

Verisk to Acquire PowerAdvocate

Acquisition positions Verisk as the leading provider of supply chain solutions to the global energy sector

JERSEY CITY, N.J., November 30, 2017 — Verisk (Nasdaq:VRSK), a leading data analytics provider, has signed a definitive agreement to acquire PowerAdvocate, an industry-leading provider of market, cost intelligence, and supply chain solutions serving the energy sector. PowerAdvocate is based in Boston, Massachusetts.

PowerAdvocate's proprietary, one-of-a-kind spend and cost data is curated from millions of transactions across thousands of services, materials, and equipment categories in the energy industry. As a result, PowerAdvocate uniquely supports enterprise performance by providing insight into its customers' cost savings opportunities. Through its proprietary data set encompassing \$2.7 trillion of spending data, and machine-learned methods, the company brings transparency to otherwise opaque markets and ensures that capital can be deployed in an efficient manner.

"The acquisition will expand Verisk's existing offerings to the energy sector by adding PowerAdvocate's proprietary spend data and cost models. Its solutions are targeted at our existing customers, and will grow more rapidly by being on our platform. These enhanced offerings will provide our customers with unique insight to increase profitability," said Scott Stephenson, chairman, president, and chief executive officer of Verisk.

"We're very excited to join Verisk, as this will accelerate our growing business by providing greater access to global markets and Verisk's existing international customers. We offer a unique value proposition that will be further enhanced by leveraging synergies and collaborating with other Verisk business units and their data analytics," said Daniel Sullivan, president, chief executive officer, and founder of PowerAdvocate.

"PowerAdvocate is a Verisk-like business that represents an additional step to provide comprehensive supply chain solutions to our customers, including mitigating risk and optimizing total cost of operations," added Stephenson.

The purchase price is \$200 million in cash, funded through existing bank facilities, subject to typical closing adjustments, and an earnout of up to \$80 million, subject to the achievement of specific return goals. PowerAdvocate's 2017 revenue is expected to be approximately \$36 million and is expected to grow at a substantially higher rate than Verisk's historical average organic annual growth rate of 7 to 8%. Estimated 2017 EBITDA for PowerAdvocate is expected to be approximately \$11 million. The transaction is expected to be accretive to 2018 adjusted EPS. In addition, Verisk expects the acquisition to generate an attractive return in excess of Verisk's cost of capital. The transaction is expected to close in the fourth quarter of 2017, subject to the completion of customary closing conditions.

Verisk will discuss the transaction and PowerAdvocate's products and business in greater detail at its upcoming Investor Day on December 7, 2017.

About PowerAdvocate

PowerAdvocate is a leading provider of spend and cost market intelligence. Developed to support customers' informed decision making, its proprietary solutions enable energy executives

to restructure costs and improve company performance. PowerAdvocate supports more than 80 energy companies primarily in the United States but increasingly internationally. Founded in 1999, PowerAdvocate is headquartered in Boston and has an additional office in San Francisco. For more information, visit www.poweradvocate.com.

About Verisk

Verisk (Nasdaq:VRSK) is a leading data analytics provider serving customers in insurance, natural resources, and financial services. Using advanced technologies to collect and analyze billions of records, Verisk draws on unique data assets and deep domain expertise to provide first-to-market innovations that are integrated into customer workflows. Verisk offers predictive analytics and decision support solutions to customers in rating, underwriting, claims, catastrophe and weather risk, global risk analytics, natural resources intelligence, economic forecasting, and many other fields. Around the world, Verisk helps customers protect people, property, and financial assets.

Headquartered in Jersey City, N.J., Verisk operates in 29 countries and is a member of Standard & Poor's S&P 500® Index. In 2017, *Forbes* magazine named Verisk to its America's Best Mid-Size Employers list and to its World's Most Innovative Companies list. Verisk is one of only seven companies to appear on both lists. For more information, please visit www.verisk.com.

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