

## Data Analytics

### INDUSTRY SUMMARY

COGENT VALUATION identified **Data Analytics** publicly traded companies, IPOs, and recent M&A transactions within the Data Analytics 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. Over the last year since June 30, 2016, the median 52-week share price return of the Data Analytics industry was 5.4%. Between June 30, 2015 and June 30, 2017, the median EV/EBITDA multiple decreased from 12.0 to 10.6. Furthermore, the median price-to-earnings multiple decreased from 27.3 to 20.4 over the same period.

### Public Company Key Statistics

Median 52-Week Return	Median 3-Year CAGR Return	Median EV/Revenue Multiple
5.4%	-1.0%	1.7x
Median EV/EBITDA Multiple	Median Price/Earnings Multiple	Median EV/Gross CF Multiple
17.1x	20.4x	17.6x

## Comparable Public Company Market Price Returns as of June 30, 2017

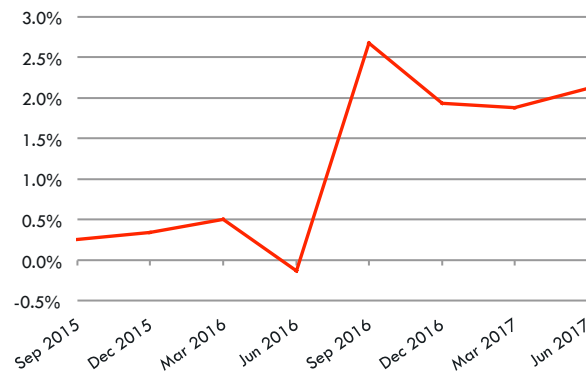
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
FTI Consulting, Inc.	-22.4%	-15.1%	-14.1%	-7.9%	-2.6%	30.1%	-10.3%	-6.1%
Guidance Software, Inc.	-6.6%	12.0%	6.8%	-11.7%	-10.2%	17.6%	-17.0%	-28.2%
Huron Consulting Group Inc.	-14.7%	2.6%	-28.5%	-21.5%	-15.2%	-14.7%	-13.1%	9.1%
Innodata Inc.	-28.6%	-20.5%	-28.6%	-18.4%	-18.4%	-14.0%	-2.4%	19.2%
Iron Mountain Incorporated	5.8%	-3.7%	-13.7%	5.3%	-1.0%	20.3%	-30.1%	27.4%
MAXIMUS, Inc.	12.3%	0.7%	13.1%	-2.4%	13.3%	-0.8%	2.6%	24.7%
Navigant Consulting, Inc.	-24.5%	-13.6%	22.4%	15.3%	4.2%	63.0%	4.5%	-19.9%
Open Text Corporation	2.1%	-7.3%	6.6%	24.8%	9.6%	29.0%	-17.7%	26.7%
Tyler Technologies, Inc.	23.0%	13.7%	5.4%	16.5%	24.4%	-18.1%	59.3%	7.2%
Median of Industry Public Companies	-6.6%	-3.7%	5.4%	-2.4%	-1.0%	17.6%	-10.3%	9.1%

Multiple year periods are calculated as the average annual return.

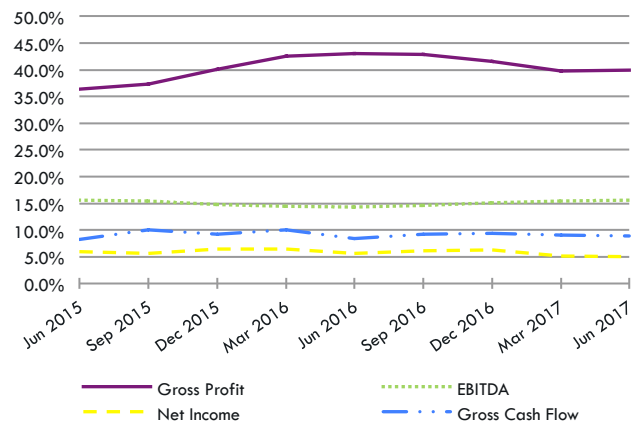
■ Highest Return
 ■ Lowest Return
 ■ Median Return

## Industry Revenue Growth and Profit Margins for the Past Two Years

**Median Quarterly Revenue Growth of All Data Analytics Companies**



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



## Median Public Companies

The chart below illustrates Public Company Multiples.

	6/30/17	3/31/17	12/31/16	9/30/16	6/30/16	3/31/16	12/31/15	9/30/15
<b>EV/Revenues Multiple</b>	1.7x	1.6x	1.8x	1.2x	1.7x	1.6x	1.8x	2.1x
<b>EV/EBITDA Multiple</b>	10.6x	10.8x	10.8x	13.7x	13.2x	12.4x	11.3x	12.3x
<b>Price/Earnings Multiple</b>	20.4x	20.3x	20.7x	23.0x	23.6x	24.0x	25.2x	24.8x
<b>EV/Gross Cash Flows Multiple</b>	17.6x	16.5x	18.1x	20.7x	22.6x	19.9x	23.6x	23.0x

■ Highest Multiple
 ■ Lowest Multiple
 ■ Median Multiple

## Industry Initial Public Offerings—Industry: Data Analytics (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
11/12/15	<b>AppFolio, Inc.</b>	\$16.00	4.4	\$70.4	\$64.2	\$0.0	\$65.1	(\$55.5)	(\$58.9)	(\$53.7)
6/25/15	<b>Jive Software, Inc.</b>	\$12.00	6.2	\$74.4	\$36.0	\$9.6	\$53.7	(\$8.2)	(\$11.0)	(\$7.2)
12/12/11	<b>Imperva, Inc.</b>	\$12.00	13.4	\$161.3	\$143.9	\$32.9	\$69.4	(\$34.0)	(\$44.9)	(\$31.0)
11/8/11	<b>The Dolan Company</b>	\$18.00	5.0	\$90.0	\$42.5	\$3.0	\$72.0	(\$10.1)	(\$11.8)	(\$8.6)
8/1/07	<b>Guidance Software, Inc.</b>	\$14.50	13.5	\$195.1	\$211.1	\$233.3	\$124.6	\$31.5	(\$47.0)	\$34.3
12/12/06	<b>AppFolio, Inc.</b>	\$11.50	5.0	\$57.5	\$26.6	\$2.0	N/A	N/A	N/A	N/A
6/29/17	<b>Median of all IPOs</b>	nm	nm	\$82.2	\$53.3	\$6.3	\$69.4	(\$10.1)	(\$44.9)	(\$8.6)


Multiple year periods are calculated as the average annual return.


■ Highest Return
 ■ Lowest Return
 ■ Median Return

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
5/13/17	Lattice Data, Inc.	Apple Inc.	\$200.0	100%	N/A	N/A
4/10/17	Turn Inc.	Amobee, Inc.	\$310.0	100%	N/A	N/A
4/3/17	MKS Data Analytics	Sartorius Stedim Biotech	\$72.5	100%	N/A	N/A
12/19/16	Dun & Bradstreet, Benelux	Altares - D&B SAS	\$28.0	100%	\$59.0	0.5x
10/21/16	Datasource Consulting LLC	Exlservice Holdings, Inc.	\$18.8	100%	N/A	N/A
9/30/16	Epiq Systems, Inc.	DTI	\$1,040.5	100%	\$529.8	1.9x
7/15/16	INSYS Group Inc.	Luxoft Holding, Inc.	\$71.4	100%	N/A	N/A
5/18/16	MedicalDirector	Affinity Equity Partners	\$113.7	100%	N/A	N/A
5/3/16	eResearchTechnology	Nordic Capital	\$1,800.0	100%	\$300.0	6.0x

 USA

 International

 Highest

 Lowest

 Median

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

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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
2/29/16	Experton Group AG	Information Services Group	\$2.4	100%	N/A	N/A
2/24/16	Veda Group Limited	Equifax Inc.	\$1,929.3	100%	\$248.4	7.7x
2/1/16	L-3 National Security	CACI Inc. - Federal	\$561.0	70%	N/A	N/A
1/25/16	GlobalData Ltd.	Progressive Digital Media	\$103.8	100%	N/A	N/A
11/23/15	Daegis Inc.	Open Text Corporation	\$23.3	100%	\$23.7	0.9x
11/9/15	Binary Group, Inc.	Cyberggy Holdings, Inc.	\$3.7	100%	N/A	N/A
7/31/15	EvD, Inc.	UBIC, Inc.	\$29.4	100%	\$22.1	1.3x
5/29/15	Quindell Plc	Slater and Gordon	\$1,002.1	100%	\$954.8	1.0x
Median of the 20 M&A Transaction Targets			\$103.8	100%	\$248.4	1.3x

■ USA

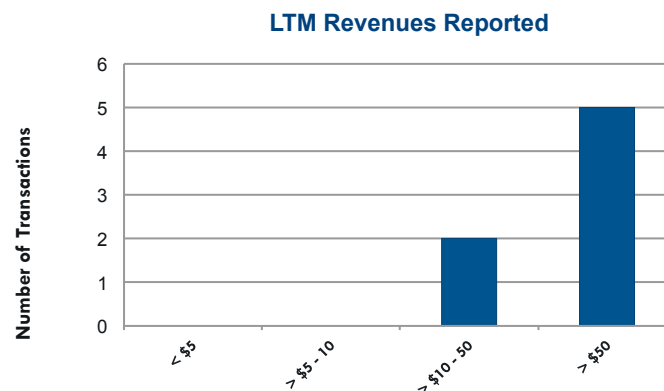
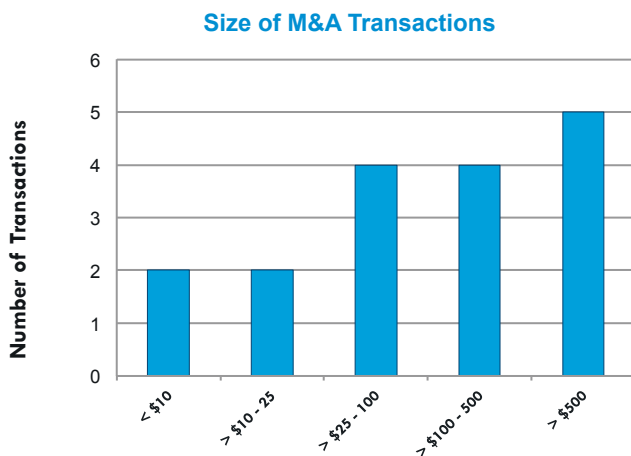
■ International

■ Highest

■ Lowest

■ Median

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of June 30, 2017





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**Definitions of Financial Terms Used in this Quarterly Industry Update:** Enterprise Value (EV): Market Value of Equity + Market Value of Debt —Cash Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

**Gross Cash Flows:** Net Income + Depreciation and Amortization Expense Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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