

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): November 7, 2018

HC2 HOLDINGS, INC.

Delaware
(State or other jurisdiction
of incorporation)

001-35210
(Commission File Number)

54-1708481
(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))

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 November 7, 2018, 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. Company Overview dated November 2018

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.

HC2 Holdings, Inc.

November 7, 2018

By: /s/ Michael J. Sena

Name: Michael J. Sena

Title: Chief Financial Officer



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HC2 HOLDINGS, INC.

Corporate Overview

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November 2018



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 statements made by our representatives from time to time may contain, forward-looking statements. Generally, forward-looking statements include information describing actions, events, results, strategies and expectations and are generally identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may," "will," "could," "might," or "continues" or similar expressions. The forward-looking statements in this presentation include, without limitation, our 2018 guidance for the Construction and Marine Services segments and statements regarding our expectations regarding building shareholder value and future cash [flow] and invested assets. Such statements are based on the beliefs and assumptions of HC2's management and the management of HC2's subsidiaries and portfolio companies. The Company believes these judgments are reasonable, but you should understand that these statements are not guarantees of performance or results, and the Company's actual results could differ materially from those expressed or implied in the forward-looking statements due to a variety of important factors, both positive and negative, that may be revised or supplemented in subsequent statements and reports filed with the Securities and Exchange Commission ("SEC"), including in our reports on Forms 10-K, 10-Q and 8-K. Such important factors include, without limitation, issues related to the restatement of our financial statements; the fact that we have historically identified material weaknesses in our internal control over financial reporting, and any inability to remediate future material weaknesses; capital market conditions; the ability of HC2's subsidiaries and portfolio companies to generate sufficient net income and cash flows to make upstream cash distributions; volatility in the trading price of HC2 common stock; the ability of HC2 and its subsidiaries and portfolio companies to identify any suitable future acquisition or disposition opportunities; our ability to realize efficiencies, cost savings, income and margin improvements, growth, economies of scale and other anticipated benefits of strategic transactions; difficulties related to the integration of financial reporting of acquired or target businesses; difficulties completing pending and future acquisitions and dispositions; effects of litigation, indemnification claims, and other contingent liabilities; changes in regulations and tax laws; and risks that may affect the performance of the operating subsidiaries and portfolio companies of HC2. Although HC2 believes its expectations and assumptions regarding its future operating performance are reasonable, there can be no assurance that the expectations reflected herein will be achieved. These risks and other important factors discussed under the caption "Risk Factors" in our most recent Annual Report on 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 by 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 on its behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date made, and unless legally required, HC2 undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.



Safe Harbor Disclaimers

Non-GAAP Financial Measures

In this presentation, HC2 refers to certain financial measures that are not presented in accordance with U.S. generally accepted accounting principles ("GAAP"), including Core Operating Subsidiary Adjusted EBITDA, Total Adjusted EBITDA (excluding the Insurance segment), Adjusted EBITDA for its operating segments, Adjusted Operating Income for the Insurance segment and Pre-Tax Adjusted Operating Income for the Insurance segment.

Adjusted EBITDA

Management believes that Adjusted EBITDA measures provide investors with meaningful information for gaining an understanding of the Company's results as it is frequently used by the financial community to provide insight into an organization's operating trends and facilitates comparisons between peer companies, because interest, taxes, depreciation, amortization and the other items for which adjustments are made as noted in the definition of Adjusted EBITDA below can differ greatly between organizations as a result of differing capital structures and tax strategies. In addition, management uses Adjusted EBITDA measures in evaluating certain of the Company's segments performance because they eliminate the effects of considerable amounts of non-cash depreciation and amortization and items not within the control of the Company's operations managers. While management believes that these non-GAAP measurements are useful as supplemental information, such 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) as adjusted for depreciation and amortization; amortization of equity method fair value adjustments at acquisition; (gain) loss on sale or disposal of assets; lease termination costs; asset impairment expense; interest expense; net gain (loss) on contingent consideration; loss on early extinguishment or restructuring of debt; gain (loss) on sale of subsidiaries; other (income) expense, net; foreign currency transaction (gain) loss included in cost of revenue; income tax (benefit) expense; (gain) loss from discontinued operations; noncontrolling interest; bonus to be settled in equity; share-based compensation expense; non-recurring items; and acquisition and disposition costs. A reconciliation of Adjusted EBITDA to Net Income (Loss) is included in the financial tables at the end of this presentation. Management recognizes that using Adjusted EBITDA as a performance measure has inherent limitations as an analytical tool as compared to net income (loss) or other GAAP financial measures, as these non-GAAP measures exclude certain items, including 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 do not purport to be alternatives to net income (loss) or other GAAP financial measures or a measure of our operating performance. Total Adjusted EBITDA excludes the results of operations and any consolidating eliminations of our Insurance segment.

Adjusted Operating Income

Adjusted Operating Income ("Insurance AOI") and Pre-tax Adjusted Operating Income ("Pre-tax Insurance AOI") for the Insurance segment are non-GAAP financial measures frequently used throughout the insurance industry and are economic measures the Insurance segment uses to evaluate its financial performance. Management believes that Insurance AOI and Pretax Insurance AOI measures provide investors with meaningful information for gaining an understanding of certain results and provide insight into an organization's operating trends and facilitates comparisons between peer companies. However, Insurance AOI and Pre-tax 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 with the Company's results calculated in accordance with GAAP. Similarly to Adjusted EBITDA, using Insurance AOI and Pre-tax Insurance AOI as performance measures have inherent limitations as an analytical tool as compared to income (loss) from operations or other GAAP financial measures, as these non-GAAP measures exclude certain items, including items that are recurring in nature, which may be meaningful to investors. As a result of the exclusions, Insurance AOI and Pre-tax Insurance AOI should not be considered in isolation and do not purport to be an alternative to income (loss) from operations or other GAAP financial measures as measures 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), including OTTI losses recognized in operations; asset impairment; intercompany elimination; gain on bargain purchase; reinsurance gain; and acquisition costs. Management defines Pre-tax Insurance AOI as Insurance AOI adjusted to exclude the impact of income tax (benefit) expense recognized during the current period. Management believes that Insurance AOI and Pre-tax Insurance AOI provide meaningful financial metrics that help investors understand certain results and profitability. While these adjustments are an integral part of the overall performance of the Insurance segment, market conditions impacting these items can overshadow the underlying performance of the business. Accordingly, we believe using a measure which excludes their impact is effective in analyzing the trends of our operations.

By accepting this document, each recipient agrees to and acknowledges the foregoing terms and conditions.



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Company Overview



Who We Are

- ◆ Publicly traded diversified holding company with portfolio of uncorrelated assets and investments
- ◆ Permanent capital
- ◆ Strategic and financial partner
- ◆ Team of visionaries



What We Do

- ◆ Buy and build companies
- ◆ Partner with operating management teams to execute business plans
- ◆ Deliver sustainable value for shareholders



Why Invest in the HC2 Approach?

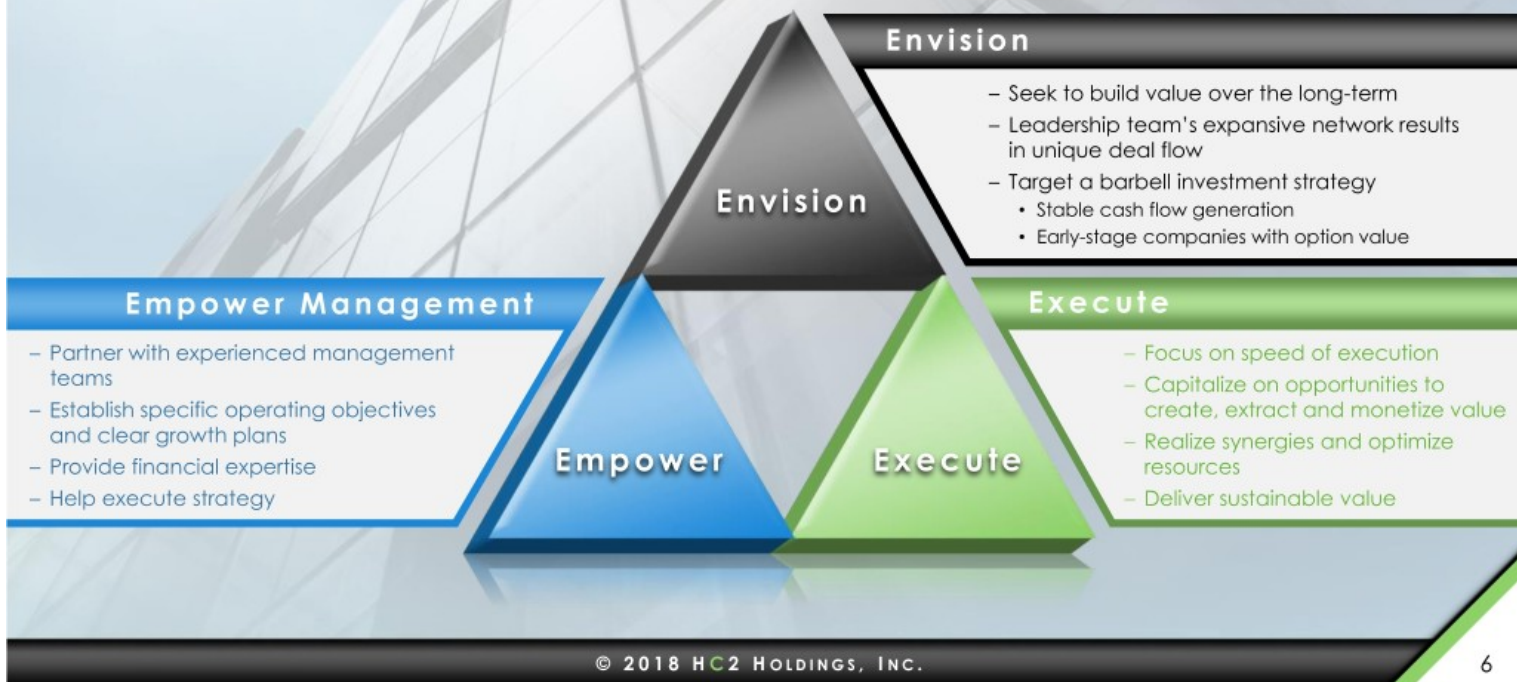
- ◆ **Diverse portfolio of uncorrelated assets and investments across multiple industries**
- ◆ **Unique combination of operating entities accessible through one investment**
 - Controlling stakes in leading, stable, cash flow generating businesses
 - Option value opportunities with significant equity upside potential
- ◆ **Active management methodology to creating shareholder value by driving asset and capital appreciation of subsidiary and investment holdings**
 - Long-term strategy allows management teams the ability to execute business plans
- ◆ **Continue to drive organic and inorganic growth; Increasing “Core Operating Subsidiary” Revenue and Adjusted EBITDA**
- ◆ **Well-positioned with financial flexibility to opportunistically capitalize and build platform in both public and private markets**
 - Rigorous commitment to realize synergies and optimize resources
 - Approach focused on control / implied control of acquisitions & investments
- ◆ **Continued focus on both cash flow and growth opportunities provides shareholders with a unique balance of stability and option value**
- ◆ **Look to not only create, but ultimately extract and monetize value where and when necessary**



How HC2 Builds Value

Clear focus on delivering sustainable value for all stakeholders

- ◆ Value operator with long-term outlook
- ◆ Acquire controlling equity interests in diverse industries creating value through growth in operating subsidiaries
- ◆ Strong capital base allows funding of subsidiary growth
- ◆ Speed of execution gives HC2 a competitive advantage over traditional private equity firms



HC2's Diversified Portfolio



Core Operating Subsidiaries

Construction: DBM GLOBAL (SCHUFF)

- ◆ One of the largest steel fabrication and erection companies in the U.S.
- ◆ Offers full suite of integrated steel construction and professional services
- ◆ Pending acquisition of Graywolf Industrial, entry into heavy maintenance and repair industry
- ◆ 92.5% ownership
- ◆ FY17 Revenue: \$579.0m
- ◆ FY17 Adjusted EBITDA: \$51.6m



Marine Services: GMSL

- ◆ Leading provider of subsea cable installation, maintenance and protection in telecom, offshore power and oil & gas
- ◆ Equity investments with Huawei Marine Networks & S.B. Submarine Systems (China Telecom)
- ◆ 72.5% ownership
- ◆ FY17 Revenue: \$169.5m
- ◆ FY17 Adjusted EBITDA: \$44.0m



Energy: ANG

- ◆ Premier distributor of natural gas motor fuel throughout the U.S.
- ◆ Currently own or operate ~40 natural gas fueling stations throughout United States
- ◆ 67.7% ownership
- ◆ FY17 Revenue: \$16.4m
- ◆ FY17 Adjusted EBITDA: \$2.9m



Telecommunications: PTGI ICS

- ◆ International wholesale telecom service companies
- ◆ Global sales presence
- ◆ Internal and scalable offshore back office operations
- ◆ 100% ownership
- ◆ FY17 Revenue: \$701.9m
- ◆ FY17 Adjusted EBITDA: \$6.9m



Core Financial Services Subsidiaries

Insurance: CIG

- ◆ Platform to invest in long-term care (LTC) portfolio of assets
- ◆ Initially acquired American Financial Group's LTC assets
- ◆ Recently closed acquisition of Humana's ~\$2.4b LTC assets
- ◆ Ring Fenced Liabilities – No Parent Guarantees
- ◆ 100% ownership
- ◆ ~\$300m of statutory surplus
- ◆ ~\$330m total adjusted capital
- ◆ ~\$4.1b cash & invested assets



Early Stage and Other Holdings

Life Sciences: PANSEND

- ◆ **BeneVir:** Oncolytic viral immunotherapy for treatment of solid cancer tumors; Sold to Janssen Biotech (Johnson & Johnson) for up to \$1.04 billion 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 brighten skin based on Mass. General Hospital technology
- ◆ **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

BeneVir

MediBeacon

R2

GENOVEL

TRIPLE RING technologies

Broadcasting:

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

DTV America

OTA BROADCASTING

MAKO COMMUNICATIONS, LLC

AZTECA AMERICA

3ABN



HC2's Experienced Executive Team

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

- ◆ Director of HC2 since January 2014 and Chairman of the Board, Chief Executive Officer and President of HC2 since May 2014
- ◆ Founder, Chairman and Chief Executive Officer of HRG Group Inc. (July 2009 - December 2014)
- ◆ President of HRG (July 2009 - June 2011)
- ◆ Founder, Chief Investment Officer and Chief Executive Officer of Harbinger Capital Partners, LLC
- ◆ Managed High Yield and Distressed trading operations for Barclays Capital (1998 – 2000)
- ◆ 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
- ◆ Various positions with PricewaterhouseCoopers
- ◆ 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.
- ◆ Corporate associate at the law firms of Boies, Schiller & Flexner LLP and Sullivan & Cromwell LLP
- ◆ 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 Rafferty 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
- ◆ Held various positions in Human Resources, as well as Foreign Exchange Sales at Cantor Fitzgerald after beginning career in Equity Sales at Merrill Lynch
- ◆ BA degree in Communications and Studio Art from Marist College

Andrew G. Backman

Managing Director

- ◆ Managing Director of IR & PR for RCS Capital / AR Global
- ◆ Founder and CEO of InVisionIR, a New York-based advisory and consulting firm
- ◆ SVP, IR, PR & Marketing of iStar Financial
- ◆ SVP, IR, PR & Marketing of Corvis Corp. / Broadwing Communications
- ◆ First 10 years of career at Lucent Technologies and AT&T Corp. in various finance/accounting/M&A positions
- ◆ BA in Economics from Boston College; Graduated from AT&T / Lucent's prestigious Financial Leadership Program

HC2 Stock Performance & Timeline

2014

1. 01/08 – HRG Group Acquires Majority Interest in "PTGI"
2. 04/14 – Company Renamed "HC2"
3. 05/29 – HC2 Acquires Schuff (65%)
4. 08/01 – HC2 Initial Investment in ANG
5. 09/22 – HC2 Acquires Global Marine (97%)
6. 10/07 – HC2 Announces Results of Schuff Tender Offer
7. 11/20 – \$250M Senior Secured Notes Offering
8. 12/23 – NYSE MKT Listing Announced

2015

9. 03/23 – \$50M Tack-on to Senior Secured Notes
10. 04/14 – HC2 Forms Continental Insurance Group
11. 06/10 – HC2 Acquires Interest in Gaming Nation
12. 11/09 – \$59M Equity Offering
13. 12/24 – HC2 closes LTC and Life Insurance Acquisition

2016

14. 02/03 – Global Marine Acquires Majority Interest in CWind
15. 10/05 – R2 Dermatology Receives FDA Approval
16. 10/18 – MediBeacon Awarded Gates Foundation Grant
17. 12/15 – ANG Adds 18 CNG Stations Through Two Transactions (Questar and Constellation CNG)

2017

18. 01/31 – \$55M Tack-on to Senior Secured Notes
19. 03/02 – MediBeacon Completes Pilot Two Testing
20. 04/15 – BeneVir Granted New Patent
21. 05/16 – HC2 Transfers Listing to NYSE "Big Board"
22. 06/27 – HC2 Announces Acquisition of Majority Interest in DTV America
23. 06/27 – \$38M Tack-on to Senior Secured Notes
24. 07/12 – R2 Dermatology Receives 2nd FDA Approval
25. 09/13 – HC2 Announces Purchase of Assets of Mako Communications

2017 (cont'd)

26. 11/06 – Continental General Insurance Announces Acquisition of Humana LTC Business
27. 11/29 – HC2 Announces Acquisition of Azteca America and Assets of Northstar Media

2018

28. 05/02 – BeneVir to be Acquired by Janssen Biotech, Inc. (a Johnson & Johnson company) for up to \$1.04B
29. 05/07 – HC2 Refinances Broadcasting Bridge Loans with \$110M Tack-on to Senior Secured Notes
30. 06/11 – Completed sale of BeneVir to Janssen Biotech (Johnson & Johnson) for up to \$1.04B
31. 07/19 – DBM Global purchases South Carolina Steel Fabrication Facility
32. 08/07 – HC2 Broadcasting Holdings Obtains \$38 million Debt & Equity Financing
33. 08/09 – Continental General Insurance Completes Acquisition of Humana's \$2.4 billion LTC Business
34. 10/22 – Announced Evaluation of Strategic Alternatives for Global Marine; FDA granted "Breakthrough Device" designation to MediBeacon



Note: As a result of the Schuff Tender, HC2's ownership increased to 89% and subsequently through open market share purchases increased to 92%



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Segment Detail



L.A. Rams



Apple



Sacramento Kings

Business Description:

- ◆ DBM Global Inc. is focused on delivering world class, sustainable value to its clients through a highly collaborative portfolio of companies which provide better designs, more efficient construction and superior asset management solutions
- ◆ The Company offers integrated steel construction services from a single source and professional services which include design-assist, design-build, engineering, BIM participation, 3D steel modeling/detailing, fabrication, advanced field erection, project management and state-of-the-art steel management systems
- ◆ Major market segments include commercial, healthcare, convention centers, stadiums, gaming and hospitality, mixed use and retail, industrial, public works, bridges, transportation and international projects

Select Management:

- ◆ Rustin Roach – President and CEO
- ◆ Michael Hill – CFO and Treasurer
- ◆ Scott Sherman – VP, General Counsel
- ◆ Shane Metzger - COO



DC United

Select Customers:



	Core Activities	Products & Service Offerings	Industries Served	
	<ul style="list-style-type: none"> ◆ The largest structural steel fabricator and erector in the U.S. ◆ In-house structural & design engineering expertise 	<ul style="list-style-type: none"> ◆ Structural Steel fabrication ◆ Steel erection services ◆ Structural engineering & design services ◆ Preconstruction engineering services ◆ BIM (Building Information Modeling) ◆ Project Mgmt (proprietary SIMS platform) 	<ul style="list-style-type: none"> ◆ Commercial ◆ Conv. & Event Centers ◆ Energy ◆ Government ◆ Healthcare 	<ul style="list-style-type: none"> ◆ Industrial & Mining ◆ Infrastructure ◆ Leisure ◆ Retail ◆ Transportation
	<ul style="list-style-type: none"> ◆ Provides specialty maintenance, repair & installation services in the US. ◆ Organized in four business segments – Titan Contracting, Inco Services, Milco National, & Titan Fabricators 	<ul style="list-style-type: none"> ◆ Extensive track record delivering complex service and maintenance type projects for the power, petrochemical, pulp & paper, and refinery end markets ◆ 60% of revenue is service contracts 	<ul style="list-style-type: none"> ◆ Petrochemical ◆ Power ◆ Pulp & paper ◆ Oil refineries 	
	<ul style="list-style-type: none"> ◆ Assets of Mountain States Steel became part of Schuff Steel (4Q17) ◆ Mountain States Steel has a modern fabrication facility located on approximately 32 acres in London, Utah. 	<ul style="list-style-type: none"> ◆ Extensive track record delivering structural steel for iconic projects throughout the Western United States: San Francisco-Oakland Bay Bridge, Alameda Corridor Transportation Authority Bridge, Mile High Stadium, Paris Hotel & Casino in Las Vegas, etc. 	<ul style="list-style-type: none"> ◆ Bridge ◆ Infrastructure ◆ Leisure 	
	<ul style="list-style-type: none"> ◆ Provides structural steel fabrication & erection services for smaller projects leveraging subcontractors and in-house project managers 	<ul style="list-style-type: none"> ◆ Structural Steel fabrication (subcontracted) ◆ Steel erection services (subcontracted) ◆ Project Mgmt (proprietary SIMS platform) 	<ul style="list-style-type: none"> ◆ Commercial ◆ Government ◆ Healthcare 	<ul style="list-style-type: none"> ◆ Leisure ◆ Retail ◆ Transportation
	<ul style="list-style-type: none"> ◆ Manufactures equipment for use in the petrochemical oil & gas industries, such as: pollution control scrubbers, tunnel liners, pressure vessels, strainers, filters & separators 	<ul style="list-style-type: none"> ◆ Design engineering ◆ Fabrication services 	<ul style="list-style-type: none"> ◆ Petrochemical ◆ Oil & gas infrastructure ◆ Pipelines 	
	<ul style="list-style-type: none"> ◆ A highly experienced global Detailing and 3D BIM Modelling company 	<ul style="list-style-type: none"> ◆ Steel Detailing ◆ 3D BIM Modelling ◆ BIM Management ◆ Integrated Project Delivery (IPD) ◆ 3D Animation and Visualization 	<ul style="list-style-type: none"> ◆ Commercial ◆ Conv. & Event Ctrs ◆ Energy ◆ Government ◆ Healthcare 	<ul style="list-style-type: none"> ◆ Industrial & Mining ◆ Infrastructure ◆ Leisure ◆ Retail ◆ Transportation
	<ul style="list-style-type: none"> ◆ A global Building Information Modelling (BIM), Steel Detailing and Rebar Detailing firm 	<ul style="list-style-type: none"> ◆ Steel Detailing ◆ Rebar Detailing ◆ 3D BIM Modelling ◆ Connection Design ◆ Forensic Modelling & Animation 	<ul style="list-style-type: none"> ◆ Commercial ◆ Conv. & Event Ctrs ◆ Energy ◆ Government ◆ Healthcare 	<ul style="list-style-type: none"> ◆ Industrial & Mining ◆ Infrastructure ◆ Leisure ◆ Retail ◆ Transportation
	<ul style="list-style-type: none"> ◆ The premiere Bridge and Complex Structures Detailing and Building Information Modelling (BIM) firm in N.A. 	<ul style="list-style-type: none"> ◆ Bridge Detailing ◆ Steel Detailing ◆ 3D BIM Modelling ◆ Connection Design 	<ul style="list-style-type: none"> ◆ Bridge ◆ Commercial ◆ Conv. & Event Ctrs 	<ul style="list-style-type: none"> ◆ Energy ◆ Government ◆ Infrastructure



GrayWolf Industrial Inc. ("GrayWolf")

Business Description		Blue Chip Customer Base			
<ul style="list-style-type: none"> GrayWolf, which DBM Global is under contract to acquire, is a leader in industrial services focusing on highly complex, labor-intensive specialty maintenance, repair and installation services to diverse end markets across a national footprint The Company has built a reputation for high quality service over its nearly 40 year operating history, through a leading safety record, superior service quality, national scale, local relationships and access to skilled labor 					
		TITAN CONTRACTING	INC INCO SERVICES	MILCO NATIONAL CONSTRUCTORS	TITAN FABRICATORS
Business Overview	<ul style="list-style-type: none"> Specialty mechanical contracting services 	<ul style="list-style-type: none"> Specialty construction solutions to the pulp and paper and other processing markets 	<ul style="list-style-type: none"> Turnarounds, tank construction, and piping, among a broad service offering 	<ul style="list-style-type: none"> Custom steel fabrication for heavy industrial markets 	
Services Overview	<ul style="list-style-type: none"> Plant maintenance Specialty welding Equipment setting / rigging Mechanical construction Modularization Piping Tanks and vessels 	<ul style="list-style-type: none"> Plant maintenance Process piping Equipment, tanks, and vessels fabrication and erection Engineering, procurement, and construction Civil, mechanical, and electrical construction 	<ul style="list-style-type: none"> Plant maintenance Specialty welding Equipment setting / rigging Piping systems Tanks and vessels Fabrication General mechanical construction 	<ul style="list-style-type: none"> Engineering Design Modularization Custom mechanical services Pipe fabrication Tanks and vessels Machining 	
Primary End Markets	<ul style="list-style-type: none"> Power Petrochemical Refining Industrial Water treatment 	<ul style="list-style-type: none"> Pulp & paper Petrochemical Industrial Metals, mining & minerals 	<ul style="list-style-type: none"> Power Refining Petrochemical Water treatment Industrial 	<ul style="list-style-type: none"> Heavy industrial 	



GrayWolf Industrial Inc. (“GrayWolf”)

Strategic Rationale:

- ◆ GrayWolf Industrial provides DBM Global with an entry into the heavy maintenance and repair industry, diversifying its revenue stream from large commercial construction projects while capitalizing on strong customer relationships with prime contracts and a culture focused on ROI when bidding and pricing work
- ◆ GrayWolf substantially increases DBM's exposure to recurring maintenance work, providing increased revenue stability and visibility
- ◆ The acquisition increases the combined business' exposure to industrial build, diversifying away from more cyclical commercial construction market
- ◆ GrayWolf's asset light business model requires minimal capital expenditure spend which translates to higher free cash flow conversion
- ◆ DBM management believes the GrayWolf acquisition will allow for the combined company to cross sell its products amongst its current customer base and provide meaningful synergies related to accounting and consolidated back office expenses

Transaction Overview:

- ◆ The purchase price for the acquisition is \$135.0 million or ~6.9x based on 2017 Adjusted EBITDA⁽¹⁾ of \$19.7 million, which represents a compelling multiple given comparable transactions in the sector
- ◆ The acquisition is expected to be financed by an \$80.0 million Term Loan financing at DBM Global, \$15.0 million from DBM's existing credit facility and \$40.0 million of existing cash from HC2 and certain of our subsidiaries via indirect investment in DBM Global

1. GrayWolf Adjusted EBITDA represents normalized EBITDA view, which excludes certain expenses management believes will not be continuing post-acquisition in order to better reflect ongoing earnings capacity © 2018 HC2 HOLDINGS, INC.



Global Marine Group - Business Description:

"Engineering a Clean and Connected Future"

- ◆ Leading provider of offshore marine engineering delivered via three business units
- ◆ Founded in 1850 - Headquartered in UK with major regional hub in Singapore

Select Management:

- ◆ Dick Fagerstal – Executive Chairman
- ◆ Ian Douglas – Chief Executive Officer

Global Marine Highlights:

- ◆ Fiber optic cable solutions to the telecommunications and oil & gas markets
- ◆ Installed roughly 21% of the world's subsea fiber optic cable, amounting to 300,000km
- ◆ In maintenance, Global Marine benefits from long-term contracts with high renewal rates; Responsible for 385,000km of the total 1,200,000km of global in-service cable
- ◆ Significant opportunities in Telecom through 49% owned strategic equity investments with Huawei Technologies (HMN) and China Telecom (SBSS)

CWind Highlights:

- ◆ Power cable and asset management services to the offshore renewables & utilities
- ◆ Through it's Complete Cable Care package recognised for speedy mobilisation in power cable repair solutions
- ◆ CWind delivers a broad spectrum of topside and subsea services to developers and has experience at almost 50 wind farms to date
- ◆ CWind is recognized for having the most fuel efficient Crew Transport Vessel (CTV) fleet in the market
- ◆ CWind Taiwan equity investment launched in Q1 2018 to support the growing Taiwan offshore renewables market

Global Offshore Highlights:

- ◆ Trenching and power cable lay services to the oil & gas industry
- ◆ To date, the Global Offshore team has been involved in the installation of more than 470 power cables
- ◆ Market-leading Q1400 trenching system effective in the harshest of seas and most challenging of seabed conditions
- ◆ Completed work on six UK and two European wind farms to date
- ◆ Multiple operations in oil & gas for major oil companies such as Shell and BP



Select Customers:





Core Activities	<p>Maintenance</p> <ul style="list-style-type: none"> ◆ Provision of vessels on standby to repair fiber optic telecom cables in defined geographic zones ◆ Location of fault, cable recovery, jointing and re-deployment of cables ◆ Operation of depots storing cable and spare parts across the globe ◆ Management of customer data through the life of the cable system 	<p>Wind Farm</p> <ul style="list-style-type: none"> ◆ Offshore wind planning, construction and operations & maintenance support services ◆ Fleet of Crew Transfer Vessels (CTVs) which have a historically high utilisation and are positioned 4th in the overall CTV market ◆ Over 250 certified & experienced personnel including technicians, riggers, slingers, lifting supervisors & foremen ◆ Offshore training facility 	<p>Trenching</p> <ul style="list-style-type: none"> ◆ Trenching of cables, rigid & flexible pipelines and umbilicals ◆ Precision installation in challenging seabed environments utilizing the market-leading Q1400 which able to perform jet trenching in soils of up to 100KPA ◆ Providing maximum, long-term protection of assets ◆ Engineering support & project management
	<p>Fiber Optic Cable Installation</p> <ul style="list-style-type: none"> ◆ Provision of turnkey repeated telecom systems via Huawei Marine ("HMN") equity investment ◆ Installation contracts for telecom customers ◆ Services include route planning, route survey, cable mapping, route engineering, laying, trenching and burial at all depths ◆ Fiber optic communications infrastructure to offshore platforms 	<p>Power Cable Installation & Repair</p> <ul style="list-style-type: none"> ◆ Installation for inter-array power cables for offshore wind market ◆ Maintenance provision, including cable storage, power joint development and vessel availability ◆ Offshore wind planning, Interconnector installation ◆ Services include route planning, route survey, cable mapping, route engineering, laying, trenching and burial at all depths 	<p>Power Cable Installation</p> <ul style="list-style-type: none"> ◆ Planning, installation, burial, storage, testing, locating, recovering and maintaining subsea cables and other subsea assets ◆ Modern assets including the Global Symphony and the Q1400 trenching system ◆ Approximately 400 m² of available space aft of the cable lay spread, allowing space for up to ten 20 foot containers of cable protection system ◆ 470 power cables installed to date
Vessels	<ul style="list-style-type: none"> ◆ Cable Retriever ◆ Wave Sentinel ◆ Cable Innovator ◆ C.S. Sovereign ◆ CS Recorder ◆ Networker ◆ Global Symphony 	<ul style="list-style-type: none"> ◆ 18 owned & 3 Crew Transfer Vessels on long-term charter ◆ C.S. Sovereign ◆ CS Recorder ◆ Global Symphony ◆ ASV Pioneer 	<ul style="list-style-type: none"> ◆ Global Symphony ◆ ASV Pioneer
Equity Investments	<ul style="list-style-type: none"> ◆ Sino British Submarine Systems in Asia (SBSS): Equity investment (49%) with China Telecom ◆ Huawei Marine: Equity Investment(49%) with Huawei Technologies ◆ International Cables Pte Ltd ("ICPL") ◆ Equity investment(30%) with SingTel and ASEAN Cables Pte Ltd ◆ SCDPL: Equity investment (40%) with SingTel 	<ul style="list-style-type: none"> ◆ CWind Training(100%) ◆ Sino British Submarine Systems in Asia (SBSS): Equity investment (49%) with China Telecom ◆ CWind Taiwan: equity investment(51%) with International Ocean Vessel Technical Consultant (IOVTEC) 	

Business Description:

- ◆ Designs, builds, owns, operates and maintains compressed natural gas commercial fueling stations for transportation
- ◆ Building a premier nationwide network of publically accessible heavy duty CNG fueling stations throughout the United States designed and located to serve fleet customers
 - Completed the integration & upgrade of 18 fueling stations acquired in 2016; ~40 stations currently owned or operated nationwide
 - Expect to expand station footprint via organic and select M&A opportunities
- ◆ Founded in 2011, with headquarters in Saratoga Springs, New York



Select Management:

- ◆ Drew West – Founder and Chief Executive Officer



Why CNG?:

- ◆ American transportation sector is rapidly converting from foreign-dependent diesel fuel to clean burning natural gas:
 - Substantially reduces emissions
 - Extends truck life
 - Significantly reduces fuel cost
- ◆ Given the cost effectiveness of CNG, its environmental friendliness and the abundance of natural gas reserves in the United States, CNG is a leading candidate for alternatives to gasoline and diesel for the motor vehicle market

Business Description:

- ◆ International wholesale telecom service company providing voice and data call termination to the telecom industry worldwide
- ◆ Provides transit and termination of telephone calls through its own global network of next-generation IP soft switches and media gateways, connecting the networks of incumbent telephone companies, mobile operators and OTT companies worldwide
- ◆ Restructured in 2014, PTGi ICS now delivers industry leading technology via best of breed sales and operational support teams
 - ◆ ICS Group to acquire Go2Tel.com Inc. a well-established VoIP carrier that offers high-quality termination services, primarily in Latin America, South America and the Caribbean region.
- ◆ In business since 1997, recognized as a trusted business partner globally
- ◆ Headquartered in Herndon, Virginia with representation across North America, South America, the Middle East, CIS, Asia, Romania and the UK.

Select Management:

- ◆ Craig Denson – Chief Executive Officer





Business Description:

- ◆ The formation of Continental Insurance Group ("CIG") in April 2015 to invest in the insurance sector is consistent with HC2's overall strategy of taking advantage of dislocated and undervalued operating businesses
- ◆ Through CIG, HC2 intends to build an attractive platform of insurance businesses
- ◆ "Ring Fenced" Liabilities – No Parent Guarantees
- ◆ In December 2015, Continental LTC Inc. ("CLI"), a wholly owned subsidiary of CIG, completed the acquisition of American Financial Group's long-term care and life insurance businesses, United Teacher Associates Insurance Company ("UTAIC") and Continental General Insurance Company ("CGIC")
- ◆ In 2016, HC2 merged UTAIC into CGIC to form a single Texas-domiciled life insurance company, CGIC, and unlock cost and capital efficiencies
- ◆ Recently Completed Acquisition of Humana's ~\$2.4 Billion Long-Term Care Insurance Business [3Q18]
 - ◆ Immediately accretive to Continental's Risk Based Capital ratio and Statutory Surplus
- ◆ Key measures as of September 30, 2018:
 - Statutory Surplus ~\$300 million
 - Total Adjusted Capital ~\$330 million
 - GAAP Assets of ~\$5.5 billion
 - Cash and Invested Assets ~\$4.1 billion
- ◆ Projected ~\$15 million investment management fee stream to HC2



Select Management:

- ◆ James P. Corcoran – Executive Chair
 - James has extensive experience in the insurance industry on both the corporate and regulatory side as the former Superintendent of Insurance of the State of New York

HC2's Pansend Life Sciences Segment Is Focused on the Development of Innovative Healthcare Technologies and Products

BeneVir

- ◆ Recently completed sale to Janssen Biotech, Inc. (Johnson & Johnson) for up to \$1.04 billion (2Q18); \$8m total investment
- ◆ 76% equity ownership of company focused on immunotherapy; Oncolytic virotherapy for treatment of solid cancer tumors
- ◆ Founded by Dr. Matthew Mulvey & Dr. Ian Mohr (who co-developed T-Vec); Biovex (owner of T-Vec) acquired by Amgen for ~\$1 billion
- ◆ BeneVir's T-Stealth is a second generation oncolytic virus with new features and new intellectual property
- ◆ BeneVir holds exclusive worldwide license to develop BV-2711 (T-Stealth)
- ◆ Granted new patent entitled "Oncolytic Herpes Simplex Virus and Therapeutic Uses Thereof", covering the composition of matter for Stealth-1H, BeneVir's lead oncolytic immunotherapy, as well as other platform assets (2Q17)

MediBeacon

- ◆ 50% equity ownership in company with unique technology and device for monitoring of real-time kidney function
- ◆ The U.S. Food and Drug Administration has granted Breakthrough Device designation to MediBeacon for the company's Transdermal GFR Measurement System ("TFGR"). The device is intended to measure Glomerular Filtration Rate ("GFR") in patients with impaired or normal renal function.⁽¹⁾
- ◆ Under the Breakthrough Devices program, a provision of the 21st Century Act, the FDA works with companies to expedite regulatory review in order to give patients more timely access to diagnostic and therapeutic technologies.
- ◆ The TGFR is designed to provide clinicians real-time measurement of GFR at the point of care with no need for blood sampling or urine collection. The ability to measure GFR is of high clinical interest, especially in patients with or at risk of kidney disease.



- ◆ 74% equity ownership of dermatology company focused on lightening and brightening skin
- ◆ Founded by Pansend in partnership with Mass. General Hospital and inventors Dr. Rox Anderson, Dieter Manstein and Dr. Henry Chan
- ◆ Over \$20 billion global market
- ◆ Received Food and Drug Administration approval for the R2 Dermal Cooling System (4Q16)
- ◆ Received Food and Drug Administration approval for second generation R2 Dermal Cooling System (2Q17)

GENOVEL

- ◆ 80% equity ownership in company with unique knee replacements based on technology from Dr. Peter Walker, NYU Dept. of Orthopedic Surgery and one of the pioneers of the original Total Knee.
- ◆ "Mini-Knee" for early osteoarthritis of the knee; "Anatomical Knee" – A Novel Total Knee Replacement
- ◆ Strong patent portfolio



- ◆ Profitable technology and product development company
- ◆ Areas of expertise include medical devices, homeland security, imaging systems, sensors, optics, fluidics, robotics and mobile healthcare
- ◆ Located in Silicon Valley and Boston area with over 90,000 square feet of working laboratory and incubator space
- ◆ Contract R&D market growing rapidly
- ◆ Customers include Fortune 500 companies and start-ups

⁽¹⁾ Data on file, MediBeacon, Inc., St. Louis, MO.
All data as of September 30, 2018 unless otherwise noted



Business Description*

- ◆ HC2 Broadcasting Holdings Inc., a subsidiary of HC2 Holdings, has strategically acquired broadcast assets across the United States
- ◆ HC2's broadcast vision is to capitalize on the opportunities to bring valuable content to more viewers over-the-air and position the company for a changing media landscape



Broadcast Television Stations: Key Metrics**

- ◆ Operational Stations: 164
 - Full-Power Stations: 14
 - Class A Stations: 52
 - LPTV Stations: 98
- ◆ Silent Licenses & Construction Permits: ~400
- ◆ U.S. Markets: >130
- ◆ Total Footprint Covers Approximately 60% of the U.S. Population

Select Management:

- ◆ Kurt Hanson – Chief Technology Officer, HC2 Broadcasting Holdings
- ◆ Louis Libin – Managing Director, Strategy, HC2 Broadcasting Holdings
- ◆ Les Levi – Chief Operating Officer, HC2 Broadcasting Holdings
- ◆ Rebecca Hanson – General Counsel, HC2 Broadcasting Holdings
- ◆ Manuel Abud – President and CEO, Azteca America



*Map based on 2010 population data
 **Metrics include pending transactions as of November 6, 2018.



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Appendix:
Third Quarter 2018
Highlights & Select Financial Data



Segment Financial Summary

(\$m)		Q3 2018	Q3 2017	YTD 2018	YTD 2017
Adjusted EBITDA	Core Operating Subsidiaries				
	Construction	\$16.0	\$16.8	\$41.5	\$36.5
	Marine Services	7.9	8.8	25.8	28.8
	Energy	1.0	0.3	4.7	2.5
	Telecom	1.5	1.5	3.9	5.3
	Total Core Operating	\$26.3	\$27.3	\$75.8	\$73.0
	Early Stage and Other Holdings				
	Life Sciences	(\$3.0)	(\$8.2)	(\$12.2)	(\$17.1)
	Broadcasting	(2.4)	-	(13.7)	-
	Other	(1.0)	(1.1)	(2.2)	(4.4)
	Total Early Stage and Other	(\$6.4)	(\$9.3)	(\$28.1)	(\$21.6)
	Non-Operating Corporate	(\$6.2)	(\$8.3)	(\$18.3)	(\$20.4)
	Total HC2 (excluding Insurance)	\$13.7	\$9.8	\$29.4	\$31.1
Pre-Tax Insurance AOI*	Core Financial Services				
	Insurance	(\$11.3)	\$17.0	(\$8.7)	\$20.6

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

Note: Reconciliations of Adjusted EBITDA and Pre-Tax Insurance AOI to U.S. GAAP Net Income in appendix. Table may not foot due to rounding. Broadcasting segment was formed in Q1 2018; no comparable results for Q3 and YTD 2017.

All data as of September 30, 2018 unless otherwise noted

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Third Quarter 2018 Highlights

Construction

- ◆ 3Q18 Adjusted EBITDA \$16.0m vs. \$16.8m for 3Q17; YTD18 Adjusted EBITDA \$41.5m vs. \$36.5m for YTD17
- ◆ \$615m reported backlog; \$632m backlog taking into consideration awarded, but not yet signed contracts;
- ◆ Acquiring GrayWolf Industrial, a specialty maintenance, repair and installation service provider for \$135M
 - ◆ Provides diversification of revenue and earnings; helps offset cyclicity of commercial construction market
 - ◆ Just over \$20 million in annual Adjusted EBITDA with minimal capex, strong cash flows and Blue-Chip customer base
- ◆ Reaffirm FY18 Guidance: Continue to expect \$60m and \$65m of FY18 Adjusted EBITDA



Marine Services

- ◆ 3Q18 Adjusted EBITDA \$7.9m vs. \$8.8m for 3Q17; YTD18 Adjusted EBITDA \$25.8m vs. \$28.8m for YTD17
- ◆ GMSL – Continued solid backlog at \$358m -- Huawei Marine equity investment - Continued strong backlog over \$350m
- ◆ 3Q18 performance driven by the Huawei Marine Network equity investment, offset by higher than expected costs on a certain offshore power construction project and increases in unutilized vessel costs attributable to timing of new project work
- ◆ Huawei Marine Network implemented a new long-term annual dividend policy after several years of meaningful shareholder value creation:
 - ◆ Global Marine received ~US\$10m of dividends in 3Q18; Will receive additional special dividends of ~\$4.9m in 4Q18 and ~\$4.9m in 2Q19
 - ◆ Going forward, equity investment partners will annually distribute a minimum of 30% of cumulative distributable net profits as dividends based on audited annual financials
- ◆ Executed five-year cable repair framework agreement with a leading offshore wind power developer covering their European assets
- ◆ Exploring strategic alternatives for the Global Marine business, including a potential sale; proceeds to pay down HC2 Holdco debt
- ◆ Reaffirm FY18 Guidance: Continue to expect \$45m and \$50m of FY18 Adjusted EBITDA



Energy

- ◆ 3Q18 Adjusted EBITDA \$1.0m vs. \$0.3m for 3Q17; YTD18 Adjusted EBITDA \$4.7m vs. \$2.5m for YTD17
- ◆ Seek to increase existing station utilization; Focus on business development and marketing efforts to drive organic sales; Develop preferred fueling agreements with new and existing customers to ramp volumes; Continue to increase flow of Renewable Natural Gas (RNG) through ANG stations



Telecom

- ◆ 3Q18 Adjusted EBITDA \$1.5m vs. \$1.5m for 3Q17; YTD18 Adjusted EBITDA \$3.9m vs. \$5.3m for YTD17
- ◆ ICS Group to acquire Go2Tel.com Inc. a well-established VoIP carrier that offers high-quality termination services, primarily in Latin America, South America and the Caribbean region





Third Quarter 2018 Highlights (con't)

Insurance

- ◆ Completed Acquisition of Humana's ~\$2.4 billion long-term care insurance business – (Closed 8/9/18)
- ◆ 3Q18 Pretax Insurance AOI (\$11.3) million vs. \$17.0 million 3Q17
- ◆ YTD18 Pretax Insurance AOI (\$8.7) million vs. \$20.6 million YTD17
- ◆ As of September 30, 2018, inclusive of Humana assets:
 - Statutory Surplus ~\$300 million
 - Total Adjusted Capital ~\$330 million
 - GAAP Assets of ~\$5.5 billion
 - Cash and Invested Assets ~\$4.1 billion
- ◆ ~\$15 million annual investment management fee, with potential back-end upside
- ◆ Ring-fenced liabilities / no-parent guarantees



Pansend

- ◆ The U.S. Food and Drug Administration has granted Breakthrough Device designation to MediBeacon for the company's Transdermal GFR Measurement System ("TFGR"). The device is intended to measure Glomerular Filtration Rate ("GFR") in patients with impaired or normal renal function.⁽¹⁾
- ◆ Under the Breakthrough Devices program, a provision of the 21st Century Act, the FDA works with companies to expedite regulatory review in order to give patients more timely access to diagnostic and therapeutic technologies.
- ◆ The TFGR is designed to provide clinicians real-time measurement of GFR at the point of care with no need for blood sampling or urine collection. The ability to measure GFR is of high clinical interest, especially in patients with or at risk of kidney disease.
- ◆ R2 Dermatology and MediBeacon remain in discussions with strategic parties for possible monetizations

PANSEND

Broadcasting

- ◆ 3Q18 Adjusted EBITDA (\$2.4) million; YTD18 Adjusted EBITDA (\$13.7) million
- ◆ Operational Stations*: 164
 - Full-Power Stations: 14
 - Class A Stations: 52
 - LPTV Stations: 98
 - Silent Licenses & Construction Permits: ~400
- ◆ U.S. Markets*: >130
- ◆ Total Footprint Covers Approximately 60% of the U.S. Population*
- ◆ Obtained \$38 million debt and equity financing:
 - \$35 million one-year secured note; 8.5% rate payable at maturity and secured by certain of HC2 Station Group, Inc. and HC2 LPTV Holdings, Inc.'s assets
 - 2.0% of outstanding common stock of HC2 Broadcasting purchased for \$3.1 million
 - Issued warrants to purchase additional 2.0% of common stock of HC2 Broadcasting



⁽¹⁾ Data on file, MediBeacon, Inc., St. Louis, MO.
 * Metrics include pending transactions as of November 6, 2018.



2018 Focus and Priorities – Update

- ◆ **Monetization / Value Creation Within Diverse HC2 Portfolio**
 - Sold BeneVir to Janssen Biotech (Johnson & Johnson) for up to \$1.04 billion [2Q18]
 - Closed on the acquisition of Humana's \$2.4 billion long-term care insurance business;
 - ◆ Combined Total Adjusted Capital is now approximately \$330M [3Q18]
 - Announced the evaluation of strategic alternatives for Global Marine, including potential sale
 - Announced DBM Global's pending acquisition of Graywolf Industrial; diversification of revenue and service offering strong, stable cash flow [4Q18]
- ◆ **Continued Focused Expansion of Over-The-Air Broadcast Television Strategy**
 - Expanded market reach by building a nationwide network through strategic acquisitions
 - Identified significant opportunities to reduce costs and increase efficiencies
 - Building out and integrating infrastructure to support vision of creating a valuable content distribution "pipeline"
- ◆ **Optimization of HC2 Capital Structure**
 - Expect to price and close a new senior secured debt offering to refinance our existing 11% notes
 - Obtained \$38 million new debt and equity financing at Broadcasting subsidiary, validating the Broadcasting strategy and vision
- ◆ **Diverse and Meaningful Sources of Liquidity at HC2 Holdco**
- ◆ **Re-Affirmed 2018 Guidance for Construction & Marine Services**
 - **DBM Global:** Currently expect \$60 million - \$65 million of FY18 Adjusted EBITDA
 - **Global Marine:** Currently expect \$45 million - \$50 million of FY18 Adjusted EBITDA

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).



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Appendix:

HC2's Diversified Portfolio



Core Operating Subsidiaries

Construction: DBM GLOBAL (SCHUFF)

- ◆ 3Q18 Revenue: \$195.4m
- ◆ 3Q18 Adj. EBITDA: \$16.0m
- ◆ YTD18 Adj. EBITDA: \$41.5m
- ◆ Backlog \$615m; ~\$632m with contracts awarded, but not yet signed
- ◆ Solid long-term pipeline
- ◆ Pending acquisition of Graywolf Industrial



Marine Services: GMSL

- ◆ 3Q18 Revenue: \$44.8m
- ◆ 3Q18 Adj. EBITDA: \$7.9m
- ◆ YTD18 Adj. EBITDA: \$25.8m
- ◆ GMSL Backlog \$358m
- ◆ Huawei equity investment Backlog: ~\$350m
- ◆ Solid long term telecom and offshore power maintenance & install opportunities
- ◆ Evaluating strategic alternatives including a potential sale



Energy: ANG

- ◆ 3Q18 Revenue: \$4.6m
- ◆ 3Q18 Adj. EBITDA: \$1.0m
- ◆ YTD18 Adj. EBITDA: \$4.7m
- ◆ Delivered 2,977,000 Gasoline Gallon Equivalents (GGEs) in 3Q18 vs. 2,739,000 GGEs in 3Q17
- ◆ ~40 stations currently owned or operated or under development vs. two stations at time of HC2's initial investment in 3Q14



Telecommunications: PTGI ICS

- ◆ 3Q18 Revenue: \$187.8m
- ◆ 3Q18 Adj. EBITDA: \$1.5m
- ◆ YTD18 Adj. EBITDA: \$3.9m
- ◆ Continued focus on higher margin wholesale traffic mix and improved operating efficiencies



Core Financial Services Subsidiaries

Insurance: CIG

- ◆ ~\$300m of statutory surplus
- ◆ ~\$330m total adjusted capital
- ◆ ~\$5.5b total GAAP assets
- ◆ ~\$4.1b cash & invested assets
- ◆ Platform for growth through additional M&A including recent acquisition of Humana's ~\$2.4b long-term care portfolio



Early Stage and Other Holdings

Life Sciences: PANSEND

- ◆ **BeneVir:** Oncolytic viral immunotherapy for treatment of solid cancer tumors; Sold to Janssen Biotech (Johnson & Johnson) for up to \$1.04 billion 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 brighten skin 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 valuable content to more viewers over-the-air and position the company for a changing media landscape



All data as of September 30, 2018 unless otherwise noted; Humana acquisition closed on 8/9/18



Consolidated Financial Summary

(\$m)		Q3 2018	Q3 2017	YTD 2018	YTD 2017
Statement of Operations <i>(Selected Financial Data)</i>	Total Net Revenue	\$501.4	\$406.4	\$1,451.8	\$1,175.6
	Total Operating Expenses	525.7	395.8	1,495.5	1,175.3
	Income (Loss) From Operations	(24.4)	10.6	(43.6)	0.3
	Interest Expense	(17.5)	(13.2)	(54.0)	(39.4)
	Income From Equity Investees	8.1	1.0	13.7	12.7
	Income (loss) Before Taxes	142.3	4.5	194.3	(28.5)
	Net Loss attributable to common and participating preferred	\$152.8	(\$6.7)	\$171.7	(\$40.5)
Non-GAAP Measures	Core Operating Adjusted EBITDA	\$26.3	\$27.3	\$75.8	\$73.0
	Total Adjusted EBITDA (excl. Insurance)	\$13.7	\$9.8	\$29.4	\$31.1
	Pre-Tax Insurance AOI*	(\$11.3)	\$17.0	(\$8.7)	\$20.6

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

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



Segment Financial Summary

(\$m)		Q3 2018	Q2 2018	Q1 2018	FY 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	FY 2016
Adjusted EBITDA	Core Operating Subsidiaries									
	Construction	\$16.0	\$15.5	\$10.0	\$51.6	\$15.1	\$16.8	\$11.1	\$8.6	\$59.9
	Marine Services	7.9	20.4	(2.4)	44.0	15.3	8.8	3.6	16.3	41.2
	Energy	1.0	3.0	0.7	2.9	0.4	0.3	1.0	1.2	2.5
	Telecom	1.5	1.3	1.1	6.9	1.6	1.5	2.2	1.7	5.6
	Total Core Operating	\$26.3	\$40.2	\$9.3	\$105.5	\$32.4	\$27.3	\$17.9	\$27.8	\$109.1
	Early Stage and Other Holdings									
	Life Sciences	(\$3.0)	(\$4.9)	(\$4.4)	(\$22.4)	(\$5.2)	(\$8.2)	(\$4.9)	(\$4.1)	(\$12.0)
	Broadcasting	(2.4)	(6.2)	(5.1)	(0.8)	(0.8)	0.0	0.0	0.0	0.0
	Other	(1.0)	(1.0)	(0.2)	(2.3)	2.1	(1.1)	(2.2)	(1.2)	(11.2)
Total Early Stage and Other	(\$6.4)	(\$12.1)	(\$9.6)	(\$25.5)	(\$3.9)	(\$9.3)	(\$7.1)	(\$5.2)	(\$23.2)	
Non-Operating Corporate	(\$6.2)	(\$5.4)	(\$6.7)	(\$29.2)	(\$8.7)	(\$8.3)	(\$6.3)	(\$5.9)	(\$25.7)	
Total HC2 (excluding Insurance)	\$13.7	\$22.7	(\$6.9)	\$50.8	\$19.7	\$9.8	\$4.6	\$16.7	\$60.2	
Pre-Tax Insurance AOI*	Core Financial Services									
	Insurance	\$(11.3)	\$0.5	\$2.2	\$24.2	\$3.6	\$17.0	\$4.1	(\$0.5)	(\$2.7)

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

Note: Reconciliations of Adjusted EBITDA and Pre-Tax Insurance AOI to U.S. GAAP Net Income in appendix. Table may not foot due to rounding. Pre-Tax Insurance Adjusted Operating Income for Q1 2016 was adjusted to exclude certain intercompany eliminations to better reflect the results of the Insurance segment, and remain consistent with internally reported metrics. Additional details in appendix.

All data as of September 30, 2018 unless otherwise noted

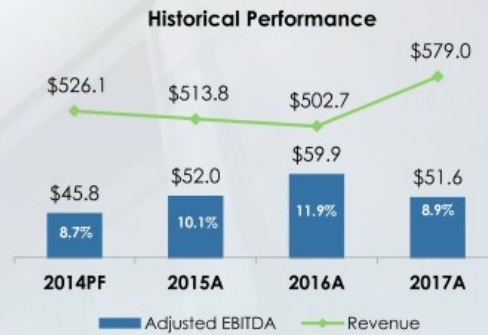
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Third Quarter Update

- ◆ 3Q18 Net Income: \$9.2m vs. \$7.1m in 3Q17; YTD18 Net Income \$20.1m vs. \$14.5m for YTD17
- ◆ 3Q18 Adjusted EBITDA: \$16.0m vs. \$16.8m in 3Q17
- ◆ YTD18 Adjusted EBITDA: \$41.5m vs. \$36.5m for the comparable 2017 YTD period
- ◆ Backlog of \$615m at end of 3Q18, vs. \$656m in year-ago quarter
 - ~\$632m taking into consideration awarded, but not yet signed contracts
- ◆ Continued ramp of Inglewood Stadium (LA Rams / Chargers); Loma Linda Hospital; Google Bayview
- ◆ Acquiring GrayWolf Industrial, a specialty maintenance, repair and installation service provider for \$135M
 - ◆ Provides diversification of revenue and earnings; helps offset cyclical nature of commercial construction market
 - ◆ Just over \$20 million annual Adjusted EBITDA with minimal capex, strong cash flows and Blue-Chip customer base
- ◆ Reaffirm FY18 Guidance: Continue to expect \$60 million and \$65 million of FY18 Adjusted EBITDA

Strategic Initiatives

- ◆ Continue to select profitable, strategic and "core competency" jobs, not all jobs
- ◆ Solid long-term pipeline of prospective projects; No shortage of transactions to evaluate
- ◆ Commercial / Healthcare sectors remain strong, primarily in West region
- ◆ Continue to diversify core business to counter cyclical nature of commercial construction
- ◆ Opportunities to add higher margin, value added services to overall product offering (e.g. BDS VirCon/PDC/Candraft)
- ◆ Expanding U.S. bridge & infrastructure construction opportunities



Third Quarter Update

- ◆ 3Q18 Net Income (Loss): Net (Loss) (\$0.5)m vs. Net Income \$0.8m in 3Q17; YTD18 Net Income \$4.1m vs. \$8.9m for YTD17
- ◆ 3Q18 Adjusted EBITDA: \$7.9m vs. \$8.8m in 3Q17; Strong 3Q18 performance from Huawei Marine equity investment, offset by some higher than expected costs on a certain offshore power construction project and an increase in unutilized vessel costs attributable to recently acquired marine assets and the timing of new project work
- ◆ YTD18 Adjusted EBITDA: \$25.8m vs. \$28.8m for the comparable 2017 YTD period
- ◆ Global Marine backlog of \$358m at 3Q18 quarter-end – Huawei Marine equity investment - Continued strong backlog of ~\$350m
- ◆ Huawei Marine Network implemented a new long-term annual dividend policy after several years of meaningful shareholder value creation:
 - ◆ Global Marine received ~US\$10m of dividends in 3Q18; Will receive additional special dividends of ~\$4.9m in 4Q18 and ~\$4.9m in 2Q19
 - ◆ HMN will annually distribute a minimum of 30% of cumulative distributable net profits as dividends based on audited annual financials.
- ◆ Exploring strategic alternatives for the Global Marine business, including a potential sale; proceeds to pay down HC2 debt
- ◆ Reaffirm FY18 Guidance: Continue to expect \$45 million and \$50 million of FY18 Adjusted EBITDA

Strategic Initiatives



HUAWEI MARINE

49% ownership

Total HMN*	2017	2016	2015	2014
Revenue	~\$246m	~\$207m	~\$203m	~\$88m
Profit	~\$37m	~\$25m	~\$14m	~\$2m
Cash, Equivalents, & AFS Securities	~\$73m	~\$48m	~\$27m	~\$16m



49% ownership

- ◆ Equity investment established in 1995 with China Telecom
- ◆ China's leading provider of submarine cable installation
- ◆ Located in Shanghai and possesses a fleet of advanced purpose-built cable ships



Historical Performance



Note: 2014 PF Adj. EBITDA inclusive of approx. \$10m offshore power installation vs. minimal contribution in 2015 & 1H16 as a result of Prysmian agreement which expired in 4Q15

*Currency Exchange: CNY:USD 1:0.129 used for illustrative purposes
All data as of September 30, 2018 unless otherwise noted

Third Quarter Update

- ◆ 3Q18 Net Income (Loss): Net (Loss) (\$0.6)m vs. (\$0.9)m in 3Q17; YTD18 Net (Loss) of (\$0.6)m vs. (\$2.0)m for YTD17
- ◆ 3Q18 Adjusted EBITDA: \$1.0m vs. \$0.3m in 3Q17
- ◆ YTD18 Adjusted EBITDA: \$4.7m vs. \$2.5m for the comparable 2017 YTD period
- ◆ Delivered 2,977,000 Gasoline Gallon Equivalents (GGEs) in 3Q18 vs. 2,739,000 GGEs in 3Q17
- ◆ Seek to increase existing station utilization
- ◆ Continued focus on business development and marketing efforts to drive organic sales
- ◆ Develop preferred fueling agreements with new and existing customers to ramp volumes and continue to increase flow of Renewable Natural Gas (RNG) through ANG stations
- ◆ ~40 stations currently owned or operated or under development vs. two stations at time of initial investments (3Q14)



Third Quarter Update

- ◆ 3Q18 Net Income: \$1.3m vs. \$1.3m in 3Q17; YTD18 Net Income of \$3.4m vs. \$4.9m for YTD17
- ◆ 3Q18 Adjusted EBITDA: \$1.5m vs. \$1.5m in 3Q17
- ◆ YTD18 Adjusted EBITDA: \$3.9m vs. \$5.3m for the comparable 2017 YTD period
- ◆ ICS Group to acquire Go2Tel.com Inc. a well-established VoIP carrier that offers high-quality termination services, primarily in Latin America, South America and the Caribbean region
- ◆ One of the key objectives: leverage the infrastructure and management expertise within PTGi-ICS
 - Over 800+ wholesale interconnections globally provides HC2 the opportunity to leverage the existing cost effective infrastructure by bolting on higher margin products and M&A opportunities
 - A focused strategic initiative has been launched within PTGi-ICS to identify potential M&A opportunities





Insurance: Continental Insurance Group

Third Quarter Update

- ◆ Continental Insurance Group serves as HC2's insurance platform and, through its wholly owned subsidiary, Continental LTC Inc. ("CLI"), offers a platform for run-off Long Term Care ("LTC") books of business
- ◆ "Ring Fenced" Liabilities – No Parent Guarantees
 - 3Q18 Net Income: \$141.1m vs. \$4.3m in 3Q17
 - 3Q18 Pre-Tax Insurance AOI: (\$11.3)m vs. \$17.0m in 3Q17
 - ~\$300m statutory surplus at end of third quarter
 - ~\$330m total adjusted capital at end of third quarter
 - ~\$5.5b in total GAAP assets at September 30, 2018
 - ~\$4.1b in cash and invested assets at September 30, 2018
- ◆ Recent acquisition of Humana's ~\$2.4 billion Long-Term Care Insurance Business: (Closed 8/9/18)
 - 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
 - Expected ~\$15m annual investment management fee, with potential back-end upside

Note: Reconciliation of Pre-Tax Insurance AOI to U.S. GAAP Net Income in appendix. All data as of September 30, 2018 unless otherwise noted.

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HC2's Pansend Life Sciences Segment Is Focused on the Development of Innovative Healthcare Technologies and Products

BeneVir

- ◆ Recently completed sale to Janssen Biotech, Inc. (Johnson & Johnson) for up to \$1.04 billion (2Q18); \$8m total investment
- ◆ 76% equity ownership of company focused on immunotherapy; Oncolytic virotherapy for treatment of solid cancer tumors
- ◆ Founded by Dr. Matthew Mulvey & Dr. Ian Mohr (who co-developed T-Vec); Biovex (owner of T-Vec) acquired by Amgen for ~\$1 billion
- ◆ BeneVir's T-Stealth is a second generation oncolytic virus with new features and new intellectual property
- ◆ BeneVir holds exclusive worldwide license to develop BV-2711 (T-Stealth)
- ◆ Granted new patent entitled "Oncolytic Herpes Simplex Virus and Therapeutic Uses Thereof", covering the composition of matter for Stealth-1H, BeneVir's lead oncolytic immunotherapy, as well as other platform assets (2Q17)

MediBeacon

- ◆ 50% equity ownership in company with unique technology and device for monitoring of real-time kidney function
- ◆ The U.S. Food and Drug Administration has granted Breakthrough Device designation to MediBeacon for the company's Transdermal GFR Measurement System ("TFGR"). The device is intended to measure Glomerular Filtration Rate ("GFR") in patients with impaired or normal renal function.⁽¹⁾
- ◆ Under the Breakthrough Devices program, a provision of the 21st Century Act, the FDA works with companies to expedite regulatory review in order to give patients more timely access to diagnostic and therapeutic technologies.
- ◆ The TGFR is designed to provide clinicians real-time measurement of GFR at the point of care with no need for blood sampling or urine collection. The ability to measure GFR is of high clinical interest, especially in patients with or at risk of kidney disease.



- ◆ 74% equity ownership of dermatology company focused on lightening and brightening skin
- ◆ Founded by Pansend in partnership with Mass. General Hospital and inventors Dr. Rox Anderson, Dieter Manstein and Dr. Henry Chan
- ◆ Over \$20 billion global market
- ◆ Received Food and Drug Administration approval for the R2 Dermal Cooling System (4Q16)
- ◆ Received Food and Drug Administration approval for second generation R2 Dermal Cooling System (2Q17)

GENOVEL

- ◆ 80% equity ownership in company with unique knee replacements based on technology from Dr. Peter Walker, NYU Dept. of Orthopedic Surgery and one of the pioneers of the original Total Knee.
- ◆ "Mini-Knee" for early osteoarthritis of the knee; "Anatomical Knee" – A Novel Total Knee Replacement
- ◆ Strong patent portfolio



- ◆ Profitable technology and product development company
- ◆ Areas of expertise include medical devices, homeland security, imaging systems, sensors, optics, fluidics, robotics and mobile healthcare
- ◆ Located in Silicon Valley and Boston area with over 90,000 square feet of working laboratory and incubator space
- ◆ Contract R&D market growing rapidly
- ◆ Customers include Fortune 500 companies and start-ups

⁽¹⁾ Data on file, MediBeacon, Inc., St. Louis, MO.
All data as of September 30, 2018 unless otherwise noted



BeneVir:

- ◆ **BeneVir was a portfolio company of Pansend, our Life Sciences segment**
 - Focused on the development of a patent-protected oncolytic virus, BV-2711, for the treatment of solid cancer tumors
- ◆ **Pansend was the owner of all of BeneVir's outstanding preferred stock, through which Pansend held an approximate 80%, or ~76% on a fully diluted basis, controlling interest in BeneVir**
- ◆ **On June 11th, 2018, BeneVir completed its sale to Janssen Biotech, Inc. ("Janssen"), one of the Janssen Pharmaceutical Companies of Johnson & Johnson**
- ◆ **Janssen made an upfront cash payment of \$140 million to BeneVir shareholders at the closing, of which HC2 received approximately \$73 million, excluding approximately \$9 million being held in escrow**
- ◆ **Janssen will make additional payments of up to \$900 million to BeneVir shareholders if achievement of certain predetermined milestones are met**
- ◆ **HC2 had invested ~\$8 million in BeneVir since inception**



Business Description*

- ◆ HC2 Broadcasting Holdings Inc., a subsidiary of HC2 Holdings, has strategically acquired broadcast assets across the United States
- ◆ HC2's broadcast vision is to capitalize on the opportunities to bring valuable content to more viewers over-the-air and position the company for a changing media landscape



Broadcast Television Stations: Key Metrics**

- ◆ Operational Stations: 164
 - Full-Power Stations: 14
 - Class A Stations: 52
 - LPTV Stations: 98
- ◆ Silent Licenses & Construction Permits: ~400
- ◆ U.S. Markets: >130
- ◆ Total Footprint Covers Approximately 60% of the U.S. Population

Select Management:

- ◆ Kurt Hanson – Chief Technology Officer, HC2 Broadcasting Holdings
- ◆ Louis Libin – Managing Director, Strategy, HC2 Broadcasting Holdings
- ◆ Les Levi – Chief Operating Officer, HC2 Broadcasting Holdings
- ◆ Rebecca Hanson – General Counsel, HC2 Broadcasting Holdings
- ◆ Manuel Abud – President and CEO, Azteca America



*Map based on 2010 population data
 **Metrics include pending transactions as of November 6, 2018.



Notable Financial and Other Updates

- ◆ **Collateral Coverage Ratio Exceeded 2.00x at Quarter End (3Q18)**
- ◆ **\$82.5 million in Consolidated Cash (excluding Insurance segment) at Quarter End (3Q18)**
 - \$44.4 million Corporate Cash at Quarter End
- ◆ **2018 Key Priorities:**
 - Monetization / value creation within diverse HC2 portfolio
 - Continued focused expansion of Over-the-Air broadcast television strategy
 - Optimization of HC2 capital structure
- ◆ **Re-Affirmed 2018 Guidance for Construction & Marine Services**
 - DBM Global: Continue to expect \$60 million - \$65 million of FY18 Adjusted EBITDA
 - Global Marine: Continue to expect \$45 million - \$50 million of FY18 Adjusted EBITDA

(\$m)	Balance Sheet (at September 30, 2018)
Market Cap ⁽¹⁾	\$238.5
Preferred Equity	\$26.7
Total Corporate Debt	\$510.0
Corporate Cash ⁽²⁾	\$44.4
Enterprise Value ⁽³⁾	\$730.8

(1) Market capitalization on a fully diluted basis, excluding preferred equity, using a common stock price per share of \$5.33 on November 6, 2018

(2) Cash and cash equivalents

(3) Enterprise Value is calculated by adding market capitalization, total preferred equity and total debt amounts, less corporate cash

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).



Envision. Empower. Execute.

Reconciliations



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

(in thousands)

Three Months Ended September 30, 2018	Core Operating Subsidiaries				Early Stage & Other			Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination		
Net Income attributable to HC2 Holdings, Inc.									\$ 153,466
Less: Net Income attributable to HC2 Holdings Insurance Segment									141,068
Less: Consolidating eliminations attributable to HC2 Holdings Insurance segment									23,072
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 9,203	\$ (515)	\$ (562)	\$ 1,302	\$ (2,636)	\$ (4,686)	\$ 4,487	\$ (17,267)	\$ (10,674)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	1,851	6,853	1,389	89	35	827	11	21	11,076
Depreciation and amortization (included in cost of revenue)	1,792	-	-	-	-	-	-	-	1,792
Amortization of equity method fair value adjustment at acquisition	-	(371)	-	-	-	-	-	-	(371)
(Gain) loss on sale or disposal of assets	(681)	(118)	-	-	-	(20)	-	-	(819)
Interest expense	594	1,221	408	-	-	534	-	14,588	17,345
Other (income) expense, net	(1,938)	(263)	58	(21)	(14)	361	(3,606)	1,569	(3,854)
Gain on sale and deconsolidation of subsidiary	-	-	-	-	22	-	(1,540)	-	(1,518)
Foreign currency (gain) loss (included in cost of revenue)	-	156	-	-	-	-	-	-	156
Income tax (benefit) expense	3,842	147	7	-	-	-	-	(6,483)	(2,487)
Noncontrolling interest	750	27	(268)	-	(463)	(1,538)	(433)	-	(1,925)
Bonus to be settled in equity	-	-	-	-	-	-	-	165	165
Share-based payment expense	-	492	1	-	52	1,657	75	1,032	3,309
Non-recurring items	-	-	-	-	-	-	-	-	-
Acquisition and disposition costs	538	239	-	105	-	449	-	146	1,477
Adjusted EBITDA	\$ 15,951	\$ 7,868	\$ 1,033	\$ 1,475	\$ (3,004)	\$ (2,416)	\$ (1,006)	\$ (6,229)	\$ 13,672
Total Core Operating Subsidiaries	\$ 26,327								



Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA Three Months Ended September 30, 2017

(in thousands)

Three Months Ended September 30, 2017	Core Operating Subsidiaries				Early Stage & Other			Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination		
Net loss attributable to HC2 Holdings, Inc.									\$ (5,967)
Less: Net Income attributable to HC2 Holdings Insurance segment									4,280
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 7,082	\$ 844	\$ (939)	\$ 1,348	\$ (6,760)	\$ -	\$ (600)	\$ (11,222)	\$ (10,247)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	1,314	6,221	1,247	94	50	-	272	17	9,215
Depreciation and amortization (included in cost of revenue)	1,293	-	-	-	-	-	-	-	1,293
Amortization of equity method fair value adjustment at acquisition	-	(573)	-	-	-	-	-	-	(573)
(Gain) loss on sale or disposal of assets	486	-	25	-	-	-	-	-	511
Lease termination costs	-	-	-	15	-	-	-	-	15
Interest expense	238	1,021	262	14	-	-	1	11,686	13,222
Net loss (gain) on contingent consideration	-	-	-	-	-	-	-	(6,320)	(6,320)
Other (income) expense, net	(165)	888	277	12	(10)	-	(118)	(718)	166
Foreign currency (gain) loss (included in cost of revenue)	-	(238)	-	-	-	-	-	-	(238)
Income tax (benefit) expense	4,481	(137)	-	-	-	-	-	(4,746)	(402)
Noncontrolling interest	558	43	(763)	-	(1,506)	-	(689)	-	(2,357)
Bonus to be settled in equity	-	-	-	-	-	-	-	765	765
Share-based payment expense	-	394	179	-	71	-	19	718	1,381
Non-recurring items	-	-	-	-	-	-	-	-	-
Acquisition and disposition costs	1,501	300	-	-	-	-	-	1,564	3,365
Adjusted EBITDA	\$ 16,788	\$ 8,763	\$ 288	\$ 1,483	\$ (8,155)	\$ -	\$ (1,115)	\$ (8,256)	\$ 9,796
Total Core Operating Subsidiaries	\$ 27,322								



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

(in thousands)

Nine Months Ended September 30, 2018	Core Operating Subsidiaries				Early Stage & Other			Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination		
Net Income attributable to HC2 Holdings, Inc.									\$ 173,836
Less: Net Income attributable to HC2 Holdings Insurance Segment									142,878
Less: Consolidating eliminations attributable to HC2 Holdings Insurance segment									19,076
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 20,067	\$ 4,096	\$ (581)	\$ 3,395	\$ 67,552	\$ (29,238)	\$ 3,779	\$ (57,188)	\$ 11,882
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	5,043	20,110	4,092	262	146	2,275	53	62	32,043
Depreciation and amortization (included in cost of revenue)	5,071	-	-	-	-	-	-	-	5,071
Amortization of equity method fair value adjustment at acquisition	-	(1,112)	-	-	-	-	-	-	(1,112)
Asset impairment expense	-	-	277	-	-	104	-	-	381
(Gain) loss on sale or disposal of assets	(253)	(2,779)	(223)	-	-	(12)	-	-	(3,267)
Interest expense	1,462	3,712	1,154	-	-	7,763	2	39,758	53,851
Loss on early extinguishment of debt	-	-	-	-	-	2,537	-	-	2,537
Other (income) expense, net	(1,915)	(1,296)	190	19	70	379	(3,433)	1,073	(4,913)
Gain on sale and deconsolidation of subsidiary	-	-	-	-	(102,119)	-	(1,540)	-	(103,659)
Foreign currency (gain) loss (included in cost of revenue)	-	(366)	-	-	-	-	-	-	(366)
Income tax (benefit) expense	8,992	149	20	-	1	14	(272)	(7,039)	1,865
Noncontrolling interest	1,633	1,693	(277)	-	19,469	(2,848)	(1,055)	-	18,615
Bonus to be settled in equity	-	-	-	-	-	-	-	515	515
Share-based payment expense	-	1,378	5	-	144	2,319	286	3,970	8,102
Non-recurring items	-	-	-	-	-	-	-	-	-
Acquisition and disposition costs	1,353	239	-	182	2,528	3,023	-	564	7,889
Adjusted EBITDA	\$ 41,453	\$ 25,824	\$ 4,657	\$ 3,858	\$ (12,209)	\$ (13,684)	\$ (2,180)	\$ (18,285)	\$ 29,434
Total Core Operating Subsidiaries	\$ 75,792								



Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA Nine Months Ended September 30, 2017

(in thousands)

Nine Months Ended September 30, 2017	Core Operating Subsidiaries				Early Stage & Other			Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination		
Net (Loss) attributable to HC2 Holdings, Inc.									\$ (38,374)
Less: Net Income attributable to HC2 Holdings Insurance Segment									3,683
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 14,464	\$ 8,943	\$ (2,001)	\$ 4,910	\$ (14,276)	\$ -	\$ (9,787)	\$ (44,310)	\$ (42,057)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	4,194	16,561	3,876	285	129	-	933	50	26,028
Depreciation and amortization (included in cost of revenue)	3,835	-	-	-	-	-	-	-	3,835
Amortization of equity method fair value adjustment at acquisition	-	(1,223)	-	-	-	-	-	-	(1,223)
Asset impairment expense	-	-	-	-	-	-	1,810	-	1,810
(Gain) loss on sale or disposal of assets	93	(3,500)	39	-	-	-	-	-	(3,368)
Lease termination costs	-	249	-	15	-	-	-	-	264
Interest expense	619	3,363	552	37	-	-	2,408	32,431	39,410
Net loss (gain) on contingent consideration	-	-	-	-	-	-	-	(6,001)	(6,001)
Other (income) expense, net	(158)	2,443	1,652	77	(25)	-	2,800	(460)	6,329
Foreign currency (gain) loss (included in cost of revenue)	-	(131)	-	-	-	-	-	-	(131)
Income tax (benefit) expense	9,792	239	12	-	(0)	-	0	(9,112)	931
Noncontrolling interest	1,190	381	(2,002)	-	(3,208)	-	(2,666)	-	(6,305)
Bonus to be settled in equity	-	-	-	-	-	-	-	1,350	1,350
Share-based payment expense	-	1,133	361	-	239	-	66	2,207	4,006
Non-recurring items	-	-	-	-	-	-	-	-	-
Acquisition and disposition costs	2,447	300	-	-	-	-	-	3,425	6,172
Adjusted EBITDA	\$ 36,476	\$ 28,758	\$ 2,489	\$ 5,324	\$ (17,141)	\$ -	\$ (4,436)	\$ (20,420)	\$ 31,050
Total Core Operating Subsidiaries	\$ 73,047								



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

(in thousands)

Three Months Ended June 30, 2018	Core Operating Subsidiaries				Early Stage & Other			Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life	Broadcasting	Other & Elimination		
					Sciences				
Net Income attributable to HC2 Holdings, Inc.									\$ 55,366
Less: Net Income attributable to HC2 Holdings Insurance Segment									565
Less: Consolidating eliminations attributable to HC2 Holdings Insurance segment									(2,009)
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 7,397	\$ 10,864	\$ 679	\$ 1,040	\$ 74,124	\$ (11,816)	\$ (552)	\$ (24,926)	\$ 56,810
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	1,665	6,429	1,359	87	53	743	21	20	10,377
Depreciation and amortization (included in cost of revenue)	1,686	-	-	-	-	-	-	-	1,686
Amortization of equity method fair value adjustment at acquisition	-	(370)	-	-	-	-	-	-	(370)
Asset impairment expense	-	-	277	-	-	104	-	-	381
(Gain) loss on sale or disposal of assets	13	(25)	(192)	-	-	8	-	-	(196)
Interest expense	458	1,328	426	-	-	1,523	-	13,446	17,181
Loss on early extinguishment of debt	-	-	-	-	-	2,537	-	-	2,537
Gain on sale and deconsolidation of subsidiary	-	-	-	-	(102,141)	-	-	-	(102,141)
Other (income) expense, net	(66)	(1,981)	66	99	56	93	121	226	(1,386)
Foreign currency (gain) loss (included in cost of revenue)	-	(420)	-	-	-	-	-	-	(420)
Income tax (benefit) expense	3,318	68	13	-	1	14	(272)	2,759	5,901
Noncontrolling interest	601	4,030	324	-	20,679	(700)	(536)	-	24,398
Bonus to be settled in equity	-	-	-	-	-	-	-	175	175
Share-based payment expense	-	476	2	-	18	349	200	2,660	3,705
Non-recurring items	-	-	-	-	-	-	-	-	-
Acquisition and disposition costs	456	-	-	49	2,355	928	-	240	4,028
Adjusted EBITDA	\$ 15,528	\$ 20,399	\$ 2,954	\$ 1,275	\$ (4,855)	\$ (6,217)	\$ (1,018)	\$ (5,400)	\$ 22,666
Total Core Operating Subsidiaries	\$ 40,156								



Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA Three Months Ended March 31, 2018

(in thousands)

Three Months Ended March 31, 2018	Core Operating Subsidiaries				Early Stage & Other			Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination		
Net Income (loss) attributable to HC2 Holdings, Inc.									\$ (34,996)
Less: Net Income attributable to HC2 Holdings Insurance Segment									1,245
Less: Consolidating eliminations attributable to HC2 Holdings Insurance segment									(1,987)
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 3,467	\$ (6,253)	\$ (698)	\$ 1,053	\$ (3,936)	\$ (12,736)	\$ (156)	\$ (14,995)	\$ (34,254)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	1,527	6,828	1,344	86	58	705	21	21	10,590
Depreciation and amortization (included in cost of revenue)	1,593	-	-	-	-	-	-	-	1,593
Amortization of equity method fair value adjustment at acquisition	-	(371)	-	-	-	-	-	-	(371)
(Gain) loss on sale or disposal of assets	415	(2,636)	(31)	-	-	-	-	-	(2,252)
Interest expense	410	1,163	320	-	-	5,706	2	11,724	19,325
Other (income) expense, net	89	948	66	(59)	28	(75)	52	(722)	327
Foreign currency (gain) loss (included in cost of revenue)	-	(102)	-	-	-	-	-	-	(102)
Income tax (benefit) expense	1,832	(66)	-	-	-	-	-	(3,315)	(1,549)
Noncontrolling interest	282	(2,364)	(333)	-	(747)	(610)	(86)	-	(3,858)
Bonus to be settled in equity	-	-	-	-	-	-	-	175	175
Share-based payment expense	-	410	2	-	74	313	11	278	1,088
Non-recurring items	-	-	-	-	-	-	-	-	-
Acquisition costs	359	-	-	28	173	1,646	-	178	2,384
Adjusted EBITDA	\$ 9,974	\$ (2,443)	\$ 670	\$ 1,108	\$ (4,350)	\$ (5,051)	\$ (156)	\$ (6,656)	\$ (6,904)
Total Core Operating Subsidiaries	\$ 9,309								



Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA Full Year Ended December 31, 2017

(in thousands)

Year Ended December 31, 2017	Core Operating Subsidiaries				Early Stage & Other			Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination		
Net loss attributable to HC2 Holdings, Inc.									\$ (46,911)
Less: Net Income attributable to HC2 Holdings Insurance segment									7,066
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 23,624	\$ 15,173	\$ (516)	\$ 6,163	\$ (18,098)	\$ (4,941)	\$ (13,064)	\$ (62,318)	\$ (53,977)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	5,583	22,898	5,071	371	186	302	1,206	71	35,688
Depreciation and amortization (included in cost of revenue)	5,254	-	-	-	-	-	-	-	5,254
Amortization of equity method fair value adjustment at acquisition	-	(1,594)	-	-	-	-	-	-	(1,594)
Asset impairment expense	-	-	-	-	-	-	1,810	-	1,810
(Gain) loss on sale or disposal of assets	292	(3,500)	247	181	-	-	-	-	(2,780)
Lease termination costs	-	249	-	17	-	-	-	-	266
Interest expense	976	4,392	1,181	41	-	1,963	2,410	44,135	55,098
Net loss (gain) on contingent consideration	-	-	-	-	-	-	-	(11,411)	(11,411)
Other (income) expense, net	(41)	2,683	1,488	149	(17)	41	6,500	(92)	10,711
Foreign currency (gain) loss (included in cost of revenue)	-	(79)	-	-	-	-	-	-	(79)
Income tax (benefit) expense	10,679	203	(4,243)	7	(820)	(1,811)	682	(10,185)	(5,488)
Noncontrolling interest	1,941	260	(681)	-	(3,936)	755	(1,919)	-	(3,580)
Bonus to be settled in equity	-	-	-	-	-	-	-	4,130	4,130
Share-based compensation expense	-	1,527	364	-	319	194	85	2,754	5,243
Non-recurring items	-	-	-	-	-	-	-	-	-
Acquisition costs	3,280	1,815	-	-	-	2,648	-	3,764	11,507
Adjusted EBITDA	\$ 51,588	\$ 44,027	\$ 2,911	\$ 6,929	\$ (22,366)	\$ (849)	\$ (2,290)	\$ (29,152)	\$ 50,798
Total Core Operating Subsidiaries	\$ 105,455								



Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA Three Months Ended December 31, 2017

(in thousands)

Three Months Ended December 31, 2017	Core Operating Subsidiaries				Early Stage & Other			Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination		
Net loss attributable to HC2 Holdings, Inc.									\$ (8,537)
Less: Net Income attributable to HC2 Holdings Insurance segment									3,383
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 9,160	\$ 6,230	\$ 1,485	\$ 1,253	\$ (3,822)	\$ (4,941)	\$ (3,277)	\$ (18,008)	\$ (11,920)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	1,389	6,337	1,195	86	57	302	273	21	9,660
Depreciation and amortization (included in cost of revenue)	1,419	-	-	-	-	-	-	-	1,419
Amortization of equity method fair value adjustment at acquisition	-	(371)	-	-	-	-	-	-	(371)
Asset impairment expense	-	-	-	-	-	-	-	-	-
(Gain) loss on sale or disposal of assets	199	-	208	181	-	-	-	-	588
Lease termination costs	-	-	-	2	-	-	-	-	2
Interest expense	357	1,029	629	4	-	1,963	2	11,704	15,688
Net loss (gain) on contingent consideration	-	-	-	-	-	-	-	(5,410)	(5,410)
Other (income) expense, net	117	240	(164)	72	8	41	3,700	368	4,382
Foreign currency (gain) loss (included in cost of revenue)	-	52	-	-	-	-	-	-	52
Income tax (benefit) expense	887	(36)	(4,255)	7	(820)	(1,811)	682	(1,073)	(6,419)
Noncontrolling interest	751	(121)	1,321	-	(728)	755	747	-	2,725
Bonus to be settled in equity	-	-	-	-	-	-	-	2,780	2,780
Share-based compensation expense	-	394	3	-	80	194	19	547	1,237
Non-recurring items	-	-	-	-	-	-	-	-	-
Acquisition costs	833	1,515	-	-	-	2,648	-	339	5,335
Adjusted EBITDA	\$ 15,112	\$ 15,269	\$ 422	\$ 1,605	\$ (5,225)	\$ (849)	\$ 2,146	\$ (8,732)	\$ 19,748
Total Core Operating Subsidiaries	\$ 32,408								



Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA Three Months Ended June 30, 2017

(in thousands)

Three Months Ended June 30, 2017	Core Operating Subsidiaries				Early Stage & Other			Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination		
Net loss attributable to HC2 Holdings, Inc.									\$ (17,911)
Less: Net Income attributable to HC2 Holdings Insurance segment									164
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 4,179	\$ (3,053)	\$ (365)	\$ 2,060	\$ (4,106)	\$ -	\$ (3,757)	\$ (13,033)	\$ (18,075)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	1,240	5,255	1,381	94	41	-	331	16	8,358
Depreciation and amortization (included in cost of revenue)	1,302	-	-	-	-	-	-	-	1,302
Amortization of equity method fair value adjustment at acquisition	-	(325)	-	-	-	-	-	-	(325)
Asset impairment expense	-	-	-	-	-	-	1,810	-	1,810
(Gain) loss on sale or disposal of assets	(145)	-	18	-	-	-	-	-	(127)
Lease termination costs	-	55	-	-	-	-	-	-	55
Interest expense	174	1,040	154	14	-	-	16	10,675	12,073
Net loss (gain) on contingent consideration	-	-	-	-	-	-	-	-	88
Other (income) expense, net	28	490	255	(9)	(11)	-	803	214	1,770
Foreign currency (gain) loss (included in cost of revenue)	-	83	-	-	-	-	-	-	83
Income tax (benefit) expense	3,232	(134)	(1)	-	-	-	-	(6,543)	(3,446)
Noncontrolling interest	369	(156)	(492)	-	(911)	-	(1,372)	-	(2,562)
Bonus to be settled in equity	-	-	-	-	-	-	-	585	585
Share-based compensation expense	-	394	91	-	76	-	18	527	1,106
Non-recurring items	-	-	-	-	-	-	-	-	-
Acquisition costs	701	-	-	-	-	-	-	1,168	1,869
Adjusted EBITDA	\$ 11,080	\$ 3,649	\$ 1,041	\$ 2,159	\$ (4,911)	\$ -	\$ (2,151)	\$ (6,303)	\$ 4,564
Total Core Operating Subsidiaries	\$ 17,929								



Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA Three Months Ended March 31, 2017

(in thousands)

Three Months Ended March 31, 2017	Core Operating Subsidiaries				Early Stage & Other			Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life Sciences	Broadcasting	Other & Elimination		
Net loss attributable to HC2 Holdings, Inc.									\$ (14,496)
Less: Net loss attributable to HC2 Holdings Insurance segment									(761)
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 3,203	\$ 11,152	\$ (697)	\$ 1,502	\$ (3,410)	\$ -	\$ (5,430)	\$ (20,055)	\$ (13,735)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	1,640	5,085	1,248	97	38	-	330	16	8,454
Depreciation and amortization (included in cost of revenue)	1,240	-	-	-	-	-	-	-	1,240
Amortization of equity method fair value adjustment at acquisition	-	(325)	-	-	-	-	-	-	(325)
Asset impairment expense	-	-	-	-	-	-	-	-	-
(Gain) loss on sale or disposal of assets	(248)	(3,500)	(4)	-	-	-	-	-	(3,752)
Lease termination costs	-	194	-	-	-	-	-	-	194
Interest expense	207	1,302	136	9	-	-	2,391	10,070	14,115
Net loss (gain) on contingent consideration	-	-	-	-	-	-	-	231	231
Other (income) expense, net	(21)	1,065	1,120	74	(4)	-	2,115	44	4,393
Foreign currency (gain) loss (included in cost of revenue)	-	24	-	-	-	-	-	-	24
Income tax (benefit) expense	2,079	510	13	-	-	-	-	2,177	4,779
Noncontrolling interest	263	494	(747)	-	(791)	-	(605)	-	(1,386)
Bonus to be settled in equity	-	-	-	-	-	-	-	-	-
Share-based compensation expense	-	345	91	-	92	-	29	962	1,519
Non-recurring items	-	-	-	-	-	-	-	-	-
Acquisition costs	245	-	-	-	-	-	-	693	938
Adjusted EBITDA	\$ 8,608	\$ 16,346	\$ 1,160	\$ 1,682	\$ (4,075)	\$ -	\$ (1,170)	\$ (5,862)	\$ 16,689
Total Core Operating Subsidiaries	\$ 27,796								



Reconciliation of U.S. GAAP Net Income (Loss) to Adjusted EBITDA Full Year Ended December 31, 2016

(in thousands)

Year Ended December 31, 2016	Core Operating Subsidiaries				Early Stage & Other		Non-operating Corporate	Total HC2
	Construction	Marine	Energy	Telecom	Life Sciences	Other & Elimination		
Net loss attributable to HC2 Holdings, Inc.								\$ (94,549)
Less: Net loss attributable to HC2 Holdings Insurance segment								(14,028)
Net Income (loss) attributable to HC2 Holdings, Inc., excluding Insurance Segment	\$ 28,002	\$ 17,447	\$ 7	\$ 1,435	\$ (7,646)	\$ (24,800)	\$ (94,966)	\$ (80,521)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:								
Depreciation and amortization	1,892	22,007	2,248	504	124	1,480	9	28,264
Depreciation and amortization (included in cost of revenue)	4,370	-	-	-	-	-	-	4,370
Amortization of equity method fair value adjustment at acquisition	-	(1,371)	-	-	-	-	-	(1,371)
(Gain) loss on sale or disposal of assets	1,663	(9)	-	708	-	-	-	2,362
Lease termination costs	-	-	-	179	-	-	-	179
Interest expense	1,239	4,774	211	-	-	1,164	35,987	43,375
Net loss (gain) on contingent consideration	-	(2,482)	-	-	-	-	11,411	8,929
Other (income) expense, net	(163)	(2,424)	(8)	(87)	(3,213)	9,987	(1,277)	2,815
Foreign currency (gain) loss (included in cost of revenue)	-	(1,106)	-	-	-	-	-	(1,106)
Income tax (benefit) expense	18,727	1,394	(535)	2,803	1,558	3,250	11,245	38,442
Noncontrolling interest	1,834	974	(4)	-	(3,111)	(2,575)	-	(2,882)
Bonus to be settled in equity	-	-	-	-	-	-	2,503	2,503
Share-based compensation expense	-	1,682	597	-	251	273	5,545	8,348
Non-recurring items	-	-	-	-	-	-	1,513	1,513
Acquisition Costs	2,296	290	27	18	-	-	2,312	4,943
Adjusted EBITDA	\$ 59,860	\$ 41,176	\$ 2,543	\$ 5,560	\$ (12,037)	\$ (11,221)	\$ (25,718)	\$ 60,163
Total Core Operating Subsidiaries	\$ 109,139							



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

(in thousands)

Adjusted Operating Income - Insurance ("Insurance AOI")										
	YTD 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	FY 2016
Net Income (loss) - Insurance segment	\$ 142,878	\$ 141,068	\$ 565	\$ 1,245	\$ 7,066	\$ 3,381	\$ 4,282	\$ 164	\$ (761)	\$ (14,028)
Effect of investment (gains) losses	(27,086)	(20,147)	(4,429)	(2,510)	(4,983)	(2,129)	(978)	(1,095)	(781)	(5,019)
Asset impairment expense	-	-	-	-	3,364	-	-	2,842	522	2,400
Bargain Purchase Gain	(109,112)	(109,112)	-	-	-	-	-	-	-	-
Reinsurance Gain	(17,715)	(17,715)	-	-	-	-	-	-	-	-
Acquisition costs	2,367	1,305	759	303	2,535	1,377	422	736	-	714
Insurance AOI	\$ (8,668)	\$ (4,601)	\$ (3,105)	\$ (962)	\$ 7,982	\$ 2,629	\$ 3,726	\$ 2,647	\$ (1,020)	\$ (15,933)
Addback: Tax expense (benefit)	-	(6,741)	3,560	3,181	16,228	992	13,263	1,461	512	13,196
Pre-tax Insurance AOI	\$ (8,668)	\$ (11,342)	\$ 455	\$ 2,219	\$ 24,210	\$ 3,621	\$ 16,989	\$ 4,108	\$ (508)	\$ (2,737)



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Biographies



HC2 Executive Leadership Team

Philip A. Falcone

*Chairman of the Board
Chief Executive Officer
President*

- ◆ Served as a director of HC2 since January 2014 and Chairman of the Board, Chief Executive Officer and President of HC2 since May 2014
- ◆ Served as a director, Chairman of the Board and Chief Executive Officer of HRG Group Inc. ("HRG") from July 2009 to December 2014
- ◆ From July 2009 to June 2011, served as the President of HRG
- ◆ Chief Investment Officer and Chief Executive Officer of Harbinger Capital Partners, LLC ("Harbinger Capital")
- ◆ Before founding Harbinger Capital in 2001, managed the High Yield and Distressed trading operations for Barclays Capital from 1998 to 2000
- ◆ Received an A.B. in Economics from Harvard University



HC2 Executive Leadership Team

Michael J. Sena

Chief Financial Officer

- ◆ Chief Financial Officer of HC2 since June 2015
- ◆ Served as the Chief Accounting Officer of HRG from November 2012 to May 2015
- ◆ From January 2009 to November 2012, held various accounting and financial reporting positions with the Reader's Digest Association, Inc., last serving as Vice President and North American Controller
- ◆ Served as Director of Reporting and Business Processes for Barr Pharmaceuticals from July 2007 until January 2009
- ◆ Held various positions with PricewaterhouseCoopers
- ◆ Mr. Sena is a Certified Public Accountant and holds a Bachelor of Science in Accounting from Syracuse University

Joseph A. Ferraro

*Chief Legal Officer &
Corporate Secretary*

- ◆ Chief Legal Officer & Corporate Secretary of HC2 since September 2017
- ◆ Served as General Counsel of Prospect Administration LLC, the administrator for Prospect Capital Corporation (NASDAQ: PSEC) for nearly nine years prior to HC2
- ◆ Served as Assistant Secretary of PSEC and Deputy Chief Compliance Officer of Prospect Capital Management, L.P., and advised multiple Prospect-affiliated registered investment companies, registered investment advisers and funds.
- ◆ Served as corporate associate at the law firms of Boies, Schiller & Flexner LLP and Sullivan & Cromwell LLP
- ◆ Mr. Ferraro graduated cum laude from Princeton University with an A.B. from The Woodrow Wilson School of Public and International Affairs, and graduated with honors from The Law School at The University of Chicago



HC2 Executive Leadership Team

Andrew G. Backman

Managing Director

- ◆ Managing Director of Investor Relations & Public Relations of HC2 since April 2016
- ◆ Prior to joining HC2, served as Managing Director of Investor Relations and Public Relations for RCS Capital and AR Capital (now AR Global) from 2014 to 2016
- ◆ Founder and Chief Executive Officer of InVisionIR, a New York-based advisory and consulting firm from 2011 to 2014
- ◆ Served as Senior Vice President, Investor Relations, Public Relations & Marketing of iStar Financial from 2004 to 2010
- ◆ Served as Vice President, Investor Relations, Public Relations and Marketing Communications for Corvis Corporation / Broadwing Communications from 2000 to 2004
- ◆ Spent first 10 years of career at Lucent Technologies and AT&T Corp.
- ◆ Mr. Backman earned a Bachelor of Arts degree in Economics from Boston College and graduated from AT&T / Lucent Technologies' prestigious Financial Leadership Program

Suzi Rafferty Herbst

Chief Administrative Officer

- ◆ Chief Administrative Officer of HC2 since March 2015 with over 17 years of diverse human resources, recruiting, equity and foreign exchange sales experience
- ◆ Prior to joining HC2, served as Senior Vice President and Director of Human Resources of Harbinger Capital and HRG
- ◆ Previously served as Head of Recruiting at Knight Capital Group
- ◆ Previously held various positions in Human Resources, as well as Foreign Exchange Sales at Cantor Fitzgerald after beginning her career in Equity Sales at Merrill Lynch
- ◆ Ms. Herbst earned a Bachelor of Arts degree in Communications and Studio Art from Marist College



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HC2 HOLDINGS, INC.

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November 2018

