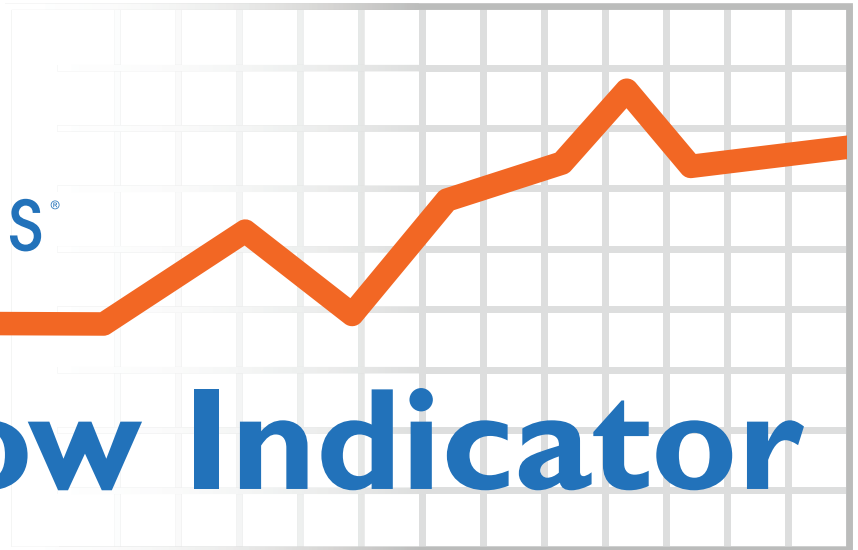




INTRALINKS®



# Deal Flow Indicator

## Our Quarterly Review of Trends in the Global M&A Market

### 3<sup>rd</sup> Quarter 2011 Report

NOVEMBER 17, 2011

IntraLinks has been a leading global provider of M&A virtual data rooms for more than ten years. Our involvement in a significant percentage of M&A deals in the early stages of each transaction affords us uncommon perspective and insight on global deal flow.

The IntraLinks Deal Flow Indicator was created to provide an early view of aggregate deal flow activity and trends in the global market.



INTRALINKS®

1 866 INTRALINKS

New York + 1 212 342 7684

London + 44 (0) 20 7549 5200

Hong Kong + 852 3796 2733

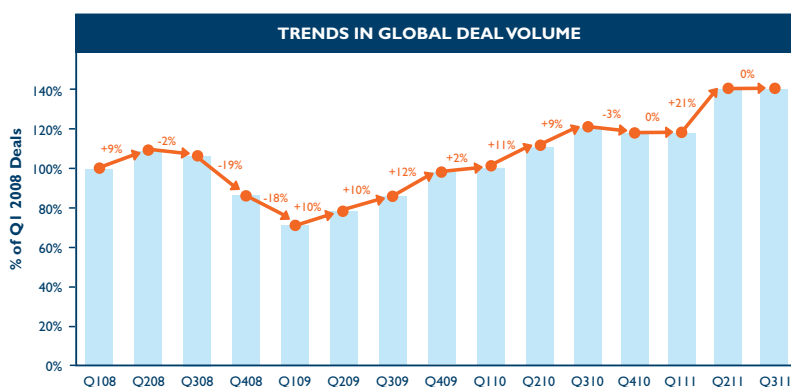
São Paulo + 55 0800 892 2247

[www.intralinks.com](http://www.intralinks.com)

# IntraLinks Deal Flow Indicator

## Major Findings

- Sequential growth was flat in Q3 2011 from Q2 2011.
- Quarter to quarter numbers showed varied growth, with Asia posting the only strong growth.
  - **Asia Pacific:** 44% increase in Q3 2011 from Q2 2011.
  - **Latin America:** 2% increase in Q3 2011 from Q2 2011.
  - **EMEA:** flat growth in Q3 2011 from Q2 2011.
  - **North America:** 7.5% decrease in Q3 2011 from Q2 2011.
- Year-over-year global deal activity was up 19% in Q3 2011 over Q3 2010.
- Year-over-year growth observed across the board, with the strongest growth in Latin America.
  - **Latin America:** 43% increase Q3 2011 over Q3 2010.
  - **EMEA:** 39% increase Q3 2011 over Q3 2010.
  - **Asia Pacific:** 34% increase Q3 2011 over Q3 2010.
  - **North America:** 3% increase Q3 2011 over Q3 2010.



The first bar on the left is the benchmark showing the number of deals in Q1 2008.

The line shows the quarter to quarter change in deal volume

## Primary Drivers

We believe these findings are consistent with key drivers being reported in the marketplace:

- Continued uncertainty over state of sovereign debt and economy as a whole, driving a slowdown in the deal market and a longer diligence process, particularly in mature markets.
- Economic distress propping up deal volume in places like Europe, through distressed M&A and privatization of state assets.
- Cyclical in emerging markets, particularly in Asia where Q3 deal volume has traditionally spiked.
- Increased volatility and losses in the markets, driving concerns over potential deal making.
  - **The Dow Jones Industrial Average:** down 12% from Q2 2011 but up 1% over Q3 2010.
  - **S&P 500:** down 14% from last quarter, and down 1% over Q3 2010.
  - **NASDAQ:** down 13% from last quarter, but up almost 2% over Q3 2010.
  - **European Markets:** The DAX, FTSE, and CAC declined 14%, 25%, and 25% respectively from Q2 2011, and down 12%, 7%, 21% in Q3 2011 over Q3 2010.
  - **Asia-Pacific Markets:** Hang Seng down 21% while the Nikkei was down only 11% from Q2 2011. Q3 2011 over Q3 2010, the Hang Seng was down 21%, while the Nikkei was down only 7%.

## Trends Vary by Industry

- Globally, modest growth in Energy, Technology, and Telecom.
- In North America, continued growth in Manufacturing, Life Sciences, and Technology.
- EMEA saw a slight decline in Energy Deals, but a significant boom in Manufacturing and Consumer Products deals.

The IntraLinks Deal Flow Indicator is calculated based on the total volume of IntraLinks exchanges that were proposed for use by deal teams that initiated projects during the quarter. The totals are then analyzed by global regions and compared to previous time periods. This report is based on observations and subjective interpretations of M&A deal activity and is not intended to be an indicator of IntraLinks' business performance or operating results for any prior or future period.

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