

FOCUS Information Technology Group

Winter 2014 Report

Vol. 6, No. 1

FOCUS

Investment Banking

Seasoned, Systematic, SuccessfulSM

Investment Banking and Advisory Services

FOCUS Investment Banking LLC is a leading investment bank with specialized software and information technology services expertise, concentrating on providing three highly-tailored services to emerging middle market and larger organizations in this sector:

Sellside Assignments

Buy Engagements

Capital Formation

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FOCUS Information Technology Group

By George M. Shea, Partner and Information Technology Team Leader, FOCUS Investment Banking LLC

2014 has started off very strong for the FOCUS Information Technology Group, with a number of closings and some new, significant mandates.

Strategic acquirers are showing strong interest in lower middle market software and IT services firms in an effort to continue to augment their offerings and expand their geographical presence. Overseas companies, particularly those in Europe and India, continue their buying push into the US market at favorable multiples. Finally, private equity firms have stepped up their efforts in a big way and are providing a real “second bite of the apple” alternative to the full sale of a business through majority recaps that leave sellers with continuing equity interests in the enterprise. All told, we believe that 2014 represents a very exciting window for business owners of IT companies that are looking for exits, recapitalizations, and/or growth equity for acquisitions.

We are seeing three important buyer criteria in this market:

- 1. Major emphasis on recurring revenue.** IT firms with a high percentage of their revenues from Software-as-a Service (SaaS) or Managed Services (MSP), especially those with long-term customer contracts, are commanding much higher multiples than their counterparts with software licenses or project management business models.
- 2. Customer base. The two key components here are diversity and verticalization.** Companies with a high concentration of revenues from a few customers, even those with long-term relationships and multiple purchase points, are being devalued in the market due to perceived risk. On the positive side, firms that have developed an industry marketing approach and have shifted their efforts to a vertical customer focus are seeing stepped-up valuations. This is especially true with regulated industries that have significant oversight and mandated requirements such as Governance, Risk and Compliance and IT Security.

- 3. Buyer due diligence is more invasive and time-consuming than ever,** presenting a real time management problem for smaller sellers with limited resources. Advanced preparation, electronic data rooms, and audited financials all go a long way toward easing the burden here, as does having an in-house CFO who knows the importance of timely response to buyers’ requests for financial and operational data.

The FOCUS IT team consists of six former software and services CEOs and experienced professionals who leverage years of experience in Information Technology—both domestically and abroad—to personally manage your transaction from inception to a successful close.

The FOCUS IT team is uniquely qualified to help you meet your objectives because, unlike most information technology groups, we:

- Employ a proven transaction methodology which delivers results
- Devote senior C-level resources with operating expertise in the IT sector who advise CEOs and boards
- Deliver precise, comprehensive research to close transactions, deploying a team of professionals dedicated to producing results
- Leverage years of experience in the middle market to maximize opportunities for successful transactions
- Have a national presence with global reach—regional offices ensure that all clients receive personalized service throughout every phase of a transaction
- Offer strategic advisory services that enhance shareholder value

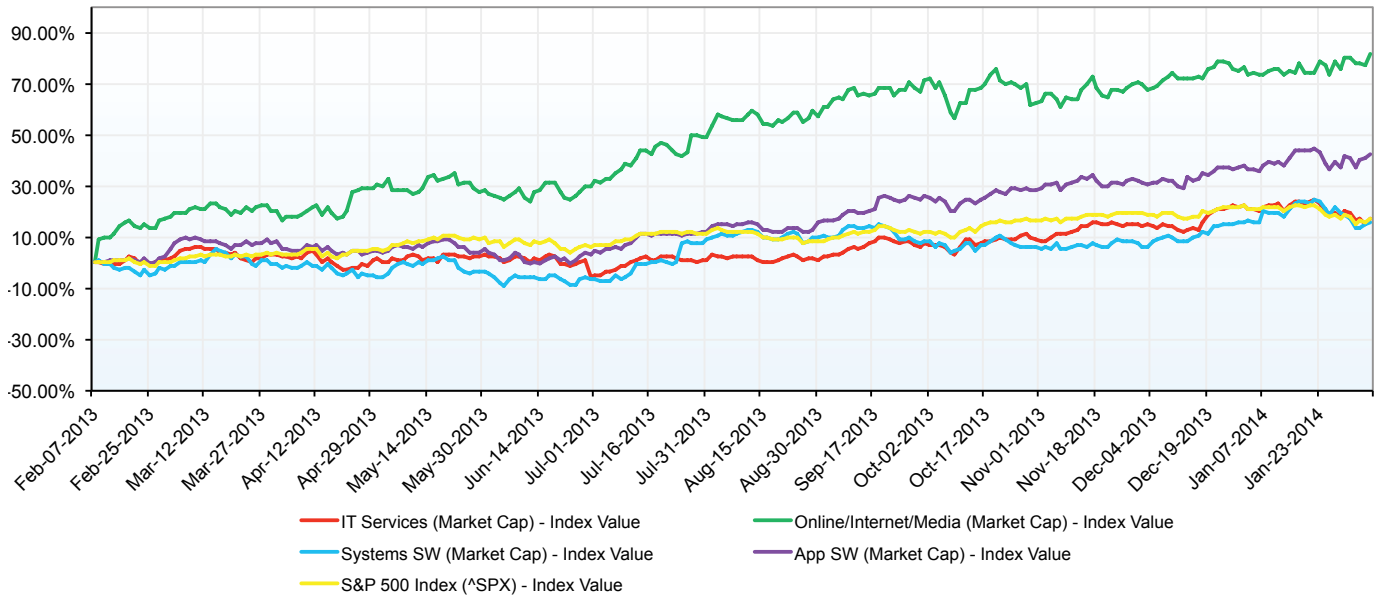
Members of the FOCUS IT team attend conferences and meetings in the U.S. and internationally. We are always delighted to receive introductions to innovative companies in the industry. We hope to see you at one of these events, and look forward to exploring your capital market needs as you continue to grow your enterprise.

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IT Market Analysis

Chart 1: Performance: S&P 500 vs. IT



Source: Capital IQ

Chart 2: Company Comparables Systems Software (Larger Cap)

Company Name	Total Enterprise Value Latest (\$ million)	LTM Total Revenue (\$ million)	LTM EBITDA (\$ million)	TEV/Total Revenues LTM—Latest	TEV/EBITDA LTM—Latest	LTM Period Date (Used for LTM Figures)
Check Point Software Technologies Ltd. (NasdaqGS:CHKP)	\$11,182.7	\$1,394.1	\$771.9	8.0X	14.5X	Dec-31-2013
Fortinet Inc. (NasdaqGS:FTNT)	\$2,938.0	\$615.3	\$87.7	4.8X	33.5X	Sept-30-2013
Red Hat, Inc. (NYSE:RHT)	\$9,560.4	\$1,482.1	\$302.7	6.5X	31.6X	Nov-30-2013
Splunk, Inc. (NasdaqGS:SPLK)	\$8,409.9	\$267.9	(\$43.7)	31.4X	N/A	Oct-31-2013
Symantec Corporation (NasdaqGS:SYMC)	\$12,360.1	\$6,799.0	\$1,960.0	1.8X	6.3X	Dec-27-2013
VMware, Inc. (NYSE:VMW)	\$33,406.6	\$5,207.0	\$1,503.0	6.4X	22.2X	Sept-30-2013
Summary Statistics						
High	\$33,406.6	\$6,799.0	\$1,960.0	31.4X	33.5X	
Low	\$2,938.0	\$267.9	(\$43.7)	1.8X	6.3X	
Mean	\$12,976.3	\$2,627.6	\$763.6	9.8X	21.6X	
Median	\$10,371.6	\$1,438.1	\$537.3	6.4X	22.2X	

Chart 3: Company Comparables Systems Software (Smaller Cap)

Company Name	Total Enterprise Value Latest w(\$ million)	LTM Total Revenue (\$ million)	LTM EBITDA (\$ million)	TEV/Total Revenues LTM—Latest	TEV/EBITDA LTM—Latest	LTM Period Date (Used for LTM Figures)
Falconstor Software Inc. (NasdaqGM:FALC)	\$48.0	\$66.5	(\$7.6)	0.7X	N/A	Sept-30-2013
Imperva Inc. (NYSE:IMPV)	\$1,271.8	\$137.8	(\$22.8)	9.2X	N/A	Sept-30-2013
Infoblox Inc. (NYSE:BLOX)	\$1,495.6	\$239.1	\$4.4	6.3X	339.9X	Oct-31-2013
NetScout Systems, Inc. (NasdaqGS:NTCT)	\$1,282.9	\$382.4	\$90.0	3.4X	14.3X	Dec-31-2013
Proofpoint, Inc. (NasdaqGM:PFPT)	\$1,347.3	\$137.9	(\$20.2)	9.8X	N/A	Sept-30-2013
VASCO Data Security International Inc. (NasdaqCM:VDSI)	\$178.5	\$150.6	\$15.6	1.2X	11.4X	Sept-30-2013
Summary Statistics						
High	\$1,495.6	\$382.4	\$90.0	9.8X	339.9X	
Low	\$48.0	\$66.5	(\$22.8)	0.7X	11.4X	
Mean	\$937.4	\$185.7	\$9.9	5.1X	121.9X	
Median	\$1,277.4	\$144.3	(\$1.6)	4.8X	14.3X	

Source: Capital IQ; stock prices as of 02/06/14

Note: TEV/EBITDA LTM multiples with N/A values indicate negative LTM EBITDA values and were not used for the Summary Statistics

Chart 4: Company Comparables Application Software (Larger Cap)

Company Name	Total Enterprise Value Latest (\$ million)	LTM Total Revenue (\$ million)	LTM EBITDA (\$ million)	TEV/Total Revenues LTM—Latest	TEV/EBITDA LTM—Latest	LTM Period Date (Used for LTM Figures)
Adobe Systems Inc. (NasdaqGS:ADBE)	\$28,801.9	\$4,055.2	\$770.4	7.1X	37.4X	Nov-23-2013
Ansys, Inc. (NasdaqGS:ANSS)	\$6,669.8	\$846.0	\$393.9	7.9X	16.9X	Sept-30-2013
Aspen Technology, Inc. (NasdaqGS:AZPN)	\$3,896.9	\$349.0	\$96.6	11.2X	40.3X	Dec-31-2013
Intuit Inc. (NasdaqGS:INTU)	\$19,619.7	\$4,231.0	\$1,437.0	4.6X	13.7X	Oct-31-2013
Manhattan Associates, Inc. (NasdaqGS:MANH)	\$2,356.9	\$414.5	\$107.1	5.7X	22.0X	Dec-31-2013
MICROS Systems, Inc. (NasdaqGS:MCRS)	\$3,428.2	\$1,304.0	\$256.5	2.6X	13.4X	Dec-31-2013
MicroStrategy Inc. (NasdaqGS:MSTR)	\$1,054.2	\$575.9	\$45.8	1.8X	23.0X	Sept-30-2013
PTC Inc. (NasdaqGS:PMTC)	\$4,168.2	\$1,298.7	\$289.0	3.2X	14.4X	Dec-28-2013
salesforce.com, inc (NYSE:CRM)	\$38,959.4	\$3,760.4	(\$19.4)	10.4X	N/A	Oct-31-2013
Workday, Inc. (NYSE:WDAY)	\$15,598.5	\$408.6	(\$106.2)	38.2X	N/A	Oct-31-2013
Summary Statistics						
High	\$38,959.4	\$4,231.0	\$1,437.0	38.2X	40.3X	
Low	\$1,054.2	\$349.0	(\$106.2)	1.8X	13.4X	
Mean	\$12,455.4	\$1,724.3	\$327.1	9.3X	22.6X	
Median	\$5,419.0	\$1,072.4	\$181.8	6.4X	19.5X	

Chart 5: Company Comparables Application Software (Smaller Cap)

Company Name	Total Enterprise Value Latest (\$ million)	LTM Total Revenue (\$ million)	LTM EBITDA (\$ million)	TEV/Total Revenues LTM—Latest	TEV/EBITDA LTM—Latest	LTM Period Date (Used for LTM Figures)
Accelrys Inc. (NasdaqGS:ACCL)	\$594.1	\$166.2	\$11.0	3.6X	54.0X	Sept-30-2013
American Software, Inc. (NasdaqGS:AMSW.A)	\$210.6	\$98.5	\$15.2	2.1X	13.9X	Oct-31-2013
Exa Corporation (NasdaqGM:EXA)	\$176.9	\$52.4	\$2.1	3.4X	84.2X	Oct-31-2013
GSE Systems Inc. (AMEX:GVP)	\$16.4	\$48.0	(\$2.5)	0.3X	N/A	Sept-30-2013
Interactive Intelligence Group Inc. (NasdaqGS:ININ)	\$1,374.5	\$318.2	\$28.1	4.3X	48.9X	Sept-30-2013
NetSol Technologies, Inc. (NasdaqCM:NTWK)	\$63.4	\$48.8	\$14.5	1.3X	4.4X	Sept-30-2013
PROS Holdings, Inc. (NYSE:PRO)	\$946.2	\$138.7	\$9.2	6.8X	102.8X	Sept-30-2013
QAD Inc. (NasdaqGS:QADA)	\$217.4	\$258.6	\$10.9	0.8X	19.9X	Oct-31-2013
Summary Statistics						
High	\$1,374.5	\$318.2	\$28.1	6.8X	102.8X	
Low	\$16.4	\$48.0	(\$2.5)	0.3X	4.4X	
Mean	\$449.9	\$141.2	\$11.1	2.8X	46.9X	
Median	\$214.0	\$118.6	\$11.0	2.8X	48.9X	

Source: Capital IQ; stock prices as of 02/06/14

Note: TEV/EBITDA LTM multiples with N/A values indicate negative LTM EBITDA values and were not used for the Summary Statistics

Information Technology Transaction Volume

Chart 6: Application And Systems Software Transactions

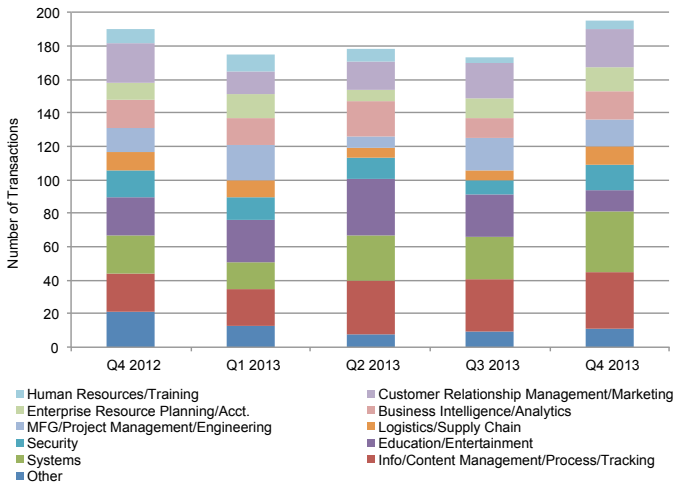


Chart 7: IT Services Transactions

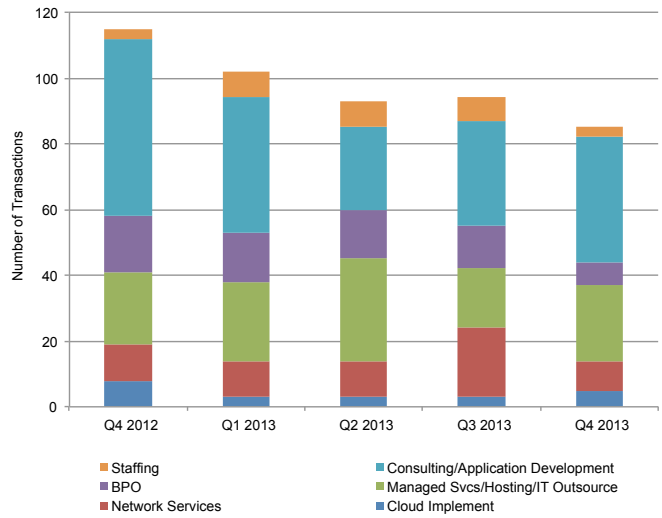


Chart 8: Internet Software and Services Transactions

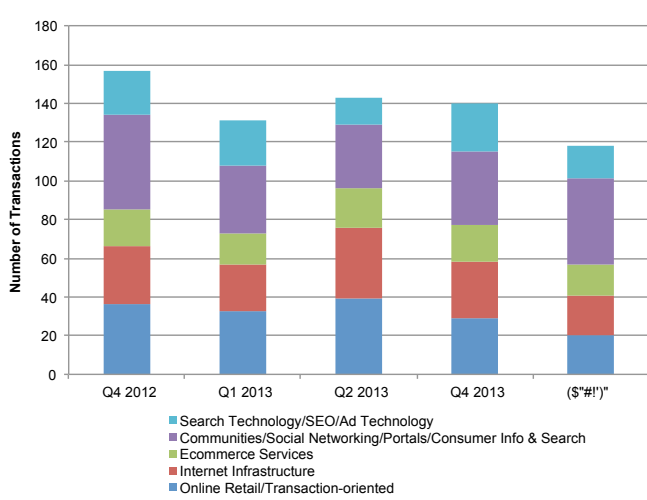
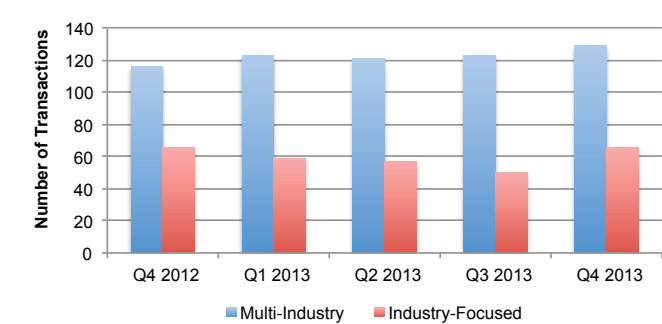


Chart 9: Industry Focus

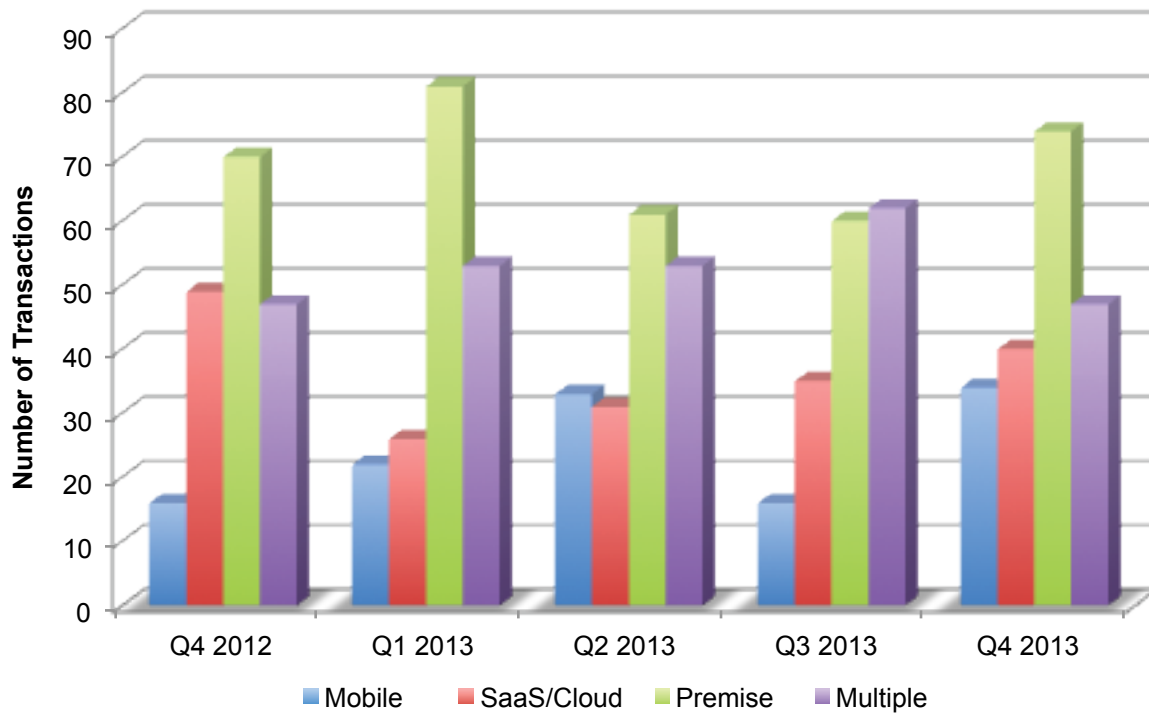


Source: Capital IQ

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Chart 10: Software Deployment Channels



Source: Capital IQ

M&A Activity in the IT Sector

*Selected IT Transactions**

Perficient Inc. Acquires CoreMatrix Systems LLC for 2.1X Revenue

Perficient Inc. (NasdaqGS:PRFT) acquired substantially all of the assets of CoreMatrix Systems LLC for \$31.5 million on October 11, 2013 in a combination of cash and stock and including an earnout provision. CoreMatrix has an estimated \$15 million in annual services revenue.

CoreMatrix Systems LLC provides consulting services to deploy cloud based solutions. It offers its services for the design, implementation, adoption, and support of on-demand software/cloud based solutions for mid-sized companies. The company also provides business process planning, requirements definition, application configuration, data migration, back-end integration, training, and maintenance and support services. In addition, it offers customer relationship management (CRM) discovery and roadmap, sales performance optimization, cloud readiness assessment, marketing discovery and roadmap, and salesforce.com package services.

American Cybersystems Inc. Acquires Analysts International Corp.

American Cybersystems, Inc. signed a definitive agreement to acquire Analysts International Corp. (NasdaqGM:ANLY) from Heartland Advisors, Inc., AMH Equity, Ltd. and other shareholders for \$33.6 million in cash on August 27, 2013. The transaction closed on October 10, 2013. Post acquisition, Analysts International Corp. will become a privately-held company, wholly owned by American Cybersystems, Inc., which plans to continue Analysts International Corp. under its existing brand. The transaction is valued at 0.3X revenue and 24.5X EBITDA.

Analysts International provides supplemental staffing services, such as IT professionals; consultant network comprising full-time and temporary employees and contract professionals; staff augmentation services; and managed teams. It also offers project-based solutions that deliver custom application and systems integration solutions; developed software and services; technology products; and staffing support services.

The company serves mid-market to Fortune 500 companies primarily in the business and technology services, manufacturing, energy, government, retail, healthcare, finance and insurance, utilities, communications, and other industries; and government agencies.

Pegasystems Inc. Acquires Antenna Software, Inc.

Pegasystems Inc. (NasdaqGS: PEGA) acquired Antenna Software, Inc. from a group of investors for \$27.7 million on October 9, 2013, a revenue multiple of 0.7X. The sellers included a group of venture capital firms (Commonwealth Capital Ventures, Eastward Capital Partners, North Bridge Venture Partners, Investor Growth Capital, New Enterprise Associates, Polaris Partners and other investors).

Antenna Software, Inc. provides mobile enterprise software and solutions worldwide. The company offers mobile solutions ranging from native applications to mobile Web addressing the needs of various users in Internet-connected mobile devices, including smartphones, tablets, feature phones, and IPTVs. It offers Antenna Mobility Platform (AMP), a mobility platform with mobile applications and Web deployments for Global 2000 companies; AMP-chroma, a cloud-based software for designing, testing, and managing mobile applications and mobile Websites; mobile applications for workers and consumers; and mobile application store curation, mobile content publishing, and m-commerce solutions.

The company, through its AMP, delivers its mobile application and Web solutions on demand or on-premise for Fortune 500 companies, including financial services, manufacturing, consumer packaged goods, retail, transportation, life sciences, and telecommunications industries, as well as enables enterprises and operators to plug into mobile services. In addition, it offers AMP mobile cloud, strategic consulting, implementation, training, and support services.

SciQuest Inc. Acquires Combinenet Inc. for \$43 million

SciQuest, Inc. (NasdaqGS:SQI) acquired CombineNet, Inc. from Apex Venture Partners, Alta Communications and others for \$43.1 million on August 30, 2013 (announced in September 2013). The purchase price comprised of an initial payment of approximately \$26 million in cash and approximately 0.82 million shares of SciQuest's common stock. CombineNet had approximately \$12 million in revenue in 2012, representing a transaction multiple of 3.6X revenue.

CombineNet, Inc. operates as an advanced sourcing company that provides eRFP solutions, advanced sourcing and optimization, strategic sourcing support, and integration with enterprise resource planning, procurement suite, and supply chain applications. It provides Advanced Sourcing Application Platform, a Web-based software-as-a-service solution that allows sourcing teams in various spend categories to speed and simplify the creation, launch, and management of sourcing events.

The company also offers customer support, product professional services, and training. It serves clients in consumer packaged goods, food and beverage, manufacturing, transportation and logistics, retail, automotive, and government industries in the United States and internationally.

Viggle Inc. Buys Wetpaint.com

Viggle Inc. (OTCPK:VGGL) acquired Wetpaint.com, Inc. from Trinity Ventures, Frazier Technology Ventures, Accel Partners, DAG Ventures, LLC and others for \$30 million in cash and stock on December 16, 2013, representing a revenue multiple of 11.2X.

Wetpaint.com, Inc. operates as a media company primarily in North America and Europe. The company uses its proprietary technology to create a portfolio of media properties for social media and monetize audiences. It reports news stories; publishes information content covering television and music entertainment, and celebrity lifestyles; and operates media properties that attract approximately 12 million monthly users.

Zillow, Inc. Acquires StreetEasy, Inc. for 7.9X Revenue

Zillow, Inc. (NasdaqGS:Z) completed its acquisition of StreetEasy, Inc. from Vast Ventures Inc., FA Technology Ventures and other investors for \$50 million in cash on August 26, 2013.

StreetEasy, Inc. provides for-sale and for-rent listings and information of real estate properties in New York. It offers information primarily about condos, co-ops, new developments, and luxury real estate through its Website and mobile application.

Kofax plc (Kofax Limited) Buys Kapow Software for \$47.5 million

Kofax plc (LSE: KFX) acquired Kapow Software, Inc. from Kennet Partners Limited, Northcap Partners and others for \$47.5 million in cash on July 31, 2013. Kapow had revenue of \$15.9 million, representing a revenue multiple of 3X.


Kapow Software, Inc. offers big data integration platform for managing critical data from disparate sources. The company's products include Kapow Katalyst, a big data integration solution that supports structured and unstructured data sources residing in databases, standard APIs, file and email systems, Web applications, on-premise and cloud applications, and content management systems; Kapow Kapplets, a Web based application that searches and monitors data sources, automates manual processes, and delivers data-driven reports; Kapow Kapplets, a directory that publishes big data integration applications to the user; and Kapow Enterprise that features a redesigned interface that simplifies user experience and encompasses information supply chain from data acquisition to enrichment, persistence, exploration, and distribution.

It provides consulting services, such automation and scheduling, systems architecture, new functionality and robot development, project and operational management, solution architecture, quality assurance and testing, and cloud hosting. The company offers training, certification, and technical support services. It serves financial, publishing, manufacturing, government, healthcare, and technology sectors.

**Source: Capital IQ*


Recently Closed Transactions

This announcement appears as a matter of record only.



TÜVRheinland[®]
Germany

has acquired



OPENSky
PROFESSIONAL SERVICES
North America

The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to TÜV Rheinland.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



spi
The Right Retail Partner

has completed acquisition of



SHLOH[®]
Sell More at Retail.

The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to Software Paradigms International Group, LLC.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



NAVIS

has acquired



LMG data|mining

The undersigned assisted in the negotiations and acted as financial advisor to NAVIS.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



telesis
...where we exceed expectations?

has acquired



endeavor
SYSTEMS, INC.

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Telesis Corporation.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



DISYS
One World. One Partner.

has acquired certain assets of



Business Intelligence

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Digital Intelligence Systems Corporation.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



sbc systems

has been acquired by



MORNEAU SHEPELL

The undersigned initiated this transaction, assisted in the negotiations and acted as financial advisor to SBC Systems Company, Inc.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



EMERGING SOLUTIONS

has been acquired by



emtec

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Emerging Solutions.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



omnitech[®]
Empowering Enterprises

has acquired




Avensus
driven by control

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Omnitech Infosolutions, Ltd.

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This announcement appears as a matter of record only.



GCP Inc

has received a revolving line of credit from



Access National Bank[®]
progressive business banking

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to GCP, Inc.


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Recently Closed Transactions

This announcement appears as a matter of record only.



has been recapitalized by



The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Tribridge.

FOCUS
Investment Banking

This announcement appears as a matter of record only.

FUTURE TECH
HOLDING COMPANY

has been recapitalized by




PEACHTREE II


The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to FutureTech Holding Company.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



has acquired




a portfolio company of

CERBERUS


The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Glodyne Technoserve, Inc.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



has executed an exclusive software license with




for the technology to be used in

NextTrack


The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Crossroads RMC.

FOCUS
Investment Banking

This announcement appears as a matter of record only.

TouchStar 

has sold certain assets to




NOBLE SYSTEMS


The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to TouchStar Software.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



has sold its assets to



Cognizant

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Pepperweed Advisors.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



has been acquired by



a division of



Listed: CSU TorontoStock Exchange

The undersigned initiated the transaction, assisted in the negotiations and acted as financial advisor to Global Software.

FOCUS
Investment Banking

This announcement appears as a matter of record only.

The Microsoft Business of



Corporation

has been acquired by

Dell Corporation

The undersigned represented, assisted in the negotiations and acted as financial advisor to Allin Corporation.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



has been recapitalized by



Edison
VENTURE FUND

\$8,000,000 Series A Preferred Stock

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Agentek, Inc.


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Recently Closed Transactions

This announcement appears as a matter of record only.




VERTEX SOLUTIONS
has been sold to



ADAYANA
Performance Through Learning

The undersigned initiated this transaction, assisted in the negotiations, and acted as financial advisor to Vertex Solutions.



FOCUS
Investment Banking

This announcement appears as a matter of record only.



Pradot[®]
Affirming Excellence

has acquired



GROUP ONE
healthsource

The undersigned initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Pradot.



FOCUS
Investment Banking

This announcement appears as a matter of record only.



has been acquired by



EFACEC

We acted as financial advisor to and assisted with the negotiations as the representative of Advanced Control Systems.



FOCUS
Investment Banking

This announcement appears as a matter of record only.

Dunn Solutions Group
has been sold to



CRANES[®]

Cranes Software International, Inc.

We initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Dunn Solutions Group.



FOCUS
Investment Banking


This announcement appears as a matter of record only.



AY

Apply Yourself Recruiting Solutions

has been sold to




hobsons

We acted as financial advisor to and assisted with the negotiations as the representative of Apply Yourself Recruiting Solutions.




FOCUS
Investment Banking

This announcement appears as a matter of record only.




COMM-WORKS[®]
A portfolio company of Morgenthaler




M
MORGENTHAUER

has acquired



inteleX

We initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of InteleX.



FOCUS
Investment Banking

This announcement appears as a matter of record only.



CareTek, LLC

has acquired certain ownership interests in



BlueCanopy
IT Management for Business.

We acted as financial advisor to, and assisted with the negotiations as the representative of Blue Canopy.



FOCUS
Investment Banking

This announcement appears as a matter of record only.



DIEBOLD
We won't rest.

Diebold, Inc. (NYSE: DBD)

has acquired certain ownership interests in



ERAS
Banking Technology

Eras JV

We initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Diebold, Inc.



FOCUS
Investment Banking

This announcement appears as a matter of record only.



CNS

Computer Networks and Software, Inc.

has been sold to



Strategic Defense Alliance Corp.

We initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Computer Networks and Software, Inc.



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Recently Closed Transactions

This announcement appears as a matter of record only.



has acquired



We originated this transaction, acted as financial advisor to and assisted with the negotiations as the representative of Cambridge Systems, Inc.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



has been sold to




We initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Digisoft Computers, Inc.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



has been sold to



We initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of eXI Wireless Inc.

FOCUS
Investment Banking

This announcement appears as a matter of record only.



Global Science & Technology, Inc.

has acquired



We initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Global Science & Technology, Inc.

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This announcement appears as a matter of record only.



has acquired

Strategic Management Initiatives, Inc.

We initiated the transaction, acted as financial advisor to and assisted with the negotiations as the representative of CALIBRE Systems, Inc.

FOCUS
Investment Banking

This announcement appears as a matter of record only.

Versient, Inc.


has been sold to

The Shamrock Companies

We initiated the transaction, acted as financial advisor to, and assisted with the negotiations as representative of Versient, Inc.


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This announcement appears as a matter of record only.



Sigmaworx, Inc.

has been sold to



We initiated negotiations and acted as financial advisor to Sigmaworx, Inc.

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has been sold to

GUIDEMORE, INC.

We initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of Topaz Technologies, Inc.

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has acquired



The undersigned initiated the transaction, acted as financial advisor to, and assisted with the negotiations as the representative of TouchStar Software.

FOCUS
Investment Banking

www.focusbankers.com/technology

Atlanta • Los Angeles • Washington, DC

FOCUS Information Technology Team



George M. Shea

Partner and Information Technology Team Leader, Jacksonville, FL
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Mr. Shea has over 30 years of broad IT industry experience in acquisitions and divestitures, corporate finance, business development, strategic planning, marketing, sales, and operations.



Manan K. Shah

Partner and Co-Leader, Information Technology Team, Washington, DC
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Mr. Shah has over 20 years of consulting, management and M&A advisory experience in the government, aerospace, defense, business process outsourcing, software and information technology sectors.



John T. Bradshaw

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Mr. Bradshaw has over 30 years experience in manufacturing, finance and systems engineering with corporations specializing in technology-driven business products and services.



David M. Braitsch

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Prior to joining FOCUS, Senior Advisor David Braitsch was the former Director of Intellectual Property Asset Management for the Eastman Kodak Company, a (founding) member of Kodak's Licensing Group, and previously served as Manager for Intellectual Property for R&D.



Richard C. Cook

Senior Advisor, Atlanta
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Prior to joining FOCUS, Mr. Cook was Director, President and Chief Executive Officer of MAPICS, Inc. following a 25-year career with IBM.



John Slater

Partner and Capital Financing Team Leader, Memphis, TN
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John Slater has 28 years of M&A and capital raising experience. Mr. Slater has served clients in industries ranging from information technology and software based services, telecom, broadband distribution, digital media, and business services to manufacturing, health care, and distribution logistics.

About FOCUS Investment Banking LLC

FOCUS Investment Banking LLC provides a range of middle market investment banking services with an emphasis on mergers, acquisitions, divestitures and corporate finance. FOCUS is a national firm serving clients from offices in major cities across the United States. FOCUS specializes in business units with transactions or revenues in the \$5-300 million range, serving entrepreneurs, corporate owners and various types of investors across a broad range of industries, throughout the U.S. and worldwide. FOCUS bankers are seasoned operating and financial executives with extensive transaction experience. Securities transactions conducted by FOCUS Securities LLC, an affiliated company, registered Broker/Dealer and member FINRA/SIPC. For more information on FOCUS, visit www.focusbankers.com.

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