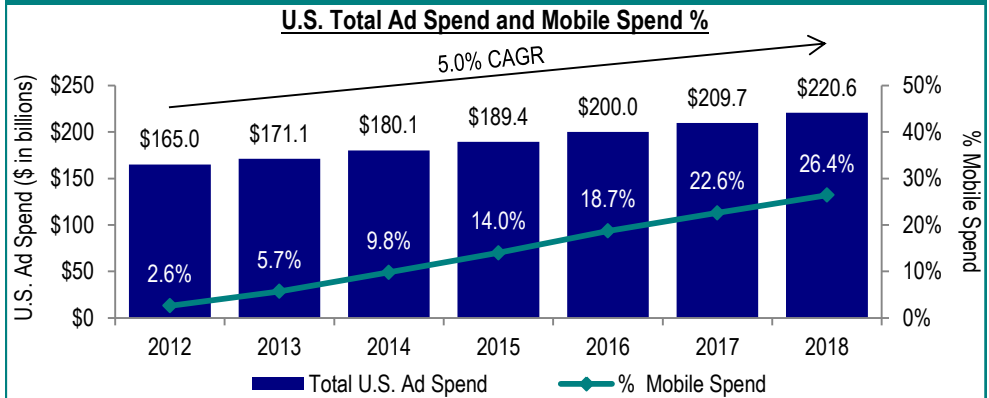


Market Intelligence

- 09/26/14: Starboard Value**, a NY-based hedge fund, discloses a significant ownership in **Yahoo!** and sends a letter to CEO Marissa Mayer suggesting the company explore a possible combination with **AOL Inc.**; Yahoo! rumored to be evaluating strategic acquisitions in advertising technology and content sectors.
- 09/18/14: Alibaba Group**, the Chinese-based online and mobile commerce provider, begins trading on the NYSE after raising \$21.8 billion at an implied enterprise value of over \$160 billion. The stock closed following the first day of trading 38% above its initial offering price.
- 08/31/14: Vice Media**, the New York-based online news company, raises a total of \$500 million for the sale of a 10% stake to **Technology Crossover Ventures** and **A&E Networks**.
- 08/31/14: Criteo**, the French-based advertising retargeting technology provider, is rumored to be negotiations with **Publicis Groupe** for a potential acquisition.
- 08/18/14: AppNexus**, the New York-based advertising technology provider, announced a capital raise of \$60 million, valuing the company at over \$1.2 billion.
- 08/13/14: AOL Inc.** announced a private offering of \$300 million convertible senior notes and expects to use the proceeds for acquisitions in the next twelve months.
- 08/05/14: Tribune Media** announced that it has completed the spin-off of **Tribune Publishing**, creating a new public entity consisting of newspapers including the Chicago Tribune and the Los Angeles Times.
- 08/05/14: Gannett Co.** announced a plan to split into two publicly-traded companies: one focused on its broadcasting and digital businesses, and the other on publishing.
- 07/08/14: Matomy Media Group**, the Israeli digital performance-based marketing services provider, begins trading on the LSE after raising £41 million at an implied enterprise value of £203 million.

Lincoln International Marketing Services Market Update

Measures that Matter: Growth in Advertising Spend & Shift to Mobile



Mobile Advertising Driving the Largest Increase in U.S. Ad Spend Since 2004

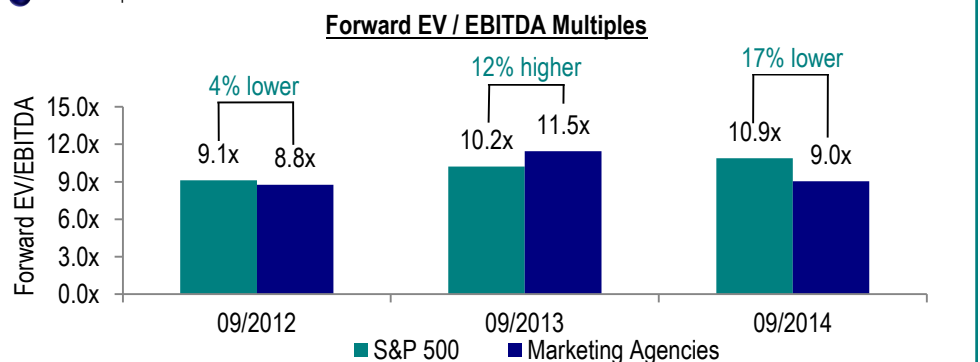
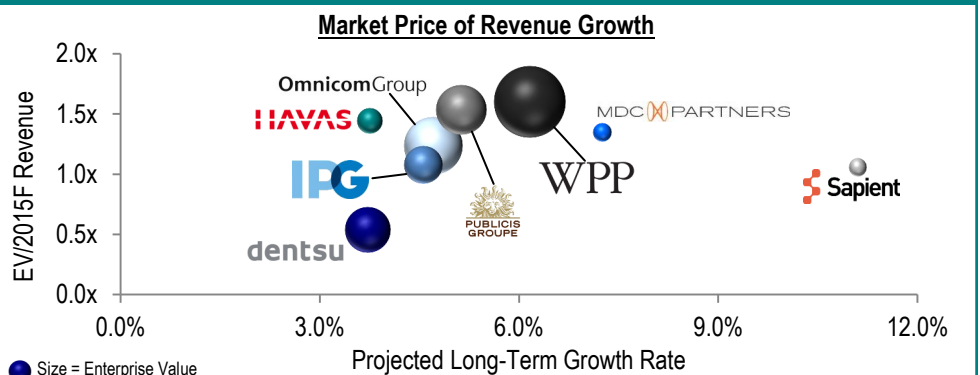
The U.S. market for advertising spend is forecasted to grow 5.3%, to \$180 billion in 2014, the largest year-over-year increase since 2004, according to data from eMarketer. Driving the increase is continued strength in advertising spend on mobile media, which is forecasted to reach nearly 10.0% of total media spend this year; finally surpassing spend on several traditional advertising channels, including radio,

magazines and newspapers. Further supporting the growth in mobile media spend, Q3 2014 saw large partnerships between agencies and mobile platforms, including Publicis / Facebook and WPP / Twitter.

Despite a significant gain in share of overall spend, mobile still lags relative to media consumption. Per user hour, mobile receives just \$0.07 vs. nearly \$1.00 for print ads. This variance is only partially explained by relative media costs, and is expected to shift as consumer engagement improves and the ROI for mobile advertising increases.

Sources: eMarketer, Ad Age

Sector Spotlight: Marketing Agencies



Note: Revenue and EBITDA forecasts based on analyst consensus estimates

Lincoln International Marketing Services Index

Company Name	Stock Price	% of 52 Week High	Market Cap	Enterprise Value	LTM		YoY Revenue Growth	EBITDA Margin	Enterprise Value / LTM		
					Revenue	EBITDA			Revenue	EBITDA	
Marketing Agencies											
Dentsu Inc.	\$ 38.06	94.0%	\$ 10,975	\$ 12,499	\$ 23,038	\$ 1,366	7.5%	5.9%	0.5x	9.2x	
Havas	7.73	94.2%	3,188	3,610	2,457	376	1.3%	15.3%	1.5x	9.6x	
MDC Partners Inc.	19.24	74.0%	954	1,859	1,206	22	6.4%	1.8%	1.5x	NM	
Omnicom Group Inc.	68.86	89.6%	17,295	20,501	14,922	2,198	3.1%	14.7%	1.4x	9.3x	
Publicis Groupe SA	68.62	77.3%	14,841	14,874	9,528	1,800	1.8%	18.9%	1.6x	8.3x	
Sapient Corp.	14.00	78.0%	1,984	1,698	1,356	175	10.8%	12.9%	1.3x	9.7x	
The Interpublic Group of Companies, Inc.	18.32	88.8%	7,720	8,856	7,312	871	3.5%	11.9%	1.2x	10.2x	
WPP plc	20.12	79.2%	25,918	31,203	19,091	3,150	8.4%	16.5%	1.6x	9.9x	
Mean		84.4%					5.4%	12.3%	1.3x	9.4x	
Digital Marketing											
AOL Inc.	\$ 44.95	84.4%	\$ 3,536	\$ 3,648	\$ 2,430	\$ 441	8.5%	18.2%	1.5x	8.3x	
Bankrate, Inc.	11.36	49.1%	1,186	1,307	511	119	19.2%	23.2%	2.6x	11.0x	
Conversant, Inc.	34.25	97.4%	2,195	2,176	594	198	(13.2%)	33.3%	3.7x	11.0x	
Digital River Inc.	14.52	73.8%	464	207	374	34	(3.3%)	9.2%	0.6x	6.1x	
Facebook, Inc.	79.04	99.2%	205,508	191,878	10,013	5,425	45.7%	54.2%	NM	NM	
Google Inc.	588.41	95.8%	394,259	344,271	65,142	19,424	17.6%	29.8%	5.3x	17.7x	
QuinStreet, Inc.	4.15	43.1%	184	139	283	11	(6.9%)	3.9%	0.5x	12.4x	
Tree.Com, Inc.	35.89	99.7%	406	318	156	12	23.0%	7.8%	2.0x	26.1x	
Twitter, Inc.	51.58	69.0%	31,291	29,396	974	(711)	82.2%	(73.1%)	NM	NM	
Yahoo! Inc.	40.75	92.6%	40,530	39,002	4,622	773	(2.9%)	16.7%	8.4x	NM	
Mean		80.4%					17.0%	12.3%	3.1x	13.2x	
Marketing Technology											
Adobe Systems Inc.	\$ 69.19	92.6%	\$ 34,508	\$ 32,496	\$ 4,115	\$ 721	(1.2%)	17.5%	7.9x	NM	
Bazaarvoice, Inc.	7.39	70.1%	577	511	174	(30)	14.7%	(17.4%)	2.9x	NM	
Criteo SA	33.65	55.2%	1,992	1,678	777	58	45.5%	7.5%	2.2x	28.9x	
Constant Contact, Inc.	27.14	80.4%	861	721	307	34	11.0%	11.0%	2.3x	21.3x	
Marin Software Incorporated	8.60	67.0%	299	220	89	(27)	22.2%	(30.5%)	2.5x	NM	
Marketo, Inc.	32.30	71.8%	1,317	1,205	122	(42)	44.2%	(34.4%)	9.9x	NM	
Millennial Media Inc.	1.86	22.0%	200	108	293	(14)	32.7%	(4.7%)	0.4x	NM	
Rocket Fuel Inc.	15.80	22.0%	566	397	315	(17)	61.5%	(5.5%)	1.3x	NM	
Salesforce.com, Inc.	57.53	85.9%	35,611	37,114	4,767	3	37.3%	0.1%	7.8x	NM	
Tremor Video, Inc.	2.34	21.1%	119	35	150	(14)	17.3%	(9.5%)	0.2x	NM	
YuMe, Inc.	5.00	45.7%	163	102	168	1	17.8%	0.8%	0.6x	NM	
Mean		57.6%					27.5%	(5.9%)	3.5x	25.1x	
Traditional Marketing Communications											
Conveo Inc.	\$ 2.47	63.0%	\$ 167	\$ 1,418	\$ 1,922	\$ 151	12.7%	7.9%	0.7x	9.4x	
InnerWorkings Inc.	8.09	77.3%	419	484	977	21	15.3%	2.1%	0.5x	23.5x	
Quad/Graphics, Inc.	19.25	52.2%	940	2,514	4,757	565	3.9%	11.9%	0.5x	4.5x	
R.R. Donnelley & Sons Company	16.46	77.6%	3,289	6,856	10,947	1,142	5.4%	10.4%	0.6x	6.0x	
Vistaprint N.V.	54.79	94.1%	1,776	2,177	1,270	165	6.6%	13.0%	1.7x	13.2x	
Mean		72.9%					8.8%	9.1%	0.8x	11.3x	
Data-Driven Marketing Services											
Acxiom Corporation	\$ 16.55	42.1%	\$ 1,277	\$ 1,194	\$ 1,083	\$ 181	(0.1%)	16.7%	1.1x	6.6x	
Aimia Inc.	15.20	85.5%	2,645	2,628	2,205	(99)	36.3%	(4.5%)	1.2x	NM	
Alliance Data Systems Corporation	248.27	82.6%	13,786	23,781	4,736	1,327	14.1%	28.0%	5.0x	17.9x	
Experian plc	15.95	77.1%	15,795	19,674	4,840	1,677	1.2%	34.6%	4.1x	11.7x	
Harte-Hanks Inc.	6.37	68.3%	398	413	560	57	(0.9%)	10.2%	0.7x	7.2x	
Nielsen N.V.	44.33	89.4%	16,858	23,333	6,081	1,422	9.9%	23.4%	3.8x	16.4x	
Reentrak Corporation	60.94	88.3%	750	730	81	(6)	41.4%	(7.2%)	9.0x	NM	
Mean		76.2%					14.6%	14.5%	3.6x	12.0x	

Sources: Bloomberg, Capital IQ and company filings, as of 09/30/2014

Select Q3 M&A Transactions

Alliance Data Systems Announces the Acquisition of Conversant for \$2.3 Billion

Alliance Data Systems ("ADS"), the Texas-based provider of marketing, loyalty, and data solutions, is expanding its data-driven digital marketing footprint through the acquisition of Conversant. Conversant will operate as part of ADS' Epsilon segment, and will enrich Epsilon's existing offline and online data set leading to more effective marketing programs across all digital channels. The \$2.3 billion purchase price, structured as a mix of cash and ADS stock, represents approximately 10x Conversant's forward EBITDA of \$230 million.

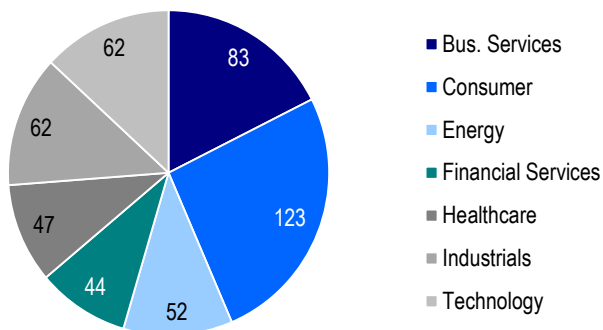
Date	Target Company	Target Description	Acquiring Company
Sep-14	Move, Inc.	Vertically-driven online lead generation services	News Corporation
Sep-14	Parago, Inc.	Provides customized rebate and promotional programs	Blackhawk Network Holdings
Sep-14	Clicktools Ltd.	SaaS-based solutions to manage customer relations	Callidus Software Inc.
Sep-14	Visible Technologies, Inc.	Social analytics and engagement software for marketers	Cision AB; Vocus Inc.
Sep-14	Conversant, Inc.	Affiliate marketing and digital media services	Alliance Data Systems
Sep-14	Ebates Performance Marketing	Cash-back shopping programs to consumers online	Rakuten, Inc.
Aug-14	Synergy Marketing, Inc.	CRM implementation and management services	Yahoo Japan Corporation
Aug-14	Cars.com	Digital marketing solutions to the auto industry	Gannett Co.
Aug-14	Pitch	Brand marketing and agency management services	Project WorldWide, Inc.
Jul-14	The Engine Group	Provides advertising and branding services	Lake Capital
Jul-14	Acosta, Inc.	Provides retail merchandising services to the CPG industry	The Carlyle Group
Jul-14	AdColony Inc.	Mobile video advertising solutions	Opera Software ASA
Jul-14	Flipkart Online Services Pvt. Ltd.	Operates an online shopping website in India	Accel Partners, et. al.
Jul-14	Bizo, Inc.	B2B online marketing services	LinkedIn Corporation
Jul-14	Van Wagner Communications	Provides out-of-home branding and advertising solutions	CBS Outdoor LLC
Jul-14	SocialKaty LLC	Manages online social media presences for corporations	Manifest Digital, Inc.
Jul-14	LiveRail Inc.	Provides online video advertising solutions	Facebook, Inc.

The Lincoln 500 Database — Lincoln's Perspectives on the Middle Market

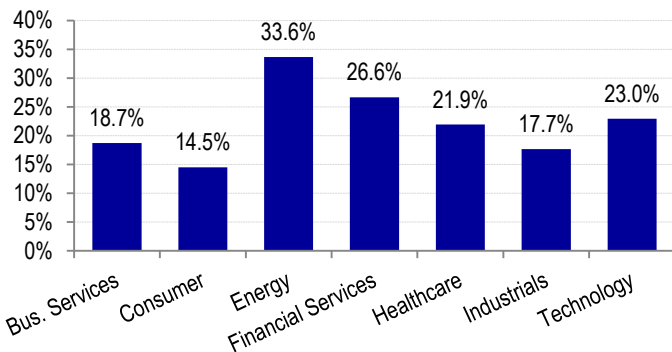
About The Lincoln 500 Database: Lincoln maintains an extensive proprietary database in connection with its quarterly portfolio valuation activities containing valuation and financial data for a diverse group of companies across ten primary industry segments. The database offers a glimpse into the middle market where reliable data is otherwise limited. Valuation metrics reflect observed transaction multiples. Financial results reflect information available at the end of each calendar quarter (typically, financial statements for one or two months preceding the end of the period). The database contains over 500 middle-market companies.

Vertical Margin and Multiple Trends

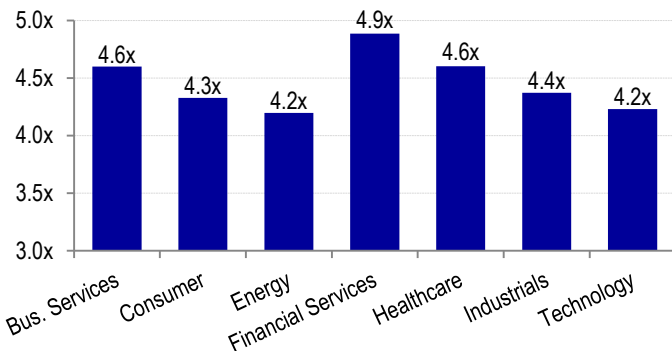
Vertical Distribution by Company



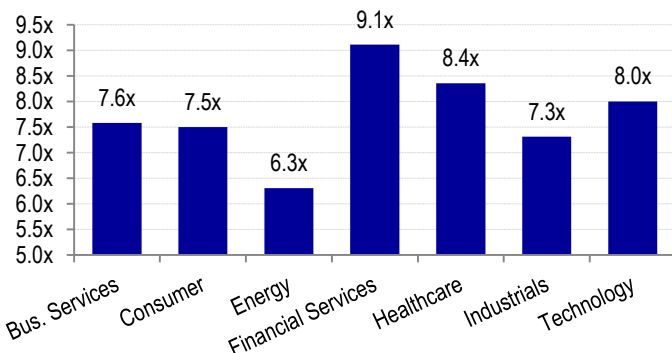
Average LTM EBITDA Margin



Average Total Leverage Multiple

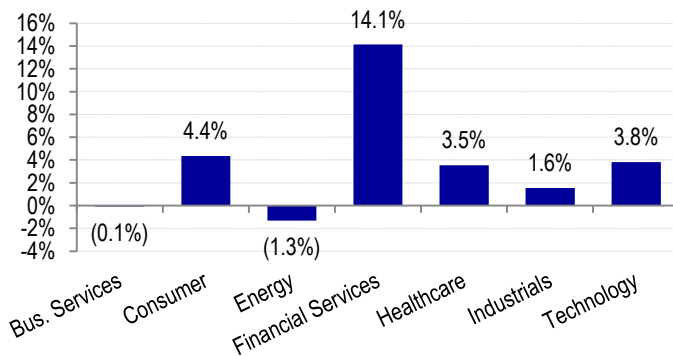


Average Enterprise Value / LTM EBITDA Multiple

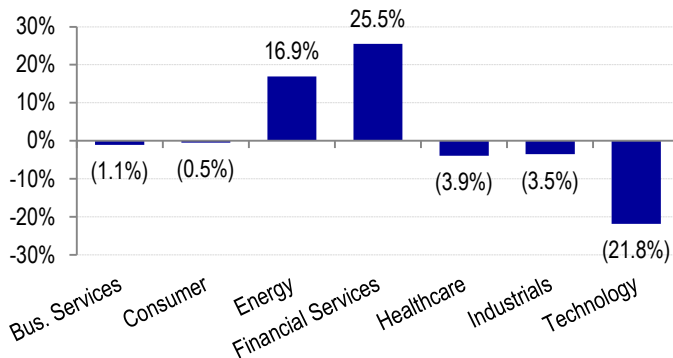


Vertical Growth Trends

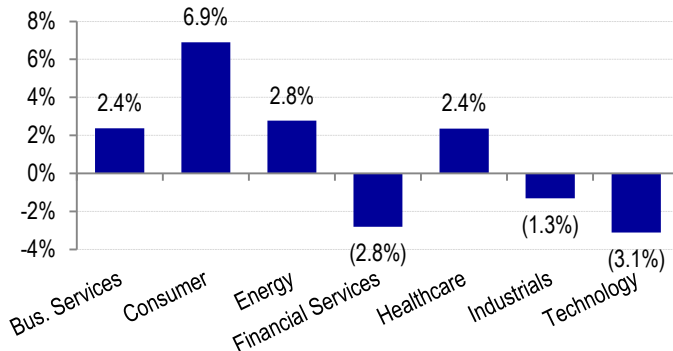
Quarter over Prior Year Quarter Revenue Growth



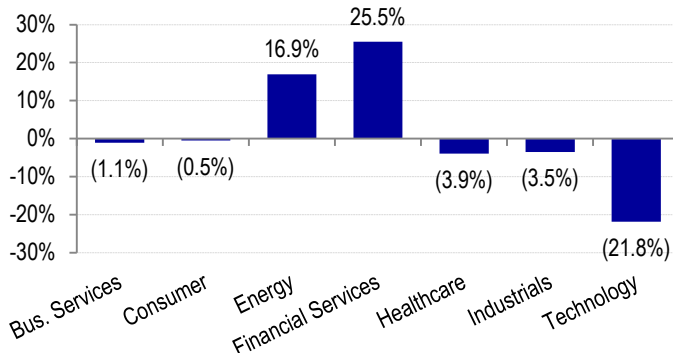
Quarter over Prior Year Quarter EBITDA Growth



Quarter over Quarter Revenue Growth



Quarter over Quarter EBITDA Growth



FIRM SNAPSHOT

Lincoln International is the first and only truly international, integrated, independent mid-market investment bank.

INTERNATIONAL

- 16 offices in key global economies
- Each office is connected in its region
- 50% of our M&A deals are cross-border

INTEGRATED

- Global culture and brand
- Global industry groups and deal teams
- Global partnership, shared economics

INDEPENDENT

- Owned and operated by our partners
- No conflicts of interest
- Long-term relationships based on trust

MID-MARKET

- Mid-market is the focus of the entire organization
- Not a mid-market group of a larger entity
- Senior bankers are very "hands-on"

WE FOCUS ON THE FOLLOWING SERVICES:

- M&A Advisory
- Debt Advisory
- Restructuring & Special Situations Advisory
- Valuations & Opinions

BUSINESS SERVICES GROUP

Lincoln International recognizes the importance of understanding a client's industry, value drivers, growth opportunities and challenges.

Our dedicated Business Services Group consists of highly experienced senior bankers who have spent their careers developing deep professional relationships and specific knowledge of business service companies.

Advising business service companies in each of our global offices, Lincoln International provides key senior-level experience, unique market insights and invaluable contacts in support of clients on a worldwide basis for every transaction.

Within our key areas of focus listed below, Lincoln International is globally recognized as one of the most active advisors to leading companies in the business services economy.

AREAS OF FOCUS

Information Services

- Agency and Consumer Engagement
- B2B Media
- Business Intelligence
- Business Process Outsourcing
- Digital Media Services
- e-Commerce Enablement
- Interactive Marketing
- Marketing Technology
- SaaS / PaaS / IaaS
- Training and Education
- Transaction Processing

Commercial & Industrial Services

- Distribution
- Energy, Power and Infrastructure
- Environmental
- Equipment Rental
- Facilities
- Laundry and Uniform
- Logistics and Transportation
- Maintenance
- Physical Security and Safety
- Printing and Graphics

Professional & Human Capital Services

- Architecture and Design
- Audit and Accounting
- Brokerage
- Consulting
- Engineering
- IT Integration and Resale
- Research
- Risk Management
- Staffing and Search
- Test, Measurement and Certification

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