

Quarterly Industry Update

As of September 30, 2013

Industry: Online Social Media



Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Online Social Media industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Since September 30, 2012, the median 52-week share price return of the Online Social Media industry has increased by 24.2%. In the last quarter, the median price-to-earnings multiple increased from 21.8x to 26.2x.

Comparable Public Company Key Statistics

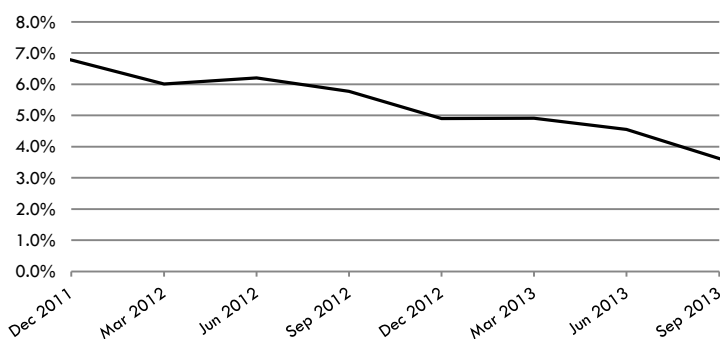
Median 52-Week Return	24.2%	Median EV/Revenue Multiple	4.4x	Median Price/Earnings Multiple	26.2x
Median 3-Year CAGR Return	18.5%	Median EV/EBITDA Multiple	14.5x	Median EV/Gross CF Multiple	18.6x

Comparable Public Company Market Price Returns (As of September 30, 2013)

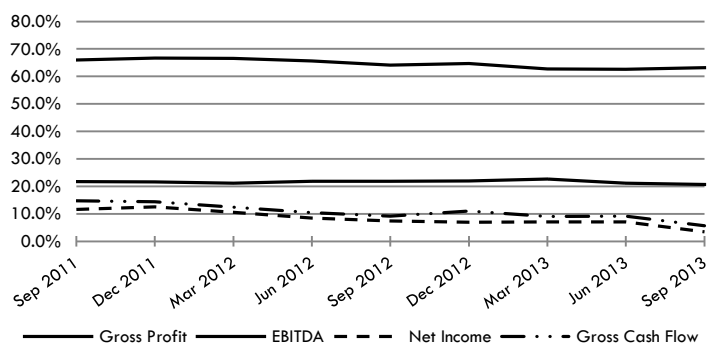
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2012	2011	2010	2009	2008
Spark Networks, Inc.	6.7%	-1.5%	35.9%	62.5%	37.2%	16.4%	105.3%	27.9%	-1.0%	16.7%	-48.4%
Sohu.com Inc.	66.5%	27.9%	87.3%	27.9%	11.0%	7.2%	-5.3%	-21.2%	10.8%	21.0%	-13.2%
SINA Corporation	61.6%	45.6%	25.5%	6.5%	17.1%	18.2%	-3.4%	-24.4%	52.3%	95.2%	-47.8%
Baidu, Inc.	54.7%	64.0%	32.8%	20.5%	14.8%	44.3%	-13.9%	20.7%	134.7%	214.9%	-66.5%
Google Inc.	23.8%	-0.5%	16.1%	30.4%	18.5%	16.9%	9.5%	8.7%	-4.2%	101.5%	-55.5%
Amazon.com Inc.	24.6%	12.6%	22.9%	20.2%	25.8%	33.9%	44.9%	-3.8%	33.8%	162.3%	-44.6%
eBay Inc.	9.4%	7.9%	15.4%	37.5%	31.7%	20.0%	68.1%	9.0%	18.3%	68.6%	-57.9%
Yahoo! Inc.	66.7%	32.0%	107.6%	58.7%	32.8%	13.9%	23.4%	-3.0%	-0.9%	37.5%	-47.5%
Nation International Edutainment Public Company I	-42.7%	-3.2%	-17.2%	13.2%	N/A	N/A	92.9%	-37.5%	N/A	N/A	N/A
TigerLogic Corporation	-11.7%	-1.1%	-17.6%	-20.4%	-28.8%	-14.5%	-4.9%	-56.6%	45.7%	81.1%	-63.1%
Median of Industry Public Companies	24.2%	10.2%	24.2%	24.2%	18.5%	16.9%	16.4%	-3.4%	18.3%	81.1%	-48.4%

(Multiple year periods are calculated as the average annual return.)

Median Quarterly Revenue Growth of All Online Social Media Companies



Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



Median Public Company Multiples of the Online Social Media Industry

Date:	9/30/2011	12/31/2011	3/31/2012	6/30/2012	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013
EV/Revenues Multiple	2.7x	3.0x	3.2x	3.5x	3.2x	3.9x	4.4x	4.1x	4.4x
EV/EBITDA Multiple	10.1x	12.6x	12.0x	13.0x	13.4x	13.7x	13.0x	13.9x	14.5x
Price/Earnings Multiple	16.4x	18.6x	17.8x	17.1x	20.5x	23.2x	24.5x	21.8x	26.2x
EV/Gross Cash Flows Multiple	13.7x	15.5x	13.7x	11.8x	17.8x	17.5x	17.5x	15.2x	18.6x

This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact Steven Kam at 415-392-0888 for additional information or questions in connection with this research report.

Quarterly Industry Update

As of September 30, 2013

Industry: Online Social Media



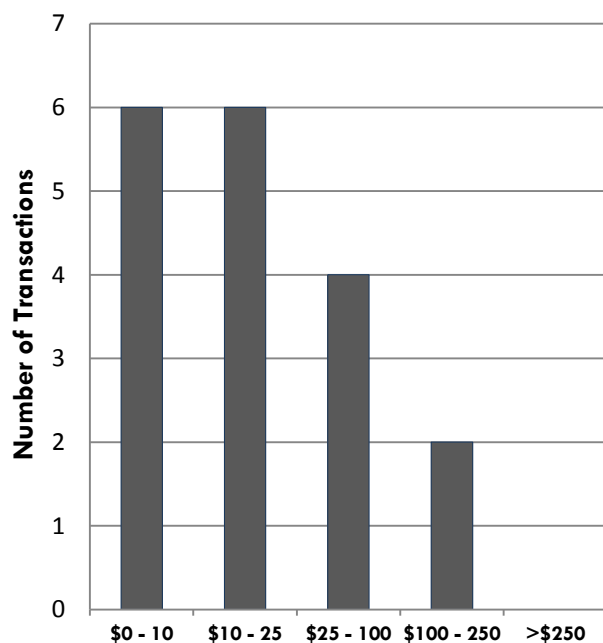
Industry Initial Public Offerings (dollars in millions, except share prices)

Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
3/21/2013	West Corporation	\$20.00	21.3	\$425.5	\$3,448.2	\$4,017.7	\$2,042.5	\$611.3	\$52.9	\$700.4
12/16/2008	Gree, Inc.	\$36.63	3.6	\$133.0	\$24.3	\$0.0	\$27.7	\$10.0	\$0.0	\$10.0
2/13/2006	Spark Networks, Inc.	\$7.78	33.3	\$258.8	\$48.6	\$10.8	\$65.5	\$4.0	(\$15.0)	\$7.6
8/4/2005	Baidu, Inc.	\$27.00	4.0	\$109.1	\$39.7	\$0.0	\$21.6	\$4.9	\$2.9	\$4.9
7/12/2000	Sohu.com Inc.	\$13.00	4.6	\$59.8	\$32.6	\$0.0	\$3.1	(\$9.5)	\$117.1	(\$8.8)
6/29/2000	NetEase, Inc.	\$15.50	4.5	\$69.8	N/A	N/A	FALSE	(\$9.7)	\$0.0	(\$9.7)
6/13/2000	Rediff.com India Limited	\$12.00	4.6	\$55.2	\$16.1	\$0.0	\$1.9	(\$6.7)	(\$6.7)	(\$6.5)
4/12/2000	SINA Corporation	\$17.00	4.0	\$68.0	\$94.8	\$0.0	\$9.4	(\$40.4)	(\$45.9)	(\$39.5)
10/18/1999	Sify Technologies Limited	\$18.00	4.2	\$75.2	\$16.2	\$4.6	\$6.3	(\$3.0)	(\$6.3)	(\$1.3)
Median of All IPOs		nm	nm	\$75.2	\$36.2	\$0.0	\$15.5	(\$3.0)	\$0.0	(\$1.3)

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
7/26/2013	Esendex Limited	Darwin Private Equity LLP;	\$16.9	100%
10/8/2013	Rev Social Malaysia Sdn Bhd	Catcha Media Berhad (nka:Rev	\$7.3	100%
6/30/2012	Meebo, Inc.	Google Inc.	\$100.0	100%
12/30/2011	Synchronoss Technologies	Synchronoss Technologies, Inc.	\$63.5	100%
8/1/2011	DigiMark, LLC	CommerceTel Corporation	\$1.5	100%
7/31/2011	Nokia Corp., Operator Branded	Synchronica PLC	\$25.0	100%
7/22/2011	JAGTAG, Inc.	Augme Technologies, Inc.	\$5.6	100%
7/4/2011	i-POP Networks Pte., Ltd.	InternetQ PLC	\$8.1	100%
6/9/2011	smartFOCUS Group PLC	EmailVision SA (nka:SmartFocus	\$40.3	100%
6/6/2011	SmartReply, Inc.	SoundBite Communications, Inc.	\$13.2	100%
5/10/2011	Intelligent Communication	Bakel AB	\$4.6	100%
11/30/2010	Ludic Labs, Inc.	Groupon, Inc.	\$18.1	100%
9/8/2010	eFax Corporate	j2 Global Communications, Inc.	\$17.0	100%
8/6/2010	Slide, Inc.	Google Inc.	\$179.0	100%
8/2/2010	Red Condor, Inc.	St Bernard Software Inc.	\$3.0	100%
Median of All Transaction Targets			\$16.9	100%

Size of Merger and Acquisition Transactions (dollars in millions)



Disclosures and Limitations: This research report is for informational and discussion purposes only. This report and any information presented herein is not investment advice of any kind to any person and does not constitute a recommendation as to the purchase or sale of any interests or as to any other course of action. General, financial, and statistical information concerning the details of this report and related industry are from sources Cogent Valuation believes to be reliable. Cogent Valuation has accurately reflected such information in this research report; however, Cogent Valuation makes no representation as to the sources' accuracy or completeness and has accepted this information without further verification. Neither all nor any part of the content of this report may be conveyed to the public through advertising, public relations, news, sales, mail, direct transmittal, or other media without the prior written consent of Cogent Valuation. Cogent Valuation's research is as of the date reported herein. Cogent Valuation has no affiliation with any of the companies comprising the composite used as a basis for research in this report, nor does Cogent Valuation hold any investments in the companies listed herein. The content of this report may be used, in part, as a basis for any work that Cogent Valuation performs for you in the future at the sole discretion of Cogent Valuation. THIS REPORT IS NOT TO BE USED OR CONSIDERED UNDER ANY CIRCUMSTANCE BY ANYONE AS INVESTMENT ADVICE. This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact Steven Kam at 415-392-0888 for additional information or questions in connection with this research report. Copyright © 2013 Cogent Valuation. All Rights Reserved.