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HC2 HOLDINGS, INC.

Third Quarter 2016 Conference Call

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 statements regarding our expectation regarding building shareholder value. Such statements are based on the beliefs and assumptions of HC2's management and the management of HC2's subsidiaries. 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 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 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 to identify any suitable future acquisition 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 of HC2. 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 Securities and Exchange Commission ("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 HC2 undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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 Insurance) and Insurance AOI.

Management believes that Adjusted EBITDA measures provide investors with meaningful information for gaining an understanding of certain 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. Adjusted EBITDA can also be a useful measure of a company's ability to service debt. 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 noncash depreciation and amortization and items not within the control of the Company's operations managers. While management believes that these non-US GAAP measurements are useful as supplemental information, such adjusted results are not intended to replace our US GAAP financial results and should be read together with HC2's results reported under GAAP.

Management defines Adjusted EBITDA as Net income (loss) adjusted to exclude the impact of depreciation and amortization; (gain) loss on sale or disposal of assets; lease termination costs; (gain) loss on early extinguishment or restructuring of debt; interest expense; other (income) expense, net; foreign currency transaction (gain) loss; income tax (benefit) expense; (gain) loss from discontinued operations; noncontrolling interest; share-based compensation expense; acquisition and nonrecurring items; and other costs. A reconciliation of Adjusted EBITDA to Net income (loss) is included in the financial tables at the end of this release.

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 U.S. 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 U.S. GAAP financial measures as a measure of our operating performance.

Management believes that Insurance AOI measures, used frequently in the insurance industry, provide investors with meaningful information for gaining an understanding of certain results and provides insight into an organization's operating trends and facilitates comparisons between peer companies.

Management defines Insurance AOI as Net income (loss) for the Insurance segment adjusted to exclude the impact of net investment gains (losses), including other-than-temporary impairment losses recognized in operations; intercompany elimination and acquisition and non-recurring items. Management believes that Insurance AOI provides a meaningful financial metric that helps 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.

Agenda

Overview and Financial Highlights	Philip Falcone	*Chairman, President and CEO*
Q and A	Philip Falcone	*Chairman, President and CEO*
	Michael Sena	*Chief Financial Officer*
	Keith Hladek	*Chief Operating Officer*
	Andrew Backman	*Managing Director – Investor & Public Relations*

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Quarterly Overview

3Q16 Highlights and Recent Developments

Results and Recent Developments

- **Solid third quarter results again highlight the unique value HC2 brings to the market with our diverse holdings across a number of uncorrelated industries**
  - Manufacturing: Continued margin improvement; Strong backlog and deal pipeline
  - Marine Services: Strong telecom and off shore power installation; Solid maintenance performance; Joint Ventures continue to perform better than expected
  - Telecommunications: Continued growth in wholesale volumes and customer expansion
  - Utilities: Executing footprint expansion strategy; Increased delivery of gasoline gallon equivalents
- **Adjusted EBITDA for Core Operating Subsidiaries (Manufacturing, Marine Services, Utilities and Telecommunications segments) totaled $31.5 million in Third Quarter**
  - Up 16.3% from $27.1 million in second quarter 2016; Up 22.8% year-over-year
- **Cash and Investments as of September 30, 2016:**
  - $1.6 billion of consolidated cash, cash equivalents and investments, which includes the addition of Insurance segment; essentially unchanged from prior quarter
  - $93.0 million in Consolidated Cash (excluding Insurance segment)
- **Cumulative outstanding value of Preferred Equity reduced to $30.0 million**

HC2 Segment Overview

Core Operating Subsidiaries

Manufacturing: DBM Global (SCHUFF)

- Q3 Revenue: $129.6m
- Q3 Adjusted EBITDA: $14.5m
- Backlog $318m; Over $500m inclusive of contracts awarded, not yet signed
- Solid long-term pipeline

Marine Services: GMSL

- Q3 Revenue: $50.7m
- Q3 Adjusted EBITDA: $14.1m
- Strong telecom and off shore power installation; Solid maintenance performance
- Joint Ventures continue to perform better than expected
- Positive long-term telecom installation opportunities

Utilities: ANG

- Q3 Revenue: $1.7m
- Q3 Adjusted EBITDA: $0.7m
- 17 stations currently owned and / or operated
- Delivered 937,000 Gasoline Gallon Equivalents (GGEs) in the third quarter versus 662,000 GGEs in 3Q15

Telecom: PTGi ICS

- Q3 Revenue: $194.4m
- Q3 Adjusted EBITDA: $2.2m
- Continued growth in wholesale traffic volumes, in part, delivered by the changing regulatory environment throughout Europe, combined with religious holiday season in the Middle East

Core Financial Services Subsidiaries

Insurance: CIG

- ~$76m of statutory surplus
- ~$2.1b in total GAAP assets
- Recently began process of merging CGI and UTA into one legal entity; meaningful cost saving, lower required statutory capital
- Platform for growth through additional M&A

Early Stage and Other Holdings

Life Sciences: PANSEND

- **BeneVir:** Oncolytic viral immunotherapy for treatment of solid cancer tumors
- **R2 Dermatology:** Medical device to brighten skin based on Mass. General Hospital technology
- **Genovel:** Novel, patented , Mini Knee" and "Anatomical Knee" replacements
- **MediBeacon:** Unique non-invasive real-time monitoring of kidney function
- **Triple Ring Technologies:** R&D engineering company specializing in medical devices, homeland security, imaging, sensors, optics, fluidics, robotics & mobile healthcare

Other:

- **Nervve**
- **Dusenberry Martin Racing** NASCAR® Heat Evolution released on September 13, 2016

All data as of September 30, 2016

Segment Financial Summary

Adjusted EBITDA for Core Operating Subsidiaries $31.5m for Q3 2016

		Q3 2016	Q2 2016	Q1 2016
Adjusted EBITDA ($m)	**Core Operating Subsidiaries**			
	Manufacturing	$14.5	$13.2	$11.5
	Marine Services	14.1	11.8	0.5
	Utilities	0.7	0.5	0.4
	Telecom	2.2	1.5	0.3
	Total Core Operating	**$31.5**	**$27.1**	**$12.7**
	Early Stage and Other Holdings			
	Life Sciences	(2.9)	(2.7)	(2.6)
	Other	(4.8)	(3.3)	(4.0)
	Total Early Stage and Other	(7.7)	(6.0)	(6.6)
	Non-Operating Corporate	(5.5)	(5.9)	(5.7)
	Total HC2 (excluding Insurance)	**$18.2**	**$15.2**	**$0.3**
Adjusted Operating Income ($m)	**Core Financial Services**			
	Insurance *(2Q16 Inclusive of $5.3m non-cash tax charge)*	($1.7)	($4.7)	($2.6)

Note: Reconciliations of Adjusted EBITDA and Adjusted Operating Income to U.S. GAAP Net Income in appendix. Table may not foot due to rounding. Adjusted Operating Income for Q1 2016 has been 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.

Manufacturing: DBM Global Inc. (Schuff)

Third Quarter Update

- Net Income: $7.0m versus $9.4m for the second quarter 2016
- Adjusted EBITDA: $14.5m versus $13.2m in the second quarter 2016
- Continued strong gross margins due to better than bid performance - Pacific region remains strong
- Backlog $318m; Over $500m inclusive of contracts awarded, not yet signed
- Announced accretive acquisitions of PDC Global Detailing and Building Information Modeling Business and BDS VirCon

Strategic Initiatives

- Proactively selecting profitable, strategic and "core competency" jobs, not all jobs
- Solid long-term pipeline of prospective projects; No shortage of transactions to evaluate
- Commercial / Stadium / Healthcare sectors remain strong
- Opportunities to add higher margin, value added services to overall product offering

The Cosmopolitan of Las Vegas

Mile High Stadium

U.S. Steel

Third Quarter Update

- Net Income: $8.7m versus $6.0m for the second quarter 2016
- Adjusted EBITDA: $14.1m versus $11.8m in the second quarter 2016 and $0.5m in the first quarter 2016
- Strong telecom and off shore power install revenues in third quarter
- Continued solid performance from maintenance business, including revenue contributions from CWind acquisition
- Joint ventures continue to perform better than expected
- Acquired remaining interest in CWind subsequent to quarter-end; Currently own 100% of CWind

Strategic Initiatives

- **Huawei Marine Networks – 49% ownership**

Total HMN*	2015	2014
Revenue	~$188m	~$73m
Profit	~$14m	~$1.2m
Cash / Equivalents	~$26m	~$16m

- **S. B. Submarine Systems (SBSS – China Telecom) – 49% ownership**
  - Joint Venture 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

Source: Huawei Investment & Holding Co., Ltd – 2015 Annual Report Currency Exchange: CNY:USD 1:0.15

Utilities: ANG

Third Quarter Update

- Net Income: $0.03m versus $0.07m for the second quarter 2016
- Adjusted EBITDA: $0.73m versus $0.54m in the second quarter 2016
- Delivered 937,000 Gasoline Gallon Equivalents (GGEs) in the third quarter versus 848,000 GGEs in the second quarter of 2016 and 800,000 GGEs in the first quarter of 2015, and 662,000 in the year-ago quarter
- 17 stations currently owned and / or operated
- Commissioned fueling stations in Saratoga Springs and Rochester, New York during third quarter
- Acquired a station in Searcy, Arkansas with long-term fueling agreement during third quarter
- Continue to expand fueling station footprint via organic and M&A opportunities

Telecommunications: PTGi-ICS

Third Quarter Update

- Strong quarterly results due to continued growth in wholesale traffic volumes, in part delivered by the changing regulatory environment throughout the European market combined with the religious holidays in the Middle East region, resulting in increased traffic and margin.
  - Net Income: $1.8m versus $1.0m for the second quarter 2016
  - Adjusted EBITDA continues positive trend as the overall business continues to mature post restructuring
  - Adjusted EBITDA for third quarter 2016 of $2.2m vs. $1.5m in the prior quarter
  - 6th consecutive quarter of positive Adjusted EBITDA
- 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, Inc. (CII) serves as a platform for run-off LTC books of business and for acquiring additional run-off LTC businesses
  - Net Loss: ($2.2)m versus ($2.3)m for the second quarter 2016
  - Adjusted Operating Income: ($1.7)m
  - ~$76m of statutory surplus at end of third quarter
  - ~$2.1b in total GAAP assets at September 30, 2016
  - ~$20.0m premiums for third quarter 2016
- CII Strategy:
  - A concentrated focus on LTC and acquisitions of additional books of run-off LTC business
  - A platform to provide a vehicle for multi-line insurers who do not consider LTC a core business segment to exit the market
  - Enhancing efficiency and effectiveness through scale and a concentrated focus on LTC

Note: Reconciliation of Adjusted Operating Income to U.S. GAAP Net Income in appendix.

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

BeneVir	◆ 80% 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 ~$1billion ◆ 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)
R2 dermatology	◆ 61% equity ownership of dermatology company focused on lightening and brightening skin ◆ Founded by Pansend in partnership with Mass. General Hospital and inventors Drs. Rox Anderson, Dieter Manstein and Henry Chan ◆ Over $10 billion global market
GENOVEL	◆ 77% 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
MediBeacon	◆ 35% equity ownership in company with unique technology and device for monitoring of real-time kidney function ◆ Current standard diagnostic tests measure kidney function are often inaccurate and not real-time ◆ MediBeacon's Optical Renal Function Monitor will be first and only, non-invasive system to enable real-time, direct monitoring of renal function at point-of-care ◆ $3.5 billion potential market
Triple Ring technologies	◆ 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

Other Non-Core Investments

Nervve

- Provider of video and image search technology for information extraction and powerful analytics applications

Dusenberry Martin Racing

- Owns worldwide exclusive licensing rights to NASCAR® simulation style racing titles on interactive entertainment platforms including PlayStation 4, Xbox One, PC and mobile games
- NASCAR® Heat Evolution Successfully Released on September 13, 2016

Notable Financial Updates

- **Collateral Coverage Ratio at quarter end exceeded 2.0x**
- **$93.0 million in Consolidated Cash (excluding Insurance segment)**
  - **$29.4 million Corporate Cash**
- **Cumulative outstanding value of Preferred Equity reduced to $30.0 million**

($m)	BALANCE SHEET (AT SEPTEMBER 30, 2016)
Market Cap[(1)]	$161.4
Preferred Equity	$42.7
Total Debt	$307.0
Corporate Cash[(2)]	$29.4
Enterprise Value[(3)]	**$481.7**

(1) Market capitalization on a fully diluted basis, excluding preferred equity, using a common stock price per share of $3.86 and shares outstanding of 41.8 million on November 8, 2016
(2) Cash and cash equivalents
(3) Enterprise Value is calculated by adding market capitalization, total preferred equity and total debt amounts, less Corporate cash

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Questions and Answers

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Appendix: Reconciliations

Reconciliation of Adjusted EBITDA of HC2 to U.S. GAAP Net Income (Loss) Three Months Ended September 30, 2016

(in thousands)

	Three Months Ended September 30, 2016							
	Manufacturing	Marine Services	Telecom	Utilities	Life Sciences	Other and Eliminations	Non-operating Corporate	HC2**
Net loss attributable to HC2 Holdings, Inc.	$ 6,962	$ 8,696	$ 1,796	$ 27	$ (2,285)	$ (8,160)	$ (9,404)	$ (2,368)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:								
Depreciation and amortization *	431	5,225	144	582	32	380	4	6,798
Depreciation and amortization (included in cost of revenue)	1,321	—	—	—	—	—	—	1,321
Gain on sale or disposal of assets	(23)	—	—	—	—	—	—	(23)
Lease termination costs	—	—	(159)	—	—	—	—	(159)
Interest expense	304	1,328	—	119	—	—	8,969	10,720
Other (income) expense, net	(12)	(2,013)	422	(24)	(2)	3,892	835	3,098
Foreign currency (gain) loss (included in cost of revenue)	—	(283)	—	—	—	—	—	(283)
Income tax (benefit) expense	4,672	96	—	—	—	—	(7,851)	(3,083)
Noncontrolling interest	411	465	—	27	(770)	(974)	—	(841)
Share-based compensation expense	—	546	—	3	128	37	1,088	1,802
Acquisition and nonrecurring items	429	—	—	—	—	—	821	1,250
Adjusted EBITDA	$ 14,495	$ 14,060	$ 2,203	$ 734	$ (2,897)	$ (4,825)	$ (5,538)	$ 18,232

(*) Includes depreciation adjustments from purchase accounting.
(**) Excludes net loss from Insurance segment in the amount of $2.2 million for the three months ended September 30, 2016.

Reconciliation of Adjusted EBITDA of HC2 to U.S. GAAP Net Income (Loss) Three Months Ended September 30, 2015

(in thousands)

	Three Months Ended September 30, 2015							
	Manufacturing	Marine Services	Telecom	Utilities	Life Sciences	Other and Eliminations	Non-operating Corporate	HC2**
Net loss attributable to HC2 Holdings, Inc.	$ 7,116	$ 7,356	$ (362)	$ (82)	$ (1,575)	$ 1,525	$ (21,804)	$ (7,826)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:								
Depreciation and amortization *	513	4,376	98	411	6	480	—	5,884
Depreciation and amortization (included in cost of revenue)	1,928	—	—	—	—	—	—	1,928
Gain on sale or disposal of assets	(990)	(117)	—	—	—	—	—	(1,107)
Lease termination costs	—	—	1,124	—	—	—	—	1,124
Interest expense	354	929	—	10	—	(1)	9,090	10,382
Other (income) expense, net	(141)	(1,149)	(162)	(19)	—	280	—	(1,191)
Foreign currency (gain) loss (included in cost of revenue)	—	(1,739)	—	—	—	—	—	(1,739)
Income tax (benefit) expense	5,284	260	—	—	—	(6,359)	2,318	1,503
Loss from discontinued operations	—	—	—	—	—	24	—	24
Noncontrolling interest	383	204	—	(73)	(449)	—	—	65
Share-based compensation expense	—	—	—	20	—	1	2,323	2,344
Acquisition and nonrecurring items	—	—	—	—	—	—	2,733	2,733
Other costs	—	—	109	—	—	—	—	109
Adjusted EBITDA	$ 14,447	$ 10,120	$ 807	$ 267	$ (2,018)	$ (4,050)	$ (5,340)	$ 14,233

(*) Includes depreciation adjustments from purchase accounting.
(**) Excludes net loss from Insurance segment in the amount of $0.2 million for the three months ended September 30, 2015.

Reconciliation of Adjusted EBITDA of HC2 to U.S. GAAP Net Income (Loss) Three Months Ended June 30, 2016

(in thousands)

	Three Months Ended June 30, 2016							
	Manufacturing	Marine Services	Telecom	Utilities	Life Sciences	Other and Eliminations	Non-operating Corporate	HC2**
Net income (loss)	$ 9,364	$ 6,002	$ 1,009	$ 68	$ (2,004)	$ (2,608)	$ (7,603)	$ 4,228
Adjustments to reconcile net income (loss) to Adjusted EBITDA:								
Depreciation and amortization	303	5,725	140	468	36	336	—	7,008
Depreciation and amortization (included in cost of revenue)*	(206)	—	—	—	—	—	—	(206)
(Gain) loss on sale or disposal of assets	(1,845)	7	—	—	—	1	—	(1,837)
Lease termination costs	—	—	338	—	—	—	—	338
Interest expense	303	1,285	—	14	—	1	8,966	10,569
Other (income) expense, net	(32)	211	29	(344)	—	(10)	465	319
Foreign currency (gain) loss (included in cost of revenue)	—	(1,540)	—	—	—	—	—	(1,540)
Income tax (benefit) expense	4,524	(212)	—	—	—	1	(9,404)	(5,091)
Noncontrolling interest	768	200	—	244	(812)	(1,044)	—	(644)
Share-based payment expense	—	152	—	90	34	40	1,359	1,675
Acquisition and nonrecurring items	—	—	18	—	—		313	331
Adjusted EBITDA	$ 13,179	$ 11,830	$ 1,534	$ 540	$ (2,746)	$ (3,283)	$ (5,904)	$ 15,150

(**) Excludes net loss from Insurance segment in the amount of $2.3 million for the three months ended June 30, 2016.

Reconciliation of Adjusted EBITDA of HC2 to U.S. GAAP Net Income (Loss)
Three Months Ended March 31, 2016

(in thousands)

Three Months Ended March 31, 2016

	Core Operating					Early Stage & Other		Non-operating Corporate	HC2**
	Manufacturing	Marine Services	Telecom	Utilities	Total Core Operating	Life Sciences	Other and Eliminations		
Net income (loss)	$ 4,384	$ (5,918)	$ 1,202	$ (27)	$ (359)	$ 1,298	$ (10,494)	$ (13,409)	$ (22,966)
Adjustments to reconcile net income (loss) to Adjusted EBITDA:									
Depreciation and amortization	529	4,797	106	429	5,861	19	336	—	6,216
Depreciation and amortization (included in cost of revenue)	1,933	—	—	—	1,933	—	—	—	1,933
(Gain) loss on sale or disposal of assets	904	(17)	—	—	887	—	—	—	887
Interest expense	310	1,070	—	9	1,389	—	—	8,937	10,326
Other (income) expense, net	(44)	612	(1,025)	(31)	(488)	(3,221)	6,006	(1,611)	687
Foreign currency (gain) loss (included in cost of revenue)	—	(147)	—	—	(147)	—	—	—	(147)
Income tax (benefit) expense	3,445	(640)	—	—	2,805	—	—	(4,226)	(1,422)
Noncontrolling interest	61	(155)	—	(22)	(116)	(720)	(44)	—	(880)
Share-based payment expense	—	609	—	14	623	22	159	2,386	3,191
Acquisition and nonrecurring items	—	266	—	27	293	—		2,201	2,494
Adjusted EBITDA	$ 11,522	$ 477	$ 283	$ 399	$ 12,681	$ (2,602)	$ (4,037)	$ (5,722)	$ 319

(**) Excludes net loss from Insurance segment in the amount of $7.5 million for the three months ended March 31, 2016.

Reconciliation of Insurance AOI to U.S. GAAP Net Income (Loss)
Three Months Ended September 30, June 30 and March 31, 2016

(in thousands)

	Three Months Ended September 30,	Three Months Ended June 30,	Three Months Ended March 31,
	2016	**2016**	**2016**
Net loss - Insurance Segment	$ (2,189)	$ (2,293)	$ (7,496)
Effect of investment (gains) losses	220	(2,418)	4,875
Acquisition and non-recurring items	269	—	—
Insurance AOI	$ (1,700)	$ (4,711)	$ (2,621)

The calculation of Insurance Net Loss has been revised to exclude adjustments for intercompany eliminations as they are not considered relevant in evaluating the performance of our Insurance segment. For first quarter 2016, this resulted in a change to the previously reported Insurance loss of ($12.3) million for the quarter to a loss of ($7.5) million.

The calculation of Insurance AOI has been revised to exclude adjustments for intercompany eliminations as they are not considered relevant in evaluating the performance of our Insurance segment. For first quarter 2016, this resulted in a change to the previously reported Insurance AOI loss of ($3.6) million for the quarter to a loss of ($2.6) million.

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Andrew G. Backman • ir@hc2.com • 212.235.2691 • 450 Park Avenue, 30th Floor, New York, NY 10022