Verisk Analytics

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Forward Looking Statements, Safe Harbor & Non-GAAP Financial Measures

Forward-Looking Statements

This presentation contains forward-looking statements. These statements relate to future events or to future financial performance and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as “may,” “could,” “expect,” “intend,” “plan,” “target”, “seek,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” or “continue” or the negative of these terms or other comparable terminology. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond our control and that could materially affect actual results, levels of activity, performance, or achievements. Other factors that could materially affect actual results, levels of activity, performance, or achievements can be found in Verisk’s quarterly reports on Form 10-Q, annual reports on Form 10-K, and current reports on Form 8-K filed with the Securities and Exchange Commission. If any of these risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from what we projected. Any forward-looking statement in this presentation reflects our current views with respect to future events and is subject to these and other risks, uncertainties, and assumptions relating to our operations, results of operations, growth strategy, and liquidity. We assume no obligation to publicly update or revise these forward-looking statements for any reason, whether as a result of new information, future events, or otherwise.

Notes Regarding the Use of Non-GAAP Financial Measures

The company has provided certain non-GAAP financial information as supplemental information regarding its operating results. These measures are not in accordance with, or an alternative for, GAAP and may be different from non-GAAP measures reported by other companies. The company believes that its presentation of non-GAAP measures, such as EBITDA, EBITDA margin, and unlevered free cash flow, provides useful information to management and investors regarding certain financial and business trends relating to its financial condition and results of operations. In addition, the company’s management uses these measures for reviewing the financial results of the company and for budgeting and planning purposes.

Verisk is a Leading Vertical Data Analytics Provider

The Verisk Way – Distinctives

- Unique Data Assets
- Deep Domain Expertise
- First-to-Market Innovations
- Deep Customer Workflow Integration

Verticals We Serve

- Insurance
- Financial Services
- Natural Resources

Insight via Proprietary/ Unstructured Data

Analytics Framework

Digital Platforms

Global IT/Data Center Infrastructure

Thematically Focused

Pricing and Underwriting

Preventing Fraud and Abuse

Asset and Risk Selection

Portfolio and Financial Optimization

Compliance

Recognition

S&P500

Forbes 2015 THE WORLD'S MOST INNOVATIVE COMPANIES Powered by The Innovators DNA

Forbes 2016 AMERICA'S BEST LARGE EMPLOYERS POWERED BY STATISTA

History of Growth and Innovation

Not-for-Profit

1971

Not-for-profit advisory and rating organization

1972–1979

Consolidation of major state, regional, and national rating and statistical organizations

1980–1996

Significant enhancement of insurance policy programs

Adoption of advisory prospective loss costs

Revised board of directors structure to include noninsurers

For-Profit

1997

For-profit corporation transition

AISG acquired to expand claims management solutions

1998–2001

Significant product expansion, international growth, and improved operational efficiency

National Insurance Crime Bureau claims database acquired

LOCATION and other property-related products and services created

First Lloyd's of London agreement signed

2002–2008

AIR Worldwide and Xactware acquired to expand insurance vertical market capabilities

IPO and Continued Expansion

2009

Verisk Analytics formed and IPO completed (NASDAQ:VRSK)

Enhanced innovation with new services for claims, GIS, and insurance coverages

2010–2015

3E Company, Argus, and Maplecroft acquired, expanding into financial services and supply chain verticals

The Verisk Way principles evolved to serve, add value, and innovate

Corporate social responsibility program formalized

Wood Mackenzie acquired, expanding internationally in the global energy, chemicals, and metals and mining industries

Today

Scalable data and analytic solutions offered to vertical markets

Global expansion

Long-term value with scaling margins and a balanced approach to capital allocation

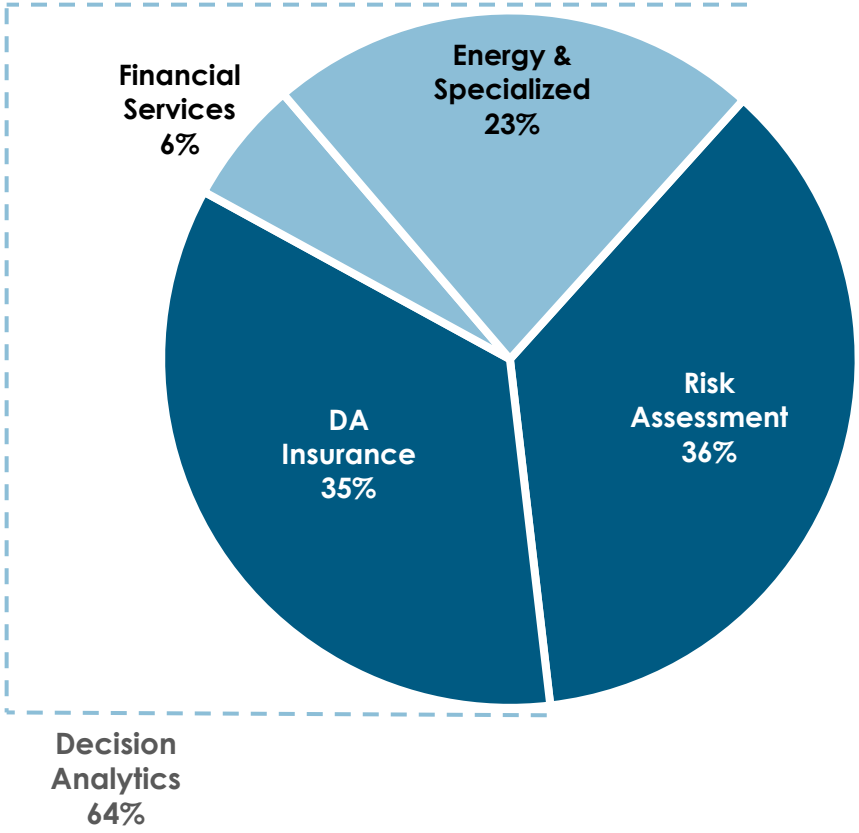
Attractive Business Model

- **Recurring revenue stream and high barriers to entry**
  - 80%+ [1] of total revenue is subscription and long-term contracts
  - Extremely high customer retention
  - Majority of revenue is prepaid quarterly or annually
  - Long-standing and deep relationships with our customers
  - Deeply embedded in our customers' critical decision-making processes
- **High incremental margins on existing businesses**
  - Business model is "build once, sell many times"
  - Very little incremental cost to add a new customer
  - Our business is not service or capital intensive
- **Diverse client base and revenue contribution**
  - 3 primary verticals with strong underlying demand factors
  - Largest customer accounts for about 2% of revenues [1]
  - Top 10 customers account for about 17% of revenues [1]

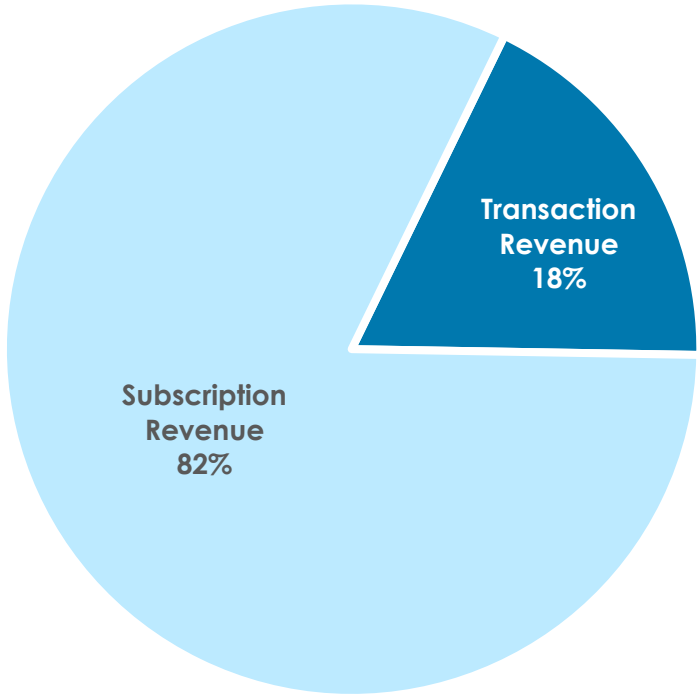
Notes: 1. Based on FY2015 continuing operations revenue which excludes the divested Healthcare business.

Diverse, High Recurring Revenue Sources

1Q2016 Revenue Distribution [1]

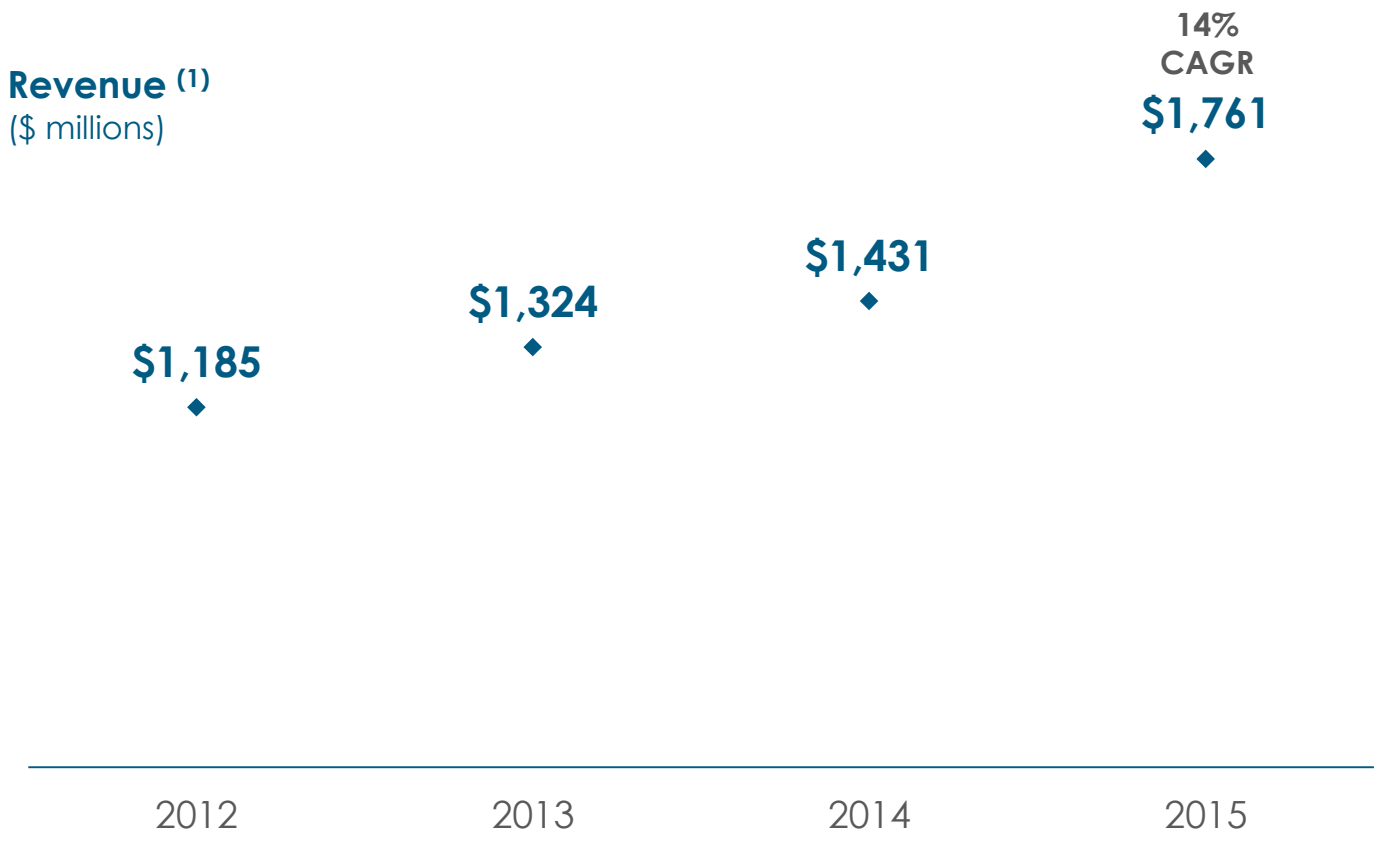


1Q2016 Subscription Base [1]



Notes: 1. From continuing operations which excludes the divested Healthcare business.

Verisk: Strong Track Record of Top-Line Growth



Notes: 1. From continuing operations which excludes the divested Healthcare business.

Verisk's Differentiated Financial Model
Fiscal Year

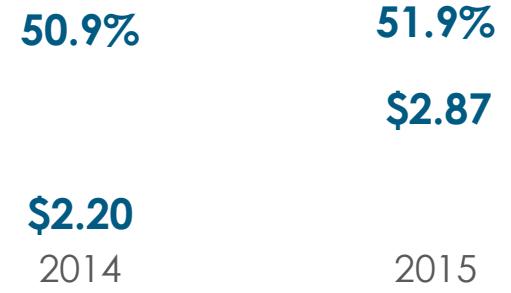
Strong, Stable Revenue Growth [1]…

($ millions), (organic revenue growth)



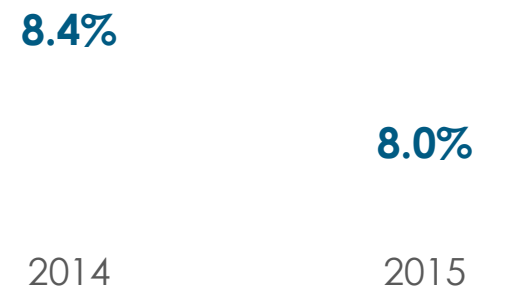
and Leading Margins Power EPS [1,2]

(% EBITDA/Revenue), ($ Earnings per Share)



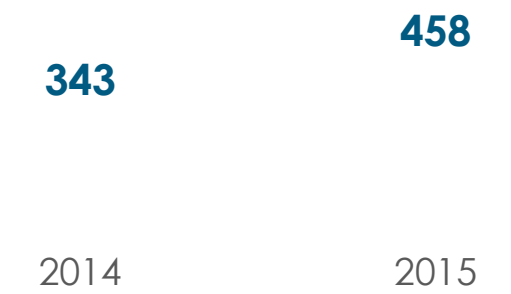
Low Capital Intensity…

(as reported, CapEx as a % of Revenue)



enables Strong Free Cash Flow

(as reported, Cash from OPs less CapEx $ millions)



Notes: 1. From continuing operations which excludes the divested Healthcare business.
2. 2015 EBITDA and Adjusted EPS exclude 2Q2015 one-time items related to the WoodMac acquisition.

Unique/Valuable Data Assets are the Foundation for Our Solutions

19B+ More than 19 billion records in commercial and personal lines
- More than 1,800 insurers provide data
- Almost 3 billion records processed each year

35 35 years of VIN auto information

3.7M+ Detailed information on more than 3.7 million commercial buildings and 6.3 million businesses

1B+ Insurance fraud claims database with more than 1 billion claims
- Used by more than 90% of the P&C industry

5M Approximately 5 million annual claim assignments for property losses
- Used by 22 of the top 25 insurers

100 Models covering natural hazards in 100 countries

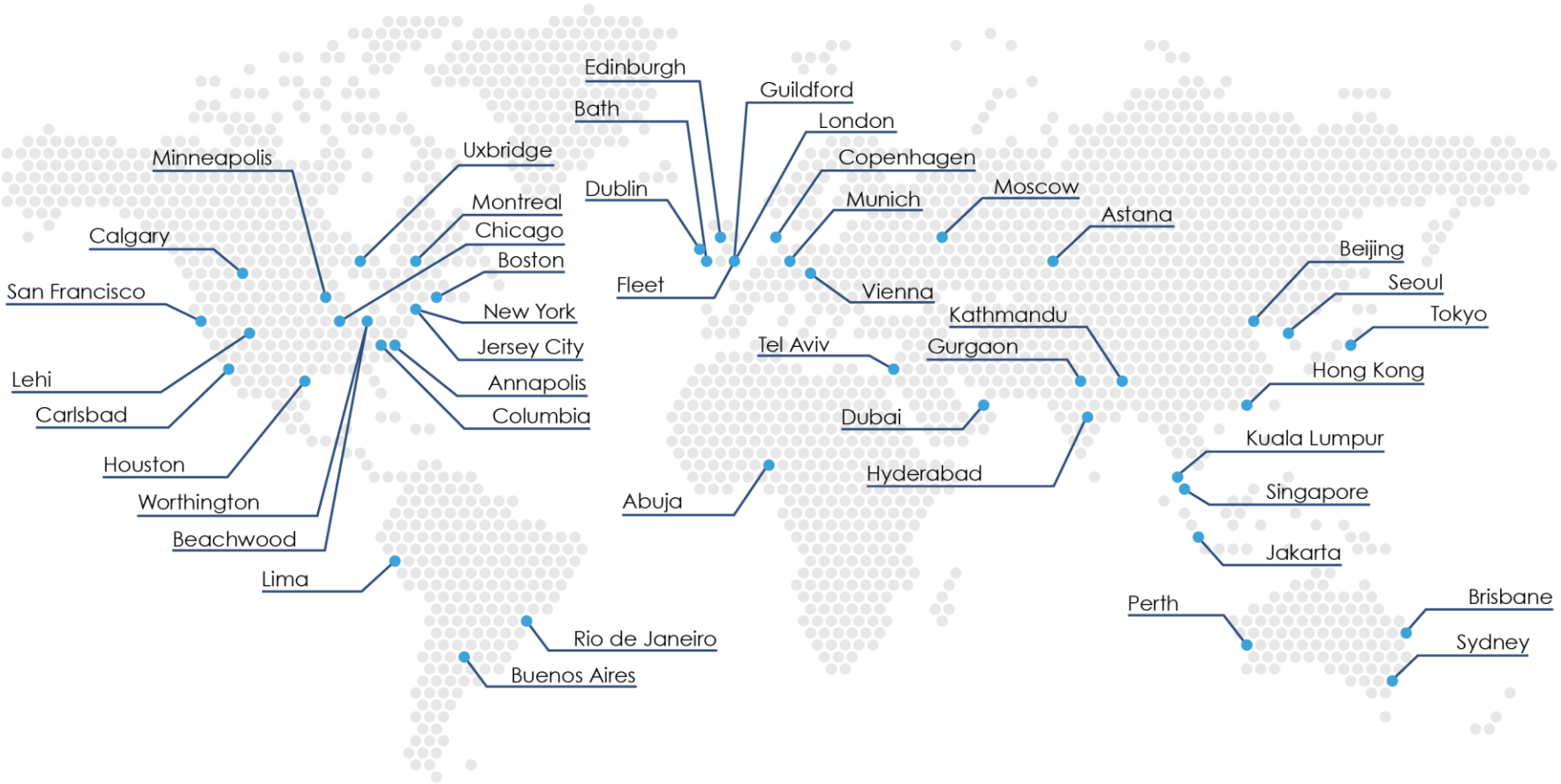
4.75M+ More than 4.75 million safety data sheets (SDSs) covering hazardous chemicals in the supply chain

1.6B Depersonalized information on 1.6 billion credit and debit card accounts

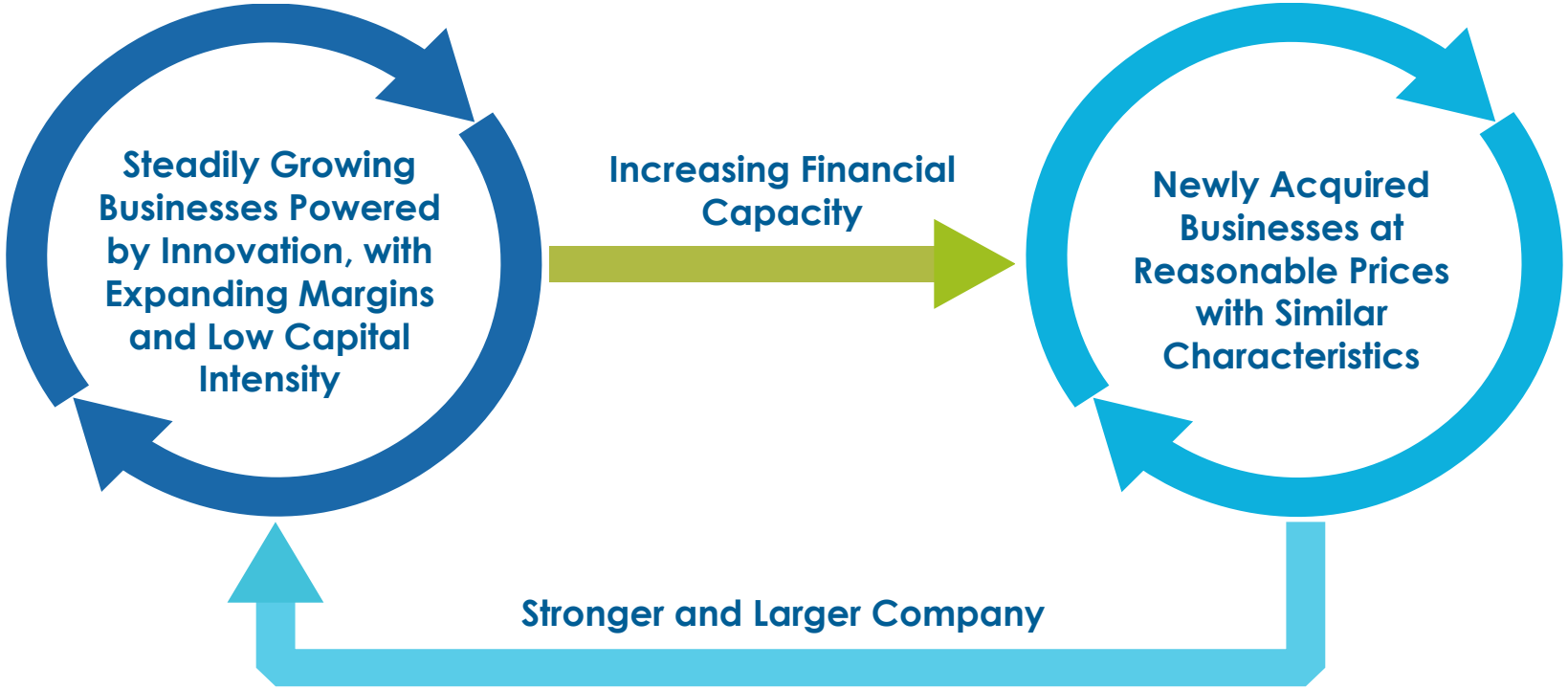
10PB Data centers holding about 10 petabytes—10,000,000 gigabytes—of data

55M+ More than 55 million energy data points in the global upstream oil and gas industry

Global Platform



The Verisk Formula



We can continue to drive leading organic growth

Strong capital structure

Balanced expectations for M&A spend

Return capital to shareholders

Discipline and Execution

1. Discipline



- **Drive operating leverage and scale in existing businesses**
- **Embrace innovation and investment**
  - Strategic fit
  - Long-term economic return
  - Rigorously monitor the performance of investments

2. Execution



- **Hear the voice of the customer**
- **Commit to quality and continuous improvement**
- **Focus on timeliness, accuracy, and delivering value**

Verisk Strength Built on P&C foundation

- **Unique data sets, enhanced over time, have enabled growth into more decision processes at our customers**
  - Since 1971, our P&C business has served as the industry standard
  - Leveraging long-standing relationships with innovation and new solutions has enabled greater than 7% [1] growth since 2012
- **Template for how we develop new verticals at Verisk**
  - First mover creates competitive advantage
  - Become the "must-have" solutions for clients to make strategic decisions about their day-to-day business
  - Build once, sell many times
- **Financial model for P&C solutions sets the standard**
  - High percentage of subscription revenue
  - Limited customer concentration
  - Scalable with low capex requirements

Notes: 1. Based on a CAGR from 1Q2012 through 1Q2016.

Insurance: Industry-Leading Analytics Solutions

	Competitive Advantage	Primary Competitors
Risk Assessment		
Industry-Standard Insurance Programs	**Extensive time-series data and coverage language in >200M policies**	**Internal**
Property Information	**Comprehensive database of 3.7M commercial buildings & ratings on ~47,000 fire protection areas**	**Internal**
Underwriting Solutions	**Comprehensive industry-standard information**	CoreLogic, ISO, REED ELSEVIER
Decision Analytics		
Claims Adjudication and Fraud Detection Solutions	**Industry database totaling 1 billion claims**	**Internal**
Catastrophe Modeling	**Advanced science, advanced software platform covering 100 countries**	RMS, CoreLogic EQECAT
Property Damage Claims Estimating	**100M structural estimation price points and integrated network**	simsol, symbility

Certain competitors offer point solutions that compete with Verisk, but no other firm provides the same depth of solutions and analytics

Wood Mackenzie: An Overview

What do we do?



Provide leading commercial intelligence to the global energy, chemicals, and metals & mining industries

Industries are complex and capital-intensive

How do we win?



Differentiated value proposition built on proprietary information, analysis, insight, and advice over 40 years

Embedded in customer workflows

High-performing workforce

How have we grown?



Strong financial record

Subscription-based business with industry-leading renewal rates

Diversified solution set and customer base

What will drive future growth?



Large and diverse addressable market

Multiple channels for growth

Undersold and undermarketed

Verisk and Wood Mackenzie stronger together

Financial Services: Leading Provider of Data Analytic Solutions for Banks and Their Regulators



At the foundation of our value-creating solutions…

- Unique and Proprietary Consortia Datasets
- Deep Domain Expertise in Analytics and Banking
- Big-Data Technology Platform that is Scaled and Secure

Multiple Paths to Growth

- **Strong Track Record of BOTH Organic Revenue Increases and Effective M&A**
  - 8% Historical Organic Revenue Growth
  - 16% Average Acquisition Revenue Growth
- **Opportunities Remain Large and Growing**
  - Working to Execute on Both Organic and Acquisitions to drive growth
- **Share Repurchases Remain Valuable Alternative for Capital**
  - Deployed $1.4 billion of capital since January 1, 2012 (1)
- **Steady-state leverage target: 2.5x gross Debt/EBITDA**

Notes: 1. January 01, 2012 through March 31, 2016.

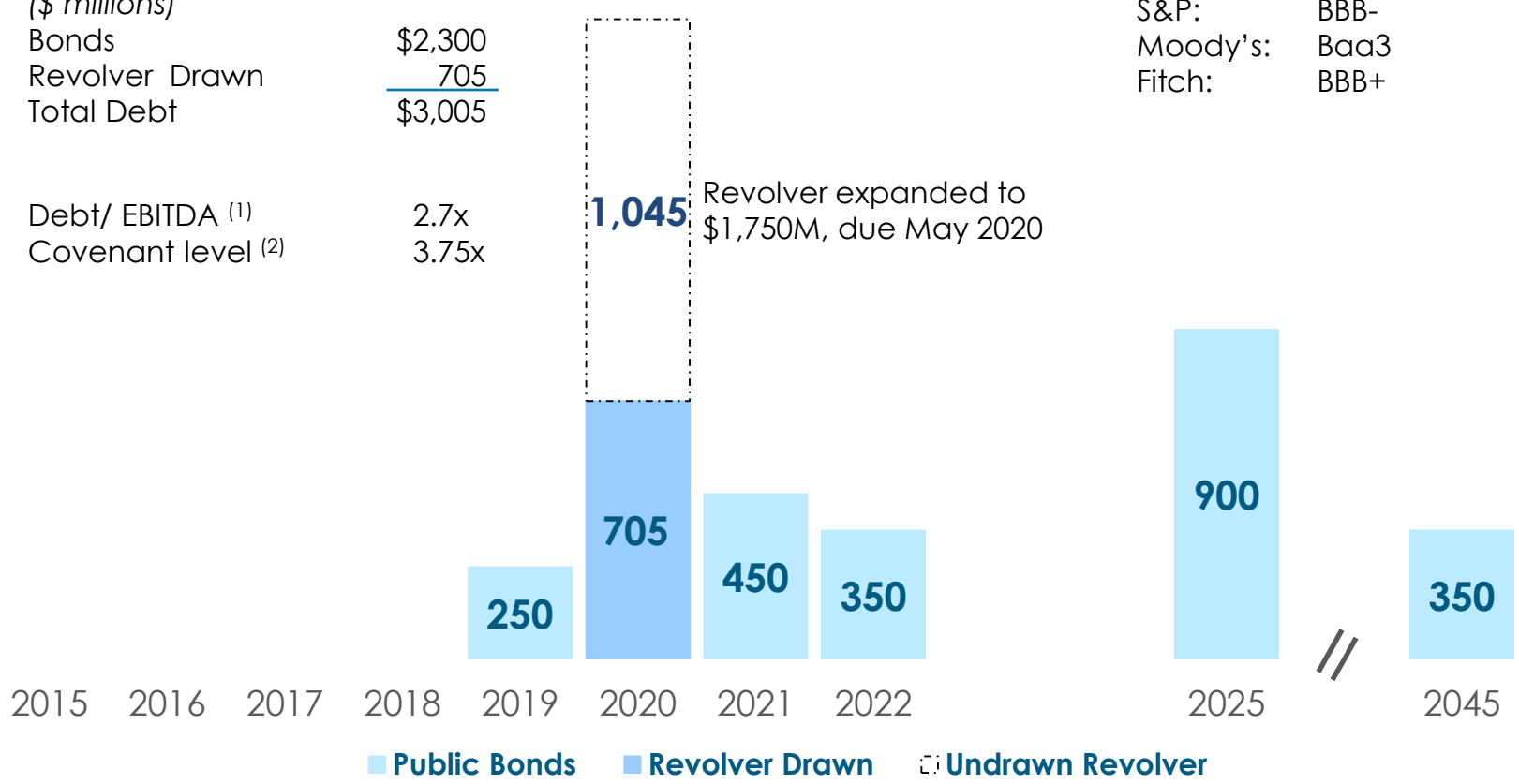
Strong Capital Structure to Support Growth

as of 3/31/2016

($ millions)	
Bonds	$2,300
Revolver Drawn	705
Total Debt	$3,005
Debt/ EBITDA [1]	2.7x
Covenant level [2]	3.75x

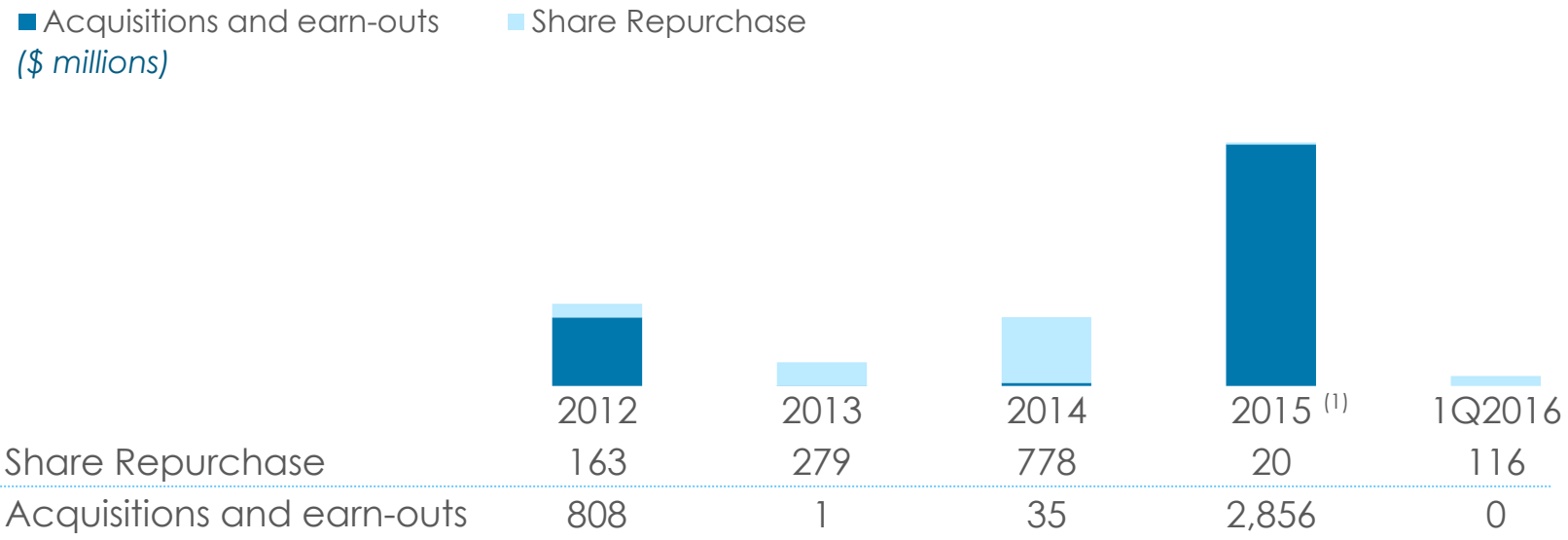
Investment Grade Ratings

S&P:	BBB-
Moody's:	Baa3
Fitch:	BBB+



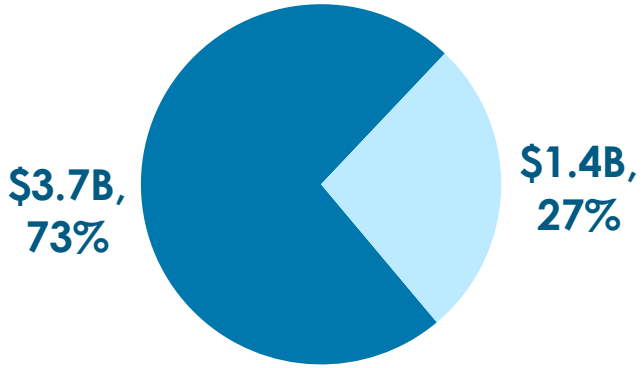
Notes: 1. Per debt covenant.
2. Steps down to 3.50x at the end of the fourth fiscal quarter following the acquisition of Wood Mackenzie.

Verisk: Disciplined Capital Allocation



	2012	2013	2014	2015 (1)	1Q2016
Share Repurchase	163	279	778	20	116
Acquisitions and earn-outs	808	1	35	2,856	0

Cumulative Capital Allocation, $ billions (2)



Notes: 1. 2015 acquisition amount is net of currency hedges.
2. January 01, 2012 through March 31, 2016.

Conclusion

The best benchmark for Verisk is Verisk.

Average organic revenue growth over the past ten years has been high single-digits

- Our business is even better now than it was before
- We should be able to grow over time and on average in a way that is consistent with the past

We have expanded EBITDA margins to around 50% [1], an industry leading level

- We will continue to invest in our business
- There is natural scale in what we do even at the current strong margin levels, as our incremental margins show

Notes: 1. Based on 1Q2016 continuing operations figures which exclude the Healthcare business.

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Appendix



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Non-GAAP reconciliations

Adjusted EBITDA [1]
($ millions)

	2015	2014
Net Income	**487**	**354**
Depreciation and amortization of fixed assets and intangible assets	167	95
Interest expense	121	70
Provision for income taxes	197	209
Plus: Nonrecurring items related to the Wood Mackenzie acquisition	-59	
Adjusted EBITDA from continuing operations	**914**	**728**

Notes: 1. Figures may not sum due to rounding.

Non-GAAP reconciliations

Adjusted EPS [1]
($ millions)

	2015	2014
Income from continuing operations	487	354
Plus: Amortization of intangibles	70	30
Less: Income tax effect on amortization of intangibles	-19	-11
Plus: Nonrecurring items related to the Wood Mackenzie acquisition	-45	--
Less: Income tax effect on one-time items related to the Wood Mackenzie acquisition	-10	--
Adjusted net income from continuing operations	483	373
Basic adjusted EPS from continuing operations	$2.92	$2.25
Diluted adjusted EPS from continuing operations	$2.87	$2.20
Weighted average shares outstanding (in millions)		
Basic	165	166
Diluted	169	169

Notes: 1. Figures may not sum due to rounding.

Non-GAAP reconciliations

Free Cash Flow [1]
($ millions)

	2015	2014
Net cash provided by operating activities	624	489
Capital expenditures	166	146
Free Cash Flow	458	343

Notes: 1. Figures may not sum due to rounding.