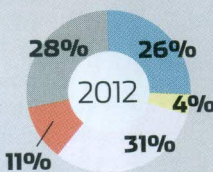
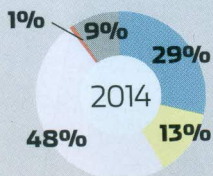
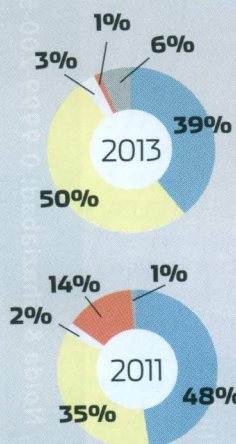
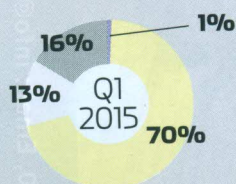


THE ANATOMY OF INDIAN PRODUCT START-UPS: INVESTMENT AND M&A ECOSYSTEM

The booming product landscape in India saw 190 M&A (inbound and domestic) transactions worth \$2.3 billion between 2011 and Q1 2015. On the investment side, 2014 alone recorded deal value amounting to \$4.2 billion in e-commerce/Internet and consumer sectors. While entrepreneurs' readiness is increasingly becoming new focus area during M&As, start-ups' discovery issue by large acquirers globally remains the biggest challenge preventing M&A deal volume to explode.

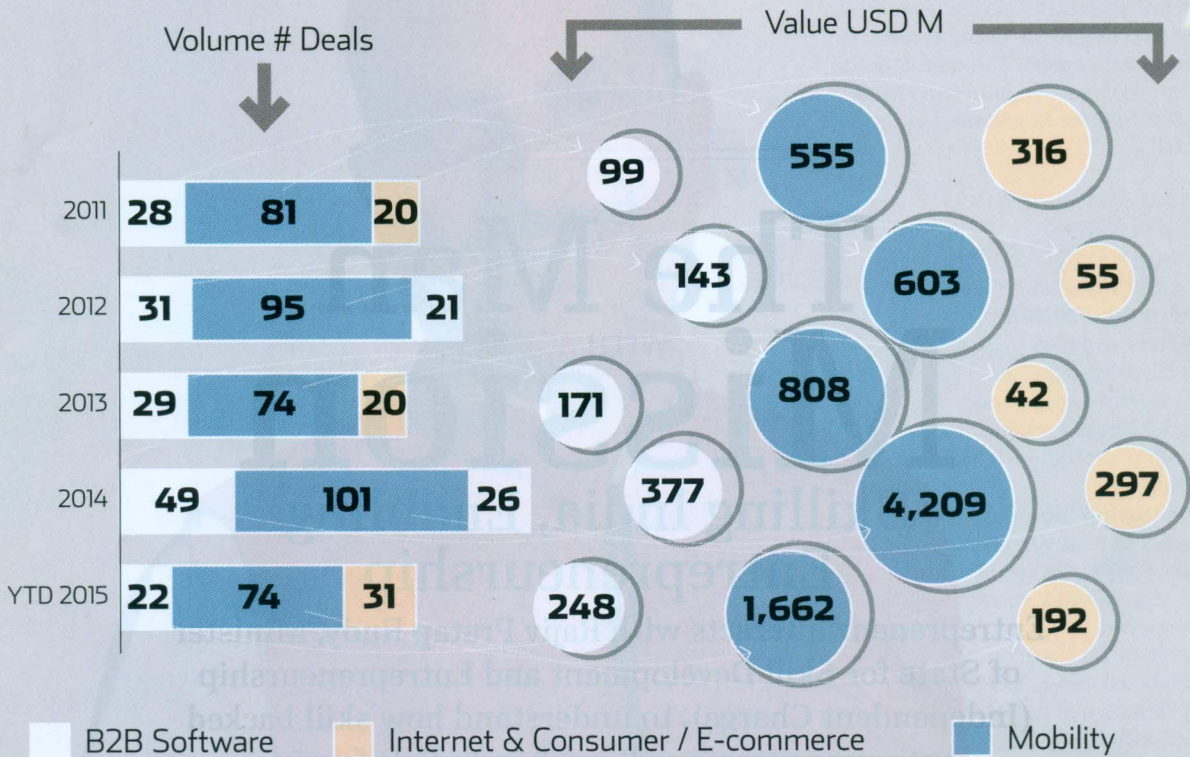
PRODUCT M&A DEAL VALUE TREND BY SEGMENT: 2011 - Q1 2015



PRODUCT M&A DEAL VOLUME TREND BY SEGMENT: 2011- Q1 2015

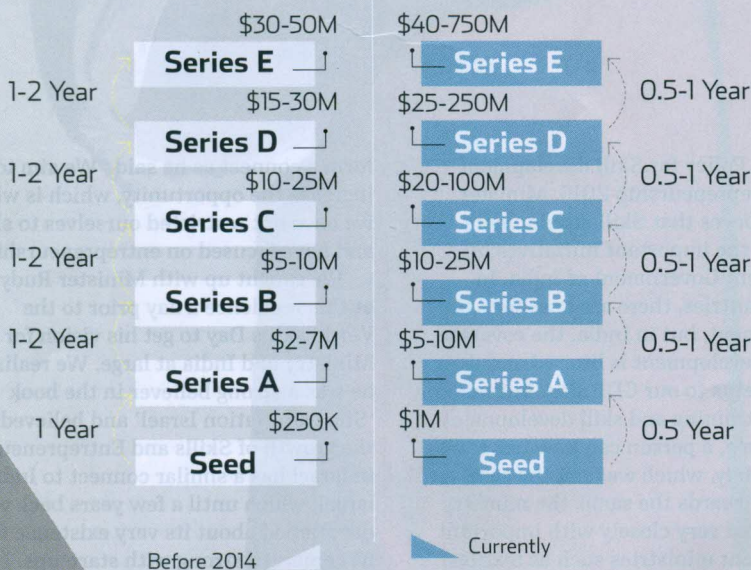


INDIA VC/PE INVESTMENTS: DEAL VOLUME/VALUE



INVESTMENT CYCLE BEFORE & AFTER 2014

New hedge funds and PEs have re-defined the investment cycles



Source: 2015 India Technology Product M&A Industry Monitor - Microsoft Ventures, iSPIRT & Signal Hill

Infographics: Manish Raghav

TECHNOLOGY PRODUCT VC/PE AND M&A 2011-2014

M&A exit value of Indian technology product start-ups has a lot of ground to cover against other start-ups ecosystems

	US	ISRAEL	INDIA
VC / PE Investments - Volume	10,342	356	575
VC / PE Investments - Value	\$81.5B	\$2.5B	\$7.6B
M&A - Volume	4,177	116	173
M&A - Value	\$240.0B*	\$13.2B	\$1.9B
M&A Value: VC / PE Value	~3.0X	~0.3X	~0.2X
Average M&A Deal Size	\$57.4M	\$113.8M	\$11.3M

*only includes disclosed deal