



Investor Briefing

FY20 Q1 Results

Reported April 27, 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,” “anticipate,” “will,” “plan,” 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, including the ongoing impact of the coronavirus (COVID-19) pandemic and those risks and uncertainties to be described under the heading “risk factors” and “Liquidity and Capital Resources” in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 as well as in the Form 8-K filed on April 27, 2020. 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 and the most recent quarterly reports on Form 10-Q.

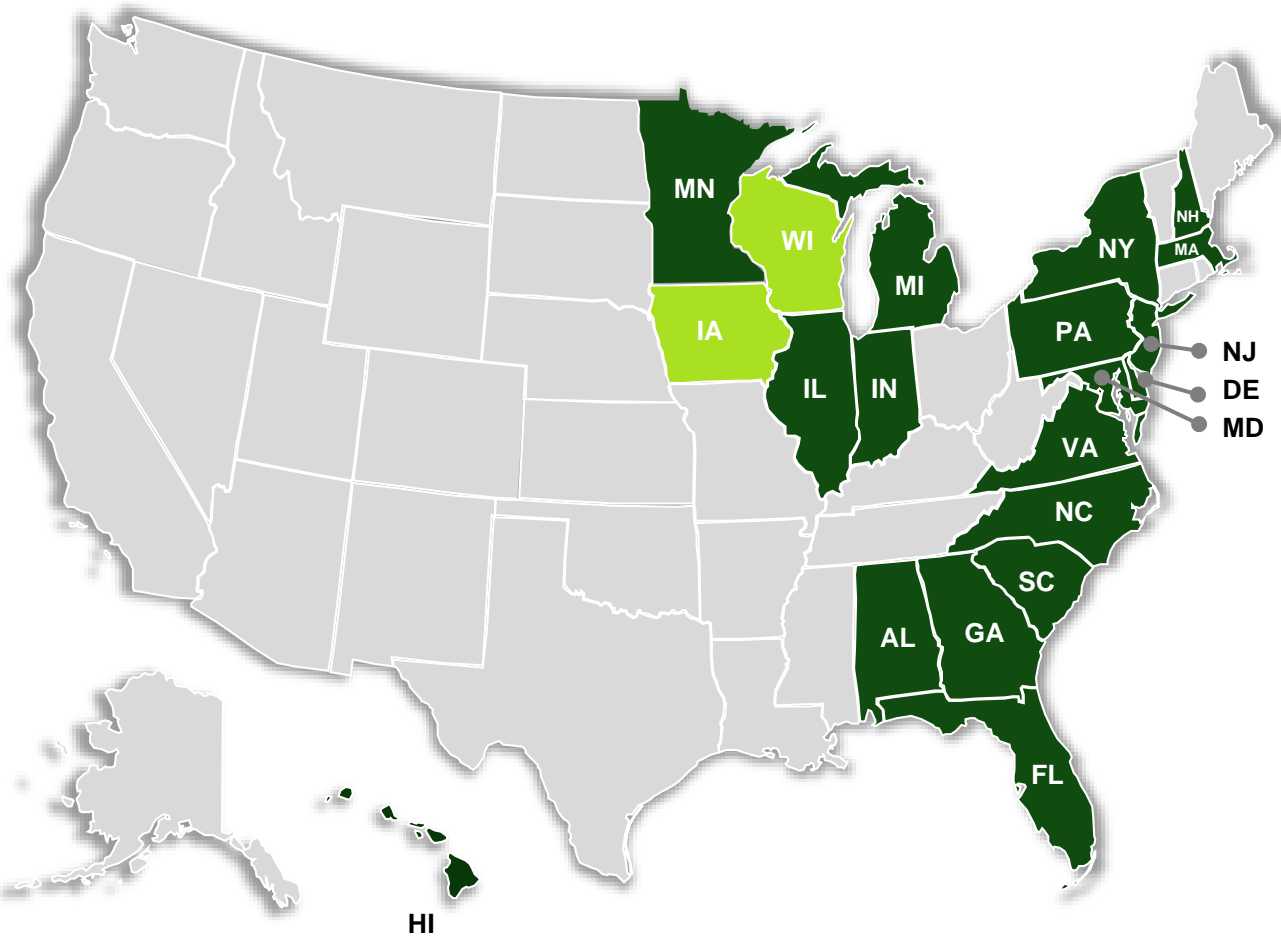
Regulation G Disclosure Statement

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 GAAP financial measures can be found in the Company’s earnings release for the first quarter of 2020, filed with the SEC as an exhibit to a Current Report on Form 8 K on April 27, 2020, 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

>900K
Customer policies managed

>800
Full time equivalent employees

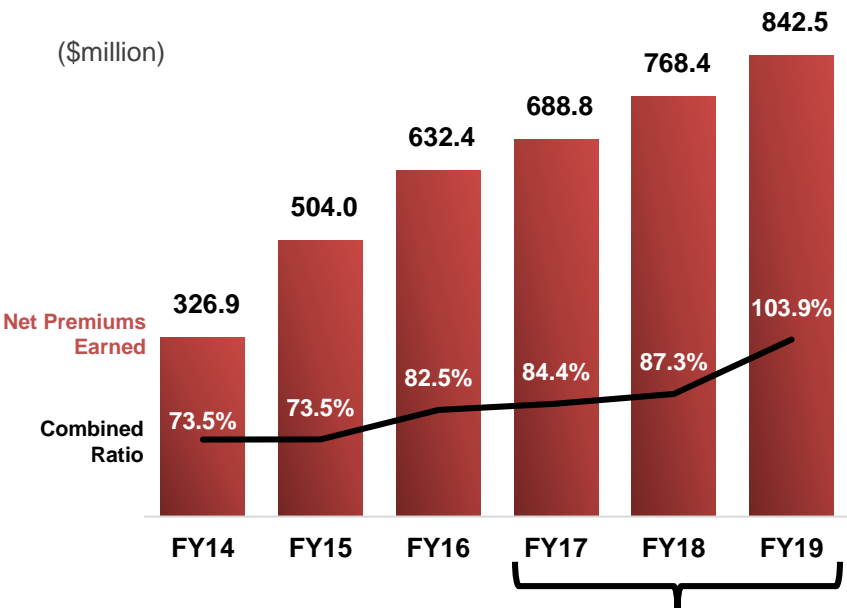
9,900+
Independent agents in the distribution channel

Ft. Lauderdale, FL
Headquarters

A
Exceptional
Demotech financial stability rating

Financial Overview

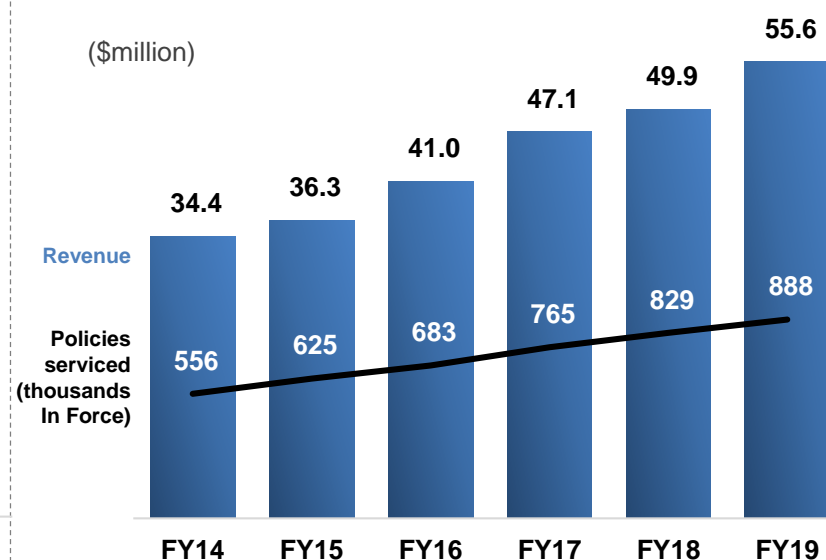
Underwriting



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

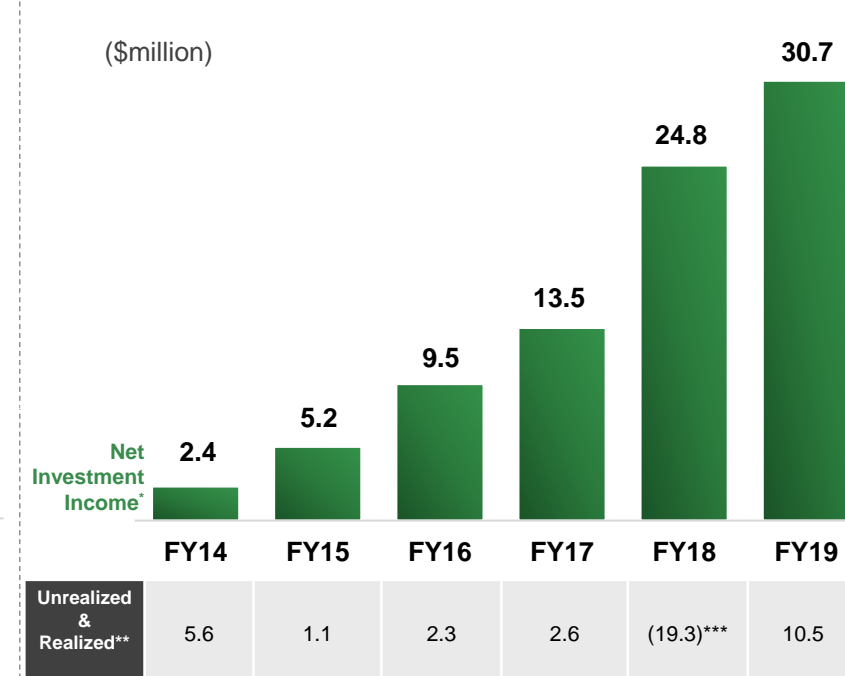
- **Protection Solutions:** Insurance for personal residential homeowners, renters/tenants, condo unit owners, dwelling/fire, allied lines, other structures, personal property, liability and articles coverages, in addition to commercial residential multi-peril.
- **Claims Management:** Claims processing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



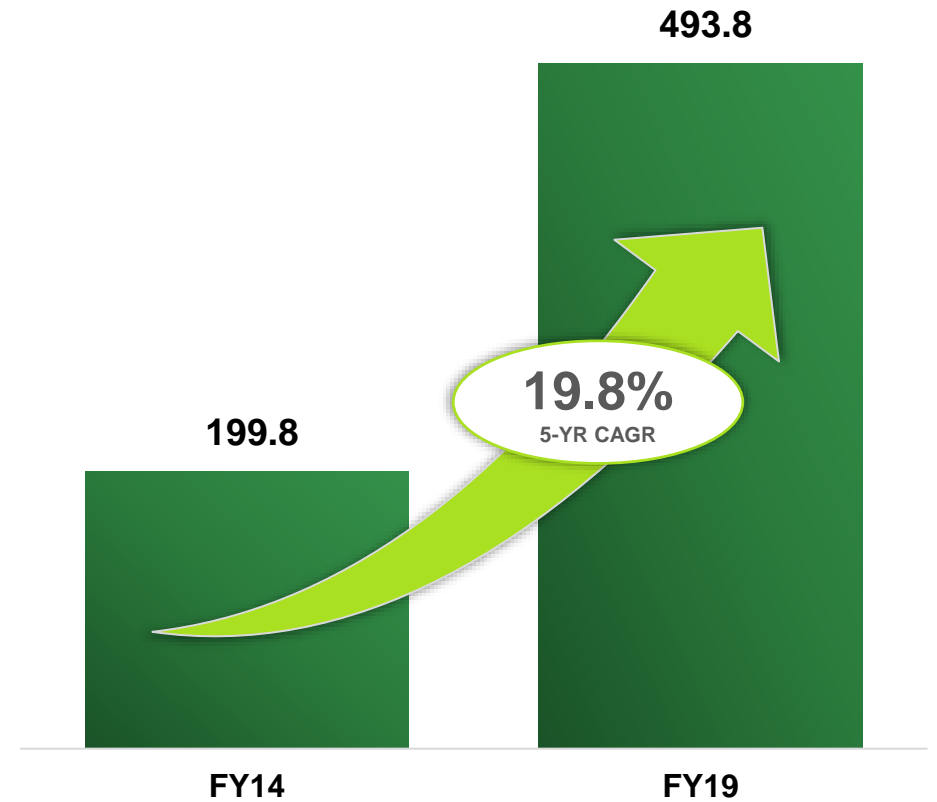
Proven track record ...

5 year average Return on Equity (ROE)



Book value growth**

(\$million)

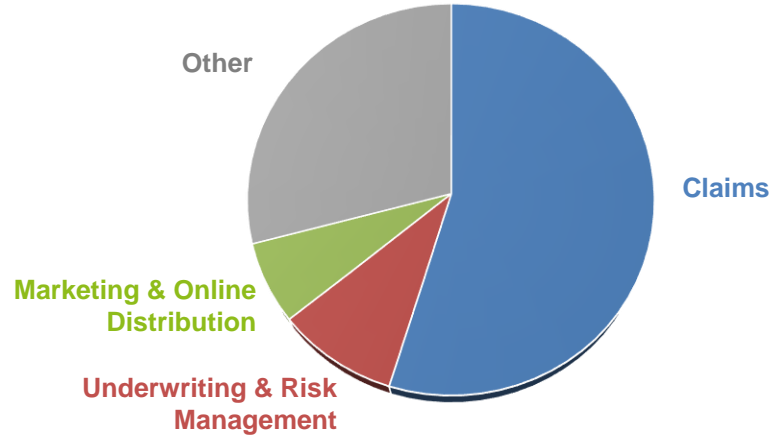


*As of December 31, 2019

**Excludes preferred stock

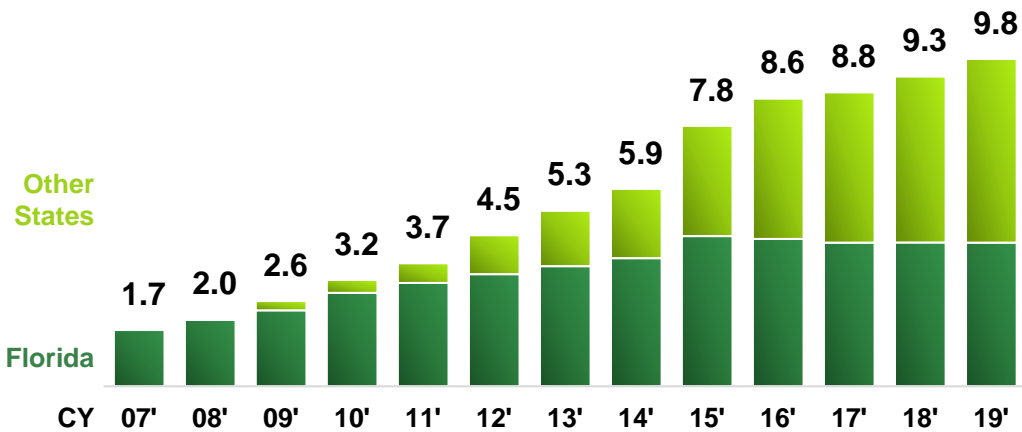
... backed by the strength of our employees and agents

Talent (as of 3/31/2020)



Independent agent distribution channel

(thousands of agencies)



- Strong partner relationships
- Quality customer advocates



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



- Attractive commission and performance based incentives

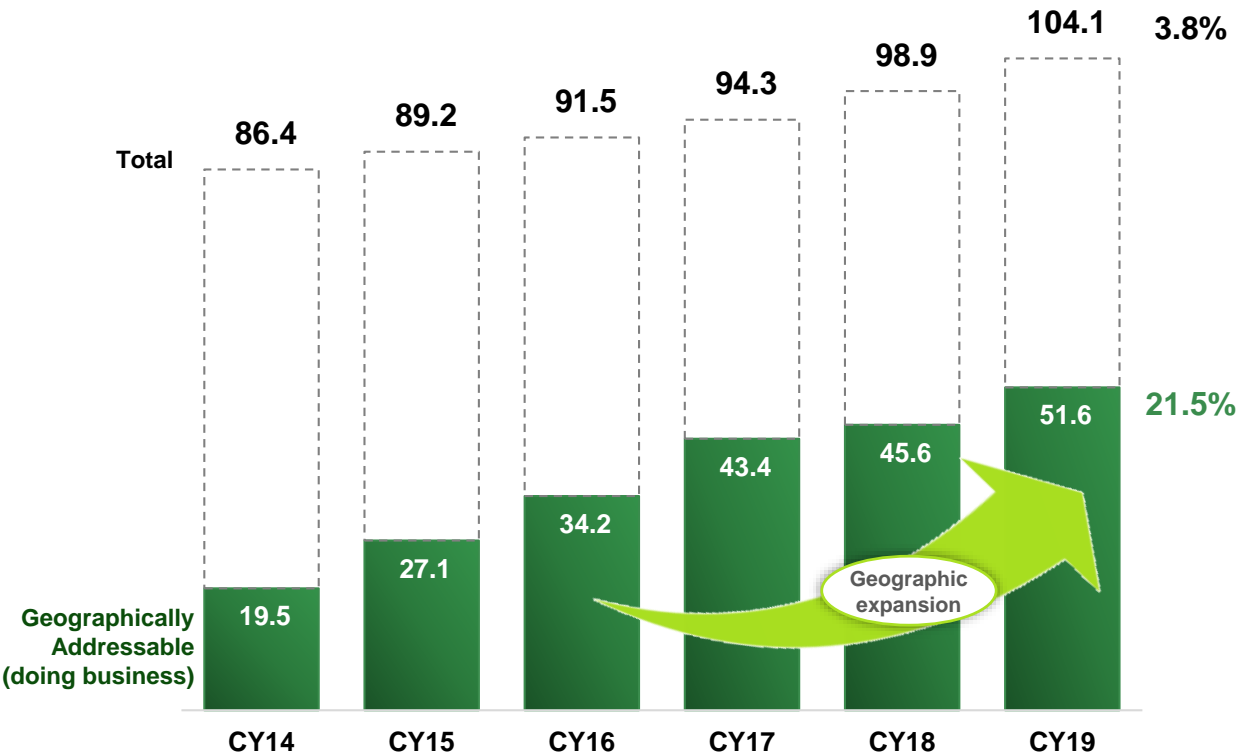
Large and growing Homeowners Multi-peril (MP) insurance opportunity

P&C Industry Homeowners MP Direct Premiums Written

(U.S. & territories Homeowners Multi-Peril)

(\$billion)

**CY14-CY19
CAGR**



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	8	11	14	16	17	18
FL as % of addressable	44.8%	32.4%	25.7%	21.2%	21.1%	18.5%

*Measured by Homeowners MP Direct Premiums Written 2019. Not currently writing in TX, CA, OH, CO from the top15

Multi-year strategic priorities – Strengthening the foundation

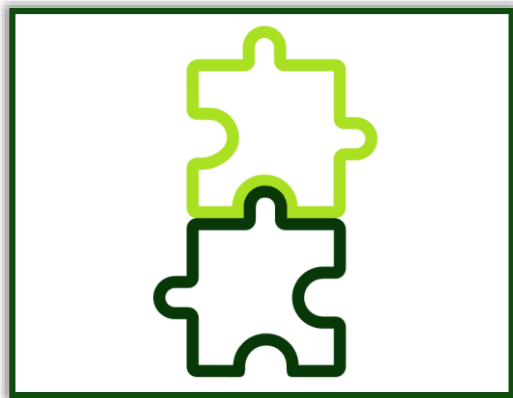
Core franchises



Protection Solutions



Distribution



Risk Management



Claims Management

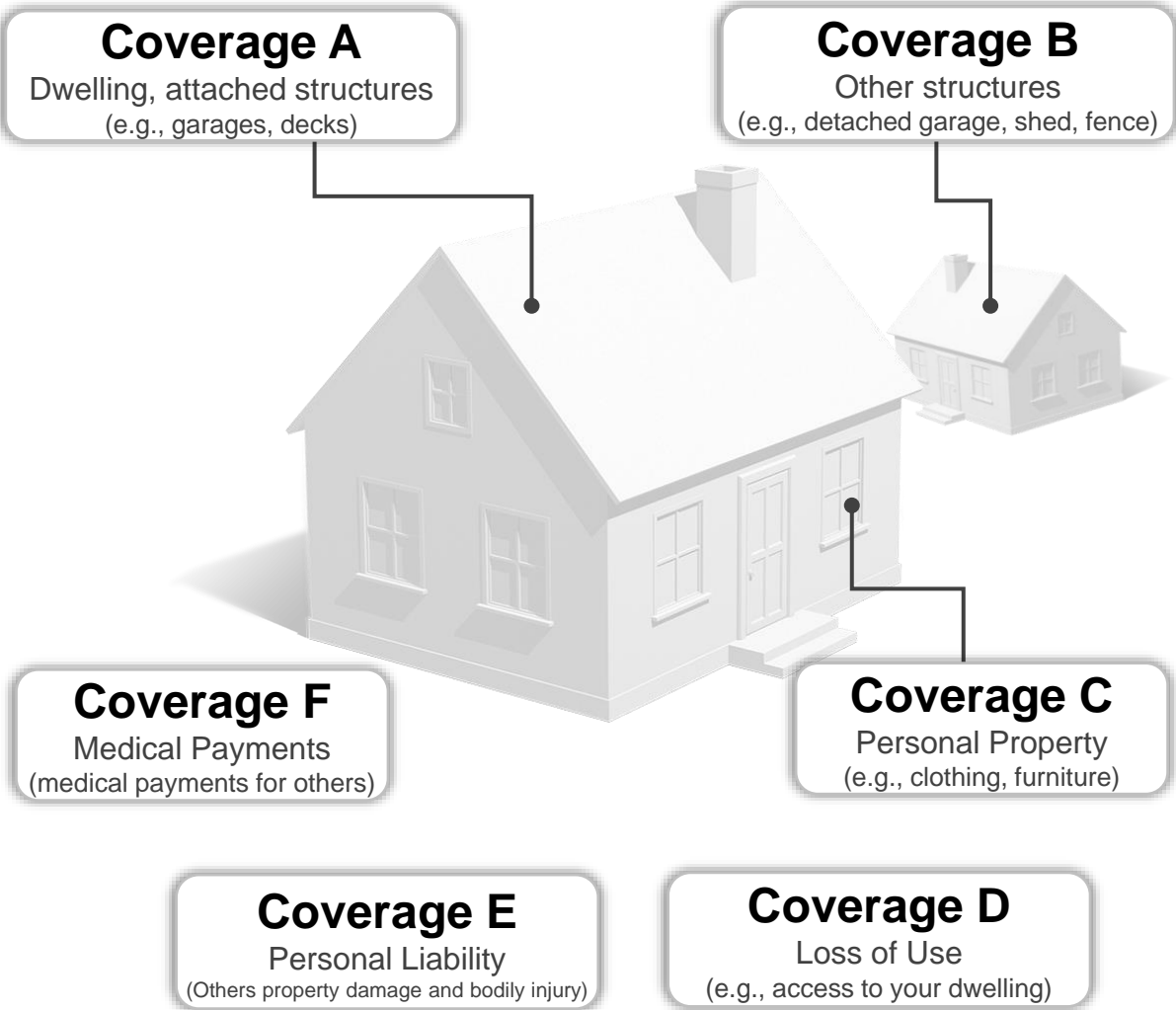
- 1 Grow other states and Florida
- 2 Maintain strong balance sheet
- 3 Focus on disciplined growth and maximize earnings stability
- 4 Make customer service and continuous improvement a way-of-life



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



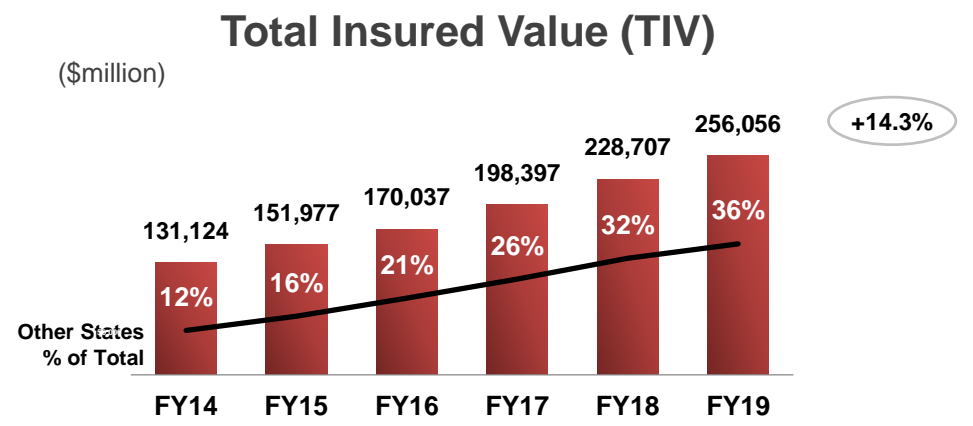
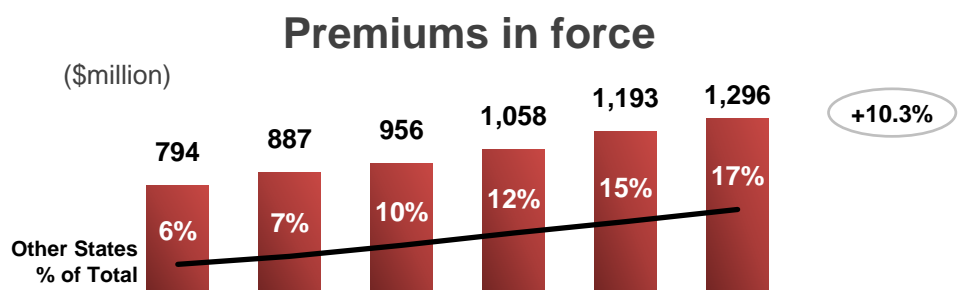
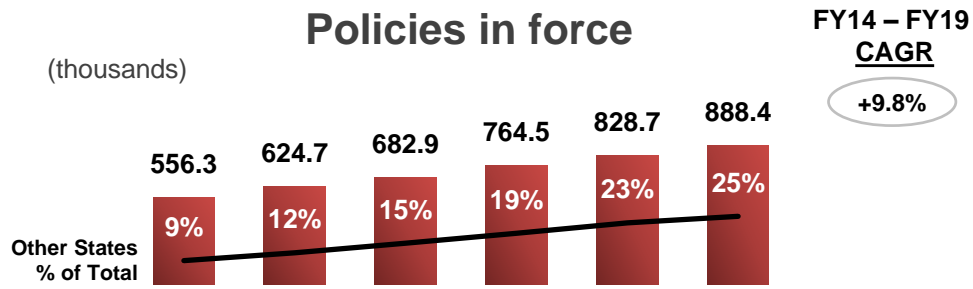
- HO3 – Special Form (Property values in excess of \$1M)



- 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

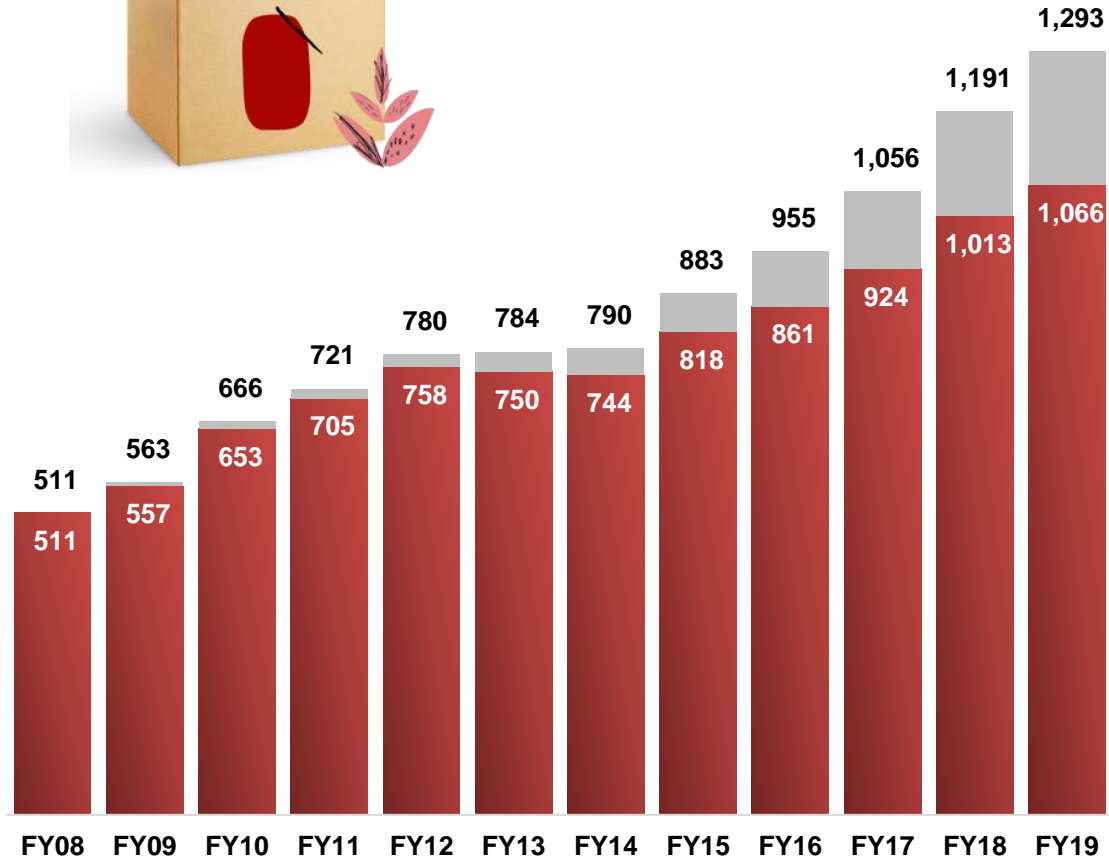


Overall influence of social inflation, including unknown indirect impacts on COVID-19

UVE organically grew into #1 in FL

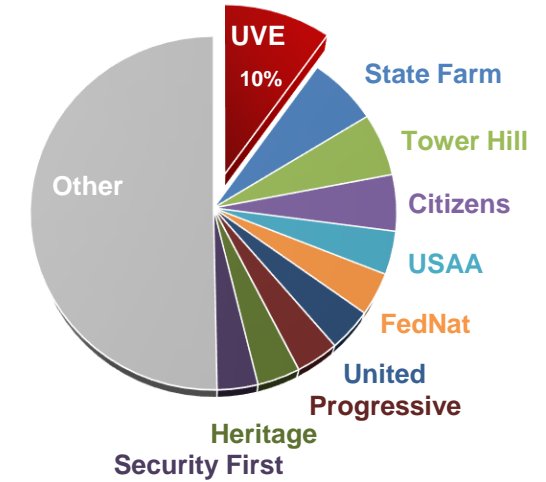
FL Direct premiums written growth ...

(\$million)

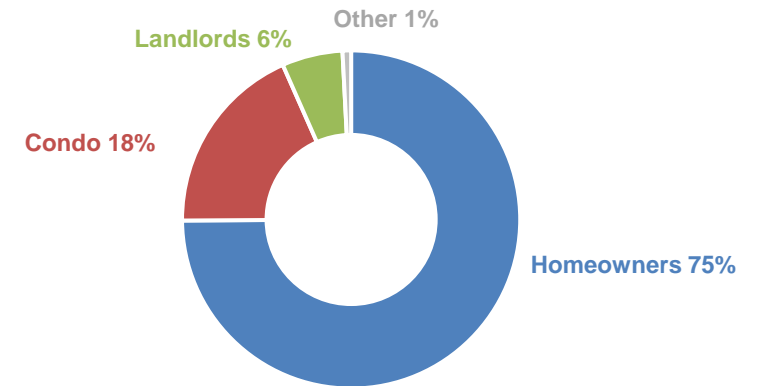


... led to #1 homeowner provider in FL

2019 Homeowners MP FL segment*



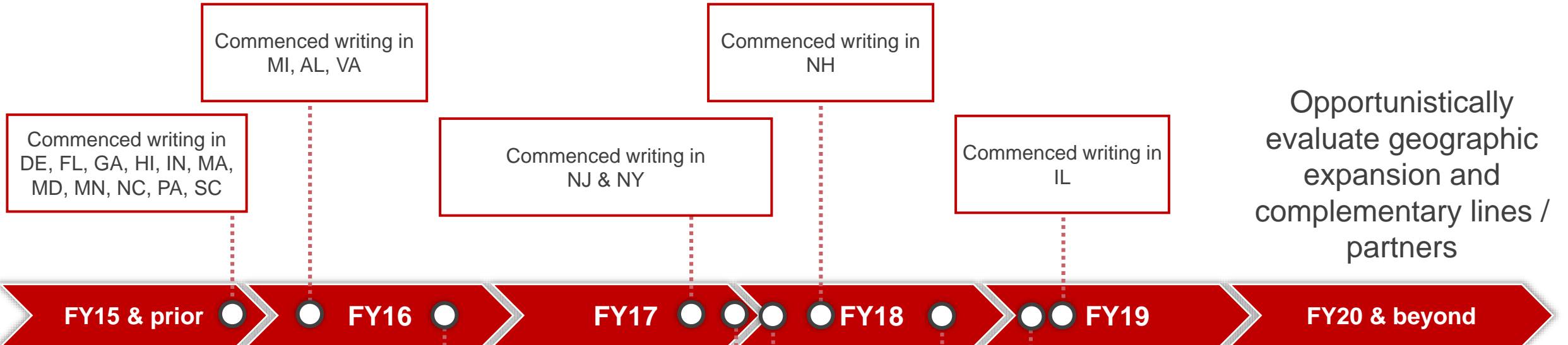
2019 UVE FL Homeowners MP by product



*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

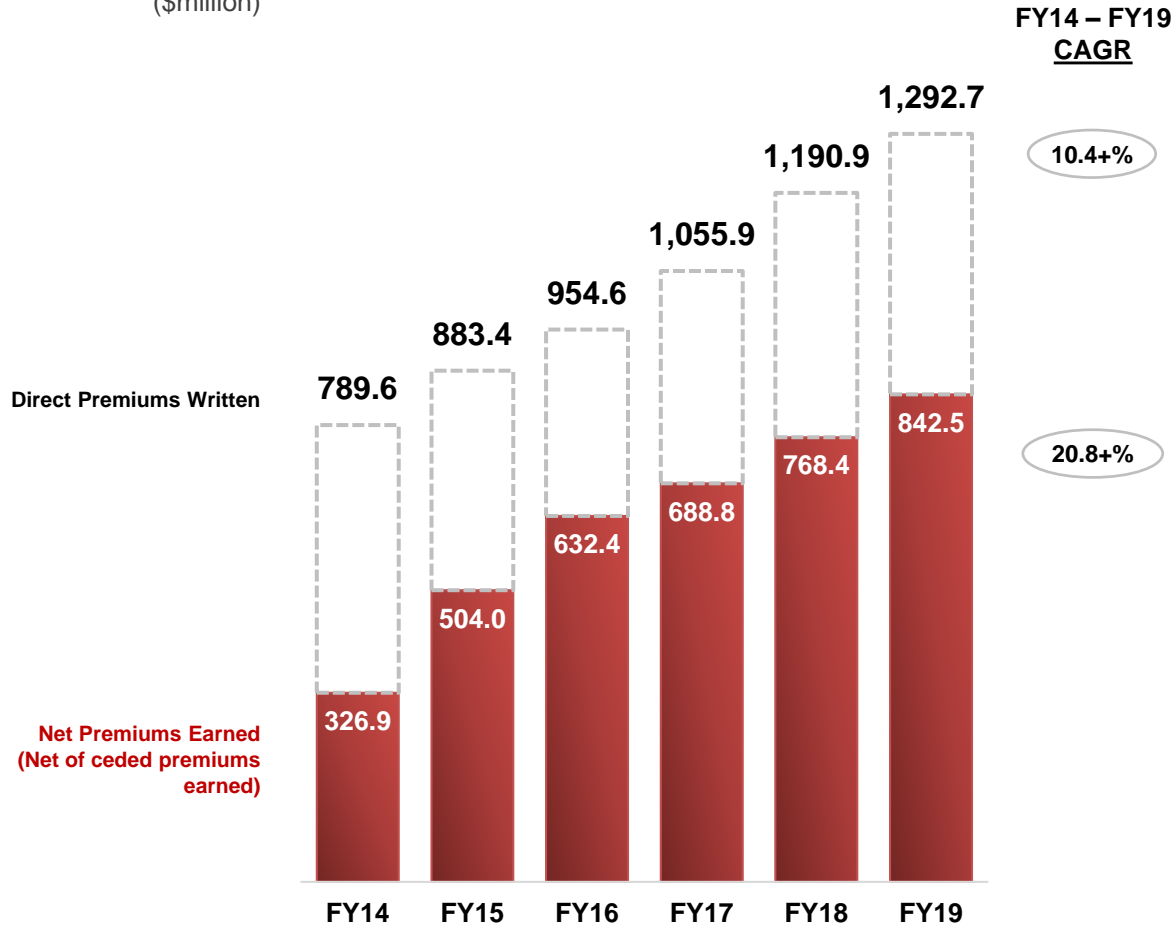
Homeowners Partners

Complementary lines expansion (offerings / partners)

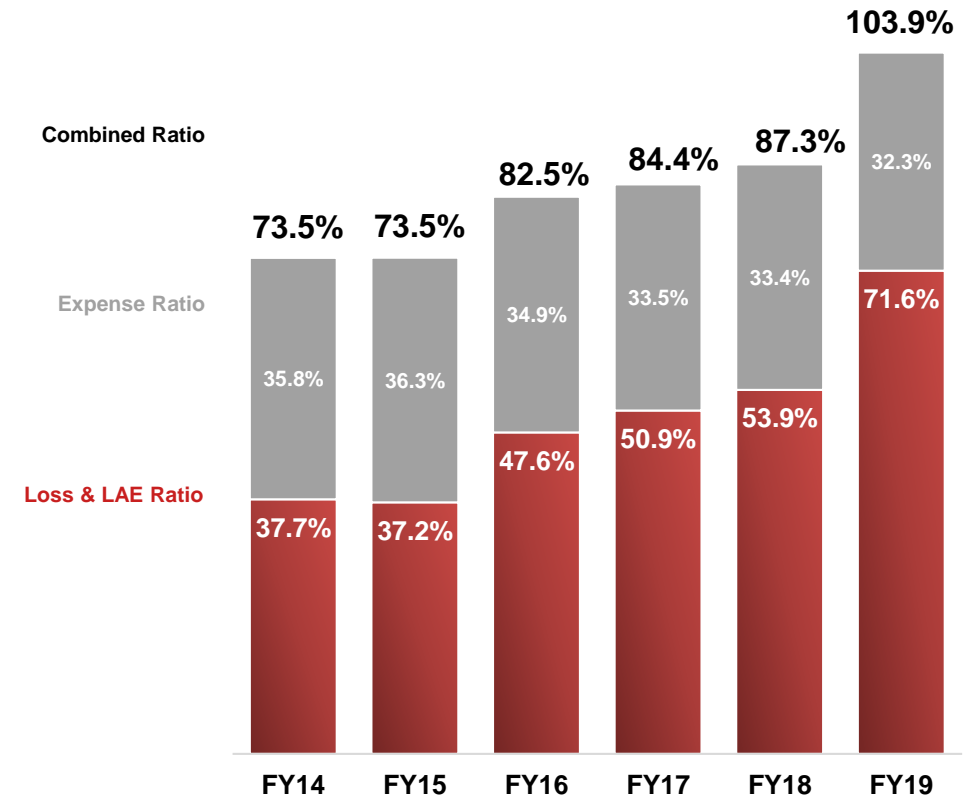
Solid performance

Revenue (Direct and net premiums)

(\$million)



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

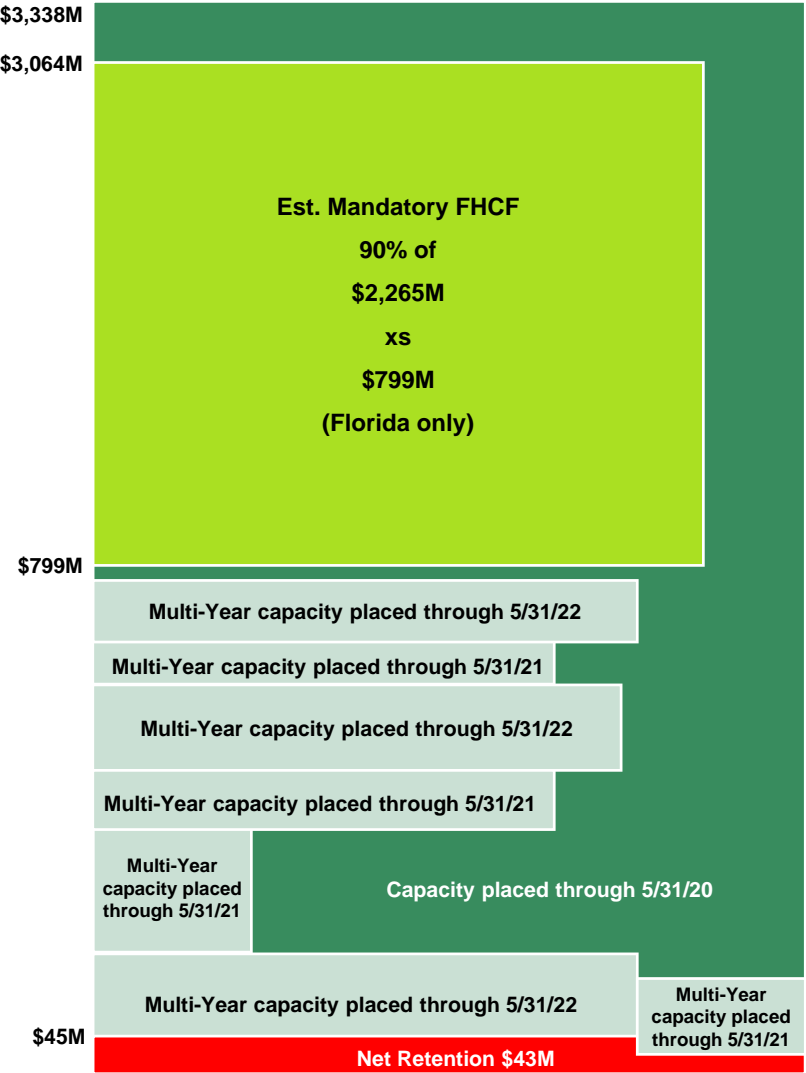


	FY14	FY15	FY16	FY17	FY18	FY19
Direct Premiums Earned	777.3	836.8	921.2	999.2	1,121.60	1,233.1
Ceded Premiums earned as % of Direct Premiums Earned*	57.9%	39.8%	31.4%	31.1%	29.7%	31.5%

*Excludes reinstatement premium

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

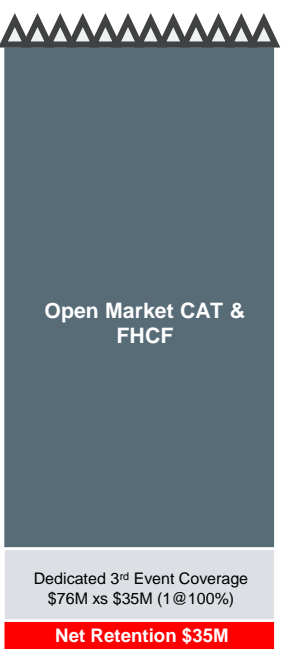
1st Event coverage in excess of \$3.3B



2nd Event



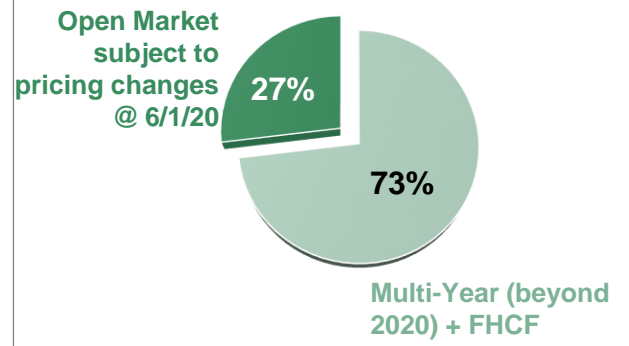
3rd Event



4th Event



First event CAT contracts



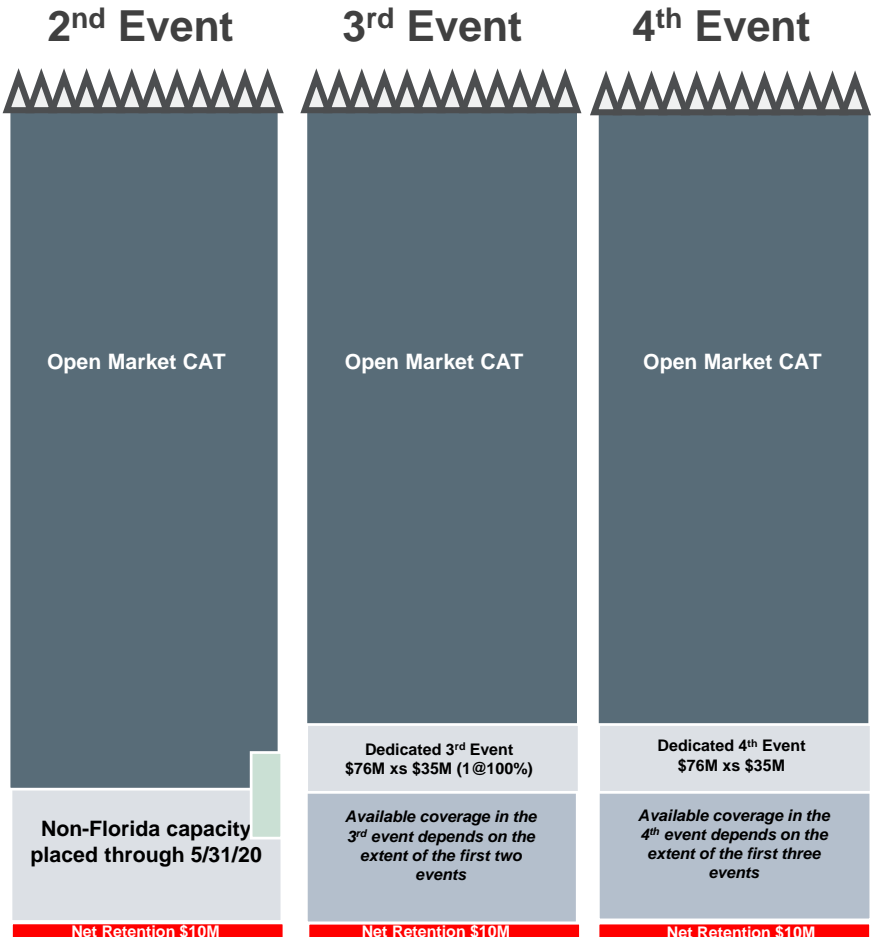
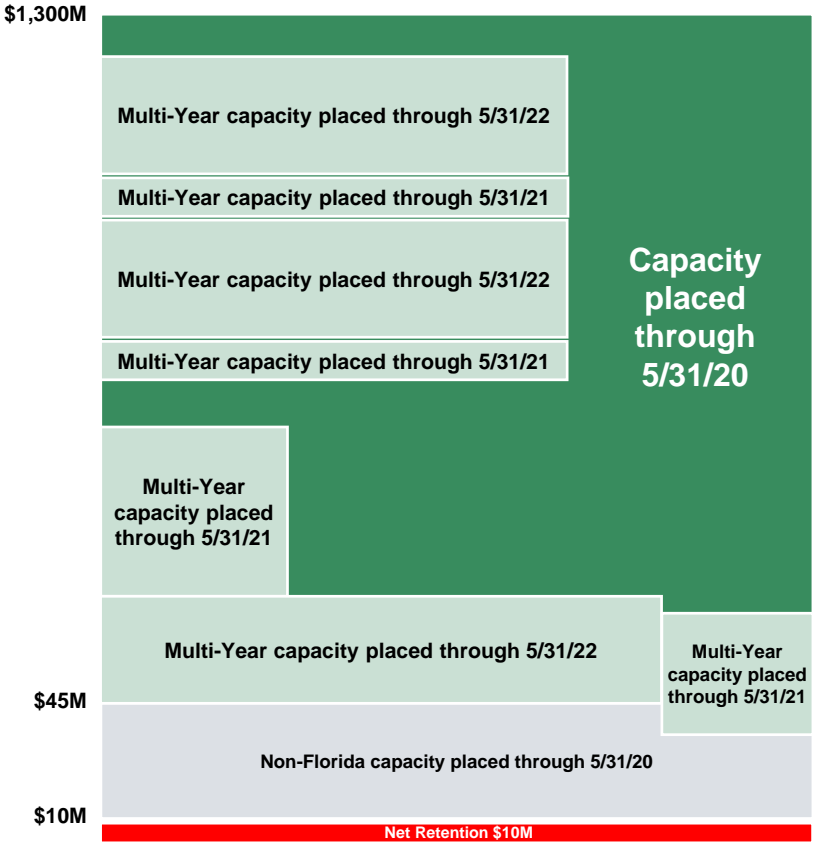
- Expiring contracts
- Florida Hurricane CAT Fund (FHCF)
- Multi-Year Contracts
- Net UVE Retention
- xs = in excess

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

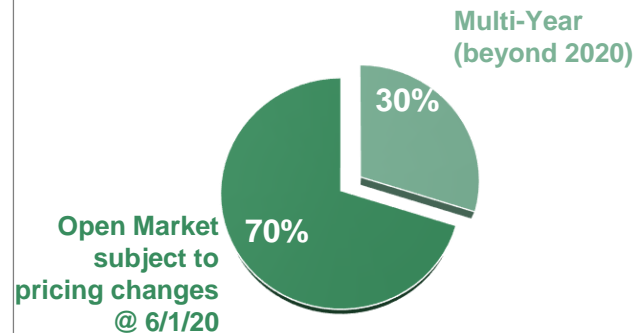
Note: June, 1, 2019 reinsurance program

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

1st Event coverage of \$1.3B



First event Open market CAT contracts

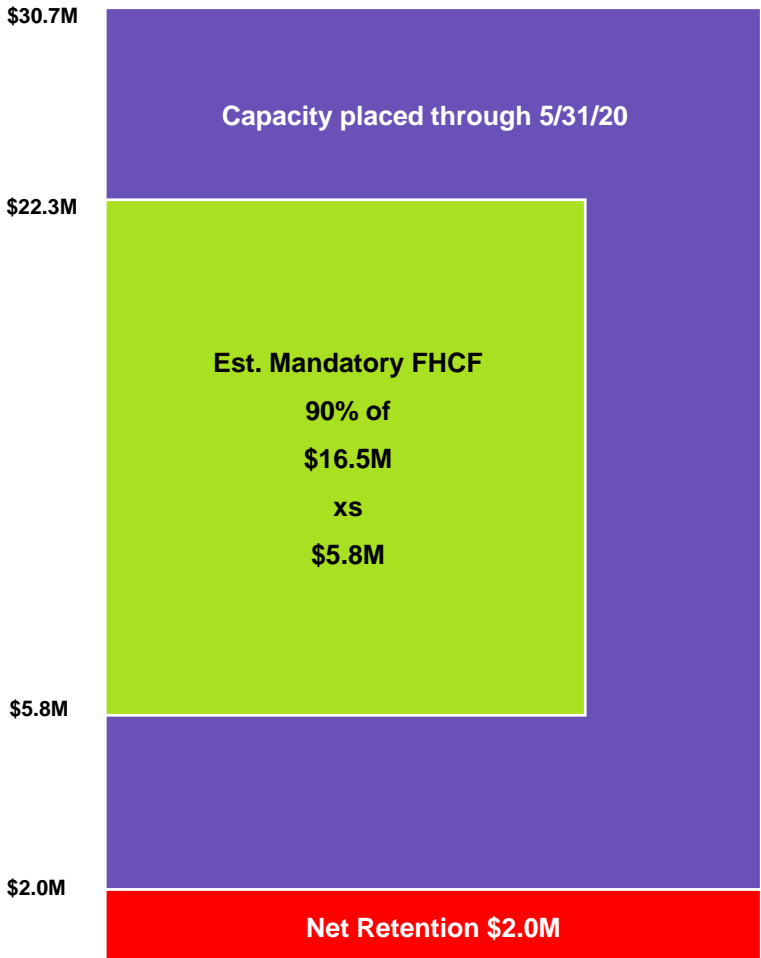


-  Single year contracts All States
-  Multi-Year Contracts All States
-  Single year contracts Non-FL
-  Net UVE Retention
- xs = in excess

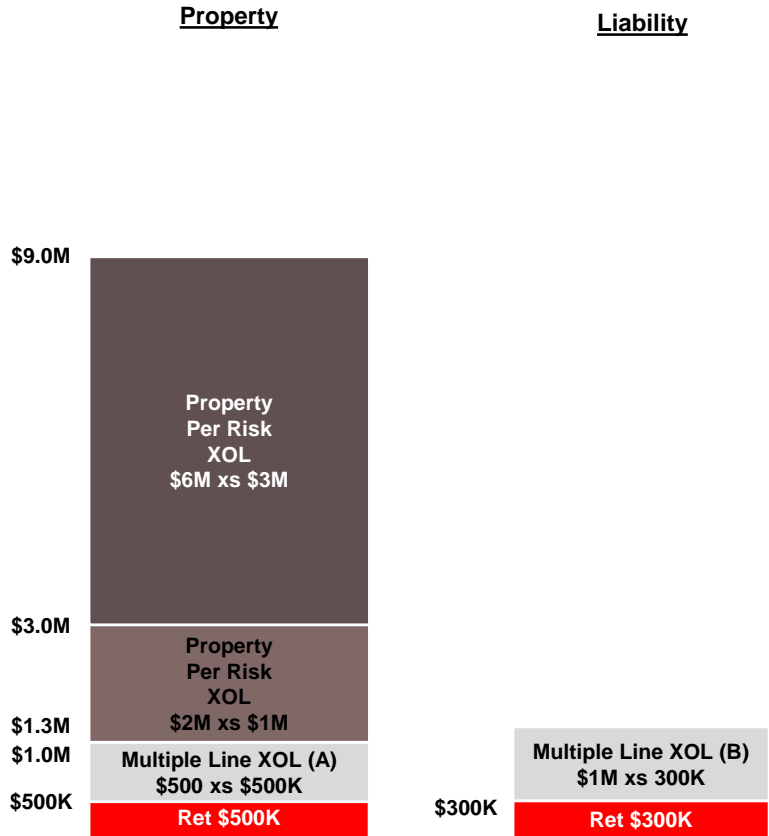
* All non-FHCF All States layers cascade to \$111M
 ** All non-Florida only layers cascade to \$10M

Strong balance sheet supported by robust reinsurance program ()

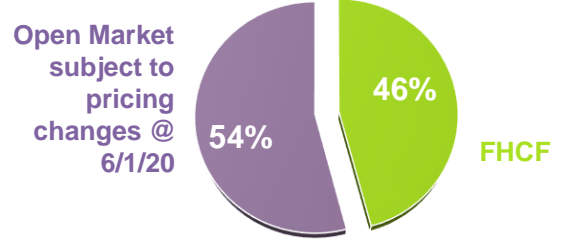
More than \$30M in Coverage



Property and liability per risk



CAT contracts



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

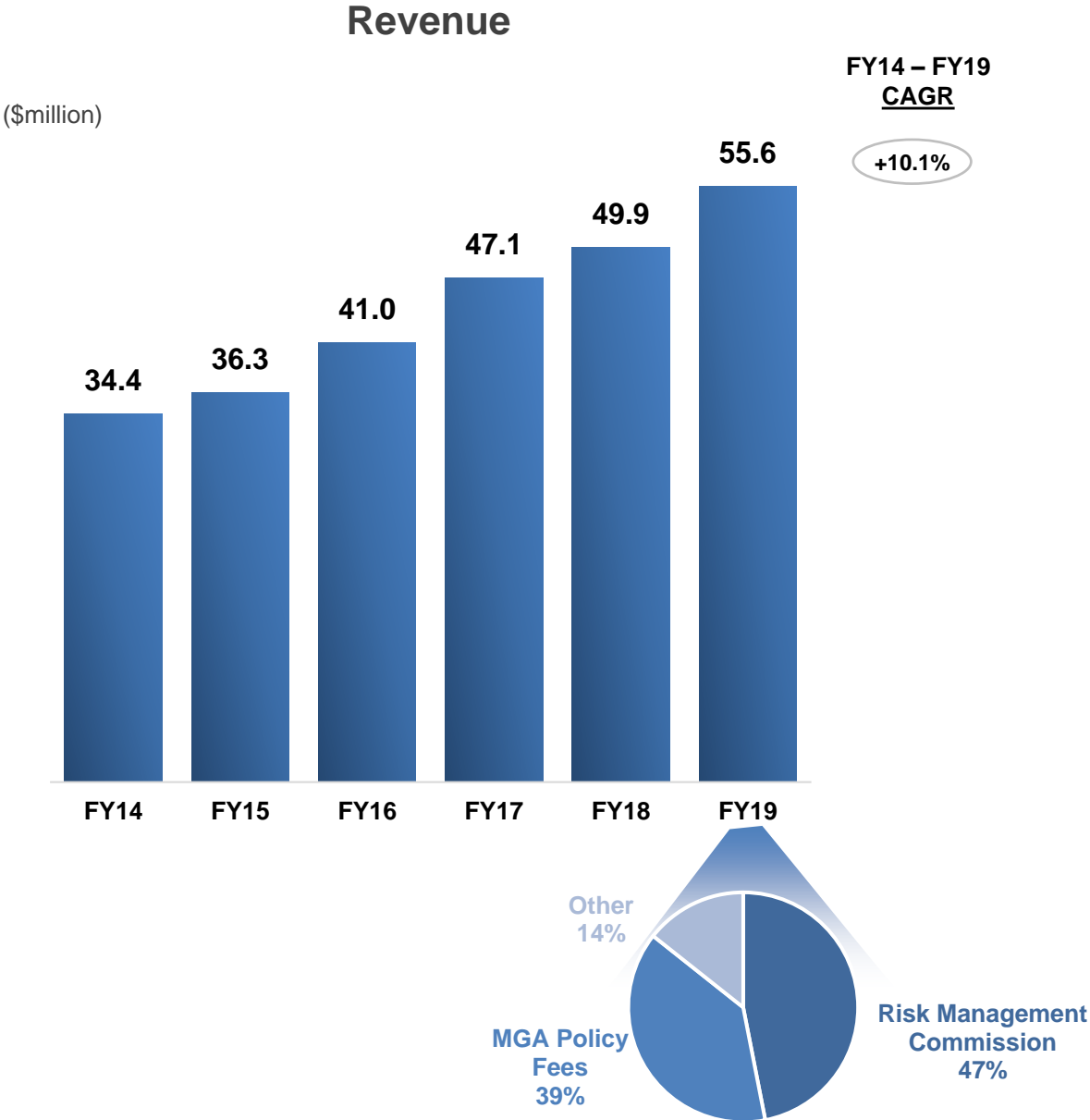
* All non-FHCF layers cascade to \$2M



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

NEUTRAL

Broker consolidation increasing



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

Risk Management

Catastrophe modeling



AIR model



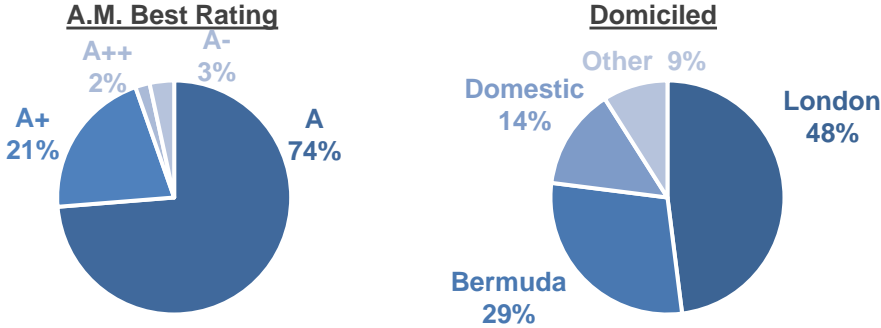
RMS model

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

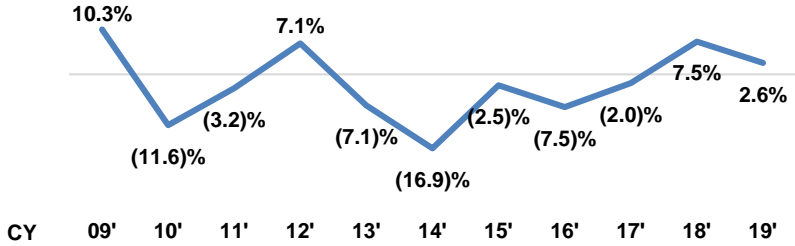
96% of capacity A or better A.M. Best rating for all reinsurance partners

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

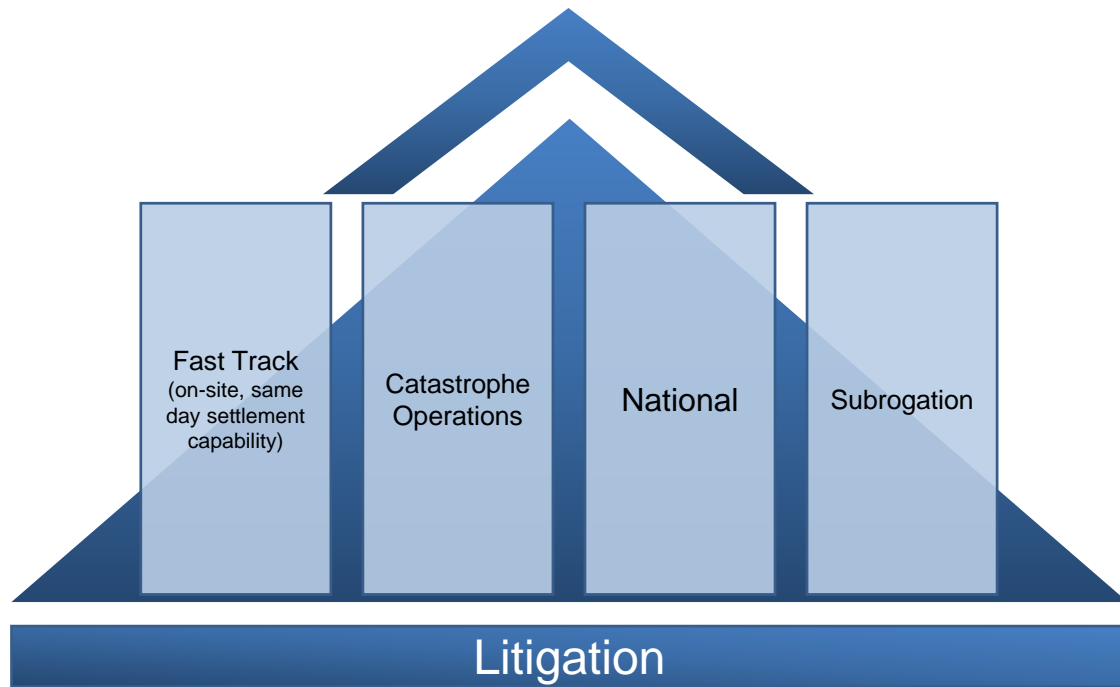
Utilize single and multi-year capacity and actively monitor pricing trends

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

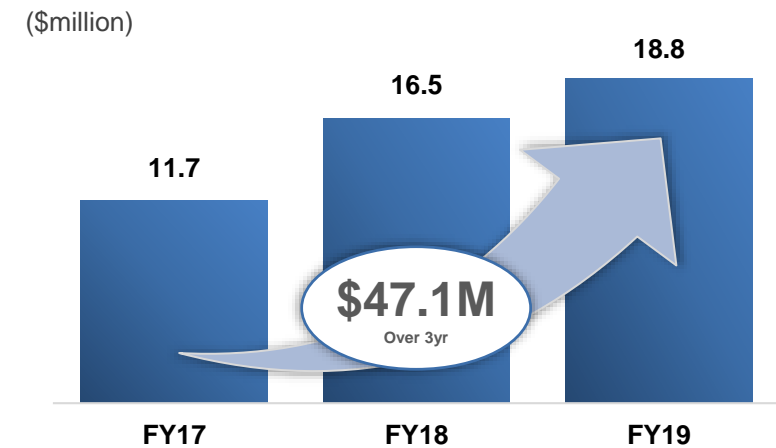
*Claims paid in partnership with reinsurers

** Per Schedule P of statutory filings

Significant experience



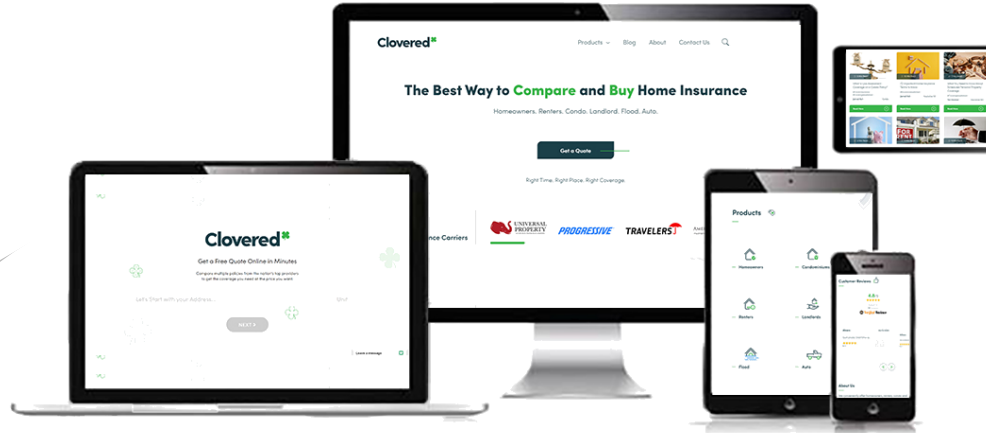
Subrogation Recoveries**



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

Investing in technology: Device agnostic, digitally enabled distribution

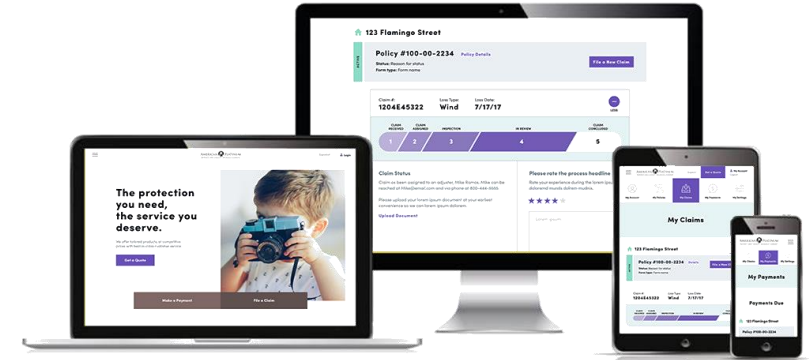
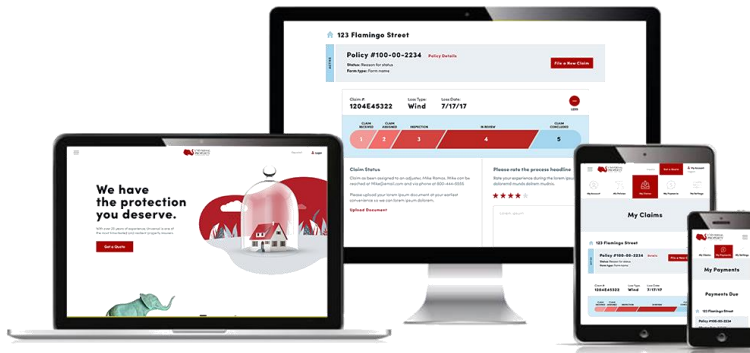
Go Paperless
Environmentally and
Socially Conscious



Clovered



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



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

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Partners



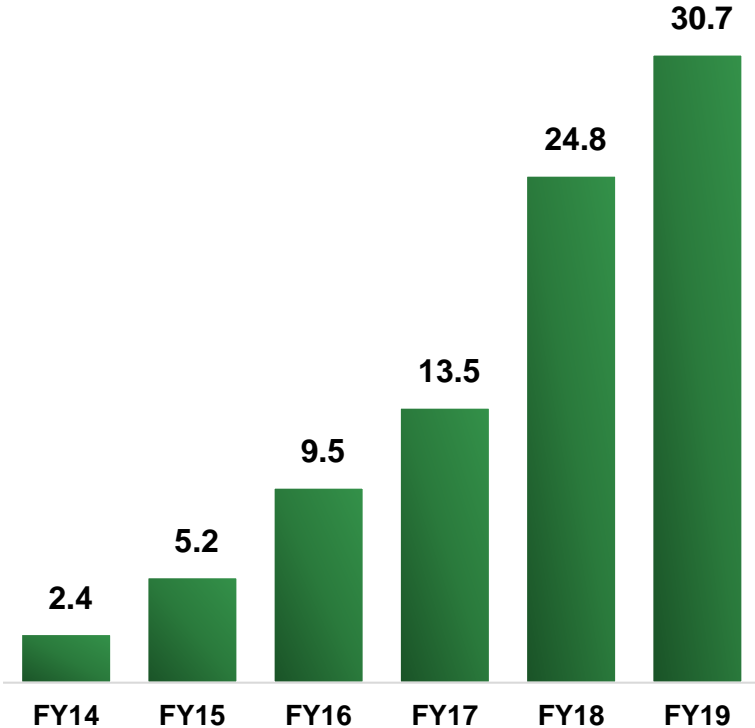


Investments

Investments overview

Net investment income

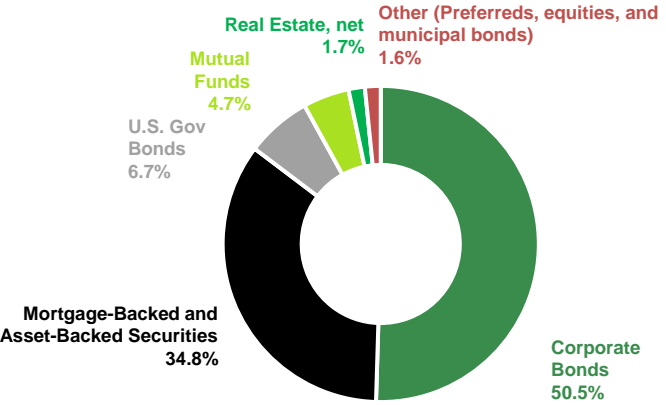
(\$million)



Unrealized & Realized**	FY14	FY15	FY16	FY17	FY18	FY19
	5.6	1.1	2.3	2.6	(19.3)***	10.5

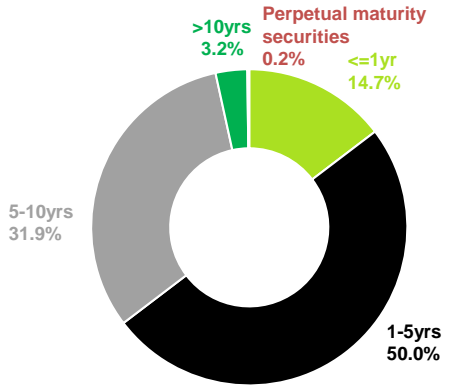
Investment Portfolio

(\$928.6M as of 3/31/20)

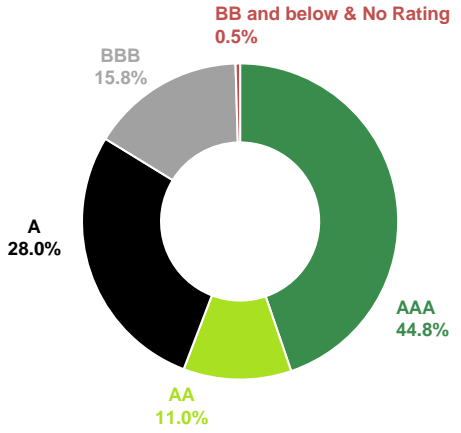


Fixed maturities

Effective Maturity (3.6yrs)



Average Rating (A+)

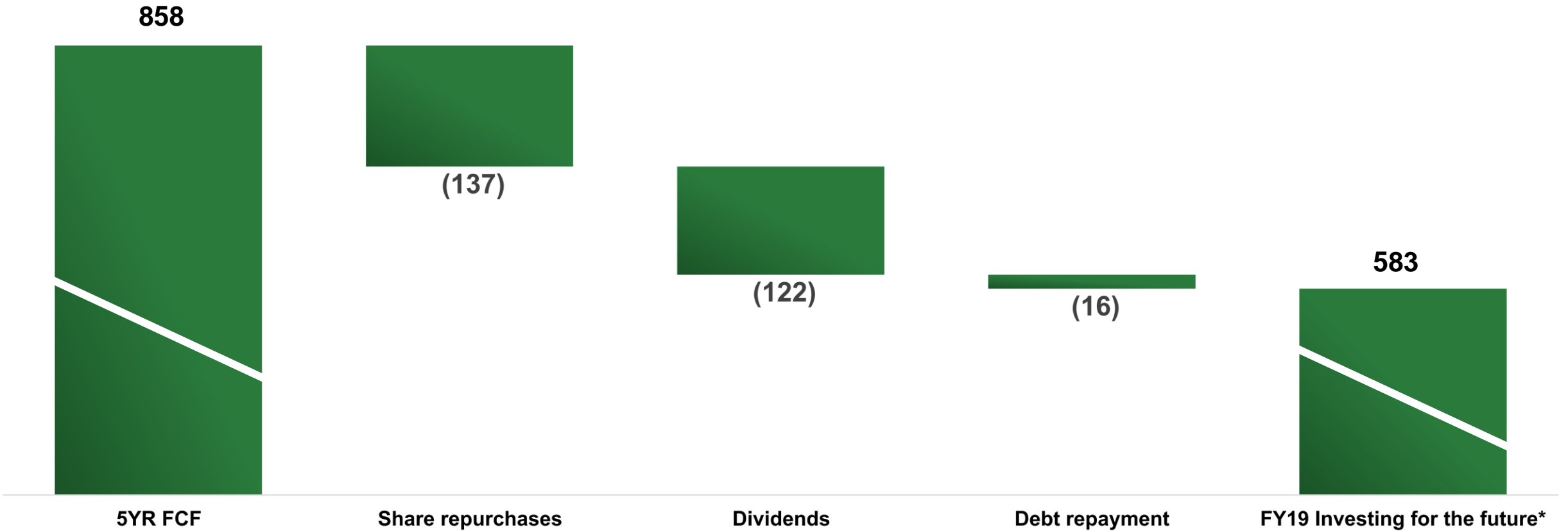


*Includes interest earned on cash and cash equivalents and restricted cash and investment income earned on real estate investments. Net of custodial fees, investment accounting, advisory fees and expenses associated with real estate investments.
 ** Net unrealized & realized gains (losses) on equity 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

Committed to returning capital to shareholders, bolstering the balance sheet, and investing for the future

(\$million)



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



First Quarter 2020 Results



1Q20 results against multi-year strategic priorities

1 Grow other states and Florida

- Total direct premiums written up 15.7%
- Other states (Non-Florida) direct premiums written up 19.0%
- Florida direct premiums written up 15.0%

2 Maintain strong balance sheet

- Continued progress on June 1st, 2020 renewals.
- Debt-to-equity ratio less than 2.0%.
- Total unrestricted cash and invested assets up 1.2 % to \$1.1B since year-end.

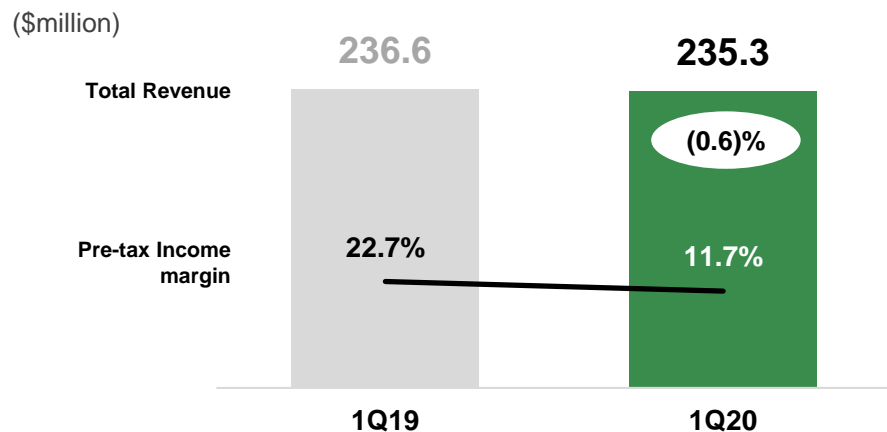
3 Focus on disciplined growth and maximize earnings stability

- 1Q20 Diluted GAAP EPS of \$0.61, non-GAAP adjusted EPS* of \$0.79
- UPCIC 12.4% overall primary rate increase in Florida pending.
- Annualized return on average equity of 16.1%.
- American Platinum Property and Casualty Insurance Company and direct-to-consumer distribution platform CloveredSM subsidiaries continue to position for success

1Q20 financial results

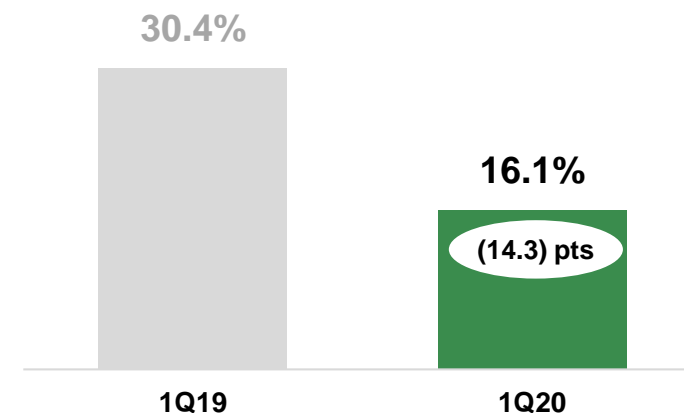
Total Revenue

Revenue: Higher reinsurance costs and unrealized losses on investments (driven by COVID-19 pandemic), partially offset by higher organic premium pricing and volume and our integrated services.



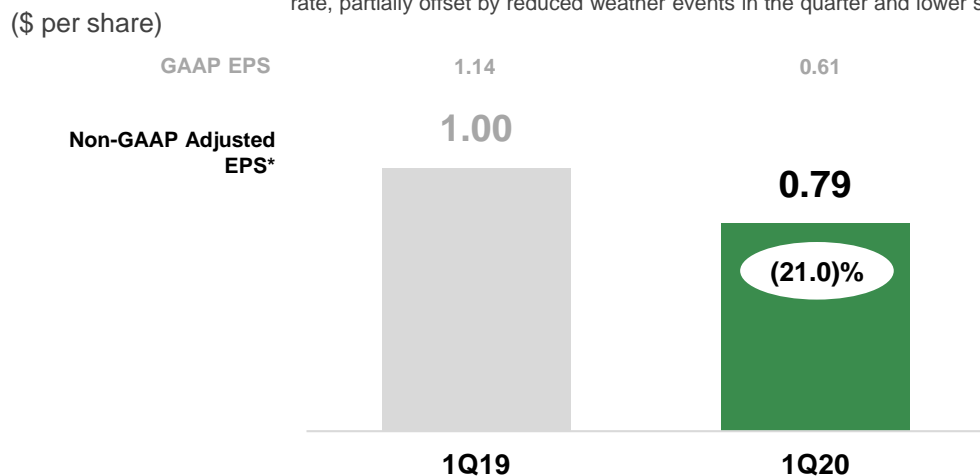
Income before income tax	53.7	27.6
Adjusted operating income*	47.3	35.4

Annualized Return on Average Equity (ROE)



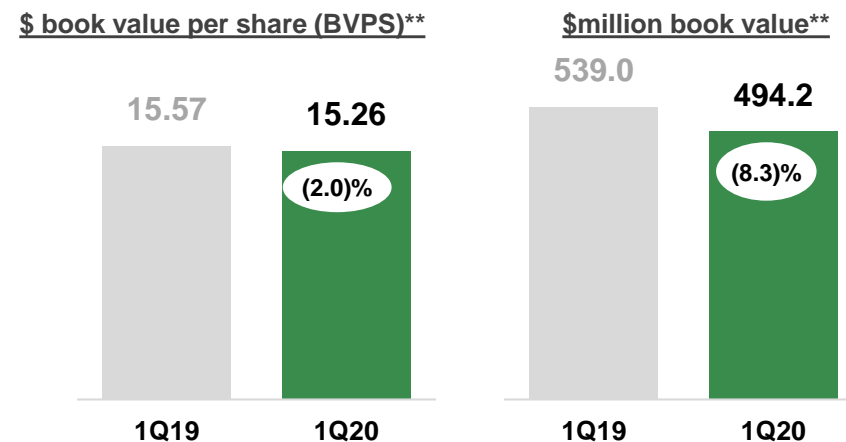
Earnings per Diluted Share (EPS)

Revenue compression, accruing incremental reserves, and a 2.0 point increase in the effective tax rate, partially offset by reduced weather events in the quarter and lower share count.



Book Value, end of period

Driven primarily by mid-March instability in the fixed income market as a result of COVID-19 impacts, prior to the Federal Reserve providing liquidity to the market, which has since improved subsequent to the end of the first quarter



*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 2020, filed with the SEC as an exhibit to a Current Report on Form 8-K on April 27, 2020, and also available on the Company's website at <https://UniversalInsuranceHoldings.com> under "Investors" with the subheading of "Earnings Releases."

**Excludes preferred stock