FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities and Exchange Act of 1934

Date of Report (Date of earliest event reported): September 26, 2019

HC2 HOLDINGS, INC.

Delaware	**001-35210**	**54-1708481**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

450 Park Avenue, 30th Floor
New York, NY 10022
(Address of principal executive offices)

(212) 235-2690
(Registrant’s telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $0.001 per share	HCHC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01 Regulation FD Disclosure

On September 26, 2019, HC2 Holdings, Inc. (the "Company") posted an updated Company Overview presentation to the Investor Relations section of the Company's website at http://www.hc2.com, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information set forth in (and incorporated by reference into) this Item 7.01, including Exhibit 99.1 hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that Section. The information in this Item 7.01, including Exhibit 99.1 hereto, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Item No.	**Description**
99.1	HC2 Holdings, Inc. Investor Presentation dated September 2019

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 26, 2019

HC2 Holdings, Inc.
(Registrant)

By: *<u>/s/ Michael J. Sena</u>*
Name: Michael J. Sena
Title: Chief Financial Officer


HC2
Envision. Empower. Execute.
HC2 HOLDINGS, INC.
Investor Presentation
© HC2 Holdings, Inc. 2019
September 20

Safe Harbor Disclaimers

Special Note Regarding Forward-Looking Statements

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: This presentation contains, and certain oral statemen made by our representatives from time to time may contain, forward-looking statements. Generally, forward-looking statements includ information describing actions, events, results, strategies and expectations and are generally identifiable by use of the words "believes "expects," "guidance," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may," "will," "could," "might," or "continues" c similar expressions. The forward-looking statements in this presentation include, without limitation, our 2019 guidance for the Constructio segment and statements regarding our expectations regarding building shareholder value and future cash flow and invested assets. Suc statements are based on the beliefs and assumptions of HC2's management and the management of HC2's subsidiaries and portfoli companies. HC2 believes these judgments are reasonable, but you should understand that these statements are not guarantees c performance or results, and the Company's actual results could differ materially from those expressed or implied in the forward-lookin statements due to a variety of important factors, both positive and negative, that may be revised or supplemented in subsequer statements and reports filed with the Securities and Exchange Commission ("SEC"), including in our reports on Forms 10-K, 10-Q, and 8-I Such important factors include, without limitation, issues related to the restatement of our financial statements; the fact that we hav historically identified material weaknesses in our internal control over financial reporting, and any inability to remediate future materi weaknesses; capital market conditions; the ability of HC2's subsidiaries and portfolio companies to generate sufficient net income and cas flows to make upstream cash distributions; volatility in the trading price of HC2 common stock; the ability of HC2 and its subsidiaries an portfolio companies to identify any suitable future acquisition or disposition opportunities; our ability to realize efficiencies, cost saving income and margin improvements, growth, economies of scale and other anticipated benefits of strategic transactions; difficulties relate to the integration of financial reporting of acquired or target businesses; difficulties completing pending and future acquisitions an dispositions; effects of litigation, indemnification claims, and other contingent liabilities; changes in regulations and tax laws; and risks th may affect the performance of the operating subsidiaries and portfolio companies of HC2. Although HC2 believes its expectations an assumptions regarding its future operating performance are reasonable, there can be no assurance that the expectations reflected herei will be achieved. These risks and other important factors discussed under the caption "Risk Factors" in our most recent Annual Report o Form 10-K filed with the SEC, and our other reports filed with the SEC could cause actual results to differ materially from those indicated b the forward-looking statements made in this presentation.

You should not place undue reliance on forward-looking statements. All forward-looking statements attributable to HC2 or persons acting o its behalf are expressly qualified in their entirety by the foregoing cautionary statements. HC2 has no obligation to update any of th guidance provided to conform to actual results or changes in HC2's expectations. All statements speak only as of the date made, an unless legally required, HC2 undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of ne information, future events or otherwise.

Safe Harbor Disclaimers

Non-GAAP Financial Measures
In this release, HC2 refers to certain financial measures that are not presented in accordance with U.S. generally accepted accounting principles ("GAAP"), in Adjusted EBITDA (excluding the Insurance segment) and Adjusted Operating Income ("Insurance AOI") and Pre-tax Adjusted Operating Income ("Pre-tax Ins AOI") for our Insurance segment.

Adjusted EBITDA
Management believes that Adjusted EBITDA measures provide investors with meaningful information for gaining an understanding of the Company's result frequently used by the financial community to provide insight into an organization's operating trends and facilitates comparisons between peer companies, b interest, taxes, depreciation, amortization and the other items for which adjustments are made as noted in the definition of Adjusted EBITDA below can differ between organizations as a result of differing capital structures and tax strategies. In addition, management uses Adjusted EBITDA measures in evaluating ce the Company's segments' performance because they eliminate the effects of considerable amounts of non-cash depreciation and amortization and items no the control of the Company's operations managers. While management believes that these non-GAAP measurements are useful as supplemental informatio adjusted results are not intended to replace our GAAP financial results and should be read together with HC2's results reported under GAAP.

Management defines Adjusted EBITDA as net income (loss), excluding the Insurance segment, as adjusted for depreciation and amortization; amortization o method fair value adjustments at acquisition; (gain) loss on sale or disposal of assets; lease termination costs; asset impairment expense; interest expense; r (loss) on contingent consideration; loss on early extinguishment or restructuring of debt; gain (loss) on sale and deconsolidation of subsidiary; other (income) e net; foreign currency transaction (gain) loss included in cost of revenue; income tax (benefit) expense; (gain) loss from discontinued operations; noncontrolling bonus to be settled in equity; share-based payment expense; non-recurring items; and acquisition and disposition costs. A reconciliation of Adjusted EBITDA Income (Loss) is included in the financial tables at the end of this release. Management recognizes that using Adjusted EBITDA as a performance measure has i limitations as an analytical tool as compared to net income (loss) or other GAAP financial measures, as these non-GAAP measures exclude certain items, in items that are recurring in nature, which may be meaningful to investors. As a result of the exclusions, Adjusted EBITDA should not be considered in isolation and purport to be alternatives to net income (loss) or other GAAP financial measures or a measure of our operating performance.

Adjusted Operating Income
Adjusted Operating Income ("Insurance AOI") and Pre-tax Adjusted Operating Income ("Pre-tax Insurance AOI") for the Insurance segment are non-U.S financial measures frequently used throughout the insurance industry and are economic measures the Insurance segment uses to evaluate its financial perfor Management believes that Insurance AOI and Pre-tax Insurance AOI measures provide investors with meaningful information for gaining an understanding of results and provide insight into an organization's operating trends and facilitates comparisons between peer companies. However, Insurance AOI and Insurance AOI have certain limitations, and we may not calculate it the same as other companies in our industry. It should, therefore, be read together Company's results calculated in accordance with U.S. GAAP. Management recognizes that using Insurance AOI and Pre-tax Insurance AOI as performance m have inherent limitations as an analytical tool as compared to income (loss) from operations or other U.S. GAAP financial measures, as these non-U.S. GAAP m excludes certain items, including items that are recurring in nature, which may be meaningful to investors. As a result of the exclusions, Insurance AOI and Insurance AOI should not be considered in isolation and do not purport to be an alternative to income (loss) from operations or other U.S. GAAP financial mea a measure of our operating performance.

Management defines Insurance AOI as Net income (loss) for the Insurance segment adjusted to exclude the impact of net investment gains (losses), includin than-temporary impairment ("OTTI") losses recognized in operations; asset impairment; intercompany elimination; bargain purchase gains; reinsurance gai acquisition costs. Management defines Pre-tax Insurance AOI as Insurance AOI adjusted to exclude the impact of income tax (benefit) expense recognized du current period. Management believes that Insurance AOI and Pre-tax Insurance AOI provide meaningful financial metrics that help investors understand certai and profitability. While these adjustments are an integral part of the overall performance of the Insurance segment, market conditions impacting these ite overshadow the underlying performance of the business. Accordingly, we believe using a measure which excludes their impact is effective in analyzing the t our operations.

Long-Term Strategic Vision

Opportunistically acquire assets and companies to grow businesses, ultimately delivering and unlocking sustainable value

Investment Highlights

Diverse Portfolio

- Unique combination of operating entities in multiple industri
- Diversification provides counterbalance against challenges

Consistent Cash Flow Generation

- Controlling stakes in leading, stable, cash flow generators such as Construction and Insurance
- Predicated on growing Adjusted EBITDA over long-term

Unlocking Long-Term Value

- Significant opportunities to create and unlock value within Broadcasting, Life Sciences and Energy
- Monetizing assets with low investment, high reward

Commitment to Corporate De-leveraging

- Pursuing multiple paths to realize value at Global Marine
- Proceeds would be used to reduce debt at HoldCo level

Experienced and Aligned Management

- Segment management teams empowered to execute on long-term strategy
- Deeply experienced management team at HoldCo level

Unique Portfolio of Value-Generating Assets

Broadcasting

HC2 Broadcasting

Construction

DBM GLOBAL

Life Sciences

PANSEND

HC2

Insurance

CONTINENTAL LTC INC.

Energy

ANG

Marine Services

Global Marine

Hybrid, Diversified Long-Term Strategy

DBM GLOBAL

CONTINENTAL LTC INC.

Strong Cash Flow Generation

HC2 Broadcasting

PANSEND

ANG

Global Marine

Driving Growth, Unlocking Value with Strategic Investments

Building Value

- Opportunistically acquire controlling equity stakes in diverse industries, creating value through growth in operating subsidiaries
- Infuse resources and talent to support portfolio companies and their management teams to grow market value
- Value operator with long-term outlook

Recognize Opportunities	Leverage Experience	Create Sustainable Growth and Enhance Value
• Receive unique deal flow via expansive network • Identify appropriate risk-adjusted opportunities • Conduct rigorous due diligence • Acquire controlling equity stake in business with goal of long-term value generation	• Act as partner to existing management teams • Establish specific operating objectives and growth plans • Allow management flexibility to execute on strategy • Provide financial expertise to help teams further build their businesses	• Execute on organic growth plans • Identify opportunities to create additional value through tuck-in acquisitions • Keep watchful eye on cost structure • Ultimately deliver sustainabl profitable growth and long-term value

Deeply Experienced Management

Philip A. Falcone – *Chairman of the Board, Chief Executive Officer and President*

- Chairman of the Board, Chief Executive Officer and President of HC2 since 2014
- Founder, Chairman and Chief Executive Officer of HRG Group Inc. (2009 - 2014)
- Founder, Chief Investment Officer and Chief Executive Officer of Harbinger Capital Partners, LLC
- A.B. in Economics from Harvard University

Michael J. Sena
Chief Financial Officer

- Chief Accounting Officer of HRG (NYSE: HRG)
- Various accounting and financial reporting positions with Reader's Digest Association, Inc., last serving as Vice President and North American Controller
- Director of Reporting and Business Processes for Barr Pharmaceuticals
- Certified Public Accountant and holds a BS in Accounting from Syracuse University

Joseph A. Ferraro
Chief Legal Officer & Corporate Secretary

- General Counsel of Prospect Administration LLC
- Assistant Secretary of PSEC and Deputy Chief Compliance Officer of Prospect Capital Management, L.P.
- Graduated cum laude from Princeton University; AB from The Woodrow Wilson School of Public and International Affairs
- JD with honors from The Law School at The University of Chicago

Suzi Raftery Herbst
Chief Administrative Officer

- Over 17 years of diverse HR, recruiting, equity and foreign exchange sales experience
- SVP and Director of HR of Harbinger Capital and HRG
- Head of Recruiting at Knight Capital Group
- BA degree in Communications and Studio Art from Marist College

Construction – DBM Global
Diversified Industrial Entity

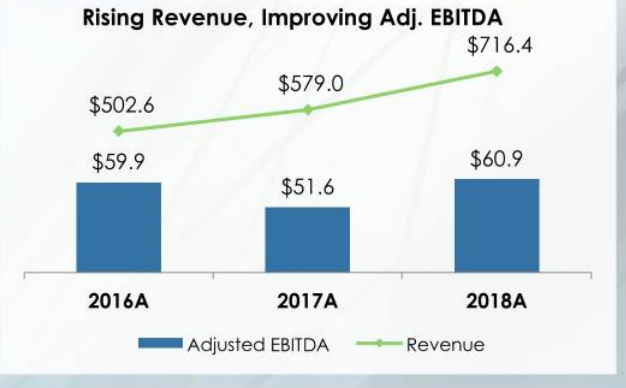
DBM GLOBAL

- DBM Global Inc. delivers world-class, sustainable projects to its clients
  - Offers one-source integrated steel construction services and ancillary professional services
  - Highly collaborative portfolio of companies provide better designs, efficient construction superior asset management solutions
  - Premier specialty maintenance, repair and installation service provider for heavy maintenance repair customers
  - Large backlog provides visibility into forward revenue stream

L.A. Rams / Chargers

Apple

Sacramento Kings



Select Customers:

TARGET, CATERPILLAR, KAISER PERMANENTE, WILSHIRE GRAND, IKEA, amazon, CITYCENTER, Dow, Banner Health, SFO, PHX, intel, facebook, THE PALAZZO Las Vegas, Sacramento Kings, ARIZONA CARDINALS

Construction: Consistent and Growing Cash Flows

DBM GLOBAL

Greater Recurring Revenue

- Acquisition of GrayWolf Industrial provides additional asset-light business model that requires minimal capital expenditure spend, translating to higher free cash flow conversion
- Expands DBM's offerings into servicing, maintenance and repair
- Provides greater recurring revenue, reduces cyclicality, offers cross-selling opportunities

Longer Term Initiatives

- Further integrate GrayWolf into DBM Global
- Build relationships and find additional cross-sellin opportunities
- Retain strong pipeline and robust backlog
- Disciplined job selection – strong execution ar profitability
- Focus on winning more small to mid-size projects
  - Enhance margins through improved capacity utilization and faster turn-around time

Continental Insurance – Compelling Value-Creation Opportunity

Capitalizing on Dislocation in the Long-Term Care Insurance Market

Overview

- Platform for run-off Long-Term Care ("LTC") books of business
- Acquired Humana's ~$2.4 billion LTC Insurance block (KMG) in 2018
  - Significantly grew the platform and leverages Continental's insurance operations in Austin, Texas
  - Opportunity to meaningfully increase investment portfolio yield
  - Validates and endorses HC2's insurance platform and strategy
- Receive recurring investment management fees based on portfolio size

CONTINENTAL LTC INC.

Long-Term Care Attributes

- Conducts extensive due diligence before selectively acquiring LTC portfolios
- Able to reprice in-force policies (subject to regulatory approval)
- 75,000 policies in-force as of June 30, 2019 – represents 1% of the approximately 7 million policies in-force in the US

"Ring Fenced" Liabilities – No Parent Guarantees

Generating Additional Yield Through Insurance

Sizable and Growing Investment Portfolio

- Investment portfolio designed to contribute stable earnings and balance risk across diverse asset classes
- Invested in a variety of instruments, including fixed income, perpetual preferred stocks, asset-backed securities, loans and equities
- Significant opportunity for growth through additional block transactions
- **~94%** of fixed income portfolio invested in investment-grade securities

CONTINENTAL LTC INC.

Very Well Capitalized

	2Q19 (post-KMG)	2Q18 (pre-KMG)
Statutory Surplus	~$294 million	~$69 million
Total Adjusted Capital	~$331 million	~$85 million
Total GAAP Assets	~$5.5 billion	~$2.1 billion
Cash and Invested Assets	~$4.4 billion	~$1.5 billion

All metrics as of June 30, 2019

Energy: ANG
Betting on Long-Term CNG Growth

- Designs, builds, owns, operates and maintains compressed natural gas (CNG) commerc fueling stations for transportation
- Building premier nationwide network of publically accessible heavy duty CNG fueling stations throughout U.S., designed and located to serve fleet customers
  - ~60 stations currently owned or operated nationwide
  - Potential to expand station footprint via organic and select M&A opportunities

Why CNG? Key Facts

- American transportation sector, which consumes billions of gallons of fuel, is rapic converting from foreign-dependent diesel fuel to clean-burning natural gas:
  - Substantially reduces emissions
  - Extends truck life
  - Significantly reduces fuel cost
- Diesel/gasoline now fuel less than 45% of nation's municipal buses, down from 95% tv decades ago *(Source: Bloomberg, July 8, 2019)*
- Natural gas now fuels 29% of nation's municipal buses, up from 4% two decades ag *(Source: Bloomberg, July 8, 2019)*
- Electric buses require significant upfront spend
- Given abundance of natural gas reserves in the United States, CNG is leading candida to fuel American buses and trucks over mid-long term.

HC2 Broadcasting – Long-Term Growth Vehicle

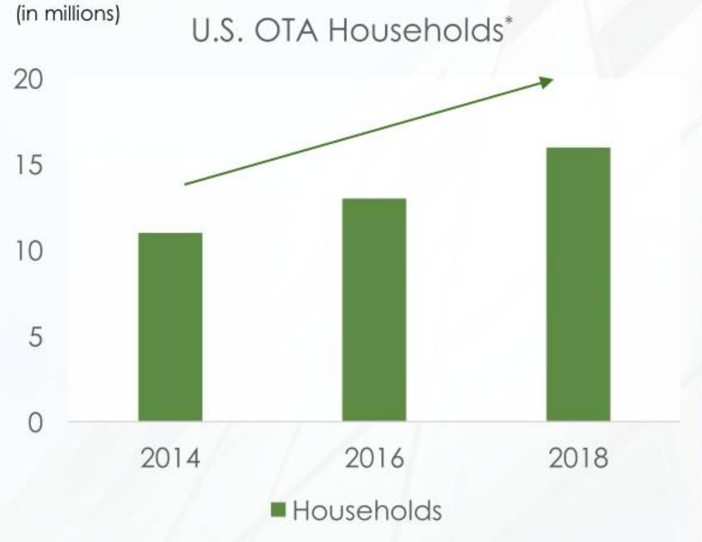
Broadcast Strategy

Capitalize on dynamically changing media landscape

Create alternative distribution platform to bring valuable content to over-the-air (OTA) viewers

HC2 Broadcasting
Growing Demand, Limited Licenses Available

More U.S. OTA Households



Limited TV Spectrum Availabl

- After the most recent auction of Broadcast spectrum, available broadc channels in a single DMA were reduced from 49 to 35 licenses.
- Each license = 6 mHz of spectrum
- In the digital world, that equates to 5-6 channels per license, which provides ability **to create 5-6 potential revenue streams per license.**
- Platform could potentially have 2,000 channels available for content once w are fully built out.

More OTA Households, Limited Licenses = More Valuable Stations

* Nielsen Television Market Universe Estimates

HC2 Broadcasting
Multiple Paths to Growth

Three-Prong Strategy for Revenue & Adjusted EBITDA Expansion

1. **Lease capacity to third-party content providers, collect an ongoing fee**
   - Believe platform can attract major content providers once it covers 75% of US population
   - OTA lease rates are on an upward trend from past levels

2. **Azteca America – a leading Spanish-language network**
   - Generate ongoing advertising revenue

3. **Potential revenue-sharing agreements with major content providers**

Cost structure of the built-out platform will be mostly fixed
NOT a content producer – strictly distribution

HC2 Broadcasting
Current Status and Near-Term Priorities

Significant Opportunities

- Near-term priorities:
  - Complete financing at Broadcasting segment level
  - Add broadcast assets where necessary
  - Upgrade technology / infrastructure
  - Continue to build out distribution platform
- Once platform is built, we believe will be positioned for margin expansion and rapidly growing free cash flow

Our OTA Platform*

- Operational Stations: 177
  - Full-Power Stations: 10
  - Class A Stations: 60
  - LPTV Stations: 107
- Silent Licenses & Construction Permits: >350
- U.S. Markets: >130, including 9 of the top 10 DMAs
- Covering approximately 60% of U.S. Population

** Metrics include pending transactions as of August 2019*

Broadcasting – Longer-Term Expansion Plans

Longer-Term Strategic Goals

- Continue to identify and procure quality content providers for nationwide OTA platform
- Generate premium pricing for longer-term leases
- Adapt to emerging technology (mobile, ATSC 3.0, etc.) to provide multiple new methods o engaging the consumer and potential revenue streams

Cloud-Based Technology Allows Stations to be Operated Remotely – Should Significantly Enhance Margins and Free Cash Flow Over Longer Term

Pansend Developing Innovative Healthcare Technologies and Products
Small to Mid-Size Investments – Significant Potential for Value Creation

MediBeacon

- Equity ownership* = ~49.9% ; Fully diluted* = ~41.5%
- Total investment-to-date = $24.9M
- U.S. patents granted = 32
- Company's Fluorescent Agent Platform** enables physiological function monitoring in critical health applications, including:
  - Kidney Health - Transdermal GFR Measurement System ("TGFR")
    - No clinically practical method exists to measure kidney function in real time at the point of care
    - Utilizes a patented pharmaceutical entirely eliminated by the kidneys that is bright enough to be detected by a sensor placed on the skin
    - Received FDA Breakthrough Device designation for the TGFR
    - Poised to begin pivotal study in U.S. and Europe
    - Kidney disease affects more than 850M people, representing a multi-billion dollar addressable market
  - Gastrointestinal Health
    - Grants from the Bill & Melinda Gates Foundation have supported MediBeacon transdermal gastroenterology permeability research
    - Gastroenterology program to begin human study in Crohn's patients in 2019
- Subsequent to quarter end, entered an exclusive commercialization partnership with Huadong Medicine that included an initial $15M equity investment at $315M post-money valuation, which will fund the company through upcoming FDA pivotal clinical trials and upcoming FDA approval process.

** Equity ownership percentages as of June 30, 2019; fully diluted includes all exercisable options and warrants.*
*** MediBeacon's agents and devices are not approved for human use by any regulatory agency.*

Life Sciences – Unlocking Value Through Innovation

- Equity ownership* = ~63.4% ; Fully diluted* = ~57.6%
- Investment-to-date = $27.5M
- Two distinct medical devices based on unique patented technology, representing addressable markets in Asia and the rest of the world in excess of $20B
  - Contact device sold to physicians to treat brown spots of the skin with the potential to treat other indications
    - Annual procedure market size is approximately $10B globally
    - Anticipated product launch in 2020
  - Robotic spray device sold to physicians to provide full body skin lightening/whitening
    - Annual procedure market size is approximately $14B globally
    - Anticipated product launch in 2021
- Multiple additional potential medical (e.g. localized psoriasis) and aesthetic applications and devices from the same core technology
- Inventors are leading experts in aesthetic medical devices from Hong Kong and Harvard/MGH and, along with the management team, are the same people who developed ZELTIQ's Coolsculpting® for fat reduction and took ZELTIQ public in 2011, prior to its acquisition by Allergan in 2017 for $2.4B
- Human proof-of-concept achieved based on >575 treated patients, and key U.S. FDA clearances already in-hand
- Entered exclusive distribution agreement with Huadong Medicine. In addition, Huadong made a $10M equity investment in R2 Dermatology at a post-money valuation of $60M that will fund the company's next phase of product and market development

** Equity ownership percentage as of June 30, 2019; fully diluted includes all exercisable options and warrants.*

Case Study: BeneVir – Minor Investment, Major Value

BeneVir

Investment	◆ BeneVir founded by Dr. Matthew Mulvey & Dr. Ian Mohr (who co-developed T-Vec); Biovex (owner of T-Vec) acquired by Amgen for ~$1 billion ◆ Owned 76% fully diluted equity (controlling interest) of company ◆ Total investment of $8 million since inception
Incubation	◆ Focused on immunotherapy ◆ Developed BV-2711 (T-Stealth) - second generation oncolytic virus to treat solid cancer tumors ◆ Received patent covering composition of matter for Stealth-1H ◆ BeneVir holds exclusive worldwide license to develop BV-2711 (T-Stealth)
Value Creation	◆ Sold to Janssen Biotech, Inc. (Johnson & Johnson) in 2Q18 ◆ Received **$73 million** in upfront cash - **9x** total investment ◆ $9 million escrow payment to be received in September 2019 ◆ Additional ~$140 million of cash payments to HC2 if FDA, EU, Japan approvals received ◆ Long-term, ~$370 million in potential cash payments to HC2 if certain sales milestones are achieved

Debt Capital Structure

Cash and Collateral Coverage – June 30, 2019

- Collateral Coverage Ratio[1] exceeded 2.00x
- $53.9 million in Consolidated Cash (excluding Insurance segment)

(in millions)	
11.5% senior secured notes due December 2021	$470.0
7.5% convertible senior notes due June 2022	55.0
LIBOR + 6.75% secured revolving credit agreement due June 2021	15.0
Total debt at holdco level	**$540.0**
Debt held at portfolio company level as of June 30, 2019	321.4
Total debt outstanding	**$861.4**

(1) As defined in HC2's 11.5% Senior Secured Notes indenture

Corporate Liquidity & Key Priorities

Liquidity Levers

- Ability to upstream dividends and tax share from Construction segment and dividends from Telecom segment
- Collect investment management fees from Insurance segment
- $9 million escrow payment from BeneVir transaction in September 2019
- For full year 2019, expect to receive $60-70m in total dividends, tax share and net management fees

Key Priorities

- Reduce HC2 Corporate debt
- Pursuing multiple paths to maximize value with Global Marine
- Focus on operational performance, generate increased cash flows
- Execution of OTA broadcast television strategy

HC2 does not guarantee future results of any kind. Guidance is subject to risks and uncertainties, including, without limitation, those factors outlined in the "Forward Looking Statements" of this presentation and the "Risk Factors" section of the company's annual and quarterly reports filed with the Securities and Exchange Commission (SEC).

Investment Highlights

Diverse Portfolio

- Unique combination of operating entities in multiple industri
- Diversification provides counterbalance against challenges

Consistent Cash Flow Generation

- Controlling stakes in leading, stable, cash flow generators such as Construction and Insurance
- Predicated on growing Adjusted EBITDA over long-term

Unlocking Long-Term Value

- Significant opportunities to create and unlock value within Broadcasting and Life Sciences
- Monetizing assets with low investment, high reward

Commitment to Corporate De-leveraging

- Pursuing multiple paths to realize value at Global Marine
- Proceeds would be used to reduce debt at HoldCo level

Experienced and Aligned Management

- Segment management teams empowered to execute on long-term strategy
- Deeply experienced management team at HoldCo level


HC2
Envision. Empower. Execute.
Appendix

HC2's Diversified Portfolio

HC2

Core Operating Subsidiaries

Construction: DBM Global (SCHUFF)
- 1H19 Revenue: $387.8m
- 1H19 Adj. EBITDA: $35.5m
- 2018 Revenue: $716.4m
- 2018 Adj. EBITDA: $60.9m
- Backlog $469m; ~$662m with contracts awarded, but not yet signed.
- Solid long-term pipeline
- Recent acquisition of Graywolf Industrial

Marine Services: GMSL
- 1H19 Revenue: $81.8m
- 1H19 Adj. EBITDA: $9.7m
- 2018 Revenue: $194.3m
- 2018 Adj. EBITDA: $32.7m
- GMSL Backlog $406m
- Solid long term telecom and offshore power maintenance & install opportunities
- Evaluating strategic alternatives including a potential sale

Energy: ANG
- 1H19 Revenue: $10.6m
- 1H19 Adj. EBITDA: $2.3m
- 2018 Revenue: $20.7m
- 2018 Adj. EBITDA: $5.5m
- Delivered ~6.9m Gasoline Gallon Equivalents (GGEs) in 1H19 vs. ~5.9m GGEs in 1H18
- ~60 stations currently owned or operated or under development vs. two stations at time of HC2's initial investment in 3Q14

Telecommunications: PTGi ICS
- 1H19 Revenue: $344.8m
- 1H19 Adj. EBITDA: $1.6m
- 2018 Revenue: $793.6m
- 2018 Adj. EBITDA: $5.3m
- Continued focus on higher margin wholesale traffic mix and improved operating efficiencies

Core Financi Services Subsid

Insurance: CIG
- ~$294m of statutory s
- ~$331m total adjuste
- $5.5b total GAAP ass
- $4.4b cash & investe
- Platform for growth th additional M&A inclu recent acquisition of long-term care portfo

Early Stage and Other Holdings

Life Sciences: PANSEND
- **BeneVir:** Oncolytic viral immunotherapy for treatment of solid cancer tumors; Sold to Janssen Biotech (Johnson & Johnson) in 2Q18
- **MediBeacon:** Unique non-invasive real-time monitoring of kidney function; MediBeacon recently granted Breakthrough Device designation from the FDA; MediBeacon's device is intended to measure GFR in patients with impaired or normal kidney function
- **R2 Dermatology:** Medical device to lighten and even skin tone based on Mass. General Hospital technology, including two FDA approvals
- **Genovel:** Novel, Patented, "Mini Knee" and "Anatomical Knee" replacements
- **Triple Ring Technologies:** R&D engineering company specializing in medical devices, homeland security, imaging, sensors, optics, fluidics, robotics & mobile healthcare

Broadcasting:
- **HC2 Broadcasting Holdings**
  Our Vision: Capitalize on the opportunities to bring valu content to more viewers over-the-air and position the c a changing media landscape

All data as of June 30, 2019 unless otherwise noted; Humana acquisition closed on 8/9/18; GrayWolf Industrial acquired 11/30/18

Consolidated Financial Summary

(in millions)	Three Months Ended June 30, 2019	Three Months Ended June 30, 2018	Three Months Increase / (Decrease)	Six Months Ended June 30, 2019	Six Months Ended June 30, 2018	Six Months Increase / (Decrease)
Net revenue	$ 518.6	$ 496.8	$ 21.8	1,010.0	950.5	59.5
Total operating expenses	487.7	502.3	(14.6)	957.5	969.8	(12.3
Income (loss) from operations	30.9	(5.5)	36.4	52.5	(19.3)	71.8
Interest expense	(23.0)	(17.2)	(5.8)	(45.3)	(36.5)	(8.8
Gain on sale and deconsolidation of subsidiary	—	102.1	(102.1)	—	102.1	(102.1
Income from equity investees	6.1	10.7	(4.6)	1.2	5.5	(4.3
Gain on bargain purchase	1.1	—	1.1	1.1	—	1.1
Other income (expense), net	(4.7)	(0.9)	(3.8)	(1.4)	0.2	(1.6
Income from continuing operations	10.4	89.2	(78.8)	8.1	52.0	(43.9
Income tax expense	(1.2)	(9.4)	8.2	(5.2)	(11.1)	5.9
Net income	9.2	79.8	(70.6)	2.9	40.9	(38.0
Less: Net (income) loss attributable to noncontrolling interest and redeemable noncontrolling interest	0.2	(24.4)	24.6	3.7	(20.5)	24.2
Net income attributable to HC2 Holdings, Inc.	9.4	55.4	(46.0)	6.6	20.4	(13.8
Less: Preferred dividends, deemed dividends, and repurchase gains	0.4	0.7	(0.3)	(0.8)	1.4	(2.2
Net income attributable to common stock and participating preferred stockholders	**$ 9.0**	**$ 54.7**	**$ (45.7)**	**$ 7.4**	**$ 19.0**	**$ (11.6**
Income per common share						
Basic	$ 0.19	$ 1.11		$ 0.15	$ 0.39	
Diluted	$ 0.12	$ 1.08		$ 0.08	$ 0.38	
Weighted average common shares outstanding:						
Basic	45.6	44.2		45.2	44.1	
Diluted	58.1	45.5		59.9	45.3	

Note: Reconciliations of Adjusted EBITDA and Pre-tax Insurance AOI to U.S. GAAP Net Income in appendix. Numbers may not foot due to rounding.
One-time $102m gain on sale in 2Q18 due to deconsolidation of subsidiary from sale of stake in BeneVir

Segment Financial Summary

(in millions)	Three Months Ended June 30, 2019	Three Months Ended June 30, 2018	Increase / (Decrease)	Six Months Ended June 30, 2019	Six Months Ended June 30, 2018	Increase / (Decrease)
Core Operating Subsidiaries						
Construction	$ 23.1	$ 15.5	$ 7.6	35.5	25.5	10.0
Marine Services	9.6	20.4	(10.8)	9.7	18.0	(8.3
Energy	1.3	3.0	(1.7)	2.3	3.6	(1.3
Telecommunications	0.8	1.3	(0.5)	1.6	2.4	(0.8
Total Core Operating Subsidiaries	**34.8**	**40.2**	**(5.4)**	**49.1**	**49.5**	**(0.4**
Early Stage and Other Holdings						
Life Sciences	(1.8)	(4.8)	3.0	(4.7)	(9.2)	4.5
Broadcasting	(0.9)	(6.3)	5.4	(3.4)	(11.3)	7.9
Other and Eliminations	—	(1.0)	1.0	—	(1.2)	1.2
Total Early Stage and Other	**(2.7)**	**(12.1)**	**9.4**	**(8.1)**	**(21.7)**	**13.6**
Non-Operating Corporate	(4.4)	(5.4)	1.0	(10.5)	(12.0)	1.5
Total HC2 Adjusted EBITDA (excluding Insurance)	**$ 27.7**	**$ 22.7**	**$ 5.0**	**30.5**	**15.8**	**14.7**
Pre-tax Insurance AOI	$ 33.0	$ 0.5	$ 32.5	$ 61.7	$ 2.7	$ 59.0

**Includes results from the long-term care insurance business acquired from Humana, Inc. (NYSE: HUM)*

Note: Reconciliations of Adjusted EBITDA and Pre-tax Insurance AOI to U.S. GAAP Net Income in appendix. Numbers may not foot due to rounding.


Appendix:
Reconciliations

Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA
Three Months Ended June 30, 2019

(in millio

Three Months Ended June 30, 2019

	Core Operating Subsidiaries				Early Stage & Other			Non-operating	
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination	Corporate	Tot
Net income attributable to HC2 Holdings, Inc.									$
Less: Net Income attributable to HC2 Holdings Insurance segment									
Less: Consolidating eliminations attributable to HC2 Holdings Insurance segment									
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	$ 8.9	$ 1.9	$ (0.7)	$ 0.4	$ (1.4)	$ (3.5)	$ (0.8)	$ (22.5)	$
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	4.0	6.4	1.5	0.1	0.1	1.5	-	-	
Depreciation and amortization (included in cost of revenue)	2.4	-	-	-	-	-	-	-	
Amortization of equity method fair value adjustment at acquisition	-	(0.3)	-	-	-	-	-	-	
Other operating (income) expenses	-	(0.8)	0.1	0.5	-	(1.0)	-	-	
Interest expense	2.2	1.0	0.5	-	-	2.3	-	17.3	
Other (income) expense, net	0.2	(0.3)	0.1	-	(0.1)	0.3	0.8	3.7	
Net loss on contingent consideration	-	-	-	(0.2)	-	-	-	-	
Foreign currency (gain) loss (included in cost of revenue)	-	0.2	-	-	-	-	-	-	
Income tax (benefit) expense	4.1	0.1	-	-	-	0.1	-	(4.8)	
Noncontrolling interest	0.8	0.8	(0.3)	-	(0.5)	(1.0)	-	-	
Share-based payment expense	-	0.4	-	-	0.1	0.2	-	1.4	
Non-recurring items	-	-	-	-	-	-	-	-	
Acquisition and disposition costs	0.5	0.2	0.1	-	-	0.2	-	0.5	
Adjusted EBITDA	**$ 23.1**	**$ 9.6**	**$ 1.3**	**$ 0.8**	**$ (1.8)**	**$ (0.9)**	**$ -**	**$ (4.4)**	**$**
Total Core Operating Subsidiaries	**$ 34.8**								

Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA
Three Months Ended June 30, 2018

(in millio

Three Months Ended June 30, 2018	Core Operating Subsidiaries				Early Stage & Other			Non-operating	
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination	Corporate	Tot
Net Income attributable to HC2 Holdings, Inc.									$
Less: Net Income attributable to HC2 Holdings Insurance segment									
Less: Consolidating eliminations attributable to HC2 Holdings Insurance segment									
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	$ 7.4	$ 10.9	$ 0.7	$ 1.0	$ 74.2	$ (11.9)	$ (0.5)	$ (25.0)	$
<u>Adjustments to reconcile net income (loss) to Adjusted EBITDA:</u>									
Depreciation and amortization	1.6	6.4	1.4	0.1	-	0.8	-	-	
Depreciation and amortization (included in cost of revenue)	1.6	-	-	-	-	-	-	-	
Amortization of equity method fair value adjustment at acquisition	-	(0.4)	-	-	-	-	-	-	
Other operating (income) expenses	-	-	0.1	-	-	0.1	-	-	
Interest expense	-	-	-	-	(102.1)	-	-	-	
Loss on early extinguishment or restructuring of debt	0.5	1.3	0.4	-	-	1.5	-	13.5	
Gain on sale and deconsolidation of subsidiary	-	-	-	-	-	2.6	-	-	
Other (income) expense, net	-	(2.0)	0.1	0.1	0.1	0.1	0.1	0.2	
Foreign currency (gain) loss (included in cost of revenue)	-	(0.4)	-	-	-	-	-	-	
Income tax (benefit) expense	3.3	0.1	-	-	-	-	(0.3)	2.8	
Noncontrolling interest	0.6	4.0	0.3	-	20.6	(0.7)	(0.5)	-	
Bonus to be settled in equity	-	-	-	-	-	-	-	0.2	
Share-based payment expense	-	0.5	-	-	-	0.3	0.2	2.7	
Non-recurring items	-	-	-	-	-	-	-	-	
Acquisition and disposition costs	0.5	-	-	0.1	2.4	0.9	-	0.2	
Adjusted EBITDA	**$ 15.5**	**$ 20.4**	**$ 3.0**	**$ 1.3**	**$ (4.8)**	**$ (6.3)**	**$ (1.0)**	**$ (5.4)**	**$**
Total Core Operating Subsidiaries	**$ 40.2**								

Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA
Six Months Ended June 30, 2019

(in millio

Six Months Ended June 30, 2019

	Core Operating Subsidiaries				Early Stage & Other			Non-	
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination	operating Corporate	Tot
Net income attributable to HC2 Holdings, Inc.									$
Less: Net Income attributable to HC2 Holdings Insurance segment									
Less: Consolidating eliminations attributable to HC2 Holdings Insurance segment									
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	$ 11.0	$ (4.5)	$ (1.3)	$ 1.0	$ (4.0)	$ (7.9)	$ (0.2)	$ (46.1)	$
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	7.9	13.0	2.9	0.2	0.1	2.9	-	-	
Depreciation and amortization (included in cost of revenue)	4.5	-	-	-	-	-	-	-	
Amortization of equity method fair value adjustment at acquisition	-	(0.7)	-	-	-	-	-	-	
Other operating (income) expenses	(0.1)	(0.2)	0.1	0.5	-	(1.9)	-	-	
Interest expense	4.7	2.1	0.9	-	-	3.9	-	34.0	
Net loss on contingent consideration	-	-	-	(0.2)	-	-	-	-	
Other (income) expense, net	0.2	(0.3)	0.2	-	(0.1)	0.4	0.2	1.0	
Foreign currency (gain) loss (included in cost of revenue)	-	0.3	-	-	-	-	-	-	
Income tax (benefit) expense	5.1	0.1	-	-	-	0.1	-	(2.5)	
Noncontrolling interest	0.9	(1.6)	(0.6)	-	(0.8)	(1.6)	-	-	
Share-based payment expense	-	0.8	-	-	0.1	0.4	-	2.5	
Non-recurring items	-	-	-	-	-	-	-	-	
Acquisition and disposition costs	1.3	0.7	0.1	0.1	-	0.3	-	0.6	
Adjusted EBITDA	**$ 35.5**	**$ 9.7**	**$ 2.3**	**$ 1.6**	**$ (4.7)**	**$ (3.4)**	**$ -**	**$ (10.5)**	**$**
Total Core Operating Subsidiaries	**$ 49.1**								

Note: Numbers may not foot due to rounding.

Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA
Six Months Ended June 30, 2018

(in millior

Six Months Ended June 30, 2018	Core Operating Subsidiaries				Early Stage & Other			Non-operating	Tot
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination	Corporate	
Net Income attributable to HC2 Holdings, Inc.									$
Less: Net Income attributable to HC2 Holdings Insurance segment									
Less: Consolidating eliminations attributable to HC2 Holdings Insurance segment									
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	$ 10.8	$ 4.6	$ -	$ 2.1	$ 70.2	$ (24.5)	$ (0.7)	$ (39.9)	$
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	3.2	13.3	2.7	0.2	0.1	1.4	-	-	
Depreciation and amortization (included in cost of revenue)	3.2	-	-	-	-	-	-	-	
Amortization of equity method fair value adjustment at acquisition	-	(0.7)	-	-	-	-	-	-	
Other operating (income) expenses	0.4	(2.7)	0.1	-	-	0.1	-	-	
Interest expense	0.9	2.5	0.7	-	-	7.2	-	25.2	
Loss on early extinguishment or restructuring of debt	-	-	-	-	-	2.5	-	-	
Gain on sale and deconsolidation of subsidiary	-	-	-	-	(102.1)	-	-	-	
Other (income) expense, net	-	(1.0)	0.1	-	0.1	-	0.2	(0.5)	
Foreign currency (gain) loss (included in cost of revenue)	-	(0.5)	-	-	-	-	-	-	
Income tax (benefit) expense	5.2	-	-	-	-	-	(0.3)	(0.5)	
Noncontrolling interest	0.9	1.6	-	-	19.9	(1.3)	(0.6)	-	
Bonus to be settled in equity	-	-	-	-	-	-	-	0.4	
Share-based payment expense	-	0.9	-	-	0.1	0.7	0.2	2.9	
Non-recurring items	-	-	-	-	-	-	-	-	
Acquisition and disposition costs	0.9	-	-	0.1	2.5	2.6	-	0.4	
Adjusted EBITDA	**$ 25.5**	**$ 18.0**	**$ 3.6**	**$ 2.4**	**$ (9.2)**	**$ (11.3)**	**$ (1.2)**	**$ (12.0)**	**$**
Total Core Operating Subsidiaries	**$ 49.5**								

Note: Numbers may not foot due to rounding.

Reconciliation of U.S. GAAP Net Income (Loss) to Insurance Pre-Tax Adjusted Operating Income

(in millior

Pre-tax Adjusted Operating Income - Insurance ("Pre-tax Insurance AOI")	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net income (loss) - Insurance segment	$ 30.3	$ 0.6	$ 64.1	$ 1.8
Effect of inv estment (gains)	0.5	(4.5)	(5.5)	(7.0)
Bargain Purchase Gain	(1.1)	-	(1.1)	-
Acquisition costs	1.6	0.8	1.8	1.1
Insurance AOI	**$ (31.3)**	**$ (3.1)**	**$ 59.3**	**$ (4.1)**
Income tax expense (benefit)	1.7	3.6	2.4	6.8
Pre-tax Insurance AOI	**$ 33.0**	**$ 0.5**	**$ 61.7**	**$ 2.7**

Note: Numbers may not foot due to rounding.

Envision. Empower. Execute.

HC2 HOLDINGS, INC.

ir@hc2.com • 212.235.2691 • 450 Park Avenue, 30th Floor, New York, NY 10022