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INFORMATION INDUSTRY

2010 Key Highlights

- The largest transaction in 2010 was Intel Corporation's announced acquisition of McAfee, Inc., for \$7.55 billion.
- Google, Inc. was the most active information industry acquirer by volume, with 25 acquisitions: Widevine Technologies, Inc., Phonetic Arts, BlindType Inc., Plannr, Quiksee, SocialDeck Inc., Ångström Inc., Like.com, Jambool, Inc., Slide, Inc., Development Tools For Java & Ajax from Instantiations, Inc., Metaweb Technologies, Inc., ITA Software, Invite Media, Inc., Ruba, Inc., SimplifyMedia, Global IP Solutions, Bump Technologies Inc., LabPixies, Plink, Episodic Inc., DocVerse, reMail, Picnik, Inc. and Aardvark.
- There were 275 financially sponsored transactions with an aggregate value of \$25.4 billion, representing 13 percent of the total volume and 23 percent of the total value, respectively.

2010 Key Trends

- Total transaction volume increased by 36 percent from 1506 in 2009 to 2043 in 2010.
- Total transaction value in 2010 increased by 36 percent from \$82.30 billion in 2009 to \$112.22 billion in 2010.
- The median EBITDA multiple, revenue multiple, and deal value have all made marked gains in 2010. The EBITDA median multiple rose 29 percent from 2009 to 2010.

M&A Market Overview

Berkery Noyes tracked 7263 transactions between 2007 and 2010 of which 2643 disclosed financial terms, and calculated the aggregate transaction value to be \$458.61 billion. Based on known transaction values, we project values of 4620 undisclosed transactions to be \$82.40 billion totaling \$541.01 billion worth of transactions tracked over the past four years.

The largest transaction tracked by Berkery Noyes between 2007 and 2010 was Thomson Corporation's merger with Reuters for \$17.58 billion, completed in April of 2008.

The most active buyer by value in the information industry from 2007 to 2010 was Oracle Corporation, with an aggregate acquisition value of \$20.48 billion.

M&A Market Dynamics

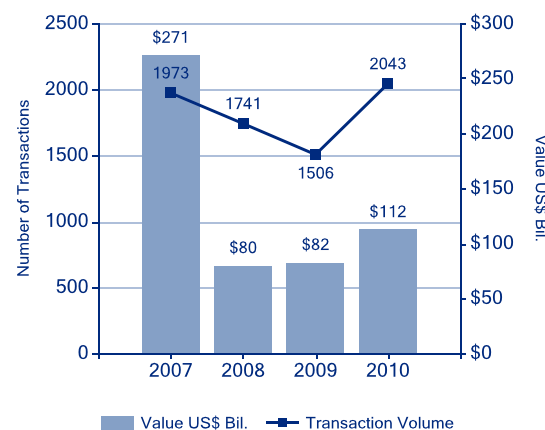


Figure 1. 2007 - 2010 value and volume comparison.

Median Enterprise Value Multiples

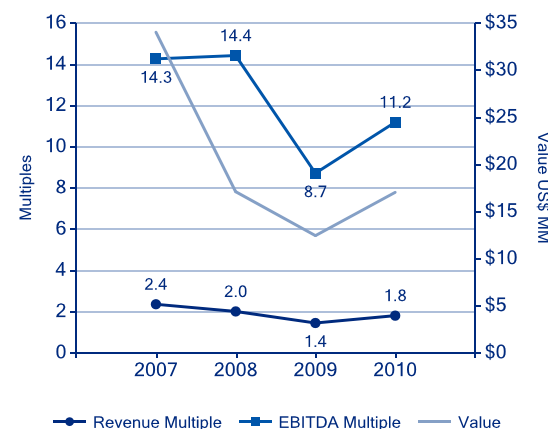
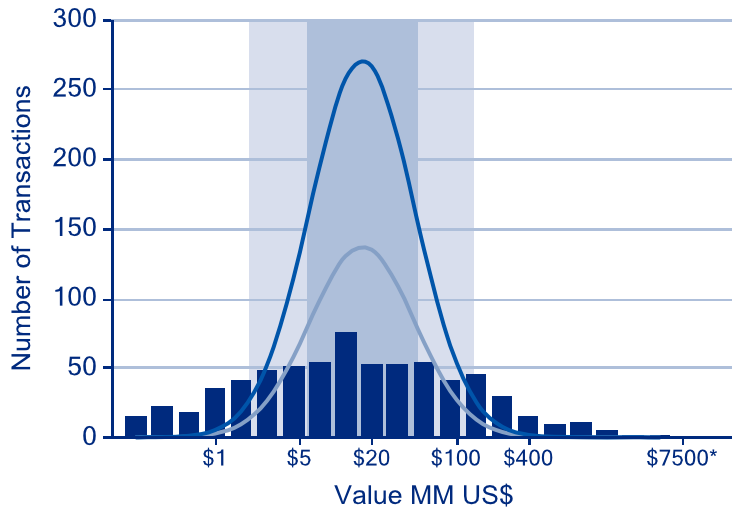


Figure 2. 2007 - 2010 median: Value, Revenue, EBITDA comparison.

Bell Curve - Histogram



Actual Transactions Known Dist. Projected Dist.

Figure 3. Shows distribution of transactions among information industry transactions 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 \$7.4 million to \$33.1 million. Based on this data, we estimate the total transaction value of deals done from Jan. 1 to Dec. 31, 2010 at \$112 billion.

* Indicates largest transaction in the industry from Jan. 1, 2010 to Dec. 31, 2010.

Distribution Table

Value in MM US\$	Known Number	Projected Number	Total Number	%	Cumulative %
\$0.2	14	0	14	2 %	2 %
\$0.4	22	0	22	3 %	5 %
\$0.6	17	1	18	2 %	8 %
\$1.0	35	5	40	5 %	13 %
\$1.6	40	18	58	6 %	19 %
\$2.7	48	52	99	7 %	26 %
\$4.5	51	114	164	7 %	33 %
\$7.4	54	194	247	8 %	41 %
\$12.2	75	257	332	11 %	52 %
\$20.1	52	266	318	8 %	59 %
\$33.1	52	215	266	8 %	67 %
\$54.6	54	135	188	8 %	75 %
\$90.0	40	66	105	6 %	81 %
\$148.4	45	25	70	7 %	87 %
\$244.7	29	7	36	4 %	92 %
\$403.4	15	2	16	2 %	94 %
\$665.1	9	0	9	1 %	95 %
\$1,096.6	11	0	11	2 %	97 %
\$1,808.0	5	0	5	1 %	97 %
\$2,981.0	1	0	1	0 %	98 %
\$4,914.8	2	0	2	0 %	98 %

Total #	686	1357	2043
Total \$ Value	\$89,499	\$22,722	\$112,220

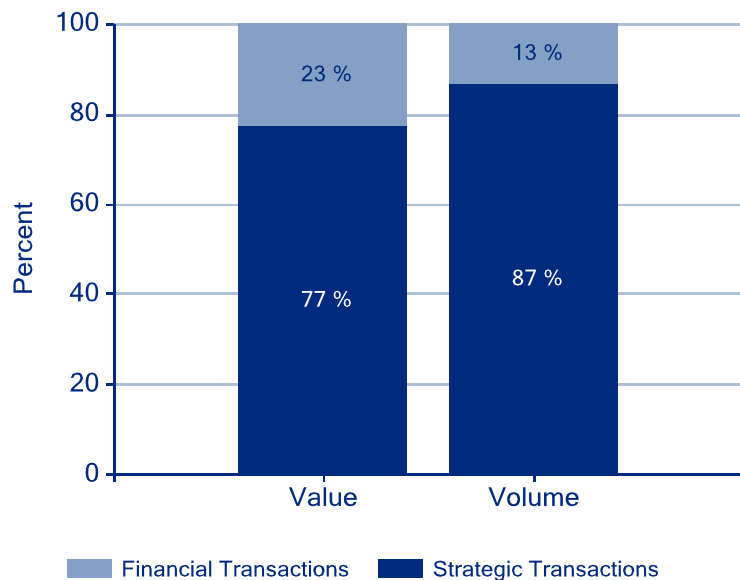
■ Middle 3rd of Industry ■ Middle 2/3rds of Industry

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

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

STRATEGIC VS FINANCIAL COMPARISON

M&A Dynamics By Transaction Type

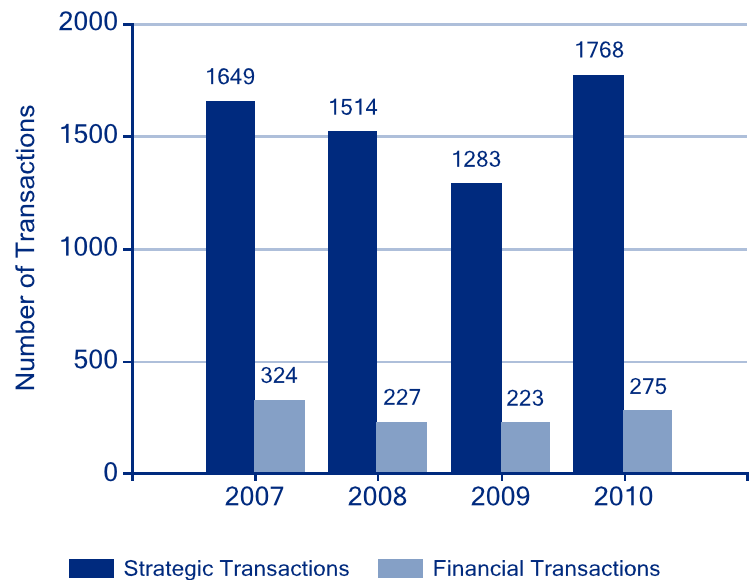


Financial Transactions Strategic Transactions

Figure 5. 2010 value and volume comparison by acquirer type.

note: Financial 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



Strategic Transactions Financial Transactions

Figure 6. Presents acquirer type distribution by year.

Top Ten Notable Transactions 2010

Deal Date	Target Name	Buyer	Value MM US\$
08/19/10	McAfee, Inc.	Intel Corporation	\$7,548
05/12/10	Sybase, Inc.	SAP AG	\$5,649
05/04/10	Interactive Data Corporation	Warburg Pincus, Silver Lake Partners	\$3,245
11/22/10	Novell, Inc.	Attachmate Corporation	\$2,145
07/07/10	Intergraph Corporation	Hexagon AB	\$2,125
09/02/10	3PAR Inc.	HP	\$2,073
09/26/10	Visma ASA	Kohlberg Kravis Roberts & Co.	\$1,902
04/21/10	CyberSource Corporation	Visa, Inc.	\$1,842
09/20/10	Nettezza Corporation	IBM	\$1,730
08/06/10	RBS WorldPay, Inc.	Bain Capital, Advent International Corporation	\$1,700
2010 Aggregate Transaction Value			\$112,220
Top 10 Aggregate Transaction Value			\$29,959
Top 10 Aggregate Value as a Percentage of All Transactions			27 %

Figure 7. Lists the top ten transactions for 2010 and calculates their aggregate transaction value as a percentage of the 2010 total aggregate transaction value as shown on Figure 1 & 4.

note: Transaction data based on **announced date**.

Median EV/Revenue Multiples By Size

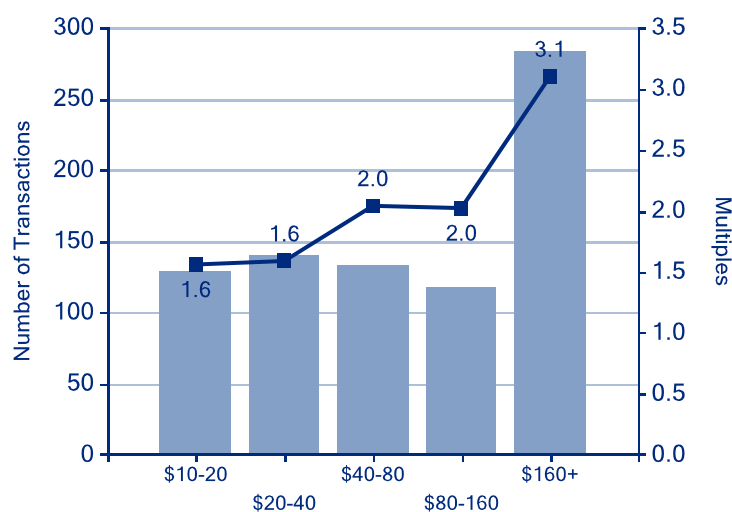


Figure 8. Presents the median enterprise value/revenue multiples paid for companies in the information industry in 2010 based on publicly available sales price and revenue data.

TRANSACTION VOLUME BY SEGMENT | Jan. 1, 2007 - Dec. 31, 2010

Transactions By Market Segment

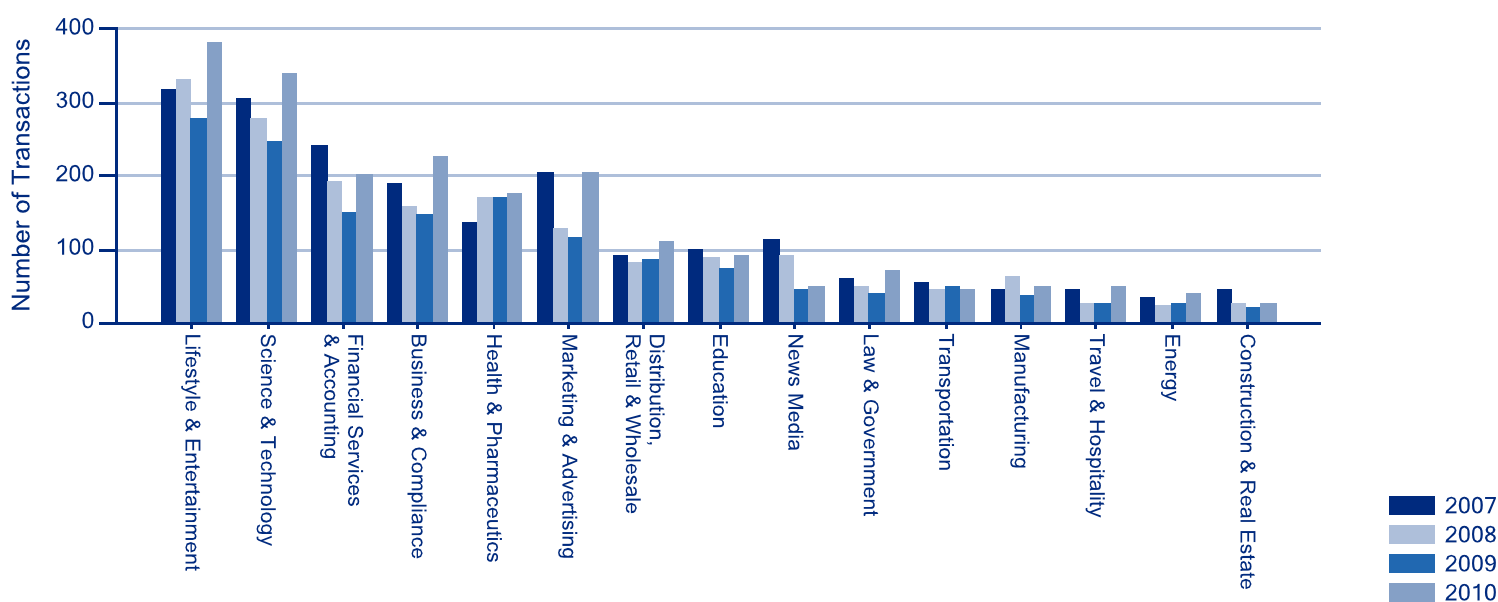


Figure 9. Presents the transaction volume by target segment within the information industry.

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.

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

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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
Business & Compliance	Business Management, Regulatory Compliance, Risk, Customer Support, Human Resource
Construction & Real Estate	Construction, Real Estate Management, Sales and Rental
Distribution, Retail & Wholesale	Distribution, Retailing, and Wholesaling
Education	K-12, Higher Ed, Professional Training
Energy	Electricity, Fossil Fuels, Alternative Energy, Clean Tech, Energy Utilities
Financial Services & Accounting	Capital Markets, Investing, Commercial Banking, Mortgage, Insurance, Tax, Accounting
Health & Pharmaceuticals	Healthcare, Health Insurance, Pharmaceuticals
Law & Government	Federal, State, Local Government, Defense, Homeland Security, Law Enforcement, Politics, Law
Lifestyle & Entertainment	Film, Music, Television, Video Games, Literature, Sports, Fashion, Home & Garden
Manufacturing	Electronics, Computers, Automobiles, Aerospace, Plastics, etc...
Marketing & Advertising	Marketing, Advertising, Market Research, Demographics
News Media	Television, Radio Broadcasting, General News Agencies & Newspapers
Science & Technology	Engineering, Security, Communications, Internet Technology
Transportation	Trucking, Shipping, Rail, Logistics, Navigation
Travel & Hospitality	Travel, Hotel, Dining, Food and Beverages

Figure 10. Represents what types of information companies are included in Figure 9.

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