

**M&A in the Telecom & Media Industry – Key Trends**

Year	Total no. of transactions	Total value (\$mm)	Median TEV/Revenue	Median TEV/EBITDA
2013	550	108,100	1.3x	9.9x
2014	620	186,300	1.9x	11.7x
2015	610	112,400	1.6x	10.6x
2016	520	168,400	2.3x	10.4x

Source: Capital IQ

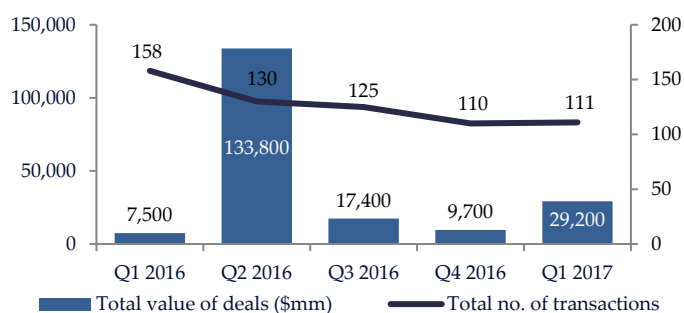
**M&A in the Telecom & Media Industry – 2016 Overview**

- In 2016, M&A activity in the Telecom & Media industry shifted towards lower number of transactions with deal value increasing 50% from 2015.
- In 2016, the total deal value in the US and Canada accounted for 59% of the global deal value.
- The total number of global M&A transactions in the Telecom & Media industry was 2,900 in 2014, 3,100 in 2015, and 2,500 in 2016. Deals in the US and Canada accounted for 21% of the global transactions from 2014 to 2016.
- In 2016, valuation multiples for the US and Canada (median TEV/Revenue of 2.3x versus global median of 1.8x and median TEV/EBITDA of 10.4x versus 10.3x) 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 \$80 billion acquisition of Spectrum Management Holding.
- 23% 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	158	130	125	110	111
Total value of deals (\$mm)	7,500	133,800	17,400	9,700	29,200
Average deal size (\$mm)	230	4,500	530	440	1,000
Median deal size (\$mm)	15	70	130	18	174
Median Revenue Multiple	1.6x	2.0x	3.2x	2.2x	1.2x
Median EBITDA Multiple	12.2x	9.2x	12.3x	10.3x	10.0x
Mid-market deals, % of total	91%	73%	76%	82%	62x

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	434	95	141,350	1,490	2.1x	10.7x
Financial Buyer	48	10	3,560	360	1.9x	8.1x
Both	3	2	24,430	11,710	2.9x	10.4x
Not available	38	11	70	6	5.7x	9.7x

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	61	6	1	1.7x	7.9x
\$50 - \$250	21	3,060	146	1.7x	8.5x
\$250 - \$500	13	4,940	380	1.5x	12.2x

Source: Capital IQ

**10 Notable Telecom & Media 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
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
May 18	Bright House Networks, LLC	CCHI, LLC	10,400	n/a	n/a
August 22	DreamWorks Animation SKG Inc.	NBCUniversal Media, LLC	4,200	4.4	34.3x
December 8	Starz	Lions Gate Entertainment Corp. (NYSE:LGF.A)	4,200	2.6x	11.0x
August 17	Ultimate Fighting Championship Ltd.	KKR & Co. L.P. (NYSE:KKR); Silver Lake; IMG Worldwide, Inc.	4,000	n/a	n/a
January 12	Legend Pictures, LLC	Dalian Wanda Group Co Ltd	3,500	n/a	n/a
April 1	Shaw Media Inc.	Corus Entertainment Inc. (TSX:CJR.B)	1,900	n/a	7.7x
September 7	TiVo Solutions Inc.	TiVo Corporation (NasdaqGS:TIVO)	1,800	2.6x	12.3x

Source: Capital IQ