

## MEDIA & MARKETING INDUSTRY

### Q3 2013 :: Mergers and Acquisitions Trend Report

#### Q3 2013 KEY HIGHLIGHTS

- The most active acquirer in the B2B Publishing and Information segment year-to-date was Reed Elsevier with eight transactions, including four in Q3 2013.
- Publicis Groupe SA's announced merger with Omnicom Group Inc. was the largest transaction both in Q3 2013 and year-to-date, with an acquisition price of \$20.5 billion. This number represents the value of the new stock distributed to Omnicom's shareholders and Omnicom's net debt assumed by the new company. The combined equity market capitalization of the transaction was \$35.1 billion.

#### Q3 2013 KEY TRENDS

- Total transaction volume in Q3 2013 improved by six percent over Q2 2013, from 395 to 420.
- Total transaction value in Q3 2013 rose by 98 percent over Q2 2013, from \$22.3 billion to \$44.1 billion. However, aggregate value would have increased only six percent without the proposed Publicis-Omnicom merger.

#### MULTIPLES & VALUE TRENDS

- The median revenue multiple from 2012 through the 1st 3 Quarters of 2013 improved by 40 percent, from 1.5x to 2.1x.
- The median EBITDA multiple from 2012 through the 1st 3 Quarters of 2013 increased by 23 percent, from 8.0x to 9.8x.

M&A Market Dynamics By Quarter

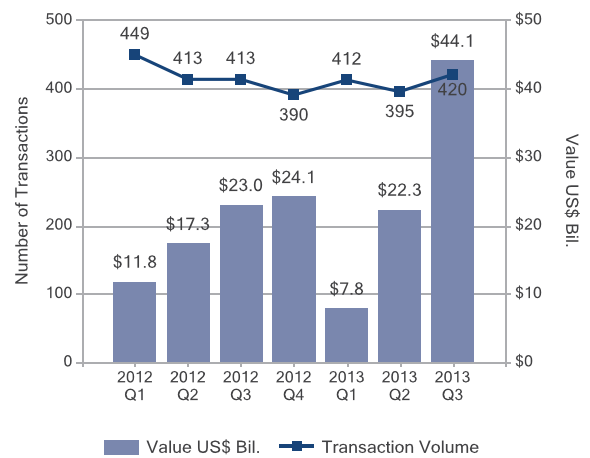


Figure 1. 2012-2013 value and volume comparison.

Median Enterprise Value Multiples

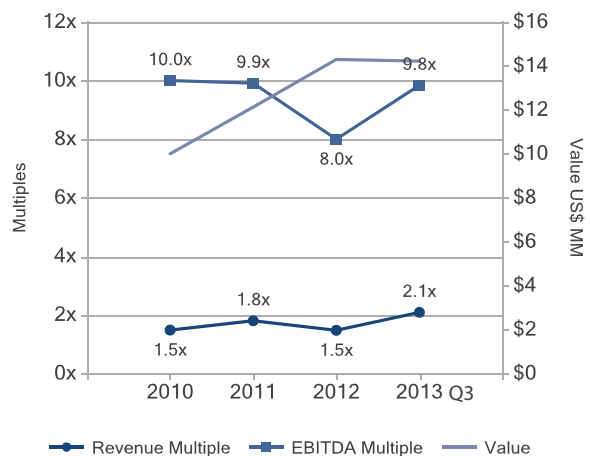


Figure 2. 2010-2013 median value, revenue, EBITDA comparison through Q3 2013.

#### Top Ten Notable Transactions - 1st 3 Quarters 2013

Deal Date	Target Name	Buyer	Value MM US\$
07/28/13	Omnicom Group Inc.	Publicis Groupe SA	\$20,461
07/26/13	Activision Blizzard	Activision Blizzard	\$8,200
06/19/13	Springer Science & Business Media	BC Partners	\$4,423
06/27/13	Astral Media Inc.	Bell Media	\$3,334
07/01/13	Local TV LLC	Tribune Company	\$2,710
06/13/13	Belo Corp.	Gannett Co., Inc.	\$2,171
02/18/13	Cerved Group SpA	CVC Capital Partners	\$1,491
06/10/13	R. L. Polk & Co	IHS, Inc.	\$1,400
05/20/13	Tumblr, Inc.	Yahoo! Inc.	\$1,100
07/29/13	8 Television Stations from Allbritton Communications Company	Sinclair Broadcast Group	\$985

2013 Aggregate Transaction Value \$72,936

Top 10 Aggregate Transaction Value \$46,276

Top 10 Aggregate Value as a Percentage of All Transactions **63 %**

Figure 3. Lists the top ten transactions for the 1st 3 Quarters of 2013, including the management buyout of Activision Blizzard, and calculates their aggregate transaction value as a percentage of the total aggregate transaction value.

Note: Transaction data based on announced date.

#### TOP TEN DEALS THROUGH Q3 2013

The top ten deals by value have seen four new additions since our half year report, including two in the Broadcasting segment: Tribune Company's acquisition of Local TV LLC and Sinclair Broadcast Group's acquisition of eight television stations from Allbritton Communications Company.

These four transactions, with an aggregate value of \$32.4 billion, represented 44 percent of transaction value in the 1st 3 Quarters of 2013 and 73 percent of Q3 2013 transaction value.

# BERKERY NOYES

INVESTMENT BANKERS

Founded in 1980, Berkery Noyes is a leading independent investment bank serving the information, software, marketing, 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 healthcare, financial services, education, and entertainment markets.

Berkery Noyes is unique among investment banking firms in that we combine independent strategic research and actionable intelligence with senior banking expertise.

Berkery Noyes Securities LLC assists middle market companies with raising growth capital in the debt and equity markets.

**CONTACT US TODAY FOR A CONFIDENTIAL DISCUSSION OF YOUR STRATEGIC OPTIONS**

**212-668-3022**

## MANAGING DIRECTORS

**JOHN GUZZO**

*FinTech Group*

**EVAN KLEIN**

*Media, Entertainment & Marketing Services*

**JONATHAN KRIEGER**

*Healthcare Group*

**THOMAS O'CONNOR**

*Healthcare Group*

**DICK O'DONNELL**

*Finance Group*

**PETER OGNIBENE**

*FinTech Group*

**JEFFREY SMITH**

*Healthcare Group*

**KATHLEEN THOMAS**

*Media & Marketing Services Group*

**PETER YOON**

*Education Group*

**MARY JO ZANDY**

*Media, Education, Software & Online*

## PARTNERS

**JOSEPH BERKERY**

*Chief Executive Officer*

**JOHN SHEA**

*Managing Partner*



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)

## RECENT MEDIA & MARKETING TRANSACTIONS



One Liberty Plaza | New York, New York 10006

[berkerynoyes.com](http://berkerynoyes.com) | 212.668.3022