



DEUTSCHE   
Familienversicherung

**THE LEADING EUROPEAN INSURTECH**

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\*According to German Federal Environment Office



- **Who we are**
- **What makes us different**
- **Where we want to go**
- **Q3 Results 2019**
- **Appendix**



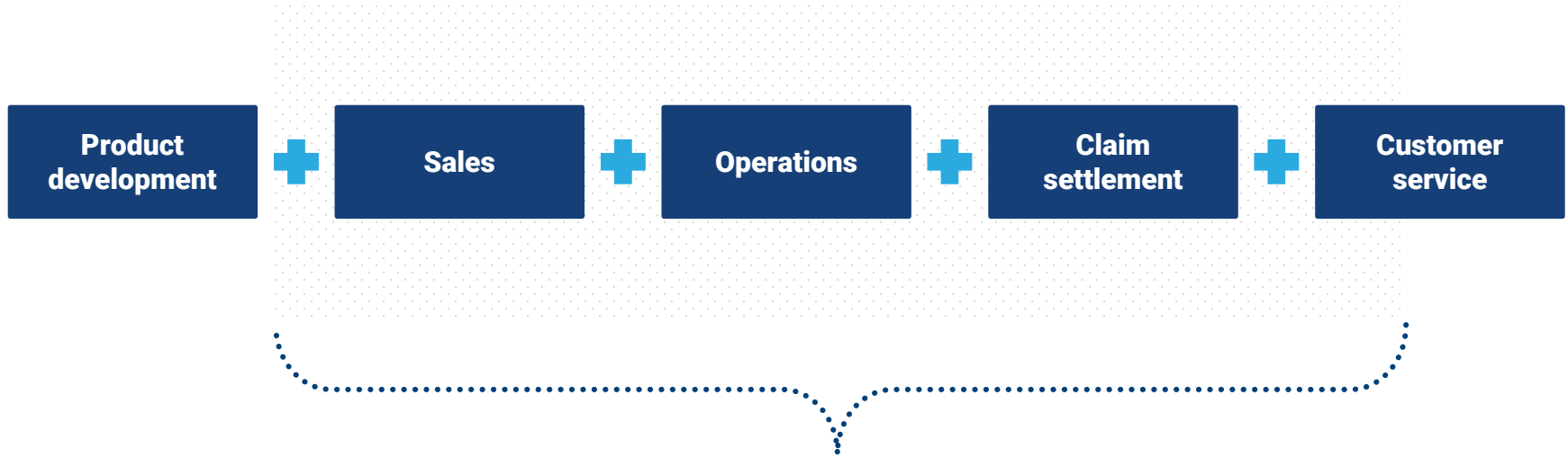
# Who we are



# The first digitized insurer and functioning Insurtech on the German market



# Fully digital insurance company



DFV has almost **fully completed** the digitization of all processes.



# Our insurance products

## Supplementary health insurance

- dental,
- outpatient,
- inpatient and
- LTC insurance as well as
- foreign health and
- daily benefits insurance



## Property and casualty insurance

- household,
- legal,
- liability and
- legal care insurance

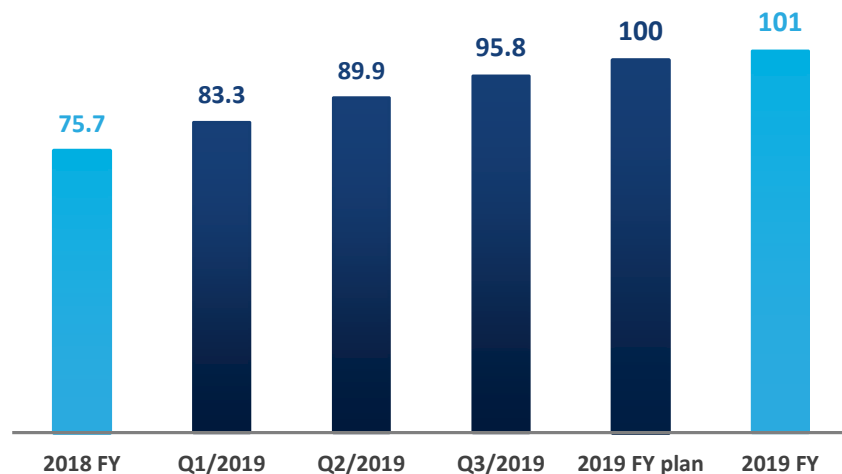
## Pet insurance

- dog health insurance
- cat health insurance
- dog liability insurance

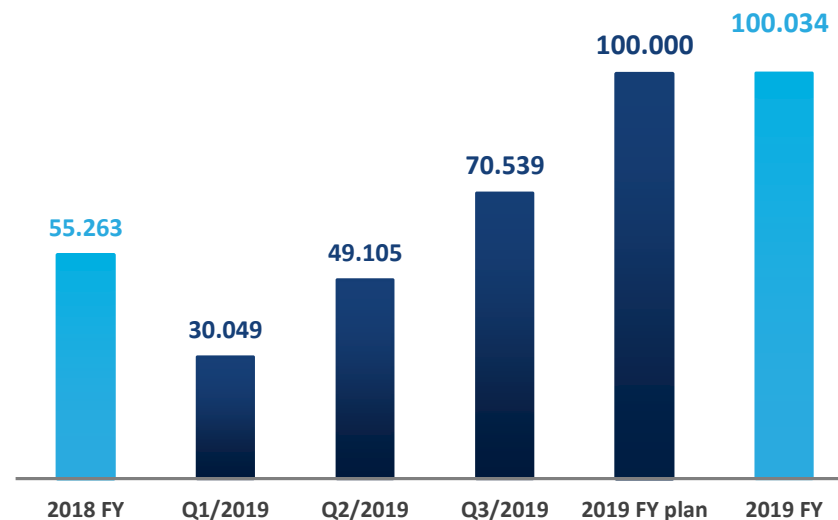


# Fullfilling our targets – preliminary numbers 2019

Portfolio in million of €



New business (units)





## 5 reasons:

- ✓ DFV is the **fastest growing Insurtech** with a **net growth** in new business of **100,034 units in 2019**
- ✓ DFV achieved **portfolio growth of at least €26 million to €101 million in premium volume in 2019**
- ✓ DFV is **using AI** and **automated processes** for **claim settlement** and **customer communication**
- ✓ DFV covers the **entire value chain of an insurance company** **with** unique digital capabilities and **just 116 employees**
- ✓ DFV uses a **java- and event-based IT-platform** which enables the Insurtech to **grow personal-lean while using scalable sales**



# What makes us different



# Easy, understandable products



DFV-DentalCare



DFV-OutpatientCare



DFV-InpatientCare



DFV-LTC



★  
**Basis**

**50 %**  
Refund on all dental treatment

**Precautionary consultations**  
Refund of vaccinations and social  
co-payment

**Diseases due to external  
influences** (eg. accident)

**25%**  
of the governments monthly care  
allowance

★★  
**Komfort**

**70 %**  
Refund on all dental treatment

**Precautionary consultations**  
Refund of up to € 3.000 for  
particular illnesses

**Diseases due to external  
influences and serious  
illnesses**

**50%**  
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**

**75%**  
of the governments monthly care  
allowance

★★★★  
**Exklusiv**

**100 %**  
Refund on all dental treatment

**Precautionary  
consultations**  
Refund of up to € 12.000  
for particular illnesses

**+ exclusive  
assistance services**

**100%**  
of the governments monthly care  
allowance



# Confirmation of leading product quality by Stiftung Warentest



## DFV-ZahnSchutz

**Very good (0.5)** Financial test 05/19  
**Test winner**



## DFV-KrankenGeld

**Good (1.7)** Financial test 06/18  
**Test winner**



## DFV-KlinikSchutz

**Very good (0.7)** Financial test 12/18  
**Test winner**



## DFV-UnfallSchutz Exklusiv

**Very good (1.3)** Financial test 05/18  
**3rd place**

In addition to the **continuation of sales growth**, in 2019 Deutsche Familienversicherung once again succeeded in strengthening its **exceptional position in product innovation** and will **continue to do so** in 2020.

The development of “**very good**” **digital products** is an **expression of the efficiency** of the DFV and is not a matter of course with **116 employees**.



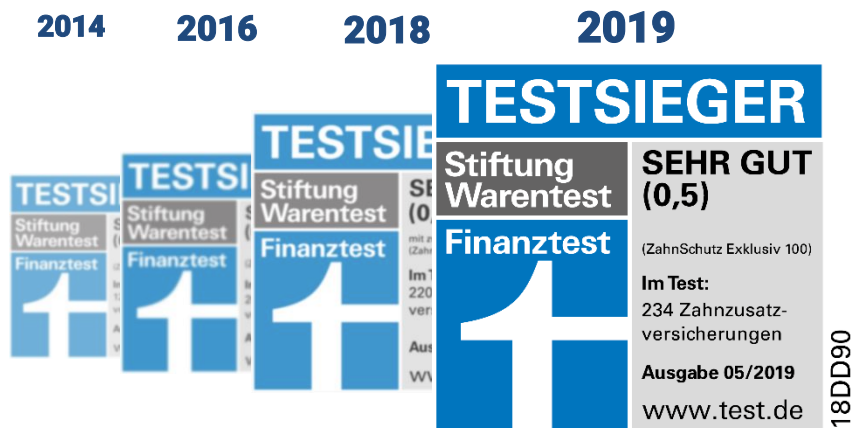
# DFV-DentalCare Exclusive 100 - confirmed by Stiftung Warentest as leading product

**Easiest** dental care insurance on the german market:

- » Virtually 100% reimbursement at the dentist or orthodontist.
- » Only GOZ and medical necessity are relevant for reimbursement.
- » Simplified coverage for orthodontics – regardless of age and diagnosis.

...only we can provide this!

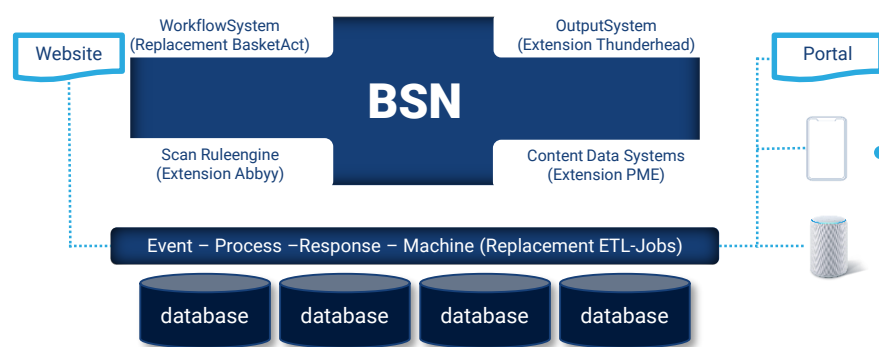
**Most comprehensive** dental care insurance on the german market – awarded four times in the last seven years:



# Expansion of IT - Continuation of digitization

## From a linear system landscape

## to a cloud-based neural system analogy



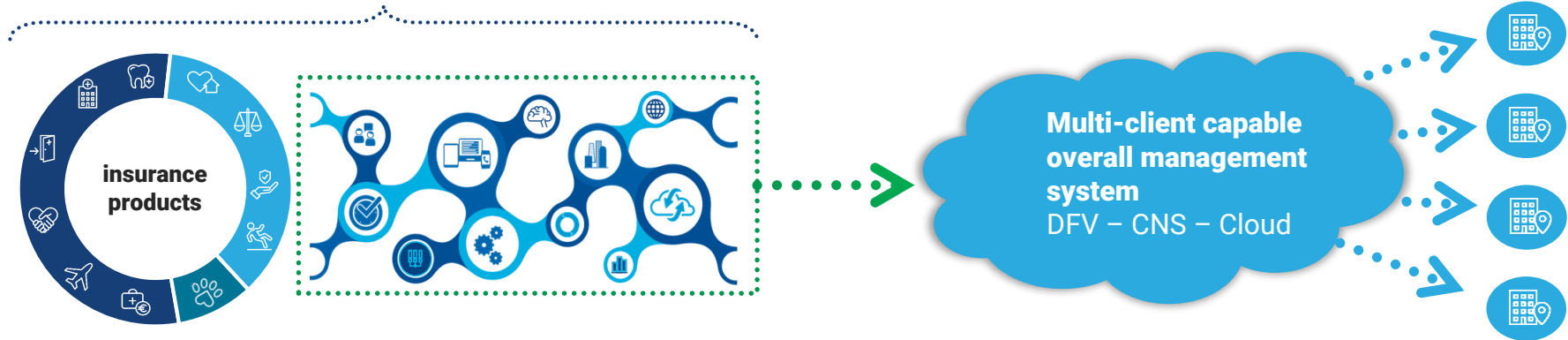
**The continuation of digitization is to take place essentially through the expansion of automation of claims/benefit processing** and the replacement of subsystems such as the existing mailbox/file system.



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



**DFV business model**



**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).**

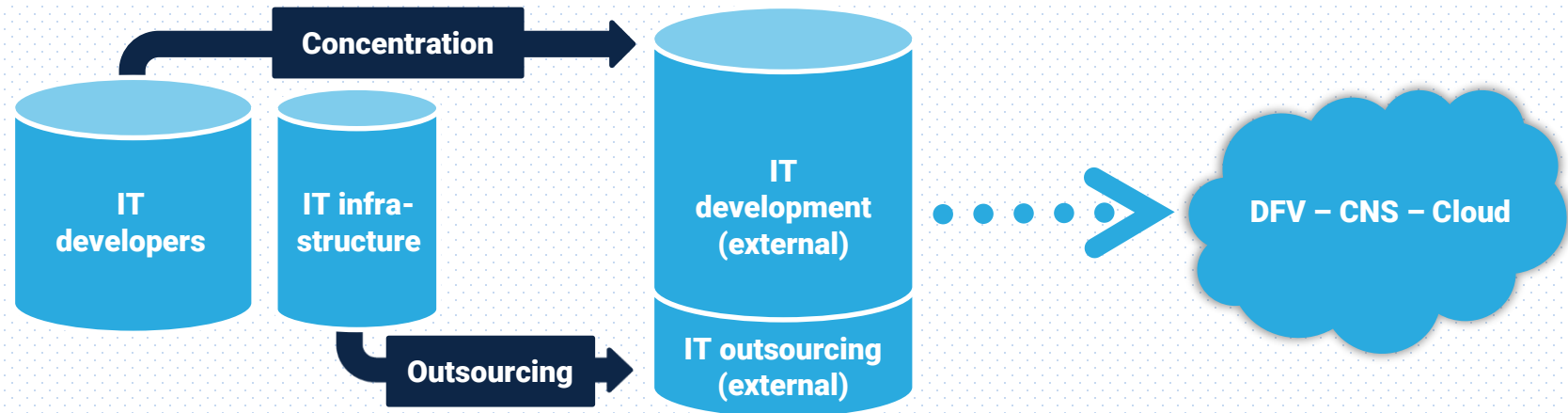
\*Cloud-based neural system analogy



# 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.

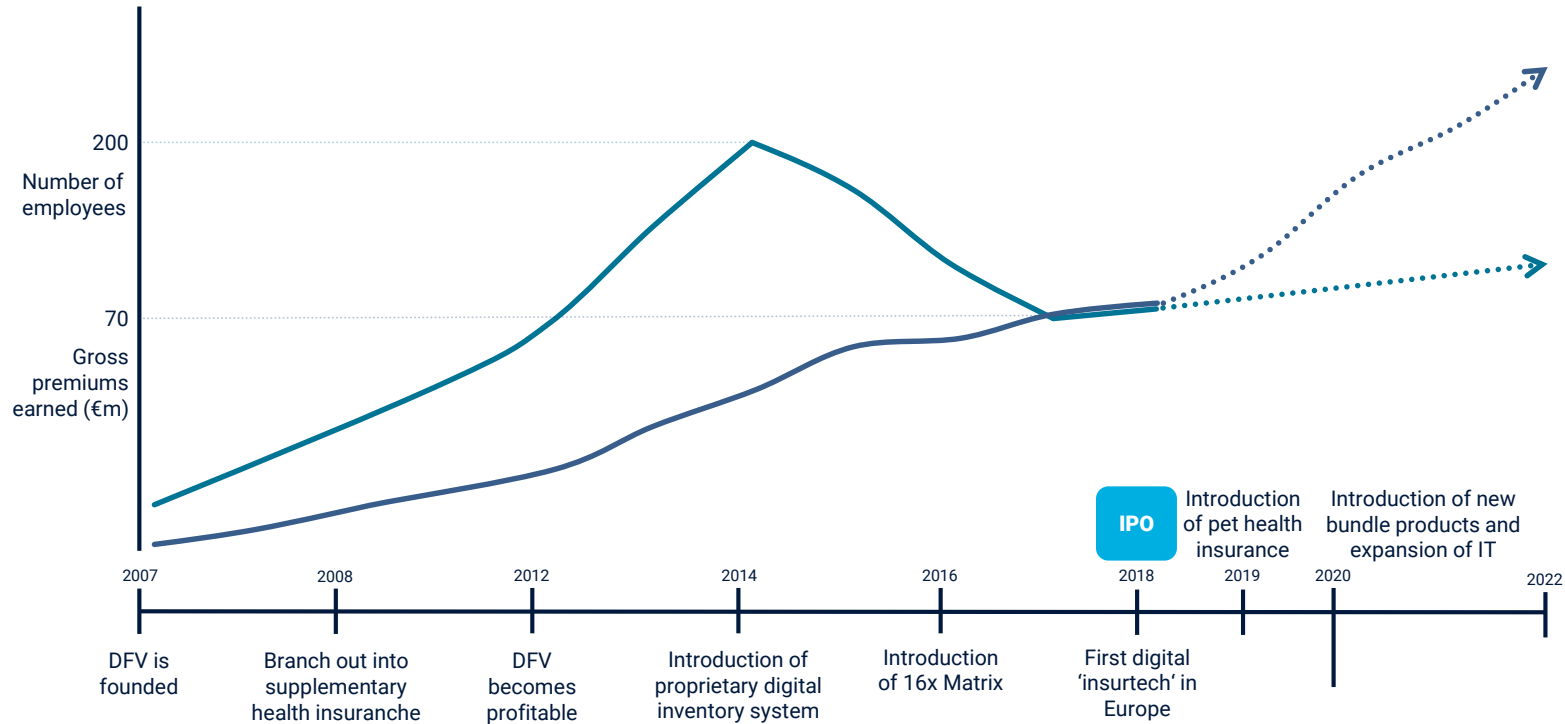


Deutsche Familienversicherung will concentrate its efforts on IT development in the future!





# Scalable IT and automated processes



**Therefore we developed the “product module editor”.**



## Contract creation

## Claim service

**All our insurance products cover more than 1,500 input options** so that the entire user interface, correspondence and policies handling is controlled centrally.



# World innovation: insurance take out via Alexa



## 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.



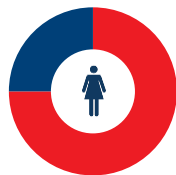
Deutsche Familienversicherung is the first and to date the only InsurTech to cover the entire sales process from providing

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

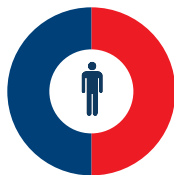
via **Alexa**.



# Care situation in Germany



Women: 75%



Men: 50%



In **every family** there is a **long-term care case**.

50% **men** and 75% **women** are in need of care.

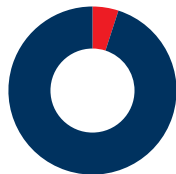


2.000€ from private funds



The state covers only **1/3** of the costs.

2.000€ is the pension **gap** that **everyone** has to **cover** for their own inpatient contribution.



ca. 2.25 Mio. people\*

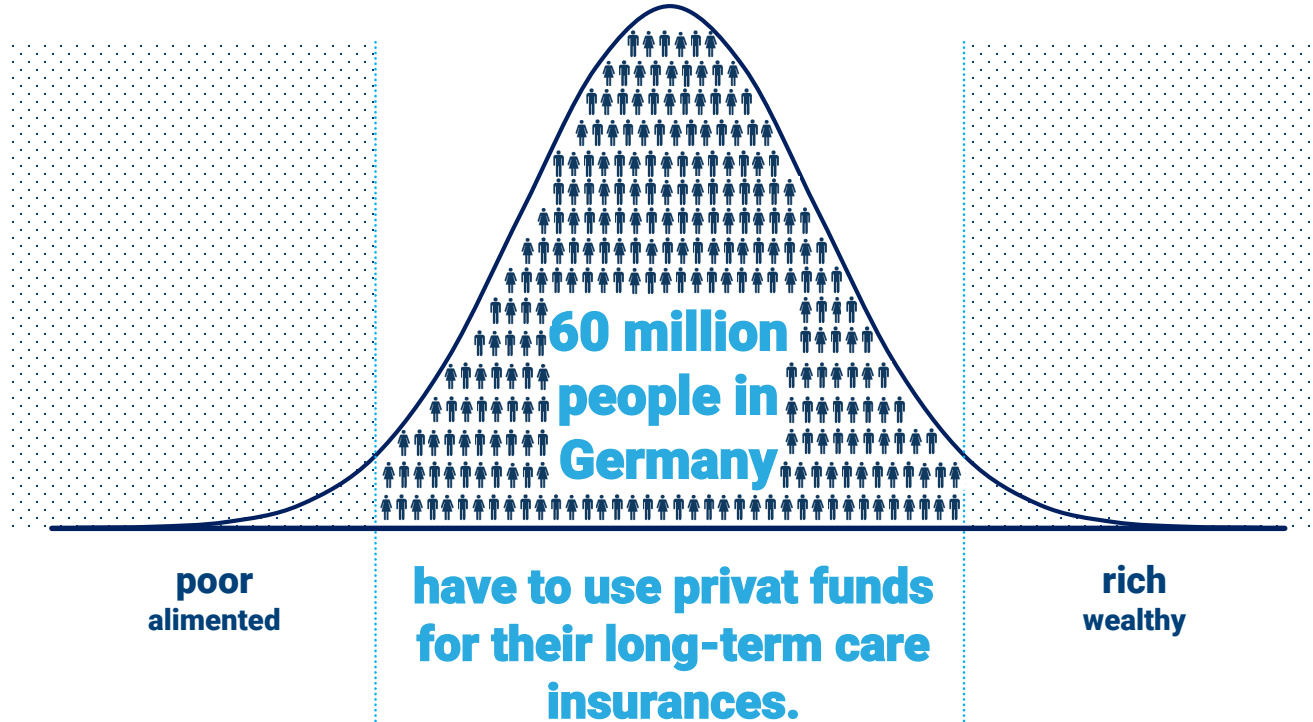
\* Range of 20-60 years old people in Germany.



Only **5% of the Germans** have a long-term care insurance.



# Who is affected by the financial gap?



# Demand of IG BCE

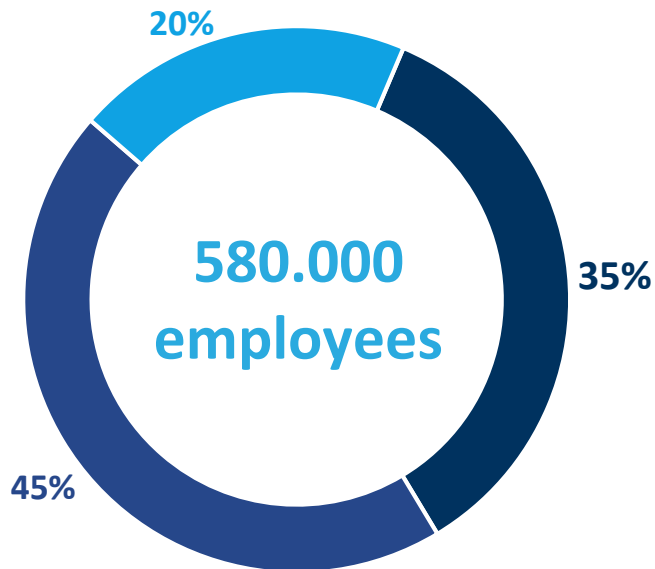


On average, people in need of long-term care pay **2.000€** to cover the financing gap between the statutory nursing insurance contributions and the actual expenses for a nursing home place.



# Nationwide: First consortium in occupational health insurance

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■ DFV ■ R+V ■ Barmenia

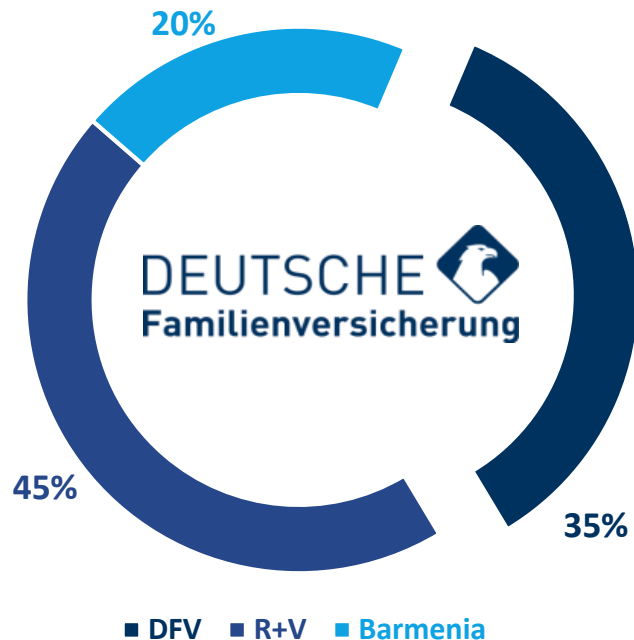


- » financial security
- » risk taking
- » excellent services



# Responsibilities of the Deutsche Familienversicherung

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We perform:

» product management

» portfolio management

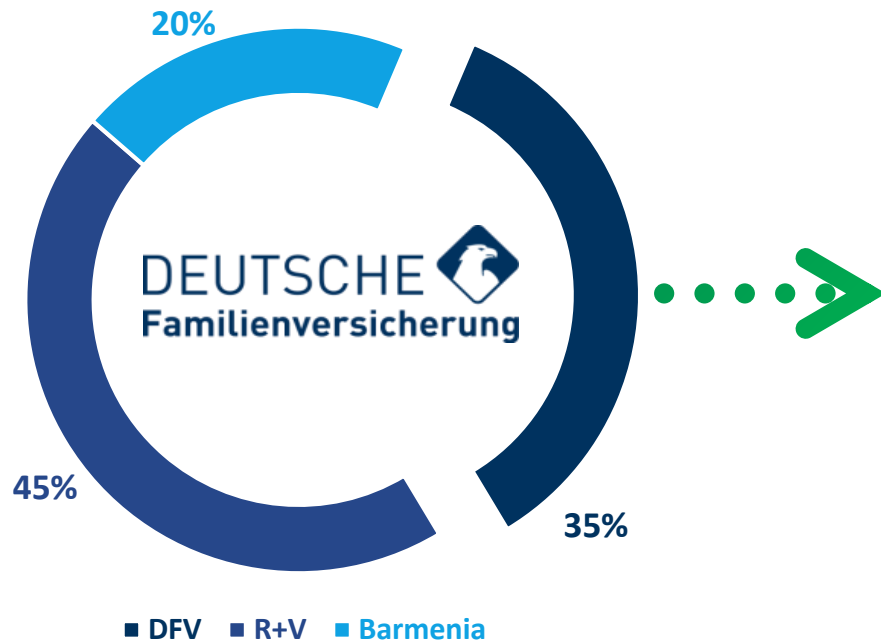
» support of implementation





# The growth with basis CareFlex Chemie

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## Growth

- » Portfolio:
  - + 580.000 policies
- » Premiums:
  - + 100% premiums



# Where we want to go



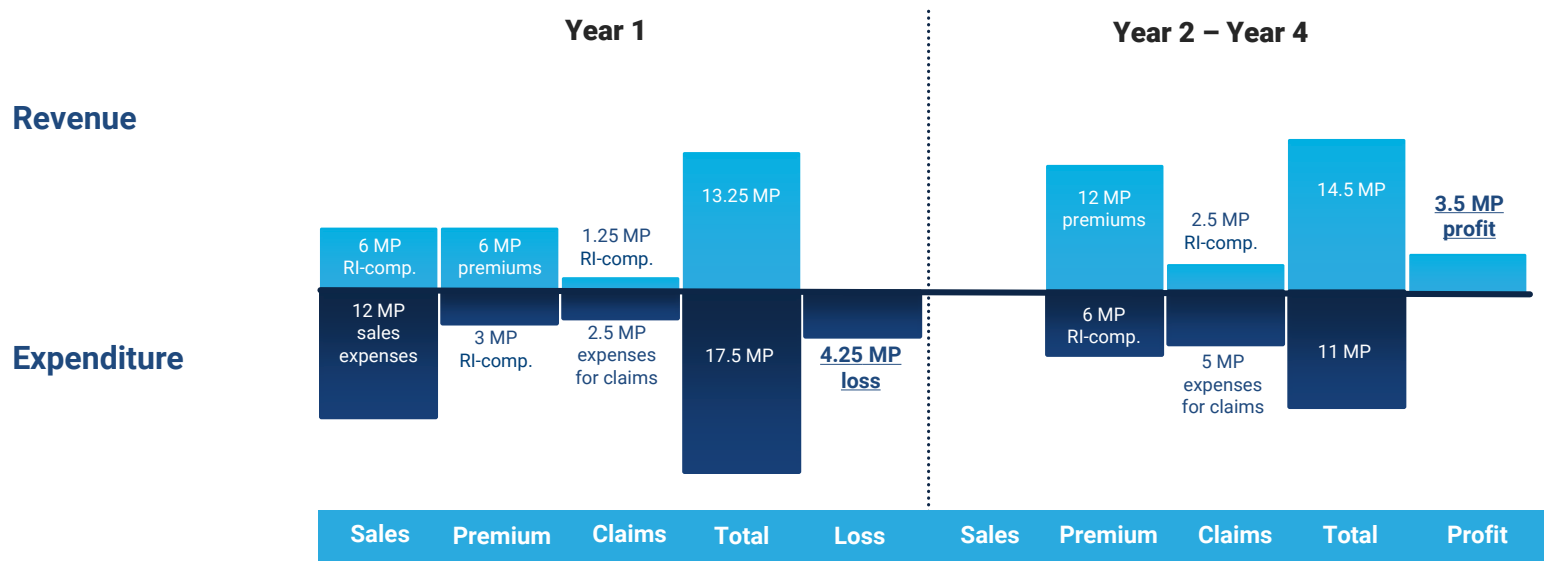
# Our Goals



- ✓ **New unit: 1,000,000 customers**
- ✓ **Portfolio: €200 million**



# 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 dispense 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.

Ø Average customer retention: 8.5 years

# Goals 2020 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.

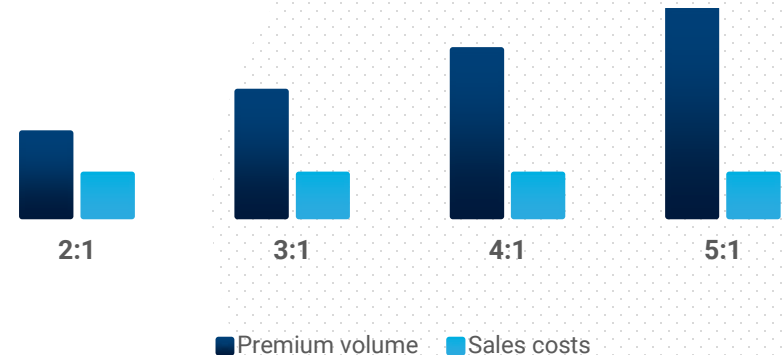
The new business planning of Deutsche Familienversicherung will lead to a gradual improvement of the ratio with a linear sales target.

## 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)



# Valuation opportunities

Differentiation from our insurtech-competitors**						
Company	Premium written	Combined Ratio	Claim Ratio	Employees	Established in	Rating
<i>root</i>	280 Mio. US\$	126 %	91 %	700+	2015	3 Billion US\$
<i>metromile</i>	166 Mio. US\$	103 %	72 %	288	2011	1 Billion US\$
<i>lemonade</i>	90 Mio. US\$	119 %	69 %	266	2015	2 Billion US\$
ottonova	1,069 Mio. US\$ (2018)	c. 2000 %	91,5 % (2018)	105 (2019)	2017	116 Mio. US\$
ONE <small>Einfach smart versichert</small>	0,805 Mio. US\$ (2018)	not available	25,8 % (2018)	200+*	2018	1 Billion US\$
DEUTSCHE Familienversicherung	112 Mio. US\$	110,5 %	60,5 %	116	2007	278 Mio. US\$

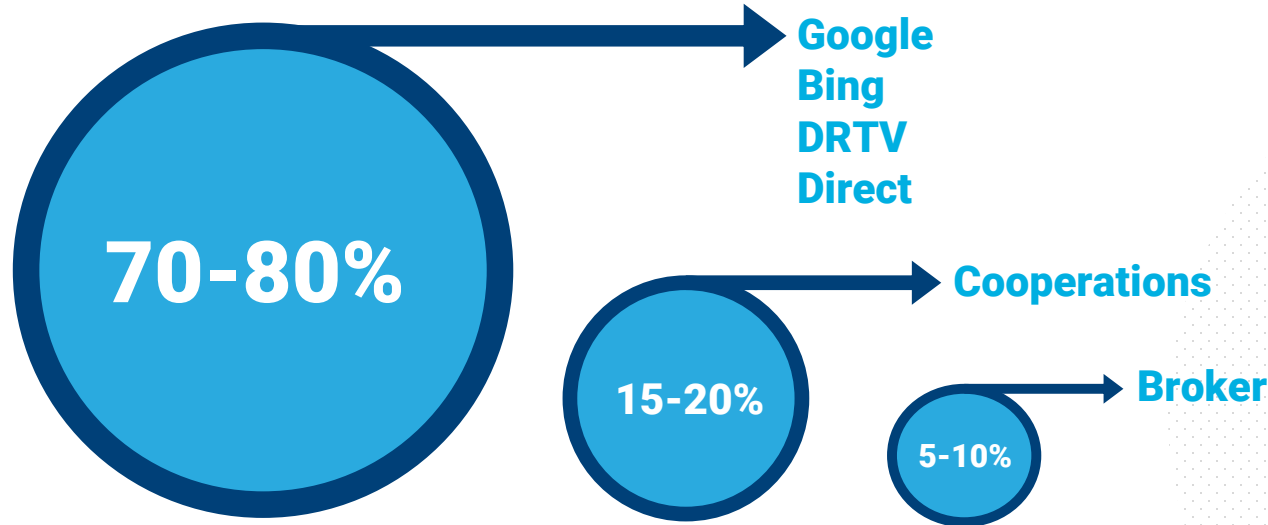
- low claim ratio
- growth gurantee
- best premiums per employee

\* One Insurance is part of WeFox company. One Insurance has eight employees. WeFox has more than 200 employees.

\*\* The figures based on publicly available sources believed to be reliable. DFV AG has checked the information for plausibility but not for accuracy or completeness.

# 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.**





# Dental spot Maxcare



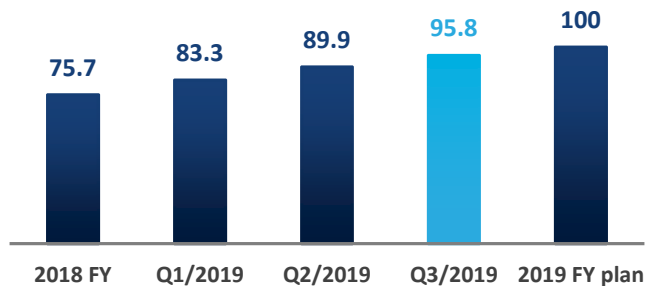


# Q3 Results 2019

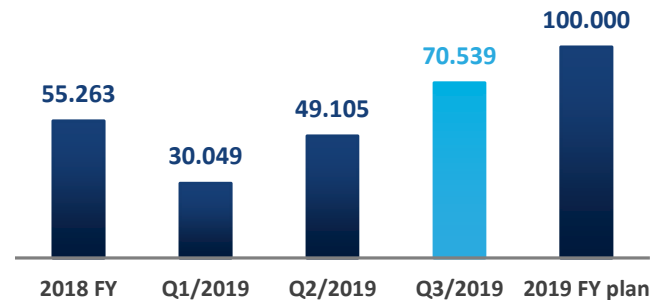


# Key financial figures Q3 2019

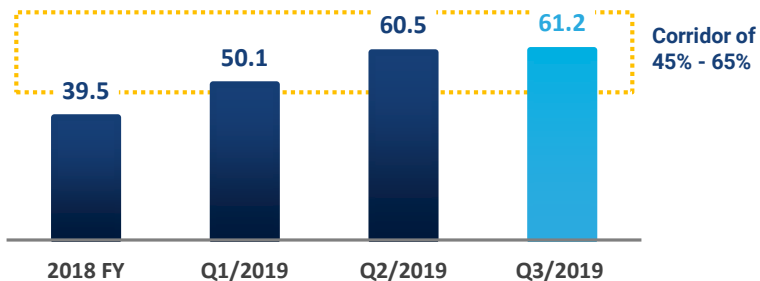
Portfolio in million of €



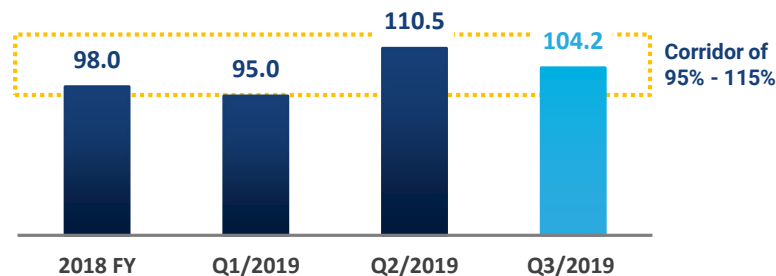
New business (units)



Claim Ratio in %

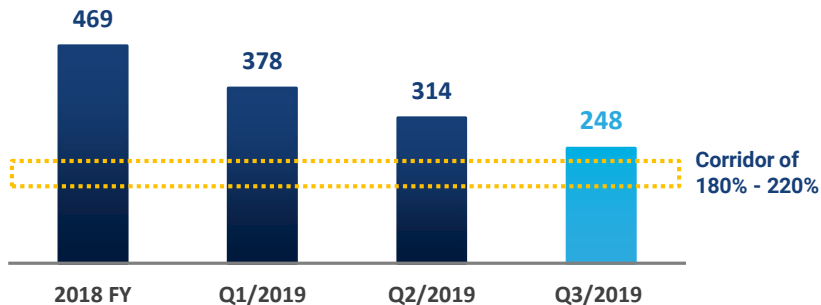


Combined Ratio in %

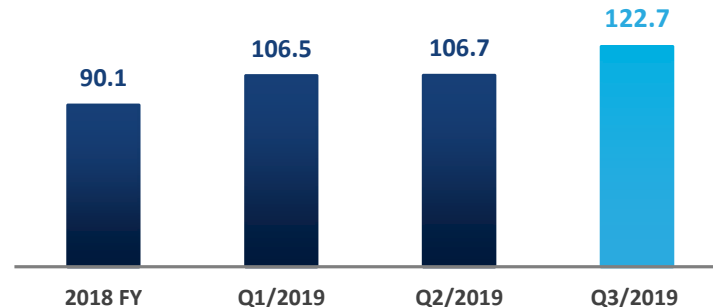


# Key financial figures Q3 2019

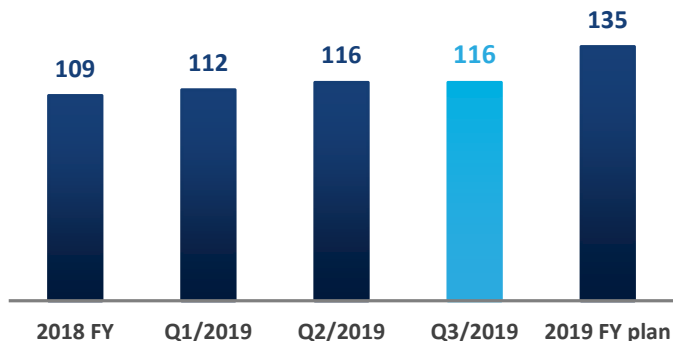
Solvency Ratio in %



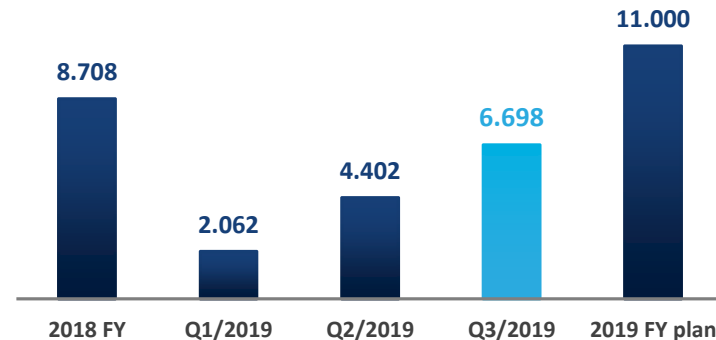
Financial investments in million of €



Number of employees

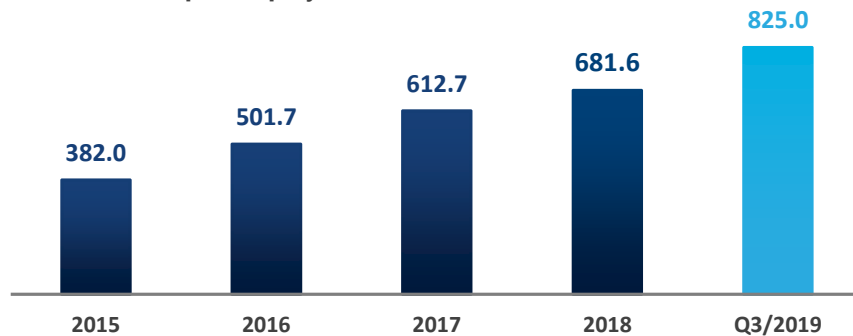


Cumulated salaries in t of €

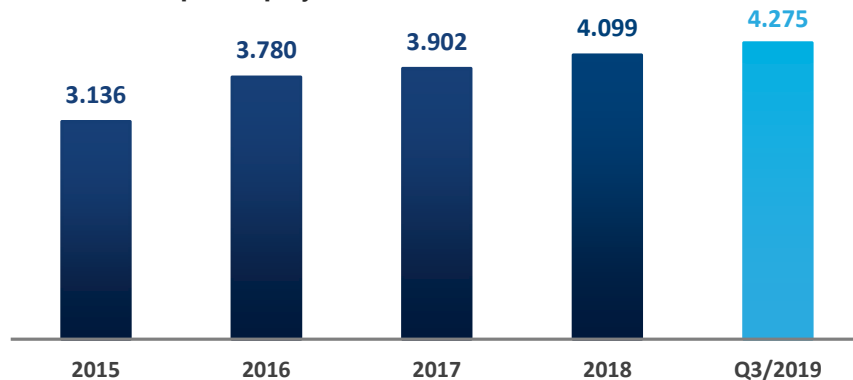


# Key financial figures Q3 2019

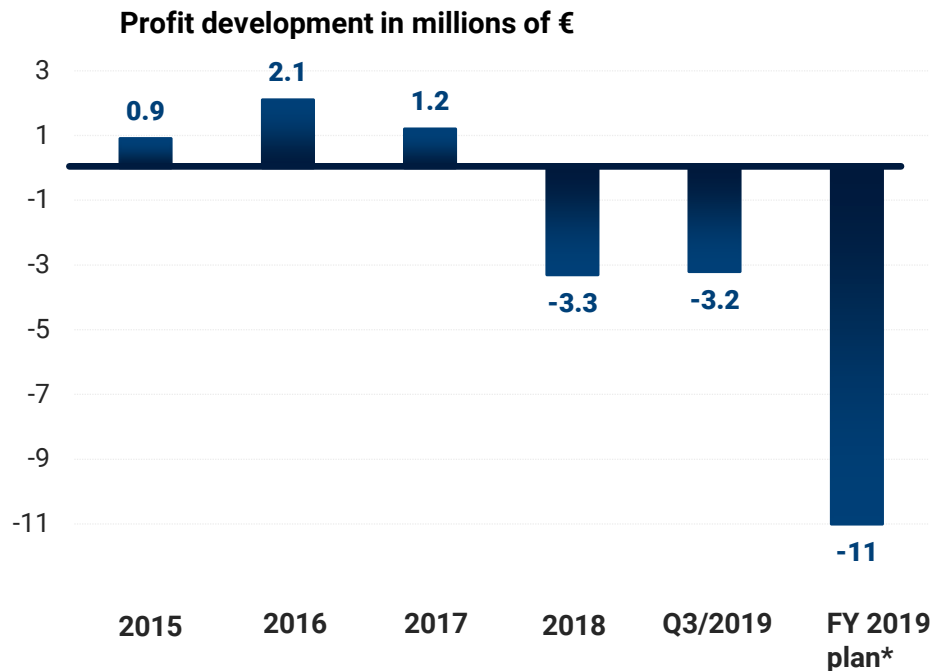
Premiums per employee in t €



Contracts per employee



# Profit development 2015 – Q3 2019

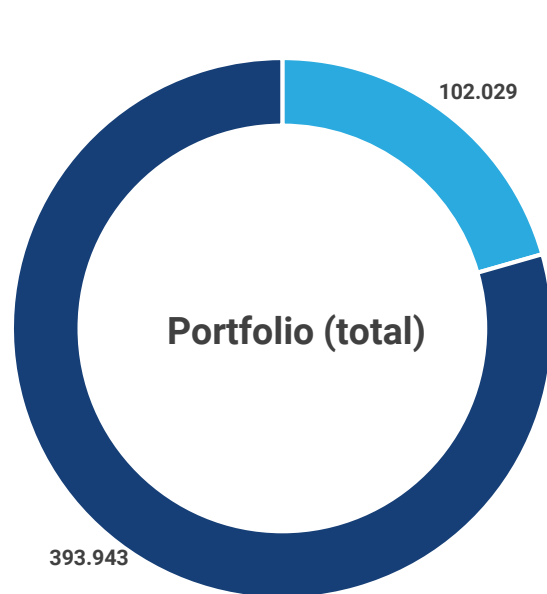


The financial Q3 2019 at Deutsche Familienversicherung was closed as planned with a loss.

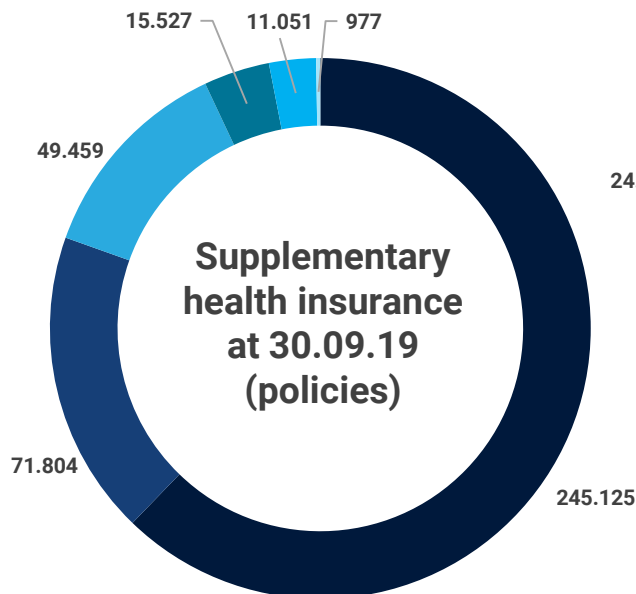
\*9-11 millions of €



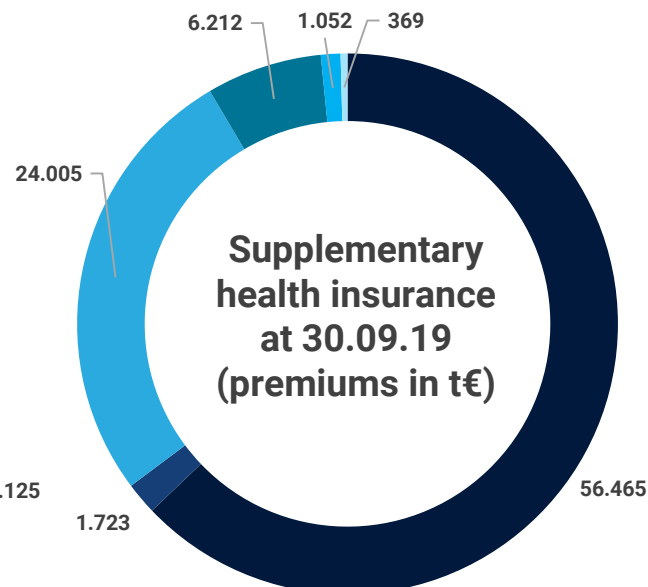
# Key figures Q3 2019 – Supplementary health insurance



- property insurance
- supplementary health insurance



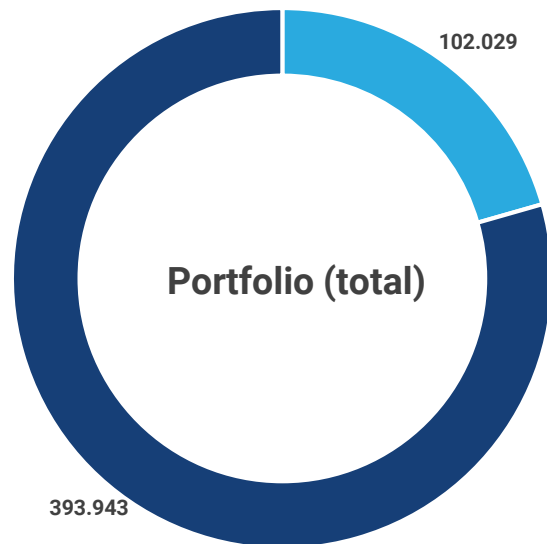
- dental
- long term care insurance
- sick-pay insurance
- travel insurance
- inpatient insurance
- outpatient insurance



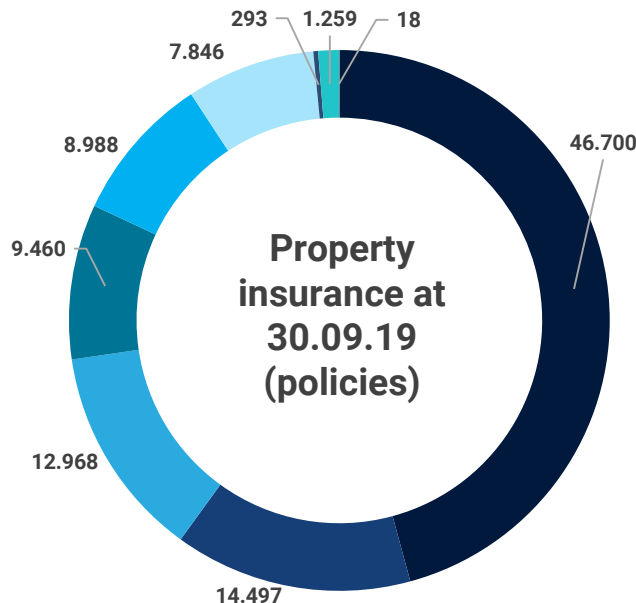
- dental
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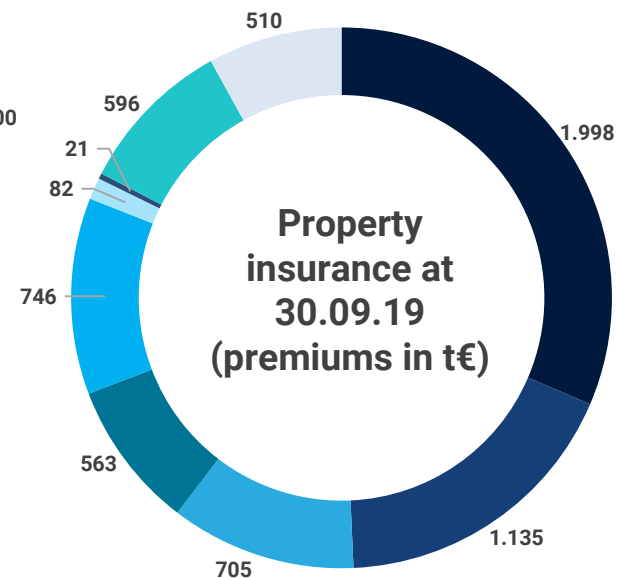
# Key figures Q3 2019– property insurance



- property insurance
- supplementary health insurance



- electronic
- liability insurance
- legal insurance
- animal holder liability
- others
- accident insurance
- household insurance
- glass insurance
- pet health insurance



- electronic
- liability insurance
- legal insurance
- animal holder liability
- others
- accident insurance
- household insurance
- glass insurance
- pet health insurance



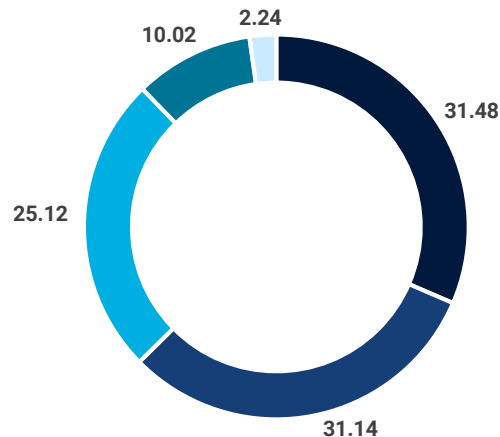
# Appendix





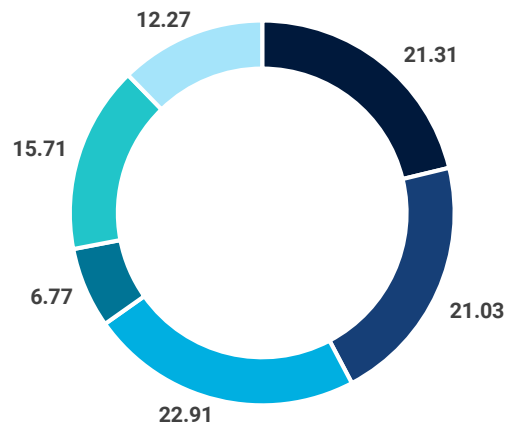
# Investor Relations

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

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

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.**



# The market is penetration-ready and yields vast opportunities

The market potential amounts to 165 million insurance contracts in Germany.

INSURANCE TYPE	REMAINING PENETRATION POTENTIAL IN GERMANY	PENETRATION POTENTIAL IN MILLION CONTRACTS
Long-Term care	94%*	42,3
Accident	70%	31,5
Nursing Care	70%	31,5
Dental	60%	27,0
Household	30%	13,5
Liability	20%	9,0

\*Age range 20 – 60 years



**We aim to gain 1% of the 165 m contracts, which means 1.5 m new customers for Deutsche Familienversicherung.**





# Digital Customer Journey spot



# Investor Relations



## Lutz Kiesewetter

Head of IR & PR

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familienversicherung.de

### Our next IR dates:

18/03	Metzler MicroCap Days
19/03	Full Year Report 2019
28/04	Munich Capital Market Conference
12/05	Mainfirst SmidCap One-on-One Forum
14/05	Q1 Report 2020
19/05	Equity Forum



**Thank you very much for your attention!**  
Any questions?



## Notes

