



Southeast M&A Update

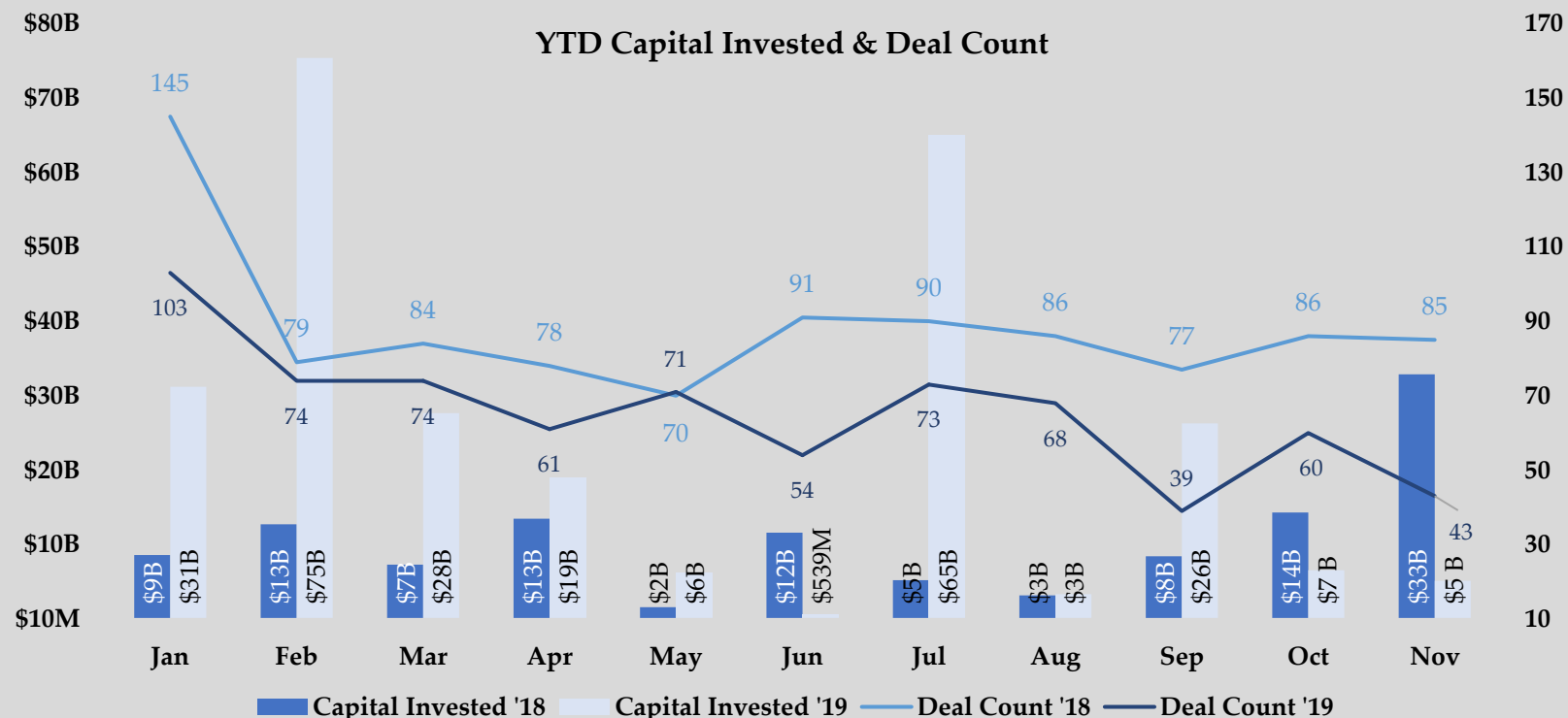
2019 November

Notable Trends in November 2019

Year to date, US M&A deals in the southeast have continued to slow as the year progresses, and the completed deal count is now down 25.8%. The YTD completed deal count as of the end of November in 2019 is 720 deals versus 971 deals at the end of November in 2018. With

that said, capital invested has increased YTD from \$266 million in 2019 compared to \$119 million in 2018. Also, the median deal size has increased from \$44.50 million in 2018 to \$69.50 million in 2019 YTD which follows the along with the increase in capital invested.

YTD Capital Invested & Deal Count



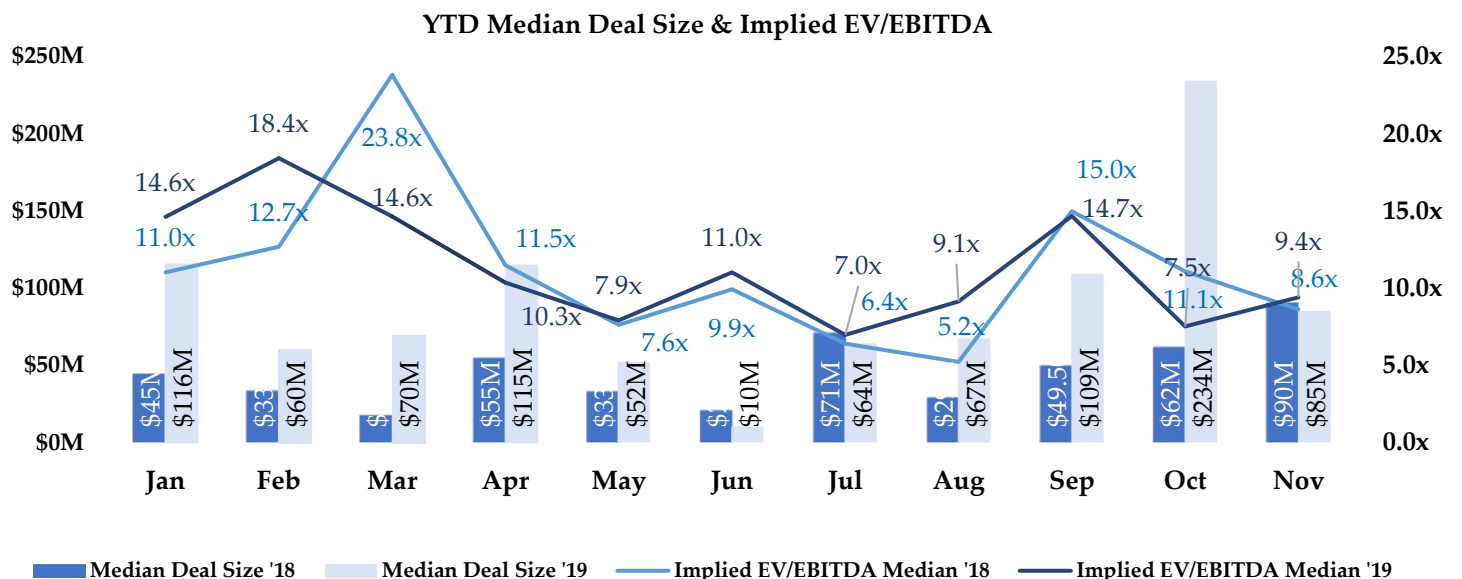
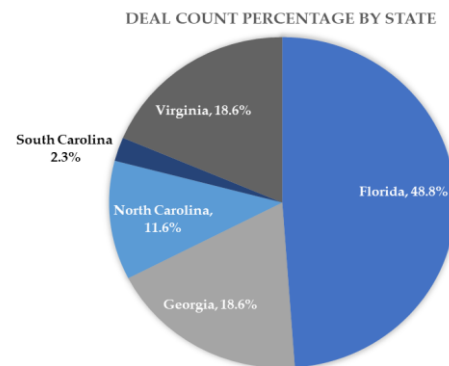
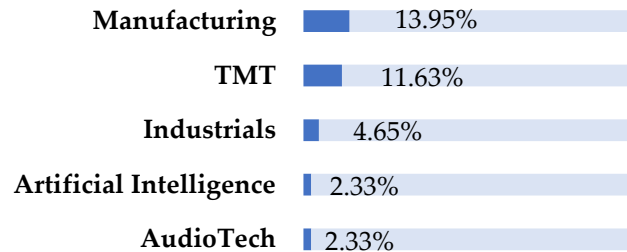
For the month of November, deal count is down 49.4% compared to that of 2018. Invested capital in November experienced a sharp decrease from 2018 to 2019 of 84.3%. The invested capital in November is the third lowest amount so far in 2019. The median deal size in November 2019 is slightly lower than it was in the same month in 2018 by about 6%. The EV/EBITDA multiple for November 2019 of 9.4x is slightly higher than its 2018 multiple of 8.6x but slightly lower than the yearly average of 11.4x.

The two most active verticles in the month of November were Manufacturing, 13.95%, and Technology, Media and Telecommunications (TMT), 11.63%, which made up just over a quarter, 25.58%, of all M&A deals completed during the month.

Florida was the leader in M&A activity in the Southeast for November with 21 deals making up almost half of all deals at 48.8%. Georgia and Virginia were next, both with 8 deals, and North Carolina just behind them

with 5 deals. The two largest deals of the month were in Virginia, while North Carolina had the third and fourth largest deal.

Top 5 Associated Verticles



Selected Southeast Transactions

Deal Date	Buyer/Investors	Target/Issuer	Company State	Primary Industry	Deal Size (M)
11/19/2019	New Media Investment Group	Gannett Company (Acquired 2019)	Virginia	Consumer Products and Services (B2C)	2,042.00
11/12/2019	Saint-Gobain (PAR: SGO)(Pierre-André de Chalendar)	Continental Building Products (NYS: CBPX)	Virginia	Business Products and Services (B2B)	1,400.00
11/12/2019	Swedish Orphan Biovitrum (STO: SOBI)(Guido Oelkers)	Dova Pharmaceuticals	North Carolina	Healthcare	915.00
11/1/2019	Q2 Holdings (NYS: QTWO)(Matthew Flake)	Lender Performance Group	North Carolina	Information Technology	510.00
11/5/2019	CAE (TSE: CAE)(Marc Parent)	SIMCOM Aviation Training	Florida	Business Products and Services (B2B)	85.00
11/1/2019	First Bancshares (NAS: FBMS)(Ray Cole)	First Florida Bancorp	Florida	Financial Services	85.00
11/5/2019	Universal Logistics Holdings (NAS: ULH)(Jeff Rogers)	Roadrunner (Intermodal Services business)	Georgia	Business Products and Services (B2B)	51.25
11/28/2019	Stanley Electric Stanley Electric	HexaTech	North Carolina	Information Technology	39.00
11/25/2019	BioNovelus (XPAE: FINW)(Mark Fuller)	Corvus Consulting (Virginia)	Virginia	Business Products and Services (B2B)	9.00
11/27/2019	Heritage Landscape Supply Group(Matthew McDermott)	Florida Irrigation Supply	Florida	Business Products and Services (B2B)	
11/26/2019	iMedia Brands(Tim Peterman)	Float Left Interactive	Florida	Information Technology	
11/15/2019	West Shore Home(BJ Werzyn)	Fairbanks Construction	Florida	Business Products and Services (B2B)	
11/13/2019	RetireOne(David Stone)	EF Legacy Securities	Virginia	Financial Services	
11/12/2019	ravan & company cpas(Cesar Ravan)	Blanco + Co.	Florida	Business Products and Services (B2B)	
11/8/2019	MidFlorida Credit Union(Kevin Jones)	Community Bank & Trust of Florida	Florida	Financial Services	
11/7/2019	Aflac (NYS: AFL)(Richard Williams)	Argus Dental & Vision	Florida	Financial Services	
11/7/2019	Arcline Studio	Arie Kohn Architects	Georgia	Business Products and Services (B2B)	
11/1/2019	DAS Health(David Schlaifer)	Automated Medical Systems	Georgia	Healthcare	
11/1/2019	Emcor Group (NYS: EME)(Anthony Guzzi)	Batchelor & Kimball	Georgia	Business Products and Services (B2B)	
11/1/2019	Mayhew Steel Products(John Lawless)	BWT FLA	Florida	Business Products and Services (B2B)	
11/1/2019	Telarus(Richard Murray)	Cynergy Telecom (Operation Division)	Georgia	Business Products and Services (B2B)	
11/1/2019	Patriot Transportation Holding (NAS: PATI)	Danfair Transport	Georgia	Business Products and Services (B2B)	
11/1/2019	MidFlorida Credit Union	First American Bank (Florida Operations)	Florida	Financial Services	
11/1/2019	Rentokil Initial (LON: RTO)(Andrew Ransom)	Florida Pest Control	Florida	Business Products and Services (B2B)	
11/1/2019	Bristol Bay Native	GC&E Systems	Georgia	Information Technology	

Transactions Highlights

Gannett Company (Virginia)

Gannett Company operates a news and information company, including USA TODAY. Gannett was acquired by New Media Investment Group for \$2.04 billion on November 19, 2019. With the acquisition, the companies are expecting to cut costs upwards of \$300 million a year and now have over 263 daily media organizations within the United States.

The Gannett logo, consisting of the word 'GANNETT' in a bold, blue, sans-serif font, centered within a light gray rectangular box.The New Media Investment Group logo. It features a stylized 'N' icon to the left of the text 'NEWMEDIA' in a bold, blue, sans-serif font, with 'INVESTMENT GROUP' in a smaller, black, sans-serif font below it.

Continental Building Products (Virginia)

The company manufactures finishing products for residential and commercial construction and was acquired by Saint-Gobain for around \$1.4 billion on November 12, 2019. Saint-Gobain produces and distributes construction products, and this acquisition will increase its overall presence within the United States.

Dova Pharmaceuticals (North Carolina)

Dova Pharmaceuticals is a clinical-stage pharmaceutical company engaged in developing treatments for candidates with diseases that are treated by specialist physicians. They were acquired by Swedish Orphan Biovitrum (SOBI) for \$915 million on November 12, 2019. This acquisition will help SOBI, who focuses on rare diseases, to help grow and broaden their research.



Lender Performance Group (North Carolina)

The company, provider of a software platform enabling financial institutions to manage credit portfolios focusing on specific borrower's needs, was acquired by Q2 Holdings for \$510 million on November 1, 2019. Q2 Holdings is a provider of an electronic banking software, and this acquisition will help the company continue to grow in that market.



SIMCOM Aviation Training (Florida)

The company, a provider of flight training services, was acquired by CAE for \$85 million on November 5, 2019. CAE helps deliver training for the civil aviation, defense, and healthcare markets, and this acquisition will specifically help their civil aviation unit grow.

