

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 March 31, 2017, the median 52-week share price return of the Data Analytics industry was -2.8%. Between March 31, 2016 and March 31, 2018, the median EV/EBITDA multiple increased from 12.1 to 13.0. Furthermore, the median price-to-earnings multiple increased from 22.4 to 30.1 over the same period. The median revenue growth and EBITDA margins for the industry for the quarter were 1.3% and 13.9%, respectively.

Public Company Key Statistics

Median 52-Week
Return

-2.8%

Median 3-Year CAGR
Return

4.5%

Median EV/Revenue
Multiple

1.6x

Median EV/EBITDA
Multiple

13x

Median Price/Earnings
Multiple

30.1x

Median EV/Gross CF
Multiple

22.2x

Comparable Public Company Market Price Returns as of March 31, 2018

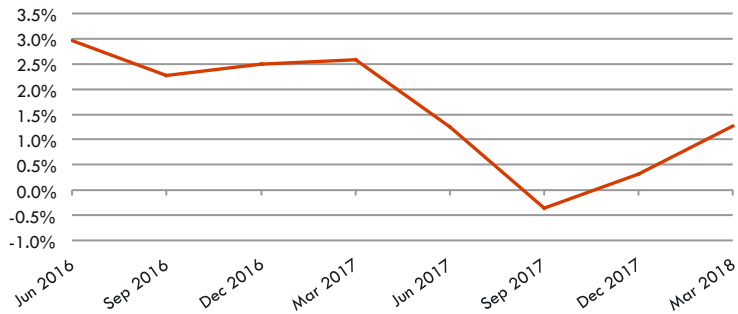
	YTD	3 Month	1 Year	2 Year	3 Year	2016	2015	2014
FTI Consulting, Inc.	12.7%	12.7%	-20.4%	-7.5%	0.5%	30.1%	-10.3%	-6.1%
Huron Consulting Group Inc.	-5.8%	-5.8%	-42.6%	-25.9%	-17.4%	-14.7%	-13.1%	9.1%
Innodata Inc.	-15.4%	-15.4%	-39.5%	-19.8%	-21.1%	-14.0%	-2.4%	19.2%
Iron Mountain Incorporated	-12.9%	-12.9%	3.7%	12.0%	6.0%	20.3%	-30.1%	27.4%
MAXIMUS, Inc.	-6.8%	-6.8%	14.0%	4.1%	17.1%	-0.8%	2.6%	24.7%
Navigant Consulting, Inc.	-0.9%	-0.9%	-16.3%	3.1%	6.7%	63.0%	4.5%	-19.9%
Open Text Corporation	-2.4%	-2.4%	-0.4%	20.1%	5.2%	29.0%	-17.7%	26.7%
Tyler Technologies, Inc.	19.2%	19.2%	1.8%	8.1%	25.4%	-18.1%	59.3%	7.2%
Median of Industry Public Companies	-4.1%	0.4%	-8.4%	3.6%	5.6%	9.7%	-6.3%	14.2%

Multiple year periods are calculated as the average annual return.

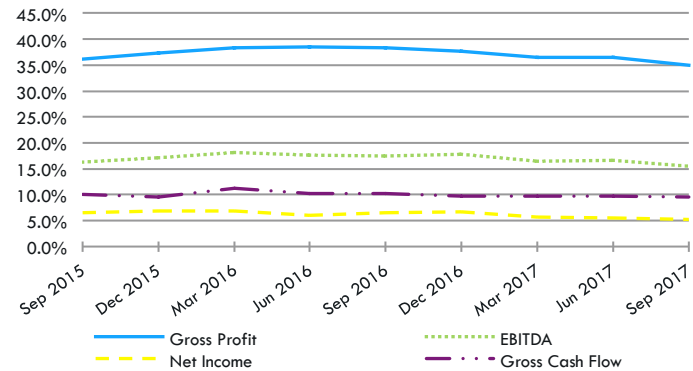
■ Highest Return
 ■ Lowest Return
 ■ Median Return

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

	3/31/18	12/31/17	9/30/17	6/30/17	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	13.0x	11.9x	11.4x	11.7x	13.7x	13.2x	12.4x	11.3x
Price/Earnings Multiple	30.1x	31.0x	38.2x	28.2x	23.0x	23.6x	24.0x	25.2x
EV/Gross Cash Flows Multiple	22.2x	22.6x	25.0x	20.5x	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
12/18/17	Ayo Technology Solutions Limited	\$3.40	7.4	\$33.6	\$22.6	\$0.9	\$26.9	\$1.4	\$0.5	\$2.0
12/13/17	Pelatro Plc	\$0.84	11.6	\$70.4	\$64.2	\$0.0	\$65.1	(\$55.5)	(\$58.9)	(\$53.7)
9/27/17	Infront ASA	\$2.89	4.4	\$74.4	\$36.0	\$9.6	\$53.7	(\$8.2)	(\$11.0)	(\$7.2)
11/12/15	Instructure, Inc.	\$16.00	6.2	\$161.3	\$143.9	\$32.9	\$69.4	(\$34.0)	(\$44.9)	(\$31.0)
11/8/11	Imperva, Inc.	\$12.00	13.4	\$90.0	\$42.5	\$3.0	\$72.0	(\$10.1)	(\$11.8)	(\$8.6)
8/1/07	The Dolan Company	\$12.00	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
12/22/17	RecoBell Co., Ltd.	Futurestream Networks	\$32.7	100%	N/A	N/A
1/30/18	Angoss Software Corp.	Datawatch Corporation	\$1.8	100%	N/A	N/A
11/23/17	Beijing Anytrust	Sheng Ying Xin	\$215.0	100%	N/A	N/A
9/12/17	Guavus, Inc.	Thales S.A.	\$530.0	100%	\$59.0	0.5x
9/6/17	Symphony Health Solutions	Pharmaceutical Research Association	\$54.0	100%	N/A	N/A
8/28/17	RedOwl Analytics, Inc.	Forcepoint LLC	\$289.2	100%	\$529.8	1.9x
2/1/16	NCI, Inc.	H.I.G. Capital, LLC	\$200.0	100%	N/A	N/A
9/30/16	MedicalDirector	Affinity Equity Partners	\$310.0	100%	N/A	N/A
7/15/16	eResearchTechnology	Nordic Capital	\$72.5	100%	\$300.0	6.0x

■ USA
 ■ International
 ■ Highest
 ■ Lowest
 ■ Median

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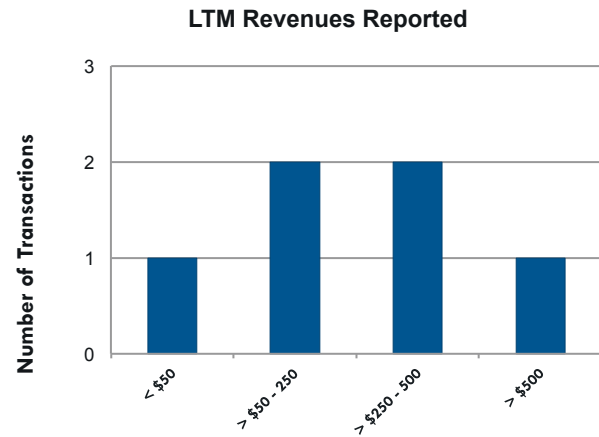
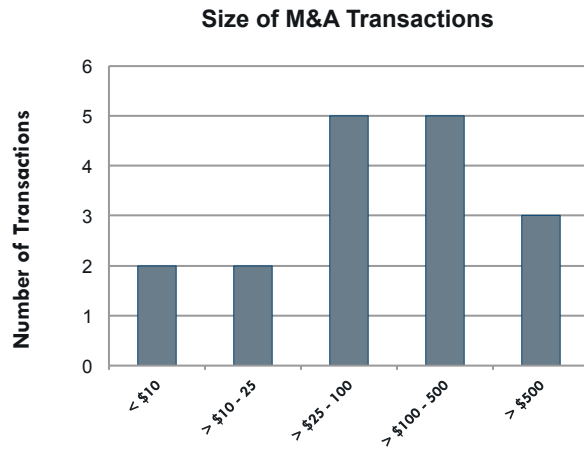
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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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 March 31, 2018



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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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