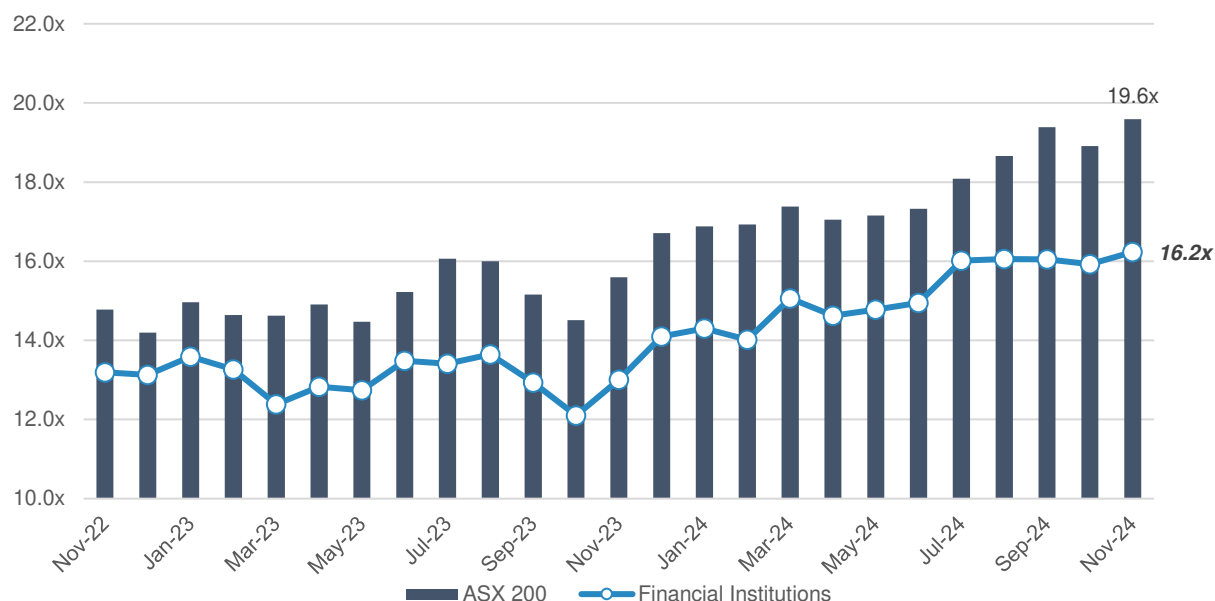


PRICING MULTIPLES

Forward Price Earnings Multiples (monthly to 30/11/2024) 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 16.2x, compared to the ASX200 on 19.6x.



Average Values and Trading Multiples (monthly to 30/11/2024) Source: FactSet Research Systems Inc.

| Subsector | Market Cap (\$ m) | Price / Book Value | Price / Earnings FY2025 | EPS Growth |
|-------------------------------|-------------------|--------------------|-------------------------|------------|
| Consumer Credit Businesses | 4,776 | 9.1x | 16.0x | 12.7% |
| Financial Services Providers | 72,274 | 4.6x | 17.0x | (10.2%) |
| Insurance & Mortgage Brokers | 45,002 | 2.3x | 13.5x | 42.5% |
| Lending Institutions | 717,235 | 1.7x | 16.7x | 6.6% |
| Property Developers | 3,069 | 1.1x | 16.7x | (7.4%) |
| REIT | 167,708 | 1.0x | 16.6x | NA |
| Financial Institutions | | 2.7x | 16.4x | 9% |

Note: Multiples are based on the forward year of the reported period, which for the majority of companies in the sector is FY2025. Difference in forward PE 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...

Steadfast 

Value: \$45.8m

HWI, a UK based insurance broker with worldwide coverage, has been acquired by **Steadfast Group**, an Australian insurance broker specialising in life and business insurance.



Arthur J. Gallagher & Co.

Value: Not Disclosed

Australian brokerage firm **Hann Insurance Brokers** has been acquired by American insurance giant **Arthur J. Gallagher & Co (AJG)**.



Value: Not Disclosed

StrategyOne Advice Network, a wealth management company, has been acquired by the **Azimut Holding**, an Italian investment company.



INSTITUTIONAL INTELLIGENCE...

- **Bain Capital** has been offered \$2.7bn for **Insignia Financial** that may attract further offers from rumoured rival financial sponsors such as KKR, Ares Management, CC Capital, EQT, PAG and TA Associates.
- Australian real asset group, **Dexus** is said to have been looked at by **Blackstone** as of recently. Dexus contains over \$40bn in funds under management that is attractive to large institutional investors such as Blackstone who already has a substantial Australian real estate portfolio.
- **Affinity's** subsidiary company, **Scottish Pacific**, a non-bank lender valued over 1bn, has hired an advisor to explore sale options. The process is in the beginning stage.
- **AltX**, a non-bank lender and fund manager valued at up to AUD 300m, have appointed an advisor to explore strategic options. AltX is being marketed to international and domestic private equity firms.
- **Royal Automobile Association of South Australia (RAA)** is set to sell its General insurance business to **Allianz Australia Insurance** for a consideration of \$416.22m. The transaction is still subject to regulatory approvals.

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DISCLAIMER

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