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2016 Top 25 Firm

as ranked by Accounting Today

2015 Best of the Best Firm

as ranked by Accounting Today

2014 Fastest Growing Firm

as ranked by Inside Public Accounting

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MARKET HIGHLIGHTS

Despite of the low performance compared to the S&P 500 index over the past 3 and 6 months, **the S&P 500 Internet Software & Services (Industry) Index is outperforming the S&P 500 Index over the past 12 and 24 months by a large degree.**

The E-commerce sector had the highest median LTM revenue and EBITDA multiples (6.12x and 29.4x, respectively). The Diversified Internet sector had the second highest median LTM revenue and EBITDA multiples (5.21x and 23.4x, respectively). **In all sectors, LTM revenue multiples were down over the last 3 and 12 months with the exceptions of the Diversified Internet sector (3 months).** In all sectors except the Advertising Networks sector, LTM EBITDA were down over the last 12 months, but only the Diversified Internet and Contents sectors had LTM EBITDA increased over the last 3 months.

Over the last 3 months, the Diversified Internet and E-commerce sectors showed improvements

in stock prices. But over the last 12 months, all sectors except the Diversified Internet sector showed stock price decline. The Diversified Internet sector showed an increase of 8.6% over the last 12 months, in addition to the 10.4% increase over the last 3 months.

The best individual performers in Q2 were Weibo Corporation (+54.9%), Wix.com Ltd. (+50.6%), and Yelp Inc. (+48.6%). The individual companies that declined the most in Q2 were 21Vianet Group, Inc. (-48.2%), YooX Net-A-Porter Group S.p.A. (-24.9%), and Gogo Inc. (-23.2%).

From an EPS perspective, the best performers in 2015 were Alphabet Inc. (\$23.59), Naver Corporation (\$14.97), and Baidu, Inc. (\$14.66). The weakest EPS performers in 2015 were 21Vianet Group, Inc. (-\$5.12), Rocket Fuel, Inc. (-\$4.95), and Yahoo! Inc. (-\$4.64).

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MARKET SECTOR	Median % Change		PEG Ratio	Earnings Ratio	
	Price			LTM	2016E
	3 mo	12 mo	2016E		
Diversified Internet	10.4%	8.6%	1.25x	40.78x	33.35x
Contents	0.7%	(16.2%)	0.00x	68.38x	62.30x
E-commerce	(0.9%)	(2.7%)	1.40x	59.34x	41.37x
Internet Infrastructure	(3.1%)	(22.4%)	1.36x	24.21x	20.91x
Advertising Networks	(2.2%)	(32.1%)	1.08x	21.49x	16.46x

EV/REVENUE MULTIPLES

MARKET SECTOR	Median 6/30/16	LTM		NTM
		Median % Change		Median
		3 mo	12 mo	6/30/16
Diversified Internet	5.21x	5.4%	(11.5%)	4.23x
Contents	4.25x	(1.8%)	(35.1%)	3.96x
E-commerce	6.12x	(4.1%)	(15.4%)	4.59x
Internet Infrastructure	2.79x	(4.1%)	(19.4%)	2.30x
Advertising Networks	1.39x	(2.1%)	(47.5%)	2.52x

EV/EBITDA MULTIPLES

MARKET SECTOR	Median 6/30/16	Median % Change		NTM
		LTM EBITDA Multiples		Median
		3 mo	12 mo	6/30/16
Diversified Internet	23.4x	7.0%	(3.4%)	17.33x
Contents	22.1x	19.7%	(16.9%)	33.14x
E-commerce	29.4x	(5.2%)	(21.7%)	18.24x
Internet Infrastructure	14.1x	(7.2%)	(18.2%)	10.82x
Advertising Networks	14.0x	(0.1%)	7.1%	8.90x

INDICIES	Price 6/30/16	% Change			
		3 mo	6 mo	12 mo	24 mo
S&P 500 Index	2,098.86	1.7%	1.7%	1.7%	7.1%
Dow Jones Industrial Average	17,929.99	1.2%	1.9%	1.8%	6.6%
NASDAQ Composite Index	4,842.67	(0.5%)	(4.4%)	(2.9%)	9.9%
Russell 2000 Index	1,151.92	3.7%	0.2%	(8.1%)	(3.4%)
S&P 500 Internet Software & Services (Industry) Index	506.07	(4.7%)	(4.0%)	26.5%	32.7%

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 6/30/16	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2016E	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2015	2016	LTM	2016		
Diversified Internet																		
Alphabet Inc.	GOOGL	\$703.53	(8.4%)	30.3%	\$810.35	\$539.85	\$479,090	\$413,019	\$77,988	\$25,512	\$89,903	\$36,528	\$ 23.59	\$ 33.46	28.6x	22.5x	1.3x	
Amazon.com, Inc.	AMZN	715.62	19.5%	64.9%	731.50	425.57	337,650	339,403	113,417	9,004	140,303	16,641	1.25	5.38	295.0x	136.8x	2.4x	
Facebook, Inc.	FB	114.28	(0.4%)	33.2%	135.60	72.00	326,876	306,255	19,767	9,435	27,999	16,983	1.29	3.58	69.9x	33.3x	1.0x	
Tencent Holdings Limited	700	22.70	11.2%	13.8%	23.01	15.98	211,420	208,918	17,422	6,787	21,802	9,595	0.47	0.69	44.5x	34.4x	1.2x	
Baidu, Inc.	BIDU	165.15	(13.0%)	(17.0%)	217.97	100.00	57,191	52,181	10,765	2,743	12,335	2,958	14.66	5.49	11.3x	30.0x	1.0x	
Yahoo! Inc.	YHOO	37.56	2.7%	(4.4%)	39.98	26.15	35,679	30,989	4,829	611	3,486	785	(4.64)	0.49	NM	77.4x	176.0x	
NetEase, Inc.	NTES	193.22	35.5%	33.4%	193.27	102.80	25,404	21,587	4,192	1,399	5,346	1,694	7.86	11.53	20.8x	17.3x	0.8x	
Yahoo Japan Corporation	4689	4.40	2.8%	9.0%	5.62	3.91	25,055	21,546	6,352	1,921	8,343	2,300	0.19	0.27	15.0x	NM	NM	
Naver Corporation	A035420	615.81	10.4%	8.6%	659.18	397.24	17,943	16,789	2,990	844	3,590	1,082	14.97	21.22	37.0x	29.8x	0.9x	
Twitter, Inc.	TWTR	16.91	3.4%	(53.3%)	38.82	13.73	11,779	9,805	2,377	NM	2,848	759	(0.79)	0.51	NM	36.6x	1.1x	
Qihoo 360 Technology Co. Ltd.	QIHU	0.00	0.0%	0.0%	0.00	0.00	8,807	9,397	1,805	319	3,029	664	2.36	NA	0.0x	NM	NM	
Yandex N.V.	YNDX	21.85	41.9%	43.6%	23.20	9.94	7,095	6,554	953	281	1,189	400	0.42	0.65	55.1x	33.0x	1.5x	
Zillow Group, Inc.	ZG	36.65	47.0%	26.8%	36.65	16.46	6,561	6,277	703	NM	875	140	(0.88)	0.12	NM	NM	7.5x	
58.com Inc.	WUBA	45.89	(16.8%)	(28.4%)	70.27	37.72	6,500	6,289	859	NM	1,378	189	(2.14)	(0.56)	NM	NM	NM	
Weibo Corporation	WB	28.41	54.9%	65.8%	29.49	8.78	6,044	5,678	501	70	647	132	0.16	0.56	144.7x	58.4x	1.0x	
IAC/InterActiveCorp	IAC	56.30	21.9%	(29.3%)	84.66	38.82	4,459	4,842	3,278	383	3,239	564	1.33	3.16	49.7x	18.8x	1.2x	
Match Group, Inc.	MTCH	15.08	37.9%	0.0%	16.10	0.00	3,752	4,818	1,071	263	1,278	422	0.65	0.76	31.2x	21.5x	1.3x	
SINA Corporation	SINA	51.87	9.4%	(3.2%)	54.60	32.61	3,624	2,563	895	50	979	73	0.40	1.05	65.6x	49.0x	2.4x	
Yelp Inc.	YELP	30.36	48.6%	(29.4%)	42.37	14.53	2,322	1,946	590	NM	740	112	(0.44)	0.65	NM	46.0x	1.3x	
Median			10.4%	8.6%											40.8x	33.3x	1.3x	

COMPANY	TICKER	EV/REVENUE MULTIPLES					NTM
		Trailing		% Change			
		6/30/16	3 mo	12 mo	3 mo	12 mo	
Diversified Internet							
Alphabet Inc.	GOOGL	5.3x	6.1x	4.5x	(13.4%)	18.1%	4.6x
Amazon.com, Inc.	AMZN	3.0x	2.6x	2.2x	14.5%	34.0%	2.4x
Facebook, Inc.	FB	15.5x	17.8x	16.9x	(12.7%)	(8.5%)	10.9x
Tencent Holdings Limited	700	12.0x	11.9x	13.6x	1.0%	(11.9%)	9.6x
Baidu, Inc.	BIDU	4.8x	6.0x	7.7x	(19.1%)	(37.3%)	4.2x
Yahoo! Inc.	YHOO	6.4x	6.1x	7.0x	6.1%	(7.9%)	8.9x
NetEase, Inc.	NTES	5.1x	4.3x	7.3x	20.1%	(29.5%)	4.0x
Yahoo Japan Corporation	4689	3.4x	4.1x	5.4x	(16.7%)	(37.0%)	2.6x
Naver Corporation	A035420	5.6x	5.3x	6.1x	5.4%	(8.2%)	4.7x
Twitter, Inc.	TWTR	4.1x	4.3x	14.0x	(3.0%)	(70.5%)	3.4x
Qihoo 360 Technology Co. Ltd.	QIHU	5.2x	6.2x	5.9x	(15.8%)	(11.1%)	3.1x
Yandex N.V.	YNDX	6.9x	5.7x	5.5x	21.4%	25.9%	5.5x
Zillow Group, Inc.	ZG	8.9x	6.5x	12.1x	38.3%	(26.4%)	7.2x
58.com Inc.	WUBA	7.3x	10.7x	22.9x	(31.5%)	(68.1%)	4.6x
Weibo Corporation	WB	11.3x	7.2x	8.5x	56.5%	33.1%	8.8x
IAC/InterActiveCorp	IAC	1.5x	1.4x	2.2x	5.0%	(31.5%)	1.5x
Match Group, Inc.	MTCH	4.5x	3.8x	NM	19.2%	NM	3.8x
SINA Corporation	SINA	2.9x	2.3x	2.8x	22.5%	4.0%	2.6x
Yelp Inc.	YELP	3.3x	2.2x	6.9x	53.3%	(52.1%)	2.6x
Median		5.2x	5.7x	6.9x	5.4%	(11.5%)	4.2x

COMPANY	TICKER	EV/EBITDA MULTIPLES					NTM
		Trailing		% Change			
		6/30/16	3 mo	12 mo	3 mo	12 mo	
Diversified Internet							
Alphabet Inc.	GOOGL	16.2x	18.8x	13.9x	(13.8%)	16.6%	11.3x
Amazon.com, Inc.	AMZN	37.7x	35.6x	42.4x	5.9%	(11.2%)	20.4x
Facebook, Inc.	FB	32.5x	38.6x	36.4x	(16.0%)	(10.7%)	18.0x
Tencent Holdings Limited	700	30.8x	30.4x	33.9x	1.2%	(9.3%)	21.8x
Baidu, Inc.	BIDU	19.0x	25.5x	24.0x	(25.3%)	(20.7%)	17.6x
Yahoo! Inc.	YHOO	50.7x	42.1x	22.6x	20.5%	124.9%	39.5x
NetEase, Inc.	NTES	15.4x	13.1x	18.6x	17.7%	(17.0%)	12.7x
Yahoo Japan Corporation	4689	11.2x	10.9x	10.7x	3.0%	4.9%	9.4x
Naver Corporation	A035420	19.9x	19.0x	19.4x	4.4%	2.5%	15.5x
Twitter, Inc.	TWTR	NM	NM	NM	NM	NM	12.9x
Qihoo 360 Technology Co. Ltd.	QIHU	29.4x	24.8x	24.0x	18.7%	22.8%	14.2x
Yandex N.V.	YNDX	23.4x	20.0x	15.0x	17.0%	55.5%	16.4x
Zillow Group, Inc.	ZG	NM	NM	NM	NM	NM	45.0x
58.com Inc.	WUBA	NM	NM	NM	NM	NM	33.3x
Weibo Corporation	WB	81.6x	57.2x	NM	42.7%	NM	42.9x
IAC/InterActiveCorp	IAC	12.6x	11.8x	15.6x	7.0%	(19.1%)	8.6x
Match Group, Inc.	MTCH	18.3x	15.7x	NM	16.4%	NM	11.4x
SINA Corporation	SINA	51.7x	35.7x	NM	44.9%	NM	35.0x
Yelp Inc.	YELP	NM	NM	NM	NM	NM	17.3x
Median		23.4x	24.8x	21.0x	7.0%	(3.4%)	17.3x

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 6/30/16	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2016
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2015	2016	LTM	2016	
Contents																	
Netflix, Inc.	NFLX	\$91.48	(10.5%)	(2.5%)	\$ 133.27	\$79.95	\$ 39,181	\$ 39,481	\$ 7,164	NM	\$ 9,300	\$ 646	\$ 0.28	\$ 0.28	NM	NM	7.2x
Leshi Internet Information & Technology Corp., Beijing	300104	7.96	(12.3%)	(4.6%)	9.81	4.25	14,774	15,628	2,335	NM	3,945	567	0.05	0.07	170.7x	107.6x	NA
Pandora Media, Inc.	P	12.45	31.1%	(19.9%)	22.60	7.10	2,848	2,738	1,231	NM	1,476	NM	(0.79)	(0.45)	NM	NM	NM
People.cn CO.,LTD	603000	2.50	(8.2%)	(40.6%)	4.35	2.11	2,763	2,778	227	34	259	72	0.04	0.04	62.9x	84.4x	NA
Shutterstock, Inc.	SSTK	45.80	23.3%	(21.9%)	59.27	25.44	1,603	1,327	444	60	527	104	0.54	1.41	73.9x	37.5x	1.1x
Ateam Inc.	3662	17.23	9.6%	(12.5%)	24.44	12.54	325	314	202	21	NM	NM	0.56	0.80	31.5x	23.1x	NA
Median			0.7%	(16.2%)											68.4x	60.9x	4.2x

COMPANY	TICKER	EV/REVENUE MULTIPLES					NTM
		TTM		% Change		NTM	
		Trailing		3 mo	12 mo		
Contents							
Netflix, Inc.	NFLX	5.5x	6.5x	6.8x	(14.7%)	(18.5%)	4.2x
Leshi Internet Information & Technology Corp., Beijing	300104	6.7x	8.7x	12.5x	(23.4%)	(46.4%)	4.0x
Pandora Media, Inc.	P	2.2x	1.7x	3.0x	27.8%	(26.7%)	1.9x
People.cn CO.,LTD	603000	12.2x	11.4x	16.7x	7.4%	(26.9%)	10.7x
Shutterstock, Inc.	SSTK	3.0x	2.4x	5.3x	24.3%	(43.3%)	2.5x
Ateam Inc.	3662	1.5x	1.7x	3.0x	(11.0%)	(48.2%)	NM
Median		4.2x	4.4x	6.0x	(1.8%)	(35.1%)	4.0x

COMPANY	TICKER	EV/EBITDA MULTIPLES					NTM
		TTM		% Change		NTM	
		Trailing		3 mo	12 mo		
Contents							
Netflix, Inc.	NFLX	NM	NM	85.5x	NM	NM	61.1x
Leshi Internet Information & Technology Corp., Beijing	300104	NM	NM	NM	NM	NM	27.6x
Pandora Media, Inc.	P	NM	NM	NM	NM	NM	NM
People.cn CO.,LTD	603000	80.7x	53.7x	65.3x	50.2%	23.6%	38.7x
Shutterstock, Inc.	SSTK	22.1x	18.5x	39.3x	19.7%	(43.6%)	12.8x
Ateam Inc.	3662	15.1x	16.5x	18.2x	(8.5%)	(16.9%)	NM
Median		22.1x	18.5x	52.3x	19.7%	(16.9%)	33.1x

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 6/30/16	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio LTM 2016	PEG Ratio 2016E	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2015	2016			
E-commerce																	
Alibaba Group Holding Limited	BABA	\$79.53	0.8%	(3.3%)	\$86.42	\$57.20	\$198,449	\$194,518	\$15,671	\$ 5,339	\$22,117	\$ 9,926	\$ 1.57	\$ 2.65	18.4x	NM	NM
eBay Inc.	EBAY	23.41	(2.6%)	(61.1%)	66.73	21.52	26,896	27,919	8,668	2,978	8,897	3,477	1.60	1.86	14.3x	14.2x	2.0x
Zalando SE	ZAL	26.33	(19.5%)	(21.1%)	40.68	25.33	6,508	5,288	3,455	113	4,344	227	0.52	0.50	59.3x	61.7x	2.0x
Mercadolibre, Inc.	MELI	140.67	19.5%	(0.7%)	141.72	84.19	6,212	6,170	661	168	NM	NM	2.40	2.70	46.3x	55.1x	1.8x
Start Today Co., Ltd.	3092	52.39	28.2%	87.1%	53.56	30.92	5,629	5,523	530	188	655	229	0.70	0.97	48.0x	NM	NM
Auto Trader Group plc	AUTO	4.70	(16.9%)	(2.0%)	6.05	3.95	4,690	5,202	374	240	406	269	0.01	0.18	27.9x	NM	NM
JUST EAT plc	JE.	5.66	4.0%	(11.4%)	6.60	4.25	3,831	3,575	329	86.6	478	139.2	0.05	0.14	115.2x	45.6x	1.0x
Wayfair Inc.	W	39.00	(4.4%)	3.6%	56.84	28.85	3,304	2,994	2,573	NM	3,815	NM	(0.92)	(1.10)	NM	NM	NM
YOOX Net-A-Porter Group S.p.A.	YNAP	23.09	(24.9%)	(28.6%)	40.85	21.10	3,086	3,075	1,025	67.3	2,196	179.8	0.23	0.46	99.0x	58.2x	1.4x
Cimpress N.V.	CMPR	92.48	2.0%	9.9%	101.77	63.15	2,910	3,745	1,689	234	2,000	302.9	2.73	3.87	97.3x	25.4x	1.3x
GrubHub Inc.	GRUB	31.07	27.9%	(8.8%)	36.31	17.77	2,632	2,308	386	89.3	503	129.5	0.44	0.78	70.6x	39.3x	1.5x
Stamps.com Inc.	STMP	87.42	(18.1%)	18.8%	123.75	65.36	1,525	1,578	252	81	334	131.6	(0.26)	6.30	150.0x	11.9x	0.6x
Median			(0.9%)	(2.7%)											59.3x	42.5x	1.4x

EV/REVENUE MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change			
		6/30/16	3 mo	12 mo	3 mo	12 mo	
E-commerce							
Alibaba Group Holding Limited	BABA	12.4x	13.3x	16.0x	(6.7%)	(22.5%)	8.8x
eBay Inc.	EBAY	3.2x	3.3x	3.9x	(1.6%)	(18.1%)	3.1x
Zalando SE	ZAL	1.5x	2.0x	2.7x	(24.6%)	(43.1%)	1.2x
Mercadolibre, Inc.	MELI	9.3x	7.9x	10.5x	18.7%	(11.0%)	7.7x
Start Today Co., Ltd.	3092	10.4x	9.8x	8.6x	6.0%	21.9%	8.4x
Auto Trader Group plc	AUTO	13.9x	16.4x	14.0x	(15.4%)	(0.4%)	12.8x
JUST EAT plc	JE.	10.9x	9.5x	16.4x	13.9%	(33.9%)	7.5x
Wayfair Inc.	W	1.2x	1.4x	2.0x	(14.3%)	(41.5%)	0.8x
YOOX Net-A-Porter Group S.p.A.	YNAP	3.0x	3.8x	3.3x	(21.3%)	(8.7%)	1.4x
Cimpress N.V.	CMPR	2.2x	2.2x	2.2x	0.0%	2.3%	1.9x
GrubHub Inc.	GRUB	6.0x	4.8x	9.0x	24.1%	(33.8%)	4.6x
Stamps.com Inc.	STMP	6.3x	8.7x	7.2x	(28.3%)	(12.7%)	4.7x
Median		6.1x	6.3x	7.9x	(4.1%)	(15.4%)	4.7x

EV/EBITDA MULTIPLES

COMPANY	TICKER	TTM					NTM
		Trailing		% Change			
		6/30/16	3 mo	12 mo	3 mo	12 mo	
E-commerce							
Alibaba Group Holding Limited	BABA	36.4x	40.8x	46.8x	(10.7%)	(22.1%)	19.6x
eBay Inc.	EBAY	9.4x	9.5x	14.0x	(1.8%)	(32.8%)	8.0x
Zalando SE	ZAL	46.6x	54.6x	47.3x	(14.6%)	(1.4%)	23.3x
Mercadolibre, Inc.	MELI	36.6x	28.7x	31.5x	27.7%	16.4%	33.6x
Start Today Co., Ltd.	3092	29.4x	27.7x	21.6x	6.3%	36.1%	24.1x
Auto Trader Group plc	AUTO	21.7x	29.0x	24.1x	(25.1%)	(9.9%)	19.4x
JUST EAT plc	JE.	47.6x	41.8x	93.2x	13.9%	(48.9%)	25.7x
Wayfair Inc.	W	NM	NM	NM	NM	NM	NM
YOOX Net-A-Porter Group S.p.A.	YNAP	44.3x	56.3x	57.4x	(21.3%)	(22.8%)	17.1x
Cimpress N.V.	CMPR	16.0x	16.9x	14.5x	(5.2%)	10.2%	12.4x
GrubHub Inc.	GRUB	25.8x	19.5x	33.0x	32.3%	(21.7%)	16.9x
Stamps.com Inc.	STMP	19.6x	29.1x	28.0x	(32.9%)	(30.2%)	12.0x
Median		29.4x	29.0x	31.5x	(5.2%)	(21.7%)	19.4x

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 6/30/16	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2016E
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2015	2016	LTM 2016		
Internet Infrastructure																	
Akamai Technologies, Inc.	AKAM	\$ 55.93	1.5%	(19.9%)	\$76.98	\$39.43	\$ 9,821	\$ 9,606	\$ 2,239	\$ 698	\$ 2,429	\$ 978	\$ 1.78	\$ 2.69	31.6x	21.4x	1.4x
VeriSign, Inc.	VRSN	86.46	(3.5%)	40.1%	93.94	61.42	9,379	9,348	1,083	689	1,149	791	2.82	3.49	29.0x	23.9x	3.0x
Rackspace Hosting, Inc.	RAX	20.86	(0.9%)	(43.9%)	39.37	15.05	2,621	2,742	2,039	566	2,143	728	0.87	1.01	19.4x	23.5x	1.4x
GoDaddy Inc.	GDDY	31.19	(2.6%)	10.6%	35.35	21.04	2,557	3,397	1,665	154	1,897	432	(0.81)	1.59	NM	18.5x	0.8x
Wix.com Ltd.	WIX	30.35	50.6%	28.5%	30.42	14.79	1,224	1,111	221	NM	295	39	(1.30)	(0.49)	NM	NM	NM
21Vianet Group, Inc.	VNET	10.21	(48.2%)	(50.2%)	21.47	8.76	1,135	1,554	563	49	584	78	(5.12)	(0.35)	NM	NM	NM
Web.com Group, Inc.	WEB	18.18	(7.4%)	(24.9%)	26.04	15.71	862	1,573	556	112	809	184	1.72	2.59	10.7x	7.1x	0.7x
Gogo Inc.	GOGO	8.39	(23.2%)	(60.8%)	21.47	7.80	721	966	527	49	599	66	(1.35)	(1.45)	NM	NM	NM
Median			(3.1%)	(22.4%)											24.2x	21.4x	1.4x

COMPANY	TICKER
Internet Infrastructure	
Akamai Technologies, Inc.	AKAM
VeriSign, Inc.	VRSN
Rackspace Hosting, Inc.	RAX
GoDaddy Inc.	GDDY
Wix.com Ltd.	WIX
21Vianet Group, Inc.	VNET
Web.com Group, Inc.	WEB
Gogo Inc.	GOGO
Median	

EV/REVENUE MULTIPLES						NTM
TTM					% Change	
Trailing						
6/30/16	3 mo	12 mo	3 mo	12 mo		
4.3x	4.4x	6.1x	(1.9%)	(29.3%)		4.0x
8.6x	9.2x	7.1x	(6.3%)	22.3%		8.1x
1.3x	1.5x	2.8x	(7.6%)	(52.0%)		1.3x
2.0x	2.0x	2.1x	4.0%	(3.5%)		1.8x
5.0x	3.4x	5.3x	48.5%	(4.2%)		3.8x
2.8x	3.8x	4.3x	(26.6%)	(36.3%)		2.7x
2.8x	2.5x	3.1x	12.5%	(9.4%)		1.9x
1.8x	2.3x	4.7x	(19.4%)	(61.0%)		1.6x
2.8x	3.0x	4.5x	(4.1%)	(19.4%)		2.3x

EV/EBITDA MULTIPLES						NTM
TTM					% Change	
Trailing						
6/30/16	3 mo	12 mo	3 mo	12 mo		
13.8x	13.9x	17.8x	(0.9%)	(22.9%)		9.8x
13.6x	14.6x	11.4x	(7.2%)	19.2%		11.8x
4.8x	5.3x	10.7x	(9.3%)	(54.6%)		3.8x
22.0x	16.9x	30.5x	30.1%	(27.7%)		7.9x
NM	NM	NM	NM	NM		28.3x
31.9x	35.0x	29.8x	(8.8%)	7.0%		20.0x
14.1x	12.3x	16.3x	14.0%	(13.5%)		8.5x
19.7x	27.0x	NM	(26.9%)	NM		14.6x
14.1x	14.6x	17.1x	(7.2%)	(18.2%)		10.8x

Source: Capital IQ. (\$ in '000, except per share)

COMPANY	TICKER	Price 6/30/16	% Change		52-Week		Market Cap	Ent Val (TEV)	LTM		NTM		EPS		Earnings Ratio		PEG Ratio 2016E	
			3 mo	12 mo	High	Low			Rev	EBITDA	Rev	EBITDA	2015	2016	LTM	2016		
Advertising Networks																		
Omnicom Group Inc.	OMC	81.49	(2.2%)	17.3%	85.95	64.12	19,374	23,066	15,164	2,235	15,795	2,355	4.41	4.76	18.2x	17.5x	2.3x	
Alliance Data Systems Corporation	ADS	195.92	(9.3%)	(32.9%)	307.78	176.63	11,547	28,701	6,515	1,523	7,246	2,088	8.85	16.78	22.1x	12.6x	0.9x	
The Interpublic Group of Companies, Inc.	IPG	23.10	1.0%	19.9%	24.82	18.16	9,296	10,638	7,680	1,041	5,736	1,122	1.09	1.31	20.9x	18.1x	1.3x	
The Rubicon Project, Inc.	RUBI	13.65	(24.5%)	(8.8%)	20.37	11.72	662	503	281	28	47	65	0.01	0.90	82.6x	15.6x	0.8x	
YuMe, Inc.	YUME	3.68	(1.9%)	(32.1%)	5.60	2.35	128	66	172	(9)	26	8	(0.49)	(0.13)	NM	NM	NM	
Rocket Fuel Inc.	FUEL	2.22	(29.7%)	(72.9%)	8.28	2.09	97	110	462	NM	NM	12	(4.95)	(0.74)	NM	NM	NM	
Tremor Video, Inc.	TRMR	1.84	3.4%	(36.8%)	3.08	1.29	97	41	170	(12)	NM	2	(0.84)	(0.17)	NM	NM	NM	
Median			(2.2%)	(32.1%)											21.5x	16.5x	1.1x	

COMPANY	TICKER	EV/REVENUE MULTIPLES					
		TTM			% Change		NTM
		Trailing	3 mo	12 mo	3 mo	12 mo	
Advertising Networks							
Omnicom Group Inc.	OMC	1.5x	1.5x	1.4x	2.2%	12.5%	1.5x
Alliance Data Systems Corporation	ADS	4.4x	4.5x	5.6x	(2.1%)	(21.3%)	4.0x
The Interpublic Group of Companies, Inc.	IPG	1.4x	1.3x	1.2x	8.3%	13.5%	1.9x
The Rubicon Project, Inc.	RUBI	1.8x	2.9x	3.7x	(37.5%)	(51.6%)	10.7x
YuMe, Inc.	YUME	0.4x	0.5x	0.8x	(19.6%)	(49.6%)	2.5x
Rocket Fuel Inc.	FUEL	0.2x	0.3x	0.8x	(22.9%)	(69.0%)	NM
Tremor Video, Inc.	TRMR	0.2x	0.2x	0.5x	22.9%	(47.5%)	NM
Median		1.4x	1.3x	1.2x	(2.1%)	(47.5%)	2.5x

COMPANY	TICKER	EV/EBITDA MULTIPLES					
		TTM			% Change		NTM
		Trailing	3 mo	12 mo	3 mo	12 mo	
Advertising Networks							
Omnicom Group Inc.	OMC	10.3x	10.2x	9.1x	1.7%	12.9%	9.8x
Alliance Data Systems Corporation	ADS	18.8x	19.2x	22.3x	(1.9%)	(15.3%)	13.7x
The Interpublic Group of Companies, Inc.	IPG	10.2x	9.5x	9.5x	7.9%	7.1%	9.5x
The Rubicon Project, Inc.	RUBI	17.7x	37.5x	NM	(52.7%)	NM	7.8x
YuMe, Inc.	YUME	NM	NM	NM	NM	NM	7.3x
Rocket Fuel Inc.	FUEL	NM	NM	NM	NM	NM	8.9x
Tremor Video, Inc.	TRMR	NM	NM	NM	NM	NM	6.7x
Median		14.0x	14.7x	9.5x	(0.1%)	7.1%	8.9x

Source: Capital IQ. (\$ in '000, except per share)

CORPORATE FINANCE SERVICES

The sale of a company can represent the culmination of years of effort by its investors and management. With this in mind, Armanino guides our clients through the sale process, bringing to bear extensive structuring, preparation, negotiation, valuation and corporate finance experience and judgment to optimize value.

Our team has developed its expertise through many M&A, divestiture and strategic partnering transactions for closely-held businesses across most major technology sectors.

Corporate Finance Services include:

- Sell-Side Representation
- Buy-Side Representation
- Intellectual Property and Patents Sales
- Purchaser Representative (SEC Reg 501)

The professionals in our practice have many years of business valuation and corporate finance experience with companies in every major industrial sector and size to deliver superior results for private technology companies in Silicon Valley.

SELL SIDE M&A ADVISORY

We help companies pursuing a sale or merger involving all or part of their business, as well as organizations interested in partial divestitures of a division or assets. We provide end-to-end strategic advisory, introducing the company to potential acquirers and managing a rigorous process to optimize competition, achieve strategic valuations and successfully close transactions.

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We represent clients pursuing strategic acquisitions, such as asset purchases, mergers, and intellectual property procurements. Our financial advisory includes market analyses, target identification, financial modeling, deal negotiations, preliminary due diligence and final negotiation of the definitive agreements.

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PURCHASER REPRESENTATIVE SERVICES

A Purchaser Representative may be necessary in merger and acquisition transactions where the consideration is not all cash, but includes securities that are not registered with the SEC.

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