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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D. C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**November 1, 2018  
Date of Report (Date of earliest event reported)**

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**PRGX Global, Inc.**  
(Exact Name of Registrant as Specified in Its Charter)

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**Georgia**  
(State or Other Jurisdiction of Incorporation)

**0-28000**  
(Commission File Number)

**58-2213805**  
(IRS Employer Identification No.)

**600 Galleria Parkway, Suite 100, Atlanta, Georgia**  
(Address of Principal Executive Offices)

**30339-5949**  
(Zip Code)

**770-779-3900**  
(Registrant's Telephone Number, Including Area Code)

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02. Results of Operations and Financial Condition.**

The following information is being furnished pursuant to Item 2.02 of Form 8-K. This information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

On November 1, 2018, PRGX Global, Inc. issued a press release announcing its unaudited results for the third quarter of 2018, a copy of which is furnished herewith as Exhibit 99.1.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

The following exhibit is furnished herewith:

99.1 Press Release dated November 1, 2018

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EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibits</u>
99.1	<a href="#">Press Release dated November 1, 2018</a>

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**SIGNATURES**

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PRGX Global, Inc.

By: /s/ Victor A. Allums

Victor A. Allums  
Senior Vice President, Secretary and  
General Counsel

Dated: November 1, 2018

**Press Release****PRGX Global, Inc. Announces Third Quarter 2018 Financial Results**

ATLANTA, November 1, 2018 - PRGX Global, Inc. (Nasdaq: PRGX), a global leader in Recovery Audit and Spend Analytics services, today announced its unaudited financial results for the three and nine months ended September 30, 2018.

“We are pleased to report our ninth consecutive quarter of year-over-year revenue and adjusted EBITDA growth from continuing operations. Revenue increased approximately 4% on a year-over-year constant dollar basis, with growth in both adjacent services and recovery audit. Adjacent services had a particularly strong quarter, growing more than 155% on a year-over-year constant dollar basis. We also benefited from increasing operating leverage, with adjusted EBITDA increasing over 3% on a year-over-year constant dollar basis, including the considerable investment in our sales, marketing and product development resources. Our comparative results are particularly impressive given our strong growth in revenue and adjusted EBITDA in the third quarter last year and over \$2 million of delayed revenue in our recovery audit business, all of which we expect to recognize in the fourth quarter,” said Ron Stewart, president and chief executive officer.

“As promised, our investment in sales and marketing has provided significant momentum across all service lines and geographies. Year-to-date we have already added more new clients and closed over 85 engagements with more projected total contract value than in all of 2017, including two large advisory engagements and the second largest SaaS agreement signed in the company’s history. Given our continuing strong performance, we remain on track to meet our 2018 guidance of year-over-year revenue growth in the range of 8% to 10% and adjusted EBITDA growth in the range of 17% to 22%,” concluded Stewart.

**Consolidated Results from Continuing Operations for the Three Months Ended September 30, 2018**

Consolidated revenue from continuing operations for the third quarter of 2018 was \$43.3 million, compared to \$42.5 million for the same period last year, an increase of 2.0%. Third quarter 2018 revenue from the Recovery Audit Services segments was \$41.0 million compared to \$41.5 million in the prior year, and from the Adjacent Services segment was \$2.3 million compared to \$0.9 million in 2017. On a constant dollar basis adjusted for changes in foreign exchange rates, consolidated revenue from continuing operations increased by 3.6% in the third quarter of 2018, compared to the same period in the prior year. On a constant dollar basis, revenue from the Recovery Audit Services segments increased 0.2% and revenue from the Adjacent Services segment increased 155.6% for the third quarter of 2018 compared to the same period in 2017.

Total cost of revenue from continuing operations for the third quarter of 2018 was \$26.1 million, or 60.4% of revenue, compared to \$26.7 million, or 62.8% of revenue, in the same period last year, an improvement of approximately 240 basis points in gross margin as a percentage of revenue.



Selling, general and administrative expenses from continuing for the third quarter of 2018 were \$12.5 million, compared to \$12.2 million in the prior year period. The increase in SG&A expenses for this period was primarily attributable to planned investments in our global go-to-market teams and product development organization.

Consolidated net income from continuing operations for the third quarter of 2018 was \$2.6 million, or \$0.11 per basic and diluted share, compared to net income of \$0.7 million, or \$0.05 per basic and diluted share, for the same period in 2017.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) from continuing operations for the third quarter of 2018 was \$6.4 million, or 14.9% of revenue, compared to Adjusted EBITDA of \$6.4 million, or 15.1% of revenue, in the third quarter of 2017. Schedule 3 attached to this press release provides a reconciliation of net loss to each of EBIT (Earnings Before Interest and Taxes), EBITDA and Adjusted EBITDA.

#### **Consolidated Results from Continuing Operations for the Nine Months Ended September 30, 2018**

Consolidated revenue from continuing operations for the nine months ended September 30, 2018 was \$122.1 million, compared to \$114.5 million for the same period last year, an increase of 6.6%. For the nine months ended September 30, 2018, revenue from the Recovery Audit Services segments was \$117.3 million compared to \$111.1 million in the prior year, and from the Adjacent Services segment was \$4.8 million compared to \$3.5 million in 2017. On a constant dollar basis adjusted for changes in foreign exchange rates, consolidated revenue from continuing operations increased by 5.8% in the nine months ended September 30, 2018, compared to the same period in the prior year. On a constant dollar basis, revenue from the Recovery Audit Services segments increased 4.8% and revenue from the Adjacent Services segment increased 36.9% for the for the nine months ended September 30, 2018 compared to the same period in 2017.

Total cost of revenue from continuing operations for the nine months ended September 30, 2018 was \$78.3 million, or 64.1% of revenue, compared to \$75.3 million, or 65.7% of revenue, in the same period last year, an improvement of approximately 160 basis points in gross margin as a percentage of revenue.

SG&A expenses from continuing operations for the nine months ended September 30, 2018 were \$36.6 million, compared to \$34.1 million in the prior year period. The increase in SG&A expenses for this period was primarily attributable to planned investments in our product development organization and global go-to-market team.

Consolidated net loss from continuing operations for the nine months ended September 30, 2018 was \$2.6 million, or a negative \$0.12 per basic and diluted share, compared to a net loss of \$1.1 million, or a negative \$0.05 per basic and diluted share, for the same period in 2017.



Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) from continuing operations for the nine months ended September 30, 2018 was \$13.8 million, or 11.3% of revenue, compared to Adjusted EBITDA of \$12.0 million, or 10.5% of revenue, for the same period in the prior year. Schedule 3 attached to this press release provides a reconciliation of net income (loss) to each of EBIT (Earnings Before Interest and Taxes), EBITDA and Adjusted EBITDA.

#### **Cash Flow and Liquidity**

Net cash provided by operating activities for the third quarter of 2018 was \$3.1 million compared to net cash provided of \$2.3 million for the third quarter of the prior year. For the nine months ended September 30, 2018, net cash used by operating activities was \$3.4 million compared to net cash provided of \$3.6 million for the same period in the prior year.

At September 30, 2018, the Company had unrestricted cash and cash equivalents of \$10.6 million, and borrowings of \$17.6 million against its \$35.0 million revolving credit facility.

#### **Stock Repurchase Program**

The Company's Board of Directors recently approved a \$15 million increase (to \$75 million) in the Company's stock repurchase program and extended the duration of the program to December 31, 2019. Since the February 2014 announcement of the program, the Company has repurchased 8.6 million shares of its common stock for an aggregate cost of \$44.5 million. As of October 26, 2018, the Company had approximately 23.6 million shares of common stock outstanding.

#### **Third Quarter Earnings Call**

As previously announced, management will hold a conference call later today at 5:00 PM (Eastern time) to discuss the Company's third quarter 2018 financial results. To access the conference call, listeners in the U.S. and Canada should dial (877) 755-7423 at least 5 minutes prior to the start of the conference. Listeners outside the U.S. and Canada should dial (678) 894-3069. To be admitted to the call, listeners should use passcode 7434559.

This teleconference will also be audiocast on the Internet at [www.prgx.com](http://www.prgx.com) (click on "Events & Presentations" under "Investors"). A replay of the audiocast will be available at the same location on [www.prgx.com](http://www.prgx.com) beginning approximately two hours after the conclusion of the live audiocast, extending through December 31, 2018. Please note that the Internet audiocast is "listen-only." Microsoft Windows Media Player is required to access the live audiocast and the replay and can be downloaded from [www.microsoft.com/en-us/downloads](http://www.microsoft.com/en-us/downloads).



### **About PRGX**

PRGX Global, Inc. is a global leader in Recovery Audit and Spend Analytics services. With over 1,500 employees, the Company serves clients in more than 30 countries and provides its services to 75% of the top 20 global retailers and over 25% of the top 50 companies in the Fortune 500. PRGX delivers more than \$1 billion in cash flow improvement for its clients each year. The creator of the recovery audit industry more than 40 years ago, PRGX continues to innovate through technology and expanded service offerings. In addition to Recovery Audit, PRGX provides Contract Compliance, Spend Analytics and Supplier Information Management services to improve clients' financial performance and manage risk. For additional information on PRGX, please visit [www.prgx.com](http://www.prgx.com)

### **Forward-Looking Statements**

In addition to historical information, this press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include both implied and express statements regarding the Company's overall condition and growth prospects, the Company's execution of its business strategy, the Company's expected revenue from client engagements, the Company's sales pipeline, and the Company's expectations regarding its 2018 financial performance. Such forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from the historical results or from any results expressed or implied by such forward-looking statements. Risks that could affect the Company's future performance include revenue that does not meet expectations or justify costs incurred, the Company's ability to develop material sources of new revenue in addition to revenue from its core recovery audit services, changes in the market for the Company's services, the Company's ability to retain and attract qualified personnel, the Company's ability to integrate recent and future acquisitions, uncertainty in the credit markets, the Company's ability to maintain compliance with its financial covenants, client bankruptcies, loss of major clients, and other risks generally applicable to the Company's business. For a discussion of other risk factors that may impact the Company's business, please see the Company's filings with the Securities and Exchange Commission. The Company disclaims any obligation or duty to update or modify these forward-looking statements

### **Non-GAAP Financial Measures**

EBIT, EBITDA and Adjusted EBITDA are all "non-GAAP financial measures" presented as supplemental measures of the Company's performance. They are not presented in accordance with accounting principles generally accepted in the United States, or GAAP. The Company believes these measures provide additional meaningful information in evaluating its performance over time, and that the rating agencies and a number of lenders use EBITDA and similar measures for similar purposes. In addition, a measure similar to Adjusted EBITDA is used in the restrictive covenants contained in the Company's secured credit facility. However, EBIT, EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation, or as substitutes for analysis of the Company's results as





reported under GAAP. In addition, in evaluating EBIT, EBITDA and Adjusted EBITDA, you should be aware that, as described above, the adjustments may vary from period to period and in the future the Company will incur expenses such as those used in calculating these measures. The Company's presentation of these measures should not be construed as an inference that future results will be unaffected by unusual or nonrecurring items. Schedule 3 to this press release provides a reconciliation of net income (loss) to each of EBIT, EBITDA and Adjusted EBITDA.

This news release was distributed by GlobeNewswire, [www.globenewswire.com](http://www.globenewswire.com)

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Phone: 770-779-3011



**SCHEDULE 1**  
**PRGX Global, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Operations**  
(Amounts in thousands, except per share data)  
(Unaudited)

	Three Months		Nine Months	
	Ended September 30,		Ended September 30,	
	2018	2017	2018	2017
Revenue, net	\$43,320	\$42,467	\$122,143	\$114,546
Operating expenses:				
Cost of revenue	26,146	26,675	78,332	75,306
Selling, general and administrative expenses	12,521	12,189	36,594	34,149
Depreciation of property and equipment	1,713	1,133	5,296	3,462
Amortization of intangible assets	872	722	2,524	2,166
Acquisition-related adjustment (income) loss	(1,640)	—	(1,640)	—
Total operating expenses	<u>39,612</u>	<u>40,719</u>	<u>121,106</u>	<u>115,083</u>
Operating income (loss) from continuing operations	3,708	1,748	1,037	(537)
Foreign currency transaction losses (gains) on short-term intercompany balances	70	(418)	730	(1,927)
Interest expense, net	416	142	1,300	227
Other loss (income)	(1)	17	16	(177)
Income (loss) from continuing operations before income taxes	<u>3,223</u>	<u>2,007</u>	<u>(1,009)</u>	<u>1,340</u>
Income tax expense	597	930	1,573	2,436
Net income (loss) from continuing operations	<u>\$ 2,626</u>	<u>\$ 1,077</u>	<u>\$ (2,582)</u>	<u>\$ (1,096)</u>
Discontinued operations:				
Loss from discontinued operations	(325)	(344)	(684)	(1,029)
Income tax expense	—	—	—	—
Net loss from discontinued operations	<u>(325)</u>	<u>(344)</u>	<u>(684)</u>	<u>(1,029)</u>
Net income (loss)	<u>\$ 2,301</u>	<u>\$ 733</u>	<u>\$ (3,266)</u>	<u>\$ (2,125)</u>
Basic income (loss) per common share:				
Basic income (loss) from continuing operations	\$ 0.11	\$ 0.05	\$ (0.12)	\$ (0.05)
Basic loss from discontinued operations	(0.01)	(0.02)	(0.02)	(0.05)
Total basic income (loss) per common share	<u>\$ 0.10</u>	<u>\$ 0.03</u>	<u>\$ (0.14)</u>	<u>\$ (0.10)</u>
Diluted income (loss) per common share:				
Diluted income (loss) from continuing operations	\$ 0.11	\$ 0.05	\$ (0.11)	\$ (0.05)
Diluted loss from discontinued operations	(0.01)	(0.02)	(0.03)	(0.05)
Total diluted income (loss) per common share	<u>\$ 0.10</u>	<u>\$ 0.03</u>	<u>\$ (0.14)</u>	<u>\$ (0.10)</u>
Weighted average common shares outstanding:				
Basic	<u>23,558</u>	<u>22,498</u>	<u>23,142</u>	<u>22,225</u>
Diluted	<u>24,207</u>	<u>22,761</u>	<u>23,142</u>	<u>22,225</u>



**SCHEDULE 2**  
**PRGX Global, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets**  
**(Amounts in thousands)**  
**(Unaudited)**

	September 30, 2018	December 31, 2017
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 10,483	\$ 18,823
Restricted cash	110	51
Receivables:		
Contract receivables, net	37,553	38,767
Employee advances and miscellaneous receivables, net	1,446	1,665
Total receivables	38,999	40,432
Prepaid expenses and other current assets	3,660	4,608
Total current assets	53,252	63,914
Property and equipment, net	19,999	17,478
Goodwill	17,569	17,648
Intangible assets, net	15,870	18,478
Deferred income taxes	1,398	1,538
Other assets	1,729	1,162
Total assets	<u>\$ 109,817</u>	<u>\$ 120,218</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 5,518	\$ 8,548
Accrued payroll and related expenses	10,609	13,078
Refund liabilities	8,203	7,864
Deferred revenue	1,142	1,431
Current portion of long-term debt	48	48
Current portion of long-term incentive compensation liability	—	5,116
Current portion of business acquisition obligations	3,992	3,759
Total current liabilities	29,512	39,844
Long-term debt	17,549	13,526
Business acquisition obligations	—	5,135
Refund liabilities	263	957
Other long-term liabilities	412	442
Total liabilities	<u>47,736</u>	<u>59,904</u>
Shareholders' equity:		
Common stock	236	224
Additional paid-in capital	585,553	580,032
Accumulated deficit	(523,315)	(520,049)
Accumulated other comprehensive income	(393)	107
Total shareholders' equity	<u>62,081</u>	<u>60,314</u>
Total liabilities and shareholders' equity	<u>\$ 109,817</u>	<u>\$ 120,218</u>



**SCHEDULE 3**  
**PRGX Global, Inc. and Subsidiaries**  
**Reconciliation of Net Income (Loss) to EBIT, EBITDA and Adjusted EBITDA**  
**(Amounts in thousands)**  
**(Unaudited)**

	Three Months		Nine Months	
	Ended September 30,		Ended September 30,	
	2018	2017	2018	2017
<b>Reconciliation of net income (loss) to EBIT, EBITDA and Adjusted EBITDA:</b>				
Net income (loss)	\$ 2,301	\$ 733	\$ (3,266)	\$ (2,125)
Income tax expense	597	930	1,573	2,436
Interest expense, net	416	142	1,300	227
<b>EBIT</b>	<b>3,314</b>	<b>1,805</b>	<b>(393)</b>	<b>538</b>
Depreciation of property and equipment	1,713	1,135	5,297	3,468
Amortization of intangible assets	872	722	2,524	2,166
<b>EBITDA</b>	<b>5,899</b>	<b>3,662</b>	<b>7,428</b>	<b>6,172</b>
Foreign currency transaction losses (gains) on short-term intercompany balances	70	(418)	730	(1,927)
Acquisition-related adjustment (income) loss	(1,640)	—	(1,640)	—
Transformation severance and related expenses	439	692	2,428	1,592
Other (income) loss	(1)	17	16	(177)
Stock-based compensation	1,341	2,107	4,159	5,362
<b>Adjusted EBITDA</b>	<b>\$ 6,108</b>	<b>\$ 6,060</b>	<b>\$13,121</b>	<b>\$11,022</b>
<b>Adjusted EBITDA from continuing operations</b>	<b>\$ 6,433</b>	<b>\$ 6,402</b>	<b>\$13,804</b>	<b>\$12,045</b>
<b>Adjusted EBITDA from discontinued operations</b>	<b>\$ (325)</b>	<b>\$ (342)</b>	<b>\$ (683)</b>	<b>\$ (1,023)</b>

EBIT, EBITDA and Adjusted EBITDA are all “non-GAAP financial measures” presented as supplemental measures of our performance. They are not presented in accordance with accounting principles generally accepted in the United States, or GAAP. The Company believes these measures provide additional meaningful information in evaluating the Company’s performance over time, and that the rating agencies and a number of lenders use EBIT, EBITDA and similar measures for similar purposes. In addition, a measure similar to Adjusted EBITDA is used in the restrictive covenants contained in the Company’s secured credit facility. However, EBIT, EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation, or as substitutes for analysis of our results as reported under GAAP. In addition, in evaluating EBIT, EBITDA and Adjusted EBITDA, you should be aware that in the future we will incur expenses such as those used in calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.



**SCHEDULE 4**  
**PRGX Global, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Cash Flows**  
**(Amounts in thousands)**  
**(Unaudited)**

	Three Months		Nine Months	
	Ended September 30, 2018	2017	Ended September 30, 2018	2017
<b>Cash flows from operating activities:</b>				
Net income (loss)	\$ 2,301	\$ 733	\$ (3,266)	\$ (2,125)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	2,585	1,855	7,820	5,628
Amortization of deferred loan costs	21	57	53	77
Deferred income taxes	—	—	169	—
Stock-based compensation expense	1,341	2,107	4,159	5,362
Changes in fair value of contingent consideration	(1,640)	—	(1,640)	—
Foreign currency transaction losses (gains) on short-term intercompany balances	70	(418)	730	(1,927)
Long-term incentive compensation payout	(998)	—	(6,378)	—
Decrease (increase) in receivables	668	(2,867)	550	(714)
(Decrease) increase in accounts payable, accrued payroll and other accrued expenses	(613)	(601)	(6,222)	(319)
Other, primarily changes in assets and liabilities	(743)	1,416	537	(2,425)
Net cash provided by (used in) operating activities	<u>2,992</u>	<u>2,282</u>	<u>(3,488)</u>	<u>3,557</u>
<b>Cash flows from investing activities:</b>				
Purchases of property and equipment, net of disposals	(2,572)	(2,390)	(7,899)	(6,433)
Acquisition of businesses, net of cash acquired	—	—	19	(10,128)
Net cash used in investing activities	<u>(2,572)</u>	<u>(2,390)</u>	<u>(7,880)</u>	<u>(16,561)</u>
<b>Cash flows from financing activities:</b>				
Net borrowings under line of credit	—	—	4,000	10,000
Payment of earnout liability related to business acquisitions	—	—	(4,000)	—
Other, net	884	—	2,841	605
Net cash provided by financing activities	<u>884</u>	<u>—</u>	<u>2,841</u>	<u>10,605</u>
Effect of exchange rates on cash and cash equivalents	(552)	(830)	187	(1,392)
Net change in cash and cash equivalents	752	(938)	(8,340)	(3,791)
Cash and cash equivalents at beginning of period	9,731	12,870	18,823	15,723
Cash and cash equivalents at end of period	<u>\$ 10,483</u>	<u>\$ 11,932</u>	<u>\$ 10,483</u>	<u>\$ 11,932</u>



**SCHEDULE 5**  
**PRGX Global, Inc. and Subsidiaries**  
**Results by Operating Segment \***  
**(Amounts in thousands)**  
**(Unaudited)**

	Three Months Ended			Nine Months Ended		
	September 30,			September 30,		
	2018	2017	Change	2018	2017	Change
<b>Revenue</b>						
Recovery Audit Services - Americas	\$28,806	\$30,705	\$(1,899)	\$ 83,676	\$ 81,641	\$ 2,035
Recovery Audit Services - Europe/Asia-Pacific	12,191	10,837	1,354	33,663	29,441	4,222
Adjacent Services	2,323	925	1,398	4,804	3,464	1,340
<b>Total</b>	<u>\$43,320</u>	<u>\$42,467</u>	<u>\$ 853</u>	<u>\$122,143</u>	<u>\$114,546</u>	<u>\$ 7,597</u>
<b>Cost of revenue</b>						
Recovery Audit Services - Americas	\$17,602	\$18,552	\$ (950)	\$ 52,866	\$ 51,154	\$ 1,712
Recovery Audit Services - Europe/Asia-Pacific	6,632	6,650	(18)	20,551	19,553	998
Adjacent Services	1,912	1,473	439	4,915	4,599	316
<b>Total</b>	<u>\$26,146</u>	<u>\$26,675</u>	<u>\$ (529)</u>	<u>\$ 78,332</u>	<u>\$ 75,306</u>	<u>\$ 3,026</u>
<b>Selling, general and administrative expenses</b>						
Recovery Audit Services - Americas	\$ 3,058	\$ 2,662	\$ 396	\$ 8,746	\$ 7,320	\$ 1,426
Recovery Audit Services - Europe/Asia-Pacific	2,535	2,114	421	5,643	5,247	396
Adjacent Services	569	910	(341)	1,423	3,040	(1,617)
Corporate**	4,719	6,503	(1,784)	19,142	18,542	600
<b>Total</b>	<u>\$10,881</u>	<u>\$12,189</u>	<u>\$(1,308)</u>	<u>\$ 34,954</u>	<u>\$ 34,149</u>	<u>\$ 805</u>
<b>Depreciation of property and equipment</b>						
Recovery Audit Services - Americas	\$ 1,260	\$ 789	\$ 471	\$ 3,876	\$ 2,478	\$ 1,398
Recovery Audit Services - Europe/Asia-Pacific	164	161	3	512	453	59
Adjacent Services	289	183	106	908	531	377
<b>Total</b>	<u>\$ 1,713</u>	<u>\$ 1,133</u>	<u>\$ 580</u>	<u>\$ 5,296</u>	<u>\$ 3,462</u>	<u>\$ 1,834</u>
<b>Amortization of intangible assets</b>						
Recovery Audit Services - Americas	\$ 445	\$ 329	\$ 116	\$ 1,218	\$ 986	\$ 232
Recovery Audit Services - Europe/Asia-Pacific	37	—	37	136	—	136
Adjacent Services	390	393	(3)	1,170	1,180	(10)
<b>Total</b>	<u>\$ 872</u>	<u>\$ 722</u>	<u>\$ 150</u>	<u>\$ 2,524</u>	<u>\$ 2,166</u>	<u>\$ 358</u>
<b>Operating income (loss)</b>						
Recovery Audit Services - Americas	\$ 6,441	\$ 8,373	\$(1,932)	\$ 16,970	\$ 19,703	\$(2,733)
Recovery Audit Services - Europe/Asia-Pacific	2,823	1,912	911	6,821	4,188	2,633
Adjacent Services	(837)	(2,034)	1,197	(3,612)	(5,886)	2,274
Corporate	(4,719)	(6,503)	1,784	(19,142)	(18,542)	(600)
<b>Total</b>	<u>\$ 3,708</u>	<u>\$ 1,748</u>	<u>\$ 1,960</u>	<u>\$ 1,037</u>	<u>\$ (537)</u>	<u>\$ 1,574</u>
<b>Adjusted EBITDA</b>						
Recovery Audit Services - Americas	\$ 8,325	\$ 9,540	\$(1,215)	\$ 22,792	\$ 23,480	\$ (688)
Recovery Audit Services - Europe/Asia-Pacific	3,008	2,433	575	8,468	5,223	3,245
Adjacent Services	(160)	(1,198)	1,038	(1,468)	(3,870)	2,402
Corporate	(4,740)	(4,373)	(367)	(15,988)	(12,788)	(3,200)
<b>Total</b>	<u>\$ 6,433</u>	<u>\$ 6,402</u>	<u>\$ 31</u>	<u>\$ 13,804</u>	<u>\$ 12,045</u>	<u>\$ 1,759</u>

\* The Recovery Audit Services - Americas segment represents recovery audit services provided in the United States, Canada and Latin America. The Recovery Audit Services - Europe/Asia-Pacific segment represents recovery audit services provided in Europe, Asia and the Pacific region. The Adjacent Services segment represents spend analytics and supplier information management services.

\*\* Corporate - Includes a \$1,640 acquisition-related adjustment that reduced expenses in the three months and nine months ended September 30, 2018.