

MEDIA & MARKETING INDUSTRY

FULL YEAR 2015 :: Mergers and Acquisitions Trend Report

2015 KEY HIGHLIGHTS

- The largest transaction in 2015 was Intercontinental Exchange, Inc.'s acquisition of Interactive Data Corporation, a provider of financial market data and analytics, for \$7.45 billion.
- The most active acquirer in the Exhibitions and Conferences segment during the year, either directly or through an affiliated business, was Providence Equity Partners Inc. with six deals: Imago Techmedia Ltd., Urban Expositions, Border Security Expo, BB Promotion, Internet Retailing Expo and Clarion Events, Ltd.
- There were 233 financially sponsored transactions with an aggregate value of \$16.41 billion, representing 13 percent of the total volume and 15 percent of the total value, respectively.

2015 KEY TRENDS

- Total transaction volume in 2015 increased by eight percent over 2014, from 1,712 to 1,857.
- Total transaction value in 2015 rose by 12 percent over 2014, from \$97.07 billion to \$109.01 billion.
- The median revenue multiple moved slightly from 2.0x in 2014 to 1.9x in 2015. The median EBITDA multiple decreased from 11.0x in 2014 to 8.7x in 2015.
- Based on value, the segment with the largest increase in 2015 over 2014 was B2B Publishing and Information, which more than doubled from \$9.38 billion to \$23.01 billion. B2B was also the best represented segment with five of the industry's top ten highest value deals in 2015.

M&A MARKET OVERVIEW

Berkery Noyes tracked 5,267 Media & Marketing transactions between 2013 and 2015, of which 1,164 disclosed financial terms, and calculated the aggregate value to be \$204.41 billion. Based on known transaction values, we project values of 4,103 undisclosed transactions to be \$75.36 billion, totaling \$279.77 billion worth of transactions tracked over the past three years.

Disclosed median enterprise value multiples for all segments combined in this report during the last 36 months were 2.0x revenue and 9.7x EBITDA.

M&A Market Dynamics

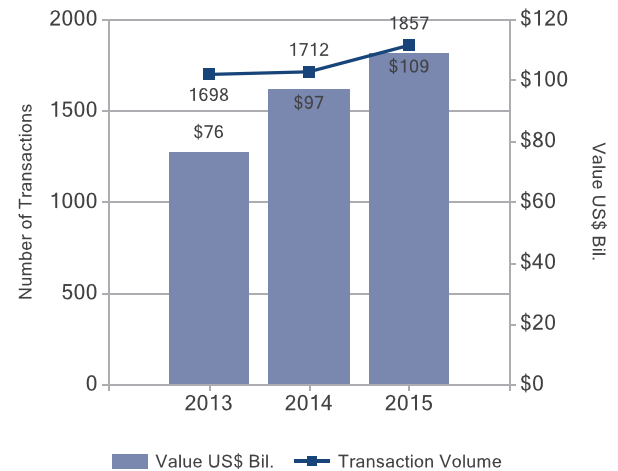


Figure 1. 2013-2015 value and volume comparison.

Median Enterprise Value Multiples

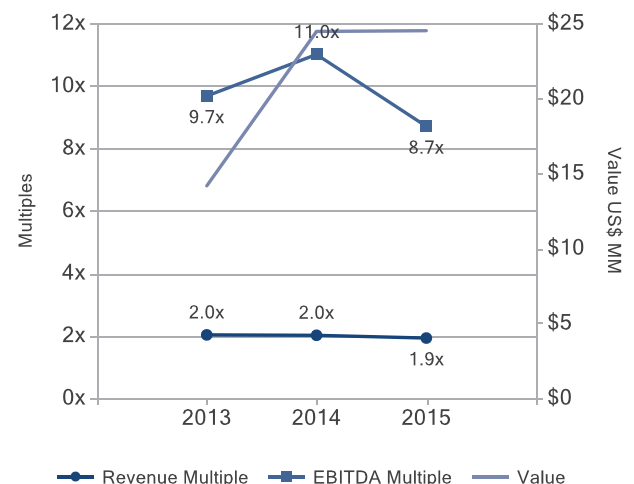
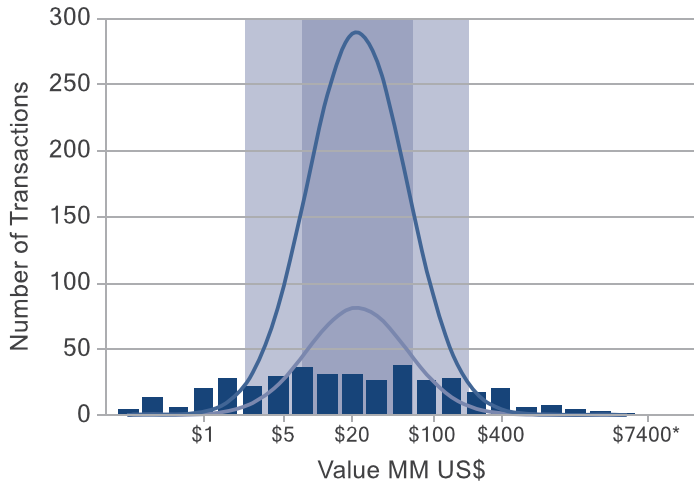


Figure 2. 2013-2015 median value, revenue, EBITDA comparison.

Transaction Analysis :: January 1, 2015 – December 31, 2015

Bell Curve - Histogram



Actual Transactions Known Dist. Projected Dist.

Figure 3. Shows distribution of transactions among Media and Marketing transactions based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly two-thirds of companies purchased had transaction values of \$1.6 million to \$403.4 million. Based on this data, we estimate total transaction value of deals done in 2015 at \$109.0 billion.

*Indicates largest industry transaction from Jan. 1, 2015 to Dec. 31, 2015.

Distribution Table

| Value in MM US\$ | Known Number | Projected Number | Total Number | % | Cumulative % |
|----------------------------------|-----------------|------------------|------------------|-----|--------------|
| \$0.2 | 5 | 0 | 5 | 1 % | 1 % |
| \$0.4 | 13 | 0 | 13 | 3 % | 4 % |
| \$0.6 | 6 | 0 | 6 | 1 % | 6 % |
| \$1.0 | 20 | 2 | 22 | 5 % | 11 % |
| \$1.6 | 28 | 10 | 37 | 7 % | 18 % |
| \$2.7 | 22 | 32 | 53 | 5 % | 23 % |
| \$4.5 | 29 | 80 | 109 | 7 % | 30 % |
| \$7.4 | 36 | 158 | 194 | 9 % | 39 % |
| \$12.2 | 30 | 242 | 271 | 7 % | 47 % |
| \$20.1 | 31 | 288 | 318 | 8 % | 54 % |
| \$33.1 | 26 | 267 | 293 | 6 % | 61 % |
| \$54.6 | 38 | 193 | 231 | 9 % | 70 % |
| \$90.0 | 26 | 109 | 134 | 6 % | 76 % |
| \$148.4 | 28 | 48 | 75 | 7 % | 83 % |
| \$244.7 | 18 | 16 | 34 | 4 % | 88 % |
| \$403.4 | 20 | 4 | 24 | 5 % | 93 % |
| \$665.1 | 6 | 1 | 6 | 1 % | 94 % |
| \$1,096.6 | 7 | 0 | 7 | 2 % | 96 % |
| \$1,808.0 | 4 | 0 | 4 | 1 % | 97 % |
| \$2,981.0 | 3 | 0 | 3 | 1 % | 98 % |
| \$4,914.8 | 2 | 0 | 2 | 0 % | 98 % |
| Total # | 406 | 1451 | 1857 | | |
| Total \$ Value | \$76,798 | \$32,212 | \$109,010 | | |
| Middle 3rd of Industry | | | | | |
| Middle 2/3rds of Industry | | | | | |

Figure 4. Presents the data depicted in the bell curve histogram. Note: The projected number column is rounded and may produce insignificant errors in the total sum.

Strategic vs. Financial Comparison

M&A Dynamics By Transaction Type

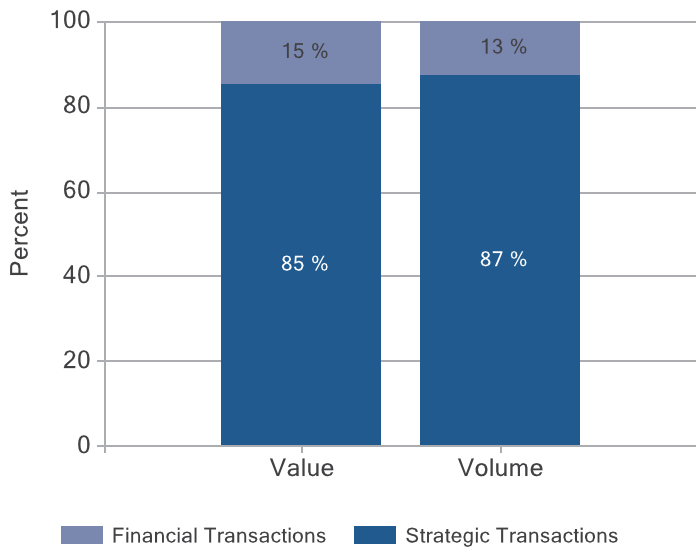


Figure 5. 2015 value and volume comparison by acquirer type.

Note: Financially sponsored transactions are those financed by private equity, venture capital, and other investment firms. This includes acquisitions by portfolio companies of the investment firms.

Transaction Type

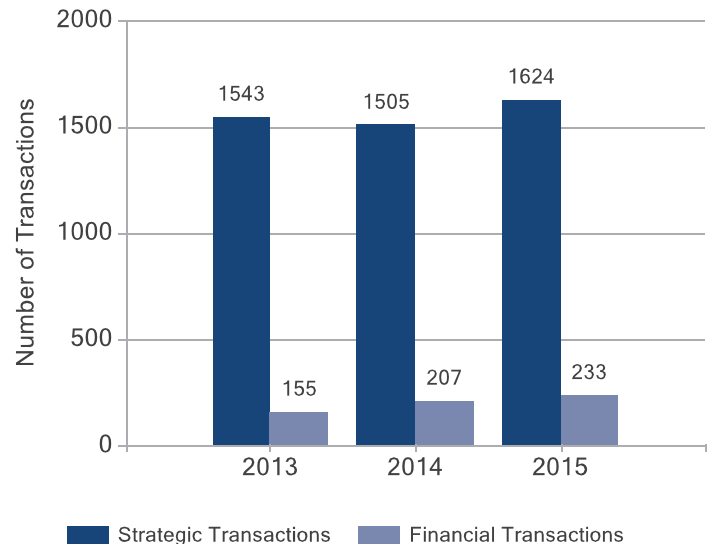


Figure 6. 2013-2015 acquirer type comparison.

Purchaser Analysis

Top Ten Notable Transactions 2015

| Deal Date | Target Name | Buyer | Value MM US\$ |
|---|--------------------------------|---------------------------------|---------------|
| 10/26/15 | Interactive Data Corporation | Intercontinental Exchange, Inc. | \$7,450 |
| 11/03/15 | King Digital Entertainment plc | Activision Blizzard | \$5,900 |
| 05/12/15 | AOL Inc. | Verizon Communications | \$4,126 |
| 11/06/15 | Youku Tudou Inc. | Alibaba Group | \$3,365 |
| 09/08/15 | Meredith Corporation | Media General, Inc. | \$3,072 |
| 03/10/15 | Wood Mackenzie | Verisk Analytics, Inc. | \$2,790 |
| 07/27/15 | SNL Financial LC | McGraw Hill Financial Inc. | \$2,225 |
| 10/28/15 | The Weather Company | IBM Watson Group | \$2,000 |
| 11/22/15 | Veda | Equifax, Inc. | \$1,862 |
| 03/16/15 | N-Vision B.V. | Scripps Networks Interactive | \$1,594 |
| 2015 Aggregate Transaction Value | | | \$109,010 |
| Top 10 Aggregate Transaction Value | | | \$34,383 |
| Top 10 Aggregate Value as a Percentage of All Transactions | | | 32 % |

Figure 7. Lists the top ten transactions for 2015 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value as shown in Figure 1 & 4.

Note: Transaction data based on announced date. Deal value represents total consideration paid by the acquirer.

Median EV/Revenue Multiples By Size

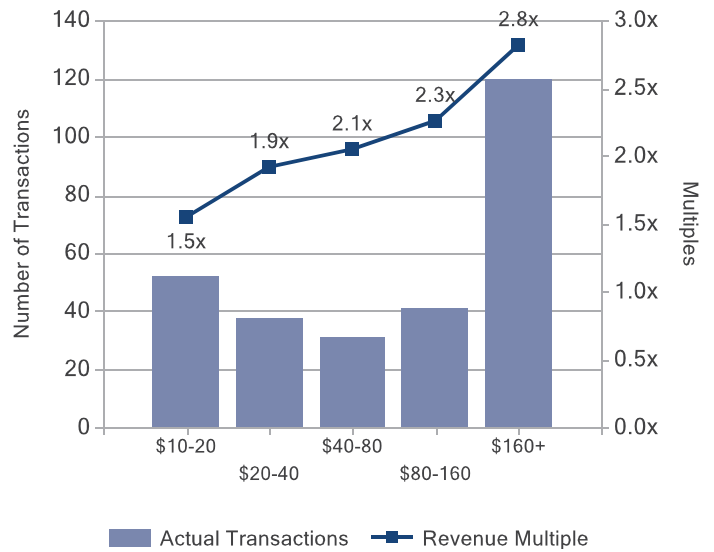


Figure 8. Presents the median enterprise value/revenue multiples paid for companies in the Media and Marketing Industry from Jan. 1, 2013 to Dec. 31, 2015 based on publicly available data.

Transaction Volume by Segment :: January 1, 2013 – December 31, 2015

Transactions By Market Segment

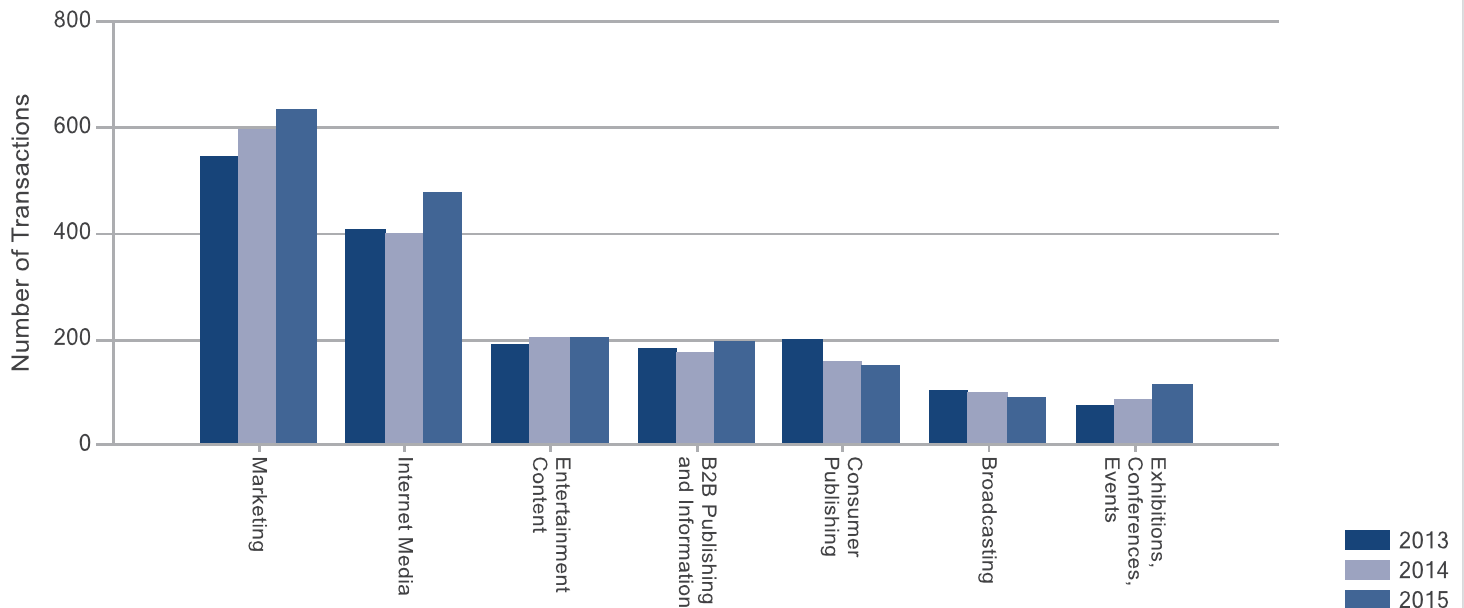


Figure 9. Presents transaction volume by target segment within the Media and Marketing Industry from Jan. 1, 2013 through Dec. 31, 2015.

BERKERY NOYES

INVESTMENT BANKERS

Founded in 1980, Berkery Noyes is a leading independent investment bank serving the information, software, marketing, and technology industries. The firm has initiated, managed, and closed more than 475 merger and acquisition transactions for privately held and publicly traded companies in the healthcare, financial services, education, and entertainment markets.

Berkery Noyes is unique among investment banking firms in that we combine independent strategic research and actionable intelligence with senior banking expertise.

Berkery Noyes Securities LLC assists middle market companies with raising growth capital in the debt and equity markets.

CONTACT US TODAY FOR A CONFIDENTIAL DISCUSSION OF YOUR STRATEGIC OPTIONS

212-668-3022

MANAGING DIRECTORS

VINEET ASTHANA

Media & Marketing Services Group

MARY JO ZANDY

Media, Education, Software & Online

JOHN GUZZO

FinTech Group

DICK O'DONNELL

Finance Group

PETER OGNIBENE

FinTech Group

JONATHAN KRIEGER

Healthcare Group

THOMAS O'CONNOR

Healthcare Group

JEFFREY SMITH

Healthcare Group

PETER YOON

Education Group

PARTNERS

JOSEPH BERKERY

Chief Executive Officer

JAMES BERKERY

Chief Information Officer







All charts in this report are based on data gathered by Berkery Noyes' research department. All time period statistics are based on the transaction announcement date. The information contained herein is of a general nature and is not intended to address the circumstances of any particular company, individual, or entity. There can be no guarantee that such information is accurate.

For current intelligence on Mergers and Acquisitions activity in the Information Industry please visit our online service at www.mandasoft.com

RECENT MEDIA & MARKETING TRANSACTIONS

 **HMP COMMUNICATIONS HOLDINGS, LLC**
HAS COMPLETED A RECAPITALIZATION OF ITS BUSINESS
 **SUSQUEHANNA GROWTH EQUITY, LLC**
HAS ACQUIRED MAJORITY OWNERSHIP FROM ITS OTHER CURRENT INVESTORS
 Alta Equity Partners
 Antares Capital

Wilmington plc
HAS ACQUIRED
 **Financial Research Associates, LLC**

 **Sandbox & Co**
HAS ACQUIRED
Family Education Network
including
 **PopTropica**  **Funbrain**
and other select assets from
 **PEARSON**

 **LRP Publications**
HAS ACQUIRED THE EDUCATION TECHNOLOGY EVENTS
 **F2C CAMPUS TECHNOLOGY**
FROM
 **1105 MEDIA INC**

 **EMERALD EXPOSITIONS**
A PORTFOLIO COMPANY OF
 **ONEX**
HAS ACQUIRED
 **healthcare design**
 **EFA CONSTRUCTION SUPER CONFERENCE**
FROM
 **VENDOME GROUP**

 **ROCKBRIDGE GROWTH EQUITY**
HAS ACQUIRED
 **Robb Report**

 **EBIX**
HAS ACQUIRED
 **Oakstone**
A BUSINESS OF
 **bv INVESTMENT PARTNERS**
SINCE 1982

 **i2i Events**
A DIVISION OF
Top Right Group
ACQUIRED & ENTERED LONG TERM PARTNERSHIP WITH
 **Money 20/20**

 **ASL marketing**
postal email mobile digital
A COMPANY OWNED BY
 **alloy media marketing**  **HAVAS WORLDWIDE**  **nelnet**
HAS BEEN ACQUIRED BY
 **COMPACT INFORMATION SYSTEMS**

 **GMIRATINGS**
HAS BEEN ACQUIRED BY
 **MSCI**

One Liberty Plaza | New York, New York 10006

berkerynoyes.com | 212.668.3022