

PRIVATE EQUITY INFORMATION INDUSTRY

Financially Sponsored Transactions within the Information Industry

1ST HALF 2015 :: Mergers and Acquisitions Trend Report

1ST HALF 2015 KEY HIGHLIGHTS

- The largest transaction in 1st Half 2015 was Permira and CPP Investment Board's acquisition of Informatica Corp., a provider of enterprise data integration software and services, for \$4.77 billion.
- The most active acquirers year-to-date in the Education vertical, either purchased directly or through an affiliated business, were The Riverside Company and Providence Equity Partners with three transactions each.
- The most active acquirers year-to-date in the Finance vertical, either purchased directly or through an affiliated business, were BlackFin Capital Partners and Genstar Capital with three transactions each.

1ST HALF 2015 KEY TRENDS

- Total transaction volume in 1st Half 2015 increased by 12 percent over 2nd Half 2014, from 274 to 308.
- Total transaction value in 1st Half 2015 rose by six percent over 2nd Half 2014, from \$23.49 billion to \$24.99 billion.
- The peak for deal volume over the last 30 months occurred in 1st Half 2015, whereas value reached its zenith in 1st Half 2014.
- The median revenue multiple improved from 1.8x in 2nd Half 2014 to 2.5x in 1st Half 2015. The median EBITDA multiple declined from 16.8x in 2nd Half 2014 to 14.5x in 1st Half 2015.

M&A MARKET OVERVIEW

Berkery Noyes tracked 1,316 private equity transactions between 2013 and 1st Half 2015, of which 245 disclosed financial terms, and calculated the aggregate transaction value to be \$88.83 billion. Based on known transaction values, we project values of 1,071 undisclosed transactions to be \$22.18 billion, totaling \$111.02 billion worth of transactions tracked over the past two and a half years.

Disclosed median revenue multiple for all segments combined in this report in the last 30 months were 2.3x revenue and 12.6x EBITDA.

M&A Market Dynamics By Half Year

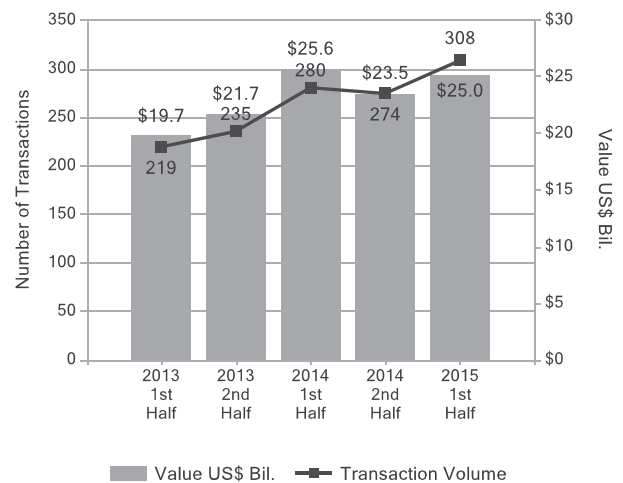


Figure 1. 2013-2015 value and volume comparison.

Median Enterprise Value Multiples By Half Year

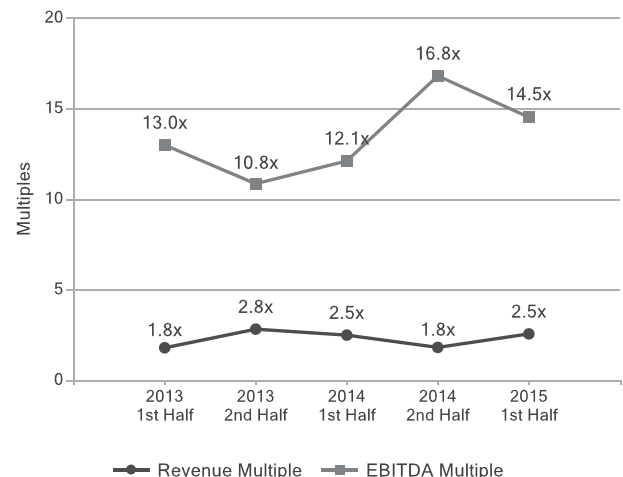


Figure 2. 2013-2015 median: revenue and EBITDA comparison.

Transaction Analysis :: January 1, 2015 – June 30, 2015

Bell Curve - Histogram - 1st Half

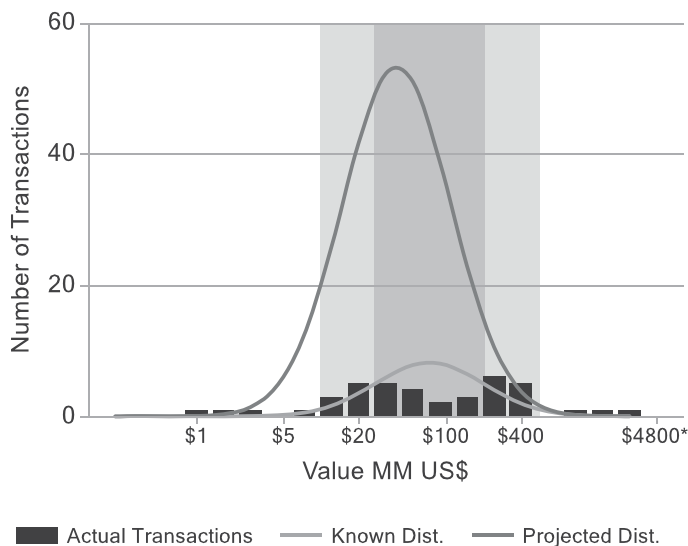


Figure 3. Shows the distribution of private equity transactions in the Information Industry based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly one-third of companies purchased had transaction values of \$33.1 million to \$244.7 million. Based on this data, we estimate the total transaction value of deals done in 1st Half 2015 at \$25.0 billion.

* Indicates largest transaction in the industry from Jan. 1, 2015 to June 30, 2015.

Distribution Table

Value in MM US\$	Known Number	Projected Number	Total Number	%	Cumulative %
\$0.2	0	0	0	0 %	0 %
\$0.4	0	0	0	0 %	0 %
\$0.6	0	0	0	0 %	0 %
\$1.0	1	0	1	2 %	2 %
\$1.6	1	0	1	2 %	5 %
\$2.7	1	1	2	2 %	7 %
\$4.5	0	5	4	0 %	7 %
\$7.4	1	13	13	2 %	10 %
\$12.2	3	26	28	7 %	17 %
\$20.1	5	42	46	12 %	29 %
\$33.1	5	52	57	12 %	41 %
\$54.6	4	51	54	10 %	51 %
\$90.0	2	39	40	5 %	56 %
\$148.4	3	23	25	7 %	63 %
\$244.7	6	11	16	15 %	78 %
\$403.4	5	4	8	12 %	90 %
\$665.1	0	1	1	0 %	90 %
\$1,096.6	1	0	1	2 %	93 %
\$1,808.0	1	0	1	2 %	95 %
\$2,981.0	1	0	1	2 %	98 %
Total #	41	267	308		
Total \$ Value	\$14,185	\$10,804	\$24,989		
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.

M&A Dynamics by Acquirer Type :: January 1, 2015 – June 30, 2015

M&A Dynamics by Transaction Type and Industry

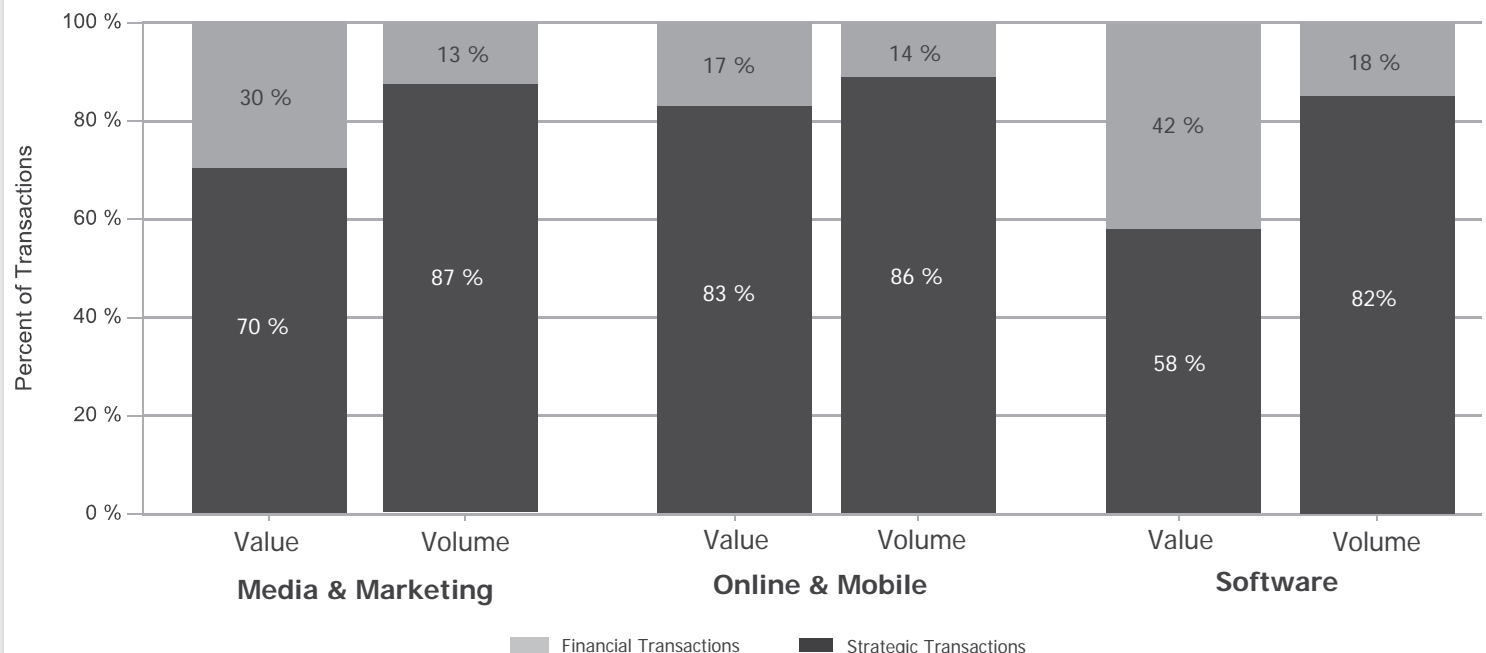


Figure 5. Presents the transaction volume by target segment for private equity transactions in the Information Industry. **Note:** Financially sponsored transactions include private equity backed strategic acquisitions.

Purchaser Analysis

Top Ten Notable Transactions - 1st Half 2015

Deal Date	Target Name	Buyer	Value MM US\$
04/07/15	Informatica Corp.	Permira, CPP Investment Board	\$4,769
03/10/15	Blue Coat Systems, Inc.	Bain Capital	\$2,400
04/20/15	Cirque du Soleil	TPG Capital	\$1,222
06/29/15	MediaOcean	Vista Equity Partners	\$576
01/20/15	Fairway Outdoor Advertising	GTCR, LLC, Adams Outdoor Advertising	\$575
04/16/15	Nine Live	Affinity Equity Partners	\$491
04/30/15	ClickSoftware Technologies	Francisco Partners Management LLC	\$438
05/27/15	Orchard Brands	Bluestem Brands	\$410
06/17/15	PowerSchool Inc.	Vista Equity Partners	\$350
01/28/15	eFront SA	Bridgepoint	\$327
2015 Aggregate Transaction Value			\$24,989
Top 10 Aggregate Transaction Value			\$11,558
Top 10 Aggregate Value as a Percentage of All Transactions			46 %

Figure 6. Lists the top ten transactions for 1st Half 2015 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value as shown in Figures 1 & 4.

Note: Transaction data based on **announced date**. As for acquirers in the top ten list, Bluestem Brands is backed by Capmark Financial Group.

Median EV/Revenue Multiples By Size

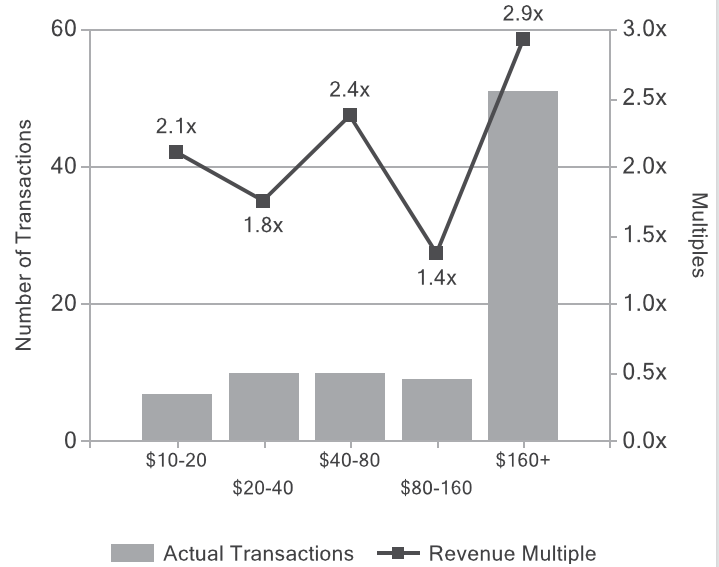


Figure 7. Presents the median enterprise value/revenue multiples paid for private equity transactions in the Information Industry from January 1, 2013 to June 30, 2015 based on publicly available data.

Transactions Involving an Online Component

Transaction Percentages of Online Targets

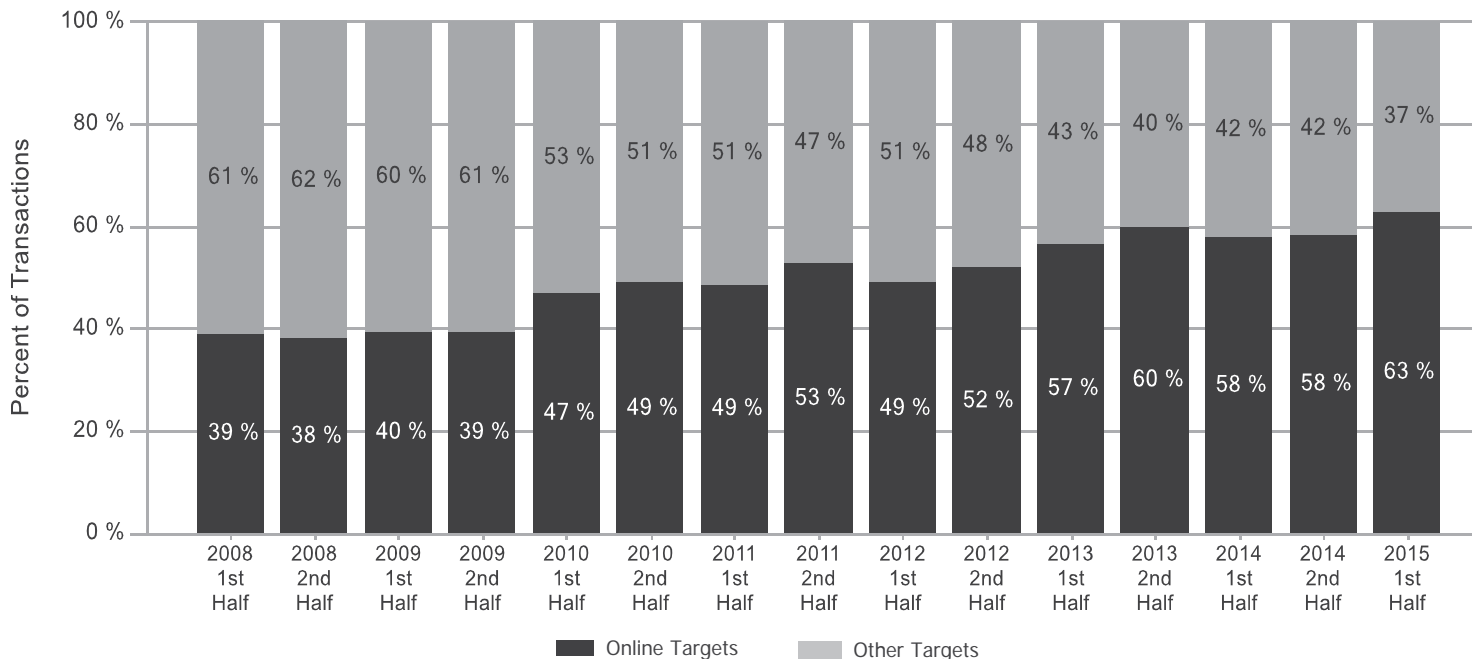


Figure 8. Percentage of total private equity transactions in the Information Industry where the target company conducts the majority of their business online. The total percentages are measured by half year from January 1, 2008 to June 30, 2015.

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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.

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