HOULIHAN CAPITAL

Value. Added.

Industry Observations – December 31, 2019

Financial Services Industry

Select Financial Services Public Company Industry Data
As of December 31, 2019

(USD in millions, except per share data)

		Market Data					LTM Operating Data			Forward Estimates	
Company Name	Ticker	Price at 12/31/19	% of 52 Week High	Equity Value	Enterprise Value	Debt / Total Capital	Total Assets	LTM Revenue	LTM Normalized EPS	CY 2019 Revenue Estimate	CY 2019 EBITDA Estimate
Investment Banking and Brokerage Services											
LPL Financial Holdings Inc.	LPLA	$92.25	97.4%	$7,455.90	$9,653.75	71.9%	$5,740.55	$5,494.00	$5.50	$6,060.09	$1,061.50
The Goldman Sachs Group, Inc.	GS	$229.93	99.0%	$81,415.24	$0.00	81.9%	$993,000	$35,481.00	$19.89	$36,701.66	$0.00
Morgan Stanley	MS	$51.12	99.4%	$82,742.72	$0.00	78.9%	$0.00	$41,419.00	$4.25	$41,637.35	$0.00
The Charles Schwab Corporation	SCHW	$47.56	92.1%	$61,094.59	$0.00	30.9%	$0.00	$10,721.00	$2.31	$10,780.14	$5,229.22
Raymond James Financial, Inc.	RJF	$89.46	97.2%	$12,410.18	$0.00	32.7%	$38,830.00	$7,693.00	$6.16	$8,372.44	$1,685.80
E*TRADE Financial Corporation	ETFC	$45.37	86.7%	$10,159.65	$0.00	29.0%	$61,707.00	$2,986.00	$3.69	$2,655.77	$1,325.21
Stifel Financial Corp.	SF	$60.65	95.5%	$4,146.88	$0.00	41.9%	$24,160.78	$3,157.69	$4.99	$3,379.51	$669.55
Evercore Inc.	EVR	$74.76	75.6%	$2,922.07	$0.00	38.4%	$2,211.10	$2,119.98	$6.88	$2,114.11	$584.29
BGC Partners, Inc.	BGCP	$5.94	92.7%	$2,070.95	$0.00	61.4%	$6,548.06	$2,025.87	$0.13	$2,192.00	$508.00
Greenhill & Co., Inc.	GHL	$17.08	55.0%	$325.90	$0.00	93.2%	$458.82	$255.37	-$0.03	$332.33	$66.76
Specialized Finance											
MSCI Inc.	MSCI	$258.18	96.5%	$21,869.72	$25,369.88	105.7%	$3,479.74	$1,512.88	$791.67	$1,706.22	$948.09
Intercontinental Exchange, Inc.	ICE	$92.55	96.9%	$51,536.42	$61,212.90	32.1%	$95,339.00	$5,212.00	$3,221.00	$5,497.13	$3,580.23
CME Group Inc.	CME	$200.72	89.2%	$71,930.76	$77,499.94	14.4%	$79,417.60	$4,958.90	$3,178.50	$5,146.28	$3,562.07
Moody's Corporation	MCO	$237.41	98.8%	$44,811.34	$53,108.85	89.2%	$9,477.80	$4,656.30	$2,172.90	$5,060.74	$2,465.94
MarketAxess Holdings Inc.	MKTX	$379.11	90.0%	$14,377.19	$13,714.64	11.7%	$855.03	$494.02	$265.91	$573.93	$322.73
S&P Global Inc.	SPGI	$273.05	99.0%	$66,733.42	$77,354.64	64.4%	$10,188.00	$6,501.00	$3,256.00	$7,096.36	$3,665.04
Cboe Global Markets, Inc.	CBOE	$120.00	96.1%	$13,293.23	$13,771.51	21.7%	$5,019.30	$2,645.20	$824.90	$1,197.77	$807.20
Nasdaq, Inc.	NDAQ	$107.10	98.9%	$17,555.30	$21,279.64	42.0%	$12,980.00	$4,333.00	$1,312.00	$2,640.92	$1,406.45
A-Mark Precious Metals, Inc.	PHH	$8.27	54.6%	$58.15	$709.53	90.0%	$827.20	$4,699.08	$1.55	$0.00	$0.00

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt);
EBITDA (earnings before interest, taxes, depreciation and amortization)
Source: Capital IQ

The material contained in this publication is meant to provide general information regarding valuation topics. This publication does not constitute investment advice with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Professional advice should be obtained before taking any action based on the information contained herein.

Publicly available information utilized in this publication has been obtained from sources deemed to be reliable. Houlihan does not guarantee the accuracy or completeness of the information provided within this publication. The material presented reflects information known to the authors at the time this publication was written and this information is subject to change.

Select Financial Services Public Company Industry Data
As of December 31, 2019

(USD in millions, except per share data)

		Market Data					LTM Operating Data			Forward Estimates	
Company Name	**Ticker**	**Price at 12/31/19**	**% of 52 Week High**	**Equity Value**	**Enterprise Value**	**Debt / Total Capital**	**Total Assets**	**LTM Revenue**	**LTM Normalized EPS**	**CY 2019 Revenue Estimate**	**CY 2019 EBITDA Estimate**
Personal Credit Agencies											
FirstCash, Inc.	FCFS	$80.63	75.5%	$3,441.25	$4,457.31	40.3%	$2,422.79	$1,847.29	$297.68	$1,959.21	$335.44
Green Dot Corporation	AXP	$23.30	27.7%	$1,199.87	$493.54	3.7%	$2,127.91	$1,080.58	$170.65	$1,076.48	$174.37
EZCORP, Inc.	ALLY	$6.82	60.6%	$378.75	$428.12	24.3%	$1,083.70	$847.23	$80.21	$941.25	$107.00
World Acceptance Corporation	NAVI	$86.40	49.2%	$616.50	$1,283.84	61.8%	$1,077.82	$574.65	$97.11	$644.40	$0.00
PRA Group, Inc.	SC	$36.30	95.4%	$1,648.42	$4,316.16	69.9%	$4,118.28	$984.69	$227.55	$1,072.18	$328.97
Elevate Credit, Inc.	SLM	$4.45	85.4%	$196.50	$685.27	79.5%	$767.26	$767.33	$123.99	$781.91	$138.94
CURO Group Holdings Corp.	CACC	$12.18	71.7%	$505.31	$1,305.69	96.4%	$1,068.13	$1,176.32	$215.19	$1,214.85	$257.48

Notes: LTM (latest twelve months); Enterprise Value (market capitalization less total cash and short-term investments plus short-term borrowings and total long-term debt);

EBITDA (earnings before interest, taxes, depreciation and amortization)

Source: Capital IQ

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Select Financial Services Public Company Valuation Metrics
As of December 31, 2019

(USD in millions, except per share data)

		LTM Operating Statistics					Trading Multiples			
Company Name	**Ticker**	**Return On Assets**	**Return On Equity**	**Assets Under Management**	**Revenue Growth**	**EPS Growth**	**Price / TBV**	**PEG**	**P / Normalized EPS**	**P / Forward EPS**
Investment Banking and Brokerage Services										
LPL Financial Holdings Inc.	LPLA	9.9%	55.4%	$ 3,380.00	10.1%	35.0%	NM	0.9x	18.4x	14.8x
The Goldman Sachs Group, Inc.	GS	0.9%	9.3%	$ -	-1.3%	16.2%	1.1x	1.2x	12.7x	10.2x
Morgan Stanley	MS	0.0%	11.2%	$ -	3.3%	1.7%	1.3x	1.0x	13.5x	10.5x
The Charles Schwab Corporation	SCHW	0.0%	17.6%	$ -	5.8%	-2.4%	3.5x	1.7x	21.3x	18.8x
Raymond James Financial, Inc.	RJF	2.7%	15.8%	$ 1,431.02	6.3%	6.4%	2.1x	0.9x	15.8x	12.1x
E*TRADE Financial Corporation	ETFC	1.7%	15.8%	$ -	3.9%	1.3%	3.5x	3.1x	12.7x	13.4x
Stifel Financial Corp.	SF	1.8%	12.9%	$ -	5.5%	10.6%	2.2x	1.6x	14.2x	10.1x
Evercore Inc.	EVR	21.5%	44.2%	$ 102.56	20.2%	-17.3%	4.7x	0.0x	12.2x	9.7x
BGC Partners, Inc.	BGCP	0.9%	5.1%	$ -	179.1%	-48.3%	NM	0.0x	62.5x	9.6x
Greenhill & Co., Inc.	GHL	-0.4%	-4.5%	$ -	-17.2%	-81.7%	NM	0.0x	NM	9.9x
	Mean	3.9%	18.3%	$ 491.36	21.6%	-7.8%	2.6x	1.0x	20.4x	11.9x
	Median	1.3%	14.3%	$ 89.33	5.7%	1.5%	2.2x	1.0x	14.2x	10.4x
Specialized Finance										
MSCI Inc.	MSCI	12.6%	514.3%	$ -	7.5%	19.2%	16.8x	14.9x	62.6x	39.8x
Intercontinental Exchange, Inc.	ICE	1.9%	12.5%	$ -	8.3%	8.2%	11.7x	11.1x	34.7x	23.7x
CME Group Inc.	CME	2.3%	8.1%	$ -	24.8%	0.4%	15.6x	15.1x	42.3x	29.3x
Moody's Corporation	MCO	13.8%	201.8%	$ -	2.4%	11.0%	11.4x	10.5x	44.4x	29.1x
MarketAxess Holdings Inc.	MKTX	20.3%	31.5%	$ -	17.2%	14.5%	27.8x	23.9x	88.6x	63.1x
S&P Global Inc.	SPGI	19.5%	93.1%	$ -	3.0%	10.7%	11.9x	10.9x	45.1x	29.3x
Cboe Global Markets, Inc.	CBOE	8.1%	13.0%	$ -	0.1%	-7.3%	5.2x	11.5x	33.8x	24.4x
Nasdaq, Inc.	NDAQ	5.0%	9.6%	$ -	4.2%	2.9%	4.9x	8.1x	27.9x	20.6x
A-Mark Precious Metals, Inc.	PHH	-0.1%	1.6%	$ -	-32.9%	0.0%	0.2x	N/A	103.6x	0.0x
	Mean	9.3%	98.4%	$ -	3.8%	6.6%	11.7x	13.2x	53.7x	28.8x
	Median	8.1%	13.0%	$ -	4.2%	8.2%	11.7x	11.3x	44.4x	29.1x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization); TEV (total enterprise value)

Source: Capital IQ

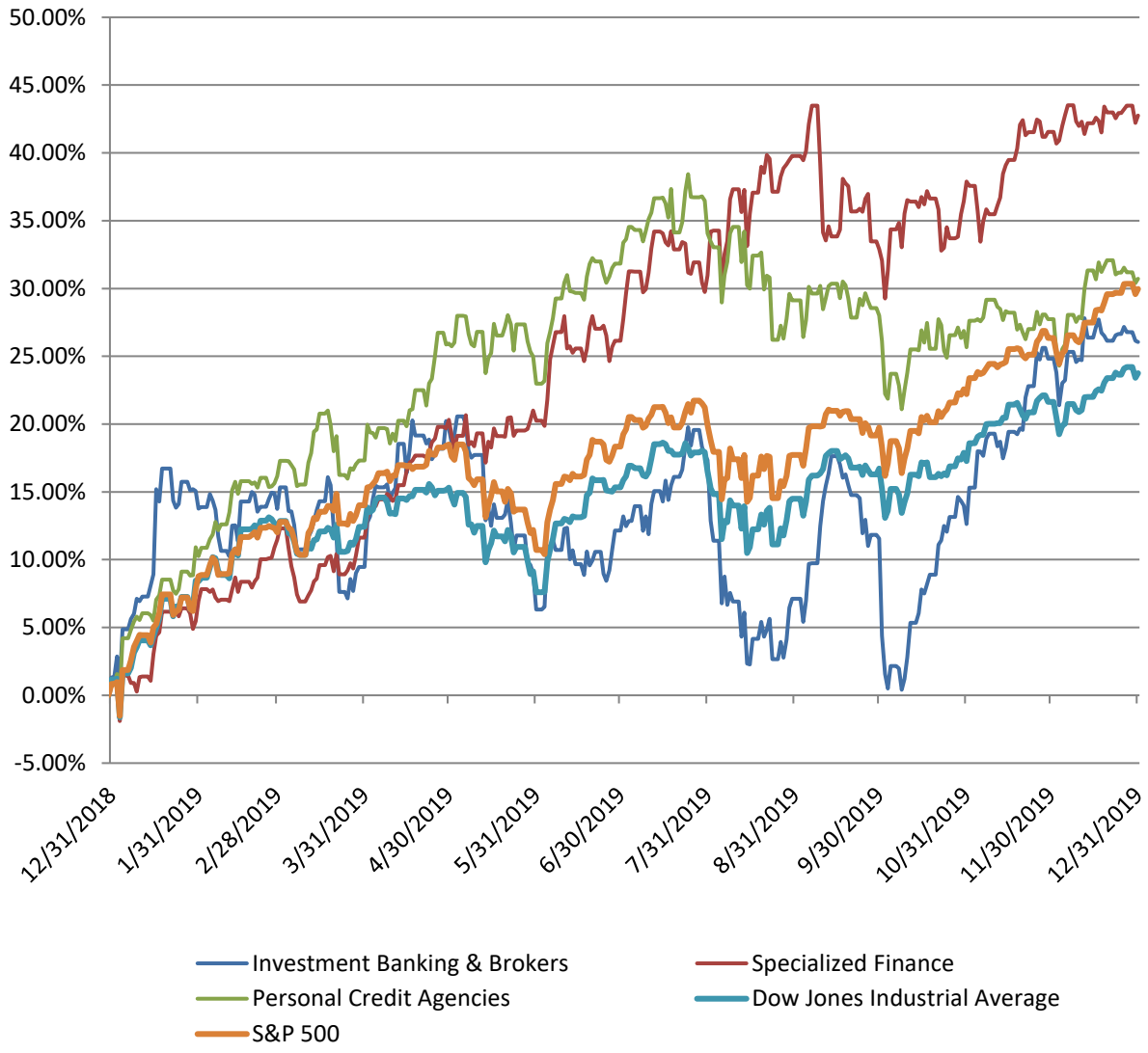
Select Financial Services Public Company Valuation Metrics
As of December 31, 2019

(USD in millions, except per share data)

		LTM Operating Statistics					Trading Multiples			
Company Name	**Ticker**	**Return On Assets**	**Return On Equity**	**Assets Under Management**	**Revenue Growth**	**EPS Growth**	**Price / TBV**	**PEG**	**P / Normalized EPS**	**P / Forward EPS**
Personal Credit Agencies										
FirstCash, Inc.	FCFS	7.1%	12.0%	$ -	3.8%	9.9%	2.4x	2.3x	26.6x	19.8x
Green Dot Corporation	AXP	3.3%	12.4%	$ -	4.6%	-16.9%	0.5x	0.5x	16.4x	15.5x
EZCORP, Inc.	ALLY	2.8%	0.2%	$ -	4.3%	-5.3%	0.5x	0.5x	18.5x	7.3x
World Acceptance Corporation	NAVI	5.7%	11.9%	$ -	11.1%	-19.6%	2.2x	2.0x	19.4x	13.8x
PRA Group, Inc.	SC	3.4%	7.4%	$ -	11.6%	24.9%	4.4x	4.0x	46.5x	17.0x
Elevate Credit, Inc.	SLM	9.4%	21.8%	$ -	-0.7%	151.7%	0.9x	0.9x	8.0x	5.7x
CURO Group Holdings Corp.	CACC	11.9%	228.2%	$ -	14.8%	51.1%	1.1x	1.1x	6.5x	3.3x
	Mean	6.2%	42.0%	$ -	7.1%	28.0%	1.7x	1.6x	20.3x	11.8x
	Median	5.7%	12.0%	$ -	4.6%	9.9%	1.1x	1.1x	18.5x	13.8x

Notes: LTM (latest twelve months); NTM (next twelve months); EBITDA (earnings before interest, taxes, depreciation and amortization); TEV (total enterprise value)
Source: Capital IQ

Financial Services Public Company LTM Equity Performance
As of December 31, 2019



Note: The indices are derived from the equity performance of the previously listed companies. Source: Capital IQ

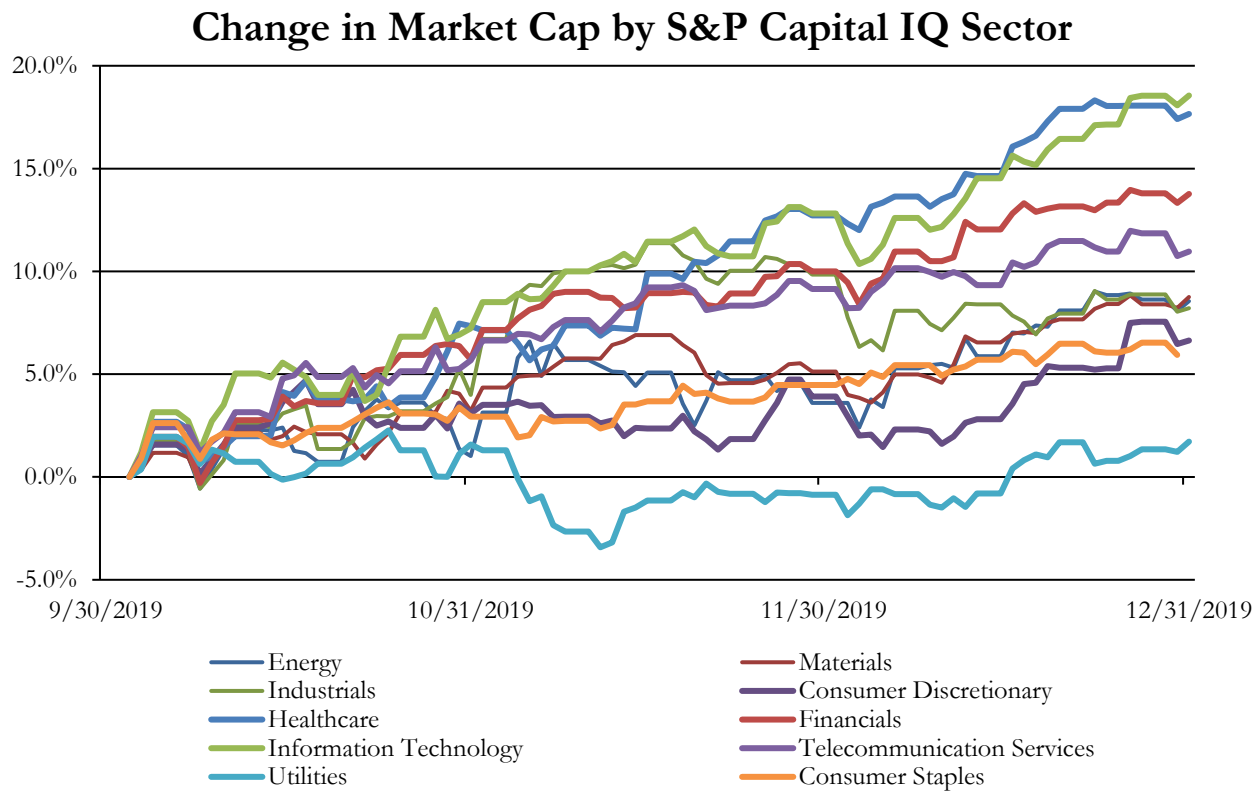
Recent M&A Activity in the Financial Services Industry December 31, 2018 to December 31, 2019

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Enterprise Value
9/30/2019	Unsecured Purchased Indirect Loan Portfolio of Citizens Community	NA	Specialized Finance	$11.00
7/1/2019	Certain Retail Customer Accounts of Capital Financial Services, Inc.	Calton & Associates, Inc.	Investment Banking and Brokerage	$0.30
12/31/2019	Factoring Portfolio of Sage Business Credit, LLC	North Mill Capital LLC	Specialized Finance	NA
12/31/2019	StockCross Financial Services, Inc.	Muriel Siebert & Co.	Investment Banking and Brokerage	NA
12/16/2019	Freeman & Co. Securities LLC	Houlihan Lokey, Inc.	Investment Banking and Brokerage	NA
12/16/2019	Magnify Credit Union	Pentagon Federal Credit Union	Specialized Finance	NA
12/10/2019	NMS Capital Advisors, LLC	1/0/1900	Investment Banking and Brokerage	NA
12/2/2019	MBMJ Capital LLC	Republic Business Credit, LLC	Specialized Finance	NA
12/2/2019	Portfolio of Middle Market Commercial Equipment Finance Loans	Sterling National Bank	Specialized Finance	NA
12/2/2019	Weeden Prime Services, LLC	Siebert Financial Corp.	Investment Banking and Brokerage	NA
12/1/2019	Lincoln National Federal Credit Union	Summit Credit Union	Specialized Finance	NA
12/1/2019	Turbine Federal Credit Union	Self-Help Credit Union	Specialized Finance	NA
11/27/2019	Allegiant Partners, Inc.	Tokyo Century (USA) Inc.	Specialized Finance	NA
11/19/2019	Renaissance Associates and Pure Payment Solutions, LLC	Rev19, LLC	Specialized Finance	NA
11/13/2019	Ef Legacy Securities, Llc	ARIA Retirement Solutions, Inc.	Investment Banking and Brokerage	NA
11/9/2019	White Haven Center Employees Federal Credit Union	Choice One Community Federal Credit Union	Specialized Finance	NA
11/4/2019	Corporate Stock Transfer, Inc.	EQ Shareowner Services	Investment Banking and Brokerage	NA
11/4/2019	The Williams Capital Group, L.P.	Siebert Cisneros Shank & Co., L.L.C. (nka:Siebert	Investment Banking and Brokerage	NA
11/1/2019	F.C.S. Federal Credit Union	Texas Tech Federal Credit Union	Specialized Finance	NA
11/1/2019	Mercury Capital Advisors Group, L.P.	Investcorp Bank B.S.C.	Investment Banking and Brokerage	NA
11/1/2019	Sugar Growers Federal Credit Union	Rio Grande Valley Credit Union	Specialized Finance	NA
10/29/2019	Technology Finance Corporation	Kingsbridge Holdings, LLC	Specialized Finance	NA
10/25/2019	Knight Capital LLC	Ready Capital Corporation	Specialized Finance	NA
10/15/2019	Summit Commercial Finance Company	Mintaka Financial, LLC	Specialized Finance	NA
10/15/2019	CoreVest American Finance Lender LLC	RWT Holdings, Inc.	Specialized Finance	NA
10/1/2019	Hawaii Pacific Federal Credit Union	Aloha Pacific Federal Credit Union	Specialized Finance	NA
10/1/2019	Monarch Federal Credit Union	Firefighters & Company Federal Credit Union	Specialized Finance	NA
10/1/2019	Substantially All of Franchise Finance Loan Portfolio of PNC Bank	MidCap Financial, LLC	Specialized Finance	NA
10/1/2019	Assets of CuLeam, LLC	CURevl, LLC	Specialized Finance	NA
10/1/2019	Homestead Federal Credit Union	Altana Federal Credit Union	Specialized Finance	NA
10/1/2019	Healthcare 1st Federal Credit Union	Potomac Federal Credit Union	Specialized Finance	NA
10/1/2019	Community Hope Federal Credit Union	Cobalt Credit Union	Specialized Finance	NA
10/1/2019	Health Credit Services, LLC	Ally Financial Inc.	Specialized Finance	NA
10/1/2019	Cornerstone Community Credit Union	Vibrant Credit Union	Specialized Finance	NA
10/1/2019	The Partnership Federal Credit Union	NASA Federal Credit Union	Specialized Finance	NA
10/1/2019	Carco Federal Credit Union	Educational Systems Federal Credit Union	Specialized Finance	NA
10/1/2019	20000 Customer Accounts of J.P. Morgan Asset Management	The Share Centre Limited	Investment Banking and Brokerage	NA
9/30/2019	Certain Assets of George K. Baum & Company	Stifel Financial Corp.	Investment Banking and Brokerage	NA
9/19/2019	Qu Capital Management, LLC	Genesis Global Trading, Inc.	Investment Banking and Brokerage	NA
9/18/2019	Cambridge Yacht Group, Inc.	Apollo Yachts, LLC	Investment Banking and Brokerage	NA
9/12/2019	Postal Employees Of Troy, N.Y. Federal Credit Union	CAP COM Federal Credit Union	Specialized Finance	NA
9/10/2019	America First Capital Associates Limited Partnership Two	Greystone & Co. Inc.	Investment Banking and Brokerage	NA
9/9/2019	Cleary Gull, Inc. (nka:CIBC Cleary Gull)	Canadian Imperial Bank of Commerce	Investment Banking and Brokerage	NA
9/4/2019	Assets of Phil Bailey & Associates, P.A.	HUB International Limited	Investment Banking and Brokerage	NA
9/1/2019	INTL Fillmore Advisors LLC	INTL FCStone Inc.	Investment Banking and Brokerage	NA
8/31/2019	Cross Roads Credit Union	United Consumers Credit Union	Specialized Finance	NA
8/31/2019	Hanesbrands Credit Union	Members Credit Union	Specialized Finance	NA
8/30/2019	Bannockburn Global Forex, LLC	First Financial Bank	Investment Banking and Brokerage	NA
8/23/2019	1619 Brill Broadway LLC	Company 3, LLC	Specialized Finance	NA
8/14/2019	Select Assets, Broker Dealer and Advisory Business of Foresters	Cetera Financial Group, Inc.	Investment Banking and Brokerage	NA
8/2/2019	Advisor Group, Inc.	Reverence Capital Partners LLC	Investment Banking and Brokerage	NA
8/2/2019	Weeden & Co. LP	Piper Jaffray Companies (nka:Piper Sandler	Investment Banking and Brokerage	NA
8/1/2019	Inspirus Credit Union	Gesa Credit Union	Specialized Finance	NA
7/31/2019	Metro North Federal Credit Union	Birmingham Bloomfield Credit Union	Specialized Finance	NA
7/31/2019	North Side Community Federal Credit Union	Great Lakes Credit Union	Specialized Finance	NA
7/30/2019	Sweney Cartwright & Co.	Boenning & Scattergood, Inc.	Investment Banking and Brokerage	NA

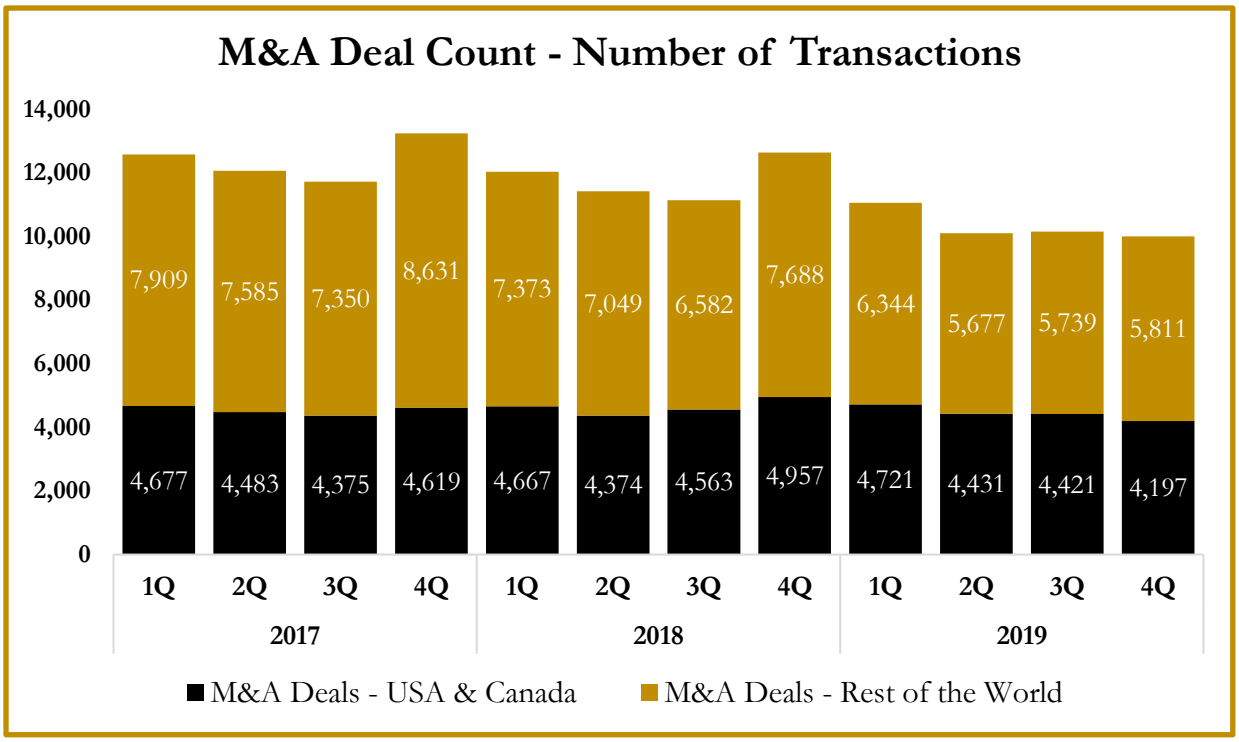
Source: Capital IQ

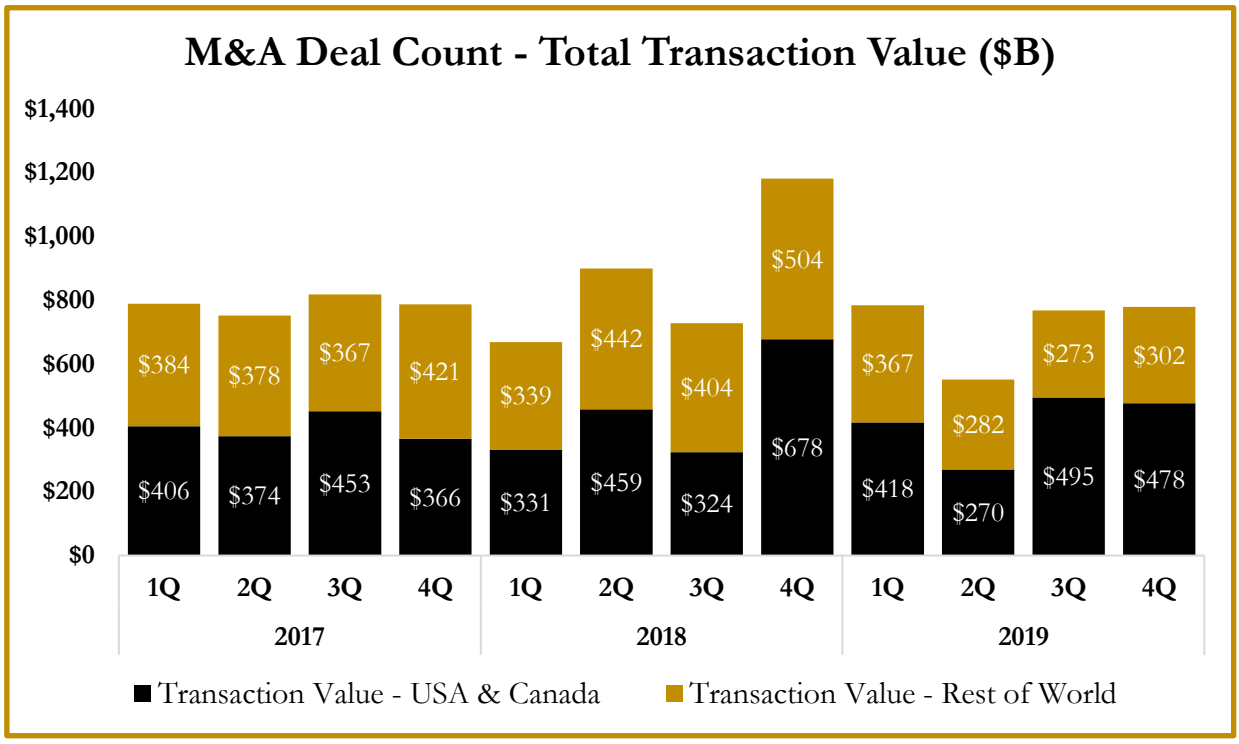
S&P Capital IQ - Sector Last 3 Month Equity Performance
As of December 31, 2019



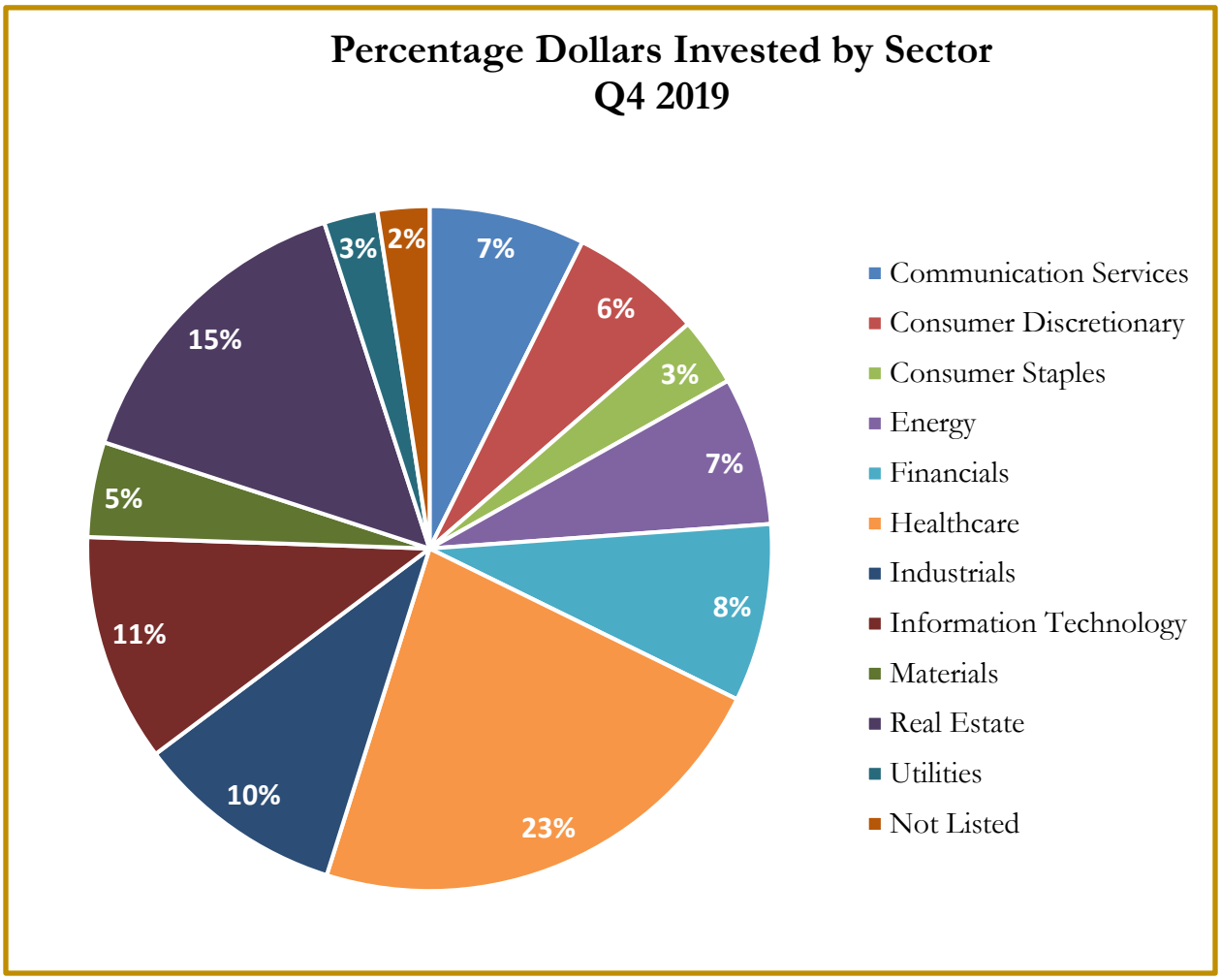
Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector
As of December 31, 2019





M&A Deal Flow Statistics by S&P Capital IQ Sector
As of December 31, 2019



HOULIHAN CAPITAL *Value. Added.*

About Us

Houlihan Capital is a leading, solutions-driven valuation, financial advisory and boutique investment banking firm. We pride ourselves on being thought leaders in an ever-changing landscape.

Houlihan Capital is SOC-compliant, a FINRA and SIPC member and committed to the highest levels of professional ethics and standards.

Valuation & Financial Advisory

We provide an array of services that include enterprise valuations, portfolio valuation, valuation of carried interest, transaction opinions, tax and financial reporting compliance, purchase price allocations, and a wide variety of consulting services through our Financial Advisory Group.

Investment Banking

Through our Investment Banking Group, we offer sell side/buy side advisory and capital raises. Through our Special Situations desk, we provide services that fit outside the archetypal verticals, including liquidity solutions, transactional advisory, and secondary market advisory and trading.

Litigation Support

Our team provides support for a wide variety of situations including commercial and shareholder disputes, derivatives and structured finance litigation, and fraudulent conveyance.

For additional information about our industry expertise and services, visit:

www.houlihancapital.com

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312.450.8610	312.450.8656	312.450.8628	312.450.8699