

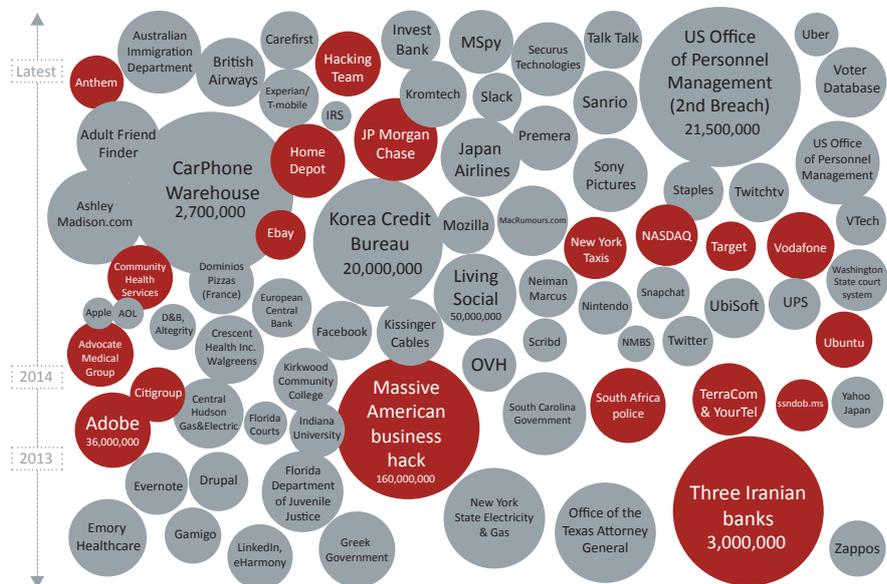
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SECTOR REPORT
IT SECURITY
INTRODUCTION

The information security sector continues to be one of the fastest growing technology markets for enterprise solutions. The increasing number and scale of massive data breaches over the last two years has created a heightened sense of urgency from enterprise, regulators and vendors as the industry strives to develop sophisticated solutions to protect both networks and data from large enterprise to small and mid-size business. We have revised our estimate for the total market size upwards to \$35 billion in 2014, growing currently at more than 10%.

Today most CEOs are beginning to accept that it is likely their networks or client systems have been compromised, and that 100% security does not exist. That said, they further understand that the goals of implementing security are to control damage and minimize impact.

CHART 1: MAJOR IT SECURITY BREACHES


Source: Informationisbeautiful.net

The occurrence and cost of cyber attacks continues to grow since our last report in 2014 and has raised concerns over the effectiveness of cybersecurity solutions. In July 2013, there were large-scale data thefts at multiple companies including 7-Eleven, Carrefour and Nasdaq, and details of more than 160 million credit cards were stolen. Another breach at Target in December 2013 saw credit card data and personal details of 110 million customers compromised, which also affected the retailer's revenues after the breach was disclosed.

Other attacks during 2014-15 included breaches at large companies such as JPMorgan Chase (August 2014), Home Depot (September 2014), Sony Pictures (November 2014), Anthem (February 2015) and Experian (October 2015). These incidents have drawn more attention to the vulnerability of enterprise networks and have heightened the focus by corporations around the world on digital data security. According to the 2015 *Cost of Cyber Crime* report by Ponemon Institute, US continues to rank highest in terms of cost of cybercrime at an average of \$15.4 million per company surveyed. The report further states that, companies witnessed a surge in occurrence of cyber attacks from 50 per week in 2010 to 160 per week in 2015.

Gartner suggests that enterprises are overly dependent on blocking and prevention mechanisms that are decreasingly effective against advanced attacks. Comprehensive protection requires an adaptive protection process integrating predictive, preventive, detective and responsive capabilities as presented in the chart below. A representation of the different layers of defense that are important to the enterprise are shown in chart 2.

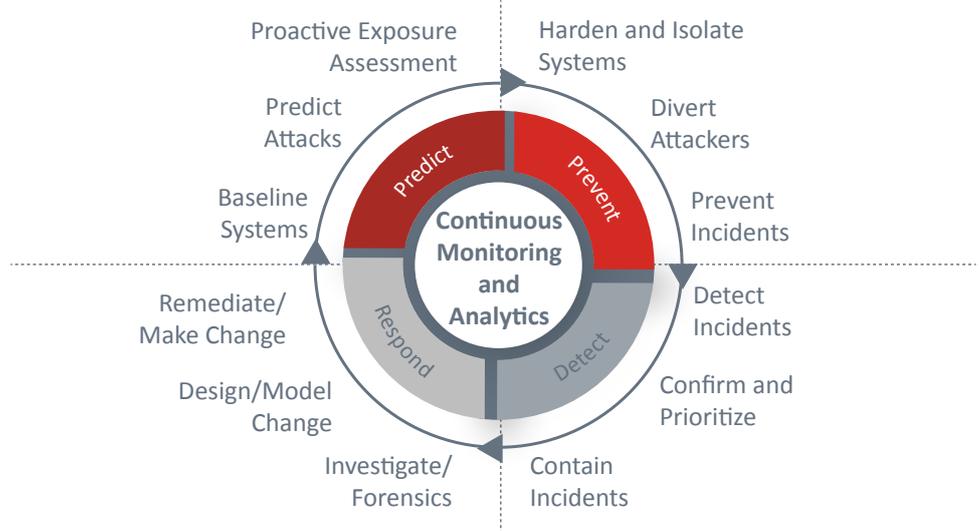
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CHART 2: THE ADAPTIVE SECURITY ARCHITECTURE



Source: Gartner

A recent report by PwC, *PwC The Global State of Information Security® Survey 2016*, discusses major issues in IT security and has arrived at the following conclusions based on the surveys conducted:

- The vast majority of organizations, 91%, have adopted a security framework or, more often, an amalgam of frameworks.
- 69% of survey respondents said they use cloud-based cybersecurity services to help protect sensitive data and ensure privacy. And they entrust a broadening range of critical services to the cloud, including real-time monitoring and analytics, advanced authentication, and identity and access management.
- 59% of respondents leverage Big Data analytics to model and monitor cybersecurity threats, respond to incidents, and audit and review data. A data-driven approach can shift cybersecurity away from perimeter-based defenses and enable organizations to put real-time information to use in ways that can help predict cybersecurity incidents.
- 65% of respondents said they collaborate to improve cybersecurity and reduce cyber-risks, up from 50% in 2013. External collaboration allows them to share and receive more actionable information from industry peers, and has improved their threat awareness.
- 54% of respondents reported they have a CISO in charge of their security program, and 49% have a CSO, indicating that the roles and responsibilities of the top cybersecurity executive have expanded in recent years.
- Just last year there was a double-digit uptick in board participation in most aspects of information security, with 46% of survey respondents saying their board participates in information security budgets, which may have contributed to last year's significant boost in security spending.

CHART 3: IMPLEMENTATION OF KEY SECURITY SAFEGUARDS



Source: PwC

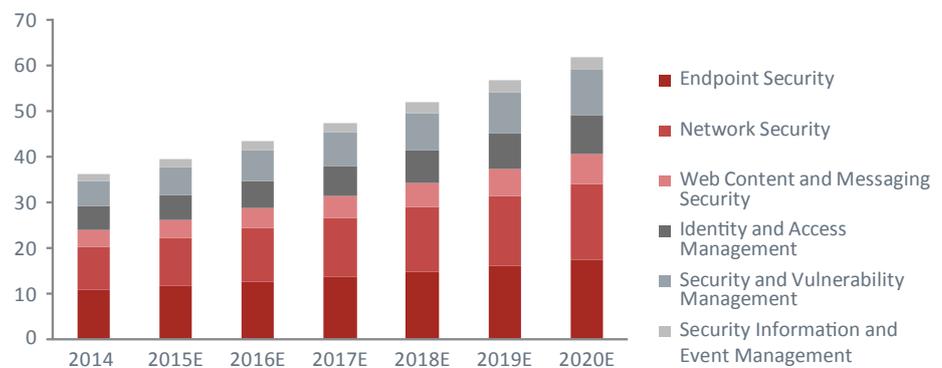
The evolving trends in IT Security continue to create opportunities for new market entrants with leading edge technologies, and venture capital firms continue to invest billions into startups and emerging players. Corporate investors were also a big part of the funding activity in 2015, the most active include: Intel Capital, Google Ventures, Qualcomm Ventures, Juniper Networks, Salesforce Ventures, In-Q-Tel, Samsung Ventures, NTT DOCOMO Ventures, Citi Ventures and T-Venture.

Larger security vendors have been attacking the problem from many angles, by partnering with and in many cases acquiring to broaden or round out their solutions and services.

MARKET SIZING AND GROWTH

In our last report, we estimated the size of the IT Security market at \$35 billion in 2014, growing at approximately 10.5% per annum to \$47 billion in 2017. Our updated forecast (see Chart 4 below) shows market revenues of \$36 billion in 2014, slightly ahead of our previous estimates, growing more or less as predicted to \$47 billion in 2017, and to more than \$61 billion by 2020. Stepping back for a moment, what we see is a sector which will have doubled in size in the brief span of eight years for a compound annual growth rate of 9.5%.

CHART 4: WORLDWIDE IT SECURITY MARKET SPENDING BY SUBSECTORS (\$ BILLION)

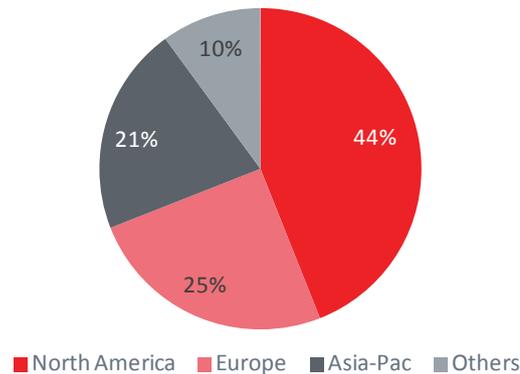


Source: IDC, Redwood Capital

Looking at the growth rates of individual sub-sectors, we find that some are growing more quickly than predicted, some less quickly. The largest subsector, Endpoint Security, encompasses the relatively mature antivirus, malware and data encryption markets. Originally predicted to grow 11.0% per annum to \$14.6 billion in revenue in 2017, our updates estimates have come down \$1 billion to \$13.6 billion for 2017. With future growth at a more modest but still healthy 8.4%, total endpoint security revenue is expected to top \$17 billion by 2020. The slower growth is a reflection of the market's maturity and the increasing presence of freeware and embedded solutions.

On the other hand, the second largest subsector, Network Security, was previously estimated to grow to \$11.8 billion in 2017 and is now predicted to be \$1 billion larger, with growth of over 10.5% over the next two years to \$12.8 billion in 2017. This area includes Unified Threat Management, Intrusion Detection and firewall appliances, as well as Advanced Threat Protection technologies, all of which have seen upticks in investment in the last two years following sophisticated, high profile and large-scale breach activity. The Network Security market is expected to reach \$16.5 billion in 2020 with average growth of approximately 9.5% per year.

Among the other subsectors, growth estimates for Web Content and Messaging Security and Identity and Access Management have been revised downward slightly, while growth in Security and Vulnerability Management and Security Information and Event Management (SIEM), have been revised upwards. On percentage terms, the biggest outlier is SIEM which is now expected to top \$2.0 billion in revenue in 2017 vs. a previous estimate of \$1.6 billion, driven in large part by increased emphasis being placed on event data and data-driven analysis to both detect and prevent malicious activity.

CHART 5: GLOBAL IT SECURITY SPENDING 2015: GEOGRAPHICAL CONTRIBUTION


Source: IDC, Redwood Capital

North America continues to dominate spending in IT Security, accounting for more than 44% of worldwide revenues in 2015, while Western Europe accounts for over 25% and Asia Pacific, including China, over 21%. Together these three regions make up more than 90% of the global spend and are expected to continue to do so for the next several years.

Israeli cybersecurity companies exported some \$6 billion in cyber-related products and services last year, making it the no. 2 cyber security nation behind the U.S. Globes Online, an Israeli business news media property, reported that figures collected by the Israel Export and International Cooperation Institute show that over 200 cybersecurity companies are operating in Israel in a field that is growing at 8% a year. Its main market is the U.S., and most of the technologies exported there are designed to protect government, military, and financial infrastructure, in addition to protection of strategic facilities.

Asia-Pac and Latin America were multi-billion dollar markets in 2015, and growing strong. The Asia Pacific cybersecurity market contributes 17.2% of the global market and will grow to 21.2% by 2019, according to *MicroMarketMonitor*. The Latin American market contributes 5.2 percent of the global market and will slightly grow to 7.7% by 2019.

AREAS TO WATCH

A. CLOUD ACCESS SECURITY BROKERS (CASB)

Given the proliferation and speed of adoption of cloud/SaaS services by enterprises, as well as the amount of data being transmitted and stored outside of their direct control, we are seeing strong interest in and growth of CASBs. CASBs offer on-premise or cloud-hosted software that act as a control point to provide visibility of cloud service usage and to secure such cloud services. They generally offer a range of capabilities including encryption, auditing, data loss prevention (DLP), access control, and anomaly detection. Until recently, IT departments have had limited visibility into the scope of Shadow IT and its associated risks, and without tools to enable the secure usage of cloud services. With cloud security breaches, malware, and surveillance in mind, Gartner expects enterprises will rapidly adopt Cloud Access Security Brokers to secure their data in the cloud¹.

The CASB market faces challenges as it moves forward, which may drive whether it remains a standalone product or will be assimilated by established security products. The key issue a CASB faces is integration with these existing systems, such as next-generation firewalls, network access control and security information and event management products. A CASB platform is specifically designed to focus on third-party cloud apps and services, not network infrastructure or on-premises applications. Enterprises look to avoid multiple platforms and may resist an entirely separate system that is dedicated to just third-party cloud apps. Certain CASBs have recognized this, and recently we have seen a number of strategic partnerships as well as early mover M&A transactions, albeit reflecting significant valuations, including:

- Microsoft's acquisition of Israel based Adallom for almost \$300 million (~\$50 million in prior funding),
- Blue Coat's acquisitions of Ontario based Perspecsys for \$105 million (15x revenue) and San Jose based Elastica for \$280 million (56x revenue),
- Imperva's acquisition of Israel based Skyfence for \$60 million (no revenue), and
- Palo Alto Network's acquisition of CirroSecure for \$18 million (~\$2 million invested)²

¹ Gartner Market Guide for Cloud Access Security Brokers, October 2015

² Company press releases and Redwood Capital Group

In Blue Coat's case it has moved to integrate its acquired offerings with its Web Gateway security solutions, while Adallom and Elastica formed pre-acquisition partnerships with Hewlett Packard Enterprise and Cisco respectively, and Microsoft has stated its intention to continue to provide Adallom's CASB services for non-Microsoft cloud services, such as Salesforce, ServiceNow and Google Apps.

B. INCIDENT RESPONSE AUTOMATION

For many enterprise IT departments, managing security event data is an ever growing challenge. SIEM technologies help in managing, parsing and making sense of the myriad data generated on a daily basis. They also help identify which events are "false positives" and which are serious enough to warrant action. As the reality of security breaches sets in - not if but when - more attention is being focused on the state of readiness when serious events do occur and what actions are taken by the breached enterprise to control damage. Incident response automation solutions catalyze a series of prescribed actions in live compromise situations and are designed to enable the CSO to respond:

- **Quickly:** Most CSOs and industry experts agree that controlling risks from security breaches depends on immediate action. The longer the response time, the larger in scale the breach can become, and seconds and minutes can make a significant difference. On average, cyber attacks take 46 days to resolve at an average cost of \$21,155 per day (or nearly \$1 million over the average 46-day remediation period³).
- **Decisively:** Breach situations do not always make themselves immediately apparent and may take time to fully understand. Automated response solutions provide the means to act decisively at a time when the enterprise may need it most – often without the benefit of a clear picture and in quite possibly a state of doubt or denial.
- **Completely:** Complying with the growing legal, regulatory and policy frameworks requires not only that specific actions be taken and certain constituents notified, but also that the enterprise can demonstrate compliance in this regard. It's helpful to have planned for all the relevant bases that need to be covered before the situation arises.

Notably, some of the pioneers in this area come from areas outside IT Security. For example, California-based Resolve Systems is leveraging its leadership in ITSM automation with an automated incident response product aimed at the security market. Invotas was incubated within Revenue Management and CRM provider CSG International. The burgeoning cybersecurity insurance industry is adding to interest in automated incident response technology. Their assessment of underwritten risk has a lot to do with the insured's state of preparedness, capacity to act in a live situation and ability to stem financial and reputational fallout. As a result the carriers we speak to are spending time not only to fully understand their clients' proficiency but are also investigating some of the available automated response technologies and solutions. As cybersecurity insurance becomes more mainstream, we expect to see more adoption of automated incident response technologies.

C. USER AND ENTITY BEHAVIOR ANALYTICS (UEBA)

Using advanced analytics that provides context to behavioral analysis allows an enterprise to more easily identify internal security threats and find individual offenders. Statistical analysis and machine learning can find anomalies in data that humans might not otherwise know about, and permit security professionals recognize potential threats before they happen. While behavior analytics have been around for a long time, historically they have been used to identify threats and determine how people are trying to penetrate and access a network from the outside. Today's user behavior analytic tools are different in that they shift the focus from sending alerts of potential threats from outside the network to identifying more concentrated and individualized insider threats based on user behavior. Enterprises successfully use UEBA to detect malicious and abusive behavior that otherwise went unnoticed by existing security monitoring systems, such as SIEM and DLP.

- We expect to see meaningful activity among the major security vendors to address security in this manner, as Gartner suggests that by 2017, at least 20 percent of such vendors with a focus on user controls or user monitoring will incorporate advanced analytics and UEBA into their products, either through acquisitions, partnerships or internal development. Gartner goes on to predict that by 2017, at least 60% of major cloud access security broker vendors and 25% of major SIEM and DLP vendors will incorporate advanced analytics and UEBA functionality into their products, either through acquisitions, partnerships or natively⁴. Some recent activity includes: Splunk's acquisition of UEBA startup Caspida, which had just a handful of customers, for \$190 million; as mentioned earlier, Microsoft acquired Adallom, a cloud security broker which has UEBA functionality and HP announced that it had repackaged Securonix technology into its HP ArcSight User Behavior Analytics product.

³ Ponemon Institute, October 2015

⁴ Gartner Market Guide For User And Entity Behavior Analytics, September 2015

MERGERS & ACQUISITIONS

M&A ACTIVITY - 2011-2015 (ANNOUNCED TRANSACTIONS)

Year	Total Deal Volume	Deal value > than \$1 Bn	Total Disclosed Value	Mean Deal Value	Median Deal Value	Mean Revenue Multiple	Median Revenue Multiple
2015	124	4	96,369	1,691	57	3.1x	2.5x
2014	118	4	13,698	249	38	4.3x	3.2x
2013	74	2	4,997	185	21	2.1x	2.6x
2012	73	0	1,903	86	44	3.4x	3.7x
2011	83	1	3,330	104	17	4.1x	2.8x

Sources: Capital IQ, Redwood Capital
Deal values in \$ millions

2015 was a record year for M&A in the IT Security sector. Total deal volume of 124 transactions was the highest of the last five years (up from 118 in 2014 and 74 in 2013). Dollar volume was up significantly as well to \$96.4 billion for 2015. This amount includes the announced acquisition of EMC by Dell for \$75.7 billion, but even after excluding this transaction, disclosed dollar value of transactions rose 64%, from \$13.9 billion in 2014 to \$20.6 billion in 2015. The mean and median deal values also hit new highs of \$1.7 billion (\$369 million without the Dell/EMC deal) and \$57 million, respectively, continuing a clear trend of larger transactions. 2015 also boasted a total of four transactions valued at more than \$1 billion, similar to four transactions in 2014 and double from two in 2013.

Perhaps the only metrics that did not break records were the mean and median revenue multiples for disclosed deals at 3.1x and 2.5x, respectively, which were lower than 2014 at 4.3x and 3.2x. Without the Dell/EMC transaction the 2015 multiples were 3.1x and 2.3x, respectively.

On a geographic basis, for the period 2011-2015, the two dominant regions, North America and Europe, together accounted for approximately 70% of the aggregate transaction dollar value over the last five years, and the deal volume was relatively higher at about 81% (after removing the Dell/EMC deal). We note that since 2014, the share of both of these regions has fallen in terms of value and volume as the Asia/Pacific region has become more active. Although much of the contribution for Asia/Pacific in terms of deal value has been driven by the \$9.9 billion go-private deal for Qihoo 360 Technology Company, the region's increasing significance is evidenced in the continuous rise in deal volumes to 13% of total in 2015 and 11% of total dollar value for the sector (including the Dell/EMC deal). Excluding Dell/EMC, Asia/Pacific contribution stands at 13% in terms of deal flow and 49% (primarily due to Qihoo deal) in dollar value.

NOTABLE TRANSACTIONS IN 2015

Dell/ EMC: In October 2015, the world's number three PC vendor Dell agreed to acquire data storage device maker EMC Corp for \$75.7 billion in what would be the largest technology merger ever. The deal, expected to be completed in Q3 2016, would consolidate two of the world's leading hardware providers in an age where cloud computing is becoming mainstream. Although not a pure-play IT security deal, interestingly it will bring together the disparate security businesses of both the companies. Dell's security units include SecureWorks (managed security services; acquired in 2011), Quest Software (information technology management, acquired in 2012) and SonicWall (e-mail encryption and firewall provider; acquired in 2012). EMC's encryption and network security arm, RSA Security would also come under Dell's umbrella. The transaction faces a number of hurdles, including regulatory and shareholder approvals. The closure of the deal will add a massive debt load of \$49.5 billion to Dell, which portends well from an IT Security M&A and IPO perspective as reports suggest that Dell may divest some of its security assets to pay off the huge debt pile. According to sources, buyout firms KKR, Thoma Bravo and Vista Equity are already vying for Quest Software and SonicWall, both of which are reportedly worth \$2 billion each. It is noteworthy that Thoma Bravo had taken SonicWall private in 2010 for \$717 million and sold it to Dell for \$1.2 billion two years later. We also note that Dell recently filed for the IPO of SecureWorks, which was acquired for \$612 million in 2011.

Qihoo 360 Technology Buyout: The second largest transaction this year was the \$9.9 billion buyout announcement in June 2015 for the acquisition of Chinese security software and search engine company, Qihoo 360 Technology. The deal is the largest pure-play IT Security transaction over the last five years and also the largest buyout of a Chinese-listed company in the US. The buyer consortium, led by chairman and CEO, Hongyi Zhou, included Citic Securities, Sequoia Capital, China Renaissance Holdings and Golden Brick Capital. The buyout offer for \$77 per ADR implied a 17% premium to the company's previous closing price. At the time of the announcement, the company's stock price had dropped significantly (more than 40% from the record high achieved in March 2014), making it ripe for a buyout. We note that the Qihoo 360 transaction was one of several Chinese companies listed in the US that have received buyout offers (about 14 since April 2015).

Singtel/ Trustwave: In April 2015, Singapore Telecommunications (known as SingTel), Southeast Asia's largest telecommunications operator by revenue, agreed to acquire a 98% stake in US-based cyber security firm Trustwave Holdings for \$810 million, with chairman and CEO Robert J. McCullen retaining the remaining stake. At the time of the deal announcement, Trustwave was the largest independent managed security services provider in North America, with a strong European and Asia-Pacific presence. The deal signaled SingTel's ambition of becoming a major cyber security player globally, aiming to offer customers a range of managed security services, including a wide range of threat management, vulnerability detection and compliance offerings.

Raytheon/ Websense: Another notable high value transaction in 2015 is the joint venture created by Raytheon and Vista Equity portfolio company Websense. The transaction, completed in May 2015, involved Raytheon's investment of \$1.9 billion to acquire Websense and contribution of IP based products of its Cyber Products business to the joint venture, as well as a cash infusion of \$335 million by Vista Equity. As a result, the new company is 80.3% owned by Raytheon and 19.7% by Vista Equity. Given the size of Raytheon's stake, they will consolidate the results of the joint venture, which will be reported as a separate business segment of Raytheon. The new business will focus on providing a broad suite of enterprise cybersecurity defense products and solutions. Vista Equity Partners had acquired Websense in 2013 for about \$990 million. Notably, Raytheon has been growing its cybersecurity offerings, acquiring Blackbird Technologies, a surveillance and cybersecurity firm for \$420 million in 2014, which added to its intelligence and special-operations offerings. In October 2015, Raytheon/Websense acquired the McAfee Next-Generation Firewall and McAfee Firewall Enterprise businesses from Intel.

Bain/ Blue Coat Systems: In May 2015, private investment firm Bain Capital completed the acquisition of Blue Coat Systems, a provider of enterprise security solutions, from Thoma Bravo, for \$2.4 billion. Thoma Bravo had acquired the company back in 2012 for almost half that price only three years earlier. The significantly richer valuation offered by Bain Capital reflected Blue Coat's expanded offerings (advanced threat protection, security analytics and encrypted traffic management) through acquisitions and market share growth, coupled with rising investor interest in the sector. At the time of the deal, Bain Capital indicated its desire to grow Blue Coat (organically and through acquisitions), and ultimately return it to public markets.

BlackBerry/ Good Technology: In September 2015, in line with its strategy to focus on enterprise mobility management (EMM) market, Canadian mobile manufacturer BlackBerry announced the acquisition of Good Technology Corp, a US-based enterprise mobile security solutions provider for \$417 million. We note that the valuation was significantly lower than the \$1 billion valuation ascribed to the company in April 2013⁵. The acquisition of Good Technology, one of BlackBerry's key rivals in EMM, expands BlackBerry's cross-platform expertise (as the majority of Good Technology's customers use iOS devices), positioning BlackBerry to regain lost ground amongst enterprise customers. The deal also provides cross-selling opportunities to BlackBerry in the government and enterprise markets. From BlackBerry's perspective, the deal was valued at an attractive 2.7x one-year forward revenue multiple (\$160 million of revenue expected in the first year after closing). We believe the deal timing and valuation were favorable for BlackBerry, providing a significant driver for growth in its core markets, but not for Good Technology, which had failed to IPO in 2014 after raising \$291 million from investors, and was continuing to generate operating losses.

Cisco/ Lancope: In October 2015, Cisco announced its intention to acquire its long-time partner, Lancope, a provider of tools to monitor enterprise networks and detect security threats, for \$452.5 million. The revenue multiple of 7.5x for the deal, expected to be completed in Q2 2016, was the highest of the year as Cisco continues to execute on its acquisition strategy in cyber security. We feel the high multiple is reflective of Lancope's successful partnership with Cisco, proven capabilities in behavior analytics, threat visibility & security intelligence and an established enterprise clientele. The Lancope deal came close on the heels of Cisco's June 2015 announcement to acquire OpenDNS, a provider of cloud-based advanced threat protection solutions for \$635 million. In our view, Cisco's push into the highly lucrative Internet of Things (IoT) market made the addition of OpenDNS' cloud-based offerings significant.

We note that Cisco's acquisition strategy is in contrast with that of Hewlett-Packard Co, which announced the sale of its cyber security unit, TippingPoint to PC security software major, Trend Micro for \$300 million. The sale of TippingPoint enabled HP to monetize some of its assets just prior to splitting into two separate entities, while Trend Micro gained access to enterprise customers as part of the deal.

⁵Source: The Wall Street Journal

ACTIVITY IN 2014

In 2014, the total deal volume jumped to 118 from 74 in 2013, while total dollar value nearly tripled, from \$5.0 billion in 2013 to \$13.7 billion in 2014. There were four deals valued at greater than \$1 billion, compared to one in 2013, while the mean and median deal values rose to \$253 million and \$38 million, respectively. The mean revenue multiple of 4.3x for 2014 was the highest level over the last five years.

NetScout/ Danaher Communications: In the largest deal of the year, NetScout announced in October 2014 a definitive agreement to acquire the Communications business of Danaher Corporation. While not a pure play IT Security business, the target included Arbor Networks, and certain parts of Fluke Networks. Valued at \$2.6 billion and structured as a Reverse Morris Trust transaction (tax free for both the companies), the combination creates a global provider of network management tools and security solutions for carrier and enterprise customers.

Micro Focus/ Attachmate: In the second largest deal of the year, in September 2014 UK-based Micro Focus International agreed to merge with The Attachmate Group, a provider of enterprise infrastructure software in the areas of endpoint management, legacy modernization, identity & access management and security solutions for \$2.3 billion. While the core infrastructure software products of both companies are broader than IT Security per se, their capabilities extend to securing applications and data. Attachmate itself was the result of the combination of several companies, including Novell in 2011 and NetIQ in 2006, both of which had strong presence in the identity and access management market.

VMware/ AirWatch: In January 2014, virtualization software-maker VMware announced the acquisition of EMM software provider AirWatch for \$1.54 billion in the second-largest deal of the year. The deal, completed in February 2014, enabled VMware to offer solutions for management and protection of mobile devices. At the time of the deal, VMware's management stated that they had also considered competing companies and building competing solutions on their own, before finalizing the deal. At the time of the deal, AirWatch was amongst the leaders in EMM, having a 10,000-strong customer base with a strong presence in financial services, government and healthcare sectors.

Gemalto/ SafeNet: In August 2014, Gemalto announced the acquisition of SafeNet for a total of \$957 million. (The transaction closed in January 2015). Taken private by Vector Capital in 2008, SafeNet's core product competencies are in the data encryption and authentication areas. This was the second of a two-part exit for Vector; its federal government security integration business as sold to Raytheon in 2012 for \$280 million.

Belden/ Tripwire: Another notable deal announced in December 2014 and closed in January 2015 was Belden's acquisition of threat protection and log analytics provider Tripwire for \$710 million. A prime example of a sizeable transaction from a new buyer outside the sector, the combination provides Belden with leading, high margin software products to complement its core transmission hardware products and positions it as an integrated full service, pre- and post-deployment provider of secure infrastructure.

NEW MARKET ENTRANTS

One observation we have made over the years is that, in spite of all of the consolidation in IT Security in the last decade, the number of acquirers continues to grow. In addition to the sector leaders who for the most part have been and continue to remain active in pursuing M&A, we note a number of new buyers from other markets. In addition to the Belden/ Tripwire transaction mentioned above, in the last two years we have seen a number of telecom and telecom technology companies enter the IT Security market through M&A. This should not come as a surprise given the growing presence of service providers in the delivery of IT, as well as the growing presence of threats in the mobile arena. Examples include:

- SingTel acquisition of Trustwave for \$770 million in April 2015 (see above).
- German telecom network test & measurement vendor Rohde & Schwarz has closed two acquisitions in the sector in the last two years: anti-malware and data protection provider Sirrix AG in May, 2015 and network protection company Adyton Systems AG in March 2014 (values undisclosed).
- Deep packet inspection provider Allot Communications acquired web application and messaging security provider Optenet, S.A. for \$38 million in February, 2015.
- Whitepages.com, a Technology Crossover Ventures portfolio company, acquired mobile anti-spam company NUMBERCOP LLC in June 2015 (value undisclosed).

Lastly, underscoring the growing importance of cyber security in both logical and physical environments, we note two transactions involving engineering and construction firms as buyers, both in April 2014.

- Jacobs Engineering's acquisition of network management services company Federal Network Systems (value undisclosed)
- Parsons Corporation's acquisition of physical and cyber security integrator Secure Mission Systems (value undisclosed)

Another apparent trend over the years among acquirers (strategic or financial) is the urge to monetize their IT Security companies within a few years of their acquisition. A few notable examples are Websense, Blue Coat Systems, Stonesoft and SonicWall, which have changed hands a few times. Looking at these deals purely from the seller's perspective, some of these divestitures have been driven by richer valuations i.e. SonicWall's sale to Dell and Blue Coat Systems' sale to Bain Capital. The rationale for some of the deals appears to be both strategic and financial i.e. the fusion of Websense into Raytheon's security unit to create a joint venture (JV), where Vista Equity continues to hold equity interest in the JV. We believe the trend of ownership changing hands or stake divestitures is likely to continue, especially with financial investors seeking to benefit from the rich sector valuations, amidst increasing security threats and strong operating performance of the acquired assets. We think early evidence of the same is already manifested in Dell's IPO filing for SecureWorks and the company reportedly seeking suitors for SonicWall.

While traditional consolidators will likely continue to execute on their M&A strategies in efforts to maintain their technology edge, the entrance of new acquirers in the market is expected to drive the consolidation activity over the next 12 to 24 months as breaches continue to grow in number, sophistication and size and as security becomes a greater necessity across the IT landscape.

Global M&A Deals in IT Security (2014 to 2015)

Announced Date	Target/Issuer	Buyers/Investors	Trans. Value	Revenue [LTM]	EBITDA [LTM]	Revenue Multiple	EBITDA Multiple	Short Business Description [Target/Issuer]
12/16/15	EVault	Carbonite, Inc.	14.0	-	-	-	-	Cloud-connected backup and recovery solutions for small businesses, mid-market companies, and enterprises with remote and branch offices
12/14/15	SurfRight B.V.	Sophos Group plc	31.8	-	-	-	-	Online security software for the Windows platform
12/11/15	Cyveillance	Lookingglass Cyber Solutions, LLC	35.0	18.0	-	1.9x	-	Online threat intelligence solutions to protect network, customers, employees, information, and physical assets
12/10/15	Trustev	Transunion Netherlands I B.V.	44.0	-	-	-	-	Digital fingerprinting technology for real time online customer identity verification
11/24/15	Fox-IT Group	NCC Group (Solutions) Limited	140.6	29.0	-	-	-	Solutions that prevent, solve, and mitigate cyber threats, and data breaches and fraud
11/17/15	Aura Information Security	Kordia Group Limited	6.5	-	-	-	-	Security advisory solutions
11/09/15	Elastica	Blue Coat Systems Inc.	280.0	-	-	-	-	Cloud security solutions for businesses and their employees
11/09/15	Secure Islands Technologies	Microsoft Corporation (NasdaqGS:MSFT)	-	-	-	-	-	Information protection and control (IPC) solutions for data immunization
11/03/15	Vulcano Security	Chef, Inc.	-	-	-	-	-	Compliance scanner and security automation framework that helps to solve security issues in the infrastructure
11/02/15	Bloxx	Akamai Technologies, Inc. (NasdaqGS:AKAM)	18.7	-	-	-	-	Email and Web filtering technologies for public and private protecting enterprises and their employees from Internet threats
10/31/15	Stonesoft	Raytheon Websense (nka:Forcepoint LLC)	400.0	-	-	-	-	The combined operations of Stonesoft Oyj and McAfee Firewall Enterprise Business
10/27/15	Lancope	Cisco Systems, Inc. (NasdaqGS:CSCO)	452.5	-	-	7.5x	-	Network visibility and security intelligence solutions
10/22/15	Cloudpath Networks	Ruckus Wireless, Inc.	-	-	-	-	-	Wireless security and Wi-Fi solutions
10/21/15	TippingPoint Technologies	Trend Micro Incorporated	300.0	169.0	-	-	-	Network-based intrusion prevention systems and appliances
10/19/15	Vormetric	Thales e-Security, Inc.	400.0	53.5	-	-	-	Data security solutions that protect data-at-rest in physical, virtual, big data, and cloud environments for businesses and governments in the US and internationally
10/14/15	Malcovery Security	PhishMe, Inc.	-	-	-	3.6x	-	Cloud-based actionable cyber security intelligence and forensic analysis through software and services for corporations and government organizations to target cyber criminals and their activities
10/14/15	ThreatSim	Wombat Security Technologies, Inc.	-	-	-	-	-	Testing services to protect against spear phishing attacks
10/13/15	Precise Biometrics	Försäkringsaktiebolaget Avanza Pension AB	-	5.1	(2.6)	-	-	Software and hardware products for secure and convenient authentication of digital identities for government agencies, enterprises, healthcare providers, and mobile phone vendors worldwide
10/13/15	RevelOps	Rapid7 LLC	71.1	-	-	-	-	Real-time elastic log management and analytics service
10/12/15	EMC Corporation	Denali Holding Inc.	75,716.5	24,738.0	5,109.0	2.8x	13.3x	Supports information infrastructure and virtual infrastructure technologies, solutions, and services
10/09/15	Marvasol	LogMeIn, Inc.	125.0	11.2	(2.7)	10.3x	NM	SaaS based password and data management services for individuals and enterprises
10/08/15	LSE Leading Security Experts	MAX21 Management und Beteiligungen AG (XTRA:MA1)	3.7	-	-	1.8x	-	IT security solutions
10/08/15	Daegis	Open Text Corporation	23.3	23.7	0.8	0.9x	24.7x	Information governance, application migration, data management, and application development worldwide
10/07/15	Viewfinity	CyberArk Software, Ltd. (NasdaqGS:CYBR)	30.5	-	-	-	-	Generation application control and privilege management solutions for secure securing desktop, laptop, and server environments in enterprises
10/06/15	Code Green Networks	Digital Guardian, Inc.	-	-	-	-	-	Data loss prevention (DLP) solutions that help enterprises to protect and manage regulated and other sensitive digital information across their data network
10/05/15	CenterTools Software	Nordwind Capital Erste Industriebeteiligungen GmbH	-	-	-	-	-	Network data security solutions
09/29/15	Intronis	Barracuda Networks, Inc.	65.0	20.6	0.3	3.2x	219.0x	Online backup storage, archiving, and recovery infrastructures for consumers, small and medium sized businesses, and large enterprises worldwide
09/24/15	NovIT Co. SAS	TECLIB SAS	-	-	-	-	-	Secure mobility solution for smartphones, tablets, and Android-based PCs
09/24/15	BillGuard	Prosper Marketplace, Inc.	30.0	-	-	-	-	Security mobile application for personal finance
09/23/15	DESlock	ESET, spol. s r.o.	-	-	-	-	-	Encryption tools that helps organizations and individuals to protect against data breaches while allowing secure collaboration across complex workgroups and teams
09/22/15	Elitecore Technologies	Sterlite Technologies Limited	27.3	22.3	2.4	1.2x	11.3x	NA
09/21/15	Absolute Software Pty. & Absolute Software Inc & Absolute Software EMEA & Absolute Technology	HEAT Software	-	-	-	-	-	NA
09/11/15	Secunia ApS	Flexera Software LLC	-	-	-	-	-	Vulnerability management, security patching, and personal computer security software solutions for financial service, government, education, energy and utility, healthcare, and other markets
09/11/15	Westone Information Industry	-	-	215.7	21.6	-	-	Information security products in China
09/09/15	Bluedon Information Security Technologies	-	-	105.6	18.2	-	-	Network security solutions in China
09/08/15	Adallom	Microsoft Corporation (NasdaqGS:MSFT)	320.0	-	-	2.0x	-	Cloud application security company that provides cloud access security brokerage services

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09/08/15	Adallom	Microsoft Corporation	320.0	-	-	-	-	Cloud application security company that provides cloud access security brokerage services
09/07/15	SECUI	Samsung SDS Co., Ltd. (KOSE:A018260)	80.8	78.4	-	-	-	Information protection solutions in South Korea
09/04/15	Good Technology	BlackBerry Limited (TSX:BB)	417.0	211.9	(53.0)	-	-	Secure mobility solutions for enterprises and governments worldwide
09/01/15	Trend Micro (China)	Asiainfo Technologies (China) Inc.	-	-	-	-	-	Designs and develops security software
08/28/15	DigiCert	Thoma Bravo, LLC	-	-	-	-	-	SSL certificates and SSL management tools for small and large companies in various industries
08/25/15	Sirrustec	Censornet Ltd.	-	-	-	-	-	Email management and online storage solutions
08/25/15	Above Security	Hitachi Systems, Ltd.	-	-	-	-	-	IT security services for monitoring and protecting IT infrastructure
08/19/15	EyeLock	VOXX International Corporation	-	-	-	-	-	Iris-based identity management technology company focusing on developing systems for border control, logical access, global access control, and identity management sectors
08/17/15	HelpSystems	H.I.G. Capital, LLC; Split Rock Partners, LLC	-	-	-	6.7x	27.3x	Systems and network management, business intelligence, and security and compliance for customers worldwide
08/17/15	Qualys	Alpha Sociedad de Valores S.A, Puesto de Bolsa	8.2	148.3	30.7	-	-	Cloud security and compliance solutions in the US and internationally
08/06/15	Bitis	Unirita Inc. (IASDAQ:3800)	0.3	2.6	-	-	-	Business continuity planning software, security software, and cloud based services
08/06/15	Pawaa Software Private	Cisco Systems, Inc. (NasdaqGS:CSCO)	-	-	-	-	-	Data security solutions
08/04/15	Xceedium	CA, Inc. (NasdaqGS:CA)	-	-	-	-	-	Network security software company providing privileged identity management solutions for hybrid cloud enterprises
07/30/15	Sansa Security	ARM Holdings plc (LSE:ARM)	-	-	-	-	-	Security solutions for mobile handsets, smart phones, and Wi-Fi devices
07/30/15	PerspecSys	Blue Coat Systems Inc.	-	-	-	-	-	Cloud data protection solutions that enable mission-critical cloud applications to be adopted throughout the enterprise
07/15/15	Whitebox Security	SailPoint Technologies, Inc.	-	-	-	-	-	Real time data access governance solutions that identify and protect sensitive data against internal and external threats
07/15/15	ManTech Cyber Solutions International	CounterTack, Inc.	-	-	-	-	-	Cyber solutions subsidiary of ManTech International
07/09/15	Caspida	Splunk, Inc.	190.0	-	-	-	-	Cybersecurity and threat detection against hidden threats in a corporate network
07/08/15	Remotium	AVAST Software s.r.o.	-	-	-	-	-	Mobile applications security software
07/02/15	White Sky	Intersections Inc. (NasdaqGM:INTX)	1.1	-	-	-	-	Internet security solutions
07/01/15	DNP HyperTech	Dai Nippon Printing Co. Ltd. (TSE:7912)	-	-	-	-	-	Develops and provides security software products and services
07/01/15	The IRC Company	Level 3 Communications, Inc.	-	-	-	-	-	Distributed denial of service (DDoS) protection solutions for service providers and enterprises worldwide
06/30/15	OpenDNS	Cisco Systems, Inc.	635.0	-	-	-	-	Internet security and domain name system services to secure the networks used by people to connect to the Internet worldwide
06/29/15	Elliptic Technologies	Synopsys Inc. (NasdaqGS:SNPS)	-	-	-	-	-	Embedded security hardware and software solutions for chipset vendors, device manufacturers, middleware providers, and content and service providers
06/23/15	Verizon Enterprise Solutions, Verizon Enterprise SSL Business	DigiCert, Inc.	-	-	-	-	-	Comprises the business operations that provide SSL certificate solutions
06/21/15	Buguroo Offensive Security	TICNOVA QUALITY TEAM S.L.; Inveready Asset Management, S.G.E.I.C., S.A.; STS Inversions, S.L.; Cube Ventures	-	2.3	-	-	-	Cloud security software solutions
06/17/15	Qihoo 360 Technology	CITIC Securities Company Limited (SHSE:600030); China Renaissance Partners; Sequoia Capital China	9,912.8	1,509.9	367.9	-	-	Internet services and security software in the People's Republic of China
06/11/15	Nanjing Vulnhunt	Alibaba Group Holding Limited (NYSE:BABA)	-	-	-	-	-	Internet security solutions
06/11/15	SGA Solutions	T.S. Investment Corporation	-	-	-	-	-	Security software products
06/10/15	NUMBERCOP	WhitePages.com, Inc.	-	-	-	-	-	Security applications that track spamming phone numbers
06/09/15	Guangzhou Goldmessage Technology Co	-	0.1	8.6	-	-	-	Develops data security software and solutions
06/09/15	Reflexion Networks	Sophos Ltd.	22.0	-	-	-	-	Hosted email security and compliance services
06/08/15	IdmLogic	CA, Inc. (NasdaqGS:CA)	-	-	-	-	-	Designs and develops identity and access governance (IAG) solutions
06/02/15	STELCOMMS	ST Electronics (Info-Comm Systems) Pte Ltd	2.2	-	-	-	-	Develops security software for video analytics and provides other communication solutions to security agencies
06/02/15	nSense ApS	F-Secure Oyj	20.0	7.0	-	2.6x	-	NA
05/28/15	Guangzhou Goldmessage Technology	Gosuncn technology group Co., Ltd. (SZSE:300098)	24.4	8.4	-	-	-	Develops data security software and solutions
05/27/15	ShieldArc	Palo Alto Networks, Inc.	18.0	-	-	-	-	Cloud application security solution
05/21/15	NICE Systems , Cyber and Intelligence Division	Cyberbit Ltd.	157.9	80.0	-	2.0x	-	Solutions which provide law enforcement agencies and intelligence organizations with software for creating communication intelligence
05/12/15	Resolution1 Security	General Dynamics Fidelis Cybersecurity Solutions Inc.	-	-	-	-	-	Designs incident resolution solutions for enterprises and governments
05/08/15	Savant Protection	Digital Guardian, Inc.	-	-	-	3.2x	-	Develops and markets security software solutions

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05/06/15	Sirrix AG	ROHDE & SCHWARZ GmbH & Co. KG	-	-	-	0.4x	-	Consults enterprise security products and solutions for communication systems and IT infrastructure worldwide
05/06/15	Privax	AVG Technologies N.V.	60.0	-	-	-	-	Virtual private network (VPN) and internet privacy solutions
05/05/15	Creative Computing Solutions	Information Innovators Inc.	-	-	-	-	-	Integrated program/project management and information technology (IT) solutions primarily to the federal government in the US
04/28/15	Cervalis	CyrusOne LP	400.0	70.0	0.0	5.7x	-	IT infrastructure and managed services solutions
04/27/15	BroadBand Security	SBI AXES Co., Ltd. (KOSDAQ:A950110)	3.5	19.8	-	-	-	NA
04/22/15	KORNIC GLORY	-	-	-	-	-	-	Network systems and security solutions
04/22/15	Procera Networks	Francisco Partners Management LLC; Francisco Partners Fund IV; Francisco Partners IV-A, L.P.	244.0	81.4	(5.2)	1.7x	NM	Subscriber experience assurance solutions based on deep packet inspection (DPI) technology to network operators worldwide
04/21/15	WatchDox	BlackBerry Limited	59.0	-	-	-	-	Cloud based enterprise file synchronization and sharing platform that enable users to share, work with, and control their files on various devices
04/20/15	Codenomicon Oy	Synopsys Inc. (NasdaqGS:SNPS)	-	-	-	4.9x	-	Threat awareness and proactive security testing solutions
04/20/15	Raytheon WebSense	Vista Equity Partners; Vista Equity Associates V, LLC	1,900.0	-	-	-	-	Commercial cybersecurity and defense-grade cyber solutions
04/16/15	Xingyun Rongchuang (Beijing) Technology Co.	Baidu, Inc. (NasdaqGS:BDU)	-	-	-	-	-	Cloud-based software program that helps protect websites from security violations like malware and denial of service attacks
04/14/15	CloudLink Technologies	EMC Corporation (NYSE:EMC)	-	1.0	-	-	-	Networking, virtualization and cloud security solutions for enterprises and governments and service providers worldwide
04/14/15	General Dynamics Fidelis Cybersecurity Solutions	Marlin Equity Partners, LLC	-	-	-	-	-	Visibility and control products and services to detect, investigate, and prevent advanced cyberattacks for commercial enterprise and government customers worldwide
04/10/15	Information Security Solutions	Assured Information Security, Inc.	-	-	-	-	-	Cyber security, information technology security, and cyber intelligence solutions and related consulting services in the US
04/08/15	Oculus Labs	Optio Labs, LLC	0.5	-	-	-	-	Security software that protects computer screens from prying eyes
04/07/15	TrustWave Holdings	Singapore Telecommunications Limited (SGX:Z74)	770.0	216.0	-	-	-	On-demand data security and payment card industry compliance management solutions to businesses and organizations worldwide
04/07/15	Authentify	Early Warning Services, LLC	-	-	-	-	-	Automated authentication services for online business enterprises
04/02/15	Lacoon Security	Check Point Software Technologies Ltd.	-	-	-	-	-	Mobile cyber security solutions
04/01/15	Picviz Labs SAS	ESI Group SA (ENXTPA:ESI)	-	-	-	-	-	Data mining and cybersecurity technology solutions
04/01/15	Toopher	salesforce.com, inc.	-	-	-	-	-	Location-based multifactor authentication solution that prevents online fraud and identity theft
03/31/15	Anicut Systems	CipherCloud, Inc.	-	-	-	-	-	Cloud based adaptive security software solutions
03/24/15	Accumuli plc	NCC Group plc (LSE:NCC)	89.3	31.2	4.5	-	-	IT infrastructure solutions and services in the UK and internationally
03/19/15	HAPSI SA	Solucom SA (ENXTPA:LCO)	-	-	-	-	-	Consulting services specialized in risk management and information system security
03/19/15	SurfEasy	Opera Software ASA	-	-	-	-	-	NA
03/11/15	Algorithmic Research	DocuSign, Inc.	-	-	-	-	-	Digital signature solutions
03/10/15	CyActive	PayPal Holdings, Inc. (NasdaqGS:PYPL)	43.0	-	-	-	-	Predictive cybersecurity solutions to predict and prevent attacks
03/10/15	Blue Coat Systems	Bain Capital, LP	2,400.0	-	-	-	-	Products and services that secure, accelerate, and optimize the delivery of business applications, Web content, and other information to distributed users over a wide area network (WAN) or the public Internet/Web
03/02/15	Emerging Threats Pro	Proofpoint, Inc. (NasdaqGM:PFPT)	32.3	-	-	-	-	Designs and develops security software
03/02/15	CloudShield Technologies	Lookingglass Cyber Solutions, LLC	5.0	-	-	-	-	Deep packet processing (DPP), a technology solution that offers customers intelligent ways to see and manipulate network traffic to fight cyber assaults
03/02/15	Xerocolle	Akamai Technologies, Inc.	16.6	-	-	-	-	Operates as an intelligent broadband domain name system (DNS) company
02/26/15	SGP Technologies	Silent Circle, LLC	-	-	-	1.0x	-	Manufactures and markets smartphones in Switzerland
02/24/15	Optenet	Allot Communications Spain, S.L.U.	38.0	-	-	-	-	Security solutions to service providers and large enterprises worldwide
02/19/15	MegaPath Corporation, Managed Services Business	Global Telecom & Technology Americas, Inc.	152.4	124.0	20.0	1.2x	7.6x	Managed services business of MegaPath
02/18/15	Hyperwise Security	Check Point Software Technologies Ltd. (NasdaqGS:CHKP)	-	-	-	-	-	Develops and markets an APT protection product, which is based on chip level sandboxing technology that can detect cyber attacks
02/11/15	UberScan	Infinite Group Inc. (OTCPK:IMCI)	0.2	-	-	-	-	Cyber security network vulnerability assessment software
02/10/15	FrontRange Solutions USA	Lumension Security, Inc.	-	-	-	-	-	Hybrid IT service management and unified endpoint management software solutions for organizations of various sizes in the US and internationally
02/09/15	Voltage Security	HP Inc. (NYSE:HPQ)	-	-	-	0.4x	-	Data protection, data-centric encryption, tokenization and key management solutions for combating security threats
02/03/15	Sysec	The Herjavec Group, Inc.	-	-	-	-	-	Information, identity and infrastructure security services to public and private sector companies in the UK and internationally

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01/28/15	ANRC	Sunera LLC	-	-	-	-	-	Cybersecurity consulting, training and products for private enterprises
01/27/15	Vulnr	ZeroFOX	-	-	-	-	-	Tools for identifying and resolving threats
01/19/15	Kingsoft Corporation	Xiaomi Inc.	68.0	540.2	96.7	2.5x	17.7x	Research, development and distribution of application software in China and internationally
01/19/15	Simitu ApS	WeCloud AB	-	0.2	-	-	-	IT security solutions including anti-spam and antivirus
01/16/15	USIS, Global Security and Solutions Business	Pacific Architects and Engineers Incorporated	-	-	-	-	-	Global Security and Solutions Business of USIS
01/13/15	TONBELLER	Fair Isaac Corporation	56.6	-	-	-	-	Integrated solutions for governance, risk management, and compliance
01/13/15	IntellinX	Bottomline Technologies (de), Inc.	84.9	-	-	-	-	Behavior tracking solutions
01/12/15	Narus	Symantec Corporation (NasdaqGS:SYMC)	-	-	-	3.3x	18.7x	Cybersecurity data analytics solutions for enterprises, carriers and governments worldwide
01/12/15	Newteq Computer Services	eGuard Tech Consulting Services Inc.	-	-	-	-	-	Hardware installation, support and repair services to small and mid-sized consultation businesses in the US
01/06/15	Achilles Guard	Alert Logic, Inc.	-	-	-	-	-	Information security solutions for Global 2000 enterprises
12/19/14	RandomStorm	Accumuli	15.6	5.5	1.6	-	-	Network security, vulnerability management and compliance solutions
12/17/14	Piolink	NHN Entertainment	5.4	24.1	3.7	-	-	Application networking, Web security, access network related development, and technology development activities
12/11/14	Objective Solutions and ExaTech Solutions and Agency Consulting Group	Vistrionix	-	-	-	-	-	Engineering solutions for Intelligence Community (IC), federal, and commercial clients
12/10/14	Beijing HuaTech Information Technology	Beijing VRV Software	43.8	1.7	-	2.5x	13.7x	Industrializing information security technology in the security industry
12/10/14	Beijing HuaTech Information Technology	-	-	-	-	6.0x	-	Industrializing information security technology in the security industry
12/10/14	Neohapsis	Cisco Systems	-	-	-	-	-	Mobile and cloud security services for enterprises, Fortune 1000 companies, organizations, and government agencies globally
12/09/14	Tripwire	Belden	710.0	118.5	-	-	-	Threat, security, and compliance solutions that enable enterprises, service providers, and government agencies to detect, prevent, and respond to cyber security threats worldwide
12/04/14	SpydrSafe Mobile Security	Okta	-	-	-	1.3x	5.9x	Mobile security platform that prevents corporate data breaches due to intentional or inadvertent misuse of mobile apps
12/04/14	Access	Atea ASA	53.0	586.0	40.0	0.5x	7.9x	Network and communication solutions in the form of hardware, software, and consulting and support services to customers in public and private sectors in Denmark
12/01/14	PasswordBox	Intel	-	-	-	-	-	Develops an application that allows users to store, create, retrieve, and share passwords and other personal information on phones, tablets, or computers
11/28/14	Excitor	Soliton Systems	0.0	7.2	-	-	-	Secure mobile and remote access solutions
11/24/14	BRToken Industria e Comercio de Produtos Eletronicos	Datablink	-	-	-	-	-	NA
11/18/14	VendorSafe Technologies	Providence Equity Partners	-	-	-	-	-	Cloud based payment card industry data security standard (PCI DSS) solutions to merchants
11/13/14	Aorato	Microsoft	200.0	-	-	-	-	NA
11/07/14	Beijing Mission Communication	Beijing Shenzhou Green League IT	1.6	0.4	-	-	-	Anti-spam security software
11/05/14	Norman Safeground	AVG Technologies	16.9	-	-	-	-	IT and Internet security software
11/05/14	FishNet Consulting	Accuvant	-	-	-	-	-	Information security solutions that combine technology, services, support, and training to protect organizations from information security threats
11/05/14	Raytheon Blackbird Technologies	Raytheon	420.0	-	-	-	-	Technology solutions for customers in the defense, intelligence, and law enforcement communities
11/04/14	BlueSpace Software	Sterling Computers	-	-	-	-	-	Cyber security solutions for mission critical clouds and networks
10/30/14	InfoTrust	NTT Com Security	18.1	-	-	-	-	Security integration services
10/29/14	Nuvel Holdings	OrangeHook	-	0.0	-	-	-	Proxy and other appliances, and related software and services that secure, accelerate, and optimize the delivery of business applications across an enterprise's gateway to the public internet
10/28/14	TASC	Engility Holdings	1,100.0	-	-	-	-	Enterprise systems engineering, architecture, and solutions for national security and public safety markets
10/23/14	Nexgate	Proofpoint	34.8	-	-	-	-	Cloud-based social media security and compliance solutions
10/21/14	NSEC - Sistemas Informaticos	BitSight Technologies	-	-	-	-	-	E-mail security solutions
10/21/14	BAE Systems Applied Intelligence US	BAE Systems	232.5	-	-	-	-	Cloud security solutions
10/20/14	RightSignature	Citrix Systems	37.5	-	-	-	-	Electronic signature solutions
10/14/14	EyeLynx	Zaun	-	-	-	-	-	Multi-channel video security software for HD, megapixel, and high performance CCTV applications
10/14/14	NAVEX Global	Vista Equity Partners	-	-	-	-	-	Suite of ethics and compliance software solutions
10/13/14	Danaher, Communications Business	NetScout Systems	2,619.4	836.0	-	3.1x	-	Network security and management solutions for networks for enterprises, Internet service providers, and governments worldwide
10/07/14	SecureBrain	Hitachi Systems	-	-	-	-	-	Security solutions against cybercrime in Japan
10/01/14	MobileSpaces	Pulse Secure	100.0	-	-	-	-	Develops mobile security applications
10/01/14	Saltbush Group	UXC Consulting	-	10.5	-	-	-	Information and cyber security professional services

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09/30/14	Beijing Esafenet Science & Technology	NSFOCUS Information Technology	81.1	13.6	-	-	-	Network security products, and data loss prevention and specialized security services and solutions
09/30/14	Beijing Esafenet Science & Technology	-	1.9	13.6	-	-	-	Network security products, and data loss prevention and specialized security services and solutions
09/30/14	Beijing Esafenet Science & Technology	Beijing Delian Hengfeng Investment Center (Partnership); Beijing Zhekong Jincheng Equity Investment Center (Partnership)	11.4	-	-	-	-	Network security products, and data loss prevention and specialized security services and solutions
09/30/14	Beijing Esafenet Science & Technology	-	-	13.6	-	2.5x	8.9x	Network security products, and data loss prevention and specialized security services and solutions
09/22/14	SafeIT Security	Regeneris	2.3	-	-	3.2x	21.2x	Develops, supplies, and licenses digital shredding and secure storage software solutions
09/15/14	Cryptosoft	TERN	0.1	-	-	-	-	Platform to deliver authentication and encryption services into mobile workflow without disrupting or re-engineering existing data processes
09/15/14	The Attachmate Group	Micro Focus International	2,302.4	933.4	168.6	-	-	Enterprise software solutions that enable users to extend, manage, and secure complex IT environments
09/11/14	Movirtu	BlackBerry	30.5	-	-	-	-	Identity solutions for mobile operators
09/04/14	BBA	LogMeIn	15.0	-	-	-	-	Identity and access management tool that allows users to consolidate and track their accounts across multiple Web-based applications
09/03/14	Location Labs	AVG Technologies USA	233.0	27.4	-	-	-	Mobile security solutions for people worldwide
09/02/14	BeyondTrust Software	Veritas Capital; Fifth Street Finance; Fifth Street Management; Fifth Street Senior Floating Rate	310.0	-	-	-	-	Privileged account management and vulnerability management software solutions to reduce IT security risks and simplify compliance reporting
09/02/14	SOFTPRO	Kofax	34.7	13.3	1.0	2.6x	34.7x	Products and solutions for digital capture, management, and verification of electronic signatures worldwide
08/29/14	Dictao Siege	Morpho	-	-	-	-	-	Software solutions for authentication, electronic signatures, and secure archiving
08/27/14	Veracode	Wellington Management Company (nka:Wellington Management Group)	40.0	-	-	-	-	Cloud-based application security platform
08/12/14	Scorpion Software Corp	Kaseya International Shared Services	-	-	-	-	-	Authentication on-premise and in the cloud suite for IT service providers and companies with IT teams
08/12/14	SailPoint Technologies	Thoma Bravo	0.7	100.0	-	-	-	On-premises or cloud based identity and access management (IAM) solutions that allow organizations to deliver and manage user access from any device to data and applications residing in the datacenter, on mobile devices, and in the cloud
08/11/14	Lighthouse Security Group	International Business Machines	-	-	-	-	-	Identity and access management (IAM) solutions
08/08/14	Core	-	-	-	-	-	-	Biometric based identity and inmate management solutions for high security facilities
08/08/14	SafeNet	Gemalto	957.0	-	-	-	-	Data protection and software monetization solutions to customers across commercial enterprises and government agencies
08/07/14	PrivateCore	Facebook	-	-	-	-	-	Computing platform that allows individuals or organizations to safely use cloud computing resources without ceding control of their data
08/06/14	MXSweep	FuseMail	-	-	-	-	-	Software-as-a-service based internet security and compliance services to corporate and public sector customers globally
07/31/14	CrossIdeas	IBM International Group	-	-	-	-	-	Identity and access governance solutions to manage people, applications, and entitlements
07/31/14	Mitro Labs	Twitter	-	-	-	-	-	Password manager that operates as a Web browser extension
07/30/14	Magal Security Systems	First Israel Mezzanine Investors	22.6	54.6	(3.5)	0.6x	-	Manufactures, and sells safety, security, site management, and intelligence gathering and compilation solutions and products worldwide
07/29/14	Secusmart	BlackBerry	9.0	-	-	-	-	Hardware-based security solutions on a micro SD card for smartphones in Germany and internationally
07/24/14	Grupo S21sec Gestión	Sonae.com - Sistemas de Informação	-	-	-	8.5x	-	Cyber security services to protect businesses and public sector organizations
07/22/14	Pulse Secure	Siris Capital Group	250.0	-	-	-	-	Access and mobile security solutions to enterprises and service providers
07/21/14	Retail Decisions	ACI Worldwide	94.4	-	-	-	-	Fraud prevention, payment processing, risk management, and value-added payment services in the UK
07/07/14	CA Technologies, CA Arcserve Data Protection Business	Marlin Equity Partners	170.0	-	-	-	-	Backup and recovery software solutions for mission-critical systems, applications and data
06/11/14	FireMon	Insight Venture Partners	-	-	-	-	-	Security intelligence solutions for infrastructure, policy, and information technology (IT) risk for large organizations.
05/28/14	NitroDesk	Symantec	-	-	-	-	-	ActiveSync email solution for securing corporate email on mobile devices
05/27/14	Risk IDS	VASCO Data Security International	-	-	-	-	-	Software solutions to help banks and payment institutions to manage risk in their electronic payment channels
05/21/14	LetMobile	LANDESK Software	-	-	-	-	-	Provides solutions for securing corporate collaboration on personal mobile devices
05/20/14	NetCitadel	Proofpoint	22.8	-	-	-	-	Develops a security orchestration platform that transforms static security devices into a software-defined security infrastructure
05/19/14	Divide	Google	120.0	-	-	-	-	Enterprise mobile solutions to create a secure workspace on employee devices
05/15/14	Lumension Security	Clearlake Capital Group	-	-	-	-	-	Develops, integrates, and markets security software solutions

Announced Date	Target/Issuer	Buyers/Investors	Trans. Value	Revenue [LTM]	EBITDA [LTM]	Revenue Multiple	EBITDA Multiple	Short Business Description [Target/Issuer]
05/14/14	Bee Ware	DenyAll SAS	-	-	-	-	-	Web security solutions in Europe
05/14/14	Symantec	ValueAct Capital Management	-	6,676.0	1,944.0	-	-	Security, backup, and availability solutions worldwide
05/09/14	Wurldtech Security Technologies	General Electric Company	-	-	-	-	-	Security solutions against the threat of cyber attack on critical infrastructure
05/06/14	nPulse Technologies	FireEye	67.1	-	-	0.0x	-	Manufactures network forensics equipment and also develops security platform solutions
05/01/14	Bomgar	TA Associates Management	-	-	-	-	-	Privileged access management solutions
04/30/14	PNP Secure	NHN Entertainment	58.1	-	-	-	-	Database security solutions
04/29/14	XYPRO Technology	-	-	-	-	-	-	Security software solutions to companies who manage and transport business-critical data on a large scale to improve HP NonStop server environments
04/24/14	Dectech Solutions	GB Group	35.3	5.8	-	3.5x	-	Decision support company that focuses on providing credit risk management, fraud detection, and customer management solutions
04/23/14	docTracker	Intralinks	10.0	-	-	-	-	Data security solutions
04/22/14	Federal Network Systems	Jacobs Engineering Group	-	-	-	1.2x	-	Networking solutions
04/21/14	DigitalPersona	Cross Match Technologies	-	-	-	3.6x	-	Biometrics-based identity verification solutions
04/18/14	Secure Mission Solutions	Parsons Corporation	-	-	-	-	-	Software solutions for physical and cyber security.
04/08/14	Global DataGuard	Masergy Communications	-	-	-	-	-	Unified Enterprise Security (UES) and Unified Enterprise Cloud Security (UECS) solutions to prevent data leakage
04/07/14	Metaforic	INSIDE Secure	17.4	-	-	-	-	Software obfuscation technologies and encryption-related security software
03/31/14	BDG	NTT Com Security	-	-	-	-	-	Internet and IT security services
03/31/14	Memeo	UNICOM Systems	-	-	-	-	-	Software and services company that provides backup, sync, and sharing solutions for the protection and accessibility of data
03/31/14	Blancco	Regeneris Sweden	82.7	10.3	-	4.8x	-	Data erasure software for finance, banking, data center, healthcare, military, government, and IT asset disposal sectors
03/26/14	Cybertrust Japan	Softbank Technology	16.0	16.7	-	-	-	PKI security services
03/21/14	accells technologies	Ping Identity	-	-	-	-	-	Mobile ID and smart authentication solutions that address the lack of security inherent in user-managed passwords and the limitations of token/one-time-password based solutions
03/19/14	Palo Alto Networks (Israel)	Palo Alto Networks	213.3	-	-	-	-	Cyber defense solutions that protect organizations from targeted cyber-attacks and mass attacks
03/19/14	SQS India BFSI	SQS Software Quality Systems	12.0	29.4	6.4	-	-	Software validation and verification services to the banking and financial services industry worldwide
03/18/14	Chengdu 30 JAVEE Microelectronics	Sichuan Shuxiang Venture Capital	-	5.1	-	-	-	Manufactures chips for maintaining the security and confidentiality of communications of information systems
03/18/14	Chengdu 30 JAVEE Microelectronics	Sichuan Shuxiang Venture Capital	-	5.1	-	-	-	Manufactures chips for maintaining the security and confidentiality of communications of information systems
03/18/14	Chengdu 30san Information System	Sichuan Shuxiang Venture Capital	-	34.6	-	-	-	Information system integration, classified system setup, R&D in information security products, industry application software development, information security service, and IT outsourcing service
03/18/14	Cenzic	TrustWave Holdings	-	-	-	-	-	Application security platform to assess cloud, mobile, and Web vulnerabilities
03/13/14	Adyton Systems	ROHDE & SCHWARZ	-	2,644.2	-	8.0x	-	Information security defense company
03/12/14	Industrial Defender	Lockheed Martin	-	-	-	-	-	NA
03/11/14	Accuvant (nka:Optiv Security)	The Blackstone Group, Private Equity Group; Sverica International; Blackstone Capital Partners VI	-	577.0	-	-	-	IT security strategy, consulting, managed security, and technology resale and integration solutions
03/10/14	Identity Forge	IDMWORKS	-	-	-	-	-	Identity and access management software solutions for mainframe, midrange, and legacy systems
02/24/14	FTAPI Software	QSC	-	-	-	-	-	Transfer and storage technology for business file exchange and access
02/23/14	BoxTone	Good Technology	-	20.9	(8.1)	-	-	Mobile device management and enterprise mobility management software solutions and services for enterprises, public sector entities, and managed service providers worldwide
02/21/14	Cryptzone Group	Medina Capital	13.4	3.8	(5.4)	-	-	Technical solutions to mitigate IT security risk
02/19/14	Coverity	Synopsys	375.0	-	-	6.0x	-	Software quality and security testing solutions
02/19/14	Microdasys Europe	Clearswift	-	-	-	-	-	Internet security company
02/13/14	Carbon Black	Bit9	-	-	-	-	-	Cybersecurity software
02/10/14	SECUDE AG, FinallySecure	EgoSecure	-	-	-	-	-	NA
02/10/14	Cyberoam Technologies	Sophos	-	-	-	-	-	NA
02/06/14	Raonsecure	-	-	15.6	(1.1)	-	-	Security solutions in South Korea
02/06/14	Skyfence Networks	Imperva	65.0	-	-	-	-	Security solutions that ensure the security and compliance of cloud applications and data
02/06/14	Incapsula	Imperva	8.1	-	-	-	-	Cloud-based Website security and performance services for hosting companies, MSSPs, and various service providers
01/30/14	Tomium Software	Imperva	8.1	-	-	-	-	Enterprise-class systems software for mainframe environments
01/28/14	Raonsecure	-	-	15.6	(1.1)	-	-	Security solutions in South Korea
01/22/14	AirWatch	VMware	1,545.0	-	-	15.0x	-	Mobile security and enterprise mobility management solutions
01/21/14	Check Point Software Technologies	-	-	1,394.1	771.9	-	-	Software, combined hardware, and software products and services for IT security worldwide
01/17/14	IdenTrust	HID Global	-	-	-	-	-	Digital identity authentication solutions
01/15/14	CloudUp Networks	CipherCloud	-	-	-	-	-	Web-based security application for mobile phones

Announced Date	Target/Issuer	Buyers/Investors	Trans. Value	Revenue [LTM]	EBITDA [LTM]	Revenue Multiple	EBITDA Multiple	Short Business Description [Target/Issuer]
01/09/14	Ubiquita	Equinix	-	-	-	-	-	NA
01/06/14	Atheos	Orange Business Services SAS	-	-	-	-	-	Information system security, management of identities, and data processing services.
01/06/14	Morta Security	Palo Alto Networks	10.4	-	-	-	-	Network security solutions to guard against cyber threats
01/02/14	Mandiant	FireEye	843.7	102.0	(5.2)	8.1x	-	Security products and incident response management solutions to the financial service sector, legal community, government agencies, and other domestic and international clients
01/15/14	CloudUp Networks	CipherCloud	-	-	-	-	-	Web-based security application for mobile phones
01/09/14	Ubiquita	Equinix	-	-	-	-	-	NA
01/06/14	Atheos	Orange Business Services SAS	-	-	-	-	-	Information system security, management of identities, and data processing services.
01/06/14	Morta Security	Palo Alto Networks	10.4	-	-	-	-	Network security solutions to guard against cyber threats
01/02/14	Mandiant	FireEye	843.7	102.0	(5.2)	8.1x	-	Security products and incident response management solutions to the financial service sector, legal community, government agencies, and other domestic and international clients

Source: Capital IQ (in \$ millions)

VALUATION TRENDS

STOCK PERFORMANCE

CHART 6: PURE-PLAY IT SECURITY INDEX PERFORMANCE, 01/01/2013 - 01/31/2016



Source: Capital IQ

*Market cap weighted index of the comps detailed in the Public Company Analysis section

Our pure-play IT Security Index has posted an impressive return of 66% during over the three year period from 2013-2015, generating significantly positive alpha as the benchmark NASDAQ Composite and S&P 500 Indices generated 53% and 43% over the same period, respectively. As the chart above shows, IT Security stocks have tended to outperform the broader indices when they go up, and fall farther on the way down. This can be better analyzed by dividing the performance into four phases:

Phase 1: December 2012 – March 2014

The customized IT Security index moved largely in tandem with the benchmark indices until December 2013-January 2014, when discount retailer Target disclosed theft of credit card and debit card information of 110 million customers. High profile breaches have tended to drive investor interest in the sector, and the disclosure by Target led to improved investor sentiment, with the customized index (which had been underperforming the broader indices until then) comfortably surpassing both the S&P 500 and NASDAQ Composite benchmark indices. Another significant driver of the outperformance was FireEye's stock jumping more than 130% in just two months following the acquisition of Mandiant, an endpoint-focused forensics specialist in early January 2014 and analysts being highly bullish on its potentially disruptive technology.

In this phase, the Pure-play IT Security Index increased 58%, outperforming both the NASDAQ Composite Index and the S&P500 index at 44% and 31%, respectively.

Phase 2: March 2014 – May 2014

We note that Phase 1 was marked by the emergence of secular growth drivers for the IT security industry, while strategic M&A deals to add complementary offerings boosted investor sentiment. Notably, after its robust showing in Phase 1, FireEye quickly lost favor with investors amidst management's downward revision of full-year revenue guidance twice in two quarters. In April 2014, investors in Imperva were disappointed following the release of preliminary Q1 2014 results where the management guided for significantly lower revenues and wider losses, sending the stock down 44% in a single day. The company cited rising competition for large orders and an extended sales cycle for the miss. We note that Imperva's disappointing results proved to be an important cross-read for the sector as investors moved to underweight the sector amidst concerns over elevated valuations, growth prospects and poor margins.

In this phase, the Pure-play IT Security Index fell 23% vs. flat NASDAQ Composite and S&P500 Indices.

Phase 3: May 2014 – June 2015

The first five months of Phase 3 saw the customized index largely underperforming the NASDAQ Composite Index, while it mirrored the technology-heavy index between mid-October 2014 and early February 2015. We note that the period from September 2014 was characterized by a series of high-profile security breaches at companies such as JPMorgan Chase (data on ~83 million accounts), Apple (iCloud) and Sony Pictures (where hackers revealed data on employees and also released copies of the yet-to-be-released movie “The Interview”). These events catalyzed IT Security shares, as the secular nature of the factors driving sector growth once again took center stage, resulting in the IT Security index recovering lost ground against the NASDAQ Composite Index.

In February 2015 the IT security industry index witnessed a significant breakout and continued to outpace the broader indices until the summer of 2015. Some of the key factors which drove the positive investor sentiment in February 2015 were robust earnings and guidance by index participants including CyberArk and Qualys, a White House summit focused on cybersecurity in February 2015 and continued breach activity such as the hacking of personal information of 80 million people at Anthem, the second-largest health insurer in the US.

In this phase, the Pure-play IT Security Index returned 56% vs. 21% for the NASDAQ Composite Index and 10% for the S&P500 Index.

Phase 4: July 2015 – December 2015

Growing concerns of economic slowdown in China and uncertainty over Fed interest rate policy during Q3 2015 resulted in the worst quarter for the stock markets since the third quarter of 2011, as both S&P500 and NASDAQ reported declines of about 10% for the quarter. The IT Security index reported a 15% decline during the quarter and during the following three months, while broader indices reported positive returns on the back of Federal Reserve’s policy rate raise, the IT Security index continued to slide. In October 2015, lower guidance for full-year 2015 from Fortinet triggered a sharp sell-off in many IT security stocks and Fortinet stock itself plunged 19%. In another event, during November 2015, FireEye stock dropped nearly 23% on a single day due to mixed Q3 results and tepid full-year outlook. In this phase, the benchmark indices remained flat vs 8% and 6% return for the NASDAQ Composite Index and S&P500, respectively.

Broader market slowdown since the start of 2016 has resulted in negative performance for the Pure-play IT Security Index for the month of January. While S&P500 and NASDAQ reported 7% and 10% declines, respectively, the benchmark index followed suit with 13% negative return. Despite the high-beta swings in IT Security stocks, investors have been rewarded as the sector has outperformed the broader market over the last 3 years.

PUBLIC COMPANY ANALYSIS

As a result of the IT Security sector’s high growth and strong investor interest, publicly traded stocks have tended to trade slightly higher as a group than the broader enterprise software market. Our pure-play index of 26 IT Security companies trade on average at 3.7x LTM revenue and 31.1x LTM EBITDA. The enterprise software companies trade on an average at 3.5x LTM revenue and 27.5x LTM EBITDA (as of Feb 07, 2016). Average revenue growth for the group, however, is approximately 21%, well above the average growth rate of approximately 11% in enterprise software.

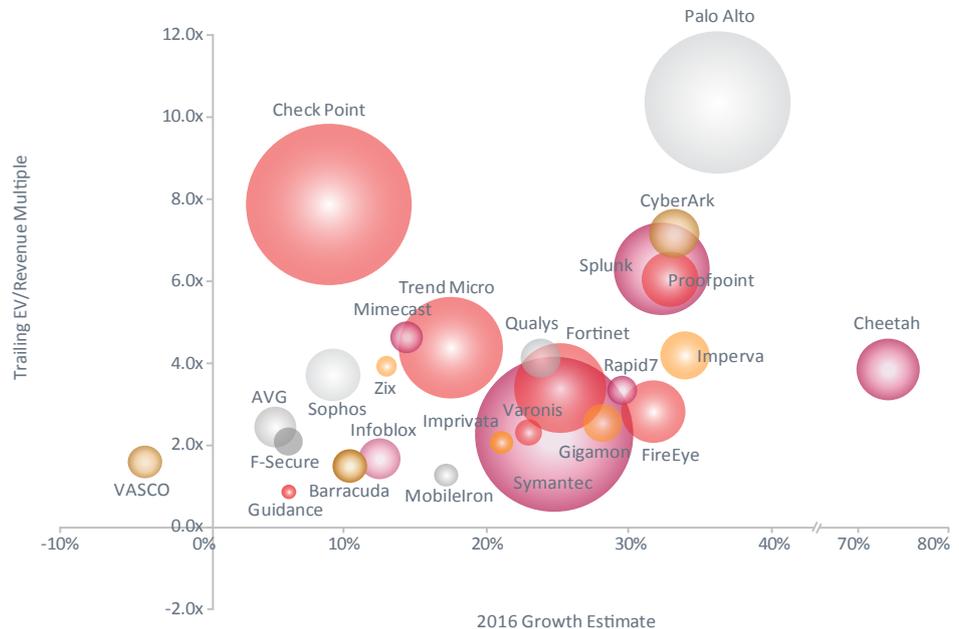
Within the group, there continues to be strong correlation between growth and valuation, as Chart 7 below shows. Palo Alto Networks, for example leads the sector in valuation, currently trading at more than 10x LTM revenue, a reflection of its more than 50% revenue growth rate in 2015. Checkpoint and Trend Micro trade at relative premiums to their peers despite lower revenue growth. We would note that both companies continue to command strong shares of their respective markets, and particularly in the case of Checkpoint, high operating margins. By contrast, companies like FireEye and Rapid7 have seen their EV/Revenue multiples compress over recent months as investor focus for valuation has shifted from revenue growth to profitability. Despite beating revenue and earnings estimates, the valuation for Rapid7 has corrected from a level of 11.4x trailing revenue in Q3 2015 to 4.2x by the end of Q4 2015. FireEye also experienced a visible decline in valuation stemming from lowering of guidance in Q3 2015, despite beating revenue and earnings estimates for the quarter. The impressive growth reported by these companies has been fueled by enormous spending and investors are now looking for some financial discipline in order to convert the growth in positive cash flows.

Underscoring the shift in investor focus to profitability, Proofpoint, with its operations turning profitable and EBITDA margins growing, has maintained its valuation during this period and continues to trade at a premium to peers, trading at ~6.0x LTM revenue (and due to the nascent state of its profitability, a 3-digit multiple of EBITDA).

IT SECURITY INDEX - PUBLIC COMPANIES

Multiples Snapshot															
Name	Price	52Week		MCap (in mn)	EV (in mn)	EV/Revenue			EV/EBITDA			Revenue Growth		EBITDA Margin	
		High	Low			LTM	2015	2016	LTM	2015	2016	2015	2016	2015	2016
Check Point	\$78.0	\$88.5	\$65.1	\$14,110	\$12,826	7.9x	7.9x	7.3x	15.1x	13.8x	13.0x	8.9%	8.1%	57.1%	56.0%
Symantec	\$19.8	\$26.4	\$18.3	\$12,888	\$12,359	2.3x	2.3x	3.4x	6.3x	7.1x	10.0x	15.8%	23.8%	32.3%	34.3%
Palo Alto	\$127.5	\$200.6	\$123.6	\$10,954	\$10,685	10.3x	9.4x	7.0x	NM	51.4x	28.0x	53.4%	35.2%	18.4%	24.9%
Trend Micro	\$40.7	\$46.6	\$28.7	\$5,556	\$4,490	4.4x	4.5x	3.8x	12.9x	13.7x	12.4x	4.0%	16.6%	32.7%	31.1%
Splunk	\$36.2	\$76.9	\$33.8	\$4,699	\$3,751	6.3x	5.8x	4.4x	NM	98.7x	65.5x	44.5%	31.3%	5.8%	6.7%
Fortinet	\$25.1	\$50.3	\$23.6	\$4,326	\$3,434	3.4x	3.4x	2.7x	63.5x	21.1x	15.5x	31.0%	24.2%	16.2%	17.7%
FireEye	\$13.2	\$55.3	\$13.0	\$2,121	\$1,649	2.8x	2.6x	2.0x	NM	NM	NM	46.5%	30.7%	-31.5%	-17.7%
Cheetah	\$14.6	\$36.6	\$13.3	\$2,076	\$1,903	3.9x	3.4x	2.0x	43.5x	31.0x	14.0x	99.6%	71.3%	10.8%	14.0%
Proofpoint	\$40.8	\$75.5	\$40.3	\$1,665	\$1,605	6.0x	6.1x	4.6x	NM	332.6x	124.8x	34.9%	31.9%	1.8%	3.7%
Sophos	\$3.4	\$4.2	\$3.2	\$1,515	\$1,735	3.7x	3.8x	3.5x	30.6x	21.9x	21.9x	5.4%	8.4%	17.4%	16.1%
CyberArk	\$40.8	\$76.4	\$36.0	\$1,293	\$1,043	7.2x	6.8x	5.2x	31.6x	26.9x	22.8x	48.8%	32.2%	25.3%	22.6%
Imperva	\$39.6	\$78.0	\$37.4	\$1,245	\$980	4.2x	4.3x	3.2x	NM	127.5x	72.8x	40.0%	33.0%	3.3%	4.4%
Infoblox	\$15.2	\$28.0	\$13.2	\$910	\$560	1.7x	1.6x	1.4x	NM	11.9x	10.9x	32.3%	11.6%	13.3%	13.1%
AVG	\$17.4	\$29.2	\$16.6	\$909	\$1,030	2.5x	2.4x	2.3x	8.4x	6.7x	6.5x	14.1%	4.4%	36.0%	35.5%
Qualys	\$24.0	\$55.5	\$23.6	\$820	\$646	4.1x	3.9x	3.2x	18.5x	11.9x	9.9x	23.1%	22.8%	33.0%	32.3%
Gigamon	\$22.9	\$34.8	\$18.8	\$779	\$569	2.6x	2.6x	2.1x	33.1x	12.0x	9.1x	38.6%	27.2%	21.8%	22.5%
Barracuda	\$11.6	\$46.8	\$9.4	\$614	\$464	1.5x	1.5x	1.4x	131.6x	6.4x	8.4x	16.2%	9.5%	23.5%	16.4%
VASCO	\$14.9	\$35.0	\$13.6	\$589	\$405	1.6x	1.7x	1.8x	7.3x	6.7x	8.5x	19.0%	-4.7%	25.0%	20.9%
Mimecast	\$10.4	\$10.8	\$0.0	\$559	\$594	4.6x	4.3x	3.8x	32.1x	24.1x	66.0x	20.2%	13.5%	17.7%	5.7%
Rapid7	\$11.0	\$27.5	\$10.5	\$457	\$333	3.3x	3.1x	2.4x	NM	NM	NM	39.9%	28.5%	-28.2%	-25.6%
F-Secure	\$2.8	\$4.3	\$2.4	\$443	\$338	2.1x	2.1x	2.0x	11.3x	11.8x	11.2x	-12.8%	5.3%	17.6%	17.6%
Varonis	\$14.6	\$38.5	\$14.6	\$377	\$272	2.3x	2.2x	1.8x	NM	NM	NM	23.4%	22.0%	-9.3%	-6.7%
MobileIron	\$3.6	\$13.0	\$2.8	\$289	\$192	1.3x	1.3x	1.1x	NM	NM	NM	10.8%	16.3%	-38.3%	-17.8%
Imprivata	\$11.5	\$21.6	\$9.0	\$288	\$236	2.1x	2.0x	1.7x	NM	NM	NM	21.8%	20.1%	-11.8%	-4.5%
Zix	\$4.2	\$5.8	\$3.5	\$233	\$209	3.9x	3.8x	3.4x	20.1x	14.4x	11.8x	8.6%	12.1%	26.5%	28.9%
Guidance	\$3.7	\$10.2	\$3.6	\$112	\$94	0.9x	0.9x	0.8x	NM	NM	61.7x	-3.0%	5.3%	-1.4%	1.4%
Average						3.7x	3.6x	3.0x	31.1x	42.6x	28.8x	26.3%	20.8%	12.1%	13.6%
Median						3.4x	3.2x	2.6x	20.1x	14.1x	13.0x	22.4%	21.1%	17.5%	16.2%

Sources: CapitalIQ, Redwood Capital (as of Feb 05, 2016)

CHART 7: VALUATION COMPARISON OF PURE-PLAY IT SECURITY COMPANIES


Source: CapitalIQ, Redwood Capital (as of Feb 05, 2016)

Note: Bubble size indicates relative market-cap

IPO ACTIVITY

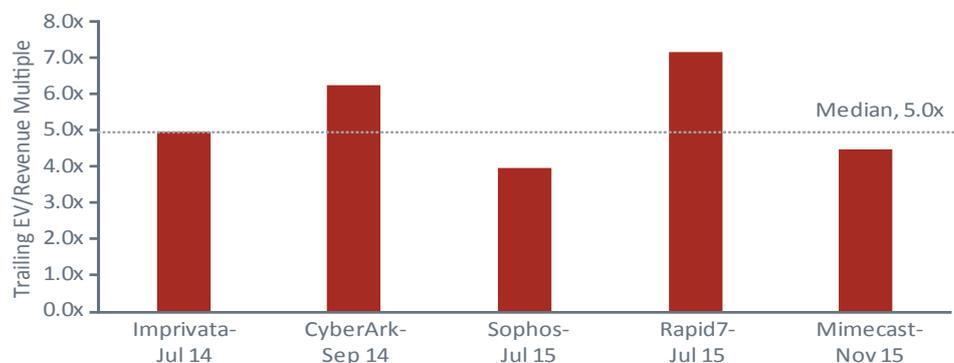
- SecureWorks:** SecureWorks (Filed 12/17/15) Acquired by Dell in 2011, managed security player SecureWorks filed a public S1 on December 17, 2015. The company, led by CEO Michael Cote since 2002, has grown revenue rapidly in recent years, from approximately \$170 million in 2012 to more than \$250 million in 2014 and an expected \$325 million in 2015.
- Mimecast (NASDAQ:MIME):** Mimecast Limited went public on November 19, 2015, pricing 7.75 million shares at \$10, the lower end of the anticipated range. The IPO valued the company's equity at \$540 million, or about 4.5x trailing 12 month revenue and 29x trailing 12 month EBITDA. Headquartered in the UK, Mimecast provides email security and risk management solutions to over 15,000 customers worldwide.

- **Sophos (LON:SOPH):** Sophos' IPO on July 1, 2015 marked the biggest ever tech IPO in UK with a total equity valuation of \$1.6 billion. Priced at 225 pence per share (\$3.54 per share), the company raised \$125 million through the IPO at a 4.0x trailing revenue and 30x trailing EBITDA multiple. Headquartered in UK, Sophos provides cloud-enabled end user and network security solutions to more than 200,000 organizations working with an extensive channel network of 15,000 partners.
- **Rapid7 (NASDAQ:RPD):** Also in July 2015, Rapid7 Inc., a provider of security data and analytics solutions, issued 6.45 million common shares at \$16 per share (above the price range of \$13-\$15). Market demand for the offer was very strong, which allowed the company to increase the final offer price to \$16 per share, raising \$103 million. The elevated IPO valuation of 7.2x LTM revenue reflected robust investor interest in Rapid7's established base of 3,900 customers, including 30% of Fortune 1000 companies in over 90 countries, as well as strong growth of 35% per annum during 2011-14. The shares surged as much as \$27.45 on listing day, before closing the day up 58% at \$25.28. In October 2015, Rapid7 utilized its bolstered coffers to acquire RevelOps Inc. (Logentries), a provider of cloud-based solutions for searching, visualizing and analyzing machine logs for \$68 million in cash and shares. The deal enabled Rapid7 to expand its data analytics offerings.
- **CyberArk (NASDAQ:CYBR):** CyberArk Software, a provider of enterprise security software aimed at protecting user accounts, issued shares in an IPO in September 2014 making it the first cybersecurity company from Israel to list in the US since Radware in 1999. In the IPO, CyberArk sold 5.36 million shares priced at \$16 per share, above the marketed range of \$13-\$15 per share, raising \$85.8 million. The rich IPO valuation of 6.3x LTM revenue was among the highest of recent IT security IPOs, reflecting the company's established history of high growth and profits, a rare combination for an emerging IT security company.

On the first trading day investors raked in 87% gains, with the stock soaring to \$29.93 at closing. In October 2014, CyberArk acquired Viewfinity, a provider of endpoint protection solutions for \$30.5 million in cash. In February 2015, in less than ten trading sessions, CyberArk's stock experienced a major jump, doubling from just over \$36 per share to above \$70 per share within 8 trading sessions. The rise was driven by Q4 2014 results which were well above expectations. Although the stock has since corrected from those levels, recent speculation that IT security giant Check Point Software Technologies is in talks to acquire CyberArk has propelled the stock.

- **Imprivata (NYSE:IMPR):** On June 24, 2014, Imprivata, an authentication and access management solution provider for the healthcare industry, raised \$86.25 million (including the overallotment option exercised by the underwriters) through an IPO on New York Stock Exchange. The company sold 5.75 million shares priced at \$15 (mid-point of the expected range) with an implied valuation of \$387 million, a multiple of 5.0x on trailing revenue. With growing investor interest stemming from increasing demand for the company's healthcare data security solutions, the stock opened 13% higher than the listing price and reported decent performance. However, lower results than street estimates for 3Q 2015 led to a 35% decline in the stock price in October 2015. Since then, the stock has reported improvement but the investors are still showing concern about growth prospects. As of January 31, 2016, the stock is trading at \$11.65 and has recovered 29% over its October low of \$9.00 but is still trading 22% below its IPO price.

CHART 8: IT SECURITY IPOs Pricing 2014-15



Sources: CapitalIQ, Redwood Capital

In summary, over the last four years, new issues from IT Security companies have been generally well received in public equity markets. The trend has continued in 2014 and 2015 with IT Security IPOs pricing at high multiples and gaining further on initial listing. Several sector players are reportedly planning IPOs in 2016, however given the volatility in the equity markets in early 2016, it remains to be seen how receptive the IPO market will be to new IT Security entrants.

PRIVATE PLACEMENTS

(Capital value in millions)

Year	# of Trans	% Total Trans	Total Capital Raised	% Total Capital Raised	Average Trans Size	Median Trans Size
2015	197	25%	\$4,375.9	42%	\$23.7	\$10.9
2014	248	32%	\$3,120.2	30%	\$13.6	\$7.9
2013	123	16%	\$1,037.8	10%	\$9.5	\$5.4
2012	114	14%	\$1,018.7	10%	\$10.3	\$4.5
2011	105	13%	\$830.5	8%	\$10.3	\$4.0
Totals (Avg)	787	100%	\$10,383.0	100%	\$14.9	

Source: Capital IQ

Private placement deal activity has increased significantly in the last two years since our last report on the sector. Investors continue to pour funds into IT security companies as the growing instances of data breaches continue to increase the demand for sophisticated IT security solutions. Fund raising activity has seen tremendous amount of growth from strategic participants across the investment life cycle. As a result, not only did the private placement deal numbers double in 2014, the figure for capital raised tripled to \$3.1 billion. The momentum continued in 2015 and the total capital raised increased to \$4.4 billion, a 27% increase over 2014, albeit over a smaller number of transactions.

During 2014 and 2015, North America remained the epicenter of deal activity with a continued share of more than 75% of the total deals across the globe, followed by Europe (9%) and Africa/Middle East (8.5%) regions. In terms of capital raised also, North America contributed the lion's share at 78%, with Asia Pacific (13%) making up the most of the rest. Another interesting trend in 2015 was the emergence of Asia Pacific as an important deal center. Total capital raised grew multi-fold to \$799 million from just \$172 million in 2014. This was as a result of three of the five deals above \$100 million originating from this region, which together accounted for \$670 million between them.

While the average deal size during 2010-13 was around \$10 million, the average deal size increased to \$14 million in 2014 and rose significantly to \$24 million in 2015. VC investment rounds of greater than \$10 million have substantially increased since early 2014. The increase in average deal size during the last couple of years can also be attributed to the later stage large capital raises for more well-established high growth companies. While there were 10 large rounds of more than \$50 million in 2014, the number increased to 22 in 2015. Furthermore, second half of 2015 reported a significant surge in large rounds with 15 companies raising more than 50 million during the period.

Private Placement Transactions Greater Than \$50 Million

Target/Issuer	Date	Value	Buyers/Investors
 pindrop	Jan 16	75.0	GV; Google Capital; Citi Ventures, Inc.; Institutional Venture Partners; Andreessen Horowitz LLC
 DIGITALGUARDIAN	Dec 15	66.0	Siemens Venture Capital GmbH; Brookline Venture Partners LLC; MassMutual Ventures LLC; General Electric Pension Trust; Loring, Wolcott & Coolidge Fiduciary Advisors, LLP
 LOOKINGGLASS	Dec 15	50.0	NewSpring Capital; Alsop Louie Partners; Neuberger Berman Group LLC
 Avecto	Dec 15	69.8	JMI Equity
 ForeScout	Nov 15	135.0	Wellington Management Group LLP
 tiger text	Nov 15	50.0	The Invus Group, LLC; Reed Elsevier Ventures Ltd; Accolade Partners; Norwest Venture Partners; Shasta Ventures; OrbiMed Advisors, L.L.C.
 tenable	Nov 15	250.0	Accel Partners; Insight Venture Partners
 立思辰	Oct 15	284.1	-
 CODE42	Oct 15	85.6	JMI Equity; Split Rock Partners, LLC; Accel Partners; New Enterprise Associates
 cybereason	Sep 15	59.0	CRV; Spark Capital Partners, LLC; SoftBank Corp.
 Cb	Sep 15	68.5	Highland Capital Partners; Kleiner Perkins Caufield & Byers; Sequoia Capital; The Blackstone Group L.P. (NYSE:BX); .406 Ventures, LLC
 CLOUDFLARE	Sep 15	110.0	Fidelity Management and Research, Google Capital, Microsoft Corp, Baidu Inc., Qualcomm Ventures
 北信源	Sep 15	235.6	-
 okta	Sep 15	75.0	Glynn Capital Management; Sequoia Capital; Khosla Ventures; Andreessen Horowitz LLC; Altimeter Capital Management

Target/Issuer	Date	Value	Buyers/Investors
netskope	Sep 15	75.0	Accel Partners; Lightspeed Venture Partners; The Social+Capital Partnership; ICONIQ Capital, LLC
TANIUM	Aug 15	157.6	Institutional Venture Partners; T. Rowe Price Group, Inc. (NasdaqGS:TROW); TPG Capital, L.P.; Franklin Resources, Inc. (NYSE:BEN); Andreessen Horowitz LLC
ALIEN VAULT	Aug 15	52.0	Institutional Venture Partners; Kleiner Perkins Caufield & Byers; Trident Capital, Inc.; GGV Capital
zscaler	Aug 15	110.0	EMC Corporation; Lightspeed Venture Partners; TPG Growth; Google Capital; Google Capital
CROWDSTRIKE	Jul 15	100.0	Accel Partners; Warburg Pincus LLC; Rackspace Hosting, Inc.; Google Capital
Bluebird	Jul 15	150.6	-
CHECKMARX	Jun 15	84.0	Insight Venture Partners
TANIUM	Mar 15	64.0	Andreessen Horowitz LLC
silent circle	Feb 15	50.0	-
CLOUDFLARE	Dec 14	110.0	Microsoft Corporation; New Enterprise Associates; Pelion Venture Partners; Venrock; Baidu, Inc.; QUALCOMM Ventures
CipherCloud	Nov 14	50.0	T-Venture Holding GmbH; Delta Partners; Andreessen Horowitz LLC; Transamerica Ventures
illumio	Oct 14	100.5	Accel Partners; General Catalyst Partners; BlackRock, Inc.; Andreessen Horowitz LLC; Formation8 Partners
Good	Sep 14	80.0	Blueprint Ventures; Rustic Canyon Partners; Oak Investment Partners; MeriTech Capital Partners; ePlanet Capital
隆祥智本	Aug 14	63.3	Beijing Longxiang Zhiben Investment Management Co., Ltd.
MetricStream	Aug 14	60.0	Goldman Sachs Group, Merchant Banking Division; Kaiser Permanente Ventures; Sageview Capital LP
Lookout	Aug 14	150.0	Accel Partners; Goldman Sachs Group, Merchant Banking Division; Index Ventures; Wellington Management Company LLP (nka:Wellington Management Group LLP); T. Rowe Price Associates, Inc.
okta	Jun 14	75.0	Sequoia Capital; Janus Capital Group, Inc.; Khosla Ventures; Andreessen Horowitz LLC; Altimeter Capital Management
TANIUM	May 14	90.0	Andreessen Horowitz LLC
VERAFIN	May 14	55.1	Spectrum Equity Management, L.P.

Source: Capital IQ, Redwood Capital

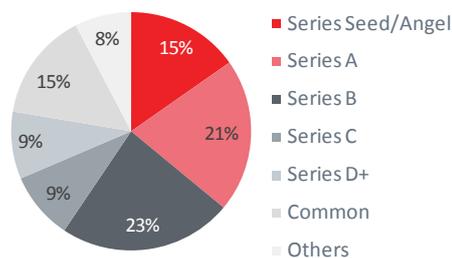
The largest IT security private placement transaction over the 2014 – 2015 period was China-based Beijing Lanxum Technology Co. raising \$284 million from seven individual investors. The proceeds were primarily used to acquire two companies, including Jiang Nan Information Security Co., for a combination of stock and cash. Beijing Lanxum provides solutions for data lifecycle management, and Jiang Nan provides security solutions and services protecting applications, networks and mobile devices.

Tenable Network Security, a provider of continuous network monitoring and vulnerability management, raised \$250 million in November 2015 as one of the largest fundraising rounds completed for a private security company. This series B round, which increased the total funding to \$300 million, was led by Insight Venture Partners and Accel Partners, both of whom have been active IT Security investors.

Tanium Inc. a provider of endpoint security solutions, was one of the more active IT security vendors raising capital over the last two years, with three rounds totaling \$312 million. Tanium’s post money valuation following the \$120 million latest round was purported to be \$3.5 billion.

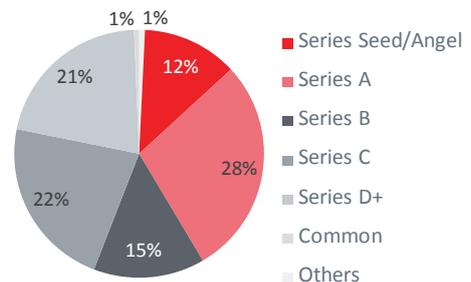
Also of note, Beijing VRV Software Corp. raised \$236 million in September 2015 by placing 35 million class A shares. The deal was interesting for its valuation multiples (5.2x LTM revenue and 23.2x LTM EBITDA), which were significantly higher than that for comparable sized transactions.

CHART 9: SECURITY FINANCING
DEAL SHARE: 2015



Source: Capital IQ

DOLLAR SHARE: 2015



Source: Capital IQ

In 2015, early stage (Series Seed/Angel and Series A) deals accounted for 36% of total IT security deal flow and 13% of total deal value. Mid-stage deals (Series B & C) accounted for 32% and 43% of the deal volume and dollar value, respectively. Later stage deals (Series D and above) only accounted for 9% of total deal flow but accounted for more than 22% of total deal value, reflecting the larger size of later stage funding rounds. 15% of deal volume came through the issuance of private placements of common stock, which accounted for 21% of total deal value. These common stock issuances were primarily through publicly listed companies, including the largest ever private placement in the sector of \$284 million from Beijing Lanxum Technology. The year witnessed a rise in dollar value for mid and later stage financing rounds.

Given the continued investor appetite for IT security, together with significant inflow of private capital, we have seen the formation of exclusive IT security sector focused venture funds. Some examples include Trident Capital spinning out its early stage Trident Capital Cybersecurity Fund I of \$200 million to heighten its focus on cyber security; Allegis Capital announcing Allegis VI, a \$100 million early-stage fund committed to cyber security investments, and TenEleven Ventures also rolling out a fund dedicated to cybersecurity investments.

Global Private Placement Deals in IT Security (2014 to 2015)

Announced Date	Target/Issuer	Amount	Round of Financing	Buyers/Investors	Major Business Focus [Target/Issue]
12/23/15	Agari Data	4.0	-	-	Email security solutions
12/21/15	Ionic Security	40.00	-	-	Distributed data protection platform
12/16/15	Digital Guardian	66.0	4	Siemens Venture Capital GmbH; Brookline Venture Partners LLC; MassMutual Ventures LLC; General Electric Pension Trust; Loring, Wolcott & Coolidge Fiduciary Advisors, LLP; LLR Partners Inc.; AWM Investment Company Inc.; Fairhaven Capital Partners, LLC	Data security solutions
12/16/15	Trustlook.com	17.0	1	Linear Capital Partners, LLC; Danhua Capital; TrustBridge Partners	Static Analysis Platform
12/14/15	Trulioo	10.91	-	Tenfore Holdings; Blumberg Capital; American Express Ventures; BDC Venture Capital	Identity verification services
12/11/15	Lookingglass Cyber Solutions	50.00	3	NewSpring Capital; Alsop Louie Partners; Neuberger Berman Group LLC	Cyber threat intelligence monitoring and management platforms
12/02/15	Avecto	69.8	-	JMI Equity	Windows privilege management solutions
12/01/15	ThreatConnect	20.00	2	Grotech Ventures; SAP National Security Services, Inc.	Threat intelligence solution
12/01/15	Theta Ray	20.0	-	Jerusalem Venture Partners; Alibaba Group Holding Limited (NYSE:BABA); GE Ventures; Poalim Ventures Ltd.	Malware detection and prevention solutions
11/30/15	Onegini	1.58	1	InnovationQuarter BV; The Hatch Firm	Online security services
11/25/15	ForeScout Technologies	135.0	-	Wellington Management Group LLP	Network security solutions
11/24/15	Ecrime Management Strategies	7.00	2	Fulcrum Equity Partners, Inc.	Anti-phishing and anti-malware services
11/20/15	Fortscale Security	-	-	UST Global Inc., Investment Arm; CME Ventures LLC	Cyber security company
11/20/15	ZeroFOX	27.0	2	Highland Capital Partners; SVB Silicon Valley Bank, Investment Arm; New Enterprise Associates; Core Capital Partners; Genacast Ventures, LLC	Social cyber security intelligence, analytics, and protection
11/17/15	Brave Software	2.50	Seed	-	Internet security software
11/13/15	ThreatQuotient	10.25	1	CIT GAP Funds; Blu Venture Investors, LLC; New Enterprise Associates	Threat intelligence
11/12/15	Panaseer	2.25	Seed	Albion Ventures LLP; Winton Capital Management Limited; Notion Capital Partners LLP; C5 Capital Ltd; Elix-IRR Partners LLP	Security intelligence solutions to enterprises
11/11/15	AppDome	13.0	1	Menlo Ventures; Jerusalem Venture Partners; OurCrowd Ltd.; Draper Nexus Venture Partners	Mobile application protection solutions
11/11/15	TigerText	50.0	3	The Invus Group, LLC; Reed Elsevier Ventures Ltd; Accolade Partners; Norwest Venture Partners; Shasta Ventures; OrbiMed Advisors, L.L.C.	Real-time mobile messaging solutions
11/10/15	Tenable Network Security	250.00	2	Accel Partners; Insight Venture Partners	Continuous network monitoring solutions
11/10/15	SecureAuth Corporation	5.0	-	-	Identity enforcement solutions
11/05/15	Payfont	1.83	-	-	Online identity protection solutions
11/04/15	ProtectWise	20.0	2	CrossLink Capital, Inc.; Arsenal Venture Partners, inc.; Tola Capital LLC; Trinity Ventures; Paladin Capital Group	Cloud-based network security services
10/30/15	Beijing Lanxum Technology	284.10	-	-	Data security management, and control products and services
10/30/15	Cymmetria	9.16	1	Sherpa Ventures	Technology to detect cyber attacks
10/30/15	NexDefense	5.62	-	-	Cyber security software for automation and control systems
10/29/15	Lumeta	-	-	-	Network situational awareness solutions
10/28/15	Icloak	1.00	-	-	Plug-and-play USB products that enable users to browse with privacy
10/27/15	SourceClear	10.00	1	Index Ventures; Storm Ventures LLC	Security tools for software developers
10/27/15	Cato Networks	20.0	1	U.S. Venture Partners; Aspect Ventures	Cloud based network Security-as-a-Service
10/21/15	Cytecic	3.00	2	-	Security analytics and cyber security intelligence solutions
10/20/15	Illusive Networks	22.00	2	Bessemer Venture Partners; New Enterprise Associates; Innovation Endeavors; Marker LLC; Citi Ventures, Inc.	Network security solutions
10/16/15	iboss	40.00	1	Goldman Sachs Private Capital Investing	Solutions for network security against malware, threats, and data loss
10/16/15	Confer Technologies	17.0	2	Matrix Partners; Foundation Capital; North Bridge Venture Partners	Open cyber threat prevention network
10/15/15	InteliSecure	8.12	2	Frontier Capital, LLC	Network security services
10/14/15	Area 1 Security	15.00	2	Kleiner Perkins Caufield & Byers; Allegis Capital; Icon Ventures; First Round Capital; Cowboy Ventures; Data Collective	Threat intelligence solution
10/14/15	Starcom	2.00	-	Yorkville Advisors, LLC	Wireless solutions for the remote tracking, monitoring, and protection
10/13/15	Datavisor	14.50	1	New Enterprise Associates; GSR Ventures Management Co. Ltd.	Big data solutions
10/09/15	Wombat Security Technologies	3.34	-	-	Information security awareness and training software
10/06/15	Morphisec Technologies	7.00	1	Jerusalem Venture Partners; Deutsche Telekom AG (DB:DTE); OurCrowd Ltd.; GE Ventures; Portage Advisors LLC	Cyber security software
10/05/15	Digital Immunity	0.50	-	-	Endpoint security solution
10/02/15	Lastline	0.35	-	-	Security/malware protection platform
10/02/15	Meshfire	0.75	-	-	Distributed appliance and software
10/02/15	Code 42 Software	85.6	2	JMI Equity; Split Rock Partners, LLC; Accel Partners; New Enterprise Associates	Enterprise SaaS provider
10/01/15	Zonefox	0.99	-	The Scottish Investment Bank	Security software
09/30/15	Bit9	68.53	6	Highland Capital Partners; Kleiner Perkins Caufield & Byers; Sequoia Capital; The Blackstone Group L.P. (NYSE:BX); 406 Ventures, LLC; Founders Circle Capital LP; Evolution Equity Partners; Accomplish, LLC	Endpoint threat detection, response, and prevention solutions

Announced Date	Target/Issuer	Amount	Round of Financing	Buyers/Investors	Major Business Focus [Target/Issue]
09/30/15	SentinelOne	25.00	2	Third Point Ventures L.P.; Tiger Global Management LLC; The Westly Group; Granite Hill Capital Partners, LLC; Data Collective; SineWave Ventures	Endpoint security solutions
09/30/15	Cybereason	59.0	3	CRV; Spark Capital Partners, LLC; SoftBank Corp.	Automated platform against cyber attacks
09/28/15	Phantom Cyber Corp	6.50	1	Rein Capital, LLC; The Blackstone Group L.P.; TechOperators LLC	Enterprise security
09/25/15	SECEON	2.30	-	-	Data center and cloud security platform to stop cyber attacks and breaches
09/23/15	Wave Systems	0.49	-	-	Hardware-based digital security
09/22/15	Datiphy	7.00	1	Highland Capital Partners	Data behavior analysis and security platform
09/21/15	Beijing VRV Software	235.55	-	-	Information security software products and services.
09/21/15	Morphick Inc	10.0	1	Orchard Holdings Group, LLC	Technology-enabled managed service
09/18/15	Vectra Networks	35.14	3	DAG Ventures, LLC; Khosla Ventures; Juniper Networks, Investment Arm; Intel Capital; Accel Partners; AME Cloud Ventures; IA Ventures	X-series platform to identify cyber attacks
09/17/15	Tascent	18.5	1	Tano Capital LLC	Biometric and identity products
09/16/15	Exabeam	25.00	2	Norwest Venture Partners; Icon Ventures; Aspect Ventures	Data security solutions
09/11/15	Ionic Security	0.40	-	-	Distributed data protection platform
09/10/15	Argus Cyber Security	26.0	2	Magna International Inc. (TSX:MG); Vertex Ventures Israel; SBI Holdings, Inc. (TSE:8473); Magma Venture Partners; Allianz SE (DB:ALV)	Cyber security solutions
09/08/15	Okta	75.00	-	Glynn Capital Management; Sequoia Capital; Khosla Ventures; Andreessen Horowitz LLC; Altimeter Capital Management; Greylock Partners	On-demand identity and access management services
09/07/15	We Are Monsters	-	-	Silvertree Capital	Web and mobile security and digital marketing software
09/03/15	Netskope	75.00	4	Accel Partners; Lightspeed Venture Partners; The Social+Capital Partnership; ICONIQ Capital, LLC	Cloud application analytics and policy company\
08/27/15	CounterPath	2.00	-	Kanata Research Park Corporation	Personal computer and mobile application software, and gateway server software products
08/26/15	Tanium	157.55	3	Institutional Venture Partners; T. Rowe Price Group, Inc. (NasdaqGS:TROW); TPG Capital, L.P.; Franklin Resources, Inc. (NYSE:BEN); Andreessen Horowitz LLC; Geodesic Partners	Security and management system solutions
08/26/15	IronNet Cybersecurity	32.5	1	Kleiner Perkins Caufield & Byers; Trident Capital, Inc.	Solutions for cyber-attacks
08/25/15	Clavister Holding AB	3.55	-	-	Network security solutions
08/20/15	Appinside	2.30	Seed	Accomplice, LLC	Platform for safeguarding mobile applications.
08/17/15	TeleMate.Net Software	-	-	-	Web security, network monitoring, and unified communication analytic solutions
08/13/15	Identillect Technology	3.00	-	-	Email security solutions.
08/12/15	AlienVault	52.00	5	Institutional Venture Partners; Kleiner Perkins Caufield & Byers; Trident Capital, Inc.; GGV Capital	Unified security management and crowd-sourced threat intelligence solutions.
08/09/15	Bastille Networks	13.77	-	-	Software and sensor technologies
08/07/15	Onapsis	17.00	2	.406 Ventures, LLC; Arsenal Venture Partners, inc.; Evolution Equity Partners	Solutions for securing business-critical applications and infrastructure
08/07/15	Xiamen Meiya Pico Information	25.19	-	-	Digital forensics and information security products and services
08/06/15	Morphisec Technologies	1.50	Seed	Jerusalem Venture Partners	Cyber security software
08/05/15	Bastille Networks	9.00	1	Bessemmer Venture Partners	Software and sensor technologies
08/05/15	Picatcha	9.96	-	-	Solutions to the internet-abuse problem
08/03/15	SoftForum	4.28	-	-	Security software solutions
08/03/15	Zscaler	110.00	2	EMC Corporation; Lightspeed Venture Partners; TPG Growth; Google Capital; Google Capital	Cloud-based Internet security platform
08/01/15	Westone Information Industry	48.32	-	AVIC Capital Co., Ltd. (SHSE:600705)	Information security products in china
07/28/15	Cylance	42.00	3	Draper Fisher Jurvetson; KKR & Co. L.P. (NYSE:KKR); The Blackstone Group L.P. (NYSE:BX); Thomvest Ventures, Inc.; Khosla Ventures; Fairhaven Capital Partners, LLC; Dell Corporate Ventures; Draper Nexus Venture Partners; Ten Eleven Ventures; Capital One Ventures	Antivirus and endpoint protection solutions
07/27/15	Shadow NetWorks	2.50	-	-	Security solutions for enterprise and government networks
07/22/15	Darktrace	22.50	2	Summit Partners LLP	Intelligence-led behavioral cyber defense solutions
07/21/15	WireX Cube Systems	9.30	-	Vertex Ventures Israel; Magma Venture Partners; Entree Capital	Cyber intelligence solutions
07/15/15	Keybase	10.8	1	Andreessen Horowitz LLC	Web verification and encryption software
07/14/15	Air Computing	10.0	2	Avalon Ventures, LLC; NHN Investment Co., Ltd.	AeroFS software
07/13/15	Bluedon Information Security Technologies	150.60	-	-	Network security solutions
07/13/15	CrowdStrike Holdings	100.00	3	Accel Partners; Warburg Pincus LLC; Rackspace Hosting, Inc.; Google Capital	SaaS based next-generation endpoint protection platform
07/13/15	Mocana Corporation	30.33	-	-	Enterprise mobile application security platform
07/10/15	CyberSense	9.00	2	BRM Group; Intel Capital; Opus Capital; Liberty Israel Venture Fund, LLC	Cloud-based and on-premises cyber-security solutions
07/07/15	Minerva Labs	-	Seed	StageOne Ventures	Develop malware detection and protection platform
07/01/15	Thycotic Software	-	-	Insight Venture Partners	Secure enterprise password management solutions
06/30/15	Network Integrity Systems	2.00	-	-	Develops and manufactures products that enable organizations to protect their classified networks
06/30/15	Venafi	39.00	-	Foundation Capital; Silver Lake; Pelion Venture Partners; QuestMark Partners; Intel Capital; Mercato Partners	Enterprise key and certificate management security solutions
06/29/15	Cipherloc	40.00	-	-	Polymorphic encryption technologies.
06/29/15	PSafe Tecnologia S.A.	30.0	-	Redpoint Ventures; 360 Capital; Pinnacle Ventures, L.L.C.; Redpoint e.Ventures	Safety services
06/28/15	Cymmetria	1.38	-	Felicis Ventures; Seedcamp	Technology to detect cyber attacks
06/27/15	Cymmetria	0.12	-	Y Combinator	Technology to detect cyber attacks
06/26/15	Rapid7 (NasdaqGM:RPD)	5.00	-	Technology Crossover Ventures	Security data and analytic software solutions and services

Announced Date	Target/Issuer	Amount	Round of Financing	Buyers/Investors	Major Business Focus [Target/Issue]
06/26/15	RedOwl Analytics	17.47	2	Allegis Capital; The Blackstone Group L.P. (NYSE:BX)	Software solutions for organizations
06/25/15	BitSight Technologies	23.00	2	Commonwealth Capital Ventures; Globespan Capital Partners; Menlo Ventures; Comcast Ventures; Flybridge Capital Partners	Data analytics and security software.
06/25/15	Certes Networks	3.00	-	-	Security solutions
06/25/15	CheckMarx.com	84.00	-	Insight Venture Partners	Software solutions
06/24/15	Concurix	1.00	-	-	System security solutions
06/24/15	HackerOne	25.0	2	Benchmark Capital; New Enterprise Associates	Security vulnerability disclosure
06/23/15	Barkly Protects	12.50	1	New Enterprise Associates; Sigma Prime Ventures	Endpoint security solutions
06/19/15	GreatHorn	0.50	-	-	Cyber security platform that detects threats
06/18/15	Cryptzone Group AB	15.00	-	Kayne Anderson Capital Advisors, L.P.; Medina Capital Foundry Group; ff Venture Capital; Bessemer Venture Partners; IDEA Fund Partners; Correlation Ventures; TechStars, LLC	Technical solutions
06/18/15	Distil	22.0	2	Carmel Ventures; Lightspeed Venture Partners	Cloud-based software as a service
06/16/15	EnSilo	10.0	1	ICD Group Ltd.	Real-time targeted attack exfiltration prevention
06/15/15	Criptext	0.50	Seed	-	Secure messaging and email Web and mobile applications
06/15/15	SnoopWall	1.00	-	-	Counterintelligence software company
06/12/15	Analyze	1.12	-	-	Cyber security software.
06/09/15	Illusive Networks	5.00	1	Team8	Network security solutions
06/09/15	Total Digital Security	1.00	-	-	Information technology security solutions
06/08/15	Menlo Security	25.00	2	Sutter Hill Ventures; Osage Partners LLC; General Catalyst Partners; Engineering Capital, LLC	Security solution that eliminates the threat of advanced malware
06/04/15	Light Cyber	-	-	-	Solutions for identifying and preventing cyber-attacks and advanced persistent threats
06/02/15	Savvius	2.50	-	-	Hardware and software solutions
05/29/15	Identify3D	0.71	-	-	Intellectual property protection, quality assurance, and data security
05/28/15	Cyphort	30.25	3	Foundation Capital; Trinity Ventures; Matrix Partners; Sapphire Ventures LLC	Advanced Threat Protection
05/21/15	Fraud Metrix	30.0	2	Qiming Weichuang Venture Capital Management (Shanghai) Company Limited; Linear Ventures Sdn. Bhd.; CBC Capital; China Growth Capital; IDG Capital Partners	Risk management services
05/19/15	CounterTack	17.94	3	Goldman Sachs Group, Merchant Banking Division; EDB Investments Pte. Ltd.; Siemens Venture Capital GmbH; Alcatel-Lucent (ENXTPA:ALU); Mitsui & Co. Global Investment, Inc.; Fairhaven Capital Partners, LLC; Arsenal Venture Partners, inc.; Razor's Edge Ventures, LLC; Ten Eleven Ventures	Real-time endpoint threat detection and response solutions
05/18/15	Triage Security	0.02	-	The Iron Yard LLC	Server application defense software
05/18/15	Feedzai S.A.	17.5	2	Sapphire Ventures LLC; Espirito Santo Ventures - Sociedade de Capital de Risco, SA; Oak HC/FT Partners LLC	Business intelligence applications
05/08/15	ClearDATA Networks	25.0	3	Merck Global Health Innovation Fund, LLC; HLM Venture Partners; Heritage Group, LLC; Flare Capital Partners; Excel Venture Management; Norwest Venture Partners	Cloud computing platform and information security services
05/07/15	Twistlock	2.50	Seed	YL Ventures GP Ltd.	Container security market
05/06/15	Cybereason	25.0	2	Lockheed Martin Corporation (NYSE:LMT); CRV; Spark Capital Partners, LLC	Automated platform against cyber attacks
05/01/15	MyApprovals	0.47	-	-	Cyber security services
04/30/15	Savvius	0.25	-	-	Hardware and software solutions
04/28/15	Bandura	0.55	-	-	Cyber security software solutions
04/28/15	ThreatQuotient	1.5	Seed	Blu Venture Investors, LLC; CIT GAP Funds	Threat intelligence
04/17/15	Flashpoint Global Partners	5.00	1	Greycroft Partners LLC; Cisco Investments; TechOperators LLC; K2 Intelligence, LLC; Bloomberg Beta L.P.	Software and data services to enhance cyber and physical security
04/16/15	Recorded Future	12.0	4	Atlas Venture L.P.; Balderton Capital; IA Ventures; MassMutual Ventures LLC; In-Q-Tel, Inc.; Reed Elsevier Ventures Ltd; GV	Real-time threat intelligence
04/15/15	Skyport Systems	30.00	2	Sutter Hill Ventures; Index Ventures; Intel Capital	Enterprise security and hyper-secured infrastructure solutions
04/14/15	Bandura	0.10	-	SixThirty	Cyber security software solutions
04/14/15	Duo Security	30.00	3	Benchmark Capital; Redpoint Ventures; True Ventures; Radar Partners; GV	Two-factor authentication
04/14/15	Norse Corporation	11.42	-	KPMG Capital	Live attack intelligence solutions
04/12/15	BankGuard	0.02	-	Startupbootcamp FinTech	Online security application
04/08/15	jrsys International	0.02	-	Orange Fab	Mobile and Internet security services
04/08/15	Niara	20.00	2	New Enterprise Associates; Venrock; Index Ventures	Cyber and enterprise security software
04/08/15	Palerra	17.00	2	August Capital; Norwest Venture Partners; Wing Venture Partners	Security coverage for cloud platforms
04/01/15	HyTrust	33.00	-	Cisco Systems, Inc. (NasdaqGS:CSCO); Intel Corporation (NasdaqGS:INTC); Trident Capital, Inc.; EPIC Ventures; Granite Ventures, LLC; VMware, Inc. (NYSE:VMW); Fortinet Inc. (NasdaqGS:FTNT); Vaneed Capital Inc.; City National Bank, Investment Arm; AITV	administrative control, visibility, auditing, and data security for clouds
03/30/15	ENT Technologies	4.00	-	-	Backup and security software
03/27/15	Finsphere	2.00	-	-	Anti-fraud solutions
03/26/15	PhishMe	13.00	2	Paladin Capital Group; Aldrich Capital Partners	Phishing threat management solutions
03/26/15	Red Canary	2.50	Seed	Kyrus Tech, Inc.	Endpoint security and cyber threat detection solutions
03/26/15	Security Innovation	4.00	-	Brook Venture Partners	Software security training
03/25/15	SGA Co	5.43	-	SBI Savings Bank Inc., Investment Arm; Kaya Shipping Co., Ltd.; Incomiz CO.LTD	Security solutions and services
03/24/15	Harvest.ai	2.30	Seed	Trinity Ventures	Data loss prevention software
03/24/15	Tanium	64.00	-	Andreessen Horowitz LLC	Security and management system solutions

Announced Date	Target/Issuer	Amount	Round of Financing	Buyers/Investors	Major Business Focus [Target/Issue]
03/24/15	Lookingglass Cyber Solutions	20.00	2	NB Alternatives; Alsop Louie Partners; NB Private Equity Partners Limited	Cyber threat intelligence monitoring and management platforms
03/24/15	Relational Security Corporation	32.14	-	JMI Equity; JMI Equity Fund VIII, L.P.	Governance, risk, and compliance management software
03/24/15	Skycure	8.00	1	Pitango Venture Capital; New York Life Insurance Co.; Shasta Ventures	Mobile firewall software
03/19/15	PierceMatrix	-	-	Select Venture Partners, LLC	Security software products to reduce risk chain exposure
03/18/15	Interset	7.84	-	Anthem Venture Partners; Informatica Corporation; Telesystem Ltd.; Toba Capital	Behavioral-centric security solutions
03/18/15	August Home	39.04	2	Bessemer Venture Partners; Maveron LLC; Rho Capital Partners, Inc.; Comcast Ventures; Industry Ventures, LLC; SingTel Ventures (Pte) Ltd.; QUALCOMM Ventures; KDDI Corporation; SoftTech VC; Global Brain Corporation; SingTel Innov8; Cowboy Ventures; Winklevoss Capital Management LLC; SanDisk Ventures; Rothenberg Ventures; CAA Ventures; Dolby Family Ventures; Dolby Family Ventures; Sandisk Ventures Fund; Center Electric Ventures	Encrypted locking technology
03/17/15	Darktrace	18.00	1	Talis Capital Limited; Invoke Capital; Hoxton Ventures LLP	Intelligence-led behavioral cyber defense solutions
03/17/15	TowerSec	-	Seed	IncWell LLC	Automotive cyber security vendor
03/17/15	BetterCloud	25.0	4	Tribeca Venture Partners; Millennium Technology Value Partners; Greycroft Partners LLC; Flybridge Capital Partners; New Amsterdam Growth Capital LLC; Accel Partners	Software-as-a-service solutions
03/12/15	Qubit Security	0.03	-	SparkLabs	Cloud-based, real-time information hacking detection platform
03/11/15	Venustech Group	11.90	-	-	Network security products, security management platforms, and specialized security services and solutions
03/10/15	EnSilo	3.0	Seed	Carmel Ventures	Real-time targeted attack exfiltration prevention
03/09/15	InAuth	23.47	1	Bain Capital Ventures	Data driven authentication and fraud detection solutions
03/06/15	EQ Networks	13.71	-	Arrowroot Capital	Security intelligence software solutions and unified situational awareness solutions
03/06/15	Prevoty	8.05	1	U.S. Venture Partners	Web application security
03/05/15	Elastica	30.00	2	Mayfield Fund; Pelion Venture Partners; Third Point Ventures L.P.	Cloud security solutions
03/03/15	Atomi	0.05	-	Mach37	Protection and support of cloud, virtual, shared, and dedicated Web hosting environments.
02/27/15	Lookingglass Cyber Solutions	21.0	-	-	Cyber threat intelligence monitoring and management platforms
02/26/15	Silent Circle	50.0	-	-	Cloud based enterprise privacy solutions
02/25/15	Dtex Systems Pty	15.00	1	Norwest Venture Partners; Wing Venture Partners	Secure user activity solutions
02/20/15	Centripetal Networks	-	-	Vernon & Park Capital, L.P.	Hardware and software processes and systems for cyber-security.
02/19/15	Syncurity Networks	0.75	-	-	Network security monitoring and incident response solutions
02/18/15	Nyotron Information Security	10.64	-	Mivtach Shamir Holdings Ltd. (TASE:MISH); Saban Capital Group, Inc.	Antivirus software for clients
02/18/15	Zimperium	12.00	2	Sierra Ventures; Samsung Electronics Co. Ltd. (KOSDAQ005930); TOYO Corporation (TSE:8151); Lazarus Management Company LLC; Telstra Ventures Pty Limited	Mobile Intrusion Prevention System
02/18/15	Pindrop Security	35.00	2	Institutional Venture Partners; Redpoint Ventures; Felicis Ventures; Andreessen Horowitz LLC; Webb Investment Network; Citi Ventures, Inc.	Caller-ID products
02/18/15	SecurityScorecard	12.5	1	Sequoia Capital; Evolution Equity Partners; BOLDstart Ventures	Global threat intelligence and risk awareness services
02/18/15	Sqrrl Data	7.00	2	Atlas Venture L.P.; Matrix Partners; Rally Ventures	Real-time analytical applications
02/15/15	Bloxx	1.23	-	The Scottish Investment Bank	Email and Web filtering technologies
02/13/15	E8 Security	10.70	1	Allegis Capital; The Hive; March Capital Partners	Behavioral intelligence driven security solutions
02/13/15	Vidder	12.00	2	Onset Ventures; Voyager Capital; Presidio STX, LLC	Custom security solutions.
02/12/15	Barricade Security Systems	1.37	-	Frontline Ventures; Business Switch Pty., Ltd.; Tribal Ventures	Server security software solutions
02/12/15	Rivetz	3.50	-	-	Cyber-security protection solution
02/11/15	Digital Shadows	8.20	-	Storm Ventures LLC; Passion Capital; Ten Eleven Ventures	Protection from data loss and targeted cyber attack
02/10/15	Bravatek Solutions	1.80	-	LG Capital Funding, LLC	Security, defense, and information security solutions
02/10/15	Team8	18.00	1	Bessemer Venture Partners; Cisco Investments; Alcatel-Lucent Ventures; Innovation Endeavors; Marker LLC	Cyber-security venture capital fund
02/03/15	Bravatek Solutions	0.23	-	Typenex Co-Investment, LLC	Security, defense, and information security solutions
01/28/15	Adallom	30.00	3	Index Ventures; Rembrandt Venture Partners; EMC Corporation (NYSE:EMC); Sequoia Capital Israel; Hewlett Packard Ventures	Security For Cloud Applications
01/28/15	Wandera	15.0	2	Bessemer Venture Partners; 83 North	Mobile data optimization solutions
01/27/15	ThreatQuotient	1.5	-	-	Threat intelligence
01/21/15	Bravatek Solutions	0.40	-	JMJ Financial	Security, defense, and information security solutions
01/19/15	Bravatek Solutions	0.10	-	JSJ Investments Inc.	Security, defense, and information security solutions
01/13/15	RedSeal Networks	17.00	3	OVP Venture Partners; Sutter Hill Ventures; Venrock; Tyco International plc (NYSE:TYC); Leapfrog Ventures; Icon Ventures; Math Venture Partners; Pallasite Ventures; DRW Ventures	Develops and delivers proactive security intelligence solutions
01/13/15	Verato	12.5	1	Bessemer Venture Partners; Columbia Capital, LLC	Software-as-a-Service products
01/02/15	AlphaCipher Acquisition	7.50	-	-	Solutions to the digital security, privacy, and trust problems
01/02/15	Bleeding Edge Networks	-	Seed	-	Solutions to provide Internet security and privacy for businesses and individuals.
01/02/15	SecureCom Mobile	0.64	-	-	Consumer software and hardware encryption communications products
12/31/14	Barkly Protects	-	-	Sigma Prime Ventures	Endpoint security solutions
12/31/14	iSight Security	30.00	3	Bessemer Venture Partners	Cyber threat intelligence solutions

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12/31/14	Moqom	1.21	-	Enterprise Ireland, Investment Arm	Cloud-based software tools, utilities, and processes to identify and authenticate users and devices
12/31/14	CloudFlare	110.00	-	Microsoft Corporation; New Enterprise Associates; Pelion Venture Partners; Venrock; Baidu, Inc.; QUALCOMM Ventures; Greenspring Associates, Inc.; Fidelity Management & Research Company; Union Square Ventures; Google Capital	Solutions to protect and accelerate Websites online
12/24/14	Bravatek Solutions	0.31	-	Union Capital, LLC	Security, defense, and information security solutions
12/23/14	Alert Logic	4.23	-	-	Security-as-a-Service (SaaS) software solutions
12/23/14	Ruman Scientific	3.00	-	-	E-security software
12/23/14	Vkensee Technology	7.00	-	Aviation Industry Corporation of China	Fingerprint sensing technology
12/22/14	Mocana Corporation	8.33	-	-	Enterprise mobile application security platform
12/21/14	Bravatek Solutions	0.16	-	Adar Bays LLC	Security, defense, and information security solutions
12/19/14	Synack	25.00	2	Kleiner Perkins Caufield & Byers; Allegis Capital; GGV Capital; Icon Ventures; GV; Greylock Partners	Cloud-based platform for data integrity, privacy, and confidentiality
12/17/14	Rapid7 (NasdaqGM:RPD)	30.00	-	Technology Crossover Ventures; Bain Capital Ventures	Security data and analytic software solutions and services
12/17/14	Tangible Software	6.00	-	-	Cyber security products and solutions
12/16/14	OneLogin	25.00	3	CRV; Scale Venture Partners; The Social+Capital Partnership	Cloud-based single sign-on and identity-management platform
12/15/14	Bluefin Payment Systems	-	-	Camden Partners Holdings, LLC; Goldman Sachs Specialty Lending Group L.P.; Napier Park Global Capital (US) LP	Secure payment technology
12/12/14	Sysarmy Sdn Bhd	-	-	Systech Bhd (KLSE:SYSTECH)	Software and related services
12/11/14	Safetica Technologies	2.50	-	-	Internal threat protection software
12/10/14	SCAN Associates Berhad	0.58	-	-	Develops information and communication technology security solutions
12/10/14	Ionic Security	40.18	3	Kleiner Perkins Caufield & Byers; MeriTech Capital Partners; Icon Ventures; TechOperators LLC; GV	Distributed data protection platform
12/09/14	DB Networks	17.00	-	Grotech Ventures; Khosla Ventures; Citi Ventures, Inc.	Behavioral analysis solutions
12/08/14	Behaviormetrics AB	6.15	-	Northzone Ventures; Octopus Investments Limited; Conor Venture Partners Oy; Partnerinvest Norr	Information security solutions
12/08/14	Cloud Security	0.18	-	Goldenrise Development, Inc.	Security and information access technology software
12/08/14	NEXThink SA	14.50	4	Auriga Partners; VI Partners AG; Mannai Corporation Q.S.C. (DSM:MCCS)	Solutions to measure risk and manage information security programs
12/08/14	Tufin	8.00	3	Vintage Investment Partners; Marker LLC	Security policy management solutions
12/05/14	Nok Nok Labs	24.67	3	Onset Ventures; DCM; Lenovo Group Limited (SEHK:992); DDS, Inc. (TSE:3782); DoCoMo Capital, Inc.; Thundersoft Software Technology Co., Ltd.; Daou & Kiwoom Inc.	Online security and authentication
12/04/14	Security First	42.00	-	-	Transformational software technology for data management and information assurance
12/04/14	THREATSTREAM	22.00	2	Institutional Venture Partners; General Catalyst Partners; Paladin Capital Group; GV	Threat intelligence
12/03/14	NexDefense	2.40	Seed	Buckhead Investments LLC; Mosley Ventures	Cyber security software for automation and control systems
12/02/14	Virsec Systems	7.59	-	-	Software for data security
12/01/14	ERCOM, SA	-	-	INEO, Groupe GDF SUEZ, société anonyme	4G LTE eNodeB validation and optimization solutions
12/01/14	4110 Campus Point	8.16	-	iboss, Inc.	Office property.
11/30/14	viaForensics	12.50	-	Baird Venture Partners; Jump Capital; Math Venture Partners	Mobile security solutions
11/25/14	Area 1 Security	8.00	1	Kleiner Perkins Caufield & Byers; Allegis Capital; First Round Capital; Cowboy Ventures; Data Collective	Threat intelligence solution
11/25/14	Threat Stack	7.91	-	Atlas Venture L.P.; 406 Ventures, LLC	Online security system for businesses
11/20/14	ThreatConnect	4.00	1	Grotech Ventures	Threat intelligence solution
11/20/14	Total Digital Security	0.50	1	-	Information technology security solutions
11/19/14	5Nine Software	-	-	Insight Venture Partners	Hyper-V virtualization security and management provider.
11/19/14	CipherCloud	50.00	2	T-Venture Holding GmbH; Delta Partners; Andreessen Horowitz LLC; Transamerica Ventures	Cloud information protection solutions.
11/19/14	LaunchKey	4.07	-	CrossLink Capital, Inc.; Pantera Capital Management LP; Metamorphic Ventures; ENIAC Ventures; VegasTechFund	Mobile identity and access management platform
11/19/14	Icebrg	3.09	Seed	Madrona Venture Group; Formation8 Partners	Network security
11/18/14	Menlo Security	10.50	1	Osage Partners LLC; General Catalyst Partners	Security solution that eliminates the threat of advanced malware
11/18/14	Netsurion	-	-	Providence Equity Partners LLC	Cloud based payment card industry data security standard solutions
11/18/14	Veradocs	14.0	1	Battery Ventures; Amplify Partners	Data-security company
11/17/14	SenseTime group .	10.00	-	IDG Capital Partners	Face recognition technology
11/17/14	V-Key Inc	12.00	2	IPV Capital; Ant Financial Services Group	Mobile application threat research, protection, and intelligence solutions
11/14/14	Guangzhou Goldmessage Technology Co.,.	2.42	-	Gosuncn technology group Co., Ltd. (SZSE:300098)	Data security software and solutions
11/13/14	Clef	1.68	Seed	Morado Venture Partners	Two-factor authentication
11/11/14	Evident.io	9.85	1	True Ventures; Bain Capital Ventures	Security intelligence to cloud
11/11/14	Forster	15.00	2	New Enterprise Associates; Sequoia Capital Israel	E-commerce fraud prevention services
11/07/14	Barkly Protects	4.49	Seed	New Enterprise Associates	Endpoint security solutions
11/07/14	Endgame	30.00	3	Bessemer Venture Partners; Columbia Capital, LLC; Kleiner Perkins Caufield & Byers; Paladin Capital Group; Top Tier Capital Partners; BrownSavano Direct Capital Partners; Edgemore Capital, LLC	Security intelligence and analytics solutions
11/07/14	Datashield	4.00	-	Huntington Capital LLC (nka:HCAP Partners); HCAP Fund III, L.P.	Data security and managed security, and security consulting services
11/06/14	SecureKey Technologies	19.00	3	Rogers Ventures Partners; Blue Sky Capital Corporation	Platform-as-a-service based hardware and software solutions
11/05/14	CloudLock	6.70	-	-	Cloud data security solutions
11/05/14	Infocyte	0.50	Seed	LiveOak Venture Partners LP	Security solutions to identify threats and unauthorized activity

Announced Date	Target/Issuer	Amount	Round of Financing	Buyers/Investors	Major Business Focus [Target/Issue]
11/03/14	Guardian Analytics	20.02	-	-	Behavior-based fraud prevention solutions
10/31/14	Bluedon Information Security Technologies	21.27	-	-	Network security solutions
10/27/14	Total Digital Security	0.18	-	-	Information technology security solutions
10/23/14	Illumio	100.53	3	Accel Partners; General Catalyst Partners; BlackRock, Inc.; Andreessen Horowitz LLC; Formation8 Partners; Data Collective; Valor Capital Group	Cloud-based security solutions
10/22/14	Spikes Security	11.00	1	Benhamou Global Ventures LLC; Javelin Venture Partners; Lakewood & Company, LLC	Security software solutions to businesses
10/22/14	Prelert	8.09	-	Sierra Ventures; Intel Capital; Fairhaven Capital Partners, LLC; Fairhaven Capital Partners L.P	Predictive analytics software
10/20/14	Brainwave SARM	3.20	1	Entrepreneur Venture Gestion SA	IT security software
10/20/14	Managed Methods	1.50	-	-	Cloud access security broker software
10/16/14	Vir-Sec	1.03	-	-	Security for Internet applications.
10/14/14	Loggly	15.00	3	Matrix Partners; Trinity Ventures; True Ventures; Cisco Investments; Harmony Partners; Data Collective; Data Collective	Cloud based application intelligence solutions
10/10/14	405LABS	2.33	-	-	Security solutions
10/01/14	ZenGuard UG	3.24	1	T-Venture Holding GmbH; HV Holtzbrinck Ventures Adviser GmbH; Project A Ventures GmbH & Co. KG; Shortcut Ventures GmbH	Browser security software
10/01/14	Exostar	15.0	-	Merck Global Health Innovation Fund, LLC	Cloud-based solutions
09/30/14		80.0	5	Blueprint Ventures; Rustic Canyon Partners; Oak Investment Partners; MeriTech Capital Partners; ePlanet Capital; Draper Fisher Jurvetson	Secure mobility solutions
09/26/14	Emailage Corp.	4.30	1	Felicitas Ventures; MuckerLab; Double M Partners, LP	Fraud risk assessment and scoring network
09/22/14	Duo Security	12.00	2	Benchmark Capital; True Ventures; Radar Partners; GV	Two-factor authentication
09/18/14	CyActive	-	-	Jerusalem Venture Partners; Siemens Venture Capital GmbH	Predictive cyber security
09/17/14	Secure Islands Technologies	12.00	-	Credit Suisse Asset Management, LLC	Information protection and control solutions for data immunization.
09/17/14	Sentrix	6.00	-	Cedar Fund; Magma Venture Partners	Cloud-based Website security solutions for enterprises
09/16/14	eSentire	12.70	3	Edison Partners; VentureLink LP; Cisco Investments; Georgian Partners; Northleaf Capital Partners	Managed security solutions
09/16/14	Krimmeni Technologies	12.1	1	Pelion Venture Partners; Third Point Ventures L.P.	Data security systems
09/16/14	Vahna	-	-	International Investment & Underwriting Limited	Cloud-based cyber security platform
09/12/14	Agari Data	15.00	3	Alloy Ventures, Inc.; Battery Ventures; Scale Venture Partners; First Round Capital	Email security solutions.
09/12/14	Payfont	1.79	-	-	Online identity protection solutions
09/11/14	Ping Identity	35.00	7	Draper Fisher Jurvetson; KKR & Co. L.P. (NYSE:KKR); Sapphire Ventures LLC; General Catalyst Partners; W Capital Partners; Appian Ventures Inc.; Triangle Peak Partners, LP; Volition Capital LLC; Ten Eleven Ventures	Provides cloud identity security and management solutions
09/10/14	Bastille Networks	2.50	-	Bessemer Venture Partners	Software and sensor technologies
09/10/14	Light Cyber	10.00	-	Battery Ventures; Gillet Capital Partners	Solutions for identifying and preventing cyber-attacks and advanced persistent threats
09/09/14	Watchful Software	-	-	Hudson Fairfax Group LP	Data-centric information security solutions
09/05/14	Better Mobile Security	1.50	Seed	-	Solutions to detect, prevent, and remediate advanced mobile threats
09/04/14	BitGo	-	-	BitFury Capital	Bitcoin security platform
09/04/14	Trustlook.com	3.0	-	ZhenFund; Danhua Capital	Static Analysis Platform
09/02/14	BijoTi	0.03	-	Mach37	Cyber security solutions.
09/01/14	Syncurity Networks	0.03	-	Mach37	Network security monitoring and incident response solutions
08/29/14	Surfilter Network Technology	63.34	-	Beijing Longxiang Zhiben Investment Management Co., Ltd.	Network content and behavior audit, and monitoring products
08/27/14	Veracode	40.00	-	Wellington Management Group LLP	Cloud-based application security platform
08/27/14	MetricStream	60.00	-	Goldman Sachs Group, Merchant Banking Division; Kaiser Permanente Ventures; Sageview Capital LP	Governance, risk, and compliance software solutions
08/26/14	HYPR	0.35	-	-	Secure mobile payments and authentication solutions
08/20/14	vArmour Networks	21.00	3	Highland Capital Partners; Allegis Capital; Menlo Ventures; Citi Ventures, Inc.; Columbus Nova Technology Partners; Work-Bench LLC	Software-defined security solutions
08/18/14	GuardiCore	11.00	1	Battery Ventures; 83 North	Security solutions for data centers
08/18/14	Verite Educational Systems	1.30	Seed	-	Internet management software solution for the education market
08/15/14	Alfresco Software	45.00	-	Accel Partners; Mayfield Fund; Sapphire Ventures LLC; Sageview Capital LP	Enterprise content management solutions
08/13/14	Fraud Metrix	10.0	1	Linear Ventures Sdn. Bhd.; CBC Capital; IDG Capital Partners	Risk management services
08/13/14	Lookout	150.00	6	Accel Partners; Goldman Sachs Group, Merchant Banking Division; Index Ventures; Wellington Management Company LLP (nka:Wellington Management Group LLP); T. Rowe Price Associates, Inc.; Khosla Ventures; Bezos Expeditions, LLC; Andreessen Horowitz LLC; Morgan Stanley Investment Management; Mithril Capital Management LLC	Cloud-based technology solutions for mobile security
08/12/14	SailPoint Technologies	0.69	-	Thoma Bravo, LLC	Identity and access management solutions
08/11/14	Beijing HuaTech Information Technology	0.49	-	-	Information security technology
08/11/14	Red Balloon Security, Inc	0.10	-	American Family Insurance Company; Microsoft Ventures	Designs and develops a technology that protects equipment from hackers.
08/11/14	Phantom Cyber Corp	2.70	Seed	Foundation Capital; Rein Capital, LLC	Enterprise security
08/06/14	Druva Software	25.0	4	Nexus Venture Partners; Tenaya Capital; Sequoia Capital India	Converged data protection
08/05/14	KoolSpan	0.40	-	Maryland Department of Business and Economic Development, Endowment Arm	Plug-in mobile security solutions

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08/05/14	MainNerve Federal Services	0.20	-	-	Cyber-security products and services
08/05/14	SecureCom Mobile	0.05	-	-	Consumer software and hardware encryption communications products
08/01/14	iSight Security	6.95	-	-	Cyber threat intelligence solutions
07/31/14	Avanan		Seed	StageOne Ventures	Cloud-based security platform
07/31/14	Bitglass	25.03	2	New Enterprise Associates; Norwest Venture Partners; SingTel Ventures (Pte) Ltd.	Security solutions
07/31/14	Eagle Eye Networks		2	Austin Ventures; MSD Capital, L.P.	On-demand cloud based security and operations video management system
07/31/14	Kernel	0.05	-	ARK Investment Fund	Network security software solutions
07/31/14	Meontrust	0.04	-	MasterCard Start Path	Security solutions to online services and their users
07/31/14	Moqom	0.04	-	MasterCard Start Path	Cloud-based software tools, utilities, and processes to identify and authenticate users and devices
07/31/14	SecludIT	0.99	-	Turenne Capital Partenaires; Equitis Gestion SAS; Conseil Plus Gestion; CREA ZUR France	Cloud infrastructure security management solutions
07/29/14	Lastline	10.00	-	Redpoint Ventures; e.ventures; Presidio STX, LLC; Dell Inc.	Security/malware protection platform
07/29/14	Theta Ray	10.00	2	Jerusalem Venture Partners; General Electric Company; Poalim Ventures Ltd.	Malware detection and prevention solutions
07/25/14	SGA Co	2.73	-	PMD Academy Co. Ltd.; Scanny Global Co., Ltd.	Security solutions and services
07/25/14	Vectra Networks	25.05	3	Accel Partners; AME Cloud Ventures; Khosla Ventures; Juniper Networks, Investment Arm; Intel Capital; IA Ventures	X-series platform to identify cyber attacks
07/22/14	EdgeWave	8.00	-	RWI Ventures; Northgate Capital Group, L.L.C.; TVC Capital, LLC	Content management solutions
07/22/14	Privacy Analytics	3.50	Seed	BDC Venture Capital; Vanedge Capital Inc.; Vanedge Capital Fund L.P.; Ontario Institute for Cancer Research, Endowment Arm	Data anonymization software solutions
07/21/14	LaunchKey	0.05	-	-	Mobile identity and access management platform
07/16/14	SELTECH Co.,	0.98	-	Venture Labo Investment	Development and sales of system related to security and voice recognition
07/14/14	Covertix	0.10	-	New York Digital Health Accelerator	Information rights management solutions
07/14/14	PixelPin	0.02	-	Momentum	Online authentication solutions for consumers and businesses
07/11/14	LogRhythm	40.00	5	Adams Street Partners, LLC; Access Venture Partners; Piper Jaffray Companies (NYSE:PJC); Riverwood Capital	Security intelligence and analytics platform
07/11/14	Bask Technology	18.0	2	Signal Peak Ventures; ABS Capital Partners, Inc.	Remote technology support services
07/10/14	Malwarebytes Corporation	30.00	1	Highland Capital Partners; Highland Capital Partners IX L.P.	Anti-malware software solutions
07/08/14	Wombat Security Technologies	6.73	-	Level Equity Management, LLC	Information security awareness and training software
07/08/14	Bay Dynamics	8.03	1	Comcast Ventures	Information risk intelligence and IT analytics solutions
07/08/14	Xapo	20.0	-	Emergence Capital Partners; Greylock Partners; Index Ventures	Online and offline security solutions
07/01/14	InteliSecure	14.0	-	Frontier Capital, LLC	Network security services
06/30/14	Triumfant	4.50	-	-	Solutions for malware detection, remediation, monitoring and security management
06/30/14	Clef	0.18	-	-	Two-factor authentication
06/23/14	Wickr	30.0	2	CME Group Inc. (NasdaqGS:CME); Alsop Louie Partners; Riverwood Capital; Juniper Networks, Investment Arm; John S. and James L. Knight Foundation, Endowment Fund; Breyer Capital; Wargaming Public Company Limited	Military-grade encryption
06/20/14	Digital Guardian	20.00	-	-	Data security solutions
06/19/14	ForgeRock AS	30.00	3	Accel Partners; Foundation Capital; MeriTech Capital Partners	Open-source identity and access management solutions
06/19/14	Skyhigh Networks	40.00	3	Sequoia Capital; salesforce.com, inc.; Greylock Partners	Cloud access security company
06/18/14	Onapsis	9.58	-	.406 Ventures, LLC; Endeavor Global, Inc., Investment Arm	Solutions for securing business-critical applications and infrastructure
06/18/14	Prevalent Networks	4.00	-	Fulcrum Equity Partners, Inc.	Cloud-based compliance and risk solutions
06/16/14	BroadBand Security	2.74	-	Terilogy Co., Ltd. (JASDAQ:3356); SBI AXES Co., Ltd. (KOSDAQ:A950110)	BroadBand Security
06/16/14	Elastica	18.31	-	-	Cloud security solutions
06/16/14	BitGo	12.0	1	Blockchain Capital; Radar Partners; Redpoint Ventures; A-Grade Investments; The Founders Fund; Bridgescale Partners; Liberty City Ventures	Bitcoin security platform
06/11/14	Finsphere	1.82	-	-	Anti-fraud solutions
06/11/14	SourceClear	1.50	Seed	Realise Capital Partners LLP; Kinzer Capital	Security tools for software developers
06/11/14	White Ops	13.09	1	Grotech Ventures; Paladin Capital Group; Grotech Ventures II LP	Online fraud detection solutions
06/10/14	Exabeam	10.00	1	Norwest Venture Partners; Aspect Ventures	Data security solutions
06/10/14	Argus Cyber Security	4.0	1	Vertex Ventures Israel; Magma Venture Partners	Cyber security solutions
06/10/14	RedOwl Analytics,	11.53	1	The Abell Foundation, Inc., Endowment Arm; TEDCO Capital Partners; Attractor Investment Management Inc.; France-Merrick Foundation, Endowment Arm	Software solutions for organizations
06/09/14	Okta	75.00	5	Sequoia Capital; Janus Capital Group, Inc.; Khosla Ventures; Andreessen Horowitz LLC; Altimeter Capital Management; Greylock Partners	On-demand identity and access management services
06/06/14	Virsec Systems	0.53	-	-	Software for data security
06/04/14	Cyber X	2.00	Seed	GlenRock Israel, Ltd.; Swarth Investments L.L.C.; Gillot Capital Partners	Security solutions for critical networks
06/02/14	Fortscale Security	10.00	1	Blumberg Capital; Intel Capital; Swarth Investments L.L.C.	Cyber security company
05/29/14	Inquisitive Systems	0.75	2	The Scottish Investment Bank; Archangel Informal Investments Limited; TRI Capital Ltd	Data protection software

Announced Date	Target/Issuer	Amount	Round of Financing	Buyers/Investors	Major Business Focus [Target/Issue]
05/29/14	Observable Networks	2.45	1	Brooke Private Equity Associates; Vectis Healthcare & Life Sciences Fund, II, L.P.; Stifel Nicolaus Weisel, Investment Arm	Network security technology and threat detection services
05/28/14	HackerOne	9.00	1	Benchmark Capital	Security vulnerability disclosure
05/27/14	ProtectWise	14.1	-	CrossLink Capital, Inc.; Trinity Ventures; Arsenal Venture Partners, inc.; Paladin Capital Group	Cloud-based network security services
05/23/14	Mobile Authentication	4.00	-	-	Verification and user authentication solutions
05/23/14	Tanium	90.00	-	Andreessen Horowitz LLC	Security and management system solutions
05/23/14	Vidder	1.00	-	-	Custom security solutions.
05/23/14	Distil	10.00	1	Foundry Group; IDEA Fund Partners; TechStars, LLC; ff Venture Capital; Militello Capital	Cloud-based software as a service
05/21/14	Silent Circle	30.00	-	Cain Capital L.L.C.	Cloud based enterprise privacy solutions
05/20/14	RiskIQ	27.50	2	Battery Ventures; Summit Partners LLP	Cloud-based security solutions
05/20/14	Signal Sciences	2.00	Seed	O'Reilly AlphaTech Ventures, LLC; Harrison Metal Capital	Software as a service platform
05/20/14	Sumo Logic	30.00	4	Accel Partners; Sequoia Capital; Sutter Hill Ventures; Greylock Partners	Cloud-based log management and analytics services
05/16/14	Centrify	42.00	5	Samsung Venture Investment Corporation; Fortinet Inc. (NasdaqGS:FTNT); DoCoMo Capital, Inc.; BDCA Venture, Inc. (NasdaqCM:BDCV)	Unified identity management
05/16/14	Feedzai S.A.	-	-	Oxy Capital - Sociedade de Capital de Risco SA	Business intelligence applications
05/15/14	Netskope	35.00	3	Accel Partners; Lightspeed Venture Partners; The Social+Capital Partnership	Cloud application analytics and policy company\
05/15/14	OpenDNS	35.00	3	Glynn Capital Management; Mohr Davidow Ventures; Sequoia Capital; Sutter Hill Ventures; Northgate Capital Group, L.L.C.; Cisco Investments; Mohr, Davidow Ventures IX, L.P.; Lumia Capital; Greylock Partners	Internet security and domain name system services
05/15/14	Verafin	55.12	-	Spectrum Equity Management, L.P.	Fraud detection and anti money laundering
05/14/14	Datavisor	-	Seed	New Enterprise Associates	Big data solutions
05/14/14	Sift Science	18.00	2	Union Square Ventures; Spark Capital Partners, LLC; First Round Capital; Spark Capital IV, L.P.	Machine learning fraud detection and prevention software
05/06/14	Bandura	0.10	-	-	Cyber security software solutions
05/06/14	Network Merchants Inc	-	-	Great Hill Partners, LLC	E-commerce payment gateway solutions
05/01/14	Tresorit	3.00	1	Euroventures Kockázati Tokealap-kezelő Zrt.	Encrypt and share files in the cloud
05/01/14	CertiVox	8.00	2	Octopus Investments Limited; NTT Docomo Ventures, Inc.	Encryption, key management, and identity management
04/29/14	BrightPoint Security	5.20	-	TechOperators LLC; EMC Ventures; Aligned Partners	Threat intelligence platform
04/23/14	SentinelOne	12.00	1	Accel Partners; Tiger Global Management LLC; The Westly Group; Granite Hill Capital Partners, LLC; Data Collective	Endpoint security solutions
04/22/14	Wandera	3.0	-	-	Mobile data optimization solutions
04/21/14	Area 1 Security	2.50	Seed	Kleiner Perkins Caufield & Byers; Allegis Capital; First Round Capital; Cowboy Ventures; Data Collective	Threat intelligence solution
04/17/14	EyeVerify	6.00	1	Sprint Ventures, Inc.; Wells Fargo & Company, Investment Arm; 360 Capital	Biometric software solutions for mobile devices
04/16/14	Cloudwear	0.06	-	Wayra UnLtd	Location technology
04/15/14	TeleSign	49.40	2	Adams Street Partners, LLC; Summit Partners LLP; Telstra Ventures Pty Limited; March Capital Partners	Mobile identity solutions for securing end user accounts and preventing registration frauds
04/14/14	BetterCloud	8.62	-	-	Software-as-a-service solutions
04/14/14	FireHost	25.00	5	The Stephens Group, LLC	Enterprise managed cloud hosting company
04/14/14	ZeroFOX	10.25	1	New Enterprise Associates; Core Capital Partners; Genacast Ventures, LLC	Social cyber security intelligence, analytics, and protection
04/10/14	Damballa	13.00	-	Adams Street Partners, LLC; Imlay Investments Inc.; InterWest Partners LLC; Noro-Moseley Partners; Palomar Ventures; Sigma Partners; Paladin Capital Group; GRA Ventures	Threat protection and containment solutions
04/09/14	GreenSQL	7.00	3	Jerusalem Venture Partners; Magma Venture Partners; Gandyr Investments Ltd.; Rhodium Ltd.; Atlantic Capital Partners GmbH; 2B Angels	Unified database security solutions
04/09/14	HackSurfer	3.50	-	Boulder Ventures Limited; CNF Investments LLC	SaaS-based cyber risk intelligence solutions
04/09/14	Synack	7.5	1	Kleiner Perkins Caufield & Byers; Allegis Capital; GV; Greylock Partners	Cloud-based platform for data integrity, privacy, and confidentiality
04/02/14	Sookasa	5.00	1	Accel Partners; First Round Capital; Andreessen Horowitz LLC; SV Angel	Cloud services and devices
04/01/14	Certes Networks	1.68	-	-	Security solutions
04/01/14	SGA Co	5.38	-	Sejong Mutual Savings Bank Co.,Ltd.; ASAM Investment Advisory Company Limited	Security solutions and services
04/01/14	Threat Stack	2.67	1	Atlas Venture L.P.; 406 Ventures, LLC; TechStars, LLC	Online security system for businesses
03/31/14	Enovacom SAS	6.89	2	ACG Management; EXTENS	Security software of information flow in the health sector
03/31/14	Malcovery Security	2.58	-	-	Cloud-based actionable cyber security intelligence and forensic analysis
03/31/14	Vir-Sec	1.17	-	-	Security for Internet applications.
03/27/14	Vectra Networks	17.8	-	IA Ventures; Khosla Ventures; AME Cloud Ventures	X-series platform to identify cyber attacks
03/25/14	Forter	3.0	1	Sequoia Capital Israel	E-commerce fraud prevention services
03/20/14	Appknox	0.02	-	The Joyful Frog Digital Incubator	Mobile application vulnerability detection solutions
03/19/14	Digital Guardian	12.00	-	General Electric Pension Trust; Brookline Venture Partners LLC; Fairhaven Capital Partners, LLC	Data security solutions
03/11/14	ThreatMetrix	20.00	5	August Capital; Adams Street Partners, LLC; U.S. Venture Partners; Talu Ventures Pty Ltd; Tenaya Capital	Security and fraud prevention solutions
03/11/14	Trulioo	6.0	1	Blumberg Capital; BDC Venture Capital; Tenfore Holdings	Identity verification services
03/06/14	Optio Labs	10.00	1	Allied Minds plc (LSE:ALM)	Transformational mobile security technologies
03/05/14	aPersona	1.00	-	-	Multi-factor authentication software solution
03/04/14	Picatcha	2.28	-	-	Solutions to the internet-abuse problem

Announced Date	Target/Issuer	Amount	Round of Financing	Buyers/Investors	Major Business Focus [Target/Issue]
03/02/14	Wickr	9.00	1	Alsop Louie Partners; Knight Foundation, Investment Arm; Juniper Networks, Investment Arm	Military-grade encryption
02/28/14	Dashlane	22.00	2	Bessemmer Venture Partners; FirstMark Capital, L.L.C.; Rho Capital Partners, Inc.	Password manager and secure digital wallet
02/27/14	Vebatronika, OOO	0.04	-	Internet Initiatives Development Fund	Website security solutions and services
02/24/14	Bitium	6.48	1	Polaris Partners; Social Leverage, LLC; Amplify.LA; Resolute Ventures, Inc.; Karlin Ventures, LLC; Lazerow Ventures, LLC; Double M Partners, LP; Double M Partners I, LP	Software-as-a-Service operating system
02/21/14	Shape Security	40.00	3	Kleiner Perkins Caufield & Byers; Allegis Capital; Norwest Venture Partners; Sierra Ventures; Venrock; Google Ventures; TomorrowVentures, LLC	Web defense products
02/20/14	Cylance	20.00	2	The Blackstone Group L.P. (NYSE:BX); Khosla Ventures; Fairhaven Capital Partners, LLC	Antivirus and endpoint protection solutions
02/20/14	Shadow NetWorks	13.70	-	Paladin Capital Group; Yaletown Venture Partners Inc.	Security solutions for enterprise and government networks
02/20/14	Xceedium	4.94	-	-	Privileged identity management solutions for hybrid cloud enterprises
02/20/14	THREATSTREAM	4.00	1	Paladin Capital Group; GV	Threat intelligence
02/19/14	Palerra	8.00	1	Norwest Venture Partners; Wing Venture Partners	Security coverage for cloud platforms
02/19/14	Xapo	20.03	1	Fortress Investment Group LLC (NYSE:FIG); Benchmark Capital; Ribbit Capital	Online and offline security solutions
02/18/14	6scan	0.69	1	-	Web site protection suite
02/18/14	CipherPoint Software	0.46	-	-	Transparent content encryption solutions
02/18/14	Elastica	6.30	1	Mayfield Fund	Cloud security solutions
02/18/14	FireLayers	-	1	YL Ventures GP Ltd.	Solutions to control and protect cloud applications
02/17/14	Enigmedia S.L.	0.13	-	Sabadell Capital	Technological solutions to encrypt information in real time
02/15/14	OceansBlue Systems	0.15	-	-	Data security company
02/14/14	Bask Technology	2.0	-	Trinity Capital Investment, LLC	Remote technology support services
02/13/14	Nok Nok Labs	16.50	2	Onset Ventures; DCM; Lenovo Group Limited (SEHK:992)	Online security and authentication
02/13/14	CloudPassage	25.50	3	Benchmark Capital; MeriTech Capital Partners; Shasta Ventures; Tenaya Capital; Musea Ventures	Server security products
02/12/14	Heimdall Networks	0.10	Seed	Innovacorp	Network security company
02/11/14	Clavister AB	9.34	-	-	Network security solutions
02/11/14	Cybereason	4.60	1	CRV	Automated platform against cyber attacks
02/10/14	Bit9	38.25	-	Atlas Venture L.P.; Highland Capital Partners; Kleiner Perkins Caufield & Byers; Sequoia Capital; .406 Ventures, LLC	Endpoint threat detection, response, and prevention solutions
02/07/14	Power Fingerprinting	0.21	-	-	Anomaly-based cyber intrusion detection technology
02/06/14	Acuity Systems	0.13	-	-	Mobile and Web computing authentication solutions
02/05/14	AVAST Software	-	-	CVC Capital Partners Limited	Security software
02/05/14	Ionic Security	25.59	2	Kleiner Perkins Caufield & Byers; Icon Ventures; TechOperators LLC; GV; ff Venture Capital; Webb Investment Network	Distributed data protection platform
02/03/14	Javelin Networks	-	-	Upwest Labs	Cyber security platforms
01/31/14	CyberSense	5.00	1	BRM Group; Opus Capital	Cloud-based and on-premises cyber-security solutions
01/29/14	AuditMark	-	-	Portugal Capital Ventures - Sociedade de Capital de Risco, S.A.	Web security products
01/29/14	Exobox Technologies	0.05	-	-	Information risk management and security software solutions
01/28/14	ESABE Informática Distribuida, S.L.	0.15	-	Genera	Content security services
01/27/14	TigerText	21.0	2	OrbiMed Advisors, L.L.C.; Easton Capital Investment Group; Shasta Ventures; New Science Ventures, LLC; TELUS Ventures; New Leaf Venture Partners, L.L.C.; Reed Elsevier Ventures Ltd	Real-time mobile messaging solutions
01/23/14	CloudLock	17.03	3	Bessemmer Venture Partners; Ascent Venture Partners; Cedar Fund	Cloud data security solutions
01/23/14	Uniken	4.84	1	Nexus Venture Partners; Nexus India Capital III	Digital security platform
01/21/14	Aorato	10.00	2	Accel Partners; Innovation Endeavors; Gllot Capital Partners	Enterprise security
01/20/14	Adallom	15.00	2	Index Ventures; Sequoia Capital Israel	Security For Cloud Applications
01/20/14	Bluebox Security	18.0	2	Tenaya Capital; Andreessen Horowitz LLC; SV Angel	Enterprise mobile security
01/15/14	Confer Technologies	8.0	1	Matrix Partners; North Bridge Venture Partners	Open cyber threat prevention network
01/11/14	Bravatek Solutions	0.10	-	LG Capital Funding, LLC	Security, defense, and information security solutions
01/03/14	QingCloud Beijing U-fan Technology	20.0	2	BlueRun Ventures; Lightspeed China Partners; Matrix Partners China	Cloud computing services
01/02/14	Skybox Security	6.00	-	Susquehanna Investment Group	Risk analytics for enterprise security management

Source: Capital IQ (in \$ millions)

SECTOR SPOTLIGHT – COMPANIES

Adam Software


Kortrijksesteenweg, Ghent, Belgium

www.adamssoftware.net


Pieter Casneuf - Co-Founder & CEO

Provides digital asset management software


Agilience


Sunnyvale, CA 94085, USA

www.agilience.com


Joe Fantuzzi - President & CEO

Integrated Cyber-Security and Operational Risk Intelligence via cloud-manage services and software


AppDome (formerly Native Flow)


Santa Clara, CA 95054, USA

appdome.com


Tal Gilat - CEO

Enterprise and consumer-facing mobile-app security through dynamic wrapping SaaS technology


Auconet


San Francisco, CA 94105, USA

www.auconet.com


Frank Winter - CEO

Comprehensive IT Operations Management and endpoint security software


Avecto


Manchester Airport, M22 5XB, UK

www.avecto.com

 Mark Austin - Co-founder & Co-CEO
 Paul Kenyon - Co-Founder & Co-CEO

Windows privilege management solutions for deployment of secured and compliant desktops and servers


Avotus


East Mississauga, Ontario, Canada

www.avotus.com


James Martino - CEO

Provider of Intelligent Communications Management (ICM) solutions


Bitglass


Campbell, CA, USA

www.bitglass.com


Nat Kausik - CEO

Cloud Access Security Broker (CASB) solutions


Bufferzone Security


Tel Aviv, Israel

www.bufferzonesecurity.com


Israel Levy - CEO

Endpoint security solutions using containment, bridging and critical intelligence


Catbird Networks


Scotts Valley, CA, USA

www.catbird.com


David Keasey - CEO

Software-Defined Segmentation and Security for the Hybrid IT Infrastructure


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JD Sherry - CEO

Security & Compliance for On-Premise/Cloud Ecosystems


Centrify Corporation

Santa Clara, CA 95054, USA

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Tom Kemp - Co-Founder & CEO

Unified identity management solutions across data center, cloud and mobile


CipherCloud

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www.ciphercloud.com

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www.clearswift.com

Heath Davies - CEO

Secure web, email and file gateway solutions


Code Dx

Northport, New York 11727, USA

www.codedx.com

Anita D'Amico - CEO

Software vulnerability assessment based on static application security testing (SAST) and dynamic application security testing (DAST) tools


Content Raven

Hopkinton, MA 01748, USA

www.contentraven.com

Joe Moriarty - CEO

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www.crocus-technology.com

Michel Desbard - CEO

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Irvine, CA 92618, USA

www.crowdstrike.com

George Kurtz - Co-Founder, President & CEO

Endpoint security through monitoring and real-time forensics


Cylance

Irvine, CA 92612, USA

www.cylance.com

Stuart McClure – Founder, President & CEO

Real-time endpoint protection solutions and antivirus technology based on artificial intelligence


Elastic

San Jose, CA, USA

www.elastic.net

Rehan Jalil - Founder, President & CEO

SaaS app/cloud service security solutions


Exabeam
www.exabeam.com


San Mateo, CA, USA



Nir Polak - Co-founder & CEO

User Behavior Analytics & Insider Threat Detection


DF Labs
www.dflabs.com


Milano, Italy



Dario Forte - Founder & CEO

Cyber Security Incident Management and Data Breach Response


Digital Guardian
digitalguardian.com


Waltham, MA 02451, USA



Ken Levine - President & CEO

Data security, threat detection and data loss prevention


Easy Solutions
www.easysol.net


Doral, FL 33122, USA



Ricardo Villadiego - Founder & CEO

Detection and prevention of electronic fraud across all devices, channels and clouds


Encode Group
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Harry Eliopoulos - Co-Founder & CEO

Security Analytics & Response Orchestration platform and Cyber Security Operations and Services


Everett
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Nieuwegein, The Netherlands



Gerald Horst - CEO

Advisory, Architecture and System Integration solutions


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Commercial cyber-security and defense-grade cyber solutions


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Automated solutions for network access control, mobile security, endpoint compliance and threat prevention


GigaTrust
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Email security and content protection software through Intelligent Rights Management


Great Bay Software
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Tim Butler - CEO

Endpoint profiling, identity monitoring and rogue device detection on enterprise networks

	Ground Labs www.groundlabs.com	 Temasek Boulevard, Singapore 038989, Singapore  Stephen Cavey - Co-Founder & Director
Data security and auditing software for Payment Card Industry (PCI) compliance		
	HyTrust www.hytrust.com	 Mountain View, CA 94040, USA  John De Santis - Chairman & CEO
Virtualization security, compliance and access control solutions for VMWare-based virtual infrastructure		
	InterSet www.interset.com	 Ottawa, ON K2K 3C9, Canada  Dale Quayle - President & CEO
Insider threat and targeted outsider threat detection solution		
	Ionic Security www.ionic.com	 Atlanta, GA 30309, USA  Steve Abbott - CEO
Distributed data protection platform		
	KoolSpan www.koolspan.com	 Bethesda, MD 20814, USA  Nigel Jones - CEO
Secured communications for Android, iOS, and Blackberry mobile devices		
	Lumeta www.lumeta.com	 Somerset, NJ 08873, USA  Pat Donnellan - CEO
Enterprise network architecture, segmentation and cybersecurity analytics		
	Netwrix Corporation www.netwrix.com	 Irvine, CA 92618, USA  Michael Fimin - Co-Founder & CEO
System configuration auditing to assess the capability to detect and prevent security violations		
	Nexthink www.nexthink.com	 Prilly, Switzerland  Pedro Bados - Co-Founder & CEO
End-user IT Analytics for security, ITSM and workplace transformation		
	NopSec www.nopsec.com	 Brooklyn, NY 11201, USA  Lisa Xu - CEO
Vulnerability Risk Management (VRM) solution for secured application and infrastructure management		
	NuData Security www.nudatasecurity.com	 Vancouver, BC V6C 3T4, Canada  Michel Giasson - Co-Founder & CEO
Web fraud detection & mitigation via behavioral and biometric analysis		


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Privileged protection and task automation solution for hybrid-cloud and multi-vendor environments


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IT consulting, solutions for cyber security, data centers, end-user computing and manufacturing & logistics


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Denver, CO 80202, USA



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Cloud based single sign-on, identity and access management


Resolver
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Will Anderson - CEO

Cloud-based software suites for governance, risk management, compliance and internal control


RiskAnalytics
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Real-time Cyber risk management and security


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Multi-application credentialing, security identity management and authentication solutions


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Mark O'Hare - Founder, Director, President & CEO

Data-centric, software-defined security technology for cloud, hybrid and remote environments


Securonix
www.securonix.com


Los Angeles, CA, USA



Sachin Nayyar - CEO

Behavioral Analytics Platform for Insider Threat and APT detection


Sift Security
siftsecurity.com


Palo Alto, CA, USA



Neil King - Founder & CEO

Big data and advanced analytics for security-risk identification


Stealthbits Technologies
www.stealthbits.com


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Steve Cochran - Founder & CEO

Information technology (IT) management and compliance platform solutions for Microsoft-based systems

	StrataCloud www.stratacloud.com	 Atlanta, GA, USA  Brian Cohen - CEO
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	Threatconnect www.threatconnect.com	 Arlington, VA 22203, USA  Adam Vincent - Founder & CEO
Enterprise threat intelligence platform		
	Thycotic thycotic.com	 Washington, DC 20036, USA  James Legg - President & CEO
Enterprise password management software and password reset server		
	Varonis www.varonis.com	 New York, NY 10001, USA  Yaki Faitelson - President, Co-Founder, Chairman & CEO
Software platform to collect, store and analyze the unstructured metadata in real-time		
	Wallix www.wallix.com	 Paris, Ile-de-France 75017, France  Jean-Noël de Galzain – CEO
Privileged access management and cyber security for information systems		
	Watchful Software www.watchfulsoftware.com	 Marlton, NJ 08053, USA  Jack Hembrough - CEO
Data-centric information protection using advanced encryption algorithms, digital rights management, and eBiometrics		
	Wedge Networks www.wedgenetworks.com	 Alberta, Calgary, Canada T3J 5K1  James Hamilton - CEO
Cloud security infrastructure and solutions		
	WhiteHat Security www.whitehatsec.com	 Santa Clara, CA 95054, USA  Craig Hinkley - CEO
Cloud based web application vulnerability management		
	Zafesoft www.zafesoft.com	 Campbell, CA 95008, USA  Sandeep Tiwari - CEO
Information security solutions surrounding distributed and collaborative content		



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