



M&A ACTIVITY UPDATE

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SISO
April 2018



THE GREATEST MERGER OF ALL TIME



The Blackstone Group[®]



UBM



informa

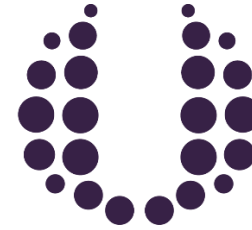
HAS MERGED WITH



MAY 2017



informa



UBM

\$5.58 BILLION

**Increases Asian footprint
by 290 events**

**Adds leading position
in the US**

**Creates significant
operating synergies**

**Strengthens specialization in
key verticals**

** Deal value is from S&P CapitalIQ*



M&A THESIS: BUSINESS MODEL



The **Blackstone** Group[®]



global  sources

\$780 MILLION

- International platform
- Vertical marketplaces connecting buyers & sellers
- Margins, visibility, cash flow

\$489 MILLION

- Substantial Asian footprint
- Global scale
- Surrounding verticals — online marketplace of 1.5 million buyers

* Clarion deal value is from Pitchbook and Global Sources is from S&P CapitalIQ



M&A THESIS: MARQUEE EVENTS



Significant position in US market

Dominance in critical industry verticals

Iconic brands & six Top 250 events*

Leverage Clarion's international platform

*TSNN Top 250



EXPANDING THE MARKETPLACE...



Expanding business models to bring buyers and sellers together

Layering in entrepreneurial businesses

Partnering with associations to create deep domain expertise and connection



┌ ...UP AND DOWN THE EVENT CHAIN...



PSAV®



Hargrove
EXPERIENCE

Everything that touches the face-to-face market is attractive for M&A

Experiential marketing continues to grab more and more of marketing spend

Companies in the space look to M&A to expand offerings and customer bases



...ACROSS SERVICES & TECHNOLOGY



May 2017



HGGC, a private equity firm, has acquired etouches, a leading provider of cloud event management software and venue sourcing.

November 2017



Sodexo, a leading catering services company acquired Centerplate, provider of food and hospitality services at sports, convention and entertainment venues.

November 2017



Freeman, a leading global provider of brand experiences has acquired cutting-edge design studio, Helios Interactive.

January 2018



Onex, a private equity firm, acquired SMG, a leading global manager of convention centers, stadiums, arenas, theatres, performing arts centers and other venues.



STRONG PUBLIC VALUATIONS



- April 2017 IPO
- \$1.9 Billion Enterprise Value
- 13.4 EV/EBITDA



HIGH BUYER DEMAND = HIGH MULTIPLES



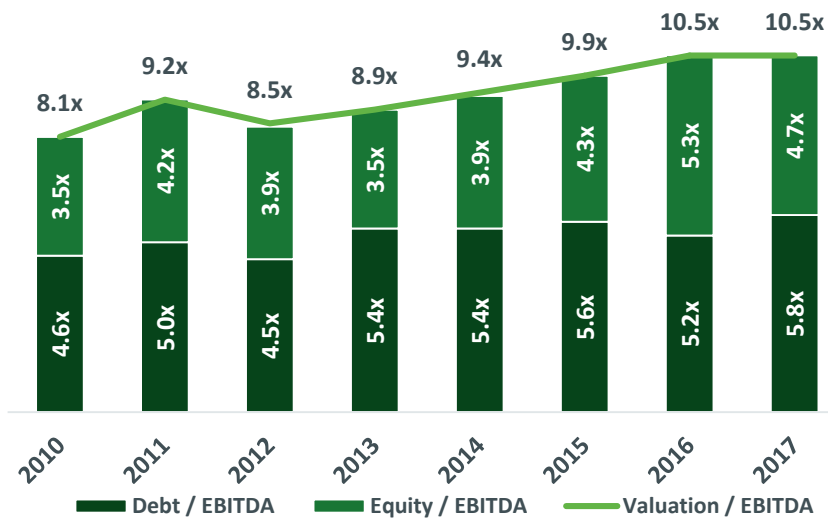
Tradeshows & Events M&A Multiples – Last 18 Months		
	Revenue	EBITDA
Mean	3.3x	11.2x
Median	3.0x	11.9x

**Sourced from JEGI Database*

Tradeshows & Events Public Company Multiples		
	Revenue	EBITDA
Mean	3.5x	13.8x
Median	4.0x	14.5x

**Sourced from S&P CapitalIQ, as of 4/16/18*

Median Buyout Multiples and Debt for the Overall Market



**Sourced from PitchBook*

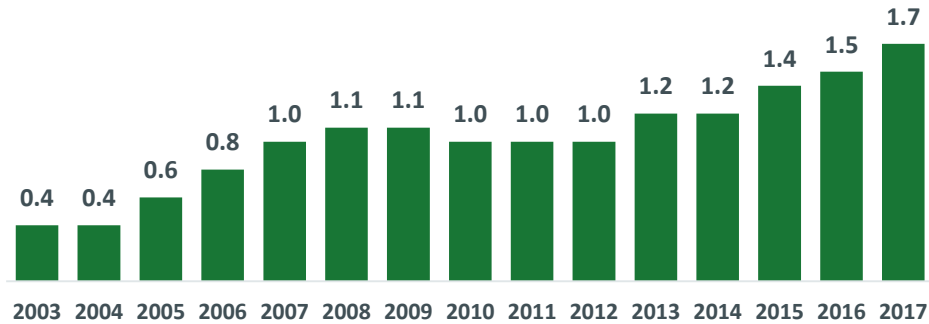
- Private transaction multiples two turns higher than the overall mid-market
- Public company trading multiples higher than private comps, making M&A still accretive
- 73% of public comp set trading over 13x, almost half trading over 15x



UNPRECEDENTED LIQUIDITY WILL CONTINUE TO DRIVE DEMAND

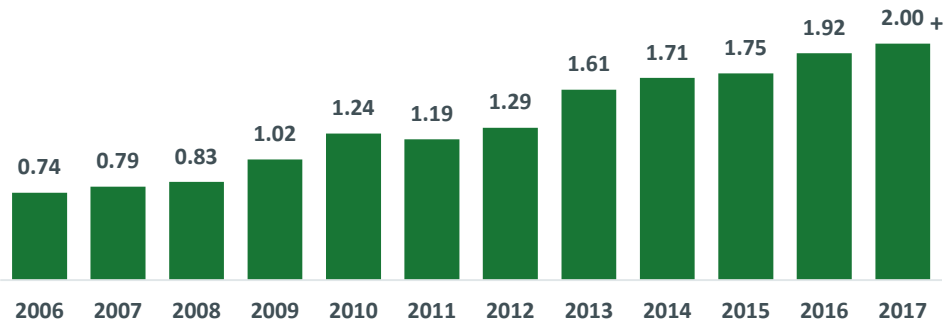


Global PE Dry Powder (\$T)



**Sourced from Bain & Company*

Cash and Investments (\$T)



**Sourced from S&P Global*

- \$1.7 trillion in PE capital to be invested
- \$2.0 trillion on corporate balance sheets
- \$1.5 – 2.0 trillion in potentially repatriated funds
- A total of 5.7 trillion in liquidity in the market



WINDOW REMAINS OPEN....



- As in prior economic cycles, healthy consumer and small business confidence underpins a strong M&A environment
 - US unemployment continues to stand at 4.1%, the lowest rate in 17 years
 - Consumer and business confidence levels (which reflect prevailing business conditions, consumer attitudes and buying intentions) remain strong, with The Conference Board Consumer Confidence Index standing at 127.7 in March
 - The National Federation of Independent Businesses Index of Small Business Optimism reached a record high of 107.6 in February, suggesting unprecedented confidence in the economy among small business owners



WINDOW REMAINS OPEN....



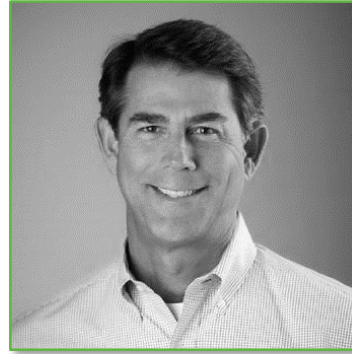
- Lower corporate tax rate and repatriation of \$1.5-2.0 trillion will drive M&A
- Increased corporate earnings and liquidity stimulate investment and M&A activity
- Higher earnings power make valuations look less lofty
- Lower taxes will increase the number of noncore asset sales—including two-part transactions where buyers acquire portfolios and then sell the assets that don't fit
- Uncertainty around the longevity of the new tax rates may drive near-term M&A



UP NEXT...



Don Pazour
CEO, Access Intelligence



David Loechner
President & CEO, Emerald Expositions



Rick McConnell
President, Informa Global Exhibitions



Simon Foster
CEO, Comexposium



Simon Kimble
Executive Chairman, Clarion Events

