

MOELIS & COMPANY

A better way of investment banking

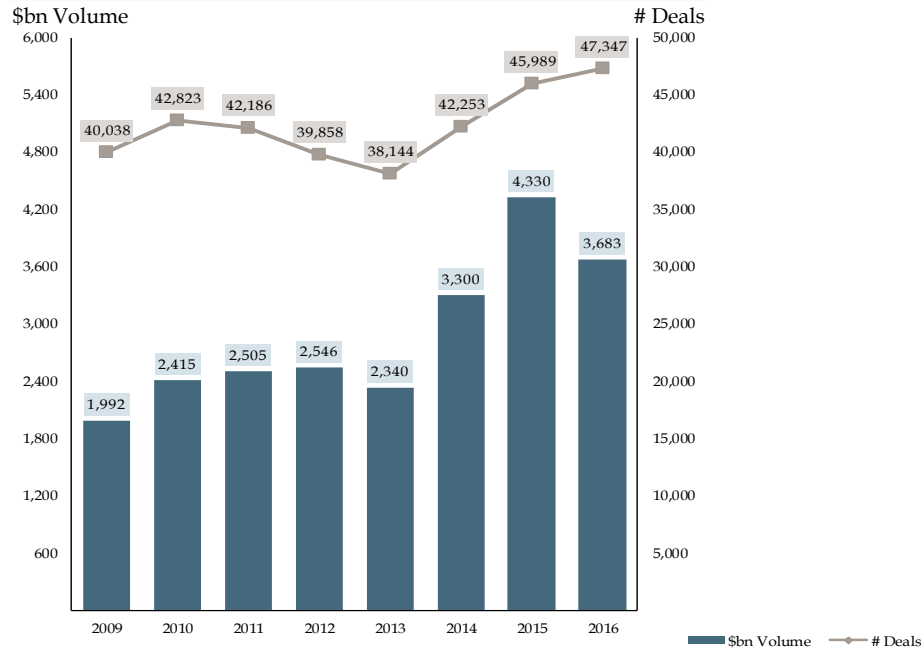
We are proud to support
**Media & Telecoms 2017
& Beyond Conference**

LONDON | NEW YORK | BEIJING | BOSTON | CHICAGO | DUBAI | FRANKFURT | HONG KONG | HOUSTON
LOS ANGELES | MELBOURNE | MUMBAI | PARIS | SAN FRANCISCO | SÃO PAULO | SYDNEY | WASHINGTON DC

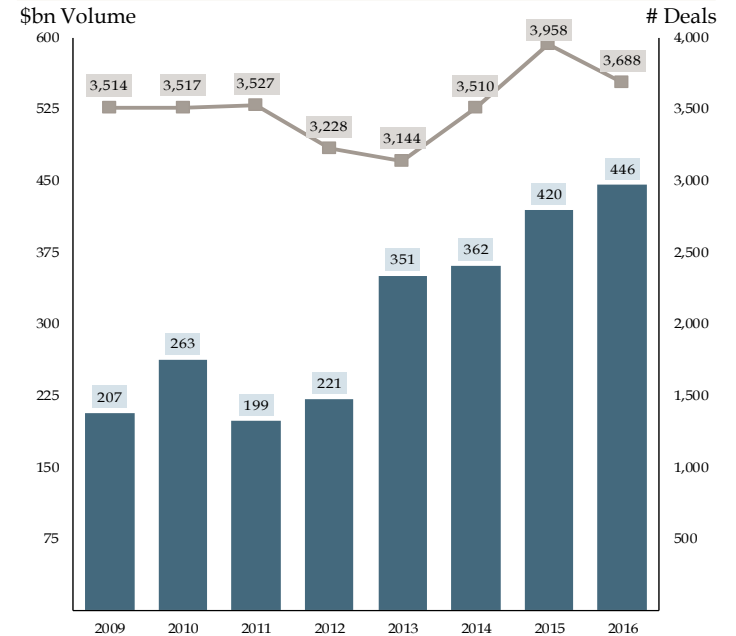
www.moelis.com

Media and Telecoms M&A Activity Resilient vs. Global M&A Activity

GLOBAL M&A ACTIVITY¹



MEDIA AND TELECOMS GLOBAL M&A ACTIVITY^{1,2}



The Media & Telecom sector experienced an increase in M&A by value in 2016, despite a decline in the wider M&A market

Source: Thomson Reuters (27 February 2017)

1. Global announced M&A excluding equity carve-outs, withdrawn deals, and open market repurchases

2. Media and Telecoms includes: Advertising & Marketing, Broadcasting, Cable, Motion Pictures / Audio Visual, Other Media & Entertainment, Publishing, Space and Satellites, Telecommunications Equipment, Telecommunications Services, Wireless, and Other Telecom

Rapid Technological Evolution Driving M&A in the Media & Telecoms Sector

NEW PLATFORMS HAVE FURTHER INCREASED THEIR SHARE OF SECTOR REVENUES, REFLECTED IN MARKET VALUES

DISTRIBUTORS, PLATFORM OPERATORS, AND CONTENT PRODUCERS ARE CONSOLIDATING IN RESPONSE TO PRESERVE REVENUES

New Platforms

Market Cap: \$2.2 trillion (up by \$500bn LTM)

(5 companies)

Alphabet

amazon.com



US & European Telco, Cable, Broadcast & Content

Market Cap: \$1.9 trillion (unchanged LTM)

(106 companies)¹

Fixed / Mobile Convergence



Content Consolidation



Cable Consolidation



Distribution / Content Consolidation



Mobile Consolidation



The value of the top 5 new digital platforms is now larger than the entire US and European Media & Telecoms sector combined. Continued consolidation is likely as companies seek ways to compete and protect their revenues

Source: Capital IQ (22 February 2017)
1. Includes companies with a market cap greater than \$500m