

**Manufacturing Automation**  
**Q1, 2018**



**Technology**

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# Manufacturing Automation

## Industry News

### TIBCO Software Acquires Integration Platform-as-a-Service Leader Scribe Software

#### TIBCO Software [Full Article](#)

TIBCO Software Inc., a global leader in integration, API management, and analytics, announced the acquisition of Scribe Software, an innovative, cloud-based integration service that helps more than 10,000 businesses efficiently connect Software-as-a-Service (SaaS) applications and automate data flows using an intuitive browser-based approach.

### Combination of Aeva and Schneider Electric Industrial Software Business

#### Aeva [Full Article](#)

AVEVA and Schneider Electric have reached agreement to combine AVEVA and the Schneider Electric Software Business to create a global leader in engineering and industrial software, with an unmatched breadth of product offering. In consideration, Schneider Electric will take a 60 per cent stake in the fully diluted share capital of AVEVA Group, which will remain listed on the London Stock Exchange. Post transaction, Schneider Electric announced plans to acquire CAD and PLM software company IGE + XAO Group later this year.

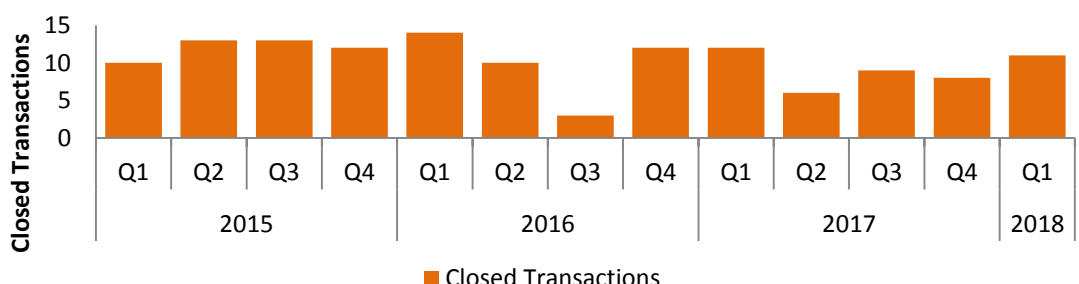
### Sierra Wireless, Inc. Completes Acquisition of Numerex Corp.

#### Sierra Wireless [Full Article](#)

Sierra Wireless, Inc. (NASDAQ: SWIR) (TSX: SW), the leading provider of fully integrated device-to-cloud solutions for the Internet of Things (IoT), completed the previously announced acquisition of Numerex Corp. (NASDAQ: NMRX). "The acquisition of Numerex accelerates our IoT device-to-cloud strategy by adding an established customer base, proven solutions and recurring revenue scale," said Jason Cohenour, President and CEO of Sierra Wireless.

### Manufacturing Automation M&A Environment

## Closed Transactions

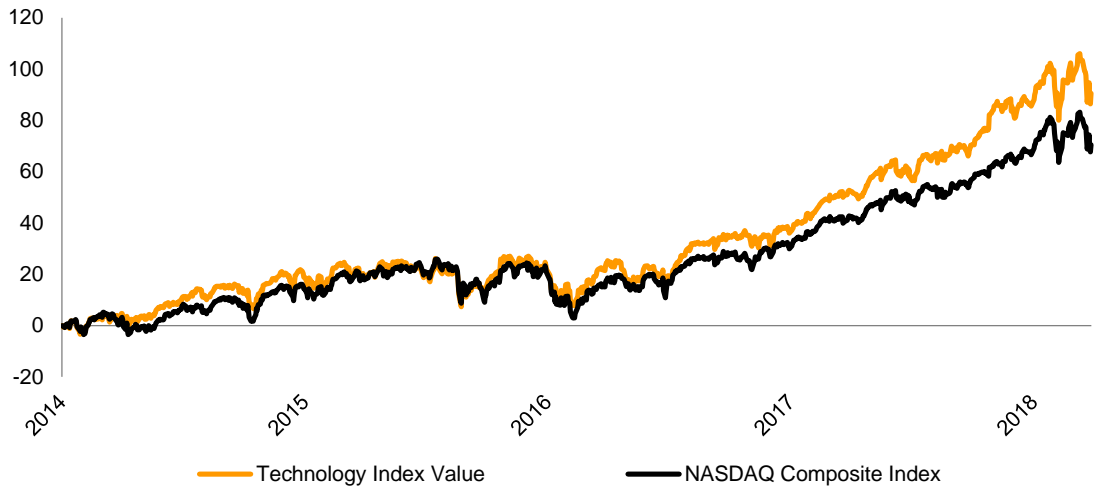


### Selected Manufacturing Automation Transactions

Date Closed	Target	Buyers/Investors	Enterprise Value (\$M)	EV / LTM	
				Revenue	EBITDA
TBD	IGE & XAO	Schneider Electric	173	4.9x	17.7x
6/6/2018	Scribe Software	TIBCO Software			
3/1/2018	AVEVA	Schneider Electric	862	3.0x	11.9x
12/7/2017	Numerex	Sierra Wireless	127	1.9x	
11/16/2017	GeonX	GE Additive			
6/30/2017	NXT Controls	Schneider Electric			
2/2/2017	MW Powerlab	Schneider Electric			
1/10/2017	ServiceMax	GE Digital	915		
11/15/2016	Bit Stew Systems	GE Digital	153		

# Technology

While largely mirroring the S&P 500, the Technology market has been steady from an M&A and valuation perspective. Despite the February 2018 market correction, industry valuations remain near all time highs.



As of 3/31/2018

Company Name	Ticker	Enterprise Value	LTM Financials				Valuation Metrics			LTM Margins	
			Revenue	Gross Profit	EBITDA	EV / Revenue	EV / Gross Profit	EV / EBITDA	Gross Margin	EBITDA Margin	
Activision Blizzard, Inc.	NasdaqGS:ATVI	\$50,799	\$7,017	\$4,516	\$2,227	7.2x	11.2x	22.8x	64.4%	31.7%	
Adobe Systems Incorporated	NasdaqGS:ADBE	\$102,148	\$7,699	\$6,667	\$2,724	13.3x	15.3x	37.5x	86.6%	35.4%	
Alliance Data Systems Corporation	NYSE:ADS	\$33,433	\$7,719	\$1,921	\$1,738	4.3x	17.4x	19.2x	24.9%	22.5%	
Alphabet Inc.	NasdaqGS:GOOGL	\$621,347	\$110,855	\$65,272	\$35,781	5.6x	9.5x	17.4x	58.9%	32.3%	
Amphenol Corporation	NYSE:APH	\$28,154	\$7,011	\$2,310	\$1,658	4.0x	12.2x	17.0x	32.9%	23.7%	
Anixter International Inc.	NYSE:AXE	\$3,654	\$7,927	\$1,571	\$380	0.5x	2.3x	9.6x	19.8%	4.8%	
Apple Inc.	NasdaqGS:AAPL	\$896,565	\$239,176	\$91,922	\$74,174	3.7x	9.8x	12.1x	38.4%	31.0%	
Applied Materials, Inc.	NasdaqGS:AMAT	\$56,280	\$15,463	\$7,007	\$4,686	3.6x	8.0x	12.0x	45.3%	30.3%	
ARRIS International plc	NasdaqGS:ARRS	\$6,626	\$6,614	\$1,675	\$755	1.0x	4.0x	8.8x	25.3%	11.4%	
Arrow Electronics, Inc.	NYSE:ARW	\$9,358	\$26,813	\$3,357	\$1,180	0.3x	2.8x	7.9x	12.5%	4.4%	
Automatic Data Processing, Inc.	NasdaqGS:ADP	\$50,528	\$12,790	\$5,464	\$2,725	4.0x	9.2x	18.5x	42.7%	21.3%	
Avnet, Inc.	NYSE:AVT	\$6,014	\$18,231	\$2,476	\$698	0.3x	2.4x	8.6x	13.6%	3.8%	
Booz Allen Hamilton Holding Corporation	NYSE:BAH	\$7,160	\$6,118	\$1,423	\$581	1.2x	5.0x	12.3x	23.3%	9.5%	
CDW Corporation	NasdaqGS:CDW	\$14,300	\$15,192	\$2,450	\$1,127	0.9x	5.8x	12.7x	16.1%	7.4%	
Cisco Systems, Inc.	NasdaqGS:CSCO	\$172,332	\$48,096	\$30,022	\$14,469	3.6x	5.7x	11.9x	62.4%	30.1%	
Cognizant Technology Solutions Corporation	NasdaqGS:CTSH	\$43,155	\$14,810	\$5,658	\$3,032	2.9x	7.6x	14.2x	38.2%	20.5%	
Conduent Incorporated	NYSE:CNDT	\$5,468	\$6,022	\$1,045	\$689	0.9x	5.2x	7.9x	17.4%	11.4%	
Corning Incorporated	NYSE:GLW	\$26,868	\$10,116	\$4,032	\$2,788	2.7x	6.7x	9.6x	39.9%	27.6%	
DXC Technology Company	NYSE:DXC	\$34,699	\$20,151	\$5,116	\$3,164	1.7x	6.8x	11.0x	25.4%	15.7%	
eBay Inc.	NasdaqGS:EBAY	\$44,878	\$9,567	\$7,345	\$2,941	4.7x	6.1x	15.3x	76.8%	30.7%	
Facebook, Inc.	NasdaqGS:FB	\$422,479	\$40,653	\$35,199	\$23,228	10.4x	12.0x	18.2x	86.6%	57.1%	
Fidelity National Information Services, Inc.	NYSE:FIS	\$40,100	\$9,123	\$2,942	\$2,507	4.4x	13.6x	16.0x	32.2%	27.5%	
First Data Corporation	NYSE:FDC	\$36,454	\$8,129	\$5,007	\$2,875	4.5x	7.3x	12.7x	61.6%	35.4%	
Hewlett Packard Enterprise Company	NYSE:HPE	\$33,843	\$29,643	\$8,664	\$3,225	1.1x	3.9x	10.5x	29.2%	10.9%	
HP Inc.	NYSE:HPQ	\$37,159	\$53,889	\$9,912	\$4,521	0.7x	3.7x	8.2x	18.4%	8.4%	
Insight Enterprises, Inc.	NasdaqGS:INSI	\$1,779	\$6,704	\$919	\$238	0.3x	1.9x	7.5x	13.7%	3.5%	
Intel Corporation	NasdaqGS:INTC	\$256,545	\$62,761	\$39,124	\$26,504	4.1x	6.6x	9.7x	62.3%	42.2%	
International Business Machines Corporation	NYSE:IBM	\$175,742	\$79,139	\$36,226	\$16,621	2.2x	4.9x	10.6x	45.8%	21.0%	
Jabil Inc.	NYSE:JBL	\$6,315	\$20,399	\$1,619	\$1,298	0.3x	3.9x	4.9x	7.9%	6.4%	
Lam Research Corporation	NasdaqGS:LRCX	\$30,612	\$9,558	\$4,395	\$2,901	3.2x	7.0x	10.6x	46.0%	30.4%	
Leidos Holdings, Inc.	NYSE:LDOS	\$12,652	\$10,170	\$1,247	\$1,021	1.2x	10.1x	12.4x	12.3%	10.0%	
Mastercard Incorporated	NYSE:MA	\$181,903	\$12,497	\$12,497	\$7,248	14.6x	14.6x	25.1x	100.0%	58.0%	
Micron Technology, Inc.	NasdaqGS:MU	\$62,627	\$25,858	\$13,845	\$15,573	2.4x	4.5x	4.0x	53.5%	60.2%	
Microsoft Corporation	NasdaqGS:MSFT	\$657,413	\$95,652	\$59,794	\$33,252	6.9x	11.0x	19.8x	62.5%	34.8%	
Motorola Solutions, Inc.	NYSE:MSI	\$20,308	\$6,380	\$3,033	\$1,678	3.2x	6.7x	12.1x	47.5%	26.3%	
NCR Corporation	NYSE:NCR	\$7,019	\$6,516	\$1,875	\$919	1.1x	3.7x	7.6x	28.8%	14.1%	
NetApp, Inc.	NasdaqGS:NTAP	\$13,074	\$5,751	\$3,590	\$1,035	2.3x	3.6x	12.6x	62.4%	18.0%	
NVIDIA Corporation	NasdaqGS:NVDA	\$135,009	\$9,714	\$5,822	\$3,409	13.9x	23.2x	39.6x	59.9%	35.1%	
Oracle Corporation	NYSE:ORCL	\$177,593	\$39,472	\$31,567	\$15,492	4.5x	5.6x	11.5x	80.0%	39.2%	
PayPal Holdings, Inc.	NasdaqGS:PYPL	\$80,430	\$13,094	\$6,017	\$2,427	6.1x	13.4x	33.1x	46.0%	18.5%	
QUALCOMM Incorporated	NasdaqGS:QCOM	\$69,470	\$22,360	\$12,807	\$6,144	3.1x	5.4x	11.3x	57.3%	27.5%	
Salesforce.com, inc.	NYSE:CRM	\$82,887	\$10,480	\$7,706	\$897	7.9x	10.8x	92.4x	73.5%	8.6%	
Sanmina Corporation	NasdaqGS:SANM	\$2,020	\$6,893	\$497	\$328	0.3x	4.1x	6.2x	7.2%	4.8%	
SYNNEX Corporation	NYSE:SNX	\$6,186	\$18,077	\$1,623	\$689	0.3x	3.8x	9.0x	9.0%	3.8%	
Tech Data Corporation	NasdaqGS:TECD	\$3,931	\$36,775	\$2,116	\$623	0.1x	1.9x	6.3x	5.8%	1.7%	
Texas Instruments Incorporated	NasdaqGS:TXN	\$101,743	\$14,961	\$9,614	\$6,950	6.8x	10.6x	14.6x	64.3%	46.5%	
Visa Inc.	NYSE:V	\$280,517	\$18,759	\$18,124	\$12,837	15.0x	15.5x	21.9x	96.6%	68.4%	
VMware, Inc.	NYSE:VMW	\$41,731	\$7,922	\$6,781	\$2,115	5.3x	6.2x	19.7x	85.6%	26.7%	
Western Digital Corporation	NasdaqGS:WDC	\$33,204	\$20,008	\$7,108	\$5,400	1.7x	4.7x	6.1x	35.5%	27.0%	
Xerox Corporation	NYSE:XRX	\$11,805	\$10,265	\$4,061	\$1,389	1.1x	2.9x	8.5x	39.6%	13.5%	

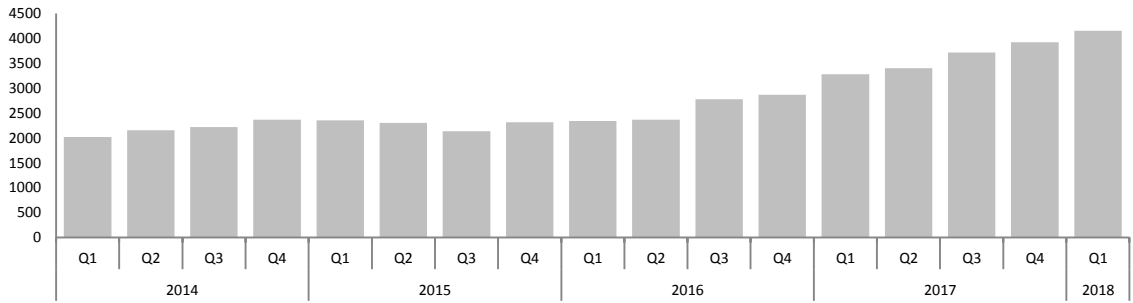
Median	3.1x	6.4x	12.0x	41.3%	23.1%
Mean	3.9x	7.6x	15.4x	43.9%	23.8%

Source: Capital IQ

# Technology

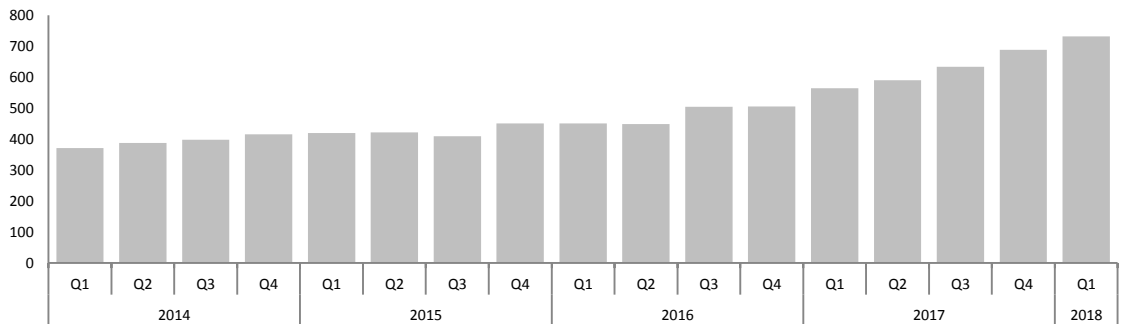
## State of the Industry

### NASDAQ 100 Technology Index



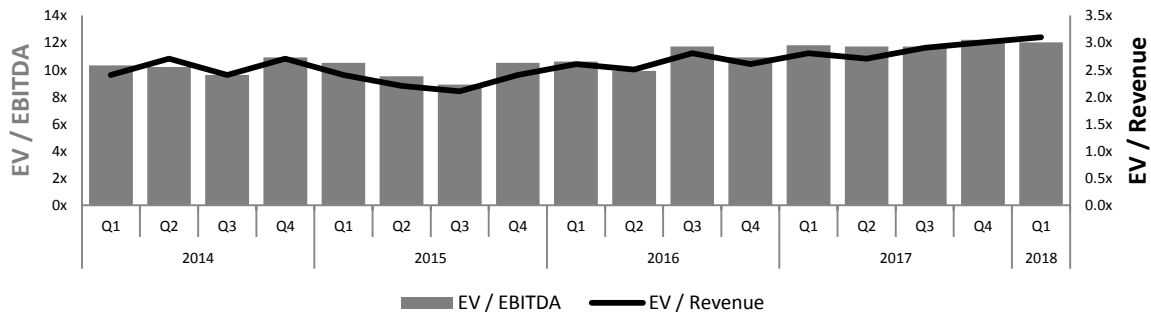
Source: Capital IQ

### S&P North American Technology Sector Index



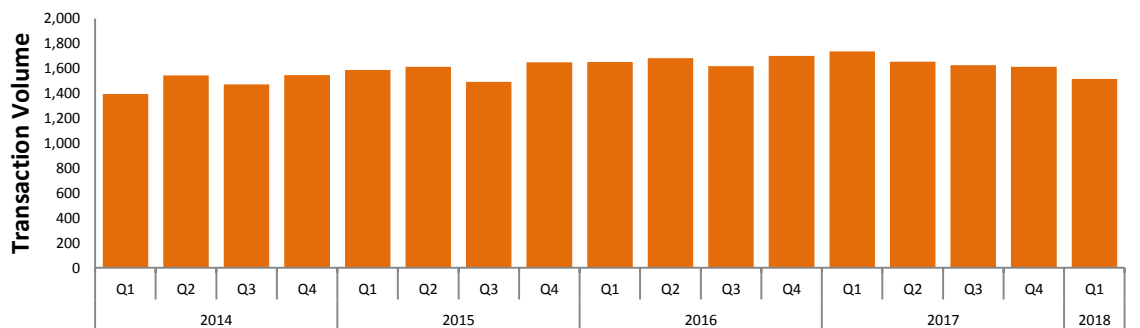
Source: Capital IQ

### Industry Valuations



Source: Capital IQ

### Technology Transaction Volume



Source: Capital IQ

# About Mirus

Mirus has been an active technology deal maker for the last 30 years. Representing professional investors and boards, as well as bootstrapped closely held businesses, Mirus has closed over 100 transactions in industry sectors including: Manufacturing Automation, Software, Hardware and Peripherals, Internet and Digital Media, Telecom and Networking.

Peter Alternative brings over 20 years of experience advising middle market, technology-based companies. He has been a financial advisor to both public and closely-held companies on divestitures, capital raising, recapitalizations, strategic acquisitions, mergers and cross-border transactions. He has managed and closed thirty engagements with companies in numerous segments of information technology and professional services. Peter also is a Registered Securities Representative and holds Series 7, 63 and 79 FINRA certifications. Peter received an MBA with high distinction from Bentley University's McCallum Graduate School of Business, and a BA in Political Science from Hobart College.

*"The Mirus team successfully guided us through every aspect of the transaction, from identifying prospective buyers through closing. They conducted a thorough process and we are delighted by the outcome."*

Please contact one of our partners today to answer any questions you may have to discuss the future of your business.



**Peter Alternative**  
781-418-5943  
alternative@merger.com

## Mirus Technology Spotlight

ROC IT Solutions  
has been acquired by

ROC IT Solutions, is the leader in intelligent edge data capture for serialized product inventory in the pharmaceutical supply chain. The acquisition positions Tracelink as the only end-to-end platform that enables life sciences companies to capture, process and exchange serialized product data across a digital supply chain network and also more effectively manage warehouse product inventory at the "edge" of the supply chain.

Eutecus  
has been acquired by  
  
sensity  
now a part of

Eutecus Inc., the global technical leader in embedded video analytics; providing single-chip, multi-channel video and fusion analytics solutions, has been acquired by Sensity Systems Inc., a provider of a leading Internet of Things (IoT) platform for Smart Cities, now part of Verizon. "The combined company will provide customers with leading computer vision powered solutions in a comprehensive IoT platform for Smart Cities," according to Bruce Boes and Peter Alternative, the lead bankers representing Eutecus shareholders in the sale to Sensity Systems.

MAGESTIC SYSTEMS  
INCORPORATED  
has been acquired by

Magestic Systems provides a variety of integrated manufacturing software solutions for CNC cutting applications of advanced materials such as composites and honeycomb laminates, as well non-composite materials such as heavy plate and sheet metal. Magestic Systems' solutions are used around the world by leading manufactures in the aerospace, automotive, transportation, energy, defense, industrial and construction industries. Autodesk is a leading design, engineering and entertainment software based in San Rafael, California.

ideaPoint  
an Anaqua company  
has been acquired by  
  
Anaqua  
a portfolio company of

IdeaPoint delivers the leading innovation management solution for the global enterprise. IdeaPoint provides full lifecycle management of partnering and collaboration opportunities so that companies can tactically scout, evaluate and seize a range of innovation opportunities, secure strategic partnerships, and manage critical requests, initiatives and alliances. Anaqua helps corporations and law firms turn intellectual property into competitive advantage. Nearly one million IP professionals in over 150 countries use ANAQUA to manage more than a billion dollars in intellectual assets.