

## MEDIA & MARKETING INDUSTRY

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### First Half 2011 Key Highlights

- The largest transaction in 1st Half 2011 was West Australian Newspapers Limited's acquisition of Seven Media Group from an investor group including Kohlberg Kravis Roberts, for \$4.1 billion.
- Publicis Groupe SA was the most active acquirer in 1st Half 2011, with 12 purchases: Genedigi Group, Rosetta Marketing Group, LLC, Dreams Communication, Tailor Made, GP7, Watermelon Healthcare Communications, Airlock, Kitcatt Nohr Alexander Shaw Ltd, Interactive Communications Ltd, Holler Digital Ltd., Chemistry Communications Group plc and Klapp Media AS.
- There were 75 financially sponsored transactions with a projected aggregate value of \$7.87 billion, representing 12 percent of the total volume and 25 percent of the total value, respectively.

### First Half 2011 Key Trends

- Total transaction volume in 1st Half 2011 increased by 14 percent over 2nd Half 2010, from 563 in 2nd Half 2010 to 644 this year.
- Total transaction value in 1st Half 2011 increased by 67 percent over 2nd Half 2010, from \$17.3 billion in 2nd Half 2010 to \$28.9 billion this year.
- The segment with the largest increase in volume in 1st Half 2011 over 2nd Half 2010 was Internet Media with a 37 percent increase, from 182 to 250 transactions.

### M&A Market Overview

Berkery Noyes tracked 2518 transactions between 2009 and 1st Half 2011, of which 640 disclosed financial terms, and calculated the aggregate transaction value to be \$95.8 billion. Based on known transaction values, we project the value of the 1878 undisclosed transactions to be \$20.3 billion, totalling \$116.1 billion worth of transactions tracked over the past two and a half years.

The largest transaction tracked by Berkery Noyes between 2009 and 1st Half 2011 was the acquisition of NBC Universal by Comcast Corporation for \$22.9 billion, which was announced in December 2009 and closed this past January.

### M&A Market Dynamics By Half Year

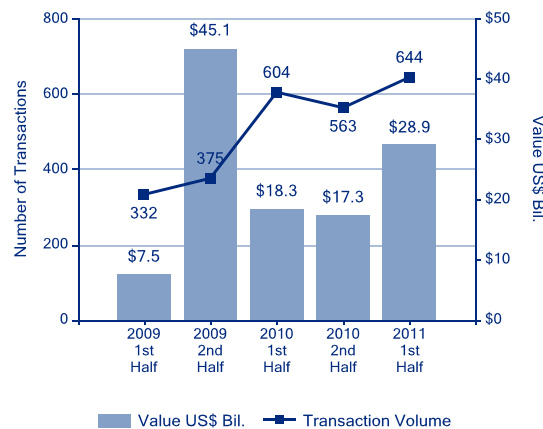


Figure 1. 2009 - 2011 value and volume comparison.

### Median Enterprise Value Multiples By Half Year

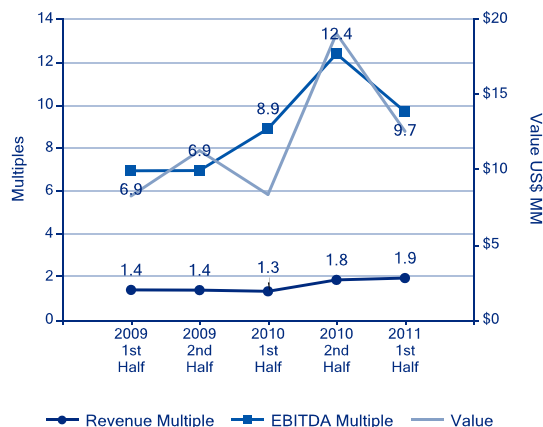
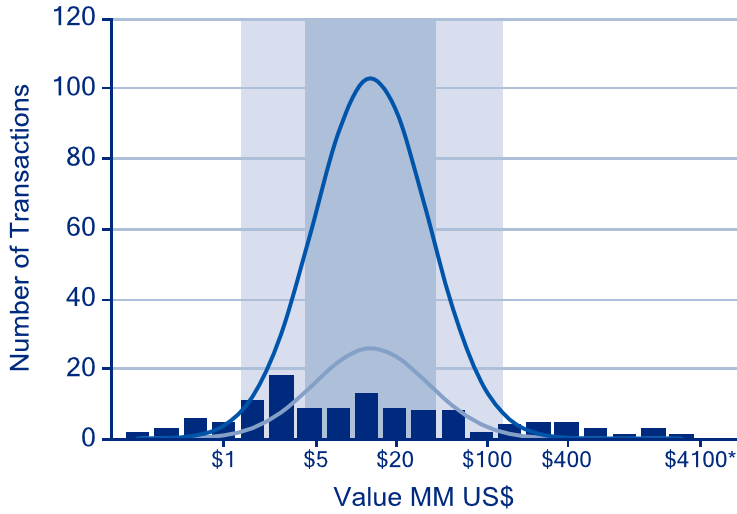


Figure 2. 2009 - 2011 median: Value, Revenue, EBITDA comparison.

Bell Curve - Histogram - 1st Half



Actual Transactions Known Dist. Projected Dist.

**Figure 3.** Shows distribution among Media & Marketing Industry transactions based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly two-thirds of companies purchased had enterprise values of \$1.6 million to \$403.4 million. Based on this data, we estimate the total transaction value of deals done in the 1st Half of 2011 at \$28.9 billion.

\* Indicates largest transaction in the industry from Jan. 1 through June 30, 2011

Distribution Table - 1st Half

Value in MM US\$	Known Number	Projected Number	Total Number	%	Cumulative %
\$0.2	2	0	2	2 %	2 %
\$0.4	3	0	3	2 %	4 %
\$0.6	6	1	6	5 %	9 %
\$1.0	5	4	8	4 %	12 %
\$1.6	11	12	22	9 %	21 %
\$2.7	18	30	47	14 %	35 %
\$4.5	9	58	66	7 %	42 %
\$7.4	9	87	95	7 %	49 %
\$12.2	13	102	115	10 %	59 %
\$20.1	9	94	102	7 %	66 %
\$33.1	8	67	75	6 %	72 %
\$54.6	8	37	45	6 %	78 %
\$90.0	2	16	18	2 %	80 %
\$148.4	4	5	9	3 %	83 %
\$244.7	5	1	6	4 %	87 %
\$403.4	5	0	5	4 %	91 %
\$665.1	3	0	3	2 %	93 %
\$1,096.6	1	0	1	1 %	94 %
\$1,808.0	3	0	3	2 %	96 %
\$2,981.0	1	0	1	1 %	97 %
Total #	129	515	644		
Total \$ Value	\$22,155	\$6,779	\$28,934		

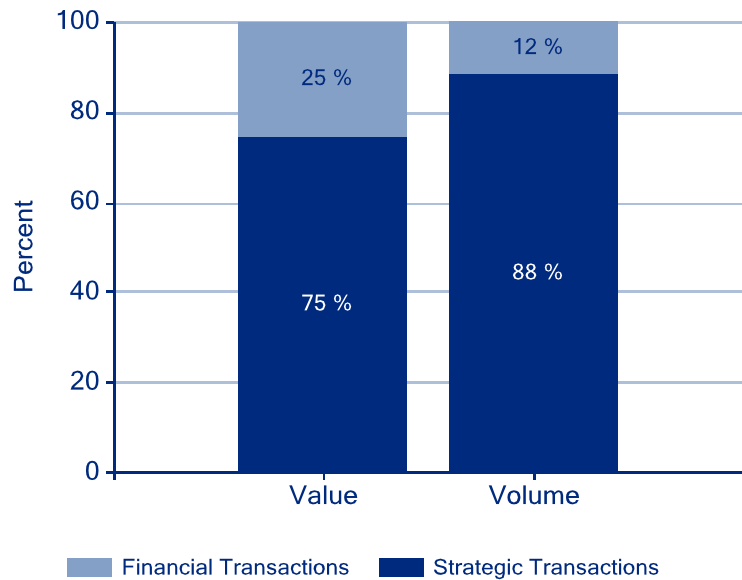
Middle 3rd of Industry Middle 2/3rds of Industry

**Figure 4.** Presents the data depicted in the bell curve histogram.

Note: The projected number column is rounded as result of the Gaussian projection and may produce insignificant errors in the total sum.

STRATEGIC VS FINANCIAL COMPARISON

M&A Dynamics By Transaction Type - 1st Half

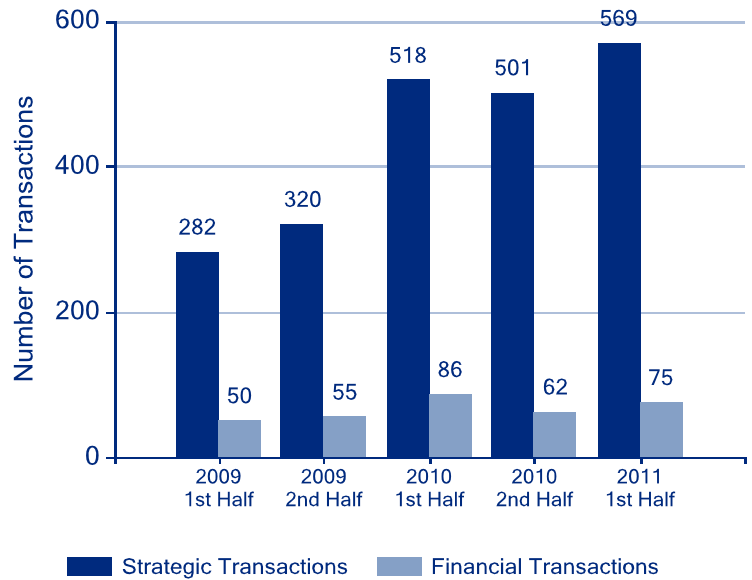


Financial Transactions Strategic Transactions

**Figure 5.** First Half 2011 value and volume comparison by acquirer type.

Note: financially sponsored transactions include PE-backed strategic acquisitions.

Transaction Type By Half Year



Strategic Transactions Financial Transactions

**Figure 6.** Acquirer distribution by half year.

# PURCHASER ANALYSIS

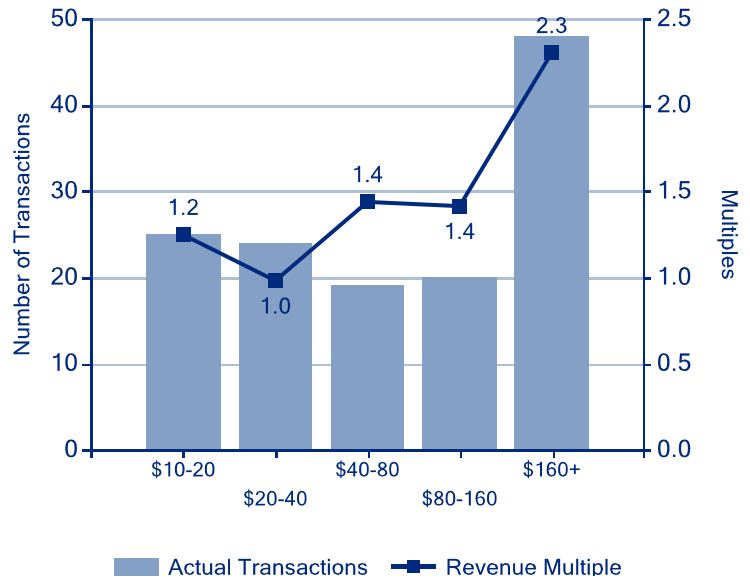
## Top Ten Notable Transactions - 1st Half 2011

Deal Date	Target Name	Buyer	Value MM US\$
02/21/11	Seven Media Group	West Australian Newspapers Limited	\$4,145
05/06/11	Warner Music Group	Access Industries	\$2,891
03/10/11	Citadel Broadcasting Company	Cumulus Media Inc.	\$2,444
01/05/11	Acosta, Inc.	Thomas H. Lee Partners, L.P.	\$2,000
03/15/11	bwin Interactive Entertainment AG	PartyGaming Plc	\$1,579
01/31/11	International Press and Magazine Business from Lagardère SCA	The Hearst Corporation	\$893
01/31/11	Cumulus Media Partners, LLC	Cumulus Media Inc.	\$740
02/21/11	Shine Group	News Corporation	\$669
05/17/11	Rosetta Marketing Group, LLC	Publicis Groupe SA	\$575
05/16/11	Primedia, Inc.	TPG Capital	\$524
2011 Aggregate Transaction Value			\$28,934
Top 10 Aggregate Transaction Value			\$16,460
Top 10 Aggregate Value as a Percentage of All Transactions			57%

**Figure 7.** Lists the top ten announced transactions in the 1st Half of 2011 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value as shown on Figure 1 & 4.

**Note:** Transactions data based on announcement date.

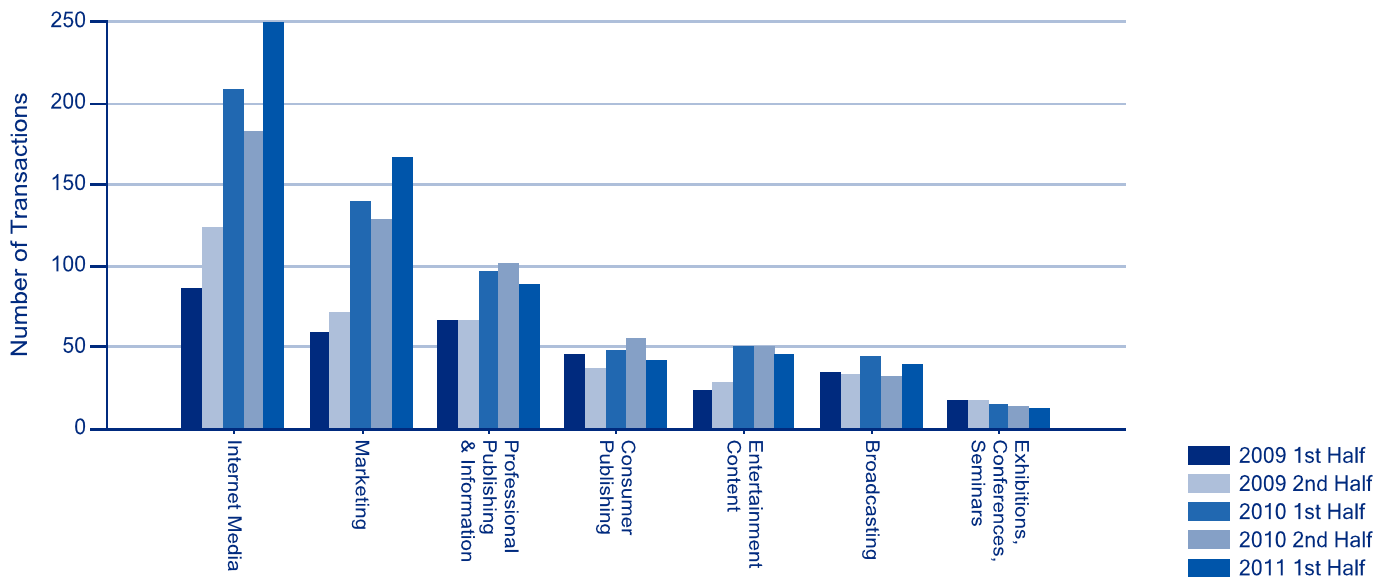
## Median EV/Revenue Multiples By Size - 1st Half



**Figure 8.** Presents the median enterprise value/revenue multiples of transactions in the media industry based on publicly available data between January 2009 and June 2011.

## TRANSACTION VOLUME BY SEGMENT | 1st Half 2009 through June 30, 2011

### Transactions By Market Segment By Half Year



**Figure 9.** Presents the transaction volume by target segments within the Media & Marketing Industry for the 1st Half of 2009 through 2011.

## About Berkery Noyes

Founded in 1980, Berkery Noyes is the leading independent investment bank specializing in the information content 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 business, technology, education, health, financial and legal information segments. Berkery Noyes is unique among investment banking firms in that we combine truly independent strategic research and industry intelligence with senior information technology banking expertise. With no equity fund or brokerage business to manage, our partners and investment banking professionals are one hundred percent focused on M&A advisory services. Berkery Noyes employs over 40 individuals with deep industry knowledge and experience who strive to exceed our clients' expectations by maximizing the full value of their information technology and content assets.



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.

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**MARY JO ZANDY** | *Managing Director, Media, Software & Online*

**JOSEPH BERKERY** | *Chief Executive Officer*

**JOHN SHEA** | *Chief Operating Officer*

### Market Segments

Market Segment	Description
Broadcasting	Television & Radio Broadcasting Stations
Consumer Publishing	Trade Books, Phone Books, Shopping Guides, Newspapers, Consumer Magazines
Entertainment Content	Film, Music, Television, Video Games
Exhibitions, Conferences, Seminars	Exhibitions, Tradeshows, Conferences, Seminars
Internet Media	Web Portals, Social Networks, User-Generated Content, Blogs, Internet Forums, E-zines
Marketing	Marketing & Advertising Agencies, Digital Marketing Firms, Public Relations Firms, Lead Generation Companies
Professional Publishing & Information	Professional Books, Journals, Newsletters, Textbooks, Trade Magazines, Newswires, Market Research, Business Information Services

**Figure 10.** Represents what types of media & marketing companies are included in Figure 9.

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