

## INFORMATION INDUSTRY :: *The Production and Provision of Content*

### Q1 2017 :: Mergers and Acquisitions Trend Report

Transaction volume increased seven percent over the past three months, from 1,041 to 1,116. Overall value fell 64 percent, from \$189.5 billion to \$67.3 billion. The median revenue multiple decreased from 2.3x to 1.9x, while the median EBITDA multiple improved from 11.5x to 13.3x. Disclosed median enterprise value multiples throughout the last five quarters were 2.1x revenue and 11.7x EBITDA.

M&A activity throughout the past five quarters reached its peak in Q2 2016, whereas value reached its zenith in Q4 2016. Of note, six of the Information Industry's top ten largest acquisitions last year occurred during Q4 2016. These six transactions when combined accounted for slightly more than one-third of total industry value for all of 2016. In addition, aggregate value rose ten percent on a year-over-year basis. The top ten largest transactions represented 53 percent of the industry's total value in Q1 2017, compared to 79 percent in Q4 2016.

Regarding the industry's three broad-based horizontal markets, Software volume increased 16 percent in Q1 2017. The Niche segment, which is targeted to specific vertical markets, and the Infrastructure segment were each responsible for four of the horizontal's top ten highest value deals during the quarter. Deal activity in the Niche segment increased 14 percent, from 237 to 271. Transaction volume in the Infrastructure segment underwent a 27 percent increase, from 71 to 90.

In the Online & Mobile horizontal, volume saw a seven percent quarterly gain. The number of deals in the mobile application subsector increased ten percent, with a total of 116 acquisitions year-to-date.

As for the Media & Marketing horizontal, volume experienced a two percent uptick in Q1 2017. Deal flow in the B2B Publishing and Information segment improved 33 percent on a quarterly basis, from 39 to 52, making it the sector with the horizontal's largest rise in volume.

#### M&A Market Dynamics By Quarter

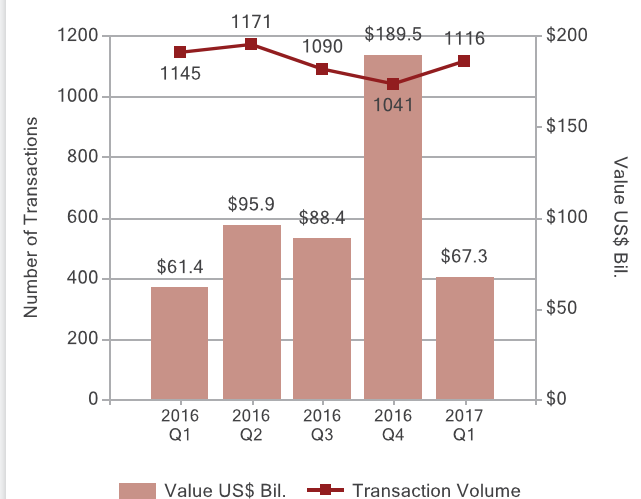


Figure 1. 2016-2017 value and volume comparison by quarter.

#### Median Enterprise Value Multiples By Quarter

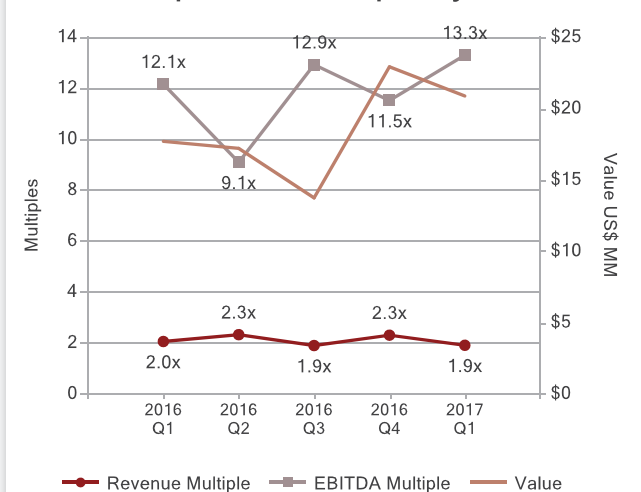


Figure 2. 2016-2017 median value, revenue, EBITDA comparison.

#### Top Ten Notable Transactions Q1 2017

Deal Date	Target Name	Buyer	Value MM US\$
03/13/17	Mobileye	Intel Corporation	\$14,700
02/10/17	Technology-Enabled Benefits & HR Platform from Aon plc	Blackstone Group LP	\$4,300
01/25/17	AppDynamics	Cisco Systems, Inc.	\$3,593
03/15/17	Davis + Henderson Corporation	Misys plc	\$3,564
01/05/17	CEB Global	Gartner, Inc.	\$3,301
01/30/17	Ixia	Keysight Technologies	\$1,622
02/02/17	CBS Radio, Inc.	Entercom Communications Corporation	\$1,485
01/03/17	LANDesk Software	HEAT Software	\$1,100
01/04/17	SESAC, Inc.	Blackstone Group LP	\$1,000
01/25/17	Outfit7	United Luck Consortium	\$1,000

2017 Aggregate Transaction Value \$67,279

Top 10 Aggregate Transaction Value \$35,665

Top 10 Aggregate Value as a Percentage of All Transactions 53 %

Figure 3. Lists the top ten transactions for Q1 2017 and calculates their value as a percentage of the aggregate transaction value as shown in Figure 1.

Note: Transaction data based on announced date. Deal value represents total consideration paid by the acquirer.

#### Coverage Overview

The Information report features acquisitions in the horizontal Media & Marketing, Software, and Online & Mobile Industries.

It covers vertical markets including, but not limited to, the following segments: Business & Compliance; Construction & Real Estate; Distribution, Retail & Wholesale; Education; Energy; Financial Services & Accounting; Health & Pharmaceuticals; Law & Government; Lifestyle & Entertainment; Manufacturing; Marketing & Advertising; News Media; Science & Technology; Transportation; and Travel & Hospitality.

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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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## RECENT INFORMATION INDUSTRY TRANSACTIONS



One Liberty Plaza | New York, New York 10006

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