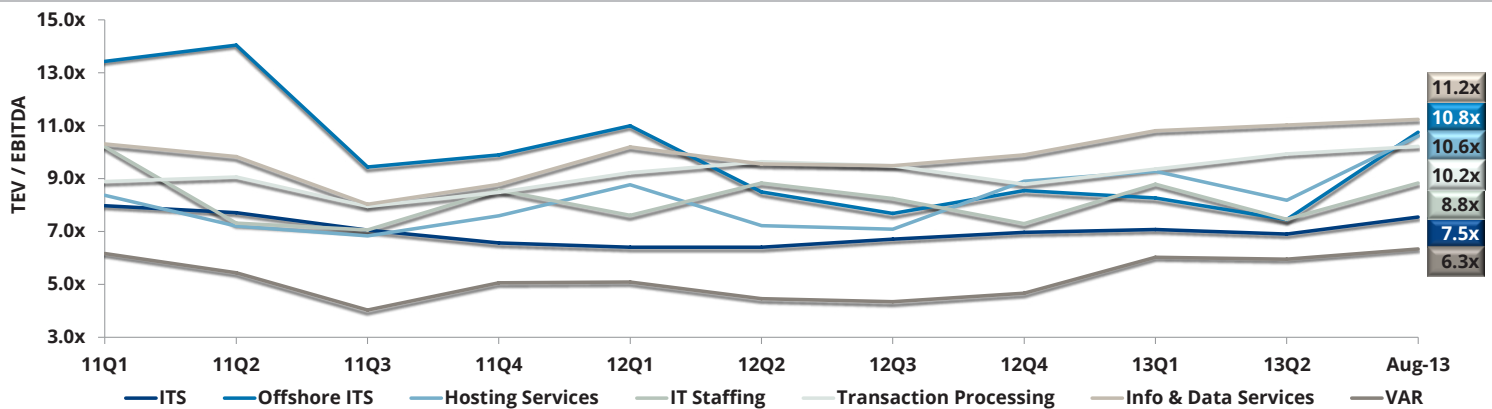


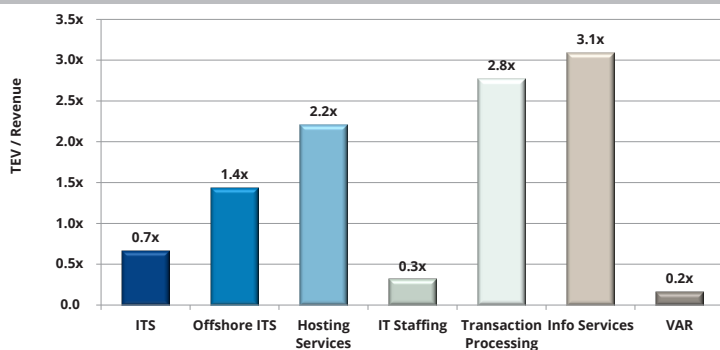
Tech-Enabled Services Market Commentary

There appeared to be no vacations taken in the Tech-Enabled Service sector in the month of August, as M&A activity continued at a robust pace. The data center and hosting services sector was a hotbed of activity with three notable acquisitions. First, **Key Information Systems**, a provider of integrated technology solutions, acquired **Internet Specialties West**, a data center operator with facilities in Southern California. Second, **United Internet** acquired Spain-based **Arsys Internet** through its subsidiary, **1&1 Internet**, bolstering the Company's brand recognition and expanding its geographic presence to Spain. Finally, **Amcom Telecommunications** entered into an agreement to acquire **aCure Technology**, an IT consulting firm that operates three data centers in Australia. In the IT staffing sector, **American Cybersystems** acquired **Analysts International** for \$35 million, accelerating the Company's plans for geographic expansion and providing key access to an impressive client roster. American Cybersystems' previous major transaction occurred last September, when the Company acquired **Comforce** for an undisclosed amount. Other noteworthy transactions announced in August include **Accenture's** planned acquisition of **PRION**, a system integration company, **Chainalytics'** acquisition of **ROCE Partners**, and **Welsh, Carson, Anderson & Stowe's** acquisition of **Alert Logic**.

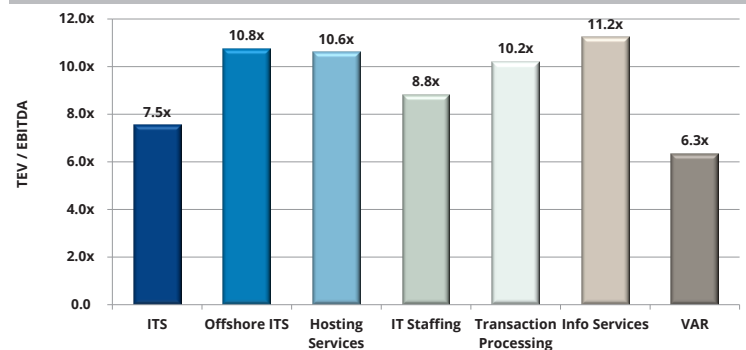
TEV / EBITDA Multiples Over Time



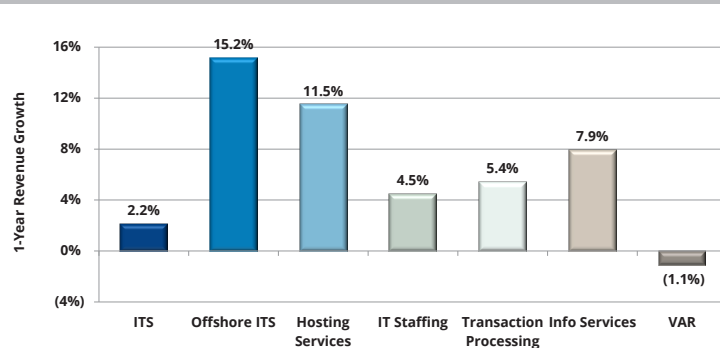
TEV / Revenue



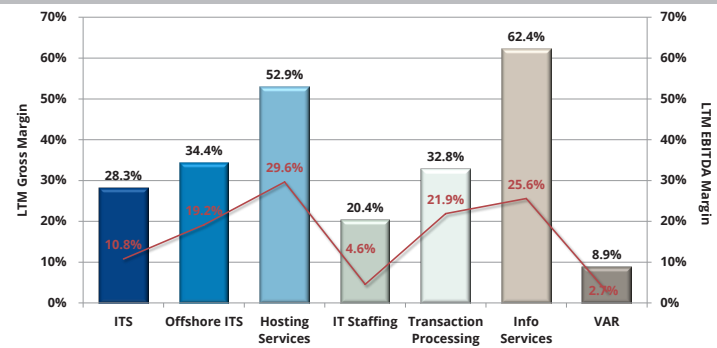
TEV / EBITDA



1-Year Revenue Growth



LTM Gross & EBITDA Margins



Select Tech-Enabled Services Transactions Announced in August

Ann. Date	Sector	Acquirer	Target	Target Description	Enterprise Value	Comments
08/29/13	Managed Services	Hibernia Networks, LLC	Aratro IP Networks B.V.	Aratro IP Networks B.V. provides IP transit, carrier, remote peering, and managed services. Its IP-transit services include global and partial IP transit services. The Company's carrier services comprise MPLS, VPLS, and wavelength services. Its managed services include dedicated hosting, network management outsourcing, and CDN solutions.	NA	Acquisition of Aratro IP Networks will provide Hibernia higher levels of customer support and strengthen the Company's existing Ethernet services suite. Aratro has a global presence across fifteen countries worldwide and an experienced technical team based in Amsterdam that will build upon Hibernia's existing European technical presence and further emphasize the Company's global reach.
08/28/13	IT Staffing	American Cybersystems, Inc.	Analysts International Corp.	Analysts International Corp. provides supplemental staffing services, such as IT professionals, a consultant network comprising full-time and temporary employees and contract professionals, staff augmentation services, and managed teams. It also offers project-based solutions that deliver custom application and systems integration solutions.	\$35.0	American Cybersystems has acquired Analysts International to accelerate the Company's plans for growth in specific desirable geographies and capitalize on central customer opportunities. The Company's last major acquisition was its purchase of Conforce in September 2012.
08/28/13	IT Services	Iron Mountain, Inc.	Secure Data Solutions Colombia and G4S Document Delivery	Secure Data Solutions Colombia provides records management and data protection services. G4S Document Delivery provides business process outsourcing services to sectors where security and safety risks are considered a strategic threat.	\$54.0	Iron Mountain acquired Secure Data Solutions Colombia to bolster its presence in emerging markets and seek opportunities with fresh records outsourcing platforms. The Company is Iron Mountain's first acquisition in Colombia and will be integrated with Iron Mountain's existing businesses in Latin America.
08/24/13	IT Services	SNP Schneider-Neureither & Partner AG	GL Associates, Inc.	GL Associates, Inc. provides business systems consulting services. It offers enterprise systems services, upgrades, integration, conversion, consulting, general support, and financial reporting solutions. The Company also provides business technologies and offers enterprise data management services and products.	NA	SNP provides clients software and services with which they can adapt their IT landscapes to changing business requirements. GL Associates offers the Company a number of different synergies, notably supporting SNP's strategy of helping companies transform all types of ERP systems to take advantage of growing demand in the U.S. and Asia.
08/22/13	Hosting Services	Amcom Telecommunications Ltd.	aCure Technology Pty Ltd.	aCure Technology Pty Ltd. provides information technology (IT) support and consulting services, including MOE design and deployment, project management, business separation and integration, business continuity solutions, virtualization, and migration, among other services. The Company also owns and operates data centers and manages facilities.	\$14.3	aCure Technology operates three data centers in Perth, Australia, bringing Amcom's total count of data center facilities to seven. Amcom made the acquisition to provide an answer to recent demand for cloud and hosted services. Last year, aCure opened what was the largest privately owned and operated data center in Western Australia.
08/21/13	Hosting Services	Digital Realty Trust Inc., Cartesian Capital Group, LLC	Grupo redIT	Grupo redIT provides data connectivity services. Additionally, the Company provides data center services to corporate and government customers. The Company operates metropolitan fiber optic networks in Guadalajara, Monterrey, and Mexico City.	NA	Grupo redIT will utilize proceeds of this transaction for rapid development and to increase its physical infrastructure. The Company will also utilize the funds to expand its data center operations throughout Mexico and southwestern U.S. Grupo redIT recently opened a 95,000 square foot data center facility in Mexico City.
08/20/13	Managed Services	Vector Security, Inc.	Industry Retail Group, Inc.	Industry Retail Group, Inc. offers managed IP communication, application, and turnkey professional services. The Company provides managed services and RetailLAN professional services, including Customer Premise Equipment (CPE) staging and configuration, onsite carrier and IRG installations, and asset tagging and POS installation, among other services.	NA	Acquisition of Industry Retail Group provides customers of Vector Security the opportunity to leverage existing broadband networks for more business intelligence and security services. This enables Vector Security the ability to provide turn-key solutions for retailers and multi-site businesses. The purchase makes Vector Security the largest North American retail provider of managed security solutions in the broadband-based marketplace.
08/20/13	IT Services	Welsh, Carson, Anderson & Stowe	Alert Logic, Inc.	Alert Logic, Inc. provides cloud-based security-as-a-service solutions. It offers a cloud-powered vulnerability assessment and intrusion detection solution, a cloud-powered log management solution and a solution that builds upon the threat manager foundation to provide monitoring and expert guidance services.	NA	Welsh, Carson, Anderson & Stowe's acquisition of Alert Logic will enable Alert Logic to scale its business to meet the high demand for IT security in the cloud and in virtualized enterprise data centers. The Company plans to utilize the partnership to expand geographically and accelerate growth through product line expansion.
08/19/13	Hosting Services	United Internet (Parent Company of 1&1 Internet AG)	Arsys Internet S.L.	Arsys Internet S.L. provides information and communication technology (ICT) services in Spain and internationally. The Company offers public, private, and hybrid cloud hosting, managed hosting solutions, servers, marketing tools and productivity applications, e-Commerce solutions, and domain registration, as well as custom ICT infrastructure solutions.	\$186.8	United Internet has entered a definitive agreement to purchase Arsys Internet in Spain through its subsidiary, 1&1 Internet. As of this announcement, Arsys employed nearly 300 people and had over 150,000 customers generating annual sales of approximately \$50 million. The purchase will expand 1&1's geographic presence and improve its brand recognition in Spain.
08/19/13	Managed Services	SageNet, Inc.	Spacenet, Inc.	Spacenet, Inc. designs, develops, and manages wireline and wireless broadband network solutions. The Company provides communications solutions and managed network services.	\$16.0	SageNet acquired Spacenet, a subsidiary of Gilat Satellite Networks, to strengthen the Company's managed network solutions and provide customers more robust terrestrial and satellite solutions. At the time of the announcement, Spacenet managed communications at more than 160,000 locations for Fortune 500 clients and major government agencies.
08/19/13	Hosting Services	The Go Daddy Group, Inc.	Locu, Inc.	Locu, Inc. develops a repository of real-time small-business data. The Company develops technologies to digitize content through a combination of content analysis, machine learning, and online human computation workflows. Its solutions power local search and enable developers to build apps around local data, such as restaurant menus.	\$70.0	GoDaddy has entered into a definitive agreement to purchase Locu, Inc. to advance the Company's strategy of delivering solutions to the small business demographic. Locu is used by over 30,000 businesses and reaches more than 200 million consumers per month through strategic partnerships.
08/16/13	Hosting Services	Key Information Systems, Inc.	Internet Specialties West, Inc.	Internet Specialties West, Inc. provides data centers, high-speed Internet connectivity, and data and voice communications services to small and medium-sized businesses in Southern California. It offers colocation center services, such as intelligent routing, bandwidth utilization, audit support, and managed server hosting, and cloud server services.	NA	Internet Specialties West (ISWest) operates data centers in Southern CA and provides a variety of services that complement Key Information Systems' existing offerings, such as server collocation, fully managed cloud services and extensive customer support. Following the acquisition, Key Information Systems will move its headquarters to Woodland Hills, CA to be near ISWest's corporate and data center facilities in Southern CA.
08/14/13	IT Services	Atherio Investments, LLC	Nivish Solutions, Inc.	Nivish Solutions, Inc., an enterprise web solutions and consulting company, offers enterprise web solutions, including web applications, web and enterprise portal development, website design and development, and content management, as well as a set of Internet marketing services, and SAP consulting services.	NA	Atherio acquired CA-based Nivish Solutions (who has existing operations in India) to expand the Company's global presence and take advantage of Nivish's blue-chip customer base. Nivish also provides a highly technical workforce of approximately 200 developers and very strong relationships with industry leaders.
08/14/13	IT Services	Deloitte Touche	Asparona Ltd. and Tango Group Ltd.	Asparona, Ltd. engages in consulting, delivering, and supporting business information systems. Tango Group Ltd. provides implementation, support, and consulting services across all SAP applications and technologies.	NA	Deloitte acquired Asparona and Tango to ultimately strengthen its consulting practice. Both companies employ a combined staff of 122 and specialize in implementing software from SAP and Oracle. The acquisitions diversify Deloitte's IT services capabilities and provide the Company a more balanced expertise in SAP and Oracle.
08/14/13	IT Services	Publicis Group (Parent Company of Zenith Optimedia Group Ltd.)	Engauge Communication, Inc.	Engauge Communication, Inc. is a full-service digital marketing agency. The Company specializes in connecting brands and consumers through relevant content and channels. The agency's client roster includes Nationwide Insurance, Coca-Cola, Chick-fil-A, UPS and CiscoSystems.	NA	Publicis Group, parent company of Zenith Optimedia, acquired Engauge to bolster the Company's position in the digital advertising space. Engauge will be aligned with Moxie, Zenith's digital advertising agency in Atlanta. The combined entity will employ more than 600 people and will comprise the largest portfolio of digital marketing resources in the Southeast.
08/12/13	IT Services	Accenture plc	PRION GmbH	PRION GmbH is a consulting and system integration company that specializes in providing product lifecycle management (PLM) and CAD solutions. Its services include PLM strategy and process consultancy, PLM application implementation, team center/data migration, application management, and PLM as a managed service.	NA	Acquisition of PRION will strengthen Accenture's existing PLM capabilities and create a market-leading offering for Accenture and PRION's customers, who represent a wide array of industries. At the time of the announcement, PRION employed more than 330 employees with offices in Munich, Nuremberg, Zurich, Oxford, Portland, Detroit, Bangalore, Pune and Singapore.
08/12/13	IT Services	Bregal Capital LLP	proALPHA Software AG	proALPHA Software AG provides integrated ERP software, consulting, training, and support services to businesses. Its consulting services include customized software solutions, system configuration, proALPHA installation, data migration, consulting to implement and optimize system monitoring, system inspection, and consulting to optimize system architectures.	NA	Bregal Capital acquired proALPHA to sustainably develop the Company and expand its product portfolio. The acquisition provides liquidity for the founding brothers, who plan to retire in 2015. Bregal Capital is a private equity firm with fund commitments of nearly \$4 billion and will work to further develop the position of proALPHA as a preferred provider of ERP solutions.
08/07/13	Hosting Services	Orascom TMT Investments	DADA S.p.A.	Dada S.p.A. provides professional services for online presence in domain and hosting, servers, brand protection, and online advertising solutions in Italy and internationally. It offers virtual hosting services and brand protection business activities, as well as operates an online advertising business.	\$109.9	Purchase of Dada reinforces Orascom's position in the Italian market and enables the Company to benefit from additional exposure in Europe. Dada is headquartered in Milan, but has an extensive European presence with 12 offices across 7 countries.
08/06/13	IT Services	Chainalytics, LLC	ROCE Partners OY	ROCE Partners OY provides supply chain management consulting services. It offers strategic supply chain services, supply chain improvement services, and continuous supply chain support services.	NA	ROCE Partners will enable Chainalytics to expand its geographic coverage to Europe and bolster its experience in the areas of sales and operations planning and demand-supply planning. The combined entity will have service capabilities across a variety of industries, from Food & Beverage to Telecom.

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

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