



ONLINE & MOBILE INDUSTRY

Q1 2020 :: Mergers and Acquisitions Trend Report

Online & Mobile transaction volume saw a two percent decline over the past three months, from 740 to 728. Deal value decreased 43 percent, from \$98.9 billion to \$56 billion, but nearly doubled during Q4 2019, which was its peak throughout the last five quarters.

The industry's top three largest deals in Q1 2020 each occurred in the finance vertical. Along these lines were Morgan Stanley's announced acquisition of E-Trade, an online brokerage company, for \$13.1 billion; Intuit's announced acquisition of Credit Karma, a personal finance company that offers free credit reports, scores, and insights, for \$7.1 billion; and Visa's announced acquisition of Plaid Technologies, which develops and creates APIs for banking data, for \$5.3 billion. These three transactions, with a combined value of \$25.5 billion, accounted for 46 percent of total industry value year-to-date.

Rounding out the top five largest deals in Q1 2020 were two transactions in the security sector: a Symphony Technology Group led consortium's announced acquisition of Dell Technologies' RSA Security business for \$2.1 billion; and Advent International and Crosspoint Capital Partners' announced acquisition of ForeScout Technologies, which develops device visibility, control, and cybersecurity solutions, for \$1.7 billion.

As for specific industry markets, deal flow remained about constant in the SaaS & Cloud, E-Commerce, and E-Content segments on a quarterly basis. E-Marketing & Search volume decreased four percent, returning to its Q4 2019 level. The number of transactions in the Communications segment, after rising 13 percent in Q4 2019, declined eight percent.

Meanwhile, M&A activity in the mobile application sector rose five percent over Q4 2019. The largest video game related deal in Q1 2020 was Stillfront Group AB's acquisition of Storm8, a mobile mash-up game developer, for \$304 million.

M&A Market Dynamics By Quarter

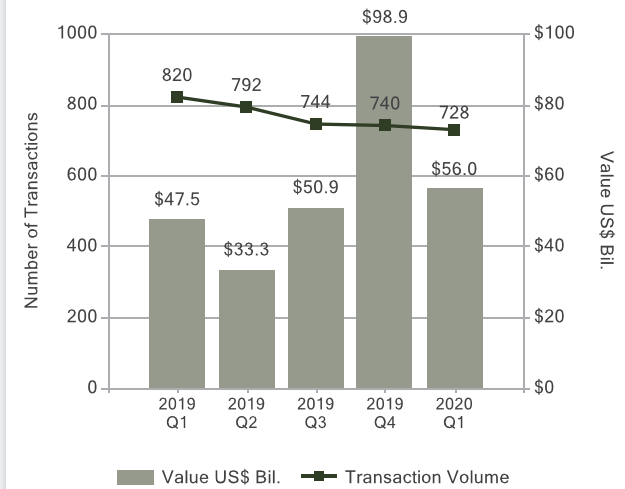


Figure 1. 2019-2020 value and volume comparison by quarter.

Top Ten Notable Transactions Q1 2020

Deal Date	Target Name	Buyer	Value MM US\$
02/20/20	E-Trade Financial Corp.	Morgan Stanley	\$13,132
02/25/20	Credit Karma	Intuit, Inc.	\$7,100
01/13/20	Plaid Technologies, Inc.	Visa, Inc.	\$5,300
02/18/20	RSA Security	Symphony Technology Group, AlpInvest Partners N.V., Ontario Teachers' Pension Plan	\$2,075
02/06/20	ForeScout Technologies	Advent International, Crosspoint Capital Partners	\$1,717
02/25/20	Saba Software, Inc.	Cornerstone OnDemand, Inc.	\$1,395
02/26/20	Vlocity	Salesforce.com, Inc.	\$1,330
01/08/20	Open Lending, Inc.	True Wind Capital	\$1,300
01/08/20	Armis, Inc.	Insight Venture Partners	\$1,100
01/23/20	Regulatory DataCorp, Inc.	Moody's Corporation	\$700
2020 Aggregate Transaction Value			\$56,045
Top 10 Aggregate Transaction Value			\$35,148
Top 10 Aggregate Value as a Percentage of All Transactions			63 %

Figure 2. Lists the top ten transactions for Q1 2020 and calculates their value as a percentage of the aggregate transaction value as shown in Figure 1. **Note:** Transaction data based on **announced date**. Deal value represents total consideration paid by the acquirer.

Transactions By Market Segment

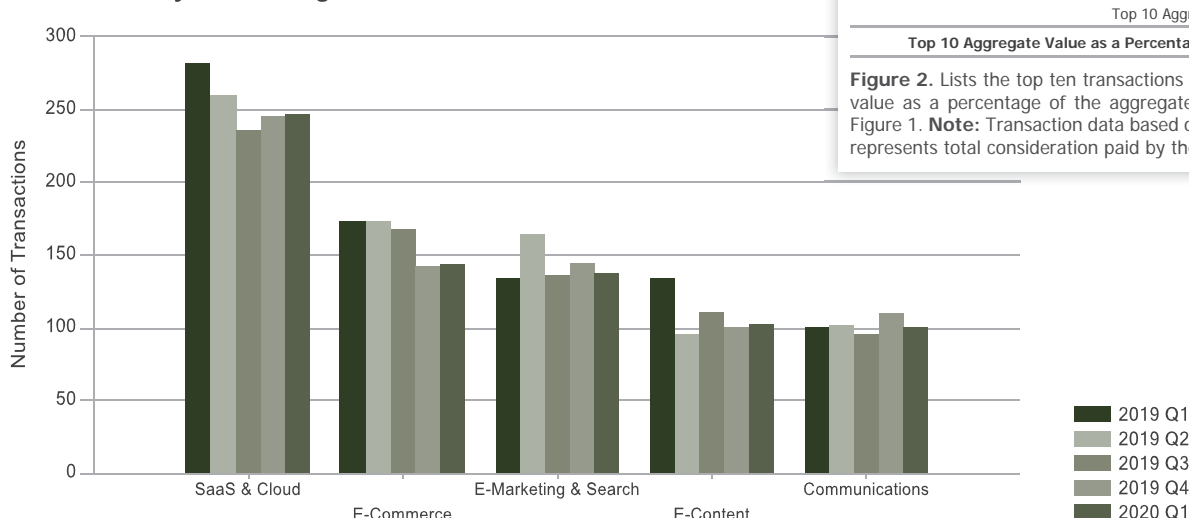


Figure 3. Presents transaction volume by market segment within the Online and Mobile Industry from January 1, 2019 through March 31, 2020.

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RECENT ONLINE & MOBILE TRANSACTIONS

Lift&co

AND



mci
Building Community

HAVE ENTERED INTO A STRATEGIC PARTNERSHIP TO OPERATE THE LIFT & CO. EVENTS PORTFOLIO

UNSILO

HAS BEEN ACQUIRED BY

CACTUS

PHAROS
by WHEREWARE

HAS BEEN ACQUIRED BY



INTERNATIONAL
MARKET CENTERS

A PORTFOLIO COMPANY OF

Blackstone

MedTouch

HAS BEEN ACQUIRED BY

PERFICIENT

OpenConnect

HAS BEEN ACQUIRED BY

ACTIVEOPS

ARMCO
ACES RISK MANAGEMENT

HAS RECEIVED AN INVESTMENT FROM

New Capital Partners

MEDIMIX International

HAS BEEN ACQUIRED BY

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