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Industry Observations – March 31, 2020

Insurance Industry

Select Insurance Public Company Industry Data As of March 31, 2020

(USD in millions, except per share data)

Company Name	Ticker	Market Data				Debt / Total Capital	LTM Operating Data			Forward Estimates	
		Price at 03/31/20	% of 52 Week High	Equity Value	Enterprise Value		Total Assets	LTM Revenue	LTM EBITDA	CY 2020 Revenue Estimate	CY 2020 EBITDA Estimate
Property and Casualty											
First American Financial Corporation	FAF	\$42.41	63.5%	\$4,771.37	\$4,898.37	23.1%	\$11,519.17	\$6,202.06	\$1,081.84	\$5,844.58	\$976.50
Stewart Information Services Corporation	STC	\$26.67	59.9%	\$631.54	\$633.13	22.9%	\$1,592.79	\$1,940.01	\$165.87	\$1,802.55	\$122.40
Fidelity National Financial, Inc.	FNFI	\$24.88	50.5%	\$6,857.13	\$8,183.19	18.3%	\$10,677.00	\$8,477.00	\$1,652.00	\$7,766.60	\$1,348.00
AMERISAFE, Inc.	AMSF	\$64.47	79.9%	\$1,244.12	\$1,206.39	0.1%	\$1,492.91	\$370.37	\$116.46	\$332.95	\$0.00
Life and Health											
Aflac Incorporated	AFL	\$34.24	59.9%	\$24,739.11	\$29,906.56	22.6%	\$152,768.00	\$22,307.00	\$4,714.00	\$21,850.84	\$0.00
Tamaska Oil and Gas Limited	TMK	\$0.00	66.7%	\$3.28	\$1.52	0.0%	\$2.62	\$0.00	-\$0.19	\$0.00	\$0.00
Prudential Financial, Inc.	PRU	\$52.14	49.0%	\$20,649.73	\$43,034.09	36.3%	\$896,552.00	\$64,710.00	\$5,475.00	\$58,299.15	\$0.00
MetLife, Inc.	MET	\$30.57	57.4%	\$27,996.86	\$113,078.28	59.9%	\$740,463.00	\$69,620.00	\$8,224.00	\$65,982.32	\$0.00
CNO Financial Group, Inc.	CNO	\$12.39	59.2%	\$1,795.06	\$5,092.30	45.2%	\$33,630.90	\$4,015.80	\$701.70	\$3,675.87	\$0.00
Unum Group	UNM	\$15.01	39.5%	\$3,047.38	\$6,511.37	25.7%	\$67,013.40	\$11,998.90	\$1,696.90	\$12,179.93	\$2,038.20
Insurance Brokers											
Arthur J. Gallagher & Co.	AJG	\$81.51	74.5%	\$15,454.91	\$20,388.39	49.4%	\$19,634.80	\$6,897.10	\$1,243.60	\$7,350.94	\$1,534.87
Brown & Brown, Inc.	BRO	\$36.22	74.4%	\$10,269.33	\$12,014.47	34.5%	\$7,622.82	\$2,384.74	\$755.98	\$2,508.36	\$733.39
Crawford & Company	CRD.B	\$6.39	59.2%	\$339.60	\$593.94	64.1%	\$760.01	\$1,005.80	\$86.77	\$1,045.76	\$117.47
eHealth, Inc.	EHTH	\$140.82	92.5%	\$3,556.79	\$3,245.05	6.9%	\$741.63	\$506.20	\$110.66	\$607.12	\$129.90
Marsh & McLennan Companies, Inc.	MMC	\$86.46	72.1%	\$43,567.01	\$62,892.63	64.2%	\$31,357.00	\$16,652.00	\$4,049.00	\$17,566.40	\$4,389.92
Benefytt Technologies, Inc.	HIIQ	\$0.00	#DIV/0!	\$0.00	\$548.24	56.1%	\$651.86	\$381.81	\$60.26	\$318.84	\$68.60

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 Insurance Public Company Valuation Metrics As of March 31, 2020

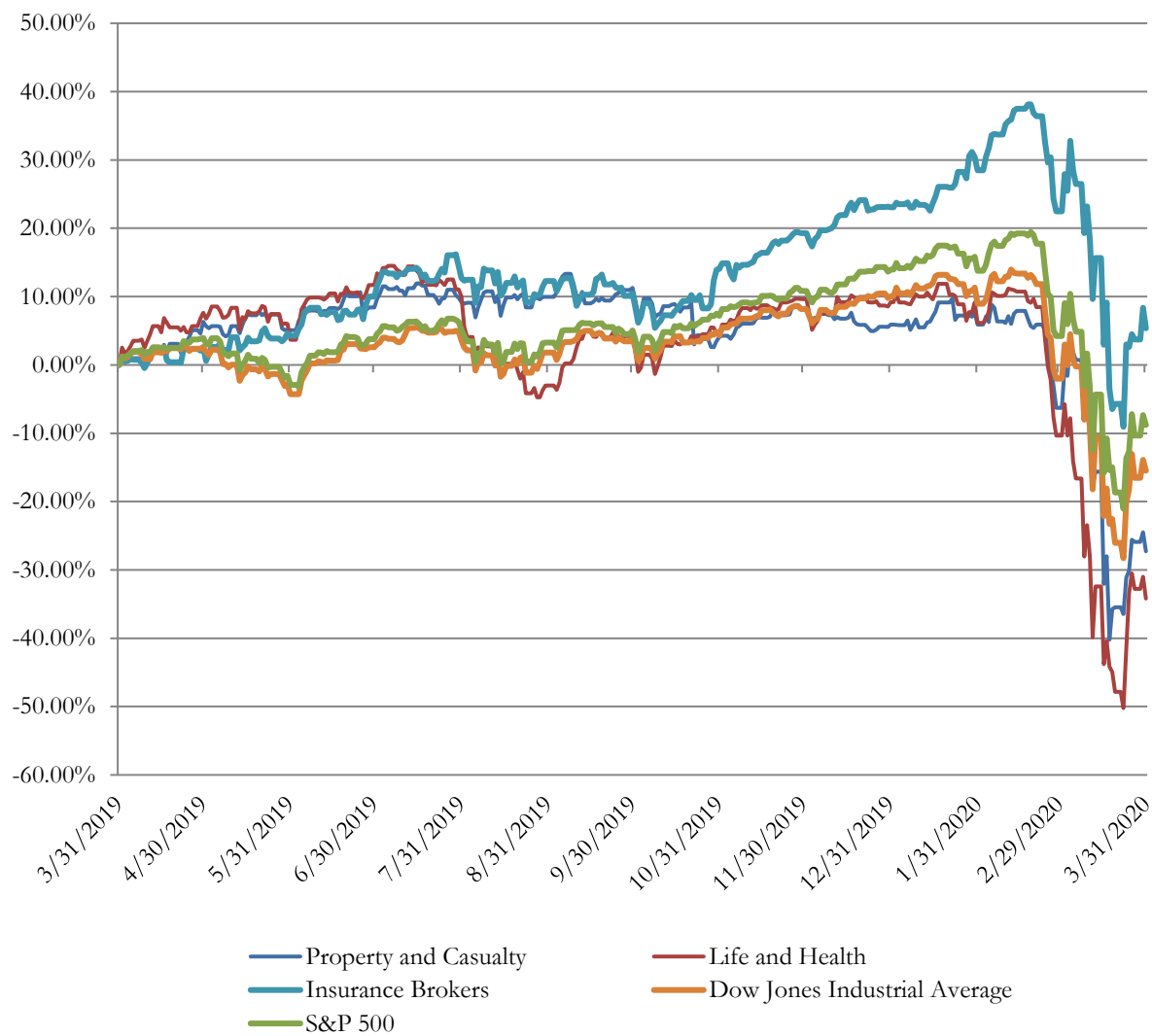
(USD in millions, except per share data)

Company Name	Ticker	LTM Operating Statistics						Trading Multiples			
		Return On Assets	Return On Equity	Return On Capital	Revenue Growth	EBITDA Growth	EBITDA Margin	TEV/ LTM Revenue	TEV/ CY 2020 Revenue	TEV/ LTM EBITDA	TEV/ CY 2020 EBITDA
Property and Casualty											
First American Financial Corporation	FAF	5.4%	17.4%	11.6%	7.9%	39.3%	17.4%	0.8x	0.8x	4.5x	5.0x
Stewart Information Services Corporation	STC	6.0%	12.6%	10.1%	1.7%	41.8%	8.6%	0.3x	0.4x	3.8x	5.2x
Fidelity National Financial, Inc.	FNF	9.2%	20.1%	14.4%	11.7%	69.8%	19.5%	1.0x	1.1x	5.0x	6.1x
AMERISAFE, Inc.	AMSF	4.8%	22.1%	17.2%	-2.0%	31.5%	31.4%	3.3x	3.6x	10.4x	N/A
	Mean	6.4%	18.0%	13.3%	4.8%	45.6%	19.2%	1.3x	1.5x	5.9x	5.4x
	Median	5.7%	18.8%	13.0%	4.8%	40.6%	18.5%	0.9x	0.9x	4.7x	5.2x
Life and Health											
Aflac Incorporated	AFL	2.0%	12.6%	8.6%	2.5%	10.8%	21.1%	1.3x	1.4x	6.3x	N/A
Prudential Financial, Inc.	PRU	0.4%	7.5%	3.4%	2.3%	3.6%	8.5%	0.7x	0.7x	7.9x	N/A
MetLife, Inc.	MET	0.7%	9.9%	3.2%	2.5%	4.9%	11.8%	1.6x	1.7x	13.7x	N/A
CNO Financial Group, Inc.	CNO	0.8%	10.2%	3.4%	-6.9%	287.7%	17.5%	1.3x	1.4x	7.3x	N/A
Unum Group	UNM	1.5%	11.8%	7.9%	3.5%	89.3%	14.1%	0.5x	0.5x	3.8x	3.2x
	Mean	1.1%	10.4%	5.3%	0.8%	79.2%	14.6%	1.1x	1.1x	7.8x	3.2x
	Median	0.8%	10.2%	3.4%	2.5%	10.8%	14.1%	1.3x	1.4x	7.3x	3.2x
Insurance Brokers											
Arthur J. Gallagher & Co.	AJG	2.7%	14.6%	5.2%	2.8%	19.6%	18.0%	3.0x	2.8x	16.4x	13.3x
Brown & Brown, Inc.	BRO	5.5%	12.5%	8.1%	18.7%	24.2%	31.7%	5.0x	4.8x	15.9x	16.4x
Crawford & Company	CRD.B	5.5%	5.5%	9.6%	-6.1%	-12.5%	8.6%	0.6x	0.6x	6.8x	5.1x
eHealth, Inc.	EHTH	11.2%	16.1%	15.1%	101.4%	418.0%	21.9%	6.4x	5.3x	29.3x	25.0x
Marsh & McLennan Companies, Inc.	MMC	8.0%	22.8%	12.0%	11.4%	16.7%	24.3%	3.8x	3.6x	15.5x	14.3x
Benefytt Technologies, Inc.	HHIQ	5.9%	25.9%	13.4%	8.7%	80.1%	15.8%	1.4x	1.7x	9.1x	8.0x
	Mean	6.5%	16.3%	10.6%	22.8%	91.0%	20.1%	3.4x	3.1x	15.5x	13.7x
	Median	5.7%	15.4%	10.8%	10.1%	21.9%	19.9%	3.4x	3.2x	15.7x	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

Insurance Public Company LTM Equity Performance As of March 31, 2020



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

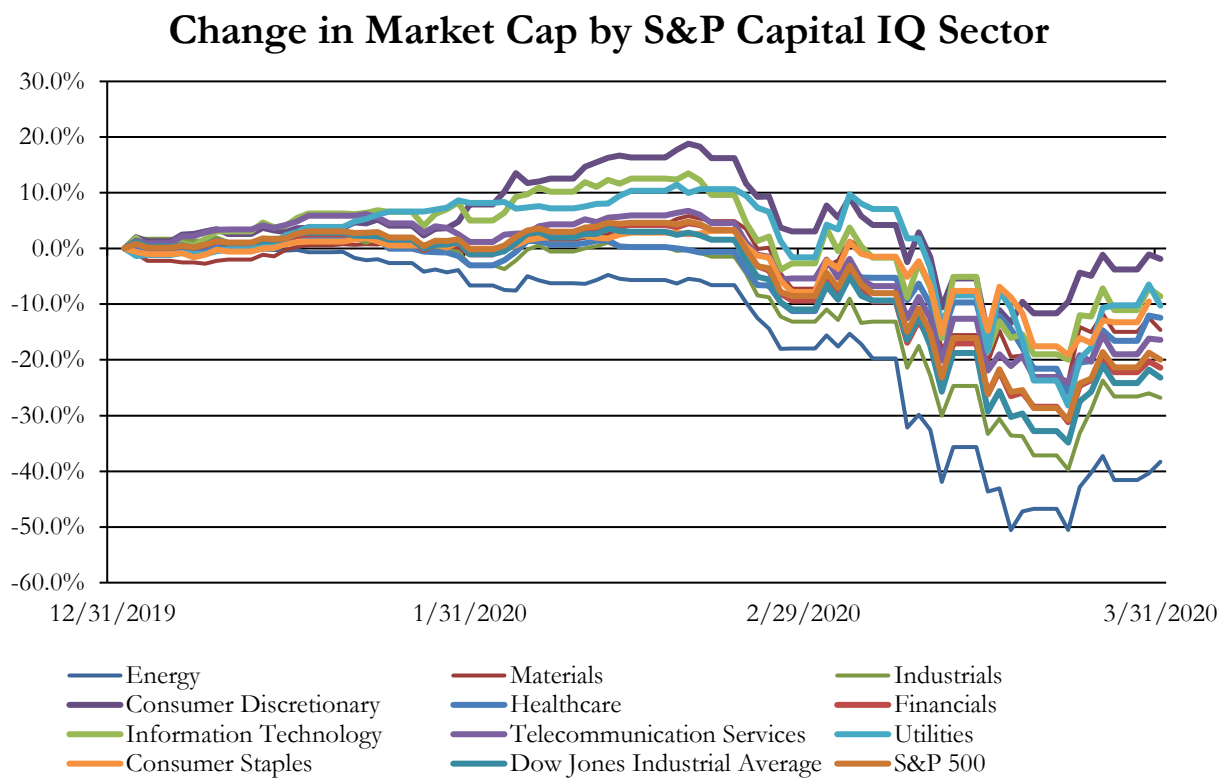
Recent M&A Activity in Insurance Industry YTD as of March 31, 2020

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Equity Value
3/31/2020	KAR Enterprises LLC	Benefit Commerce Group LLC	Insurance Brokers	NA
3/31/2020	First United Insurance Solutions	Independent Insurance Group Inc.	Multi-line Insurance	NA
3/24/2020	Southern Pioneer Property & Casualty Insurance Company	Biglari Holdings Inc.	Property and Casualty Insurance	NA
3/20/2020	Global Business Insurance Agency, Inc	Inszone Insurance Services, Inc.	Insurance Brokers	NA
3/20/2020	Aljane Insurance Inc.	Gilbert Insurance Agency, Inc.	Insurance Brokers	NA
3/19/2020	Healthcare Liability Consultants Agency Inc.	Hilb Group LLC	Life and Health Insurance	NA
3/18/2020	Unity Group Holdings Corp.	Willis Europe B.V.	Insurance Brokers	NA
3/18/2020	Aniello Insurance Agency, Inc.	AssuredPartners, Inc.	Insurance Brokers	NA
3/17/2020	Killmett Agency, LLC	Integrity Marketing Group, LLC	Insurance Brokers	NA
3/17/2020	Olson Group	Patriot Growth Partners, LLC	Insurance Brokers	NA
3/16/2020	AmeriLife Group, LLC	Thomas H. Lee Partners, L.P.	Insurance Brokers	NA
3/16/2020	Access Partners Insurance Services, LLC	Integrated Specialty Coverages, LLC	Insurance Brokers	NA
3/16/2020	Global Pro Insurance Service Corporation	Inszone Insurance Services, Inc.	Insurance Brokers	NA
3/16/2020	McConnell, Manit & Trout Insurance Services LLC	Arthur J. Gallagher & Co.	Insurance Brokers	NA
3/13/2020	Substantially All of the Assets of RLA Insurance	Peachtree Special Risk Brokers, LLC	Insurance Brokers	NA
3/13/2020	Group Alternatives, Inc.	AssuredPartners, Inc.	Insurance Brokers	NA
3/12/2020	EGR Insurance Inc.	TrueNorth First MainStreet, LLC	Multi-line Insurance	NA
3/12/2020	Rominger Insurance Agency	First MainStreet Insurance, L.C.	Insurance Brokers	NA
3/12/2020	K-TENN Insurance Company	First Trinity Financial Corporation	Insurance Brokers	NA
3/11/2020	Wateridge Insurance Services, Inc.	AssuredPartners, Inc.	Insurance Brokers	NA
3/10/2020	Rights And Records Of THE HEARTH GROUP LLC	EG Insurance Agency	Insurance Brokers	NA
3/10/2020	Assets of Harris, Madden, Powell, Stallings & Brown, Inc.	HUB International Limited	Property and Casualty Insurance	NA
3/10/2020	LifeSmart Inc.	Integrity Marketing Group, LLC	Life and Health Insurance	NA
3/9/2020	LifePlus Insurance Agency, Inc.	Hilb Group LLC	Insurance Brokers	NA
3/9/2020	Pike Insurance Agency Inc.	Kaplansky Insurance Agency, Inc.	Insurance Brokers	NA
3/6/2020	Northeast Dealer Consultants INC.	Brown & Brown of Kentucky, Inc.	Insurance Brokers	NA
3/5/2020	First Line Insurance Services, Inc.	Virtus Rocky Mountain LLC	Insurance Brokers	NA
3/4/2020	Assets of Linton & Associates LLC	HUB International Limited	Insurance Brokers	NA
3/4/2020	Assets of Atlas Group Limited	RSC Insurance Brokerage, Inc.	Reinsurance	NA
3/3/2020	Taylor Financial and Insurance Services, Inc.	Integrity Marketing Group, LLC	Insurance Brokers	NA
3/3/2020	Pend Oreille Insurance Services, Inc.	Alliant Insurance Services, Inc.	Insurance Brokers	NA
3/2/2020	Webber & Associates Inc.	Hutchinson-Traylor Insurance Agency	Insurance Brokers	NA
3/2/2020	CMS, LLC	Risk Placement Services, Inc.	Insurance Brokers	NA
3/2/2020	Full Service Insurance Inc.	USI Insurance Services, LLC	Insurance Brokers	NA
3/2/2020	Portfolio of Insurance held by Arbor Insurance Agency	Ann Arbor Insurance Centre, Inc.	Insurance Brokers	NA
3/1/2020	Mazzotta Insurance Agency	World Insurance Associates LLC	Insurance Brokers	NA
3/1/2020	TAB Insurance Agency, LLC	World Insurance Associates LLC	Property and Casualty Insurance	NA
2/28/2020	Trilogy Group Benefits, LLC	Alera Group, Inc.	Insurance Brokers	NA
2/26/2020	Iron Mountain Insurance, LLC	PointeNorth Insurance Group, LLC	Insurance Brokers	NA
2/25/2020	Palmetto Senior Benefits, LLC	Integrity Marketing Group, LLC	Insurance Brokers	NA
2/25/2020	Bagatta Associates, Inc.	Patriot Growth Partners, LLC	Property and Casualty Insurance	NA
2/24/2020	UWS Insurance Corp.	Trucept, Inc.	Insurance Brokers	NA
2/18/2020	Unirise, Inc.	RSC Insurance Brokerage, Inc.	Property and Casualty Insurance	NA
2/14/2020	Pope & Young Bonding & Insurance Services, Inc.	Relation Insurance, Inc.	Property and Casualty Insurance	NA
2/13/2020	Nevada West Business Insurance Agency, Inc.	AssuredPartners, Inc.	Property and Casualty Insurance	NA
2/12/2020	Ultra Risk Advisors, Inc.	DOXA Insurance Holdings LLC	Insurance Brokers	NA
2/12/2020	RDA Benefit Services, LLC	Insurance Office of America, Inc.	Insurance Brokers	NA
2/10/2020	Orgill Singer & Associates, Inc	USI Insurance Services, LLC	Insurance Brokers	NA
2/10/2020	Privilege Underwriters, Inc.	HCC Insurance Holdings Inc.	Property and Casualty Insurance	NA
2/6/2020	TRA Insurance Service, Inc.	HUB International Limited	Property and Casualty Insurance	NA
2/6/2020	Insurance Group of the Southeast, LLC	Hutchinson-Traylor Insurance Agency	Insurance Brokers	NA
2/5/2020	Assets of Kokkoris Corp	HUB International Limited	Insurance Brokers	NA
2/4/2020	Transport Risk Management, Inc.	RSC Insurance Brokerage, Inc.	Insurance Brokers	NA
2/4/2020	T. F. Ward Insurance Agency, Inc.	A. David Risman Insurance Agency, Inc.	Insurance Brokers	NA
2/3/2020	Ment Life Insurance Company	Brickell Insurance Holdings LLC	Life and Health Insurance	NA
2/1/2020	Virginia Insurance Partners	World Insurance Associates LLC	Life and Health Insurance	NA
2/1/2020	Lewis-Chester Associates, Inc.	World Insurance Associates LLC	Insurance Brokers	NA
1/31/2020	Substantially All Assets of Harris F Underwood III, Inc.	Insgroup, Inc.	Insurance Brokers	NA
1/31/2020	Momentous Insurance Brokerage, Inc.	Marsh & McLennan Agency LLC	Insurance Brokers	NA
1/31/2020	Forté Benefits	USI Insurance Services, LLC	Insurance Brokers	NA
1/31/2020	PetFirst Healthcare, LLC	MetLife, Inc.	Life and Health Insurance	NA
1/30/2020	Nimiroski Insurance Agency, Inc.	FBinsure, LLC	Insurance Brokers	NA
1/28/2020	Hanover Excess and Surplus, Inc.	Arthur J. Gallagher & Co.	Insurance Brokers	NA
1/28/2020	Agent Pipeline, Inc.	Integrity Marketing Group, LLC	Insurance Brokers	NA
1/28/2020	Group Brokerage Insurance Agency, LLC	Hilb Group LLC	Insurance Brokers	NA

Source: Capital IQ

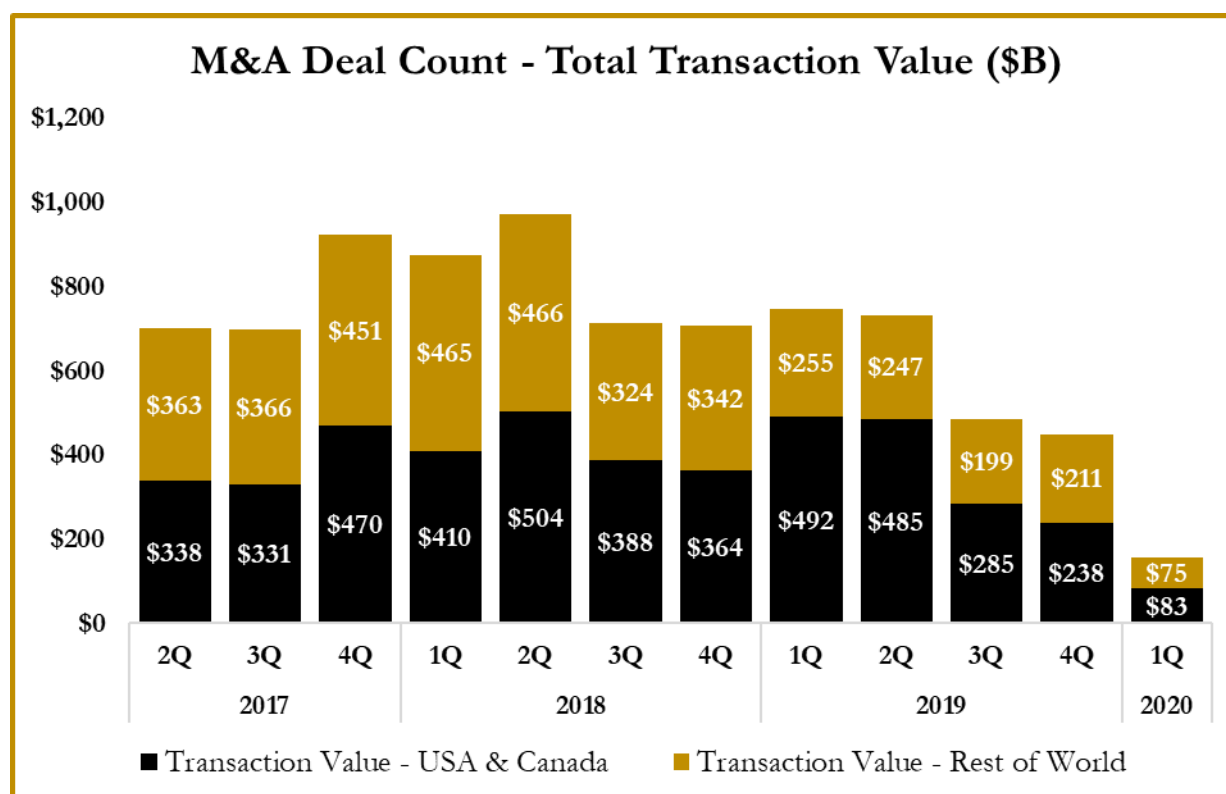
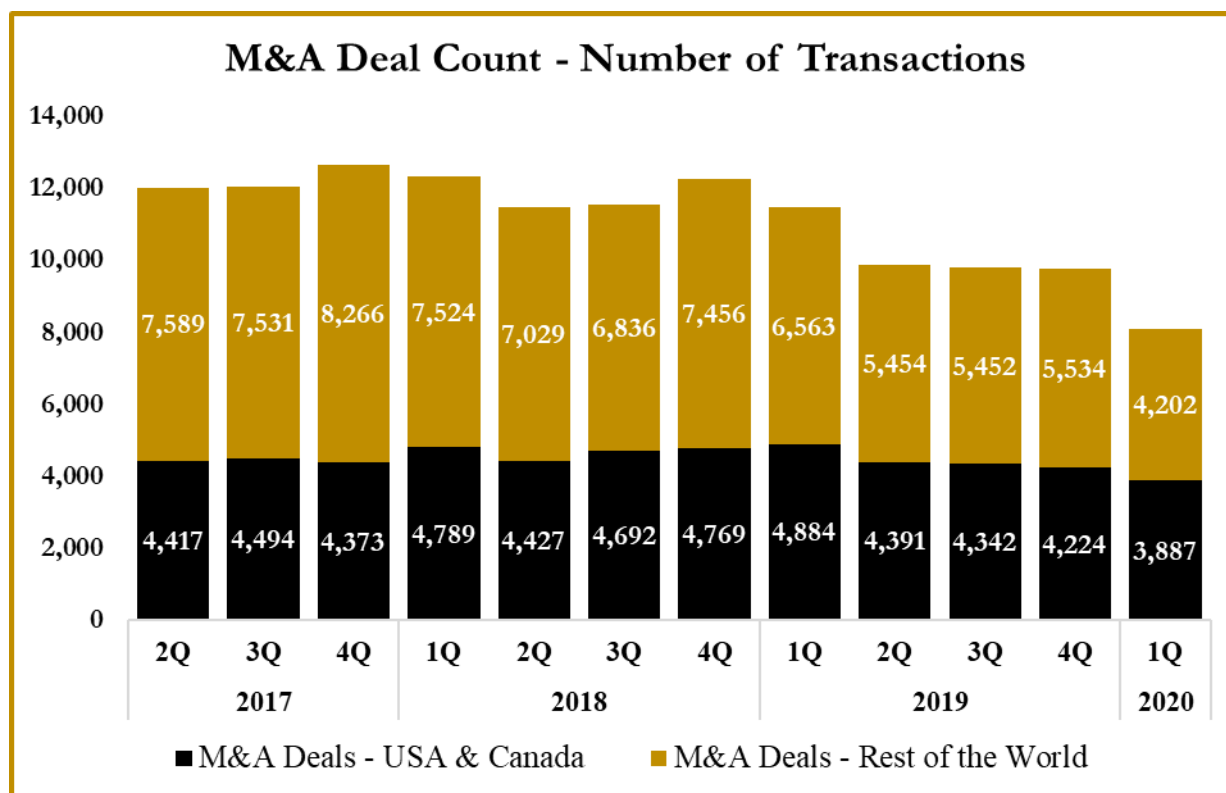
S&P Capital IQ - Sector Last 3 Month Equity Performance As of March 31, 2020



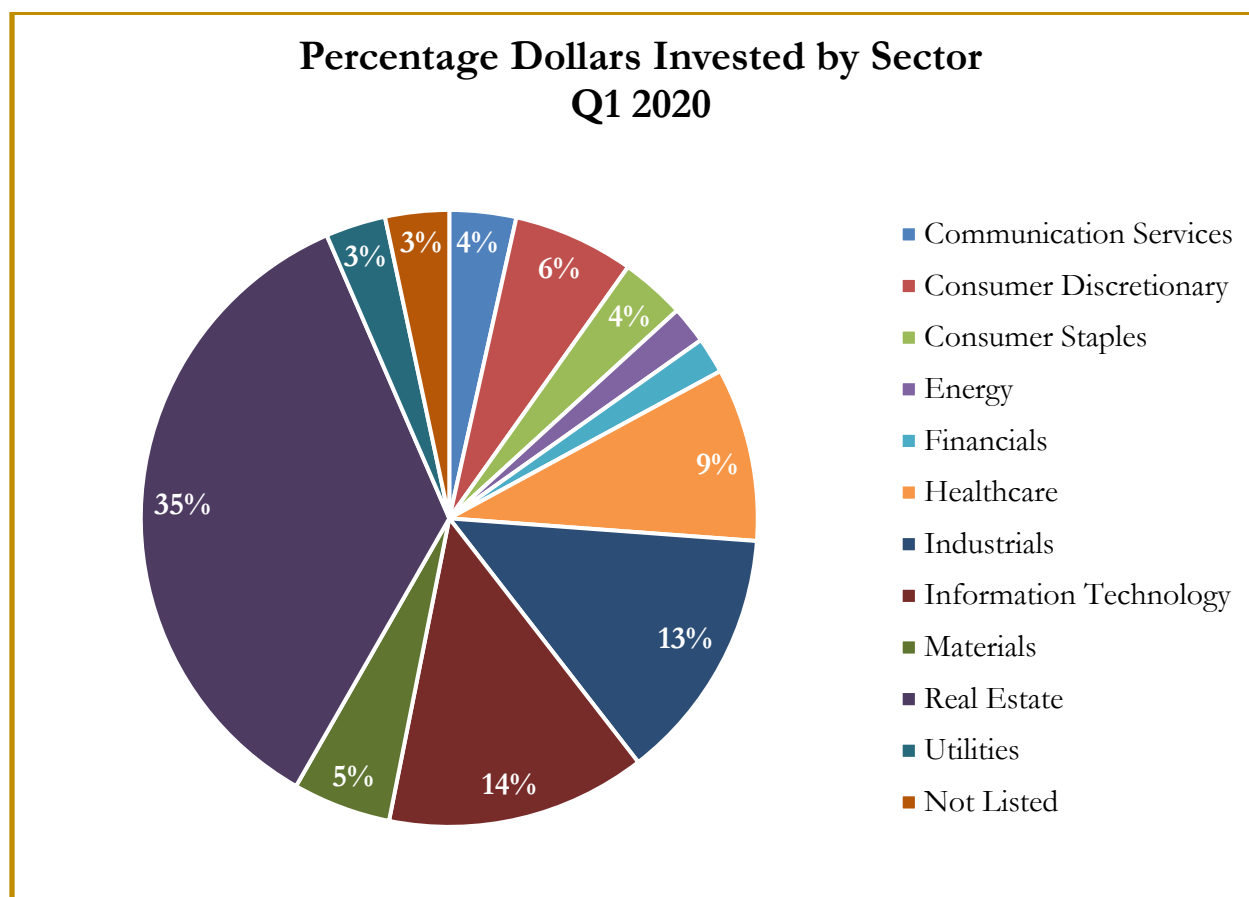
Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector

As of March 31, 2020



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of March 31, 2020





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.

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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.

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

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industry expertise and services, visit:**

www.houlihancapital.com

Andrew Smith asmith@houlihancapital.com 312.450.8610	Paul Clark pclark@houlihancapital.com 312.450.8656	Michael Norton mnorton@houlihancapital.com 312.450.8628	Monica Blocker mblocker@houlihancapital.com 312.450.8699
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