What an exhilarating 2018 thus far! Global and U.S. M&A activity BOTH hit all-time highs during the first half of 2018. The value of global M&A rose 64% over the first half of 2017, but the actual number of deals fell by nearly 10%. The U.S. saw a similar split, with deal value up 79% but the number of deals down by 13%. The only region with rising deal value and deal volume was Asia-Pacific.

Research and Markets recently published a report on the ongoing impact big data analytics will have on healthcare and found that although North America has been the largest healthcare big data analytics market thus far, the fastest growth between now and 2023 is actually expected from Asia-Pacific. The primary drivers of this trend include increasing adoption of big data analytics services by healthcare providers in the region and initiatives undertaken by many APAC governments to integrate big data into the healthcare industry.

Clearsight has worked with many U.S.-based big data / data analytics businesses primarily serving clients also based in the U.S. However, the sophistication and proliferation of data in APAC is pulling a lot of the U.S.’s top talent into cutting-edge challenges faced by healthcare (and financial services, primarily) enterprises in the region. Clearsight witnessed this growing APAC opportunity directly as we worked alongside Kogentix, an AI / big data services and software business we sold to Accenture in July (congrats again Kogentix Team!).

As we begin the second half of 2018, we expect an even greater interest in cutting-edge AI / big data companies (e.g., Kogentix) from all the obvious U.S. strategics, but also more and more from APAC acquirers trying to keep pace with their global competitors, as well as PE firms who continue to sit on a record amount of dry powder.
Accenture’s acquisition of Kogentix and Medidata’s acquisition of SHYFT Analytics display the growing attraction of enterprise companies to unique tech-enabled service providers. Modern analytics and big data technologies equip enterprises with the capability to discover inefficiencies and areas for growth, and deliver more holistic solutions to customers around the world.

### Transaction Summary

#### Target

On July 12, Accenture announced the acquisition of Kogentix, a privately held provider of open source big data and AI services and solutions.

Kogentix focuses on providing modern data analytics solutions that enable companies to make smarter and more efficient decisions with their data. Kogentix is an expert in transitioning legacy analytics and data applications to newer, more efficient technologies. The Kogentix Automated Machine Learning Platform (AMP) delivers an end-to-end data integration solution that builds machine learning models and operationalizes AI applications to generate viable business results.

#### Target Information

- **Announced Date**: 07/12/2018
- **Deal Type**: Acquisition
- **Year Founded**: 2015
- **Target HQ**: Schaumburg, IL

#### Deal Analysis

- **Clearsight Perspective**: Clearsight served as the exclusive strategic and financial advisor to Kogentix. The acquisition bolsters Accenture’s growing data engineering practice of their Applied Intelligence division. Continued expansion of Accenture’s Applied Intelligence division underlines the company’s desire to streamline their data solutions as customers demand faster, smarter technology. As enterprise companies look to utilize data and analytics solutions to support growth and reduce costs across their firm, opportunities arise for growing analytics and data-driven firms to scale through acquisition.

### SHYFT Analytics and Medidata Join Forces, Overhaul Life Sciences Industry

#### Transaction Summary

On June 12, Medidata announced the signing of an agreement to acquire SHYFT Analytics, a privately held cloud data analytics platform for life sciences firms around the globe.

SHYFT Analytics is a cloud data analytics provider with a platform constructed uniquely for the biotech, pharmaceutical, and medical devices industries. SHYFT’s analytics platform provides commercial and real-world data analytics with insights on over 45 billion patient records and 2 million providers around the world. Unifying SHYFT’s leading data analytics platform with Medidata’s leading clinical development platform will enable the seamless delivery of market-leading applications, services, and data science capabilities. The deal terms include total consideration of $195 million, all cash, funded with existing cash on Medidata’s balance sheet.

#### Deal Analysis

- **Clearsight Perspective**: The acquisition of SHYFT Analytics significantly enhances Medidata’s offerings by adding a commercial and real-world data analytics platform tailored specifically to Medidata’s end market. The marriage of the two companies’ platforms equips Medidata to deliver streamlined data capabilities and provides an edge against groups like Oracle Health Sciences InForm. This deal could be a precursor to additional M&A activity in the space as larger, narrow-focused companies attempt to augment their capabilities with data analytics platforms.

#### Deal Commentary

“Together, Medidata and SHYFT are powering customers’ digital transformation with artificial intelligence and real-world analytics to reduce risk, optimize revenue, and ultimately help patients.”

Tarek Sherif
Chairman and CEO, Medidata
<table>
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<tr>
<th>Announced</th>
<th>Target</th>
<th>Buyer</th>
<th>Target Description / Deal Rationale</th>
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</table>
| 6/21/2018 | simility | PayPal | ▪ Simility provides a cloud-based fraud detection platform to protect small and medium enterprises from fraud  
▪ The acquisition allows PayPal to offer small online merchants the same capabilities of bigger e-commerce providers |
| 6/14/2018 | Global Software | Insight | ▪ Global Software provides Microsoft Excel based automation and reporting software solutions for improving business intelligence (BI), enterprise resource planning (ERP), and other operational platforms worldwide  
▪ The acquisition creates a market leading platform for ERP reporting and corporate performance management |
| 6/12/2018 | CRIF | THOMA BRAVO | ▪ CRIF provides loan origination software solutions, outsourced loan processing solutions, business processing solutions, and analytics services  
▪ The transaction allows the combined organization to improve management capabilities and invest in product functionality for existing customers |
| 5/29/2018 | BMC Software | KKR | ▪ BMC Software develops software that provides system and service management solutions for enterprises in the United States and internationally  
▪ The transaction will act as a platform for KKR to make further acquisitions in the technology sector |
| 5/21/2018 | Ipreo | Markit | ▪ Ipreo develops and provides market intelligence, data, and technology solutions to participants in the global capital markets that include sell-side banks, publicly traded companies, and buy-side institutions  
▪ The transaction will allow Markit to expand its financial services and customer business |
| 5/14/2018 | Cask Data | Alphabet | ▪ Cask Data develops technologies that enable customers to overcome their big data challenges  
▪ Acquiring Cask Data will strengthen Alphabet’s cloud appeal to different enterprises |
| 5/14/2018 | Space Time Insight | Nokia | ▪ Space Time Insight provides situational intelligence and visual analytics applications that correlate, analyze, and visualize business, operational, and external data across space, time, and nodes in a network  
▪ Through the acquisition, Nokia will expand its IoT software portfolio and broaden its ability to provide new, advanced applications for key vertical markets |
| 4/30/2018 | Bizible | Marketo | ▪ Bizible develops and offers marketing attribution and planning software for business-to-business companies enabling them to connect their efforts directly to revenue  
▪ The acquisition strengthens Marketo’s initiative to help users plan, engage, and measure data |
| 4/24/2018 | Grapeshot | Oracle | ▪ Grapeshot develops software products for marketers and advertising agencies. Grapeshot provides Grapeshot Live, a cloud application that transforms data into actionable insights  
▪ The acquisition expands Oracle’s digital marketing and advertising solutions business |
| 4/24/2018 | PeopleFluent | LTG | ▪ PeopleFluent provides Software-as-a-Service talent management solutions. The company offers PeopleFluent Mirror Suite which integrates video and social technologies into various talent applications  
▪ The acquisition will allow LTG to expand its product line with PeopleFluent’s offerings |
| 4/23/2018 | Allocate Software | Vista | ▪ Allocate Software provides software products and services that enable people-based organizations to deploy and manage their resources and people in the healthcare, defense, maritime, and other commercial sectors  
▪ The investment will allow Allocate to enter the next phase in development product innovation and global innovation |

Source: Public filings as of 30-Jun-2018, Capital IQ
## Q2 2018 Select Big Data / Data Analytics Software M&A Transactions (Cont.)

<table>
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<tr>
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| 4/8/2018  | PluralSoft | ProKarma | • PluralSoft develops a data analytics, clinical insights, and business intelligence platform for the healthcare sector  
• The transaction strengthens ProKarma’s position as a market-leading analytics solutions provider |
| 4/5/2018  | Mobilethink | Enghouse Systems | • Mobilethink offers mobile operator software solutions for device management, device analytics, customer engagement, and smartphone support in order to boost data uptake, drive customer value, and reduce customer care costs  
• The acquisition will allow Enghouse Systems to expand its services in IoT and business intelligence capabilities |
| 4/3/2018  | XS Inc | Technekes | • XS provides Software-as-a-Service based solutions to improve workplace efficiency, evaluate industry standings, optimize marketing efforts, and maximize client relationships for end-users, retailers, distributors, and manufacturers  
• The acquisition will allow Technekes to be better positioned to provide clients with better technologies and data capabilities |

## Q2 2018 Select Big Data / Data Analytics Software Capital Raise Transactions

<table>
<thead>
<tr>
<th>Announced</th>
<th>Target</th>
<th>Investor</th>
<th>Target Description / Deal Rationale</th>
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</table>
| 6/26/2018 | Celonis | Accel | • Celonis develops intelligent big data technology designed to analyze and visualize every process in a company  
• The company raised $50 million of Series B venture funding from Accel and 83North |
| 6/26/2018 | Noodle.ai | Dell Technologies Capital | • Noodle.ai provides enterprise artificial intelligence technologies intended to manage complex business operations  
• The company raised $35 million of Series B venture funding in a deal led by Dell Technologies Capital and TPG Growth |
| 6/21/2018 | CrowdStrike | General Atlantic | • CrowdStrike provides a cloud-based cybersecurity platform designed to prevent, detect, and respond to cyber attacks in real-time  
• The company raised $200 million of Series E venture funding in a deal led by General Atlantic, IVP, and Accel |
| 5/24/2018 | Reltio | NEA | • Reltio provides a data-driven application designed to manage modern data management thorough Platform-as-a-Service  
• The company raised $45 million of Series D venture funding in a deal led by New Enterprise Associates |
| 5/01/2018 | SpeakIn | IDG Capital | • SpeakIn develops a voiceprint identification and identity security artificial intelligence technology  
• The company raised CNY 100 million of Series B venture funding in a deal led by IDG Capital |
| 4/19/2018 | BenevolentAI | Lansdowne Partners | • BenevolentAI develops artificial intelligence technology intended to develop medicines for the hard to treat diseases  
• The company received $115 million of development capital from Lansdowne Partners, Lundbeck, Nortrust Nominees, Upsher-Smith, and Woodford Investment Management |
| 4/18/2018 | Lucidworks | Top Tier Capital Partners | • Lucidworks develops of search and discovery applications designed to build smart search-based applications  
• The company raised $50 million through a combination of debt and Series E venture funding in a deal led by Top Tier Capital Partners |
| 4/17/2018 | Drift | Sequoia Capital | • Drift provides a conversational marketing and sales platform designed to automatically turn website traffic into qualified sales meetings  
• The company raised $60 million of Series C venture funding in a deal led by Sequoia Capital |
| 4/05/2018 | Welltok | Emergence Capital | • Welltok provides a consumer health enterprise platform designed to drive audience engagement in healthy activities  
• The company raised $117 million of Series E2 venture funding from Emergence Capital Partners, Everyday Health, and Flare Capital Partners |
| 4/05/2018 | WorkFusion | Declaration Partners | • WorkFusion provides an intelligent automation platform designed to digitize enterprise operations  
• The company raised $50 million of Series E venture funding in a deal led by Declaration Partners and Hawk Equity |

*Source: Public filings as of 30-Jun-2018, Capital IQ*
### Q2 2018 Select Big Data / Data Analytics Services M&A Transactions

<table>
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<th>Target</th>
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<th>Target Description / Deal Rationale</th>
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</table>
| 6/18/2018  | CLEAResult   | TPG           | • CLEAResult Consulting designs, plans, and implements technology-enabled energy efficiency solutions and services in North America  
• The transaction will allow CLEAResult to expand its energy management offerings and provide innovative technologies                                                                                                                                                                                                                           |
| 6/12/2018  | SHYFT        | medidata      | • SHYFT Analytics provides cloud-based data, analytics, and mobile solutions to the life sciences industry in the United States and internationally  
• By acquiring SHYFT analytics, Medidata solutions will strengthen customers’ digital transformation through artificial intelligence and real-world analytics                                                                                                                                                                                  |
| 5/21/2018  | GlobalLogic  | CPP Investment Board | • GlobalLogic provides full-lifecycle product development services to customers worldwide  
• The transaction will allow the Canada Pension Plan Investment Board to expand its reach in India by investing in its software engineering services sector                                                                                                                                                                                                                     |
| 5/17/2018  | MAASSMEDIA   | HERO_digital. | • MaassMedia, a digital analytics marketing consulting firm, specializes in analytics strategy, analytics platform implementation, data visualization, analysis, personalization, and digital analytics training  
• The acquisition strengthens Hero Digital’s data capabilities to help meet growing demand for customer experience which is fueled by data                                                                                                                                                                                                                     |
| 5/9/2018   | FUSION       | QuTech         | • Fusion PPT, a cloud computing strategy and technology company, provides information technology service management and cloud computing solutions to commercial and government customers in the United States  
• With the acquisition Quality Technology expands their services within cyber security, cloud computing, DevOps, and big data analytics as well as expands its customer base by moving into new markets                                                                                                                                                      |
| 5/1/2018   | SCION INSPIRE | EXL            | • SCIOInspire provides healthcare analytics solutions and services. The company’s health analytics services offer business services and insights in various areas from consumer engagement to payment integrity  
• The transaction expands EXL’s healthcare growth strategy by enhancing their capabilities to sell and deliver more complex clinical work, and increase their ability to scale                                                                                                                                                      |
| 4/10/2018  | Valorem      | REPLY          | • Valorem Consulting Group provides cloud and infrastructure, customer experience, data and analytics, customer relationship management, custom development, enterprise social, and portal and collaboration services  
• With the deal Reply expands and strengthens its presence in the North American market                                                                                                                                                                                                                                                                                    |
| 4/5/2018   | Media 8      | iProspect      | • Media 8 offers digital advertising services, including digital strategy, brand consulting, creative development, content creation, paid, owned, and earned media distribution, search marketing, social media, application development, and data analytics services  
• The acquisition expands iProspect’s performance marketing capabilities and talent to reach multicultural audiences in the U.S. and Latin America                                                                                                                                                                                                       |
| 4/2/2018   | Southport    | PERFICIENT     | • Southport Services Group provides business intelligence and information technology (IT) consulting services  
• The deal deepens Pericient’s data solution capabilities, extends their locations, adds more professionals, and creates more strategic client relationships with Fortune 1000 customers from different industries                                                                                                                                                                      |

### Q2 2018 Select Big Data / Data Analytics Services Capital Raise Transactions

<table>
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<th>Announced</th>
<th>Target</th>
<th>Investor</th>
<th>Target Description / Deal Rationale</th>
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</table>
| 5/15/2018  | MyriadMobile | Undisclosed    | • Myriad Mobile provides mobile application development and integrated software development services  
• The company raised $7 million of angel funding from undisclosed investors                                                                                                                                                                                                                                                                                                                                                     |
| 5/2/2018   | DevOps Group | bgrf           | • DevOps Group provides information technology and software development services  
• The company received GBP 3 million of development capital from Business Growth Fund                                                                                                                                                                                                                                                                                                                                                     |

Source: Public filings as of 30-Jun-2018, Capital IQ

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CLEARSIGHT MONITOR | Big Data Industry | Q2 2018
### Data Analytics / BI Software Index

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<td>12.3 x</td>
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<td>4.6 x</td>
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<td>NMF</td>
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<td>$ 1,462</td>
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<td>4.6 x</td>
<td>3.9 x</td>
<td>NMF</td>
<td>NMF</td>
<td>(16.9)%</td>
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<td>1.5</td>
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<td>12.9</td>
<td>16.6</td>
<td>13.5</td>
<td>11.6</td>
</tr>
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<td>$ 14,566</td>
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<td>8.8</td>
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<td>NMF</td>
<td>NMF</td>
<td>(16.9)%</td>
<td>29.6 %</td>
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<td>92.4 %</td>
<td>$ 8,936</td>
<td>$ 6,071</td>
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<td>8.2</td>
<td>7.2</td>
<td>NMF</td>
<td>NMF</td>
<td>(16.9)%</td>
<td>11.7 %</td>
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<tr>
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<td>$ 139.70</td>
<td>81.6 %</td>
<td>$ 129,889</td>
<td>$ 163,558</td>
<td>2.0 x</td>
<td>2.0 x</td>
<td>2.0 x</td>
<td>9.8 x</td>
<td>8.7 x</td>
<td>8.3 x</td>
<td>20.8 %</td>
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<tr>
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<td>49.71</td>
<td>86.3 %</td>
<td>237,450</td>
<td>260,128</td>
<td>4.1</td>
<td>3.8</td>
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<td>9.5</td>
<td>8.9</td>
<td>8.4</td>
<td>43.0</td>
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<tr>
<td>Microsoft</td>
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<td>759,277</td>
<td>701,817</td>
<td>7.1</td>
<td>6.1</td>
<td>5.6</td>
<td>20.0</td>
<td>14.6</td>
<td>13.0</td>
<td>35.3</td>
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<td>Oracle</td>
<td>44.06</td>
<td>82.4 %</td>
<td>183,759</td>
<td>177,616</td>
<td>4.3</td>
<td>4.4</td>
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<tr>
<td>SAP</td>
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<tr>
<td>Teradata</td>
<td>40.15</td>
<td>90.7 %</td>
<td>5,053</td>
<td>4,636</td>
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<td>2.1</td>
<td>2.1</td>
<td>34.6</td>
<td>12.5</td>
<td>11.2</td>
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### Diversified Analytics Software Index

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<td>34.6</td>
<td>12.5</td>
<td>11.2</td>
<td>26.9</td>
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### LTM EV / Revenue Multiple Trend – 2 Years

**Data Analytics / BI Software Index**

**Diversified Analytics Software Index**

1. Excludes Alteryx, Cloudera, and Talend.

Source: Public filings as of 30-Jun-2018, Capital IQ
Big Data Market Indices Performance – 1 Year

Q2 2018 Share Price Performance – 1 Quarter

Source: Public filings as of 30-Jun-2018, Capital IQ
ABOUT US

Clearsight Advisors is a premier, independent investment bank dedicated to providing world-class M&A and capital raising solutions exclusively to growth-oriented Technology and Business Services companies. Clearsight combines deep market insights across software, services and data. This market knowledge combined with superior strategic and financial advice allows Clearsight to act as a catalyst, enabling entrepreneurs, private equity owners and boards of directors to successfully advance their vision. Clearsight Capital Advisors, Inc., a wholly owned subsidiary, is a registered member of FINRA & SIPC. For more information, please visit www.clearsightadvisors.com

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Clearsight Advisors

We would like to thank all of our clients, colleagues and friends for helping to reinforce Clearsight as the leader in advising high-end consulting firms