



**HOULIHAN
CAPITAL**

Value. Added.



Industry Observations – June 30, 2020

Insurance Industry

Select Insurance Public Company Industry Data As of June 30, 2020

(USD in millions, except per share data)

Company Name	Ticker	Market Data				Debt / Total Capital	LTM Operating Data			Forward Estimates	
		Price at 06/30/20	% of 52 Week High	Equity Value	Enterprise Value		Total Assets	LTM Revenue	LTM EBITDA	CY 2019 Revenue Estimate	CY 2019 EBITDA Estimate
Property and Casualty											
First American Financial Corporation	FAF	\$48.02	71.9%	\$5,350.44	\$6,700.26	27.0%	\$11,675.49	\$6,311.42	\$1,011.17	\$6,214.95	\$614.30
Stewart Information Services Corporation	STC	\$32.51	73.7%	\$769.93	\$817.94	22.3%	\$1,507.87	\$1,981.39	\$176.84	\$1,776.90	N/A
Fidelity National Financial, Inc.	FNF	\$30.66	62.2%	\$9,173.23	\$11,131.71	19.0%	\$10,204.00	\$8,363.00	\$1,297.00	\$8,566.00	N/A
AMERISAFE, Inc.	AMSF	\$61.16	75.8%	\$1,180.26	\$1,158.44	0%	\$1,524.16	\$354.38	\$105.90	\$317.14	N/A
Life and Health											
Aflac Incorporated	AFL	\$36.03	63.0%	\$25,851.81	\$32,119.62	26.9%	\$151,616.00	\$21,812.00	\$4,187.00	\$21,864.13	N/A
Tamaska Oil and Gas Limited	TMK	\$0.00	66.7%	\$3.68	\$1.13	0%	\$2.62	\$0.00	-\$0.19	N/A	N/A
Prudential Financial, Inc.	PRU	\$60.90	58.8%	\$24,055.50	\$32,794.85	38.3%	\$873,712.00	\$63,083.00	\$4,308.00	\$55,530.34	N/A
MetLife, Inc.	MET	\$36.52	68.5%	\$33,145.14	\$121,769.62	61.1%	\$737,741.00	\$71,628.00	\$12,109.00	\$63,590.14	N/A
CNO Financial Group, Inc.	CNO	\$15.57	74.4%	\$2,236.12	\$5,614.41	50.1%	\$32,735.00	\$3,710.00	\$550.50	\$3,556.92	N/A
Unum Group	UNM	\$16.59	47.3%	\$3,374.75	\$6,695.43	25.3%	\$65,335.90	\$11,882.40	\$1,550.40	\$11,917.53	\$1,973.05
Insurance Brokers											
Arthur J. Gallagher & Co.	AJG	\$97.49	89.1%	\$18,486.15	\$24,767.77	51.4%	\$20,836.50	\$6,825.40	\$1,322.10	\$6,875.40	\$1,487.27
Brown & Brown, Inc.	BRO	\$40.76	83.7%	\$11,551.53	\$14,144.16	33.6%	\$7,582.35	\$2,463.78	\$815.89	\$2,472.91	\$730.70
Crawford & Company	CRD.B	\$7.03	65.2%	\$372.79	\$663.02	70.9%	\$781.67	\$996.28	\$81.96	\$959.77	\$97.09
eHealth, Inc.	EHTH	\$98.24	64.6%	\$2,516.32	\$2,770.70	5.5%	\$941.52	\$543.84	\$107.73	\$657.44	\$144.97
Marsh & McLennan Companies, Inc.	MMC	\$107.37	89.6%	\$54,341.98	\$72,893.38	68.1%	\$31,391.00	\$17,232.00	\$4,319.00	\$16,799.13	\$4,274.94

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 June 30, 2020

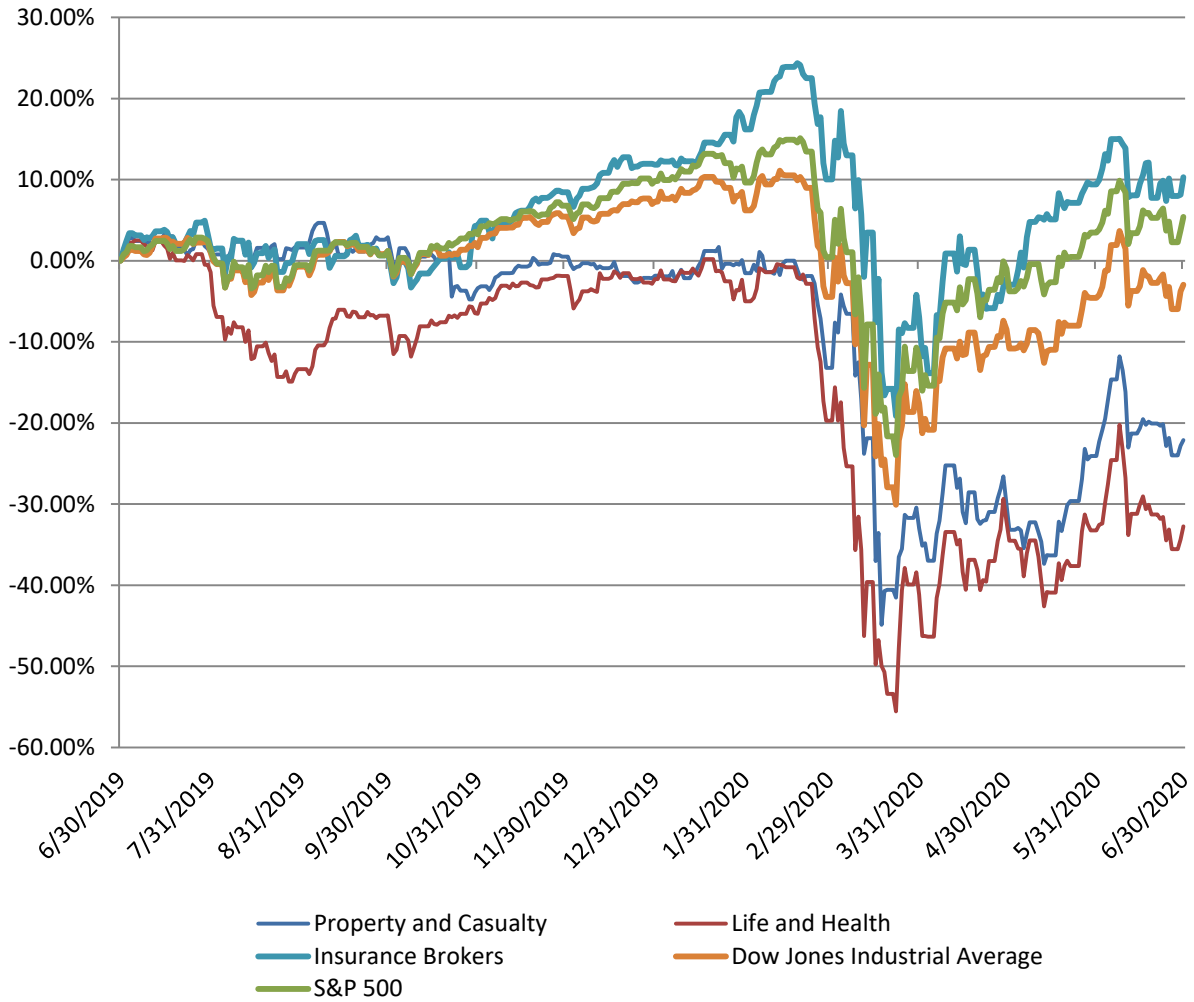
(USD in millions, except per share data)

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 2019 Revenue	TEV/ LTM EBITDA	TEV/ CY 2019 EBITDA
Property and Casualty											
First American Financial Corporation	FAF	4.8%	16.1%	10.0%	9.7%	21.7%	16.0%	1.1x	1.1x	6.6x	10.9x
Stewart Information Services Corporation	STC	6.6%	14.5%	10.6%	6.0%	55.0%	8.9%	0.4x	0.5x	4.6x	N/A
Fidelity National Financial, Inc.	FNF	7.1%	15.4%	10.7%	9.6%	16.1%	15.5%	1.3x	1.3x	8.6x	N/A
AMERISAFE, Inc.	AMSF	4.3%	19.4%	15.1%	-6.4%	13.9%	29.9%	3.3x	3.7x	10.9x	N/A
	Mean	5.7%	16.3%	11.6%	4.7%	26.7%	17.6%	1.5x	1.6x	7.7x	10.9x
	Median	5.7%	15.7%	10.6%	7.8%	18.9%	15.8%	1.2x	1.2x	7.6x	10.9x
Life and Health											
Aflac Incorporated	AFL	1.7%	11.2%	7.4%	-0.6%	-7.3%	19.2%	1.5x	1.5x	7.7x	N/A
Prudential Financial, Inc.	PRU	0.3%	5.2%	2.3%	-2.4%	-8.3%	6.8%	0.5x	0.6x	7.6x	N/A
MetLife, Inc.	MET	1.0%	13.8%	4.4%	3.2%	56.0%	16.9%	1.7x	1.9x	10.1x	N/A
CNO Financial Group, Inc.	CNO	0.6%	8.8%	2.3%	-14.3%	311.4%	14.8%	1.5x	1.6x	10.2x	N/A
Unum Group	UNM	1.4%	10.4%	7.2%	1.7%	69.7%	13.0%	0.6x	0.6x	4.3x	3.4x
	Mean	1.0%	9.9%	4.7%	-2.5%	84.3%	14.2%	1.2x	1.2x	8.0x	3.4x
	Median	1.0%	10.4%	4.4%	-0.6%	56.0%	14.8%	1.5x	1.5x	7.7x	3.4x
Insurance Brokers											
Arthur J. Gallagher & Co.	AJG	2.5%	14.3%	4.9%	0.3%	22.8%	19.4%	3.6x	3.6x	18.7x	16.7x
Brown & Brown, Inc.	BRO	6.0%	13.3%	8.6%	15.8%	25.2%	33.1%	5.7x	5.7x	17.3x	19.4x
Crawford & Company	CRD.B	4.6%	-6.0%	7.4%	-4.7%	-11.2%	8.2%	0.7x	0.7x	8.1x	6.8x
eHealth, Inc.	EHTH	8.5%	12.2%	9.8%	96.3%	254.1%	19.8%	5.1x	4.2x	25.7x	19.1x
Marsh & McLennan Companies, Inc.	MMC	7.3%	23.5%	9.8%	14.7%	23.5%	25.1%	4.2x	4.3x	16.9x	17.1x
Benefytt Technologies, Inc.	HIIQ	3.8%	-16.3%	8.7%	1.0%	65.5%	12.2%	N/A	N/A	N/A	N/A
	Mean	5.5%	6.8%	8.2%	20.6%	63.3%	19.6%	3.9x	3.7x	17.4x	15.8x
	Median	5.3%	12.7%	8.6%	7.8%	24.3%	19.6%	4.2x	4.2x	17.3x	17.1x

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

Source: Capital IQ

Insurance Public Company LTM Equity Performance
As of June 30, 2020



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

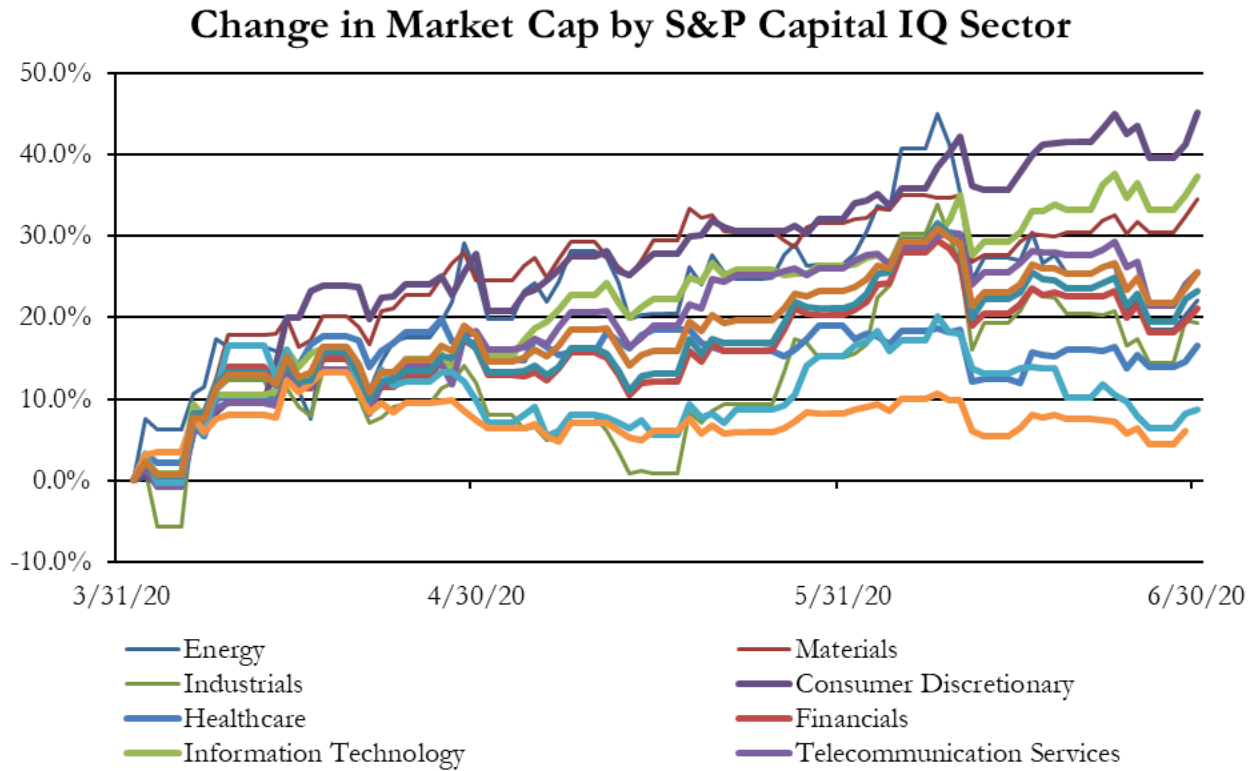
Recent M&A Activity in Insurance Industry YTD as of June 30, 2020

(USD in millions)

Close Date	Target	Acquirer	Target Company Primary Industry	Implied Equity Value
6/30/2020	Fortitude Group Holdings, LLC	Carlyle Group L.P. (nka:The Carlyle Group Inc.);	Reinsurance	\$2,343.72
6/30/2020	National Lloyds Corporation	Align Financial Group, LLC	Property and Casualty Insurance	\$143.60
6/30/2020	Gateway Insurance Company	Buckle Agency LLC	Property and Casualty Insurance	\$4.70
6/30/2020	Anchor Specialty Insurance Company	Weston Insurance Holdings Corporation	Property and Casualty Insurance	N/A
6/30/2020	McNerney Management Group, Inc.	Integrity Marketing Group, LLC	Insurance Brokers	N/A
6/26/2020	MyStrongHome PBC	National Energy Improvement Fund LLC	Insurance Brokers	N/A
6/26/2020	National Lloyds Insurance Company/American Summit	ReAlign Insurance Holdings, LLC	Property and Casualty Insurance	N/A
6/24/2020	Mercury Financial Group LLC	Lion Street, Inc.	Insurance Brokers	N/A
6/22/2020	Sunstar Insurance Group, LLC	BBH Capital Partners	Insurance Brokers	N/A
6/22/2020	National Agents Alliance	Integrity Marketing Group, LLC	Life and Health Insurance	N/A
6/19/2020	WTPhelan & Co	AssuredPartners, Inc.	Insurance Brokers	N/A
6/19/2020	NationsBuilders Insurance Company	ICDC, Ltd.	Property and Casualty Insurance	N/A
6/18/2020	Cunnington And Associates Inc.	Arthur J. Gallagher & Co.	Insurance Brokers	N/A
6/16/2020	Artisan Insurance Group Inc.	The Plexus Groupe LLC	Insurance Brokers	N/A
6/16/2020	Community Insurance Group, Inc.	The Plexus Groupe LLC	Insurance Brokers	N/A
6/16/2020	Rand-Tec Insurance Agency, Inc.	AssuredPartners, Inc.	Insurance Brokers	N/A
6/15/2020	Quaker Special Risk	JenCap Holdings, LLC	Insurance Brokers	N/A
6/11/2020	Summers Thompson Lowry, Inc.	Relation Insurance, Inc.	Insurance Brokers	N/A
6/8/2020	Prepared Insurance Company	Lighthouse Property Insurance Corporation	Property and Casualty Insurance	N/A
6/8/2020	Insurit & Associates Inc.	Appalachian Underwriters, Inc.	Insurance Brokers	N/A
6/8/2020	Assets of The Clements Agency, LLC and Flagstaff Insurance,	HUB International Limited	Insurance Brokers	N/A
6/5/2020	CRE5 Insurance Services, LLC	Arthur J. Gallagher & Co.	Property and Casualty Insurance	N/A
6/5/2020	Williams & Williams, Inc.	AssuredPartners, Inc.	Insurance Brokers	N/A
6/5/2020	Royal Oak Underwriters, Inc.	Worldwide Facilities, LLC	Insurance Brokers	N/A
6/4/2020	Strategic Underwriting Solutions, LLC	Worldwide Facilities, LLC	Insurance Brokers	N/A
6/3/2020	Synergy Life Brokerage Group, LLC	MAS Advisors LLC	Insurance Brokers	N/A
6/2/2020	Ascend Insurance Brokerage (nka:Ascend, A Higginbotham	Higginbotham Insurance Group, Inc.	Insurance Brokers	N/A
6/2/2020	Blue Ridge Specialty LLC	Applied Underwriters, Inc.	Insurance Brokers	N/A
6/2/2020	Farris Insurance Agency, Inc.	Sunstar Insurance Group of Arkansas	Insurance Brokers	N/A
6/1/2020	Bentsen Combies Insurance, Inc. (nka:BCI Holdings, Inc.)	World Insurance Associates LLC	Insurance Brokers	N/A
6/1/2020	Hastava Insurance Agency Inc.	Acrisure, LLC	Insurance Brokers	N/A
6/1/2020	Benco Insurance Planners, Inc.	Patriot Growth Partners, LLC	Insurance Brokers	N/A
6/1/2020	Ference Insurance Agency, Inc.	Patriot Growth Partners, LLC	Insurance Brokers	NA
6/1/2020	El Hefe Man, LLC	World Insurance Associates LLC	Insurance Brokers	NA
6/1/2020	Madeleine I. Brooks Insurance Agency, LLC	A.P. Michaud Insurance Agency, Inc.	Insurance Brokers	NA
6/1/2020	Fort Myers Insurance Agency, Inc.	Hilb Group LLC	Insurance Brokers	NA
6/1/2020	All Assets of Rosenthal Bros., Inc.	Baldwin Krystyn Sherman Partners, LLC	Insurance Brokers	NA
5/28/2020	Cypress Insurance Group Inc.	AssuredPartners, Inc.	Multi-line Insurance	NA
5/22/2020	IAS Parent Holdings, Inc.	iA Financial Corporation Inc.	Property and Casualty Insurance	NA
5/19/2020	Equis Financial Inc.	Integrity Marketing Group, LLC	Insurance Brokers	NA
5/15/2020	Assets of Lashua-Lachance & Polik Insurance Agency, Inc.	Hub International New England, LLC	Property and Casualty Insurance	NA
5/14/2020	Assets of Hatchett Insurance Agency, LLC	HUB International Limited	Insurance Brokers	NA
5/13/2020	Business Assets of Intercorp Inc. and BNK Insurance Services	Norman-Spencer Agency, LLC	Insurance Brokers	NA
5/13/2020	Amerman Insurance Services LLC	Higginbotham Insurance Agency, Inc.	Multi-line Insurance	NA
5/11/2020	Assets of The B & G Group Inc	HUB International Northeast Limited	Insurance Brokers	NA
5/11/2020	Houston Surplus Lines, Inc.	Western Security Surplus Insurance Brokers, LLC	Insurance Brokers	NA
5/4/2020	Gates-Cole Associates, Inc	High Street Insurance Partners, Inc.	Insurance Brokers	NA
5/4/2020	John Creps Insurance Agency, LLC	Crest Insurance Group, LLC.	Insurance Brokers	NA
5/4/2020	All Assets of Loan Protector Insurance Services Inc.	Brown & Brown, Inc.	Insurance Brokers	NA
5/4/2020	Trident Insurance Services, LLC	Paragon Insurance Holdings, LLC	Insurance Brokers	NA
5/1/2020	Pinnacle Insurance Group of Indiana, Inc.	World Insurance Associates LLC	Insurance Brokers	NA
5/1/2020	Leavitt Insurance Agency of San Diego, Inc.	NFP Corp.	Property and Casualty Insurance	NA
5/1/2020	Track Writer Insurance Services, Inc.	Oli Insurance Services, Inc.	Insurance Brokers	NA
5/1/2020	American Financial & Automotive Services, Inc.	Assurant, Inc.	Property and Casualty Insurance	NA
5/1/2020	Sharpline Allocations, Inc.	Franco Signor LLC	Insurance Brokers	NA
5/1/2020	Risk Assessment and Consulting Business Assets of	BRP Group, Inc.	Insurance Brokers	NA
5/1/2020	All Assets of Southern Protective Group, LLC	Baldwin Krystyn Sherman Partners, LLC	Property and Casualty Insurance	NA
5/1/2020	ESS NexTier Insurance Group, LLC	The IMA Financial Group, Inc.	Insurance Brokers	NA
5/1/2020	Contractors Insurance NW Inc.	Hefferman Insurance Brokers, Inc.	Property and Casualty Insurance	NA
4/30/2020	Ken Bleeker Insurance Agency	High Street Insurance Partners, Inc.	Insurance Brokers	NA
4/30/2020	Boyles Moak Insurance Services	Fisher Brown Bottrell Insurance, Inc.	Multi-line Insurance	NA
4/30/2020	Dental Select, Inc.	Ameritas Life Insurance Corp.	Insurance Brokers	NA
4/30/2020	Assets of Phoenix Loss Control, Inc.	AAVIN Private Equity Advisors; Konkordia Capital	Insurance Brokers	NA
4/22/2020	LP Risk Inc	XPT Group LLC	Insurance Brokers	NA
4/22/2020	LeapLife, Inc.	Even Financial, Inc.	Insurance Brokers	NA

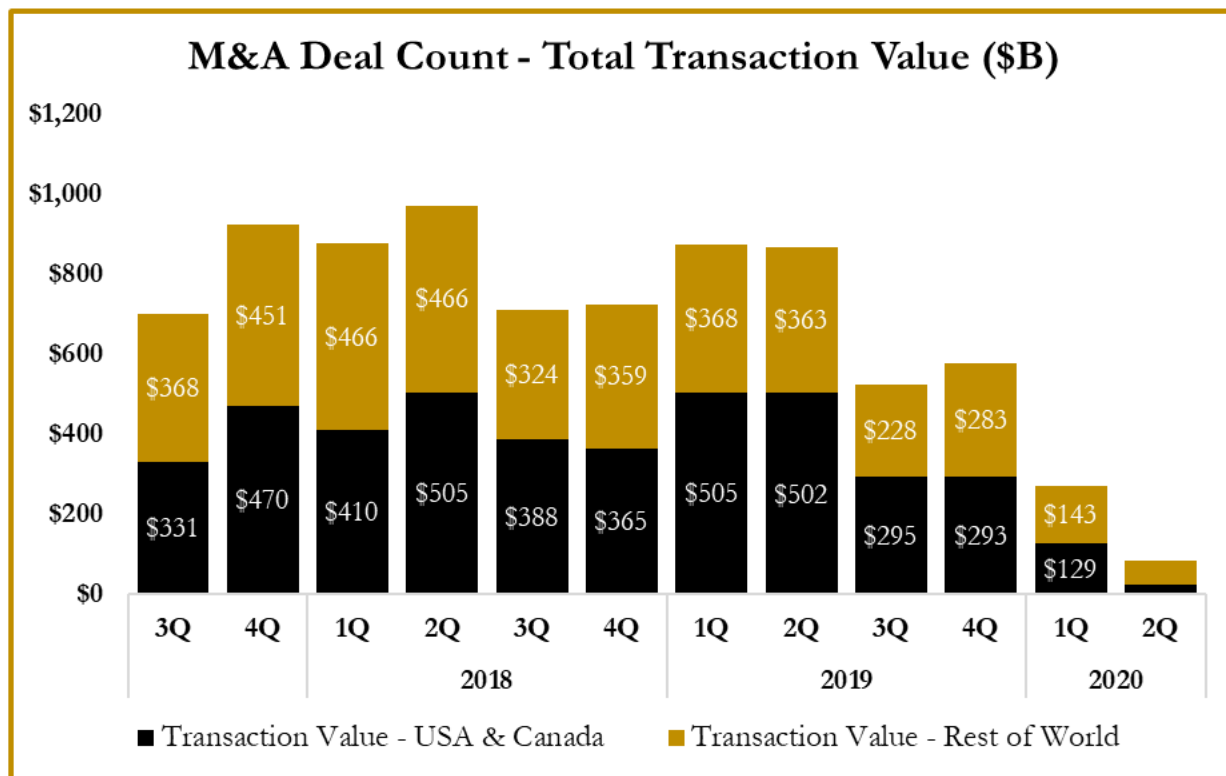
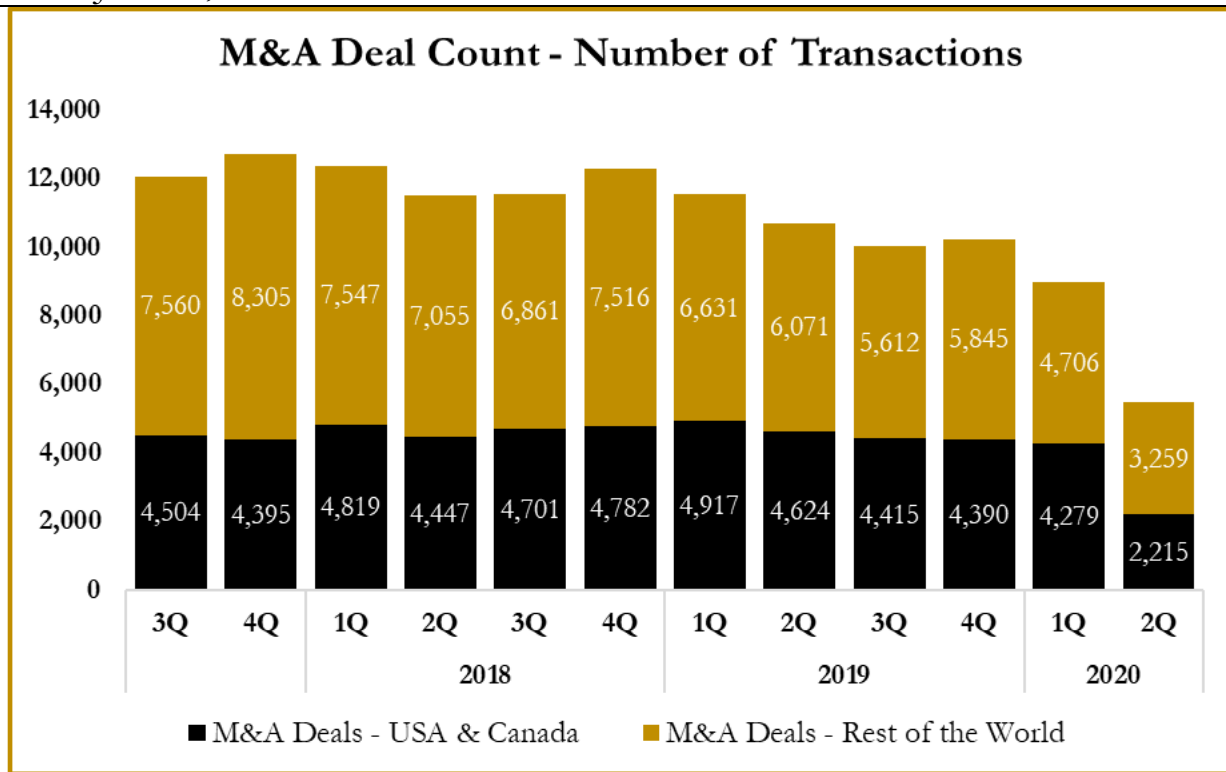
Source: Capital IQ

S&P Capital IQ - Sector Last 3 Month Equity Performance
As of June 30, 2020

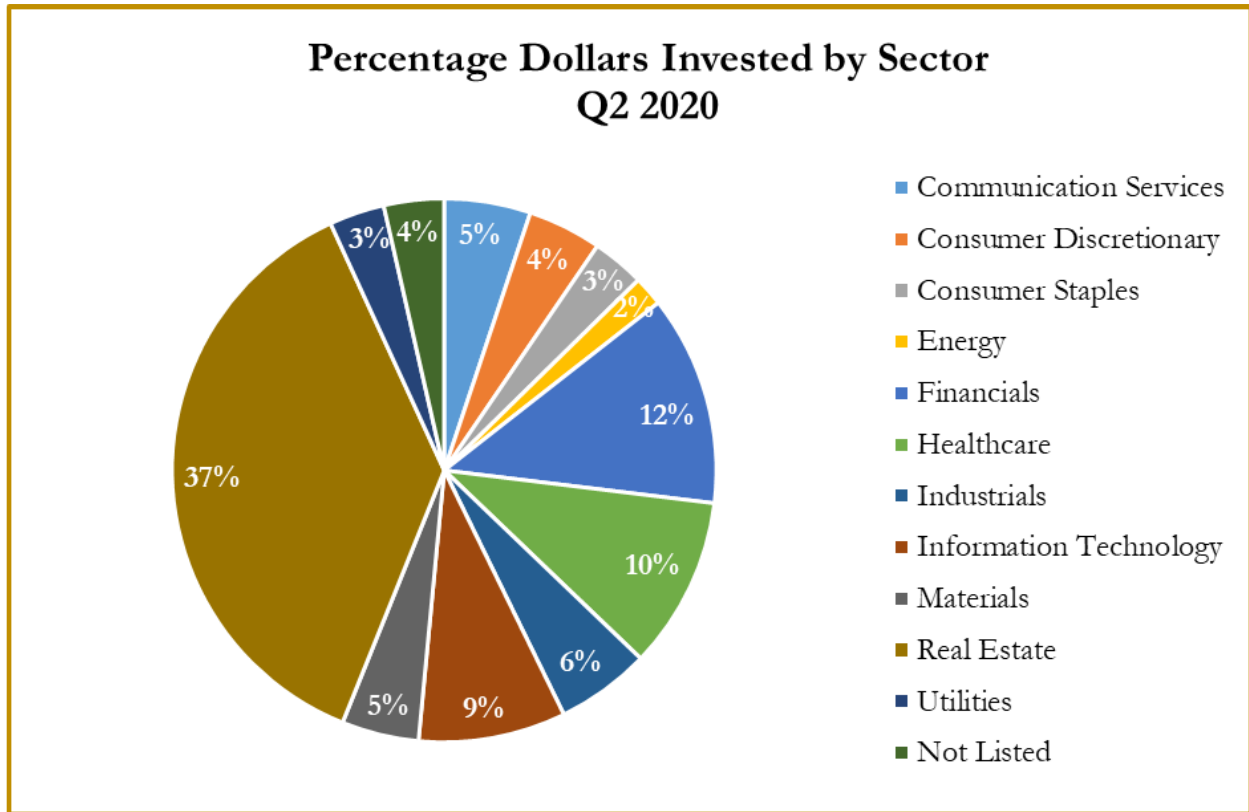


Note: The indices are derived from the equity performance of the S&P Capital IQ Sectors. Source: Capital IQ

M&A Deal Flow Statistics by S&P Capital IQ Sector
As of June 30, 2020



M&A Deal Flow Statistics by S&P Capital IQ Sector
As of June 30, 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.

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

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
