

# Success Story

# SAPIENS

**H** HAYDEN IR

Nasdaq: SPNS

## Hayden IR: Engagement



Hayden IR began representing Sapiens International in February 2012 to expand Sapiens' visibility within the investment community. The engagement followed Sapiens' completion of two major acquisitions more than a year's hiatus from conducting investor relations, and development of a complex capital structure with very little float.



Daily Stock Chart: Price & Volume

The team at Hayden IR addressed these circumstances directly. Pro forma financials were incorporated in the development of the investor PowerPoint, to illustrate a sustainable 16% organic growth in the absence of acquisition growth. Slides were created to explain the history of the cap structure, its effect on liquidity and artificial depression of stock price. An investment thesis was generated to convey Sapiens as a high growth stock trading less than 2x sales, and 10x EV/EBITDA, a substantial discount to a larger peer, trading at 7x sales, and 90x EV/EBITDA, offering a compelling risk/reward, despite having a small float.

Hayden IR highlighted Sapiens' prospects to investors throughout 2012, which was a very successful year for Sapiens due to outperformance over revenue guidance, significant organic growth with its P&C and L&P insurance software, new deals in North America, UK, Europe and APAC; and a new product launch for its DECISION software product which has already gained interest from the financial services market. As a result of these introductions and operating performance, SPNS stock increased over 25% from engagement through February 1, 2013 and trading volume increased from less than 1,000 shares traded a year prior to 122,000 shares on February 1, 2013. The stock reached a high on January 28, 2013 of \$5.03.

## Our Work



- ◆ Representation began February 2012; at engagement, stock price was \$4.00 and market cap was approximately \$160 million; by February 2013, stock closed just under a high at \$4.99, a 21% increase with a market cap of approximately \$200 million
- ◆ Position Company to attract U.S. investors and set expectations appropriately
- ◆ Secure invitation to Roth, Needham, Rodman and ThinkEquity conferences
- ◆ Focus attention on Company's high potential for revenue growth, profitability, and cash distribution via dividends and stock repurchases
- ◆ Market to U.S. investors at investor conferences, roadshows, one-on-one meetings, and conference calls
- ◆ Tailor corporate collateral material to target audience of small investors

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*No Promises, Just Results.*



HAYDEN IR

# SAPIENS

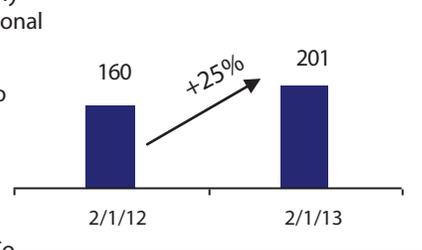
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## Results



- ◆ Approximately 30M shares were held by institutions as of 3/31/12 and 12/31/12; however, founders and early investors found liquidity and new, stronger, institutional holders took meaningful positions.
- ◆ Hayden IR introduced Northern Trust Investments to Sapiens, and Northern Trust built a 113K share position.
- ◆ Hayden IR's efforts secured investment bank sponsored conference invitations from ROTH, The , Rodman & Renshaw, ThinkEquity, and Needham & Co.
- ◆ Hayden IR scheduled meetings and conference calls with investors in New York, Boston, Chicago, Milwaukee, Minneapolis, San Francisco, Los Angeles, Denver and Israel
- ◆ At engagement, average trading volume was less than 1,000 shares a day; on February 1, 2013, SPNS traded 122,000 shares.
- ◆ On January 16, 2013, Sapiens reiterated 2012 guidance of \$113 million in revenue and announced expectations for approximately 20% year over year growth to \$135 million in revenue in 2013.
- ◆ Sapiens' stock is up 25% from Hayden IR initial engagement at \$4.99 on February 1, 2013 after hitting an 52week high stock price of \$5.03 (exdividend of \$0.15) on January 28, 2013 (market cap of \$202.7 million, ex dividend of \$6 million).

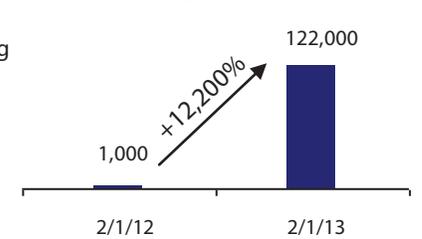
Market Cap (\$ in millior



Stock Price (\$)



Average Volume (3r



Investor Conference Attendance



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