



Industry Update  
**Insurance**  
Q3 2022

# Financial Performance

## Size Profile, LTM Financials, Forward Estimates

(USD in millions, except per share data)

Company Name	Ticker	Size Profile			LTM Operating Data		Forward Estimates		
		Price at 09/30/22	% of 52 Week High	TEV	Total Assets	LTM Revenue	LTM EBITDA	2022 Est. Revenue	2022 Est. EBITDA
Property and Casualty									
Fidelity National Financial, Inc.	FNF	\$36.20	64.1%	\$12,201	\$61,230	\$14,495	\$3,527	\$12,729	\$2,782
First American Financial Corporation	FAF	\$46.10	56.5%	\$5,370	\$16,262	\$9,018	\$1,441	\$8,049	\$949
Stewart Information Services Corporation	STC	\$43.64	53.9%	\$1,382	\$2,755	\$3,495	\$461	\$3,095	\$361
AMERISAFE, Inc.	AMSF	\$46.73	72.0%	\$864	\$1,382	\$295	\$56	\$290	\$0
Life and Health									
MetLife, Inc.	MET	\$60.78	83.1%	\$134,468	\$662,893	\$68,306	\$5,432	\$73,655	\$0
Prudential Financial, Inc.	PRU	\$85.78	69.1%	\$55,690	\$695,599	\$64,301	\$3,983	\$55,558	\$0
Aflac Incorporated	AFL	\$56.20	83.6%	\$43,211	\$135,629	\$21,345	\$5,595	\$19,143	\$0
Unum Group	UNM	\$38.80	94.3%	\$11,676	\$63,121	\$11,972	\$1,689	\$12,063	\$0
CNO Financial Group, Inc.	CNO	\$17.97	67.2%	\$5,553	\$33,836	\$3,741	\$1,069	\$3,639	\$0
Insurance Brokers									
Marsh & McLennan Companies, Inc.	MMC	\$149.29	81.5%	\$88,980	\$33,440	\$20,648	\$5,711	\$21,068	\$5,425
Arthur J. Gallagher & Co.	AJG	\$171.22	89.2%	\$42,124	\$39,990	\$8,352	\$2,256	\$8,464	\$2,587
Brown & Brown, Inc.	BRO	\$60.48	81.7%	\$18,855	\$12,280	\$3,252	\$1,082	\$3,593	\$1,193
eHealth, Inc.	EHTH	\$3.91	8.3%	\$236	\$1,095	\$463	-\$128	\$393	-\$62

Source: Capital IQ

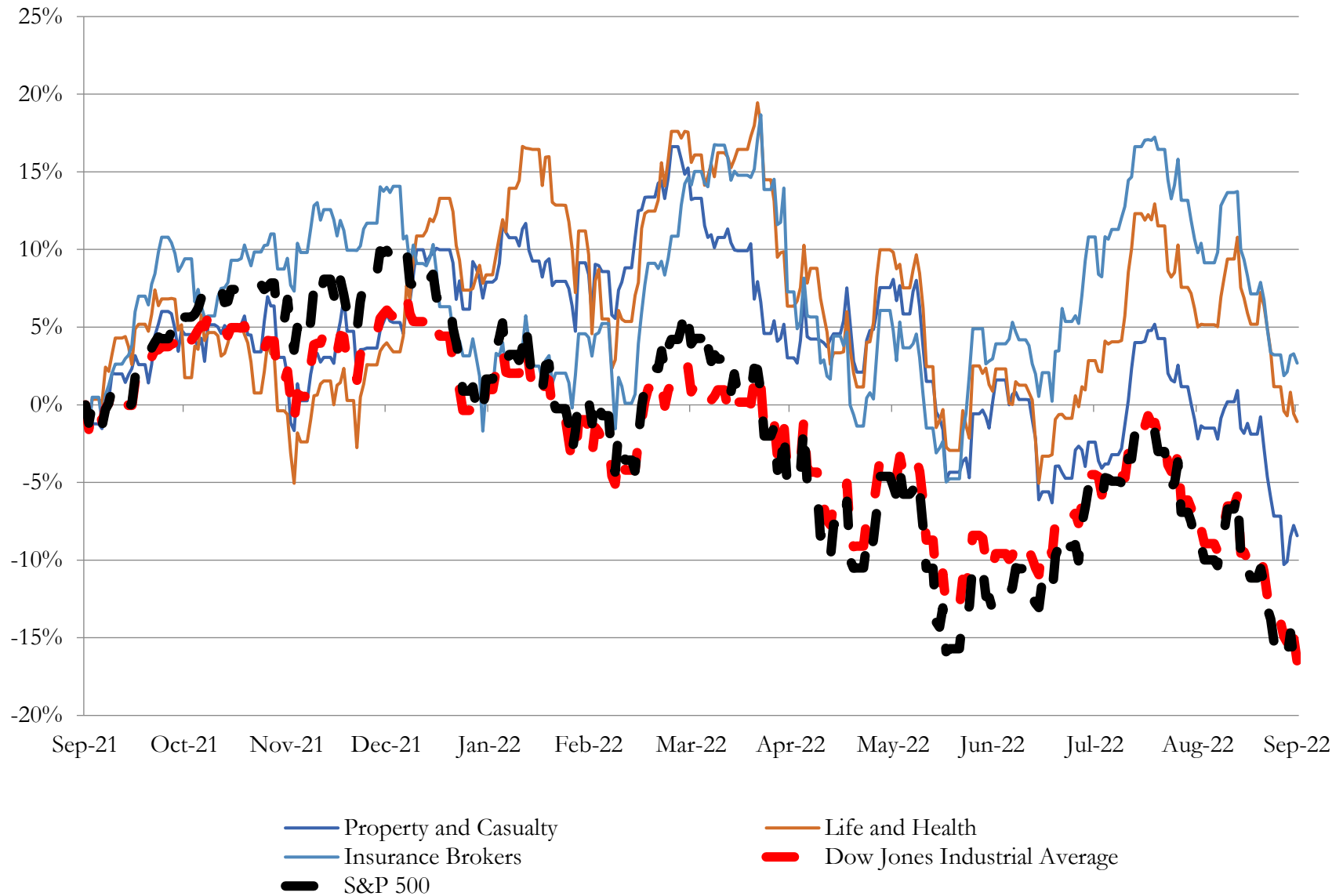
Company Name	Ticker	Return Profile							Trading Multiples	
		Return on Assets	Return on Equity	Return on Capital	Revenue Growth	EBITDA Margin	EBITDA Growth	5-yr Beta	TEV / LTM Revenue	TEV / LTM EBITDA
Property and Casualty										
Fidelity National Financial, Inc.	FNF	3.1%	26.4%	15.9%	5.7%	24.3%	-0.6%	1.3x	0.8x	3.5x
First American Financial Corporation	FAF	5.0%	18.0%	11.1%	8.0%	16.0%	-9.9%	1.2x	0.6x	3.7x
Stewart Information Services Corporation	STC	10.4%	25.1%	15.3%	23.1%	13.2%	18.9%	1.2x	0.4x	3.0x
AMERISAFE, Inc.	AMSF	2.4%	10.8%	8.1%	-12.2%	19.1%	-52.3%	0.2x	2.9x	15.3x
	Mean	5.2%	20.1%	12.6%	6.2%	18.1%	-11.0%	1.0x	1.2x	6.4x
	Median	4.0%	21.5%	13.2%	6.9%	17.5%	-5.2%	1.2x	0.7x	3.6x
Life and Health										
MetLife, Inc.	MET	0.4%	6.8%	1.9%	-1.7%	8.0%	-24.5%	1.0x	2.0x	24.8x
Prudential Financial, Inc.	PRU	0.3%	4.7%	2.8%	0.0%	6.2%	-54.0%	1.4x	0.9x	14.0x
Aflac Incorporated	AFL	2.3%	14.5%	8.4%	-7.2%	26.2%	-0.7%	0.9x	2.0x	7.7x
Unum Group	UNM	1.5%	10.8%	7.1%	-10.2%	14.1%	33.2%	1.1x	1.0x	6.9x
CNO Financial Group, Inc.	CNO	1.3%	12.3%	5.7%	-10.3%	28.6%	6.4%	1.1x	1.5x	5.2x
	Mean	1.2%	9.8%	5.2%	-5.9%	16.6%	-7.9%	1.1x	1.5x	11.7x
	Median	1.3%	10.8%	5.7%	-7.2%	14.1%	-0.7%	1.1x	1.5x	7.7x
Insurance Brokers										
Marsh & McLennan Companies, Inc.	MMC	9.4%	32.2%	13.0%	11.7%	27.7%	12.5%	0.9x	4.3x	15.6x
Arthur J. Gallagher & Co.	AJG	3.1%	12.6%	7.0%	12.5%	27.0%	24.4%	0.7x	5.0x	18.7x
Brown & Brown, Inc.	BRO	5.3%	14.9%	7.7%	13.8%	33.3%	17.8%	0.8x	5.8x	17.4x
eHealth, Inc.	EHTH	-7.3%	-15.8%	-7.9%	-25.1%	-27.7%	N/A	0.5x	0.5x	-1.8x
	Mean	2.7%	11.0%	4.9%	3.2%	15.0%	18.2%	0.7x	3.9x	12.5x
Source: Capital IQ	Median	4.2%	13.8%	7.3%	12.1%	27.3%	17.8%	0.7x	4.7x	16.5x

Source: Capital IQ

## 3

# LTM Equity Performance

## Major Indexes



Source: Capital IQ

## Recent M&A Activity

*Last Twelve (12) Months as of September 30, 2022*

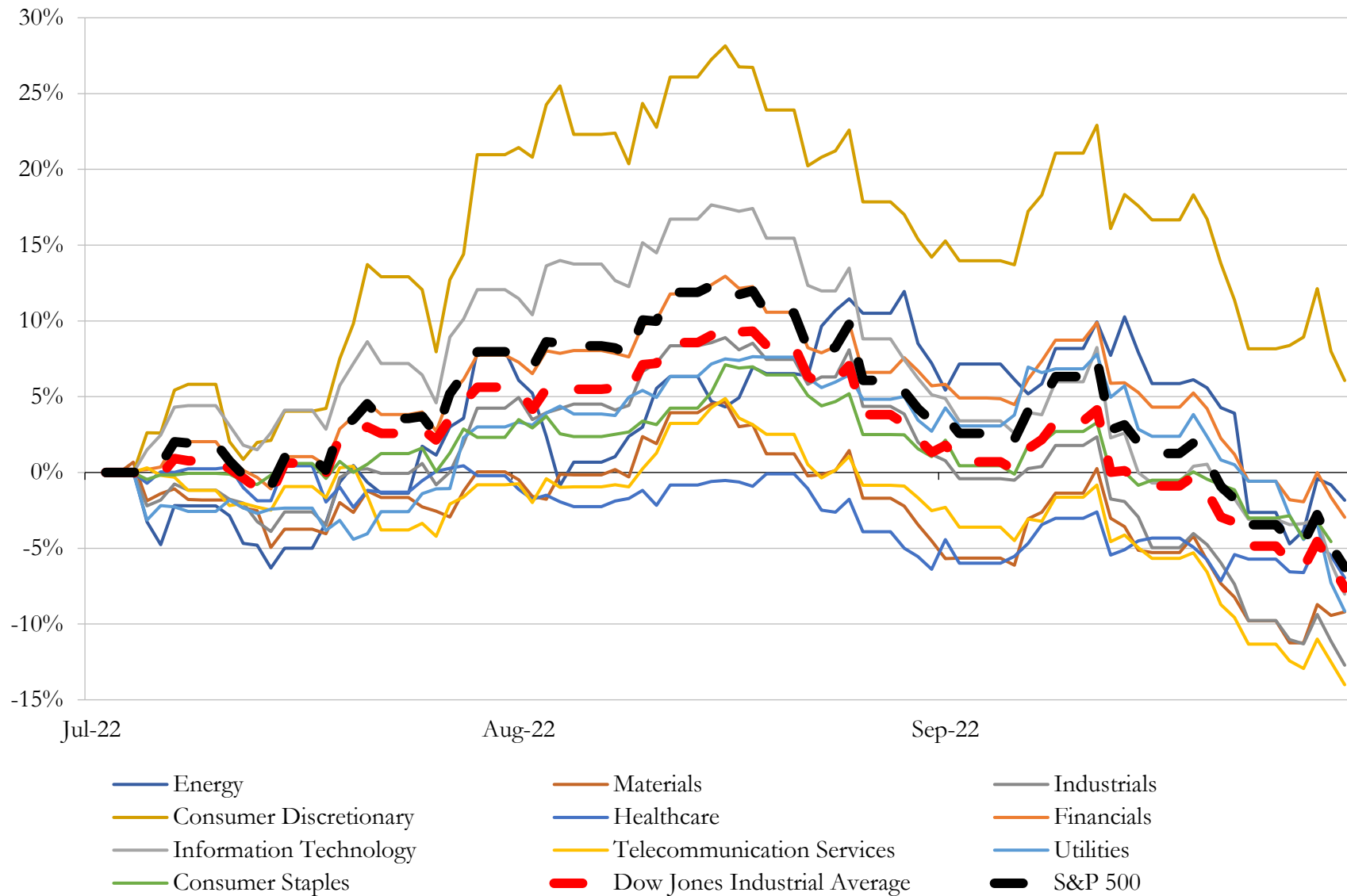
(USD in millions)

Close Date	Target	Acquirer	Implied TEV
Jan-22	21st Century Auto Insurance Company of New Jersey	Everspan Insurance Company	\$7
Aug-22	Substantially all of the Assets of GA Solutions, LLC	Upexi Pet Products, LLC	\$3
Oct-21	Spencer Re, I.I.	Taussig Capital Ltd.	NA
Apr-22	Generic Insurance Agencies of North Central Florida, LLC	King Insurance Agency of Gainesville, LLC	NA
Apr-22	Long Term Care Group, Inc.	illumifin Corporation	NA
Dec-21	Draxler & Associates, Inc.	Crest Insurance Group, LLC	NA
Nov-21	Group Annuity Contracts of Banner Life Insurance and William Penn Life	United States Steel Corporation	NA
Nov-21	Elliot Whittier Insurance Services, LLC	Salem Five Insurance Agency, LLC	NA
Jul-22	Sebastian Insurance, LLC	RSC Insurance Brokerage, Inc.	NA
Jul-22	Statz Agency Inc	Integrity Marketing Group, LLC	NA
Mar-22	Hawley & Associates, LLC	Arthur J. Gallagher & Co.	NA
Jan-22	PMC Insurance Agency, Inc.	One80 Intermediaries Inc.	NA
Jan-22	Fabric Technologies, Inc.	Western & Southern Financial Group, Inc.	NA
Sep-22	Schlather Insurance Agency Inc.	Choice Financial Group	NA
Sep-22	C&M First Services Inc.	One80 Intermediaries Inc.	NA
Sep-22	K.P.R., Incorporated	Choice Financial Group	NA
Sep-22	Day Larsen Pedersen Insurance, Inc.	Conexus Insurance Partners	NA
Sep-22	Dub-Lafayette LLC	AssuredPartners, Inc.	NA
Sep-22	FIAS Ins Inc.	Union Bay Risk Advisors LLC	NA
Sep-22	Carriage Hill Insurance of Knoxville, Inc.	Worldwide Insurance Network, Inc.	NA
Sep-22	Missouri Rural Services Corporation	Accretive Insurance Solutions, Inc.	NA
Sep-22	B2Z Insurance Inc.	Acrisure, LLC	NA
Sep-22	Smart Cargo Insurance business of Corvus Insurance Holdings, Inc	R B Jones Ltd	NA
Sep-22	Beattie & Associates, Inc.	RSC Insurance Brokerage, Inc.	NA
Sep-22	Pavonia Life Insurance Company of Michigan	Axar Capital Management LP	NA
Sep-22	Coastal Insurance Consulting, LLC	Simplicity Group Holdings, Inc.	NA
Sep-22	All the Assets of Smithwick & Mariners Insurance, Midcoast Insurance and	Brown & Brown Of Massachusetts, LLC	NA
Sep-22	Compass Group Insurance, LLC	Integrity Marketing Group, LLC	NA
Sep-22	Jweinland Group Benefits	Alera Group, Inc.	NA
Sep-22	All Assets of VistaNational Insurance Group, Inc.	Brown & Brown of Illinois, Inc.	NA

Source: Capital IQ

# 5 Change in Market Capitalization by Sector

*Last Three (3) Months as of September 30, 2022*

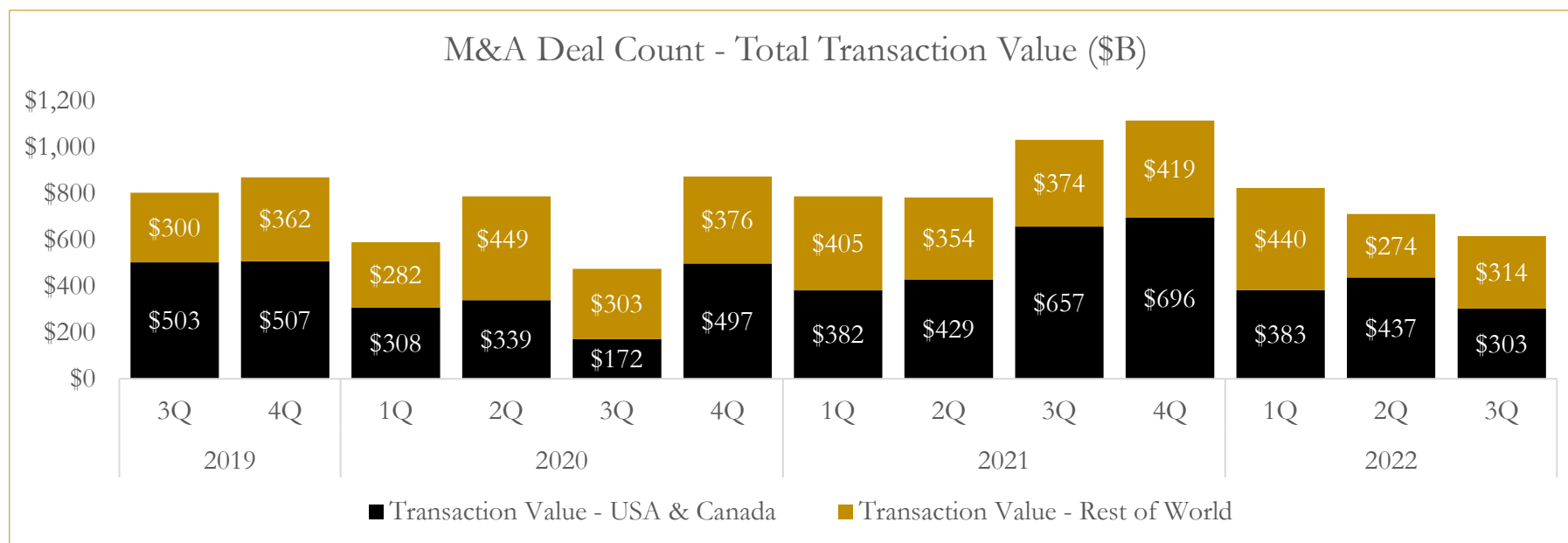
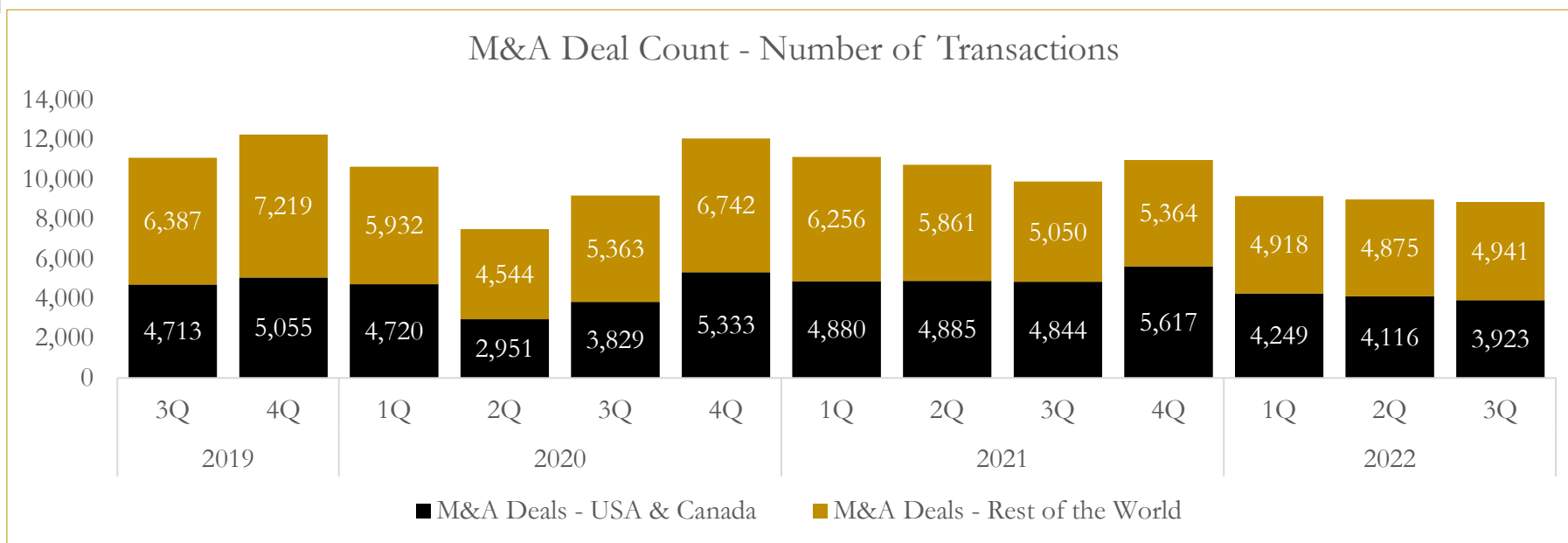


Source: Capital IQ

## 6

# M&A Deal Flow Statistics

*Last Three (3) Years as of September 30, 2022*



Source: Capital IQ

## About Houlihan Capital

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.

## Contact:

**Andrew Smith**

President

[asmith@houlihancapital.com](mailto:asmith@houlihancapital.com)

(312) 450-8610

**Paul Clark**

Managing Director

[pclark@houlihancapital.com](mailto:pclark@houlihancapital.com)

(312) 450-8656

**Michael Norton**

Director, Business Development

[mnorton@houlihancapital.com](mailto:mnorton@houlihancapital.com)

(312) 450-8628

**Monica Blocker**

Director, Business Development

[mblocker@houlihancapital.com](mailto:mblocker@houlihancapital.com)

(312) 450-8699