



GP.Bullhound

Digital Services Market Perspectives

H1 2019

Important disclosures appear at the back of this report

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Executive summary: Digital Services perspectives

- **GP Bullhound** is a leading technology advisory and investment firm, providing transaction advice and capital to category leaders
- We publish this quarterly Digital Services market report to provide insights into public and private market valuations across the transaction spectrum and qualitative insights into broader market trends
- We also feature many of the leading Digital Services companies & CEOs
- Based in our London and New York offices respectively, Simon Nicholls and Greg Smith head up our Digital Services practice with over 50+ years of experience and have completed over 100 transactions for digital services companies globally
- We have completed 23 Digital Services deals in the last 24 months, including:



MSQ PARTNERS
Sold to
LDC



FILTER
Sold to
MERKLE



OLIVER
Sold to
YOU & MR JONES



NAMICS
Sold to
MERKLE



ERUPTR
Sold to
H.I.G GROWTH



SOLITA GROUP
Sold to
APAX DIGITAL

1

Key Sector Takeaways

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Digital Services CEO Commentary

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Recent Digital Services Transaction Trends

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Appendix A: GP Bullhound Digital Services Index

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Appendix B: Digital Services Public Comparables
by Category

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Appendix C: GP Bullhound Digital Services
Credentials & Team

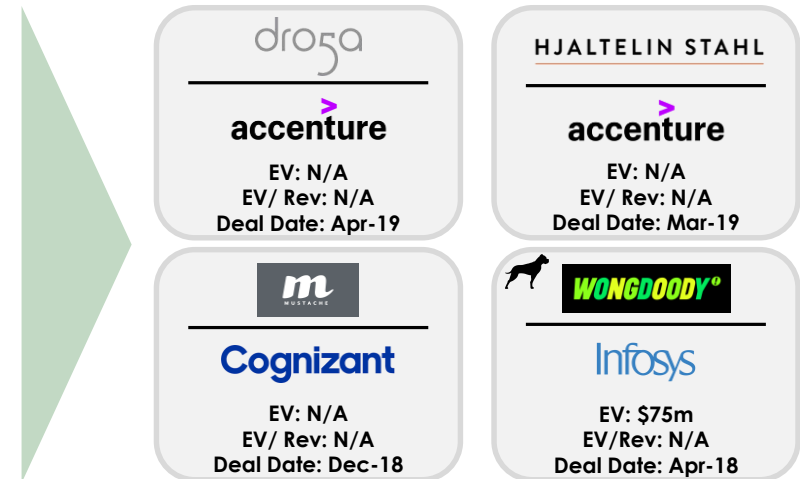
GP Bullhound's views on current trends in Digital Services

- ① *Continued push of consultants into creative*
- ② *Traditional agency models are under attack*
- ③ *Amazon becoming a “must have” advertising stream*
- ④ *Digital disruption of healthcare gathering pace*

Current trends in Digital Services (cont'd.)

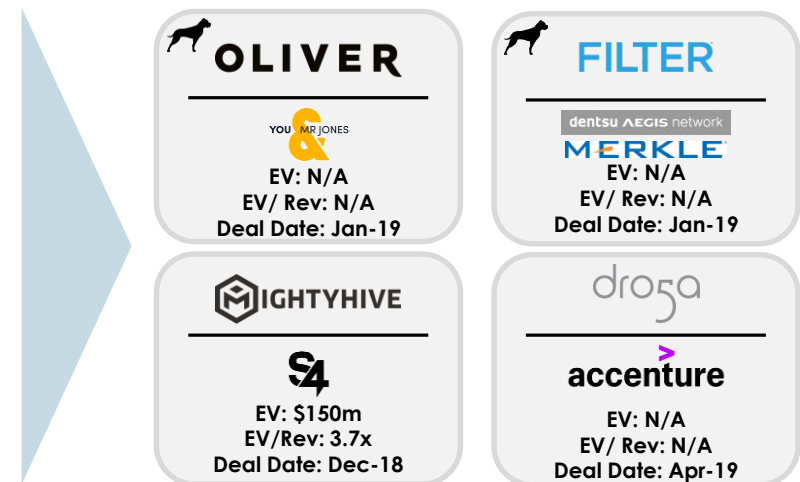
① *Continued push of consultants into creative*

- Whilst intense focus continues on harnessing the power of data, there has also been a renewed emphasis on the power of creativity.
- The consultants have firmly parked their tanks on the front lawn of marketing agencies and have been adding creative capabilities to their range of digital services.
- Accenture Interactive, in particular, has been very active in this space having embarked on a creative acquisition spree starting with their 2016 acquisition of London-based creative agency Karmarama and this year culminating in their largest acquisition to date, Droga5 in New York.
- The demand from brands to create an integrated customer experience will see other consultancies look to enhance their customer-centric digital practices with the creative elements that closely define a customer experience.



② *Traditional agency models are under attack*

- Channel complexity has grown but the traditional agency model remains the same. Brands want to see faster, more effective and more efficient service delivery, particularly in creative. Better, faster, cheaper has become a much-repeated mantra of new challengers to the establishment global agencies, who have been under attack for not adapting fast enough.
- Challenger models are emerging with new business models and new technology to change the game in how services are delivered and offer an agile way of working that better reflects the pace and variety of digital channels that need to be addressed.
- In the case of Oliver, its focus was on providing “inside teams” for customers; teams that work on-site, embedded with the brand to help drive faster speed, better brand alignment and lower cost.
- Technology is an enabler to these new business models.



Current trends in Digital Services (cont'd.)

③ Amazon becoming a “must have” advertising stream

- Digital advertising spend on Amazon is expected to grow by 53% in 2019 and is looking to break up the advertising duopoly currently held by Facebook and Google.
- Amazon's offering has been particularly relevant for eCommerce with conversion rates of Amazon Advertising reaching c.3x Google during Q3 2018.
- Global agencies, such as Dentsu and WPP, have opened network wide Amazon Advertising consultancies in recent months.
- M&A activity has followed this trend as players scramble to provide brands with dedicated consultancies that have tailored and sophisticated services to better maximise the Amazon Advertising platform.

Pervorm

Deloitte Digital

EV: N/A
EV/ Rev: N/A
Deal Date: May-19

Adaptly

accenture

EV: N/A
EV/ Rev: N/A
Deal Date: Dec-18

e sales

WUNDERMAN

EV: N/A
EV/Rev: N/A
Deal Date: Oct-18

cpcstrategy

ELITE SEM

EV: N/A
EV/ Rev: N/A
Deal Date: Sep-18

④ Digital disruption of healthcare gathering pace

- Healthcare is a massive and high growth global market - global healthcare spending is projected to grow 5.4% from 2018-2022 versus just 2.9% 2013-2017.
- Momentum is further compounded with global demographic trends (age rise, obesity) driving growth alongside 2018 also being a record year for FDA drug approvals.
- Healthcare data (e.g. for treatments, pricing, development, marketing) is growing rapidly and expected to reach \$9.5bn in 2023.
- The dynamics of the healthcare market are changing, with providers and payors taking on an increasingly important role in healthcare decisions. This is exemplified by disruptive mergers such as CVS (pharmacy) and Aetna (insurance).

hanover

AVENIRGLOBAL

EV: N/A
EV/ Rev: N/A
Deal Date: Apr-19



DUDNYK

FISHAWACK

EV: N/A
EV/Rev: N/A
Deal Date: Mar-19

peloton advantage
medicine in motion



OPEN HEALTH
EV: N/A
EV/Rev: N/A
Deal Date: Dec-18



eröptr

H.I.G. CAPITAL

EV: N/A
EV/Rev: N/A
Deal Date: Oct-18

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Digital Services company CEO profile

croud

Croud is a global digital marketing agency, powered by the best talent, proprietary tech and the world's first crowd-sourced network of digital marketing experts.

Hybrid in-agency and 'croud'-sourced delivery model executing campaigns in 120 markets & 77 languages through a proprietary global network of 2,300 experts and 170 employees across hub locations in London (HQ), New York, Sydney and Shrewsbury

"The agency model has been unchanged for decades while clients today require more agility and flexibility, with real time communication across multiple channels. We are seeing a big opportunity to revolutionise the industry through technology to re-invent working practices for services businesses. Our unique hybrid in-agency and 'croud'-sourced delivery model combined with automation technology allows us to meet this next level of expectation from our clients."

Luke Smith
Founder & CEO



Digital Services company CEO profile (cont'd.)



Full-service Amazon agency developing and implementing cutting-edge strategies for over 100 industry-leading brands. Mission to help brand manufacturers grow their sales by improving their operations, increasing their visibility and optimizing conversion rates. Office located within walking distance from Amazon's campus in Seattle, WA and team including former Amazonians, retail industry veterans and digital marketing experts.

"Amazon has something Google and Facebook do not – a huge amount of first party data on transactions and shoppers. We are expecting to see significant growth and an increased focus from Amazon on its search (Sponsored Brands) and display (Amazon DSP) offerings. Both first and third party suppliers are going to want a specialized Amazon agency to maximize their performance on the platform."



John Ghiorso
CEO



Digital Services company CEO profile



Independent, full-service health and wellness agency founded in 2008 and headquartered in Saratoga Springs, New York. Team of 250 people in 4 offices across the US with capabilities spanning every channel of marketing, from strategy to creative to production.

“Healthcare and wellness brands are increasingly looking to use innovative digital strategies, such as wearables and personal health data, to differentiate themselves from their competitors. What we are seeing is an acceleration in the collision of digital and healthcare.

We continue to see the brands have a preference for specialized and trusted healthcare digital agencies given the necessary expertise required to navigate regulated healthcare markets.”



Ed Mitzen
Founder & CEO





























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Selected Digital Services Transactions

(2019 H1)

















Selected M&A transactions

Date	Target	Buyer	Target Description	Value (\$m)	Implied EV/LTM Rev	Implied EV/LTM EBITDA
25 Jun 2019			Global innovation and engineering consulting firm	5,590	1.6x	11.9x
21 Jun 2019			Adobe product implementation and consulting	-	-	-
18 Jun 2019			IT solutions and consulting services	2,252	1.5x	15.5x
17 Jun 2019			Cybersecurity research and consulting services	-	-	-
14 Jun 2019			Digital consulting services	182	2.6x	-
16 May 2019			Multi-disciplinary group of digital, marketing and creative agencies	48	-	-
9 May 2019			Digital marketing, in-house consultancy and analytics	-	-	-
14 Apr 2019			Data marketing specialist	4,400	2.0x	9.3x
3 Apr 2019			Creative agency for brands and businesses	-	-	-
22 Mar 2019			Healthcare marketing communications agency	-	-	-
15 Mar 2019			Digital marketing agency	-	-	-
15 Mar 2019			Marketing and communications solutions	100	-	-
13 Mar 2019			Digital transformation consulting firm	45	-	-

Selected Digital Services Transactions (con't.)

(2019 H1)

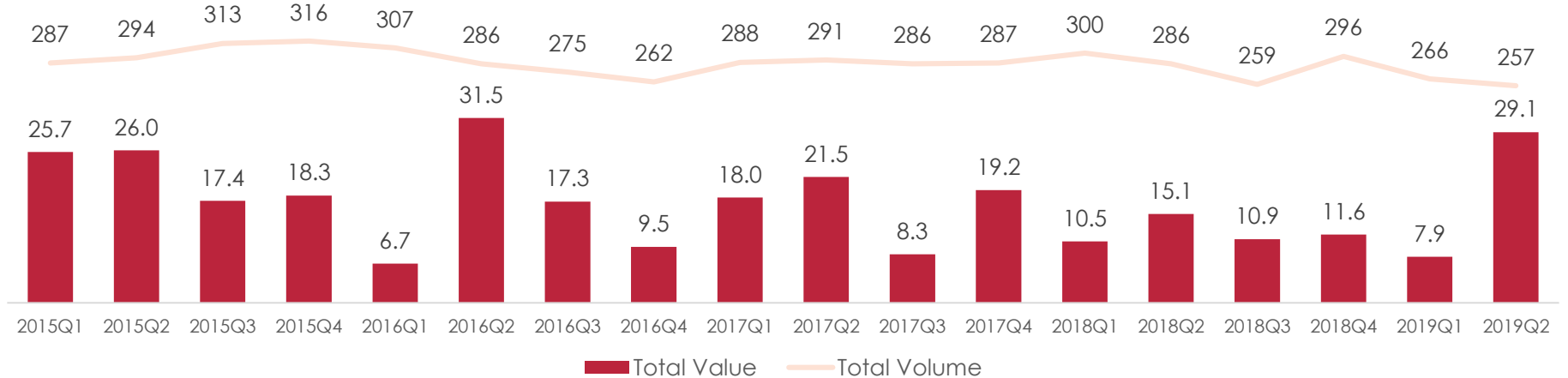
Selected M&A transactions

Date	Target	Buyer	Target Description	Value (\$m)	Implied EV/LTM Rev	Implied EV/LTM EBITDA
12 Mar 2019	 Rocket Insights	DEPT	Product design and development agency	-	-	-
11 Mar 2019	 ACANDO	CGI	IT and strategy consulting services	459	1.6x	14.1x
5 Mar 2019	HJALTELIN STAHL	 accenture	Advertising agency	-	-	-
4 Mar 2019	 ?WHAT IF!	 accenture	Innovative culture consulting	-	-	-
28 Feb 2019	 MediaAlpha	INSIGNIA CAPITAL GROUP	Programmatic advertising platforms	350	-	-
21 Feb 2019	 happymarketer A Merkle Company	Dentsu	Digital marketing and consulting services	-	-	-
18 Feb 2019	 bjl.	Dentsu	Integrated creative marketing agency	-	-	-
1 Feb 2019	 BLUE 449	 PUBLICIS GROUPE	Multi-market media agency	29	-	-
17 Jan 2019	FILTER	MERKLE	Design and digital marketing services	-	-	-
10 Jan 2019	 Inside Ideas Group	 YOU MR JONES	In-house agency specialist	-	-	-
7 Jan 2019	 LUXOFT	 DXC.technology	Global digital solutions consultancy	2,072	2.2x	20.7x
4 Jan 2019	MY DATA INTELLIGENCE	Dentsu	Specialised marketing research company	-	-	-
3 Jan 2019	 Periscope	 Quad	Live video streaming app	132	-	-

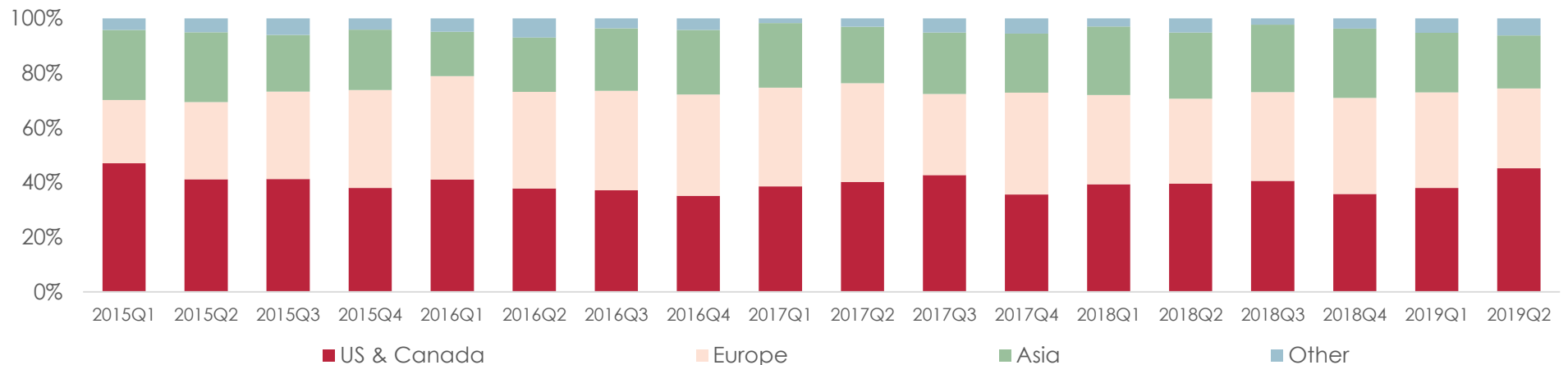
Global Digital Services Transaction Trends

M&A Activity by Quarter

Transaction deal value & number of M&A deals



M&A deal volume by geography

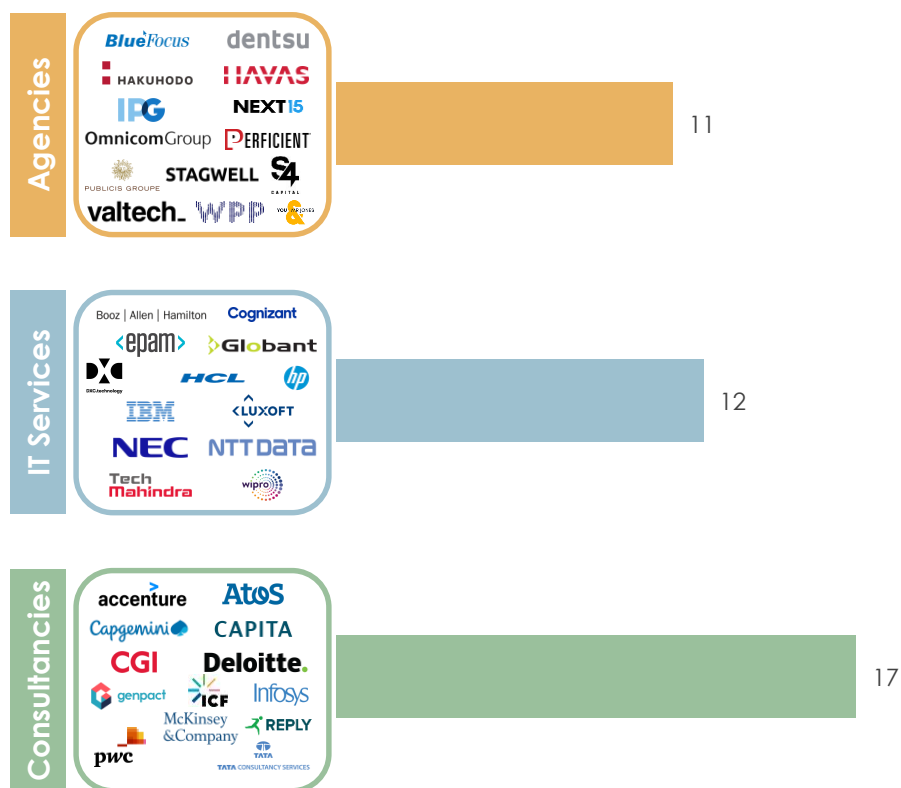


Source(s): Capital IQ as of 28 June 2019

Deal Activity by Buyer Group and Geography

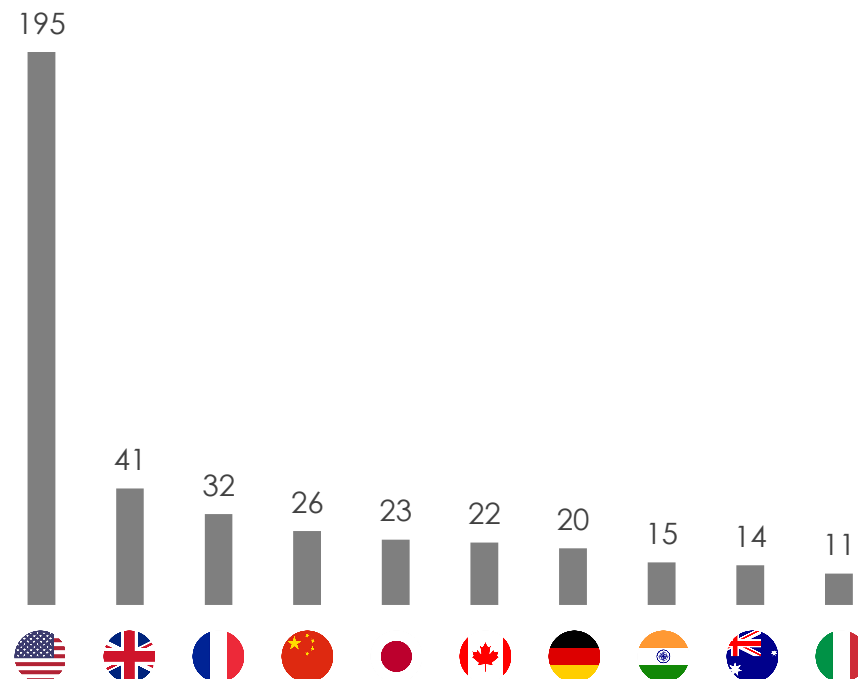
Consultancies closed the most transactions in 2019 YTD

2019 H1 transaction activity by buyer group¹



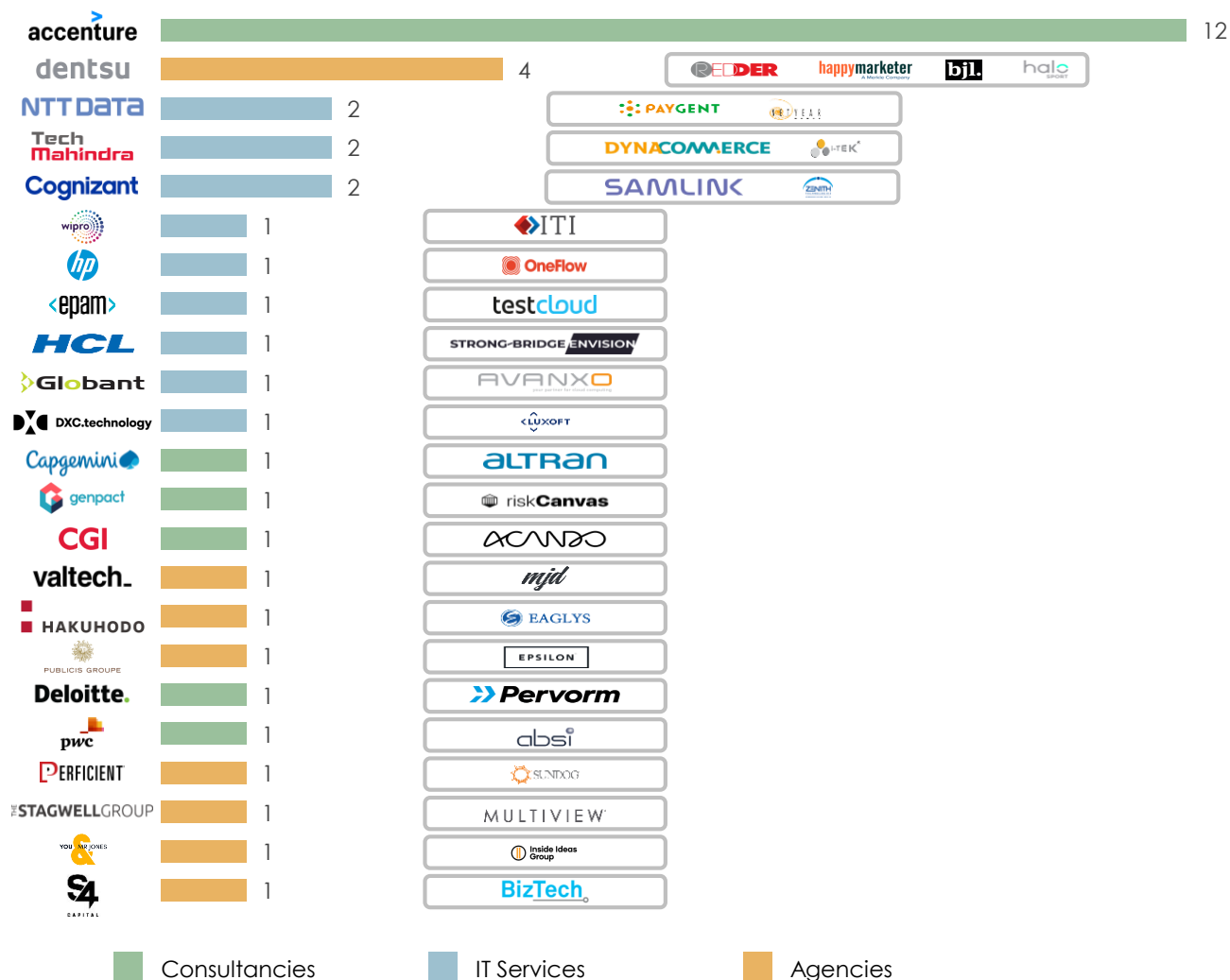
Number of M&A deals by target geography

(2019 H1, number of transactions)



Top Digital Services Consolidators

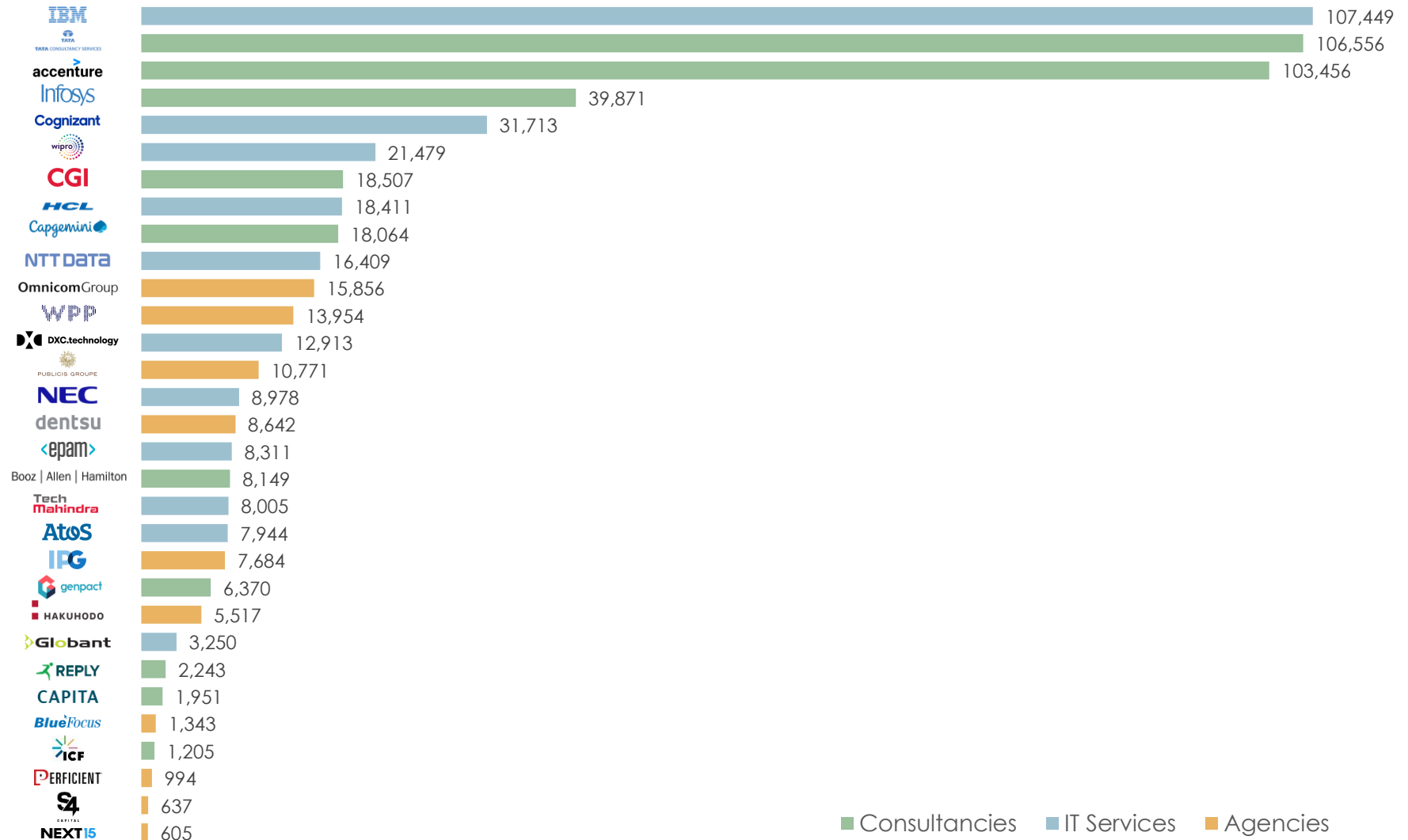
Accenture has been by far the most active consolidator in 2019 H1



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GP Bullhound Digital Services Index Market Valuation

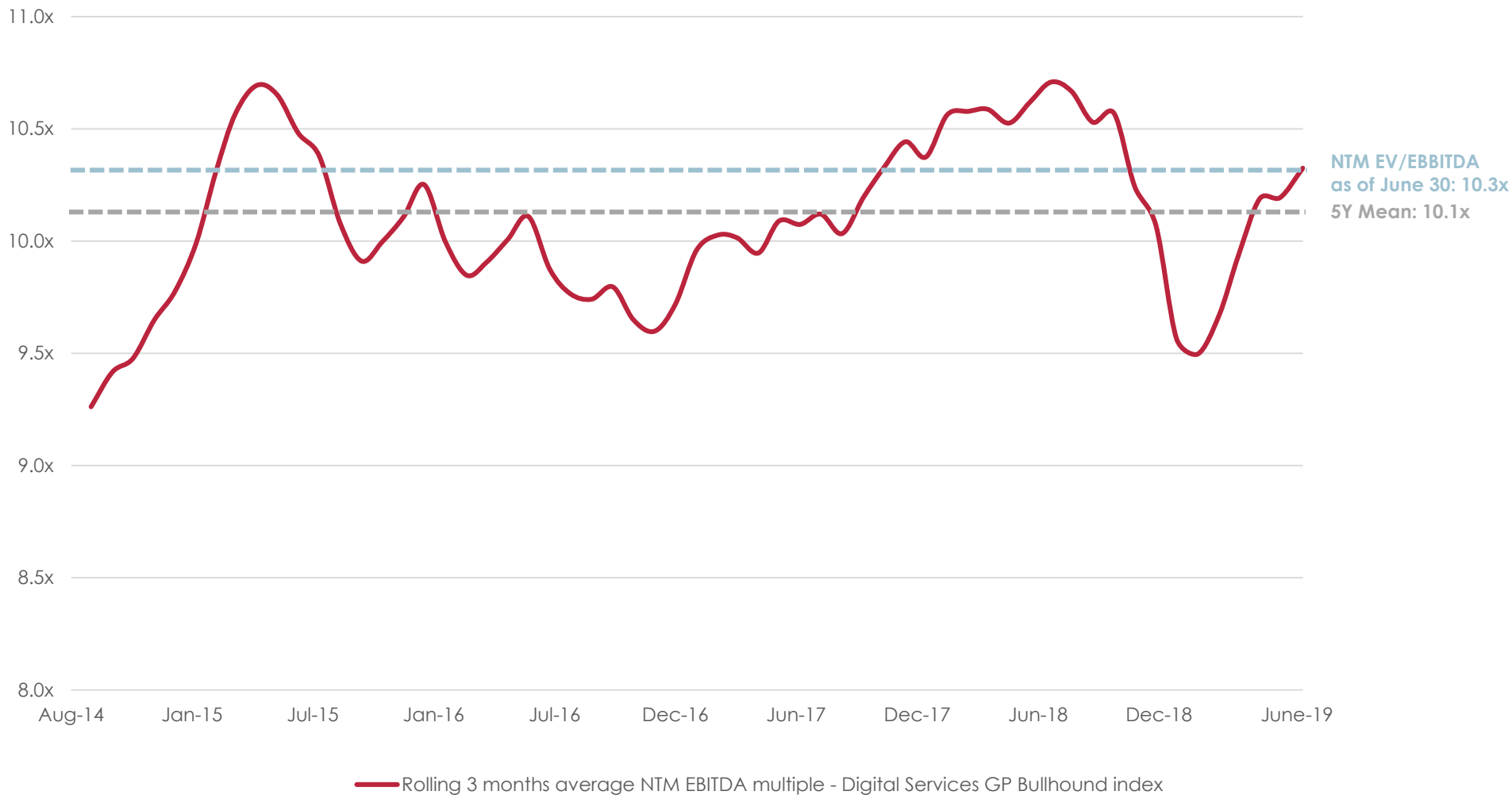
(Market Cap, EURm)



■ Consultancies ■ IT Services ■ Agencies

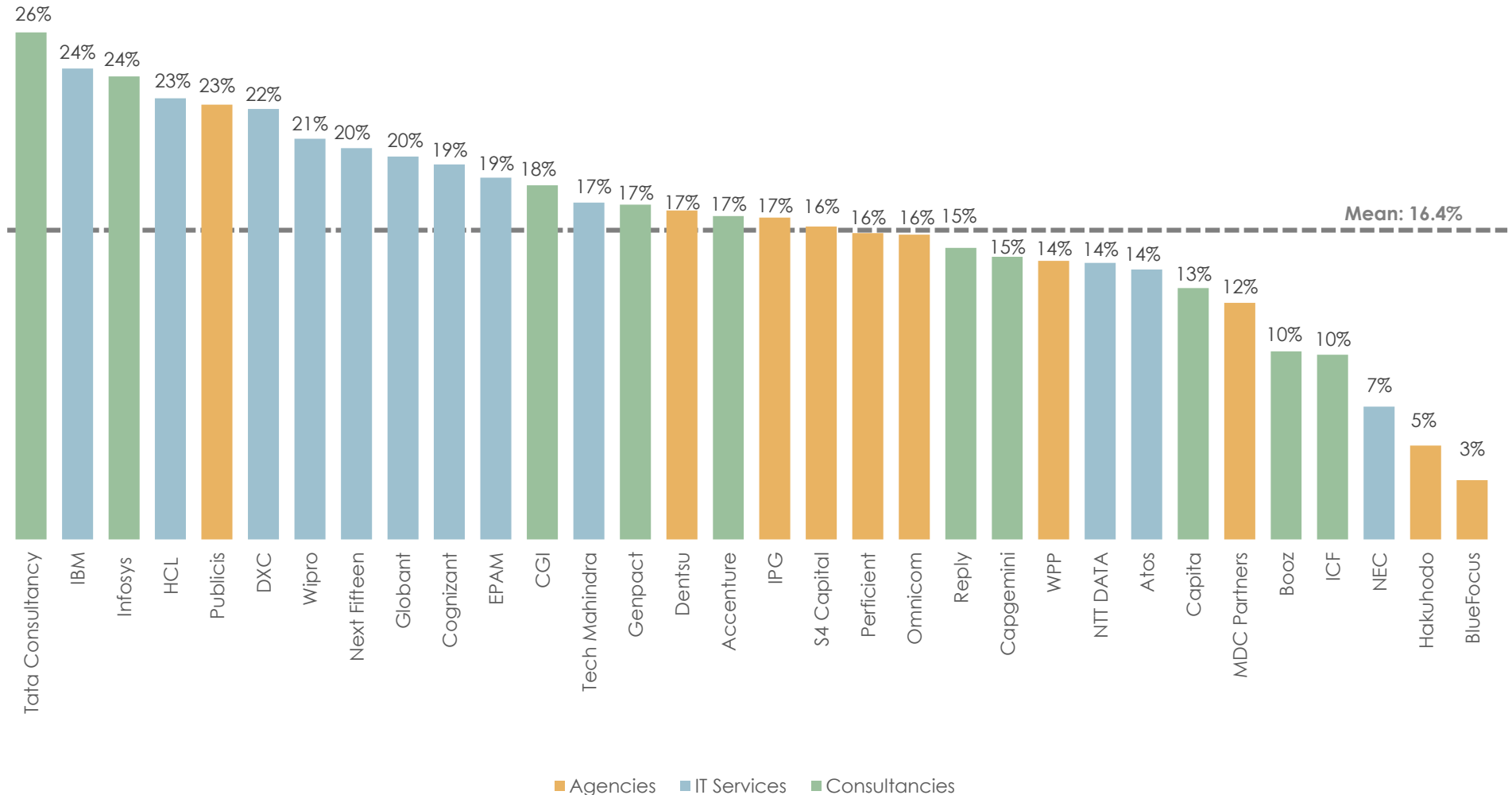
Evolution of GP Bullhound Digital Services Index Valuation

EV/EBITDA Multiple Trends – Last Five Years



Digital Services margins benchmark

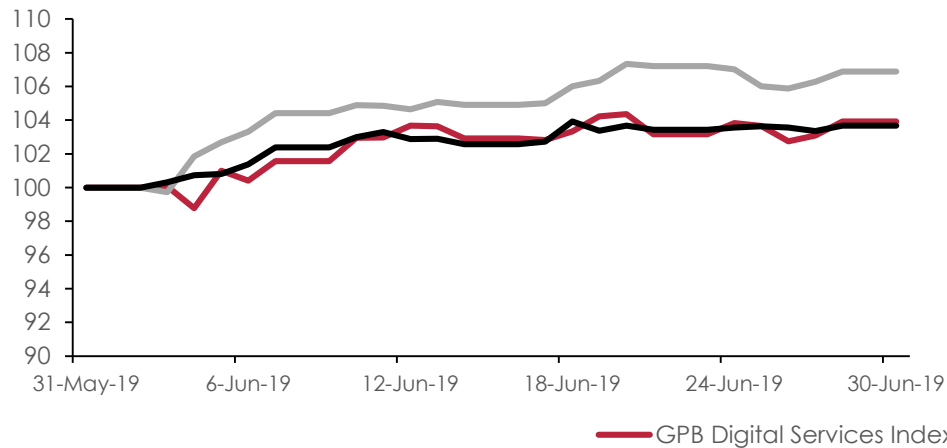
EBITDA CY2019E Margin – Agencies, IT Services and Consultancies



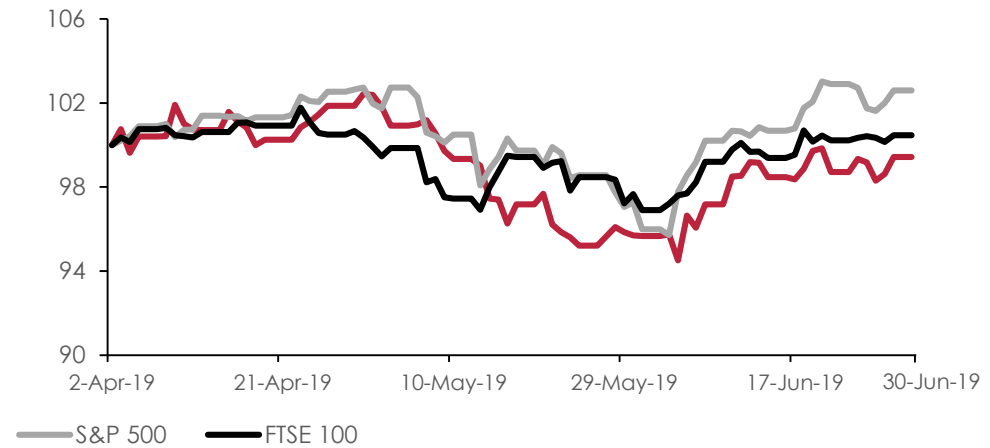
Source: Capital IQ as of 28 June 2019

GP Bullhound Digital Services index performance (1/2)

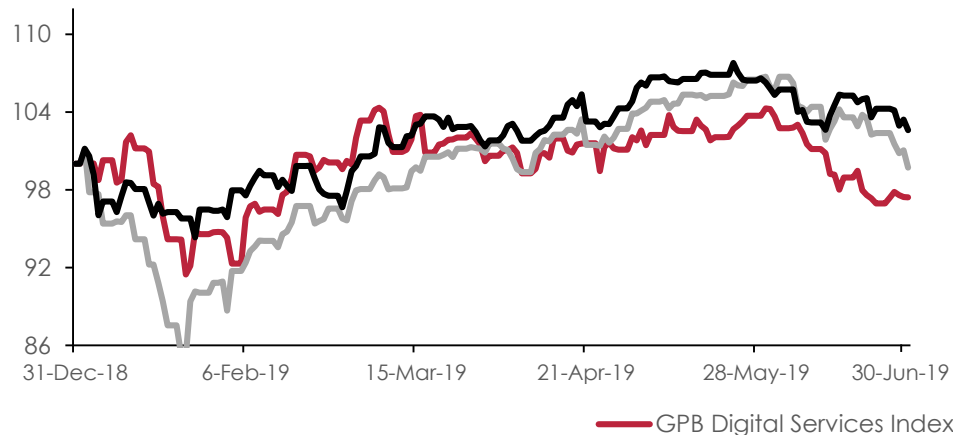
L1M



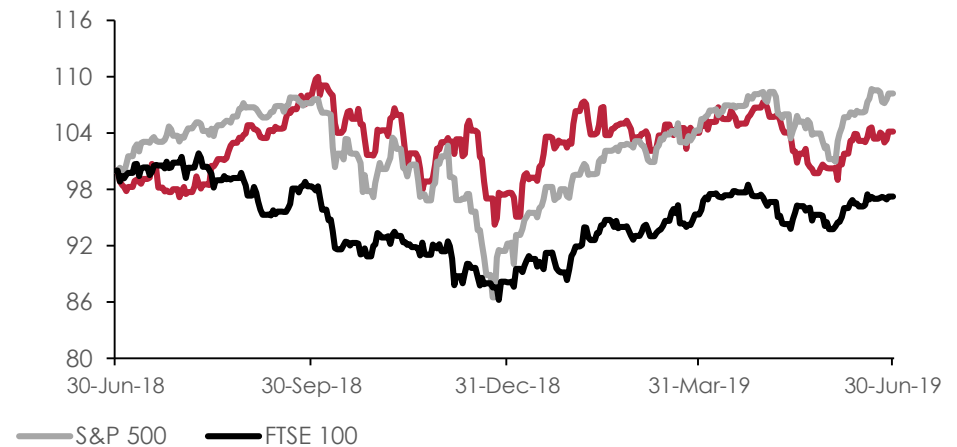
L3M



L6M

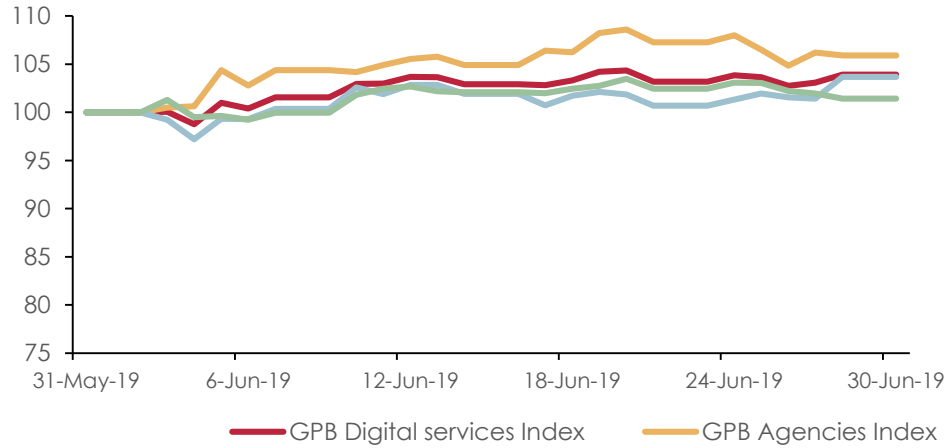


L12M

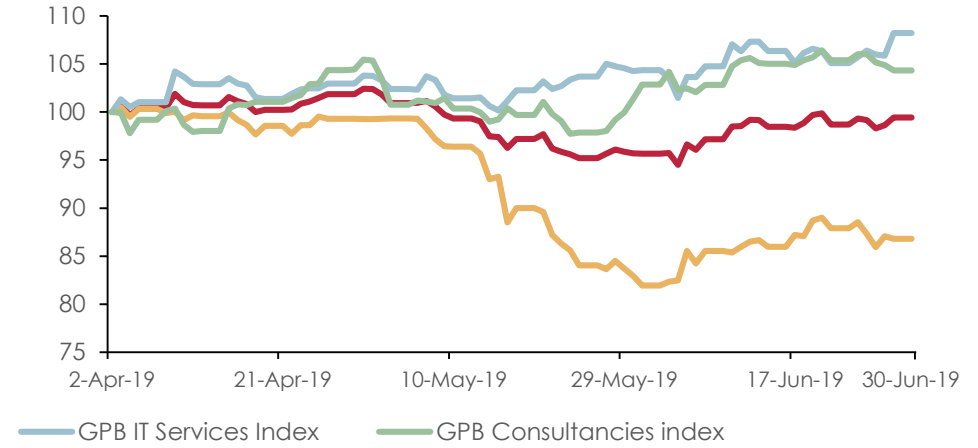


GP Bullhound Digital Services indexes performance (2/2)

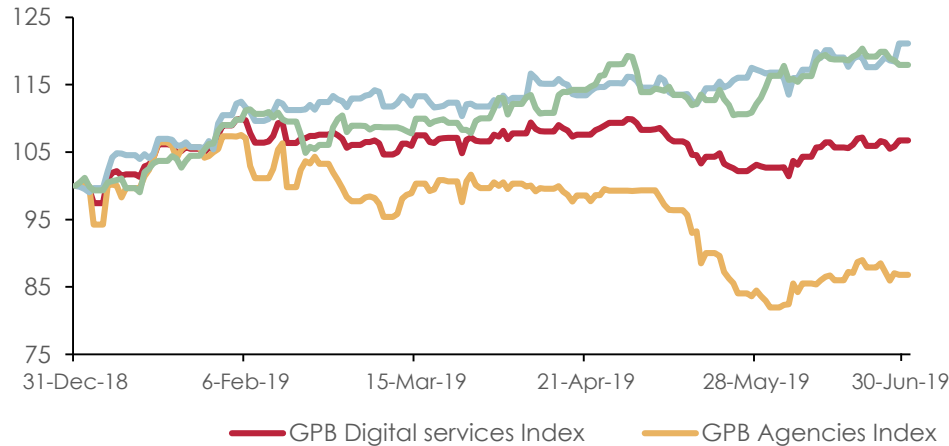
L1M



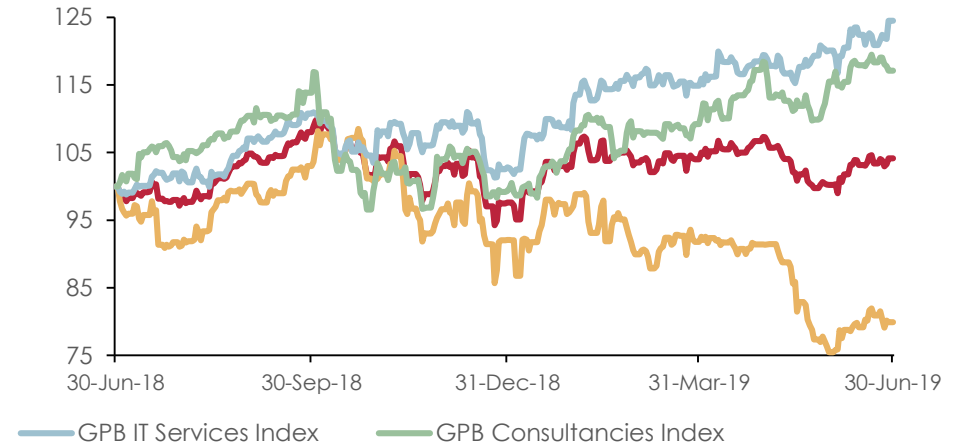
L3M



L6M



L12M



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Public Comps – GP Bullhound Digital Services Index

Company Name	Share price	% of 52	Mkt Cap	EV	Revenue Multiple			EBITDA Multiple			EBITDA Margin			CY2018 - CY2020 CAGR	
	(EUR)	Week			CY2018	CY2019	CY2020	CY2018	CY2019	CY2020	CY2018	CY2019	CY2020	Revenue	EBITDA
	30-Jun-19	%	(EUR)	(EUR)											
International Business Machines Corporation	121.2	89%	107,449	140,161	2.0x	2.1x	2.0x	8.5x	8.5x	8.4x	23.6%	24.4%	24.5%	(1.2%)	0.6%
Tata Consultancy Services Limited	28.4	97%	106,556	101,335	5.6x	5.1x	4.7x	20.6x	19.3x	17.9x	27.3%	26.2%	26.2%	9.6%	7.4%
Accenture plc	162.4	99%	103,456	99,640	2.8x	2.6x	2.4x	16.5x	15.4x	14.2x	17.0%	16.7%	17.0%	7.6%	7.7%
Infosys Limited	9.3	95%	39,871	36,534	3.6x	3.3x	3.1x	13.9x	13.6x	12.4x	26.2%	24.0%	24.6%	9.0%	5.6%
Cognizant Technology Solutions Corporation	55.7	76%	31,713	29,905	2.1x	2.0x	1.9x	10.3x	10.5x	9.5x	20.5%	19.4%	20.2%	5.0%	4.0%
Omnicom Group Inc.	72.0	97%	15,856	19,807	1.5x	1.5x	1.5x	9.5x	9.5x	9.3x	15.5%	15.8%	15.7%	0.5%	1.1%
CGI Inc.	67.6	97%	18,507	19,604	2.5x	2.3x	2.2x	13.7x	12.8x	12.2x	18.4%	18.3%	18.4%	5.7%	6.0%
NIT DATA Corporation	11.7	89%	16,409	19,559	na	1.1x	1.0x	n.a.	7.6x	7.1x	n.a.	14.3%	14.7%	n.a.	n.a.
Capgemini SE	109.4	91%	18,064	19,414	1.5x	1.4x	1.3x	10.2x	9.3x	8.7x	14.5%	14.6%	14.7%	7.3%	8.1%
WPP plc	11.1	75%	13,954	18,914	1.1x	1.1x	1.1x	7.3x	7.5x	7.5x	15.1%	14.4%	14.2%	1.7%	(1.5%)
Wipro Limited	3.6	93%	21,479	17,832	2.4x	2.3x	2.3x	13.3x	11.1x	11.2x	18.3%	20.7%	20.1%	4.0%	8.9%
HCL Technologies Limited	13.6	90%	18,411	17,706	2.4x	2.1x	1.9x	10.4x	9.1x	8.1x	23.0%	22.8%	23.4%	12.0%	13.1%
DXC Technology Company	48.5	57%	12,913	17,163	0.7x	0.9x	0.9x	3.2x	4.2x	4.1x	20.8%	22.3%	22.7%	(15.4%)	(11.7%)
Atos SE	73.5	58%	7,944	12,843	1.0x	1.1x	1.1x	7.7x	7.9x	7.6x	13.7%	14.0%	14.4%	(1.8%)	0.6%
NEC Corporation	34.6	100%	8,978	12,804	0.5x	0.5x	0.5x	11.1x	7.7x	6.6x	4.9%	6.9%	7.9%	2.4%	29.6%
Publicis Groupe S.A.	46.4	76%	10,771	12,546	1.3x	1.3x	1.2x	7.3x	5.8x	5.3x	18.0%	22.5%	22.3%	5.6%	17.5%
The Interpublic Group of Companies, Inc.	19.9	90%	7,684	12,072	1.7x	1.6x	1.5x	10.4x	9.5x	9.1x	16.6%	16.7%	16.8%	6.2%	6.8%
Dentsu Inc.	30.7	66%	8,642	11,765	1.4x	1.4x	1.3x	8.2x	8.0x	7.3x	17.5%	17.0%	17.5%	5.6%	5.6%
Booz Allen Hamilton Holding Corporation	58.2	99%	8,149	9,519	1.7x	1.5x	1.5x	16.8x	15.7x	14.1x	9.9%	9.7%	10.8%	5.0%	9.3%
EPAM Systems, Inc.	152.1	96%	8,311	7,810	4.8x	3.9x	3.2x	26.6x	21.0x	17.9x	18.2%	18.7%	18.1%	22.0%	21.8%
Genpact Limited	33.5	99%	6,370	7,529	2.9x	2.5x	2.3x	17.1x	14.6x	13.2x	16.8%	17.3%	17.5%	11.5%	13.9%
Tech Mahindra Limited	9.0	83%	8,005	6,733	1.6x	1.5x	1.4x	8.7x	8.4x	8.1x	18.0%	17.4%	17.2%	6.1%	3.6%
Hakuhodo DY Holdings Inc	14.8	89%	5,517	5,138	0.4x	0.4x	0.4x	9.0x	8.7x	8.5x	5.0%	4.9%	4.8%	5.0%	2.7%
Globant S.A.	88.8	96%	3,250	3,249	7.1x	5.7x	4.8x	38.3x	29.0x	23.9x	18.5%	19.8%	19.9%	21.9%	26.5%
Capita plc	1.2	60%	1,951	2,650	0.6x	0.6x	0.6x	6.0x	5.0x	4.4x	10.0%	13.0%	14.6%	(3.4%)	16.7%
Reply S.p.A.	60.0	97%	2,243	2,177	2.1x	1.8x	1.7x	15.4x	12.2x	11.6x	13.8%	15.1%	14.7%	11.5%	15.0%
ICF International, Inc.	64.0	89%	1,205	1,530	1.3x	1.2x	1.1x	14.2x	12.3x	11.3x	9.3%	9.6%	9.8%	9.2%	12.0%
BlueFocus Intelligent Communications Group Co., Ltd	0.5	66%	1,343	1,417	0.5x	0.4x	0.3x	11.3x	12.2x	9.0x	4.5%	3.1%	3.7%	23.8%	11.9%
MDC Partners Inc.	2.2	42%	159	1,412	1.1x	1.0x	1.0x	8.9x	8.5x	8.1x	12.3%	12.3%	12.3%	5.0%	5.0%
Perficient, Inc.	30.2	95%	994	1,095	2.5x	2.3x	2.1x	16.7x	14.2x	13.0x	15.1%	15.9%	16.4%	8.9%	13.4%
S4 Capital plc	1.8	96%	637	660	5.9x	3.2x	2.5x	38.1x	19.6x	14.3x	15.5%	16.2%	17.7%	52.6%	63.1%
Next Fifteen Communications Group plc	7.1	98%	605	615	2.4x	2.2x	2.1x	12.9x	10.8x	10.1x	18.8%	20.3%	20.3%	8.5%	12.8%
M&C Saatchi plc	3.9	86%	352	363	1.2x	1.2x	1.2x	9.8x	8.6x	8.1x	12.5%	14.2%	14.6%	2.0%	10.2%
SYZYGY AG	9.7	91%	130	117	1.8x	1.7x	1.6x	15.0x	9.5x	9.4x	11.9%	17.5%	16.6%	6.8%	26.4%
Mean		86%			2.2x	1.9x	1.8x	13.5x	11.4x	10.3x	15.8%	16.4%	16.6%	7.9%	11.3%
Median		91%			1.7x	1.6x	1.5x	11.1x	9.5x	9.2x	16.6%	16.7%	16.9%	6.1%	8.9%

Source: Capital IQ as of 28 June 2019

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Public Comps – Agencies

	Share price (EUR)	% of 52 Week High	Mkt Cap (EUR)	EV (EUR)	Revenue Multiple			EBITDA Multiple			EBITDA Margin			CY2018 - CY2020 CAGR	
Company Name	30-Jun-19				CY2018	CY2019	CY2020	CY2018	CY2019	CY2020	CY2018	CY2019	CY2020	Revenue	EBITDA
Global agencies															
Omnicom Group Inc.	72.0	97%	15,856	19,807	1.5x	1.5x	1.4x	9.4x	9.4x	9.2x	15.5%	15.8%	15.7%	0.5%	1.1%
WPP plc	11.1	75%	13,954	18,914	1.1x	1.1x	1.1x	7.3x	7.5x	7.5x	15.1%	14.4%	14.2%	1.7%	(1.5%)
Publicis Groupe S.A.	46.4	76%	10,766	12,541	1.3x	1.3x	1.2x	7.3x	5.8x	5.3x	18.0%	22.5%	22.3%	5.6%	17.5%
The Interpublic Group of Companies, Inc.	19.9	90%	7,684	12,072	1.7x	1.6x	1.5x	10.3x	9.4x	9.0x	16.6%	16.7%	16.8%	6.2%	6.8%
Dentsu Inc.	30.7	66%	8,642	11,765	1.4x	1.4x	1.3x	8.1x	8.0x	7.3x	17.5%	17.0%	17.5%	5.6%	5.6%
Hakuhodo DY Holdings Inc	14.8	89%	5,517	5,138	0.4x	0.4x	0.4x	8.9x	8.6x	8.5x	5.0%	4.9%	4.8%	5.0%	2.7%
Mean		82%			1.2x	1.2x	1.2x	8.6x	8.1x	7.8x	14.6%	15.2%	15.2%	4.1%	5.4%
Median		82%			1.4x	1.3x	1.2x	8.5x	8.3x	8.0x	16.0%	16.2%	16.2%	5.3%	4.2%
Mid-sized agencies															
BlueFocus Intelligent Communications	0.5	66%	1,343	1,417	0.5x	0.4x	0.3x	11.2x	12.2x	9.0x	4.5%	3.1%	3.7%	23.8%	11.9%
MDC Partners Inc.	2.2	42%	159	1,412	1.1x	1.0x	1.0x	8.8x	8.4x	8.0x	12.3%	12.3%	12.3%	5.0%	5.0%
Perficient, Inc.	30.2	95%	994	1,095	2.5x	2.2x	2.1x	16.5x	14.1x	12.9x	15.1%	15.9%	16.4%	8.9%	13.4%
S4 Capital plc	1.8	96%	637	660	5.9x	3.2x	2.5x	38.1x	19.6x	14.3x	15.5%	16.2%	17.7%	52.6%	63.1%
Next Fifteen Communications Group plc	7.1	98%	605	615	2.4x	2.2x	2.1x	12.9x	10.9x	10.2x	18.8%	20.3%	20.3%	8.5%	12.8%
M&C Saatchi plc	3.9	86%	352	363	1.2x	1.2x	1.2x	9.8x	8.6x	8.1x	12.5%	14.2%	14.6%	2.0%	10.2%
SYZYGY AG	9.7	91%	130	117	1.8x	1.7x	1.6x	15.0x	9.5x	9.4x	11.9%	17.5%	16.6%	6.8%	26.4%
Mean		82%			2.2x	1.7x	1.5x	16.1x	11.9x	10.3x	12.9%	14.2%	14.5%	15.4%	20.4%
Median		91%			1.8x	1.7x	1.6x	12.9x	10.9x	9.4x	12.5%	15.9%	16.4%	8.5%	12.8%

Public Comps – IT Services

Company Name	Share price	% of 52	Mkt Cap	EV	Revenue Multiple			EBITDA Multiple			EBITDA Margin			CY2018 - CY2020		
	(EUR)	Week			CY2018	CY2019	CY2020	CY2018	CY2019	CY2020	CY2018	CY2019	CY2020	CAGR		
	30-Jun-19	High												(EUR)	(EUR)	Revenue
IT Services																
International Business Machines Corporation	121.2	89%	107,449	140,161	2.0x	2.1x	2.0x	8.5x	8.5x	8.4x	23.6%	24.4%	24.5%	(1.2%)	0.6%	
Cognizant Technology Solutions Corporation	55.7	76%	31,713	29,905	2.1x	2.0x	1.9x	10.3x	10.5x	9.5x	20.5%	19.4%	20.2%	5.0%	4.0%	
NTT DATA Corporation	11.7	89%	16,409	19,559	na	1.1x	1.0x	n.a.	7.6x	7.1x	n.a.	14.3%	14.7%	n.a.	n.a.	
Wipro Limited	3.6	93%	21,479	17,832	2.4x	2.3x	2.3x	13.3x	11.1x	11.2x	18.3%	20.7%	20.1%	4.0%	8.9%	
HCL Technologies Limited	13.6	90%	18,411	17,706	2.4x	2.1x	1.9x	10.4x	9.1x	8.1x	23.0%	22.8%	23.4%	12.0%	13.1%	
DXC Technology Company	48.5	57%	12,913	17,163	0.7x	0.9x	0.9x	3.2x	4.2x	4.1x	20.8%	22.3%	22.7%	(15.4%)	(11.7%)	
Atos SE	73.5	58%	7,944	12,843	1.0x	1.1x	1.1x	7.7x	7.9x	7.6x	13.7%	14.0%	14.4%	(1.8%)	0.6%	
NEC Corporation	34.6	100%	8,978	12,804	0.5x	0.5x	0.5x	11.1x	7.7x	6.6x	4.9%	6.9%	7.9%	2.4%	29.6%	
Tech Mahindra Limited	9.0	83%	8,005	6,733	1.6x	1.5x	1.4x	8.7x	8.4x	8.1x	18.0%	17.4%	17.2%	6.1%	3.6%	
EPAM Systems, Inc.	152.1	96%	8,311	7,810	4.8x	3.9x	3.2x	26.6x	21.0x	17.9x	18.2%	18.7%	18.1%	22.0%	21.8%	
Globant S.A.	88.8	96%	3,250	3,249	7.1x	5.7x	4.8x	38.3x	29.0x	23.9x	18.5%	19.8%	19.9%	21.9%	26.5%	
Mean		84%			2.5x	2.1x	1.9x	13.8x	11.4x	10.2x	18.0%	18.3%	18.5%	5.5%	9.7%	
Median		89%			2.1x	2.0x	1.9x	10.3x	8.5x	8.1x	18.4%	19.4%	19.9%	4.5%	6.4%	

Source: Capital IQ as of 28 June 2019

Note: Multiples in excess of 75.0x or less than 0.0x are considered not-material ("NM") and are not included in average calculation

Public Comps – Consultancies

	Share price (EUR)	% of 52 Week High	Mkt Cap (EUR)	EV (EUR)	Revenue Multiple			EBITDA Multiple			EBITDA Margin			CY2018 - CY2020 CAGR	
Company Name	30-Jun-19				CY2018	CY2019	CY2020	CY2018	CY2019	CY2020	CY2018	CY2019	CY2020	Revenue	EBITDA
Consultancies															
Tata Consultancy Services Limited	28.4	97%	106,556	101,335	5.6x	5.1x	4.7x	20.6x	19.3x	17.9x	27.3%	26.2%	26.2%	9.6%	7.4%
Accenture plc	162.4	99%	103,456	99,640	2.8x	2.6x	2.4x	16.5x	15.4x	14.2x	17.0%	16.7%	17.0%	7.6%	7.7%
Infosys Limited	9.3	95%	39,871	36,534	3.6x	3.3x	3.1x	13.9x	13.6x	12.4x	26.2%	24.0%	24.6%	9.0%	5.6%
Capgemini SE	109.4	91%	18,064	19,414	1.5x	1.4x	1.3x	10.2x	9.3x	8.7x	14.5%	14.6%	14.7%	7.3%	8.1%
CGI Inc.	67.6	97%	18,507	19,604	2.5x	2.3x	2.2x	13.7x	12.8x	12.2x	18.4%	18.3%	18.4%	5.7%	6.0%
Booz Allen Hamilton Holding Corporation	58.2	99%	8,149	9,519	1.7x	1.5x	1.5x	16.8x	15.7x	14.1x	9.9%	9.7%	10.8%	5.0%	9.3%
Genpact Limited	33.5	99%	6,370	7,529	2.9x	2.5x	2.3x	17.1x	14.6x	13.2x	16.8%	17.3%	17.5%	11.5%	13.9%
Capita plc	1.2	60%	1,951	2,650	0.6x	0.6x	0.6x	6.0x	5.0x	4.4x	10.0%	13.0%	14.6%	(3.4%)	16.7%
Reply S.p.A.	60.0	97%	2,243	2,177	2.1x	1.8x	1.7x	15.4x	12.2x	11.6x	13.8%	15.1%	14.7%	11.5%	15.0%
ICF International, Inc.	64.0	89%	1,205	1,530	1.3x	1.2x	1.1x	14.2x	12.3x	11.3x	9.3%	9.6%	9.8%	9.2%	12.0%
Mean		92%			2.5x	2.2x	2.1x	14.4x	13.0x	12.0x	16.3%	16.5%	16.8%	7.3%	10.2%
Median		97%			2.3x	2.1x	2.0x	14.8x	13.2x	12.3x	15.6%	15.9%	15.8%	8.3%	8.7%

Source: Capital IQ as of 28 June 2019

Note: Multiples in excess of 75.0x or less than 0.0x are considered not-material ("NM") and are not included in average calculation

- 1 Key Sector Takeaways
- 2 Digital Services CEO Commentary
- 3 Recent Digital Services Transaction Trends
- 4 Public Market Analyses
- 5 Appendix A: GP Bullhound Digital Services Index
- 6 Appendix B: Digital Services Public Comparables by Category
- 7 Appendix C: GP Bullhound Digital Services Credentials & Team**

GP Bullhound - Deep digital services experience

Selected deals led in the sector in the last 5 years

msqpartners

Sold to



DUDNYK

Sold to

FISHAWACK

FILTER

Sold to

dentsu AEGIS network
MERKLE

OLIVER

Sold to

YOU
&
MR JONES

elbkind:

Sold to



METHOD

Sold to

CHIME

eBECS

Sold to

DXC.technology

eraptr

Sold to

H.I.G.
CAPITAL

keplergroup

Sold to

kyu

Namics.

Sold to

dentsu AEGIS network
MERKLE

smashing ideas

Sold to

LUXOFT

SOLITA

Sold to

Apax
digital

STRATIVITY

Sold to



NOA
The North
Alliance

Sold to

Norvestor

WONGDOODY

Sold to

Infosys

{ paradigm

Sold to

indra



Sold to



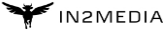















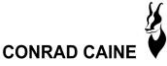



















the cocktail

Sold to

WPP


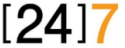




























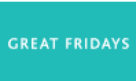











GP Bullhound - Deep digital services experience (con't)

Selected deals led in the sector in the last 5 years

 <hr/> <i>Sold to</i> 	 <hr/> <i>Sold to</i> 	 <hr/> <i>Sold to</i> 	 <hr/> <i>Sold to</i> 	 <hr/> <i>Sold to</i> 	 <hr/> <i>Sold to</i> 
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GP Bullhound - Deep digital services experience(con't)

Selected deals led in the sector in the last 5 years

 <hr/> <i>Sold to</i> 	 <hr/> <i>Acquired</i> 	 <hr/> <i>Sold to</i> 	 <hr/> <i>Sold to</i> 	 <hr/> <i>Sold to</i> 	 <hr/> <i>Sold to</i> 	 <hr/> <i>Sold to</i> 
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Authors



SIMON NICHOLLS

Partner

Simon.Nicholls@gpbullhound.com



GREG SMITH

Partner

Gregory.Smith@gpbullhound.com



OLIVER SCHWEITZER

Executive Director

Oliver.Schweitzer@gpbullhound.com



ADAM BIRNBAUM

Director

Adam.Birnbaum@gpbullhound.com



RAVI GHEDIA

Director

Ravi.Ghedia@gpbullhound.com



PAUL GAILLARD

Associate

Paul.Gaillard@gpbullhound.com

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GP. Bullhound

LONDON

tel. +44 207 101 7560
52 Jermyn Street
London, SW1Y 6LX
United Kingdom

SAN FRANCISCO

tel. +1 415 986 0191
One Sansome Street, Floor 36 Suite 3650
San Francisco, CA 94104 USA

STOCKHOLM

tel. +46 8 545 074 14
Grev Turegatan 30
Stockholm, 114 38
Sweden

BERLIN

tel. +49 30 610 80 600
Kleine Jaegerstr. 8
Berlin, 101 17
Germany

MANCHESTER

tel. +44 161 413 5030
1 New York Street
Manchester, M1 4HD
United Kingdom

PARIS

tel. +33 1 82 88 43 40
45 rue de Lisbonne
75 008 Paris
France

HONG KONG

tel. +852 5806 1310
Level 6, Champion Tower
3 Garden Road, Central
Hong Kong

MADRID

tel. +34 951 12 72 32
Paseo de Recoletos 6
28001 Madrid
Spain

NEW YORK

tel. +1 212 759 1870
489 Fifth Avenue, 34th PH
New York, NY 10017
USA