



Investor Presentation
November 2018

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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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Committed And Experienced Management Team



Mark Jones
*Co-Founder, Chairman
and CEO*

- Served as CEO since inception in 2003
- Prior to joining the company, was a Senior Partner and Director at Bain & Company
- Also served as Global Head of Recruiting at Bain
- Earlier in his career, he worked in the audit and M&A practice groups for E&Y



Michael Colby
*President and
Chief Operating Officer*

- Joined Goosehead Insurance in 2006
- Appointed as EVP and COO in 2011 and then promoted to President and COO in 2016
- Prior to Goosehead, worked with KPMG in the Audit practice



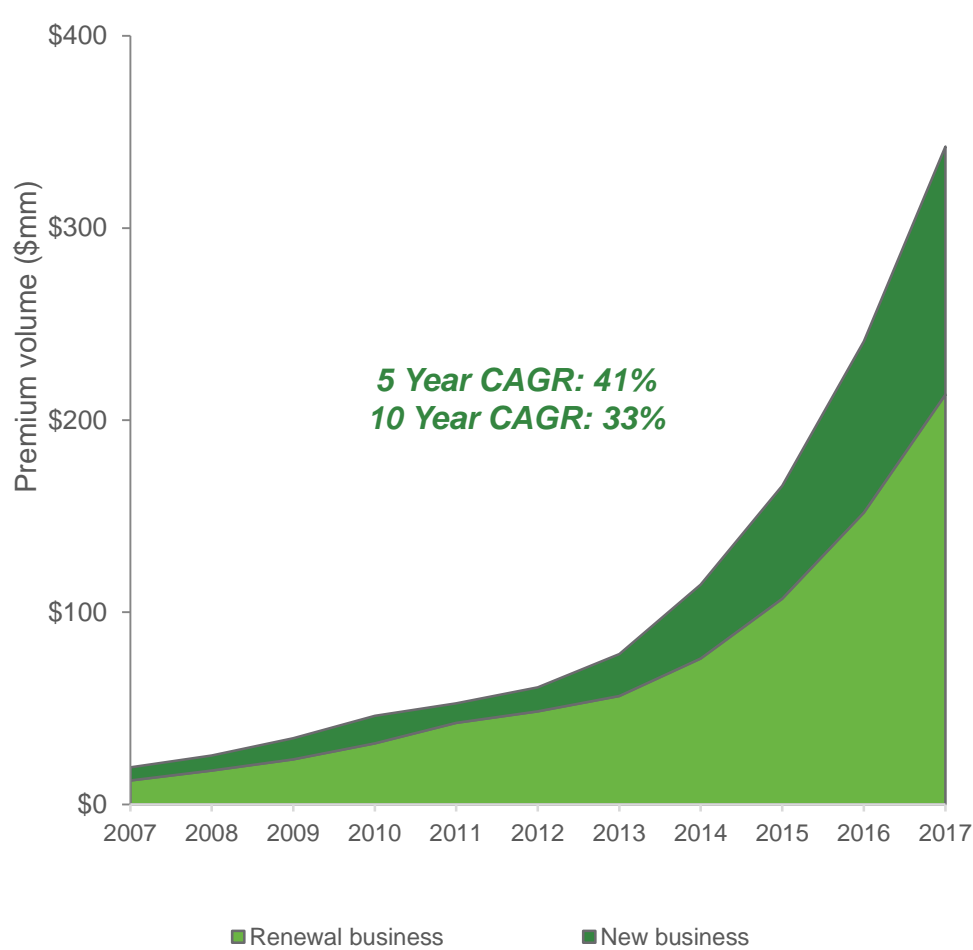
Mark Colby
Chief Financial Officer

- Joined Goosehead Insurance in 2012 and was promoted to Controller in 2014, to Vice President-Finance in 2015, and Chief Financial Officer in 2016
- Prior to Goosehead, worked in E&Y's Transaction Advisory Services and Audit service lines

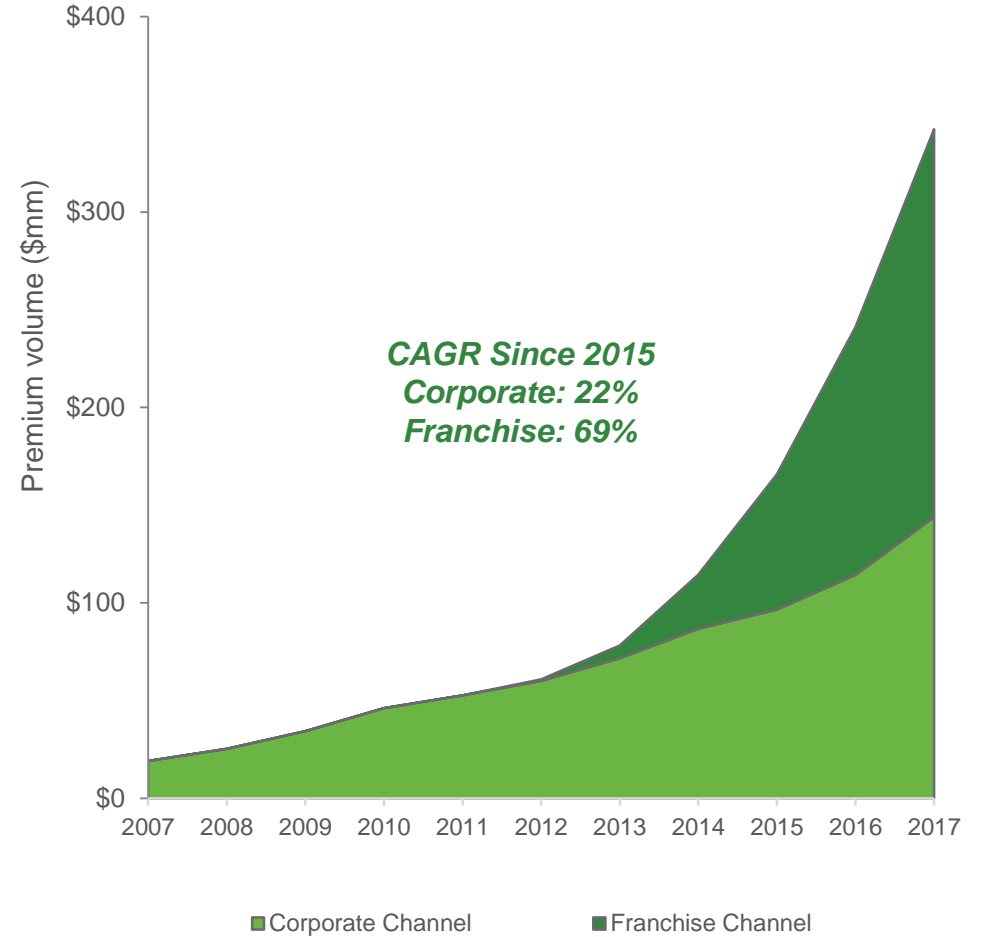
Strong and Stable Organic Growth



New Business and Renewal Premium Growth



Corporate and Franchise Channel Premium Growth



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

Personal Insurance Market Large and Highly Fragmented



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



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

Independent Agencies

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

Captive Agencies Owned By Carriers

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

Carriers Direct To Customer

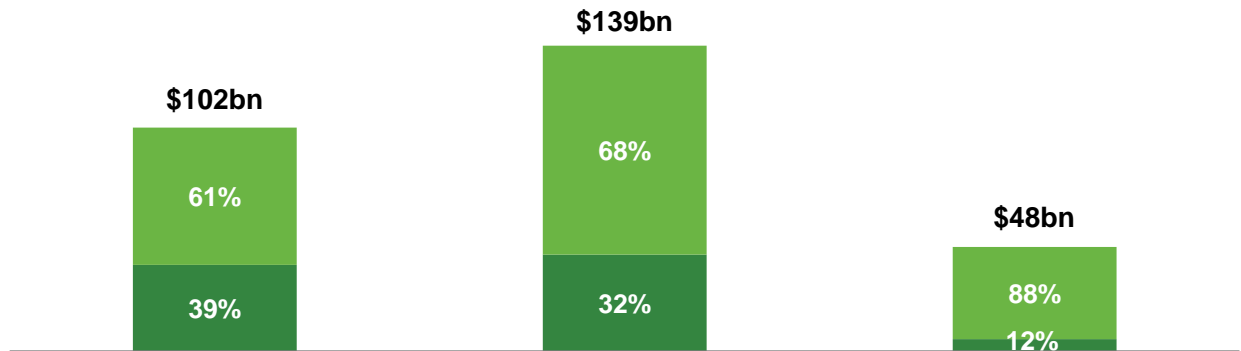
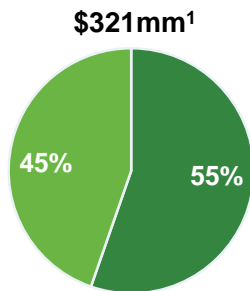
One carrier which sells products directly to clients

Key Attributes

Product Choice

Service Quality

2015 U.S. Premiums



■ Home ■ Auto

Source: Independent Insurance Agents & Brokers of America

¹ Represents 2017 premiums excluding 'other personal lines products' premium. 'Other personal lines products' include flood, wind and earthquake insurance, excess liability or umbrella insurance, specialty lines insurance (motorcycle, recreational vehicle and other insurance), commercial lines insurance (general liability, property and auto insurance for small businesses), and life insurance.

Redefining the Industry



Personal lines property and casualty insurance broker



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

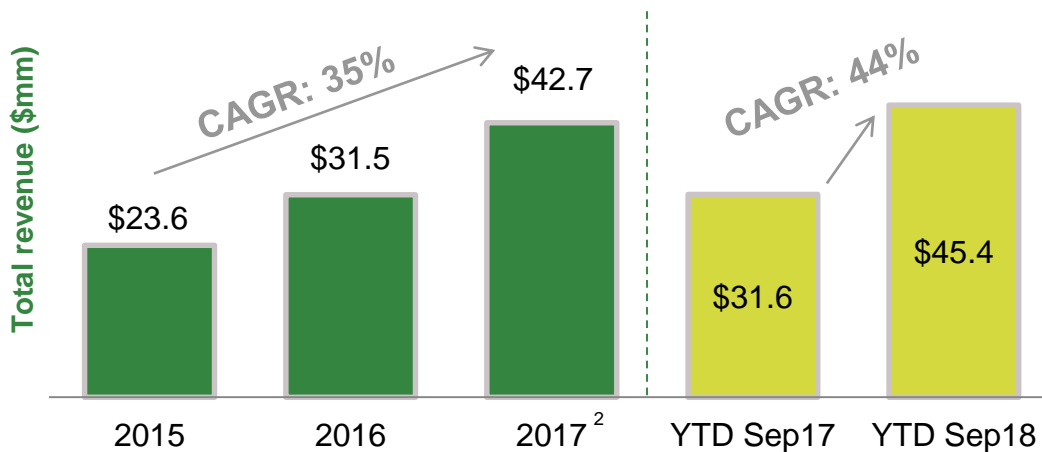


7 corporate sales offices in Texas and Illinois; 556 franchise locations¹ primarily in CA, TX, FL and IL

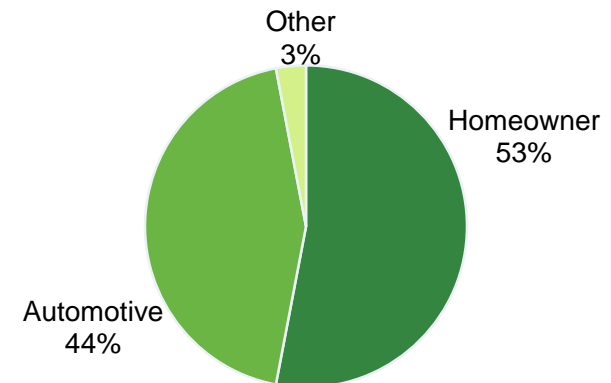


Well-established and positioned for sustained levels of strong growth and profitability

Accelerating Growth Trajectory



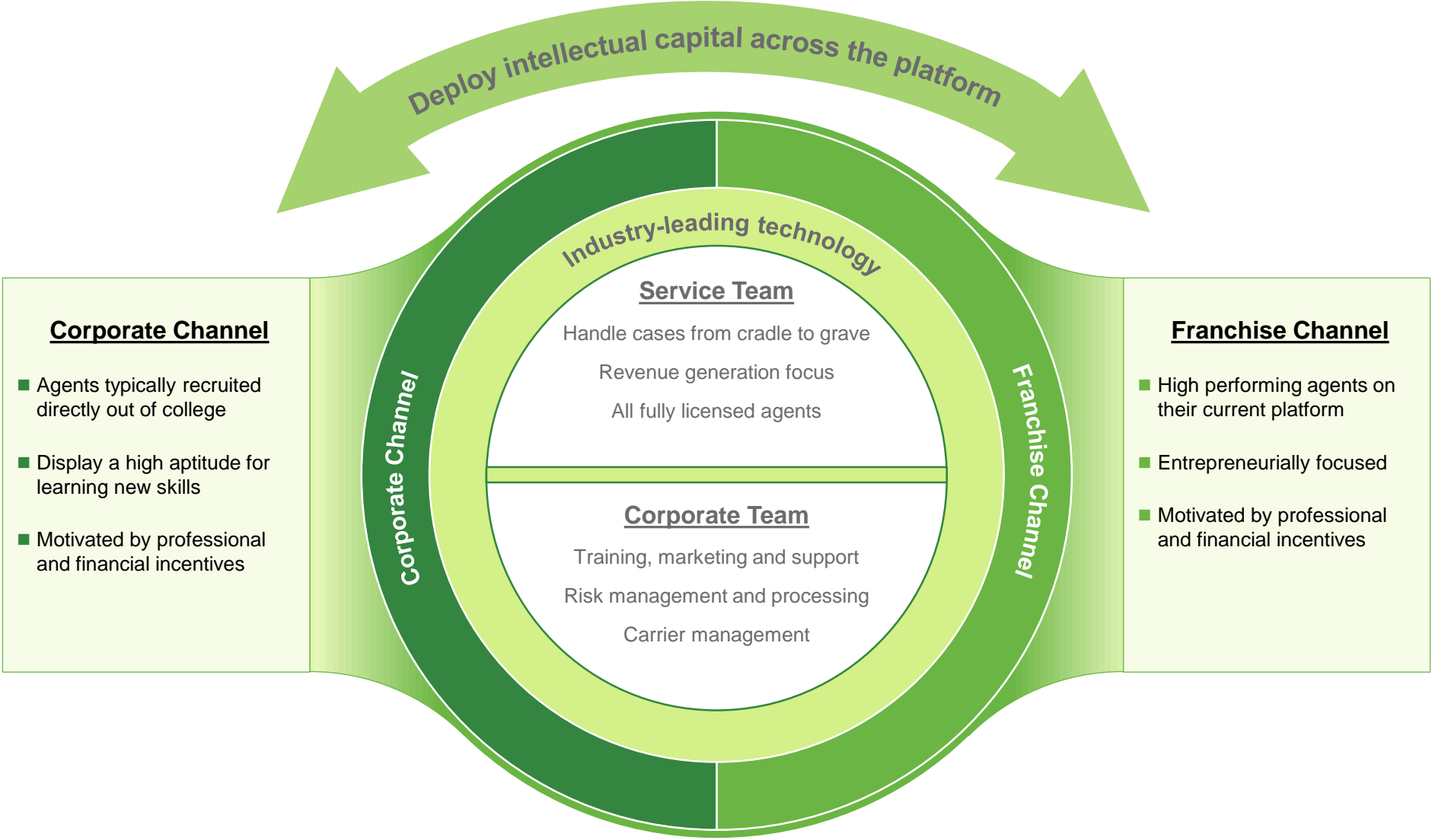
Focused on Personal Lines



TTM Sep18 Total premiums: \$464mm

¹ Number of franchise locations include 132 franchises which are under contract but yet to be opened as of 9/30/18; ² Excludes gain on sale of \$3.5mm

Compelling Business Model



Highly Developed Recruiting Strategy Supports Sustainable Outsized Growth



Corporate Channel



Franchise Channel



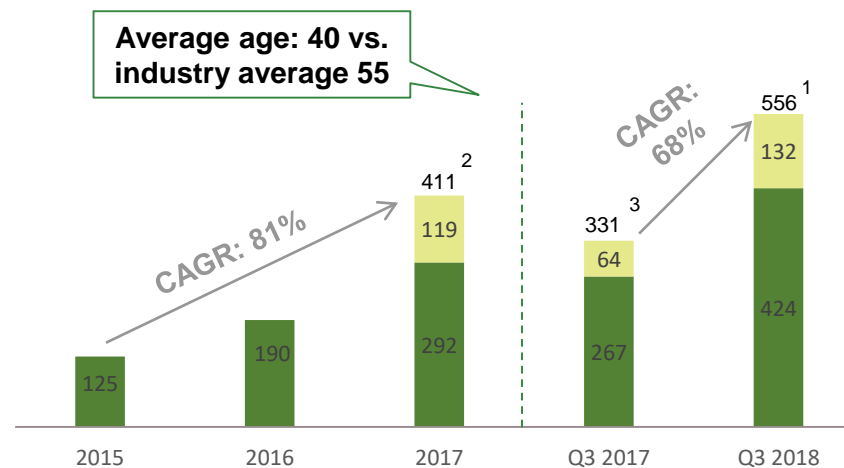
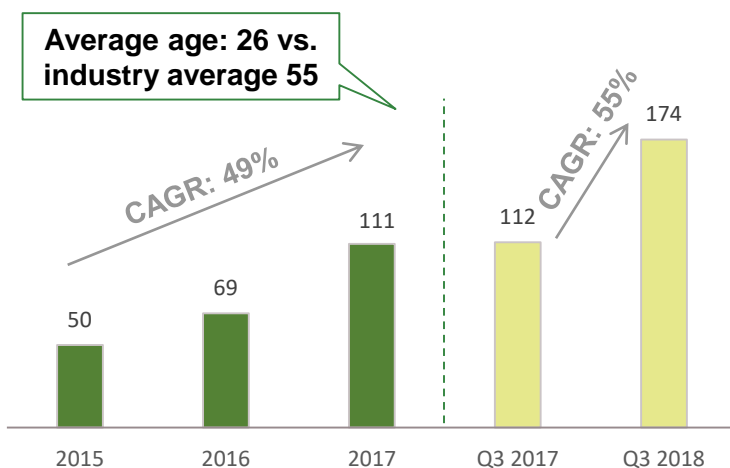
- New college graduates with entrepreneurial spirit
- Driven by professional development and financial reward based on personal performance
- Well defined target school list with strong on campus relationships and strong sponsorship

- 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 41,000 potential franchise candidates in the current pipeline



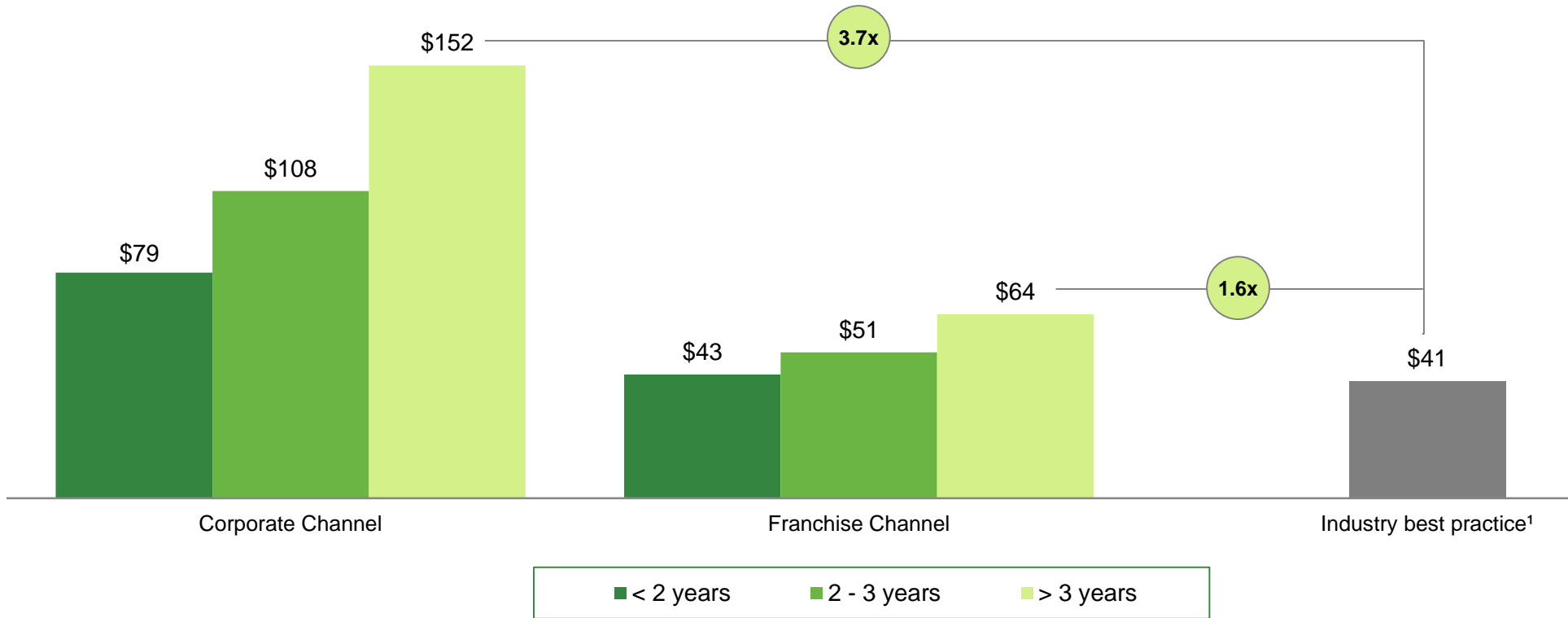
¹ Number of franchise locations include 132 franchises which are under contract but yet to be opened as of 9/30/18; ² Includes 119 franchises which are under contract but yet to be opened as of 12/31/17 ³ Number of franchise locations include 62 franchises which are under contract but yet to be opened as of 9/30/17

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

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.”

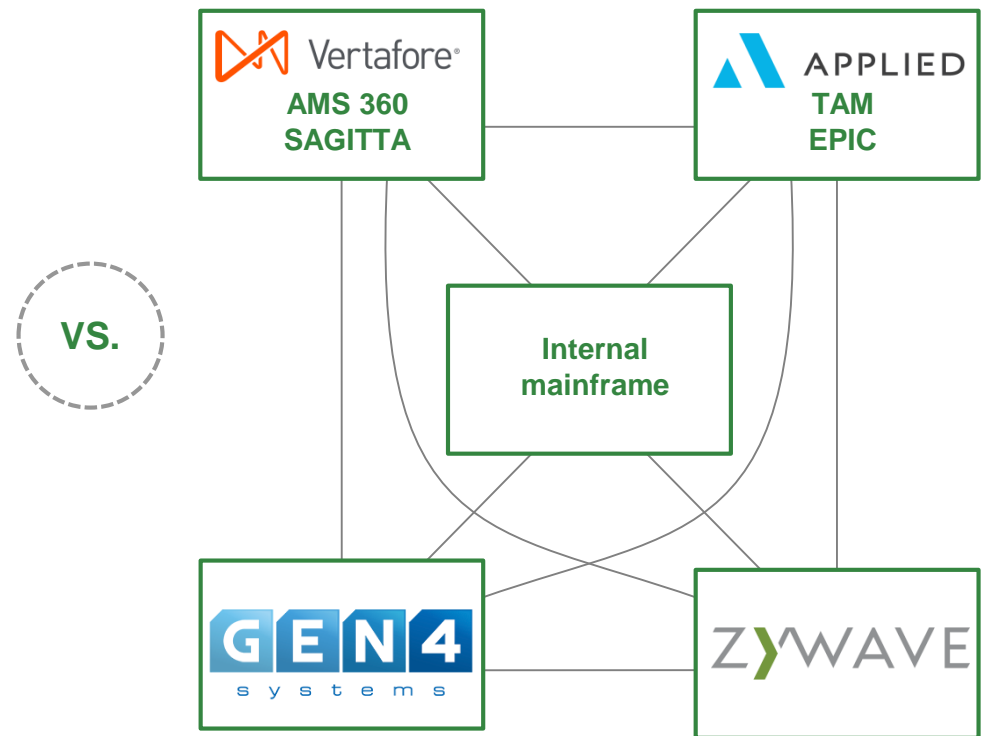
Michael Khoury, Vice President – Financial Services, Salesforce.com

Goosehead Systems



Entire business cycle managed
in the  cloud

Typical Agency Systems



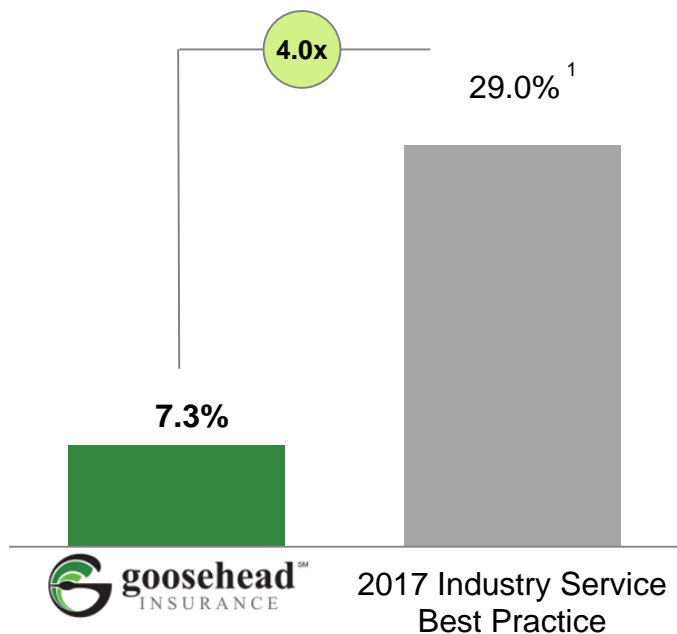
“Hodge-podge” of legacy systems
which lack continuity

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

88



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

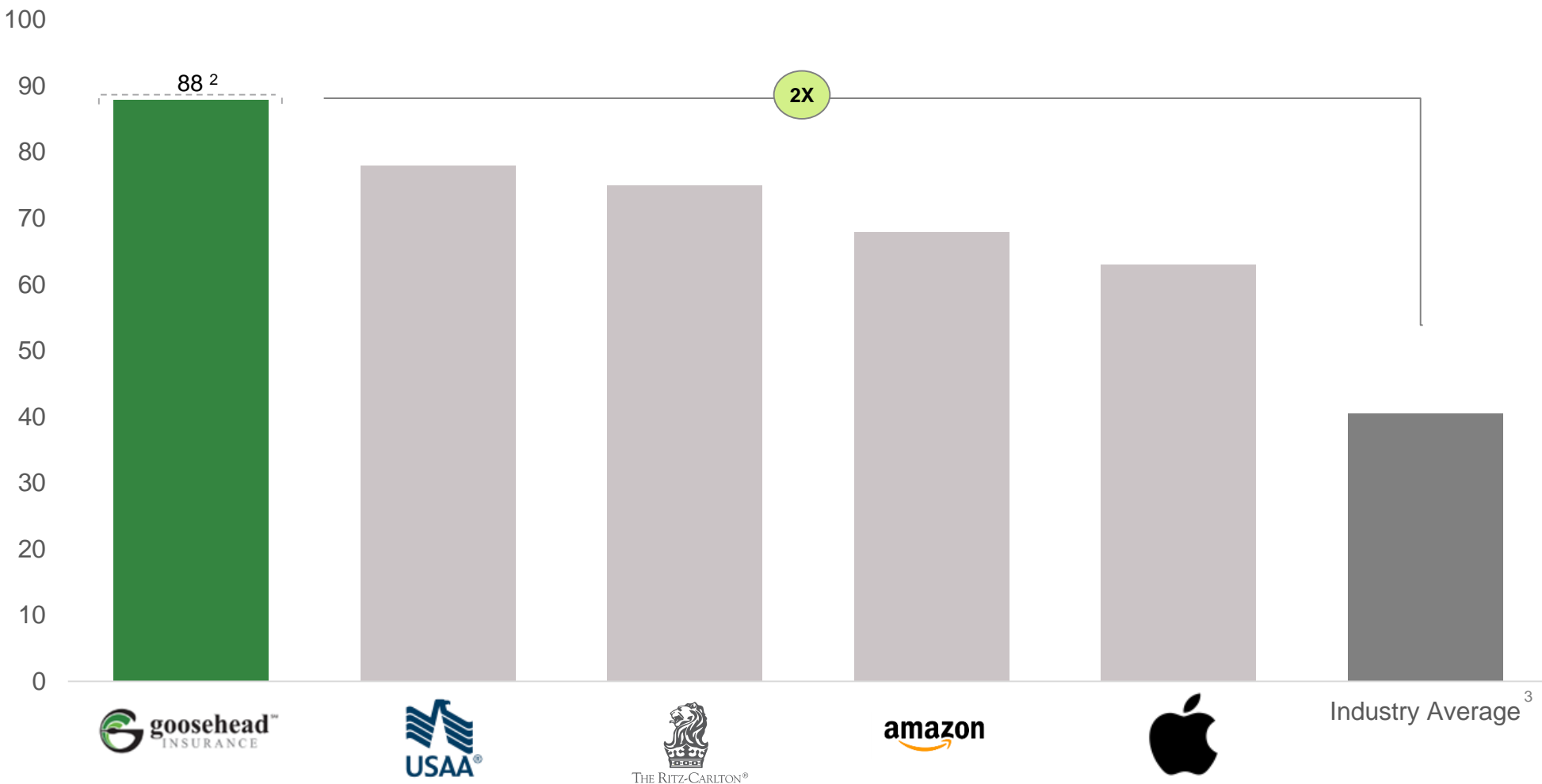
2017 compensation: \$47k

¹ Indicates 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 2017



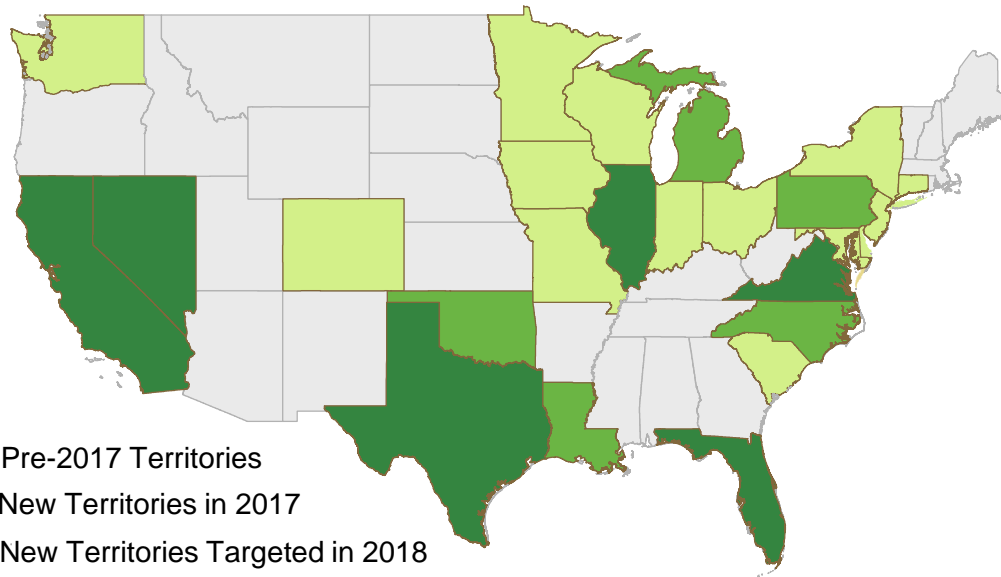
Source: Satmetrix; ¹ Ritz, USAA, Apple, Amazon; ² Represents YTD NPS through 3Q18; ³ Represents average of auto industry and home industry

Meaningful Growth Opportunity



Continued Technology Upgrades

Continued Corporate Channel Recruiting



Continued Improvements in Productivity and Customer Service

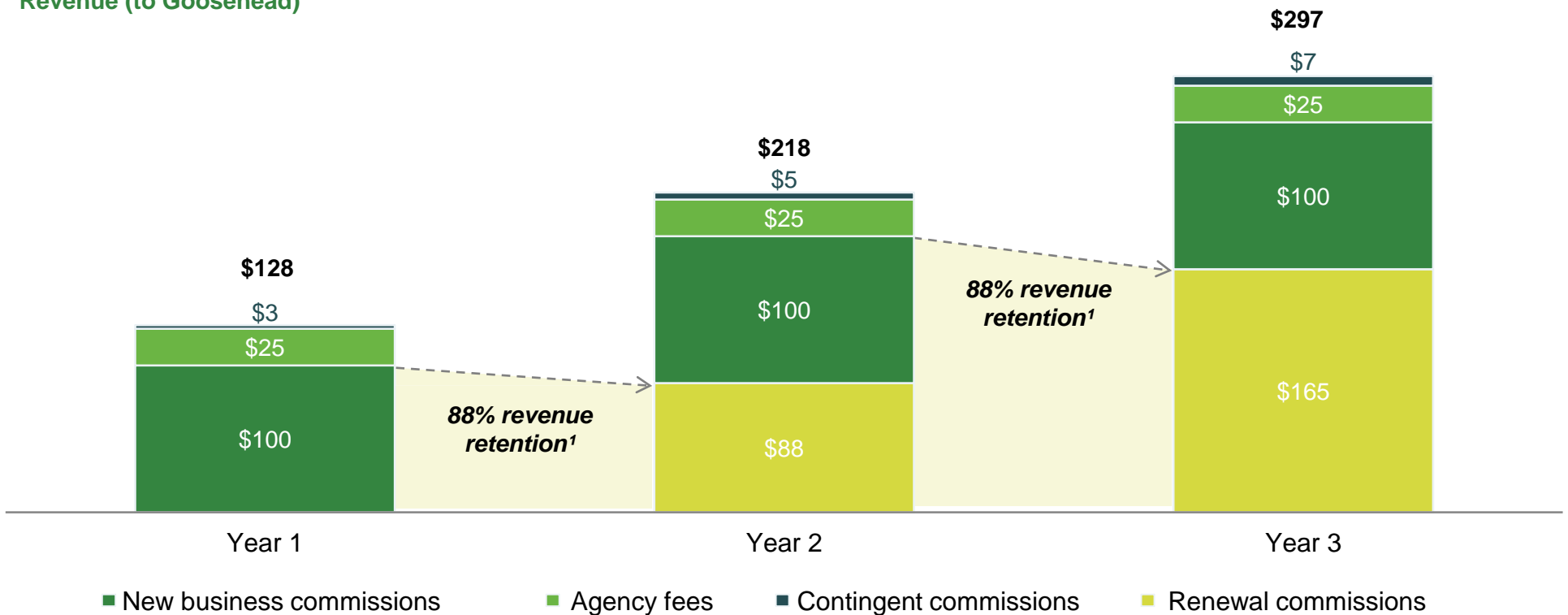
National Rollout of Franchise Channel

Compelling Economics Drives Growth – Corporate Channel



Allowing agents to focus solely on selling creates a clear path to continued organic growth and revenue visibility

Revenue (to Goosehead)



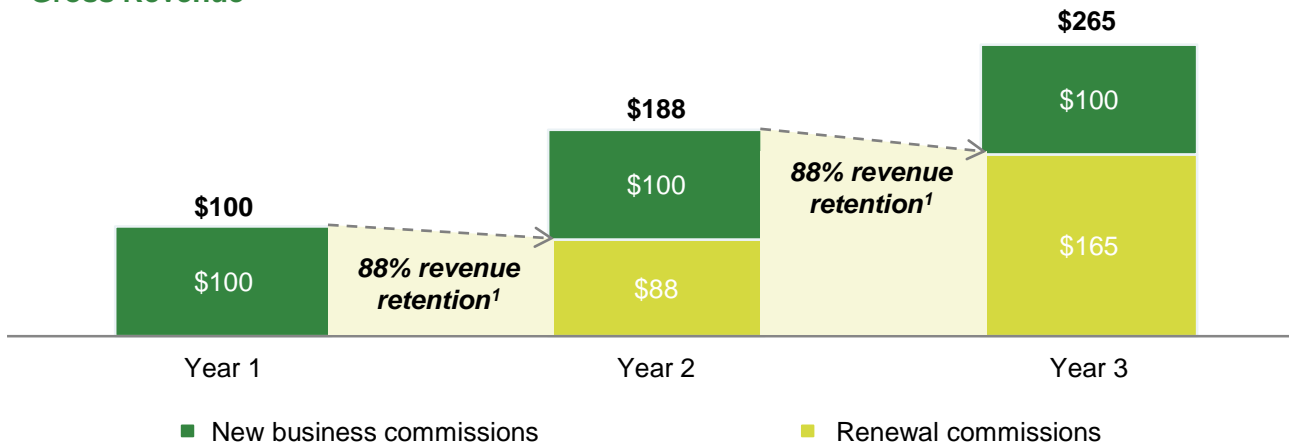
Note: Illustrative example

¹ Represents Q3 2018 client retention rate

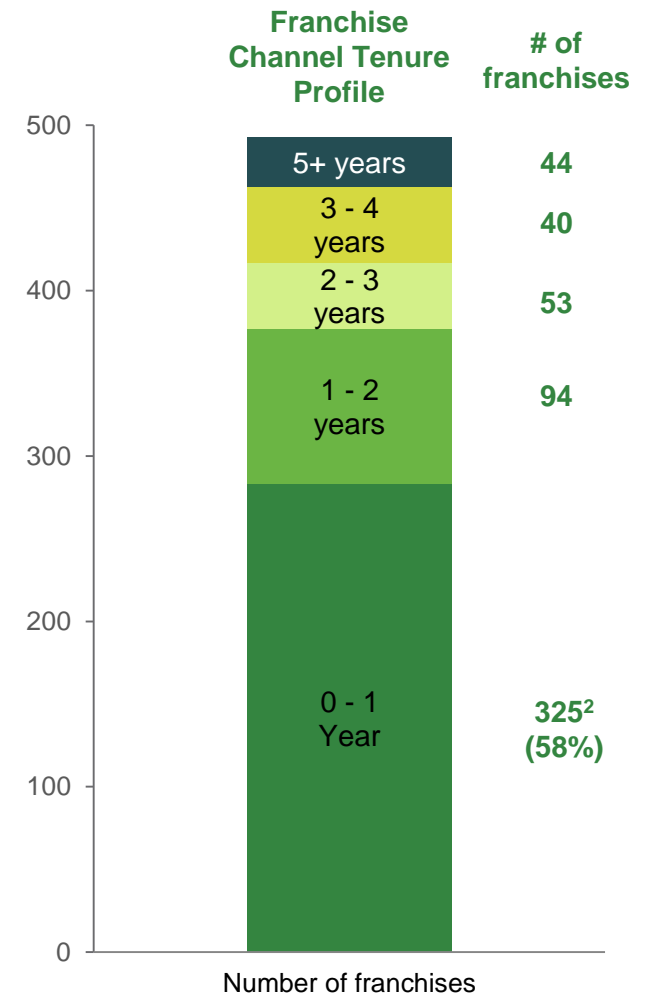
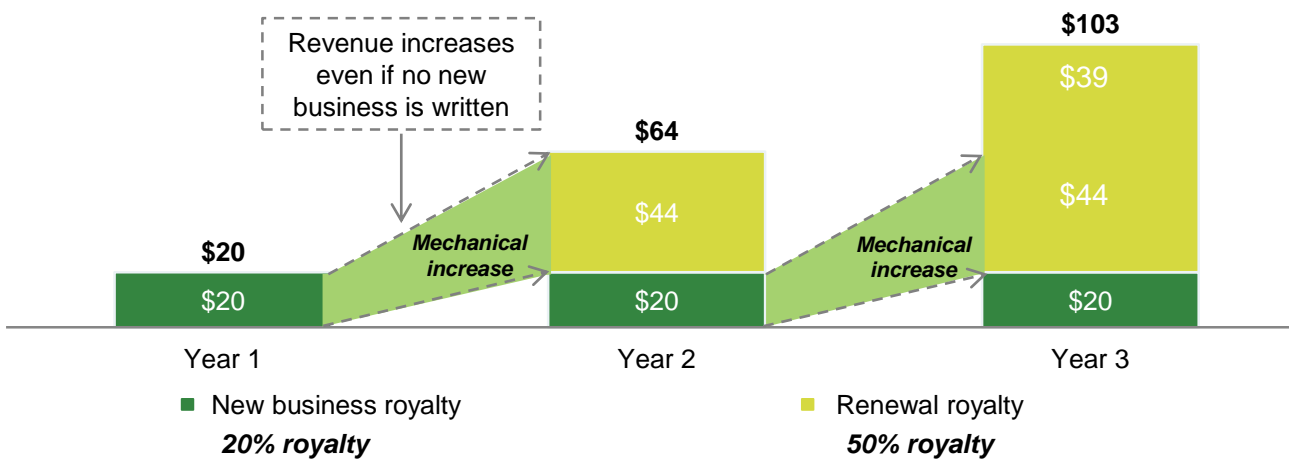
Compelling Economics Drives Growth And Visibility - Franchise Channel

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 Q3 2018 client retention rate; ² Number of franchise locations include 132 franchises which are under contract but yet to be opened as of 9/30/18

Margins Increase Mechanically As New Business Becomes Renewal Business



New and renewal business costs

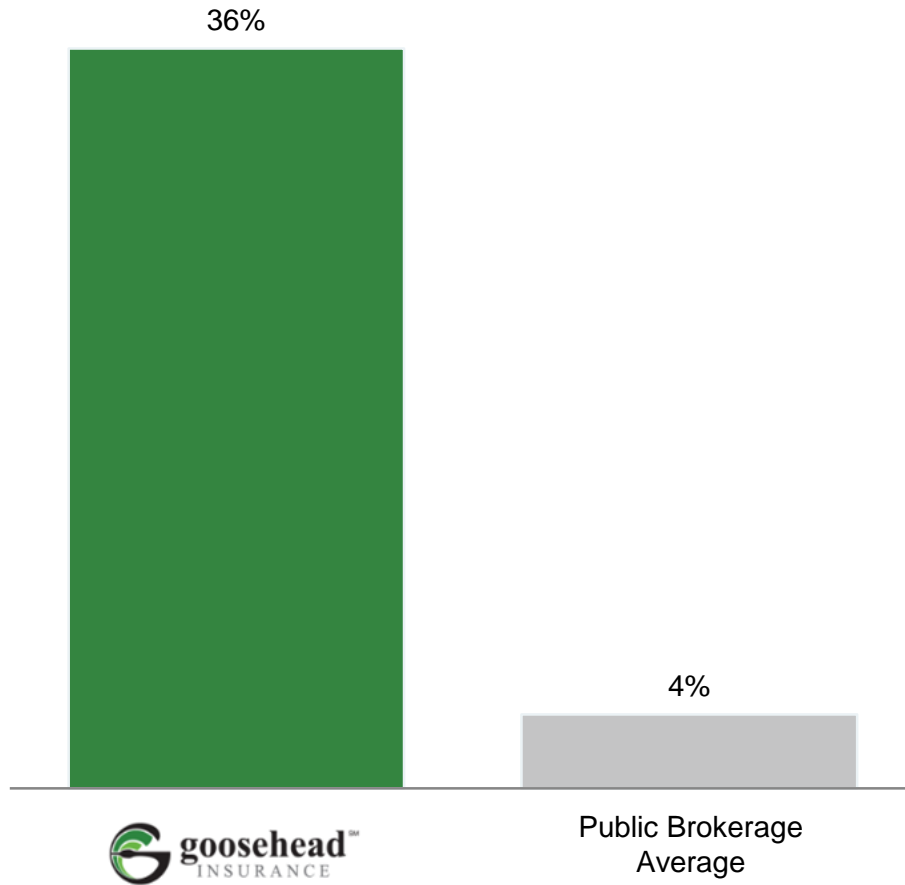
	New Business	Renewal Business	
Commissions to agents / franchisees (net revenue)	●	◐	■ >50% lower for renewal business
Client service salaries and bonuses	●	◐	■ Critical to both new and renewal business; burden heaviest for new clients
Risk management salaries and bonuses	●	○	■ Not relevant for renewal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

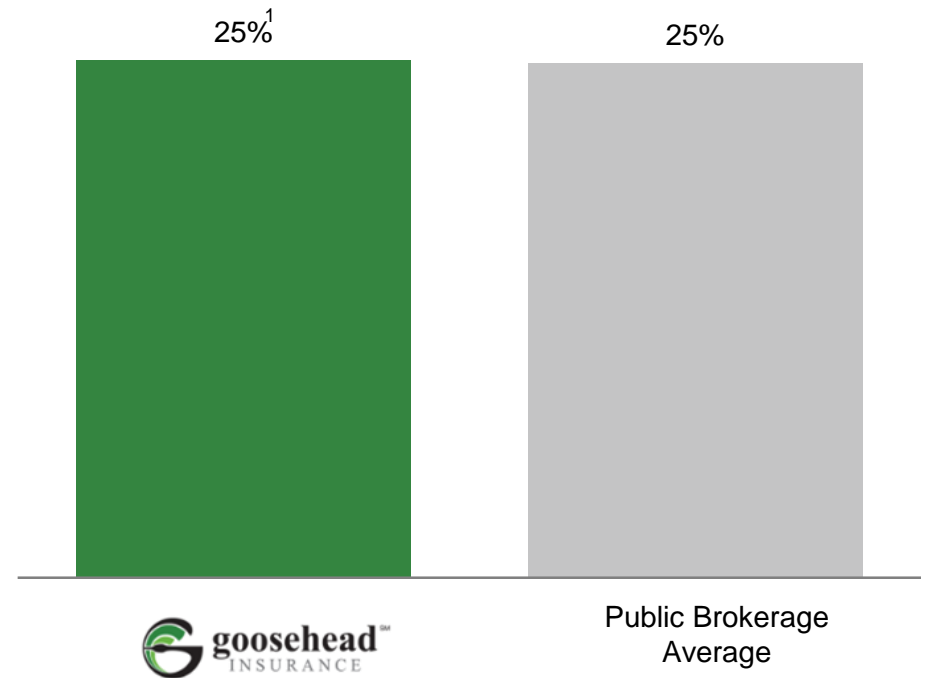
Outpacing The Industry In Growth With A Clear Path To Margin Expansion



2017 Organic revenue growth



2017 Adjusted EBITDA margins



Source: Public filings; ¹ Represents 2017 Adjusted EBITDA margin

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

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Committed and capable management team with ambitions of industry leadership

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



Appendix

Non-GAAP Adjusted EBITDA Reconciliation



	<u>2016</u>	<u>2017</u>
Net Income	\$ 4.7	\$ 8.7
Other (Income) Expense	-	(3.5)
Interest Expense	0.4	2.5
Depreciation and Amortization	0.5	0.9
Class B Share Compensation	2.7	2.2
Income Tax Expense	-	-
Adjusted EBITDA	\$ 8.1	\$ 10.7
Adjusted EBITDA Margin	25.8%	25.1%

Note: Financials represent Goosehead Financial, LLC and Subsidiaries and Affiliates