

Leadership Newsletter

Technology, Media & Telecommunications

Spring 2012

Technology, Media & Telecommunications Team Update

GTCR has partnered with management teams to build businesses for over 30 years, having invested more than \$9 billion in over 200 companies since the firm's inception in 1980. In the first quarter of 2011, we closed our tenth investment fund, the firm's largest to date, with \$3.25 billion of equity capital commitments. The firm has been active over the past 12 months, completing 20 acquisitions across the Technology, Media & Telecommunications, Financial Services & Technology and Healthcare industries.

Since our founding, we have made over 40 platform investments in the Technology, Media & Telecommunications (TMT) sector. Over the past year, the GTCR TMT team has made three new platform investments: Merlin Media, Global Traffic Network and Mondee. In addition, we've announced add-on acquisitions at three portfolio companies, resulting in a total of eight transactions with total invested equity capital of more than \$375 million since January 2011.

We have developed deep domain expertise and investment experience within five core sub-sectors of the TMT industry: software and online services, telecom and networks, data and information services, government services/aerospace and defense, and media. We continue to actively seek investments across our core sub-verticals, both as add-on acquisitions for our existing portfolio companies and as standalone platform investments.

Consistent with our "Leaders Strategy," we seek to recruit and partner with exceptional management teams as the critical first step in identifying, acquiring and building market-leading companies through acquisitions and organic growth. During the past year, we partnered with management leaders to develop unique investment theses, forming three new investment platforms. At two of these companies, Mondee and Merlin Media, we have already announced platform and add-on acquisitions.

Please see appendix for a complete list of all of our investments in the Technology, Media & Telecommunications sector since 1997.

2011 Acquisition Activity



- » Partnered with experienced travel and technology industry veterans Vajid Jafri, Doc Klotz and Prasad Gundumogula to form Mondee, a technology-enabled travel distribution business, in September 2011
- » Acquired consolidator SkyLink Travel and two technology businesses, cFares and ExploreTrip, in September 2011
- » Announced the acquisition of C&H International, one of the two largest airline consolidators serving Asian destinations, in January 2012



- » Partnered with experienced industry CEO William Yde to acquire Global Traffic Network in September 2011



- » Partnered with media veteran Randy Michaels in July 2011 to form Merlin Media and carve out three radio stations from Emmis Communications (two in Chicago, one in NY)
- » Announced acquisition of WKDN-FM in Philadelphia from Family Radio in December 2011



- » Acquired Odyssey Aviation and Air10 Jet Center in February 2011 and FalconTrust FBO at Tamiami in September 2011
- » Took over operations from Atlantic Aviation at Atlanta's Hartsfield-Jackson Airport in May. Began operating former Signature facilities at Miami International Airport in June 2011 and Tampa International Airport in October. Began operations in Oakland in December 2011

- » Partnered with Joseph Ripp, a seasoned executive in the media and information services industry, in February 2011 to form Cannondale Holdings

Current Portfolio Companies

Mondee, Foster City, CA

CEO: Vajid Jafri



Platform Investment: September 2011 | Recent Acquisition: January 2012

GTCR partnered with experienced travel and technology industry veterans Vajid Jafri, Doc Klotz and Prasad Gundumogula to form Mondee, a technology-enabled travel distribution business, in September 2011. Mondee serves as an acquisition platform for airline consolidator businesses, which distribute discounted airline inventory primarily to the offline travel agent market. For carriers seeking access to targeted customers in the United States, Mondee serves as an important channel for the distribution of international airline tickets. Mondee's unique workflow software and database technology helps travel agents maximize their efficiency and effectiveness when serving their end customers.

Concurrent with its formation, Mondee closed the acquisitions of SkyLink, cFares and ExploreTrip. To continue the build-out of its consolidator franchise, Mondee acquired C&H International, one of the two largest airline consolidators serving Asian destinations, expanding its geographic footprint into a critical market and creating the largest consolidator in North America, with approximately \$1 billion in gross bookings.



Global Traffic Network, Los Angeles, CA

CEO: William Yde

Platform Investment: September 2011

GTCR partnered with experienced industry CEO William Yde to acquire Global Traffic Network (GTN) in September 2011. Mr. Yde started GTN as the Australia Traffic Network in 1997 and built it into a global company that provides outsourced information content to radio and television stations. In exchange for traffic, news and other information reports, GTN receives short-form advertising spots from radio stations, which it sells to large national advertisers.

Merlin Media, Fort Wright, KY

CEO: Randy Michaels

Platform Investment: July 2011 | Recent Acquisition: February 2012 (Pending)



GTCR partnered with media veteran Randy Michaels, the former CEO of two large radio station groups (Jacor Communications and Clear Channel Communications), in July 2011 to form Merlin Media. Merlin Media is a multimedia company focused on creating desirable content for its consumers. The platform investment was a carve-out of three radio stations from Emmis Communications (two in Chicago, one in New York). Merlin Media subsequently switched the content of one station in each market to the all-news format on the FM dial. Expanding this strategy to new geographies in December 2011, Merlin Media signed an agreement to purchase WKDN-FM in Philadelphia from Family Radio. The transaction is pending FCC approval and is expected to close in February 2012.

Cannondale Investments, Wilton, CT

CEO: Joe Ripp

Platform Investment: February 2011

GTCR partnered with Joe Ripp, a seasoned executive in the media and information services industry, in February 2011 to form Cannondale Holdings. The new company is focused on acquiring data-enabled information and marketing services firms that deliver timely and actionable data to clients to improve decision making and increase efficiency.

Mr. Ripp's career includes more than 20 years at Time Warner, where he served as CFO of Time, CFO of Time Warner and CFO of America Online. He later became Vice Chairman of America Online. In his last assignment at Time Warner he served as Senior Vice President of the Media & Communications Group. Subsequent to his departure from Time Warner, Mr. Ripp was President and COO of Dendrite International, a provider of sales, marketing, clinical and compliance solutions for the global pharmaceutical industry. From 2005-2007, he led a turnaround and ultimate sale of Dendrite to Cegedim, a French healthcare technology company.



Six3 Systems, McLean, VA

CEO: Bob Coleman

Platform Investment: July 2009 | Recent Acquisition: September 2010

GTCR partnered with industry executives Bob Coleman and Jack Pearlstein to form Six3 Systems in early 2009 to create an IT services company servicing the Defense Intelligence Community. Mr. Coleman was previously the President and COO of ManTech, a provider of IT services to the U.S. Federal government. Mr. Pearlstein has been the CFO of three previous GTCR companies.

Through several acquisitions, Six3 has now built a highly focused, pure-play provider to the Intelligence Community. The Company acquired Harding Security and BIT Systems in 2009 and Novii Design in 2010. These companies fit with the Company's high-growth focus areas of data collection and analysis, signal intelligence, cyber security and biometrics. Six3 continues to evaluate acquisitions to further broaden capabilities, increase scale and deepen relationships with key customers.



Landmark Aviation, Houston, TX

CEO: Dan Bucaro

Platform Investment: February 2008 | Recent Acquisition: December 2011

In 2008, GTCR partnered with former Trajen CEO Dan Bucaro to purchase Landmark Aviation. Landmark is a fixed base operator (FBO) servicing the general aviation industry in the United States, Canada and Western Europe, and was a carve-out transaction from Dubai Aerospace Engineering. It is the third-largest FBO operator in North America and has a presence in some of the busiest airports, including Washington Dulles and Los Angeles International. FBO services encompass refueling and other services related to the daily operation and storage of general aviation aircraft. Landmark continues its strategic focus on network expansion, pursuing business opportunities through acquisitions and RFPs at new strategic airports.



IQNavigator, Denver, CO

CEO: Lou Andreozzi

Platform Investment: June 2008

GTCR purchased IQNavigator (IQN), a provider of services procurement and optimization solutions to Global 2000 companies, in June 2008. IQN's service offering enables companies to better source, procure, manage and measure categories of indirect services. The platform supports multiple categories of services spend including contingent / contract labor, IT projects and offshoring / outsourcing through a Software-as-a-Service (SaaS) business model.

IQN's CEO, Lou Andreozzi, is the former President and CEO of LexisNexis North American Legal Markets. Under his leadership, IQN has improved its competitive positioning through investment in initiatives to expand overseas and into different verticals.

Sorenson Communications, Salt Lake City, UT

CEO: Pat Nola

Platform Investment: November 2005

GTCR partnered with current CEO Pat Nola to acquire Sorenson Communications, a provider of IP-based video communication technology and services to the deaf and hard-of-hearing in the United States, in November 2005. Following our acquisition, we worked with former FCC Chairman Reed Hundt to upgrade the regulatory function at Sorenson. Sorenson's Video Relay Services (VRS) and IP Relay offerings, which include videophones and interpreting services, are reimbursed through the FCC's Telecommunications Relay Service (TRS) Fund as mandated by the Americans with Disabilities Act.

2011 Capital Markets Activity

Global Traffic Network Financing





- » Completed a AUD\$76.5 million senior debt facility in November 2011
- » Financing raised in Australia and debt held equally by GE, ANZ and CBA



Six3 Systems Recapitalization

- » Completed a refinancing in July 2011, upsizing the existing revolver and term loan and extending maturities to 2014
- » Proceeds used to retire mezzanine debt and provide additional acquisition financing capacity
- » Debt held by Bank of America, SunTrust, Citizens, Raymond James, KeyBank and Barclays

Spotlight on M&A Trends

M&A multiples are now exceeding S&P 500 valuation multiples.

Team Member Updates

Vice President

Stephen Jeschke joined GTCR as a Vice President in February 2011. Prior to joining GTCR, Stephen worked as a Vice President at Bain Capital. Prior to his time at Bain Capital, he worked as an Associate Consultant at Bain & Company. Stephen holds an MBA from Harvard Business School and a BS, with Honors, in Finance from the University of Illinois at Urbana-Champaign.

Vice President

Stephen Master departed GTCR in January 2012 to finish his full-time MBA at the University of Chicago Booth School of Business and will be returning as a Vice President in September 2012.

Associate

Jason Genrich joined GTCR as an Associate in July 2011. Prior to joining GTCR, Jason worked as an Analyst in the Technology group at Evercore Partners. Jason graduated from the University of Michigan with a BBA, High Distinction, in Finance and Accounting.

Associate

David Vennettilli joined GTCR as an Associate in July 2011. Prior to joining GTCR, David worked as an Investment Banking Analyst at Moelis & Company. David graduated from the University of Michigan with a BBA, High Distinction, in Finance and Accounting.

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Sector Investments Since 1997

AETEA Information Technology
Answerthink
AppNet
Brience
Cellnet
Comsys Technical Services
DigitalNet

Fiderus

FutureNext Consulting

Global Imaging Systems

Global Traffic Network

InfoHighway

International Computer Graphics

IQNavigator

ITI Marketing Services

Merlin Media

Mondee

National Computer Print

NaviSite

Six3 Systems

Solera

Sorenson Communications

SystemsNet

TNS

Vanteon

Vigic

Vista Information Technologies

Zefer

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