

## PRIVATE EQUITY INFORMATION INDUSTRY

### Q3 2017 :: Mergers and Acquisitions Trend Report

#### Q3 2017 KEY HIGHLIGHTS

- In the Healthcare vertical, the most active acquirer through the 1st 3 Quarters of 2017, either directly or through an affiliated business, was Arsenal Capital Partners with six transactions. Three of these deals occurred in Q3 2017: Patient Genesis' ConsentNow eConsent technology, FDAnews, and MedApproved.
- In the Education vertical, the most active acquirer through the 1st 3 Quarters of 2017, either directly or through an affiliated business, was Leeds Equity Partners with four transactions. Three of these deals occurred in Q3 2017: the CRM and Application Management product lines from Hobsons, Courseval, and iLawVentures.

#### Q3 2017 KEY TRENDS

- Total transaction volume in the 1st 3 Quarters of 2017 increased by 20 percent over the 1st 3 Quarters of 2016, from 507 to 610.
- Total transaction value in the 1st 3 Quarters of 2017 rose by 15 percent over the 1st 3 Quarters of 2016, from \$51.7 billion to \$59.6 billion.

#### MULTIPLES & VALUE TRENDS

- The median revenue multiple on a year-over-year basis shifted from 2.3x to 2.4x.
- The median EBITDA multiple on a year-over-year basis moved slightly from 11.1x to 11.9x.

#### M&A Market Dynamics

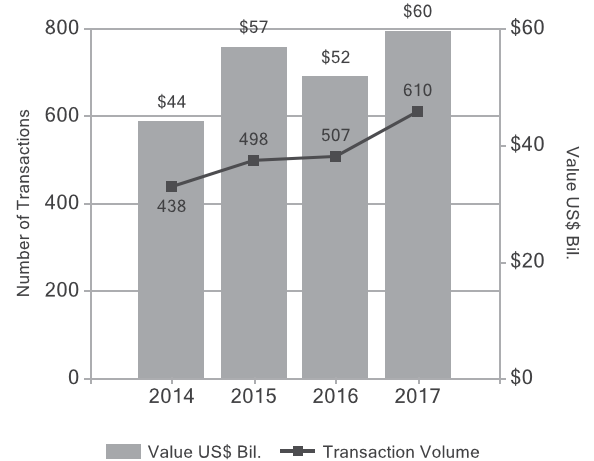


Figure 1. 1st 3 Quarters value and volume comparison from 2014 to 2017.

#### Median Enterprise Value Multiples

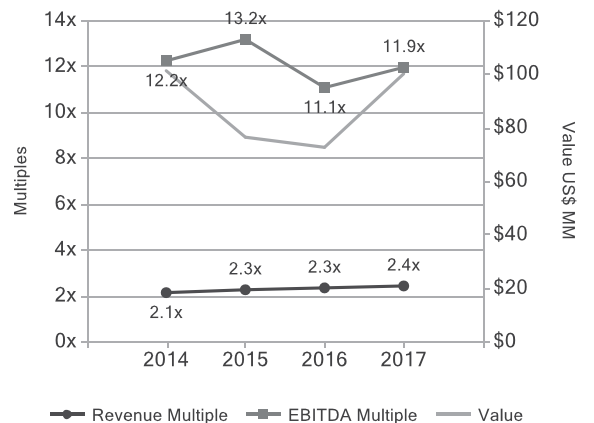


Figure 2. 1st 3 Quarters median revenue and EBITDA comparison from 2014 to 2017.

#### Top Ten Notable Transactions - 1st 3 Quarters 2017

Deal Date	Target Name	Buyer	Value MM US\$
02/10/17	Technology-Enabled Benefits & HR Platform from Aon plc	Blackstone Group LP	\$4,300
03/15/17	DH Corporation	Misys plc	\$3,491
02/27/17	CCC Information Services Inc.	Advent International	\$3,000
07/24/17	WebMD Corporation	Internet Brands, Inc.	\$2,800
04/12/17	Ascend Learning	Blackstone Group LP, CPP Investment Board	\$2,000
08/29/17	Education Advisory Board	Vista Equity Partners	\$1,550
07/24/17	Civica	Partners Group Holding AG	\$1,368
05/03/17	Kofax, Inc.	Thoma Bravo, LLC	\$1,350
07/06/17	Syncsort Incorporated	Centerbridge Capital Partners	\$1,260
05/31/17	Idera	HGGC, LLC	\$1,125

2017 Aggregate Transaction Value \$59,600

Top 10 Aggregate Transaction Value \$22,244

Top 10 Aggregate Value as a Percentage of All Transactions 37 %

Figure 3. Lists the top ten transactions for the 1st 3 Quarters of 2017 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value.

Transaction data based on announced date.

#### TOP TEN DEALS THROUGH Q3 2017

The top ten deals by value have seen four new additions since our half year report, two of which occurred in the Software horizontal: Partners Group Holding's announced acquisition of Civica for \$1.4 billion and Centerbridge Capital Partners' acquisition of Syncsort for \$1.3 billion.

These four transactions, with an aggregate value of \$7.1 billion, represented 12 percent of transaction value in the 1st 3 Quarters of 2017 and 40 percent of Q3 2017 transaction value.

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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. There can be no guarantee that such information is accurate.

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