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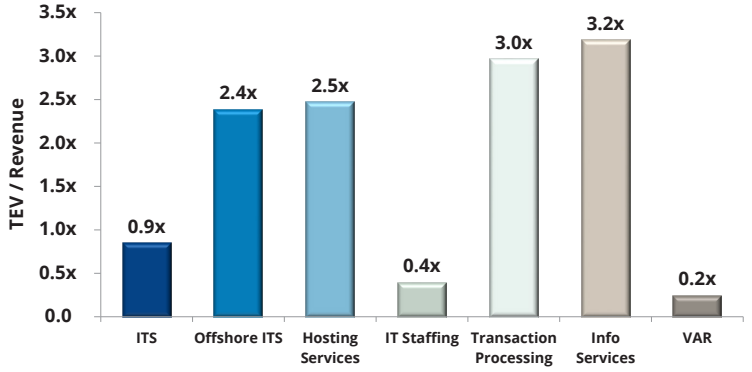
Tech-Enabled Services Monthly
August 2014 in Review

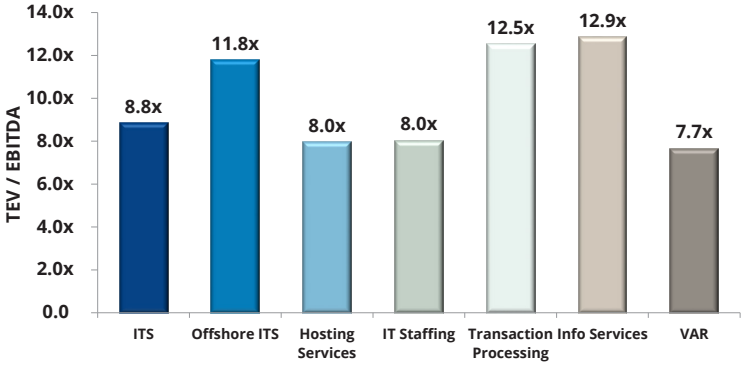
Tech-Enabled Services Headline Transactions

	Target	Acquirer	Acquisition Synopsis
ITS	EVOLVE TECHNOLOGY GROUP	ePlus Technology	• Granite Business Solutions (dba "Evolve Technology Group") provides professional consulting services and technology solutions, including security, collaboration and data center solutions • ePlus made its first acquisition in 2014 with the acquisition of Granite Business Solutions to expand its presence in the western U.S. and broaden its product portfolio and managed services offering
VAR	intersmart	scansource	• Intersmart distributes information technology products throughout Latin America, offering various corporate solutions in the areas of unified comunications and collaboration • ScanSource acquired Intersmart for $135.3 million as part of an aggressive expansion strategy to become a leading VAR in Latin America following its 2011 acquisition of CDC Brasil for $65.5 million
ITS	PROFESSIONAL ACCESS Making Your Commerce Journey Easier	ZenSar TECHNOLOGIES	• Professional Access provides consulting services, including business analysis and assessment, technology assessment and IT enabled services, such as application development and SI • Zensar Technologies acquired Professional Access to strengthen its ORCL retail and e-Commerce capabilities and bolster its roster of ORCL personnel
ITS	oakton Consulting Technology	dimension data	• Oakton Limited provides IT solutions, business consulting, financial management & assurance services, risk management, delivery services & solution design and application management services • Dimension Data offered $156.3 million to purchase Oakton, representing ~30% premium on Oakton's current share price, to strengthen its IT consulting presence in Australia
Mgd. Svs.	AXIA Consulting Workday Consulting Practice	KPMG	• The Workday Consulting Practice of AXIA Consulting comprises enterprise cloud applications for finance and human capital management, which is an extremely hot area in the ITS sector • KPMG continues its string of acquisitions in 2014 with the acquisition of the Workday Consulting Practice of AXIA Consulting to strengthen its HCM and technology enablement capabilities

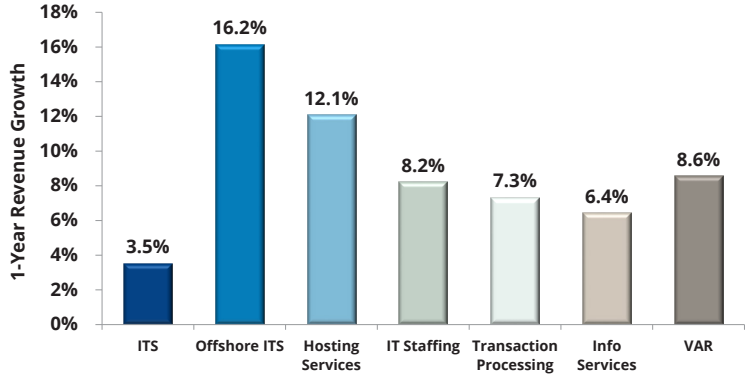
TEV / Revenue



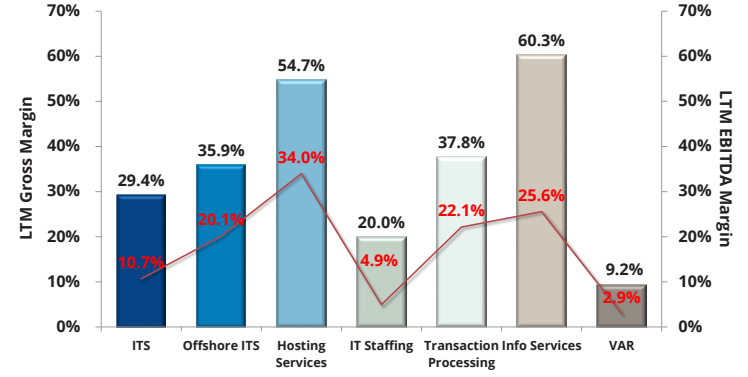
TEV / EBITDA



1-Year Revenue Growth

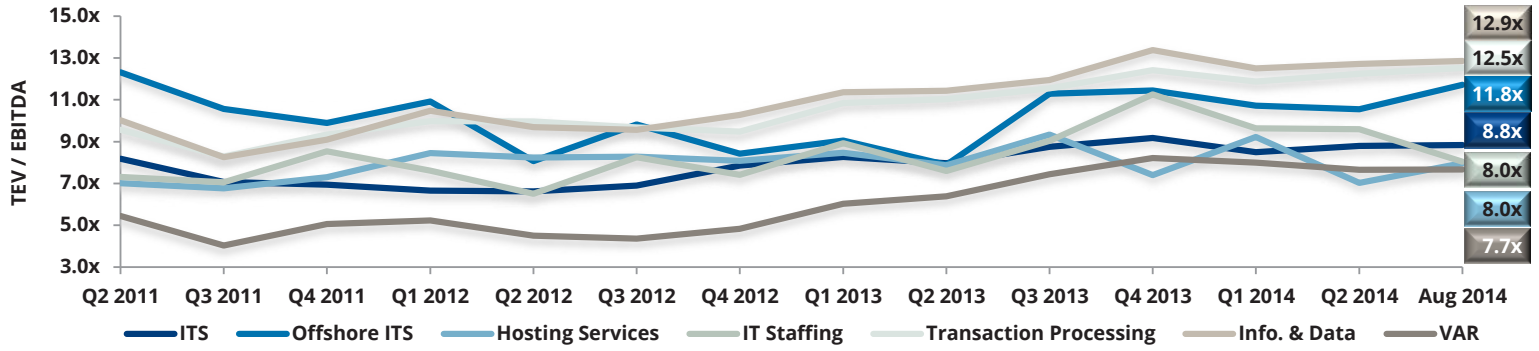


LTM Gross & EBITDA Margins



Note: EBITDA Margins in red

TEV / EBITDA Multiples Over Time



Select Tech-Enabled Services Transactions Announced in August 2014

Annc. Date	Sector	Acquirer	Target	Target Description	Enterprise Value	Comments
08/28/14	IT Staffing	All Lines Technology Inc.	LANtek Computer Service LLC	Provides IT consulting and IT staffing services	NA	All Lines Technology acquired LANtek to add complementary IT staffing services and software solutions to its IT infrastructure/hardware offerings.
08/26/14	Managed Services	Cable & Wireless Panama S.A.	Grupo Sonitel	Provider of information technology services, including end-to-end managed IT solutions and telecom services	$41.0	Acquisition of Grupo Sonitel aligns with Cable & Wireless' strategy to enhance its B2B and government capabilities and provides complementary managed services.
08/21/14	VAR	ScanSource, Inc.	Imago Group plc	Distributes video communication solutions, including cloud based video service solutions, infrastructure solutions and videoconferencing solutions	$40.6	ScanSource announced the execution of a non-binding LOI to acquire Imago to bolster its market share in Europe. The acquisition would represent ScanSource's second deal in August 2014.
08/19/14	Hosting Services	Datapipe, Inc.	Layered Technologies, Inc.	Provider of self-managed server services, including on-demand hosting and utility computing services	NA	Abry Partners-backed Datapipe acquired Layered Technologies to enhance its expertise in managed cloud services and introduce new solutions for the government sector.
08/18/14	VAR	Arrow Electronics, Inc.	CNT Brasil Distribuidora Ltda.	Distributes computing products	NA	Arrow Electronics acquired CNT Brasil to strengthen its product portfolio and expand its geographic footprint. CNT Brasil represents Arrow's first acquisition in 2014.
08/07/14	IT Services	TIVIT Terceirização de Tecnologia e Serviços S/A	Synapsis Soluciones y Servicios IT Limitada	Specializes in the implementation, development, and operation of SAP solutions and SAP outsourcing services	$196.9	Acquisition of Synapsis bolsters TIVIT's presence in Latin America, specifically northeast Brazil, and will provide TIVIT with 5 data centers. Synapsis is estimated to generate $150 million revenue in 2014.
08/05/14	Hosting Services	Node4 Ltd.	LETN Solutions Ltd.	Provides managed support, professional services and hosting services to small and mid-size organizations	NA	Node4 acquired LETN Solutions to expand its product portfolio of cloud solutions. LETN also offers NetApp expertise as one of 18 qualified NetApp partners in the UK.

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

Select TM Capital Tech-Enabled Services Experience

acxiom has divested 2TOUCH to PARSEQ

Xpanxion software • done right has been acquired by UST Global

GLASSHOUSE has divested certain assets to SIGNATURE TECHNOLOGY GROUP Delivering Legendary Service

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