

CLEAR SIGHT MONITOR

Compliance – Q1 2018

Market Perspective

Deal Spotlight

Buzz Around the Industry

Featured Transactions

Public Market Activity



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Select Upcoming Conferences

30-May-2018

Clearsight Compliance Summit –
New York, NY

24-Jun-2018

ABA Regulatory Compliance
Conference – Nashville, TN
[Event Website](#)

21-Oct-2018

Compliance and Ethics Institute
– Las Vegas, NV
[Event Website](#)

Don't miss an exclusive opportunity to network with leading private equity investors, compliance solutions vendors, Chief Compliance Officers, and entrepreneurs...

Clearsight Advisors invites you to join us for a complimentary one-day event on May 30 that will bring together key compliance sector practitioners, industry consultants, and private equity and growth equity investors for networking, 1:1 meetings, and panel insights led by industry luminaries.

Keynote Address:

[Dov Seidman, Founder & CEO of LRN Corporation](#): “The Fierce Urgency of HOW: Why We Do Anything Means Everything”

[Learn more](#) about how to maximize your involvement in this dynamic growth segment where investment opportunities are flourishing.



COMPLIANCE
SUMMIT

MAY 30, 2018
THE PIERRE HOTEL NEW YORK

CORPORATE
INTEGRITY AND
INNOVATION

RESHAPING THE
ENTERPRISE



Keynote Speaker:

Dov Seidman, Founder &
CEO of LRN Corporation

Join us May 30, 2018

The Pierre Hotel, New York

GDPR, A Giant Leap for Regulation?

Loyal readers of this report know that the world of compliance is always quietly shifting but at times can also take giant leaps forward, generating long-lasting and often unpredictable consequences. On May 25th, the European Union will take one of those giant steps when its General Data Protection Regulation ("GDPR") takes effect. The regulation, which has been under construction for years, is a strict new set of rules governing the control and privacy of EU citizens' personal data. Not only does GDPR standardize data regulation across the 28 member states of the EU, it also provides more specific data protection requirements to entities that leverage personal data as part of their service offering or customer engagement process. In addition to increased clarity, GDPR offers a global scope and the threat of much stiffer penalties for non-compliance relative to its predecessor, the Data Protection Directive ("DPD"). In short, customers or individuals will have much greater control over their personal data and ultimately more remedies in the event of misuse.

There is no mistaking GDPR is broad, sweeping regulation that will impact companies of all sizes in nearly every corner of the globe, a fact that many companies in the US fail to grasp given the general lack of perceived preparedness. An alternative view is that companies are taking a wait and see approach before implementing the data regulation to observe which areas of the law regulators will prioritize for enforcement. According to Forrester's forecast for 2018, 80% of organizations won't be compliant with the GDPR by the May 25, 2018 deadline.

Although this approach may prove prudent, it is certainly not without risk. As mentioned above, non-compliance with GDPR carries extensive penalties and fines - regulators have the authority to levy a fine up to the greater of €20 million or 4% of global annual turnover in the prior year. This is in stark contrast to the DPD, which states the amount of potential administrative fines is a matter left to national discretion.

The implementation of GDPR on its own deserves our attention. However, timing is everything, and this quarter the spotlight on GDPR burned brighter as the Facebook – Cambridge Analytica scandal unraveled, accentuating underlying concerns over privacy.

Although for many of us in the US, the scandal peaked with Mark Zuckerberg's testimony before Congress, the collection and misuse of personal data for nearly 90 million users opened the floodgates for ongoing public discussion regarding data protection. Since then, as lawmakers and reporters attempted to parse through existing US regulations on data privacy, some began to agree that existing policies are vague and more importantly, leave the average consumer vulnerable. Many, including some of the leaders of the world's largest technology companies, agreed and began suggesting that new regulation would be wise. We believe proponents of this idea were right to look to Europe; GDPR will likely guide any new US data privacy standard.

There has been a wide range of responses to both the public debate over data privacy in the US as well as the suggestion that GDPR could serve as a framework for US regulation. Last week, IBM sent over 100 executives to Capitol Hill to tell regulators that GDPR won't work for the US. Private sector leaders and regulators need to collaborate on any new and successful data privacy regulation. Facebook, now preparing to answer to European regulators regarding the Cambridge Analytica scandal, sought to drastically reduce the number of its users that fall under the GDPR by removing approximately 1.5 billion non-European users out of its Ireland domain. This eliminates a huge liability for Facebook and underscores the risk associated with handling the data of European users. For now, it is hard to tell which avenue the US will take on this issue and how long it will take us to get there. In either case for US business leaders with EU clients, it doesn't matter.

Although enacted in the EU, do not overlook that GDPR's reach is global. The regulation not only applies to companies making their services available to EU citizens, but also to those collecting information on individuals in the EU. All companies, regardless of size or geography, are now forced to change how they collect and store personal data in order to remain compliant and operating in the EU. This is particularly concerning given a recent survey by The Sage Group, which found that 90% of US businesses "lack awareness surrounding the details of the GDPR," while 84% do not understand its implications for their specific business." These businesses have a short period of time to get up to speed if they wish to continue conducting business with EU citizens.

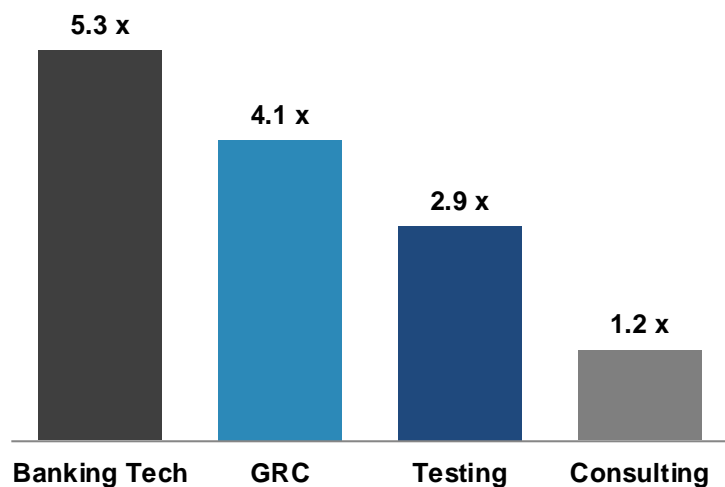
GDPR is a game changer on many levels. Its scope and reach are broad and it carries severe penalties for noncompliance. It may ultimately serve as a template for future data privacy laws. Only time will tell how effective GDPR is at protecting consumers and how much of a burden it places on the companies looking to do business in Europe. For now, we are watching the ripple effects this giant leap of regulation has left in its wake.



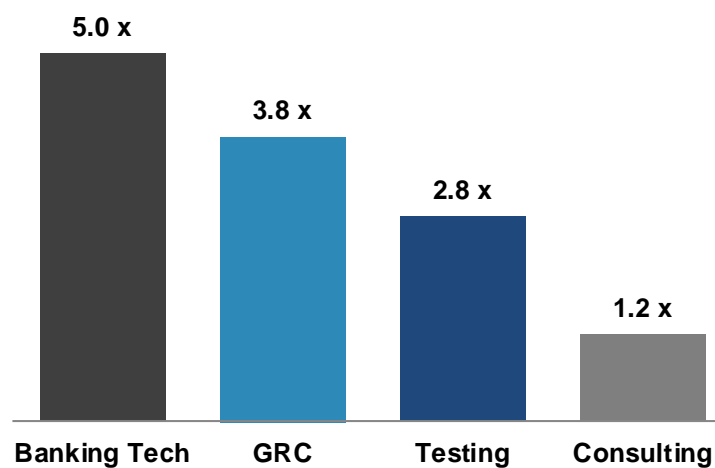
Public Companies' Median Trading Multiples

■ Banking Tech ■ GRC ■ Testing, Certification, & Inspection ■ Consulting Services

2018E EV / Revenue

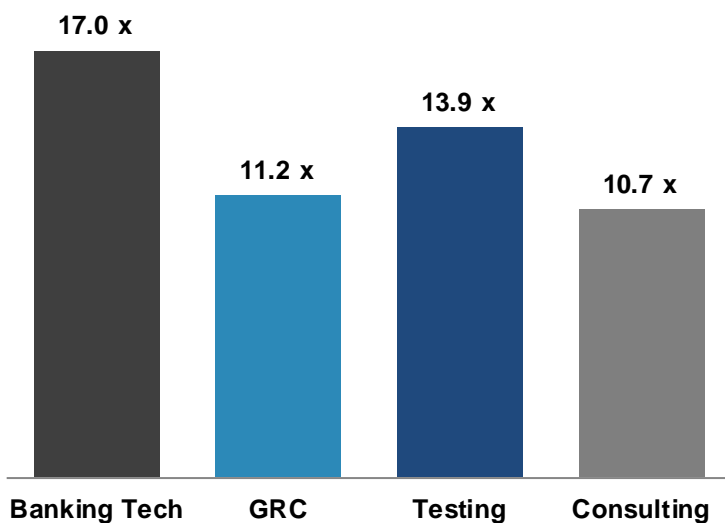


2019E EV / Revenue

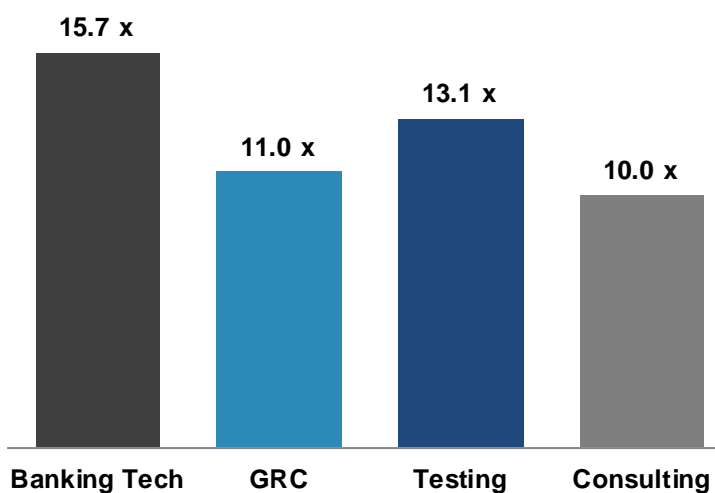


■ Banking Tech ■ GRC ■ Testing, Certification, & Inspection ■ Consulting Services

2018E EV / EBITDA



2019E EV / EBITDA



Blackstone Leads Acquisition of a Majority Stake in Thomson Reuters' Financial & Risk Division

Transaction Summary

On January 30, a group of investors led by The Blackstone Group LP ("Blackstone") agreed to acquire a majority stake in Thomson Reuters' Financial & Risk ("F&R") division. Canada Pension Plan Investment Board and GIC Pte (Singapore's sovereign wealth fund) will co-invest alongside Blackstone to acquire 55% of the F&R division. Thomson Reuters will receive approximately \$17 billion in proceeds, including \$3 billion from the Blackstone-led group of investors and \$14 billion in debt and preferred equity. \$2.5 billion of existing equity will be rolled over, equating to the \$20 billion valuation. The debt financing was provided by Bank of America, Citigroup, and JPMorgan Chase. Thomson Reuters will retain a 45% interest in the F&R business and maintain complete ownership of its Legal, Tax & Accounting, and Reuters News businesses. Additionally, the new company entered into a 30-year agreement to pay Reuters News at least \$325 million a year for its news and editorial content.



Thomson Reuters F&R division provides critical news, information, and analytics primarily to financial market professionals. The division provides a diverse set of global content including market fundamental data, estimates, and primary and secondary research. Additionally, it provides tools and platforms to access this content and enable fast, intelligent decision-making. The businesses included in this acquisition had approximately \$6 billion in 2017 revenue.

Blackstone is a multinational private equity firm that specializes in leveraged buyouts, restructurings, and private placement funding. The firm primarily invests across the energy, insurance, financial, and technology industries. Blackstone was founded in 1985 and is based out of New York, NY with additional offices in Europe, the Middle East, Asia, and Australia.

Blackstone

Transaction Information

Announced Date	30-Jan-18
Expected Close Date	Sep 2018
Deal Type	Acquisition

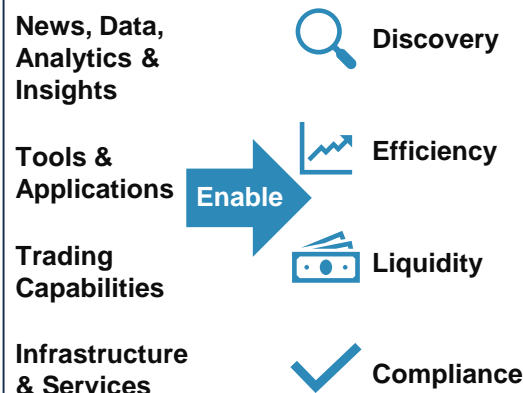
Target Information

Target HQ	Toronto, Canada
Year Founded	2008

Valuation

Enterprise Value	\$20 billion
EV / 2017A Revenue	3.3x
EV / 2017A EBITDA	10.4x

F&R Key Service Offerings



Deal Commentary

- Blackstone has a strong track record of success investing in financial services companies and plans to leverage this experience to help the F&R division to provide additional products and services and navigate the complex financial regulatory landscape.
- Martin Brand, a Senior Managing Director at Blackstone, said: "We are excited to partner with Thomson Reuters – one of the most trusted companies in financial technology. The F&R division has tremendous assets, including a world-leading data business, essential risk and compliance solutions, OTC trading venues, wealth management software, and a strong desktop business. The partnership with Blackstone provides an opportunity to increase efficiency and accelerate revenue growth through innovation and focus on creating uniquely compelling products for F&R's customers."
- The division represents a particularly unique asset for Blackstone given its core data component and focus on the financial services vertical; Blackstone may choose to focus on the data aspects of F&R while also implementing cost reductions strategies and divesting non-core pieces of the division.
- Following the closing of the transaction, Thomson Reuters will have significant capital for inorganic and organic growth and plans to focus its efforts on accelerating the expansion of its Legal, Tax & Accounting, and Regulatory businesses.

GENERAL COMPLIANCE

Equal Pay Fast Becoming a U.K. Compliance Issue. “Efforts to promote greater transparency around pay as a way of curbing soaring boardroom salaries are perhaps beginning to look pointless when one considers that by lunchtime on Thursday, January 4th the average FTSE100 CEO made more money than the typical U.K. full-time worker earns in the entire year.” Read more [here](#).

Financial Incentives in a Compliance Program. “The Department of Justice and Securities and Exchange Commission, however, have long made clear that they view monetary structure for compensation, rewarding those employees who do business in compliance with their employer’s compliance program, as one of the ways to reinforce the compliance program and the message of compliance.” Read more [here](#).

Compliance Year in Review: 2017. “Major compliance scandals and enforcement actions, nonstop political and regulatory drama in Washington, D.C., the rise of transformative technologies, and much more all made compliance headlines in 2017.” Read more [here](#).

9 Challenges Slowing Blockchain Deployment. “Experts say that organizations can increase their chances for success by learning about the barriers associated with blockchain adoption and developing strategies for handling those challenges. Nine of those challenges stand out as being particularly troublesome.” Read more [here](#).

The Role of Risk Management in Compliance. “Seen in this light, it is clear the risk management process should begin with forecasting as it attempts to estimate future aspects of the business. Compliance professionals should be able to say with some degree of authority what will happen in the next three months, six months, twelve months, twenty-four months.” Read more [here](#).

U.S. Evaluates Blockchain Technology as Anti-Corruption Weapon. “The U.S. government and several of its agencies have been evaluating blockchain as a preventative measure against corruption that may distort the fair awarding of public procurement contracts, reduce the quality of public services, limit opportunities to develop a competitive private sector and undermine trust in public institutions.” Read more [here](#).

2017 Was Most Active Year for New FCPA-Related Investigations. “There are now 134 pending FCPA-related investigations that companies or agencies have disclosed. That compares with a total of 85 companies on the FCPA Blog’s corporate investigations list for early 2017, and just 78 companies at the end of 2011.” Read more [here](#).

FINANCIAL SERVICES COMPLIANCE

EU Legislators Reach Agreement on Revised Anti-Money Laundering Directive. “Among the proposed changes include enhancing the authority of the national Financial Intelligence Units (FIUs), introducing enhanced safeguards for financial flows from high-risk countries, and widening the scope of the AML Directive.” Read more [here](#).

Yes, It Is Possible to Cut Costs from Compliance. “There are many costs associated with regulatory compliance and related liabilities in the mortgage business, and while there are signs this could change, how and when remains uncertain.” Read more [here](#).

FINANCIAL SERVICES COMPLIANCE CONTINUED

Regulators' Worries About FHLB Risk are Outsized. "It's a safe bet that regulators will give FHLBs heightened scrutiny. Although this is justified, the FHLBs should not become a top priority for regulatory agencies. Despite their newfound importance, the FHLBs still are just one potential stress point among many in the financial system." Read more [here](#).

AML and Sanctions Compliance Still Not High Priority for Boards. "Out of 361 financial institutions that participated in AlixPartners' survey, 20 percent of the institutions indicated that they "do not provide AML and sanctions compliance training for their boards of directors or are unaware whether their boards are being briefed on AML and sanctions matters." Read more [here](#).

U.S. Bank Pays \$613 Million in Penalties for Defective Money Laundering Program. "The parent company of U.S. Bank agreed Thursday to pay criminal and civil penalties of \$613 million to resolve charges that it willfully ran a defective anti-money laundering program and hid the defects from federal regulators." Read more [here](#).

Two Wall Street Compliance Officers Charged for Ignoring Red Flags. "The SEC penalized Aegis \$750,000 after it admitted failing to file suspicious activity reports or SARs "on numerous suspicious transactions." Read more [here](#).

HEALTHCARE COMPLIANCE

Blockchain Is Proving Itself for Real-World Healthcare Applications. "Even if you don't think blockchain is overhyped (and many people do), you may still be convinced that whatever real-world promise it holds for healthcare is either too far in the theoretical future to think much about, or it's not yet worth the effort to implement." Read more [here](#).

NIST Looks to Demystify Blockchain, Assesses Its Potential for Healthcare. "The federal agency aims to help IT decision makers sift through the hype to make "clear-eyed" choices about how they could (or should) deploy blockchain." Read more [here](#).

Amazon, Berkshire Hathaway, JPMorgan Chase Partner to Build Healthcare Company With Focus on Tech. "The new nonprofit plans to give people more control and greater transparency into their healthcare to improve satisfaction and drive down costs, executives said." Read more [here](#).

Allscripts Sued Over Ransomware Attack, Accused of Wanton Disregard. "The lawsuit alleges Allscripts failed to secure and audit its system, which caused the system outage for about a week, causing "significant business interruption" for its clients." Read more [here](#).

No One is Sure Why Amazon Needs a HIPAA Compliance Officer. "The retail giant has continued to quietly toy with various entries into the healthcare market. According to the new listing, it is looking for someone who can ensure that its services are in line with the essential health privacy laws, including both HIPAA and HITECH." Read more [here](#).

HEALTHCARE COMPLIANCE CONTINUED

How Healthcare's Regulatory Landscape will Affect HIT in 2018. "As the Trump administration moves into its second full year, there are many updates to U.S. healthcare policy. From attempts to repeal the Affordable Care Act to naming a new HHS secretary, change is buffeting the healthcare sector. Many of these challenges will have an effect on how organizations use healthcare IT in the coming years." Read more [here](#).

LIFE SCIENCES COMPLIANCE

Why a Data Health Check May Be the Best Medicine for Pharmaceutical Regulatory Compliance. "Faced with compliance challenges, pharma companies need to recognize that with these regulatory changes comes added benefits, because the overall effect of this new legislation will make the exchange of data easier. In turn, this will lead to long-term cost savings for the industry." Read more [here](#).

Navigating Pharma's Privacy Risks: GDPR and Beyond. "Today, personal data is integral to nearly all business operations of pharmaceutical manufacturers, including clinical research and development, marketing, and patient outreach. However, the use of personal data has existed in an increasingly regulated space." Read more [here](#).

No Change to U.K. Drug Regulations After Brexit. "The UK's drugs regulator has reiterated its promise to minimize disruption caused by a potential hard Brexit, telling pharma companies that there will be no sudden changes to the country's regulatory framework when it leaves the EU in March 2019." Read more [here](#).

Big Pharma and Blockchain: Setting a Standard with the IEEE. "IEEE has an on-going project called The Pharma Blockchain Initiative, which is looking at how emerging technology can be upsized or applied in ways that will optimize processes across the pharmaceutical network. The aim is to not only make the whole industry more effective, but also to ultimately lead to better patient safety and care." Read more [here](#).

Diving into the Pharma Industry's Quality Management Goals and Obstacles in 2018. "The main goal of quality professionals in the pharmaceutical industry is to ensure their companies are compliant with the ever-changing world of regulations. Without quality, it would be virtually impossible for a pharmaceutical company to sell products." Read more [here](#).

FEATURED M&A TRANSACTIONS

Q1 2018 Compliance M&A Transactions

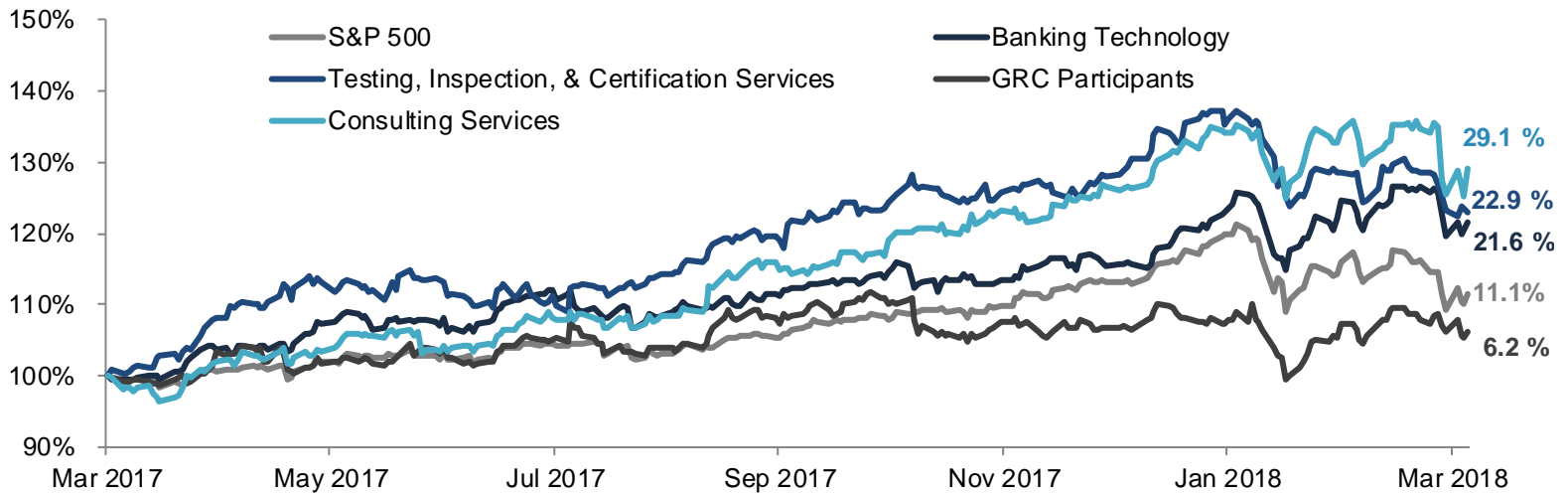
Announced	Target / Issuer	Buyer	Transaction Value (\$mm)	Target Description
26-Mar-18			N/A	<ul style="list-style-type: none"> The First Financial Consultancy provides management consultancy and DCA compliance advice for independent financial advisors
21-Mar-18			N/A	<ul style="list-style-type: none"> Consilio provides eDiscovery software and services to assist law firms and corporations in investigations, litigation, and arbitration
21-Mar-18			N/A	<ul style="list-style-type: none"> Advanced Discovery provides eDiscovery and risk management services
19-Mar-18		 DOW JONES	N/A	<ul style="list-style-type: none"> Cerico provides cloud-based compliance solutions related to due diligence, certification, training, and advisory services
07-Mar-18		<i>Undisclosed</i>	N/A	<ul style="list-style-type: none"> Dash Financial Technologies provides a suite of products that deliver trading technologies, execution services, analytics, and regulatory technologies
23-Feb-18			N/A	<ul style="list-style-type: none"> Niu Solutions provides IT solutions and consulting across compliance, security, cloud, and voice & collaboration services
20-Feb-18			N/A	<ul style="list-style-type: none"> Meeting the Challenge provides ADA accessibility compliance consulting services for public and private entities
06-Feb-18			\$225.0	<ul style="list-style-type: none"> Wombat Security Technologies provides interactive software-based cyber security and compliance assessment, training, and filtering solutions
05-Feb-18	 Regulatory Consulting Practice		N/A	<ul style="list-style-type: none"> Identica's Regulatory Consulting Practice, a U.S.-based practice with expertise in regulatory compliance
25-Jan-18			N/A	<ul style="list-style-type: none"> Shungham provides reports on regulatory information about European Union issues, through an online platform
09-Jan-18			N/A	<ul style="list-style-type: none"> ACA Compliance Group provides regulatory compliance products and solutions, cybersecurity and risk assessments, and performance consulting services in the financial services industry

FEATURED PRIVATE PLACEMENTS

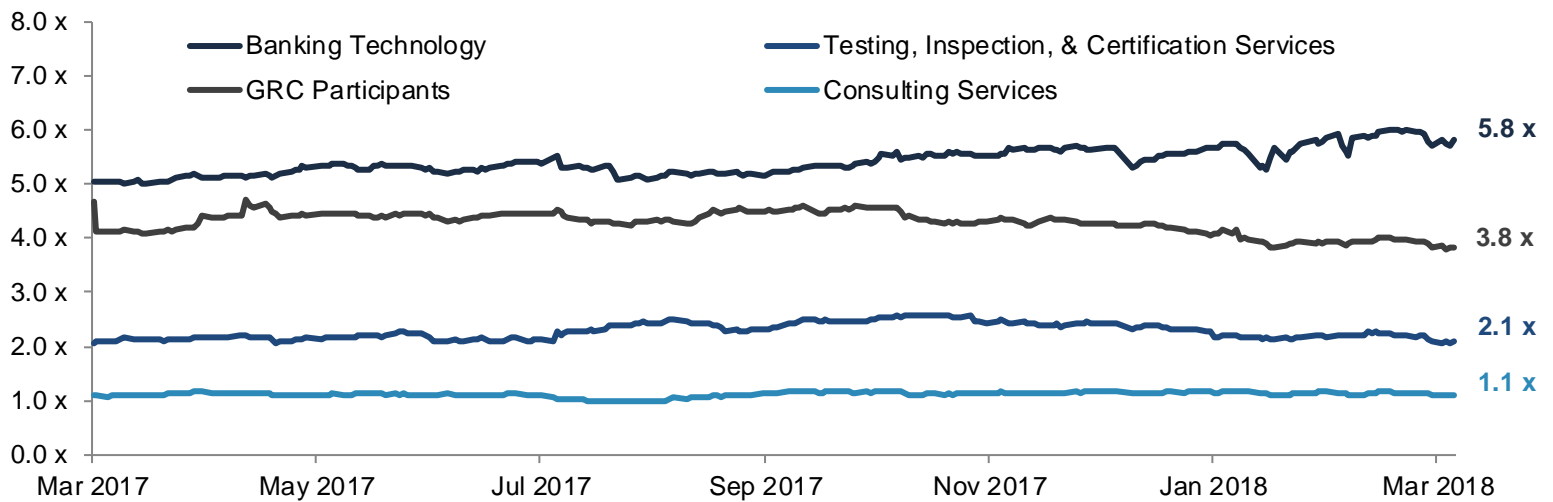
Q1 2018 Compliance Private Placements

Announced	Target / Issuer	Buyer	Transaction Value (\$mm)	Target Description
26-Mar-18	ZP GROUP	 THE CHERTOFF GROUP	N/A	<ul style="list-style-type: none"> ZP Group provides cyber strategy, technology, and compliance consulting and solutions
12-Mar-18	 EverCompliant More Intelligence. Less Risk.	 AMERICAN EXPRESS VENTURES	N/A	<ul style="list-style-type: none"> EverCompliant provides cyber risk intelligence and merchant fraud prevention detection solutions
10-Mar-18	 POLECAT™	Undisclosed	\$4.3	<ul style="list-style-type: none"> Polecat develops reputation management software products for companies to anticipate reputational risks, monitor trends, and identify emerging issues
14-Feb-18	Blueliv.	Telefónica Ventures	\$4.0	<ul style="list-style-type: none"> Blueliv develops a cloud-based solution that protects organizations from credit card fraud, data theft, and malware and cyber threats
14-Feb-18	 ANDIA	canopy 	N/A	<ul style="list-style-type: none"> Andia develops a decentralized plug-and-play platform using blockchain to provide compliance solutions for financial transactions
14-Feb-18	 SafeChain	 nc+	\$3.0	<ul style="list-style-type: none"> SafeChain develops and provides fraud prevention software for title professionals
06-Feb-18	 FoodLogiq™	Undisclosed	\$8.0	<ul style="list-style-type: none"> FoodLogiq provides an on-demand day to day production software of record for traceability, food safety, and sustainability for food companies and value chains
25-Jan-18	 PowerDMS Redefining Document Management	FrontierCapital 	N/A	<ul style="list-style-type: none"> PowerDMS offers cloud-based compliance and document management software solutions for organizations to reduce risk and manage their critical content
18-Jan-18		 COSIMO ventures	\$1.0	<ul style="list-style-type: none"> GECKO Governance develops a regulatory technology blockchain solution to allow fund managers and banks to monitor and manage their regulation and compliance requirements
18-Jan-18	 Railsbank	 LIONSGOLD	\$1.5	<ul style="list-style-type: none"> Railsbank Technologies develops and API banking and compliance technology platform that connects together a global network of partner banks and companies

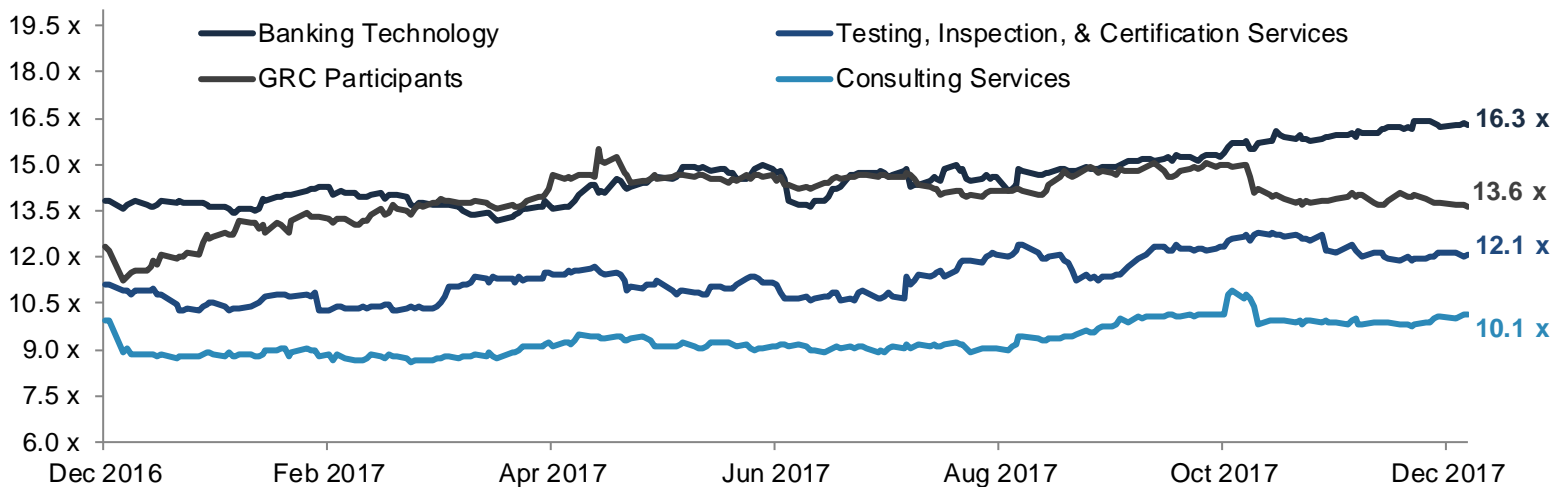
Stock Price Performance – Last Twelve Months



EV / FY1 Revenue – Last Twelve Months



EV / FY1 EBITDA – Last Twelve Months



Source: Capital IQ, market data as of 31-Mar-2018; index constituents listed on next page
 Note: Price Performance is market capitalization-weighted.

Public Market Comparable Companies

Select GRC Companies

Company	Closing Price 30-Mar-2018	% of 52 Week High	Equity Market Cap	Enterprise Value	EV / Revenue Multiples			EV / EBITDA Multiples			LTM EBITDA Margin
					LTM	2018	2019	LTM	2018	2019	
Computer Services	\$ 44.85	89.7 %	\$ 630	\$ 587	2.4 x	NA	NA	9.0 x	NA	NA	26.2 %
Proofpoint	113.65	91.8	6,332	6,203	11.4	8.9	7.0	NA	NA	NA	(4.3)
Qualys	72.75	91.6	3,126	2,837	12.3	10.2	8.7	NA	29.0	24.5	25.1
Symantec	25.85	75.6	16,766	19,821	3.3	4.1	3.8	16.9	8.6	7.5	19.6
Thomson Reuters	38.61	79.2	27,717	34,379	3.0	3.0	2.9	13.6	9.9	10.1	22.3
Wolters Kluwer	53.21	96.0	15,529	18,070	3.4	3.4	3.3	12.4	12.5	11.9	27.4
High		96.0 %	\$ 27,717	\$ 34,379	12.3 x	10.2 x	8.7 x	16.9 x	29.0 x	24.5 x	27.4 %
Median		90.7	10,931	12,136	3.4	4.1	3.8	13.0	11.2	11.0	23.7
Mean		87.3	11,683	13,649	6.0	5.9	5.1	13.0	15.0	13.5	19.4
Low		75.6	630	587	2.4	3.0	2.9	9.0	8.6	7.5	(4.3)

Select Banking Technology Companies

ACI Worldwide	\$ 23.72	89.9 %	\$ 2,795	\$ 3,412	3.3 x	3.3 x	3.1 x	19.2 x	13.0 x	11.2 x	17.4 %
Computer Services	44.85	89.7	630	587	2.4	NA	NA	9.0	NA	NA	26.2
Bottomline Technologies	38.75	96.9	1,657	1,733	4.7	4.3	3.9	NA	18.9	16.1	11.4
Ellie Mae	91.94	80.0	3,354	3,113	7.5	6.2	5.4	NA	23.8	17.7	16.9
Fidelity	96.30	92.9	32,408	40,615	4.5	4.7	4.6	16.2	12.9	12.2	27.5
Fiserv	71.31	95.8	29,735	34,310	6.0	5.8	5.6	19.2	16.3	15.3	31.4
Jack Henry & Associates	120.95	95.0	9,392	9,435	6.4	6.0	5.7	20.7	17.7	16.6	31.0
High		96.9 %	\$ 32,408	\$ 40,615	7.5 x	6.2 x	5.7 x	20.7 x	23.8 x	17.7 x	31.4 %
Median		92.9	3,354	3,412	4.7	5.3	5.0	19.2	17.0	15.7	26.2
Mean		91.5	11,425	13,315	5.0	5.1	4.7	16.8	17.1	14.9	23.1
Low		80.0	630	587	2.4	3.3	3.1	9.0	12.9	11.2	11.4

Select Consulting Services Companies

Accenture	\$ 153.50	92.7 %	\$ 101,944	\$ 99,130	2.7 x	2.5 x	2.3 x	16.4 x	14.6 x	13.5 x	16.2 %
Capgemini	124.68	93.0	21,630	23,095	1.5	1.5	1.4	11.9	10.4	9.9	12.7
CBIZ	18.25	92.9	1,038	1,219	1.4	1.3	1.3	13.6	11.3	10.4	10.5
CRA International	52.29	98.6	475	421	1.1	1.1	1.0	16.5	NA	NA	6.9
Franklin Covey	26.90	86.2	382	419	2.1	1.9	1.8	NA	NA	NA	3.3
FTI Consulting	48.41	95.3	1,899	2,106	1.2	1.1	1.1	11.3	9.8	9.4	10.3
Heidrick & Struggles	31.25	95.7	609	402	0.6	0.6	0.6	7.2	6.0	5.5	9.0
Huron Consulting	38.10	81.3	882	1,208	1.6	1.6	1.6	11.6	13.3	11.9	14.2
ICF International	58.45	94.3	1,150	1,344	1.1	1.1	1.0	11.9	11.0	10.2	9.2
Korn Ferry	51.59	98.9	3,005	2,844	1.7	1.6	1.5	13.1	10.3	9.3	12.7
Navigant Consulting	19.24	78.6	914	1,038	1.1	1.1	1.0	8.2	8.2	7.8	13.4
Resources Connection	16.20	94.7	538	578	0.9	0.8	0.8	9.1	12.2	10.8	10.3
High		98.9 %	\$ 101,944	\$ 99,130	2.7 x	2.5 x	2.3 x	16.5 x	14.6 x	13.5 x	16.2 %
Median		93.6	976	1,213	1.3	1.2	1.2	11.9	10.7	10.0	10.4
Mean		91.9	11,206	11,150	1.4	1.4	1.3	11.9	10.7	9.9	10.7
Low		78.6	382	402	0.6	0.6	0.6	7.2	6.0	5.5	3.3

Select Testing, Certification, and Inspection Companies

Applus Services	13.03	88.2	1,865	2,511	1.3	1.2	1.2	11.9	9.5	8.7	11.1
Bureau Veritas	26.01	86.9	11,553	14,269	2.5	2.4	2.3	14.7	13.0	12.1	17.2
GB Group	5.66	88.1	841	836	6.1	4.7	4.2	28.3	21.1	18.7	21.5
Intertek Group	65.41	85.2	10,548	11,360	3.0	2.9	2.8	15.3	13.9	13.1	19.8
SGS	2,462.45	88.5	21,042	21,864	3.4	3.1	2.9	17.7	15.2	14.1	19.0
High		88.5 %	\$ 21,042	\$ 21,864	6.1 x	4.7 x	4.2 x	28.3 x	21.1 x	18.7 x	21.5 %
Median		88.1	10,548	11,360	3.0	2.9	2.8	15.3	13.9	13.1	19.0
Mean		87.4	9,170	10,168	3.3	2.9	2.7	17.6	14.5	13.3	17.7
Low		85.2	841	836	1.3	1.2	1.2	11.9	9.5	8.7	11.1

Source: Capital IQ, market data as of 31-Mar-2018

Note: Any negatives multiples or multiples greater than 30.0x are marked "NA."



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