Goldenhill
International M&A Advisors

Mobile Technology Sector

Quoted Company Analysis

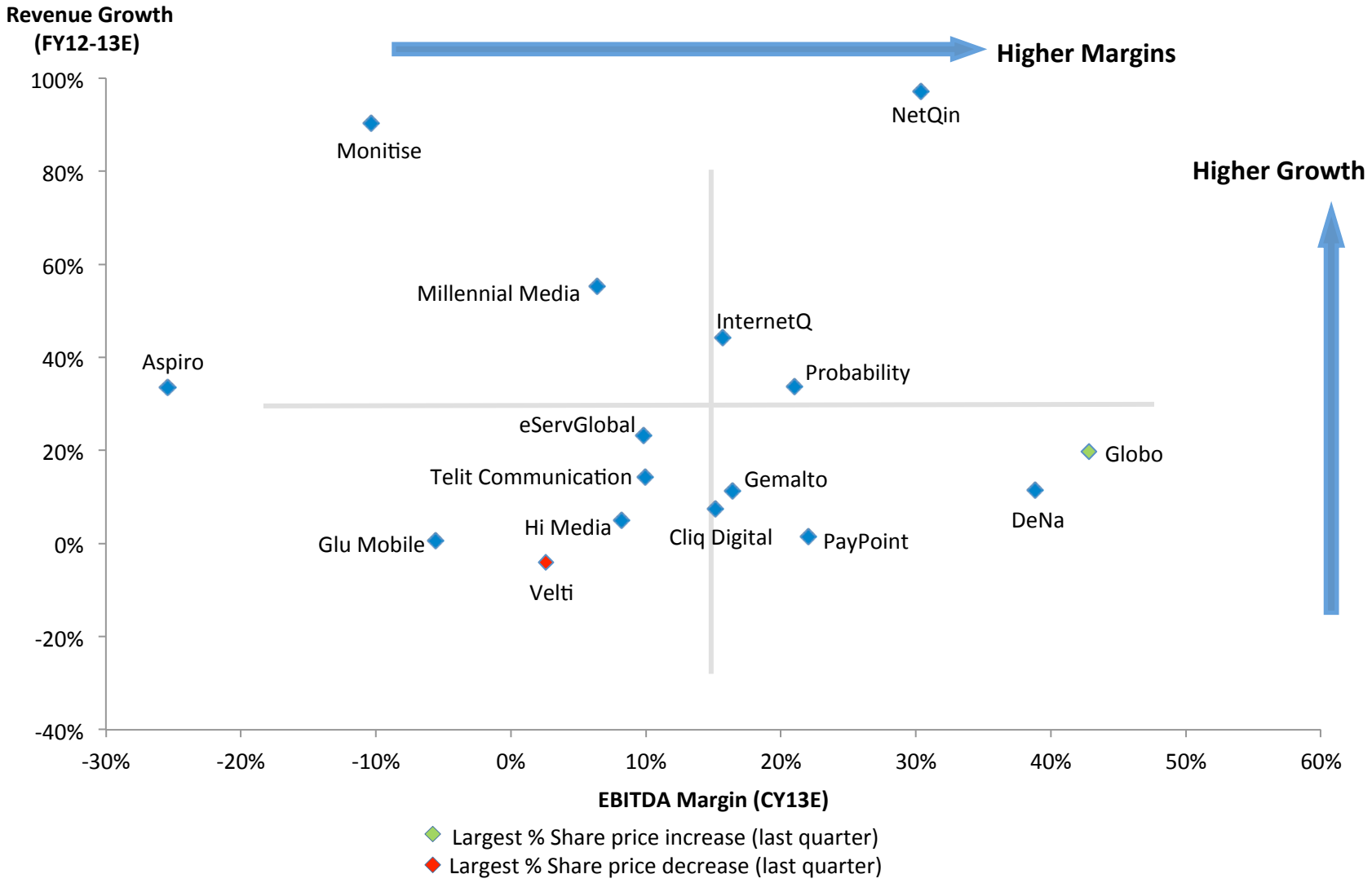
First Quarter 2013

Sector Valuation Metrics

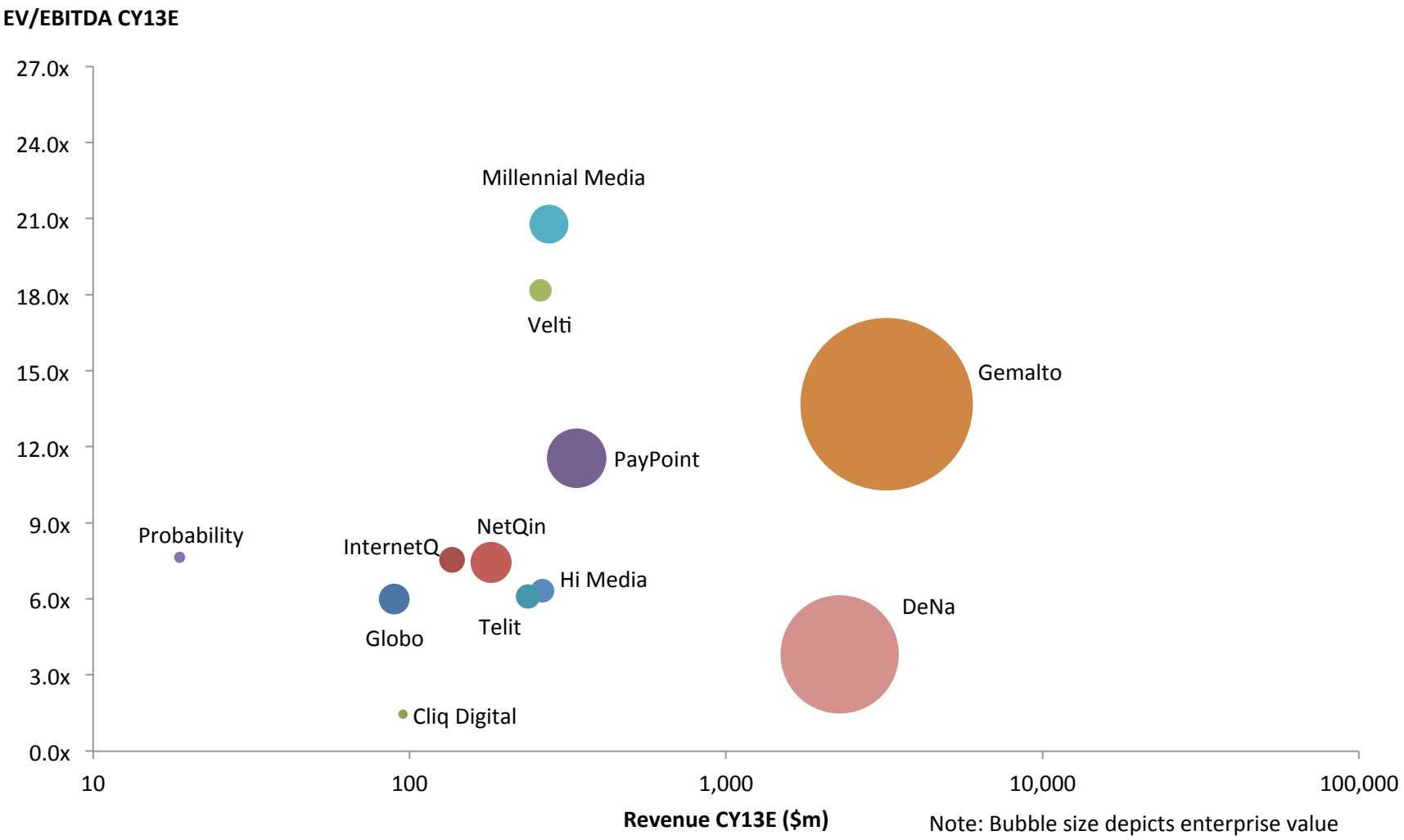
Goldenhill International M&A Advisors

Company	Share Price Local 31-Mar-13	Market Cap ($m)[1]	Net Debt ($m)[2]	Enterprise Value ($m)	Revenue CY13E ($m)	EV/Revenue CY2012	EV/Revenue CY2013E	EV/Revs Recurring	EV/EBITDA CY2012	EV/EBITDA CY2013E	Revenue Growth CY2012[4]	Revenue Growth CY2013E[4]	EBITDA Margin CY2012	EBITDA Margin CY2013E	% Revs Recurring[3]
Selected Large Cap															
Gemalto	68.05	7,680	(460)	7,220	3,214	2.5x	2.2x	12.8x	16.4x	13.7x	2.9%	11.3%	15.3%	16.4%	18%
DeNa	2555.00	4,090	(696)	3,394	2,284	1.7x	1.5x	na	4.0x	3.8x	40.0%	11.5%	42.2%	38.8%	na
Average						**2.1x**	**1.9x**		**10.2x**	**8.8x**			**28.7%**	**27.6%**	**17.5%**
Total (Large Cap)		**11,769**	**(1,155)**	**10,614**											
Selected Mid Cap															
PayPoint	8.88	915	(56)	859	337	2.7x	2.5x	na	12.5x	11.6x	6.3%	1.5%	21.3%	22.0%	na
Monitise	0.37	868	(15)	852	140	10.3x	6.1x	10.6x	nm	nm	135.2%	90.4%	-31.8%	-10.3%	57%
NetQin Mobile	9.01	436	(26)	409	181	4.5x	2.3x	3.1x	nm	7.4x	125.6%	97.0%	4.2%	30.4%	74%
Millennial Media	6.35	503	(137)	366	276	2.1x	1.3x	na	nm	20.8x	71.4%	55.2%	-1.2%	6.4%	na
Average						**4.9x**	**3.1x**		**12.5x**	**13.3x**			**-1.9%**	**12.1%**	**65.7%**
Total (Mid Cap)		**2,722**	**(236)**	**2,486**											
Selected Small Cap															
Globo	0.42	213	17	229	89	3.1x	2.6x	32.0x	7.2x	6.0x	18.3%	19.7%	42.4%	42.8%	8%
Glu Mobile	3.00	200	(22)	178	88	2.0x	2.0x	na	nm	nm	32.2%	0.7%	-10.3%	-5.6%	na
InternetQ	2.94	155	6	161	136	1.7x	1.2x	7.4x	10.0x	7.5x	35.4%	44.2%	17.1%	15.7%	16%
Bango	2.18	150	(3)	147	na	na	na	na	na	na	-17.2%	na	na	na	90%
Telit Communications	0.83	130	13	143	237	0.7x	0.6x	na	9.9x	6.1x	16.9%	14.3%	7.0%	9.9%	na
Hi Media	1.75	102	34	136	263	0.5x	0.5x	na	7.6x	6.3x	-21.8%	5.0%	7.2%	8.2%	na
Myriad Mobile	2.40	155	(21)	134	na	2.4x	na	na	nm	na	-7.8%	na	-10.8%	na	47%
Velti	1.99	131	(8)	122	260	0.5x	0.5x	0.6x	24.3x	18.2x	42.9%	-4.0%	1.9%	2.6%	84%
Net Mobile	7.86	123	(5)	118	na	na	na	na	na	na	18.2%	na	na	na	na
Seamless Distribution	23.30	119	(2)	117	na	5.9x	na	na	nm	na	114.6%	na	-20.7%	na	na
eServGlobal	0.43	112	4	115	36	3.8x	3.2x	6.8x	nm	32.3x	-31.8%	23.2%	-14.0%	9.9%	47%
Emblaze	0.60	101	(10)	91	na	42.5x	na	na	nm	na	78.0%	na	-163.7%	na	na
Mobile Tornado Group	0.23	65	3	68	4	32.2x	18.8x	28.4x	nm	nm	48.3%	-35.9%	-92.8%	-50.0%	66%
Trunkbow International	1.27	47	0	47	na	na	na	na	na	na	19.2%	na	na	na	12%
Mobile Streams	0.76	42	(3)	39	na	na	na	na	na	na	110.1%	na	na	na	48%
Augme Technologies	0.43	50	(11)	38	43	1.6x	0.9x	2.4x	nm	nm	324.9%	125.1%	-61.8%	-6.9%	37%
Probability	0.65	33	(3)	30	19	2.1x	1.6x	na	39.1x	7.6x	36.9%	33.6%	5.4%	21.0%	na
Yoc	7.69	26	5	30	66	0.6x	0.5x	1.2x	nm	21.2x	14.9%	14.2%	-0.9%	2.2%	39%
Aspiro	0.83	44	(15)	29	55	0.7x	0.5x	0.7x	nm	nm	15.3%	33.5%	-30.1%	-25.4%	77%
Artilium Group	0.08	26	2	27	na	na	na	na	na	na	40.6%	na	na	na	53%
Voltari	0.37	17	8	25	na	0.3x	na	na	2.3x	na	-26.0%	na	12.4%	na	na
Cliq Digital	4.71	24	(3)	21	95	0.2x	0.2x	0.3x	na	1.5x	81.6%	7.4%	na	15.1%	84%
Zamano	0.09	14	(0)	13	na	0.5x	na	na	3.4x	na	18.2%	na	16.2%	na	na
2ergo Group	0.10	9	(1)	8	na	na	na	na	na	na	-18.8%	na	na	na	na
Crimson Tide	0.01	8	(0)	8	3	3.6x	2.8x	3.0x	na	na	10.0%	9.8%	na	na	92%
Vipera	0.04	7	(1)	7	na	na	na	na	na	na	170.7%	na	na	na	11%
Average						**5.5x**	**2.6x**		**12.9x**	**11.9x**			**-17.4%**	**3.0%**	**50.6%**
Total (Small Cap)		**2,101**	**(18)**	**2,083**											
Sector Total		**16,592**	**(1,409)**	**15,183**											

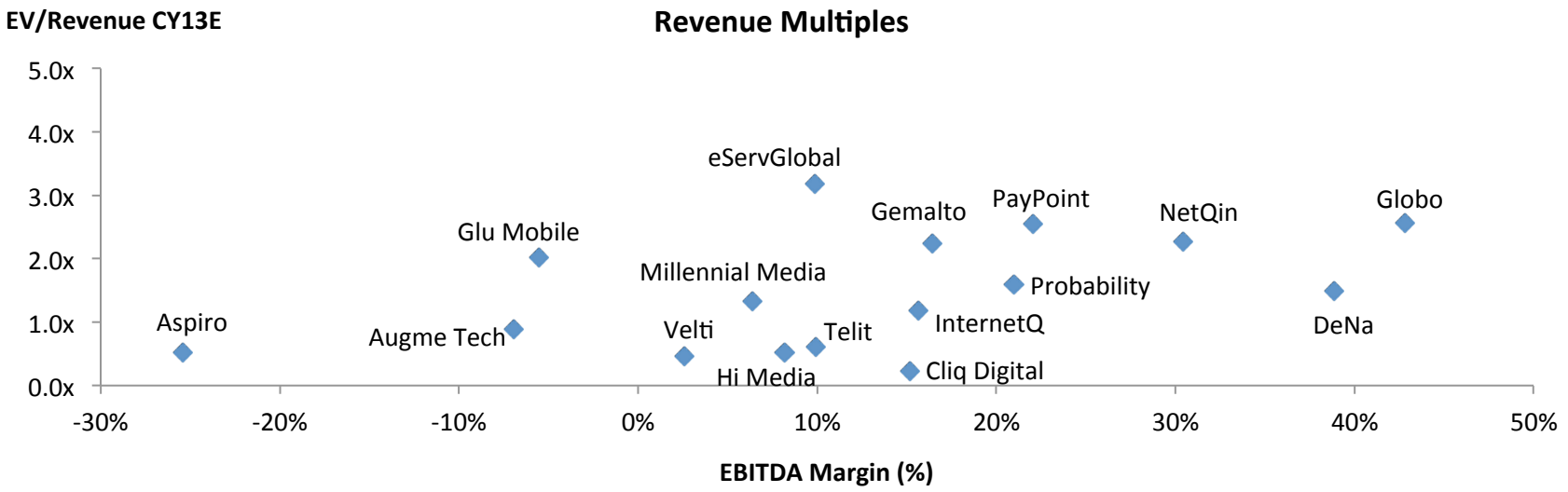
Performance Quadrants: Revenue Growth & Operating Margin

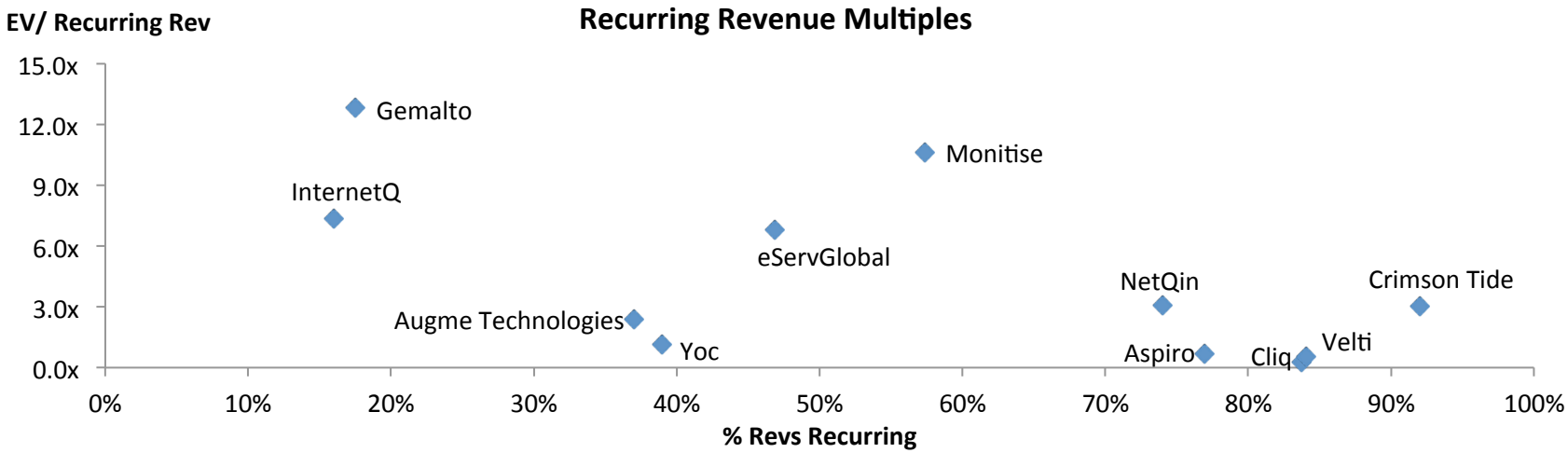


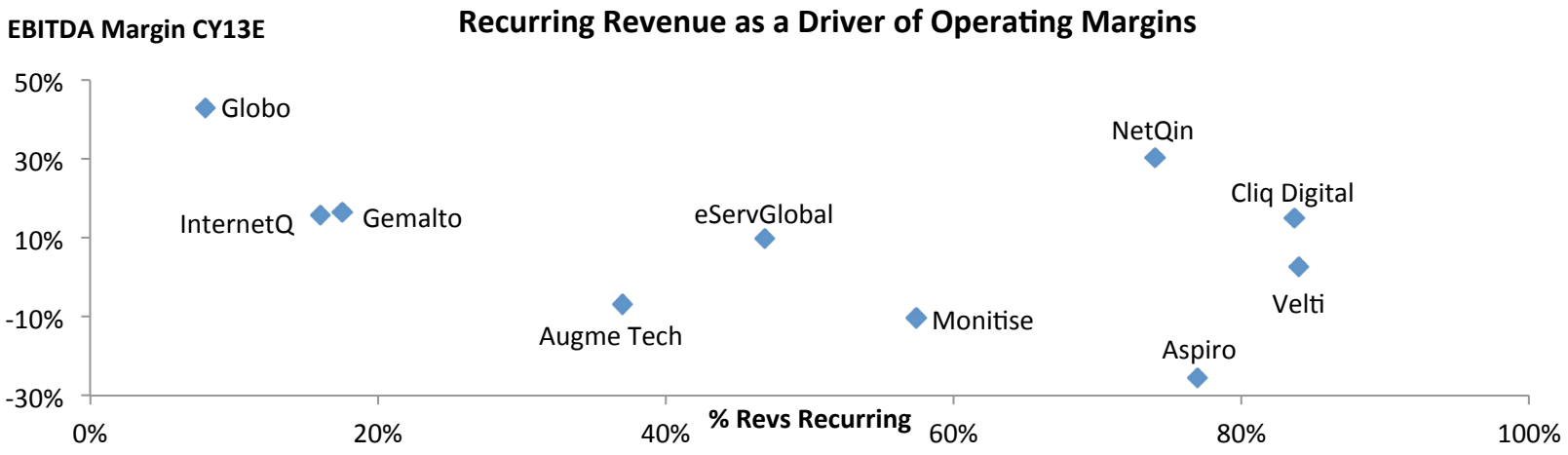
Scale as a Value Driver

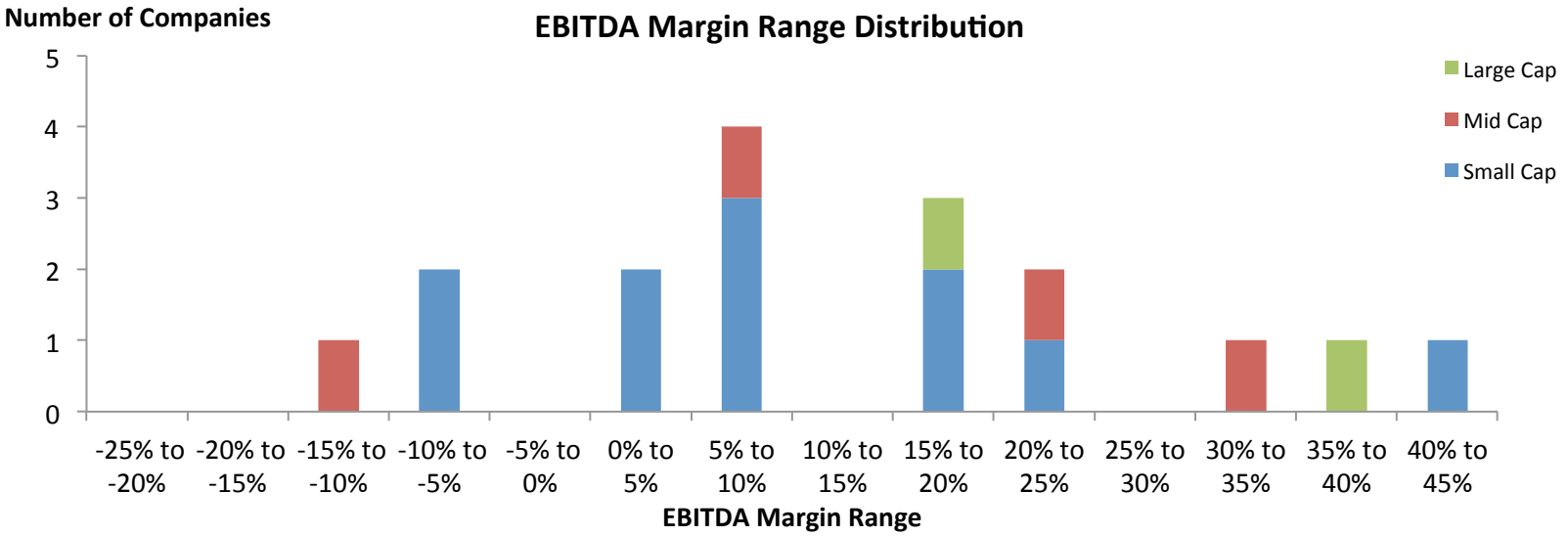


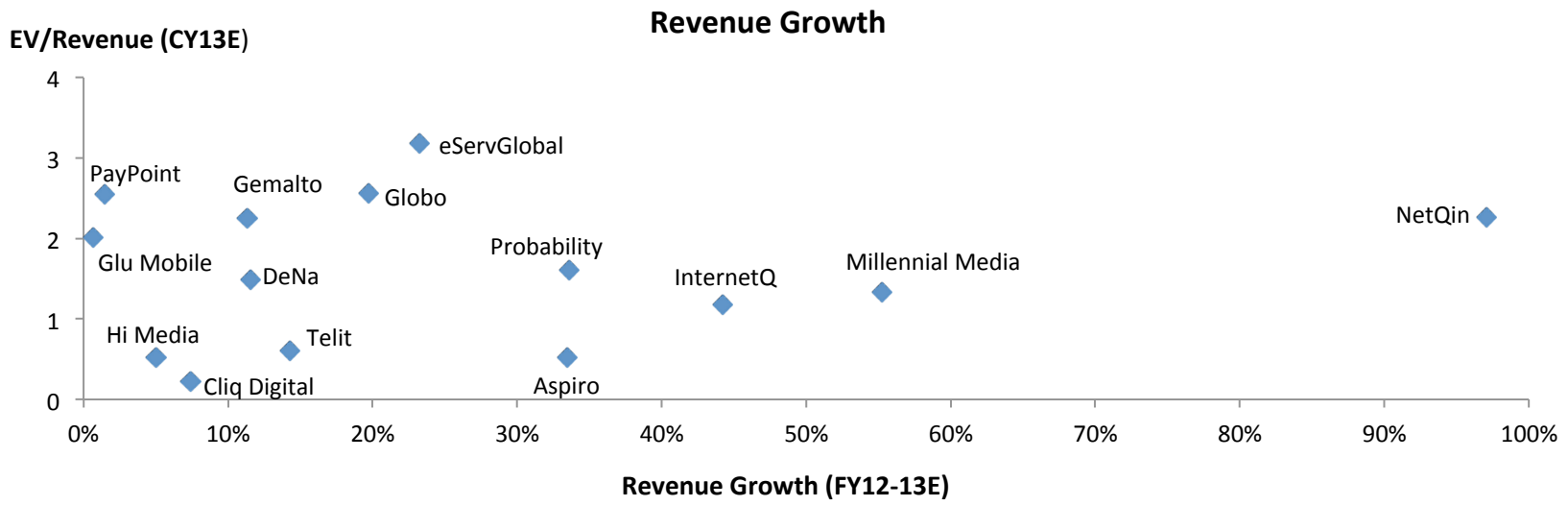
Operating Efficiency and Recurring Revenue as Value Drivers

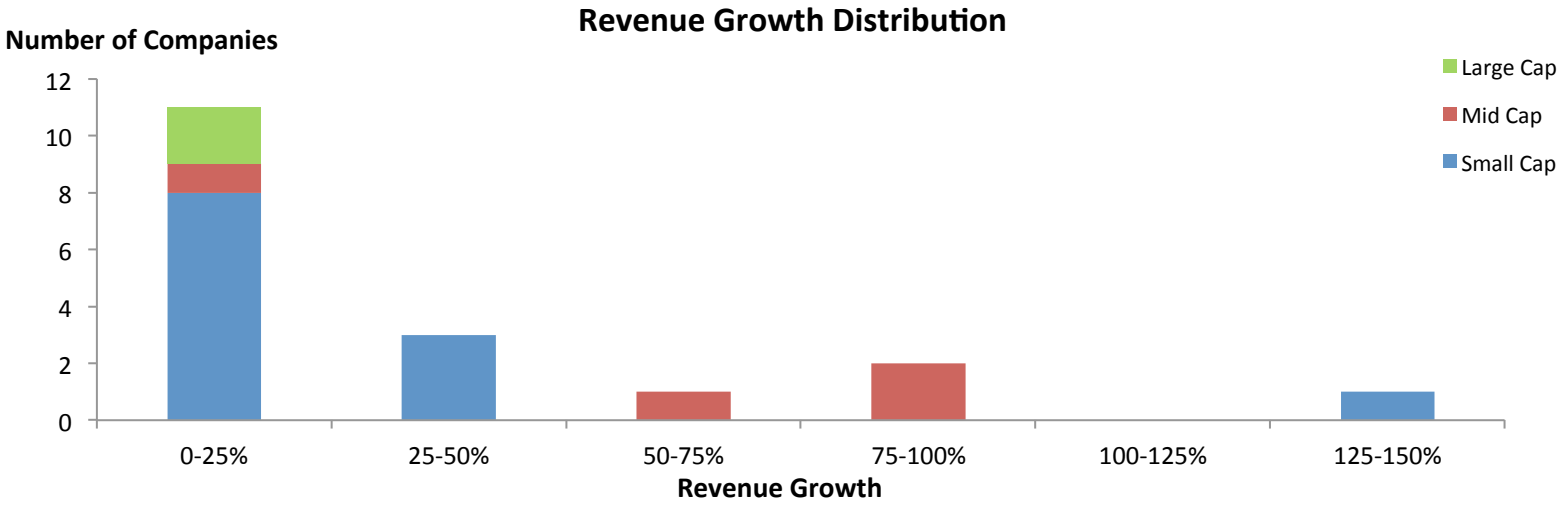





Recurring Revenue as a Driver of Operating Margins
EBITDA Margin CY13E
50%
30%
10%
-10%
-30%
0%
20%
40%
60%
80%
100%
% Revs Recurring
Globo
InternetQ
Gemalto
Augme Tech
eServGlobal
Monitise
NetQin
Cliq Digital
Velti
Aspiro


EBITDA Margin Range Distribution
Number of Companies
5
4
3
2
1
0
Large Cap
Mid Cap
Small Cap
-25% to -20%
-20% to -15%
-15% to -10%
-10% to -5%
-5% to 0%
0% to 5%
5% to 10%
10% to 15%
15% to 20%
20% to 25%
25% to 30%
30% to 35%
35% to 40%
40% to 45%
EBITDA Margin Range


Revenue Growth
EV/Revenue (CY13E)
4
3
2
1
0
PayPoint
Gemalto
eServGlobal
Globo
NetQin
Probability
Glu Mobile
DeNa
InternetQ
Millennial Media
Hi Media
Telit
Cliq Digital
Aspiro
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%
Revenue Growth (FY12-13E)


Revenue Growth Distribution
Number of Companies
12
10
8
6
4
2
0
Large Cap
Mid Cap
Small Cap
0-25%
25-50%
50-75%
75-100%
100-125%
125-150%
Revenue Growth

Mobile Technology Deals – First Quarter 2013

Goldenhill International M&A Advisors

Date Announced	Buyer	Seller	Seller Description	Deal Size	Seller Revenue/ Profit	Revenue Multiple	Target Sector	Commentary
28/03/2013	Mobiquity	Vertical Performance Partners	Software that turns corporate training and marketing content into mobile apps, and mobile meeting software for clients in pharmaceutical sector	Not disclosed	n/a	n/a	Workforce	Extends Mobiquity's mobile services to Vertical Performance Partners' client base and Mobiquity's expertise and scale will be added to Vertical Performance Partners' software. 5 staff
25/03/2013	TIBCO Software	Maporama Solutions	Web-based big data-focused geographical digital mapping and visualization SaaS for enterprises	Not disclosed	n/a	n/a	Enterprise	Combines Maporama's digital mapping and geospatial capabilities with Spotfire's analytics and data discovery platform. This will increase the value provided to customers, enabling them to solve new location based business problems, enabling them to make more informed decisions. 20 staff
22/03/2013	TripAdvisor	Beeem [dba Tiny Post]	Mobile application to enable users to insert text into photos and then upload photos to social media websites	Not disclosed	n/a	n/a	Social Media	The takeover will provide TinyPost a potentially much larger audience for its service. Both companies view the deal as a 'great fit'
15/03/2013	Dropbox	Orchestra [dba Mailbox]	Mobile email organization and management software for use on iOS devices for businesses and consumers	c$50M-$100M in cash and shares	n/a	n/a	Collaboration	This is the first move for Dropbox outside of its core file sharing service. The companies have said that Mailbox would remain a separate app as the entire team joins Dropbox. 13 staff
14/03/2013	Orbcomm	Mobile Net	GPS-based asset and vehicle tracking systems and software for the utilities, rail and construction sectors	$5M [$3.5M in cash, remainder in shares]	n/a	n/a	Asset Tracking	A significant step in building a diverse solutions portfolio to enable Orbcomm to expand integrated M2M services into new industrial and geographic markets, broadening product and service capabilities and leveraging synergies across common distribution channels
14/03/2013	Orbcomm	GlobalTrak	GPS-based cargo logistics management sensor systems and software for businesses, government and military agencies globally	$2.8M in cash	n/a	n/a	Logistics	Accelerates Orbcomm's growth strategy of expanding into key vertical markets and geographic regions. GlobalTrack sells into key markets such as the government sector and operates in the Middle East, Asia and South America
14/03/2013	FleetCor Technologies	TeleNav (enterprise mobile business)	TeleNavs enterprise mobile business, which provides location-based, mobile workforce tracking software for businesses globally	$10M in shares	n/a	0.8x	Mobile workforce	Provides FleetCor with a set of mobile applications and capabilities designed specifically for a business workforce that is predominantly field based
11/03/2013	Concur Technologies	conTgo	Location-based mobile workforce management SaaS for businesses globally	Not disclosed	n/a	n/a	Mobile workforce	conTgo adds location-based services with advanced mobile communications and messaging capabilities to Concur's offerings, extending the value of the Concur T&E Cloud for partners, suppliers and clients. 35 staff
06/03/2013	SDL International	bemoko	Mobile website design services for businesses and non-profit organizations in the US and UK	Not disclosed	n/a	n/a	Mobile web	The deal will provide SDL with more solutions to speed customer implantation of mobile website management and multi-channel delivery. 13 staff
04/03/2013	Yodle	Lighthouse Practice Management Group	Patient appointment reminder SaaS that enables dental practices to automatically notify customers of appointments via phone, email and text messages	Not disclosed	n/a	n/a	Health	Provides Yodle with a strong relationship marketing complement to its customer acquisition marketing offering. It will also expand its SaaS platform offering, which now accounts for nearly half of the company's revenue. Yodle will now be the first in the industry to optimise SMB lead generation based on actual transactions. 33 staff

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Date Announced	Buyer	Seller	Seller Description	Deal Size	Seller Revenue/ Profit	Revenue Multiple	Target Sector	Commentary
27/02/2013	Ogilvy & Mather Worldwide [WPP]	Strike Media	Mobile marketing campaign creation and management services for businesses in South Africa; text message delivery SaaS; Aquaphone mobile videogame; and mobile Web design services	Undisclosed majority stake	£1.2M /	n/a	Mobile web	The acquisition will allow Ogilvy & Mather to significantly step forward in developing its South African mobile marketing capabilities, proving its commitment to growth in the evolving mobile marketing space. 20 staff
20/02/2013	Informatica	Active Endpoints	Process automation application creation software for use with enterprise, SaaS and mobile applications for businesses	$10M	n/a	1.3x	Enterprise software	Active Endpoints provides technology to enable Informatica to deliver powerful workflow capabilities for salesforce.com customers. 40 staff
15/02/2013	Trimble Navigation	Penmap (software assets)	Software assets of Penmap, which include GPS-based geographic data collection software for use on desktop computers and mobile devices for the land survey sector globally	Not disclosed	n/a	n/a	Application software	Penmap.com has already been a customer of Trimble for many years. The software is a fit within the Trimble portfolio of solutions to address the cadastral market
11/02/2013	Go Daddy Group [KKR/Silver Lake Partners/Technology Crossover Ventures]	M.dot	Smart phone application that enables iPhone users without coding skills to design and develop mobile websites	c$15m	n/a	n/a	Mobile web	The addition of M.dot gives Go Daddy's 11 million customers an easy way to create and manage compelling mobile websites from their smartphones. 40 staff
31/01/2013	Alfresco Software	WeWebU Software	Enterprise and mobile content management SaaS for businesses globally, providing features for content search, retrieval and organization and document management	Not disclosed	n/a	n/a	Content management	Strengthens Alfresco's portfolio of enterprise solutions by delivering transactional content management capabilities, to allow customers to streamline content-centric business processes, manage employee files and financial document processing
31/01/2013	Fidelity National Information Services [dba FIS]	mFoundry	Mobile payment processing SaaS for small-to medium-sized retailers and financial institutions	$120M in cash for remaining 78%	n/a	n/a	Payments	Supports the FIS strategy to invest in new innovation and the combination will create one of the leading mobile entities in financial services. 170 staff
24/01/2013	Service Power Technologies	Stratix Corporation [Grey Mountain Partners] (Field service mobile software division)	Mobile workforce management SaaS with features for GPS-based employee tracking, scheduling and time management and vehicle inventory	£10.5M in shares	n/a	n/a	Mobile workforce	Enables ServicePower to offer an in-house, device and OS agnostic mobile dispatch solution. Field resources can deploy the application on any web-connected smart device, with any operating system, to communicate in real time and also supports the growing trend toward 'Bring Your Own Device'
03/01/2013	Trimble Navigation	ALK Technologies	GPS-based navigation software for consumers, businesses, mobile device and automotive manufacturers, also provides routing and mileage calculation software for the transportation sector	Not disclosed	n/a	n/a	Transportation	Extends and complements Trimble's Transportation and Logistics product portfolio. 170 staff

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