CLEARSIGHT
MONITOR

Big Data – Q2 2019

Market Perspective

Sector Spotlight

M&A and Capital Raising Activity

Public Market Performance

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The assertion that data is a company's most valuable asset is only partially true. Data is important to the extent it drives business insight. Bridging data and insight is the essential challenge, and one you will see in re-emerge in the year ahead with new names such as "augmented analytics" and "explainable AI". Embedded AI techniques facilitate a more seamless connection between data and actionable insight - the true catalyst of business value.

How is this playing out in the M&A markets? Companies adept at collecting data are increasingly aggressive acquirers of targets that facilitate the data-to-insight capability. This quarter's headline transactions include Salesforce's acquisition of Tableau and Google's acquisition of Looker. In both cases, the transactions were promoted as a way to accelerate customers' digital transformation initiatives as the value chain consolidates around particular use case. The market continues to be hot and we expect more consolidation will occur. It would be unsurprising to see the next wave of targets include such standalones as Alteryx, Cloudera, and Talend.

Within private markets, we observe many of the same acquisition priorities. Pure-play data analytics firms make attractive acquisition targets, especially where the solution ultimately solves a problem from the business organization. Moreover, domain knowledge matters and targets built around a specific vertical or horizontal garner particular attention. The ultimate prize is an integrated solution delivering data-to-insight-to-action as fluidly as possible.

Upcoming Conferences

September 23 - 26
Strata New York
New York, NY

October 8 - 11
AI NEXTCon SF
San Francisco, CA

October 16 - 17
Predictive Analytics World
London, UK

November 6 - 7
DataX New York
New York, NY

November 10 - 15
TDWI Orlando Conference
Orlando, FL

November 13 - 14
AI & Big Data Expo
Santa Clara, CA

December 2 - 6
AWS re:Invent
Las Vegas, NV

Tech Giants Advance Leadership Positions and Advisory Firms Enter the Ring

Driven by further advances in the market, public technology leaders have shifted their attention to large-scale acquisitions to spur market domination, while private consulting firms look to modernize with advanced analytics and big data capabilities in the rapidly changing advisory landscape

- Looker develops a business intelligence and big data analytics platform designed to bring better insights and data-driven decisions to every business
- The combination of Looker and Google Cloud will offer an elite data management and analytics platform for businesses as they drive digital transformation

- Tableau Software develops an analytics platform that empowers individuals and companies to get rapid insights and make impactful, data-driven decisions
- The acquisition brings together the world's #1 CRM and #1 analytics platforms to revolutionize customers' digital transformations

- Cray develops the world's most advanced supercomputers and provides data analytics and artificial intelligence solutions
- The acquisition accelerates HPE's strategy to tackle customers' most data-intensive challenges by combining deep supercomputing talent and cutting-edge technologies

- Xerva is a data analytics and data warehousing service provider
- This acquisition positions Eide Bailly as an innovative and forward-looking business advisory firm in the CPA space as they look to expand deeper into data and analytics

- Kernel Analytics is a data science consultancy specialized in advanced analytics
- The acquisition bolsters the capabilities of BCG GAMMA, BCG's analytics arm that leverages world class analytics and AI to unlock business performance in global enterprises

- Cervello is a business analytics and data management consultancy, with over 100 consultants and multi-year relationships with blue-chip clients
- Cervello's expertise in big data, cloud, and data platforms will enable A.T. Kearney and Cervello to jointly develop more robust tools and customized solutions for clients

Source: Public Filings, Capital IQ, Press Releases, and Company Websites

Q2 2019 Select Big Data / Data Analytics Software M&A Transactions

Announced	Target	Buyer	Target Description / Deal Rationale
6/13/2019	Lattice	dun & bradstreet backed by THL Thomas H. Lee Partners	▪ Lattice Engines is the leading AI-powered customer data platform (CDP) enabling B2B organizations to scale their account-based marketing and sales programs ▪ The transaction will position Dun & Bradstreet as a leading provider of integrated data and analytics solutions for sales and marketing professionals
6/12/2019	medidata	DASSAULT SYSTEMES	▪ Medidata develops and markets software and provides digital transformation services for clinical development, commercial, and real-world data intelligence ▪ The transaction is all-cash at a price of $92.25 per share for Medidata, totaling ~$5.8 billion
6/10/2019	+ableau	salesforce	▪ Tableau Software develops an analytics platform that empowers individuals and companies to get rapid insights and make impactful, data-driven decisions ▪ The acquisition, valued at $15.7 billion, brings together the world's #1 CRM and #1 analytics platforms to revolutionize customers' digital transformations
6/10/2019	Zoomdata	Logi ANALYTICS backed by MARLIN EQUITY PARTNERS	▪ Zoomdata is an analytics platform for big data and live streaming data ▪ The acquisition of Zoomdata solidifies Logi's position as the leader in embedded analytics, now with the richest suite of capabilities and a global partner network
6/6/2019	looker	Google	▪ Looker develops a business intelligence and big data analytics platform designed to bring better insights and data-driven decisions to every business ▪ The combination of Looker and Google Cloud will offer an elite data management and analytics platform for businesses as they drive digital transformation
6/6/2019	DONORTRENDS	everyaction backed by INSIGHT PARTNERS	▪ DonorTrends is a fundraising analysis firm that helps nonprofits use actionable data to more efficiently generate additional revenue and more effectively engage donors ▪ The acquisition empowers EveryAction's clients to raise more money and furthers the company's strategy of bringing innovation in revenue generation to its SaaS products
5/29/2019	BLACK MOUNTAIN backed by STONE POINT CAPITAL	VISTA EQUITY PARTNERS	▪ Black Mountain Systems is the leading provider of innovative workflow software solutions to credit investors and alternative asset managers ▪ Vista's investment in Black Mountain will help drive the company's continued growth domestically and internationally and provide new capital to invest in Black Mountain's software platform and data solutions
5/20/2019	PROFITECT	ZEBRA	▪ Profitect is a leading provider of prescriptive analytics for the retail and consumer packaged goods industries ▪ The acquisition of Profitect expands Zebra's relevancy deeper and wider in global retail operations and advances their software capabilities
5/17/2019	CRAY	Hewlett Packard Enterprise	▪ Cray develops the world's most advanced supercomputers and provides data analytics and artificial intelligence solutions ▪ The acquisition accelerates HPE's strategy to tackle customers' most data-intensive challenges by combining deep supercomputing talent and cutting-edge technologies
5/8/2019	IMANIS DATA	COHESITY	▪ Imanis Data is a leader in enterprise backup and data management technology, relied upon by Fortune 500 companies to protect big data workloads ▪ The acquisition provides Cohesity customers the broadest support for big data workloads and distributed databases
5/2/2019	JET GLOBAL	insightsoftware backed by TA ASSOCIATES	▪ Jet Global Data Technologies develops reporting, data and analytics, and budgeting solutions for Microsoft Dynamics ▪ The acquisition builds on insightsoftware's strategy to deliver a broad portfolio of market-leading reporting platforms that allow organizations of any size to easily access and distribute meaningful financial and operational data

Source: Public Filings as of 28-Jun-2019, Capital IQ, Pitchbook

FEATURED TRANSACTIONS

Q2 2019 Select Big Data / Data Analytics Software M&A Transactions (Cont.)

Announced	Target	Buyer	Target Description / Deal Rationale
4/30/2019	Bernoulli	capsule *backed by* FP FRANCISCO PARTNERS	▪ Bernoulli Health provides technology solutions for patient safety, including Bernoulli One, which provides real-time clinical surveillance, predictive analytics, and robust distribution capabilities ▪ The acquisition provides Capsule's hospital clientele with an end-to-end data management and clinical surveillance solution
4/11/2019	BioAnalytix	PROTAGEN Protein Services	▪ BioAnalytix is a specialized provider of advanced analytics in biopharmaceutical development ▪ The merger of BioAnalytix and Protagen Protein Services creates a global analytics provider for biopharmaceutical companies
4/4/2019	ClearStory DATA Now You See It	alteryx	▪ ClearStory Data provides an enterprise-scale, continuous intelligence analytics solution for complex and unstructured data ▪ The acquisition is a part of Alteryx's strategy to organically and inorganically accelerate innovation in data science and analytics

Q2 2019 Select Big Data / Data Analytics Software Capital Raise Transactions

Announced	Target	Investor	Target Description / Deal Rationale
6/27/2019	Aera	DFJ	▪ Aera Technology develops cloud-based, self-driving supply chain intelligence software solutions driven by big data and analytics ▪ The company raised $80 million of Series C venture funding led by DFJ Growth
6/18/2019	BIOSERENITY	DASSAULT SYSTEMES	▪ BioSerenity develops medical wearable devices designed to diagnose and monitor epilepsy that combine high tech engineering, medical development, and big data analytics to aid in monitoring of EEG signals ▪ The company raised €65 of Series B venture funding led by Dassault Systemes
6/12/2019	SignalFx	TIGERGLOBAL	▪ SignalFx provides a cloud monitoring platform to accelerate problem detection and troubleshooting in real time using machine learning and predictive analytics ▪ The company raised $75 million of Series E venture funding led by Tiger Global Management
5/30/2019	TEMPUS	NEA	▪ Tempus provides a health care data analytics platform designed to improve patient outcomes ▪ The company raised $200 million of Series F venture funding from Novo Holdings, Revolution Group, and New Enterprise Associates
5/8/2019	sumo logic	BV. Battery Ventures	▪ Sumo Group provides a cloud-based machine data analytics platform designed to deliver real-time continuous intelligence from data across the entire application lifecycle and stack ▪ The company raised $110 million of Series G funding led by Battery Ventures
4/23/2019	harness	servicenow	▪ Harness provides a deliver-as-a-service platform utilizing machine learning and AI that simplifies the software delivery process for software engineers ▪ The company raised $60 million of Series B venture funding led by GV, ServiceNow Ventures, and IVP
4/23/2019	SIGHT MACHINE Manufacturing Analytics	LS IS	▪ Sight Machine provides an AI and machine learning-driven digital manufacturing platform designed to address critical challenges in quality and productivity ▪ The company raised $29 million of Series C venture funding led by LS Holdings
4/17/2019	PathAI	GENERAL ATLANTIC	▪ PathAI provides an AI-powered research platform to improve the accuracy and efficiency of cancer diagnosis and treatment ▪ The company raised $60 million of Series B venture funding in a deal lead by General Atlantic
4/11/2019	Lemonade	SoftBank Group	▪ Lemonade provides a peer-to-peer insurance platform for renters and homeowners powered by AI, behavioral economics, and machine learning ▪ The company raised $300 million of Series D venture funding led by SoftBank Group
4/3/2019	PAGAYA	OAK HC/FT	▪ Pagaya provides a data-driven investment platform intended to offer online lending and online credit marketplaces ▪ The company raised $25 million of Series C venture funding led by Oak HC/FT

Source: Public Filings as of 28-Jun-2019, Capital IQ, Pitchbook

Q2 2019 Select Big Data / Data Analytics Services M&A Transactions

Announced	Target	Buyer	Target Description / Deal Rationale
6/28/2019	REACHFORCE	leadspace	• ReachForce is a marketing data quality automation and analytics solutions provider • The acquisition aims to combine both companies' expertise to better power customers' data-driven sales and marketing efforts
6/26/2019	twin solutions	see novate	• Twin Solutions provides data analytics and technical consulting services associated with data recovery • Twin Solutions and BR3 Consultants merged to become SeeNovate, a recognized and scaled specialist in data science and business intelligence services
6/4/2019	Axio PARTNERS IN RESEARCH	Cytel backed by NMC New Mountain Capital LLC	• Axio Research provides biostatistics and analytics services to pharmaceutical, biotechnology, and medical device companies • The merger creates the largest global biometrics organization focused on delivering advanced analytical solutions for the life sciences industry
5/28/2019	uDA	ALANTRA	• urbanData Analytics ("uDA") provides big data and AI services in the real estate sector in Europe • With investment from Alantra's credit and real estate portfolio, uDA plans to expand its services portfolio, strengthening its position in the markets in which it operates and developing its presence in new geographies
5/20/2019	Kernel analytics	BCG	• Kernel Analytics is a Spanish data science consultancy specialized in advanced analytics applied to decision-making • The acquisition bolsters the capabilities of BCG GAMMA, BCG's analytics arm that leverages world class analytics and AI to unlock business performance in global enterprises
5/14/2019	C MOTIONS FACT BASED DECISIONS	BROAD HORIZON	• Cmotions is a data science and analytics services company based in Europe • With this acquisition, Broad Horizon can provide robust, data-driven analytics services in addition to their end-to-end software and data storage capabilities
5/7/2019	THE CHARTIS GROUP backed by RIORDAN, LEWIS & HADEN | Equity Partners	Audax Group	• The Chartis Group is a leading provider of advisory consulting and analytics to hospitals, health systems, and other healthcare organizations around the globe • The recapitalization allows Chartis to continue growth to achieve meaningful scale by investing in their current offerings and by making strategic acquisitions
4/16/2019	xerva	EideBailly	• Xerva is a data analytics and data warehousing service provider delivering enterprise-level data solutions to the mid-market • This acquisition positions Eide Bailly as an innovative and forward-looking business advisory firm in the CPA space as they look to expand deeper into data and analytics
4/1/2019	Analytics Partners	Health Axis Group backed by Cover2 Ventures	• Analytics Partners specializes in analytics solutions such as historical trend analysis, risk assessments, fraud indicators, and claims reporting for healthcare organizations • The acquisition of Analytics Partners adds robust and proven analytics to complement the HealthAxis Group's current and powerful core platform and services

Q2 2019 Select Big Data / Data Analytics Services Capital Raise Transactions

Announced	Target	Investor	Target Description / Deal Rationale
6/3/2019	REAL CAPITAL ANALYTICS	SUSQUEHANNA GROWTH EQUITY	• Real Capital Analytics provides real estate data and analytics services • The company received $115 million of development capital from Susquehanna Growth Equity
5/27/2019	healthmap | Guiding the way to smarter care.	WINDROSE HEALTH INVESTORS	• Healthmap Solutions provides clinical data and analytics services focused on progressive diseases • The company received $85 million of development capital from WindRose Health Investors

Source: Public Filings as of 28-Jun-2019, Capital IQ, Pitchbook

Big Data Comparable Companies Analysis

Data Analytics / BI Software Index

Company	Closing Price 28-Jun-2019	% of 52 Week High	Equity Market Cap	Enterprise Value	EV / Revenue Multiples LTM	2019	2020	EV / EBITDA Multiples LTM	2019	2020	LTM EBITDA Margin
Alteryx	$ 109.12	97.5 %	$ 7,294	$ 7,103	25.4 x	19.7 x	14.9 x	NMF	NMF	NMF	9.9 %
Cloudera	5.26	26.1	1,619	1,418	2.5	1.9	1.7	NMF	26.7	12.1	(30.7)
MicroStrategy	143.31	94.1	1,476	1,069	2.2	2.1	2.0	NMF	NMF	18.1	(0.8)
Splunk	125.75	87.5	20,504	19,505	10.2	8.6	7.1	NMF	NMF	NMF	(11.4)
Tableau	166.02	95.8	15,771	14,980	12.6	10.9	9.1	NMF	NMF	NMF	(7.7)
Talend	38.59	52.5	1,267	1,247	5.8	5.0	4.1	NMF	NMF	NMF	(19.7)
Verisk	146.46	99.0	24,554	26,855	11.0	10.5	9.8	25.1	22.0	20.3	43.9
High	99.0 %	$ 24,554	$ 26,855	25.4 x	19.7 x	14.9 x	25.1 x	26.7 x	20.3 x	43.9 %
Median	94.1	7,294	7,103	10.2	8.6	7.1	25.1	24.3	18.1	(7.7)
Mean	78.9	10,355	10,311	10.0	8.4	7.0	25.1	24.3	16.8	(3.8)
Low	26.1	1,267	1,069	2.2	1.9	1.7	25.1	22.0	12.1	(30.7)

Diversified Analytics Software Index

Company	Closing Price 28-Jun-2019	% of 52 Week High	Equity Market Cap	Enterprise Value	EV / Revenue Multiples LTM	2019	2020	EV / EBITDA Multiples LTM	2019	2020	LTM EBITDA Margin
IBM	$ 137.90	89.3 %	$ 123,931	$ 156,028	2.0 x	2.0 x	2.0 x	9.1 x	8.3 x	8.2 x	21.8 %
Intel	47.87	80.3	218,397	241,032	3.4	3.5	3.4	7.4	7.7	7.3	45.8
Microsoft	133.96	96.8	1,026,511	967,993	7.9	7.4	6.6	18.7	17.2	14.7	42.4
Oracle	56.97	99.1	199,942	224,654	5.7	5.6	5.5	14.0	12.0	11.5	40.7
SAP	137.07	100.0	158,840	166,649	5.8	5.3	5.0	22.4	15.8	13.9	25.9
Teradata	35.85	72.5	4,314	4,105	1.9	2.1	2.0	NMF	10.7	8.8	6.4
High	100.0 %	$ 1,026,511	$ 967,993	7.9 x	7.4 x	6.6 x	22.4 x	17.2 x	14.7 x	45.8 %
Median	93.1	179,391	195,651	4.5	4.4	4.2	14.0	11.3	10.2	33.3
Mean	89.7	288,656	293,410	4.5	4.3	4.1	14.3	11.9	10.8	30.5
Low	72.5	4,314	4,105	1.9	2.0	2.0	7.4	7.7	7.3	6.4

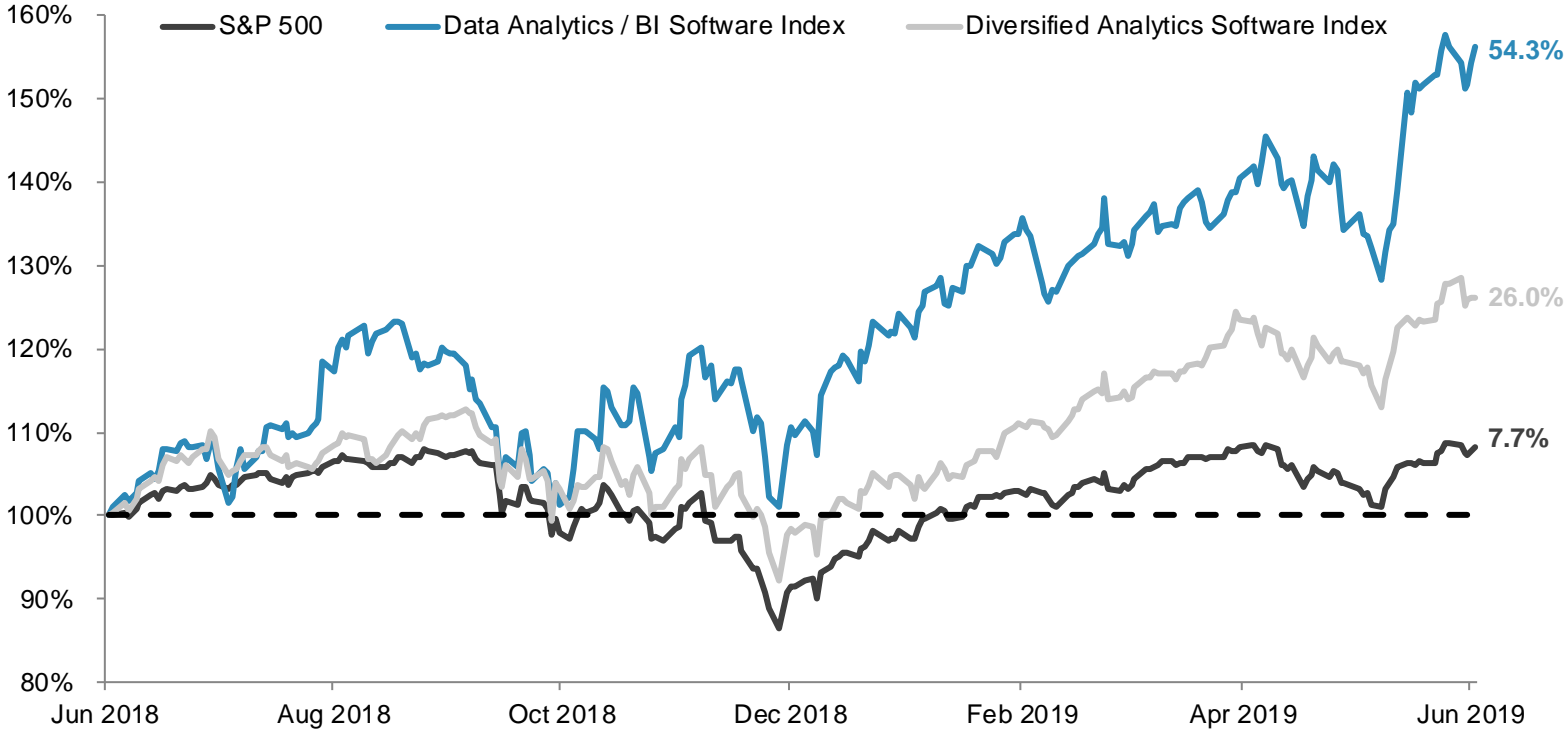## LTM EV / Revenue Multiple Trend – 2 Years[1]
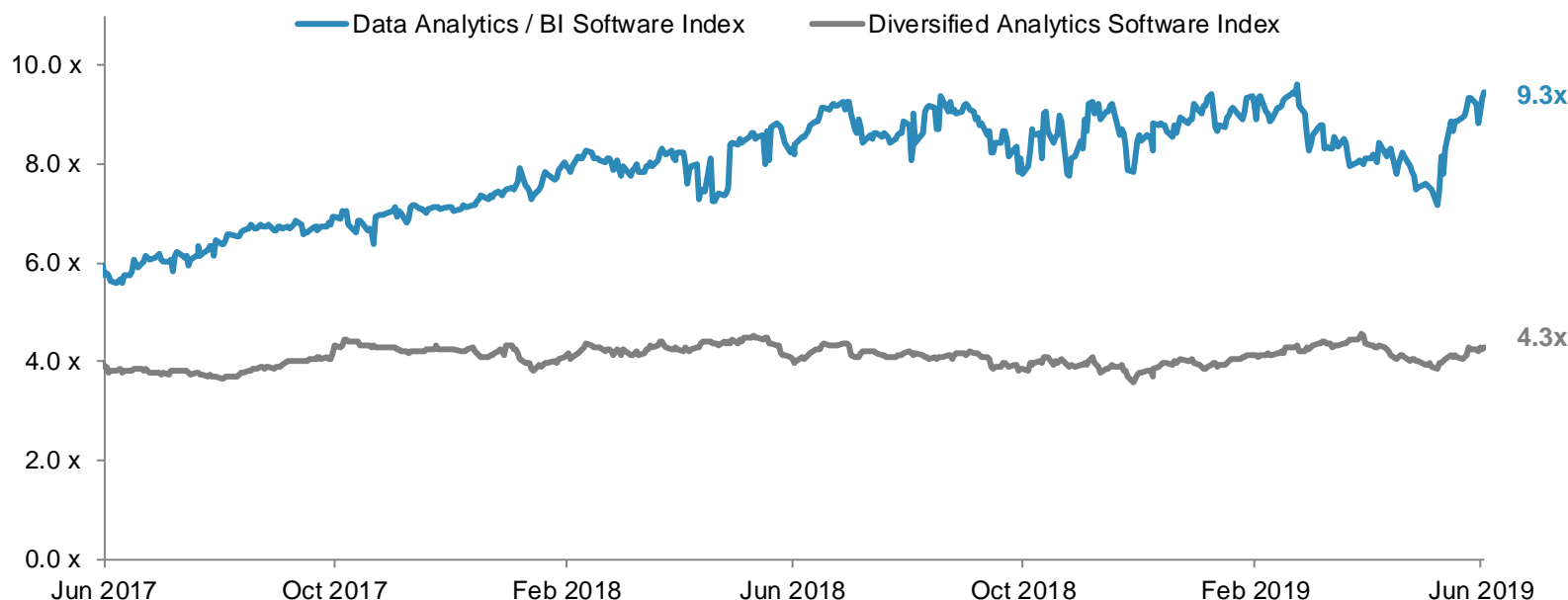
1. Excludes Alteryx, Cloudera, and Talend
Source: Public Filings as of 28-Jun-2019, Capital IQ
Note: Multiples charts may differ from Comparable Company Analysis figures due to detailed adjustments made to the Comparable Company Analysis.

Big Data Market Indices Performance – 1 Year

Legend: S&P 500 — Data Analytics / BI Software Index — Diversified Analytics Software Index

Final values: 54.3%, 26.0%, 7.7%

Q2 2019 Share Price Performance – 1 Quarter
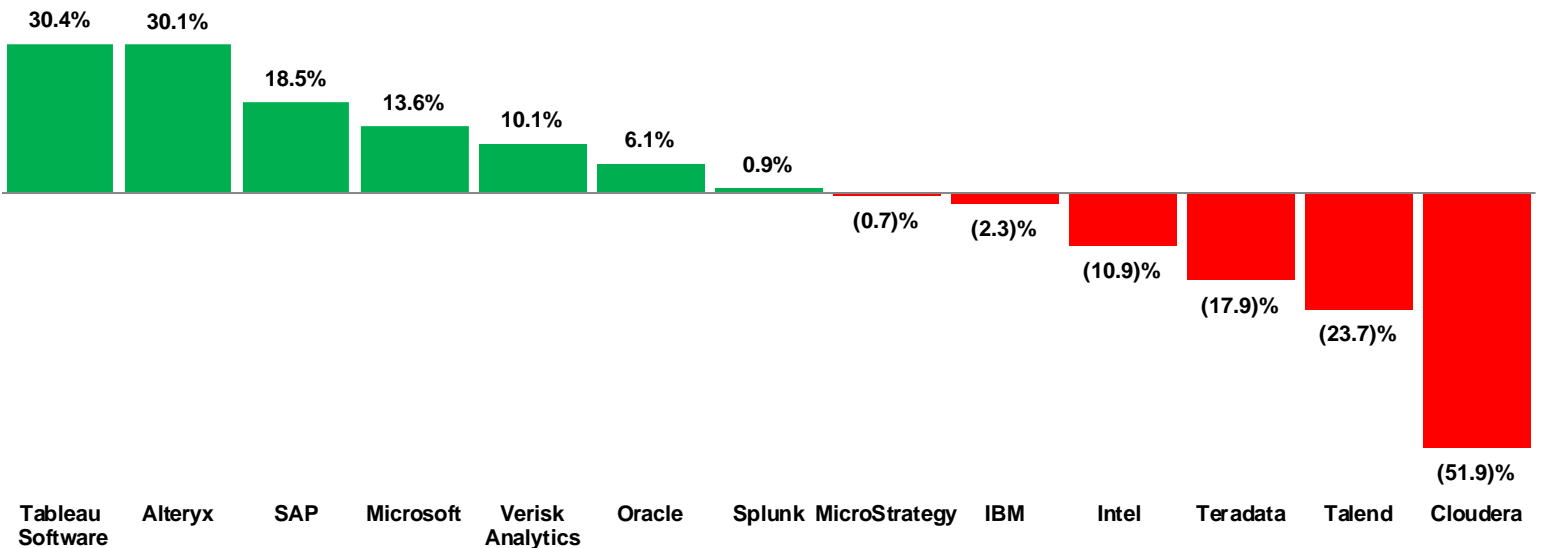
Company	Performance
Tableau Software	30.4%
Alteryx	30.1%
SAP	18.5%
Microsoft	13.6%
Verisk Analytics	10.1%
Oracle	6.1%
Splunk	0.9%
MicroStrategy	(0.7)%
IBM	(2.3)%
Intel	(10.9)%
Teradata	(17.9)%
Talend	(23.7)%
Cloudera	(51.9)%

Source: Public Filings as of 28-Jun-2019, Capital IQ

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THE DLC GROUP

has been acquired by

Addison Group

SELL-SIDEADVISOR

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roundCorner

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SELL-SIDEADVISOR

Knowledgent

has been acquired by

accenture

SELL-SIDEADVISOR

Gorilla Logic

has received a growth investment from

SVERICA CAPITAL

SELL-SIDEADVISOR

KOGENTiX

has been acquired by

accenture

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