

## DigitalGlobe Inc.

### 3Q16: Across-the-Board Growth Drives Another Beat and Raise; Launch Date Confirmed,

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- Top and Bottom-Line Beat.** DigitalGlobe reported its fourth consecutive quarter of double-digit EBITDA outperformance and raised its full-year forecast for the second quarter in a row. Q3 revenues grew 4.9% to \$181.8 million (consensus \$171.9 mm), while EBITDA improved 6.2% to \$97.6 mm (consensus \$85.4 mm).
- Value-Added Services up 15%.** Following eight consecutive quarters of declining revenues, DigitalGlobe's VAS business grew 15.3% in the quarter, propelled by new contracts with the NGA, DIA, and Pentagon.
- Commercial Revenues up 8%.** DAP revenues grew 5%, but the real surprise was the Other Diversified business, which posted its best growth performance (up 10.8%) in over three years.
- LBS gaining traction.** A seemingly dead-end opportunity only a year ago, DigitalGlobe's LBS business has experienced newfound traction in the past two quarters, including new contracts with Uber, esri, and Microsoft. The steady buildout of DigitalGlobe's 30 cm basemap should further aide the LBS effort, with the potential for 50% upside from current sales.
- WorldView-4 Launch Date Announced.** After a mere five delays (most recently due to wildfires at Vandenberg AFB), DigitalGlobe is now anticipating a November 6 launch of WorldView-4 on an Atlas V rocket. A successful launch should spur additional customer contracts, with modest revenue contribution beginning in 1H17 and building throughout the year.
- Guidance Raised.** Management raised its midpoint revenue and EBITDA forecast by 1.8% and 4.2%, respectively, while higher higher Q4 spending (WorldView-4 related) and a difficult Q4 comparison in the DAP business.
- Acquisitions Pending.** In addition to the previously announced Radiant acquisition, DigitalGlobe acquired a small (non-material) data sciences firm (Timbrio) in an effort to expand the company's analytics and Geospatial Big Data opportunity. Neither acquisition is yet included in our estimates.

#### Key Data

Symbol:	DGI: NYSE
Fiscal Year:	DEC
Stock price:	\$25.95
Shares out (mm):	63.4
Market cap (\$, mm)"	\$1,645

#### Trading Data

52-week range:	\$28.33 - \$11.80
Avg daily vol:	249,000
Avg daily vol (\$, mm):	\$6.5
Float:	99%
Short %	9.6%

#### Balance Sheet

Total debt (\$, mm):	\$1,104
Net debt (\$, mm):	\$1.014
Book value/share:	\$19.31
Net debt/EBITDA (TTM):	2.6x

#### Cash Payout

Dividend (annual):	N/A
Dividend yield:	N/A
FCF (current FY):	\$99
FCF yield:	6.1%

Adj. EBITDA	Q1	Q2	Q3	Q4	FY	EV/EBITDA
2015A	73.1	88.3	91.9	102.4	355.7	7.5X
2016E	95.4	95.3	97.6	86.4E	374.7E	7.1X
2017E	89.0E	94.5E	100.0E	104.8E	388.3E	6.8X

Revenue	Q1	Q2	Q3	Q4	FY	Y/Y Growth
2015A	169.4	178.0	173.3	181.7	702.4	7.3%
2016E	175.4	175.5	181.8	175.1E	707.8E	0.8%
2017E	174.6E	180.6E	188.6E	194.1E	737.7E	4.2%

**DigitalGlobe 3Q16 Operating Results**

(\$ in mm)	3Q15	3Q16	Y/Y	Comment
<b>Income Statement</b>				
Revenues	173.3	181.8	4.9%	Reflects large one-time DAP purchase in 2Q15
Gross margin	80.2%	78.1%	(201 bp)	Incentive comp down in 3Q15. Headcount up in 3Q16 pre-launch
SG&A	49.6	46.5	-6.3%	Restructuring cost savings
Adj. EBITDA	90.2	93.1	3.2%	Consensus \$85.4 mm
<b>Balance Sheet</b>				
Total cash	149.9	90.3	-39.8%	TTM share repurchase of \$130 mm
Net debt	978.5	1,014.1	3.6%	
CapEx	34.1	68.5	100.9%	Includes \$28.5 million launch insurance payment
Shares out	70.0	62.4	-10.9%	TTM share repurchase of 8.0 mm shares
<b>Other Items</b>				
Shares repurchased	1.5	0.4	-75.6%	\$29 mm to be repurchase by year-end
Equity from JV	(0.4)	(1.3)	NM	VRICON 50/50 JV with SAAB
Backlog	533.8	556.5	4.3%	New commercial and government contracts
Russia	2.3	3.0	30.4%	Reflects growth in LBS. Civil showing signs of life

Source: Company reports, Quilty Analytics.

**3Q16 Conference Call Highlights**

For the second consecutive quarter, DigitalGlobe handily beat the consensus revenue/EBITDA forecast and raised full-year guidance (by 1.8% and 4.2%, respectively). This upside was well-distributed across both commercial and US Government (USG) customers, with value-added services (VAS) and other diversified commercial (ODC) both beating our forecast by 19%. Notable highlights include:

- **WorldView-4 launch date.** Most recently scheduled for an October 10<sup>th</sup> launch date (delayed due to wildfires at Vandenberg Air Force Base), the WorldView-4 satellite is now scheduled to launch on November 6<sup>th</sup>. Management does not expect the delay to materially impact the satellite's 2017 revenue contribution.
- **DAP contracts.** Following a steady drumbeat of new customer LOIs for WorldView-3/4 capacity over the past several quarters, DigitalGlobe's order backlog was **flat sequentially** at \$415 million. This order book should translate into an annual run rate to \$55 million, with "a small amount" of revenue in 1H17 growing "more significantly" in 2H17.
- **NextGen constellation.** Not much new to report here. Post the WorldView-4 launch, management will decide whether to pull the CapEx trigger in 2017 or 2018 based on: (1) the anticipated useful life of WorldView-1/2, and (2) market demand and customer needs. DigitalGlobe is continuing to target a total constellation of cost of \$600 million (including capitalized interest), with an initial launch date of 2019.
- **Saudi JV ("Scout").** DigitalGlobe reported "good progress with its Saudi JV to develop a fleet of six or more IKONOS-class satellites (~80 cm), although the launch date slipped into 2019 from prior guidance of "late-2018 or 2019."
- **Share repurchase program.** DigitalGlobe repurchased ~400k shares during Q3 and has \$29 million remaining under its current \$355 million authorization. Management expects to complete the share repurchase program by year-end.
- **CapEx:** Management raised its full-year CapEx forecast by \$10 million to \$135 million due to higher spending on WorldView-4 (including higher capitalized interest due to the launch delay).

- **VRICON JV:** DigitalGlobe invested an additional \$2.5 million into VRICON (50/50 JV with Saab), raising its total investment to \$15 million.
- **M&A heating up.** In addition to the \$140 million acquisition of The Radiant Group (see our note dated 10/11/16), DigitalGlobe acquired a small data science firm (Timbrio, Inc.) earlier this month to help accelerate growth in the company's Geospatial Big Data platform.

## Outlook and Guidance

### 2016 Revenue and Adj. EBITDA guidance Trend

	Revenue		Adj. EBITDA	
	Low	High	Low	High
Feb-16	670	700	330	355
Apr-16	670	700	330	355
Aug-16	680	705	345	365
Oct-16	700	710	365	375

Source: DigitalGlobe.

Consistent with management's guidance, we are raising our 2016 EBITDA forecast by 4.4% to \$375 million, which puts us at the top end of management's range of \$365-375 million. While typically inclined to shoot for the midpoint of management's guidance, the company's recent business trends suggest that management is sandbagging their forecast

### 2016 Modeling Changes

P&L	Old	New	% Change	Comment
Revenue	\$691.0	\$707.8	2.4%	Midpoint guidance raised 1.8%
Gross margin	79.3%	79.2%	(10) bp	WorldView-4 expense ramp in 2H
SG&A	190.7	190.5	-0.1%	
Adj. EBITDA	358.9	374.7	4.4%	Midpoint guidance raised 4.2%
FCF	138.9	99.2	-28.6%	Higher WorldView-4 spending, including ground equip
Segment Revs	Old	New	% Change	
USG value-add	89.6	96.0	7.1%	Q3 \$4.2 mm above our forecast. New Pentagon contract
DAP	118.2	121.0	2.4%	Q3 \$2.3 mm above our forecast. Tough Q4 comp
Other diversified	131.0	138.5	5.7%	Q3 \$6.0 mm above our forecast. Microsoft win

Source: Quilty Analytics.

While management has not yet provided 2017 guidance (Feb earnings call), we are nonetheless raising our 2017 estimates to reflect the improving business climate and new customer wins. Notably, our forecast does not yet include the acquisitions of Radiant and Timbrio, which are not expected to close until later this year.

**2017 Modeling Changes**

P&L	Old	New	% Change	Y/Y Growth
Revenue	\$714.6	\$737.7	3.2%	4.2%
Gross margin	79.2%	79.2%	0 bp	0 bp
SG&A	193.9	200.1	3.2%	5.0%
Adj. EBITDA	372.2	388.3	4.3%	3.6%
FCF	208.5	213.6	2.4%	115.3%
Segment Revs	Old	New	% Change	Y/Y Growth
USG value-add	92.8	104.0	12.1%	8.4%
DAP	128.6	135.0	5.0%	11.6%
Other diversified	141.0	146.5	3.9%	5.8%

Source: Quilty Analytics.

**Segment Results****US Government****US Government Operating Results**

USG Revenues	3Q15	3Q16	Y/Y	Comment
NGA SLA	\$84.3	\$84.3	0.0%	Fixed payment
Value added services, other	\$22.9	\$26.4	15.3%	New programs with NGA, DIA, and Pentagon
NextView amortization	\$3.8	\$3.8	0.0%	Fixed payment
Total U.S. Government	\$111.0	\$114.5	3.2%	

Source: Company reports and Quilty Analytics.

Overall US Government revenues grew 3.2% to \$114.5 million and exceeded our forecast of \$110.3 million. Key highlights from the quarter include:

- **EnhancedView on track.** DigitalGlobe notched its 50<sup>th</sup> consecutive month of on-time SLA deliveries for the EnhancedView contract and management insisted that its partnership with the NGA “ha never been stronger.” The contract has three remaining renewal periods, after which a new contract vehicle will be required.
- **Analytics up.** DigitalGlobe reported growth in the analytics business “off a small base,” but with the completion of the Radiant and Timbrio acquisitions, analytics should grow by over \$100 million in 2017.
- **New contracts:** During the quarter, DigitalGlobe signed a contract renewal and expansion of its relationship with the NGA, the Defense Intelligence Agency (DIA) and the Pentagon. .

**Diversified Commercial****Diversified Commercial Operating Results**

Commercial Revs	3Q15	3Q16	Y/Y	Comment
DAP	\$28.9	\$30.3	4.8%	Contract renewals, WorldView-3 uptake, timing of minutes
Other diversified	\$33.4	\$37.0	10.8%	New contracts with Microsoft. Ramp with esri and Uber
Total Commercial	\$62.3	\$67.3	8.0%	YTD revenues up 7.8%

Source: Company reports and Quilty Analytics.

Diversified commercial revenues grew 8% y/y to \$67.3 million, beating our \$59.0 million estimate by 14%. Revenue growth was especially strong (and surprising) in Other Diversified Commercial, topping our forecast by 19%. Key highlights from the quarter include:

- **DAP up 5%.** DAP revenues grew 4.8% to \$30 million as several customers exceeded their contractual minutes for the second consecutive quarter. This performance is unlikely to repeat in Q4, however, due to customers' fixed annual budgets and a particularly challenging y/y comparison.
- **LBS gaining steam.** A seemingly dead-end growth prospect only a year ago, DigitalGlobe's Location-Based Services (LBS) business has demonstrated improving momentum over the past two quarters. During Q3, DigitalGlobe signed Microsoft as a new customer (Bing maps, and other corporate initiatives) and also reported improved LBS sales into Russia. DigitalGlobe noted that **Q3 revenues included \$2-3 million of unanticipated revenues** related to new customer signings.
- **Basemap growing.** Overall commercial uptake of 30 cm has been disappointing to-date (especially in LBS), but DigitalGlobe has steadily expanded its 30 cm [basemap](#) coverage to include 500 of the world's 1,700 largest cities, thereby increasing the attractiveness of the product. This rate of mapping should approximately double with the launch of WorldView-4, thus further differentiating DigitalGlobe's offering from competitive products.

## Stock Performance and Valuation

Following a forgettable 2015, shares of DGI have been on a tear in 2016, up ~67% YTD. Factors contributing to this strong performance include:

- (1) **A badly oversold stock:** Shares of DGI entered the year trading at ~5.8x projected EBITDA vs. a multi-year average of ~7x.
- (2) **An improving outlook:** DigitalGlobe has raised its full-year EBITDA guidance by 8% since the start of the year and consensus estimates have moved even further; up 9.5% YTD.
- (3) **Launch proximity:** Albeit, the launch date has been a moving target throughout the year, but it now appears the launch of WorldView-4 is firmly within reach.

Despite the stock's sizeable gain this year, shares of DGI are currently trading at only 7.1x our (upwardly-revised) 2017 EBITDA forecast, which is generally in-line with the stock's five-year historical average of ~7x. Consequently, future gains in the stock will be dependent on the company's ability of the company to beat forward guidance or the market's willingness to reward the stock a higher multiple. Looking ahead over the next 18 months, key events that could impact the stock include:

**BULLISH**

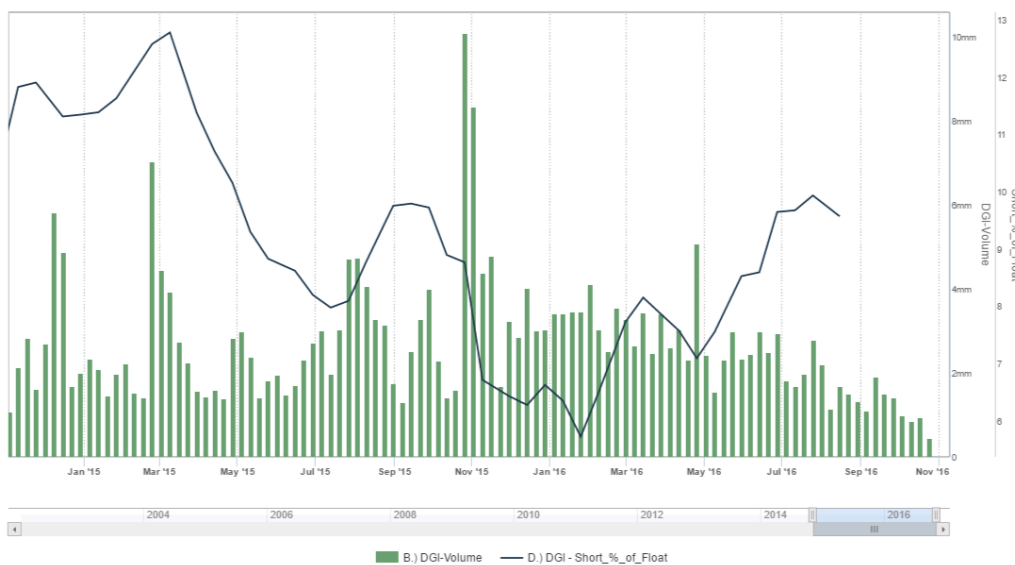
**BEARISH**

- **WorldView-4 launch:** Although partially priced into the stock already, a successful launch would further de-risk the stock.
  - **Global disorder:** Could the global security picture possibly get worse? Well, yes, and when it does, DAP customers buy more minutes.
  - **New DAPs:** With the addition of WorldView-4, DigitalGlobe has the capacity to take on an additional 3-6 new DAP customers.
  - **LBS resurgence:** The recent addition of esri, Uber and Microsoft suggests that LBS customers are slowly warming to 30 cm imagery. LBS represents ~5% of revenues, but has the potential for 50% upside
  - **Free cash flow.** Yes, it's well-known that DGI will get a cash flow bump following the WorldView-4 launch, but new investors will inevitably "discover" the stock once the FCF yield demonstrates a sizeable uptick.
- **Project work:** While a significant portion of DGI's commercial and USG revenue is contractual, the company also performs a fair amount of "project-related work" that can be binary in nature. Projects tend to be concentrated in the 2H of the year with a heavy international bent.
  - **Launch failure:** While the WorldView-4 launch is fully-insured, a launch failure would inevitably lead to a near-term downgrade of our revenue/EBITDA forecast until new capacity comes online in the 2018-2020 time frame.
  - **Competitive threats:** DigitalGlobe's largest-customer recently awarded a \$20 mm contract to smallsat competitor (Planet), thus raising the possibility that NGA could divert future funding toward competitors.
  - **Price erosion.** See item above. .

Source: Quilty Analytics.

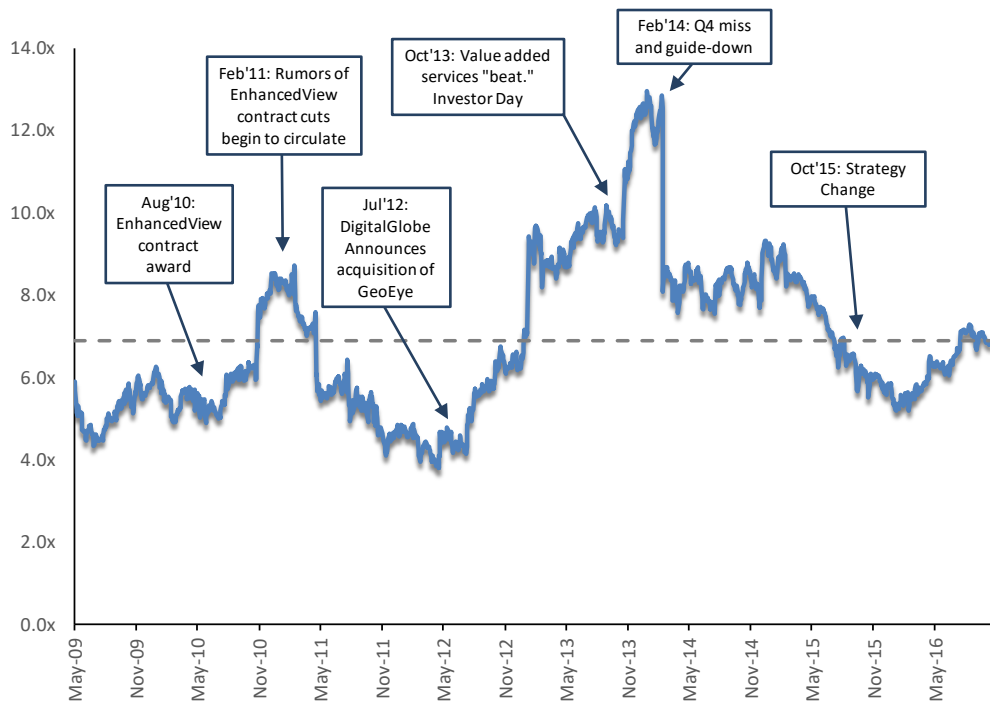
Also worth noting, short interest in DGI has grown has grown 30% since the start of the year to ~5.9 million shares, representing about 9.5% of the float. This growing short interest has coincided with a 65% decrease in the average daily trading volume, resulting in a hair-raising 28 days to cover.

**DigitalGlobe Shares Short vs. Volume**



Source: Sentio.

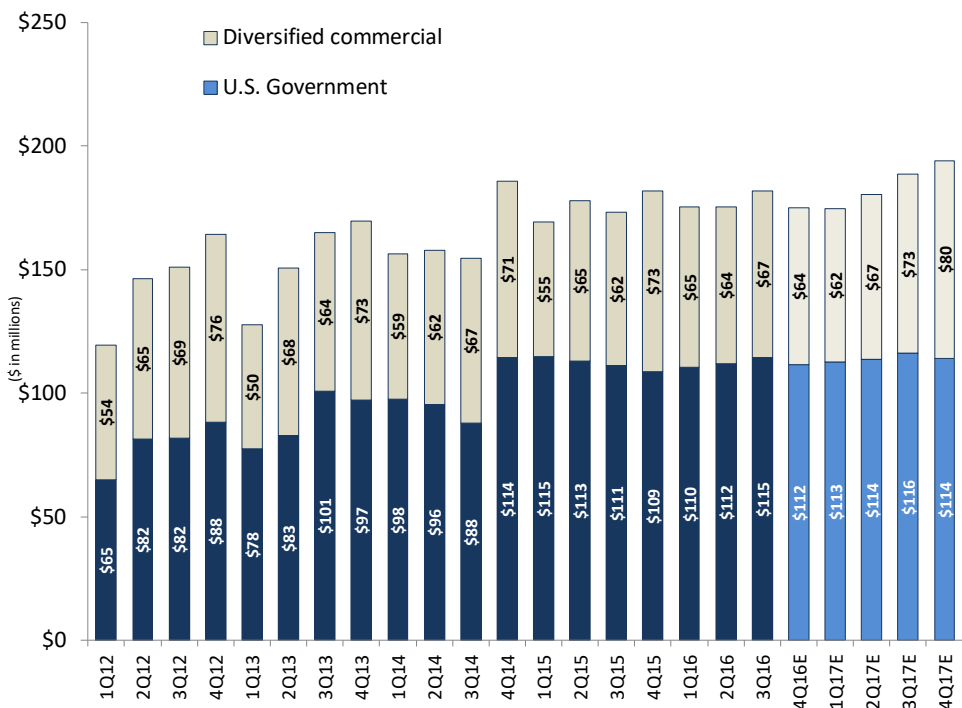
DigitalGlobe Quarterly Revenue/EBITDA vs. Consensus



Source: Quilty Analytics.

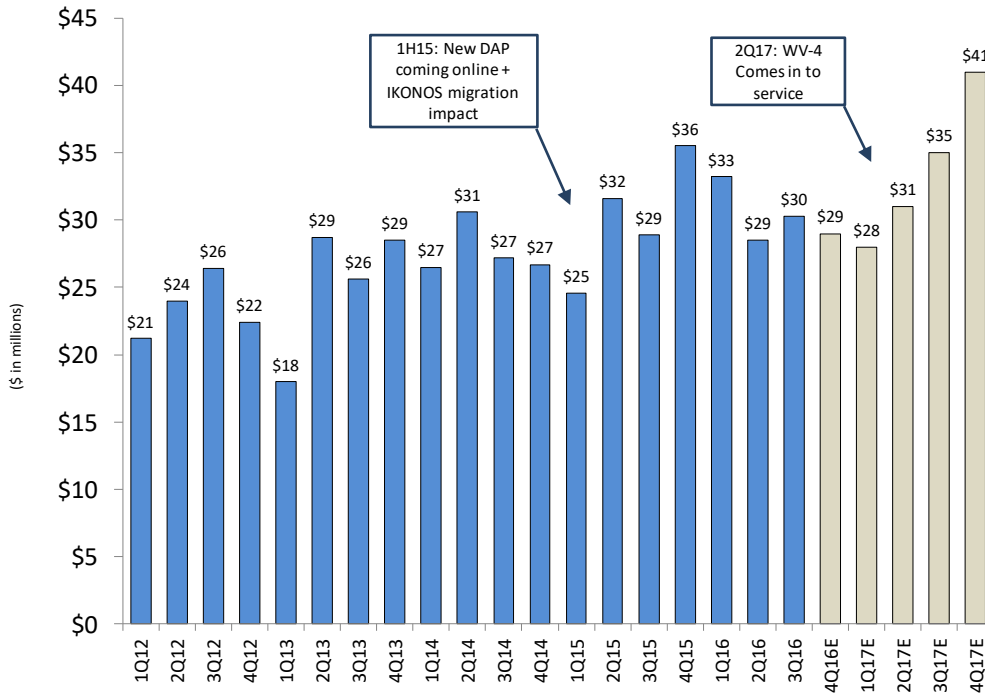
Charts and Tables

DigitalGlobe, Revenues by Segment



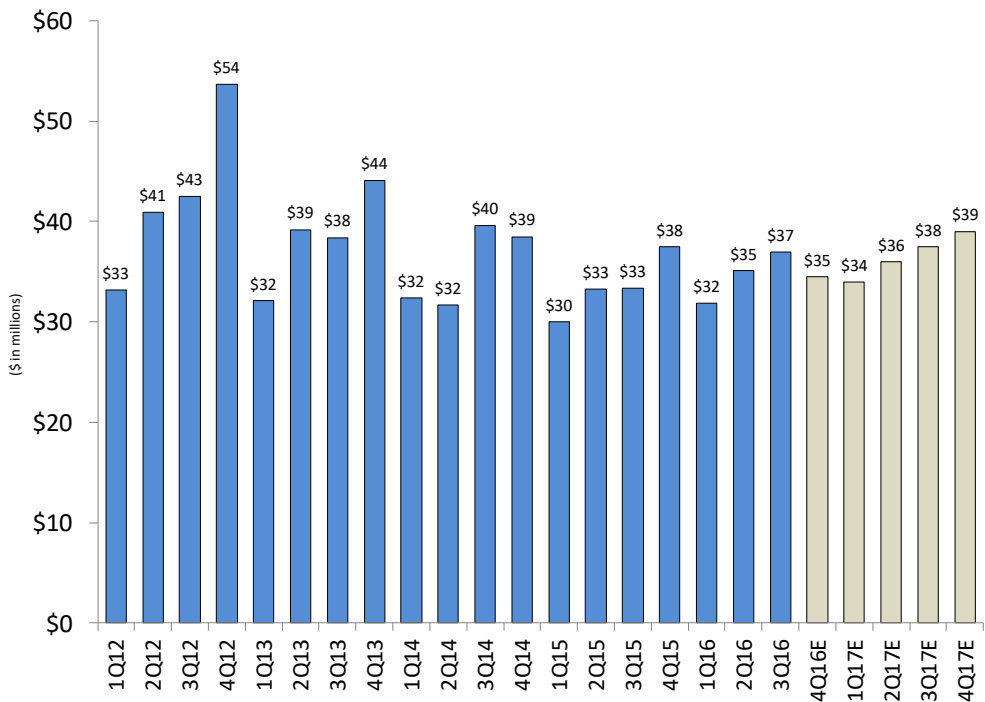
Source: Quilty Analytics.

**DAP Revenues**



Source: Quilty Analytics.

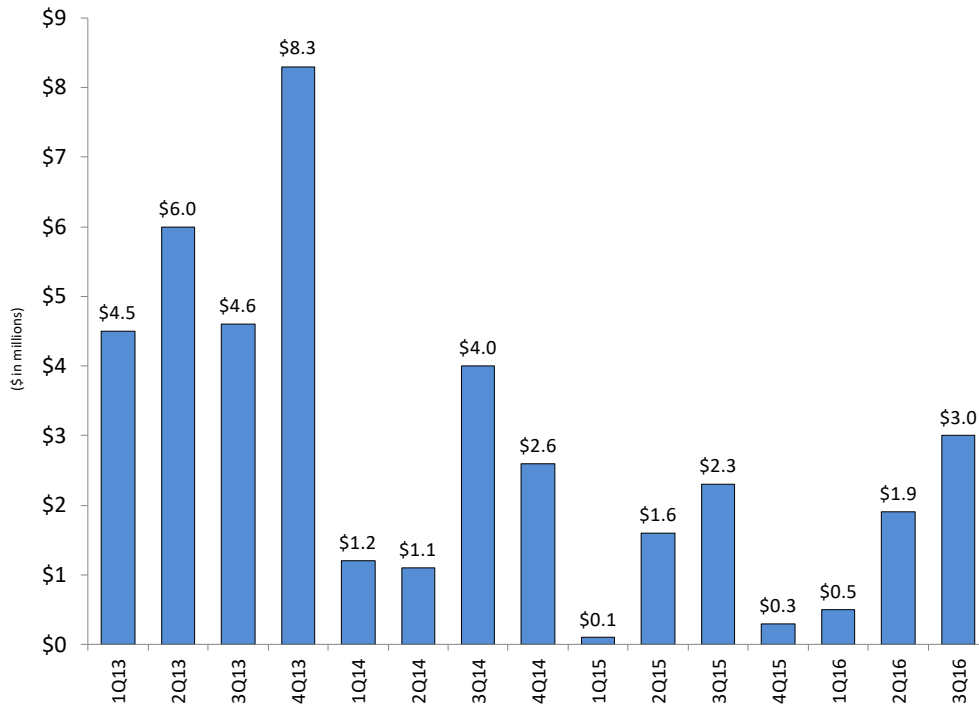
**Diversified Commercial Revenues**



Source: Quilty Analytics.

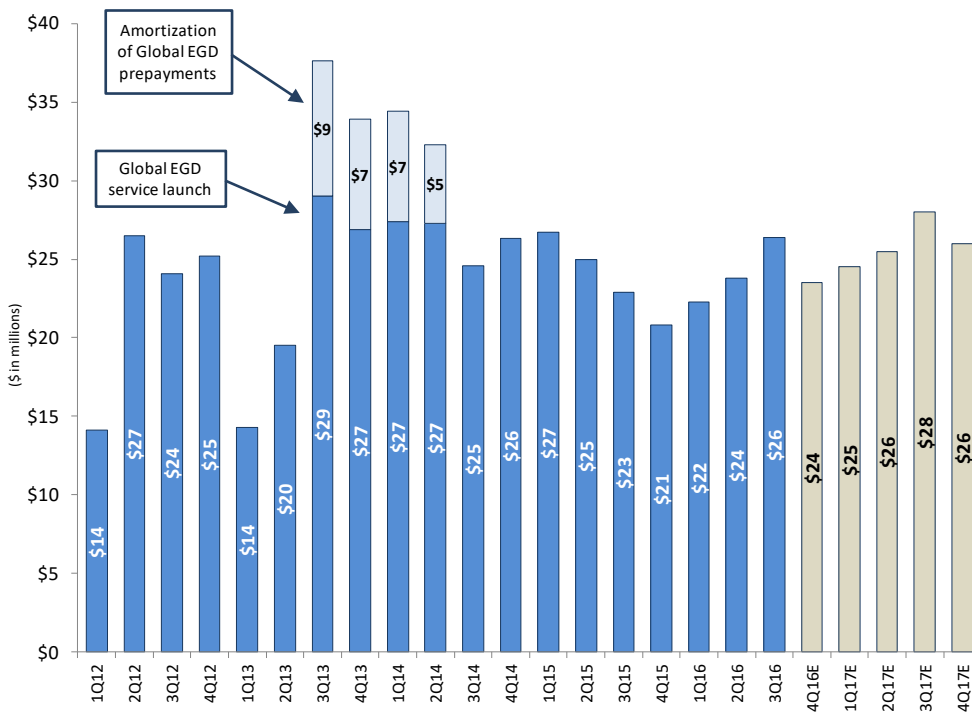


**Russian Market Revenues**



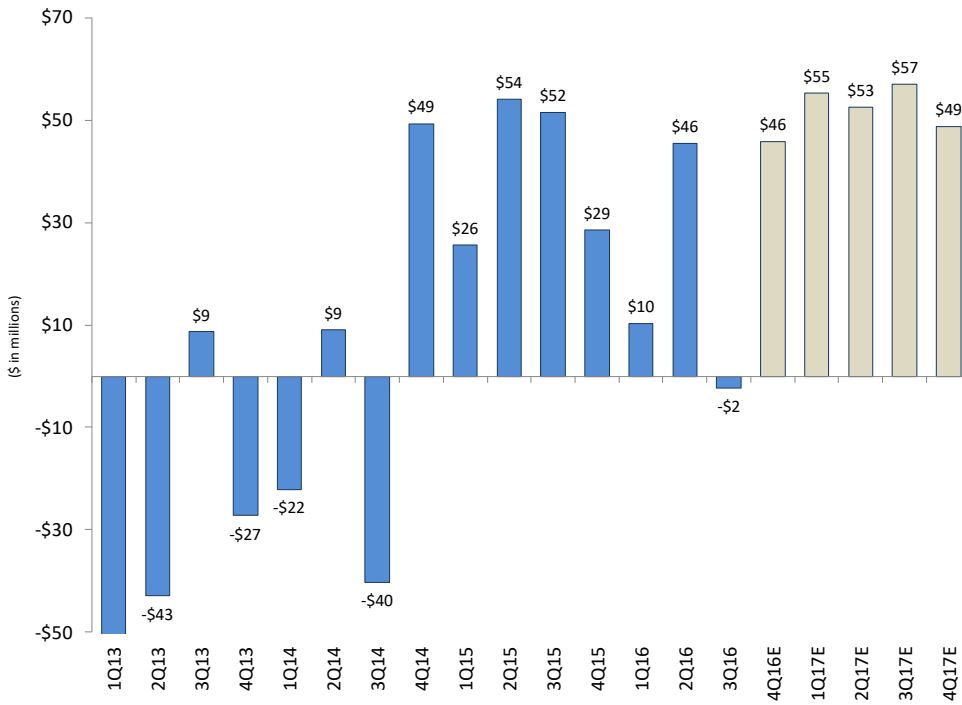
Source: Quilty Analytics.

**Government Value-Added Service Revenues**



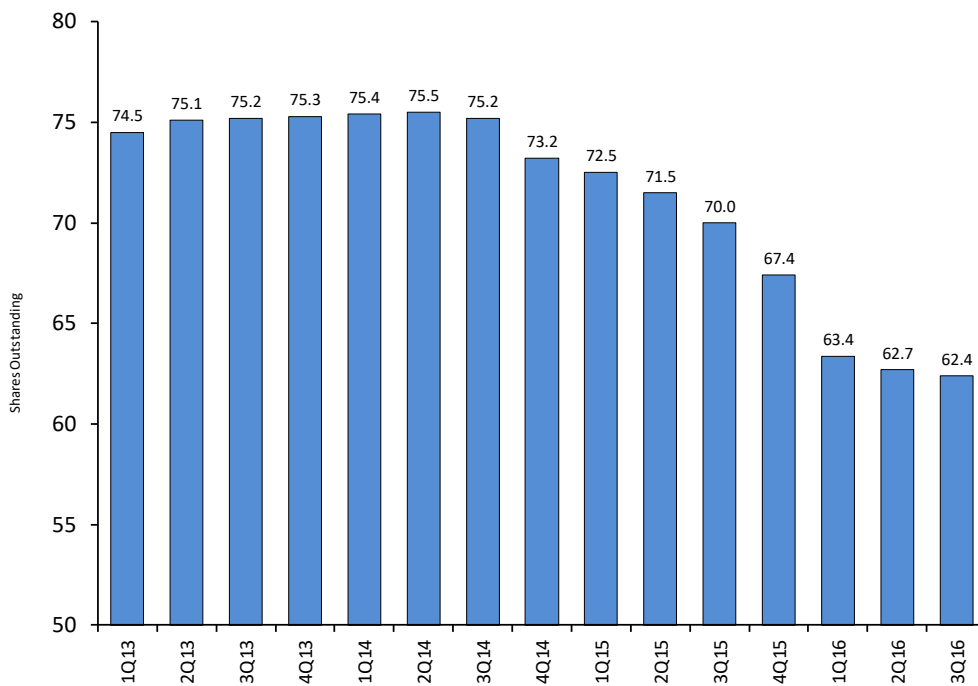
Source: Quilty Analytics.

**DigitalGlobe, Quarterly Free Cash Flow**



Source: Quilty Analytics.

**Shares Outstanding**



Source: Quilty Analytics.

**DigitalGlobe, Inc.**  
Quarterly Income Statement

(\$ in millions)	2015					2016					2017				
	1Q15	2Q15	3Q15	4Q15	2015	1Q16	2Q16	3Q16	4Q16	2016	1Q17	2Q17	3Q17	4Q17	2017
Revenue	169.4	178.0	173.3	181.7	702.4	175.4	175.5	181.8	175.1	707.8	174.6	180.6	188.6	194.1	737.7
Cost of goods sold	39.3	37.2	34.3	34.1	144.9	32.2	35.8	39.9	39.4	147.3	37.7	37.9	38.8	38.8	153.3
Gross Profit	130.1	140.8	139.0	147.6	557.5	143.2	139.7	141.9	135.7	560.5	136.8	142.6	149.7	155.2	584.4
SG&A	57.0	52.9	49.6	47.5	207.0	48.7	45.1	46.5	50.2	190.5	48.9	49.1	50.7	51.4	200.1
D&A	67.3	68.7	70.4	74.3	280.7	71.0	66.9	64.6	64.5	267.0	84.4	85.0	85.5	86.1	341.0
Restructuring charges	2.2	0.4	0.4	6.0	9.0	2.9	1.6	1.0	1.0	6.5	0.0	0.0	0.0	0.0	0.0
EBIT	3.6	18.8	18.6	19.8	60.8	20.6	26.1	29.8	19.9	96.4	3.6	8.6	13.5	17.7	43.3
Non-recurring (exp.)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other income (exp.)	0.0	0.0	1.6	(0.5)	1.1	(0.9)	0.0	0.0	0.0	(0.9)	0.0	0.0	0.0	0.0	
Interest income (exp.), net	(12.7)	(5.4)	(5.6)	(5.3)	(29.0)	(5.1)	(4.7)	(4.0)	(3.9)	(17.7)	(16.4)	(16.3)	(16.3)	(16.2)	(65.2)
Income before taxes	(9.1)	13.4	14.6	14.0	32.9	14.6	21.4	25.8	16.0	77.8	(12.8)	(7.8)	(2.8)	1.5	(21.8)
Equity from JV	0.0	0.0	(0.4)	0.0	0.0	0.0	(1.3)	(1.3)	(1.0)	(3.6)	(1.0)	(1.0)	(1.0)	(1.0)	(4.0)
Income tax (exp.)	4.2	(5.4)	(4.6)	(3.4)	(9.2)	(6.0)	(7.9)	(9.5)	(5.9)	(29.3)	5.1	3.1	1.1	(0.6)	8.7
NI less Pref stock	(4.9)	8.0	9.6	10.6	23.3	8.6	12.2	15.0	10.1	45.9	(7.7)	(4.7)	(1.7)	0.9	(13.1)
Preferred stock	(1.0)	(1.0)	(1.4)	(1.0)	(4.4)	(1.3)	(1.5)	(1.7)	(1.7)	(6.2)	(1.7)	(1.7)	(1.7)	(1.7)	(6.8)
Net Income	(5.9)	7.0	8.2	9.6	18.9	7.3	10.7	13.3	8.4	39.7	(9.4)	(6.4)	(3.4)	(0.8)	(19.9)
<b>Basic EPS</b>	<b>(\$0.08)</b>	<b>\$0.09</b>	<b>\$0.12</b>	<b>\$0.14</b>	<b>\$0.27</b>	<b>\$0.11</b>	<b>\$0.17</b>	<b>\$0.21</b>	<b>\$0.14</b>	<b>\$0.63</b>	<b>(\$0.15)</b>	<b>(\$0.10)</b>	<b>(\$0.05)</b>	<b>(\$0.01)</b>	<b>(\$0.31)</b>
<b>Diluted EPS</b>	<b>(\$0.08)</b>	<b>\$0.09</b>	<b>\$0.12</b>	<b>\$0.14</b>	<b>\$0.27</b>	<b>\$0.11</b>	<b>\$0.17</b>	<b>\$0.21</b>	<b>\$0.13</b>	<b>\$0.62</b>	<b>(\$0.15)</b>	<b>(\$0.10)</b>	<b>(\$0.05)</b>	<b>(\$0.01)</b>	<b>(\$0.31)</b>
Wtd Ave Shares	72.4	72.1	70.5	68.7	70.9	64.9	62.9	62.6	61.9	63.1	61.5	61.6	61.7	61.8	61.6
Fully Diluted Shares	72.4	72.8	70.9	69.1	70.9	65.1	63.4	63.4	62.8	63.1	61.5	61.6	61.7	61.8	61.6
CFO	56.9	95.0	85.6	92.2	329.7	57.6	91.0	66.1	56.8	271.5	69.2	67.6	72.0	65.8	274.6
CapEx	31.3	40.9	34.1	63.6	169.9	47.3	45.5	68.5	11.0	172.3	14.0	15.0	15.0	17.0	61.0
Free Cash	25.6	54.1	51.5	28.6	159.8	10.3	45.5	(2.4)	45.8	99.2	55.2	52.6	57.0	48.8	213.6
<b>EBITDA</b>	<b>1Q15</b>	<b>2Q15</b>	<b>3Q15</b>	<b>4Q15</b>	<b>2015</b>	<b>1Q16</b>	<b>2Q16</b>	<b>3Q16</b>	<b>4Q16</b>	<b>2016</b>	<b>1Q17</b>	<b>2Q17</b>	<b>3Q17</b>	<b>4Q17</b>	<b>2017</b>
Net income	(4.9)	8.0	9.6	10.6	23.3	8.6	12.2	15.0	10.1	45.9	(7.7)	(4.7)	(1.7)	0.9	(13.1)
(+) D&A	67.3	68.7	70.4	74.3	280.7	71.0	66.9	64.6	64.5	267.0	84.4	85.0	85.5	86.1	341.0
(+) Interest expense, net	(12.7)	(5.4)	(5.6)	(5.3)	(29.0)	(5.1)	(4.7)	(4.0)	(3.9)	(17.7)	(16.4)	(16.3)	(16.3)	(16.2)	(65.2)
(+) Income taxes	4.2	(5.4)	(4.6)	(3.4)	(9.2)	(6.0)	(7.9)	(9.5)	(5.9)	(29.3)	5.1	3.1	1.1	(0.6)	8.7
EBITDA	70.9	87.5	90.2	93.6	342.2	90.7	91.7	93.1	84.4	359.9	88.0	93.5	99.0	103.8	384.3
<b>Adjusted EBITDA</b>	<b>1Q15</b>	<b>2Q15</b>	<b>3Q15</b>	<b>4Q15</b>	<b>2015</b>	<b>1Q16</b>	<b>2Q16</b>	<b>3Q16</b>	<b>4Q16</b>	<b>2016</b>	<b>1Q17</b>	<b>2Q17</b>	<b>3Q17</b>	<b>4Q17</b>	<b>2017</b>
EBITDA	70.9	87.5	90.2	93.6	342.2	90.7	91.7	93.1	84.4	359.9	88.0	93.5	99.0	103.8	384.3
(+) Loss fm debt exting.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
(+) Restructuring charges	2.2	0.8	2.9	8.3	14.2	3.8	2.3	3.2	1.0	10.3	0.0	0.0	0.0	0.0	0.0
(+) JV loss	0.0	0.0	0.4	0.5	0.9	0.9	1.3	1.3	1.0	4.5	1.0	1.0	1.0	1.0	4.0
(+) Other (gains) losses	0.0	0.0	(1.6)	0.0	(1.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Adj. EBITDA	73.1	88.3	91.9	102.4	355.7	95.4	95.3	97.6	86.4	374.7	89.0	94.5	100.0	104.8	388.3
<b>Margin Analysis</b>	<b>1Q15</b>	<b>2Q15</b>	<b>3Q15</b>	<b>4Q15</b>	<b>2015</b>	<b>1Q16</b>	<b>2Q16</b>	<b>3Q16</b>	<b>4Q16</b>	<b>2016</b>	<b>1Q17</b>	<b>2Q17</b>	<b>3Q17</b>	<b>4Q17</b>	<b>2017</b>
Gross Margin	76.8%	79.1%	80.2%	81.2%	79.4%	81.6%	79.6%	78.1%	77.5%	79.2%	78.4%	79.0%	79.4%	80.0%	79.2%
SG&A	33.6%	29.7%	28.6%	26.1%	29.5%	27.8%	25.7%	25.6%	28.7%	26.9%	28.0%	27.2%	26.9%	26.5%	27.1%
EBIT	2.1%	10.6%	10.7%	10.9%	8.7%	11.7%	14.9%	16.4%	11.4%	13.6%	2.0%	4.7%	7.2%	9.1%	5.9%
Taxes	46.2%	40.3%	31.5%	24.3%	28.0%	41.1%	36.9%	36.8%	36.8%	37.6%	40.0%	40.0%	40.0%	40.0%	40.0%
EBITDA	41.9%	49.2%	52.0%	51.5%	48.7%	51.7%	52.3%	51.2%	48.2%	50.9%	50.4%	51.8%	52.5%	53.5%	52.1%
Adj. EBITDA	43.2%	49.6%	53.0%	56.4%	50.6%	54.4%	54.3%	53.7%	49.4%	52.9%	51.0%	52.4%	53.0%	54.0%	52.6%
FCF Margin	15.1%	30.4%	29.7%	15.7%	22.8%	5.9%	25.9%	-1.3%	26.2%	14.0%	31.7%	29.1%	30.2%	25.1%	29.0%
<b>YOY Growth</b>	<b>1Q15</b>	<b>2Q15</b>	<b>3Q15</b>	<b>4Q15</b>	<b>2015</b>	<b>1Q16</b>	<b>2Q16</b>	<b>3Q16</b>	<b>4Q16</b>	<b>2016</b>	<b>1Q17</b>	<b>2Q17</b>	<b>3Q17</b>	<b>4Q17</b>	<b>2017</b>
Revenues	8.2%	12.8%	12.1%	-2.2%	7.3%	3.5%	-1.4%	4.9%	-3.7%	0.8%	-0.5%	2.9%	3.7%	10.9%	4.2%
Cost of service	-0.5%	-9.5%	-16.1%	-12.3%	-9.7%	-18.1%	-3.8%	16.3%	15.5%	1.6%	17.1%	5.9%	-2.7%	-1.5%	4.1%
SG&A	7.5%	-9.4%	-11.1%	-12.5%	-6.5%	-14.6%	-14.7%	-6.3%	5.8%	-8.0%	0.4%	8.9%	9.1%	2.4%	5.0%
D&A	16.8%	19.3%	22.0%	13.3%	17.7%	5.5%	-2.6%	-8.2%	-13.2%	-4.9%	18.9%	27.0%	32.3%	33.4%	27.7%
EBIT	-12.2%	2585.7%	9200.0%	-26.4%	90.6%	472.2%	38.8%	60.2%	0.5%	58.5%	-82.7%	-67.2%	-54.7%	-11.0%	-55.0%
Adj. EBITDA	7.7%	38.2%	49.4%	10.2%	24.3%	30.5%	7.9%	6.2%	-15.6%	5.3%	-6.7%	-0.8%	2.4%	21.3%	3.6%

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