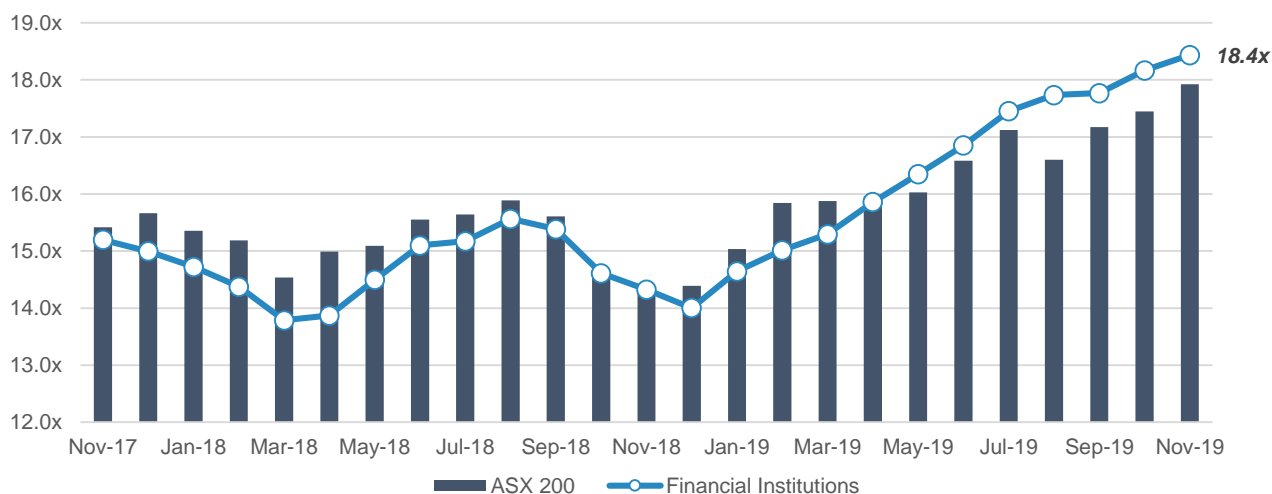


PRICING MULTIPLES

Forward Price Earnings Multiples (monthly to 30/11/2019) Source: FactSet Research Systems Inc.

Multiples in the Financial Institutions sector have increased over the period. At the end of November, the sector traded on a forward Price / Earnings multiple of 18.4x, compared to the ASX200 on 17.9x.



Average Values and Trading Multiples (values as at 17/12/2019) Source: FactSet Research Systems Inc.

Subsector	Market Capitalization	Price / Book Value	Price / Earnings FY2020	EPS Growth
Consumer Credit Businesses	2,384	1.9x	12.4x	21.4%
Financial Services Providers	87,999	3.8x	20.0x	12.2%
Insurance & Mortgage Brokers	4,748	3.2x	18.6x	15.6%
Lending Institutions	452,395	1.4x	13.7x	2.7%
Property Developers	2,228	1.1x	13.9x	14.0%
REIT	139,651	1.3x	16.8x	2.9%
Financial Institutions	689,403	2.2x	17.3x	8.3%

Note: Multiples are based on the forward year of the unreported period, which for the majority of companies in the sector is FY2020. Difference in forward EV/EBITDA multiples between Figure and Table are representative of the timing difference between month-end result, and current day result.

¹ The InterFinancial Financial Institutions Index set is an unweighted index comprising Financial Institutions sector related companies trading on the Australian Securities Exchange (ASX). Estimates are sourced from FactSet Research Systems Inc.

MERGER & ACQUISITION NEWS...

		<p>Value: Undisclosed</p> <p>A fund owned by AXA SA, APG Group N.V., Allianz Real Estate GmbH and Scape Australia Management have agreed to acquire the 6,805 beds across 14 operational assets from a portfolio of Urbanest, an Australia-based company that offers luxury shared student housing from M3 Capital Partners. Through this acquisition, the portfolio owned by fund will go up to 10,315 beds.</p>
		<p>Value: Undisclosed</p> <p>Perpetual Limited, the ASX-listed company that is engaged in providing investment products, financial advice, philanthropic and corporate service to individuals, families, financial advisers and organizations, has acquired Bombora Advice, an Australia-based risk advisory firm, from Mr. David Davidson.</p>
		<p>Value: Undisclosed</p> <p>Motor Trades Association of Australia Superannuation Fund has agreed to acquire Tasplan. MTAA Super is an Australia-based superannuation fund, headquartered in Parramatta, NSW. Tasplan is an Australia-based superannuation industry fund consultant, headquartered in Hobart, TAS.</p>
		<p>Value: \$288m</p> <p>The Carlyle Group, has agreed to acquire Pioneer Credit Limited, a Australia-based listed company engaged in providing financial services in acquiring and servicing unsecured retail debt portfolios, the sale of non-core portfolios, brokering and introducing credit products, via a Scheme Implementation Agreement.</p>
		<p>Value: \$18m</p> <p>Ellerston JAADE Private Asset Fund, an Australia-based fund of Ellerston Capital, has acquired 35% stake in CA Technology (CAMMS), an Australia-based company engaged in developing software. The transaction will value CAMMS at around \$50m.</p>
		<p>Value: \$1.07bn</p> <p>Palisade Investment Partners Limited, an Australia-based principal investment firm, and First Sentier Investors, a company engaged in the global investment management business of the Commonwealth Bank of Australia, has agreed to acquire Snowtown Wind farm (stage 2) (Snowtown 2), a wind farm asset, previously owned by Tilt Renewables Limited, the ASX-listed company that is engaged in renewable energy generation and development.</p>
		<p>Value: \$29.1m plus \$5m</p> <p>Pinnacle Investment Management announced on 13 December that it has agreed to acquire a 25% equity interest in Coolabah Capital Investments Pty Ltd from AMB Capital Partners for \$29.1m (and \$5m, contingent on performance targets).</p>

INSTITUTIONAL INTELLIGENCE...

- **WAM Active Ltd.** intends to make a new off-market takeover bid for all the issued fully paid ordinary shares in **Keybridge Capital Ltd.** at an all cash bid price of \$0.065 per share.
- **Westpac** could reach a deal to sell its equipment and asset finance business before Christmas. The business is approximately valued at \$600m.
- **IOOF Holdings Ltd.** has gained approvals from the **Australian Prudential Regulation Authority** (APRA) to hold the controlling stake in **OnePath Custodians Pty Limited** and **Oasis Fund Management Limited**.
- **AUB Group**, Australasia's largest equity-based insurance broker network, has announced the termination of its acquisition of **Coverforce Holdings Pty Ltd** (Coverforce), Australia's largest privately-owned insurance broker.
- **360 Capital Group** announced on 5 December that it has established the \$500m **360 Capital Credit Income Fund** and intends to list the fund on ASX in the second half of 2020.
- **Lendi**, an Australia-based online mortgage lender, is set to close a funding round at AUD 50m.
- **Medibank Private**, the Australian private health insurance (PHI) provider, expects to see consolidation in its sector and could acquire smaller PHI businesses.

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DISCLAIMER

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