

QUARTERLY VIEWPOINT:

For the Quarter Ended September 30, 2008 and the Latest Twelve Months

Services

- Project-Based:
 - IT Commercial
 - IT Federal
 - Management Consulting
- Outsourcing:
 - IT
 - Business Process Outsourcing
- Offshore
- IT Staffing
- Value Added Resellers

Software

- Application
- Infrastructure
- Internet Software and Services
- Software as a Service (SaaS)

Communications

- Software
- Equipment

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Market Leader For Mid-Market Technology M&A

This Quarterly ViewPoint covers trends, stock index performances, public valuation multiples and relevant M&A activity for the services, software and communications sectors. To illustrate general capital market and M&A trends within these sectors, DecisionPoint has selected a group of representative public comparables and transactions. This data is provided for informational purposes only. All data represents publicly available information.

DecisionPoint International is a boutique investment bank providing merger and acquisition services and business valuations to companies in the services, software and communications sectors. DecisionPoint offers clients a complete range of M&A services including buy-side and sell-side advisory and company valuations.

For further information regarding the contents of this document or any other questions, please call DecisionPoint International at 704.248.1111 or visit the web site at www.DecisionPointInt.com.



September 2008 – Services



August 2008 – Services



August 2008 – Services



July 2008 – Services



May 2008 – Software/Services



March 2008 - Software



December 2007 - Services



November 2007 - Services



October 2007 - Services



September 2007 - Services



September 2007 - Services



August 2007 - Services



July 2007 - Services



July 2007 - Services



June 2007 - Services



May 2007 - Services



April 2007 - Software



February 2007 - Services



December 2006 - Software



August 2006 – Software/Services

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Market Leader For Mid-Market Technology M&A

The 451 Group recently named DecisionPoint International the top financial adviser in 2007 for US-based technology M&A deals by number of deals in the IT Business Services sector. The 451 Group is a San Francisco, CA-based, independent technology-industry analyst company focused on the business of enterprise IT innovation.

Sector Leaders: 2007 IT Business Services

TOP DEALMAKERS BY NUMBER OF DEALS

	Number
1 DecisionPoint	10
2 Morgan Stanley	9
3 Goldman Sachs	7
4 BB&T	7
5 Raymond James	6
6 AdMedia Partners	5
7 JPMorgan	4
8 Jefferies	4
9 Savvian Advisors	4
10 Pagemill Partners	4

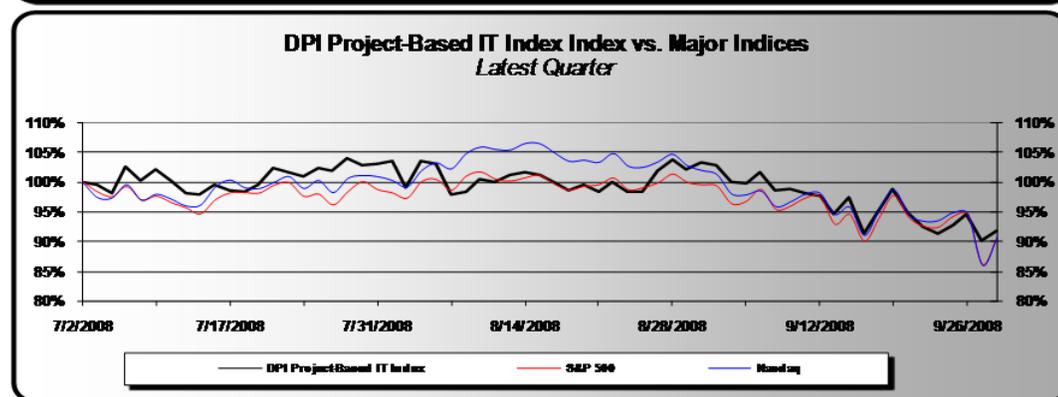
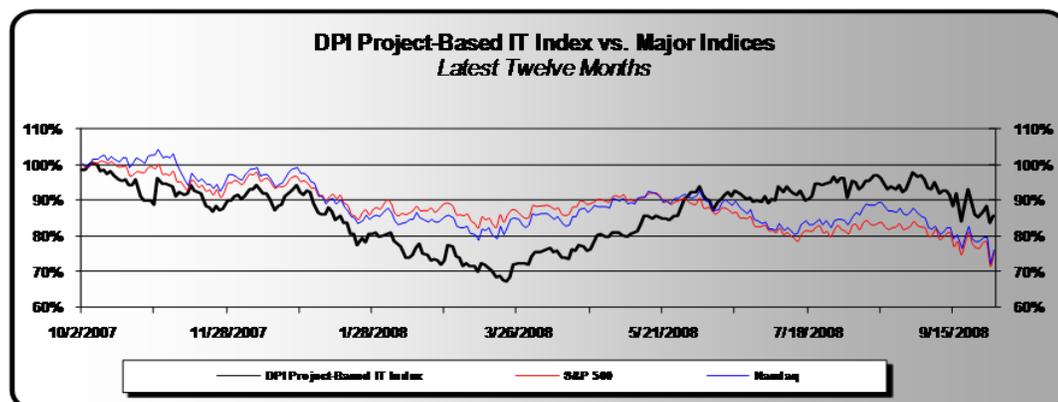
the **451** group

Services: Project-Based - IT Commercial

Highlights, Stock Performance and Recent M&A Activity

Highlights

- For the LTM and quarter, the IT Commercial Index was down 16% and 9% respectively.
- Rollta TUSC announced they would acquire WhittmanHart Consulting, the Corporate Performance Management ("CPM") division of WHITTMANHART, as the India-based Rollta continued its strategic attempt to grow its Business Intelligence ("BI") practice after acquiring TUSC earlier this year.
- Edgewater Technology noted on their latest earnings call that M&A valuation multiples for BI/CPM consultancies have been in the 5-7x EBITDA range although recently they have seen these multiples drifting to 9x EBITDA or 1.7-2.0x revenue.
- Gartner recently revised its growth forecasts for IT Services in 2008 and 2009 to 3.4% and (0.3)%, respectively.
- CedarCrestone acquired E2E Consulting, a provider of Oracle, SOA and Google Enterprise Search systems integration services, to enhance their position to partner with Oracle applications clients.
- Q3'08 had a total of 21 M&A transactions compared to 7 announced in Q2'08.



Note: The DPI IT Commercial Index includes: Accenture, The Hackett Group, CIBER, Edgewater Technology and Perficient.

September 30, 2008

Metrics

Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
	Accenture Ltd.	0.8x
The Hackett Group, Inc.	1.1x	10.9x
CIBER, Inc.	0.5x	7.3x
Edgewater Technology	0.6x	7.5x
Perficient Inc.	0.8x	5.7x

Representative IT Commercial Transactions

Announced Date	Acquiror Name	Target Name	Enterprise Value (\$m)
09/29/08	Idhasoft	Enterpulse	NA
09/26/08	CSP	R2 Technologies	\$2.0
09/22/08	Zanett	PS GoLive	NA
09/19/08	PricewaterhouseCoopers	Entology	NA
09/15/08	Cambridge Technology Enterprises	Protege Software Services	NA
09/08/08	PricewaterhouseCoopers	New Dimension Solutions	NA
09/02/08	Sumisho Computer Systems	B4 Consulting	NA
08/19/08	ITC Infotech	Pyxis Solutions	\$25.0
08/18/08	TITAN Technology Partners	Pinnacle Group	NA
08/15/08	HighPoint Solutions	Aptiv Technology Partners	NA
08/08/08	Cambridge Systems	Enterprise Consulting Partners	NA
07/07/08	Ensynch	eBI Solutions	NA
07/02/08	SemanticSpace Technologies	Prolifics	NA
07/02/08	CedarCrestone	E2E Consulting	NA
07/01/08	Axon Group	SCM Solutions	\$14.0

LTM = Last twelve months
NM = Not Meaningful

Please call DecisionPoint for further details on listed transactions.

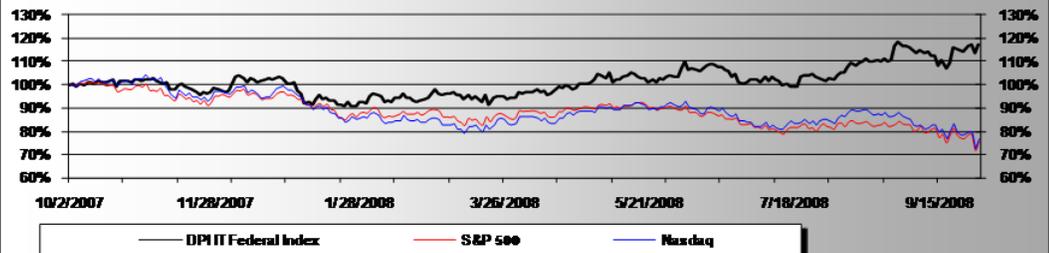
Services: Project-Based - IT Federal

Highlights, Stock Performance and Recent M&A Activity

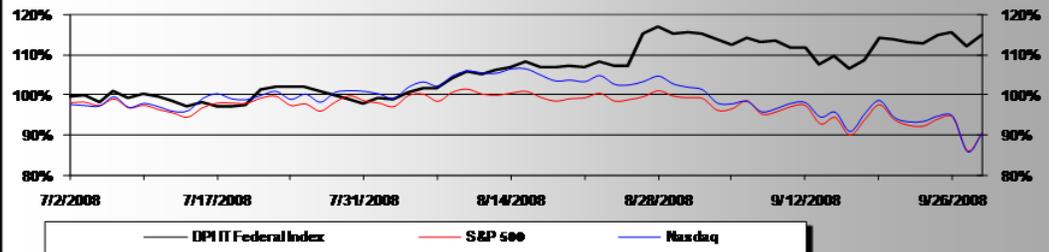
Highlights

- For the LTM and quarter, the IT Federal Index was up 14% and 15%, respectively.
- Serco PLC of Britain agreed to buy SI International, a US-based federal IT contractor for an enterprise value of \$509m. The deal values SI at 0.9x revenue and 11.6x EBITDA, respectively.
- The FY09 government appropriations bill was signed giving both the Defense and Homeland Security departments 6% increases starting October 1.
- With the upcoming presidential election, expected program decision changes may be slow to unfold. In the near term, buyers exploring acquisitions may delay decision making.
- With strong balance sheets, public Defense players could look at M&A consolidation to offset slower sales.
- European players continue to be acquirors for Federal IT players, as the strength of the euro vs. the US dollar remains a key factor.
- Q3'08 had a total of 13 M&A transactions compared to 7 announced in Q2'08.

DPI IT Federal Index vs. Major Indices
Latest Twelve Months



DPI IT Federal Index vs. Major Indices
Latest Quarter



Note: The DPI IT Federal Index includes: CACI International, ManTech International, NCI, SAIC, SI International and SRA International.

September 30, 2008

Metrics

Company	Enterprise Value	
	LTM	LTM
	Revenue	EBITDA
CACI International Inc.	0.8x	9.7x
ManTech International	1.3x	14.0x
NCI, Inc.	1.2x	14.3x
SAIC, Inc.	0.9x	10.6x
SI International, Inc.	0.8x	10.7x
SRA International Inc.	0.8x	8.1x

Representative IT Federal Transactions

Announced Date	Acquiror Name	Target Name	Enterprise Value (\$m)
09/18/08	Geocent	Diamond Data Systems	NA
09/15/08	Curtiss-Wright	Vmetro ASA	\$80.0
09/10/08	Northrop Grumman	3001	NA
09/02/08	ManTech International	Emerging Technologies Group	NA
08/27/08	Serco Group plc	SI International	\$510.3
08/05/08	CAE	Bell Aliant Regional Communications	\$14.7
08/04/08	QinetiQ North America	Dominion Technology Resources	\$165.0
07/30/08	Dynamics Research	Kadix Systems	\$47.0
07/29/08	Black Box	Mutual Telecom Services Inc.	NA
07/28/08	BEA Systems	Detica Group plc	\$834.0
07/23/08	MicroTech	Sigcom (Visual Comm. Tech.)	NA
07/16/08	SI International	Arrowpoint	\$25.0
07/02/08	SRA International	Interface & Control Systems	NA

LTM = Last twelve months
NM = Not Meaningful

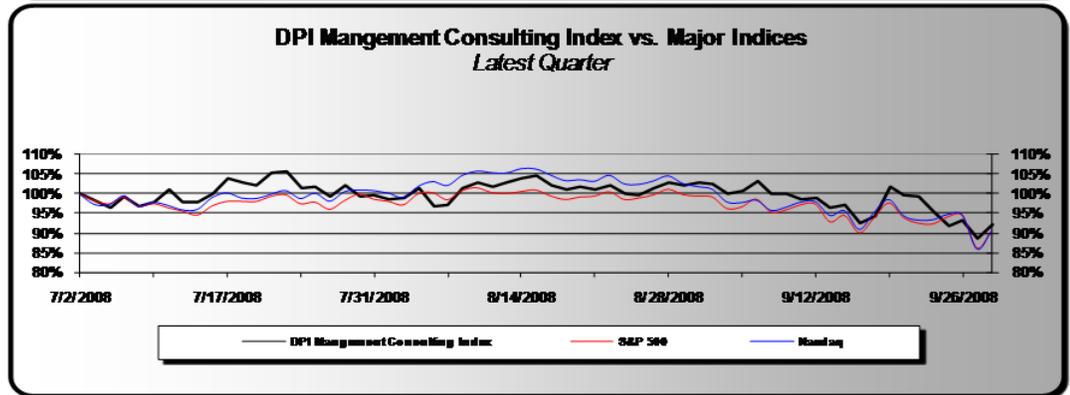
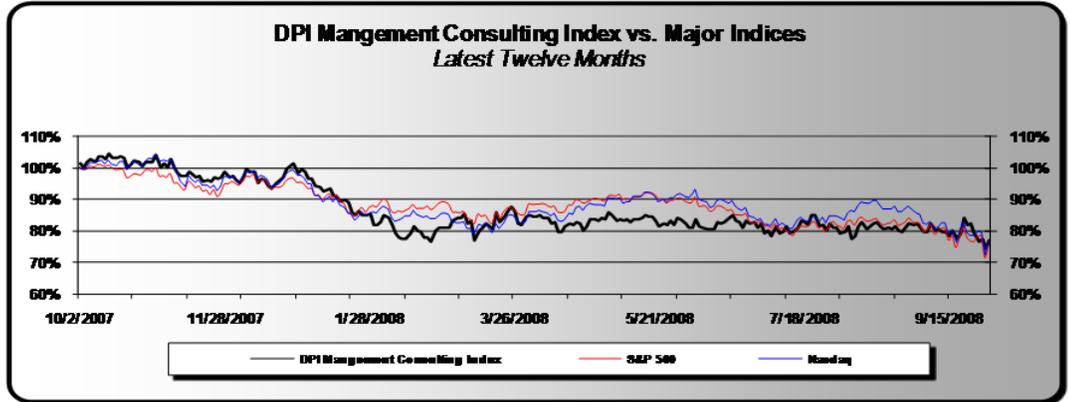
Please call DecisionPoint for further details on listed transactions.

Services: Project-Based - Management Consulting

Highlights, Stock Performance and Recent M&A Activity

Highlights

- For the LTM and quarter, the Management Consulting Index was down 23% and 8%, respectively.
- Demand is up for management consultants that provide a specialty compared to generalist firms. The advantage of specialization is that it simplifies the marketing, selling and buying of consulting services. Specialized consultants do not waste scarce resources chasing projects that are outside their areas of expertise.
- According to Kennedy Information, client appetite for Forensics & Litigation management consulting will not abate in the near term. In fact, the economic slowdown may spur more demand for these offerings since fraudulent activity increases or becomes more apparent during bad economic times.
- Q3'08 had a total of 1 M&A transactions compared to 5 announced in Q2'08.



Note: The DPI Management Consulting Index includes: CRA International, Diamond Management & Technology Consultants, FTI Consulting, Huron Consulting Group, LECG Corporation, Navigant Consulting, The Advisory Board Company and The Corporate Executive Board.

September 30, 2008

Metrics

Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
CRA International Inc.	0.7x	5.8x
DTPI	0.4x	7.1x
FTI Consulting, Inc.	3.4x	15.1x
Huron Consulting Group Inc	2.3x	12.6x
LECG Corp.	0.5x	5.7x
Navigant Consulting Inc.	1.6x	10.0x
Advisory Board Co.	2.2x	11.1x
Corp. Executive Board	1.8x	7.4x

Representative Management Consulting Transactions

Announced Date	Acquiror Name	Target Name	Enterprise Value (\$m)
08/08/08	Duff & Phelps	Lumin Expert Group	NA

LTM = Last twelve months
 NM = Not Meaningful

Please call DecisionPoint for further details on listed transactions.

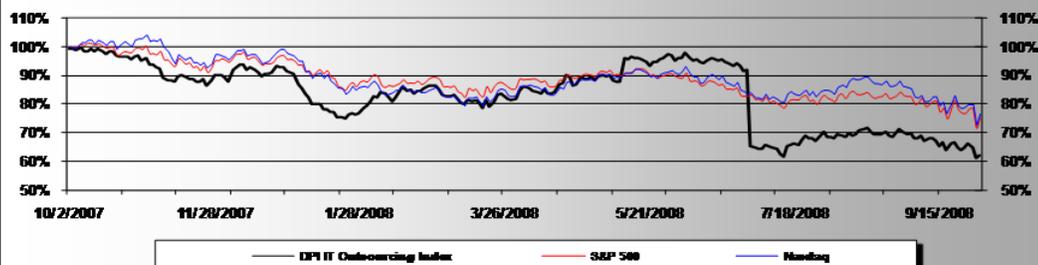
Services: Outsourcing - IT

Highlights, Stock Performance and Recent M&A Activity

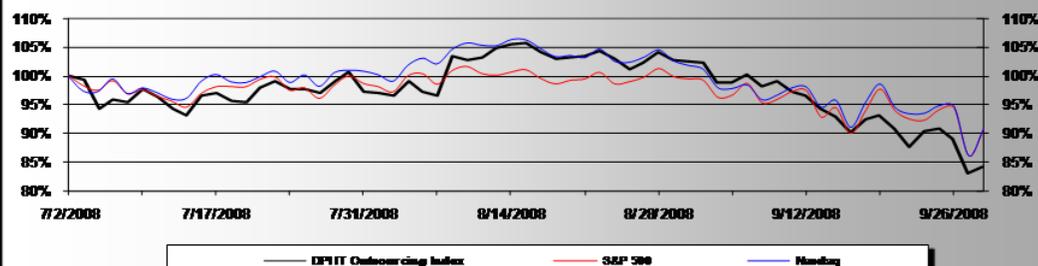
Highlights

- For the LTM and quarter, the IT Outsourcing Index was down 38% and 26%, respectively.
- On August 8, Rackspace began trading its shares on the New York Stock Exchange under the symbol RAX. Through this offering, the company received net proceeds of \$145m which will be primarily used to fund the company's growth initiatives. The Company's shares had a lackluster performance with shares falling 20% in the first day of trading.
- The global financial crisis could result in bigger volumes of IT outsourcing as the banking, financial services and insurance companies are forced to cut costs and improve efficiencies.
- Great Hill Partners and Catalyst Investors' portfolio company Managed Data Holdings announced its second acquisition of the year by acquiring Stargate, a local data center operator in suburban Chicago offering co-location, managed servers and managed services.
- Q3'08 had a total of 46 M&A transactions compared to 47 announced in Q2'08.

DPI IT Outsourcing Index vs. Major Indices
Latest Twelve Months



DPI IT Outsourcing Index vs. Major Indices
Latest Quarter



Note: The DPI IT Outsourcing Index includes: CGI, CSC, EDS and Perot Systems.

September 30, 2008

Metrics

Company	Enterprise Value	
	LTM	LTM
	Revenue	EBITDA
CGI Group, Inc.	0.1x	0.6x
CSC	0.5x	3.7x
EDS	0.9x	6.6x
Perot Systems Corp.	0.7x	6.2x

Representative IT Outsourcing Transactions

Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
09/30/08	VancelInfo Technologies	Wireless Info Tech	\$1.1
09/16/08	WorkSoft	TestFactory	NA
09/09/08	SoftServe	Alvion	NA
08/27/08	Managed Data Holdings	Stargate Holdings	NA
08/25/08	ABRY Partners	Q9 Networks	\$361.0
08/20/08	United Internet	Dollamore	NA
08/20/08	MYOB US	SmartyHost	\$7.0
08/19/08	Momentum Advanced Solutions	BroadSpire	NA
08/11/08	Global Technology Resources	Anyware Network Solutions	NA
08/06/08	Widepoint	Protexx	NA
08/06/08	MasTec	NSORO	NA
07/23/08	Digi International	Spectrum Design Solutions	\$10.0
07/22/08	iPipeline	Coss Development	NA
07/08/08	Spire Capital Partners	Carpathia Hosting	NA
07/07/08	OneNeck IT Services	Ensynch (managed hosting)	NA

LTM = Last twelve months
NM = Not Meaningful

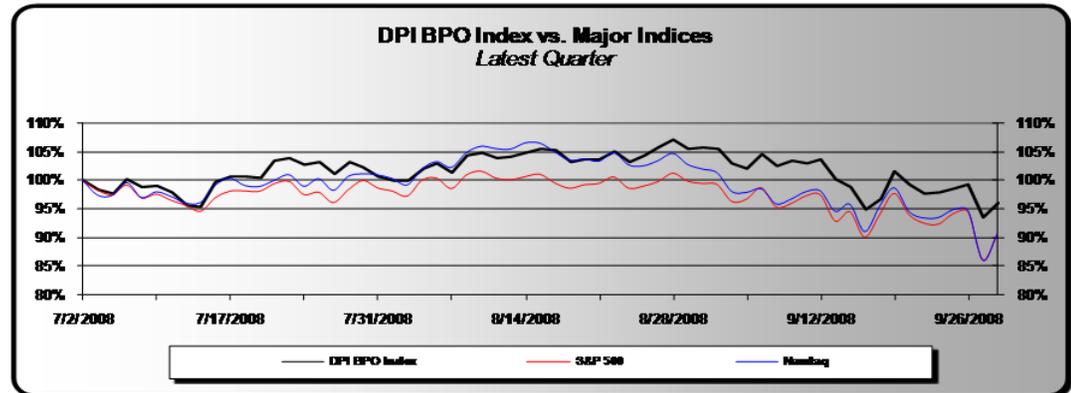
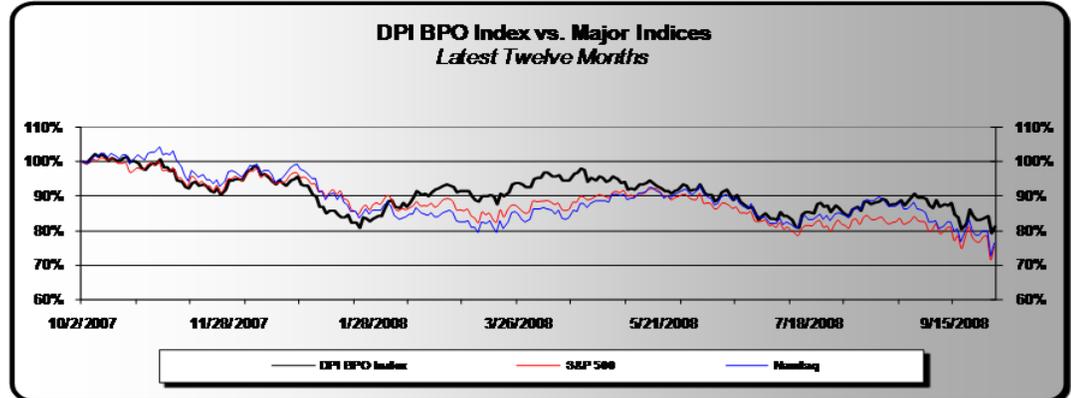
Please call DecisionPoint for further details on listed transactions.

Services: Outsourcing - Business Process Outsourcing

Highlights, Stock Performance and Recent M&A Activity

Highlights

- For the LTM and quarter, the Business Process Outsourcing Index was down 19% and 4%, respectively.
- There is a growing trend to automate BPO operations by changing the supporting IT infrastructure. Automating BPO operations creates a significant improvement in service provider sustainability and also helps service delivery.
- Existing outsourcing contracts, signed in the earlier era of stable economy, may not be structured optimally for the current market. Both buyers and suppliers need to assess whether their contracts expose them to current market conditions.
- Aegis BPO agreed to acquire PeopleSupport, increasing the firm's footprint to include the Philippines and Costa Rica BPO. The \$160m enterprise value acquisition of PeopleSupport makes Aegis a leader in the rapidly growing global BPO market.
- Q3'08 had a total of 38 M&A transactions compared to 30 announced in Q2'08.



Note: Due to the broad Business Process Outsourcing market, the DPI BPO Index includes a variety of financial services, healthcare, human resources, energy and IT services companies: Affiliated Computer Services (ACS), Automatic Data Processing, DST Systems, CGI Group, First Advantage and Paychex.

Representative Business Process Outsourcing Transactions

Announced Date	Acquiror Name	Target Name	Enterprise Value (\$m)
09/19/08	Ayala	eTelecare Global Solutions	\$232.0
09/19/08	Perseus	Allscripts Healthcare Solutions	\$12.0
08/26/08	Epayments	FedPayUSA	NA
08/25/08	HCL Technologies	Control Point Solutions	\$21.0
08/18/08	GSI Securitization	ARGYLE Solutions	NA
08/05/08	Noteworthy Medical Systems	Mars Medical Systems	NA
08/03/08	Aegis BPO Services	PeopleSupport	\$159.5
07/29/08	Wolters Kluwer Financial Services	Compliance Online Ltd	NA
07/28/08	Markit Group Limited	JP Morgan FCS	NA
07/23/08	Arthur J. Gallagher & Co.	Gale Smith + Company	NA
07/22/08	Epayments	ACH Technologies	NA
07/21/08	The Shumka Group	CGI (Canadian business-processing)	NA
07/18/08	EFT Canada	Secure Payment Systems	NA
07/16/08	McKesson	EN-Chart Scanning Program	NA
07/10/08	WNS (Holdings) Ltd.	Aviva Global Services	\$230.0

September 30, 2008

Metrics

Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
ACS	1.1x	6.5x
ADP	2.3x	9.9x
DST Systems Inc.	1.8x	8.6x
CGI Group, Inc.	0.9x	5.8x
First Advantage	1.1x	5.8x
Paychex Inc.	5.5x	12.4x

LTM = Last twelve months
NM = Not Meaningful

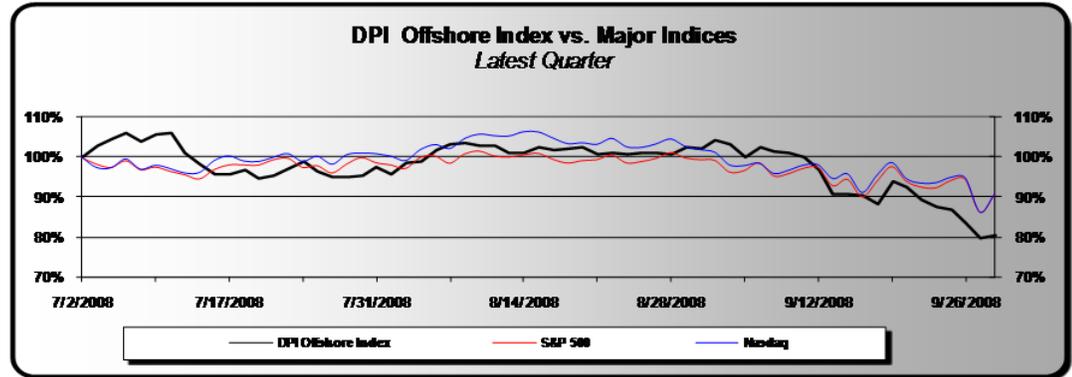
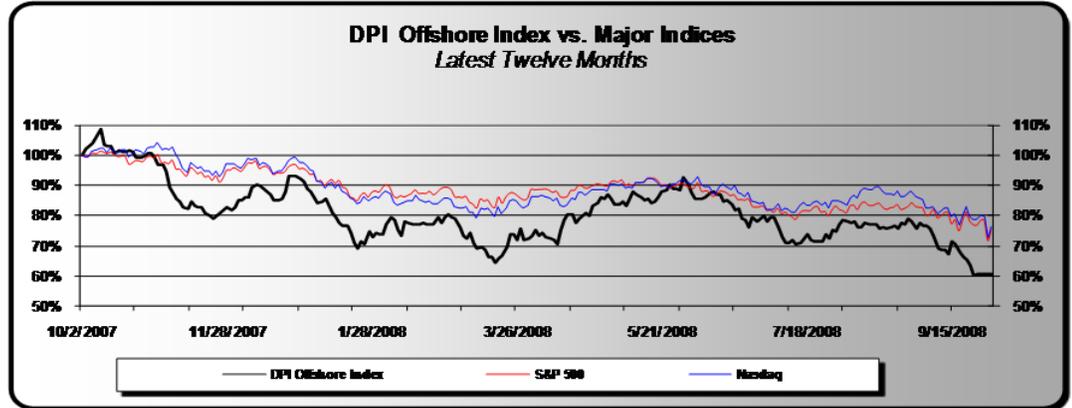
Please call DecisionPoint for further details on listed transactions.

Services: Offshore

Highlights, Stock Performance and Recent M&A Activity

Highlights

- For the LTM and quarter, the Offshore Index was down 40% and 20%, respectively.
- Several studies reveal that there are more successes than failures in offshore relationships today. The failed arrangements are almost always the result of cultural differences and people's failure to connect and understand each other.
- Egypt is the latest in a long line of countries to set up a government agency to sell its IT services to businesses overseas. Significant infrastructure investments, along with the construction of a technology village near Cairo, have attracted the likes of Orange, Vodafone and Alcatel to use Egypt as their offshore location.
- CIBER announced it would add to its India-based operations with an acquisition of Iteamic. Iteamic, with operations in San Francisco, New York and Bangalore, has approximately 200 employees, expects to do \$7-8m in revenue in its fiscal 2009 and has an excellent model established for offshore delivery of projects generated from the United States.
- Q3'08 had 1 M&A transaction compared to 4 announced in Q2'08.



The DPI Offshore Index includes: Cognizant Technology, Infosys, Patni Computer Systems, Satyam and Wipro.

September 30, 2008

Metrics

Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
Cognizant Technology	2.5x	12.2x
Infosys Technologies	3.2x	9.9x
Patni Computer Systems	0.8x	4.6x
Satyam Computer Services	1.6x	7.3x
Wipro	2.2x	11.3x

Representative Offshore Transactions

Announced Date	Acquiror Name	Target Name	Enterprise Value (\$m)
09/22/08	CIBER	Iteamic Pvt. Ltd.	NA

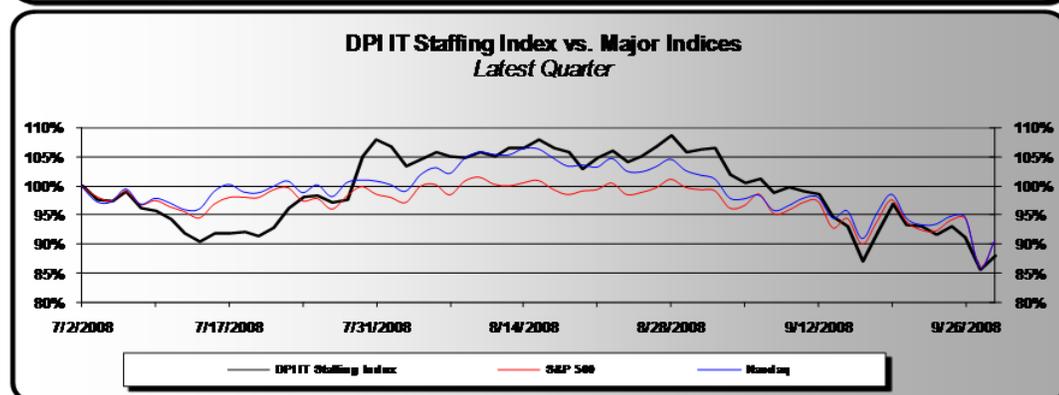
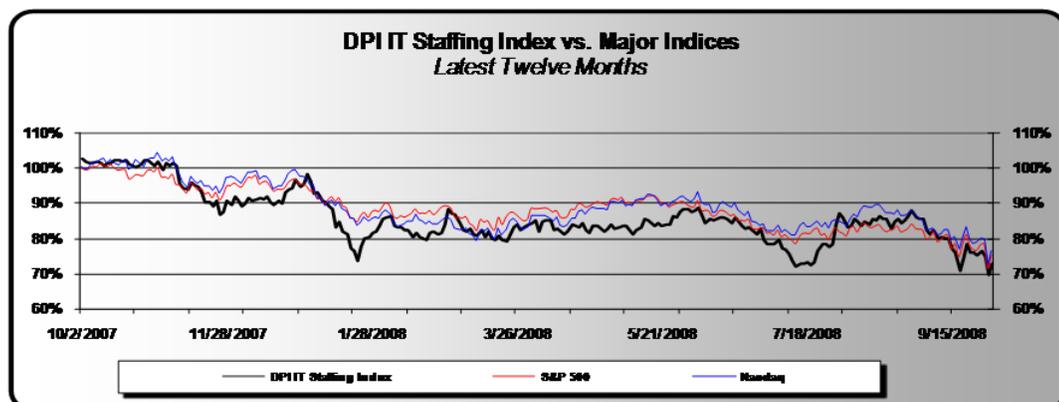
LTM = Last twelve months
 NM = Not Meaningful

Services: IT Staffing

Highlights, Stock Performance and Recent M&A Activity

Highlights

- For the LTM and quarter, the IT Staffing Index was down 30% and 12%, respectively.
- The National Association of Computer Consultant Businesses reported IT employment posted a modest increase and delivered another all-time high during the month of September. The association reported IT employment reached 3,925,600 in September, a record high.
- Emtec, Inc. announced it would acquire both Aveeva and eBusiness Applications Solutions during the quarter. The companies are both focused on SAP, Microsoft and Oracle technologies and have an H1-B staffing model.
- Although there were only two IT Staffing deals announced during the quarter, we continue to see IT project-based consultancies or IT staff augmentation firms with gross margins in the 20-25% range attracting buyer interest.
- Q3'08 had 2 M&A transactions, identical to the number of transactions announced in Q2'08.



The DPI Staffing Index includes: Analysts International, COMFORCE, Computer Task Group, Kforce, RCM Technologies, TechTeam Global and Volt Information Services.

Representative IT Staffing Transactions

September 30, 2008

Metrics

Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
Analysts International	0.1x	9.6x
Comforce Corp.	0.2x	6.3x
Computer Task Group Inc.	0.4x	9.5x
Kforce Inc.	0.4x	5.7x
RCM Technologies Inc.	0.1x	6.0x
TechTeam Global Inc.	0.4x	4.9x
Volt Information Sciences	0.2x	4.9x

Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
08/13/08	Emtec, Inc.	eBAS	NA
07/16/08	Stepstone ASA	Les Villages Emploi	\$6.0

LTM = Last twelve months
NM = Not Meaningful

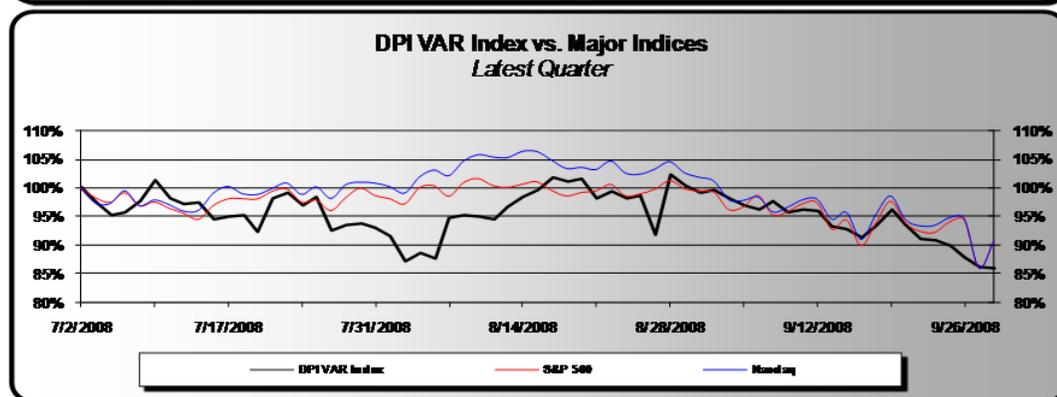
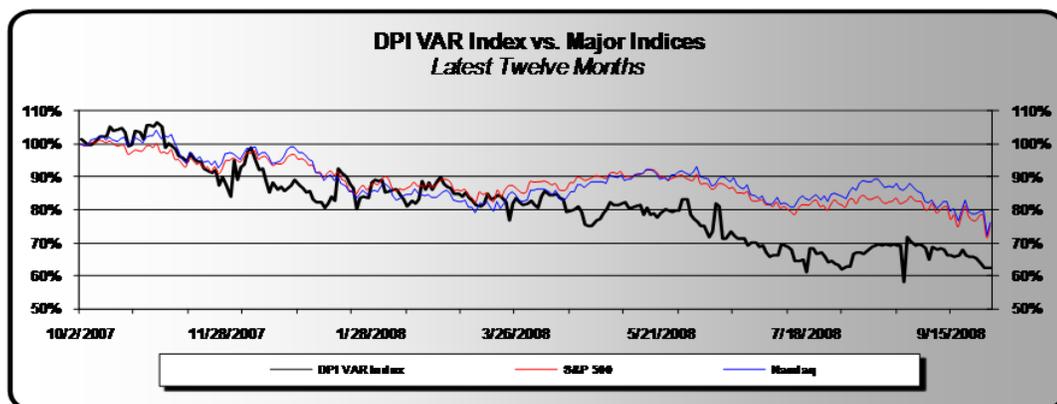
Please call DecisionPoint for further details on listed transactions.

Services: Value Added Resellers

Highlights, Stock Performance and Recent M&A Activity

Highlights

- For the LTM and quarter, the VAR Index was down 38% and 14%, respectively.
- Wall Street's collapse and a new round of regulatory legislation from Congress will likely have IT compliance requirements that should provide solution providers with new business opportunities.
- VARs claim Vista is still a tough sell as some customers do not want to disrupt business and many that made the shift to Vista are downgrading to Windows XP.
- Despite the struggling economy, security remains a profitable business for the IT industry. The results of Everything Channel's security survey show that VAR providers are optimistic about growth in the security market.
- Pomeroy IT Solutions announced that David Pomeroy is no longer pursuing an acquisition of the Company with Comvest Partners and that he does not intend to seek out another financial partner or other alternative financing for such purpose.
- Q3'08 had a total of 7 M&A transactions compared to 6 announced in Q2'08.



Note: The DPI Value Added Resellers Index includes: Emtec, En Pointe Technologies, Insight Enterprises, MTM Technologies, PC Connection, and Pomeroy IT Solutions.

September 30, 2008

Metrics

Company	Enterprise Value	
	LTM	LTM
	Gross Profit	EBITDA
Emtec Inc.	0.7x	3.3x
En Pointe Technologies Inc.	0.4x	16.4x
Insight Enterprises Inc.	1.2x	5.1x
MTM Technologies Inc.	1.0x	18.7x
PC Connection Inc.	0.6x	3.2x
Pomeroy IT Solutions Inc.	0.7x	NM

Representative Value Added Resellers Transactions

Announced Date	Acquiror Name	Target Name	Enterprise Value (\$m)
09/24/08	Media Recovery	Issi Business Solutions	NA
09/23/08	Canon USA	Newcal Industries	NA
09/22/08	Strategic Products & Services	PhoneXtra	NA
09/11/08	Datatec	Inflow Technologies	NA
08/25/08	Sparxent	NetworkD	NA
08/07/08	Continuous Computing	Embedded Solution Partners	NA
07/14/08	Custom Computer Specialists	UNICOM Technology Group	NA

LTM = Last twelve months
NM = Not Meaningful

Software: Application

Highlights, Stock Performance and Recent M&A Activity

Highlights

- For the LTM and quarter, the Application Software Index was down 20% and 4%, respectively.
- Oracle is aiming to get the first version of Fusion Applications into the hands of early adopters in 2009, and the initial version of the software will deliver a significant chunk of functionality.
- The Best of Open Source Software Awards by InfoWorld have been announced where they recognize the top free and open products for business, IT, and personal productivity. In almost every category explored, the pace of development is remarkable and products are evolving fast. OpenOffice.org (OOo) is a strong contender.
- Leaders in the supply-chain management space JDA Software and i2 Technologies announced their intent to merge in attempt to capitalize on near-term financial synergies. The deal values i2 at 1.6x revenue and 11.7x EBITDA, respectively.
- Open Text announced it would acquire Captaris, a leading provider of software products that automate document-centric processes for an enterprise valuation of \$107m.
- Q3'08 had a total of 108 M&A transactions compared to 115 announced in Q2'08.

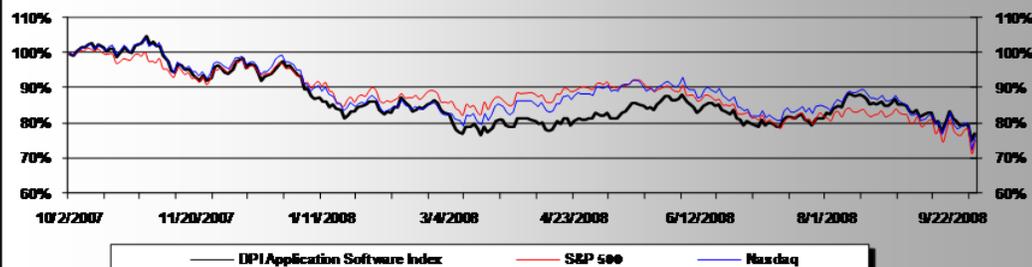
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Metrics

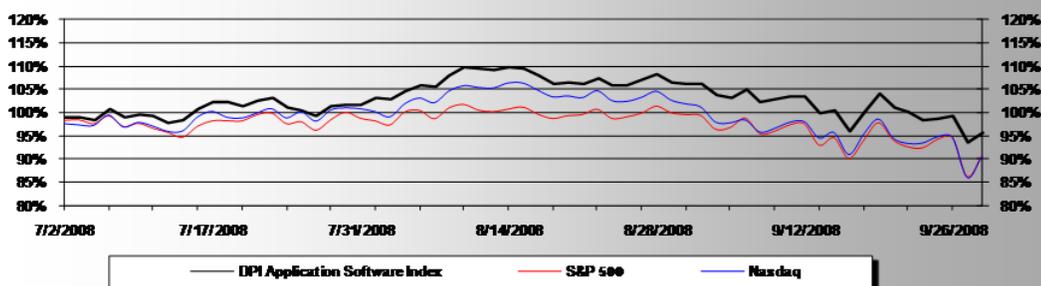
Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
	Acct. & Financial	3.1x
Billing & Service	3.9x	11.6x
Business Int.	1.5x	8.0x
Content Mgmt.	1.7x	11.2x
CRM	1.4x	41.6x
Engineering, etc.	2.9x	10.8x
ERP	1.7x	9.3x
Healthcare	1.7x	11.5x
HR Management	1.2x	29.9x
Media & Ent.	2.5x	14.0x
SC Mgmt.	2.0x	8.6x

LTM = Last twelve months
NM = Not Meaningful

DPI Application Software Index vs. Major Indices
Latest Twelve Months



DPI Application Software Index vs. Major Indices
Latest Quarter



Note: The DPI Application Software Index includes companies from the following sub-sectors: Accounting and Financial Services, Billing & Service Provisioning, Business Intelligence, Content & Document Management, Customer Relationship Management, Engineering, Electronic Design Automation, Product Lifecycle Management, Computer Aided Design/Computer Aided Manufacturing, Enterprise Resource Planning, Healthcare, Human Resources & Workforce Management, Media & Entertainment and Supply Chain Management.

Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
09/29/08	Bedford Funding	Authoria	\$63.1
09/16/08	Standard Life	Vebnet	\$37.4
09/15/08	Moody's	Fermat	\$189.0
09/09/08	Triplos	Pharsight	\$47.7
09/04/08	Park City Group	Prescient Applied Intelligence	\$8.6
09/04/08	Advent Software	Tamale Software	\$70.0
09/03/08	Natus Medical	NeuroCom	\$14.5
09/02/08	Deltek	Planview (MPM division)	\$16.0
08/20/08	Salesforce.com	InStranet	\$27.3
08/11/08	JDA Software Group	i2 Technologies	\$346.0
08/04/08	SAS Institute	Integrated Decisions and Systems	\$50.0
07/31/08	Ebix.com	Acclamation Systems	\$22.0
07/18/08	Temenos Group	Infomer (core banking assets)	\$40.3
07/16/08	Convergys	Intervoice	\$282.3
07/16/08	Healthvision	MediSolution (HIS business)	\$49.1

Please call DecisionPoint for further details on listed transactions.

Software: Infrastructure

Highlights, Stock Performance and Recent M&A Activity

Highlights

For the LTM and quarter, the Infrastructure Software Index was down 22% and 4%, respectively.

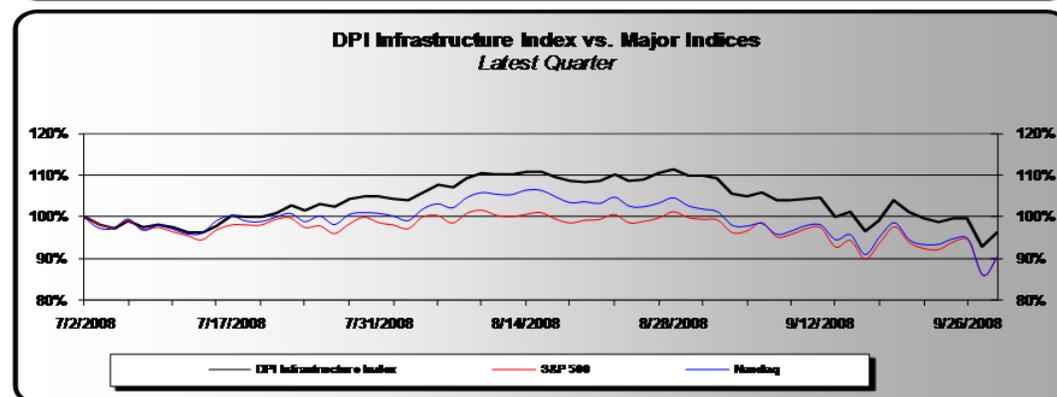
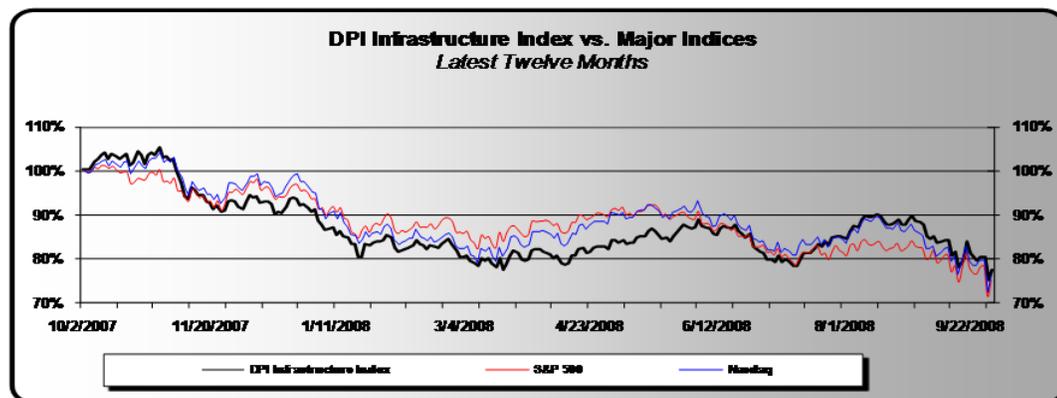
VMware recently unveiled its infrastructure software that pools hardware resources, such as servers, storage, and network, into an on-premises cloud computing environment.

While virtualization vendors like VMware, Citrix and Microsoft are looking to expand the hypervisor and its capabilities, other companies, from IBM, to Sun Microsystems to HP, are looking to offer better management capabilities. The question is how will IT managers control virtual environments in data centers that use a mix of x86, Unix and mainframe technology?

In the largest public-to-private security deal ever, Sophos acquired a majority stake of Ultimaco Safeware AG, a provider of data security software to include key management, anti-data leakage and security for data in-flight and data at-rest for approximately \$290m.

McAfee announced it would acquire Secure Computing, a leading provider of enterprise gateway security, in an all-cash deal valued at an enterprise value of \$485m.

Q3'08 had a total of 21 M&A transactions compared to 21 announced in Q2'08.



Note: The DPI Infrastructure Software Index includes companies from the following sub-sectors: Database & File Management, eCommerce Enablement, Enterprise Application Integration, Messaging & Conferencing, Networking & Connectivity, Security, Storage and Enterprise Systems Management, Tools and Testing and Wireless.

Representative Infrastructure Software Transactions

Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
09/21/08	McAfee	Secure Computing	\$485.2
09/16/08	PHD Technologies	Xtravirt (virtualization business)	NA
09/12/08	Quest Software	NetPro Computing	\$78.7
09/09/08	Kace Networks	Computers In Motion	NA
09/09/08	Marlin Equity Partners	MedAvant Healthcare Solution	\$44.2
09/04/08	Red Hat	Qumranet	\$107.0
09/02/08	Oracle	ClearApp	NA
08/26/08	Aptana	Pydev	NA
08/26/08	Libera	Pintexx	NA
08/26/08	Insight Venture Partners	PHD Technologies	\$10.0
08/06/08	Symantec	nSuite Technologies	NA
07/28/08	Sophos	Ultimaco Safeware	\$289.2
07/28/08	IBM	ILOG	\$266.2
07/01/08	Avocent	Touchpaper Group	\$45.9
07/01/08	Coverity	Solidware Technologies	\$1.8

September 30, 2008

Metrics

Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
Database Mgmt.	2.4x	7.1x
eCommerce	4.1x	16.9x
Enterprise App.	1.1x	6.1x
Messaging & Conf.	2.1x	7.3x
Networking	1.1x	28.6x
Security	2.4x	14.9x
Data Storage	1.5x	7.0x
Tools & Testing	0.8x	4.1x
Wireless	2.0x	9.9x

LTM = Last twelve months
NM = Not Meaningful

Software: Internet Software and Services

Highlights, Stock Performance and Recent M&A Activity

Highlights

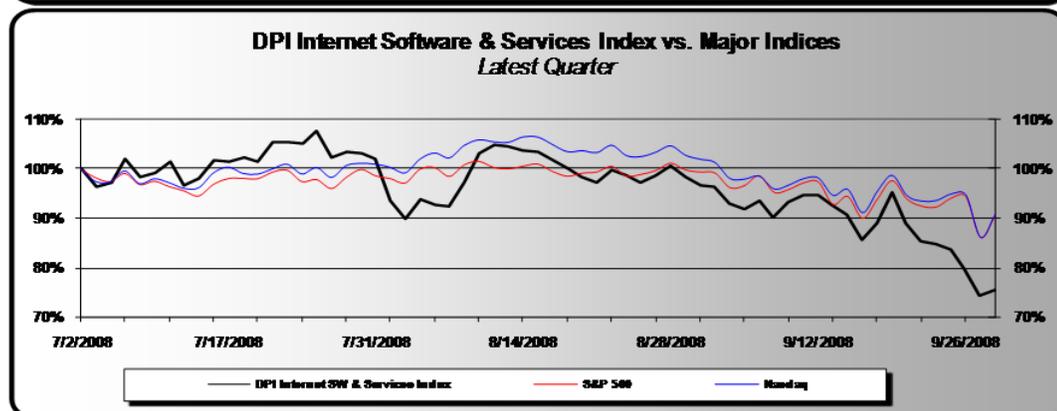
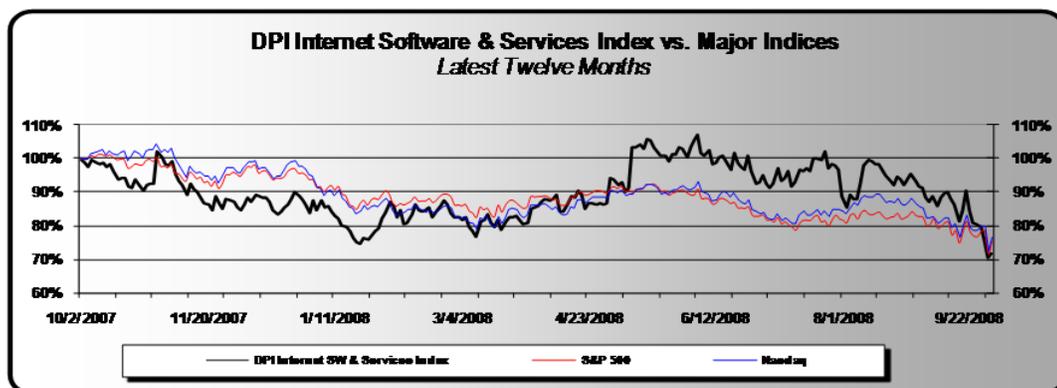
For the LTM and quarter, the Internet Software and Services Index was down 29% and 25%, respectively.

With fifteen deals already announced this year, Google closed a deal to acquire Russian-based advertising service ZAO Begun for \$140m. This will give advertisers access to a broader network of sites to advertise on enabling publishers to benefit from a wider set of adverts to run on their sites.

Google looks to shake up the browser market with its Chrome release, issuing a serious challenge to companies such as Microsoft and Apple. But critics are also quick to jump on Chrome's security vulnerability, licensing, and privacy issues.

President Bush recently signed into law the Prioritizing Resources and Organization for Intellectual Property Act (PRO-IP Act), which provides stiffer penalties for breaching intellectual property. This gives the Department of Justice (DoJ) more muscle to coordinate federal and state efforts against counterfeiting and piracy.

Q3'08 had a total of 129 M&A transactions compared to 68 announced in Q2'08.



Note: The DPI Internet Software & Services Index includes: Amazon.com, CNET Networks, eBay, Google, InfoSpace, IAC/InterActive, Monster Worldwide, RealNetworks and Yahoo!.

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Metrics

Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
Amazon.com Inc.	1.7x	27.7x
eBay Inc.	3.0x	8.9x
Google Inc.	5.8x	15.8x
InfoSpace Inc.	1.2x	NM
Monster Worldwide, Inc.	1.0x	4.5x
RealNetworks Inc.	0.5x	NM
Yahoo! Inc.	2.9x	15.5x

Representative Internet Software and Services Transactions

Announced Date	Acquirer Name	Target Name	Enterprise Value (\$m)
09/23/08	Bankrate	Bankaholic	\$12.4
09/18/08	HIS	Global Insight	\$200.0
09/15/08	Best Buy	Napster	\$84.1
09/15/08	WebMD Health	Marketing Technology Solutions	\$50.0
09/11/08	Bankrate	LinkSpectrum	\$34.0
09/10/08	ZM Capital	Greenfield Online (survey solutions)	\$120.0
09/05/08	HIS	Documental Solutions	\$24.5
09/03/08	Gannett Co.	CareerBuilder.com	\$135.0
08/29/08	Microsoft	Greenfield Online	\$454.6
08/05/08	Comcast	DailyCandy	\$125.0
08/01/08	Roll Call Group	Capitol Advantage	\$43.0
07/31/08	Forrester Research	JupiterResearch	\$23.0
07/31/08	Monster Worldwide	Trovix	\$72.5
07/30/08	Google	Omnisio	\$15.0
07/18/08	Google	ZAO Begun	\$140.0

LTM = Last twelve months
NM = Not Meaningful

Please call DecisionPoint for further details on listed transactions.

Software: Software as a Service (SaaS)

Highlights, Stock Performance and Recent M&A Activity

Highlights

- For the LTM and quarter, the Software as a Service Index was down 22% and 7%, respectively.
- Salesforce.com acquired the leading B2C knowledge management technology player InStranet. The addition of InStranet's services, including their patented Dimensions technology knowledge base, will increase Salesforce's CRM software capabilities.
- Cisco announced it would pay approximately \$215m for privately-held PostPath. With PostPath's software, Cisco will extend the e-mail and calendar functionality of its flexible SaaS-based collaboration platform.
- Firms with a SaaS model continue to be one of the hotspots within software M&A. SaaS companies operating in a variety of markets continue to be consolidated.
- Mansell Group (EnableMail) acquired Sevista Technologies, an HTML-based email marketing campaign creation and management provider of SaaS. We expect we will see increased levels of consolidation among SaaS CRM categories of campaign and lead management, and marketing resource management.
- Q3'08 had a total of 41 M&A transactions compared to 67 announced in Q2'08.

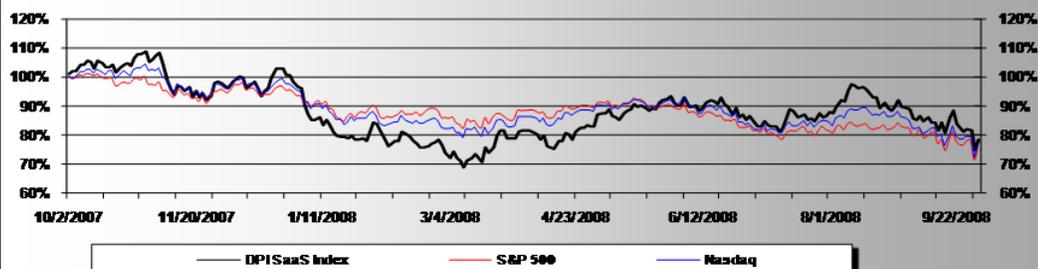
September 30, 2008

Metrics

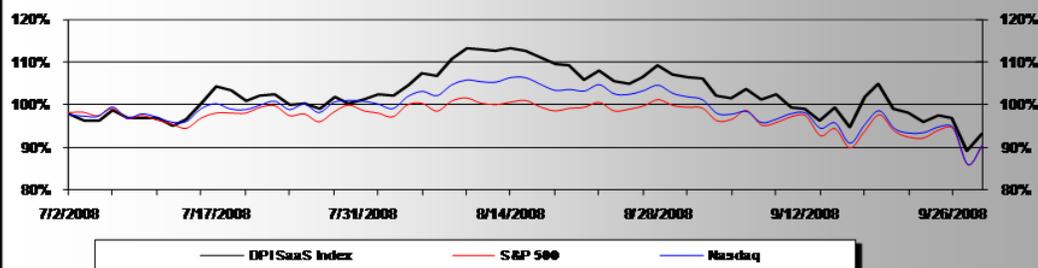
Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
Blackboard Inc.	5.1x	29.4x
Concur Technologies	9.8x	44.4x
DealerTrak Holdings	1.9x	8.1x
Kenexa Corp.	1.6x	8.0x
Omniture Inc.	6.0x	NM
Red Hat Inc.	4.6x	23.3x
Rightnow Technologies	2.6x	NM
Salesforce.com	5.7x	67.0x
Taleo Corp.	3.5x	37.2x
Ultimate Software Group Inc.	3.9x	54.3x
Vocus Inc.	8.2x	NM

LTM = Last twelve months
NM = Not Meaningful

DPI Software as a Service Index vs. Major Indices
Latest Twelve Months



DPI Software as a Service Index vs. Major Indices
Latest Quarter



Note: The DPI Software as a Service (SaaS) Index includes: Blackboard, Concur Technologies, DealerTrack Holdings, Kenexa, Kintera, Omniture, Red Hat, Rightnow Technologies, Salesforce.com, Taleo, Ultimate Software Group and Vocus.

Representative Software as a Service (SaaS) Transactions

Announced Date	Acquiror Name	Target Name	Enterprise Value (\$m)
09/23/08	Serena Software	Projity	NA
09/22/08	Rearden Commerce	Global Ground Automation	NA
08/27/08	Cisco Systems	PostPath	\$215.0
08/21/08	Mansell Group	Sevista Technologies	10.0
08/06/08	Return Path	Habeas	NA
08/05/08	Tangoe	Information Strategies Group	NA
08/04/08	Salesforce.com	InStranet	\$27.3
07/30/08	Broadridge Financial Solutions	Investigo	NA
07/29/08	Bluepoint Solutions	Avalon International	NA
07/28/08	Rearden Commerce	ExpenseWire	NA
07/25/08	LogiXML	OnDemandIQ	NA
07/24/08	Interwoven	Discovery Mining	36.0
07/15/08	Sabre Travel Network	BidStork	NA
07/02/08	Trubiquity	Mosaic Software	NA
07/02/08	SRA International	Interface & Control Systems	\$8.1

Please call DecisionPoint for further details on listed transactions.

Communications: Software

Highlights, Stock Performance and Recent M&A Activity

Highlights

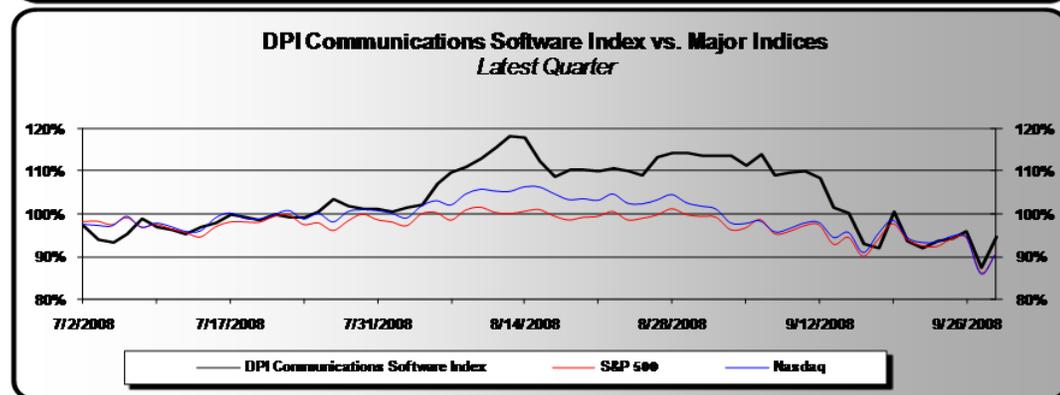
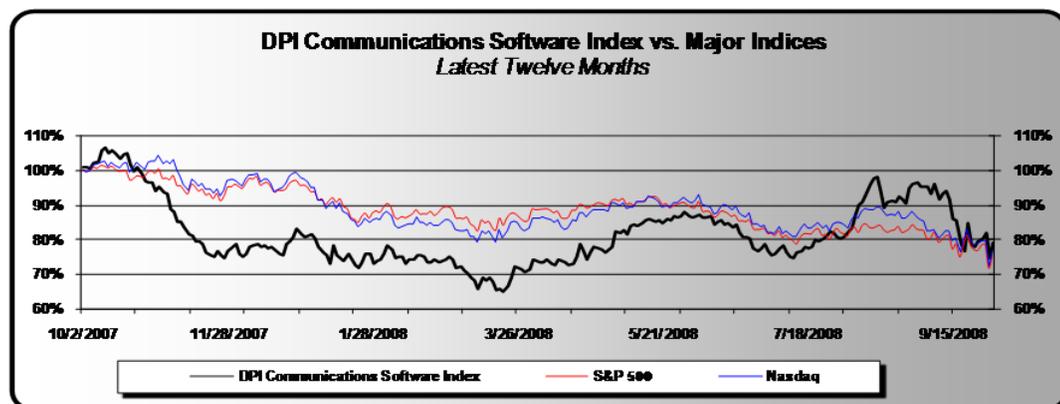
For the LTM and quarter, the Communications Software Index was down 21% and 5%, respectively.

Companies are at a critical inflection point, as the migration from standalone TDM voice networks to IP Telephony, converged networks and unified communications continues, and enterprise IT/telecom executives face pressure to leverage all of this in order to strengthen the business.

Network operators are reacting to the migration away from legacy networking technologies and to services that support converged networks carrying IP Telephony, Unified Communications, video and a new generation of applications that have communications capabilities embedded into their operation.

In an attempt to enhance the firm's presence in the relationship management space Convergys announced it would acquire Dallas-based Intervice for \$270m. Intervice is a leader in the software-based interactive voice response, contact center, and mobile messaging technology and applications markets.

Q3'08 had a total of 34 M&A transactions compared to 25 announced in Q2'08.



Note: The DPI Communications Software Index includes: Amdocs Limited, Converse Technology, Openwave Systems and Telecommunication Systems.

September 30, 2008

Metrics

Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
	Amdocs Ltd.	1.6x
Converse Technology	0.1x	0.8x
Openwave Systems	0.1x	NM
TeleCommunication Sys.	1.8x	12.1x

Representative Communications Software Transactions

Announced Date	Acquiror Name	Target Name	Enterprise Value (\$m)
09/30/08	Amcom Software	CommtechWireless	NA
09/30/08	Nokia	OZ Communications	NA
09/22/08	Neomobile	ArenaMobile	\$2.9
09/10/08	Synchronoss Technologies	Wisor Telecom	\$18.0
09/01/08	Intel	OpenedHand	NA
08/28/08	Wind River	MIZI Research	\$16.0
08/21/08	Wonderware	SAT	NA
08/19/08	Nuance Communications	SNAPin Software	\$180.0
08/18/08	Synchronica	Axismobile	\$4.3
08/14/08	Nuance Communications	Zi	\$37.8
08/06/08	CallWave	WebMessenger	\$8.6
08/04/08	Globe Telecom	Entertainment Gateway Group	\$7.9
07/31/08	esmertec	Sagem Mobiles (mobile platform assets)	NA
07/15/08	Ariston Global Partners	ACE*COMM	\$12.7
07/15/08	Convergys	Intervice	\$269.6

Please call DecisionPoint for further details on listed transactions.

LTM = Last twelve months
NM = Not Meaningful

Communications: Equipment

Highlights, Stock Performance and Recent M&A Activity

Highlights

- For the LTM and quarter, the Communications Equipment Index was down 62% and 28%, respectively.
- Fixed operators need to come up with strategies for dealing with a rapid and invasive expansion of mobile broadband into their core growth area, consumer broadband.
- Siemens has unveiled a unified communications platform designed to seamlessly integrate mobile handsets with enterprise communications infrastructures, positioning itself as a one-stop supplier that can provide an end-to-end solution for customers.
- Cisco Systems' Chief Executive John Chambers said that despite the uncertainty surrounding the economy and its impact on the tech sector, Cisco isn't planning on cutting IT spending, and he sees opportunities for the networking equipment sector.
- In a strategic move to broaden its network solutions capabilities Brocade Communications announced it would acquire Foundry Networks. The acquisition will position Brocade as a leading provider of enterprise and service provider networking solutions, with innovative technology and product leadership from the Internet to the heart of data centers.
- Q3'08 had a total of 46 M&A transactions compared to 34 announced in Q2'08.

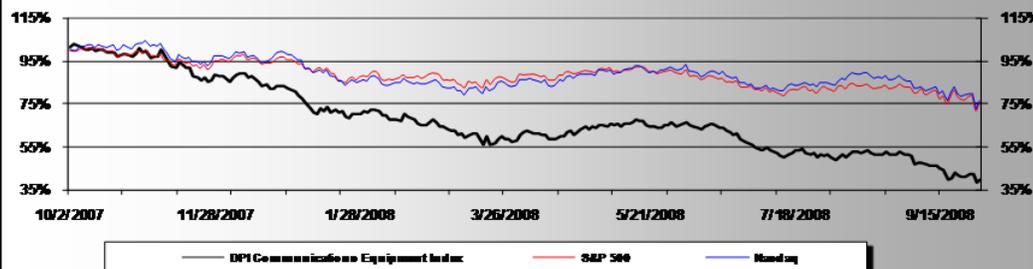
September 30, 2008

Metrics

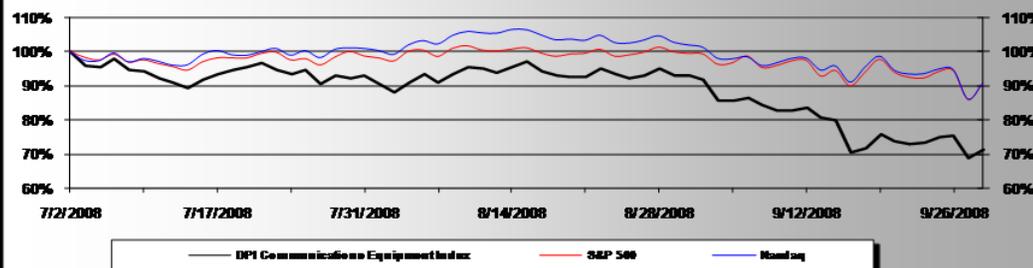
Company	Enterprise Value	
	LTM Revenue	LTM EBITDA
3Com Corporation	0.5x	11.0x
ADC Telecommunications	0.7x	5.7x
Alcatel-Lucent	0.4x	4.4x
CIENA Corp.	0.7x	5.1x
Cisco Systems, Inc.	2.9x	10.1x
Nortel Networks Corp.	0.2x	2.6x
Tellabs Inc.	0.2x	4.6x

LTM = Last twelve months
NM = Not Meaningful

DPI Communications Equipment Index vs. Major Indices
Latest Twelve Months



DPI Communications Equipment Index vs. Major Indices
Latest Quarter



Note: The DPI Communications Equipment Index includes: 3Com Corporation, ADC Telecommunications, Alcatel-Lucent, CIENA, Cisco Systems, Nortel Networks and Tellabs.

Representative Communications Equipment Transactions

Announced Date	Acquiror Name	Target Name	Enterprise Value (\$m)
09/29/08	Ascom Holding	Comarco (wireless test solutions)	\$12.8
09/12/08	Dialogic	NMS Communications (assets)	\$28.0
09/05/08	Phase Forward	Clarix	\$40.0
08/21/08	Nortel Networks	DiamondWare	\$7.0
08/11/08	Hewlett-Packard	Colubris Networks	\$90.0
07/31/08	Sofinnova	Sagem (mobile software business)	\$314.0
07/29/08	Gores Group	Siemens Enterprise Communications	\$275.0
07/23/08	Cisco Systems	Pure Networks	\$120.0
07/23/08	TowerCo	Sprint Nextel (3,300 cell towers)	\$670.0
07/22/08	SBA Communications	Light Tower Wireless	\$224.0
07/21/08	SBA Communications	Optasite	\$428.1
07/21/08	Brocade Communications	Foundry Networks	\$2,209.3
07/15/08	Asia Special Situation Acquisition	ChinaTel Group	\$270.0
07/09/08	Opnext	StrataLight Communications	\$172.0
07/01/08	ALG Vantage Capital	UTStarcom (personal comm. division)	\$240.0

Please call DecisionPoint for further details on listed transactions.

Our team of professionals brings a unique combination of technological, financial and operational experience to our clients and their transactions. With backgrounds and deal experience spanning Wall Street investment banks, multi-billion dollar corporations and high growth start-ups, we have an exceptional understanding of how to successfully achieve our clients' strategic initiatives.

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