QuEST

Quarterly Evaluation of SaaS Trends

PRESENTED BY
GOLUB CAPITAL LATE STAGE LENDING

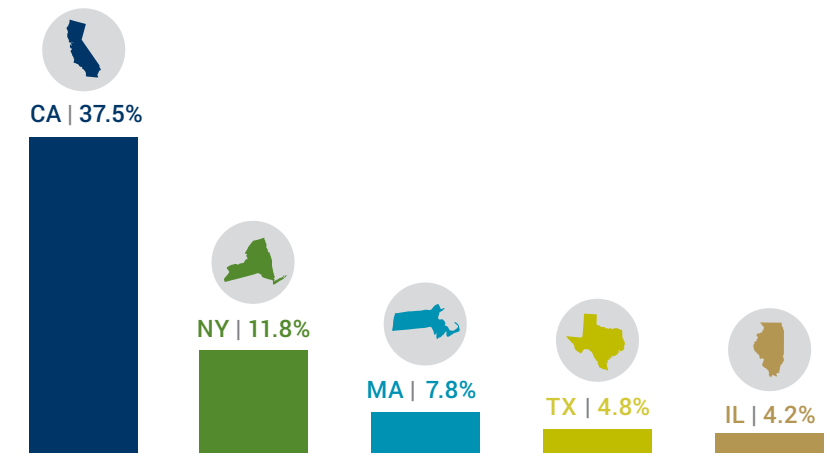
GOLUB CAPITAL

VOL 5: 6.2016

Welcome to the fifth edition of QuEST, which presents valuation and investment trends for SaaS companies. QuEST utilizes data from both private companies and publicly traded companies referred to as the "SaaS Index." The SaaS Index represents the weighted-average movement of the market capitalization for over 60 publicly-traded SaaS companies.

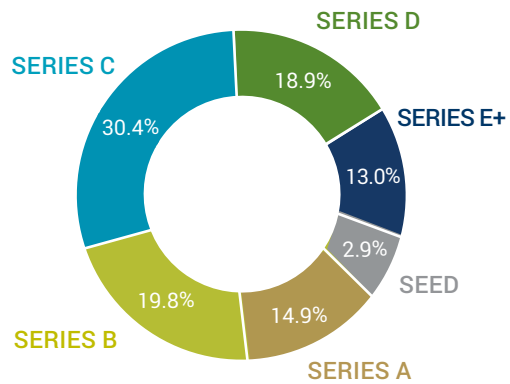
Tell us about other trends we should explore at **LSL@golubcapital.com**.

HIGHEST % OF VENTURE-BACKED SaaS DEALS IN Q1'16



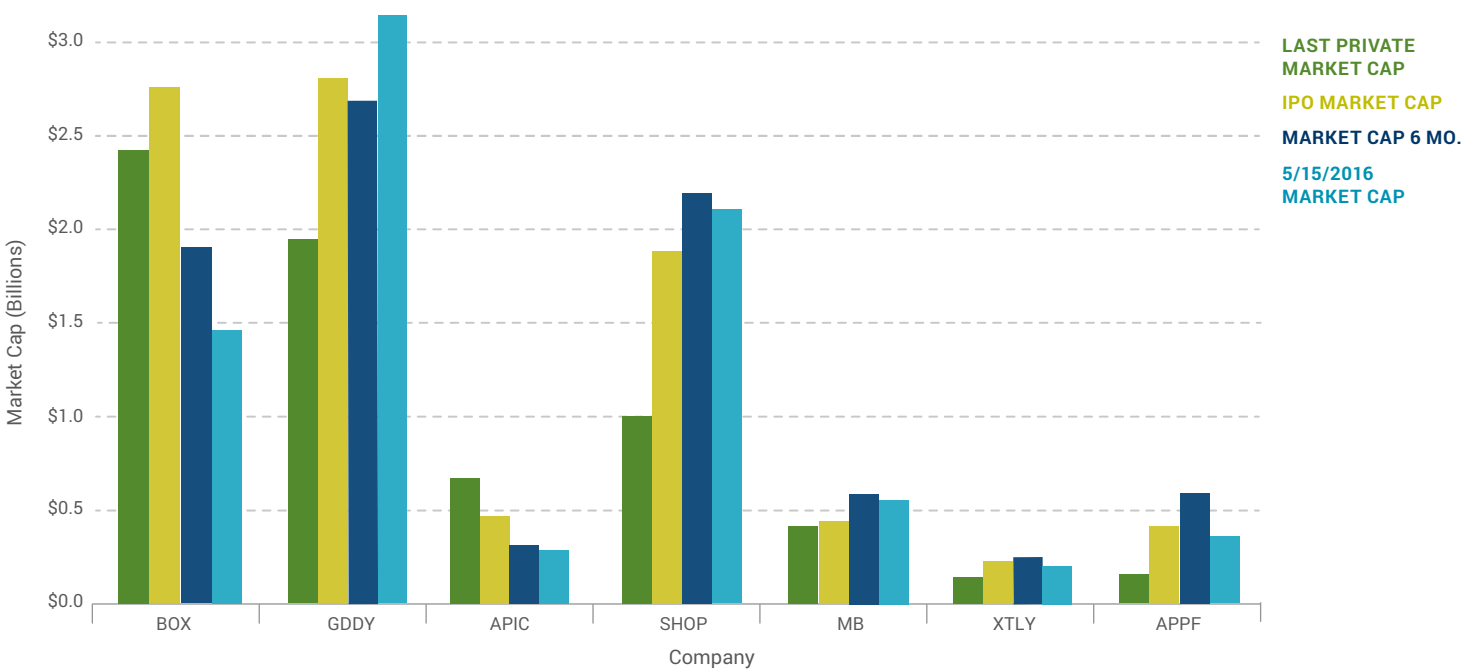
Source: PitchBook

Q1'16 VENTURE-BACKED SaaS COMMITMENT BREAKDOWN



Source: PitchBook

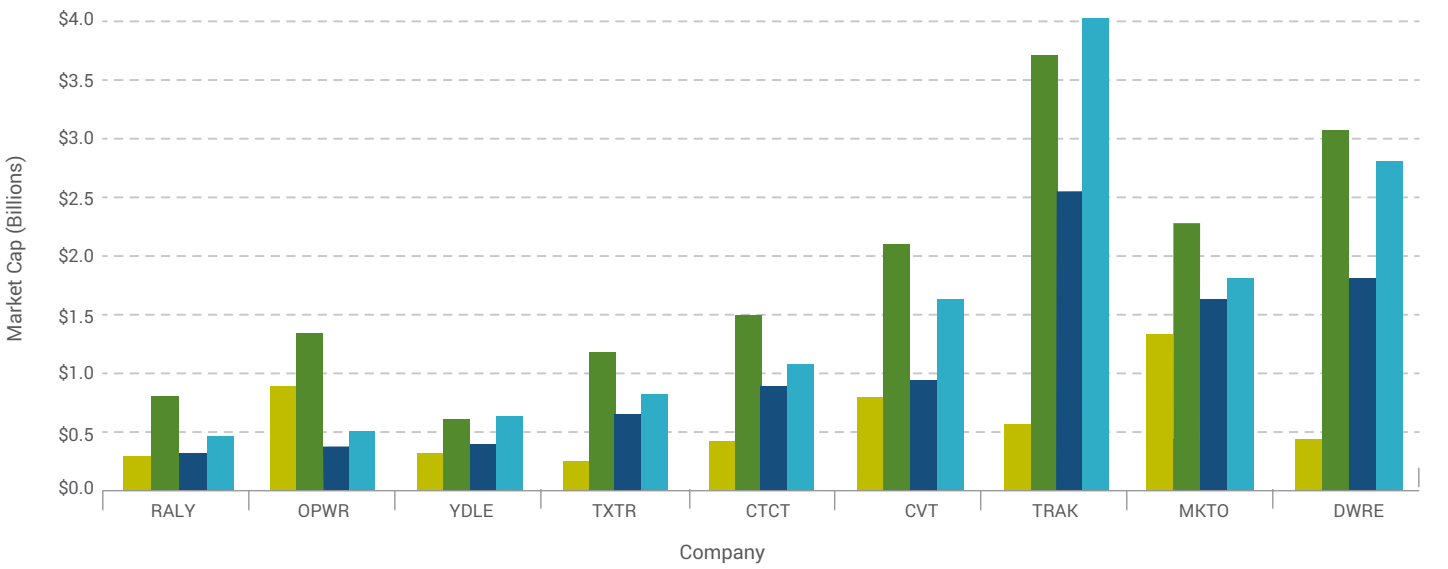
COMPANY MARKET CAP DURING LOCKUP*



** Reflects companies that had an IPO in Q1'15 and Q2'15.*

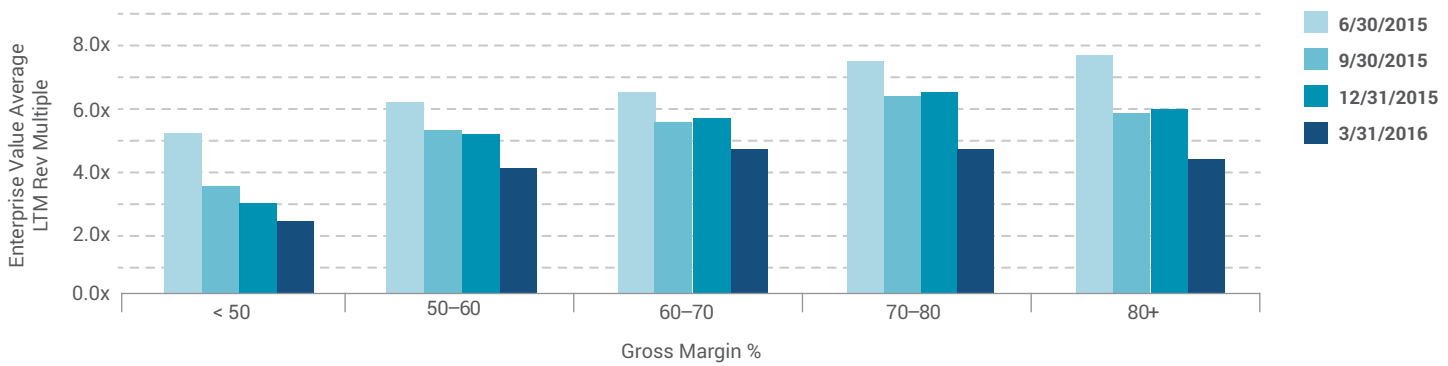
Sources: Sources: CapIQ, PitchBook, SEC Filings
SHOP last private market cap is an estimate by PitchBook

MARKET CAP OF ACQUIRED SaaS INDEX COMPANIES



Sources: CapIQ, PitchBook, SEC Filings

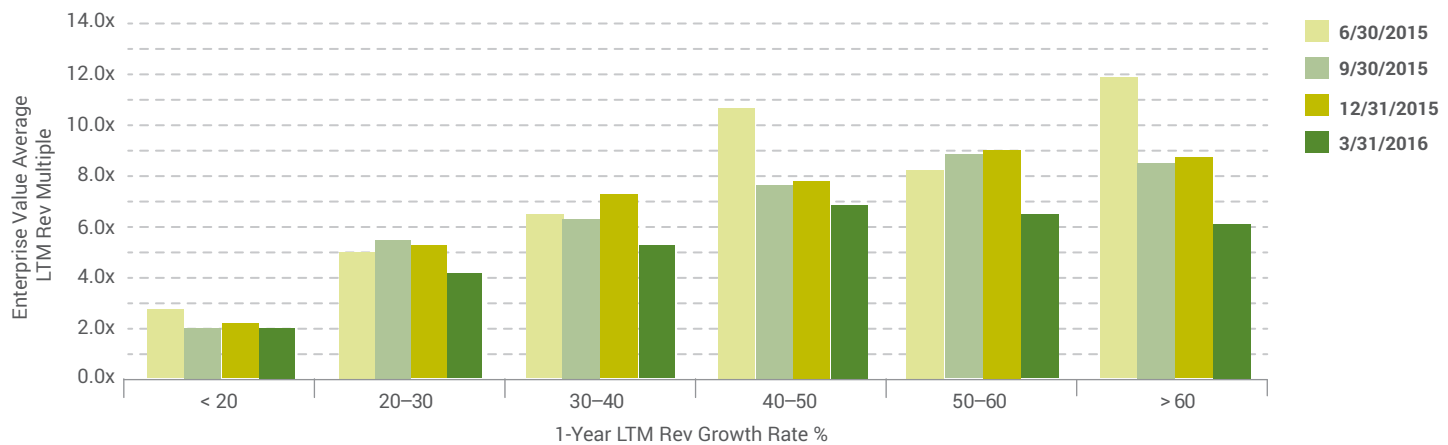
LTM REV MULTIPLE VS. GROSS MARGIN*



** For companies on the SaaS Index from 6/30/2015–3/31/2016.*

Source: CapIQ

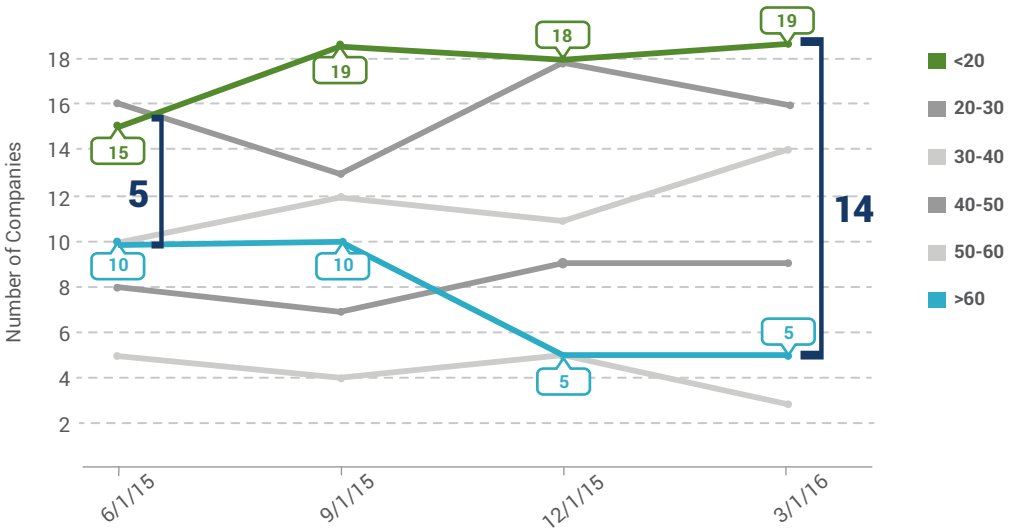
LTM REV MULTIPLE VS. 1-YEAR GROWTH*



** For companies on the SaaS Index 6/30/2015–3/31/2016.*

Source: CapIQ

COMPARISON OF 1 YEAR REV GROWTH RATE CLASSIFICATIONS

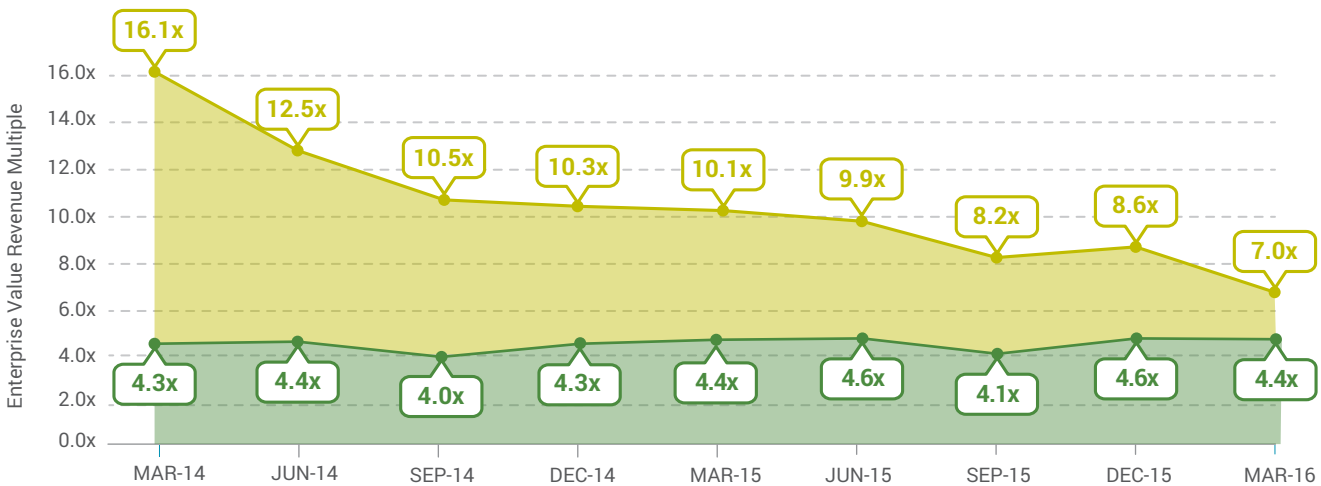


Source: CapIQ

Q1'16 TOTAL CAPITAL INVESTED $5.1 BILLION

Source: PricewaterhouseCoopers MoneyTree

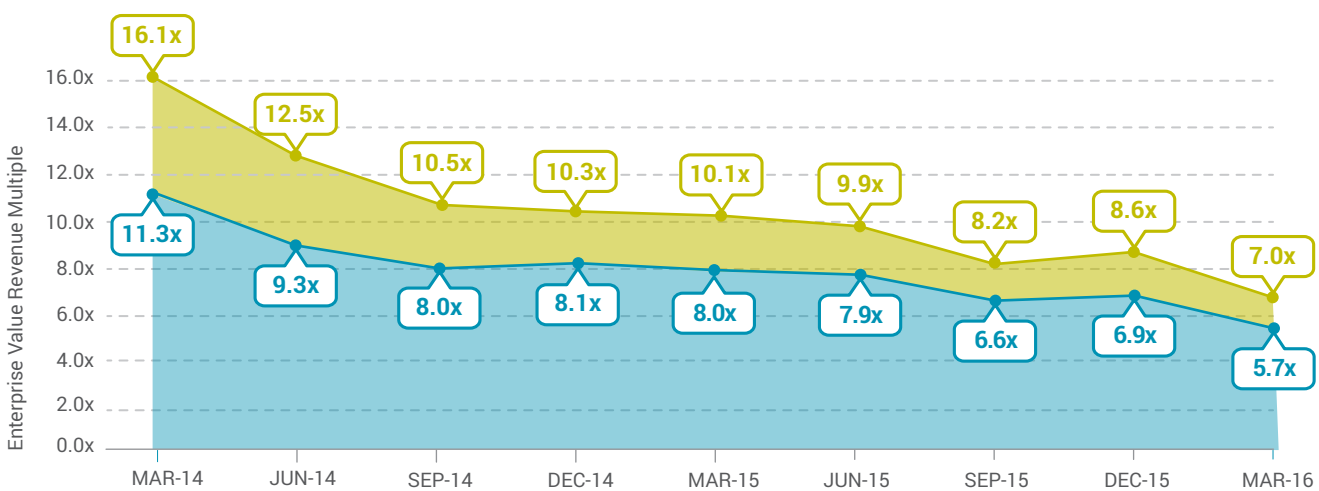
WEIGHTED AVERAGE LTM REVENUE MULTIPLE SaaS VS. OTHER SOFTWARE



** For companies on the SaaS Index and other various software companies from 3/2014–3/2016.*

Source: CapIQ

WEIGHTED AVERAGE LTM REVENUE MULTIPLE VS. WEIGHTED AVERAGE FWD REVENUE MULTIPLE*

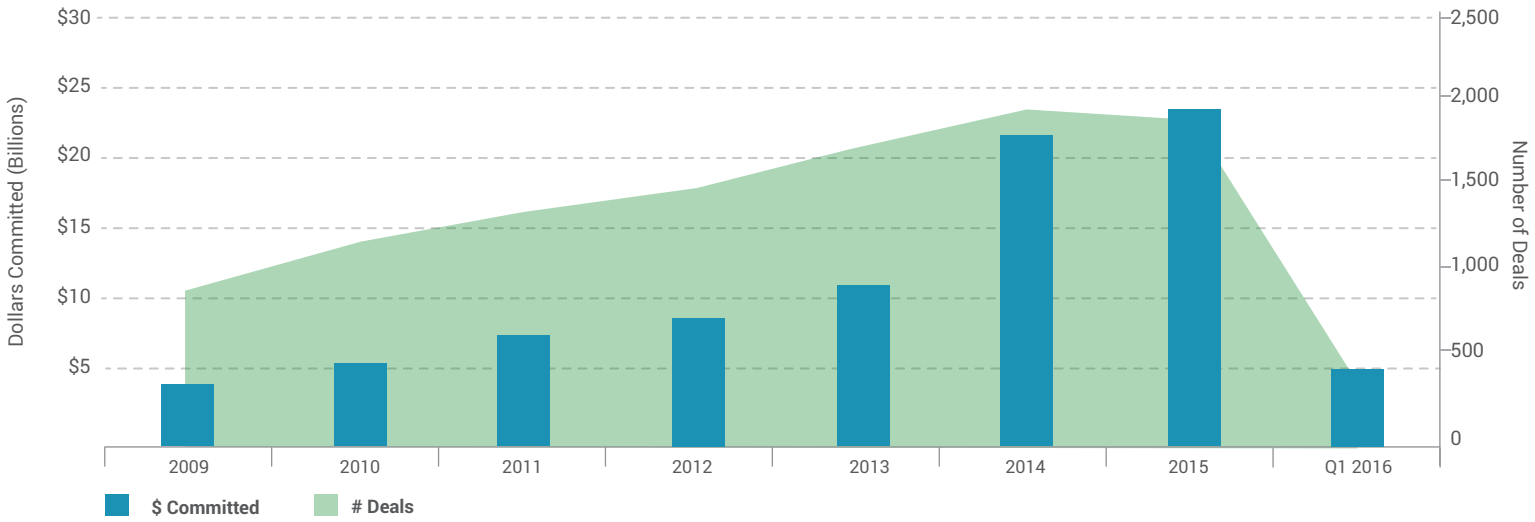


** For companies on the SaaS Index from 3/2014–3/2016.*

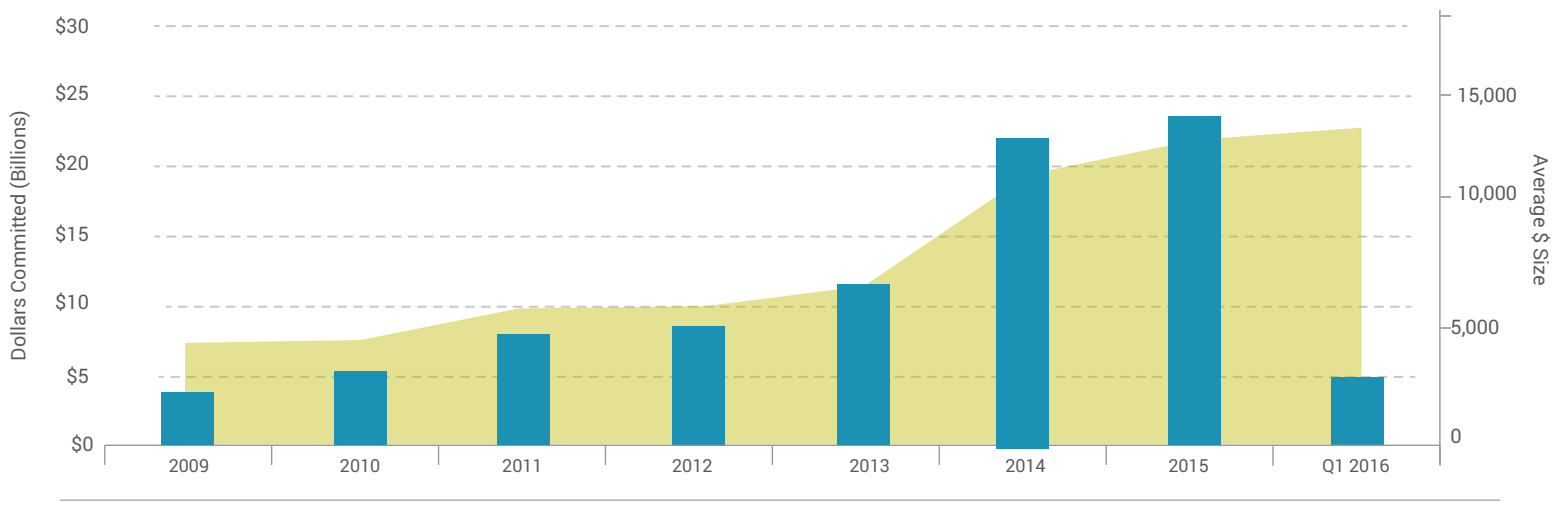
Source: CapIQ

SOFTWARE VENTURE CAPITAL INVESTMENT FROM 2009–2016

DOLLARS COMMITTED VS. NUMBER OF DEALS

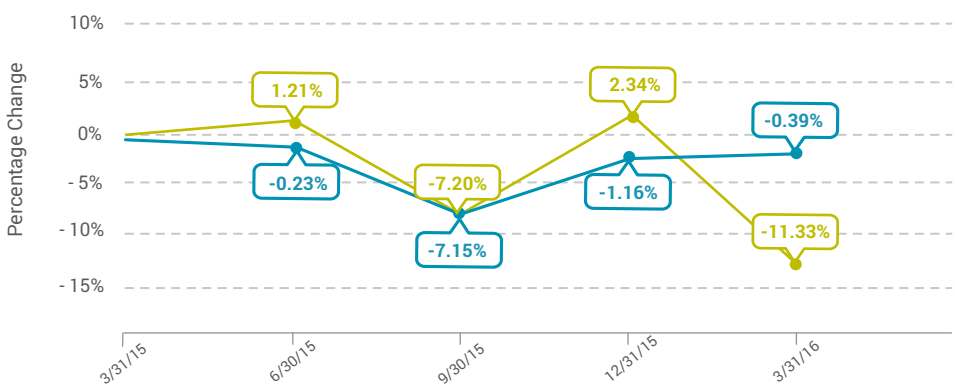


DOLLARS COMMITTED VS. AVERAGE DEAL SIZE



Source: PricewaterhouseCoopers MoneyTree

SaaS INDEX PRICE MOVEMENT* VS. S&P 500 PRICE MOVEMENT



*Source: CapIQ. *The SaaS Index represents the weighted-average movement of the market capitalization for 60+ publicly-traded SaaS companies. See page 5 for the full company listing.*

Q1'16
TOTAL
DEAL COUNT
376

Source: PricewaterhouseCoopers MoneyTree

SaaS INDEX DATA

Companies in the SaaS Index, listed by Market Cap, below:

All data as of 3/31/2016.

Ticker	Price	Mkt Cap (Millions)	EV (Millions)	LTM Rev (Millions)	FWD Rev (Millions)	EV/ LTM Rev	EV/ FWD Rev	1 Year Rev Growth	LTM Gross Profit
CRM	73.83	49,533	50,248	6,667	8,122	7.5x	6.2x	24.1%	5,013
WDAY	76.84	14,984	13,522	1,162	1,549	11.6x	8.7x	47.5%	788
NOW	61.18	9,837	9,510	1,099	1,361	8.7x	7.0x	45.5%	752
SPLK	48.93	6,477	5,468	668	882	8.2x	6.2x	48.3%	554
DATA	193.50	5,582	5,470	660	772	8.3x	7.1x	24.7%	407
N	68.49	5,478	5,397	793	962	6.8x	5.6x	32.6%	528
ATHN	138.78	5,406	5,563	974	1,109	5.7x	5.0x	22.4%	587
ULTI	45.87	3,411	2,615	695	840	3.8x	3.1x	48.5%	614
JCOM	25.04	3,359	3,013	409	512	7.4x	5.9x	30.6%	267
VEEV	61.58	2,997	3,264	760.	846	4.3x	3.9x	21.4%	631
FEYE	17.99	2,985	2,522	666	829	3.8x	3.0x	39.5%	415
MDSO	90.64	2,689	2,610	273	320	9.5x	8.1x	48.9%	180
PFPT	28.21	2,266	2,075	241	329	8.6x	6.3x	94.7%	129
ZEN	53.78	2,214	2,153	287	348	7.5x	6.2x	36.1%	197
PAYC	32.33	2,195	3,174	1,665	1,837	1.9x	1.7x	15.3%	1,082
GDDY	38.71	2,180	2,163	404	460	5.3x	4.7x	15.2%	312
PCTY	35.60	2,103	2,079	260	311	8.0x	6.7x	53.4%	224
DWRE	20.93	1,894	1,649	235	297	7.0x	5.5x	63.0%	161
SHOP	50.61	1,836	1,414	336	362	4.2x	3.9x	15.7%	220
FLTX	32.77	1,796	1,784	365	430	4.9x	4.1x	30.3%	248
HUBS	32.74	1,668	1,589	211	253	7.5x	6.3x	49.2%	121
CSOD	20.84	1,640	1,649	486	570	3.4x	2.9x	17.4%	281
ELLI	40.71	1,575	1,426	298	344	4.8x	4.1x	21.7%	221
NEWR	43.62	1,514	1,410	203	251	7.0x	5.6x	56.1%	151
RP	12.26	1,484	1,343	303	393	4.4x	3.4x	39.9%	216
BOX	39.10	1,475	1,278	254	301	5.0x	4.2x	42.5%	181
LOGM	40.79	1,372	1,521	273	281	5.6x	5.4x	20.3%	200
RNG	26.08	1,292	1,101	181	227	6.1x	4.9x	64.2%	144
WAGE	50.46	1,267	1,118	290	325	3.9x	3.4x	24.0%	252
CVT	15.75	1,134	1,016	317	353	3.2x	2.9x	34.0%	229
TWOU	22.60	1,039	855	163	200	5.2x	4.3x	37.6%	129
MKTO	33.35	974	951	197	234	4.8x	4.1x	32.0%	88
SPSC	16.68	939	841	182	212	4.6x	4.0x	25.0%	113
QLYS	24.04	937	826	118	146	7.0x	5.7x	37.0%	55
EBIX	21.40	900	754	199	230	3.8x	3.3x	30.9%	139
BNFT	25.31	871	693	173	197	4.0x	3.5x	23.0%	138
CALD	19.57	869	769	226	273	3.4x	2.8x	38.1%	149
QTWO	33.27	814	708	99	109	7.2x	6.5x	33.0%	71
HDP	20.27	805	695	221	273	3.1x	2.5x	40.0%	183
WIX	42.94	723	594	167	192	3.6x	3.1x	22.9%	114
KXS	11.30	617	522	141	188	3.7x	2.8x	135.6%	81
WK	8.89	552	530	233	261	2.3x	2.0x	25.2%	120
MB	13.33	529	451	111	135	4.1x	3.3x	45.0%	73
SAAS	17.94	491	400	82	108	4.9x	3.7x	62.5%	55
TXTR	18.63	488	409	92	108	4.4x	3.8x	34.8%	76
INST	18.25	477	371	135	155	2.8x	2.4x	26.0%	122
OPWR	11.65	477	424	155	179	2.7x	2.4x	29.2%	111
IL	7.88	456	479	281	300	1.7x	1.6x	6.7%	203
APPF	8.89	456	444	137	150	3.2x	3.0x	25.2%	75
VRNS	12.24	411	389	82	102	4.7x	3.8x	53.4%	45
FIVN	13.88	387	244	106	110	2.3x	2.2x	3.7%	73
SQI	9.89	385	248	887	878	0.3x	0.3x	-6.1%	325
BV	4.52	372	276	154	171	1.8x	1.6x	11.8%	125
ECOM	6.81	362	302	152	161	2.0x	1.9x	14.0%	93
LRN	7.89	311	280	219	230	1.3x	1.2x	1.8%	119
TNGO	3.78	289	187	199	203	0.9x	0.9x	7.9%	126
JIVE	11.25	286	230	104	113	2.2x	2.0x	18.4%	83
MOBL	3.15	256	204	197	205	1.0x	1.0x	6.1%	122
ZIXI	8.31	248	176	79	105	2.2x	1.7x	28.3%	54
XTLY	3.93	222	194	56	60	3.5x	3.2x	9.2%	46
APIC	6.85	202	170	76	95	2.2x	1.8x	24.3%	45
AMBR	5.41	142	148	69	73	2.1x	2.0x	5.9%	31
MRIN	3.02	115	81	109	111	0.7x	0.7x	6.2%	70
UPLD	6.87	115	125	79	73	1.8x	1.7x	5.2%	43
COVS	2.00	81	43	76	78	0.6x	0.6x	-14.1%	41
CNXR	2.56	57	100	93	105	1.1x	1.0xd	4.0%	44