

Q1: Quarterly Industry Update

AS OF March 31, 2019



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, 2018, the median 52-week share price return of the Data Analytics industry was -2.8%. Between March 31, 2018 and March 31, 2019, the median EV/EBITDA multiple increased from 11.8 to 13.0. Furthermore, the median price-to-earnings multiple increased from 24.1 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, 2019

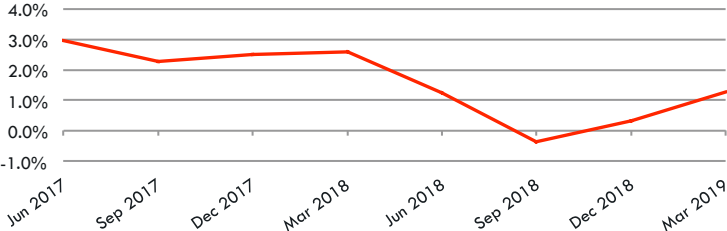
| | 2019 | 3 Month | 1 Year | 2 Year | 3 Year | 2018 | 2017 | 2016 |
|--|--------|---------|--------|--------|--------|--------|--------|--------|
| FTI Consulting, Inc. | 12.7% | 12.7% | 17.6% | -7.5% | 0.5% | -4.7% | 30.1% | -10.3% |
| Huron Consulting Group Inc. | -5.8% | -5.8% | -9.5% | -25.9% | -17.4% | -20.1% | -14.7% | -13.1% |
| Innodata Inc. | -15.4% | -15.4% | -47.7% | -19.8% | -21.1% | -44.5% | -14.0% | -2.4% |
| Iron Mountain Incorporated | -12.9% | -12.9% | -7.9% | 12.0% | 6.0% | 16.2% | 20.3% | -30.1% |
| MAXIMUS, Inc. | -6.8% | -6.8% | 7.3% | 4.1% | 17.1% | 28.3% | -0.8% | 2.6% |
| Navigant Consulting, Inc. | -0.9% | -0.9% | -15.8% | 3.1% | 6.7% | -25.9% | 63.0% | 4.5% |
| Open Text Corporation | -2.4% | -2.4% | 2.3% | 20.1% | 5.2% | 15.4% | 29.0% | -17.7% |
| Tyler Technologies, Inc. | 19.2% | 19.2% | 36.5% | 8.1% | 25.4% | 24.0% | -18.1% | 59.3% |
| Median of Industry Public Companies | -4.1% | -4.1% | -2.8% | 3.6% | 5.6% | 5.4% | 9.7% | -6.3% |

Multiple year periods are calculated as the average annual return.

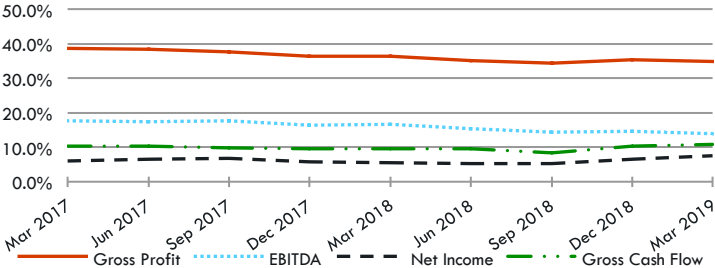
■ Highest Return
 ■ Lowest Return
 ■ Median Return

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

| | 3/31/19 | 12/31/18 | 9/30/18 | 6/30/18 | 3/31/18 | 12/31/17 | 9/30/17 | 6/30/17 |
|-------------------------------------|---------|----------|---------|---------|---------|----------|---------|---------|
| EV/Revenues Multiple | 1.6x | 1.7x | 1.6x | 1.7x | 1.7x | 1.7x | 1.9x | 1.9x |
| EV/EBITDA Multiple | 13.0x | 11.9x | 11.4x | 11.7x | 11.8x | 10.4x | 11.0x | 12.9x |
| Price/Earnings Multiple | 30.1x | 31.0x | 38.2x | 28.2x | 24.1x | 21.7x | 20.7x | 21.7x |
| EV/Gross Cash Flows Multiple | 22.2x | 22.6x | 25.0x | 20.5x | 20.2x | 17.8x | 17.9x | 19.2x |

Industry Initial Public Offerings—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 |
|------------|---|-------------|----------------|---------------|--------------|---------|--------------|------------|----------------|----------------|
| 3/18/19 | Ayo Technology Solutions Limited | \$3.40 | 40.0 | \$33.6 | \$22.6 | \$0.9 | \$36.8 | \$3.2 | \$1.3 | \$3.4 |
| 2/13/19 | Pelatro Plc | \$0.84 | 99.8 | \$70.4 | \$64.2 | \$0.0 | \$1.2 | \$0.4 | \$0.3 | \$0.4 |
| 1/27/19 | Infront ASA | \$2.89 | 7.4 | \$74.4 | \$36.0 | \$9.6 | \$26.9 | \$1.4 | \$0.5 | \$2.0 |
| 12/12/18 | Instructure, Inc. | \$16.00 | 11.6 | \$161.3 | \$143.9 | \$32.9 | \$65.1 | (\$55.5) | (\$58.9) | (\$53.7) |
| 11/25/18 | AppFolio, Inc. | \$12.00 | 4.4 | \$90.0 | \$42.5 | \$3.0 | \$53.7 | (\$8.8) | (\$11.0) | (\$7.8) |
| 12/12/11 | Jive Software, Inc. | \$12.00 | 6.2 | \$195.1 | \$211.1 | \$233.3 | \$69.4 | (\$31.9) | (\$44.9) | (\$28.9) |
| 6/29/17 | Median of all IPOs | nm | nm | \$52 | \$26.6 | \$2.0 | \$72.0 | (\$10.1) | (\$11.8) | (\$8.6) |

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

| Transaction Date | Target | Acquirer | Transaction Size | % Bought | LTM Revenues | EV/ Revenues |
|------------------|---------------------------|-------------------------------------|------------------|----------|--------------|--------------|
| 2/22/19 | RecoBell Co., Ltd. | Futurestream Networks | \$12.8 | 100% | \$1.4 | 8.9x |
| 1/30/18 | Angoss Software Corp. | Datawatch Corporation | \$32.7 | 100% | \$10.2 | 2.8x |
| 1/23/19 | Beijing Anytrust | Sheng Ying Xin | \$1.8 | 100% | N/A | N/A |
| 12/12/18 | Guavus, Inc. | Thales S.A. | \$215.0 | 100% | \$30.0 | 7.2x |
| 12/6/18 | Symphony Health Solutions | Pharmaceutical Research Association | \$530.0 | 100% | \$200.3 | 2.6x |
| 8/28/17 | RedOwl Analytics, Inc. | Forcepoint LLC | \$54.0 | 100% | N/A | N/A |
| 8/15/17 | NCI, Inc. | H.I.G. Capital, LLC | \$289.2 | 100% | \$325.4 | 0.9x |
| 5/13/17 | Lattice Data, Inc. | Apple Inc. | \$200.0 | 100% | N/A | N/A |
| 3/15/17 | NCI, Inc. | H.I.G. Capital, LLC | \$72.5 | 100% | \$300.0 | 6.0x |

■ USA
 ■ International

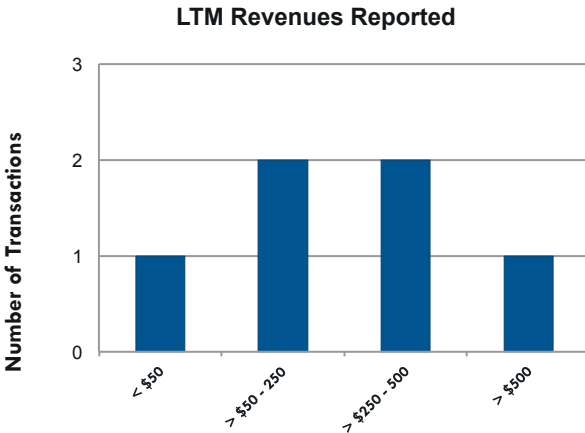
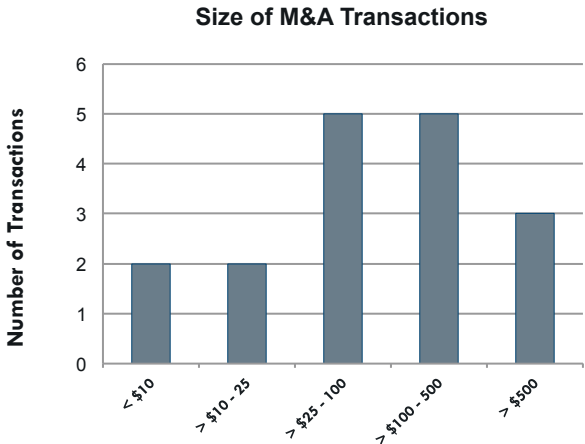
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Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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| Transaction Date | Target | Acquirer | Transaction Size | % Bought | LTM Revenues | EV/ Revenues |
|------------------|---------------------------------------|-------------------------------------|------------------|-------------|--------------|--------------|
| 2/28/17 | NCI, Inc. | Thales S.A. | \$215.0 | 100% | \$30.0 | 7.2x |
| 2/15/17 | Lattice Data, Inc. | Pharmaceutical Research Association | \$530.0 | 100% | N/A | N/A |
| 2/13/17 | Turn Inc. | Forcepoint LLC | \$289.2 | 70% | N/A | N/A |
| 1/10/17 | MKS Data Analytics | H.I.G. Capital, LLC | \$200.0 | 100% | \$325.4 | 0.9x |
| 1/3/17 | Dun & Bradstreet, Benelux | Apple Inc. | \$310.0 | 100% | N/A | N/A |
| 12/28/16 | NCI, Inc. | Amobee, Inc. | \$72.5 | 100% | N/A | N/A |
| 12/3/16 | L-3 National Security | Sartorius Stedim Biotech | \$28.0 | 100% | N/A | N/A |
| 12/19/16 | Global Data | Altares - D&B SAS | \$28.0 | 100% | \$59.0 | 0.5x |
| | Median of the M&A Transaction Targets | | \$18.8 | 100% | N/A | N/A |

Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of March 31, 2019



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): 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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