



INFORMATION INDUSTRY

The Production and Provision of Content

FULL YEAR 2012 :: Mergers and Acquisitions Trend Report

2012 KEY HIGHLIGHTS

- The most active acquirer in 2012 was WPP Group, plc with 42 transactions. WPP's largest transaction during the year was its announced acquisition of AKQA for \$540 million.
- There were 465 financially sponsored transactions in 2012 with an aggregate value of 49.70 billion, representing 14 percent of the total volume and 31 percent of the total value, respectively.

2012 KEY TRENDS

- Total transaction volume in 2012 increased by three percent over 2011, from 3,317 to 3,412.
- Total transaction value in 2012 decreased by 10 percent over 2011, from \$171.41 billion to \$153.53 billion.
- The median revenue multiple moved slightly from 2.0x in 2011 to 1.9x in 2012. The median EBITDA multiple fell from 11.5x in 2011 to 10.0x in 2012.
- Four of the Information Industry's top ten highest value deals were backed by financial sponsors in 2012, compared to two in 2011.

M&A Market Dynamics

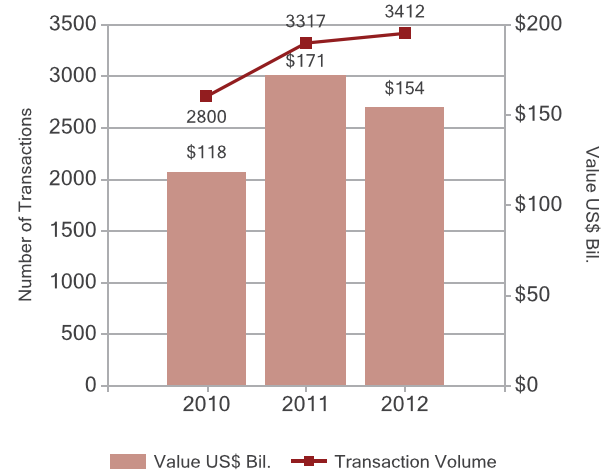


Figure 1. 2010-2012 value and volume comparison.

M&A MARKET OVERVIEW

Berkery Noyes tracked 9,529 transactions between 2010 and 2012, of which 3,028 disclosed financial terms, and calculated the aggregate transaction value to be \$353.99 billion. Based on known transaction values, we project values of 6,501 undisclosed transactions to be \$86.04 billion, totaling \$440.03 billion worth of transactions tracked over the past three years.

Disclosed median enterprise value multiples for all segments combined in this report during the last 36 months were 1.8x revenue and 10.7x EBITDA.

The largest transaction tracked by Berkery Noyes since 2010 was HP's acquisition of Autonomy plc for \$10.24 billion in 2011.

Based on value, the largest acquirer, either directly or through an affiliated business between 2010 and 2012, was Microsoft Corporation with 12 transactions. Microsoft's highest value deal in 2012 was its acquisition of Yammer for \$1.20 billion.

Median Enterprise Value Multiples

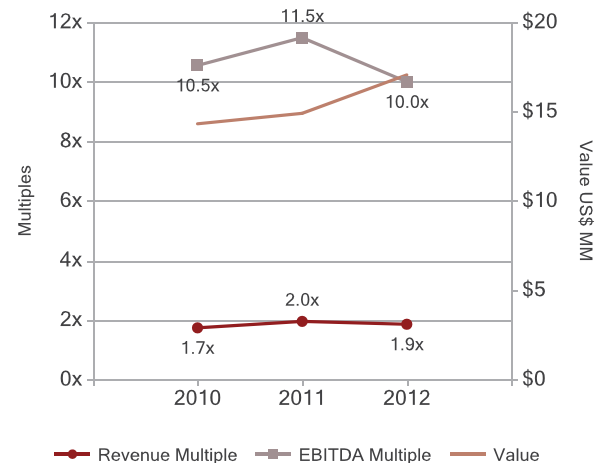


Figure 2. 2010-2012 median value, revenue, EBITDA comparison.

Transaction Analysis :: January 1, 2012 – December 31, 2012

Bell Curve - Histogram

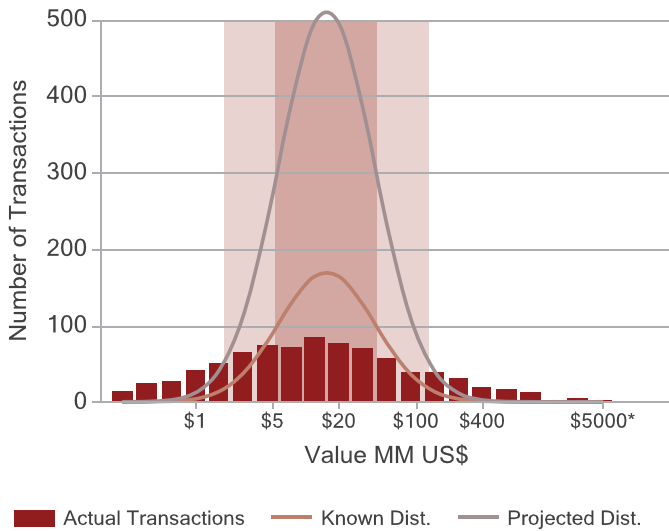


Figure 3. Shows the distribution of Information Industry transactions based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly one-third of companies purchased had transaction values of \$4.5 billion to \$33.1 billion. Based on this data, we estimate the total transaction value of deals done in 2012 at \$153.5 billion.

* Indicates largest transaction in the industry from Jan. 1, 2012 to Dec. 31, 2012.

Distribution Table

| Value in MM US\$ | Known Number | Projected Number | Total Number | % | Cumulative % |
|----------------------------------|------------------|------------------|------------------|------|--------------|
| \$0.2 | 14 | 0 | 14 | 2 % | 2 % |
| \$0.4 | 24 | 0 | 24 | 3 % | 4 % |
| \$0.6 | 28 | 3 | 30 | 3 % | 8 % |
| \$1.0 | 41 | 12 | 52 | 5 % | 13 % |
| \$1.6 | 50 | 41 | 90 | 6 % | 18 % |
| \$2.7 | 66 | 111 | 177 | 8 % | 26 % |
| \$4.5 | 76 | 235 | 311 | 9 % | 35 % |
| \$7.4 | 73 | 387 | 459 | 9 % | 44 % |
| \$12.2 | 85 | 496 | 580 | 10 % | 54 % |
| \$20.1 | 78 | 495 | 573 | 9 % | 63 % |
| \$33.1 | 70 | 385 | 454 | 8 % | 71 % |
| \$54.6 | 57 | 233 | 290 | 7 % | 78 % |
| \$90.0 | 38 | 110 | 147 | 4 % | 82 % |
| \$148.4 | 39 | 40 | 79 | 5 % | 87 % |
| \$244.7 | 32 | 12 | 43 | 4 % | 91 % |
| \$403.4 | 19 | 3 | 21 | 2 % | 93 % |
| \$665.1 | 18 | 0 | 18 | 2 % | 95 % |
| \$1,096.6 | 12 | 0 | 12 | 1 % | 97 % |
| \$1,808.0 | 4 | 0 | 4 | 0 % | 97 % |
| \$2,981.0 | 6 | 0 | 6 | 1 % | 98 % |
| \$4,914.8 | 1 | 0 | 1 | 0 % | 98 % |
| Total # | 849 | 2563 | 3412 | | |
| Total \$ Value | \$113,570 | \$39,958 | \$153,528 | | |
| 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

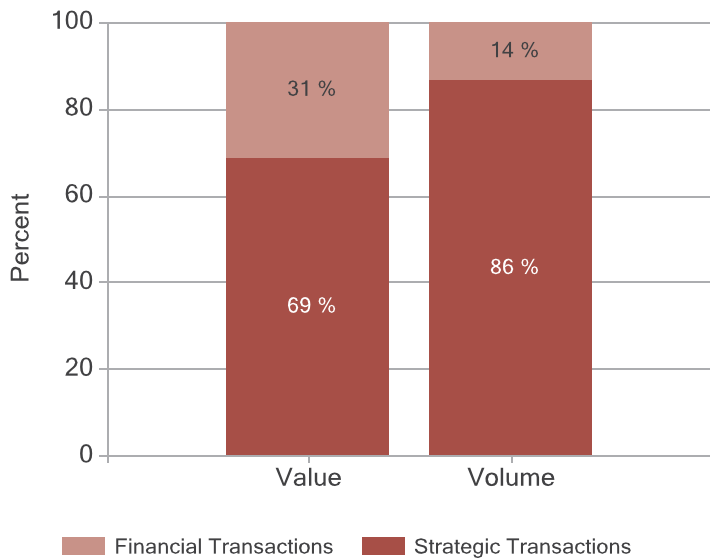


Figure 5. 2012 value and volume comparison by acquirer type.

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

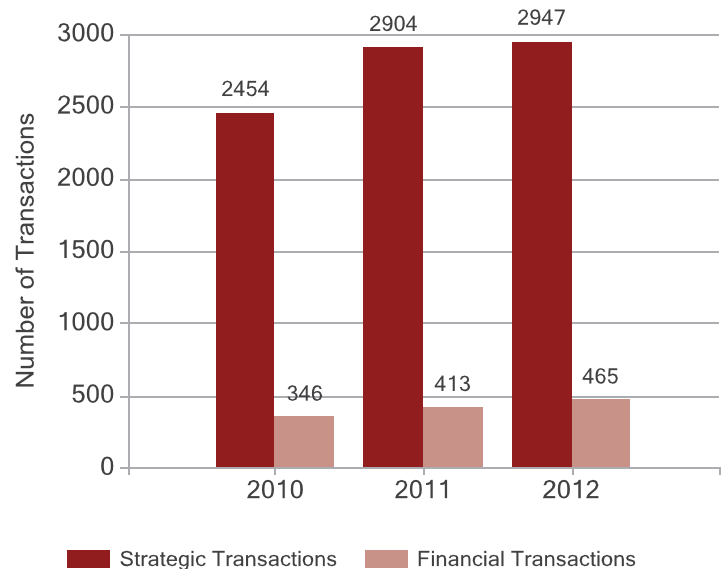


Figure 6. 2010-2012 acquirer type comparison by year.

Purchaser Analysis

Top Ten Notable Transactions 2012

| Deal Date | Target Name | Buyer | Value MM US\$ |
|---|-----------------------------|--|---------------|
| 03/15/12 | NDS Group Ltd. | Cisco Systems, Inc. | \$4,965 |
| 07/12/12 | Aegis Group PLC | Dentsu Inc. | \$4,859 |
| 05/22/12 | Ariba, Inc. | SAP America, Inc. | \$4,402 |
| 10/30/12 | Lucasfilm Ltd. | The Walt Disney Company | \$4,097 |
| 08/15/12 | Getty Images, Inc. | Carlyle Group | \$3,300 |
| 02/17/12 | TransUnion LLC | Advent International, GS Capital Partners | \$3,203 |
| 12/19/12 | Focus Media Holding Limited | Carlyle Group, CITIC Capital, FountainVest Partners, CDH Investments, China Everbright Limited | \$3,023 |
| 11/26/12 | McGraw-Hill Education | Apollo Global Management | \$2,621 |
| 06/29/12 | Quest Software, Inc. | Dell, Inc. | \$2,248 |
| 06/20/12 | Consolidated Media Holdings | News Limited | \$2,114 |
| 2012 Aggregate Transaction Value | | | \$153,528 |
| Top 10 Aggregate Transaction Value | | | \$34,832 |
| Top 10 Aggregate Value as a Percentage of All Transactions | | | 23 % |

Figure 7. Lists the top ten transactions for 2012 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. Deal value represents total consideration paid by the acquirer.

Median EV/Revenue Multiples By Size

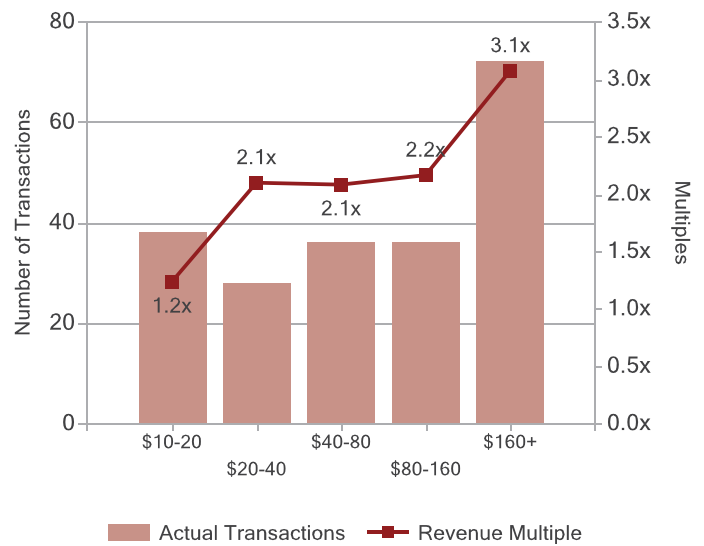


Figure 8. Presents the median enterprise value/revenue multiples paid for companies in the Information Industry in 2012 based on publicly available data.

Transactions Involving an Online Component

Transaction Percentages of Online Targets

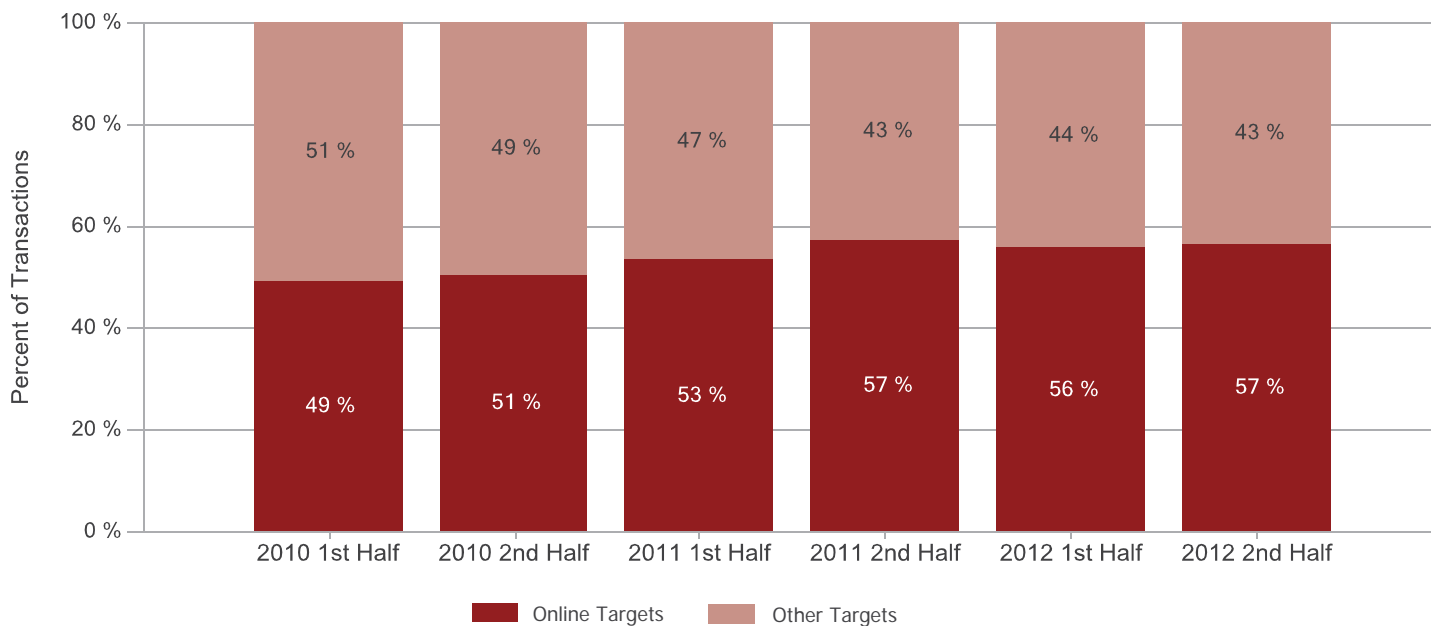


Figure 9. Percentage of total Information Industry transactions where the target company conducts the majority of their business online. The total percentages are measured by Half Year from 2010 to 2012.

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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

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