

# Selling out vs. Scaling up *The Three Hats*

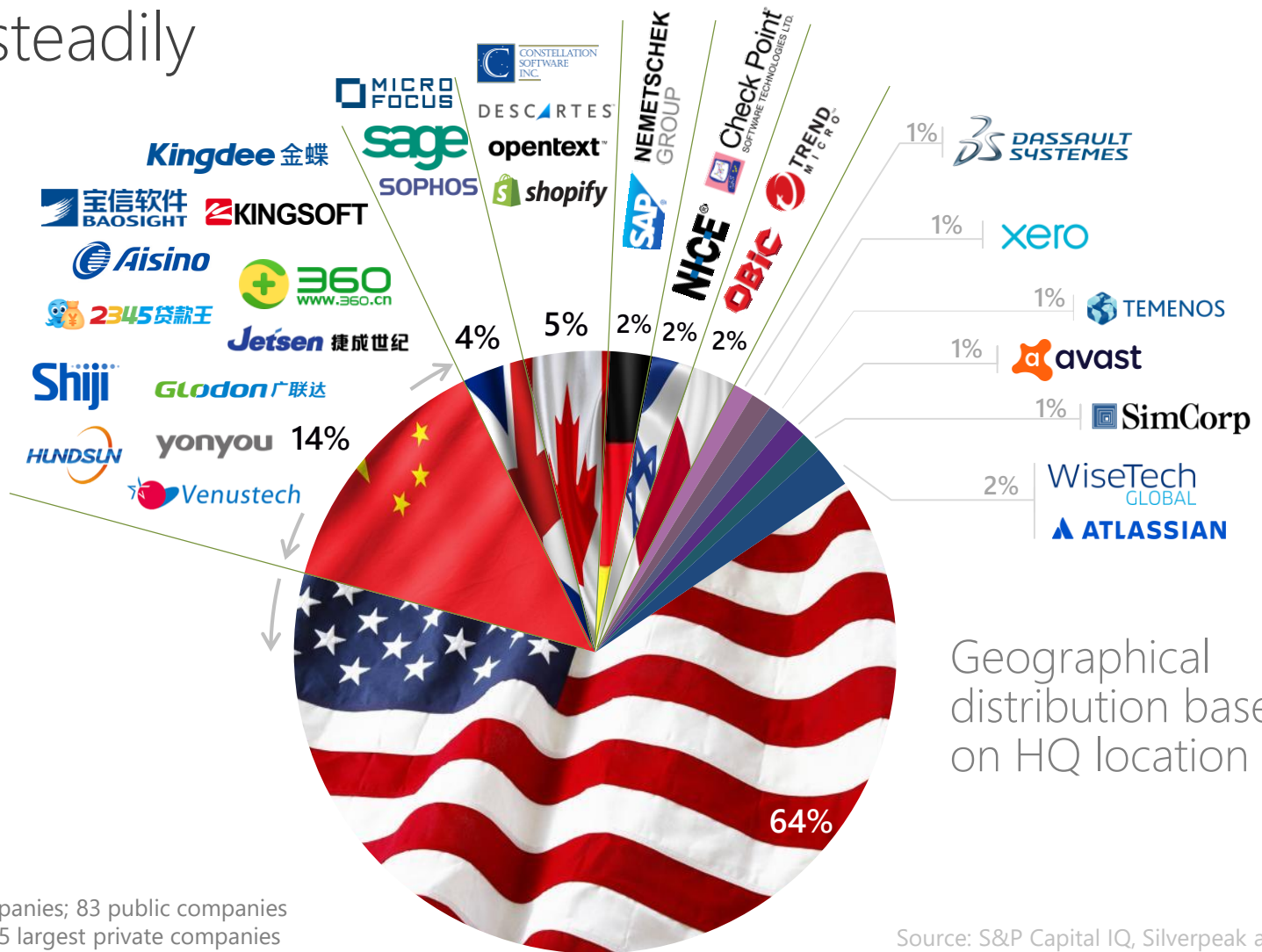


**Paddy MccGwire, Managing Partner**

London | Paris | Milan | Hamburg | Munich | Berlin

# US software & SaaS giants dominate, China's share increasing steadily

- United States
- China
- United Kingdom
- Canada
- Germany
- Israel
- Japan
- France
- New Zealand
- Switzerland
- Czech Republic
- Denmark
- Australia



Geographical distribution based on HQ location

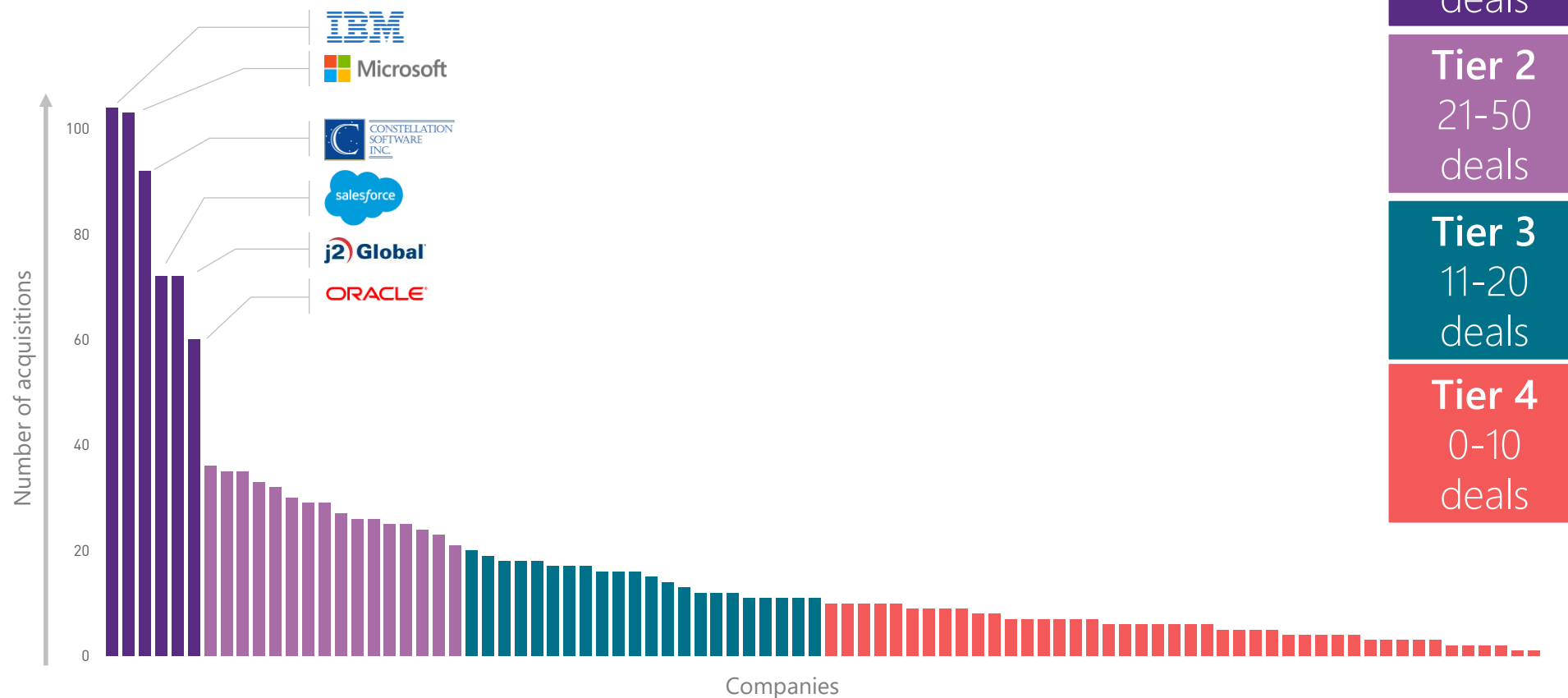
→ Trend

**Note:** Out of a total of 88 companies; 83 public companies (\$2.5bn+ market cap) and the 5 largest private companies

Source: S&P Capital IQ, Silverpeak analysis

# The most acquisitive software & SaaS giants

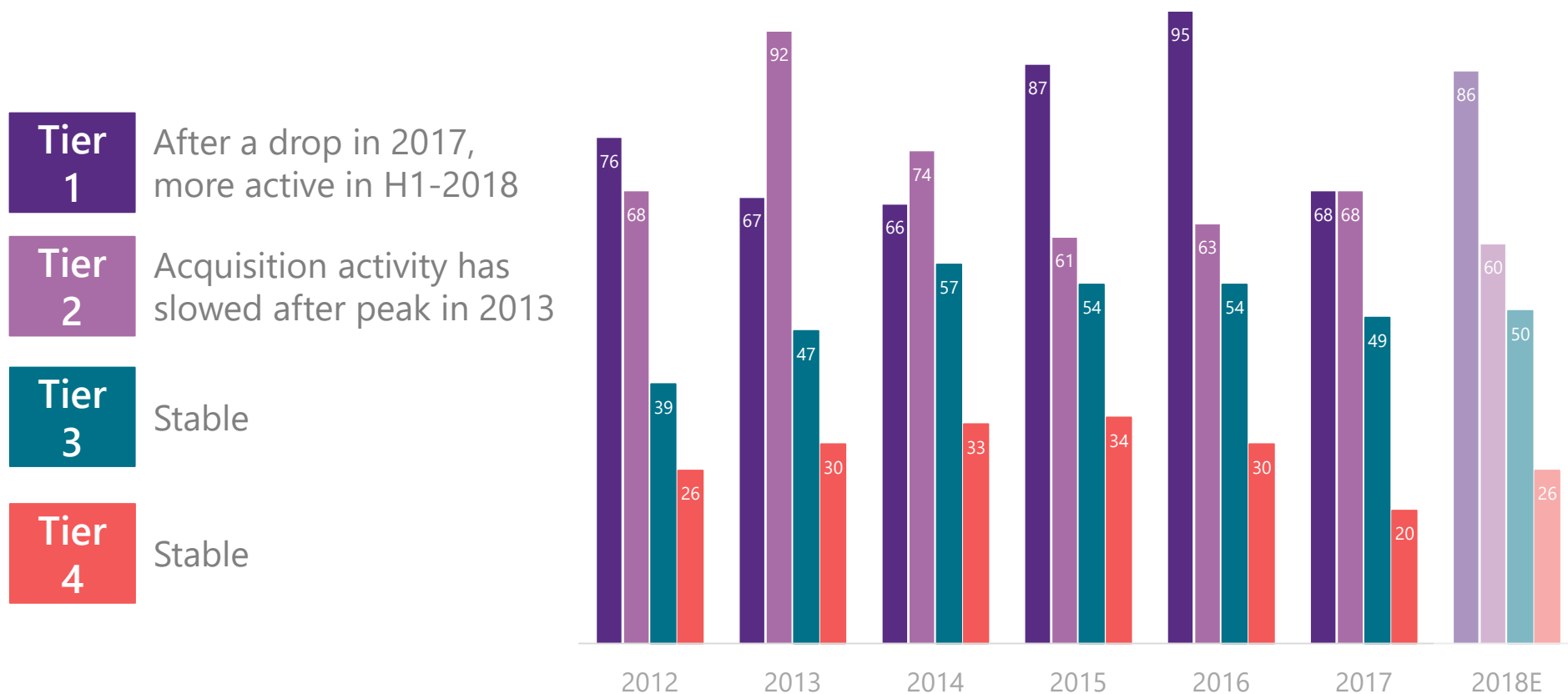
Aggregate number of acquisitions per company, 2012-2018 H1



Source: S&P Capital IQ, Silverpeak analysis

# The most acquisitive buyers in Tier 1 are on track

Aggregate number of acquisitions per tier, 2012-2018 H1



**Tier 1** After a drop in 2017, more active in H1-2018

**Tier 2** Acquisition activity has slowed after peak in 2013

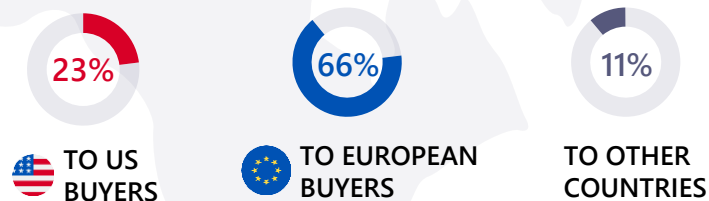
**Tier 3** Stable

**Tier 4** Stable

Source: S&P Capital IQ, Silverpeak analysis

# Take away points

- Of European software exits:



- Financial buyers completed c.8.5% of all deals

8.5%

- Dassault is the most acquisitive European large software company (Ranked #9)



- 15 of the 20 most active strategic buyers of software companies are NOT one of the 88 global software leaders.

Note: Based on 2012-2018H1

# The Three Hats



Be clear on your objectives

# The Three Hats



**COMPANY**













**SHAREHOLDER**



**MANAGEMENT**

Identify individual objectives

## Different positive outcomes

 <b>DeepMind</b> Artificial Intelligence	 InsurTech	 <b>SwiftKey.</b> Application Software	Shareholder refresh
<b>Sale</b>	<b>Sale</b>	<b>Sale</b>	<b>€20m growth capital</b> <b>€25m existing share sale</b>
			Private Equity
			



# Thank you

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