



## FINANCIAL TECHNOLOGY AND INFORMATION INDUSTRY

### Full Year 2011 :: Mergers and Acquisitions Trend Report

#### 2011 KEY HIGHLIGHTS

- Deutsche Börse Group's planned merger with NYSE Euronext was the largest announced transaction for 2011, with an acquisition price of \$12.38 billion.
- The segment with the largest transaction volume for 2011 was Capital Markets with 100 transactions.
- The most active acquirer for 2011 was Fiserv, Inc. with four transactions: Maverick Network Solutions, CashEdge, Inc., Credit Union On-Line, Inc. and Mobile Commerce Ltd.
- There were 42 financially sponsored transactions with an aggregate value of \$3.38 billion, representing 15 percent of the total volume and 11 percent of the total value, respectively.

#### 2011 KEY TRENDS

- Total transaction volume in 2011 increased by 2 percent over 2010, from 266 to 271 transactions.
- Total transaction value in 2011 increased by 43 percent over 2010, from \$20.52 billion in 2010 to \$29.78 billion this year.
- The median revenue multiple increased from 2.2x in 2010 to 2.6x in 2011, while the median EBITDA multiple decreased from 13.5x to 11.6x.

#### M&A MARKET OVERVIEW

Berkery Noyes tracked 734 transactions between 2009 and 2011, of which 287 disclosed financial terms, and calculated the aggregate transaction value to be \$54.58 billion. Based on known transaction values, we project values of 447 undisclosed transactions to be \$6.47 billion, totaling \$61.04 billion worth of transactions tracked over the past three years.

The most active acquirer by volume between 2009 and 2011 was Thomson Reuters with 11 transactions: Emochila, Inc., World-Check, PDI Global, Inc., Highline Financial, LLC, Complinet Ltd., Aegisoft, LLC, ASSET4 AG, Breakingviews, Ltd., AMG Data Services, Vhayu Technologies Corporation, and m35 Limited.

#### M&A Market Dynamics

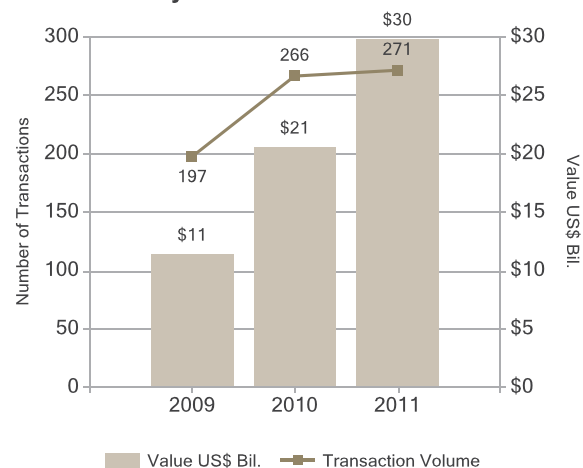


Figure 1. 2009 - 2011 value and volume comparison.

#### Median Enterprise Value Multiples

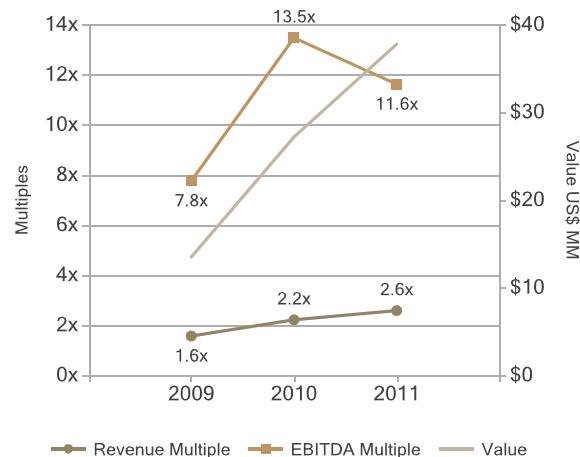
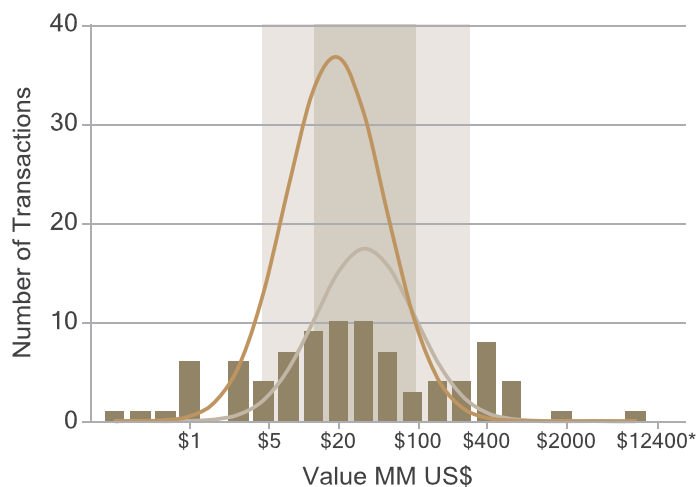


Figure 2. 2009 - 2011 median: revenue and EBITDA comparison.

# Transaction Analysis :: January 1, 2011 – December 31, 2011

## Bell Curve - Histogram



Actual Transactions Known Dist. Projected Dist.

**Figure 3.** Shows distribution of transactions among the Financial Technology & Information Industry transactions based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly one third of companies purchased had transaction values of \$12.2 million to \$54.6 million. Based on this data, we estimate the total transaction value of deals done from Jan. 1 to Dec. 31, 2011 at \$29.8 billion.

\* Indicates largest transaction in the industry from Jan. 1, 2011 to Dec. 31, 2011.

## Distribution Table

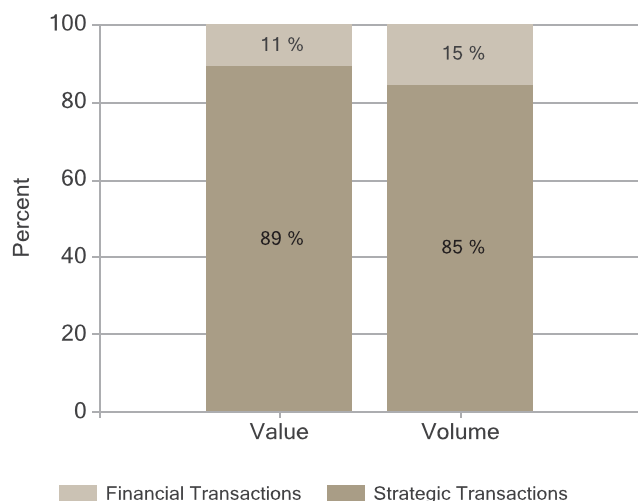
Value in MM US\$	Known Number	Projected Number	Total Number	%	Cumulative %
\$0.2	1	0	1	1 %	1 %
\$0.4	1	0	1	1 %	2 %
\$0.6	1	0	1	1 %	3 %
\$1.0	6	0	6	7 %	10 %
\$1.6	0	2	1	0 %	10 %
\$2.7	6	6	11	7 %	17 %
\$4.5	4	13	17	5 %	22 %
\$7.4	7	24	30	8 %	30 %
\$12.2	9	33	42	10 %	40 %
\$20.1	10	37	46	11 %	52 %
\$33.1	10	31	41	11 %	63 %
\$54.6	7	21	27	8 %	71 %
\$90.0	3	11	13	3 %	75 %
\$148.4	4	4	8	5 %	79 %
\$244.7	4	1	5	5 %	84 %
\$403.4	8	0	8	9 %	93 %
\$665.1	4	0	4	5 %	98 %
\$1,096.6	0	0	0	0 %	98 %
\$1,808.0	1	0	1	1 %	99 %
\$2,981.0	0	0	0	0 %	99 %
\$4,914.8	0	0	0	0 %	99 %
\$8,103.1	1	0	1	1 %	100 %
Total #	87	184	271		
Total \$ Value	\$26,302	\$3,477	\$29,779		
Middle 3rd of Industry Middle 2/3rds of Industry					

**Figure 4.** Presents the data depicted in the bell curve-histogram.

Note: The projected number column is rounded as a result of the projection and may produce insignificant errors in the total sum.

## Strategic vs. Financial Comparison

### M&A Dynamics By Transaction Type



### Transaction Type



**Figure 5.** 2011 value and volume comparison by transaction type.

**Note:** Financial transactions are those financed by private equity, venture capital, and other investment firms. This includes acquisitions by portfolio companies of the investment firms.

**Figure 6.** 2009-2011 transaction type comparison.

# Purchaser Analysis

## Top Ten Notable Transactions 2011

Deal Date	Target Name	Buyer	Value MM US\$
02/16/11	NYSE Euronext	Deutsche Börse Group	\$12,385
09/12/11	M&F Worldwide Corp.	MacAndrews & Forbes Holdings Inc.	\$2,304
03/21/11	optionsXpress Holdings, Inc.	The Charles Schwab Corporation	\$1,029
05/18/11	Esurance and Answer Financial from White Mountains Insurance Group, Ltd.	The Allstate Corp.	\$1,010
11/14/11	Point Transaction Systems AB	VeriFone, Inc.	\$818
11/18/11	Osaka Securities Exchange	The Tokyo Stock Exchange	\$771
04/06/11	Headstrong Corporation	Genpact Ltd	\$550
09/26/11	Accuity, Inc.	Bankers' Almanac	\$542
05/16/11	World-Check	Thomson Reuters	\$530
04/25/11	Explore Information Services, LLC	Solera Holdings, Inc.	\$519
2011 Aggregate Transaction Value			\$29,779
Top 10 Aggregate Transaction Value			\$20,457
Top 10 Aggregate Value as a Percentage of All Transactions			69 %

Figure 7. Lists the top ten transactions for 2011 and calculates their aggregate transaction value as a percentage of the 2011 total aggregate transaction value as shown on Figure 1 & 4.

Note: Transaction data based on announced date.

## Median EV/Revenue Multiples By Size

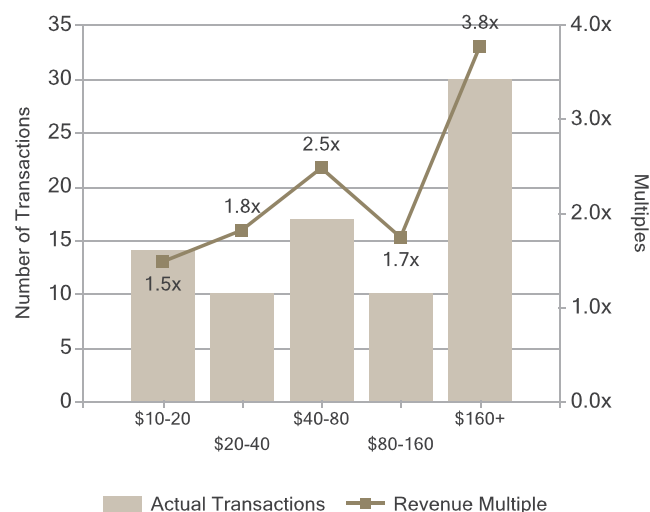


Figure 8. Presents the median enterprise value/revenue multiples paid for companies in the Financial Technology & Information Industry from 2009 to 2011 based on publicly available sales price and revenue data

# Transaction Volume by Segment :: January 1, 2009 – December 31, 2011

## Transactions By Market Segment

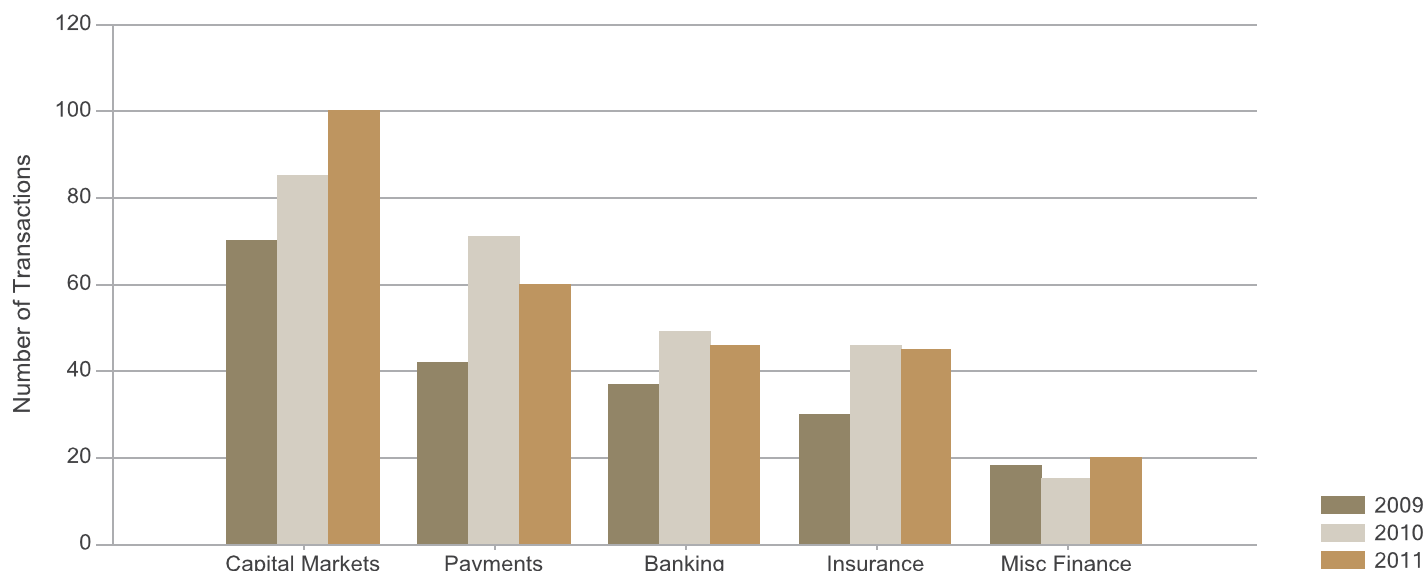


Figure 9. Presents the transaction volume by target segment within the Financial Technology & Information Industry from 2009-2011.

# BERKERY NOYES

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Founded in 1980, Berkery Noyes is a leading independent investment bank serving the information, software, marketing, and technology industries. The firm has initiated, managed, and closed more than 475 merger and acquisition transactions for privately held and publicly traded companies in the healthcare, financial services, education, and entertainment markets.

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The DNA of M&A

*All charts in this report are based on data gathered by Berkery Noyes' research department. All time period statistics are based on the transaction announcement date.*

*For current intelligence on Mergers and Acquisitions activity in the Information Industry please visit our online service at [www.mandasoft.com](http://www.mandasoft.com)*

## RECENT FINANCIAL TECHNOLOGY TRANSACTIONS

### PRIMUS

HAS MADE  
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