

Media & Marketing Services M&A Market Q4 2015

Total global deal value
\$49.9
billion

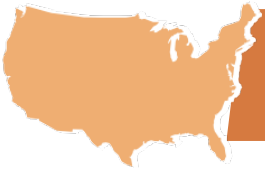


Total **global** media & marketing services deal value in Q4'15 was \$49.9 billion, down by 51% as compared to \$102.0 billion observed in Q3'15

U.S. deal value
\$30.3
billion



U.S. media & marketing services deal value for the quarter fell to \$30.3 billion, as compared to \$89.8 billion during the previous quarter



U.S. share of Global M&A volume

Q4'15	Q4'14
37.7%	43.7%

The U.S. accounted for 37.7% share of global M&A volume in Q4'15, down from 43.7% of the same quarter of 2014, and also less than the 40.2% recorded in the previous quarter

Sector Performance



Data & Information Services – Diversified



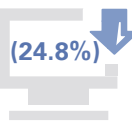
This sub-sector grew by 5.6% in 2015



Trading at an average of **12.4x NTM (next twelve months) EBITDA** as of the end of 2015



Internet & Digital Media – Advertising & Marketing



The sub-sector fell significantly by 24.8% in 2015

Trading at an average of **12.6x NTM EBITDA** as of the end of 2015

12.6x NTM EBITDA



Data & Information Services – Financial and Market Data & Media



Performance of this sub-sector rose by a meager 2.0% over 2015

2.0% ↑

Trading at an average of **11.7x NTM EBITDA** as of the end of 2015

11.7x NTM EBITDA



Internet & Digital Media – Content Delivery & Management

The prices in this sub-sector increased by 6.1% in 2015

6.1%



Valued at an average of **9.9x NTM EBITDA** as of the end of 2015



E-commerce



This sub-sector showed an increase of 24.0% in 2015

24.0% ↑

Valued at an average of **15.4x NTM EBITDA** as of the end of 2015



Diversified Media



The sub-sector fell by 16.5% in 2015

(16.5%) ↓

Trading at an average of **9.1x NTM EBITDA** as of the end of 2015



Internet & Digital Media – Content & Services

The sub-sector showed an uplift of 13.5% in the last year

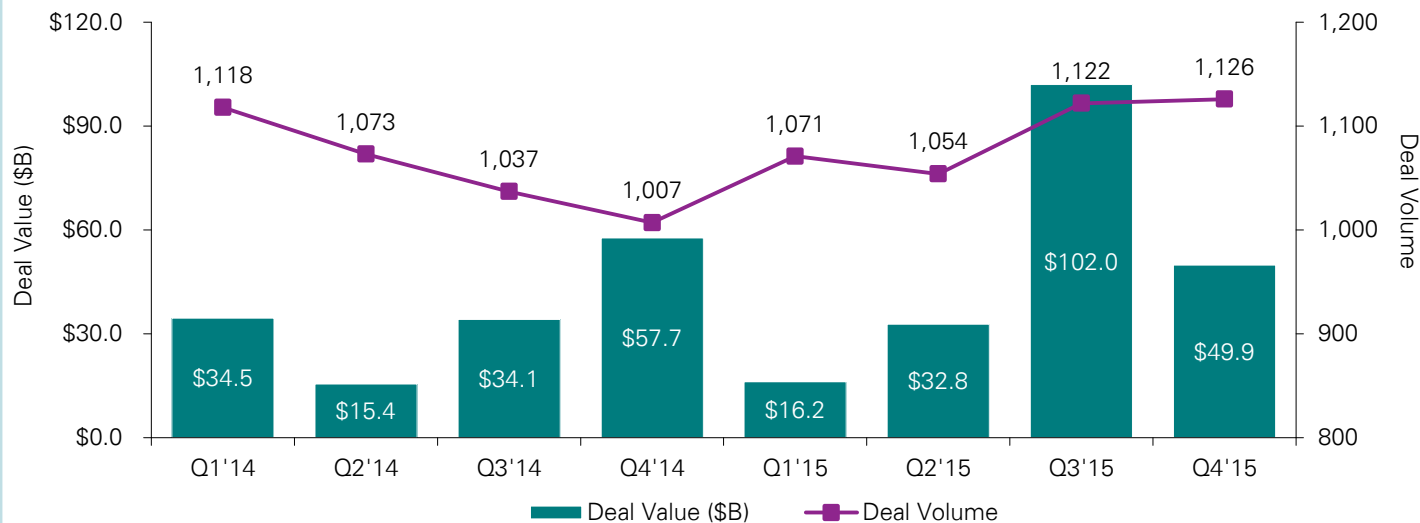
↑ 13.5%

Trading at an average of **16.0x NTM EBITDA** as of the end of 2015

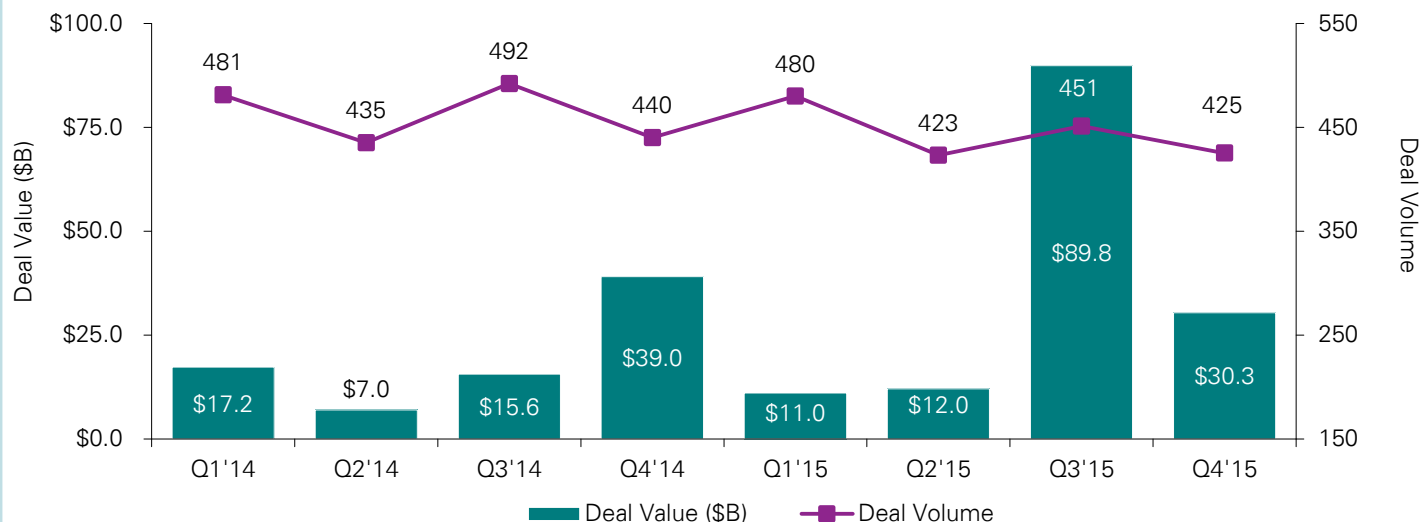
Source: Capital IQ.

Notes: M&A analysis based on deals closed during the respective periods of Q4 2015 vs. Q3 2015. Deal value represents aggregate deal value for disclosed transactions only. The sub-sector performances are based on internally originated lists of public companies viewed as representative of the sub-sectors. The list of public companies selected in each sub-sector can be found on pages 4-6.

Global Media & Marketing Services M&A Trend: Q1'14 – Q4'15



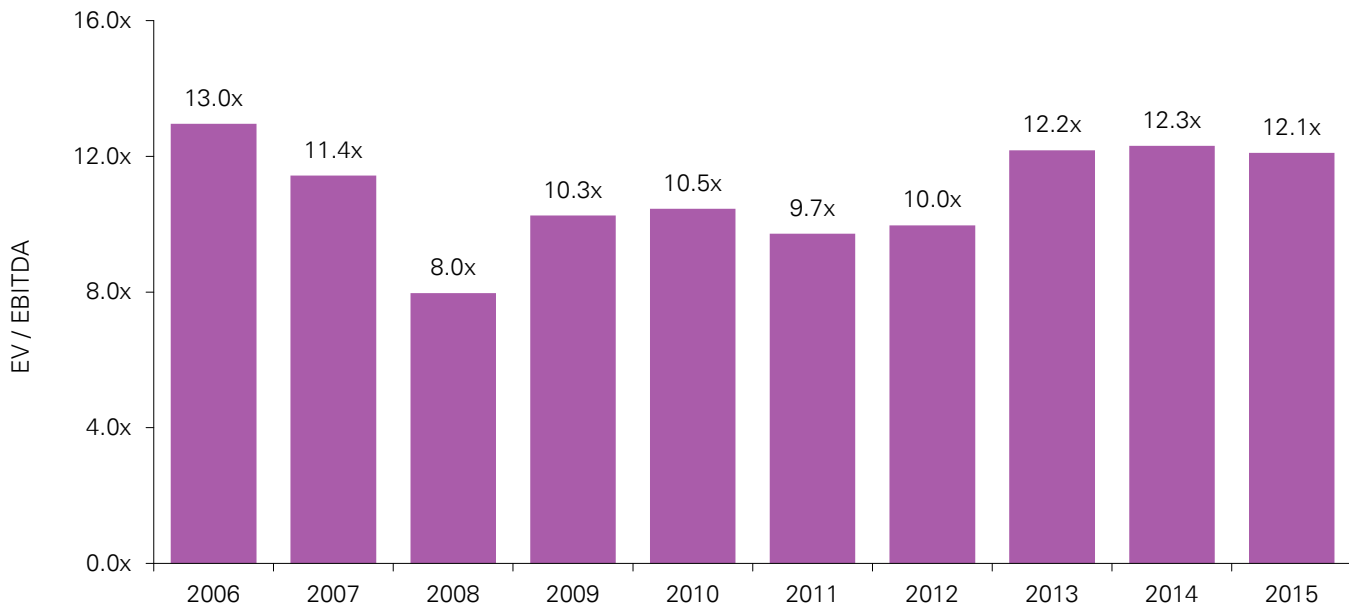
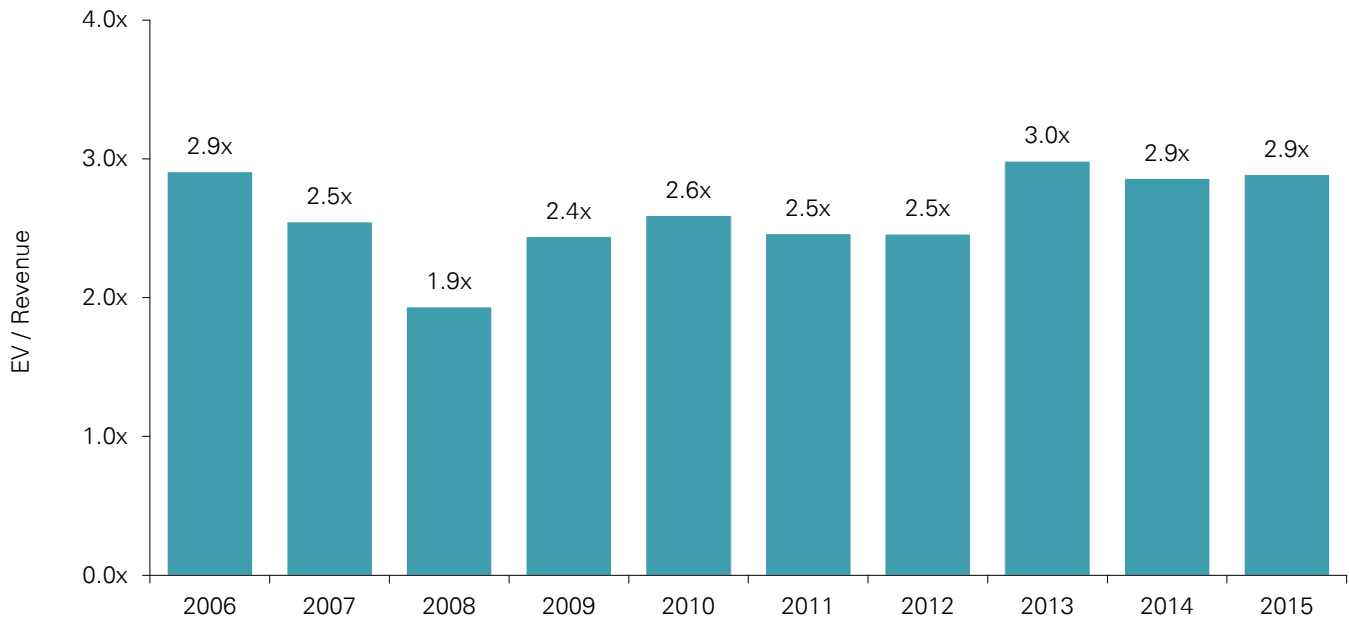
U.S. Media & Marketing Services M&A Trend: Q1'14 – Q4'15



Source: Capital IQ.

Notes: M&A analysis based on deals closed during the respective periods. Deal value represents aggregate deal value for disclosed transactions for the time periods noted on the above graphs.

Global NTM Valuation Multiples Trend: 2006 – 2015



Source: Capital IQ

Note: The Media & Marketing Services valuation trend is based on an internally originated list of public companies viewed as representative of the sector. The list of public companies selected in each sub-sector can be found on pages 4-6. Graphs depict enterprise value as multiple of Revenue and EBITDA, respectively.

Media & Marketing Services Performance Summary by Sub-sector (\$MM, except per share data)

Company	Market Cap ^{(1), (2)}	Share Price ⁽²⁾	% of 52-Wk High ⁽³⁾	Enterprise Value ⁽⁴⁾	Last Twelve Months (LTM)				EV/NTM Revenue ⁽⁶⁾	EV/NTM EBITDA ⁽⁷⁾
					Revenue	Rev Growth	EBITDA ⁽⁵⁾	EBITDA Margin		
Data & Information Services – Diversified										
Axiom Corporation	1,629.1	20.92	89.3%	1,643.7	1,046.3	20.6%	169.7	16.2%	1.9x	12.5x
Alliance Data Systems Corporation	16,908.9	276.57	88.6%	32,918.9	6,439.7	21.4%	1,599.9	24.8%	4.5x	15.3x
Equifax Inc.	13,194.6	111.37	97.3%	14,296.5	2,663.6	9.3%	901.4	33.8%	5.2x	14.6x
Experian plc	17,039.7	17.71	95.0%	20,379.7	4,656.0	(4.8%)	1,486.0	31.9%	4.4x	12.7x
Fair Isaac Corporation	2,926.7	94.18	96.5%	3,455.0	849.3	6.9%	194.9	23.0%	4.0x	15.1x
IHS Inc.	8,074.4	118.43	87.6%	9,914.0	2,184.3	5.0%	568.7	26.0%	4.2x	13.0x
Informa plc	5,859.7	9.04	96.8%	7,180.5	1,787.6	6.6%	550.7	30.8%	3.9x	12.4x
NeuStar, Inc.	1,284.5	23.97	73.4%	2,290.8	1,050.0	9.0%	409.9	39.0%	1.5x	NM
Teradata Corporation	3,513.9	26.42	56.2%	3,454.9	2,530.0	(7.4%)	459.0	18.1%	1.4x	5.5x
Thomson Reuters Corporation	29,008.0	37.77	93.7%	36,290.0	12,209.0	(3.2%)	2,647.0	21.7%	3.0x	10.2x
UBM plc	3,436.5	7.76	90.0%	4,264.1	1,323.0	10.2%	306.7	23.2%	3.1x	11.6x
Verisk Analytics, Inc.	13,025.7	76.88	93.8%	16,051.6	1,972.3	16.1%	922.1	46.8%	7.0x	15.0x
Wolters Kluwer NV	9,813.3	33.63	92.3%	12,106.8	4,409.9	11.9%	1,099.4	24.9%	2.6x	10.4x
Data & Information Services – Diversified Mean			88.5%			7.8%		27.7%	3.6x	12.4x
Data & Information Services – Diversified Median			92.3%			9.0%		24.9%	3.9x	12.6x
Data & Information Services – Financial and Market Data & Media										
CoreLogic, Inc.	2,984.7	33.86	80.0%	4,209.8	1,482.7	6.8%	336.0	22.7%	2.7x	9.8x
CEB Inc.	2,031.5	61.39	67.0%	2,479.6	928.4	2.1%	222.6	24.0%	2.5x	9.8x
CoStar Group Inc.	6,715.2	206.69	92.5%	6,709.6	674.9	26.0%	79.2	11.7%	NM	NM
Dun & Bradstreet Corp.	3,755.3	103.93	75.7%	5,221.3	1,637.1	(2.7%)	378.6	23.1%	3.0x	10.2x
FactSet Research Systems Inc.	6,730.4	162.57	91.7%	6,827.1	1,034.6	10.1%	371.2	35.9%	5.8x	16.4x
Fidelity National Information Services, Inc.	19,779.4	60.60	82.3%	30,604.9	6,595.2	2.8%	1,984.6	30.1%	2.9x	9.4x
Forrester Research Inc.	505.3	28.48	71.4%	401.1	313.7	0.5%	32.4	10.3%	1.2x	11.2x
Gartner Inc.	7,515.1	90.70	95.7%	7,983.9	2,163.1	7.0%	356.7	16.5%	3.4x	17.3x
GfK SE	1,224.9	33.55	73.6%	1,592.1	1,692.6	3.9%	234.3	13.8%	1.0x	6.6x
Ipsos SA	1,043.7	23.05	78.7%	1,658.1	1,945.3	6.0%	222.9	11.5%	0.9x	7.0x
Moody's Corporation	19,837.2	100.34	88.1%	21,006.0	3,484.5	4.5%	1,586.5	45.5%	5.9x	12.6x
Morningstar Inc.	3,555.5	80.41	92.6%	3,292.5	783.6	5.3%	248.0	31.6%	3.9x	11.9x
MSCI Inc.	7,406.0	72.13	98.2%	7,991.4	1,075.0	7.9%	481.8	44.8%	NM	15.4x
The Advisory Board Company	2,078.4	49.61	82.2%	2,581.9	722.3	0.0%	76.2	10.5%	3.0x	14.0x
Data & Information Services – Financial and Market Data & Media Mean			83.6%			5.7%		23.7%	3.0x	11.7x
Data & Information Services – Financial and Market Data & Media Median			82.2%			4.9%		22.9%	2.9x	11.2x
Internet & Digital Media – Advertising & Marketing										
Aimia Inc.	1,063.3	6.78	62.9%	1,163.8	1,856.8	3.8%	140.6	7.6%	0.6x	6.9x
Alphabet Inc.	528,447.6	778.01	97.4%	467,560.6	74,989.0	13.6%	24,423.0	32.6%	5.6x	13.8x
Baidu, Inc.	65,337.4	189.04	80.6%	60,199.2	9,711.4	38.6%	2,525.0	26.0%	4.9x	22.8x
Bankrate, Inc.	1,321.7	13.30	84.2%	1,475.2	551.8	4.1%	112.7	20.4%	3.1x	10.2x
Bazaarvoice, Inc.	352.8	4.38	46.6%	299.8	196.7	9.3%	(17.9)	(9.1%)	1.5x	NM
Groupon, Inc.	1,885.9	3.07	36.7%	1,032.5	3,119.5	(2.3%)	70.9	2.3%	NM	9.3x
Harte-Hanks Inc.	198.5	3.24	39.2%	249.6	495.3	(10.5%)	36.6	7.4%	0.5x	NM
MDC Partners Inc.	1,103.3	21.72	75.8%	1,914.8	1,307.2	18.4%	148.4	11.4%	1.5x	9.5x
Yahoo! Inc.	31,409.2	33.26	65.5%	26,785.7	4,968.3	7.6%	474.7	9.6%	NM	NM
Internet & Digital Media – Advertising & Marketing Mean			65.4%			9.2%		12.0%	2.5x	12.1x
Internet & Digital Media – Advertising & Marketing Median			65.5%			7.6%		9.6%	1.5x	9.9x

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					Revenue	Rev Growth	EBITDA ⁽⁵⁾	EBITDA Margin		
Internet & Digital Media – Content Delivery & Management										
Akamai Technologies, Inc.	9,364.9	52.63	67.1%	9,239.7	2,197.4	11.9%	752.9	34.3%	4.0x	9.9x
Dentsu Inc.	15,846.4	55.57	91.6%	16,836.3	NM	NM	1,371.7	NM	2.5x	11.8x
EarthLink Holdings Corp.	771.6	7.43	75.4%	1,207.9	1,121.5	(6.1%)	228.5	20.4%	1.2x	5.4x
Havas	3,516.6	8.42	91.5%	3,663.7	2,263.4	13.2%	366.5	16.2%	1.5x	9.1x
Level 3 Communications, Inc.	19,366.7	54.36	95.2%	29,521.7	8,229.0	21.4%	2,493.7	30.3%	3.5x	10.6x
Mentor Graphics Corp.	2,164.0	18.42	65.6%	2,144.6	1,282.8	6.4%	286.8	22.4%	1.8x	9.6x
Omnicom Group Inc.	18,329.0	75.66	93.4%	20,295.7	15,134.4	(1.2%)	2,211.2	14.6%	1.4x	9.7x
Publicis Groupe SA	14,120.0	66.66	77.3%	15,986.9	10,427.4	32.3%	1,932.1	18.5%	1.6x	9.2x
Rovi Corporation	1,376.9	16.66	63.0%	2,134.5	526.3	(3.0%)	168.3	32.0%	4.1x	12.1x
The Interpublic Group of Companies, Inc.	9,459.8	23.28	97.8%	10,330.2	7,624.7	2.3%	1,005.5	13.2%	1.4x	9.7x
WPP plc	29,842.6	23.05	96.7%	35,160.2	18,713.0	6.6%	3,589.9	19.2%	1.9x	11.6x
Internet & Digital Media – Content Delivery & Management Mean			83.1%			8.4%		22.1%	2.3x	9.9x
Internet & Digital Media – Content Delivery & Management Median			91.5%			6.5%		19.2%	1.8x	9.7x
Internet & Digital Media – Content & Services										
Angie's List, Inc.	547.1	9.35	83.1%	548.0	340.0	12.7%	20.0	5.9%	1.5x	14.6x
comScore, Inc.	1,603.7	41.15	63.3%	1,492.9	361.3	14.5%	23.0	6.4%	3.5x	15.3x
Demand Media, Inc.	109.6	5.50	79.8%	71.7	134.5	(25.6%)	(17.6)	(13.1%)	0.5x	NM
DHI Group, Inc.	482.9	9.17	87.5%	549.9	259.8	(1.1%)	64.4	24.8%	2.1x	7.3x
Facebook, Inc.	295,977.9	104.66	94.6%	277,858.9	17,928.0	43.8%	8,239.0	46.0%	NM	20.9x
IAC/InterActiveCorp	5,331.0	60.05	70.9%	5,598.6	3,230.9	3.9%	395.8	12.3%	1.7x	9.9x
LinkedIn Corporation	29,504.9	225.08	81.5%	27,512.1	2,990.9	34.8%	269.5	9.0%	NM	29.2x
Monster Worldwide, Inc.	523.1	5.73	69.6%	554.4	666.9	(13.4%)	54.5	8.2%	1.0x	5.3x
Netflix, Inc.	48,884.7	114.38	85.8%	48,945.3	6,779.5	23.2%	368.1	5.4%	6.0x	NM
Pandora Media, Inc.	2,861.9	13.41	59.3%	2,726.0	1,164.0	26.4%	(145.5)	(12.5%)	1.8x	NM
VeriSign, Inc.	9,741.3	87.36	93.0%	9,695.5	1,059.4	4.9%	667.4	63.0%	NM	12.9x
WebMD Health Corp.	1,781.5	48.30	96.8%	1,971.8	607.0	7.6%	128.6	21.2%	2.9x	9.7x
Yelp Inc.	2,167.4	28.80	49.9%	1,796.6	549.7	45.6%	8.3	1.5%	2.8x	18.4x
Zillow Group, Inc.	4,609.7	26.04	58.6%	4,319.4	644.7	97.8%	(17.7)	(2.7%)	5.7x	NM
Zynga, Inc.	2,500.4	2.68	85.8%	1,513.1	764.7	10.8%	(87.4)	(11.4%)	1.8x	26.3x
Internet & Digital Media – Content & Services Mean			77.3%			19.1%		10.9%	2.6x	15.4x
Internet & Digital Media – Content & Services Median			81.5%			12.7%		6.4%	2.0x	14.6x

Media & Marketing Services Performance Summary by Sub-sector (\$MM, except per share data)

Company	Market Cap ^{(1), (2)}	Share Price ⁽²⁾	% of 52-Wk High ⁽³⁾	Enterprise Value ⁽⁴⁾	Last Twelve Months (LTM)				EV/NTM Revenue ⁽⁶⁾	EV/NTM EBITDA ⁽⁷⁾
					Revenue	Rev Growth	EBITDA ⁽⁵⁾	EBITDA Margin		
E-commerce										
Amazon.com, Inc.	316,831.6	675.89	97.0%	320,783.6	107,006.0	20.2%	7,879.0	7.4%	2.6x	23.6x
Cimpress N.V.	2,548.0	81.14	85.8%	3,090.2	1,592.4	13.9%	209.3	13.1%	2.0x	12.9x
Ctrip.com International Ltd.	20,073.9	46.33	80.8%	20,562.6	1,563.2	44.6%	31.5	2.0%	NM	NM
Demandware, Inc.	2,033.9	53.97	71.1%	1,847.2	214.2	46.3%	(31.5)	(14.7%)	6.6x	NM
eBay Inc.	32,994.0	27.48	41.2%	30,062.0	8,592.0	(2.3%)	2,946.0	34.3%	4.0x	9.7x
Expedia Inc.	18,678.2	124.30	88.5%	17,767.7	6,329.7	13.9%	702.7	11.1%	2.5x	13.5x
Liquidity Services, Inc.	198.6	6.50	59.1%	102.4	337.9	(32.3%)	(0.5)	(0.2%)	NM	12.6x
Live Nation Entertainment, Inc.	4,971.7	24.57	82.8%	5,476.4	7,080.9	2.5%	514.9	7.3%	0.9x	11.0x
Mercadolibre, Inc.	5,048.9	114.34	74.5%	4,999.4	632.4	19.4%	188.5	29.8%	NM	28.7x
Rakuten, Inc.	16,623.8	11.67	58.6%	15,881.6	5,754.9	20.2%	1,288.2	22.4%	2.7x	12.3x
Shutterstock, Inc.	1,565.7	44.56	90.8%	1,751.8	1,059.4	15.0%	131.5	12.4%	1.6x	8.8x
Stamps.com Inc.	1,819.6	109.61	95.9%	1,737.4	185.9	34.9%	47.0	25.3%	6.3x	20.1x
The Priceline Group Inc.	63,472.0	1274.95	86.3%	65,683.9	9,064.1	11.3%	3,437.7	37.9%	6.4x	15.8x
E-commerce Mean			77.9%			15.8%		14.3%	3.6x	15.4x
E-commerce Median			82.8%			14.4%		12.5%	2.7x	12.9x
Diversified Media										
CBS Corporation	22,223.2	47.13	73.7%	30,348.2	13,886.0	0.6%	2,681.0	19.3%	2.2x	9.2x
Comcast Corporation	138,022.7	56.43	86.8%	188,242.7	74,510.0	8.3%	24,876.0	33.4%	2.4x	7.2x
Discovery Communications, Inc.	15,315.9	26.68	76.4%	21,966.9	6,424.0	4.9%	2,484.0	38.7%	3.3x	8.9x
Liberty Interactive Corporation	17,444.9	27.32	86.4%	21,845.9	9,871.0	(5.5%)	1,744.0	17.7%	2.1x	11.1x
Liberty Media Corporation	12,852.0	39.25	93.0%	18,899.0	4,682.0	6.9%	1,419.0	30.3%	5.2x	14.2x
Meredith Corporation	1,921.3	43.25	75.6%	2,694.5	1,615.2	5.7%	301.3	18.7%	1.6x	8.3x
News Corporation	7,522.1	13.36	76.1%	5,639.1	8,442.0	(2.2%)	639.0	7.6%	0.7x	6.3x
Scripps Networks Interactive, Inc.	7,098.2	55.21	71.1%	11,000.7	2,835.6	7.0%	1,278.3	45.1%	3.4x	8.6x
TEGNA Inc.	5,657.6	25.52	66.3%	10,018.8	6,440.0	93.0%	1,572.8	24.4%	3.0x	8.4x
The New York Times Company	2,172.6	13.42	92.4%	1,958.5	1,579.2	(0.6%)	235.5	14.9%	1.3x	7.1x
The Walt Disney Company	173,715.9	105.08	86.1%	188,329.9	54,318.0	8.9%	16,439.0	30.3%	3.4x	10.8x
Time Warner Inc.	51,702.4	64.67	70.8%	73,339.4	28,118.0	2.8%	7,642.0	27.2%	2.5x	8.9x
Tribune Media Company	3,184.2	33.81	48.0%	6,319.5	2,016.3	18.9%	530.0	26.3%	3.0x	10.7x
Twenty-First Century Fox, Inc.	53,541.3	27.16	70.2%	68,985.3	26,497.0	(18.7%)	6,145.0	23.2%	2.4x	9.7x
Viacom, Inc.	16,465.9	41.16	54.0%	28,705.9	13,078.0	(6.1%)	4,022.0	30.8%	2.1x	6.7x
Diversified Media Mean			75.1%			8.3%		25.8%	2.6x	9.1x
Diversified Media Median			75.6%			4.9%		26.3%	2.4x	8.9x
Total Mean			79.1%			10.9%		19.9%	2.9x	12.1x
Total Median			82.2%			7.0%		20.4%	2.6x	10.8x

Source: Capital IQ

(1) Market Capitalization amounts are based on closing share prices as of December 31, 2015.

(2) Share prices and market capitalizations may be based on foreign exchange listed stocks and have been converted into US\$.

(3) Indicates percentage of current stock price compared to its 52 week high. Closing share prices as of December 31, 2015.



(4) Enterprise Value (EV) equals Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents.

(5) EBITDA equals Earnings before Interest, Taxes, Depreciation, and Amortization.

(6) EV/NTM Revenue is the multiple of Enterprise Value and the Next Twelve Months of Revenue.

(7) EV/NTM EBITDA is the multiple of Enterprise Value and the Next Twelve Months of EBITDA

Selected recent transactions¹

  Corporate Finance	  Corporate Finance	  Corporate Finance	  Corporate Finance	  Corporate Finance	  Corporate Finance
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Global Coverage. Industry Knowledge. Middle-Market Focus.

The Corporate Finance practices of KPMG International's network of independent member firms (KPMG) have been ranked collectively as a leading global mid-market advisor based on total deal volume announced in 2015, according to Thomson Reuters SDC. KPMG firms operate in 155 countries with over 2,500 professionals who are able to meet the needs of clients across the globe.

KPMG Corporate Finance LLC

KPMG Corporate Finance LLC (KPMG CF) provides a broad range of investment banking and advisory services to its domestic and international clients. Our professionals have the experience and depth of knowledge to advise clients on global mergers and acquisitions, sales and divestitures, buyouts, financings, debt restructurings, equity recapitalizations, infrastructure project finance, capital advisory, real estate, portfolio solutions, fairness opinions, and other advisory needs. For more information on KPMG CF, please visit www.kpmgcorporatefinance.com.

KPMG Corporate Finance¹ is a leading global M&A advisor in the Middle Market

2011-2015		No. of deals
1	PwC	1,970
2	KPMG CF¹	1,830
3	Ernst & Young	1,268
4	Deloitte	1,071
5	Rothschild	1,017

2015		No. of deals
1	PwC	433
2	KPMG CF¹	368
3	Goldman Sachs & Co	365
4	Morgan Stanley	345
5	Ernst & Young	305



Source: Thomson Reuters SDC; Middle market is defined as transactions less than US\$500 million.

¹ Represents the global Corporate Finance practices of KPMG International's network of independent member firms.

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