martinwolf

# Valuation & Deal Insights®

***Industry Coverage: IT Services, BPO, and IT Supply Chain Services***

*3Q11*

*IN THS ISSUE*



# Transaction Highlights

## IT Services

SEPTEMBER 1, 2011

Computer Sciences Corporation (NYSE: CSC) acquires Maricom Systems, Incorporated. Maricom's approximately 200 employees join CSC's Health Services business.

AUGUST 10, 2011

Computer Services, Inc. (OTCPK: CSVI) signs a definitive agreement to acquire HEIT, Inc. Dan Holt, HEIT's Chief Executive Officer, becomes General Manager of Computer Services' Managed.

AUGUST 4, 2011

Isoftstone Holdings Limited (NYSE: ISS) acquires Adventier Consulting Group, Inc.

JULY 26, 2011

Cognizant Technology Solutions Corp. (NasdaqGS: CTSH) enters into a definitive agreement to acquire CoreLogic Global Services Private Limited from CoreLogic, Inc. (NYSE: CLGX) for $50 million in cash.

JULY 25, 2011

CACI International Inc (NYSE: CACI) signs a definitive agreement to acquire Paradigm Holdings, Inc. (OTCBB: PDHO) for $61.5 million.

JULY 21, 2011

SAIC, Inc. (NYSE: SAI) signs a definitive agreement to acquire Vitalize Consulting Solutions, Inc. from SV Life Sciences Fund IV, SV Life Sciences Advisers LLP, Ferrer Freeman & Company, LLC and other investors.

## Business Process Outsourcing

SEPTEMBER 20, 2011

Accel-KKR takes majority stake in Infinisource, Inc. **Martin Wolf was the advisor to the seller.** Infinisource is a leading benefits administration technology and services company that plans to expand its suite of products and fuel growth efforts with the added capital.

AUGUST 22, 2011

Accenture plc (NYSE: ACN) agrees to acquire Zenta. In conjunction with the agreement, Accenture is launching Accenture Credit Services. Zenta's approximately 3,700 employees are expected to join Accenture.

### IT Supply Chain Services

SEPTEMBER 19, 2011
Insight Enterprises, Inc announces it will acquire Ensynch. The transaction is expected to close before the end of October.

JULY 1, 2011
Logicalis Group Limited acquired Netarx, Inc. for $34 million in cash and stock. The maximum consideration of $34 million will be paid in a combination of cash and deferred Datatec shares in order to align management shareholders, who will be assuming key positions in Logicalis.
**Ω**

## Viewpoint: A lot to think about

By Marty Wolf
Founder | President

My oldest daughter is a native English speaker, but also speaks French, Spanish, Hebrew and a modicum of ancient Greek. Never in my wildest dreams would I have thought Greek would be relevant in global commerce today, ancient or otherwise.

Today's U.S. stock market volatility, and capital formation, is driven largely by European bank's solvency caused by sovereign debt insolvency, driven by the PIIGS (Portugal, Italy, Ireland, Greece and Spain). The tail is really wagging the dog in this instance. The Greek economy is tiny, GDP of $310 billion (2010 estimate) vs. California at nearly $2 trillion, average wages are approximately $29,500 per person, India approximately $1,000 per person, and China approximately $3,700 per person, clearly demonstrating that the Greek standard of living is high by global standards.

The problem is the country will see the GDP (which hasn't grown since 2008) decline between five and ten percent year-over-year and debt to GDP is a staggering 150%+ of GDP {think debt/equity} and growing. Like individual companies, countries that don't grow their GDP {think top line revenue} are not going to be valued highly {think EBITDA or REV multiples} and if you are going to continue to provide more services than your top line allows, you will need to leverage the other side of the balance sheet to make good on those promises {think debt}.

To compound this modern Greek tragedy, they falsified their books to continue borrowing {think Enron}, then the spigot got shut off. The reason why this matters is the French and German banks loaned them the money

**"We believe the opportunity exists for those who aspire to take a share in a declining market. Historically, rewards for good execution during these periods are high."**

money to the Greeks to pay back the banks {think TARP} the banks will then be insolvent {think Lehman Brothers}.

***Yes, we have a lot to think about today.***

All this uncertainty has caused a flight to safety; return of principal is valued today more than return on principal. Consequently, the debt market is getting rougher and rougher to successfully navigate, disproportionately affecting private equity investors who need leverage to be in business. On the equity side, with few exceptions, the IPO market is closed and large corporations continue to husband cash for a multitude of reasons. Further, the current administration is continuing to threaten significant tax increases on S-corporations, dividends and capital gains. So where does this leave us today and over the next few quarters?

First, we have way too much capacity in a no growth economy, so expect very large business combinations to take out cost. AT&T and T-Mobile are textbook examples. More, larger, bigger.

Second, China, which had provided alternatives in capital raising, including reverse mergers into public companies, has suffered severe corporate governance setbacks and this safety valve has been removed.

Third, Europe will have a very bad outcome and since the combined GDP is larger than the U.S., the impact will be felt in multiple ways. Mostly, negative.

Lastly, while we are forecasting more, larger cross border transactions, many notable, we believe an opportunity exists for those who aspire to take a share in a declining market. Historically, rewards for good execution during these periods are high. We just closed on a large services transaction where our client brought in a sophisticated financial partner. This enables him to hunt for bigger fish vs. historically being relegated to smaller ones due to sourcing and capital. And since their market is causing smaller companies to invest beyond their capability to finance, opportunities are created.

As always, happy selling.

p.s. Check out our new website (www.martinwolf.com), and be on the lookout for more deal announcements from our firm.

# Stay Pay: Don't Let Key Employees Leave You in the Lurch

Every business has key employees whose on-going contributions are significant to its valuation. And most companies also have other key employees whose contributions are critical to completion of a transaction for the sale of the company. Among the former category are the CEO, the head of sales, and anyone whose departure will have an immediate impact on revenue. In the latter category are often key financial executives (the CFO, perhaps the comptroller) and the General Counsel.

Unless those individuals have a significant equity stake in the business (and hearing of the possibility of a sale will be disconcerting to them, disruptive to the business, and may impact its value. It is not unusual for such key executives to begin focusing on their individual interests and other alternatives, and some may threaten to leave the company with key accounts. If the business owners have not anticipated those possibilities, it can result in very difficult confrontations and negotiations, at a very inopportune time.

**"Consider putting in place retention arrangements for key employees well in advance of any anticipated sale."**

What should a business owner do? Consider putting in place retention arrangements, or "stay pay" packages for each of those key employees, well in advance of any anticipated sale. These kinds of arrangements have various names, but essentially they are contractual agreements with key employees that (may) result in payments to them on a change of control of the company. Following are the steps that owners should consider:

### STEP ONE

Identify the "key employees." Generally that category will include any employees whose departure will significantly impact value, plus those who have an important role in getting the deal closed. Keep in mind that who is "key" will change over time, and in some instances will be different for different buyers. (Financial buyers, for example, may want to keep all C-level employees, while strategic buyers will often have little interest in retaining, for example, the CFO or General Counsel.)

### STEP TWO

Review existing employment agreements and equity holdings. In some cases, the key employee may be sufficiently motivated by current holdings, and in some states you may have covenants not to compete in place that will restrict the employees' alternatives. (But in California and some other states, covenants not to compete for employees without an equity stake are not enforceable; in some states the covenant may generally be enforceable, but is not assignable – meaning that the Buyer cannot enforce it and it is therefore of very limited value.)

**STEP THREE**

Design a program consistent with your needs. Typically the program requires the employee to stay through the closing, and perhaps for a period after the sale (30 to 90 days is common) to assist in the transition / integration. The payment is typically expressed as cash bonus equivalent to a portion of the key employee's then current salary (three months to two years is not uncommon). Payment itself is sometimes made within 90 days of the closing, but could be extended for up to two years, with the further agreement that termination of employment will accelerate such payment.

**“Typically the program requires the employee to stay through the closing, and perhaps for a period after the sale to assist in the transition.”**

**STEP FOUR**

As part of the design of the program, determine if a “single trigger” of “double trigger” should be used:

- A “single trigger” means the employee earns the right to receive payment on the closing of the change of control transaction, and sometimes adds the requirement of termination of employment for any reason. (As a practical matter, however, if the executive can receive the payment for quitting, it often means that the Buyer will pay even if it decides to offer continued employment.) Regardless of whether the employee has earned the right to payment, the payment itself is often made over an extended period of time; we have recently seen a transaction in which payment was to be made two years after the close, provided further that termination of employment would result in acceleration of such payment.

- A “double trigger” means that the employee earns the right to receive payment only following a changed of control - the first trigger - AND the termination of his employment without cause (or if the employee terminates for “good reason”) - the second trigger. Typically the second trigger must be pulled within a specified time period, for example within a year of the close. And, as was the case for the single trigger, earning the right to payment does not necessarily mean that the payment must be made immediately; some programs provide for payment over time.

**STEP FIVE**

Have each key employee sign a written agreement reflecting such stay pay terms, and include a provision requiring the key employee to keep the terms, and the possibility of a sale, confidential.

Most buyers are acutely sensitive to the importance of key executives to the value of the company, and will likely have little objection to the existence of such a program (particularly is a double trigger is required). Sellers must disclose the existence of any such program – at the appropriate time – and ultimately who must bear the financial responsibility for such program – the buyer or the seller – will be a part of the overall sale negotiation. **Ω**

# HP Exits PC Business

The troubles within HP continue as Meg Whitman takes over for Leo Apothekar. This CEO change adds to the uncertainty and disruptions regarding HP's go forward strategy including the acquisition of Autonomy and the spin off of their PC Business. Many pundits, both financial and IT executives have weighed in with their thoughts on how this impacts HP shareholders, HP end user customers and HP's reseller channel. Not only do you have to deal with the HP market decisions, now you have to weigh the pros and cons of the Whitman hiring. We believe this disruption is not positive for the IT channel especially for HP solution providers. Competitors such as Dell, IBM and Oracle will use this market uncertainty to compete and attack HP business. Dell has publicly stated that this will create market opportunity.

HP resellers now need to review their plans and account for these potential changes. Even if handled perfectly the spin off creates 12 to 18 months of uncertainty. How the spin off impacts not only HP's PC Business but the bleed over into the server, storage and networking areas needs to be loss of clear business focus have already created concern and issues within the HP reseller community.

**"Clearly the continued disruption at HP is creating fear, uncertainty and doubt…HP needs to give the market a clear plan as to their future."**

Clearly the continued disruption at HP is creating fear, uncertainty and doubt in the IT community. HP needs to tackle some difficult strategic decisions and give the market a clear plan as to their future. There are difficult choices ahead, and the eventual impact on the HP reseller community is far from certain. **Ω**

## Trends in Mid-Market Human Capital Management {part two}

Our last issue outlined the various segments we see in the Human capital Management (HCM) marketplace and identified the following three key trends driving mid-market M&A in the space.

**Key trend #1** Tech enabled services companies acquiring SaaS companies;
**Key trend #2** Consolidation trends; and
**Key trend #3** Private equity is back

In this issue we discuss another key trend shaping up:
**Key trend #4 Upcoming Healthcare reform in 2014**

**"M&A within core-HRMS companies have to evaluate how Obamacare will impact their post-acquisition business by 2014."**

Pending Healthcare reform in 2014 – often referred to as Obamacare – has led small businesses and individuals to go to health-exchanges for insurance coverage. Martin Wolf is monitoring this closely as it seriously affects employee benefits, and acquisitions are being driven by these anticipated changes. Further M&A in core-HRMS companies have to evaluate how Obamacare will impact their post-acquisition business plan by 2014.

As an example of this trend, in July 2011, Payflex was acquired by Aetna for around $200M. This strengthened Aetna's existing consumer- oriented product business. Payflex's business model focused on web-based benefit administration for healthcare plan sponsors that offer consumer-based products like Health Savings Accounts (HSAs), Health Reimbursement Accounts (HRAs) and Flexible Spending Accounts (FSAs), and COBRA direct-billing services. Aetna was attracted towards PayFlex's unique technology program called HealthHub, an integrated financial and wellness consumer portal.

As a broader trend, insurance companies are looking at ways to leverage their balance sheet to diversify their revenues beyond insurance and to reduce their customer acquisition costs and are getting deeper into benefits administration. Both these factors get additional momentum from expected regulation reform from Obamacare.

There are two other recent notable transactions that highlight these trends.

Sumtotal's acquired Cybershift within a month of the Ceridian acquiring Versult. Both Cybershift and Versult are workforce management application and indicate that workforce management technology application space may have some more action to follow.

**"Insurance companies are looking at ways to leverage their balance sheet…and are getting deeper into benefits administration."**

Sumtotal is backed by private equity and is broadening its product footprint to cover the entire spectrum of Human capital Management Solutions. It illustrates a combination of the three trends around SaaS M&A, consolidation and M&A backed by private equity.

Recently, we announced Accel-KKR's acquisition of majority ownership in Infinisource. Infinisource is a leading COBRA administration tech-enabled services company and Accel KKR a leading private equity. Interestingly, Accel-KKR had made an attempt to acquire Sumtotal in 2009 but had lost to Vista Equity. It is rumored that they have been on a hunt for a platform acquisition ever since. Now that they have acquired the platform, expect follow-on acquisitions in the space to be fueled by at least two leading private equity firms with solid platforms. **Ω**

## Selected Industry Transactions

Below are highlighted transactions that we believe are interesting and significant in our middle market space.

**Telecom Solution Provider**

**Shared Technologies Acquired Cross Telecom {5/2/11}**

**Target**

Cross Telecom Corporation provides converged and internet protocol technologies and unified communications solutions to a variety of industries. It was founded in 1996 and is headquartered in Bloomington, MN with approximately 315 employees. Total sales were approximately $120 million for the year ending December 31, 2010.

| | |
|---|---|
| **Buyer** | Shared Technologies, Inc (a wholly owned subsidiary of Arrow Electronics (NYSE: ARW)) |
| **Synopsis** | Shared Technologies, Inc acquired Cross Telecom. The transaction is expected to be $.01-$.05 per share accretive to Arrow's earnings in the first full year of operations. The financial terms of the deal have not been disclosed. |
| **Transaction Highlights** | The acquisition of Cross Telecom follows Arrow's acquisition in September 2010 of Shared Technologies for $250 million, and represents a continuation of Arrow's move into the faster-growing, high-margin unified communications and managed services market. The combination of Shared with Cross Telecom provides Arrow with approximately $370 million in revenue.<br><br>Unified communications and converged infrastructure is a growing market. In February, Paetec Holding Corp (NASDAQ GS: PAET) announced its acquisition of Xeta Technologies, Inc. (NASDAQ GM: XETA) for $61 million. Paetec was then acquired by Windstream for $2.4 billion. |
| **Managed Services** | **TDS Hosted and Managed Services Acquired OneNeck {6/28/11}** |
| **Target** | OneNeck is an application management and managed IT service provider for midmarket businesses. It was founded in 1997 and is headquartered in Scottsdale, Arizona with 230 employees, 12,000 sqft of data center in Tempe and Gilbert, AZ. |
| **Buyer** | TDS Hosted & Managed Services, LLC ( a wholly owned subsidiary of Telephone & Data Systems Inc. (NYSE:TDS)) |
| **Implied Enterprise Value** | $95 Million |
| **Implied EV/Revenue** | 2.53x LTM 12/31/10 Revenue |

| | |
|---|---|
| **Synopsis** | TDS Hosted & Managed Services, LLC acquired OneNeck IT Services, Corporation from WestView Capital Partners and others for $95 million. OneNeck generated annual revenues of $37 million in 2010. |
| **Transaction Highlights** | The acquisition illustrates a growing trend by TDS to bolster their cloud strategies via a mix of internal development and targeted acquisitions. Over the past year, TDS has been actively building up its cloud and data center capabilities through the acquisition of not only OneNeck, but also VISI and TEAM, which are now both subsidiaries of TDS' newly created Hosted & Managed Services (HMS) division. The acquisition also added hosted ERP application management services capability to TDS. |
| | Managed hosting and cloud computing space has been one of the hottest consolidation targets lately. Many traditional and nontraditional buyers are racing to join the crowd. This year alone, CenturyLink bought SAVVIS for $3 billion; Time Warner Cable snapped Navisite for $315 million; and Terramark was acquired by Verizon for $1.3 billion. |
| **Financial IT Services** | **Genpact Acquired Headstrong {4/6/11}** |
| **Target** | Headstrong, Inc. provides consulting and technology services for financial services, public sector, and service industries in North America, Europe, and the Asia-Pacific. In addition, it operates gantthead.com, an online community and resource for information technology (IT) project managers. The company was founded in 1981 and is based in Fairfax, Virginia. It has with over 3,000 employees in 20 office locations in 8 countries. |
| **Buyer** | Genpact Ltd. (NYSE:G) |
| **Implied Enterprise Value** | $550 Million |
| **Implied EV/Revenue** | 2.53x LTM 12/31/10 Revenue |
| **Implied** | 24.9x LTM 12/31/10 EBITDA |

| | |
|---|---|
| **EV/EBITDA** | |
| **Implied EV/EBIT** | 34.4x LTM 12/31/10 EBIT |
| **Implied EV/Book Value** | 4.87x LTM 12/31/10 Book Value |
| **Target Financial** | Revenue: \$221.6M<br>EBITDA: \$22.1M<br>EBIT: \$15.9M<br>Net Income: \$14.1M<br><br>Cash & ST Investment; \$39.3M<br>Total Assets: \$151.7M<br>Current liability: \$39.2M<br>Total Equity: \$112.8M |

**Synopsis**

Genpact Ltd. (NYSE: G) signed a definitive agreement to acquire Headstrong Corporation from H&Q Asia Pacific, Ltd., Welsh, Carson, Anderson & Stowe and other investors for \$550 million in cash on April 6, 2011. The transaction is being funded by a combination of existing cash and acquisition financing.

Genpact will fund the largest deal in its history with cash and borrowings of \$350million under its new credit facilities, it said in a regulatory filing. Genpact had cash and cash equivalents of \$404 million at the end of 2010. It is looking to leverage Headstrong's growth rate of over 20 percent a year and the acquisition should change Genpact's BPO/IT mix from approximately 86% BPO / 14% IT to 73% BPO / 27% IT. Genpact expects the transaction to be accretive to earnings per share on a GAAP basis in 2011.

**Transaction Highlights**

This acquisition improves Genpact's capital markets offering through access to Headstrong's clients which include nine of the world's top ten investment banks and three of the top five asset managers. Sandeep Sahai, CEO of Headstrong, and his management team will remain onboard. The increased geographical footprint will allow Genpact to provide services from more locations including the US, Mexico, Poland, Hungary, and China. Additional cost saving and cross-selling opportunity will further position Genpact as the #1 BPO provider in India.

The deal is the second-largest deal this year by an Indian IT services company after iGate's \$1.2B purchase of Patni Computer Systems at 2.1 times TTM revenue, and Wipro's \$150M acquisition of SAIC's oil and gas IT practice at 0.8 times revenue. Indian IT services companies are increasingly showing appetite for large deals in a bid to achieve scale post recession, and are not shying away from paying a premium for their targets. **Ω**

# Martin Wolf Scoreboard

## Valuation Summary

| | Revenue Growth% | GM% | EBITDA% | Debt / Asset % | P/S | P/E | EV/Revenue | EV/EBITDA |
|---|---|---|---|---|---|---|---|---|
| **IT & IT-ENABLED OUTSOURCED SERVICES** | | | | | | | | |
| **Managed Services** | 23.3% | 51.0% | 34.2% | 30.9% | 4.23 | 55.6 | 5.04 | 12.2 |
| **Healthcare IT** | 20.1% | 47.4% | 23.7% | 9.3% | 2.84 | 31.7 | 3.09 | 18.1 |
| **Financial IT Services** | 4.8% | 45.7% | 24.7% | 14.5% | 2.01 | 18.0 | 2.41 | 8.2 |
| **Offshore Outsourcing > $500MM** | 26.1% | 32.1% | 20.5% | 8.0% | 1.70 | 15.7 | 1.73 | 11.4 |
| **Chinese Outsourcing** | 25.8% | 32.6% | 8.9% | 5.5% | 1.52 | 25.4 | 1.51 | 13.3 |
| **IT Outsourcing** | 17.5% | 34.3% | 16.2% | 17.0% | 1.16 | 16.0 | 1.28 | 7.9 |
| **Governmental IT Professional Services** | 10.5% | 19.5% | 8.9% | 14.5% | 0.46 | 9.6 | 0.56 | 6.4 |
| **Offshore Outsourcing < $500MM** | 19.2% | 29.6% | 13.8% | 4.6% | 0.47 | 5.7 | 0.50 | 4.1 |
| **European IT & Business Services** | 6.9% | 20.6% | 8.6% | 15.1% | 0.39 | 10.6 | 0.47 | 4.7 |
| **IT Staff Augmentation** | 17.4% | 28.6% | 5.1% | 5.1% | 0.41 | 24.9 | 0.42 | 8.1 |
| **Commercial IT Professional Services** | 16.3% | 30.2% | 6.6% | 0.1% | 0.45 | 17.5 | 0.41 | 8.5 |
| **IT SUPPLY CHAIN SERVICES** | | | | | | | | |
| **IT Resellers** | 8.8% | 21.9% | 0.6% | 18.7% | 0.21 | 9.2 | 0.25 | 4.5 |
| **IT Retailers** | -1.1% | 27.3% | 4.7% | 16.8% | 0.13 | 11.4 | 0.23 | 5.3 |
| **European IT Supply Chain** | 4.2% | 13.8% | 2.7% | 6.7% | 0.22 | 19.4 | 0.20 | 9.5 |
| **IT Products Distributors** | 18.1% | 10.3% | 3.0% | 11.6% | 0.16 | 10.0 | 0.18 | 5.3 |
| **Asian IT Supply Chain** | 12.9% | 10.1% | 2.6% | 10.4% | 0.14 | 8.4 | 0.14 | 6.4 |
| **IT Direct Marketers** | 17.7% | 13.4% | 2.5% | 2.8% | 0.13 | 9.0 | 0.10 | 4.3 |
| **BUSINESS PROCESS OUTSOURCING** | | | | | | | | |
| **Business Process Outsourcing - Non-voice** | 6.2% | 34.6% | 21.0% | 28.6% | 1.39 | 17.4 | 1.33 | 9.1 |
| **Offshore Business Process Outsourcing** | 18.2% | 36.1% | 15.1% | 20.8% | 0.62 | 6.2 | 0.99 | 7.5 |
| **European Business Process Outsourcing** | 10.7% | 21.9% | 11.3% | 30.0% | 0.51 | 10.3 | 0.61 | 7.3 |
| **Business Process Outsourcing - Voice** | 2.8% | 31.4% | 11.5% | 11.4% | 0.61 | 16.4 | 0.54 | 6.0 |
| **SaaS** | | | | | | | | |
| **SaaS** | 24.0% | 69.8% | 9.5% | 0.3% | 5.44 | 67.3 | 5.15 | 32.1 |

Key Definitions:
1. Data Source: Capital IQ
2. The defined industry categories are based on Martin Wolf's in-house research
3. The MWS Index® is market-value-weighted. It starts on January 1, 2007 with a value of 1000. It includes 69 IT and IT-Enabled Outsourced Services, 25 IT Supply Chain Services, and 38 Software companies listed in US stock market.
4. Enterprise value = Market Cap + Min. Interests + Preferred Stock + Out. Debt - Cash and Cash equivalents
5. LTM means Last Twelve Months based on last reported period
6. MWS Scoreboard is based on the closing price as of July 1, 2011.
7. Revenue Growth is growth in LTM revenue compared with previous period
8. Gross Margin = LTM Gross Profit * 100 / Revenue
9. EBITDA % = LTM EBITDA * 100 / Revenue
10. Net Income % = LTM Net Income *100 / Revenue
11. Debt/Asset = LTM Total Debt / Total Assets
12. P/S = Market Cap / LTM Revenue
13. P/E = Market Cap /LTM Net Income
14. EV/Revenue = Enterprise Value / LTM Revenue
15. EV/EBITDA = Enterprise Value / LTM EBITDA

If you have any questions, or want to subscribe to our periodic intelligence information, or be removed from the distribution list, please contact Yousif Abudra at (925) 215-2760 or e-mail him at yabudra@martinwolf.com.

## MW Selected Transactions

Below are selected transactions that Martin Wolf served in an advisory capacity.

| | | |
|---|---|---|
| Infinisource *has been acquired by* ACCEL KKR *August 2011* | VALCOM Technology Management Solutions *has been acquired by* PC Connection 1.800.800.0014 *March 2011* | Benefits XML enabling e-benefits *has been acquired by* SS&C *March 2011* |
| GA GLOBAL ANALYTICS *has been acquired by* ERNST & YOUNG Quality In Everything We Do *August 2010* | Innovative Process Administration, LLC *has been acquired by* MERCER MARSH MERCER KROLL GUY CARPENTER OLIVER WYMAN *June 2010* | valtech *has accepted a tender offer from* SiegCo *December 2009* |
| DLT SOLUTIONS *has been acquired by* TZP GROUP *October 2009* | CANVAS SYSTEMS *has been acquired by* Platinum Equity *April 2009* | ROLTA *has acquired* piocon *December 2008* |

***Martin Wolf is a leading middle market M&A Advisory exclusively focused on IT Services, BPO & IT Supply Chain Services.***