

TECHNOLOGY M&A HIGHLIGHTS

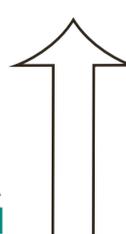
Q2 FY18

BDO's quarterly Technology M&A Highlights provides a targeted snapshot of M&A activity in the Asia region, with a detailed focus on Australia.

ASIA M&A HEAT MAP



Q2 FY17
146 M&A
TRANSACTIONS
ACROSS ASIA
\$14.5 BILLION



Q2 FY18
157 M&A
TRANSACTIONS
ACROSS ASIA
\$41.6 BILLION

The largest transactions announced in the quarter involved 360 Technology, a cyber security company based in China for a total consideration of \$8.5 billion. The acquisition was announced by a consortium of investors including Sequoia Capital, a US based private equity firm.

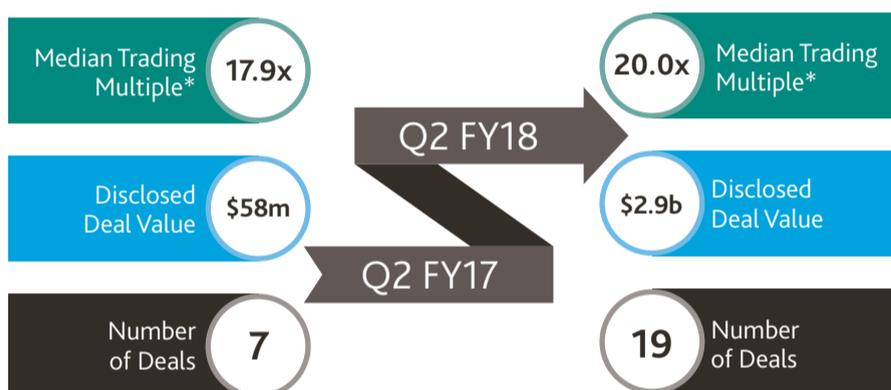
The cyber security sector has been experiencing significant investment over the last few years. In an ever increasing technology driven world, businesses are becoming more anxious about consumer data security. Investors view the sector as a growing market with potential for exponential returns over the long term.

AUSTRALIA

TECHNOLOGY M&A ACTIVITY

M&A activity increased significantly in Q2 FY18

M&A activity more than doubled in Q2 FY18 compared to the corresponding period in FY17. Disclosed deal value has climbed dramatically, driven by high profile deals such as the proposed acquisition of Aconex Limited by Oracle Corporation and the proposed acquisition of Metronode by Equinix. Foreign investors continue to play an important role in Australian public M&A.

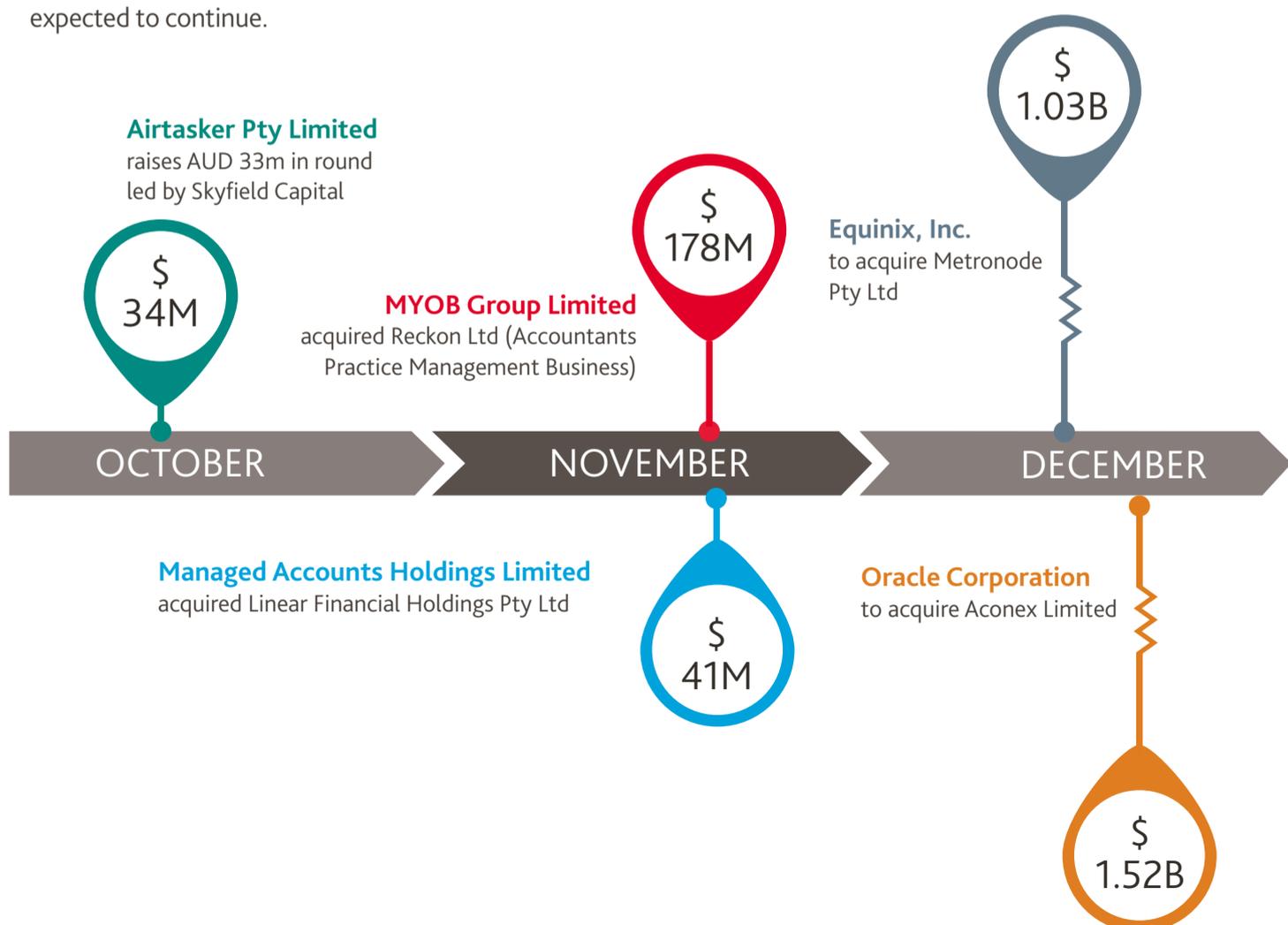


*Median EBITDA trading multiple for all ASX listed technology companies with market capitalisation greater than \$50 million.

Technology M&A activity is expected to remain robust over the coming year due to synchronised global growth and improved consumer sentiment. Many corporations are seeking to acquire technology based solutions to enhance their service offerings and remain on the cutting edge of their industry.

NOTABLE TRANSACTIONS

An interesting transaction announced during the quarter involved the acquisition of Aconex Limited, a leading cloud-based solution that manages team collaboration for construction projects, for A\$7.80 per share in cash. One of the biggest drivers of technology acquisitions is the increase in cloud computing and cloud-based solutions. Digital and advanced technologies continue to disrupt businesses in almost all sectors and this trend is expected to continue.



For global perspectives on technology and media, explore the BDO International Tech and Media Watch Blog

For more information about how our Corporate Finance and Technology teams can assist, please contact your local BDO office.