

ADJUSTED EBITDA ANALYSIS AND CURRENT VALUATION METRICS

EQUINITI GROUP PLC

FOR THE YEARS ENDED DECEMBER 31,

(In GBP millions)

	TTM				
	HISTORY 2015	HISTORY 2016	HISTORY 2017	HISTORY 2018	HISTORY 6/30/2019
Total Revenues	369.0	382.6	406.3	530.9	552.0
Reported Operating Income	10.2	40.7	37.0	39.9	49.1
Plus: Depreciation	4.4	5.4	5.7	6.0	9.5
Plus: Amortization	38.8	41.3	45.0	55.6	57.4
Reported EBITDA	53.4	87.4	87.7	101.5	116.0
Adjustments - One-Time Items:					
Plus: Exceptional Expenses	32.8	0.0	0.0	0.0	0.0
Total Adjustments	32.8	0.0	0.0	0.0	0.0
Adjusted EBITDA	86.2	87.4	87.7	101.5	116.0
Projected Tax Expense (@ 25.0%)	2.6	10.2	9.3	10.0	12.3
Adjustments - Capex:					
Less: Software Development	(15.5)	(19.9)	(24.8)	(30.3)	(23.1)
Less: Capital Expenditures	(2.9)	(8.3)	(6.2)	(9.5)	(2.6)
Total Adjustments	(18.4)	(28.2)	(31.0)	(39.8)	(25.7)
Adjusted FCF	65.3	49.0	47.5	51.7	78.0
Note:					
Revenue Growth	26.2%	3.7%	6.2%	30.7%	8.1%
Reported Operating Margin	2.8%	10.6%	9.1%	7.5%	8.9%
Reported EBITDA Margin	14.5%	22.8%	21.6%	19.1%	21.0%
Adjusted EBITDA Margin	23.4%	22.8%	21.6%	19.1%	21.0%
Adjusted EBITDA Growth	N/A	1.4%	0.3%	15.7%	14.3%
Adjusted FCF Margin	17.7%	12.8%	11.7%	9.7%	14.1%
Adjusted FCF Growth	N/A	-24.9%	-3.2%	9.0%	50.8%

Share Price (as of September 11, 2019)	£2.11
Shares Outstanding (in millions)	368.50
Market Capitalization	£777.535
Plus: Long-term Debt and Leases (1)	£425.400
Less: Cash and equivalents	-£58.200
Enterprise Value	£1,144.735

Price / Adj FCF	10.0x
EV / Adj EBITDA	9.9x