



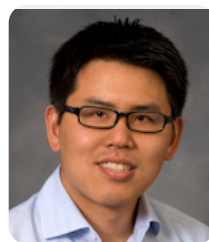
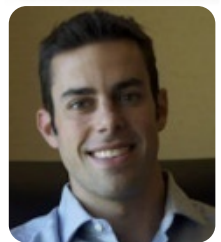
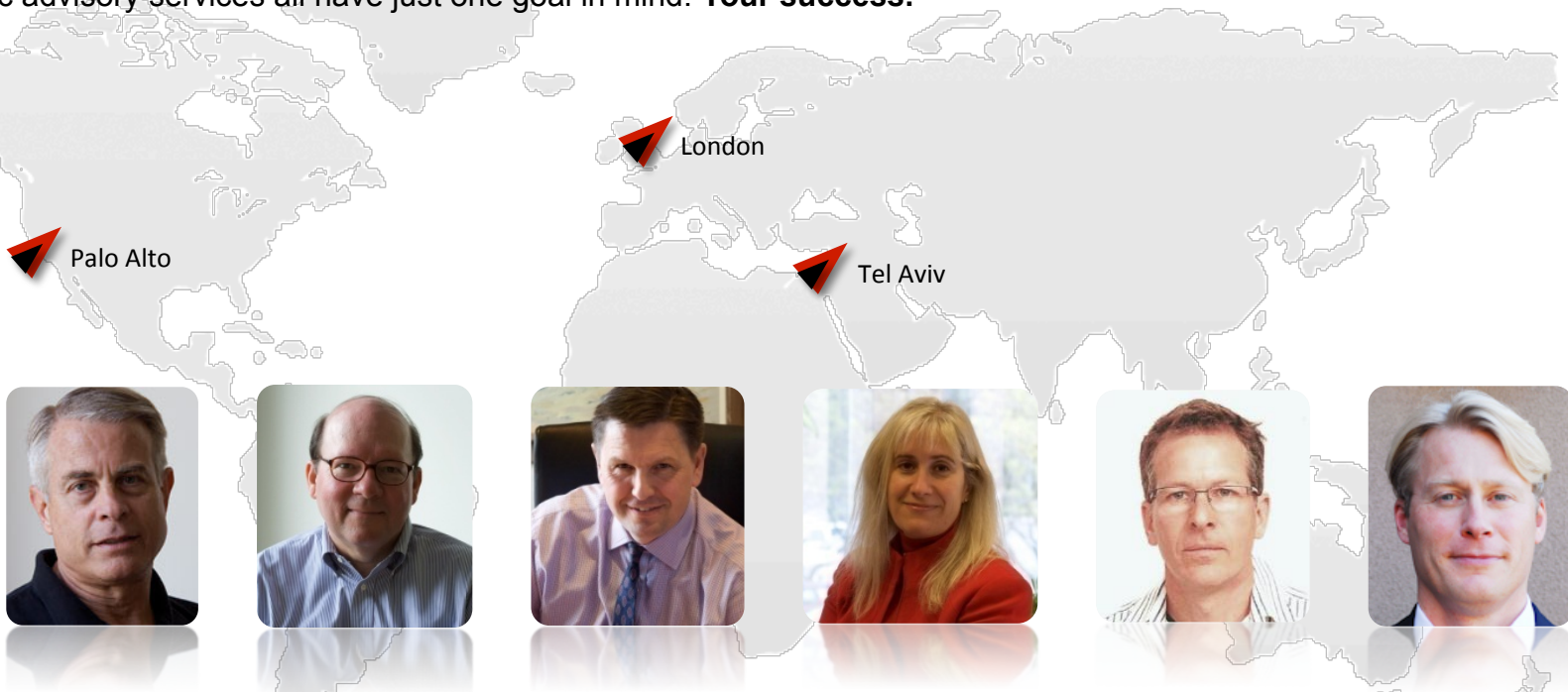
# Presentation to Nordic Venture Capital Tour May 11, 2012



# Technology Investment Banking

**At GrowthPoint Technology Partners, we're invested in you.**

As former CEOs, executives, board members, investors and advisors, we know value when we see it. Our experience also gives us the perspective to look at every transaction from both sides of the term sheet. So our M&A, fundraising, and strategic advisory services all have just one goal in mind: **Your success.**

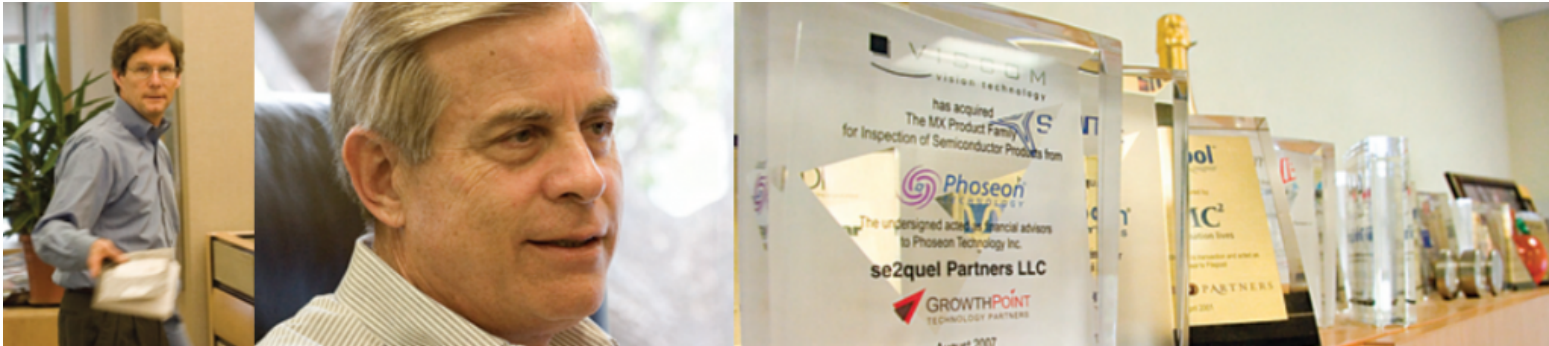


# M&A and Advisory Experts for the Technology Industry

## Technology Advisory:

- ▼ M&A
- ▼ Fundraising
- ▼ Strategic advisory

*As former CEOs, executives, board members, investors and advisors, we bring a wealth of strategic and financial experience to our clients*



- ▼ Software & Digital Media
- ▼ Mobile / App technologies
- ▼ Information technology
- ▼ Energy technologies

# Recent Transactions

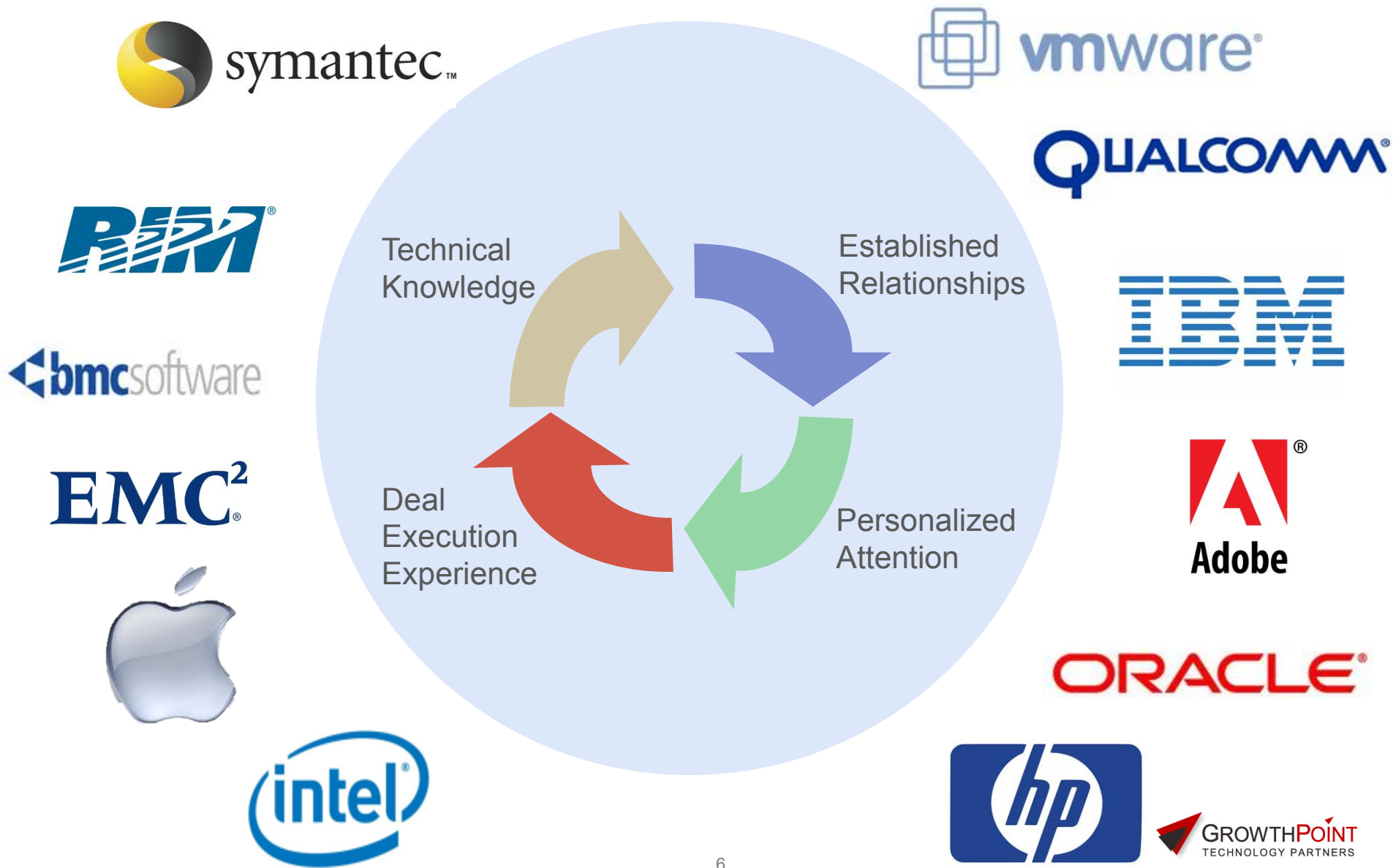
<p>Jan 2012</p> <p><b>enSTRATUS</b></p> <p>private placement</p> <p><b>CITRIX®</b></p>	<p>Nov 2011</p> <p>Nanda   Tech</p> <p>acquired by</p> <p><b>nanometrics</b></p>	<p>Nov 2011</p> <p><b>enSTRATUS</b></p> <p>private placement</p> <p><b>EL DORADO VENTURES</b></p>	<p>Nov 2011</p> <p><b>AMPLIDATA</b></p> <p>private placement</p> <p><b>intel</b></p>	<p>Oct 2011</p> <p><b>ENXSUITE</b></p> <p>acquired by</p> <p><b>INFOR</b></p>	<p>Aug 2011</p> <p><b>crescendo networks</b></p> <p>acquired by</p> <p><b>f5</b></p>	<p>Jul 2011</p> <p><b>GestureTek.</b></p> <p>selected assets acquired by</p> <p><b>QUALCOMM®</b></p>
<p>Jul 2011</p> <p><b>NEOCLES CORPORATE</b></p> <p>acquired by</p> <p><b>france telecom</b></p>	<p>Jul 2011</p> <p><b>INTALIO</b></p> <p>private placement</p> <p><b>vmware®</b></p>	<p>Jun 2011</p> <p><b>art of defence</b></p> <p>acquired by</p> <p><b>zeus</b></p>	<p>Jan 2011</p> <p><b>kyte</b></p> <p>acquired by</p> <p><b>kit digital</b></p>	<p>Dec 2010</p> <p><b>CAUSTIC GRAPHICS®</b></p> <p>acquired by</p> <p><b>Imagination TECHNOLOGIES</b></p>	<p>Nov 2010</p> <p><b>GridApp SYSTEMS</b></p> <p>acquired by</p> <p><b>bmc software</b></p>	<p>Oct 2010</p> <p><b>radiocomp®</b> simplifying radio technology</p> <p>acquired by</p> <p><b>台嘉科技股份有限公司</b> <b>MICROELECTRONICS TECHNOLOGY INC.</b></p>
<p>Jun 2010</p> <p><b>phoenix</b></p> <p>HyperSpace, HyperCore &amp; Phoenix Flip assets acquired by</p>	<p>Mar 2010</p> <p><b>virtutech</b></p> <p>acquired by</p> <p><b>intel</b></p>	<p>Mar 2010</p> <p><b>twine</b></p> <p>Radar Networks acquired by</p> <p><b>evri</b></p>	<p>Dec 2009</p> <p><b>montavista™</b></p> <p>acquired by</p> <p><b>CAVIUM NETWORKS</b></p>	<p>Jan 2009</p> <p><b>Q-layer</b></p> <p>acquired by</p> <p><b>Sun microsystems</b></p>	<p>Oct 2008</p> <p><b>VUE</b></p> <p>acquired by <b>Sensormati</b> a division of <b>tyco</b></p>	<p>Aug 2008</p> <p><b>novera optics™</b></p> <p>acquired by</p> <p><b>LG-NORTEL</b></p>
<p>Jul 2008</p> <p><b>reportive Adaptive Reporting</b></p> <p>acquired by</p> <p><b>cegedim</b></p>	<p>Mar 2008</p> <p><b>xiam</b></p> <p>acquired by</p> <p><b>QUALCOMM®</b></p>	<p>Feb 2008</p> <p><b>innotek</b></p> <p>acquired by</p> <p><b>Sun microsystems</b></p>	<p>Aug 2007</p> <p><b>Atempo</b></p> <p>Investment by Intel Capital, Steelpoint Capital Partners Ridgewood Capital</p> <p><b>\$22,000,000</b></p>	<p>July 2007</p> <p><b>sphera™</b></p> <p>acquired by</p> <p><b>SWSOFT™</b></p>	<p>July 2007</p> <p><b>sonaptic</b></p> <p>acquired by</p> <p><b>wolfson® microelectronics</b></p>	<p>April 2007</p> <p><b>Teja</b></p> <p>Sold Data Converter IP Business Unit to</p> <p><b>ARC</b></p>



# Selected Earlier Transactions

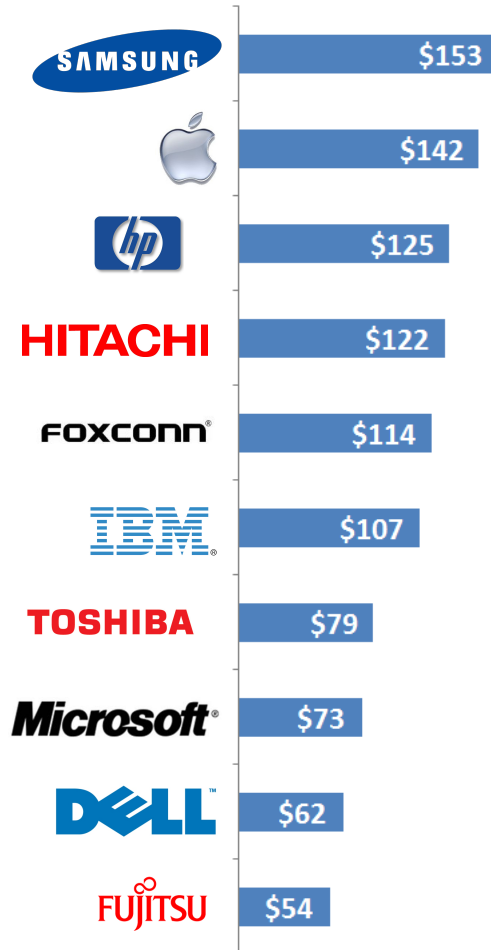
<p>Dec 2006</p>  <p>Private Placement with DFJ E-Planet Tudor Investment Corp. <b>£10,000,000</b></p>	<p>Oct 2006</p>  <p>Private Placement with Benchmark Capital Baytech Venture Capital <b>\$10,000,000</b></p>	<p>Sept 2006</p>  <p>acquired by <b>ANALOG DEVICES</b></p>	<p>Jul 2006</p>  <p>acquired by <b>STELLENT™</b></p>	<p>Jun 2006</p>  <p>Investment by VantagePoint, Draper Fisher Jurvetson, JP Morgan, Private Investors <b>\$40,000,000</b></p>	<p>Dec 2005</p>  <p>acquired by <b>VeriFone</b> THE WAY TO PAY</p>	<p>Jul 2005</p>  <p>acquired by <b>Actividentity™</b></p>
<p>Jul 2005</p>  <p>acquired by <b>Wireless Telecom Group</b></p>	<p>Jun 2005</p>  <p>acquired by <b>IBM</b></p>	<p>Apr 2005</p>  <p>acquired by <b>symantec.</b></p>	<p>Feb 2005</p>  <p>merger with <b>ServiceWare</b></p>	<p>Jan 2005</p>  <p>acquired by <b>ISO</b></p>	<p>Dec 2004</p>  <p>acquired by <b>verity</b></p>	<p>Dec 2004</p>  <p>acquired by <b>FLEXTRONICS</b></p>
<p>Dec 2004</p> <p>Rhetorical Systems, Inc. acquired by <b>ScanSoft®</b></p>	<p>Nov 2004</p>  <p>acquired by <b>FMC OUTSTART</b></p>	<p>Nov 2004</p>  <p>acquired by <b>IDX</b></p>	<p>Nov 2004</p>  <p>acquired by <b>QUALCOMM</b></p>	<p>Oct 2004</p>  <p><b>\$9,200,000</b> Series B Convertible Preferred Stock</p>	<p>Oct 2004</p>  <p>Has sold substantially all assets to <b>SYNOPSYS®</b></p>	<p>Oct 2004</p> <p>Stream Theory, Inc. acquired by <b>TADPOLE TECHNOLOGY</b></p>
<p>Sep 2004</p>  <p>has sold selected assets to <b>VARIAN</b></p>	<p>Aug 2004</p>  <p>acquired by <b>OPEN TEXT CORPORATION</b></p>	<p>Aug 2004</p>  <p>sold its VPN assets to <b>CAVIUM NETWORKS</b></p>	<p>Aug 2004</p>  <p>sold its VoIP and Broadband router assets to <b>PMC PMC-SIERRA</b></p>	<p>Aug 2004</p>  <p><b>\$29,800,000</b> Series C Convertible Preferred Stock</p>	<p>Jul 2004</p>  <p>has sold its NanoPro Division to <b>RAYTEX</b></p>	<p>Jul 2004</p> <p>Installshield Software Corporation acquired by <b>macrovision®</b></p>

# GrowthPoint has done meaningful transactions with all the major acquirers

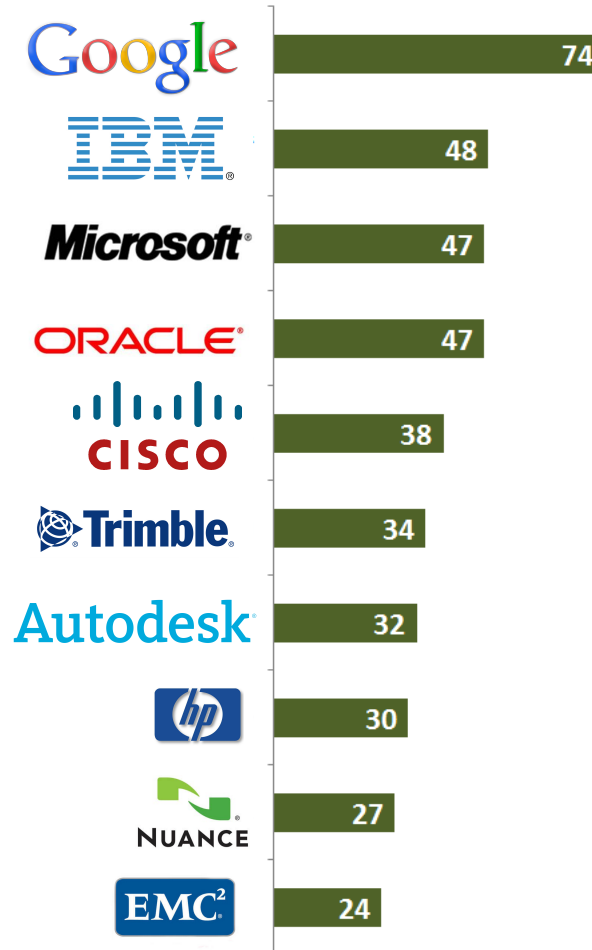


# Top Tens: Revenues, Acquisitions, Multiples

TTM Revenues (\$B), May 2012



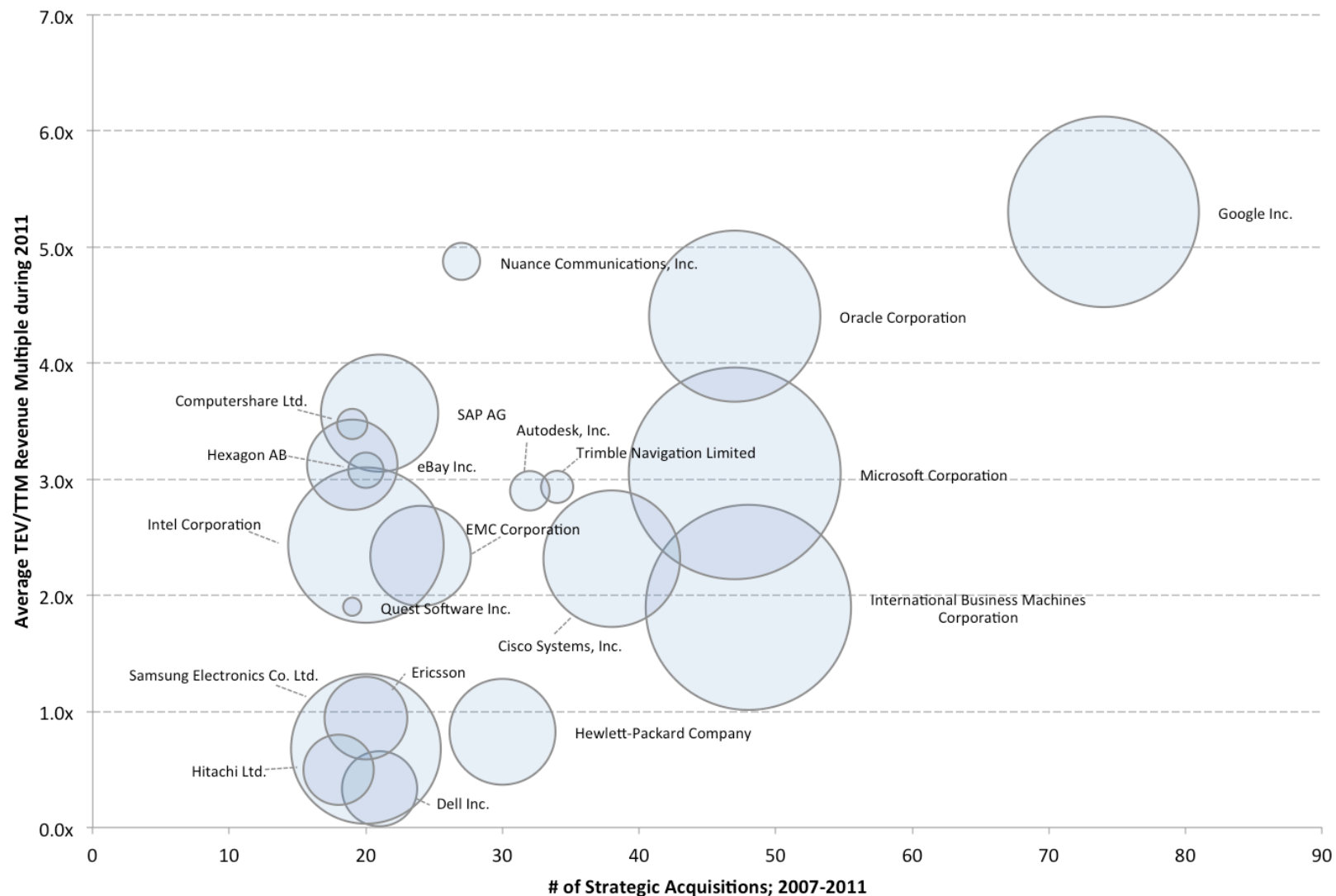
# Announced Acquisitions, 2007-2011



Avg Revenue Multiple, Last 2 Years



# Top Tech Acquirers – Multiples, # Deals, Market Capitalization





# EU-US: Total # of M&A Transactions



EU companies  
acquired by US buyer

**968**

**7,417**

US companies  
acquired by US buyer

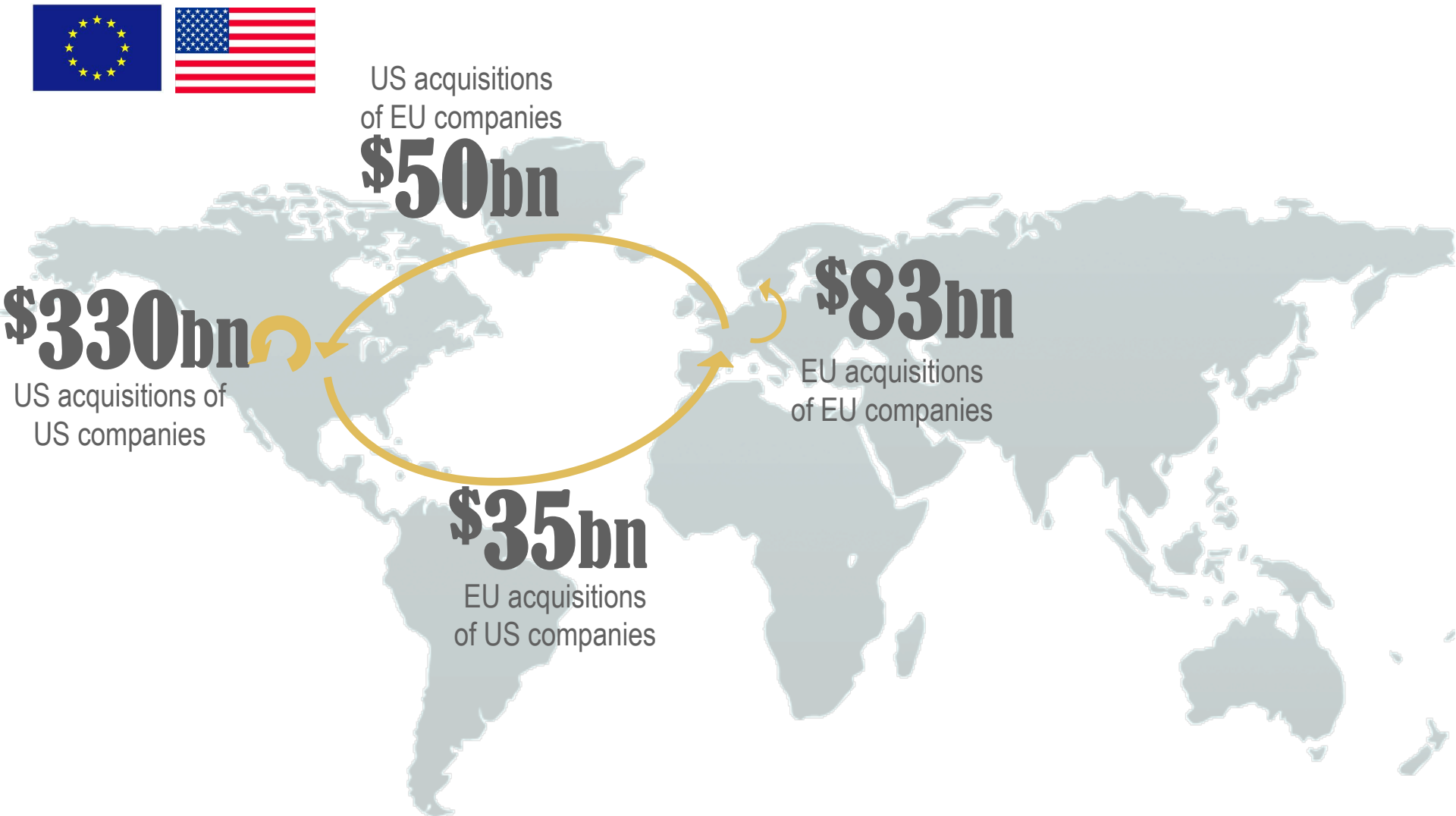
**5,548**

EU companies  
acquired by EU buyer

**602**

US companies  
acquired by EU buyer

# EU-US: Total Reported Transaction Value (\$Billions USD)



# EU-US: Median Revenue Multiples in M&A Transactions



Multiple paid by US  
buyer for EU companies

**1.5X**

**1.7X**

Multiple paid by  
US buyer for US  
companies

**1.2X**

Multiple paid by EU  
buyer for EU companies

**2.0X**

Multiple paid by EU buyer  
for US companies

# Nordic Countries-US: Total # of M&A Transactions



**105**

Nordic companies  
acquired by US buyers

**832**

Nordic companies acquired  
by Nordic buyers

**164**

Nordic companies  
acquired by EU buyers



# Nordic Countries-US: Total Reported Transaction Value (\$Billions USD)



**\$6.5bn**  
Nordic companies  
acquired by US buyers

**\$6.2bn**  
Nordic companies acquired  
by Nordic buyers

**\$7.1bn**  
Nordic companies  
acquired by EU buyers

# Cloud Computing Acquirer Landscape

## Software as a Service



## Infrastructure as a Service



## Storage as a Service



## DR as a Service



## File Sharing as a Service



## Platform as a Service



## Integration as a Service



## Cloud Management



## Cloud Services



## Security as a Service



# Digital Media Acquirer Landscape

## Mobile and Media Devices



## Consumer Internet



## Web Communities & Social Networking



## Digital Media & Entertainment



## Content Programming & Publishing



## Content Management & Collaboration



## Content Delivery & Networking Solutions



## Operator Solutions / Infrastructure

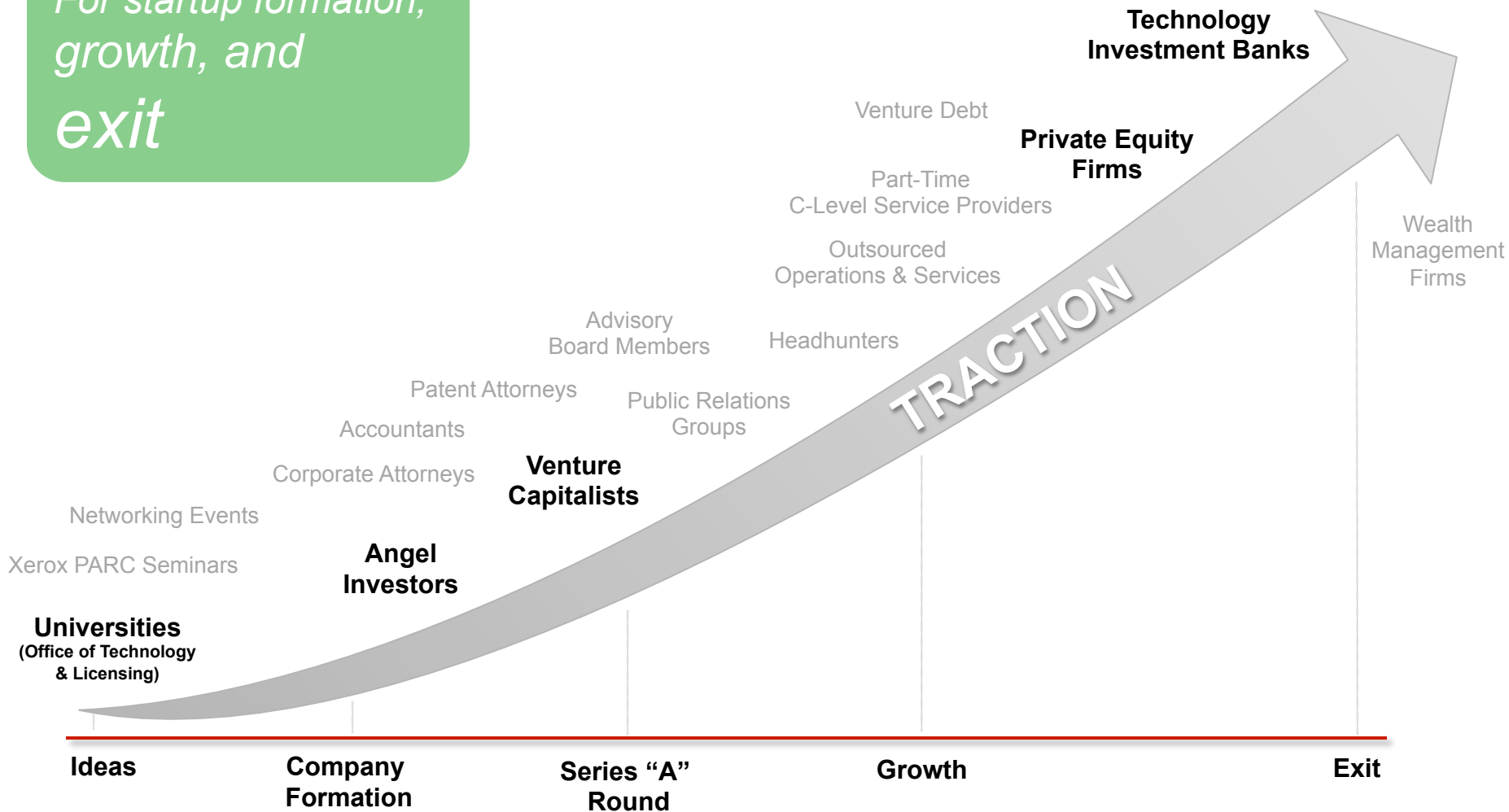


## Telecommunications



# Bay Area - Fully-developed ecosystem

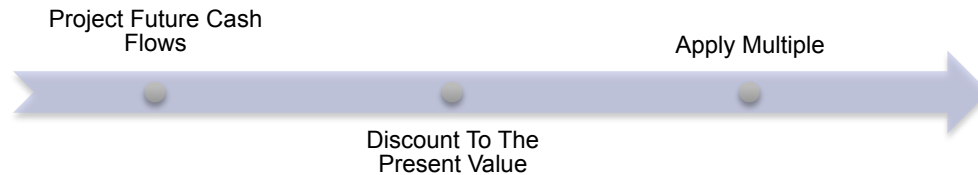
*For startup formation,  
growth, and  
exit*





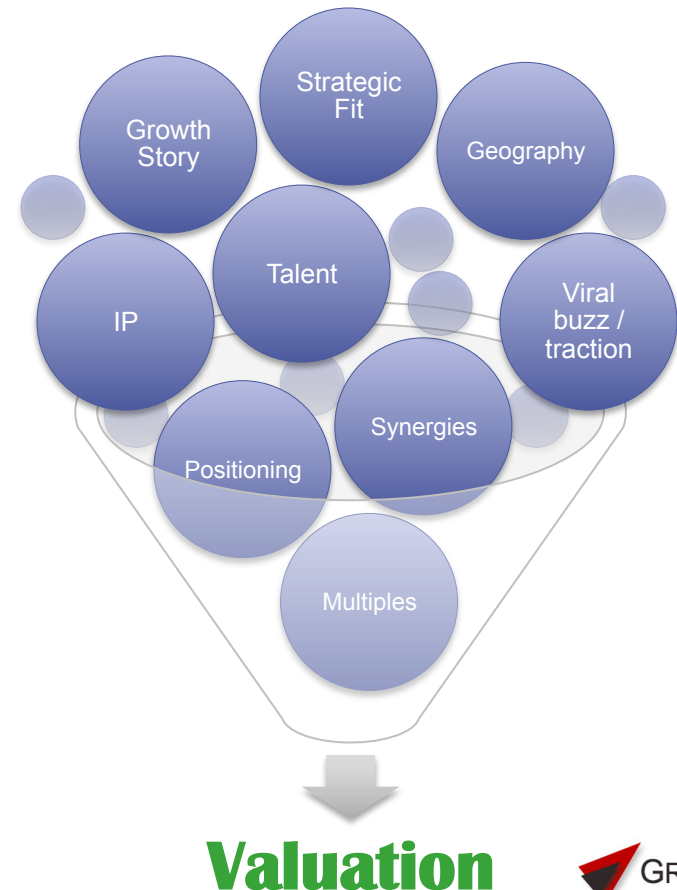
# M&A for early stage tech companies is unique & differentiated

## ▼ Non-Tech Company Valuations: PV analysis of future cash flows



## ▼ Technology Companies:

Valuation derived from more complex distillation of many factors



# How long does M&A really take?

**3 Months**

**18 Months**

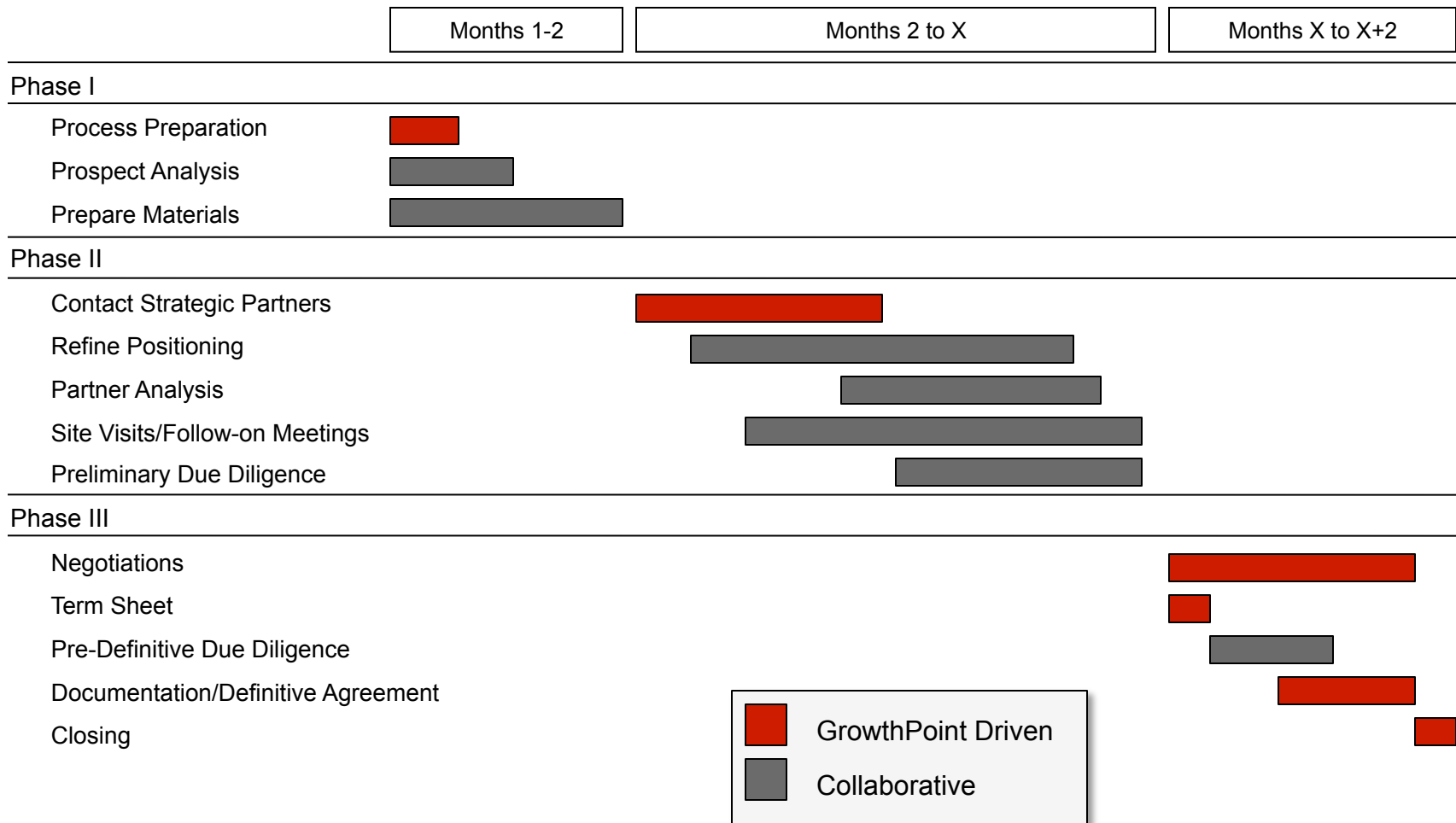


**9 Months**

**It depends...**

# We guide you through the Acquisition Process

Once the decision has been made to launch the process, anticipate a 6 to 9 month timetable



# Europe produces strong technology companies



- ▼ Strong technology orientation
  - Often understated in explaining the value of their technology when compared to US companies
  - This understatement gets worse as one travels north
- ▼ Excellent engineering teams
  - Generally more people and better experience when compared to US
- ▼ Often need support with trans-Atlantic marketing, relationship-building, and competitive positioning



# A sampling of issues we often see in “westbound” cross border transactions

- ▼ Questions around internationalization
  - Proving that solution extends across borders, scalability / relevant accounts
  - Physical presence in the US
- ▼ Cultural Divides that can make relationship-building difficult
  - “Cowboy” mentality of US buyers can be off-putting to EU sellers
- ▼ Strengthened “marketing” orientation needed
  - Incorporate a balanced PR campaign as part of company strategy
  - Analyst awareness needs to be key component of getting “known” to the acquirers
  - Visibility at key partnering shows – ie. Oracle World, Dreamforce, etc.
- ▼ Balance sheet strength is key
  - Need enough runway to work an effective process
- ▼ Intellectual Property can be a prime driver behind transactions
  - There is a growing Importance of Patents & IP in technology M&A
  - Titans are paying more attention to IP: Motorola & Google, Apple & Samsung, Oracle & Google, FB & Yahoo.
  - Patents have become *“a currency for technology...a bargaining chip in negotiations with venture capitalists...and potential buyers...they’re seen as value that can live beyond the life of an actual company.”* Washington Post, May 4, 2012

# Guidance at key decision points

Leverage partner's distribution and sales channels, while creating the foundation for future acquisitions



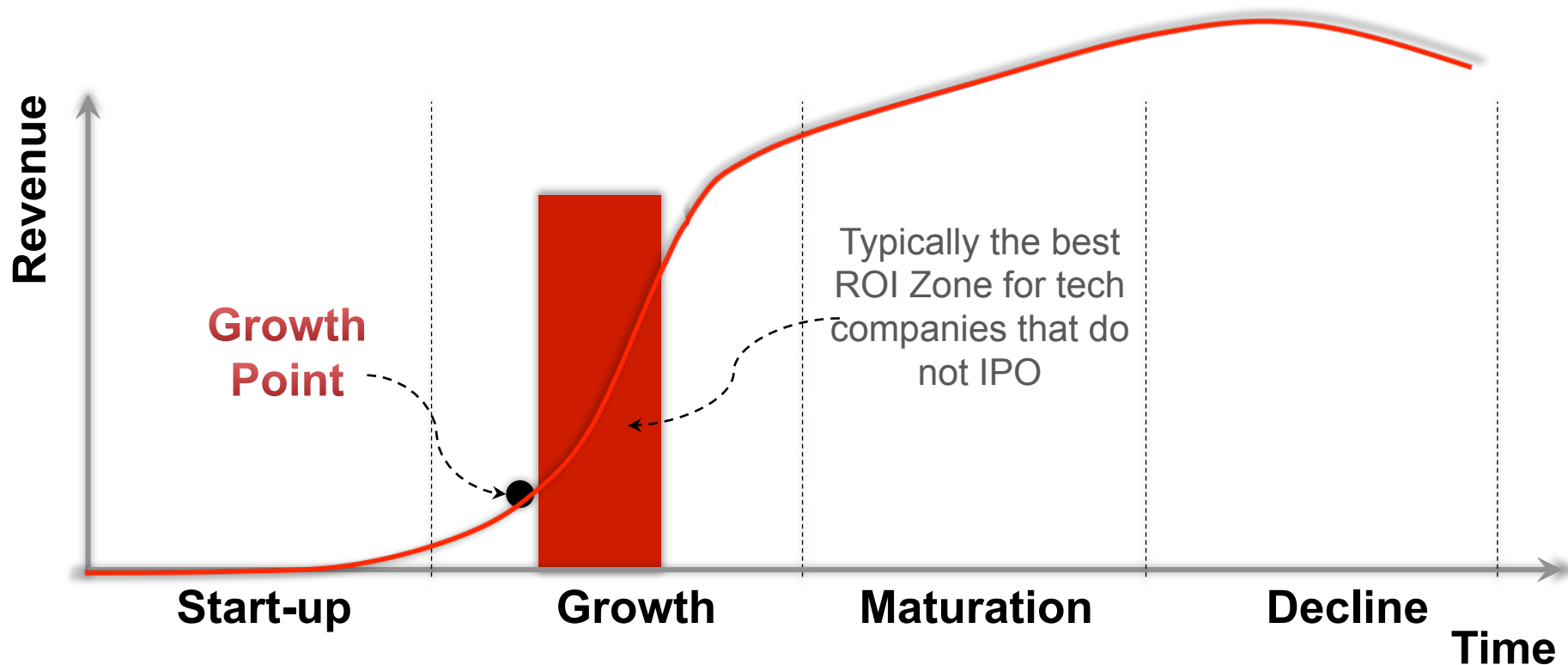
Capitalize on optimal timing and the value you have created. Deliver a return to shareholders, eliminate risk

Raise capital and remain independent. Right for many, but this is dilutive and achieving scale can be risky



GrowthPoint has the knowledge and experience to advise you at these critical junctures

# Guidance at key Strategic inflection points along the company lifecycle



- **Strategic positioning:** to maximize shareholder value
- **Optimal exit timing:** high growth expectations & synergy with acquirers

**We're invested** in creating value  
in bringing our experience to bear  
in building partnerships  
in seeing it through  
in getting the transaction done properly  
in getting you the best deal  
Quite simply, we're invested in you.

Palo Alto, California

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Senior Level Experience



Global Network



Optimal Results