

# Quarterly Industry Update

As of March 31, 2015

Industry: Marketing

## Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Marketing industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Since March 31, 2014, the median 52-week share price return of the Marketing industry has decreased by -23.0%. In the last quarter, the median price-to-earnings multiple increased from 16.8x to 18.6x.

## Comparable Public Company Key Statistics

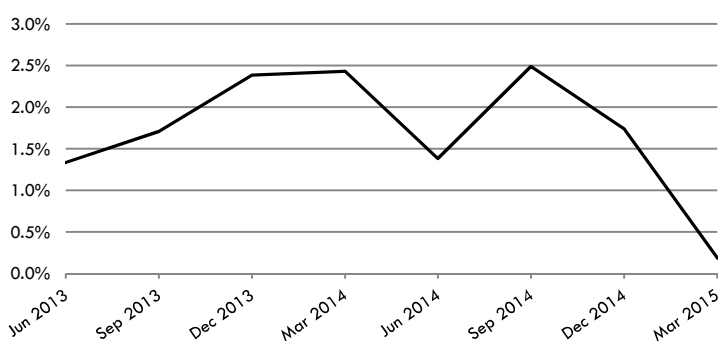
Median 52-Week Return	-23.0%	Median EV/Revenue Multiple	1.2x	Median Price/Earnings Multiple	18.6x
Median 3-Year CAGR Return	2.5%	Median EV/EBITDA Multiple	9.2x	Median EV/Gross CF Multiple	13.8x

## Comparable Public Company Market Price Returns (As of March 31, 2015)

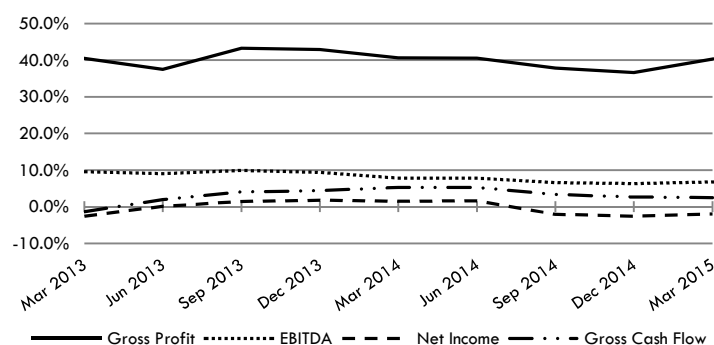
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2014	2013	2012	2011	2010
Omnicom Group Inc.	0.7%	0.7%	7.4%	15.1%	15.5%	15.0%	4.2%	48.9%	12.1%	-2.7%	17.0%
Communication Design International Limited	-16.5%	-16.5%	10.0%	25.0%	38.7%	5.4%	73.0%	90.7%	-12.6%	-39.1%	-10.9%
Harte-Hanks Inc.	0.8%	0.8%	-11.8%	0.1%	-4.8%	-9.5%	-1.0%	32.5%	-35.1%	-28.8%	18.5%
WPP plc	8.5%	8.5%	10.3%	19.5%	18.5%	17.0%	-8.3%	58.4%	37.3%	-14.7%	25.2%
Axiom Corporation	-8.8%	-8.8%	-46.2%	-4.8%	8.0%	0.6%	-45.2%	111.8%	43.0%	-28.8%	27.7%
BlueRush Media Group Corp.	9.7%	9.7%	-63.9%	-33.8%	-24.5%	-11.7%	-73.8%	-6.2%	55.2%	12.5%	17.0%
Viad Corp	4.4%	4.4%	15.7%	0.3%	12.7%	6.2%	-4.0%	2.3%	55.4%	-31.4%	23.5%
NeuStar, Inc.	-11.4%	-11.4%	-24.3%	-27.3%	-12.9%	-0.5%	-44.2%	18.9%	22.7%	31.2%	13.1%
Dealertrack Technologies, Inc.	-13.1%	-13.1%	-21.7%	14.5%	8.4%	17.7%	-7.8%	67.4%	5.4%	35.8%	6.8%
Rocket Fuel Inc.	-42.9%	-42.9%	-78.5%	N/A	N/A	N/A	-73.8%	N/A	N/A	N/A	N/A
ReachLocal, Inc.	-15.4%	-15.4%	-70.5%	-55.9%	-25.8%	N/A	-72.9%	-1.5%	108.9%	-69.0%	N/A
QuinStreet, Inc.	-2.0%	-2.0%	-10.4%	-0.2%	-17.2%	-18.9%	-30.1%	29.3%	-28.2%	-51.3%	N/A
Marchex, Inc.	-11.1%	-11.1%	-61.2%	-1.6%	-2.9%	-4.4%	-46.9%	110.5%	-34.2%	-34.5%	87.8%
Marin Software Incorporated	-25.7%	-25.7%	-40.5%	-38.1%	N/A	N/A	-17.4%	N/A	N/A	N/A	N/A
<b>Median of Industry Public Companies</b>	<b>-9.9%</b>	<b>-9.9%</b>	<b>-23.0%</b>	<b>-0.2%</b>	<b>2.5%</b>	<b>0.6%</b>	<b>-23.8%</b>	<b>40.7%</b>	<b>17.4%</b>	<b>-28.8%</b>	<b>17.7%</b>

(Multiple year periods are calculated as the average annual return.)

## Median Quarterly Revenue Growth of All Marketing Companies



## Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



## Median Public Company Multiples of the Marketing Industry

Date:	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015
EV/Revenues Multiple	1.0x	1.3x	1.5x	1.6x	1.7x	1.4x	1.3x	1.5x	1.2x
EV/EBITDA Multiple	8.4x	9.2x	9.8x	11.1x	9.6x	8.5x	9.0x	9.8x	9.2x
Price/Earnings Multiple	19.7x	18.4x	19.2x	19.5x	16.7x	13.3x	15.6x	16.8x	18.6x
EV/Gross Cash Flows Multiple	15.3x	15.8x	17.4x	17.4x	16.4x	16.2x	11.7x	13.0x	13.8x

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# Quarterly Industry Update

As of March 31, 2015

Industry: Marketing



## Industry Initial Public Offerings (dollars in millions, except share prices)

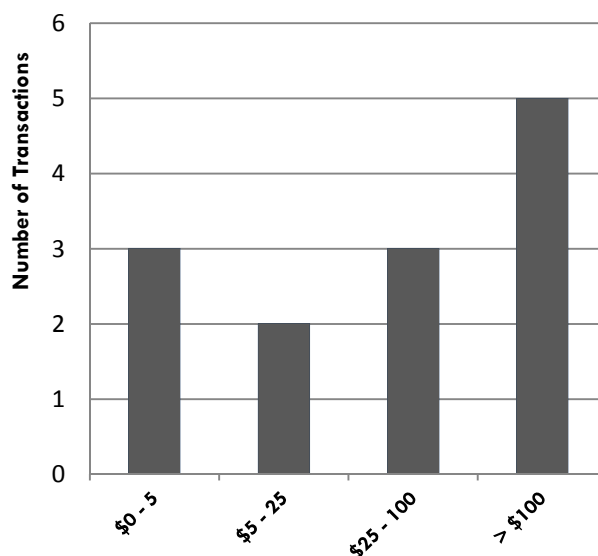
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
7/23/2014	Townsquare Media, Inc.	\$11.00	8.3	\$91.7	\$944.8	\$653.3	\$328.1	\$79.6	\$12.9	\$94.4
1/18/2006	Communication Design International Limited	\$0.13	25.6	\$3.4	\$7.7	\$0.6	\$11.3	\$1.6	\$1.6	\$1.7
3/5/2015	MaxPoint Interactive, Inc.	\$11.50	6.5	\$74.8	\$73.7	\$44.1	\$106.5	(\$9.0)	(\$13.0)	(\$7.3)
10/29/2013	Criteo SA	\$31.00	8.1	\$250.6	\$240.5	\$16.8	\$534.1	\$18.5	(\$8.9)	\$30.1
9/19/2013	Rocket Fuel Inc.	\$29.00	4.0	\$116.0	\$99.8	\$21.9	\$159.6	(\$12.4)	(\$19.8)	(\$10.2)
3/21/2013	Marin Software Incorporated	\$14.00	7.5	\$105.0	\$57.2	\$10.8	\$59.6	(\$22.6)	(\$26.5)	(\$20.0)
11/16/2010	Bitauto Holdings Limited	\$12.00	10.6	\$127.2	\$70.9	\$192.3	\$59.3	\$8.8	(\$131.2)	\$9.9
1/26/2011	Nielsen N.V.	\$23.00	71.4	\$1,642.9	\$14,429.0	\$8,618.0	\$5,103.0	\$1,186.0	\$129.0	\$1,425.0
6/17/2010	Voltari Corporation	\$10.00	5.9	\$60.0	\$161.5	\$0.0	\$119.5	\$8.9	(\$10.9)	\$15.4
5/19/2010	ReachLocal, Inc.	\$13.00	4.2	\$54.2	\$101.5	\$0.0	\$224.0	(\$4.1)	\$10.0	(\$2.3)
2/10/2010	QuinStreet, Inc.	\$15.00	10.0	\$150.0	\$281.8	\$105.7	\$293.1	\$56.8	\$20.5	\$60.0
<b>Median of All IPOs</b>		<b>nm</b>	<b>nm</b>	<b>\$105.0</b>	<b>\$100.7</b>	<b>\$21.9</b>	<b>\$159.6</b>	<b>\$8.8</b>	<b>(\$8.9)</b>	<b>\$9.9</b>

nm: not meaningful

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
3/23/2015	Moqu Adv Srl	Italiaonline S.p.A.	\$6.4	100%
3/20/2015	SwellPath, Inc.	6D Global Technologies	\$5.6	100%
3/16/2015	glispa GmbH	Market Tech Holdings	\$26.5	75%
2/23/2015	Franklin Networks, Inc.	Eat At Joes Ltd.	\$1.7	100%
2/12/2015	Digital River Inc.	Siris Capital Group, LLC	\$1,031.7	100%
2/10/2015	Appsfire SAS	Mobile Network Group	\$30.0	100%
2/5/2015	Sapient Corp.	Publicis Groupe SA	\$3,691.5	100%
12/10/2014	Conversant, Inc.	Alliance Data Systems	\$2,448.9	100%
12/9/2014	Worldwide Promedica	Cello Health	\$2.5	100%
11/5/2014	Olson, Inc.	ICF International Inc.	\$295.0	100%
10/1/2014	Van Wagner Communications	CBS Outdoor LLC	\$690.0	100%
8/27/2014	mktg, inc.	Dentsu Aegis Network	\$51.8	100%
7/1/2014	Impact Mobile, Inc.	DealNet Capital Corp	\$1.6	100%
<b>Median of All Transaction Targets</b>			<b>\$30.0</b>	<b>100%</b>

## Size of Merger and Acquisition Transactions (dollars in millions)



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