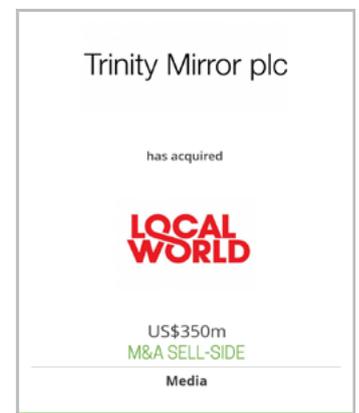


## REGIONAL MEDIA NETWORK ACQUIRED BY LARGEST MULTIMEDIA PUBLISHER IN THE UK

### Deal snapshot

- Local World Holdings Limited (Local World) has been acquired by Trinity Mirror Group plc for US\$350 million.
- Local World is one of the largest regional media networks in the UK. The group publishes a number of regional newspapers. It has a portfolio of around 100 long-standing print titles and more than 70 websites. Local World publishes more content on a daily basis than The Telegraph, The Guardian, The Daily Mirror and The Times combined. Local World's digital audience growth is leading the industry, and the insight the company puts at its customers' disposal to access and target this audience is transforming the local media landscape.
- Trinity Mirror Group is a large quoted owner and operator of national and regional newspapers in the UK. The group's portfolio now spans the country and its publications, websites and digital services bring news, entertainment and new opportunities to local, regional and national audiences every day.



### What our client and buyer said



**David Montgomery**, Chief Executive, Local World, UK

"Local World was founded three years ago with a clear vision to reinvigorate regional media with an unrelenting focus on our content, audience and advertisers. I am proud of what we have achieved. Local World is full of energy and talent, and Trinity Mirror is acquiring a vibrant business with a strong future."



**Simon Fox**, Chief Executive, Trinity Mirror Group plc, UK

"This is a good day for local media. Local World is a business we know and respect, and by combining it with Trinity Mirror we will create an organization of scale, with the talent and financial capacity to invest and adapt to the rapidly changing media landscape. It is a vote of confidence in local press and its future."



## Our role in the transaction

Smith & Williamson, a UK member firm of Oaklins, advised a substantial shareholder of Local World in the sale of the company to Trinity Mirror Group. In addition, the team agreed a deal for the client to acquire certain titles from Trinity Mirror Group once the transaction was complete.

## Market trends and deal drivers

The key market trend in this sector is the decline in printed media circulation and the migration of the sector to online media. Consolidation of newspaper groups is driving cost out of a shrinking printed media market.

## M&A valuation aspects

- Trinity Mirror Group acquired an adjusted historic EBITDA of US\$67 million for US\$350 million, a 5.2x multiple, transforming the group into the UK's largest regional news publisher.
- This transaction creates a stronger and more resilient organization, accelerating the group's strategic transformation.
- The transaction will enhance Trinity Mirror's digital reach, with the enlarged group's digital portfolio comprising a network of publishing websites delivering 120 million monthly unique browsers and 790 million monthly page views.
- Further benefits of the deal are the cost synergies, with c. US\$15 million to US\$18 million in the second full year of ownership.

## Oaklins industry specialists



✉ Iain Lownes, Director, Smith & Williamson, UK

Iain has many years of experience in mergers and acquisitions and has advised numerous clients in several industries, including print and media. He has recently advised on the acquisition of A1 Sporting Speakers by Icons.com, the sale of Creative Graphics International to Mobeus Equity Partners and the refinancing of Streamline.



✉ Reed Phillips, Managing Partner and Media Specialist, Oaklins, USA

Reed has advised hundreds of media clients on M&A transactions for magazines, newspapers, events, market research, advertising services, information services, digital media, book publishing, and healthcare media and communications.

# OAKLINS HAS CLOSED 98 DEALS IN MEDIA IN THE LAST 5 YEARS

Oaklins is the world's most experienced mid-market M&A advisor, with 700 professionals globally and dedicated industry teams in 40 countries worldwide. We have closed over 1,500 transactions in the past five years.