



INFORMATION INDUSTRY

Q3 2013 :: Mergers and Acquisitions Trend Report

Q3 2013 KEY HIGHLIGHTS

- Publicis Groupe SA's announced merger with Omnicom Group Inc. was the largest transaction both in Q3 2013 and year-to-date, with an acquisition price of \$20.5 billion. This number represents the value of the new stock distributed to Omnicom's shareholders and Omnicom's net debt assumed by the new company. The combined equity market capitalization of the transaction was \$35.1 billion.
- There were 333 financially sponsored transactions in the 1st 3 Quarters of 2013 with an aggregate value of 31.6 billion, representing 13 percent of the total volume and 23 percent of the total value, respectively.

Q3 2013 KEY TRENDS

- Total transaction volume in Q3 2013 increased by six percent over Q2 2013, from 877 to 930.
- Due to the Publicis-Omnicom merger, total value in Q3 2013 rose by 41 percent over Q2 2013, from \$50.6 billion to \$71.2 billion.

MULTIPLES & VALUE TRENDS

- The median revenue multiple from 2012 through the 1st 3 Quarters of 2013 experienced an uptick, from 1.9x to 2.1x.
- The median EBITDA multiple from 2012 through the 1st 3 Quarters of 2013 moved slightly, from 9.9x to 10.2x.

Top Ten Notable Transactions - 1st 3 Quarters 2013

Deal Date	Target Name	Buyer	Value MM US\$
07/28/13	Omnicom Group Inc.	Publicis Groupe SA	\$20,461
07/26/13	Activision Blizzard	Activision Blizzard	\$8,200
05/06/13	BMC Software, Inc.	Bain Capital, Golden Gate Capital, GIC, Insight Venture Partners	\$6,814
08/01/13	Invensys Inc.	Schneider Electric SA	\$4,617
06/19/13	Springer Science & Business Media	BC Partners	\$4,423
05/28/13	Lender Processing Services	Fidelity National Financial	\$3,831
06/27/13	Astral Media Inc.	Bell Media	\$3,334
07/01/13	Local TV LLC	Tribune Company	\$2,710
07/23/13	Sourcefire, Inc.	Cisco Systems, Inc.	\$2,700
06/03/13	ExactTarget	Salesforce.com, Inc.	\$2,250

2013 Aggregate Transaction Value \$139,103

Top 10 Aggregate Transaction Value \$59,340

Top 10 Aggregate Value as a Percentage of All Transactions 43 %

Figure 3. Lists the top ten transactions for the 1st 3 Quarters of 2013, including the management buyout of Activision Blizzard, and calculates their aggregate transaction value as a percentage of the total aggregate transaction value.

Note: Transaction data based on announced date.

M&A Market Dynamics By Quarter

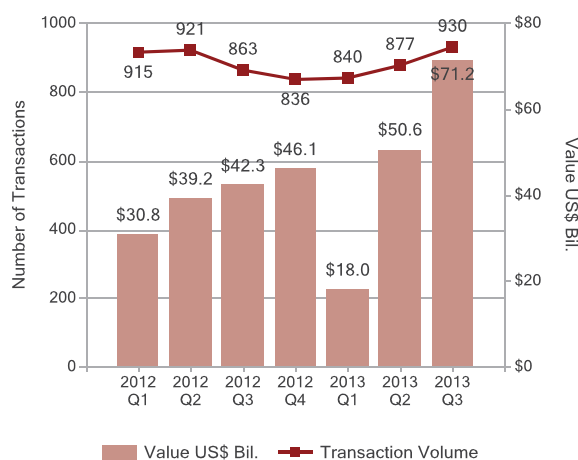


Figure 1. 2012-2013 value and volume comparison.

Median Enterprise Value Multiples

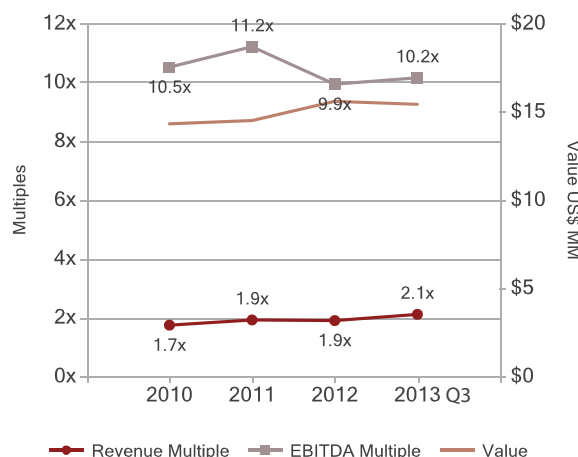


Figure 2. 2010-2013 median value, revenue, EBITDA comparison through Q3 2013.

TOP TEN DEALS THROUGH Q3 2013

The top ten deals by value have seen five new additions since our half year report, including three in the horizontal software market: the announced management buyout of Activision Blizzard, Schneider Electric SA's acquisition of Invensys Inc., and Cisco Systems, Inc.'s acquisition of Sourcefire, Inc.

These five transactions, with an aggregate value of \$38.9 billion, represented 28 percent of transaction value in the 1st 3 Quarters of 2013 and 55 percent of Q3 2013 transaction value in the Information Industry.

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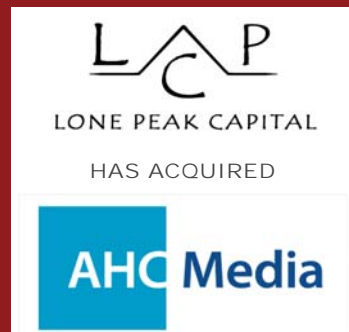
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All charts in this report are based on data gathered by Berkery Noyes' research department. All time period statistics are based on the transaction announcement date.

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