

The Lighthouse

Third Quarter 2009

An M&A update on Software, IT Services, and Business Process Outsourcing

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Key Highlights:

3Q 2009 markets received promising results of double digit jumps in both global M&A transactions by volume and private equity deals by value compared to 2Q 2009. Mega-deals appear to be making a comeback. The Lighthouse reports the metrics for these transactions when available.

- *Xerox enters BPO space:* **Xerox** is to acquire **ACS** for \$8.8 billion at 1.2x LTM revenue and 7.8x LTM EBITDA.
- *Dell expands services capabilities:* **Dell** is to acquire **Perot Systems** for \$4.10 billion at 1.4x LTM revenue and 13.6x LTM EBITDA.
- *IBM remains acquisitive:* **IBM** acquires **Ounce Labs** for an undisclosed sum, and is to acquire **SPSS** for \$1.12 billion at 2.7x LTM revenue and 10.0x LTM EBITDA.
- *BearingPoint assets acquired:* **CSC** acquires **BearingPoint's Brazilian Operations** for an undisclosed sum; **Keane** acquires remaining **North American Commercial Business of BearingPoint**, including the New York City practice, for an undisclosed sum.
- *Private equity transactions:* **Symphony Technology** and **Elliott Management** acquire **MCS Software** for \$387 million; **TA Associates** acquires 25% of **AVG Technologies** for \$200 million.
- *Infrastructure / Enterprise Management Software (EMS):* **CA** is to acquire **NetQos** for \$200 million in cash; **BMC** acquires **MQSoftware** for an undisclosed sum; **HP** acquires **IBRIX** for an undisclosed sum; **Tibco Software** acquires **Datasynapse** for \$27.7 million in cash; **VMware** acquires **SpringSource** for \$466 million in cash and stock.
- *Other Major BPO Transactions:* **Mphasis** acquires **AIG Systems Solutions** for an undisclosed sum.

Public Valuation Multiples Sector	EV / Revenue		Price / EPS		LTM
	2009	2010	2009	2010	EBITDA
Application Software	2.5x	2.2x	19.2x	17.7x	12.7x
EMS / Infrastructure Software	2.1x	2.1x	15.4x	14.2x	9.6x
IT Services	0.9x	0.8x	26.1x	20.1x	10.7x
BPO	1.6x	1.6x	14.5x	12.7x	8.1x
Financial Technology	2.1x	1.9x	17.7x	15.1x	9.4x

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Executive Summary

General Economic Environment

GDP Growth: The US economy grew for the first time since 2Q 2007 posting a 3.5% growth over 3Q 2009. This positive news is viewed as a sign of improvement in the economy.

Major Indices: Major indices have continued their healthy growth throughout 3Q 2009. In 3Q 2009, the Dow Jones Industrial Average gained 14.2%, the S&P 500 increased by 14.5%, and the NASDAQ grew by 15.0%.

Job Growth: The unemployment rate increased from 9.8% to 10.2% in October. The rate rose above 10% for the first time since 1983 in October, a much worse than expected drop as employers continued to trim jobs from payrolls. Job losses for the month amounted to 190,000, which brought the total job loss to 7.3 million since the beginning of 2008. The construction and manufacturing industries were the worst hit this month, losing 62,000 and 61,000 jobs respectively. Most major sectors witnessed a decline in jobs, with the only bright spot being the health care sector, which added 29,000 jobs over the month.

Interest Rates: The Federal Reserve has not changed the federal funds rate in 3Q 2009 since the cut to 0.25% in December 2008. Although the financial market conditions “have improved”, the Fed has indicated that the monetary shift from the current stance will be gradual.

Energy Prices: The stabilizing market conditions throughout Q3 2009 led oil to remain at its price level. The price of a barrel finished the quarter above \$70.

M&A Environment

The general M&A deal making environment shows signs of improvement with healthy gains in total announced deals in third quarter 2009.

Overall M&A Market: According to Thomson Financials, the volume of worldwide-announced M&A for the third quarter of 2009 totaled an estimated \$519.0 billion, an 11.2% jump from the second quarter of 2009. However, deal activity by value for the first nine months of 2009 remains at the lowest level since the third quarter of 2004. Private Equity firms saw the largest three month period by deal value since third quarter 2008. Third quarter totals were \$38.0 billion in announced transactions, up by 13.5% from second quarter 2009. Financial sponsors accounted for just 3.7% of announced transactions in third quarter of 2009.

Venture-Backed M&As: In the third quarter of 2009, 62 venture-backed M&A deals were reported, 21 of which had an aggregate deal value of \$1.2 billion. The average disclosed deal value for the quarter was \$57.5 million. The Information Technology sector dominated the venture-backed M&A landscape, with 51 deals and a disclosed total dollar value of \$1.1 billion. Within this sector, software and services companies accounted for the bulk of the targets, with 26 transactions across this sector subset, followed by internet specific companies with 11 transactions.

Venture-Backed IPOs: According to National Venture Capital, there were three venture-backed IPOs in 3Q 2009 totaling \$572.1 million, a slight decline from 2Q 2009. Two of the three IPO exits were in the information technology sector, accounting for \$487.1 million.

In this report, we review relevant industry transactions and trends. Hopefully, you will find our report interesting, informative and helpful. As you have questions, thoughts or business inquiries, please feel free to contact us at any time. Since this report will continue to be an evolving information resource, please feel free to send us any thoughts about how we might improve the report to enhance its usefulness to you.

We look forward to working and/or speaking with many of you in the coming months.

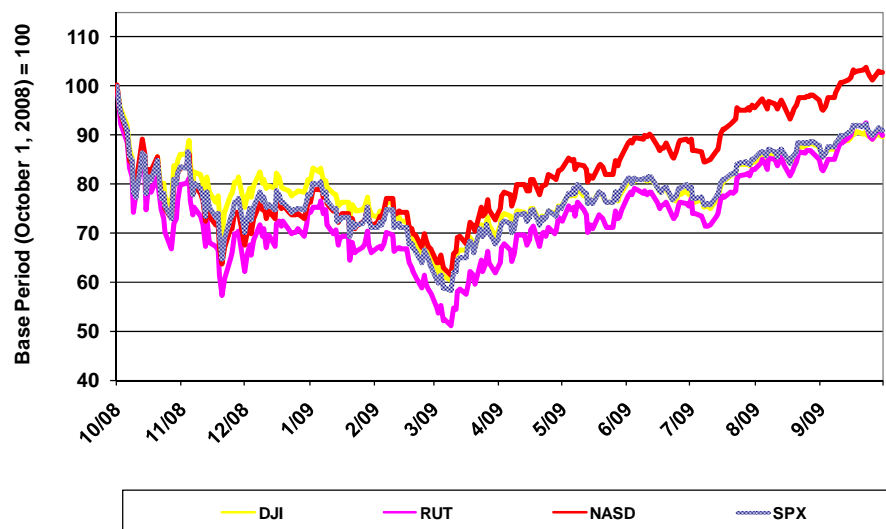
Sincerely,

Pharus Advisors, LLC

(Sources: Wall Street Journal, National Venture Capital Association, Thomson Financial, VentureOne news articles, Bloomberg, Financial Times, Financial Week, Dealogic, 451Group, Pharus research)

Capital Markets Trends

Relative Performance of Major Stock Indices for 4Q 2008 - 3Q 2009



	Close Sep-30-09	Change (%)		
		1 Year	1 Quarter	1 Month
NASDAQ	2,122	2.6%	15.0%	5.6%
Dow Jones	9,712	(10.3%)	14.2%	2.3%
S&P 500	1,057	(9.0%)	14.5%	3.6%
Russell 2000	604	(10.0%)	16.8%	5.6%

Source: Capital IQ; DJI = Dow Jones Industrial; RUT = Russell 2000; NASD = NASDAQ Composite; SPX = S&P 500

Notable Software Transactions*

<u>Date Announced</u>	<u>Target Name</u>	<u>Acquirer Name</u>	<u>Enterprise Value (MM)</u>	<u>EV/ Revenue</u>
Enterprise Application Software				
3Q09				
Sep-09	Environmental Support Solutions	IHS	\$59.0	3.0x
Sep-09	170 Systems, Inc.	Kofax	32.9	1.2x
Sep-09	Pyxis Engineering	Applied Signal Technology	20.0	1.7x
Jul-09	SPSS	IBM	783.7	2.7x
2Q09				
Jun-09	RGI	Groupe 21	\$61.7	1.2x
Jun-09	SoftBrands	Golden Gate Capital	106.9	1.1x
May-09	Business Systems Group Holdings	Advanced Computer Software	21.5	0.4x
May-09	Borland Software	Micro Focus International	38.2	0.2x
May-09	Vignette	Open Text	162.0	1.0x
Apr-09	I-Many	LLR Partners	53.4	1.4x
Apr-09	SumTotal Systems	Vista Equity Partners	106.7	0.9x
1Q09				
Mar-09	Logility	American Software	\$30.8	0.7x
Mar-09	Retalix	First Israel Mezzanine	130.4	0.6x
Feb-09	Fortsum Business Solutions	GFI Solutions	25.6	1.0x
Feb-09	ChoicePay	Tier Technologies	9.5	0.9x
Jan-09	Interwoven	Autonomy	582.3	2.2x
4Q08				
Oct-08	Beijing Founder Chunyuan Technology	UFIDA	\$55.5	3.0x
3Q08				
Sep-08	Captaris	Open Text	\$107.3	1.0x
Jul-08	Datasul	Totvs	73.3	0.4x
Jul-08	IBS	Deccan Value	154.5	0.4x
2Q08				
Jun-08	Insightful	Tibco Software	\$15.3	0.7x
Jun-08	Alphameric Hospitality	Torex	33.8	1.2x
Jun-08	CAM Commerce Solutions	Great Hill Partners	151.3	4.1x
May-08	Gemcom	JMI Equity and Carlyle	143.5	2.8x
May-08	Kintera	Blackbaud	42.8	1.0x
May-08	Mediasurface	Alterian	35.0	0.6x
Apr-08	CCC Information Services	Mitchell International	1,400.0	7.0x
1Q08				
Feb-08	Eatec	Agilysys	\$23.2	2.9x
Jan-08	Wombat Financial Software	NYSE Euronext	200.0	7.1x
4Q07				
Nov-07	VantagePoint Systems	Solarsoft Business Systems	\$10.2	0.8x
Nov-07	Cognos	IBM	4,590.6	4.5x
Oct-07	Stratify	Iron Mountain	152.9	5.1x
Oct-07	Verticalnet	BravoSolution	13.3	1.0x
Oct-07	Business Objects	SAP	6,147.0	4.3x
Enterprise Software Median				1.2x

Source: Company Press Releases, Pharus Advisors

*Notable transactions where TEV and revenue are available

Notable Software Transactions* (continued)

<u>Date Announced</u>	<u>Target Name</u>	<u>Acquirer Name</u>	<u>Enterprise Value (MM)</u>	<u>EV / Revenue</u>
Infrastructure & Enterprise Management Software				
3Q09				
Jul-09	Liquidlogic Limited	System C Healthcare	\$23.2	2.2x
Jul-09	Phion AG (77.8%)	Barracuda Networks	13.9	0.8x
Jul-09	Secunet Security Networks (26.4%)	Giesecke & Devrient	40.4	0.5x
Jul-09	MSC Software Corp.	Elliot Mgmt. & Symphony Tech.	238.4	1.0x
2Q09				
Jun-09	Cura Risk Management Software	Softpro Systems	\$19.0	2.4x
Jun-09	Norman	FSN Capital Partners	26.3	0.6x
Apr-09	Sun Microsystems	Oracle	5,638.5	0.4x
1Q09				
Feb-09	Entrust	Thoma Bravo	\$89.4	0.9x
Jan-09	Infrasolve	Innovise	9.0	1.4x
3Q08				
Jul-08	Utimaco Safeware	Sophos	\$289.2	3.1x
Jul-08	ILOG	IBM	231.2	1.2x
2Q08				
Jun-08	IONA Technologies	Progress Software	\$162.0	1.4x
Jun-08	Digimarc	Safran	271.0	2.4x
Jun-08	Tumbleweed	Axway	117.9	2.0x
Apr-08	Touchstone Software	Phoenix Technologies	17.0	3.9x
1Q08				
Mar-08	Digimarc's ID Business	L-1 Identity	\$228.1	2.1x
Mar-08	BladeLogic	BMC Software	810.6	11.4x
Jan-08	BEA Systems	Oracle	7,109.1	4.8x
4Q07				
Dec-07	Document Sciences	EMC	\$82.4	2.1x
Dec-07	Nuvo Network	Versata	16.9	1.0x
Oct-07	Itheon	XploITe	14.2	2.2x
Infrastructure/Enterprise Mgmt. Software Median				2.1x
Overall Software Median				1.4x

Source: Company Press Releases, Pharus Advisors

*Notable transactions where TEV and revenue are available

Notable Business Services Transactions*

<u>Date Announced</u>	<u>Target Name</u>	<u>Acquirer Name</u>	<u>Enterprise Value (MM)</u>	<u>EV / Revenue</u>
BPO, Outsourcing & Other Services				
3Q09				
Sep-09	ACS	Xerox	\$8,072.2	1.2x
2Q09				
Jun-09	Resolve Business Outsourcing Inc. Fund	Davis Henderson Income Fund	\$153.7	0.5x
May-09	UCMS Group	Aegis BPO Services Australia	37.1	0.3x
1Q09				
Mar-09	Gevity HR	TriNet	\$117.3	0.2x
Mar-09	e-services group	Affiliated Computer Services	85.0	1.3x
4Q08				
Dec-08	InfoVision Group	Serco	\$41.2	1.2x
Oct-08	Practice Management Partners	NextGen Healthcare Information Systems	22.0	1.4x
Oct-08	Cambridge Solutions	Xchanging	239.3	0.9x
3Q08				
Sep-08	ZAO United Card Service	Global Payments	\$120.0	3.5x
Sep-08	eTelecare	Ayala	336.6	1.2x
Aug-08	PeopleSupport	Aegis BPO	159.5	1.1x
Jul-08	Premier BPO	Allied Digital	26.2	0.7x
2Q08				
Jun-08	HireRight	Usis Commercial Services	\$201.3	2.8x
Jun-08	Attenex	FTI Consulting	87.8	3.5x
May-08	Financial Engineering Group	NS Solutions	35.1	2.0x
Apr-08	Regulus Group	3i Infotech	100.0	0.7x
Apr-08	Accuro Healthcare	MedAssets	353.0	5.2x
1Q08				
Feb-08	Choicepoint	Reed Elsevier Group	\$4,200.0	4.3x
Jan-08	Stream Holdings	Global BPO	225.8	0.5x
4Q07				
Nov-07	Emergis	TELUS	\$671.5	3.6x
Nov-07	Logisticare	Providence Service	305.0	1.2x
Oct-07	Christian Salvesen	Norbert Dentressangle	599.5	0.3x
BPO, Outsourcing & Other Services				1.2x

Source: Company Press Releases, Pharus Advisors

*Notable transactions where TEV and revenue are available

Notable Business Services Transactions* (continued)

Date Announced	Target Name	Acquirer Name	Enterprise Value (MM)	EV / Revenue
IT Services				
3Q09				
Sep-09	Perot Systems	Dell	\$3,772.3	1.4x
2Q09				
May-09	Anix Group	ACS Business Process Solutions	\$50.2	0.7x
May-09	Sword Business Technology Solutions	Scottish Enterp., Clydesdale, & Close Bro.	54.7	1.1x
Apr-09	Supply Chain Consulting	Fujitsu Australia	34.3	1.0x
Apr-09	Synet Info-tech	Longtop Financial Technologies	26.4	2.9x
Apr-09	Satyam Computer Services	Tech Mahindra	112.9	0.1x
1Q09				
Jan-09	Siemens Information Systems	Siemens Corporate Finance	\$93.0	0.5x
4Q08				
Dec-08	Citi Technology Services	Wipro	\$127.0	2.4x
Dec-08	Life tree Convergence	Tecnomen	47.0	3.0x
Dec-08	KMD A/S	EQT	341.2	0.6x
3Q08				
Sep-08	Axon Group	HCL	\$735.0	1.7x
Aug-08	SI International	Serco	508.8	0.9x
Aug-08	Vmetro ASA	Curtiss-Wright	78.1	1.2x
Aug-08	Netstore	2e2	98.9	1.4x
Aug-08	SiRViS	Oryx	27.5	0.5x
Jul-08	Logos	Ness Technologies	67.1	1.4x
Jul-08	Sylis	Groupe Open	72.3	0.4x
Jul-08	Detica	BAE Systems	1,051.6	2.6x
Jul-08	Datacraft Asia	Dimension Data Holdings	447.9	0.6x
Jul-08	EDB Gruppen	Nordic Capital	111.8	0.6x
2Q08				
May-08	Inventa Technologies	ANT Software	30.0	6.0x
May-08	EnterSys Group	Axon Solutions	17.5	0.7x
May-08	Electronic Data Systems	HP	14,174.0	0.6x
Apr-08	Real Solutions	Imtech	29.8	0.4x

Source: Company Press Releases, Pharus Advisors

*Notable transactions where TEV and revenue are available

Notable Business Services Transactions* (continued)

<u>Date Announced</u>	<u>Target Name</u>	<u>Acquirer Name</u>	<u>Enterprise Value (MM)</u>	<u>EV/ Revenue</u>
IT Services (cont.)				
1Q08				
Mar-08	Civica	3i	\$202.1	1.6x
Mar-08	ComputerLand	Capita Group	37.8	0.3x
Mar-08	TietoEnator	Nordic Capital	1,990.0	0.7x
Mar-08	Sds Business Services	Affiliated Computer Services	67.0	1.7x
Jan-08	TUSC	Rolta India	45.0	0.9x
Jan-08	ACS Syan	Affiliated Computer Services	60.0	0.8x
4Q07				
Dec-07	Vertical Pitch	Edgewater Technology	\$17.7	1.4x
Dec-07	Frontline Technologies	BT Singapore	160.8	1.1x
Nov-07	FMC Consulting & Informatics	Ness Technologies	40.4	1.6x
Nov-07	ePairs	Perficient	4.7	0.8x
Nov-07	Advanced Engineering & Planning	VT Group	75.0	1.1x
Nov-07	Vega Group	Finmeccanica	145.8	1.0x
IT Services Median				1.0x
Overall Services Median				1.1x

Source: Company Press Releases, Pharus Advisors

*Notable transactions where TEV and revenue are available

Summary Valuation Analysis: Enterprise Software & Services Groups

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Group	Companies in group	Average Price from High	Market Value		EV / Revenue		EV / LTM	Price / EPS		
			Equity	Enterprise	2009	2010	EBITDA	2009	2010	
Enterprise Software Group										
Application Software Groups' Median Multiples										
Customer Relationship Management (CRM)	8	(10.5%)	\$393	\$321	2.5x	2.2x	20.1x	23.6x	20.6x	
Accounting/ERP	6	(12.7%)	2,036	2,225	1.5x	1.4x	9.9x	18.1x	15.0x	
Retail	2	(11.3%)	177	210	1.5x	1.4x	6.1x	17.6x	14.9x	
Supply Chain Automation	7	(11.6%)	701	659	1.6x	1.6x	12.2x	15.6x	17.5x	
Procurement	4	(33.5%)	129	77	2.5x	2.3x	20.4x	16.4x	14.9x	
Human Capital Management	2	(2.5%)	707	654	3.3x	2.9x	34.2x	43.4x	35.9x	
Knowledge / Content Manangement	4	(30.3%)	1,083	1,065	3.8x	3.5x	10.3x	17.5x	15.6x	
Overall Application Software Medians	33	(16.7%)	\$492	\$420	2.5x	2.2x	12.7x	19.2x	17.7x	
EMS / Infrastructure Software Groups' Median Multiples										
Application / Systems (Production) Mgmt.	4	(6.0%)	\$4,196	\$3,613	2.2x	2.1x	8.5x	14.7x	13.7x	
Development / Deployment (Pre-Production)	2	(27.3%)	939	716	1.0x	1.0x	7.0x	53.3x	51.5x	
Business Intelligence	5	(4.9%)	951	870	2.1x	2.0x	9.7x	18.8x	16.0x	
Communications / Speech	1	(20.4%)	399	369	1.3x	1.2x	11.4x	12.3x	10.9x	
Security Software	10	(4.5%)	823	818	2.3x	2.3x	11.7x	19.9x	16.5x	
Integration / Middleware	6	(14.7%)	1,283	1,068	2.3x	2.2x	10.1x	17.5x	15.5x	
Platform / OS	6	(5.7%)	59,393	60,386	1.4x	1.4x	8.2x	15.0x	13.4x	
Overall Infrastructure Software Medians	34	(8.6%)	\$1,611	\$1,327	2.1x	2.1x	9.7x	16.1x	14.6x	
Overall Software Medians	67	(12.5%)	\$922	\$778	2.3x	2.2x	11.2x	18.0x	16.1x	
Services Group										
Business Services' Median Multiples										
IT Integration & Consulting	11	(26.4%)	\$259	\$228	0.9x	0.8x	10.7x	26.1x	20.1x	
Education & Training	4	(31.3%)	86	61	1.9x	NA	6.0x	27.6x	NA	
IT Staff Augmentation	3	(34.7%)	18	13	0.5x	0.5x	10.5x	111.9x	58.8x	
Government IT Services	4	(10.5%)	1,328	1,452	0.8x	0.7x	8.6x	15.3x	14.6x	
International IT Services	4	(4.7%)	2,373	2,710	NA	NA	5.1x	NA	NA	
Indian / Offshore IT Services	7	(2.6%)	11,336	10,352	0.1x	0.1x	14.8x	0.5x	0.4x	
Call Center	4	(8.3%)	583	458	0.8x	0.8x	6.2x	15.6x	14.6x	
Business Process Outsourcing (BPO)	8	(15.4%)	2,043	2,475	1.6x	1.6x	8.1x	14.5x	12.7x	
IT Outsourcing	5	(7.0%)	3,603	3,453	1.0x	0.8x	6.3x	16.6x	12.4x	
Overall Business Services Medians	50	(15.8%)	\$1,060	\$1,201	0.9x	0.8x	8.0x	16.6x	14.5x	
Financial Services IT Solutions' Median Multiples										
Bank Processing	8	(16.1%)	\$850	\$823	2.3x	2.1x	8.7x	17.2x	14.5x	
Credit / Debit Card Processing	3	(8.5%)	1,845	1,771	1.6x	1.5x	11.0x	18.9x	15.8x	
Insurance Solutions	4	(16.2%)	189	176	NA	NA	12.1x	NA	NA	
Investment Solutions	4	(16.7%)	687	690	2.8x	2.8x	16.0x	19.4x	16.7x	
Overall Financial Services Medians	19	(15.0%)	\$544	\$582	2.1x	1.9x	9.4x	17.7x	15.1x	
Overall Services Medians	69	(15.6%)	\$989	\$979	1.1x	1.0x	8.3x	16.9x	14.8x	

Source: CapitalIQ

Application Software Public Company Comparable Valuations

Pharus Advisors

Company	Ticker	Price	High	Low	Market Value		EV / Revenue		EV / LTM	Price / EPS		
					Equity	Enterprise	2009	2010	EBITDA	2009	2010	
Customer Relationship Management (CRM)												
Art Technology Group Inc.	NasdaqGM:ARTG	\$3.86	\$4.55	\$1.02	\$491.5	\$420.2	2.4x	2.2x	18.5x	20.8x	17.9x	
Chordiant Software Inc.	NasdaqGM:CHRD	3.89	5.09	2.01	117.4	60.9	0.8x	0.8x	30.2x	NA	NA	
Digital River	NasdaqGS:DRIV	40.32	41.20	16.88	1,555.3	1,213.7	3.0x	2.9x	12.5x	21.6x	19.4x	
Interactive Intelligence	NasdaqGM:ININ	19.11	20.50	5.51	327.4	273.4	2.2x	2.0x	20.1x	25.7x	21.8x	
KANA Software Inc.	OTCBB:KANA	0.80	1.09	0.45	33.0	34.1	NA	NA	NM	NA	NA	
LivePerson	NasdaqCM:LPSN	5.04	5.23	1.19	240.8	209.5	2.5x	2.1x	18.5x	21.6x	18.5x	
salesforce.com, Inc.	NYSE:CRM	56.93	59.07	20.82	7,059.3	6,665.3	5.2x	4.5x	52.5x	91.7x	69.1x	
Rightnow Technologies Inc.	NasdaqGM:RNOW	14.44	14.75	5.02	458.1	368.3	2.5x	2.2x	59.0x	47.0x	34.3x	
					Median	\$392.8	\$320.9	2.5x	2.2x	20.1x	23.6x	20.6x
Accounting/ERP												
American Software	NasdaqGS:AMSW.A	\$6.53	\$7.00	\$2.92	\$165.3	\$120.2	1.5x	1.4x	13.3x	22.5x	18.1x	
Epicor	NasdaqGS:EPIC	6.37	9.08	2.33	389.0	566.2	1.4x	1.3x	7.9x	15.2x	12.7x	
Intuit Inc.	NasdaqGS:INTU	28.50	31.97	20.18	9,175.2	8,827.9	2.6x	2.4x	9.2x	14.7x	13.4x	
Lawson Software Inc.	NasdaqGS:LWSN	6.24	7.09	2.71	1,008.3	841.3	1.2x	1.2x	7.3x	18.1x	15.0x	
Oracle Corp.	NasdaqGS:ORCL	20.84	22.95	13.80	104,474.4	98,977.4	4.2x	3.9x	9.2x	13.6x	12.3x	
QAD	NasdaqGS:QADI	4.55	7.01	2.14	141.4	117.6	0.5x	0.5x	16.3x	182.0x	53.5x	
Sage	LSE:SGE	2.33	2.38	1.44	3,064.4	3,608.3	NA	NA	10.5x	NA	NA	
SAP AG	DB:SAP	33.55	37.82	20.91	39,856.2	39,581.2	3.6x	3.4x	11.3x	18.9x	16.3x	
					Median	\$2,036.4	\$2,224.8	1.5x	1.4x	9.9x	18.1x	15.0x
Retail												
Radiant Systems Inc.	NasdaqGS:RADS	10.74	11.51	2.19	353.8	419.2	1.5x	1.4x	12.2x	16.0x	13.7x	
Retalix Ltd.*	NasdaqGS:RTLX	10.17	12.40	3.24	0.0	0.0	NA	NA	0.0x	19.2x	16.1x	
					Median	\$176.9	\$209.6	1.5x	1.4x	6.1x	17.6x	14.9x

Source: CapitalIQ

* On February 14th, Retalix received a non-binding offer for 100% of its outstanding share. The transaction has yet to close as of end of 3Q 2009

Application Software Public Company Comparable Valuations (con't)

Pharus Advisors

Company	Ticker	Price	High	Low	Market Value		EV / Revenue		EV / LTM	Price / EPS		
					Equity	Enterprise	2009	2010	EBITDA	2009	2010	
Supply Chain Automation												
Aspen Technology Inc.	OTCPK:AZPN	\$10.20	\$13.00	\$5.10	\$921.5	\$934.7	2.6x	3.4x	29.6x	12.8x	NA	
Dassault	ENXTPA:DSY	38.09	39.94	24.50	4,491.7	3,759.9	NA	NA	13.5x	NA	NA	
Descartes Systems Group Inc.	TSX:DSG	5.90	6.25	2.49	313.1	257.7	3.6x	3.3x	13.4x	21.4x	17.5x	
I2 Technologies, Inc.	NasdaqGS:ITWO	16.04	16.95	5.50	359.7	293.0	1.3x	1.3x	6.0x	16.4x	17.9x	
JDA Software Group Inc.	NasdaqGs:JDAS	21.94	23.87	9.04	701.4	658.7	1.7x	1.7x	6.9x	13.9x	12.9x	
Manhattan Associates Inc.	NasdaqGS:MANH	20.20	22.59	13.66	454.7	366.7	1.5x	1.4x	12.2x	32.9x	24.2x	
Parametric Technology Corp.	NasdaqGS:PMTC	13.82	18.60	7.18	1,605.6	1,429.6	1.5x	1.5x	10.6x	18.0x	14.8x	
					Median	\$701.4	\$658.7	1.6x	1.6x	12.2x	17.2x	17.5x
Procurement												
Ariba Inc.	NasdaqGs:ARBA	\$11.60	\$14.45	\$6.00	\$1,025.1	\$896.2	2.7x	2.6x	28.0x	17.4x	15.7x	
Clarus Corp.	OTCPK:CLRS	4.40	5.20	3.75	76.4	(7.9)	NA	NA	NM	NA	NA	
ClickSoftware Technologies Ltd.	NasdaqGs:CKSW	6.29	9.18	1.80	182.4	149.8	2.5x	2.2x	12.7x	17.7x	15.3x	
Selectica Inc.	NasdaqGM:SLTC	0.33	1.10	0.10	18.4	3.6	NA	NA	NM	NA	NA	
					Median	\$129.4	\$76.7	2.6x	2.4x	20.4x	17.6x	15.5x
Human Capital Management												
Callidus	NasdaqGM:CALD	3.01	4.36	1.91	90.5	51.2	0.6x	0.6x	NM	NA	NA	
Concur	NasdaqGS:CNQR	39.76	40.56	17.82	1,934.5	1,692.7	6.8x	5.8x	28.5x	54.7x	45.6x	
Kenexa	NasdaqGS:KNXA	13.48	16.32	3.66	303.8	256.8	1.6x	1.5x	11.5x	20.6x	17.0x	
Taleo	NasdaqGM:TLEO	22.64	23.21	5.37	715.0	654.0	3.3x	2.9x	39.9x	32.1x	26.3x	
Ultimate Software	NasdaqGs:ULTI	28.72	29.50	10.70	706.9	679.4	3.4x	2.9x	104.3x	96.4x	52.3x	
					Median	\$706.9	\$654.0	3.3x	2.9x	34.2x	43.4x	35.9x
Knowledge / Content Management												
Adobe Systems Inc.	NasdaqGS:ADBE	\$33.04	\$39.53	\$15.70	\$17,345.9	\$15,139.5	5.2x	4.8x	13.5x	21.8x	19.4x	
BroadVision Inc.	NasdaqGM:BVSN	15.74	19.00	9.00	69.4	6.8	NA	NA	1.9x	NA	NA	
Convera	NasdaqGM:CNVR	0.24	1.25	0.15	12.8	(5.0)	NA	NA	NM	NA	NA	
Open Text Corp.	NasdaqGS:OTEX	37.33	40.19	22.01	2,096.0	2,122.9	2.3x	2.2x	10.3x	13.2x	11.7x	
					Median	\$1,082.7	\$1,064.8	3.8x	3.5x	10.3x	17.5x	15.6x

Source: CapitalIQ

EMS / Infrastructure Software Public Company Comparable Valuations

Pharus Advisors

Company	Ticker	Price	High	Low	Market Value		EV / Revenue		EV / LTM	Price / EPS		
					Equity	Enterprise	2009	2010	EBITDA	2009	2010	
Application / Systems (Production) Mgmt.												
BMC Software Inc.	NYSE:BMC	\$37.53	\$39.00	\$20.58	\$6,905.1	\$6,022.3	3.1x	3.0x	9.9x	14.9x	14.2x	
CA, Inc.	NasdaqGS:CA	21.99	23.29	12.00	11,518.4	10,458.4	2.4x	2.3x	7.5x	13.2x	11.9x	
Netscout Systems	NasdaqGS:NTCT	13.51	14.99	5.69	545.2	522.5	2.0x	1.8x	9.5x	16.1x	14.3x	
Quest Software Inc.	NasdaqGS:QSFT	16.85	17.69	10.31	1,486.4	1,203.2	1.7x	1.6x	7.5x	14.4x	13.2x	
					Median	\$4,195.8	\$3,612.7	2.2x	2.1x	8.5x	14.7x	13.7x
Development / Deployment (Pre-Production)												
Compuware Corp.	NasdaqGS:CPWR	\$7.33	\$9.69	\$5.08	\$1,741.1	\$1,350.5	NA	NA	6.1x	NA	NA	
Keynote Systems Inc.	NasdaqGM:KEYN	9.43	13.52	6.34	136.7	80.7	1.0x	1.0x	7.9x	53.3x	51.5x	
					Median	\$938.9	\$715.6	1.0x	1.0x	7.0x	53.3x	51.5x
Business Intelligence												
Actuate Corp.	NasdaqGS:ACTU	\$5.77	\$6.18	\$2.20	\$261.9	\$217.7	1.8x	1.7x	10.2x	15.1x	13.3x	
Fair Isaac Corp.	NYSE:FICO	21.49	24.49	9.76	1,049.9	1,303.8	2.1x	2.0x	7.9x	15.3x	13.8x	
Informatika Corp.	NasdaqGS:INFA	22.58	22.92	10.42	1,995.3	1,775.0	3.7x	3.3x	17.6x	27.0x	23.7x	
MicroStrategy Inc.	NasdaqGS:MSTR	71.54	73.03	30.55	851.4	675.2	1.9x	1.8x	9.2x	20.0x	18.3x	
Pegasystems	NasdaqGS:PEGA	34.53	35.29	9.58	1,255.0	1,064.9	4.1x	3.6x	29.2x	42.6x	37.6x	
Verint Systems	OTCPK:VRNT	14.50	16.65	3.10	495.2	0.0	NA	NA	0.0x	17.6x	10.1x	
					Median	\$950.6	\$870.1	2.1x	2.0x	9.7x	18.8x	16.0x
Communications / Speech												
TeleCommunication Systems Inc.	NasdaqGM:TSYS	\$8.36	\$10.50	\$4.58	\$399.1	\$368.7	1.3x	1.2x	11.4x	12.3x	10.9x	
					Median	\$399.1	\$368.7	1.3x	1.2x	11.4x	12.3x	10.9x

Source: CapitalIQ

EMS / Infrastructure Software Public Company Comparable Valuations (con't)

Pharus Advisors

Company	Ticker	Price	High	Low	Market Value		EV / Revenue		EV / LTM	Price / EPS		
					Equity	Enterprise	2009	2010	EBITDA	2009	2010	
Security Software												
ActivIdentity Corp.	NasdaqGM:ACTI	\$2.77	\$3.04	\$1.07	\$127.0	\$48.4	NA	NA	NM	NA	NA	
Blue Coat Systems	NasdaqGS:BCSI	22.59	23.25	6.96	902.8	857.6	1.8x	1.6x	24.8x	21.4x	17.7x	
Check Point Software Technologies Ltd.	NasdaqGS:CHKP	28.35	28.73	16.80	5,917.5	4,896.1	5.4x	5.0x	11.3x	14.6x	13.2x	
Diversinet Corp.	OTCBB:DVNT.F	0.49	0.64	0.14	23.1	12.4	NA	NA	19.4x	NA	NA	
McAfee Inc.	NYSE:MFE	43.79	45.52	24.72	6,883.8	6,120.7	3.2x	2.9x	16.5x	18.3x	16.4x	
SonicWALL Inc.	NasdaqGS:SNWL	8.40	8.53	2.90	452.4	278.7	1.4x	1.4x	12.4x	24.2x	21.8x	
Symantec Corp.	NasdaqGS:SYMC	37.24	19.53	10.05	13,414.9	12,990.9	2.2x	2.1x	7.3x	26.1x	24.2x	
Trend Micro Inc.	TSE:4704	33.50	42.20	19.74	4,468.4	3,251.0	NA	NA	9.2x	NA	NA	
VASCO	NasdaqCM:VDSI	7.42	11.96	3.85	278.2	210.6	2.0x	1.8x	9.7x	24.5x	17.6x	
VeriSign Inc.	NasdaqGS:VRSN	23.69	25.91	16.23	4,569.1	3,877.8	3.8x	3.5x	10.1x	18.4x	15.8x	
Websense	NasdaqGS:WBSN	16.80	22.39	9.48	742.4	778.2	2.3x	2.3x	12.2x	13.4x	12.6x	
Zix	NasdaqGM:ZIXI	2.20	2.54	0.88	139.3	127.2	4.2x	3.4x	NM	NA	16.5x	
					Median	\$822.6	\$817.9	2.3x	2.3x	11.7x	19.9x	16.5x
Integration / Middleware												
Citrix Systems	NasdaqGS:CTXS	\$39.23	\$39.35	\$19.00	\$7,180.8	\$6,601.1	4.1x	3.8x	21.1x	23.9x	20.9x	
Jacada Ltd.	NasdaqGM:JCDA	1.80	3.83	1.41	30.0	4.7	NA	NA	NM	NA	NA	
Progress Software Corp.	NasdaqGS:PRGS	22.65	25.72	14.69	908.1	721.6	1.5x	1.3x	7.8x	13.1x	11.0x	
SourceForge, Inc	NasdaqGM:LNUX	1.26	1.55	0.32	76.1	36.5	0.6x	0.5x	NM	NA	NA	
Sybase, Inc.	NYSE:SY	38.90	39.15	22.20	3,148.5	2,817.1	2.5x	2.3x	9.1x	17.0x	14.9x	
TIBCO Software Inc.	NasdaqGS:TIBX	9.49	9.87	3.45	1,657.3	1,414.0	2.3x	2.2x	11.0x	17.9x	16.1x	
					Median	\$1,282.7	\$1,067.8	2.3x	2.2x	10.1x	17.5x	15.5x
Platform / OS												
Hewlett-Packard Co.	NYSE:HPQ	\$47.21	\$48.00	\$25.39	\$111,938.1	\$115,531.1	1.0x	1.0x	7.5x	12.4x	11.1x	
International Business Machines Corp.	NYSE:IBM	119.61	122.88	69.50	156,794.8	173,734.8	1.8x	1.8x	7.5x	12.2x	11.2x	
Microsoft Corp.	NasdaqGS:MSFT	25.72	27.47	14.87	229,630.9	205,479.9	3.5x	3.3x	8.8x	15.4x	13.4x	
Novell	NasdaqGS:NOVL	4.51	5.44	2.97	1,564.1	642.6	0.7x	0.7x	5.0x	15.0x	14.2x	
Red Hat	NYSE:RHT	27.64	28.68	7.50	5,196.5	4,475.1	6.1x	5.4x	32.6x	41.6x	37.0x	
Sun Microsystems Inc.*	NasdaqGS:JAVA	9.09	9.37	2.60	6,848.1	5,240.1	0.5x	0.5x	13.4x	NA	NA	
					Median	\$59,393.1	\$60,385.6	1.4x	1.4x	8.2x	15.0x	13.4x

Source: CapitalIQ

*On April 19th, Oracle Corp. signed a definitive agreement to acquire Sun Microsystems Inc. The transaction has yet to close as of end of 3Q 2009

Business Services Public Company Comparable Valuations

Pharus Advisors

Company	Ticker	Price	High	Low	Market Value		EV / Revenue		EV / LTM	Price / EPS		
					Equity	Enterprise	2009	2010	EBITDA	2009	2010	
IT Integration & Consulting												
Accenture Ltd.	NYSE:ACN	\$37.27	\$38.07	\$24.76	\$22,893.8	\$19,541.6	0.9x	0.8x	5.6x	13.6x	12.2x	
The Hackett Group (FKA Answerthink Inc.)	NasdaqM:HCKT	2.90	5.74	1.78	111.6	88.1	0.6x	0.5x	6.2x	22.7x	11.2x	
CIBER Inc.	NYSE:CBR	4.00	7.10	2.03	278.2	357.7	0.3x	0.3x	6.7x	14.4x	11.7x	
DiamondCluster International Inc.	NasdaqGS:DTPI	6.85	6.86	1.96	188.0	139.9	0.9x	0.8x	NM	54.8x	36.4x	
iGATE Corp.	NasdaqGM:IGTE	8.55	8.74	2.11	465.3	390.0	2.1x	1.9x	10.9x	18.7x	15.3x	
Management Network Group Inc.	NasdaqGM:TMNG	0.64	1.45	0.16	22.3	10.2	NA	NA	NM	NA	NA	
Ness Technologies Inc.	NasdaqGS:NSTC	7.89	11.70	2.36	303.4	338.7	0.6x	0.5x	10.7x	32.2x	20.1x	
Perficient Inc.	NasdaqGS:PRFT	8.27	8.64	2.31	259.5	228.2	1.2x	1.2x	14.9x	192.3x	47.5x	
Sapient Corp.	NasdaqGS:SAPE	8.04	8.44	3.25	1,062.2	887.6	1.4x	1.2x	10.9x	29.5x	21.7x	
Technology Solutions Co.	OTCPK:TSCC	0.39	4.00	0.16	1.0	(7.0)	NA	NA	NM	NA	NA	
Tier Technologies Inc.	NasdaqGM:TIER	8.48	8.90	3.41	156.9	117.4	1.0x	0.9x	NM	NA	212.0x	
					Median	\$259.5	\$228.2	0.9x	0.8x	10.7x	26.1x	20.1x
Education & Training												
Learning Tree International Inc.	NasdaqGM:LTRE	\$11.39	\$13.19	\$6.01	\$161.3	\$100.7	0.8x	0.8x	7.2x	40.0x	23.7x	
New Horizons Worldwide Inc.	OTCpk:NEWH	0.90	1.40	0.30	10.6	22.2	NA	NA	4.8x	NA	NA	
SkillSoft plc	NasdaqGS:SKIL	9.60	10.50	4.84	915.5	943.0	3.1x	3.0x	8.6x	15.3x	14.5x	
VCampus Corp.	OTCPK:VCMP	0.00	0.01	0.00	0.0	0.0	NA	NA	0.0x	NA	NA	
					Median	\$86.0	\$61.4	1.9x	NA	6.0x	27.6x	NA
IT Staff Augmentation												
Analysts International Corp.	NasdaqGM:ANLY	\$0.72	\$1.50	\$0.26	\$17.9	\$13.4	NA	NA	NM	NA	NA	
MPS Group Inc.	NYSE:MPS	10.52	11.51	4.16	979.9	855.5	0.5x	0.5x	10.5x	111.9x	58.8x	
TeamStaff Inc.	NasdaqGM:TSTF	1.50	2.65	1.03	7.3	5.3	NA	NA	NM	NA	NA	
					Median	\$17.9	\$13.4	0.5x	0.5x	10.5x	111.9x	58.8x

Source: CapitalIQ

Business Services Public Company Comparable Valuations (con't)

Pharus Advisors

Company	Ticker	Price	High	Low	Market Value		EV / Revenue		EV / LTM	Price / EPS		
					Equity	Enterprise	2009	2010	EBITDA	2009	2010	
Government IT Services												
CACI International Inc.	NYSE:CACI	\$47.27	\$51.97	\$33.90	\$1,418.9	\$1,849.9	0.6x	0.6x	8.1x	14.1x	12.7x	
ManTech International Corp.	NasdaqGS:MANT	47.10	60.62	32.86	1,680.0	1,666.6	0.8x	0.7x	9.0x	15.3x	14.2x	
MAXIMUS Inc.	NYSE:MMS	46.60	48.49	25.94	816.3	724.7	NA	NA	8.1x	NA	15.0x	
SRA International Inc.	NYSE:SRX	21.59	23.12	11.22	1,237.6	1,238.3	0.8x	0.7x	9.6x	17.9x	16.1x	
					Median	\$1,328.2	\$1,452.4	0.8x	0.7x	8.6x	15.3x	14.6x
International IT Services												
Atos Origin SA	ENXTPA:ATO	\$34.50	\$35.45	\$15.01	\$2,372.5	\$2,709.7	NA	NA	5.1x	NA	NA	
Cap Gemini SA	ENXTPA:CAP	35.80	36.68	21.12	5,265.0	4,701.0	NA	NA	5.6x	NA	NA	
Dimension Data Holdings plc	JSE:DDT	7.61	8.35	4.00	12,927.7	11,485.7	NA	NA	4.9x	NA	NA	
LogicaCMG plc	LSE:LOG	1.30	1.37	0.58	2,081.8	2,539.3	NA	NA	7.6x	NA	NA	
TIVIT Terceirização de Tecnologia e Serviços S.A.*	BOVESPA:TVIT3	13.00	14.40	13.00	1,156.9	1,271.7	NA	NA	0.0x	NA	NA	
					Median	\$2,372.5	\$2,709.7	NA	NA	5.1x	NA	NA
Indian / Offshore IT Services												
Cognizant Technology Solutions Corp.	NasdaqGS:CTSH	\$38.66	\$39.40	\$14.38	\$11,335.5	\$10,352.3	3.3x	2.8x	15.7x	23.0x	21.0x	
HCL Technologies Ltd.	BSE:532281	7.05	7.25	1.84	4,715.8	4,996.6	NA	NA	11.9x	NA	NA	
Infosys Technologies Ltd.	BSE:500209	47.92	49.95	21.51	27,378.0	24,876.6	0.1x	0.1x	15.9x	0.5x	0.4x	
Patni Computer Systems Ltd.	BSE:532517	9.55	10.10	1.94	1,220.8	1,164.3	0.0x	0.0x	11.1x	0.3x	0.3x	
Syntel Inc.	NasdaqGS:SYNT	47.73	49.97	16.14	1,982.5	1,823.9	4.5x	4.1x	14.6x	19.6x	19.7x	
Tata Consultancy Services Limited	BSE:532540	12.86	12.87	4.32	25,077.1	24,039.0	NA	NA	14.8x	NA	NA	
Wipro Ltd.	BSE:507685	12.55	12.52	3.76	18,252.9	17,697.8	0.1x	0.1x	16.1x	0.5x	0.4x	
					Median	\$11,335.5	\$10,352.3	0.1x	0.1x	14.8x	0.5x	0.4x
Call Center												
APAC Customer Services Inc.	NasdaqGM:APAC	\$5.92	\$6.40	\$0.94	\$306.6	\$297.0	1.1x	0.9x	8.0x	9.3x	9.1x	
ICT Group Inc.	NasdaqGM:ICTG	10.50	12.06	2.50	168.7	126.4	0.3x	0.3x	4.9x	37.5x	17.2x	
Sykes Enterprises Inc.	NasdaqGS:SYKE	20.82	22.20	12.34	860.3	619.5	0.7x	0.7x	6.4x	15.1x	14.0x	
TeleTech Holdings Inc.	NasdaqGS:TTEC	17.06	18.28	6.43	1,058.3	1,009.1	0.8x	0.8x	6.1x	16.2x	15.3x	
					Median	\$583.4	\$458.2	0.8x	0.8x	6.2x	15.6x	14.6x

Source: CapitalIQ

*On September 9th, TIVIT Terceirização de Tecnologia e Serviços raised \$319m in an IPO

Business Services Public Company Comparable Valuations (con't)

Pharus Advisors

Company	Ticker	Price	High	Low	Market Value		EV / Revenue		EV / LTM	Price / EPS		
					Equity	Enterprise	2009	2010	EBITDA	2009	2010	
Business Process Outsourcing (BPO)												
Automatic Data Processing Inc.	NasdaqGS:ADP	\$39.30	\$42.93	\$30.83	\$19,734.6	\$18,214.0	2.1x	2.0x	8.3x	16.7x	15.6x	
Convergys Corp.	NYSE:CVG	9.94	14.93	4.02	1,221.1	1,492.9	0.6x	0.5x	7.9x	9.6x	8.8x	
CSG Systems International Inc.	NasdaqGS:CSGS	16.01	17.83	12.27	562.2	582.7	1.2x	1.1x	5.1x	10.1x	9.8x	
DST Systems Inc.	NYSE:DST	44.80	56.37	25.70	2,227.6	3,299.9	2.0x	2.0x	6.9x	11.9x	11.1x	
FirstService Corp.	TSX:FSV	20.65	20.78	9.50	607.9	1,276.5	0.8x	0.7x	9.4x	16.6x	13.9x	
Iron Mountain Inc.	NYSE:IRM	26.66	32.04	16.71	5,409.7	8,335.4	2.8x	2.6x	10.1x	26.6x	25.1x	
Paychex Inc.	NasdaqGS:PAYX	29.05	33.67	20.31	10,498.1	10,169.0	5.1x	4.8x	11.8x	22.0x	20.2x	
Watson Wyatt Worldwide	NYSE:WW	43.56	54.10	32.56	1,859.1	1,649.2	1.0x	0.9x	6.1x	12.5x	11.4x	
					Median	\$2,043.3	\$2,474.6	1.6x	1.6x	8.1x	14.5x	12.7x
IT Outsourcing												
CGI Group Inc.	TSX:GIB.A	\$12.54	\$13.30	\$8.30	\$3,802.9	\$3,839.5	1.0x	1.0x	6.3x	12.7x	11.8x	
Computer Sciences Corp.	NYSE:CSC	52.71	53.70	23.93	7,996.1	10,407.1	0.6x	0.6x	4.3x	10.8x	10.5x	
NaviSite Inc.	NasdaqCM:NAVI	2.19	2.46	0.01	78.0	229.7	1.4x	NA	7.9x	NA	NA	
Perot Systems Corp.	NYSE:PER	29.70	29.94	10.58	3,603.3	3,453.3	1.4x	1.3x	12.4x	30.6x	28.3x	
Unisys Corp.	NYSE:UIS	26.70	31.70	2.80	988.8	1,601.9	0.4x	0.4x	5.5x	20.5x	13.0x	
					Median	\$3,603.3	\$3,453.3	1.0x	0.8x	6.3x	16.6x	12.4x

Source: CapitalIQ

Financial Services IT Solutions Public Company Comparable Valuations

Pharus Advisors

Company	Ticker	Price	High	Low	Market Value		EV / Revenue		EV / LTM	Price / EPS		
					Equity	Enterprise	2009	2010	EBITDA	2009	2010	
Bank Processing												
Bottomline Technologies Inc.	NasdaqGM:EPAY	\$12.90	\$13.34	\$4.46	\$326.7	\$276.6	1.9x	1.7x	28.6x	17.6x	15.1x	
CyberSource Corp.	NasdaqGS:CYBS	16.67	17.84	6.00	1,157.2	1,064.1	4.1x	3.5x	24.8x	21.8x	18.8x	
Equifax Inc.	NYSE:EFX	29.14	34.20	19.38	3,682.5	4,784.6	2.6x	2.6x	7.8x	16.1x	14.4x	
Fiserv Inc.	NasdaqGS:FISV	48.20	50.91	27.75	7,441.1	11,012.1	2.6x	2.5x	8.8x	13.1x	11.8x	
Heartland	NYSE:HPY	14.51	27.04	3.57	543.6	582.0	0.4x	0.3x	7.2x	16.9x	14.2x	
Jack Henry & Associates Inc.	NasdaqGS:JKHY	23.47	24.66	14.29	1,976.1	1,920.3	2.5x	2.3x	8.6x	18.2x	16.9x	
Online Resources Corp.	NasdaqGS:ORCC	6.17	8.19	1.80	185.4	319.6	2.1x	1.9x	12.2x	17.7x	14.6x	
SI Corp.	NasdaqGM:SONE	6.18	8.00	4.00	327.1	269.4	1.1x	1.0x	6.9x	12.1x	13.5x	
					Median	\$850.4	\$823.1	2.3x	2.1x	8.7x	17.2x	14.5x
Credit / Debit Card Processing												
ACI Worldwide, Inc	NasdaqGS:ACIW	15.13	20.80	8.86	514.7	475.3	1.2x	1.1x	13.7x	19.2x	15.1x	
Fundtech Ltd.	NasdaqGS:FNDT	\$11.62	\$14.15	\$5.00	\$190.9	\$146.6	1.3x	1.2x	12.7x	27.9x	21.8x	
Global Payments Inc.	NYSE:GPN	46.70	49.39	27.48	3,766.5	3,577.4	2.1x	1.9x	9.4x	18.7x	16.6x	
Total System Services Inc.	NYSE:TSS	16.11	16.46	10.36	3,176.0	3,066.6	1.8x	1.8x	6.7x	14.5x	13.4x	
					Median	\$1,845.4	\$1,771.0	1.6x	1.5x	11.0x	18.9x	15.8x

Source: CapitalIQ

Financial Services IT Solutions Public Company Comparable Valuations (con't)

Pharus Advisors

Company	Ticker	Price	High	Low	Market Value		EV / Revenue		EV / LTM	Price / EPS		
					Equity	Enterprise	2009	2010	EBITDA	2009	2010	
Insurance Solutions												
CorVel Corp.	NasdaqGS:CRVL	\$28.40	\$31.58	\$15.78	\$356.3	\$336.0	NA	NA	7.5x	NA	NA	
Ebix Inc.	NasdaqGS:EBIX	55.36	56.00	17.12	589.3	620.1	NA	6.9x	16.7x	NA	19.4x	
InsWeb Corp.	NasdaqCM:INSW	3.17	5.76	1.45	15.2	9.5	NA	NA	NM	NA	NA	
Insure.com Inc.	NasdaqCM:NSUR	3.20	3.50	1.18	21.6	15.7	NA	NA	NM	NA	NA	
					Median	\$189.0	\$175.9	NA	NA	12.1x	NA	NA
Investment Solutions												
Advent Software Inc.	NasdaqGS:ADVS	\$40.25	\$40.86	\$17.51	\$1,026.0	\$979.0	3.7x	3.5x	21.7x	32.0x	29.2x	
BGC Partners, Inc.	NasdaqGS:BGCP	4.28	4.84	1.37	347.1	400.5	0.4x	0.4x	3.4x	10.7x	10.1x	
NYFIX Inc.	NasdaqCM:NYFX	1.65	3.05	0.40	64.9	87.9	NA	NA	43.4x	NA	NA	
Thomson Reuters Corp.	TSX:TRI	35.90	38.88	24.83	29,762.9	37,191.6	2.8x	2.8x	10.4x	19.4x	16.7x	
					Median	\$686.6	\$689.7	2.8x	2.8x	16.0x	19.4x	16.7x

Source: CapitalIQ

INDUSTRY RECAP NEWS

Definitions

Our Industry News section focuses on highlighting relevant, interesting and notable banking transactions in the software and business services industries during the most recent quarter. While not exhaustive, we selected many transactions that we felt were both interesting and relevant to our readers.

Software Market Sections / Segmentation

To make our Industry News section easier to navigate, we have segmented our software industry news into the following sub-sections, or industry sub-segments:

Application software - Software that specifically enables a non-IT user to perform a particular business function of non-technical activity. Examples include: accounting software, HR software, sales force automation software, content management software, vertical-industry specific applications, e-mail software, spreadsheets, etc.

Infrastructure software - Software that is used to support, and is the foundation for, application software, but is not used to manage application software. Examples include: database software, operating system software, security software, middleware software, etc.

Enterprise management software (EMS) - EMS software enables companies to manage, operate, develop, tune and deploy various technology components (e.g., hardware, software, data, etc.) in an enterprise's IT environment. Examples include: performance management software, testing tools, software configuration/development tools, storage management software, etc.

Other software - everything else that doesn't fall into the other three categories. Examples might include video game software, etc.

Business Services Sections / Segmentation

Similarly, we have segmented our business services news section into the following sub-sections, or industry sub-segments:

IT services firms - firms that provide services (and corresponding people) that install, integrate, implement, develop, customize, maintain and upgrade various types of information technology—such as software, server hardware, telecommunications infrastructures, etc. IT outsourcing firms generally provide long-term contractual services of implementing, managing, delivering and operating a piece of technology for a client.

Business Process Outsourcing (BPO) - The contractual service of taking over one or more business functions (typically IT intensive functions) in which the outsourcer completely owns, manages, performs and delivers clients' business functions. Having said this, BPO is large, highly fragmented and can be sub-segmented into a number of more specific market niches.

Application Software

Business Intelligence Software

IBM To Acquire SPSS

On July 27th, International Business Machines Corp. (NYSE:IBM), a developer and manufacturer of information technology products and services worldwide, announced the acquisition of SPSS Inc., a provider of predictive analytics software and solutions, for \$1.12b. Based on the enterprise value of \$784m, the transaction was valued at 2.7x LTM revenue and 10.0x LTM EBITDA. Not only does the acquisition enhance IBM's analytic capabilities, especially in the area of data mining and predictive analytics, it also has some interesting implications for SPSS partners, which will now find themselves to be IBM competitors.

Content and Document Management Software

Metrofile Acquires Innovative Document Management

On July 22nd, Metrofile Holdings Limited (JSE:MFL), a South Africa-based firm that provides outsourced document management and record storage services in South Africa, closed the acquisition of Innovative Document Management (Pty) Ltd., a South Africa-based firm that develops and markets document management software solutions, for an undisclosed amount. The acquisition is a strategic one designed to bolster the specialist skills already resident within Metrofile's image processing division.

CRM/ERP Software

ITS Group Acquires Prisme

On September 21st, ITS Group (ENXTPA: ITS), a France-based firm that develops and offers technology-consulting services and computer systems such as databases and Internet, Intranet, and Extranet applications, closed the acquisition of Prisme, a France-based company that designs, develops, and markets enterprise resource management solutions that assist in decision making, integration management, and customer relationship management, for \$4.7om. Based on this enterprise value, the transaction was valued at 0.5x LTM revenue.

Godel Technologies Europe Acquires Velum

On September 21st, Godel Technologies Europe Limited, an UK-based firm that develops content

management and customer relationship management software solutions, closed the acquisition of Velum Limited, an UK-based software house that offers customer relationship management systems, content management systems, website design, electronic mass communication solutions, and support services in London, for an undisclosed amount. The acquisition will enable the company to provide a broader product offering.

Epicor (Australia) Acquires Spectrax

On August 11th, Epicor Software (Australia) Pty. Ltd., an Australia-based firm that designs, develops, markets, and supports enterprise application software solutions and services, closed the acquisition of Spectrax Pty. Ltd., an Australia-based provider of mobile enterprise resource planning (ERP) and customer relationship management solutions for retail, manufacturing, and healthcare industries, for an undisclosed sum. The two companies had a working relationship and Spectrax tried to expand overseas in a bid to take the company to greater heights, but shifted towards an acquisition strategy.

Versata Acquires Everest Software

On August 7th, Versata Inc., a provider of enterprise software solutions, closed the acquisition of Everest Software, Inc., a provider of business management software systems for small and medium-sized businesses, for an undisclosed sum. The acquisition allows Versata to improve efficiency in offerings for small to mid-sized business clients.

Trimble Navigation Acquires CTN Data

On July 17th, Trimble Navigation Ltd. (NasdaqGS:TRMB), a provider of advanced positioning product solutions to commercial and government users worldwide, closed the acquisition of CTN Data LLC, a provider of grain accounting software serving the agri-business and grain elevator markets, for an undisclosed amount. The acquisition is expected to accelerate Trimble's information management capabilities and offer agricultural customers significant new capabilities in their precision farming operations.

AXA Private Equity Acquires 20.0% of Plainsware

On July 16th, AXA Private Equity, a private equity and venture capital firm specializing in

direct and early secondary investments and secondary fund of funds investments, closed the acquisition of a 20.0% stake of Plainsware S.A., a developer of enterprise-wide project management solutions, for an undisclosed sum.

HCM and Workforce Software

Salary.com Acquires Makana Solutions

On September 29th, Salary.com, Inc., (NasdaqGM: SLRY), a provider of on-demand compensation, payroll, human resource management, performance management, and competency management solutions in the human capital software-as-a-service, closed the acquisition of Makana Solutions, a provider of self-service sales compensation solutions for small and mid-size businesses for an undisclosed amount. The acquisition extended Salary.com's leading position in on-demand compensation, payroll and talent management by including the unique challenges of sales compensation management.

DaPore, Smith, and Wyke-Smith Acquire Acadia Human Capital Solutions

On September 16th, three investors closed the acquisition of majority stake in Acadia Human Capital Solutions, Inc., a software company that provides strategic human resources and workforce productivity software and services to businesses for an undisclosed amount. The acquisition allows Acadia to develop its technology into a comprehensive online solution.

Evolution Benefits Acquires BEMAS Software

On July 28th, Evolution Benefits, Inc., a provider of electronic payment solutions to the employee benefits market, closed the acquisition of BEMAS Software, Inc., a provider of benefit management software solutions for benefits administrators in the United States, for an undisclosed amount.

Supply Chain, Asset Management and Product Lifecycle Management Software

PSI Acquires AIS Advanced

On August 26th, PSI AG (XTRA:PSA2), a Germany-based developer and integrator of software solutions and process control systems for utilities, industrial firms, and infrastructure operators in Germany and internationally, closed the acquisition of AIS Advanced Information Systems GmbH & Co., an Austrian-based provider of information technology solutions and services

in the area of production planning and supply chain logistics for metallurgical industries, for an undisclosed sum. The acquisition strengthens the PSI's global presence and their offerings.

TAKE Supply Chain Acquires EntComm

On August 10th, TAKE Supply Chain, a provider of supply chain management software solutions, closed the acquisition of EntComm, Inc., a provider of solutions to corporations that automate their transactions with their suppliers, customers, freight forwarders, and other supply chain partners, for an undisclosed sum. The acquisition solidifies TAKE's portfolio expansion of SaaS-based applications and leverages TAKE's global presence across North America, the Middle East and Asia Pacific to provide immediate access to EntComm's business process automation solutions.

Healthcare Software

TeleTracking Technologies Acquires RadarFind

On September 22nd, TeleTracking Technologies, Inc., a firm that develops and delivers patient flow automation solutions to the healthcare industry in the United States and internationally, closed the acquisition of RadarFind Corporation, a firm that develops and markets patent tracking and monitoring solutions for the healthcare industry for an undisclosed amount. The acquisition will further advance the mutual goal of delivering automated solutions that can simplify hospital practices to improve patient care.

Legal Software

IRIS Group Acquires Formation Software

On August 14th, IRIS Group Limited, an UK-based firm that engages in designing, developing, and selling payroll, human resource, accounting, and ERP systems, as well as specialist software and solutions in the United Kingdom, closed the acquisition of Formation Software Limited, an UK-based provider of legal software for barrister chambers practicing in commercial law and litigation in the United Kingdom, for an undisclosed amount. The acquisition bolsters IRIS's presence in the barrister sector.

Retail Software

JDA Acquires 49.0% of Strategix

On July 7th, JDA Software Group Inc. (NasdaqGS:JDAS), a provider of enterprise software solutions in the Americas, Europe, and the Asia Pacific, closed the acquisition of a 49.0% stake of Germany-based Strategix Enterprise Technology GmbH, a provider of category management processes, retail space optimization, and modern merchandising solutions to retailers and manufacturers, for an undisclosed sum. With this agreement, Strategix will team with JDA's existing operations in Europe to rapidly expand JDA's presence for its entire suite of products in both manufacturing and retailing throughout Central and Eastern Europe and Russia.

Financial Software

Ebix Acquires Peak Performance Solutions

On September 30th, Ebix Inc. (NasdaqGS:EBIX), a software and e-commerce solutions provider for the insurance industry focusing on the sale, customization, development, implementation, and support of insurance carrier system platforms, closed the acquisition of Peak Performance Solutions, Inc., an insurance software and technology solutions provider to insurance companies, self-insured entities, and risk management organizations, for \$9.50m in cash and a potential earn-out cash payment. The acquisition will further strengthen Ebix's position in the fast-growing risk management and claims processing sector of the insurance industry.

Roamware Acquires Macalla Software

On September 9th, Roamware, Inc., a provider of mobile voice and data roaming solutions, and media-centric applications for mobile users, closed the acquisition of Macalla Software Ltd., an Ireland-based firm that designs and develops mobile, financial, and payment software solutions, for an undisclosed amount. The acquisition enhances Roamware's m-commerce tools.

Kofax Acquires 170 Systems

On September 7th, Kofax plc. (LSE:KFX), a firm that engages in the development and marketing of intelligent capture and exchange solutions and services, closed the acquisition of 170 Systems, Inc., a firm that offers software solutions for financial processes, for \$43.0m. Based on the enterprise value of \$32.9m, the

transaction was valued at 1.2x LTM revenue. The acquisition positions Kofax for leadership in the rapidly growing invoice processing market.

Harris Acquires The Resource Management Business of MediSolution

On September 3rd, Harris Computer Systems, Inc., a Ontario-based provider of utility customer information systems, billing, and financial management software for municipal, utility, and school customers, closed the acquisition of the Resource Management Business of MediSolution Ltd., a Quebec-based unit provides financial management software such as accounts receivable, budgeting and materials management as well as human capital management tools including human resource management, staff scheduling and payroll processing, for \$27.1m. The acquisition provides Harris expansion within both the healthcare vertical and within the province of Quebec.

Actimize Acquires Fortent

On August 31st, Actimize, Inc., a provider of enterprise-wide software solutions for brokerage compliance, anti-money laundering, and fraud prevention for mid-sized and global financial institutions, closed the acquisition of Fortent, Inc., a provider of risk and compliance solutions to financial institutions, government agencies, and compliance professionals in the United States and internationally, for \$73.5m in cash. The acquisition establishes Actimize as the industry's largest and broadest risk and financial crime solutions provider.

Bendigo and Adelaide Bank Acquires 14.2% Strategic Payments Services

On July 31st, Bendigo and Adelaide Bank Limited (ASX:BEN), an Australia-based provider of various banking and other financial services to households, and small to medium businesses, closed the acquisition of a 14.2% stake of Strategic Payments Services Pty Ltd., a firm that designs and develops electronic payments processing solutions for financial institutions, retailers, and businesses in Australia, for \$4.16m. The transaction has an implied enterprise value of \$29.4m and provides Bendigo and Adelaide Bank with enhanced payment processing capabilities.

Aepona Acquires Valista

On July 6th, Aepona Ltd., an UK-based firm that develops and supplies telecom service layer

products and solutions to telecommunications, service layer, and service delivery platform market segments, closed the acquisition of Ireland-based Valista, Ltd., a provider of multi-channel merchandizing, payments, and settlement solutions in Ireland and internationally, for an undisclosed sum. The acquisition creates a powerful, independent vendor, operating under the Aepona brand, with a complete solution.

Other Software

IHS Acquires Environmental Support Solutions

On September 17th, IHS Inc. (NYSE: IHS), a provider of critical information and insight products through Internet-based applications and portals, closed its acquisition of Environmental Support Solutions, Inc., a provider of environmental, health, and safety, and crisis management sustainability software for governance, risk, and compliance, for \$59.0m. Based on this enterprise value, the transaction was valued at 3.0x LTM revenue. The acquisition allows HIS to strengthen its capabilities in providing software solutions.

TrustWave Holdings Acquires Vericept Corporation

On September 10th, TrustWave Holdings, Inc., an enterprise information assurance company that provides security solutions and services for commercial and government organizations, closed the acquisition of Vericept Corporation, a firm that offers compliance, intellectual property, and customer data solutions for various industries, for an undisclosed amount. The acquisition enhances TrustWaves compliance suite.

Applied Signal Acquires Pyxis Engineering

On September 1st, Applied Signal Technology, Inc. (NasdaqGS:APSG), a provider of intelligence, surveillance, and reconnaissance solutions for the defense, intelligence, and homeland security markets, closed the acquisition of Pyxis Engineering LLC, a provider of intelligence, surveillance, and reconnaissance solutions for the defense, intelligence, and homeland security markets, for \$20.0m in cash and stock. Based on this enterprise value, the transaction was valued at 1.7x LTM revenue. The Pyxis acquisition complements and reinforces Applied Signal

Technology's existing software and network services business.

Siemens IT Solutions to Acquire 60.0% of Energy4U

On August 25th, Siemens IT Solutions and Services GmbH & Co. OHG, a Germany-based provider of information technology (IT) solutions and services, announced the acquisition of a 60.0% stake of Energy4U GmbH, a Germany-based provider of information technology solutions for the energy sector in Germany, for an undisclosed amount. The acquisition allows Siemens IT Solutions to strengthen the smart grid portfolio for utility companies in the area.

TAKE Supply Chain Acquires PSI Software

On August 12th, TAKE Supply Chain, a provider of supply chain management software solutions, closed the acquisition of PSI Software, Inc., a provider of compliance automation and trade management software applications for manufacturers, and customs and traffic departments in North America, for an undisclosed sum. The acquisition solidifies TAKE's commitment to global trade management.

Health Systems Acquires @Global

On July 31st, Health Systems International, LLC (HSI), a firm that offers outsourced medical cost management solutions to payers and health care provider networks in the United States and internationally, closed the acquisition of @Global, Inc., a firm that develops insurance technology, claims administration, and medical cost management software and solutions for insurers, TPA's, MCO's, and employers, for an undisclosed amount. @Global makes an exceptional fit for HSI by not only enhancing the infrastructure of all HSI solutions but also providing additional software applications for clients to help them control medical cost.

Vista Equity Partners Acquires MicroEdge

On July 27th, Vista Equity Partners, a private equity firm specializing in investments in management and leveraged buyouts, growth and acquisition financings, recapitalizations, restructurings, spinouts, divestitures, and going private transactions, closed the acquisition of MicroEdge, Inc., a provider grants management software solutions to the giving community in the United States and internationally, for \$30.7m.

Marlin Equity Partners Acquires Servigistics

On July 7th, Marlin Equity Partners, LLC, a private equity firm, closed the acquisition of Servigistics, Inc., a provider of strategic service management solutions, for an undisclosed amount.

**Infrastructure Software & Enterprise
Management Software (EMS)**

**TA Associates Acquires 25.0% of AVG
Technologies**

On September 30th, TA Associates, Inc., a private equity and venture capital firm which primarily invests in private companies with a focus of consumer and retail, technology, financial services, business services, and healthcare businesses, closed the acquisition of a 25.0% stake in AVG Technologies CZ, s.r.o., a Czech Republic-based provider of home security products such as AVG Internet security products and AVG Anti-Virus plus firewall products, for approximately \$200m. Based on the enterprise value of \$800m, the transaction was valued at LTM 5.7x revenue.

**A Consortium of Private Equity Investors
Acquires PKWARE**

On September 23rd, an investment group, including Novacap Investments, Maranon Capital, and the management of PKWARE, Inc., closed the acquisition of PKWARE Inc., a provider of data-centric security solutions for various computing platforms for an undisclosed amount.

**Arkoon Network Security to Acquire SkyRecon
Systems**

On September 21st, Arkoon Network Security (ENXTPA: ALARK), a France-based firm that develops network security equipments to protect enterprises against various kinds of threats, intrusion attempts, worms, and deny of service, announced the acquisition of SkyRecon Systems SA, a France-based company that designs and develops systems and data security solutions for an undisclosed amount. Through the acquisition, Arkoon Network Security will consolidate its position as a major player on the security solutions market: network, communication, data and endpoint protection. Also, it will strengthen its foothold in the mid-market and key account customer segments.

CA to Acquire NetQos

On September 14th, CA, Inc. (NasdaqGS:CA), a firm that engages in the design, development, marketing, licensing, and support of information technology (IT) management software products, announced the acquisition of NetQoS, Inc., a provider of network performance management products and services to manage network

infrastructure for application performance for \$200m in cash. CA officials said the purchase will give its customers more options for monitoring and delivering applications and services within the enterprise.

VeriChip to Acquire Steel Vault

On September 4th, VeriChip Corporation (NasdaqCM:CHIP), a provider of radio frequency identification (RFID) systems for healthcare and patient-related needs in the United States, announced the acquisition of Steel Vault Corporation (OTCBB:SVUL), a provider of identity security products and services primarily on a subscription basis for \$10.7m. Based on this enterprise value, the transaction was valued at 25.6x LTM revenue. The companies believe that joining personal health records and identity security solutions provides a solid foundation for organic growth and a strong, flexible platform for future offers.

**Platform Computing Acquires Hewlett-Packard's
HP-MPI**

On August 24th, Platform Computing Inc., an Ontario-based provider of high performance computing management software solutions, closed the acquisition of Hewlett-Packard Company's HP-MPI (Message Passing Interface) software, for an undisclosed amount. The acquisition expands Platform Computing's business and extends partner value within the HPC ecosystem.

Tibco Software Acquires Datasynapse

On August 21st, Tibco Software Inc. (NasdaqGS:TIBX), a provider of infrastructure software solutions in the Americas, Europe, the Middle East, Africa, Asia Pacific, and Japan, closed the acquisition of Datasynapse, Inc., a provider of application service management software for data centers, for \$27.7m in cash. Tibco's customer benefits include improved utilization of data center resources, lower IT capital expenditures, reduced time to deployment of enterprise applications, and increased performance of mission-critical systems.

Symark Acquires Beyondtrust

On August 19th, Symark International, Inc., an identity and access management security software company, closed the acquisition of Beyondtrust Corporation, a firm that develops and markets enterprise security products, for an undisclosed

sum. The acquisition allows Symark to complete a reverse merger.

Teneo Acquires iSimile

On August 14th, Teneo Ltd., a UK-based provider of solutions that help customers with management, performance, and virtualization of information technology systems, closed the acquisition of iSimile Limited, an UK-based firm that designs, implements, and supports business continuity and assurance solutions for enterprise and service provider organizations, for an undisclosed sum. The acquisition enhances Teneo's enterprise management solutions.

Industrial & Financial Systems Acquires Multiplus

On August 13th, Industrial & Financial Systems IFS AB (OM:IFS B), a Norway-based firm that supplies component-based enterprise applications that are developed using open standards and service oriented architecture, closed the acquisition of Multiplus Solutions AS, a Norway-based firm that develops enterprise software solutions, for an undisclosed amount. The acquisition will further strengthen IFS' market position with respect to project-based solutions for targeted industry sectors.

Fluke Networks Acquires AirMagnet

On August 13th, Fluke Networks, Inc., a provider of software solutions for the installation, certification, testing, monitoring, and analysis of copper, fiber, and wireless networks used by enterprises and telecommunications carriers, closed the acquisition of AirMagnet, Inc., a provider of security, performance, and compliance solutions for wireless local area networks, for an undisclosed sum. The acquisition of AirMagnet is expected to create a global leader in the fast growing area of Wi-Fi testing and further strengthen Fluke Networks' worldwide leadership in test and analysis for networks, regardless of media type.

BMC Software Acquires MQSoftware

On August 10th, BMC Software Inc. (NYSE:BMC), a developer of software that provides system and service management solutions primarily for enterprises in the United States and internationally, closed the acquisition of MQSoftware, Inc., a provider of business transaction assurance solutions, middleware management, and enterprise application

integration products, for an undisclosed sum. The acquisition expands BMC's leading Business Service Management platform, which already provides customers comprehensive views of their mainframe and distributed systems, to include their entire middleware infrastructure and high-value business transactions it supports.

VMware Acquires SpringSource

On August 7th, VMware, Inc. (NYSE:VMW), a provider of virtualization solutions, closed the acquisition of SpringSource, Inc., a firm that designs, builds, and delivers a suite of software products to build, run, and manage enterprise Java applications, for \$466m in cash and stock. With this acquisition, VMware and SpringSource plan to deliver compelling new solutions that enable companies to more efficiently build, run and manage applications within both internal and external cloud architectures.

GFI Software Acquires HoundDog

On July 28th, GFI Software Ltd., a Malta-based developer of network security, content security, and messaging software for network administrators, closed the acquisition of HoundDog Technology Limited, an UK-based provider of managed services software for remote monitoring and management of IT support companies, for an undisclosed amount. The acquisition provides GFI customers with a range of services that include both on-premise and on-line solutions.

IBM Acquires Ounce Labs

On July 28th, International Business Machines Corp. (NYSE:IBM), a firm that develops and manufactures information technology products and services worldwide, closed the acquisition of Ounce Labs, Inc., a firm that delivers source code vulnerability analysis solutions to identify, prioritize, and eliminate business risk to the enterprise caused by software security vulnerabilities, for an undisclosed amount. The acquisition adds source code security testing to IBM's arsenal.

Oracle Acquires GoldenGate Software

On July 23rd, Oracle Corp. (NasdaqGS:ORCL), an enterprise software company, closed the acquisition of GoldenGate Software, Inc., a provider of transactional data management software solutions, for an undisclosed amount. The acquisition adds to Oracle's arsenal in hopes of

improving monitoring and reporting for tasks such as server migrations and system upgrades.

LSI Acquires ONStar

On July 22nd, LSI Corporation (NYSE:LSI), a firm that engages in the design, development, and marketing of semiconductors and storage systems, closed the acquisition of ONStar, Inc., a provider of Storage Area Network (SAN) file service solutions for storage area networks that consolidates, manages, and scales storage resources, for \$25.0m. The acquisition enhances LSI's IT capabilities.

HP Acquires IBRIX

On July 17th, Hewlett-Packard Company (NYSE:HPQ), a provider of a range of products, technologies, software, solutions, and services worldwide, closed the acquisition of IBRIX, Inc., a provider of file serving solutions for cluster, grid, and enterprise computing environments, for an undisclosed amount. The acquisition allows HP to extend scale-out storage capabilities.

System C Healthcare Acquires Liquidlogic

On July 16th, System C Healthcare plc (AIM:SYS), an UK-based provider clinical information systems and services to the healthcare sector, closed the acquisition of Liquidlogic Limited, an UK-based developer of service based software architecture for virtual organizations and extended enterprises, for \$23.2m. Based on this enterprise value, the transaction was valued at 2.2x LTM revenue. The acquisition represents a significant strategic advance in terms of anchoring its position in the health and social care sectors for System C.

Barracuda Networks Acquires 77.8% of Phion

On July 16th, Barracuda Networks, Inc., a firm that designs, develops, manufactures, distributes, and sells email and Web security appliances, closed the acquisition of a 77.8% stake of Phion AG (WBAG:PHIO), an Australia-based provider of communication protection solutions primarily in Austria, Germany, and Switzerland, for \$16.7m. Based on the enterprise value of \$13.9m, the transaction was valued at 0.8x LTM revenue. The acquisition brings a next generation of firewall technology to the more than 85,000 Barracuda Networks customers worldwide.

Numara Acquires Criston

On July 13th, Numara Software, Inc., a provider of service desk management solutions for information technology (IT) and support

professionals, closed the acquisition of Criston SA, a France-based firm that provides information technology (IT) and security management solutions, for an undisclosed amount.

Giesecke & Devrient Gesellschaft mit beschränkter Haftung Acquires 26.4% of Secunet

On July 10th, Giesecke & Devrient Gesellschaft mit beschränkter Haftung, a Germany-based firm that engages in the business of printing banknotes and securities, as well as development and production of security paper and currency automation equipment, closed the acquisition of a 26.4% stake of Secunet Security Networks AG (XTRA:YSN), a Germany-based provider of information technology (IT) security products/solutions and consulting services, for \$13.5m. Based on the enterprise value of \$40.4m, the transaction was valued at 0.5x LTM revenue and 12.0x LTM EBITDA. Acquiring this share package will allow the Munich-based company to strengthen its foothold and continue expanding its excellent market position in this segment.

MotionSoft Acquires Belmont Associates

On July 9th, MotionSoft, Inc., a provider of fitness, gym, and recreation club management and marketing software solutions, closed the acquisition of Belmont Associates, Inc., a firm that designs, develops, and delivers hosted and desktop club management software solutions for organizations, medically based fitness centers, and independent fitness facilities in North America, for an undisclosed amount. The acquisition enhances MotionSoft's operations with the software solutions.

A Consortium of Private Equity Investors Acquire MCS Software

On July 7th, A Consortium of Private Equity Investors including Symphony Technology Group, Elliott Management Corporation, Elliott Capital Advisors, and Elliott International Capital Advisors Inc, closed the acquisition of MSC Software Corp. (NasdaqGS:MSCS), a firm that engages in the development, marketing, and support of simulation software and related services, for \$387m. Based on the enterprise value of \$238m, the transaction was valued at 1.0x LTM revenue and 12.0x LTM EBITDA.

Business Services

Financial BPO Services

Mphasis Acquires AIG Systems Solutions

On September 30th, Mphasis Limited (BSE:526299), an India-based provider of application development and maintenance services, infrastructure technology outsourcing (ITO) services, and business process outsourcing (BPO) solutions, closed the acquisition of AIG Systems Solutions Pvt. Ltd., an India-based provider of information technology solutions and customer services in the United States, Europe, and the Asia Pacific regions, for an undisclosed amount. The acquisition will allow Mphasis to leverage the combined capabilities to offer industry specific solutions.

Computershare Acquires The Transfer Agency Business of National City

On August 3rd, Computershare Ltd. (ASX:CPU), an Australia-based provider of investor services, such as share registration, employee equity plans, proxy solicitation, and other specialized financial, governance, and stakeholder communication services, closed the acquisition of National City Corporation's Transfer Agency Business, a provider of services to 155 companies and maintains 500,000 shareholder accounts, for \$16.2m. The acquisition bolsters Computershare's back office capabilities.

Other BPO

Xerox to Acquire Affiliated Computer Services

On September 27th, Xerox Corporation (NYSE:XRX), a firm that engages in the development, manufacture, marketing, servicing, and financing of document equipment, software, solutions, and services worldwide, announced the acquisition of Affiliated Computer Services, Inc. (NYSE:ACS), a provider of business process outsourcing and information technology (IT) services to commercial and government clients in the United States, for \$10.1b. Based on the enterprise value of \$9.33b the transaction is valued at 1.4x LTM revenue and 9.0x LTM EBITDA. The transaction will enable Xerox to expand to outsourcing and data center management business through ACS's expertise in managing and automating work processes.

Chylla, Kern, and Jordan Acquire 51.0% of Kloeckner Information Services

On September 16th, three investors closed the acquisition of a 51.0% stake in Kloeckner Information Services GmbH, a Germany-based firm that engages in business process and IT consulting for an undisclosed amount.

Diadeis Acquires Infotechnique

On September 4th, Diadeis, a France-based provider of documentary information processing and management services, closed the acquisition of Infotechnique SA, a Luxembourg-based digital processing and document outsourcing firm, for an undisclosed amount. The acquisition allows Diadeis to strengthen its future digitization poles and advertising.

GlobalLogic Acquires Movius Interactive Corporation's Captive Development Center

On August 3rd, GlobalLogic, Inc., a provider of software product development services to Version 1.0, start-up, emerging, and established technology companies, closed the acquisition of Movius Interactive Corporation's Captive Development Center, an India-based captive center that engages in software development service, for an undisclosed sum. The acquisition strengthens captive capabilities for GlobalLogic.

CriticalControl Acquires BPO Management Services

On July 30th, CriticalControl Solutions Corp. (TSX:CCZ), an Alberta-based firm that builds, implements, and manages business process solutions in Canada, closed the acquisition of BPO Management Services Ltd, a provider of enterprise content management products, services, and solutions in North America, for \$4.40m. The addition of BPO to CriticalControl's government imaging and outsourcing business is a key strategic geographic expansion.

IT Services

MTS Allstream Acquires VisionIP Technologies

On September 29th, MTS Allstream Inc., a Canada-based firm that provides communication solutions for midsized and enterprise business, and the public sector in the United States, closed the acquisition of VisionIP Technologies, also a Canada-based firm that provides information technology consulting, infrastructure, deployment, and support services to businesses in

various sectors including manufacturing, retail, healthcare, and education, for an undisclosed amount. The acquisition demonstrates the MTS Allstream's dedication to providing unified communications offerings, which is a key area of growth.

Tactical Software Systems to Acquire a 41.0% stake in TSS Managed Services

On September 22nd, Tactical Software Systems Ltd., a South Africa-based provider of business solutions for commercial and public enterprises in their country, announced the acquisition of an additional 41.0% stake in TSS Managed Services, a South Africa-based information technology provider of implementation, operation, and support services, for \$55.0m.

Dell to Acquire Perot Systems

On September 20th, Dell Inc. (NasdaqGS: DELL), a firm that engages in the design, development, manufacture, marketing, sale, and support of computer systems and services worldwide, announced the acquisition of Perot Systems Corp. (NYSE: PER), an information technology services provider worldwide, for \$4.10b. Based on the enterprise value of \$3.77b the transaction is valued at 1.4x LTM revenue and 13.6x LTM EBITDA. The transaction will significantly expand Dell's enterprise-solutions capabilities and make Perot's systems strengths available to more customers globally.

Beijing Digital China Information Technology Acquires Digital China Information Technology

On September 15th, Beijing Digital China Information Technology Academe Co. Ltd., announced the agreement to acquire a 19.5% stake in Digital China Information Technology Services Company Limited, a Chinese information technology consultancy services provider, for \$58.6m.

Cognizant Acquires Pepperweed Advisors

On September 8th, Cognizant Technology Solutions Corp. (NasdaqGS:CTSH), a provider of information technology (IT) consulting and technology services, as well as outsourcing services, closed the acquisition of Pepperweed Advisors, LLC, a provider of information technology (IT) management consulting and professional services in Pennsylvania, for an undisclosed amount. The acquisition allows Cognizant clients to benefit from a broader

process consulting portfolio with the addition of Pepperweed's capabilities.

Black & Veatch Acquires Ariston Consulting

On September 4th, Black & Veatch Holding Company, an engineering, consulting, and construction company, closed the acquisition of Ariston Consulting & Technologies Inc., a provider of consulting and technology services in the United States, for an undisclosed amount. The acquisition bolsters the Black & Veatch Enterprise Management Solutions Division.

World Wide Technology Acquires Server Centric

On August 31st, World Wide Technology, Inc., a provider of information technology and supply chain solutions to the commercial, government, and telecom sectors, closed the acquisition of Server Centric Consulting LLC, a provider of information technology services in the areas of access, virtualization, and optimization of data and software applications, for an undisclosed amount. The acquisition helps accelerate World Wide Technology's go to market strategy domestically and internationally.

NTT DATA Asia Pacific to Acquire 51.0% of Extend Technologies

On August 28th, Singapore-based NTT DATA Asia Pacific Pte. Ltd announced the acquisition of a 51.0% stake of Extend Technologies Pty Ltd., an Australia-based business applications and transformation company that designs, implements, and supports SAP solutions for medium and large organizations in Australia and New Zealand, for an undisclosed amount. The acquisition provides NTT DATA Asia Pacific with growth in the Australia and New Zealand markets.

Ausy Acquires Data Flow

On August 28th, Ausy SA (ENXTPA:OSI), a France-based provider of engineering and technology consulting services primarily to industrial and services sectors, closed the acquisition of Data Flow Consultancy B.v.b.a., a Belgium-based company involved in outsourcing and co-sourcing of IT projects, for an undisclosed amount.

The Onyx Group Acquires Moffat Communications

On August 13th, The Onyx Group, an UK-based provider of Internet connectivity services in the United Kingdom, closed the acquisition of Moffat Communications Ltd., an UK-based provider of information technology consulting services to the financial services sector, for an undisclosed amount. The acquisition helps Onyx expand nationally.

Interactive E-Solutions Acquires SimplifyIT

On August 5th, Interactive E-Solutions LLC, a provider of information technology outsourcing services, closed the acquisition of SimplifyIT LLC, a provider of outsourced information technology services, for an undisclosed amount. The acquisition is expected to scale up the size of both businesses.

Bunker Hill Capital Acquires /n Spro

On August 4th, Bunker Hill Capital, a private equity and venture capital firm specializing in lower middle market, buyout, recapitalization, industry consolidation, emerging growth, and growth capital transactions of lower middle market companies, closed the acquisition of /n Spro Inc., a provider of SAP and implementation consulting solutions to public, high tech, pharmaceuticals, and oil and gas sectors in North America, for an undisclosed amount.

NCI Acquires TRS Consulting

On July 31st, NCI Information Systems, Inc., a firm that operates as an information technology company in the United States, closed the acquisition of TRS Consulting, Inc., a firm that operates as an information technology (IT) professional services and training company in the United States, for \$24.0m. The acquisition scales up NCI's business.

Cap Gemini Acquires IACP Informatique

On July 29th, Cap Gemini S.A. (ENXTPA:CAP), a France-based provider of information technology (IT), outsourcing, and consulting services, closed the acquisition of IACP Informatique S.A.S., a France-based provider of Information technology consultation services to banks and insurance companies for an undisclosed amount. The acquisition provides additional IT consulting expertise to Cap Gemini.

Global Equity Capital Acquires Northrop Grumman's Commercial IT Services Organization

On July 28th, Global Equity Capital, LLC, a private equity firm specializing in buyouts, take companies private, and recapitalization transactions, closed the acquisition of Northrop Grumman Corp's Commercial IT Services Organization, a provider of installation, maintenance, and lifecycle services relating to information technology products and managed desktop services, for an undisclosed amount.

UC4 Software Acquires SENACTIVE IT-Dienstleistungs

On July 21st, UC4 Software GmbH, an Australia-based firm that provides workload automation, job scheduling, and information technology (IT) process optimization solutions, closed the acquisition of SENACTIVE IT-Dienstleistungs GmbH, an Australia-based provider of software solutions and consulting services that enable the processing of various events and ensure the integration into the existing IT-systems, for an undisclosed amount. The acquisition enhances UC4's reach in Australia.

Mikojo Acquires LG Holding Corporation

On July 20th, Mikojo Inc., a provider of search services and technology, closed the acquisition of LG Holding Corporation, a provider of information technology service support to business organizations, for an undisclosed amount. The completion of this merger enables Mikojo to broaden its investor base, create a liquid market stock, and support the accelerated execution of strategic plans.

An Unknown Buyer Acquires 59.1% of Tiscon

On July 20th, An unknown buyer closed the acquisition of a 59.1% stake of Tiscon AG Infosystems (DB:TIS), a German-based provider of information technology related solutions and services, for an undisclosed amount.

Core BTS Acquires More Than Computers

On July 17th, Core BTS, Inc., a firm that operates as a business technology consulting and integration company, closed the acquisition of More Than Computers, Inc., a firm that operates as a business solutions provider specializing in technology consulting, education, and procurement, for an undisclosed sum. The

acquisition enhances Core BTS' engineering capabilities.

HCL Axon Acquires UCS Solutions' Enterprise Solutions SAP Practice

On July 16th, HCL Axon, an UK-based firm that designs, implements, and supports solutions to business issues faced by organizations, closed the acquisition of South Africa-based UCS Solutions Holdings (Pty) Ltd.'s Enterprise Solutions SAP Practice, a unit that offers retail and wholesale SAP project implementation services, for \$15.4m. This partnership allows UCS Group to grow its annuity services business internationally besides expanding HCL Axon's market presence in South Africa.

Glodyne Technoserve Acquires Broadllyne

On July 16th, Glodyne Technoserve Ltd (BSE:532672), an India-based provider of technology infrastructure management services (IMS) and application software services in India and internationally, closed the acquisition Broadllyne Technologies Ltd., an India-based firm that provides managed software services to clients in education, and the engineering, procurement, and construction industries, for an undisclosed amount. Broadllyne's acquisition will add new key relationship in the education sector across India.

Forsythe Acquires Paragon

On July 13th, Forsythe Solutions Group, Inc., a provider of technology infrastructure solutions, closed the acquisition of Paragon Solutions Group, Inc., a firm that designs and implements information technology infrastructure services and solutions, for an undisclosed amount. This acquisition enhances Forsythe's ability to provide IBM server and storage products and services.

CSC Acquires BearingPoint's Brazil Operation

On July 10th, Computer Sciences Corporation (NYSE:CSC), a provider of information technology (IT) and business process outsourcing, and IT and professional services to the commercial and government markets, closed the acquisition of Bearingpoint Inc.'s Brazilian Operations, a unit that provides technology integration services, which include designing, building, and implementing system applications and related processes, for an undisclosed amount. The acquisition enhances CSC's capabilities in Brazil.

Keane Acquires Remaining North American Commercial Business of BearingPoint

On July 8th, Keane, Inc., a provider of information technology consulting and outsourcing services, closed the acquisition of the remaining portion of the North American Commercial Business of Bearingpoint Inc., a unit that comprises business which offers management and technology consulting services including the New York City practice, for \$5.50m. The acquisition provides greater services capabilities throughout North America.

Engineering Ingegneria Acquires 76.0% of Engisud

On July 3rd, Engineering Ingegneria Informatica SpA (CM:ENG), an Italy-based firm that operates mainly in the information technology services and software sector in Italy, closed the acquisition of a 76.0% stake in Engisud Spa, an Italy-based provider of system solutions and consulting services, for an undisclosed sum.

PUBLIC COMPANY SOFTWARE & BUSINESS SERVICES UNIVERSE

APPLICATION SOFTWARE UNIVERSE
Customer Relationship Mgmt. (CRM)

<u>Company</u>	<u>Ticker</u>
Art Technology Group	ARTG
Chordiant Software	CHRD
Kana Software	KANA.PK
RightNow Technologies	RNOW
salesforce.com	CRM
Digital River	DRIV
Live Person	LPSN
Interactive Intelligence	ININ

Accounting / ERP

<u>Company</u>	<u>Ticker</u>
Intuit	INTU
Lawson Software	LWSN
Oracle	ORCL
SAP	SAP
Sage	SGE
Epicor	EPIC
QAD	QADI
American Software	AMSW.A

Retail

<u>Company</u>	<u>Ticker</u>
Radiant Systems	RADS
Retailix*	RTLX

Human Capital Management

Callidus	CALD
Concur	CNQR
Kenexa	KNXA
Taleo	TLEO
Ultimate Software	ULTI

Supply Chain Automation

<u>Company</u>	<u>Ticker</u>
<u>Planning</u>	
Aspen Technology	AZPN
i2 Technologies	ITWO
JDA Software	JDAS
<u>Logistics & Execution</u>	
Descartes Systems Group	DSGX
Manhattan Associates	MANH

Product Lifecycle Mgmt.

Parametric Technology	PMTC
Dassault	DSY

Procurement

<u>Company</u>	<u>Ticker</u>
Ariba	ARBA
Clarus	CLRS.PK
ClickSoftware Technologies	CKSW
Selectica	SLTC

Knowledge / Content Mgmt.

<u>Company</u>	<u>Ticker</u>
Adobe Systems	ADBE
BroadVision	BVSN
Convera	CNVR
OpenText	OTEX

*On February 14th, Retailix received a non-binding offer for 100% of its outstanding share. The transaction has yet to close as of end of 3Q 2009

EMS / INFRASTRUCTURE SOFTWARE UNIVERSE
Application / Systems (Production) Mgmt.

<u>Company</u>	<u>Ticker</u>
BMC Software	BMC
CA	CA
Netscout Systems	NTCT
Quest Software	QSFT

Development/Deployment (Pre-Production)

<u>Company</u>	<u>Ticker</u>
Compuware	CPWR
Keynote Systems	KEYN

Business Intelligence

<u>Company</u>	<u>Ticker</u>
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Data Integration

Actuate	ACTU
Informatica	INFA

Financial BI

MicroStrategy	MSTR
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Analytics

Fair Isaac	FIC
Pegasystems	PEGA
Verint Systems	VRNT

Communications / Speech

<u>Company</u>	<u>Ticker</u>
TeleCommunication Systems	TSYS

Security Software

<u>Company</u>	<u>Ticker</u>
Access / Public Key Infrastructure / Encryption	
ActivIdentity Corporation	ACTI
Blue Coat Systems	BCSI
Diversinet	DVNTF.OB
VASCO	VDSI
VeriSign	VRSN
Zix	ZIXI

Firewall/ VPN

Check Point Software Technologies	CHKP
SonicWALL	SNWL
Websense	WBSN

Anti-Virus

McAfee	MFE
Symantec	SYMC
Trend Micro	TMIC

Integration / Middleware

<u>Company</u>	<u>Ticker</u>
Citrix Systems	CTXS
Jacada	JCDA
Progress Software	PRGS
Source Forge	LNUX
Sybase	SY
TIBCO Software	TIBX

Platform / OS

<u>Company</u>	<u>Ticker</u>
Hewlett-Packard	HPQ
IBM	IBM
Microsoft	MSFT
Novell	NOVL
Red Hat	RHT
Sun Microsystems*	JAVA

*On April 19th, Oracle Corp. signed a definitive agreement to acquire Sun Microsystems Inc. The transaction has yet to close as of end of 3Q 2009

BUSINESS SERVICES UNIVERSE
IT Integration & Consulting

<u>Company</u>	<u>Ticker</u>
Accenture	ACN
CIBER	CBR
Diamond Management	DPI
iGate	IGTE
Management Network Group, The	TMNG
Ness Technologies	NSTC
Perficient	PRFT
Sapient	SAPE
Technology Solutions	TSCC
The Hackett Group (fka Answerthink)	HCKT
Tier Technologies	TIER

Education & Training

<u>Company</u>	<u>Ticker</u>
Learning Tree International	LTRE
New Horizons Worldwide	NEWH.PK
SkillSoft	SKIL
VCampus	VCMP

IT Staff Augmentation

<u>Company</u>	<u>Ticker</u>
Analysts International	ANLY
MPS Group	MPS
TeamStaff	TSTF

Government IT Services

<u>Company</u>	<u>Ticker</u>
CACI International	CAI
ManTech International	MANT
MAXIMUS	MMS
SRA International	SRX

International IT Services

<u>Company</u>	<u>Ticker</u>
Atos Origin	ATO
Cap Gemini	CAP
Dimension Data Holdings	DMDHF.PK
LogicaCMG	LGIAF.PK
TIVIT Terceirização de Tecnologia e Serviços*	TVIT3

*On September 9th, TIVIT Terceirização de Tecnologia e Serviços raised \$319m in an IPO

Indian / Offshore IT Services

<u>Company</u>	<u>Ticker</u>
Cognizant Technology Solutions	CTSH
HCL Technologies	BSE:532281
Infosys Technologies	BSE:500209
Patni Computer Systems	BSE:532517
Syntel	SYNT
Tata Consultancy Services	BSE:532540
Wipro	BSE:507685

Call Center

<u>Company</u>	<u>Ticker</u>
APAC Customer Services	APAC
ICT Group	ICTG
Sykes Enterprises	SYKE
TeleTech Holdings	TTEC

Business Process Outsourcing (BPO)

<u>Company</u>	<u>Ticker</u>
HR / Administration Services	
Automatic Data Processing	ADP
DST Systems	DST
FirstService	FSRV
Iron Mountain	IRM
Paychex	PAYX
Watson Wyatt Worldwide	WW

Customer Care / Billing Services

Convergys	CVG
CSG Systems International	CSGS

Financial Services BPO & IT Solutions

See Next Page

FINANCIAL SERVICES IT SOLUTIONS UNIVERSE
IT Outsourcing

Company	Ticker
<u>Platform IT Outsourcing</u>	
CGI Group	GIB.A
CSC	CSC
Perot Systems	PER
Unisys	UIS

Managed Hosting / Services

NaviSite	NAVI
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Bank Processing

Company	Ticker
<u>Outsourced Solutions</u>	
Equifax	EFX
Fiserv	FISV

In-House Solutions

Jack Henry	JKHY
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Internet Solutions

Bottomline Technologies	EPAY
S1	SONE

Bank Processing (Continued)

Company	Ticker
<u>Bill e-Presentation & e-Payment</u>	
CyberSource	CYBS
Heartland Payment Systems	HPY
Online Resources	ORCC

Credit / Debit Card Processing

Company	Ticker
Brasileira De Meios De Pagamento	VNET3
Fundtech	FNDT
Global Payments	GPN
Total System Services	TSS
Transaction Systems Architects	TSAI

Insurance Solutions

Company	Ticker
CorVel	CRVL
Ebix	EBIX
Insure.com	NSUR
InsWeb	INSW

Investment Solutions

Company	Ticker
Advent Software	ADVS
BGC Partners	BGPC
NYFIX	NYFX.PK
Thomson Corp.	TOC.TO

Pharus Advisors, LLC Overview

Introduction

Pharus Advisors, LLC ("Pharus") is a boutique investment bank providing focused merger & acquisition, financing, and restructuring advisory services in a variety of industries. Our industry practice areas are:

- Enterprise and Systems Management Software
- Business Process Outsourcing and IT Services
- Media / Broadcasting Technology and Services
- Financial Technology
- Cleantech
- Consumer Products
- Selected Traditional Industries

Pharus' principals established the firm with a commitment to provide clients a high level of attention, independent and objective advice, and creative solutions in challenging environments. With significant expertise our team can help investors, Boards of Directors, and executives evaluate challenging situations and develop defined strategies to maximize value on an expedited basis.

Broad and Deep Knowledge of Sectors

Pharus prides itself in maintaining a deep understanding of sectors in which we serve clients. We feel greater level of strategic understanding allows for added creativity.

Highly Customized Approach for Each Client

Pharus takes additional steps to develop an in-depth understanding of our clients' businesses and marketplaces, and designing and deploying a tailored transaction approach that best meets the needs and sensitivities of each client.

Strong Network of Key Relationships

Clients benefit from the firms' key executive level contacts at relevant companies, private equity, venture capital firms, and debt capital providers.

Highly Experienced and Senior Transaction Team

The Pharus team brings depth and complementary experience of senior professionals to each engagement including: mergers and acquisitions, private and public financings, business development, restructurings, operational turn-arounds, equity research, operations, management consulting and private equity transactions.

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Selected 2009 Transactions

SEMICONDUCTOR



PHARUS ADVISORS



Tejas Silicon Holdings (UK) Limited
has acquired



Pharus Advisors, LLC
is the exclusive financial advisor to
Tejas Silicon Holdings (UK) Limited

May 2009

- Tejas Silicon Holdings (UK) Limited (“TSH”) acquired the photovoltaics (PV) division Solartec International AG out of the SolarTec group on May 20, 2009.
- TSH was founded in early 2007 by a seasoned team of semiconductor industry executives and strategic investment partners to acquire and operate semiconductor fabrication units (“fabs”).
- SolarTeC AG develops and markets solar energy systems. It covers wafer manufacturing, solar glass, development of components, and module production and realization of power plant projects. SolarTeC AG was founded in 2002 and is based in Munich, Germany with additional offices in Spain, Italy, Greece, the United States, China, and Singapore. The company has PV power plants in Claussnitz, Droyssig, and Blumroda, Saxony; and in Seefeld, Bavaria.

SEMICONDUCTOR RECAPITALIZATION



PHARUS ADVISORS



has completed a recapitalization
with sale-lease back financing provided by



Pharus Advisors, LLC
acted as financial advisor to
TELEFUNKEN Semiconductors GmbH Co. KG,
in connection with the recapitalization

August 2009

- Pharus Advisors advised Telefunken Semiconductors (“Telefunken”), an affiliate of Tejas Silicon Holdings (UK) Limited (“TSH”), on its August 26, 2009 recapitalization with Somerset Capital Group, LTD (“Somerset”).
- TSH was founded in 2007 by a seasoned team of semiconductor industry executives with the goal to acquire and operate semiconductor fabrication units, develop value-added foundry business and commercialize its portfolio of analog mixed signal products and manufacturing processes.
- Somerset Capital Group, Ltd. operates as a capital equipment leasing firm. It offers operating leases, capital leases, and purchase leaseback plans, as well as asset based financing and asset management reporting solutions. Somerset Capital Group, Ltd. was founded in 1984 and is based in Bridgeport, Connecticut.

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