

Quarterly Industry Update

As of September 30, 2014

Industry: Management Consulting



Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Management Consulting 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 September 30, 2013, the median 52-week share price return of the Management Consulting industry has increased by 1.7%. In the last quarter, the median price-to-earnings multiple decreased from 17.2x to 15.5x.

Comparable Public Company Key Statistics

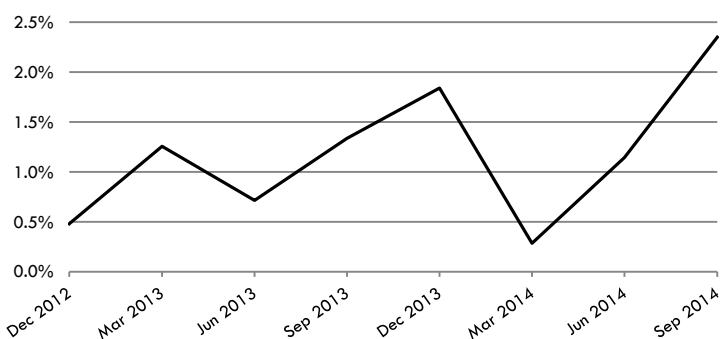
Median 52-Week Return	1.7%	Median EV/Revenue Multiple	1.3x	Median Price/Earnings Multiple	15.5x
Median 3-Year CAGR Return	17.1%	Median EV/EBITDA Multiple	10.4x	Median EV/Gross CF Multiple	20.6x

Comparable Public Company Market Price Returns (As of September 30, 2014)

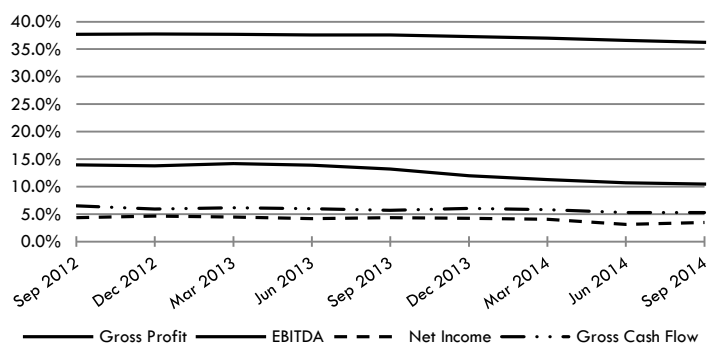
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2013	2012	2011	2010	2009
MDC Partners Inc.	-24.7%	-10.1%	3.0%	53.4%	26.1%	31.1%	259.7%	-20.5%	-21.6%	102.8%	172.3%
Corporate Executive Board Co.	-22.4%	-11.9%	-17.3%	5.8%	26.3%	19.3%	63.1%	24.6%	1.5%	64.5%	3.4%
Navigant Consulting Inc.	-27.6%	-20.3%	-10.0%	12.2%	14.5%	0.6%	72.0%	-2.2%	24.0%	-38.1%	-6.4%
Forrester Research Inc.	-3.7%	-2.7%	0.3%	13.2%	4.3%	6.7%	42.8%	-21.0%	-3.8%	36.0%	-8.0%
PFSweb Inc.	20.0%	31.1%	82.2%	94.0%	42.2%	45.6%	218.2%	-13.4%	-16.9%	165.8%	104.1%
FTI Consulting, Inc.	-15.0%	-7.6%	-7.5%	14.5%	-1.7%	-3.9%	24.7%	-22.2%	13.8%	-20.9%	5.6%
ICF International Inc.	-11.3%	-12.9%	-13.0%	23.8%	17.9%	0.3%	48.1%	-5.4%	-3.7%	-4.0%	9.1%
Huron Consulting Group Inc.	-2.7%	-13.9%	15.9%	32.3%	25.1%	18.7%	86.0%	-13.0%	46.5%	14.8%	-59.8%
The Advisory Board Company	-26.8%	-10.1%	-21.7%	-1.3%	13.0%	30.0%	36.1%	26.1%	55.8%	55.4%	37.4%
CRA International Inc.	28.4%	10.3%	36.6%	21.3%	8.3%	-1.4%	0.2%	-0.4%	-15.6%	-11.8%	-1.0%
Franklin Covey Co.	-1.5%	-2.7%	9.1%	27.8%	37.1%	27.3%	54.1%	52.3%	-1.4%	36.3%	4.1%
Booz Allen Hamilton Holding Corporation	22.2%	10.2%	21.1%	30.0%	16.3%	N/A	37.6%	-19.3%	-11.2%	N/A	N/A
Median of Industry Public Companies	-7.5%	-8.8%	1.7%	22.5%	17.1%	18.7%	51.1%	-9.2%	-2.5%	36.0%	4.1%

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

Median Quarterly Revenue Growth of All Management Consulting Companies



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



Median Public Company Multiples of the Management Consulting Industry

Date:	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014
EV/Revenues Multiple	1.1x	1.2x	1.2x	1.1x	1.2x	1.5x	1.6x	1.5x	1.3x
EV/EBITDA Multiple	7.6x	7.5x	8.4x	8.1x	9.9x	12.1x	11.6x	12.2x	10.4x
Price/Earnings Multiple	24.1x	21.1x	21.9x	20.2x	19.6x	19.1x	18.6x	17.2x	15.5x
EV/Gross Cash Flows Multiple	13.5x	12.1x	13.0x	17.1x	17.2x	19.8x	19.5x	21.8x	20.6x

This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact Steven Kam at 415-392-0888 for additional information or questions in connection with this research report.

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As of September 30, 2014

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

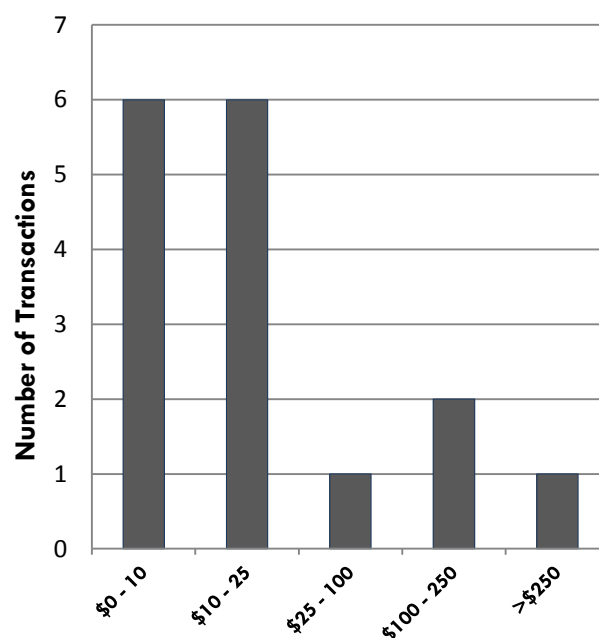
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
11/16/2010	Booz Allen Hamilton Holding Corporation	\$17.00	14.0	\$238.0	\$3,082.1	\$1,474.9	\$5,323.1	\$336.6	\$49.2	\$388.8
5/19/2010	ReachLocal, Inc.	\$13.00	4.2	\$54.2	\$101.5	\$0.0	\$224.0	(\$4.1)	\$10.0	(\$2.3)
5/4/2010	Charm Communications Inc.	\$9.50	7.8	\$74.2	\$187.8	\$19.7	\$123.7	\$24.3	\$21.3	\$24.3
11/20/2006	Willdan Group, Inc.	\$10.00	2.9	\$29.0	\$37.8	\$1.0	\$76.0	\$4.7	\$0.8	\$6.3
9/28/2006	ICF International Inc.	\$12.00	4.7	\$56.0	\$171.2	\$64.9	\$203.5	\$8.0	(\$0.1)	\$10.8
10/12/2004	Huron Consulting Group Inc.	\$15.50	5.0	\$77.5	\$55.5	\$10.1	\$160.8	\$22.5	\$7.6	\$24.8
Median of All IPOs		nm	nm	\$65.1	\$136.4	\$14.9	\$182.2	\$15.3	\$8.8	\$17.5

nm: not meaningful

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought
9/15/2014	Synopsis Soluciones	TIVIT Terceirização	\$196.9	100%
8/25/2014	Connecta AB	Acando AB (publ.)	\$81.7	100%
7/8/2014	ACE International Consultants	AECOM Technology	\$14.3	100%
4/30/2014	JMM Management Group, LLC	BSM Wireless Inc.	\$4.5	100%
5/6/2014	IMG Worldwide, Inc.	Silver Lake	\$2,300.0	100%
4/28/2014	I-Cubed, Inc.	KPIT Technologies	\$24.2	100%
4/10/2014	RedTree Inc.	Franklin Covey Co.	\$0.5	100%
3/21/2014	American Business Change	Market Milestones, Inc.	\$0.2	88%
2/14/2014	PT Wisesa Inspirasi Nusantara	Kulim (Malaysia) Berhad	\$17.4	55%
1/31/2014	Harris Interactive Inc.	Nielsen Holdings N.V.	\$121.0	100%
1/2/2014	TradeTech Consulting AB	Virtusa International B.V.	\$23.9	100%
10/1/2013	Cooper Williamson Limited	Begbies Traynor Group plc	\$4.0	100%
8/6/2013	Grafton Consulting Group	OCG Consulting Ltd.	\$2.2	74%
7/31/2013	M Squared Consulting	SolomonEdwardsGroup	\$11.0	100%
7/9/2013	OTM Consulting Ltd	Sagentia Group plc	\$9.6	100%
Median of All Transaction Targets			\$14.3	100%

Size of Merger and Acquisition Transactions (dollars in millions)



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