

SagePoint Software & Services 125

Q3 2010 Performance Review

An Analysis of Public Communications, Internet and
IT Infrastructure Software & Services Companies
from a Valuation and M&A Perspective

December 2010

Prepared By:



For more information contact David Michaels at (858) 926-5950 or dmichaels@sagepointadvisors.com

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SagePoint Software & Services 125 Universe

Q3 Adds:

- IntraLinks
- Leshi Internet
- Netflix

		Market Segment											
		Network & Systems Mgt	Data Mgt & Infrastructure	Security	Carrier Back Office	Messaging & Conferencing	VoIP & Voice Applications	Video / Multimedia	Connectivity & Mobility	Mobile & LBS Applications	Mobile/Web Content & Games	Portals & Social Ntwks	Search & Mktg Services
1	Access Co								X				
2	Adobe							X					
3	Akamai										X		
4	Amdocs				X								
5	Ancestry.com											X	
6	AOL											X	X
7	Aplix								X				
8	AsialInfo				X								
9	AutoNavi									X			
10	Autonomy	X											
11	Avid						X						
12	Baidu											X	X
13	Bitstream								X				
14	BMC	X											
15	BroadSoft					X							
16	CA	X											
17	Changyou.com										X		
18	Check Point			X									
19	ChinaCache										X		
20	Citrix	X						X					
21	ClickSoftware									X			
22	CommTouch			X									
23	CommVault	X											
24	Compuware	X											
25	comScore												X
26	Constant Contact					X							
27	Convergys				X								
28	CSG Systems				X								
29	CyberLink						X						
30	Daum Comm.											X	
31	DG FastChannel												X
32	DigiCore									X			

Q3 Drops:

- ArcSight
- DivX
- Netezza

		Market Segment											
		Network & Systems Mgt	Data Mgt & Infrastructure	Security	Carrier Back Office	Messaging & Conferencing	VoIP & Voice Applications	Video / Multimedia	Connectivity & Mobility	Mobile & LBS Applications	Mobile/Web Content & Games	Portals & Social Ntwks	Search & Mktg Services
33	Digital River												
34	DigitalGlobe										X		
35	Dolby							X					
36	DTS							X					
37	Enghouse Systems						X						
38	Fortinet			X									
39	F-Secure			X									
40	Giant Interactive										X		
41	Google												X
42	Gree											X	
43	IAC/InterActive											X	X
44	IBM		X										
45	Index Holdings										X		
46	Informatica		X										
47	InfoSpace												X
48	Infraware								X				
49	Interactive Intel.						X						
50	Intermap										X		
51	IntraLinks					X							
52	Ituran									X			
53	j2 Global					X							
54	Keynote Systems	X											
55	Leshi Internet										X		
56	Limelight Ntwks										X		
57	LivePerson					X							
58	LogMeIn								X				
59	Marchex												X
60	McAfee			X									
61	Meetic												X
62	Microsoft		X			X							
63	MicroStrategy		X										
64	Mixi												X

SagePoint Software & Services 125 Universe – Continued

		Market Segment											
		Network & Systems Mgt	Data Mgt & Infrastructure	Security	Carrier Back Office	Messaging & Conferencing	VoIP & Voice Applications	Video / Multimedia	Connectivity & Mobility	Mobile & LBS Applications	Mobile/Web Content & Games	Portals & Social Ntwks	Search & Mktg Services
65	Motricity								X				
66	Myriad								X				
67	NEOWIZ									X			
68	Netease.com									X			
69	Netflix									X			
70	NetScout	X											
71	NeuStar				X								
72	Neutral Tandem				X								
73	NHN											X	
74	NICE Systems					X							
75	Novell	X											
76	Nuance					X							
77	Openwave				X			X					
78	Opera							X					
79	OPNET Tech.	X											
80	Oracle		X										
81	Perfect World									X			
82	Premiere Global				X								
83	Progress Software	X											
84	Qlik		X										
85	Quest Software	X											
86	RealNetworks									X			
87	Red Hat		X										
88	Rovi						X						
89	SAP		X										
90	SeaChange						X						
91	Shanda Games									X			
92	Shutterfly											X	
93	Sina											X	
94	Smith Micro							X					
95	Software AG		X										

		Market Segment											
		Network & Systems Mgt	Data Mgt & Infrastructure	Security	Carrier Back Office	Messaging & Conferencing	VoIP & Voice Applications	Video / Multimedia	Connectivity & Mobility	Mobile & LBS Applications	Mobile/Web Content & Games	Portals & Social Ntwks	Search & Mktg Services
96	Sohu.com											X	
97	SolarWinds	X											
98	Sonic Solutions							X					
99	Sourcefire			X									
100	SRS Labs							X					
101	Symantec			X									
102	Synchronoss				X								
103	Syniverse				X								
104	TCS									X			
105	TechTarget												X
106	Teleperformance				X								
107	TeleTech				X								
108	Tencent										X		
109	Teradata		X										
110	Tibco		X										
111	TNS				X								
112	TradeDoubler												X
113	Trend Micro			X									
114	Univero Online											X	
115	ValueClick												X
116	Verisign			X									
117	VIZRT							X					
118	VMware		X										
119	Wave Systems			X									
120	Websense			X									
121	Webtech									X			
122	XATA									X			
123	XING											X	
124	Yahoo Japan											X	X
125	Yahoo!											X	X

SagePoint's Viewpoint - Key Takeaways

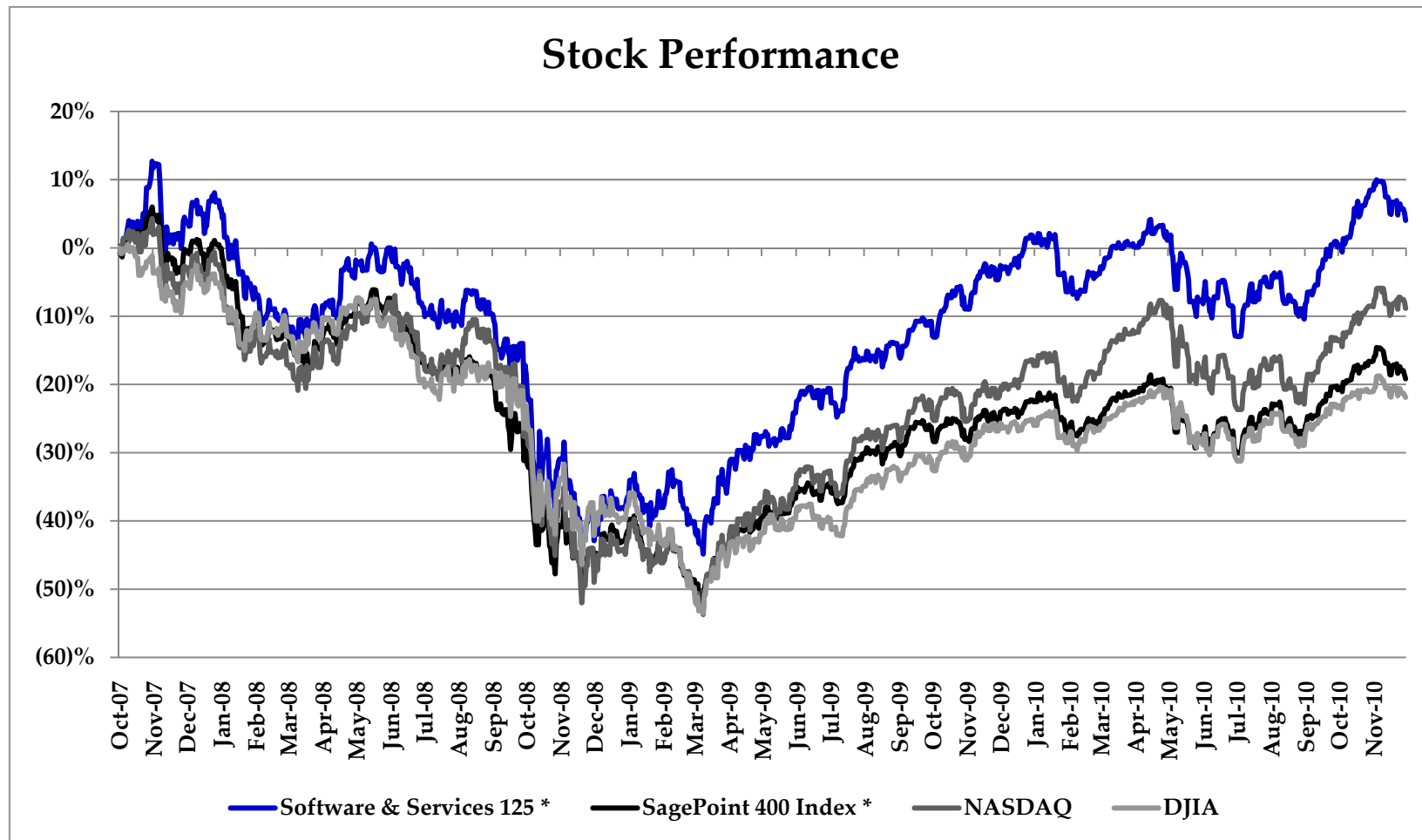
- Software & Services 125 has shown strong growth recently, up 19.4% since the start of Q3, outperforming the SagePoint 400 (+15.0%), NASDAQ (+18.4%) and DJIA (+12.6%)
 - Most segments appreciated ~20-30% with Video/Multimedia and Mobile & LBS Apps the only laggards
- The vast majority of Software & Services companies are consistently delivering on expectations
 - 94% of the Software & Services 125 met or beat Q2 revenue targets while 85% met or beat EPS targets
 - Most Q3 surprises are positive with beats outnumbering misses 7 to 1 for revenue estimates and nearly 5 to 1 for EPS estimates
- Software & Services 125 posted double digit median revenue growth for the third straight quarter, up 17.7%, the highest growth rate in two years
 - Software & Services companies were split into two camps, those posting growth of ~20%+ and those with high single to low double-digit growth rates
 - NTM growth is expected to slow as higher PYQ numbers make somewhat inflated growth rates difficult to maintain
 - However, many segments are expecting impressive 15-20% growth with all segments projecting growth of 7% or more
- Median EPS growth rate for the Software & Services 125 decreased considerably in Q3 as stronger PYQ numbers make high growth rates more difficult to maintain but still remains in the double digits at 15.4%
 - Still, numerous companies are posting huge EPS growth as growing revenues are driving operating leverage and strong cash flows, particularly compared to weaker prior year quarters
 - Only 13 companies posted EPS contraction, 9 of which actually posted revenue growth, as companies have returned to investment in SG&A and R&D with the improved economic environment
 - Double digit median EPS growth is expected to continue at 17.8% over the next twelve months

SagePoint's Viewpoint - Key Takeaways Continued

- Software & Services 125 vendors continued to increase spend in Q3 to fuel innovation & growth as revenue growth and stable gross margins have companies comfortable increasing opex
 - Median gross margins of 70.0% are near their three year high
 - Median R&D spending as a % of revenues increased to 14.0% as companies focus on the future
 - Median SG&A stayed flat at 36.3% of revenues as increased SG&A spending matched revenue growth
 - Median net margins rose to 15.4% approaching three year highs after recovering from Q1 drop
- Valuation multiples have rebounded strongly the rally starting in September driving multiples to some of the highest values in the past two years
 - Median LTM revenue multiple hits 3.0x for the first time since '07, though still remains below '07 highs
 - Median P/E multiples have recovered and now stand at 21.8x, still well below 2007 peak levels
- M&A activity was strong in Q3 with increased transaction volume and dollar volume
 - Notable Q3 deals included Intel/McAfee (\$7.7B), Hexagon/Intergraph (\$2.1B), IBM/Netezza (\$1.7B), HP/ArcSight (\$1.6B), Disney/Playdom (\$763M), Google/ITA (\$700M), ellman & Friedman/Internet Brands (\$646M), IBM/Big Fix (\$400M), HP/Fortify (\$265M), Google/Slide (\$228M), CA/Arcot (\$200M)
 - With 34% of the Software & Services 125 below \$200 million in LTM revenues and 48% at market caps below \$1 billion, the sector remains fragmented which should be a catalyst for further consolidation
 - Hardware players are increasingly looking to software acquisitions to broaden portfolios and provide high margin, high growth business lines that are complementary to existing products

SagePoint Software & Services 125 Index Performance

- The Software & Services 125 is the only segment covered by SagePoint that is up over the past three years with the SagePoint 400, NASDAQ and DJIA all down
- Software & Services 125 has outperformed recently as well, up 19.4% since the start of Q3, above SagePoint 400 (+15.0%), NASDAQ (+18.4%) and DJIA (+12.6%)

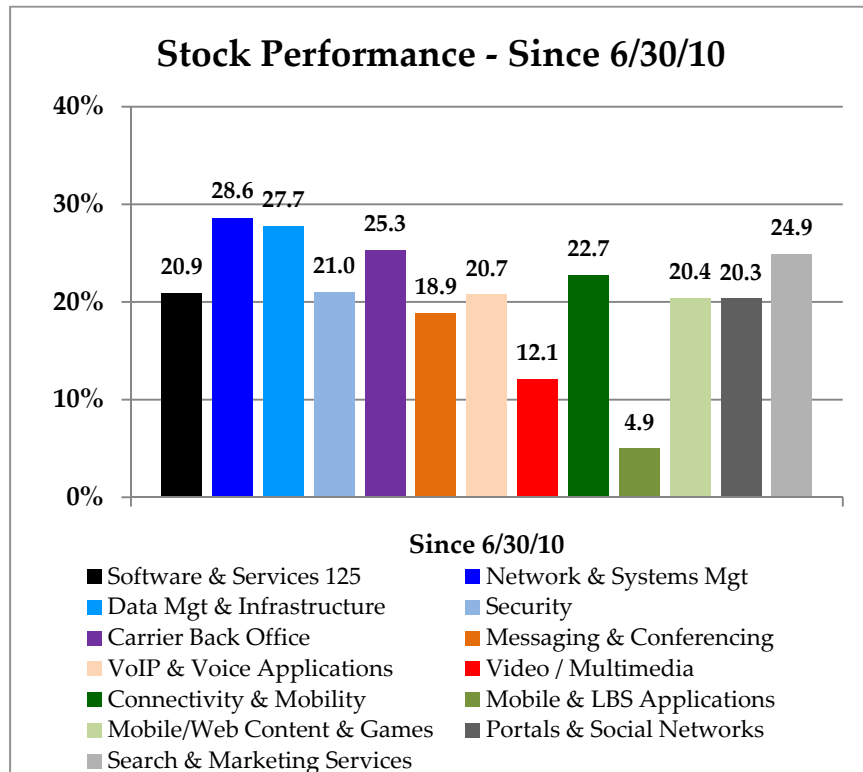


* Market Value weighted index

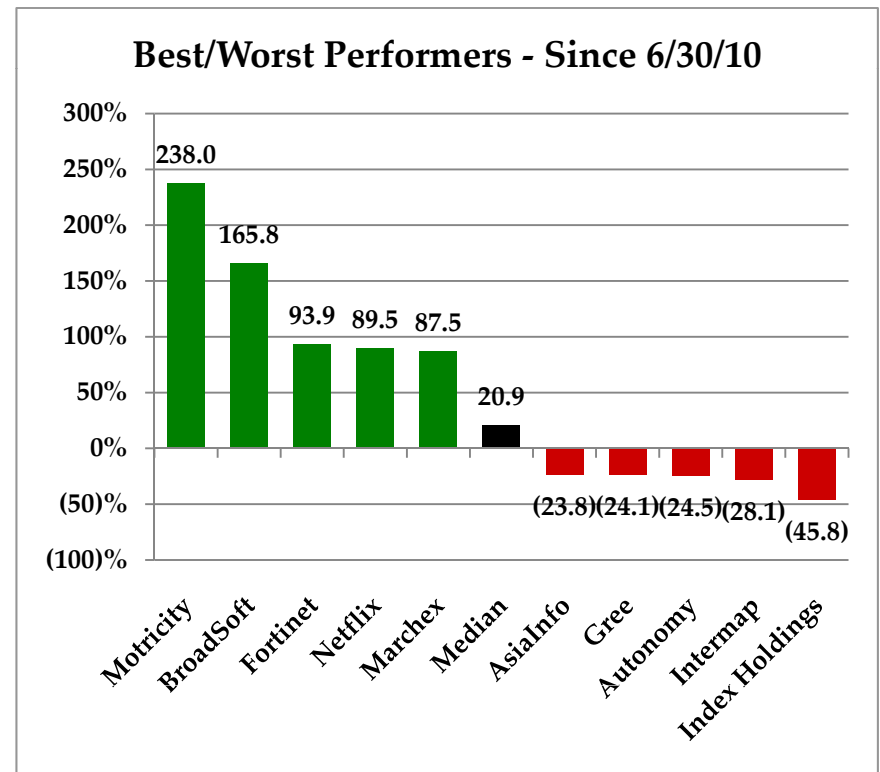
SagePoint Software & Services 125 – Q3 2010

Stock Performance Since Beginning of Q3

- The SagePoint Software & Services 125 is up a median of 20.9% since the start of Q3
 - Most segments appreciated ~20-30% with Video/Multimedia and Mobile & LBS Apps the only laggards
 - Motricity customer wins and solid Q3 results drove up price after hovering at its IPO price for 3 months
 - After hovering at its IPO price for 4 months, Broadsoft's 2nd straight strong quarter convinced investors
 - Blowout quarter and acquisition rumors helped Fortinet to nearly double
 - Netflix up on subscriber growth and content deals helping secure their position in digital delivery
 - Index Holdings and Intermap continue to plummet along with their revenues



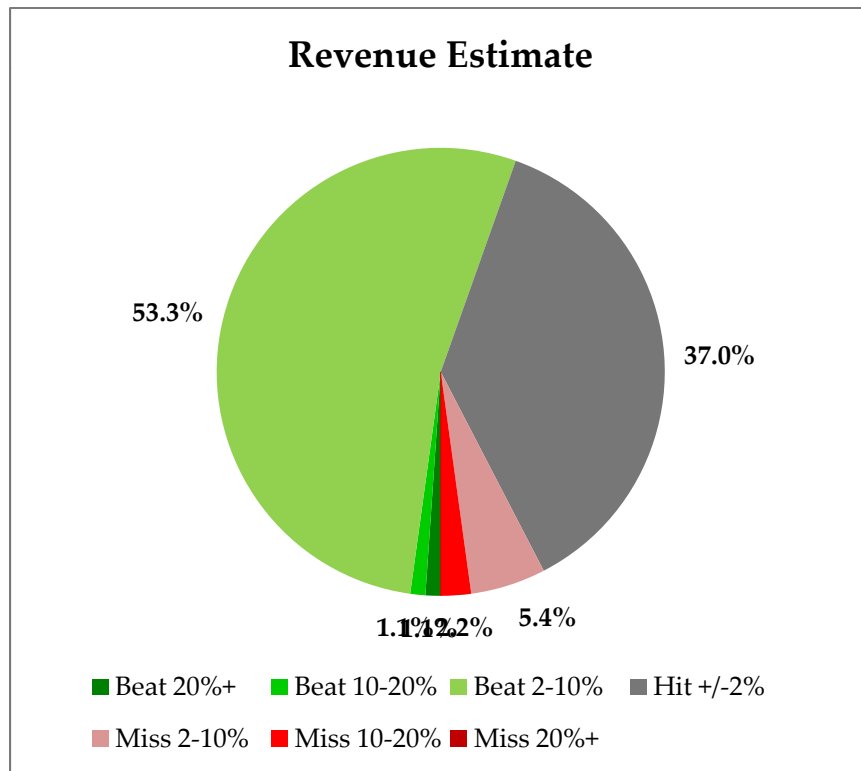
Source: SagePoint Advisors & Capital IQ



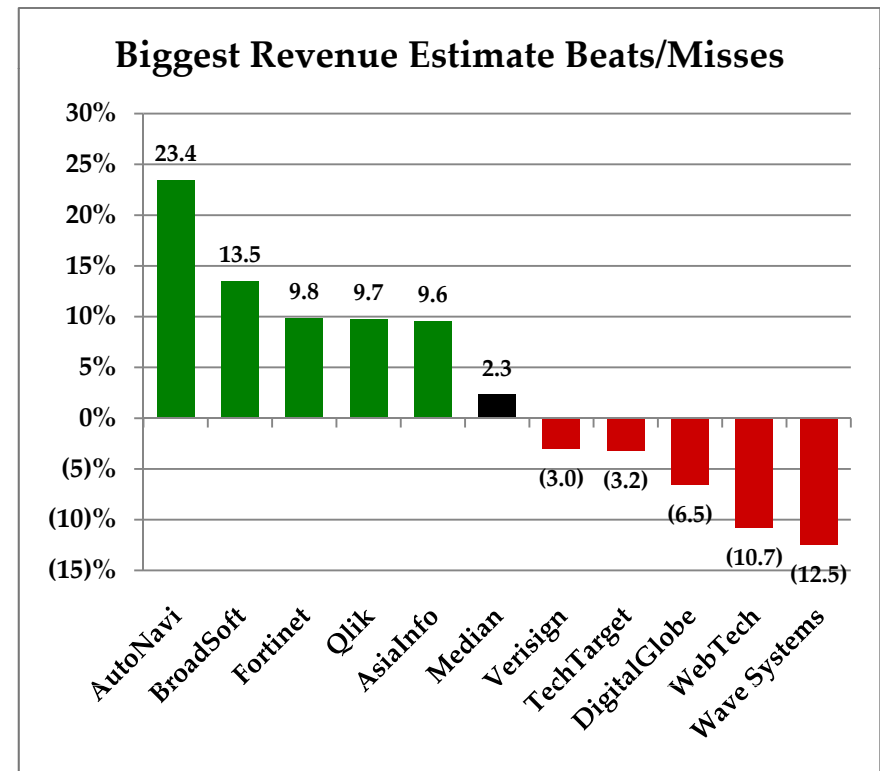
Source: SagePoint Advisors & Capital IQ

Q3 Performance Versus Analyst Estimates – Revenue

- More positive news again this quarter as 94% of the Software & Services 125 met or beat revenue estimates with beats outnumbering misses 7 to 1
 - AutoNavi had a big beat on strength in auto navigation and struck a partnership deal with TomTom
 - Broadsoft continues to impress following its mid-year IPO with its second straight double digit beat
 - Fortinet, Qlik and AsiaInfo all beat by nearly 10%
 - Wave Systems missed numbers from the only analyst covering them but still project strong growth
 - Webtech revenues continue to develop slower than analysts hope, missing again this quarter



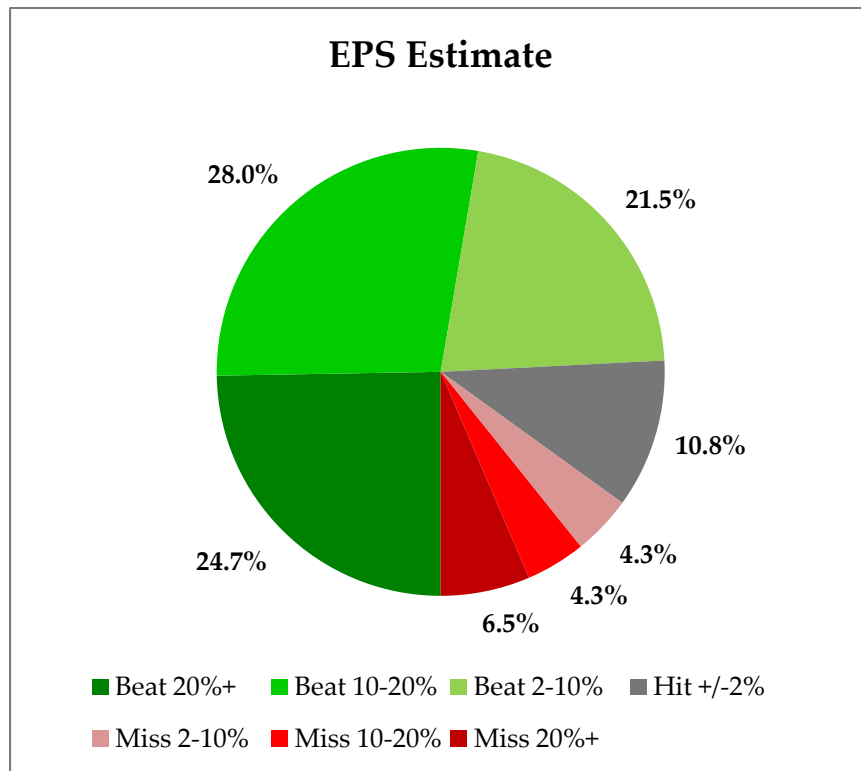
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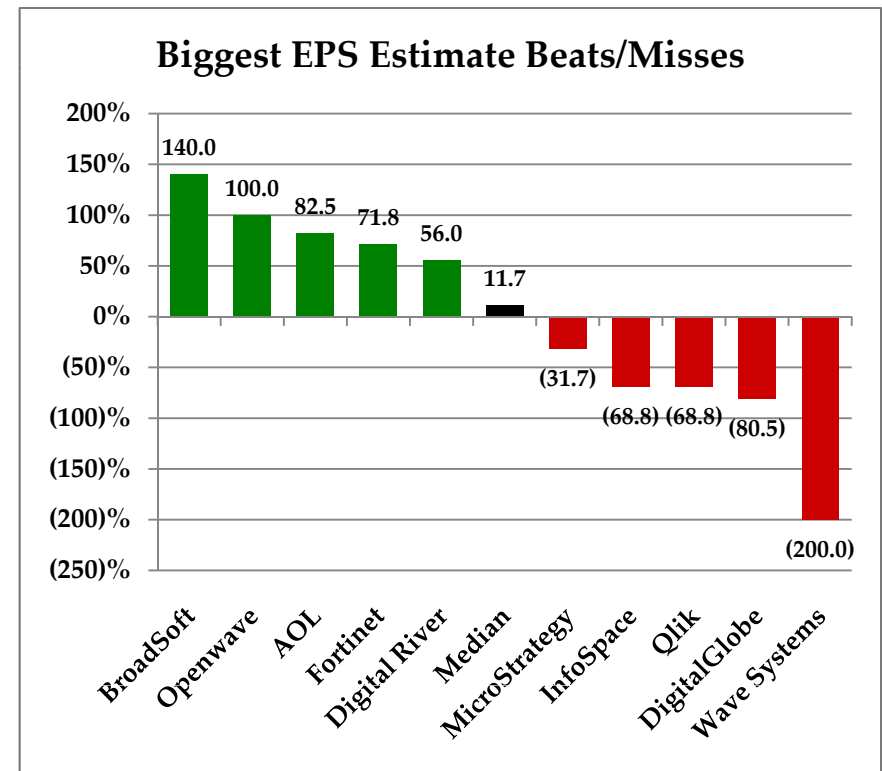
Source: SagePoint Advisors & Capital IQ

Performance Versus Analyst Estimates – EPS

- Nearly three quarters of Software & Services 125 beat EPS with over half beating by 10%+
 - Broadsoft top line beat translated to strong earnings beat as well
 - Openwave beat on new “patent licensing” revenue stream, though it will likely be lumpy going forward
 - AOL beat despite in-line revenue as cost-cutting drove earnings improvement
 - Fortinet and Digital River revenue beat and margin improvement drove strong earnings surprises
 - Wave missed revenue and high investment in R&D led to earnings miss
 - Digital Globe revenue miss and weakened margins caused the EPS miss



Source: SagePoint Advisors & Capital IQ

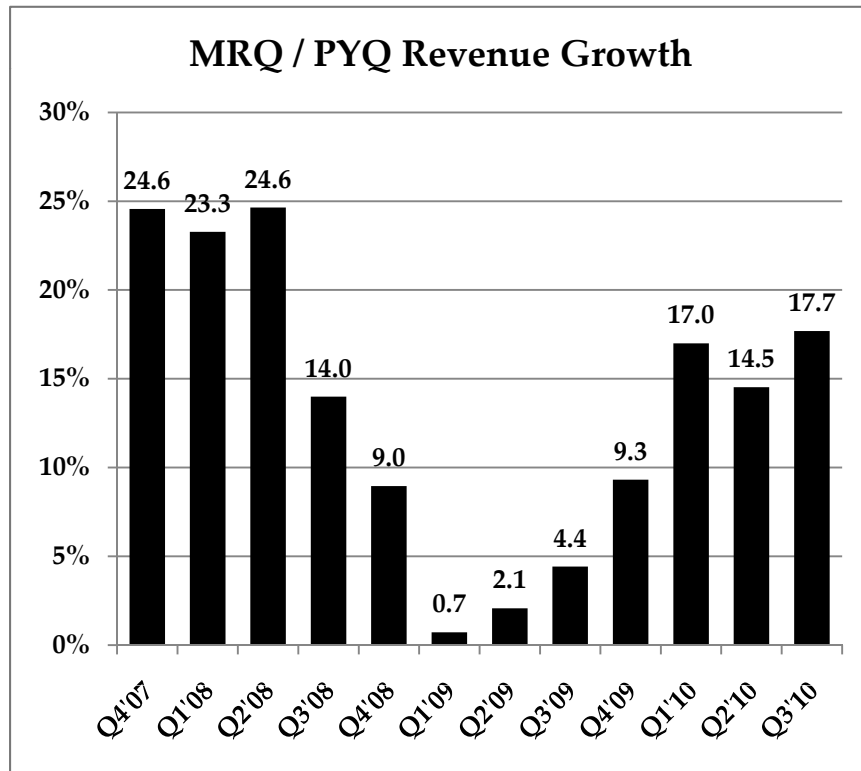


Source: SagePoint Advisors & Capital IQ

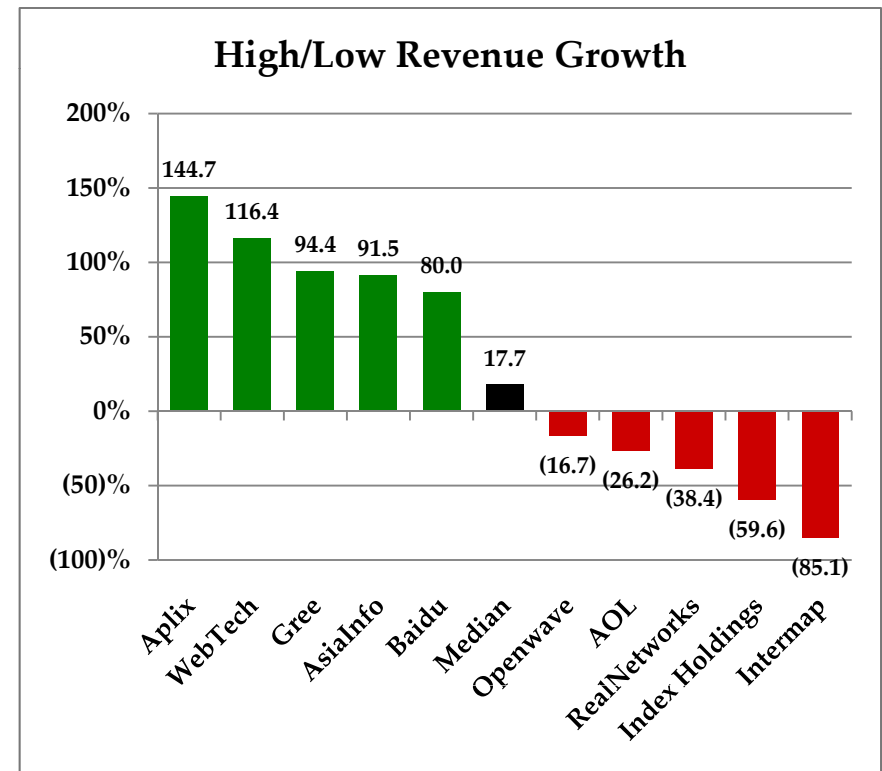
Note: Excludes companies projected to have a net margin between -1% and 1%

Operating Metrics – Revenue Growth

- Software & Services 125 posted double digit median revenue growth for the third straight quarter, up 17.7%, the highest growth rate in two years
 - Aplix and Gree showed huge growth for the third straight quarter at 145% and 94%, respectively
 - WebTech posted big Y/Y growth, but disappointed analysts as growth has been slower than expected
 - Baidu and AsiaInfo posted strong growth again with analysts expecting continued growth
 - Intermap and Index Holdings took a beating in the market for their poor numbers



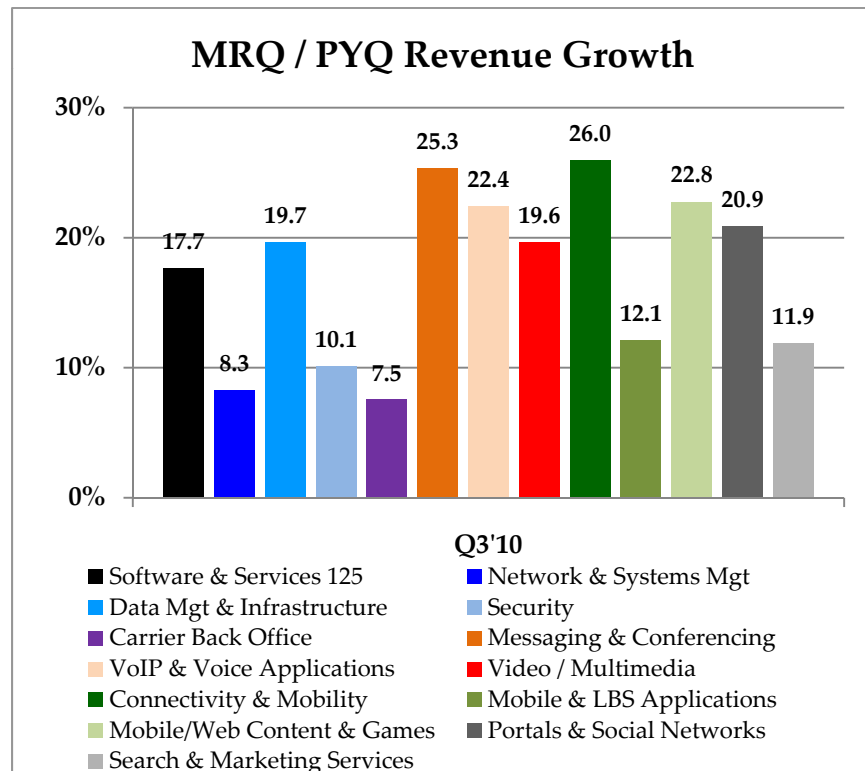
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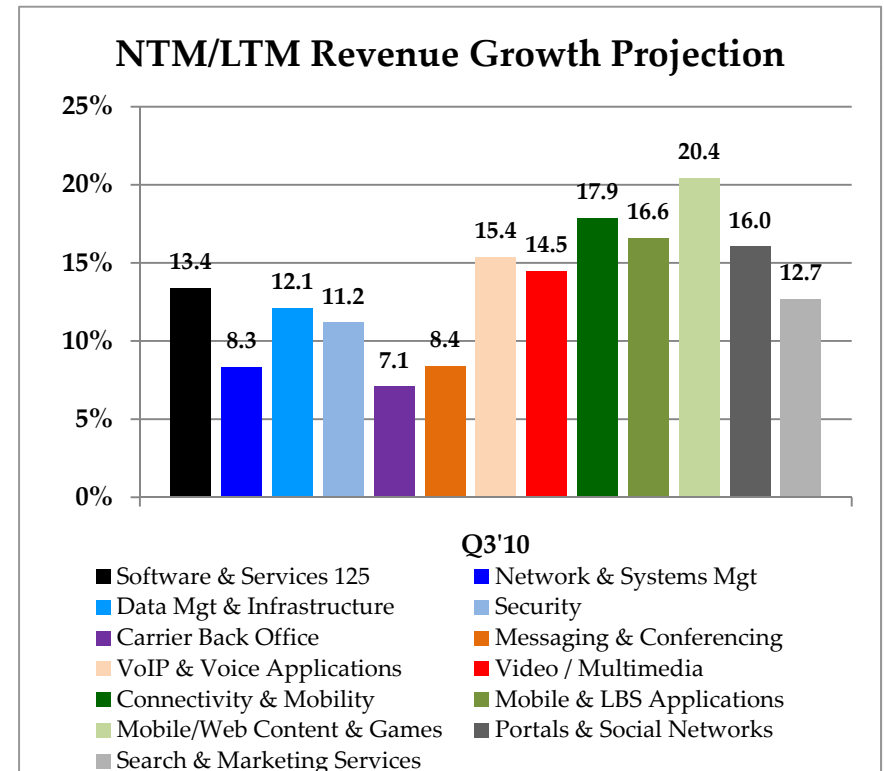
Source: SagePoint Advisors & Capital IQ

Operating Metrics – Revenue Growth by Segment

- Software & Services companies were split into two camps, those posting growth of ~20%+ and those with high single to low double-digit growth rates
- NTM growth is expected to slow as higher PYQ numbers make high growth rates difficult to maintain
 - Still many segments are expecting impressive 15-20% growth with all segments projecting growth of 7% or more
 - Mobile/Web Content & Games leads with 20% growth expected as increased content consumption, particularly video, will drive demand



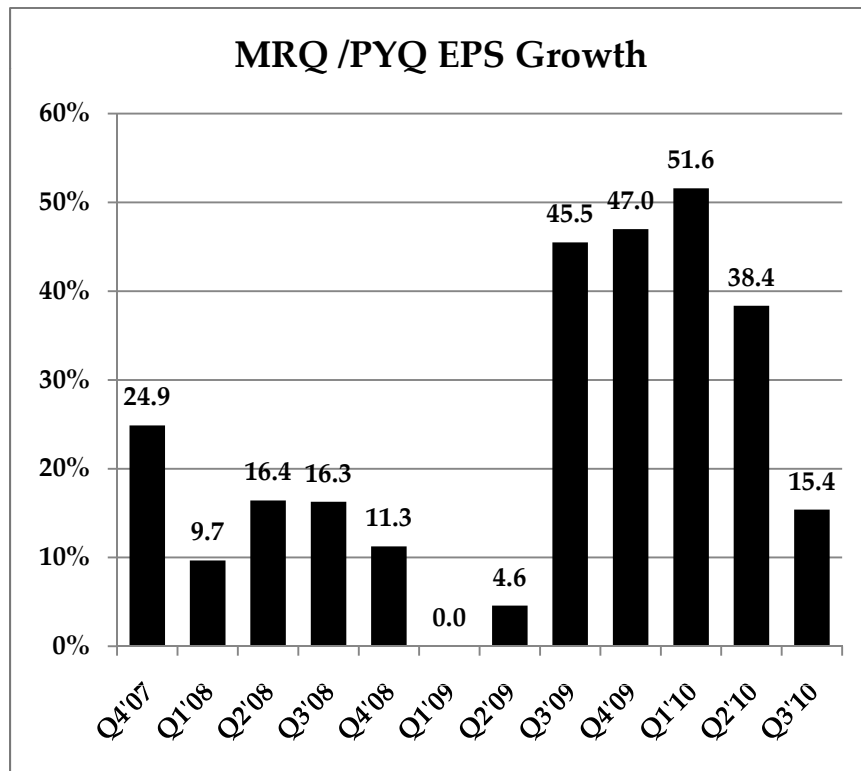
Source: SagePoint Advisors & Capital IQ



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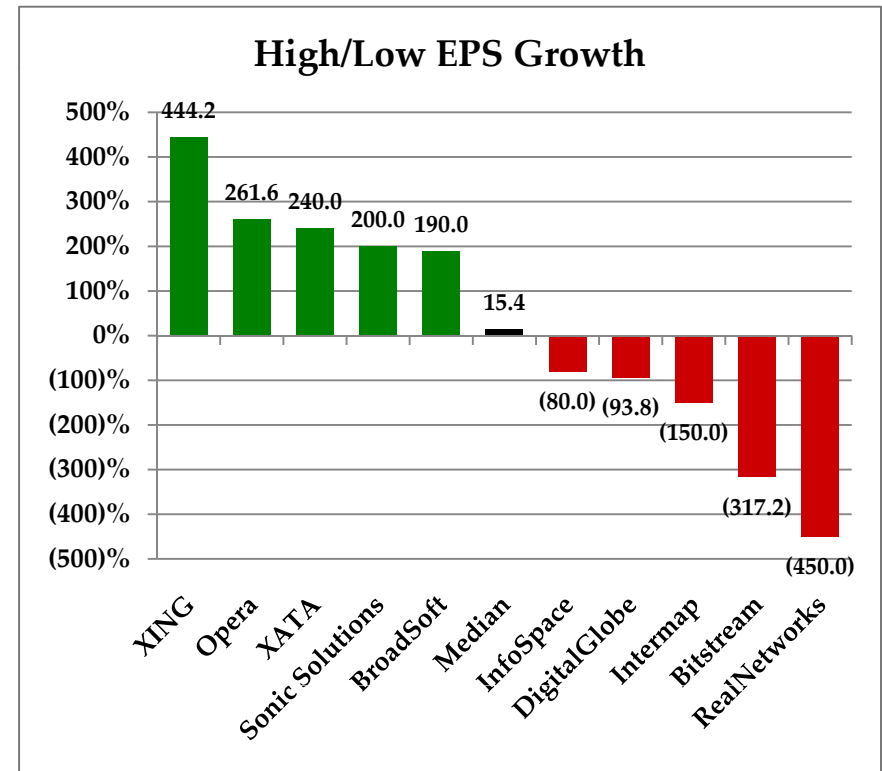
Operating Metrics – EPS Growth

- Median EPS growth for the Software & Services 125 decreased in Q3 but still remains in the double digits as stronger PYQ numbers make high growth rates more difficult to maintain
 - Numerous companies are posting huge EPS growth as growing revenues are driving operating leverage and strong cash flows, particularly compared to weaker prior year quarters
 - XING revenue growth, improved GMs, lower opex and reduced depreciation all drove large EPS growth
 - Opera turned PYQ's \$0.10 loss into a \$0.16 gain by keeping opex flat while growing revenue
 - Only 13 companies posted EPS contraction, 9 due to substantially increased opex despite revenue growth



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a net margin between -1% and 1% in the PYQ

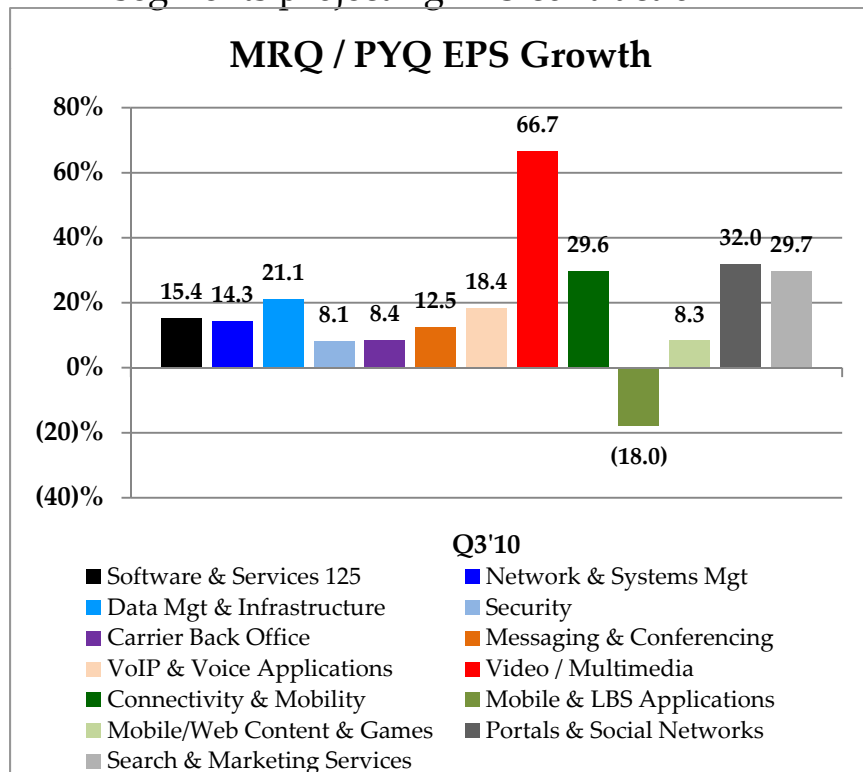


Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a net margin between -1% and 1% in the PYQ

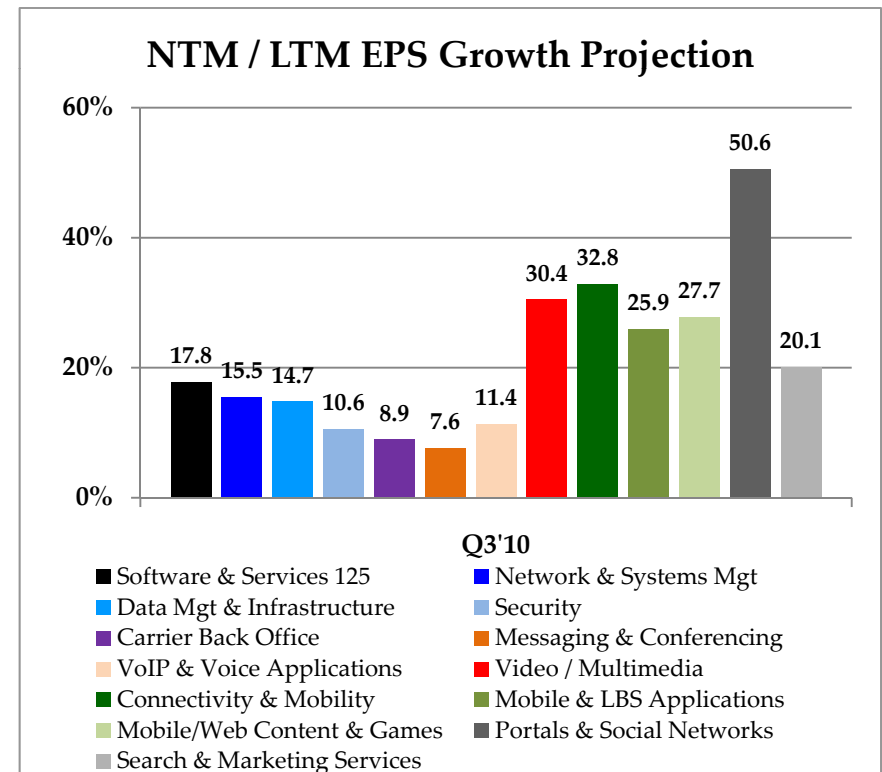
Operating Metrics – EPS Growth by Segment

- Double digit median EPS growth is expected to continue at 17.8% over the next twelve months
 - Video/Multimedia led MRQ/PRQ growth at 67% with continued growth expected NTM
 - Portals & Social Networks also posted strong MRQ/PYQ with more growth projected at 50% NTM
 - Connectivity & Mobility and Search & Marketing Services posted growth of ~30% with continued growth expected in the 20-30% range
 - Mobile & LBS Applications was down 18% but projects a return to growth of 27.7%
 - Only Carrier Back Office and Messaging & Conferencing project single digit growth NTM with no segments projecting EPS contraction



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a net margin between -1% and 1% in the PYQ

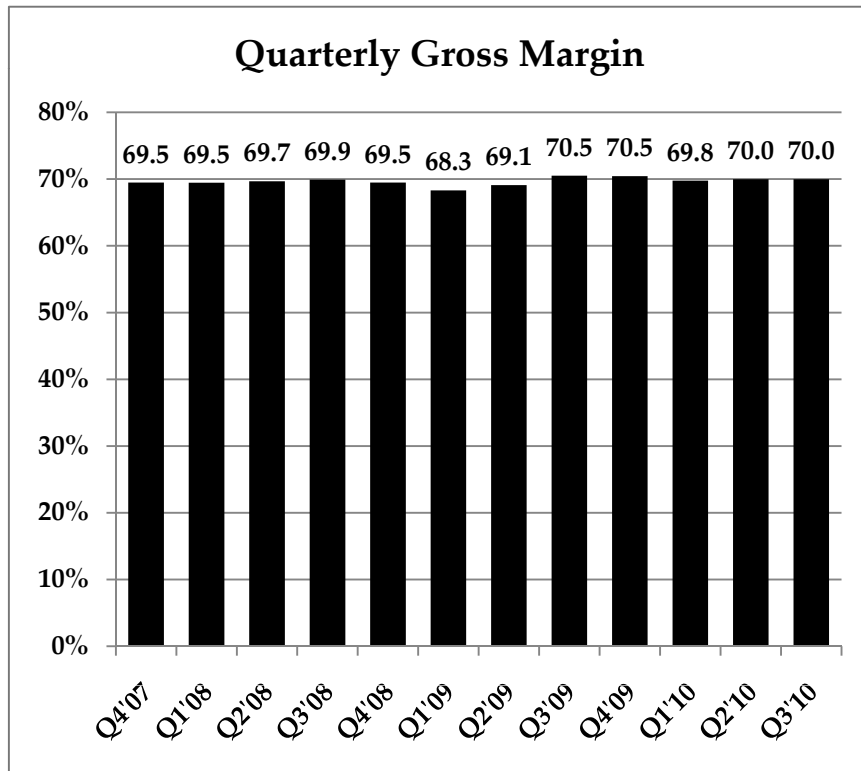


Source: SagePoint Advisors & Capital IQ

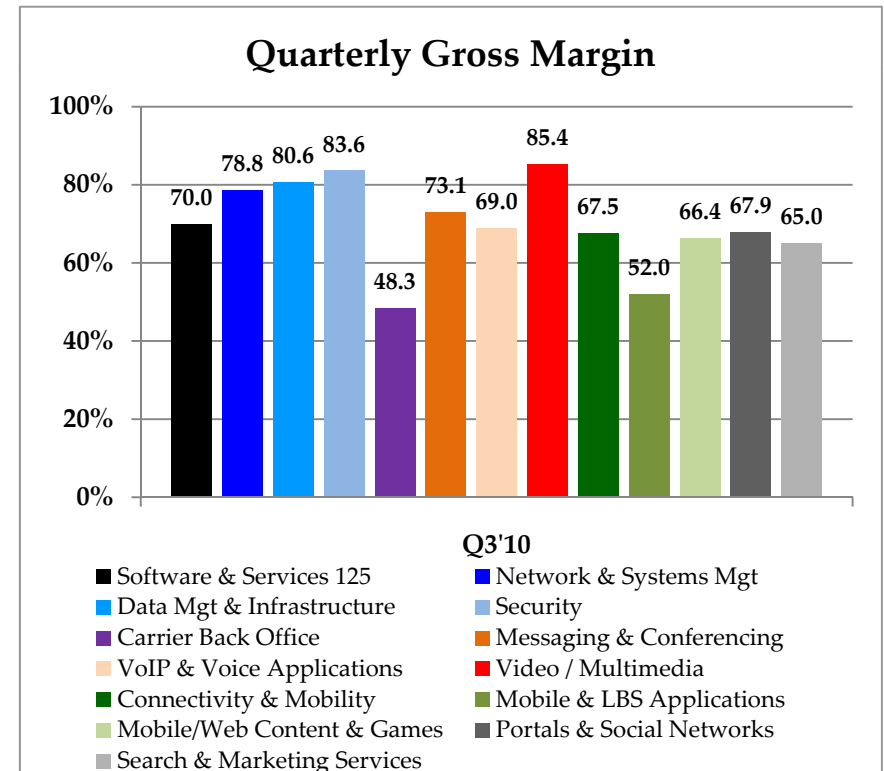
Note: Excludes companies with a net margin between -1% and 1% in the PYQ

Operating Metrics – Gross Margins

- Median gross margins remain strong at 70.0%, not far off their 3 year high of 70.5%
- Video/Multimedia, Security, Data Mgt & Infrastructure and Network & Systems Mgt posted the strongest margins as the fast growth of traffic and their highly specialized solutions enable high price points
- Carrier Back Office and Mobile & LBS Applications have the lowest gross margins as pricing pressure squeezes margins



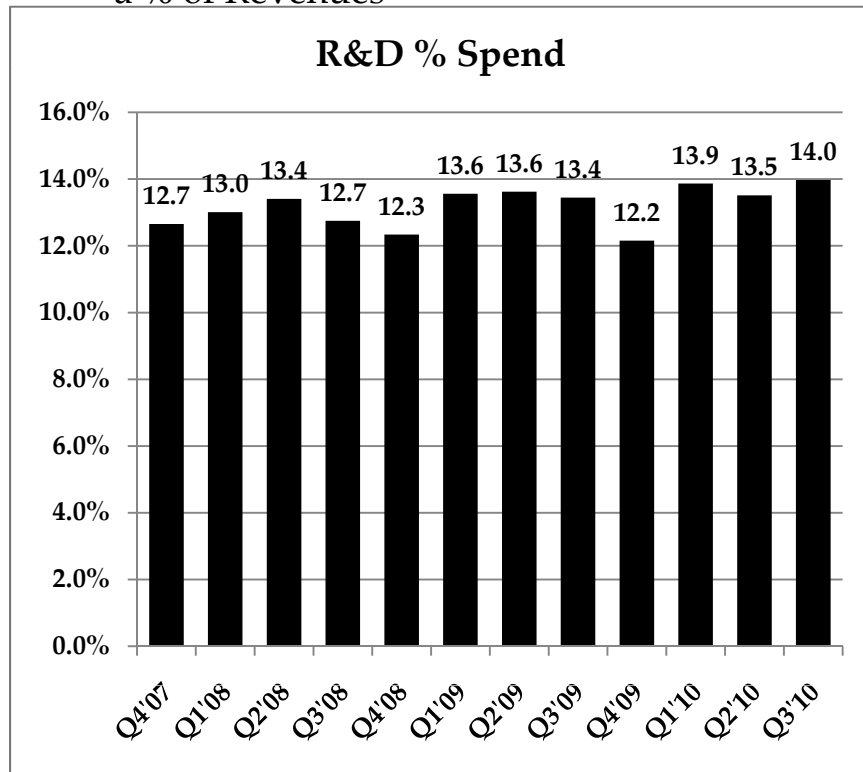
Source: SagePoint Advisors & Capital IQ



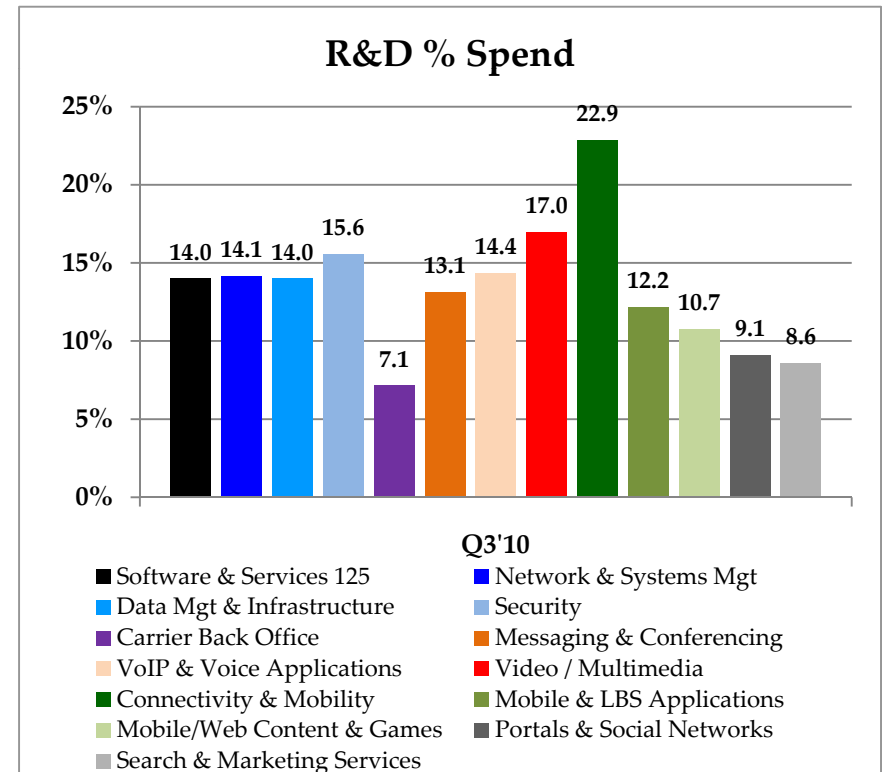
Source: SagePoint Advisors & Capital IQ

Operating Metrics – R&D as a % of Revenues

- Median R&D as a % of revenues rose to 14.0%, a new three year high
 - Improved economic environment has companies again investing in R&D to better position themselves going forward
 - Google and SAP boosted R&D spend while Microsoft, IBM, Oracle, CA and Yahoo were about flat with Q2
 - Connectivity & Mobility lead R&D spending at 22.9% with Security and Video/Multimedia also above the median at 15.5% and 17%, respectively
 - Portals & Social Networks, Search & Marketing Services and Carrier Back Office have single digit R&D as a % of Revenues



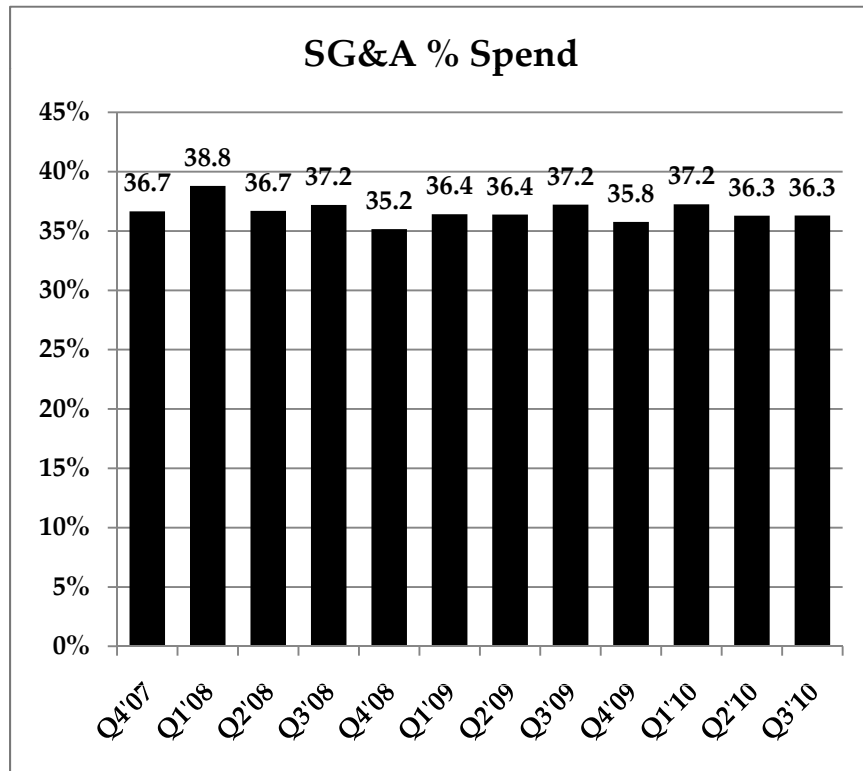
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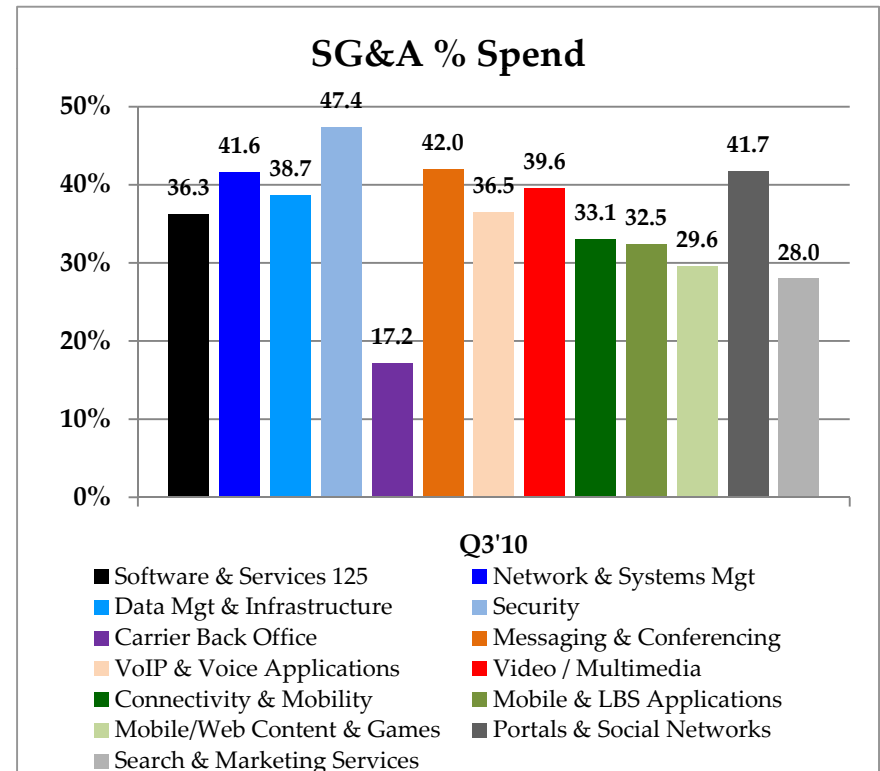
Source: SagePoint Advisors & Capital IQ

Operating Metrics – SG&A as a % of Revenues

- Median SG&A as a % of revenues was flat at 36.3% as SG&A spend increases matched up with revenue growth
 - Aggregate SG&A decreased 3.5%, though up slightly excluding Microsoft and Oracle’s cuts in SG&A
 - Security, Network & Systems Mgmt, Messaging & Conferencing, Video/Multimedia and Portals & Social Networks spend the highest percentage of revenue on SG&A, all at 40%+
 - Carrier Back Office has lowest SG&A% as selling directly to limited number of carriers keeps costs down



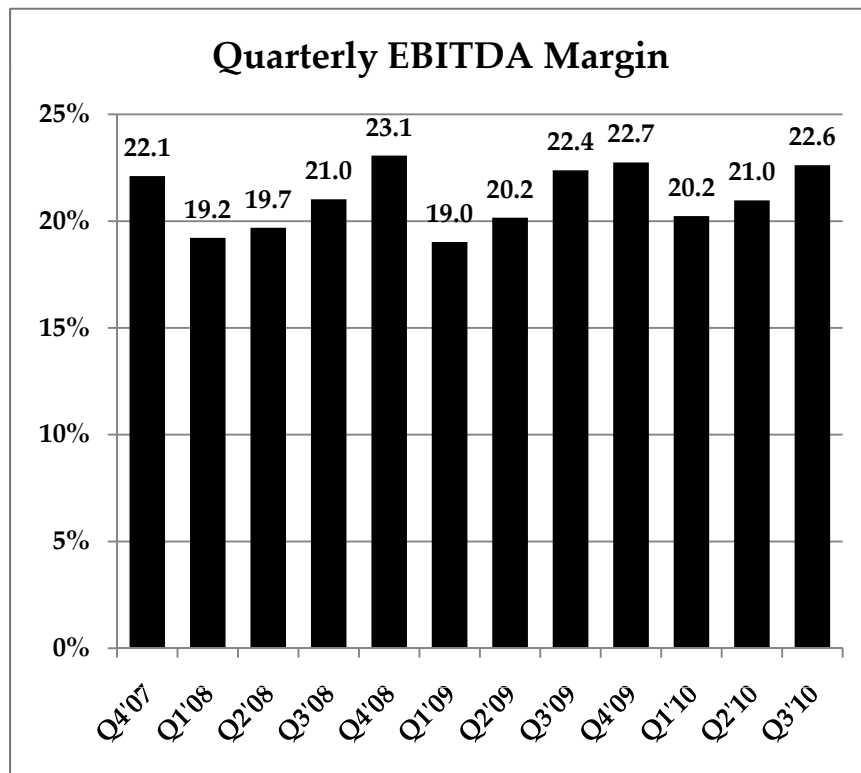
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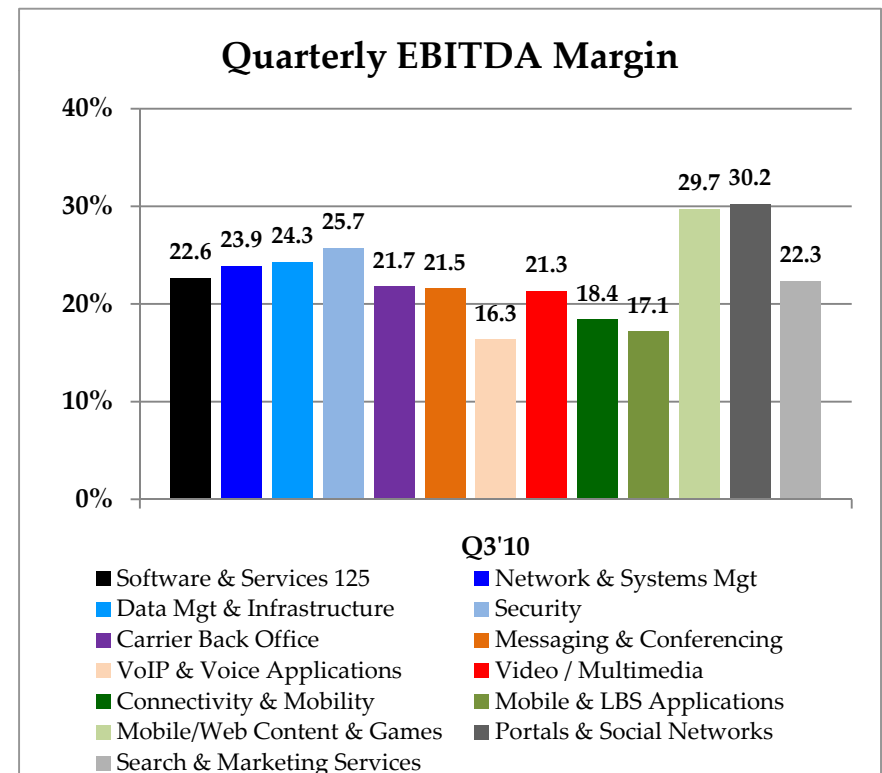
Source: SagePoint Advisors & Capital IQ

Operating Metrics – EBITDA Margins

- Median EBITDA margins jumped to 22.6%, climbing back to near three year highs after dipping in Q1
 - Q1 increases in operating expenses mitigated revenue growth and held back margin growth
 - It seems counterintuitive that EBITDA margins jumped given gross margin and opex data, but the median data is misleading when viewed collectively as most companies saw an increase in EBITDA margin
- Mobile/Web Content & Games and Portals & Social Networks not surprisingly deliver strong EBITDA margins on high gross margins and lower R&D costs



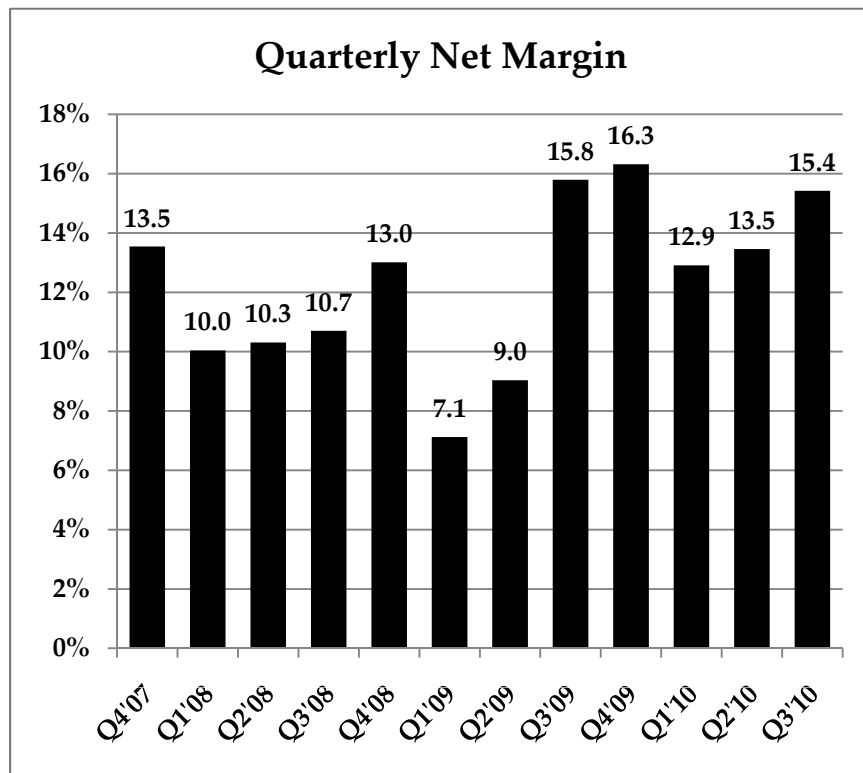
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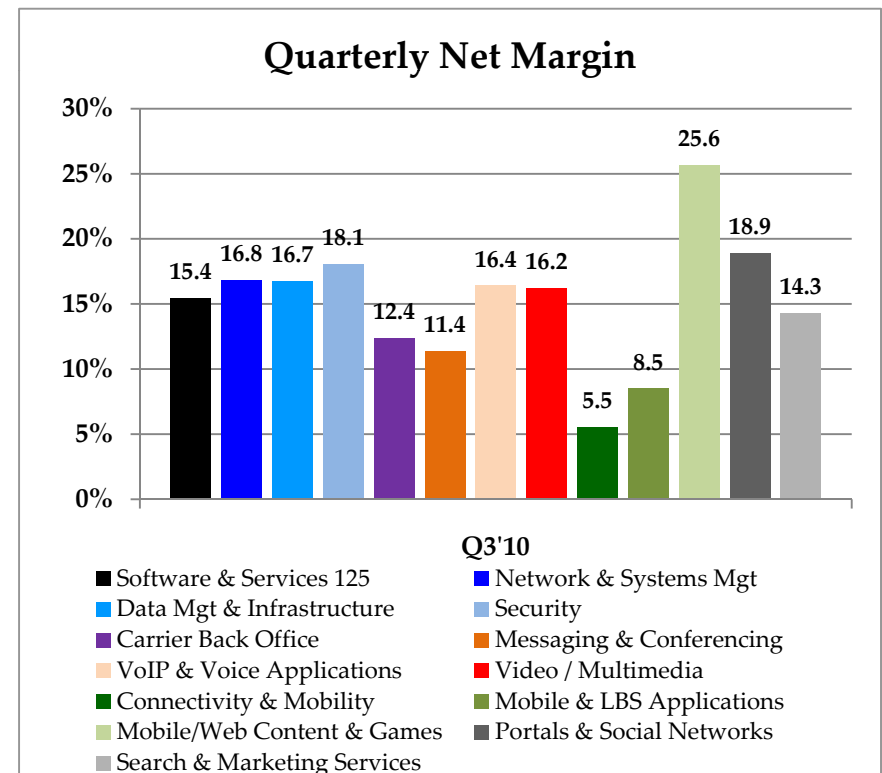
Source: SagePoint Advisors & Capital IQ

Operating Metrics – Net Margins

- Median net margins rose to 15.4%, like EBITDA margins approaching three year highs after recovering from Q1 drop
 - Mobile/Web Content & Games leads with 25.6% net margins
 - Most other segments posted median net margins in the 12-18% range
 - Connectivity & Mobility and Mobile & LBS Applications lag behind with single digit median net margins due to higher interest and amortization expenses



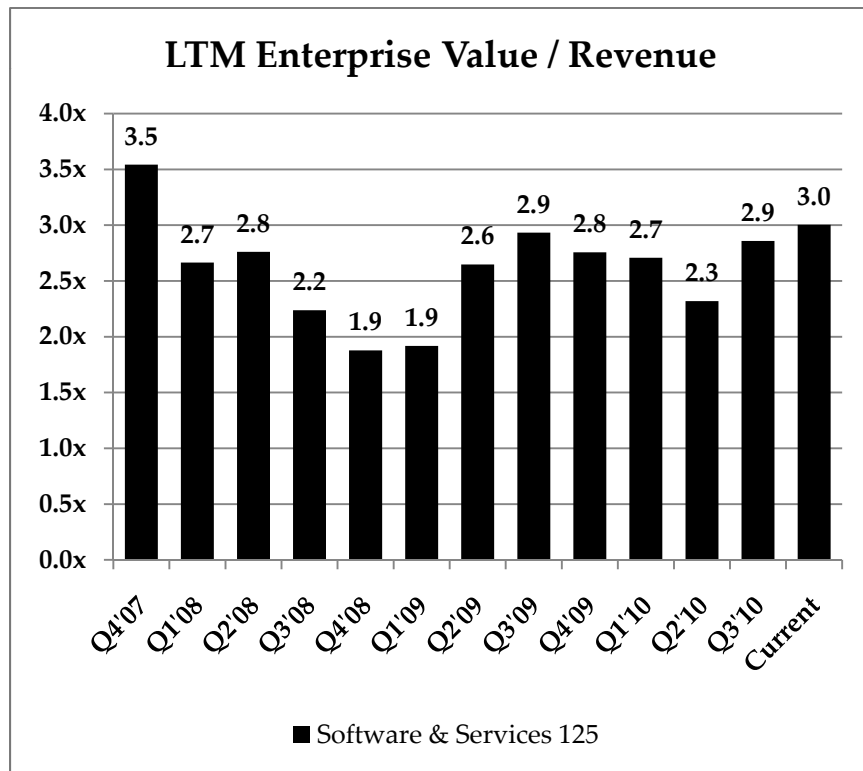
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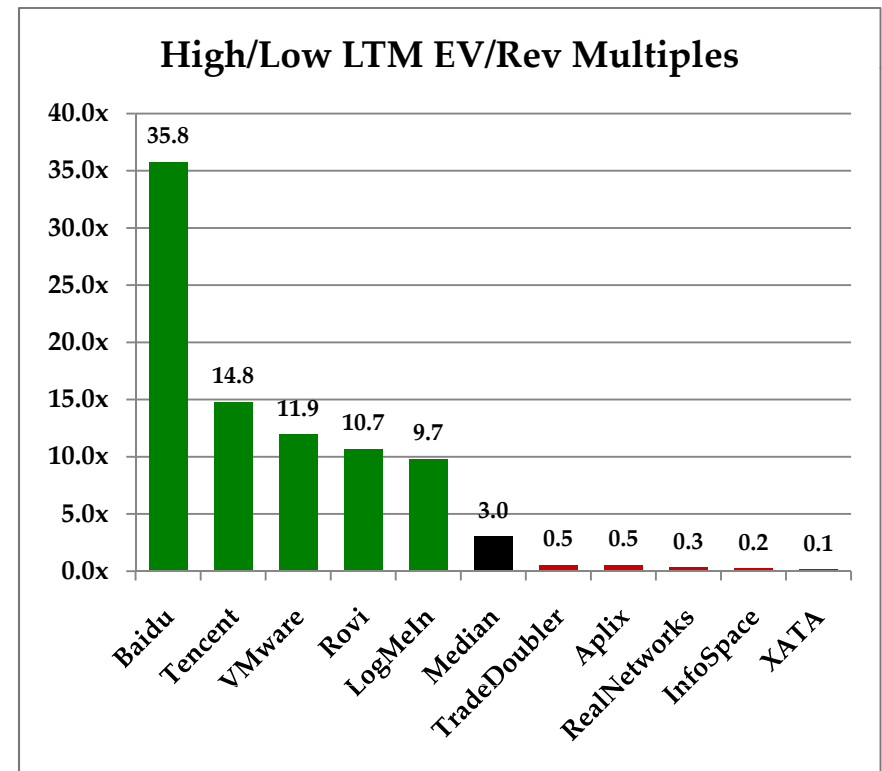
Source: SagePoint Advisors & Capital IQ

Valuation Metrics – LTM Revenue Multiples

- Median LTM revenue multiples are up significantly reaching 3x for the first time since Q4'07 on a strong rally since the start of September
 - Asian Internet and mobile companies, particularly Baidu and Tencent, continue to trade at high multiples due to strong margins and growth expectations
 - Investors appear willing to pay a high price for the strong growth and improving margins at VMware as the company is well positioned as the leader in its space
 - 17 of Software & Services 125 vendors are trading at less than 1x LTM revenues



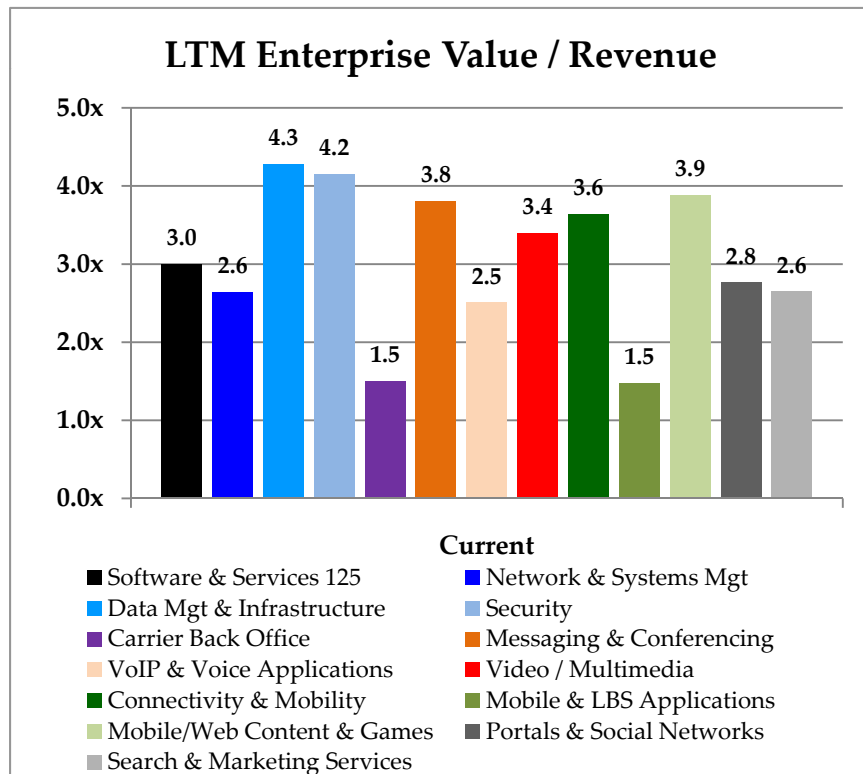
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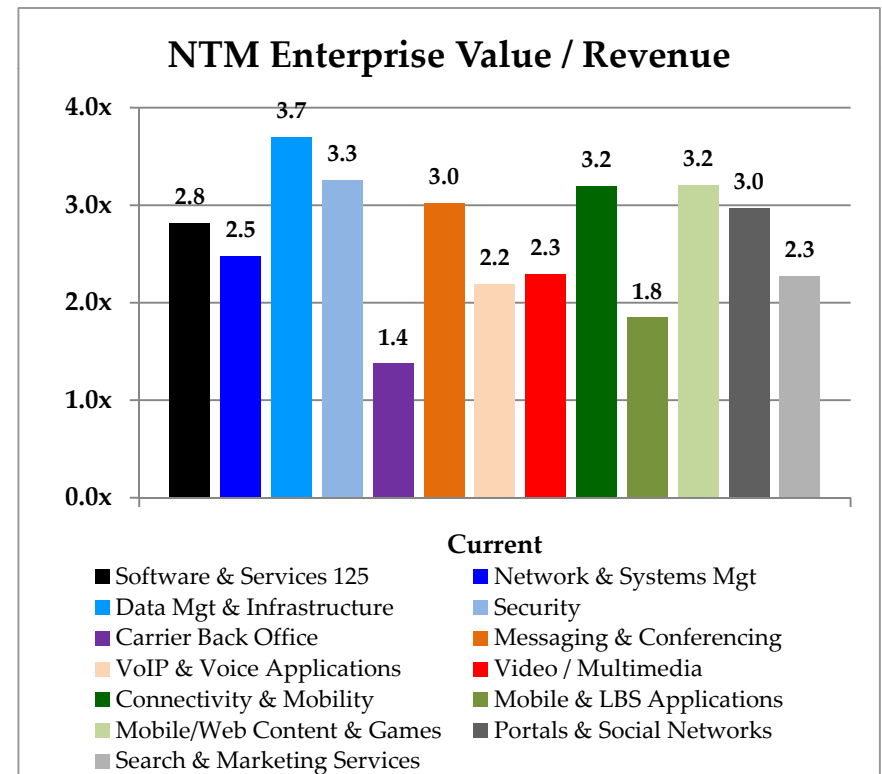
Source: SagePoint Advisors & Capital IQ

Valuation Metrics – Revenue Multiples By Segment

- Data Mgt & Infrastructure and Security segments command top median revenue multiples on an LTM and NTM basis
 - Messaging & Conferencing, Connectivity & Mobility and Mobile/Web Content & Games also trade at premium median LTM and NTM multiples
 - Carrier Back Office and Mobile & LBS Applications command weak multiples,
 - Mobile & LBS NTM multiple is higher due to lack of coverage for two lower multiple companies



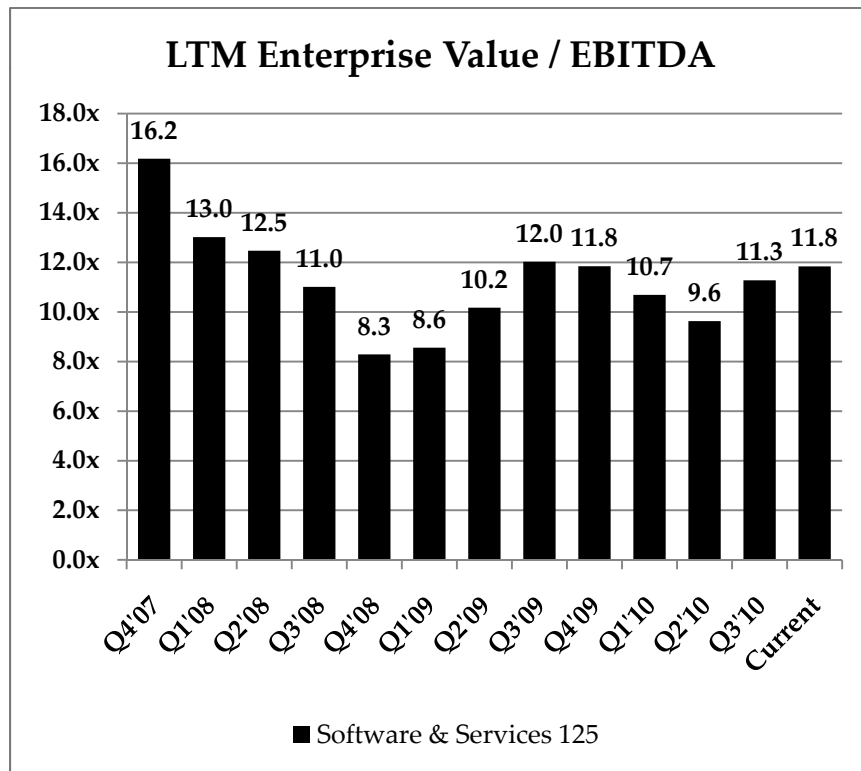
Source: SagePoint Advisors & Capital IQ



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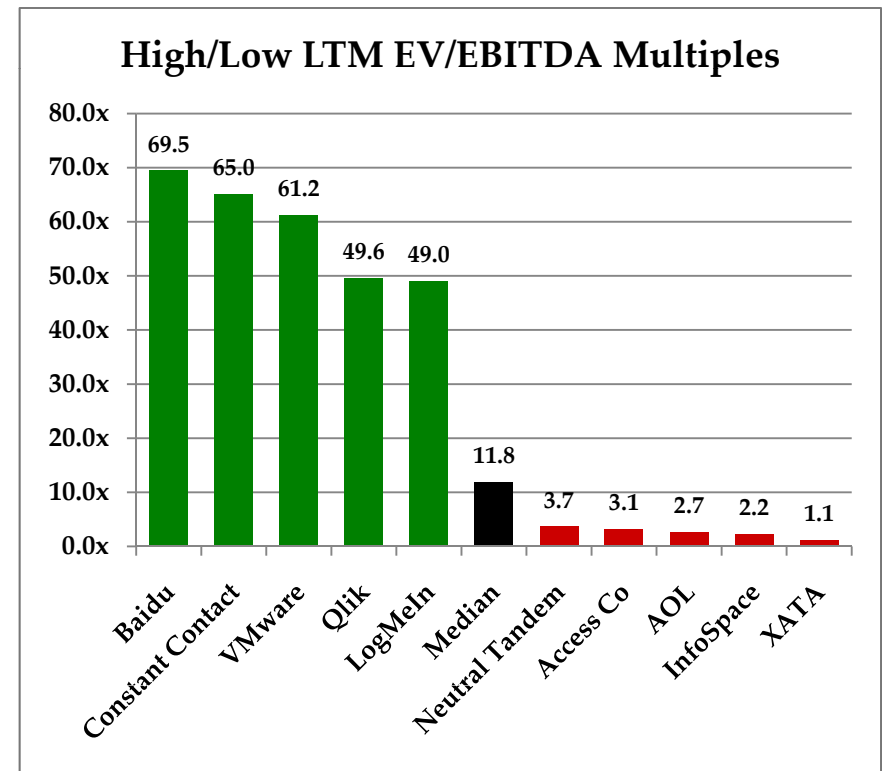
Valuation Metrics – LTM EBITDA Multiples

- Median EBITDA multiples have rebounded, fueled by a strong rally starting in September and have fully recovered from April's drop on European economic worries
 - Median EBITDA multiple of 11.8x nears the two year high of 12x
 - Baidu, Constant Contact and VMware are all expected to deliver 90%+ NTM EBITDA growth with LogMeIn at 72% while Qlik investors are paying a high price for future growth as their financials mature
- 8 Software & Services companies trade below 5x EBITDA as some companies struggle to regain their footing even as the economic environment improves



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM EBITDA margin below 5%

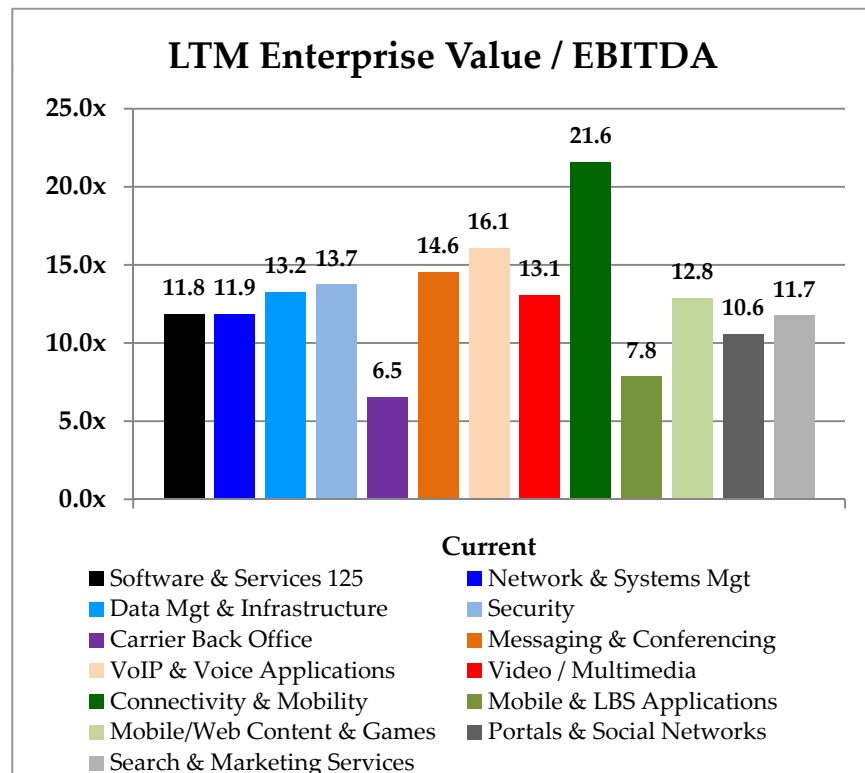


Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM EBITDA margin below 5%

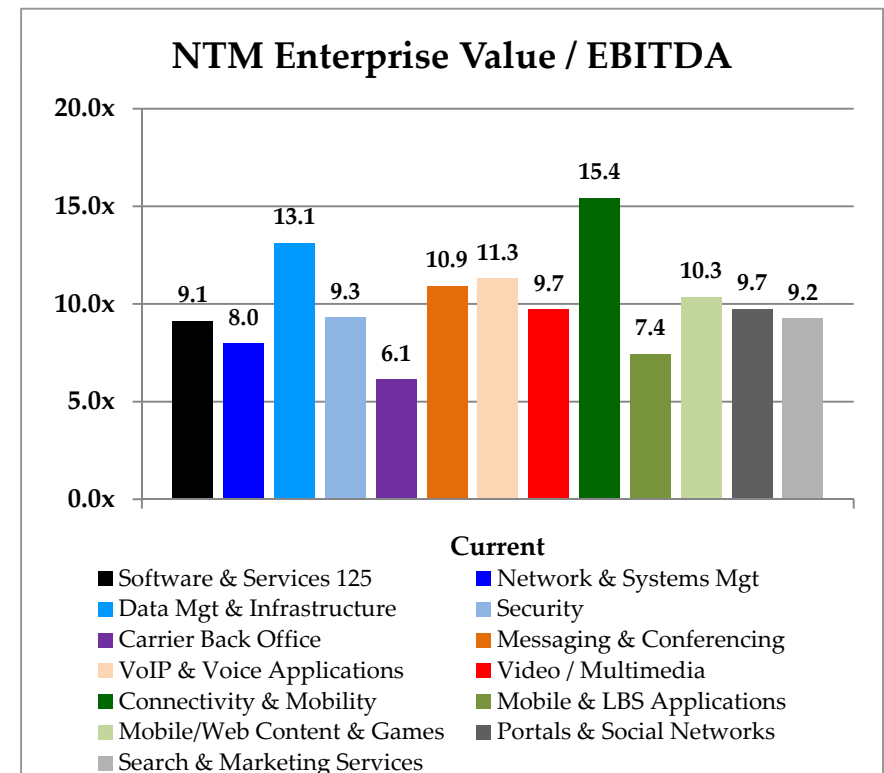
Valuation Metrics – EBITDA Multiples By Segment

- Most Software & Services segments are trading at relatively tight range of 9-11x NTM EBITDA
 - Connectivity & Mobility trade at premium median NTM EBITDA multiples on generally strong growth expectations
 - Data Mgt & Infrastructure investors appear willing to pay for slightly above median growth for a well positioned segment
 - Carrier Back Office and Mobile & LBS Applications underperform the median



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM EBITDA margin below 5%

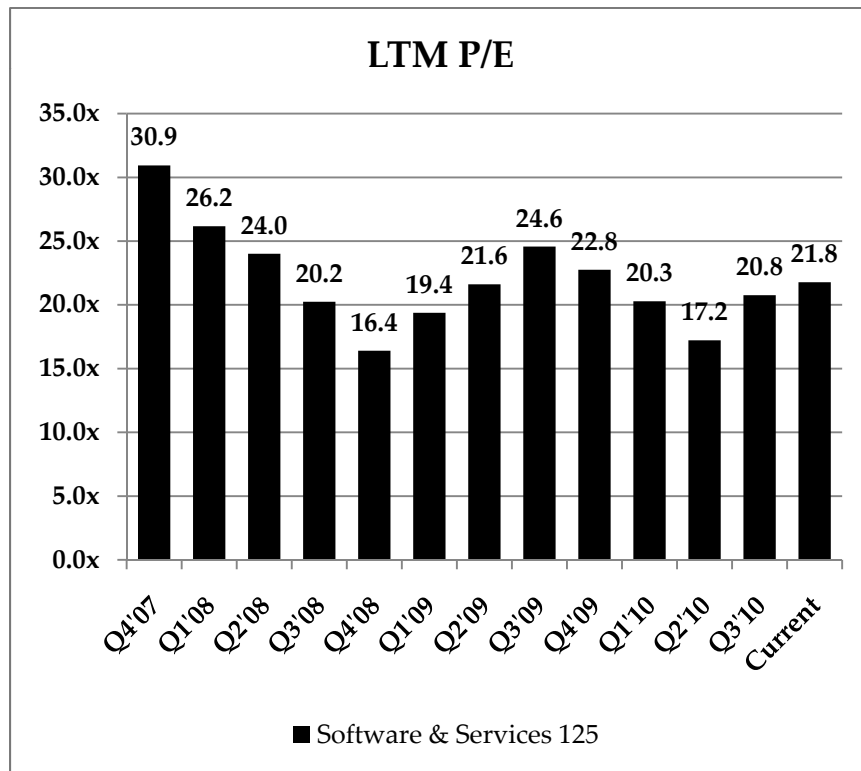


Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with a NTM EBITDA margin below 5%

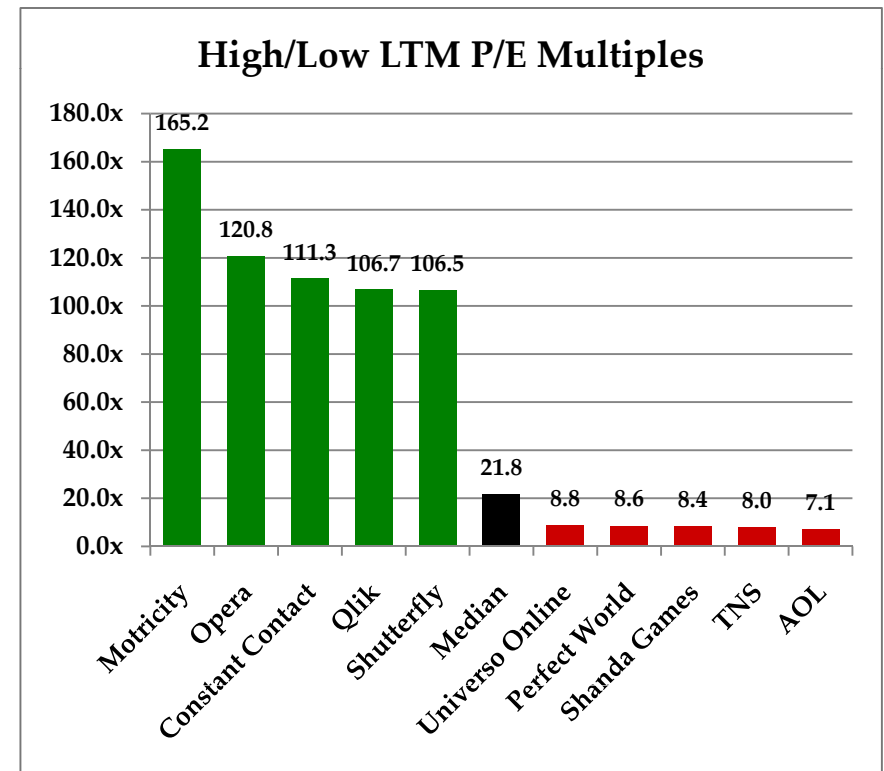
Valuation Metrics – LTM P/E Multiples

- Median P/E multiples have recovered from the drop in Q2 and now stand at 21.8x, still well below 2007 peak levels
 - Motricity, Opera and Constant Contact are expected to post triple digit EPS growth over the next twelve months driving huge multiples while Qlik investors are paying for expected growth and improved leverage more than twelve months out
- Just 7 of the Software & Services 125 vendors trade at less than 10x EPS



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM net margin below 2.5%

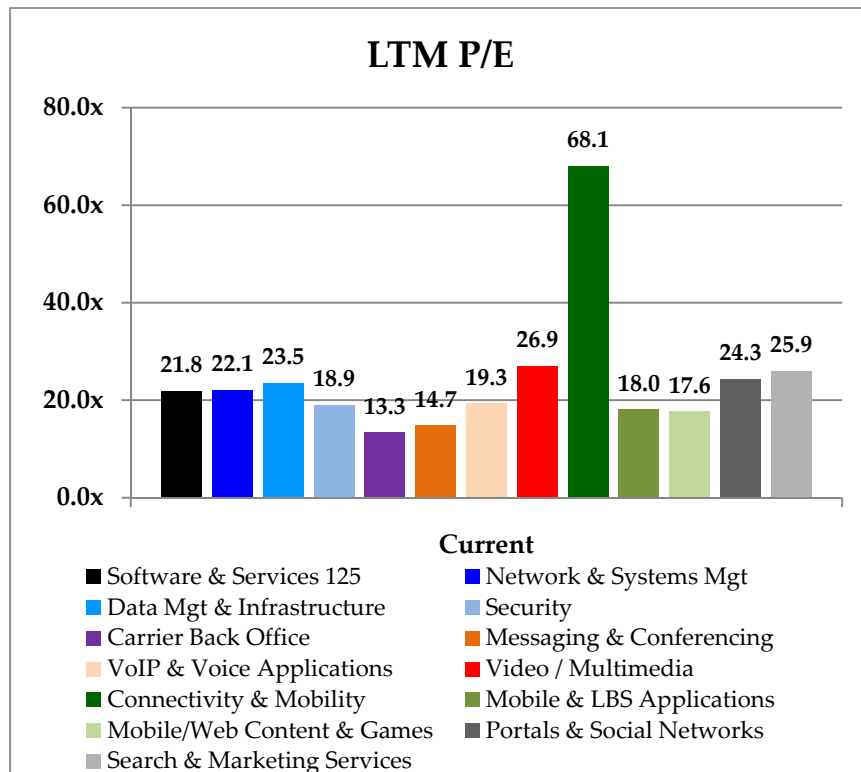


Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM net margin below 2.5%

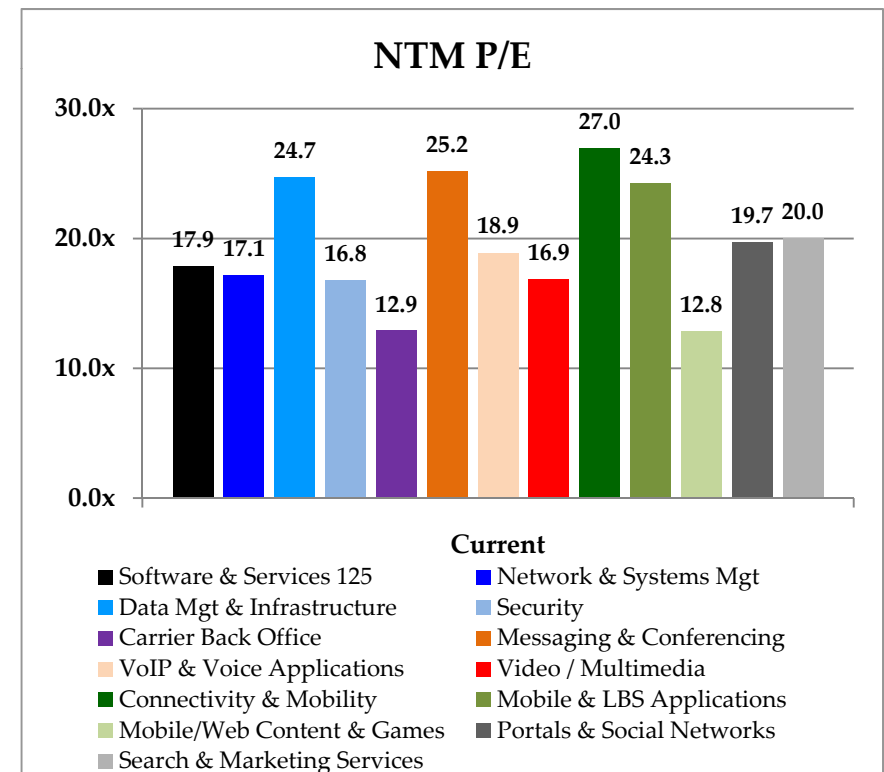
Valuation Metrics – P/E Multiples By Segment

- Software & Services 125 trade at a median NTM P/E multiple of 17.9x
 - Connectivity & Mobility, Data Mgt & Infrastructure and Mobile & LBS Applications trade at premium multiples of more than 24x NTM earnings
 - Messaging & Conferencing NTM above LTM as Premiere Global expects EPS contraction
 - Portals & Social Networks, Search & Marketing Services and VoIP & Voice Applications segments also trade at strong NTM P/E multiples of ~19-20x
 - Carrier Back Office and Mobile/Web Content & Games underperform with ~13x NTM P/E multiples



Source: SagePoint Advisors & Capital IQ

Note: Excludes companies with an LTM net margin below 2.5%

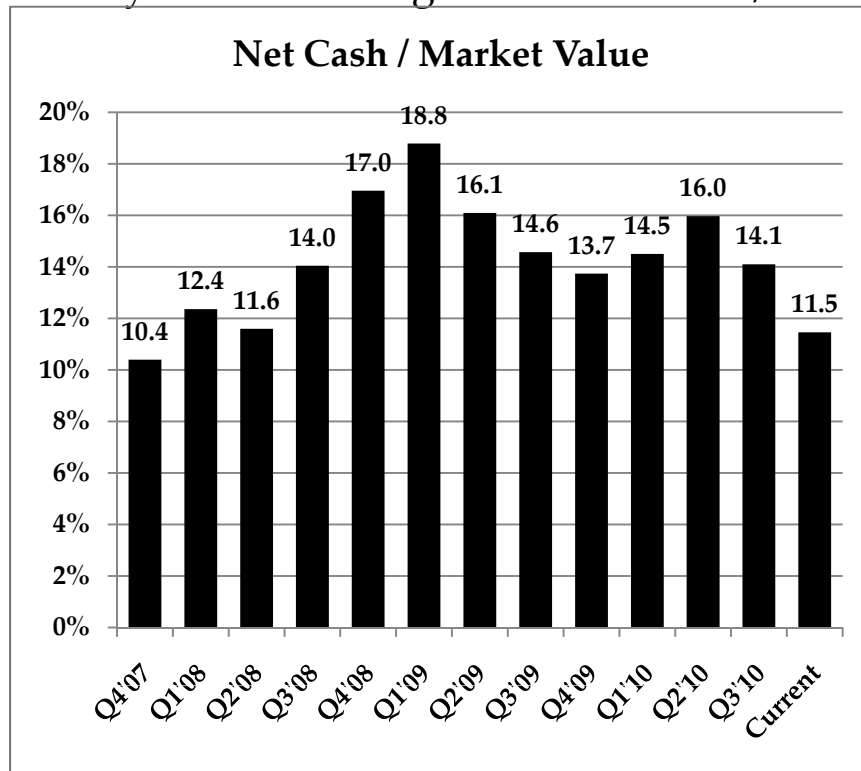


Source: SagePoint Advisors & Capital IQ

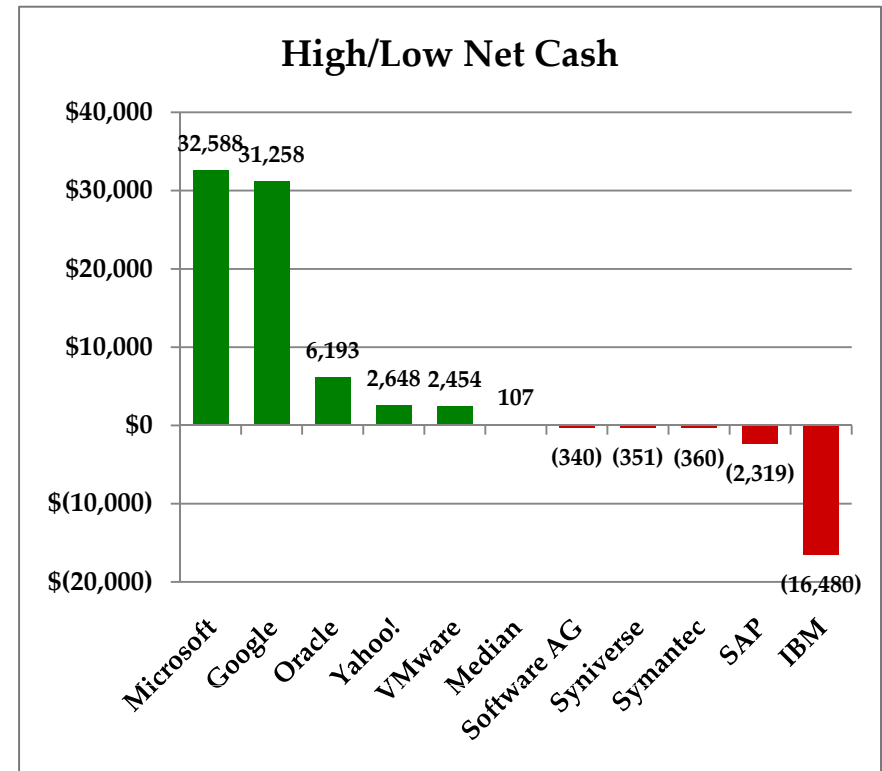
Note: Excludes companies with an NTM net margin below 2.5%

Balance Sheet Strength – Net Cash Position

- Median Net Cash / Market Value has fallen sharply to its lowest level in two years despite generally solid cash flows as strong rally in recent months has driven up market values
- 27 companies have over \$500M in Net Cash which provides a war chest for acquisitions
 - Google, Oracle, VMware, CA and SAP have all made sizable acquisitions this year while Microsoft has made a number of smaller acquisitions
 - IBM spent over \$2B in cash on acquisitions despite heavy debt load
- Only Index Holdings has a Net Debt / EBITDA ratio of more than 3x



Source: SagePoint Advisors & Capital IQ



Source: SagePoint Advisors & Capital IQ

Software & Services 125 Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price	Market	Enterprise		% Change	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash /	Net Debt /	SG&A /	R & D /	
	11/30/10	Cap	Value	Cash		Debt	6/30/10	LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue
Software & Services 125																			
Software & Services 125 Mean	9,370	8,673	1,348	632	26.0 %	3.9 x	3.5 x	16.7 x	12.2 x	31.5 x	28.5 x	2.7 %	13.4 %	17.9 %	12.5%	(5.4) x	39.3 %	14.2 %	
Software & Services 125 Median	1,121	922	160	2	20.9 %	3.0 x	2.8 x	11.8 x	9.1 x	21.8 x	18.5 x	2.3 %	4.4 %	11.7 %	11.5%	(1.9) x	36.3 %	14.0 %	
Network & Systems Mgt																			
BMC	44.40	7,889	6,788	1,478	377	28.2 %	3.5 x	3.3 x	9.6 x	7.1 x	15.6 x	14.8 x	3.9 %	1.8 %	19.1 %	14.0%	(1.6) x	38.8 %	8.4 %
CA	22.89	11,711	10,742	2,537	1,568	24.4 %	2.4 x	2.3 x	6.7 x	6.4 x	13.4 x	11.6 x	1.3 %	0.3 %	4.5 %	8.3%	(0.6) x	37.9 %	11.3 %
Compu ware	10.30	2,256	2,179	77	0	29.1 %	2.4 x	2.2 x	12.2 x	8.7 x	21.8 x	17.6 x	1.9 %	24.2 %	22.4 %	3.4%	(0.4) x	42.2 %	9.7 %
Keynote Systems	12.24	182	116	66	0	35.7 %	1.5 x	1.3 x	17.6 x	6.8 x	24.0 x	16.7 x	0.9 %	15.5 %	23.1 %	36.4%	(10.1) x	44.4 %	NA
NetScout	22.09	930	838	167	74	55.3 %	3.0 x	2.7 x	13.2 x	10.4 x	24.0 x	20.2 x	1.5 %	NA	11.6 %	10.0%	(1.5) x	45.4 %	14.1 %
Novell	5.95	2,092	1,049	1,043	0	4.8 %	1.3 x	1.3 x	8.4 x	7.1 x	22.4 x	22.5 x	NA	NA	0.0 %	49.9%	(8.3) x	47.7 %	19.8 %
OPNET Tech.	24.32	525	417	108	0	65.6 %	3.1 x	2.8 x	22.0 x	15.7 x	49.3 x	42.9 x	8.4 %	NA	27.3 %	20.6%	(5.7) x	40.0 %	23.7 %
Progress Softw are	38.52	1,667	1,399	269	1	28.2 %	2.7 x	2.5 x	10.4 x	7.7 x	16.8 x	15.9 x	4.9 %	NA	3.2 %	16.1%	(2.0) x	39.8 %	17.0 %
Quest Software	25.30	2,237	1,931	340	33	40.2 %	2.6 x	2.4 x	11.5 x	8.2 x	18.5 x	16.3 x	2.4 %	7.7 %	13.5 %	13.7%	(1.8) x	49.6 %	19.7 %
SolarWinds	17.86	1,248	1,140	108	0	11.3 %	7.9 x	6.4 x	19.9 x	12.7 x	25.4 x	21.6 x	8.4 %	18.9 %	13.5 %	8.6%	(1.9) x	41.0 %	9.9 %
Mean	3,074	2,660	619	205	32.3 %	3.0 x	2.7 x	13.2 x	9.1 x	23.1 x	20.0 x	3.7 %	11.4 %	13.8 %	18.1%	(3.4) x	42.7 %	14.8 %	
Median	1,880	1,269	218	0	28.6 %	2.6 x	2.5 x	11.9 x	8.0 x	22.1 x	17.1 x	2.4 %	11.6 %	13.5 %	13.8%	(1.9) x	41.6 %	14.1 %	

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Software & Services 125																		
Software & Services 125 Mean	656	2,657	3,077	220	886	1,098	(0.27)	2.07	3.85	19.4%	(2.6)%	21.9%	37.6%	67.2%	49.5%	66.7 %	20.3 %	8.0 %
Software & Services 125 Median	85	374	407	24	88	128	0.20	0.77	1.09	17.7%	23.0%	15.4%	13.4%	35.3%	17.8%	70.0 %	22.6 %	15.4 %
Network & Systems Mgt																		
BMC	502	1,962.6	2,079.6	195	705.9	951.9	0.82	2.85	3.00	8.8%	9.7%	24.2%	6.0%	34.8%	5.1%	78.0 %	38.7 %	29.6 %
CA	1,110	4,432.0	4,592.3	415	1,604.0	1,668.0	0.49	1.71	1.98	4.0%	(1.0)%	14.0%	3.6%	4.0%	15.8%	86.6 %	37.4 %	22.4 %
Compu ware	226	892.2	984.0	50	178.0	250.5	0.12	0.47	0.58	3.6%	(0.1)%	1.2%	10.3%	40.7%	23.6%	70.0 %	22.3 %	11.9 %
Keynote Systems	21	79.9	87.0	2	6.6	17.1	0.16	0.51	0.74	3.9%	(34.4)%	6.7%	8.9%	160.1%	44.1%	49.9 %	7.8 %	11.8 %
NetScout	69	278.8	305.1	18	63.5	80.5	0.24	0.92	1.09	16.3%	8.6%	9.1%	9.4%	26.8%	18.6%	79.4 %	25.4 %	14.8 %
Novell	204	809.4	805.9	38	125.2	148.2	0.07	0.27	0.26	(5.4)%	5.2%	(39.8)%	(0.4)%	18.3%	(0.8)%	78.1 %	18.4 %	10.7 %
OPNET Tech.	36	135.2	151.2	6	19.0	26.6	0.14	0.49	0.57	17.9%	71.2%	55.6%	11.9%	40.4%	15.1%	78.0 %	16.8 %	8.4 %
Progress Softw are	129	520.7	549.9	38	135.0	181.6	0.56	2.29	2.43	7.8%	92.3%	40.0%	5.6%	34.5%	5.9%	84.6 %	29.7 %	19.3 %
Quest Software	193	744.8	802.2	43	168.3	234.7	0.39	1.37	1.55	13.0%	10.0%	14.7%	7.7%	39.4%	13.0%	90.0 %	22.4 %	18.8 %
SolarWinds	41	144.0	177.2	20	57.2	89.7	0.20	0.70	0.83	27.2%	24.3%	17.6%	23.1%	56.7%	17.6%	95.1 %	47.7 %	35.2 %
Mean	253	1,000	1,053	82	306	365	0.32	1.16	1.30	9.7%	18.6%	14.3%	8.6%	45.6%	15.8%	79.0 %	26.7 %	18.3 %
Median	161	633	676	38	130	165	0.22	0.81	0.96	8.3%	9.1%	14.3%	8.3%	37.1%	15.5%	78.8 %	23.9 %	16.8 %

Software & Services 125 Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value			% Change 6/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash /	Net Debt /	SG&A /	R & D /
			Cash	Debt			LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
Data Mgt & Infrastructure																			
Autonomy	20.76	5,025	4,828	1,028	830	(24.5)%	5.7 x	4.8 x	11.8 x	10.0 x	23.4 x	16.2 x	NA	NA	NA	3.9%	(0.5) x	33.8 %	14.0 %
Citrix	66.43	12,474	11,580	902	8	57.3 %	6.4 x	5.8 x	27.0 x	17.6 x	31.8 x	30.1 x	3.1 %	(12.5)%	28.0 %	7.2%	(2.1) x	51.3 %	18.5 %
CommVault	29.13	1,254	1,076	179	0	29.5 %	3.8 x	3.3 x	30.0 x	17.1 x	41.6 x	35.3 x	2.1 %	0.6 %	7.0 %	14.3%	(5.0) x	62.4 %	11.5 %
IBM	141.46	175,744	192,224	11,096	27,576	14.6 %	2.0 x	1.9 x	7.9 x	7.8 x	12.9 x	11.5 x	0.6 %	NA	2.6 %	(9.4)%	0.7 x	21.1 %	6.0 %
Informatica	41.28	3,874	3,649	426	201	72.9 %	6.1 x	5.1 x	26.6 x	19.9 x	39.3 x	33.3 x	2.3 %	21.0 %	9.9 %	5.8%	(1.6) x	44.8 %	16.3 %
Microsoft	25.26	216,091	183,503	43,253	10,665	9.8 %	2.8 x	2.6 x	6.2 x	6.2 x	10.9 x	10.1 x	2.4 %	13.0 %	13.0 %	15.1%	(1.1) x	23.1 %	13.6 %
MicroStrategy	86.55	945	760	184	0	15.3 %	1.8 x	1.6 x	12.2 x	13.1 x	22.7 x	26.8 x	5.3 %	(31.6)%	(31.7)%	19.5%	(2.9) x	55.7 %	11.9 %
Oracle	27.05	135,958	129,765	23,637	17,444	26.0 %	4.4 x	3.7 x	10.3 x	8.1 x	15.1 x	13.6 x	4.2 %	(1.3)%	15.1 %	4.6%	(0.5) x	21.4 %	14.7 %
Qlik	23.57	1,833	1,677	156	0	NA	8.1 x	6.8 x	49.6 x	40.6 x	106.7 x	74.4 x	9.7 %	9.5 %	(68.8)%	8.5%	(4.6) x	74.7 %	6.2 %
Red Hat	43.50	8,290	7,315	975	0	50.3 %	8.9 x	7.8 x	42.6 x	26.1 x	59.6 x	52.6 x	3.8 %	0.4 %	4.0 %	11.8%	(5.7) x	49.0 %	19.3 %
SAP	47.21	56,074	58,393	3,842	6,161	4.9 %	3.7 x	3.4 x	12.1 x	9.5 x	17.0 x	14.8 x	3.2 %	(1.0)%	(0.0)%	(4.1)%	0.5 x	25.6 %	15.1 %
Software AG	123.26	3,490	3,830	138	478	18.7 %	2.6 x	2.5 x	9.6 x	9.0 x	16.4 x	13.7 x	NA	NA	NA	(9.7)%	0.9 x	27.7 %	8.3 %
Teradata	41.09	6,883	6,142	741	0	34.8 %	3.3 x	3.0 x	13.2 x	10.9 x	23.5 x	21.3 x	5.4 %	6.0 %	11.7 %	10.8%	(1.6) x	27.2 %	8.2 %
Tibco	19.64	3,279	3,032	289	42	62.9 %	4.3 x	3.8 x	19.3 x	14.3 x	29.3 x	24.7 x	4.9 %	31.8 %	11.9 %	7.5%	(1.6) x	38.7 %	16.7 %
VMware	81.52	33,782	31,327	2,904	450	30.2 %	11.9 x	9.6 x	61.2 x	25.7 x	59.9 x	48.2 x	2.3 %	10.8 %	14.5 %	7.3%	(4.8) x	44.0 %	24.1 %
Mean	44,333	42,607	5,983	4,257	28.8 %		5.1 x	4.4 x	22.6 x	15.7 x	34.0 x	28.5 x	3.8 %	3.9 %	1.3 %	6.2%	(2.0) x	40.0 %	13.6 %
Median	6,883	6,142	902	201	27.7 %		4.3 x	3.7 x	13.2 x	13.1 x	23.5 x	24.7 x	3.2 %	3.3 %	9.9 %	7.3%	(1.6) x	38.7 %	14.0 %

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Data Mgt & Infrastructure																		
Autonomy	211	849.0	1,000.3	92	407.8	482.7	0.18	0.89	1.28	9.9%	26.5%	21.1%	17.8%	18.4%	44.0%	87.6 %	43.5 %	21.3 %
Citrix	472	1,796.1	2,008.5	116	428.7	659.8	0.62	2.09	2.21	17.8%	28.6%	44.2%	11.8%	53.9%	5.6%	90.4 %	24.6 %	25.1 %
CommVault	75	285.7	321.3	10	35.8	63.0	0.19	0.70	0.82	12.9%	36.7%	11.8%	12.5%	76.0%	17.8%	87.3 %	13.5 %	11.5 %
IBM	24,271	98,084.0	102,092.1	5,894	24,294.0	24,547.7	2.82	10.99	12.28	3.0%	2.4%	17.5%	4.1%	1.0%	11.8%	45.3 %	24.3 %	14.8 %
Informatica	161	602.9	712.9	38	137.3	182.9	0.28	1.05	1.24	30.7%	29.8%	27.3%	18.2%	33.3%	17.9%	83.6 %	23.4 %	19.0 %
Microsoft	16,195	65,759.0	69,745.7	7,810	29,630.0	29,811.7	0.62	2.32	2.50	25.3%	52.3%	55.0%	6.1%	0.6%	7.6%	80.6 %	48.2 %	33.3 %
MicroStrategy	115	421.2	467.7	11	62.5	58.0	0.63	3.82	3.23	10.1%	(64.2)%	(63.6)%	11.0%	(7.2)%	(15.5)%	76.2 %	9.9 %	6.4 %
Oracle	7,502	29,269.0	35,063.2	2,591	12,593.0	16,012.9	0.42	1.79	2.00	48.4%	23.0%	40.0%	19.8%	27.2%	11.5%	72.5 %	34.5 %	28.5 %
Qlik	50	207.0	246.6	4	33.8	41.3	0.01	0.22	0.32	38.5%	99.1%	111.0%	19.1%	22.3%	43.3%	88.0 %	8.0 %	1.4 %
Red Hat	220	819.1	938.2	46	171.8	279.8	0.19	0.73	0.83	19.7%	17.4%	(5.0)%	14.5%	62.8%	13.3%	83.8 %	20.8 %	16.7 %
SAP	4,080	15,598.1	16,969.6	1,348	4,827.9	6,135.2	0.69	2.78	3.18	11.2%	12.3%	10.2%	8.8%	27.1%	14.7%	68.7 %	33.0 %	20.2 %
Software AG	374	1,459.3	1,525.5	107	398.0	427.0	2.19	7.50	8.99	19.8%	11.4%	11.0%	4.5%	7.3%	19.9%	61.1 %	28.5 %	16.6 %
Teradata	489	1,884.0	2,024.0	121	464.0	564.9	0.44	1.75	1.93	15.1%	13.1%	15.8%	7.4%	21.7%	10.0%	57.1 %	24.7 %	15.3 %
Tibco	184	708.4	794.0	40	156.9	211.9	0.17	0.67	0.79	22.8%	30.9%	30.8%	12.1%	35.1%	18.5%	72.9 %	21.4 %	15.8 %
VMware	714	2,629.9	3,270.5	140	512.0	1,217.6	0.39	1.36	1.69	45.8%	166.9%	62.5%	24.4%	137.8%	24.3%	82.3 %	19.6 %	23.3 %
Mean	3,674	14,692	15,812	1,224	4,944	5,380	0.66	2.58	2.89	22.1%	32.4%	26.0%	12.8%	34.5%	16.3%	75.8 %	25.2 %	17.9 %
Median	374	1,459	1,525	107	408	483	0.42	1.75	1.93	19.7%	26.5%	21.1%	12.1%	27.1%	14.7%	80.6 %	24.3 %	16.7 %

Software & Services 125 Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price	Market	Enterprise	Cash	Debt	% Change	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash /	Net Debt /	SG&A /	R&D /
	11/30/10	Cap	Value				LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
Security																			
Check Point	42.87	8,901	7,946	954	0	45.4 %	7.6 x	6.8 x	14.1 x	11.4 x	18.1 x	16.5 x	4.0 %	4.3 %	8.5 %	10.7%	(1.7) x	25.6 %	9.6 %
CommTouch	3.48	82	70	13	0	16.8 %	4.2 x	3.3 x	16.3 x	NA	13.9 x	16.6 x	4.6 %	NA	25.0 %	15.2%	(2.9) x	40.9 %	17.9 %
Fortinet	31.87	2,349	2,056	292	0	93.9 %	6.8 x	5.8 x	41.8 x	27.3 x	72.9 x	59.1 x	9.8 %	58.1 %	71.8 %	12.4%	(5.9) x	38.8 %	14.6 %
F-Secure	2.61	402	363	39	0	2.1 %	2.1 x	0.1 x	11.3 x	NM	19.4 x	NM	NA	NA	NA	9.8%	(1.2) x	50.0 %	25.6 %
McAfee	46.85	7,222	6,208	1,013	0	52.5 %	3.0 x	2.8 x	13.6 x	8.6 x	18.4 x	17.0 x	2.0 %	3.4 %	4.5 %	14.0%	(2.2) x	41.2 %	16.6 %
Sourcefire	27.13	760	626	134	0	42.8 %	4.9 x	4.2 x	32.5 x	19.4 x	41.7 x	43.7 x	1.5 %	10.6 %	23.0 %	17.6%	(6.9) x	49.1 %	14.2 %
Symantec	16.80	13,039	13,399	2,264	2,624	21.0 %	2.2 x	2.1 x	7.7 x	6.5 x	11.3 x	11.9 x	1.7 %	0.6 %	21.9 %	(2.8)%	0.2 x	47.4 %	14.1 %
Trend Micro	30.95	4,132	2,717	1,416	0	13.5 %	2.5 x	2.4 x	7.8 x	7.5 x	28.4 x	23.1 x	NA	NA	NA	34.3%	(4.1) x	57.0 %	23.0 %
Verisign	34.31	5,901	3,930	2,549	578	29.2 %	5.1 x	5.3 x	11.6 x	10.0 x	28.8 x	24.9 x	(3.0)%	(5.5)%	1.4 %	33.4%	(5.8) x	30.2 %	8.4 %
Wave Systems	2.64	214	210	5	0	(18.5)%	8.7 x	5.0 x	NM	NA	NM	15.8 x	(12.5)%	NA	(200.0)%	2.2%	NA	63.7 %	46.5 %
WebSense	20.73	866	847	86	67	9.7 %	2.6 x	2.4 x	13.8 x	7.7 x	17.3 x	15.6 x	2.4 %	0.1 %	21.9 %	2.2%	(0.3) x	53.8 %	15.6 %
Mean		3,988	3,488	797	297	28.0 %	4.5 x	3.7 x	17.0 x	12.3 x	27.0 x	24.4 x	1.2 %	10.2 %	(2.4)%	13.5%	(3.1) x	45.2 %	18.7 %
Median		2,349	2,056	292	0	21.0 %	4.2 x	3.3 x	13.7 x	9.3 x	18.9 x	16.8 x	2.0 %	3.4 %	21.9 %	12.4%	(2.6) x	47.4 %	15.6 %

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Security																		
Check Point	273	1,051.5	1,169.0	150	563.9	695.5	0.63	2.37	2.59	16.9%	22.8%	21.2%	11.2%	23.3%	9.5%	87.7 %	54.9 %	48.8 %
CommTouch	5	16.8	21.4	1	4.3	NA	0.05	0.25	0.21	18.0%	59.3%	49.0%	27.4%	NA	(16.3)%	83.6 %	28.4 %	26.7 %
Fortinet	85	301.8	355.2	20	49.3	75.4	0.17	0.44	0.54	29.0%	75.3%	70.7%	17.7%	53.1%	23.4%	74.8 %	23.0 %	15.6 %
F-Secure	43	171.1	4,425.7	9	32.3	38.5	0.04	0.13	0.16	(4.4)%	(14.8)%	(7.1)%	2,486.7%	19.3%	17.4%	93.1 %	21.1 %	13.1 %
McAfee	523	2,040.9	2,188.8	114	456.7	720.3	0.67	2.54	2.76	7.8%	30.4%	8.1%	7.2%	57.7%	8.7%	76.8 %	21.8 %	19.8 %
Sourcefire	36	127.9	149.4	6	19.2	32.3	0.18	0.65	0.62	31.9%	72.4%	12.5%	16.8%	67.6%	(4.5)%	79.4 %	16.2 %	14.4 %
Symantec	1,480	5,992.0	6,281.3	414	1,743.0	2,076.5	0.34	1.49	1.41	0.4%	(9.2)%	(5.6)%	4.8%	19.1%	(5.5)%	84.9 %	28.0 %	18.1 %
Trend Micro	287	1,067.3	1,152.5	87	347.6	362.5	0.25	1.09	1.34	3.2%	(20.2)%	(42.7)%	8.0%	4.3%	23.0%	81.4 %	30.4 %	11.6 %
Verisign	173	766.5	747.5	79	340.1	394.3	0.27	1.19	1.38	10.1%	23.1%	(18.2)%	(2.5)%	15.9%	16.0%	76.7 %	45.9 %	27.4 %
Wave Systems	7	24.2	41.7	(1)	(3.4)	NA	(0.01)	(0.04)	0.17	38.2%	(167.0)%	(49.9)%	72.2%	NA	484.7%	94.5 %	(13.4)%	(12.1)%
WebSense	85	326.1	346.9	22	61.2	110.4	0.37	1.20	1.33	7.8%	51.7%	19.4%	6.4%	80.6%	10.6%	84.0 %	25.7 %	18.7 %
Mean	272	1,081	1,534	82	329	501	0.27	1.03	1.14	14.5%	11.3%	5.2%	24.1%	37.9%	5.1%	83.3 %	25.6 %	18.4 %
Median	85	326	747	22	61	363	0.25	1.09	1.33	10.1%	23.1%	8.1%	11.2%	23.3%	10.6%	83.6 %	25.7 %	18.1 %

Software & Services 125 Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
Carrier Back Office																			
Amdocs	26.00	5,189	3,955	1,433	200	(3.2)%	1.3 x	1.3 x	6.5 x	6.1 x	12.4 x	11.4 x	(0.1)%	6.5 %	(17.8)%	23.8%	(2.0) x	12.7 %	7.1 %
Asialfo	16.65	1,247	1,026	227	6	(23.8)%	3.1 x	2.1 x	13.0 x	7.7 x	11.3 x	15.3 x	9.6 %	NA	14.3 %	17.7%	(2.8) x	19.3 %	8.9 %
Convergys	12.89	1,570	1,607	155	192	31.4 %	0.7 x	0.7 x	6.5 x	5.4 x	12.5 x	11.4 x	3.3 %	7.2 %	15.3 %	(2.3)%	0.1 x	25.0 %	2.4 %
CSG Systems	18.82	610	668	82	140	2.7 %	1.3 x	1.2 x	7.0 x	4.8 x	12.8 x	7.7 x	1.6 %	13.2 %	(14.0)%	(9.5)%	0.6 x	14.5 %	14.3 %
NeuStar	25.84	1,906	1,542	378	14	25.3 %	3.0 x	2.7 x	6.8 x	6.1 x	17.4 x	14.4 x	(0.4)%	(1.1)%	(4.0)%	19.1%	(1.6) x	30.0 %	2.6 %
Neutral Tandem	14.37	476	271	205	0	27.7 %	1.5 x	1.0 x	3.7 x	2.8 x	13.3 x	11.3 x	0.4 %	5.2 %	(1.0)%	43.0%	(2.8) x	12.3 %	NA
Synchronoss	25.99	930	875	65	9	37.0 %	5.7 x	4.4 x	31.0 x	16.6 x	38.2 x	36.7 x	(0.1)%	2.3 %	18.8 %	6.0%	(2.0) x	17.6 %	16.7 %
Syniverse	30.56	2,146	2,497	154	504	49.4 %	4.0 x	3.7 x	10.3 x	9.0 x	16.1 x	14.8 x	2.7 %	4.4 %	6.6 %	(16.4)%	1.4 x	23.6 %	NA
Teleperformance	29.94	1,692	1,649	285	241	18.7 %	0.6 x	NA	4.8 x	NA	17.4 x	NA	NA	NA	NA	2.6%	(0.1) x	17.2 %	NA
TeleTech	18.96	1,121	969	159	8	47.1 %	0.9 x	0.9 x	6.3 x	6.5 x	17.9 x	16.7 x	(0.3)%	(2.3)%	12.5 %	13.5%	(1.0) x	15.0 %	NA
TNS	19.22	504	804	40	341	10.2 %	1.5 x	1.5 x	6.3 x	5.5 x	8.0 x	8.0 x	1.2 %	3.4 %	(14.8)%	(59.6)%	2.3 x	16.9 %	7.1 %
Mean		1,581	1,442	289	150	20.2 %	2.2 x	2.0 x	9.3 x	7.1 x	16.1 x	14.8 x	1.8 %	4.3 %	1.6 %	3.4%	(0.7) x	18.6 %	8.4 %
Median		1,247	1,026	159	140	25.3 %	1.5 x	1.4 x	6.5 x	6.1 x	13.3 x	12.9 x	0.8 %	4.4 %	2.8 %	6.0%	(1.0) x	17.2 %	7.1 %

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Carrier Back Office																		
Amdocs	762	2,984.2	3,143.3	153	606.4	647.3	0.48	2.09	2.28	7.7%	3.9%	(9.4)%	5.3%	6.8%	9.2%	36.2 %	20.0 %	12.4 %
Asialfo	122	328.3	494.8	31	78.9	133.8	0.40	1.47	1.09	91.5%	181.9%	37.9%	50.7%	69.6%	(25.9)%	43.9 %	25.3 %	24.5 %
Convergys	556	2,314.6	2,217.5	63	246.2	295.6	0.29	1.03	1.13	(5.9)%	(6.1)%	7.4%	(4.2)%	20.1%	10.2%	38.7 %	11.3 %	6.5 %
CSG Systems	134	523.1	547.9	29	95.4	138.6	0.47	1.47	2.44	7.3%	21.8%	9.3%	4.7%	45.3%	66.4%	49.3 %	21.7 %	11.6 %
NeuStar	131	522.7	572.3	57	228.0	252.4	0.39	1.49	1.79	11.4%	8.8%	11.1%	9.5%	10.7%	20.5%	76.5 %	43.9 %	22.7 %
Neutral Tandem	46	180.8	260.7	19	74.0	95.1	0.27	1.08	1.27	3.9%	(13.3)%	(15.6)%	44.2%	28.5%	17.8%	52.6 %	40.2 %	19.5 %
Synchronoss	44	152.3	196.7	6	28.2	52.7	0.19	0.68	0.71	34.3%	(16.9)%	35.7%	29.1%	86.5%	4.1%	48.3 %	14.0 %	13.9 %
Syniverse	167	618.6	673.2	65	243.5	278.4	0.53	1.90	2.06	43.0%	30.0%	29.3%	8.8%	14.3%	8.6%	62.9 %	38.7 %	22.0 %
Teleperformance	605	2,567.8	NA	58	346.5	NA	0.44	1.73	NA	NA	NA	NA	NA	NA	NA	28.5 %	9.6 %	4.1 %
TeleTech	271	1,095.3	1,105.6	39	154.0	149.8	0.29	1.06	1.14	(3.7)%	(14.8)%	(9.4)%	0.9%	(2.7)%	7.1%	28.4 %	14.2 %	6.5 %
TNS	131	529.5	539.8	35	127.9	145.6	0.46	2.41	2.39	(6.3)%	4.1%	(23.3)%	1.9%	13.9%	(0.7)%	49.9 %	26.8 %	9.4 %
Mean	270	1,074	975	50	203	219	0.38	1.49	1.63	18.3%	19.9%	7.3%	15.1%	29.3%	11.7%	46.8 %	24.2 %	13.9 %
Median	134	530	560	39	154	148	0.40	1.47	1.53	7.5%	4.0%	8.4%	7.1%	17.2%	8.9%	48.3 %	21.7 %	12.4 %

Software & Services 125 Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value			% Change 6/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash /	Net Debt /	SG&A /	R & D /
			Cash	Debt				LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue
Messaging & Conferencing																			
Constant Contact	25.59	743	621	122	0	20.0 %	3.8 x	3.0 x	65.0 x	19.1 x	111.3 x	41.5 x	0.6 %	9.3 %	16.1 %	16.4%	(12.8) x	52.0 %	13.1 %
IntraLinks	20.56	1,033	1,169	32	167	NA	6.8 x	5.6 x	22.5 x	16.6 x	NM	NM	3.5 %	6.6 %	(6.1)%	(13.1)%	2.6 x	57.2 %	10.5 %
j2 Global	26.82	1,223	994	229	0	22.8 %	4.1 x	3.7 x	8.4 x	7.2 x	14.7 x	13.8 x	(1.2)%	3.4 %	1.7 %	18.7%	(1.9) x	34.7 %	4.8 %
LivePerson	9.66	491	440	50	0	40.8 %	4.2 x	3.5 x	20.8 x	13.5 x	31.2 x	26.8 x	0.0 %	8.3 %	13.8 %	10.3%	(2.4) x	44.2 %	14.0 %
Microsoft	25.26	216,091	183,503	43,253	10,665	9.8 %	2.8 x	2.6 x	6.2 x	6.2 x	10.9 x	10.1 x	2.4 %	13.0 %	13.0 %	15.1%	(1.1) x	23.1 %	13.6 %
Openwave	2.39	202	96	106	0	17.7 %	0.5 x	0.6 x	NM	NM	NM	NM	3.4 %	NA	100.0 %	52.4%	(29.6) x	42.0 %	27.5 %
Premiere Global	7.06	426	644	47	265	11.4 %	1.1 x	1.4 x	7.4 x	8.3 x	9.4 x	25.2 x	1.5 %	5.5 %	13.7 %	(51.1)%	2.5 x	35.1 %	3.4 %
Mean		31,459	26,781	6,263	1,585	20.4 %	3.3 x	2.9 x	21.7 x	11.8 x	35.5 x	23.5 x	1.5 %	7.7 %	21.7 %	7.0%	(6.1) x	41.2 %	12.4 %
Median		743	644	106	0	18.9 %	3.8 x	3.0 x	14.6 x	10.9 x	14.7 x	25.2 x	1.5 %	7.4 %	13.7 %	15.1%	(1.9) x	42.0 %	13.1 %
VoIP & Voice Applications																			
BroadSoft	22.73	562	515	49	2	165.8 %	NA	4.6 x	NA	33.2 x	NA	49.1 x	13.5 %	NA	140.0 %	8.4%	NA	50.0 %	21.5 %
Enghouse Systems	8.48	213	139	75	0	13.8 %	1.5 x	1.4 x	6.8 x	5.7 x	20.6 x	18.9 x	NA	NA	0.0 %	35.1%	(3.7) x	35.2 %	11.2 %
Interactive Intel.	27.04	482	396	86	0	64.6 %	2.6 x	2.2 x	17.1 x	12.2 x	24.1 x	21.5 x	0.8 %	(5.0)%	0.8 %	17.8%	(3.7) x	38.4 %	17.2 %
NICE Systems	30.21	1,902	1,589	312	0	20.7 %	2.4 x	2.2 x	15.1 x	9.4 x	17.9 x	16.0 x	1.1 %	428.8 %	4.2 %	16.4%	(3.0) x	36.5 %	14.4 %
Nuance	17.68	5,271	5,608	522	859	18.2 %	5.0 x	4.2 x	23.8 x	11.3 x	14.7 x	13.3 x	2.3 %	40.4 %	2.2 %	(6.4)%	1.4 x	33.2 %	12.4 %
Mean		1,686	1,649	209	172	56.6 %	2.9 x	2.9 x	15.7 x	14.3 x	19.3 x	23.8 x	4.4 %	154.7 %	29.4 %	14.2%	(2.2) x	38.7 %	15.3 %
Median		562	515	86	0	20.7 %	2.5 x	2.2 x	16.1 x	11.3 x	19.3 x	18.9 x	1.7 %	40.4 %	2.2 %	16.4%	(3.3) x	36.5 %	14.4 %

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Messaging & Conferencing																		
Constant Contact	45	163.2	205.8	6	9.6	32.5	0.17	0.23	0.62	33.7%	66.9%	88.9%	26.1%	240.1%	168.1%	71.7 %	13.5 %	11.4 %
IntraLinks	48	171.4	207.4	16	51.9	70.3	0.07	0.12	0.42	40.7%	51.9%	NM	21.0%	35.4%	NM	75.1 %	34.3 %	0.9 %
j2 Global	63	245.3	265.8	30	118.6	138.9	0.47	1.82	1.95	1.6%	0.1%	0.0%	8.4%	17.0%	7.0%	82.9 %	48.3 %	34.4 %
LivePerson	28	104.7	126.3	6	21.2	32.6	0.09	0.31	0.36	26.8%	23.1%	12.5%	20.6%	53.6%	16.2%	73.1 %	21.5 %	17.0 %
Microsoft	16,195	65,759.0	69,745.7	7,810	29,630.0	29,811.7	0.62	2.32	2.50	25.3%	52.3%	55.0%	6.1%	0.6%	7.6%	80.6 %	48.2 %	33.3 %
Openwave	42	175.0	170.5	0	3.6	4.7	0.00	0.02	(0.02)	(16.7)%	NM	NM	(2.6)%	30.9%	NM	67.5 %	1.1 %	0.0 %
Premiere Global	142	577.8	450.0	23	87.1	77.9	0.18	0.75	0.28	(3.9)%	(9.3)%	(10.0)%	(22.1)%	(10.6)%	(62.6)%	57.1 %	16.5 %	7.5 %
Mean	2,366	9,599	10,167	1,128	4,275	4,310	0.23	0.80	0.87	15.4%	30.8%	29.3%	8.2%	52.4%	27.3%	72.6 %	26.2 %	14.9 %
Median	48	175	207	16	52	70	0.17	0.31	0.42	25.3%	37.5%	12.5%	8.4%	30.9%	7.6%	73.1 %	21.5 %	11.4 %
VoIP & Voice Applications																		
BroadSoft	22	NA	111.8	2	NA	15.5	0.05	NA	0.46	22.4%	113.4%	190.0%	NA	NM	NA	78.9 %	8.7 %	6.0 %
Enghouse Systems	26	90.2	101.0	6	20.4	24.5	0.11	0.41	0.45	38.2%	21.5%	(26.8)%	12.0%	20.0%	9.1%	70.0 %	24.1 %	12.7 %
Interactive Intel.	42	151.5	180.8	7	23.1	32.6	0.37	1.12	1.26	26.1%	25.0%	19.4%	19.3%	40.8%	12.3%	69.0 %	15.9 %	16.5 %
NICE Systems	175	662.1	736.4	29	105.4	168.5	0.45	1.69	1.89	20.9%	71.7%	18.4%	11.2%	59.8%	11.9%	61.7 %	16.3 %	16.4 %
Nuance	310	1,118.9	1,329.7	73	235.3	496.5	0.33	1.20	1.33	17.6%	5.6%	3.1%	18.8%	111.0%	10.8%	67.4 %	23.7 %	32.7 %
Mean	115	506	492	23	96	147	0.26	1.11	1.08	25.0%	47.4%	40.8%	15.3%	57.9%	11.0%	69.4 %	17.8 %	16.9 %
Median	42	407	181	7	64	33	0.33	1.16	1.26	22.4%	25.0%	18.4%	15.4%	50.3%	11.4%	69.0 %	16.3 %	16.4 %

Software & Services 125 Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
Video / Multimedia																			
Adobe	27.80	14,142	13,089	2,578	1,524	5.2 %	3.7 x	3.3 x	10.8 x	7.8 x	15.7 x	13.5 x	0.5 %	(0.1)%	11.2 %	7.5%	(0.9) x	40.9 %	17.0 %
Avid	15.78	602	567	34	0	24.0 %	0.9 x	0.8 x	NM	6.6 x	NM	NM	1.1 %	NA	71.5 %	5.7%	(6.7) x	34.7 %	17.5 %
CyberLink	3.65	430	265	165	0	(8.5)%	1.8 x	1.5 x	6.7 x	5.6 x	14.6 x	11.5 x	NA	NA	NA	38.4%	(4.2) x	61.4 %	15.8 %
Dolby	63.29	7,080	6,253	848	21	1.0 %	6.8 x	6.3 x	13.0 x	11.7 x	25.6 x	22.5 x	7.8 %	15.3 %	17.5 %	11.7%	(1.7) x	30.4 %	12.9 %
DTS	46.94	804	720	84	0	42.8 %	8.8 x	7.4 x	38.2 x	20.4 x	61.0 x	45.6 x	7.6 %	6.7 %	8.8 %	10.5%	(4.5) x	58.2 %	13.5 %
Rovi	55.17	5,802	5,770	563	530	45.5 %	10.7 x	9.9 x	27.1 x	19.4 x	26.9 x	24.5 x	6.0 %	8.3 %	16.7 %	0.6%	(0.2) x	24.4 %	17.0 %
SeaChange	8.04	253	185	68	0	(2.3)%	0.9 x	0.8 x	10.3 x	5.2 x	32.2 x	14.1 x	NA	NA	0.0 %	26.8%	(3.8) x	22.0 %	23.7 %
Sonic Solutions	9.98	487	433	55	0	19.5 %	4.2 x	2.0 x	NM	27.0 x	NM	46.6 x	(2.7)%	NA	150.0 %	11.2%	(242.0) x	49.1 %	25.0 %
SRS Labs	8.52	126	97	29	0	(6.9)%	3.1 x	2.6 x	21.3 x	11.2 x	32.8 x	19.2 x	9.4 %	NA	(5.3)%	22.7%	(6.3) x	60.3 %	23.6 %
VIZRT	3.63	237	187	50	0	18.9 %	1.9 x	1.6 x	13.1 x	8.2 x	NM	14.5 x	NA	NA	NA	21.1%	(3.5) x	38.2 %	14.3 %
Mean		2,996	2,756	447	208	13.9 %	4.3 x	3.6 x	17.6 x	12.3 x	29.8 x	23.5 x	4.2 %	7.6 %	33.8 %	15.6%	(27.4) x	42.0 %	18.0 %
Median		544	500	76	0	12.1 %	3.4 x	2.3 x	13.1 x	9.7 x	26.9 x	19.2 x	6.0 %	7.5 %	14.0 %	11.4%	(4.0) x	39.6 %	17.0 %

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Video / Multimedia																		
Adobe	990	3,549.3	4,000.5	373	1,207.9	1,671.1	0.54	1.77	2.06	42.0%	61.1%	54.3%	12.7%	38.3%	16.2%	90.0 %	37.7 %	28.5 %
Avid	165	657.9	685.2	6	5.1	86.3	0.04	(0.17)	0.27	8.5%	NM	NM	4.2%	NM	NM	52.4 %	3.5 %	0.9 %
CyberLink	33	148.9	177.0	8	39.2	47.0	0.05	0.25	0.32	(9.3)%	(18.8)%	(21.7)%	18.9%	19.7%	27.1%	99.7 %	24.2 %	17.1 %
Dolby	228	922.7	988.1	112	480.9	536.1	0.59	2.47	2.82	39.0%	53.2%	55.3%	7.1%	11.5%	14.1%	88.4 %	49.3 %	29.6 %
DTS	21	81.5	96.8	7	18.9	35.3	0.19	0.77	1.03	39.5%	78.2%	72.7%	18.9%	87.5%	33.8%	98.5 %	32.5 %	15.9 %
Rovi	138	540.9	581.0	56	212.8	296.8	0.55	2.05	2.26	20.5%	32.8%	66.7%	7.4%	39.5%	10.0%	82.3 %	40.9 %	43.4 %
SeaChange	51	210.6	224.8	6	18.0	35.5	0.08	0.25	0.57	(3.7)%	57.6%	150.0%	6.7%	97.2%	128.0%	48.1 %	12.5 %	7.4 %
Sonic Solutions	25	103.5	215.6	(2)	0.2	16.0	0.01	0.03	0.21	(2.7)%	(261.5)%	200.0%	108.3%	NM	NM	64.8 %	(7.4)%	1.2 %
SRS Labs	9	31.1	37.5	2	4.6	8.7	0.09	0.26	0.44	19.1%	(0.5)%	(10.0)%	20.4%	90.0%	70.5%	99.3 %	18.4 %	16.5 %
VIZRT	26	99.9	116.2	4	14.2	22.8	0.06	(0.02)	0.25	20.2%	60.2%	146.4%	16.3%	60.4%	1,553.5%	62.9 %	16.5 %	15.6 %
Mean	169	635	712	57	200	276	0.22	0.77	1.02	17.3%	6.9%	79.3%	22.1%	55.5%	231.6%	78.6 %	22.8 %	17.6 %
Median	42	180	220	7	18	41	0.09	0.26	0.51	19.6%	53.2%	66.7%	14.5%	49.9%	30.4%	85.4 %	21.3 %	16.2 %

Software & Services 125 Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
Connectivity & Mobility																			
Access Co	1,413.78	554	313	266	25	0.9 %	0.7 x	0.9 x	3.1 x	4.5 x	28.0 x	21.1 x	NA	NA	NA	43.6%	(2.4) x	31.7 %	27.3 %
Aplix	1,358.71	138	44	118	25	22.7 %	0.5 x	NA	8.5 x	NA	NM	NA	NA	NA	NA	68.1%	(18.1) x	48.9 %	3.8 %
Bitstream	7.10	72	68	5	0	6.5 %	3.0 x	NA	NM	NA	NM	NM	NA	NA	NA	6.6%	NA	33.1 %	34.4 %
Citrix	66.43	12,474	11,580	902	8	57.3 %	6.4 x	5.8 x	27.0 x	17.6 x	31.8 x	30.1 x	3.1 %	(12.5)%	28.0 %	7.2%	(2.1) x	51.3 %	18.5 %
Infraware	7.23	132	102	45	15	7.8 %	3.8 x	NA	33.5 x	NA	73.4 x	NA	NA	NA	NA	22.6%	(9.8) x	18.7 %	12.0 %
LogMeIn	43.79	1,037	881	156	0	66.9 %	9.7 x	7.6 x	49.0 x	28.5 x	68.1 x	61.5 x	3.9 %	2.7 %	12.0 %	15.0%	(8.7) x	56.9 %	14.0 %
Motricity	29.74	1,198	1,127	71	0	238.0 %	9.2 x	6.8 x	NM	24.8 x	165.2 x	41.6 x	0.9 %	(23.1)%	7.1 %	5.9%	NA	24.5 %	15.4 %
Myriad	4.57	222	207	22	7	12.1 %	1.7 x	NA	8.2 x	NA	NM	NA	NA	NA	NA	6.8%	(0.6) x	26.1 %	28.8 %
Openwave	2.39	202	96	106	0	17.7 %	0.5 x	0.6 x	NM	NM	NM	NM	3.4 %	NA	100.0 %	52.4%	(29.6) x	42.0 %	27.5 %
Opera	4.36	519	433	86	0	25.0 %	4.1 x	3.2 x	28.3 x	13.3 x	120.8 x	23.9 x	NA	NA	NA	16.6%	(5.6) x	23.5 %	NA
Smith Micro	14.94	512	455	58	0	57.1 %	3.6 x	3.1 x	16.1 x	8.9 x	19.7 x	16.5 x	4.9 %	6.1 %	20.8 %	11.2%	(2.0) x	39.4 %	32.3 %
Mean	1,551	1,391	1,391	167	7	46.5 %	4.0 x	4.0 x	21.7 x	16.3 x	72.4 x	32.4 x	3.2 %	(6.7)%	33.6 %	23.3%	(8.8) x	36.0 %	21.4 %
Median	512	313	86	0	22.7 %	3.6 x	3.2 x	21.6 x	15.4 x	68.1 x	27.0 x	3.4 %	(4.9)%	20.8 %	15.0%	(5.6) x	33.1 %	22.9 %	

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Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Connectivity & Mobility																		
Access Co	66	425.3	360.0	11	99.9	70.0	(43.03)	50.48	67.04	NA	NA	NA	(15.3)%	(29.9)%	32.8%	71.0 %	16.1 %	(25.7)%
Aplix	24	85.0	NA	0	5.2	NA	(33.57)	(40.98)	NA	144.7%	106.8%	(45.9)%	NA	NA	NA	37.2 %	0.1 %	(14.1)%
Bitstream	6	22.2	NA	(1)	(1.0)	NA	(0.11)	(0.20)	0.02	5.7%	(220.9)%	(317.2)%	NA	NA	108.6%	52.1 %	(12.3)%	(18.2)%
Citrix	472	1,796.1	2,005.3	116	428.7	659.8	0.62	2.09	2.21	17.8%	28.6%	44.2%	11.6%	53.9%	5.6%	90.4 %	24.6 %	25.1 %
Infraware	5	26.7	NA	0	3.0	NA	0.02	0.10	NA	NA	NA	NA	NA	NA	NA	42.4 %	1.7 %	(107.3)%
LogMeIn	25	90.4	115.5	6	18.0	30.9	0.21	0.64	0.71	33.6%	111.8%	75.0%	27.8%	72.1%	10.8%	91.2 %	23.4 %	20.6 %
Motricity	38	122.3	165.4	7	(4.3)	45.5	0.15	0.18	0.71	34.9%	50.1%	NM	35.2%	1,168.5%	297.1%	58.3 %	18.4 %	15.3 %
Myriad	29	120.4	NA	6	25.4	NA	0.00	(0.53)	NA	NA	NA	NA	NA	NA	NA	70.4 %	21.8 %	0.1 %
Openwave	42	175.0	170.5	0	3.6	4.7	0.00	0.02	(0.02)	(16.7)%	NM	NM	(2.6)%	30.9%	NM	67.5 %	1.1 %	0.0 %
Opera	30	106.3	135.4	7	15.3	32.6	0.03	0.04	0.18	29.7%	NM	261.6%	27.4%	112.9%	406.2%	44.2 %	22.8 %	11.3 %
Smith Micro	34	124.9	147.2	9	28.3	50.9	0.23	0.76	0.91	22.2%	31.9%	15.0%	17.9%	80.1%	19.4%	88.9 %	26.2 %	23.5 %
Mean	70	281	443	15	57	128	(6.86)	1.14	8.97	34.0%	18.1%	5.4%	14.6%	212.6%	125.8%	64.9 %	13.1 %	(6.3)%
Median	30	120	165	6	15	45	0.02	0.10	0.71	26.0%	41.0%	29.6%	17.9%	72.1%	32.8%	67.5 %	18.4 %	0.1 %

Software & Services 125 Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
Mobile & LBS Applications																			
AutoNavi	19.17	874	723	154	3	NA	9.2 x	7.9 x	29.5 x	18.2 x	53.3 x	44.1 x	23.4 %	NA	50.0 %	17.2%	(6.1) x	22.3 %	16.1 %
ClickSoftware	6.52	197	150	48	0	22.6 %	2.1 x	1.8 x	11.1 x	8.8 x	18.5 x	14.3 x	1.0 %	(1.4)%	(1.6)%	24.2%	(3.5) x	36.1 %	12.2 %
DigiCore	0.45	95	102	7	13	17.0 %	1.4 x	NA	7.8 x	NA	15.4 x	NA	NA	NA	NA	(6.4)%	0.5 x	5.2 %	NA
DigitalGlobe	29.53	1,359	1,516	188	345	12.3 %	4.9 x	3.9 x	9.1 x	6.1 x	82.0 x	34.0 x	(6.5)%	(0.6)%	(80.5)%	(11.6)%	0.9 x	35.0 %	NA
Intermap	0.47	28	27	3	2	(28.1)%	1.5 x	1.4 x	NM	NA	NM	NM	NA	NA	NA	3.5%	NA	325.4 %	40.4 %
Ituran	15.18	318	287	42	11	(3.4)%	2.0 x	1.9 x	6.5 x	5.8 x	15.3 x	NA	0.3 %	4.9 %	NA	9.7%	(0.7) x	28.2 %	0.3 %
TCS	4.63	246	326	113	193	11.8 %	0.9 x	0.7 x	6.9 x	4.3 x	17.5 x	14.6 x	0.3 %	(28.3)%	(13.3)%	(32.5)%	1.7 x	15.6 %	7.3 %
WebTech	0.36	33	30	5	2	(1.9)%	0.8 x	0.6 x	NM	10.2 x	NM	NM	(10.7)%	NA	(25.0)%	9.0%	NA	45.0 %	21.7 %
XATA	2.12	21	9	13	1	(22.9)%	0.1 x	NA	1.1 x	NA	NM	NA	NA	NA	NA	57.9%	(1.5) x	32.5 %	10.5 %
Mean		352	352	63	63	0.9 %	2.5 x	2.6 x	10.3 x	8.9 x	33.7 x	26.7 x	1.3 %	(6.3)%	(14.1)%	7.9%	(1.3) x	60.6 %	15.5 %
Median		197	150	42	3	4.9 %	1.5 x	1.8 x	7.8 x	7.4 x	18.0 x	24.3 x	0.3 %	(1.0)%	(13.3)%	9.0%	(0.7) x	32.5 %	12.2 %

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Mobile & LBS Applications																		
AutoNavi	24	78.4	91.5	9	24.5	39.8	0.12	0.36	0.44	NA	NA	NA	16.6%	62.4%	21.0%	70.3 %	36.5 %	25.1 %
ClickSoftware	17	69.7	80.9	3	13.5	17.0	0.08	0.35	0.46	5.2%	(16.2)%	(18.0)%	16.1%	26.2%	29.7%	62.2 %	16.9 %	15.0 %
DigiCore	18	70.8	NA	3	12.9	NA	0.01	0.03	NA	NA	NA	NA	NA	NA	NA	17.9 %	18.5 %	8.5 %
DigitalGlobe	81	311.5	391.1	47	166.9	249.2	0.02	0.36	0.87	12.1%	5.7%	(93.8)%	25.6%	49.3%	141.3%	86.3 %	57.8 %	1.2 %
Intermap	2	18.5	20.3	(6)	(17.8)	NA	(0.20)	(0.75)	(0.58)	(85.1)%	(2,708.5)%	(150.0)%	9.3%	NA	22.2%	(18.2)%	(384.0)%	(773.0)%
Ituran	37	140.8	152.8	12	44.4	49.5	0.27	0.99	NA	15.8%	19.8%	23.0%	8.6%	11.5%	NA	49.0 %	31.3 %	15.4 %
TCS	103	377.4	444.7	13	47.6	75.3	0.08	0.26	0.32	43.8%	18.2%	(68.0)%	17.8%	58.1%	20.1%	35.7 %	12.8 %	5.0 %
WebTech	10	39.2	49.6	(1)	(7.8)	2.9	(0.01)	(0.09)	0.01	116.4%	48.7%	51.6%	26.4%	137.2%	110.6%	61.6 %	(5.1)%	(8.8)%
XATA	17	70.7	NA	3	8.2	NA	0.07	(0.13)	NA	5.4%	262.6%	240.0%	NA	NA	NA	52.0 %	17.1 %	10.8 %
Mean	34	131	176	9	32	72	0.05	0.15	0.25	16.2%	(338.5)%	(2.2)%	17.2%	57.4%	57.5%	46.3 %	(22.0)%	(77.9)%
Median	18	71	91	3	13	45	0.07	0.26	0.38	12.1%	18.2%	(18.0)%	16.6%	53.7%	25.9%	52.0 %	17.1 %	8.5 %

Software & Services 125 Financial Metrics

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Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
Mobile/Web Content & Games																			
Akamai	52.19	9,516	8,968	607	59	28.6 %	9.2 x	7.8 x	23.7 x	16.9 x	35.0 x	33.9 x	1.6 %	0.9 %	2.1 %	5.8%	(1.5) x	38.8 %	5.6 %
Changyou.com	29.41	1,517	1,225	292	0	13.7 %	4.0 x	3.3 x	6.3 x	5.2 x	9.4 x	8.3 x	4.3 %	NA	2.8 %	19.3%	(1.5) x	15.7 %	11.9 %
ChinaCache	27.70	643	630	14	1	NA	NA	7.9 x	NA	28.7 x	NA	NM	NA	NA	NA	1.9%	NA	43.8 %	10.7 %
Digital River	36.82	1,462	1,097	373	9	54.0 %	3.0 x	2.8 x	22.5 x	11.9 x	38.8 x	30.3 x	9.4 %	150.8 %	56.0 %	24.9%	(7.5) x	52.4 %	16.5 %
Giant Interactive	6.89	1,567	710	859	2	0.1 %	3.9 x	3.1 x	6.2 x	5.6 x	14.1 x	12.3 x	(0.8)%	NA	(0.9)%	54.7%	(7.5) x	21.0 %	15.5 %
Index Holdings	43.10	165	430	52	317	(45.8)%	1.1 x	1.1 x	16.2 x	8.8 x	NM	10.3 x	NA	NA	NA	(160.6)%	10.0 x	72.7 %	NA
Leshi Internet	7.51	751	670	85	4	NA	NA	13.4 x	NA	35.6 x	NA	53.6 x	NA	NA	NA	10.7%	NA	29.6 %	NA
Limelight Ntw ks	7.10	704	636	71	3	61.7 %	3.9 x	3.1 x	NM	22.5 x	NM	NM	3.9 %	15.7 %	100.0 %	9.7%	(33.4) x	41.8 %	9.0 %
NEOWIZ	41.52	876	863	87	74	23.8 %	3.3 x	NA	NA	NA	19.2 x	NA	NA	NA	NA	1.5%	NA	34.7 %	NA
Netease.com	38.18	4,958	3,642	1,312	(4)	20.4 %	4.8 x	4.0 x	9.5 x	7.8 x	16.1 x	12.8 x	1.7 %	(11.1)%	5.3 %	26.5%	(3.4) x	20.7 %	5.8 %
Netflix	205.90	10,760	10,740	257	237	89.5 %	5.3 x	4.0 x	36.1 x	26.3 x	75.4 x	56.5 x	0.3 %	(5.8)%	7.4 %	0.2%	(0.1) x	17.8 %	7.6 %
Perfect World	23.70	1,188	963	242	17	7.7 %	2.6 x	2.5 x	5.8 x	6.0 x	8.6 x	9.5 x	9.5 %	NA	7.6 %	19.0%	(1.3) x	27.8 %	17.3 %
RealNetw orks	3.42	464	135	329	0	3.6 %	0.3 x	0.4 x	NM	5.5 x	NM	NM	(1.7)%	(4.6)%	12.5 %	71.0%	NA	45.1 %	22.6 %
Shanda Games	5.60	1,598	1,184	445	31	(3.6)%	1.7 x	1.7 x	4.7 x	4.6 x	8.4 x	8.4 x	2.1 %	NA	NA	25.9%	(1.6) x	19.2 %	9.7 %
Tencent	22.24	40,792	38,774	2,603	585	32.7 %	14.8 x	10.7 x	28.0 x	19.8 x	38.0 x	27.0 x	NA	NA	NA	4.9%	(1.5) x	18.6 %	NA
Mean		5,131	4,711	508	89	22.0 %	4.5 x	4.7 x	15.9 x	14.7 x	26.3 x	23.9 x	3.0 %	24.3 %	21.4 %	7.7%	(4.5) x	33.3 %	12.0 %
Median		1,462	963	292	9	20.4 %	3.9 x	3.2 x	12.8 x	10.3 x	17.6 x	12.8 x	1.9 %	(1.9)%	7.4 %	10.7%	(1.5) x	29.6 %	10.7 %

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Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LO Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Mobile/Web Content & Games																		
Akamai	254	977.2	1,152.0	93	377.6	529.2	0.34	1.49	1.54	22.8%	16.8%	(10.5)%	17.9%	40.1%	3.2%	69.3 %	36.6 %	25.6 %
Changyou.com	86	306.1	369.3	54	193.5	236.7	0.85	3.12	3.53	24.7%	26.6%	19.7%	20.6%	22.4%	13.1%	90.0 %	63.5 %	52.7 %
ChinaCache	16	NA	79.7	(2)	NA	21.9	(1.31)	NA	0.26	NA	NA	NA	NA	NM	NA	29.2 %	(11.8)%	(42.5)%
Digital River	85	370.4	389.2	11	48.8	92.4	0.20	0.95	1.21	(14.5)%	(50.0)%	(52.4)%	5.1%	89.5%	27.7%	81.5 %	12.7 %	9.1 %
Giant Interactive	51	183.0	229.6	32	114.7	127.8	0.13	0.49	0.56	19.1%	5.9%	8.3%	25.5%	11.5%	14.5%	85.2 %	62.4 %	60.0 %
Index Holdings	60	395.6	388.4	(27)	26.6	48.8	(25.10)	(22.76)	4.20	(59.6)%	(192.2)%	(72.4)%	(1.8)%	83.4%	118.5%	23.8 %	(44.1)%	(160.0)%
Leshi Internet	11	NA	49.9	NA	NA	18.8	0.03	NA	0.14	65.4%	NA	46.6%	NA	NM	NA	66.4 %	NA	27.2 %
Limelight Ntw ks	50	161.7	205.8	2	2.0	28.2	0.00	(0.12)	(0.00)	53.1%	69.2%	100.0%	27.3%	NM	98.3%	55.7 %	4.8 %	0.0 %
NEOWIZ	80	263.1	NA	NA	NA	NA	0.71	2.17	NA	NA	NA	NA	NA	NM	NA	56.9 %	24.9 %	9.6 %
Netease.com	209	755.7	910.1	96	382.1	465.6	0.67	2.37	2.97	64.6%	45.8%	52.3%	20.4%	21.9%	25.4%	68.5 %	46.0 %	41.8 %
Netflix	553	2,011.2	2,715.6	78	297.5	409.0	0.78	2.73	3.64	30.7%	37.3%	50.0%	35.0%	37.5%	33.5%	37.7 %	14.1 %	7.6 %
Perfect World	98	366.4	390.5	34	167.1	161.3	0.60	2.74	2.51	13.8%	(24.9)%	(25.9)%	6.6%	(3.5)%	(8.6)%	77.3 %	34.7 %	32.2 %
RealNetw orks	86	449.4	358.5	2	(11.7)	24.5	(0.07)	(0.36)	(0.12)	(38.4)%	(41.4)%	(450.0)%	(20.2)%	309.4%	67.5%	64.5 %	2.7 %	(11.2)%
Shanda Games	164	690.7	709.4	56	251.6	255.0	0.15	0.67	0.67	(12.1)%	(16.5)%	(25.0)%	NA	NA	NA	58.0 %	34.4 %	27.8 %
Tencent	781	2,627.9	3,618.8	418	1,383.4	1,955.9	0.17	0.58	0.83	58.3%	60.1%	54.1%	37.7%	41.4%	41.1%	67.9 %	53.5 %	41.2 %
Mean	172	735	826	65	269	313	(1.46)	(0.46)	1.57	17.5%	(5.3)%	(23.5)%	15.8%	65.3%	39.5%	62.1 %	23.9 %	8.1 %
Median	86	396	389	34	180	145	0.17	0.95	1.02	22.8%	11.3%	8.3%	20.4%	38.8%	27.7%	66.4 %	29.7 %	25.6 %

Software & Services 125 Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price	Market	Enterprise	Cash	Debt	% Change	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash /	Net Debt /	SG&A /	R&D /
	11/30/10	Cap	Value				LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS	Mkt Cap	EBITDA	Revenue	Revenue
Portals & Social Networks																			
Ancestry.com	28.58	1,272	1,192	80	0	62.2 %	4.3 x	3.5 x	13.6 x	10.2 x	46.9 x	26.5 x	3.7 %	6.9 %	27.8 %	6.3%	(0.9) x	41.9 %	13.3 %
AOL	24.18	2,581	2,040	623	83	16.3 %	0.8 x	1.0 x	2.7 x	4.1 x	7.1 x	15.1 x	2.2 %	2.9 %	82.5 %	20.9%	(0.7) x	20.8 %	NA
Baidu	105.05	36,592	35,556	1,036	0	54.3 %	35.8 x	20.9 x	69.5 x	36.2 x	88.9 x	48.9 x	1.2 %	2.7 %	7.5 %	2.8%	(2.0) x	13.1 %	9.1 %
Daum Comm.	65.83	877	799	78	0	(4.9)%	2.8 x	2.4 x	8.4 x	8.9 x	18.2 x	10.9 x	NA	NA	NA	8.9%	(0.8) x	159.3 %	0.1 %
Gree	12.21	2,778	2,575	203	0	(24.1)%	5.6 x	NA	10.5 x	NA	20.2 x	NA	NA	NA	NA	7.3%	(0.8) x	43.5 %	NA
IAC/InterActive	28.15	2,826	1,608	1,373	156	28.1 %	1.0 x	0.9 x	10.6 x	5.7 x	37.0 x	22.6 x	5.4 %	(15.8)%	22.8 %	43.1%	(8.0) x	47.8 %	4.2 %
Meetic	24.77	564	507	63	6	(2.8)%	2.2 x	NA	10.1 x	NA	24.3 x	NA	NA	NA	NA	10.2%	(1.1) x	53.8 %	NA
Mixi	5,081.70	786	636	151	0	(2.6)%	3.7 x	2.9 x	18.4 x	12.7 x	64.5 x	33.1 x	NA	NA	NA	19.2%	(4.4) x	58.2 %	NA
NHN	168.67	7,619	NA	NA	0	12.4 %	NA	NA	NA	NA	18.8 x	16.6 x	NA	NA	NA	NA	NA	NA	NA
Shutterfly	33.00	906	745	161	0	37.7 %	2.7 x	2.4 x	21.8 x	12.2 x	106.5 x	62.0 x	4.7 %	NA	34.2 %	17.7%	(4.7) x	41.7 %	23.7 %
Sina	64.02	3,915	3,159	857	100	81.6 %	8.1 x	7.0 x	35.9 x	24.5 x	40.8 x	34.4 x	2.4 %	NA	15.1 %	19.3%	(8.6) x	25.0 %	8.0 %
Sohu.com	69.43	2,634	2,139	609	114	69.0 %	3.7 x	3.1 x	8.9 x	6.8 x	20.9 x	15.8 x	4.0 %	6.9 %	6.9 %	18.8%	(2.1) x	22.0 %	11.9 %
Universo Online	6.34	758	469	345	56	24.3 %	1.0 x	NA	4.8 x	NA	8.8 x	NA	NA	NA	NA	38.1%	(2.9) x	46.2 %	NA
XING	43.67	225	149	77	0	27.0 %	2.2 x	1.8 x	8.5 x	5.8 x	NM	17.1 x	NA	NA	NA	34.0%	(4.4) x	15.2 %	NA
Yahoo Japan	359.13	20,878	19,276	1,631	29	(10.8)%	6.0 x	5.3 x	10.6 x	9.2 x	21.4 x	18.1 x	NA	NA	NA	7.7%	(0.9) x	35.6 %	0.3 %
Yahoo!	15.82	20,615	17,967	2,819	172	14.3 %	2.8 x	3.9 x	12.8 x	10.4 x	26.8 x	19.7 x	(0.7)%	2.9 %	13.1 %	12.8%	(1.9) x	28.0 %	16.8 %
Mean	6,614	5,921	5,921	674	45	23.9 %	5.5 x	4.6 x	16.5 x	12.2 x	36.7 x	26.2 x	2.9 %	1.1 %	26.2 %	17.8%	(2.9) x	43.5 %	9.7 %
Median	2,608	1,608	1,608	345	3	20.3 %	2.8 x	3.0 x	10.6 x	9.7 x	24.3 x	19.7 x	3.0 %	2.9 %	19.0 %	17.7%	(2.0) x	41.7 %	9.1 %

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Portals & Social Networks																		
Ancestry.com	79	278.3	343.0	28	87.6	116.8	0.26	0.61	1.08	39.2%	68.5%	4.0%	23.2%	33.3%	77.0%	84.3 %	35.0 %	15.8 %
AOL	564	2,612.5	2,144.2	161	766.6	502.2	0.99	3.42	1.60	(26.2)%	(31.8)%	(3.6)%	(17.9)%	(34.5)%	(53.3)%	40.2 %	28.5 %	18.9 %
Baidu	337	993.3	1,698.7	188	511.8	981.3	0.45	1.18	2.15	80.0%	117.4%	108.3%	71.0%	91.7%	81.9%	80.8 %	55.9 %	46.6 %
Daum Comm.	77	289.4	337.5	28	94.8	90.0	1.07	3.61	6.03	29.9%	64.5%	NA	16.6%	(5.0)%	67.0%	29.9 %	36.9 %	64.4 %
Gree	149	459.2	NA	75	245.6	NA	0.18	0.60	NA	94.4%	69.2%	85.8%	NA	NA	NA	93.7 %	50.2 %	29.8 %
IAC/InterActive	422	1,577.6	1,777.5	54	152.3	284.1	0.32	0.76	1.25	25.3%	64.1%	77.8%	12.7%	86.6%	63.9%	64.8 %	12.7 %	8.1 %
Meetic	53	230.1	NA	0	50.2	NA	0.00	1.02	NA	NA	NA	NA	NA	NA	NA	67.9 %	0.0 %	5.6 %
Mixi	47	170.7	220.0	9	34.6	50.0	18.64	78.73	153.63	30.7%	(28.5)%	(45.8)%	28.9%	44.5%	95.1%	74.0 %	19.0 %	6.2 %
NHN	280	1,150.0	1,317.5	150	570.0	635.0	2.54	9.00	10.17	7.7%	25.0%	NA	14.6%	11.4%	13.0%	NA	53.6 %	NA
Shutterfly	49	272.6	314.1	(2)	34.2	61.3	(0.17)	0.31	0.53	20.9%	15.8%	32.0%	15.2%	79.2%	71.8%	49.1 %	(3.8)%	(9.5)%
Sina	108	390.8	453.8	33	87.9	129.1	0.50	1.57	1.86	12.3%	48.0%	47.1%	16.1%	46.9%	18.5%	59.6 %	30.9 %	30.4 %
Sohu.com	164	575.4	701.2	72	241.0	314.6	1.01	3.32	4.41	20.1%	26.4%	14.8%	21.8%	30.5%	32.7%	73.7 %	44.1 %	23.6 %
Universo Online	121	465.0	NA	26	98.3	NA	0.20	0.72	NA	24.0%	63.1%	110.0%	NA	NA	NA	70.9 %	21.8 %	19.5 %
XING	18	67.1	82.0	5	17.6	25.6	0.56	0.10	2.56	9.3%	51.5%	444.2%	22.3%	45.7%	NM	67.6 %	29.6 %	15.5 %
Yahoo Japan	851	3,193.0	3,640.0	491	1,810.2	2,085.0	4.42	16.80	19.83	11.9%	18.4%	14.7%	14.0%	15.2%	18.1%	89.7 %	57.7 %	30.2 %
Yahoo!	1,601	6,531.5	4,653.5	357	1,398.9	1,729.1	0.17	0.59	0.80	1.6%	24.8%	30.8%	(28.8)%	23.6%	36.1%	57.5 %	22.3 %	14.3 %
Mean	307	1,204	1,360	105	388	539	1.95	7.65	15.84	25.4%	39.8%	70.8%	16.1%	36.1%	43.5%	66.9 %	30.9 %	21.3 %
Median	135	462	701	44	125	284	0.48	1.10	2.15	20.9%	48.0%	32.0%	16.1%	33.3%	50.0%	67.9 %	30.2 %	18.9 %

Software & Services 125 Financial Metrics

(\$ in millions, except per share data)

Company Name	Stock Price 11/30/10	Market Cap	Enterprise Value	Cash	Debt	% Change 6/30/10	Ent. Value/Rev.		Ent. Value/EBITDA		Price/EPS		Estimate Surprise			Net Cash / Mkt Cap	Net Debt / EBITDA	SG&A / Revenue	R&D / Revenue
							LTM	NTM	LTM	NTM	LTM	NTM	Revenue	EBITDA	EPS				
Search & Marketing Services																			
AOL	24.18	2,581	2,040	623	83	16.3 %	0.8 x	1.0 x	2.7 x	4.1 x	7.1 x	15.1 x	2.2 %	2.9 %	82.5 %	20.9 %	(0.7) x	20.8 %	NA
Baidu	105.05	36,592	35,556	1,036	0	54.3 %	35.8 x	20.9 x	69.5 x	36.2 x	88.9 x	48.9 x	1.2 %	2.7 %	7.5 %	2.8 %	(2.0) x	13.1 %	9.1 %
comScore	22.00	691	662	36	7	33.6 %	4.2 x	3.1 x	39.2 x	15.6 x	26.5 x	92.4 x	0.8 %	19.3 %	21.9 %	4.2 %	(1.7) x	53.5 %	15.9 %
DG FastChannel	25.23	712	621	92	0	(22.6)%	2.7 x	2.3 x	6.2 x	5.0 x	17.0 x	13.0 x	7.6 %	6.7 %	17.1 %	12.9 %	(0.9) x	19.9 %	4.8 %
Google	555.71	177,702	146,444	33,380	2,122	24.9 %	5.3 x	4.5 x	13.0 x	10.1 x	20.1 x	17.5 x	3.9 %	4.6 %	14.9 %	17.6 %	(2.8) x	16.4 %	13.6 %
IAC/InterActive	28.15	2,826	1,608	1,373	156	28.1 %	1.0 x	0.9 x	10.6 x	5.7 x	37.0 x	22.6 x	5.4 %	(15.8)%	22.8 %	43.1 %	(8.0) x	47.8 %	4.2 %
InfoSpace	7.72	279	51	228	0	2.7 %	0.2 x	0.2 x	2.2 x	2.4 x	25.3 x	40.3 x	(2.9)%	(1.4)%	(68.8)%	81.7 %	(10.0) x	27.8 %	4.3 %
Marchex	7.22	253	221	32	0	87.5 %	2.4 x	2.0 x	NM	14.8 x	NM	NM	4.1 %	66.6 %	599.3 %	12.6 %	NA	32.5 %	17.3 %
TechTarget	5.95	254	187	67	0	10.6 %	2.0 x	1.8 x	36.7 x	7.9 x	28.3 x	20.5 x	(3.2)%	(12.1)%	(9.1)%	26.3 %	(13.1) x	59.6 %	8.8 %
TradeDoubler	5.39	231	210	20	0	38.9 %	0.5 x	0.5 x	14.4 x	9.6 x	35.5 x	16.6 x	NA	NA	NA	8.7 %	(1.4) x	17.5 %	1.1 %
ValueClick	15.54	1,255	1,091	164	0	45.4 %	2.6 x	2.4 x	9.5 x	8.0 x	24.7 x	20.5 x	4.0 %	4.7 %	14.3 %	13.1 %	(1.4) x	39.0 %	8.3 %
Yahoo Japan	359.13	20,878	19,276	1,631	29	(10.8)%	6.0 x	5.3 x	10.6 x	9.2 x	21.4 x	18.1 x	NA	NA	NA	7.7 %	(0.9) x	35.6 %	0.3 %
Yahoo!	15.82	20,615	17,967	2,819	172	14.3 %	2.8 x	3.9 x	12.8 x	10.4 x	26.8 x	19.5 x	(0.7)%	2.9 %	13.1 %	12.8 %	(1.9) x	28.0 %	16.8 %
Mean		20,375	17,380	3,192	198	24.9 %	5.1 x	3.8 x	19.0 x	10.7 x	29.9 x	28.8 x	2.0 %	7.4 %	65.0 %	20.3 %	(3.7) x	31.7 %	8.7 %
Median		1,255	1,091	228	0	24.9 %	2.6 x	2.3 x	11.7 x	9.2 x	25.9 x	20.0 x	2.2 %	2.9 %	14.9 %	12.9 %	(1.8) x	28.0 %	8.6 %

(\$ in millions, except per share data)

Company Name	Revenue			EBITDA			EPS			MRQ/PYQ Growth			NTM / LTM Growth			LQ Margin		
	MRQ	LTM	NTM	MRQ	LTM	NTM	MRQ	LTM	NTM	Revenue	EBITDA	EPS	Revenue	EBITDA	EPS	Gross	EBITDA	Net
Search & Marketing Services																		
AOL	564	2,612.5	2,144.2	161	766.6	502.2	0.99	3.42	1.60	(26.2)%	(31.8)%	(3.6)%	(17.9)%	(34.5)%	(53.3)%	40.2 %	28.5 %	18.9 %
Baidu	337	993.3	1,698.7	188	511.8	981.3	0.45	1.18	2.15	80.0%	117.4%	108.3%	71.0%	91.7%	81.9%	80.8 %	55.9 %	46.6 %
comScore	46	157.6	211.6	3	16.9	42.6	0.26	0.83	0.24	43.2%	(48.0)%	44.4%	34.2%	151.9%	(71.3)%	69.9 %	5.6 %	17.8 %
DG FastChannel	57	228.9	273.5	24	99.5	124.7	0.36	1.49	1.94	18.0%	20.2%	63.6%	19.5%	25.3%	30.2%	66.7 %	42.1 %	18.1 %
Google	7,286	27,554.8	32,221.7	2,889	11,261.5	14,543.6	7.64	27.64	31.77	22.6%	17.8%	29.7%	16.9%	29.1%	14.9%	65.0 %	39.7 %	33.8 %
IAC/InterActive	422	1,577.6	1,777.5	54	152.3	284.1	0.32	0.76	1.25	25.3%	64.1%	77.8%	12.7%	86.6%	63.9%	64.8 %	12.7 %	8.1 %
InfoSpace	62	253.3	243.2	4	22.8	21.5	0.01	0.30	0.19	13.5%	31.6%	(80.0)%	(4.0)%	(5.9)%	(37.2)%	37.3 %	6.7 %	0.6 %
Marchex	24	93.0	108.1	(1)	(2.0)	14.9	0.01	0.06	(0.06)	9.1%	(219.7)%	(66.7)%	16.2%	835.7%	(194.8)%	39.6 %	(5.2)%	1.3 %
TechTarget	22	91.3	102.4	1	5.1	23.6	0.05	0.21	0.29	(4.6)%	NM	(16.7)%	12.1%	363.8%	38.1%	74.3 %	5.9 %	9.8 %
TradeDoubler	103	388.0	423.8	5	14.6	21.9	0.04	0.15	0.33	1.2%	239.4%	167.9%	9.2%	50.2%	114.0%	22.2 %	4.7 %	1.6 %
ValueClick	107	412.4	456.8	29	114.8	135.8	0.16	0.63	0.76	1.5%	3.0%	6.7%	10.8%	18.3%	20.1%	73.3 %	27.5 %	12.3 %
Yahoo Japan	851	3,193.0	3,640.0	491	1,810.2	2,085.0	4.42	16.80	19.83	11.9%	18.4%	14.7%	14.0%	15.2%	18.1%	89.7 %	57.7 %	30.2 %
Yahoo!	1,601	6,531.5	4,652.4	357	1,398.9	1,729.7	0.17	0.59	0.81	1.6%	24.8%	30.8%	(28.8)%	23.6%	37.2%	57.5 %	22.3 %	14.3 %
Mean	883	3,391	3,689	323	1,244	1,578	1.14	4.16	4.70	15.2%	19.8%	29.0%	12.8%	127.0%	4.8%	60.1 %	23.4 %	16.4 %
Median	107	412	457	29	115	136	0.26	0.76	0.81	11.9%	19.3%	29.7%	12.7%	29.1%	20.1%	65.0 %	22.3 %	14.3 %



Introduction to SagePoint Advisors

Introduction to SagePoint Advisors

SagePoint Advisors is a boutique investment banking firm providing merger, acquisition and strategic advisory services to technology and telecom companies and their venture backers.

Mission	To deliver the senior-level attention, trusted relationships and market insight on \$10-100 million M&A transactions that other investment banks reserve only for much larger transactions.
Services	Sell Side Advisory; Divestitures; Buy Side Advisory; Strategic Investments
Industry Focus	Software, hardware and services in the Wireless, VoIP, IP Video, Networking, Internet, Telecom Equipment, IT Infrastructure and Enabling Technology sectors
Offices	San Diego, CA

David P. Michaels - Founder & Managing Director



Prior to founding SagePoint Advisors in 2008, David Michaels was a Co-Founder, Partner and Managing Director at Montgomery & Co., a leading investment bank focused on serving emerging-growth technology companies and their venture backers. Mr. Michaels co-founded Montgomery's investment banking business in 1996 as the lead banker and played an instrumental role in building the business to over \$50 million in revenues and 80 employees. Mr. Michaels launched Montgomery's San Diego office in 2003 and established Montgomery as the dominant brand in the region. Mr. Michaels also ran the firm's Communications and Digital Media Technology practice areas for several years prior to his departure. During his 14 year tenure at Montgomery, Mr. Michaels advised CEOs and Boards on more than 75 corporate strategy, M&A and fund raising engagements.

Mr. Michaels has intimate knowledge of the strategic landscape, market dynamics and technology underpinnings of several high technology market segments including wireless infrastructure, software and services, voice, video and data infrastructure, software and services, storage infrastructure and software, networking equipment, Internet software and services and semiconductors. Prior to co-founding Montgomery's investment banking business, Mr. Michaels managed strategic consulting assignments for the firm including market entry analysis, acquisition search studies and strategic portfolio assessments.

Prior to joining the Montgomery in 1994, Mr. Michaels held various investment banking positions including a position within Bankers Trust Corporate Finance Department, where he helped execute merger and acquisition assignments such as sale mandates and valuation analyses. Prior to that, Mr. Michaels worked as a structural engineer at General Dynamics, where he assisted on the Advanced Tactical Fighter program. Mr. Michaels received an M.B.A. with an emphasis in marketing and entrepreneurship from the Anderson School of Management at UCLA and holds a B.S. in Mechanical Engineering from the University of Michigan.

Teak Murphy - Senior Associate



Prior to joining SagePoint, Teak worked as a Senior Associate with Enterprise Partners Venture Capital, the largest Southern California based VC firm, where he evaluated investment opportunities and worked closely with senior management and board members to successfully grow portfolio companies. Prior to Enterprise Partners, Teak worked as an Associate in technology investment banking at Montgomery & Co. where he spent three years working closely with SagePoint's founder David Michaels on buy-side and sell-side M&A transactions. Prior to Montgomery, Teak worked at Cowen & Co. advising technology companies on M&A and IPO transactions.

Teak's experience working on fund raising, mergers and acquisitions, and initial public offerings as both an advisor and investor provides unique insight into the needs of venture-backed companies. Teak graduated from the University of Southern California with honors, receiving a B.S. in Business Administration and Finance .

Primary Industry Focus – Communications & Networking

Value Chain	Wireless	VoIP	Video	Data
Services	Mobile messaging, content, search, LBS, social networking, gaming, etc.	VoIP service providers, voice search, website voice enablement, etc.	Cable & DBS, Internet video, conferencing, video delivery networks, etc.	Internet access, web hosting, co-location, SaaS delivery networks, etc.
Software	Mobile and fixed wireless application and infrastructure software, etc.	VoIP softphone client and server software, FMC software, etc.	Video encoding, transcoding, editing, sharing and player software, etc.	Networking & Internet client and server software, etc.
Equipment	Handsets and modules, fixed and mobile wireless equipment, etc.	VoIP handsets, gateways, IP-PBXs, SBCs, media servers, etc.	Cable & IPTV equipment, video conferencing, VOD, DVRs, STBs, etc.	WAN, LAN and optical data networking and telecom equipment, etc.
Semiconductors	3G/4G, WiMax, WLAN, & WPAN RF & BB ICs, etc.	VoIP DSPs and ASICs	Video encode/decode, processing and transport ICs, etc.	WAN, LAN, I/O storage and security networking ICs

Transaction Experience of SagePoint Team

















































 <i>has been acquired by</i>  August 2009	 <i>has been acquired by</i> Undisclosed Buyer November 2008	 <i>has sold certain assets to</i> Undisclosed Handset OEM October 2008	 Buyside Advisory 2008	 <i>has been acquired by</i>  April 2008	 <i>has sold its assets to</i>  \$10,000,000 October 2007	 <i>has been acquired by</i>  \$34,875,000 September 2007
 Initial Public Offering \$82,500,000 Co-manage June 2007	 <i>has been acquired by</i>  January 2007	 Initial Public Offering \$167,440,000 Co-manager September 2006	 <i>has been acquired by</i>  August 2006	 <i>has been acquired by</i>  August 2006	 Senior Convertible Debentures \$5,000,000 Financial Advisor and Placement Agent July 2006	 <i>has sold its SRAM assets to</i>  January 2006
 Private Investment in Public Equity \$14,400,000 Co-Agent January 2006	 <i>has been acquired by</i>  October 2005	 <i>has agreed to the sale of their NAS Software Intellectual Property to</i>  \$50,000,000 May 2005	 <i>has sold a minority stake to</i> Strategic Investor 2005	 <i>has been acquired by</i> THOMSON August 2004	 <i>has been acquired by</i>  \$122,500,000 April 2004	 <i>has been acquired by</i>  March 2004
 <i>has been acquired by</i>  August 2003	 <i>has been acquired by</i>  December 2003	 <i>has been acquired by</i>  February 2003	 <i>has been acquired by</i>  April 2002	 Private Placement \$9,900,000 Placement Agent July 2001	 Private Placement \$11,000,000 Placement Agent May 2000	 <i>has merged with</i>  \$157,000,000 March 2000

Transaction Experience by Market Segment

SagePoint's Founder has led more than 75 M&A and fund raising engagements with deal experience across the entire communications and networking value chain.

Value Chain	Wireless	VoIP	Video	Data
Services	<ul style="list-style-type: none"> • Sale of Xumii to Myriad Group • Capital Raise for InfoSonics 	<ul style="list-style-type: none"> • Sale of AccessLine to Telanetix • Strategic Advisory for Voice 2.0 Service Provider 	<ul style="list-style-type: none"> • Strategic Advisory for DirecTV Reseller 	<ul style="list-style-type: none"> • Sale of Compute Intensive to Verio • Sale of GeoNet to Level 3 • Capital Raise for Speakeasy
Software	<ul style="list-style-type: none"> • Sale of Neven Vision to Google • Sale of SKY MobileMedia; 	<ul style="list-style-type: none"> • Sale of CrystalVoice to Global IP Solutions • Buyside Advisory for VOIP Softphone Vendor 	<ul style="list-style-type: none"> • IPO for Divx • Strategic Advisory for Mobile Video SW Vendor 	<ul style="list-style-type: none"> • Sale of LVL7 to Broadcom • Sale of Neteon to CA
Equipment	<ul style="list-style-type: none"> • Sale of Strix to Idream • Sale of Aiprime to Sierra Wireless 	<ul style="list-style-type: none"> • Strategic Advisory for Unified Messaging Vendor • Strategic Advisory for IP-PBX Vendor 	<ul style="list-style-type: none"> • Sale of Gyration to Philips • Sale of TIR to Philips 	<ul style="list-style-type: none"> • Sale of Network Physics to OpNet • Capital Raise for Raptor Networks • Sale of Procom to Sun
Semis	<ul style="list-style-type: none"> • Sale of CommAsic to Freescale • Peregrine Strategic Investment • Sale of Synad to ST 	<ul style="list-style-type: none"> • Strategic Advisory for Noise Cancellation IC Vendor 	<ul style="list-style-type: none"> • Sale of Vativ to Entropic • Strategic Advisory for Video Processing IC Vendor 	<ul style="list-style-type: none"> • Strategic Advisory for Storage Networking IC Vendor

Representative Buyer Relationships

Internet / Media	Service Providers	Communications Software / SaaS	Communications Equipment	Communications Semiconductors
         	         	         	        	         

Why Work With SagePoint?

- SagePoint delivers the senior-level attention, trusted relationships and market insight on \$10-100M transactions that larger investment banks reserve only for much larger transactions
- SagePoint's domain knowledge is world-class across the entire communications and networking value chain
- SagePoint has developed trusted relationships with the most active strategic buyers across the communications value chain
- SagePoint has the M&A expertise that comes only from decades of experience focusing on strategic transactions
- SagePoint's unwavering integrity and commitment to intellectual honesty ensures that we tell our clients what they need to hear to make sound business decisions
- At SagePoint, we offer sage advice that points our clients in the right direction to ensure an optimal outcome