



Evolve
Capital Partners

QUARTERLY DEALS & MARKET ROUNDUP

Insurance

December 2017



Benefits Administrators



Data & Analytics Solutions



Insurance Brokers



Multi-Line Insurance



Online Information Providers



Property & Casualty Insurance



P&C Specialty



Software Solutions



Title Insurance



Traditional / Life Insurance

Specialized investment bankers at the intersection of finance and technology



Highlights

This quarter's Insurance roundup discusses the following key developments:



Technology expanding underwriters' role



Incumbents lining up for operational cost-saving technologies



Customer engagement innovation reaching a crescendo



Brand building, digitization, and analytics driving insurance deals



Overview of Evolve Capital Partners

ABOUT ECP

- Evolve Capital Partners (ECP) is a specialized investment bank focused on businesses serving industries at the intersection of finance and technology.
- We are dedicated investment bankers focused on evolving industries, and we support sustainable growth through transformational M&A / financing transactions.
- ECP is a dedicated, creative, and fully independent investment bank that advises private and public companies on merger, divestiture and acquisition transactions, and capital raising through private placements.
- We also provide structured finance advisory services — our investment banking practice provides a comprehensive suite of solutions to businesses.
- With over 30 engagements executed by its leaders, Evolve Capital Partners has served as a proud partner, bringing renewed value to companies at the intersection of finance and technology.
- We were founded in 2012 and are based in New York, NY.

HIGH-TOUCH INVESTMENT BANKING

Few investment banks have transaction experience across both corporate and asset finance.



Our Clients

- Corporations
- Management Teams
- VC & PE Backed Companies
- Independent Directors / Boards



Investment Banking Advisory

- M&A
- Strategic Alliances
- Capital Raises and Asset Finance
- Financial Restructuring



Industry Focus

Finance and Technology Firms

BPO

IoT

B2B

Specialty Finance

Enterprise Software

Analytics

Payments

Lending

InsuranceTech

Securities

Financial Services

Financial Management

We Focus Exclusively on Finance and Technology-Related Firms

Financial Management Solutions



Payments



Bank Tech / Solutions



BPO



Capabilities

M&A Advisory

Sales / Recaps

Acquisitions

Divestiture

Strategic Advisory

Specialty Finance / Alternative Lending



Healthcare Tech



Securities



Financing

Private Placements

Debt Capital

Restructuring

Data & Analytics / IoT



Insurance





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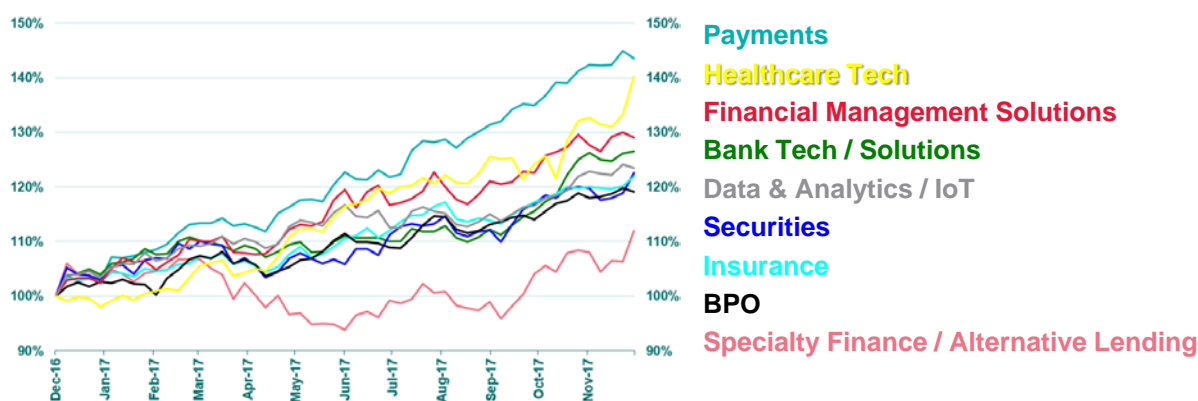
4. IPO Activity Summary – Insurance

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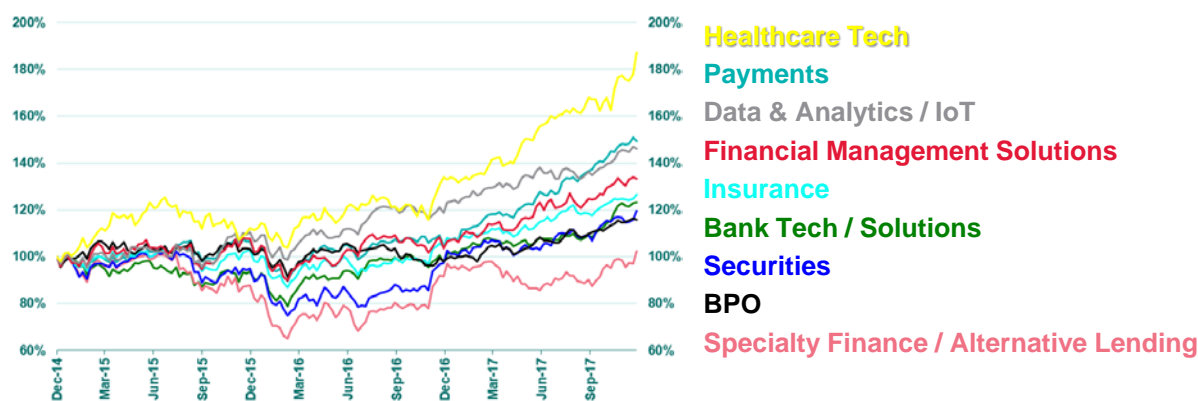
Market Summary

Industry Stock Market Performance of ECP Sector Coverage

Last 12 Months



Last 3 Years



Indexed Price Performance

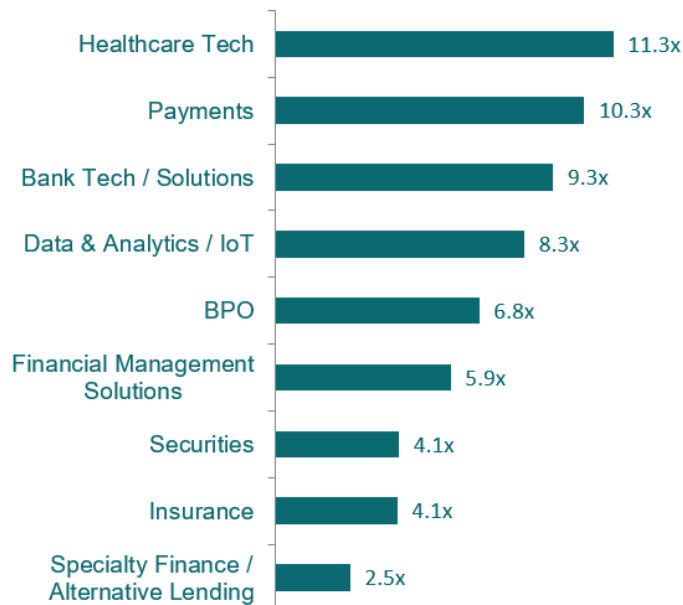
| Sector | 3 Months | 1 Year | 3 Years |
|---|----------|--------|---------|
| Payments | 12.9% | 38.1% | 49.4% |
| Bank Tech / Solutions | 12.3% | 26.5% | 23.3% |
| Specialty Finance / Alternative Lending | 11.2% | 11.5% | 2.2% |
| Securities | 7.1% | 22.7% | 19.5% |
| Healthcare Tech | 3.8% | 21.3% | 87.4% |
| BPO | 4.1% | 18.5% | 15.8% |
| Financial Management Solutions | 7.3% | 28.6% | 33.2% |
| Data & Analytics / IoT | 7.2% | 23.1% | 46.2% |
| Insurance | 14.7% | 39.8% | 26.6% |

Source: Capital IQ and market data as of December 1, 2017

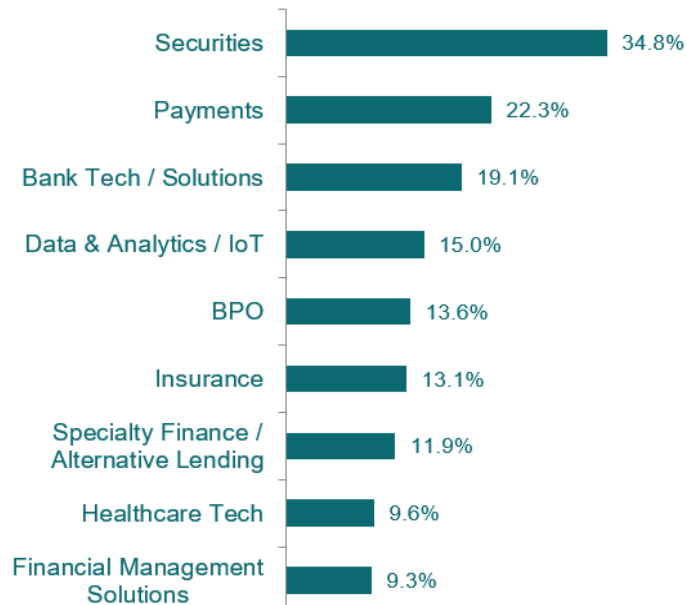
Multiples & Margins – All Sectors

Industry-wide Multiples and Margins

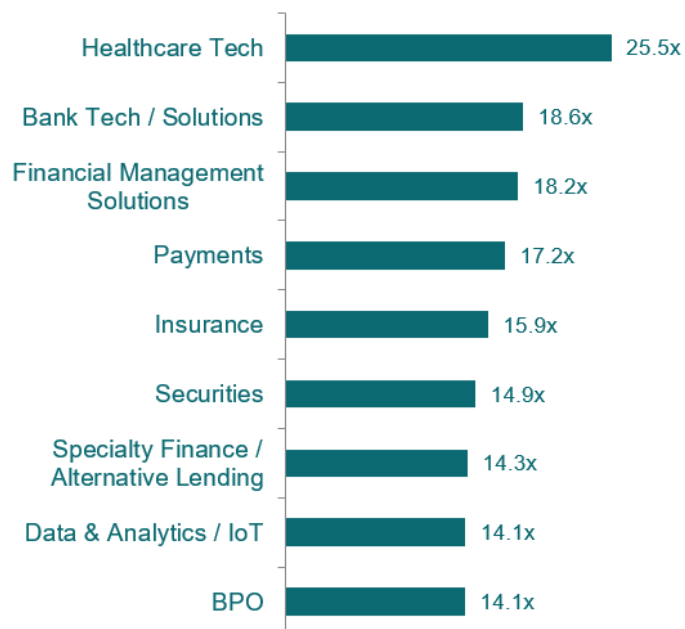
2017E EBITDA Multiples



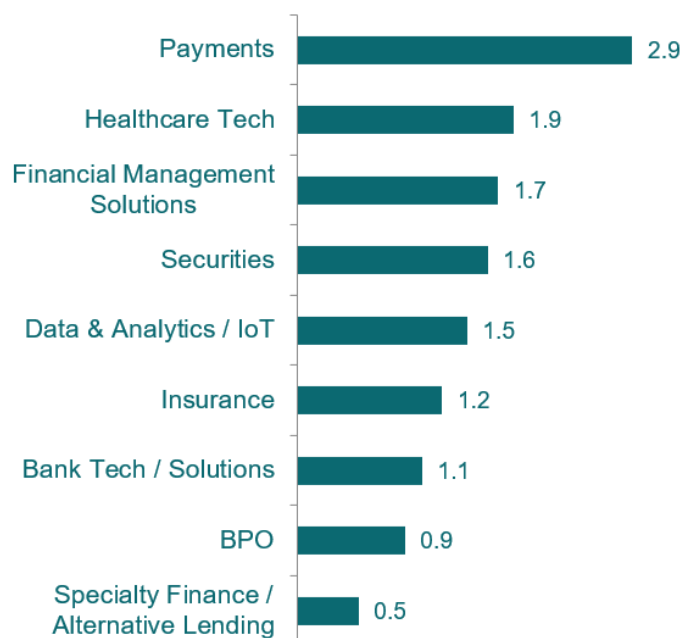
LTM EBITDA Margins



2017E Price / Earnings Multiples



2017E PEG Ratio

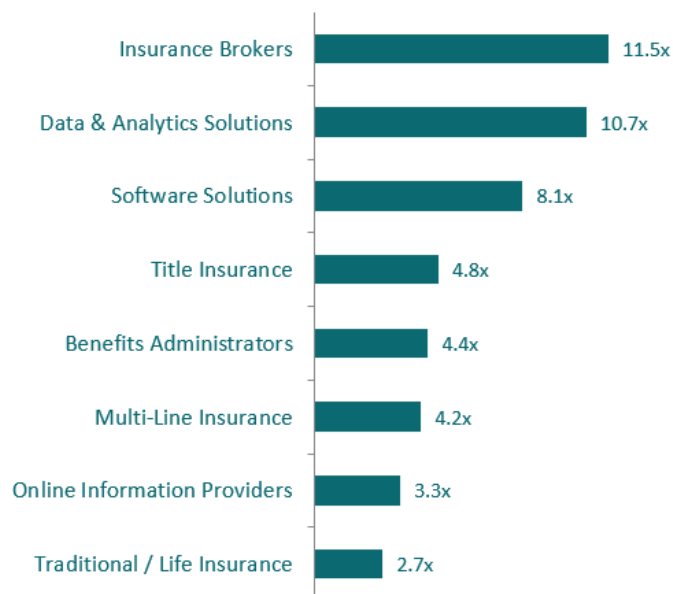


Source: Capital IQ and market data as of December 1, 2017

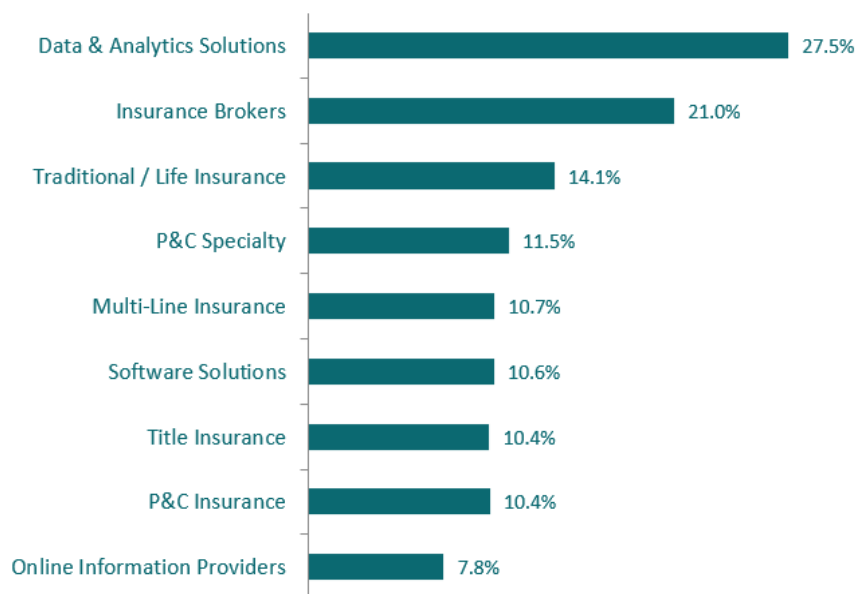
Multiples & Margins – Insurance

Sub-sector Multiples and Margins

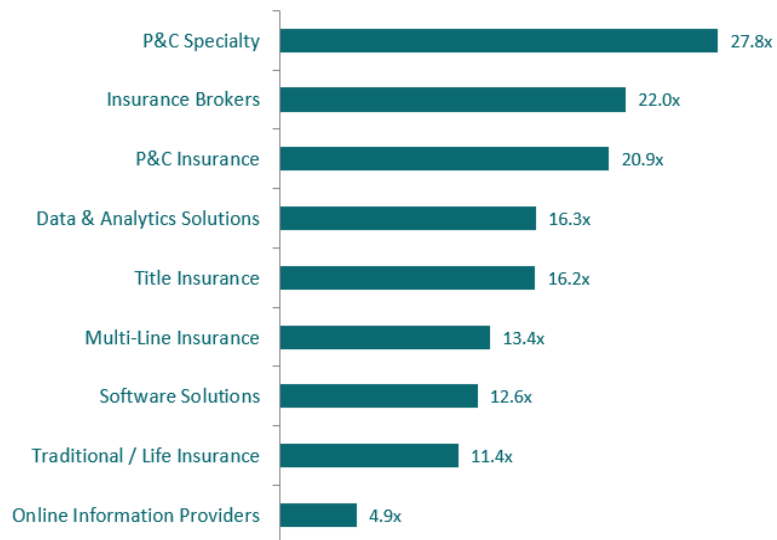
2017E EBITDA Multiples



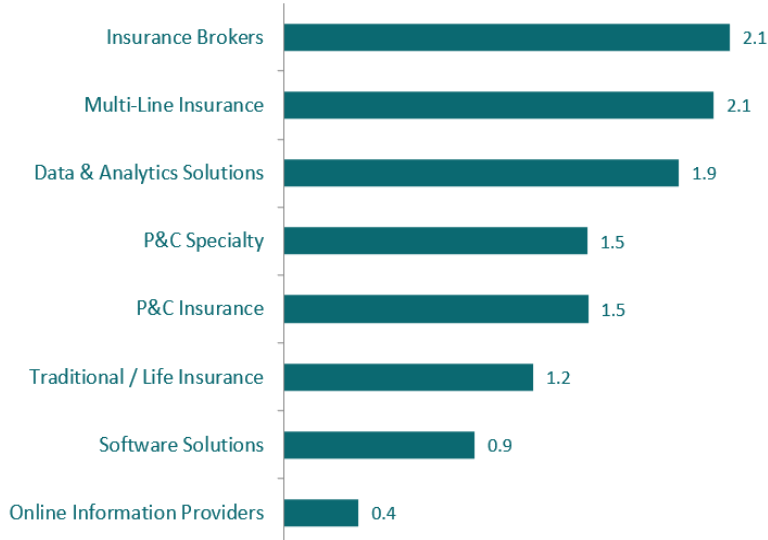
LTM EBITDA Margins



2017E Price / Earnings Multiples



2017E PEG Ratio



Source: Capital IQ and market data as of December 1, 2017

Stock Comparables – Insurance

(All figures in US Dollars. Figures in millions, except per share data, as of December 1, 2017)

| Insurance Sub-Sector | Aggregate | | Price / Earnings | | Multiples | | EV / Sales | |
|------------------------------|------------|------------------|------------------|--------------|-------------|-------------|-------------|-------------|
| | Market Cap | Enterprise Value | Earnings | | EV / EBITDA | | EV / Sales | |
| | | | FY 17E | FY18E | FY 17E | FY 18E | FY 17E | FY 18E |
| Software Solutions | \$9,415 | \$9,471 | 12.6x | 20.7x | 8.1x | 9.1x | 1.8x | 3.0x |
| Data & Analytics Solutions | \$68,780 | \$79,693 | 16.3x | 23.0x | 10.7x | 12.7x | 4.1x | 4.4x |
| Title Insurance | \$23,578 | \$25,236 | 16.2x | 13.8x | 4.8x | 4.3x | 0.8x | 0.8x |
| Traditional / Life Insurance | \$429,618 | \$485,520 | 11.4x | 11.2x | 2.7x | 2.4x | 1.3x | 1.4x |
| Multi-Line Insurance | \$324,370 | \$435,748 | 13.4x | 11.2x | 4.2x | 4.2x | 1.3x | 1.2x |
| P&C Specialty | \$42,480 | \$47,924 | 27.8x | 19.4x | 0.0x | 0.0x | 1.9x | 1.9x |
| Insurance Brokers | \$123,399 | \$139,021 | 22.0x | 19.1x | 11.5x | 10.5x | 3.2x | 3.0x |
| Online Information Providers | \$3,519 | \$3,332 | 4.9x | 25.8x | 3.3x | 7.8x | 1.5x | 1.8x |
| Benefits Administrators | \$54,522 | \$52,313 | 8.5x | 35.0x | 4.4x | 12.1x | 1.3x | 6.0x |
| P&C Insurance | \$193,652 | \$225,513 | 20.9x | 16.9x | 0.0x | 0.0x | 1.5x | 1.5x |
| Median | | | 14.8x | 19.2x | 4.3x | 6.1x | 1.5x | 1.8x |
| Mean | | | 15.4x | 19.6x | 5.0x | 6.3x | 1.9x | 2.5x |

| Insurance Sub-Sector | Number of Companies | Growth Rates | | | EBITDA Margin | | PEG* FY 17E |
|------------------------------|---------------------|--------------|--------|-------|---------------|--------|-------------|
| | | Revenue | | EPS | FY 17E | FY 18E | |
| | | FY 17E | FY 18E | 5 Yr | | | |
| Software Solutions | 7 | 4.8% | 13.2% | 7.3% | 10.6% | 15.6% | 0.91 |
| Data & Analytics Solutions | 4 | 2.1% | 4.7% | 9.3% | 27.5% | 33.6% | 1.89 |
| Title Insurance | 4 | NA | 3.3% | 0.0% | 10.4% | 9.3% | - |
| Traditional / Life Insurance | 18 | 43.0% | 3.5% | 6.6% | 14.1% | 5.0% | 1.19 |
| Multi-Line Insurance | 7 | 4.7% | 3.8% | 6.6% | 10.7% | 4.2% | 2.06 |
| P&C Specialty | 10 | 2.1% | 4.0% | 6.6% | 11.5% | 0.0% | 1.45 |
| Insurance Brokers | 6 | 2.4% | 5.5% | 12.3% | 21.0% | 21.0% | 2.13 |
| Online Information Providers | 5 | 6.2% | 9.6% | 1.9% | 7.8% | 16.6% | 0.36 |
| Benefits Administrators | 6 | 2.1% | 15.6% | 21.4% | 12.5% | 24.0% | 0.29 |
| P&C Insurance | 11 | 1.8% | 4.3% | 9.0% | 10.4% | 0.0% | 1.45 |
| Median | | 2.4% | 4.5% | 7.0% | 11.1% | 12.4% | 1.32 |
| Mean | | 7.7% | 6.7% | 8.1% | 13.6% | 12.9% | 1.17 |

* Price/Earnings to Growth ratio is a valuation metric for determining the relative trade-off between the price of a stock, the earnings generated per share (EPS), and the company's expected growth. In general, the P/E ratio is higher for a company with a higher growth rate.

Source: Capital IQ

Stock Comparables – Insurance Sub-Sectors

(All figures in US Dollars. Figures in millions, except per share data, as of December 1, 2017)

Software Solutions

| Company Name | Market | Enterprise | LTM | LTM | EV / Sales | | EV / EBITDA | | P / E | | PEG |
|--|---------|------------|---------|----------|------------|--------|-------------|--------|--------|--------|--------|
| | Cap | Value | Sales | EBITDA % | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 |
| Guidewire Software, Inc. | \$5,619 | \$5,058 | \$528 | 6.9% | NA | 8.4x | NA | NM | NA | NM | NA |
| Ebix, Inc. | \$2,441 | \$2,723 | \$339 | 35.1% | 6.8x | 6.0x | 19.8x | 17.0x | 21.9x | 19.5x | 1.7 |
| Sapiens International Corporation N.V. | \$575 | \$574 | \$255 | 5.8% | 2.5x | 2.2x | 23.0x | 14.3x | 38.4x | 21.7x | 3.5 |
| Crawford & Company | \$506 | \$694 | \$1,079 | 9.6% | 0.7x | 0.7x | 6.1x | 5.3x | 15.1x | 13.3x | 1.3 |
| Majesco | \$195 | \$203 | \$116 | 1.4% | NA | 1.8x | NA | NM | NA | 69.8x | NA |
| Symbility Solutions Inc. | \$77 | \$72 | \$32 | 2.2% | 2.5x | 2.2x | NM | NM | NM | NA | NA |
| Patriot National, Inc. | \$1 | \$147 | \$233 | 13.6% | NA | NA | NA | NA | NA | 0.2x | NA |
| Median | | | | 6.9% | 2.5x | 2.2x | 19.8x | 14.3x | 21.9x | 19.5x | 1.7 |
| Mean | | | | 10.6% | 3.1x | 3.5x | 16.3x | 12.2x | 25.1x | 24.9x | 2.1 |

Data & Analytics Solutions

| Company Name | Market | Enterprise | LTM | LTM | EV / Sales | | EV / EBITDA | | P / E | | PEG |
|----------------------------------|----------|------------|---------|----------|------------|--------|-------------|--------|--------|--------|--------|
| | Cap | Value | Sales | EBITDA % | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 |
| RELX PLC | \$46,306 | \$53,156 | \$9,553 | 30.2% | 5.3x | 5.1x | 15.4x | 14.0x | 21.5x | 20.1x | 2.6 |
| Verisk Analytics, Inc. | \$15,751 | \$18,487 | \$2,081 | 46.3% | 7.7x | 7.3x | 15.9x | 14.7x | 27.0x | 24.8x | 3.2 |
| The Dun & Bradstreet Corporation | \$4,537 | \$5,804 | \$1,733 | 24.5% | 3.2x | 3.1x | 11.4x | 10.8x | 16.7x | 15.9x | 1.7 |
| Acxiom Corporation | \$2,186 | \$2,246 | \$886 | 9.0% | NA | 2.2x | NA | 11.3x | NA | 31.2x | NA |
| Median | | | | 27.3% | 5.3x | 4.1x | 15.4x | 12.6x | 21.5x | 22.4x | 2.6 |
| Mean | | | | 27.5% | 5.4x | 4.4x | 14.2x | 12.7x | 21.7x | 23.0x | 2.5 |

Traditional / Life Insurance

| Company Name | Market | Enterprise | LTM | LTM | EV / Sales | | EV / EBITDA | | P / E | | PEG |
|-------------------------------------|----------|------------|----------|----------|------------|--------|-------------|--------|--------|--------|--------|
| | Cap | Value | Sales | EBITDA % | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 |
| MetLife, Inc. | \$56,414 | \$94,948 | \$61,750 | (2.4%) | 1.6x | 1.6x | NA | NA | 12.4x | 11.4x | 1.3 |
| Prudential Financial, Inc. | \$49,014 | \$68,535 | \$57,951 | 12.7% | 1.3x | 1.3x | NA | NA | 10.9x | 10.0x | 1.4 |
| Cigna Corporation | \$51,383 | \$53,127 | \$41,029 | 11.2% | 1.2x | 1.2x | 11.3x | 10.1x | 19.7x | 17.4x | 1.5 |
| Manulife Financial Corporation | \$42,016 | \$49,750 | \$29,738 | 15.8% | 1.1x | 1.0x | NA | NA | 11.7x | 10.7x | 1.1 |
| Aflac Incorporated | \$34,440 | \$35,283 | \$22,402 | 21.5% | 1.8x | 1.8x | 9.3x | 8.4x | 12.5x | 12.3x | 2.6 |
| Aviva plc | \$27,441 | (\$13,897) | \$46,640 | 7.5% | NM | NM | NM | NM | 9.4x | 8.9x | 1.5 |
| Great-West Lifeco Inc. | \$27,276 | \$33,662 | \$33,561 | 9.6% | 0.9x | 0.9x | NA | NA | 13.2x | 11.6x | NA |
| Sun Life Financial Inc. | \$24,673 | \$25,588 | \$18,443 | 16.5% | 1.0x | 1.0x | NA | NA | 12.3x | 11.6x | NA |
| Legal & General Group Plc | \$21,094 | \$43,618 | \$16,550 | 19.8% | 3.9x | 4.1x | NA | NA | 11.2x | 11.1x | 1.6 |
| Principal Financial Group, Inc. | \$20,363 | \$21,072 | \$14,369 | 18.6% | 1.4x | 1.4x | NA | NA | 12.8x | 11.9x | 1.4 |
| Lincoln National Corporation | \$16,743 | \$20,547 | \$13,842 | 15.0% | 1.4x | 1.4x | NA | NA | 10.2x | 9.9x | 1.2 |
| Swiss Life Holding AG | \$10,847 | \$8,782 | \$19,728 | 8.6% | 0.5x | 0.5x | NA | NA | 11.8x | 11.3x | 2.1 |
| Standard Life Aberdeen plc | \$16,922 | \$8,312 | \$9,441 | 32.8% | 0.3x | 0.2x | NA | NA | 14.2x | 13.0x | 1.4 |
| AEGON N.V. | \$12,630 | \$17,210 | \$56,921 | 5.3% | 0.6x | 0.6x | NA | NA | 7.7x | 7.6x | 0.5 |
| Torchmark Corporation | \$10,221 | \$11,572 | \$4,074 | 21.7% | 2.7x | 2.6x | 12.0x | 11.5x | 17.6x | 16.5x | 2.3 |
| Primerica, Inc. | \$4,577 | \$5,568 | \$1,664 | 25.6% | 2.9x | 2.7x | 12.6x | 11.5x | 16.7x | 14.8x | 1.5 |
| American National Insurance Company | \$3,402 | \$3,199 | \$3,326 | 9.2% | NA | NA | NA | NA | NA | NA | NA |
| Hansard Global Plc | \$162 | (\$1,357) | \$244 | 4.9% | NA | NM | NA | NA | NA | 12.1x | NA |
| Median | | | | 13.9% | 1.3x | 1.3x | 11.6x | 10.8x | 12.3x | 11.6x | 1.4 |
| Mean | | | | 14.1% | 1.5x | 1.5x | 11.3x | 10.4x | 12.8x | 11.9x | 1.5 |

Source: Capital IQ

Stock Comparables – Insurance Sub-Sectors

(All figures in US Dollars. Figures in millions, except per share data, as of December 1, 2017)

Title Insurance

| Company Name | Market Cap | Enterprise Value | LTM Sales | LTM EBITDA % | EV / Sales | | EV / EBITDA | | P / E | | PEG |
|--|------------|------------------|-----------|--------------|-------------|-------------|-------------|-------------|--------------|--------------|-----------|
| | | | | | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 | FY2018 | |
| Fidelity National Financial, Inc. | \$11,085 | \$11,754 | \$9,863 | 15.4% | 0.8x | 0.8x | 4.8x | 5.4x | 15.8x | 15.4x | NA |
| Old Republic International Corporation | \$5,389 | \$6,776 | \$6,086 | 10.8% | 1.1x | 1.1x | NA | NA | 17.3x | 12.9x | NA |
| First American Financial Corporation | \$6,153 | \$5,749 | \$5,795 | 9.2% | 1.0x | 0.9x | 7.9x | 6.8x | 15.1x | 14.2x | NA |
| Stewart Information Services Corporation | \$953 | \$957 | \$1,962 | 6.0% | 0.5x | 0.4x | 6.6x | 5.2x | 16.7x | 12.7x | NA |
| Median | | | | 10.0% | 0.9x | 0.9x | 6.6x | 5.4x | 16.3x | 13.5x | NA |
| Mean | | | | 10.4% | 0.8x | 0.8x | 6.4x | 5.8x | 16.2x | 13.8x | NA |

Multi-Line Insurance

| Company Name | Market Cap | Enterprise Value | LTM Sales | LTM EBITDA % | EV / Sales | | EV / EBITDA | | P / E | | PEG |
|------------------------------------|------------|------------------|-----------|--------------|-------------|-------------|-------------|-------------|--------------|--------------|------------|
| | | | | | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 | FY2018 | |
| Allianz SE | \$104,341 | \$127,994 | \$127,388 | 12.8% | 0.9x | 0.9x | 8.9x | 8.7x | 12.4x | 11.7x | 2.3 |
| AXA SA | \$72,867 | \$111,466 | \$149,605 | 6.7% | 0.9x | 0.9x | 11.5x | 12.0x | 10.4x | 9.7x | 2.4 |
| American International Group, Inc. | \$53,830 | \$82,980 | \$48,773 | 3.5% | 1.8x | 1.8x | NA | NA | 19.4x | 12.2x | 2.0 |
| Zurich Insurance Group AG | \$45,312 | \$54,177 | \$67,248 | 9.1% | 1.1x | 1.1x | 8.7x | 8.9x | 14.5x | 12.5x | 2.5 |
| The Allstate Corporation | \$36,995 | \$44,400 | \$37,959 | 13.0% | 1.3x | 1.3x | NA | NA | 16.0x | 13.3x | 1.5 |
| American Financial Group, Inc. | \$9,324 | \$9,215 | \$6,615 | 15.2% | 2.3x | 2.2x | NA | NA | 17.7x | 15.6x | 3.0 |
| Genworth Financial, Inc. | \$1,702 | \$5,516 | \$8,807 | 14.4% | 0.7x | 0.7x | NA | NA | 3.2x | 3.6x | 0.7 |
| Median | | | | 12.8% | 1.1x | 1.1x | 8.9x | 8.9x | 14.5x | 12.2x | 2.3 |
| Mean | | | | 10.7% | 1.3x | 1.2x | 9.7x | 9.8x | 13.4x | 11.2x | 2.1 |

P&C Specialty

| Company Name | Market Cap | Enterprise Value | LTM Sales | LTM EBITDA % | EV / Sales | | EV / EBITDA | | P / E | | PEG |
|---|------------|------------------|-----------|--------------|-------------|-------------|-------------|-----------|--------------|--------------|------------|
| | | | | | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 | FY2018 | |
| Markel Corporation | \$15,453 | \$16,000 | \$5,828 | 8.1% | 2.7x | 2.5x | NA | NA | NM | 37.0x | NA |
| W. R. Berkley Corporation | \$8,467 | \$10,221 | \$7,721 | 13.7% | 1.6x | 1.6x | NA | NA | 28.2x | 21.5x | 5.8 |
| Assurant, Inc. | \$5,369 | \$5,602 | \$6,491 | 8.2% | 0.9x | 0.9x | NA | NA | 29.1x | 14.2x | NA |
| ProAssurance Corporation | \$3,288 | \$3,569 | \$895 | 22.7% | 3.8x | 3.7x | NA | NA | 27.8x | 26.4x | 1.1 |
| AmTrust Financial Services, Inc. | \$1,917 | \$3,703 | \$5,940 | 0.3% | 0.8x | 0.8x | NA | NA | 10.4x | 7.2x | 1.0 |
| RLI Corp. | \$2,611 | \$2,733 | \$802 | 12.0% | 3.4x | 3.4x | NA | NA | 37.5x | 29.8x | NA |
| Argo Group International Holdings, Ltd. | \$1,811 | \$2,156 | \$1,722 | 7.3% | 1.3x | 1.2x | NA | NA | 74.8x | 15.3x | NA |
| The Navigators Group, Inc. | \$1,525 | \$1,733 | \$1,262 | 4.9% | 1.6x | 1.5x | NA | NA | 23.1x | 22.3x | 4.6 |
| Amerisafe, Inc. | \$1,269 | \$1,189 | \$379 | 24.6% | 3.1x | 3.1x | NA | NA | 19.7x | 19.9x | 2.0 |
| Global Indemnity Limited | \$770 | \$1,019 | \$511 | 13.2% | NA | NA | NA | NA | NA | NA | NA |
| Median | | | | 10.1% | 1.6x | 1.6x | NA | NA | 28.0x | 21.5x | 2.0 |
| Mean | | | | 11.5% | 2.1x | 2.1x | NA | NA | 31.3x | 21.5x | 2.9 |

Source: Capital IQ

Stock Comparables – Insurance Sub-Sectors

(All figures in US Dollars. Figures in millions, except per share data, as of December 1, 2017)

Insurance Brokers

| Company Name | Market Cap | Enterprise Value | LTM Sales | LTM EBITDA % | EV / Sales | | EV / EBITDA | | P / E | | PEG |
|--|------------|------------------|-----------|--------------|-------------|-------------|--------------|--------------|--------------|--------------|------------|
| | | | | | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 | FY2018 | |
| Marsh & McLennan Companies, Inc. | \$43,411 | \$47,906 | \$13,703 | 23.8% | 3.3x | 3.1x | 13.5x | 12.5x | 21.2x | 19.4x | 1.9 |
| Aon plc | \$35,563 | \$39,311 | \$11,935 | 18.6% | 4.0x | 3.8x | 16.2x | 14.2x | 22.0x | 17.8x | 1.9 |
| Willis Towers Watson Public Limited Comp | \$21,384 | \$25,216 | \$7,969 | 19.9% | 3.1x | 3.0x | 13.1x | 11.8x | 19.1x | 16.4x | 1.9 |
| Arthur J. Gallagher & Co. | \$12,036 | \$14,556 | \$5,885 | 15.3% | 2.3x | 2.1x | 13.8x | 12.1x | 21.0x | 18.8x | 2.3 |
| Brown & Brown, Inc. | \$7,214 | \$7,619 | \$1,817 | 31.5% | 3.9x | 3.8x | 12.6x | 12.1x | 26.5x | 24.6x | 3.9 |
| Jardine Lloyd Thompson Group plc | \$3,792 | \$4,413 | \$1,730 | 16.6% | 2.4x | 2.2x | NA | NA | 22.2x | 17.5x | 0.9 |
| Median | | | | 19.2% | 3.2x | 3.1x | 13.5x | 12.1x | 21.6x | 18.3x | 1.9 |
| Mean | | | | 21.0% | 3.2x | 3.0x | 13.8x | 12.5x | 22.0x | 19.1x | 2.1 |

Online Information Providers

| Company Name | Market Cap | Enterprise Value | LTM Sales | LTM EBITDA % | EV / Sales | | EV / EBITDA | | P / E | | PEG |
|--------------------------------|------------|------------------|-----------|--------------|-------------|-------------|--------------|--------------|--------------|--------------|------------|
| | | | | | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 | FY2018 | |
| Moneysupermarket.com Group PLC | \$2,397 | \$2,373 | \$421 | 34.3% | 5.1x | 4.8x | 13.4x | 12.4x | 19.6x | 17.8x | 1.8 |
| eHealth, Inc. | \$430 | \$378 | \$177 | (10.2%) | 2.2x | 2.0x | NM | NM | NM | NM | NA |
| iSelect Limited | \$237 | \$176 | \$142 | 13.1% | NA | 1.3x | NA | 7.9x | NA | 18.5x | NA |
| QuinStreet, Inc. | \$455 | \$404 | \$314 | 1.7% | NA | 0.8x | NA | 10.7x | NA | 67.0x | NA |
| Median | | | | 7.4% | 3.7x | 1.6x | 13.4x | 10.7x | 19.6x | 18.5x | 1.8 |
| Mean | | | | 9.7% | 3.7x | 2.2x | 13.4x | 10.4x | 19.6x | 34.4x | 1.8 |

P&C Insurance

| Company Name | Market Cap | Enterprise Value | LTM Sales | LTM EBITDA % | EV / Sales | | EV / EBITDA | | P / E | | PEG |
|---|------------|------------------|-----------|--------------|-------------|-------------|-------------|-----------|--------------|--------------|------------|
| | | | | | FY2017 | FY2018 | FY2017 | FY2018 | FY2017 | FY2018 | |
| Chubb Limited | \$70,395 | \$85,359 | \$32,455 | 15.5% | 3.1x | 3.0x | NA | NA | 20.7x | 14.2x | 3.1 |
| The Travelers Companies, Inc. | \$37,280 | \$43,822 | \$28,518 | 14.8% | 1.7x | 1.6x | NA | NA | 17.7x | 13.9x | 3.2 |
| The Progressive Corporation | \$31,174 | \$34,759 | \$25,823 | 9.2% | 1.2x | 1.1x | NA | NA | 21.0x | 17.2x | 1.3 |
| The Hartford Financial Services Group, Inc. | \$20,486 | \$25,820 | \$18,524 | 5.4% | 1.3x | 1.3x | NM | NM | 15.0x | 11.8x | 1.4 |
| Cincinnati Financial Corporation | \$12,227 | \$12,396 | \$5,633 | 13.6% | 2.0x | 2.0x | NA | NA | 26.2x | 23.0x | NM |
| RSA Insurance Group plc | \$8,206 | \$8,425 | \$9,125 | 11.0% | 1.0x | 0.9x | NA | NA | 13.8x | 12.2x | 1.3 |
| The Hanover Insurance Group, Inc. | \$4,548 | \$5,108 | \$5,107 | 4.4% | 1.0x | 0.9x | NA | NA | 25.6x | 14.0x | NM |
| Mercury General Corporation | \$3,017 | \$3,105 | \$3,296 | 4.4% | 1.0x | 1.0x | NA | NA | 30.9x | 22.4x | 1.1 |
| Selective Insurance Group, Inc. | \$3,562 | \$4,000 | \$2,419 | 13.3% | 1.6x | 1.5x | NA | NA | 19.0x | 17.9x | 1.6 |
| Employers Holdings, Inc. | \$1,579 | \$1,530 | \$792 | 19.5% | 1.8x | 1.8x | NA | NA | 19.4x | 19.6x | NA |
| State Auto Financial Corporation | \$1,178 | \$1,189 | \$1,423 | 3.3% | 0.8x | 0.9x | NA | NA | NM | 19.2x | NA |
| Median | | | | 11.0% | 1.3x | 1.3x | NA | NA | 20.1x | 17.2x | 1.4 |
| Mean | | | | 10.4% | 1.5x | 1.5x | NA | NA | 20.9x | 16.9x | 1.9 |

Source: Capital IQ

Recent Updates – Insurance



TECHNOLOGY EXPANDING UNDERWRITERS' ROLE

Transformative insurance technologies are going beyond the back office and swiftly making their way into the more critical middle and front office functions. Underwriting is among the first areas to reap the benefits of this technology-driven front office outsourcing renaissance in insurance. Solutions based on artificial intelligence, analytics, and machine learning, which improve analysis and bring more automation, have flooded the underwriting space. These solutions promise to reinstate underwriting at the center of the insurance business. They can relieve underwriters from many of their present burdens and even allow them to contribute to more value-adding tasks, like client management, solutioning, and risk analysis. A recent

Ernst & Young report foresees an underwriter that is clothed in technology that enables him to double-up as a sales executive and a data scientist.

With better predictive modelling capabilities, underwriters could, for example, achieve more depth in their analysis and transactional modeling. This could broaden their work profile to include typical sales functions, such as prospecting, sales hunting, account management, and servicing. Similarly, new data solutions could support customer data ownership and facilitate insurer access. These data and analytics capabilities could be backed up by sensors, telematics, and other powerful technologies.



INCUMBENTS LINING UP FOR OPERATIONAL COST-SAVING TECHNOLOGIES

With key variables, such as combined ratio (a measure of operational profitability), spiraling out of control, making less-efficient processes digital has become indispensable for insurers. In addition to inhibiting operational excellence, current processes are a prohibitive drain on insurers' finances.

The first wave of digital upgradation in insurance started in 2016 and was largely focused on claims, internal operations, and customer acquisition. The upgradation drive has strengthened in 2017, and cost-optimizing technologies have become another key focus area. All insurers of note, irrespective of size and financial capacity, now see cost-optimizing technology upgrades as a matter of great strategic significance.

Investments made by insurers on cost-saving technologies have soared in recent quarters. Analytics, automation, and

mechanization have been attracting a major share of these investments. Many startups have come up in this space and experienced supernormal growth in revenues and number of clients. OutShared is one such startup. The company's CynoClaim solution enables more than 60% of all claims to be managed automatically. This radically reduces costs and processing time, and increases customer satisfaction. The first implementation of OutShared's technology produced up to a 50% decrease in costs and a 40% increase in customer satisfaction. Companies with deep-impact solutions like this have received liberal funding from investors, and have made insurance one of the most liberally-funded segments of fintech. M&A's involving insurance technology providers have closed at unprecedented multiples.



CUSTOMER ENGAGEMENT INNOVATION REACHING A CRESCENDO

Advances in customer technology and rapid technology adoption rates in other industries have taken customers' service expectations to unprecedented heights. Industries like insurance that have lagged in the adoption of these technologies are feeling its brunt the most. The incursion of online insurance providers, who offer a better customer experience at a substantially lower price, has only compounded the challenges confronting established players. Their entry has not only tasked the big players with balancing the ends of digitalizing customer processes and lowering their cost base, but also with adapting to fast-changing customer behavior, preempting customer needs, and presenting innovative solutions before anyone else.

This is a major environmental change for legacy carriers because engagement innovation was never a strategic concern for them until now. The new industry dynamics and increasing competition have tasked carriers with turning operational excellence and engagement innovation into a distinguishing advantage. In the new scheme of things, engagement innovation does not simply imply providing superior customer service. It often implies staging an organization-wide transformation that facilitates customer-centric product development, inclusion of new value-added features, and rethinking service models.



Latest updates from the Insurance industry

Symbility becomes new Guidewire PartnerConnect solution partner

On November 14, 2017, Symbility Solutions, a provider of innovative technology solutions aimed at modernizing the insurance industry, announced that it has joined Property and Casualty (P&C) insurance software provider Guidewire's PartnerConnect™ program as a *Solution* partner. Symbility's workflow management solution, Symbility Claims Connect, is the first property claim management solution to have an accelerator that is ready for Guidewire. The partnership will enable insurers to integrate Guidewire ClaimCenter® with Symbility Claims Connect® in less time and at a lower cost. Symbility's accelerator will also give Guidewire customers the ability to automatically or manually move claims from ClaimCenter to Claims Connect, and receive updates in ClaimCenter, reducing adjuster workload.

Stratumn successfully tests blockchain solution for efficient information flow between insurers

Stratumn, a blockchain-based company focused on providing Proof of Process technology to businesses, successfully completed an experiment aimed at facilitating more efficient information flow between insurance companies, over the blockchain. Fourteen French insurers participated in the project, which was undertaken in collaboration with the French Federation of Insurers (FFA) and consulting major Deloitte. The project closely follows the recent enactment of the Hamon Law that gives insurance buyers in France the freedom to switch to a different insurer at the end of one year of coverage.

AmTrust partners with Farmobile for digital crop insurance solution

AmTrust Agriculture Insurance, a subsidiary of multiline P&C insurer AmTrust Financial, partnered with Farmobile to develop digital solutions for the crop insurance market using Farmobile's data collection technology. Farmobile manufactures a data gathering device that can store data locally in case of a loss of connectivity. This data is then automatically transferred to the server when connectivity is re-established. The partnership will enable AmTrust to use Farmobile's device to gather data and calculate the crop insurance premium to be paid by a farmer based on this data. As part of the deal, AmTrust will also acquire an equity stake in Farmobile.

AIG unveils digital subsidiary Blackboard to transform commercial insurance through analytics








American International Group Inc. (AIG), recently unveiled BlackboardSM, its new technology-focused subsidiary. Blackboard aims to redefine commercial insurance using data analytics and automation. It aims to help clients gain momentum and cope with the fast-paced changes that characterize the modern-day insurance industry. "Our name acknowledges that there will be many advances in data and technology, and Blackboard will be the place where our people, clients, and brokers collaborate continuously to find better ways of doing business and to transform the insurance experience," said Seraina Macia, Chief Executive Officer of Blackboard U.S. Holdings, Inc. "Blackboard is a key part of AIG's strategy to grow our business with the greatest competitive advantage and ability to serve our clients, today and into the future."

QBE partners with RiskGenius for machine learning-based policy distribution

QBE Insurance entered into a contract with RiskGenius to automatically match insurance products with a customer's coverage needs, using machine learning. The move is in line with QBE's strategy of financing early-stage startups developing technologies that are potentially beneficial for the company. "I love the fact that QBE has decided to focus on data and analytics when partnering with Insurtechs," says Chris Cheatham, CEO of RiskGenius. "The two are aligned in our vision for RiskGenius to become a utility for insurance professionals looking to evaluate insurance policy language."

Deal Activity – Insurance

Highlighted M&A Transactions

| Date | Target | Acquirer | Sector | Amount (\$mm) |
|----------|--|---|----------------------------|---------------|
| 11/6/17 | ICE Insurance |  acturis CONNECTED THINKING | Software Solutions | NA |
| 10/17/17 |  the warranty group |  ASSURANT® | Software Solutions | \$2,500 |
| 10/6/17 |  CYENCE |  GUIDEWIRE | Data & Analytics Solutions | \$270 |
| 8/21/17 |  sequel |  Verisk Analytics | Software Solutions | \$333 |





- The Insurance industry has experienced thin M&A transaction volumes in H2:17, however, insurtech deal volumes and values have soared.

- Digital technologies that help insurers enhance their brand appeal have been the most favored M&A and funding targets, as the web continues to transform into the primary insurance distribution network.

- 7 out of 10 respondents (68%) in a recent survey said that brand strength will be the main driver of M&A in the next three years.

- Data analytics, especially for information providers, and underwriting technology are the other areas that experienced significant M&A activity during H2:17.

Highlighted Financing Transactions

| Date | Company | Lead Investor | Type | Amount (\$mm) |
|---------|--|--|----------|---------------|
| 10/2/17 |  Tinubu Square CREDIT RISK SOLUTIONS |  LONG ARC CAPITAL | Growth | \$63 |
| 9/19/17 |  thezebra |  Accel | Series B | \$40 |

Brand building, digitization, and analytics driving Insurance deals

The Insurance industry has experienced thin M&A transaction volumes globally in H2:17, which is consistent with the fall in M&A deal volumes across most sectors. However, deal volumes and multiples in the insurtech space have been strong. Acquirers have actively pursued prospects that can help them advance technologically and build a strong brand identity.

Digital technologies that help insurers enhance their brand appeal have been the most favored M&A and funding targets in H2:17, as the web continues to transform into the primary distribution network for insurers. The most powerful motivation for undertaking an acquisition over the next three years will continue to be gaining brand value, suggests a survey conducted by

leading global advisory, broking, and solutions company Willis Towers Watson in conjunction with Mergermarket. 7 out of 10 respondents (68%) in the survey said that brand strength will be the main driver of M&A in the next three years, reflecting the transition to digital sales, which require a strong, recognizable brand. Data analytics, especially for online information providers, and underwriting technology were the other areas that experienced significant M&A activity during H2:17.

“M&A in the insurance industry will be driven by the need to create synergies, build brands and tackle technological advances,” says Jack Gibson, global M&A lead, Willis Towers Watson M&A Risk Consulting. “However, as our survey shows, companies will be searching for quality over quantity.”

“M&A in the insurance industry will be driven by the need to create synergies, build brands and tackle technological advances...” – Jack Gibson, global M&A lead, Willis Towers Watson M&A Risk Consulting

M&A Transaction Activity Summary – Insurance

| Date | Target | Acquirer(s) | Sector | EV (\$mm) |
|----------------------------------|---|---|------------------------------|-----------|
| 11/28/17 |  Ashmere™ Insurance Company |  bedrock insurance services | Insurance Brokers | NA |
| 11/14/17 |  FACTOR TRUST |  TransUnion™ | Online Information Providers | NA |
| 11/6/17 Transaction Profiled | ICE Insurance |  acturis CONNECTED THINKING | Software Solutions | NA |
| 10/31/17 |  RateElert |  QuoteWizard® | Online Information Providers | NA |
| 10/17/17 Transaction Profiled |  the warranty group |  ASSURANT® | Software Solutions | \$2,500 |
| 10/16/17 |  TRICAST |  Prima Solutions THE DIGITAL INSURANCE PLATFORM | Data & Analytics Solutions | NA |
| 10/16/17 |  Willis Towers Watson 15 insurance programmes |  AmWINS Group Benefits | Data & Analytics Solutions | NA |
| 10/11/17 |  Willis Towers Watson UBI assets |  OCTO Telematics | Data & Analytics Solutions | NA |
| 10/6/17 Transaction Profiled |  CYENCE |  GUIDEWIRE | Data & Analytics Solutions | \$270 |

Source: Capital IQ

M&A Transaction Activity Summary – Insurance

| Date | Target | Acquirer(s) | Sector | EV (\$mm) |
|---------------------------------|--|---|------------------------------|-----------|
| 9/25/17 |  BOLT INSURANCE AGENCY |  CVC Capital Partners | P&C Insurance | NA |
| 9/19/17 |  LASER APP SOFTWARE |  IPIPELINE INSURANCE ACCELERATED | Software Solutions | NA |
| 9/6/17 |  Prima Solutions THE DIGITAL INSURANCE PLATFORM |  THE CARLYLE GROUP | Software Solutions | \$60 |
| 8/28/17 |  compass Driving Records FOR PEOPLE & COMPANIES |  TransUnion | Online Information Providers | NA |
| 8/21/17 |  sequel |  verisk Analytics | Software Solutions | \$333 |
| 8/10/17 Transaction Profiled |  SurePath InSara Vision Technologies |  SuretyWave | Software Solutions | NA |
| 8/2/17 |  Impeo |  Riverside | Software Solutions | NA |
| 8/2/17 |  OnSource INFORMATION IN FOCUS |  genpact Transformation Happens Here | Online Information Providers | NA |

Source: Capital IQ

Key M&A Deal Profiles – Insurance

Acturis Group acquires ICE Insurance for an undisclosed amount

Target Company Overview

ICE Insurance

ICE Insurance is a software solutions provider with a suite of connected insurance solutions for insurance and accident management companies. The company was founded in 2017 and is based in Camberley, the UK.

Products Offered

ICE Insurance's core offerings include:

- **ICE Claims** – Intuitive and configurable FNOL process with automated validation, integrated financials, enabling fast and accurate claims management
- **ICE Policy** – flexible modular applications allowing users to follow a policy through its complete lifecycle, from quote to claim administration
- **ICE Rating** – an automated underwriting solution
- **ICE Digital** – a partner trading platform
- **ICE Analytics** – a data warehouse app
- **ICE Billing** – an automated billing solution

Acquisition Details



Acturis Group Ltd acquired the ICE Insurance business of Hubio Technologies Limited on November 6, 2017. The business has been transferred to a new company named ICE InsureTech Ltd. ICE InsureTech Ltd will operate as an integrated unit within the Acturis Group.

Transaction Rationale

The acquisition will help Acturis strengthen its market position. With the addition of ICE's connected insurance products, Acturis will be able to expand its customer base and become an industry leader in the insurance policy provider and accident management segments of the insurance software market.

Assurant acquires the Warranty Group for \$2.5 billion

Target Company Overview



The Warranty Group, Inc. provides underwriting, claims administration, and marketing solutions to manufacturers, distributors, and retailers of consumer goods. It also provides specialty insurance products and services to financial institutions worldwide. The company was founded in 1964 and is headquartered in Chicago, IL.

Products and Services Offered

The Warranty Group's key offerings include compliance solutions, inbound and online customer care solutions, service logistics solutions, and electronic claims payments. The company also provides underwriting coverage, product security services, property and casualty insurance, identity theft solutions, and custom solutions for the automotive and appliances sectors.

Acquisition Details



Assurant, Inc. entered into a definitive agreement to acquire The Warranty Group, Inc. from TPG Capital, L.P. (TPG Capital) for \$2.5 billion on October 17, 2017. The consideration will be paid as \$372 million in cash to TPG Capital, \$591 million in cash as a repayment of The Warranty Group's existing debt, and 16 million Assurant's shares.

Transaction Rationale

The transaction will help Assurant firmly establish its foothold in the global lifestyle market, with an attractive product and client portfolio, diversified growth profile, and a deeper global footprint. The acquisition will also enhance Assurant's scale and market position in the vehicle protection, extended service contracts, and financial services segments.

Source: Company Websites, Capital IQ, Press Releases

Key M&A Deal Profiles – Insurance

Guidewire acquires Cyence for \$140 million

Target Company Overview



Cyence Inc. provides a platform that quantifies cyber risk for insurance companies using data science and economic modeling. Cyence Inc. was incorporated in 2014 and is based in San Mateo, CA.

Services Offered

Cyence's analytics platform combines data science and economic modeling capabilities to quantify the financial impact of cyber risk on insurance companies. Insurance industry professionals use this platform to prospect and select risks, assess and price risks, manage risk portfolios and accumulations, and design new insurance products for the market.

Acquisition Details



Guidewire Software, Inc. entered into a definitive agreement to acquire Cyence Inc. from New Enterprise Associates, Institutional Venture Partners, and other shareholders for approximately \$270 million on October 6, 2017. Under the terms of deal, Guidewire Software will pay \$140 million net of cash and will issue 1.34 million shares as consideration.

Transaction Rationale

Through the acquisition, Guidewire will be able to provide P&C insurers a cloud-based data listening and risk analytics solution that will enable them to more effectively counter new-age security risks. Cyence's data listening and risk analytics solutions that effectively model diverse and dynamic data sets will better-position Guidewire's clients to predict and safeguard themselves against complex cyber risks with non-obvious patterns.

Verisk Analytics Inc. acquires Sequel Business Solutions for \$333 million

Target Company Overview



Sequel Business Solutions Limited develops insurance and reinsurance software solutions. Sequel Business Solutions Limited was incorporated in 1993 and is based in London, the UK.

Services Offered

Sequel's application software offerings include the following:

- **Eclipse Broking** – a one-stop solution for insurance and reinsurance brokers that covers everything from placement and billing to claims management and technical accounting.
- **Eclipse Underwriting** – a streamlined, end-to-end management solution for insurance and reinsurance businesses.
- **Sequel Claims** - a workflow engine that facilitates faster, more efficient higher volume claims handling.

Acquisition Details





















Verisk Analytics, Inc. signed a definitive agreement to acquire Sequel Business Solutions Limited from HgCapital and other shareholders for £250 million (\$333 million) on August 21, 2017. Sequel had revenue and EBITDA of £26 million and £12 million, respectively, for the year ended June 30, 2017.

Transaction Rationale

The acquisition will strengthen Verisk's position in the London insurance market and bring significant global growth opportunities to the company. It will add considerably to Verisk's capabilities in the complex commercial and specialty insurance spaces, enabling integrated global data analytics through a specialized end-to-end workflow solution.



















Source: Company Websites, Capital IQ, Press Releases

Financing Transaction Activity Summary

| Date | Target | Sector | Amount (\$mm) | Series | Investor(s) |
|----------|--|------------------------------|---------------|----------|---|
| 11/21/17 |  snapsheet | Data Analytics Solutions | \$16 | Series D |  TOLA CAPITAL |
| 11/16/17 |  at-bay, Inc. | Data Analytics Solutions | \$6 | Seed |  Lightspeed |
| 11/16/17 |  Health I.Q. | Traditional / Life Insurance | \$35 | Series C | ANDREESSEN HOROWITZ |
| 11/15/17 |  Goji | Insurance Brokers | \$15 | Growth |  HUDSON STRUCTURED CAPITAL MANAGEMENT |
| 11/7/17 |  Matic | Traditional / Life Insurance | \$7 | Series A |  mr. cooper CHANGING THE FACE OF HOME LOANS |
| 11/2/17 |  STRATUMN | Software Solutions | \$10 | Series A |  BNP PARIBAS |
| 10/19/17 |  Automile | Software Solutions | \$34 | Series B |  INSIGHT VENTURE PARTNERS |
| 10/13/17 |  policybazaar.com Compare Buy Sell | Online Information Providers | \$85 | Series E |  TRUE NORTH VENTURE PARTNERS Corporate |
| 10/9/17 |  coverwallet | Software Solutions | \$19 | Series B |  Foundation CAPITAL |
| 10/9/17 |  coverfy | Insurance Brokers | \$4 | NA | Undisclosed |

Source: Capital IQ and Media Reports

Financing Transaction Activity Summary

| Date | Target | Sector | Amount (\$mm) | Series | Investor(s) |
|---------------------------------|---|------------------------------|---------------|----------|---|
| 10/5/17 |  Slice | Insurance Brokers | \$12 | Series A |  XL Innovate |
| 10/4/17 |  PremFina | Software Solutions | \$36 | Series A |  Rakuten Capital |
| 10/4/17 |  clearsurance | Online Information Providers | \$4 | Series A |  DAVIS CAPITAL PARTNERS |
| 10/2/17 Transaction Profiled |  Tinubu Square CREDIT RISK SOLUTIONS | Online Information Providers | \$63 | Growth |  LONG ARC CAPITAL |
| 10/2/17 |  e ensurem™ | Online Information Providers | \$12 | Venture |  A++ CAP |
| 9/26/17 |  compara online | Online Information Providers | \$14 | Series C |  IFC International Finance Corporation WORLD BANK GROUP |
| 9/26/17 |  boost insurance | P&C Specialty | \$3 | Venture |  NORWEST VENTURE PARTNERS |
| 9/19/17 Transaction Profiled |  the zebra | Online Information Providers | \$40 | Series B |  Accel |
| 9/8/17 |  datacubes | Data & Analytics Solutions | \$3 | Series A |  M & K capital |

Source: Capital IQ and Media Reports

Key Financing Deal Profiles – Insurance

Tinubu Square raises \$63 million in growth funding

Target Company Overview



Tinubu Square SAS provides credit risk intelligence solutions for corporate customers, credit insurers, and brokers to manage buyer credit risk across their enterprises. Tinubu Square SAS was founded in 2000 and is based in Issy les Moulineaux, France.

Services Offered

Tinubu's credit risk intelligence solutions include Tinubu Risk Management Center platform, which is a cloud platform for B2B companies to optimize and standardize credit risk management; Tinubu Credit Intelligence service, an online service that qualifies insurance buyers based on creditworthiness; and Tinubu Risk Analyst service that provides consulting services for risk monitoring. The company also provides consultancy services for technical due diligence and audit, among other areas.

Financing Details



Tinubu Square SAS announced that it has received €53 million (\$63 million) in funding on October 2, 2017. The transaction included participation from returning investors Large Venture, Long Arc Capital LP, and Bpifrance Investissement. As part of the transaction, Long Arc Capital LP acquired a majority stake in the company.

Use of Funds

Tinubu Square will use the proceeds to accelerate the development of its technology solutions for credit and surety insurers, trade finance banks, and export credit agencies. It will also use the funds to support growth in its existing markets in Europe, North America, and Asia-Pacific, as well as to open up new market segments.

The Zebra raises \$40 million in Series B funding

Target Company Overview



The Zebra, Inc. operates an online insurance comparison platform in the US that helps users predominantly compare quotes for car insurance. The company was founded in 2012 and is based in Austin, TX.

Services Offered

The Zebra provides quotes for insurance products in the car, boat, condo, home, mobile home, motorcycle, renters, and RV segments. It also offers a real-time and side-by-side quote comparison tool to help users find the most suitable product. The company also provides agent support and educational resources.

Financing Details



Insurance Zebra, Inc. announced that it has received \$40 million in Series B funding on September 19, 2017. The round was led by new investor Accel Partners. This is the company's fourth round of funding and the company has raised \$61.5 million in funding till date.

Use of Funds

The Zebra will use the proceeds for expanding product functionality, adding new lines of insurance, and making substantial investments in brand building and other marketing efforts. It will also use the funds to grow its staff and enter new partnerships to expand its reach.

IPO Activity Summary – Insurance

| Company | IPO Date | Amount Raised (\$mm) | IPO Price | Current Market Price | Total Return |
|---|----------|----------------------|-----------|----------------------|--------------|
|  众安保险 ZhongAn Insurance | 9/27/17 | \$1,1524 | \$7.65 | \$9.17 | 19.9% |
|  ASR nederland | 6/9/16 | \$1,153 | \$22.09 | \$40.60 | 83.8% |
|  HealthEquity Building Health Savings [®] | 7/6/15 | \$127 | \$14.00 | \$51.46 | 267.6% |
|  PATRIOT [™] NATIONAL, INC. | 1/15/15 | \$116 | \$14.00 | \$0.03 | (99.8%) |
|  trupanion [™] Medical insurance for your pet. | 7/17/14 | \$71 | \$10.00 | \$28.94 | 189.4% |
|  TriNet | 3/26/14 | \$240 | \$16.00 | \$43.86 | 174.1% |
|  BENEFITFOCUS [®] | 9/17/13 | \$131 | \$26.50 | \$26.75 | 0.9% |
|  iSelect always get it right | 6/24/13 | \$199 | \$1.71 | \$1.09 | (36.3%) |
|  GUIDEWIRE | 1/24/12 | \$115 | \$13.00 | \$73.15 | 462.7% |
|  Bankrate ⁽¹⁾ | 6/16/11 | \$300 | \$15.00 | - | - |
|  QUINSTREET | 2/10/10 | \$150 | \$15.00 | \$9.95 | (33.7%) |

Note: ⁽¹⁾Bankrate, Inc. was acquired and subsequently taken private by Red Ventures Holdco, LP in a transaction that closed on November 8, 2017.

Source: Capital IQ and market data as of December 1, 2017

Select Wall Street Research Updates and Commentary



Update from J.P.Morgan, November 2017

Verisk has expanded meaningfully over time via acquisitions, with **two of the company's three primary verticals entered into through large M&A**. This theme has persisted in 2017, with the company thus far spending \$708mln for \$116mln of revs. **Verisk's capital allocation strategies have been less than stellar in recent years, in our view, but we like the company's recent moves.**



Update from Raymond James, November 2017

We are reiterating our Market Perform rating on shares of PRA. While the company **reported results that were ahead of our estimate revision** following the preannouncement, **we continue to expect the intensely competitive market conditions for PRA's business to persist through 2018**, which could potentially limit new business production (topline risk). We are further conscious of valuation and the lack of a near-term catalyst that would warrant a change to our current position.



Update from Cantor Fitzgerald, October 2017

EHTH reported mixed 3Q17 results with EPS below FactSet consensus and our estimate. EHTH reaffirmed its 2017 guidance. **Given continued uncertainty in the IFP market, EHTH will continue to manage this business for profitability while exploring new ways to address consumer needs** in this market. Specifically, EHTH has **recently introduced new affordable alternative health plans** that will be available during the open enrollment period for the 2018 coverage year.



Update from J.P.Morgan, November 2017

As more investors look to gain exposure to the sector given higher P&C insurance prices post the 3Q catastrophe losses, we think CB will be a major beneficiary as it is a large P&C insurance bellwether, it can participate in price increases globally, and it has a strong management team with a robust balance sheet, well-known brand and excellent catastrophe management.



Update from UBS, November 2017

Despite being dealt a bad hand when joining in Jan 2017, new Aegon CFO has managed to both avoid a capital raising and restored the group solvency ratios to 195% in 3Q17 (from a low of 149% at end 3Q16). This has been done through various asset sales, model changes, asset mix and importantly, improving relations with the DNB, which allowed it to change the conversion of its US RBC ratio. **Key risk remains around any potential US tax change, which could impact solvency (materially) due to reductions in deferred tax assets, but otherwise we see its capital crisis largely over.**

Appendix – Coverage Universe Components

Coverage universe for various sectors is as follows.

1 Payments:

ADS, FLT, ENXTPA:EDEN, WEX, FIS, FISV, JKHY, ACIW, EPAY, V, MA, AXP, PYPL, SHOP, ENXTAM:GTO, DBD, CATM, MB, EVRI, PMTS, BOVESPA:CIEL3, FDC, GPN, TSS, VNTV, SQ, LSE:WPG, XTRA:WDI, ENXTPA:WLN, DLX, LSE:PAYS, TSE:3769, QIWI, EVTC, LSE:PAY, UEPS, NEWT, JTPY, ENXTPA:ING, NCR, SZSE:002152, PAY, SEHK:327, AIM:SCH, PAR, WU, EEFT, HAWK, GDOT, MGI, ASX:OFX, PLPM

2 Bank Technology:

FIS, FISV, JKHY, SWX:TEMN, BSE:532466, TSE:6457, QTWO, SGX:5CP, EPAY, OTC PK:CSVI, BSE:538835, SWX:CLXN, AIM:MONI, LSE:EXPN, EFX, TRU, OM:IJ, FICO, FNF, ZG, CSGP, ELLI, CLGX, BKFS, LSE:ZPG, STC, TSX:REAL, ASPS, REIS, ENXTAM:WKL, PEGA, DNB, ENXTPA:SOP, WSE:ACP, MITK, AIM:SQS, NTWK, INTC, IBM, AXP, PYPL, FDC

3 Specialty Finance / Alternative Lending:

NAVI, NNI, PRAA, ECPG, PRGX, PFMT, ASFI, CIT, CACC, NEWS, MRLN, TSX:CHW, ASX:ZML, CPSS, COF, SYF, DFS, SLM, LSE:PFG, SC, OMF, FCFS, AAN, LSE:TCS, SGBK, WRDL, LSE:IPF, TBBK, EZPW, RM, OB:MONO-ME, ATLC, URI, AL, TSX:EFN, TGH, RCII, ASX:FXL, CAI, FLY, NSM, CASH, PHH, PFSI, OCN, WAC, LC, TREE, YRD, DB:FRU, ENVA, XRF, ELVT, ONDK, DB:MBC

4 Securities:

BGCP, LSE:NXG, LSE:IGG, IBKR, ENXTAM:FLOW, KCG, VIRT, ITG, ENXTPA:VIL, INTL, SWX:CFT, BMV:FINAMEX O, WFC, BAC, C, LSE:HSBA, ASX:CBA, TSX:RY, TSX:TD, ENXTPA:BNP, USB, AXP, LSE:LLOY, PNC, ASX:NAB, TSX:BMO, LSE:BARC, SEHK:11, LSE:RBS, SGX:D05, TSX:CM, NSEI:ICICIBANK, MTB, BIT:MB, UMBF, LSE:CBG, FII, NSEI:IIFL, XTRA:COM, CME, ICE, SEHK:388, XTRA:DB1, LSE:LSE, BOVESPA:BVMF3, NDAQ, CBOE, ASX:ASX, SGX:S68, ENXTPA:ENX, BME:BME, TSX:X, SPGI, TSX:TRI, MCO, INFO, MSCI, FDS, ENXTPA:FIM, MORN, NSEI:CRISIL, VALU, JPM, GS, MS, SWX:UBSG, DB:DBK, SWX:CSGN, ASX:MQG, TSE:8604, RJF, LAZ, SF, PJC, GHL, COWN, AMEX:LTS, AIM:NUM, JMP, BLK, BK, BEN, NTRS, AMP, TROW, IVZ, LSE:HL, LSE:INVP, JHG, AB, CNS, WDR, APAM, WETF, VRTS, SCHW, AMTD, ETFC, MKTX, TSE:8628, AIM:PLUS, TSE:8698, YIN, LSE:CMCX, SWX:SQN, GCAP, GLBR, STT, BR, SEIC, ASX:CPU, DST, LPLA, LSE:TCAP, FNGN, ENV, LSE:SNN, ASX:BVS, ENXTAM:KA, SSNC, CPSE:SIM, LSE:ALFA, ASX:IRE, LSE:FDSA, AIM:FDP, ENXTPA:LIN, AIM:SOG

5 Insurance:

LSE:REL, VRSK, DNB, ACXM, MMC, AON, WLTW, AJG, BRO, LSE:JLT, MET, PRU, CI, TSX:MFC, AFL, LSE:AV, TSX:GWO, TSX:SLF, LSE:LGEN, PFG, LNC, SWX:SLHN, LSE:SL, ENXTAM:AGN, TMK, PRI, ANAT, LSE:HSD, DB:ALV, ENXTPA:CS, AIG, SWX:ZURN, ALL, AFG, GNW, LSE:MONY, RATE, EHTH, ASX:ISU, QNST, CB, TRV, PGR, HIG, CINF, LSE:RSA, THG, MCY, SIGI, EIG, STFC, MKL, WRB, AIZ, AWH, PRA, AFSI, RLI, AGII, OB, NAVG, AMSF, GBLL, GWRE, EBIX, SPNS, CRD.B, AMEX:MJCO, TSXV:SY, PN, FNF, ORI, FAF, STC

6 BPO:

ENXTPA:RCF, CVG, TTEC, SYKE, SRT, ESRX, ATHN, HQY, BOVESPA:QUAL3, MDRX, HMSY, QSII, CSLT, CPSI, RCM, ADP, PAYX, ULTI, WAGE, TNET, CSOD, NSP, BNFT, ACN, NSEI:TCS, CTSH, NSEI:INFY, DXC, BSE:507685, NSEI:HCLTECH, ENXTPA:CAP, ENXTPA:ATO, DOX, OTEX, NSEI:TECHM, CACI, EXLS, WNS, CALD, SYNT, BSE:532819, NSEI:HEXAWARE, VRTU, UIS, VDSI, LSE:MCGN, BIT:BET, TSX:GIB.A, LSE:CPI, G, BSE:526299, CSGS, BSE:532809, AIM:IBPO, PRGX

7 Financial Management Solutions:

INTU, LSE:SGE, BL, COUP, ASX:RKN, TYL, PEGA, ASX:TNE, QADA, AMSW.A, LSE:MCGN, NSEI:RAMCOSYS, ADP, PAYX, WDAY, ULTI, HRB, PAYC, WAGE, PCTY, CSOD, NSP, LSE:HRG

8 Analytics / IoT:

ORCL, DB:SAP, CRM, VMW, LSE:EXPN, OTEX, SPLK, DATA, FICO, XTRA:SOW, RP, NEWR, MSTR, CLDR, AYX, HDP, VERI, DWCH, GOOGL, MSFT, AMZN, KOSE:A005930, T, CMCS.A, VZ, QCOM, TMUS, HLSE:NOKIA, S, GRMN, LOGM, SLAB, IDCC, AMBA, GLOB, FIT, CTRL, GE, INTC, CSCO, DB:SIE, HON, TXN, TSE:6501, HPE, SWKS, RHT, ARW, PTC, ZBRA, CY, IRDM, TSX:SW, ORBC, CAMP, SSNI, IBM, LSE:REL, EFX, NLSN, VRSK, IT, TRU, DNB, TDC, CLGX, VRNT, ACXM, FORR, TSX:AIM, MATR

9 Healthcare Tech:

INOV, OMCL, VCRA, TRHC, STRM, CERN, DB:COP, MDRX, EVH, QSII, HSTM, AIM:EMIS, CPSI, COTV, HMSY, ATHN, AIM:CRW, RCM, SREV, UNH, AET, ANTM, HUM, CNC, WCG, NUAN, MMS, MOH, MGLN, GTS, HIIQ



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