

STRICTLY CONFIDENTIAL

## Project Napa

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MOELIS & COMPANY

Update Materials for the Special Committee of the Board of Directors

June 8, 2016



# Update

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			Current (6/7/2016)	Orlando Proposal (6/1/2016)	Napa Illustrative Share Price				Napa Response (6/6/2016)	Selected Public SaaS Companies	Selected Precedent Transactions <sup>1</sup>
(\$ in millions, except per share data)			\$84.79	\$100.00	\$105.00	\$110.00	\$115.00	\$120.00	\$125.00	Median	Median
<b>Premiums</b>	<b>Date</b>	<b>Statistic</b>									
% Current	6/7/16	\$84.79	--	17.9%	23.8%	29.7%	35.6%	41.5%	47.4%		34.7%
% 1-Month Prior Average	5/7/16	79.24	7.0%	26.2%	32.5%	38.8%	45.1%	51.4%	57.7%		45.4%
% 1-Year Prior Average	6/7/15	81.18	4.5%	23.2%	29.3%	35.5%	41.7%	47.8%	54.0%		42.1%
Discount to 52-Week High	7/24/15	102.46	(17.2%)	(2.4%)	2.5%	7.4%	12.2%	17.1%	22.0%		10.1%
Premium to 52-Week Low	2/16/16	51.75	63.8%	93.2%	102.9%	112.6%	122.2%	131.9%	141.5%		105.5%
Fully Diluted Shares Outstanding			83,869	86,166	85,916	85,760	85,599	88,104	88,014		
<b>Implied Equity Value</b>			<b>\$7,111.2</b>	<b>\$8,616.6</b>	<b>\$9,021.1</b>	<b>\$9,433.6</b>	<b>\$9,843.9</b>	<b>\$10,572.5</b>	<b>\$11,001.7</b>		
Plus: Debt <sup>2</sup>			\$315.2	\$315.2	\$315.2	\$315.2	\$315.2	\$5.2	\$5.2		
Less: Cash			(387.3)	(387.3)	(387.3)	(387.3)	(387.3)	(387.3)	(387.3)		
<b>Implied Enterprise Value</b>			<b>\$7,039.1</b>	<b>\$8,544.5</b>	<b>\$8,949.0</b>	<b>\$9,361.5</b>	<b>\$9,771.8</b>	<b>\$10,190.4</b>	<b>\$10,619.7</b>		
<b>Financial Multiples:</b>		<b>Statistic</b>									
<u>Reported</u>											
TEV / Revenue - LTM (3/31/16)		\$792.9	8.9x	10.8x	11.3x	11.8x	12.3x	12.9x	13.4x		9.2x
<u>Wall Street Consensus</u>											
TEV / Revenue - CY2016E		\$966.8	7.3x	8.8x	9.3x	9.7x	10.1x	10.5x	11.0x	8.3x	
TEV / Revenue - NTM (3/31/17) <sup>3</sup>		1,028.2	6.8x	8.3x	8.7x	9.1x	9.5x	9.9x	10.3x	7.7x	8.0x
TEV / Revenue - CY2017E		1,226.3	5.7x	7.0x	7.3x	7.6x	8.0x	8.3x	8.7x	6.5x	

Source: Capital IQ, Napa and Selected Public SaaS Companies' Filings, Wall Street Research

1. Selected Precedent Transactions premiums represent premiums to 1-day prior, 1-month, 1-year average stock price, 1-year high, and 1-year low stock prices prior to deal announcement, respectively
2. Assumes conversion of \$310mm of convertible debt at prices above \$116.10/share. Assumes additional make whole shares related to convertible debt at CIC
3. NTM represents fiscal quarter ending March 31 for Napa, and Wall Street projections for next four fiscal quarters ended for Selected Public SaaS Companies

[1]

## Selected Public SaaS Companies

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As of June 7, 2016												
(\$ in millions)	Enterprise Value	Revenue		Gross Margin	EBITDA Margin	LT Growth Rate	Enterprise Value /			Enterprise Value /		
		CY'16E	'15A-'16E				'16E-'17E	Revenue	Revenue	EBITDA <sup>1</sup>	EBITDA <sup>1</sup>	
							LTM	CY'16E	CY'17E	CY'16E	CY'17E	
<b>Selected Public SaaS Companies</b>												
salesforce.com, inc.	\$59,103	\$8,279	24.2%	20.1%	76.9%	19.6%	29.9%	8.4x	7.1x	5.9x	36.5x	29.0x
Workday, Inc.	16,491	1,554	33.7%	30.7%	71.9%	8.5%	38.3%	13.1x	10.6x	8.1x	n/m	n/m
ServiceNow, Inc.	13,592	1,370	36.3%	30.2%	75.0%	17.9%	45.9%	12.4x	9.9x	7.6x	n/m	35.4x
Palo Alto Networks, Inc.	13,172	1,583	25.5%	31.5%	77.4%	21.7%	43.7%	10.4x	8.3x	6.3x	38.4x	26.1x
Splunk, Inc.	7,964	897	34.2%	28.4%	85.8%	8.2%	50.0%	11.9x	8.9x	6.9x	n/m	n/m
The Ultimate Software Group, Inc.	6,126	779	26.1%	21.9%	63.3%	24.9%	23.3%	9.3x	7.9x	6.5x	31.6x	25.5x
Cornerstone OnDemand, Inc.	2,547	432	27.3%	23.9%	72.2%	7.7%	20.0%	7.0x	5.9x	4.8x	n/m	47.3x
<b>Overall Mean</b>		<b>\$2,128</b>	<b>29.6%</b>	<b>26.7%</b>	<b>74.6%</b>	<b>15.5%</b>	<b>35.9%</b>	<b>10.4x</b>	<b>8.4x</b>	<b>6.6x</b>	<b>35.5x</b>	<b>32.7x</b>
<b>Overall Median</b>		<b>1,370</b>	<b>27.3%</b>	<b>28.4%</b>	<b>75.0%</b>	<b>17.9%</b>	<b>38.3%</b>	<b>10.4x</b>	<b>8.3x</b>	<b>6.5x</b>	<b>36.5x</b>	<b>29.0x</b>
<b>Napa (Wall Street)</b>	<b>\$7,039</b>	<b>\$967</b>	<b>30.4%</b>	<b>26.8%</b>	<b>69.8%</b>	<b>8.0%</b>	<b>44.4%</b>	<b>8.9x</b>	<b>7.3x</b>	<b>5.7x</b>	<b>n/m</b>	<b>n/m</b>

Source: Capital IQ, Napa and Selected Public SaaS Company Filings  
 Note: All years represent calendar years  
 1. EBITDA multiples above 50x are shown as "n/m"

[2]

## Selected Precedent Transactions

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Date Announced	Target	Acquiror	Form of Consideration	LTM Revenue <sup>1</sup>	LTM to NTM Revenue Growth <sup>2</sup>	Implied TEV	Implied TEV to		
							LTM Revenue	NTM Revenue	
06/01/16	Demandware, Inc.	salesforce.com, inc.	Cash	\$254	26.0%	\$2,788	11.0x	8.7x	
10/21/15	SolarWinds, Inc.	Silver Lake; Thoma Bravo, LLC	Cash	486	14.0%	4,446	9.2x	8.0x	
12/22/14	DataLogix Holdings, Inc. <sup>3</sup>	Oracle Corporation	Cash	103	39.4%	1,189	11.6x	8.3x	
09/18/14	Concur Technologies, Inc.	SAP America, Inc.	Cash	668	21.2%	8,592	12.9x	10.6x	
06/13/14	OpenTable, Inc.	The Priceline Group Inc.	Cash	198	19.0%	2,570	13.0x	10.9x	
12/20/13	Responsys, Inc.	Oracle Corporation	Cash	194	17.5%	1,457	7.5x	6.4x	
06/04/13	ExactTarget, Inc.	salesforce.com, inc.	Cash	317	23.9%	2,539	8.0x	6.5x	
12/20/12	Eloqua, Inc.	Oracle Corporation	Cash	90	19.4%	872	9.7x	8.1x	
08/27/12	Kenexa Corp.	IBM	Cash	318	25.0%	1,298	4.1x	3.3x	
05/22/12	Ariba Inc.	SAP America, Inc.	Cash	502	13.3%	4,411	8.8x	7.8x	
02/09/12	Taleo Corp.	Oracle Corporation	Cash	309	18.3%	1,942	6.3x	5.3x	
12/03/11	SuccessFactors, Inc.	SAP America, Inc.	Cash	292	37.9%	3,571	12.2x	8.9x	
10/24/11	Rightnow Technologies, Inc.	Oracle Corporation	Cash	216	14.1%	1,606	7.4x	6.5x	
<b>Average</b>						<b>22.3%</b>		<b>9.3x</b>	<b>7.6x</b>
<b>Median</b>						<b>19.4%</b>		<b>9.2x</b>	<b>8.0x</b>
<b>Napa <sup>4</sup></b>				<b>\$793</b>	<b>29.7%</b>	<b>\$7,039</b>	<b>8.9x</b>	<b>6.8x</b>	

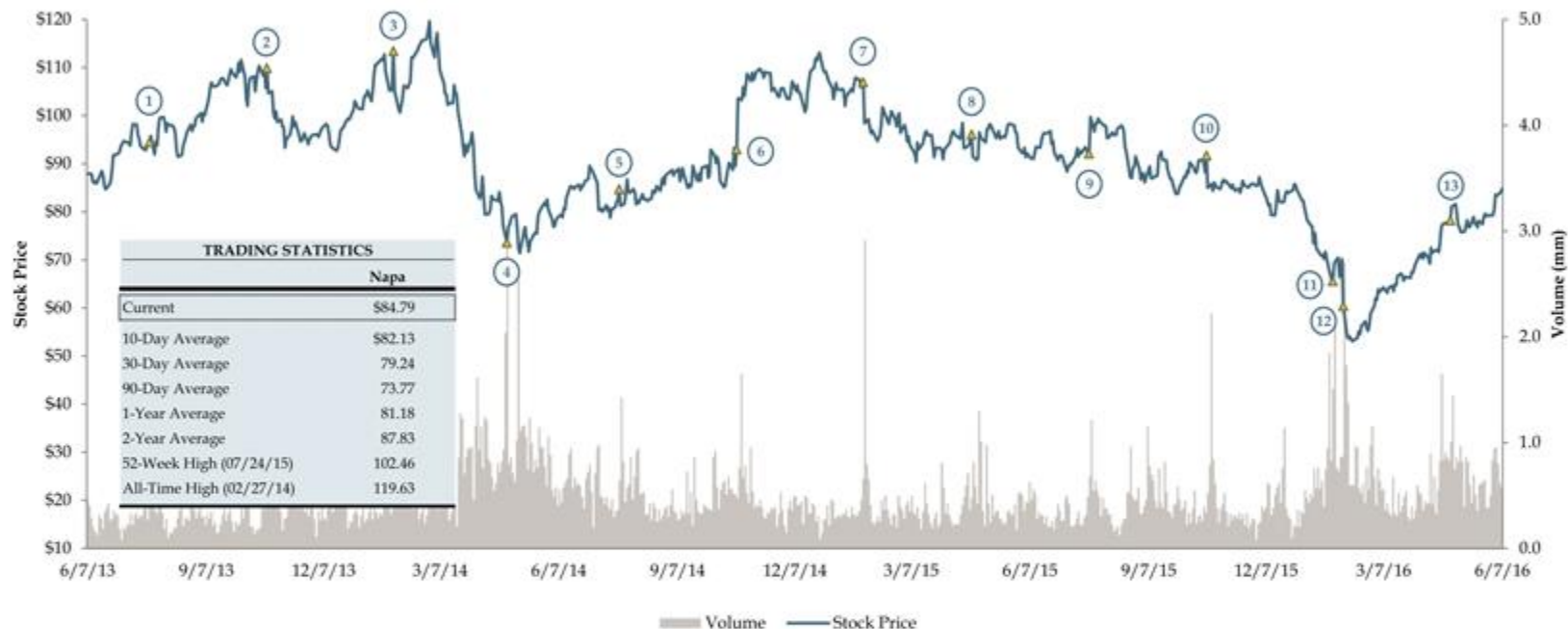
Sources: Capital IQ, Target and Acquiror Filings, Wall Street Research

1. LTM revenue for precedent transactions represents the revenue in the four fiscal quarters prior to the transaction
2. NTM revenue for precedent transactions represents forecasted revenue for the four fiscal quarters following the transaction
3. DataLogix Holdings, Inc. financial information was provided by Orlando Management, as DataLogix Holdings, Inc. was private at the time of transaction
4. LTM revenue as of 3/31/16, NTM revenue as of 3/31/17 per Wall Street Research

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## Napa Annotated 3-Year Share Price Performance

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1 **July 25, 2013:** Announces Second Quarter 2013 Financial Results (beat analyst revenue expectations)

2 **October 24, 2013:** Announces Third Quarter 2013 Financial Results (beat analyst revenue expectations)

3 **January 30, 2014:** Announces Fourth Quarter and Fiscal 2013 Financial Results (beat analyst revenue expectations)

4 **April 28, 2014:** Announces First Quarter 2014 Financial Results (beat analyst revenue expectations)

5 **July 24, 2014:** Announces Second Quarter 2014 Financial Results (beat analyst revenue expectations)

6 **October 23, 2014:** Announces Third Quarter 2014 Financial Results (beat analyst revenue expectations)

7 **January 29, 2015:** Announces Fourth Quarter and Fiscal 2014 Financial Results (beat analyst revenue expectations)

8 **April 23, 2015:** Announces First Quarter 2015 Financial Results (beat analyst revenue expectations); Signs Definitive Agreement to Acquire Bronto Software

9 **July 23, 2015:** Announces Second Quarter 2015 Financial Results (beat analyst revenue expectations); Appoints Jim McGeever as President

10 **October 22, 2015:** Announces Third Quarter 2015 Financial Results (missed analyst revenue expectations)

11 **January 28, 2016:** Announces Fourth Quarter and Fiscal 2015 Financial Results (beat analyst revenue expectations)

12 **February 5, 2016:** Cloud-Based Shares Drop Following Tableau's Forecasted Industry Softness

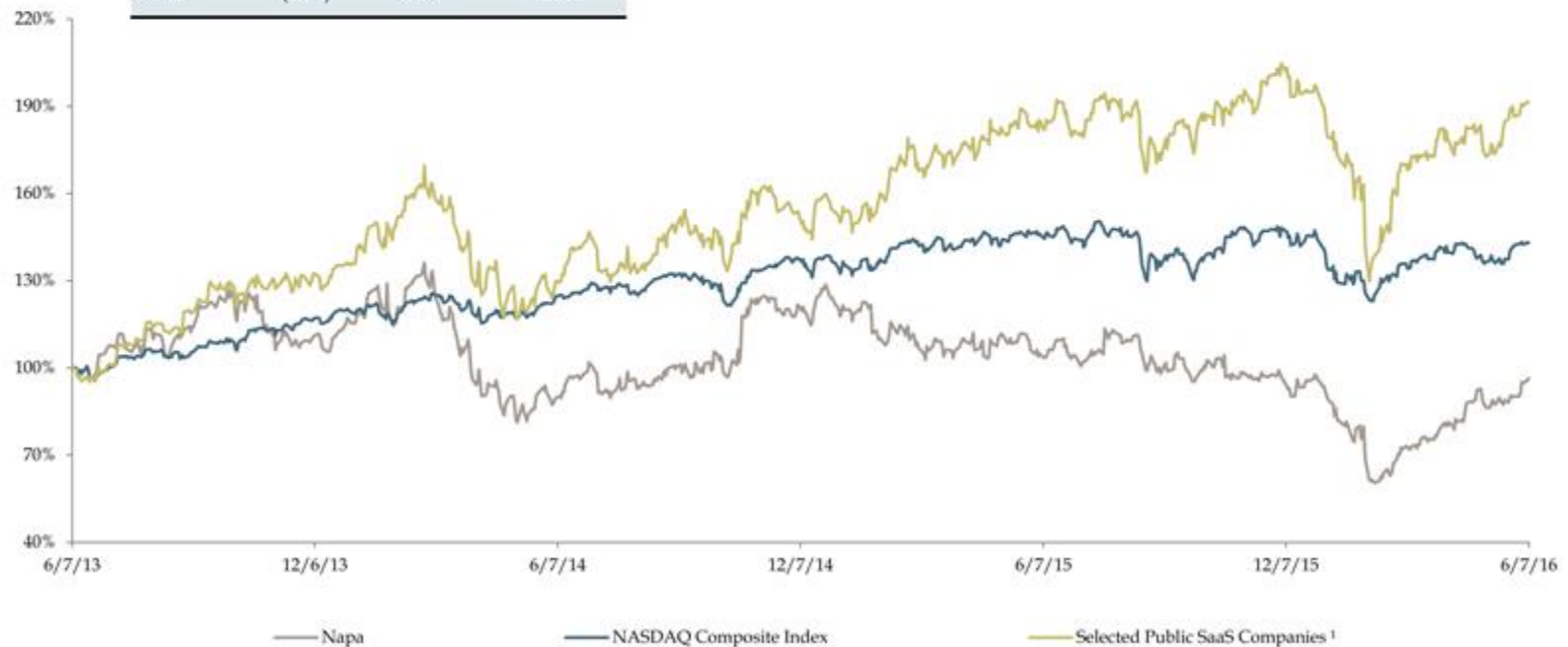
13 **April 28, 2016:** Announces First Quarter 2016 Financial Results (beat analyst revenue expectations)

Source: Napa Website, Capital IQ  
 Note: All information on Napa based solely on publicly available information; data as of 6/7/16

## 3-Year Relative Share Price Trading

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TRADING GAIN / LOSS			
	Napa	NASDAQ	Selected Public SaaS Companies
1-Month	11.7%	4.5%	10.1%
3-Month	32.9%	6.7%	13.9%
6-Month	2.8%	(2.7%)	(5.8%)
1-Year	(6.9%)	(1.2%)	5.1%
2-Year	6.8%	14.4%	47.9%
3-Year	(3.5%)	43.0%	91.4%



Source: Capital IQ

Note: All information on Napa based solely on publicly available information; data as of 6/7/16

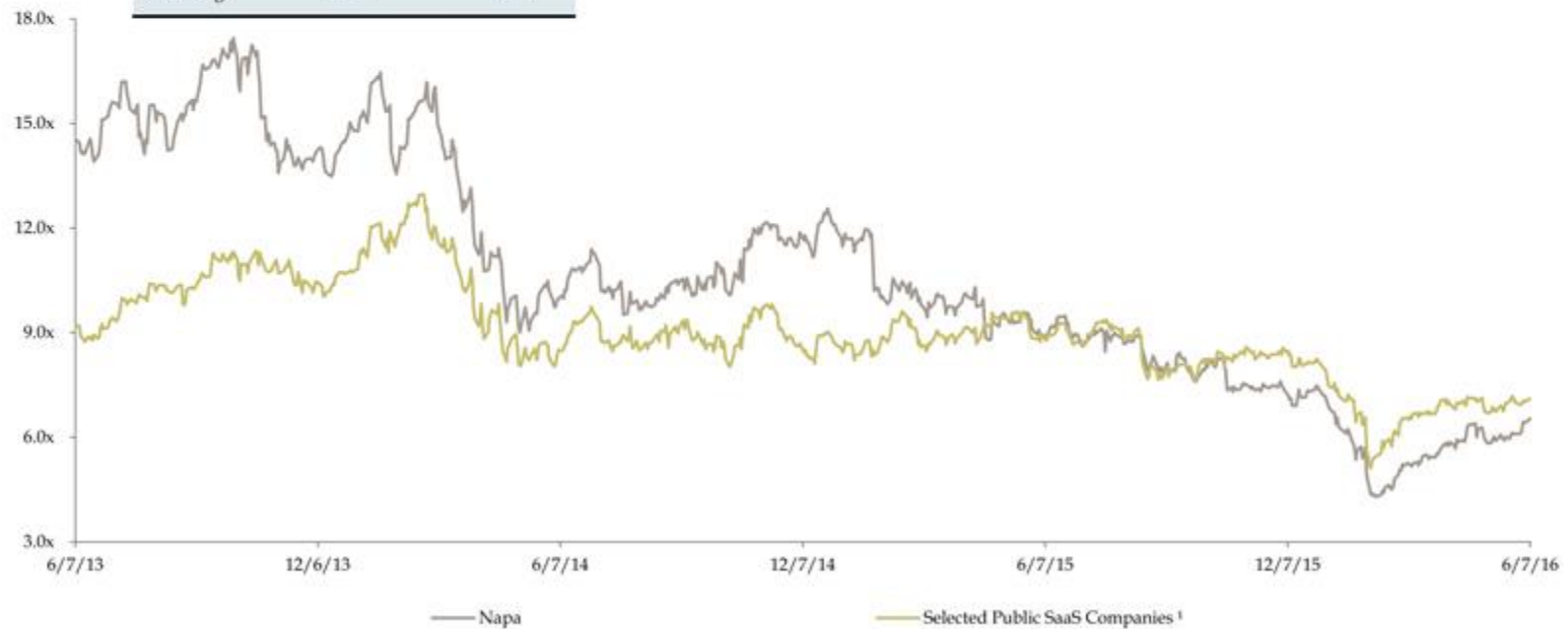
1. Weighted by market capitalization; selected companies consist of Cornerstone OnDemand, Palo Alto Networks, Salesforce.com, ServiceNow, Splunk, Ultimate Software, and Workday, Inc.

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## 3-Year Relative EV / Forward Revenue Multiple Trading

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SUMMARY AVERAGE STATISTICS		
	Napa	Selected Public SaaS Companies
1-Month Avg.	6.1x	6.9x
3-Month Avg.	5.9x	6.9x
6-Month Avg.	5.9x	6.9x
1-Year Avg.	7.1x	7.7x
2-Year Avg.	8.8x	8.3x
3-Year Avg.	10.6x	9.0x



Source: Capital IQ

Note: All information on Napa based solely on publicly available information; data as of 6/7/16

1. Weighted by market capitalization; selected companies consist of Cornerstone OnDemand, Palo Alto Networks, Salesforce.com, ServiceNow, Splunk, Ultimate Software, and Workday, Inc.

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## Contact Information

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MOELIS & COMPANY

Moelis & Company LLC is a U.S.-registered broker dealer and a member of FINRA & SIPC.

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