



# Communication Systems and Technologies Group

KPMG Corporate Finance LLC

Q2 2017 M&A NEWSLETTER

[kpmg.com](http://kpmg.com)

# Communication Systems and Technologies M&A Overview

Total global deal volume in Q2'17

76



The Communication Systems and Technologies ("CST") sector saw 76 deals announced in Q2'17 down from 89 deals in Q2'16, but an increase of 25 transactions compared to Q1'17

\$12.0

Aggregate deal value



The aggregate CST deal value in Q2'17 almost doubled at \$12.0bn, up from \$6.8bn in Q2'16. The quarter witnessed 3 deals above \$1bn. Deal value was down compared to Q1'17, when the \$15.3 bn acquisition of Mobileye was announced

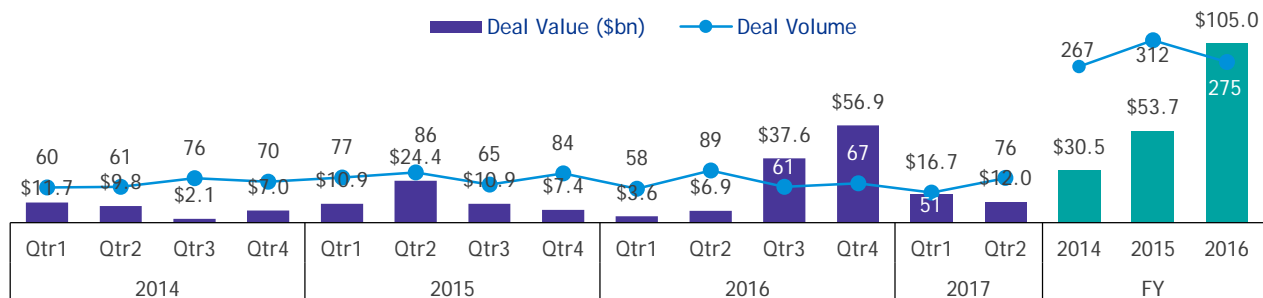


North America had the highest share of CST Global M&A volume in Q2'17

North America	EMEA	Asia-Pacific	LatAm
67.1%	15.8%	14.5%	2.6%

North America continued to have the lion's share in global CST M&A activity with 67.1% of the deal volume in this quarter, followed by EMEA and Asia-Pacific regions with 15.8% and 14.5% of the deal volume respectively

## CST deal value and volume



## Sub-sector M&A overview



### Network Infrastructure

Deal Volume

10%



The network infrastructure sub-sector saw 19 deals announced in Q2'17, a decline of -10% YoY as compared to the 21 deals announced in Q2'16. However, network infrastructure deals increased in Q2'17 when compared to the 11 deals announced in Q1'17



### Mobile

Deal Volume

67%



The quarter witnessed 5 mobile sub-sector deals, a third of the deal announcements made in the same period last year. Mobile deals also decreased compared to the 11 deals announced in Q1'17



### UCaaS

Deal volume

14%



The UCaaS sub-sector saw 25 deals in this quarter as compared to 22 deals in Q2'16, an increase of +14%. UCaaS deals in Q2'17 also increased when compared to the 14 deals announced in Q1'17



### IoT

Deal volume

15%



The IoT sub-sector had 28 deal announcements in Q2'17, that declined by -15% when compared to the 33 deals announced in Q2'16. However, IoT deals increased compared in Q2'17 when compared to the 21 deals announced in Q1'17

Note: M&A analysis is based on the deals announced during the respective periods. Deal value represents aggregate deal value for disclosed transactions.

## Mid-Year M&A Commentary

KPMG continues to play a major role in a robust M&A landscape as the M&A Advisor Rankings to the right display. M&A is continued to be driven by a strong equity market, healthy corporate balance sheets, cheap access to debt, and an abundance of private equity capital needing to be deployed. Companies continue to see M&A as the best way to add value in a low growth economic environment. Other trends that are adding fuel to the M&A fire are topics such as businesses need to continually digitize and analyze its operations to drive future margin improvement and continue to be competitive in an ever evolving world of data and analytics

### Middle Market M&A Advisor Rankings\*

Q2 2017	No. of deals
1. Rothschild & Co	129
2. KPMG	127
3. PWC	103
4. Lazard	93
5. IMAP	82

\* Deal size less than \$500 million

\* Source: Thomson Reuters SDC, 30 June 2017

Sources: 451Research, Capital IQ and KPMG research



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# IoT and the Mobile Workforce

Field Service Management (“FSM”) technology is poised to fundamentally change the way mobile work forces operate. With real-time communication and collaboration, FSM will deliver capabilities to field technicians that will allow them to manage on-site operations through a combined software and hardware mobile solution. This combination of ubiquitous wireless connectivity, sensors, cloud, data and analytics, wearable technology, and machine learning is driving demand for proactive IoT enabled digital field services and workforce management solutions that extract insights from a deluge of data. Today, a rapidly increasing number of field technicians are equipped with smart wearable headset/glasses technology that provides augmented reality, real-time repair or maintenance information and videoconferencing between on-site technicians and remote supervisors. By leveraging innovative augmented reality technologies, these wearables will enable technicians to see schematic drawings

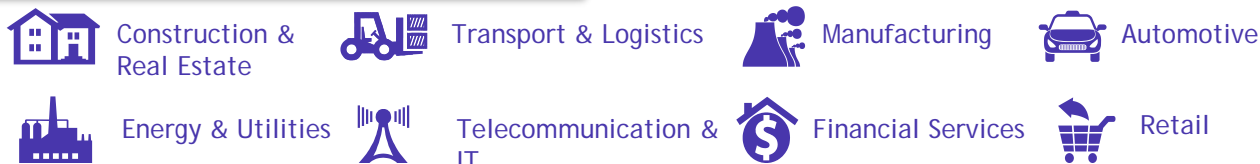


and descriptive and maintenance/repair information about the system they are looking at overlaid in their field of vision on top of the actual system. The benefits these combined IoT technologies are immense including drastically increased productivity and efficiency, enhanced revenues, and customer satisfaction, while simultaneously reducing risk, compliance, and billing related issues. Currently, the FSM market represents over \$1.91B in annual spending and expected to reach \$3.61B by 2021, growing at a CAGR of 15.1%. Startups that bring digitization to industries have seen an investment of more than \$2.2B in 2016 alone, substantiating the attractiveness of this vertical.

## Key Drivers

- Increasing focus on improving field service productivity through automation of field service processes
- Expanding wireless communication network infrastructure
- Rising trend of outsourcing field service operations
- Growing demand for enterprise mobility solutions across various industries
- Rising importance for transparency in field operations

## Target Industries



## Representative Players



## Notable Transactions

Date	Acquirer	Target	Deal Value (\$mm)	EV / Revenue	EV / EBITDA
11/14/2016	GE Digital	ServiceMax	\$915	10.2x	NA
04/30/2015	Francisco Partners	ClickSoftware	\$438	3.2x	NA
10/14/2014	HgCapital	Allocate Software	\$175	2.3x	13.1x
07/31/2014	Oracle Corporation	TOA Technologies	\$550	12.2x	NA

Sources: 451Research, Capital IQ, Mergermarket and KPMG research`



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# KPMG CF Transaction Spotlight



Acted as the exclusive financial advisor to



on the divestiture of its Tolling and ALPR / ANPR business to



June 2017

- KPMG Corporate Finance LLC (“KPMG CF”) acted as the exclusive financial advisor to 3M Company (“3M”) on the divestiture of its tolling and automated license/number plate recognition (“ALPR / ANPR”) business, which is part of 3M’s Traffic Safety and Security Division, to Neology, Inc., a leading provider of integrated solutions for tolling, electronic vehicle registration and public safety applications. Neology is a subsidiary of SMARTRAC, a portfolio company managed by One Equity Partners

#### Overview:

- 3M’s tolling and ALPR / ANPR business provides automatic vehicle classification systems, high-quality RFID readers and tags, lane controller and host software, and back office software and services
- The business also offers a full spectrum of mobile and fixed cameras, software, and services in automated license/number plate recognition
- The business has annual global sales of approximately \$40 million

#### Engagement:

- The CST team was engaged to act as 3M’s exclusive financial advisor to run a targeted sell-side process that ultimately resulted in a sale to Neology, Inc.
- The combination with Neology creates a market leader with a broad range of best-in-class products and excellent customer relationships and represents a highly successful outcome for both the tolling and ALPR / ANPR business and 3M

## Transactions in Focus

TE Connectivity Ltd. announced the acquisition of Hirschmann Car Communications, a provider of vehicle navigation, entertainment and communications systems antennas for automobile manufacturers globally

Announced Date: June 26, 2017 Deal Value: \$166mm EV/Revenue: 1.0x EV/EBITDA: NA

TE Connectivity’s purchase of Hirschmann Car Communications from VOXX International Corporation, expands the Company’s product portfolio, particularly in-car entertainment systems and further enhances its integrated solution offerings for connected and autonomous vehicles.

Verizon Communications announced the acquisition of Straight Path Communications, a company that owns and leases wireless spectrum licenses to mobile network operators and internet service providers

Announced Date: May 11, 2017 Deal Value: \$3,100mm EV/Revenue: NA EV/EBITDA: NA

Verizon acquired Straight Path Communications after winning a bidding war with competitor AT&T, for the target’s 900 wireless spectrum licenses that would give Verizon an advantage in 5G network development. The Company nearly doubled AT&T’s offer for Straight Path with a \$3.1bn proposal echoing the trend of heavy investment in 5G technology by US mobile network operators.

Cisco Systems announced the acquisition of MindMeld, a provider of artificial intelligence (AI), conversation-based mobile user interface development software

Announced Date: May 11, 2017 Deal Value: \$125mm EV/Revenue: NA EV/EBITDA: NA

Cisco Systems acquired MindMeld primarily for its AI Technology, the Company’s first deal in this space. The acquisition will power new conversational interfaces for Cisco’s collaboration products, revolutionizing how users will interact with the Company’s technology, increasing ease of use, and enabling new cognitive capabilities.

Apollo Global Management announced the acquisition of West Corporation, a provider of outsourced customer call center services, wireless and wireline telecommunications, hosted conference call, and online messaging services

Announced Date: May 9, 2017 Deal Value: \$2,002mm EV/Revenue: 2.2x EV/EBITDA: 8.1x

West Corporation was purchased by affiliates of certain funds managed by Apollo Global Management, making this the target’s second take-private transaction. Apollo believes that West Corporation is well-positioned to capitalize on customer migration to cloud-based solutions and should continue to grow its Safety Services, Interactive Services and Health Advocate Solutions businesses.

Sources: 451Research, Capital IQ, Mergermarket and KPMG research



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# CST Coverage Team




Tolling and ALPR / ANPR Business has been acquired by



Intelligent Transportation




Microwave Telecoms Business has been acquired by



Communication Networks  
\$110 MM




has been acquired by



Smart City  
£100 MM




has been acquired by



Connected Car / IoT




has been acquired by



IoT and Embedded Computing  
\$105 MM




has been acquired by



Communication Networks



ALPINE INVESTORS has sold



to





IoT





has been acquired by



Connected Car / IoT  
\$145 MM

has acquired



Embedded Computing Components & Systems

## Global Coverage. Industry Knowledge. Middle-Market Focus.

The Corporate Finance practices of KPMG International's network of independent member firms (KPMG) have been ranked collectively as the number one investment banking network according to Thomson Reuters SDC's global M&A transaction volume league tables. KPMG firms operate in 155 countries with more than 2,600 professionals who are able to meet the needs of clients across the globe.

### KPMG Corporate Finance LLC

KPMG Corporate Finance LLC (KPMGCF) provides a broad range of investment banking and advisory services to its domestic and international clients. Our professionals have the experience and depth of knowledge in global M&A and project finance to advise clients on mergers and acquisitions, sales and divestitures, buyouts, financings, debt restructurings, equity recapitalizations, infrastructure project finance, capital advisory, real estate, portfolio solutions, and other advisory initiatives. For more information on KPMGCF, please visit [www.kpmgcorporatefinance.com](http://www.kpmgcorporatefinance.com)

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# Selected Recent M&A Transactions (1/5)

Announced	Target	Acquirer	Sub-Sector	Deal Value (\$mm)	EV / Revenue	EV / EBITDA
06/29/2017	Vosko B.V.	Conscia A/S	Ucaas	-	-	-
06/28/2017	Intrepid Pursuits	Accenture Ltd.	IoT	-	-	-
06/26/2017	Hirschmann Car Communications GmbH [VOXX]	HTE Connectivity Ltd.	IoT	\$166.0	1.0x	-
06/21/2017	Teramatrix Technologies Pvt. Ltd.	Globetouch Inc.	IoT	-	-	-
06/20/2017	Carriots S.L.	Altair Engineering Inc.	IoT	-	-	-
06/20/2017	broTECH Solutions LLC	TrackX Inc.	IoT	\$2.5	-	-
06/20/2017	3SI Security Systems Inc.	LLR Partners Inc.	Mobility	-	-	-
06/20/2017	Tanzanite Tower Private Limited [Towershare]	edotco Group Sdn Bhd [Axiata Group Berhad]	Network Infrastructure	\$90.0	-	-
06/20/2017	Quality Technology Solutions Inc.	Axispoint Technology Solutions Group	Ucaas	-	-	-
06/20/2017	VoIP Supply LLC	Sangoma Technologies Corporation	Ucaas	\$3.6	-	-
06/16/2017	Glenbriar Technologies Inc.	Uniserve Communications Corp.	Ucaas	\$0.8	-	-
06/14/2017	NexTraq	Michelin Group	Mobility	-	-	-
06/14/2017	Border 6	Expereo [Carlyle Group]	Network Infrastructure	-	-	-
06/13/2017	Smartlabs Inc.	Richmond Capital Partners	IoT	-	-	-
06/12/2017	inthin Technology Solutions Inc. (assets)	ORBCOMM Inc.	IoT	\$35.0	-	-
06/07/2017	GreatCall Inc.	GTCR LLC	IoT	-	-	-

Sources: 451Research, Capital IQ, Mergermarket and KPMG research



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# Selected Recent M&A Transactions (2/5)

Announced	Target	Acquirer	Sub-Sector	Deal Value (\$mm)	EV / Revenue	EV / EBITDA
06/07/2017	GPSTrackIt	Inverness Graham Investments	IoT	-	-	-
06/06/2017	ABAX as [Norvestor Equity]	Investcorp International Inc.	Mobility	\$210.0	-	-
06/05/2017	Covisint Corporation	OpenText Corporation	IoT	\$103.0	1.1x	-
06/05/2017	WestconGroup Inc. (Americas business)	SYNNEX Corporation	Ucaas	\$600.0	0.3x	8.0x
06/01/2017	CompView	Diversified Systems	Ucaas	-	-	-
06/01/2017	BMS Network Solutions	Field Solutions Group Pty. Ltd. [Freshtel]	Network Infrastructure	\$0.1	-	-
05/31/2017	Infobright (IAQ technology and IP assets)	Security On-Demand IoT		-	-	-
05/30/2017	Integrated Access Solutions Inc.	Avtex Inc. [LaSalle Capital]	Ucaas	-	-	-
05/30/2017	Alpheus Communications [Gores Group]	LOGIX Communications	Network Infrastructure	-	-	-
05/29/2017	Hangzhou Yongte Information Technology	Hangzhou Cable Co. Ltd.	Network Infrastructure	-	-	-
05/29/2017	Zhejiang Fuchunjiang Photo-Electric Science & Technology	Hangzhou Cable Co. Ltd.	Network Infrastructure	-	-	-
05/26/2017	Sandvine Inc.	Vector Capital	Network Infrastructure	\$357.9	3.0x	15.9x
05/25/2017	Beijing United Efficient Billing Communication Technology	Hunan Tianrun Digital Entertainment & Cultural Media	Network Infrastructure	\$249.0	-	-
05/24/2017	Intel Corporation (French embedded vehicle software R&D assets)	Renault S .A.	IoT	-	-	-
05/23/2017	Momentus Software Inc.	Softvision Consulting LLC [SPI]	IoT	-	-	-
05/23/2017	GENBAND Inc	Sonus Networks Inc.	Ucaas	\$412.0	1.0x	-

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# Selected Recent M&A Transactions (3/5)

Announced	Target	Acquirer	Sub-Sector	Deal Value (\$mm)	EV / Revenue	EV / EBITDA
05/19/2017	WorldwideIT	CompassMSP LLC	Ucaas	-	-	-
05/19/2017	Azzaron Inc.	Evolve IP LLC [Great Hill Partners]	Ucaas	-	-	-
05/16/2017	Tech Mahindra Ltd. (testing facility)	TUV Rheinland	IoT	-	-	-
05/15/2017	Statistica [Quest Software][Dell]	TIBCO Software Inc. [Vista Equity Partners]	IoT	-	-	-
05/15/2017	Greensmith Energy Management Systems	Wartsila Corporation	IoT	-	-	-
05/15/2017	Suvitech Co. Ltd.	Axiata Business Services [Axiata Group Berhad]	Network Infrastructure	\$11.1	-	-
05/12/2017	Vonage Holdings (hosted Infrastructure services assets)	RapidScale Inc.	Ucaas	-	-	-
05/11/2017	MindMeld Inc.	Cisco Systems Inc.	Mobility	\$125.0	-	-
05/11/2017	Straight Path Communications	Verizon Communications	Network Infrastructure	\$3,100.0	4,661.7x	-
05/09/2017	Catavolt Inc.	Hexagon AB	IoT	-	-	-
05/09/2017	Pristine Inc.	Upskill	IoT	-	-	-
05/09/2017	West Corporation	Apollo Global Management LLC	Ucaas	\$2,002.4	2.2x	8.1x
05/08/2017	CW Professional Services	Digital Management Inc.	IoT	-	-	-
05/04/2017	Residential Control Systems (assets)	Universal Electronics Inc.	IoT	\$9.0	-	-
05/03/2017	Abeeway SAS	Actility S.A.	IoT	-	-	-
05/01/2017	Kodiak Networks	Motorola Solutions	Ucaas	-	-	-

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# Selected Recent M&A Transactions (4/5)

Announced	Target	Acquirer	Sub-Sector	Deal Value (\$mm)	EV / Revenue	EV / EBITDA
04/28/2017	Tangoe Inc.	Marlin Equity Partners LLC	Mobility	\$305.0	-	37.6x
04/27/2017	Automatic Labs Inc.	Sirius XM Radio Inc.	IoT	\$115.0	-	-
04/27/2017	Exinda	GFI Software Development Ltd.	Ucaas	-	-	-
04/26/2017	iDevices LLC	Hubbell Inc.	IoT	\$60.0	-	-
04/26/2017	Hitachi Kokusai Electric Inc.	Kohlberg Kravis Roberts & Co. L.P.	IoT	\$2,300.0	1.2x	13.9x
04/26/2017	Telefonica Celular del Paraguay S.A. [Millicom] (1400 wireless communications towers)	American Tower Corporation	Network Infrastructure	\$125.0	-	-
04/24/2017	Vitronet Projekte GmbH [Vitronet Holding GmbH]	Deutsche Beteiligungs/Vitronet Management	Network Infrastructure	-	-	-
04/20/2017	Mobli Media [dba Mobli] (location-based photo filters patent)	Snap Inc	Mobility	-	-	-
04/18/2017	Rockefeller Group Technology Solutions Inc.	ConvergeOne LLC [Clearlake Capital Group]	Ucaas	-	-	-
04/17/2017	International Road Dynamics Inc	WiLAN Inc.	IoT	\$47.4	1.0x	15.5x
04/17/2017	Wilcon Holdings LLC [Pamlico Capital]	Crown Castle International Corp.	Network Infrastructure	\$600.0	-	-
04/13/2017	Campaigner	j2 Global Inc.	Ucaas	-	-	-
04/13/2017	Longscope Consulting (email security software assets)	j2 Global Inc.	Ucaas	-	-	-
04/13/2017	MXForce	j2 Global Inc.	Ucaas	-	-	-
04/13/2017	Script Inc. (fax assets)	j2 Global Inc.	Ucaas	-	-	-
04/13/2017	Send Technology [MXForce]	j2 Global Inc.	Ucaas	-	-	-

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# Selected Recent M&A Transactions (5/5)

Announced	Target	Acquirer	Sub-Sector	Deal Value (\$mm)	EV / Revenue	EV / EBITDA
04/13/2017	Broadview Networks Holdings Inc	Windstream Corp.	Ucaas	\$227.5	1.3x	7.5x
04/12/2017	XBP Inc.	Broadvoice	Ucaas	-	-	-
04/12/2017	Tollgrade Communications [Golden Gate Capital]	Enghouse Systems Limited	Network Infrastructure	\$23.0	1.0x	-
04/10/2017	Clear2there LLC	EarthBend LLC	IoT	-	-	-
04/10/2017	Southern Light LLC	Uniti Group Inc.	Network Infrastructure	\$700.0	-	-
04/09/2017	Antenna Plus (assets)	Airgain Inc.	IoT; Network Infrastructure	\$6.4	0.9x	-
04/06/2017	365 ITMS Limited [LMS Capital]	CORETX Holdings plc	Ucaas	-	-	-
04/06/2017	Digicel S.A. de C.V. (202 wireless towers)	Phoenix Tower International	Network Infrastructure	-	-	-
04/06/2017	SubPartners Pty. Ltd.	Superloop Limited	Network Infrastructure	\$2.5	-	-
04/04/2017	Bernecker + Rainer Industrie-Elektronik GmbH	ABB Group	IoT	-	-	-
04/03/2017	Foursys Ltd.	Chess Limited	Ucaas	-	-	-
04/03/2017	GlobalTop Technology Inc. (GNSS embedded module business)	Sierra Wireless Inc.	Network Infrastructure	\$3.2	0.6x	-

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# Select Public Comparables (1/3)

Network Infrastructure								
Company	Share price <sup>(1)</sup> (\$)	% of 52 Week High	Market Cap <sup>(1)</sup> (\$mm)	Enterprise Value <sup>(2)</sup> (\$mm)	LTM Revenue (\$mm)	LTM EBITDA <sup>(3)</sup> (\$mm)	EV/ LTM Revenue	EV/ LTM EBITDA
<b>Large Cap.</b>								
Cisco Systems	\$31.30	90.5%	156,501.7	120,997.7	48,510.0	15,048.0	2.5x	8.0x
Qualcomm	55.22	77.1%	81,584.0	83,529.0	23,243.0	7,881.0	3.6x	10.6x
Cognizant Technology	66.40	97.4%	39,109.4	36,044.4	13,831.0	2,714.0	2.6x	13.3x
Nokia	6.11	89.9%	35,656.8	31,419.5	25,108.0	3,502.9	1.3x	9.0x
HP Inc.	17.48	89.3%	29,424.7	30,024.7	49,473.0	4,301.0	0.6x	7.0x
Ericsson	7.14	88.9%	23,361.3	22,362.8	24,269.5	1,227.2	0.9x	18.2x
ZTE Corp.	\$3.50	96.8%	13,815.9	13,925.1	15,267.2	236.8	0.9x	NM
Palo Alto Networks	133.81	80.8%	12,287.0	11,433.4	1,653.3	(152.8)	6.9x	NM
Arista Networks	149.79	91.9%	10,786.1	9,782.0	1,222.4	287.0	8.0x	34.1x
Juniper Networks	27.88	90.1%	10,652.8	9,802.9	5,113.2	1,141.4	1.9x	8.6x
<b>Mid Cap.</b>								
Amdocs	\$64.46	97.0%	9,440.4	8,491.0	3,791.5	715.4	2.2x	11.9x
F5 Networks	127.06	85.0%	8,220.8	7,206.2	2,056.1	626.0	3.5x	11.5x
CommScope	38.03	89.0%	7,335.7	11,465.5	4,916.9	1,135.6	2.3x	10.1x
Brocade Communications	12.61	99.3%	5,170.7	5,422.7	2,708.8	375.7	2.0x	14.4x
Ubiquiti Networks	51.97	80.4%	4,171.5	3,862.8	822.3	290.7	4.7x	13.3x
Ciena Corporation	25.02	89.4%	3,548.6	3,809.6	2,715.3	345.3	1.4x	11.0x
Lumentum Holdings	57.05	84.8%	3,488.6	3,259.9	1,020.6	125.9	3.2x	25.9x
Viavi Solutions	10.53	88.6%	2,390.1	1,933.2	837.4	90.1	2.3x	21.5x
<b>Small Cap.</b>								
Infinera Corporation	\$10.67	80.6%	1,563.6	1,435.2	800.8	(5.6)	1.8x	NM
Netgear Inc.	43.10	70.9%	1,398.8	1,037.5	1,341.7	143.7	0.8x	7.2x
Extreme Networks	9.22	83.6%	1,015.7	993.4	559.0	34.1	1.8x	29.2x
ADTRAN, Inc.	20.65	86.9%	997.9	899.7	664.9	51.6	1.4x	17.4x
Calix	6.85	83.5%	341.6	290.1	477.9	(46.3)	0.6x	NM
<b>Mean</b>		<b>87.5%</b>					<b>2.5x</b>	<b>14.8x</b>
<b>Median</b>		<b>88.9%</b>					<b>2.0x</b>	<b>11.9x</b>

(1) Market Data including Market Capitalization amounts are based on closing share prices as of June 30, 2017.

(2) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents.

(3) EBITDA equals Earnings before Interest, Taxes, Depreciation, and Amortization.

Sources: 451Research, Capital IQ and KPMG research



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# Select Public Comparables (2/3)

Mobile								
Company	Share price <sup>(1)</sup> (\$)	% of 52 Week High	Market Cap <sup>(1)</sup> (\$mm)	Enterprise Value <sup>(2)</sup> (\$mm)	LTM Revenue (\$mm)	LTM EBITDA <sup>(3)</sup> (\$mm)	EV/ LTM Revenue	EV/ LTM EBITDA
<b>Mobile Operating Systems</b>								
Apple Inc.	\$144.02	91.9%	750,897.2	782,511.2	220,457.0	69,750.0	3.5x	11.2x
Alphabet Inc.	929.68	92.2%	635,839.6	547,337.6	94,765.0	29,860.0	5.8x	18.3x
Microsoft	68.93	94.6%	532,175.1	496,594.1	87,247.0	27,738.0	5.7x	17.9x
BlackBerry	9.97	81.9%	5,295.1	3,837.9	1,144.0	87.0	3.4x	44.1x

Enterprise Mobility Management (EMM)								
SAP	\$104.78	95.3%	125,588.2	126,475.8	24,186.3	6,369.7	5.2x	19.9x
Citrix Systems	79.58	83.0%	12,028.4	12,071.9	3,422.2	1,026.2	3.5x	11.8x
Synchronoss Technologies	16.45	32.9%	762.8	886.6	476.8	54.3	1.9x	16.3x
MobileIron	6.05	89.3%	557.7	467.2	168.2	(61.9)	2.8x	NM
Tangoe	6.51	62.7%	260.0	257.7	NA	9.6	NA	26.7x

Location Based Services								
FleetCor Technologies	\$144.21	81.7%	13,304.5	16,626.3	1,937.7	934.5	8.6x	17.8x
Garmin Ltd.	51.03	90.8%	9,597.6	8,505.6	3,033.2	710.2	2.8x	12.0x
Trimble	35.67	95.5%	9,020.8	9,246.2	2,393.1	389.0	3.9x	23.8x
TomTom	9.58	86.2%	2,226.2	2,137.9	1,051.0	124.0	2.0x	17.2x
<b>Mean</b>		<b>82.9%</b>					<b>4.1x</b>	<b>19.7x</b>
<b>Median</b>		<b>89.3%</b>					<b>3.5x</b>	<b>17.8x</b>

Unified Communications as a Service (UCaaS)								
Company	Share price <sup>(1)</sup> (\$)	% of 52 Week High	Market Cap <sup>(1)</sup> (\$mm)	Enterprise Value <sup>(2)</sup> (\$mm)	LTM Revenue (\$mm)	LTM EBITDA <sup>(3)</sup> (\$mm)	EV/ LTM Revenue	EV/ LTM EBITDA
Citrix Systems	\$79.58	83.0%	12,028.4	12,071.9	3,422.2	1,026.2	3.5x	11.8x
j2 Global	85.09	93.0%	4,100.7	4,741.7	928.4	369.5	5.1x	12.8x
RingCentral	36.55	93.7%	2,747.3	2,597.6	405.0	(11.3)	6.4x	NM
Vonage Holdings	6.54	83.0%	1,452.1	1,757.2	972.1	106.1	1.8x	16.6x
8x8, Inc.	14.55	86.6%	1,333.1	1,158.1	253.4	4.6	4.6x	NM
BroadSoft	43.05	88.9%	1,322.0	1,226.6	347.5	32.6	3.5x	37.6x
Mitel Networks	7.35	86.3%	902.1	1,083.0	977.7	115.0	1.1x	9.4x
ShoreTel, Inc.	5.80	67.8%	396.0	291.1	356.6	6.0	0.8x	48.3x
Sonus Networks	7.44	74.4%	383.8	292.2	246.8	(0.3)	1.2x	NM
magicJack VocalTec	7.20	80.9%	115.9	64.7	96.9	18.5	0.7x	3.5x
<b>Mean</b>		<b>83.8%</b>					<b>2.9x</b>	<b>20.0x</b>
<b>Median</b>		<b>84.6%</b>					<b>2.7x</b>	<b>12.8x</b>

(1) Market Data including Market Capitalization amounts are based on closing share prices as of June 30, 2017.

(2) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents.

(3) EBITDA equals Earnings before Interest, Taxes, Depreciation, and Amortization.

Sources: 451Research, Capital IQ and KPMG research



# Select Public Comparables (3/3)

IoT and M2M								
Company	Share price <sup>(1)</sup> (\$)	% of 52 Week High	Market Cap <sup>(1)</sup> (\$mm)	Enterprise Value <sup>(2)</sup> (\$mm)	LTM Revenue (\$mm)	LTM EBITDA <sup>(3)</sup> (\$mm)	EV/ LTM Revenue	EV/ LTM EBITDA
<b>M2M / IoT</b>								
PTC Inc.	\$55.12	91.5%	6,367.6	6,812.7	1,143.3	91.5	6.0x	NM
Advantech Co., Ltd.	7.09	81.9%	4,937.1	4,730.6	1,378.7	227.1	3.4x	20.8x
Sierra Wireless	28.02	84.4%	901.1	804.7	634.6	35.0	1.3x	23.0x
ORBCOMM Inc.	11.30	97.4%	828.3	958.3	195.1	36.7	4.9x	26.1x
CalAmp Corp.	20.33	97.3%	719.6	759.0	348.0	36.2	2.2x	21.0x
Telit Communications	4.05	82.3%	517.9	536.6	370.3	32.0	1.4x	16.8x
Digi International	10.15	71.7%	269.4	161.4	193.4	20.4	0.8x	7.9x
USA Technologies	5.20	89.5%	209.7	204.1	91.7	3.5	2.2x	NM
Numerex Corp.	4.93	54.7%	96.3	104.5	69.0	(2.4)	1.5x	NM
Inseego Corp.	1.25	38.7%	70.0	159.3	232.0	(2.6)	0.7x	NM
<b>Mean</b>		<b>78.9%</b>					<b>2.4x</b>	<b>19.3x</b>
<b>Median</b>		<b>83.4%</b>					<b>1.8x</b>	<b>20.9x</b>
<b>Telematics</b>								
FleetCor Technologies	\$144.21	81.7%	13,304.5	16,626.3	1,937.7	934.5	8.6x	17.8x
Trimble Inc.	35.67	95.5%	9,020.8	9,246.2	2,393.1	389.0	3.9x	23.8x
u-blox	187.67	72.2%	1,300.3	1,198.3	354.6	72.3	3.4x	16.6x
Quartix Holdings	5.00	81.1%	237.8	229.7	28.8	8.3	8.0x	27.8x
Trakm8 Holdings	1.38	38.9%	49.4	55.1	33.5	4.4	1.6x	12.5x
<b>Mean</b>		<b>73.9%</b>					<b>5.1x</b>	<b>19.7x</b>
<b>Median</b>		<b>81.1%</b>					<b>3.9x</b>	<b>17.8x</b>

(1) Market Data including Market Capitalization amounts are based on closing share prices as of June 30, 2017.

(2) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents.

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Sources: 451Research, Capital IQ and KPMG research







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