

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 September 30, 2016, the median 52-week share price return of the Data Analytics industry was -8.4%. Between September 30, 2015 and September 30, 2017, the median EV/EBITDA multiple decreased from 12.3 to 11.7. However, the median price-to-earnings multiple increased from 24.8 to 28.7 over the same period. The median revenue growth and EBITDA margins for the industry for the quarter were 1.3% and 15.5%, respectively.

Public Company Key Statistics

Median 52-Week
Return

-8.4%

Median 3-Year CAGR
Return

5.6%

Median EV/Revenue
Multiple

1.6x

Median EV/EBITDA
Multiple

11.7x

Median Price/Earnings
Multiple

28.7x

Median EV/Gross CF
Multiple

21.4x

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

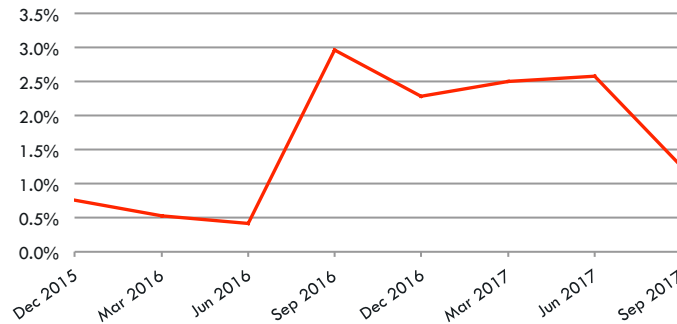
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
FTI Consulting, Inc.	-21.3%	1.5%	-20.4%	-7.5%	0.5%	30.1%	-10.3%	-6.1%
Huron Consulting Group Inc.	-32.3%	-20.6%	-42.6%	-25.9%	-17.4%	-14.7%	-13.1%	9.1%
Innodata Inc.	-38.8%	-14.3%	-39.5%	-19.8%	-21.1%	-14.0%	-2.4%	19.2%
Iron Mountain Incorporated	19.8%	13.2%	3.7%	12.0%	6.0%	20.3%	-30.1%	27.4%
MAXIMUS, Inc.	15.6%	3.0%	14.0%	4.1%	17.1%	-0.8%	2.6%	24.7%
Navigant Consulting, Inc.	-35.4%	-14.4%	-16.3%	3.1%	6.7%	63.0%	4.5%	-19.9%
Open Text Corporation	4.5%	2.4%	-0.4%	20.1%	5.2%	29.0%	-17.7%	26.7%
Tyler Technologies, Inc.	22.1%	-0.8%	1.8%	8.1%	25.4%	-18.1%	59.3%	7.2%
Median of Industry Public Companies	-8.4%	0.4%	-8.4%	3.6%	5.6%	9.7%	-6.3%	14.2%

Multiple year periods are calculated as the average annual return.

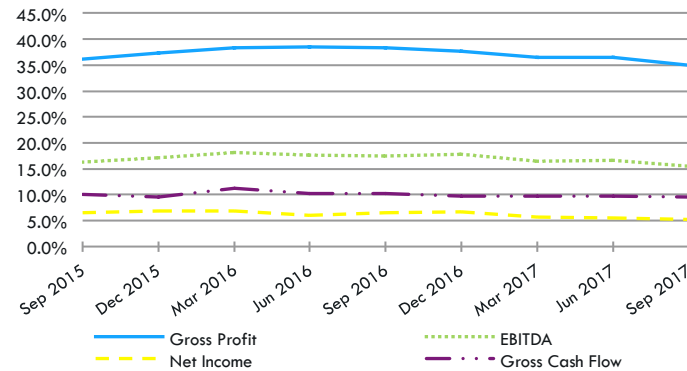
■ Highest Return
 ■ Lowest Return
 ■ Median Return

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



Public Company Median Multiples by Quarter

	9/30/17	6/30/17	3/31/17	12/31/16	9/30/16	6/30/16	3/31/16	12/31/15
EV/Revenues Multiple	1.6x	1.7x	1.6x	1.7x	1.9x	1.9x	1.9x	2.0x
EV/EBITDA Multiple	11.7x	10.6x	10.8x	10.8x	13.7x	13.2x	12.4x	11.3x
Price/Earnings Multiple	28.7x	20.4x	20.3x	20.7x	23.0x	23.6x	24.0x	25.2x
EV/Gross Cash Flows Multiple	21.4x	17.6x	16.5x	18.1x	20.7x	22.6x	19.9x	23.6x

 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
9/27/17	Infront ASA	\$2.89	11.6	\$33.6	\$22.6	\$0.9	\$26.9	\$1.4	\$0.5	\$2.0
11/12/15	Instructure, Inc.	\$16.00	4.4	\$70.4	\$64.2	\$0.0	\$65.1	(\$55.5)	(\$58.9)	(\$53.7)
6/25/15	AppFolio, Inc.	\$12.00	6.2	\$74.4	\$36.0	\$9.6	\$53.7	(\$8.2)	(\$11.0)	(\$7.2)
12/12/11	Jive Software, Inc.	\$12.00	13.4	\$161.3	\$143.9	\$32.9	\$69.4	(\$34.0)	(\$44.9)	(\$31.0)
11/8/11	Imperva, Inc.	\$18.00	5.0	\$90.0	\$42.5	\$3.0	\$72.0	(\$10.1)	(\$11.8)	(\$8.6)
8/1/07	The Dolan Company	\$14.50	13.5	\$195.1	\$211.1	\$233.3	\$124.6	\$31.5	(\$47.0)	\$34.3
6/29/17	Median of all IPOs	\$11.50	5.0	\$57.5	\$26.6	\$2.0	N/A	N/A	N/A	N/A

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
9/30/16	Lattice Data, Inc.	Apple Inc.	\$200.0	100%	N/A	N/A
7/15/16	Turn Inc.	Amobee, Inc.	\$310.0	100%	N/A	N/A
5/18/16	MKS Data Analytics	Sartorius Stedim Biotech	\$72.5	100%	N/A	N/A
5/3/16	Dun & Bradstreet, Benelux	Altares - D&B SAS	\$28.0	100%	\$59.0	0.5x
2/29/16	Datasource Consulting LLC	Exlservice Holdings, Inc.	\$18.8	100%	N/A	N/A
2/24/16	Epiq Systems, Inc.	DTI	\$1,040.5	100%	\$529.8	1.9x
2/1/16	INSYS Group Inc.	Luxoft Holding, Inc.	\$71.4	100%	N/A	N/A
9/30/16	MedicalDirector	Affinity Equity Partners	\$113.7	100%	N/A	N/A
7/15/16	eResearchTechnology	Nordic Capital	\$1,800.0	100%	\$300.0	6.0x

■ USA
 ■ International
 ■ Highest
 ■ Lowest
 ■ Median

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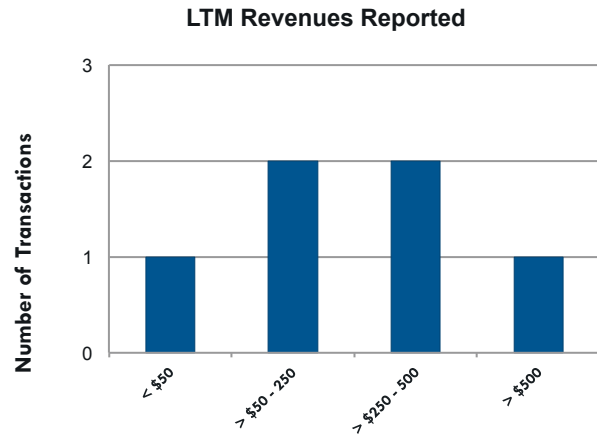
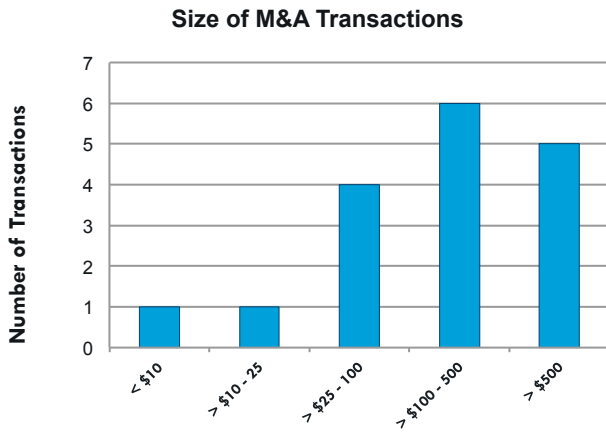
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
9/12/17	Epiq Systems, Inc.	Thales S.A.	\$215.0	100%	\$30.0	7.2x
9/6/17	INSYS Group Inc.	Pharmaceutical Research Association	\$530.0	100%	N/A	N/A
8/28/17	MedicalDirector	Forcepoint LLC	\$54.0	70%	N/A	N/A
8/15/17	eResearchTechnology	H.I.G. Capital, LLC	\$289.2	100%	\$325.4	0.9x
5/13/17	Experton Group AG	Apple Inc.	\$200.0	100%	N/A	N/A
4/10/17	Veda Group Limited	Amobee, Inc.	\$310.0	100%	N/A	N/A
4/3/17	L-3 National Security	Sartorius Stedim Biotech	\$72.5	100%	N/A	N/A
12/19/16	Global Data	Altares - D&B SAS	\$28.0	100%	\$59.0	0.5x
Median of the 17 M&A Transaction Targets			\$18.8	100%	N/A	N/A

USA
 International
 Highest
 Lowest
 Median

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