

Q4 2013

Lincoln News

- 12/23/13: Lincoln International advises **PrimeSport** on its sale to **Clearlake Capital Group**. PrimeSport is a leading event management company providing access to the largest sporting events in the world through ticketing, travel, and VIP hospitality.
- 11/6/13: Lincoln International advises **RedVision** on its follow on investment led by **Udata Partners** and **Edison Ventures**. RedVision is the premier independent provider of data automation services for real property title data nationwide.
- 10/3/13: Lincoln International advises **Harbour Group** on the sale of **Watchfire Signs** to **The Jordan Company**. Watchfire Signs is a leading manufacturer of digital advertising billboards and signage.



PRIME SPORT
PrimeSport has been sold to **Clearlake Capital Group**





RedVision has received a follow on investment from **Udata Partners** and **Edison Ventures**





Watchfire Enterprises, Inc. has been sold to **The Jordan Company**

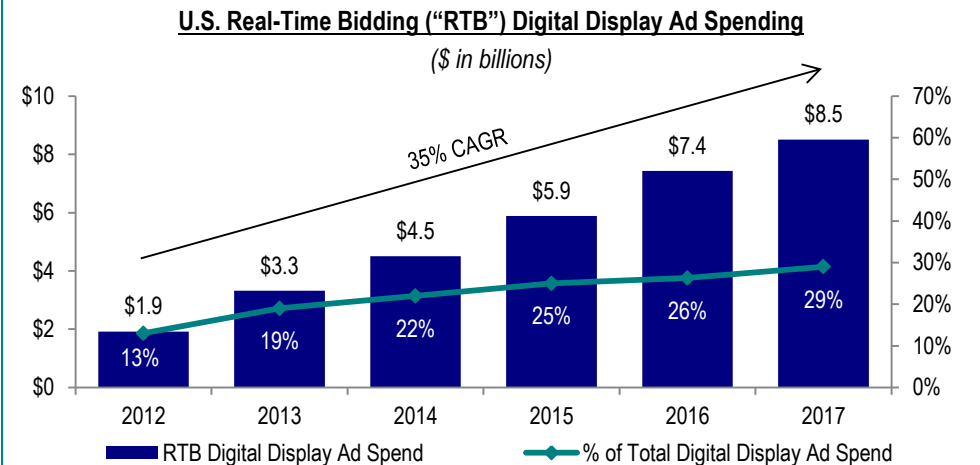


Market Intelligence

- 12/12/2013: **Shopify**, the Ontario-based e-Commerce enablement platform, raises a \$100 million Series C investment led by **OMERS** and **Insight Venture Partners**, implying a post-money valuation of \$1 billion.
- 11/13/2013: **Snapchat**, the mobile ephemeral messaging platform, rejects a \$3 billion acquisition offer from **Facebook**, as well as an investment proposal from **Tencent Holdings** that valued the company at \$4 billion.
- 10/30/2013: **Criteo SA**, the advertising retargeting technology provider, begins trading on the NASDAQ stock exchange after raising \$250 million at an implied market capitalization of \$1.7 billion. The stock closed the first day of trading at 14% above its initial offering price.

Lincoln International Marketing Services Market Update

Measures that Matter: Real-Time Bidding for Display Advertising



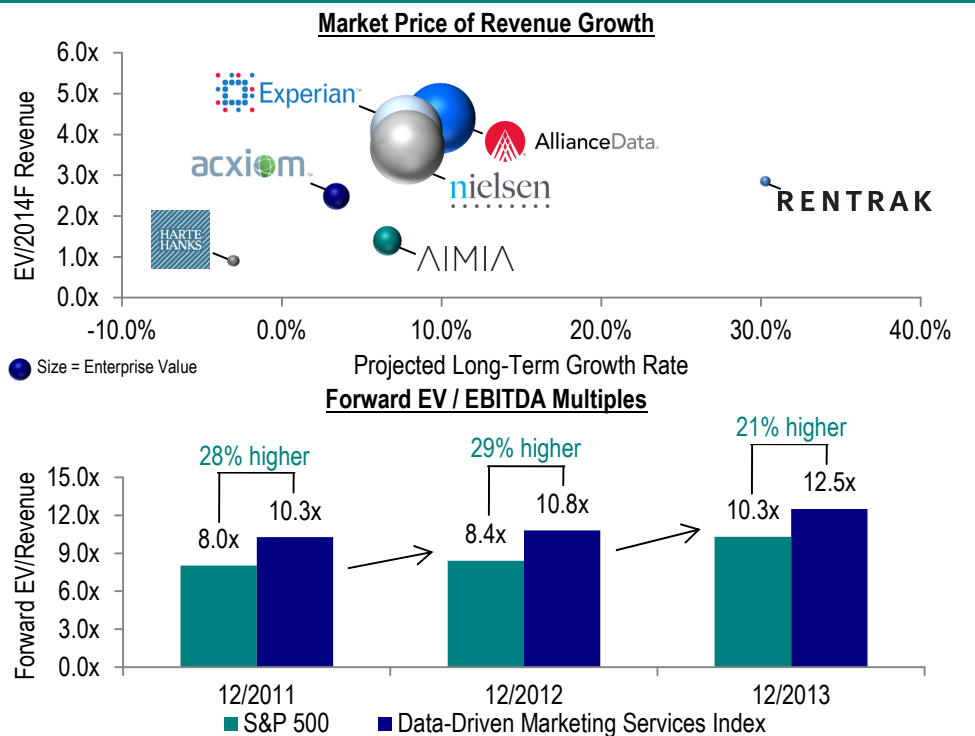
U.S. Real-Time Bidding Digital Display Ad Spend Poised for Sustained Growth

New data from eMarketer estimates that RTB digital display advertising will achieve double-digit growth and represent 29% of all display ad spend by 2017. RTB yields more targeted and relevant ad campaigns due to the automated buying and selling

of single ad impressions in a real-time auction environment using external data sources. RTB technology continues to gain traction as large publishers, including Yahoo, AOL, and Microsoft, migrate towards automated sales of ad inventory. As RTB technology matures, publishers will be able to offer their premium ad inventory using automated software, further driving adoption of this technology.

Sources: eMarketer, Advertising Age

Sector Spotlight: Data-Driven Marketing Services



Note: Revenue forecasts based on analyst consensus estimates

Lincoln International Marketing Services Index

Company Name	Stock Price	% of 52 Week High	Market Cap	Enterprise Value	LTM		YoY Revenue Growth	EBITDA Margin	Enterprise Value / LTM	
					Revenue	EBITDA			Revenue	EBITDA
Marketing Agencies										
Dentsu Inc.	\$ 39.38	98.3%	\$ 11,794	\$ 13,683	\$ 20,161	\$ 888	6.9%	4.4%	0.7x	15.4x
Havas	8.24	94.7%	3,324	3,968	2,422	392	0.4%	16.2%	1.6x	10.1x
MDC Partners Inc.	25.55	95.3%	1,206	1,854	1,141	73	6.6%	6.4%	1.6x	25.3x
Omnicom Group Inc.	74.37	99.8%	19,140	22,322	14,471	2,135	1.8%	14.8%	1.5x	10.5x
Publicis Groupe SA	91.59	100.0%	19,530	20,480	9,327	1,807	4.0%	19.4%	2.2x	11.3x
Sapient Corp.	17.36	96.7%	2,434	2,155	1,224	158	9.2%	12.9%	1.8x	13.6x
The Interpublic Group of Companies, Inc.	17.70	99.4%	7,367	8,514	7,063	841	1.5%	11.9%	1.2x	10.1x
WPP plc	22.86	99.4%	30,749	35,691	17,644	3,009	3.4%	17.1%	2.0x	11.9x
Mean		97.9%					4.2%	12.9%	1.6x	13.5x
Digital Marketing										
AOL Inc.	\$ 46.62	99.2%	\$ 3,586	\$ 3,524	\$ 2,240	\$ 417	2.2%	18.6%	1.6x	8.5x
Bankrate, Inc.	17.94	77.5%	1,820	1,926	428	94	(6.3%)	21.8%	4.5x	20.6x
Digital River Inc.	18.47	91.0%	618	341	402	22	4.2%	5.6%	0.8x	15.2x
Facebook, Inc.	54.65	93.3%	138,820	130,067	6,871	3,264	35.0%	47.5%	18.9x	39.8x
Google Inc.	1,120.71	100.0%	374,415	326,816	57,386	17,599	14.4%	30.7%	5.7x	18.6x
QuinStreet, Inc.	8.69	89.5%	377	340	303	31	(7.8%)	10.2%	1.1x	11.0x
Tree.Com, Inc.	32.84	98.8%	366	278	127	7	63.7%	5.3%	2.2x	41.3x
Twitter, Inc.	63.65	85.2%	34,670	34,536	534	(57)	68.6%	(10.6%)	64.6x	NM
ValueClick, Inc.	23.37	72.5%	1,560	1,701	684	224	3.5%	32.7%	2.5x	7.6x
Yahoo! Inc.	40.44	98.5%	41,024	39,292	4,760	1,187	(4.5%)	24.9%	8.3x	33.1x
Mean		90.5%					17.3%	18.7%	11.0x	21.7x
Marketing Technology										
Adobe Systems Inc.	\$ 59.88	98.0%	\$ 29,933	\$ 28,273	\$ 4,055	\$ 769	(7.9%)	19.0%	7.0x	36.8x
Bazaarvoice, Inc.	7.92	68.9%	601	526	176	(35)	32.1%	(20.0%)	3.0x	NM
Cision AB	5.27	58.1%	79	120	135	(32)	(10.6%)	(23.6%)	0.9x	NM
Criteo SA	34.20	76.0%	1,891	1,854	535	19	45.2%	3.5%	3.5x	NM
Constant Contact, Inc.	31.07	99.1%	953	845	277	23	9.8%	8.5%	3.1x	36.1x
Marin Software Incorporated	10.24	51.3%	334	229	73	(28)	2.8%	(39.2%)	3.2x	NM
Marketo, Inc.	37.07	93.1%	1,430	1,297	85	(36)	44.8%	(42.8%)	15.3x	NM
Millennial Media Inc.	7.27	49.6%	772	651	220	(2)	24.1%	(0.9%)	3.0x	NM
Rocket Fuel Inc.	61.49	89.7%	2,018	1,920	195	(15)	83.1%	(7.7%)	9.8x	NM
Salesforce.com, Inc.	55.19	94.6%	33,280	35,034	3,760	(19)	32.1%	(0.5%)	9.3x	NM
Tremor Video, Inc.	5.80	52.3%	288	192	128	(2)	21.7%	(1.9%)	1.5x	NM
Vocus Inc.	11.39	62.5%	241	284	187	1	9.2%	0.6%	1.5x	NM
YuMe, Inc.	7.45	61.7%	238	175	143	7	22.1%	5.0%	1.2x	24.6x
Mean		73.5%					25.2%	(7.7%)	4.8x	32.5x
Traditional Marketing Communications										
Cerveo Inc.	\$ 3.44	96.4%	\$ 228	\$ 1,407	\$ 1,765	\$ 169	(1.8%)	9.6%	0.8x	8.3x
InnerWorkings Inc.	7.79	49.3%	399	472	856	23	7.3%	2.7%	0.6x	20.6x
Quad/Graphics, Inc.	27.23	73.8%	1,308	2,843	4,577	552	11.8%	12.0%	0.6x	5.2x
R.R. Donnelley & Sons Company	20.28	97.1%	3,686	6,757	10,385	1,126	1.6%	10.8%	0.7x	6.0x
Vislaprint N.V.	56.85	97.7%	1,880	2,086	1,191	115	7.5%	9.7%	1.8x	18.1x
Mean		82.8%					5.3%	9.0%	0.9x	11.6x
Data-Driven Marketing Services										
Acxiom Corporation	\$ 36.98	95.5%	\$ 2,778	\$ 2,805	\$ 1,093	\$ 190	(1.5%)	17.4%	2.6x	14.7x
Aimia Inc.	18.36	99.4%	3,176	3,374	1,519	(360)	(26.0%)	(23.7%)	2.2x	NM
Alliance Data Systems Corporation	262.93	99.5%	12,808	21,000	4,150	1,244	14.0%	30.0%	5.1x	16.9x
Experian plc	18.45	86.4%	18,465	21,855	4,784	1,635	2.3%	34.2%	4.6x	13.4x
Harte-Hanks Inc.	7.82	77.3%	489	513	752	80	(2.1%)	10.6%	0.7x	6.4x
Nielsen Holdings N.V.	45.89	99.3%	17,332	23,536	5,716	1,607	2.3%	28.1%	4.1x	14.6x
Rentrak Corporation	37.89	92.9%	454	431	112	16	17.3%	14.3%	3.9x	27.1x
Mean		92.9%					0.9%	15.8%	3.3x	15.5x

Sources: Bloomberg, Capital IQ and company filings, as of 12/31/2013

Selected Q4 M&A Transactions

Oracle Corporation Announces the Acquisition of Responsys, Inc.

Oracle Corporation agreed to purchase Responsys Inc., which specializes in B2C cross-channel automated marketing solutions, at a 38% premium to its trading price at the time of announcement. Oracle's investment follows prior acquisitions of large marketing automation providers, including ExactTarget by Salesforce (May 2013) and Neolane by Adobe (June 2013), in an effort to strengthen their marketing technology capabilities. The transaction implies an Enterprise Value / Revenue multiple of approximately 8.5x and is expected to close in the first half of 2014.

Date	Target Company	Target Description	Acquiring Company
Announced	Responsys, Inc.	SaaS email and cross-channel automated marketing solutions	Oracle Corporation
Dec-13	Dealer.com, Inc.	Marketing and operations software for the automotive industry	Dealertrack Technologies, Inc.
Dec-13	Valassis Communications Inc.	Print advertising and marketing distribution services	Harland Clarke Holdings Corp.
Dec-13	Shopify Inc.	Online store developer for creating e-commerce websites	OMERS; Insight Venture Partners
Dec-13	Newjistics, Inc.	Transportation software and solutions to retailers and manufacturers	Littejohn & Co. LLC
Dec-13	Topsy Labs, Inc.	Real-time social media search and analytics software	Apple Inc.
Dec-13	ForeSee Results, Inc.	Online customer satisfaction measurement solutions	Answers Corporation
Nov-13	Walker Media Holdings Ltd.	Marketing services including media buying, planning and consulting	Publicis Groupe SA
Nov-13	Harris Interactive Inc.	Consultative market research and polling services	Nielsen Holdings N.V.
Nov-13	BrandLoyalty International	Loyalty and promotional marketing campaign services	Alliance Data Systems Corp.
Nov-13	PromoWorks, L.L.C.	Retail and merchandising sales and marketing services	CROSSMARK, Inc.
Oct-13	Aggregate Knowledge, Inc.	Campaign and audience analytics for agencies and advertisers	NeuStar, Inc.
Oct-13	Consolidated Graphics, Inc.	Commercial printing and marketing materials management	R.R. Donnelley & Sons
Oct-13	Competitrac, Inc.	Advertising tracking, spending analyses, and verification services	Market Track, LLC
Oct-13	Optimal, Inc.	Social marketing engagement and promotion services	Brand Networks Inc.
Oct-13	ShopRunner, Inc.	Subscription membership commerce serving e-Commerce	Alibaba Group Holding Limited
Oct-13	Intela, LLC (certain assets)	Digital marketing services, including lead gen and email marketing	XL Marketing Corp.

BUSINESS SERVICES GROUP

FIRM SNAPSHOT

Lincoln International is the first and only truly international, integrated, independent mid-market investment bank.

INTERNATIONAL

- 15 offices in key global economies
- Each office is connected in its region
- 50% of our M&A deals are cross-border

INTEGRATED

- Global culture and brand
- Global industry groups and deal teams
- Global partnership, shared economics

INDEPENDENT

- Owned and operated by our partners
- No conflicts of interest
- Long-term relationships based on trust

MID-MARKET

- Mid-market is the focus of the entire organization
- Not a mid-market group of a larger entity
- Senior bankers are very "hands-on"

WE FOCUS ON THE FOLLOWING SERVICES:

- M&A Advisory
- Debt Advisory
- Restructuring & Special Situations Advisory
- Valuations & Opinions

Lincoln International recognizes the importance of understanding a client's industry, value drivers, growth opportunities and challenges.

Our dedicated Business Services Group consists of highly experienced senior bankers who have spent their careers developing deep professional relationships and specific knowledge of business service companies.

Advising business service companies in each of our global offices, Lincoln International provides key senior-level experience, unique market insights and invaluable contacts in support of clients on a worldwide basis for every transaction.

Within our key areas of focus listed below, Lincoln International is globally recognized as one of the most active advisors to leading companies in the business services economy.

AREAS OF FOCUS

Information Services

- Agency and Consumer Engagement
- B2B Media
- Business Intelligence
- Business Process Outsourcing
- Digital Media Services
- e-Commerce Enablement
- Interactive Marketing
- Marketing Technology
- SaaS / PaaS / IaaS
- Training and Education
- Transaction Processing

Commercial & Industrial Services

- Distribution
- Energy, Power and Infrastructure
- Environmental
- Equipment Rental
- Facilities
- Laundry and Uniform
- Logistics and Transportation
- Maintenance
- Physical Security and Safety
- Printing and Graphics

Professional & Human Capital Services

- Architecture and Design
- Audit and Accounting
- Brokerage
- Consulting
- Engineering
- IT Integration and Resale
- Research
- Risk Management
- Staffing and Search
- Test, Measurement and Certification

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