



Mobile Technology Sector

Quoted Company Analysis

First Quarter 2016

Sector Valuation Metrics

Company	Share Price Local	Market Cap	Net Debt	Enterprise	Revenue	EV/Revenue	EV/Revs	EV/EBITDA	Revenue Growth	EBITDA Margin	% Revs				
	31-Mar-16	(\$m) ⁽¹⁾	(\$m) ⁽²⁾	Value (\$m)	CY16E (\$m)	CY2015	CY2016E	Recurring	CY2015	CY2016E	CY2015	CY2016E	CY2015	CY2016E	Recurring ⁽³⁾
Selected Large Cap															
MSCI	74.08	7,286	802	8,088	1,144	7.5x	7.1x	8.8x	16.8x	15.2x	7.9%	6.4%	44.8%	46.4%	80%
Gemalto	64.97	6,581	364	6,945	3,715	2.0x	1.9x	6.5x	16.1x	10.0x	5.8%	7.2%	12.4%	18.7%	29%
DeNa	19.39	2,599	(563)	2,036	1,486	1.5x	1.4x	1.4x	7.1x	5.7x	-28.1%	2.9%	21.5%	24.3%	95%
Average															
Total (Large Cap)		16,467	602	17,069					13.3x	10.3x			26.2%	29.8%	68.1%
Selected Mid Cap															
PayPoint	7.48	733	(65)	668	206	2.8x	3.2x	3.7x	8.0x	7.9x	4.5%	-42.8%	34.9%	41.4%	88%
NetQin Mobile	4.58	397	(78)	319	NA	0.8x	NA	NA	NM	NA	22.4%	NA	-4.5%	NA	64%
Glu Mobile	2.82	373	(181)	192	262	0.8x	0.7x	0.8x	30.5x	NM	12.0%	4.7%	2.5%	-3.7%	89%
Telit Communications	2.14	361	(1)	360	383	1.1x	0.9x	26.9x	9.2x	6.7x	13.4%	14.7%	11.7%	14.1%	4%
Myriad Mobile	3.10	357	(31)	326	NA	12.0x	NA	NA	NM	NA	-32.1%	NA	-229.6%	NA	57%
Average															
Total (Mid Cap)		2,221	(355)	1,866					15.9x	7.3x			-37.0%	17.3%	60.4%
Selected Small Cap															
IMImobile	149.50	128	(22)	106	96	1.3x	1.1x	1.2x	8.6x	6.3x	14.2%	7.9%	14.8%	17.5%	89%
InternetQ	1.80	104	1	105	234	0.5x	0.4x	2.1x	3.4x	2.7x	26.8%	8.3%	15.9%	16.7%	22%
Net Mobile	6.71	95	9	104	NA	NA	NA	NA	NA	NA	13.7%	NA	NA	NA	NA
Monitise	0.03	86	(123)	(37)	114	NM	NM	-0.9x	NM	4.0x	-8.6%	-22.3%	13.5%	-8.0%	37%
Seamless Distribution	8.15	49	1	50	NA	1.5x	NA	NA	NM	NA	33.1%	NA	-34.2%	NA	32%
Bango	0.43	40	(17)	23	3	4.6x	6.9x	77.1x	NM	NM	-41.7%	-32.8%	-111.8%	-155.2%	9%
Hi Media	7.30	25	(6)	19	70	0.3x	0.3x	0.5x	NM	NM	-67.4%	-2.1%	-15.8%	0.0%	55%
Artidium Group	0.06	24	(0)	23	14	2.1x	1.7x	1.7x	29.7x	9.3x	-33.2%	37.9%	7.1%	18.0%	100%
Crimson Tide	0.04	23	(0)	22	3	10.4x	8.9x	10.0x	36.2x	20.0x	7.5%	17.2%	28.8%	44.4%	89%
Cliq Digital	2.35	17	18	35	67	0.5x	0.5x	NA	1.9x	1.8x	-8.6%	4.3%	28.3%	29.3%	NA
eServGlobal	0.08	16	10	27	25	1.3x	1.1x	2.6x	NM	9.9x	-30.1%	24.3%	-72.0%	10.7%	40%
Zamano	0.11	16	(6)	10	NA	0.4x	NA	NA	3.1x	NA	2.2%	NA	12.3%	NA	NA
Vipera	0.04	13	(1)	12	NA	NA	NA	NA	NA	NA	193.2%	NA	NA	NA	5%
Mobile Tornado Group	0.03	11	10	21	6	5.6x	3.6x	6.7x	NM	72.6x	-30.7%	30.3%	-42.3%	5.0%	54%
Yoc	2.80	10	1	11	15	1.1x	0.8x	NA	NM	NM	-13.2%	35.3%	-11.3%	-6.1%	NA
Mobile Streams	0.06	3	(3)	(0)	NA	NM	NA	NA	NM	NA	-42.0%	-11.3%	3.1%	NA	100%
Velti	0.00	0	(8)	(8)	150	NM	NM	-0.1x	0.2x	NM	42.9%	-45.3%	-29.4%	0.6%	84%
Average															
Total (Small Cap)		659	(136)	522					11.9x	15.8x			-12.9%	-2.3%	55.1%
Sector Total		19,347	111	19,458											

(1) Excludes treasury shares

(2) Net financial debt minus marketable securities and collaterals.

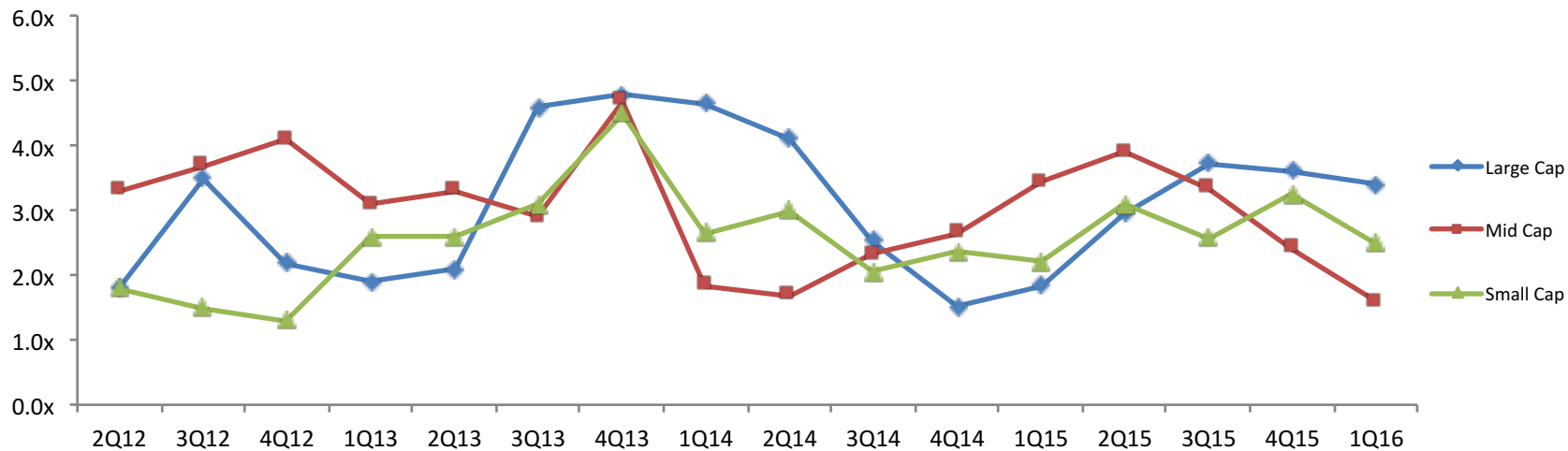
(3) Recurring revenues (maintenance, subscriptions, SaaS etc) where reported for last full year

(4) For companies having financial year end as February and March, FY15 and FY16E correspond to FY14/15 and FY15/16 respectively

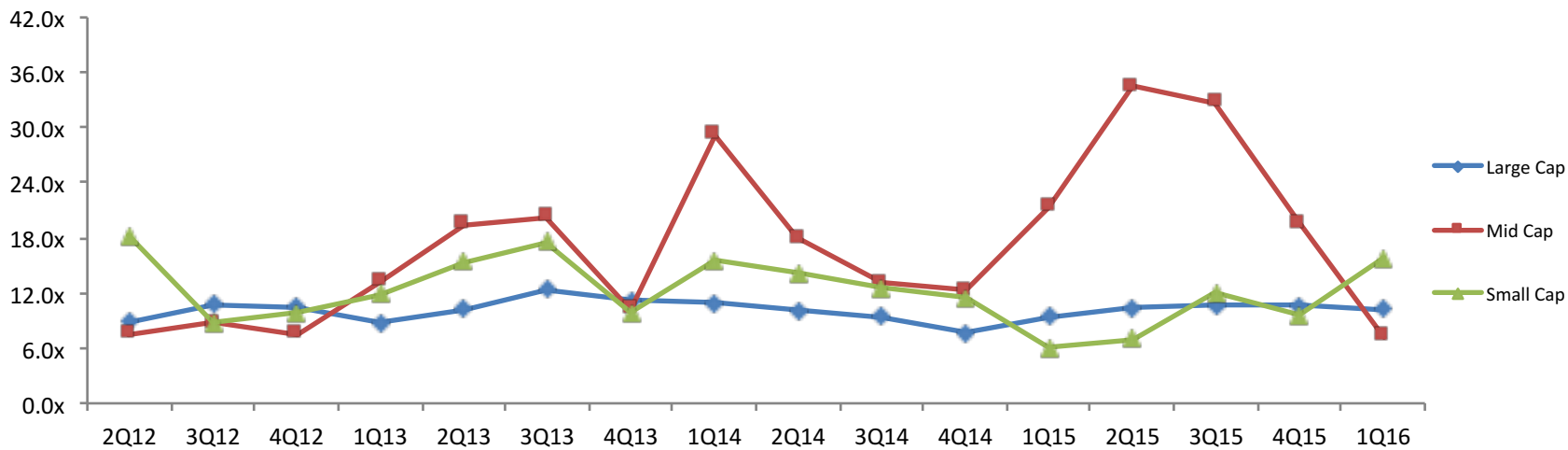
(5) Company Voltari Corp on account of its re-organisation into a real estate company has been taken-off from the list

(6) NM - not meaningful and NA - not available

EV/Revenue

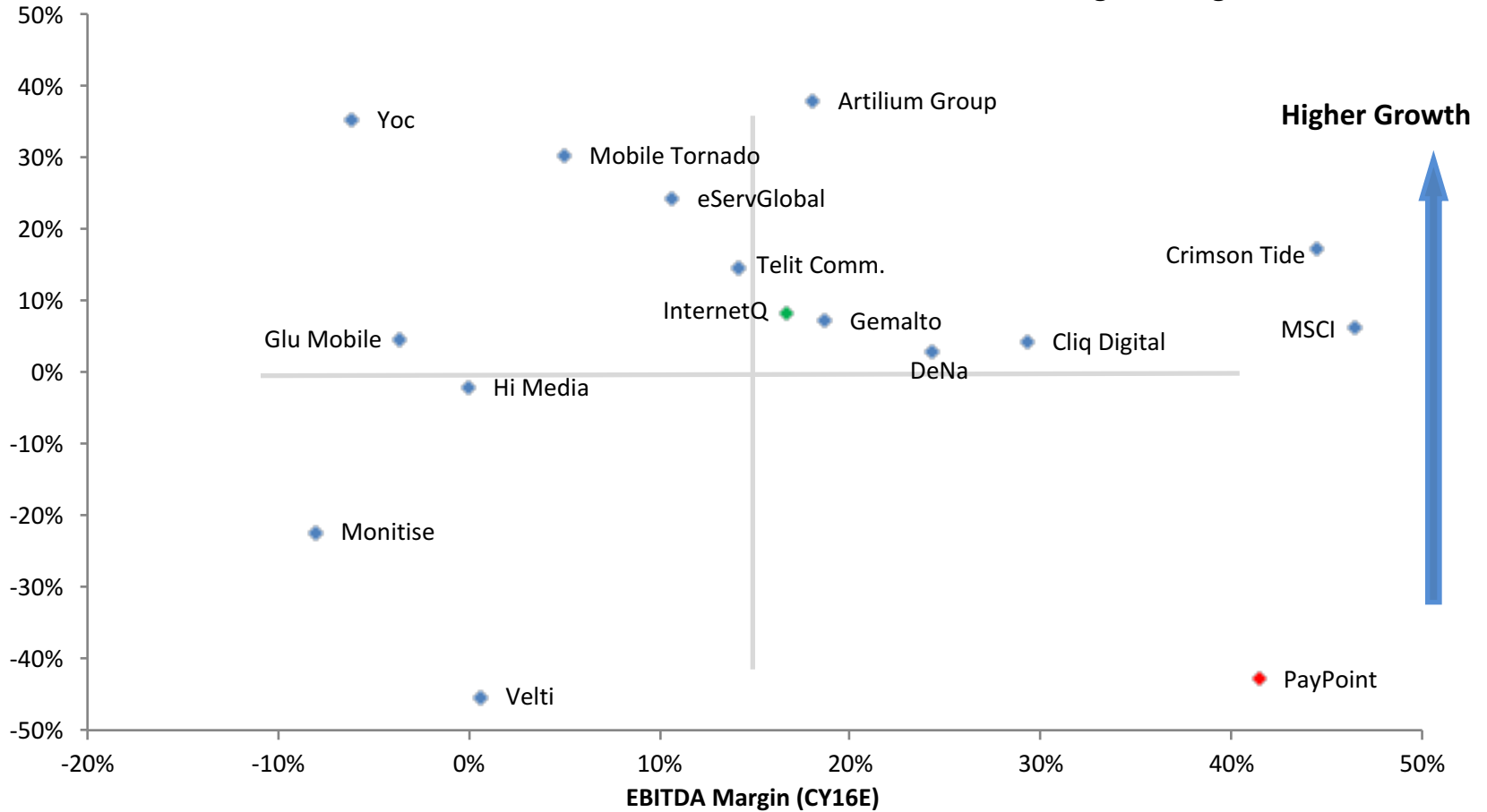


EV/EBITDA



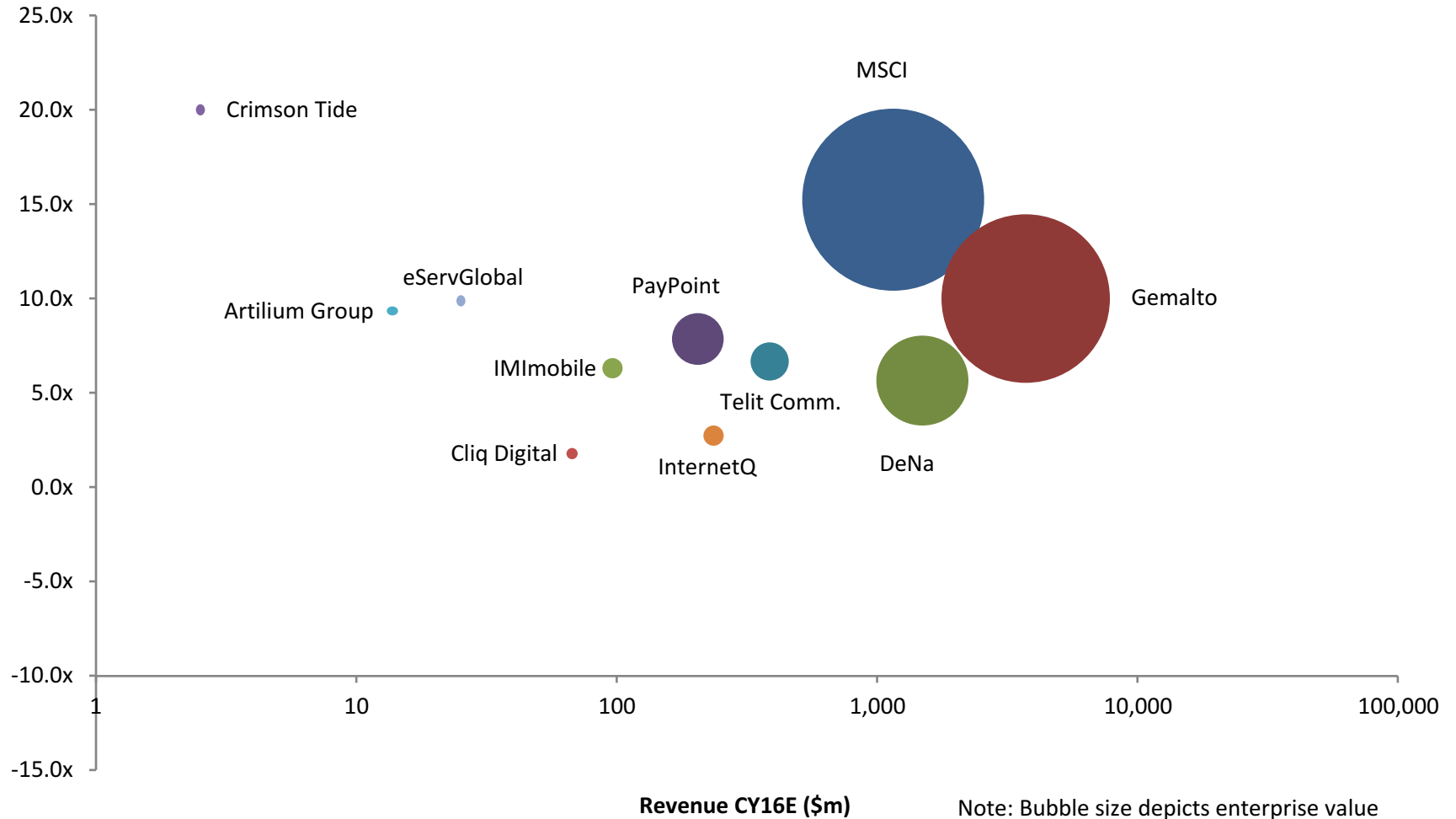
Performance Quadrants: Revenue Growth & Operating Margin

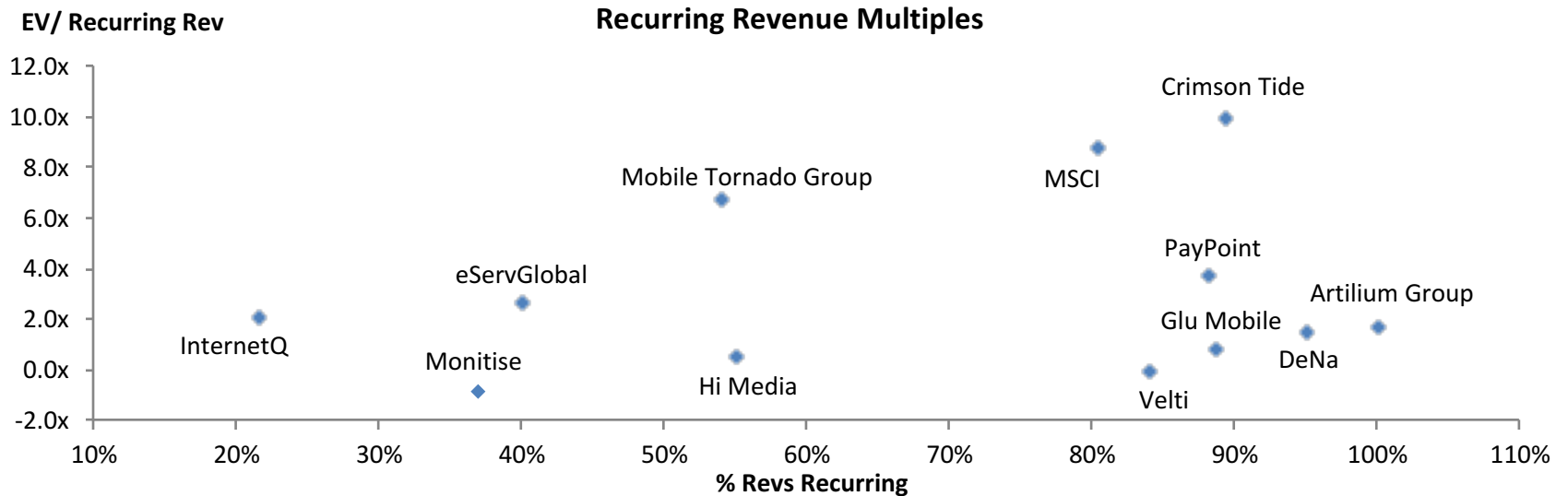
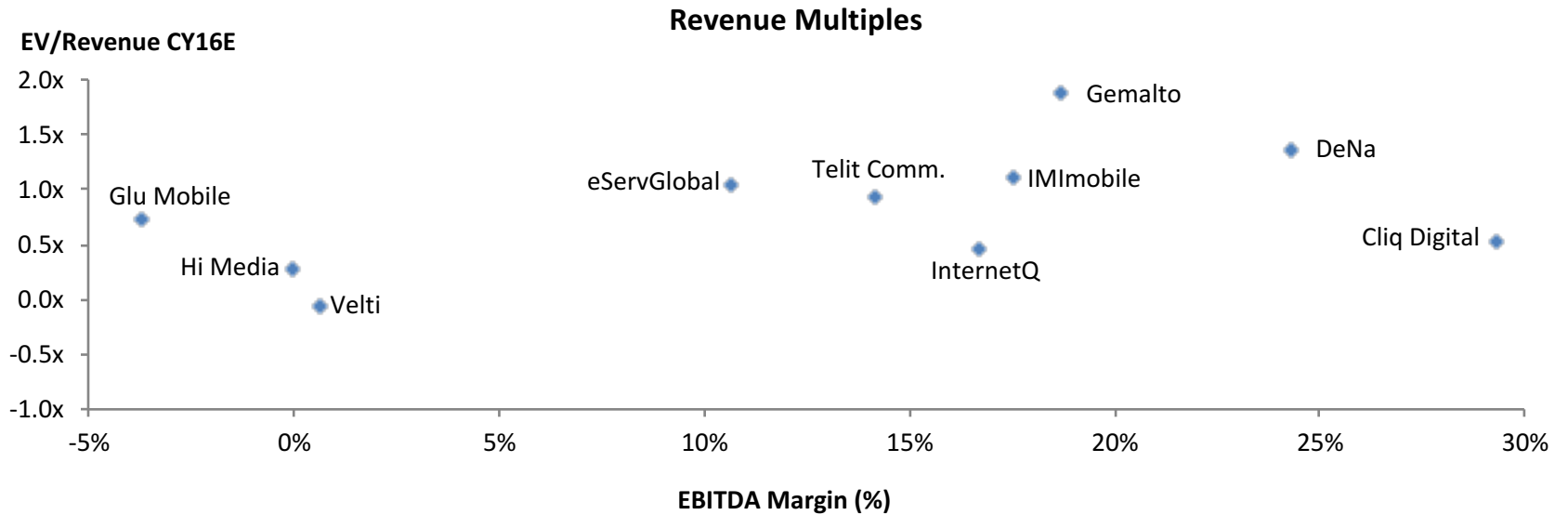
Revenue Growth (FY15-16E)



- ◆ Largest % Share price increase (last quarter)
- ◆ Largest % Share price decrease (last quarter)

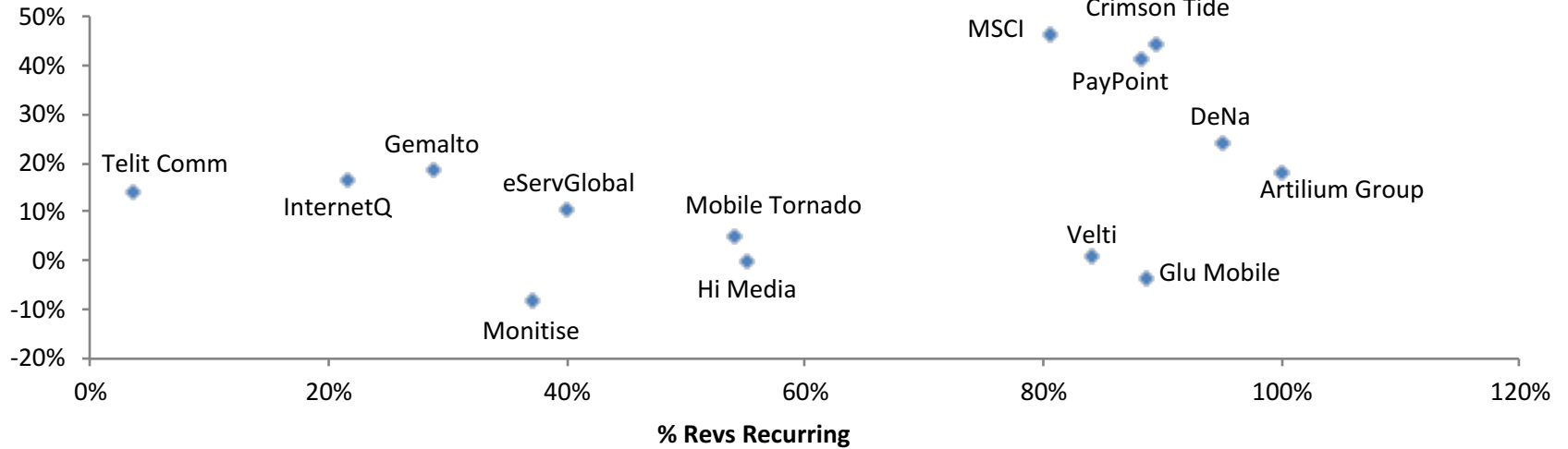
EV/EBITDA CY16E





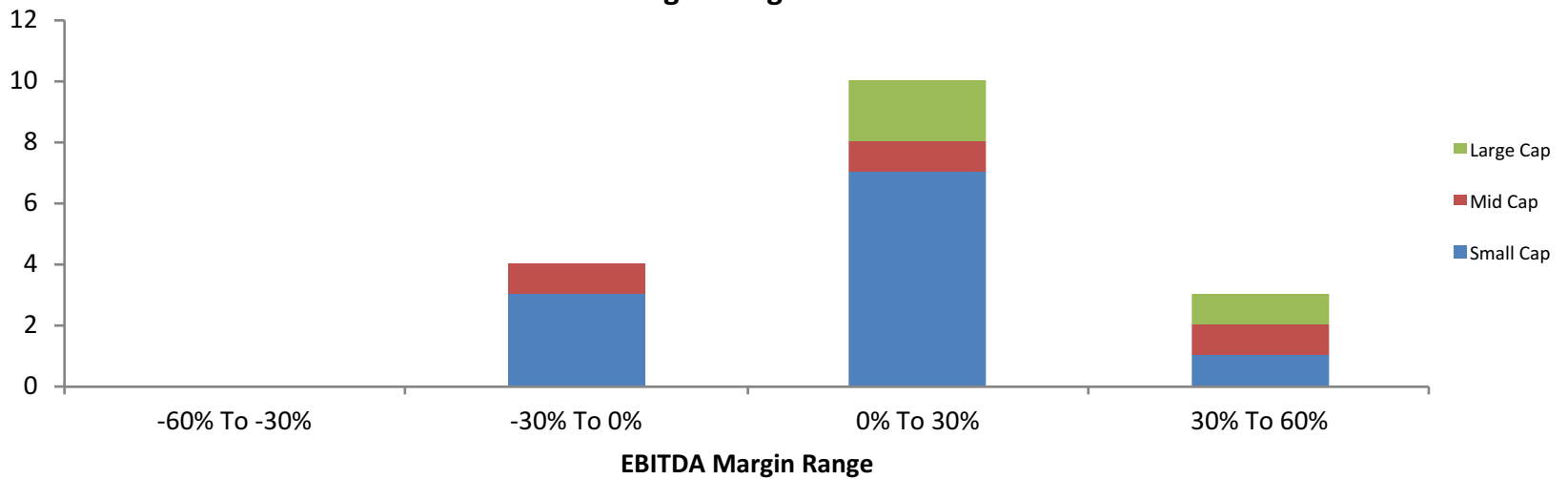
EBITDA Margin CY16E

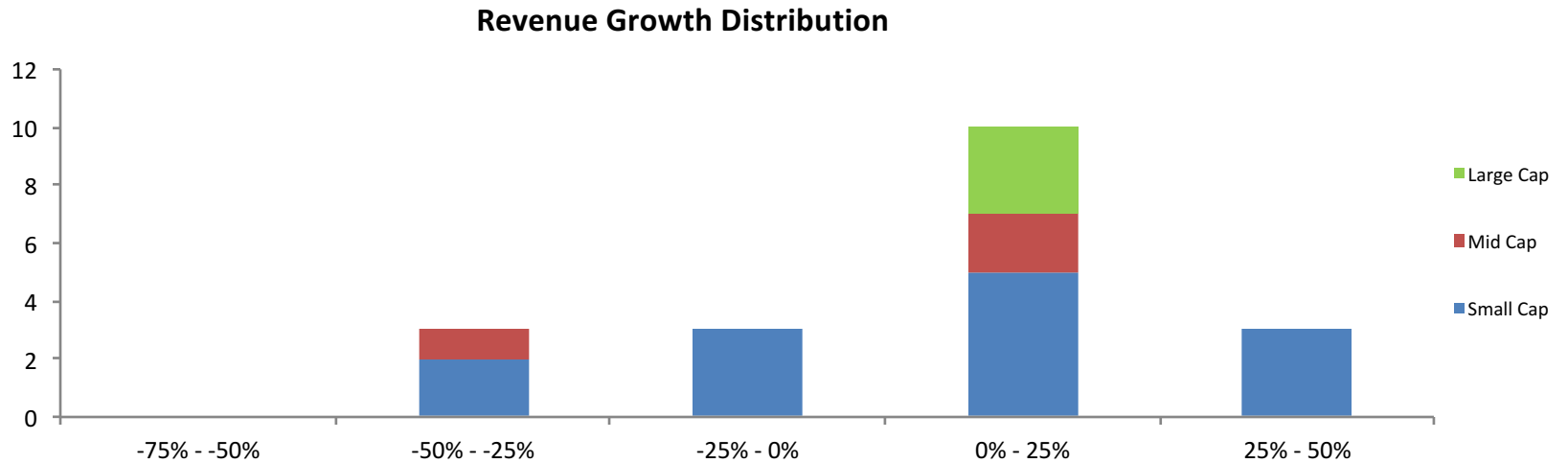
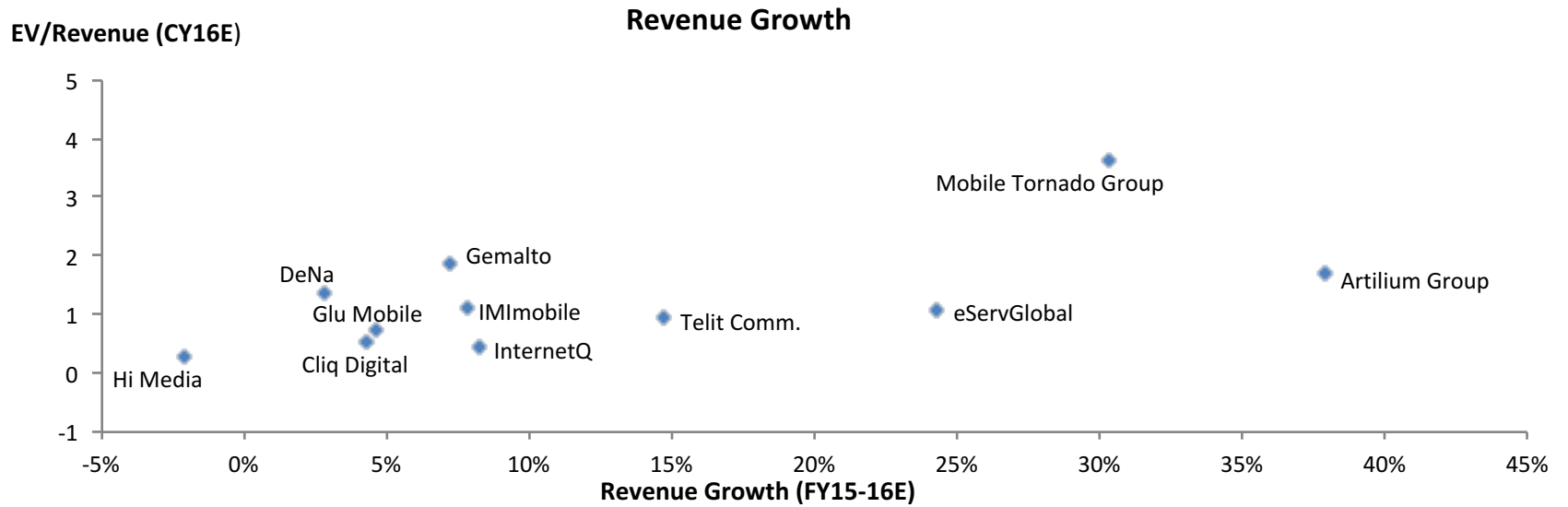
Recurring Revenue as a Driver of Operating Margins



Number of Companies

EBITDA Margin Range Distribution





Selected Mobiletech Deals – First Quarter 2016

Date Announced	Buyer	Seller	Seller Description	Deal Size	Seller Revenue/ Profit	Revenue Multiple	Target Sector	Commentary
24/03/2016	You42 Inc. (USA)	Rivalry Games [aka Rivalry Fantasy Sports] (USA)	Provides a daily fantasy sports gaming and betting mobile application for consumers.	Not disclosed	n/a	n/a	Mobile gaming	You42 will take over day-to-day operations of Rivalry Games from its head office in Atlanta, where it will integrate the daily fantasy sports solution into its content driven social entertainment network. Following the acquisition, You42 aims to roll out the daily fantasy platform in Europe.
23/03/2016	glispa GmbH [Market Tech Holdings Limited] (Germany)	MoneyTap (Estonia)	Provides mobile app inventory monetization SDK that enables targeted native, banner and video advertising and ad performance management, for app developers. Software mediates between a mobile application and major ad networks to increase advertising revenue.	Not disclosed	n/a	n/a	Mobile applications	Acquisition combines MoneyTap's monetization technology and glispa's market position and reach, creating a powerful monetization solution.
18/03/2016	WeWork (USA)	Welkio [Hathway Inc.] (USA)	Provides an iPad-based visitor registration SaaS for businesses to collect a visitor's name, company information, address, photo and the purpose of their visit.	Not disclosed	n/a	n/a	Mobile visitor registration SaaS	Welkio team to join WeWork. Hathway will remain an independent company.
15/03/2016	Ackroo Inc. (Canada)	D1 Mobile (mobile payment and loyalty assets) (Canada)	D1 Mobile's mobile payment and loyalty assets, which provides mobile payments, customer loyalty and customer engagement mobile applications for retailers and brand advertisers.	\$90,000	n/a	n/a	Mobile payments	Ackroo adds technology and expands merchant footprint with acquisition. The deal forms part of its strategy of consolidation in a crowded gift card and rewards landscape.
15/03/2016	Yellow Pages Limited (Canada)	JUICE Mobile (Canada)	Provides a programmatic mobile advertising management SaaS and mobile ad network for advertisers and Web publishers.	CAD 35m	CAD 25m	1.5x	Mobile advertising SaaS	This transaction will allow Mediative and JUICE Mobile to access rich technologies and a growing and unduplicated network of agencies, brands and audiences to buy and sell mobile advertising at scale
14/03/2016	App Annie Limited (USA)	AppScotch Inc. (USA)	Provides mobile in-application advertising market data and intelligence for advertising agencies and publishers.	Not disclosed	n/a	n/a	Mobile advertising SaaS	Deal enables AppScotch to bolt advertising metrics onto its app store data. App Annie's third acquisition in two years.
14/03/2016	Upland Software [NASDAQ:UPLD] (USA)	Hipcricket Inc. [SITO Mobile] (USA)	Provides targeted mobile marketing and advertising SMS-focused SaaS and services to enable automated CRM, sales and loyalty programs for marketers and businesses.	\$6.2m	n/a	n/a	Mobile marketing	Hipcricket brings to Upland Software strength amongst global brands and agencies, with the combined business covering all major public and private sector verticals.
11/03/2016	GeoOp Ltd. (New Zealand)	InterfaceIT Pty Ltd. [North Ridge Partners] (Australia)	Provides mobile door-to-door sales management, workforce management and sales geolocation tracking SaaS and mobile apps for businesses globally.	NZD 6m	NZD 2.4m	2.5x	Application software	The acquisition of InterfaceIT provides GeoOp with additional scale and distribution, a strong base in the US, realisable cost synergies and an accelerated path to profit for the business.
08/03/2016	Smith Micro Software Inc. (USA)	Birdstep Technology ASA (software development and marketing business assets) (Norway)	Birdstep Technology's software development and marketing business assets, which provides wireless network connectivity and optimization software development services that enable mobile remote access for wireless telecommunications providers and computer and electronics OEMs.	\$2m	\$6.8m	0.3x	Mobile application development	Acquisition brings together trained resources and complementary technologies. Smith Micro Software will benefit from Birdstep's presence in APAC and EMEA, and will be able to expand their customer base in these markets.
03/03/2016	MOQdigital Pty Ltd. [fka Technology Effect and Breeze] [Montech Holdings] (Australia)	iimage Technology Solutions Pty Ltd. [dba Skoolbag] (Australia)	Provides mobile parent communications and messaging SaaS that enables educational institutions, child care centers and sports clubs in Australia to send newsletters, notices, forms, permission slips, links to websites and alerts to parents of school-aged children.	AUD3m	AUD 1.7m/ 0.6m	1.7x	Messaging SaaS	Deal enhances MOQdigital's SaaS capabilities with clear subscription revenue streams as well as the potential to build an educational service.

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03/03/2016	RNTS Media NV [fka RNTSOFT Co. Ltd.] (Germany)	Inneractive Ltd. (Israel)	Operates as a real-time bidding (RTB) mobile advertising exchange to enable advertisers and publishers globally to place ads in mobile applications.	\$46m	\$43.2m	1.1x	Mobile advertising exchange	The acquisition of Inneractive will make the RNTS group one of the largest, independent mobile supply-side platforms globally with one of the most advanced product offerings across mediation, exchange and ad serving, covering all ad formats.
01/03/2016	Honeywell International (USA)	Movilizer GmbH (Germany)	Provides a mobile enterprise application platform (MEAP) that enables businesses globally to develop mobile office applications. Sectors covered include consumer products and beverages, utilities, transportation and logistics, manufacturing and engineering.	Not disclosed	n/a	n/a	Mobile application development	Movilizer's cloud software platform is viewed as the 'perfect complement' to Honeywell's Workflow Solutions portfolio of mobile technology.
29/02/2016	ADTZ Group (Spain)	Glow Digital Media Ltd. [dba Glow] [aka Glow Media] (UK)	Provides social media and mobile application advertising management SaaS for Web publishers, marketers and businesses. Software enables businesses to acquire and retain mobile app users through social advertising.	Not disclosed	\$2.5m (Estimated)	n/a	Mobile applications	Glow's expertise in the English-speaking markets and its well-established relationships with clients further enhances ADTZ's direct-client business line and is a perfect fit with their track record with agencies. 25 staff.
29/02/2016	GoPro [NASDAQ: GPRO] (USA)	Vemory Inc. (Splice mobile application assets) (USA)	The Splice mobile application from Vemory, which provides a video editing and sharing mobile application for consumers.	Not disclosed	n/a	n/a	Video editing mobile application	Deal follows GoPro's acquisition of Replay. Merging Replay and Splice into GoPro's mobile strategy accelerates GoPro's ability to deliver mobile editing solutions
29/02/2016	Mobvista Co. Ltd. (China)	NativeX (USA)	Provides mobile and games application marketing and advertising SaaS and related mobile ad network, including in-game monetization, native advertising and video-based advertising, for mobile app publishers and businesses.	CNY 160m	n/a	n/a	Mobile marketing	NativeX to be subsidiary of Mobvista. Acquisition is a key step in Mobvista's strategy to develop a multi-dimensional global eco-system of mobile traffic
26/02/2016	Armour Group Plc (UK)	OneView Commerce Inc (USA)	Provides omni-channel and mobile point of sale software	£15m	n/a	n/a	Mobile software	Reverse takeover provides opportunity for the shareholders in Armour to realise significant value through the further growth in OneView
25/02/2016	Mobile Action Inc. (USA)	AppMind.Co (USA)	Provides iOS mobile application store optimization SaaS for developers. Software assigns keywords and increases visibility with application store. Also provides related customer and competitor analytics.	Not disclosed	n/a	n/a	Mobile optimization SaaS	Acquisition solidifies Mobile Action as one of the premier mobile data intelligence providers and will help accelerate the company's growth by providing additional back-end technology.
18/02/2016	Micronet Enertec Technologies Inc. (USA)	Novatel Wireless Inc. (telematics business) (USA)	The vehicle-mounted telematics hardware business of Novatel Wireless, which provides mobile hotspots, M2M wireless modems and related M2M software and SaaS for use in fleet management, surveillance and other IoT applications for businesses. Also provides mobile USB modems and 3G wireless PC cards for businesses and consumers. On October 15, 2014, Novatel Wireless changed its ticker symbol from NVTL to MIFI.	\$11m	n/a	n/a	Mobile device components	Deal is part of Telit's strategy to enhance their product offering by both acquisition and R&D. Acquisition strengthens Telit's position in the security market segment.
12/02/2016	ASICS Corporation (Japan)	FitnessKeeper Inc. [dba RunKeeper] (USA)	Provides a runners' fitness tracking, run planning and goals monitoring mobile application that uses GPS data from a user's cellphone to track distance and calculate calories burned, for consumers. Also provides an online runners' community through www.RunKeeper.com.	JPY 10.2bn	n/a	n/a	Fitness application	ASIC believes the integration of the RunKeeper brand and user base with ASICS' technological competence will lead to the continued enhancement of their corporate value.

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11/02/2016	Britehouse Mobility [Britehouse Group Ltd.] [Dimension Data Holdings] [NTT] (South Africa)	AdvanceMobility (South Africa)	Provides mobile workforce management, time and attendance, mobile Salesforce automation, asset tracking and real-time reporting SaaS for businesses and retail stores in South Africa.	Not disclosed	n/a	n/a	Workforce management SaaS	Acquisition significantly enhances Britehouse Mobility's existing offerings that are focused around mobilising an extensive range of business processes.
08/02/2016	IPG Mediabrands (USA)	Mubaloo Ltd (UK)	Plans, designs, develops, delivers and markets bespoke iPhone, iPad, Android, Windows, Blackberry and HTML5 apps for businesses and brands	Not disclosed	n/a	n/a	Mobile application development	The move brings enterprise mobility capabilities to the group in the UK for the first time, in response to the growing trend of CIOs and CMOs working together to drive transformation and improvements, via mobile. Mubaloo will be housed within Ansible, the specialist mobile division of IPG Mediabrands.
04/02/2016	System C Healthcare Ltd (UK)	Careflow Connect Ltd (UK)	Developer of the Careflow mobile communications system for clinicians and care professionals	£1.5m	n/a	n/a	Mobile communications	The transaction provides an exit for Eden Ventures, which invested in Careflow in 2010. Following the acquisition, System C plans to integrate Careflow into its own systems, including its Medway EPR software and the VitalPAC range of mobile clinical support solutions.
03/02/2016	Microsoft Corporation (USA)	TouchType Ltd [dba SwiftKey] (UK)	Provides a predictive smartphone keyboard application for iPhones, iPads and Android users, enabling machine learning-based customization of mobile device keyboards for the purposes of texting optimization and accuracy.	\$250m (reported)	n/a	n/a	Mobile keyboard application	Microsoft adds to its list of cross platform apps that it has acquired in the past year. The deals follow in Microsoft's strategy of a 'mobile first, cloud world'. 150 staff.
01/02/2016	greyhealth group [aka ghg][WPP] (USA)	Lathe LLC, The (USA)	Provides mobile application and Web development services, and medical device software development for the healthcare and pharmaceutical sectors.	Not disclosed	n/a	n/a	Mobile application development	This acquisition continues WPP's strategy of investing in digital and important disciplines such as health care in the US. 20 staff.
27/01/2016	Big Viking Games Inc (Canada)	Gallop Labs Inc (Canada)	Provides mobile marketing platform that leverages data science and in-application behavioral analytics	Not disclosed	n/a	n/a	Mobile marketing	Gallop Labs is acquired by one of its customers in a 'technology platform' acquisition.
27/01/2016	Grey Group Inc. [WPP] (USA)	ArcTouch Inc. (USA)	Provides iOS, Android, Windows and BlackBerry mobile application development and mobile marketing services for businesses.	\$25m	\$15m	1.7x	Mobile application development	The acquisition represents another step in Grey's expansion of its digital capabilities. ArcTouch (arctouch.com) will become a free-standing unit of Grey's Brand Experience Group.
25/01/2016	Rambus Inc (USA)	Smart Card Software Ltd (UK)	Provides mobile ticket and mobile payment services	£64.7m	£14m/ £3m	4.6x	Mobile payments	As part of this acquisition, the advanced mobile payment platform developed by Bell ID, along with the smart ticketing platform created by Ecebs, will be incorporated into the Rambus Cryptography Research Division
20/01/2016	Spotify AB (Sweden)	Cord Project Inc. (USA)	Provides a one-tap voice messaging mobile application that enables consumers to send and receive short voice messages from groups of friends or individuals. Also provides a short voice recording mobile application for consumers to upload short audio clips to Twitter. Also develops mobile games for the Apple Watch.	Not disclosed	n/a	n/a	Internet content & commerce	The acquisition of CrowdAlbum will enhance the development of products that help artists understand, activate, and monetize their audiences. CrowdAlbum team to join Spotify
18/01/2016	Axway Software SA [dba Axway] (USA)	Appcelerator Inc. (USA)	Provides native and cross-platform mobile application development and testing SaaS, as well as mobile-optimized APIs, for businesses. Software enables real-time analytics to measure mobile usage and audience engagement.	Not disclosed	\$20m	n/a	Mobile application development	The combination of Axway's digital enablement solutions and the Appcelerator Platform allows users manage backend services at scale, and optimize performance with comprehensive analytics

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14/01/2016	Vista Equity Partners (USA)	Fiverun Inc. (USA)	Provides mobile point of sale (mPOS) SaaS, as well as unified retail and e-commerce operations management SaaS, for retailers. Software enables mobile checkout, online order in-store pickup, warehouse, inventory and order management, ordering, CRM and staff scheduling.	Not disclosed	n/a	n/a	Mobile payments	Together, with Vista's December acquisition and merger of MarketLive and Shopatron, the addition of Fiverun will create a unified omnichannel commerce solutions company called Kibo. 25 staff.
12/01/2016	nanoPay Corporation (Canada)	MintChip [Royal Canadian Mint, The] (assets) (Canada)	The assets of MintChip, which provides mobile and online digital currency SaaS that aggregates an individual's various credit and debit card accounts, stores the funds electronically and transfers payments securely, for consumers and retailers.	Not disclosed	n/a	n/a	Mobile digital currency	Transaction allows MintChip to move to its natural next step of commercialization in the private sector.
12/01/2016	Pivotal Software Inc. [EMC/ VMware] (USA)	Slice of Lime (USA)	Provides user experience (UX) and user interface (UI) design services for websites and Web and mobile applications for businesses.	Not disclosed	n/a	n/a	Mobile application development	Combination of Pivotal's multidisciplinary UX and UI design methodologies with Slice of Lime's talent will help the combined company to meet a rapidly growing client demand.
08/01/2016	Revcontent (USA)	ContentClick (UK)	Operates a mobile and online native advertising services and content recommendation network that is integrated into thousands of consumer sites that targets millennial customers for businesses, advertisers and Web publishers.	Not disclosed	n/a	n/a	Mobile advertising	With the acquisition of ContentClick, Revcontent will now have a 24/7 UK presence with an office outside of London.
07/01/2016	Fleet Complete [aka Complete Innovations] [Madison Dearborn Partners] (Canada)	Itmobile (Netherlands)	Provides mobile fleet and workforce management systems and mobile apps that enable vehicle and employee location tracking, time and attendance, mapping, mileage monitoring and mobile asset tracking, for businesses in Europe.	Not disclosed	n/a	n/a	Mobile management systems	The combination of Fleet Complete and Itmobile brings together two strong companies with exceptional product suites and technology capabilities
04/01/2016	KUBRA Data Transfer Ltd (Canada)	iFactor (USA)	A customer communication solution provider offering automated alerts, preference management, mobile applications, industry-leading outage communications and customer-facing mapping technology to the utility industry.	Not disclosed	n/a	n/a	IT outsourcing	The acquisition of iFactor complements KUBRA's overall service offering and represents an important strategic opportunity to provide an end-to-end suite of customer experience management solutions

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