

SECTORWATCH:

# SaaS Data Analytics

March 2018

**7** MILE   
ADVISORS

# SECTORWATCH: SaaS Data Analytics

March 2018

- Sector Dashboard
- Public Basket Performance
- Operational Metrics
- Valuation Comparison
- Recent Deals
- Appendix

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# OVERVIEW



## Dashboard

summary metrics on the sector, with commentary on market momentum by comparing the most recent 12-month performance against the last 3-year averages



## Public Basket Performance

summary valuation and operating metrics for a basket of comparable public companies



## Valuation Comparison

a more graphical, detailed comparison of valuation multiples for the public basket



## Recent Deals

the most recently announced sector deals

## About Us

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally.

We advise on M&A and private capital transactions, and provide market assessments and benchmarking. As a close knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets.

## Sectorwatch

We publish sectorwatch, a review of M&A and operational trends in the industries we focus.

## Let us know if we can help

Contact us if there are ways we can assist your M&A or financing strategy.

# DASHBOARD

## Revenue Growth Momentum

↓ -0.10

1 - year revenue growth compared to revenue growth average for last 3 years

Current revenue growth rate is less than the average of the last 3 years, indicating that the market may be flattening or declining

## Pricing / Gross Margin Momentum

↓ -0.7%

1 - year gross profit % compared to gross profit % average for last 3 years

Current gross profit margin is less than the average of the last 3 years gross profit margins, indicating customer pricing power

## Profitability Momentum

↓ -6.1%

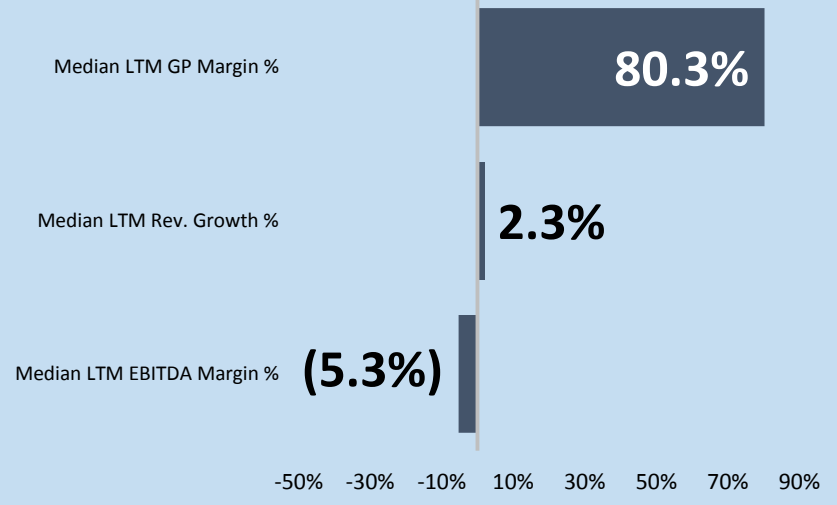
1 - year EBITDA % compared to EBITDA % average for last 3 years

Current EBITDA margin is less than the average of the last 3 years EBITDA margins, which may signal further consolidation

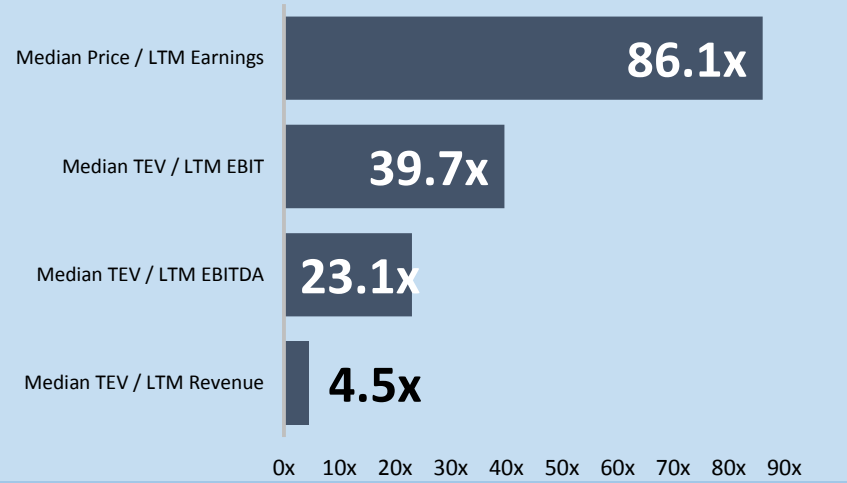
### PUBLIC BASKET CONSTITUENTS

- NasdaqGS:MSTR      NYSE:DATA
- NYSE:TDC            NasdaqGS:SPLK

## Operating Metrics



## Valuation

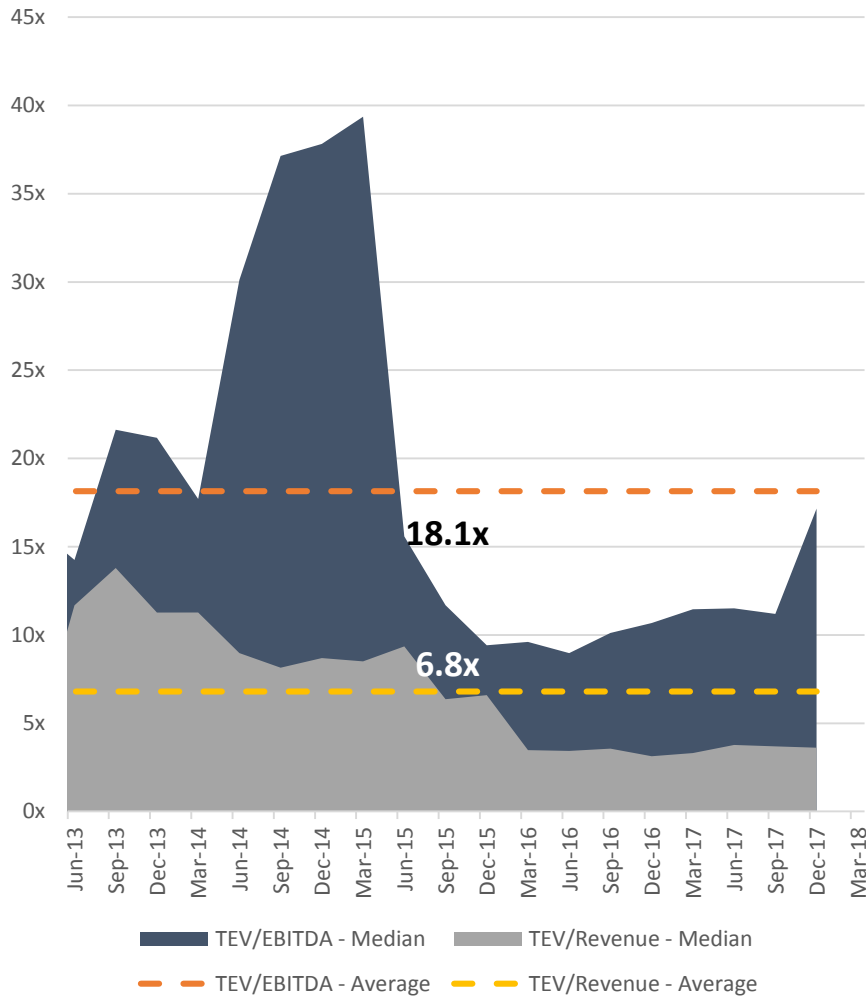


# PUBLIC BASKET PERFORMANCE

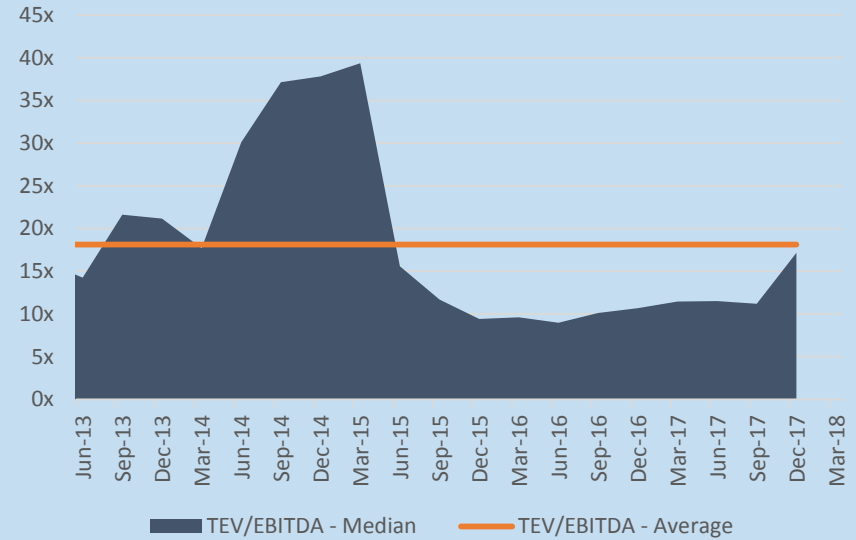
Company	TEV \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
MicroStrategy Incorporated	833	505	-1%	81%	16%	1.7	10.3	2,216	228
Teradata Corporation	4,769	2,156	-7%	48%	6%	2.2	35.9	10,615	203
Tableau Software, Inc.	5,940	877	6%	87%	-17%	6.8	0.0	3,489	251
Splunk Inc.	14,044	1,271	34%	80%	-17%	11.1	0.0	-	NA
<b>Average</b>	6,396	1,202	8%	74%	-3%	5.4	11.5	4,080	227
<b>Median</b>	5,354	1,074	2%	80%	-5%	4.5	5.1	2,853	228

share price as of 19Mar18

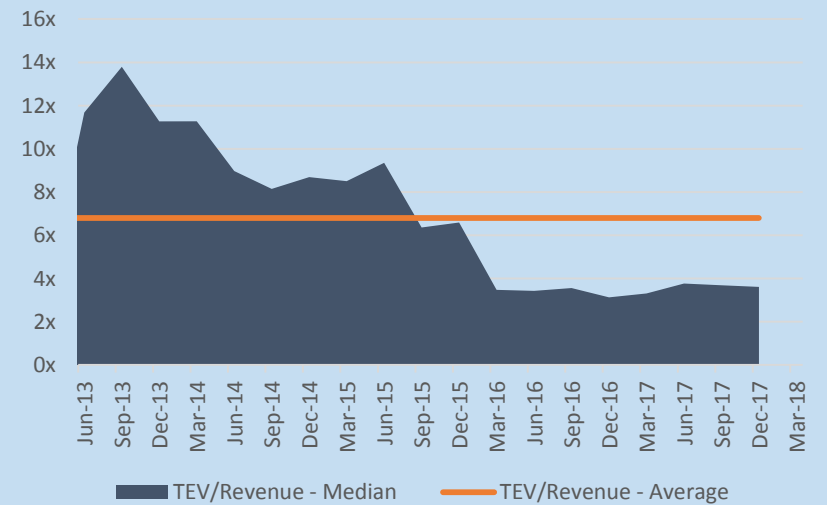
# PUBLIC BASKET VALUATION TRENDS



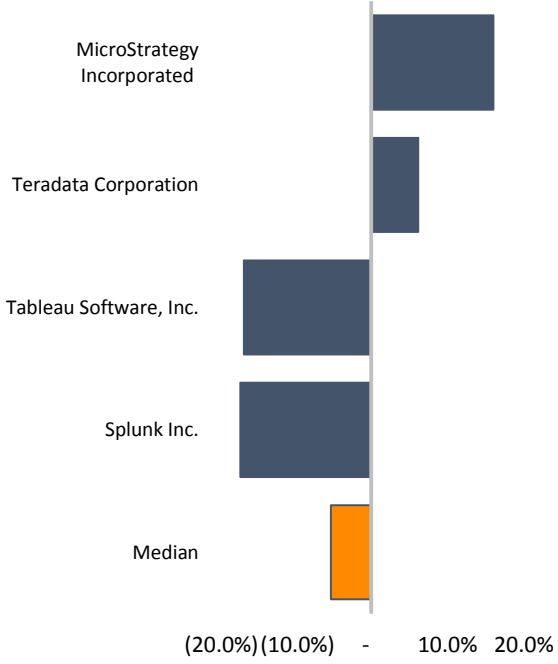
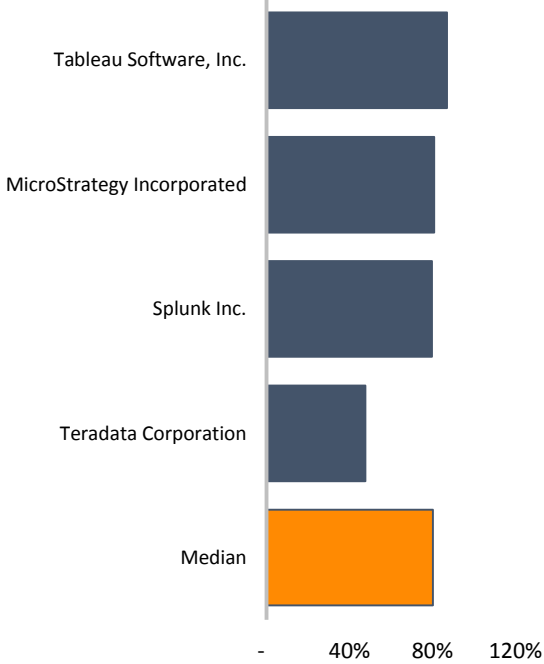
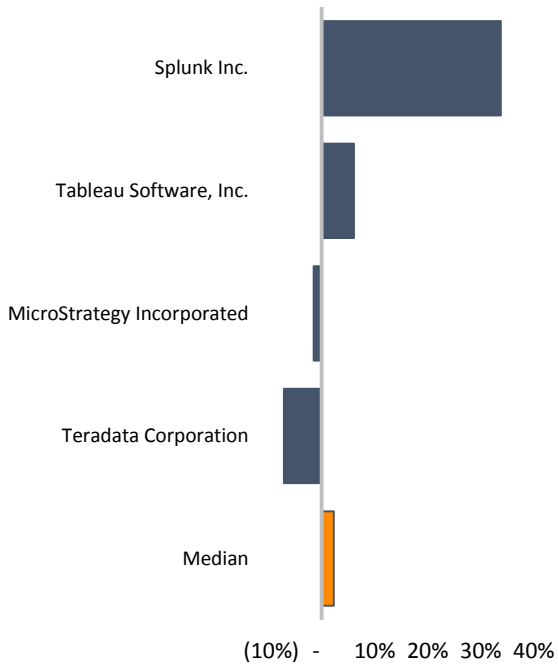
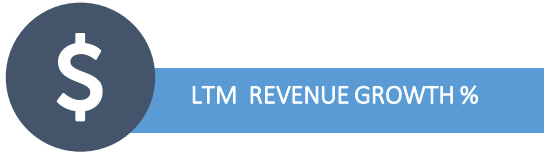
## Public EBITDA Multiples Over Time



## Public Revenue Multiples Over Time



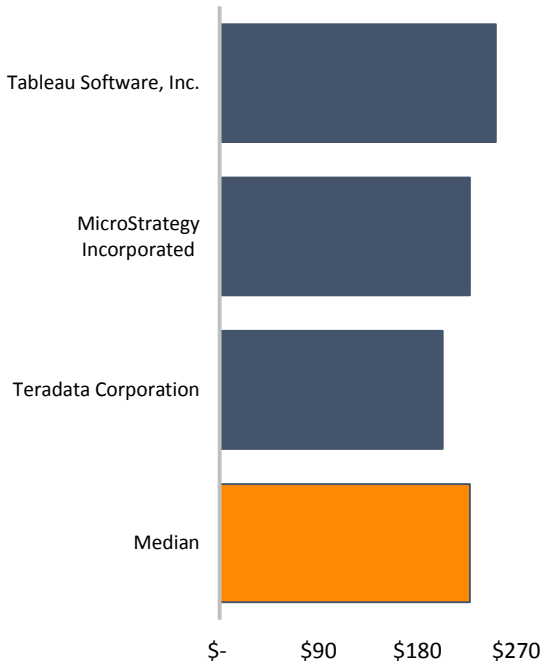
# OPERATIONAL METRICS



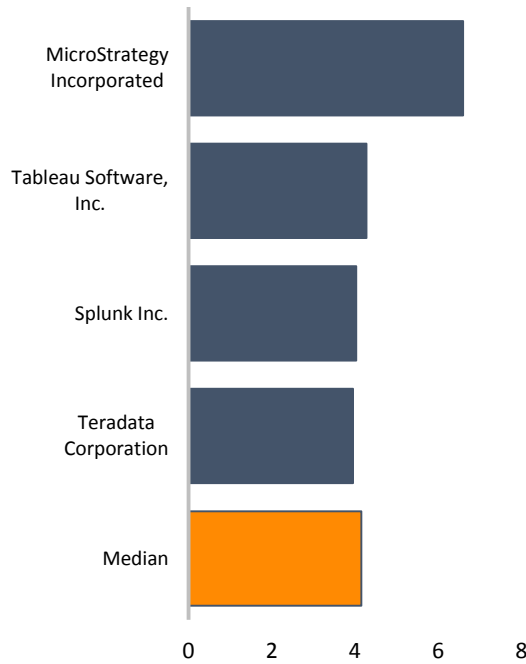
# OPERATIONAL METRICS



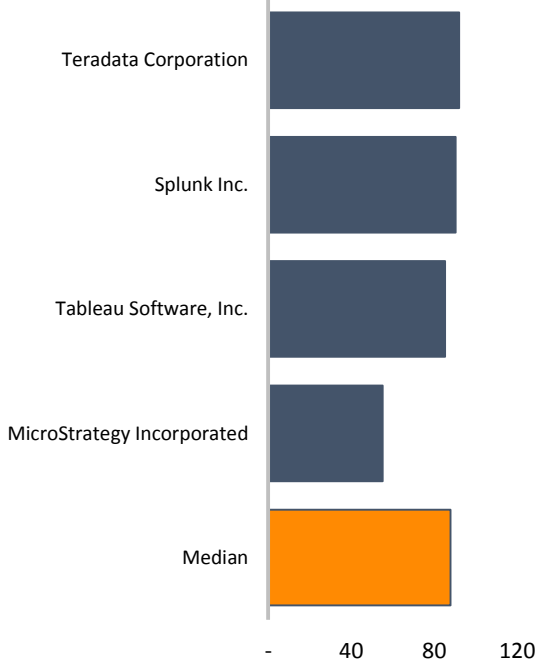
LTM Rev. per FTE x 000's



Accounts receivable turnover

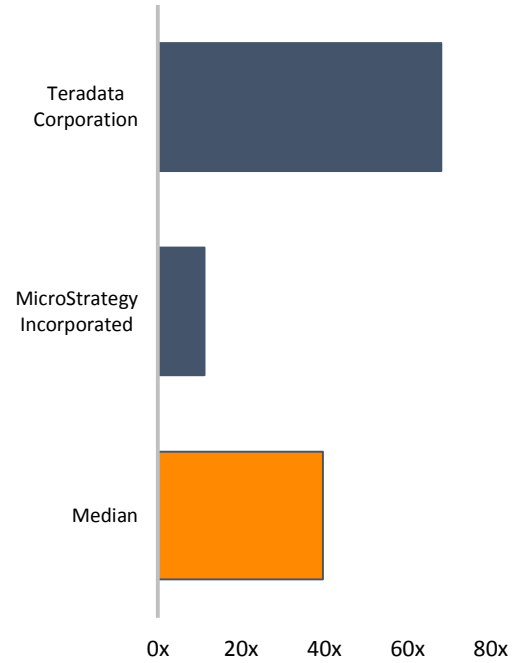
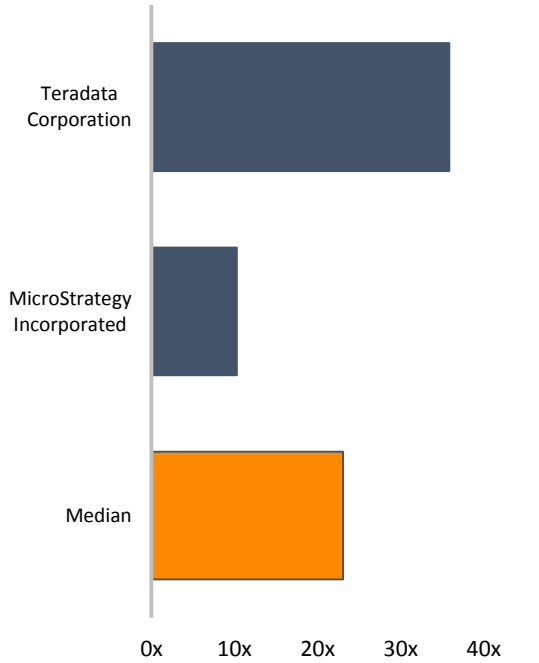
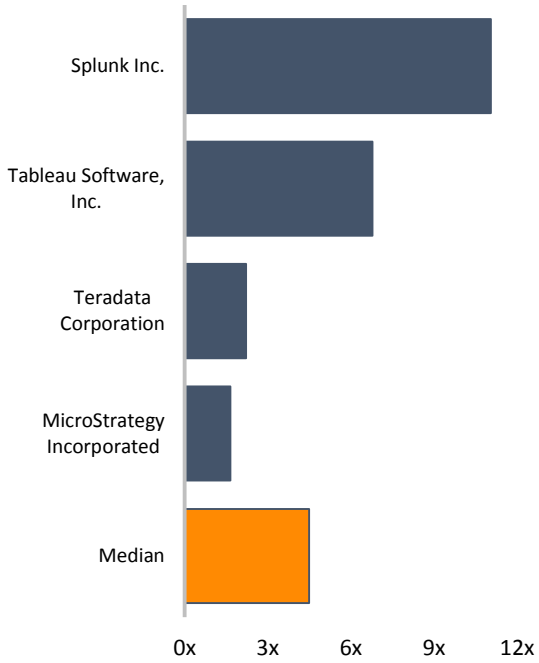


Avg days sales outstanding





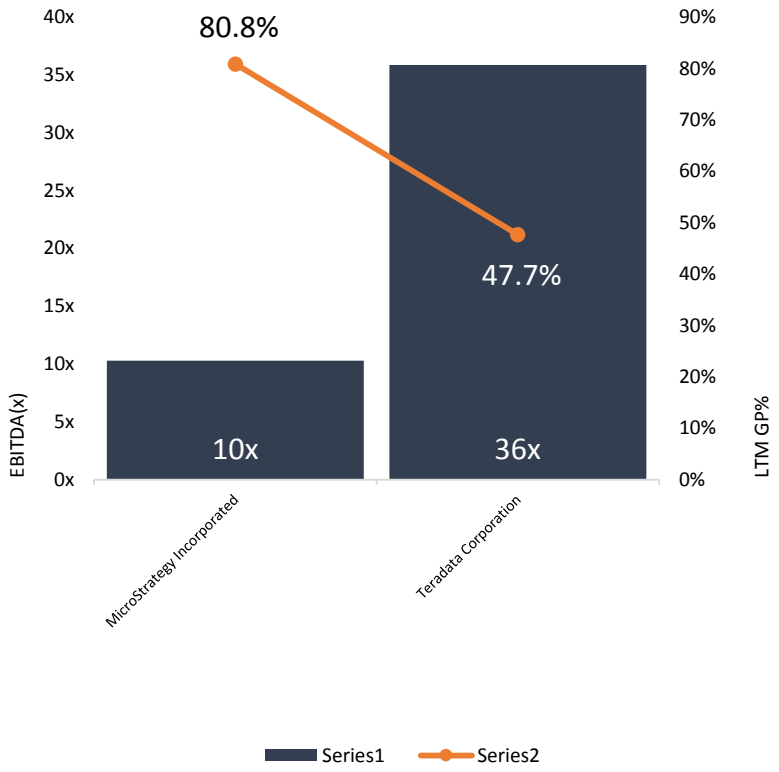
# VALUATION



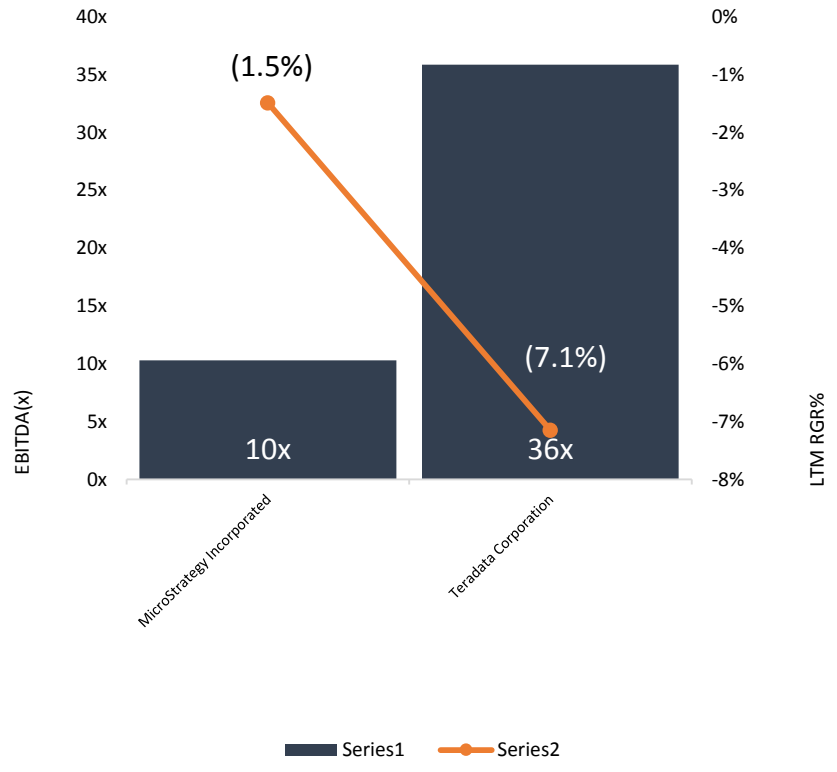
# VALUATION



Historical Valuation Multiples versus Gross Profit



Historical Valuation Multiples versus Revenue Growth Rate



# RECENT TRANSACTIONS

Date	Target	Buyer	Total Transaction Value	Target Revenue	TEV / Revenue	TEV / EBITDA
13Mar18	Spenza Technologies Inc.	Telvent DTN, LLC	-	-	-	-
13Mar18	Hedgehog Analytics (nka:Glantus US)	Glantus Limited	-	-	-	-
31Dec17	Hargrove & Associates, Inc.	Association of Equipment Manufacturers	-	-	-	-
22Dec17	Clavis Technology Ltd.	Ascential plc	219.00	13.00	16.8x	NM
20Dec17	Innowera LLC	Magnitude Software, Inc.	-	-	-	-
9Nov17	Swifttype Inc.	ELASTICSEARCH GLOBAL BV	-	-	-	-
3Oct17	Tea Leaves Health, LLC	Welltok, Inc.	90.00	-	-	-
4Oct17	Datagenic Ltd.	Drillinginfo, Inc.	-	-	-	-
28Sep17	WellEz Information Management, LLC	Quorum Business Solutions, Inc.	-	-	-	-
28Sep17	Runscope Inc.	CA, Inc.	-	-	-	-
14Sep17	Datalliance	True Commerce, Inc.	-	-	-	-
31Aug17	BAAX, LLC	Lightwell Inc.	-	-	-	-
21Aug17	Sequel Business Solutions Limited	Verisk Analytics, Inc.	322.53	33.54	9.6x	20.8x
28Jul17	Integral Analytics, Inc.	Willdan Energy Solutions, Inc.	30.02	-	-	-
31Jul17	Search Technologies Corp.	Accenture plc	-	-	-	-
13Jul17	StackIQ, Inc.	Teradata Corporation	-	-	-	-
7Jul17	InfoTrellis Inc.	Mastech Digital, Inc.	55.00	22.00	-	-
15May17	Statistica Inc.	TIBCO Software Inc.	-	-	-	-
25Apr17	Birst, Inc.	Infor, Inc.	-	-	-	-
20Apr17	Spanning Cloud Apps, LLC	Insight Venture Partners LLC	-	-	-	-
18Apr17	Moat, Inc.	Oracle Corporation	-	-	-	-
31Dec16	Spend360 International Ltd	Coupa Software Incorporated	-	-	-	-
1Dec16	AppFormix Inc.	Juniper Networks, Inc.	-	-	-	-
21Oct16	Datasource Consulting LLC	ExlService Holdings, Inc.	18.80	-	-	-
19Sep16	EFT Energy Inc.	Koch Minerals LLC; Koch Technology and Optimization, LLC	-	-	-	-
18Sep16	Palerra, Inc.	Oracle Corporation	-	-	-	-
7Sep16	Apigee Corporation	Google Inc. (nka:Google LLC)	630.07	92.03	6.1x	NM
1Aug16	RJMetrics Inc.	Magento, Inc.	-	-	-	-
17May16	Datalytics Technologies LLC	Magnitude Software, Inc.	-	-	-	-
16May16	Tecplot, Inc.	Vela Software International, Inc.	-	-	-	-
4Apr16	MetaMind Inc.	salesforce.com, inc.	48.00	-	-	-
29Mar16	EagleEye Analytics, Inc.	Guidewire Software, Inc.	42.00	-	-	-
17Mar16	Kenandy, Inc.	Kleiner Perkins Caufield & Byers; Wilson Sonsini Goodrich & Rosati, Professional Corporation; Lightspeed Venture Partners; Salesforce Ventures	-	-	-	-
10Mar16	HyPer	Tableau Software, Inc.	-	-	-	-
23Feb16	Zaloni Inc.	Sierra Ventures; Baird Venture Partners	7.50	-	-	-
27Jan16	Bokanyi Consulting, Inc.	Kellton Tech Solutions Limited	-	8.00	-	-
10Jan16	Citrix Systems International GmbH, Cloudplatform And Cloudportal Business Manager Product Lines	Accelerite	-	-	-	-

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Appendix: Public Basket  
Constituents

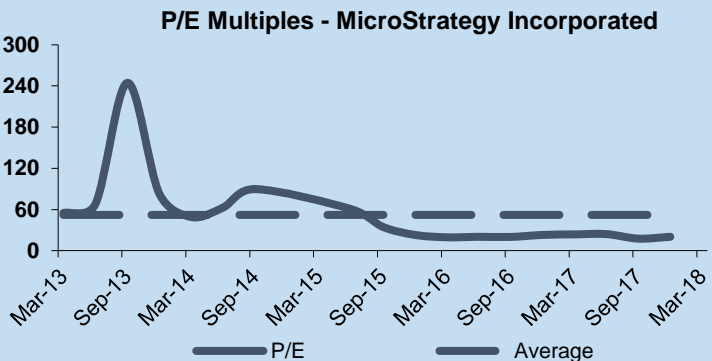
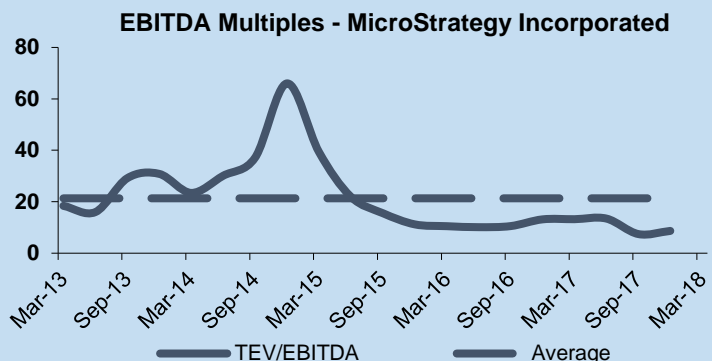
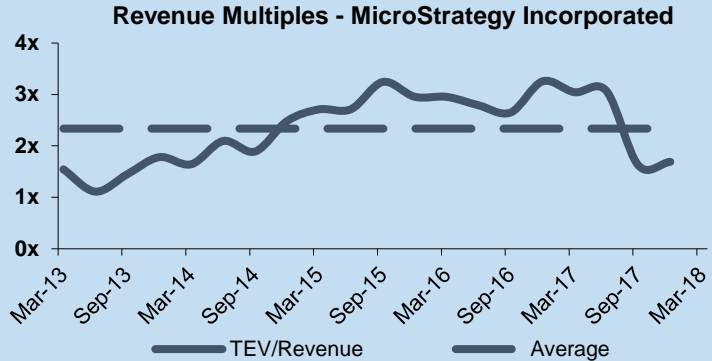


# PUBLIC BASKET CONSTITUENTS

## MicroStrategy Incorporated

MicroStrategy Incorporated provides enterprise software platforms worldwide. It offers MicroStrategy Analytics platform that delivers reports and dashboards, and enables users to conduct ad hoc analysis and share insights through mobile devices or the Web; MicroStrategy Server, which provides analytical processing and job management for various reporting, analysis, and monitoring applications; MicroStrategy Web, a primary reporting interface for analysts that offers interactive reporting, dashboarding, and analysis through a Web browser; and MicroStrategy Desktop, an on-premise and single-user tool for easy-to-use self-service visual data discovery. The company also provides MicroStrategy Mobile, a vehicle for mobilizing an organization's information systems, including its data warehouses, business intelligence, ERP, CRM, and Web applications that are accessible on the desktop; and Usher, a digital credential and identity intelligence that enables organizations to dematerialize the traditional forms of identity verification and replace them with a single mobile identity badge. In addition, it offers MicroStrategy Cloud, an integrated and optimized cloud business analytics platform that combines infrastructure, technology, people, and processes to offer analytics as a service to customers, as well as provides technical support, consulting and advisory, and education services. It serves retail, consulting, technology, manufacturing, finance, banking, insurance, healthcare, education, telecommunication, and other industries. The company was founded in 1989 and is headquartered in Tysons Corner, Virginia.

Date	Key Development Headline
1/16/18	Snowflake Computing Teams with MicroStrategy® Incorporated to Deliver Fast Access and Rich Insight to Enterprise Data

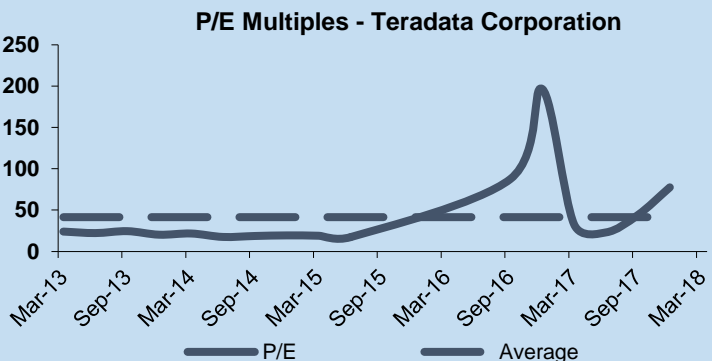
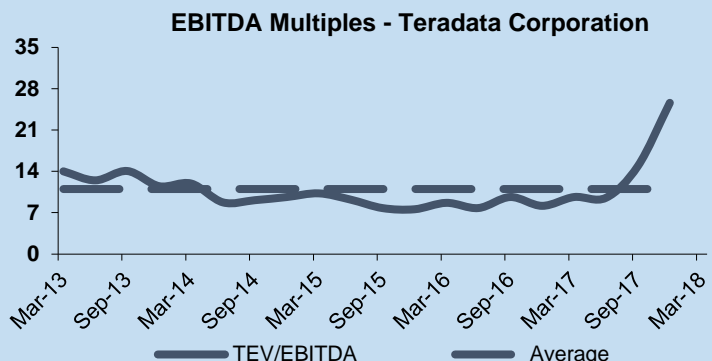
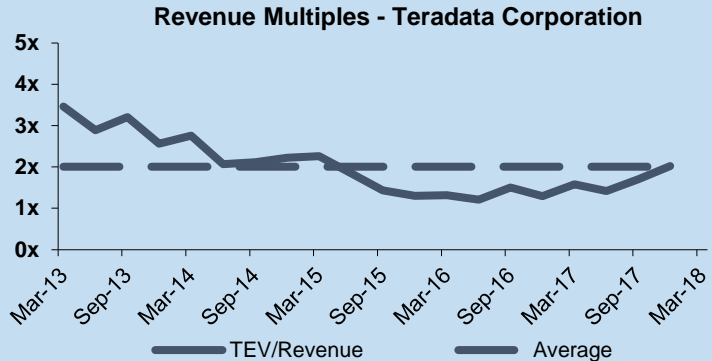


# PUBLIC BASKET CONSTITUENTS

## Teradata Corporation

Teradata Corporation provides analytic data solutions and related services worldwide. The company operates through Americas Data and Analytics, and International Data and Analytics segments. Its analytic data solutions comprise software, hardware, and related business consulting and support services. The company offers Teradata IntelliCloud, an as-a-service solution for the management of performance, security, availability and operations; Teradata Analytics Platform, an integrated data warehouse engine that allow access to the analytic functions and analytic engines; Business Analytics Consulting and Solutions, which engages with business users through solution-based selling; and Ecosystem Architecture Consulting that enable customers to build an optimized analytical ecosystems. It serves various industries comprising communications, ecommerce, financial services, government, gaming, healthcare, insurance, manufacturing, media and entertainment, oil and gas, retail, travel and transportation, and utilities. Teradata Corporation was founded in 1979 and is headquartered in Dayton, Ohio.

Date	Key Development Headline
3/5/18	Teradata Unlocks IoT Value for Smart Cities with Cisco Integration
2/14/18	Teradata Mulls Acquisitions
7/12/17	Teradata Corporation (NYSE:TDC) acquired StackIQ, Inc. from Avalon Ventures, LLC, Anthem Venture Partners, Grayhawk Capital, LLC, OurCrowd Ltd. and others.

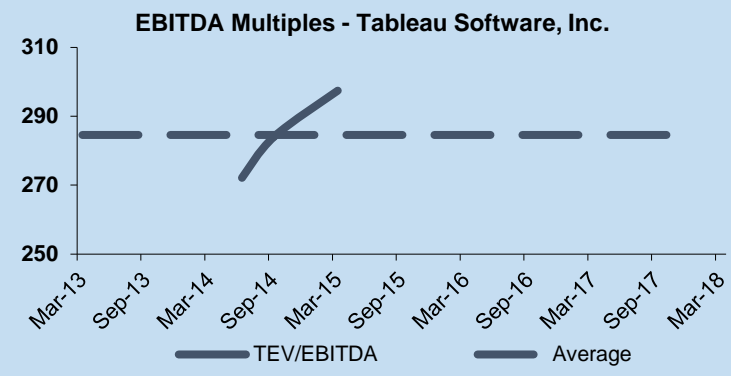
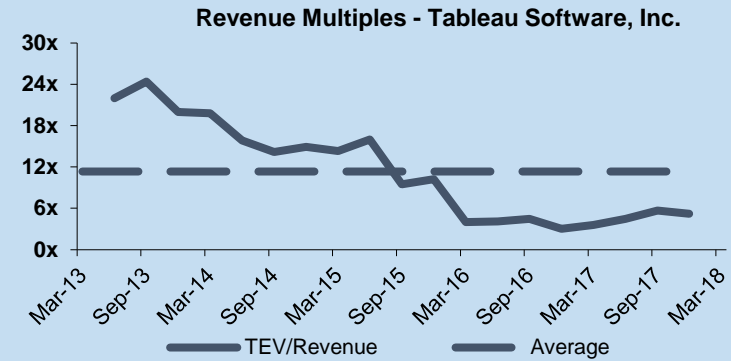


# PUBLIC BASKET CONSTITUENTS

## Tableau Software, Inc.

Tableau Software, Inc. provides business analytics software products. It offers Tableau Desktop, an analytics product that empowers people to access and analyze data; and Tableau Server, a business intelligence platform with data management and scalability to foster sharing of analytics, as well as to enhance the dissemination of information in an organization and promote decision-making. The company also provides Tableau Online, a hosted software-as-a-service version of Tableau Server; and Tableau Public, a cloud-based platform that allows various users, such as bloggers, journalists, researchers, and government workers to visualize public data on their Websites. In addition, it offers Visual Query Language (VizQL) for databases, which is a computer language for describing pictures of data, including graphs, charts, maps, time series, and tables of visualizations; Live Query Engine that interprets abstract queries generated by VizQL into syntax understandable by various database systems; and Hyper, an in-memory data engine technology that helps customers to analyze a range of data sets by evaluating analytical queries directly in the transactional database. Further, the company provides maintenance and support, training, and professional services. It serves organizations in various industries, including business services, energy and telecommunications, financial services, life sciences and healthcare, manufacturing and technology, media and entertainment, public sector, and education, as well as retail, consumer, and distribution industries.. Tableau Software, Inc. was founded in 2003 and is headquartered in Seattle, Washington.

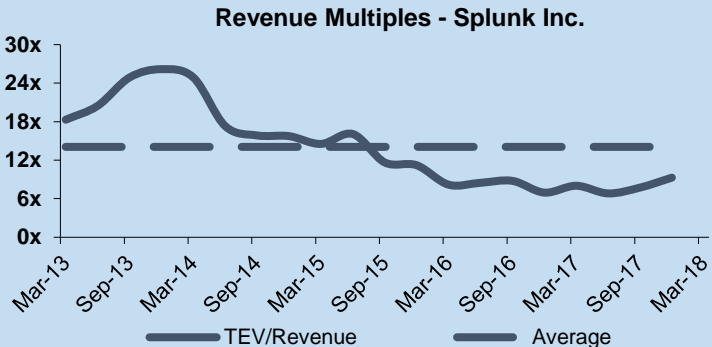
Date	Key Development Headline
8/8/17	Tableau Software, Inc. (NYSE:DATA) acquired ClearGraph from RRE Ventures LLC, Great Oaks Venture Capital LLC and others.
5/25/17	Tableau Software Seeks Investments



# PUBLIC BASKET CONSTITUENTS

## Splunk Inc.

Splunk Inc. provides software solutions that enable organizations to gain real-time operational intelligence in the United States and internationally. The company's products enable users to collect, index, search, explore, monitor, and analyze data regardless of format or source. It offers Splunk Enterprise, a machine data platform with collection, indexing, search, reporting, analysis, alerting, monitoring, and data management capabilities; and Splunk Cloud service. The company also provides Splunk Light, which offers log search and analysis for small IT environments; and Splunk Analytics for Hadoop, a software for exploring, analyzing, and visualizing data stored in Hadoop and Amazon S3. In addition, it offers Splunk Enterprise Security, which addresses emerging security threats; Splunk User Behavior Analytics that detects cyber-attacks and insider threats; and Splunk IT Service Intelligence, which monitors health and key performance indicators of critical IT services, as well as Splunk App for AWS to ensure cloud security and compliance; Splunk Stream to capture, analyze, and correlate network wire data; and DB Connect to get enterprise context; Palo Alto Networks App for Splunk to gain visibility to Palo Alto Networks firewalls; and Splunk App for Salesforce. Splunk Inc. was incorporated in 2003 and is headquartered in San Francisco, California.



Date	Key Development Headline
2/26/18	Splunk Inc. (NasdaqGS:SPLK) entered into a definitive agreement to acquire Phantom Cyber Corporation for approximately \$350 million.
10/16/17	Splunk Inc. (NasdaqGS:SPLK) acquired SignalSense, Inc. for \$12.2 million.
10/8/17	Splunk Inc. (NasdaqGS:SPLK) acquired selected assets from Rocana, Inc. for \$30.2 million.



# CONTACT INFORMATION

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally. We advise on M&A and private capital transactions, and provide market assessments and benchmarking. As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets. Securities offered through 7M Securities LLC.

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