



PRIVATE EQUITY INFORMATION INDUSTRY

Financially Sponsored Transactions within the Information Industry

1ST HALF 2021 :: Mergers and Acquisitions Trend Report

1ST HALF 2021 KEY HIGHLIGHTS

- Thomas Bravo was responsible for three of the industry's top ten highest value deals year-to-date.
- Along these lines Thoma Bravo announced its acquisition of Proofpoint, a cybersecurity company that offers email and advanced threat protection, for \$12.3 billion; Talend, a data integration and integrity company, for \$2.5 billion; and QAD, which provides cloud-based enterprise manufacturing and supply chain solutions, for \$1.76 billion.

1ST HALF 2021 KEY TRENDS

- Total transaction volume in 1st Half 2021 increased by 14 percent over 2nd Half 2020, from 490 to 559.
- Total transaction value in 1st Half 2021 improved by 28 percent over 2nd Half 2020, from \$62.83 billion to \$80.46 billion.
- 1st Half 2021 was the peak for both volume and value during the last 30 months.
- The median revenue multiple from 2nd Half 2020 to 1st Half 2021 remained constant at 4.0x. The median EBITDA multiple moved downward from 18.4x in 2nd Half 2020 to 15.2x in 1st Half 2021, which was in line with its 1st Half 2020 level.

M&A MARKET OVERVIEW

Berkery Noyes tracked 2,446 private equity transactions between 2019 and 1st Half 2021, of which 260 disclosed financial terms, and calculated the aggregate transaction value to be \$190.41 billion. Based on known transaction values, we project values of 2,186 undisclosed transactions to be \$78.19 billion, totaling \$268.60 billion worth of transactions tracked over the past two and a half years.

Transactions from 1st Half 2019 to 1st Half 2021 with enterprise values in the \$10-\$20 million range had a median revenue multiple of 2.7x, whereas those above \$160 million garnered a median revenue multiple of 4.9x.

Disclosed median revenue multiple for all segments combined in this report in the last 30 months were 3.5x revenue and 15.2x EBITDA.

M&A Market Dynamics By Half Year

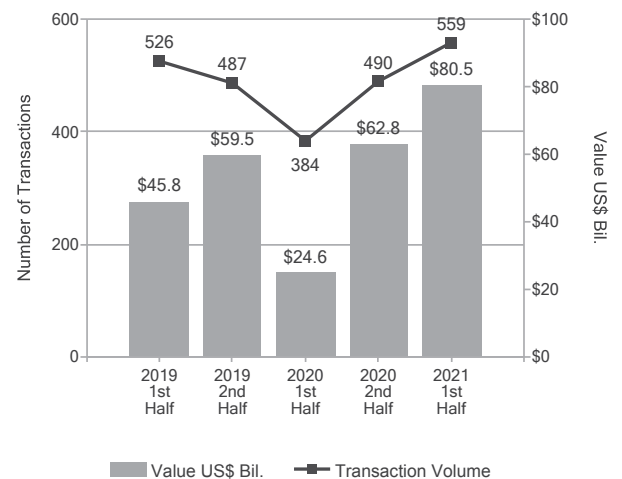


Figure 1. 2019-2021 value and volume comparison.

Median Enterprise Value Multiples By Half Year

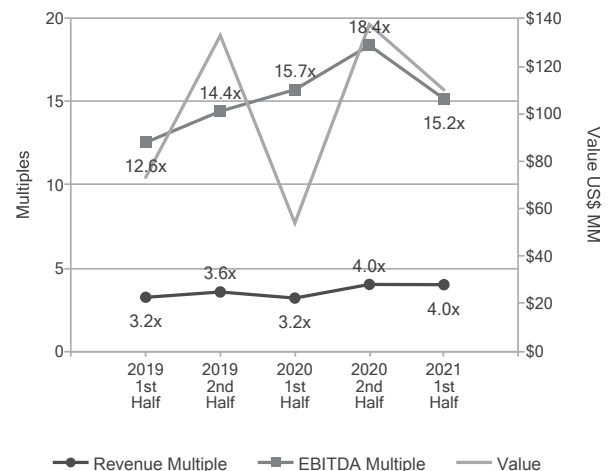


Figure 2. 2019-2021 median: value, revenue, EBITDA comparison.

Transaction Analysis :: January 1, 2021 – June 30, 2021

Bell Curve - Histogram - 1st Half

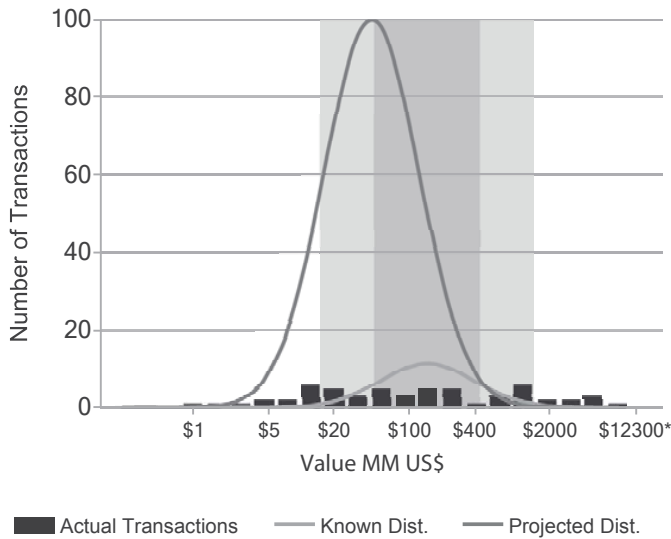


Figure 3. Shows the distribution of private equity transactions in the Information Industry based on publicly available information and Berkery Noyes estimates. Using a logarithmic scale, we determined that nearly one-third of companies purchased had transaction values of \$33.1 million to \$244.7 million. Based on this data, we estimate the total transaction value of deals done in 1st Half 2021 at \$80.5 billion.

* Indicates largest transaction in the industry from Jan. 1, 2021 to June 30, 2021.

Distribution Table

Value in MM US\$	Known Number	Projected Number	Total Number	%	Cumulative %
\$0.2	0	0	0	0 %	0 %
\$0.4	0	0	0	0 %	0 %
\$0.6	0	0	0	0 %	0 %
\$1.0	1	0	1	2 %	2 %
\$1.6	1	0	1	2 %	4 %
\$2.7	1	2	3	2 %	5 %
\$4.5	2	7	9	4 %	9 %
\$7.4	2	20	22	4 %	12 %
\$12.2	6	43	49	11 %	23 %
\$20.1	5	73	78	9 %	32 %
\$33.1	3	96	99	5 %	37 %
\$54.6	5	98	103	9 %	46 %
\$90.0	3	78	80	5 %	51 %
\$148.4	5	48	53	9 %	60 %
\$244.7	5	23	28	9 %	68 %
\$403.4	1	9	9	2 %	70 %
\$665.1	3	3	5	5 %	75 %
\$1,096.6	6	1	6	11 %	86 %
\$1,808.0	2	0	2	4 %	89 %
\$2,981.0	2	0	2	4 %	93 %
\$4,914.8	3	0	3	5 %	98 %
\$8,103.1	1	0	1	2 %	100 %
Total #	57	502	559		
Total \$ Value	\$58,190	\$22,267	\$80,458		
Middle 3rd of Industry		Middle 2/3rds of Industry			

Figure 4. Presents the data depicted in the bell curve histogram.

M&A Dynamics by Acquirer Type :: January 1, 2021 – June 30, 2021

M&A Dynamics by Transaction Type and Industry

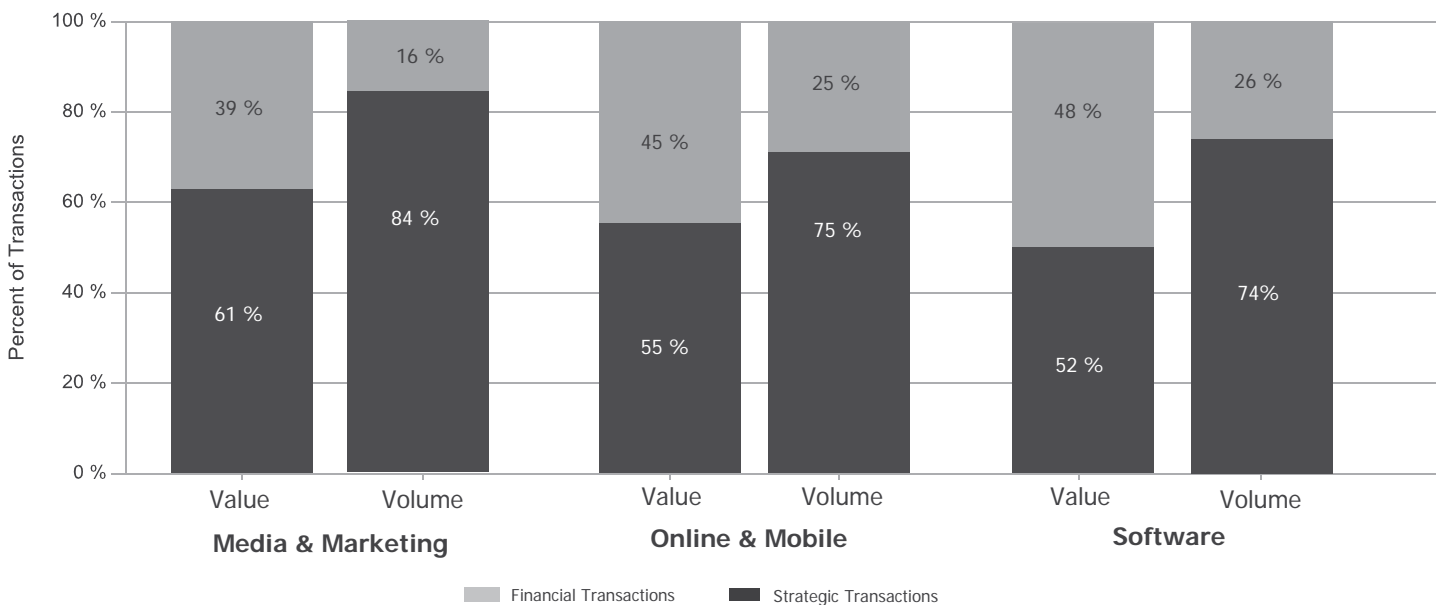


Figure 5. Presents the transaction volume by target segment for private equity transactions in the Information Industry. **Note:** Financially sponsored transactions include private equity backed strategic acquisitions.

Purchaser Analysis

Top Ten Notable Transactions - 1st Half 2021

Deal Date	Target Name	Buyer	Value MM US\$
04/26/21	Proofpoint, Inc.	Thoma Bravo, LLC	\$12,300
06/16/21	McGraw-Hill	Platinum Equity, LLC	\$6,388
06/02/21	Cloudera, Inc	Kohlberg Kravis Roberts, Clayton, Dubilier & Rice	\$5,300
05/03/21	Verizon Media	Apollo Global Management	\$5,000
04/21/21	Grupo Televisa, S.A.	Univision Communications Inc.	\$4,800
05/05/21	Boomi	TPG Capital, Francisco Partners	\$4,000
03/11/21	Talend	Thoma Bravo, LLC	\$2,498
03/24/21	Unit4	TA Associates, Partners Group Holding AG	\$2,000
06/02/21	Stack Overflow, LLC	Prosus N.V.	\$1,800
06/29/21	QAD Inc.	Thoma Bravo, LLC	\$1,756
2021 Aggregate Transaction Value			\$80,458
Top 10 Aggregate Transaction Value			\$45,841
Top 10 Aggregate Value as a Percentage of All Transactions			57 %

Figure 6. Lists the top ten transactions for 1st Half 2021 and calculates their aggregate transaction value as a percentage of the total aggregate transaction value as shown in Figures 1 & 4.

Median EV/Revenue Multiples By Size

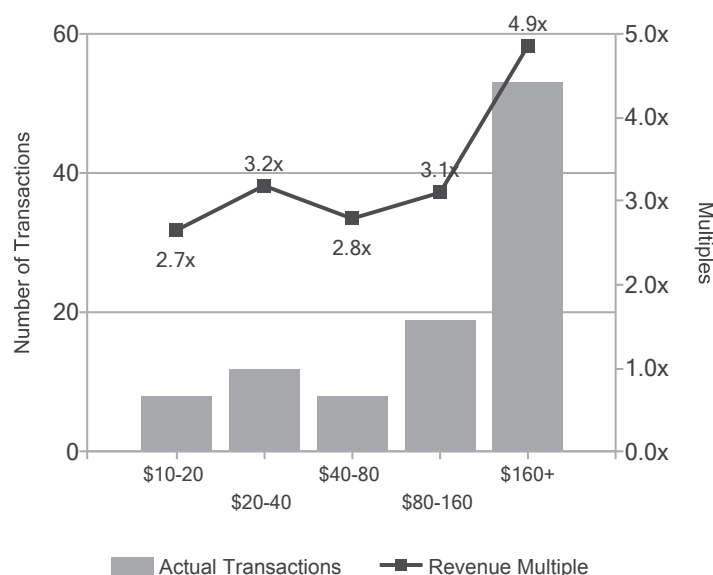


Figure 7. Presents the median enterprise value/revenue multiples paid for private equity transactions in the Information Industry from January 1, 2019 to June 30, 2021 based on publicly available data.

Transactions Involving an Online Component

Transaction Percentages of Online Targets

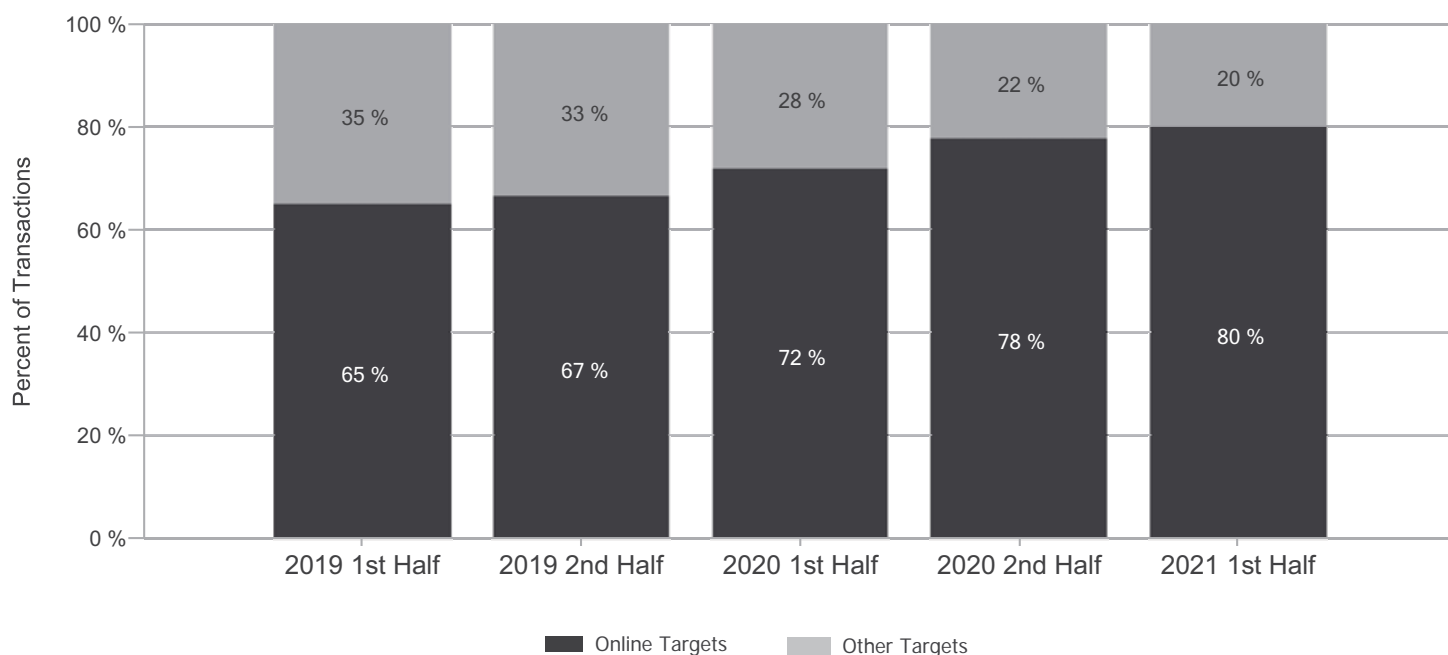


Figure 8. Percentage of total private equity transactions in the Information Industry where the target company conducts the majority of their business online. The total percentages are measured by half year from January 1, 2019 to June 30, 2021.

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