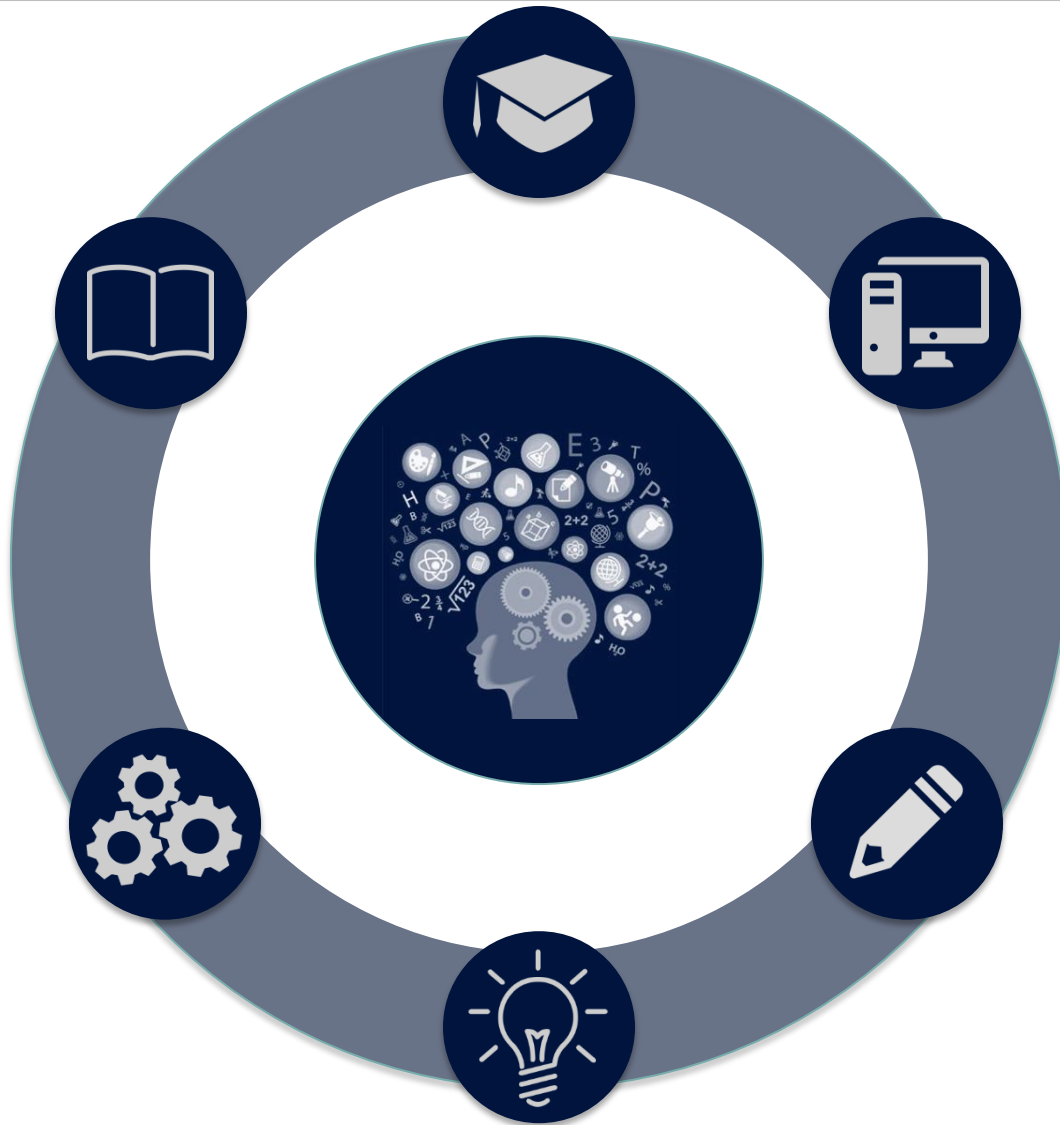


# EDUCATION TECHNOLOGY

EQUITY OFFERINGS | MERGERS | ACQUISITIONS | PRIVATE PLACEMENTS



**ADMISSIONS & ENROLLMENT | ALUMNI & DONOR MANAGEMENT | CAREER & RECRUITING | CLASSROOM TECHNOLOGY | COMMERCE, PAYMENTS & FINANCIAL AID MANAGEMENT | COMMUNICATIONS & IT | CONTENT DELIVERY | DATA ANALYTICS & ASSESSMENTS | SIS & OTHER ADMINISTRATIVE SOLUTIONS | LEARNING MANAGEMENT SYSTEMS | ONLINE LEARNING | STUDENT LIFECYCLE SERVICES**

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## RAYMOND JAMES EDUCATION TECHNOLOGY CASE STUDIES - STRATEGIC BUYERS



*Raymond James acted as the exclusive financial advisor to Higher One Holdings, Inc. in connection with this transaction.*

### Transaction Overview

- On June 30, 2016, Blackboard Inc. (“Blackboard”) announced that an affiliate of the company had entered into a definitive agreement to purchase Higher One Holdings, Inc. (NYSE: ONE) (“Higher One” or the “Company”) for \$5.15 per share in cash
- The all-cash sale price represented a 37.3% premium over Higher One’s closing share price on June 29, 2016 and an equity value of \$260 million

### Company Background

- Higher One, Inc., which is a wholly-owned subsidiary of Higher One Holdings, Inc. and doing business as CASHNet, is a leading payments technology provider for higher education headquartered in New Haven, Connecticut with offices in Oakland, California; Atlanta, Georgia and Chennai, India
- The Company’s CASHNet Payment Platform has been trusted for nearly 30 years by college and university campuses to help implement PCI-compliant processes for simplifying electronic billing, accepting payments all over campus, offering flexible tuition payment plans and creating online storefronts
- Higher One supports more than 700 college and university campuses and millions of students across the U.S.

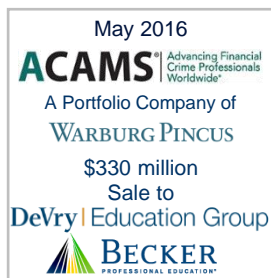
### Raymond James Investment Banking Role

- Raymond James served as the exclusive financial advisor to Higher One in this transaction
- Conducted a highly competitive and targeted sale process involving a select group of strategic and financial buyers

### Successful Outcome

- The transaction was signed on June 29, 2016, announced on June 30, 2016 and closed on August 4, 2016
- The acquisition will allow for future integration of Higher One’s CASHNet platform providing secure bill presentment, online and in-person payments, and student payment plan services with the Blackboard Transact business line

## RAYMOND JAMES EDUCATION TECHNOLOGY CASE STUDIES - STRATEGIC BUYERS



**Raymond James acted as the exclusive financial advisor to ACAMS and Warburg Pincus in connection with this transaction.**

### Transaction Overview

- On May 18, 2016, the Association of Certified Anti-Money Laundering Specialists (“ACAMS” or the “Company”), a portfolio company of Warburg Pincus, signed a definitive agreement to be acquired by DeVry Education Group (NYSE:DV) (“DeVry”)

### Company Background

- ACAMS is the leading global provider of compliance, information, and education solutions dedicated to enhancing the knowledge and expertise of Anti-Money Laundering (“AML”) and financial crime prevention professionals
- The Company’s CAMS (Certified Anti-Money Laundering Specialist) certification is widely regarded as the “gold standard” certification for AML compliance amongst the financial crime prevention community, and is exclusively available to ACAMS members
- ACAMS was founded in 2001, is headquartered in Miami, FL and owned by Warburg Pincus

### Raymond James Investment Banking Role

- Raymond James served as the exclusive financial advisor to ACAMS and Warburg Pincus in this transaction
- Conducted a highly competitive and targeted sale process involving a select group of strategic and financial buyers

### Successful Outcome

- The transaction was signed in May 2016 and closed in July 2016
- The acquisition of ACAMS provides DeVry and its Becker business an opportunity to expand its existing reach within the financial services and compliance solutions market as well as extend added capabilities to ACAMS within course development and marketing
- The transaction represents a premium outcome for ACAMS shareholders and its management team



**Raymond James acted as the exclusive financial advisor to Smart Tuition in connection with this transaction.**

### Transaction Overview

- On August 10, 2015, Blackbaud, Inc. (“Blackbaud”) entered into a definitive agreement to acquire Smart, LLC, (“Smart Tuition” or the “Company”)

### Company Background

- Smart Tuition is a leading provider of payment software and services for K-12 private schools and parents throughout the United States. It offers a leading-edge, proprietary technology platform to support tuition and other school payments and services to over 2,400 schools representing nearly 400,000 families
- The Company was founded in 2006 and is headquartered in Woodbridge, NJ

### Raymond James Investment Banking Role

- Raymond James served as the exclusive financial advisor to Smart Tuition in this transaction
- Conducted a highly competitive and targeted sale process involving strategic and financial buyers

### Successful Outcome

- The transaction closed in September 2015
- Blackbaud’s extensive footprint across the world philanthropic community will provide Smart Tuition a broader platform from which to expand its tuition management and other innovative financial solutions for schools nationwide
- Smart Tuition will help Blackbaud more completely serve the private school community with innovative solutions that help them manage and connect information, streamline internal processes and improve the family experience

## RAYMOND JAMES EDUCATION TECHNOLOGY CASE STUDIES - STRATEGIC BUYERS



*Raymond James acted as the exclusive financial advisor to TouchNet Information Systems, Inc. in connection with this transaction.*

### Transaction Overview

- On July 30, 2014, Heartland Payment Systems, Inc. (“Heartland”) announced that it had entered into a definitive agreement to acquire TouchNet Information Systems, Inc. (the “Company” or “TouchNet”)

### Company Background

- TouchNet is a leading provider of comprehensive campus commerce solutions including a suite of integrated e-payment software modules and an array of acquiring, issuing and payment processing solutions
- Serves over 550 clients representing more than 650 institutions spanning 4-year public and private schools and 2-year public schools
- The Company was founded in 1989 and is headquartered in Lenexa, KS

### Raymond James Investment Banking Role

- Raymond James served as the exclusive financial advisor to TouchNet in this transaction and conducted a highly targeted and competitive process that included over 15 strategic and financial buyers

### Successful Outcome

- The transaction closed in September 2014
- TouchNet’s executive management team will continue with the Company and assume various leadership roles within Heartland



*Raymond James acted as the exclusive financial advisor to SchoolMessenger in connection with this transaction.*

### Transaction Overview

- On April 14, 2014, West Corporation (“West”) entered into a definitive agreement to acquire Reliance Communications, Inc., d/b/a SchoolMessenger (“SchoolMessenger” or the “Company”)

### Company Background

- SchoolMessenger, is a leading provider of notification and mobile communication solutions for the K-12 education market. Thousands of public and private school districts in all 50 states depend on SchoolMessenger’s innovative solutions to connect and effectively communicate with millions of parents, students and staff every day
- The Company was founded in 1999 and backed by Chicago Growth Partners since 2010

### Raymond James Investment Banking Role

- Raymond James conducted a two-stage auction process involving both financial and strategic buyers and prepared tailored marketing materials, facilitated contact with prospective transaction partners, negotiated price and terms, managed due diligence and oversaw negotiation of a definitive agreement

### Successful Outcome

- The transaction closed in April 2014
- SchoolMessenger will become a part of West’s Unified Communications business segment. The combination of SchoolMessenger and West Corp will create a comprehensive, cloud-based communication platform for the K-12 education vertical

## RAYMOND JAMES EDUCATION TECHNOLOGY CASE STUDIES - FINANCIAL BUYERS



**Raymond James acted as the exclusive financial advisor to Symplicity in connection with this transaction.**

### Transaction Overview

- Only July 29, 2016, Symplicity Corporation (“Symplicity” or the “Company”) was acquired by H.I.G. Capital (“H.I.G.”)

### Company Background

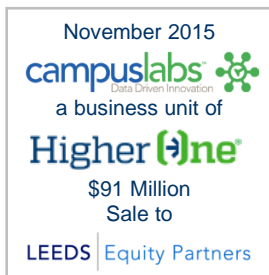
- Headquartered in Arlington, VA, Symplicity sells SaaS-based solutions to over 1,200 colleges and graduate school programs that help manage all aspects of a student’s life on campus, including career services, academics, behavioral intervention, and student conduct
- In addition, more than 400,000 active employers utilize the Company’s on-campus recruiting software to leverage the largest Higher Education job network in the U.S. and recruit students and alumni for entry-level jobs

### Raymond James Investment Banking Role

- Raymond James served as the exclusive financial advisor to Symplicity in this transaction
- Conducted a highly competitive and targeted sale process involving a select group of strategic and financial buyers

### Successful Outcome

- The transaction closed on July 29, 2016 and was announced on August 1, 2016
- H.I.G. Capital will be able to utilize its scale, network, and technology expertise to significantly enhance the Company’s growth profile both organically and through acquisitions, creating a truly global, data-driven employability and student services platform
- The transaction represents a premium outcome for Symplicity’s shareholders and its management team



**Raymond James acted as the exclusive financial advisor to Higher One Holdings, Inc. in connection with this transaction.**

### Transaction Overview

- On October 19, 2015, Leeds Equity Partners announced that it had entered into a definitive agreement to acquire Campus Labs (“the Company”) from Higher One Holdings, Inc. (NYSE:ONE) (“Higher One”)

### Company Background

- Campus Labs provides a software platform for colleges and universities to make data-driven, strategic decisions ranging from accreditation to student retention to effective operations
- The Company’s solutions include student assessments, strategic planning and accreditation tools, a co-curricular platform, a student retention solution and course evaluations, all on a single SaaS software platform with unified reporting and analytics. Campus Labs currently provides its solutions to over 700 campuses nationwide
- The Company was founded in 2000 and is headquartered in Buffalo, NY

### Raymond James Investment Banking Role

- Raymond James served as the exclusive financial advisor to Higher One in this transaction
- Conducted a highly competitive and targeted sale process involving more than 30 strategic and financial buyers

### Successful Outcome

- The transaction closed in November 2015
- The transaction represents a premium outcome for Higher One’s shareholders and management team and provides Higher One with the financial flexibility to address current and future obligations and to strengthen its balance sheet

## RAYMOND JAMES EDUCATION TECHNOLOGY CASE STUDIES - FINANCIAL BUYERS



**Raymond James acted as the exclusive financial advisor to The Network, Inc. in connection with this transaction.**

### Transaction Overview:

- On August 31, 2015, NAVEX Global, Inc., a Vista Equity Partners portfolio company, announced that it has acquired The Network, Inc.

### Company Background

- Founded in 1982 and headquartered in Norcross, GA, The Network provided integrated governance, risk and compliance (GRC) solutions that help organizations mitigate risk, achieve compliance and create better, more ethical workplaces for their clients
- During its 30+ year history, the company had many firsts such as being the first company to provide hotline services, as well as the creating the industry's first naturally integrated GRC software suite
- As part of the GRC software suite, the company also provides an industry leading library of ethics and compliance training courses alongside its proprietary learning management system and its newest agile code of conduct product

### Raymond James Investment Banking Role

- Raymond James conducted a competitive sale process involving a select group of strategic and financial buyers
- Another successful outcome that demonstrates the leadership of Raymond James in the compliance and education technology sectors after multiple successful transactions

### Successful Outcome

- The transaction closed in August 2015
- The transaction represents a premium outcome for The Network shareholders, employees and clients



**Raymond James acted as the exclusive financial advisor to finalsite Holdings Inc. in connection with this transaction.**

### Transaction Overview

- On June 19, 2012, Spectrum Equity Management announced that it had entered into a definitive agreement to acquire finalsite Holdings Inc. ("finalsite" or "the Company")

### Company Background

- finalsite delivers a SaaS-based, customized web platform to leading independent and public schools, colleges and organizations seeking to centralize and enhance their online learning and communications offerings
- The Company's software integrates with many existing technology providers and provides schools with a single interface to dynamically distribute key communications and all forms of digital content
- finalsite delivers its product to customers across the United States and in 41 countries around the world

### Raymond James Investment Banking Role

- Raymond James conducted a broad auction process involving both strategic and financial buyers
- Raymond James secured multiple high quality bids, negotiated price and terms, managed due diligence and oversaw negotiations of the essential agreements

### Successful Outcome

- The transaction closed in June 2012



## RAYMOND JAMES EDUCATION TECHNOLOGY CASE STUDIES - PUBLIC FINANCINGS

November 2015

### INSTRUCTURE

**\$70,040,000**

Initial Public Offering

*Raymond James acted as a co-manager to Instructure, Inc. in connection with this transaction.*

#### Transaction Overview

- On November 12, 2015 Instructure (NYSE:INST) announced the closing of its initial public offering of 5,060,000 shares of common stock at a price of \$16.00 per share

#### Company Background

- Instructure provides an innovative, cloud-based learning management platform for academic institutions (Canvas) and companies (Bridge) worldwide
- The platform combines powerful, elegant and easy-to-use functionality with the reliability, security, scalability and support required by its customers
- SaaS business model enables Company to offer customers rapid deployment and minimal upfront implementation, with the added benefit of automatic software updates with virtually no downtime
- For 2012, 2013 and 2014, revenue was \$8.8 million, \$26.1 million and \$44.4 million, respectively, representing year-over-year growth of 197% and 70%

#### Initial Public Offering (November 12, 2015):

- Offering Value: \$70.0 million (Excluding Overallotment)
- Offer Price: \$16.00 (Bottom of Range)
- \$424.6 million post-offering market cap

November 2012

**Chegg®**

**\$187,500,000**

Initial Public Offering

*Raymond James acted as a co-manager to Chegg, Inc. in connection with this transaction.*

#### Transaction Overview

- On November 12, 2012 Chegg, Inc. (NYSE: CHGG) announced the pricing of its initial public offering of 15,000,000 shares of common stock at a price of \$12.50 per share

#### Company Background

- Chegg is the leading student-first connected learning platform, empowering students to take control of their education to save time, save money and get smarter.
- Chegg has ~180,000 unique titles in its textbook library available for rent, allowing the Company to fulfill 90% of online textbook requests on demand
- For the twelve months ended September 30, 2013, Chegg had ~418,000 student subscribers and rented or sold over 5.5 million eTextbooks and print textbooks

#### Initial Public Offering (November 12, 2012):

- Offering Value: \$187.5 million (Excluding Overallotment)
- Offer Price: \$12.50 (Above High End of the Range)
- ~\$1.1 billion post-offering market cap

June 2010

**Higher (↻)ne**

**\$124,000,000**

Initial Public Offering

*Raymond James acted as a senior co-manager to Higher One Holdings, Inc. in connection with this transaction.*

#### Transaction Overview

- On June 17, 2010 Higher One Holdings, Inc. (NYSE: ONE) announced the pricing of its initial public offering of 9,000,000 shares of common stock at a price of \$12.00 per share

#### Company Background

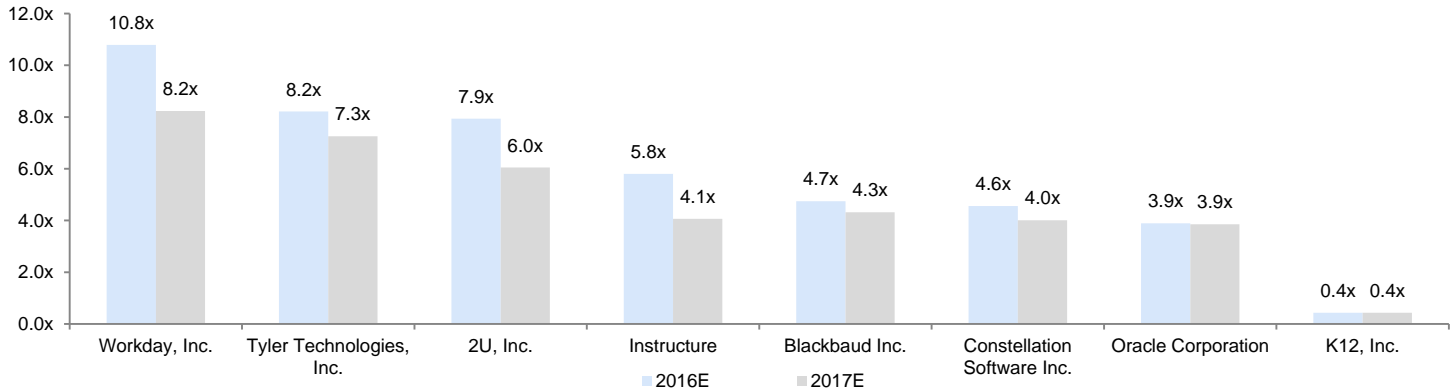
- Higher One provides technology and payment services to the higher education industry
- Offers disbursement services that facilitate financial aid and various refunds to students, while simultaneously enhancing the ability of higher education institutional clients to comply with the federal regulations
- Currently serves approximately 4.6 million students, faculty and staff at over 650 higher education institutions throughout the country
- For 2007, 2008, and 2009, revenue was \$28.0 million, \$44.0 million and \$75.5 million, respectively, representing year-over-year growth of 57.2% and 71.6%

#### Initial Public Offering (June 17, 2010):

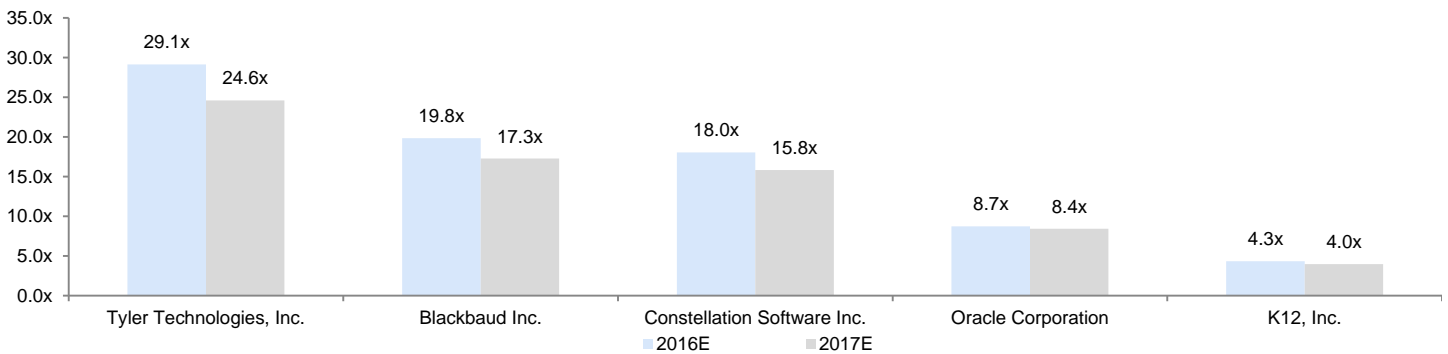
- Offering Value: \$124.0 million (Excluding Overallotment)
- Offer Price: \$12.00 (Bottom of Range)
- \$730.8 million post-offering market cap

## MARKET VALUATION METRICS

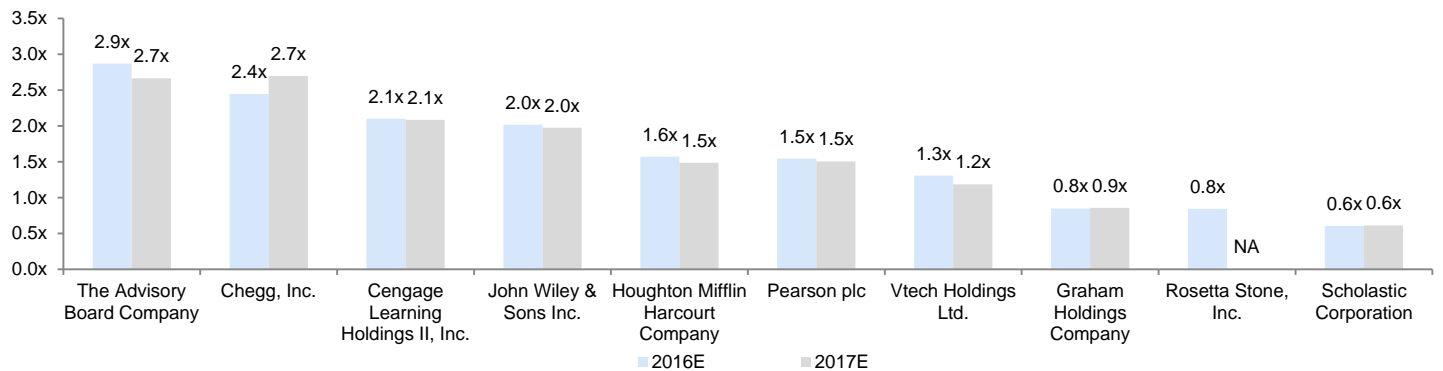
### Education Technology TEV / Revenue



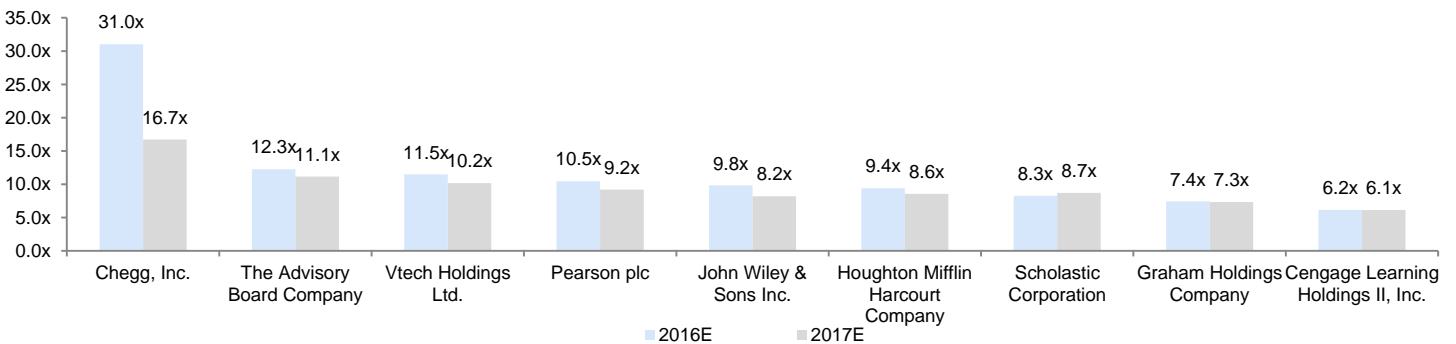
### Education Technology TEV / EBITDA<sup>(1)(2)</sup>



### Education Services & Content TEV / Revenue



### Education Services & Content TEV / EBITDA<sup>(1)(2)</sup>



(1) EBITDA multiples <0.0x or >35.0x are considered Not Meaningful (NM)

(2) Omits companies where multiples for both FY2016 and FY2017 are either not available or not meaningful



## PUBLIC COMPARABLES, PRECEDENT TRANSACTIONS &amp; FINANCINGS

## Public Comparables

Company <sup>(1)</sup>	Stock Price 9/30/2016	Market Capitalization	Enterprise Value	TEV						Revenue Growth		EBITDA Margin	
				Revenue			EBITDA <sup>(2)</sup>			2016E	2017E	2016E	2017E
				LTM	2016E	2017E	LTM	2016E	2017E				
<b>Education Technology</b>													
Oracle Corporation <sup>(3)</sup>	\$39.28	\$161,269.5	\$147,326.5	4.0x	3.9x	3.9x	10.0x	8.7x	8.4x	0.2%	0.9%	44.6%	45.8%
Workday, Inc.	91.69	18,338.0	16,790.9	12.4x	10.8x	8.2x	NM	NM	NM	34.4%	31.0%	8.1%	11.2%
Constellation Software Inc.	450.60	9,548.8	9,660.3	4.9x	4.6x	4.0x	20.7x	18.0x	15.8x	16.8%	13.7%	25.3%	25.3%
Tyler Technologies, Inc. <sup>(4)</sup>	171.23	6,222.6	6,293.6	9.3x	8.2x	7.3x	NM	29.1x	24.6x	10.8%	13.2%	28.2%	29.5%
Blackbaud Inc.	66.34	3,079.7	3,466.4	5.1x	4.7x	4.3x	30.5x	19.8x	17.3x	13.6%	9.9%	23.9%	25.0%
2U, Inc.	38.29	1,795.0	1,606.8	9.1x	7.9x	6.0x	NM	NM	NM	34.7%	31.3%	1.1%	2.8%
Instructure, Inc.	25.37	710.0	648.0	7.1x	5.8x	4.1x	NM	NM	NM	54.8%	42.6%	NM	NM
K12, Inc.	14.35	569.4	386.1	0.4x	0.4x	0.4x	3.6x	4.3x	4.0x	(6.5%)	5.1%	10.1%	10.4%
<b>Education Technology Median</b>				<b>6.1x</b>	<b>5.3x</b>	<b>4.2x</b>	<b>15.3x</b>	<b>18.0x</b>	<b>15.8x</b>	<b>15.2%</b>	<b>13.4%</b>	<b>23.9%</b>	<b>25.0%</b>
<b>Education Services &amp; Content</b>													
Pearson plc	\$9.81	\$7,995.3	\$10,160.9	1.8x	1.5x	1.5x	12.4x	10.5x	9.2x	0.2%	2.6%	14.8%	16.4%
Cengage Learning Holdings II, Inc.	24.00	1,752.9	3,615.9	2.3x	2.1x	2.1x	9.5x	6.2x	6.1x	1.7%	0.9%	34.2%	34.1%
John Wiley & Sons Inc.	51.61	3,003.7	3,472.9	2.0x	2.0x	2.0x	12.6x	9.8x	8.2x	(5.5%)	2.1%	20.5%	24.1%
Vtech Holdings Ltd.	11.41	2,864.1	2,591.1	1.4x	1.3x	1.2x	10.9x	11.5x	10.2x	3.3%	10.5%	11.4%	11.6%
Houghton Mifflin Harcourt Company	13.41	1,639.8	2,329.3	1.6x	1.6x	1.5x	9.7x	9.4x	8.6x	3.9%	5.8%	16.7%	17.3%
Graham Holdings Company <sup>(5)</sup>	481.37	2,703.5	2,145.5	0.9x	0.8x	0.9x	6.8x	7.4x	7.3x	(2.2%)	(1.0%)	11.4%	11.7%
The Advisory Board Company <sup>(6)</sup>	44.74	1,801.4	2,356.8	2.9x	2.9x	2.7x	19.4x	12.3x	11.1x	5.7%	7.7%	23.4%	23.9%
Scholastic Corporation	39.36	1,358.5	1,083.0	0.6x	0.6x	0.6x	7.9x	8.3x	8.7x	9.5%	(1.0%)	7.3%	7.0%
Chegg, Inc.	7.09	645.4	595.7	2.2x	2.4x	2.7x	NM	31.0x	16.7x	(19.2%)	(9.3%)	7.9%	16.1%
Cambium Learning Group, Inc.	5.43	248.8	354.7	2.4x	NA	NA	14.7x	NA	NA	NA	NA	NA	NA
Rosetta Stone, Inc.	8.48	186.4	159.6	0.8x	0.8x	NA	NM	NM	NA	(13.8%)	NA	NM	NA
<b>Education Services &amp; Content Median</b>				<b>1.8x</b>	<b>1.6x</b>	<b>1.5x</b>	<b>10.9x</b>	<b>9.8x</b>	<b>8.7x</b>	<b>1.0%</b>	<b>2.1%</b>	<b>14.8%</b>	<b>16.4%</b>
<b>Overall Median</b>				<b>2.3x</b>	<b>2.3x</b>	<b>2.7x</b>	<b>10.9x</b>	<b>10.1x</b>	<b>8.9x</b>	<b>3.6%</b>	<b>5.8%</b>	<b>15.7%</b>	<b>16.8%</b>

Source: Capital IQ; equity research

(1) Sorted by Enterprise Value

(2) EBITDA multiples &lt;0.0x or &gt;35.0x are considered Not Meaningful (NM)

(3) Pro forma for the acquisitions of Textura Corporation and OPOWER

(4) Pro forma for the acquisition of New World Systems

(5) Pro forma for the divestiture of Cable ONE

(6) Pro forma for the acquisition of Royall &amp; Company

## Precedent Transactions

Date Announced	Acquirer / Investor	Target	Total Enterprise Value (\$MM)	TEV /						Revenue Growth	EBITDA Margin
				Revenue <sup>(1)</sup>			EBITDA <sup>(1)(2)</sup>				
				LTM	CY	CY+1	LTM	CY	CY+1		
Jul-16	Blackboard Inc.	Higher One	\$260.0	2.6x	2.4x	2.2x	12.0x	11.9x	10.3x	11.5%	20.2%
Jul-16	HIG Capital	Symplicity	ND	ND	ND	ND	ND	ND	ND	ND	ND
Jun-16	Microsoft	LinkedIn	26,190.9	8.1x	7.0x	5.7x	31.1x	26.2x	21.1x	22.1%	26.7%
May-16	Foxconn	Smart Technologies	216.0	0.6x	0.7x	0.7x	18.2x	26.7x	8.8x	(8.0%)	2.3%
May-16	DeVry Education Group	ACAMS	330.1	ND	ND	8.3x	ND	ND	ND	ND	ND
Apr-16	K12	LTS Education System	20.0	2.5x	NA	NA	NA	NA	NA	NA	NA
Nov-15	Apollo	McGraw Hill	2,400.0	NA	1.1x	NA	NA	6.9x	NA	NA	15.9%
Oct-15	Leeds Equity Partners	Campus Labs (Higher One)	91.0	ND	ND	ND	ND	ND	ND	ND	ND
Aug-15	Blackbaud	Smart Tuition	190.0	ND	ND	ND	ND	ND	ND	ND	ND
Jun-15	Vista Equity Partners	PowerSchool (Pearson Education)	350.0	ND	ND	ND	ND	ND	ND	ND	ND
May-15	Houghton Mifflin Harcourt	Scholastic Education	575.0	NA	2.3x	NA	NA	8.5x	NA	9.9%	27.1%
Apr-15	LinkedIn	Lynda.com	1,500.0	10.0x	6.7x	NA	NM	NM	NM	50.0%	NM
Feb-15	PeopleAdmin	Netchemia	ND	ND	ND	ND	ND	ND	ND	ND	ND
Sep-14	Blackbaud	MicroEdge	160.0	4.6x	NA	NA	13.9x	NA	NA	NA	33.1%
Jul-14	Heartland Payment Systems	TouchNet Information Systems	375.0	7.1x	ND	ND	12.4x	ND	ND	ND	57.3%
May-14	Spectrum Equity Investors	ExamSoft Worldwide Inc.	ND	ND	ND	ND	ND	ND	ND	ND	ND
Apr-14	West Corporation	SchoolMessenger	75.0	ND	ND	ND	ND	ND	ND	ND	ND
Mar-14	Vista Equity Partners	PeopleAdmin	ND	ND	ND	ND	ND	ND	ND	ND	ND
Oct-12	John Wiley & Sons	Deltak	220.0	NA	4.1x	NA	NA	NA	NA	NA	NA
Oct-12	Pearson Education	Embanet	650.0	NA	5.0x	3.8x	NA	16.7x	12.5x	33.3%	29.9%
Aug-12	Higher One	Campus Labs	54.0	NA	4.0x	NA	NA	NM	NM	NA	NM
Jun-12	Spectrum Equity Investors	Finalsite	ND	ND	ND	ND	ND	ND	ND	ND	ND
Mar-12	PLATO Learning	Archipelago Learning	140.0	4.1x	3.8x	3.4x	13.8x	11.9x	10.9x	13.4%	32.1%
Jan-12	Blackbaud	Convio	301.0	3.9x	4.1x	3.4x	NM	28.1x	20.2x	12.8%	14.6%
Aug-11	Permira Advisors	Renaissance Learning	475.8	3.3x	3.3x	3.1x	11.0x	10.6x	9.9x	6.1%	30.8%
Aug-11	Datatel	SunGard Higher Education	1,775.0	3.5x	NA	NA	11.2x	NA	NA	NA	31.3%
Jul-11	Providence Equity Partners	Blackboard Inc.	1,585.0	3.8x	3.3x	2.9x	16.6x	10.6x	9.2x	43.8%	30.6%
Jan-11	Blackboard Inc.	Presidium Learning	53.0	NA	2.0x	NA	NA	NA	NA	NA	NA
Jan-11	SumTotal	GeoLearning	115.0	ND	ND	ND	ND	ND	ND	ND	ND
Nov-09	Hellman & Friedman	Datatel	570.0	4.7x	4.4x	NA	NA	NA	NA	NA	NA
<b>Overall Median</b>				<b>4.1x</b>	<b>4.0x</b>	<b>3.4x</b>	<b>13.9x</b>	<b>14.5x</b>	<b>10.8x</b>	<b>17.1%</b>	<b>29.9%</b>

























(1) Multiples shown as ND (Not Disclosed) are included in the overall median

(2) EBITDA multiples &lt;0.0x or &gt;35.0x are considered Not Meaningful (NM)















## Public Financings

Date Announced	Issuer	Transaction Type	Sector	Capital Raised (\$MM)
<b>Equity Offerings</b>				
6/10/2016	China Online Education Group	IPO	Online Learning	\$65.0
10/9/2015	Instructure	IPO	Learning Management Systems	70.0
9/23/2015	2U	Follow-on Offering	Online Learning	119.0
2/21/2014	2U	IPO	Online Learning	119.3
11/14/2013	Chegg	IPO	Content & Distribution	187.5




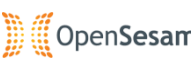




















## EDUCATION TECHNOLOGY: SELECTED RECENT STRATEGIC M&amp;A ACTIVITY

Announced Date	Buyer	Target	Sector	Domain	Transaction Size	Comments
Sep-16			Corporate	Data Analytics & Assessments	N/A	<ul style="list-style-type: none"> <li>Ellegro Learning Solutions, Inc. is a consulting company that specializes in learning strategy, instructional design, metrics and measurement, and performance improvement solutions to organizations in the United States</li> </ul>
Sep-16			K-12	Online Learning	N/A	<ul style="list-style-type: none"> <li>WebAssign is a flexible and fully customizable online instructional system that puts powerful tools in the hands of teachers, enabling them to deploy assignments, instantly assess individual student performance and realize their teaching goals</li> </ul>
Sep-16			Higher Ed	Online Learning	~\$25M	<ul style="list-style-type: none"> <li>Ranku provides comparison shopping for legitimate universities offering online degrees</li> </ul>
Sep-16			K-12 / Higher Ed	Communications & IT Services	N/A	<ul style="list-style-type: none"> <li>Finalsite provides Web-based software and services for schools and educational organizations in the United States and internationally</li> </ul>
Sep-16			Higher Ed	Content Delivery	N/A	<ul style="list-style-type: none"> <li>Eduventures provides primary research, analysis, and advisory services in the areas of enrollment management strategies, financial sustainability, alumni engagement, staff allocation and technology assessment and system selection</li> </ul>
Sep-16			K-12	Commerce, Payments & Financial Aid Management	N/A	<ul style="list-style-type: none"> <li>Diamond Mind provides campus-wide payment processing software and solutions to independent K-12 schools</li> </ul>
Sep-16			K-12	Data Analytics & Assessments	N/A	<ul style="list-style-type: none"> <li>Excent develops and provides data management software and student curriculums for educators and students to meet their program and academic goals</li> </ul>
Aug-16			K-12	Administrative Solutions	N/A	<ul style="list-style-type: none"> <li>SRB Education Solutions provides software solutions for K-12 administration, offering products in the areas of finance, personnel, payroll, purchasing, security, student management, learning management, and library management</li> </ul>
Aug-16			K-12	Communications & IT	N/A	<ul style="list-style-type: none"> <li>Educuity provides development, integration, and deployment services for education organizations and offers application concept and visualization, and data infrastructure architecture and roadmap services</li> </ul>
Aug-16			Higher Ed	Payments	\$260M	<ul style="list-style-type: none"> <li>Higher One provides technology-based payment processing and refund disbursement services to educational institutions and their students</li> </ul>
Aug-16			K-12	Online Learning	N/A	<ul style="list-style-type: none"> <li>Compass Learning purpose-builds learning acceleration software for blended learning, intervention, high school and inquiry-based personalized learning that helps pinpoint and close skill and concept gaps</li> </ul>
Aug-16			Higher Ed	Online Learning	N/A	<ul style="list-style-type: none"> <li>Bitmaker Labs Inc. operates a web development school offering full-time web and mobile development courses; and part-time courses for developing games, web applications, front-end web development, and ad optimization</li> </ul>




















## EDUCATION TECHNOLOGY: SELECTED RECENT STRATEGIC M&amp;A ACTIVITY

Announced Date	Buyer	Target	Sector	Domain	Transaction Size	Comments
Jul-16			K-12 / Higher Ed	Content Delivery	N/A	<ul style="list-style-type: none"> <li>Zaption operates an online video interaction platform that allows teachers, trainers, and content publishers to add images, texts, quizzes, and discussions to the existing videos from YouTube, Vimeo, and private video libraries</li> </ul>
Jul-16			K-12 / Higher Ed	Data Analytics & Assessments	N/A	<ul style="list-style-type: none"> <li>Media-X Systems offers Web-based evaluation and assessment software solutions for educators</li> </ul>
Jul-16			Consumer	Online Learning	\$15M	<ul style="list-style-type: none"> <li>Code.org is a non-profit dedicated to expanding access to computer science, and increasing participation by women and underrepresented students of color</li> </ul>
Jul-16			Consumer	Online Learning	N/A	<ul style="list-style-type: none"> <li>Train Simple is an Adobe Authorized Training Center specializing in self-paced training for creatives</li> </ul>
Jul-16			Corporate / Higher Ed	Career & Recruiting	N/A	<ul style="list-style-type: none"> <li>HireCanvas delivers a cloud-based solution to firms in the United States to help them manage campus recruitment</li> </ul>
Jul-16			Corporate	Online Learning	N/A	<ul style="list-style-type: none"> <li>LawRoom delivers online compliance training to thousands of organizations across the country on topics including anti-harassment, ethics, data security, FCPA and Title IX</li> </ul>
Jul-16			Higher Ed	Data Analytics & Assessments	\$4M	<ul style="list-style-type: none"> <li>Performance Management Services, Inc. is a leader in clinical competence assessment of nurses. Its Performance Based Development System is a customized competency assessment process that evaluates hospital personnel's ability to do the job</li> </ul>







## EDUCATION TECHNOLOGY: SELECTED RECENT PRIVATE EQUITY ACTIVITY

Announced Date	Investor	Target	Sector	Domain	Transaction Size	Comments
Sep-16	 GSV	 Lightneer	K-12	Mobile Learning	\$3M	• Lightneer Inc. designs and develops mobile learning games for students in physics, mathematics, and chemistry
Sep-16	 ALTOS VENTURES	 OpenSesame	Corporate	Online Learning	\$9M	• OpenSesame Inc. operates an online marketplace for elearning courses, which allows users to preview courses, read reviews, and research sellers of online training courses
Sep-16	 Alven capital	 speech.me Just Speech your Teach	Higher Ed	Online Learning	\$2M	• speechme Inc. operates a micro-learning and peer-to-peer skills and knowledge transfer platform
Sep-16	 CREANDUM	 Kahoot!	K-12 / Consumer	Online Learning	\$10M	• Kahoot! operates a platform that enables users to create, play, and share fun learning games for any subject and all ages
Sep-16	 Florida Funders	 pik my kid	K-12	Administrative Solutions	\$1M	• PikMyKid offers a mobile and web platform for parents and schools to coordinate picking up their children
Sep-16	 L CAPITAL PARTNERS	 LEARNERS EDGE Founded by teachers. Dedicated to learning™	K-12	Online Learning	\$9M	• Learners Edge is a leading provider of online professional development, continuing education and master's degree programs for K-12 teachers
Sep-16	 Redpoint	 GUILD	Higher Ed	Online Learning	\$9M	• Guild Education offers online classes, programs, and accredited college degrees for working adults
Sep-16	 CHAN ZUCKERBERG INITIATIVE	 BYJU'S	Consumer	Online Learning	\$50M	• BYJU offers online educational videos, games and courses specific to subjects and exams
Sep-16	 SJF VENTURES	 Portfolium	Higher Ed / Corporate	Career & Recruiting	\$7M	• Portfolium operates a cloud-based platform that provides students with opportunities to capture, curate, and convert skills into job offers, while giving learning institutions and employers the tools they need to assess competencies and recruit talent
Sep-16	 CITIZEN CAPITAL	 OPENCLASSROOMS	K-12 / Higher Ed	Online Learning	\$7M	• OpenClassrooms designs and develops an online Web platform that offers online educational courses focused on business and programming skills
Sep-16	 CONISTON CAPITAL	 RedShelf	Higher Ed	Content Delivery	\$4M	• RedShelf discovers and distributes eBooks, eTextbooks, digital course packets and offers professors and institutions access to its real-time analytics and reporting to track student usage
Aug-16	 STERLING PARTNERS	 Panopto™	Corporate / Higher Ed	Online Learning	\$43M	• Panopto provides businesses and universities with an industry-leading video content management system (VCMS), along with integrated tools for creating online presentations, recording screencasts, lecture capture, webcasting live events, & delivering online training

## EDUCATION TECHNOLOGY: SELECTED RECENT PRIVATE EQUITY ACTIVITY

Announced Date	Investor	Target	Sector	Domain	Transaction Size	Comments
Aug-16			Corporate / Higher Ed	Administrative Solutions	\$500M	<ul style="list-style-type: none"> <li>SciQuest is a leading SaaS provider of end-to-end spend management solutions primarily serving the higher education, public sector and life sciences markets.</li> </ul>
Aug-16			K-12	Online Learning	\$2M	<ul style="list-style-type: none"> <li>GradeSlam operates an online learning center that specializes in humanized adaptive learning, enabling one-to-one support to students via a chat-based learning platform</li> </ul>
Aug-16			K-12 / Higher Ed / Corporate	Content Delivery	\$1M	<ul style="list-style-type: none"> <li>Nepris operates a Web-based platform that connects teachers and industry professionals for making curriculum topics that are relevant to students</li> </ul>
Aug-16			K-12 / Consumer	Online Learning	\$3M	<ul style="list-style-type: none"> <li>codeSpark develops learning games for computer science concepts for kids aged between five to eight years</li> </ul>
Aug-16			K-12	Online Learning	N/A	<ul style="list-style-type: none"> <li>VIPKID offers an online platform that provides the North American elementary school experience to Chinese children through English learning courses</li> </ul>
Aug-16			Higher Ed	Admissions	\$5M	<ul style="list-style-type: none"> <li>Kira Talent develops a video-based talent assessment platform that enables organizations and talented people to meet and connect with one another, as well as lets users to create and send video interviews</li> </ul>
Aug-16			Higher Ed / Corporate	Online Learning	\$4M	<ul style="list-style-type: none"> <li>Degreed provides a learning and skills verification platform that enables everyone to discover, track, and quantify all forms of learning from any source</li> </ul>
Aug-16			Higher Ed / Corporate	Career & Recruiting	\$3M	<ul style="list-style-type: none"> <li>Viridis Learning combines workforce education and human capital solutions through a platform that enables middle skill employees to be trained, certified, and matched to employers who suit them</li> </ul>
Aug-16			Higher Ed	Online Learning	\$45M	<ul style="list-style-type: none"> <li>Galvanize offers training programs in web development, data science and engineering across nine U.S. campuses and has served more than 1,000 students</li> </ul>
Aug-16			K-12 / Higher Ed	Content Delivery	\$50M	<ul style="list-style-type: none"> <li>Kaltura operates an open source video platform including Video Building Blocks for blackboards that enable teachers, students, and administrators to record, upload, manage, clip, transcode, publish, and deliver video content to various device</li> </ul>
Aug-16			K-12	Classroom Technology	\$20M	<ul style="list-style-type: none"> <li>Wonder Workshop offers dash and dot robots that help kids to collaborate, create programs, interact with robots, and learn to code</li> </ul>
Aug-16			K-12 / Higher Ed / Corporate	Online Learning	\$40M	<ul style="list-style-type: none"> <li>EverFi operates a digital learning and education technology platform that offers a range of digital courses in the areas of financial literacy, (STEM) readiness, health and wellness, employee wellness, and career leadership and success</li> </ul>

## EDUCATION TECHNOLOGY: SELECTED RECENT PRIVATE EQUITY ACTIVITY

Announced Date	Investor	Target	Sector	Domain	Transaction Size	Comments
Aug-16	Leon Kamenev		K-12	Online Learning	\$45M	• Matific develops a family of apps that supports math education in 20 languages
Jul-16			Higher Ed	Career & Recruiting	ND	• Symplicity provides SaaS-based solutions to over 1,200 colleges and graduate school programs that help manage all aspects of a student's life on campus, including career services, academics, behavioral intervention, and student conduct
Jul-16			K-12	Classroom Technology	N/A	• n2y LLC provides cloud-based learning services to help children with special needs learn through engagement
Jul-16			Consumer	Online Learning	\$30M	• Codecademy is a free web and mobile-based platform that offers online training classes on coding
Jul-16			Higher Ed / Corporate	Content Delivery	\$10M	• Modo Labs provides open source content delivery solutions for mobile platforms and devices
Jul-16			Consumer	Online Learning	\$0.1M	• Transweb offers online tutoring for mathematics, physics, chemistry, biology, economics, statistics, finance, accounting, and computer science; exam preparation services ; and homework and assignment help services
Jul-16			Consumer	Online Learning	\$4M	• DIY is an online community for kids to learn new skills online and share what they make and do with other creative kids



## RAYMOND JAMES

- Full-service financial services firm with investment banking, equity research, institutional sales and trading, and asset management operations
  - Founded in 1962; public since 1983 (NYSE: RJF)
  - \$5.2 billion in FY 2015 revenue; equity market capitalization of over \$7.5 billion
  - Stable and well-capitalized platform
- Industry-focused, knowledge-driven approach, backed by highly-ranked equity research team
- 21 domestic and international investment banking and institutional sales offices
- International operations in Brussels, Buenos Aires, Düsseldorf, Geneva, London, Paris, Sao Paulo, Toronto and Vancouver
- Acquisition of Morgan Keegan consolidated and strengthened Raymond James' leadership in the middle market
- Acquisition of Mummert & Co. strengthened Raymond James' European presence, furthering international expansion and growing cross-border transaction expertise

## EQUITY CAPITAL MARKETS

- Over 500 Equity Capital Markets professionals
- Over 240 investment bankers in the U.S.
- Over 100 institutional sales and sales traders in the U.S. and Europe:
  - Bulge-bracket distribution capability
  - Approximately 25% institutional equity commissions from Europe
- Over 6,200 financial advisors; offices in all 50 states
- Greenwich Associates ranked #2 in overall quality of analyst service

## TECHNOLOGY & SERVICES INVESTMENT BANKING GROUP

- 28 senior-level investment bankers with over 300 years of combined experience; located in Atlanta, Boston, San Francisco, and St. Petersburg
- Services: Mergers & Acquisitions (sell-side & buy-side advisory); Public Equity and Debt Offerings; Private Placements of Equity and Debt; Divestitures; Board Advisory Services; Recapitalizations and Restructurings
- ~290 completed transactions since 2011:
  - >150 M&A advisory and private placement services transactions representing a total value of over \$10 billion
  - ~140 public equity and debt offerings raising over \$65.9 billion in proceeds

## NOTES & DISCLOSURES

Sources of data include Capital IQ, FactSet and other news organizations. Information obtained from third-party sources is considered reliable, but we do not guarantee that the information herein is accurate or complete. This report was prepared within Raymond James & Associates' Investment Banking Department and is for information purposes only. This report is not a product of Raymond James & Associates' Research Department; recipients of this report should not interpret the information herein as sufficient grounds for an investment decision or any other decision.

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EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization

EPS: Earnings per Share

LTM: Last Twelve Months

NA: Not Applicable

NM: Not Meaningful

PE: Price Earnings Ratio

TEV: Total Enterprise Value