

Insurance Valuation Quarterly Update

Q4 2015



Financial Services Industry – Insurance Valuation Quarterly Update

Recent Market Developments & Trends

- The S&P Composite Insurance Index increased by 6.1% in the fourth quarter of 2015 as compared to the S&P 500 Index, which increased by 6.5%. Year-over-year, the S&P Composite Insurance Index increased by 0.2%, while the S&P 500 Index decreased by 0.7%.
- According to the PwC CEO Survey 2016, 94.0% of insurance CEOs see over-regulation as a threat to their growth prospects, more than any other sector. Additionally, 65.0% CEOs see new market entrants as a threat to effective growth, which is more than Banks (56.0%) and Asset Managers (52.0%).
- The largest priority for change according to CEO's surveyed is "how we use technology to assess and deliver on wider stakeholder expectations", with 72.0% of CEO's survey responding with significant change. Next is "How we define and manage risks", with 64.0% of CEO's responding.
- Interest rates have increased over the fourth quarter of 2015. The 5 year Treasury rate increased from 1.4% to 1.8%, the 10 year rate from 2.1% to 2.3%, and the 20 year rate from 2.5% to 2.7%.

Trading market data and transaction observations

- The market capitalizations of the largest 25 constituents of the insurance industry increased in the fourth quarter of 2015, with an average increase of approximately 15.2%. An overall trend of increases in market capitalization relative to the prior quarter can be observed as 23 of the 25 constituents exhibited an increase in market capitalization.
- Of the twenty three companies that exhibited increases in market capitalization, three companies exhibited an increase of more than 15.0%, namely Ping An Insurance Company of China, Ltd., AIA Group Limited and China Pacific Insurance (Group) Co., Ltd.
- Within the Property & Casualty Insurance sub-sector, companies exhibiting the largest increase in market capitalization for the quarter included Fidelity National Financial, Inc. and Insurance Australia Group Limited, with quarter over quarter increases of 20.5% and 19.0%, respectively.
- The upward trend of valuations in China was not limited to certain sub-sectors. Within the Life Insurance sub-sector, companies exhibiting the largest increase in market capitalization for the quarter included New China Life Insurance Co. Ltd., and AIA Group Limited, with quarter over quarter increases of 30.3% and 16.4%, respectively.
- Within the Re-insurance sub-sector, the average market capitalization of the 10 largest companies increased 3.8% for the quarter. The largest was Swiss Re Ltd, with a quarter over quarter increase of 14.5%.
- Within the Insurance Broker sub-sector, the company exhibiting the largest decrease in market capitalization for the quarter was Willis Towers Watson, with quarter over quarter increase of 18.9%.
- The average price to forward earnings ratio increased approximately 11.9% during the fourth quarter to approximately 14.5x.
- M&A activity in the insurance market during the fourth quarter of 2015 was less than recent quarters. According to Capital IQ, the insurance sector M&A deal volume for the fourth quarter of 2015 totaled \$19.2 billion with 15 deals, largely driven by Tokio Marine & Nichido Fire Insurance Co.'s acquisition of HCC Insurance Holdings Inc. closing on October 27th, valued at \$8.4 billion. Additionally, the average deal value in the fourth quarter of 2015 was \$1.4 billion, which is significantly lower than the third quarter average of \$4.5 billion.

Top 25 Insurance Industry Constituents (1)

Company	Market Capitalization (\$ B)			Price / Tangible Book Value			Price / Earnings			Price / Forward Earnings (2)		
	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015
China Life Insurance Co. Ltd.	143.9	109.4	114.9	3.2	2.4	2.5	23.9	13.4	15.0	27.1	18.8	17.6
Ping An Insurance (Group) Company of China, Ltd.	95.6	87.7	101.4	2.4	2.0	2.3	14.2	10.3	11.4	17.4	13.1	14.7
Allianz SE	75.7	71.0	80.9	1.3	1.4	1.6	10.1	9.6	11.7	10.6	10.3	12.0
American International Group, Inc.	78.2	73.5	76.7	0.7	0.7	0.9	9.3	11.2	18.0	9.2	10.8	11.8
AIA Group Limited	66.6	61.9	72.0	2.3	2.1	2.4	27.5	15.2	17.7	23.7	18.0	20.9
Japan Post Holdings Co., Ltd.	-	-	69.8	-	-	0.5	-	-	8.8	-	-	8.8
AXA Group	56.7	58.5	66.4	1.0	1.1	1.3	9.8	11.1	12.9	11.0	11.2	13.0
Prudential plc	59.5	54.0	57.8	4.3	3.7	4.0	17.9	14.2	15.6	28.3	16.1	17.6
MetLife, Inc.	61.4	52.7	53.6	1.0	0.9	0.9	11.1	8.0	9.3	18.6	8.7	8.9
China Pacific Insurance (Group) Co., Ltd.	46.8	32.2	39.4	2.5	1.6	2.0	28.9	13.0	15.3	NM	18.2	23.7
Zurich Insurance Group AG	46.5	36.5	38.5	1.7	1.5	1.6	11.8	10.0	12.9	12.9	9.2	10.0
Chubb Limited	38.1	34.4	36.6	1.6	1.4	1.6	11.9	11.6	14.3	10.5	12.3	13.9
Prudential Financial, Inc.	41.4	34.4	36.6	1.0	0.8	0.9	17.8	14.2	11.0	NM	25.9	27.7
The Travelers Companies, Inc.	35.1	31.0	34.3	1.7	1.5	1.7	10.3	9.1	10.1	10.9	9.3	10.5
Swiss Re Ltd.	28.8	29.3	33.5	0.9	1.0	1.1	7.3	8.9	9.6	7.9	9.0	10.5
Münchener Rückversicherungs-Gesellschaft Aktiengesells	34.3	30.9	33.1	1.1	1.1	1.2	8.0	8.5	10.0	9.0	9.1	10.1
Aviva plc	22.2	27.6	30.8	1.7	1.4	1.5	13.3	12.9	14.7	22.2	9.5	10.8
Tokio Marine Holdings Inc.	25.2	28.0	29.6	1.0	1.1	1.4	12.8	13.6	18.8	16.4	13.7	14.6
PICC Property and Casualty Co. Ltd.	28.8	28.8	29.5	2.1	1.8	1.8	15.4	8.2	8.4	14.8	11.4	11.6
Manulife Financial Corporation	35.6	30.4	29.5	1.6	1.4	1.4	10.3	13.5	16.5	13.7	11.5	11.5
Marsh & McLennan Companies, Inc.	31.0	27.7	28.9	NA	NA	NA	21.5	19.5	20.1	23.7	20.0	21.2
Assicurazioni Generali S.p.A.	32.0	28.4	28.6	1.7	1.8	1.8	-	12.5	13.9	19.4	14.7	15.2
Sampo Oyj	26.3	27.0	28.6	2.1	2.4	2.5	14.0	14.4	15.6	15.0	15.7	17.1
Aflac Incorporated	27.5	25.0	25.6	1.5	1.5	1.5	9.6	9.8	10.5	9.0	8.9	9.2
Aon plc	27.0	24.8	25.3	NA	NA	NA	22.3	20.3	21.1	26.9	19.0	19.8
Average	46.6	41.8	48.1	1.7x	1.5x	1.7x	13.6x	11.7x	13.7x	15.6x	13.0x	14.5x
Median	35.6	31.0	36.6	1.6x	1.4x	1.6x	11.9x	11.6x	13.9x	14.8x	11.5x	13.0x

(1) Market data provided by Capital IQ, Inc. Selected constituents represent the largest insurance companies based on market capitalization.

NA represents companies with negative book value. NM represents multiples of greater than 30x or less than 0x.

(2) Price/Forward Earnings calculated on a two year forward looking basis, per Capital IQ, Inc.

Fourth Quarter Transactions in the Insurance Industry (1)

Acquirer	Target	Close Date	Announce Date	Purchase Price (\$M)	Equity Value / Book Value	Equity Value / Earnings
Nippon Life Insurance Company	Mitsui Life Insurance Company Limited	12/21/2015	9/11/2015	2,665		
AXA Group	Lifestyle Protection Insurance Business	12/2/2015	7/22/2015	518		64.5
Marsh & McLennan Companies, Inc.	Jelf Group plc	12/1/2015	9/10/2015	493	2.3	35.5
AXA Group	Commercial International Life Insurance	11/30/2015	7/12/2015	98		
Fosun International Limited	Ironshore Inc.	11/20/2015	5/3/2015	2,098		
Tokio Marine & Nichido Fire Insurance Co., Ltd.	HCC Insurance Holdings Inc.	10/27/2015	6/10/2015	8,386	1.9	17.0
CTBC Financial Holding Co., Ltd.	Taiwan Life Insurance Co. Ltd.	10/15/2015	5/12/2015	1,317	2.2	14.3
Willis Employee Benefits Limited	PMI Health Group Ltd.	10/7/2015	7/15/2015	60		
National General Holdings Corp.	QBE Financial Institution Risk Services, Inc.	10/1/2015	7/15/2015	90		
Zurich American Insurance Company	Rural Community Insurance Agency, Inc.		12/18/2015	1,050		
Anbang Insurance Group Co., Ltd.	Fidelity & Guaranty Life		11/9/2015	1,880	1.1	10.4
AmTrust Financial Services, Inc.	Genworth Financial Mortgage Insurance Ltd.		10/27/2015	55		
Nassau Reinsurance Group	Constitution Life Insurance Company		10/8/2015	67		
Fairfax Financial Holdings Limited	Eurolife ERB Insurance Group Holdings S.A.		12/22/2015	347		
Average				1,359.6	1.9	28.3
Median				460.3	2.1	17.0

Notes:

(1) Transaction data provided by Capital IQ, Inc. Selection criteria: (i) Target/Acquirer is a participant within the insurance industry, (ii) transaction was announced or closed between 9/30/2015 and 12/31/2015,

(iii) Total transaction value is greater than \$50 million, and (iv) Percent sought is greater than 75 percent.

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Financial Services Industry – Insurance Valuation Multiples Update (continued)

Top 20 Property & Casualty Insurance Companies (1)

Company	Market Capitalization (\$ B)			Price / Tangible Book Value			Price / Earnings			Price / Forward Earnings (2)		
	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015
Chubb Limited	38.1	33.5	37.9	1.6	1.4	1.6	11.9	11.6	14.3	10.5	12.3	13.9
The Travelers Companies, Inc.	35.1	31.0	34.3	1.7	1.5	1.7	10.3	9.1	10.1	10.9	9.3	10.5
Tokio Marine Holdings Inc.	25.2	28.0	29.6	1.0	1.1	1.4	12.8	13.6	18.8	16.4	13.7	14.6
PICC Property and Casualty Co. Ltd.	28.8	28.8	29.5	2.1	1.8	1.8	15.4	8.2	8.4	14.8	11.4	11.6
The Allstate Corporation	29.5	23.3	24.0	1.5	1.3	1.4	11.4	9.8	10.8	14.6	9.3	9.9
The People's Insurance Company of China Ltd.	19.9	20.6	20.8	1.3	1.2	1.2	17.2	6.6	6.7	14.8	9.8	9.8
Progressive Corp.	15.9	17.9	18.6	2.3	2.8	2.9	13.3	13.7	14.4	14.0	14.3	14.8
MS&AD Insurance Group Holdings, Inc.	14.7	16.2	18.0	0.7	0.7	0.8	19.1	11.6	19.4	19.1	14.4	16.1
Sompo Japan Nipponkoa Holdings, Inc.	10.4	11.7	13.5	0.8	0.9	1.0	NM	16.6	24.2	28.6	26.1	NM
QBE Insurance Group Limited	12.5	12.4	12.6	1.7	1.7	1.7	NM	16.3	15.9	NM	18.9	18.5
Market Corp.	9.5	11.2	12.3	1.6	1.9	2.1	NM	23.9	24.8	NM	NM	NM
Fidelity National Financial, Inc.	9.6	9.9	11.9	NA	NA	NA	NM	13.7	12.7	20.1	17.5	17.1
XL Group plc	8.9	11.0	11.7	0.9	1.1	1.2	27.1	8.5	9.9	9.5	NM	NM
Suncorp Group Limited	14.7	10.9	11.3	2.3	2.1	2.0	24.6	14.0	13.9	24.6	14.0	13.9
Samsung Fire & Marine Insurance Co., Ltd.	10.7	9.8	10.8	1.2	1.1	1.3	16.9	14.2	16.1	16.9	14.9	16.4
Insurance Australia Group Limited	11.9	8.2	9.8	4.9	3.3	4.0	11.7	15.9	18.3	11.7	15.9	18.3
Cincinnati Financial Corp.	8.5	8.8	9.7	1.3	1.4	1.5	17.9	13.6	15.2	16.6	16.9	18.6
CNA Financial Corporation	10.4	9.4	9.5	0.8	0.8	0.8	11.3	12.2	12.7	11.2	10.6	10.7
Arch Capital Group Ltd.	7.6	9.0	8.5	1.3	1.6	1.5	10.6	11.7	13.2	11.7	12.2	11.6
Intact Financial Corporation	9.5	9.2	8.4	4.1	4.9	4.2	16.6	16.2	16.9	27.1	16.2	15.3
Average	16.6	16.0	17.1	1.8x	1.7x	1.8x	15.5x	13.0x	14.8x	16.3x	14.3x	14.2x
Median	12.2	11.4	12.4	1.5x	1.4x	1.5x	14.3x	13.6x	14.3x	14.8x	14.1x	14.6x

Top 20 Life Insurance Companies (3)

Company	Market Capitalization (\$ B)			Price / Tangible Book Value			Price / Earnings			Price / Forward Earnings (2)		
	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015
China Life Insurance Co. Ltd.	143.9	109.4	114.9	3.2	2.4	2.5	23.9	13.4	15.0	27.1	18.8	17.6
Ping An Insurance Company of China, Ltd.	95.6	87.7	101.4	2.4	2.0	2.3	14.2	10.3	11.4	17.4	13.1	14.7
AIA Group Limited	66.6	61.9	72.0	2.3	2.1	2.4	27.5	15.2	17.7	23.7	18.0	20.9
Japan Post Holdings Co., Ltd.	-	-	69.8	-	-	0.5	-	-	8.8	-	-	8.8
Prudential plc	59.5	54.0	57.8	4.3	3.7	4.0	17.9	14.2	15.6	28.3	16.1	17.6
MetLife, Inc.	61.4	52.7	53.6	1.0	0.9	0.9	11.1	8.0	9.3	18.6	8.7	8.9
Prudential Financial, Inc.	41.4	34.4	36.6	1.0	0.8	0.9	17.8	14.2	11.0	NM	25.9	27.7
Manulife Financial Corporation	35.6	30.4	29.5	1.6	1.4	1.4	10.3	13.5	16.5	13.7	11.5	11.5
Aflac Incorporated	27.5	25.0	25.6	1.5	1.5	1.5	9.6	9.8	10.5	9.0	8.9	9.2
Great-West Lifeco Inc.	28.9	23.8	24.7	4.6	3.4	3.4	12.9	11.8	12.6	14.6	12.6	13.6
Legal & General Group Plc	22.9	21.3	23.4	2.6	2.3	2.5	15.8	13.9	15.6	16.6	14.4	16.2
New China Life Insurance Co., Ltd.	21.9	16.2	21.1	2.9	2.0	2.6	22.8	11.9	18.7	NM	17.5	25.5
The Dai-ichi Life Insurance Company, Ltd.	18.3	18.7	20.1	0.7	0.9	0.9	12.5	11.9	15.7	23.4	15.2	16.3
Sun Life Financial Inc.	22.2	19.6	19.0	2.2	2.1	2.0	14.1	12.6	12.4	15.1	15.0	15.1
Samsung Life Insurance Co., Ltd.	20.2	15.8	17.7	1.0	0.8	0.9	24.7	13.9	15.8	24.7	14.0	15.6
Cathay Financial Holding Co., Ltd.	18.6	17.1	17.6	1.4	1.5	1.5	13.2	9.4	9.8	19.7	11.4	11.7
Power Financial Corporation	22.2	16.3	16.4	NA	NA	NA	11.6	9.5	9.9	13.8	10.2	10.6
Japan Post Insurance Co. Ltd.	-	-	15.5	-	-	1.0	-	-	23.7	-	-	23.0
Principal Financial Group Inc.	15.3	14.0	13.2	1.9	1.9	1.9	14.7	12.2	11.0	17.6	13.0	12.3
Lincoln National Corporation	15.0	11.9	12.4	1.1	1.0	1.1	10.3	8.7	10.7	12.8	8.4	8.9
Average	36.9	31.5	38.1	1.9x	1.6x	1.8x	14.2x	10.7x	13.6x	16.5x	12.6x	15.3x
Median	22.5	20.5	24.0	1.6x	1.5x	1.5x	13.6x	11.9x	12.5x	17.0x	13.0x	14.9x

Top 10 Re-insurance Companies (4)

Company	Market Capitalization (\$ B)			Price / Tangible Book Value			Price / Earnings			Price / Forward Earnings (2)		
	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015
Swiss Re Ltd.	28.8	29.3	33.5	0.9	1.0	1.1	7.3	8.9	9.6	7.9	9.0	10.5
Münchener Rückversicherungs-Gesellschaft	34.3	30.9	33.1	1.1	1.1	1.2	8.0	8.5	10.0	9.0	9.1	10.1
Hannover Rück SE	11.0	12.3	13.9	1.2	1.4	1.6	9.4	10.3	11.9	10.1	11.2	13.0
China Reinsurance (Group) Corporation	-	-	13.0	-	-	1.4	-	-	8.1	-	-	12.8
Everest Re Group Ltd.	7.7	7.7	7.9	1.0	1.0	1.0	6.5	6.8	8.5	6.7	6.7	7.1
Alleghany Corporation	7.5	7.5	7.4	1.0	1.0	1.0	10.3	11.9	14.1	12.4	11.3	11.5
SCOR SE	5.7	6.6	7.0	1.0	1.2	1.2	7.6	10.4	10.3	8.7	11.8	12.7
PartnerRe Ltd.	5.6	6.7	6.7	0.9	1.1	1.1	6.0	12.0	NM	10.8	7.1	7.2
Reinsurance Group of America Inc.	6.0	6.0	5.6	0.9	1.0	0.9	9.7	10.3	11.0	15.2	9.3	8.7
RenaissanceRe Holdings Ltd.	3.7	4.9	5.0	1.1	1.2	1.2	6.7	9.2	9.9	6.6	8.4	9.0
Average	11.0	11.2	13.3	0.9x	1.0x	1.2x	7.2x	8.8x	10.4x	8.7x	8.4x	10.3x
Median	6.7	7.1	7.7	1.0x	1.1x	1.1x	7.5x	9.7x	10.0x	8.8x	9.0x	10.3x

Top 5 Insurance Brokers (5)

Company	Market Capitalization (\$ B)			Price/Earnings (LTM)			Enterprise Value/Revenue (LTM)			Enterprise Value/EBITDA (LTM)		
	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015	12/31/2014	9/30/2015	12/31/2015
Marsh & McLennan Companies, Inc.	31.0	27.7	28.9	24.2	20.9	21.8	2.5	2.4	2.5	12.3	11.2	11.6
Aon plc	27.0	24.8	25.3	29.2	23.8	24.7	2.7	2.6	2.6	13.2	11.9	12.2
Willis Towers Watson Public Limited	7.9	7.4	8.8	25.3	21.4	20.8	2.6	2.5	2.9	11.6	12.1	12.0
Arthur J Gallagher & Co.	7.6	7.2	7.2	30.2	28.9	30.4	2.3	1.8	1.8	14.9	12.5	12.6
Brown & Brown Inc.	4.7	4.4	4.5	19.9	17.9	17.8	3.7	3.1	3.2	11.1	9.5	9.5
Average	15.7	14.3	14.9	25.7x	22.6x	23.1x	2.7x	2.5x	2.6x	12.6x	11.4x	11.6x
Median	7.9	7.4	8.8	24.7x	21.4x	21.8x	2.6x	2.5x	2.6x	12.3x	11.9x	12.0x

- Notes:
- Market data provided by Capital IQ, Inc. Selected constituents represent the largest property & casualty insurance companies based on market capitalization. NA represents companies with negative book value. NM represents multiples of greater than 30x or less than 0x.
 - Price/Forward Earnings calculated on a two year forward looking basis, per Capital IQ, Inc.
 - Market data provided by Capital IQ, Inc. Selected constituents represent the largest life insurance companies based on market capitalization. NA represents companies with negative book value. NM represents multiples of greater than 30x or less than 0x.
 - Market data provided by Capital IQ, Inc. Selected constituents represent the largest insurance brokerage companies based on market capitalization. NA represents companies with negative book value. NM represents multiples of greater than 30x or less than 0x.
 - Market data provided by Capital IQ, Inc. Selected constituents represent the largest re-insurance companies based on market capitalization. NA represents companies with negative book value. NM represents multiples of greater than 30x or less than 0x.



Financial Services Industry – Insurance Valuation Multiples Update (continued)

Purchase Price Allocation Benchmarking - Transactions in the Insurance Industry (1)

Allocation of Purchase Price As a Percentage of Excess Consideration (2)

Target	Date	Purchase Price (\$ MM)	Goodwill	Identified Intangible Assets	Trade Names / Trademarks	VOBA / VBIF (3)	Customer Relationships	Technology / Software	Insurance Licenses	Other (4)
Catlin Group Ltd.	5/1/2015	4,139.2	44.1%	55.9%	0.6%	37.4%	17.3%	0.0%	0.7%	0.0%
Montpelier and Millhill Holdings Ltd.	3/31/2015	1,470.8	20.0%	80.0%	0.4%	38.9%	21.5%	0.0%	0.4%	18.8%
TMI Solutions, LLC	1/6/2015	61.5	54.1%	45.9%	3.5%	0.0%	0.0%	1.4%	1.4%	0.0%
Franklin Financial Corporation	1/2/2015	1,091.3	73.5%	26.5%	0.0%	26.5%	0.0%	0.0%	0.0%	0.0%
Producers Ag Insurance Group, Inc.	1/2/2015	104.5	44.9%	55.1%	8.6%	0.0%	23.2%	0.0%	23.2%	0.0%
Intermountain Community Bancorp	11/1/2014	131.9	45.5%	54.5%	0.0%	12.8%	0.0%	0.0%	0.0%	41.7%
FedFirst Financial Corp.	10/31/2014	54.7	41.1%	58.9%	0.0%	58.9%	0.0%	0.0%	0.0%	0.0%
Overland Solutions, Inc.	10/30/2014	65.9	60.9%	39.1%	3.0%	0.0%	25.9%	10.2%	0.0%	0.0%
Western World Insurance Group, Inc. (4)	10/2/2014	692.3	87.5%	12.5%	2.9%	0.0%	2.3%	1.2%	6.1%	0.0%
The Wright Insurance Group, LLC	5/20/2014	610.2	68.4%	35.3%	0.0%	0.0%	35.1%	0.0%	0.0%	0.2%
Summit Holding Southeast Inc.	4/1/2014	259.0	34.0%	66.0%	0.0%	0.0%	63.8%	0.0%	2.1%	0.0%
The Climate Corporation	11/1/2013	932.0	84.2%	15.6%	0.0%	0.0%	0.4%	15.1%	0.0%	0.0%
Bollinger, Inc.	8/12/2013	334.0	59.0%	40.3%	0.5%	0.0%	39.7%	0.0%	0.0%	0.1%
Beecher Carlson Holdings, Inc.	7/1/2013	364.6	73.4%	28.6%	0.0%	0.0%	27.9%	0.0%	0.0%	0.8%
Alterra Capital Holdings Limited	5/1/2013	3,304.3	58.8%	41.2%	0.2%	0.0%	30.0%	3.6%	5.1%	2.4%
Hardy Underwriting Bermuda Ltd	7/2/2012	231.0	20.5%	79.5%	4.7%	35.1%	7.6%	0.0%	0.0%	32.2%
Transatlantic Holdings Inc.	3/6/2012	3,512.4	0.0%	100.0%	15.5%	90.1%	0.0%	3.1%	5.9%	13.6%
APS Healthcare, Inc.	3/2/2012	224.5	85.3%	14.7%	1.9%	0.0%	7.5%	4.0%	0.0%	1.2%
Arrowhead General Insurance Agency Superholding Corp	1/9/2012	400.0	69.0%	31.0%	0.0%	30.3%	0.0%	0.0%	0.0%	0.7%
HealthSpring, Inc.	1/1/2012	3,811.0	76.2%	23.8%	0.0%	0.0%	21.3%	0.0%	0.0%	2.5%
InsWeb Corp	12/21/2011	64.3	39.1%	60.9%	0.0%	0.0%	23.4%	1.5%	0.0%	35.9%
Transamerica Re	8/10/2011	1,400.0	0.0%	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Chaucer Holdings PLC	7/1/2011	546.0	20.4%	79.6%	0.0%	0.0%	0.0%	0.0%	0.0%	79.6%
Prodigy Health Group, Inc.	6/28/2011	600.0	21.8%	78.2%	2.7%	0.0%	33.6%	1.8%	0.0%	0.7%
NY Life Insurance Worldwide Ltd. and NY Life Insurance Ltd	6/28/2011	425.0	37.3%	62.7%	0.0%	62.7%	0.0%	0.0%	0.0%	0.0%
Converge Services Group, LLC	6/22/2011	50.0	43.6%	56.4%	NA	NA	NA	NA	NA	NA
Heath Lambert Group Limited	5/12/2011	158.0	64.4%	35.6%	0.0%	0.0%	34.7%	0.0%	0.0%	0.9%
Premex Group Ltd.	5/10/2011	107.6	35.9%	64.1%	14.8%	0.0%	45.9%	3.3%	0.0%	0.2%
AIG Star Life Insurance Co. Ltd. & AIG Edison Life Insurance Co.	4/1/2011	4,800.0	5.1%	94.9%	0.0%	94.9%	0.0%	0.0%	0.0%	0.0%
Rain and Hail L.L.C.	4/1/2011	1,100.0	19.8%	80.2%	NA	NA	NA	NA	NA	NA
United Investors Life Insurance Company	2/1/2011	364.0	0.0%	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Heartland Crop Insurance, Inc.	2/1/2011	68.5	56.6%	43.4%	NA	NA	NA	NA	NA	NA
American Life Insurance Company	12/31/2010	15,945.1	43.0%	57.0%	0.0%	57.0%	0.0%	0.0%	0.0%	0.0%
Aspen Holdings, Inc.	12/31/2010	172.3	49.0%	51.0%	0.0%	0.0%	0.0%	0.0%	3.0%	0.0%
Direct Response Corporation	12/31/2010	201.6	3.1%	96.9%	0.0%	54.8%	0.0%	0.0%	42.1%	0.0%
Hermitage Insurance Company	12/28/2010	133.0	61.4%	38.6%	0.0%	19.7%	0.0%	0.0%	0.0%	18.9%
AIS Management Corporation	11/1/2010	154.7	34.0%	66.0%	13.9%	0.0%	46.2%	4.4%	0.0%	1.6%
Vanliner Group, Inc.	11/1/2010	131.1	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Castlepoint Holdings Ltd.	10/15/2010	559.0	71.1%	28.9%	0.0%	25.5%	0.0%	0.0%	0.0%	3.4%
FutureScripts, LLC and FutureScripts Secure, LLC	9/13/2010	225.5	50.3%	49.7%	9.0%	0.0%	40.7%	0.0%	0.0%	0.0%
Vanbreda International NV	8/31/2010	410.0	52.2%	47.8%	0.0%	0.0%	47.8%	0.0%	0.0%	0.0%
Assured Guaranty Municipal Holdings Inc.	7/1/2010	1,607.4	NA	NA	NA	NA	NA	NA	NA	NA
Alterra Holdings Limited	6/30/2010	1,495.0	0.0%	100.0%	0.0%	0.0%	49.2%	0.0%	50.8%	0.0%
PARKIS RE Holdings Ltd.	11/13/2009	1,678.9	39.4%	60.6%	0.0%	0.0%	49.5%	0.0%	0.0%	11.1%
Elliott Special Risks LP	10/1/2009	68.2	61.5%	38.5%	NA	NA	NA	NA	NA	NA
Average			43.4%	30.7%	2.1%	21.1%	9.3%	1.2%	6.0%	6.7%
Range of Useful Life (years)					5 to 20	4 to 10	4 to 22	5 to 9	Indefinite	NA
Average Useful Life (years)					11	NA	12	7	Indefinite	NA

Notes:

- (1) Includes 45 acquisitions of insurance companies with purchase price greater than or equal to \$50 million and transaction close dates occurring between January 1, 2009 and December 31, 2015.
- (2) Excess consideration defined as total consideration less net tangible assets acquired.
- (3) Represents the present value of the business acquired/in force, and is determined by estimating the net present value of future cash flows from the acquired contracts and policies as of the acquisition date.
- (4) Other includes primarily non-competes and lease intangibles.



Financial Services Industry – Insurance Valuation Quarterly Update (continued)

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