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The Lighthouse

Fourth Quarter 2008

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

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Key Highlights:

While Q4 2008 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.

- *E-commerce / Financial Technology:* **eBay** acquires **Bill Me Later** for \$945 million (\$820 million in cash and \$125 million in options).
- *Business Intelligence:* **Informatica** acquires **Powerdata**.
- *Content and Document Management:* **The FeedRoom** acquires **ClearStory Systems**.
- *CA returns to acquisitions:* **CA** acquires **IDFocus**, **Optinuity** and **Eurekify**.
- *Fiserv gets acquisitive:* **Fiserv** acquires **i_Tech Corporation** for approximately \$40 million in cash and **The Data Center**.
- *Oracle remains acquisitive:* **Oracle** acquires **Primavera** and the intellectual property of **Tacit Software**.
- *Citigroup divests business units:* **TCS** to acquire **Citigroup Global Services** for approximately \$505 million in cash and **Wipro** to acquire **Citi Technology Services** for approximately \$127 million in cash (2.4x LTM revenue).
- *Other Major BPO Transactions:* **Affiliated Computer Services** acquires **Grupo Multivoice** and **Serco** acquires majority stake in **Infovision BPO** for \$75 million in cash.
- *Other Major IT Services transactions:* **Adecco** acquires **Datavance Group**, **Apax Partner** to acquire stake in **Altran Technologies** and **CSG** acquires **Advanced Data Concepts**.

Public Valuation Multiples Sector	EV / Revenue		Price / EPS		LTM
	2008	2009	2008	2009	EBITDA
Application Software	1.1x	1.0x	13.1x	11.9x	8.8x
EMS / Infrastructure Software	1.4x	1.4x	12.5x	11.7x	8.3x
IT Services	0.4x	0.4x	9.5x	9.0x	5.4x
BPO	1.9x	1.7x	13.5x	12.2x	6.4x
Financial Technology	1.6x	1.5x	15.8x	13.0x	9.1x

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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 3.8%.

Major Indices: The Dow Jones Industrial Average lost 20.1% in 4Q2008, the S&P 500 decreased by 23.5% for 4Q2008, and the Nasdaq decreased by 25.9% for 4Q2008. All major indices are well into negative territory for the year.

Job Growth: The U.S. job market continued to weaken, as payroll contracted for the sixth straight month. The unemployment rate has increased to reach 7.2% in December. Job losses for December amounted to 632,000. Overall 3,600,000 jobs have disappeared in 2008. Most industries shed jobs this quarter, with significant losses in manufacturing, construction and employment services.

Interest Rates: The Federal Reserve has cut interest rate seven times this year. In March, the FED cut rates by 75 basis points to 2.25% and cut it again in April by 25 basis points to 2.00%. Then FED cut rates two times in October by 50 basis point each time to 1.00% and by 75 basis point in December to 0.25%.

Energy Prices: As a consequence of fears of worldwide recession, oil prices have dropped dramatically. Price of a barrel finished the year under \$35 as a shock on the demand side.

M&A Environment

The general M&A deal making environment continues to dim. Highlighting the difficult deal making environment, there was a spike in the number of withdrawn M&A transactions, which hit an all-time record in 2008. There were 1,194 worldwide M&A transactions that were cancelled during the year, the highest level since 2000.

Overall M&A Market: According to Thomson Financials, the volume of worldwide mergers and acquisitions totaled \$2.9 trillion in announced deals in 2008, a decrease of 29.6% over 2007. Worldwide-announced M&A for the fourth quarter of 2008 totaled to \$555.8 billion, a 34.6% decrease from the third quarter of 2008. Cross border deal activity totaled \$1.1 trillion in 2008 comprising 38.4% of worldwide volume. Compared to 2007, cross border merger activity was down 38.5% during 2008, with targets in the United States, United Kingdom and Canada accounting for nearly 50% of overall activity. Private Equity firms, with limited access to the global credit markets, continued to see major declines in merger activity throughout 2008. Fourth quarter volume totaled \$18.8 billion in announced transactions, the lowest quarterly level for buyout activity since the second quarter of 2002.

Venture-Backed M&As: In the fourth quarter of 2008, 37 venture-backed M&A deals were reported, 15 of which had an aggregate deal value of \$2.1 billion. The average disclosed deal value for the quarter was \$139.4 million. The Information Technology sector dominated the venture-backed M&A landscape, with 30 deals and a disclosed total dollar value of \$972.2 million¹. Within this sector, Internet Specific companies accounted for the bulk of the target companies, with 11 transactions across this sector subset.

Venture-Backed IPOs: According to National Venture Capital, there were no venture-backed IPOs in the fourth quarter of 2008.

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,

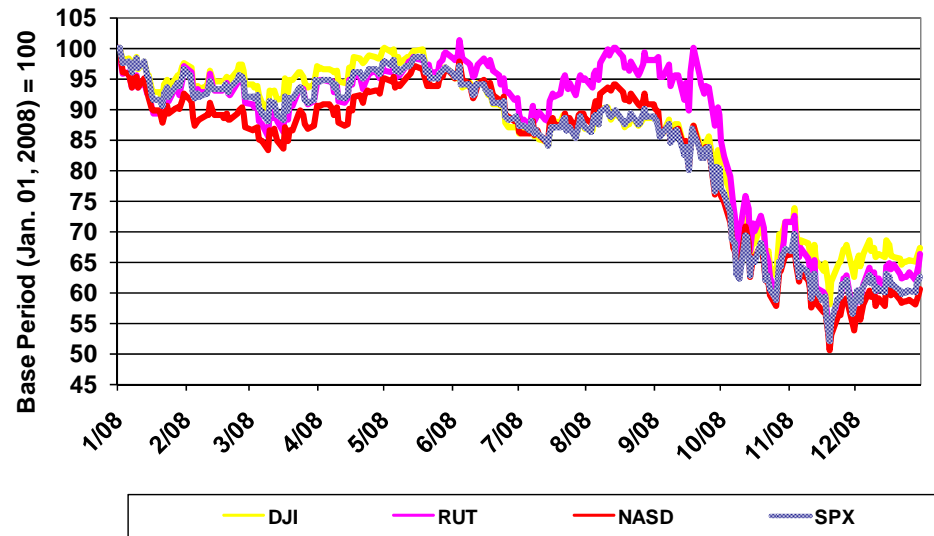
Pharus Advisors, LLC

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

¹This amount does not include eBay's acquisition of Bill Me Later valued at \$945.0 million.

Capital Markets Trends

Relative Performance of Major Stock Indices for 1Q08 - 4Q08



	Close Dec-31-08	Change (%)		
		1 Year	1 Quarter	1 Month
NASDAQ	1,551	(40.6%)	(25.9%)	10.9%
Dow Jones	8,668	(33.5%)	(20.1%)	6.4%
S&P 500	891	(38.5%)	(23.5%)	9.1%
Russell 2000	483	(35.9%)	(29.0%)	15.8%

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				
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
1Q07				
Mar-07	Dendrite International	Cegedim	\$647.1	1.5x
Mar-07	Kronos	Hellman & Friedman Capital	1,800.0	3.0x
Mar-07	Corvu Corp	Rocket Software	21.7	1.4x
Mar-07	Computer Software Group	Hg Capital	193.0	3.4x
Mar-07	Innovative IT Holding BV	Kewill Systems	36.0	2.7x
Feb-07	Seagull Holding NV	Rocket Software	53.3	1.7x
Feb-07	Hyperion Solutions	Oracle	2,797.0	3.4x
Feb-07	Witness Systems	Verint Systems	775.8	3.8x
Jan-07	UGS	Siemens	3,196.0	2.7x
Enterprise Software Median				2.2x

Source: Company Press Releases, Pharus Advisors

*Notable transactions where TEV and revenue are available

Notable Software Transactions* (continued)

<u>Date Announced</u>	<u>Target Name</u>	<u>Acquirer Name</u>	<u>Enterprise Value (MM)</u>	<u>EV / Revenue</u>
Infrastructure & Enterprise Management Software				
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
1Q07				
Mar-07	SafeNet	Vector Capital	\$555.8	1.9x
Jan-07	Altiris	Symantec	813.2	3.8x
Jan-07	Mincom	Francisco Partners	228.8	1.1x
Infrastructure/Enterprise Mgmt. Software Median				2.2x
Overall Software Median				2.2x

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				
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	Salamat	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	Axiom	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
1Q07				
Mar-07	Document Control Services	Mavinwood	\$16.3	2.5x
Mar-07	Affiliated Computer Services	Cerberus Capital Management	8,109.0	1.5x
Mar-07	ValleyUS	Quintegra Solutions	9.5	0.8x
Feb-07	RelQ	Electronic Data Systems	40.0	1.8x
Feb-07	Lason Inc	HOV Services Limited	148.0	0.9x
Feb-07	TALX	Equifax	1,410.3	5.8x
Jan-07	Midrange Computer Solutions	Datalink	5.0	0.1x
BPO, Outsourcing & Other Services				1.7x

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				
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
3Q07				
Sep-07	Red Squared	XploITe	\$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

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.)				
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
1Q07				
Mar-07	Atlantic Systems Engineering	Xedar	\$12.9	2.6x
Mar-07	ITS	Qinetiq	90.0	1.2x
Feb-07	The DBA Group	Zanett	3.5	1.8x
Feb-07	E-Tech Solutions	Perficient	12.2	1.2x
Feb-07	ThoughtDigital	Zensar	24.9	0.9x
Feb-07	Keane	Caritor	839.4	0.9x
Jan-07	Trinity Information Mgt. Services	Pardigm Holdings	7.5	1.9x
Jan-07	Analex	QinetiQ Group	193.1	1.2x
Jan-07	Digica	CompuCenter	54.4	1.4x
IT Services Median				1.2x
Overall Services Median				1.3x

Source: Company Press Releases, Pharos 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	2008	2009	EBITDA	2008	2009	
Enterprise Software Group										
Application Software Groups' Median Multiples										
Customer Relationship Management (CRM)	8	(60.5%)	\$180	\$126	1.0x	0.9x	13.7x	17.9x	34.2x	
Accounting/ERP	8	(41.0%)	2,053	2,373	1.1x	1.0x	9.0x	14.6x	12.0x	
Retail	2	(73.0%)	119	152	0.6x	0.5x	11.1x	9.6x	6.2x	
Supply Chain Automation	8	(43.0%)	396	356	1.1x	1.1x	5.9x	9.9x	10.1x	
Procurement	4	(49.5%)	66	16	1.1x	1.0x	7.7x	11.0x	9.4x	
Human Capital Management	6	(55.9%)	208	172	0.9x	0.8x	17.4x	13.1x	14.8x	
Knowledge / Content Management	6	(50.9%)	395	242	1.8x	1.6x	8.7x	13.1x	11.5x	
Overall Application Software Medians	42	(50.9%)	\$244	\$193	1.1x	1.0x	8.8x	13.1x	11.9x	
EMS / Infrastructure Software Groups' Median Multiples										
Application / Systems (Production) Mgmt.	4	(32.6%)	\$3,275	\$2,838	1.8x	1.8x	8.8x	13.1x	11.5x	
Development / Deployment (Pre-Production)	3	(51.1%)	109	70	1.0x	1.4x	10.1x	12.0x	75.2x	
Business Intelligence	8	(47.2%)	451	302	1.2x	1.1x	7.1x	12.3x	11.1x	
Communications / Speech	1	(3.0%)	381	354	1.7x	1.5x	15.2x	12.8x	38.7x	
Security Software	14	(46.3%)	366	330	2.1x	1.9x	10.3x	13.7x	12.7x	
Integration / Middleware	6	(38.2%)	876	706	1.2x	1.2x	6.4x	12.1x	11.5x	
Platform / OS	6	(45.2%)	46,029	49,378	1.1x	1.0x	6.2x	10.3x	11.4x	
Overall Infrastructure Software Medians	42	(43.2%)	\$729	\$549	1.4x	1.4x	8.3x	12.5x	11.7x	
Overall Software Medians	84	(46.9%)	\$390	\$346	1.3x	1.2x	8.6x	12.8x	11.9x	
Services Group										
Business Services' Median Multiples										
IT Integration & Consulting	12	(58.6%)	\$135	\$161	0.4x	0.4x	5.4x	9.5x	9.0x	
Education & Training	4	(55.4%)	76	45	1.6x	NA	3.1x	26.9x	NA	
IT Staff Augmentation	3	(54.9%)	11	13	0.3x	0.3x	4.1x	10.3x	20.8x	
Government IT Services	4	(22.6%)	1,169	1,467	0.7x	0.7x	7.9x	15.1x	13.4x	
European IT Services	4	(43.9%)	1,779	2,673	NA	NA	4.0x	NA	NA	
Indian / Offshore IT Services	8	(53.5%)	4,023	3,198	1.8x	1.5x	7.2x	10.3x	9.6x	
Call Center	4	(46.2%)	318	321	0.4x	0.4x	4.1x	12.3x	10.8x	
Business Process Outsourcing (BPO)	8	(33.4%)	1,974	2,583	1.9x	1.7x	6.4x	13.5x	12.2x	
IT Outsourcing	5	(49.8%)	1,675	1,610	0.6x	0.6x	4.7x	10.2x	9.0x	
Overall Business Services Medians	52	(47.4%)	\$752	\$715	0.6x	0.6x	5.7x	11.9x	11.3x	
Financial Services IT Solutions' Median Multiples										
Bank Processing	8	(36.3%)	\$764	\$741	2.0x	1.8x	9.1x	15.8x	13.1x	
Credit / Debit Card Processing	4	(39.8%)	1,651	1,624	1.4x	1.3x	6.8x	14.1x	11.9x	
Insurance Solutions	4	(52.7%)	127	135	NA	NA	8.1x	NA	NA	
Investment Solutions	4	(59.7%)	402	500	1.2x	1.1x	13.9x	16.4x	14.9x	
Overall Financial Services Medians	20	(45.0%)	\$491	\$500	1.6x	1.5x	9.1x	15.8x	13.0x	
Overall Services Medians	72	(46.7%)	\$628	\$646	0.7x	0.7x	6.1x	12.5x	11.8x	

Source: CapitalIQ

Application Software Public Company Comparable Valuations

Pharus Advisors

Company	Ticker	Price	High	Low	Market Value		EV / Revenue		EV / LTM	Price / EPS		
					Equity	Enterprise	2008	2009	EBITDA	2008	2009	
Customer Relationship Management (CRM)												
Art Technology Group Inc.	NasdaqGM:ARTG	\$1.88	\$4.67	\$1.02	\$243.6	\$187.1	1.2x	1.0x	22.3x	20.9x	13.1x	
Chordiant Software Inc.	NasdaqGM:CHRD	2.80	9.40	2.01	84.2	28.7	0.3x	0.3x	12.6x	50.9x	46.7x	
Digital River	NasdaqGS:DRIV	25.61	45.45	16.88	949.9	649.7	1.7x	1.6x	6.6x	14.2x	13.2x	
LivePerson	NasdaqCM:LPSN	1.87	5.20	1.19	88.7	64.9	0.9x	0.7x	13.7x	NA	46.8x	
Interactive Intelligence	NasdaqGM:ININ	6.86	25.00	5.51	117.0	67.7	0.6x	0.6x	7.2x	14.8x	21.6x	
KANA Software Inc.	OTCBB:KANA	0.75	2.30	0.46	30.9	33.2	0.5x	0.4x	15.0x	9.7x	6.6x	
salesforce.com, Inc.	NYSE:CRM	34.02	75.21	20.82	4,150.4	3,564.2	3.3x	2.7x	39.7x	111.5x	66.6x	
Rightnow Technologies Inc.	NasdaqGM:RNOW	8.40	17.39	5.02	281.4	183.9	1.3x	1.1x	NA	NA	60.9x	
					Median	\$180.3	\$125.8	1.0x	0.9x	13.7x	17.9x	34.2x
Accounting/ERP												
Intuit Inc.	NasdaqGS:INTU	\$24.40	\$32.16	\$20.18	\$7,809.5	\$8,357.5	2.6x	2.4x	9.2x	13.5x	12.0x	
Lawson Software Inc.	NasdaqGS:LWSN	4.88	10.09	2.71	794.7	681.7	0.8x	0.8x	6.9x	14.9x	11.5x	
Sage	LSE:SGE	2.53	3.39	2.08	3,310.4	4,063.6	NA	NA	9.3x	NA	NA	
Epicor	NasdaqGS:EPIC	4.80	12.65	2.91	287.6	531.6	1.1x	1.0x	8.4x	7.4x	6.7x	
QAD	NasdaqGS:QADI	4.04	9.29	2.67	124.1	104.9	0.4x	0.4x	9.1x	38.5x	21.3x	
American Software	NasdaqGS:AMSW.A	4.70	9.45	2.92	119.4	65.4	0.8x	0.7x	5.8x	38.2x	15.8x	
Oracle Corp.	NasdaqGS:ORCL	18.41	23.62	15.00	92,900.1	93,492.1	3.9x	3.7x	9.1x	13.0x	11.9x	
SAP AG	DB:SAP	36.52	56.70	29.13	43,392.0	41,169.8	2.5x	2.4x	8.8x	14.6x	13.5x	
					Median	\$2,052.5	\$2,372.7	1.1x	1.0x	9.0x	14.6x	12.0x
Retail												
Radiant Systems Inc.	NasdaqGS:RADS	3.48	17.11	2.80	112.9	202.1	0.7x	0.6x	5.1x	4.9x	5.5x	
Retalix Ltd.	NasdaqGS:RTLX	6.15	18.23	3.24	124.9	102.8	0.5x	0.4x	17.0x	14.3x	6.9x	
					Median	\$118.9	\$152.5	0.6x	0.5x	11.1x	9.6x	6.2x

Source: CapitalIQ

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	2008	2009	EBITDA	2008	2009	
Supply Chain Automation												
Aspen Technology Inc.	OTCPK:AZPN	7.30	15.99	5.10	659.5	713.6	1.9x	1.8x	9.5x	8.3x	7.3x	
Descartes Systems Group Inc.	TSX:DSG	2.93	3.69	2.05	155.2	101.7	1.5x	1.4x	6.4x	12.6x	11.9x	
I2 Technologies, Inc.	NasdaqGS:ITWO	6.26	14.60	5.50	136.6	105.5	0.4x	0.5x	3.3x	10.2x	11.9x	
Logility Inc.	NasdaqGM:LGTY	4.50	12.39	4.00	58.0	20.1	NA	NA	1.9x	NA	NA	
Manhattan Associates Inc.	NasdaqGS:MANH	16.01	27.72	13.66	384.8	305.0	0.9x	0.9x	5.5x	11.5x	11.4x	
Dassault	ENXTPA:DSY	44.65	61.71	34.13	5,307.2	4,431.1	NA	NA	9.1x	NA	NA	
Parametric Technology Corp.	NasdaqGS:PMTC	12.73	21.54	8.40	1,479.2	1,311.0	1.2x	1.1x	6.3x	9.7x	8.7x	
JDA Software Group Inc.	NasdaqGs:JDAS	\$13.09	\$20.97	\$10.07	\$406.8	\$406.4	1.1x	1.0x	4.7x	9.1x	7.9x	
					Median	\$395.8	\$355.7	1.1x	1.1x	5.9x	9.9x	10.1x
Procurement												
Ariba Inc.	NasdaqGs:ARBA	\$7.40	\$18.58	\$6.00	\$643.5	\$556.7	1.5x	1.4x	NA	11.0x	9.1x	
Clarus Corp.	OTCPK:CLRS	4.30	6.55	3.75	74.7	(11.2)	NA	NA	NA	NA	NA	
ClickSoftware Technologies Ltd.	NasdaqCM:CKSW	1.99	3.99	1.80	56.8	32.3	0.6x	0.5x	7.7x	11.1x	9.6x	
Selectica Inc.	NasdaqGM:SLTC	0.88	1.89	0.60	25.3	0.4	NA	NA	NA	NA	NA	
					Median	\$65.8	\$16.3	1.1x	1.0x	7.7x	11.0x	9.4x
Human Capital Management												
Ultimate Software	NasdaqGs:ULTI	16.04	41.68	10.70	392.0	372.9	2.1x	1.7x	58.1x	54.7x	27.7x	
Concur	NasdaqGS:CNQR	33.38	50.00	19.52	1,629.7	1,364.8	5.1x	4.1x	28.5x	47.5x	35.1x	
Kenexa	NasdaqGS:KNXA	7.61	24.01	4.68	171.7	146.0	0.7x	0.8x	3.5x	5.9x	6.7x	
Taleo	NasdaqGM:TLEO	8.01	33.27	5.37	245.2	198.2	1.1x	0.9x	17.4x	13.1x	9.9x	
SumTotal	NasdaqGM:SUMT	2.98	5.15	2.25	94.0	52.4	0.4x	0.4x	5.9x	10.6x	14.8x	
Callidus	NasdaqGM:CALD	3.00	6.56	1.91	90.4	49.0	0.5x	0.4x	NA	NA	NA	
					Median	\$208.4	\$172.1	0.9x	0.8x	17.4x	13.1x	14.8x
Knowledge / Content Management												
Adobe Systems Inc.	NasdaqGS:ADBE	\$23.02	\$46.44	\$19.49	\$12,222.6	\$10,553.4	3.2x	2.9x	7.9x	12.9x	11.5x	
BroadVision Inc.	NasdaqGM:BVSN	11.02	48.75	9.00	48.4	(14.2)	NA	NA	NA	NA	NA	
Convera	NasdaqGM:CNVR	0.27	3.89	0.20	14.4	(12.4)	NA	NA	NA	NA	NA	
Interwoven Inc.	NasdaqGs:IWOV	12.35	16.01	9.67	569.3	406.4	1.6x	1.4x	10.7x	20.8x	16.8x	
Open Text Corp.	NasdaqGS:OTEX	30.74	39.09	22.01	1,594.3	1,659.4	2.0x	1.8x	8.8x	13.1x	11.4x	
Vignette Corp.	NasdaqGs:VIGN	9.28	15.47	7.06	220.5	76.7	0.4x	0.4x	8.7x	NA	NA	
					Median	\$394.9	\$241.6	1.8x	1.6x	8.7x	13.1x	11.5x

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	2008	2009	EBITDA	2008	2009	
Application / Systems (Production) Mgmt.												
BMC Software Inc.	NYSE:BMC	\$27.65	\$40.87	\$20.58	\$5,184.5	\$4,592.3	2.4x	2.3x	8.1x	12.6x	11.6x	
CA, Inc.	NasdaqGS:CA	18.90	26.68	12.00	9,795.6	9,634.6	2.2x	2.1x	6.7x	12.5x	11.5x	
Netscout Systems	NasdaqGS:NTCT	9.19	16.05	5.69	361.5	379.9	1.4x	1.3x	13.7x	14.0x	11.9x	
Quest Software Inc.	NasdaqGS:QSFT	12.89	17.50	10.31	1,365.4	1,084.2	1.5x	1.4x	9.5x	13.6x	11.3x	
					Median	\$3,275.0	\$2,838.3	1.8x	1.8x	8.8x	13.1x	11.5x
Development / Deployment (Pre-Production)												
Borland Software Corp.	NasdaqGM:BORL	\$1.07	\$3.08	\$0.76	\$77.9	\$70.4	NA	NA	NA	NA	NA	
Compuware Corp.	NasdaqGS:CPWR	7.08	11.91	5.08	1,745.2	1,573.0	1.4x	1.4x	6.1x	12.0x	10.6x	
Keynote Systems Inc.	NasdaqGM:KEYN	7.69	14.64	6.34	109.2	60.1	0.7x	NA	14.2x	NA	139.8x	
					Median	\$109.2	\$70.4	1.0x	1.4x	10.1x	12.0x	75.2x
Business Intelligence												
Actuate Corp.	NasdaqGS:ACTU	\$3.19	\$7.67	\$2.20	\$194.2	\$128.0	1.0x	1.0x	7.1x	12.3x	10.6x	
Fair Isaac Corp.	NYSE:FIC	17.25	30.73	10.35	836.2	1,219.5	1.7x	1.6x	7.1x	10.4x	9.5x	
Informatica Corp.	NasdaqGS:INFA	13.78	19.31	10.42	1,208.2	987.0	2.2x	1.9x	12.2x	18.4x	16.2x	
Stamford Industrial Group	OTCPK:STMF	0.70	2.00	0.57	29.4	55.1	NA	NA	3.3x	NA	NA	
Verint Systems	OTCPK:VRNT	7.30	24.60	5.40	249.3	(17.3)	NA	NA	NA	8.7x	5.1x	
SPSS	NasdaqGS:SPSS	27.22	43.36	21.47	494.0	337.0	1.1x	1.1x	4.6x	14.2x	14.2x	
Pegasystems	NasdaqGS:PEGA	12.76	15.10	8.73	459.8	288.3	1.4x	1.2x	25.4x	33.6x	29.0x	
MicroStrategy Inc.	NasdaqGS:MSTR	37.28	90.98	30.55	443.2	315.9	0.9x	0.8x	3.8x	11.3x	11.1x	
					Median	\$451.5	\$302.1	1.2x	1.1x	7.1x	12.3x	11.1x
Communications / Speech												
TeleCommunication Systems Inc.	NasdaqGM:TSYS	8.64	8.91	2.71	380.5	353.8	1.7x	1.5x	15.2x	12.8x	38.7x	
					Median	\$380.5	\$353.8	1.7x	1.5x	15.2x	12.8x	38.7x

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	2008	2009	EBITDA	2008	2009	
Security Software												
Certicom Corp.	TSX:CIC	\$1.56	\$2.25	\$0.49	\$68.3	\$35.1	1.7x	1.5x	NA	NA	NA	
Check Point Software Technologies Ltd.	NasdaqGS:CHKP	19.74	25.81	16.80	4,230.1	3,425.6	4.2x	4.0x	8.8x	11.2x	10.6x	
Diversinet Corp.	OTCBB:DVNT.F	0.30	0.77	0.20	7.6	(4.4)	NA	NA	NA	NA	NA	
Entrust Inc.	NasdaqGM:ENTU	1.63	3.41	0.98	100.1	76.7	0.8x	0.7x	19.5x	22.3x	12.0x	
McAfee Inc.	NYSE:MFE	34.64	40.97	24.72	5,287.5	4,507.4	2.8x	2.5x	14.2x	17.3x	15.6x	
SonicWALL Inc.	NasdaqGS:SNWL	4.13	10.28	2.90	221.3	122.2	0.6x	0.6x	14.2x	16.9x	14.8x	
Symantec Corp.	NasdaqGS:SYMC	14.80	22.80	10.05	12,373.0	12,168.4	2.0x	1.9x	6.7x	10.4x	9.9x	
ActivIdentity Corp.	NasdaqGM:ACTI	1.97	3.54	1.07	90.2	10.7	0.2x	0.2x	NA	NA	35.8x	
VASCO	NasdaqCM:VDSI	10.40	26.58	6.11	388.3	337.6	2.3x	2.0x	9.4x	13.7x	12.7x	
Blue Coat Systems	NasdaqGS:BCSI	8.82	31.18	6.96	344.4	323.4	0.7x	0.7x	8.6x	11.3x	8.8x	
Zix	NasdaqGM:ZIXI	1.30	4.74	0.94	82.1	69.0	2.5x	1.8x	NA	NA	46.4x	
Websense	NasdaqGS:WBSN	14.80	24.60	13.26	666.1	742.7	2.1x	2.1x	44.0x	10.9x	10.6x	
Trend Micro Inc.	TSE:4704	33.96	48.03	21.70	4,759.4	3,567.1	NA	NA	8.4x	NA	NA	
VeriSign Inc.	NasdaqGS:VRSN	20.62	42.50	16.23	4,001.0	4,672.3	5.0x	4.4x	11.2x	20.8x	14.8x	
					Median	\$366.3	\$330.5	2.1x	1.9x	10.3x	13.7x	12.7x
Integration / Middleware												
Jacada Ltd.	NasdaqGM:JCDA	3.06	4.07	2.03	50.4	32.1	NA	NA	NA	NA	NA	
Citrix Systems	NasdaqGS:CTXS	24.36	38.41	19.00	4,425.0	3,964.0	2.5x	2.3x	14.1x	15.0x	13.8x	
Progress Software Corp.	NasdaqGS:PRGS	19.87	33.01	17.20	791.3	672.7	1.2x	1.2x	5.6x	10.4x	9.4x	
Sybase, Inc.	NYSE:SY	24.98	36.99	22.20	2,024.7	1,928.6	1.7x	1.6x	6.2x	12.3x	11.5x	
TIBCO Software Inc.	NasdaqGS:TIBX	5.35	8.78	3.45	961.0	738.4	1.2x	1.1x	6.5x	11.8x	10.4x	
SourceForge, Inc	NasdaqGM:LNUX	0.97	2.23	0.32	62.2	25.3	0.4x	0.4x	NA	NA	25.5x	
					Median	\$876.1	\$705.6	1.2x	1.2x	6.4x	12.1x	11.5x
Platform / OS												
Hewlett-Packard Co.	NYSE:HPQ	\$36.81	\$50.98	\$28.23	\$88,940.4	\$96,546.4	0.8x	0.7x	6.8x	9.6x	8.7x	
International Business Machines Corp.	NYSE:IBM	87.37	130.93	69.50	117,377.9	142,034.9	1.4x	1.4x	6.3x	10.0x	9.7x	
Microsoft Corp.	NasdaqGS:MSFT	20.33	35.20	17.50	180,847.0	163,111.0	2.5x	2.4x	6.2x	10.3x	9.2x	
Red Hat	NYSE:RHT	13.99	24.84	7.50	2,682.6	2,209.5	3.4x	3.0x	18.6x	16.6x	22.3x	
Novell	NasdaqGS:NOVL	3.97	7.59	2.49	1,363.5	426.1	0.4x	0.4x	4.8x	15.5x	13.0x	
Sun Microsystems Inc.	NasdaqGS:JAVA	4.22	18.14	2.60	3,116.8	1,744.8	0.1x	0.1x	1.5x	NA	35.5x	
					Median	\$46,028.6	\$49,377.9	1.1x	1.0x	6.2x	10.3x	11.4x

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	2008	2009	EBITDA	2008	2009	
IT Integration & Consulting												
Accenture Ltd.	NYSE:ACN	\$33.67	\$43.04	\$24.76	\$20,449.5	\$18,189.1	0.8x	0.7x	5.0x	12.1x	11.1x	
The Hackett Group (FKA Answerthink Inc.)	NasdaqM:HCKT	2.87	6.65	2.07	113.3	87.3	0.5x	0.4x	4.5x	9.0x	8.1x	
BearingPoint Inc.	OTCBB:BGPT	1.47	145.50	1.15	6.5	654.0	0.2x	0.2x	33.1x	NA	NA	
CIBER Inc.	NYSE:CBR	5.10	8.97	2.95	306.5	453.2	0.4x	0.4x	5.8x	9.5x	9.0x	
DiamondCluster International Inc.	NasdaqGS:DTPI	4.32	7.46	1.84	109.7	62.6	0.4x	0.4x	8.0x	86.4x	38.2x	
iGATE Corp.	NasdaqGM:IGTE	6.95	12.02	3.73	376.4	315.0	1.3x	1.4x	7.6x	12.3x	11.8x	
Management Network Group Inc.	NasdaqGM:TMNG	0.49	2.72	0.38	17.0	7.4	0.1x	0.1x	1.3x	3.1x	4.9x	
Perficient Inc.	NasdaqGS:PRFT	4.81	17.35	2.31	155.8	140.3	0.6x	0.6x	4.5x	6.8x	7.5x	
Sapient Corp.	NasdaqGS:SAPE	4.52	9.97	3.30	573.5	423.8	0.6x	0.6x	6.1x	11.6x	11.1x	
Technology Solutions Co.	NasdaqGM:TSCC	1.05	5.50	0.78	2.7	(6.3)	NA	NA	NA	NA	NA	
Tier Technologies Inc.	NasdaqGM:TIER	5.32	9.26	3.41	105.0	54.9	0.4x	0.4x	NA	NA	NA	
Ness Technologies Inc.	NasdaqGS:NSTC	4.39	13.00	3.54	174.0	182.2	0.3x	0.3x	3.4x	4.5x	4.7x	
Median					\$134.6	\$161.2	0.4x	0.4x	5.4x	9.5x	9.0x	
Education & Training												
Learning Tree International Inc.	NasdaqGM:LTRE	\$8.65	\$22.47	\$7.29	\$143.2	\$72.5	0.5x	0.5x	3.0x	28.4x	15.7x	
New Horizons Worldwide Inc.	OTCBB:NEWH	0.70	1.80	0.51	7.9	17.8	NA	NA	3.1x	NA	NA	
SkillSoft plc	NasdaqGS:SKIL	9.29	9.40	5.35	1,030.0	900.25	2.7x	2.7x	9.3x	25.5x	20.9x	
VCampus Corp.	OTCPK:VCMP	0.00	0.05	0.00	0.0	3.0	NA	NA	NA	NA	NA	
Median					\$75.6	\$45.1	1.6x	NA	3.1x	26.9x	NA	
IT Staff Augmentation												
Analysts International Corp.	NasdaqGM:ANLY	\$0.45	\$1.80	\$0.32	\$11.3	\$12.6	NA	NA	4.4x	NA	NA	
MPS Group Inc.	NYSE:MPS	7.50	12.77	4.74	692.4	637.9	0.3x	0.3x	4.1x	10.3x	20.8x	
TeamStaff Inc.	NasdaqGM:TSTF	1.70	3.30	1.64	8.2	4.7	NA	NA	3.8x	NA	NA	
Median					\$11.3	\$12.6	0.3x	0.3x	4.1x	10.3x	20.8x	

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	2008	2009	EBITDA	2008	2009	
Government IT Services												
CACI International Inc.	NYSE:CAI	\$45.39	\$53.95	\$36.02	\$1,356.9	\$1,886.0	0.7x	0.7x	8.6x	15.0x	13.5x	
ManTech International Corp.	NasdaqGS:MANT	54.19	62.06	36.60	1,918.8	1,956.8	1.0x	0.9x	11.9x	21.2x	18.5x	
MAXIMUS Inc.	NYSE:MMS	35.95	45.07	25.94	634.7	514.5	0.7x	0.6x	5.2x	11.9x	11.4x	
SRA International Inc.	NYSE:SRX	17.47	29.84	11.74	980.6	1,049.0	0.7x	0.6x	7.2x	15.3x	13.3x	
					Median	\$1,168.7	\$1,467.5	0.7x	0.7x	7.9x	15.1x	13.4x
European IT Services												
Atos Origin SA	ENXTPA:ATO	\$25.57	\$56.36	\$20.91	\$1,806.9	\$2,757.2	NA	NA	3.8x	NA	NA	
Cap Gemini SA	ENXTPA:CAP	39.44	62.89	29.61	5,751.5	5,006.1	NA	NA	4.2x	NA	NA	
Dimension Data Holdings plc	JSE:DDT	0.59	0.92	0.43	1,007.7	609.5	NA	NA	2.4x	NA	NA	
LogicaCMG plc	LSE:LOG	1.10	2.11	0.83	1,751.3	2,588.9	NA	NA	6.2x	NA	NA	
					Median	\$1,779.1	\$2,673.0	NA	NA	4.0x	NA	NA
Indian / Offshore IT Services												
Cognizant Technology Solutions Corp.	NasdaqGS:CTSH	\$19.12	\$37.10	\$14.38	\$5,567.5	\$4,972.1	1.8x	1.5x	9.1x	13.2x	11.8x	
HCL Technologies Ltd.	BSE:532281	2.53	6.72	2.12	1,695.1	1,330.5	NA	NA	3.6x	NA	NA	
Infosys Technologies Ltd.	BSE:500209	23.44	41.80	21.55	13,420.8	11,534.8	2.6x	2.3x	7.8x	11.1x	10.3x	
Tata Consultancy Services Limited	BSE:532540	10.31	21.84	8.66	10,085.1	9,923.7	NA	NA	6.9x	NA	NA	
Patni Computer Systems Ltd.	BSE:532517	2.74	6.84	2.31	350.4	313.2	0.5x	0.4x	3.5x	4.6x	4.4x	
Satyam Computer Services Ltd.	BSE:500376	3.68	11.27	2.38	2,479.5	1,422.9	0.6x	0.5x	3.0x	5.2x	5.1x	
Wipro Ltd.	BSE:507685	5.03	11.15	3.77	7,326.3	7,198.1	NA	NA	7.5x	9.6x	8.9x	
Syntel Inc.	NasdaqGS:SYNT	23.96	38.89	16.14	994.3	875.6	2.1x	1.9x	8.9x	12.6x	12.0x	
					Median	\$4,023.5	\$3,197.5	1.8x	1.5x	7.2x	10.3x	9.6x
Call Center												
APAC Customer Services Inc.	NasdaqGM:APAC	1.38	2.39	0.68	69.8	83.2	0.3x	0.3x	4.8x	NA	4.9x	
ICT Group Inc.	NasdaqGM:ICTG	4.63	12.14	2.50	73.7	47.0	0.1x	0.1x	1.9x	159.7x	17.5x	
Sykes Enterprises Inc.	NasdaqGS:SYKE	19.69	22.55	12.34	812.3	590.7	0.7x	0.7x	6.1x	12.3x	13.3x	
TeleTech Holdings Inc.	NasdaqGS:TTEC	8.62	26.88	6.43	563.0	559.5	0.4x	0.4x	3.3x	7.2x	8.3x	
					Median	\$318.3	\$321.4	0.4x	0.4x	4.1x	12.3x	10.8x

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	2008	2009	EBITDA	2008	2009	
Business Process Outsourcing (BPO)												
Automatic Data Processing Inc.	NasdaqGS:ADP	40.41	45.97	30.83	20,523.4	19,006.4	2.1x	2.0x	9.1x	17.1x	15.5x	
Convergys Corp.	NYSE:CVG	6.86	17.00	4.02	837.4	1,364.7	0.5x	0.5x	4.6x	6.2x	6.4x	
CSG Systems International Inc.	NasdaqGS:CSGS	17.76	20.16	10.49	621.4	686.7	1.5x	1.4x	5.7x	10.8x	11.7x	
DST Systems Inc.	NYSE:DST	39.64	79.23	30.96	1,966.7	3,145.7	1.9x	1.9x	6.1x	10.3x	9.1x	
FirstService Corp.	TSX:FSV	13.24	23.77	9.88	387.5	744.0	NA	0.4x	6.2x	NA	9.9x	
Iron Mountain Inc.	NYSE:IRM	24.79	38.85	16.71	4,999.5	8,100.3	2.6x	2.5x	10.5x	34.7x	30.6x	
Paychex Inc.	NasdaqGS:PAYX	26.94	37.67	23.22	9,720.5	9,318.8	4.4x	4.2x	10.1x	18.0x	17.3x	
Watson Wyatt Worldwide	NYSE:WW	46.57	62.00	32.56	1,982.0	2,019.5	1.2x	1.1x	6.6x	13.5x	12.6x	
					Median	\$1,974.3	\$2,582.6	1.9x	1.7x	6.4x	13.5x	12.2x
IT Outsourcing												
CGI Group Inc.	TSX:GIB.A	\$7.98	\$9.89	\$6.83	\$2,460.1	\$2,745.4	0.9x	0.8x	5.8x	10.2x	9.3x	
Computer Sciences Corp.	NYSE:CSC	37.10	52.50	23.93	5,620.0	8,651.7	0.5x	0.5x	3.4x	9.2x	8.8x	
NaviSite Inc.	NasdaqCM:NAVI	0.33	5.05	0.15	11.8	163.2	1.1x	1.0x	5.8x	NA	NA	
Perot Systems Corp.	NYSE:PER	13.77	18.82	10.71	1,675.3	1,610.3	0.6x	0.6x	4.7x	14.3x	13.1x	
Unisys Corp.	NYSE:UIS	1.03	5.17	0.38	373.1	941.2	0.2x	0.2x	2.1x	NA	8.1x	
					Median	\$1,675.3	\$1,610.3	0.6x	0.6x	4.7x	10.2x	9.0x

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	2008	2009	EBITDA	2008	2009	
Bank Processing												
Bottomline Technologies Inc.	NasdaqGM:EPAY	7.15	14.04	4.46	179.9	149.6	1.0x	1.0x	21.9x	12.0x	9.5x	
CyberSource Corp.	NasdaqGS:CYBS	12.24	20.40	6.00	851.1	777.9	3.4x	3.0x	23.8x	19.3x	16.5x	
Equifax Inc.	NYSE:EFX	27.65	39.95	19.38	3,492.4	4,731.5	2.4x	2.4x	7.5x	13.0x	12.7x	
Fiserv Inc.	NasdaqGS:FISV	38.19	55.18	27.75	6,116.2	9,903.2	2.1x	2.3x	7.9x	11.6x	10.2x	
Heartland	NYSE:HPY	18.00	33.00	12.01	677.4	704.2	0.5x	0.4x	8.6x	15.8x	13.2x	
Jack Henry & Associates Inc.	NasdaqGS:JKHY	19.56	27.48	14.76	1,653.1	1,647.4	2.1x	2.0x	7.3x	15.9x	14.4x	
Online Resources Corp.	NasdaqGS:ORCC	4.69	12.01	1.80	137.6	287.8	1.9x	1.7x	10.2x	17.1x	13.0x	
S1 Corp.	NasdaqGM:SONE	7.88	8.28	4.00	422.0	359.9	1.6x	1.5x	9.6x	19.9x	17.3x	
Median					\$764.2	\$741.0	2.0x	1.8x	9.1x	15.8x	13.1x	
Credit / Debit Card Processing												
Fundtech Ltd.	NasdaqGS:FNDT	7.18	15.20	6.14	116.8	75.3	0.6x	0.6x	5.1x	13.9x	11.2x	
Global Payments Inc.	NYSE:GPN	34.18	49.87	29.67	2,741.1	2,706.2	1.6x	1.5x	8.2x	14.2x	12.7x	
Total System Services Inc.	NYSE:TSS	14.86	26.62	10.36	2,924.9	2,888.9	1.5x	1.4x	5.3x	11.4x	10.7x	
ACI Worldwide, Inc	NasdaqGS:ACIW	16.07	23.19	8.86	561.0	541.6	1.3x	1.2x	15.3x	28.8x	20.6x	
Median					\$1,651.0	\$1,623.9	1.4x	1.3x	6.8x	14.1x	11.9x	

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	2008	2009	EBITDA	2008	2009	
Insurance Solutions												
CorVel Corp.	NasdaqGS:CRVL	20.95	37.92	15.78	281.1	257.5	NA	NA	5.2x	NA	NA	
Ebix Inc.	NasdaqGS:EBIX	23.52	40.30	18.00	234.8	278.0	NA	NA	9.6x	NA	NA	
InsWeb Corp.	NasdaqCM:INSW	2.38	12.50	1.57	11.4	2.3	NA	NA	6.5x	NA	NA	
Insure.com Inc.	NasdaqCM:NSUR	2.82	5.00	1.98	19.1	11.8	NA	NA	22.9x	NA	NA	
					Median	\$126.9	\$134.7	NA	NA	8.1x	NA	NA
Investment Solutions												
Advent Software Inc.	NasdaqGS:ADVS	\$21.40	\$55.34	\$17.51	\$576.2	\$500.1	1.9x	1.7x	16.7x	37.7x	32.6x	
BGC Partners, Inc.	NasdaqGS:BGCP	2.81	12.97	2.15	226.9	500.3	0.4x	0.5x	NA	4.8x	6.0x	
NYFIX Inc.	NasdaqCM:NYFX	0.75	5.50	0.40	28.5	51.3	0.4x	0.4x	NA	NA	NA	
Thomson Corp.	TSX:TRI	28.91	33.19	20.42	23,917.0	31,291.0	2.3x	2.4x	11.1x	16.4x	14.9x	
					Median	\$401.6	\$500.2	1.2x	1.1x	13.9x	16.4x	14.9x

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

Lefebvre Software to acquire AS Groupe

On November 18th, Lefebvre Software, a French provider of enterprise software solutions, announced the acquisition of AS Groupe (ENXTPA:MLASE), a French provider of business intelligence solutions, enabling consolidation, reporting and budget preparation, to more than 1,500 customers in 20 countries across Europe, Asia and Africa. The financial terms of the deal were not disclosed. The acquisition of AS Groupe is consistent with Lefebvre's strategy for external growth and increased presence in the European market for financial management systems.

Oracle acquires intellectual property of Tacit Software

On November 3rd, Oracle Corp. (NasdaqGS:ORCL), a global provider of enterprise software, announced the acquisition of intellectual property assets of Tacit Software, Inc., a provider of unique automated profiling technology that helps organizations discover new opportunities for collaboration. The financial terms of the deal were not disclosed. Post acquisition of Tacit Software, Oracle plans to combine Tacit Software's technology into its secure, integrated, standards-based enterprise collaboration platform, named 'Oracle Beehive'.

Temenos Group to acquire Lydian Associates

On November 3rd, Temenos Group AG (SWX:TEMN), a Switzerland-based provider of software for integrated modular core banking systems, announced the acquisition of Lydian Associates Limited, a provider of business intelligence software for the banking sector in the U.K. The financial terms of the deal were not disclosed. Through this acquisition, Temenos plans to enhance its offering in the field of high quality real-time information for decision-making, which is of strategic importance for banks.

Informatica acquires PowerData

On October 2nd, Informatica Corp. (NasdaqGS:INFA), a leading provider of enterprise data integration software and

services, announced the acquisition of Powerdata, a Spanish provider of information technology solutions for data integration and data quality. The financial terms of the deal were not disclosed. Post acquisition, Powerdata was renamed as Informatica Iberia. The acquisition of Powerdata will enable Informatica to expand its presence in Europe and consolidate its position as a world leader in data integration.

Content and Document Management Software

The FeedRoom acquires ClearStory Systems

On December 1st, The FeedRoom, Inc., a provider of online video solutions for media companies, businesses and government agencies, announced the acquisition of ClearStory Systems Inc. (OTCPK:CSYS), a provider of digital asset management (DAM) software and digital media solutions to various industries, from SCP Partners. The financial terms of the deal were not disclosed.

CRM/ERP Software

Intuit to acquire Entellium

On December 2nd, Intuit Inc. (NasdaqGS:INTU), a California-based provider of financial software and solutions to small businesses, accountants and individuals, announced the acquisition of Entellium, Inc., a provider of customized online Customer Relationship Management (CRM) solutions, from Asia Properties Inc. (OTCPK:ASPZ), Ignition Partners and Sigma Partners. The cash deal was valued at approximately \$7.7 million. The deal was subject to bankruptcy court approval. The acquisition of Entellium will enable Intuit to launch its services in the CRM market. Intuit will also purchase Entellium's assets at a low price and gain access to the latter's intellectual property and customer base.

Manacomm Corporation acquires Star System Solutions

On November 19th, Manacomm Corporation Limited (ASX:MNL), an Australia-based provider of popular software titles, e-commerce and online retailing technologies, completed the acquisition of Star System Solutions Pty Ltd., an Australian provider of enterprise software and business management software solutions for

sales, implementation, training, consulting, systems design, customization and programming. The cash deal was valued at \$3.5 million, with \$1.5 million being paid as part of the \$3.5 million consideration and the remaining \$2.0 million Vendor Finance linked to sales performance. The acquisition of Star System strengthens Manacom's enterprise software division and promotes the same across the supply chain (from software resellers to IP ownership).

Campus Management acquires assets of Talisma

On November 14th, Campus Management Corporation, a provider of higher education administrative and fundraising solutions, announced the acquisition of certain assets of Talisma Corporation, a subsidiary of nGenera Corporation and a provider of customer interaction management software solutions. The assets include nGenera's Talisma CRM software, the Talisma Higher Education business division based in Bellevue WA, and Talisma Corporation Pvt. Ltd., an operating unit in Bangalore, India. The financial terms of the deal were not disclosed. The acquisition of Talisma assets augments Campus' CRM capabilities, expands its portfolio of solutions and capacities to develop, and offers more innovations to customers.

PCA acquires 80% stake in Mac Systems Corporation

On November 12th, PCA Corp. (TSE:9629), a provider of packaged business software focusing on the accounting and business fields, announced the acquisition of a 80% stake in Mac Systems Corporation, a Japanese provider of system consulting and software to medical institutions. The cash deal was valued at ¥510 million (\$5.2 million). Based on an implied enterprise value of ¥637.5 million (\$6.5 million), the transaction was valued at 1.5x LTM revenue. Through this acquisition, PCA plans to combine Mac Systems' medical accounting systems with its accounting software expertise to release integrated accounting software for medical institutions in 2009. PCA believes that demand for such software would see healthy growth in coming years as the Japanese hospitals are required to start posting detailed billing information online by fiscal 2011.

UFIDA to acquire select assets of Turbo CRM

On October 27th, UFIDA Software Co. Ltd. (SHSE:600588), a leading provider of management software and services in the Asia-Pacific region, announced the acquisition of some assets of the Shanghai and Beijing branches of Turbo CRM Co. Ltd., a prepackaged software developer and provider of customer relationship management software solutions. The cash deal was valued at \$6.6 million. The acquisition of Turbo CRM will complement the company's industrial chain and bolster its competitiveness.

Shandong Inspur Software to sell 48.69% stake in Inspur Group ShanDong Genersoft Software

On October 22nd, Shandong Inspur Software Co. Ltd. (SHSE:600756), a leading Chinese provider of software for communication and computer, and technical consulting and training services for communication and computer network engineering, announced the sale of its 48.69% stake in Inspur Group ShanDong Genersoft Software Incorporation, a provider of enterprise resources planning products and all-round services for enterprise 'informationization', mainly specializing in development and consulting of financial management software. Shandong Inspur sold its stake to Inspur (Shangdong) Electronic Information Co., Ltd., a provider of computers, software, electronic products, commercial machinery and electronic industrial controlling equipment. The cash deal was valued at approximately CNY 87.4 million (\$12.8 million). Based on an implied enterprise value of CNY 179.5 million (\$26.3 million), the transaction was valued at 1.0x LTM revenue. Through this stake sale, Shandong Inspur Software aims to integrate resource and increase profit from the transaction.

Oracle acquires Primavera

On October 8th, Oracle Corp. (NasdaqGS:ORCL), a worldwide provider of software services announced the acquisition of Primavera Systems, Inc., a provider of enterprise project portfolio management (PPM) solutions and resource management software solutions. The financial terms of the deal were not disclosed. The acquisition of Primavera will enable Oracle to integrate the former's solutions

with the latter's PPM and financials applications, thus providing organizations with deep visibility into enterprise projects, with the benefit of reducing time, cost, and risk.

HCM and Workforce Software

Salary.com acquires Genesys Software Systems

On December 17th, Salary.com Inc. (Nasdaq:SLRY), a leading provider of on-demand compensation and talent management solutions, completed the acquisition of Genesys Software Systems Inc, a top provider of on-demand human resource management systems (HRMS), benefits and payroll services in North America. The deal was valued at approximately \$6.8 million, net of Genesys' cash on hand of \$1.7 million. In addition, the Genesys shareholders and optionholders are eligible to earn additional consideration of up to \$2.0 million, which would be paid in cash or shares of Salary.com common stock, at Salary.com's option, based on Genesys meeting certain performance targets during the first year after the closing of the acquisition. Based on an implied enterprise value of \$8.8 million, the transaction was valued at 1.1x LTM revenue. The acquisition of Genesys would add critical transactional HR management capabilities including payroll and benefits administration to Salary.com's on-demand strategic talent management solutions.

Batrus Hollweg International Selection Services acquires Clickable Software

On October 30th, Batrus Hollweg International Selection Services Limited, a leading human capital consulting firm specializing in High Definition Assessment Science (TM), announced the acquisition of Clickable Software Inc., a provider of a web-based hiring system focusing on 'Click and Hire', its flagship product for e-recruiting and talent management product. The financial terms of the deal were not disclosed. Post acquisition, Clickable Software's 'Click And Hire' applicant tracking system will complement Batrus Hollweg's new High Definition Assessment Science approach.

Supply Chain, Asset Management and Product Lifecycle Management Software

Convergys acquires Ceon

On October 6th, Convergys Corporation (NYSE:CVG), a provider of relationship management and BPO services, announced the acquisition of Ceon Corporation, a provider of product lifecycle management and multi-play fulfillment software to communications service providers. The financial terms of the deal were not disclosed. The acquisition of Ceon will enable Convergys to expand the range of its Business/Operations Support Systems (BSS/OSS) solutions.

Financial Software

Filogix acquires Cyence

On December 19th, Davis + Henderson Income Fund, a listed fund of Davis + Henderson, a provider of cheque supply programs to Canada's major financial institutions, completed the acquisition of Cyence International Inc., a Canadian provider of Credit Lifecycle Management software and service solutions for the banking, manufacturing, and equipment finance markets, through its subsidiary, Filogix, a technology provider to mortgage brokers, lenders and the real estate community. The cash deal was valued at \$38 million and funded by cash balances and drawings under Davis + Henderson's existing credit facilities. The acquisition would enable Filogix to enhance its product capability, geographical reach, and depth and breadth of services provided to financial institution customers.

Westmont Resources Inc. acquired Avalon International, Inc.

On November 21st, Westmont Resources Inc. announced the acquisition of Avalon International, Inc., a provider of payment processing solutions to the financial services industry. According to the terms of the deal, Westmont Resources will issue 22.5 million shares (par value \$0.001 per share) in exchange for all the outstanding common shares of Avalon International.

Euroclear to acquire Xtrakter

On November 20th, Euroclear SA/NV, a Belgium-based leading provider of domestic and cross-border settlement and related services

for bond, equity, fund and derivatives transactions, announced the acquisition of Xtrakter Limited, a UK-based provider of capital markets data, operational risk management, trade matching and regulatory reporting services, from International Capital Market Association (ICMA). The financial terms of the deal were not disclosed. Xtrakter's business complements the OTC trade matching and routing service (ETCMS) offered by Euroclear and will enable the company to completely automate the flow of trade information - from trade-matching to settlement.

Chi-X Global Acquires Cicada

On November 18th, Chi-X Global Inc., a subsidiary of Instinet Inc. and a securities firm operating as a multilateral trading facility (MTF) for a wide range of European equities, announced the acquisition of Cicada Corp., a provider of financial data management, trading technologies and customer qualification & compliance software to financial institutions, exchanges and data vendors. The financial terms of the deal were not disclosed. The acquisition of Cicada will enable Chi-X to not only make technology advances but also expand its business into new areas globally, serving the increasing demand from exchanges for a proven, scalable and low-cost technology infrastructure.

DST Systems acquires Bluedoor Technologies

On November 14th, DST Systems Inc. (NYSE:DST), a provider of information processing, computer software services and business solutions that help to automate the record keeping in financial services, communications and healthcare industries, announced the acquisition of BlueDoor Technologies Pty Ltd., an Australian provider of software solutions focusing on segments such as wealth management, funds management and retirement savings. The financial terms of the deal were not disclosed. The acquisition of Bluedoor will enable DST International, a subsidiary of DST Systems, to become a major player in the funds management distribution and platform arena with the help of Bluedoor Wealth.net solution.

Ebix Software acquires ConfirmNet

On November 10th, Ebix Software India Private Limited, a global provider of software and e-commerce solutions to the insurance industry, announced the acquisition of ConfirmNet Corporation, a San Diego-based provider of ASP software based on SAAS (software-as-a service) model that helps in issuing and tracking certificates of insurance (COI). The cash deal was valued in the range of \$10 million to \$11 million, based on the fourth quarter revenue performance of ConfirmNet. The acquisition of ConfirmNet complements Ebix's existing strong market position in the certificate tracking business and will help Ebix to emerge as a leader in the COI issuance & tracking industry.

Fiserv acquires The Data Center

On November 3rd, Fiserv Inc. (NasdaqGS:FISV), a provider of IT services to the financial sector, announced the acquisition of The Data Center, Inc. (TDC), a provider of secure, modern electronic banking products and services such as Core Account Processing, ATM and Debit Card Processing and Check Imaging, from Compass Bank, a Sunbelt-based bank that operates 579 branches in Alabama, Arizona, Colorado, Florida, New Mexico and Texas. TDC was a licensee and reseller of the Fiserv III Premier@core banking system. The financial terms of the deal were not disclosed. The acquisition of TDC permits Fiserv to extend its core footprint and expand its III Outsourcing presence in the Texas market.

Total System Services acquires Infonox

On October 31st, Total System Services, Inc. (NYSE:TSS), a global provider of electronic payment services to financial institutions and companies, announced the acquisition of California based Infonox Inc., a provider of rapid-to-market solutions, and financial and non-financial services to kiosks, ATMs, PCs and POS terminals, the web and mobile phones. The financial terms of the deal were not disclosed. The acquisition of Infonox adds valuable new payment technology and acceptance capabilities to Total System Services, enabling the company to move any payment form through any payment device over any network across the world.

UFIDA acquires Beijing Founder Chunyuan Technology Development

On October 27th, UFIDA Software Co. Ltd. (SHSE:600588), a leading provider of management software and services in the Asia-Pacific region, announced the acquisition of Beijing Founder Chunyuan Technology Development Co., Ltd., a China based major provider of financial application software & services and the leader in the field of public finance with superior technologies, from investor Yang Ying (39.7%), Founder Investment Ltd. (25.0%) and other 17 individuals. The cash deal was valued at \$55.5 million. Based on the implied enterprise value of \$55.5 million, the transaction was valued at 3.0x LTM revenue. The acquisition of Beijing Founder Chunyuan will enable UFIDA to expand into the rapidly growing finance informationization market in China, by making use of the target company's centralized-paying and related systems and comprehensive business system.

Hansen Technologies acquires Peace Software

On October 21st, Hansen Technologies Ltd. (ASX:HSN), an Australia-based provider of billing systems software to the utilities and telecommunications industries, announced the acquisition of Peace Software, Inc., a provider of utility billing software to clients based in U.S. and abroad. The financial terms of the deal were not disclosed. The acquisition of Peace Software complements Hansen Technologies' existing utility billing business and will enable the latter to become one of the leading independent customer information systems (CIS) provider.

NaviMedix acquires TopLine Solutions, and partners with ClearCycle, Ingenix and Moneris

On October 20th, NaviMedix, Inc., a leading provider of electronic communications to healthcare providers, announced the acquisition of Topline Solutions Inc., a provider of medical billing solutions to the healthcare sector, with a specific focus on web-based payment calculation, collection, and cost estimation solutions. The financial terms of the deal were not disclosed. The company has partnered with premier financial information and service providers namely ClearCycle, Ingenix and Moneris, to deliver the industry's first "all-payer, all-patient" payment solutions for healthcare providers. The acquisition will enable

NaviMedix, Inc. to offer "all-payer, all-patient" payment solutions to healthcare providers, enabling the latter to be cost efficient about their processes.

eBay acquires Bill Me Later

On October 6th, eBay Inc. (NasdaqGS:EBAY), a provider of online auction, ecommerce, and online payments services, announced the acquisition of Bill Me Later, Inc., a provider of online payment and marketing technology solutions to multichannel retailers, with a focus on its Bill Me Later® product, which enables customers to pay for purchases without providing credit card information. The deal was valued at approximately \$945 million, comprising of \$820 million in cash and approximately \$125 million worth of outstanding options. The acquisition of Bill Me Later will complement to eBay's online payment product, PayPal.

Infrastructure Software & Enterprise Management Software (EMS)

Digital & Analog Design acquires Spliced Networks

On November 27th, Digital & Analog Design Corporation, a regional U.S. based provider of telecommunications services, announced the acquisition of Spliced Networks LLC, a provider of open source software for next generation Linux appliance and data center solutions. The financial terms of the deal were not disclosed. The acquisition of Spliced Networks will enable Digital & Analog Design to improve its customer services, by delivering a new dimension of products and services that are advanced in technology and scope.

Oodrive acquires BlueBackup

On November 24th, Oodrive Technologies, a French software vendor providing solutions for secured online file sharing, remote back-up and online collaboration, announced the acquisition of BlueBackUp, a Belgium-based provider of online backup solutions and services to both large and small enterprises, from E-Merge SA. The financial terms of the deal were not disclosed. The acquisition of BlueBackup is consistent with the company's strategy to expand its coverage in Europe. By the end of 2009, Oodrive plans to expand its activities threefold and targets a turnover of €15 million with a total staff of more than 100 people.

IBM to acquire Transitive

On November 18th, International Business Machines Corp. (NYSE:IBM), a provider of IT infrastructure, hosting and consulting services in areas ranging from mainframe computers to nanotechnology, announced the acquisition of Transitive Corporation, a provider of cross-platform virtualization and developing technologies that allow software applications to be compatible across various hardware platforms. The financial terms of the deal were not disclosed. The acquisition of Transitive will enable IBM customers to merge their Linux-based applications onto the IBM systems, in line with their business requirements.

Mirapoint acquires Intradyn

On November 11th, Mirapoint, Inc., a worldwide provider of appliance based

messaging products for secure-messaging infrastructure, announced the acquisition of IntraDyn Inc., a provider of data protection and preservation appliances in the U.S. and internationally. The financial terms of the deal were not disclosed. The acquisition of Intradyn rightly positions Mirapoint to expand its product portfolio and enhance its global sales and marketing capabilities. The acquisition also brings the most recent archiving technology in-house, giving Mirapoint access to the newest software tools needed to develop new and custom products at low cost.

enChoice acquires CYA Technologies

On November 5th, enChoice, Inc., a developer and provider of product implementation and support services across automation & security, eBusiness and Enterprise Content Management (ECM) systems, announced the acquisition of CYA Technologies, Inc., a provider of backup and disaster recovery (data recovery) solutions for web content management systems. The financial terms of the deal were not disclosed. The acquisition of CYA broadens enChoice's portfolio of granular recovery and replication solutions across multiple ECM platforms, and also increases the company's ability to service and protect all aspects of customer data.

Novell to acquire Managed Objects

On October 14th, Novell Inc. (NasdaqGS:NOVL), a provider of integrated IT management software and Linux platform, announced the acquisition of Managed Objects, Inc., a provider of software solutions for business service management which includes implementation services, education services and consulting. The financial terms of the deal were not disclosed. The acquisition of Managed Objects will expand Novell's existing portfolio of data center solutions. Additionally, the products of the target company complement Novell's existing management and virtualization capabilities, and will enable growth in business of Novell.

CA to acquire Eurekify

On November 13th, CA, Inc. (NasdaqGS:CA), a provider of Enterprise IT Management (EITM) services enabling companies to manage systems, networks, security, storage, applications and databases securely and dynamically, announced

the acquisition of Israel-based Eurekify Ltd., a provider of identity and role management services that help address difficult role modeling, compliance modeling and ongoing policy management challenges. The financial terms of the deal were not disclosed. The acquisition of Eurekify will enable CA to strengthen its position as a leader in the identity and access management market. The integration of CA Identity Manager with Eurekify Enterprise Role Manager will enable customers of the combined company to clean up existing identity data and build a role model with the best available information.

CA acquires IDFocus

On October 7th, CA, Inc. (NasdaqGS:CA), a provider of Enterprise IT Management (EITM) services that help companies to manage systems, networks, security, storage, applications and databases securely and dynamically, announced the acquisition of IDFocus LLC, a provider of identity management solutions, focused on various areas including user provisioning, delegated administration and Sarbanes-Oxley related identity management integration. The financial terms of the deal were not disclosed. The integration of CA Identity Manager with IDFocus's identity management technology, 'ACE™', will enable clients to enhance business efficiency, meet compliance demands and ease identity lifecycle management.

CA acquires Optinuity

On October 6th, CA, Inc. (NasdaqGS:CA), a provider of Enterprise IT Management (EITM) services that help companies to manage systems, networks, security, storage, applications and databases securely and dynamically, announced the acquisition of Optinuity, Inc., a provider of IT Process Automation (ITPA) software that automates and integrates the workflow of complex, multi-discipline IT management processes. The financial terms of the deal were not disclosed. The acquisition of Optinuity enables CA to deliver robust solutions for both network and business service management.

Kofax acquires OptiInvoice Digital Technology AB

On October 6th, Kofax Plc. (LSE:KFX), a UK-based provider of Intelligent Capture & Exchange solutions, announced the acquisition

of OptiInvoice Digital Technology AB, a Scandinavian provider of software that allows electronic invoices and other documents to be digitally encrypted and sent via e-mail as well as other data streams in standard text, image and extensible markup language (XML) file formats. The cash deal was valued at €2.0 million (\$2.7 million). Further conditional payments, estimated to be in the range of €1.31 million up to a maximum of €12.0 million (\$2.0 to \$16.2 million) would be made during the ensuing 4 years, subject to the achievement of certain performance criteria and the retention of certain employees. The combination of the OptiInvoice software with existing Kofax Capture and Transformation Modules software will address the market requirement of a capture solution capable of accommodating both paper and electronic formats for invoices and other documents.

Business Services

Financial BPO Services

Fiserv to acquire i_Tech Corporation

On December 16th, Fiserv Inc. (NasdaqGS:FISV), a leading provider of IT services to financial industry, announced the acquisition of i_Tech Corporation, a provider of data processing services to financial institutions, with focus on outsourced account and payment processing services, from First Interstate BancSystem Inc., a multi-state, \$6 billion banking organization headquartered in Billings, Montana. The cash deal was valued at \$40 million. The acquisition of i_Tech will complement Fiserv's suite of exceptional, innovative technology solutions.

Central Tax acquires CGI Group ePayment division

On December 10th, Central Tax Inc., a provider of centralized electronic management of property taxes and payment processing services to financial institutions, announced the acquisition of CGI Group's e-Payment division, a Canada-based provider of electronic payment services, from CGI Group, Inc. (TSX: GBLA; NYSE: GIB), a provider of consulting, systems integration, IT management services. The financial terms of the deal were not disclosed. The acquisition of the ePayment division complements Central Tax's "Equal Payment Plan (EPP)" and "Tax Reserve" services available on its eCommerce platform.

TCS to acquire Citigroup Global Services

On October 8th, Tata Consultancy Services (TCS) Limited (BSE:532540), a global provider of IT services, business solutions and outsourcing services, announced the acquisition of Citigroup Global Services Limited (CGSL), an India based provider of business processing outsourcing services within the banking and financial services sector. The cash deal was valued at approximately \$505 million. Under the terms of the agreement, TCS will provide process outsourcing services to Citi and its affiliates in an aggregate amount of \$2.5 billion over a period of 9.5 years. The acquisition of CGSL will expand TCS's offerings of end-to-end IT and BPO services in the global banking and financial services sector.

Healthcare BPO

NextGen Healthcare Information Systems to acquire Practice Management Partners

On October 16th, NextGen Healthcare Information Systems, Inc., a wholly owned subsidiary of Quality Systems, Inc., and a provider of integrated electronic medical record, practice management systems and revenue cycle management (RCM) solutions to the healthcare industry, announced the acquisition of Practice Management Partners, Inc., a full-service provider of revenue cycle management technology and services to the healthcare industry. The deal was valued at approximately \$22.1 million, comprising of \$16.3 million in cash, \$2.8 in common stock of Quality Systems and \$3.0 million depending upon the future performance of Practice Management. Based on an implied enterprise value of \$22.0 million, the transaction was valued at 1.4x LTM revenue. The acquisition of Practice Management Partners will strengthen the company's RCM services.

Canopy Financial acquires CareGain

On October 15th, Canopy Financial, Inc., a San Francisco-based provider of technology solutions to the consumer-directed health plan (CDHP) market, announced the acquisition of CareGain, Inc., a leading provider of CDHP account administration and management software to leading health plans, from Fiserv. The financial terms of the deal were not disclosed. The acquisition of CareGain will enable Canopy to expand its flagship product, HealthDirect®. Also, Canopy Financial will be the market leader in delivering account management and electronic payment solutions to leading health plans and financial institutions.

Other BPO

Affiliated Computer Services acquires Grupo Multivoice

On December 23rd, Affiliated Computer Services (NYSE:ACS), a provider of business process outsourcing and information technology (IT) services to commercial and government clients in the United States, announced the acquisition of Grupo Multivoice, an Argentinean provider of contact center outsourcing services

in Latin America and the United States. The financial terms of the deal were not disclosed.

Teleperformance USA acquires The Answer Group

On December 23rd, Teleperformance USA, a provider of call center services to the United States-based companies, announced the acquisition of The Answer Group, a provider of call center call center outsourcing services. The financial terms of the deal were not disclosed.

Watson Wyatt acquires SMART Human Resource

On December 18th, Watson Wyatt Worldwide Inc. (NYSE:WW), a global provider of consultancy services focusing on human capital and financial management such as employee benefits, human capital strategies, technology solutions and insurance & financial services, announced the acquisition of SMART Human Resource Vietnam Company Limited, a provider of human capital consulting services in areas of training & development, talent management, compensation management and salary surveys. The financial terms of the deal were not disclosed. The acquisition of SMART Human Resource will enable Watson Wyatt to enhance its presence in the broader ASEAN market and the Asia Pacific, and will also help to provide world-class consulting solutions to its clients.

Serco acquires InfoVision BPO

On December 11th, Serco Group Plc (LSE:SRP), a UK-based provider of a range of support services including management of facilities, projects and IT systems to the defense, transport, civil government, science and the private sectors, announced the acquisition of a 60% stake in InfoVision Group, a provider of BPO services such as customer services, database management and back office services to domestic and international customers. Serco has acquired a 60% shareholding in InfoVision from its founders, Aditya and Malina Gupta, for INR977m (\$20.1m) in cash, valuing the company, including its outstanding net debt of around INR371m (\$7.6m), at approximately INR2.0bn (\$41.2m). Serco has also agreed to acquire the remaining 40% of InfoVision in two tranches over the next two years, at a value determined by InfoVision's financial performance during that period. Based on an

implied enterprise value of \$41.2 million, the transaction was valued at 1.2x LTM revenue. The acquisition of InfoVision enables Serco to enter into the fast-growing BPO market of India.

Xchanging to acquire 75% stake in Cambridge Solutions

On October 3rd, Xchanging PLC (LSE:XCH), a UK-based provider of industry specific processing services to the insurance and financial markets, announced the acquisition of a 75% stake in Cambridge Solutions, Ltd. (BSE:532616), an Indian provider of business process outsourcing services to the IT industry. The deal was valued at £83 million (\$143.7 million), comprising of £45 million in cash (\$78.8 million) and the rest by the issue of 15,249,998 new Xchanging shares. Based on the implied enterprise value of £133.3 million (\$239.3 million), the transaction was valued at 0.9x LTM revenue and 14.4x LTM EBITDA. In compliance with Indian law and as a consequence of the acquisition, Xchanging will make an Open Offer to acquire up to 20% of the fully diluted voting share capital of Cambridge Solutions. Any Cambridge Solutions shares acquired under the Open Offer will reduce the number of Cambridge Solutions Shares to be acquired from the major shareholders, as will any reduction in the fully diluted share capital of Cambridge Solutions in the period to completion. The acquisition of Cambridge Solutions will provide Xchanging with greater scale, broader international reach and a number of platforms for significant future growth.

IT Services

Beaufort Capital and Dr. Rainer Bischoff acquire 60.3% stake in Nextevolution

On December 30th, Nextevolution AG (XTRA:N5E), a German provider of management consulting, IT consulting, systems integration and application management services, announced that BO4 Investment Partnership II GmbH & Co. KG- a fund managed by Technology Growth Investor Beaufort Capital, and private investor Dr Rainer Bischoff, have acquired a 60.3% stake in the Company. Beaufort Capital is an investor in medium sized technology companies catering to telecommunications, software, hardware and environmental technologies sectors. The cash

deal was valued at €7.0 per share or €4.6 million. The acquisition by Beaufort Capital and Dr. Bischoff provides Nextevolution access to more resources, enabling it to strengthen its market position in the IT-advisory and solutions business.

Rolta to acquire PIOCON Technologies

On December 29th, Rolta India Ltd. (BSE:500366), a provider of engineering and IT solutions with a strong presence in defense, government, infrastructure and security markets, announced the acquisition of PIOCON Technologies, Inc., a Chicago-based provider of Oracle-based technology solutions, with proficiency in Oracle Business Intelligence, Data Warehousing, Oracle Fusion Middleware, Oracle Portal, Database Administration (DBA), Oracle Application Server and Oracle Identity Management. The financial terms of the deal were not disclosed. The acquisition of PIOCON Technologies enables Rolta to offer a unique template-based solution that addresses vital operational needs of refineries in the oil & gas sector, enabling a medium sized refinery to make a potential annual savings of \$20 million besides expediting business decisions.

Wipro to acquire Citi Technology Services

On December 23rd, Wipro Technologies Ltd., a provider of research & development services, offshore outsourcing and IT solutions, announced the acquisition of Citi Technology Services Limited, an India-based provider of IT solutions and services to Citi entities worldwide, from Citigroup, Inc. (NYSE:C). The cash deal was valued at approximately \$127.0 million. Based on an implied enterprise value of \$127.0 million, the transaction was valued at 2.4x LTM revenue. Under the terms of the agreement, Wipro also gets a six-year contract worth at least \$500 million to provide technology services to Citi. The acquisition of Citi Technology Services would enable Wipro to enhance its capabilities to deliver infrastructure outsourcing services.

Dimension Data acquires stake in BlueFire

On December 18th, Dimension Data Holdings Plc (JSE:DDT), a South-Africa based provider of IT services and solutions that help to plan, build and support IT infrastructure, announced the acquisition of an undisclosed stake in BlueFire, an Australian provider of varied managed

services such as productivity application hosting, email, desktop, disaster-recovery and security services to small and medium-sized clients in the Asia-Pacific region. The financial terms of the deal were not disclosed. The acquisition of BlueFire will enable Dimension Data to gain entry into the market which employs software-as-a-service model and expand its on-demand services.

Tecnomen to acquire 96.6% stake in Lifetree Convergence

On December 15th, Tecnomen Corp. (HLSE:TEM1V), a Finland-based provider of carrier-grade messaging and charging systems to telecom operators and service providers, announced the acquisition of a 96.6% stake in Lifetree Convergence Ltd., an India based global software provider of IT solutions and services such as convergent billing, customer care, rating and messaging platforms. The deal was valued at €33.2 million (\$45.4 million), comprising of €21.4 million in cash (\$29.3 million) and the remainder €11.8 million (\$16.1 million) through issuance of new Tecnomen shares, priced at €0.86 each (\$1.17 per share). Based on an implied enterprise value of €34.4 million (\$47.0 million), the transaction was valued at 3.0x LTM revenue. The acquisition of Lifetree Convergence will help to tap a larger customer base in emerging markets such as Africa and Asia, for future revenue growth. Additionally, the acquisition will enable Tecnomen to meet 100% of a telecom company's business systems support/operations systems support and messaging requirements.

BancTec to sell ITSM division to Qualxserv

On December 11th, BancTec, Inc., a global provider of modern payment processing, document & content processing and IT services, announced the sale of its Information Technology Service Management (ITSM) division to Qualxserv, LLC, a leading provider of technology deployment and field maintenance support services. The financial terms of the deal were not disclosed. The sale of its ITSM division to Qualxserv, enables BancTec to focus on its core business of BPO and related business solutions.

Computer Sciences Corporation acquires Object Builder Software

On December 11th, Computer Sciences Corporation (NYSE:CSC), a provider of consulting, systems integration and outsourcing services to commercial and government markets, announced the acquisition of Object Builder Software, a Bulgarian provider of IT services and consulting, which includes design, implementation, integration and maintenance of information systems. The financial terms of the deal were not disclosed. The acquisition of Object Builder Software complements CSC's existing sourcing capabilities in Spain, Lithuania and the Czech Republic and also enhances CSC's capabilities in insurance, healthcare and high technology, its three key industry sectors.

Apax Partner to acquire stake in Altran Technologies

On December 8th, Apax Partner SA, a provider of risk capital investment services in France, announced the acquisition of Altran Technologies SA (ENXTPA:ALT), a leading French provider of technology and innovation consulting services such as project management and systems engineering services for automotive, aerospace, defense, telecom, and energy sectors, from Altamir Amboise, (ENXTPA: LTA), Gilaspi Investments S.A. and other shareholders. The financial terms of the deal were not disclosed.

EQT and ATP acquire KMD A/S

On December 2nd, EQT, a global private equity player and ATP, a leading pension investor in Europe, announced the acquisition of KMD A/S, a leading Danish provider of complex IT solutions to local municipalities, state bodies and corporate sector. The cash deal was valued at DKK2 billion (\$341.2 million). Based on an implied enterprise value of DKK2 billion (\$341.2 million), the transaction was valued at 0.6x LTM revenue. Through this divestment, KMD has opportunities to grow in new markets other than the municipal market and strengthen its position as an IT solutions provider in Denmark for municipalities and state clients

Unisys Australia acquires remaining stake in Unisys West

On November 25th, Unisys Corporation (NYSE:UIS), a global provider of IT services including

consulting, systems integration, outsourcing and infrastructure services, announced the acquisition of 49.0% stake in its joint venture Unisys West, a provider of IT services and solutions in Western Australia, from HBOS Australia subsidiary BankWest. The financial terms of the deal were not disclosed. The acquired company will now operate as a wholly owned subsidiary of Unisys Australia and market its products and services under the 'Unisys' brand.

SII acquires Coris

On November 6th, SII (ENXTPA:SII), a French provider of consultancy services for implementation of technically complex projects in telecommunications and networks, e-banking and information systems, to industrial, financial and services sectors, announced the acquisition of Geneva based Coris S.A, a provider of IT consulting services specializing in systems integration and architecture applications. The financial terms of the cash deal were not disclosed. The acquisition of Coris is part of SII's international expansion strategy and is expected to be earnings accretive.

Zylog Systems acquires majority stake in PEQ Consulting

On November 4th, Zylog Systems Limited (BSE:532883), an Indian provider of technology solutions and services to global enterprises and technology companies, announced the acquisition of PEQ Consulting Inc., a provider of technology services for the managed services space and infrastructure management, with focus on the automotive industry. The financial terms of the deal were not disclosed. Through the acquisition of PEQ, Zylog will be able to enhance its market base, produce quality products at low cost and expand in the rapidly growing services sector in the Americas and Europe.

Adecco acquires Datavance Group

On November 4th, Adecco SA (VIRTX:ADEN), a Switzerland-based provider of human resource services such as temporary staffing, outsourcing, permanent recruitment, outplacement and career management, training and consulting, announced the acquisition of Datavance SAS, a French provider of IT consulting services and software solutions for client servers, web and

real time applications, security, and systems and network management, from Anite Group Plc. The financial terms of the deal were not disclosed. The acquisition of Datavance strengthens the presence and capabilities of Adecco's professional staffing business in France.

TechTeam Global divests TechTeam A.N.E.

On November 4th, TechTeam Global NV, a global provider of IT, enterprise support and business process outsourcing services, announced the divestiture of TechTeam A.N.E. NV/SA, a provider of hardware, software, systems integration services, consulting and IT infrastructure maintenance services, catering mainly to small businesses based in Belgium. The name of the buyer was not disclosed. The financial terms of the deal were not disclosed. Through this sale, TechTeam Global can adopt a more focused approach to improving its professional service offerings and customer satisfaction, which is in line with its new strategy.

Vigilar acquires Globaltek

On November 3rd, Vigilar, Inc., a provider of information security solutions and services for risk management, network infrastructure and compliance needs, announced the acquisition of Globaltek, Inc., a leading provider of IT professional services focusing exclusively on business intelligence and data warehousing. The financial terms of the deal were not disclosed.

Paranet Solutions acquires Digital Reach

On October 26th, Paranet Solutions, LLC, a top worldwide provider of services and solutions for information security and storage, telecom, knowledge management and business process improvement, and strategic staffing resources, announced the acquisition of Digital Reach, Inc., a provider of enterprise-quality, scalable IT solutions for support, consulting, outsourcing, procurement, and design/redesign of entire infrastructure. The financial terms of the deal were not disclosed. The acquisition of Digital Reach will provide a base for the company to expand its comprehensive suite of IT services in multiple business units around its core Paranet Solutions platform.

Continuity Engine acquires Business IQ

On October 24th, Continuity Engine, Inc., a provider of on-demand platform which simplifies the way regulatory compliance is achieved in the management of policies, procedures and audit programs for banks and credit unions, announced the acquisition of Business IQ. Business IQ is a provider of IT products and services to financial industry professionals, assisting to solve problems related to product and relationship profitability enhancement, customer relationship management and information systems management. The financial terms of the deal were not disclosed. The acquisition will enable Continuity Engine to have access to Business IQ's banking intelligence and profitability capabilities, which will be used by the company to allow community banks and credit unions manage risks that are technical, natural or business-related.

CSG acquires Advanced Data Concepts

On October 23rd, CSG, a leading provider of management and information technology (IT) consulting services, announced the acquisition of Advanced Data Concepts, Ltd., a Chicago based provider of consulting services, with a specific focus on public sector IT services. The financial terms of the deal were not disclosed. The acquisition of Advanced Data Concepts will add high-profile clients, strong sales capability, and quality delivery services to CSG's core Government Solutions practice. It will also expand CSG's service offerings and geographic reach in the public sector market.

itelligence acquires 51% of Sapcon

On October 22nd, itelligence AG (XTRA:ILH), a German global provider of SAP software, implementation and consulting, hosting and end-to-end support services, announced the acquisition of a 51% stake in Sapcon, a.s., a Czech based provider of consultation and implementation services of SAP and document management systems to companies in industrial, energy, and telecommunication sectors. The financial terms of the deal were not disclosed. The acquisition of Sapcon will help itelligence to strengthen its presence as a leading SAP consulting firm, by addressing the Czech market in a more targeted manner. The acquisition is also consistent with itelligence's growth strategy

to tap more market opportunities and increase its geographic reach.

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
Retailx	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
<u>Logistics & Execution</u>	
Descartes Systems Group	DSGX
Manhattan Associates	MANH

Product Lifecycle Mgmt.

Parametric Technology	PMTC
Dassault	DSY

Procurement

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

Knowledge / Content Mgmt.

<u>Company</u>	<u>Ticker</u>
Adobe Systems	ADBE
BroadVision	BVSN
Interwoven	IWOV
OpenText	OTEX
Vignette	VIGN
Convera	CNVR

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

Company	Ticker
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

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

IT Staff Augmentation

Company	Ticker
Analysts International	ANLY
MPS Group	MPS
TeamStaff	TSTF

Government IT Services

Company	Ticker
CACI International	CAI
ManTech International	MANT
MAXIMUS	MMS
SRA International	SRX

European IT Services

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

Indian / Offshore IT Services

Company	Ticker
Cognizant Technology Solutions	CTSH
Satyam Computer Services	BSE:500376
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

Company	Ticker
APAC Customer Services	APAC
ICT Group	ICTG
Sykes Enterprises	SYKE
TeleTech Holdings	TTEC

Business Process Outsourcing (BPO)

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

Customer Care / Billing Services

Convergys	CVG
CSG Systems International	CSGS

Financial Services BPO & IT Solutions

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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.

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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



\$52,000,000

PHARUS ADVISORS


 has been acquired by


 a business unit of
Invensys®

*The undersigned served as exclusive
financial advisor to SAT Corporation*

Pharus Advisors, LLC
August 2008

- 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

corbis®
 has completed the divestiture of
eMotion®
 Digital Asset Management Services
 business to
OPEN TEXT
CORPORATION

*The undersigned served as exclusive financial advisor to
Corbis Corporation*

Pharus Advisors, LLC

June 2008

- 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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