

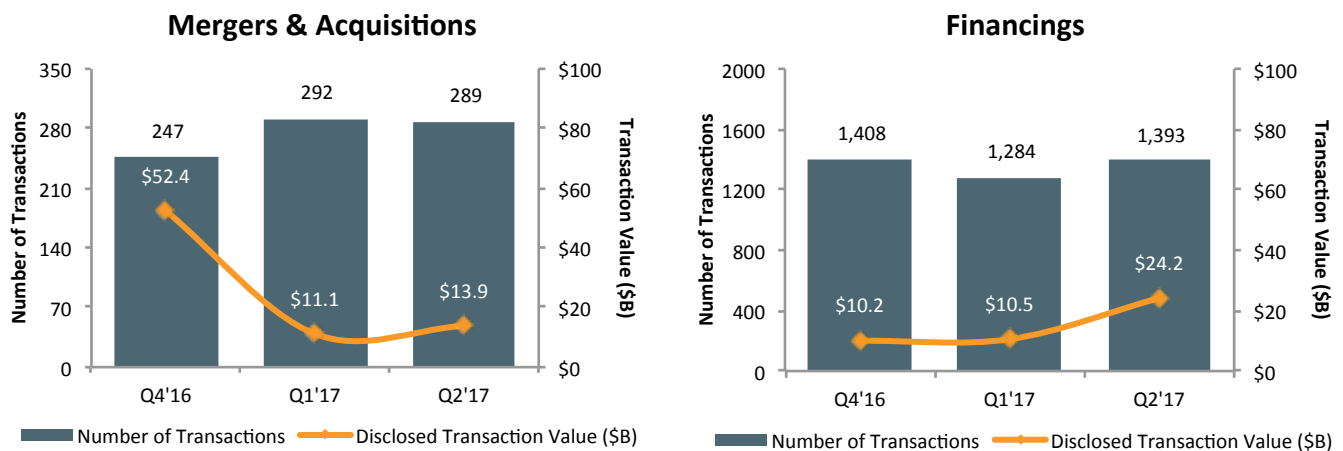
Digital Media Displays Robust M&A Activity in Q2'17

Digital Media Displays Robust M&A Activity in Q2'17

M&A and financings exhibited robust activity in Q2'17, with nearly 290 M&A transactions and more than 1,390 disclosed global financings. Key industry trends driving investments and acquisitions include:

- Increased activity in both early and late stage venture capital funding rounds;
- Retailers pursuing eCommerce acquisition targets to develop omnichannel capabilities;
- Telecom companies looking to augment core offering by acquiring data-rich targets to improve consumer advertising capabilities; and
- Growth in number of large transactions, with acquisitions over \$50 million increasing by more than 55% from Q1 to Q2 and financings over \$50 million increasing by more than 50% over the same period.

Digital Media Transaction Activity



We hope that this report serves as a useful tool for your business. As you evaluate opportunities, feel free to call us at 310.478.9000 for more pointed insight.

Thank you,



Brandon Quartararo

Senior Vice President

Head of Digital Media

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Recently Closed Transactions and Industry News

IGT Sells Casino Game Maker Double Down Interactive for \$875 Million

Five years after acquiring social casino game maker Double Down Interactive for \$500 million, IGT has sold the business to DoubleU Games, a South Korean game development company, for \$875 million, reflecting a valuation of 10.5x adjusted EBITDA. As part of the transaction, the parties will also enter into a game development, distribution, and services agreement that enables DoubleU Games to offer IGT's extensive casino game library through its combined social casino platforms, in exchange for ongoing royalties to IGT.



Ritchie Bros. Auctioneers Boosts Online Presence with IronPlanet

In May, Ritchie Bros. Auctioneers, which operates industrial equipment auctions, acquired IronPlanet, an online marketplace for buying and selling heavy equipment and other durable assets, for \$759 million. The acquisition is intended to augment Ritchie Bros.' online capabilities, while increasing customer choice and product offering to allow Ritchie Bros. to serve as a one-stop omnichannel marketplace. Management plans to combine Ritchie Bros.' EquipmentOne online platform with IronPlanet's DailyMarketplace and rebrand it as Marketplace E.



After Failed Acquisition, Target Lands Significant Stake in Casper

Casper, a premier online mattress retailer with sales of more than \$200 million in 2016, raised \$170 million of Series C venture funding in a deal led by Target in June, placing the pre-money valuation at \$750 million. Casper, which has raised total funding of \$240 million to date, intends to use the funds for product innovation and multichannel expansion. The deal follows reports of Target seeking to acquire the fast-growing online retailer for approximately \$1 billion earlier this year.



Peloton Becomes a Unicorn

In May, Peloton raised an additional \$325 million at a \$1.4 billion post-money valuation from a collection of investment firms, including Wellington Management, Fidelity Investments, Kleiner Perkins, and True Ventures. The company sells at-home fitness equipment, most notably its stationary bike, and drives substantial recurring revenue through its subscription-based, live-streaming group cycling classes. The company intends to use the proceeds to expand its product and content offerings and open new showrooms across the country.



Verizon Completes \$4.8 Billion Acquisition of Altaba, Formerly 'Yahoo', Despite Security Breach

In June, Verizon Communications completed its acquisition of Altaba Inc. for \$4.8 billion, approximately four months after its expected close date. Following the close of the deal, former Yahoo shareholders retain a 15% stake, valued at approximately \$32 billion, in the Chinese internet company Alibaba, and a 35.5% stake, valued at approximately \$8.7 billion, in Yahoo Japan. The deal was threatened by Yahoo security breaches and closed only after Altaba was willing to concede \$350 million from the purchase price.

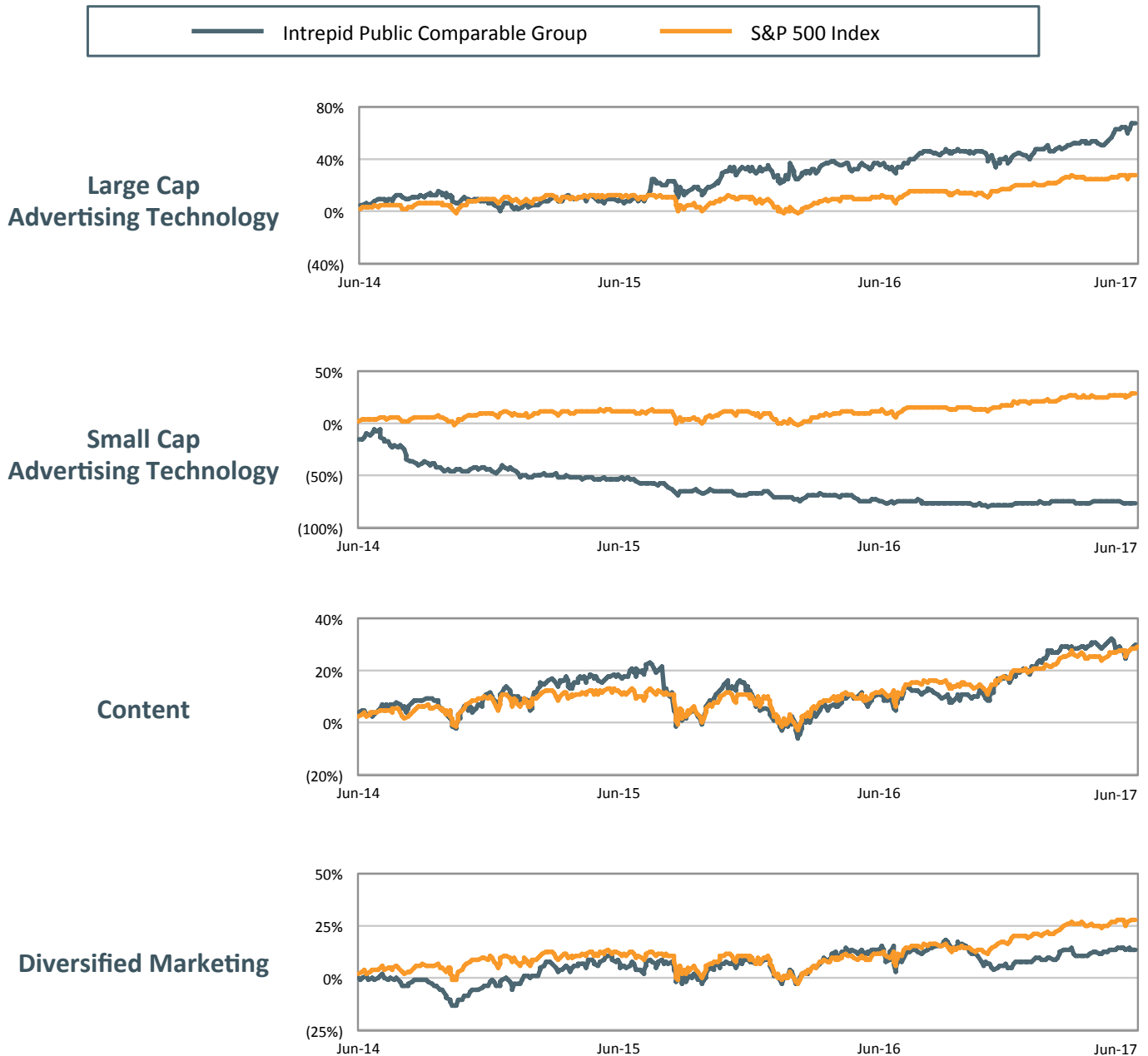


Altice Buys Teads for \$307 Million in Familiar 'Telecom Ad Tech' Deal

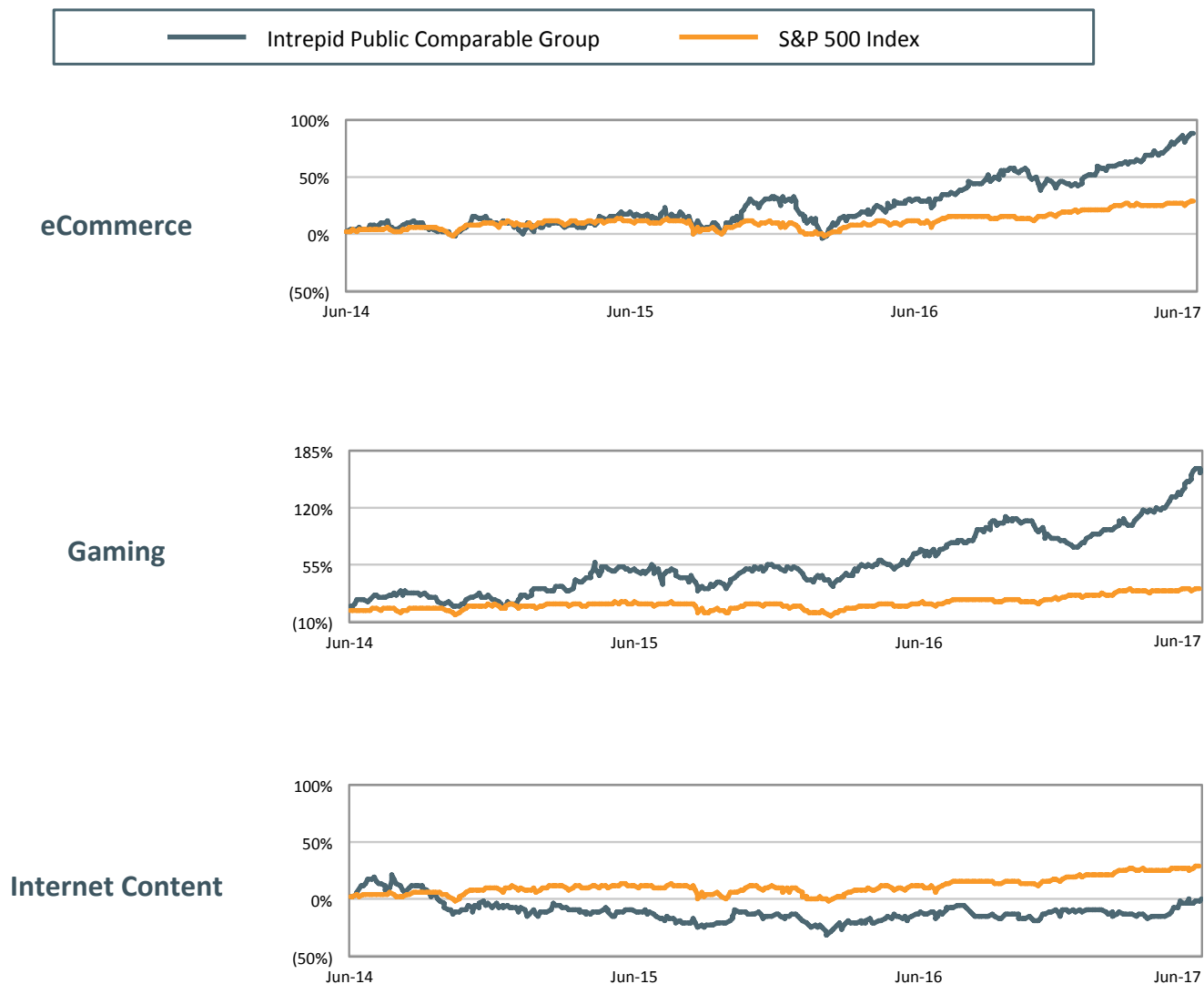
Dutch telecommunications company Altice has acquired French video ad tech startup, Teads, for \$307 million. The acquisition demonstrates continued interest from telecom operators to tap into ad tech firms for valuable repositories of verified subscriber data that enable advertisers to target consumers with online ads and to measure the effectiveness of ads. Teads had raised more than \$125 million of funding leading up to the acquisition, and was originally backed by Lightspeed Venture Partners in 2007.















Publicly Traded Companies – Stock Valuation Trends



Publicly Traded Companies – Stock Valuation Trends (cont'd)




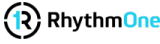









Publicly Traded Companies – Large Cap Advertising Technology

Company	Share Price	% of 52-Wk High	Enterprise Value	Market Cap	Cash	Debt	Last Twelve Months			EV / LTM Revenue
							Revenue	EBITDA	GM%	
	\$974.57	96.6%	\$574,177	\$662,679	\$92,439	\$3,937	\$94,765	\$31,208	60.7%	6.1x
	160.00	100.1%	429,258	461,564	32,306	0	30,288	16,355	86.4%	14.2x
	43.65	77.6%	291,491	177,412	4,307	116,842	123,623	42,685	59.2%	2.4x
 AllianceData	264.66	99.4%	33,534	14,730	1,867	20,671	7,341	1,453	22.1%	4.6x
	743.18	86.1%	19,234	21,409	2,991	321	3,728	1,156	100.0%	5.2x
	19.72	78.1%	11,796	14,021	3,944	1,718	2,483	85	63.6%	4.7x
	34.64	67.3%	6,562	7,551	1,189	187	1,311	181	35.6%	5.0x
	31.58	97.3%	9,567	10,268	1,040	304	1,419	390	74.3%	6.7x
	105.52	97.7%	8,688	8,347	1,431	1,577	3,082	432	77.4%	2.8x
	50.63	90.4%	3,081	3,285	304	87	1,915	179	35.7%	1.6x
	10.69	77.5%	1,296	1,465	268	71	674	23	66.8%	1.9x
	51.31	89.1%	2,069	2,150	107	26	226	59	80.1%	9.2x


















Top Quartile:	6.6x
Median:	4.9x
Mean:	5.4x
Adj. Mean:	4.9x
Bottom Quartile:	2.5x

Publicly Traded Companies – Small Cap Advertising Technology

Company	Share Price	% of 52-Wk High	Enterprise Value	Market Cap	Cash	Debt	Last Twelve Months			EV / LTM Revenue
							Revenue	EBITDA	GM%	
 rubicon PROJECT	\$5.10	34.9%	\$62	\$250	\$188	\$0	\$255	\$19	72.1%	0.2x
 Perion	1.88	79.0%	186	144	23	65	299	25	49.2%	0.6x
 MATOMY MEDIA GROUP	1.48	81.9%	161	143	22	16	277	15	20.6%	0.6x
 RhythmOne	0.50	76.5%	196	248	52	3	149	(3)	33.9%	1.3x
 QUINSTREET	4.16	89.8%	146	188	42	0	297	(3)	9.0%	0.5x
 rocketfuel	2.71	45.9%	150	127	63	86	447	(10)	33.8%	0.3x
 TREMOR VIDEO	2.25	81.5%	84	111	28	1	174	(8)	45.8%	0.5x
 YuMe	4.73	80.9%	103	163	61	1	158	4	51.1%	0.7x
 Marin SOFTWARE	1.25	44.3%	19	49	33	3	93	(9)	63.3%	0.2x
 MAXPOINT	7.27	61.9%	47	49	20	19	148	(11)	52.7%	0.3x
 MARCHEX	2.83	75.3%	20	123	103	0	118	(16)	41.8%	0.2x

Top Quartile:	0.6x
Median:	0.5x
Mean:	0.5x
Adj. Mean:	0.4x
Bottom Quartile:	0.2x

Publicly Traded Companies – Content

Company	Share Price	% of 52-Wk High	Enterprise Value	Market Cap	Cash	Debt	Last Twelve Months			EV / LTM Revenue
							Revenue	EBITDA	GM%	
 COMCAST	\$39.14	92.8%	\$248,254	\$186,446	\$4,022	\$61,785	\$82,076	\$27,143	69.4%	3.0x
The  Company	105.11	90.5%	184,537	163,201	3,800	21,653	55,539	17,095	46.1%	3.3x
 Time Warner	99.81	97.4%	98,671	76,879	1,450	23,210	29,745	8,738	44.6%	3.3x
 21ST CENTURY FOX	27.75	85.1%	67,070	50,892	5,572	19,896	28,398	7,014	37.4%	2.4x
 SONY	39.98	99.3%	49,217	50,488	18,042	10,927	68,191	6,554	25.5%	0.7x
 CBS CORPORATION	64.21	91.6%	34,428	25,638	163	8,953	12,921	3,032	40.0%	2.7x
 網易 NETEASE	309.92	91.8%	35,288	40,343	5,830	651	6,376	2,170	55.9%	5.5x
 VIACOM	35.01	74.9%	25,866	14,099	671	12,189	12,913	2,891	45.1%	2.0x
 Discovery COMMUNICATIONS	26.30	86.9%	23,055	15,138	434	8,102	6,549	2,471	63.6%	3.5x
 scrippsnetworks interactive	67.80	81.3%	11,930	8,717	108	3,054	3,440	1,545	68.1%	3.5x
 axel springer	59.00	89.1%	8,000	6,361	281	1,347	3,575	592	38.7%	2.2x
 News Corporation	13.59	92.6%	6,619	7,795	1,850	376	8,285	736	44.0%	0.8x
 LIONSGATE	28.40	97.1%	8,508	5,611	322	3,125	3,202	153	41.1%	2.7x
 meredith	59.45	89.7%	3,188	2,583	27	632	1,704	358	64.8%	1.9x
 TIME	14.10	69.1%	2,346	1,387	281	1,239	3,028	383	57.7%	0.8x
 GANNETT	8.75	60.7%	1,277	982	89	385	3,162	317	36.1%	0.4x
 tronc	13.07	72.9%	619	414	161	366	1,574	123	58.4%	0.4x




















Top Quartile:	3.3x
Median:	2.4x
Mean:	2.3x
Adj. Mean:	2.2x
Bottom Quartile:	0.8x

Publicly Traded Companies – Diversified Marketing

Company	Share Price	% of 52-Wk High	Enterprise Value	Market Cap	Cash	Debt	Last Twelve Months			EV / LTM Revenue
							Revenue	EBITDA	GM%	
WPP	\$20.33	80.5%	\$31,419	\$25,432	\$3,009	\$8,109	\$17,766	\$3,131	86.2%	1.8x
OmnicomGroup	81.35	90.7%	22,052	18,822	2,486	4,993	15,505	2,318	17.8%	1.4x
nielsen	38.70	69.2%	21,835	13,674	451	8,418	6,348	1,627	58.6%	3.4x
Experian	20.79	93.0%	22,549	19,181	84	3,294	4,335	1,516	43.4%	5.2x
PUBLICIS GROUPE	72.19	90.6%	17,559	16,049	2,352	3,733	10,274	1,809	38.4%	1.7x
EQUIFAX	139.99	97.2%	19,335	16,725	123	2,669	3,249	1,179	64.3%	6.0x
dentsu	46.21	79.4%	11,440	13,025	2,043	4,236	7,790	1,601	94.3%	1.5x
IPG	24.76	97.6%	11,121	9,708	778	1,917	7,859	1,108	35.8%	1.4x
HakuhodoDY holdings	14.05	99.4%	4,173	5,235	1,365	106	11,260	490	19.8%	0.4x
HAVAS	10.60	98.7%	4,331	4,484	855	698	2,403	386	37.6%	1.8x
STRÖER	60.84	90.8%	3,942	3,363	76	593	1,260	249	32.8%	3.1x
axicom	26.72	87.9%	2,132	2,073	170	229	880	85	45.7%	2.4x
MDCPartners	10.43	55.9%	1,650	569	23	888	1,421	149	32.3%	1.2x
CHEIL worldwide	16.34	93.4%	1,399	1,768	400	16	2,905	168	30.0%	0.5x
ASAATSU-DK	25.97	93.1%	957	1,075	184	54	3,116	56	14.6%	0.3x
M&CSAATCHI	4.22	84.1%	340	331	40	39	278	24	30.5%	1.2x

Top Quartile:	3.0x
Median:	1.6x
Mean:	2.1x
Adj. Mean:	1.9x
Bottom Quartile:	1.2x

Publicly Traded Companies – eCommerce

Company	Share Price	% of 52-Wk High	Enterprise Value	Market Cap	Cash	Debt	Last Twelve Months			EV / LTM Revenue
							Revenue	EBITDA	GM%	
	\$1,002.00	98.5%	\$478,345	\$478,277	\$21,531	\$21,599	\$142,573	\$12,221	35.6%	3.4x
	151.88	101.3%	375,759	378,190	21,902	13,323	22,987	9,164	63.0%	16.3x
	1953.37	100.1%	98,285	95,371	5,370	8,285	11,014	4,168	96.5%	8.9x
	161.17	96.6%	70,213	68,189	1,341	3,365	9,510	645	33.6%	7.4x
	37.15	100.1%	41,717	39,505	6,754	8,966	9,059	2,935	77.4%	4.6x
	154.19	98.6%	24,466	23,080	3,355	3,171	9,058	1,102	82.2%	2.7x
	23.35	86.3%	16,289	10,390	379	6,184	10,175	1,779	35.0%	1.6x
	272.42	91.4%	11,745	11,990	567	321	961	259	70.7%	12.2x
	31.20	97.0%	7,561	7,184	190	567	1,402	504	45.0%	5.4x
	95.22	91.4%	4,005	2,954	43	1,052	2,050	173	51.9%	2.0x
	45.79	95.7%	3,596	3,958	361	0	537	124	55.0%	6.7x
	149.29	95.5%	2,510	2,478	118	151	388	154	82.9%	6.5x
	44.94	69.0%	1,291	1,541	250	0	508	64	59.1%	2.5x
	15.09	94.0%	1,504	1,769	276	11	380	28	65.8%	4.0x
	9.65	84.6%	680	627	57	110	1,188	76	44.0%	0.6x
	11.80	82.2%	874	1,048	175	0	282	(1)	60.4%	3.1x
	12.53	95.4%	774	757	41	58	313	11	69.1%	2.5x
	15.64	98.9%	323	404	136	58	1,819	2	18.7%	0.2x
	11.03	83.1%	116	144	29	0	126	12	89.2%	0.9x







Top Quartile:	6.7x
Median:	3.4x
Mean:	4.8x
Adj. Mean:	4.4x
Bottom Quartile:	2.0x

Publicly Traded Companies – Gaming

Company	Share Price	% of 52-Wk High	Enterprise Value	Market Cap	Cash	Debt	Last Twelve Months			EV / LTM Revenue
							Revenue	EBITDA	GM%	
Tencent 腾讯	\$36.48	98.8%	\$340,922	\$342,343	\$19,678	\$16,598	\$24,617	\$10,066	53.9%	13.8x
ACTIVISION BLIZZARD	60.72	98.6%	46,742	45,597	3,248	4,393	6,879	2,262	63.8%	6.8x
EA	109.14	94.1%	30,197	33,739	4,532	990	4,845	1,407	73.5%	6.2x
NC SOFT	322.87	85.5%	6,132	6,861	878	134	879	282	80.8%	7.0x
UBISOFT	56.46	93.4%	6,319	6,226	912	999	1,561	722	81.4%	4.0x
DeNA	23.83	67.8%	2,737	3,458	791	0	1,290	321	60.8%	2.1x
GungHo	3.61	93.5%	2,342	3,062	720	0	749	(79)	67.1%	3.1x
zynga	2.64	89.2%	1,562	1,877	338	5	955	401	64.7%	1.6x
GREE	8.48	85.7%	1,286	1,992	712	0	554	57	67.4%	2.3x

















































Top Quartile:	6.9x
Median:	5.1x
Mean:	5.6x
Adj. Mean:	4.9x
Bottom Quartile:	2.4x

Publicly Traded Companies – Internet Content























































Company	Share Price	% of 52-Wk High	Enterprise Value	Market Cap	Cash	Debt	Last Twelve Months			EV / LTM Revenue
							Revenue	EBITDA	GM%	
 Zillow	\$46.39	91.1%	\$8,082	\$8,269	\$559	\$372	\$906	\$49	91.7%	8.9x
 WebMD	55.54	85.4%	2,012	2,000	1,034	1,046	701	182	63.7%	2.9x
xo group/	18.12	86.3%	346	449	103	0	152	16	93.5%	2.3x
 DHI	2.70	32.0%	194	142	25	77	221	44	86.0%	0.9x
 TechTarget	9.95	94.0%	283	273	27	37	105	11	71.5%	2.7x
 Care.com	15.11	94.0%	407	440	81	0	166	7	79.9%	2.5x
 eHealth	18.84	96.5%	274	342	68	0	192	7	98.6%	1.4x

Top Quartile:	2.9x
Median:	2.5x
Mean:	3.1x
Adj. Mean:	2.3x
Bottom Quartile:	1.4x

Recently Closed Transactions

Close Date	Acquiror	Target	Segment	Enterprise Value (\$M)	EV / Revenue
Jun-17	 scansource	 POS PORTAL	FinTech 	\$158	1.4x
Jun-17	 Hoffmann Group	 CONTORION <small>ALLES FÜR DEN PROF.</small>	eCommerce 	\$133	6.3x
Jun-17	 altice	 Teads	AdTech 	\$315	1.6x
May-17	 SUPERCHELL	 SpaceApe	VR / AR 	\$90	2.2x
May-17	 TEMENOS	 Rubik	FinTech 	\$46	1.4x
May-17	 EBIX	 ItzCash	FinTech 	\$150	3.7x
May-17	 NBCUniversal	 Craftsy	EdTech 	\$230	3.7x
May-17	 MAXLINEAR	 EXAR	Content 	\$464	4.2x
May-17	 coupa	 TradeExtensions	FinTech 	\$45	4.5x
May-17	 mastercard	 VOCALINK	FinTech 	\$1,216	5.1x
May-17	 2U	 getsmarter	EdTech 	\$103	6.1x
Apr-17	 mail.ru	 ZAKAZAKA	eCommerce 	\$20	1.5x
Apr-17	 WISEMAN	 空中网 kongzhong	Content 	\$171	0.9x
Apr-17	 accenture	 SINNERSCHRADER	eCommerce 	\$157	2.7x
Apr-17	 Wolters Kluwer	 CCH® Tagetik	FinTech 	\$321	5.3x
Apr-17	 DELUXE	 RDM <small>Transforming Payments</small>	FinTech 	\$62	2.9x

Recently Closed Financings

Close Date	Lead Investor(s)	Target	Segment	Transaction Size	Pre-Money Valuation
Jun-17	 revolution	 SCOPELY	Content 	\$60	\$440
Jun-17	HIGHLAND CAPITAL PARTNERS	 TRILOGY EDUCATION SERVICES	EdTech 	\$30	\$165
May-17	RIVERWOOD  CAPITAL	 billtrust	FinTech 	\$50	\$310
May-17	 Silicon Valley Bank	 bouncex	Marketing Tech 	\$31	\$219
May-17	 SILVERLAKE	 unity	VR / AR 	\$400	\$2,200
May-17	 SAGILITY  SILVERLAKE	 DEMANDBASE	Marketing Tech 	\$65	\$325
May-17	 中国光大银行 CHINA EVERBRIGHT BANK  IDG 资本 IDG Capital Partners	 wish	eCommerce 	\$500	\$3,500
May-17	 London Stock Exchange  NASPERS VENTURES	 Delivery Hero	eCommerce 	\$427	\$3,714
May-17	 SoftBank	 IMPROBABLE	VR / AR 	\$502	\$498
May-17	 Tencent 腾讯	 Pocket Gems	Content 	\$90	\$410
May-17	 Fidelity INVESTMENTS	 spring	eCommerce 	\$65	\$152
May-17	 HEARST	 Kobalt	Content 	\$75	\$700
Apr-17	 TPG  RISE	 EVERFI	EdTech 	\$190	\$360
Apr-17	 DST	 robinhood	FinTech 	\$110	\$1,190
Apr-17	GLYNN CAPITAL MANAGEMENT	 SeatGeek	Content 	\$57	\$331
Apr-17	 Tencent 腾讯	 Flipkart 	eCommerce 	\$1,400	\$9,300
Apr-17	 Rakuten	 lyft	eCommerce 	\$600	\$6,900

Core Practice Coverage Verticals

CONTENT	COMMERCE	CUSTOMER JOURNEY
<ul style="list-style-type: none"> Traditional Broadcast & Media Music OTT & Digital Video Gaming & eSports 	<ul style="list-style-type: none"> Branded eCommerce Shopper Marketing Marketplaces Direct to Consumer 	<ul style="list-style-type: none"> Agencies & Marketing Services Loyalty, Engagement & Rewards Performance Marketing Market Research & Data Analytics

Select Digital Media Transactions

 adexchange has completed a growth financing with  Advisor to Ad Exchange Group	 has been acquired by  Advisor to Threshold Interactive	 Pitch, Inc. has been acquired by  Advisor to Pitch, Inc.	 has obtained a majority investment from  Advisor to Lieberman Research Worldwide	 has completed a recapitalization with JAYTS, LLC Advisor to Airsoft Megastore
 has received \$12,500,000 in growth capital from  Advisor to ReviMedia*	 has been acquired by  WARNER MUSIC GROUP Advisor to X5 Music*	 has been acquired by  Advisor to Zoomin.TV*	 has been acquired by  Advisor to PunchTab*	 has been acquired by  Advisor to Countdown Media*
 Content Fleet has been acquired by  Advisor to Content Fleet *	 has received an equity investment from  Advisor to MyColorScreen*	 has been acquired by  Advisor to Dedicated Media*	 has been acquired by  Advisor to Tender Creative*	 has been acquired by  Advisor to Weather Underground*

*Represents transactions executed by principals of Intrepid while at previous securities firms.



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About Intrepid's Digital Media Practice

Intrepid's Digital Media practice provides M&A advisory and capital raising services to sector leaders throughout the value chain, from emerging growth concepts to more established models to mature public companies. Our specialized investment banking team brings deep sector expertise across agency & marketing services, digital advertising, eCommerce & marketplaces, entertainment & content, events & B2B marketing, marketing technology and traditional & online publishing. We provide clients with robust industry insight and experience as well as a strong network of prospective buyers, decision-makers and access to key investors.

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