



HOULIHAN LOKEY

# REVENUE INTEGRITY

SEGMENT SPOTLIGHT | FALL 2020





Houlihan Lokey is the trusted advisor to more top decision-makers than any other independent global investment bank.

Houlihan Lokey's Healthcare Group Is a Leading Advisor to Healthcare Companies...

2019 M&A Advisory Rankings All U.S. Healthcare Transactions		
Advisor	Deals	
1 Houlihan Lokey	27	
2 KeyBanc Capital Markets Inc	21	
3 Piper Jaffray Cos	20	
4 Goldman Sachs & Co	19	
5 JP Morgan	16	
5 Jefferies LLC	16	

Source: Refinitiv (formerly known as Thomson Reuters)

2018 M&A Advisory Rankings All U.S. Healthcare Transactions		
Advisor	Deals	
1 Houlihan Lokey	36	
2 JP Morgan	23	
3 KeyBanc Capital Markets Inc	19	
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Source: Thomson Reuters

2017 M&A Advisory Rankings U.S. Healthcare Transactions Under \$1 Billion		
Advisor	Deals	
1 Houlihan Lokey	21	
2 Piper Jaffray Cos	19	
3 JP Morgan	16	
3 Jefferies LLC	16	
5 Cain Brothers Co.	13	

Source: Thomson Reuters

...With Exceptional Qualifications in Healthcare Technology and Tech-Enabled Services

**37**  
CLOSED  
TRANSACTIONS  
SINCE JAN. 1, 2015

**~\$254 million**  
AVERAGE  
TRANSACTION SIZE  
SINCE JAN. 1, 2016

**90%+**  
DEALS CLOSED IN OR  
ABOVE PITCH RANGE  
SINCE JAN. 1, 2016

**~74%**  
TRANSACTIONS SOLD  
TO A STRATEGIC  
SPONSOR  
SINCE JAN. 1, 2016

**~26%**  
OF DEALS SOLD TO A  
FINANCIAL SPONSOR  
SINCE JAN. 1, 2016

2020				2019			
<b>Project Ishmael</b> Medical billing and coding Buy-side Advisor	<b>WINDROSE</b> a portfolio company of FRAZIER Sellside Advisor	<b>PSG</b> a portfolio company of BLUE WOLF Sellside Advisor	<b>ACCLARA</b> a portfolio company of ALTARIS Sellside Advisor	<b>TrustHCS</b> a portfolio company of WINDROSE Sellside Advisor	<b>medical knowledge GROUP</b> has been acquired by WINDROSE Buy-side Advisor	<b>MRO</b> a portfolio company of Sellside Advisor	<b>PARTECHNICAL</b> has been acquired by Sellside Advisor
<b>Optima</b> a portfolio company of ALPINE Sellside Advisor	<b>ADVARRA</b> a portfolio company of LINDEN Sellside Advisor	<b>W2O</b> a portfolio company of ACQUISITION Sellside Advisor	<b>Project Atlas</b> Healthcare Tech-Enabled Financial Integrity Solutions Company has been acquired by a PE Fund Sellside Advisor	<b>GeBBS</b> HEALTHCARE SOLUTIONS has been acquired by CHRYSCAPITAL Sellside Advisor	<b>Q-Centrix</b> a portfolio company of STERLING PARTNERS Sellside Advisor	<b>verzend</b> a portfolio company of VERITAS CAPITAL Financial Opinion	<b>VERITAS CAPITAL</b> has acquired cotiviti Financial Opinion
<b>OneCenter™</b> a content management software asset of Allscripts Financial Advisor	<b>CNSI</b> has been acquired by A&M CAPITAL PARTNERS Sellside Advisor	<b>CONNECTURE</b> has been acquired by EIP Financial Advisor	<b>MedPartners</b> has been acquired by AMN Healthcare Sellside Advisor	<b>GENERAL DYNAMICS Information</b> has divested its Commercial Health Insurance Payer Products Business to verzend Sellside Advisor	<b>NIMC</b> New Mountain Capital LLC has partnered with and made an equity investment in IMA Consulting Buy-side Advisor	<b>The Connect business unit of INFLUENCE HEALTH</b> has been acquired by APTEAN Sellside Advisor	<b>APTEAN</b> has been acquired by Sellside Advisor
<b>RemitDATA</b> has been acquired by eSolutions Sellside Advisor	<b>MODERNIZING MEDICINE</b> Has completed a Tender Offer. Financial Opinion	<b>CANTATA HEALTH</b> the healthcare software assets of NTT DATA Sellside Advisor	<b>rmp</b> a portfolio company of THOMPSON STREET Sellside Advisor	<b>MRA</b> has been acquired by Riverside PARTNERS Sellside Advisor	<b>CONVEY</b> a portfolio company of COMVEST Sellside Advisor	<b>CARDON OUTREACH</b> a portfolio company of Serent Sellside Advisor	<b>MedData</b> a MEDNAX company Sellside Advisor

\* Denotes deal that has signed, pending close.

# Houlihan Lokey Revenue Integrity Market Spotlight

Dear Clients and Friends,

We hope you, your families, and respective teams are well, safe, and healthy during this challenging time. The healthcare landscape continues to adapt to numerous pressures that are changing the way providers deliver care, operate their businesses, and generate revenue. As these changes continue to accelerate, providers seek innovations that enable them to operate more efficiently and generate and collect much-needed profit via enhanced revenue cycle operations. These tailwinds are driving increased interest from investors and strategic acquirers in the revenue integrity space, and the Houlihan Lokey Healthcare Technology team is a trusted advisor to numerous parties exploring opportunities in the market. Selected recent revenue cycle transactions include:

- Accuity Delivery System's acquisition by Frazier Healthcare Partners and 22C Capital.
- Acclara Solution's acquisition by Providence St. Joseph.
- Trust HCS's acquisition by The Carlyle Group, combined with other assets to form CorroHealth.
- AGS Health's acquisition by Barings Private Equity Asia.
- GeBBS's acquisition by ChrysCapital.
- New Mountain Capital's acquisition of IMA Consulting to form Revint, now known as CloudMed.
- MRA's acquisition by Riverside Partners, combined with Bottomline Systems as Revecore.

Throughout the year, Houlihan Lokey publishes thought pieces on the industry and trend analyses for our network of companies and investors that seek a better understanding of investment and acquisition opportunities in the revenue cycle space. Given numerous demand drivers, including the evolving reimbursement environment, challenged hospital profit margins, increased payer scrutiny, and investment in payment integrity technologies, investors and strategic acquirers are increasingly attracted to revenue integrity opportunities.

In the following pages, we review key themes that drive demand and innovation in revenue integrity. If there is additional content you would find useful or if you are interested in discussing any of our perspectives further, please don't hesitate to reach out. We look forward to staying in touch with you.

Regards,



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## Healthcare Technology Verticals Covered

REVENUE CYCLE MANAGEMENT

CARE DELIVERY

WORKFORCE MANAGEMENT

PATIENT-FACING SOLUTIONS

PAYOR SOLUTIONS

PHARMA IT SOLUTIONS

PROVIDER TECHNOLOGY

AI AND MACHINE LEARNING

# Revenue Integrity and the Evolution of RCM

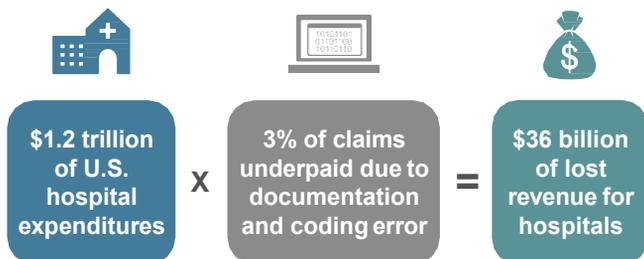
## Market Overview

Healthcare providers continue to face financial pressures from many directions, including an ever-evolving regulatory environment, rising operating and capital costs, and payors armed with more sophisticated payment integrity technologies that have attracted significantly more investment over recent years. Providers are in an arms race with payors, and this creates a significant opportunity for investors in the next generation of revenue cycle solutions: revenue integrity. This has evolved from historical RCM, which ensures providers are paid the *revenue they billed for*, whereas revenue integrity ensures providers are paid the *revenue they are owed* based on the care provided.

Entrepreneurs and investors are capitalizing on this opportunity by developing a variety of innovative revenue integrity solutions. Some vendors come at it from a clinical documentation angle, seeking to proactively ensure claims and charge accuracy and timely submission, while others are taking a retrospective approach such as underpayment review, denials management, and specialty reimbursement.

The revenue integrity market opportunity is large and growing. While its recent emergence makes market sizing an inexact science, analysts estimate that documentation and coding errors account for approximately \$36 billion in lost revenue for hospitals. This presents a tremendous opportunity for revenue recovery by simply improving the processes surrounding the documentation and submission of claims.

### Lost Revenue Opportunity for Hospitals<sup>(1)</sup>



Sources: MedPAC analysis of Medicare hospital cost report data, 2017 HFMA survey of hospital CFOs and revenue cycle management executives.

(1) \$1.2 trillion of hospital expenditures times estimated 3% of claims underpaid due to documentation and coding errors (RevCycleIntelligence, Becker's Hospital review, AHIP Survey).

## Key Themes

### A Changing Reimbursement Environment

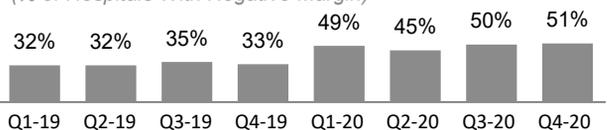
- Providers are experiencing difficulty adapting to a rapidly changing reimbursement environment, high operating costs, shifting patient mix, and complex, continually evolving compliance requirements.
- Healthcare reimbursements' shift from a fee-for-service model to value-based reimbursements creates greater complexity.
  - In 2018, more than 50% of Medicare payments were via alternative payment models with another 40% linked to value.
- Providers will need trusted outsourcing partners to help navigate the obstacles that are inherent in an industry-wide transition.
- Market turbulence caused by reimbursement-model evolution will favor flexible RCM vendors.

### B Low Margins and Margin Pressure

- Healthcare providers face significant financial pressure due to high rates of uninsured and public health insurance patients, resulting in lower reimbursement rates.
- At the same time, the shift from fee-for-service to value-based payment models is putting pressure on all hospitals to reduce costs.
- Further, increased healthcare payor scrutiny, coupled with significant investment in solutions directed at auditing healthcare claims, has further driven down provider revenue.
- With provider revenue being squeezed from multiple angles, resulting in margins below 7%, providers are seeking outsourced solutions that contain costs, minimize revenue leakage, and enhance revenue levels.

### Hospital Operators: Low-Margin Environment

(% of Hospitals With Negative Margin)

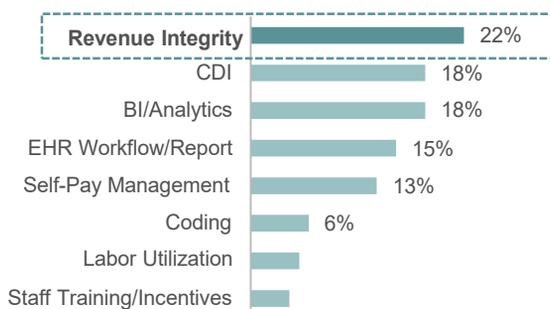


# Revenue Integrity and the Evolution of RCM (cont.)

## C Shifting Provider Priorities

- Seeking to change the dynamics they have been facing with payors, providers have moved revenue integrity to the top of their list of priorities from an RCM perspective.
- It is no coincidence that CDI is second on the list, given that documentation is a critical piece to ensuring providers are paid what they are owed based on care and patient acuity.

**Survey: “Which RCM capability is your organization most focused on next year?”**



## Revenue Integrity Solutions

### A Documentation's Role

- Some of the best revenue integrity offerings focus on documentation to optimize revenue.
- Health systems are completely overwhelmed by ever-increasing clinical coding and documentation requirements, leaving a significant ongoing problem in providers' efforts to improve their financial position.
- DRG optimization ensures each encounter is documented accurately in order to mitigate revenue leakage caused by undercoding.

### Hand Denials Management

- Denied claims continue to financially squeeze healthcare providers; an estimated \$262 billion in annual claims are initially denied.
- Denial management solutions have become imperative for providers to identify root causes, capture coding and validation changes, appeal denials, implement preventative measures, and ultimately maximize reimbursements.

### Specialty Reimbursement

- Hospitals have traditionally segmented and managed their payors in four primary categories, while leaving approximately 6% of their revenue in an “other” bucket, which includes specialty reimbursement.
  - These areas of specialty reimbursement include auto, property and casualty, workers' compensation, out-of-state Medicaid, and other government and nontraditional sources.
- While healthcare providers have developed processes for capturing revenue within primary categories, providers are increasingly utilizing outsourced specialty reimbursement providers to capture additional revenue and make up for declining, tight margins.

### AI and Analytics

- According to a recent survey by the Center for Connected Medicine and KLAS, health systems believe a top use case for AI and bots is in the revenue cycle. Providers seek innovations that reduce their cost to collect and proactively reduce denials.
- Technologies that integrate well into EMR systems, along with those that enable better execution of front-end processes like patient registration and front-end coding/CDI, stand to benefit from increased demand.
- Further, the majority of providers currently use less than 20% of their existing data; technologies that enable the use and analysis of this data will be vital for reducing revenue leakage while delivering better care.

## Key Takeaway

In an environment with ever-changing reimbursement dynamics and continued pressure on already razor-thin margins, providers have realized that reducing costs alone will not suffice. As the COVID-19 crisis has evolved, hospital administrators are focused on strengthening their financial well-being. This focus, along with the goal to align incentives and reduce fixed costs, will drive more providers to seek outsourced solutions that bring in cash to their bottom line. Best-in-class revenue integrity vendors are positioned to perform well in our current environment as well as when we inevitably emerge in the long term.

# Revenue Integrity and the Evolution of RCM (cont.)

## Select Industry Players



Accuity conducts secondary review of prebill inpatient medical records to improve clinical documentation and case mix index in order to enable full and accurate reimbursement.



Change Healthcare's revenue integrity business aims to improve clinical documentation and charge capture, ensure quality and compliance, and offer efficient workflows and AI solutions.



Through its BLS segment, Revecore's revenue integrity solution provides underpayment identification and recovery as well as denial prevention and recovery.



Cloudmed's revenue assurance suite of solutions uses a combination of technology and services to provide DRG validation, charge capture, and transfer DRG.



Waystar's revenue integrity solution provides actionable insights through predictive analytics, advanced rules, and expert auditors—helping hospitals and health systems increase revenue.

## Other Industry Players

### Diversified RCM



### Revenue Integrity Point Solutions



### Coding/CDI Services



### Coding/CDI Technology



# Recent Transactions

## Tech-Enabled Services—Select Transactions

(\$ in millions)

Ann. Date	Target	Target Description	Acquirer	Enterprise Value (EV)	EV as a Multiple of LTM		LTM EBITDA Margin
					Revenue	EBITDA	
Oct-20	MediRevv	Provides healthcare revenue cycle management.	Providence St. Joseph Health	ND	ND	ND	ND
Oct-20	Health Advocate	Consumer-focused health platform for the employer market.	Teleperformance	ND	ND	ND	ND
Oct-20	Accuity Delivery Systems	Provides tech-enabled revenue integrity and CDI services.	Frazier Healthcare; 22C Capital	\$280	ND	ND	ND
Oct-20	TractManager	Provides strategic sourcing and provider solutions.	symplr	\$500	ND	16.7x	ND
Sep-20	Triage Consulting Group	Provides revenue review consulting services to hospitals in the U.S.	Revint Solutions	\$500	ND	11.1x	ND
Sep-20	Resolution Consulting	Provider of revenue cycle process and technology solutions.	Quorum Health Resources, LLC	ND	ND	ND	ND
Jul-20	Digitech Computer	Provider of RCM software for the EMS transport industry.	Sarnova, Inc.	ND	ND	ND	ND
Jul-20	EMS Business of R1	RCM and electronic patient care reporting for EMS.	Sarnova	\$140	ND	ND	ND
May-20	NaviHealth	Provider of tech-enabled, post-acute, clinical support services.	Optum (United Health)	\$2,500	ND	18.5x	ND
May-20	Change's Connected Analytics Unit	Performance manager, analytics explorer, data platform, and HIE.	Kaufman Hall	\$55	1.1x	ND	ND
Mar-20	Acclara Solutions	Tech-enabled patient financial responsibility and reimbursement solutions.	Providence St. Joseph Health	ND	ND	ND	ND
Jan-20	Decision Resources Group	Data and analytics provider to the biotech and pharma industries.	Clarivate Analytics	\$950	ND	12.0x	ND
Jan-20	SCI Solutions	SaaS-based scheduling and patient engagement solutions.	R1 RCM (NASDAQ:RCM)	\$190	6.3x	ND	26.7%
Jan-20	TrustHCS	Staffing and advisory services for coding, CDI, and denial management.	The Carlyle Group (NASDAQ:CG)	ND	ND	ND	ND
Oct-19	MedData, Inc.	Offers tech-enabled management services to health systems.	Frazier Healthcare Partners	\$250	ND	ND	ND
<b>Mean</b>				<b>\$507</b>	<b>3.1x</b>	<b>15.6x</b>	<b>20.2%</b>
<b>Median</b>				<b>\$250</b>	<b>2.0x</b>	<b>14.3x</b>	<b>20.7%</b>

## Healthcare Technology—Select Transactions

(\$ in millions)

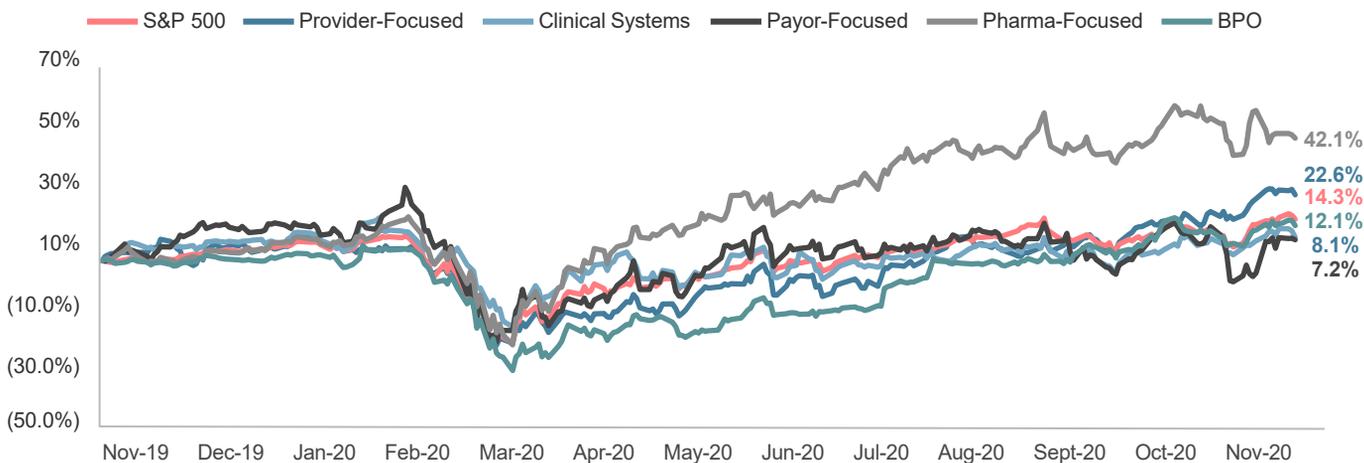
Ann. Date	Target	Target Description	Acquirer	Enterprise Value (EV)	EV as a Multiple of LTM		LTM EBITDA Margin
					Revenue	EBITDA	
Nov-20	nThrive	Provider of patient-to-payment revenue cycle solutions.	Clearlake Capital	\$1,000	ND	13.0x	ND
Nov-20	HST Pathways and Casetabs	Cloud-based software providers specializing in ambulatory surgery.	Bain Capital Tech Opportunities	ND	ND	ND	ND
Nov-20	RxBenefits	Helps self-insured employers manage pharmacy benefits and costs.	Advent International Corp.	\$1,000	ND	16.7x	ND
Oct-20	Health Platforms	Operates Doctor.com, a marketing automation platform.	Press Ganey Associates, Inc.	ND	ND	ND	ND
Oct-20	Verge Health	Credentialing software provider.	RLDatix	ND	ND	ND	ND
Oct-20	Surgical Information Systems	Business and clinical surgical software for ambulatory surgery centers.	Accel—KKR	ND	ND	ND	ND
Oct-20	CarePort	Care coordination software that connects acute and post-acute providers.	WellSky	\$1,350	13.5x	20.8x	65.0%
Oct-20	MedeAnalytics	Cloud-based enterprise analytics solution provider for health systems.	JLL Partners	ND	ND	ND	ND
Sep-20	TigerSchedule	Software solution to organize physician work and on-call schedules.	TigerConnect, Inc.	ND	ND	ND	ND
Aug-20	eSolutions	Develops RCM solutions, workflow automation and data analytics tools.	Waystar	\$1,300	10.0x	20.0x	50.0%
Aug-20	340B Link (PSG)	Technology provider to manage 340B drug pricing program.	Omnicell	\$225	6.4x	ND	ND
Jul-20	EPSi Business of Allscripts	Financial and accounting solutions, software, and services.	Strata	\$365	ND	ND	ND
Jun-20	PDX	Provider of clinical software and business intelligence to pharmacies.	Change Healthcare Inc.	\$208	ND	ND	ND
<b>Mean</b>				<b>\$778</b>	<b>10.0x</b>	<b>17.1x</b>	<b>52.6%</b>
<b>Median</b>				<b>\$1,000</b>	<b>10.0x</b>	<b>16.7x</b>	<b>50.0%</b>

Sources: Company filings, Bloomberg, S&P Capital IQ, Pitchbook.com, Mergermarket.

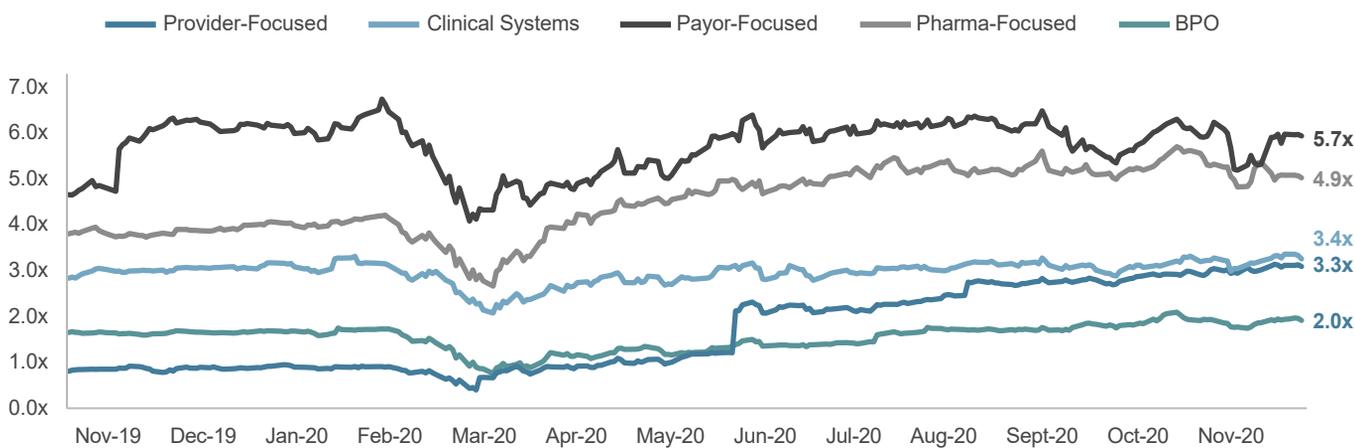
Note: Mean and median take into account deals in which Houlihan Lokey served as the financial advisor.

# Public Company Valuation

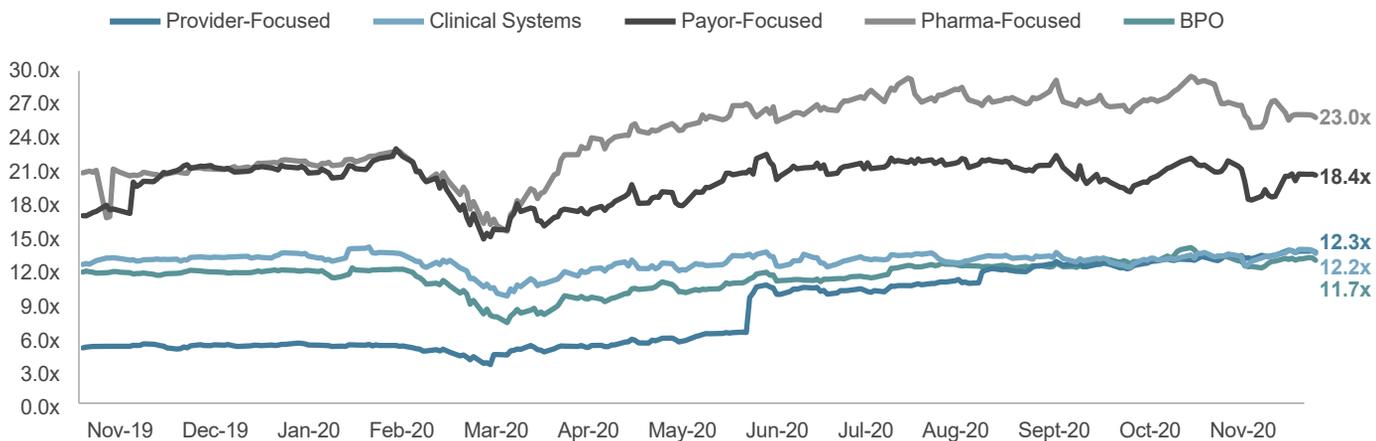
## Performance vs. S&P 500 (2019–Present)



## Median NTM EV/Revenue (2019–Present)



## Median NTM EV/EBITDA (2019–Present)



Source: S&P Capital IQ data as of 11/18/20.

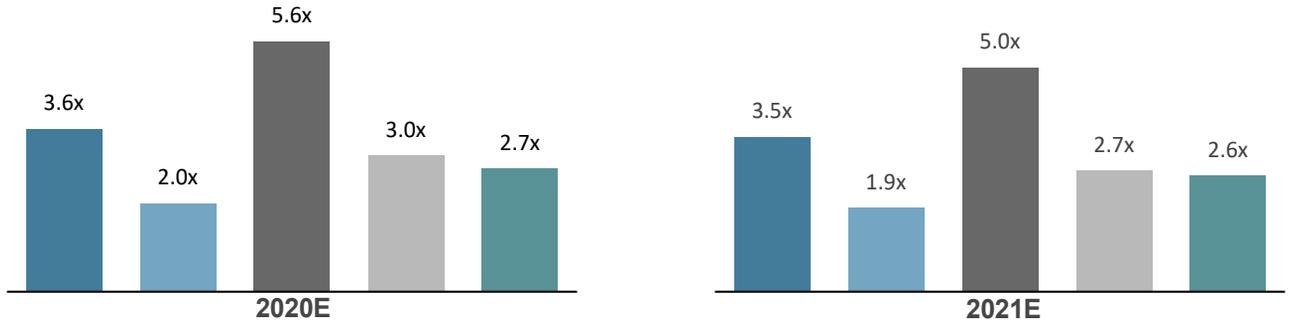
Note: Public company constituents can be seen on following page.

Payor-Focused and Provider-Focused Indexes are adjusted for introduction of new companies into indices since Jan-19.

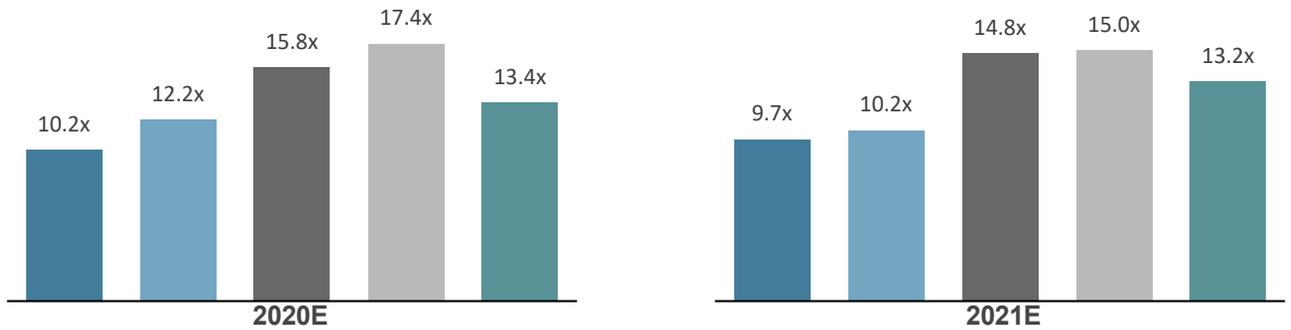
# Public Company Valuation (cont.)

■ Provider-Focused 
 ■ Clinical Systems 
 ■ Payor-Focused 
 ■ Pharma-Focused 
 ■ Business Process Outsourcing

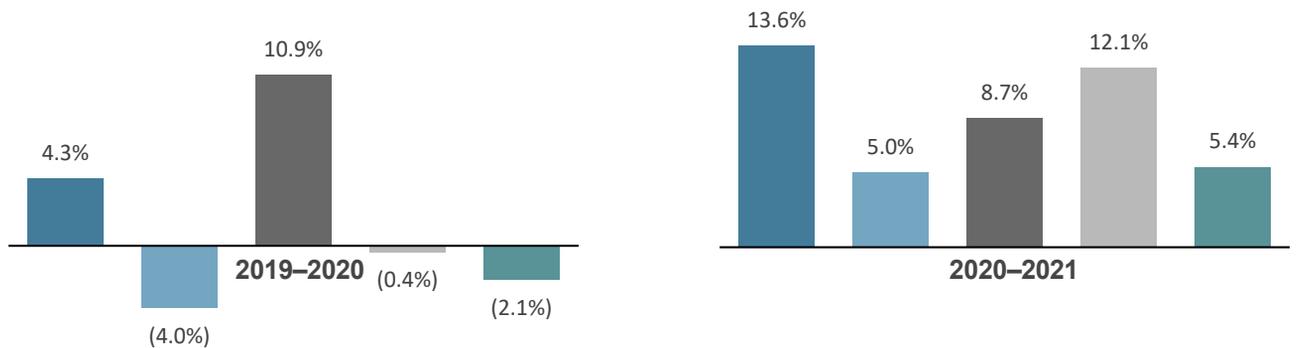
## Median EV/Revenue



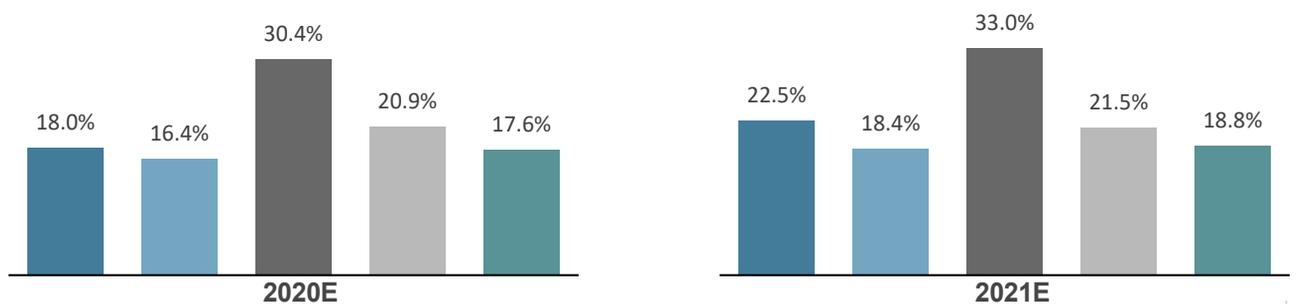
## Median EV/EBITDA



## Median Revenue Growth Rate



## Median EBITDA Margin



Source: S&P Capital IQ data as of 11/18/20.  
 Note: Public company constituents can be seen on following page.

# Public Company Valuation (cont.)

(\$ in millions)

	Market Cap	Enterprise Value	EV / Revenue		EV / EBITDA		Revenue Growth Rates		EBITDA Margin	
			2020E	2021E	2020E	2021E	19'-20'	20'-21'	2020E	2021E
<b>Provider-Focused</b>										
Change Healthcare Inc.	\$5,133	\$10,139	3.1x	3.0x	10.2x	9.9x	0.5%	2.8%	30.2%	30.1%
Premier, Inc.	\$4,151	\$4,689	3.6x	3.5x	8.4x	7.8x	(4.8%)	4.1%	43.0%	44.4%
R1 RCM Inc.	\$2,351	\$3,135	2.6x	2.6x	14.3x	9.7x	2.7%	18.0%	18.0%	22.5%
Health Catalyst, Inc.	\$1,412	\$1,330	7.4x	6.2x	NM	NM	15.4%	20.6%	NM	NM
Phreesia, Inc.	\$1,743	\$1,690	NM	NM	NM	NM	7.1%	26.1%	1.6%	5.4%
Vocera Communications, Inc.	\$1,038	\$956	5.0x	4.6x	NM	NM	5.8%	9.1%	9.7%	11.7%
<b>Median</b>			<b>3.6x</b>	<b>3.5x</b>	<b>10.2x</b>	<b>9.7x</b>	<b>4.3%</b>	<b>13.6%</b>	<b>18.0%</b>	<b>22.5%</b>
<b>Mean</b>			<b>4.4x</b>	<b>4.0x</b>	<b>11.0x</b>	<b>9.2x</b>	<b>4.5%</b>	<b>13.5%</b>	<b>20.5%</b>	<b>22.8%</b>
<b>Clinical Systems</b>										
Cerner Corporation	\$22,357	\$22,966	4.2x	3.9x	13.4x	11.9x	(3.3%)	6.2%	31.2%	32.9%
Allscripts Healthcare Solutions, Inc.	2,002	2,978	1.8x	1.7x	10.6x	9.5x	(4.6%)	3.8%	16.6%	17.8%
NextGen Healthcare, Inc.	1,054	1,062	2.0x	2.0x	12.5x	10.7x	(2.4%)	2.7%	16.1%	18.4%
Computer Programs and Systems, Inc.	413	498	1.9x	1.8x	11.9x	9.8x	(5.1%)	6.5%	16.0%	18.4%
<b>Median</b>			<b>2.0x</b>	<b>1.9x</b>	<b>12.2x</b>	<b>10.2x</b>	<b>(4.0%)</b>	<b>5.0%</b>	<b>16.4%</b>	<b>18.4%</b>
<b>Mean</b>			<b>2.5x</b>	<b>2.3x</b>	<b>12.1x</b>	<b>10.5x</b>	<b>(3.9%)</b>	<b>4.8%</b>	<b>20.0%</b>	<b>21.9%</b>
<b>Payor-Focused</b>										
HealthEquity, Inc.	\$5,199	\$6,031	8.2x	7.6x	NM	23.0x	37.8%	8.7%	30.4%	33.0%
Inovalon Holdings, Inc.	2,881	3,801	5.6x	5.0x	16.5x	14.8x	6.3%	10.6%	33.7%	33.9%
HMS Holdings Corp.	2,674	2,722	3.9x	3.7x	15.0x	13.3x	10.9%	7.1%	26.2%	27.4%
<b>Median</b>			<b>5.6x</b>	<b>5.0x</b>	<b>15.8x</b>	<b>14.8x</b>	<b>10.9%</b>	<b>8.7%</b>	<b>30.4%</b>	<b>33.0%</b>
<b>Mean</b>			<b>5.9x</b>	<b>5.4x</b>	<b>15.8x</b>	<b>17.0x</b>	<b>18.3%</b>	<b>8.8%</b>	<b>30.1%</b>	<b>31.4%</b>
<b>Pharma-Focused</b>										
Veeva Systems Inc.	\$39,996	\$38,558	NM	NM	NM	NM	25.9%	19.4%	38.0%	38.1%
IQVIA Holdings Inc.	32,415	44,193	4.0x	3.6x	19.2x	16.8x	(0.4%)	10.8%	20.9%	21.5%
Syneos Health, Inc.	6,582	9,179	2.1x	1.8x	15.5x	13.2x	(4.8%)	12.1%	13.3%	13.9%
<b>Median</b>			<b>3.0x</b>	<b>2.7x</b>	<b>17.4x</b>	<b>15.0x</b>	<b>(0.4%)</b>	<b>12.1%</b>	<b>20.9%</b>	<b>21.5%</b>
<b>Mean</b>			<b>3.0x</b>	<b>2.7x</b>	<b>17.4x</b>	<b>15.0x</b>	<b>6.9%</b>	<b>14.1%</b>	<b>24.1%</b>	<b>24.5%</b>
<b>Business Process Outsourcing</b>										
Cognizant Technology Solutions Corporation	\$39,938	\$38,846	2.3x	2.3x	13.4x	12.0x	(1.5%)	3.7%	17.6%	18.8%
Wipro Limited	26,516	22,247	2.7x	2.7x	13.2x	13.2x	(4.3%)	1.9%	20.8%	20.5%
CGI Inc.	18,075	20,227	2.2x	2.1x	11.4x	10.8x	(3.1%)	4.2%	19.5%	19.8%
Tech Mahindra Limited	9,845	8,326	1.7x	1.6x	11.1x	10.2x	(2.1%)	5.4%	15.1%	15.6%
WNS (Holdings) Limited	3,372	3,296	3.8x	3.6x	18.8x	15.1x	(1.2%)	8.0%	20.4%	23.5%
ExlService Holdings, Inc.	2,734	2,707	2.9x	2.7x	19.7x	15.2x	(6.8%)	10.1%	14.9%	17.5%
Perficient, Inc.	1,521	1,700	2.8x	2.6x	16.2x	14.4x	7.2%	7.9%	17.3%	18.1%
<b>Median</b>			<b>2.7x</b>	<b>2.6x</b>	<b>13.4x</b>	<b>13.2x</b>	<b>(2.1%)</b>	<b>5.4%</b>	<b>17.6%</b>	<b>18.8%</b>
<b>Mean</b>			<b>2.7x</b>	<b>2.5x</b>	<b>14.8x</b>	<b>13.0x</b>	<b>(1.7%)</b>	<b>5.9%</b>	<b>17.9%</b>	<b>19.1%</b>
<b>Total Median</b>			<b>2.9x</b>	<b>2.7x</b>	<b>13.4x</b>	<b>12.0x</b>	<b>-1.2%</b>	<b>7.9%</b>	<b>18.7%</b>	<b>20.1%</b>
<b>Total Mean</b>			<b>3.5x</b>	<b>3.3x</b>	<b>14.0x</b>	<b>12.7x</b>	<b>3.3%</b>	<b>9.1%</b>	<b>21.4%</b>	<b>22.9%</b>

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