Business Valuation Benchmarks Ltd.

BVB Insights®:

Data and analysis on UK private company multiples

2015 edition

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Introduction

This publication is the first and the only one of its kind in the UK. Until now, there has been no single source of accurate information for private-company transaction multiples in the UK, broken down by industry sector.

The UK's first reliable research on private company multiples

"If you need to benchmark your business valuations with confidence, you will find this document invaluable."

Previously, if you needed to know how much a business was worth, you had to pore over and analyse large datasets.

With BVB's research, all of the work has been done for you. This document puts at your fingertips the most robust and reliable information on transaction multiples paid for UK companies in 2014.

In researching *BVB Insights: Data and Analysis on UK Private Company Multiples 2015*, our analysts assembled large amounts of transaction information from a variety of sources. They then applied 30 years of business valuation expertise to make sense of the raw data.

The result is an in-depth and highly accurate overview of transaction multiples paid for UK private companies for the year ended December 2014.

To give you more precise insights, the information is broken down into 10 industry sectors and, where appropriate, 40 industry subsectors. We also offer an independent view on what is driving the multiples paid, and we have included key details of each transaction.

This research therefore fills a large knowledge gap for business valuation professionals. If you need to prepare business valuations with confidence or want to better understand what multiples are being paid for UK private businesses, you will find this document an invaluable benchmarking tool.

BVB's approach: robust research you can trust

"Our approach gives you a truer picture of the value of a business."

BVB's founders are chartered accountants who between them have specialised in business valuation for over 30 years. Since January 2011, we have been monitoring UK private-company transaction multiples based on normalised earnings.

In this research, we focus on multiples related to enterprise value or the value of the business, as opposed to share value.

Enterprise value multiples reflect the value acquirers pay for the business, independent of financing structure. Because every business adopts a different financing structure, our approach gives you a truer picture of a business's value. *BVB Insights 2015* covers transactions for the year ended December 2014. It is the 2015 edition of an annual publication dedicated to helping you understand UK private company multiples.

What makes our research different?

- Compiled by chartered accountants with over 30 years' combined business valuation experience.
- Each transaction has been carefully scrutinised to ensure transaction prices are accurate and consistent.
- Earnings for each target company have been adjusted to remove the effect of discontinued operations, exceptional items and the like. The earnings multiples therefore represent multiples of normalised earnings.

Methodology

Sources

The sources of information used to create this publication are:

- **Experian Corpfin**, the UK business database for mergers & acquisition intelligence on transactions over £500,000
- **IbisWorld** and specialist industry bodies for industry information
- **Companies House** for company accounts
- **Publicly available information**, such as annual reports, press releases, articles in the financial press

Enterprise value

Enterprise value (EV) represents the value of a business independent of its financing structure. Transactions to acquire a company's business (or the shares of the company that operates the business) may be structured differently, depending on circumstances such as debt, contingent liabilities and tax issues. In concentrating on EV, we exclude consideration specific to the way each transaction is structured and focus on the value of the business. In this publication, EV is determined before any consideration of interest-bearing debt.

Approximately 20% of the transactions we have analysed include deferred consideration or earn- out provisions.

Where consideration is deferred (i.e., payable within one to two years of the transaction date) and not contingent upon any factors such as financial targets, the deferred consideration has been included in the EV.

However, our calculation of EV excludes any consideration that is contingent upon future events such as financial growth targets. Publicly available information does not provide a reliable picture of a company's ability to meet growth targets or other contingent factors. Accordingly, we consider it prudent to exclude any element of contingent consideration from the calculation of EV.

The calculation of EV for each individual transaction has been carefully researched to ensure it reflects the value paid for the business. The EV for each transaction is based on sourcing the most reliable evidence of the price paid and, where possible, cross-checking against other sources of information such as press releases and annual accounts of both the target and the acquirer.

Normalised EBITDA

The EBITDA used in the EV/EBITDA calculation is the normalised EBITDA of the target company.

The process of calculating normalised EBITDA begins with sourcing the earnings before interest and taxes (EBIT) from the target company's most recent financial statements as of the transaction date.

To arrive at normalised EBITDA, each target company's financial statements were carefully analysed and the following adjustments made to reported EBIT:

- Depreciation and amortisation expenses;
- Gain or loss incurred on the disposal of assets;
- Profit or loss on discounted operations;
- Impairment costs;
- Share-based payments; and
- Exceptional items.

In some instances, acquirers may provide their own calculation of normalised EBITDA for the target company. This calculation may be more current than that shown in the latest statements we have sourced from Companies House. In such instances, we have used the acquirer's calculated normalised EBITDA in our EV/EBITDA calculation.

Normalised Revenue

The figure for revenue is sourced from the target company's most recent financial statements as of the transaction date.

The revenue used in the EV/revenue calculation is the normalised revenue of the target company.

We first took the revenue figure in the target company's most recent financial statements at the transaction date. We then reviewed and analysed previous year's financial statements to make the following adjustments to reported revenue:

- Revenue from discontinued operations;
- Nonrecurring revenue items (e.g., government incentives, rebates); and
- Other factors, where identified.

Some acquirers provide their own calculated normalised revenue for the target company, which may be more current than that shown in the latest financial statements we have sourced from Companies House. In such instances, we have used the acquirer's calculated normalised sales in our EV/Revenue calculation.

Transaction multiples and insights for high-level industry categories

Exhibit 1 shows the average deal size and acquired company metrics for deals completed during 2014 in 10 high-level industry categories.

EXHIBIT 1. TRANSACTION DATA FOR 10 HIGH-LEVEL INDUSTRIES

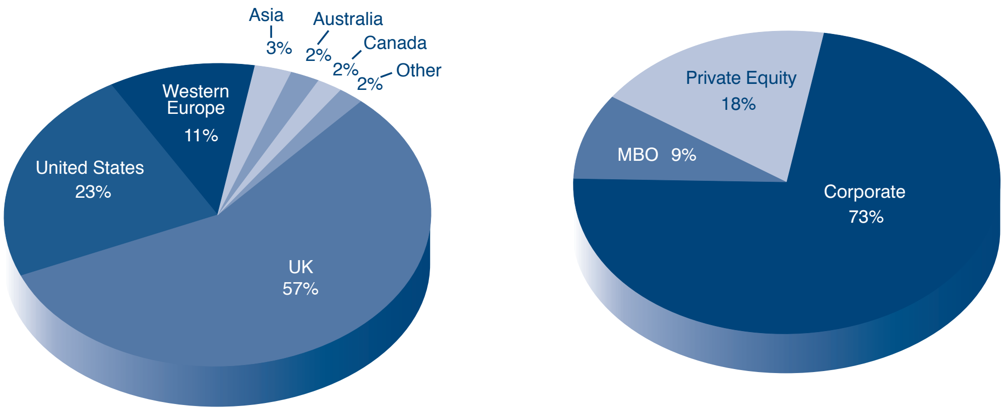
Industry	No. of Deals	Average Deal Size (m)	Average Revenue (m)	Average EBITDA (m)	Average EBITDA Margin (%)	EV/ Revenue	EV/ EBITDA
Consumer Discretionary	47	£26.7	£34.0	£3.9	10.8%	1.1	8.2
Consumer Staples	11	£35.0	£45.2	£3.1	8.1%	0.8	6.9
Energy	9	£66.0	£20.9	£6.1	17.1%	1.6	8.5
Financials (Excl. Banks)	22	£37.9	£17.5	£4.7	18.8%	2.1	9.6
Healthcare	23	£40.2	£25.9	£4.7	17.7%	1.9	8.9
Industrials	46	£31.5	£28.6	£6.1	15.3%	1.0	7.0
Industrials—Services	41	£16.6	£19.6	£2.2	16.4%	1.0	6.8
Information Technology	27	£14.6	£9.8	£2.8	24.4%	2.2	9.4
Materials	2	£816.7	£228.1	£70.8	18.9%	2.1	10.2
Telecommunications	4	£18.9	£30.0	£3.0	10.3%	0.5	6.7

Buyers' geography and type

The majority of transactions (c57%) involved UK buyers, followed by US (c23%), Western Europe (c11%) and Asia (c3%).

Approximately 73% of the transactions were made by corporate buyers, 18% by private equity as direct investment, and 9% in the form of MBOs. The MBOs were largely backed by private equity.

CHART. BUYERS ACCORDING TO GEOGRAPHY AND TYPE



Foreign buyers have been interested in UK branded businesses, predominantly in the food and beverage businesses and consumer retail as strategic investments, acquiring to expand them internationally.

Turkish-based Yildiz, which owns about 300 brands including Godiva chocolates, paid X.Xx EBITDA to acquire United Biscuits Co., which makes Jaffa Cakes and Twiglets. In the process, Yildiz beat off competition from US-based Kellogg and China-based private equity firm Hony Capital amongst others. Yildiz, which has a large presence in North America, China, the Middle East and North Africa, will expand the business into these territories.

US-based Hain Celestial Foods a leading organic and natural products company, acquired Tilda, a leading premium band Basmati and speciality rice company paying X.Xx EBITDA. Similarly, it is planning to expand the brand globally using its existing distribution platforms.

US-based private equity firm The Gores Group, which invests in mature businesses, paid a more sober X.Xx EBITDA for a major stake in the Hovis bread business and will work with its partners to reinvigorate the brand, including further investment over the next five years in the region of £200 million, of which £23 million is expected to be direct investment from The Gores Group.

Another transaction was Hong Kong-based private equity firm Hony Capital's acquisition of Pizza Express, holding off competition from Chinese conglomerate Fosun, Chinese PE fund Citic Capital Partners and US PE group TPG. The acquisition of Pizza Express continues the tradition of Asian buyers snapping up brands in the food and beverage industries. Hony Capital, which missed out on United Biscuits Co. (acquired by Turkish-based Yildiz), paid X.Xx EBITDA to buy the leading casual dining brand Pizza Express. It will utilise local expertise to accelerate its growth in China. Hony Capital has established a specialty in the food and beverage sector specifically looking at strong international brands to expand into Asia.

Overall we can see the power of UK brands shining through!

Continuing the trend from recent years, UK brands are in high demand with acquirers paying impressive multiples for strong UK brands across a broad range of Industries.

Despite Chinese inbound M&A activity slowing down over 2014, we did see them buy strong branded companies for their potential growth across Asia, namely Pizza Express' X.Xx EBITDA and Cath Kidston's X.Xx EBITDA. Last year, we saw the Chinese snap up branded and unbranded UK manufacturers, with Black Cabs and Sunseeker being among the UK brands being acquired by the Chinese, with them paying significantly higher multiples where a brand is attached (cX.Xx for smaller unbranded manufacturers versus double-digit multiples for branded ones).

Tilda (X.Xx EBITDA), Dr Martens (X.Xx EBITDA), United Biscuits (X.Xx EBITDA) and Dorset Cereals (X.Xx EBITDA) are further examples of key UK brands acquired during 2014.

What is private equity buying? Answer: UK Brands

It is interesting to look at what private equity (PE) is investing in. PE has a short-term investment horizon as compared to corporate buyers. PE typically has a maximum investment horizon of five years and therefore targets businesses that will provide a maximum return in a short time frame.

Over 2014, PE acquired a number of businesses in the consumer discretionary space such as owners of retail brands, restaurants, and retail with strong brands. PE dominated the acquisition of strong-branded businesses such as Dr Martens, Pizza Express, Cath Kidston, Cambridge Satchel Co., Aromatherapy Associates, and Maplin Electronics. These purchases are on the back of increasing consumer confidence and an upturn in the economy, which will boost discretionary spend and thus growth for businesses in this sector.

Industrial—services was also an active industry where PE firms targeted businesses not traditionally courted by them such as accountancy and law businesses. PE firms sought areas to exploit opportunities in fragmented markets in accountancy services or the opportunities presented by legislative changes that allow law firms to operate under more flexible business structures.

Which firms have been most acquisitive? Could these be potential acquirers for businesses you have for sale?

Over the past year, the most acquisitive buyers were looking to secure organic growth, or to expand their capabilities via acquisitions that were complementary to their own businesses.

We saw acquisitions across a number of sectors including business process outsourcing, publishing and digital media, engineering, defence, animal feed, recruitment and automotive.

Capita PLC, a company involved in business process outsourcing, has been acquisitive over the past year, paying healthy multiples, and is looking for further opportunities. Capita's stated strategy for growth is to secure niche acquisitions that add value to their propositions and open up new markets sectors, fuelling future growth. Among the businesses acquired by Capita in 2014 were Monarch Education (with revenue of c£8m), a recruiter specialising in temporary placement solutions for the education sector, for X.Xx EBITDA; Updata Infrastructure (UK), an IT consulting business (with revenue of c£40m) providing network and connectivity services largely to public-sector clients, for X.Xx EBITDA; and AMT-Symbex Group (revenue of c£36m), a proprietary software business providing software and related services in mobile technology and smart data management to the utilities and transport sectors, for X.Xx EBITDA.

St. Ives PLC, a marketing solutions and book publishing services business, has been on the acquisition trail over the past few years, largely targeting businesses with turnover in the region of £10 million. During 2014 they acquired Realise Ltd., a digital marketing agency, for X.Xx EBITDA and The Health Hive Group Ltd., a company providing strategic consulting and communications services to the healthcare and pharmaceuticals industries, for X.Xx EBITDA. These acquisitions were made in line with St. Ives' strategy to acquire complementary businesses that specialise in the growth area of marketing services, particularly in data marketing, digital marketing, consultancy services and field marketing, which add value to their existing portfolio.

Engineering service group **Renew Holdings'** strategy to expand its range of capabilities into new infrastructure markets saw it make two acquisitions in 2014. Clarke Telecom, an engineering services business focused in the wireless telecoms infrastructure market, was acquired for X.Xx EBITDA and Forefront Group, a business focused on the replacement of gas mains and other critical services for National Grid and Southern Gas Networks in London and the South East through framework agreements, was acquired for X.Xx EBITDA.

Operating in defence and related markets **Cohort PLC's** strategy is to accelerate growth by making targeted acquisitions, complementing organic growth, whether as stand-alone members of the group or as "bolt-in" acquisitions to their subsidiaries. They made two acquisitions in 2014. Cohort acquired a 50% stake in Marlborough Communications (Holdings) Ltd., a specialist supplier of electronic warfare, communications and surveillance technology, for X.Xx EBITDA and J+S Ltd., an independent systems and in-service support provider for the defence and offshore energy markets, for X.Xx EBITDA.

The Netherlands-based **ForFarmers B.V.**, a producer and supplier of conventional and organic feed solutions for livestock, continued to play a leading role in the consolidation of the animal feed sector both in the UK and in continental Europe. It acquired Wheyfeed Ltd. and HST Feeds for X.Xx EBITDA and X.Xx EBITDA, respectively.

Impellam Group PLC, a provider of managed services and specialist staffing expertise, acquired Lorien Ltd., the largest independent specialist IT recruitment business in the UK for X.Xx EBITDA and Career Teachers, a specialist education recruitment business that sources short- and long-term teaching staff from the UK and internationally, for X.Xx EBITDA. The acquisitions were part of an ongoing strategy to strengthen and refine its portfolio of specialist staffing businesses into market leading positions.

Nationwide Accident Repair Services, an automotive crash repair and accident administration services business, acquired Derek Gladwin Ltd., a business with eight body shops, for X.Xx EBITDA and Auto Think, a business also with eight body shops, for X.Xx EBITDA. The acquisitions were in line with its strategy to expand into territories that enhance its presence and deliver economies of scale.

Insights into the high-level industries

Highest multiples

The highest multiples paid were in the IT, financials (excluding banks) and materials sectors, sectors that had, on average, the highest margins among the industry groups.

The IT sector saw high multiples in application software and online search engines, both industries poised for double-digit growth over the next five years. Consumer discretionary further continued its strong EBITDA multiples on average, largely driven by local and foreign PE acquiring strong branded companies, continued consolidation in the advertising and marketing sector, and leisure businesses that are forecast to grow due to increased consumer confidence and disposable income.

Lowest multiples

The lowest multiples were paid in the consumer staples (6.9x), industrials—services (6.8x) and telecommunications (6.7x) sectors. The lower multiples were largely due to the targets in these industry categories being the smallest and having the lowest margins amongst the industry categories. Consumer staples and telecommunications had the lowest margins of 8.1% and 10.3% respectively, and industrials—services had the smallest average level of EBITDA (at £2.2m) amongst the industry categories.

Structure of consideration

One-fifth, or 20%, of transactions involved deferred consideration. These deals were largely in the consumer discretionary, industrial—services and IT sectors. The deals were structured such that, on average, an additional 24% of the enterprise value paid upfront was made up of earn-out payments contingent upon financial performance targets, usually for two to three years post-transaction. The largest amounts of deferred consideration were in the industrials—services and consumer discretionary sectors, where it was not uncommon to see upto 50% of the total possible EV deferred.

Transaction multiples and insights for industry subsectors

To provide greater insight into multiples paid during 2014, we have broken down, where possible, each high-level industry category into its components.

Accordingly we set out the average transaction multiples paid across these components. We also provide insights into selected industries (marked with an asterisk in each table)

Consumer discretionary

EXHIBIT 2. CONSUMER DISCRETIONARY SECTOR BROKEN DOWN INTO SUBSECTORS

Sector	No. of Deals	Average Deal Size (m)	Average Revenue (m)	Average EBITDA (m)	Average EBITDA Margin (%)	EV/ Revenue	EV/ EBITDA	
Advertising/Marketing	8	£14.2	£8.1	£1.7	17.1%	1.7	7.9	*
Distributors & Owners of Retail Brands	5	X.X	£28.2	£2.7	14.6%	X.X	X.X	
Education Services	2	X.X	£31.4	£3.6	14.2%	X.X	X.X	
Home Furnishings/ Improvement	8	X.X	£34.0	£3.3	10.3%	X.X	X.X	*
Leisure Businesses/(Travel, Restaurants, Gyms)	7	X.X	£100.7	£9.4	5.4%	X.X	X.X	*
Media/Communications/ Publishers	2	X.X	£17.8	£3.8	18.0%	X.X	X.X	
Home Movies and Entertainment	2	X.X	£28.6	£5.6	19.9%	X.X	X.X	
Retail – Automotive	3	X.X	£74.9	£3.9	2.0%	X.X	X.X	
Retail – Internet	5	X.X	£20.0	£10.5	22.8%	X.X	X.X	*
Retail – Other	5	X.X	£83.8	£12.4	15.6%	X.X	X.X	*

Advertising and marketing sector sees continued consolidation with small companies being bought out by UK corporates

There has been significant consolidation in this sector over the past few years with large corporates acquiring smaller players in the industry. The majority of transactions involved targets with revenue of less than £10 million, and acquirers were largely UK corporates.

We note that St. Ives PLC has continued its acquisition trail, buying up small but high-margin digital marketing and communications companies, paying multiples of between 6.9x and 7.9x EBITDA. St. Ives acquired Realise Ltd. (revenue £10 m and EBITDA margin 26%) at an EBITDA multiple of 7.9x and The Health Hive Group (revenue £9.1m and EBITDA margin 37.4%) at an EBITDA multiple of 6.9x.

With a growing awareness of the effectiveness of public relations and communications, businesses focusing on more cost-effective ways of communicating directly with customers and stakeholders and the trend to social media, public relations firms did well. We saw a number of transactions in this area, including Porta Communications PLC, which paid 5.3x EBITDA for PPS Group (revenue £5.3m and EBITDA margin 16.3%), a leading firm specialising in reputation management.

Growing business confidence and rising disposable income will drive demand for marketing services, while business expansion driving new products to market will also positively impact the advertising and marketing sector. We saw high multiples paid for companies in this area, including Communisis PLC paying 15.0x EBITDA to acquire The Communications Agency, a long-established, award-winning agency, while USA-based Kirshenbaum Bond Senecal + Partners acquired London-based creative agency Albion Brand Communication for 15.6x EBITDA.

Home furnishings and improvements—demand expected to continue its upward trend

The residential housing construction market was severely affected by the lack of credit and mortgage availability over the past five years. However, the effect on the renovation and refurbishment market was not as severe as consumers shifted their focus to upgrading their existing homes. Demand should be further bolstered by higher disposable incomes, and rising house prices also mean homeowners are likely to have more equity.

Industry revenue is projected to grow at nearly 10% per annum over the next five years, specifically online home furnishing offerings. We saw high multiples being paid for companies servicing the home refurbishment market, operating online as well as physical stores.

Farrow & Ball, a manufacturer and vendor of premium paints and wallpapers both in the domestic market and internationally, was acquired by US-based private equity group Ares Investments for X.Xx EBITDA. Ares Investments plans to capitalise on the company's power brand and strong growth potential.

Kitchen Craft, a 165-year-old leading supplier of kitchenware and accessories, was acquired by US-based Lifetime Brands for X.Xx EBITDA. Lifetime Brands were looking to increase their European footprint and bolster their portfolio of brands.

Rixonway Kitchens, a kitchen construction company, was acquired by Swedish group Nobia AB at a multiple of X.Xx (revenue of X.X and EBITDA of X.X). Nobia was expecting to double its market share in the UK via its acquisition of an established local manufacturer (operating since 1978) supplying UK construction companies.

New house starts over the next five years are expected to further boost demand in the housing and construction industry as well as home furnishings. Housing starts are projected to increase in 2014/2015 and over the next five years further driving growth in this industry. Revenue in the residential-construction sector in the UK is forecast to grow at a compound annual rate of 4.6% over the next five years.

Leisure businesses should benefit from rising consumer confidence and disposable income levels

Rising consumer confidence and disposable income levels in the coming years will increase the demand for tourism. Travel operators will benefit from this, although some downward pressure will come from online wholesale operators and a rising tendency for consumers to book holidays direct. A notable transaction in 2014 was the acquisition of Destinology, an online luxury travel company that offers bespoke five-star holidays targeting the 50-to-60-year-old age group by Saga Group PLC for X.Xx EBITDA. Saga were looking to enhance the range of offers for their customer base.

Elegant Resorts, a tour operator also specialising in luxury travel, was acquired by Saudi Arabia based Al Tayyar for a multiple of X.Xx EBITDA.

PE also showed interest in the travel industry, with PE firm Vitruvian acquiring JAC Travel which operates in the high-growth accommodation wholesaler sector for a multiple of X.Xx EBITDA.

While acquisitions by Chinese buyers generally slowed down in 2014 compared with the past few years, the well-established UK brand “Pizza Express” was acquired by Hony Capital for X.Xx EBITDA with a view to accelerating its growth in the Chinese market.

Online retailers attract foreign buyers and continue to achieve the highest transaction multiples, with the industry forecasting double-digit growth over the next five years

Acquisitions of UK online retailers were dominated by foreign buyers and attracted the highest multiples across the industry sectors, with an average multiple of X.Xx EBITDA. The industry is set for significant growth over the next five years with industry revenue forecast to grow at a compound annual rate of 11%. This subsector has bucked the trend in retail over the past five years (i.e., retail generally suffering from economic woes), with growth being driven by time-strapped consumers seeking a broad range of products. Further expansion is expected, as indicated by double-digit annual growth over the next five years, on the back of increased consumer confidence, higher disposable income levels, and technological advances making online shopping easier and quicker.

Retail—other: UK brands reigning king with PE and VC investors looking to expand their global presence

Again we see the UK brands reigning king with interest coming from PE and VC investors looking to expand the global presence of UK treasures.

Of particular note is Hong Kong-based Baring Private Equity Asia’s acquisition of Cath Kidston Ltd at a multiple of X.Xx EBITDA. Cath Kidston has strong demand in Asia and great potential for growth of the brand across that region.

VC investor Index Ventures took a 33.3% stake in Cambridge Satchell Co., representing a multiple of X.Xx EBITDA. Cambridge Satchell Co. is relatively small with revenue of X.X million and X.X million EBITDA; however, it has strong margins at 37.2% and strong international growth prospects.

Consumer staples

EXHIBIT 3. CONSUMER STAPLES

Sector	No. of Deals	Average Deal Size (m)	Average Revenue (m)	Average EBITDA (m)	Average EBITDA Margin (%)	EV/ Revenue	EV/EBITDA	
Food Manufacturer, Wholesalers and Distributors	6	X.X	£40.7	£2.9	8.1%	X.X	X.X	*
Branded Food Manufacturers	5	X.X	£120.3	£10.3	8.6%	X.X	X.X	*

UK branded food manufacturers see large multiples paid by corporate acquirers

We saw, on average, higher multiples paid on average for branded food manufacturers (X.Xx EBITDA) compared to unbranded ones (X.Xx EBITDA). We saw a similar trend last year, with strong brands attracting high multiples, particularly from foreign acquirers seeing them as a platform to grow their business. The highest multiples were achieved by very strong brands such as Tilda, Dorset Cereals and United Biscuits that also had relatively strong EBITDA margins.

A 51% stake in Hovis, which was acquired by US PE firm The Gore Group, saw the lowest multiple observed among the transaction set at X.Xx EBITDA. Hovis also had the lowest margins at only 3.4%. In 2013, the Hovis business underwent a major restructuring to reduce excess capacity and improve efficiencies with “brand improvement” being a key objective over the next five years. The Gore Group has a rich history in working alongside corporate partners to unlock latent value in divisions that require operational and commercial improvement. Additional direct investment in the region of £28 million, and further external financing, is expected to provide approximately £200 million of additional capital over the next five years. The relatively lower multiple paid for Hovis reflects a combination of significant further investment required over the next five years to “reinvigorate” the Hovis brand and improve operational infrastructure, and its low profit margins.

Corporates on the acquisition trail paid impressive multiples for Tilda and Dorest Cereals. Tilda a leading producer of Basmati and specialty rice products was acquired by The Hain Celestial Group for a healthy multiple of X.Xx EBITDA. Its acquirer is planning to grow the Tilda brand further using its existing distribution platforms in the US, Canada and Europe. Associated British Foods (ABF) acquired Dorset Cereals, a relatively small business (with recent revenue and EBITDA of c. X.X and c. X.X, respectively), for an impressive multiple of X.Xx EBITDA. ABF commented that Dorset Cereals is a premium brand with particular strength in the growing muesli sector. Remaining true to the brand, ABF is retaining the manufacturing facilities in Dorset, which will no doubt ensure that quality and taste are maintained.

United Biscuits owner of British favourite McVities was acquired by the Turkish-based biscuit manufacturer Yildiz (fighting off competition from Hong Kong-based Hony Capital, and US-based Kellogg’s) for X.Xx EBITDA in its push for globalisation. Post-acquisition, Yildiz is the third largest biscuit manufacturer in the world.

Financials (excluding banks)

EXHIBIT 4. FINANCIALS (EXCLUDING BANKS)

Sector	No. of Deals	Average Deal Size (m)	Average Revenue (m)	Average EBITDA (m)	Average EBITDA Margin (%)	EV/ Revenue	EV/EBITDA	
Financials – Other	9	X.X	£17.5	£4.2	17.6%	X.X	X.X	*
Insurance Brokers and Services	7	X.X	£35.6	£3.7	18.8%	X.X	X.X	
Money Transfer and Forex Services	3	X.X	£89.3	£12.0	25.0%	X.X	X.X	
Real Estate Operations/ Services	3	X.X	£9.7	£1.0	21.3%	X.X	X.X	

Insurance brokers and services offering innovative products are in demand, and forecast industry revenue is strong as demand for insurance is expected to improve, coupled with increases in premium rates

The average EBITDA multiple among the transaction set was X.Xx EBITDA, and we saw businesses that offer innovative insurance products and services sell for high multiples in the teens. The industry is set for strong growth over the next five years with revenue forecast to grow at 5.1% compound per annum. A gradual increase is expected in the demand for life and general insurance products, and the market is entering a hardening cycle causing an increase in premium rates.

With its unique online product offering, Avantia an insurance intermediary that helps to solve the problem of getting insurance for customers that fall into the “difficult to insure” risk category, was acquired in an MBO backed by UK PE firm ECI Partners, which valued Avantia at X.Xx EBITDA.

Supercover, a provider of insurance for mobile devices and portable electronic devices that has a market leading position and a scalable business platform was acquired by Marketstudy, a motor insurer looking to add new products for its customers for X.Xx EBITDA.

Whilst, Wunelli an industry-leading telematics data services provider (data on driver behaviour) that has spent years building up its telematics expertise, sold for X.Xx EBITDA to LexisNexis Risk Solutions. Lexis Nexis’ clients will benefit from Wunelli’s expertise by helping them attract and retain safer drivers and avoid adverse selection.

Healthcare

EXHIBIT 5. HEALTHCARE

Sector	No. of Deals	Average Deal Size (m)	Average Revenue (m)	Average EBITDA (m)	Average EBITDA Margin (%)	EV/ Revenue	EV/ EBITDA	
Care Homes and Care Providers	6	X.X	£54.6	£15.0	26.4%	X.X	X.X	*
Medical Equipment and Supplies	9	X.X	£10.8	£2.0	16.8%	X.X	X.X	
Other	3	X.X	£15.3	£4.5	27.5%	X.X	X.X	
Pharmaceuticals	5	X.X	£40.0	£7.4	13.1%	X.X	X.X	*

Care home and care providers have seen unprecedented demand due to ageing population

Due to an ageing UK population, patients requiring care for degenerative mental conditions such as dementia or Alzheimer's have driven unprecedented demand in this segment. However, due to factors relating to pressure from a decrease in public-sector spending and legislative interference revenue growth has been flat. We saw a number of transactions involving both foreign and local buyers paying on average X.Xx EBITDA to enter this highly fragmented market with a low concentration of large players.

Partnerships in Care was acquired for X.Xx EBITDA by US-based Acadia, which was looking to enter the UK market, whilst Cygnet Care was acquired for X.Xx EBITDA by US-based Universal Health Care.

A consortium involving PE firm Duke Street acquired Voyager Care for X.Xx EBITDA with a buy-and-build strategy to exploit the fragmented nature of the market. Similarly, Woodleigh Homes was acquired for X.Xx EBITDA by UK corporate Cambian Group, which was looking to consolidate its position through expansion into new territory in the UK, principally the Yorkshire and Humber region.

Pharmaceuticals manufacturing and wholesaling will be looking to consolidate in light of the weak growth forecast over the next five years, and companies expect to dispose of their non-core divisions

Britain is one of the world's largest exporters of pharmaceuticals by value. A small component of that is the basic pharmaceuticals product manufacturing (basic pharma) sector with revenues of £3.1bn. The sector produces medicinal active substances for use in pharmacological properties to make medicines.

A number of fundamental issues have plagued the Basic Pharma sector including growing competition from low-cost Asian producers, a shrinking manufacturing base in the UK, a growing acceptance of generic substitutes, a lack of new product in the pipeline, regulatory issues, and up until recently weak economic growth.

Although economic activity is expanding, revenue growth is expected to increase by only 1% year on year over the next five years. An ageing population will help to boost demand; however, there are a number of issues that will offset this.

Demand is expected to be constrained by competition from generic drugs and imported products and patent expiration from blockbuster drugs. Reduced spending on healthcare and stiffer regulation will impact the domestic market as well. The declining manufacturing base in the UK and a stronger pound will affect exports.

Transactions we saw include Penn Pharmaceutical Services acquired by US-based Packaging Coordinators Inc., which was looking to complement its own growth in clinical trials and commercial supply, for X.Xx EBITDA.

Aesica Pharmaceuticals was purchased by Consort Medical PLC for X.Xx EBITDA. The acquisition will bring a number of benefits such as an increased scale and critical mass and reduction of costs in drug development.

The pharmaceutical preparations (pharma prep) sector, which manufactures chemical products and biotech pharmaceuticals, is expected to grow by a modest 0.8% year on year for the next five years.

As with the basic pharma sector, it is plagued by the intense competition from imports, the downsizing of the UK manufacturing base as global companies adopt new operating models, stiffer regulation, and a stronger pound. The effects of higher costs, price controls, safety concerns, and the loss of patent protection will negatively impact demand as well.

A positive impact on the sector is the ageing population, a growing awareness of the benefits of a healthy lifestyle, the emergence of new viruses, the resurgence of infections, and the opening of new geographic markets.

Amdipharm Mercury Group acquired Focus Pharmaceuticals, a supplier of niche pharmaceuticals for X.Xx EBITDA and will expand its sales though its international platform.

Archimedes Pharmaceuticals, a fast-growing company providing advanced treatments within the therapeutic areas of pain, oncology and critical care, was acquired by Prostraken Group, which was looking to expand its critical mass in Europe by enhancing the scale of its European operations.

Industrials—services

EXHIBIT 6. INDUSTRIALS—SERVICES

Sector	No. of Deals	Average Deal Size (m)	Average Revenue (m)	Average EBITDA (m)	Average EBITDA Margin (%)	EV/ Revenue	EV/EBITDA	
Business Support Services	8	X.X	£35.1	£2.0	9.5%	X.X	X.X	
Environmental and Facilities Services	2	X.X	£542.2	£18.9	14.9%	X.X	X.X	
Human Resource and Employment Services	11	X.X	£36.8	£4.0	15.6%	X.X	X.X	*
Law Firms	3	X.X	£16.9	£3.3	11.9%	X.X	X.X	*
Oil & Gas Consulting Services	4	X.X	£6.2	£1.1	16.5%	X.X	X.X	
Research and Consulting Services	13	X.X	£18.0	£2.5	22.5%	X.X	X.X	

Human resources to grow with hiring forecast to increase on the back of an upswing in business confidence and the UK economy

The performance of the permanent and temporary employment placement agencies sector is closely tied into and greatly affected by the state of economy. The sector suffered greatly during the recession with the likes of Barclays, Lloyds and Royal Bank of Scotland laying off thousands of workers in the financial services industry, causing the employment placement agencies sector revenues to collapse by 42.9% in 2009-10. Since then, a steady recovery has ensued and the sector as a whole, especially temporary employment agencies whose workers are often the first to be hired when the economy improves, have seen its revenues increase. In the current year, revenues are expected to grow by 6.8% for temporary employment agencies and 3.7% for permanent employment agencies.

As the economy continues to recover, business confidence will grow, resulting in higher economic activity. So far, this has been reflected in the unemployment rate falling to 5.7% as at December 2014, a six-year low and a record high employment rate of 73.2% of people aged between 16 and 64 working, the highest rate since records began in 1971. Downward pressure on sector revenues will come from increasing productivity, which is expected to rise slightly in the current year, and from austerity measures in the UK public sector, a large portion of the UK workforce, which has so far led to 948,000 job cuts in the period 2009–2014. A threat from online job sites will also exert pressure, however the sector should be able to withstand it with its emphasis on personalised service.

Overall the sector is set to grow steadily over the next five years, with permanent employment placement agencies set to grow by 5.9% year on year and temporary employment placement agencies by 2.4% year on year.

In 2014, there were a number of transactions in the education employment industry. Increasing pupil numbers, a government policy to improve education standards, and an improving economy have created opportunities.

Education Personnel, the largest company in education recruitment in England and Wales through its two branded subsidiaries Teaching Personnel and Protocol Education, was acquired in a management buyout for X.Xx EBITDA.

Monarch Education, the temporary placement firm, was acquired by Capital PLC for X.Xx EBITDA, and Career Teacher was acquired by Impellam, a provider of managed services and specialised staffing solutions, for X.Xx EBITDA.

Impellam was acquisitive during the year and also purchased Lorien Ltd., the largest independent specialist IT recruiter in the UK, for X.Xx EBITDA. The acquisitions of Career Teachers and Lorient will broaden the scale and scope of the group's activities.

Legal activity industry poised for growth over the next five years, and flexible law firm ownership is expected to drive acquisition activity in this sector

The legal sector is currently benefiting from the increasing level of business activity. This will fuel growth in the sector with revenues set to rise by 4.4% in the current year and forecast to grow by 3.4% year-on-year over the next five years. Growth will be constrained by increased competition and the effect of the Legal Services Act allowing companies with alternative business structures to enter the industry.

The new Alternative Business Structure, which came into effect in late 2011, dramatically changes the face of law firm ownership as it allows external nonlegal firms to own legal businesses (i.e., banks, financial institutions and other interested businesses can supply legal services). We saw private equity firm Root Capital LLP taking advantage of this by investing in Keystone Law Ltd.. Fairpoint Group PLC, an AIM listed financial services group providing advice and solutions to financially stressed consumers, also entered the legal industry via its acquisition of Simpson Millar LLP.

In another transaction, Australia-based consumer law specialist Slater & Gordon continued its UK acquisition trail, paying X.Xx EBITDA for Pannone LLP. The acquisition will help it to build the scale it requires to successfully operate in the UK. Slater & Gordon have been active in acquiring UK personal injury law firms over the past few years.

Industrials

EXHIBIT 7. INDUSTRIALS

Sector	No. of Deals	Average Deal Size (m)	Average Revenue (m)	Average EBITDA (m)	Average EBITDA Margin (%)	EV/ Revenue	EV/ EBITDA	
Aerospace and Defence	7	X.X	£46.7	£7.6	21.9%	X.X	X.X	*
Automotive/Services	6	X.X	£54.7	£15.0	14.6%	X.X	X.X	
Construction and Engineering	6	X.X	£39.1	£2.1	14.3%	X.X	X.X	*
Electrical Components and Equipment	8	X.X	£13.0	£2.5	19.8%	X.X	X.X	
Industrial Products Manufacturing and Systems	8	X.X	£113.5	£15.9	15.6%	X.X	X.X	*
Marine	2	X.X	£78.6	£14.9	17.4%	X.X	X.X	
Packaging Products and Systems	5	X.X	£16.9	£2.9	11.0%	X.X	X.X	*
Transport/Trucking & Logistics	4	X.X	£109.9	£12.3	10.4%	X.X	X.X	

Aerospace and defence—rising demand in commercial sector with fleet upgrades

Overall revenue in the aircraft, engine and parts manufacturing sector is forecasted to grow by 3.3% year-on-year for the next five years. Demand in the commercial sector has remained firm with airlines around the world looking to upgrade their fleets with more fuel-efficient aircraft, but there is some downward pressure on demand from the defence sector due to government cuts relating to the scaling back of conflicts in Iraq and Afghanistan and the Strategic Defence and Security Review.

We saw some high multiples paid in 2014. APPH, a company that specializes in the manufacture of landing gear, hydraulic systems and assemblies for fixed and rotary wing civil and military aircraft, was acquired by Canada-based Héroux-Devtek Inc. (the third largest manufacturer of landing gear in the world) for X.Xx EBITDA. The acquisition expands Héroux-Devtek's geographical footprint into Europe, further diversifies its customer base, and provides greater exposure into the attractive aftermarket business.

In a move to strengthen its aerospace business, Alcoa Inc. paid X.Xx EBITDA for Firth Rixon, the world's largest supplier of seamless rings for aero-engines. The transaction positions Alcoa to capture additional aerospace growth with a broader range of high growth, value-add jet engine components.

Construction and engineering driven by economic improvements

Improving economic conditions, rising consumer confidence and higher disposable incomes auger well for the residential construction sector. Rising house prices and the possibility of rising interest rates may slow activity somewhat. However, investment in the industry will continue, driven by government schemes such as the Help-to-Buy Scheme. This will encourage building activity and will see industry revenue grow by 4.6% year-on-year over the next five years. Therefore, we are not surprised to see transactions in this sector.

The Edinburgh-based CALA Group looking for growth opportunities acquired Banner Homes for a multiple of X.Xx EBITDA. Looking for organic growth Travis Perkins, operating in the building and home improvements market, paid X.Xx EBITDA to bolt on Meuller Primaflow, a plumbing and heating suppler to the industry.

Industrial products and systems dominated by foreign corporate buyers, paying on average X.Xx EBITDA

This sector attracted significant interest from foreign corporate acquirers across the globe, predominantly from North America. While the companies have reasonable EBITDA margins (average X.X) and are of a decent size (average £113.5 million turnover), they sold for one of the lowest average EBITDA multiples (X.Xx) amongst the industries. The acquirers and targets are in fairly mature businesses, where maintenance of margins is an important factor for continued profitability. They may apply Six Sigma principals as in the case of the acquisition of Andrew Industries by Lydall Inc. to achieve margin and working capital improvements.

Packaging services in the UK growing due to demand from companies operating in downstream industries seeking improvements in cost efficiencies and brand image

The packaging industry has performed well over the past five years given the weak economic conditions that have prevailed in the UK. The sector has benefited from increased demand from businesses operating in downstream industries that chose to outsource packaging and labelling activities to improve profit margins. Demand in the industry is forecast to increase on the back of improving economic activity, and the businesses operating in the downstream industries continue to improve cost efficiencies and brand image.

Benson Group Ltd., a supplier of packaging for the food, retail and healthcare industries, was acquired for X.Xx EBITDA by US-based Graphic Packaging, which was looking to expand its European platform and also enter the private-label market.

Macfarlane Group, one of the leading specialist UK distributors of protective packaging materials, paid X.Xx EBITDA to acquire Network Packaging, a leading packaging material and equipment distributor, with a view to tap into its experience in the third-party logistics sector and Internet retail.

Information technology

EXHIBIT 8. INFORMATION TECHNOLOGY

Sector	No. of Deals	Average Deal Size (m)	Average Revenue (m)	Average EBITDA (m)	Average EBITDA Margin (%)	EV/ Revenue	EV/EBITDA	
Cloud Computing	1	X.X	£9.8	£0.8	8.2%	X.X	X.X	
Hardware – Electronic Manufacturing Services	3	X.X	£19.0	£1.6	8.5%	X.X	X.X	
Internet Information Providers	1	X.X	£43.4	£8.0	18.5%	X.X	X.X	
IT Consulting and Other Services	4	X.X	£12.0	£3.5	27.1%	X.X	X.X	
Software – Application	15	X.X	£7.9	£2.5	27.4%	X.X	X.X	*
Software – Systems	3	X.X	£898.8	£106.7	17.4%	X.X	X.X	

Software—application industry popular with corporates seeking bolt-on acquisitions to bolster their existing suite of products

Transactions in 2014 were largely undertaken by UK corporates buying up smaller software companies to tap into their existing suite of products. The targets had average revenues of X.X million and EBITDA of X.X million, with an average EBITDA multiple paid of X.Xx EBITDA. The acquisitions were across a broad range of industries, with noticeably higher multiples paid in software applications for the travel (X.Xx paid for Anite Travel) and insurance (X.Xx paid for Agencyport) industries, both industries set for high growth over the next five years.

Telecommunications

Acquisitions in telecommunications were largely made by corporates or were MBOs, paying an average of X.Xx EBITDA.

The management of Entanet International bought out the company at a multiple of X.Xx EBITDA. Entanet is a wholesale voice and data communications provider that operates in a fiercely competitive industry due to the changing customer preferences and the quality and variety of substitute services available to them.

In another management buyout, Ask4, a rapidly expanding telecommunications provider with a focus on high growth student accommodation was acquired for a multiple of X.Xx EBITDA, the highest among the transaction set in this industry, largely due to the significant growth prospects on student accommodation.

Imago Group, a video solutions provider, was acquired for X.Xx EBITDA by ScanSource, which plans to merge its European operations with Imago to solidify its position as a leading player in the European market.

Detailed Transactions Tables

The tables that follow are organised by industry sector and subsector and include detailed information on each transaction.

(Only provided for the Advertising and Marketing sector transactions to illustrate the information we provide for each deal.)

EXHIBIT 9. CONSUMER DISCRETIONARY: ADVERTISING AND MARKETING

Date Completed	Target Company	Buyer	Buyer's Motive	Enterprise Value (m)	Revenue (m)	EBITDA (m)	EBITDA Margin (%)	EV/ Revenue	EV/EBITDA
03/03/2014	**Realise Ltd.** Established in 1995, Realise is a digital marketing agency that employs approximately 96 staff, with offices in Edinburgh and central London. Realise has a long-standing and well-known client base, across a range of sectors, that includes entertainment and finance, amongst others.	**St. Ives PLC** ***(UK, Corporate)*** Founded in 1964, St. Ives is a group of 13 market-leading companies that combines capabilities to deliver the UK's most diverse range of marketing solutions and book publishing services. They manage their business in two segments, the marketing services segment and the print services segment. St. Ives work with some of the biggest brands from Sainsbury's and Marks & Spencer to HSBC and American Express, from Reckitt Benckiser and Heinz to Jaguar Land Rover and Penguin. We work across a range of sectors including retail, financial services, charity, FMCG and travel and leisure, providing in-depth expertise and experience.	The acquisition of Realise is a continuation of the St. Ives Group's strategy to create a complementary range of digital and marketing services that will enable St. Ives to add further value to its existing and new clients. Patrick Martell, chief executive of St. Ives, said: "With the acquisition of Realise, we are adding substantial depth to our digital offering and further enhancing the range of marketing services we can provide for our existing and prospective clients. Realise complements our integrated offering in the market - a combination of insight led innovation and trusted execution across digital and physical media."	£21.7	£10.3	£2.7	26.4%	2.1	7.9
01/05/2014	**The Health Hive Group Ltd.** Established in 2008, The Health Hive Group Ltd. provides strategic consulting and communications services to the healthcare and pharmaceuticals industries. It employs approximately 70 staff and is based in central London. The Health Hive Group has a long-standing and well-known international client base across the healthcare and pharmaceutical sector.	**St. Ives PLC** ***(UK, Corporate)*** Founded in 1964, St. Ives is a group of 13 market-leading companies that combines capabilities to deliver the UK's most diverse range of marketing solutions and book publishing services. They manage their business in two segments, the marketing services segment and the print services segment. St. Ives work with some of the biggest brands from Sainsbury's and Marks & Spencer to HSBC and American Express, from Reckitt Benckiser and Heinz to Jaguar Land Rover and Penguin. We work across a range of sectors including retail, financial services, charity, FMCG and travel and leisure, providing in-depth expertise and experience.	Patrick Martell, chief executive of St. Ives, said: "Hive's offering of consultancy services and digital solutions complements St. Ives' existing Marketing Services businesses, and the acquisition considerably increases our credentials in the large and very attractive healthcare and pharmaceuticals industries. I am delighted to welcome the Hive team to the Group and look forward to supporting their growth plans."	£23.5	£9.1	£3.4	37.4%	2.6	6.9

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EXHIBIT 9. CONSUMER DISCRETIONARY: ADVERTISING AND MARKETING

Date Completed	Target Company	Buyer	Buyer's Motive	Enterprise Value (m)	Revenue (m)	EBITDA (m)	EBITDA Margin (%)	EV/ Revenue	EV/EBITDA
10/06/2014	**The Communications Agency Ltd.** The Communications Agency (TCA) is a long-established, award-winning agency that has long-standing client relationships with leading brands in the financial services, retail and consumer goods sector. It specialises in brand response and customer relationship marketing, and its capabilities and experience lay across all media channels including TV, experiential and digital. TCA is based in London with 42 employees.	**Communisis PLC** ***(UK, Corporate)*** Communisis PLC is the leading provider of personalised customer communication services that specialises in helping clients communicate with their customers more effectively and more profitably in fast-changing markets. Communisis has a reputation for production excellence and innovation and is trusted by many leading, consumer-facing brands to design, produce and deploy multichannel personalised customer communications accurately, securely, reliably and at scale.	The acquisition of TCA offers considerable scope for growth and revenue synergies with the group's existing client portfolio and the cross-selling of other marketing services in social media, video, digital development and content marketing. Andy Blundell, Communisis chief executive, said: "TCA is a long-established, award-winning and well-respected agency that brings an impressive range of new capabilities and experience to the Group's Design segment. It will sit at the heart of Communisis' creative offering. The growth prospects are excellent."	£6.8	£6.2	£0.5	7.3%	1.1	15.0
07/07/2014	**bChannels** bChannels is a leading provider of outsourced marketing services and professional services to technology companies. They work with 18 of the top 20 global vendors to increase sales from their distribution channels. They employ 126 staff at its headquarters in Oxford and has offices in the US and Australia.	**WestBridge Capital LLP** ***(UK, MBO)*** WestBridge Capital is a private equity house that invests in established UK companies and is supported by institutional investors including the South Yorkshire Pension Fund and European Investment Fund.	Valerie Kendall, a partner at WestBridge Capital, said: "bChannels is a very highly regarded business and its value will be further enhanced as the team builds on its strategic approach to business development. Working closely together, we've already identified and agreed a number of key strategies for growing the business over the next few years."	£5.0	£7.1	£0.7	9.4%	0.7	7.5
08/07/2014	**Galliard Healthcare Communications Ltd.; Nyxeon Ltd.** Established in 2000, Galliard is an award-winning agency with deep experience in the communication of science to healthcare professionals, caregivers, policymakers and consumers. Galliard and Nyxeon are both headquartered in London and employ 33 people who provide services to global pharmaceutical companies, healthcare-related organisations and charities. The specialist PR services offered by the agencies include; media relations, issues management, scientific and medical education, corporate and employee communications.	**UDG Healthcare PLC** ***(Republic of Ireland, Corporate)*** Listed on the London Stock Exchange, UDG Healthcare PLC is a leading international provider of services to healthcare manufacturers and pharmacies, with operations in 22 countries including the US, UK, Ireland and Germany. The Group operates across three divisions: Ashfield Commercial and Medical Services, Supply Chain Services and Sharp Packaging Services.	Commenting on the announcement, Liam FitzGerald, chief executive of UDG Healthcare PLC said: ""We are delighted to announce the acquisition of Galliard and Nyxeon which add strong scientific public relations capabilities to the services we already deliver to our clients. This purchase is fully aligned with our global growth strategy of extending the range of services we offer in high value multichannel healthcare communications and follows the successful acquisitions of InforMed, Watermeadow and more recently Knowledgepoint360.	£6.5	£5.6	N/A	N/A	1.2	N/A

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EXHIBIT 9. CONSUMER DISCRETIONARY: ADVERTISING AND MARKETING

Date Completed	Target Company	Buyer	Buyer's Motive	Enterprise Value (m)	Revenue (m)	EBITDA (m)	EBITDA Margin (%)	EV/ Revenue	EV/EBITDA
21/08/2014	**Albion Brand Communication Ltd.** Founded in 2002, Albion Brand Communication is a creative business partner to Europe's most renowned entrepreneurs, startups and corporations with a reputation for inventing and reinventing businesses to unlock growth. The agency offers a modern approach to a broad range of marketing services including advertising, branding, PR, data-led marketing, and product design.	**Kirshenbaum Bond Senecal + Partners** ***(USA, Corporate)*** KBS (kirshenbaum bond senecal + partners) are an integrated creative, advertising and marketing agency committed to inventing the highest value ideas for their clients and for themselves. Their team of passionate inventors and creative entrepreneurs is dedicated to doing things that matter and making things that matter. KBS serves a diverse roster of clients that includes American Express, BMW, Harman, HomeGoods, Simmons Bedding Company, Boar's Head and Vanguard.	Lori Senecal, global executive chairman of KBS, said: "The most important thing to us was finding a business partner with a like-minded approach to delivering bold solutions for global clients. Albion is a rare find in London and the ideal fit for the KBS group, as we share a passion for entrepreneurship and invention. I'm very excited to welcome Jason and his talented team to the KBS family."	£26.7	£10.0	£1.7	17.1%	2.7	15.6
22/10/2014	**Gorkana Group Ltd.** Gorkana Group is a leading media information provider, offering PR and marketing professionals access to customized media intelligence. The business was created through Exponent's purchase of Durrants in April 2006 and the subsequent acquisitions of Metrica and Gorkana in 2009 and 2010, respectively, with the combined business being renamed Gorkana Group in 2010.	**Cision AB** ***(Sweden, Corporate)*** Cision is a leading provider of public relations software that enables professionals to plan, execute and measure influencer-oriented campaigns in one integrated platform. Communication professionals use Cision to access one of the world's largest pitchable media and blogger databases, distribute press releases, manage influencer outreach, measure social media activities, and analyse the effectiveness of campaigns. Cision, which recently combined with Vocus, also represents the Visible Technologies, PRWeb, Help a Reporter Out (HARO) and iContact brands. Headquartered in Chicago, Cision has over 120,000 customers and maintains offices in Canada, England, France, Germany, Portugal, Sweden, Finland and China.	Gorkana strengthens Cision's offering to PR professionals while also better serving the international journalist community. Throughout the entire communication spectrum—from influencer discovery to engagement and campaign analysis—Cision offers solutions that serve the needs of communication professionals and members of the media. "The future of PR is here," said Cision Chief Executive Officer Peter Granat. "Our acquisition of Gorkana is the next step toward achieving Cision's mission to be a global leader in PR and social software with the most advanced and comprehensive suite of solutions and services in the market.	£200.0	£46.4	£14.3	30.9%	4.3	14.0

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EXHIBIT 9. CONSUMER DISCRETIONARY: ADVERTISING AND MARKETING

Date Completed	Target Company	Buyer	Buyer's Motive	Enterprise Value (m)	Revenue (m)	EBITDA (m)	EBITDA Margin (%)	EV/ Revenue	EV/EBITDA
11/11/2014	**PPS Group Ltd.** PPS Group is a leading independent consultancy specialising in reputation management, community engagement and political consensus building, advising on projects such as complex property, infrastructure and energy developments. PPS employs 45 staff operating from offices in London, Manchester, Bristol, Edinburgh, Aberdeen and Cardiff.	**Porta Communications PLC** ***(UK, Corporate)*** Porta has two divisions: public relations—financial, corporate, consumer, public affairs and research—and advertising—marketing communications, digital services and media planning and buying. The group currently has offices in Abu Dhabi, Beijing, Brisbane, Brussels, Canberra, Frankfurt, Hong Kong, London, Melbourne, Singapore and Sydney. The brands and companies it owns are: Newgate Communications, Newgate Threadneedle, Redleaf Polhill, Thirteen Communications, TTMV and 21:12 Communications.	Commenting on the acquisition, Porta Chief Executive David Wright said: "This acquisition is in line with Porta's strategy of building critical mass across the marketing communications mix. PPS is a very successful, professionally run company that will bring a new area of expertise to the Group and is complementary to our existing specialist public affairs offering. PPS's strength in the regions and Scotland will also enable the Group to capitalise fully on the opportunities created by the devolution of powers to those areas."	£4.6	£5.3	£0.9	16.3%	0.9	5.3
MEDIAN: ADVERTISING AND MARKETING				**£14.2**	**£8.1**	**£1.7**	**17.1%**	**1.7**	**7.9**

EXHIBIT 10. CONSUMER DISCRETIONARY: DISTRIBUTORS AND OWNERS OF RETAIL BRANDS

Date Completed	Target Company	Buyer	Buyer's Motive	Enterprise Value (m)	Revenue (m)	EBITDA (m)	EBITDA Margin (%)	EV/ Revenue	EV/EBITDA
06/01/2014	**Lena White Ltd.** Lena White Ltd. has been delivering expertise in sales and education for the global professional nail brand OPI for the past 30 years. The Lena White team offers a wealth of experience within the professional sector, delivering promotional, sales, merchandising and educational support directly to the beauty and nail professional. Their nationwide teams come with extensive knowledge of the industry and specialise in the OPI products ensuring our customers are aware of the latest product innovation, trends and treatments.	**Coty, Inc.** ***(USA Corporate)*** Founded in Paris in 1904, Coty is a pure play beauty company with a portfolio of well-known fragrances, colour cosmetics and skin and body care products sold in over 130 countries and territories. Coty's product offerings include such global brands as Adidas, Calvin Klein, Chloe, Davidoff, Marc Jacobs, OPI, Philosophy, Playboy, Rimmel and Sally Hansen. Coty had net revenues of $4.6 billion for the fiscal year ended 30 June 2013.	"This acquisition is an important step in strengthening OPI's position in Europe," said Michele Scannavini, CEO of Coty Inc. "The OPI strategy remains focused on the salon professional and prestige channels, and we expect to accelerate its growth in the international markets by leveraging our investments in both areas. We welcome the Lena White team to the Coty family, and we look forward to integrating their unique expertise in our UK business."	X.X	£13.0	£1.7	13.4%	X.X	X.X

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