

First Quarter 2011 Media Industry M&A Report

Q1 2011 transaction volume and value have surpassed that of each quarter in 2010. The upward trajectory in deal volume, which had averaged a 5 percent increase during 2010's first three quarters, appears to have resumed in Q1 2011, after a 10 percent dip in Q4 2010.

Q1 2011 aggregate transaction value, at \$13.8 billion, is already more than half of the \$28.6 billion aggregate total seen in 2010. While three transactions over \$1 billion represented 61 percent of this sum, there were nine transactions greater than \$300 million in value in Q1 2011, as compared to just 15 transactions for all of 2010.

M&A Market Dynamics By Quarter

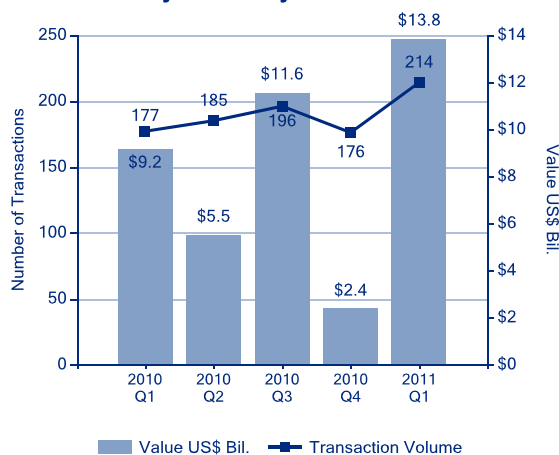


Figure 1. Value and volume comparison by quarter.

[West Australian Newspapers Limited's](#) announced acquisition of Seven Media Group, a subsidiary of [Kohlberg Kravis Roberts & Co.](#), was the largest transaction for Q1 2011, with an acquisition price of \$4.15 billion. With this merger, the newly-formed Seven West Media, Inc. becomes Australia's largest media company.

note: Click on the hyperlinks above to view the full description and disclosed financial information on MandAsoft.com, our online transaction database

Top Ten Notable Transactions Q1 2011

Deal Date	Target Name	Buyer	Value MM US\$
02/21/11	Seven Media Group	West Australian Newspapers Limited	\$4,145
03/10/11	Citadel Broadcasting Company	Cumulus Media Inc.	\$2,444
03/15/11	bwin Interactive Entertainment AG	PartyGaming Plc	\$1,578
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
01/19/11	17 Radio Stations from Bonneville International Corporation	Hubbard Broadcasting, Inc.	\$505
02/07/11	The Huffington Post	AOL Inc.	\$315
03/21/11	Tiny Prints, Inc.	Shutterfly, Inc.	\$306
01/12/11	RP Data Limited	CoreLogic, Inc.	\$195

2011 Aggregate Transaction Value \$13,841

Top 10 Aggregate Transaction Value \$11,789

Top 10 Aggregate Value as a Percentage of All Transactions 85 %

Figure 2. Lists the top ten transactions for Q1 2011 and calculates their aggregate transaction value as a percentage of the Q1 2011 total aggregate transaction value as shown on Fig. 1.

AOL Inc. and WebMediaBrands, Inc. were the most active acquirers in Q1 2011 based on the number of announced transactions, each with four businesses purchased either directly or through a partner or affiliate. [AOL Inc.'s](#) transactions were: [About.me, Inc.](#), [Outside.in](#), [The Huffington Post](#), and [GoViral](#). [WebMediaBrand's](#) transactions were: [SemanticOverflow.com](#), [FacebookMarketing.de](#), [Twittercism](#), and [European Semantic Technology Conference](#).

Three of the above transactions were blogs; blogs accounted for 9 transactions in Q1 2011, 40 percent of the 22 announced blog transactions for all of 2010. Blogs were once considered small by definition, yet AOL's acquisition of The Huffington Post, at \$315 million, casts that assumption in serious doubt. This price makes it the largest blog transaction we have tracked.

Transactions By Market Segment

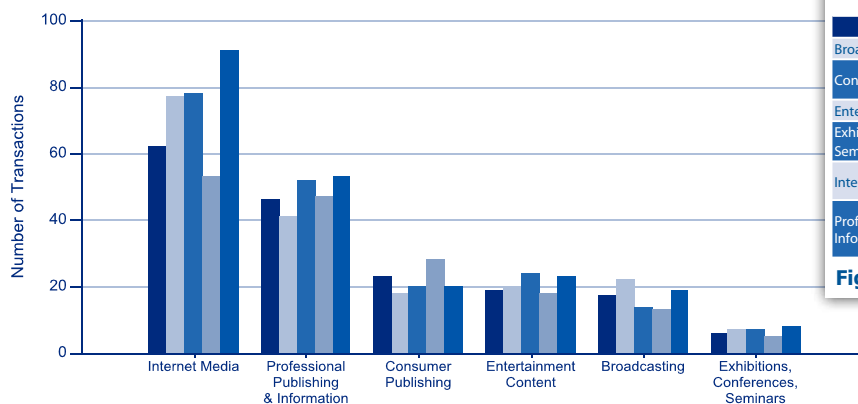


Figure 3. Presents the transaction volume by target segments within the media industry by quarter

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
Professional Publishing & Information	Professional Books, Journals, Newsletters, Textbooks, Trade Magazines, Newswires, Market Research, Business Information Services

Figure 4. Media companies covered in this report.

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OUR RECENT MEDIA TRANSACTIONS



HAS ACQUIRED



The Healthcare Information and Management Systems Society

HAS BECOME THE MAJORITY SHAREHOLDER OF



MedTech Media, LLC



HAS SOLD ITS

Public Employment Group
&
Bankruptcy/Banking Product Group
TO
Thomson Reuters, Legal
A DIVISION OF



Advertising Red Books

A UNIT OF



HAS BEEN ACQUIRED BY

PKS Capital International

MedPage Holdings, Inc.



HAS BEEN ACQUIRED BY



CompareNetworks

Compare Networks, Inc.

HAS ACQUIRED
CERTAIN ASSETS OF



International Scientific
Communications, Inc.

MODERN LUXURY
MEDIA

HAS BEEN ACQUIRED BY

Dickey Publishing, Inc.

and will be operated by Cumulus Media Inc.'s
Structured Management Services division



singlesnet.com
online dating made easy

HAS BEEN ACQUIRED BY

match.com

A DIVISION OF



NORTH AMERICAN
EXPOSITIONS CO.

HAS SOLD ITS

New England
BOAT SHOW

TO

