



Investor Briefing

FY19 Q4 Results

Reported March 2, 2020



Forward-looking statements and Regulation G Disclosure Statement

Forward-looking statements

This press release may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. The words “believe,” “expect,” “predict,” “project,” “should,” “anticipate,” “will,” “plan,” and similar expressions identify forward-looking statements, which speak only as of the date the statements were made and include, but are not limited to, statements regarding the outlook for the Company’s future business and financial performance. Such statements may also include commentary on plans, products and lines of business, marketing arrangements, reinsurance programs and other business developments and assumptions relating to the foregoing. Such forward-looking statements are based on the current beliefs of our management as well as assumptions made by and information currently available to them, which are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. 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.

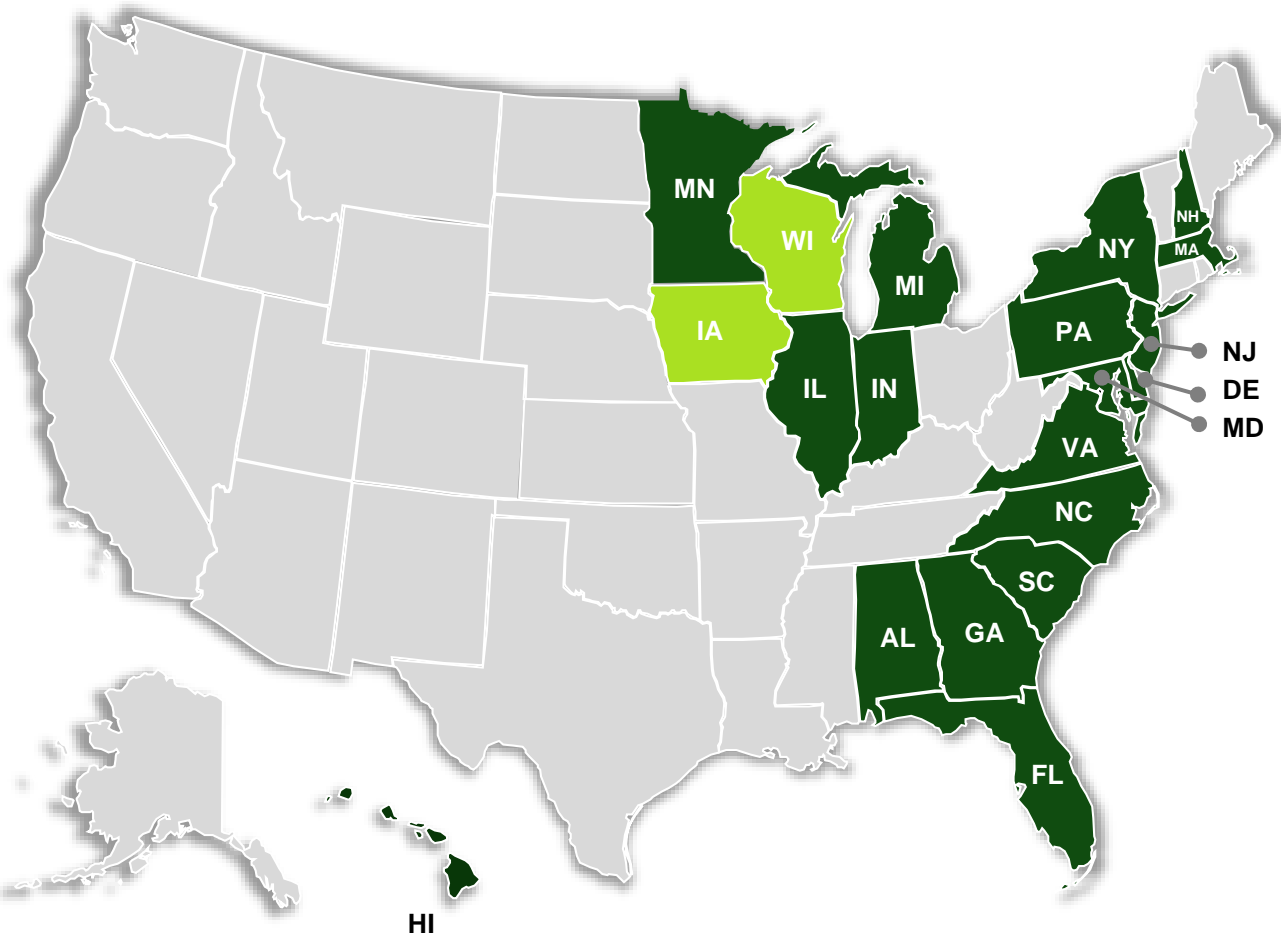
Regulation G Disclosure Statement

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 fourth quarter of 2019, filed with the SEC as an exhibit to a Current Report on Form 8-K on December 31, 2019, and also available on the Company’s website at <https://UniversalInsuranceHoldings.com> under “Investors” with the subheading of “Earnings Releases.”

Universal Insurance Holdings (UVE) Overview

Doing business

Licensed



Leading holding company of personal residential homeowners insurance and services

~\$1.3B
FY19 Direct Premiums Written

~26%
5 year average Return on Equity

18
States actively doing business

>850K
Customer policies managed

~800
Full time equivalent employees

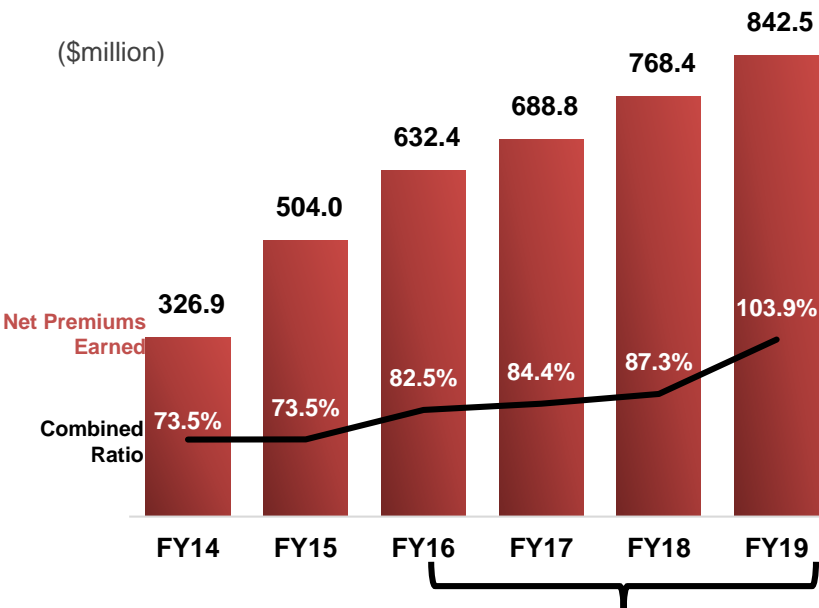
9,800+
Independent agents in the distribution channel

Ft. Lauderdale, FL
Headquarters

A
Exceptional
Demotech financial stability rating

Financial Overview

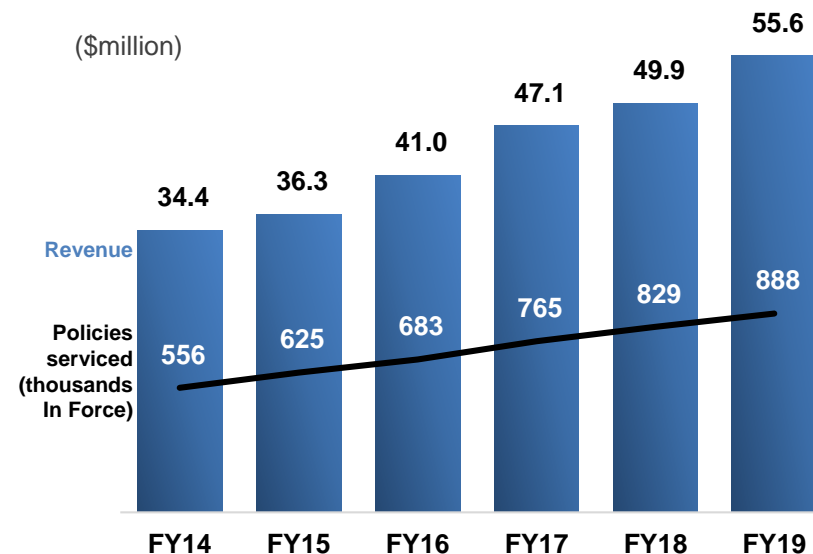
Underwriting



Combined ratio driven by Hurricane Matthew (2016), Irma (2017), Florence (2018), Michael (2018) & Dorian (2019)

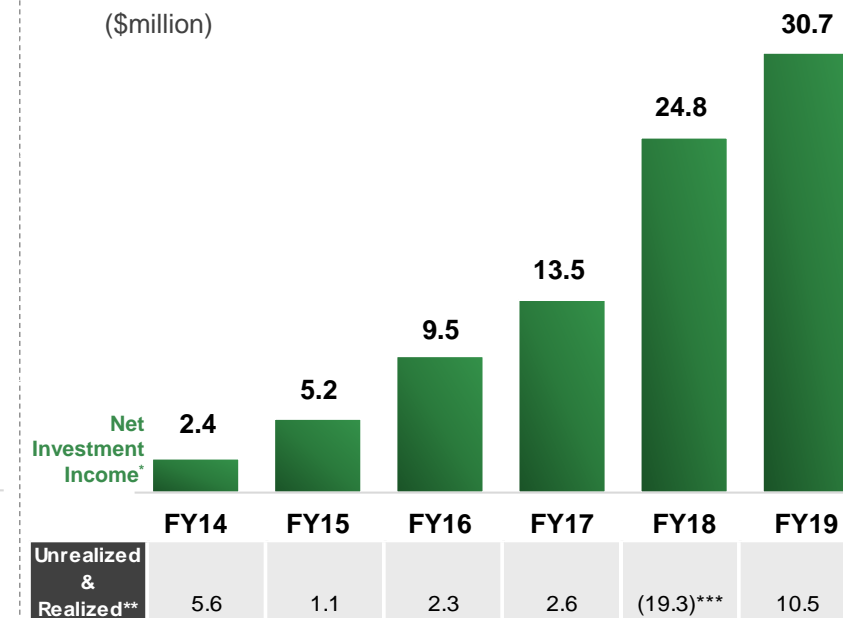
- **Protection Solutions:** Insurance for personal residential homeowners, renters/tenants, condo unit owners, dwelling/fire, allied lines, other structures, personal property, liability and articles coverages, in addition to commercial residential multi-peril.
- **Claims Management:** Claims processing and adjustment from claim inception to conclusion

Services



- **Risk Management:** Advises on actuarial analysis, distribution, claims payment and policy administration, underwriting and reinsurance negotiations.
- **Distribution:** Markets and sells insurance products through independent agents and direct-to-consumer online distribution platforms.

Investments



- **Fixed Income:** Focused on preservation of capital and liquidity for claims payments
- **Equity Securities and Real Estate:** Seeks capital appreciation and diversification

*Includes interest earned on cash and cash equivalents and restricted cash 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 & realized gains (losses) on equity investments.

***Beginning in 2018 unrealized amounts were recognized on the income statement as a result of the adoption of new accounting guidance for equity securities. See "Item 8—Note 14 (Other Comprehensive Income (Loss))" in SEC filings for more information.

Organized around protection and insurance systems capabilities ...



... with an end-market focus across the insurance value chain



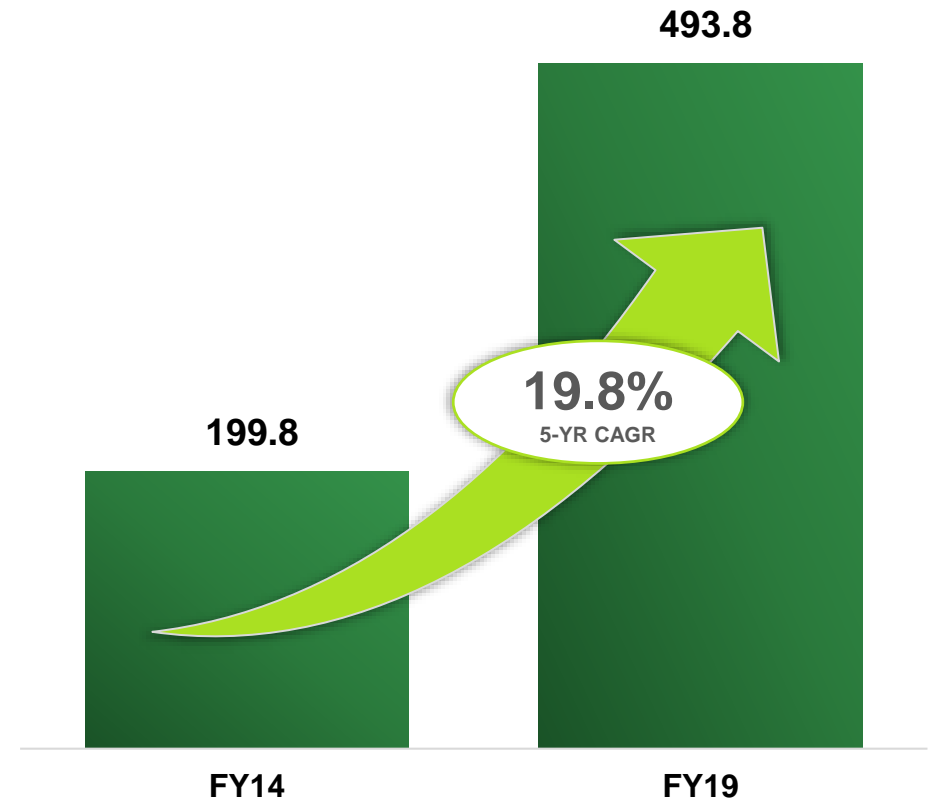
Proven track record ...

5 year average Return on Equity (ROE)



Book value growth**

(\$million)

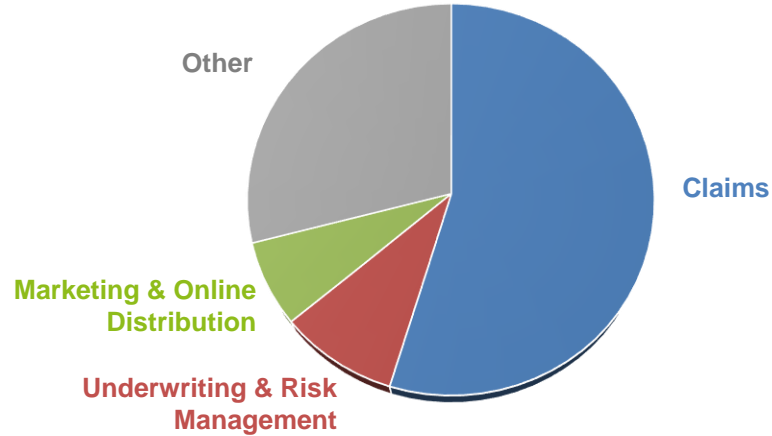


*As of December 31, 2019

**Excludes preferred stock

... backed by the strength of our employees and agents

Talent (as of 12/31/2019)



UVE Tenure
Average **7.0+**
YRS

Talent Management
(Core Underwriting Specialists & Risk Management)

150
YRS

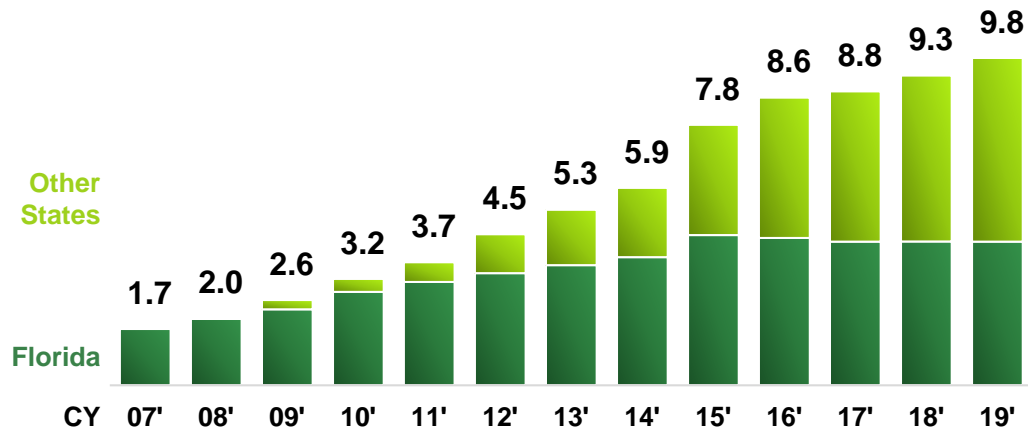
Combined Reinsurance Experience

500+
YRS

Combined Claims Experience
(Department Management)

Independent agent distribution channel

(thousands of agencies)



Service

- Strong partner relationships
- Quality customer advocates

Training

- In-house and third party best practices training
- Technology-enabled point of sale tools

Compensation

- Attractive commission and performance based incentives

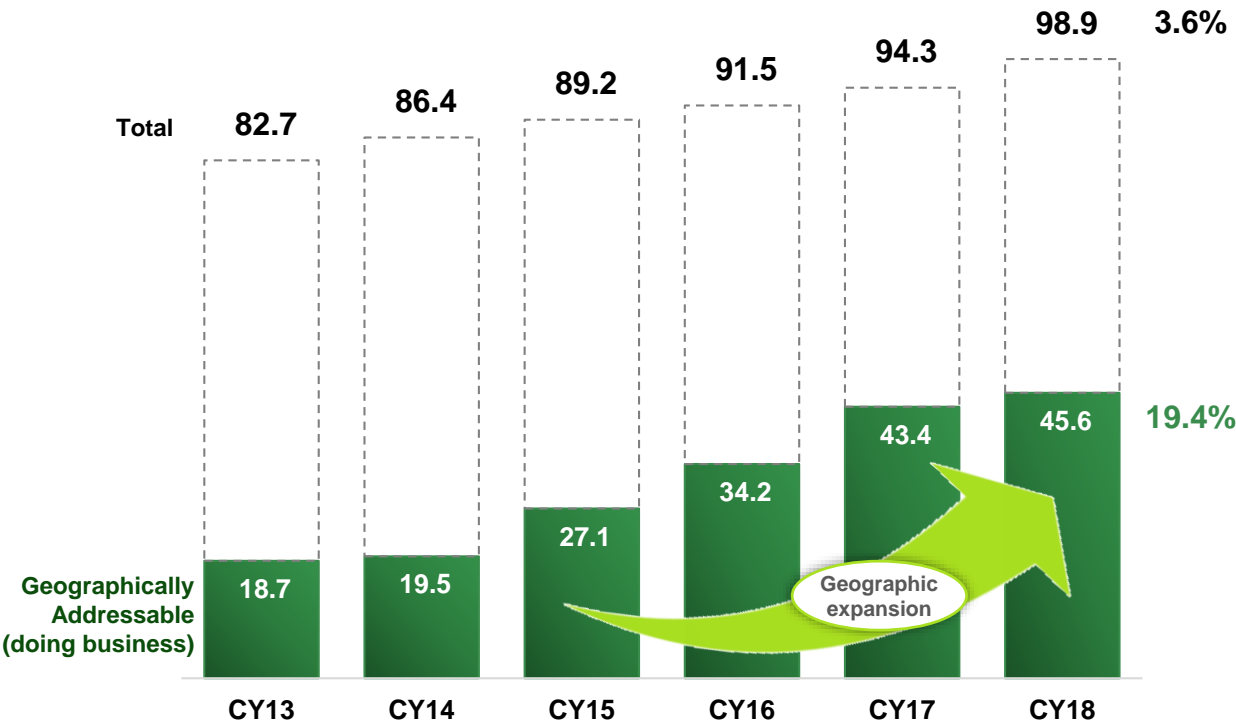
Large and growing Homeowners Multi-peril (MP) insurance opportunity

P&C Industry Homeowners MP Direct Premiums Written

(U.S & territories Homeowners Multi-Peril)

(\$billion)

**CY13-CY18
CAGR**



19.4%

3.6%

Opportunistic expansion

Price

- Focus on rate adequate markets and positioning for market dislocation events

Customer Experience

- Leveraging domain expertise in CAT-exposed conditions to provide seamless experience across the insurance value chain

Diversification

- Provide earnings stability and reinsurance pricing benefits from risk profile improvements
- Writing business in 11 out of the largest 15 states in America*

States doing business	7	8	11	14	16	17
FL as % of addressable	46.8%	44.8%	32.4%	25.7%	21.2%	21.1%

*Measured by Homeowners MP Direct Premiums Written 2018. Not currently writing in TX, CA, OH, CO from the top15

Strategic priorities – Strengthening the foundation

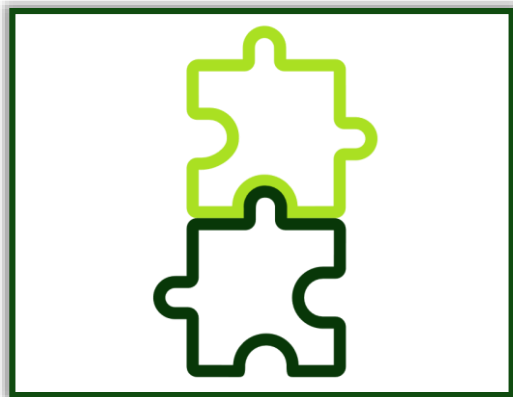
Core franchises



Protection Solutions



Distribution



Risk Management



Claims Management

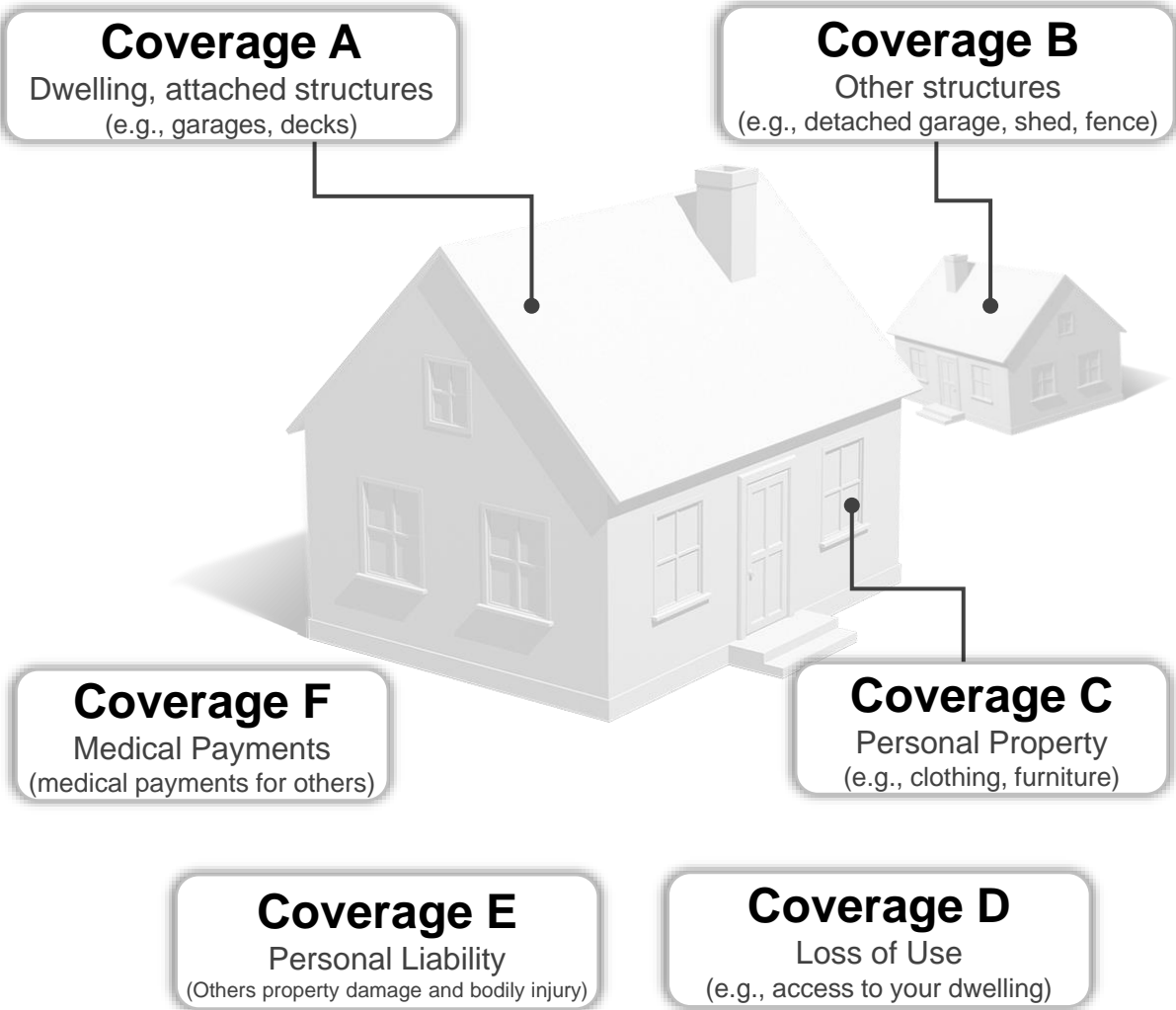
- 1 Make customer service and continuous improvement a way-of-life
- 2 Focus on disciplined growth
- 3 Maintain a strong balance sheet
- 4 Maximize earnings stability



Underwriting

Overview of insurance offerings

Homeowners coverage



Products offered



Form Type

- HO2 – Broad Form (named perils only)
- HO3 – Special Form (Most common)
- HO5 – Comprehensive Form
- HO8 – Older Home Form

Carrier



- HO6 – Condo Form (individual condo unit owner)



- HO4 – Renters Form (tenant occupant)



- DP1 – Named peril only - rental or investment property
- DP2 – Named perils only – more comprehensive
- DP3 – Open Peril policies



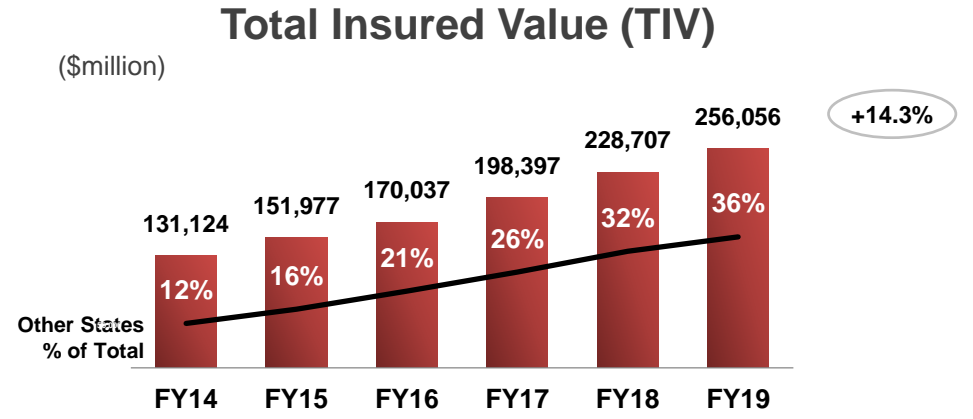
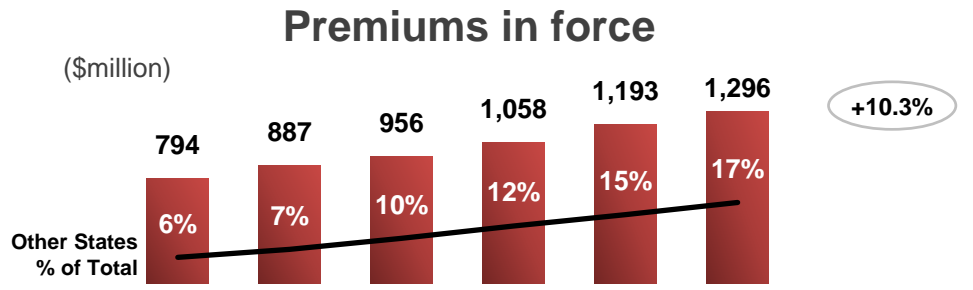
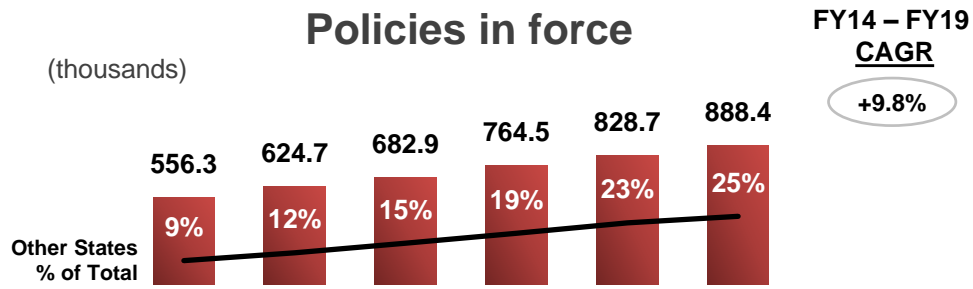
- HO3 – Special Form (Property values in excess of \$1M)



- CP10 – Business & Personal Property Form (e.g., HOA's, Apartments)
- CP17 – Condo Property Form



Underwriting overview



Industry trends



Technology-enabled innovation improving intelligence



Rate increases improving rate adequacy

NEUTRAL

Optimistic that assignment of benefits legislative reform will address fraud



Reinsurance catastrophe pricing hardening

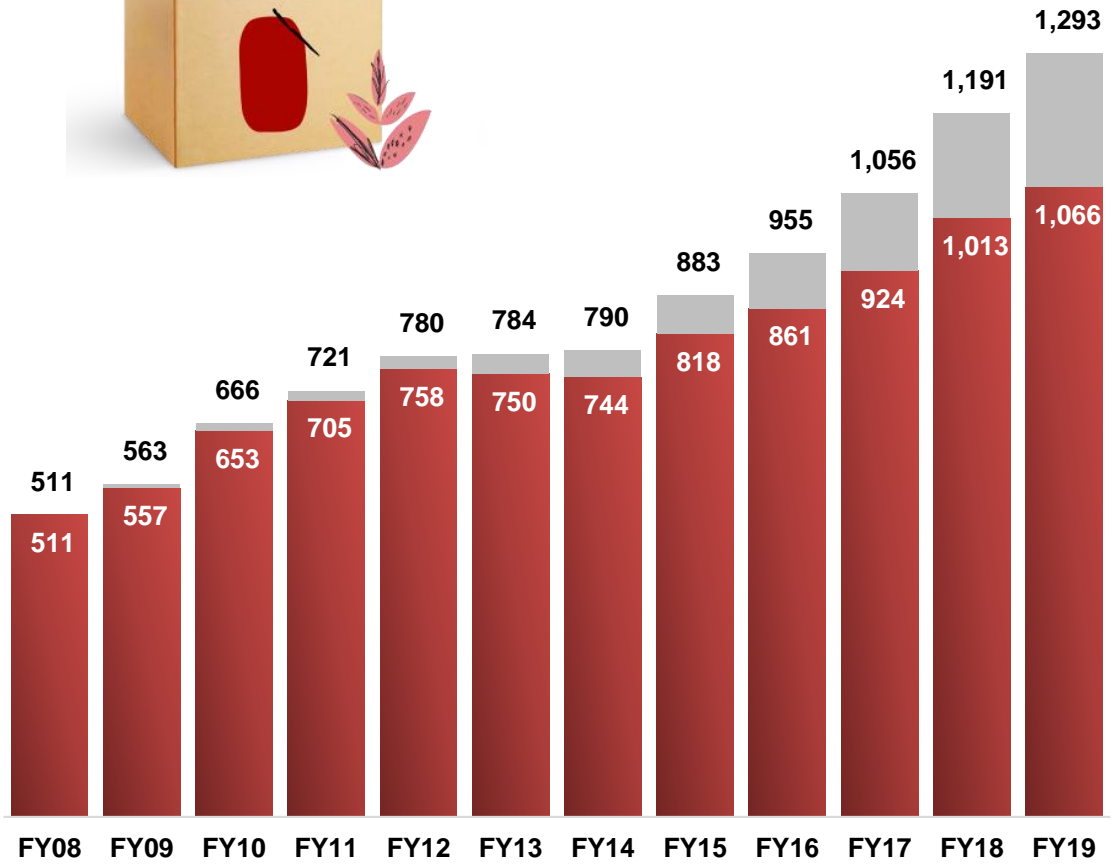


Overall influence of social inflation

UVE organically grew into #1 in FL

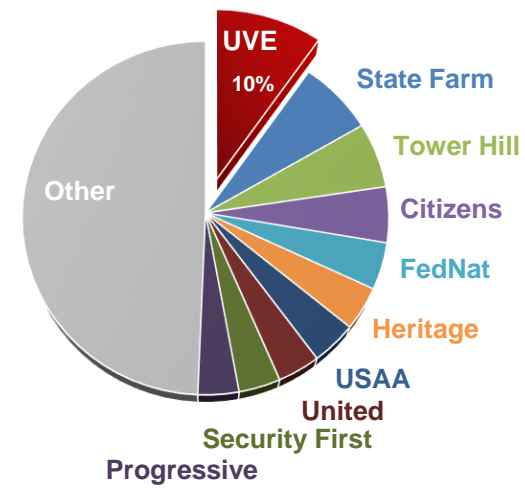
FL Direct premiums written growth ...

(\$million)

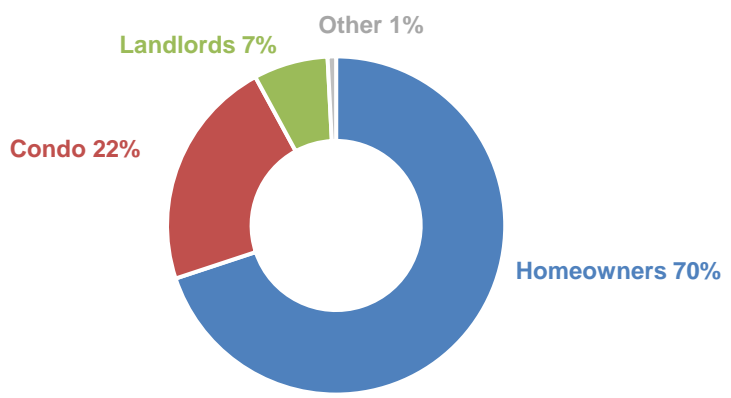


... led to #1 homeowner provider in FL

2018 Homeowners MP FL segment*



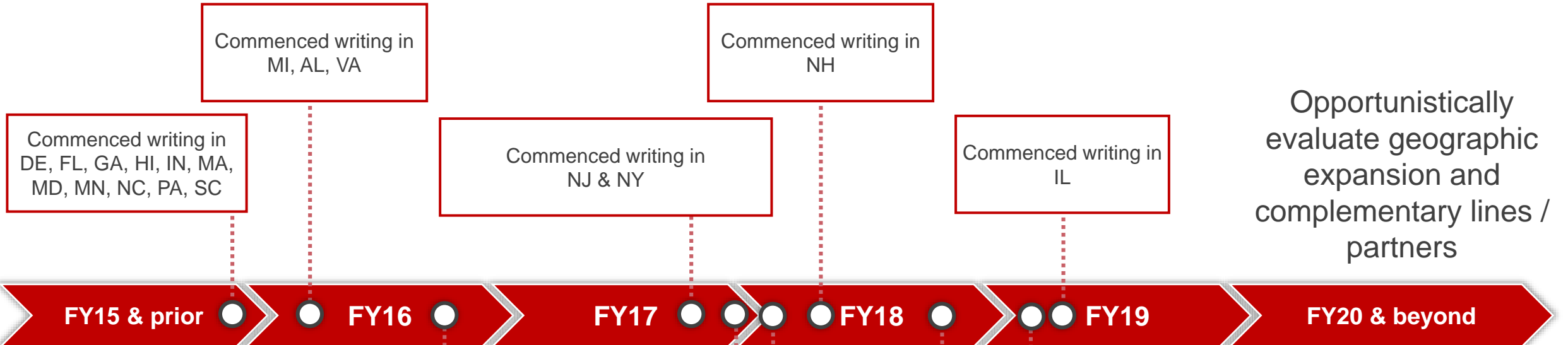
2018 UVE FL Homeowners MP by product



*Excludes Fire and Allied lines as defined by S&P Global Market Intelligence.

Leverage domain expertise in FL for geographic diversification and opportunistically offer or partner on complementary lines

Geographic Expansion



Launched Commercial residential program through American Platinum

Flood partners

E&S homeowners partners

Commercial coverwallet

Specialty Jewelers Mutual

Auto partners

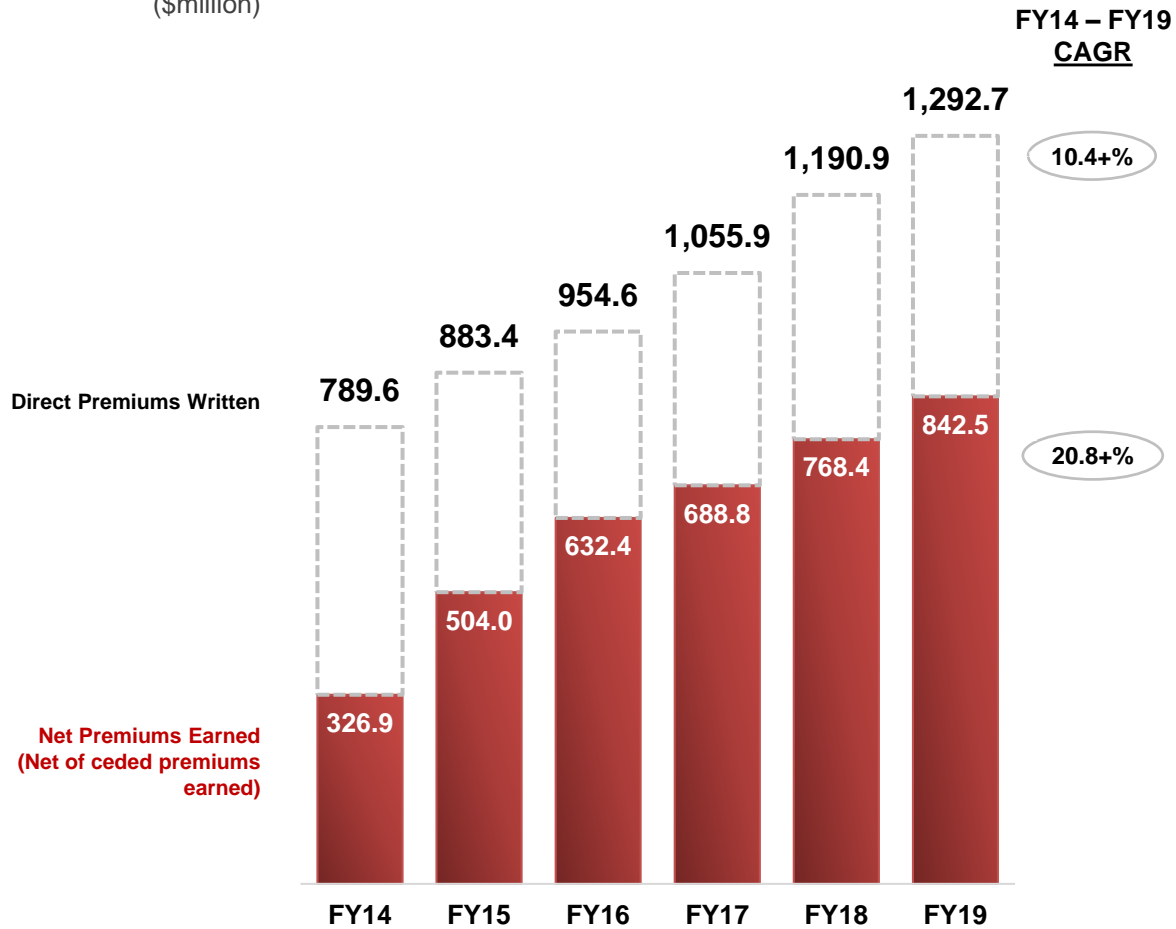
Homeowners Partners

Complementary lines expansion (offerings / partners)

Solid performance

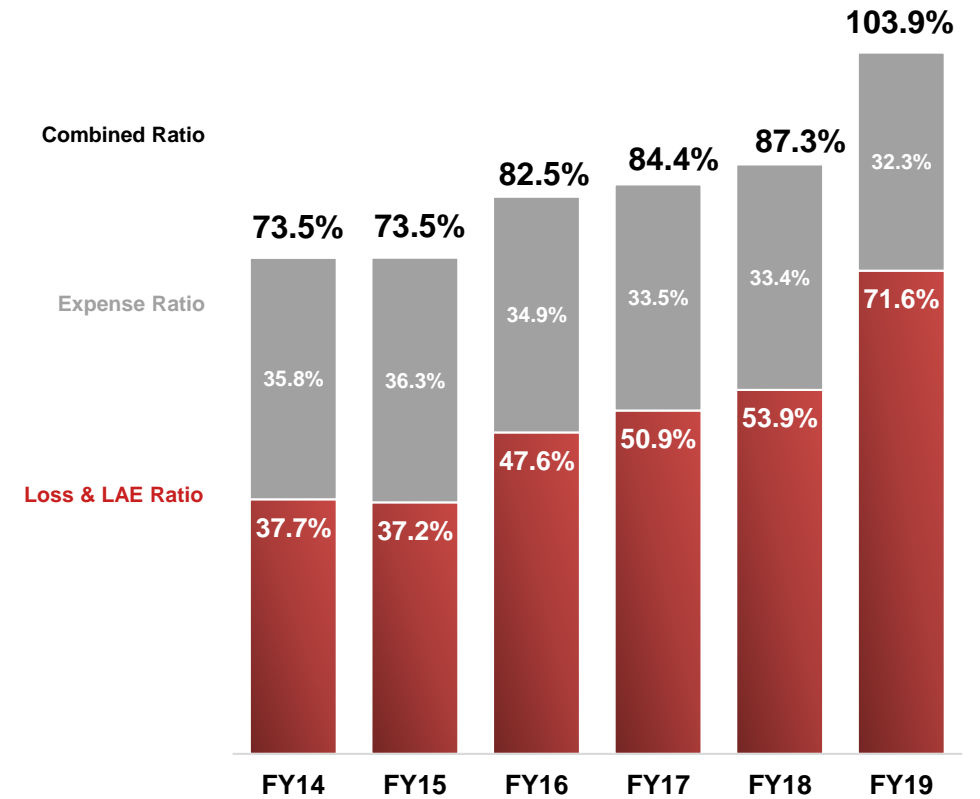
Revenue (Direct and net premiums)

(\$million)



Direct Premiums Earned	777.3	836.8	921.2	999.2	1,121.60	1,233.1
Ceded Premiums earned as % of Direct Premiums Earned*	57.9%	39.8%	31.4%	31.1%	29.7%	31.5%

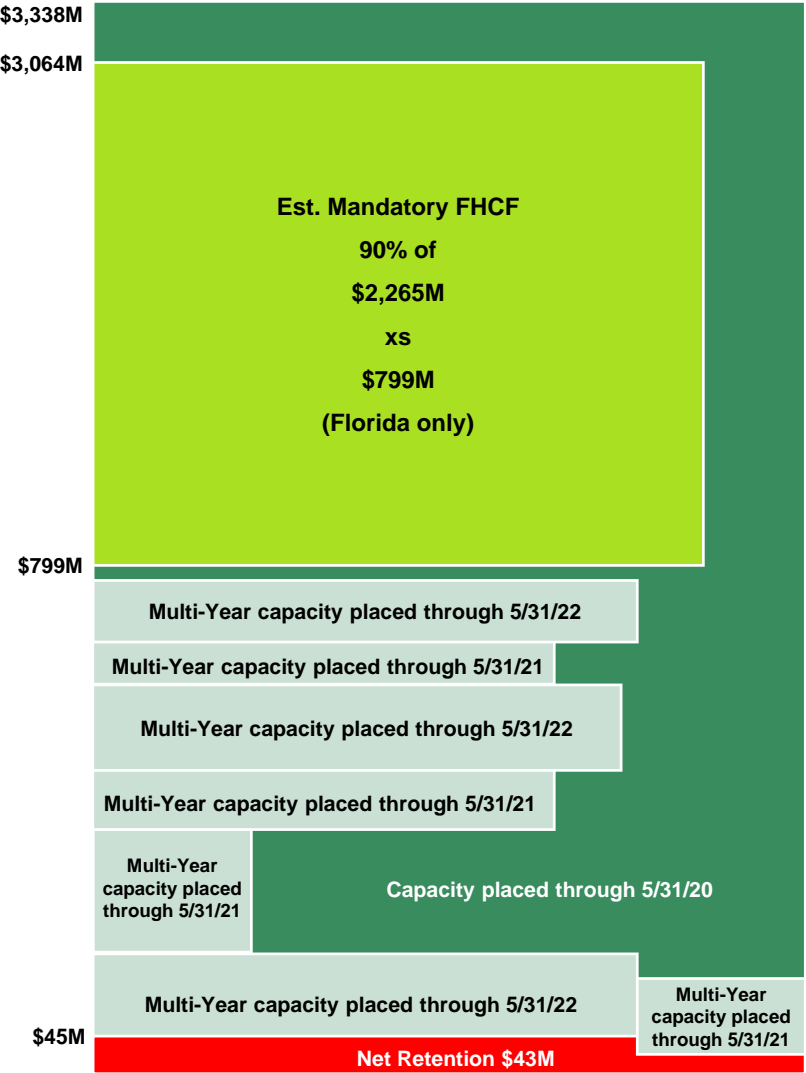
Consolidated GAAP Combined Ratio (Related expense / Net premiums earned)



*Excludes reinstatement premium

Strong balance sheet supported by robust reinsurance program (All States)

1st Event coverage in excess of \$3.3B



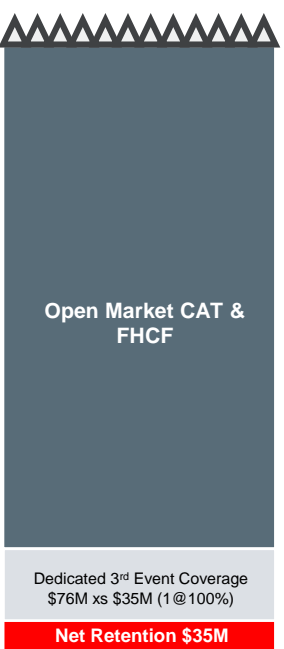
* All non-FHCF layers cascades to \$111M

Note: June, 1, 2019 reinsurance program

2nd Event



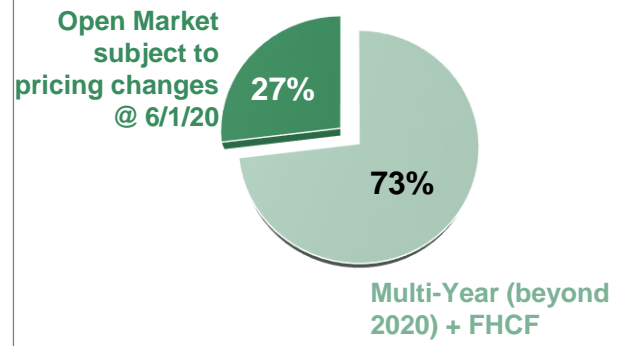
3rd Event



4th Event



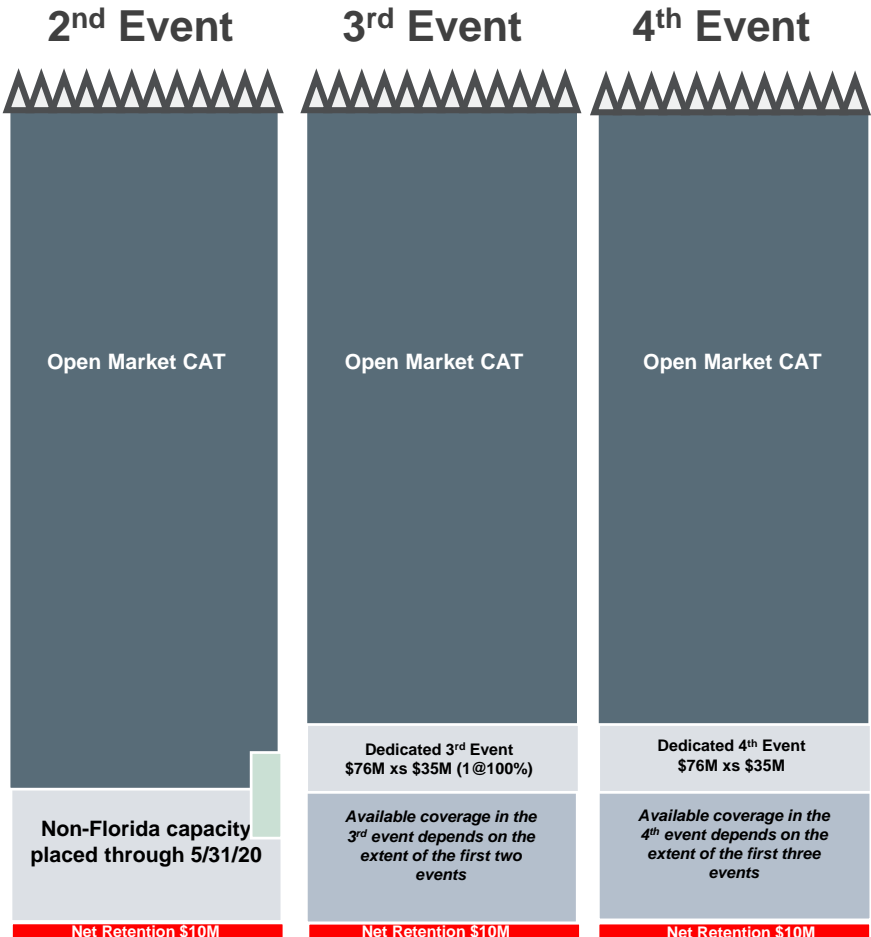
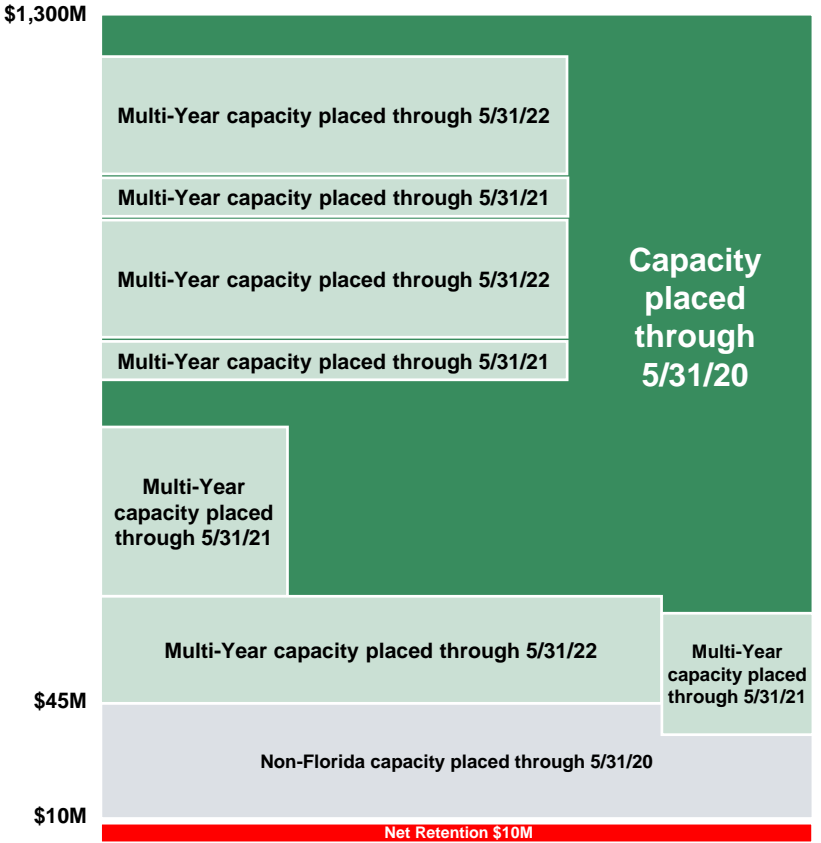
First event CAT contracts



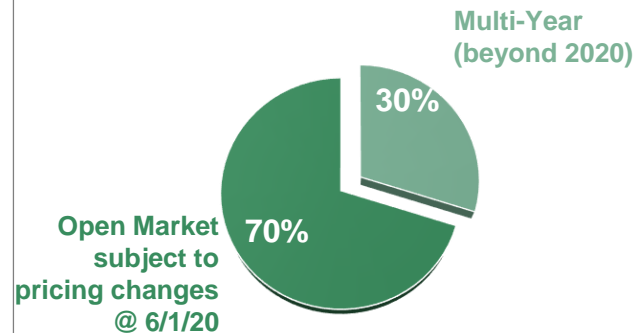
- Expiring contracts
- Florida Hurricane CAT Fund (FHCF)
- Multi-Year Contracts
- Net UVE Retention
- xs = in excess

Strong balance sheet supported by robust reinsurance program (Other States)

1st Event coverage of \$1.3B



First event Open market CAT contracts

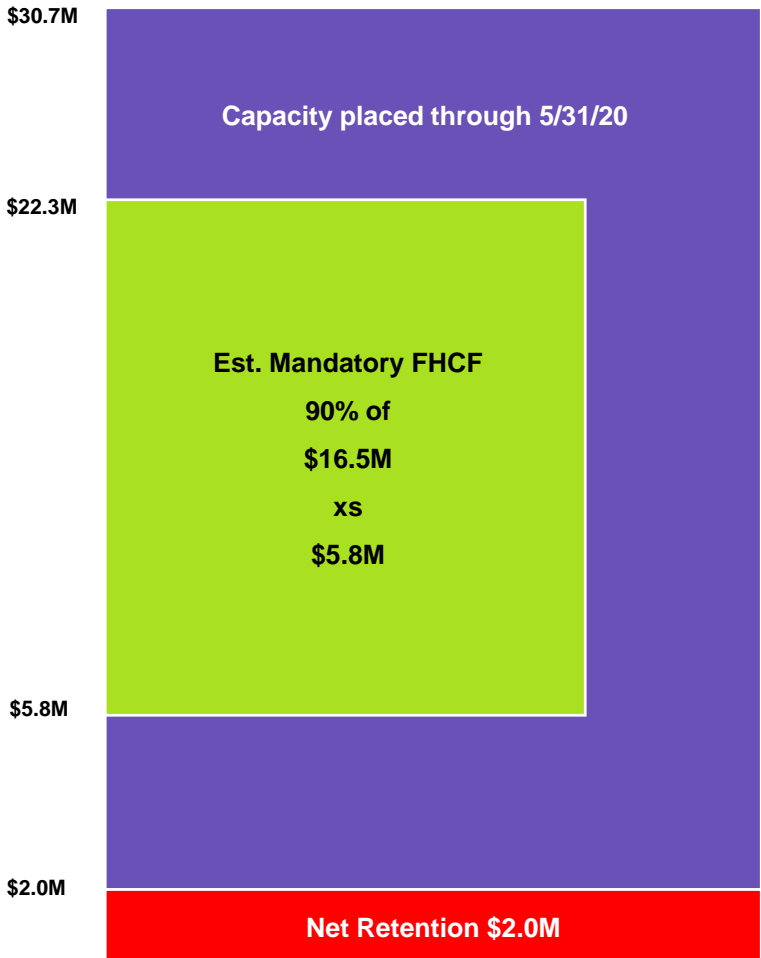


-  Single year contracts All States
-  Multi-Year Contracts All States
-  Single year contracts Non-FL
-  Net UVE Retention
- xs = in excess

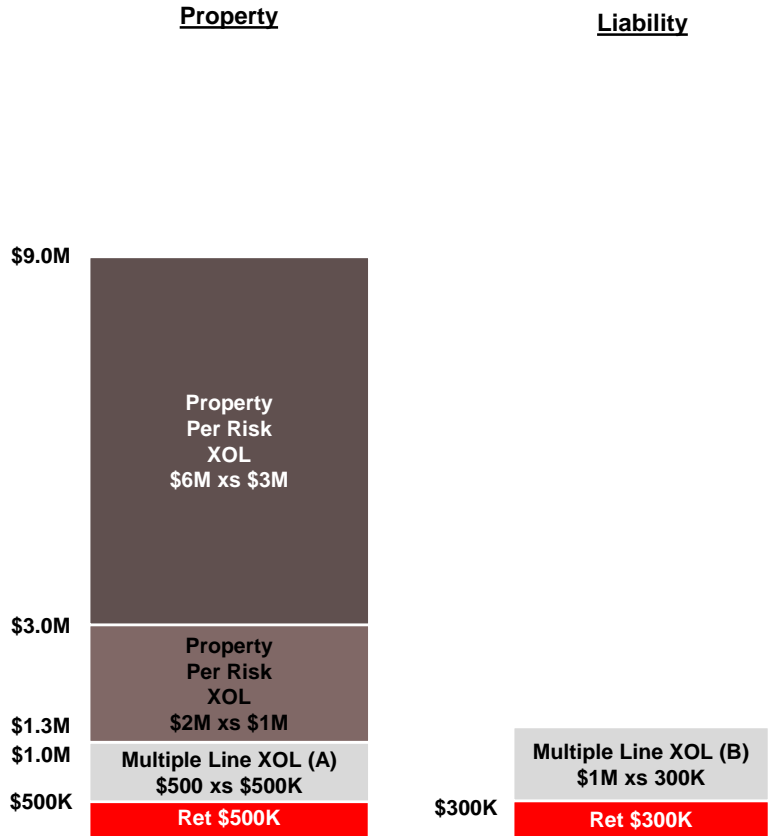
* All non-FHCF All States layers cascade to \$111M
 ** All non-Florida only layers cascade to \$10M

Strong balance sheet supported by robust reinsurance program ()

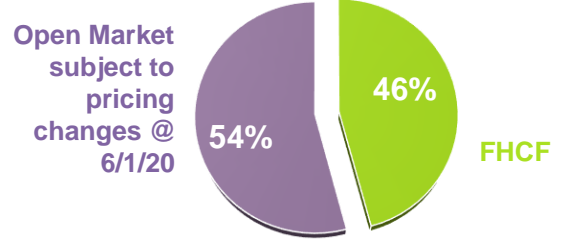
More than \$30M in Coverage



Property and liability per risk



CAT contracts



- Single year contracts
- Florida Hurricane CAT Fund (FHCF)
- Net UVE Retention
- xs = in excess

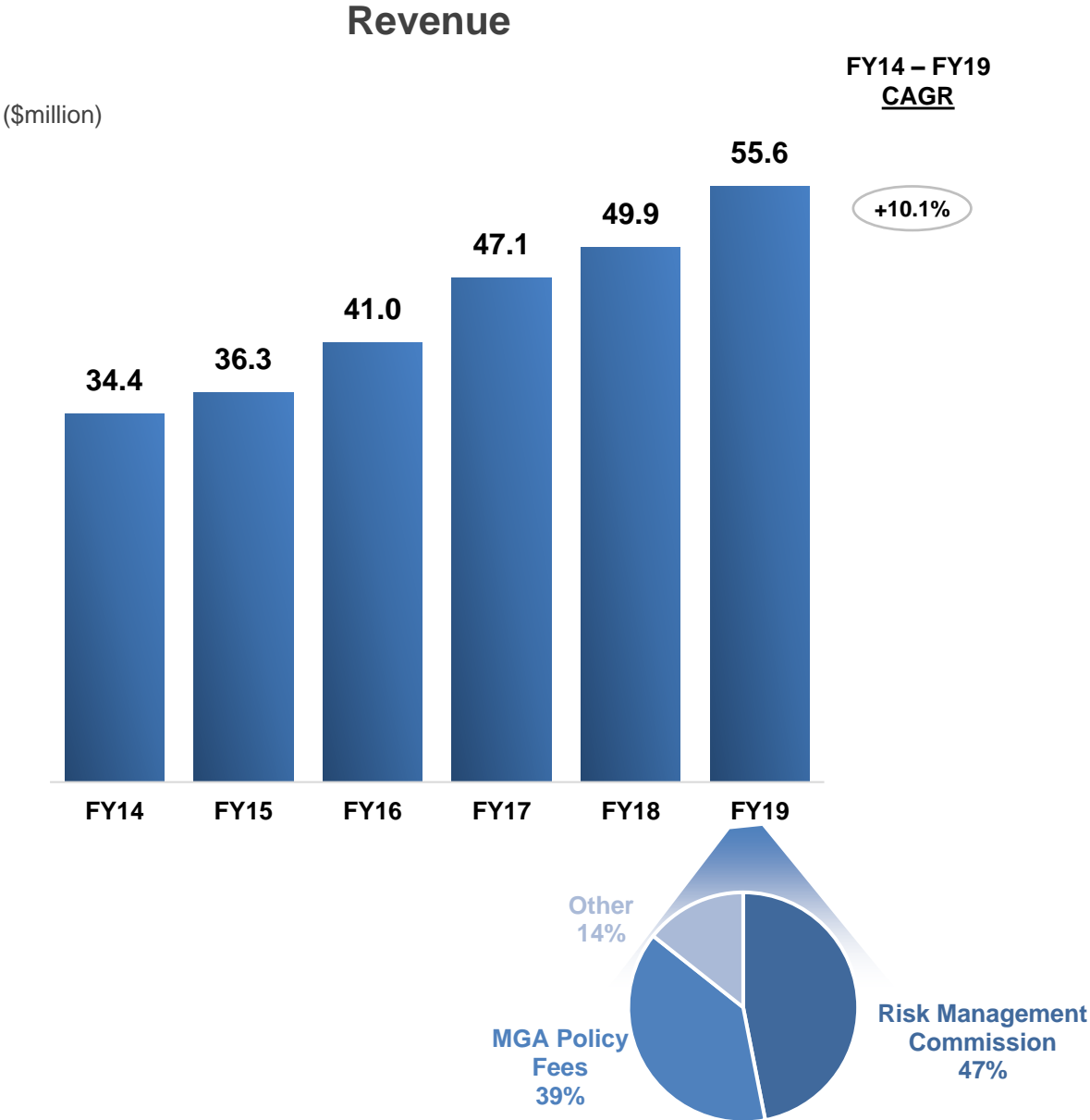
* All non-FHCF layers cascade to \$2M



Services



Services overview



Industry trends



Technology-enabled innovation improving the customer experience



Remote surveillance increasing to improve accuracy and speed of risk management and claims



Improved operations with adoption of cloud based reporting tools and automated processes

NEUTRAL

Large scale, technology-enabled disruptors pose opportunities and threats to distribution

NEUTRAL

Customers expectations increasing



Streamlined technology adoption will put pressure on long-term services pricing

Risk Management

Catastrophe modeling



AIR model



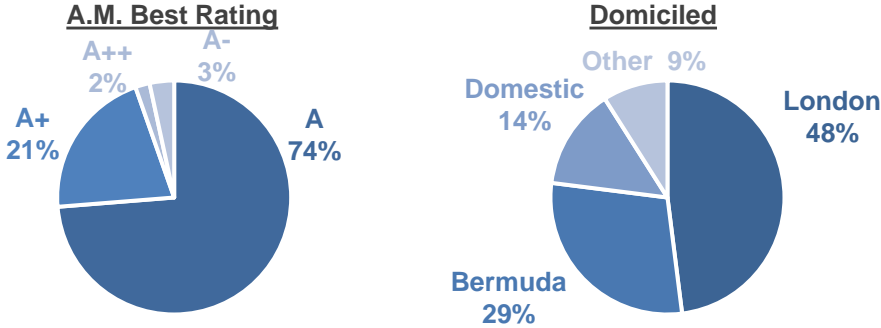
RMS model

In-house reinsurance brokers, underwriters and licensed actuaries with insurance and reinsurance experience

Daily operations catastrophe modeling utilizing licensed AIR and RMS models

Exposure management through proprietary Internal Profitability Measure (IPM) models and rate level scenario analysis

Reinsurance partners



Strong relationships with traditional reinsurance partners

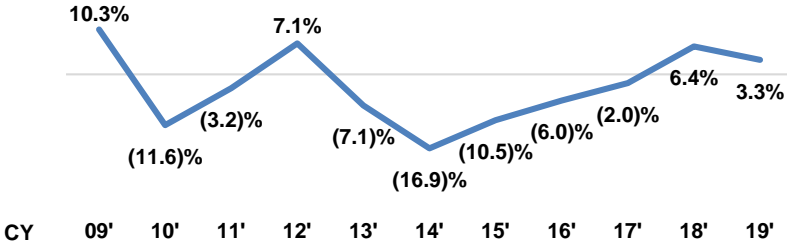
96% of capacity A or better A.M. Best rating for all reinsurance partners

Significant property and casualty and reinstatement premium protection coverage

Largest participants:



Industry reinsurance pricing



Source: Guy Carpenter U.S. Property Catastrophe Rate-On-Line Index

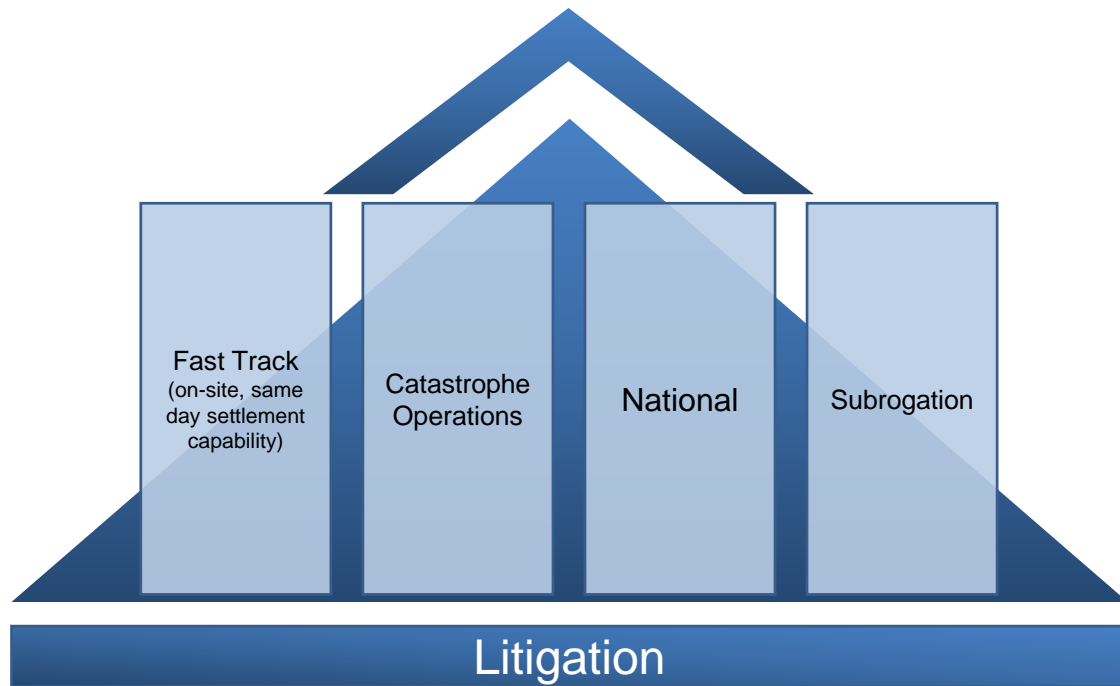
Utilize single and multi-year capacity and actively monitor pricing trends

All reinsurance capacity utilized through traditional reinsurers today

Broker reinsurance through in-house fully-licensed reinsurance intermediary Blue Atlantic Reinsurance Company (BARC) in partnership with our in-house MGA Evolution Risk Advisors and world's largest third party reinsurance broker

Claims management

Optimized claims management structure



- In-house claims department organized by capability
- Streamlined processes to efficiently accelerate close rate
- Proprietary claims administration system
- Retain small percentage of outside adjusters for surge demand

*Claims paid in partnership with reinsurers

** Per Schedule P of statutory filings

Significant experience

\$3.5B+

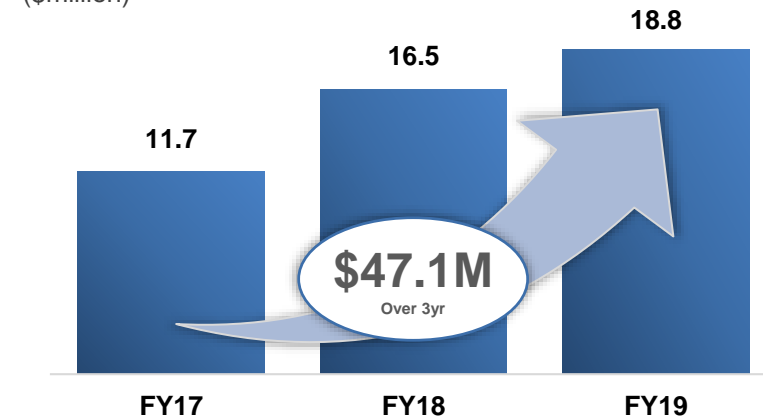
Claims paid over past 15 years*

450K+

Claims over past 15 years

Subrogation Recoveries**

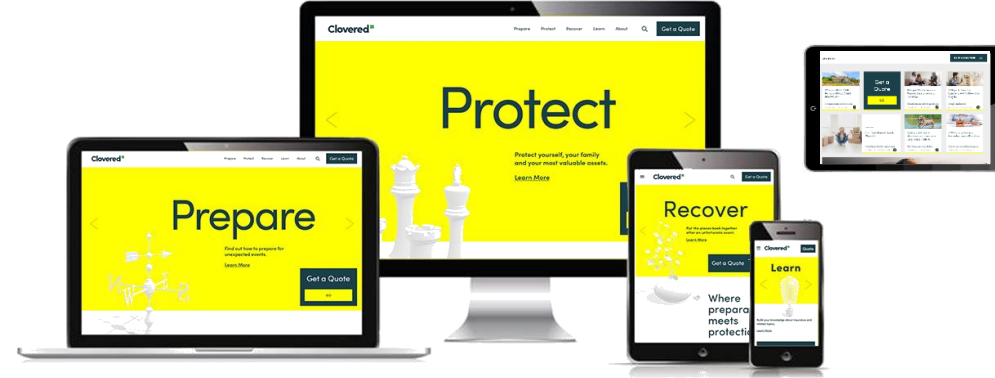
(\$million)



Accelerated subrogation efforts against third parties responsible for property damage losses to our insureds

Investing in technology: Device agnostic, digitally enabled distribution

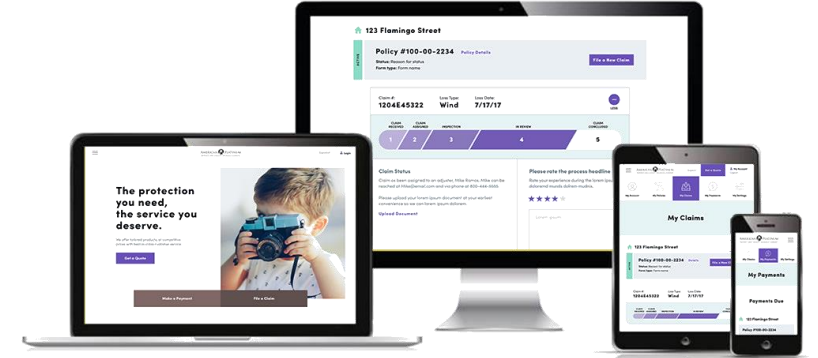
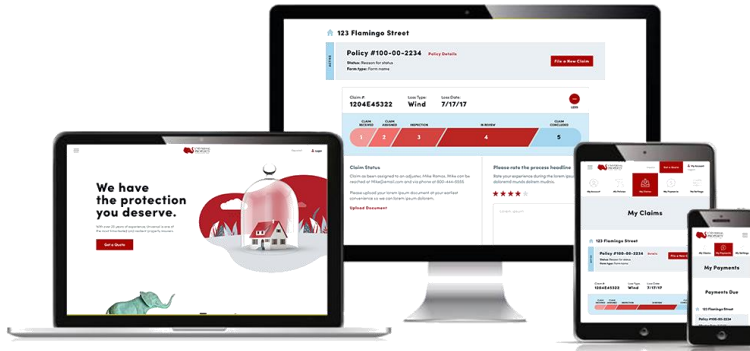
Go Paperless
Environmentally and
Socially Conscious



Clovered



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



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

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

Partners



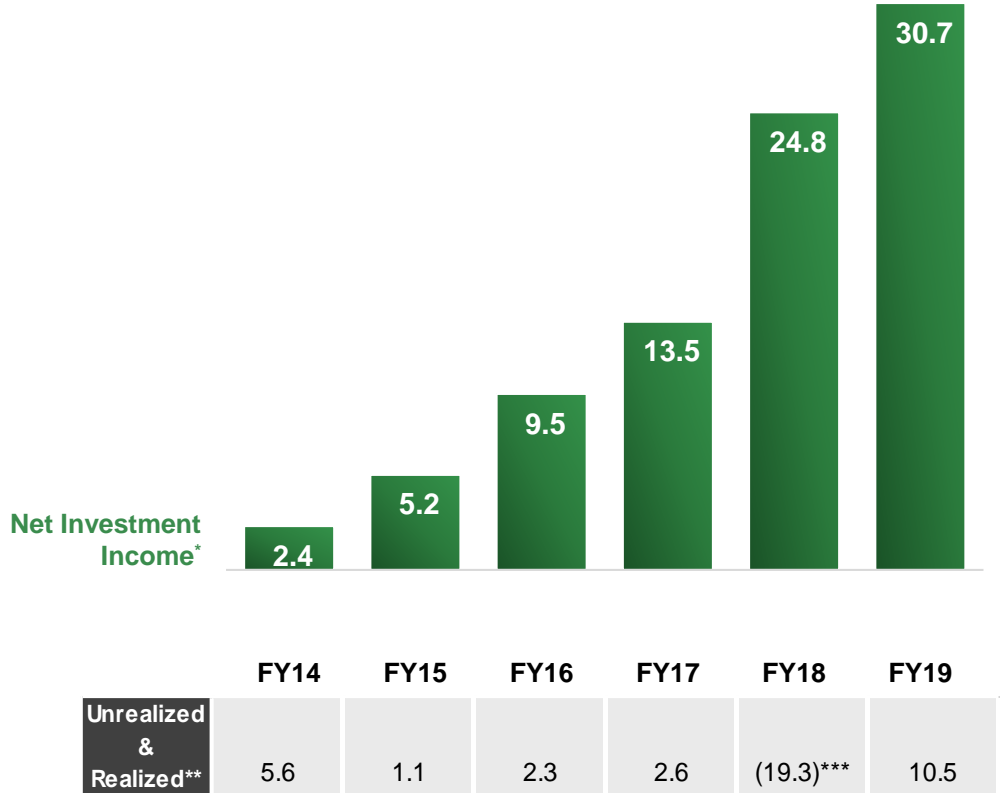


Investments

Investments overview

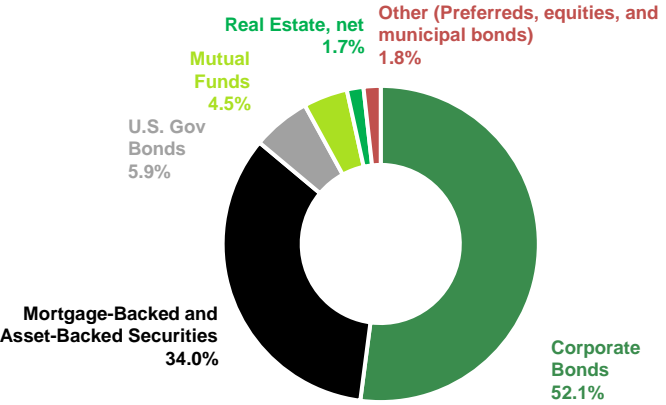
Net investment income

(\$million)



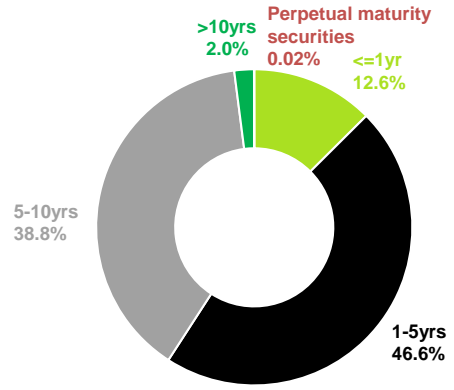
Investment Portfolio

(\$914.6M as of 12/31/19)

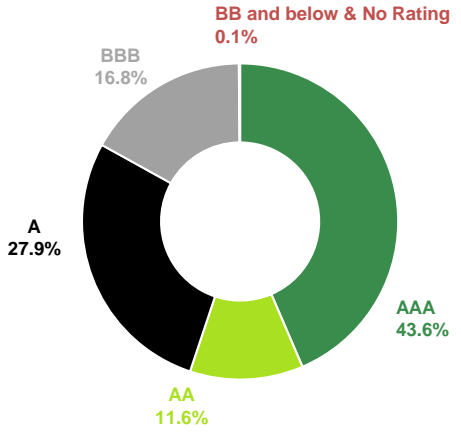


Fixed maturities

Effective Maturity (3.5yrs)

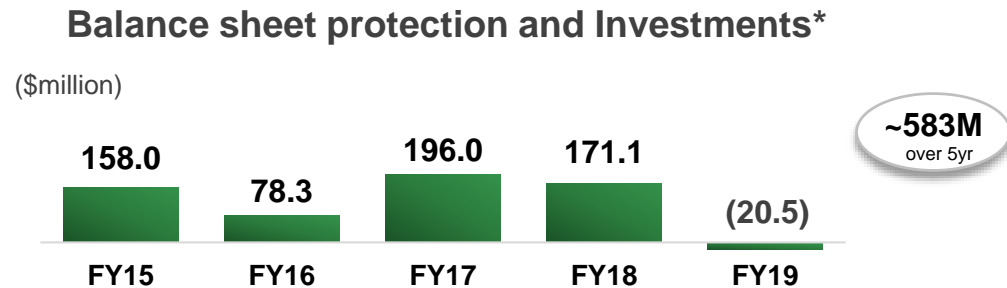
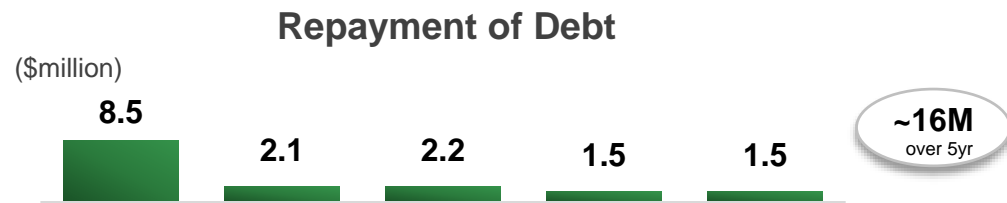
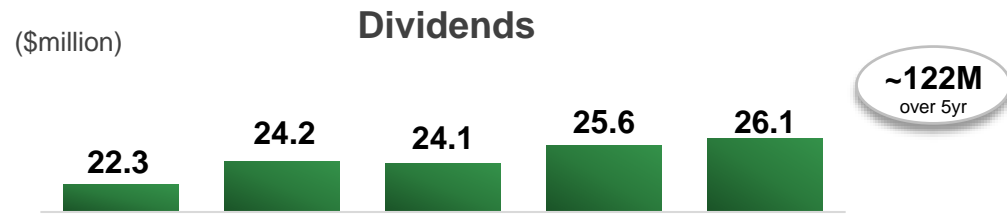
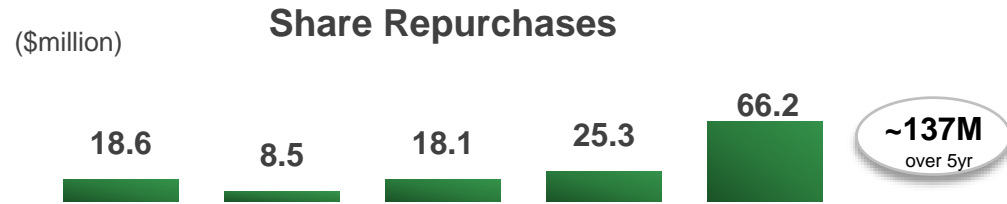


Average Rating (A+)



*Includes interest earned on cash and cash equivalents and restricted cash 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 & realized gains (losses) on equity investments.
 *** Beginning in 2018 unrealized amounts were recognized on the income statement as a result of the adoption of new accounting guidance for equity securities. See "Item 8—Note 14 (Other Comprehensive Income (Loss))" in SEC filings for more information.

Capital deployment



Returning capital to shareholders ...

... bolstering balance sheet ...

... and investing for the future

*FCF less share repurchases, dividends, repayment of debt.

Fourth Quarter 2019 Results



FY19 results against multi-year strategic priorities

1 Focus on disciplined growth

- Total revenue up 10.6%; FY19 up 14.0%.
- Other states (Non-Florida) direct premiums written up 23.3%; FY19 up 27.6%.
- 4Q19 Diluted GAAP EPS of \$(1.55), non-GAAP adjusted EPS* of \$(1.57); FY19 Diluted GAAP EPS of \$1.36, non-GAAP adjusted EPS* of \$1.18
- FY19 Annualized return on average equity of 9.2%.

2 Maintain strong balance sheet

- Over 75% of reinsurance capacity for June 1st, 2020 renewals already secured.
- YoY Book value per share up 4.9%.
- FY19 debt-to-equity ratio of 2.0%.
- Total unrestricted cash and invested assets up 2.1% to \$1.1B YoY.

3 Maximize earnings stability

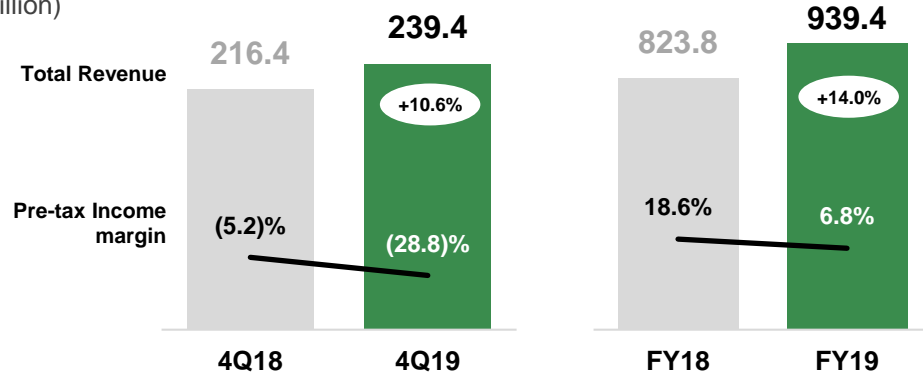
- UPCIC filed for a 12.4% overall primary rate increase in Florida.
- UPCIC commenced writing homeowners policies in Illinois.
- Launched multi-rater quote-to-bind digital platform, CloveredSM.
- Initiated FY20 guidance: GAAP and non-GAAP adjusted EPS \$2.80 - \$3.10 (assuming no extraordinary weather events in 2020); ROAE 17% - 20%.

4Q19 and FY19 financial results

Total Revenue

Premium volume and retention due to our marketing strategy, agent relations, and customer service efforts

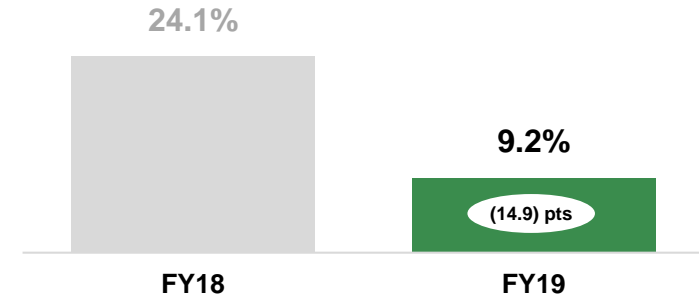
(\$million)



Income before income tax	(11.2)	(69.1)	152.9	63.5
Adjusted operating income*	3.3	(69.7)	192.8	55.8

Annualized Return on Average Equity (ROE)

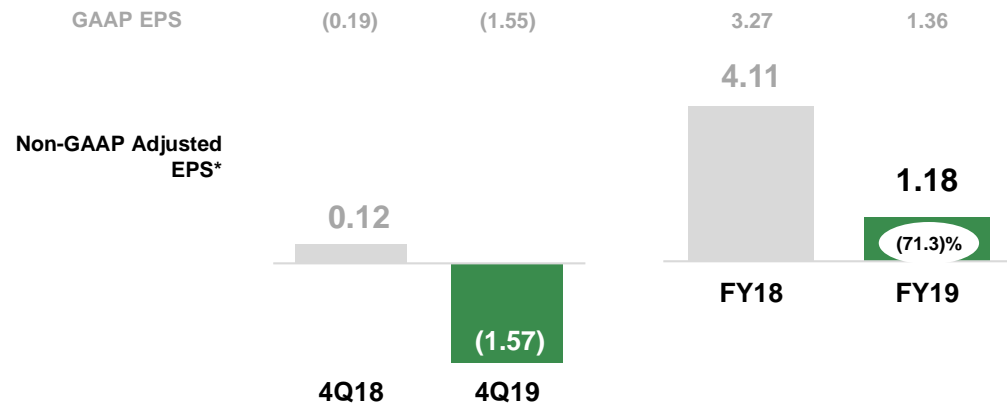
Return on Average Equity



Earnings per Diluted Share (EPS)

Benefitted from top line growth including investment performance, and commission revenue, offset by a lower benefit from our claims adjusting business as prior years catastrophe claims conclude, current year reserve strengthening, and current year weather events above plan.

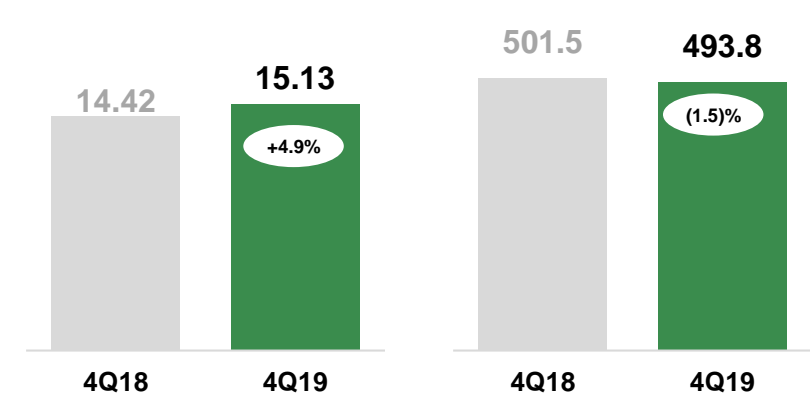
(\$ per share)



Book Value, end of period

\$ book value per share (BVPS)

\$ million book value**



*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 fourth quarter of 2019, filed with the SEC as an exhibit to a Current Report on Form 8-K on March 2, 2019, and also available on the Company's website at <https://UniversalInsuranceHoldings.com> under "Investors" with the subheading of "Earnings Releases."

**Excludes preferred stock