



IT Services

Earnings Call Synopsis / Q1 2019 Results

## Content

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# ABOUT 7 MILE ADVISORS

7 Mile Advisors is a partner-led middle market investment banking firm providing strategic M&A, private capital transactions, and market insight for business owners, corporations, and private equity firms.

The 7MA team has completed over 120 transactions in the IT Services sector. We provide pragmatic advice, sector expertise and innovative processes to help clients adeptly navigate the decision tree. Our high-touch processes with senior-led deal teams are the cornerstone of the 7MA process.

## Select Recent Transactions

The image displays 12 transaction cards arranged in two rows of six. Each card features the logo of the acquired company at the top, followed by the company name and details of the acquisition. The acquirer's logo is shown at the bottom of each card.

- Arrow Digital** (Acquired by Softvision) - Acquired by ESW Capital
- Intellinet** (Acquired by FPT Software) - Acquired by ESW Capital
- MBI Solutions LLC** (Acquired by ESW Capital, LLC) - Acquired by ESW Capital
- Uniguest** (Acquired by ONELAN) - Acquired by ESW Capital
- Element Solutions, Inc.** (Acquired by Hinduja Global Solutions) - Acquired by ESW Capital
- Southport Services Group, LLC** (Acquired by Perficient, Inc) - Acquired by ESW Capital
- Corsearch** (An Audax portfolio company, Acquired by Yellow Brand Protection AB) - Acquired by ESW Capital
- Sonoma Partners** (Acquired by Ernst & Young LLP) - Acquired by ESW Capital
- Propelics Inc.** (Acquired by Anexinet Corp.) - Acquired by ESW Capital
- Mainline Information Systems** (Acquired by RTP Technology Corporation) - Acquired by ESW Capital
- Trianz, Inc.** (Acquired by Chicago Business Intelligence Group, Inc.) - Acquired by ESW Capital
- SADA Systems** (Acquired by Core BTS, A Tailwind Capital Portfolio Company) - Acquired by ESW Capital

# SUMMARY

We are pleased to present our review and synopsis of results and earnings call commentary for Q1 2019. This summary includes the most recent financial results for key publicly traded companies in the IT Services sector (mix of buyers in Managed Services, Cloud Services, IT Services, and IT Consulting, among other service offerings in the technology market) for the period January – March 2019.

## M&A Indicators:

- + Booming global economy, and ability of corporate and private buyers to make substantial investments to increase scale. Confirming this indicator for M&A activity, Globant’s CFO, Juan Urthiague, explained that “Business momentum combined with a record level of net additions position us on the right path to achieve our full year targets.”
- + Talent acquisition continues to trend upward as a factor driving M&A strategies, especially in the thriving technology and tech-enabled services sectors. For example, Capgemini noted that the tech personnel, expertise, and portfolio of services was a driving force behind their February purchase of Leidos Cyber, a commercial cybersecurity developer.
- + Digital Strategy triggers M&A activity. For example, in a recent 7MA deal, SADA Systems was embroiled with the demanding initiatives of the market for their Google and Microsoft platforms. As a result, SADA Systems pursued a new Digital Strategy that consolidated business operations through their March transaction with Core BTS, consequently selling their Microsoft business unit and advancing operations with their Google business unit.

## Technology Trends to Watch:

- + [Advanced Analytics](#)
- + [IT Security](#)
- + [Robotic Process Automation](#)
- + [A Shifting Landscape in IT Services](#)

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# RECENT 7MA DEAL SPOTLIGHT

## SADA Systems Acquired by Core BTS, Inc.

*Microsoft, IT & Business Services, Cloud Infrastructure, Security & Managed Services Provider*



- Core BTS, Inc. (Core), a national IT solutions, security and managed services provider, acquired SADA Systems, a leading global provider of business and technology consulting that transforms organizations via innovative cloud-based solutions.
- The acquisition further strengthened Core's strategic partnership with Microsoft and provided additional relationships with clients. With the addition of SADA's Microsoft team, Core accelerated capabilities to address the increasing demand for Azure and Office 365.
- This first quarter transaction also confirmed Core's ongoing strategy to expand their services portfolio, especially as Microsoft continues to dominate the productivity space and experience accelerated growth in the cloud.

## RTP Technology Corporation Acquired by Mainline Information Systems Inc.

*IT & Business Services, Technology Products & Solutions*



- RTP Technology Corporation, a New Jersey-based Value-Added Reseller and premier integrator of technology products and solutions, was acquired by Mainline Information Systems Inc. (Mainline), a privately held Florida-based national provider of IT solutions and services.
- The first quarter acquisition combined two experienced, trusted, and proven executive management teams together, delivering additional talent and experience to address demanding IT initiatives.
- Having acquired valuable insight, Mainline RTP accelerated operational processes and systems, ultimately providing more robust solutions and specialized IT resources to customers.

## Content

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# IT SERVICES INDUSTRY OVERVIEW

In the first quarter of 2019, IT Services M&A activity increased when compared to M&A activity in the last quarter of calendar year 2018. As an increasing number of firms continue to explore new and cutting-edge digital strategies, IT Services will continue to generate significant investment appeal among acquisitive companies in 2019 and beyond. With the digital age in early stages, numerous companies demonstrated interest to perform transformative and smaller scale acquisitions during the first quarter and for the remaining calendar year 2019.

In January of 2019, DXC Technology acquired Luxoft for approximately \$2B, representing one of the more high-profile transactions in the space. Accenture also demonstrated M&A activity during the quarter by closing the acquisitions of two companies in the IT Services landscape: Orbium AG and Professional Services Assets of Zafin Labs Technologies Ltd. The usual suspects like CGI Group, Infosys, and Perficient remained acquisitive in the quarter, with their eyes on future deals to spur inorganic growth.

Market conditions improved during the first quarter, but anticipation for a slowing economy continued to weigh on deal-making. However, the consistent and strong demand trends created positive outlook for the calendar year 2019 and beyond.

There is an acceleration of digitization across industries to meet consumer expectations. Companies are planning to embrace digital transformation to improve asset efficiencies and are looking to consolidate and upgrade their systems for better business insights. With continued growth and increasing demand in the IT Services landscape, companies in this space are certainly optimistic about the future.

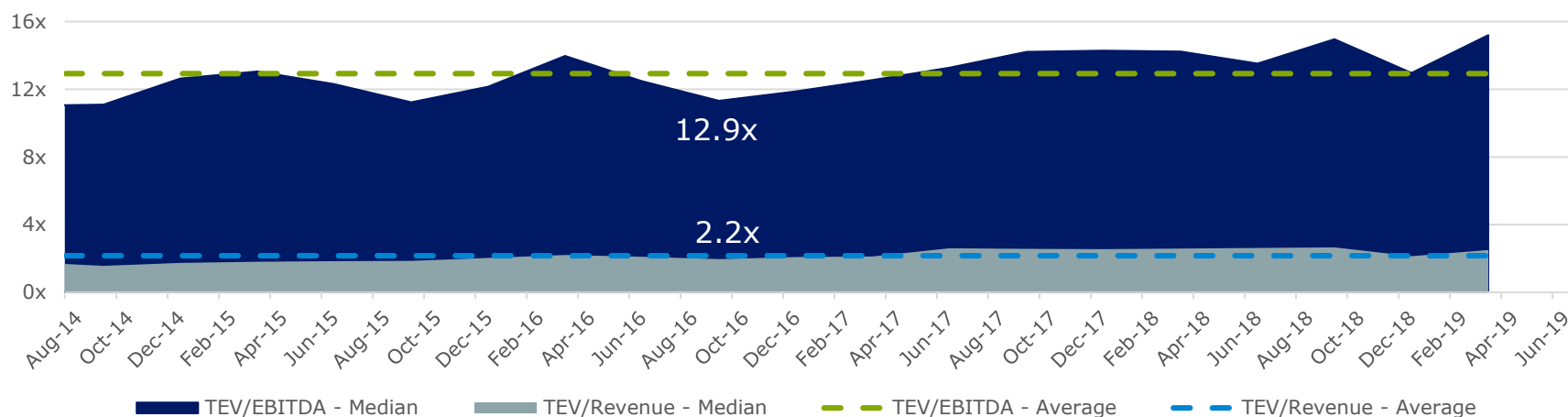




# PUBLIC BASKET AND VALUATION TRENDS

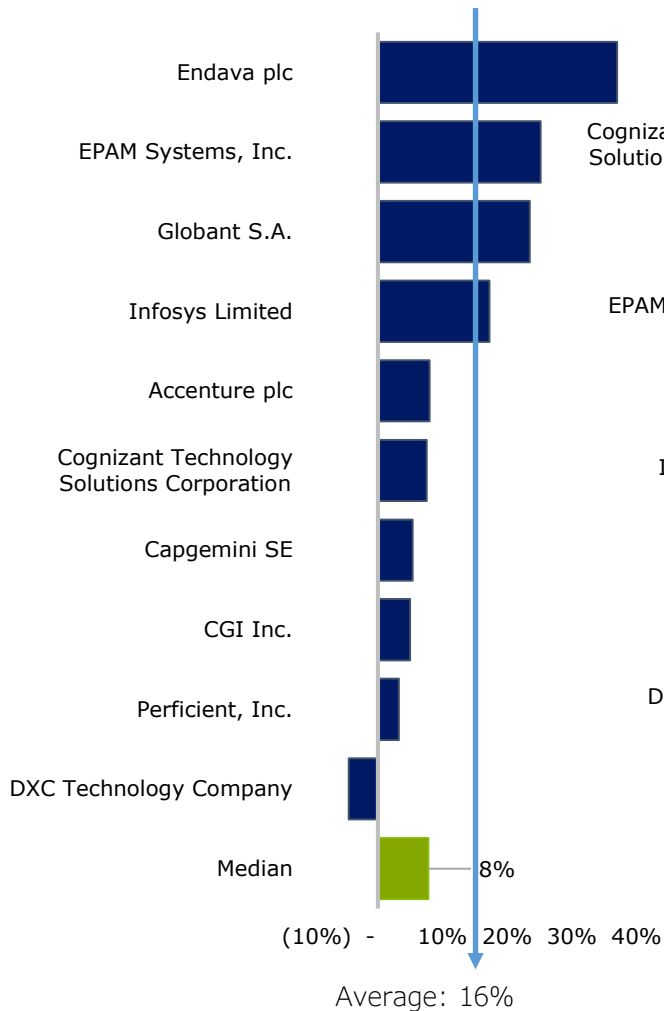
Company	TEV \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Perficient, Inc.	1,220	511	3%	36%	12%	2.4	19.6	3,060	167
Endava plc	1,743	355	37%	35%	14%	4.9	34.0	4,819	74
Globant S.A.	3,724	549	23%	40%	18%	6.8	36.7	8,384	65
EPAM Systems, Inc.	8,908	1,940	25%	35%	16%	4.6	29.6	30,156	64
DXC Technology Company	19,150	20,753	-5%	28%	20%	0.9	4.5	130,000	160
Capgemini SE	20,369	15,110	5%	27%	13%	1.4	10.8	211,313	72
CGI Inc.	22,224	8,808	5%	30%	17%	2.5	14.9	74,000	119
Cognizant Technology Solutions Corporation	34,218	16,323	8%	39%	20%	2.1	10.7	281,600	58
Infosys Limited	42,526	11,933	17%	33%	25%	3.6	14.2	228,123	52
Accenture plc	113,628	40,840	8%	32%	16%	2.8	17.0	459,000	89
<b>Average</b>	26,771	11,712	13%	33%	17%	3.2	19.2	143,046	92
<b>Median</b>	19,759	10,370	8%	34%	17%	2.7	16.0	102,000	73

Public Rev & EBITDA Multiples Over Time

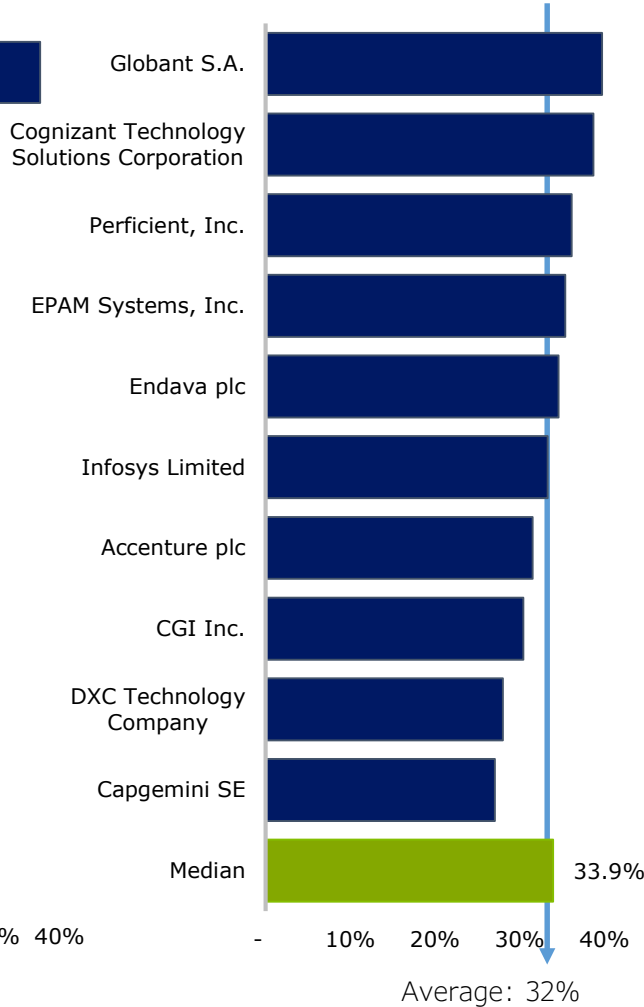


# OPERATIONAL METRICS

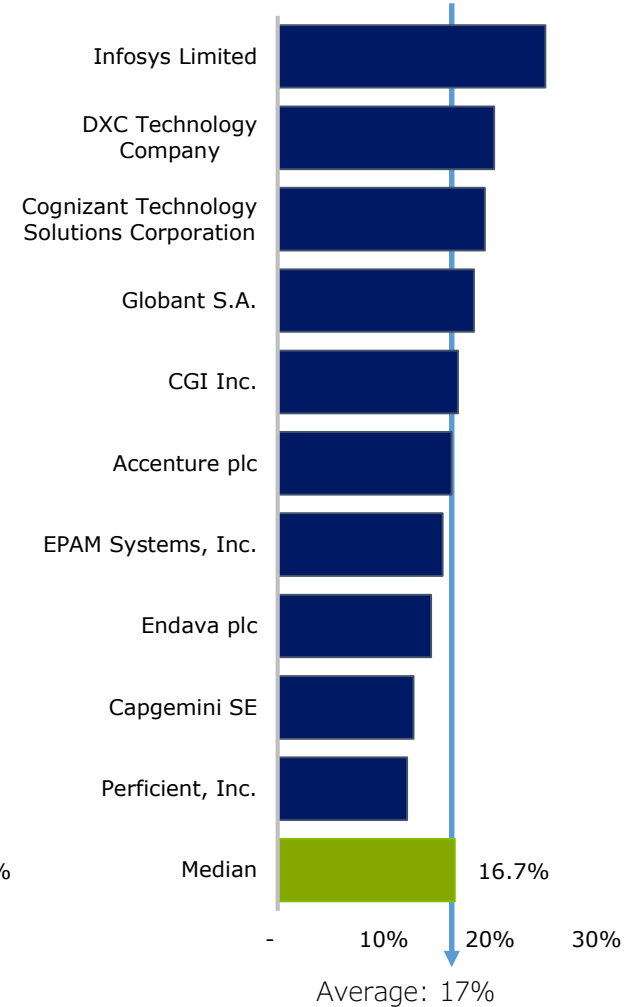
## LTM REVENUE GROWTH %



## LTM GROSS PROFIT MARGIN %



## LTM EBITDA %



## Commentary

*"The world's largest enterprises are asking us for more assistance and providing us more opportunity to help their businesses thrive because the end-to-end capabilities we bring are indispensable in a competitive environment where technology and customer experience are inexplicably connected."*

— Jeffrey Davis, President & CEO

## Highlights

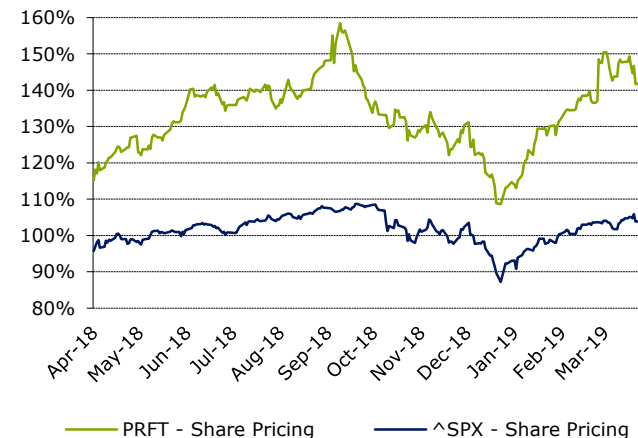
For the quarter ended March 31, 2019 (Q1'19):

- Perficient forecasted Q1 revenues of \$129M, but actually delivered Q1 revenues of \$132.9M, an 11% increase over the comparable Q1'18. Net income increased 43% to \$7M for Q1'19 from \$4.9M in Q1'18.
- The company booked 70 deals over \$0.5M during Q1'19, up from 49 deals during Q4'18, and 54 deals during Q1'18. Management was pleased to announce this material increase in large deal signings.
- Perficient advanced stages of M&A activity with a couple firms, confirming this activity as an essential strategy for growth. For FY'19 M&A forecasting, management hopes acquisitions will add approximately \$50M in revenue run-rate to its financial ledger.
- Perficient's pipeline is the largest it has ever been, an encouraging trend during this early stage of digitalization. Management is confident in maintaining high growth and a strong pipeline despite macro economic uncertainty.

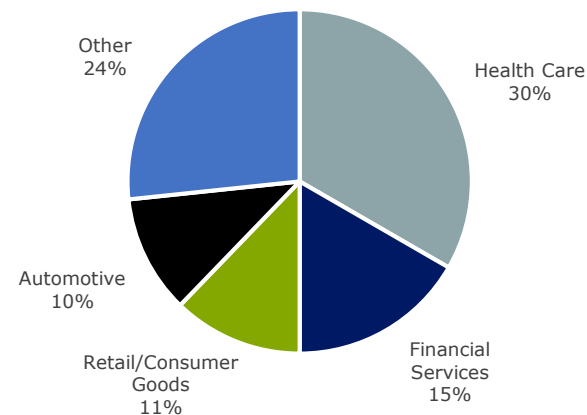
## News

- [Perficient Completes Acquisition of Sundog Interactive](#)
- [Perficient Sets Ambitious M&A Goal](#)

## Market Performance (Q2'18 – Q1'19)



## Revenue by Industry



## Commentary

*"We continue to experience strong demand coming from organizations looking to transform their businesses. At Globant, we are extremely well positioned as a leader to deliver these transformations."*

— Martín Migoya, CEO & Co-Founder

## Highlights

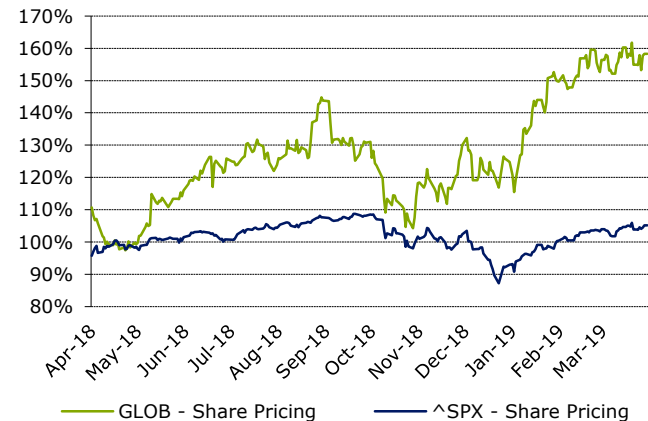
For the quarter ended March 31, 2019 (Q1'19):

- Globant maintained efforts to diversify operations in multiple geographic regions, creating a reduced impact of seasonality in terms of revenues.
- Q1'19 revenues totaled \$146.2M and increased 4.3% over the last quarter of FY'18. Management forecasts Q2'19 revenues to range between \$156M-\$158M, delivering a 22.8% year-over-year growth at the midpoint of the range.
- Globant continued to be at the forefront of new technology services and trends. Management is confident in advancing operations in the business segments of IoT Solutions, Artificial Intelligence, Intelligent Automation, Quantum Computing, and 5G Connectivity.
- Globant also continued to broaden its expertise in cloud technologies and financial services with the acquisition of Avanxo, a leading cloud transformation company with a global reputation.
- M&A and investment activity was a key factor for the increase of rendered services to clients, up from 348 customers in Q1'18 to 472 customers in Q1'19.

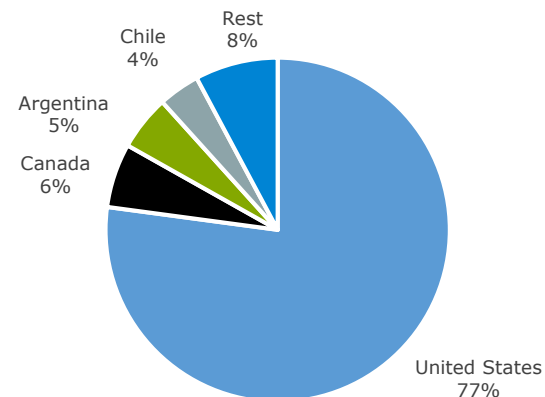
## News

- [Globant to Acquire Avanxo](#) to Expand Digital and Cognitive Transformation Expertise
- [Globant Announces 2019 Trends Report](#)

## Market Performance (Q2'18 – Q1'19)



## Revenue by Geography





## Commentary

*"Our Q1 results reflect solid demand for our services, underpinned by a diverse mix of projects and offerings across the industries we serve. We remain confident that our strategy of combining our core engineering heritage with consulting, advanced technology and digital business services positions EPAM well for the future."*

— Arkadiy Dobkin, President & CEO

## Highlights

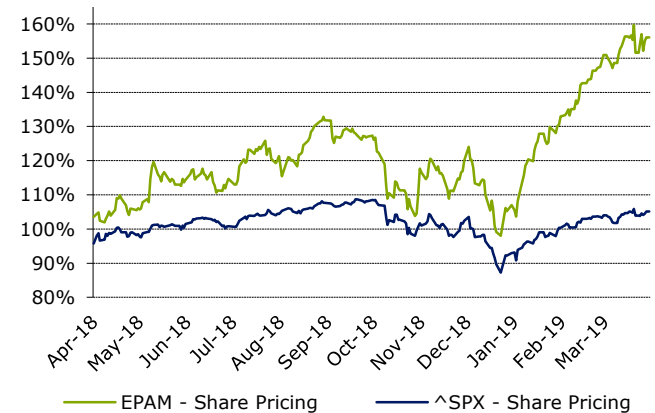
For the quarter ended March 31, 2019 (Q1'19):

- EPAM delivered revenues of \$521.3M in USD for the first quarter, reflecting 26% year-over-year growth in constant currency terms.
- While macro-level uncertainties loomed, EPAM demonstrated growth because of nonstop focus on investing across the business, broadening the set of offerings, and maintaining efforts to improve preparation for the future. The drivers of growth remained very consistent and were largely driven by increased interest in digital transformation, artificial intelligence, machine learning, and analytics.
- While little color was given around M&A strategy, management included that EPAM will continue to pursue M&A activity around the same size and scale of prior acquisitions. Of note, the acquisition of TH\_NK in November 2018 was completed for ~\$39M in USD, according to CapIQ.
- For the remaining calendar year, EPAM intends to expand on emerging industry verticals and gain additional skills and talent via M&A activity.

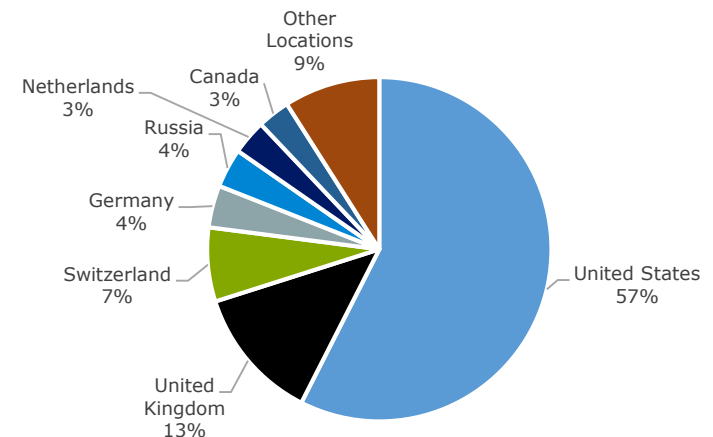
## News

- [EPAM Wins Google Cloud North American Breakthrough Partner of the Year Award](#)
- [EPAM Wins 2019 Big Innovation Award For TelescopeAI](#)

## Market Performance (Q2'18 – Q1'19)



## Revenue by Geography



## Commentary

*"The Group achieved a good first-quarter performance with continued momentum in our business, particularly in Europe. We are successfully leveraging the investments in our innovation-driven portfolio and our position as a global leader in digital and cloud."*

— Paul Hermelin, Chairman & CEO

## Highlights

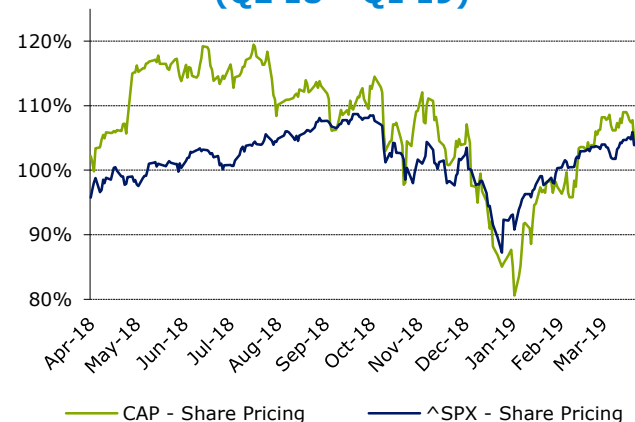
For the quarter ended March 31, 2019 (Q1'19):

- Digital and Cloud, the main growth engines and operations in this field, grew by 20% year-on-year.
- Revenue in constant currency delivered 6.7% growth in Q1'19. Of this growth, there was 5% organic growth, including 1.7% from M&A.
- In terms of M&A activity during the first quarter, Capgemini acquired Leidos Cyber, advancing expertise in cybersecurity with the addition of 500 elite professionals. This early acquisition confirmed that the company is on track for strong M&A performance during CY'19.
- Capgemini demonstrated the benefits from balanced growth engines across multiple regions geographically, especially with increasing demand in Europe.
- While growth slowed in North America due to a very demanding comparison basis, management is optimistic for second half improvements in response to accelerated manufacturing and consumer trends.

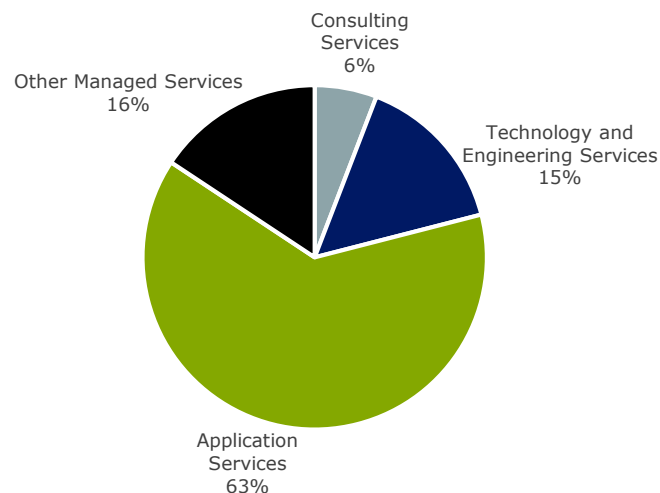
## News

- [Capgemini Announces the Closing of the Acquisition of Leidos Cyber](#)
- [Capgemini Releases Digital Transformation Review](#)

## Market Performance (Q2'18 – Q1'19)



## Revenue by Segment



## Commentary

*"There are slowing economies around the world, and so the dollars to make those investments, to complete where they're going digitally is a challenge. And that's a good place for a company like CGI that can play across both sides of that equation, both on the digital side, but also on the operational side."*

— George D. Schindler, President & CEO

## Highlights

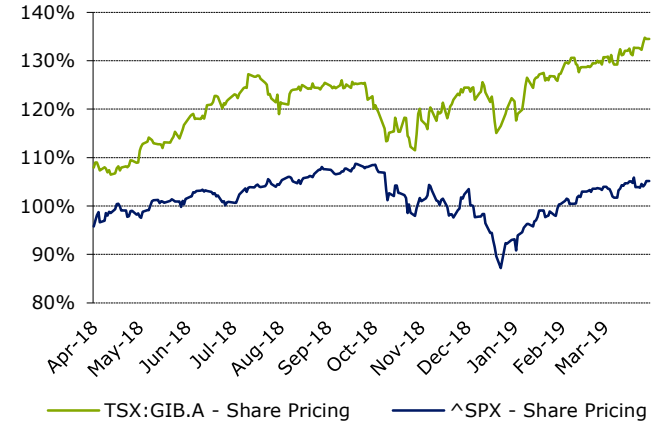
For the quarter ended March 31, 2019 (Q1'19):

- With slight uncertainty for a slowing macro-economy, clients are looking to accelerate and maximize operational efficiencies, encouraging differentiated platforms. Clients are increasing their IT budgets as infrastructure costs are going down because of cloud and other delivery mechanisms, confirming significant opportunity for growth.
- Growth is occurring through both CGI's existing base and through niche acquisitions such as metro market mergers. In terms of M&A strategy, CGI expects 50% of growth to derive inorganically via acquisitions.
- Overall, CEO George Schindler expressed his opinion that the industry is at "...an inflection point in the early stages..." of digital transformation and that the company is experiencing "broad-based growth" across all regions, augmented by its most recent mergers.

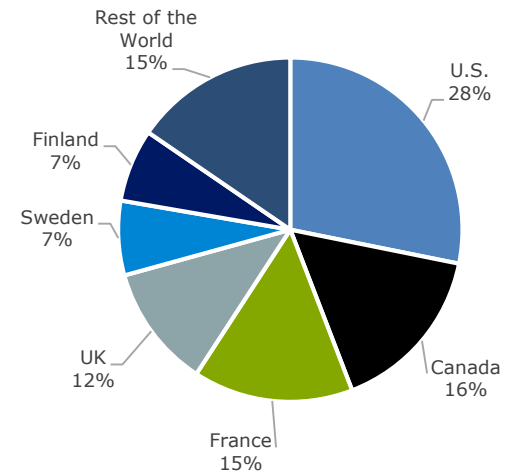
## News

- [CGI Completes Acquisition of Acando](#), a leading European Digital Services Firm

## Market Performance (Q2'18 – Q1'19)



## Revenue by Geography



## Commentary

*"The rate of digitization across industries creates a significant opportunity for us to add clients, recognize digital as both an opportunity and a threat. We've built leadership positions in many industry verticals and strong client relationships where we can upsell and cross-sell our lines of service."*

— Brian Humphries, CEO & Director

## Highlights

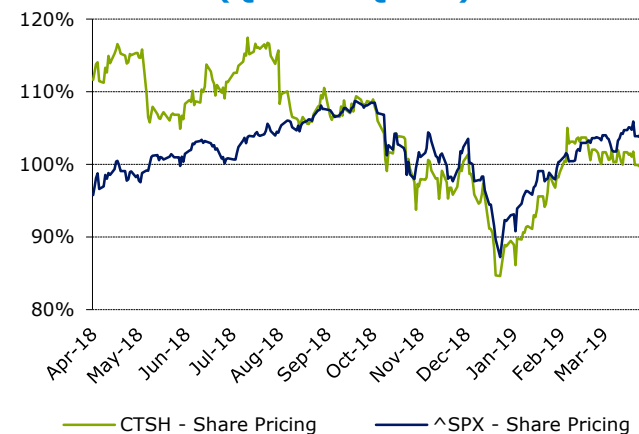
For the quarter ended March 31, 2019 (Q1'19):

- Cognizant is investing to build distinctive leadership in 6 advanced capabilities: interactive, artificial intelligence and analytics, intelligent process automation, platform solutions, core modernization, and digital engineering.
- Management continued efforts to diversify their client base geographically. Global markets currently account for ~25% of Cognizant's total revenue.
- In the first quarter, Cognizant acquired Meritsoft, a privately held financial software company. The acquisition further developed unique and powerful software products that address critical vertical industry requirements.
- Cognizant also announced the acquisition of Oy Samlink Ab, a Finnish technology services provider, confirming M&A activity as a meaningful source of growth during the quarter.

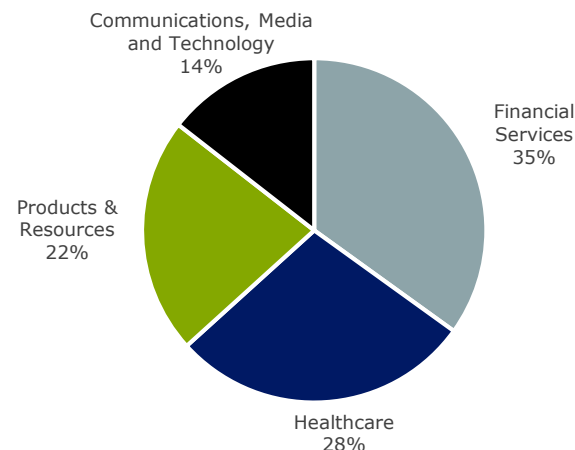
## News

- [Cognizant Acquires Meritsoft](#), An Award-Winning Fintech Innovator in Post-Trade Processing
- [Cognizant to Acquire Oy Samlink Ab](#)

## Market Performance (Q2'18 – Q1'19)



## Revenue by Segment





## Commentary

*"Clients are investing in modernization of the core, digital transformation, artificial intelligence, optimization and automation to drive new sources of customer value and to future-proof their business against economic downturns as well as competition."*

— Salil Satish Parekh, CEO & Director

## Highlights

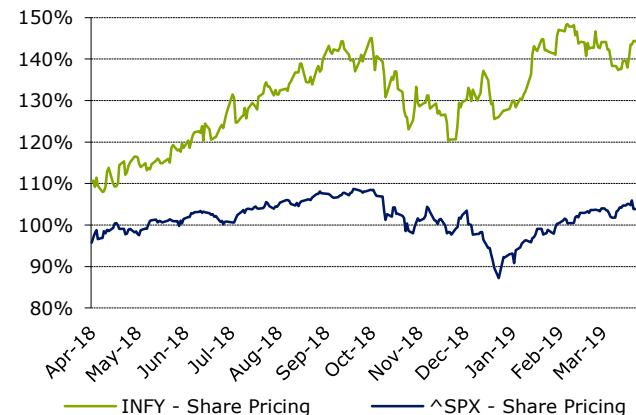
For the quarter ended March 31, 2019 (Q4'19):

- While macro-economic concerns pertain to certain verticals, Infosys continued a strong deal pipeline by helping clients accelerate their transformational agenda and building relationships.
- During fiscal Q4'19, Infosys finalized 13 large deal wins, totaling to \$1.6B in total contract value, confirming large scale deals as a source of growth. For the fiscal year 2019, large deal wins combined for \$6.3B, which was twice the value of business in fiscal year 2018.
- In terms of industry verticals, the Financial Services segment declined in the U.S. due to budget constraints, but deal wins in Europe caused fiscal fourth quarter growth.
- Clients continue to demonstrate increased interest towards Infosys for critical work in areas such as cybersecurity, customer experience, IoT, data analytics, and cloud computing.

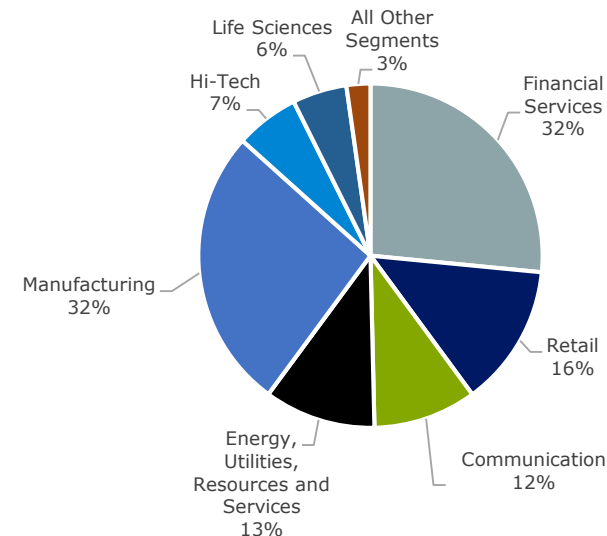
## News

- [Infosys and Roland-Garros Partner for Digital Innovation](#)
- [Infosys Completes Formation of Joint Venture with Hitachi, Panasonic and Pasona in Japan](#)

## Market Performance (FY'19)



## Revenue by Segment



## Commentary

*"The dominant driver of our bookings in the quarter continue to be high demand for digital, cloud and security-related services, which we estimate represented approximately 65% of our new bookings."*

— Kathleen R. McClure, Chief Financial Officer

## Highlights

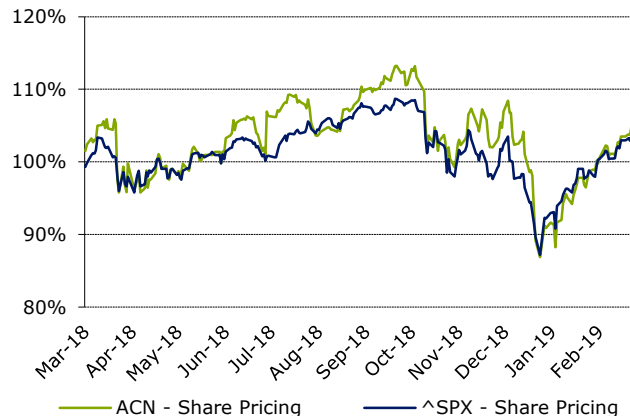
For the quarter ended February 28, 2019 (Q2'19):

- Accenture delivered strong revenue growth in all three of its geographic regions, with single digit growth in North America and Europe, but Japan, China, Brazil, and Singapore delivered double digit growth in local currency.
- Accenture leveraged the unique leadership position they have built in "the New" digital, cloud and security services. Momentum continued to build in these segments, thus delivering fiscal second quarter revenues of \$10.5B with 9% growth.
- Strong broad-based growth reflected Accenture's continued differentiation in the market. This diversified and consistent growth also installed a high level of trust within their clients.
- During fiscal Q2'19, Accenture closed deals with Orbium AG and Professional Services Assets of Zafin Labs Technologies Ltd.

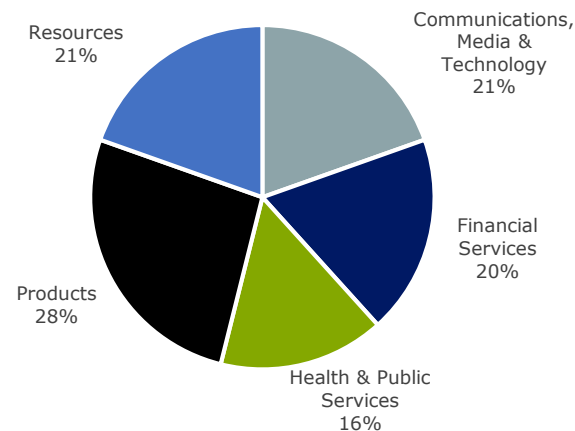
## News

- [Accenture Completes Acquisition of Orbium](#), a Business and Technology Consultancy to the Financial Services Industry
- [Accenture Completes the Acquisition of Select Professional Services Workforce From Financial Software Firm Zafin](#)

## Market Performance (Q3'18 - Q2'19)



## Revenue by Segment



## Commentary

*"We continued to enhance our portfolio of digital offerings, and we are re-skilling current employees to equip them with new digital capabilities and certifications. We have also hired thousands of new employees with advanced digital skills, and added more through acquisitions, to further scale our digital workforce."*

— John Michael Lawrie, President & CEO

## Highlights

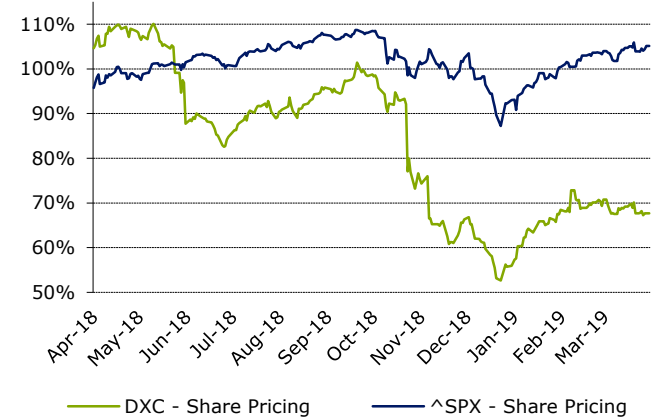
For the quarter ended March 31, 2019 (Q4'19):

- During the fiscal fourth quarter, revenue totaled \$5.3B. Revenue for fiscal year 2019 combined for \$20.8B. The book-to-bill was 1.1x for the quarter and 1x for the year.
- DXC bought Luxoft for ~\$2.1B, suggesting a forward EV/EBITDA multiple of 14.6x. The deal also allowed for potential smaller, tuck-in acquisitions to complement the business and expand access to digital talent. This acquisition is projected to close by the end of fiscal Q1'20.
- Adjusted EBIT was \$3.3B in FY'19 compared with \$3B in FY'18. The adjusted EBIT margin was 15.8% during FY'19 compared with 13.8% during FY'18.
- Management emphasized that DXC will continue to make strategic investments in digital assets and capabilities as the digital demand remains strong.

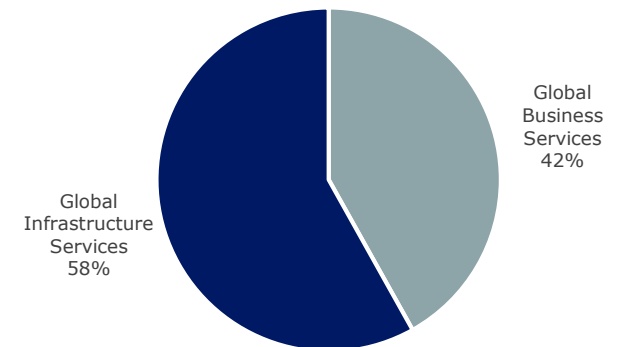
## News

- [DXC Technology to Acquire Luxoft](#), a Leading Digital Innovator
- [Enterprises Will Increase Digital Technology Investment and Adoption in 2019](#), According to Study by DXC Technology and Economic Intelligence Unit

## Market Performance (FY'19)



## Revenue by Segment



Source: PR, CapitalIQ and Earnings Call Transcript

## Commentary

*“Even with all the macro uncertainties, demand for our services remained strong and our pipeline is healthy in all geographies and verticals. We remain optimistic about our ability to deliver sustainable growth in the future.”*

— John E. Cotterell, CEO & Director

## Highlights

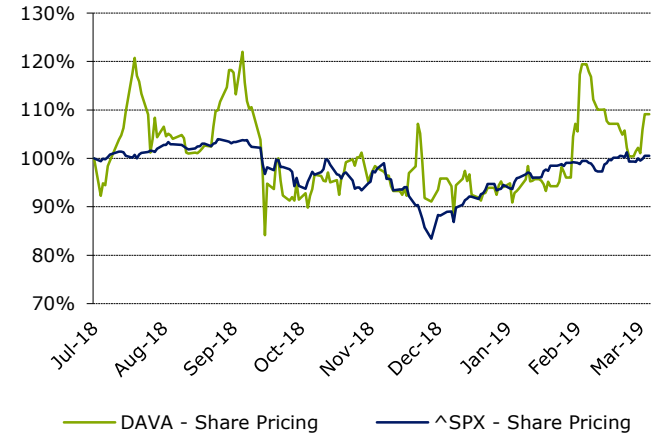
For the quarter ended March 31, 2019 (Q3'19):

- During the fiscal third quarter, Endava delivered revenue growth of 23.2% year-on-year at constant currency. This revenue growth was a direct response to an expansion of existing clients and the acquisition of new clients in the quarter.
- Endava added 16 new clients during Q3'19 and ended the quarter with 280 active clients, up from 271 clients at the end of Q2'19 and up from 249 clients at the end of Q3'18.
- Revenue from North America grew 33.8% for Q3'19 over the same quarter of 2018. Comparing the same periods, revenue from Europe grew 10.4% and the United Kingdom, 29.5%.
- Despite potential macro-economic impact caused by Brexit, management claimed that the demand environment continued to be healthy and that the pipeline remained strong.
- With the Bain-Endava partnership announced in the previous quarter, Endava continues to expand industry platforms and remains well positioned for future investment.

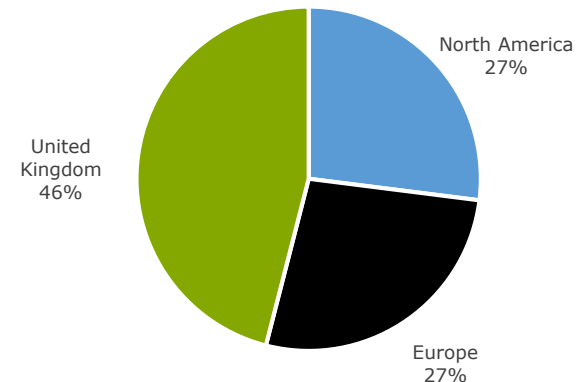
## News

- [Endava and Bain & Co.](#) Announce Strategic Partnership
- [Endava Named as One of the 10 Most Innovative ICT Disruptors](#) to Watch in 2019

## Market Performance (Since IPO July of 2018)



## Revenue by Geography



Source: PR, CapitalIQ and Earnings Call Transcript

## Content

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# FINANCIAL TRENDS

Company Name	Revenue (\$M)					Revenue Growth (%)		
	CQ1'19	CQ1'18	FY'18	FY'17	FY'16	CQ1'19	FY'18	FY'17
<b>Accenture plc</b>	\$ 10,454	\$ 9,909	\$ 39,573	\$ 34,850	\$ 32,883	5.5%	13.6%	6.0%
<b>Capgemini SE</b>	\$ 3,868	\$ 3,544	\$ 15,109	\$ 15,039	\$ 13,236	9.1%	0.5%	13.6%
<b>CGI Inc.</b>	\$ 2,296	\$ 2,288	\$ 8,902	\$ 8,677	\$ 8,139	0.3%	2.6%	6.6%
<b>Cognizant Technology Solutions Corporation</b>	\$ 4,110	\$ 3,912	\$ 16,125	\$ 14,810	\$ 13,487	5.1%	8.9%	9.8%
<b>DXC Technology Company</b>	\$ 5,280	\$ 5,584	\$ 21,733	\$ 7,607	\$ 7,106	-5.4%	185.7%	7.1%
<b>Endava plc</b>	\$ 95	\$ 82	\$ 287	\$ 207	\$ 154	15.7%	38.7%	34.9%
<b>EPAM Systems, Inc.</b>	\$ 521	\$ 424	\$ 1,843	\$ 1,450	\$ 1,160	22.9%	27.1%	25.0%
<b>Globant S.A.</b>	\$ 146	\$ 120	\$ 522	\$ 413	\$ 323	22.1%	26.3%	28.1%
<b>Infosys Limited</b>	\$ 3,193	\$ 2,703	\$ 10,837	\$ 10,208	\$ 9,501	18.1%	6.2%	7.4%
<b>Perficient, Inc.</b>	\$ 134	\$ 121	\$ 498	\$ 485	\$ 487	10.6%	2.7%	-0.4%
<b>Average</b>	\$ 3,010	\$ 2,869	\$ 11,543	\$ 9,375	\$ 8,648	10.4%	31.2%	13.8%
<b>Median</b>	\$ 2,745	\$ 2,496	\$ 9,870	\$ 8,142	\$ 7,623	9.9%	11.2%	8.6%

# FINANCIAL TRENDS

Company Name	Gross Margin (%)					EBITDA Margin (%)				
	CQ1'19	CQ1'18	FY'18	FY'17	FY'16	CQ1'19	CQ1'18	FY'18	FY'17	FY'16
<b>Accenture plc</b>	29.2%	28.9%	31.4%	31.7%	31.3%	14.7%	14.5%	16.3%	16.2%	16.0%
<b>Capgemini SE</b>	27.5%	27.1%	27.1%	27.0%	26.8%	14.1%	14.1%	12.8%	12.9%	12.6%
<b>CGI Inc.</b>	14.9%	14.4%	30.6%	30.1%	30.2%	18.1%	17.7%	16.8%	16.7%	17.0%
<b>Cognizant Technology Solutions Corporation</b>	37.3%	38.6%	39.0%	38.2%	39.9%	16.4%	20.7%	20.6%	20.5%	20.0%
<b>DXC Technology Company</b>	27.3%	26.8%	24.9%	27.1%	27.0%	15.4%	26.2%	20.2%	9.6%	12.3%
<b>Endava plc</b>	34.2%	33.4%	33.2%	31.8%	35.0%	12.8%	13.0%	15.0%	17.5%	19.8%
<b>EPAM Systems, Inc.</b>	33.9%	34.5%	35.6%	36.5%	36.5%	14.4%	13.4%	15.3%	13.9%	13.6%
<b>Globant S.A.</b>	39.3%	37.8%	39.4%	36.4%	40.8%	17.6%	15.4%	18.1%	13.7%	19.2%
<b>Infosys Limited</b>	30.9%	33.8%	34.6%	35.4%	36.2%	23.6%	26.8%	26.8%	27.1%	27.6%
<b>Perficient, Inc.</b>	35.7%	34.5%	35.8%	33.3%	31.1%	11.4%	10.7%	12.1%	11.0%	10.3%
<b>Average</b>	<b>31.0%</b>	<b>31.0%</b>	<b>33.1%</b>	<b>32.7%</b>	<b>33.5%</b>	<b>15.9%</b>	<b>17.3%</b>	<b>17.4%</b>	<b>15.9%</b>	<b>16.8%</b>
<b>Median</b>	<b>32.4%</b>	<b>33.6%</b>	<b>33.9%</b>	<b>32.5%</b>	<b>33.1%</b>	<b>15.1%</b>	<b>14.9%</b>	<b>16.5%</b>	<b>15.1%</b>	<b>16.5%</b>

# KEY TRANSACTIONS IN 1Q 2019

Date	Target	Buyers/Investors	Target Business Description
01/09/2019	Orbium AG	Accenture plc	Orbium AG provides system implementation, software development, training, testing, and management services for the financial services industry.
01/23/2019	Oy Samlink AB	Cognizant Technology Solutions Corporation	Oy Samlink AB provides information technology services and solutions for the financial sector.
02/12/2019	Digital Ware SA	H.I.G. Capital, LLC	Digital Ware SA, a leading independent software supplier headquartered in Columbia, specializes in the development and sale of software solutions via enterprise resource planning (ERP) and business process management (BPM).
02/27/2019	Aptean, Inc.	Vista Equity Partners, LLC	Aptean, Inc. provides mission-critical customer relationship management (CRM), enterprise resource planning (ERP), and supply chain software applications and solutions globally.
03/14/2019	PIEtech, Inc.	Envestnet, Inc.	PIEtech, Inc. develops financial planning software for financial advisors in the financial services industry. This application software enables advisors to maintain investment strategies and meet financial goals.



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