

Peachtree Capital Advisors

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About Peachtree

Peachtree provides investment banking services for middle market transactions in the technology, greentech, and digital information industries

- Full-service investment bank whose services include:
 - » Capital raises
 - » Mergers and acquisitions
 - » Valuations
 - » Strategic partnerships and business development
 - » Sales and divestitures
- Over 25 completed transactions
- Focus on maximizing value at each stage of the process
- Substantial insight in core industry markets
- Senior level access to leading industry executives, investors, and entrepreneurs
- In-depth technical and financial skills for value-enhancing deal structuring

Why Peachtree?

Better service, lower fees

- We run a tighter process and achieve better results than any other investment bank
 - » Peachtree navigates you through each phase of the transaction with precision, discipline, and no surprises to achieve maximum valuation
 - » We utilize a multifaceted approach to cast a wide net and reach all targets—unlike most investment banks, which rely on press releases to drive the process
 - » With our last client, we helped Focused Energy attain a valuation *nearly 300% higher* than the top-end of the original preliminary valuation range (including earn-out)
- We offer an unmatched level of service and dedication
 - » Other investment banks will limit the time and scope they allocate to your project
 - » We promise to stay engaged and focused on your project and back this up by only taking on a maximum of three projects at any time
- We offer superior expertise in the technology sector
 - » Focus on relationship banking: broad network of strategic relationships
 - » Produce industry research while consistently expanding our extensive knowledgebase
 - » Track U.S. technology and digital media M&A activity in our proprietary transactions database

Economic, Industry, and M&A Trends

- **Economic conditions are slowly rebounding from the recession**
 - » US economy is experiencing modest growth – real GDP increased 2.5% in 3Q11
 - » Profits rose in 2011 primarily due to cuts in 2009 and 2010, with many media and technology companies reporting higher-than-expected earnings due to limited spending and job cuts
 - » Media and technology companies are also hoarding cash and following a “wait and see” approach
- **Companies flush with cash face a growth decision: grow organically or via acquisitions**
 - » Use it or lose it – invest in organic growth, make acquisitions, or pay dividends to shareholders
 - » Economic conditions are unfavorable for corporate investment
 - » Stronger balance sheets boost rationale for an acquisition strategy
 - » Debt markets have loosened up significantly for larger players with low interest rates
- **Technology and digital media M&A is currently being driven by the need to grow**
 - » Scale up by adding complementary technologies to product line
 - » Expand offerings to capture additional customer budget
 - » Diversify into rapidly growing markets adjacent to core business
 - » A significant number of companies are expanding globally as well as into emerging markets

Valuation and Positioning

How and where we can maximize value

- The right positioning will help achieve a higher valuation
 - » Identify and emphasize key investment merits of the company
 - » Differentiate the company from its competitors
 - » Highlight competitive advantages in product quality, platform, and customer base
 - » Clearly articulate the revenue and profitability growth potential of the company
 - » Value the company off of forward revenue and EBITDA projections (pro forma)
 - » Experienced and proven management team with strong record of success

Standard Engagement and Fee Structure

- Four to six month transaction time horizon
 - » Information memorandum
 - » Marketing and expressions of interest
 - » Management presentations
 - » Final negotiations, LOI, and due diligence
 - » Close
- Success fee at close
- Monthly retainer deductible from success fee
- Exclusivity
- Next steps: Timeline and engagement agreement

Select Peachtree Transactions

Seller	Buyer	Description
Focused Energy	Baywa AG	Largest independent solar distributor in the U.S.
BuzzDash.com	Tribune Interactive	Social media and polling platform
Govloop.com	GovDelivery	Professional social network for government employees
Dipity.com	Strategic Partnership Advisory	API search platform that monetizes archived publisher content
M&A Advisory Services	Publishers Clearing House (PCH.com)	Very large player in the sweepstakes and prizes arena
AdSpace Networks	The Walnut Group and current investors	\$20 million equity raise series E; digital signage network for malls
The Governance Institute	National Research Corp.	Best practice healthcare research and benchmarking data
AdSpace Networks	Steelpoint Capital and current investors	\$20 million equity raise series D; digital signage network for malls
iMedia Communications	dmg world media	Online network for B2B digital marketing professionals
INFORMEX	United Business Media/CMP	Chemicals industry tradeshow
StockVal	Automatic Data Processing	Front-end software and fundamental historical stock pricing data
i-traffic.com	Agency.com	Interactive marketing services provider
Entertainment Publications (a Cendant subsidiary)	The Carlyle Group	Marketing and information service (local coupon books)
Sundancepub.com	Haight's Cross Communications	K-6 educational media
Strategic Legal Resources	Staff Mark	Professional legal temporary and permanent staffing agency
The Practice Builder Organization	Medical World Communications	Business information services and medical professional education
HCIA Datis	VSS Communications Partners	Benchmarking healthcare clinical information data
* Clients in blue.		

PEACHTREE

CAPITAL ADVISORS

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Industry Relationships

