

PRIVATE EQUITY INFORMATION INDUSTRY

Q3 2018 :: Mergers and Acquisitions Trend Report

Q3 2018 KEY HIGHLIGHTS

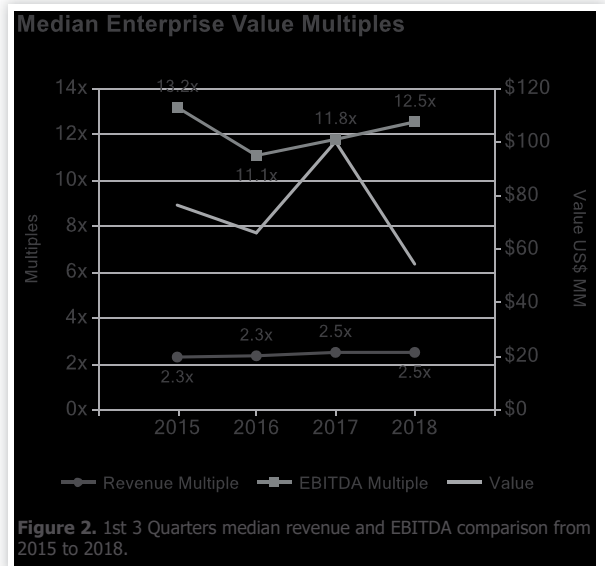
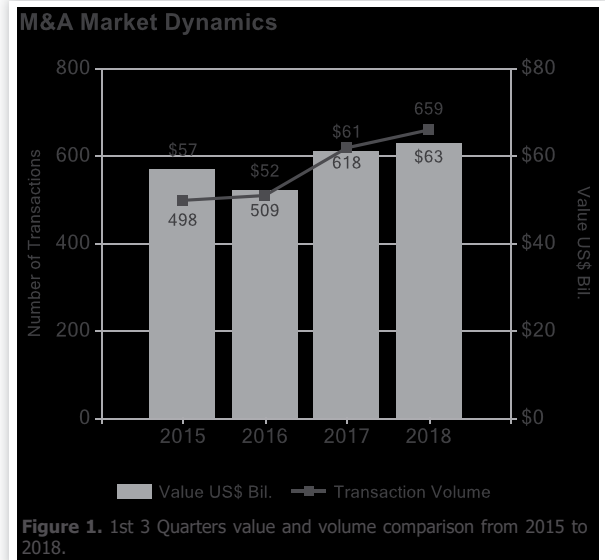
- The largest transaction in Q3 2018 was the announced acquisition of Dun & Bradstreet by an investment consortium that includes Thomas H. Lee Partners and CC Capital, for \$6.7 billion. Dun & Bradstreet provides commercial data, analytics, and insights for businesses.
- In the Healthcare vertical, the most active acquirer through the 1st 3 Quarters of 2018, either directly or through an affiliated business, was Arsenal Capital Partners with eight transactions. Three of these deals occurred in Q3 2018: Pirana Software, KMR Group, and Metrics Champion Consortium.

Q3 2018 KEY TRENDS

- Total transaction volume in the 1st 3 Quarters of 2018 increased by seven percent over the 1st 3 Quarters of 2017, from 618 to 659.
- Total transaction value in the 1st 3 Quarters of 2018 rose by three percent over the 1st 3 Quarters of 2017, from \$61.1 billion to \$62.3 billion.

MULTIPLES & VALUE TRENDS

- The median revenue multiple on a year-over-year basis remained constant at 2.5x.
- The median EBITDA multiple on a year-over-year basis moved upward slightly from 11.8x to 12.5x.



Top Ten Notable Transactions - 1st 3 Quarters 2018

| Deal Date | Target Name | Buyer | Value MM US\$ |
|------------------------------------------------------------|----------------------------------------------|-----------------------------------------------------------|---------------|
| 01/31/18 | Thomson Reuters Financial & Risk | Blackstone Group LP | \$11,000 |
| 05/29/18 | BMC Software, Inc. | Kohlberg Kravis Roberts & Co. | \$8,500 |
| 08/08/18 | Dun & Bradstreet | Thomas H. Lee Partners, L.P., Cannae Holdings, CC Capital | \$6,655 |
| 05/11/18 | ZPG Plc | SilverLake | \$3,338 |
| 04/24/18 | Mitel Networks Corporation | Searchlight Capital Partners | \$2,001 |
| 06/21/18 | Web.com, Inc. | Siris Capital Group | \$1,821 |
| 04/12/18 | Dangdang | Tianhai Investment | \$1,200 |
| 09/07/18 | Episerver AB | Insight Venture Partners | \$1,160 |
| 04/02/18 | Value-Based Care Division from GE Healthcare | Veritas Capital Partners | \$1,050 |
| 03/06/18 | CommerceHub | GTCR, LLC, Sycamore Partners | \$989 |
| 2018 Aggregate Transaction Value | | | \$62,779 |
| Top 10 Aggregate Transaction Value | | | \$37,714 |
| Top 10 Aggregate Value as a Percentage of All Transactions | | | 60 % |

Figure 3. Lists the top ten transactions for the 1st 3 Quarters of 2018 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 2018

The top ten deals by value have seen two new additions since our half year report. In addition the previously mentioned acquisition of Dun & Bradstreet, Insight Venture Partners announced its acquisition of Episerver, a web content management, digital commerce, and digital marketing solutions company, for \$1.2 billion.

These two transactions, with an aggregate value of \$7.9 billion, represented 13 percent of transaction value in the 1st 3 Quarters of 2018 and 46 percent of Q3 2018 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.

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