
















TECHNOLOGY MONTHLY

SEPTEMBER 2020

Our technology & tech-enabled services practice advises leading private and publicly traded technology companies including many of the world's most respected IT consulting, managed services, technical staffing and enterprise software providers.

ITS Offshore ITS Managed Services IT Staffing Transaction Processing Info Services VAR

HEADLINE TRANSACTIONS

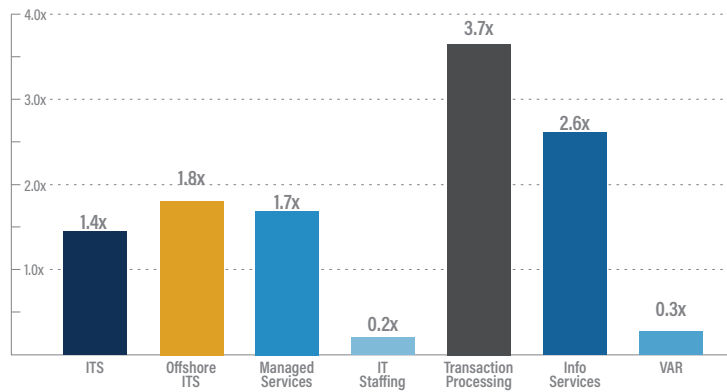
TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
		<ul style="list-style-type: none"> • NTT Data (TSE: 9613), a Japan based provider of consulting, system development and business IT outsourcing services, agreed to acquire Acorio, a US based provider of ServiceNow implementation and consulting services • The acquisition adds both breadth and depth to NTT's fast-growing ServiceNow practice
		<ul style="list-style-type: none"> • Cognizant (NasdaqGS: CTSH), a US based provider of consulting, technology and outsourcing services, agreed to acquire Tin Roof Software, a US based custom software and digital product development services company • The acquisition expands Cognizant's software product engineering footprint and talent base in the US
		<ul style="list-style-type: none"> • Accenture (NYSE: ACN), a leading global professional services company, acquired CreativeDrive (backed by Bertram Capital), a US based creator, designer and manager of digital content for ecommerce applications • The acquisition bolsters Accenture's existing digital content and media offerings and adds CreativeDrive's impressive client roster
		<ul style="list-style-type: none"> • Presidio (backed by BC Partners), a leading US based provider of IT and digital transformation services, acquired Coda Global, a US based provider of cloud consulting services • The acquisition deepens Presidio's skillset and management depth, allowing it to bolster its hybrid-cloud infrastructure platform
		<ul style="list-style-type: none"> • Globant (NYSE: GLOB), an Argentina based native technology services company, acquired gA, a US based digital and cloud transformation services company, for \$75 million • The acquisition reinforces Globant's position as a leading provider of digital and cognitive transformation, cloud journey and enterprise application services
		<ul style="list-style-type: none"> • Dynamic Quest (backed by Spire Capital Partners), a US based provider of managed IT and cloud services, acquired Southern Data Solutions, a US based provider of managed IT, disaster recovery and hosting services • The acquisition expands Dynamic Quest's presence in Georgia and allows it to cross-sell its services to Southern Data's customer base
	SourceCapital LLC	<ul style="list-style-type: none"> • Source Capital, a US based lower middle market private equity firm, acquired BlueAlly, a US based provider of managed staffing and business technology consulting services • Source Capital's backing enables BlueAlly to explore numerous strategic initiatives, especially gaining momentum in the areas of infrastructure automation and managed security services
		<ul style="list-style-type: none"> • Cerberus Sentinel (OTCPK: CISO), a US based cybersecurity consulting company, acquired Technologyville, a US based managed security services provider • The acquisition bolsters Cerberus Sentinel's national growth trajectory and expands its managed services capabilities

IT Services

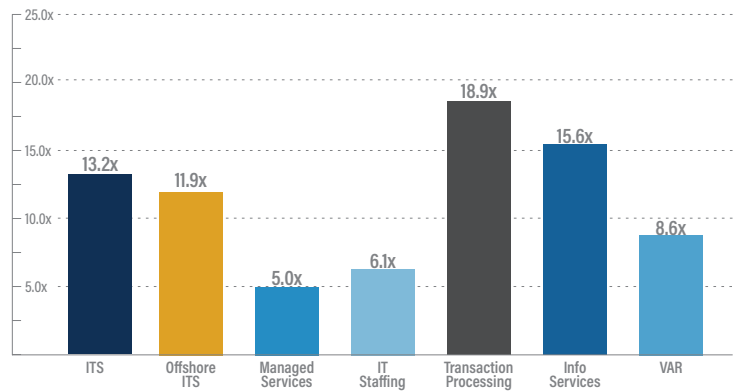
Managed Services

TECHNOLOGY GROWTH & VALUATION TRENDS

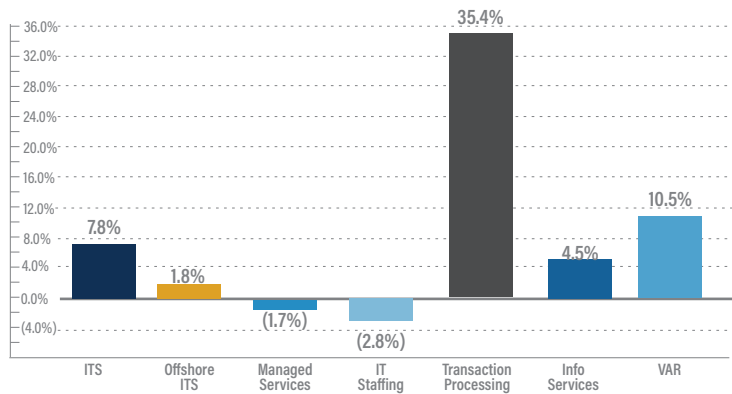
Enterprise Value / LTM Revenue



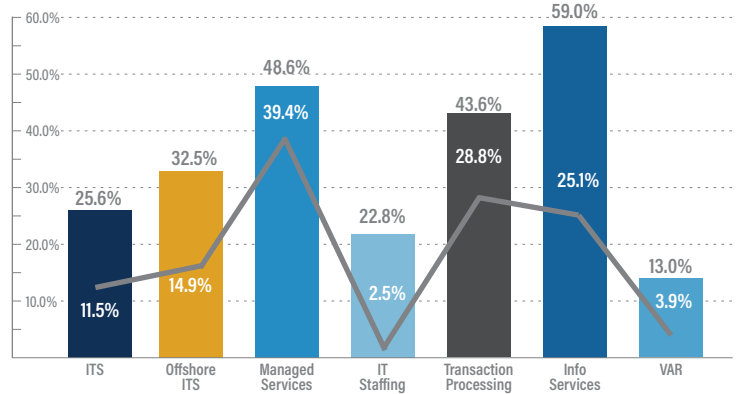
Enterprise Value / LTM EBITDA



LTM Revenue Growth

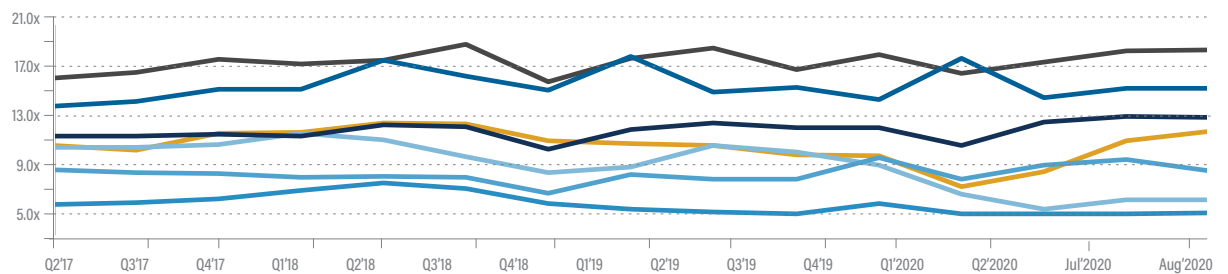


LTM Gross & EBITDA Margin*



*EBITDA Margins shown as the gray line.

TEV / EBITDA



13.2x ITS 11.9x Offshore ITS 5.0x Managed Services 6.1x IT Staffing 18.9x Transaction Processing 15.6x Info Services 8.6x VAR

SELECTED TECHNOLOGY TRANSACTIONS

Ann. Date	Sector	Acquiror	Target	Enterprise Value	Acquisition Synopsis
8/24/2020	Managed Services	Core BTS	Blue Chip Consulting	NA	<ul style="list-style-type: none"> Core BTS (backed by Tailwind Capital), a US based IT solutions and managed services provider, acquired Blue Chip Consulting, a US based cloud consulting and managed services provider The acquisition increases Core BTS' scale and reach while also expanding its Azure capabilities
8/20/2020	IT Services	eMids Technologies	FlexTech	NA	<ul style="list-style-type: none"> eMids Technologies (backed by New Mountain Capital), a US based digital engineering and transformation solutions provider, acquired FlexTech, a US based provider of IT consulting services to the healthcare industry The acquisition helps eMids accelerate its clients' digital transformation journeys
8/18/2020	IT Services	Konica Minolta	Depth Security	NA	<ul style="list-style-type: none"> Konica Minolta (via its IT Services division, All Covered), a Japan based optical products company, agreed to acquire Depth Security, a US based provider of security assessments and information security solutions The acquisition grows All Covered's already impressive security capabilities, particularly in penetration testing
8/18/2020	Managed Services	CIVC Partners	iVision	NA	<ul style="list-style-type: none"> CIVC Partners, a US based middle market private equity firm, invested in iVision, a US based managed services and technology consulting provider CIVC's backing fuels iVision's growth initiatives, both organically and through strategic acquisitions
8/13/2020	IT Staffing	Improving	Object Partners	NA	<ul style="list-style-type: none"> Improving (backed by Trinity Hunt Partners), a US based technology management and consulting services company, acquired Object Partners, a US based developer of enterprise IT solutions The acquisition bolsters Improving's IT capabilities and expands its geographic reach in the Midwest US
8/13/2020	IT Services	3Pillar Global	Isthmus Software	NA	<ul style="list-style-type: none"> 3Pillar Global (backed by CIP Capital), a US based provider of digital product development and engineering services, acquired Isthmus Software, a Costa Rica based outsourced software development company The acquisition enhances 3Pillar's product development and engineering expertise while also expanding its footprint internationally
8/12/2020	IT Services	Renovus Capital Partners	Futura Mobility	NA	<ul style="list-style-type: none"> Renovus Capital Partners, a US based middle market private equity firm, backed a management buyout of Futura Mobility, a US based IT services company specializes in mobile technology solutions Renovus and management plan to grow the healthcare IT and SAP markets while also looking for strategic partnerships and acquisition opportunities
8/11/2020	IT Services	HSO Group	AKA Enterprise Solutions	NA	<ul style="list-style-type: none"> HSO Group (backed by The Carlyle Group), a Netherlands based Microsoft cloud business application partner, acquired AKA Enterprise Solutions, a US based Microsoft Dynamics 365 partner The acquisition is the first in HSO's long-term strategy to become the global partner of choice for digital transformation solutions with Microsoft applications

Selected TM Capital Technology Experience



micromeritics
 HAS COMPLETED A STRATEGIC RECAPITALIZATION WITH
SFW CAPITAL PARTNERS



HAS SOLD
Sierra Systems
 TO
NTT DATA



HAS BEEN ACQUIRED BY
SYNTAX
 EST. 1972
 A PORTFOLIO COMPANY OF
NOVACAP

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