

M&A in the Consumer Products & Services Industry – Key Trends

Year	Total no. of transactions	Total value (\$mm)	Median TEV/Revenue	Median TEV/EBITDA
2013	1,820	185,800	1.1x	10.5x
2014	2,160	326,600	1.2x	11.1x
2015	2,180	474,600	1.1x	10.9x
2016	1,870	353,900	1.3x	10.0x

Source: Capital IQ

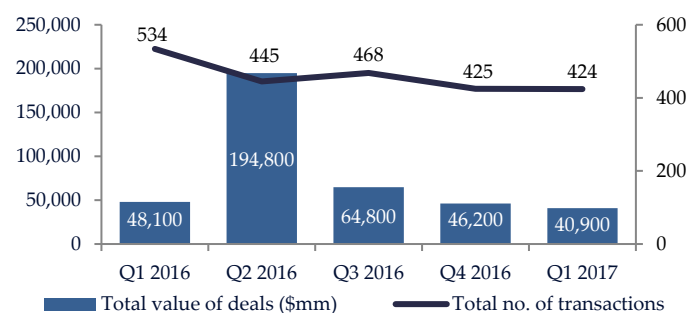
M&A in the Consumer Products & Services Industry – 2016 Overview

- In 2016, M&A activity in the Consumer Products & Services industry shifted towards lower number of transactions with deal value decreasing 26% from 2015.
- In 2016, the total deal value in the US and Canada accounted for 41% of the global deal value.
- The total number of global M&A transactions in the Consumer Products & Services industry was 11,700 in 2014, 12,200 in 2015, and 10,000 in 2016. Deals in the US and Canada accounted for 19% of the global transactions from 2014 to 2016.
- In 2016, valuation multiples for the US and Canada (median TEV/Revenue of 1.3x versus global median of 1.3x and median TEV/EBITDA of 10.0x versus 10.4x) were similar to global multiples.
- Total deal value in Q2 2016 was significantly higher than that of the other three quarters due to the Charter Communications' \$79 billion acquisition of Spectrum Management Holding.
- 25% disclosed deals in terms of transaction value.

Activity Summary, Last 5 Quarters

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Total no. of transactions	534	445	468	425	424
Total value of deals (\$mm)	48,100	194,800	64,800	46,200	40,900
Average deal size (\$mm)	360	1,760	530	490	390
Median deal size (\$mm)	21	55	60	34	28
Median Revenue Multiple	1.4x	1.2x	1.4x	1.2x	1.1x
Median EBITDA Multiple	13.0x	8.3x	10.4x	9.6x	10.0x
Mid-market deals, % of total	90%	77%	82%	82%	86%

Source: Capital IQ

Activity Summary Chart, Last 5 Quarters

Deal Breakdown by Type of Buyer in 2016

Type of Buyer	No. of deals	Disclosed deals	Total value (\$mm)	Avg. transaction value (\$mm)	Median TEV/Revenue	Median TEV/EBITDA
Strategic Buyer	1,460	375	299,900	800	1.4x	10.4x
Financial Buyer	237	45	29,900	660	0.7x	7.4x
Both	9	4	23,800	5,900	1.6x	10.4x
Not available	166	38	350	9	6.1x	11.7x

Source: Capital IQ

Middle Market Deals in 2016

Deal breakdown by size (\$mm)	No. of deals	Total value (\$mm)	Avg. transaction value (\$mm)	Median TEV/Revenue	Median TEV/EBITDA
\$0 - \$50	244	2,750	11	0.9x	7.8x
\$50 - \$250	104	12,780	123	1.1x	8.5x
\$250 - \$500	37	13,180	356	1.5x	10.5x

Source: Capital IQ

10 Notable Consumer Products & Services Transactions in 2016

Closed date	Target/Issuer	Buyers/Investors	Transaction value (\$mm)	Implied EV/Revenue	Implied EV/EBITDA
May 18	Spectrum Management Holding Company, LLC	Charter Communications, Inc. (NasdaqGS:CHTR)	78,700	3.4x	9.8x

May 12	SanDisk LLC	Western Digital Technologies, Inc.	19,700	3.1x	12.2x
June 21	Altice USA	BC Partners; Canada Pension Plan Investment Board; Altice N.V. (ENXTAM:ATC)	19,400	2.9x	10.4x
April 15	Jarden Corp.	Newell Brands Inc. (NYSE:NWL)	19,000	2.1x	20.0x
September 23	Starwood Hotels & Resorts Worldwide Inc.	Marriott International, Inc. (NasdaqGS:MAR)	15,800	4.9x	13.5x
March 3	Keurig Green Mountain, Inc.	Acorn Holdings B.V.	14,300	3.1x	13.3x
May 2	The ADT Corporation	Protection 1, Inc.	12,500	3.5x	6.8x
October 11	MillerCoors LLC	Molson Coors Brewing Company (NYSE:TAP)	12,000	2.7x	12.4x
May 18	Bright House Networks, LLC	CCH I, LLC	10,400	n/a	n/a
December 5	Ingram Micro Inc.	Tianjin Tianhai Investment Co., Ltd. (SHSE:900938)	7,300	0.1x	8.1x

Source: Capital IQ