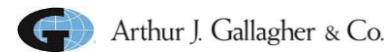


# Sica | Fletcher Agency & Broker Buyer Index

JUNE YTD 2019 DEAL ACTIVITY

# SICA FLETCHER

## JUNE YTD 2019 – Sica Fletcher Agency & Broker Buyer Index



# S | F Agency & Broker Buyer Index

## JUNE YTD 2019 DEAL ACTIVITY













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 the first half of 2019, SF Index Members acquired 212 Agents/Brokers. This represents a 12% increase over the same period in 2018 (189 Agents/Brokers).

# 212

# of agencies  
acquired by SF  
index members –  
June YTD 2019

|   |   |  |   |   |   |
|---|---|--|---|---|---|
|    |    | <br>Arthur J. Gallagher & Co. |    |    |    |
|  |  |                              |  |  |  |

# S | F Agency & Broker Buyer Index

JUNE YTD 2019 VS. JUNE YTD 2018 DEAL ACTIVITY

**\$1.1 billion**

Total revenue acquired by  
SF Index – 1Q 2019

In the first half of 2019, SF Index members acquired \$1.1 billion of agency and broker revenue, 33% more than the \$825 million acquired in the first half of 2018.

**\$5.17 million**

Average revenue of  
agency acquired

The average size of agency acquired in the first half of 2019 was \$5.1 million (as compared to \$5.6 million in the first half of 2018).

# S | F Agency & Broker Buyer Index

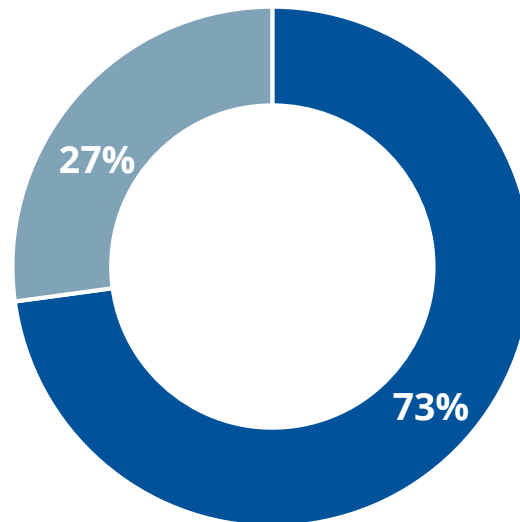
JUNE YTD 2019 DEAL ACTIVITY



In the first half of 2019, the SF Index accounted for 73% of all deal activity in the agency and brokerage space, or 212 of the 291 announced transactions.

## Total Announced Transactions

Remaining Announced Deals  
(1<sup>st</sup> Half 2019)



Sica Fletcher Buyers Index  
(1<sup>st</sup> Half 2019)

# S | F Agency & Broker Buyer Index

## JUNE YTD 2019 DEAL ACTIVITY

### Who's Buyin' – Year Over Year Comparison

In terms of number of transactions, Acrisure reported 39 total acquisitions in the first half of 2019. Hub, BroadStreet Partners and Assured Partners were the next three most active acquirers among the Sica | Fletcher index members.

| Deals by SF Index Member | # of Deals,<br>June YTD 2018 | # of Deals,<br>June YTD 2019 |
|--------------------------|------------------------------|------------------------------|
| Acrisure                 | 42                           | 39                           |
| Hub International        | 35                           | 30                           |
| BroadStreet Partners     | 14                           | 26                           |
| Assured Partners         | 20                           | 25                           |
| AJ Gallagher             | 17                           | 23                           |
| NFP                      | 17                           | 15                           |
| Alera                    | 17                           | 12                           |
| Brown                    | 8                            | 12                           |
| Hilb Group               | 4                            | 10                           |
| Risk Strategies          | 4                            | 8                            |
| USI                      | 7                            | 8                            |
| Marsh & McLennan         | 4                            | 4                            |

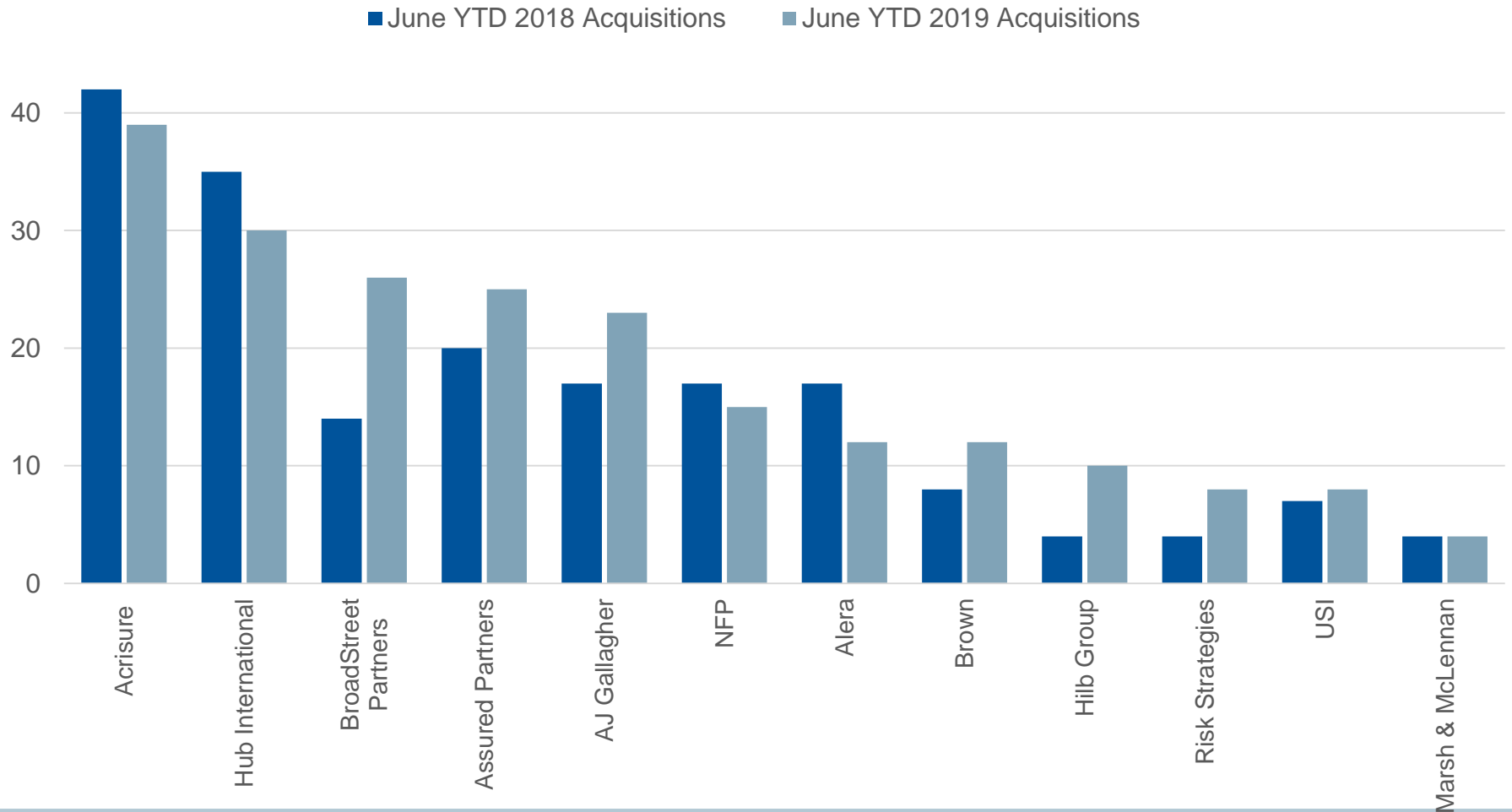
Total Acquisitions – SF Index Members – June YTD 2019

**212 Transactions**

# S | F Agency & Broker Buyer Index

JUNE YTD 2019 DEAL ACTIVITY

Who's Buyin' - Year Over Year Comparison



# S | F Agency & Broker Buyer Index

## JUNE YTD 2019 DEAL ACTIVITY

### Public vs. PE-Backed Analysis – Year Over Year

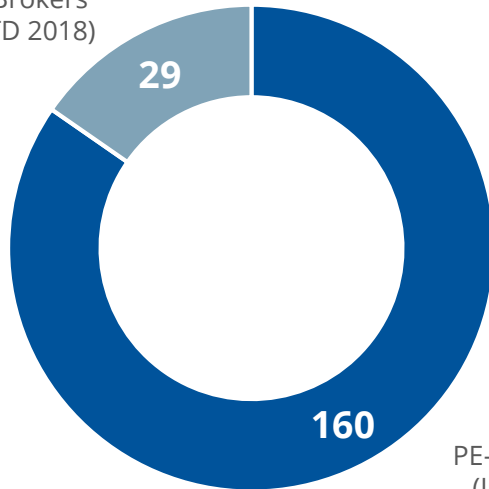
PE buyers continue to lead deal activity. Public buyers have increased activity, with 39 deals in the first half of 2019 vs. 29 for the same period in 2018.

82% of transactions reported by the SF Index were announced by PE-backed firms in the first half of 2019 vs. 85% in the first half of 2018.

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

#### SF Index PE vs. Public – June YTD 2018

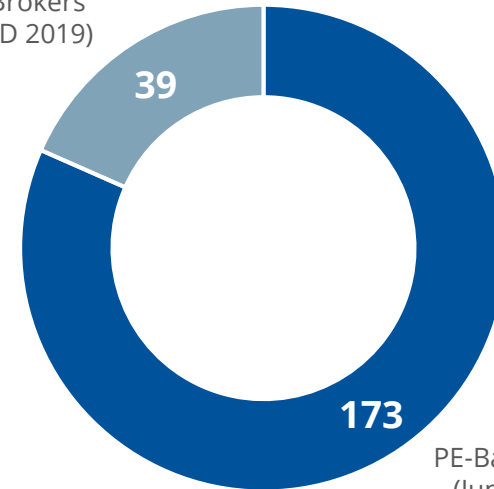
Public Brokers  
(June YTD 2018)



PE-Backed Brokers  
(June YTD 2018)

#### SF Index PE vs. Public – June YTD 2019

Public Brokers  
(June YTD 2019)



PE-Backed Brokers  
(June YTD 2019)



# S | F Agency & Broker Buyer Index

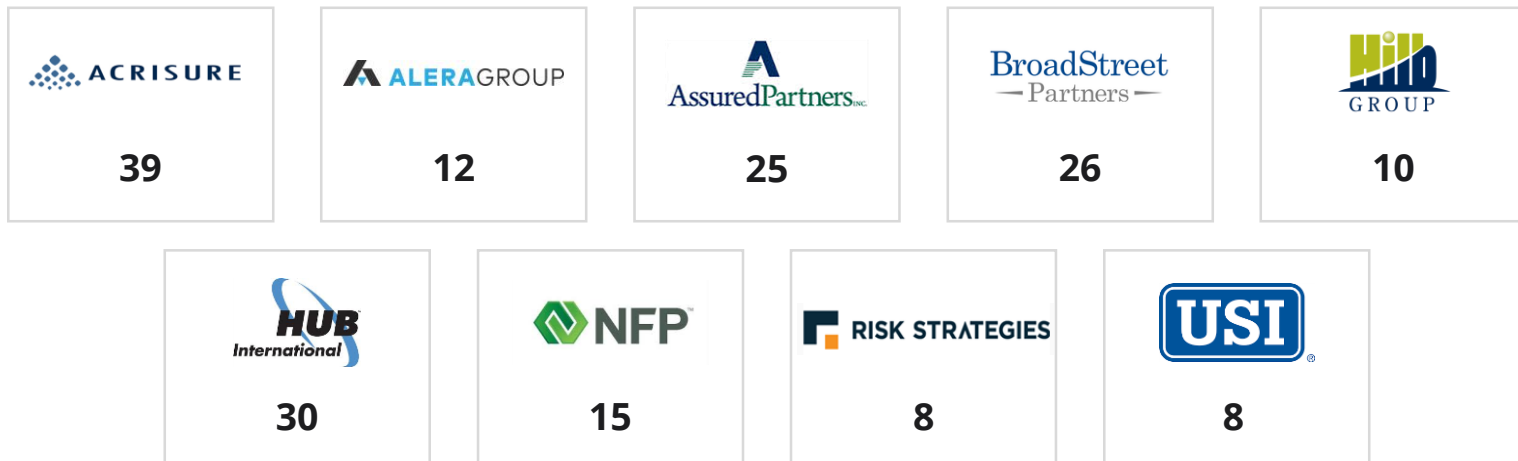
JUNE YTD 2019 DEAL ACTIVITY

Public vs. PE-Backed Analysis – June YTD 2019

## Public Companies – 39 Acquisitions



## PE-Backed Companies - 173 Acquisitions



# SF Agency & Broker Buyer Index

JUNE YTD 2019 DEAL ACTIVITY

Recent Transactions – 46 Transactions Completed in the first half of 2019

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and strategic advisor to:



In its sale to:



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