

## USE CASE

# COST OF CAPITAL AFTER A DATA BREACH

As the frequency of loss events climb, affected businesses feel the impact across their organizations — especially regarding the cost of capital. We analyze what this means for companies and how to protect yourself from these stressful experiences.

How will the coming data loss event impact your cost of capital? Certitude Security® is here to make future cash flow disruptions less painful. [Click this link to schedule your consultation.](#)

## What Is the Cost of Capital?

The cost of capital refers to income generated to cover necessary expenses. It's the minimum rate of return you must earn before making a profit.

Your cost of capital depends on its capital structure of equity, debt, or a combination of the two. How would a violation of one or more of your bank covenants impact your business and customers?



## How Data Breaches Impact Cost of Capital

When data is copied, transmitted, viewed, stolen, or used by an unauthorized individual — a “data breach” — your cost of capital can be impacted by the results:

- Declining profit levels.
- Contractual fines.
- Legal costs.
- Diminished stock price.

Developing a [defense and recovery strategy](#) to limit lost revenue and expenses from operational outages is vital. How would a shared purpose approach impact future costs and risks in your organization?