

PRIVATE EQUITY INFORMATION INDUSTRY

Q3 2016 :: Mergers and Acquisitions Trend Report

Q3 2016 KEY HIGHLIGHTS

- Regarding specific Information Industry markets, two of the overall Healthcare vertical's top three largest deals in Q3 2016 were backed by financial sponsors.

Q3 2016 KEY TRENDS

- Total transaction volume in the 1st 3 Quarters of 2016 experienced a slight uptick over the 1st 3 Quarters of 2015, from 472 to 477.
- Total transaction value in the 1st 3 Quarters of 2016 decreased ten percent over the 1st 3 Quarters of 2015, from \$50 billion to \$45.1 billion.
- Sponsored deals represented 34 percent of total value in the overall Software horizontal during the 1st 3 Quarters of 2016, as opposed to 44 percent in the 1st 3 Quarters of 2015.
- The number of secondary buyouts year-to-date rose by ten percent compared to the same period in 2015, from 59 to 65.

MULTIPLES & VALUE TRENDS

- The median revenue multiple on a year-over-year basis improved from 2.1x to 2.4x.
- The median EBITDA multiple on a year-over-year basis remained nearly constant at 11.0x.

M&A Market Dynamics

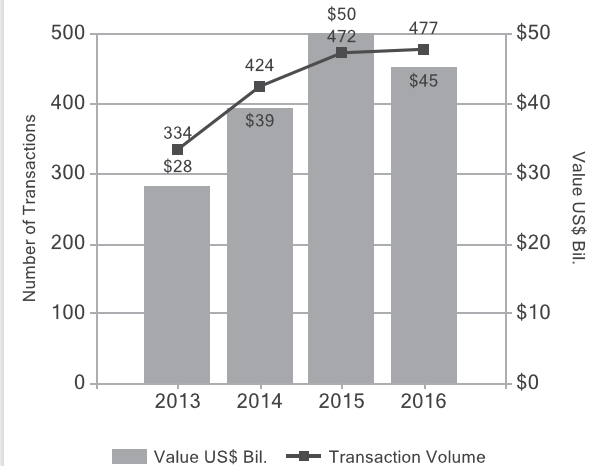


Figure 1. 1st 3 Quarters value and volume comparison from 2013 to 2016.

Median Enterprise Value Multiples

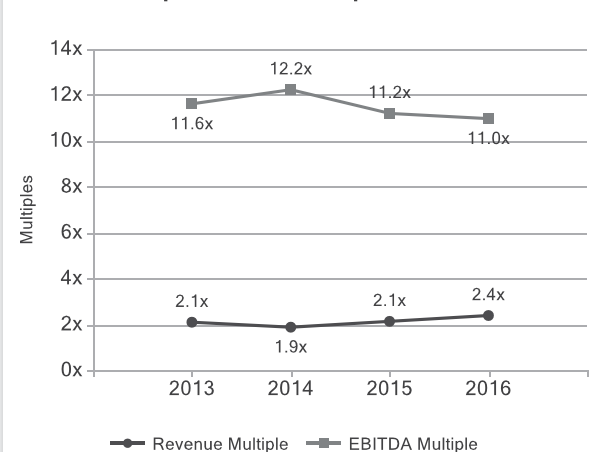


Figure 2. 1st 3 Quarters median revenue and EBITDA comparison from 2013 to 2016.

Top Ten Notable Transactions - 1st 3 Quarters 2016

Deal Date	Target Name	Buyer	Value MM US\$
07/30/16	Playtika Ltd.	Yunfeng Capital, Giant Interactive Group	\$4,400
07/11/16	Ultimate Fighting Championship	IMG Worldwide, Inc.	\$4,000
07/11/16	Thomson Reuters Intellectual Property & Science	Onex Corporation, Baring Private Equity Asia	\$3,550
07/05/16	Epicor Software Corporation	Kohlberg Kravis Roberts & Co.	\$3,300
06/02/16	Qlik Technologies, Inc.	Thoma Bravo, LLC	\$2,577
08/09/16	Press Ganey Associates, Inc.	EQT	\$2,350
05/31/16	Marketo, Inc	Vista Equity Partners	\$1,624
08/31/16	Interactive Intelligence Group, Inc.	Genesys	\$1,368
04/18/16	Cvent, Inc.	Vista Equity Partners	\$1,342
07/01/16	Trader Corporation	Thoma Bravo, LLC	\$1,216

2016 Aggregate Transaction Value \$45,085

Top 10 Aggregate Transaction Value \$25,727

Top 10 Aggregate Value as a Percentage of All Transactions 57 %

Figure 3. Lists the top ten transactions for the 1st 3 Quarters of 2016 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value. Transaction data based on **announced date**.

TOP TEN DEALS THROUGH Q3 2016

The top ten deals by value have seen seven new additions since our half year report, including four of the five largest year-to-date. The industry's highest value transaction without a Software component thus far in 2016 was IMG Worldwide's acquisition of Ultimate Fighting Championship, a professional mixed martial arts organization, for \$4 billion.

These seven transactions, with an aggregate value of \$20.3 billion, represented 45 percent of transaction value in the 1st 3 Quarters of 2016 and 81 percent of Q3 2016 transaction value.

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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. The information contained herein is of a general nature and is not intended to address the circumstances of any particular company, individual, or entity. There can be no guarantee that such information is accurate.

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

RECENT FINANCIALLY SPONSORED TRANSACTIONS

chalkable

HAS BEEN ACQUIRED BY

PowerSchool

A PORTFOLIO COMPANY OF

Vista Equity Partners

CONNEXIONPOINT

HAS RECEIVED A GROWTH EQUITY INVESTMENT FROM

VSS

HOLIDAY HOUSE

HAS BEEN ACQUIRED BY

TRUSTBRIDGE
挚信资本

Securities Training Corporation

HAS BEEN ACQUIRED BY

Colibri

A PORTFOLIO COMPANY OF

QUAD-C

Learn It

A PORTFOLIO COMPANY OF

MILESTONE PARTNERS

HAS BEEN ACQUIRED BY

LLR partners

ie.

HAS BEEN ACQUIRED BY

ARGYLE EXECUTIVE FORUM

A PORTFOLIO COMPANY OF

WICKS

HW
HOUSINGWIRE

HAS BEEN ACQUIRED BY

RIOMAR CAPITAL

m2s

A PORTFOLIO COMPANY OF

ALTARIS

HAS BEEN ACQUIRED BY

Medstreaming
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EPIC

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