



## INFORMATION INDUSTRY

*The Production and Provision of Content*

### 1ST HALF 2013 :: Mergers and Acquisitions Trend Report

#### 1ST HALF 2013 KEY HIGHLIGHTS

- Yahoo! was the Information Industry's most active acquirer year-to-date with 13 transactions. The company's highest value deal was the acquisition of Tumblr for \$1.10 billion.
- The largest transaction for 1st Half 2013 was the announced acquisition of BMC Software by a private investor group, led by Bain Capital and Golden Gate Capital, for \$6.81 billion.
- The segment with the highest disclosed median revenue multiple was Health & Pharmaceuticals at 3.6x revenue.

#### 1ST HALF 2013 KEY TRENDS

- Total transaction volume in 1st Half 2013 decreased by less than one percent over 2nd Half 2012, from 1,695 to 1,683.
- Total transaction value in 1st Half 2013 declined by 27 percent over 2nd Half 2012, from \$89.20 billion to \$64.71 billion.
- The median revenue multiple moved slightly from 1.9x in 2nd Half 2012 to 2.0x in 1st Half 2013. The median EBITDA multiple increased from 9.9x in 2nd Half 2012 to 11.2x in 1st Half 2013.
- The segment with the largest increase in volume in 1st Half 2013 over 2nd Half 2012 was Education with a 47 percent increase, from 58 to 85 transactions.

#### M&A MARKET OVERVIEW

Berkery Noyes tracked 8,579 transactions between 2011 and 1st Half 2013, of which 2,409 disclosed financial terms, and calculated the aggregate transaction value to be \$311.02 billion. Based on known transaction values, we project values of 6,170 undisclosed transactions to be \$84.64 billion, totaling \$395.66 billion worth of transactions tracked over the past two and a half years.

Disclosed median enterprise value multiples for all segments combined in this report during the last 30 months were 1.9x revenue and 10.3x EBITDA.

Out of 8,579 transactions tracked by Berkery Noyes in this report, we found that 1,094 financially sponsored transactions accounted for 13 percent of the total transactions, yet they totaled \$119.36 billion, representing 30 percent of aggregate transaction value.

#### M&A Market Dynamics By Half Year

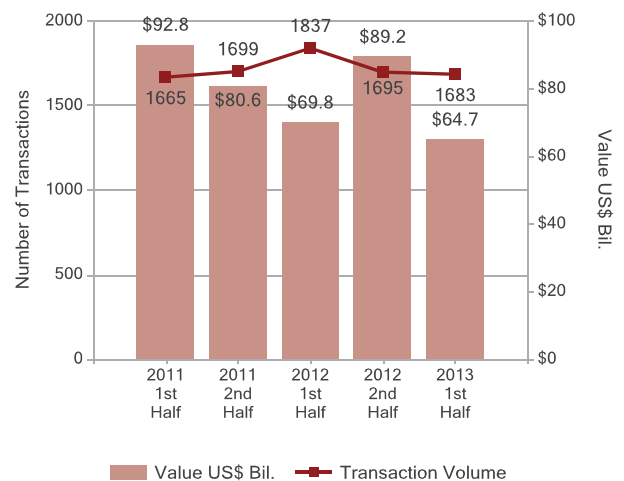


Figure 1. 2011-2013 value and volume comparison.

#### Median Enterprise Value Multiples By Half Year

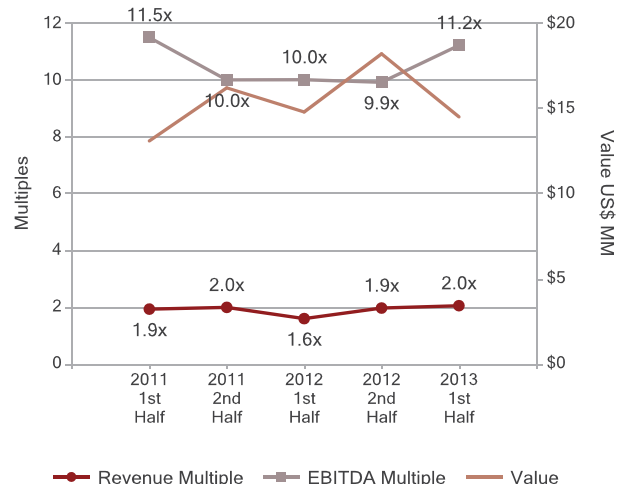


Figure 2. 2011-2013 median: value, revenue, EBITDA comparison.

# Transaction Analysis :: January 1, 2013 – June 30, 2013

## Bell Curve - Histogram - 1st Half

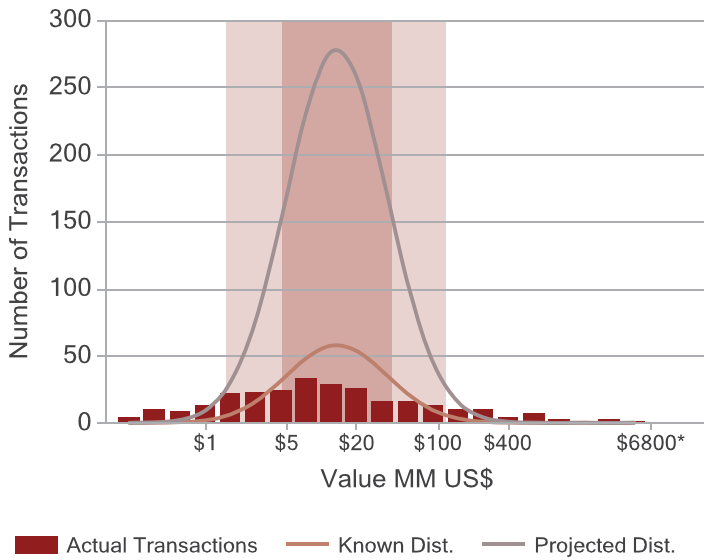


Figure 3. Shows the distribution of Information Industry transactions based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly one-third of companies purchased had transaction values of \$4.5 million to \$20.1 million. Based on this data, we estimate the total transaction value of deals done in 1st Half 2013 at \$64.7 billion.

\* Indicates largest transaction in the industry from Jan. 1, 2013 to June 30, 2013.

## Distribution Table

Value in MM US\$	Known Number	Projected Number	Total Number	%	Cumulative %
\$0.2	4	0	4	1 %	1 %
\$0.4	11	0	11	4 %	5 %
\$0.6	9	2	11	3 %	8 %
\$1.0	13	9	22	4 %	13 %
\$1.6	22	30	52	8 %	20 %
\$2.7	24	77	100	8 %	29 %
\$4.5	25	151	175	9 %	37 %
\$7.4	34	231	265	12 %	49 %
\$12.2	29	276	305	10 %	59 %
\$20.1	26	257	283	9 %	68 %
\$33.1	16	186	202	6 %	73 %
\$54.6	16	105	121	6 %	79 %
\$90.0	13	46	59	4 %	83 %
\$148.4	10	16	25	3 %	87 %
\$244.7	10	4	14	3 %	90 %
\$403.4	5	1	5	2 %	92 %
\$665.1	7	0	7	2 %	94 %
\$1,096.6	3	0	3	1 %	96 %
\$1,808.0	2	0	2	1 %	96 %
\$2,981.0	3	0	3	1 %	97 %
\$4,914.8	1	0	1	0 %	98 %
<b>Total #</b>	<b>290</b>	<b>1393</b>	<b>1683</b>		
<b>Total \$ Value</b>	<b>\$45,841</b>	<b>\$18,871</b>	<b>\$64,712</b>		

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 - 1st Half

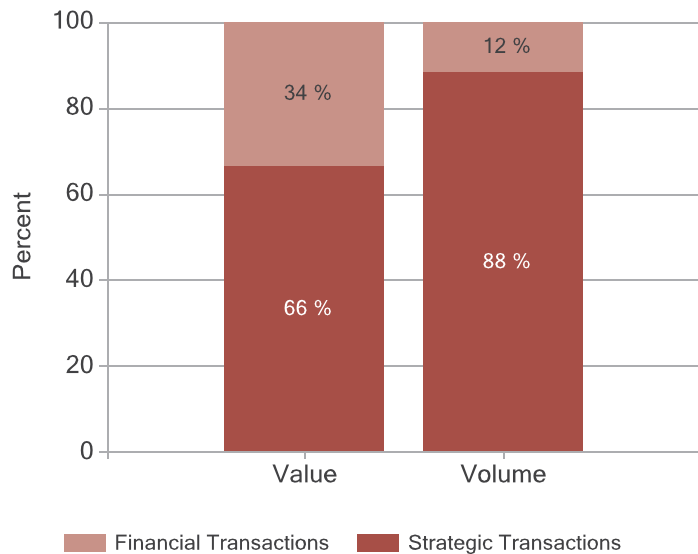


Figure 5. 1st Half 2013 value and volume comparison by transaction type.

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 By Half Year

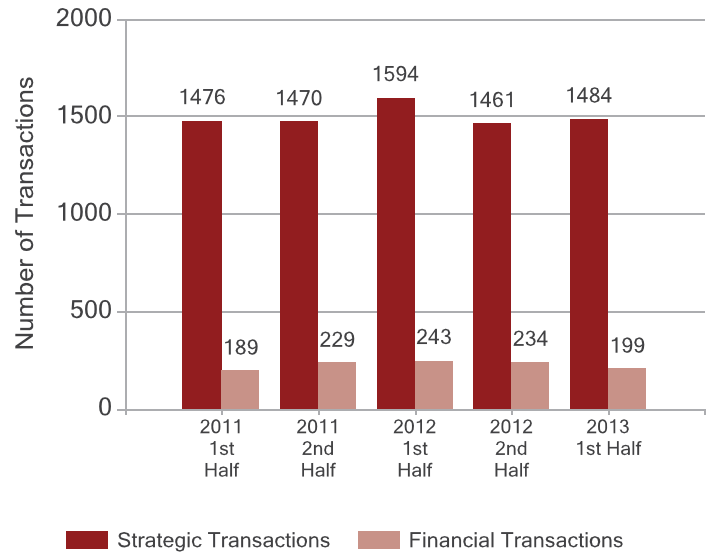


Figure 6. 2011-2013 acquirer type comparison by half year.

# Purchaser Analysis

## Top Ten Notable Transactions - 1st Half 2013

Deal Date	Target Name	Buyer	Value MM US\$
05/06/13	BMC Software, Inc.	Bain Capital, Golden Gate Capital, GIC, Insight Venture Partners	\$6,814
06/19/13	Springer Science & Business Media	BC Partners	\$4,423
05/28/13	Lender Processing Services	Fidelity National Financial	\$3,919
06/27/13	Astral Media Inc.	Bell Media	\$3,200
06/03/13	ExactTarget	Salesforce.com, Inc.	\$2,250
06/13/13	Belo Corp.	Gannett Co., Inc.	\$2,171
02/18/13	Cerved Group SpA	CVC Capital Partners	\$1,476
06/10/13	R. L. Polk & Co	IHS, Inc.	\$1,400
05/20/13	Tumblr, Inc.	Yahoo! Inc.	\$1,100
01/14/13	Open Solutions Inc.	Fiserv, Inc.	\$1,015
2013 Aggregate Transaction Value			\$64,712
Top 10 Aggregate Transaction Value			\$27,769
<b>Top 10 Aggregate Value as a Percentage of All Transactions</b>			<b>43 %</b>

Figure 7. Lists the top ten transactions for 1st Half 2013 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value as shown in Figure 1 & 4.

Note: Transaction data based on announced date.

## Median EV/Revenue Multiples By Size

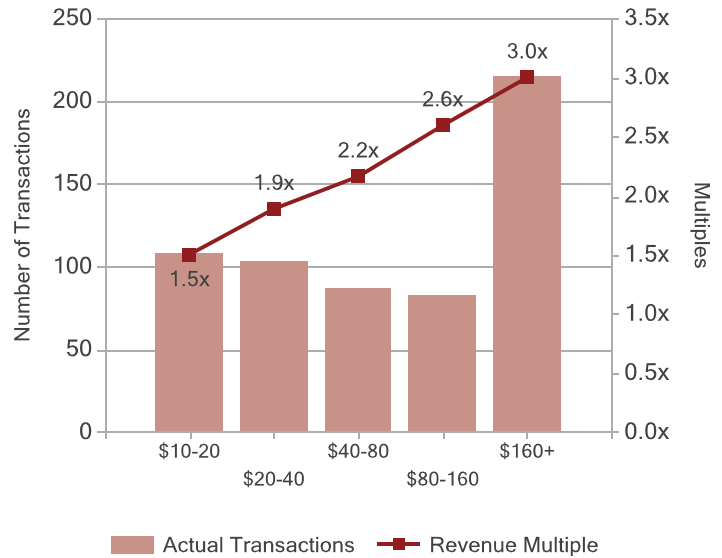


Figure 8. Presents the median enterprise value/revenue multiples paid for companies in the Information Industry from Jan. 1, 2011 to June 30, 2013 based on publicly available sales price and revenue data.

# Transactions Involving an Online Component

## Transaction Percentages of Online Targets

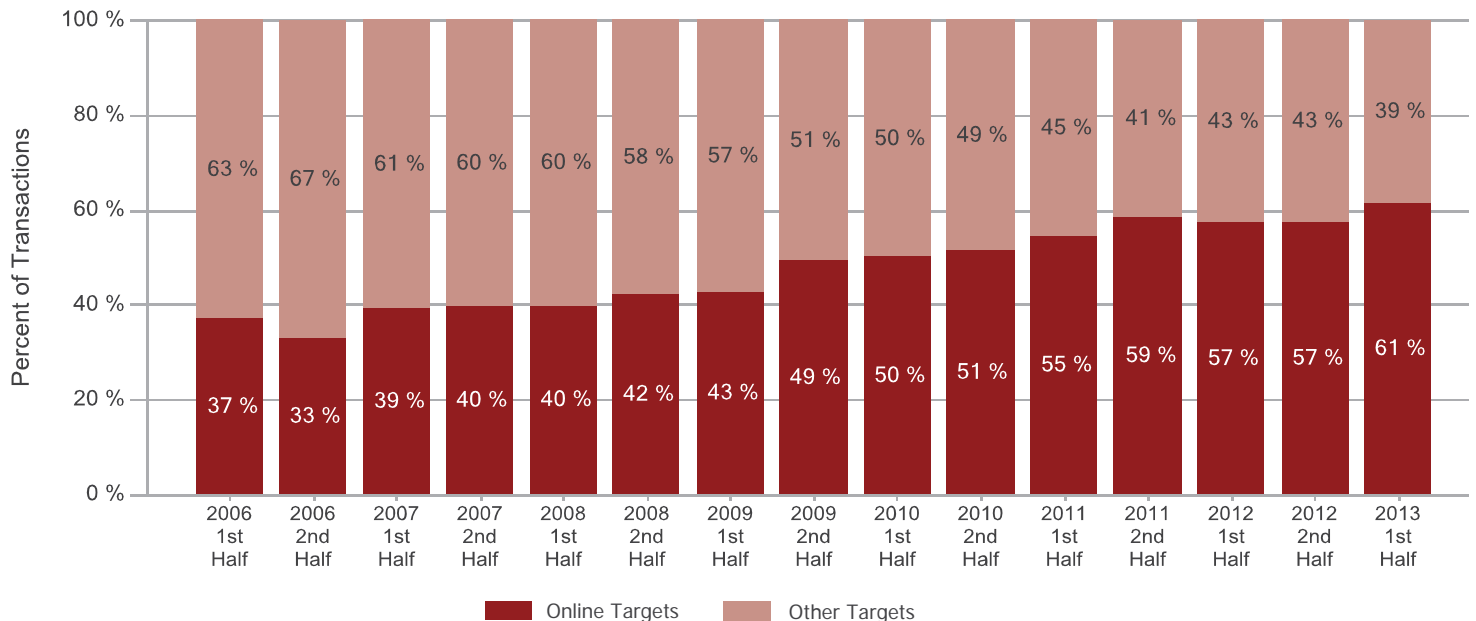


Figure 9. Percentage of total Information Industry transactions where the target company conducts the majority of their business online. The total percentages are measured by half year from January 1, 2006 through June 30, 2013.

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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.

For current intelligence on Mergers and Acquisitions activity in the Information Industry please visit our online service at [www.mandasoft.com](http://www.mandasoft.com)

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