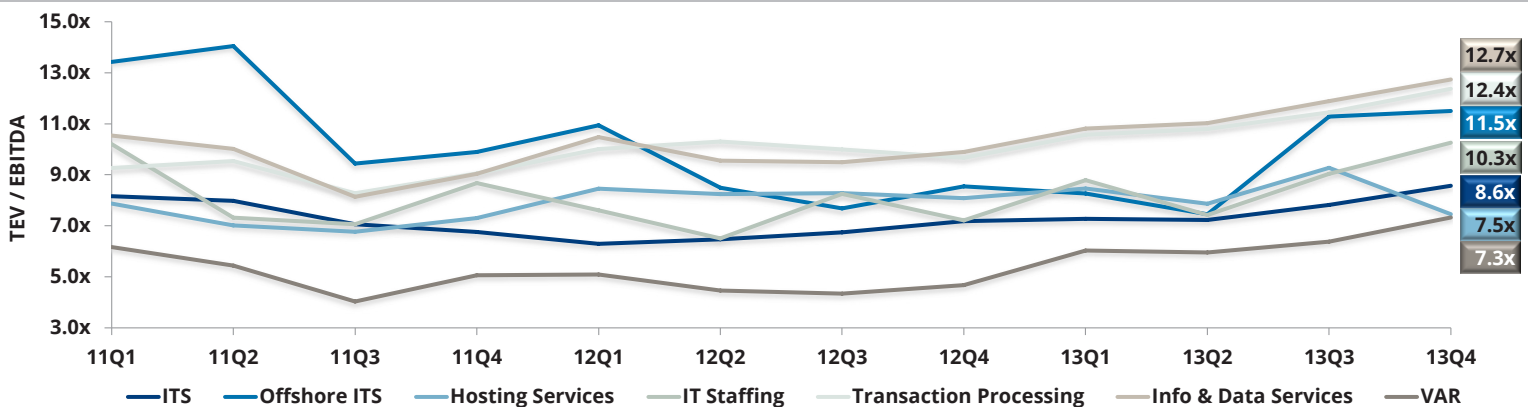


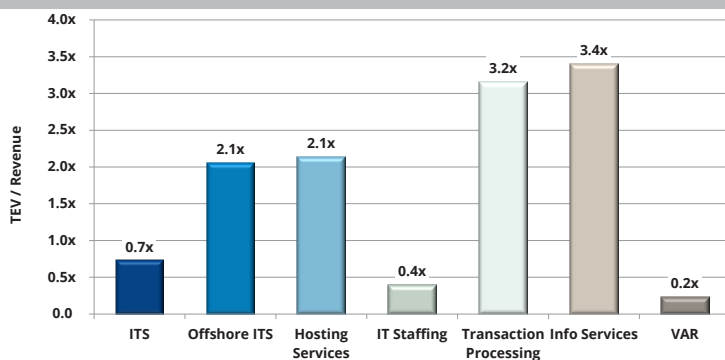
## Tech-Enabled Services Market Commentary

Unlike last winter when pending changes in tax legislation drove a frenzy of M&A activity, there seems to be no major impetus this year to close deals by December 31. However, there were a number of notable transactions in the Tech-Enabled Services sector in November. Continuing its streak of acquisitions this year, **NTT Data, Inc.** acquired **EBS Romania S.A.**, an IT outsourcing company, as part of its strategy to strengthen its strategic services in the EMEA region. NTT also acquired SAP solutions services provider **Optimal Solutions Integration, Inc.** to strengthen its lifecycle services capabilities. **Virtusa** jumped back into the M&A game with its acquisition of **OSB Consulting**, which will add scale to its SAP and financial services capabilities. Infrastructure consulting and managed services provider **GlassHouse Technologies, Inc.** announced the divestiture of its **Customer Support Services** subsidiary to **Signature Technology Group, Inc.**, allowing the company to more closely focus on its core data center services offering. ECM solutions provider **OpenText Corporation** announced its acquisition of **GXS Group, Inc.**, in a \$1.2 billion transaction that will bolster the company's cloud portfolio, specifically in relation to supply chain and trading exchange solutions. Based on our conversations over the past few months with industry executives, we believe there will be a few more interesting acquisitions announced before year end. More importantly, a number of CEOs we have spoken with are beginning to strategize for 2014, which should be another exciting year for the Tech-Enabled Services sector.

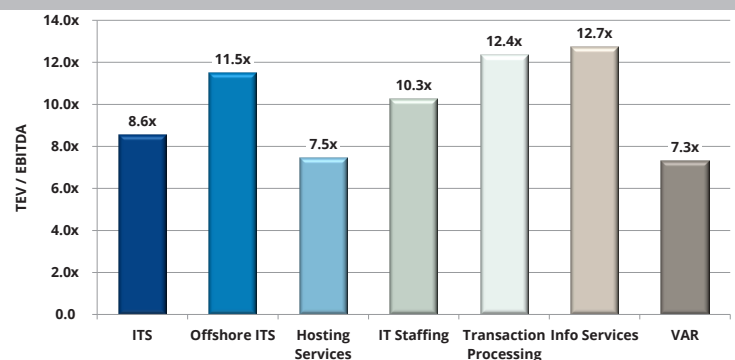
## TEV / EBITDA Multiples Over Time



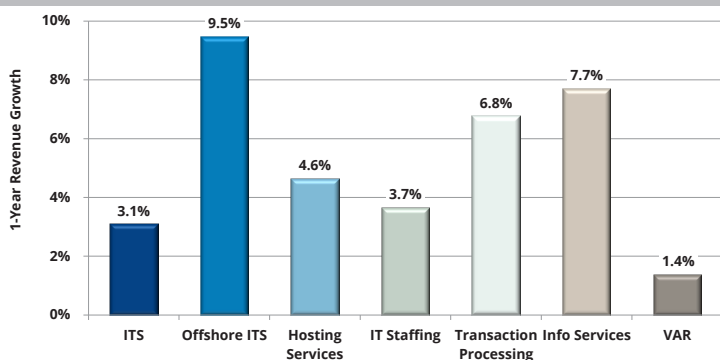
## TEV / Revenue



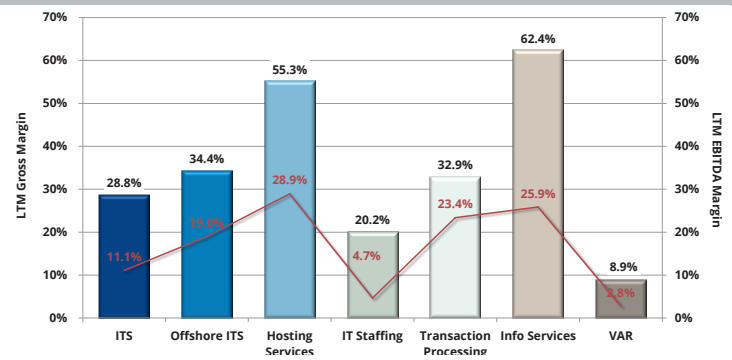
## TEV / EBITDA



## 1-Year Revenue Growth



## LTM Gross & EBITDA Margins



## Select Tech-Enabled Services Transactions Announced in November

Ann. Date	Sector	Acquirer	Target	Target Description	Enterprise Value	Comments
11/21/13	IT Services	NTT DATA, Inc.	Optimal Solutions Integration, Inc.	Optimal Solutions Integration, Inc. provides SAP solutions-based business transformation services for Fortune 1000 companies, midsize enterprises, and small businesses worldwide. The Company's services include SAP consulting, application development, application management, cloud, and data analytics.	NA	Acquisition of Optimal Solutions Integration will strengthen NTT DATA's SAP lifecycle services capabilities for mid-size and large enterprises. Optimal Solutions will bolster NTT's existing North American SAP consulting, deployment and application management business.
11/19/13	IT Services	Savis, Inc. (subsidiary of CenturyLink)	Tier 3, Inc.	Tier 3, Inc. provides enterprise-class cloud software and federated cloud services to businesses globally. It offers cloud services, such as enterprise cloud platform and IaaS, cloud hosting services, and a PaaS solution.	NA	Tier 3 will be immediately rebranded as the CenturyLink Cloud and will be closely aligned with Savis in the Company's efforts to offer customers a broad service offering in the cloud-enabled managed hosting and data center outsourcing markets.
11/18/13	IT Services	Apprio, Inc.	Professional Consulting Solutions, Inc.	Professional Consulting Solutions, Inc. provides training, organizational development and human capital consulting services to the federal government. Its clients include the Department of Treasury, Department of Transportation and NASA.	NA	Apprio's acquisition of Professional Consulting Solutions will strengthen the Company's specialized technology solutions offerings in the federal training sector. Professional Consulting Solutions will provide Apprio an impressive roster of clients, including the Department of Treasury and NASA.
11/18/13	Info Services	Redcentric plc	InTechnology Managed Services Ltd.	InTechnology Managed Services Ltd. provides information technology infrastructure services. It offers managed data backup and recovery, data hosting, and voice over internet protocol services. The Company also operates several data centers.	\$104.7	Redcentric made a strategic acquisition of InTechnology to build a formidable presence in the UK managed services space. The deal will vastly improve the Company's B2B data center, networking, and VoIP capabilities, which complement Redcentric's key service offerings.
11/13/13	IT Services	CSI Innovations, Inc.	Catapult Systems, Inc.	Catapult Systems, Inc. provides information technology consulting services. The Company offers custom application development services for Web, Windows, and service-oriented architecture, as well as cloud computing and xRM development services, managed services, integration services, and creative services.	\$41.0	CSI Innovations has announced its acquisition of Catapult Systems to accelerate its expansion into emerging technologies. Catapult has launched new capabilities spanning managed services, creative services, mobile applications, and cloud services to take early market leadership positions in these emerging technologies, a trend CSI hopes to leverage.
11/12/13	Hosting Services	Wideoopenwest Networks, LLC	Bluemile, Inc.	Bluemile, Inc. provides cloud, fiber, collocation, and wholesale voice solutions for enterprise companies, service providers, and municipalities in the United States. The Company offers enterprise cloud solutions, including VPS, compute, cloud storage, cloud backup, collocation, hosted voice, hosted exchange, virtual desktop infrastructure, hosting, and network testing.	\$20.0	Wideoopenwest Networks ("Wow") has acquired Bluemile in an effort to take advantage of the cloud computing space. Through the acquisition, Wow will benefit from a data center based in Columbus and Bluemile's fiber-optic cable network. Bluemile will also add to the Company's cloud-based backup and disaster services and extend its network to include Boston and New York City.
11/10/13	Hosting Services	Deutsche Telekom AG	GTS Central European Holding B.V.	GTS Central European Holding B.V. provides integrated telecommunication solutions in Central and Eastern Europe. It offers fixed voice, data, Internet protocol, MPLS, and broadband communication services primarily to business customers, as well as services to other telecommunication carriers, mobile operators, and content providers.	\$728.8	Acquisition of GTS Central European Holding will provide Deutsche landline grids in Poland, the Czech Republic, Hungary, and Romania. The acquisition is part of the Company's strategy to reposition in eastern Europe for when the economic recovery begins, as well as to grow its offerings where it currently only offers mobile services.
11/05/13	Hosting Services	Coms plc	Comunica Holdings Ltd.	Comunica Holdings Ltd. offers network and communications infrastructure management solutions in the United Kingdom. It provides design, implementation, and project management services for networking and telephony, connectivity, infrastructures, and support requirements.	\$15.2	Coms has acquired Comunica Holdings to bolster its infrastructure and support services in the financial services market. Comunica Holdings has strong brand recognition and an impressive roster of blue-chip clients and partners including Cisco, IBM and HP. With the added scale of the Coms platform, Comunica Holdings is well-poised for future growth and expansion to new markets.
11/05/13	IT Services	NTT DATA, Inc.	EBS Romania S.A.	EBS Romania S.A. provides software development, programming, maintenance, and support services internationally. It offers software outsourcing IT services, including software engineering outsourcing, application management and support outsourcing support, and testing services for business solutions based on Microsoft, SAP and J2EE platforms.	NA	NTT Data acquired EBS Romania as part of its strategy to promote additional shoring options in Application Management services, SAP integration, and Microsoft and Java platforms. EBS has a long history of outsourcing in the IT services space and also operates as a certified VAR with its own ERP product.
11/05/13	Managed Services	OpenText Corporation	GXS Group, Inc.	GXS Group, Inc. provides business-to-business e-commerce and integration services to enhance business process integration, synchronization, and collaboration among businesses.	\$1,165.0	Acquisition of GXS Group will bolster OpenText's cloud portfolio, specifically in relation to supply chain and trading exchange solutions. GXS, which was spun out of General Electric through a deal that occurred in 2002, had approximately 2,900 employees at the time of the announcement.
11/04/13	IT Services	DataBank IMX, LLC	Imaging Solutions, Inc.	Imaging Solutions, Inc. is as an enterprise content management (ECM) systems integration company. Its portfolio of products include document/data captures, content management, workflows, line-of-business integrations, cloud ECM, and document scanners.	NA	Acquisition of Imaging Solutions will bolster DataBank's ability to provide BPA and compliance solutions to domestic financial services and insurance markets. Imaging Solutions boasts an impressive client roster that includes TD Securities, Aetna, United Health Group, and SEL.
11/04/13	IT Services	Virtusa Corporation	OSB Consulting, LLC	OSB Consulting, LLC provides consulting services for financial services and insurance domains, including SAP finance capabilities. The Company enables clients to automate their finance & accounting (F&A) processes, reporting capabilities, and regulatory compliance.	\$13.0	Virtusa will strengthen its finance transformation capabilities with acquisition of OSB consulting, which also enables the Company to offer a broader set of financial transformation services to new and existing clients and adds scale to its SAP capabilities.
11/01/13	Managed Services	Signature Technology Group, Inc.	GlassHouse Technologies, Inc., Customer Support Services Division	GlassHouse Technologies, Inc., Customer Support Services comprises call center support, worldwide field service, logistics storage and distribution support, implementation programs, managed services, and phone home support.	NA	Signature Technology Group acquired the Customer Support Services division of GlassHouse, Inc. to expand its global presence and increase coverage of its international support and delivery services. The acquisition will also allow Signature Technology to round out its services offerings.

Notes: USD in millions  
Source: Capital IQ, Company SEC Filings, industry research and TM Capital estimates

## Select TM Capital Tech-Enabled Services Experience

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## About TM Capital

TM Capital Corp. is a partner-owned investment banking firm based in New York, Boston and Atlanta, which has completed over 250 transactions with a combined value in excess of \$14 billion. Since 1989, we have advised clients navigating a full range of critical transactions, including complex mergers, acquisitions, debt and equity financings, minority and majority recapitalizations, restructurings, and advisory services including takeover defense, fairness and solvency opinions, valuations, as well as litigation support. We have built deep industry expertise in key sectors and our team regularly publishes research highlighting current and emerging trends in targeted industries and markets. TM Capital is a member firm of M&A International Inc., the world's leading alliance of mid-market investment banks with over 600 M&A professionals in 41 countries. Members have closed over 1,300 transactions totaling more than \$75 billion in value over the past five years. For more information, visit [www.tmcapital.com](http://www.tmcapital.com).

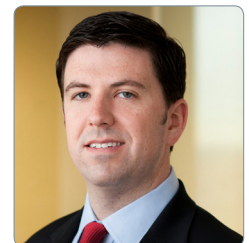
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