

US technology deals insights Q3 2015 update

October 2015

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PwC's Deals Practice

At a glance

Third quarter deal values remained in line with historical norms, while large deal announcements increased.

The Software sector led the charge, driving deal volumes and values.

Strength in the middle market returned after a modest decline during the first half of 2015.

Middle-market maintains momentum amid mixed market conditions. Announcements point toward a steady level of deal activity.

Introduction

Welcome to the Q3 2015 issue of *PwC's US technology deals insights*. Despite modest slowing in certain sectors, the third quarter continued the momentum of an active deals market. Volumes declined marginally from the prior quarter, while values demonstrated a slight increase. Largely driven by a standout quarter for the Software sector, third quarter activity concentrated in the middle market and increased overall deal values.

4%

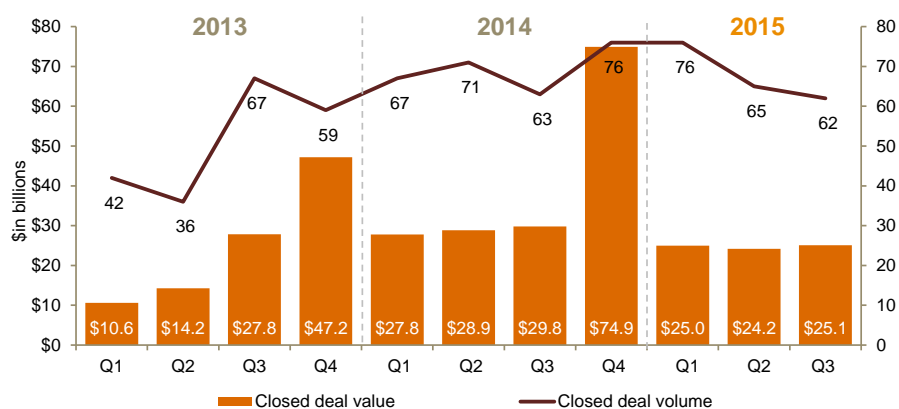
increase in deal values amid a 5% decrease in deal volumes

More broadly in capital markets, volatility in equities increased (dipping below the recent record highs), venture capital investment declined 6% to \$16.3 billion, and IPO markets generally stayed active despite a significant decline – specifically within Technology.

Highlights this quarter

- 62 technology deals closed for \$25.1 billion in deal value.
- Deal values increased 3% while deal volumes declined 5% compared to the prior quarter. The increase in the middle market contributed to the growth, while the number of billion-dollar deals declined.
- Average deal value of \$404 million in Q3 2015 and \$366 million during year-to-date 2015 remained noticeably below the average over the past several years.
- Median deal values increased to \$105 million during Q3 2015, though still trailing that of \$107 million and \$133 million in 2013 and 2014, respectively.
- There were 5 billion-dollar deals closed in Q3 2015, and 10 additional announced.
- Software deals led the technology deals market in terms of both volume and value.
- Private Equity buyout activity made up 28% of deal values, driven largely by one new portfolio addition: Informatica.
- Divestitures decreased in terms of both volume and value.
- Technology IPOs plummeted to the least active quarter since Q1 2009, raising only \$168 million in new proceeds.
- Europe remained the focal point of US investment abroad, while foreign acquirers outpaced US deal-makers in terms of cross-border investment.
- Transaction multiples across the technology sector increased on average given the prominence of Software deals, while public trading multiples exhibited a general decline across the Internet, Hardware, and Semiconductor sectors.

Technology Deal Volume & Values



Conclusion

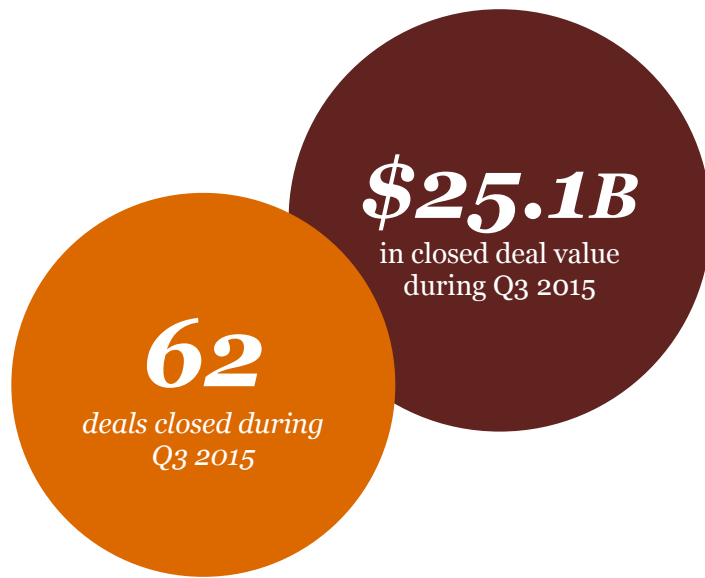
Despite a modest decline in deal volume, and increasing uncertainty in capital markets, new deal announcements remained prominent, and middle market deals continued to exhibit strength. Recent megadeal announcements continue to shift the competitive landscape, with more than

\$100 billion in announced deals pending closure. While down from the record-breaking level of deal activity 2014, the technology sector is well positioned to continue its longer-term deal momentum and close out 2015 with an active deal market.

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Market overview



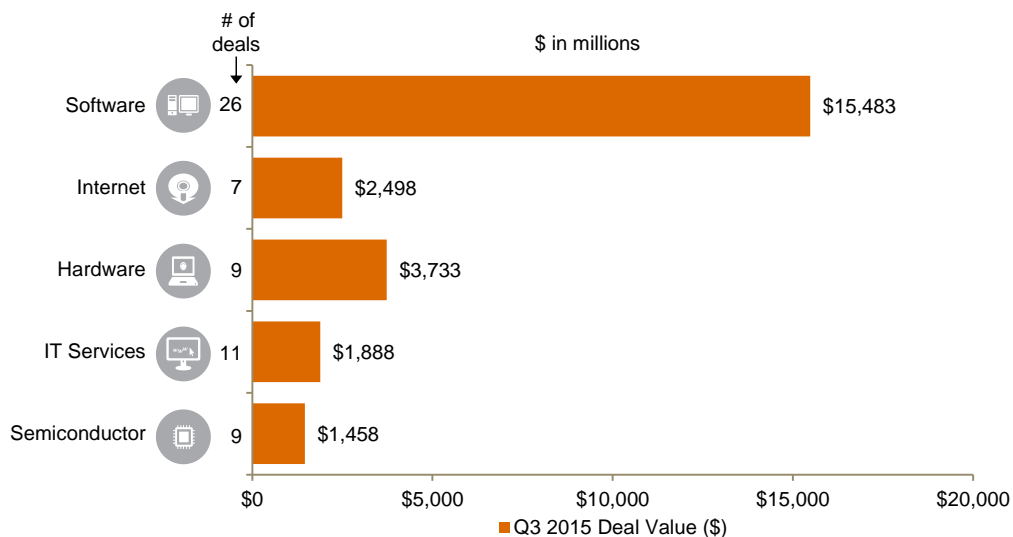
Continued megadeal announcements in technology point toward a healthy deal market and shifting competitive landscape.

Rob Fisher
US Technology Deals Leader

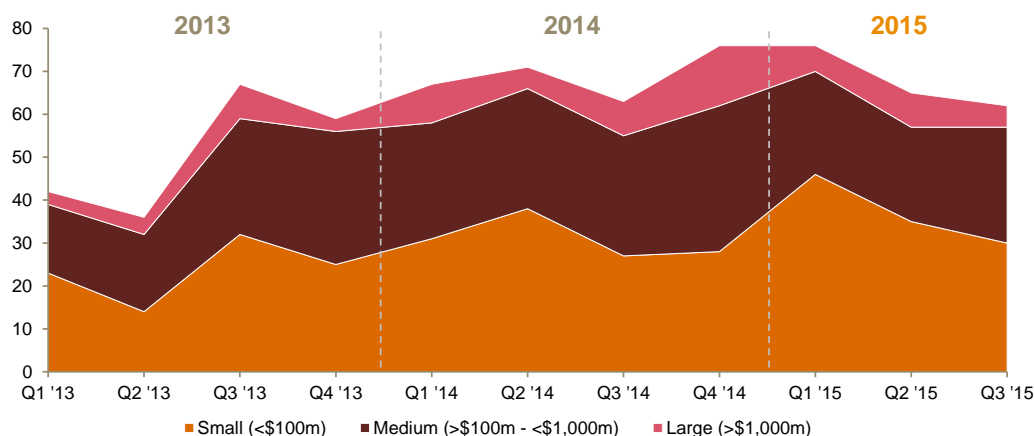
Highlights this quarter

- The Software sector continued to lead technology deals in terms of both deal volume and value, despite being a sector typically characterized by smaller deal values.
- IT Services remained the second most active sector throughout 2015, despite a decline in average deal value during the third quarter, as companies continued to expand their service offerings to specialized solutions servicing other industries.
- Similar to the Semiconductor sector, the Hardware sector exhibited volatile quarterly deal activity, both sectors demonstrating fewer deals in the third quarter.
- Internet deal activity declined modestly in the third quarter, continuing a trend exhibited over the past year.

Closed deal values by sector



Closed deal volume by tranche



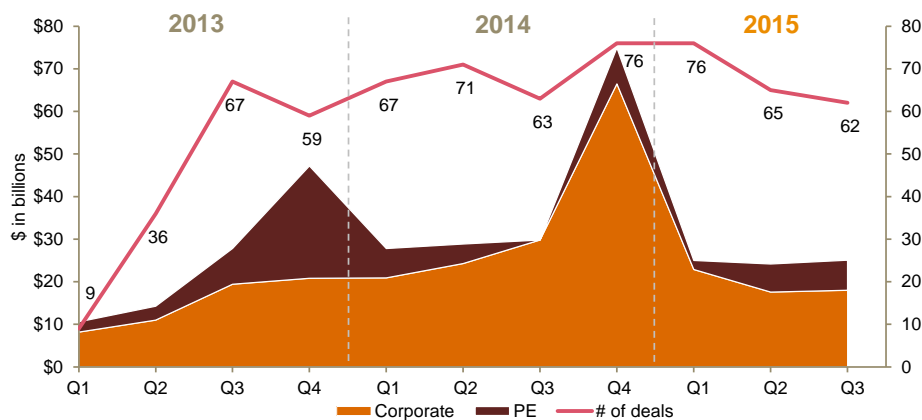
Closed deal volumes

- The largest proportion of deal volumes in Q3 2015 continued to remain smaller sized transactions (less than \$100 million in value), albeit having declined over the past two quarters.
- Sector dispersion amongst mid-size transactions (\$100 million – \$1,000 million) was concentrated in the Software sector, accounting for nearly half of all mid-size transactions in the

third quarter. Notably absent from mid-size transactions were Internet deals as the decline in Internet deal volumes centered on the middle market.

- Large transactions (billion-dollar deals) comprised Software, Internet, and Hardware deals. Despite recent announcements, no large transactions closed in the Semiconductor or IT Services sectors during Q3 2015.

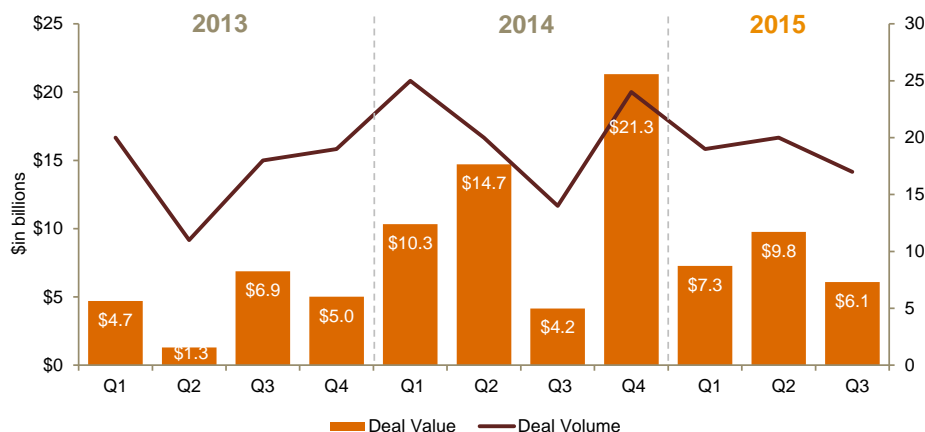
Corporate vs. private equity



Corporate vs. private equity

- New portfolio acquisitions by buyout firms increased during the third quarter, comprising 13% of total deal volume and 28% of deal values.
- Key private equity buyouts included the \$5.3 billion Permira-led acquisition of Informatica, as well as additional deals by Francisco Partners, ThomaBravo, Visa Equity Partners, and others.

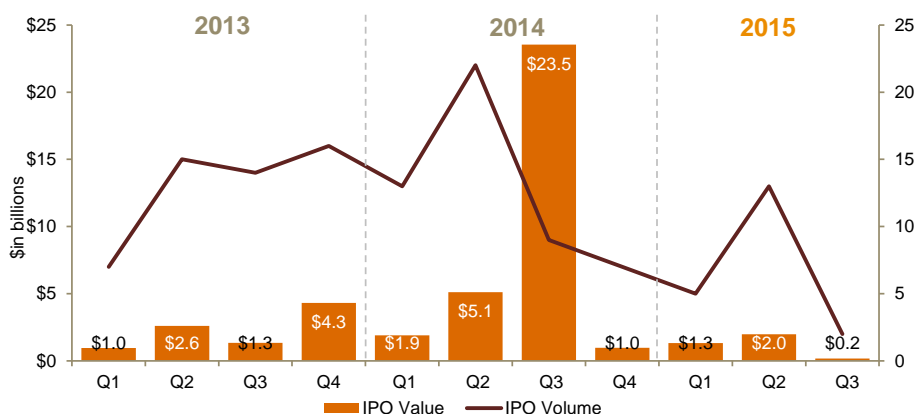
Divestiture volume and values



Divestiture highlights

- While technology divestiture activity decreased during the third quarter, the level of divestitures – including undisclosed values – relative to total deals has increased throughout 2015.
- We continue to likely expect portfolio pruning to contribute to a healthy level of divestitures throughout the remainder of the year.

IPO volume and values



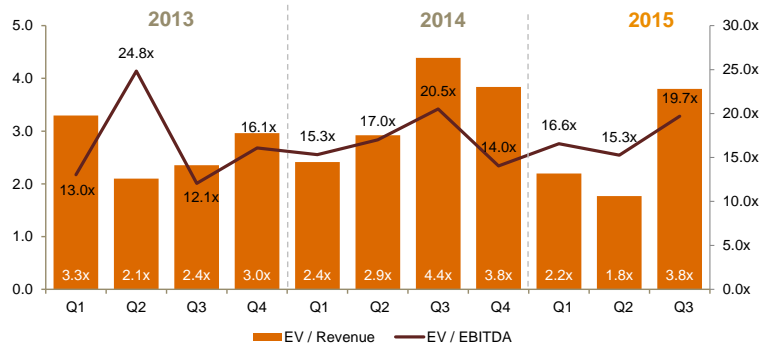
*2 IPOs
for \$0.2B*
The lowest level of
technology IPOs
since Q1 2009.

Source: PwC's IPO Watch

Transaction Multiples

- Overall revenue and EBITDA multiples increased in Q3 2015 since the prior quarter.
- Transaction multiples were pushed higher due to a few significant deals in the software and semiconductor spaces.

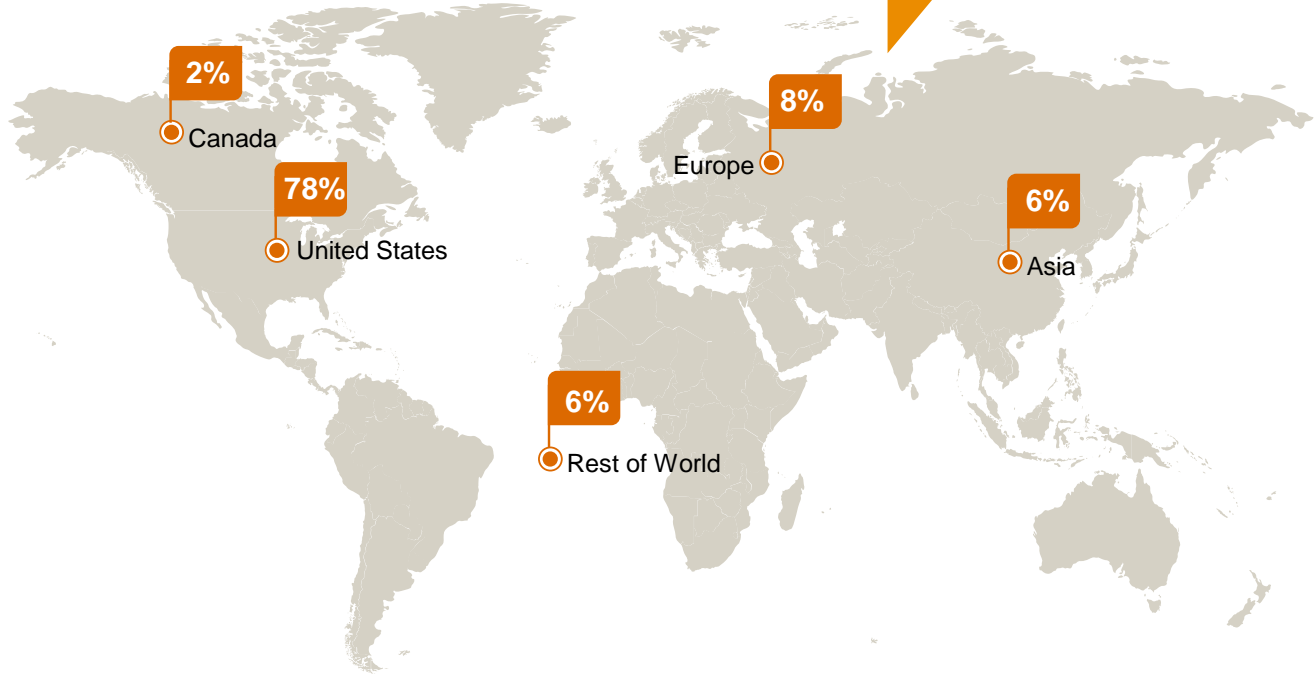
Technology sector transaction multiples



Cross border deals

Europe continues to remain the focal point of US investment abroad, while foreign deal-makers outpaced US technology companies in terms of cross-border investment.

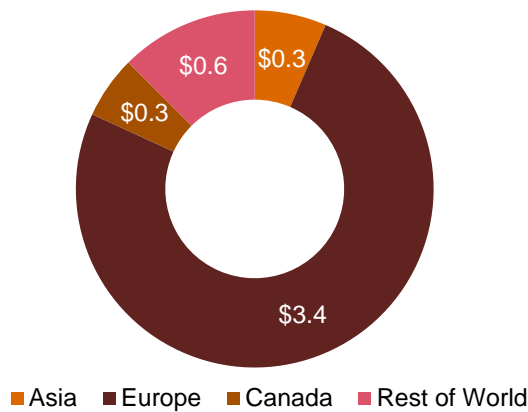
Deal concentration by geography for US acquirers



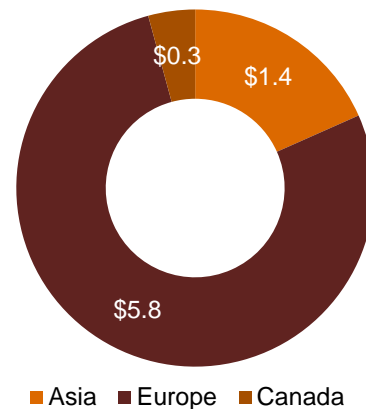
Highlights this quarter

- Cross-border transactions comprised 39% of technology deals in Q3 2015, inclusive of US acquisition targets.
- European targets continued to be the focus of US investment abroad, while investment in Asia remains depressed amid slowing growth forecasts.
- Foreign acquirers continued to outpace US technology companies in the third quarter. US acquirers closed 11 deals for an aggregate deal value of \$4.5 billion, while foreign deal makers acquired 13 US companies, totaling \$7.5 billion.

US investment abroad (value in \$B)



Foreign investment in the US (value in \$B)



Market movers and sectors

55%
of deal value
derived from
billion-dollar deals
in Q3 2015

Large transactions focused on cloud software, as well as technology companies servicing other industries

Billion-dollar deal announcements increased in Q3 2015

Key closed transactions

During the quarter, 5 deals in excess of a billion dollars closed. The largest closed transactions include:

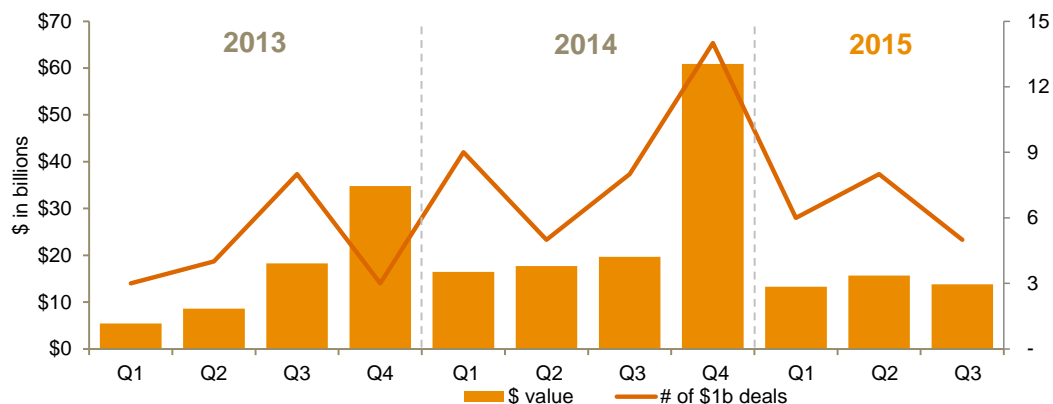
- The \$5.3 billion acquisition of Informatica, a provider of enterprise data integration software and services, by Permira Advisers and the Canadian Pension Plan Investment Board.
- CommScope's \$3.1 billion acquisition of the Broadband Network Solutions (BNS) business unit of TE Connectivity Ltd.
- SS&C's \$2.6 billion acquisition of Advent Software, a financial services software provider.
- Expedia's \$1.6 billion acquisition of Orbitz, a rival online travel services company.
- EMC's \$1.2 billion acquisition of Virtustream, a cloud software and services company.

Key announced transactions

During the quarter, 10 deals in excess of a billion dollars were announced but had not yet closed, including:

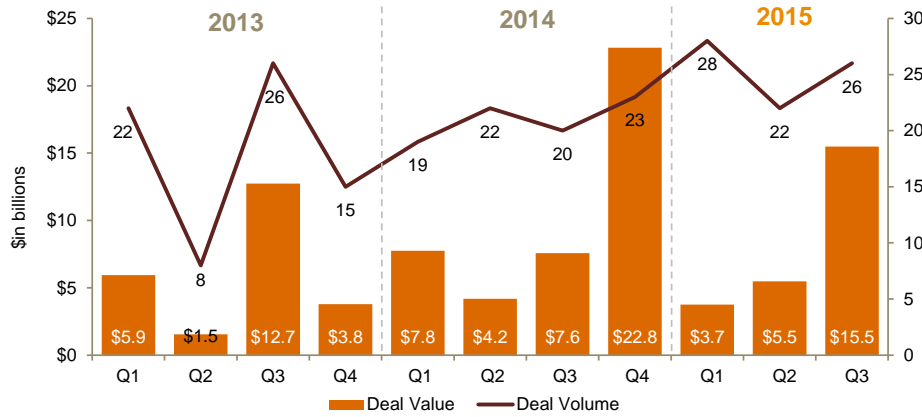
- FIS's \$9.2 billion announcement to acquire Sungard Data Systems.
- The \$8.0 billion acquisition of Symantec's Veritas business, a provider of information management services, by an investor group led by The Carlyle Group.
- Dialog Semiconductor's \$4.6 billion acquisition of Atmel, a provider of microcontrollers and other semiconductor solutions.
- Visa Equity Partners' \$3.8 billion acquisition of Solera Holdings, a provider of risk and asset management software and services.
- The €2.8 billion acquisition of Nokia's digital mapping business by BMW, Audi, and Daimler.

Billion-dollar deals



Software

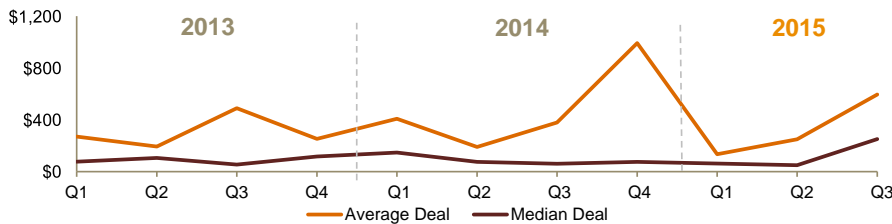
Closed deal values (\$) / volumes trended over 3 years:



Software trends:

- Software deal volumes increased during the third quarter, as deals shifted from small to mid-size transactions. Overall deal volumes remained well above the trailing 3-year average.
- Largely driven by three billion-dollar deals, average deal values more than doubled in Q3 2015 to \$595 million, as compared to \$249 million and \$379 million in Q2 2015 and Q3 2014, respectively.
- Median deal values significantly increased to \$252 million in Q3 2015, well above the trailing 3-year average of \$82 million.

Average and median values (\$M) / volumes trended over 3 years:



Public takeaways:

- Median revenue and EBITDA multiples declined in Q3 2015 after having trended up over the past three quarters.
- Approximately two-thirds of companies in the Software subsector showed declining EV/revenue multiples in Q3 2015.
- Size continues to matter as sub-\$1.0 billion market cap companies traded at a 3.5x lower average revenue multiple than >\$1.0 billion companies.

Software public company multiples (median)

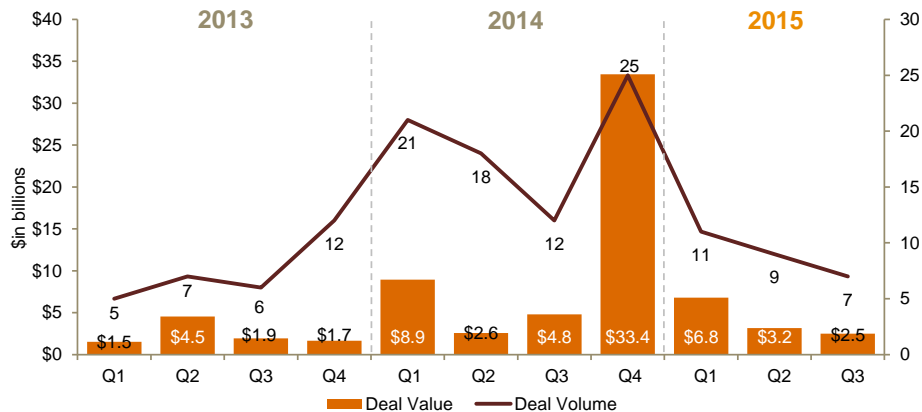


Source: Capital IQ

Internet



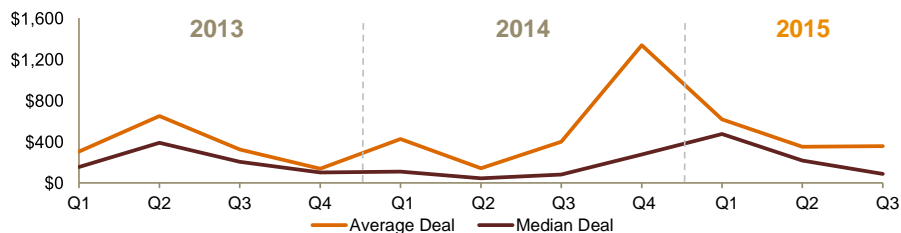
Closed deal values (\$) / volumes trended over 3 years:



Internet trends:

- Internet deal volumes continued to decline in Q3 2015, the third consecutive quarter of declining deal activity. While low compared to that of last year, 2014 was the most active deal market for the Internet sector since the dot com era.
- While average deal values in the Internet sector have been volatile, often skewed by large transactions, median deal values declined in Q3 2015 as mid-size deals were largely absent during the quarter.

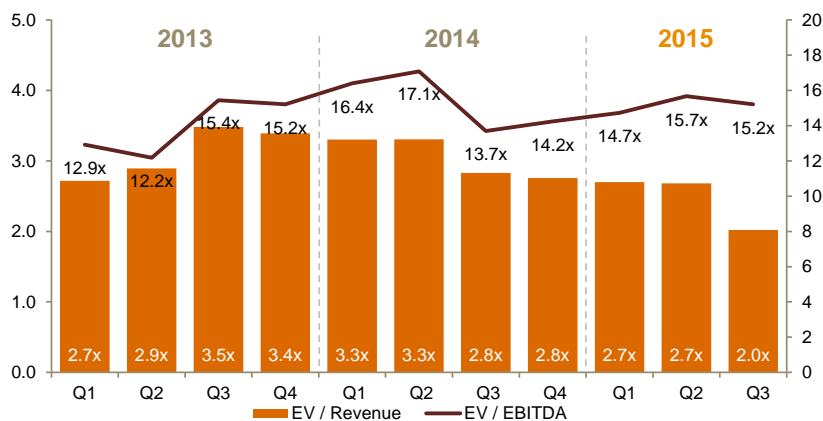
Average and median values (\$M) / volumes trended over 3 years:



Public takeaways:

- While the median EBITDA multiple decreased modestly from the prior quarter, the median revenue multiple exhibited a notable decline to the lowest level seen over the past three years.
- Approximately three-fourths of companies showed declining revenue and EBITDA multiples in Q3 2015.

Internet public company multiples (median)

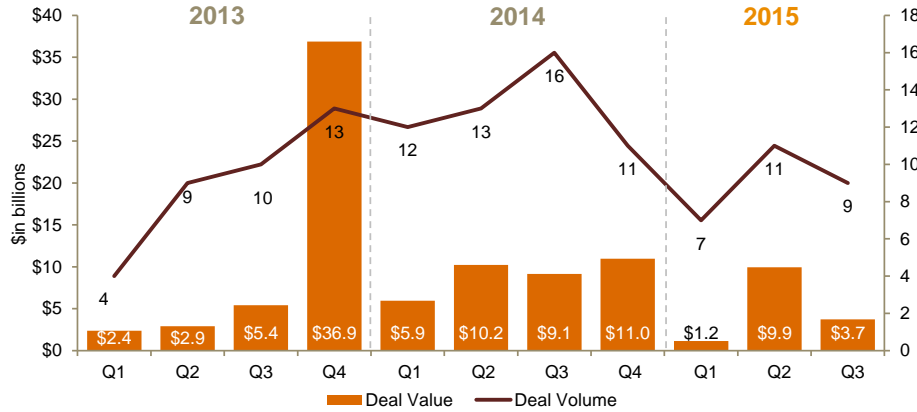


Source: Capital IQ

Hardware



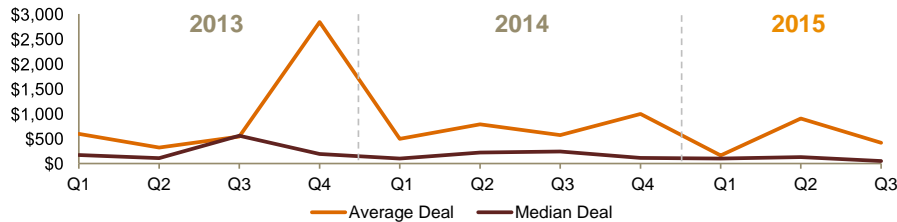
Closed deal values (\$) / volumes trended over 3 years:



Hardware trends:

- Hardware deal volumes and values decreased in Q3 2015 after several large transactions in the prior quarter.
- There was only one billion-dollar deal in Q3 2015, despite being a sector historically characterized by having several large transactions.
- Average deal values declined due to the lack of billion-dollar deals and median deal values dropped to \$50 million, significantly below the trailing 3-year average of nearly \$200 million.

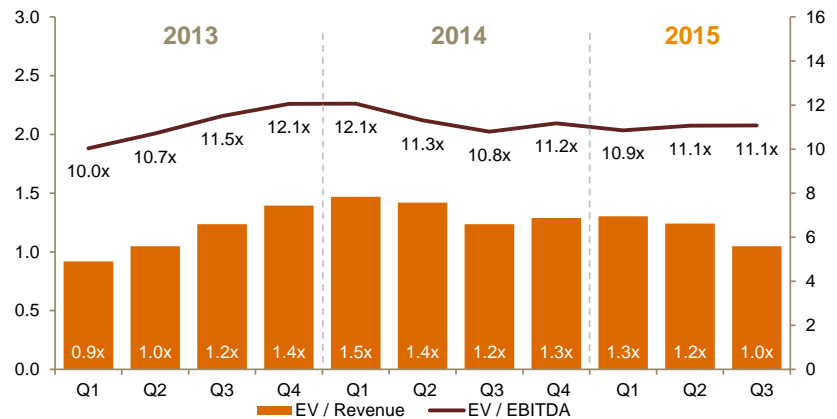
Average and median values (\$M) / volumes trended over 3 years:



Public takeaways:

- The median EBITDA multiple remained relatively flat during Q3 2015, while the revenue multiple declined to the lowest level since early-2013.
- While the magnitude of any declines were relatively minimal, approximately three-fourths of companies saw a decrease in revenue and EBITDA multiples.

Hardware public company multiples (median)

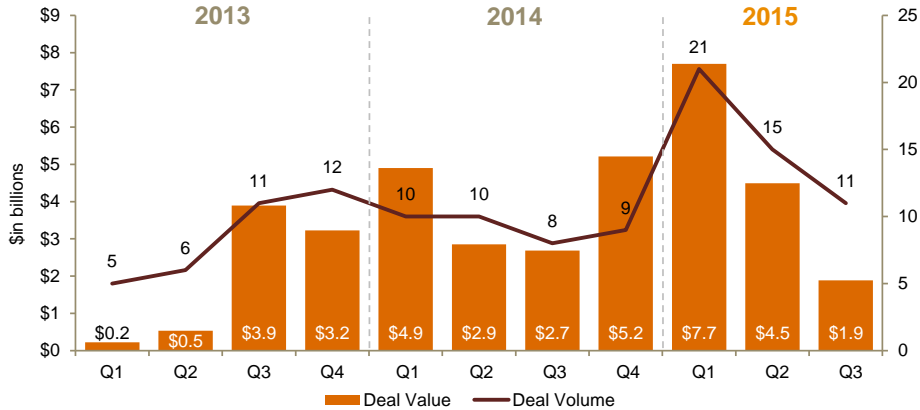


Source: Capital IQ

IT services



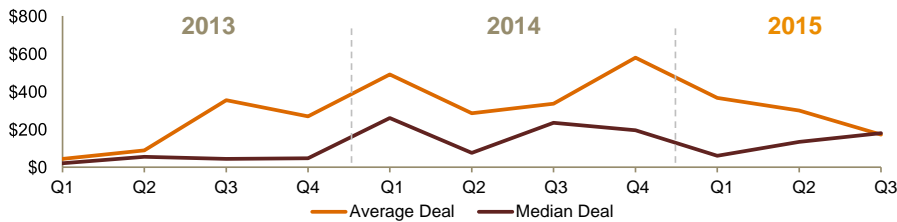
Closed deal values (\$) / volumes trended over 3 years:



IT Services trends:

- Deal volumes declined in Q3 2015, but continued to remain more active than most quarters over the past two years.
- Deal values continued to remain centered on the middle market during Q3 2015, despite being a sector that has historically leaned toward small and large deals.
- Average deal values declined to \$172 million in Q3 2015 due to a lack of billion-dollar deals, while median deal values increased to \$180 million.

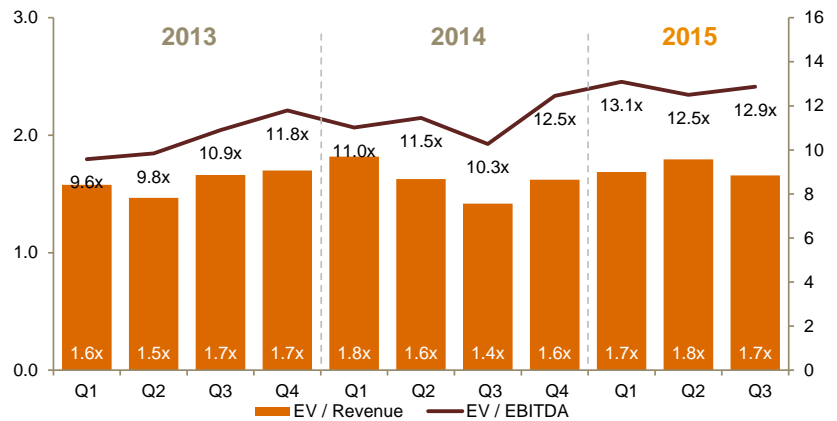
Average and median values (\$M) / volumes trended over 3 years:



Public takeaways:

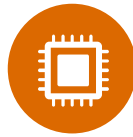
- Revenue and EBITDA multiples have remained flat over the last year.
- Consistent with the broader tech sector, median multiples for companies >\$1.0 billion market cap were higher than sub-\$1.0 billion size companies.
- Median revenue multiples for IT Consulting companies were in line with Data Processing and Outsourced Services companies, at 1.7x and 1.5x respectively.

IT Services public company multiples (median)

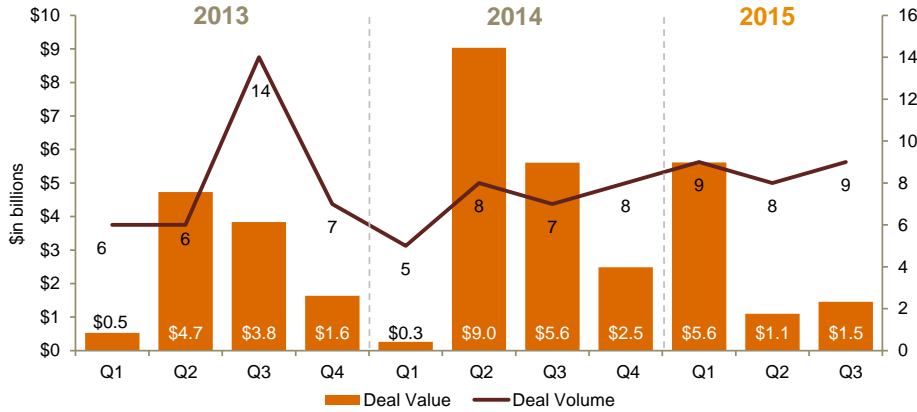


Source: Capital IQ

Semiconductor



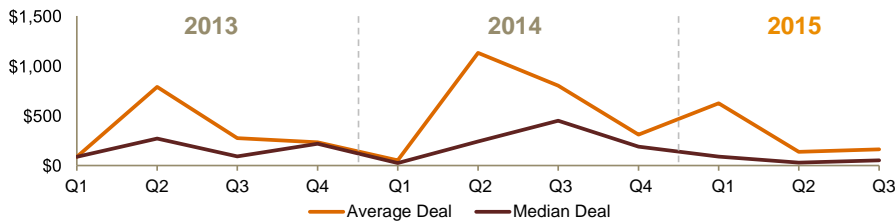
Closed deal values (\$) / volumes trended over 3 years:



Semiconductor trends:

- While deal volumes have remained relatively flat for more than two years, values in the sector are volatile in any given quarter. Lacking large consolidation deals during Q3 2015, semiconductor deal values have remained depressed.
- The median Semiconductor deal value of \$52 million was notably below that of an average quarter in 2013 or 2014.
- Despite closed deal values, deal announcements in the Semiconductor sector continue to point toward consolidation amongst industry leaders.

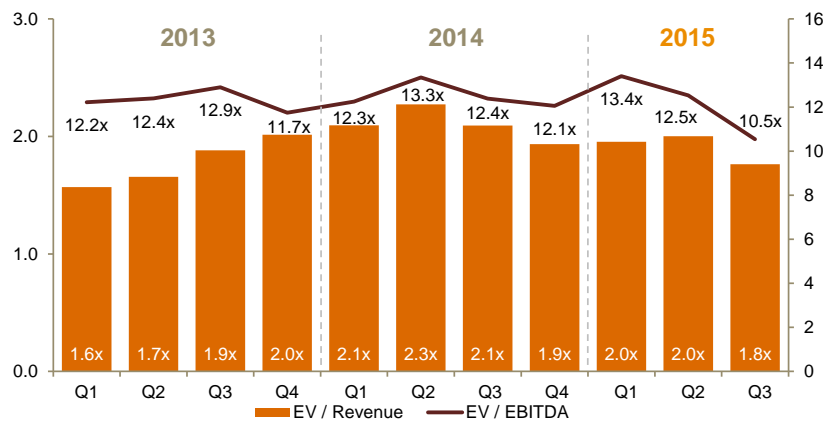
Average and median values (\$M) / volumes trended over 3 years:



Public takeaways:

- While the median revenue multiple has stayed relatively flat over the past few quarters, the median EBITDA multiple continues to decline, dropping 2.0x in Q3 2015.
- A significant number of Semiconductor companies exhibited declining revenue and EBITDA multiples in Q3 2015.
- Scale continues to matter as sub-\$1.0 billion market cap companies traded at a 1.2x lower average revenue multiple than the >\$1.0 billion companies.

Semiconductor public company multiples (median)



Source: Capital IQ

Focus article

Evolving landscape: Semiconductor industry

The recent explosion in M&A activity in the semiconductor industry follows a larger industry trend within the overall Technology sector. Many of the factors affecting the Technology sector, such as maturing markets and associated revenue-ASP stresses, have also come into play in the semiconductor sector. But a closer look shows that the specific M&A route chosen by the semiconductor companies involved in transactions varies based on three key factors: market segment focus, the growth rate of the market segment and the size of the company. These three key factors determine whether the underlying factor is a desire to access new markets/customers, increase bargaining power in existing markets or a need to close technology/product portfolio gaps.

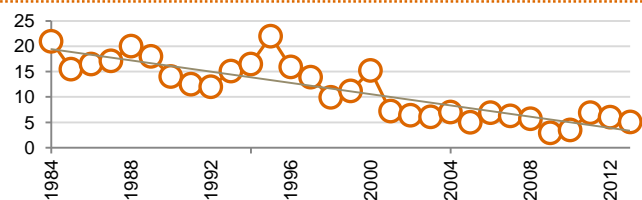
We expect specific kinds of M&A activity to continue to occur in each of the key semiconductor market verticals: Automotive, Industrial, Consumer, Computing and Communications due to the influence of the above identified three factors. Semiconductor companies should try to take advantage of the unique dynamics existing currently and explore opportunities to transform their businesses through inorganic means where possible.

Recent Semiconductor trends

The semiconductor industry is in the midst of a period of major re-alignment. The unique factors driving M&A activity in the overall Technology sector are particularly visible in this industry. As observed in the technology sector more broadly, both the quest to improve profitability and form cross-value chain ecosystem partnerships has spurred consolidation in the semiconductor industry.

The semiconductor industry has continuously exhibited a declining growth rate based on a 10-year rolling average from 1984 - 2013. Long-term growth has declined from around 15% annually, prior to the year 2000, to around 5% today. Gartner expects this low-single-digit growth rate for the industry to continue for the foreseeable future¹.

Exhibit 1: Semiconductor 10-year growth rate and trend line, worldwide, 1984-2013



Source: The McClean Report 2015, IC Insights

The overall profitability in the semiconductor industry is also expected to likely decrease significantly in the future. ASPs are smaller and decreasing in many of the major end segment/applications that are driving adoption of semiconductor chips e.g. wearables, mobile devices.

Besides the squeeze from ASP and Volumes, as shown in Exhibit 2, the cost of product development from design, process and fabrication perspectives have also increased significantly due to several factors. Though the larger shift towards commoditization of hardware and increase in value of software is not directly evident all across the semiconductor industry, the influence of the emerging megatrends has had an impact on semiconductor industry product development and offerings.

Exhibit 2: Key operational challenges faced by the semiconductor industry

Revenue	Costs
Slowing revenue growth - CAGR 1985 – 2012: 10.1% - CAGR 2012 – 2018F: 4.3%	Increasing product cost* pressure - Fab costs: 168% ↑ - Process dev costs: 225% ↑ - Chip design costs: 341% ↑
Addressing new applications, markets, and customers	Managing an increasingly complex ecosystem
Lower ASP for new segments	Increasing complexity of hardware-software co-development

* Morgan Stanley estimate of the cost increase in shift from 65nm to 20nm

Source: PwC analysis

The increasing requirement for offering enhanced value added services to be competitive has led to a situation where many semiconductor chipmakers are more frequently required to co-develop hardware and software solutions, increasing the complexity and thus development costs.

Recent requirements to establish ecosystem partnerships with players across the value chain has required time/commitment and also led to higher costs for chipmakers. This necessity to form ecosystem partnerships is especially apparent in the markets related to the emerging “Internet of Things (IoT)” phenomenon.

¹ – Gartner, Forecast Overview: Semiconductors, Worldwide 2014 Update, 30 July 2014

Key Drivers of Semiconductor M&A

The unique dynamics in the semiconductor industry from an M&A perspective can be understood by looking more closely at the market size growth rates of the major segments: Automotive, Industrial, Communications, Computer, and Consumer. The expected growth rates of these market segments for 2014-2019F are shown in Exhibit 3.

Exhibit 3: Growth trends for analog device sales in different market segments

Market segment	5 Yr CAGR (2014-2019F)	Type of market
Automotive	+11.2%	Growing
Industrial	+7.3%	
Communications	+7.2%	
Computer	+0.8%	Slowing
Consumer	+0.4%	

Source: The McClean Report 2015, IC Insights

The size and scale of the companies involved influence whether an acquisition of a smaller competitor or a “merger of equals” takes place. Historically, a distinct relationship exists between the size of the company, the type of acquisition event and the underlying factors.

Automotive, Industrial and Communications segments will likely grow at a significant clip in the near future. Consumer and Computer segments are expected to slow down. Both the growing and slowing market segments have shown significant M&A activity but the underlying reasons are different.

Growing semiconductor market segments

Segments like Automotive, Communications, and Industrial are poised for significant growth in the near future.

From the incorporation of increasingly sophisticated controlling electronics in automobiles to the advent of connected cars and connected devices, the increase in semiconductor content in automobiles and smart appliances has and will likely continue to explode over the next few years. Similarly, in the traditional Industrial segments, the advent of more advanced control and monitoring equipment and the Industrial IoT phenomenon has driven an upsurge in semiconductor adoption in that sector.

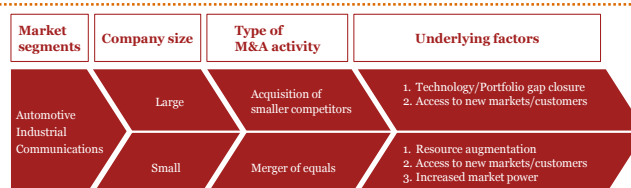
The high growth rate in these segments has caused a large number of semiconductor chipmakers to focus on these segments leading to considerable jockeying for position and competitive advantage. Given the large number of applications in these growing segments, no semiconductor company has been able to dominate either the Automotive, Communications, or Industrial segments both from a product capability or market share perspective. The fragmentation of market share and the inability to address a comprehensive

range of applications has diminished the market power of semiconductor companies while working with these customers.

Due to all of these reasons, four factors have created conditions ripe for consolidation in the Automotive, Communications, and Industrial segments:

1. Technology/portfolio gap closure
2. Access to new markets and/or customers
3. Resource augmentation (to enable scaling)
4. Increased market power

Exhibit 4: M&A trends among growing semiconductor market segments



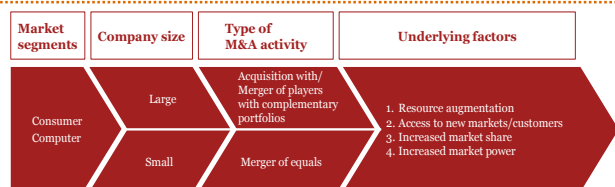
Source: PwC Analysis

Slowing semiconductor market segments

The Consumer and Computer segments which historically have led the way in adoption of semiconductor devices show all the classic signs of a maturing market with low to negative growth rates over the next 5 years. Apart from being associated with a high degree of cyclicity, these markets are associated with a stable set of customers with set buying patterns who look at most semiconductor chips as commodity components. The jockeying for position and competitive advantage is even more pronounced in the slowing market segments. As in the growing segments, no semiconductor company has been able to dominate the Consumer or Computing segments both from a product capability or market share perspective. Predictably, this has led to a situation where a large number of chipmakers focus on a limited set of applications creating pricing and profitability pressures and leading to situations ideal for consolidation.

The same underlying factors and size factors come into play in determining the type of M&A activity that occurs though the factors seem to be common across companies of all sizes. One key difference is that in the case of the slowing market segments, larger players tend to focus on deals that help to acquire a more comprehensive product portfolio, with an eye on increasing market share and power and using that to commandeer better pricing.

Exhibit 5: M&A trends among slowing semiconductor market segments



Source: PwC Analysis

Impact of the “Internet of Things” on semiconductor M&A trends

IoT represents a collection of opportunities that will have an impact across all segment market segments. Semiconductor companies, who look at IoT as a potential inflection point they can leverage for increasing their revenue growth, function as enablers of services and technologies in the overall IoT stack by providing types of core enabling chip products: microprocessors, microcontrollers, wireless and sensors/actuators.

Many semiconductor companies are beginning to embrace IoT to drive new revenue and growth models. As part of their efforts to establish and expand their footprint in the IoT ecosystem, semiconductor companies are looking to partner with companies across the ecosystem to develop joint Go-to-Market strategies and create IoT specific platforms and solutions. The key to such efforts will be the ability to offer a comprehensive portfolio of products that encompass the four core enabling chip products listed above. Many of the major semiconductor chipmakers involved in the IoT space do not have a comprehensive portfolio of products thus increasing the chances for potential M&A.

What to expect in the near-term and options for semiconductor companies

The profitability and growth challenges that confronted semiconductor companies during 2014 will likely continue to drive significant M&A activity in the semiconductor segments. Semiconductor chipmakers focused on addressing applications in the slowing market segments will especially be on the lookout for opportunities to increase their market share and power with an eye on reducing pricing pressures and increasing profitability. In the growing market segments, opportunistic mergers and acquisitions to gain access to new technology, markets or customers will provide the impetus for deals to happen. The analog and mixed signal market which has multiple players focused on niche applications within the Automotive and Industry space could continue to be the main arena for M&A activities to occur in 2015.

The Internet of Things will likely continue to provide an opportunity for expanding their revenues again primarily in the Automotive and Industrial segments. Since many of the potential customers in these two growing segments would

prefer to obtain an end-to-end portfolio of core enabling chip products from one source rather than make “best of breed” decisions, semiconductor chip makers targeting these segments for Internet of Things applications would definitely look to close any gaps in their existing product portfolio. We expect these portfolio gap closures to be made primarily through inorganic, acquisitive methods given the longer time and more expensive effort associated with building product organically in-house.

How should semiconductor companies take advantage of the current boom in M&A

Semiconductor companies should carry out a strategic review of their options to determine business value drivers, compare these with key competitors and establish a comprehensive list of strategic imperatives e.g. scaling the company, entering new markets, closing portfolio gaps, increasing market share and power, augment resources. Based on the defined imperatives, companies should identify potential merger or transformational acquisition opportunities and estimate possible returns from a potential deal. Companies should also conduct review of their existing portfolio and identify growth/rationalization opportunities with an eye on divesting non-core products and focusing on core opportunities.

Semiconductor companies should remember that pursuing business growth through inorganic (M&A) methods is an attractive but inherently risky option. Though both mergers (of similar sized companies) and acquisitions (of smaller companies) come with their pre-and post-deal integration and synergy achievement challenges, mergers of equals are typically more risky due to culture mismatch between organizations and a struggle for influence between the two companies.

Decision-making, especially at the mid-management level, is confused and slows down in such cases. Achieving consensus on operational considerations such as product development and portfolio management processes, customer account coverage and in rationalizing R&D and manufacturing footprints becomes very difficult.

Successful M&A integration and deal synergies will require a focused effort that involves identification and execution on value drivers and business risks. In fact, only 35% of tech companies achieved their operational goals². The value drivers impacting the success of a deal will range across a large number of focus areas such as: organization structure, executive communications, governance, roadmaps, product development/R&D, sales & marketing, operations and supply chain, People and Change Management (HR), IT capabilities, Finance and Tax. Building deal specific transition and integration blueprints for each of the identified value drivers will be a key factor in enabling success.

² – PwC 2014 M&A Integration Survey: Looking beyond the here and now

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Smart deal makers are perceptive enough to see value others have missed, flexible enough to adjust for the unexpected, aggressive enough to win favorable terms in a competitive environment, and circumspect enough to envision the challenges they will face from the moment the contract is signed. But in a business environment where information can quickly overwhelm, the smartest deal makers look to experienced advisors to help them fashion a deal that works.

PwC's Deals Practice can advise technology companies and technology-focused private equity firms on key M&A decisions, from identifying acquisition or divestiture candidates and performing detailed buy-side diligence, to developing strategies for capturing post-deal profits and exiting a deal through a sale, carve-out, or IPO. With more than 14,900 deals professionals in over 120 countries, we can deploy seasoned teams that combine deep technology industry skills with local market knowledge virtually anywhere and everywhere your company operates or executes transactions.

Although every deal is unique, most will benefit from the broad experience we bring to delivering strategic M&A advice, due diligence, transaction structuring, M&A tax, merger integration, valuation, and post-deal services.

In short, we offer integrated solutions tailored to your particular deal situation and designed to help you extract peak value within your risk profile. Whether your focus is deploying capital through an acquisition or joint venture, raising capital through an IPO or private placement, or harvesting an investment through the divestiture process, we can help.

For more information about M&A and related services in the technology industry, please visit www.pwc.com/us/deals or www.pwc.com/technology

About the data

We define M&A activity as mergers and acquisitions where targets are US-based companies acquired by either US or foreign acquirers or foreign targets acquired by US technology companies. We define divestitures as the sale of a portion of a company (not a whole entity) by a US-based seller.

We have based our findings on data provided by industry-recognized sources. Specifically, values and volumes used throughout this report are based on completion date data for transactions with a disclosed deal value greater than \$15 million, as provided by Thomson Reuters as of September 30, 2015, and supplemented by additional independent research. Information related to previous periods is updated periodically based on new data collected by Thomson Reuters for deals closed during previous periods but not reflected in previous data sets. Unless otherwise noted, all data and charts included in this report are sourced from Thomson Reuters.

Because many technology companies overlap multiple sectors, we believe that the trends within the sectors discussed herein are applicable to other sectors as well. Technology sectors used in this report were developed using NAIC codes, with the semiconductor sector being extracted from semiconductor and other electronic component manufacturing codes by reference to SIC codes. In certain cases, we have reclassified deals regardless of their NAIC or SIC codes to better reflect the nature of the related transaction.

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