



Agile Equity Cloud M&A Activity Report - February 2012

By Ben Boissevain, Managing Partner and David Cummings, Managing Partner

»Overview

We last reported our cloud M&A findings in Q3 of 2011, and since then we have observed interesting trends in the cloud computing M&A market. The cloud market continues to evolve, however it is still early, and M&A transaction volume is increasing. We have noticed strong demand for "cloud-enabling technologies", such as management, automation, provisioning, billing and the overall organization of cloud infrastructure and applications. A good example of this "phase one" consolidation is IBM's acquisition of Platform Computing, which provides software management for building larger, faster, more effective grid and cloud environments. IBM has acquired three cloud companies within the last month.

The venture capital community continues to invest in cloud-related businesses, with a majority of these being either Series-A or -B rounds, with under \$10 million invested by VC's that have experience allocating capital into IT services and software companies.

Announced Date	Type (M&A or Financing)	Acquirer / Investors Value	Target	Description (TTM)	Purchase Price or Invested Amount	News Release Link
2/9/12	M&A	Oracle	Taleo	Oracle Corp. made its second acquisition in three months, agreeing to buy human-resources software company Taleo Corp. for about \$1.9 billion to expand in cloud computing and answer a December deal by SAP AG.	\$1,900.00	Business Week
1/26/12	M&A	NTT Communications	Netmagic Solutions	NTT Communications, the wholly-owned subsidiary of Nippon Telegraph and Telephone Corporation, has announced plans to acquire 74 per cent stake of Mumbai-based Netmagic Solutions, a provider of datacenter services in India. The acquisition is worth ¥10 billion (\$128 million), according to media reports.	\$128.00	Business Standard Article
1/24/12	M&A	Twitter	Dasient	Twitter has acquired Internet security firm Dasient, the Sunnyvale, California startup said on its blog on Monday. Dasient, which describes itself as a cloud-based Web antimalware technology company, introduced in 2010 a service to protect advertisement networks and publishers from malicious ads.	NA	Computer World Article
1/24/12	Financing	Weather Investment II Group, Accelero Capital, Telefonica Digital	Joyent	Joyent has netted \$85 million in new venture funding to fuel a global expansion of its cloud services.	\$85.00	GigaOM Article
1/18/12	Financing	Accel Partners, Split Rock Partners	Code 42 Software	Code 42 Software Inc., developers of award-winning onsite, offsite and online backup solutions for consumers, businesses and the enterprise, today announced the company has secured \$52.5 million in venture funding.	\$52.50	MarketWatch Article
1/18/12	Financing	Redpoint Ventures	Tidemark	Â Redpoint Ventures led the round along with existing investors Greylock Partners, Andreessen Horowitz and Dave Duffield, co-founder and co-CEO of Workday, bringing the total amount raised to more than \$35 million.	\$24.00	MarketWatch Article
1/18/12	M&A	Hemisphere GPS	AgJunction	Hemisphere GPS Inc. (TSX: HEM) has acquired the assets and operations of AgJunction from GVM, Inc. to expand into emerging data services market in precision	\$9.00	Technfinance.ca Article

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1/17/12	Financing	Kleiner Perkins Caufield & Byers, Greylack Partners, Lightspeed Venture Partners	AppDynamics	AppDynamics, a provider of next-generation application performance management (APM (News - Alert)) solutions for mission-critical web applications, has secured \$20 million in Series C financing led by Kleiner Perkins Caufield & Byers (KPCB).	\$20.00	TMCNet Article
1/16/12	M&A	Symantec	LiveOffice	Symantec has acquired LiveOffice, a provider of cloud-based data archiving and storage, for \$115 million, the companies announced Monday.	\$115.00	Computer World Article
1/10/12	Financing	Investcorp Technology Partners	Thought Equity Motion	Investcorp Technology Partners, the technology private equity arm of alternative investment manager Investcorp, announced today that its Technology Partners III Fund has acquired a significant minority stake in Thought Equity Motion, the leading provider of cloud-based video management and footage licensing services, based in Denver, Colorado.	\$28.00	MarketWatch Article
1/9/12	M&A	Active Network	Starcite	San Diego-based international provider of organisation-based cloud computing applications Active Network, has announced the acquisition of Starcite, the Philadelphia-based operator of corporate strategic meetings management system, for US\$51.8m in cash and stock.	\$51.80	CMW Article
1/9/12	M&A	IBM	Platform Computing	IBM announced on Monday it has completed the acquisition of Platform Computing, a Toronto-based cluster, grid and cloud management software for distributed computing environments. The financial terms were not disclosed in the press release.	NA	Web Host Industry Review Article
1/6/12	M&A	Synchronoss	Miyowa	Cloud specialist adds French messaging and IM firm for \$45m.	\$45.00	Mobile Entertainment Article
1/4/12	M&A	IBM	Green Hat	IBM is buying Green Hat, maker of automated testing tools for integration, SOA (service oriented architecture) implementations and cloud-based deployments, the company announced Wednesday.	NA	InformationWeek Article
1/4/12	M&A	CallidusCloud	LeadFormix	Sales effectiveness cloud SaaS company Callidus Software Inc today announced its acquisition of LeadFormix, a B2B cloud-based lead intelligence SaaS.	\$9.00	Tech Crunch Article
1/3/12	M&A	Internap	Voxel	Internap Network Services has acquired hosting provider Voxel Holdings in a deal that will boost the company's cloud computing offerings and expand its base of small business customers. The all-cash transaction, which closed Dec. 30, is valued at \$30 million, with an additional \$5 million in sweeteners tied to the delivery of specific objectives during the next two years.	\$30.00	Data Center Knowledge Article

Agile Equity is dedicated to providing superior merger & acquisition advisory services to market leading companies. Our extensive industry knowledge and transaction leadership experience spans the software, digital media, and IT services sectors. Our professionals have global relationships with leading technology companies and financial investors. Thoughtful advice, deep experience and technology expertise, creativity and attention to detail from our senior technology bankers have resulted in a track record of consistently exceeding our clients' expectations.

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