



Investor Presentation
April 2019



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Further information on potential factors that could affect the financial results of Goosehead Insurance is included in our annual report on Form 10-K for the most recent fiscal year and in our quarterly report on Form 10-Q for the most recent fiscal quarter. These documents and others containing important disclosures are available on the SEC Filings section of the Investor Information section of our Web site.

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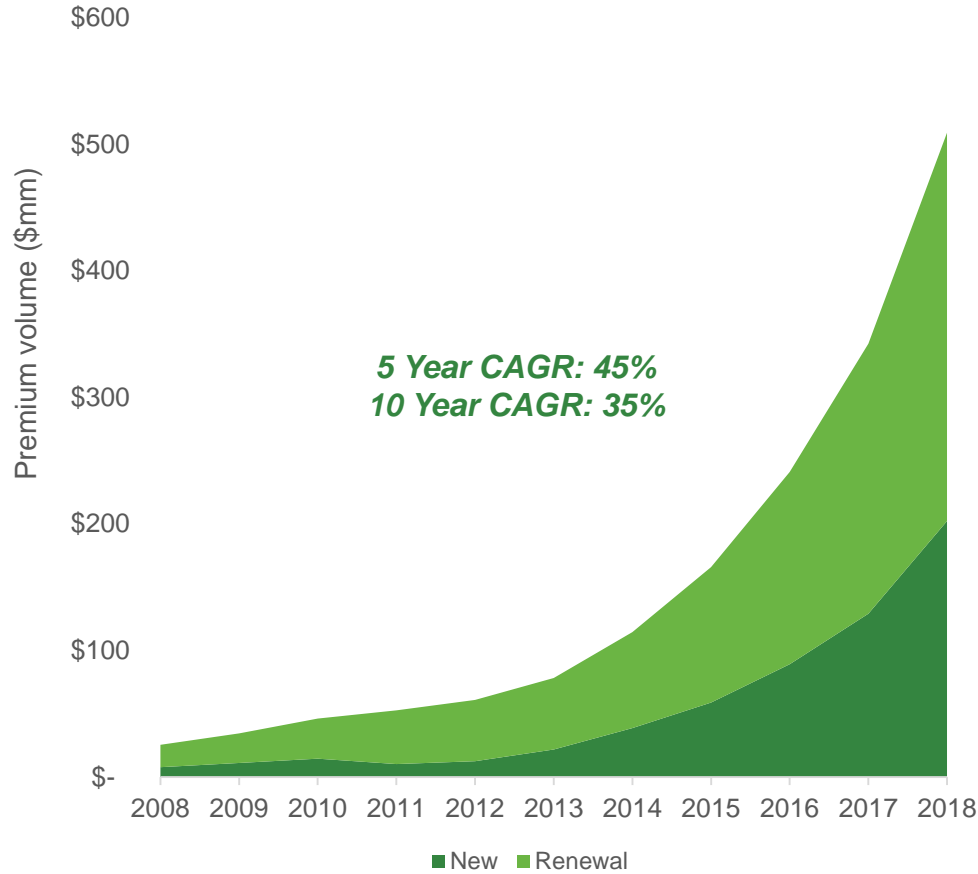


Company Overview

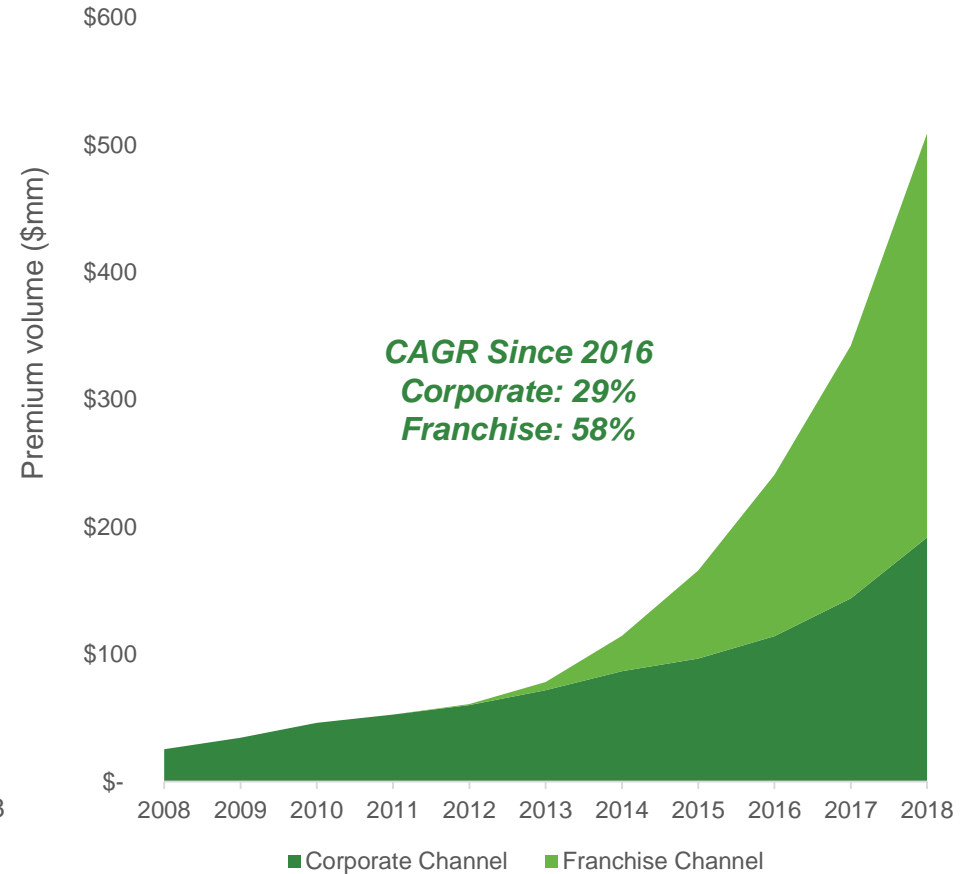
Rapid and Responsible Organic Growth



New Business and Renewal Premium Growth



Corporate and Franchise Channel Premium Growth



¹ 5 and 10 year CAGR calculations through 12/31/2018

Redefining an Industry



Personal lines property and casualty insurance broker



Considerably differentiated business model serving the American consumer producing strong, sustained growth and profitability

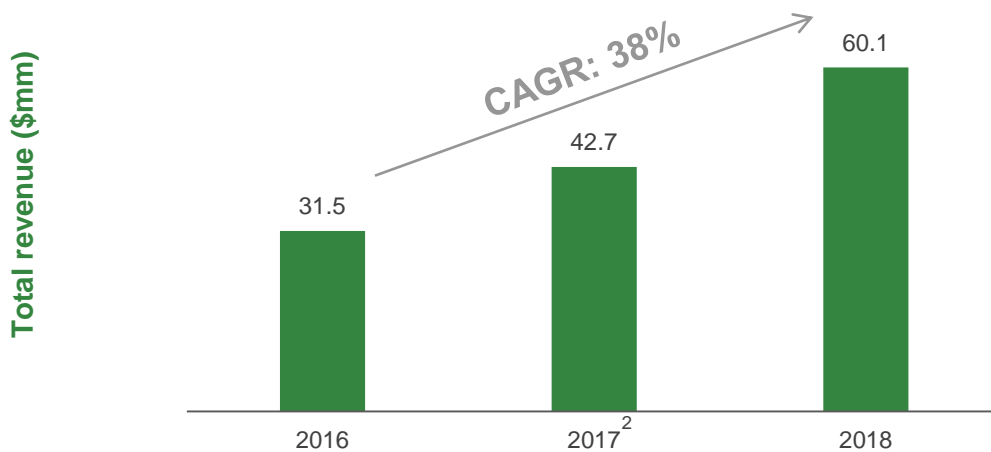


7 corporate sales offices in Texas and Illinois; 646 franchise locations¹ primarily in CA, TX, FL and IL

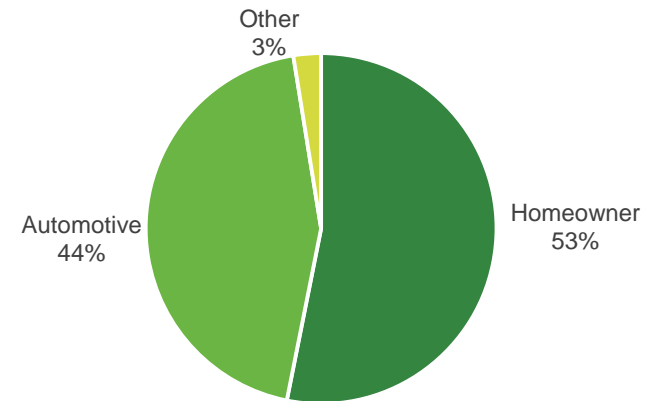


Well-established and positioned for sustained levels of strong growth and profitability

Accelerating Growth Trajectory



Focused on Personal Lines



TTM Dec18 Total premiums: \$509mm

¹ Number of franchise locations include 189 franchises which are under contract but yet to be opened as of 12/31/18; ² Excludes gain on sale of \$3.5mm

Personal Insurance Market Large and Highly Fragmented



Industry historically has struggled to find the right way to best serve the needs of customers



Independent Agencies

Captive Agencies Owned By Carriers

Carriers Direct To Customer

Key Attributes

Offers products from multiple carriers with the support of a best-in-class service organization

Largely very small businesses which sell products from **multiple carriers**

Largely very small businesses which sell products from only **one carrier**

One carrier which sells products directly to clients

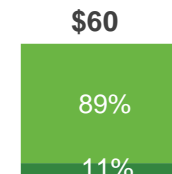
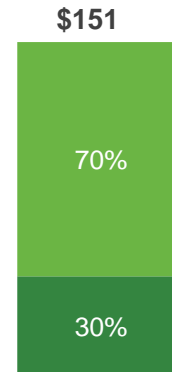
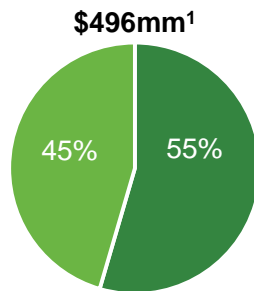
Product Choice



Service Quality



2017 U.S. Premiums



■ Home ■ Auto

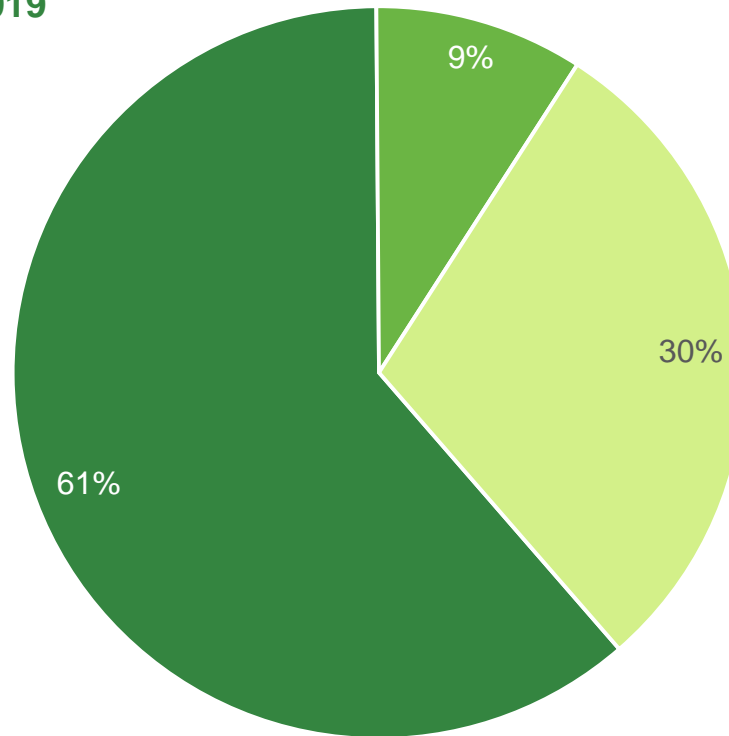
Source: Independent Insurance Agents & Brokers of America
 1 Represents 2018 premiums excluding commercial and excess liability premiums.

Management Strongly Aligned with Shareholders



Deeply committed to long-term success

% Ownership as of March 14, 2019

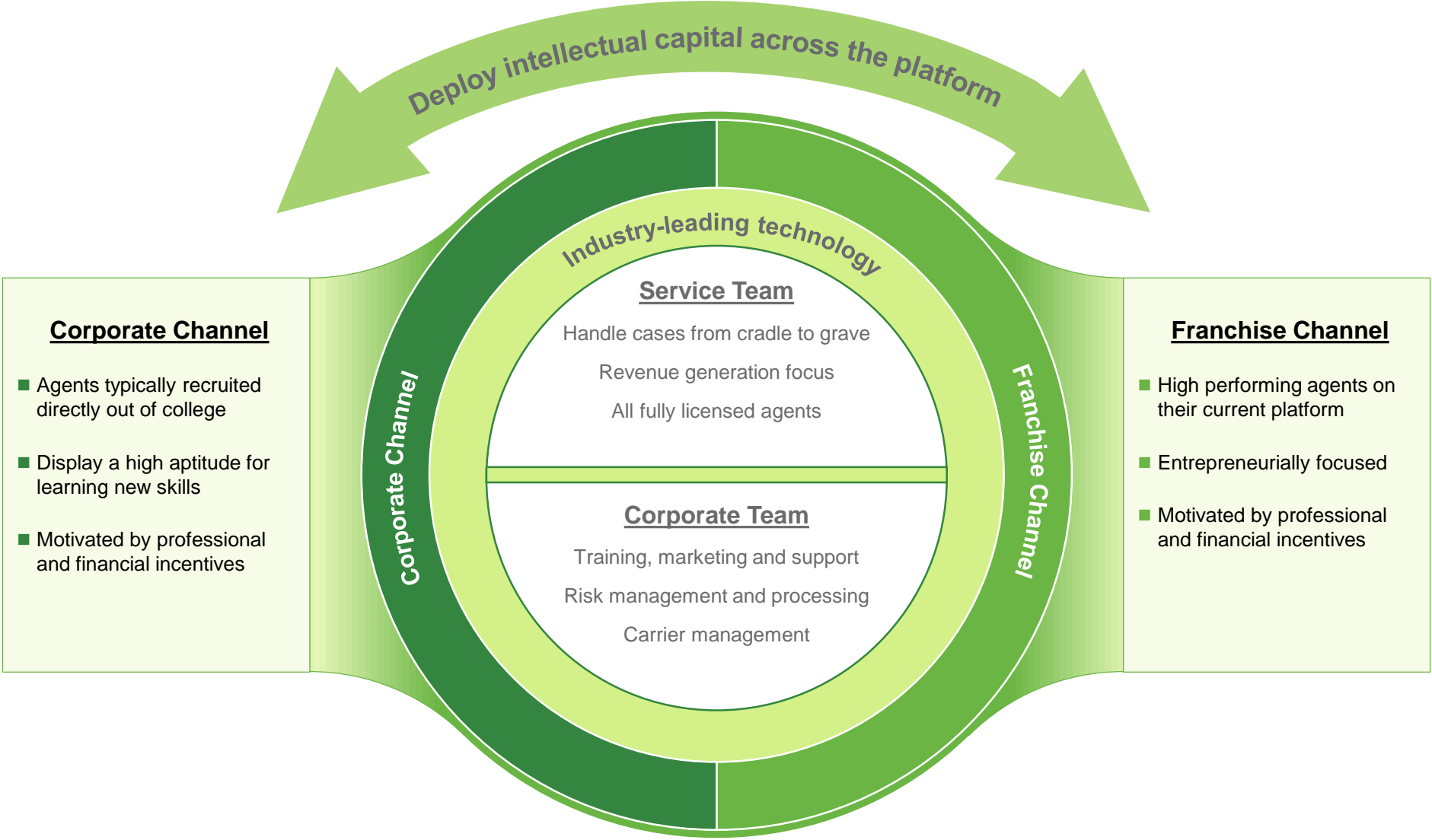


■ Mark Jones and family ■ Other management ■ Public shareholders



Delivery of Operations

Compelling Business Model



Highly Developed Recruiting Strategy Supports Sustainable Outsized Growth



Corporate Channel



- New college graduates with entrepreneurial spirit
- Driven by professional development and financial reward based on personal performance
- Well defined target school list with strong on campus relationships and strong sponsorship



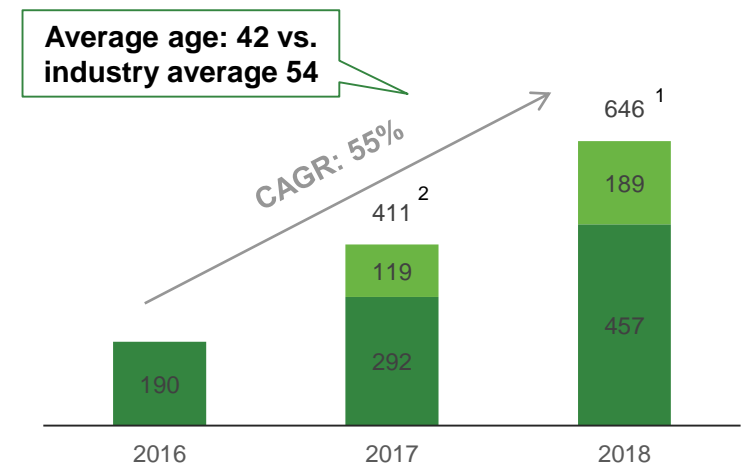
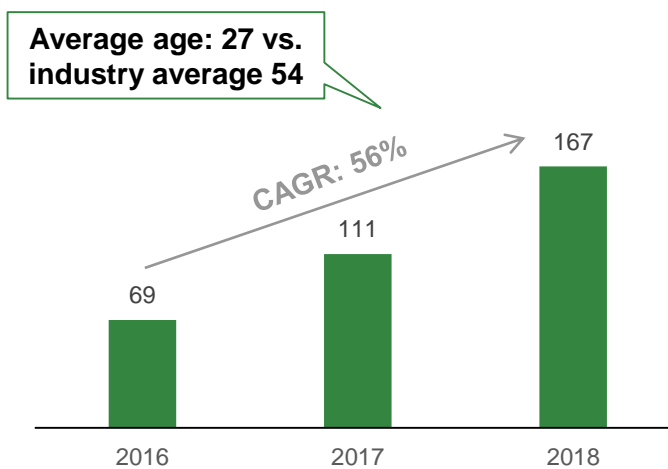
Franchise Channel

- Highly effective producers who are seeking autonomy
- Entrepreneurially motivated to continue to build their own business
- Target professionals from captive agencies and other independent agencies



- Continue to deploy highly refined recruiting and training process for new agents
- Expand geographically through recruiting at additional college campuses

- Continue to recruit and train top producers who desire autonomy from captive agencies and other independent agencies
- Approximately 65,000 potential franchise candidates in the current pipeline



¹ Number of franchise locations include 189 franchises which are under contract but yet to be opened as of 12/31/18; ² Includes 119 franchises which are under contract but had yet to be opened as of 12/31/17

Robust and Innovative Technology Platform Supports High Growth Business Model



“Goosehead Insurance leverages Salesforce technology to transform how it serves its partners and customers. Creating innovative applications that bring greater intelligence and value to their industry, Goosehead is a disruptor we are proud to support.”

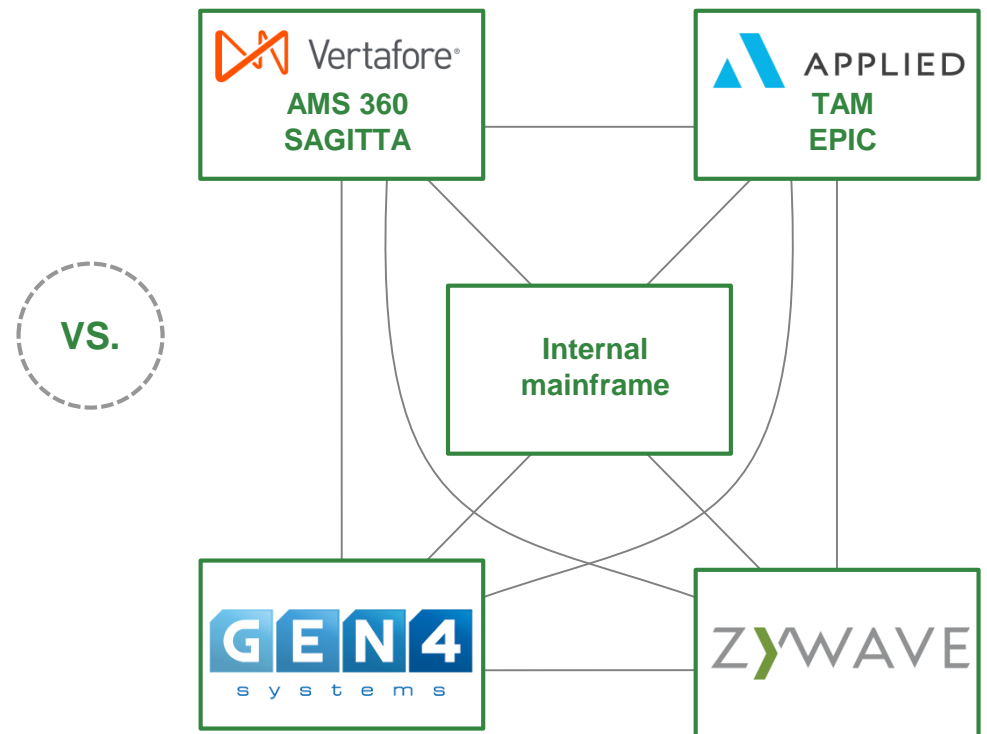
Michael Khoury, Vice President – Financial Services, Salesforce.com

Goosehead Systems



Entire business cycle managed
in the  cloud

Typical Agency Systems



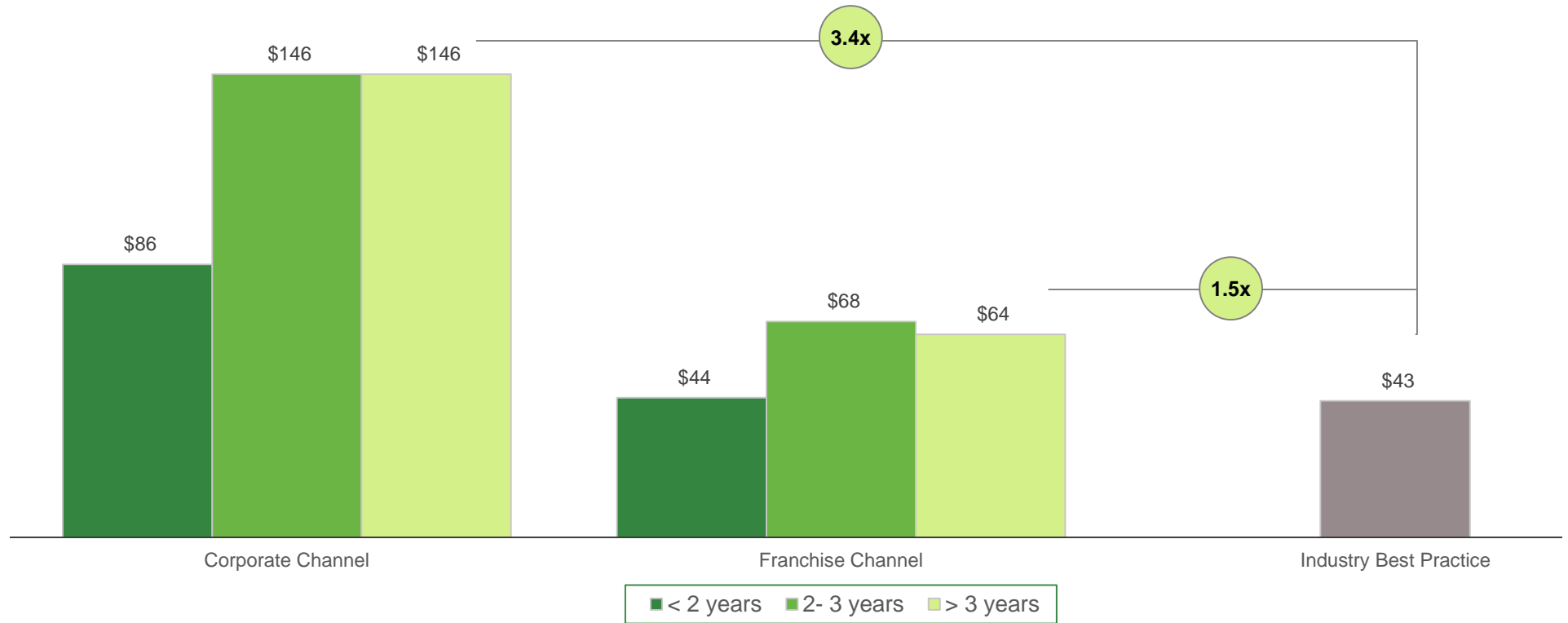
“Hodge-podge” of legacy systems
which lack continuity

Industry-Leading New Business Production For New and Seasoned Agents



Compelling and proven sales focused model has resulted in industry-leading production

New business per agent by tenure (\$000s)



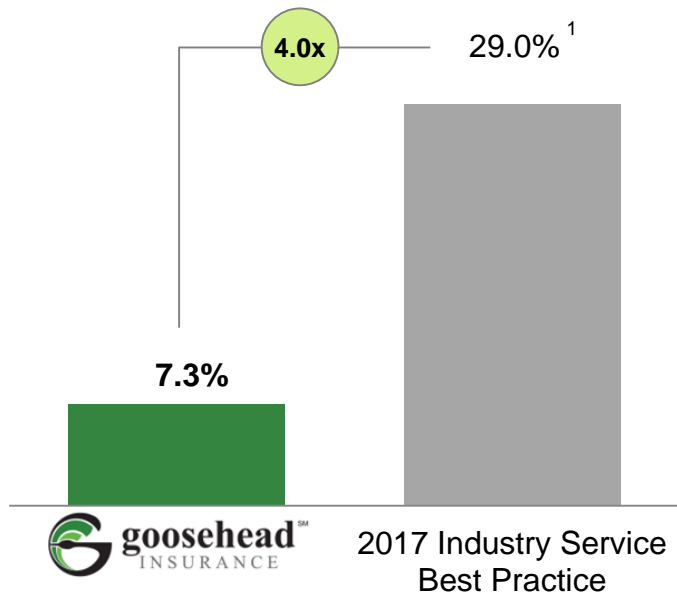
¹ Represents industry best practice per Reagan Consulting; most industry agents have tenures significantly longer than 2 to 3 years

Technology Drives Margins While Simultaneously Ensuring Client Satisfaction



Technology enables Company to deliver service highly efficiently

2017 Service payroll as a % of gross personal lines commissions



Key service center metrics



Net Promoter Score

89



Client hold times

< 60 Seconds



New business generation

Cross-sell / Upsell



In addition, we also carefully monitor call abandonment rate, call back rate and speed of answer



Service agent compensation

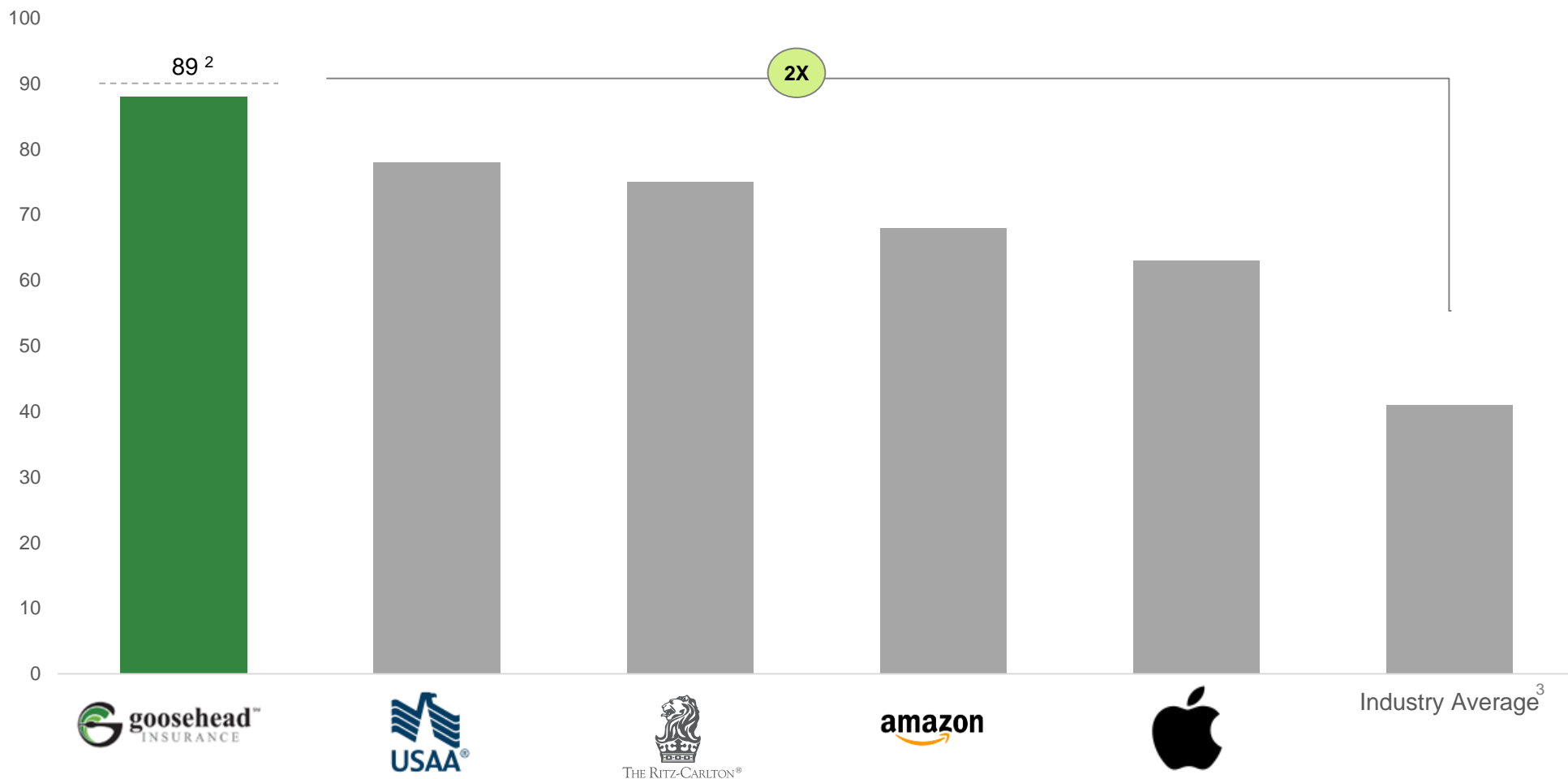
2018 compensation: \$46k

¹ Indicates, per Reagan Consulting industry best practice service compensation as a percentage of personal lines revenue for agencies with revenues of greater than \$25M

Best-In-Class Customer Service Drives High Revenue Retention



Net Promoter Scores (NPS) above several of the most respected brands in the U.S.¹ has resulted in stable and recurring revenue with a customer retention rate of 88% in 2018



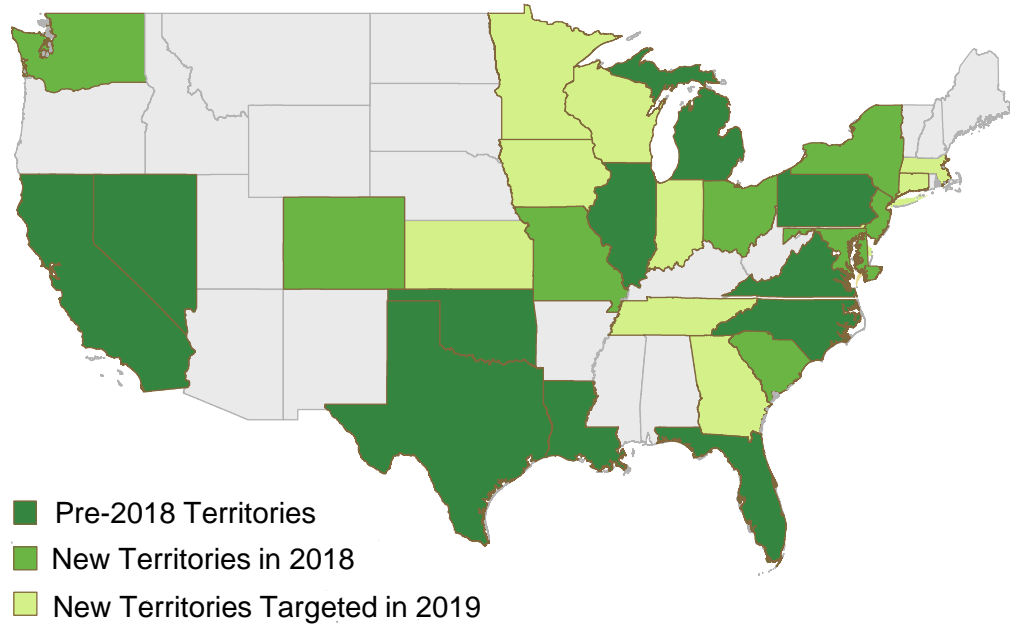
Source: Satmetrix; ¹ Ritz, USAA, Apple, Amazon; ² Represents 2018 NPS; ³ Represents average of auto industry and home industry

Meaningful Growth Opportunity



Continued Technology Upgrades

Continued Corporate Channel Recruiting



Continued Improvements in Productivity and Customer Service

National Rollout of Franchise Channel

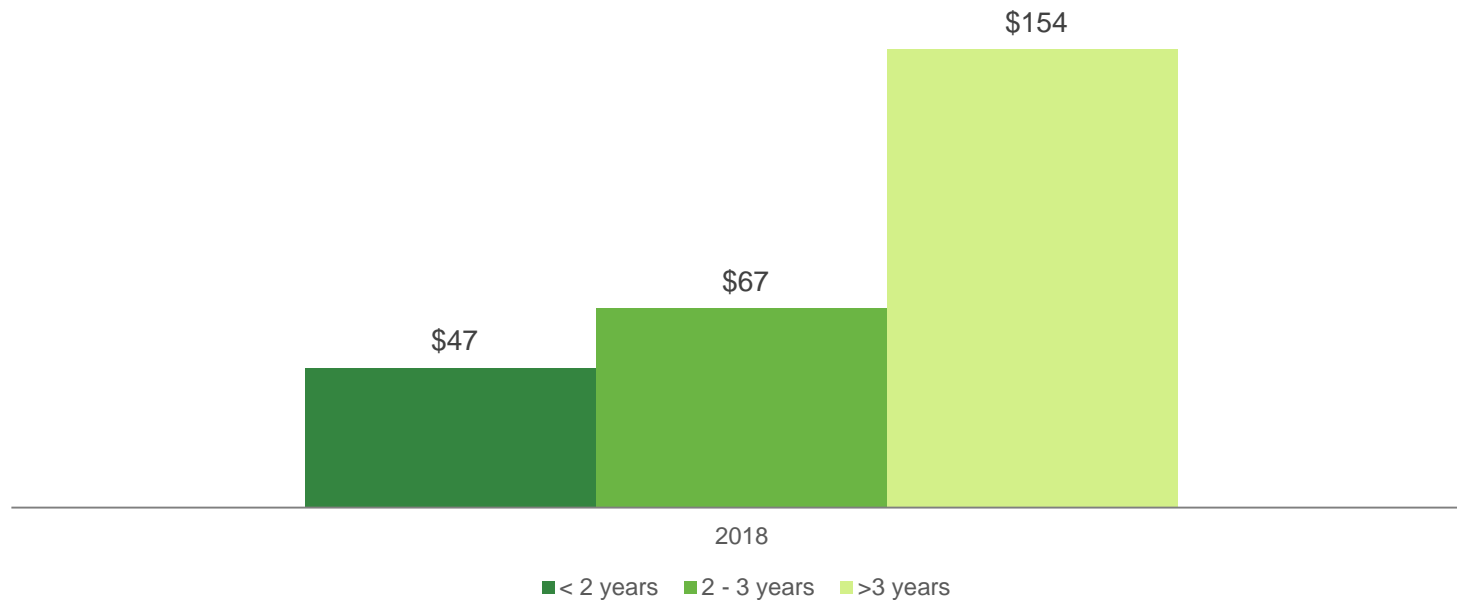
Continued Corporate Channel Recruiting



After working for more than three years, the typical Goosehead corporate agent earns more than \$150k annually

- Goosehead has a highly developed process for recruiting new agents which we have continually refined over the last 10+ years. Additional college campuses to be added
- The ongoing enhancements to our recruiting and training processes has resulted in higher success rates for our corporate agents

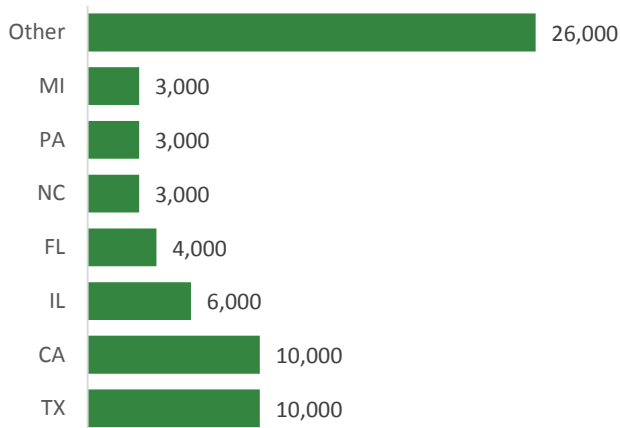
Average corporate agent compensation by tenure (\$000s)



National Rollout Of Franchise Channel



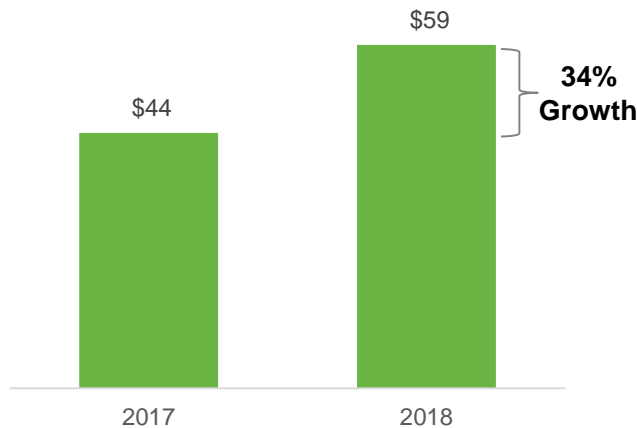
Pipeline Growth



Total Leads as of December 2018: 65,000

- 31 members on the Franchise recruiting team as of Q4 18
- Recruiting targets include the universe of nearly 400,000 U.S. insurance agents

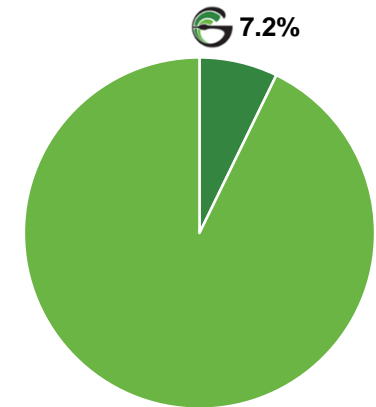
Production Ramp-up



- Through a combination of both refining the Franchise criteria and training, Goosehead significantly lifted productivity for Franchises

■ Non-Texas New Business per agency, >1 year (\$000s)

National Implications



Market share of homeowners insurance in new mortgage originations / refinancings in Texas

2017 TX mortgage originations / refinancing: ~559k¹

7.2% Goosehead market share × 7.3mm Originations / refinancing in the U.S.¹

529k
Potential new clients each year

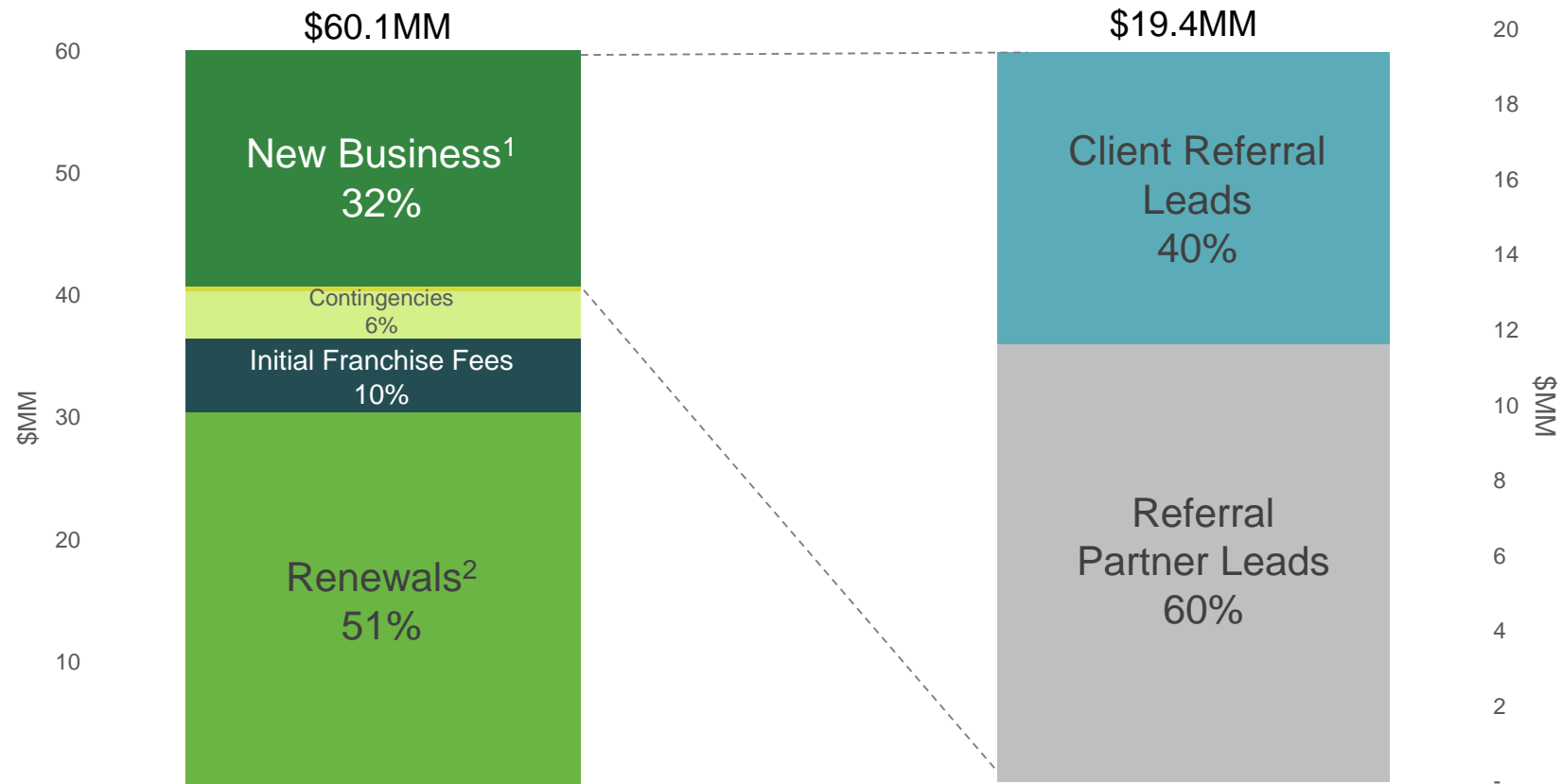
¹ Source: 2017 Home Mortgage Disclosure Act Data

Revenue Break-Down



Only 19% of total revenue is exposed to housing market conditions

2018 Revenue



¹ Includes 2018 New Business Revenue (Corporate), Agency Fees, and New Business Royalty Fees

² Includes 2018 Renewal Revenue (Corporate) and Renewal Royalty Fees

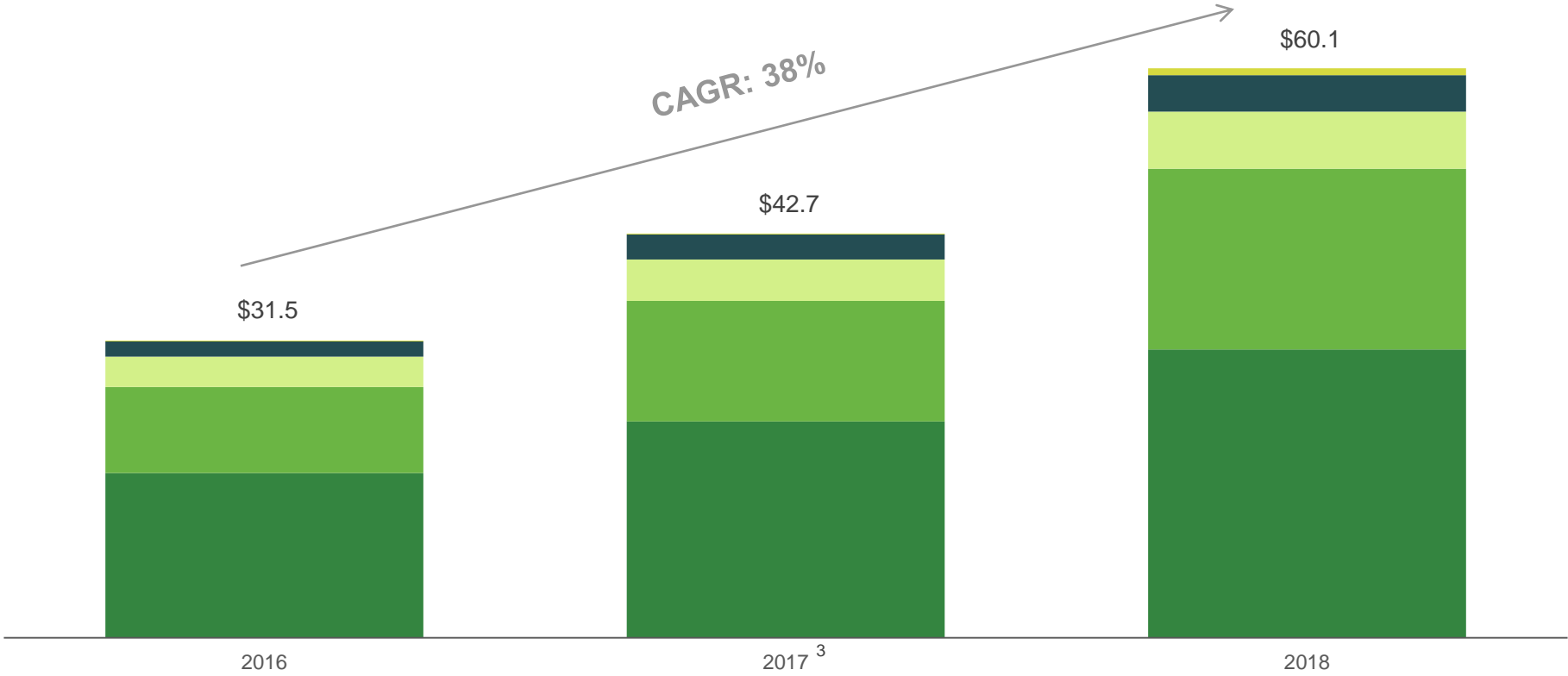


**Economics of our
Business**

Strong Revenue Growth And Stable Margins



Total revenue (\$mm)



Adj. EBITDA Margin ⁴	25.8%	25.1%	24.5%
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■ Renewal revenue¹ ■ New business revenue¹ ■ Initial franchise fees² ■ Contingent commissions ■ Other income

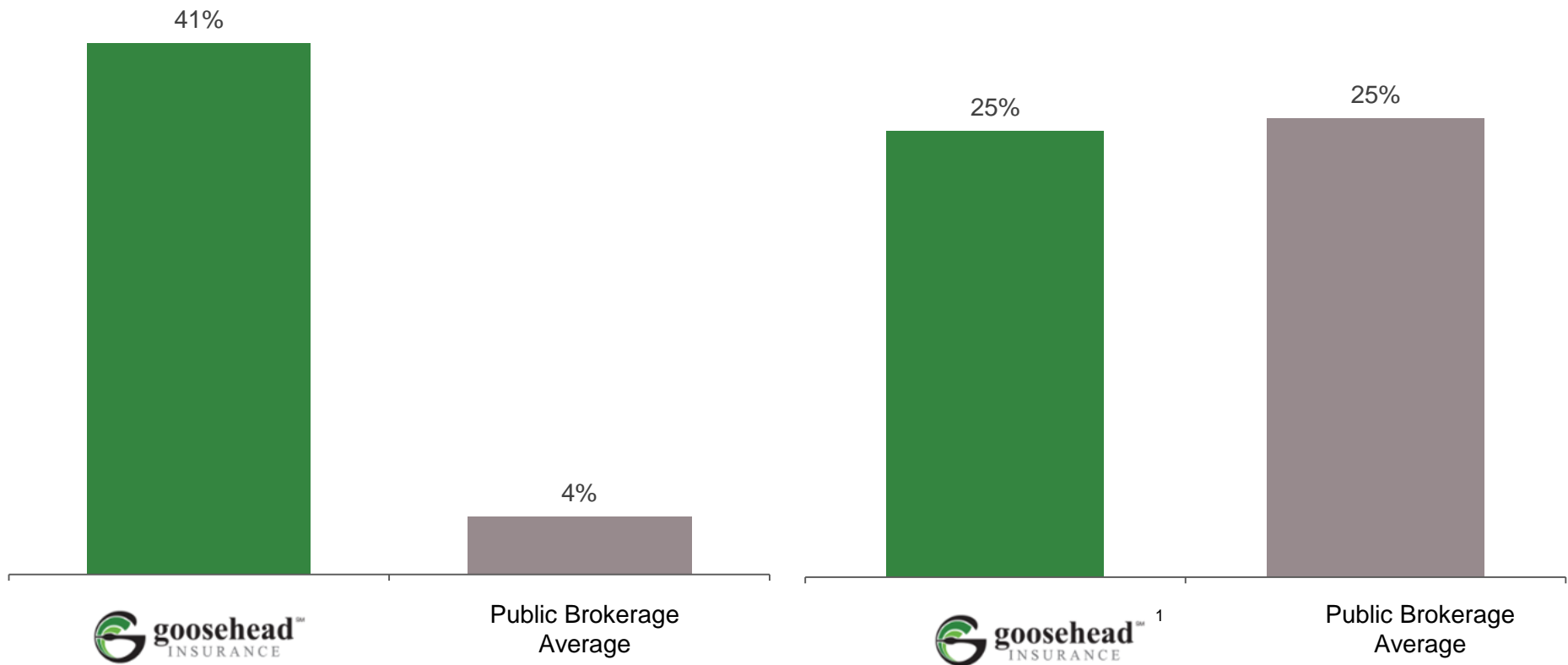
¹ Includes royalty fees; ² Related to the training and onboarding of new franchise locations; ³ Excludes gain on sale of \$3.5mm ⁴ See Appendix for GAAP reconciliation

Outpacing The Industry In Growth With A Clear Path To Margin Expansion



2018 Organic revenue growth

2018 Adjusted EBITDA margins



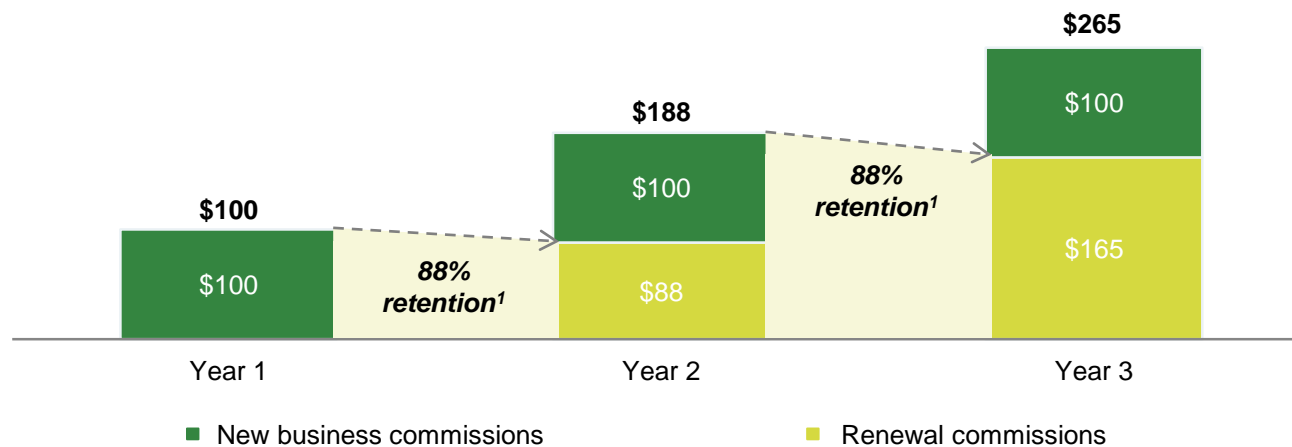
Source: Public filings; ¹ Represents 2018 Adjusted EBITDA margin; see Appendix for GAAP reconciliation.

Note: Public comparables include AON, AJG, BRO, MMC and WLTW; represent North American retail insurance brokerage organic growth or closest approximation

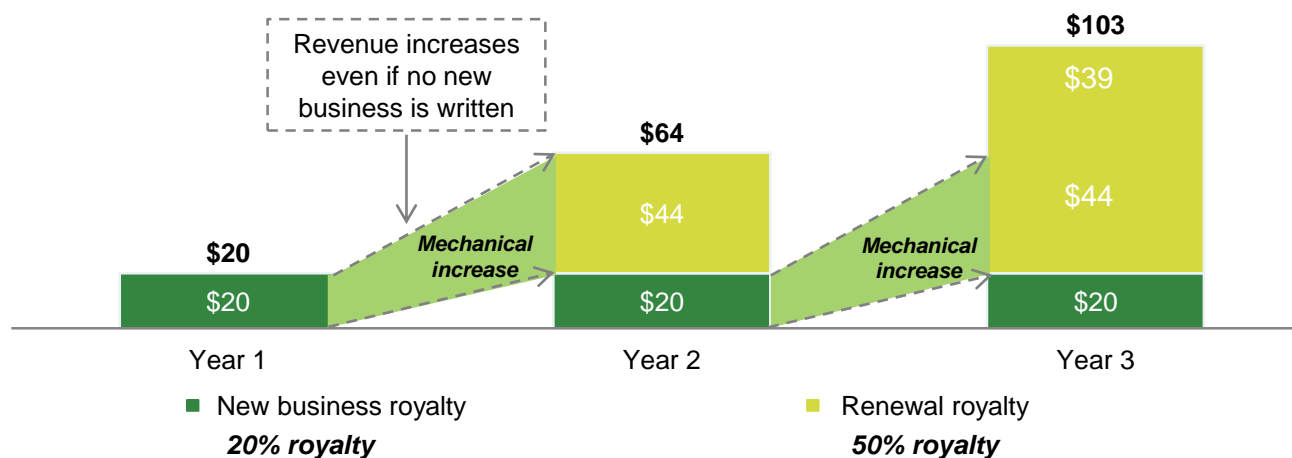
Compelling Economics Drive Growth And Visibility - Franchise Channel

Service model enables and incentivizes franchises to focus all of their time on new business

Gross Revenue



Net Revenue (to Goosehead)



Note: Illustrative example

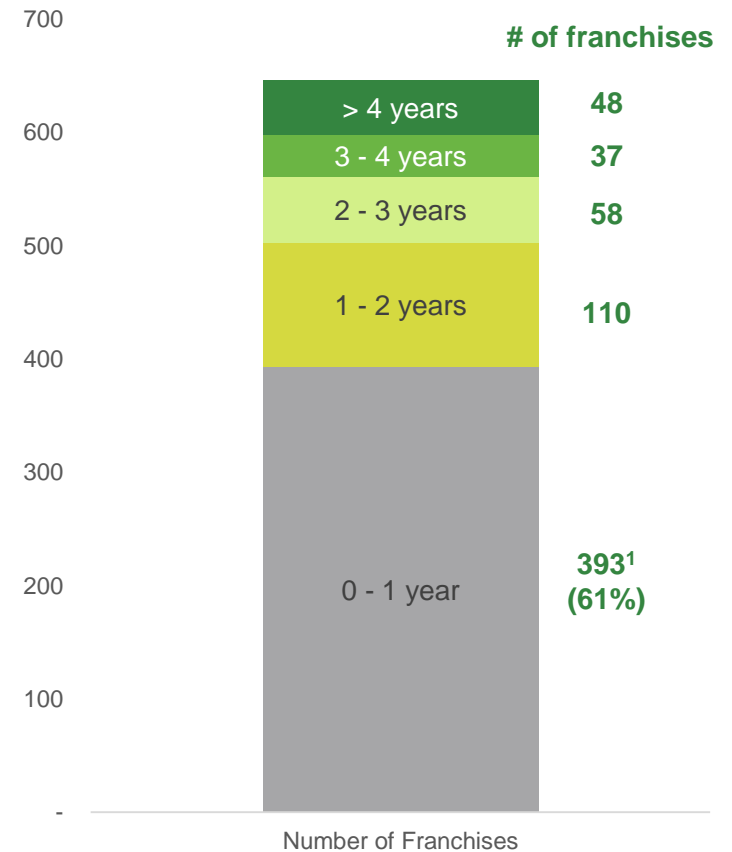
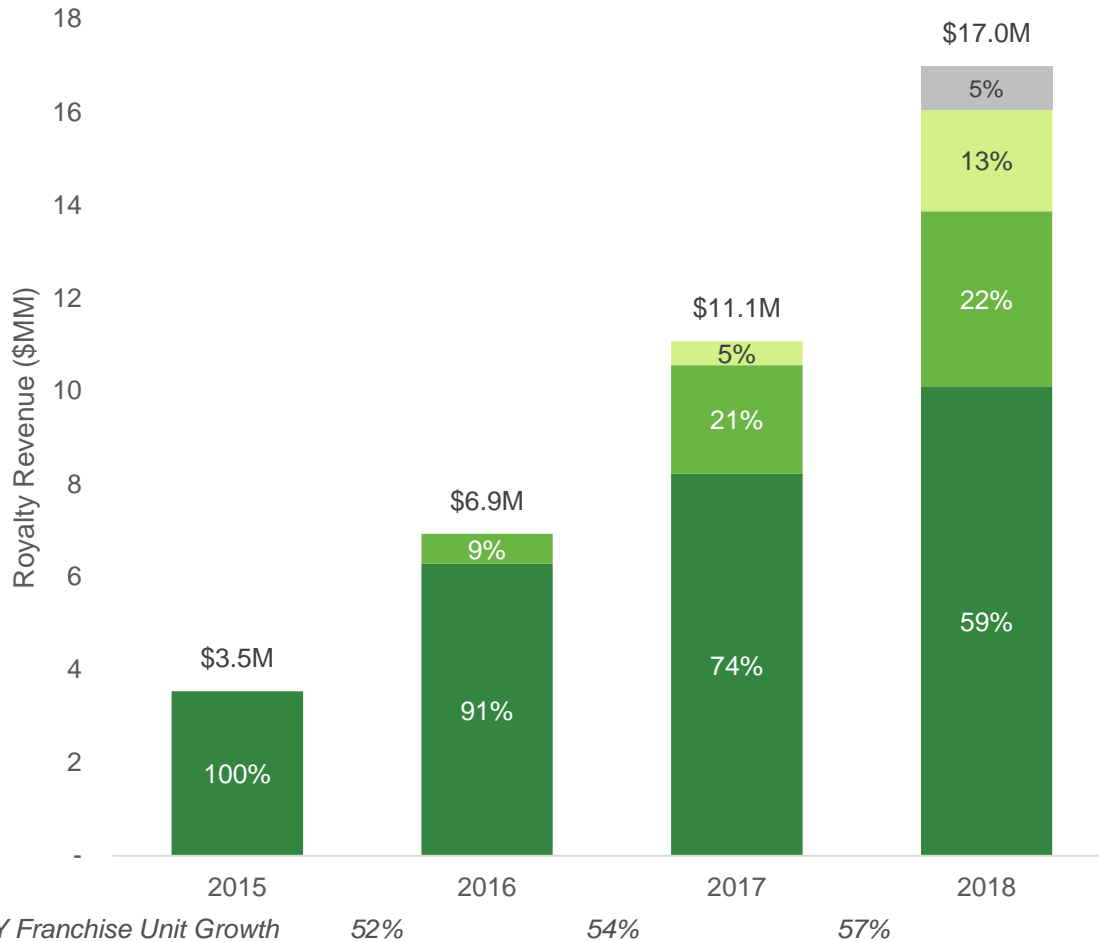
¹ Represents Q4 2018 client retention rate

Mechanical Growth Provides Abundant and Predictable Organic Opportunity



New franchise units take several years to materially impact revenue

Young tenure of franchises provides large volumes of predictable future revenue



Cohorts' contribution to annual revenue ■ 2015 and prior ■ 2016 ■ 2017 ■ 2018

¹ Number of franchise locations include 189 franchises which are under contract but yet to be opened as of 12/31/18

Margins Increase Mechanically As New Business Becomes Renewal Business



New and renewal business costs

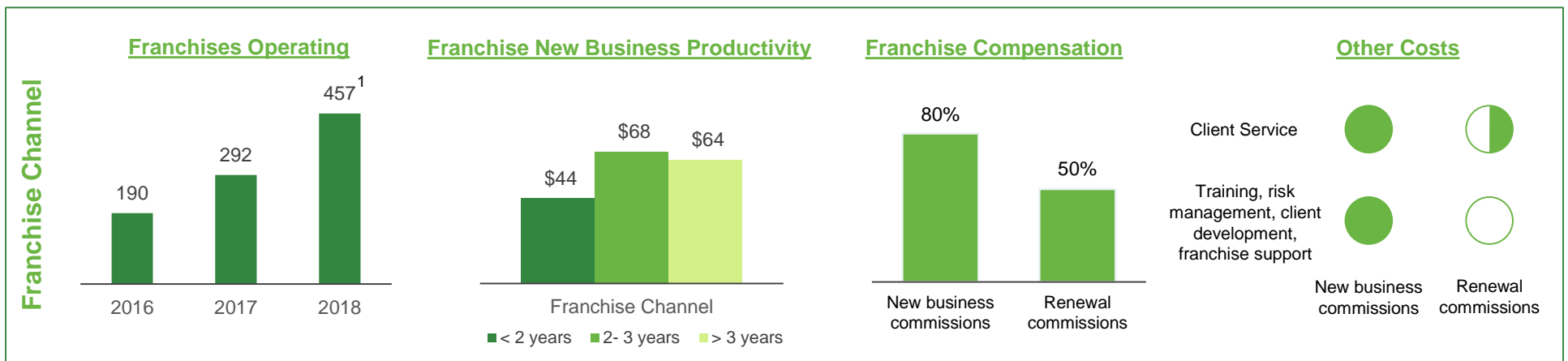
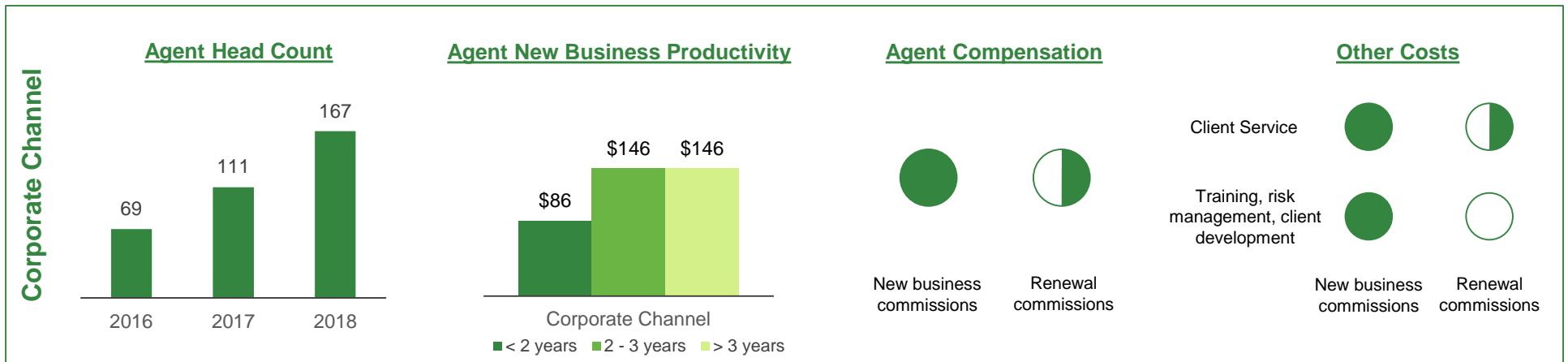
	New Business	Renewal Business	
Commissions to agents / franchisees (net revenue)	●	◐	■ >50% lower for renewal business
Client service salaries and bonuses	●	◐	■ Critical to both new and renewal business; burden heaviest for new clients
Quality control salaries and bonuses	●	○	■ Not relevant for renewal business
Training salaries and bonuses	●	○	■ Not relevant for renewal business
Client development costs	●	○	■ Not relevant for renewal business
Franchise support	●	○	■ Not relevant for renewal business

Opportunities to further expand margins through operating leverage created by revenue growth

Investments In People Should Result In Long-Term Growth And Margin Expansion



Making significant investments today to ensure growth and profitability is sustainable for years to come



¹ Excludes all new signings and franchises in implementation

Investment Highlights



Disruptive model positioned to substantially grow in a massive and fragmented industry

Outpaced revenue growth driven by strategically solving industry challenges

Comprehensive value proposition for clients, agents and carriers

Highly developed recruiting strategy with experienced evaluators of talent

Robust and innovative technology platform supports high growth business model

Committed and capable management team with ambitions of industry leadership

Recurring revenue with strong future visibility and expanding long-term margins

A photograph of a family of four sitting in a bed. A woman with long dark hair, wearing a blue t-shirt, is smiling and holding a young girl with long brown hair, who is also smiling. A man with short brown hair, wearing a blue shirt, is smiling and looking towards the camera. A young boy is partially visible in the foreground, looking down at a book. The background is a white quilted pillow. The entire image has a green overlay on the left side.

Franchise Value Proposition

Franchise Value Proposition



Plug-and-play model allows agents to focus on new sales

Robust and fully managed product portfolio increases addressable market

Comprehensive client service and back office outsourcing

Powerful technology platform and suite of business services

Quality control and fulfillment

Valuable initial training program and continuing support

Deployment of intellectual capital developed at Corporate

Robust and Fully Managed Product Portfolio



Over 80 carriers on the platform



Fully managed product portfolio

- Access to product and unique compensation opportunities
- *Direct* binding authority with carriers
- Access to continual learning via our carrier knowledge base, learning management system and chatter forum
- Help desk staffed with licensed product experts for real-time support

Comprehensive, Plug-and-Play Technology Suite



- Custom agency management system powered by Salesforce
 - 360 degree customer visibility
 - Advanced reporting and analytic capabilities
 - Integrated e-signature capabilities via DocuSign
- Web-based, real time comparative rating software powered by EZLynx
- Microsoft Office 365
- 24/7 IT Help Desk
- Robust cyber security
- Cloud based telephony integrated with Salesforce



Quality Control and Fulfillment



Conducts Quality Review

- 100% of all new policies reviewed
- Quality analysts are experts on carrier underwriting
- Reduces E&O exposure and promotes positive carrier relationships



Prepares New Policy Package

- New policy package prepared for client
- Completed within one business day
- Saves sales agent an estimated 20-30 mins per new policy written



New Policy Package Sent via DocuSign

- Paperless, convenient process for client
- Signatures received within 2 days on average

Service Centers



Service centers in Westlake, TX and Henderson, NV:

Hours of operation: 7 am – 7 pm coast-to-coast



Fully licensed P&C agents:

Professional career path with competitive compensation

Multilingual: English & Spanish



High client satisfaction & retention results:

Average retention rate of 88%

NPS of 89

Seek to keep client hold time under 60 seconds



Case Ownership Mentality:

Service Agents handles cases from start to finish

Empowered with the tools and training to solve problems

Comprehensive Service Support



Revenue Generation

- Cross sell additional lines of business
- Upsell by adding supplementary coverages/endorsements
- Referrals from satisfied clients

Inbound Efforts

- Claims assistance
- Binder requests
- Certificate requests
- Customer inquires
- Endorsement/policy changes
- Payment/billing
- Complaints

Outbound Efforts

- Renewal
- Lapse in coverage
- Returned mail
- Underwriting notices
- Signature collection
- Trailing documents
- Cancellation saves



Complex and Time Consuming Accounting Services Provided



Treasury services for insurance premiums:

- Payments made daily to carriers
 - Reduces E&O exposure
-



Commission accounting:

- Detailed commission statements provided monthly
 - Commission checks sent via Direct Deposit on 25th of each month
-



Reporting & Analytics:

- Production analysis, trends, benchmarks

Launch Support



Detailed implementation schedule with assigned launch coordinator



Training registration and preparation



Technology setup and carrier appointments



Business filings/registration, insurance licensing and setup of business insurance policies



Site selection approval

Agency Support



Communication

- Monthly/weekly leaderboard emails
 - Weekly training and update webinars
 - Annual meeting and regional town hall meetings
-



Training

- 160 hour initial training program
 - Continuing education and advanced sales trainings
 - Onsite training visits
-



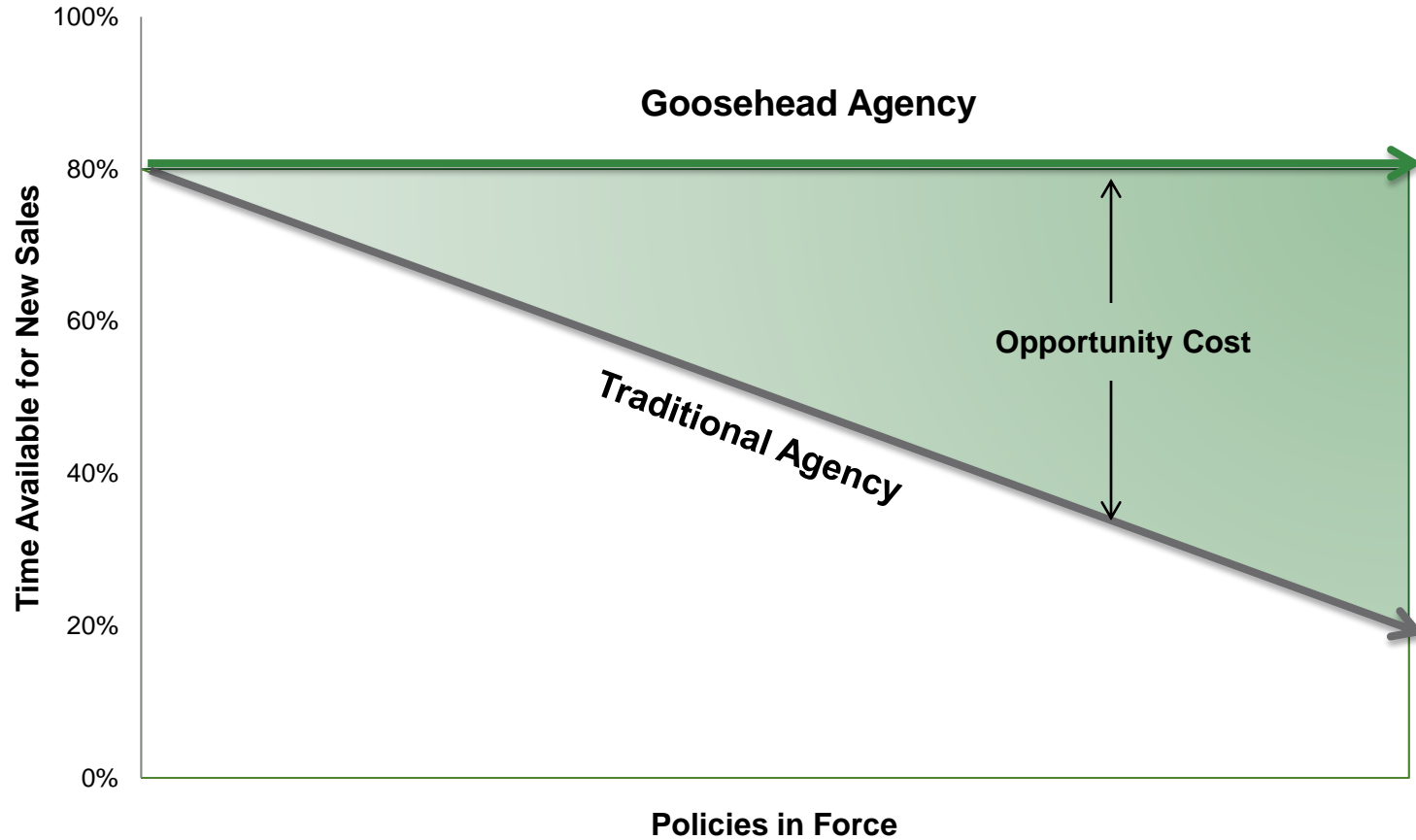
Sales Support

- Assist in creating actionable sales plans for growth
- Helpdesk staffed with licensed experienced sales experts

Plug-and-Play Model Allows Agents to Focus on Selling




Leverage our system to sell more



A Highly Differentiated Offering



	 Agents	Captive Agents	Network Independent Agents	Scratch Independent Agents
Product breadth				
Service outsourcing services				
Back office outsourcing services				
Training and support				
Integrated technology platform				
Plug-and-play model				
Strict focus on marketing and new sales				
Initial startup costs				
Overhead costs related to real estate				

Franchise Value Proposition



Plug-and-play model allows agents to focus on new sales

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Comprehensive client service and back office outsourcing

Powerful technology platform and suite of business services

Quality control and fulfillment

Valuable initial training program and continuing support

Deployment of intellectual capital developed at Corporate



Appendix

Executive biographies



Mark E. Jones



Co-Founder, Chairman and Chief Executive Officer

Mr. Jones is a co-founder of the company and has served as Chief Executive Officer since inception in 2003. Under his leadership, Goosehead has grown to be counted among the largest and fastest growing personal lines insurance agencies in the country. Prior to joining the company, he was a Senior Partner and Director of Bain & Company, the global management consulting firm. Earlier in his career, he worked in the audit and mergers and acquisitions practice groups for Ernst & Young. He holds a Bachelor of Commerce degree from the University of Alberta and an MBA from Harvard Business School

Michael Colby



President and Chief Operating Officer

Mr. Colby joined Goosehead Insurance in 2006, was promoted to Senior Vice President and Chief Financial Officer, and served in that role from 2010 to 2014. He was appointed Executive Vice President and Chief Operating Officer in 2011 and then promoted to President and COO in 2016. Mr. Colby has led the franchise operations of the company since 2011, leading Goosehead's exponential growth and expansion into several states. Earlier in his career, Mr. Colby worked with KPMG in their audit practice. He holds a B.B.A in Accounting and an M.S. in Finance from Texas A&M University

Mark Colby



Chief Financial Officer

Mr. Colby has served as Chief Financial Officer since 2016. Mr. Colby joined Goosehead in 2012 as Manager of Strategic Initiatives, where he worked on Information Systems platform development and migration, real estate planning, and business diversification initiatives. Since his promotion to Vice President of Finance in 2015, Mr. Colby has overseen Goosehead's internal and external financial reporting, budgeting and forecasting, payroll/401(k) administration, treasury function, and Quality Control/Risk Management department. Prior to joining Goosehead Insurance full-time, Mr. Colby worked in Ernst & Young's Transaction Advisory Services and Audit service lines from 2009 to 2012. He graduated cum laude from Texas A&M University in 2009 with a B.B.A. in Accounting and a M.S. in Finance and is a Certified Public Accountant

Ryan Langston



General Counsel

Mr. Langston joined Goosehead Insurance in 2014 as Vice President and General Counsel. He is responsible for coordinating and leading legal activity and compliance. Prior to joining Goosehead, Mr. Langston was an attorney with Strasburger & Price, LLP where he represented businesses in commercial litigation and arbitration involving business dissolutions, theft of trade secrets, enforcement of noncompetition agreements, and breach of contracts. He holds a Bachelor of Arts degree from Brigham Young University and received his J.D. from the University of Texas School of Law

Executive biographies (cont'd)



Michael Moxley



Vice President

Mr. Moxley serves as Vice President of Service Delivery for Goosehead Insurance. He joined the company from Transcom Global, an international BPO company, where he was Director of Service Delivery for North America, having oversight for a service operations team spanning four service centers and two countries. Prior to Transcom, Mr. Moxley worked with Alorica, another global BPO firm, where he was a key contributor to their expansion strategy, growing operations to over 3,000 agents in five centers. Earlier in his career Mr. Moxley spent more than 10 years leading various sales and service teams for AT&T. Mr. Moxley has over 13 years of experience in scaling service operations and driving client satisfaction

Megan Bailey



Vice President

Ms. Bailey serves as Vice President of Franchise Sales for Goosehead Insurance. She joined Goosehead in 2011 to launch the franchise division of the firm. Goosehead has since grown to over 400 franchise locations in six years. She has over 15 years of sales and management experience including retail, advertising, and software. Originally from Cedar Rapids, Iowa, Megan graduated from the University of Iowa with a Bachelor's degree in Business Communications

Matthew Colby



Vice President

Mr. Colby is a Co-Founder of Goosehead Insurance's Houston Office and currently serves as Vice President of Agency Sales. He began his professional career at Charles Schwab as a 401(k) Associate in their Plan Conversions Department. He joined Goosehead Insurance Dallas as an Account Executive in 2007, and was promoted to Manager in 2008. In 2009, Mr. Colby moved to Houston to open Goosehead's first satellite office. Prior to working at Goosehead, Mr. Colby obtained a Bachelor of Science at Texas A&M University where he majored in Political Science with a minor in Business Administration

Gary Delavan



Vice President

Mr. Delavan joined Goosehead Insurance as an Account Executive in 2005, became a Sales Manager in 2007, was promoted to Partner and Director in 2010, and now serves as Vice President of Corporate Sales. As Vice President of Corporate Sales, Mr. Delavan leads the strategic growth and development of the company's high octane Corporate Sales teams located in Irving, Fort Worth, Houston, Austin and Chicago. In his 12 years at Goosehead, Mr. Delavan has been involved in many aspects of the business, including recruiting top talent, training & development of that talent, geographic expansion and supporting Goosehead's network of franchise owners. As a third generation Longhorn, Mr. Delavan attended the University of Texas where he graduated Cum Laude with a Major in Finance and minor in Accounting



Drew Burks



Chief Information Officer

Mr. Burks joined Goosehead Insurance in 2006 serving in both risk management and technology roles. In 2013 he was promoted to Director of Risk Management, transitioned to Director of Information Systems in 2015, and now serves as Chief Information Officer. Mr. Burks is a Salesforce Certified Administrator and has led Goosehead's development of this platform since its implementation in 2009. He also holds DocuSign for Salesforce and Dell Boomi Integration Developer I certifications. Mr. Burks graduated from Baylor University in 2003 with a B.B.A. in Management Information Systems.

Non-GAAP Adjusted EBITDA Reconciliation



	<u>2017</u>	<u>2018</u>
Net Income	\$ 8.7	\$ (18.7)
Other (Income) Expense	(3.5)	0.2
Interest Expense	2.5	4.3
Depreciation and Amortization	0.9	1.5
Equity Compensation	2.2	27.1
Income Tax Expense	-	0.4
Adjusted EBITDA	\$ 10.7	\$ 14.8
Adjusted EBITDA Margin	25.1%	24.5%

Note: Financials represent Goosehead Financial, LLC and Subsidiaries and Affiliates. May not sum to total due to rounding.