

## December 2009 - Monthly Briefing

14<sup>th</sup> January 2010

### TMT Acquisitions Bring a Stable End to 2009 – Which way will they head in 2010?

Although we cannot directly answer the question above, we can line up the best team to give guidance on the year ahead. On Thursday 4<sup>th</sup> February 2010 at the Lancaster Hotel in London come and listen to:-

**Paul Walker**, CEO of Sage,  
**Andy Green**, CEO of Logica,  
**Ben Verwaayen**, CEO of Alcatel-Lucent,  
**Simone Brunozi**, Head of Web Services at Amazon.com,  
**Jon Moulton**, formerly of Alchemy Partners and now of Better Capital,  
**Paul Robinson**, the Barclays Commercial Economist,  
**Steve Prentice**, the Gartner Group Fellow,  
**Anthony Miller**, MD of TechMarketView  
**Peter Rowell**, Chairman of Regent Partners International

Being an election year, we have the BBC's Political Correspondent, **Nick Robinson**, to chair the event and keep everything in order. For details on the Regent Conference visit our website ([www.regent.com](http://www.regent.com)) or the conference organiser Intellect ([www.intellectuk.org](http://www.intellectuk.org)). To book your place please contact Tina Compton on +44 (0)20 7331 2011, [tina.compton@intellectuk.org](mailto:tina.compton@intellectuk.org).

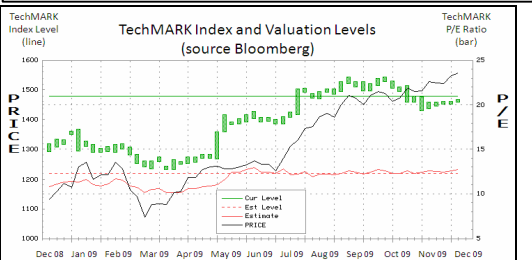
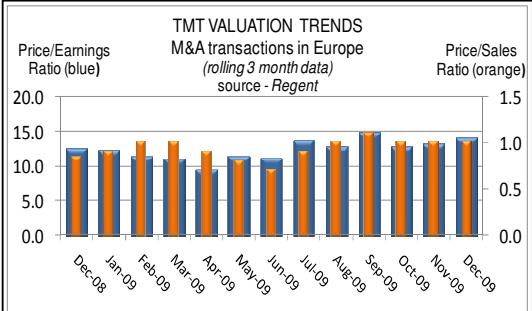
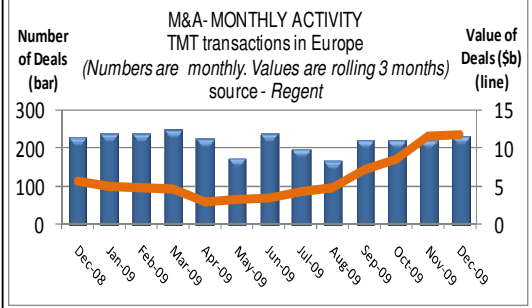
There are signs that the banking sector is coming back to life. Temenos, the Swiss-based provider of integrated core banking systems, announced a definitive agreement to acquire Viveo Group, the French market leader in the sector. The price of the acquisition is \$81m, which equates to approximately 3.8 times 2010 expected maintenance revenues. Established in 1983, Viveo Group serves over 750 financial institutions in more than 35 countries, with more than 400 customers in France, and has around 410 employees. Of Viveo's total client base, around 350 customers use its core banking software including BNP Paribas, Société Générale and Crédit Agricole.

In the UK there were two stand-out deals. Capita maintained its very steady and successful approach to acquisitions by buying Synetrix from Apax Partners and the management for a cash consideration of £75m. Synetrix is a provider of ICT application and communications solutions to both public and private sector organisations. Synetrix specialises in the design, development, integration and deployment of converged networks, hosted application solutions, managed security solutions and software platforms. Synetrix is forecasting an operating profit for the year to 30 June 2010 of £10.9m on a turnover of £73.7m.

Meanwhile the highly innovative but troubled Spinvox lost its battle for independence after it was acquired by US-based Nuance Comms. SpinVox, is a leading provider of voice-to-text services to telecom companies. The deal occurs at a time when the estimated number of operational voicemail boxes in the world passes 1bn, and consumer and corporate activity now generate over 150bn voicemails a year. Under the terms of the agreement, consideration for the transaction is approximately \$102.5m.

#### REGENT's view of the month

The one thing we have been seeking in the TMT acquisition business for 18 months is stability – a sensible balance between buyers and sellers. At last we seem to have achieved that situation. Deal flow and valuation multiples have been quite consistent over the course of the final quarter of 2009. One measure of excitement or caution, depending whether you are a buyer or seller, is that spot PE ratios (as compared to the rolling PEs below) jumped to 18.6 in Dec – the highest level since July 2008.



Peter Rowell  
Chairman  
[prowell@regent.com](mailto:prowell@regent.com)

James Calvert  
Chief Executive  
[jcalvert@regent.com](mailto:jcalvert@regent.com)

Mads Kunov  
Partner  
[mkunov@regent.com](mailto:mkunov@regent.com)

Dr David Scurr  
Research Director  
[dscurr@regent.com](mailto:dscurr@regent.com)