



NEWS

HYDE PARK CAPITAL BUSINESS SERVICES NEWSLETTER

BPO, TRANSACTION SERVICES & IT CONSULTING

HYDE PARK CAPITAL ADVISORS, LLC · Q4 2009

SECTOR NEWS & TRENDS

Q4 was a strong quarter in terms of volume and value. Despite the absence of big merger deals the sector saw 65 deals, reporting \$2.1B in value. The vast majority of completed transactions were M&A (83%). In fact, Q4 was the most active quarter in terms of transaction volume over the last five quarters. The upward trend in transaction volume over the last nine months could indicate that the sector will continue to strengthen into 2010.

2009 was a sporadic year in terms of total transaction value varying from a high of \$6.1B in Q1 to a low of \$254M in Q2. However, excluding the mega deals in Q1: Fidelity National Information Services, Inc. (NYSE:FIS) acquisition of Metavante Technologies, Inc. (NYSE:MV) for \$4.9B, and Q3: Dell, Inc. (NasdaqGS:DELL) acquisition of Perot Systems Corp. (NYSE:PER) for \$4.1B, Q4 witnessed the highest M&A transaction value for 2009. Looking forward, we expect the level of mergers and acquisitions to increase and transaction values to stabilize.

Many strategic buyers reported an appetite to make acquisitions in Q4. The most active buyers in terms of transaction value were the strategic buyers looking to take advantage of the undervalued opportunities and their own well-capitalized balance sheets.

Private equity groups were the most active investors in terms of transaction value for PEGs have increasingly shifted their attention towards business services and away from consumer services. Look for the rate of investment by private equity groups to experience a modest increase as they seek to utilize the billions of unspent capital accumulated over the past two years.

The BPO, Transaction Services & IT Consulting Public Company Index increased 16.42% during Q4, doubling the S&P 500's performance. Even with the market's strong comeback late in the year, the sector index consistently outperformed the S&P 500 and the Nasdaq throughout Q4, continuing to increase the spread over the last few weeks of the quarter.

RECENT TRANSACTION

Network System Integration & Value Added Reseller

Name withheld for confidentiality

Sell-Side M&A

Company Overview:

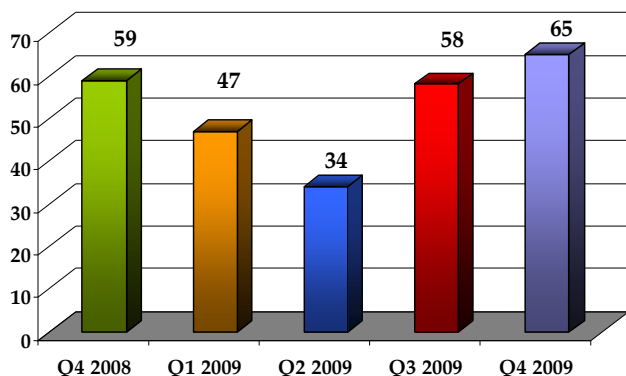
The Company is a private information technology and network engineering services firm with its headquarters and satellite offices primarily located throughout the Southeastern United States. As a Cisco Gold Partner with dual Masters specializations, the Company provides its government and commercial customers with the following services: design and consulting services for system selection (mobile computing, unified communications, video-conferencing, security solutions); network infrastructure equipment; implementation services and customer support to deploy the systems; back-office application services; and ongoing network management and support including a 24x7 network operations center. As part of its offering, the Company often sells the hardware and software systems associated with its consulting projects.

Hyde Park Capital Solution:

Hyde Park Capital assisted in the sale of the Company to a large strategic buyer. The transaction closed in December 2009.

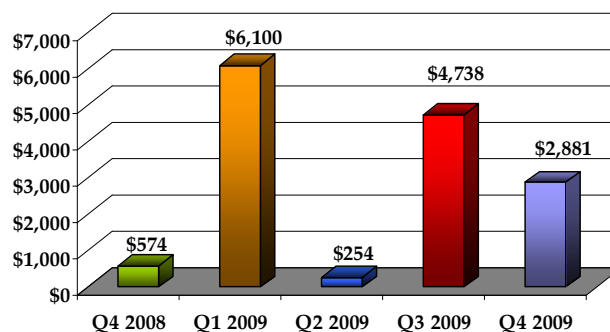
BPO, TRANSACTION SERVICES & IT CONSULTING MARKET TRENDS & STATISTICS

M&A Transaction Volume by Quarter



M&A Transaction Value by Quarter

(\$mm)



M&A Statistics - Q4 2009

Valuation Summary

Total Deal Value(\$mm):	\$2,881.5
Average Deal Value:	\$131.0
Average TEV/Revenue:	2.6x
Average TEV/EBITDA:	7.3x

Number of Deals

by Transaction Ranges - Q4 2009

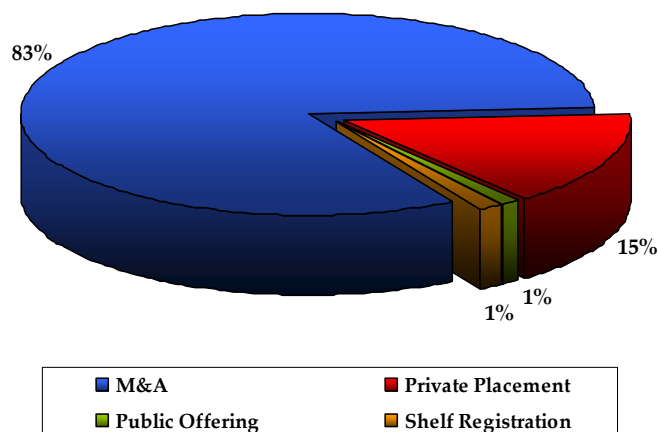
Greater than \$1 billion	1
\$500 - \$999.9mm	1
\$100 - \$499.9mm	2
Less than \$100mm	18
Undisclosed	43

Q4 Most Active Buyers / Investors

by Total Transaction Size

Buyer / Investor	Transaction Size (\$mm)
General Atlantic LLC / Kohlberg Kravis Roberts & Co.	\$1,650.0
Hellman & Friedman LLC / JMI Equity	\$570.0
ManTech International Corporation (NasdaqGS:MANT)	\$242.0
Vista Equity Partners	\$128.0
G4S Technology North America	\$66.0
Gartner Inc. (NYSE:IT)	\$56.0
Interactive Data Corporation (NYSE:IDC)	\$51.2
Dolan Media Company (NYSE:DM)	\$31.9

Transaction Percentage by Type - Q4 2009



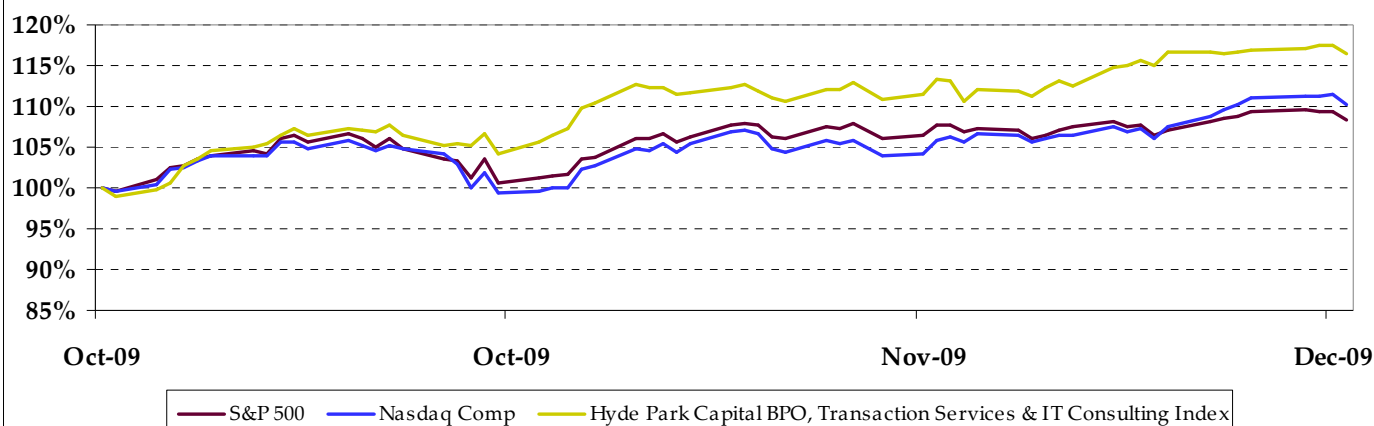
Q4 Most Active Buyers / Investors by Number of Transactions

# of Transactions	Buyer / Investor	Specifics
2	Datalink Corp. (NasdaqGM:DTLK)	Design, installation, and technical support of information storage.
2	White Glove Technologies, LLC	Operates as a technical advisor providing IT services.
1	AT&T, Inc. (NYSE:T)	Operates as a communications holding company.
1	AtNetPlus, Inc.	Provides IT solutions to small and mid-sized organizations.
1	Blytheco, LLC	Provides business system consulting and programming services.
1	BrainSell Technologies, LLC	Focuses on enterprise resource planning solutions.
1	CXO Global Solutions, LLC	Specializes in enterprise communications systems.
1	DecisionOne Corp.	Provides IT support services.
1	Diversified Information Technologies, Inc.	Develops information-management and BPO solutions.
1	Dolan APC, LLC	Provides business information and professional services.

(1) Announced during Q4 2009. Source: Capital IQ.

BPO, TRANSACTION SERVICES & IT CONSULTING MARKET TRENDS & STATISTICS

BPO, Transaction Services & IT Consulting Index Relative Price Performance (%)



BPO, Transaction Services & IT Consulting Index

Affiliated Computer Services, Inc. (NYSE:ACS)	Fiserv, Inc. (NasdaqGS:FISV)	SAIC, Inc. (NYSE:SAI)
Automatic Data Processing, Inc. (NasdaqGS:ADP)	Gartner, Inc. (NYSE:IT)	SRA International, Inc. (NYSE:SRX)
Broadridge Financial Solutions, Inc. (NYSE:BR)	Global Payments, Inc. (NYSE:GPN)	Sykes Enterprises, Inc. (NasdaqGS:SYKE)
CACI International, Inc. (NYSE:CACI)	Hewitt Associates, Inc. (NYSE:HEW)	Syntel, Inc. (NasdaqGS:SYNT)
Cognizant Technology Solutions Corp. (NasdaqGS:CTSH)	Lender Processing Services, Inc. (NYSE:LPS)	Total System Services, Inc. (NYSE:TSS)
Convergys Corp. (NYSE:CVG)	ManTech International Corp. (NasdaqGS:MANT)	Visa, Inc. (NYSE:V)
Fidelity National Information Services, Inc. (NYSE:FIS)	Mastercard, Inc. (NYSE:MA)	Western Union Co. (NYSE:WU)
	Paychex, Inc. (NasdaqGS:PAYX)	

STRATEGIC BUYERS SEEKING ACQUISITIONS - Q4 2009 ⁽¹⁾

Company	Specifics
Alliance Data Systems Corp. (NYSE:ADS)	Provides data-driven and transaction-based solutions.
Cognizant Technology Solutions Corp. (NasdaqGS:CTSH)	Provides IT consulting and technology and outsourcing services.
Computer Sciences Corp. (NYSE:CSC)	Provides IT professional services and business process outsourcing.
EVERTEC, Inc.; Popular, Inc. (NasdaqGS:BPOP)	Provides financial transaction processing, IT solutions and commercial banking products.
Genpact, Ltd. (NYSE:G)	Provides data processing and outsourced services.
Global Payments, Inc. (NYSE:GPN)	Engages in the management of business processes for companies worldwide.
Hewitt Associates, Inc. (NYSE:HEW)	Provides human resource business process outsourcing and consulting services.
INX, Inc. (NasdaqGM:INXI)	Provides technology infrastructure solutions for enterprise-class organizations.
Lender Processing Services, Inc. (NYSE:LPS)	Provides integrated technology and outsourced services to the mortgage lending industry.
NCL, Inc. (NasdaqGS:NCIT)	Provides IT, engineering and professional services and solutions.
Perot Systems Corp.	Offers infrastructure, applications, business process and IT consulting services.
SAIC, Inc. (NYSE:SAI)	Provides systems integration and technical services and solutions.
TeleTech Holdings, Inc. (NasdaqGS:TTEC)	Provides business process outsourcing services focusing on customer and enterprise
Total System Services, Inc. (NYSE:TSS)	Provides electronic payment processing and related transaction services to institutions.
VeriFone Holdings, Inc. (NYSE:PAY)	Designs, markets and services electronic payment solutions.
Visa, Inc. (NYSE:V)	Operates a global retail electronic payments network providing transaction processing
Western Union Co. (NYSE:WU)	Provides money transfer and bill payment services worldwide.

Source: Capital IQ

BPO, TRANSACTION SERVICES & IT CONSULTING M&A DEALS—Q4 2009

BPO, TRANSACTION SERVICES & IT CONSULTING M&A TRANSACTIONS - Q4 2009

Date	Target	Target Business Description	Buyers	Transaction Value (\$mm)	EV (\$mm)	EV / Revenue	EV / EBITDA
12/31/2009	American Processing Co., LLC	Provides mortgage default processing services to law firms.	Dolan APC, LLC	\$10.6	\$132.1	N/A	N/A
12/31/2009	Marketware Technologies, Inc.	Holds various procurement contracts to help facilitate local government information technology needs.	INX, Inc. (NasdaqGM:INXI)	\$2.3	\$2.3	.4x	N/A
12/31/2009	Techies IT	Operates as an IT consulting firm.	Loffler Companies, Inc.	\$2.0	\$2.0	1.0x	N/A
12/30/2009	Burton Group, Inc.	Provides IT research, advisory, and consulting services.	Gartner, Inc. (NYSE:IT)	\$56.0	\$56.0	N/A	N/A
12/21/2009	CMI Technologies, LLC	Provides IT consulting and managed services.	OSF Global Services, Inc.	N/A	N/A	N/A	N/A
12/22/2009	Synetrix Holdings, Ltd.	Engages in the design and integration of data and audio-visual applications.	Capita Group, plc	\$120.5	\$75.0	N/A	N/A
12/21/2009	Venexus, Inc.	Develops and integrates solutions for the business processes of businesses.	VivoWare, Inc.	N/A	N/A	N/A	N/A
12/18/2009	Sensor Technologies, Inc.	Provides IT services and solutions to the D.O.D. government and commercial sectors.	ManTech International Corp. (NasdaqGS:MANT)	\$242.0	\$242.0	N/A	N/A
12/14/2009	7ticks, LLC	Provides electronic trading networks, and consulting services.	Interactive Data Corp.	\$51.2	\$51.2	N/A	N/A
12/03/2009	LeverPoint, LLC	Provides software product development and outsourcing solutions.	Three Pillar Software, Inc.	N/A	N/A	N/A	N/A
12/01/2009	Jacob & Sundstrom, Inc.	Provides IT services and solutions.	ICF International, Inc.	N/A	N/A	N/A	N/A
11/23/2009	Intuit Real Estate Solutions, Inc.	Offers business management solutions to the property management and corporate real estate industries worldwide.	Vista Equity Partners	\$128.0	\$128.0	1.7x	N/A
11/18/2009	Netfabric Technologies, Inc.	Provides IT products and services.	Fortify Infrastructure Services, Inc.	N/A	N/A	N/A	N/A
11/17/2009	Adesta, LLC and Adesta, LP	Engages in the design, construction, and maintenance of integrated networks.	G4S Technology North America	\$66.0	\$66.0	.7x	N/A
11/13/2009	CRi Business Solutions	Provides technology consulting and software implementation services.	Blytheco, LLC	N/A	N/A	N/A	N/A
11/12/2009	DS3 DataVaulting, LLC	Provides offsite and online data backup and restore, disaster recovery and compliance services.	Terremark Worldwide, Inc. (NasdaqGM:TRMK)	\$11.5	\$11.5	1.9x	7.7x
11/09/2009	Datatel, Inc.	Provides administrative and academic software systems and professional services to colleges and universities.	Hellman & Friedman, LLC; JMI Equity	\$570.0	\$570.0	N/A	N/A
11/09/2009	Information Services Group, Inc. (NasdaqGM:III)	Operates as a fact-based sourcing advisory firm specializing in the assessment, evaluation, negotiation, and management of service contracts.	CEO and CFO acquired an additional 1.4% stake in their company.	\$1.4	\$133.6	1.0x	7.0x
11/08/2009	TASC, Inc.	Provides information technology solutions for government and businesses internationally.	General Atlantic LLC; Kohlberg Kravis Roberts & Co.	\$1,650.0	\$1,650.0	1.0x	N/A
11/06/2009	RS Computer Associates, LLC	A consulting company, providing enterprise document imaging, content management and workflow automation solutions.	Jeskell, Inc.	N/A	N/A	N/A	N/A
11/02/2009	DiscoverReady, LLC	A discovery management services company that out sources document review to law firms and legal departments.	Dolan Media Co. (NYSE:DM)	\$31.9	\$37.0	N/A	N/A
10/30/2009	PlanGraphics, Inc.	Provides various services in the design and implementation of information technology in the public and commercial sectors.	PlanGraphics, Inc. (OTCBB:PGRA)	N/A	N/A	N/A	N/A
10/29/2009	Leading Edge Design & Systems, Inc.	Provides systems engineering, multimedia, systems integration and IT services.	KEYW Corp.	\$8.0	\$8.0	N/A	N/A
10/26/2009	ReferenceDataFactory, LLC	Provides reference data management solutions to financial services organizations.	First Derivatives, plc (AIM:FDP)	\$9.8	\$9.8	N/A	N/A
10/21/2009	Incentra, LLC, Reseller Business	Offers consulting, technology and customer support services.	Datalink Corp. (NasdaqGM:DTLK)	\$8.8	\$8.8	N/A	N/A
10/16/2009	Gresham Storage Solutions	Comprises intellectual property rights and related assets which offers backup virtualization solution.	Tributary Systems, Inc.	\$3.2	\$3.2	12.8x	N/A
10/13/2009	TelecoTech Corp.	Offers IT consulting and support services.	IJJ Corp. (OTCPK:IJJP)	N/A	N/A	N/A	N/A
10/08/2009	Active Data Services, Inc.	Operates as a business process outsourcing company.	Diversified Information Technologies, Inc.	N/A	N/A	N/A	N/A
10/01/2009	VeriSign Inc., Global Security Consulting Business	Provides IT consulting services with relations to industry security compliance requirements.	AT&T, Inc. (NYSE:T)	\$4.9	\$4.9	N/A	N/A
10/01/2009	Cross Telecom Corp.	Offers enterprise data networking services for virtualization of data centers.	Datalink Corp. (NasdaqGM:DTLK)	\$2.0	\$2.0	N/A	N/A
10/01/2009	ATEC Group	Provides consulting, design, procurement, implementation and support services.	GSS America Infotech, Ltd.	N/A	N/A	N/A	N/A

“EV” = Enterprise Value. “EBITDA” = Earnings Before Interest, Taxes, Depreciation and Amortization.

Source: Capital IQ.

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HYDE PARK CAPITAL RECENT BUSINESS SERVICES TRANSACTIONS

**Network System
Integration &
Value Added Reseller**

Name withheld for confidentiality

Sell-Side M&A



Property & Casualty
Insurance Company

*Lauderdale Lakes, FL
Financial Advisory to
Board of Directors*



Identity Security
Company

*Delray Beach, FL
Merger with VeriChip
Fairness Opinion*



Lawn & Pest Control
Company

*Deerfield Beach, FL
Sale to Massey Services
Fairness Opinion*



HR Software &
Services

*Orlando, FL
Recapitalization by
Atlanta Equity Investors*



HR Software &
Services

*Orlando, FL
Purchase of Sage
Compliance Services, Inc.*



Top 25 U.S.
Professional Employer
Organization

*Bradenton, FL
Sale to CoAdvantage, Inc.*



Permanent Placement
Agency Specializing in
Military Veterans

*Raleigh, NC
Sale to Centre Partners
Management, LLC*

HYDE PARK CAPITAL ADVISORS, LLC is an institutionally focused investment banking firm serving the corporate finance needs of companies typically operating in the healthcare and business services industries and most often located in Florida and the Southeastern United States. Our principals have extensive investment banking experience executing merger & acquisition engagements, including purchase and sale of company assignments, recapitalizations, financial advisory, fairness opinions and raising growth capital and acquisition financing for companies, including equity, mezzanine and senior debt. We pride ourselves on our professional representation of both middle market public companies and family owned and entrepreneurial driven large private companies. As one of the most active investment banking firms in the Southeast, our professionals have advised on more than 300 corporate investment banking transactions totaling more than \$10 billion in transaction value. We are headquartered in Tampa, Florida and are a member of FINRA and SIPC.

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