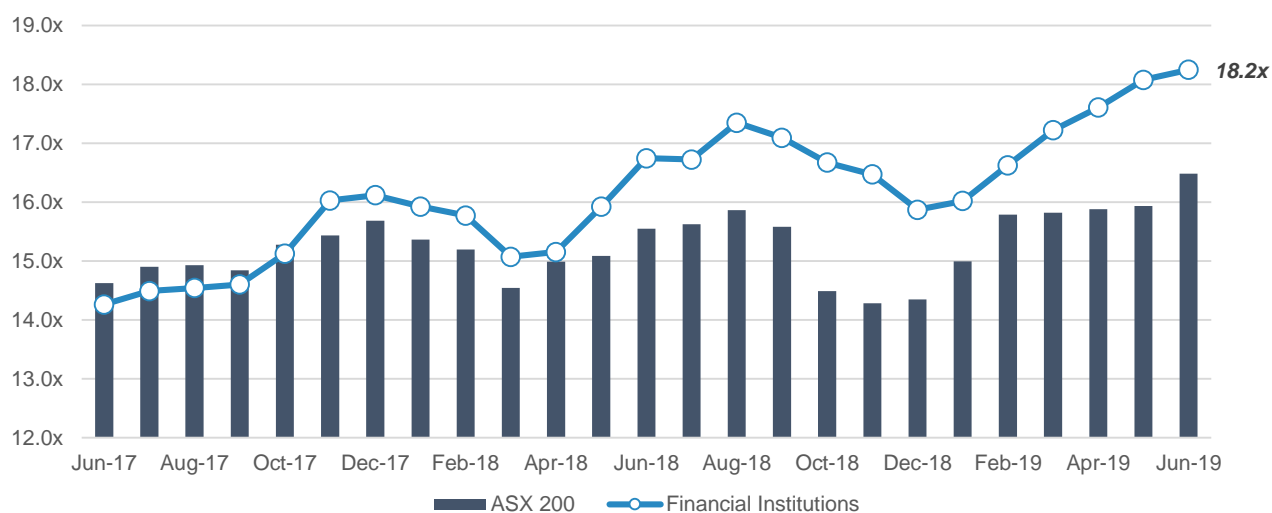


PRICING MULTIPLES

Forward Price Earnings Multiples (monthly to 30/06/2019) Source: FactSet Research Systems Inc.

Multiples in the Financial Institutions sector have increased over the period. At the end of June, the sector traded on a forward Price / Earnings multiple of 18.2x, compared to the ASX200 on 16.5x.



Average Values and Trading Multiples (values as at 18/07/2019) Source: FactSet Research Systems Inc.

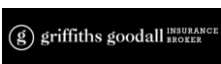
Subsector	Market Capitalization	Price / Book Value	Price / Earnings FY2019	EPS Growth
Consumer Credit Businesses	2,170	2.6x	11.8x	9.2%
Financial Services Providers	85,853	4.3x	21.0x	15.3%
Insurance & Mortgage Brokers	4,153	2.7x	16.9x	7.1%
Lending Institutions	464,972	1.4x	13.7x	3.6%
Property Developers	2,068	0.9x	10.4x	(13.1%)
REIT	141,509	1.3x	20.1x	5.0%
Financial Institutions	700,724	2.4x	18.5x	7.7%

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2019. The constituents have been refreshed this month to ensure the sector groups and companies included are current. Difference in forward EV/EBITDA multiples between Figure and Table are representative of the timing difference between month-end result, and current day result.

MERGER & ACQUISITION NEWS...



Value: \$48m



PSC Insurance Group Ltd has entered into a binding agreement to acquire the insurance broking portfolio and other key business assets of **Griffiths Goodall Insurance Brokers** for AUD 48m (USD 33.7m).



Value: Undisclosed

Accident and Health International Underwriting (AHI), an Australia-based accident, medical and corporate travel underwriting agency has been acquired by **Tokio Marine Management**, an Australia-based subsidiary of **Tokio Marine Holdings**, a Japan-based insurance group.



ORD MINNETT

Value: \$115m

IOOF Holdings will sell its entire 70% stake in **Ord Minnett** to a group of private investors led by current **Ord Minnett** management for AUD 115m. The group of investors led by current **Ord Minnett** management will also acquire the remaining 30% stake in the company from **JP Morgan** to take full ownership of the business.

INSTITUTIONAL INTELLIGENCE...

- **Medibank Private**, an Australia-based health insurance business, could receive takeover interest before shareholder restrictions lapse on 1 December.
- **Resolution Life** and **AMP** are now in talks over the potential acquisition of **AMP's** life insurance businesses, including a deal with updated terms, to accommodate the regulatory requirements.
- **BEAM Corp** is working with **Eclixp** on the sale of its **Commercial Equipment Finance Australia** operation.
- **Suncorp** is considered likely to demerge its banking operations. **Suncorp** is increasingly expected to divest its banking unit and a demerger is viewed as its preferred option.
- **Founders First**, an Australia-based business accelerator, is planning to list on the ASX later this year.
- **Australian Unity Office Fund**, an Australia-based real estate group, is anticipated to accept **Charter Hall** and **Abacus Property's** enhanced takeover offer.
- Australian superannuation funds **Hostplus** and **Club Super** are in discussions related to a merger. The funds have entered into a memorandum of understanding to formally pursue discussions and due diligence.
- **Axesstoday** administrator has entered into an exclusivity arrangement with an affiliate of **Cerberus Capital Management**, to finalize terms on which **Cerberus** proposes to acquire all of the assets of the company.
- **WAM Active** intends to make an off-market takeover bid for all the issued fully paid ordinary shares in **Keybridge Capital** at an all cash bid price of AUD 0.075 for each share.
- **MTAA Super** and **Tasplan** have entered into a binding Memorandum of Understanding to investigate a merger of the two funds, which if successful would create a national superannuation fund with more than AUD 22bn in Funds under Management and 328,000 members.
- **FlexiGroup**, an Australia-based finance business, is said to be mulling the sale of its Australian and New Zealand commercial lending unit.
- **Wilson's**, an Australia-based broker, is said to be interested in **Commonwealth Bank of Australia's** CommSec planning operation, CommSec Advisory.

CONTACT DETAILS

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