Q2: Quarterly Industry Update

AS OF JUNE 30, 2017

cogent valuation
FINANCIAL OPINIONS

Management Consulting

INDUSTRY SUMMARY

COGENT VALUATION identified **Management Consulting** 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. Over the last year since June 30, 2016, the median 52-week share price return of the Management Consulting industry was 9.8%. Between June 30, 2015 and June 30, 2017, the median EV/EBITDA multiple decreased from 11.0 to 10.3. However, the median price-to-earnings multiple increased from 20.5 to 20.6 over the same period. .

Public Company Key Statistics

Median 52-Week Return 9.8%	**Median 3-Year CAGR Return** 1.1%	**Median EV/Revenue Multiple** 1.1x
Median EV/EBITDA Multiple 10.3x	**Median Price/Earnings Multiple** 20.6x	**Median EV/Gross CF Multiple** 17.8x

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

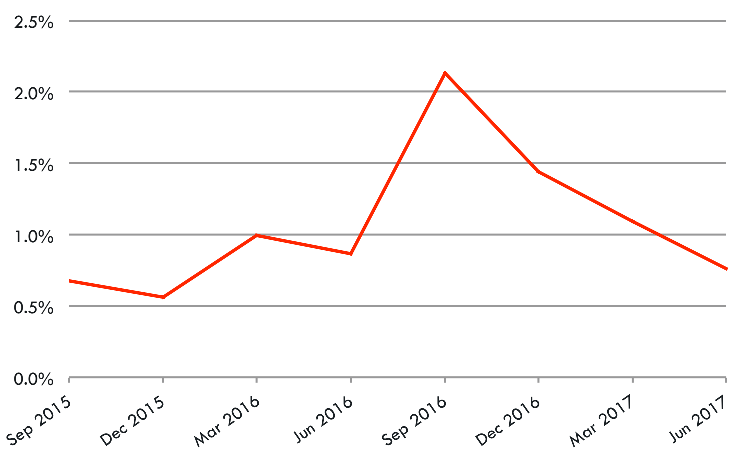
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
Booz Allen Hamilton Holding Corporation	-9.8%	-8.1%	9.8%	13.5%	15.3%	16.9%	16.3%	38.5%
Cebu Air, Inc.	3.3%	3.7%	-6.7%	1.4%	14.1%	7.0%	-8.4%	81.7%
CRA International, Inc.	-0.8%	2.8%	44.0%	14.2%	16.4%	96.2%	-38.5%	53.1%
Forrester Research, Inc.	-8.8%	-1.5%	6.2%	4.3%	1.1%	50.8%	-27.6%	2.9%
Franklin Covey Co.	-4.2%	-4.5%	25.9%	-2.5%	-1.4%	20.4%	-13.5%	-2.6%
FTI Consulting, Inc.	-22.4%	-15.1%	-14.1%	-7.9%	-2.6%	30.1%	-10.3%	-6.1%
Heidrick & Struggles Internationa	-9.9%	-17.5%	28.9%	-8.7%	5.5%	-11.3%	18.1%	14.4%
Huron Consulting Group Inc.	-14.7%	2.6%	-28.5%	-21.5%	-15.2%	-14.7%	-13.1%	9.1%
ICF International, Inc.	-14.7%	14.0%	15.2%	16.2%	10.0%	55.2%	-13.2%	18.1%
MDC Partners Inc.	51.1%	5.3%	-45.9%	-29.1%	-22.8%	-69.8%	-4.4%	-10.9%
Navigant Consulting, Inc.	-24.5%	-13.6%	22.4%	15.3%	4.2%	63.0%	4.5%	-19.9%
PFSweb, Inc.	-2.8%	26.5%	-13.1%	-22.8%	-0.2%	-34.0%	1.7%	39.6%
The Advisory Board Company	54.9%	10.0%	45.5%	-2.9%	-0.2%	-33.0%	1.3%	-23.1%
Median of Industry Public Companies	**-8.8%**	**2.6%**	**9.8%**	**-2.5%**	**1.1%**	**16.9%**	**-8.4%**	**9.1%**

Multiple year periods are calculated as the average annual return.

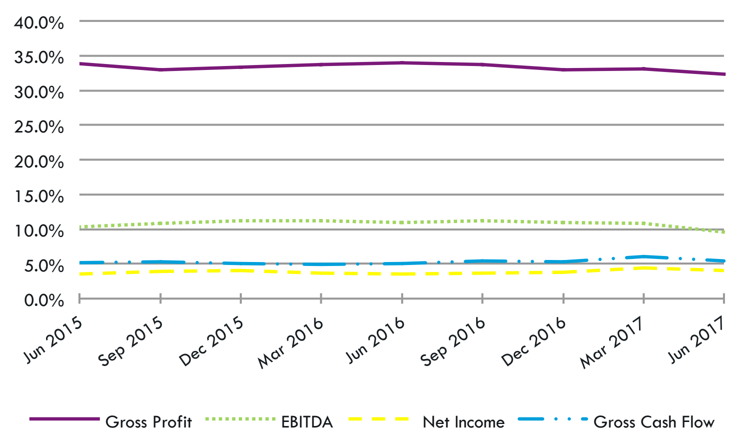
Highest Return *Lowest Return* *Median Return*

Industry Revenue Growth and Profit Margins for the Past Two Years

Median Quarterly Revenue Growth of All Management Consulting 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
EV/Revenues Multiple	1.1x	1.2x	1.2x	1.2x	1.1x	1.1x	1.1x	1.2x
EV/EBITDA Multiple	10.3x	9.4x	10.9x	10.1x	10.1x	9.4x	9.6x	10.4x
Price/Earnings Multiple	20.6x	20.8x	22.4x	20.8x	20.5x	21.2x	22.8x	17.3x
EV/Gross Cash Flows Multiple	17.8x	16.4x	18.8x	19.1x	18.0x	17.2x	18.4x	18.0x

Highest Multiple *Lowest Multiple* *Median Multiple*

Industry Initial Public Offerings—Industry: Management Consulting (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
9/29/16	**G-Factory Co.,Ltd.**	$31.91	0.2	$7.0	$2,136.0	$588.0	$2,099.0	$0.0	$179.0	$0.0
11/16/10	**Booz Allen Hamilton Holding Corporation**	$17.00	14.0	$238.0	$3,082.1	$1,474.9	$5,323.1	$336.6	$49.2	$388.7
5/19/10	**ReachLocal, Inc.**	$13.00	4.2	$54.2	$101.5	$0.0	$224.0	($4.1)	$10.0	($2.3)
5/4/10	**Charm Communications Inc.**	$9.50	7.8	$74.2	$187.8	$19.7	$123.7	$24.3	$21.3	$24.6
11/20/06	**Willdan Group, Inc.**	$10.00	2.9	$29.0	$37.8	$1.0	$76.0	$4.7	$0.8	$6.3
9/28/06	**ICF International, Inc.**	$12.00	4.7	$56.0	$171.2	$64.9	$203.5	$8.0	($0.1)	$10.8
10/12/04	**Huron Consulting Group Inc.**	$15.50	5.0	$77.5	$55.5	$10.1	$160.8	$22.5	$7.6	$26.3
6/29/17	**Median of all IPOs**	nm	nm	$65.1	$179.5	$42.3	$213.8	$15.3	$15.7	$17.7

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
6/20/17	ProofID Limited	PEGRight, Inc.	$5.0	100%	N/A	N/A
5/8/17	Jibe Consulting, Inc.	The Hackett Group, Inc.	$20.0	100%	N/A	N/A
1/6/17	The Investment Firm Pte. Ltd.	Sino Holdings (S'pore) Pte Ltd	$1.4	100%	N/A	N/A
1/3/17	R.A.S. Associates, Inc.	Perficient, Inc.	$13.5	100%	$9.0	1.5x
7/29/16	Elsys Consulting Services	itelligence AG	$24.2	100%	N/A	N/A
7/1/16	WSP Group plc	GENIVAR Inc.	$127.5	100%	$135.0	0.9x
6/30/16	RedSentry Pte Ltd	Soverus Technology	$2.0	100%	N/A	N/A
5/6/16	MWH Global, Inc.	Stantec Inc.	$793.0	100%	$1,270.3	0.6x
2/18/16	LOC Consulting Limited	iBe TSE Ltd	$5.7	100%	$9.6	0.2x
1/8/16	Management Consulting Group	Solucom SA	$89.5	100%	$146.5	0.6x
1/4/16	Towers Watson	Willis Group Holdings	$8,696.4	100%	$3,645.0	2.2x
12/31/15	CB&I Stone & Webster	Westinghouse Electric	$229.0	100%	N/A	N/A

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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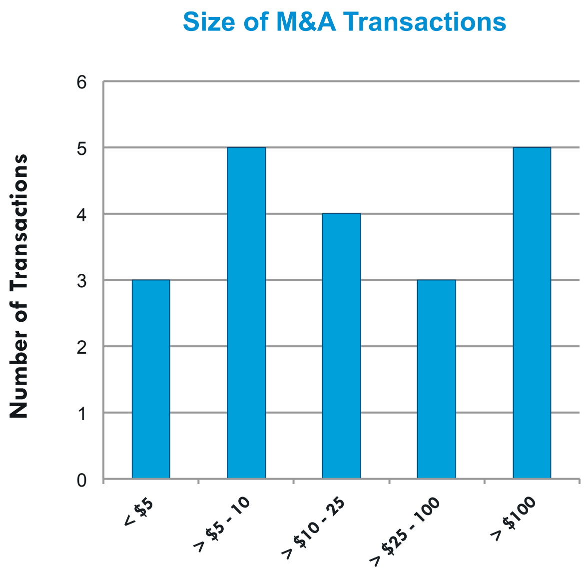
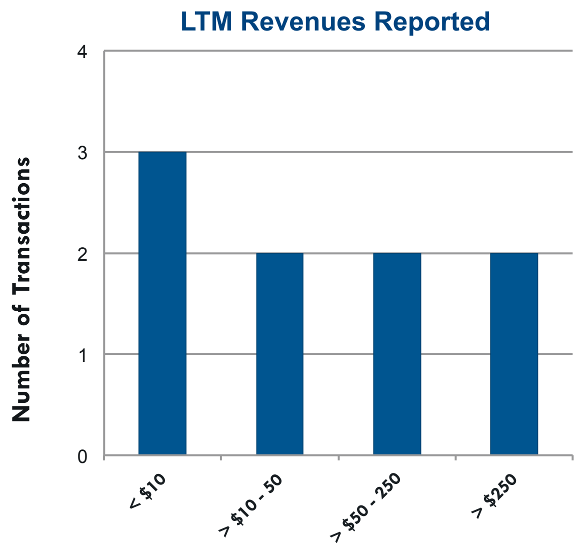
Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
11/4/15	**Horwath Consulting Services**	**Shiji (Hong Kong) Limited**	$10.0	75%	N/A	N/A
8/25/15	**Kerensen Consulting SAS**	**Salesforce.com, inc.**	$24.2	100%	$17.0	1.4x
7/28/15	**Agora Group, Inc.**	**Virtusa Corporation**	$7.5	100%	N/A	N/A
7/27/15	**ThinOps Resources, LLC**	**Code Rebel Corp**	$9.3	100%	$1.9	4.9x
6/3/15	**Trissential, LLC**	**SQS Software Quality**	$30.9	100%	$32.3	1.0x
11/27/14	**Sandra Hartog & Assc.**	**BTS USA, Inc.**	$6.6	100%	N/A	N/A
11/3/14	**VERTEX Incorporated**	**Ebix Inc.**	$29.0	100%	N/A	N/A
	Median of the 20 M&A Transaction Targets		$196.9	100%	N/A	N/A

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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