



DEUTSCHE 
Familienversicherung

THE LEADING EUROPEAN INSURTECH

These are your contacts



Dr Stefan Knoll
CEO



Lutz Kiesewetter
Head of IR & PR

Company results 2018

What happened in 2018

- New **members of the management board and expansion of the management board**
- **Confirmation of leading product quality** by Stiftung Warentest
- Introduction of **Alexa** as **digital distribution channel** and introduction of **AI** for **performance regulation**
- **Premium** partnership with **Eintracht Frankfurt**
- The **first IPO of an InsurTech** in Europe on December 4, 2018
- **Continuation of insurance business**
(see company results 2018)



The new management board members



Dr Stefan Knoll

Founder and CEO

- Lawyer, 1986
- Doctorate in insurance law, 1989
- Senior executive at Allianz, 1988-1994

Founder and CEO

- DIATEL DIREKT (€25 million revenue), 1994-2000
- SNT Deutschland AG (€200 million revenue), 2000-2005
- Deutsche Familienversicherung AG since 2007

Divisions

Corporate Communications, Investor Relations, Legal, Human Resources, Internal Audit, Company Organisation



Michael Morgenstern

CFO

Degree in Business Administration, 1995

Career

- Financial Controller, GenRe, 2006-2013
- CFO, GenRE, 2013-2018
- CFO, Deutsche Familienversicherung, since April 2018

Divisions

Controlling, Accounting, Actuarial, Solvency-II



Stephan Schinnenburg

CSO

Insurance salesman

Career

- Managing Director, Morgen&Morgen, 2010-2014
- Member of the Board of Management, ERGO & ERGO Life, 2014-2018
- CSO, Deutsche Familienversicherung, since April 2018

Divisions

Online Sales, Brokers, Collaborations, Product Development, Marketing, Operations



Marcus Wollny

COO

Health insurance economist

Career

- Chief of Staff, Deutsche Familienversicherung, 2016
- Chief Representative, Deutsche Familienversicherung, 2015-2018
- COO, Deutsche Familienversicherung, since August 2018

Divisions

IT Infrastructure, IT Applications, Claims Service

Leading product quality confirmed by Stiftung Warentest in 2018

Confirmation of leading product quality by Stiftung Warentest



TESTSIEGER
Stiftung Warentest
Finanztest
+
SEHR GUT (0,5)
(ZahnSchutz Exklusiv 100)
Im Test: 220 Zahnzusatzversicherungen
Ausgabe 05/2018
www.test.de

DFV-ZahnSchutz

Very good (0.5) Financial test 05/2018
Test winner



TESTSIEGER
Stiftung Warentest
Finanztest
+
GUT (1,7)
DFV-Krankengeld
Im Test: 33 Krankentagegeldtarife
35-jähriger Modellkunde
Modell 1
Ausgabe 06/2018
www.test.de

DFV-Krankengeld

Good (1.7) Financial test 06/2018
Test winner



TESTSIEGER
Stiftung Warentest
Finanztest
+
SEHR GUT (0,7)
(KlinikSchutz Premium)
Im Test: 22 Zweibett-zimmerenttarife
Ausgabe 12/2018
www.test.de

DFV-KlinikSchutz

Very good (0.7) Financial test 12/2018
Test winner



TESTSIEGER
Stiftung Warentest
Finanztest
+
SEHR GUT (1,3)
(UnfallSchutz Exklusiv)
Im Test: 117 private Unfallversicherungen
Ausgabe 10/2018
www.test.de

DFV-UnfallSchutz Exklusiv

Very good (1.3) Financial test 05/2018
3rd place

In addition to **IPO preparations** and the **continuation of sales growth**, in 2018 Deutsche Familienversicherung once again succeeded in strengthening its **exceptional position in product innovation**.

This is also an indication of DFV's **ability to perform** and is not a matter of course with **111 employees**.



Dental spot Maxcare



Introduction of Alexa as a digital distribution channel and introduction of AI for regulating performance

What happened in 2018



The future lies in the use of digital voice assistants:

Forms and protracted sales discussions for self-evident facts are a thing of the past. 

Deutsche Familienversicherung is the first and to date the only InsurTech to cover the entire sales process from providing

- ✓ **information** and the
- ✓ **conclusion of the contract** to
- ✓ **payment**

via **Alexa**.



**World innovation:
take out supplementary
health insurance via Alexa**



Use of AI in claims settlement



Premium partnership with Eintracht Frankfurt

Premium partnership with Eintracht Frankfurt

- On August 30, 2018 a contract for a **premium partnership** between **Deutsche Familienversicherung** and **Eintracht Frankfurt Fußball AG** was concluded.
- Contents of the contract include:
 - ✓ **Promotional support** for Deutsche Familienversicherung
 - ✓ **Cooperation** in establishing a **digital ecosystem** for Eintracht Frankfurt
 - ✓ Deutsche Familienversicherung as **insurance partner** of Eintracht Frankfurt
 - ✓ **Sky box usage**
 - ✓ **Joint events** on the subject of **digitalisation**



Visit us in our Eintracht box



DEUTSCHE 
Familienversicherung

— PREMIUM-PARTNER —

Eintracht Frankfurt Loge 2.33

Commerzbank-Arena

Mörfelder Landstraße 362 • 60528 Frankfurt

**We look forward to seeing Eintracht
win together with you!**





Eintracht Frankfurt



The first IPO of an InsurTech in Europe

We went public because we...

are the first InsurTech that...

- has an adequate insurance base with 450,000 customers,
- all underwriting processes (such as product development, sales, controlling, operations and claims management) are undertaken in-house,
- enjoys operating profits,
- has completed the full digitisation of insurance products, sales, operations and partially so in claims management.

This is the basis on which we want to grow and invest the IPO proceeds in sales growth.



The path to IPO

December 14, 2017

Resolution of the Supervisory Board and shareholders to implement an IPO in 2018

April 1, 2018

Michael Morgenstern takes over finance department
Takeover of sales department by Stephan Schinnenburg

April 26, 2018

First presentation of Deutsche Familienversicherung as an InsurTech

June 14th 2018

Launch meeting with all persons and institutions involved in the planned IPO

August 27, 2018

Start of pilot fishing

September 5, 2019

AGM with resolutions on authorised capital, capital reduction and share consolidation

October 29, 2018

Prospectus approved by the German Federal Financial Services Supervisory Authority (BaFin)

October 30, 2018

Start of roadshow

November 9, 2018

Decision on the postponement of the IPO

November 22, 2018

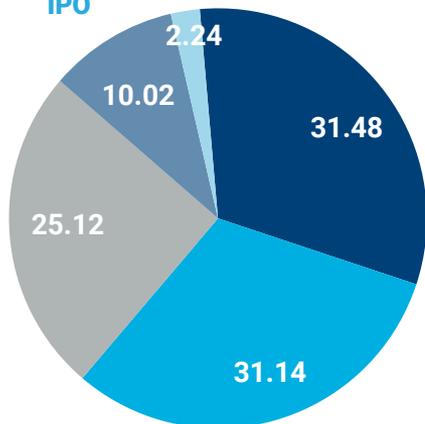
Approval of the supplement to the prospectus

December 4, 2018

IPO

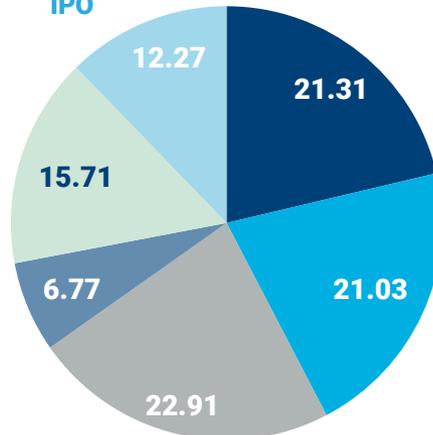
Development of the shareholder structure

Shareholder structure in %, pre IPO



- SK Beteiligungen (Dr. Knoll)
- Erbgemeinschaft Vogel
- Pesarini
- Ethenea
- Dr. Rhein

Shareholder structure in %, post IPO



- SK Beteiligungen (Dr. Knoll)
- Erbgemeinschaft Vogel
- Pesarini
- Ethenea
- VPV
- Freefloat

The existing shareholders did not sell any shares as part of the IPO. Shareholders Mr Pesarini and Dr Knoll increased their shares within the scope of the IPO. All existing shareholders are subject to a **"lock-up" period of 12 months.**

Shareholder structure in number of shares

Pesarini	3,038,748
SK Beteiligungen (Dr Knoll)	2,826,712
Erbgemeinschaft Vogel	2,788,485
VPV	2,083,300
Ethenea	897,496
Freefloat	1,626,869

Total shares 13,261,620

Shares before IPO 8,953,875

Share issue 4,307,745



Film IPO



New business, portfolio development and results 2018

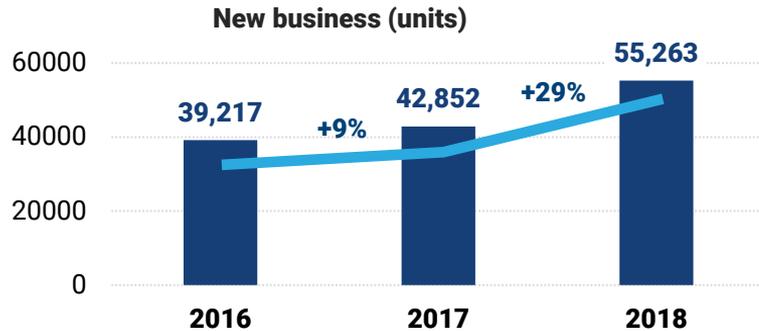
The 2018 financial year at a glance

- With **55,263 new contracts**, new business grew by **37.6%** in terms of units and by **90 % in terms of premiums** compared with new business in 2017.
- In supplementary health insurance alone, new business grew by **41 % (units)** and **104 % (premiums)**.
- Above-average **portfolio growth in supplementary health insurance** of 10 % (units) and 24 % (premium).
- In the 2018 financial year, the total insurance portfolio (contracts) fell to around 455 thousand from 464 thousand contracts in the previous year. On the other hand, the planned reduction of the portfolio (€) was **more than offset by new business**.
- **Expenses resulting from the IPO** and **unplanned depreciation** on investments had a significant negative impact on the annual result.
- The 2018 financial year closed with a loss of **€3.3 million (IFRS)** despite **above-average growth**.



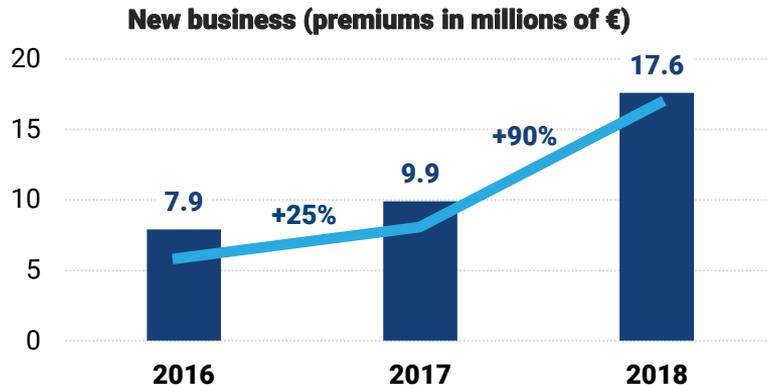
New business and portfolio development 2018

New business 2018



The increase in new business in 2018 (units) is well above the market average (+ 1.7 %*).

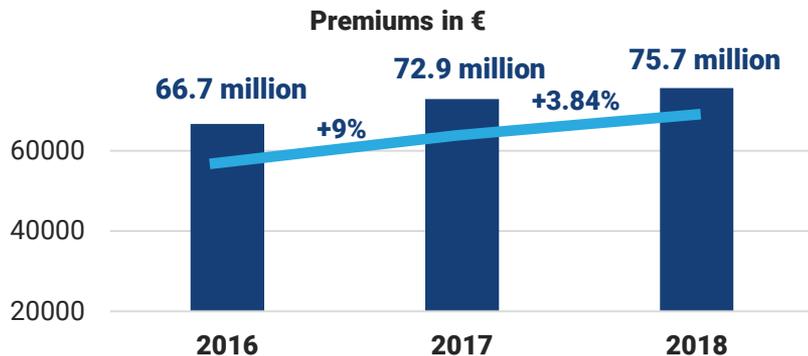
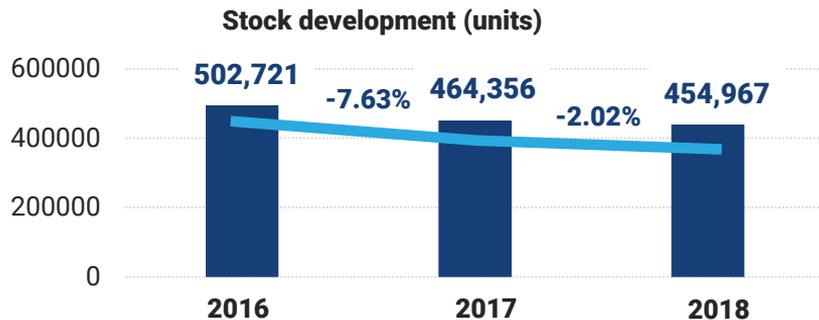
On average, just 111 employees are behind the development of new business in 2018.



The product approach of Deutsche Familienversicherung is aimed at comprehensive insurance cover.

A growing number of customers opted for premium and exclusive tariffs in 2018, which had a positive impact on premium growth.

Portfolio development 2018



The reasons for the restrained growth of the portfolio despite above-average new business figures are as follows:

- As of December 31, 2017, the co-insurance participation of Deutsche Familienversicherung in a residential building portfolio was terminated. The share of Deutsche Familienversicherung amounted to approx. €8.4 million. The termination of the co-insurance participation resulted in a loss of 18,288 customers.
- Since June 2015, the electronics portfolio (mobile phone insurance) has been in so-called run-off due to poor claims experiences. The portfolio was thus reduced by a further €0.8 million in 2018. This resulted in a further loss of 18,880 customers.
- Deutsche Familienversicherung thus wanted and planned to sell approximately €9.2 million in its portfolio and approximately 37,000 customers.

Adjusted for these factors, the portfolio grew by €12.0 million in absolute terms, corresponding to an increase of 19.6 %.

Results 2018

Deutsche Familienversicherung closes the 2018 financial year with a loss:

IFRS, after taxes: -€3.3 million

The reasons for this operating result are IFRS-relevant

- IPO expenses of around €1.5 million;
- Depreciation on investments in the amount of €3 million;
- Additional selling expenses of €1.1 million;*
- Higher personnel costs of around €1.6 million.

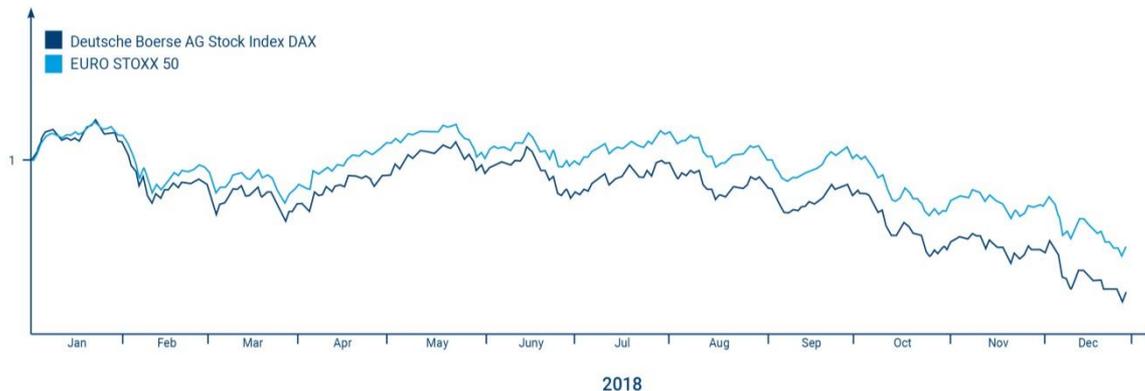
*excluding personnel costs



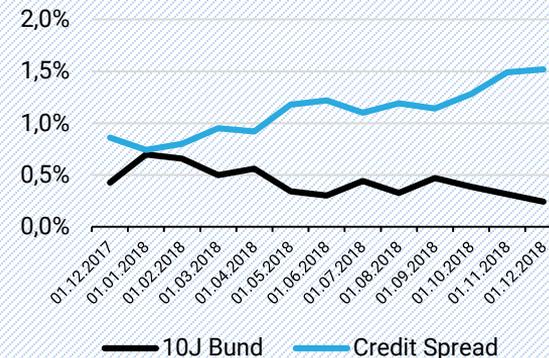
Depreciation on investments breaks down as follows:

- Shares €-2.2 million
- Pensions €-0.8 million

Over the same period, the leading German index, the DAX, lost 19% of its value. In the case of Deutsche Familienversicherung, this contrasts with a loss in capital investment of 5%.



Interest development



Additional expenses

The additional expenses are due to

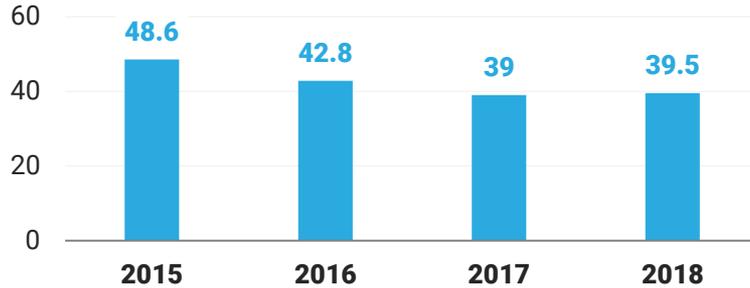
- the expansion of the management board,
- managerial expansion,
- participation of employees in the company and
- additional sales costs.

The **2018 sales results** were **above plan by 5000 units**, which resulted in additional expenses for the pre-financing of sales costs.

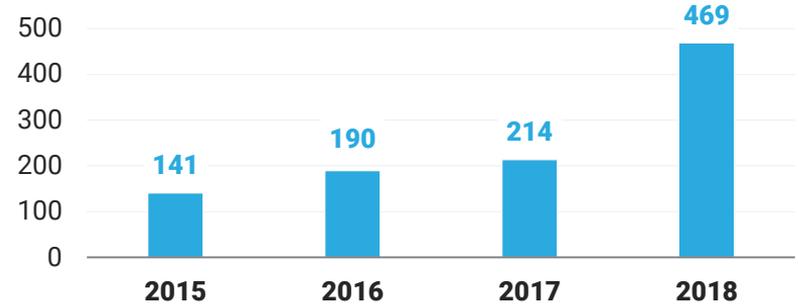


Key financial figures 2018

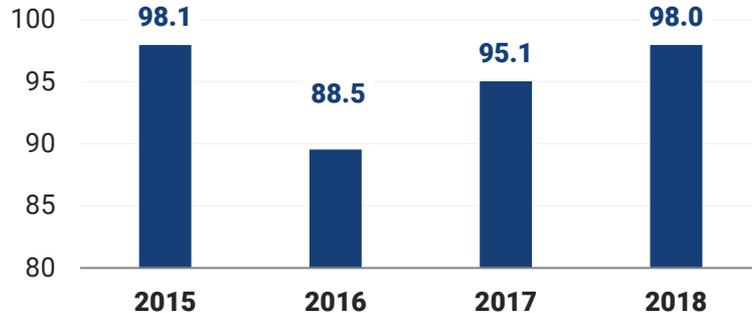
Claims ratio in %



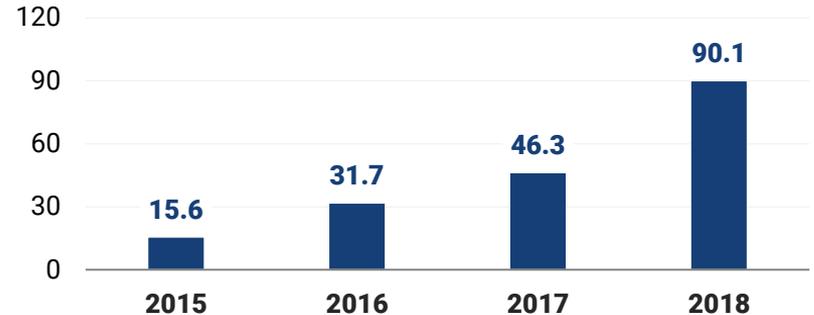
Solvency Ratio in %



Combined ratio in % (without investment result)



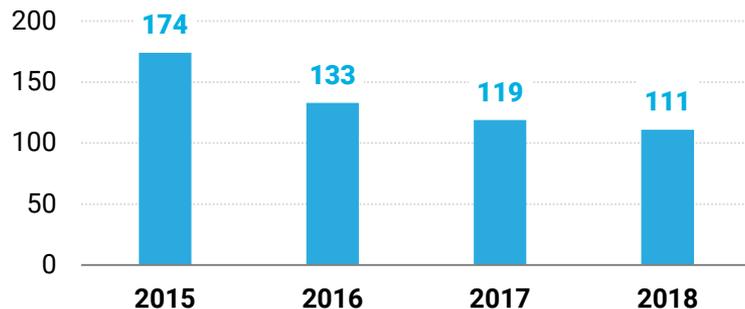
Financial Investments in millions of €



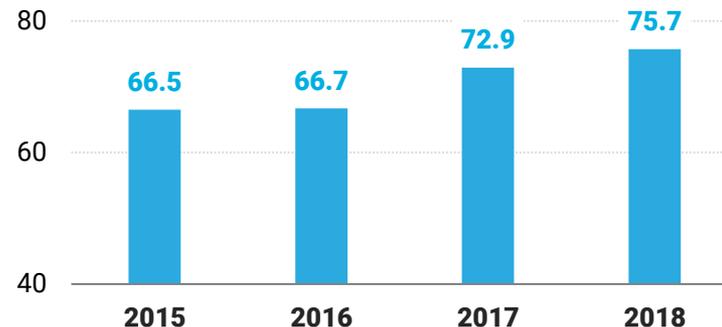
Key financial figures 2018

Other key figures:

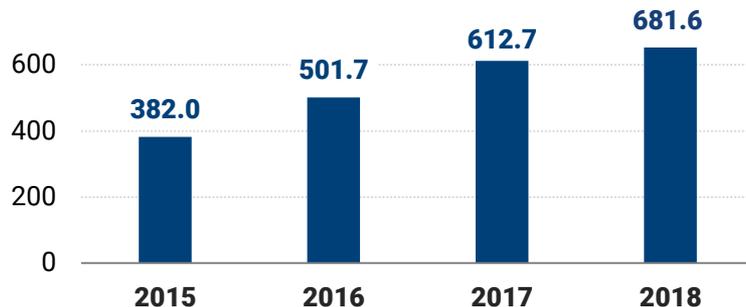
Number of employees



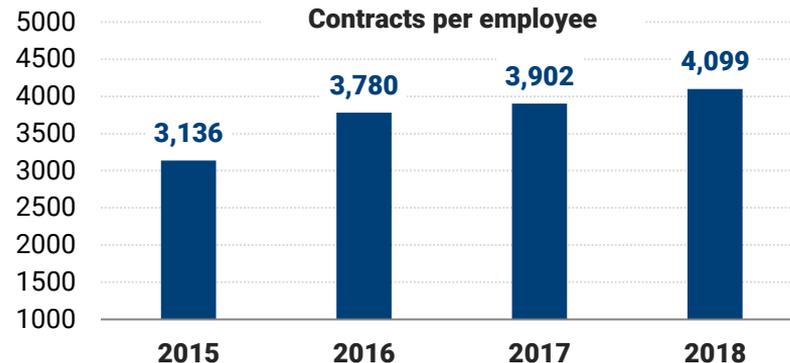
Portfolio in millions of €



Portfolio per employee in thousands of €



Contracts per employee



Summary – Results 2018

- Well **above-average new business with an increase of 90%** contrast with losses of 3.3 million, mainly due to IPO expenses and capital market-related depreciation on investments.
- In spite of the loss, it is the **the best financial year in the company's history.**





Digital Customer Journey spot



Interim status and planning 2019 as well as outlook

The IPO and its financial possibilities

With **the IPO on December 4, 2018** , the company **received €51.3 million including greenshoe:**

Following the deduction of transaction costs, Deutsche Familienversicherung has €49.6 million at its disposal. These IPO inflows will be used for the following investments:



- **Examination of a foreign investment (2019)**
- **Expansion of IT (2019 ff.)**
- **Adjustment of the scope of reinsurance (from 2020)**
- **Increase in sales (2019 ff.)**

Use of IPO proceeds – examination of a foreign investment

Deutsche Familienversicherung will use 2019 to examine whether it is worth expanding the sales and product model of Deutsche Familienversicherung to other European countries and, if so, which are the preferred target markets in view of the good sales opportunities in the national market.

A decision to Europeanise the business model of Deutsche Familienversicherung will be accompanied by correspondingly adjusted planning for 2020.

Such a decision would be implemented through organic growth and exploitation of scalable and existing IT systems.



Use of IPO proceeds – Expansion of IT

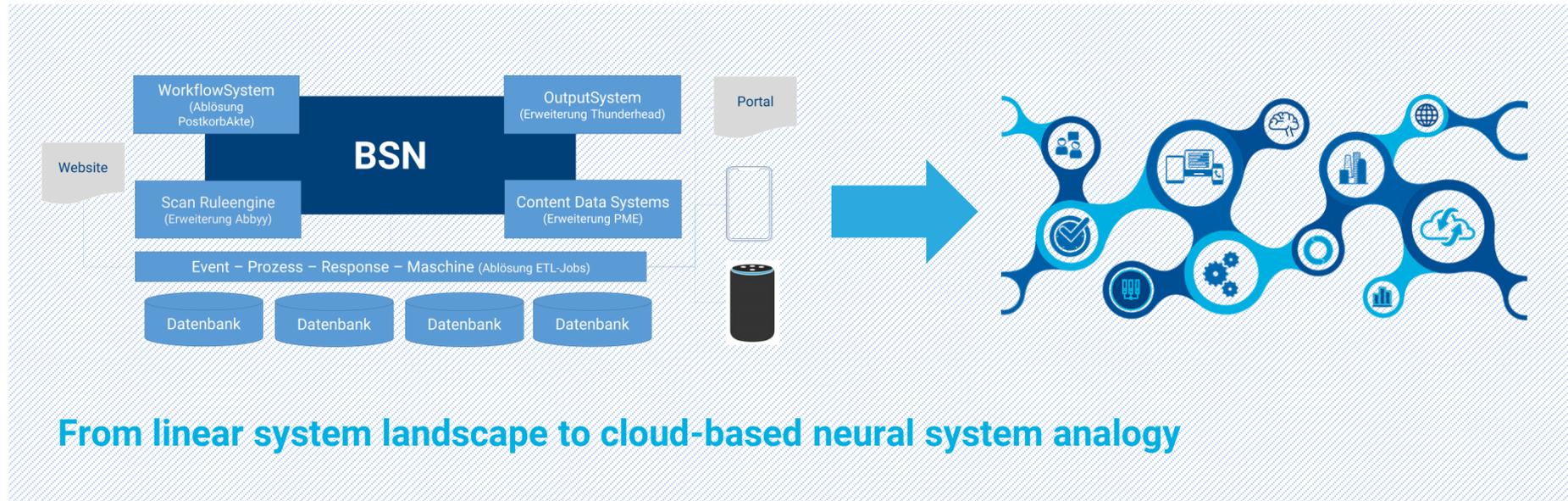
Deutsche Familienversicherung is planning the following IT investments, which will be at least partially relevant in 2019:



- **Continuation of digitalisation**
- **Development of a third-party marketable IT platform**
- **Outsourcing of IT infrastructure**

Expansion of IT – continuation of digitisation

The continuation of digitisation is to take place essentially through the expansion of automation of claims/benefit processing and the replacement of subsystems such as the existing mailbox/file system.

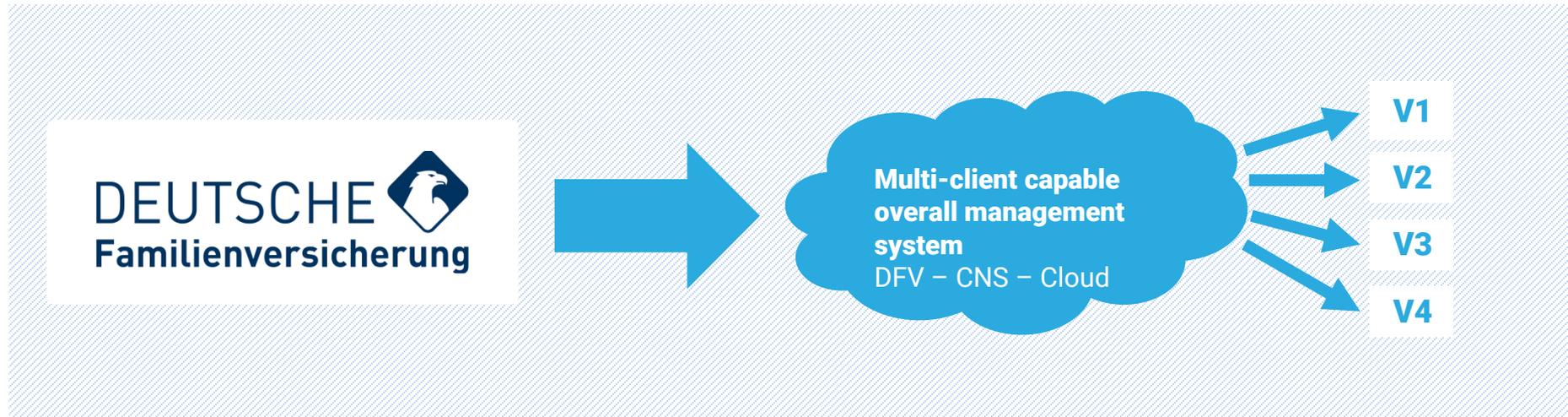


Expansion of IT – Development of an IT platform capable of third-party marketing

A fully digitised and also fully integrated system for overall inventory management is to be available for third-party marketing in 2021 (Project CNS* 2020).

Irrespective of whether a business model can be developed from this, third-party marketing capability is a benchmark for the fact that digitisation can be regarded as completed in accordance with the state of the art.

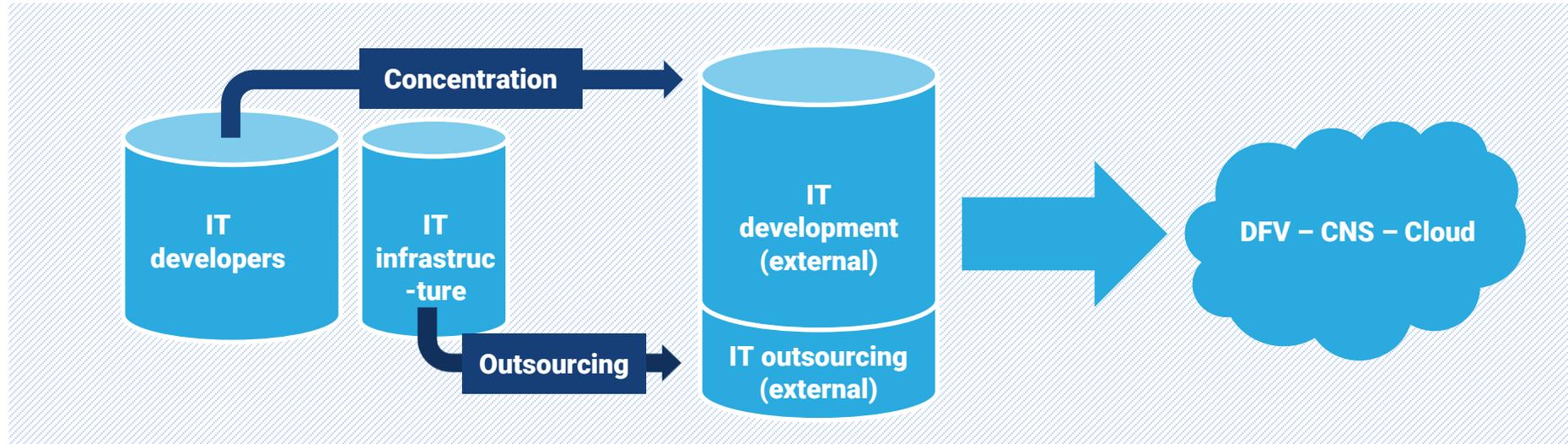
*Cloud-based neural system analogy



Expansion of IT – Outsourcing of IT infrastructure

The increased demands placed on the IT systems of an insurance company mean that it is not advisable to operate the infrastructure in-house on a permanent basis.

Against this background, Deutsche Familienversicherung has decided to start outsourcing its IT infrastructure gradually before the end of 2019 – a process that should be completed by 2020.



Deutsche Familienversicherung will concentrate its efforts on IT development in the future!

Use of IPO funds – Adjustment of scope of reinsurance (2020)

Deutsche Familienversicherung calculates 12 monthly premiums (MP) of external costs for the acquisition of a new customer in supplementary health insurance. It is thus well below the average sales costs of established insurance companies.

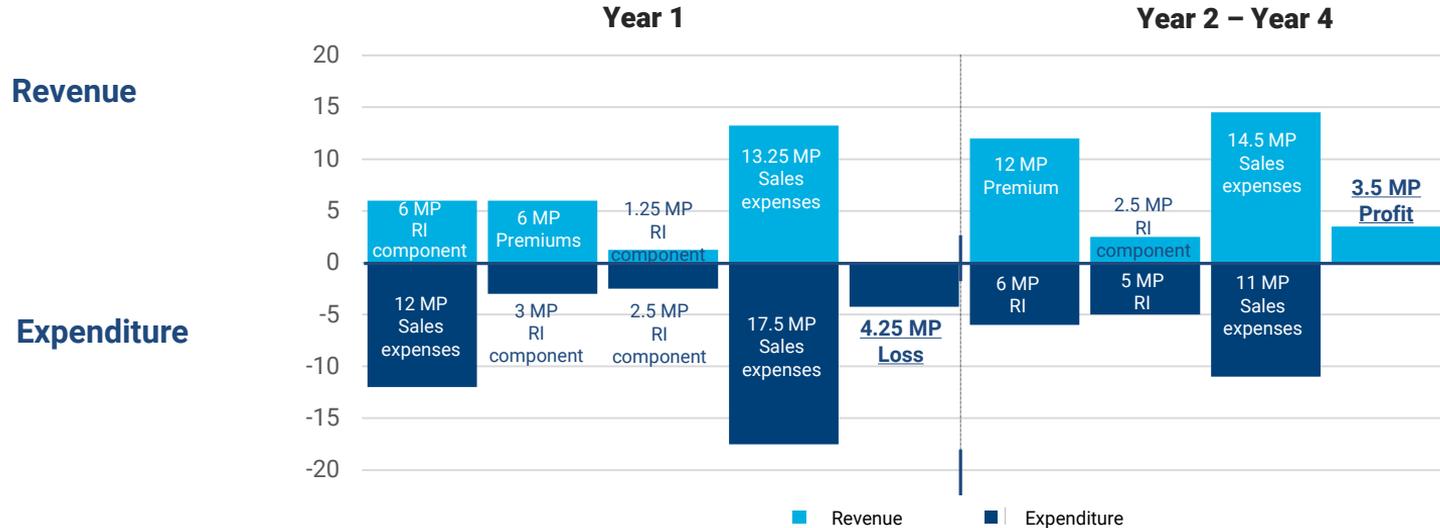
On average, this is offset by only 6 monthly premiums of the new business premium in the first year. In addition to the sales costs, the costs for claims/benefits and administration are also to be financed from this.

In the past, **reinsurance contracts** were concluded to cushion the associated losses resulting from new business, and these covered **part of the pre-financing costs**.

This was previously necessary due to the limited own funds and for reasons of solvency planning.



Use of IPO funds – reduction in scope of reinsurance



With the successful IPO, Deutsche Familienversicherung now has sufficient financial resources at its disposal to gradually dispende with this form of co-financing sales. Deutsche Familienversicherung will therefore review its reinsurance portfolio as of 31 December 2019 in order to terminate the reinsurance portion for the purpose of pre-financing new business if necessary.

Use of IPO funds – Increase in sales

In 2018, selling expenses of €15 million* were planned.
The sales cost rate of 12 monthly premiums (MP) to
external sales costs, which are used for commissions or
sales costs, applies.**

The expenses planned for **sales in 2019** amount to around
€30 million and will **thus increase by 100%**. In addition, the
cost planning includes sales and advertising costs of
€5 million (150%).

Sales costs are volatile because they are influenced by the
actual volume of new business. **Sales success
that exceeds the planning** also leads to **higher total
sales costs** with an otherwise constant sales cost rate.

*excluding personnel costs

**actual sales expenses amounted to €16.5 million.



We will continue to rely on the “four squared matrix” of 16 health insurances

	DFV-DentalCare	DFV-OutpatientCare	DFV-Inpatient Care	DFV-LTC
* Basis	30% Refund on all dental treatment	Precautionary consultations Refund of vaccinations and social co-payment	Health issues caused by external influences + 100% refund for specialist treatment and single room	50% of the governments monthly care allowance
** Komfort	60% Refund on all dental treatment	Precautionary consultations Refund of up to € 3.000 for particular illnesses	Health issues caused by external influences and serious illnesses + ...	100% of the governments monthly care allowance
*** Premium	90% Refund on all dental treatment	Precautionary consultations Refund of up to € 6.000 for particular illnesses	Health issues regardless of the cause + ...	150% of the governments monthly care allowance
**** Exklusiv	100% Refund on all dental treatment	Precautionary consultations Refund of up to € 12.000 for particular illnesses	Health issues regardless of the cause plus exclusive assistance services + ...	200% of the governments monthly care allowance



Intensification of the sale of property insurance policies

The additional investments in sales will also be accompanied by a significant increase in new business in property insurance.

Property insurance accounted for 3.5% of new business in 2018.

Deutsche Familienversicherung plans to gradually expand property insurance into a line of business equivalent in size and earnings to health insurance.

The share of property insurance in new business is expected to rise from 3.5% to 10% in 2019.



Intensification of the sale of property insurance policies

Deutsche Familienversicherung has commenced business operations as a property insurer. The subject of the commencement of business in 2007 was the 5+ combi insurance (accident, household contents, glass, liability and legal expenses insurance).

Since 2008, the **sales focus** has been increasingly on non-substitutive health insurance.

In preparation for an increase in the property insurance share, Deutsche Familienversicherung **began to gradually renew** its existing **property insurance policies** in as **early as 2018** and thus **digitise** them.



Intensification of the sale of property insurance policies

Renewal and digitalisation of existing property insurance products

The accident, household contents, glass and liability insurance products have already been recalculated, supplied with a modern set of conditions and are available for sale in digital form.

The **renewal of the legal expenses insurance** should be completed by the middle of the year. Once the renewal and digitalisation of all property insurance policies has been completed, **a new 5+ combined insurance policy** will be offered from mid-2019.



	DFV AccidentCare	DFV HouseholdCare	DFV LiabilityCare	DFV LegalCare
* Basic	€100,000 Sum insured	€30,000 Sum insured	Single	Vehicle
** Comfort	€200,000 Sum insured	€60,000 Sum insured	Couple	Vehicle, Family
*** Premium	€300,000 Sum insured	€90,000 Sum insured	Couple with child	Vehicle, Family, Career
**** Exclusive	€400,000 Sum insured	€120,000 Sum insured	Couple with 2 children +	Vehicle, Family, Career, House

Supplementary long-term care insurance as an employer offer

Together with Henkel and the IG BCE Bonusagentur, Deutsche Familienversicherung developed and introduced Germany's first company-wide supplementary long-term care insurance without a health check as of January 1, 2019 as a group insurance policy for Henkel employees.

Results:

- Approximately 8,000 employees participate in the group insurance contract
- Approximately 3,000 additional policies have already been taken out to top up and secure family members
- Every new employee automatically and obligatorily participates in the group insurance contract
- Fully digital processing



Pflegebedürftigkeit kann jeden treffen. Jederzeit.



CareFlex

Die Pflegevorsorge
CareFlex

Neu: Henkel CareFlex Pflegezusatzversicherung für unsere Mitarbeiter!



Informationsveranstaltung
ab 08. Oktober
im Casino Süd

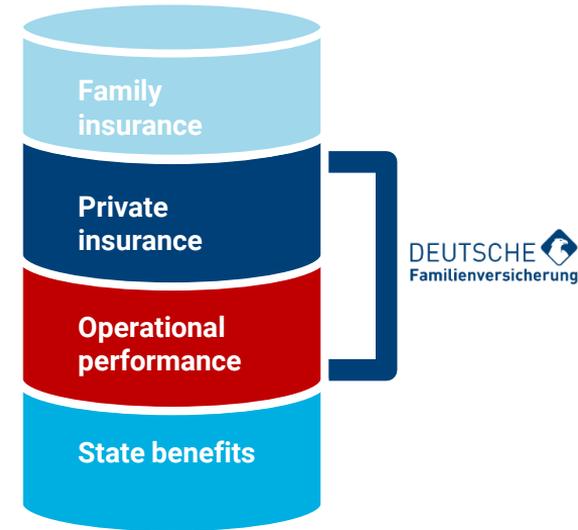
Alle Mitarbeiter sind herzlich eingeladen.
Experten beantworten Ihre Fragen zu CareFlex.
Melden Sie sich an im Intranet unter „JIGA“ oder
telefonisch unter 0211 797 9000.

BONUSAGENTUR für in wert 100% **DEUTSCHE Familienversicherung** **Henkel**

Supplementary long-term care insurance as an employer offer

- The topic of care requires a holistic view of the employee, only when the employee and the family are secured do advantages for the employer take effect.
- Deutsche Familienversicherung is currently the only insurance company that can offer flexible company benefits.
- The offer was developed as a cross-industry solution, completely digitally implemented and also quickly applicable to other companies.

The supplementary long-term care insurance offer from Deutsche Familienversicherung can become the game changer that politics, companies and the population need in order to put long-term care insurance on a reliable footing in the long term.



Intensification of the sale of property insurance policies

Pet health insurance

Deutsche Familienversicherung will introduce **pet health insurance** in the **first half of 2019**.

The special feature is that with the expansion of the existing sales cooperation with the largest private broadcasting group **Pro7/SAT1**, a promising and already **established sales channel** is available to realise the sales of pet health insurance.



Pet health insurance – structure

The pet health insurance offered by Deutsche Familienversicherung also follows the logic of the matrix of 16. Deutsche Familienversicherung pet health insurance thus covers all risks that a dog owner runs in case his or her pet becomes ill. The subject of cost coverage with Deutsche Familienversicherung pet health insurance includes among other things:

- ✓ Health checks
- ✓ Vaccinations
- ✓ Worming
- ✓ Flea and tick protection
- ✓ Dental prophylaxis
- ✓ Animal identification (chip)
- ✓ Veterinary treatments necessary due to illness or adverse health

Basic	Comfort	Premium	Exclusive
<ul style="list-style-type: none"> ▪ Age 0-6 years: 40% ▪ Age 7-9 years: 30% ▪ Age > 9 years: 20% 	<ul style="list-style-type: none"> ▪ Age 0-6 years: 60% ▪ Age 7-9 years: 50% ▪ Age > 9 years: 40% 	<ul style="list-style-type: none"> ▪ Age 0-6 years: 80% ▪ Age 7-9 years: 70% ▪ Age > 9 years: 60% 	<ul style="list-style-type: none"> ▪ Age 0-6 years: 100% ▪ Age 7-9 years: 90% ▪ Age > 9 years: 80%
One-off health lump sum EUR 40	One-off health lump sum EUR 60	One-off health lump sum EUR 80	One-off health lump sum EUR 100
Dog	Dog	Dog	Dog



Pet health insurance – sales intention

For the year 2019, 6,000 new units are planned for pet health insurance.

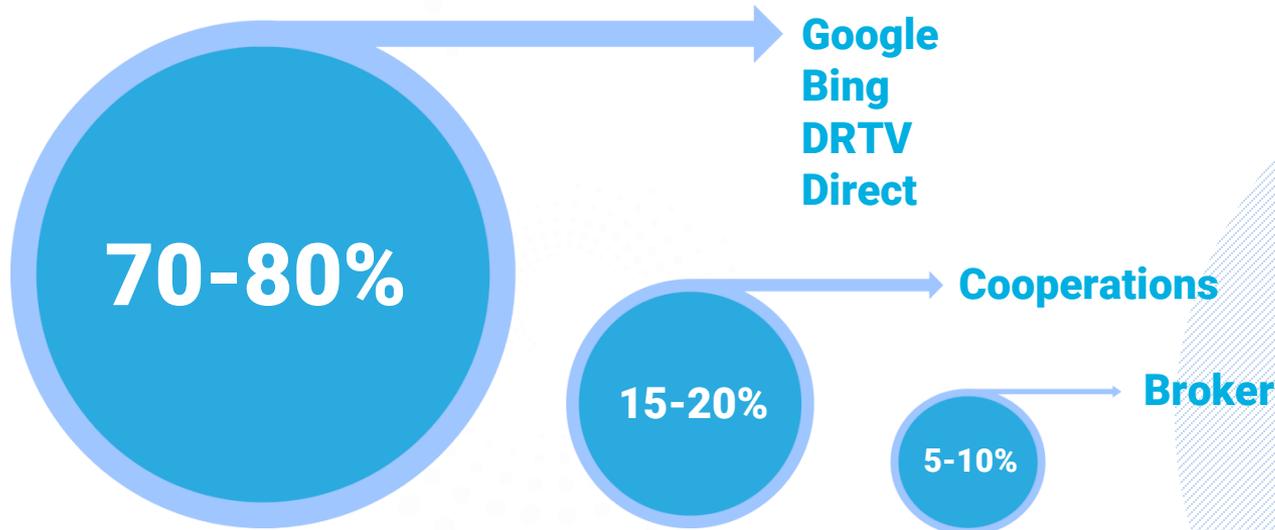
The entry into sales of a new insurance product is always associated with unknowns in realisation and uncertainties in budget planning.

If everything goes according to plan, Deutsche Familienversicherung intends to catch up with the other competitors in this market when it comes to this product segment.



Highly scalable sales mix

Through the increasing use of direct sales, Deutsche Familienversicherung is able to attract new customers at low, stable costs. We spend up to 12 monthly premiums to win a new customer.



Increase in sales – additional sales investment

With an **additional sales investment of €15 million** it will be possible to double the sales results compared to the previous year.

Around 55,000 new contracts in 2018 will become 100,000 new contracts in 2019.

This objective is very ambitious, especially in view of the size of the company.

If the target is reached, Deutsche Familienversicherung will catch up with the 5 largest German insurance companies regarding new business in health insurance.



Goals 2019 – current status of new business

Deutsche Familienversicherung is on target in terms of the timescale for new business figures. As of March 31, 2019, 30% of the annual target number of units had been reached (timed target 25%).

We sell an **average of 330 new contracts per day** after deducting the so-called immediate cancellations.

As of **March 31, 2019**, the number of new active contracts (after initial cancellation) amounted to **30,049**, which corresponds to a **target achievement rate of 30%**.



+++ WE ARE ON TRACK +++

Goals 2019

Higher sales expenses in 2019 will have a negative impact on net profit due to the **refinancing problem**. Deutsche Familienversicherung therefore anticipates a loss of **€9-11 million** before taxes (IFRS).



- ✓ **New unit: 100,000 units**
- ✓ **Portfolio: €100 million**

Goals 2019 and beyond

Loss due to unfavourable ratio of existing premium to new business investment

The ratio of existing premiums to new business investment in the case of the Deutsche Familienversicherung is just 2 : 1. This is in comparison to established competitors, some of whom have insurance portfolios of many hundreds of millions.

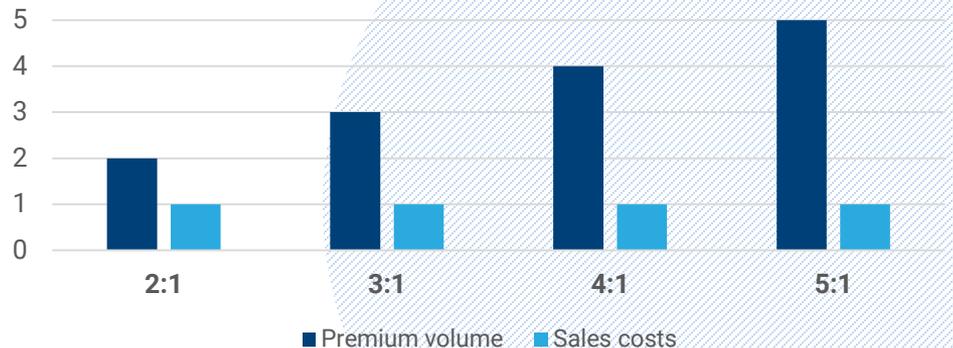
The new business planning of Deutsche Familienversicherung will lead to a gradual improvement of the ratio with a linear sales target.

Reaching the profit zone in 2021

From a ratio of 5 : 1 an insurance company may be expected to make a profit.



Premium portfolio to distribution costs (planning)



The goals for the next 5 years are:

- ✓ **Linear continuation of new business figures**
- ✓ **Improvement in the ratio of portfolio to sales investment to 5:1**
- ✓ Reaching of profit zone again

5 reasons to invest in Deutsche Familienversicherung:

- ✓ Because we will achieve a **net growth in new business of 100,000 units in 2019**
- ✓ Because we will achieve **portfolio growth of at least €25 million to €100 million in premium volume in 2019**
- ✓ Because we are **the only functioning InsurTech company in Europe**
- ✓ Because we cover the **entire value chain of an insurance company with** unique digital capabilities
- ✓ Because we're the **only InsurTech with a reinsurance license**

Our next IR dates:

08/04	Roadshow New York
09/04	Roadshow Boston
11/04	Publication of annual financial statements
16/04	Roadshow Warsaw
30/04	Roadshow Vienna
07/05	27th MKK Münchner Kapitalmarktkonferenz
13/05	Equity-Forum
15/05	Connected Insurance Europe 2019
23/05	Q1 report
23/05	Annual General Meeting 2019

Thank you very much for your attention!
Any questions?

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