. In comparison, 16 mega-deals announced in 3Q16, while 19 and 12 mega-deals announced in 2Q16 and 1Q16, respectively.

SaaS M&A: DEAL VOLUME AND MEDIAN EXIT MULTIPLES

Quarterly SaaS M&A Volume



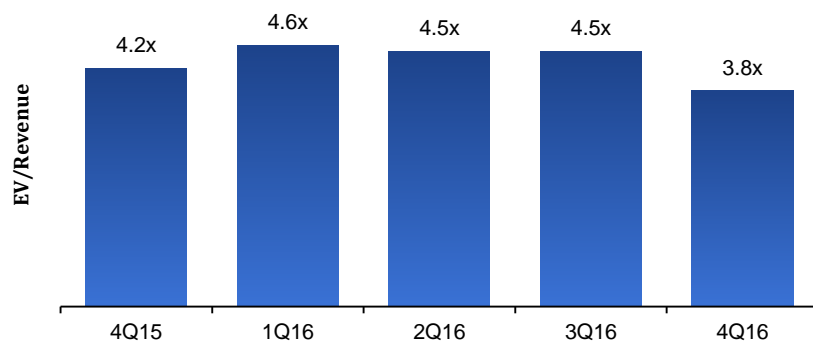
Annual SaaS M&A Volume



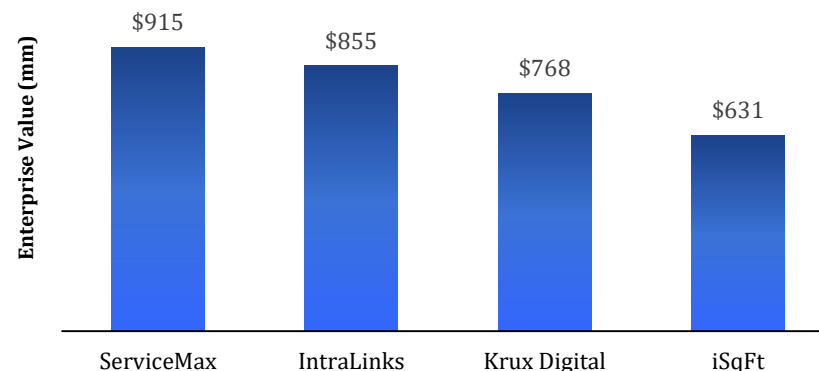
- 4Q16's 199 SaaS M&A transactions marks the 13th consecutive quarter of accelerating deal volume and a 22.5% year-over-year increase when compared to 4Q15's 160 transactions.
- On an annual basis, there were 764 SaaS M&A transactions during 2016, a 27.1% increase over 2015's 601 deals and nearly double the 390 transactions announced just three years ago. We expect approximately 900 to 950 SaaS M&A deals will occur in 2017.
- Multiple tailwinds continue to drive strong SaaS deal volume growth:
 - A secular shift toward cloud computing applications and a need for legacy on-premise vendors to acquire cloud computing expertise.
 - An extremely active private equity market that continues to be attracted to high growth subscription-based software business models.
 - Inexpensive credit available for transaction financing.

SaaS M&A: DEAL VOLUME AND MEDIAN EXIT MULTIPLES

Median TTM SaaS EV/ Revenue Exit Multiples



Q4 SaaS Mega Deals

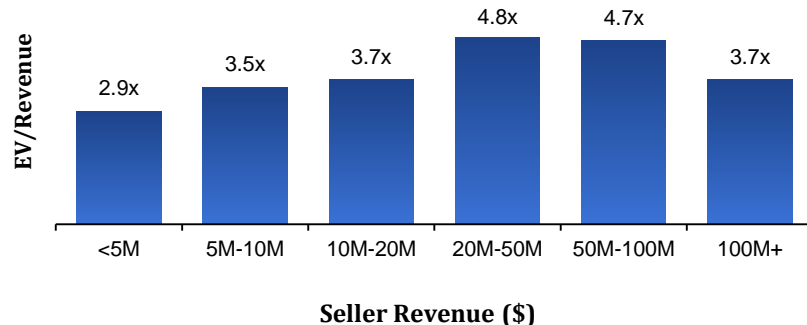


- For the 12 months ending December 2016, SaaS companies were purchased for a median 3.8x TTM revenue, falling below the 4.0x mark for the first time since 3Q15's 3.7x TTM median.
- Select 4Q TTM SaaS transactions posting exit multiples well above the median included General Electric's 4Q16 acquisition of IoT provider, Bit Stew Systems (\$153 million, 10.0x TTM revenue estimate); GE's 4Q16 acquisition of field service management vendor, ServiceMax (\$915 million, 15.3x TTM revenue estimate); Salesforce's 2Q16 acquisition of eCommerce software vendor, Demandware (\$2.7 billion, 10.5x TTM revenue); Oracle's 3Q16 acquisition of ERP provider, Netsuite (\$8.7 billion, 10.3x TTM revenue); and Wolters Kluwer's 4Q16 acquisition of healthcare software provider, Emmi Solutions (\$170 million, 5.9x TTM revenue estimate).
- In addition, several large and noteworthy SaaS transactions were announced during the fourth quarter.

- Led by GE's' acquisition of field service management software vendor, ServiceMax (\$915 million, 15.3x TTM revenue estimate), there were four SaaS mega-deals announced during 4Q16. The remaining three mega-deals include Synchronoss Technologies acquisition of secure content collaboration software vendor, IntraLinks (\$855 million, 2.9x TTM revenue); Salesforce's acquisition of cloud data management vendor, Krux Digital (\$768 million) and Roper Technologies' acquisition of cloud construction management vendor, iSqFt (\$631 million).
- Notable 4Q16 mid-size cloud deals include Model N's acquisition of contract & revenue management provider, Revitas (\$60 million); Proofpoint's acquisition of security vendor, FireLayers (\$55 million); Descartes Systems acquisition of supply chain management vendor, Datamyne (\$52.7 million).

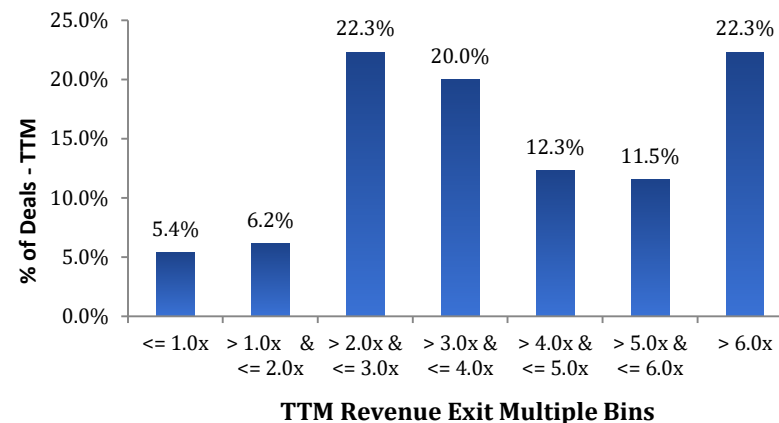
SaaS M&A: DEAL VOLUME AND MEDIAN EXIT MULTIPLES

EV/Revenue by Seller Size (Last 3 Years)



- To calculate exit multiples by seller size, we analyzed the past three years worth of SaaS deals to drive a meaningful data set.
- The 4.8x median TTM revenue multiple received by sellers generating revenue between \$20 - \$50 million was buoyed by the fact that all deals in this cohort were strategic acquisitions.
- The median TTM revenue multiple for sellers generating revenue between \$50M - \$100M was 4.7x. 13% of deals were driven by private equity buyers in this cohort.
- \$100M+ revenue sellers received a median 3.7x TTM revenue and included a private equity buyer in 30% of deals in this cohort.
- SaaS sellers generating revenue of less than \$5M received a median 2.9x TTM revenue multiple.

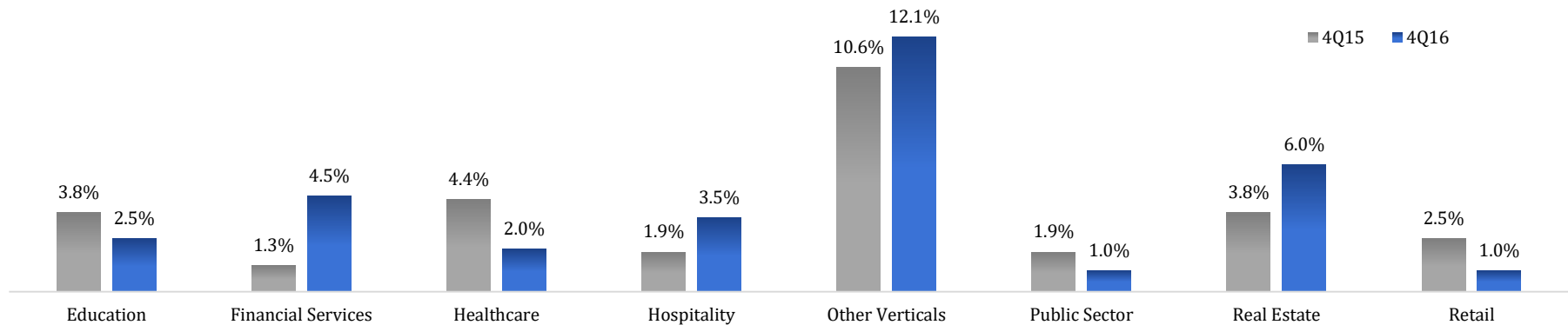
Median EV/Revenue Exit Multiple Distribution (Last 3 Years)



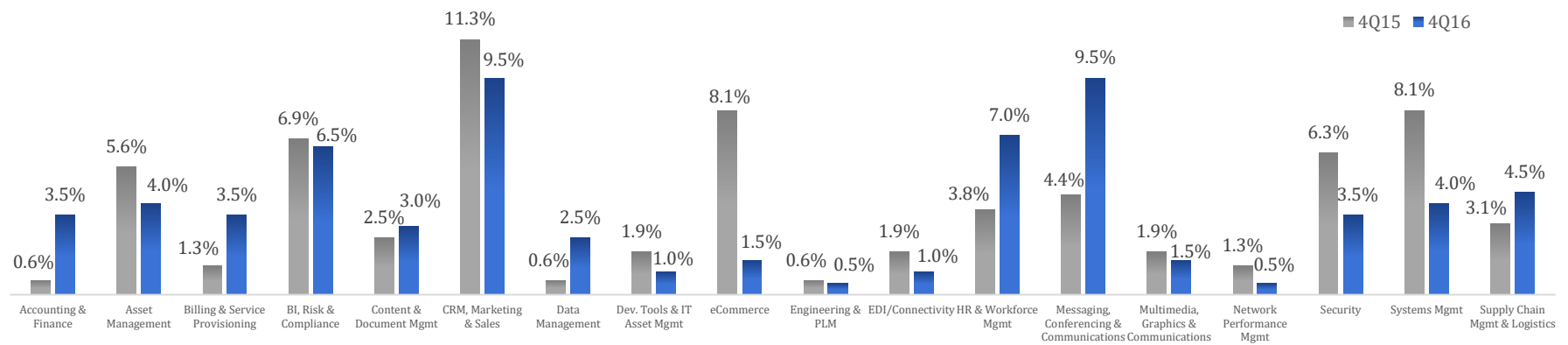
- Over the past three years, over one third of all SaaS targets were acquired for 5.0x TTM or greater.
 - Many of these targets were growing quickly, served large markets and attracted deep pocketed buyers (ie. GE's acquisition of IoT provider, Bit Stew Systems, which reportedly grew revenue 171% in 2015 and sold for approximately 10.0x TTM revenue).
- Conversely, over one third of all SaaS targets were acquired for 3.0x revenue or less.
 - Many of these targets showed modest growth and operated in commoditized markets with little product differentiation (ie. Endurance International Group's purchase of SaaS email marketing provider Constant Contact for 2.6x TTM revenue (10.8% TTM revenue growth at time of sale)).

SaaS M&A BY PRODUCT CATEGORY - 4Q16

Vertical Product Categories



Horizontal Product Categories



4Q16 SaaS M&A TRANSACTIONS

Date	Buyer	Seller	Enterprise Value (mm)	TTM Revenue	EV/Rev
12/23/16	The Descartes Systems Group Inc (TSX:DSG)	Datamyne, Inc.	\$52.7	-	-
12/22/16	-	FTAPI Software GmbH	-	-	-
12/22/16	TeamSystem S.p.A.	Netlex srl	-	-	-
12/20/16	Nemetschek SE (XTRA:NEM)	dRofus AS	\$25.4	-	-
12/20/16	Frontline Technologies Group LLC	eSped, Inc.	-	-	-
12/19/16	ULS Technology plc (AIM:ULS)	Conveyancing Alliance Limited	\$16.6	\$5.5	3.0x
12/19/16	A.li Holding Ag	F24 AG (DB:F2Y)	-	-	-
12/18/16	Guidewire Software, Inc. (NYSE:GWRE)	ISCS, Inc.*	\$160.0	\$40.0	4.0x
12/16/16	Automated Systems Holdings Limited (SEHK:771)	Grid Dynamics International, Inc.	\$118.0	\$39.7	3.0x
12/16/16	Rubean AG (BAYB:R1B)	windata GmbH & Co.KG	-	-	-
12/15/16	MassRoots, Inc. (OTCPK:MSRT)	CannaBuild , LLC	\$2.5	-	-
12/15/16	Trustees Australia Limited (ASX:TAU)	Cashwerkz Pty Ltd	-	-	-
12/15/16	LiquidHub, Inc.	Annik Inc	-	-	-
12/15/16	Fidal	Société CapitALL SAS	-	-	-
12/15/16	Mercer LLC	Thomsons Online Benefits Limited	-	-	-
12/15/16	Drooms AG	DealMarket AG	-	-	-
12/15/16	Nokia Corporation (HLSE:NOKIA)	DeepField, Inc.	-	-	-
12/15/16	HelpSystems, LLC	TeamQuest Corporation	-	-	-
12/15/16	Nexonia Inc.	Tallie Inc.	-	-	-
12/15/16	ASC Automotive Solution Center Schweiz AG	Proventx AG, automotive business	-	-	-
12/14/16	Dominion Lending Centres Inc.	Marlborough Stirling Canada Limited	\$4.2	-	-
12/14/16	Corporate Travel Management Limited (ASX:CTD)	Redfern Travel Ltd.	\$52.6	-	-
12/14/16	Avero, LLC	VinTank LLC	-	-	-
12/14/16	hybris AG	Abakus, Inc.	-	-	-
12/13/16	Sidetrade SA (ENXTPA:ALBFR)	IKO System SA	-	-	-
12/13/16	CloudFlare, Inc.	Eager Platform Co.	-	-	-
12/13/16	Solar Communications Ltd	Denwa Limited	-	-	-
12/12/16	West Corporation (NasdaqGS:WSTC)	911 ETC, Inc.	\$10.0	-	-
12/12/16	Model N, Inc. (NYSE:MODN)	Revitas Inc.	\$60.0	-	-
12/12/16	Fiserv, Inc. (NasdaqGS:FISV)	Online Banking Solutions, Inc.	-	-	-
12/12/16	First Republic Bank (NYSE:FRC)	Gradifi, Inc.	-	-	-
12/12/16	IQNavigator, Inc.	Beeline.com, Inc.	-	-	-
12/12/16	RS Energy Group	Navport Inc.	-	-	-
12/09/16	Leeds Equity Partners, LLC	Business & Legal Resources, Inc.	-	-	-
12/09/16	Adecco Group AG (SWX:ADEN)	Talentoday Inc.	-	-	-
12/08/16	ERwin, Inc.	Casewise Systems Limited	-	-	-
12/08/16	Intellectsoft LLC	Meople.Net, Inc.	-	-	-
12/08/16	Insurity, Inc.	Systema Software, LLC	-	-	-
12/07/16	-	Centrify Corporation	-	-	-
12/06/16	Dasheroo, Inc.	FreshLime Inc.	-	-	-

4Q16 SaaS M&A TRANSACTIONS (CON'T)

Date	Buyer	Seller	Enterprise Value (mm)	TTM Revenue	EV/Rev
12/06/16	Compuware Corporation	Standardware Inc.	-	-	-
12/06/16	Docker, Inc.	Infinitt International Inc	-	-	-
12/05/16	Synchronoss Technologies, Inc. (NasdaqGS:SNCR)	IntraLinks Holdings, Inc. (NYSE:IL)	\$854.5	\$290.6	2.9x
12/03/16	Yoh Services LLC	DreamJobs Inc.	-	-	-
12/02/16	Software Aktiengesellschaft (XTRA:SOW)	Zementis, Inc.	-	-	-
12/02/16	DigitalTown, Inc. (OTCPK:DGTW)	Epik, LLC	-	-	-
12/02/16	-	NETIA SA	-	-	-
12/01/16	Solebrity, Inc.	Net Data Direct Inc.	-	-	-
11/30/16	Yumeshin Holdings Co.,Ltd. (JASDAQ:2362)	Keepdata Ltd.	\$4.9	-	-
11/30/16	HubCo Investments plc (AIM:BST)	Big Sofa Technologies PLC	\$5.9	-	-
11/30/16	FactSet Research Systems Inc. (NYSE:FDS)	Vermilion Software Inc.	\$67.0	-	-
11/30/16	Predictive Compliance LLC	Bowles-Langley Technology, Inc.	-	-	-
11/30/16	Capital Foundry LLC, Investment Arm	EquityNet, LLC	-	-	-
11/30/16	SuSE Inc.	OpenStack IaaS and Cloud Foundry PaaS technology and talent	-	-	-
11/30/16	Vimo, Inc.	Array Health Solutions Inc.	-	-	-
11/29/16	Booz Allen Hamilton Inc.	eGov Holdings, Inc.	\$250.0	-	-
11/29/16	Spar Nord Bank A/S (CPSE:SPNO)	SubHub ApS	-	-	-
11/29/16	Rogue Wave Software, Inc.	Akana, Inc.	-	-	-
11/29/16	-	ESI Expert Systems Industries, Ltd.	-	-	-
11/29/16	Alinto SA	Cleanmail AG	-	-	-
11/29/16	Cendyn Corporation	Guestfolio Communications Inc.	-	-	-
11/29/16	VTS, Inc.	Hightower, Inc.	-	-	-
11/28/16	-	Prevalent Networks LLC	-	-	-
11/28/16	Return Path, Inc.	Embarke, Inc.	-	-	-
11/28/16	NASCENT Technology, LLC	Smart Track Logistics, Inc.	-	-	-
11/25/16	Pivot Software Limited	Remesys Pty Ltd	-	-	-
11/24/16	AnalytixInsight Inc. (TSXV:ALY)	Euclides Technologies, Inc.	\$1.5	-	-
11/24/16	SciSys plc (AIM:SSY)	ANNOVA Systems GmbH	\$29.4	\$7.9	3.7x
11/23/16	PT Mid Kelola Indonesia	PT. Awakami	-	-	-
11/23/16	Symphony Technology Group	TempBuddy Ltd.	-	-	-
11/22/16	Diversis Capital UK Limited	ServicePower Technologies plc (AIM:SVR)	\$17.9	\$15.4	1.2x
11/21/16	Sidetrade SA (ENXTPA:ALBFR)	BrightTarget Ltd	-	-	-
11/21/16	Kerridge Commercial Systems Limited	Integrity SA	-	-	-
11/21/16	Oracle Corporation (NYSE:ORCL)	Dyn Inc.	-	-	-
11/21/16	Strait Lane Capital Partners, LLC	File & ServeXpress Holdings, LLC	-	-	-
11/21/16	Marlin Equity Partners, LLC	Edgenet, Inc.	-	-	-
11/17/16	Power Factors, LLC	EKHOSOFT Inc.	-	-	-
11/17/16	Sprinklr Inc.	Little Bird, Inc.	-	-	-
11/16/16	Verint Systems Inc. (NasdaqGS:VRNT)	OpinionLab Inc.	-	-	-
11/16/16	Echo360, Inc.	Astute Technology, Inc.	-	-	-

4Q16 SaaS M&A TRANSACTIONS (CON'T)

Date	Buyer	Seller	Enterprise Value (mm)	TTM Revenue	EV/Rev
11/16/16	Facebook, Inc. (NasdaqGS:FB)	FacioMetrics LLC	-	-	-
11/16/16	LeaseQ, Inc.	Noesis Energy, Inc.	-	-	-
11/15/16	GE Digital LLC	Bit Stew Systems Inc.*	\$153.0	\$15.3	10.0x
11/15/16	GE Digital LLC	Wise.io, Inc.	-	-	-
11/15/16	DataStax, Inc.	DataScale, Inc.	-	-	-
11/15/16	Hulu, LLC	Structured Data Intelligence LLC	-	-	-
11/15/16	RL360 Insurance Company Limited	Ardan International Limited	-	-	-
11/15/16	Graduway	IntroMaps, LLC	-	-	-
11/15/16	Tomizone Limited (ASX:TOM)	Social Light Inc.	-	-	-
11/15/16	Drillinginfo, Inc.	Ponderosa Energy, LLC	-	-	-
11/14/16	GE Digital LLC	ServiceMax, Inc.*	\$915.0	\$59.8	15.3x
11/14/16	Olympia Financial Group Inc. (TSX:OLY)	CRM2 System and Back-Office System	-	-	-
11/14/16	Aon Hewitt LLC	CoCubes Technologies Pvt. Ltd.	-	-	-
11/14/16	ViaSat, Inc. (NasdaqGS:VSAT)	Aerodocs Limited	-	-	-
11/11/16	The Descartes Systems Group Inc (TSX:DSG)	4Solutions Pty Ltd.	\$2.6	-	-
11/11/16	Facebook, Inc. (NasdaqGS:FB)	CrowdTangle, Inc.	-	-	-
11/10/16	PROACTIS Holdings PLC (AIM:PHD)	Millstream Associates Limited	\$20.7	\$6.1	3.4x
11/10/16	Authorea, Inc.	The Winnower Inc.	-	-	-
11/10/16	Inside Real Estate	Kunversion, LLC	-	-	-
11/09/16	Gartner, Inc. (NYSE:IT)	Machina Research Limited	-	-	-
11/08/16	Preqin Ltd.	Baxon Solutions Limited	-	-	-
11/07/16	Callidus Software Inc. (NasdaqGM:CALD)	Datahug Limited	\$13.0	-	-
11/07/16	The Riverside Company	Competitive Edge Software, Inc.	-	-	-
11/07/16	Notified	Twintip Insights AB, Media Coverage Business	-	-	-
11/07/16	Advantage Smollan Limited	Flixmedia Limited	-	-	-
11/07/16	Trimble Inc. (NasdaqGS:TRMB)	Building Data, LLC	-	-	-
11/07/16	FairMed Online Pte Ltd	Caremondo GmbH	-	-	-
11/07/16	Yokogawa Electric Corporation (TSE:6841)	Soteica Visual Mesa LLC	-	-	-
11/04/16	Broadridge Financial Solutions, Inc. (NYSE:BR)	M&O Systems, Inc.	\$25.0	-	-
11/04/16	BC Partners; Medina Capital	Brainspace Corporation	-	-	-
11/03/16	Faye Business Systems Group, Inc.	Atcore Systems, LLC	-	-	-
11/03/16	Inbound Retargeting Technologies Inc.	Primeloop, Inc.	-	-	-
11/03/16	REDK CRM Solutions, Ltd.	The Sugar Refinery Limited	-	-	-
11/03/16	FareHarbor Holdings, Inc.	Activity Link Systems, LLC	-	-	-
11/03/16	FONCIA Groupe SAS	SAS Somhome	-	-	-
11/02/16	Spotify USA Inc	Preact, Inc.	-	-	-
11/02/16	Route Mobile Limited	Defero Mobile Pte. Ltd.	-	-	-
11/02/16	MSL Solutions Limited	Verteda Ltd.	-	-	-
11/01/16	Fleetmatics Group PLC	TrackEasy GmbH	-	-	-
11/01/16	Bentley Systems, Incorporated	Comply Serve Limited	-	-	-

4Q16 SaaS M&A TRANSACTIONS (CON'T)

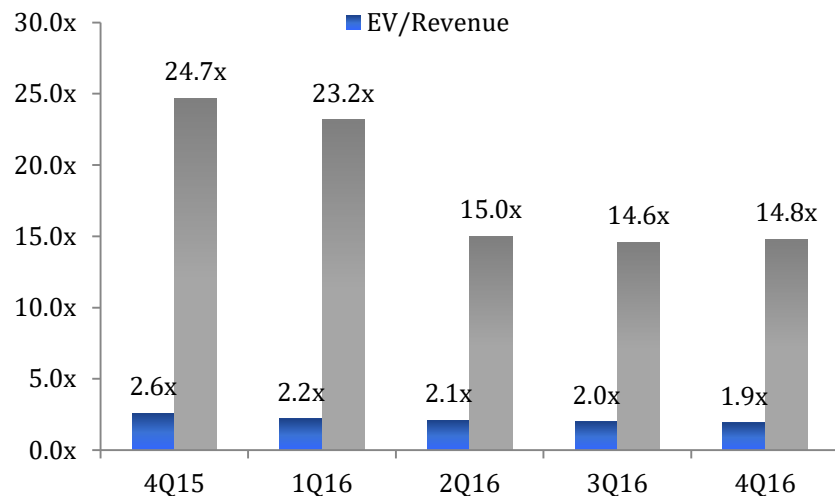
Date	Buyer	Seller	Enterprise Value (mm)	TTM Revenue	EV/Rev
11/01/16	IBM Interactive Experience	Fluid Inc., Expert Personal Shopper	-	-	-
11/01/16	Ben E. Keith Company	MenuMax, LLC	-	-	-
11/01/16	Urbana Corporation (TSX:URB);	Real Matters, Inc.	-	-	-
11/01/16	Oku Tech Pvt. Ltd.	REXPROP	-	-	-
11/01/16	Sterling Valley Systems, Inc.	Ryan Solutions, LLC	-	-	-
10/31/16	Roper Technologies, Inc. (NYSE:ROP)	iSqFt, Inc.	\$631.0	-	-
10/31/16	Schneider Electric SE (ENXTPA:SU)	MaxEAM Inc.	-	-	-
10/31/16	InSequent, Inc.	Ladderr	-	-	-
10/31/16	ITC Management Group	TryShifu GmbH	-	-	-
10/31/16	OOO 1C	Qsoft LLC	-	-	-
10/31/16	Virtual Instruments Corporation	Xangati, Inc.	-	-	-
10/31/16	Dun & Bradstreet (Australia) Pty Ltd	TenderLink.com Pty Ltd.	-	-	-
10/31/16	Insight Venture Partners	Ministry Brands LLC	-	-	-
10/31/16	Bloomberg BNA, Inc.	Document Analytic Technologies, LLC	-	-	-
10/28/16	Deluxe Corporation (NYSE:DLX)	Data Support Systems, Inc.	\$21.0	-	-
10/27/16	B.I.G. Capital LLC	Help Desk Technology Corporation	-	-	-
10/27/16	Esker SA (ENXTPA:ALESK)	e-integration GmbH	-	-	-
10/27/16	International Business Machines Corporation (NYSE:IBM)	Sanovi Technologies Corporation	-	-	-
10/27/16	Wavebid, Inc.	AuctionServices.com, Inc.	-	-	-
10/26/16	Aspen Technology, Inc. (NasdaqGS:AZPN)	Mtelligence Corporation	\$37.4	-	-
10/26/16	BloomReach, Inc.	Hippo B.V.	-	-	-
10/26/16	Blackboard Inc.	Fronteer LTD	-	-	-
10/25/16	Larsen & Toubro Infotech Limited (NSEI:LTI)	AugmentIQ Data Science Pvt. Ltd.	\$1.1	\$0.4	2.9x
10/25/16	PRGX USA, Inc.	Lavante, Inc.	\$4.3	-	-
10/25/16	Retriever AB	STT Viestintäpalvelut, Media Monitoring Business	-	-	-
10/25/16	LDC (Managers) Limited	Mitretech Ltd.	-	-	-
10/25/16	FireMon, LLC	FortyCloud Ltd	-	-	-
10/24/16	Crossrider Plc (AIM:CROS)	eSupport.com, Inc., DriverAgent	\$1.0	-	-
10/24/16	Visual IQ, Inc.	Refined Labs GmbH	-	-	-
10/24/16	Binary Tree, Inc.	Donova AB	-	-	-
10/24/16	LM Tietopalvelut Oy	LM Information Delivery Spain, S.L.	-	-	-
10/24/16	Renaissance Administration LLC	Crown Philanthropic Solutions, LLC	-	-	-
10/21/16	LDiscovers, LLC	Kroll Ontrack Inc.	\$410.0	-	-
10/21/16	Ubiquity s.r.l.	Solutions Infini Technologies India Pvt. Ltd.	-	-	-
10/21/16	Groupon, Inc. (NasdaqGS:GRPN)	BeautyNow, LLC	-	-	-
10/20/16	Sophos Ltd.	Barricade Security Systems Limited	\$1.9	-	-
10/20/16	Proofpoint, Inc. (NasdaqGM:PFPT)	FireLayers, Inc.	\$55.0	-	-
10/20/16	Wipro Limited (BSE:507685)	Appirio Inc.	\$500.0	\$196.1	2.6x
10/20/16	Medallia, Inc.	Kampyle Ltd.	-	-	-
10/20/16	Forum Trading Solutions Ltd	GMEX Technologies Limited	-	-	-

4Q16 SaaS M&A TRANSACTIONS (CON'T)

Date	Buyer	Seller	Enterprise Value (mm)	TTM Revenue	EV/Rev
10/20/16	AIR Worldwide Corporation	Analyze Re Inc.	-	-	-
10/19/16	Deem, Inc.	OLSET, Inc.	-	-	-
10/18/16	Kawf.com, Inc.	Capture Media, Inc.	-	-	-
10/18/16	Kibo Software, Inc	Mozu	-	-	-
10/18/16	Casamba, Inc.	HealthWyse, LLC	-	-	-
10/18/16	Freshdesk Technologies Private Limited	Chatimity Software Pvt Ltd	-	-	-
10/18/16	Vision Media Management & Fulfillment, LLC	Fordela Corporation	-	-	-
10/18/16	Coverfly LLC	The Script Lab LLC	-	-	-
10/17/16	Vikram Financial Services Limited	Green Cush Card	\$2.3	-	-
10/17/16	Cisco Systems, Inc. (NasdaqGS:CSCO)	WorkLife Solutions Inc.	-	-	-
10/13/16	S-Money SAS	E-Cotiz SAS	-	-	-
10/13/16	meetyoo conferencing GmbH	ubivent GmbH	-	-	-
10/12/16	The Descartes Systems Group Inc (TSX:DSG)	Appterra, Inc.	\$7.4	-	-
10/12/16	PowerSchool Group LLC	Chalkable, Inc.	-	-	-
10/11/16	Corcentric Collective Business System Corp.	InfoAccess.net LLC	-	-	-
10/11/16	Elm Street Technology, LLC	Listingbook, LLC	-	-	-
10/10/16	Intuit Inc. (NasdaqGS:INTU)	MTS Global (Europe) Limited	-	-	-
10/10/16	TRGRP, Inc.	Priory Solutions Limited	-	-	-
10/10/16	Yodlee, Inc.	Wheelhouse Analytics, LLC	-	-	-
10/10/16	Agile Network, LLC	Pantechnik Systems Ltd	-	-	-
10/10/16	Zonal Retail Data Systems Ltd.	High Level Software Limited	-	-	-
10/08/16	BLACKOPS Cyber, Inc.	Ghost Security Group	-	-	-
10/06/16	Ion Investment Group Limited	Reval Holdings, Inc.	-	-	-
10/06/16	Capital One Financial Corporation (NYSE:COF)	Paribus Co.	-	-	-
10/06/16	SMS Portal (Pty) Ltd.	Bulktext Services Limited	-	-	-
10/05/16	TuneCore, Inc.	TuneCore Social	-	-	-
10/05/16	SCHOOLZILLA, Inc.	Decision Science, LLC	-	-	-
10/04/16	Wolters Kluwer Health, Inc.	Emmi Solutions, LLC*	\$170.0	\$28.8	5.9x
10/04/16	Radius Payment Solutions Ltd	Trackyou Ltd.	-	-	-
10/04/16	EPiServer AB	optivo GmbH	-	-	-
10/04/16	Senior Sistemas S.A.	Work Labs Tecnologia e Sistemas Ltda	-	-	-
10/04/16	Loja Integrada Plataforma de Loja Virtual Ltda	Integrando.se	-	-	-
10/04/16	Akamai Technologies, Inc. (NasdaqGS:AKAM)	Soha Systems, Inc.	-	-	-
10/04/16	Micro Focus International plc (LSE:MCRO)	GWAVA Inc.	-	-	-
10/04/16	A&NN Capital Fund Management Limited; Amereus Group	Web Logistics (LLC)	-	-	-
10/04/16	think project! International GmbH & Co. KG	Conetics AG	-	-	-
10/04/16	LM Tietopalvelut Oy	Jaicom Oy	-	-	-
10/03/16	salesforce.com, inc. (NYSE:CRM)	Krux Digital Inc.	\$768.0	-	-
10/03/16	Guest Suite	Vinivi Ltd.	-	-	-

ON-PREMISE SOFTWARE M&A EXIT MULTIPLES

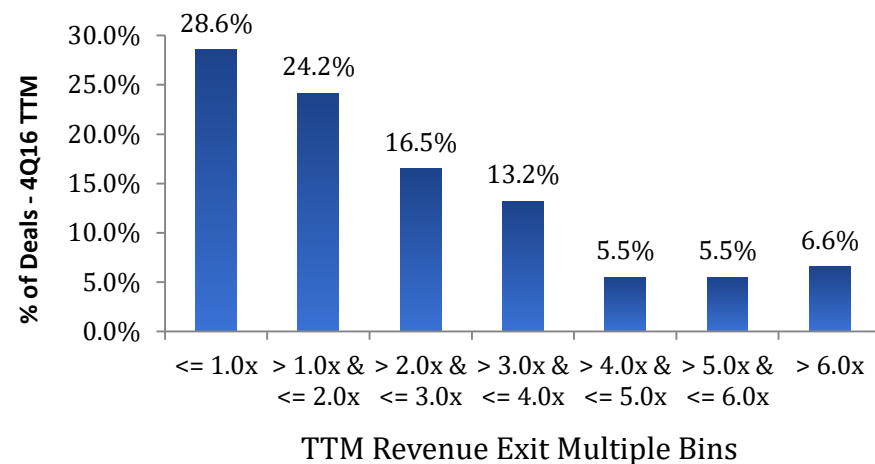
Median Exit Multiples



- In 4Q16, on-premise software providers posted a median 1.9x TTM revenue multiple, half the median 3.8x TTM multiple posted by SaaS sellers in 4Q16.
- 4Q16's 1.9x TTM revenue marks the first time the median on premise exit multiple has fallen below 2.0x since 2Q13's 1.8x mark.
- The median EV/EBITDA exit multiple for public on-premise software companies was 14.8x TTM EBITDA in 4Q16, roughly in line with the prior two quarters.

*Note - EV/EBITDA multiples comprised public sellers only

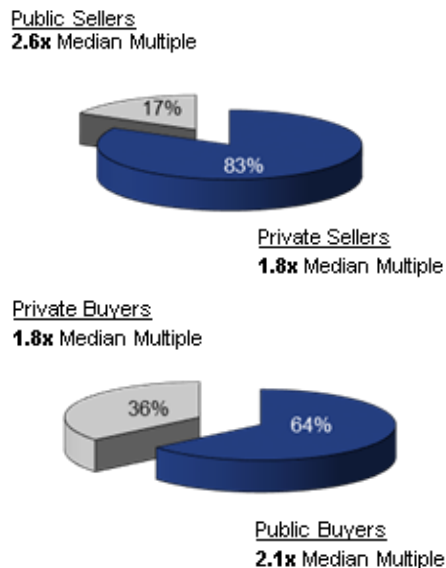
Median EV/Revenue Exit Multiple Distribution



- On a TTM basis, approximately 53% of all on-premise software targets were acquired for 2.0x TTM or less, and 69% for 3.0x or less. In comparison, 51% were acquired for 2.0x TTM revenue or less and 65% for 3.0x or less in 3Q16.
- Notable on-premise software transactions significantly exceeding median exit multiples include Siemen 4Q16 acquisition of electronic design automation vendor, Mentor Graphics (\$4.3 billion, 3.8x TTM revenue), Dassault Systems' 3Q16 acquisition of engineering simulation software provider, Computer Simulation Technology (\$242 million, 4.7x TTM revenue) and Thoma Bravo's 2Q16 acquisition of business intelligence provider, Qlik Technologies (\$2.6 billion, 4.1x TTM revenue).

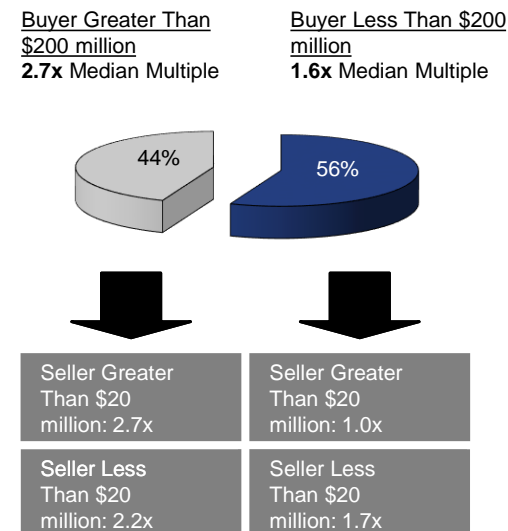
ON-PREMISE SOFTWARE M&A: BY OWNERSHIP STRUCTURE AND SIZE

Public vs. Private Target



- Of the TTM deals announced with an ascertainable EV/Rev exit multiple, 83% of software M&A transactions featured privately-held targets.
- The median TTM exit multiple was significantly higher for public on-premise software sellers (2.6x TTM revenue) than for their private counterparts (1.8x TTM revenue).
- Over the last 12 months, public buyers paid a median 2.1x TTM revenue for their targets, compared to a median of 1.8x paid by private buyers.

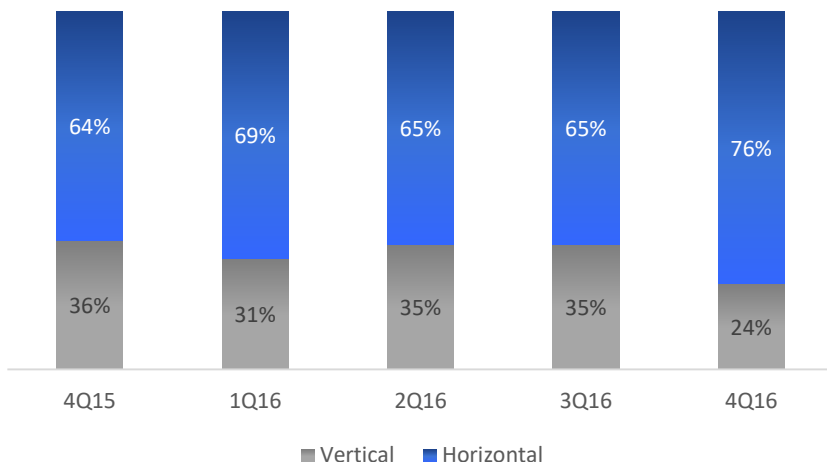
Large vs. Smaller Buyer



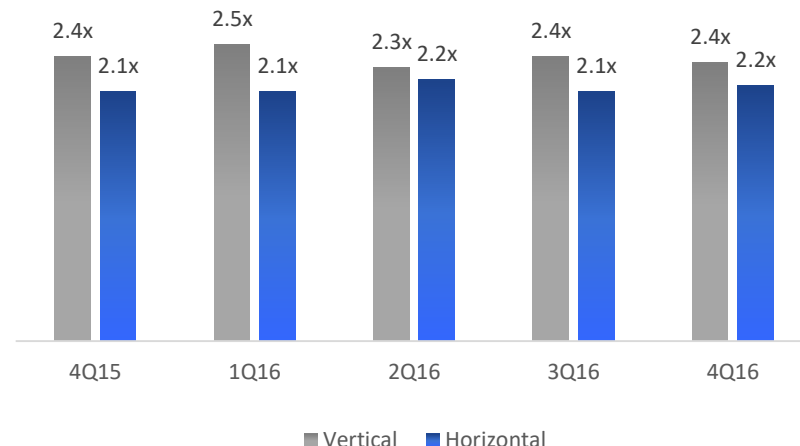
- Buyers with revenue greater than \$200 million paid a median 2.7x TTM revenue for their targets, compared to a median 1.6x TTM revenue paid by sub-\$200 million revenue buyers.
- While the highest exit multiples have historically featured a large public or private buyer (greater than \$200 million in revenue) acquiring a small target (less than \$20 million), this was not the case in 4Q16. For the last 12 months, large buyers paid a median 2.7x TTM revenue for acquisition targets exhibiting scale.

ON-PREMISE SOFTWARE M&A: BY VERTICAL AND HORIZONTAL MARKETS

Horizontal & Vertical M&A Volume



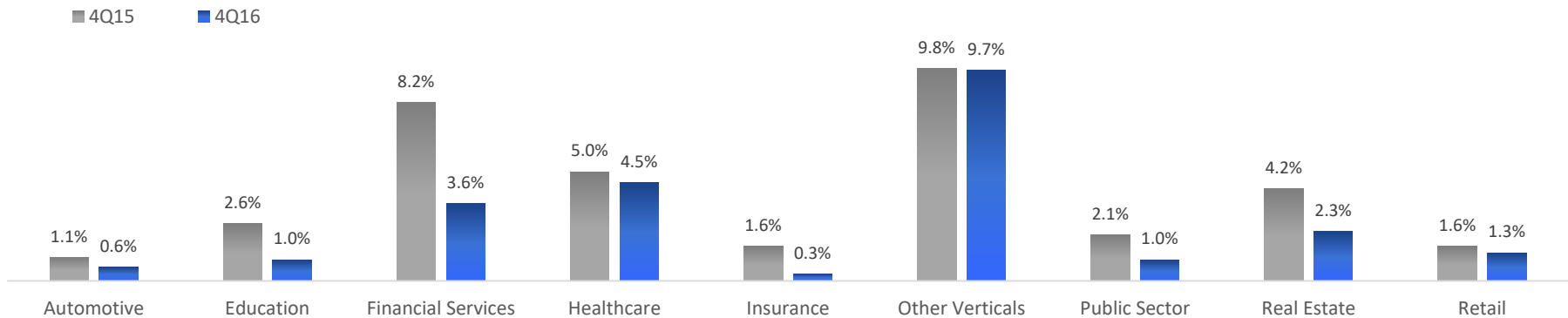
Horizontal & Vertical M&A Median EV/Revenue Exit Multiples



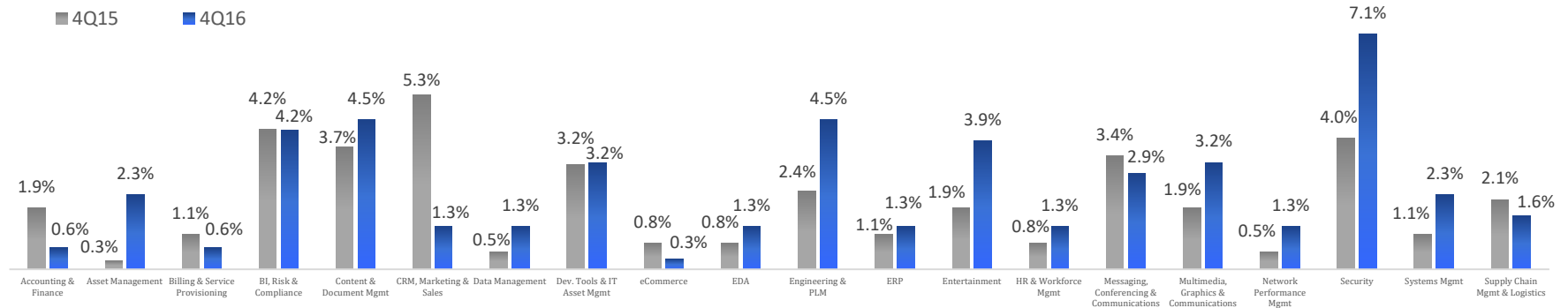
- The median exit valuation of horizontal software companies was 2.2x TTM revenue in 4Q16, on par with recent quarters. Representative Q4 horizontal transactions included Siemens acquisition of electronic design automation vendor, Mentor Graphics (\$4.3 billion, 3.8x TTM revenue) and Enea's acquisition of network intelligence vendor, Qosmos (\$39.6 million, 2.5x TTM revenue).
- The median exit valuation of vertical software companies was 2.4x TTM revenue in 4Q16, also on par with recent quarters. Vertical software targets have fetched a higher median EV/Revenue exit multiple than their horizontal software counterparts for the past nine quarters. That represents a marked turnaround for vertical software median exit valuations after a dismal 2012 and 2013 (1.5x). The vertical exit recovery began in 2014 when the median multiple advanced to 2.2x.
- Q4's more noteworthy vertical on-premise software deals included Fidelity's acquisition of Sungard's public sector and education divisions (\$850 million), Ziff Davis' acquisition of healthcare software provider, Everyday Health (\$465 million, 1.8x TTM revenue) and Evolent Health's acquisition of Healthcare Insurance software provider, Aldera Holdings (\$34 million).

ON-PREMISE SOFTWARE M&A ACTIVITY BY PRODUCT CATEGORY

Vertical Product Categories

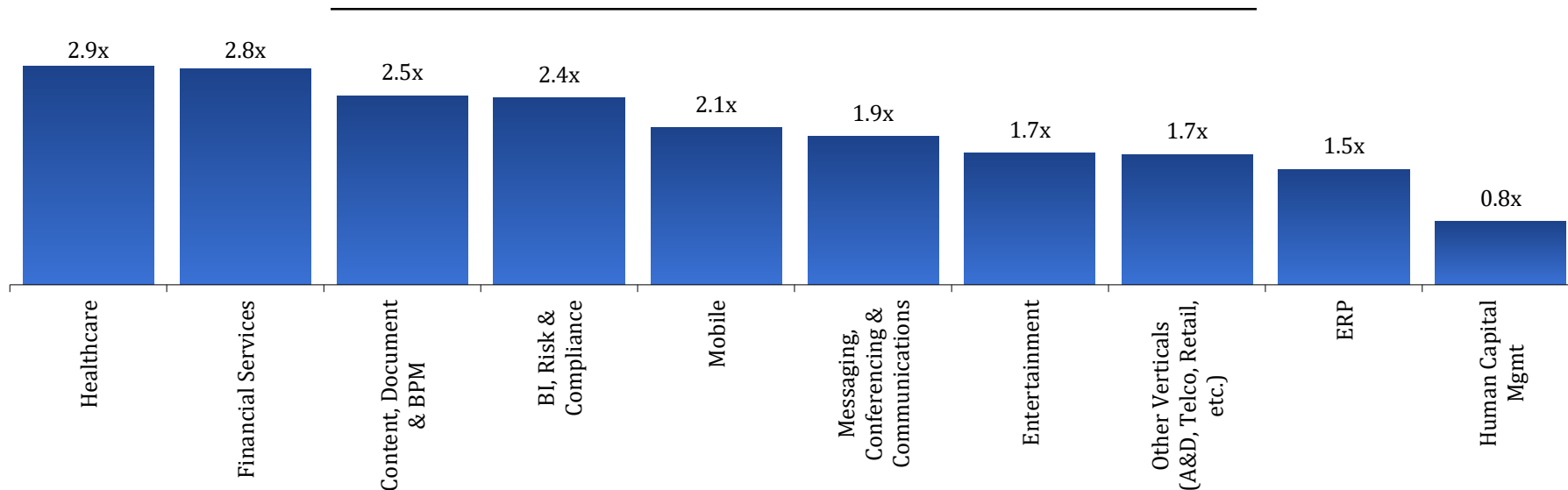


Horizontal Product Categories



ON-PREMISE SOFTWARE M&A EXIT MULTIPLES BY PRODUCT CATEGORY

Median EV/Revenue Exit Multiples by Software Product Category



- Among the 36 on-premise software product categories we track, ten had both sufficient deal activity and deal data to ascertain a category TTM revenue multiple in 4Q16.
- On a TTM basis, the Healthcare category was rewarded with the highest median exit multiple of 2.9x TTM revenue, followed by Financial Services' 2.8x TTM revenue.
- Notable Healthcare transactions include IBM's 1Q16 acquisition of healthcare analytics provider, Truven Holding (\$3.6 billion, 5.8x TTM revenue); Echo's 3Q16 acquisition of Morrissey (\$48 million, 3.8x TTM revenue) and EQT Partners' 3Q16 acquisition of healthcare patient survey software and services provider, Press Ganey Holdings (\$2.4 billion, 6.9x TTM revenue).
- Notable Financial Services software transactions included Mastercard's 3Q16 acquisition of VocaLink (\$1.1 billion, 5.1x TTM revenue) and Broadridge Financial Solutions' 2Q16 acquisition of 4Sight Financial Software Limited (\$40 million, 3.3x TTM revenue).
- On-premise Human Capital Management exit multiples lagged far behind all other product categories on a TTM basis – posting a meager 0.8x median TTM revenue multiple in 4Q16.

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SEG provides unparalleled M&A advisory services for emerging and lower middle market enterprise software companies. By focusing exclusively on this underserved market segment for over 25 years, we have the knowledge and experience to quickly determine clients' business value drivers, strategically identify prospective buyers and aggressively negotiate top-tier valuations. These skills together with our commitment to excellence results in exceptional outcomes for our clients' shareholders, employees and customers.

"SEG's integrity, experience, knowledge, judgement and dedication was exemplary during the sale of our business. The outcome exceeded my objectives, both financially and in the long term success of our employees and customers. I know without a doubt that retaining SEG was the highest ROI investment we ever made as a company."

*Tad Fallow, CEO
iLab Solutions, LLC*

For a confidential consultation without obligation, please contact Kris Beible, Vice President (858) 509-2800, kbeible@softwareequity.com.

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APPENDIX



THE SEG SaaS INDEX COMPANIES – KEY METRICS

Company	SEG SaaS Index																			
	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16
2U	7.1x	5.4x	6.7x	8.2x	7.6x	-	-	-	-	-	32.0%	36.2%	37.6%	37.1%	39.3%	-19.5%	-16.6%	-14.0%	-12.2%	-10.6%
Alarm.com	3.6x	3.0x	4.0x	4.9x	4.9x	22.5x	21.0x	27.3x	30.8x	30.9x	26.1%	24.8%	25.8%	25.8%	25.7%	15.9%	14.4%	14.8%	15.9%	15.7%
Amber Road	1.8x	1.8x	2.1x	3.7x	3.8x	-	-	-	-	-	7.5%	3.5%	5.9%	4.6%	5.4%	-26.8%	-33.6%	-30.0%	-24.9%	-19.5%
AppFolio	7.5x	5.3x	5.1x	6.5x	7.2x	-	-	-	-	-	-	57.3%	53.4%	48.9%	44.5%	-19.3%	-16.1%	-14.4%	-11.9%	-7.6%
Apptio, Inc	-	-	-	6.4x	4.1x	-	-	-	-	-	-	21.2%	21.2%	20.5%	22.7%	-26.3%	-25.9%	-22.7%	-21.0%	-18.3%
Athenahealth	7.2x	5.9x	5.5x	5.0x	4.0x	77.8x	89.7x	67.5x	59.2x	47.7x	23.8%	22.9%	22.4%	21.2%	19.5%	9.2%	6.6%	8.1%	8.4%	8.4%
Atlassian Corp	16.0x	11.2x	10.3x	12.3x	10.7x	341.2x	254.1x	286.6x	652.4x	-	-	-	-	43.0%	39.2%	4.7%	4.4%	3.6%	1.9%	-0.1%
Bazaarvoice	1.6x	1.1x	1.2x	1.5x	1.8x	-	-	-	-	-	9.3%	6.1%	4.5%	3.6%	2.4%	-9.2%	-9.2%	-7.5%	-4.9%	-4.1%
Benefitfocus	6.0x	4.6x	5.3x	5.7x	4.0x	-	-	-	-	-	34.1%	34.7%	32.0%	33.0%	31.6%	-27.5%	-24.4%	-22.3%	-17.1%	-12.2%
Blackbaud	5.1x	4.7x	5.0x	5.2x	4.7x	31.0x	28.8x	30.0x	31.2x	29.1x	12.5%	13.0%	13.1%	13.9%	15.2%	16.3%	16.4%	16.7%	16.6%	16.3%
Box	4.9x	4.1x	4.1x	4.2x	5.0x	-	-	-	-	-	45.5%	39.9%	38.2%	35.1%	33.3%	-56.9%	-54.3%	-47.6%	-41.0%	-33.8%
Callidus Software	5.9x	4.2x	5.0x	5.5x	4.4x	-	1975.1x	-	-	-	27.8%	26.7%	25.0%	22.9%	20.1%	-3.1%	0.2%	0.0%	-0.1%	-0.5%
Castlight Health	3.6x	2.4x	3.1x	3.4x	3.8x	-	-	-	-	-	88.9%	65.1%	54.3%	42.5%	36.0%	-111.6%	-103.8%	-93.6%	-82.4%	-67.6%
ChannelAdvisors	2.9x	2.3x	2.5x	2.5x	2.6x	-	-	-	-	-	16.5%	18.5%	18.4%	17.1%	16.7%	-19.3%	-11.5%	-6.7%	-6.9%	-5.2%
Cornerstone OnDemand	6.0x	5.0x	5.4x	6.3x	5.5x	-	-	-	-	-	32.3%	28.9%	30.3%	29.3%	28.0%	-18.5%	-17.8%	-16.1%	-13.9%	-11.4%
Coupa	-	-	-	-	10.9x	-	-	-	-	-	-	64.6%	-	-	68.4%	-53.0%	-51.5%	-44.4%	-38.9%	-32.1%
Covisint	0.5x	0.5x	0.5x	0.6x	0.7x	-	-	-	-	-	-10.6%	-11.2%	-14.1%	-12.2%	-10.1%	-25.8%	-24.9%	-14.9%	-13.0%	-14.4%
DealerTrack	3.9x	3.1x	3.5x	2.6x	1.9x	28.2x	20.7x	21.5x	18.4x	14.9x	39.7%	41.8%	43.7%	35.4%	28.4%	13.7%	15.0%	16.1%	14.2%	12.5%
Ebix	4.9x	4.8x	6.2x	7.0x	7.1x	13.9x	13.1x	16.6x	18.6x	19.1x	25.1%	23.9%	20.3%	17.0%	12.7%	35.1%	36.8%	37.3%	37.4%	37.3%
Ellie Mae	7.8x	8.9x	9.1x	10.5x	7.6x	37.5x	46.9x	52.4x	57.9x	36.5x	62.2%	57.2%	48.9%	42.0%	39.6%	20.7%	18.9%	17.3%	18.1%	20.8%
Everbridge, Inc	-	-	-	6.8x	5.7x	-	-	-	-	-	-	38.4%	35.5%	33.4%	32.5%	-8.7%	-14.0%	-15.4%	-16.1%	-13.6%
FireEye	5.6x	3.5x	3.7x	3.4x	2.8x	-	-	-	-	-	71.0%	46.4%	39.5%	30.9%	22.9%	-67.1%	-63.5%	-61.7%	-57.9%	-51.4%
Halogen Software	1.4x	1.1x	1.6x	1.7x	1.5x	-	-	-	360.8x	32.7x	17.4%	15.9%	14.2%	12.8%	11.2%	-9.7%	-6.0%	-4.4%	0.5%	4.6%
HealthStream	3.0x	2.4x	2.7x	3.2x	3.2x	21.1x	19.8x	24.0x	28.1x	30.0x	22.2%	22.4%	20.3%	15.5%	12.4%	14.2%	12.1%	11.1%	11.2%	10.6%
HortonWorks	8.0x	4.0x	3.8x	2.7x	2.5x	-	-	-	-	-	119.6%	164.8%	135.6%	99.0%	74.8%	-224.1%	-143.3%	-140.1%	-140.9%	-139.0%
HubSpot	10.4x	7.9x	7.2x	8.2x	7.1x	-	-	-	-	-	56.6%	57.0%	56.1%	54.3%	52.0%	-33.2%	-24.0%	-20.6%	-18.1%	-14.7%
Instructure	8.6x	5.5x	5.2x	6.6x	4.7x	-	-	-	-	-	-	65.0%	62.5%	62.1%	55.3%	-85.3%	-67.9%	-56.8%	-51.7%	-49.0%
IntraLinks Holdings	2.0x	1.8x	1.7x	2.0x	2.3x	51.3x	58.2x	43.7x	39.1x	33.2x	8.5%	7.9%	6.7%	6.1%	6.6%	3.9%	3.0%	4.0%	5.1%	6.9%
2 Global	5.9x	5.2x	4.4x	4.4x	4.6x	14.2x	12.9x	10.8x	10.5x	11.0x	19.9%	20.3%	21.4%	21.0%	21.1%	41.4%	40.6%	41.1%	41.7%	41.9%
ive Software	1.3x	0.8x	1.0x	1.0x	1.0x	-	-	-	-	-	13.5%	9.6%	7.9%	6.2%	4.8%	-11.8%	-10.7%	-9.6%	-6.8%	-3.3%
Kinaxis	8.3x	6.6x	8.2x	10.1x	9.7x	31.9x	23.8x	30.6x	44.0x	49.6x	27.2%	30.3%	33.0%	29.7%	27.9%	26.1%	27.8%	26.9%	22.9%	19.6%
LivePerson	1.7x	1.2x	1.3x	1.7x	1.9x	50.2x	16.2x	18.9x	25.0x	25.7x	19.9%	13.9%	5.8%	0.8%	-5.2%	3.3%	7.1%	7.0%	6.7%	7.4%
Marin Software	1.0x	0.8x	0.5x	0.6x	0.5x	-	-	-	-	-	13.1%	9.2%	6.2%	2.3%	-0.5%	-25.1%	-19.4%	-14.4%	-7.7%	-4.1%
Medical Transcript	0.8x	0.6x	0.5x	0.6x	0.6x	-	-	-	-	-	75.0%	26.1%	0.8%	-15.6%	-15.3%	-9.4%	-6.5%	-5.9%	-5.4%	-4.7%
Medidata Solutions	6.3x	5.2x	6.0x	7.2x	6.7x	59.7x	51.1x	55.3x	59.1x	52.0x	19.5%	17.1%	15.2%	15.1%	14.3%	10.5%	10.2%	10.9%	12.2%	12.8%
Mimecast	4.5x	3.3x	2.6x	4.7x	6.0x	31.1x	32.5x	46.3x	225.7x	-	-	-	22.2%	22.5%	24.5%	14.4%	10.1%	5.6%	2.1%	-0.4%
MINDBODY	5.8x	4.0x	4.3x	5.1x	5.8x	-	-	-	-	-	-	44.8%	45.0%	41.4%	38.4%	-27.2%	-28.3%	-24.1%	-20.0%	-15.5%

THE SEG SaaS INDEX COMPANIES – KEY METRICS

Company	SEG SaaS Index																			
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NantHealth, Inc.	-	-	27.6x	18.2x	15.1x	-	-	-	-	-	-	71.9%	70.9%	97.8%	102.2%	-143.8%	-109.1%	-120.3%	-143.8%	-135.0%
New Relic	11.3x	7.1x	6.1x	8.0x	7.0x	-	-	-	-	-	68.8%	67.5%	64.2%	60.2%	54.9%	-36.4%	-32.5%	-32.4%	-30.1%	-26.8%
Nutanix, Inc	-	-	-	-	7.7x	-	-	-	-	-	-	-	83.7%	84.3%	85.1%	-39.1%	-35.8%	-33.7%	-31.2%	-44.8%
Paycom Software	11.3x	8.3x	9.0x	10.2x	8.9x	56.4x	44.2x	38.2x	43.3x	43.8x	48.4%	48.8%	53.4%	53.9%	50.5%	20.1%	18.7%	23.5%	23.6%	20.2%
Paylocity Holding	11.9x	8.0x	8.7x	9.5x	6.9x	-	-	374.4x	449.1x	260.9x	42.0%	46.7%	49.2%	51.1%	50.3%	-3.6%	-0.2%	2.3%	2.1%	2.6%
Proofpoint	10.6x	7.7x	8.0x	9.9x	8.9x	-	-	-	-	-	36.8%	35.7%	36.1%	37.4%	39.3%	-18.2%	-20.9%	-21.4%	-19.1%	-15.3%
Q2 Holdings	9.0x	6.6x	7.2x	8.0x	7.8x	-	-	-	-	-	38.5%	37.6%	37.0%	37.0%	37.6%	-14.9%	-14.8%	-15.7%	-16.4%	-15.8%
Qualys	6.6x	4.3x	4.3x	5.2x	5.5x	29.8x	18.1x	17.6x	21.3x	22.9x	24.1%	23.0%	23.0%	22.5%	21.6%	22.3%	23.8%	24.6%	24.3%	24.2%
RealPage	3.7x	3.4x	3.7x	4.1x	4.3x	39.2x	30.5x	29.4x	30.5x	31.1x	14.1%	15.8%	17.4%	18.5%	19.8%	9.4%	11.3%	12.5%	13.3%	13.9%
RingCentral	5.2x	4.1x	3.9x	4.5x	4.1x	-	-	-	-	-	35.1%	34.7%	34.0%	32.9%	30.6%	-7.8%	-5.5%	-4.0%	-2.7%	-2.8%
Salesforce.com	8.3x	7.2x	7.5x	7.2x	6.4x	130.8x	102.5x	101.4x	96.7x	95.0x	24.2%	24.1%	25.0%	25.1%	25.5%	6.3%	7.0%	7.4%	7.5%	6.8%
Service-now.com	14.3x	9.4x	10.0x	9.9x	10.0x	-	-	-	-	-	50.5%	47.3%	45.5%	42.9%	40.6%	-12.5%	-10.5%	-9.3%	-7.7%	-6.4%
Shopify	11.6x	7.9x	9.2x	10.9x	10.4x	-	-	-	-	-	-	95.4%	94.7%	95.0%	93.3%	-5.9%	-5.9%	-6.9%	-7.4%	-7.3%
SPS Commerce	7.2x	3.9x	4.6x	5.6x	5.7x	70.8x	37.5x	44.0x	55.9x	57.0x	25.8%	23.9%	22.9%	22.2%	21.8%	10.1%	10.5%	10.4%	10.1%	10.0%
Tabula Rasa Healthcare	-	-	-	3.8x	3.3x	-	-	-	34.6x	30.3x	-	44.6%	40.7%	35.9%	35.1%	8.7%	10.1%	10.6%	11.0%	10.8%
Talend	-	-	-	8.2x	6.4x	-	-	-	-	-	17.9%	21.4%	-	-	-	-34.9%	-26.7%	-24.6%	-26.7%	-26.2%
Tangoe	1.3x	1.3x	1.3x	1.4x	1.3x	30.5x	29.0x	29.0x	30.9x	30.1x	5.7%	5.7%	5.7%	5.7%	5.7%	4.4%	4.4%	4.4%	4.4%	4.4%
The Trade Desk	-	-	-	8.2x	6.1x	-	-	-	25.9x	19.7x	-	155.5%	-	-	-	2.1%	33.8%	30.7%	31.6%	30.9%
The Ultimate Software Group	9.4x	7.9x	8.4x	8.6x	7.8x	83.5x	76.8x	86.5x	90.5x	90.0x	20.8%	22.2%	24.7%	26.1%	27.2%	11.3%	10.3%	9.7%	9.5%	8.7%
TrueCar	2.0x	1.6x	1.8x	2.6x	3.6x	-	-	-	-	-	31.6%	25.7%	18.9%	12.0%	6.1%	-13.7%	-14.3%	-14.4%	-12.9%	-11.3%
Twilio, Inc.	-	-	13.2x	19.3x	10.9x	-	-	-	-	-	-	87.9%	86.6%	79.1%	72.2%	-22.5%	-19.9%	-15.8%	-15.0%	-13.0%
Upland Software	1.7x	1.5x	2.0x	2.5x	2.4x	359.1x	153.6x	81.8x	52.9x	34.9x	14.2%	8.3%	5.2%	4.3%	6.1%	0.5%	1.0%	2.4%	4.6%	6.9%
Veeva Systems	8.2x	7.1x	7.7x	10.1x	10.0x	34.4x	33.0x	38.9x	52.2x	48.6x	32.2%	30.6%	30.5%	31.6%	33.0%	24.0%	21.6%	19.9%	19.4%	20.5%
Workday	13.2x	10.5x	10.8x	10.9x	10.4x	-	-	-	-	-	51.4%	47.5%	43.0%	38.7%	36.7%	-15.6%	-15.6%	-15.5%	-15.5%	-16.8%
Workiva	4.8x	3.0x	3.0x	4.0x	3.5x	-	-	-	-	-	27.7%	28.9%	29.2%	28.7%	27.0%	-28.8%	-27.0%	-28.8%	-27.8%	-25.6%
Xactly	3.2x	2.0x	2.6x	4.3x	4.1x	-	-	-	-	-	20.9%	24.3%	27.9%	29.7%	29.1%	-20.2%	-21.5%	-21.0%	-18.4%	-15.6%
Zendesk	9.9x	7.5x	8.2x	9.9x	6.9x	-	-	-	-	-	66.3%	64.3%	63.0%	60.2%	54.9%	-35.3%	-32.8%	-31.6%	-29.8%	-29.1%
Zix	5.0x	3.7x	3.4x	3.4x	3.6x	25.7x	20.2x	17.8x	18.3x	21.2x	6.9%	8.7%	9.2%	10.9%	10.6%	19.5%	18.4%	19.2%	18.5%	17.0%

THE SEG SaaS INDEX METRICS BY PRODUCT CATEGORY

Communications	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	4.2x	4.7x	3.8x	3.9x	4.6x
EV/NTM Revenue	4.6x	2.8x	3.4x	3.8x	3.9x
EV/TTM EBITDA	12.2x	13.7x	12.0x	10.2x	11.0x
EV/TTM CFO	17.9x	274.1x	64.8x	38.4x	58.8x
Gross Profit Margin	67.5%	66.3%	66.5%	67.3%	68.1%
EBITDA Margin	-8.7%	-10.7%	-9.6%	-6.8%	-3.3%
Net Income Margin	-14.9%	-17.8%	-17.1%	-15.6%	-11.6%
TTM Revenue Growth (YoY)	19.9%	34.7%	34.0%	32.9%	30.6%
TTM EBITDA Growth (YoY)	10.4%	14.2%	16.5%	17.4%	22.5%
TTM Earnings Growth (YoY)	15.5%	6.6%	19.6%	11.6%	10.6%
Cash as Percent of Market Cap	9.0%	11.1%	11.3%	10.1%	9.5%
Enterprise Value Growth (YoY)	52.1%	17.7%	0.4%	0.6%	-5.1%

CRM & Marketing	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	4.7x	4.7x	3.9x	3.9x	4.2x
EV/NTM Revenue	4.2x	3.4x	3.3x	3.7x	3.2x
EV/TTM EBITDA	85.8x	67.7x	54.1x	57.3x	60.3x
EV/TTM CFO	33.9x	25.3x	24.7x	20.1x	26.4x
Gross Profit Margin	69.4%	69.2%	69.3%	69.5%	70.0%
EBITDA Margin	-17.2%	-14.3%	-11.0%	-6.3%	-4.1%
Net Income Margin	-24.2%	-19.5%	-17.5%	-15.8%	-14.9%
TTM Revenue Growth (YoY)	22.0%	19.0%	15.6%	14.3%	13.9%
TTM EBITDA Growth (YoY)	2.1%	30.2%	48.0%	66.0%	43.7%
TTM Earnings Growth (YoY)	-!	-	-	-	-
Cash as Percent of Market Cap	11.5%	14.5%	12.2%	9.7%	10.0%
Enterprise Value Growth (YoY)	-13.2%	-29.9%	-14.8%	-2.8%	6.0%

ERP & Supply Chain	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	7.4x	7.4x	4.9x	6.1x	9.7x
EV/NTM Revenue	6.5x	4.6x	5.9x	7.2x	6.4x
EV/TTM EBITDA	48.1x	46.9x	29.3x	38.7x	53.3x
EV/TTM CFO	59.8x	54.1x	34.0x	36.7x	47.4x
Gross Profit Margin	67.9%	67.8%	67.8%	67.6%	67.2%
EBITDA Margin	-15.6%	-15.6%	-15.5%	-15.5%	-16.8%
Net Income Margin	-25.2%	-24.9%	-24.6%	-25.7%	-26.4%
TTM Revenue Growth (YoY)	26.5%	30.3%	27.9%	25.9%	27.9%
TTM EBITDA Growth (YoY)	-7.8%	-9.2%	-1.0%	4.8%	-2.0%
TTM Earnings Growth (YoY)	56.8%	71.6%	-	36.7%	32.9%
Cash as Percent of Market Cap	12.3%	15.1%	12.7%	10.6%	10.8%
Enterprise Value Growth (YoY)	16.4%	-21.1%	-12.5%	49.0%	27.6%

Human Capital Management	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	5.4x	5.6x	4.5x	5.0x	5.0x
EV/NTM Revenue	4.9x	4.1x	4.5x	5.0x	4.3x
EV/TTM EBITDA	51.6x	70.3x	53.4x	83.9x	43.8x
EV/TTM CFO	48.9x	49.4x	37.1x	41.9x	36.8x
Gross Profit Margin	60.9%	61.5%	61.9%	62.1%	62.1%
EBITDA Margin	-6.7%	-3.1%	-2.2%	0.2%	1.1%
Net Income Margin	-16.9%	-14.1%	-10.3%	-8.3%	-5.3%
TTM Revenue Growth (YoY)	30.0%	27.8%	29.1%	29.5%	28.6%
TTM EBITDA Growth (YoY)	-0.6%	12.9%	12.9%	15.7%	31.3%
TTM Earnings Growth (YoY)	-0.5%	-17.1%	-33.7%	-28.7%	4.0%
Cash as Percent of Market Cap	8.9%	13.1%	11.0%	10.6%	10.5%
Enterprise Value Growth (YoY)	36.8%	4.7%	8.1%	20.8%	10.7%

IT	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	11.0x	11.5x	7.5x	7.3x	7.0x
EV/NTM Revenue	7.9x	5.9x	6.1x	6.4x	4.3x
EV/TTM EBITDA	25.7x	180.8x	158.1x	264.6x	30.1x
EV/TTM CFO	27.1x	48.9x	33.3x	72.8x	98.2x
Gross Profit Margin	66.3%	67.2%	68.5%	69.5%	70.2%
EBITDA Margin	-26.3%	-25.9%	-22.7%	-21.0%	-18.3%
Net Income Margin	-32.7%	-29.0%	-27.8%	-28.4%	-28.0%
TTM Revenue Growth (YoY)	34.2%	21.4%	45.5%	43.0%	39.9%
TTM EBITDA Growth (YoY)	-28.8%	-31.6%	-19.4%	0.0%	-14.1%
TTM Earnings Growth (YoY)	-	-	-	-35.5%	-
Cash as Percent of Market Cap	6.1%	13.8%	13.5%	11.1%	11.6%
Enterprise Value Growth (YoY)	14.1%	-17.8%	-12.1%	3.8%	-2.4%

Security	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	6.8x	5.2x	3.6x	3.5x	5.5x
EV/NTM Revenue	4.4x	3.2x	3.0x	5.1x	4.1x
EV/TTM EBITDA	22.7x	26.5x	18.9x	18.0x	22.0x
EV/TTM CFO	29.2x	19.2x	18.1x	12.5x	23.0x
Gross Profit Margin	69.8%	70.6%	70.5%	71.1%	71.6%
EBITDA Margin	14.4%	10.1%	5.6%	2.1%	-0.4%
Net Income Margin	5.9%	1.7%	-2.3%	-0.5%	-1.6%
TTM Revenue Growth (YoY)	30.5%	29.3%	23.0%	22.5%	22.9%
TTM EBITDA Growth (YoY)	11.0%	8.5%	8.2%	-0.2%	-3.3%
TTM Earnings Growth (YoY)	355.3%	-12.6%	-9.7%	-19.0%	-28.4%
Cash as Percent of Market Cap	14.9%	19.8%	17.4%	14.1%	12.9%
Enterprise Value Growth (YoY)	26.9%	-23.0%	-31.9%	-12.1%	0.4%

Other SaaS	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	4.1x	4.5x	2.8x	2.9x	3.1x
EV/NTM Revenue	4.1x	2.4x	2.5x	3.6x	2.7x
EV/TTM EBITDA	208.0x	118.0x	53.0x	37.9x	33.2x
EV/TTM CFO	35.1x	20.8x	42.6x	24.6x	30.3x
Gross Profit Margin	66.9%	67.3%	67.7%	68.2%	69.3%
EBITDA Margin	-22.6%	-18.2%	-10.9%	-10.2%	-10.9%
Net Income Margin	-31.0%	-25.4%	-20.9%	-20.0%	-20.4%
TTM Revenue Growth (YoY)	16.5%	34.4%	29.2%	28.7%	27.0%
TTM EBITDA Growth (YoY)	-9.2%	-6.2%	-0.8%	5.3%	35.3%
TTM Earnings Growth (YoY)	-	-	-	-	-
Cash as Percent of Market Cap	14.8%	17.5%	15.8%	12.3%	11.0%
Enterprise Value Growth (YoY)	-24.7%	-26.7%	-12.6%	20.1%	22.6%

Vertically Focused	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	4.6x	5.5x	4.7x	4.8x	4.8x
EV/NTM Revenue	4.7x	4.4x	4.6x	4.9x	4.2x
EV/TTM EBITDA	29.1x	31.4x	27.3x	29.2x	31.0x
EV/TTM CFO	23.9x	26.8x	22.7x	28.2x	32.9x
Gross Profit Margin	58.8%	59.4%	59.0%	59.2%	61.3%
EBITDA Margin	9.0%	8.3%	9.4%	9.7%	9.6%
Net Income Margin	-5.2%	-3.0%	-1.8%	-1.3%	1.4%
TTM Revenue Growth (YoY)	31.8%	33.4%	33.8%	33.5%	30.7%
TTM EBITDA Growth (YoY)	11.9%	8.7%	13.1%	17.2%	18.6%
TTM Earnings Growth (YoY)	67.6%	34.9%	20.2%	19.5%	26.5%
Cash as Percent of Market Cap	11.0%	12.4%	9.8%	7.4%	8.5%
Enterprise Value Growth (YoY)	26.3%	6.2%	14.0%	16.1%	35.0%

THE SEG SOFTWARE INDEX COMPANIES – KEY METRICS

Company	SEG Software Index																			
	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16
A10 Networks	1.7x	1.4x	1.4x	2.1x	2.0x	-	-	-	-	-	6.2%	10.8%	17.4%	21.2%	18.7%	-18.0%	-13.8%	-10.8%	-9.2%	-7.5%
ACI Worldwide	3.4x	2.9x	3.0x	2.9x	3.0x	17.5x	17.2x	20.5x	28.0x	39.4x	1.8%	2.9%	1.1%	-4.3%	-5.4%	19.3%	16.7%	14.6%	10.5%	7.6%
Activision Blizzard	5.4x	5.4x	6.3x	6.2x	5.2x	16.2x	17.9x	19.3x	22.1x	16.4x	12.3%	5.8%	5.8%	15.5%	21.7%	33.0%	30.4%	32.9%	28.3%	31.8%
Allot Communications	0.6x	0.4x	0.5x	0.5x	0.6x	-	-	-	-	-	-7.6%	-14.7%	-21.2%	-15.3%	-12.3%	-3.3%	-4.3%	-9.6%	-4.9%	-5.1%
Allscripts Healthcare Solutions	2.4x	2.1x	2.2x	2.7x	2.4x	27.2x	26.3x	24.1x	29.0x	27.2x	-0.5%	0.6%	1.8%	4.3%	6.4%	8.9%	8.1%	8.9%	9.3%	9.0%
Amdocs Limited	2.1x	2.0x	2.0x	2.1x	2.1x	10.7x	10.6x	10.9x	10.9x	11.1x	2.2%	1.5%	2.0%	2.4%	2.0%	19.3%	18.9%	18.6%	18.9%	18.7%
American Software	2.1x	1.8x	1.7x	2.2x	2.2x	15.1x	13.5x	13.1x	18.9x	22.6x	11.6%	11.3%	10.7%	5.2%	-1.6%	13.7%	13.5%	13.4%	11.6%	9.7%
ANSYS	7.9x	7.3x	7.3x	7.5x	7.4x	17.3x	15.9x	15.9x	16.4x	16.0x	3.0%	0.7%	1.3%	2.1%	2.5%	45.6%	45.8%	45.7%	45.8%	46.2%
Aspen Technology	7.2x	5.7x	6.6x	7.3x	8.3x	16.6x	12.8x	14.2x	15.6x	17.7x	10.4%	10.7%	10.5%	7.3%	4.1%	43.1%	44.4%	46.4%	47.0%	46.9%
Autodesk	5.1x	4.4x	5.2x	5.8x	7.1x	75.7x	74.7x	442.0x	-	-	3.5%	-0.3%	-7.7%	-9.0%	-12.7%	6.8%	5.9%	1.2%	-1.2%	-5.9%
AVG Technologies	0.8x	0.8x	0.9x	0.9x	0.9x	10.3x	9.3x	11.8x	12.8x	12.4x	5.3%	3.2%	4.1%	5.1%	5.1%	8.2%	8.6%	7.9%	7.3%	7.3%
Bango PLC	19.7x	11.0x	5.8x	12.8x	11.7x	-	-	-	-	-	-61.4%	-37.2%	-14.6%	28.5%	28.5%	-196.9%	-142.1%	-143.6%	-144.9%	-144.9%
Barracuda Networks	2.5x	1.6x	2.1x	2.9x	3.1x	222.6x	60.3x	41.8x	39.8x	42.3x	16.2%	15.4%	13.7%	13.2%	13.2%	1.1%	2.6%	5.0%	7.3%	7.3%
Bottomline Technologies	3.3x	3.3x	3.0x	2.6x	2.7x	27.7x	27.3x	23.9x	22.6x	27.4x	5.6%	3.9%	4.1%	3.7%	3.3%	12.1%	12.1%	12.7%	11.6%	9.9%
Broadridge Financial	2.6x	2.5x	2.7x	2.9x	2.6x	12.1x	11.9x	12.8x	13.8x	13.3x	6.4%	6.7%	7.1%	7.5%	17.0%	21.2%	21.2%	21.3%	21.1%	19.7%
Brocade Communications Systems	1.6x	1.4x	1.5x	1.7x	2.3x	6.3x	5.5x	6.1x	8.0x	10.8x	2.4%	1.7%	0.3%	1.7%	3.6%	25.7%	25.0%	24.1%	21.5%	20.9%
BSQUARE	0.5x	0.4x	0.4x	0.3x	0.3x	8.4x	5.5x	7.0x	9.0x	16.2x	11.5%	11.1%	6.4%	-5.3%	-10.7%	6.5%	6.6%	5.5%	3.9%	2.1%
CA Technologies	2.8x	2.9x	3.1x	3.4x	3.1x	8.9x	9.5x	9.9x	10.9x	9.9x	-6.1%	-6.6%	-5.6%	-2.9%	-0.9%	31.1%	30.7%	31.2%	30.6%	31.9%
Cadence Design Systems	3.6x	3.4x	4.0x	4.1x	4.2x	14.9x	14.4x	16.1x	17.3x	18.4x	9.7%	7.7%	7.7%	7.6%	6.2%	23.8%	24.0%	24.7%	23.8%	22.8%
Cerner	5.1x	4.3x	4.2x	4.6x	3.7x	18.1x	15.4x	15.0x	16.6x	13.1x	29.0%	31.4%	27.4%	20.1%	12.9%	28.0%	27.7%	27.9%	27.7%	27.9%
Check Point Software Tech	8.6x	8.2x	7.9x	7.0x	7.8x	16.2x	15.8x	15.3x	13.7x	15.4x	8.9%	9.0%	8.9%	8.3%	7.6%	52.9%	52.3%	51.6%	51.0%	50.4%
Cisco Systems	2.1x	2.0x	2.1x	2.4x	2.4x	7.3x	6.6x	7.1x	8.1x	7.7x	4.9%	3.1%	1.6%	0.2%	-1.4%	28.9%	29.9%	30.2%	30.1%	30.7%
Citrix Systems	3.8x	3.4x	3.9x	3.9x	3.9x	15.9x	13.2x	13.9x	13.8x	13.2x	4.2%	4.2%	6.0%	6.9%	6.0%	23.9%	25.9%	27.9%	28.5%	29.2%
CommVault Systems	2.4x	2.2x	2.6x	3.1x	3.2x	104.4x	154.7x	121.7x	115.3x	100.4x	-4.9%	-4.5%	-2.0%	2.4%	7.4%	2.3%	1.4%	2.2%	2.7%	3.1%
Computer Programs and Sys	2.5x	3.3x	3.3x	2.2x	2.0x	13.9x	18.2x	19.3x	14.8x	13.5x	-12.2%	-11.0%	3.4%	17.6%	34.1%	18.1%	18.3%	17.2%	15.2%	14.8%
Constellation	5.2x	4.5x	4.5x	4.5x	4.7x	29.3x	19.3x	19.4x	19.3x	19.9x	12.5%	10.1%	12.1%	15.2%	17.3%	17.7%	23.2%	23.2%	23.5%	23.7%
CSG Systems International	1.6x	1.7x	2.0x	2.0x	1.9x	9.3x	8.7x	9.7x	9.2x	8.8x	-0.4%	0.2%	0.6%	1.8%	1.9%	17.5%	19.4%	20.8%	21.6%	22.1%
Cyberark Software	8.1x	6.5x	6.7x	8.2x	6.7x	35.9x	29.7x	33.3x	40.4x	34.5x	67.9%	56.1%	47.5%	41.4%	39.9%	22.7%	21.8%	20.1%	20.3%	19.3%
Cyren	2.2x	1.7x	2.2x	2.7x	2.5x	-	-	-	-	271.1x	-11.9%	-13.0%	-8.6%	-1.0%	5.2%	-12.6%	-5.9%	-5.5%	-6.3%	0.9%
Dassault Systèmes	6.2x	5.8x	5.6x	6.0x	5.3x	23.4x	21.4x	20.4x	23.3x	19.4x	24.2%	23.8%	17.8%	12.1%	9.6%	26.5%	27.2%	27.3%	26.0%	27.4%
DST Systems	2.6x	1.5x	1.6x	1.6x	1.3x	14.2x	10.2x	11.5x	11.2x	8.6x	-33.7%	2.8%	17.7%	36.7%	60.9%	18.6%	14.3%	14.0%	14.4%	14.7%
Electronic Arts	4.5x	4.0x	4.5x	4.9x	4.8x	17.2x	18.2x	18.2x	19.3x	18.3x	4.7%	-4.0%	-2.6%	-0.9%	5.0%	26.3%	22.0%	24.5%	25.2%	26.3%
Evertec	5.2x	4.5x	4.5x	4.9x	4.8x	12.9x	11.3x	11.5x	13.0x	12.3x	2.8%	3.2%	3.2%	3.8%	3.0%	40.1%	39.7%	39.1%	38.1%	38.8%
Evolving Systems	2.4x	2.4x	2.6x	2.0x	1.9x	10.2x	11.5x	11.8x	7.9x	6.5x	-8.9%	-13.8%	-14.7%	-8.9%	-1.4%	23.9%	21.2%	22.1%	25.6%	28.7%
F5 Networks	3.4x	3.0x	3.3x	3.7x	4.2x	11.1x	9.8x	10.9x	12.5x	13.7x	10.8%	8.8%	6.4%	4.6%	3.9%	31.0%	30.5%	29.9%	29.7%	30.2%
Fair Isaac	4.0x	4.2x	4.6x	5.0x	4.8x	17.8x	18.1x	19.8x	20.7x	20.9x	6.3%	6.9%	4.0%	6.1%	5.1%	22.6%	23.0%	23.3%	24.2%	22.8%
Fidessa	2.3x	2.5x	2.7x	2.8x	2.5x	13.4x	14.5x	16.0x	16.6x	14.8x	5.0%	7.4%	8.0%	8.5%	8.5%	17.5%	17.0%	17.0%	17.0%	17.0%

THE SEG SOFTWARE INDEX COMPANIES – KEY METRICS

SEG Software Index																				
Company	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16
First Data Corp	5.0x	4.4x	4.3x	4.3x	4.4x	14.9x	14.4x	14.1x	14.2x	14.4x	3.5%	2.9%	2.7%	2.6%	1.8%	33.7%	30.6%	30.2%	30.3%	30.5%
Fiserv	4.9x	4.9x	5.1x	5.0x	4.9x	15.9x	15.9x	16.6x	16.2x	15.6x	3.8%	3.7%	4.0%	4.3%	4.6%	30.8%	30.5%	30.8%	31.1%	31.1%
Fortinet	5.4x	3.9x	4.3x	4.4x	3.6x	84.4x	70.8x	83.0x	95.0x	71.7x	29.4%	31.0%	32.7%	32.5%	29.1%	6.4%	5.5%	5.2%	4.7%	5.0%
Gigamon	3.3x	2.9x	3.6x	5.1x	5.4x	42.6x	38.0x	41.4x	50.1x	48.0x	41.3%	41.3%	40.7%	40.9%	42.0%	7.7%	7.7%	8.7%	10.2%	11.1%
Glu Mobile	1.0x	0.8x	0.7x	0.6x	0.6x	18.2x	31.9x	-	-	-	41.4%	12.0%	-5.3%	-13.7%	-17.7%	5.3%	2.5%	-2.4%	-4.8%	-22.4%
Gree	0.7x	0.7x	0.9x	0.6x	0.8x	2.7x	2.8x	3.6x	2.8x	4.2x	-25.4%	-25.0%	-23.4%	-24.4%	-24.2%	26.3%	24.8%	26.3%	22.0%	19.4%
Gridsum Holding Inc.	-	-	-	12.0x	9.5x	-	-	-	-	-	-	88.6%	83.2%	79.2%	84.3%	-23.9%	-13.9%	-11.4%	-9.4%	-6.1%
GSE Systems	0.3x	0.5x	0.5x	0.6x	0.8x	-	25.8x	20.0x	11.5x	13.7x	48.8%	51.3%	30.2%	13.1%	-1.9%	-2.0%	1.8%	2.7%	5.5%	5.6%
Guidance Software	1.5x	1.2x	1.4x	1.6x	1.8x	-	-	-	-	-	-0.7%	-1.5%	-0.4%	-0.8%	1.0%	-4.3%	-7.2%	-8.9%	-11.2%	-12.5%
Guidewire Software	9.5x	8.2x	8.7x	9.2x	8.2x	209.7x	151.4x	156.0x	157.6x	200.4x	5.4%	7.1%	9.8%	11.5%	13.9%	4.5%	5.4%	5.5%	5.8%	4.1%
Hewlett Packard	0.7x	0.2x	0.2x	0.3x	0.5x	7.8x	2.2x	2.4x	2.8x	6.2x	-9.2%	4.7%	21.2%	47.8%	-6.3%	8.4%	10.9%	10.1%	9.4%	8.8%
IBM	2.0x	2.0x	2.2x	2.3x	2.3x	7.7x	7.9x	9.2x	10.4x	10.5x	-12.8%	-11.9%	-10.3%	-7.7%	-4.3%	25.6%	24.6%	23.5%	22.4%	21.9%
Imperva	8.8x	5.4x	4.3x	4.9x	3.9x	-	-	-	-	-	37.1%	42.9%	40.7%	31.9%	21.5%	-22.5%	-18.5%	-19.1%	-21.1%	-22.8%
Intuit	6.0x	5.8x	5.9x	6.0x	6.0x	22.2x	19.8x	19.2x	19.4x	20.0x	1.4%	6.4%	17.5%	12.0%	10.9%	27.2%	29.1%	30.5%	31.1%	30.0%
Jack Henry & Associates	4.8x	5.0x	5.0x	5.1x	4.7x	13.9x	14.4x	14.7x	14.7x	13.4x	6.6%	6.4%	6.8%	7.8%	8.0%	34.5%	34.5%	34.3%	34.8%	35.2%
Juniper Networks	2.5x	2.0x	1.8x	1.8x	2.0x	11.7x	9.0x	8.1x	8.2x	9.1x	-3.3%	5.0%	8.0%	8.2%	6.1%	21.2%	22.2%	22.4%	21.8%	21.9%
Konami	1.5x	1.4x	1.8x	1.8x	1.9x	9.8x	7.4x	8.3x	8.0x	6.6x	4.0%	11.0%	14.6%	12.4%	7.2%	15.6%	18.6%	21.5%	22.5%	28.9%
Magic Software Enterprises	1.0x	1.2x	1.3x	1.4x	1.4x	5.9x	6.5x	7.3x	8.2x	8.4x	4.7%	7.1%	10.2%	11.9%	13.9%	17.2%	18.0%	17.4%	17.1%	16.8%
Manhattan Associates	9.4x	7.1x	7.7x	7.1x	6.2x	32.5x	23.5x	25.0x	22.2x	18.6x	16.2%	13.1%	11.8%	11.3%	9.7%	29.0%	30.4%	30.7%	31.8%	33.0%
Mentor Graphics	2.3x	1.7x	1.9x	2.2x	3.5x	10.3x	9.2x	11.6x	15.8x	22.1x	6.4%	-5.1%	-10.1%	-13.6%	-11.0%	22.4%	18.9%	16.3%	13.6%	15.7%
Microsoft	4.1x	4.0x	4.0x	4.5x	4.8x	11.4x	11.7x	11.9x	14.2x	15.1x	-0.8%	-5.7%	-8.3%	-8.8%	-5.9%	35.7%	34.6%	33.5%	31.8%	31.6%
MicroStrategy	2.9x	2.7x	3.0x	2.7x	3.2x	11.1x	9.5x	11.0x	10.8x	12.9x	-10.3%	-8.6%	-7.2%	-7.5%	-3.7%	26.2%	28.0%	27.4%	25.0%	24.7%
MIND C.T.I.	1.5x	1.4x	1.3x	1.4x	1.6x	4.5x	4.3x	4.2x	4.9x	5.7x	-4.1%	-16.4%	-20.9%	-20.9%	-19.6%	34.1%	31.5%	31.1%	28.6%	27.3%
MobileIron	1.5x	1.3x	1.2x	1.1x	1.5x	-	-	-	-	-	17.3%	12.9%	11.8%	12.1%	12.2%	-56.3%	-46.2%	-43.9%	-41.3%	-34.3%
Model N	2.0x	2.1x	2.3x	2.2x	1.7x	-	-	-	-	-	14.7%	16.8%	18.0%	17.1%	14.1%	-14.7%	-17.2%	-20.9%	-23.1%	-25.1%
Momo	14.9x	11.1x	11.2x	10.3x	9.6x	354.6x	120.9x	137.3x	83.7x	49.2x	296.5%	199.4%	141.6%	158.0%	206.4%	4.2%	9.2%	8.2%	12.3%	19.6%
Monotype Imaging Holdings	4.7x	4.3x	4.2x	3.6x	3.8x	17.8x	15.5x	15.7x	13.6x	15.4x	3.9%	4.3%	6.4%	6.8%	7.0%	26.5%	27.5%	26.7%	26.7%	24.8%
MSCI	7.3x	7.1x	7.7x	8.4x	7.7x	16.8x	15.9x	16.5x	17.4x	15.8x	7.2%	7.9%	7.0%	7.2%	7.4%	43.6%	44.8%	46.5%	48.1%	48.6%
Myriad Group AG	9.0x	10.9x	13.2x	16.8x	14.8x	-	-	-	-	-	-24.4%	-32.1%	-41.3%	-51.6%	-51.6%	-27.2%	-55.1%	-88.7%	-141.3%	-141.3%
NetApp	1.0x	0.6x	0.7x	0.9x	1.3x	7.9x	5.3x	6.2x	7.1x	9.5x	-6.7%	-8.4%	-9.4%	-7.8%	-8.0%	12.5%	12.1%	11.4%	13.1%	13.2%
Netscout Systems	5.4x	2.5x	2.3x	2.3x	2.5x	35.6x	20.6x	30.8x	30.6x	24.6x	39.1%	76.6%	110.6%	151.6%	87.8%	15.2%	12.1%	7.3%	7.6%	10.3%
NeuStar	1.7x	2.1x	2.1x	2.1x	2.0x	4.4x	5.6x	5.8x	5.6x	5.5x	7.7%	9.0%	10.2%	12.2%	14.0%	39.6%	38.1%	36.5%	36.3%	36.1%
NICE Systems Ltd	3.0x	3.5x	3.7x	3.8x	3.6x	14.5x	14.4x	14.9x	15.9x	15.0x	6.5%	6.3%	-9.0%	-8.7%	-8.3%	20.8%	24.1%	24.7%	24.1%	24.0%
NQ Mobile	1.0x	0.9x	1.1x	1.1x	0.9x	-	-	-	103.9x	523.5x	18.8%	22.4%	14.4%	2.9%	1.9%	-4.0%	-2.9%	-0.5%	1.0%	0.2%
Nuance Communications, Inc.	3.7x	3.8x	3.4x	3.1x	3.1x	29.0x	24.7x	21.8x	19.0x	18.2x	0.4%	0.8%	1.0%	0.9%	0.9%	12.8%	15.3%	15.7%	16.2%	17.3%
Omnicell	2.1x	1.9x	2.4x	2.6x	2.2x	14.9x	13.9x	20.2x	21.9x	20.3x	11.9%	9.9%	18.4%	29.4%	36.8%	13.9%	13.4%	12.0%	11.7%	10.8%
Open Text Corp	3.6x	3.7x	4.1x	4.6x	4.7x	13.0x	12.8x	13.5x	14.8x	15.3x	4.5%	-1.5%	-2.1%	-1.5%	2.7%	27.8%	28.8%	30.5%	31.3%	30.5%

THE SEG SOFTWARE INDEX COMPANIES – KEY METRICS

Company	SEG Software Index																			
	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16
Opera	1.9x	1.9x	1.9x	1.7x	1.7x	11.4x	13.5x	14.4x	13.7x	14.5x	14.5%	28.1%	25.4%	35.4%	48.6%	16.9%	14.3%	13.5%	12.4%	11.8%
Oracle	4.0x	3.9x	4.2x	4.2x	4.0x	9.8x	9.6x	10.5x	10.8x	10.1x	-3.5%	-4.3%	-3.1%	-2.3%	-0.6%	40.7%	40.2%	39.8%	39.3%	39.2%
Palo Alto Networks	13.9x	11.0x	9.5x	8.2x	8.6x	-	-	-	-	-	56.0%	55.6%	53.4%	48.5%	43.2%	-10.6%	-10.7%	-11.2%	-10.7%	-10.9%
Pandora Media	2.3x	1.7x	1.8x	2.4x	2.2x	-	-	-	-	-	26.0%	26.4%	28.6%	25.8%	21.2%	-3.4%	-5.8%	-9.1%	-12.3%	-15.0%
Parametric Technology	3.5x	3.3x	3.9x	4.5x	5.1x	17.3x	16.9x	23.1x	31.6x	55.6x	-7.5%	-10.1%	-12.2%	-11.0%	-9.1%	20.2%	19.3%	16.8%	14.3%	9.2%
PDF Solutions	2.2x	2.0x	3.0x	4.0x	5.1x	8.3x	8.6x	16.8x	22.1x	28.3x	-1.2%	-2.2%	-3.7%	1.2%	3.1%	26.2%	23.9%	18.2%	18.0%	18.1%
Pegasystems	3.0x	2.4x	2.5x	2.6x	3.3x	23.5x	18.6x	19.7x	20.1x	28.3x	12.7%	15.7%	17.3%	18.0%	16.6%	12.6%	12.9%	12.9%	12.8%	11.8%
Progress Software	3.0x	3.0x	3.0x	3.3x	3.3x	15.5x	13.5x	12.3x	12.7x	12.8x	13.5%	13.6%	13.1%	10.4%	10.4%	19.2%	22.2%	24.4%	25.6%	25.6%
PROS Holdings	3.6x	1.8x	2.0x	3.4x	4.3x	-	-	-	-	-	5.4%	-9.5%	-13.8%	-15.1%	-13.7%	-16.6%	-25.1%	-29.8%	-33.9%	-33.1%
QAD	1.2x	0.9x	0.9x	0.9x	1.3x	18.5x	16.4x	20.8x	28.0x	44.0x	-0.3%	-5.8%	-7.4%	-7.4%	-4.9%	6.6%	5.3%	4.1%	3.2%	2.9%
Qiji	3.2x	2.1x	2.1x	2.0x	1.8x	10.7x	7.0x	7.3x	6.6x	5.8x	22.8%	20.4%	16.0%	12.3%	4.9%	30.1%	30.2%	29.3%	29.9%	31.6%
Quality Systems	1.6x	1.6x	1.6x	1.6x	1.7x	14.1x	14.4x	13.7x	14.2x	14.6x	8.0%	3.3%	0.5%	-0.4%	-1.0%	11.3%	11.3%	11.6%	11.5%	11.5%
Radware	2.7x	1.9x	1.6x	1.8x	1.9x	15.0x	13.1x	17.1x	37.2x	49.9x	4.0%	-2.4%	-8.9%	-12.9%	-10.0%	18.0%	14.2%	9.3%	4.9%	3.7%
Rapid7	7.3x	4.1x	3.6x	4.5x	3.1x	-	-	-	-	-	-	43.8%	45.4%	45.4%	45.8%	-27.5%	-35.6%	-39.3%	-39.4%	-36.4%
Red Hat	7.2x	6.1x	6.1x	5.7x	5.7x	38.5x	33.8x	35.0x	33.0x	33.6x	14.3%	14.7%	15.8%	17.3%	17.9%	18.6%	17.9%	17.5%	17.2%	17.0%
Redknee Solutions	1.1x	0.9x	0.9x	1.0x	1.0x	9.8x	9.7x	25.6x	609.3x	-	-13.6%	-19.1%	-18.6%	-15.1%	-23.2%	11.4%	9.3%	3.5%	0.2%	-3.8%
Sage Group	4.5x	4.5x	4.7x	5.3x	4.6x	16.4x	16.7x	17.6x	19.1x	16.3x	6.1%	4.8%	3.6%	6.5%	9.3%	27.1%	26.9%	26.7%	27.6%	28.4%
SAP	4.5x	4.4x	4.1x	4.6x	4.3x	15.4x	16.0x	14.8x	16.3x	16.3x	15.7%	18.4%	14.5%	11.0%	8.9%	29.2%	27.5%	27.7%	28.3%	26.6%
Sapiens International	2.7x	2.6x	2.7x	2.8x	3.0x	18.1x	16.6x	17.6x	18.7x	20.5x	17.7%	17.9%	18.2%	19.0%	16.2%	14.9%	15.4%	15.2%	14.9%	14.5%
Secureworks Corp	-	-	3.0x	2.6x	2.1x	-	-	-	-	-	-	29.5%	29.8%	30.6%	27.7%	-17.9%	-17.8%	-15.8%	-10.9%	-8.0%
Silver Spring Networks	1.6x	1.0x	1.4x	1.3x	1.4x	21.1x	5.1x	12.0x	6.6x	7.9x	74.2%	155.9%	35.7%	34.7%	20.7%	7.6%	20.1%	11.5%	20.0%	17.1%
Software AG	2.3x	2.7x	2.8x	3.1x	2.7x	8.1x	9.1x	9.1x	9.8x	9.0x	-2.2%	1.8%	5.0%	3.6%	0.3%	28.6%	29.8%	30.9%	31.3%	30.4%
Sourcefire	1.2x	1.2x	1.2x	1.2x	1.0x	7.9x	7.9x	7.9x	9.1x	11.7x	27.2%	33.9%	37.6%	31.2%	5.2%	15.5%	15.7%	14.7%	12.8%	8.6%
Splunk	10.9x	7.6x	8.0x	8.7x	7.8x	-	-	-	-	-	47.7%	48.3%	48.5%	47.6%	44.9%	-41.5%	-39.9%	-39.9%	-38.7%	-37.4%
Square	3.9x	2.9x	2.0x	2.3x	2.3x	-	-	-	-	-	-	49.0%	52.6%	46.7%	42.6%	-7.9%	-7.5%	-7.2%	-6.0%	-4.3%
SS&C	10.2x	8.4x	7.6x	7.0x	6.4x	31.2x	25.6x	23.3x	21.9x	18.5x	20.1%	30.3%	42.0%	57.5%	53.5%	32.7%	32.9%	32.7%	31.7%	34.5%
Stratasys	1.4x	1.1x	1.3x	1.3x	1.1x	35.9x	-	277.0x	35.4x	16.9x	7.5%	-7.2%	-10.5%	-12.2%	-9.4%	4.0%	-1.6%	0.5%	3.7%	6.7%
Symantec	3.3x	1.9x	2.5x	3.1x	4.6x	19.1x	6.0x	10.0x	12.0x	17.6x	-31.9%	32.0%	-9.0%	14.0%	-1.1%	17.2%	31.5%	24.8%	26.1%	25.8%
Synchronoss Technologies	3.0x	2.4x	2.9x	3.3x	3.2x	10.4x	8.8x	11.9x	15.1x	15.4x	30.1%	26.6%	19.7%	15.6%	14.9%	28.5%	27.2%	24.5%	21.8%	20.5%
Synopsys	2.9x	2.7x	3.0x	3.3x	3.4x	15.8x	15.3x	17.0x	18.6x	18.3x	9.0%	7.0%	7.2%	8.3%	8.0%	18.7%	17.7%	17.6%	17.6%	18.4%
Tableau Software	9.8x	3.8x	4.1x	4.4x	3.4x	-	-	-	-	-	69.1%	58.4%	48.5%	41.0%	31.2%	-1.4%	-4.3%	-8.4%	-11.3%	-12.5%
Take-Two Interactive	1.6x	1.7x	1.7x	2.0x	2.3x	-	-	26.6x	23.7x	33.5x	-37.1%	36.7%	30.5%	17.6%	4.8%	-10.0%	-15.8%	6.3%	8.4%	6.8%
Tango	1.3x	1.3x	1.3x	1.4x	1.3x	30.5x	29.0x	29.0x	30.9x	30.1x	5.7%	5.7%	5.7%	5.7%	5.7%	4.4%	4.4%	4.4%	4.4%	4.4%
TeleNav	1.0x	0.7x	0.6x	0.7x	0.8x	-	-	-	-	-	20.1%	21.7%	18.1%	14.4%	7.2%	-19.3%	-18.3%	-18.4%	-14.9%	-15.0%
Teradata	1.4x	1.3x	1.3x	1.5x	1.3x	8.3x	8.6x	8.6x	9.6x	8.6x	-6.1%	-7.4%	-7.2%	-6.2%	-6.1%	17.2%	14.9%	15.2%	15.3%	15.5%
The Descartes Systems Group	7.7x	6.9x	7.5x	7.7x	7.7x	24.5x	21.6x	23.0x	23.6x	23.3x	8.6%	8.3%	8.6%	10.1%	9.8%	31.3%	32.0%	32.5%	32.7%	33.1%
Trend Micro	4.2x	3.9x	3.4x	3.0x	3.1x	12.4x	12.4x	10.8x	9.8x	9.7x	9.3%	7.9%	5.7%	3.3%	1.7%	33.9%	31.6%	31.9%	31.1%	31.6%

THE SEG SOFTWARE INDEX COMPANIES – KEY METRICS

Company	SEG Software Index																			
	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16
Tyler Technologies	10.0x	7.9x	8.5x	9.0x	7.8x	44.6x	36.3x	40.5x	44.2x	38.1x	17.5%	19.9%	23.3%	26.2%	29.0%	22.5%	21.8%	21.0%	20.4%	20.4%
Ubisoft Entertainment	2.5x	2.3x	2.4x	2.7x	2.3x	5.7x	8.5x	17.9x	19.8x	16.2x	-0.9%	-3.0%	-4.8%	8.0%	23.7%	43.8%	27.2%	13.3%	13.8%	14.2%
Varonis Systems	2.7x	2.8x	3.5x	4.3x	4.2x	-	-	-	-	-	25.5%	25.5%	26.0%	29.4%	31.4%	-17.8%	-13.7%	-12.3%	-10.7%	-9.5%
VASCO Data Security International	2.2x	1.8x	2.4x	2.7x	2.2x	9.2x	8.0x	13.3x	20.7x	31.0x	38.7%	19.8%	-2.1%	-13.7%	-22.7%	23.6%	22.6%	18.2%	12.9%	7.2%
Verint Systems Inc	2.8x	2.3x	2.2x	2.4x	2.6x	19.6x	18.7x	20.3x	22.0x	25.9x	8.3%	0.2%	-3.0%	-7.5%	-9.8%	14.1%	12.3%	10.9%	10.9%	9.9%
Verisk	9.1x	7.4x	7.4x	7.2x	7.0x	18.6x	16.3x	16.2x	15.8x	15.4x	2.9%	18.4%	26.4%	30.1%	30.1%	49.0%	45.7%	45.6%	45.3%	45.4%
VMware	3.0x	2.3x	2.7x	3.5x	3.7x	11.5x	8.5x	10.2x	12.9x	13.5x	11.4%	10.1%	8.7%	7.8%	6.9%	25.9%	26.7%	26.1%	26.9%	27.3%
Zynga	1.7x	1.2x	1.8x	2.1x	2.2x	-	-	-	-	-	14.4%	10.8%	8.9%	-0.3%	-4.5%	-8.6%	-6.4%	-4.7%	-2.7%	-5.9%

THE SEG SOFTWARE INDEX METRICS BY PRODUCT CATEGORY

Billing & Service Management	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	1.7x	2.0x	2.0x	2.0x	1.9x
EV/NTM Revenue	1.8x	2.0x	1.9x	1.9x	2.1x
EV/TTM EBITDA	9.8x	8.8x	10.9x	9.2x	7.9x
EV/TTM CFO	9.5x	9.6x	10.0x	11.5x	12.2x
Gross Profit Margin	59.3%	58.8%	57.2%	55.6%	55.2%
EBITDA Margin	23.9%	21.2%	22.1%	21.8%	22.1%
Net Income Margin	12.2%	11.4%	11.1%	10.9%	11.0%
TTM Revenue Growth (YoY)	-0.4%	0.2%	0.6%	1.8%	1.9%
TTM EBITDA Growth (YoY)	6.7%	5.4%	-2.2%	-0.4%	-1.3%
TTM Earnings Growth (YoY)	20.4%	-1.7%	-10.4%	-15.9%	-16.1%
Cash as Percent of Market Cap	15.4%	13.7%	13.4%	12.9%	14.2%
Enterprise Value Growth (YoY)	-10.2%	-25.2%	-20.1%	2.3%	2.7%

Business Intelligence	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	3.0x	2.8x	3.0x	3.9x	3.0x
EV/NTM Revenue	2.9x	2.8x	3.1x	3.6x	3.2x
EV/TTM EBITDA	15.5x	13.5x	12.3x	12.7x	12.2x
EV/TTM CFO	25.3x	18.9x	23.3x	23.1x	28.1x
Gross Profit Margin	77.5%	78.3%	78.7%	78.4%	78.0%
EBITDA Margin	14.9%	13.9%	14.0%	14.1%	13.6%
Net Income Margin	-2.1%	-4.8%	-6.1%	2.0%	1.4%
TTM Revenue Growth (YoY)	6.3%	14.7%	15.2%	14.2%	13.5%
TTM EBITDA Growth (YoY)	-12.4%	0.7%	14.2%	13.4%	6.7%
TTM Earnings Growth (YoY)	21.3%	26.4%	33.9%	29.8%	11.2%
Cash as Percent of Market Cap	15.2%	19.7%	18.0%	16.1%	15.6%
Enterprise Value Growth (YoY)	7.9%	-12.5%	-2.1%	-4.8%	4.3%

Development Platforms	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	2.3x	2.7x	2.8x	3.1x	2.3x
EV/NTM Revenue	2.5x	2.8x	2.6x	3.0x	3.2x
EV/TTM EBITDA	8.4x	9.1x	9.1x	9.8x	11.0x
EV/TTM CFO	13.0x	12.8x	15.6x	13.9x	16.1x
Gross Profit Margin	75.4%	75.7%	75.9%	75.8%	75.5%
EBITDA Margin	18.6%	18.0%	17.5%	17.2%	17.0%
Net Income Margin	9.1%	9.2%	8.7%	8.4%	8.0%
TTM Revenue Growth (YoY)	11.5%	11.1%	10.2%	10.4%	10.4%
TTM EBITDA Growth (YoY)	16.6%	19.7%	20.2%	11.5%	7.8%
TTM Earnings Growth (YoY)	14.1%	18.5%	8.0%	0.4%	0.0%
Cash as Percent of Market Cap	20.1%	20.1%	18.0%	16.7%	16.5%
Enterprise Value Growth (YoY)	7.9%	8.9%	-0.8%	-4.0%	16.9%

Engineering & PLM	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	3.5x	3.3x	3.9x	4.1x	3.3x
EV/NTM Revenue	3.5x	3.6x	3.9x	4.4x	4.9x
EV/TTM EBITDA	16.9x	15.6x	17.0x	17.9x	15.6x
EV/TTM CFO	17.2x	17.1x	19.1x	22.5x	20.1x
Gross Profit Margin	84.1%	84.6%	84.3%	83.8%	83.9%
EBITDA Margin	22.4%	19.3%	17.6%	17.6%	18.1%
Net Income Margin	11.7%	9.7%	8.8%	8.6%	8.7%
TTM Revenue Growth (YoY)	7.5%	0.7%	1.3%	2.1%	2.5%
TTM EBITDA Growth (YoY)	4.4%	0.1%	-2.0%	1.3%	3.8%
TTM Earnings Growth (YoY)	3.1%	-0.9%	-0.6%	2.6%	3.8%
Cash as Percent of Market Cap	12.8%	14.4%	13.3%	12.7%	12.0%
Enterprise Value Growth (YoY)	7.4%	-8.3%	-3.6%	15.6%	24.5%

Enterprise Resource Planning	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	4.0x	3.9x	4.1x	4.2x	4.0x
EV/NTM Revenue	3.8x	4.1x	3.8x	3.9x	4.1x
EV/TTM EBITDA	15.4x	16.0x	14.8x	18.9x	16.6x
EV/TTM CFO	15.7x	14.9x	11.7x	15.1x	19.0x
Gross Profit Margin	59.0%	58.6%	58.5%	58.4%	58.5%
EBITDA Margin	27.1%	26.9%	26.7%	27.6%	26.6%
Net Income Margin	13.5%	12.8%	12.0%	12.6%	13.2%
TTM Revenue Growth (YoY)	6.1%	4.8%	3.6%	5.2%	-0.6%
TTM EBITDA Growth (YoY)	0.3%	-4.4%	-0.4%	-8.0%	-4.3%
TTM Earnings Growth (YoY)	3.4%	-6.6%	-10.4%	-1.9%	-4.1%
Cash as Percent of Market Cap	21.2%	22.9%	22.5%	20.5%	22.0%
Enterprise Value Growth (YoY)	17.8%	-0.3%	-3.7%	12.9%	5.0%

Financial & Accounting	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	3.9x	3.7x	3.6x	3.6x	3.7x
EV/NTM Revenue	3.9x	4.0x	3.6x	4.0x	3.5x
EV/TTM EBITDA	16.2x	16.3x	17.1x	17.7x	16.4x
EV/TTM CFO	19.6x	18.9x	20.2x	18.9x	18.7x
Gross Profit Margin	55.4%	54.9%	54.9%	54.2%	54.6%
EBITDA Margin	24.8%	24.9%	25.0%	25.9%	25.6%
Net Income Margin	10.0%	11.1%	11.6%	12.6%	12.8%
TTM Revenue Growth (YoY)	3.8%	4.4%	4.1%	6.3%	5.0%
TTM EBITDA Growth (YoY)	1.5%	-1.9%	-2.2%	0.3%	2.7%
TTM Earnings Growth (YoY)	1.3%	-2.4%	6.7%	24.2%	14.9%
Cash as Percent of Market Cap	4.1%	3.2%	2.9%	4.3%	3.7%
Enterprise Value Growth (YoY)	15.9%	3.5%	0.3%	8.2%	-8.6%

Gaming	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	2.5x	2.3x	2.4x	2.7x	2.0x
EV/NTM Revenue	2.0x	2.0x	2.1x	2.1x	2.3x
EV/TTM EBITDA	13.0x	13.2x	18.2x	19.8x	14.1x
EV/TTM CFO	8.1x	8.4x	9.7x	20.5x	11.4x
Gross Profit Margin	65.7%	66.0%	65.6%	63.4%	63.7%
EBITDA Margin	26.3%	22.0%	21.5%	22.5%	26.3%
Net Income Margin	6.1%	3.6%	6.7%	6.8%	7.0%
TTM Revenue Growth (YoY)	4.0%	5.8%	5.8%	12.4%	7.2%
TTM EBITDA Growth (YoY)	16.5%	1.2%	11.8%	2.9%	17.2%
TTM Earnings Growth (YoY)	111.3%	1.9%	6.8%	5.7%	7.3%
Cash as Percent of Market Cap	16.9%	13.1%	12.0%	13.4%	22.2%
Enterprise Value Growth (YoY)	65.8%	22.5%	68.2%	70.4%	24.4%

Healthcare	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	2.4x	2.1x	2.4x	2.6x	1.9x
EV/NTM Revenue	2.4x	2.1x	1.9x	2.1x	1.9x
EV/TTM EBITDA	14.9x	15.4x	19.3x	16.6x	14.1x
EV/TTM CFO	18.6x	19.6x	19.2x	17.5x	17.7x
Gross Profit Margin	51.8%	51.2%	49.4%	49.3%	49.0%
EBITDA Margin	13.9%	13.4%	12.0%	11.7%	11.5%
Net Income Margin	6.8%	6.6%	4.5%	2.4%	1.2%
TTM Revenue Growth (YoY)	8.0%	3.3%	3.4%	17.6%	12.9%
TTM EBITDA Growth (YoY)	11.3%	10.2%	15.4%	8.4%	7.6%
TTM Earnings Growth (YoY)	17.1%	1.7%	-42.5%	-55.2%	-75.0%
Cash as Percent of Market Cap	7.1%	3.7%	3.7%	3.2%	3.6%
Enterprise Value Growth (YoY)	2.0%	-6.4%	1.9%	13.3%	6.7%

IT Conglomerates	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	4.0x	3.9x	4.0x	4.2x	4.0x
EV/NTM Revenue	3.8x	4.0x	3.6x	3.9x	4.1x
EV/TTM EBITDA	9.8x	9.6x	10.5x	10.8x	10.2x
EV/TTM CFO	11.5x	10.1x	10.8x	11.6x	10.4x
Gross Profit Margin	59.0%	58.6%	58.5%	58.4%	58.5%
EBITDA Margin	29.2%	27.5%	27.7%	28.3%	26.6%
Net Income Margin	15.5%	14.7%	15.3%	16.8%	15.7%
TTM Revenue Growth (YoY)	-3.5%	-4.3%	-3.1%	-2.3%	-4.3%
TTM EBITDA Growth (YoY)	-9.3%	-8.4%	-12.9%	-13.0%	-4.3%
TTM Earnings Growth (YoY)	-9.2%	-18.3%	-10.4%	5.8%	-4.1%
Cash as Percent of Market Cap	22.9%	24.6%	21.5%	23.1%	24.3%
Enterprise Value Growth (YoY)	-8.0%	-15.5%	-11.0%	2.1%	8.1%

Mobile Solutions/Content	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	1.7x	1.3x	1.8x	1.7x	1.3x
EV/NTM Revenue	1.4x	1.5x	1.6x	1.6x	1.4x
EV/TTM EBITDA	14.8x	21.2x	14.4x	23.0x	18.7x
EV/TTM CFO	31.5x	13.6x	14.4x	17.3x	16.8x
Gross Profit Margin	57.0%	54.1%	54.1%	54.1%	48.5%
EBITDA Margin	-3.4%	-2.9%	-2.4%	-2.7%	-5.9%
Net Income Margin	-13.2%	-8.3%	-7.2%	-10.6%	-16.8%
TTM Revenue Growth (YoY)	17.3%	12.9%	11.8%	12.1%	7.2%
TTM EBITDA Growth (YoY)	-10.4%	-6.4%	-1.8%	4.4%	3.7%
TTM Earnings Growth (YoY)	19.0%	4.5%	-45.7%	-94.8%	572.2%
Cash as Percent of Market Cap	26.9%	27.2%	25.0%	32.8%	14.6%
Enterprise Value Growth (YoY)	-25.5%	-32.3%	-32.2%	-8.8%	3.3%

Networking & Network Perf Mgmt	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	2.5x	1.9x	1.8x	2.1x	2.3x
EV/NTM Revenue	2.1x	1.9x	1.7x	2.3x	2.2x
EV/TTM EBITDA	11.7x	9.8x	10.9x	12.5x	11.0x
EV/TTM CFO	10.2x	10.3x	10.4x	12.4x	13.8x
Gross Profit Margin	75.5%	75.5%	75.5%	75.4%	75.7%
EBITDA Margin	18.0%	14.2%	9.3%	10.2%	11.1%
Net Income Margin	2.8%	8.6%	4.5%	10.2%	9.1%
TTM Revenue Growth (YoY)	4.9%	5.0%	6.4%	4.6%	3.9%
TTM EBITDA Growth (YoY)	2.1%	10.5%	9.3%	8.5%	4.4%
TTM Earnings Growth (YoY)	21.0%	14.7%	-2.3%	-17.0%	5.6%
Cash as Percent of Market Cap	22.5%	32.2%	27.9%	26.2%	23.4%
Enterprise Value Growth (YoY)	-14.7%	-26.1%	-21.1%	-6.7%	17.1%

Security	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	3.3x	1.9x	2.7x	3.0x	3.3x
EV/NTM Revenue	3.8x	3.1x	2.5x	3.1x	2.8x
EV/TTM EBITDA	16.2x	12.4x	13.3x	13.7x	23.0x
EV/TTM CFO	20.2x	15.9x	14.5x	18.5x	20.1x
Gross Profit Margin	73.5%	73.2%	73.5%	73.8%	74.0%
EBITDA Margin	3.8%	4.1%	5.1%	6.0%	6.1%
Net Income Margin	-5.6%	-0.9%	0.0%	-0.1%	-0.2%
TTM Revenue Growth (YoY)	12.8%	24.7%	15.6%	17.6%	10.4%
TTM EBITDA Growth (YoY)	-1.0%	3.3%	2.8%	-7.8%	1.6%
TTM Earnings Growth (YoY)	5.0%	4.0%	3.8%	3.8%	-21.6%
Cash as Percent of Market Cap	14.5%	18.3%	16.9%	13.5%	15.0%
Enterprise Value Growth (YoY)	21.9%	-12.9%	-19.6%	-13.8%	-5.4%

THE SEG SOFTWARE INDEX METRICS BY PRODUCT CATEGORY

Storage, Data Mgmt & Integration	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	2.4x	2.2x	2.6x	3.1x	2.1x
EV/NTM Revenue	2.3x	2.4x	2.4x	3.0x	2.9x
EV/TTM EBITDA	7.9x	6.6x	7.1x	8.1x	8.1x
EV/TTM CFO	9.7x	9.1x	12.2x	13.7x	12.7x
Gross Profit Margin	83.2%	82.9%	82.1%	81.1%	80.5%
EBITDA Margin	12.5%	12.1%	11.4%	13.1%	13.2%
Net Income Margin	6.7%	6.5%	4.1%	5.9%	5.9%
TTM Revenue Growth (YoY)	2.4%	1.7%	0.3%	1.7%	3.6%
TTM EBITDA Growth (YoY)	-8.9%	-11.3%	-8.4%	-16.7%	1.6%
TTM Earnings Growth (YoY)	9.1%	7.1%	-7.4%	-17.7%	-6.7%
Cash as Percent of Market Cap	25.0%	23.9%	20.3%	18.0%	19.4%
Enterprise Value Growth (YoY)	-14.7%	-25.3%	-6.5%	15.3%	17.5%

Systems Management	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	3.8x	2.9x	3.1x	3.5x	2.9x
EV/NTM Revenue	2.8x	3.1x	3.2x	3.3x	3.5x
EV/TTM EBITDA	15.9x	13.2x	13.9x	13.8x	12.2x
EV/TTM CFO	12.9x	11.2x	12.2x	13.7x	12.7x
Gross Profit Margin	84.9%	84.9%	84.9%	85.0%	85.2%
EBITDA Margin	23.9%	25.9%	26.1%	26.9%	27.3%
Net Income Margin	9.8%	9.7%	11.2%	11.6%	13.7%
TTM Revenue Growth (YoY)	11.4%	10.1%	8.7%	7.8%	6.9%
TTM EBITDA Growth (YoY)	8.0%	14.3%	13.6%	9.4%	12.7%
TTM Earnings Growth (YoY)	-4.0%	11.6%	10.2%	15.7%	21.0%
Cash as Percent of Market Cap	8.7%	14.3%	14.2%	14.2%	12.3%
Enterprise Value Growth (YoY)	11.7%	3.7%	1.5%	-4.0%	7.5%

Vertical - Finance	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	4.8x	5.0x	5.0x	5.1x	4.4x
EV/NTM Revenue	4.6x	5.0x	4.8x	4.7x	4.8x
EV/TTM EBITDA	13.9x	14.5x	16.0x	16.6x	14.0x
EV/TTM CFO	18.0x	17.4x	17.9x	19.3x	18.7x
Gross Profit Margin	42.9%	43.0%	42.8%	42.9%	43.1%
EBITDA Margin	32.7%	32.9%	32.7%	31.7%	34.5%
Net Income Margin	10.5%	10.5%	10.6%	10.6%	10.0%
TTM Revenue Growth (YoY)	6.6%	7.4%	7.6%	7.8%	8.5%
TTM EBITDA Growth (YoY)	9.4%	11.5%	17.4%	16.5%	10.2%
TTM Earnings Growth (YoY)	-3.3%	1.3%	4.0%	7.1%	20.0%
Cash as Percent of Market Cap	6.2%	4.7%	4.2%	3.0%	2.9%
Enterprise Value Growth (YoY)	29.9%	13.5%	16.7%	25.2%	8.8%

Vertical - Other	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	5.2x	4.5x	4.5x	4.5x	4.4x
EV/NTM Revenue	4.4x	4.3x	3.9x	4.3x	4.1x
EV/TTM EBITDA	29.3x	19.3x	19.4x	19.3x	18.7x
EV/TTM CFO	24.2x	25.6x	25.3x	32.1x	31.0x
Gross Profit Margin	42.1%	46.1%	43.4%	46.3%	46.5%
EBITDA Margin	14.9%	20.1%	15.2%	20.0%	17.1%
Net Income Margin	8.5%	10.8%	8.6%	9.5%	10.0%
TTM Revenue Growth (YoY)	17.5%	17.9%	18.2%	19.0%	17.3%
TTM EBITDA Growth (YoY)	14.8%	38.6%	26.5%	10.9%	16.8%
TTM Earnings Growth (YoY)	36.9%	24.2%	14.4%	28.5%	14.0%
Cash as Percent of Market Cap	11.9%	15.8%	14.2%	12.7%	11.8%
Enterprise Value Growth (YoY)	55.7%	32.3%	16.5%	13.2%	3.7%

THE SEG INTERNET INDEX COMPANIES – KEY METRICS

SEG Internet Index																				
Company	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16
1-800-FLOWERS.COM	0.6x	0.5x	0.5x	0.6x	0.8x	9.5x	6.3x	6.6x	8.8x	11.8x	13.3%	8.0%	8.0%	4.6%	2.8%	6.8%	7.3%	7.3%	6.6%	6.4%
58.com	12.8x	10.8x	8.3x	6.8x	4.4x	-	-	-	-	-	134.6%	169.8%	182.7%	150.1%	102.1%	-33.0%	-30.6%	-23.9%	-12.7%	-1.2%
8x8	4.5x	4.2x	4.2x	4.9x	4.9x	135.0x	191.5x	287.5x	363.9x	257.8x	25.8%	26.4%	28.9%	28.5%	27.2%	3.4%	2.2%	1.5%	1.3%	1.9%
Akamai Technologies	4.9x	4.2x	4.0x	4.0x	4.9x	15.0x	13.5x	12.9x	12.7x	15.7x	15.6%	11.9%	9.9%	8.0%	6.9%	32.4%	31.5%	31.2%	31.2%	31.0%
Alibaba	14.9x	11.9x	12.2x	14.1x	12.7x	44.7x	35.0x	34.1x	39.1x	36.4x	35.7%	33.3%	32.7%	40.1%	45.5%	33.2%	34.1%	35.8%	36.1%	34.9%
Amazon.com	3.1x	2.5x	2.9x	3.0x	2.9x	44.6x	34.0x	36.5x	35.3x	33.5x	18.0%	20.2%	23.3%	25.9%	27.2%	7.0%	7.4%	8.0%	8.5%	8.6%
Angie's List	1.6x	1.4x	1.4x	1.5x	1.6x	27.2x	22.9x	30.1x	15.0x	27.3x	12.7%	9.2%	5.7%	1.7%	-2.1%	5.7%	6.3%	4.8%	9.7%	5.8%
Baidu.com	6.4x	5.3x	5.1x	5.1x	5.0x	24.8x	20.2x	20.1x	20.8x	19.1x	38.6%	35.3%	32.9%	25.1%	15.1%	26.0%	26.4%	25.6%	24.5%	26.3%
Bankrate	6.8x	3.4x	2.4x	2.3x	2.6x	16.5x	11.7x	8.6x	9.8x	11.4x	-58.5%	5.8%	23.7%	46.3%	87.5%	41.1%	29.1%	27.4%	23.1%	22.5%
Baozun	0.7x	0.4x	0.4x	0.8x	1.3x	41.9x	34.5x	35.6x	41.5x	68.8x	68.2%	64.0%	55.6%	45.0%	38.4%	1.7%	1.2%	1.2%	2.0%	2.0%
Bitauto Holdings	1.9x	1.2x	1.7x	2.3x	2.0x	51.4x	14.5x	17.8x	19.0x	13.7x	93.6%	63.1%	62.0%	45.3%	35.3%	3.7%	8.4%	9.7%	12.1%	14.5%
BlueNile	0.8x	0.5x	0.6x	0.7x	0.9x	22.7x	13.0x	15.8x	18.8x	26.4x	5.5%	1.4%	0.1%	-1.4%	-3.2%	3.5%	3.6%	3.5%	3.6%	3.5%
Brightcove	1.4x	1.2x	1.3x	2.5x	1.7x	-	111.8x	84.2x	140.7x	140.7x	6.1%	7.8%	8.9%	10.6%	12.1%	-0.8%	1.1%	1.5%	1.8%	1.2%
BroadSoft	3.7x	3.2x	3.9x	4.0x	3.7x	44.8x	29.3x	35.3x	33.1x	30.9x	25.7%	28.6%	29.6%	30.3%	28.8%	8.3%	10.9%	10.9%	12.2%	12.0%
Carbonite	1.6x	1.1x	1.3x	1.8x	2.2x	-	-	-	191.3x	52.2x	11.7%	11.4%	19.9%	31.5%	41.3%	-4.9%	-5.7%	-3.1%	1.0%	4.2%
Care.com	1.0x	0.9x	1.3x	1.6x	1.4x	-	-	-	57.1x	49.8x	25.3%	24.2%	21.4%	21.1%	21.1%	-7.3%	-2.4%	-0.1%	2.8%	2.8%
ChangYou.com	1.0x	0.9x	0.5x	0.7x	0.9x	2.8x	2.9x	1.7x	2.3x	3.4x	11.1%	0.8%	-12.8%	-24.5%	-31.7%	36.0%	31.9%	32.0%	32.3%	28.1%
Chegg	1.7x	1.1x	1.2x	2.1x	2.3x	21.4x	124.8x	107.6x	-	-	6.8%	-1.1%	-10.2%	-15.3%	-18.4%	7.9%	0.9%	1.1%	-4.2%	-2.2%
Cimpress	2.2x	2.1x	2.2x	2.2x	2.0x	16.7x	15.7x	16.0x	16.9x	17.5x	15.6%	13.9%	16.4%	19.7%	20.8%	13.0%	13.5%	13.9%	12.9%	11.4%
Coupons.com	1.8x	2.3x	3.2x	3.7x	3.2x	-	-	-	-	-	6.3%	7.0%	9.7%	12.7%	18.1%	-10.3%	-9.4%	-8.5%	-6.4%	-3.3%
Criteo SA	1.6x	1.5x	1.6x	1.4x	1.3x	19.2x	17.3x	18.2x	14.7x	14.2x	85.6%	33.9%	27.9%	25.3%	21.3%	8.4%	8.6%	9.0%	9.2%	9.3%
Ctrip	13.0x	11.9x	12.2x	10.7x	9.3x	643.3x	185.9x	-	-	-	44.6%	48.3%	57.9%	64.8%	71.4%	2.0%	6.4%	-7.2%	-8.2%	-8.1%
eBay	4.2x	3.4x	3.3x	4.1x	3.8x	12.0x	9.8x	9.6x	11.8x	11.1x	-21.9%	-2.3%	26.5%	1.7%	3.6%	35.0%	34.3%	34.4%	35.0%	34.0%
eHealth	0.9x	0.6x	0.9x	0.7x	0.6x	31.8x	21.1x	6.7x	7.7x	13.0x	-2.4%	5.5%	6.4%	6.5%	4.9%	2.7%	3.0%	13.0%	9.2%	5.0%
Expedia	2.8x	2.8x	2.6x	2.4x	2.5x	24.2x	25.3x	22.9x	22.6x	20.7x	13.9%	15.8%	21.3%	26.7%	32.4%	11.7%	11.0%	11.2%	10.8%	12.1%
Facebook	17.6x	16.3x	15.9x	15.1x	13.0x	42.5x	35.5x	33.2x	30.1x	25.0x	42.3%	43.8%	46.3%	51.4%	54.8%	41.4%	46.0%	47.7%	50.0%	52.1%
GoDaddy	2.0x	1.9x	2.0x	2.0x	2.1x	28.8x	22.8x	21.9x	20.6x	17.7x	17.6%	15.9%	15.3%	15.1%	15.0%	6.8%	8.1%	9.3%	9.8%	11.8%
Google	6.3x	5.8x	5.5x	5.7x	5.5x	19.3x	17.8x	16.9x	17.4x	16.6x	12.8%	13.6%	15.0%	17.5%	19.2%	32.5%	32.6%	32.7%	32.9%	33.1%
Groupon	0.4x	0.5x	0.4x	0.8x	0.6x	11.8x	22.5x	44.9x	374.6x	-	5.4%	2.5%	1.2%	1.1%	1.3%	3.3%	2.1%	1.0%	0.2%	-0.3%
GrubHub	5.5x	4.4x	4.9x	7.2x	6.5x	20.5x	17.9x	20.9x	32.0x	28.1x	46.0%	42.5%	36.1%	34.2%	36.0%	26.9%	24.7%	23.2%	22.6%	23.0%
Harmonic	1.0x	0.5x	0.7x	1.1x	1.2x	25.9x	23.6x	-	-	-	-10.7%	-13.0%	-17.4%	-14.6%	-4.7%	3.8%	2.2%	-1.7%	-3.8%	-2.6%
Interactive Intelligence	0.4x	0.4x	0.3x	0.3x	0.4x	6.7x	8.3x	7.5x	8.0x	9.5x	13.6%	3.3%	4.3%	8.0%	10.6%	5.3%	4.4%	4.5%	4.1%	3.8%
InterActiveCorp	1.8x	1.4x	1.4x	1.6x	1.8x	14.4x	12.0x	12.2x	13.5x	14.5x	7.0%	3.9%	4.3%	3.0%	-1.1%	12.4%	11.9%	11.7%	11.7%	12.3%
Lead Group	0.5x	0.5x	0.7x	0.5x	0.7x	-	-	-	-	-	-25.6%	-26.9%	-25.4%	-22.3%	-15.3%	-13.1%	-13.3%	-18.7%	-21.6%	-18.2%
LendingClub	-	-	-	-	-	-	-	-	-	-	105.4%	103.6%	97.5%	67.9%	39.5%	-	-	-	-	-
LifeLock	1.8x	1.4x	1.6x	2.2x	2.7x	25.0x	18.4x	22.4x	35.9x	37.2x	25.0%	23.4%	21.8%	18.7%	15.9%	7.3%	7.7%	7.0%	6.0%	7.3%
Limelight Networks	0.7x	0.4x	0.8x	1.0x	1.0x	-	-	-	44.9x	20.1x	3.2%	5.3%	4.0%	2.4%	-1.0%	-5.9%	-2.8%	-1.0%	2.1%	5.1%

THE SEG INTERNET INDEX COMPANIES – KEY METRICS

SEG Internet Index																				
Company	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16
LINE Corporation	-	-	-	7.2x	5.4x	-	-	-	58.7x	38.0x	51.4%	39.4%	28.5%	24.4%	20.1%	5.0%	4.7%	7.8%	12.3%	14.3%
Liquidity Services	0.4x	0.2x	0.3x	0.5x	0.5x	6.9x	-	-	-	-	-19.9%	-32.3%	-32.0%	-27.3%	-20.3%	5.1%	-0.2%	-1.7%	-1.8%	-2.7%
Mail.ru Group	8.0x	8.4x	7.5x	6.5x	5.8x	20.2x	23.7x	21.6x	19.0x	17.1x	18.8%	17.9%	13.3%	9.2%	9.2%	39.5%	35.4%	34.6%	33.9%	33.9%
MakeMyTrip	1.9x	2.2x	1.9x	2.2x	3.1x	-	-	-	-	-	5.0%	5.1%	12.1%	21.8%	26.9%	-6.2%	-10.6%	-17.8%	-22.4%	-26.5%
Marchex	0.5x	0.4x	0.3x	0.1x	0.1x	41.0x	28.5x	-	-	-	-23.5%	-17.6%	-11.4%	-5.1%	-2.4%	1.2%	1.3%	-1.0%	-3.8%	-8.1%
Match Group	3.4x	3.7x	4.2x	4.5x	4.7x	14.0x	15.2x	16.9x	17.4x	17.2x	-	14.9%	17.2%	18.1%	18.0%	24.5%	24.0%	24.6%	25.7%	27.4%
MaxPoint Interactive	0.2x	0.1x	0.3x	0.4x	0.4x	-	-	-	-	-	49.5%	31.6%	17.6%	10.4%	4.4%	-9.6%	-11.9%	-13.9%	-15.0%	-13.3%
Mercadolibre	7.9x	6.8x	8.6x	10.3x	9.2x	26.5x	24.8x	33.7x	40.2x	36.9x	19.4%	17.1%	12.2%	15.5%	21.6%	29.8%	27.4%	25.5%	25.6%	24.8%
Mitel Networks	1.4x	1.2x	1.2x	1.2x	1.1x	11.0x	9.9x	10.2x	9.6x	9.2x	22.2%	4.9%	6.8%	10.7%	7.9%	12.5%	12.4%	11.5%	12.2%	12.4%
MOL Global	0.6x	0.5x	-	-	-	-	-	-	-	-	23.9%	22.6%	19.6%	20.5%	20.5%	-43.0%	-33.4%	-25.5%	-1.3%	-1.3%
NCSOft	4.0x	4.4x	4.6x	5.5x	4.9x	11.7x	13.5x	13.4x	15.5x	13.6x	2.8%	-0.1%	5.0%	7.2%	11.9%	34.0%	32.5%	34.0%	35.2%	35.8%
Netease	5.6x	4.6x	4.2x	5.0x	5.2x	16.4x	14.0x	12.4x	14.7x	15.3x	72.1%	94.7%	108.0%	112.3%	85.1%	34.3%	32.7%	33.4%	33.9%	33.7%
Netflix	7.5x	6.2x	5.7x	5.5x	6.5x	130.5x	114.0x	127.1x	132.8x	155.1x	24.0%	23.2%	23.4%	24.7%	26.9%	5.8%	5.4%	4.5%	4.1%	4.2%
Overstock.com	0.2x	0.1x	0.2x	0.2x	0.2x	13.5x	18.2x	35.8x	181.0x	-	15.7%	10.7%	7.7%	5.8%	6.4%	1.2%	0.7%	0.5%	0.1%	0.0%
Pandora	2.3x	1.7x	1.8x	2.4x	2.2x	-	-	-	-	-	26.0%	26.4%	28.6%	25.8%	21.2%	-3.4%	-5.8%	-9.1%	-12.3%	-15.0%
PetMed Express	1.2x	1.2x	1.4x	1.6x	1.6x	8.7x	8.8x	10.0x	10.6x	11.1x	-0.5%	0.5%	2.3%	3.1%	5.3%	14.2%	14.1%	14.1%	14.6%	14.7%
Priceline	7.4x	7.0x	7.1x	7.4x	7.4x	19.6x	18.5x	18.5x	19.5x	19.1x	11.3%	9.3%	10.3%	11.5%	14.7%	37.9%	38.0%	38.3%	37.9%	38.6%
QuinStreet	0.6x	0.4x	0.4x	0.4x	0.3x	-	-	-	-	-	3.8%	3.0%	3.8%	5.5%	4.7%	-0.9%	-1.5%	-1.8%	-2.1%	-2.0%
Renren	64.0x	22.1x	20.5x	13.7x	13.9x	-	-	-	-	-	-81.4%	-11.9%	37.4%	-25.1%	211.7%	-597.7%	-238.1%	-208.2%	-180.2%	-182.2%
Rocket Fuel	0.3x	0.3x	0.3x	0.3x	0.2x	-	-	-	-	-	34.1%	13.0%	5.4%	-1.5%	-4.0%	-9.5%	-7.3%	-4.5%	-3.6%	-2.0%
Rovi	2.9x	2.9x	2.9x	2.6x	2.2x	22.6x	22.7x	20.0x	18.1x	15.3x	4.0%	3.3%	2.0%	4.4%	8.2%	12.9%	12.9%	14.4%	14.5%	14.2%
SeaChange International	1.5x	1.2x	0.6x	0.6x	0.6x	-	-	-	-	-	-7.3%	-7.3%	-7.8%	-14.5%	-21.5%	-8.6%	-7.2%	-6.8%	-13.9%	-20.4%
ShoreTel	1.4x	1.1x	0.9x	1.2x	1.1x	18.1x	12.6x	14.1x	21.7x	31.7x	3.9%	2.2%	1.6%	0.2%	-0.8%	7.9%	8.6%	6.6%	5.5%	3.4%
Shutterfly	1.8x	1.6x	1.7x	1.8x	1.8x	19.5x	14.5x	15.0x	15.1x	14.8x	17.2%	15.0%	14.5%	13.6%	12.7%	9.3%	10.8%	11.2%	11.7%	12.0%
Shutterstock	2.3x	2.1x	2.6x	3.8x	3.0x	17.7x	16.1x	19.4x	28.8x	22.3x	31.4%	29.6%	26.0%	23.2%	19.9%	12.8%	13.0%	13.5%	13.2%	13.6%
SINA	2.8x	2.5x	2.6x	4.3x	4.2x	58.5x	45.4x	37.3x	44.4x	38.0x	10.8%	14.6%	14.5%	14.5%	16.5%	4.7%	5.6%	7.1%	9.6%	11.2%
Sohu.com	0.6x	0.6x	0.4x	0.4x	0.3x	3.3x	3.2x	2.3x	2.7x	3.8x	23.2%	15.8%	7.2%	-2.2%	-12.5%	18.6%	18.6%	18.2%	15.7%	9.0%
Sonus Networks	0.9x	1.0x	1.3x	1.3x	0.9x	-	-	-	51.6x	33.0x	-15.6%	-16.0%	-6.4%	3.7%	4.7%	-6.6%	-6.0%	-0.2%	2.5%	2.7%
Stamps.com	8.2x	7.4x	6.5x	5.4x	5.7x	32.8x	24.7x	20.2x	15.6x	15.5x	34.9%	45.3%	59.3%	67.0%	76.6%	25.1%	30.0%	32.1%	34.7%	36.7%
Synacor	0.3x	0.4x	0.7x	0.7x	0.7x	4.5x	9.6x	17.6x	21.9x	43.1x	3.5%	3.4%	5.3%	10.1%	14.9%	7.1%	4.0%	4.1%	3.1%	1.5%
Takeaway.com	-	-	-	-	10.5x	-	-	-	-	-	105.5%	64.3%	-	-	-	-6.4%	-18.1%	-16.4%	-14.9%	-14.9%
Tencent Holdings	12.1x	10.7x	11.1x	12.3x	11.4x	29.3x	25.6x	26.4x	28.6x	26.9x	24.7%	30.3%	35.6%	44.0%	48.3%	41.5%	41.7%	42.1%	43.1%	42.5%
The Rubicon Project	3.0x	2.3x	2.0x	0.9x	0.7x	237.9x	30.2x	19.5x	6.3x	4.2x	75.9%	98.3%	101.2%	81.5%	52.6%	1.2%	7.7%	10.1%	14.0%	15.7%
TheStreet.com	0.4x	0.2x	0.2x	0.2x	0.1x	11.2x	7.3x	15.3x	48.7x	-	16.0%	10.8%	5.2%	0.1%	-5.0%	3.7%	2.7%	1.1%	0.4%	-0.9%
Travelzoo	0.6x	0.6x	0.6x	1.0x	1.0x	11.8x	8.8x	8.7x	12.1x	10.6x	-8.0%	-7.5%	-9.7%	-8.1%	-8.8%	5.3%	6.8%	7.0%	8.2%	9.3%
Tree.Com	5.0x	3.2x	2.7x	3.0x	2.6x	47.4x	27.9x	23.3x	23.6x	19.5x	37.4%	51.9%	67.2%	76.3%	64.7%	10.4%	11.4%	11.8%	12.6%	13.6%
Tremor	0.2x	0.2x	0.2x	0.3x	0.3x	-	-	-	-	-	6.5%	9.0%	4.7%	2.3%	0.5%	-9.4%	-6.3%	-6.9%	-7.9%	-5.0%

THE SEG INTERNET INDEX COMPANIES – KEY METRICS

Company	SEG Internet Index																			
	EV/Revenue					EV/EBITDA					TTM Revenue Growth					EBITDA Margin				
	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16	4Q15	1Q16	2Q16	3Q16	4Q16
TripAdvisor	7.9x	6.1x	6.0x	5.7x	4.6x	31.7x	32.5x	38.1x	40.3x	37.5x	25.6%	19.7%	11.5%	4.0%	0.1%	24.8%	18.8%	15.7%	14.0%	12.4%
Trivago	-	-	-	-	3.6x	-	-	-	-	-	-	59.4%	-	-	-	0.4%	-3.0%	-5.9%	-8.2%	-4.1%
TubeMogul	0.7x	0.7x	0.6x	0.7x	1.0x	9.7x	12.4x	11.8x	15.7x	21.5x	2.8%	-4.0%	-8.3%	-10.0%	-2.2%	7.1%	5.8%	5.3%	4.5%	4.6%
Tucows	1.5x	1.3x	1.4x	1.6x	1.8x	13.8x	10.7x	11.5x	11.8x	12.6x	16.7%	17.1%	15.8%	12.7%	12.8%	11.2%	12.0%	12.5%	13.7%	14.4%
Twitter	7.9x	4.5x	3.6x	4.4x	4.3x	-	-	-	-	261.4x	70.3%	58.1%	49.6%	39.2%	27.0%	-10.5%	-7.9%	-2.8%	-0.2%	1.7%
VeriSign	8.8x	8.5x	8.5x	7.6x	7.4x	14.1x	13.5x	13.4x	11.8x	11.4x	4.3%	4.9%	6.2%	7.3%	8.2%	62.6%	63.0%	63.6%	64.6%	65.1%
WebMD Health	3.0x	3.3x	3.7x	3.0x	2.8x	14.0x	14.4x	15.8x	12.2x	11.0x	7.6%	9.6%	10.4%	12.2%	13.6%	21.2%	23.0%	23.6%	24.3%	25.6%
Wix.com	4.3x	3.4x	4.2x	6.2x	6.6x	-	-	-	-	-	50.3%	43.5%	40.0%	39.8%	39.6%	-25.2%	-21.4%	-20.7%	-18.9%	-16.9%
XO Group	2.3x	2.0x	2.3x	2.5x	2.6x	15.4x	14.3x	15.7x	17.0x	18.6x	1.0%	-1.4%	0.6%	3.9%	6.2%	14.8%	14.2%	14.8%	14.9%	13.7%
Xunlei	0.4x	-	-	-	-	0.9x	-	-	-	-	-31.8%	-3.2%	4.3%	-11.8%	38.3%	45.5%	4.1%	-5.8%	-11.4%	-21.1%
Yahoo!	5.4x	4.9x	6.3x	7.2x	6.8x	56.3x	73.7x	123.9x	232.6x	375.5x	6.8%	7.6%	2.5%	0.5%	0.5%	9.6%	6.7%	5.1%	3.1%	1.8%
Yandex	5.5x	4.9x	6.1x	6.1x	5.0x	17.9x	17.5x	21.0x	20.1x	16.9x	17.0%	17.8%	22.4%	26.1%	27.6%	30.7%	28.2%	29.3%	30.1%	29.5%
Yelp	3.2x	2.2x	2.6x	3.9x	3.6x	100.6x	14853.8x	-	-	436.0x	49.5%	45.6%	40.6%	35.4%	32.8%	3.2%	0.0%	-1.5%	-1.4%	0.8%
YuMe	0.3x	0.4x	0.4x	0.3x	0.4x	-	-	-	-	-	1.0%	-2.5%	-4.6%	-4.4%	-4.4%	-6.5%	-6.8%	-5.5%	-3.0%	-1.9%
YY	3.8x	3.6x	2.5x	2.3x	2.0x	16.5x	14.9x	10.8x	10.0x	8.1x	65.6%	60.3%	53.7%	50.0%	47.4%	23.2%	24.1%	22.9%	23.2%	25.1%
Zillow	7.4x	5.6x	6.7x	8.3x	7.7x	-	-	-	849.0x	1103.1x	94.5%	97.8%	81.8%	54.4%	38.9%	-4.5%	-0.7%	-1.5%	1.0%	0.7%
Zynga	1.7x	1.2x	1.8x	2.1x	2.2x	-	-	-	-	-	14.4%	10.8%	8.9%	-0.3%	-4.5%	-8.6%	-6.4%	-4.7%	-2.7%	-5.9%

THE SEG INTERNET INDEX METRICS BY PRODUCT CATEGORY

Ad Tech	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	0.7x	0.7x	0.6x	0.7x	0.7x
EV/NTM Revenue	1.5x	1.6x	1.1x	0.7x	0.6x
EV/TTM EBITDA	19.3x	17.8x	18.9x	16.7x	16.8x
EV/TTM CFO	15.5x	14.4x	13.3x	10.2x	14.2x
Gross Profit Margin	50.0%	51.0%	51.3%	51.2%	49.0%
EBITDA Margin	7.1%	6.7%	5.3%	4.5%	4.6%
Net Income Margin	3.6%	0.2%	2.8%	-4.1%	-5.3%
TTM Revenue Growth (YoY)	17.0%	13.6%	7.2%	2.3%	0.5%
TTM EBITDA Growth (YoY)	-7.4%	-0.9%	-0.1%	15.1%	21.4%
TTM Earnings Growth (YoY)	12.6%	15.6%	19.3%	29.9%	21.2%
Cash as Percent of Market Cap	20.4%	26.7%	24.1%	37.3%	44.2%
Enterprise Value Growth (YoY)	-24.9%	-28.7%	-16.7%	-15.0%	-3.0%

Commerce	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	1.5x	1.2x	1.4x	2.1x	2.0x
EV/NTM Revenue	1.6x	1.3x	1.6x	2.0x	1.7x
EV/TTM EBITDA	22.1x	18.8x	34.0x	27.1x	20.9x
EV/TTM CFO	19.0x	19.8x	15.7x	20.9x	19.8x
Gross Profit Margin	42.6%	41.4%	43.8%	44.1%	43.8%
EBITDA Margin	6.0%	5.4%	5.4%	5.1%	4.9%
Net Income Margin	1.4%	0.6%	1.0%	1.2%	1.4%
TTM Revenue Growth (YoY)	16.8%	13.9%	15.9%	10.7%	13.5%
TTM EBITDA Growth (YoY)	0.4%	-1.8%	5.4%	9.9%	4.8%
TTM Earnings Growth (YoY)	-6.3%	18.0%	12.9%	30.2%	25.2%
Cash as Percent of Market Cap	16.8%	19.6%	18.3%	14.4%	12.6%
Enterprise Value Growth (YoY)	-11.4%	-20.4%	-27.9%	14.6%	24.6%

Content & Media	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	2.3x	2.1x	2.5x	2.8x	2.7x
EV/NTM Revenue	1.8x	2.0x	2.2x	2.5x	2.5x
EV/TTM EBITDA	15.4x	15.2x	17.6x	36.7x	22.3x
EV/TTM CFO	18.3x	13.6x	13.4x	15.7x	13.6x
Gross Profit Margin	61.6%	58.2%	56.1%	51.8%	50.5%
EBITDA Margin	9.6%	5.6%	5.1%	4.1%	4.2%
Net Income Margin	2.6%	1.8%	1.8%	-4.7%	-3.8%
TTM Revenue Growth (YoY)	7.6%	9.6%	5.2%	3.9%	13.6%
TTM EBITDA Growth (YoY)	1.6%	-13.1%	-21.5%	-15.7%	-7.4%
TTM Earnings Growth (YoY)	-29.8%	-32.8%	-18.4%	16.6%	56.3%
Cash as Percent of Market Cap	26.9%	32.3%	31.8%	29.1%	26.3%
Enterprise Value Growth (YoY)	5.0%	-20.2%	-14.9%	11.9%	7.5%

Gaming	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	2.8x	2.8x	3.0x	3.6x	3.6x
EV/NTM Revenue	2.6x	2.1x	2.7x	3.3x	2.9x
EV/TTM EBITDA	11.7x	13.5x	12.5x	14.8x	13.6x
EV/TTM CFO	14.6x	13.1x	14.7x	26.4x	24.5x
Gross Profit Margin	66.9%	64.4%	64.3%	63.5%	62.4%
EBITDA Margin	34.2%	32.2%	32.7%	33.1%	30.9%
Net Income Margin	22.5%	23.8%	24.8%	26.4%	26.0%
TTM Revenue Growth (YoY)	18.8%	13.3%	8.0%	3.5%	3.7%
TTM EBITDA Growth (YoY)	30.1%	43.7%	33.8%	24.3%	30.7%
TTM Earnings Growth (YoY)	24.8%	21.0%	45.2%	53.2%	35.2%
Cash as Percent of Market Cap	32.5%	32.4%	30.4%	26.0%	25.7%
Enterprise Value Growth (YoY)	6.1%	-11.4%	-8.6%	30.5%	31.9%

Infrastructure	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	1.4x	1.2x	1.3x	1.5x	1.5x
EV/NTM Revenue	1.3x	1.2x	1.3x	1.7x	1.5x
EV/TTM EBITDA	16.6x	13.5x	15.8x	21.2x	18.9x
EV/TTM CFO	17.4x	16.6x	14.3x	15.2x	12.8x
Gross Profit Margin	61.2%	61.2%	61.4%	60.9%	60.1%
EBITDA Margin	6.9%	6.3%	5.6%	4.8%	4.5%
Net Income Margin	-1.1%	-1.9%	-2.5%	-1.6%	-1.3%
TTM Revenue Growth (YoY)	5.2%	4.9%	5.7%	8.0%	8.2%
TTM EBITDA Growth (YoY)	-1.8%	2.7%	5.9%	7.8%	9.7%
TTM Earnings Growth (YoY)	4.1%	-10.1%	-6.8%	6.7%	19.5%
Cash as Percent of Market Cap	19.5%	21.2%	19.6%	17.0%	14.9%
Enterprise Value Growth (YoY)	32.0%	6.6%	-0.6%	10.8%	20.5%

Search	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	5.9x	5.1x	5.3x	5.4x	5.0x
EV/NTM Revenue	5.1x	4.8x	4.4x	4.9x	4.4x
EV/TTM EBITDA	18.6x	17.6x	18.4x	18.7x	16.8x
EV/TTM CFO	17.4x	15.9x	16.0x	15.8x	14.4x
Gross Profit Margin	69.3%	68.8%	68.3%	67.6%	67.8%
EBITDA Margin	28.3%	27.3%	27.5%	27.3%	27.9%
Net Income Margin	21.1%	19.0%	17.7%	18.5%	17.0%
TTM Revenue Growth (YoY)	14.9%	15.7%	18.7%	21.3%	17.1%
TTM EBITDA Growth (YoY)	-8.8%	-7.0%	-2.2%	9.8%	16.2%
TTM Earnings Growth (YoY)	4.1%	-13.7%	-14.2%	21.0%	18.4%
Cash as Percent of Market Cap	15.4%	21.0%	17.2%	17.6%	18.3%
Enterprise Value Growth (YoY)	-6.6%	-16.7%	-8.5%	20.6%	1.4%

Services	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	1.8x	1.8x	2.0x	2.2x	2.6x
EV/NTM Revenue	1.6x	1.5x	1.7x	1.9x	2.0x
EV/TTM EBITDA	22.7x	18.2x	18.6x	27.9x	27.7x
EV/TTM CFO	18.8x	26.8x	33.9x	45.5x	31.5x
Gross Profit Margin	73.0%	73.3%	73.4%	73.5%	71.7%
EBITDA Margin	3.8%	3.8%	5.9%	7.6%	5.4%
Net Income Margin	-6.5%	-6.3%	-4.8%	-6.5%	-0.8%
TTM Revenue Growth (YoY)	25.0%	23.4%	21.6%	22.7%	20.9%
TTM EBITDA Growth (YoY)	6.5%	15.0%	15.2%	38.4%	30.5%
TTM Earnings Growth (YoY)	83.4%	56.9%	22.8%	54.7%	25.7%
Cash as Percent of Market Cap	17.8%	16.1%	15.2%	14.2%	10.6%
Enterprise Value Growth (YoY)	7.8%	-21.0%	-6.1%	33.3%	23.5%

Social	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	7.9x	4.5x	4.2x	4.5x	4.7x
EV/NTM Revenue	4.0x	3.2x	3.7x	5.1x	3.9x
EV/TTM EBITDA	20.2x	23.7x	19.3x	18.3x	21.1x
EV/TTM CFO	22.5x	21.9x	20.4x	22.0x	21.8x
Gross Profit Margin	67.4%	67.1%	67.0%	66.9%	66.5%
EBITDA Margin	23.2%	24.0%	22.9%	23.2%	25.1%
Net Income Margin	13.4%	7.7%	9.5%	10.0%	11.4%
TTM Revenue Growth (YoY)	45.9%	43.8%	40.6%	35.4%	32.8%
TTM EBITDA Growth (YoY)	3.5%	7.1%	10.1%	19.0%	31.9%
TTM Earnings Growth (YoY)	10.4%	-10.7%	-21.4%	-17.0%	12.7%
Cash as Percent of Market Cap	6.4%	7.7%	9.0%	14.0%	11.4%
Enterprise Value Growth (YoY)	2.7%	21.0%	-15.6%	-12.4%	-22.2%

Travel	4Q15	1Q16	2Q16	3Q16	4Q16
EV/TTM Revenue	5.1x	4.4x	4.3x	4.1x	3.6x
EV/NTM Revenue	5.3x	5.0x	4.2x	4.7x	3.8x
EV/TTM EBITDA	24.2x	25.3x	20.7x	21.1x	19.9x
EV/TTM CFO	50.7x	20.9x	20.2x	18.8x	21.3x
Gross Profit Margin	86.7%	86.7%	86.7%	87.6%	88.3%
EBITDA Margin	5.3%	6.8%	7.0%	8.2%	9.3%
Net Income Margin	13.3%	11.5%	8.5%	2.7%	2.3%
TTM Revenue Growth (YoY)	12.6%	15.8%	11.8%	16.6%	20.8%
TTM EBITDA Growth (YoY)	-0.2%	2.7%	-11.3%	-17.8%	-50.1%
TTM Earnings Growth (YoY)	10.0%	5.4%	33.1%	12.3%	-44.0%
Cash as Percent of Market Cap	15.2%	13.3%	13.0%	10.9%	10.3%
Enterprise Value Growth (YoY)	13.2%	1.1%	-2.3%	37.3%	21.8%

Select Public Sellers

Date	Buyer	Seller	Purchase Price (mm)	Enterprise Value (mm)	EV/ Revenue	EV/ EBITDA	TTM Revenue Growth
11/12/2016	Siemens Industry, Inc.	Mentor Graphics Corporation (NasdaqGS:MENT)	\$4,544.0	\$4,281.3	3.8x	23.2x	-
12/05/2016	Synchronoss Technologies (NasdaqGS:SNCR)	IntraLinks Holdings, Inc. (NYSE:IL)	\$902.4	\$854.5	2.9x	42.7x	-

Select Mega Deals

Date	Buyer	Seller	Purchase Price (mm)	Enterprise Value (mm)	EV/ Revenue	EV/ EBITDA	TTM Revenue Growth
11/12/2016	Siemens Industry, Inc.	Mentor Graphics Corporation (NasdaqGS:MENT)	\$4,544.0	\$4,281.3	3.8x	23.2x	-
12/06/2016	Roper Technologies, Inc. (NYSE:ROP)	Deltek, Inc.	\$2,800.0	\$2,800.0	-	-	-
11/14/2016	GE Digital LLC	ServiceMax, Inc.*	\$915.0	\$915.0	15.3x	-	-
12/05/2016	Synchronoss Technologies, Inc. (NasdaqGS:SNCR)	IntraLinks Holdings, Inc. (NYSE:IL)	\$902.4	\$854.5	2.9x	42.7x	-
12/07/2016	Vista Equity Partners; PowerSchool Group LLC	SunGard Public Sector and Education Businesses	\$850.0	\$850.0	-	-	-
10/03/2016	salesforce.com, inc. (NYSE:CRM)	Krux Digital Inc.	\$768.0	\$768.0	-	-	-
10/31/2016	Roper Technologies, Inc. (NYSE:ROP)	iSqFt, Inc.	\$631.0	\$631.0	-	-	-
11/30/2016	CA Europe S.a.r.l.	Automic Holding GmbH	\$637.8	\$609.1	-	-	-
12/19/2016	Nielsen Holding & Finance B.V.	Gracenote & Tribune Digital Assets	\$560.0	\$560.0	-	-	-
11/08/2016	Adobe Systems Incorporated (NasdaqGS:ADBE)	TubeMogul, Inc.	\$626.3	\$542.2	2.6x	-	-
10/20/2016	Wipro Limited (BSE:507685)	Appirio Inc.	\$500.0	\$500.0	2.6x	-	-

Most Active Buyers

Buyer	Seller	Enterprise Value (mm)	TTM Revenue (mm)	EV/ Revenue
Appsbuyout	GPS Status Test & Fix	-	-	-
	Mega Voice Changer	-	-	-
	Scientific Calculator	-	-	-
BC Partners; Medina Capital	Brainspace Corporation	-	-	-
	Catbird Networks, Inc.	-	-	-
	Cryptzone North America Inc.	-	-	-
	Easy Solutions Inc.	-	-	-
GE Digital LLC	Bit Stew Systems Inc.*	\$153.0	\$15.3	10.0x
	ServiceMax, Inc.*	\$915.0	\$59.8	15.3x
	Wise.io, Inc.	-	-	-
The Descartes Systems Group Inc (TSX:DSG)	4Solutions Pty Ltd.	\$2.6	-	-
	Appterra, Inc.	\$7.4	-	-
	Datamyne, Inc.	\$52.7	-	-