



Mobile Technology Sector

Quoted Company Analysis

Third Quarter 2013

Sector Valuation Metrics

Company	Share Price Local	Market Cap	Net Debt	Enterprise	Revenue		EV/Revenue		EV/Revs		EV/EBITDA		Revenue Growth		EBITDA Margin		% Revs
	30-Sep-13	(\$m) ⁽¹⁾	(\$m) ⁽²⁾	Value (\$m)	CY13E (\$m)	CY2012	CY2013E	Recurring	CY2012	CY2013E	FY2012 ⁽⁴⁾	FY2013E ⁽⁴⁾	CY2012	CY2013E	Recurring ⁽³⁾		
Selected Large Cap																	
Gemalto	79.37	9,453	(460)	8,993	3,356	3.1x	2.7x	15.3x	20.4x	16.1x	2.9%	16.2%	15.3%	16.7%	18%		
DeNa	1998.00	3,068	(724)	2,344	2,248	1.0x	1.0x	na	2.5x	2.8x	32.0%	-11.0%	41.4%	36.7%	na		
Monitise	0.57	1,471	(129)	1,342	149	15.7x	9.0x	15.3x	nm	nm	99.8%	60.6%	-35.4%	-17.6%	59%		
NetQin Mobile	21.79	1,133	(26)	1,107	187	12.1x	5.9x	8.0x	nm	17.1x	125.6%	104.2%	4.2%	34.5%	74%		
PayPoint	10.62	1,167	(71)	1,096	253	3.4x	4.3x	na	15.3x	13.7x	3.2%	-30.8%	21.9%	31.5%	na		
Average						7.0x	4.6x		12.7x	12.4x			9.5%	20.4%	50.2%		
Total (Large Cap)		16,292	(1,410)	14,881													
Selected Mid Cap																	
Millennial Media	7.07	575	(137)	438	270	2.5x	1.6x	na	nm	32.9x	71.4%	51.8%	-1.2%	4.9%	na		
Globo	0.74	408	(19)	390	92	6.6x	4.3x	53.2x	11.4x	7.5x	-6.2%	54.9%	57.6%	56.7%	8%		
Average						4.5x	2.9x		11.4x	20.2x			28.2%	30.8%	8.0%		
Total (Mid Cap)		984	(156)	828													
Selected Small Cap																	
Telit Communications	1.09	183	13	196	240	0.9x	0.8x	na	13.5x	8.1x	16.9%	15.7%	7.0%	10.1%	na		
Glu Mobile	2.78	216	(22)	193	97	2.2x	2.0x	na	nm	nm	32.2%	11.2%	-10.3%	-13.2%	na		
InternetQ	3.21	201	(9)	192	137	2.0x	1.4x	8.8x	14.1x	8.8x	35.4%	45.1%	14.4%	16.0%	16%		
Myriad Mobile	1.47	147	3	149	na	2.6x	na	na	nm	na	-7.8%	na	-24.5%	na	47%		
Net Mobile	8.46	143	4	147	na	0.9x	na	na	11.9x	na	8.0%	na	7.7%	na	na		
Hi Media	1.80	110	34	144	255	0.6x	0.6x	na	8.0x	7.5x	-21.8%	1.7%	7.2%	7.6%	na		
eServGlobal	0.53	122	4	126	33	4.3x	3.8x	8.1x	nm	54.3x	-31.8%	11.8%	-15.1%	7.0%	47%		
Seamless Distribution	24.10	124	(2)	122	na	6.1x	na	na	nm	na	114.6%	na	-20.7%	na	na		
Bango	1.62	119	(3)	116	na	na	na	na	na	na	-17.2%	na	na	na	90%		
Mobile Tornado Group	0.25	89	5	94	4	41.0x	23.6x	35.6x	nm	nm	-29.8%	73.9%	-93.7%	-68.0%	66%		
Aspiro	0.78	42	12	54	na	1.3x	na	na	nm	na	15.3%	na	-30.1%	na	77%		
Cliq Digital	4.94	27	24	51	89	0.6x	0.6x	0.7x	3.6x	3.7x	74.4%	3.9%	16.7%	15.6%	84%		
Augme Technologies	0.46	60	(11)	48	31	2.0x	1.5x	1.6x	1.1x	21.8x	119.2%	23.5%	183.6%	7.1%	95%		
Mobile Streams	0.80	47	(3)	44	95	0.7x	0.5x	1.0x	10.1x	6.0x	142.3%	23.8%	7.3%	7.8%	48%		
Trunkbow International	1.13	42	0	42	na	1.2x	na	na	na	na	19.6%	na	na	na	12%		
Artillum Group	0.08	28	2	29	14	3.2x	2.1x	4.0x	nm	30.3x	40.6%	191.2%	-19.9%	6.9%	53%		
Velti	0.36	33	(8)	25	178	0.1x	0.1x	0.2x	4.9x	nm	42.9%	-34.0%	1.9%	-24.1%	84%		
Probability	0.46	25	(3)	22	16	1.7x	1.4x	na	nm	nm	19.1%	20.8%	-7.5%	0.6%	na		
Zamano	0.11	17	(0)	17	na	0.7x	na	na	4.2x	na	18.2%	na	16.2%	na	na		
Vipera	0.07	15	(1)	14	na	9.3x	na	na	nm	na	45.8%	na	-50.7%	na	11%		
Zergo Group	0.02	14	(1)	14	na	1.2x	na	na	na	na	-18.8%	na	na	na	na		
Crimson Tide	0.02	12	(0)	11	2	5.8x	5.0x	5.5x	36.2x	na	-0.1%	15.4%	16.0%	na	92%		
Yoc	1.71	7	5	11	37	0.3x	0.3x	0.8x	nm	nm	-11.1%	-9.2%	-10.2%	-18.0%	39%		
Voltari	5.32	25	(29)	(4)	na	nm	na	na	nm	na	-7.9%	na	15.2%	na	na		
Average						4.0x	3.1x		10.8x	17.5x			0.5%	-3.4%	57.3%		
Total (Small Cap)		1,846	12	1,857													
Sector Total		19,121	(1,555)	17,566													

(1) Excludes treasury shares

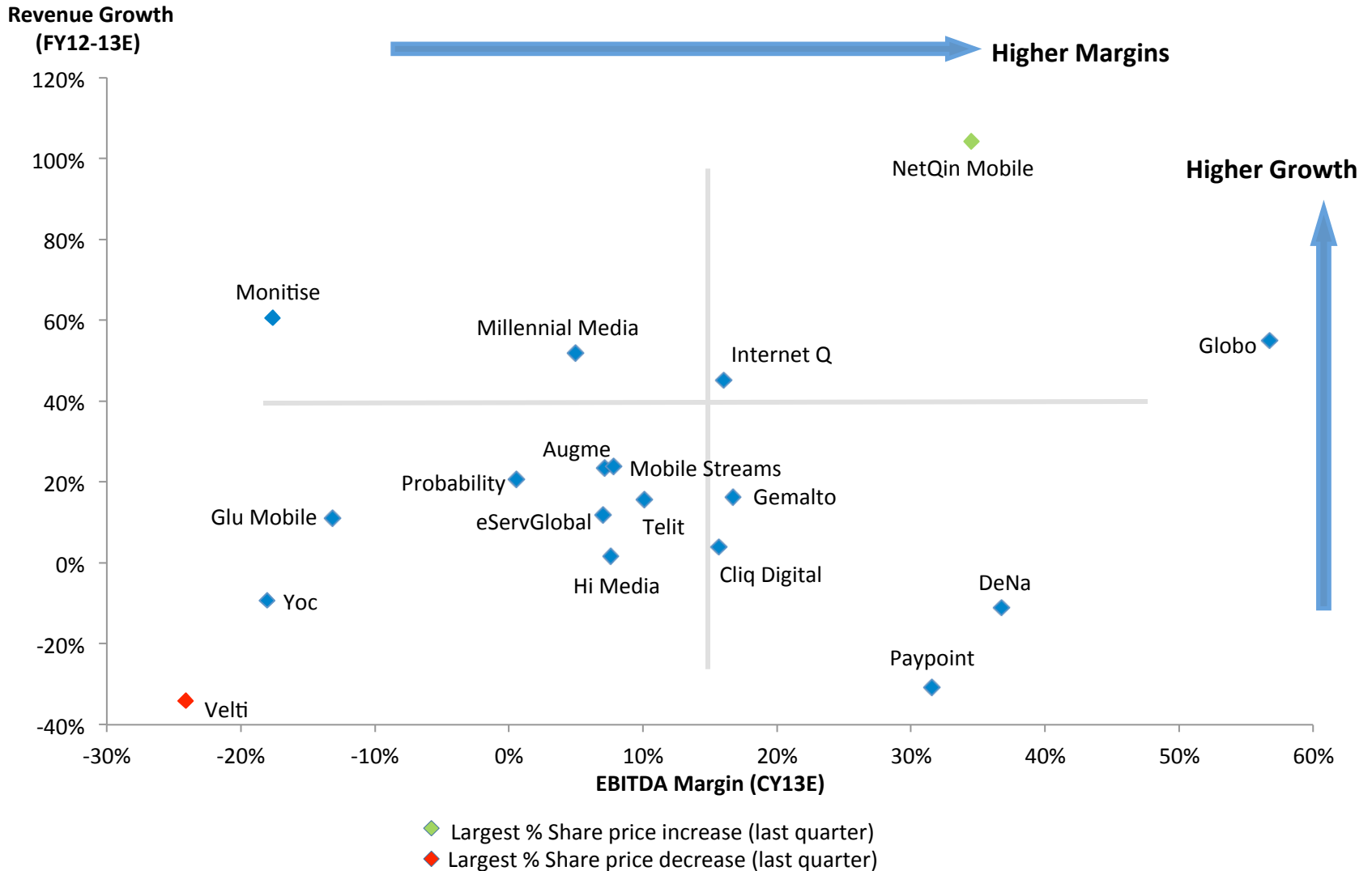
(2) Net financial debt minus marketable securities and collaterals.

(3) Recurring revenues (maintenance, subscriptions, SaaS etc) where reported for last full year

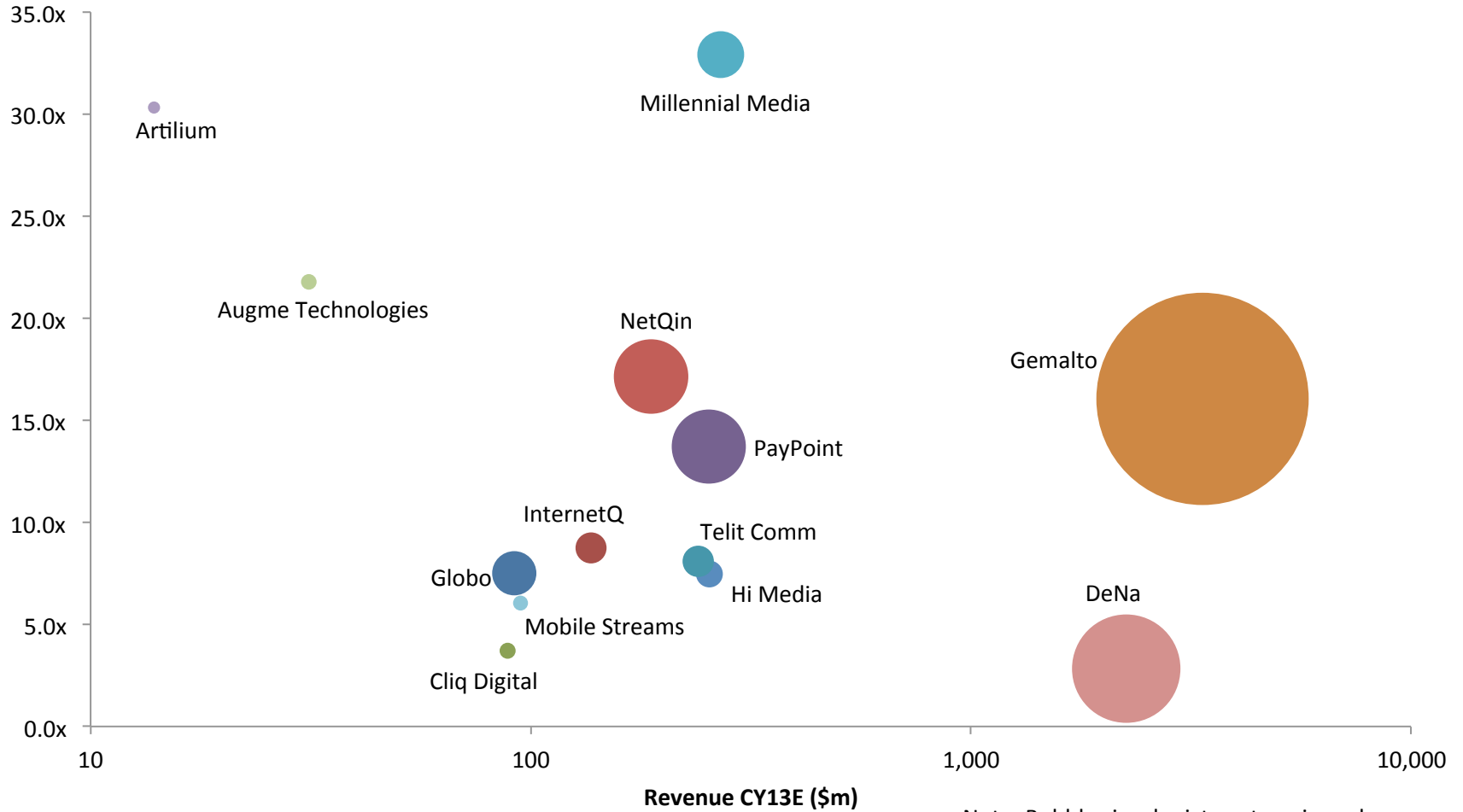
(4) For companies having financial year end as February and March, FY12 and FY13E correspond to FY13/12 and FY14/13 respectively

(5) nm - not meaningful and na - not available

Performance Quadrants: Revenue Growth & Operating Margin

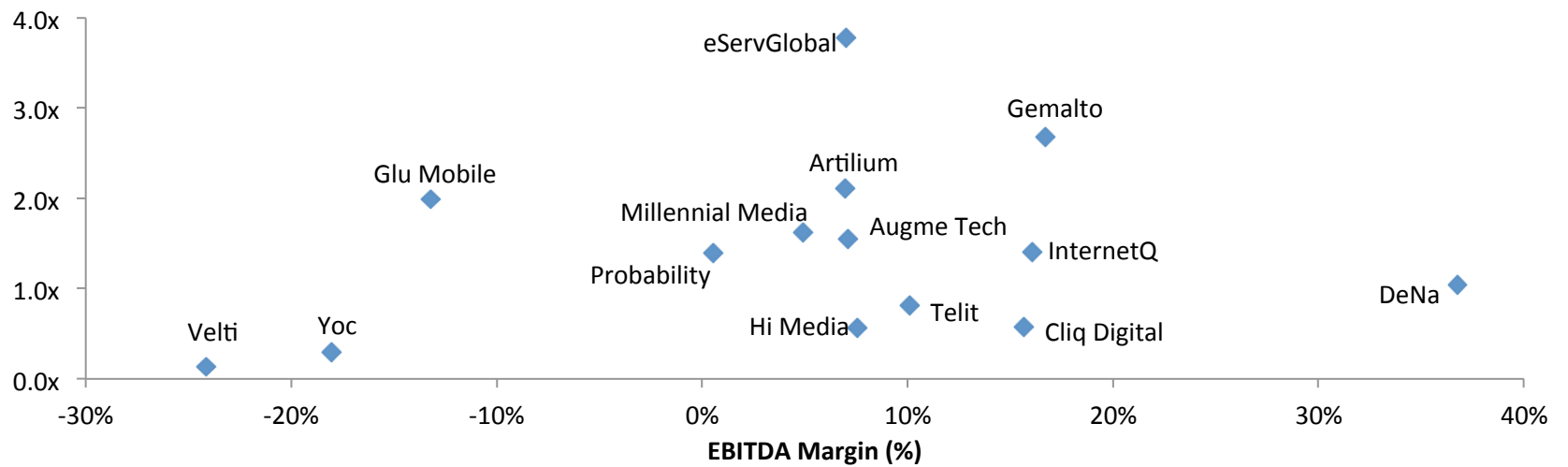


EV/EBITDA CY13E

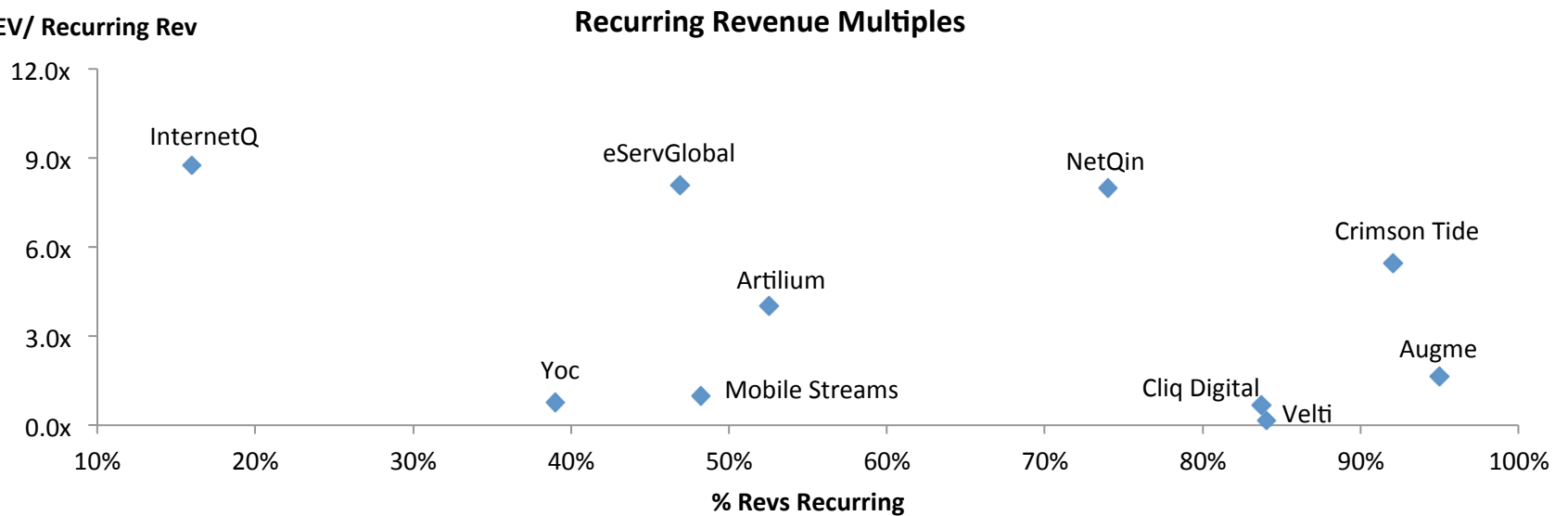


Note: Bubble size depicts enterprise value

EV/Revenue CY13E

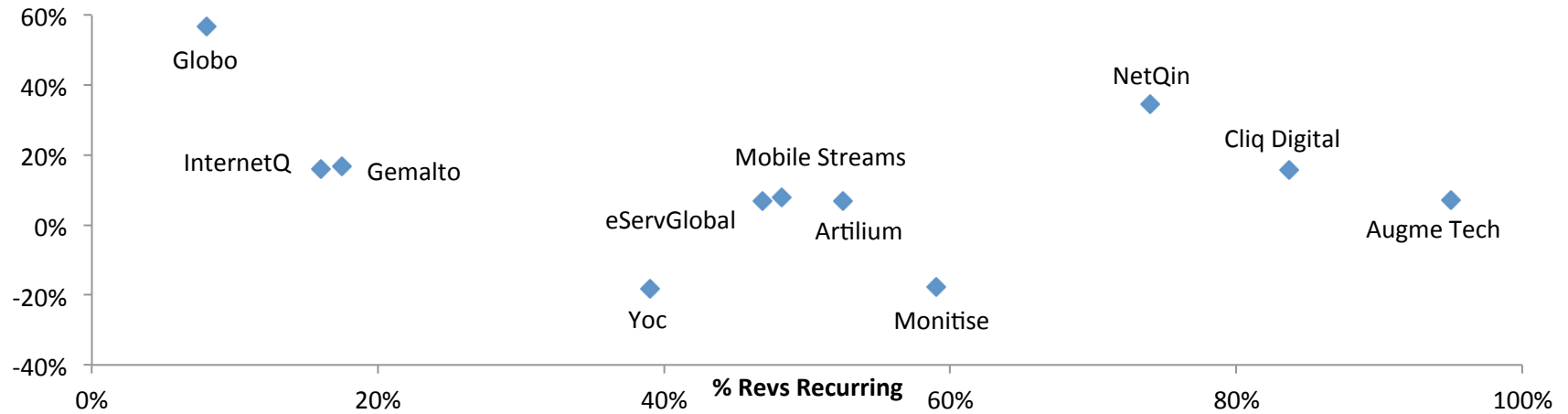


EV/ Recurring Rev



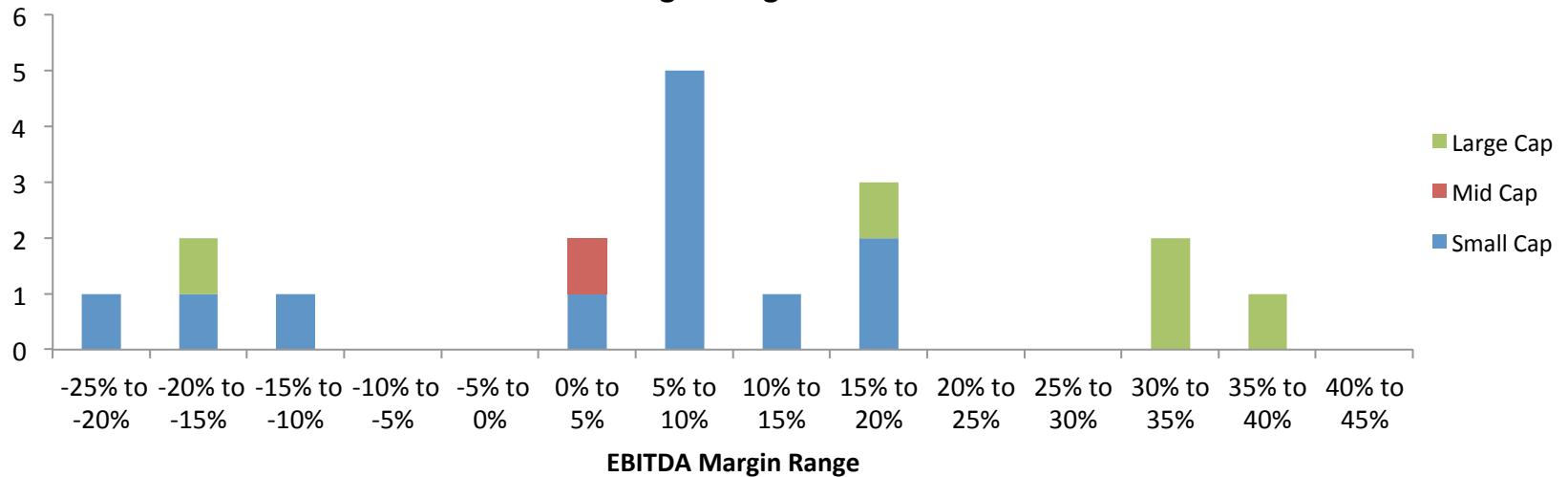
EBITDA Margin CY13E

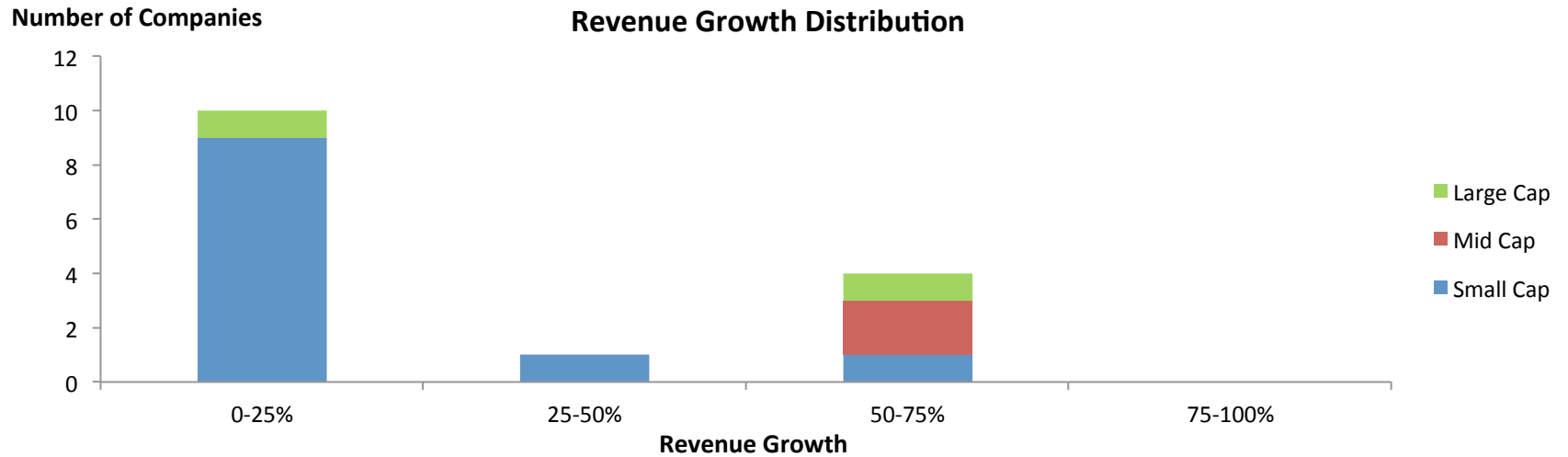
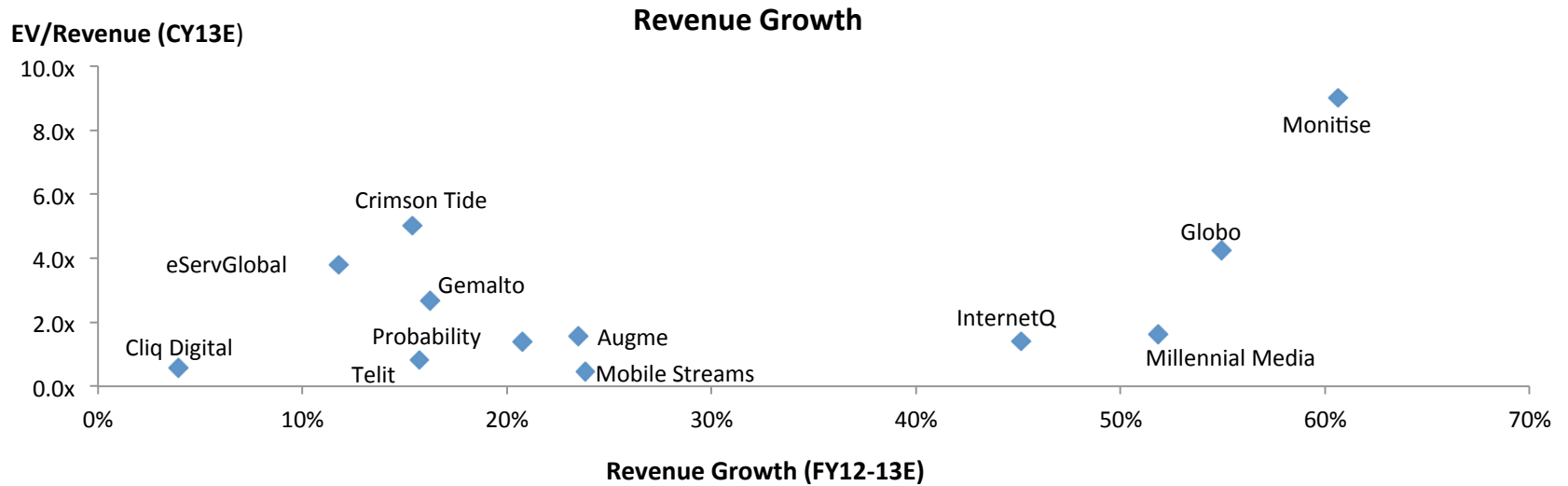
Recurring Revenue as a Driver of Operating Margins



Number of Companies

EBITDA Margin Range Distribution





Mobile Technology Deals – Third Quarter 2013

Date Announced	Buyer	Seller	Seller Description	Deal Size	Seller Revenue/Profit	Revenue Multiple	Target Sector	Commentary
16/09/2013	Google, Inc. (USA)	Bump Technologies, Inc. (USA)	Provides a file sharing application for Android and iPhone smartphone users, enabling the immediate sharing of files, videos and photos through physically tapping or "bumping" devices together.	Not disclosed	n/a	n/a	Application Software	Acquisition will bring Bump's applications Bump and Flock to Google. 25 staff.
23/08/2013	Yahoo! Inc. (USA)	IQ Engines, Inc. (USA)	Provides facial, object, scene, landmark and text data recognition Web and mobile software for consumers and businesses. Software automatically tags and organizes photos accordingly.	Not disclosed	n/a	n/a	Information Management	Acquisition will enable IQ Engine to improve photo organization on a global level. IQ Engine team will join the Flickr team at Yahoo.5 staff.
23/08/2013	Instagram [Facebook] (USA)	Midnox Inc. [dba Luma] (USA)	Provides an iOS mobile video application with integrated recording stabilization, filter and social media sharing features for consumers.	Not disclosed	n/a	n/a	Application Software	The team and technology, including video stabilization, from Midnox will join Instagram. Midox's iOS app will be shut down as it moves to Instagram.
22/08/2013	Appcelerator Inc. (USA)	Singly, Inc. (USA)	Provides API integration management software for developers and businesses, enabling the normalization of Web data for viewing on mobile devices.	Not disclosed	n/a	n/a	Mobile Application Development	The deal allows mobile apps built with Appcelerator's technology to connect to more data sources, as well as enabling greater scale and support for Singly customers. Singly will integrate its services by early 2014.
20/08/2013	Pricegrabber [MBO] (USA)	Snapette, Inc. (USA)	Provides a mobile application that aggregates online clothing deals and enables iOS and Android users to find the deals at nearby retail and fashion stores. Also enables businesses the ability to provide real-time, targeted online marketing.	Not disclosed	n/a	n/a	Application Software	Acquisition forms part of PriceGrabber's commitment to investing in mobile ecommerce and will create scalable value across all platforms. 8 staff.
15/08/2013	Demme Learning (USA)	KinderTown LLC (USA)	Operates an iOS mobile application marketplace that aggregates and sorts education applications for use by parents and educators.	Not disclosed, reportedly all in cash	n/a	n/a	Mobile Content	Acquisition combines Demme's strengths in physical products and KinderTown's strengths in digital learning. 2 staff.
15/08/2013	IBM Corporation (USA)	Trusteer Inc. (USA)	Provides financial anti-fraud software and SaaS to businesses globally. Also provides anti-malware, endpoint integrity and mobile device security software.	\$900M in cash	n/a	20 x	Transaction Security	Trusteer will further extend IBM's data security capabilities through its fraud-prevention technology and threat intelligence feed. 250 staff.

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06/08/2013	BMC Software, Inc. [Bain Capital/ Golden Gate/GIC/Insight Venture Partners] (USA)	Partnerpedia [fka Constructive Media] (Canada)	Provides mobile application storefront development software to enable enterprises to store distribute mobile applications for download. Partnerpedia's private-label app marketplace provides a complete go-to-market channel for an organization's partner ecosystem.	Not disclosed	n/a	n/a	Infrastructure Management	Deal has enabled BMC Software to introduce cloud based enterprise app BMC AppleZone which gives employees secure access to a wide range of applications. 54 staff.
25/07/2013	RSA Security, Inc. [EMC] (USA)	PassBan Corp. (USA)	Provides multi-factor authentication software for mobile security for enterprises globally. Software enables the user to secure cloud-based mobile applications with a password and one other form of identifying proof, such as a code or a biometric scan, before granting access.	Not disclosed	n/a	n/a	Mobile Security	PassBan will bring its technology and talent to RSA, enabling RSA to accelerate its delivery of Adaptive IAM. 10 staff.
23/07/2013	Ruckus Wireless Inc. (USA)	YFind Technologies Private Ltd (Singapore)	Provides an indoor Wi-Fi-based positioning system to enable retailers, hospitals and public venues operators to track customer movement by reading their mobile device's Wi-Fi signals.	Not disclosed	n/a	n/a	Wi-Fi	Ruckus intends to enable new location based services by combining its technology with YfFind's range of location based services and analytical capabilities.
17/07/2013	[x+1], Inc. (USA)	Wireless Developer, Inc. [fka Wireless Developer Agency] (USA)	Provides mobile advertising software, including real-time bidding, campaign measurement and social media integration to businesses in a range of industries.	Not disclosed	n/a	n/a	Applications	Integrates WDA's technology and media sources into the [x+1] data management platform, adding mobile to its offerings. 30 staff.
16/07/2013	Criteo SA (France)	AD-X Ltd. [dba AD-X Tracking] (UK)	Provides performance-based tracking software as a service (SaaS) for use by mobile advertisers. Software enables the monitoring and reporting of mobile application downloads, clicks and usage of mobile applications used in online marketing campaigns.	\$7.18M (EUR 5.5M) in unspecified currency, plus employee retention contingency payments of up to \$4.83M (EUR 3.7M) (contingency payments not included in deal value)	n/a	n/a	Application Software	AD-X team and technology will join Criteo as part of Criteo's mobile strategy and will enable advertisers to target and deliver relevant ads for performance display advertising across smartphones and tablets

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16/07/2013	Kaseya International Limited (Switzerland)	Rover Apps LLC (USA)	Provides containerized mobile application management software to enterprises for use on employees mobile devices. Software enables access to company data and applications, including Microsoft SharePoint, on an individual's own mobile phone or tablet, while securing personal data from intrusion by the enterprise.	Not disclosed	n/a	n/a	Mobile Device Management	Acquisition enables Kaseya to provide market-leading security for mobile BYOD users using a secure containerized approach.
26/09/2013	ATA Inc (China)	Xing Wei Institute (HK) Limited (China)	Provides training solutions as well as online and mobile training platforms for corporations in China.	\$3.19M	n/a	n/a	Mobile Technology	Xing Wei will provide ATA with a more comprehensive set of service offerings as well as enabling ATA to further develop its existing client relationships in China.
25/09/2013	Alibaba Group Holding Ltd (China)	Kanbox (China)	Develops and wholesales file sharing and backup (cloud computing) software for Androids, iPhones and Personal Computers.	Not disclosed	n/a	n/a	Data Management	Acquisition is part of Alibaba's focus on expanding its cloud computing products. It plans to enable users to back up mobile data through Kanbox.
09/09/2013	Citrix Systems Inc (USA)	Byte Squared Ltd (UK)	Develops mobile office programs for iPad and iPhone.	Not disclosed	n/a	n/a	Applications	Byte Squared team and technology will join Citrix to offer customers an integrated high-fidelity native document and editing and rendering experience in a secure environment.
05/09/2013	Monitise Plc. (UK)	Grapple Mobile Ltd (UK)	Designs and delivers apps for tablets and smartphones.	Not disclosed	n/a	n/a	Mobile Design	Acquisition of Grapple complements Monitise's existing capabilities in creating, developing and developing strategies and user experiences. 25 staff.
05/09/2013	Assurant Inc., USA (USA)	Lifestyle Services Group Ltd (UK)	Provides mobile insurance services.	\$160M in cash	n/a	n/a	Mobile Insurance	Acquisition will strengthen and expand Assurant's global mobile presence as well as making mobile services simpler for customers. Over 1,00 staff.
05/09/2013	Cinram International (Canada)	Saffron Digital Ltd, (UK)	Develops content delivery platform that enables content owners, brand owners and mobile operators to deliver multimedia products and services across mobile and web networks.	\$47m	n/a	n/a	Media Technologies	Deal provides an aligned solution to consumer demand with Saffron Digital complementing Cinram's current portfolio. 107 staff.

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04/09/2013	Answers Corp, (USA)	Easy2 Technologies Inc. (USA)	Provides online and mobile interactive merchandising content for brand manufacturers and retailers.	Not disclosed	n/a	n/a	Application Software	Acquisition solidifies Answers' leadership in helping brands deliver authoritative content and trusted advice to online shoppers.
02/07/2013	Publicis Groupe SA (France)	Bosz Digital Colombia SAS (Colombia)	Provides production and development services for Web development, software development, interactive graphic design, social and mobile.	Not disclosed	n/a	n/a	Digital Production	Acquisition is part of Publicis Groupe's strategy to develop as a fully integrated cross-media production platform. 450 staff.
26/09/2013	Medivo, Inc. (USA)	OnTrack Diabetes (Canada)	Provides an Android smartphone application to enable diabetics to record, monitor, manage and report the symptoms of their disease.	Not disclosed	n/a	n/a	Application Software	Medivo view this acquisition as fitting with their growth strategy and furthering their plans to develop new patient and physician engagement services.

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