



MEDIA & MARKETING INDUSTRY

Q3 2019 :: Mergers and Acquisitions Trend Report

Q3 2019 KEY HIGHLIGHTS

- Three of the industry's top five largest transactions year-to-date occurred in Q3 2019: Thomson Reuters and Blackstone's sale of Refinitiv, a financial data analytics provider, to the London Stock Exchange for \$27 billion; Viacom's merger with CBS Corporation for \$19.9 billion, and Hasbro's announced acquisition of Entertainment One, an independent studio, for \$4 billion.
- There were 195 financially sponsored transactions in the 1st 3 Quarters of 2019 with an aggregate value of \$10.4 billion, representing 16 percent of the total volume and 15 percent of the total value, respectively.

Q3 2019 KEY TRENDS

- Total transaction volume in Q3 2019 saw a four percent uptick over Q2 2019, from 391 to 408.
- Total transaction value in Q3 2019 more than doubled over Q2 2019, from \$29.8 billion to \$69.1 billion.

MULTIPLES & VALUE TRENDS

- The median revenue multiple from 2018 through the 1st 3 Quarters of 2019 improved by 15 percent, from 2.0x to 2.3x.
- The median EBITDA multiple from 2018 through the 1st 3 Quarters of 2019 declined by 23 percent, from 10.7x to 8.2x. This followed a ten percent rise from 2017 to 2018.

Top Ten Notable Transactions - 1st 3 Quarters 2019

Deal Date	Target Name	Buyer	Value MM US\$
07/27/19	Refinitiv	London Stock Exchange Group plc	\$27,000
08/14/19	Viacom Inc.	CBS Corporation	\$19,932
05/03/19	21 Regional Sports Channels from Fox Sports Networks	Sinclair Broadcast Group	\$10,600
04/14/19	Epsilon	Publicis Groupe SA	\$4,400
08/23/19	Entertainment One Ltd	Hasbro, Inc.	\$4,001
07/12/19	The Kantar Group	Bain Capital	\$2,412
03/06/19	Bigo Technology Pte LTD	YY Inc.	\$1,453
08/05/19	Gannett Co., Inc.	New Media Investment Group	\$1,400
03/31/19	TRANZACT	Willis Towers Watson	\$1,200
06/11/19	Press Ganey Associates, Inc.	Leonard Green & Partners, L.P., Ares Management, L.P.	N/A
2019 Aggregate Transaction Value			\$109,773
Top 9 Aggregate Transaction Value			\$72,397
Top 9 Aggregate Value as a Percentage of All Transactions			66 %

Figure 3. Lists the top ten transactions for the 1st 3 Quarters of 2019 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value.

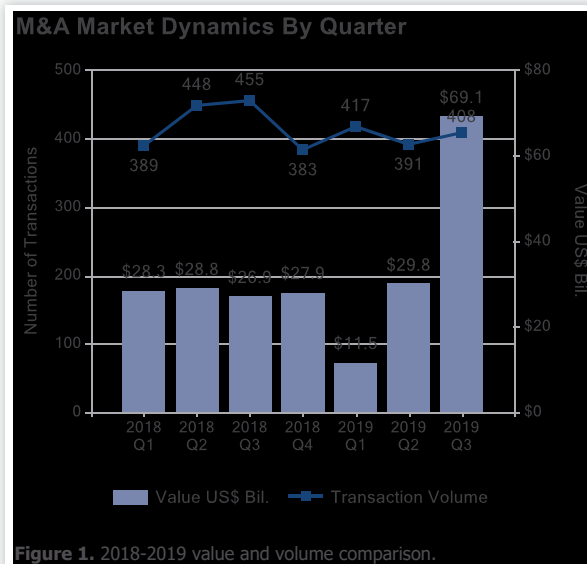


Figure 1. 2018-2019 value and volume comparison.

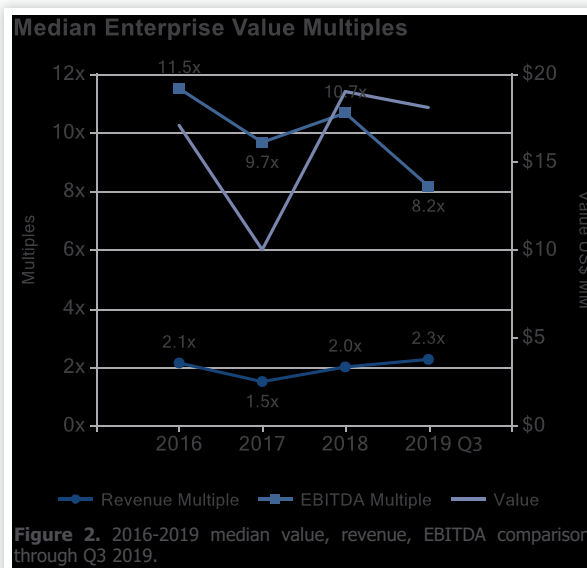


Figure 2. 2016-2019 median value, revenue, EBITDA comparison through Q3 2019.

TOP TEN DEALS THROUGH Q3 2019

The top ten deals by value have seen five new additions since our half year report. One of these transactions took place in the Marketing segment: Bain Capital's acquisition of a majority stake in The Kantar Group, a market research company, for \$2.4 billion. WPP will maintain a 40% stake in Kantar.

These five transactions, with an aggregate value of \$54.7 billion, represented 50 percent of transaction value in the 1st 3 Quarters of 2019 and 79 percent of Q3 2019 transaction value.

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