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The Lighthouse

First Quarter 2009

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

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Key Highlights:

While Q1 2009 saw very little M&A activity overall, technology M&A and in particular small to medium size transactions fared better when compared to other sectors. The Lighthouse reports the metrics for these transactions when available.

- *Content and Document Management:* **Autonomy** acquires **Interwoven** for approximately \$775 million (2.2x LTM revenue and 13.1x LTM EBITDA).
- *Retail Software:* **First Israel Mezzanine** made three offers during the quarter to acquire the shares of **Retalix**, the latest one for approximately \$8 to \$10 a share, representing a \$163 million to \$204 cash offering (0.6x to 0.8x LTM revenue and 17.8x to 23.4x LTM EBITDA).
- *Renewed activity in Trade Promotion Management:* **Answers** acquires **Helm Software** and **Triplefin** acquires **Flintfox**
- *Business Intelligence:* **Informatica** continues to be acquisitive and to acquire **Applimation** for approximately \$40 million in cash.
- *E-commerce / Financial Technology:* **MasterCard** becomes acquisitive and acquires **Orbiscom** for approximately \$100 million in cash while it raises its stakes in **Strategic Payment Services** by an additional 19.2%.
- *CA continues to be acquisitive:* CA to acquire **Orchestra**.
- *BearingPoint bankruptcy:* **BearingPoint** files for Chapter 11 reorganization and sells assets to **Deloitte LLP** and **PricewaterhouseCoopers** for \$350 million and \$25 million respectively.

Public Valuation Multiples Sector	EV / Revenue		Price / EPS		LTM
	2009	2010	2009	2010	EBITDA
Application Software	1.0x	1.0x	14.8x	12.7x	8.3x
EMS / Infrastructure Software	1.4x	1.5x	11.9x	11.0x	7.0x
IT Services	0.3x	0.3x	9.6x	9.6x	4.1x
BPO	1.5x	1.5x	11.3x	11.1x	6.2x
Financial Technology	1.5x	1.5x	13.3x	11.5x	6.9x

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Executive Summary

General Economic Environment

GDP Growth: Economy outlook is gloomy and activity has contracted over this latest quarter. The U.S. recession deepened as the GDP decreased at an annual rate of 6.1%.

Major Indices: The Dow Jones Industrial Average lost 11.3% in Q1 2009, the S&P 500 decreased by 9.4% for Q1 2009, and the Nasdaq decreased by 0.6% for Q1 2009. All major indices are well into negative territory for the year.

Job Growth: The U.S. unemployment rate touched 8.5% in March with total job losses for March amounted to 694,000. Overall 5.3 million jobs have disappeared over the past 12 months. Most industries shed jobs this quarter, with significant losses in manufacturing, construction.

Interest Rates: The Federal Reserve has cut interest rate seven times last year to reach 0.25% in December 2008. The FED has kept interest rate at this level to continue to stimulate growth.

Energy Prices: As a result of a slow-down of economic growth worldwide, oil prices have dropped dramatically. The barrel of oil traded at around \$50 during the first quarter of 2009.

M&A Environment

The general M&A deal making environment continues to be dim. However the industry was fueled by mega-deals in the pharmaceutical sector.

Overall M&A Market: According to Thomson Financials, the volume of worldwide-announced M&A for the first quarter of 2009 totaled to \$472.7 billion, a 29.3% decrease from the first quarter of 2008 and the lowest level for quarterly deal activity since the third quarter of 2004. Cross border deal activity totaled \$132.8 billion during the first quarter 2009 comprising 28.0% of worldwide volume. Private Equity deals activity, with limited access to the global credit markets, continued to see major decline in the value of announced transaction in first quarter totaled to \$15.8 billion, the lowest quarterly level for buyout activity since the fourth quarter of 2001.

Venture-Backed M&As: In the first quarter of 2009, 56 venture-backed M&A deals were reported, 13 of which had an aggregate deal value of \$645.3 million. The average disclosed deal value for the quarter was \$49.6 million. The Information Technology sector dominated the venture-backed M&A landscape, with 42 deals and a disclosed total dollar value of \$348.2 million. Within this sector, Computer Software and Services companies accounted for the bulk of the target companies, with 24 transactions across this sector subset.

Venture-Backed IPOs: There were no venture-backed IPOs in the first quarter of 2009.

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.

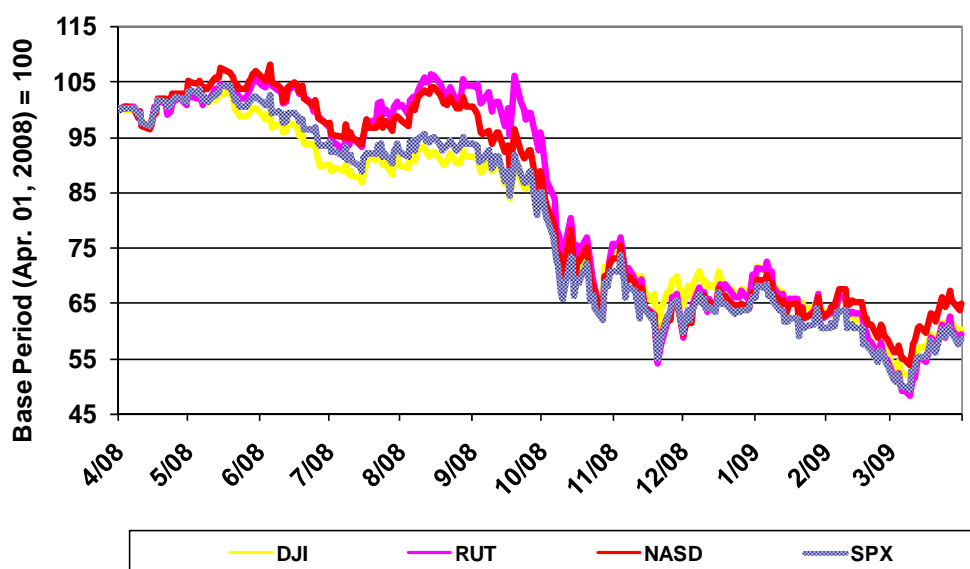
Sincerely,

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 2Q08 - 1Q09



	Close Mar-31-09	Change (%)		
		1 Year	1 Quarter	1 Month
NASDAQ	1,502	(36.4%)	(0.6%)	9.0%
Dow Jones	7,522	(40.6%)	(11.3%)	6.5%
S&P 500	788	(42.5%)	(9.4%)	7.1%
Russell 2000	416	(41.5%)	(10.8%)	6.9%

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				
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
3Q07				
Sep-07	Applix	Cognos	\$307.8	5.0x
Sep-07	XRT	Sage Group	64.4	1.4x
Sep-07	Longview Solutions	Exact Holdings	51.5	1.8x
Sep-07	Retail Business Solutions	Sanderson Group	27.7	1.2x
Sep-07	Landsteinar Nederland	K3 Business Technology	27.5	3.3x
Aug-07	Gensym Corp	Versata	15.5	0.9x
Aug-07	Accretive Commerce	GSI Commerce	97.5	1.2x
Jul-07	ZANTAZ	Autonomy	375.0	3.8x
2Q07				
Jun-07	ClearOrbit	Take Solutions	\$20.6	1.3x
Jun-07	InfoGenesis	Agilysys	90.0	2.1x
May-07	Aldata Solution	Symphony	160.3	1.4x
May-07	Snowdrop Systems	Sage Group	33.9	2.3x
Apr-07	Spotfire	Tibco Software	195.0	4.9x
Apr-07	Cartesis	Business Objects	305.9	2.2x
Apr-07	Mobius Management Systems	Allen Systems	147.7	1.7x
Apr-07	Pro-Concept	Sage Group	14.8	0.8x
Enterprise Software Median				1.6x

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				
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
3Q07				
Aug-07	Helio Solutions	Incentra Solutions	\$25.6	0.3x
Jul-07	Neoware	HP	215.9	2.4x
Jul-07	Opsware	HP	1,626.8	15.1x
Jul-07	Datamirror	IBM	145.4	15.7x
2Q07				
Jun-07	BluePhoenix	International Investors	\$165.0	2.3x
Jun-07	Telelogic	IBM	733.2	3.2x
Jun-07	ScriptLogic	Quest Software	90.0	4.5x
Apr-07	SurfControl	Websense	359.8	3.0x
Apr-07	Emabarcadero	Thoma Cressey Bravo	113.9	1.9x
Apr-07	webMethods	Software AG	413.9	2.1x
Apr-07	Quovadx	Battery Ventures	82.6	1.0x
Infrastructure/Enterprise Mgmt. Software Median				2.2x
Overall Software Median				2.1x

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				
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
3Q07				
Aug-07	AMSplus	Mirrus Systems	\$12.5	0.9x
Aug-07	NuComm	Transcom WorldWide	85.6	0.7x
Aug-07	Globel Direct	Komunik Corporation	9.9	1.3x
Jul-07	Taratec Development Corporation	Patni Computer Systems	27.2	1.4x
Jul-07	HPAL	Salmat	268.5	1.7x
2Q07				
Jun-07	eFunds	Fidelity National Information Services	\$1,775.0	3.2x
May-07	Metrofile Holdings	Iron Mountain	138.2	3.5x
May-07	ARINSO	Northgate Information Solutions	484.3	1.6x
May-07	Ceridian	Fidelity National Fin./Thomas H. Lee Partners	5,032.9	3.2x
May-07	Alliance Data Systems	Blackstone Group	7,933.8	3.8x
May-07	Axciom	Silver Lake Partners/Value Act Capital	2,852.2	2.0x
May-07	Reuters Group	Thomson	18,304.3	3.6x
May-07	Bisys Group	Citigroup	1,493.6	1.7x
Apr-07	Technology Partners	Information Services Group	280.0	1.9x
Apr-07	First Data	Kohlberg Kravis Roberts & Co.	27,700.0	3.8x
BPO, Outsourcing & Other Services				1.6x

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				
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
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

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.)				
3Q07				
Sep-07	Red Squared	XploTe	\$4.7	0.7x
Sep-07	Boldtech Systems	Perficient	20.9	1.1x
Sep-07	TeamR3	EDB Business Partner	19.7	1.8x
Aug-07	Triton Unternehmensberatung	SQS Software	20.9	3.2x
Aug-07	SARCOM	PC Mall	55.0	0.2x
Aug-07	CS Comm (IT Infrastructure Division)	BT Group	82.7	0.4x
Aug-07	Infocrossing	Wipro	553.4	2.3x
Jul-07	Xansa	Groupe Steria	1,050.0	1.2x
Jul-07	Getronics	Royal KPN	1,648.7	0.5x
2Q07				
Jun-07	IXEurope	Equinix	\$478.2	6.4x
Jun-07	Tier1 Innovations	Perficient	14.3	1.3x
Jun-07	Miratech	EDB Business Partner	9.8	2.0x
Jun-07	Web.com	Website Pros	102.7	2.1x
Jun-07	Dunn Solutions	Cranes Software International	14.8	1.6x
May-07	Logtec	SI International	59.0	1.1x
May-07	Computer Systems Advisors	Computer Sciences	111.0	0.9x
May-07	3net	Maxima	35.9	2.9x
May-07	Calyx	Stornoway	201.3	1.7x
May-07	GFI Informatique	Fujitsu	657.9	0.8x
May-07	Inforte	Business & Decision	19.4	0.5x
May-07	Data Return	Terremark	84.7	1.5x
Apr-07	Convansys	Computer Sciences	1,114.1	2.4x
Apr-07	Anix Group	XploTe	20.7	0.3x
Apr-07	Sonnet	CommodiTel	23.5	0.9x
IT Services Median				1.1x
Overall Services Median				1.2x

Source: Company Press Releases, Pharus Advisors

*Notable transactions where TEV and revenue are available

Summary Valuation Analysis: Enterprise Software & Services Groups

Pharus Advisors

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	(48.2%)	\$194	\$129	1.0x	0.9x	16.5x	19.7x	16.7x	
Accounting/ERP	8	(40.9%)	1,879	2,221	1.0x	1.0x	8.3x	14.8x	12.7x	
Retail	2	(59.5%)	162	187	0.8x	0.8x	12.6x	36.3x	24.4x	
Supply Chain Automation	8	(42.3%)	372	338	1.0x	1.0x	5.5x	12.9x	8.8x	
Procurement	4	(44.9%)	87	35	1.6x	1.5x	131.7x	14.7x	11.7x	
Human Capital Management	6	(62.3%)	243	207	1.2x	1.0x	13.8x	22.6x	19.3x	
Knowledge / Content Management	5	(54.6%)	156	18	2.3x	2.1x	7.0x	14.5x	12.7x	
Overall Application Software Medians	41	(48.3%)	\$233	\$236	1.0x	1.0x	8.3x	14.8x	12.7x	
EMS / Infrastructure Software Groups' Median Multiples										
Application / Systems (Production) Mgmt.	4	(34.9%)	\$3,646	\$3,220	1.7x	1.6x	6.7x	11.5x	10.7x	
Development / Deployment (Pre-Production)	3	(56.3%)	112	61	1.0x	1.6x	7.6x	49.7x	37.5x	
Business Intelligence	8	(48.9%)	450	346	1.4x	1.3x	6.1x	11.1x	10.6x	
Communications / Speech	1	(8.0%)	420	393	1.6x	1.5x	17.0x	35.6x	28.4x	
Security Software	14	(44.2%)	350	291	1.6x	1.6x	10.3x	13.6x	11.3x	
Integration / Middleware	6	(36.8%)	838	652	1.3x	1.2x	7.5x	12.7x	11.9x	
Platform / OS	6	(38.7%)	41,185	45,096	1.1x	1.1x	5.8x	10.5x	11.8x	
Overall Infrastructure Software Medians	42	(42.4%)	\$655	\$571	1.4x	1.5x	7.0x	11.9x	11.0x	
Overall Software Medians	83	(45.2%)	\$397	\$384	1.3x	1.2x	7.8x	13.8x	12.0x	
Services Group										
Business Services' Median Multiples										
IT Integration & Consulting	12	(66.4%)	\$104	\$124	0.3x	0.3x	4.1x	9.6x	9.6x	
Education & Training	4	(53.3%)	72	73	1.7x	NA	3.9x	113.8x	NA	
IT Staff Augmentation	3	(63.3%)	10	8	0.3x	0.3x	4.3x	27.8x	18.8x	
Government IT Services	4	(31.2%)	953	1,217	0.7x	0.6x	6.9x	13.6x	12.3x	
European IT Services	4	(47.7%)	1,576	2,104	NA	NA	3.0x	NA	NA	
Indian / Offshore IT Services	7	(51.3%)	5,859	5,096	1.7x	1.6x	6.6x	10.8x	10.4x	
Call Center	4	(37.7%)	409	302	0.5x	0.5x	4.3x	12.9x	10.6x	
Business Process Outsourcing (BPO)	8	(37.9%)	1,868	2,435	1.5x	1.5x	6.2x	11.3x	11.1x	
IT Outsourcing	5	(51.8%)	1,518	1,432	0.5x	0.5x	5.2x	11.3x	9.1x	
Overall Business Services Medians	51	(50.2%)	\$680	\$674	0.6x	0.5x	4.7x	12.5x	10.9x	
Financial Services IT Solutions' Median Multiples										
Bank Processing	8	(47.2%)	\$629	\$604	1.7x	1.6x	7.0x	12.8x	10.6x	
Credit / Debit Card Processing	4	(38.2%)	1,636	1,558	1.4x	1.4x	6.3x	16.0x	14.8x	
Insurance Solutions	4	(51.7%)	129	131	NA	NA	7.0x	NA	NA	
Investment Solutions	4	(53.6%)	496	584	1.3x	2.1x	9.0x	14.2x	12.3x	
Overall Financial Services Medians	20	(47.6%)	\$263	\$336	1.5x	1.5x	6.9x	13.3x	11.5x	
Overall Services Medians	71	(49.5%)	\$646	\$633	0.7x	0.7x	5.6x	12.8x	10.9x	

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	\$2.51	\$4.49	\$1.02	\$316.4	\$257.1	1.5x	1.3x	19.3x	17.7x	13.5x	
Chordiant Software Inc.	NasdaqGM:CHRD	3.10	6.53	2.01	93.3	39.5	0.4x	0.5x	24.8x	NA	NA	
Digital River	NasdaqGS:DRIV	29.58	45.45	16.88	1,095.5	790.2	2.0x	1.9x	8.2x	15.2x	14.3x	
Interactive Intelligence	NasdaqGM:ININ	8.80	13.71	5.51	149.2	103.7	0.8x	0.8x	10.0x	19.7x	19.1x	
KANA Software Inc.	OTCBB:KANA	0.66	1.75	0.46	27.2	28.0	0.4x	NA	NA	22.0x	NA	
LivePerson	NasdaqCM:LPSN	2.15	3.75	1.19	102.2	76.7	0.9x	0.8x	13.7x	12.5x	10.9x	
salesforce.com, Inc.	NYSE:CRM	32.57	75.21	20.82	4,002.9	3,318.3	2.5x	2.1x	35.6x	59.5x	40.9x	
Rightnow Technologies Inc.	NasdaqGM:RNOW	7.51	17.39	5.02	239.3	153.5	1.0x	0.9x	NA	42.0x	25.6x	
					Median	\$194.2	\$128.6	1.0x	0.9x	16.5x	19.7x	16.7x
Accounting/ERP												
American Software	NasdaqGS:AMSW.A	\$4.55	\$6.72	\$2.92	\$115.0	\$65.3	0.8x	0.8x	6.1x	31.8x	18.2x	
Epicor	NasdaqGS:EPIC	3.89	11.54	2.33	232.6	468.3	1.0x	1.0x	6.8x	6.7x	5.9x	
Intuit Inc.	NasdaqGS:INTU	26.82	32.00	20.18	8,615.2	9,067.0	2.9x	2.7x	10.5x	14.8x	13.5x	
Lawson Software Inc.	NasdaqGS:LWSN	4.21	8.78	2.71	687.1	632.8	0.8x	0.8x	6.3x	12.7x	11.1x	
Oracle Corp.	NasdaqGS:ORCL	17.66	23.62	13.80	88,007.1	87,951.1	3.8x	3.7x	8.8x	12.4x	11.8x	
QAD	NasdaqGS:QADI	2.46	8.59	2.14	75.6	61.1	0.3x	0.3x	NA	37.8x	41.0x	
Sage	LSE:SGE	2.34	3.26	2.04	3,071.5	3,808.9	NA	NA	8.3x	NA	NA	
SAP AG	DB:SAP	34.37	53.54	27.51	40,805.6	41,679.1	2.6x	2.5x	9.5x	15.2x	12.7x	
					Median	\$1,879.3	\$2,220.9	1.0x	1.0x	8.3x	14.8x	12.7x
Retail												
Radiant Systems Inc.	NasdaqGS:RADS	4.69	14.71	2.19	152.2	236.3	0.8x	0.8x	6.4x	8.0x	6.7x	
Retalix Ltd.*	NasdaqGS:RTLX	8.40	17.11	3.24	171.3	138.6	0.8x	0.7x	18.9x	64.6x	42.0x	
					Median	\$161.7	\$187.4	0.8x	0.8x	12.6x	36.3x	24.4x

Source: CapitalIQ

* On March 2nd, The Company received a non-binding offer for 100% of its outstanding share

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	\$6.60	\$15.50	\$5.10	\$596.1	\$630.5	2.0x	1.7x	14.4x	13.2x	7.9x	
Dassault	ENXTPA:DSY	37.23	58.26	32.23	4,394.3	3,552.8	NA	NA	7.8x	NA	NA	
Descartes Systems Group Inc.	TSX:DSG	2.91	3.45	1.98	154.5	97.7	1.4x	1.3x	6.0x	12.6x	11.3x	
I2 Technologies, Inc.	NasdaqGS:ITWO	8.28	14.60	5.50	181.8	135.5	0.6x	0.6x	3.7x	13.4x	9.6x	
JDA Software Group Inc.	NasdaqGs:JDAS	11.35	20.97	9.04	357.5	374.8	1.0x	1.0x	4.0x	7.8x	7.1x	
Logility Inc.	NasdaqGM:LGTY	5.08	9.05	3.89	65.3	30.6	NA	NA	2.7x	NA	NA	
Manhattan Associates Inc.	NasdaqGS:MANH	16.43	27.72	13.66	387.0	301.3	1.0x	0.9x	6.2x	13.2x	11.4x	
Parametric Technology Corp.	NasdaqGS:PMTC	9.49	21.54	7.18	1,096.9	944.0	1.0x	0.9x	5.0x	10.7x	8.0x	
					Median	\$372.3	\$338.1	1.0x	1.0x	5.5x	12.9x	8.8x
Procurement												
Ariba Inc.	NasdaqGs:ARBA	\$8.91	\$18.58	\$6.00	\$774.1	\$678.6	2.0x	1.9x	252.8x	14.5x	12.2x	
Clarus Corp.	OTCPK:CLRS	3.95	6.50	3.75	68.6	(17.4)	NA	NA	NA	NA	NA	
ClickSoftware Technologies Ltd.	NasdaqCM:CKSW	3.67	3.95	1.80	104.8	73.5	1.3x	1.1x	10.7x	14.8x	11.2x	
Selectica Inc.	NasdaqGM:SLTC	0.32	1.70	0.10	17.8	(3.5)	NA	NA	NA	NA	NA	
					Median	\$86.7	\$35.0	1.6x	1.5x	131.7x	14.7x	11.7x
Human Capital Management												
Callidus	NasdaqGM:CALD	2.94	6.56	1.91	88.1	51.3	0.5x	0.4x	NA	NA	36.8x	
Concur	NasdaqGS:CNQR	18.74	50.00	17.82	908.1	700.8	2.8x	2.3x	13.8x	25.9x	21.5x	
Kenexa	NasdaqGS:KNXA	5.22	24.01	3.66	117.6	91.6	0.6x	0.6x	2.6x	7.9x	6.4x	
SumTotal	NasdaqGM:SUMT	1.77	5.15	1.24	55.9	12.4	0.1x	0.1x	1.4x	NA	17.2x	
Taleo	NasdaqGM:TLEO	12.05	26.16	5.37	368.8	321.8	1.8x	1.5x	28.2x	19.3x	15.5x	
Ultimate Software	NasdaqGs:ULTI	17.35	41.68	10.70	421.5	402.3	2.0x	1.7x	85.2x	58.6x	30.9x	
					Median	\$243.2	\$206.7	1.2x	1.0x	13.8x	22.6x	19.3x
Knowledge / Content Management												
Adobe Systems Inc.	NasdaqGS:ADBE	\$20.82	\$46.44	\$15.70	\$10,914.0	\$8,880.3	3.1x	2.9x	7.0x	14.0x	12.8x	
BroadVision Inc.	NasdaqGM:BVSN	12.57	32.00	9.00	55.0	(6.9)	NA	NA	NA	NA	NA	
Convera	NasdaqGM:CNVR	0.16	1.88	0.15	8.6	(18.2)	NA	NA	NA	NA	NA	
Open Text Corp.	NasdaqGS:OTEX	34.13	39.09	22.01	1,771.3	1,902.2	2.3x	2.1x	9.8x	14.5x	12.7x	
Vignette Corp.	NasdaqGs:VIGN	6.57	13.97	5.69	156.5	17.5	0.1x	0.1x	4.0x	48.7x	NA	
					Median	\$156.5	\$17.5	2.3x	2.1x	7.0x	14.5x	12.7x

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	\$33.01	\$40.87	\$20.58	\$6,095.1	\$5,459.1	2.9x	2.8x	9.1x	14.7x	13.6x	
CA, Inc.	NasdaqGS:CA	17.24	26.68	12.00	8,945.3	8,694.3	2.0x	2.0x	6.0x	11.3x	10.7x	
Netscout Systems	NasdaqGS:NTCT	6.58	16.05	5.69	264.3	270.7	1.0x	0.9x	6.2x	7.5x	7.3x	
Quest Software Inc.	NasdaqGS:QSFT	12.65	17.12	10.31	1,197.5	981.5	1.3x	1.2x	7.3x	11.6x	10.7x	
					Median	\$3,646.3	\$3,220.3	1.7x	1.6x	6.7x	11.5x	10.7x
Development / Deployment (Pre-Production)												
Borland Software Corp.	NasdaqGM:BORL	\$0.46	\$2.21	\$0.25	\$33.6	\$25.2	NA	NA	NA	NA	NA	
Compuware Corp.	NasdaqGS:CPWR	6.55	11.91	5.08	1,615.3	1,451.6	1.3x	1.6x	5.6x	11.5x	9.0x	
Keynote Systems Inc.	NasdaqGM:KEYN	7.92	14.31	6.34	111.7	61.0	0.8x	NA	9.6x	88.0x	66.0x	
					Median	\$111.7	\$61.0	1.0x	1.6x	7.6x	49.7x	37.5x
Business Intelligence												
Actuate Corp.	NasdaqGS:ACTU	\$2.90	\$5.00	\$2.20	\$129.6	\$117.6	0.9x	0.9x	6.9x	8.5x	7.5x	
Fair Isaac Corp.	NYSE:FIC	13.44	27.84	9.76	656.4	1,014.0	1.5x	1.5x	6.1x	9.2x	8.3x	
Informatica Corp.	NasdaqGS:INFA	14.14	18.53	10.42	1,228.4	988.4	2.0x	1.9x	10.9x	17.6x	15.4x	
MicroStrategy Inc.	NasdaqGS:MSTR	33.42	90.98	30.55	397.4	274.5	0.7x	0.7x	3.6x	11.1x	10.6x	
Pegasystems	NasdaqGS:PEGA	18.35	18.87	9.00	652.8	485.6	2.0x	1.7x	29.2x	40.8x	27.8x	
SPSS	NasdaqGS:SPSS	27.57	43.36	21.47	502.1	346.2	1.2x	1.2x	5.5x	16.2x	14.8x	
Stamford Industrial Group	OTCPK:SIDG	1.55	10.00	1.03	13.0	34.5	NA	NA	2.4x	NA	NA	
Verint Systems	OTCPK:VRNT	3.29	24.60	3.10	112.4	NA	NA	NA	NA	4.0x	2.4x	
					Median	\$449.7	\$346.2	1.4x	1.3x	6.1x	11.1x	10.6x
Communications / Speech												
TeleCommunication Systems Inc.	NasdaqGM:TSYS	\$9.25	\$10.05	\$2.93	\$420.3	\$393.0	1.6x	1.5x	17.0x	35.6x	28.4x	
					Median	\$420.3	\$393.0	1.6x	1.5x	17.0x	35.6x	28.4x

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	\$1.96	\$3.04	\$1.07	\$89.7	\$11.1	0.2x	NA	NA	NA	NA	
Blue Coat Systems	NasdaqGS:BCSI	11.60	26.62	6.96	458.1	423.3	1.0x	0.9x	15.2x	13.6x	11.6x	
Certicom Corp.	TSX:CIC	2.38	2.71	0.47	104.3	73.6	3.5x	3.3x	NA	NA	NA	
Check Point Software Technologies Ltd.	NasdaqGS:CHKP	21.68	25.81	16.80	4,553.7	3,639.3	4.3x	4.0x	9.0x	11.7x	11.0x	
Diversinet Corp.	OTCBB:DVNT.F	0.34	0.77	0.14	16.0	3.9	NA	NA	NA	NA	NA	
Entrust Inc.	NasdaqGM:ENTU	1.52	3.41	0.98	93.4	69.1	0.7x	0.7x	14.3x	10.3x	7.9x	
McAfee Inc.	NYSE:MFE	32.33	40.97	24.72	5,002.3	4,491.6	2.4x	2.2x	13.2x	14.5x	12.9x	
SonicWALL Inc.	NasdaqGS:SNWL	4.49	8.74	2.90	241.4	136.0	0.6x	0.6x	9.2x	15.8x	14.2x	
Symantec Corp.	NasdaqGS:SYMC	14.56	22.80	10.05	11,953.5	12,524.6	2.0x	2.0x	6.7x	9.5x	9.6x	
Trend Micro Inc.	TSE:4704	28.79	45.01	20.33	3,845.4	2,745.5	NA	NA	7.1x	NA	NA	
VASCO	NasdaqCM:VDSI	5.75	15.08	3.85	215.6	157.8	1.3x	1.2x	5.1x	16.3x	12.4x	
VeriSign Inc.	NasdaqGS:VRSN	18.84	42.50	16.23	3,623.5	4,145.3	4.0x	3.7x	11.3x	14.8x	12.2x	
Websense	NasdaqGS:WBSN	11.89	24.60	9.48	533.4	591.4	1.7x	1.6x	14.9x	9.6x	8.3x	
Zix	NasdaqGM:ZIXI	1.00	4.16	0.88	63.3	50.1	1.5x	1.1x	NA	NA	8.1x	
					Median	\$349.8	\$290.6	1.6x	1.6x	10.3x	13.6x	11.3x
Integration / Middleware												
Citrix Systems	NasdaqGS:CTXS	\$22.02	\$36.20	\$19.00	\$3,966.1	\$3,390.8	2.2x	2.0x	11.5x	13.5x	11.9x	
Jacada Ltd.	NasdaqGM:JCDA	3.10	3.97	1.41	51.7	31.7	NA	NA	NA	NA	NA	
Progress Software Corp.	NasdaqGS:PRGS	16.82	31.23	14.69	669.8	546.0	1.1x	1.0x	5.6x	9.6x	8.5x	
SourceForge, Inc	NasdaqGM:LNUX	0.82	2.13	0.32	52.6	13.5	0.2x	0.2x	NA	NA	32.8x	
Sybase, Inc.	NYSE:SY	30.52	36.99	22.20	2,478.4	2,336.2	2.0x	1.9x	8.4x	13.8x	12.2x	
TIBCO Software Inc.	NasdaqGS:TIBX	5.75	8.78	3.45	1,006.1	757.1	1.3x	1.2x	6.5x	12.0x	10.6x	
					Median	\$837.9	\$651.5	1.3x	1.2x	7.5x	12.7x	11.9x
Platform / OS												
Hewlett-Packard Co.	NYSE:HPQ	\$32.12	\$49.97	\$25.39	\$76,979.2	\$86,182.2	0.8x	0.7x	5.9x	8.6x	7.9x	
International Business Machines Corp.	NYSE:IBM	94.52	130.93	69.50	126,815.4	148,046.4	1.5x	1.5x	6.4x	10.5x	9.6x	
Microsoft Corp.	NasdaqGS:MSFT	17.48	32.10	14.87	155,407.0	137,109.0	2.2x	2.2x	5.3x	10.0x	9.0x	
Novell	NasdaqGS:NOVL	4.31	7.10	2.49	1,484.4	570.6	0.6x	0.6x	5.8x	15.2x	13.9x	
Red Hat	NYSE:RHT	17.81	24.84	7.50	3,385.6	2,722.8	3.7x	3.4x	22.2x	29.2x	25.1x	
Sun Microsystems Inc.	NasdaqGS:JAVA	7.24	16.37	2.60	5,391.7	4,010.7	0.3x	0.3x	4.8x	NA	49.9x	
					Median	\$41,185.4	\$45,096.4	1.1x	1.1x	5.8x	10.5x	11.8x

Source: CapitalIQ

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	\$27.83	\$43.04	\$24.76	\$17,065.7	\$14,597.0	0.7x	0.7x	4.0x	10.5x	10.1x	
The Hackett Group (FKA Answerthink Inc.)	NasdaqM:HCKT	1.90	6.65	1.78	74.4	40.7	0.2x	0.2x	2.0x	8.6x	6.1x	
BearingPoint Inc.	OTCBB:BGPT.Q	0.24	101.50	0.03	1.1	648.6	0.2x	0.2x	32.8x	NA	NA	
CIBER Inc.	NYSE:CBR	2.60	8.97	2.03	176.5	299.0	0.3x	0.3x	4.2x	6.3x	5.5x	
DiamondCluster International Inc.	NasdaqGS:DTPI	2.44	7.23	1.84	63.4	20.9	0.1x	0.2x	4.6x	122.0x	38.7x	
iGATE Corp.	NasdaqGM:IGTE	3.08	12.02	2.11	166.9	101.9	0.5x	0.5x	2.8x	7.4x	6.3x	
Management Network Group Inc.	NasdaqGM:TMNG	0.34	2.08	0.16	11.8	7.3	NA	NA	1.5x	NA	NA	
Ness Technologies Inc.	NasdaqGS:NSTC	3.03	13.00	2.36	117.3	147.0	0.2x	0.2x	3.1x	5.0x	4.0x	
Perficient Inc.	NasdaqGS:PRFT	5.29	11.91	2.31	169.9	147.0	0.8x	0.7x	5.6x	11.8x	9.6x	
Sapient Corp.	NasdaqGS:SAPE	4.43	9.97	3.25	564.2	391.4	0.6x	0.6x	4.8x	13.1x	10.9x	
Technology Solutions Co.	NasdaqGM:TSCC	2.25	5.50	0.76	5.8	(2.2)	NA	NA	NA	NA	NA	
Tier Technologies Inc.	NasdaqGM:TIER	4.58	8.75	3.41	90.4	44.5	0.3x	0.3x	NA	NA	33.9x	
					Median	\$103.8	\$124.4	0.3x	0.3x	4.1x	9.6x	9.6x
Education & Training												
Learning Tree International Inc.	NasdaqGM:LTRE	\$8.42	\$18.33	\$6.01	\$134.6	\$73.0	0.5x	0.5x	3.9x	210.5x	25.1x	
New Horizons Worldwide Inc.	OTCBB:NEWH	0.75	1.80	0.30	8.6	18.1	NA	NA	2.6x	NA	NA	
SkillSoft plc	NasdaqGS:SKIL	9.29	9.40	5.35	1,030.0	900.3	2.9x	2.7x	9.2x	17.0x	14.4x	
VCampus Corp.	OTCPK:VCMP	0.00	0.05	0.00	0.0	NA	NA	NA	NA	NA	NA	
					Median	\$71.6	\$73.0	1.7x	NA	3.9x	113.8x	NA
IT Staff Augmentation												
Analysts International Corp.	NasdaqGM:ANLY	\$0.42	\$1.80	\$0.26	\$10.5	\$8.2	NA	NA	4.5x	NA	NA	
MPS Group Inc.	NYSE:MPS	5.89	12.77	4.16	534.9	453.8	0.3x	0.3x	3.3x	27.8x	18.8x	
TeamStaff Inc.	NasdaqGM:TSTF	1.34	3.30	1.03	6.5	4.8	NA	NA	4.3x	NA	NA	
					Median	\$10.5	\$8.2	0.3x	0.3x	4.3x	27.8x	18.8x

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:CAI	\$36.25	\$53.95	\$33.96	\$1,084.9	\$1,618.3	0.6x	0.6x	7.2x	12.2x	10.9x	
ManTech International Corp.	NasdaqGS:MANT	42.15	62.06	37.07	1,496.3	1,536.0	0.7x	0.7x	9.0x	14.1x	12.7x	
MAXIMUS Inc.	NYSE:MMS	39.05	45.07	25.94	679.5	618.0	0.8x	0.8x	6.3x	13.0x	11.9x	
SRA International Inc.	NYSE:SRX	14.61	27.27	11.22	821.2	898.1	0.6x	0.6x	6.6x	15.5x	13.2x	
					Median	\$953.1	\$1,217.1	0.7x	0.6x	6.9x	13.6x	12.3x
European IT Services												
Atos Origin SA	ENXTPA:ATO	\$24.43	\$53.21	\$19.75	\$1,726.6	\$2,141.0	NA	NA	3.1x	NA	NA	
Cap Gemini SA	ENXTPA:CAP	30.76	59.38	27.78	4,485.8	3,436.0	NA	NA	2.9x	NA	NA	
Dimension Data Holdings plc	JSE:DDT	0.58	0.85	0.41	987.1	662.2	NA	NA	2.7x	NA	NA	
LogicaCMG plc	LSE:LOG	0.89	2.07	0.82	1,425.0	2,066.4	NA	NA	4.5x	NA	NA	
					Median	\$1,575.8	\$2,103.7	NA	NA	3.0x	NA	NA
Indian / Offshore IT Services												
Cognizant Technology Solutions Corp.	NasdaqGS:CTSH	\$20.08	\$37.10	\$14.38	\$5,858.5	\$5,096.0	1.7x	1.5x	8.6x	13.0x	12.1x	
HCL Technologies Ltd.	BSE:532281	1.95	6.35	1.74	1,308.5	1,518.5	NA	NA	3.9x	NA	NA	
Infosys Technologies Ltd.	BSE:500209	25.38	39.44	20.34	14,538.8	12,648.0	3.0x	2.8x	8.3x	12.7x	12.4x	
Patni Computer Systems Ltd.	BSE:532517	2.41	5.67	1.84	309.0	252.0	0.4x	0.4x	2.7x	5.0x	4.9x	
Syntel Inc.	NasdaqGS:SYNT	20.68	38.01	16.14	858.4	726.1	1.8x	1.7x	6.5x	10.8x	10.4x	
Tata Consultancy Services Limited	BSE:532540	10.22	20.61	8.17	10,004.2	9,545.7	NA	NA	6.6x	NA	NA	
Wipro Ltd.	BSE:507685	4.71	10.52	3.55	6,865.1	6,651.1	NA	NA	7.0x	9.7x	9.5x	
					Median	\$5,858.5	\$5,096.0	1.7x	1.6x	6.6x	10.8x	10.4x
Call Center												
APAC Customer Services Inc.	NasdaqGM:APAC	\$3.02	\$3.30	\$0.74	\$153.4	\$158.8	0.6x	0.5x	7.5x	NA	6.1x	
ICT Group Inc.	NasdaqGM:ICTG	5.44	11.67	2.50	87.0	55.8	0.1x	0.1x	2.3x	37.3x	14.2x	
Sykes Enterprises Inc.	NasdaqGS:SYKE	16.11	22.55	12.34	664.7	444.3	0.5x	0.5x	4.7x	12.9x	11.3x	
TeleTech Holdings Inc.	NasdaqGS:TTEC	10.69	26.88	6.43	682.2	686.4	0.5x	0.5x	3.9x	11.8x	9.9x	
					Median	\$409.0	\$301.6	0.5x	0.5x	4.3x	12.9x	10.6x

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	
Business Process Outsourcing (BPO)												
Automatic Data Processing Inc.	NasdaqGS:ADP	\$35.24	\$45.97	\$30.83	\$17,792.3	\$16,471.9	1.8x	1.8x	7.9x	14.8x	14.1x	
Convergys Corp.	NYSE:CVG	7.82	16.99	4.02	965.6	1,391.5	0.5x	0.5x	5.0x	8.2x	7.1x	
CSG Systems International Inc.	NasdaqGS:CSGS	13.73	20.16	10.81	482.4	541.5	1.1x	1.1x	4.6x	9.0x	9.0x	
DST Systems Inc.	NYSE:DST	33.83	67.63	25.70	1,681.8	2,829.1	1.8x	1.8x	5.6x	8.7x	8.2x	
FirstService Corp.	TSX:FSV	8.28	19.91	7.57	243.5	474.9	0.3x	0.3x	3.1x	7.9x	6.6x	
Iron Mountain Inc.	NYSE:IRM	21.66	31.28	16.71	4,375.3	7,343.7	2.4x	2.3x	9.3x	28.2x	23.1x	
Paychex Inc.	NasdaqGS:PAYX	25.18	37.47	20.31	9,085.5	8,596.0	4.1x	4.1x	9.0x	16.8x	17.2x	
Watson Wyatt Worldwide	NYSE:WW	48.24	62.00	32.56	2,054.8	2,041.5	1.2x	1.2x	6.7x	13.6x	13.1x	
					Median	\$1,868.3	\$2,435.3	1.5x	1.5x	6.2x	11.3x	11.1x
IT Outsourcing												
CGI Group Inc.	TSX:GIB.A	\$7.85	\$9.57	\$6.61	\$2,428.1	\$2,670.6	0.8x	0.8x	5.6x	10.0x	9.3x	
Computer Sciences Corp.	NYSE:CSC	36.68	50.52	23.93	5,557.0	8,299.5	0.5x	0.5x	3.3x	9.1x	8.9x	
NaviSite Inc.	NasdaqCM:NAVI	0.45	4.95	0.01	16.0	167.9	1.1x	1.0x	5.8x	NA	NA	
Perot Systems Corp.	NYSE:PER	12.71	18.82	10.58	1,518.4	1,432.4	0.5x	0.5x	5.2x	13.0x	11.5x	
Unisys Corp.	NYSE:UIS	0.50	5.11	0.28	184.9	701.5	0.1x	0.1x	2.8x	12.5x	5.4x	
					Median	\$1,518.4	\$1,432.4	0.5x	0.5x	5.2x	11.3x	9.1x

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	\$7.01	\$13.79	\$4.46	\$175.7	\$140.9	1.0x	0.9x	20.9x	13.3x	10.6x	
CyberSource Corp.	NasdaqGS:CYBS	14.45	20.40	6.00	996.9	923.6	3.5x	3.0x	25.0x	20.0x	17.2x	
Equifax Inc.	NYSE:EFX	24.07	39.95	19.38	3,036.7	4,197.8	2.3x	2.2x	6.5x	12.9x	11.5x	
Fiserv Inc.	NasdaqGS:FISV	35.34	54.67	27.75	5,513.0	9,386.0	2.2x	2.1x	7.5x	9.7x	8.7x	
Heartland	NYSE:HPY	6.33	33.00	3.57	237.0	283.5	0.2x	0.2x	3.3x	5.6x	4.9x	
Jack Henry & Associates Inc.	NasdaqGS:JKHY	16.05	27.48	14.29	1,352.0	1,377.2	1.8x	1.7x	6.2x	13.3x	12.4x	
Online Resources Corp.	NasdaqGS:ORCC	4.07	10.61	1.80	121.7	264.6	1.6x	1.5x	11.8x	12.7x	10.0x	
S1 Corp.	NasdaqGM:SONE	4.96	8.28	4.00	262.1	216.9	0.9x	0.8x	6.2x	10.8x	10.6x	
					Median	\$629.5	\$603.6	1.7x	1.6x	7.0x	12.8x	10.6x
Credit / Debit Card Processing												
ACI Worldwide, Inc	NasdaqGS:ACIW	18.48	23.19	8.86	645.5	609.9	1.4x	1.4x	15.1x	17.0x	16.1x	
Fundtech Ltd.	NasdaqGS:FNDT	\$7.71	\$15.20	\$5.00	\$125.4	\$85.1	0.7x	0.7x	5.6x	28.3x	21.1x	
Global Payments Inc.	NYSE:GPN	32.69	49.87	27.48	2,625.8	2,506.3	1.6x	1.5x	6.9x	15.0x	13.5x	
Total System Services Inc.	NYSE:TSS	13.69	26.62	10.36	2,700.7	2,715.3	1.4x	1.3x	5.5x	10.9x	10.2x	
					Median	\$1,635.7	\$1,558.1	1.4x	1.4x	6.3x	16.0x	14.8x

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	\$20.38	\$37.92	\$15.78	\$263.8	\$251.6	NA	NA	5.4x	NA	NA	
Ebix Inc.	NasdaqGS:EBIX	24.28	40.30	17.12	241.2	282.9	NA	NA	8.7x	NA	NA	
InsWeb Corp.	NasdaqCM:INSW	2.41	12.50	1.45	11.5	2.3	NA	NA	NA	NA	NA	
Insure.com Inc.	NasdaqCM:NSUR	2.50	4.17	1.98	16.9	10.4	NA	NA	NA	NA	NA	
					Median	\$129.1	\$131.0	NA	NA	7.0x	NA	NA
Investment Solutions												
Advent Software Inc.	NasdaqGS:ADVS	\$31.93	\$49.32	\$17.51	\$803.2	\$779.8	2.7x	2.4x	22.6x	57.1x	40.3x	
BGC Partners, Inc.	NasdaqGS:BGCP	2.34	12.11	1.37	188.4	388.0	0.4x	0.3x	6.1x	5.2x	4.7x	
NYFIX Inc.	NasdaqCM:NYFX	1.03	4.50	0.40	39.8	58.7	0.5x	NA	NA	NA	NA	
Thomson Corp.	TSX:TRI	24.86	31.68	19.78	20,596.1	27,194.0	2.1x	2.1x	9.0x	14.2x	12.3x	
					Median	\$495.8	\$583.9	1.3x	2.1x	9.0x	14.2x	12.3x

Source: CapitalIQ

INDUSTRY NEWS RECAP

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

Bitam to acquire KPI OnLine

On March 2nd, Bitam, Inc., a provider of Enterprise Performance Management (EPM) software for business intelligence, financial planning, and strategic planning, announced the acquisition of KPI OnLine, a Virginia based online service provider of business intelligence and analytical tools that uses software as a service (SaaS) platform. The financial terms of the deal were not disclosed. Post acquisition, Bitam would employ the KPI Online service to enhance its SaaS offerings.

Informatica to acquire Applimation

On February 12th, Informatica Corp. (NasdaqGS:INFA), a provider of data integration software solutions, announced the acquisition of Applimation, Inc., a provider of Information Lifecycle Management (ILM) applications, enabling customers to manage various phases of their application data lifecycle, from testing to archiving. The cash deal was valued at approximately \$40 million. The acquisition of Applimation enables Informatica to extend its market to include ILM applications market, and strengthens its technology leadership in data integration.

Content and Document Management Software

Hologram acquires Advestigo

On March 9th, Hologram Industries SA (ENXTPA:HOL), a provider of security holograms for protection of goods and documents from imitation and piracy, announced the acquisition of Advestigo S.A., a French provider of digital assets protection solutions that helps protect against counterfeiting and exchange of illicit content. The cash deal was valued at €4.5 million (\$5.7 million). The acquisition would enable Hologram to expand its presence in the high growth market, and widen its service offerings to authentication solutions and traceability over the Internet, aimed at protection of brand-name and identity documents.

Top Image's Chairman and CEO acquires significant stake in the company

On February 23rd, Top Image Systems Ltd. (NasdaqCM:TISA), a provider of technology services and automated document capture solutions, announced that its Chairman, Mr. Izhak Nakar and CEO, Dr. Ido Schechter acquired a combined 18.9% or 1,687,810 shares in the company, from Charterhouse Group, Inc. Dr. Ido Schechter purchased 405,075 shares, amounting to 4.5% of the outstanding shares, while Mr. Izhak Nakar purchased 1,282,735 shares, amounting to 14.4% of the outstanding shares. The financial terms of the deal were not disclosed. The acquisition would instill confidence among the investors about the company's long-term prospects and a successful future.

Autonomy acquires Interwoven

On January 22nd, Autonomy Corp. Plc (LSE:AU.), a provider of infrastructure software solutions, announced the acquisition of Interwoven Inc., a provider of content management software solutions. The cash deal was valued at approximately \$775 million. Under the terms of the acquisition agreement, Interwoven stockholders would receive \$16.20 in cash for each outstanding Interwoven share, representing a premium of 36.8% to the closing share price of \$11.84 on January 21, 2009, and a premium of 36.2% to the average closing share price over the 30 days through January 21, 2009. Based on the implied enterprise value of \$582.3 million, the transaction was valued at 2.2x LTM revenue and 13.1x LTM EBITDA. On March 17th, Autonomy announced the completion of the acquisition. The combination of Autonomy's Meaning Based Computing technologies (IDOL) with Interwoven's suite of products would create a new set of technologies, updating and enhancing Interwoven's products by significantly reducing the levels of manual effort currently required. Also, the combination of Autonomy's Digital Safe and Interwoven's TeamSite automatically allows the archiving of all customer interactions with corporate websites, allowing effective solutions for the raft of recent regulations concerning information shown to customers.

CRM/ERP Software

Empower Software Solutions, Inc. acquires Sage Compliance Services

On March 5th, Empower Software Solutions, Inc. acquired Sage Compliance Services, Inc. from Sage Software, Inc. Sage Compliance Services, Inc. provides reporting and compliance software solutions; and outsourcing and professional services. Its software and services automate payroll tax payments and filings, wage garnishments, and W-2/1099 processes for employers. The financial terms of the transaction were not disclosed.

Answers Systems acquires Helm Software

On February 27th, Answers Systems Inc., a Florida based provider of trade-promotion management solutions for manufacturers, operators and distributors serving Foodservice and other Away-From-Home food channels, announced the acquisition of Helm Software, Inc., a provider of trade performance management (TPM) solutions to trading partners in the Foodservice industry. The financial terms of the deal were not disclosed. Post acquisition, combined teams would provide support for Helm's Foodservice Navigator TPM solution, while maintaining focus on Answers Systems' ContractPro® Trade Performance Management system. The acquisition would also enable Answers to bring the costs of trade spending for manufacturers under control.

Triplefin acquires interest in Flintfox International

On February 10th, Triplefin LLC, a provider of integrated BPO solutions to manufacturers, focusing on the consumer products and healthcare industries, announced the acquisition of an undisclosed interest in Flintfox International Ltd., a provider of best-of-class software solutions for trade promotion management (TPM), enabling clients to optimize all facets of the trade promotions lifecycle. The financial terms of the deal were not disclosed. The acquisition would enable Triplefin to add a best-in-class software solution for its trade promotion management.

Intema Solutions sells its C2 Enterprise software asset

On February 2nd, Intema Solutions Inc. (TSXV:ITM), a Canada based provider of a wide

range of software products and services that help to optimize marketing activities, including relationship marketing, online visibility, website persuasion, virtual community marketing and online collaboration, announced the sale of its C2 Enterprise software asset, a provider of Customer Relationship Management software solution, to an Ex-Director of the company. The cash deal was valued at \$1.55 million. The disposal of C2 Enterprise is a part of Intema's strategy to focus on its niche market of integrating technologies to marketing. The sale also brings in liquidity in the short term without compromising on the gains accrued from past software development.

Smart & Co. acquires majority stake in La Fourchette

On January 26th, Smart & Co. SAS, announced the acquisition of La Fourchette, a French provider of reservation and Customer Relationship Management software to restaurant businesses in France and Spain, from Patrick Dalsace, Bertrand Jelensperger, Denis Fayolle and Marcos Alves. The cash deal was valued at €1 million.

Meta4 acquires the HR division of Business T&G

On January 15th, Meta4, a provider of Human Resources (HR) software focusing on Human and Intellectual Capital Management (HICM), announced the acquisition of the HR division of Business T&G, a Spanish provider of enterprise software applications, including GP/HRS, Uniclass and Ross Human Capital Management. The financial terms of the deal were not disclosed. The acquisition of the HR division of Business T&G is in line with the strategy of Meta4, and would greatly boost its presence in the Catalonian market, adding around 100 new clients to its existing customer base in Spain.

Supply Chain, Asset Management and Product Lifecycle Management Software

American Software to acquire remaining stake in Logility

On March 18th, American Software, Inc. (NasdaqGS:AMSW.A), an Atlanta based provider of software for supply chain and enterprise applications that help mechanize planning and operational functions, announced the acquisition of the remaining 1.543 million common shares or 12% stake in Logility Inc.

(NasdaqGM:LGTY), a provider of collaborative solutions that help optimize supply chains. The cash deal was valued at \$7.9 million or \$5.1 per share, representing a premium of 2% over the closing price of \$5.0 per share as on March 18, 2009. Based on an implied enterprise value of \$30.8 million, the transaction was valued at 0.7x LTM revenue and 2.7x LTM EBITDA.

Descartes acquires Scancode

On March 11th, Descartes Systems Group Inc. (TSX:DSG), a Canadian provider of software-as-a-service (SaaS) logistics solutions, announced the acquisition of Scancode Systems Inc., a privately held Toronto based provider of advanced logistics software, focusing on carrier-compliant parcel and less-than-truckload (LTL) shipping solutions. The cash deal was valued at approximately C\$8.5 million (\$6.6 million). The acquisition of Scancode would enable Descartes to expand its carrier-compliant parcel and less-than-truckload shipping solutions & services, thereby benefiting the customers in the form of enhanced productivity and performance.

Dassault Systemes acquires a minority stake in Intercim

On February 19th, Dassault Systemes SA (ENXTPA: DSY) acquired a minority stake in Intercim, Inc.. Intercim, Inc. provides manufacturing operations management solutions that bridge the gap between product design and supply chain. It engages in the development and application of process execution systems. The financial terms of the transaction were not disclosed.

Phoenix Medical acquires Computer Systems

On February 12th, Phoenix Medical Supplies Ltd., a provider of prescription and over-the-counter drugs, medical equipment and supplies to general practitioners, hospitals and pharmacies, announced the acquisition of Computer Systems for Distribution Plc. The target company is a UK based provider of supply chain management systems for the distribution industry. The financial terms of the deal were not disclosed. Through this acquisition, Phoenix Medical would acquire all the business-critical software for distribution and can develop new software to cater to the fast-changing U.K. wholesale pharmaceutical market.

DealerTrack Holdings acquires assets of JM Dealer Services

On January 23rd, DealerTrack Holdings, Inc. (NasdaqGS:TRAK), a provider of on-demand software and data solutions to automotive retail industry in the US, announced the acquisition of AAX(R) suite of inventory management solutions and other assets of JM Dealer Services, Inc. a provider of inventory, customer and marketing solutions, from JM Family Enterprises, Inc. AAX(R) suite of inventory management solutions provides real-time inventory management systems such as aaXchange, a system for streamlining used car operations, inventory management, and wholesale vehicle acquisition and disposal operations. The cash deal was valued at \$32.5 million. The acquisition enables DealerTrack to benefit from the fast growing segment of inventory management within the dealership technology market, and also position itself as most complete and best-in-class inventory management solution provider in the auto sector.

Retail Software

Fujitsu Frontech to acquire Fujitsu Transaction Solutions

On March 27th, Fujitsu Frontech Ltd. (TSE:6945), a Japanese provider of computer terminals, display equipments, ATMs, POS terminals and related software, announced the acquisition of Fujitsu Transaction Solutions, Inc., a global technology solutions provider to specialty and grocery retailers, from Fujitsu Ltd. (TSE:6702). The cash deal was valued at \$13.7 million. The acquisition would enable the company to reorganize its business in North America and strengthen its retail systems business outside Japan. This would also help Fujitsu Frontech to reduce costs, raise product competitiveness and deliver products and services in a timely manner, boosting the retail business base in the North American market.

First Israel Mezzanine Investors to acquire Retalix

On March 2nd, the Israeli-based Retalix Ltd. (NasdaqGS: RTLX) received a non binding proposal for all its shares at a price ranging between \$8.0 and \$10.0 per share. Retalix offers in-store solutions that provide business applications supporting various types of

customer service points providing in-store operational and management tools for point-of-sale, front-office, and back-office operations. The cash deal was valued at approximately \$163.1 million - \$203.8 million. Based on the implied enterprise value of \$130.4 million - \$171.2 million, the transaction was valued at 0.6x to 0.8x LTM revenue and 17.8x to 23.4x LTM EBITDA.

This offer is following two former offers on February 14th and on January 13th for all of the shares at \$8.0 and for 10% stake at \$6.0 a share respectively.

GFI Solutions to acquire Fortsum Business Solutions

On February 2nd, GFI Solutions, Inc., a Montreal based provider of consulting services and IT products to businesses from public and semi-public sectors, announced the acquisition of Fortsum Business Solutions Inc. (TSXV:FRT), a Canadian provider of data management solutions for retail and corporate entities. The cash deal was valued at approximately C\$41.8 million (\$36.5 million) or C\$0.82 per share (\$0.66 per share), representing a premium of 42% over the 20-day volume weighted average trading price. Based on the implied enterprise value of \$25.6 million (C\$31.8 million), the transaction was valued at 1.0x LTM revenue and 5.4x LTM EBITDA.

Three investment funds to acquire Retail Pro

On January 12th, Retail Pro, Inc., a provider of merchandising software for retailers, announced that it is in discussions with its secured lenders, Midsummer Capital LLC, Laurus Funds Inc. and Valens Capital Management LLC, to sell substantially all its assets used in connection with the business, as per Bankruptcy Court supervision. The deal was valued at \$0.4 million. Among other conditions, the purchase would also include assumption of some liabilities.

Financial Software

Social Solutions acquires Esteam

On March 25th, Social Solutions, Inc., a provider of nonprofit performance management software to the human services industry, announced the acquisition of Esteam, LLC, a provider of financial performance management software and services. The financial terms of the deal were not disclosed. Esteam's 'TOTAL: Record' solution complements Social Solutions' 'Efforts-

To-Outcomes (ETO)' software, enabling Social Solutions to offer more robust and comprehensive organizational performance management solution to nonprofit organizations.

FJA AG to merge with COR AG

On March 11th, FJA AG (XTRA:FJH), a provider of software solutions to insurance industry and pensions market, announced plans to merge with COR AG Financial Technologies (XTRA:COC), a Germany based provider of software and consulting services to the financial sector. The financial terms of the deal were not disclosed. The merger would enable the combined company to strengthen its position in the international landscape, and improve efficiency through joint product development.

Mortgagebot acquires Netupdate

On March 6th, Mortgagebot LLC, a provider of online, point-of-sale lending technology to the mortgage industry, announced the acquisition of the loan-origination software platform of Netupdate, Inc., a provider of consumer-direct, point-of-sale mortgage-origination technology, from Most Home Corp. (OTCPK:MHME), a Vancouver based provider of online customer-service solutions for mortgage and real estate industries. The financial terms of the deal were not disclosed. The acquisition extends Mortgagebot's market share in online, point-of-sale mortgage technology space.

MasterCard acquires additional stake in Strategic Payments Services

On February 17th, MasterCard Asia/Pacific (Australia) Pty Limited, a unit of MasterCard Inc. and a provider of card based payment processing system to merchant and retail banks, announced the acquisition of an additional 19.2% stake in Strategic Payments Services Pty Ltd., an Australian provider of cost effective payments processing solutions and services, from Customers Ltd. (ASX:CUS). The financial terms of the deal were not disclosed. The acquisition would enable Mastercard to serve its clients with diverse service offerings along with leading technologies in payment solutions and support them with processing capabilities across multiple channels and product types.

Tier Technologies acquires ChoicePay

On February 2nd, Tier Technologies Inc. (NasdaqGM:TIER), a provider of electronic

payment processing and other transaction processing services to federal, state and local governments and other public sector clients, announced the acquisition of all the assets of ChoicePay, Inc., an Oklahoma based provider of electronic payment solutions through advanced technology, which enable the streamlining of high-volume bill payment processes. The cash deal was valued at approximately \$9.5 million, comprising of \$7.5 million in cash at closing, and an additional amount of \$2.0 million payable depending upon future performance. Based on the implied enterprise value of \$9.5 million, the transaction was valued at 0.9x LTM revenue.

MasterCard acquires Orbiscom

On January 5th, Mastercard Incorporated (NYSE:MA), a provider of ecommerce solutions to consumers and merchants worldwide, announced the acquisition of Orbiscom Limited, a Dublin, Ireland based provider of payment options, enabling customers to not reveal their card details, from HgCapital Trust Plc (LSE:HGT). The cash deal was valued at \$100 million, including an earn-out amount related to future performance. The acquisition would enable Mastercard to accelerate the development of new payment solutions such as MasterCard inControl, by taking advantage of Orbiscom's expertise, intellectual property and talented team of innovative payments-industry professionals.

Infrastructure Software & Enterprise Management Software (EMS)

Symantec Corporation acquires Mi5 Networks

On March 31st, Symantec Corporation (NasdaqGS: SYMC), a provider of software and services that protect, manage, and control information risks related to security, data protection, storage, compliance, and systems management, acquired Mi5 Networks, Inc. from Band of Angels, First Round Capital, and Labrador Ventures and other investors in cash. Mi5 Networks, Inc. operates as a Web security gateway company. It provides Webgate security appliances that protect organizations against Web-based threats, including malicious URLs, spyware, crimeware, botnets, and viruses. The financial terms of the transaction were not disclosed.

Thoma Bravo to acquire Entrust

On February 20th, Thoma Bravo, LLC through its fund Thoma Bravo Fund IX L.P. entered into a letter of intent to acquire Entrust Inc. (NasdaqGM: ENTU). Entrust, Inc. develops, markets, and sells solutions for securing digital identities and information worldwide. Its software and associated services enable businesses and governments to conduct transactions over wired and wireless networks, including the Internet. The cash deal was valued at \$113.7 million. Based on an implied enterprise value of \$89.4 million, the transaction was valued at 0.9x LTM revenue and 18.5x EBITDA.

Novell acquires technology assets of Fortefi

On February 19th, Novell, a provider of integration solutions of mixed information technology environments, acquired technology assets of Fortefi. The UK-based Fortefi Ltd. designs and develops software for compliance and privileged user management. The financial terms of the deal were not disclosed.

SAP AG acquires the remaining majority stake in Coghead

On February 18th, SAP AG (DB: SAP), which develops, markets, and sells enterprise application software products, acquired the remaining majority stake in Coghead, Inc. from El Dorado Ventures, American Capital Equity Management LLC and American Capital, Ltd. (NasdaqGS: ACAS). Coghead, Inc. offers a platform-as-a-service to enable developers, solution providers, business users, and

information technology professionals to build, create, and manage custom and software-as-a-service business applications. The financial terms of the transaction were not disclosed.

Oracle acquires mValent

On February 4th, Oracle Corp. (NasdaqGS: ORCL), an enterprise software company, engaging in the development, manufacture, distribution, servicing, and marketing of database, middleware, and application software, entered into an agreement to acquire mValent, Inc. from a group of shareholders. mValent, Inc. provides application configuration management software solutions to the enterprise information technology organizations. The financial terms of the deal were not disclosed.

Innovise acquires Infraspolve

On January 21st, Innovise Plc (LSE:INNO), a UK based provider of managed IT solutions and workforce management software to the small and medium sized enterprise market, announced the acquisition of Infraspolve Ltd., a Middlesex based provider of IT solutions, focusing on provision, design, implementation and support of IT Service Management (ITSM) solutions to various customers in Europe and the Middle East. The cash deal was valued at £6.5 million (\$9.02 million) including up to £5,000,000 in Innovise shares. Based on an implied enterprise value of £6.5 million (\$9.02 million), the transaction was valued at 1.4x LTM revenue. The acquisition of Infraspolve would enable Innovise to become a leading provider of ITSM solutions and deliver value-added solutions to even the most complex organisations, reducing risk, complexity and costs.

Riverbed Technology, Inc. to acquire Mazu Networks

On January 20th, Riverbed Technology, Inc. (NasdaqGS: RVBD) entered into an agreement to acquire Mazu Networks, Inc from IBM. Mazu Networks, Inc. offers solutions that enable IT organizations to manage, secure, and optimize the availability and performance of business services. The cash deal was valued at \$47.0 million.

Quest Software acquires technology assets of MonoSphere

On January 13th, Quest Software Inc. (NasdaqGS: QSFT), a provider of enterprise

management systems, helping organizations get more performance and productivity from their applications, databases, Windows infrastructure and virtual environments, announced the acquisition of MonoSphere, Inc., a privately held California based provider of 'Storage Horizon', a storage capacity management software that enables companies to forecast, plan and optimize storage capacities. The financial terms of the deal were not disclosed. MonoSphere's high quality team, technology and products complement Quest's management offerings.

Sun Microsystems Inc. acquires Q-layer NV

On January 7th, Sun Microsystems Inc. (NasdaqGS: JAVA) acquired Q-layer NV. Q-layer NV provides datacenter and storage virtualization software for service providers in Europe and North America. The financial terms of the transaction were not disclosed

CA to acquire Orchestria

On January 5th, CA, Inc. (NasdaqGS:CA), a provider of IT management software solutions, announced the acquisition of Orchestria Corporation, a New York based provider of data loss prevention (DLP) technology, helping organizations protect and control information. The financial terms of the deal were not disclosed. The acquisition of Orchestria would enable CA to extend its Identity and Access Management Portfolio to include Data Loss Prevention.

Business Services

Financial BPO Services

Affiliated Computer Services, Inc. acquires e-Services Group International

On March 24th, 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 acquired e-Services Group International, Inc. e-Services Group International, Inc. provides offshore call center and business process outsourcing solutions for companies in North America. The company's services include customer care, help desk, email, medical claims, inbound teleservices processing, back-office processing, reservations, billing support, and collections. The cash deal was valued at approximately \$85.0 million. Based on an implied enterprise value of \$85.0 million, the transaction was valued at 1.3x LTM revenue.

Extreme Technologies acquires operating assets of Talcomp Management Services

On March 3rd, Extreme Technologies Inc., a Houston based provider of IT strategy, support and staffing solutions to clients throughout the Houston metro area, announced the acquisition of the operating assets of Talcomp Management Services, a provider of practice management and medical billing solutions to physicians and dentists. Talcomp also provides IT support for small and mid-sized businesses, enabling them to enhance their revenue performances. The financial terms of the deal were not disclosed. Post-acquisition, Talcomp's practice management and medical billing operations would be facilitated through a new company, HealthTech, LLC. Through the combination of its core businesses and HealthTech medical lines, Extreme Technologies can bring greater utility and value to its clients, delivering a large and positive return in any economic climate.

Aramex PJSC acquires Metrofile Middle East LLC

On January 21st, Metrofile Middle East LLC was acquired by Aramex PJSC. Metrofile Middle East LLC provides information management outsourcing services for banks, insurance companies, legal firms, hospitals, ministries, government departments, and companies in

various industries. The financial terms of the deal were not disclosed.

Healthcare BPO

Capita Group acquires CHKS Ltd

On February 19th, Capita Group plc (LSE: CPI) acquired CHKS Limited from Healthcare Knowledge International Ltd. CHKS Limited is a UK-based provider of healthcare intelligence and quality improvement services for the healthcare professionals. It offers assurance and accreditation, clinical coding, commissioning, efficiency and performance, health economics, marketing and strategic planning, governance, consultancy and training, and clinician and patient services. The cash deal was valued at approximately £11.6 million (\$16.6 million).

HR BPO

TriNet to acquire Gevity HR

On March 5th, Trinet Group, Inc., a provider of human resources (HR) outsourcing and consulting services to small and medium-sized companies, announced the acquisition of Gevity HR Inc. (NasdaqGS:GVHR), a Florida based provider of innovative HR management and administration services that enable performance optimization. The cash deal was valued at approximately \$98 million or \$4.00 per share. Based on an implied enterprise value of \$117.3 million, the transaction was valued at 0.2x LTM revenue and 4.0x LTM EBITDA. The acquisition would enable TriNet to expand its human resources outsourcing services across the US, and service its customers with adequate technology and industry expertise.

IT Services

ComputerCORP to acquire Synergy Plus

On March 31st, ComputerCORP Ltd (ASX:CZP), an Australian provider of information and communication technology (ICT) infrastructure solutions to the corporate, government and education sectors, announced the acquisition of Synergy Plus Pty Ltd., an Australian provider of technology and infrastructure solutions, from Hydro Limited. The cash deal was valued at approximately \$9.3 million, comprising of a minimum purchase price of \$6.5 million, and an additional amount of \$2.8 million, depending on the future performance of Synergy. The acquisition of Synergy Plus would enable

ComputerCORP to increase its client base and market share.

Deloitte LLP to acquire assets of BearingPoint Public Services Practice

On March 23rd, Deloitte LLP, a provider of audit, tax, accounting, consulting and financial advisory services to companies worldwide, announced the acquisition of Bearingpoint Inc.'s North American Public Services Business, a global provider of management and technology consulting services primarily in North America to government organizations, from Bearingpoint Inc. (OTCBB:BGPT.Q). BearingPoint is a global provider of management and technology consulting services and has filed for Chapter 11 bankruptcy protection. The agreement is subject to the approval of the bankruptcy court, which may consider competing bids. The cash deal was valued at \$350 million. The acquisition would enable Deloitte to expand its public services in the growing federal government market and allow it to meet capacity needs for strong future growth.

PricewaterhouseCoopers to acquire assets of BearingPoint

On March 23rd, PricewaterhouseCoopers LLP, a provider of industry-focused assurance, tax and advisory services for public and private clients, announced the acquisition of Bearingpoint Inc.'s, Commercial & Financial Services Business, a global provider of management and technology consulting services primarily in North America to financial and commercial services sector, from Bearingpoint Inc. (OTCBB:BGPT.Q). BearingPoint is a global provider of management and technology consulting services and has filed for Chapter 11 bankruptcy protection. This transaction is subject to the execution of a definitive asset purchase agreement and approval of the bankruptcy court. The cash deal was valued at \$25 million. The acquisition would enable PricewaterhouseCoopers to integrate selected contracts and assets of BearingPoint into its Advisory practice, and thus benefit from the consulting expertise in various industries including energy, utilities, insurance, pharmaceuticals and life sciences.

ICRA Techno acquires Sapphire International

On March 20th, ICRA Techno Analytics Inc., a unit of ICRA Ltd. and a provider of IT products and services, along with various cost effective

solutions to companies, announced the acquisition of Sapphire International Inc., a provider of IT solutions to government agencies and large corporations in the U.S. The cash deal was valued at approximately \$1 million, to be paid over a period of the next one year. The acquisition of Sapphire International would enable ICRA Techno to enhance its expertise in the area of .Net applications, business applications and solutions, and also extend its customer base in the North American market.

Compuage Infocom to acquire 24% stake in Greenvision Technologies

On March 20th, Compuage Infocom Ltd. (BSE:532456), an Indian provider of IT products and services, announced the acquisition of an additional 24% stake in Greenvision Technologies Pvt. Ltd., a Bangalore based provider of IT infrastructure solutions and services, focusing on energy efficiency and environment care. The financial terms of the deal were not disclosed.

Axispoint Solutions acquires Baseline Consultancy

On March 20th, Axispoint Solutions Limited, a UK subsidiary of Axispoint Inc., a provider of technology solutions and IT & application services, announced the acquisition of the assets of Baseline Consultancy Ltd., a Sussex based provider of niche technology consulting services. The financial terms of the deal were not disclosed. The acquisition of Baseline enables Axispoint to extend its market share in the UK. Post-acquisition, the company would also benefit from key Microsoft and Cisco technologies that will serve as a valuable addition to its solution offerings.

Siili Solutions acquires Complit

On March 16th, Siili Solutions Oy, a privately held Finnish provider of professional IT services to major Finnish and global ICT companies, with a special focus on recruitment and resourcing IT professionals, announced the acquisition of Complit Oy, a Finland based provider of IT project management services, specializing in information and communication technologies. The financial terms of the share deal were not disclosed. The acquisition of Complit would enable Siili Solutions to provide more holistic services and knowledge of ICT projects throughout the project lifecycle. The acquisition would also help Siili Solutions to

provide more diversified professional services to its customers.

ManTech International acquires DDK Technology

On March 13th, ManTech International Corp. (NasdaqGS:MANT), a provider of innovative technologies and solutions for mission-critical national security programs to the intelligence community, the departments of Defense (DoD) and other US federal government customers, announced the acquisition of DDK Technology Group, Inc., a Lanham based provider of cyber security to the DoD, with particular focus on the Naval Criminal Investigative Service (NCIS). The financial terms of the deal were not disclosed. On March 16th, ManTech announced the completion of the acquisition of DDK. The acquisition of DDK enables ManTech to maintain its focus on the high-end intelligence arena and expand its market in cyber security to NCIS.

Arcandor to acquire remaining 74.9% stake in EDS Itellium

On March 13th, Arcandor AG (DB:ARO), a German financial holding company focused on tourism, homeshopping and department stores, announced the acquisition of the remaining 74.9% stake in EDS Itellium GmbH, a German provider of IT solutions and custom-tailored trading solutions, enabling companies to increase sales and reduce cost, from Electronic Data Systems, LLC. The financial terms of the deal were not disclosed.

iSoftStone acquires services & outsourcing unit of MDCL-Frontline (China) Ltd

On March 12th, iSoftStone Information Service Corporation, a China based provider of IT outsourcing services, announced the acquisition of the Services & Outsourcing Unit of MDCL-Frontline (China) Ltd., a Chinese provider of IT, application and development services. The financial terms of the deal were not disclosed. The acquisition would enable iSoftStone to expand its service offerings to the existing and new global MNC clients, and bolster its delivery capabilities.

Global Soft acquires a minority stake in Ariantec

On March 6th, Global Soft Bhd (KLSE:GLOSOFT), a provider of software, system design, and IT services to its clients,

announced the acquisition of a 25.27% stake in Ariantec Sdn Bhd, a Malaysian provider of software development, system networking, disaster recovery consulting and IT consulting services, from Metronic Global Bhd (KLSE:MTRONIC), a provider of system integration and e-project management of security and automation product integration. The share deal was valued at MYR 13.4 million (\$3.6 million), comprising of newly issued 382.5 million shares of Global Soft. Based on an implied enterprise value of MYR 13.4 million (\$3.6 million), the transaction was valued at 0.2x LTM revenue. The acquisition would enable Global Soft to diversify its business.

CSC Danmark A/S acquires a part of IT business of T-Systems Nordic TC Services A/S

On March 6th, CSC Danmark A/S, a provider of information technology (IT) consulting, system integration, and outsourcing services acquired a part of IT business of T-Systems Nordic TC Services A/S. CSC Danmark A/s offers application outsourcing, content management, Customer Relationship Management (CRM), IT infrastructure outsourcing, business strategy, Supply Chain Management (SCM), and Application Service Provider (ASP).

Jaisal Securities to acquire business from Intek Systems

On March 2nd, Jaisal Securities Ltd (BSE:530885), an Indian provider of investment consulting services to its clients, announced the acquisition of the intellectual property rights and infrastructure along with the personnel of Intek Systems Pvt. Ltd., a Maldives based provider of IT solutions helping its clients to achieve competitive edge. The cash deal was valued at \$1.3 million.

Ordina sells its BPO subsidiary to Centric

On February 27th, Ordina NV (ENXTAM:ORDI), a Dutch provider of advisory services and auxiliary applications, including ICT, announced the sale of its subsidiary, Ordina BPO B.V., to Centric B.V., a provider of solutions focusing in the area of consultancy, IT solutions, software engineering, e-business, systems integration, managed ICT services and training. Ordina BPO is a Netherlands based provider of outsourcing services to the financial institutions. The financial terms of the deal were not disclosed. By divesting its BPO activities, Ordina can specialize in its profitable

consulting, ICT and application outsourcing activities.

Asseco Poland acquires majority stake in Raxon

On February 27th, Asseco Poland SA (WSE:ACP), a Polish provider of IT solutions to the banking, financial, insurance, public administration, telecommunication and industry sectors, announced the acquisition of a 55.0% stake in Raxon Informática, S.A., a Madrid based provider of consulting services in the areas of IT infrastructure, security systems, HR solutions, and IT support. The cash deal was valued at €15.4 million (\$19.5 million). Asseco will pay an extra undisclosed amount, depending upon the future performance of Raxon. The acquisition would enable Asseco to expand its operations in southwestern Europe and also to provide a wider range of products and value added services to its clients.

Aequitas acquires 26% stake in Aakit Technologies

On February 27th, Aequitas Unternehmensberatung GmbH, a German provider of strategy & management consulting, SAP process & application consulting, ITIL consulting and application management services, announced the acquisition of 26% stake in Aakit Technologies Pvt. Ltd., a Mumbai based provider of IT consulting services and business solutions based on SAP technologies. The financial terms of the deal were not disclosed. The acquisition of 26% stake in Aakit would enable Aequitas to provide high quality onsite/offshore services to its customers in Europe. It would also extend Aequitas' offerings in the Middle East with joint teams and help serve the subsidiaries of its customers in Asia, especially India.

EMTEC Inc to acquire KOAN-IT

On February 13th, Emtec Inc. (OTCBB:ETEC), a Canadian provider of IT solutions and services to the federal, state, local, education and commercial markets, announced the acquisition of KOAN-IT Corp., a Canada based provider of management solutions for IT operations, focusing in Business Service Management (BSM) methodologies. The deal was valued at C\$4 million (\$3.2 million), comprising of C\$2 million in cash (\$1.6 million) and C\$2 million in profit-related payments (\$1.6 million). The consulting services of KOAN-IT complement the current

service offerings of EMTEC. The acquisition also enhances Emtec's ability to provide a comprehensive portfolio of IT services and solutions to commercial and government organizations, helping them to lower their IT infrastructure costs.

Spiderhost to acquire tekGIANTS

On February 11th, Spiderhost acquired tekGIANTS, Inc. tekGIANTS, Inc. operates as an information technology support services and consulting company. The financial details of the transaction were not disclosed

Telephonetics acquires Eden Origin

On February 9th, Telephonetics Plc (AIM:TPH), a UK based provider of hosted and customer premises speech recognition and voice automation solutions, announced the acquisition of Eden Origin Limited, a provider of codeless enterprise application integration, business process management and mashup services. The deal was valued at £3.7 million (\$5.6 million), comprising of £0.7 million in cash and up to £3 million in profit-related payments. Based on an implied enterprise value of £3.7 million (\$5.6 million), the transaction was valued at 7.2x LTM revenue. The acquisition of Eden Origin complements the technology of Telephonetics, thereby strengthening its position as a leading provider of solutions that automate and enhance customer interactions and reduce customer costs.

CIBER acquires Canon Technology Solutions

On January 30st, CIBER, Inc. (NYSE: CBR) acquired Canon Technology Solutions from Canon U.S.A., Inc.. Canon Technology Solutions, Inc. provides consulting, technology, and business solutions in enterprise content management, business infrastructure, and information technology managed services. The financial terms of the transaction were not disclosed.

adesso AG acquires beiT Consulting GmbH

On January 29th, adesso AG (DB:ADN), a German provider of IT services that help to optimise core business processes by specifically implementing modern IT solutions, announced the acquisition of beiT Consulting GmbH, an Austrian provider of innovative individual software solutions that enable companies to electronically implement new business models. The cash deal was valued at approximately €4.2

million (\$5.5 million), comprising of €2.7 million in cash (\$3.5 million) and up to €1.5 million in profit-related payments (\$2.0 million). Based on an implied enterprise value of €4.2 million (\$5.5 million), the transaction was valued at 1.2x LTM revenue. The acquisition of beiT Consulting enables adesso to expand its geographical presence. beiT's expertise in the eGovernment and media market place complements adesso's competencies in the fields of banks, insurance, lottery and healthcare, enabling it to offer a wide range of consultancy know-how.

Devoteam acquires Danet GmbH

On January 19th, Devoteam SA (ENXTPA: DVT) signed a definitive agreement to acquire 90% stake in Danet GmbH from Danet Partner GbR, Deutsche Telekom AG (DB: DTE), SAIC, Inc. (NYSE: SAI). Danet GmbH provides IT consulting services to telecommunications, finances, automobiles, and transport and logistics sectors. It designs, develops, implements, and operates business solutions. The company offers IT services, such as business strategy and product innovation, customer care and billing, service management and fulfillment, customer relationship management.

Siemens Corporate Finance to acquire Siemens Information Systems

On January 9th, Siemens Corporate Finance Pvt. Ltd., a provider of strategic management guidance and financial support to its portfolio companies, announced the acquisition of India based Siemens Information Systems Ltd., a provider of consultancy services to firms in areas such as healthcare, telecommunications, manufacturing, utilities, public sector and government, from Siemens Ltd. (BSE:500550). The cash deal was valued at INR 4.5 billion (\$93.0 million), comprising of a purchase of 6,815,000 equity shares. Based on the implied enterprise value of INR 4.5 billion (\$93.0 million), the transaction was valued at 0.5x LTM revenue. Post acquisition, Siemens Information would serve as an internal software factory, supporting the R&D and product development initiatives of various business sectors worldwide.

Dell International Incorporated acquires Allin Consulting of Pennsylvania

On January 8th, Dell International Incorporated acquired Allin Consulting of Pennsylvania, Inc.

and Allin Corporation of California from Allin Corp. (OTCBB: ALLN). Allin Corporation, through its subsidiaries, provides information technology and interactive media-based consulting and systems integration services primarily in the United States and Europe. The cash deal was valued at \$12 million.

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
Retalix*	RTLX

Human Capital Management

Ultimate Software	ULTI
Concur	CNQR
Kenexa	KNXA
Taleo	TLEO
Sum Total	SUMT
Callidus	CALD

Supply Chain Automation

<u>Company</u>	<u>Ticker</u>
<u>Planning</u>	
Aspen Technology	AZPN
i2 Technologies	ITWO
Logility	LGTY
JDA Software	JDAS

Logistics & Execution

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
OpenText	OTEX
Vignette	VIGN
Convera	CNVR

* On March 2nd, The Company received a non-binding offer for 100% of its outstanding share

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

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

Development/Deployment (Pre-Production)

<u>Company</u>	<u>Ticker</u>
Borland Software	BORL
Compuware	CPWR
Keynote Systems	KEYN

Business Intelligence

<u>Company</u>	<u>Ticker</u>
<u>Data Integration</u>	
Actuate	ACTU
Informatica	INFA

Financial BI

MicroStrategy	MSTR
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Analytics

Fair Isaac	FIC
Stamford Industrial Group	NETP.PK
Verint Systems	VRNT
SPSS	SPSS
Pegasystems	PEGA

Communications / Speech

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

Security Software

<u>Company</u>	<u>Ticker</u>
<u>Access / Public Key Infrastructure / Encryption</u>	
Certicom	TSX:CIC
Diversinet	DVNTF.OB
Entrust	ENTU
VeriSign	VRSN
ActivIdentity Corporation	ACTI
VASCO	VDSI
Blue Coat Systems	BCSI
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
Sybase	SY
TIBCO Software	TIBX
Source Forge	LNIX

Platform / OS

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

BUSINESS SERVICES UNIVERSE
IT Integration & Consulting

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

Education & Training

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

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

European IT Services

<u>Company</u>	<u>Ticker</u>
Atos Origin	ATO
Dimension Data Holdings	DMDHF.PK
LogicaCMG	LGIAF.PK
Cap Gemini SA	CAP

Indian / Offshore IT Services

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

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>
<u>HR / Administration Services</u>	
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

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

Managed Hosting / Services

NaviSite	NAVI
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Bank Processing

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

In-House Solutions

Jack Henry	JKHY
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Internet Solutions

Bottomline Technologies	EPAY
S1	SONE

Bank Processing (Continued)

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

Credit / Debit Card Processing

<u>Company</u>	<u>Ticker</u>
Fundtech Ltd.	FNDT
Global Payments	GPN
Total System Services	TSS
Transaction Systems Architects	TSAI

Insurance Solutions

<u>Company</u>	<u>Ticker</u>
CorVel	CRVL
Ebix	EBIX
InsWeb	INSW
Insure.com	NSUR

Investment Solutions

<u>Company</u>	<u>Ticker</u>
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
- 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.

Merger and acquisition services are provided by Pharus Securities, LLC, a registered broker-dealer and member FINRA and SIPC. Pharus Advisors, LLC is the trade name under which Pharus Securities, LLC conducts its business.

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Selected 2008 Transactions

SEMICONDUCTOR

BUY-SIDE M&A



- Pharus Advisors advised Telefunken Semiconductors, an affiliate of Tejas Silicon Holdings (UK) Limited, on its Dec 31, 2008 acquisition of the Atmel Germany GmbH & Co. KG from Atmel Corp. (NASDAQ:ATML).
- Tejas Silicon 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.
- Atmel designs, develops, manufactures and sells a range of integrated circuits (IC) products, including microcontrollers, advanced logic, mixed-signal, nonvolatile memory and radio frequency (RF) components. Atmel's products are used primarily in the communications, computing, consumer electronics, storage, security, industrial, automotive, military and aerospace.

AUDIO TECHNOLOGY

SELL-SIDE M&A



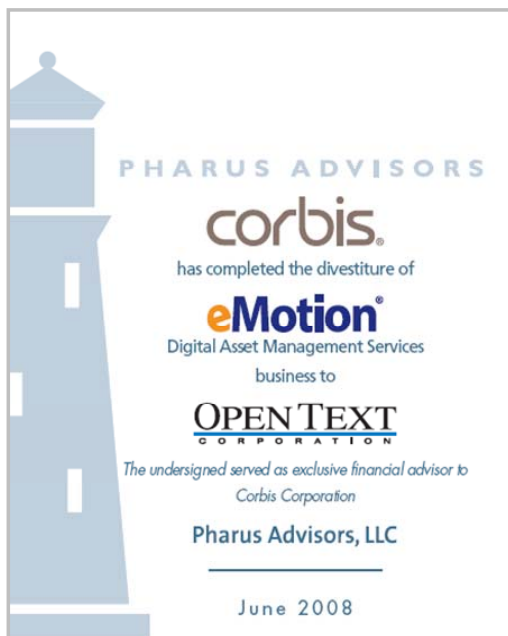
- Pharus Advisors advised Neural Audio Corporation ("Neural") in the sale of its business to DTS Inc. (Nasdaq:DTSI).
- Neural is a provider of audio technology that licenses branded intellectual property solutions for the creation, distribution and playback of music, movies, broadcast programs and video games. Neural is at the forefront of delivering audio technologies that are deployed throughout the entertainment content creation, distribution and playback process to enhance the consumer experience.
- DTS, Inc. (NASDAQ:DTSI) is a digital technology company dedicated to delivering the ultimate entertainment experience. DTS decoders are in virtually every major brand of 5.1-channel surround processor, and there are hundreds of millions of DTS-licensed consumer electronics products available worldwide.

**MOBILE ASSET MANAGEMENT /
WORKFORCE SOFTWARE
SELL-SIDE M&A**



- Pharus Advisors advised SAT Corporation (“SAT”) in the sale of its business to Wonderware Corporation, a 100% subsidiary of the U.K. based Invensys plc (LSE:ISYS) for \$52 million in August 2008.
- SAT is a Houston, Texas based provider of mobile workforce management and asset management solutions. The Company’s solution helps asset intensive manufacturing businesses to maintain assets and prevent plant breakdowns. SAT is the pioneer and leader in providing preventive maintenance solutions using state of the art mobile technology.
- Wonderware Corporation offers industrial automation and information software solutions. Wonderware Corporation is a subsidiary of Invensys plc, which with its subsidiaries, operates as an industrial automation, transportation and controls company.

**DIGITAL ASSET MANAGEMENT
SELL-SIDE M&A**



- Pharus Advisors advised Corbis Corporation in the divestiture of their digital asset management business, eMotion LLC, to Open Text Corporation.
- eMotion is the a pioneer and leader in on-demand multimedia asset management offering state-of-the-art and user-friendly solutions using Software as a Service (SaaS) business model.
- The acquisition gives Open Text’s Artesia Digital Media subsidiary a broader portfolio of offerings for marketing departments and advertising agencies, adding capabilities that complement its industry-leading enterprise marketing asset management solution, Artesia DAM.

FINANCIAL TECHNOLOGY
BUY-SIDE M&A



- Pharus Advisors advised HCL Technologies Ltd. on its successful acquisition of Capital Stream, Inc.
- HCL Technologies is one of India's leading global IT Services companies, providing software-led IT solutions, remote infrastructure management services and BPO.
- Capital Stream is a leading provider of front-office automation solutions that enable financial institutions (FIs) to streamline inefficient paper-based commercial finance operations.

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