

Sica | Fletcher Agency & Broker Buyer Index

2018 ANNUAL REPORT

SICA FLETCHER

2018 Annual Report – Sica Fletcher Agency & Broker Buyer Index



S | F Agency & Broker Buyer Index

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The Sica | Fletcher Buyers Index tracks twelve of whom we believe to be the most prolific agent and broker acquirers in the industry.

In addition to tracking the number of deals by Index member, we are able to provide aggregate revenue acquired by our group.



In 2018, SF Index Members acquired 415 Agents/Brokers, a 22% increase over 2017.

415

of agencies
acquired by SF index
members in 2018

ACRISURE

ALERA GROUP

Arthur J. Gallagher & Co.

AssuredPartners

BroadStreet
PartnersBrown
& Brown
INSURANCEWIND
GROUPHUB
InternationalMARSH & MCLENNAN
AGENCY

NFP

RISK
STRATEGIES
COMPANY

USI

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\$1.98 Billion

Total revenue acquired by
SF Index - 2018

In 2018, SF Index members acquired nearly \$2 billion of agency and broker revenue, which is consistent with 2017.

\$4.76 Million

Average revenue of
agency acquired

The average revenue per agency acquired in 2018 by the SF Index was \$4.8 million.

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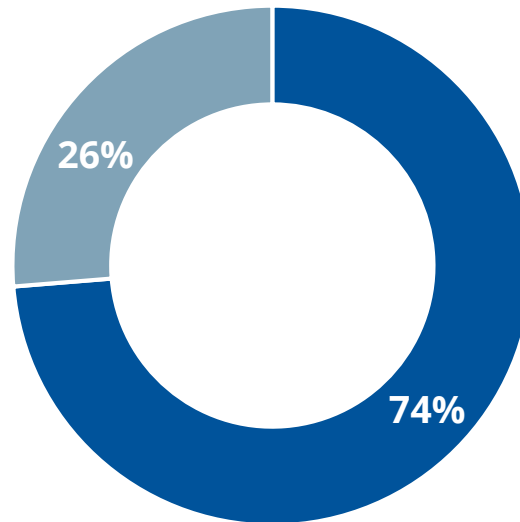
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In 2018, the SF Index accounted for 74% of all deal activity in the agency and brokerage space, or 415 of the 563 announced transactions.

Total Announced Transactions

Remaining Announced Deals
(2018)



Sica Fletcher Buyers Index
(2018)

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Who's Buyin' – Year Over Year Comparison

In terms of number of transactions, Acrisure reported 101 total acquisitions in 2018, followed by Hub, Gallagher and Assured Partners, with 66, 42 and 41 respectively. In aggregate, the group acquired 75 more agencies than in 2018.

Deals by SF Index Member	# of Deals, 2017	# of Deals, 2018
Acrisure	92	101
AJ Gallagher	33	42
Alera	19	33
Assured Partners	24	41
BroadStreet Partners	32	34
Brown & Brown	11	23
Hilb Group	15	13
Hub International	51	66
Marsh & McLennan	7	7
NFP	31	31
Risk Strategies	11	10
USI	14	14

Total Acquisitions – SF Index Members – 2018

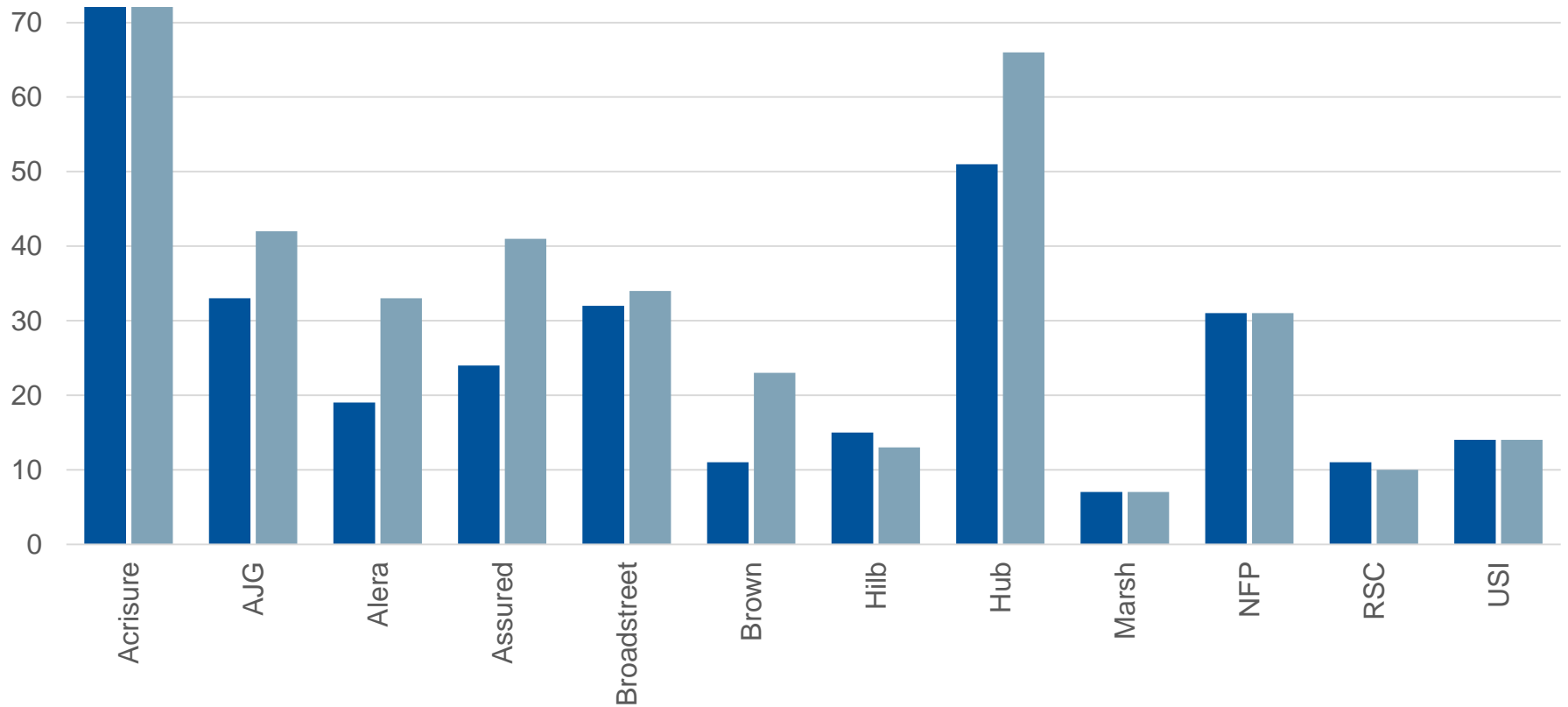
415 Transactions

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Who's Buyin' - Year Over Year Comparison

■ 2017 Acquisitions ■ 2018 Acquisitions



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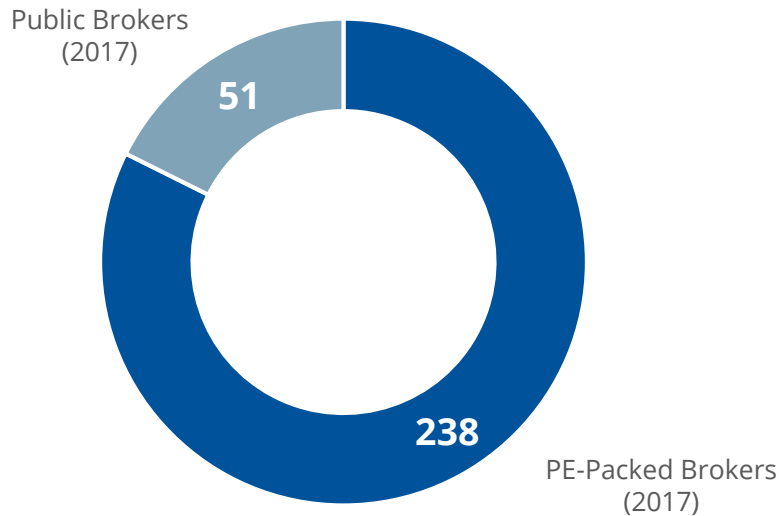
Public vs PE-Backed Analysis – Year Over Year

Private Equity buyers continue to drive deal activity. However, PE and Public buyer groups each increased deal activity from 2017 over 40%.

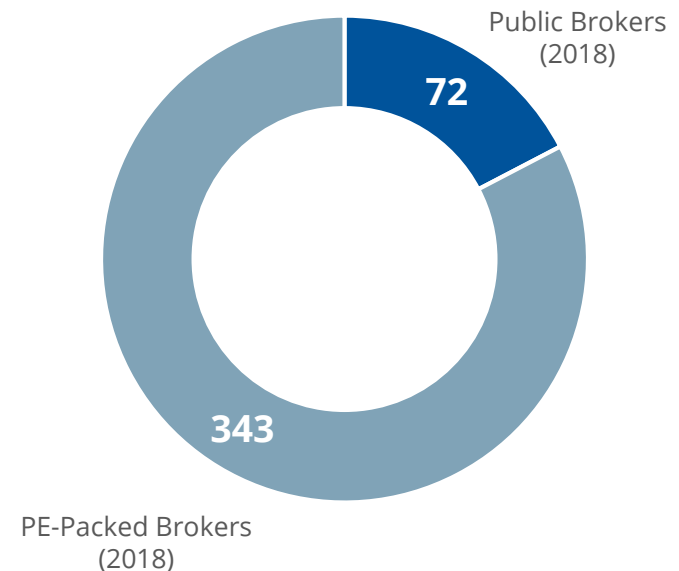
79% of transactions reported in the SF Index were announced by PE-backed firms in 2018, and in 2017 the percentage was the same.

However, only three 3 of the 12 Brokers we track are public (Brown, AJG and Marsh).

SF Index PE vs Public – 2017



SF Index PE vs Public – 2018



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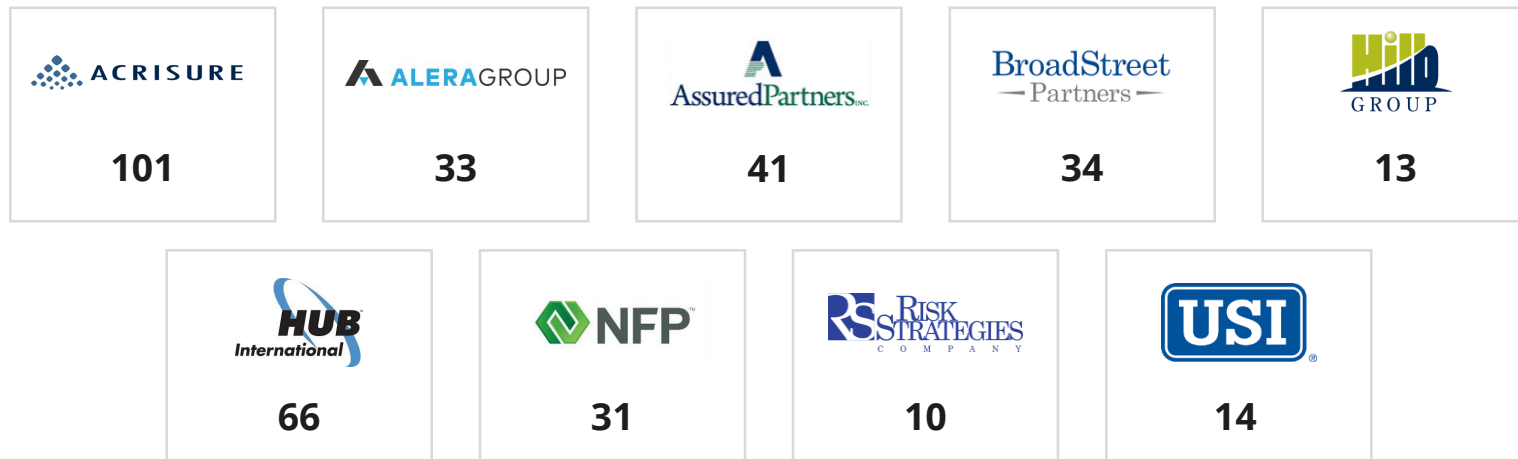
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Public vs PE-Backed Analysis – 2018

Public Companies – 72 Acquisitions



PE-Backed Companies - 343 Acquisitions



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Recent Transactions – 78 Transactions Completed in 2018

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