

## Technology, Media, and Telecommunications (TMT) quarterly update Q1 2018

## TMT trends

### 5G and the internet of things (IoT)<sup>1</sup>

5G technology promises to bring reliability, latency, scalability, security, and ubiquitous mobility, making it a key component of the communications and connectively layer of the IoT technology stack. By 2021, 5G's enablement of IoT use cases is expected to drive 70 percent of Forbes G2000 companies to spend \$1.2B on connectivity solutions.



### Financial technologies<sup>2</sup>

Financial applications are growing in sophistication and SaaS adoption is accelerating. Gartner estimates that by 2020 20 percent of non-valued added tasks within the office of finance will be automated as cloud-based finance systems leverage AI capabilities that were not possible on premise due to data and processing limitations.

### Automotive technology<sup>3</sup>

The increased focus on making vehicles more connected, automated, and driverless has transformed vehicles from independent, closed systems to connected ecosystems, creating new security vulnerabilities. Frost & Sullivan research shows that the automotive industry's spend on cybersecurity is expected to grow at a 24.4 percent CAGR from 2015-2025 to combat these ever-increasing cyber risks.

### Artificial intelligence (AI)<sup>4</sup>

The proliferation of AI technologies is allowing organizations to automate and scale with hyper-efficiency. Next-generation AI systems will require significant investment in integrated systems with rich data streams, software, and closed-loop self-training model management services, providing a significant opportunity for providers of such technology.

## In the news

**March 26, 2018<sup>5</sup>** – Foxxconn Interconnect Technology Limited (SEHK:6088) entered into a definitive agreement to acquire Belkin International, Inc., a provider of routers and consumer electronics accessories, for \$866.0M. The transaction provides marque brands such as Belkin, Linksys, and Wemo and takes Foxxconn from a behind-the-scenes manufacturing partner to an owner of major consumer brands.

**March 20, 2018<sup>6</sup>** – Salesforce.com (NYSE:CRM) entered into a definitive agreement to acquire Mulesoft (NYSE:MULE), a leading platform for building networks that connect information from various enterprise applications, for \$6.6B. Mulesoft will power the new Salesforce Integration Cloud, which will enable enterprises to surface any data, regardless of where it resides, to help drive digital transformation.

## In this update

- TMT trends
- Economic outlook
- Industry analysis
- Select M&A transactions
- Appendix

This update will focus on news and trends in the following areas:

- Software
- Internet
- IT Services
- Hardware
- Media & Telecommunications
- Automotive Technology

## Who we are

Deloitte Corporate Finance LLC is a leading global middle market M&A adviser. The firm's professionals have extensive knowledge in the TMT space and use their experience to help the firm's clients maximize value.

## Contacts

### Ron Rivera

Managing Director  
rorivera@deloitte.com  
+1 (404) 631-3710

### Jonathan Ohm

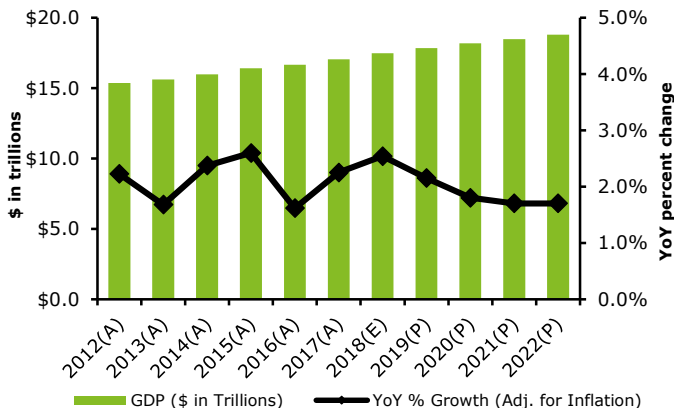
Managing Director  
johm@deloitte.com  
+1 (212) 436-2287

### Byron Nelson

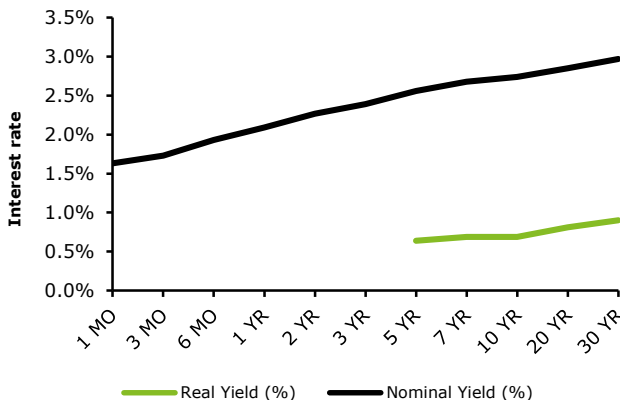
Managing Director  
bynelson@deloitte.com  
+1 (469) 417-2462

## Macroeconomic outlook

**US gross domestic product<sup>1</sup>**



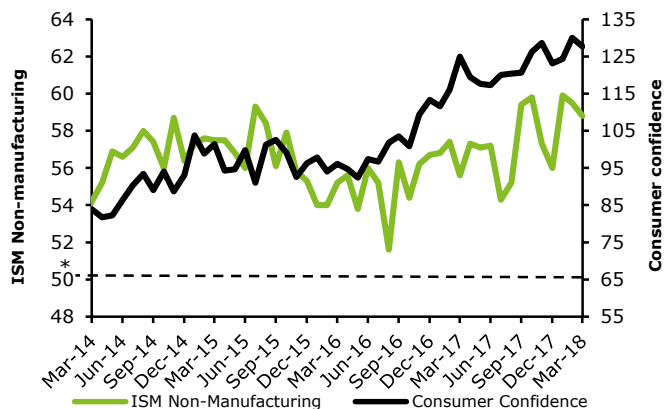
**U.S. Treasury yield curve (nominal vs. real)<sup>2</sup>**



**US unemployment rate (% unemployed)<sup>3</sup>**



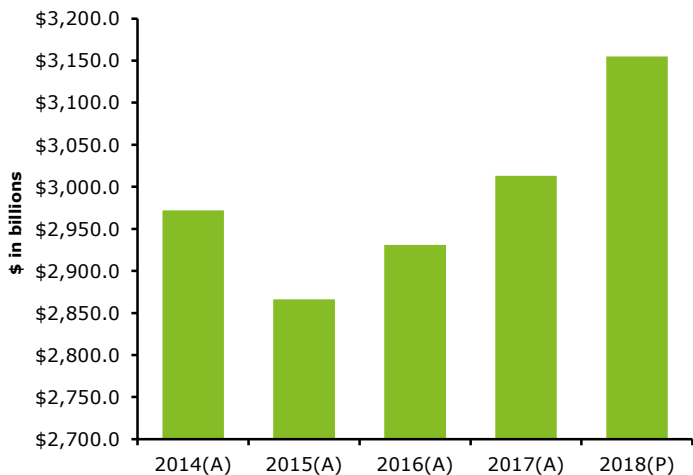
**ISM non-manufacturing index and consumer confidence index<sup>4</sup>**



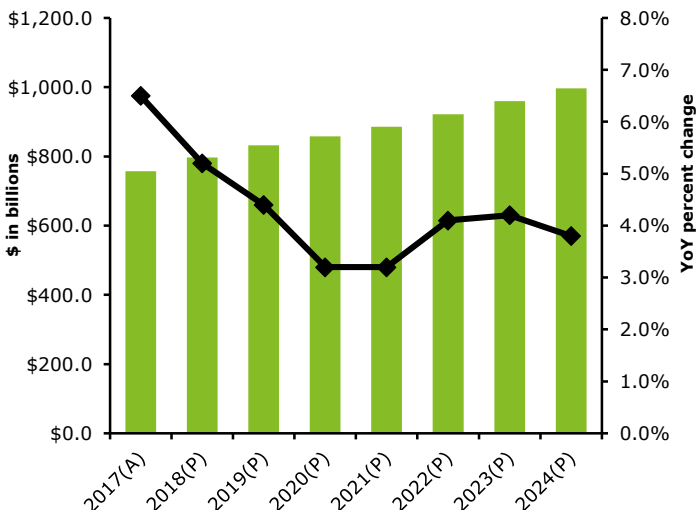
\*An ISM non-manufacturing index value above 50 signals economic expansion.

## TMT sector outlook

**Global technology industry revenue<sup>5</sup>**



**Private investment in computers and software<sup>5</sup>**

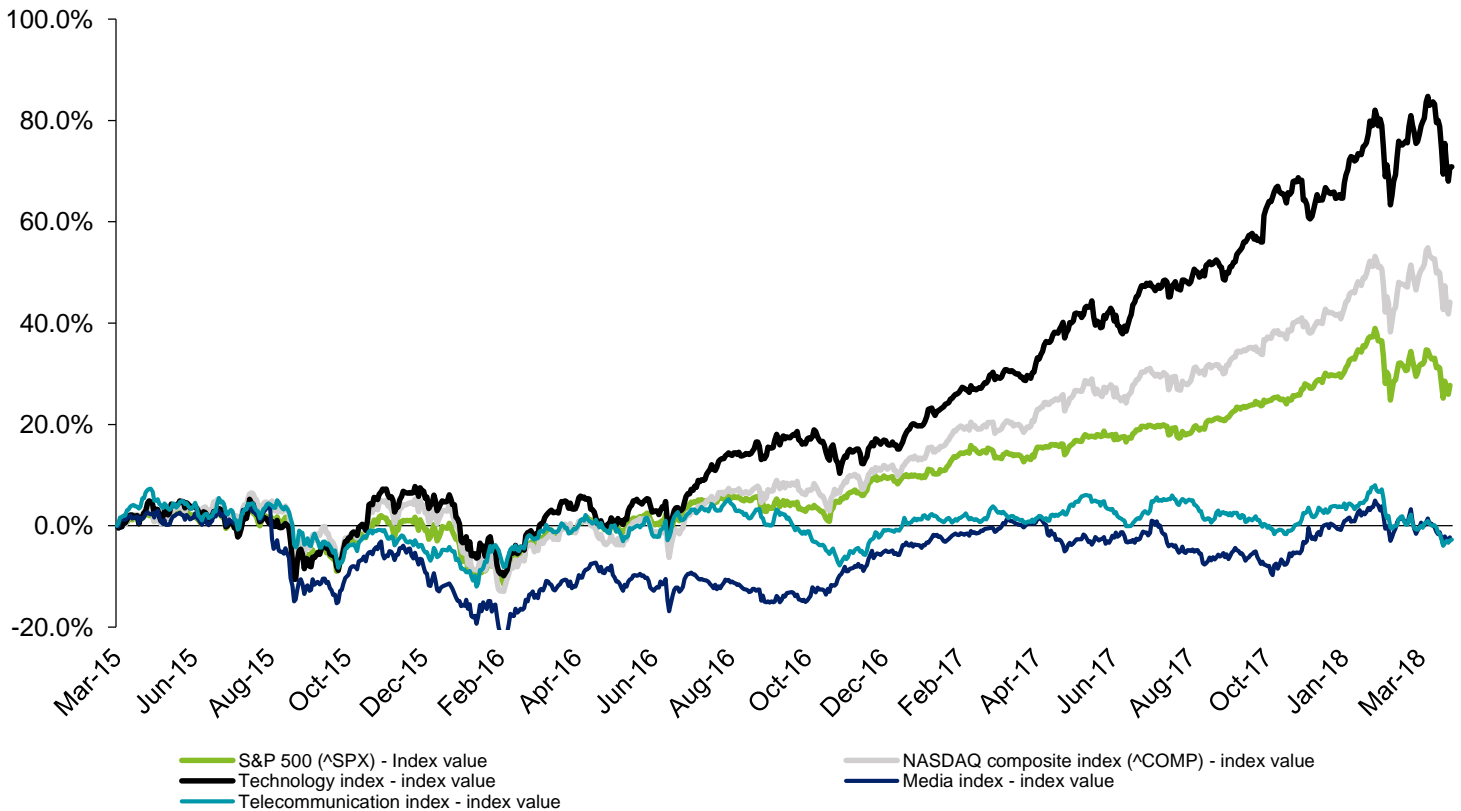


## TMT sector breakdown & trading statistics<sup>1</sup>

Sector	Number of companies	% of 52 Week high	Median revenue CAGR (3 Yr)	Median LTM EBITDA (\$M)	Median EBITDA margin	Median EV (\$M)	LTM		NTM
							EV/Revenue	EV/EBITDA	EV/EBITDA
Application Software / SaaS	16	89.6 %	9.6 %	\$1,153	27.1 %	\$30,966	8.1 x	20.0 x	18.0 x
Internet & Digital Media	13	85.9	27.3	2,941	30.7	66,588	5.6	29.8	15.4
IT Services	9	91.6	7.0	2,876	20.5	34,386	2.6	11.7	11.1
Hardware	17	85.6	4.3	5,861	24.1	42,269	2.2	9.3	8.1
Traditional Media	20	86.2	2.4	2,093	20.4	18,970	2.2	10.0	9.3
Telecommunications	20	83.5	2.2	14,373	28.2	92,856	2.0	7.1	6.5
Automotive Technology	9	81.1	5.9	633	16.2	10,303	2.1	16.3	10.6
<b>TMT Index</b>	<b>104</b>	<b>86.1 %</b>	<b>25.3 %</b>	<b>\$2,814</b>	<b>25.3 %</b>	<b>\$35,349</b>	<b>3.0 x</b>	<b>11.5 x</b>	<b>9.8 x</b>

## Public comparables three-year stock market performance<sup>2,3</sup>

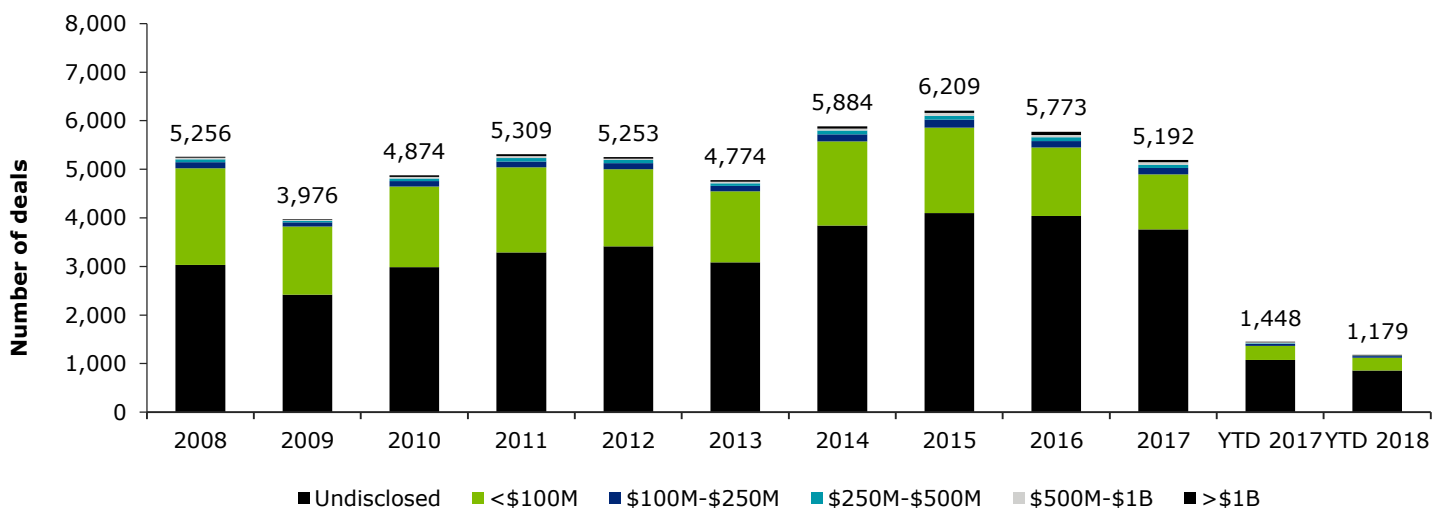
S&P 500 Index	<b>27.71%</b>
NASDAQ composite index	<b>44.13%</b>
Technology index	<b>70.76%</b>
Media index	<b>(2.28)%</b>
Telecommunications index	<b>(2.96)%</b>



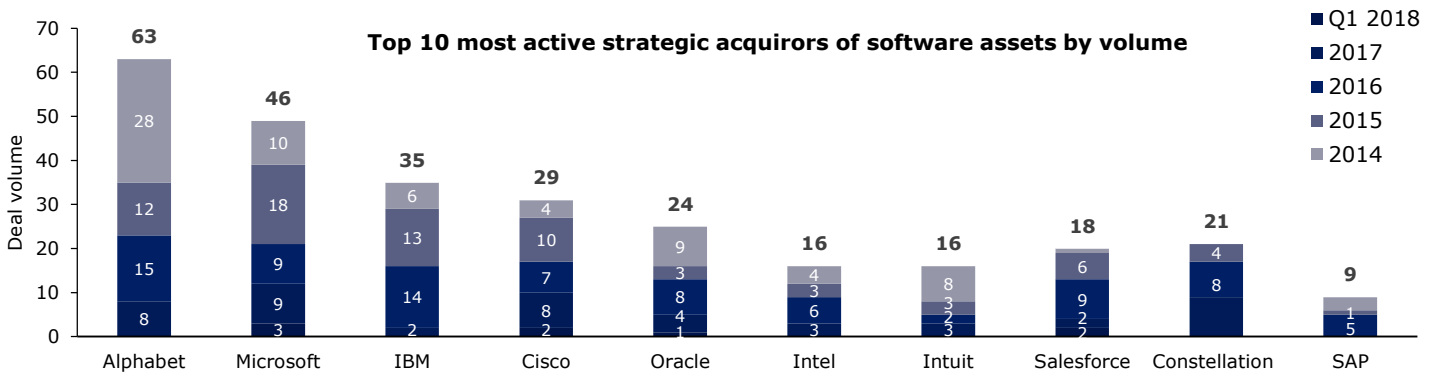
## Recent transactions<sup>1</sup>

Select TMT M&A transactions					
Close date	Target/Acquiror	Industry	Target business description	Enterprise value ("EV")	EV / EBITDA
(\$ in millions)					
Pending	<b>Orbotech Ltd.</b> KLA-Tencor Corporation	Hardware	Provides yield-enhancing and process-enabling solutions for the manufacturers of printed circuit boards, flat panel displays, semiconductor devices, and other electronic components.	\$3,191.1	17.7 x
Pending	<b>Microsemi Corporation</b> Microchip Technology Incorporated	Hardware	Designs, manufactures, and markets analog and mixed-signal semiconductor solutions.	10,078.3	18.1
Pending	<b>TDC A/S</b> PFA Pension, Macquarie; DK	Telecommunications	Provides communications and home entertainment solutions primarily to residential and business markets.	10,048.2	7.3
Pending	<b>Xerox Corporation</b> FUJIFILM Holdings Corporation	Hardware	Designs, develops, and sells document management systems and solutions worldwide.	16,961.9	11.3
Pending	<b>Blackhawk Network Holdings, Inc.</b> Silver Lake; P2 Capital Partners	IT Services	Provides a range of prepaid gift, telecom, and debit cards in physical and electronic forms; and related prepaid products and payment services.	3,019.2	16.0
Pending	<b>DST Systems, Inc.</b> SS&C Technologies Holdings, Inc.	IT Services	Provides technology-based information processing and servicing solutions.	5,671.1	11.5
Apr-18	<b>CSRA Inc.</b> General Dynamics Corporation	Application Software/SaaS	Delivers a range of information technology solutions and professional services to its U.S. government customers.	9,871.1	11.7
Mar-18	<b>Aricent Inc.</b> Altran US	IT Consulting & Services	Provides software development, engineering, and product design services.	2,000.0	10.4
Mar-18	<b>General Communication, Inc.</b> Liberty Ventures	Telecommunications	Provides a range of wireless, data, video, voice, and managed services to residential customers, businesses, governmental entities, and educational and medical institutions.	2,785.8	10.3
Feb-18	<b>BroadSoft, Inc.</b> Cisco Systems, Inc.	Application Software/SaaS	Provides software and services that enable telecommunications service providers to deliver hosted cloud-based unified communications (UC) to their enterprise customers.	1,917.0	80.7
Feb-18	<b>Nets A/S</b> Advent International Corporation	Application Software/SaaS	Provides payment services and related technology solutions.	6,677.9	19.0

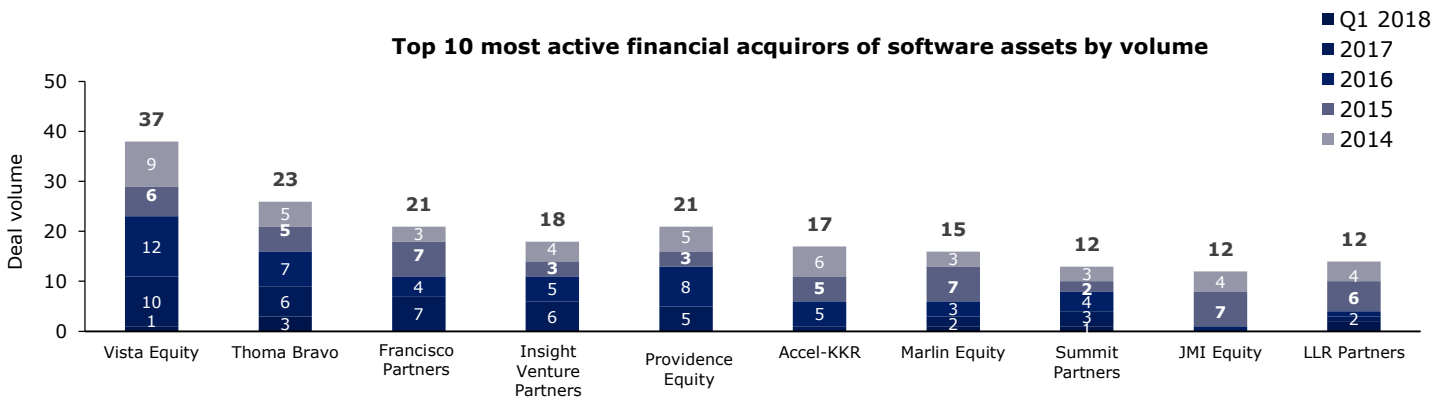
## Annual TMT M&A transaction volume<sup>2</sup>



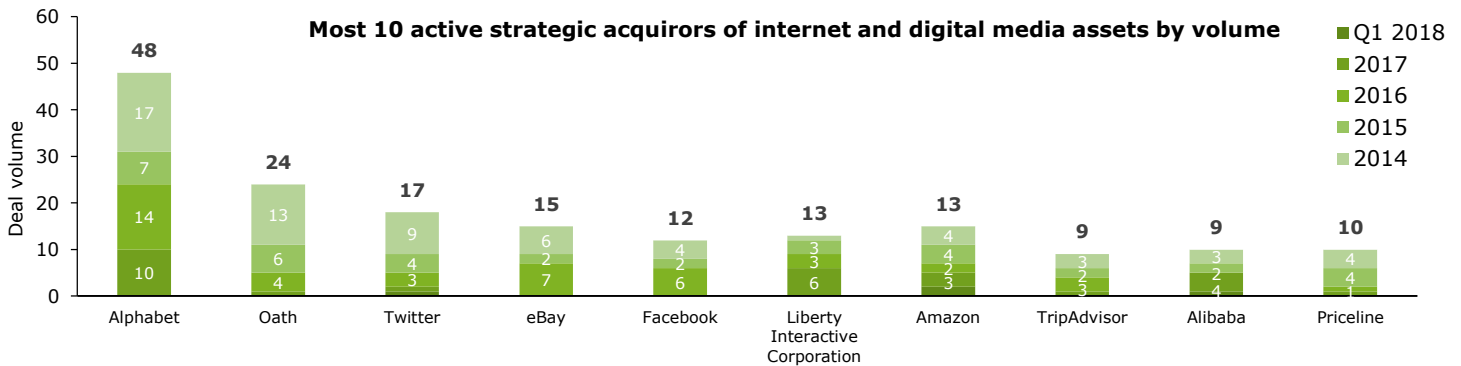
## Software acquisition activity – strategic acquirors<sup>1,2</sup>



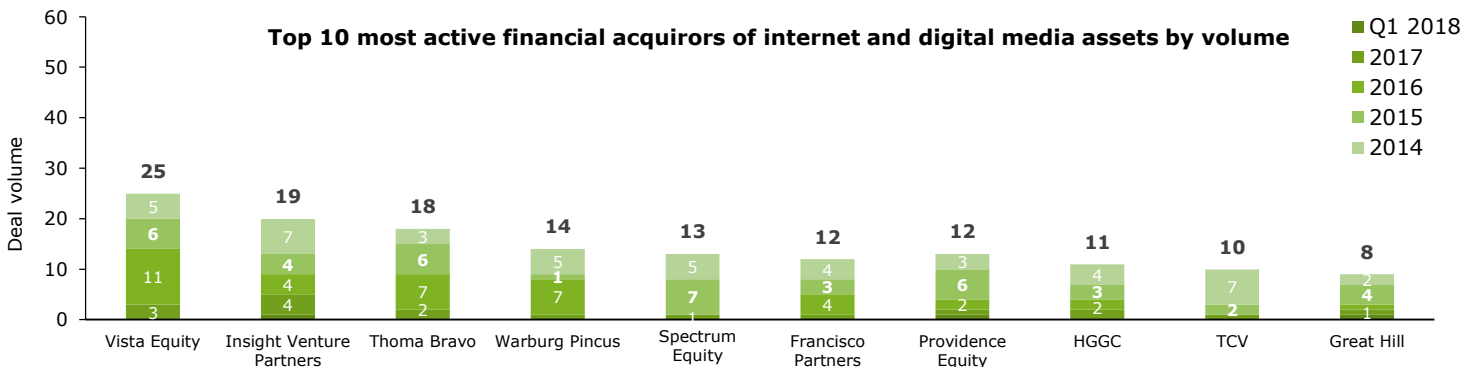
## Software acquisition activity – financial acquirors<sup>1,2</sup>



## Internet and digital media acquisition activity – strategic acquirors<sup>1,2</sup>



## Internet and digital media acquisition activity – financial acquirors<sup>1,2</sup>



## Appendix

Public comparables analysis<sup>1</sup>

Company (Ticker)	% of 52 Week high	LTM revenue	Revenue CAGR (3 Yr)	LTM EBITDA	EBITDA margin	Enterprise value ("EV")	Last twelve months		NTM
							EV/ Revenue	EV/ EBITDA	EV/ EBITDA
(\$ in Millions)									
<b>Application Software/SaaS (16)</b>									
Adobe Systems Incorporated (NasdaqGS:ADBE)	95.1 %	\$7,699	21.8 %	\$2,724	35.4 %	\$104,128	13.5 x	38.2 x	24.4 x
Autodesk, Inc. (NasdaqGS:ADSK)	90.6	2,057	(6.5)	(302)	NM	28,209	13.7	NM	157.3
Cerner Corporation (NasdaqGS:CERN)	77.0	5,041	15.0	1,368	27.1	18,644	3.7	13.6	10.7
Check Point Software Technologies Ltd. (NasdaqGS:CHKP)	84.4	1,855	7.4	938	50.6	15,040	8.1	16.0	14.4
Dropbox, Inc. (NasdaqGS:DBX)	87.7	1,107	NA	68	6.2	11,787	10.6	173.1	41.0
Fiserv, Inc. (NasdaqGS:FISV)	94.7	5,696	4.0	1,788	31.4	33,723	5.9	18.9	16.0
Intuit Inc. (NasdaqGS:INTU)	94.9	5,434	9.0	1,637	30.1	43,941	8.1	26.8	20.1
Microsoft Corporation (NasdaqGS:MSFT)	94.0	95,652	0.8	33,252	34.8	665,243	7.0	20.0	14.7
Oracle Corporation (NYSE:ORCL)	84.4	39,472	0.5	15,492	39.2	174,660	4.4	11.3	9.1
Red Hat, Inc. (NYSE:RHT)	90.9	2,920	17.7	570	19.5	25,666	8.8	45.1	27.7
Salesforce.com, inc. (NYSE:CRM)	91.5	10,480	24.9	897	8.6	84,058	8.0	93.7	28.6
SAP SE (DB:SAP)	87.3	28,911	10.1	7,391	25.6	131,894	4.6	17.8	13.2
ServiceNow, Inc. (NYSE:NOW)	92.6	1,933	41.5	15	NM	27,958	14.5	NM	42.9
Symantec Corporation (NasdaqGS:SYMC)	76.3	4,739	0.4	859	18.1	19,283	4.1	22.4	8.4
VMware, Inc. (NYSE:VMW)	73.6	7,922	NA	2,115	26.7	41,820	5.3	19.8	13.4
Workday, Inc. (NasdaqGS:WDAY)	88.6	2,143	39.6	(166)	NM	24,518	11.4	NM	49.1
<b>Median</b>	<b>89.6 %</b>	<b>\$5,237</b>	<b>9.6 %</b>	<b>\$1,153</b>	<b>27.1 %</b>	<b>\$30,966</b>	<b>8.1 x</b>	<b>20.0 x</b>	<b>18.0 x</b>
<b>Mean</b>	<b>87.7 %</b>	<b>\$13,941</b>	<b>13.3 %</b>	<b>\$4,290</b>	<b>27.2 %</b>	<b>\$90,661</b>	<b>8.2 x</b>	<b>39.8 x</b>	<b>30.7 x</b>
<b>Internet &amp; Digital Media (13)</b>									
Alibaba Group Holding Limited (NYSE:BABA)	82.5 %	\$35,982	47.4 %	\$14,183	39.4 %	\$422,087	11.7 x	29.8 x	19.9 x
Alphabet Inc. (NasdaqGS:GOOGL)	85.9	110,855	18.9	35,781	32.3	617,253	5.6	17.3	12.0
Amazon.com, Inc. (NasdaqGS:AMZN)	87.3	177,866	26.0	15,039	8.5	697,093	3.9	46.4	25.8
Baidu, Inc. (NasdaqGS:BIDU)	82.1	13,448	20.0	4,350	32.3	66,588	5.0	15.3	15.4
eBay Inc. (NasdaqGS:EBAY)	83.1	9,567	2.9	2,941	30.7	42,980	4.5	14.6	11.5
Facebook, Inc. (NasdaqGS:FB)	81.2	40,653	48.3	23,228	57.1	419,138	10.3	18.0	12.4
iQIYI, Inc. (NasdaqGS:IQ)	99.5	2,756	NA	819	29.7	11,468	4.2	14.0	8.9
Netflix, Inc. (NasdaqGS:NFLX)	87.2	11,693	28.5	911	7.8	130,073	11.1	142.8	67.4
Snap Inc. (NYSE:SNAP)	60.1	825	NA	(3,384)	NM	15,366	18.6	NM	NM
Spotify Technology S.A. (NYSE:SPOT)	88.8	5,040	NA	(405)	NM	26,022	5.2	NM	NM
Tencent Holdings Limited (SEHK:700)	86.0	37,702	44.4	15,449	41.0	490,854	13.0	31.8	25.7
Twitter, Inc. (NYSE:TWTR)	76.5	2,443	20.3	345	14.1	18,466	7.6	53.6	19.1
Yelp Inc. (NYSE:YELP)	87.2	847	30.9	40	4.7	2,703	3.2	67.8	14.8
<b>Median</b>	<b>85.9 %</b>	<b>\$11,693</b>	<b>27.3 %</b>	<b>\$2,941</b>	<b>30.7 %</b>	<b>\$66,588</b>	<b>5.6 x</b>	<b>29.8 x</b>	<b>15.4 x</b>
<b>Mean</b>	<b>83.7 %</b>	<b>\$34,591</b>	<b>28.8 %</b>	<b>\$8,407</b>	<b>27.1 %</b>	<b>\$227,699</b>	<b>8.0 x</b>	<b>41.0 x</b>	<b>21.2 x</b>
<b>IT Services (9)</b>									
Accenture plc (NYSE:ACN)	90.0 %	\$37,126	6.3 %	\$6,031	16.2 %	\$92,250	2.5 x	15.3 x	13.3 x
Automatic Data Processing, Inc. (NasdaqGS:ADP)	92.0	12,790	6.5	2,725	21.3	51,273	4.0	18.8	17.7
Capgemini SE (ENXTPA:CAP)	95.3	15,763	6.6	1,995	12.7	23,127	1.5	11.6	10.3
Cognizant Technology Solutions Corporation (NasdaqGS:CTSH)	93.2	14,810	13.0	3,032	20.5	42,444	2.9	14.0	12.3
DXC Technology Company (NYSE:DXC)	93.4	20,151	28.3	3,164	15.7	34,386	1.7	10.9	6.8
HCL Technologies Limited (NSEI:HCLTECH)	91.6	7,617	NA	1,720	22.6	19,713	2.6	11.5	10.1
Infosys Limited (NSEI:INFY)	91.0	10,703	7.4	2,876	26.9	33,623	3.1	11.7	11.1
Tata Consultancy Services Limited (NSEI:TCS)	89.7	18,606	9.5	4,936	26.5	80,677	4.3	16.3	15.0
Wipro Limited (BSE:507685)	85.0	8,435	5.6	1,659	19.7	17,320	2.1	10.4	9.5
<b>Median</b>	<b>91.6 %</b>	<b>\$14,810</b>	<b>7.0 %</b>	<b>\$2,876</b>	<b>20.5 %</b>	<b>\$34,386</b>	<b>2.6 x</b>	<b>11.7 x</b>	<b>11.1 x</b>
<b>Mean</b>	<b>91.2 %</b>	<b>\$16,222</b>	<b>10.4 %</b>	<b>\$3,126</b>	<b>20.2 %</b>	<b>\$43,868</b>	<b>2.7 x</b>	<b>13.4 x</b>	<b>11.8 x</b>
<b>Hardware (17)</b>									
Amphenol Corporation (NYSE:APH)	89.4 %	\$7,011	9.5 %	\$1,658	23.7 %	\$27,355	3.9 x	16.5 x	15.2 x
Apple Inc. (NasdaqGS:AAPL)	93.3	239,176	6.2	74,174	31.0	914,020	3.8	12.3	11.4
Applied Materials, Inc. (NasdaqGS:AMAT)	85.6	15,463	18.7	4,686	30.3	53,942	3.5	11.5	9.4
Canon Inc. (TSE:7751)	86.1	38,120	3.1	5,861	15.4	37,054	1.0	6.3	6.1
Hewlett Packard Enterprise Company (NYSE:HPE)	86.9	29,643	NA	3,225	10.9	32,834	1.1	10.2	6.2
Hitachi, Ltd. (TSE:6501)	81.6	87,050	(1.2)	9,965	11.4	35,790	0.4	3.6	3.5
Intel Corporation (NasdaqGS:INTC)	92.9	62,761	4.0	26,504	42.2	246,717	3.9	9.3	9.0
International Business Machines Corporation (NYSE:IBM)	88.9	79,139	(5.2)	16,621	21.0	175,583	2.2	10.6	9.0
Juniper Networks, Inc. (NYSE:JNPR)	78.1	5,027	2.8	1,149	22.9	7,492	1.5	6.5	7.1
Lenovo Group Limited (SEHK:992)	75.9	44,290	(0.0)	813	1.8	7,185	0.2	8.8	5.3
Murata Manufacturing Co., Ltd. (TSE:6981)	79.2	12,172	10.1	2,933	24.1	26,507	2.2	9.0	7.8
NXP Semiconductors N.V. (NasdaqGS:NXPI)	90.7	9,256	17.9	2,876	31.1	42,269	4.6	14.7	12.1
QUALCOMM Incorporated (NasdaqGS:QCOM)	77.7	22,360	(6.1)	6,144	27.5	67,131	3.0	10.9	9.3
Samsung Electronics Co., Ltd. (KOSE:A005930)	85.5	224,382	5.1	70,314	31.3	251,538	1.1	3.6	3.0
Taiwan Semiconductor Manufacturing Company (TSEC:2330)	92.1	33,408	8.6	22,025	65.9	202,012	6.0	9.2	8.1
Texas Instruments Incorporated (NasdaqGS:TXN)	83.1	14,961	4.7	6,950	46.5	98,292	6.6	14.1	13.4
Xerox Corporation (NYSE:XRX)	74.0	10,265	(6.8)	1,389	13.5	11,278	1.1	8.1	6.4
<b>Median</b>	<b>85.6 %</b>	<b>\$29,643</b>	<b>4.3 %</b>	<b>\$5,861</b>	<b>24.1 %</b>	<b>\$42,269</b>	<b>2.2 x</b>	<b>9.3 x</b>	<b>8.1 x</b>
<b>Mean</b>	<b>84.8 %</b>	<b>\$54,970</b>	<b>4.5 %</b>	<b>\$15,135</b>	<b>26.5 %</b>	<b>\$131,588</b>	<b>2.7 x</b>	<b>9.7 x</b>	<b>8.4 x</b>



Public comparables analysis (Cont.)<sup>1</sup>

Company (Ticker)	% of 52 Week high	LTM revenue	Revenue CAGR (3 Yr)	LTM EBITDA	EBITDA margin	Enterprise value ("EV")	Last twelve months		NTM
							EV/ Revenue	EV/ EBITDA	EV/ EBITDA
<i>(\$ in Millions)</i>									
<b>Traditional Media (20)</b>									
CBS Corporation (NYSE: CBS)	76.5 %	\$13,692	3.0 %	\$3,052	22.3 %	\$30,023	2.2 x	9.8 x	9.0 x
Discovery, Inc. (NasdaqGS: DISC.A)	74.9	6,873	3.1	2,553	37.1	20,201	2.9	7.9	4.9
Lagardère SCA (ENXTPA: MMB)	80.6	8,969	(1.0)	760	8.5	5,394	0.6	7.1	6.7
Meredith Corporation (NYSE: MDP)	74.2	1,681	3.2	328	19.5	3,060	1.8	9.3	3.7
News Corporation (NasdaqGS: NWSA)	90.8	8,296	(1.3)	817	9.8	7,579	0.9	9.3	7.8
Omnicom Group Inc. (NYSE: OMC)	83.0	15,274	(0.1)	2,342	15.3	17,739	1.2	7.6	7.4
Pearson plc (LSE: PSON)	96.1	6,380	(0.2)	785	12.3	9,277	1.5	11.8	9.6
Publicis Groupe S.A. (ENXTPA: PUB)	82.4	11,941	10.1	2,201	18.4	16,734	1.4	7.6	8.1
Sirius XM Holdings Inc. (NasdaqGS: SIRI)	94.9	5,425	9.1	1,985	36.6	34,909	6.4	17.6	16.2
The Interpublic Group of Companies, Inc. (NYSE: IPG)	89.9	7,882	1.5	1,131	14.3	9,570	1.2	8.5	7.9
The New York Times Company (NYSE: NYT)	90.8	1,676	1.8	261	15.5	3,603	2.2	13.8	13.0
The Walt Disney Company (NYSE: DIS)	86.4	55,704	3.7	16,912	30.4	172,173	3.1	10.2	9.7
Thomson Reuters Corporation (TSX: TRI)	80.9	11,333	(3.5)	2,522	22.3	34,687	3.1	13.8	10.0
Time Warner Inc. (NYSE: TWX)	91.9	31,271	4.6	9,081	29.0	95,583	3.1	10.5	10.2
Tribune Media Company (NYSE: TRCO)	92.3	1,849	1.3	392	21.2	5,776	3.1	14.7	10.8
Twenty-First Century Fox, Inc. (NasdaqGS: FOXA)	91.7	29,351	(3.4)	6,540	22.3	80,454	2.7	12.3	10.7
Viacom, Inc. (NasdaqGS: VIAB)	68.1	13,012	(2.2)	2,932	22.5	22,294	1.7	7.6	7.2
Vivendi SA (ENXTPA: VIV)	86.0	15,335	7.2	1,590	10.4	36,309	2.4	22.8	16.3
Wolters Kluwer N.V. (ENXTAM: WKL)	97.4	5,449	6.5	1,495	27.4	17,561	3.2	11.7	12.2
WPP plc (LSE: WPP)	67.5	21,581	9.8	3,337	15.5	27,611	1.3	8.3	7.8
<b>Median</b>	<b>86.2 %</b>	<b>\$10,151</b>	<b>2.4 %</b>	<b>\$2,093</b>	<b>20.4 %</b>	<b>\$18,970</b>	<b>2.2 x</b>	<b>10.0 x</b>	<b>9.3 x</b>
<b>Mean</b>	<b>84.8 %</b>	<b>\$13,649</b>	<b>2.7 %</b>	<b>\$3,051</b>	<b>20.5 %</b>	<b>\$32,527</b>	<b>2.3 x</b>	<b>11.1 x</b>	<b>9.5 x</b>
<b>Telecommunications (20)</b>									
Altice N.V. (ENXTAM: ATC)	30.0 %	\$28,958	81.4 %	\$10,988	37.9 %	\$80,727	2.8 x	7.3 x	7.1 x
América Móvil, S.A.B. de C.V. (BMV: AMX L)	96.8	55,988	6.4	14,188	25.3	97,859	1.7	6.9	6.2
AT&T Inc. (NYSE: T)	86.7	160,546	6.6	45,440	28.3	344,645	2.1	7.6	6.5
CenturyLink, Inc. (NYSE: CTL)	62.9	17,656	(0.7)	6,258	35.4	55,764	3.2	8.9	6.4
China Mobile Limited (SEHK: 941)	82.0	117,424	4.4	43,023	36.6	117,899	1.0	2.7	2.7
Comcast Corporation (NasdaqGS: CMCS.A)	77.6	84,526	7.1	27,812	32.9	219,729	2.6	7.9	7.5
Deutsche Telekom AG (DB: DTE)	74.4	95,221	6.2	25,473	26.8	145,570	1.5	5.7	5.2
Konica Minolta, Inc. (TSE: 4902)	77.8	9,466	0.7	959	10.1	5,756	0.6	6.0	5.8
Liberty Global plc (NasdaqGS: LBTY.A)	79.4	15,049	(6.2)	6,912	45.9	67,613	4.5	9.8	8.5
Motorola Solutions, Inc. (NYSE: MSI)	95.2	6,380	2.8	1,678	26.3	20,239	3.2	12.1	10.5
Nippon Telegraph and Telephone Corporation (TSE: 9432)	88.0	109,806	2.0	28,705	26.1	126,996	1.2	4.4	4.2
Nokia Corporation (HLSE: NOKIA)	74.7	28,524	25.3	3,616	12.7	25,130	0.9	7.0	6.9
NTT DOCOMO, INC. (TSE: 9437)	96.6	44,012	2.1	13,355	30.3	87,853	2.0	6.6	6.1
Orange S.A. (ENXTPA: ORA)	89.3	50,642	1.4	15,344	30.3	78,166	1.5	5.1	4.9
Ricoh Company, Ltd. (TSE: 7752)	87.1	19,393	(2.1)	1,545	8.0	14,435	0.7	9.3	10.8
Sky plc (LSE: SKY)	95.6	18,722	17.9	2,753	14.7	42,729	2.3	15.5	12.8
SoftBank Group Corp. (TSE: 9984)	72.0	85,311	2.3	24,041	28.2	193,802	2.3	8.1	7.6
Telefónica, S.A. (BME: TEF)	77.3	65,152	1.1	20,154	30.9	112,628	1.7	5.6	5.6
Verizon Communications Inc. (NYSE: VZ)	86.1	126,034	(0.3)	47,055	37.3	310,063	2.5	6.6	6.5
Vodafone Group Plc (LSE: VOD)	85.0	57,492	0.9	14,558	25.3	116,180	2.0	8.0	6.4
<b>Median</b>	<b>83.5 %</b>	<b>\$53,315</b>	<b>2.2 %</b>	<b>\$14,373</b>	<b>28.2 %</b>	<b>\$92,856</b>	<b>2.0 x</b>	<b>7.1 x</b>	<b>6.5 x</b>
<b>Mean</b>	<b>80.7 %</b>	<b>\$59,815</b>	<b>8.0 %</b>	<b>\$17,693</b>	<b>27.5 %</b>	<b>\$113,189</b>	<b>2.0 x</b>	<b>7.6 x</b>	<b>6.9 x</b>
<b>Automotive Technology (9)</b>									
Aptiv PLC (NYSE: APTV)	80.1 %	\$12,884	(6.0) %	\$2,091	16.2 %	\$24,894	1.9 x	11.9 x	10.6 x
CDK Global, Inc. (NasdaqGS: CDK)	84.0	2,249	3.3	633	28.2	10,303	4.6	16.3	11.8
Delphi Technologies PLC (NYSE: DLPH)	81.1	4,849	NA	826	17.0	5,546	1.1	6.7	6.7
DENSO Corporation (TSE: 6902)	79.6	45,919	5.0	6,192	13.5	38,605	0.8	6.2	5.9
MAM Software Group, Inc. (NasdaqCM: MAMS)	87.2	33	1.5	5	16.0	108	3.2	20.2	17.4
Mobilitye N.V. (OTCPK: MBBY.F)	98.7	408	57.1	139	34.0	13,824	33.9	99.7	NA
NVIDIA Corporation (NasdaqGS: NVDA)	85.2	9,714	27.5	3,409	35.1	126,091	13.0	37.0	27.3
Qiming Information Technology Co., Ltd (SZSE: 002232)	74.0	272	7.3	14	5.1	563	2.1	40.5	NA
Visteon Corporation (NasdaqGS: VC)	81.0	3,146	6.8	293	9.3	3,210	1.0	11.0	8.4
<b>Median</b>	<b>81.1 %</b>	<b>\$3,146</b>	<b>5.9 %</b>	<b>\$633</b>	<b>16.2 %</b>	<b>\$10,303</b>	<b>2.1 x</b>	<b>16.3 x</b>	<b>10.6 x</b>
<b>Mean</b>	<b>83.4 %</b>	<b>\$8,830</b>	<b>12.8 %</b>	<b>\$1,511</b>	<b>19.4 %</b>	<b>\$24,794</b>	<b>6.9 x</b>	<b>27.7 x</b>	<b>12.6 x</b>



Recent transactions<sup>1</sup>

Target/Acquirer (\$ in Millions)	Close date	LTM revenue	LTM EBITDA	EBITDA margin	Enterprise value ("EV")	Last twelve months	
						EV/ Revenue	EV/ EBITDA
<b>VeriFone Systems, Inc.</b> Francisco Partners Management LLC	Pending	\$1,853.9	\$226.2	12.2 %	\$3,292.5	1.8 x	14.6 x
<b>MuleSoft, Inc.</b> salesforce.com, inc.	Pending	296.5	(76.0)	NM	6,607.4	22.3	NM
<b>Orbotech Ltd.</b> KLA-Tencor Corporation	Pending	900.9	180.6	20.0	3,191.1	3.5	17.7
<b>Oclaro, Inc.</b> Lumentum Holdings Inc.	Pending	606.5	143.2	23.6	1,489.7	2.5	10.4
<b>CommerceHub, Inc.</b> GTCR, LLC; Sycamore Partners	Pending	111.1	31.9	28.7	1,089.6	9.8	34.1
<b>Laird PLC</b> Advent International Corporation	Pending	1,324.1	143.9	10.9	1,625.2	1.2	11.3
<b>Microsemi Corporation</b> Microchip Technology Incorporated	Pending	1,845.0	555.3	30.1	10,078.3	5.5	18.1
<b>Interoute Communications Limited</b> GTT Americas, LLC	Pending	884.8	203.3	23.0	2,341.3	2.6	11.5
<b>Fidessa group plc</b> Temenos Group AG	Pending	500.3	93.5	18.7	1,876.3	3.8	20.1
<b>LiquidHub, Inc.</b> Capgemini SE	Pending	247.7	NA	NA	500.0	2.0	NA
<b>TDC A/S</b> PFA Pension, Macquarie; DK	Pending	3,354.2	1,374.4	41.0	10,048.2	3.0	7.3
<b>Xerox Corporation</b> FUJIFILM Holdings Corporation	Pending	10,265.0	1,504.0	14.7	16,961.9	1.7	11.3
<b>Blackhawk Network Holdings, Inc.</b> Silver Lake; P2 Capital Partners	Pending	2,231.6	189.1	8.5	3,019.2	1.4	16.0
<b>DST Systems, Inc.</b> SS&C Technologies Holdings, Inc.	Pending	2,218.2	491.1	22.1	5,671.1	2.6	11.5
<b>Com Hem Holding AB (publ)</b> Tele2 AB (publ)	Pending	853.7	341.9	40.1	4,357.7	5.1	12.7
<b>Callidus Software Inc.</b> SAP America, Inc.	Apr-18	253.1	(5.6)	NA	2,425.9	9.6	NM
<b>CSRA Inc.</b> General Dynamics Corporation	Apr-18	5,064.0	841.3	16.6	9,871.1	1.9	11.7
<b>Avigilon Corporation</b> Motorola Solutions, Inc.	Mar-18	408.6	60.4	14.8	1,042.4	2.6	17.3
<b>Aricent Inc.</b> Altran US	Mar-18	687.0	192.0	27.9	2,000.0	2.9	10.4
<b>General Communication, Inc.</b> Liberty Ventures	Mar-18	930.8	271.0	29.1	2,785.8	3.0	10.3
<b>Scripps Networks Interactive, Inc.</b> Discovery Communications, Inc.	Mar-18	3,472.0	1,604.1	46.2	15,295.3	4.4	9.5
<b>Straight Path Communications Inc.</b> Verizon Communications Inc.	Feb-18	NA	NA	NA	2,325.7	NA	NA
<b>ThreatMetrix Inc.</b> LexisNexis Risk Solutions Inc.	Feb-18	NA	NA	NA	830.0	NA	NA
<b>Barracuda Networks, Inc.</b> Thoma Bravo, LLC	Feb-18	366.6	32.6	8.9	1,405.1	3.8	43.1
<b>e-Builder, Inc.</b> Trimble Inc.	Feb-18	53.0	NA	NA	500.0	9.4	NA
<b>BroadSoft, Inc.</b> Cisco Systems, Inc.	Feb-18	361.9	23.8	6.6	1,917.0	5.3	80.7
<b>Nets A/S</b> Advent International Corporation	Feb-18	1,259.9	350.8	27.8	6,677.9	5.3	19.0
<b>IO Data Centers, LLC</b> Iron Mountain Incorporated	Jan-18	143.7	NA	NA	1,340.0	9.3	NA
<b>Median</b>		<b>\$869.2</b>	<b>\$192.0</b>	<b>22.1 %</b>	<b>\$2,383.6</b>	<b>3.3 x</b>	<b>12.7 x</b>
<b>Mean</b>		<b>\$1,557.5</b>	<b>\$381.4</b>	<b>22.5 %</b>	<b>\$4,305.9</b>	<b>4.9 x</b>	<b>19.0 x</b>

Select Deloitte Corporate Finance TMT group transactions

<p><b>Information Builders</b> Information Builders, Inc. has received a minority investment from</p>  <p><b>Goldman, Sachs &amp; Co.</b></p> <p>The undersigned acted as exclusive financial advisor to Information Builders, Inc.</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> Meredith Corporation has acquired</p> <p> Allrecipes.com, Inc. from</p> <p> The Reader's Digest Association, Inc.</p> <p>The undersigned rendered a fairness opinion to Meredith Corporation</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> NTT Communications Corporation has acquired 70% of the issued shares of</p> <p> Frontline System Australia Pty Ltd</p> <p>The undersigned acted as financial advisor to NTT Communications</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> IPNet Solutions has been acquired by</p> <p> Inovis a portfolio company of</p> <p> Golden Gate Capital</p> <p>The undersigned acted as advisor to IPNet Solutions</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> NWN CORPORATION NWN Corporation has been acquired by</p> <p> New State Capital Partners, LLC</p> <p>The undersigned acted as exclusive financial advisor to NWN Corporation</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>
<p> Wipro Limited has acquired</p> <p> NerveWire, Inc.</p> <p>The undersigned acted as advisor to Wipro Limited</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> Optimal Payments Plc has acquired</p> <p> Meritus Payment Solutions</p> <p>The undersigned acted as financial advisor to Optimal Payments Plc</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> Global Software, Inc. has completed a majority recapitalization with</p> <p> Thompson Street Capital Partners</p> <p>The undersigned acted as exclusive financial advisor to Global Software, Inc.</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> SureID, Inc. has completed a unitranche capital raise with</p> <p> Goldman Sachs Specialty Lending Group</p> <p>The undersigned acted as exclusive financial advisor to SureID, Inc.</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> a subsidiary of EPS Financial, LLC</p> <p> Drake Enterprises, Ltd. has sold its assets to</p> <p> Meta Financial Group, Inc.</p> <p>The undersigned acted as exclusive financial advisor to EPS Financial, LLC and Drake Enterprises, Ltd.</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>
<p> JVCKENWOOD Corporation has acquired</p> <p> EF Johnson Technologies, Inc.</p> <p>The undersigned acted as advisor to JVCKENWOOD Corporation</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> Tweddle Group, Inc. has received an equity investment from</p> <p> The Gores Group, LLC</p> <p>The undersigned acted as exclusive financial advisor to Tweddle Group, Inc.</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> Rent A Toll, Ltd. have been acquired by</p> <p> American Traffic Solutions</p> <p>The undersigned acted as exclusive financial advisor to Rent A Toll, Ltd.</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> Volkswagen AG has acquired</p> <p> BlackBerry Limited</p> <p>The undersigned acted as exclusive advisor to BlackBerry Limited</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> Pillar Technology Group LLC has completed a recapitalization with</p> <p> NewSpring Capital</p> <p>The undersigned acted as exclusive financial advisor to Pillar Technology Group LLC</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>
<p> Optimal Payments Plc has acquired</p> <p> Global Merchant Advisors</p> <p>The undersigned acted as financial advisor to Optimal Payments Plc</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> General Information Services, Inc. has obtained senior debt financing from</p> <p> PNC Financial Services</p> <p>The undersigned acted as financial advisor to General Information Services, Inc.</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>	<p> Identity Finder, LLC has been acquired by</p> <p> Inverness Graham Investments, Inc.</p> <p>The undersigned acted as exclusive financial advisor to Identity Finder, LLC</p> <p><b>Deloitte.</b> Deloitte Corporate Finance LLC</p>		

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For additional information or to find out more about how DCF can assist the deal initiation and execution process, please contact one of our DCF managing directors:

**Phil Colaco**

CEO  
philcolaco@deloitte.com  
+1 704 333 0533

**Doug Bolt**

dbolt@deloitte.com  
+1 704 731 7219

**Simon Gisby**

sgisby@deloitte.com  
+1 212 436 2495

**Lou Paone**

lpaone@deloitte.com  
+1 704 731 7202

**Jonathan Adams**

jonadams@deloitte.com  
+1 214 840 1779

**Hector Calzada**

hcalzada@deloitte.com  
+1 404 631 3015

**Bill Kerkam**

wkerkam@deloitte.com  
+1 980 312 3613

**Jason Porter**

jasporter@deloitte.com  
+1 704 333 0136

**Keith Adams**

keadams@deloitte.com  
+1 404 631 3455

**Nick Cirignano**

nicirignano@deloitte.com  
+1 212 436 3273

**Jamie Lewin**

jlewin@deloitte.com  
+1 214 840 7057

**Matt Preece**

mpreece@deloitte.com  
+1 704 731 7186

**Tracy Albert**

talbert@deloitte.com  
+1 213 996 4939

**John Deering**

jdeering@deloitte.com  
+1 704 333 0574

**Matt Meyer**

mattmeyer@deloitte.com  
+1 213 892 6053

**Ron Rivera**

rorivera@deloitte.com  
+1 404 631 3710

**Eric Andreozzi**

eandreozi@deloitte.com  
+1 704 333 0518

**Lorin DeMordaunt**

ldemordaunt@deloitte.com  
+1 704 333 0591

**James Miller**

jamesmiller5@deloitte.com  
+1 704 731 8230

**Justin Silber**

jsilber@deloitte.com  
+1 404 942 6960

**Vijay Balasubramanian**

vbalasubramanian@deloitte.com  
+1 212 313 1723

**Will Frame**

wframe@deloitte.com  
+1 312 486 4458

**Byron Nelson**

bynelson@deloitte.com  
+1 469 417 2462

**Tom Spivey**

tspivey@deloitte.com  
+1 214 840 7014

**Tony Blanchard**

anblanchard@deloitte.com  
+1 313 396 3738

**Mike Garcia**

migarcia@deloitte.com  
+1 213 996 4901

**Jonathan Ohm**

johm@deloitte.com  
+1 212 436 2287

**Charlie Welch**

charliewelch@deloitte.com  
+1 704 731 7201

Deloitte Corporate Finance Business Development Group:

**Brad Heston**

Senior Vice President  
bheston@deloitte.com  
+1 404 631 3839

**John Lindsey**

Senior Vice President  
jlindsey@deloitte.com  
+1 469 417 2147

**Bill Pucci**

Senior Vice President  
wpucci@deloitte.com  
+1 973 602 4542

[www.investmentbanking.deloitte.com](http://www.investmentbanking.deloitte.com)

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