



First Quarter 2019 Results

Earnings Call Presentation

April 25, 2019



Forward-looking statements and Regulation G Disclosure Statement

Forward-looking statements

This presentation may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "anticipate," and similar expressions identify forward-looking statements, which speak only as of the date the statement was made. Such statements may include commentary on plans, products and lines of business, marketing arrangements, reinsurance programs and other business developments and assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. Future results could differ materially from those described, and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. For further information regarding risk factors that could affect the Company's operations and future results, refer to the Company's reports filed with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K.

Regulation G Disclosure Statement

This presentation includes financial results with respect to adjusted operating income, and adjusted earnings per share, which are non-GAAP financial measures as defined by the SEC's Regulation G. Non-GAAP financial measures should be viewed as supplementing, and not as an alternative or substitute for the Company's financial results prepared in accordance with GAAP. Reconciliations of such non-GAAP financial measures in this presentation to the most comparable GAAP financial measures can be found in the Company's earnings release for the first quarter of 2019, filed with the SEC as an exhibit to a Current Report on Form 8-K on April 24, 2019, and also available on the Company's website at <https://UniversallInsuranceHoldings.com> under "Investors" with the subheading of "Earnings Releases."

1Q19: Strong progress against strategic priorities

1 Focus on disciplined growth

- Direct premiums written up 7.1%.
- Other states (Non-Florida) direct premiums written up 31.5%.
- Diluted GAAP EPS up 1.8% to \$1.14, non-GAAP adjusted EPS* of \$1.00.
- Annualized return on average equity of 30.4%; Combined ratio of 87.2%.

2 Maintain strong balance sheet

- Gross catastrophe losses well below 18'-19' reinsurance first event ceiling of ~\$3.1B.
- YoY Book value per share up 17.2%.
- Total unrestricted cash and invested assets up 13.2% to \$1.1B.

3 Maximize earnings stability

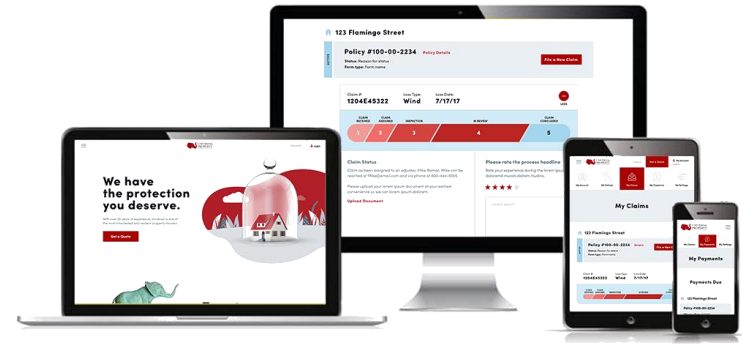
- Received rate increase filing approvals in Florida and Georgia
- Expanding our addressable market and diversifying our book of business through the launch of Universal Property in Illinois.
- Added nine carrier appointments to our digital insurance distribution channel Clovered.

4 Making customer service and continuous improvement a way of life



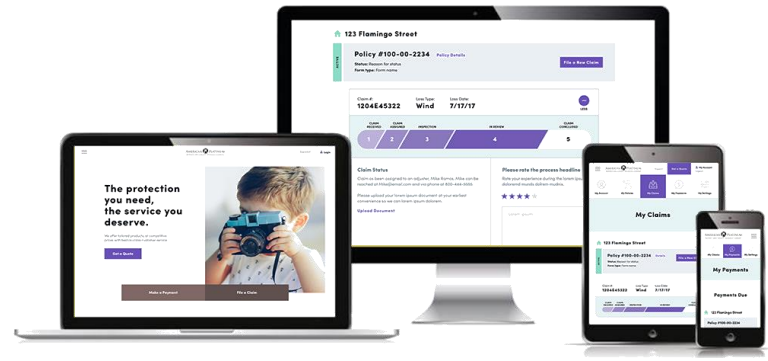
- ✓ Insurance Content Authority
- ✓ Prepare, Protect, Recover, Learn
- ✓ Get a Quote

Clovered Partners



- ✓ Download policy documents
- ✓ Track certain types of claims
- ✓ Get a Quote

Universal Direct Partners

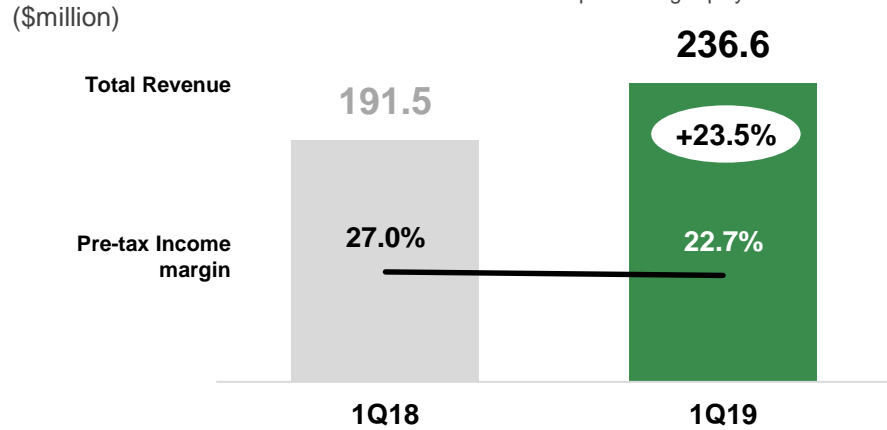


- ✓ Download policy documents
- ✓ Track certain types of claims
- ✓ Get a Quote

1Q19 financial results

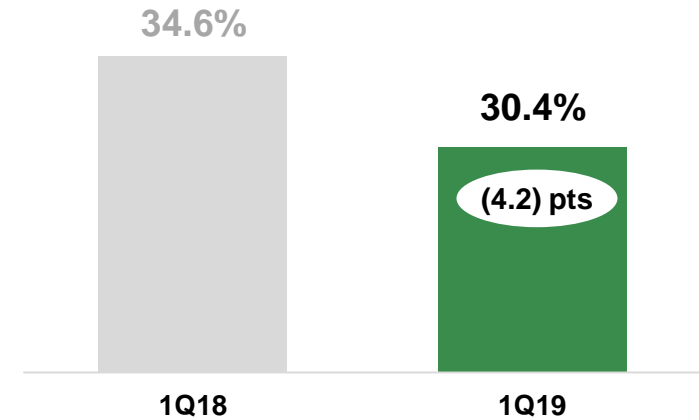
Total Revenue

Premium volume, pricing, and investment portfolio driving growth, partially offset by realized losses related to underperforming equity securities



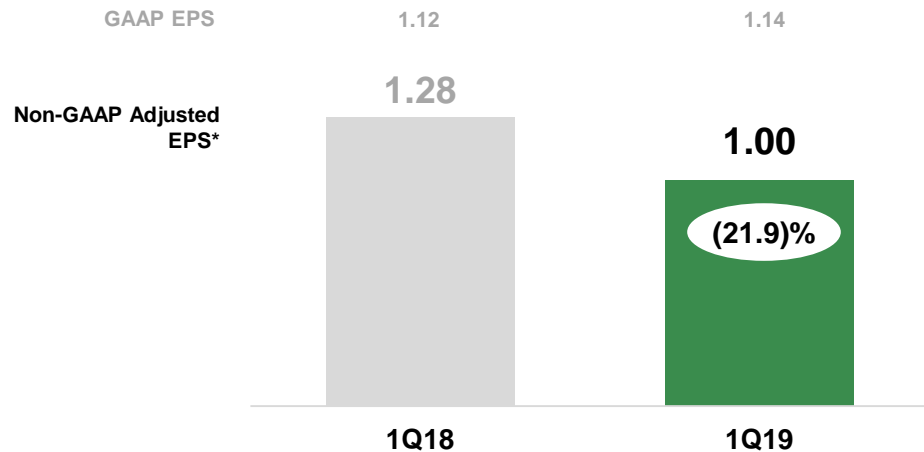
Income before income tax	51.7	53.7
Adjusted operating income*	59.5	47.3

Annualized Return on Average Equity (ROE)

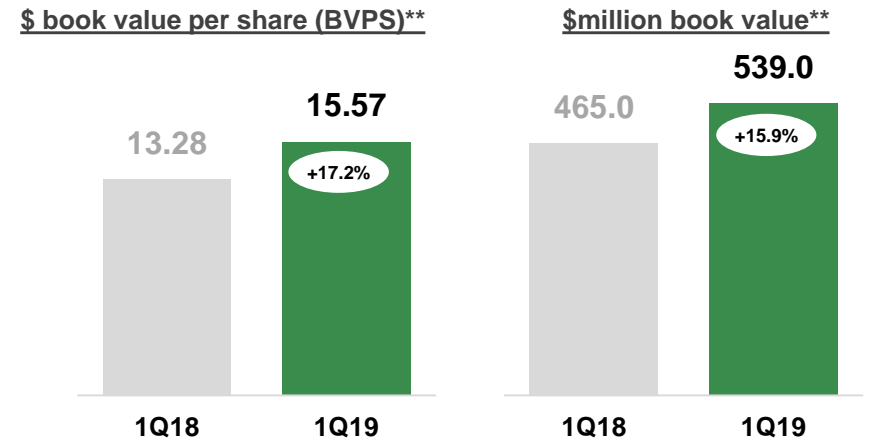


Earnings per Diluted Share (EPS)

(\$ per share) Geographically diversified growth, increased estimated losses as previously discussed in Q4, a reduced benefit from our claims adjusting business, and the Q1 hail event in Brevard County, Florida



Book Value, end of period



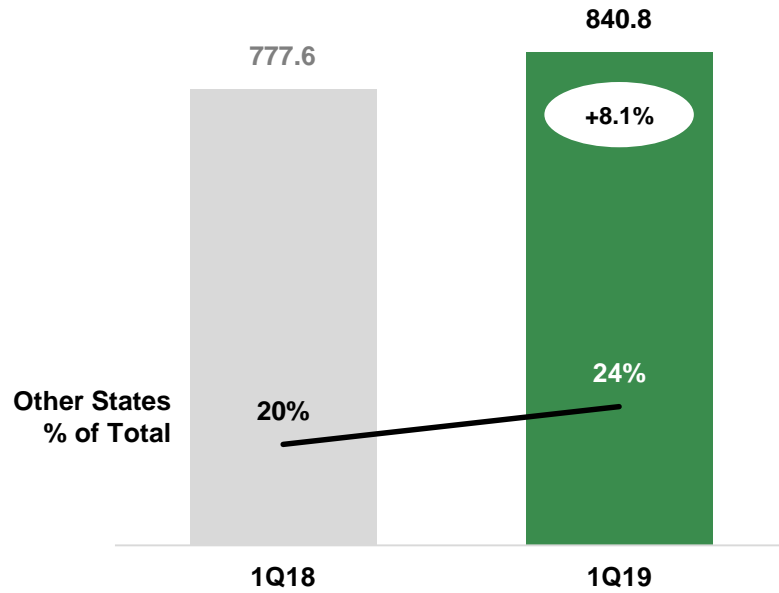
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**Excludes preferred stock

Underwriting

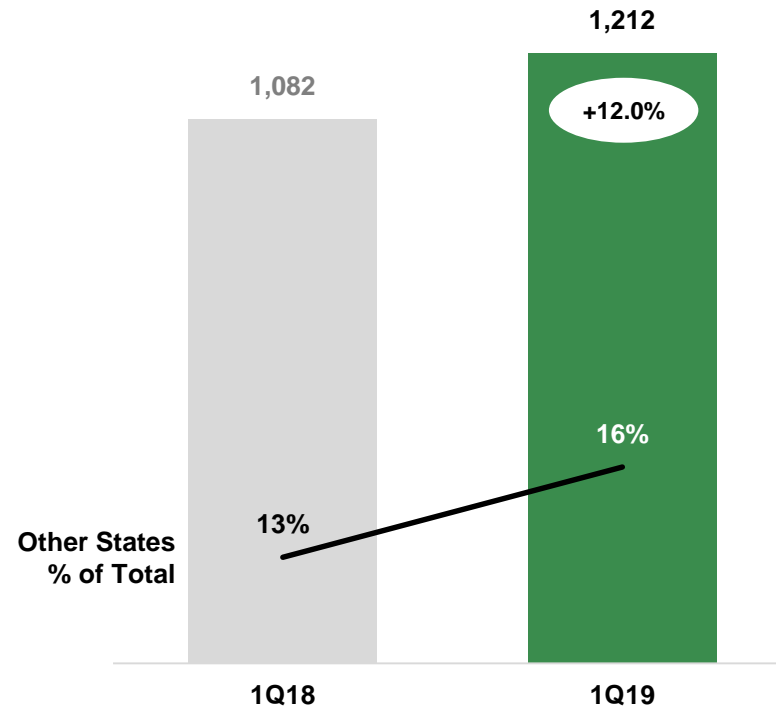
Policies-in-force

(thousands)



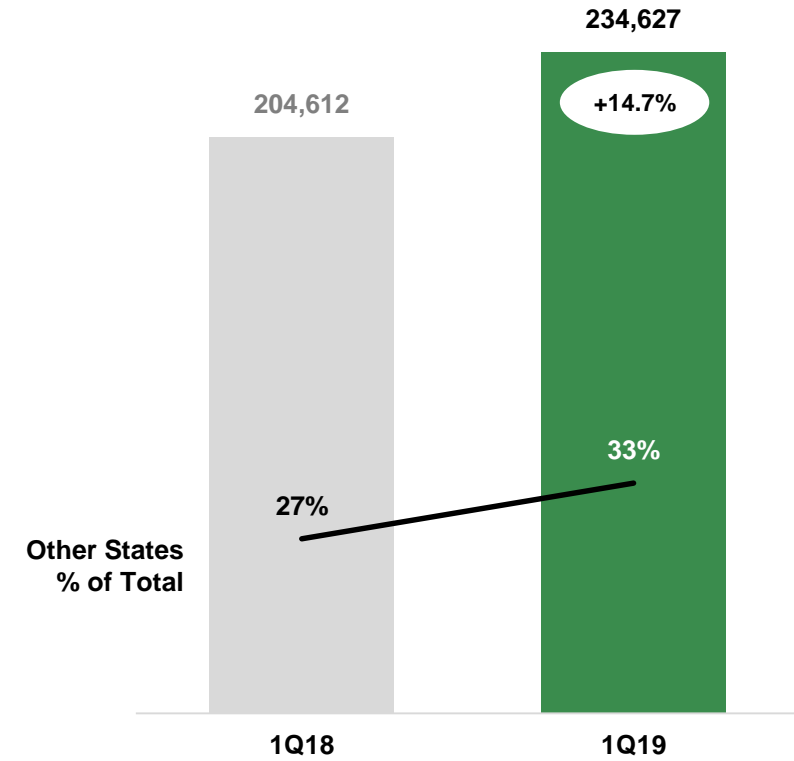
In-force premium

(\$million)



Total Insured Value (TIV)

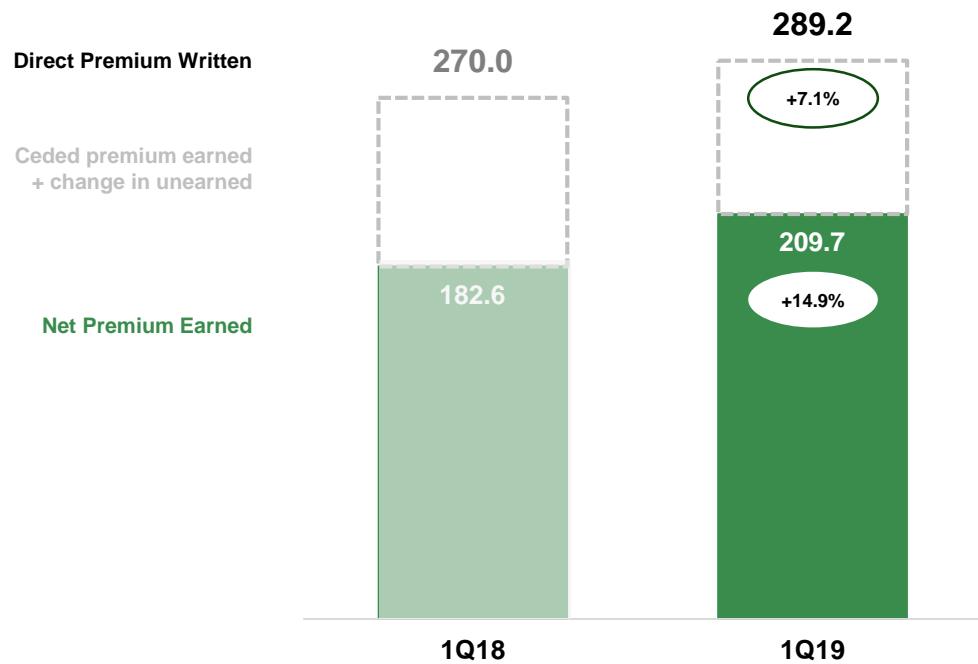
(\$million)



Underwriting

Revenue (Direct and net premiums)

(\$million)



Direct Premium Earned	262.3	295.4
Ceded Premium earned as % of Direct Premium Earned*	30.4%	29.0%

1Q direct premium written up 7.1%

- 16.3% of total direct premium written in 1Q from Other States
- 1Q other states direct premium written up 31.5% to \$47.1M
- 1Q Florida direct premium written up 3.4% to \$242.1M

1Q ceded premium earned as a percent of direct premium earned declined 1.4 points to 29.0%

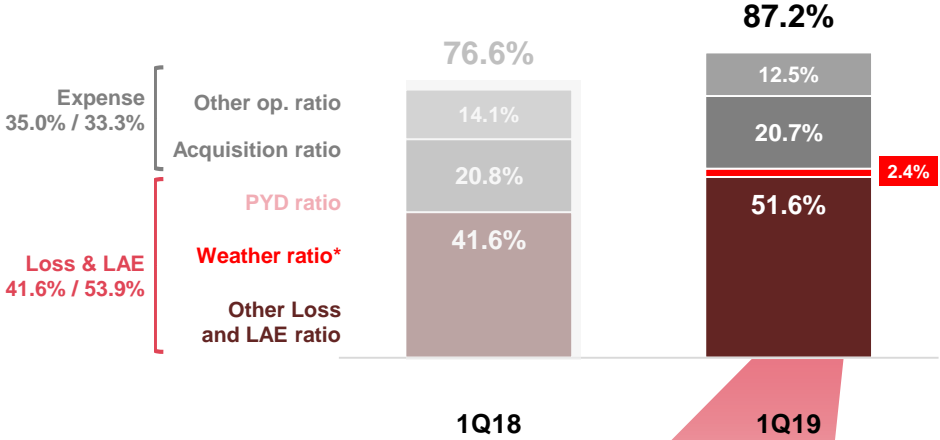
- 1Q ceded premium earned of \$85.7M*
 - Dollar cost of reinsurance program driven by volume
 - No reinstatement premium in 1Q19 or 1Q18

*Excludes reinstatement premium

Underwriting

Consolidated GAAP Combined Ratio

(related expense / Net Premium Earned)



1Q Expense ratio improvement related to scale benefits and reduced executive compensation

1Q Other Loss and LAE: Gross \$115.7M, \$113.1M net

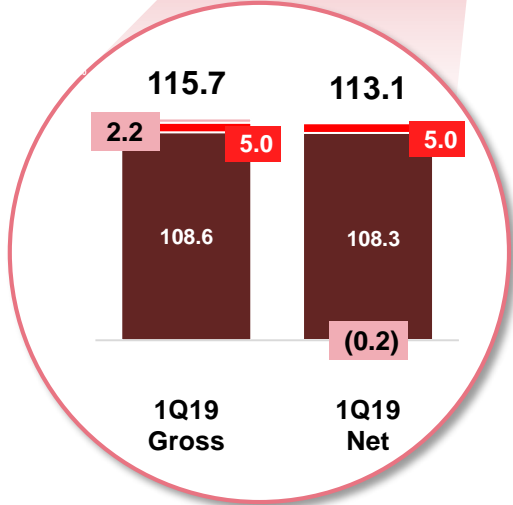
- Increased losses in connection with the growth in our underlying business
- Increased loss estimates as previously discussed in 4Q18
- Reduced benefit from claims adjusting business as prior years claims conclude

Loss and LAE (gross and net of reinsurance)

(\$million)

PYD
Weather*

Other Loss and LAE



1Q weather events*: Gross \$5M, \$5M net

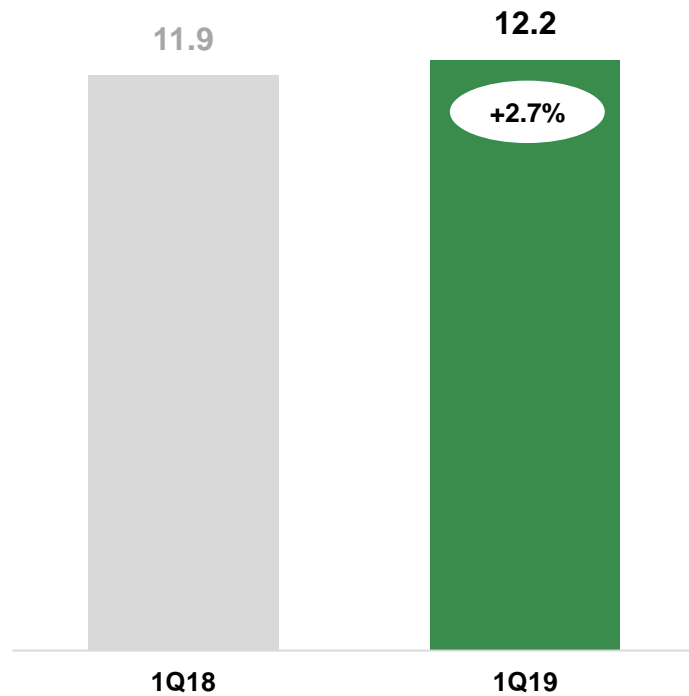
- 1Q19 hail storm that affected Brevard County, Florida

* Includes only weather events beyond those expected.

Services

Revenue

(\$million)

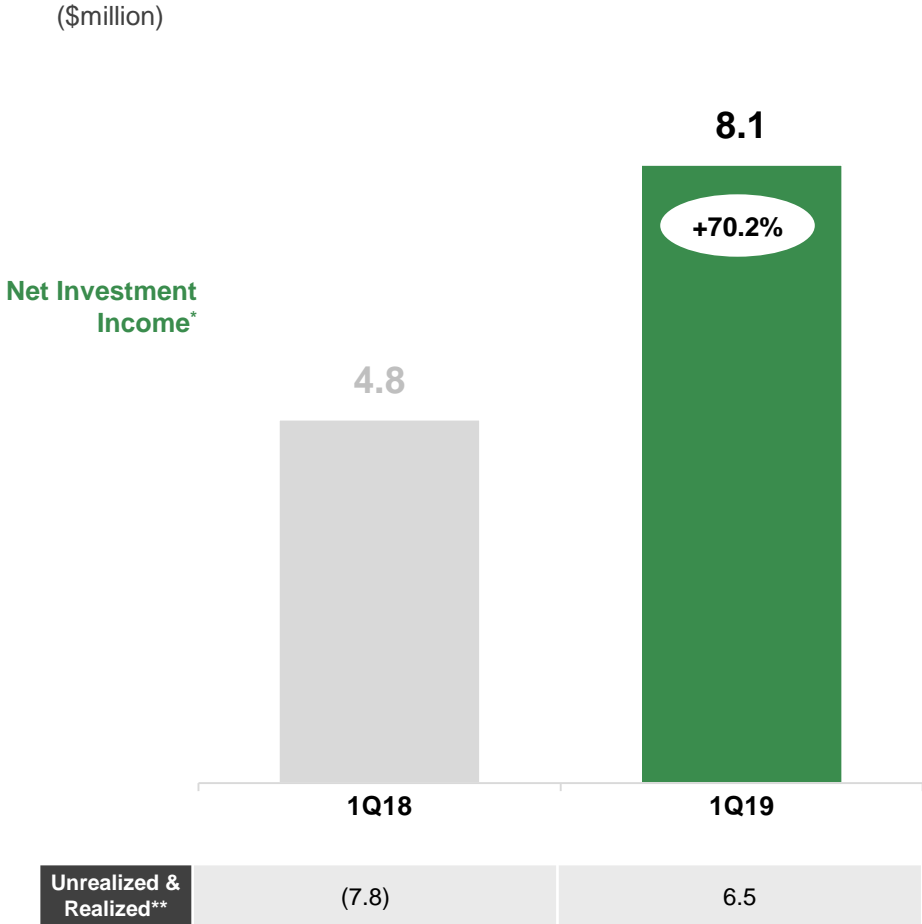


1Q Services revenue up 2.7%

- 1Q risk management commissions up 4.4% to \$5.5M
- 1Q MGA policy fees up 5.2% to \$5.0M
- 1Q policy installment fees, premium financing, and other revenue down 8.6% to \$1.7M

Investments

Net investment income



1Q total unrestricted cash and invested assets up 13.2% to \$1.1B

- Invested Assets: \$918.3M
- Unrestricted cash: \$185.1M

1Q Net investment income up 70.2% to \$8.1M

- Increased cash and invested assets
- Increase in yields due to shift in asset mix and higher interest rates
- Average fixed income credit rating of A+ during 1Q19

*Includes interest earned on restricted cash and cash equivalents and investment income earned on real estate investments. Net of custodial fees, investment accounting, advisory fees and expenses associated with real estate investments

** Net unrealized and realized gains (losses) on investments