Helen of Troy

Investor Day
May 21, 2019



Helen of Troy

Julien Mininberg

Chief Executive Officer

Helen of Troy

Agenda:

1. **Julien Mininberg, CEO**
2. **Business Overviews**
   - **Christophe Coudray** — President Health & Home
   - **Larry Witt** — President Housewares
   - **Ronald Anderskow** — President Beauty
   - **Jay Caron** — Chief Supply Chain Officer
3. **Brian Grass, CFO**
4. **Innovation Showcase**
5. **Q&A with Global Leadership Team**

Note: During our presentation we use certain terms and financial definitions that are defined in a Glossary of Terms at the end of this presentation.

Forward Looking Statements

Forward Looking Statements:

Certain written and oral statements made by the Company and subsidiaries of the Company may constitute “forward-looking statements” as defined under the Private Securities Litigation Reform Act of 1995. This includes statements made in this presentation. Generally, the words “anticipates”, “believes”, “expects”, “plans”, “may”, “will”, “should”, “seeks”, “estimates”, “project”, “predict”, “potential”, “continue”, “intends”, and other similar words identify forward-looking statements. All statements that address operating results, events or developments that the Company expects or anticipates will occur in the future, including statements related to sales, earnings per share results, and statements expressing general expectations about future operating results, are forward-looking statements and are based upon its current expectations and various assumptions. The Company believes there is a reasonable basis for these expectations and assumptions, but there can be no assurance that the Company will realize these expectations or that these assumptions will prove correct. Forward-looking statements are subject to risks that could cause them to differ materially from actual results. Accordingly, the Company cautions readers not to place undue reliance on forward-looking statements. The forward-looking statements contained in this presentation should be read in conjunction with, and are subject to and qualified by, the risks described in the Company’s Form 10-K for the year ended February 28, 2019, and in the Company's other filings with the SEC. Investors are urged to refer to the risk factors referred to above for a description of these risks. Such risks include, among others, the Company's ability to deliver products to its customers in a timely manner and according to their fulfillment standards, the costs of complying with the business demands and requirements of large sophisticated customers, the Company's relationships with key customers and licensors, its dependence on the strength of retail economies and vulnerabilities to any prolonged economic downturn, its dependence on sales to several large customers and the risks associated with any loss or substantial decline in sales to top customers, expectations regarding any proposed restructurings, its recent and future acquisitions or divestitures, including its ability to realize anticipated cost savings, synergies and other benefits along with its ability to effectively integrate acquired businesses or separate divested businesses, circumstances which may contribute to future impairment of goodwill, intangible or other long-lived assets, the retention and recruitment of key personnel, foreign currency exchange rate fluctuations, risks associated with weather conditions, the duration and severity of the cold and flu season and other related factors, its dependence on foreign sources of supply and foreign manufacturing, and associated operational risks including, but not limited to, long lead times, consistent local labor availability and capacity, and timely availability of sufficient shipping carrier capacity, labor and energy on cost of goods sold and certain operating expenses, the risks associated with significant tariffs or other restrictions on imports from China or any retaliatory trade measures taken by China, the geographic concentration and peak season capacity of certain U.S. distribution facilities increases its exposure to significant shipping disruptions and added shipping and storage costs, its projections of product demand, sales and net income are highly subjective in nature and future sales and net income could vary in a material amount from such projections, the risks associated with the use of trademarks licensed from and to third parties, its ability to develop and introduce a continuing stream of new products to meet changing consumer preferences, trade barriers, exchange controls, expropriations, and other risks associated with U.S. and foreign operations, the risks to its liquidity as a result of changes to capital and credit market conditions, limitations under its financing arrangements and other constraints or events that impose constraints on its cash resources and ability to operate its business, the costs, complexity and challenges of upgrading and managing its global information systems, the risks associated with cybersecurity and information security breaches, the risks associated with global legal developments regarding privacy and data security could result in changes to our business practices, penalties, increased cost of operations, or otherwise harm our business, the risks associated with product recalls, product liability, other claims, and related litigation against us, the risks associated with accounting for tax positions, tax audits and related disputes with taxing authorities, the risks of potential changes in laws in the U.S. or abroad, including tax laws, regulations or treaties, employment and health insurance laws and regulations, and laws relating to environmental policy, personal data, financial regulation, transportation policy and infrastructure policy along with the costs and complexities of compliance with such laws, its ability to continue to avoid classification as a controlled foreign corporation, and legislation enacted in Bermuda and Barbados in response to the European Union’s review of harmful tax competition could adversely affect our operations. The Company undertakes no obligation to publicly update or revise any forward-looking statements as a result of new information, future events or otherwise.

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Reconciliation of Non-GAAP Financial Measures

his presentation includes non-GAAP financial measures. Adjusted Operating Income, Adjusted Income, Adjusted Diluted EPS, Adjusted Operating Margin, Adjusted EPS, Free Cash Flow, and Adjusted Operating Income may be considered non-GAAP financial information as set forth in SEC Regulation G, Rule 100. The tables in the appendix attached to this presentation reconcile these measures to their corresponding GAAP-based measures presented in our condensed consolidated statements of income. We believe that Adjusted Operating Income, Adjusted Income, Adjusted Diluted EPS, Adjusted Operating Margin, Adjusted EPS, Free Cash Flow, and Adjusted Operating Income provide useful information to management and investors regarding financial and business trends relating to our financial condition and results of operations. We believe that these non-GAAP financial measures, in combination with our financial results calculated in accordance with GAAP, provide investors with additional perspective regarding the impact of such charges on applicable income, margin and earnings per share measures. We also believe that these non-GAAP measures facilitate a more direct comparison of our performance to our competitors. We further believe that including the excluded charges would not accurately reflect the underlying performance of our continuing operations for the period in which the charges are incurred, even though such charges may be incurred and reflected in our GAAP financial results in the near future. The material limitation associated with the use of the non-GAAP financial measures is that the non-GAAP measures do not reflect the full economic impact of our activities. Our Adjusted Operating Income, Adjusted Income, Adjusted Diluted EPS, Adjusted Operating Margin, Adjusted EPS, Free Cash Flow, and Adjusted Operating Income are not prepared in accordance with GAAP, are not an alternative to GAAP financial information and may be calculated differently than non-GAAP financial information disclosed by other companies. Accordingly, undue reliance should not be placed on non-GAAP information.

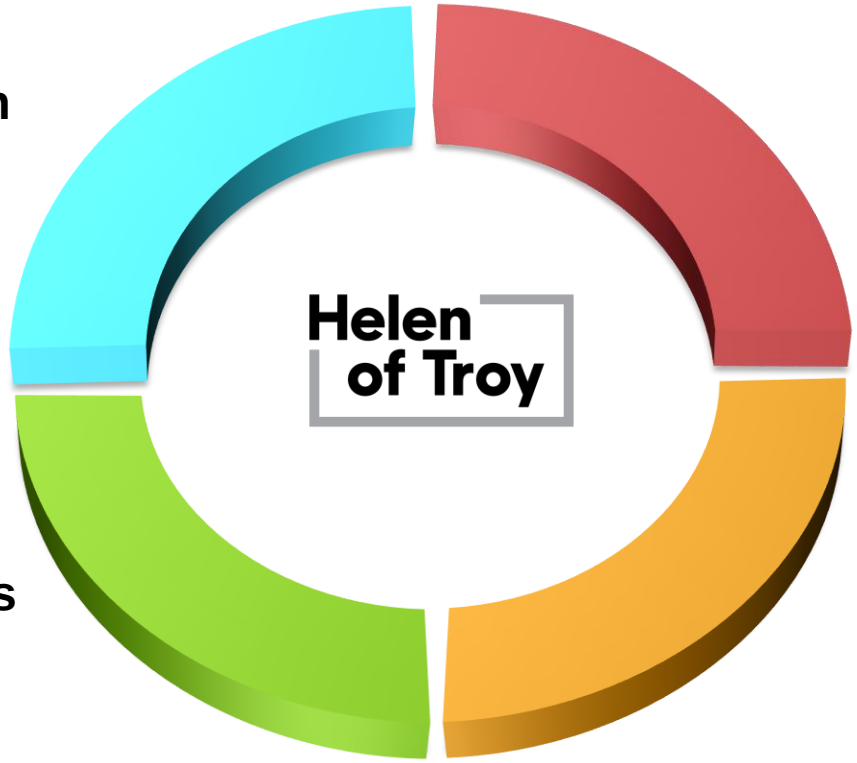
Helen of Troy Beauty: Personal Care Update

- On March 11, 2019, Helen of Troy announced it has been in a process to explore the divestiture of its Personal Care Business
- The Company conducted a sale process with the assistance of a financial advisor
- After considering alternatives, we have decided to continue to operate the highly profitable Personal Care Business to help fuel investment in our Leadership Brands and other growth opportunities
- Given our strong cash flow and low debt leverage, discontinuing this process has no impact on our ability to make further acquisition or strategic share repurchases
- We continue to assess the role of these and other non-Leadership Brands play in supporting our long-term plans and explore options we believe are most beneficial to the Company and its shareholders

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We Have Been Busy

Phase II Strategic Plan
FY20 - FY24

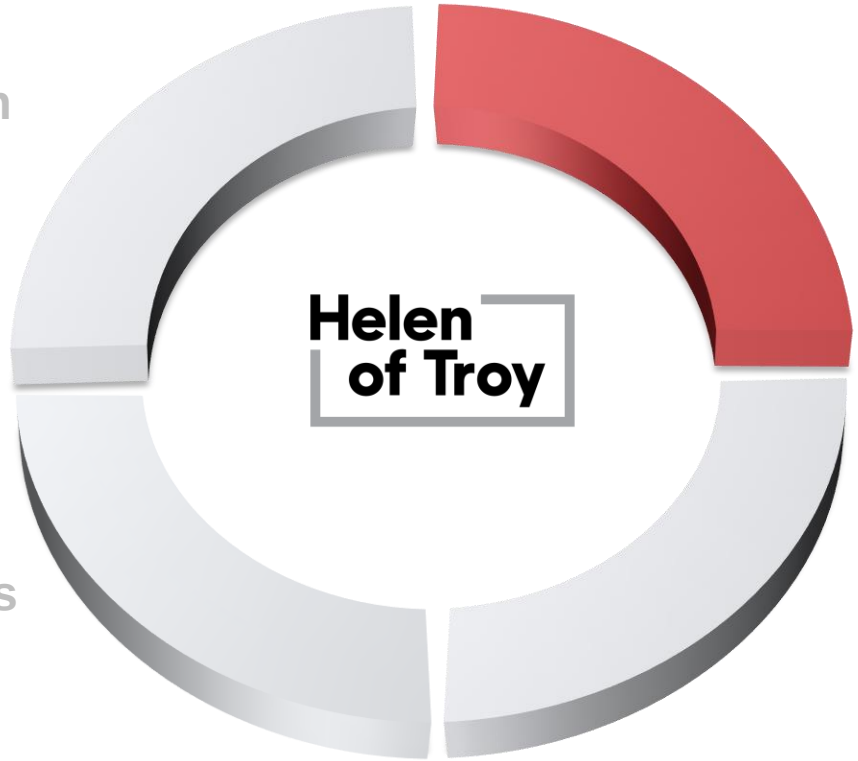


Phase I
FY15 - FY19

Recognition & Rewards

Refresh Corporate
Identity & Culture

Phase II Strategic Plan
FY20 to FY24



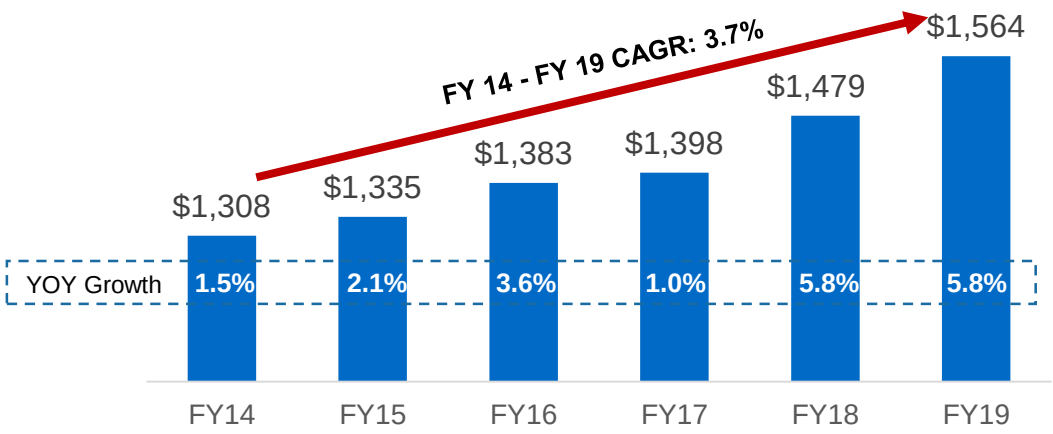
Phase I
FY15 to FY19

Recognition & Rewards

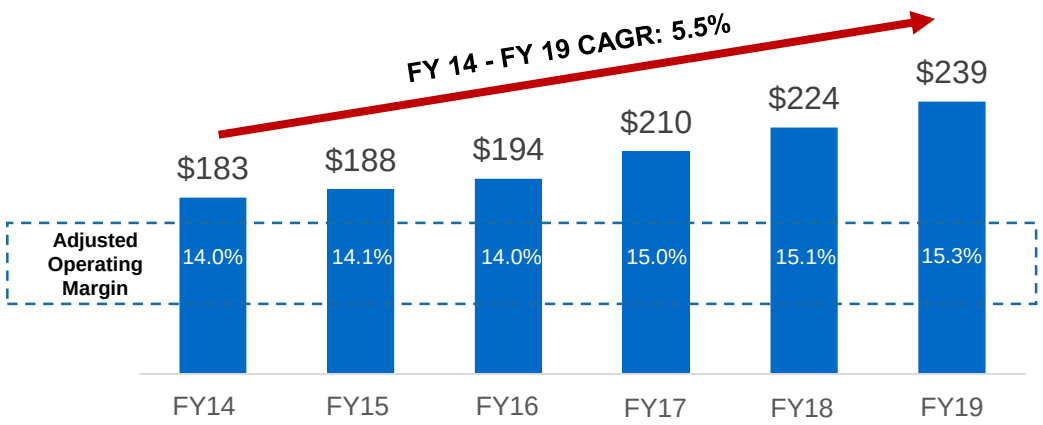
Refresh Corporate
Identity & Culture

Phase I Produced Strong Results

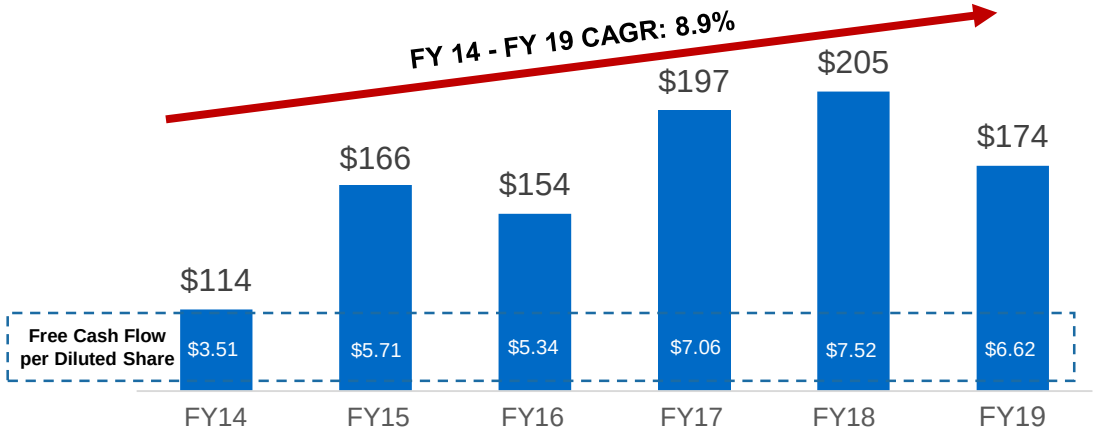
Revenue ($ in Millions)



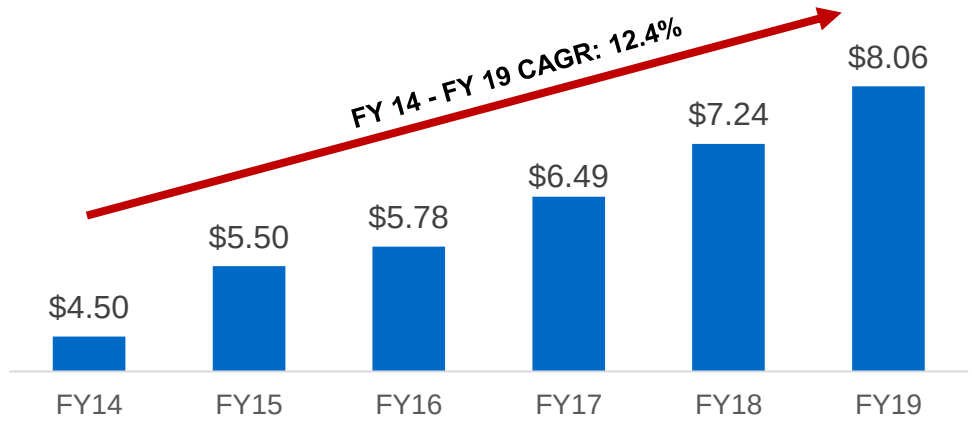
Adjusted Operating Income ($ in Millions)



Free Cash Flow ($ in Millions)

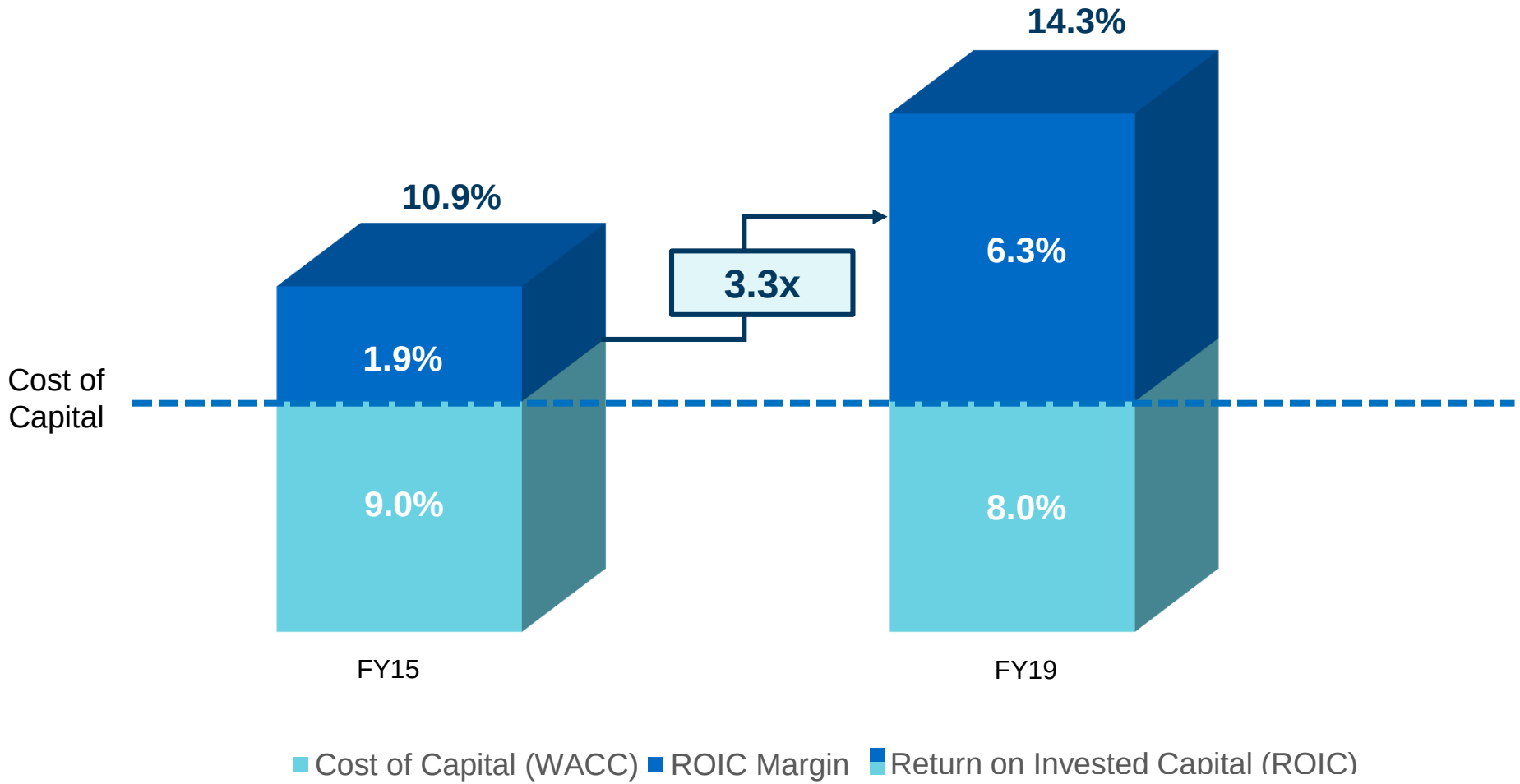


Non-GAAP Adjusted Diluted EPS



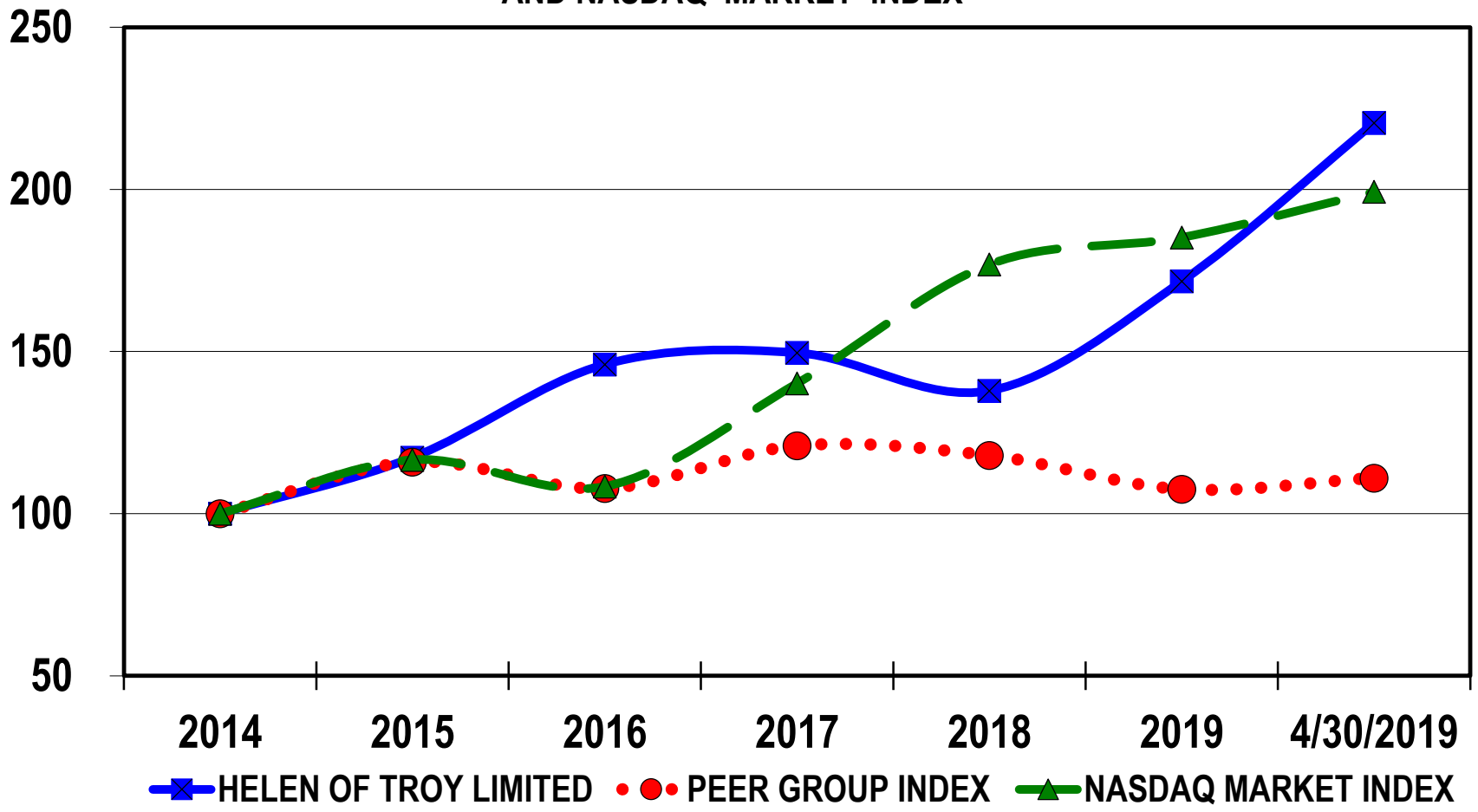
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Phase I also Delivered Strong Return on Invested Capital



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COMPARISON OF 62-MONTH CUMULATIVE RETURN FOR HELEN OF TROY LIMITED, PEER GROUP INDEX AND NASDAQ MARKET INDEX



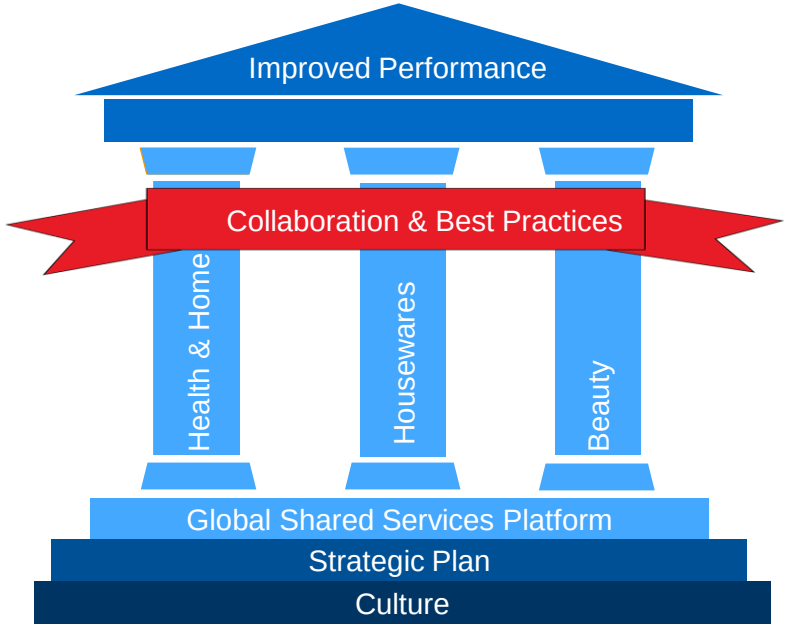
Key Elements of Phase I

Transformational Strategy



+

More Efficient and Collaborative Operating Structure



+

Leadership Brands

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OXO

Honeywell

BRAUN

VICKS

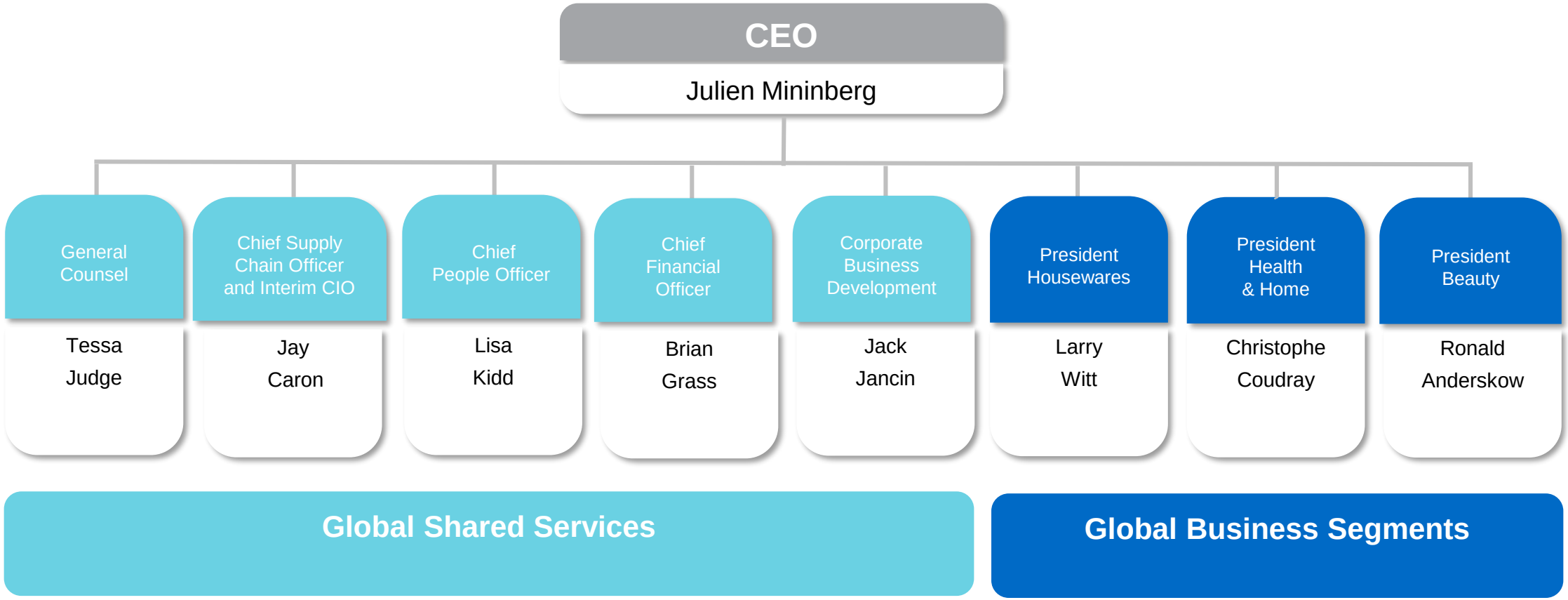
Hydro Flask

PUR

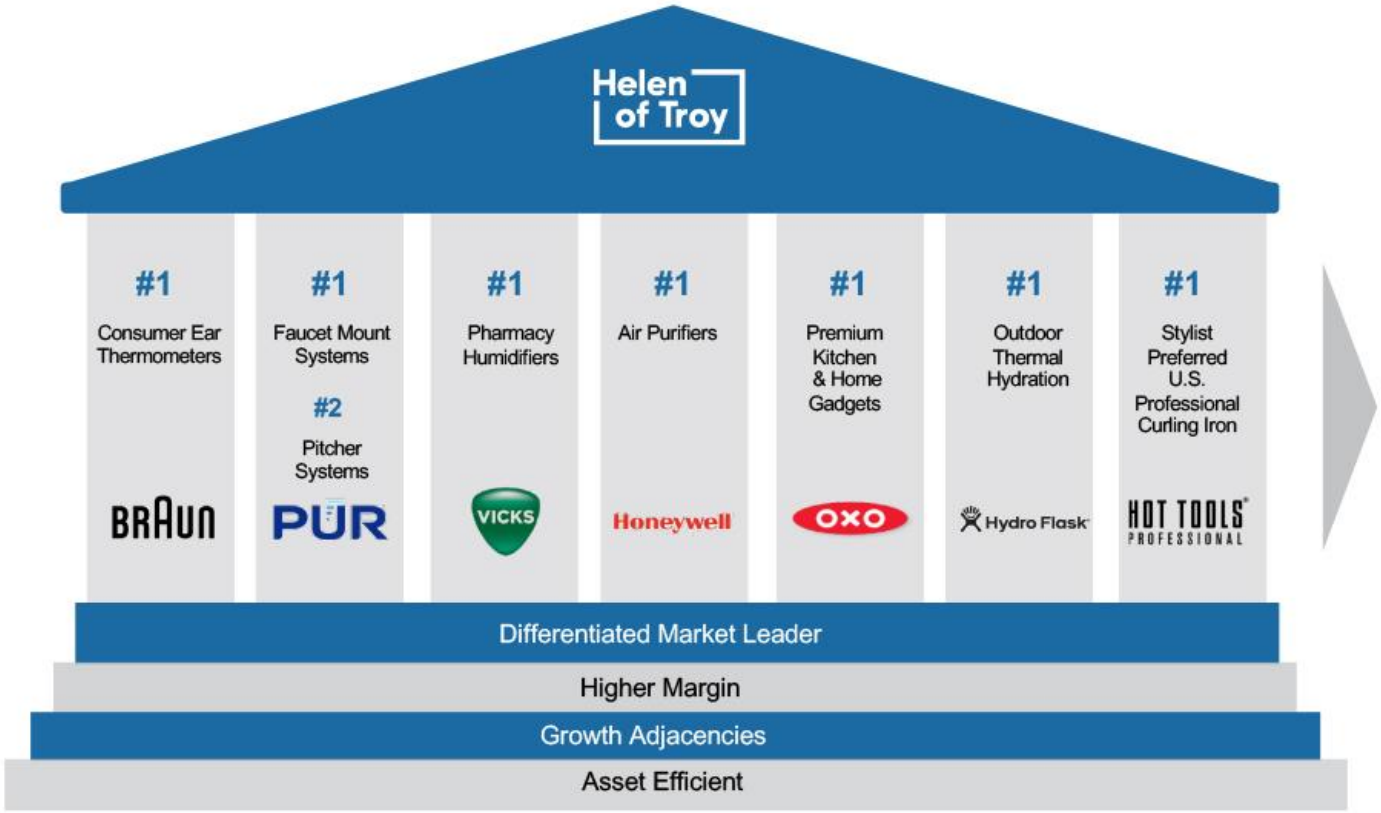
HOT TOOLS PROFESSIONAL

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Highly Experienced Global Leadership Team



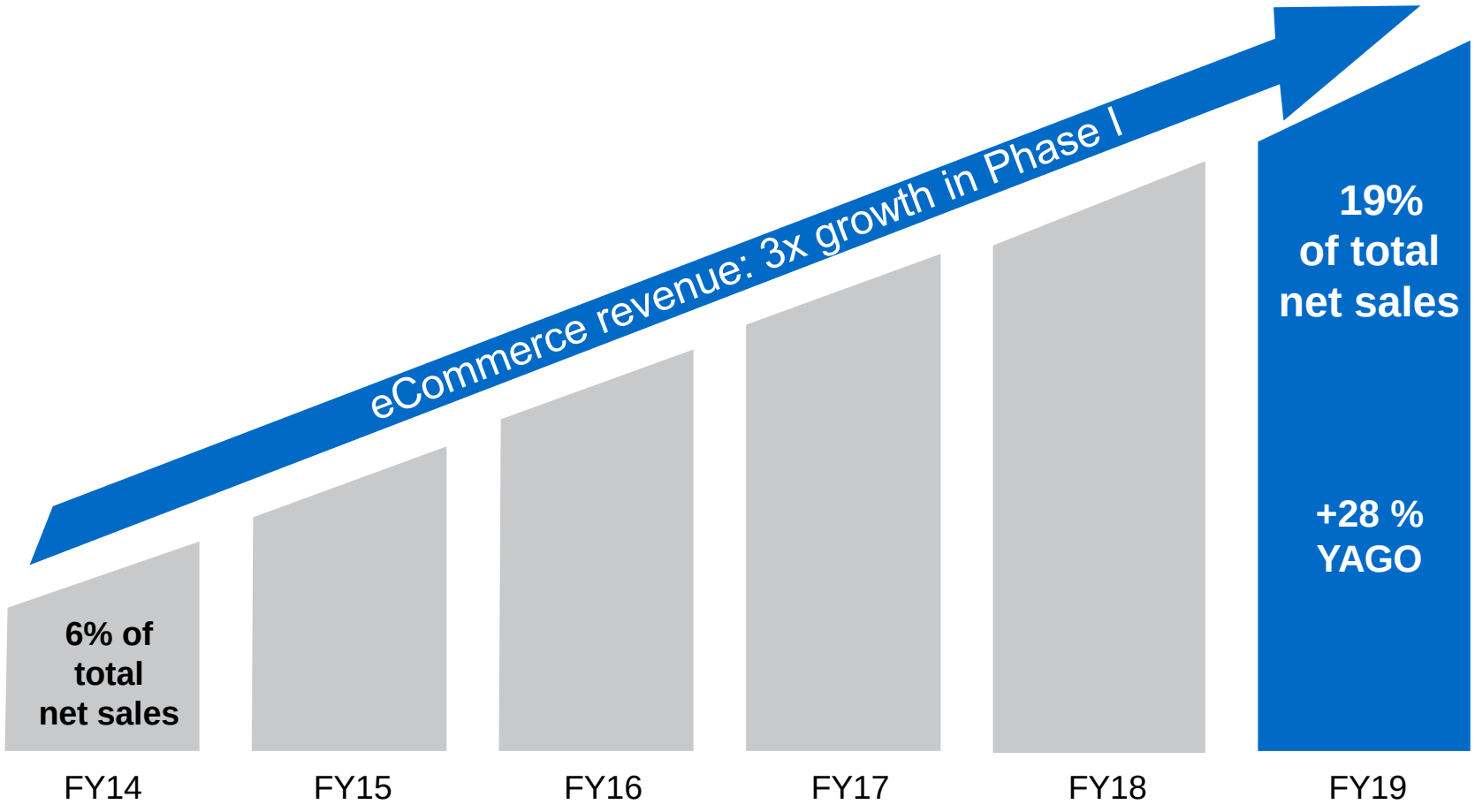
Strong Portfolio of Leadership Brands



Phase I 11.1% Leadership Brand Net Sales CAGR

FY19 +8.9% vs YAGO
~80% of total net sales

Investments in Digital are Driving Online Sales



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Innovation Powered by Outstanding New Products & New era of Cross-fertilization



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Strong Track Record as a Best-in-Class Licensee



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Winning in the Marketplace

2017



2018



39 Industry Awards Since 2018 for Outstanding Innovation, Design & Performance

Honeywell HUL430 Humidifier
BNA 100 Nasal Aspirator
BNT 400 Thermometer
Braun iCheck 7 Blood Pressure Monitor
Braun ActivScan 9 Upper Arm Monitor

Braun iCheck 7 Blood Pressure Monitor
Braun ActivScan 9 Upper Arm Monitor

OXO Silicone Dough Rolling Bag
OXO Coffee Grounds Cleaning Scoop
OXO Toilet brush with Rim cleaner
OXO POP 2.0 Containers
Braun iCheck 7 Blood Pressure Monitor
Braun ActivScan 9 Upper Arm Monitor

OXO TOT Silicone Self Feeder (Feeding)
OXO Potty Chair
OXO TOT Silicone Self Feeder (Weaning)

Pur Advanced Filtration System

Hydro Flask Soft Cooler Pack
Hydro Flask Soft Cooler Tote
Hydro Flask Straw Lid
Hydro Flask Cooler Cup

HOT Tools Marcel Curing Iron
HOT Tools 1” 24K Gold Curling Iron

HOT Tools Signature Series

HOT Tools Curlbar Iron

Revlon 360 Surround Styler

HOT Tools 1” Ionic Salon Flat Iron

OXO Brew Conical Burr Coffee Grinder

HOT Tools Radiant Blue Turbo Dryer

Braun IRT 6520 Thermometer

HOT Tools Signature Series Gold Iron

HOT Tools Brand

Braun ExactFit 5 Connect BPM
Braun ExactFit 3 BPM

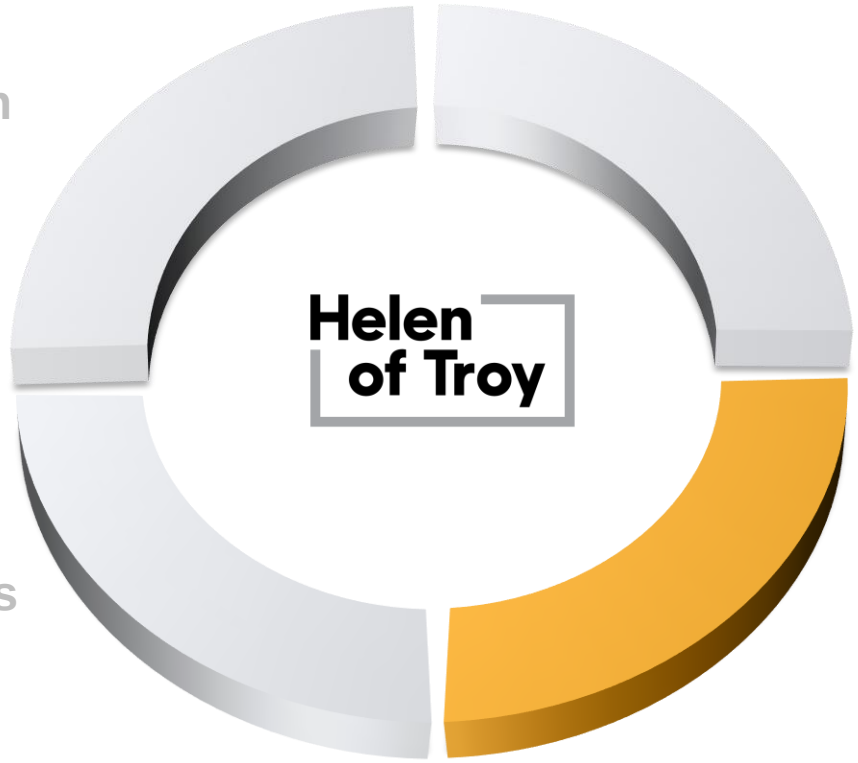
Revlon Ultimate Glow Sonic Facial Brush

OXO Good Gravy Fat Separator
OXO Silicone Pressure Cooker Rack
OXO POP 2.0 Containers

Revlon One Step Volumizer

Phase II Strategic Plan
FY20 to FY24

Phase I
FY15 to FY19

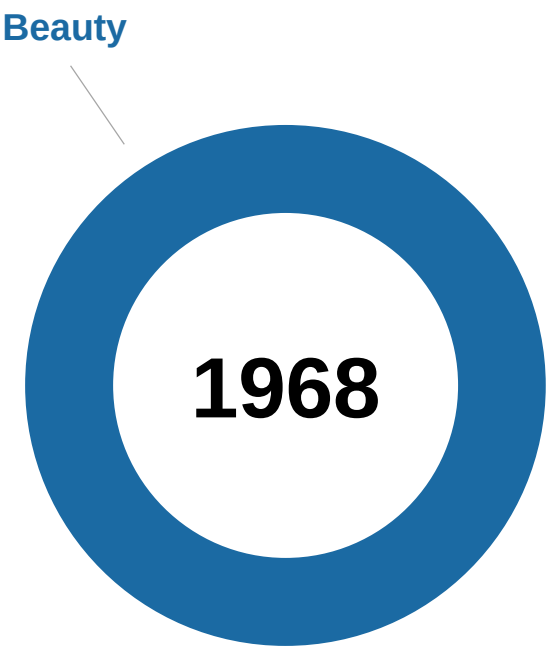


Recognition & Rewards

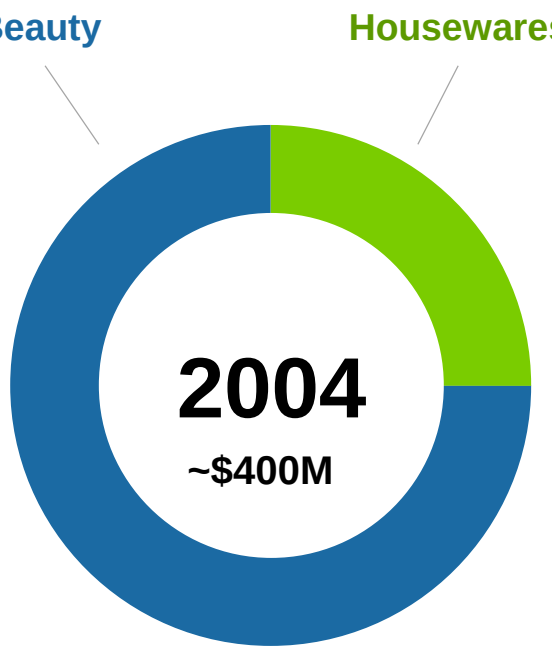
Refresh Corporate Identity & Culture

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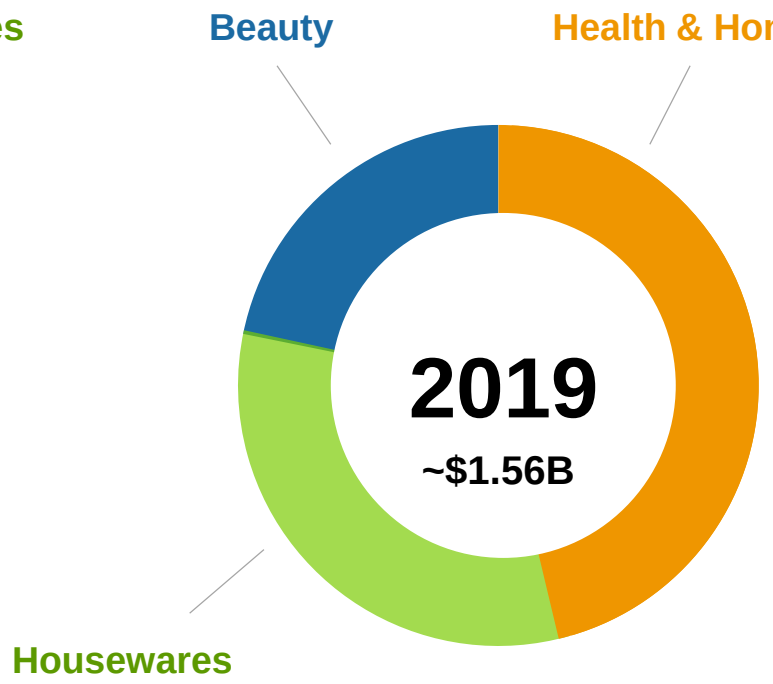
Our Business Today is Vastly Different From Where We Began



A beauty company is born



Helen of Troy expands beyond Beauty



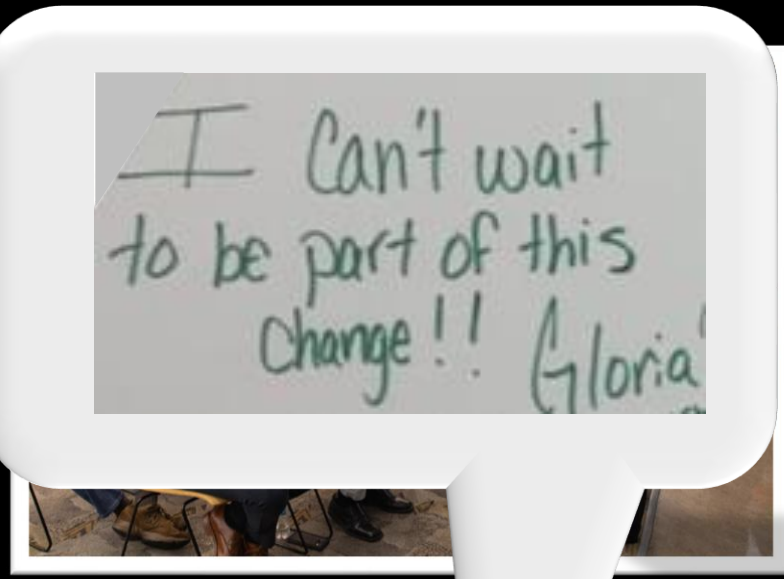
Three divisions powering our growth

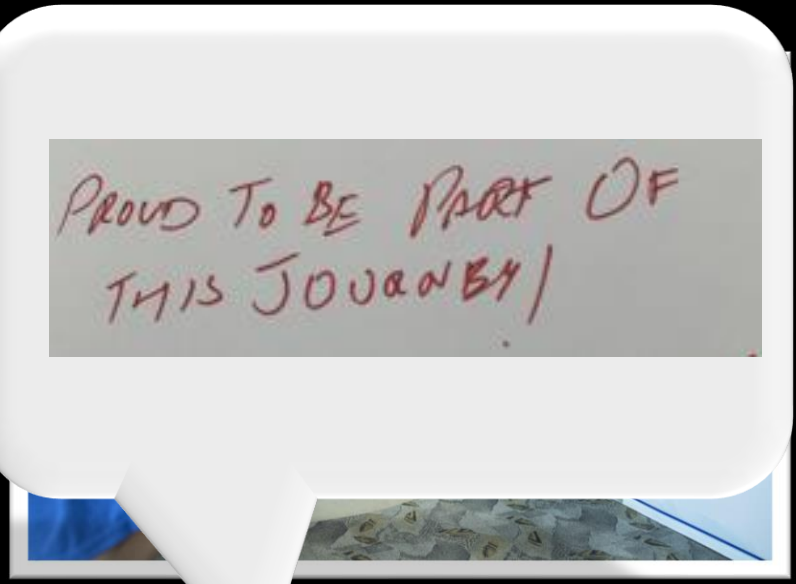
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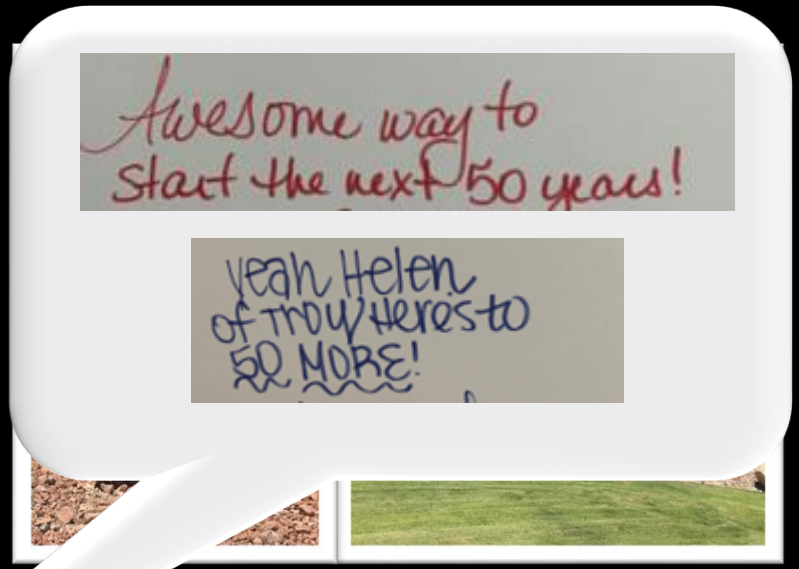
2018 Corporate Identity Refresh

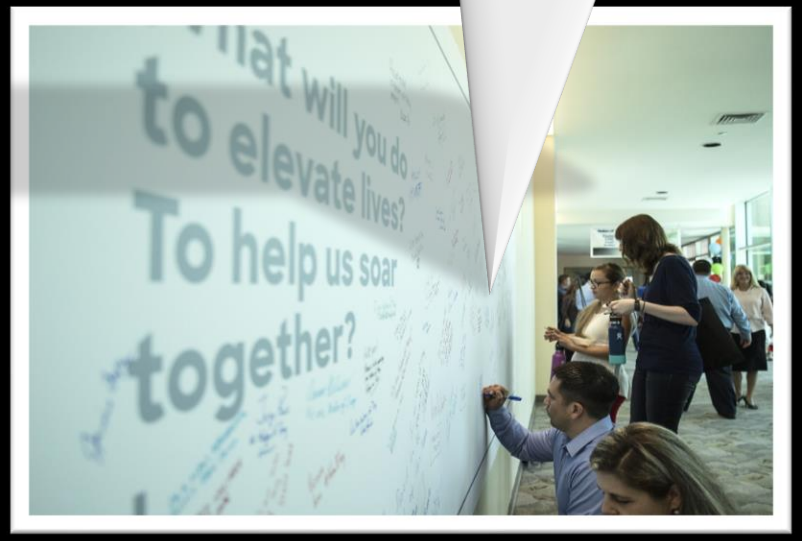


Energy and Excitement For Phase II & Beyond









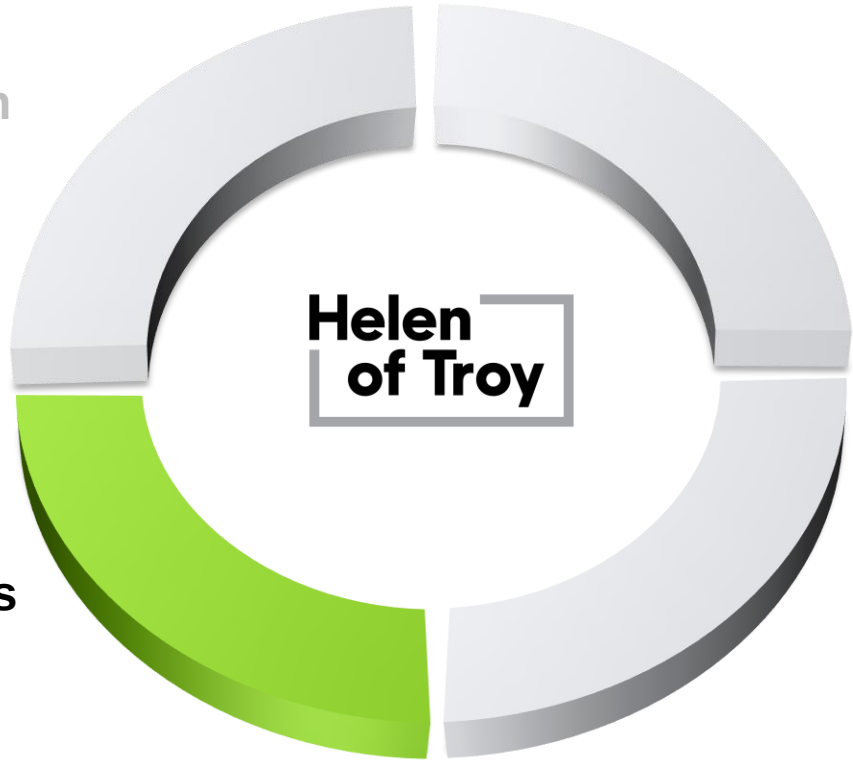




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Phase II Strategic Plan
FY20 to FY24

Phase I
FY15 to FY19



Recognition & Rewards

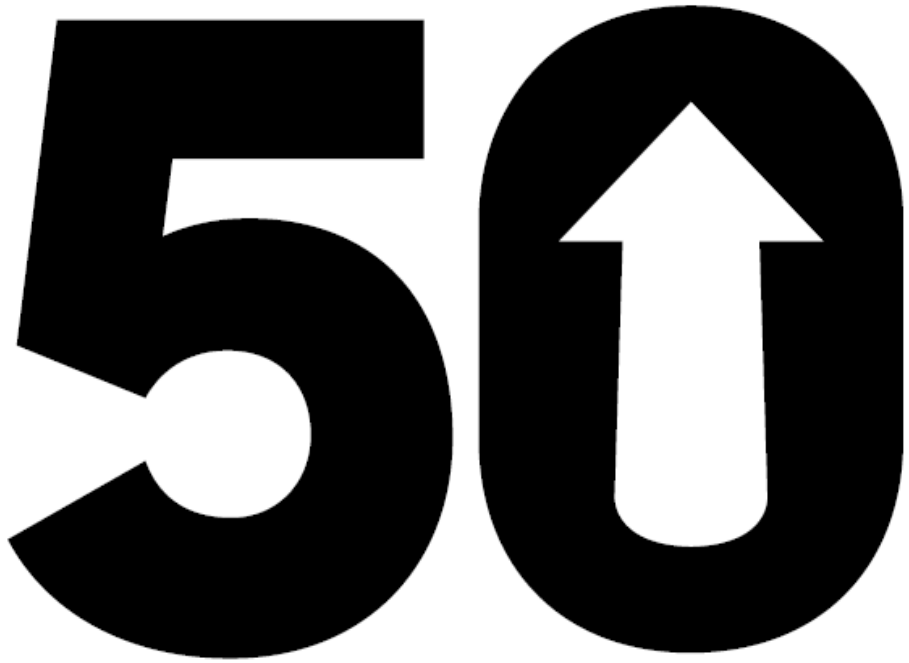
Refresh Corporate
Identity & Culture

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Transformation Shares Awarded in 2018



Thank You
Helen of Troy Associates!

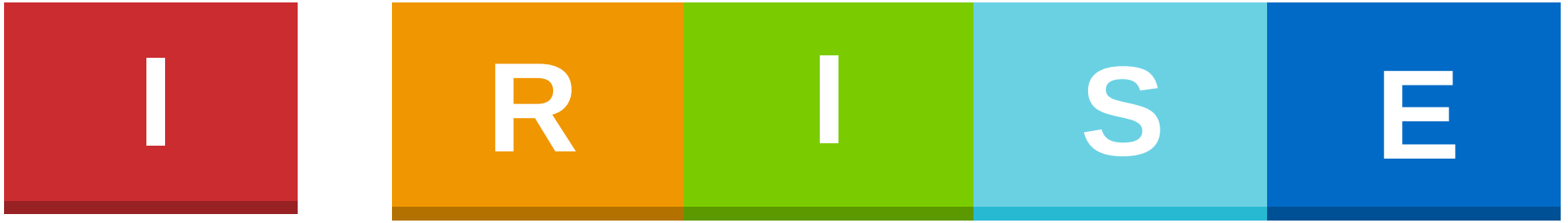
50 Shares granted to Helen of Troy Associates
all levels & all locations

Shared Success:
Phase I - winning
Celebrating 50th anniversary
Phase II – exciting future

Ownership behavior is powerful

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In Touch

We are deeply connected internally and externally. Internally, we understand each other and are unified by a common culture, shared strategic plan, and aligned goals. Externally, our superior understanding of consumers, customers, shareholders, partners and competitors is a source of competitive advantage.

Mutual Respect

We treat each other as each of us wants to be treated—with integrity, professionalism, and transparency. At Helen of Troy, what you see is what you get. We listen to each other and always assume noble intent. We are at our strongest when we work together, learn from each other, and respect what all parties bring to the table.

Ingenuity

Our passion for delighting consumers keeps us ideating, and inventing better ways to elevate the lives of people everywhere every day. Our healthy dissatisfaction with the status quo drives continuous improvement in every corner of the company.

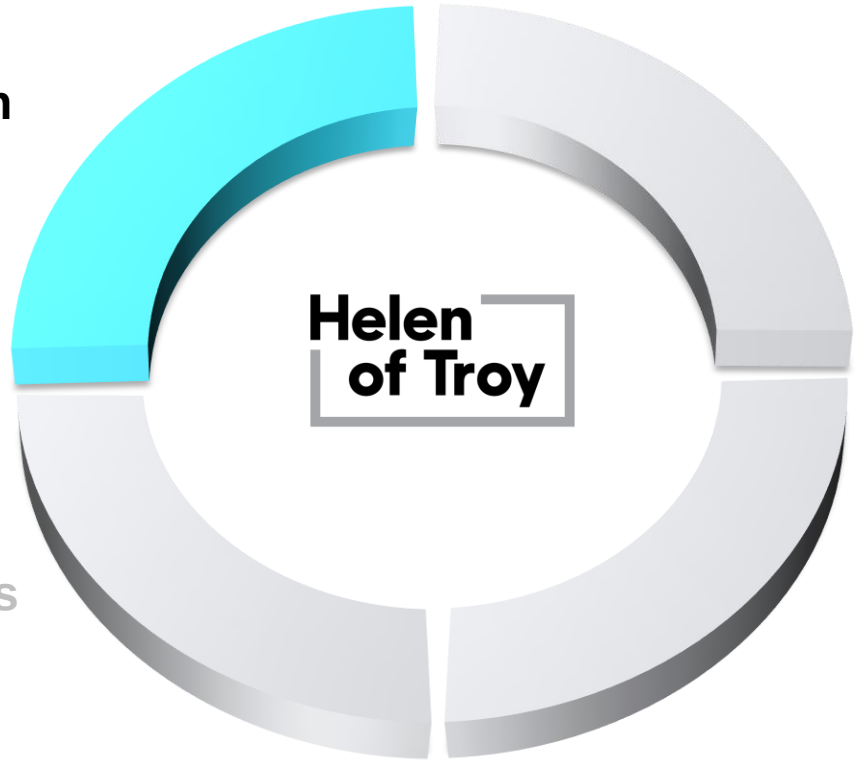
Shared Success

Helen of Troy's success and that of our people are linked. We soar together. Our people working in our Business Units, RMOs and Shared Services give their very best individually and in teams. Together, we achieve what none of us can do alone. We reward winning results and invest in the communities where we live and work.

Exceptional People

A great organization is powered by people. Our people feel and act like passionate owners. Their experience and skills build our business and the people around them. Their passion for excellence and winning is contagious. We invest in developing our people and cultivating rewarding careers.

Phase II Strategic Plan
FY20 to FY24



Phase I
FY15 to FY19

Refresh Corporate
Identity & Culture

Recognition & Rewards

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FY20 Outlook and Phase II Targets*

	FY20 Outlook	Phase II Targets*
Annual Core Business Sales Growth	1.0% to 3.0%	2.5% to 3.5%
Annual Operating Margin Expansion (1)	~20 bps	20 to 30 bps
Annual EPS Growth (2)	2.4% to 5.5%	≥ 8%
ROIC (1)	14% to 15%	≥ 20% by FY24

(1) Excludes acquisitions, material currency fluctuations and future tariff impacts
(2) Excludes share repurchases, acquisitions, material currency fluctuations and future tariff impacts
* Annual targets are averages

Phase II Strategic Choices

WHERE TO PLAY

Phase I

- Invest in Our Core
- Strategic, Disciplined M&A

Phase II

- Invest in Leadership Brands
- Double Down on International
- Selective & Strategic M&A

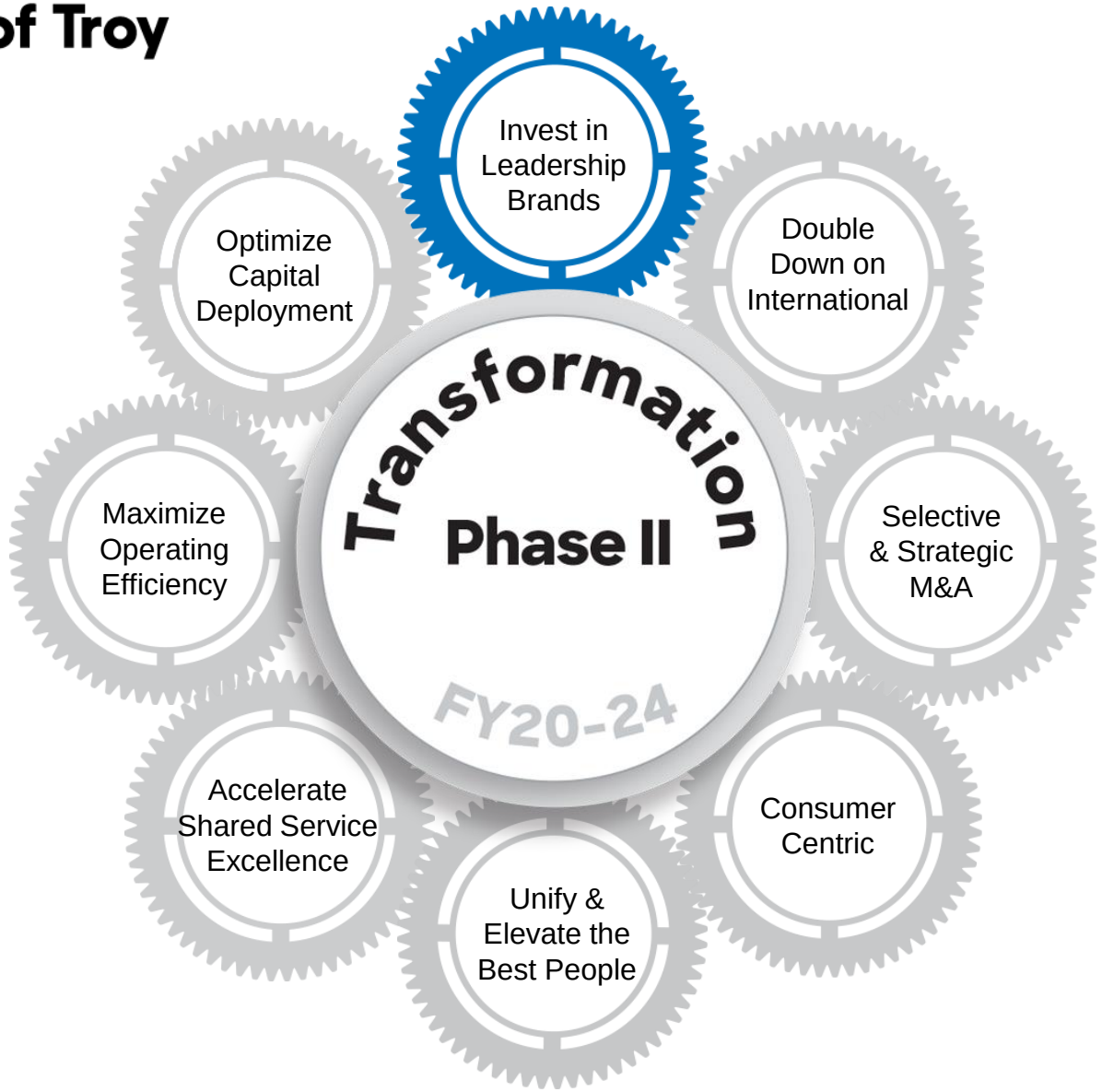
HOW TO WIN

Phase I

- Consumer-Centric Innovation
- Upgrade Our Organization & People Systems
- Best in Class Shared Services
- Attack Waste
- Asset Efficiency
- Shareholder-Friendly Policies

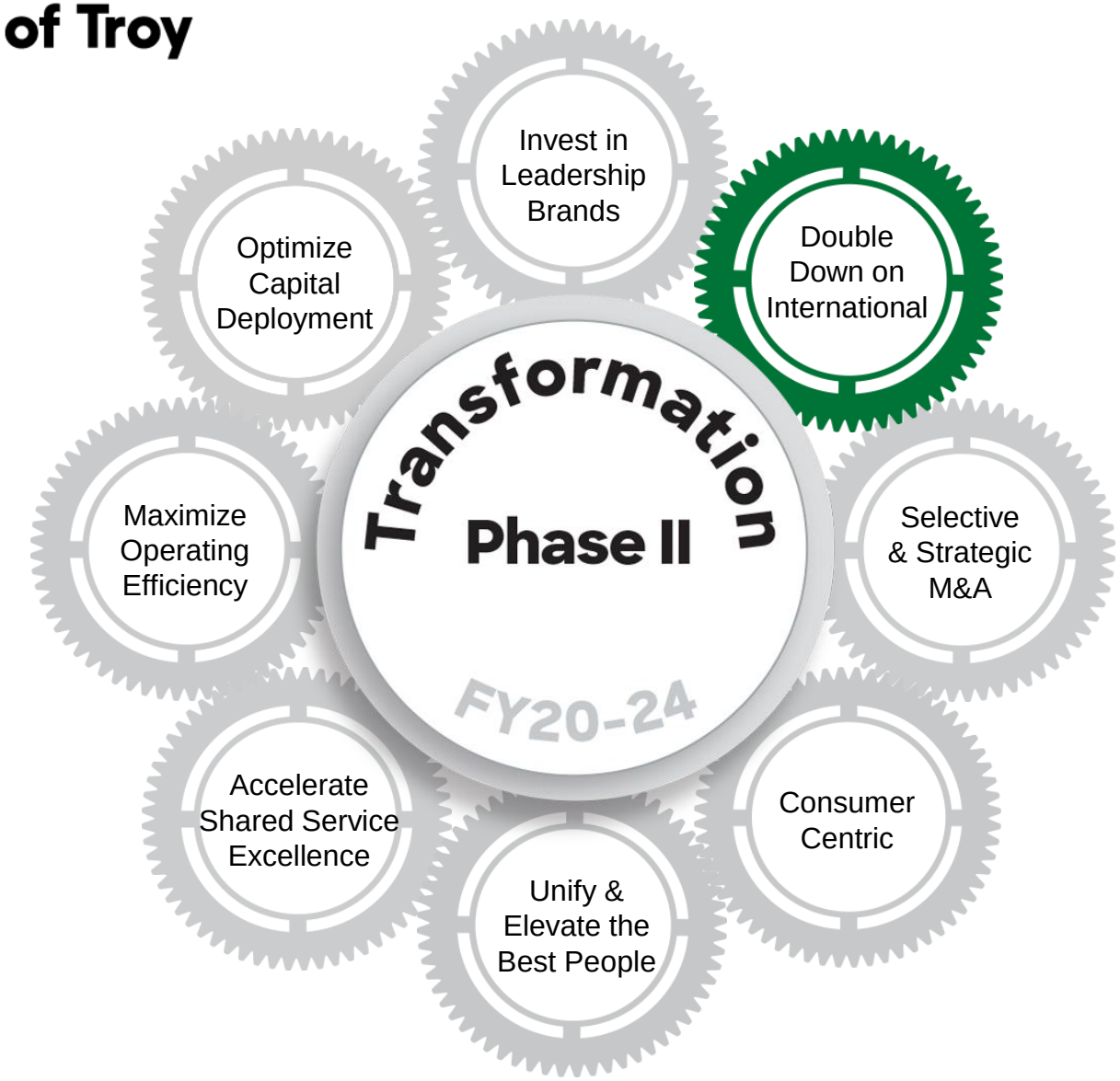
Phase II

- Consumer Centric
- Unify & Elevate the Best People
- Accelerate Shared Services Excellence
- Maximize Operating Efficiency
- Optimize Capital Deployment



Invest in Our Leadership Brands

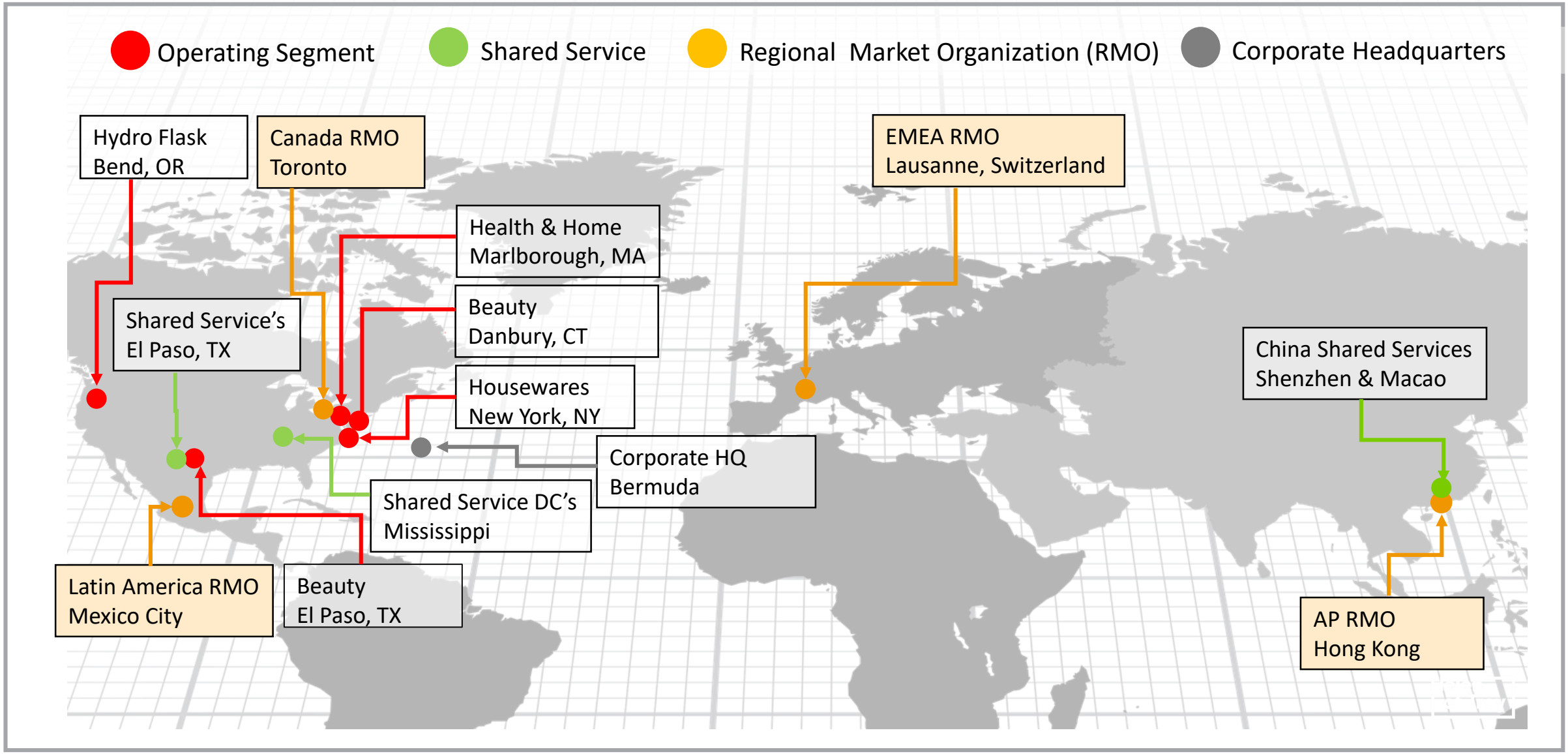
- Raise support levels across full consumer journey
- Next-level digital capabilities; test, learn & reapply across all Business Units and Regions
- Sharp eye on ROI
- Direct to Consumer
- New Consumers: Increased awareness & relevance
- Current Consumers: “Just One More”
- Complement more devices with strategic higher margin consumables



Double Down on International

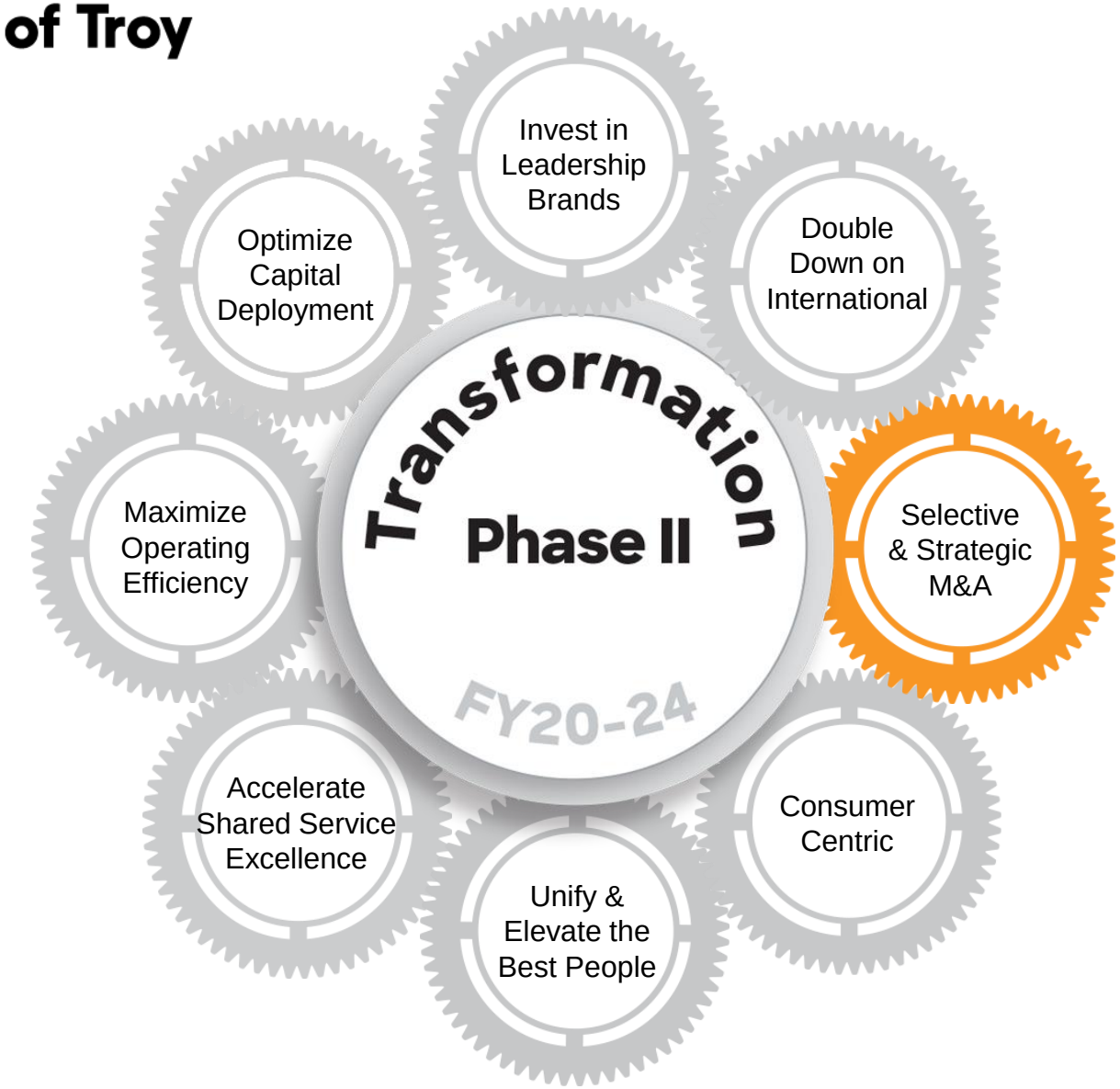
- Asia Pacific and Europe offer largest growth opportunity for all Leadership Brands
- Phase II building blocks:
  - **Categories:** where Leadership Brands can shine
  - **Countries:** where underpenetrated; prioritize by size of prize
  - **Omni Channel:** Online, B&M
- Leverage proven Regional Market Organizations (RMO's); upgrade infrastructure to serve all three business segments
- Add International President to Global Leadership Team
- Target $100M incremental organic revenue opportunity by end of Phase II

Our Global Footprint…



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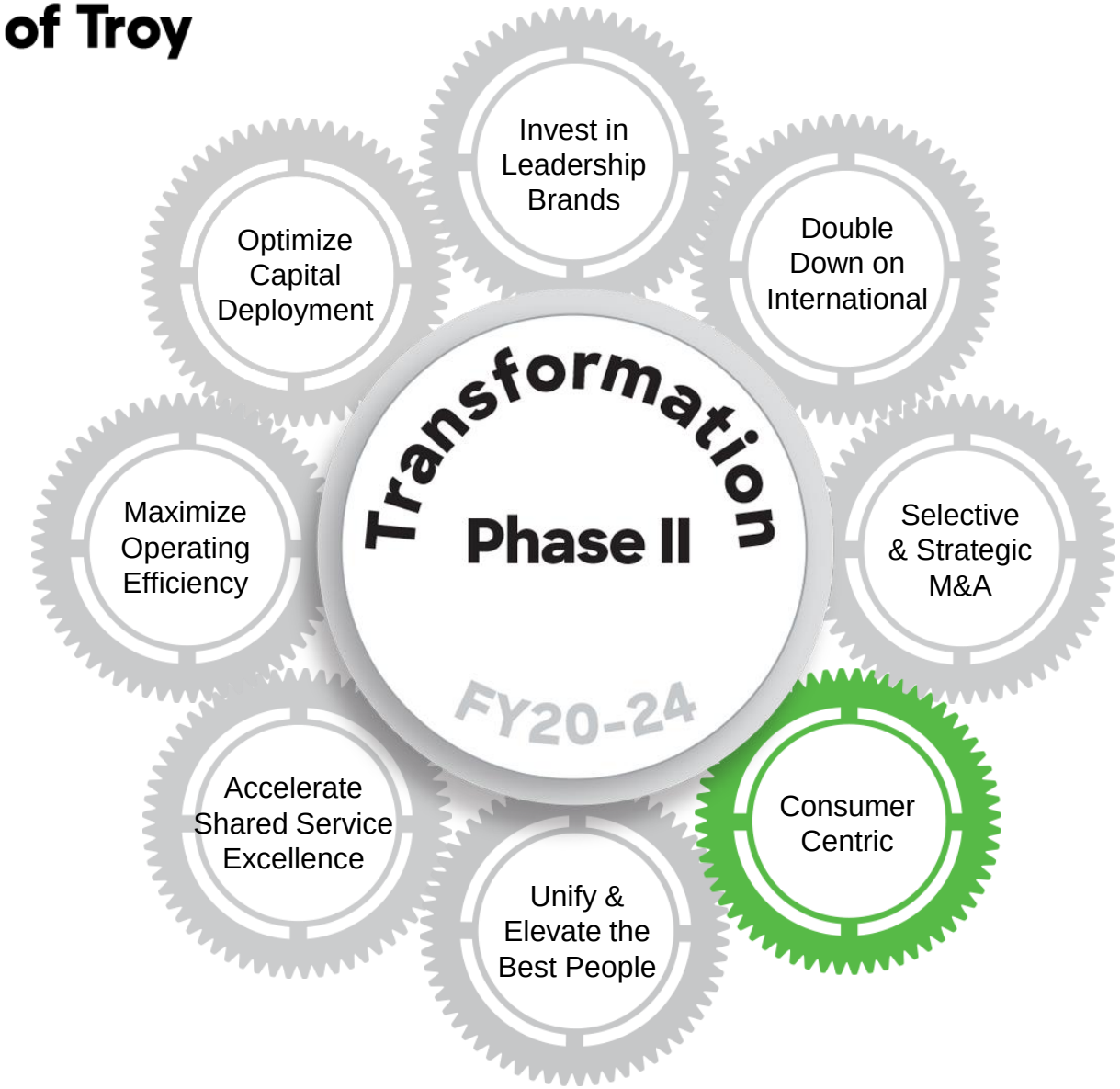
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Selective & Strategic M&A

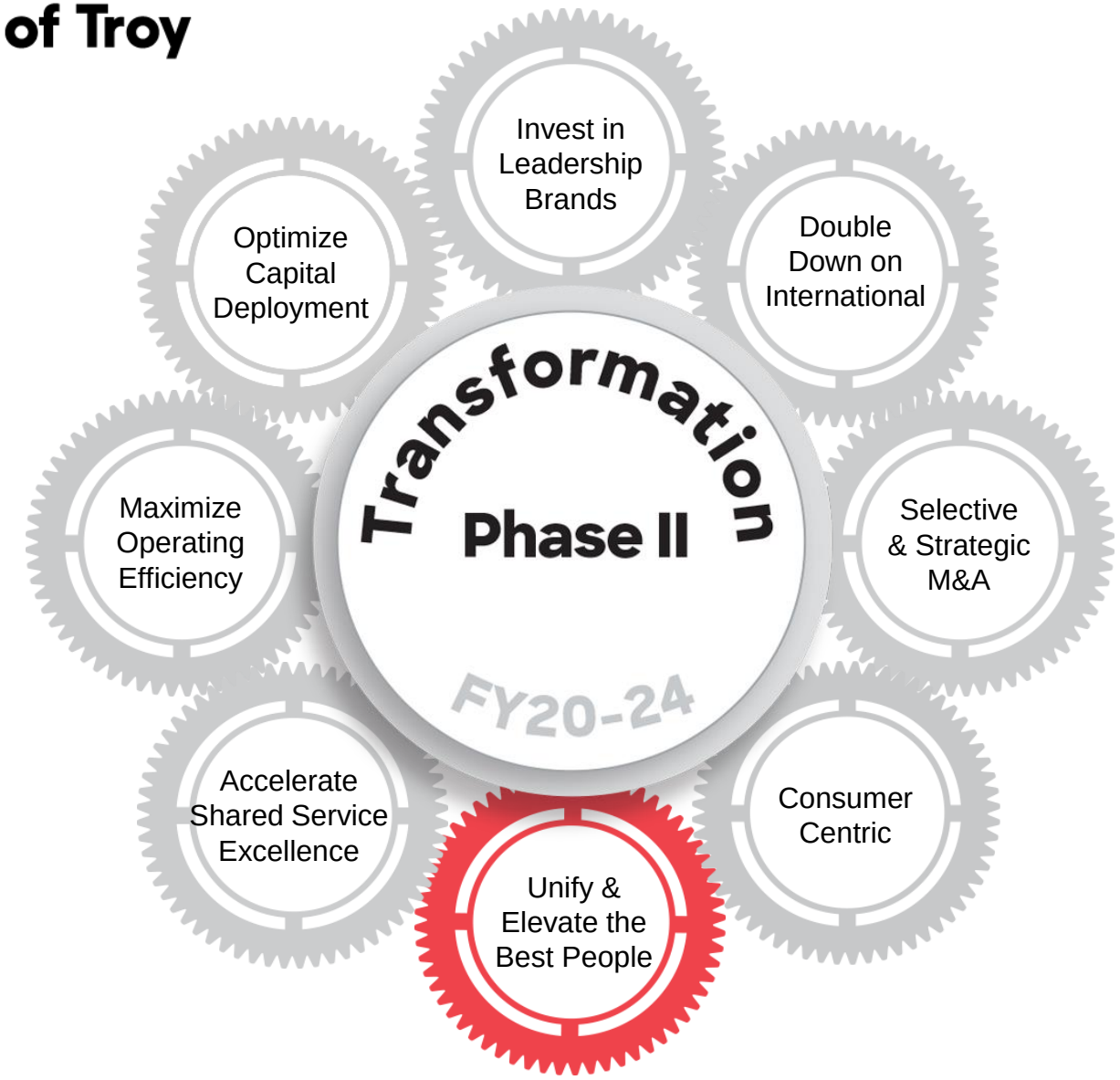
- Add additional Leadership Brands to portfolio
- Consider smaller, early stage brands if they offer disruptive technology and skillsets
- Accretive adjacencies within our wheelhouse
  - Add value (know-how, scale, infrastructure, channel overlap)
  - Grow faster
- More focus on international targets
- Increase capacity of M&A Department
- Acquisition integration playbook
  - Synergies from DC's, Suppliers, back office

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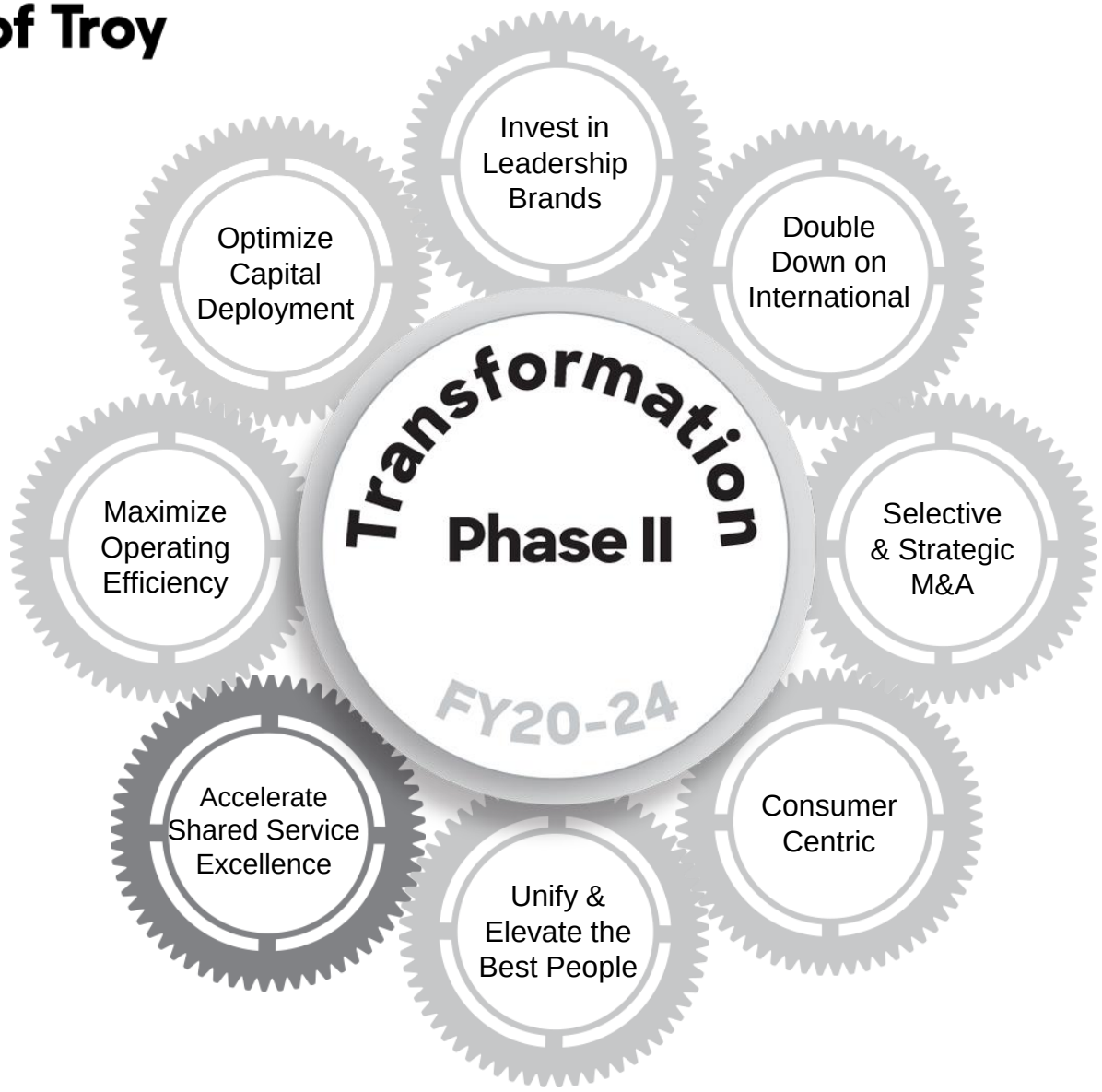
Consumer Centric

- Delighting consumers is the heart of everything we do
- Across *entire* consumer journey
  - Product innovations
    - Deeply rooted in consumer understanding
    - Margin-expanding pipeline for all business units
    - Earn a place in new households
    - Drive “Just One More” with current consumers
  - Commercial innovations
    - Claims, packaging, video content, demos, designed for all channels
    - Ever-sharper digital marketing to reach consumers at all key touchpoints
- Invest in proven key business drivers, test new ones; search & reapply



Unify & Elevate The Best People

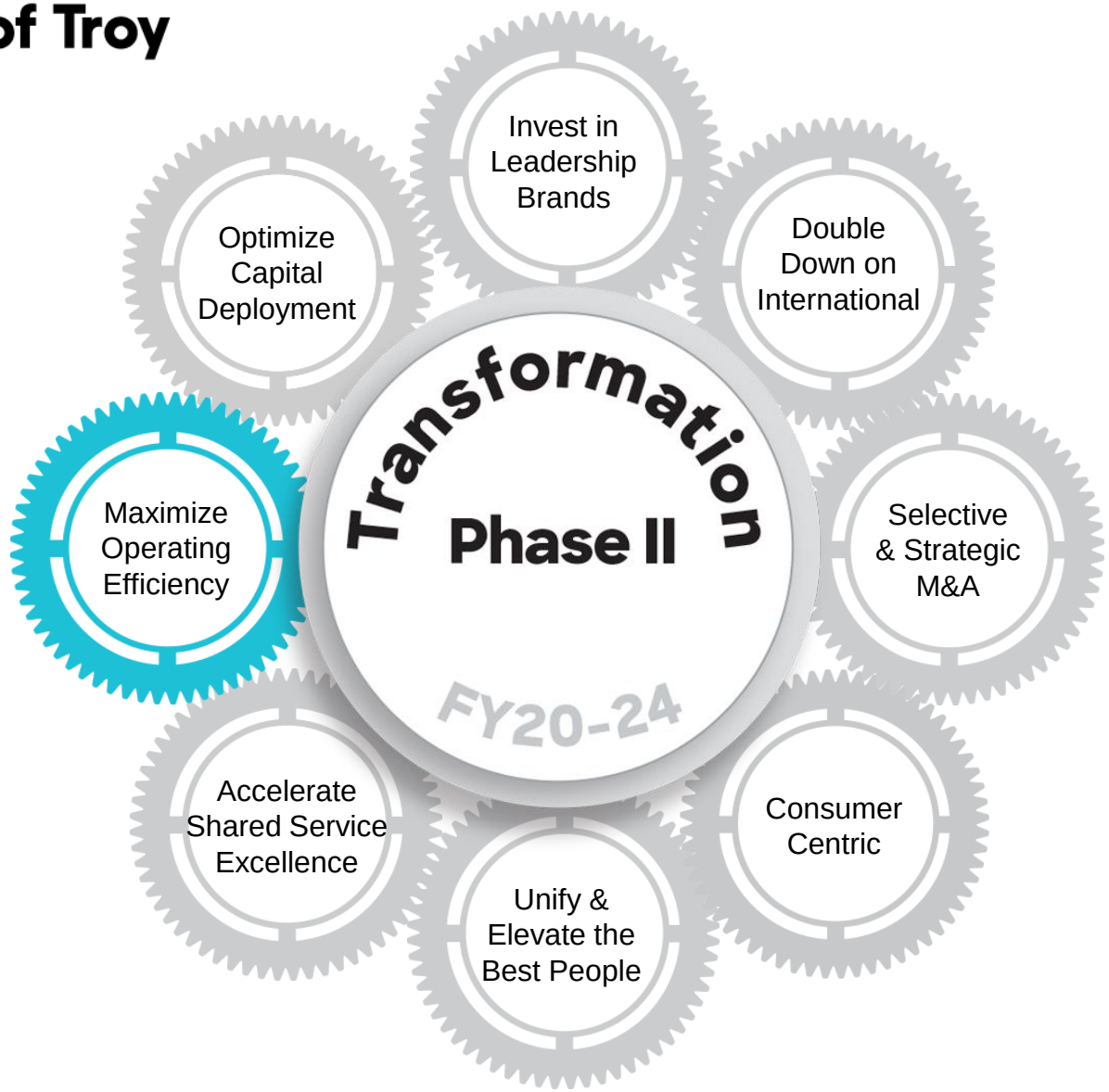
- Attract & Retain: *Employer of Choice*
  - Winning culture
  - Ownership mindset and behaviors
  - Highly competitive compensation/benefits
  - Helen of Troy career mindset
- Unify: *New level of unity and culture*
  - Power of ONE; collaboration, full engagement
  - "Good to Great" on culture
- Train: *New Helen of Troy Training Academy*
- Best People: *Raise the bar on performance excellence*



Accelerate Shared Service Excellence

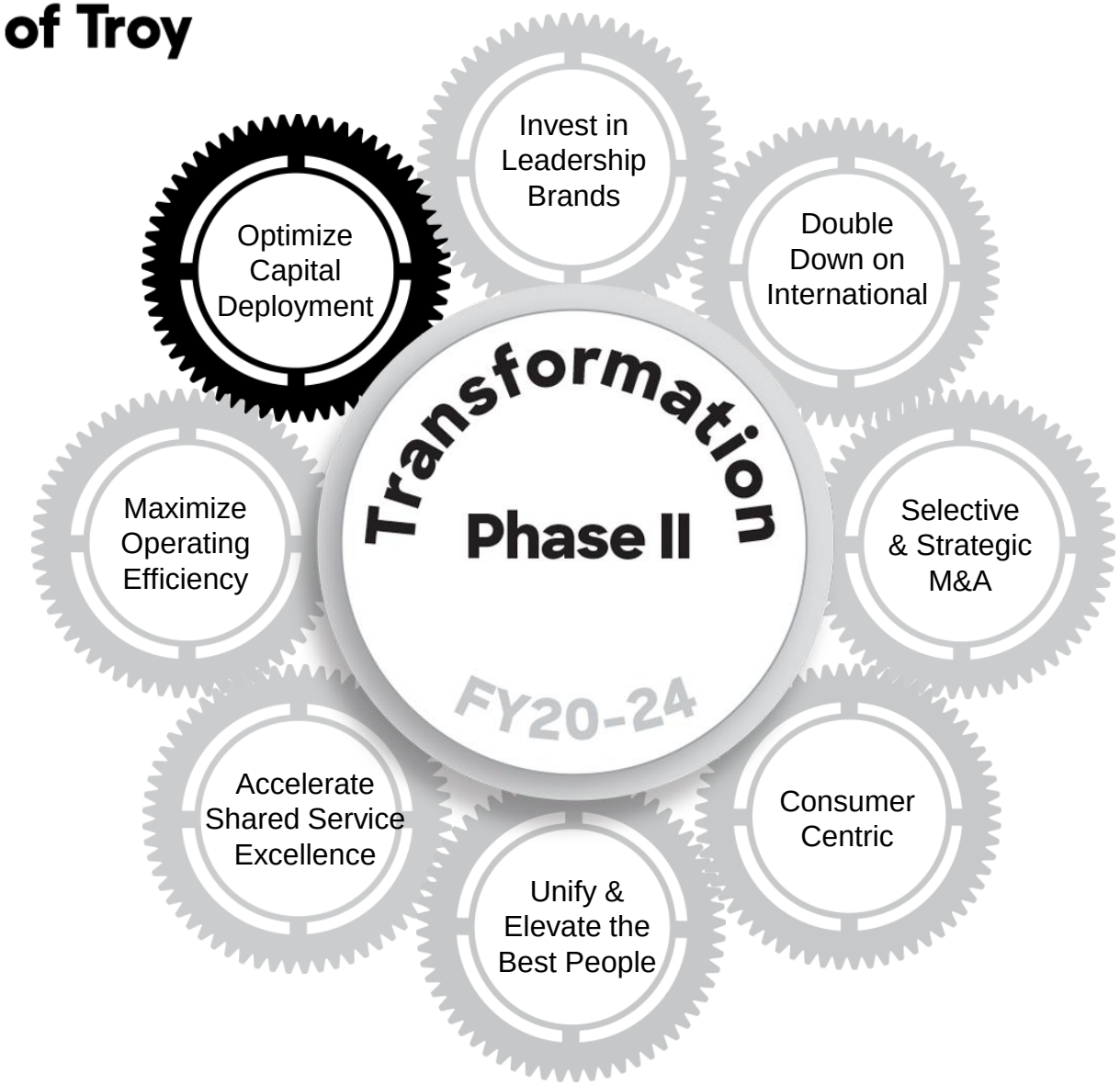
- Further build on Phase I upgrade to world class Global Operating Company
- "Helen of Troy Way"
  - Simplify, Standardize, Systematize
  - Better & Cheaper
  - Leverage Scale
  - Scalability for growth (organic, acquisition)
- Deploy efficiencies to fund Leadership Brand growth and drive further profitability
- Further globalize supply chain
  - Optimize cost
  - Support Leadership Brand globalization

Helen of Troy



Maximize Operating Efficiency

- Fewer, Bigger, Better suppliers & agencies
- Even sharper eye on:
  - ***Working Capital:*** improvements to maximize cash flow
  - ***ROI:*** Leadership Brand & Shared Service investments
  - ***Measurement:*** Phase II KPI's & Scorecards
  - ***Quality:*** Delight every consumer
- Aggressively attack waste in all its forms



Optimize Capital Deployment

- Capital priorities carry over from Phase I
  - Accretive acquisition #1
  - Return of capital #2
    - New $400 million buyback authorization
- Above average return with low average risk
  - Healthy EBITDA leverage ratio
- Key driver of Phase II ROIC improvements



Helen of Troy

Helen of Troy

Christophe Coudray

President Health & Home

Award-winning, Global Branded, Consumer Device Business

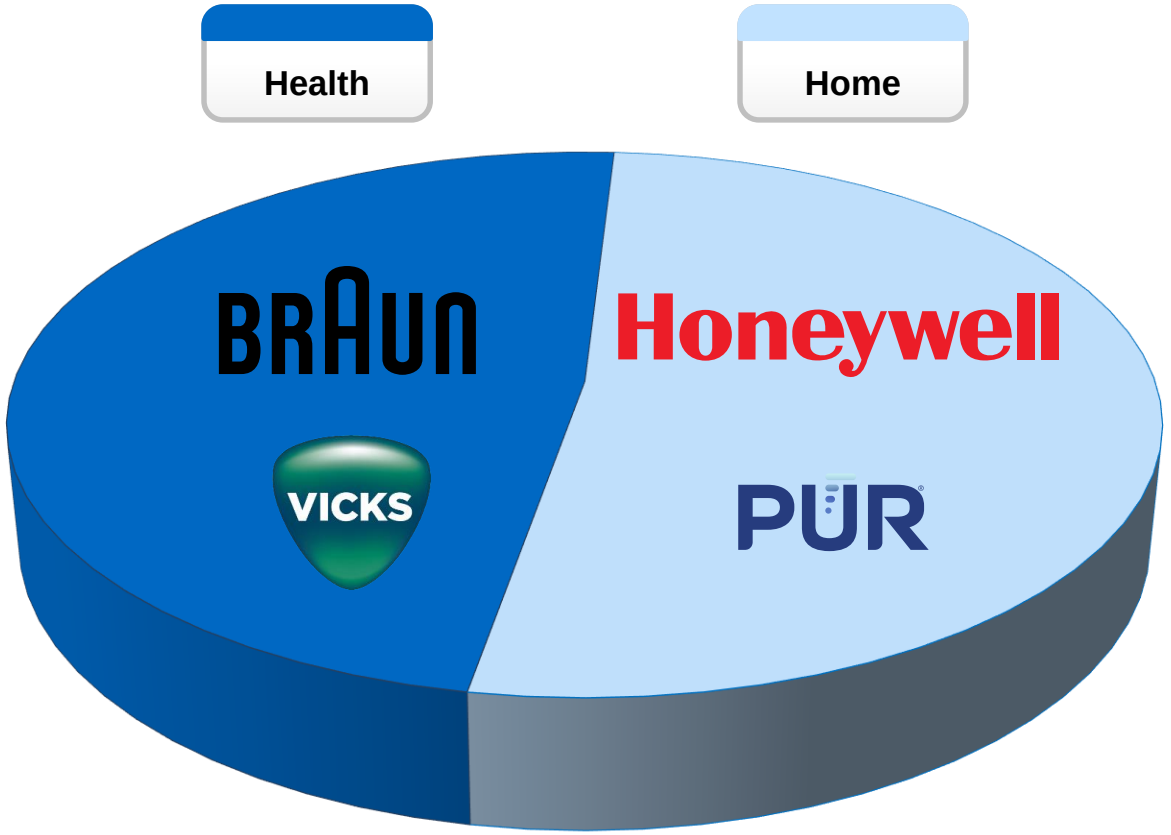
Helen of Troy

BRAUN

VICKS

Honeywell

PUR



Helen of Troy

Health

#1 Leadership brands

BRAUN


Theregionscan 7


Theregionscan 5


Theregionscan 3


Lens Filters


3-in-1 No Touch


No Touch + Forehead


Forehead


Digital Stick

THERMOMETERS


Nasal Aspirator

SINUS


ActivScan 9


iCheck 7



BLOOD PRESSURE MONITORS

VICKS


Vaporizer


Warm Mist


Sinus Inhaler


Mini Filter Free Cool Mist


Sweet Dreams Cool Mist


Filter Free Cool Mist


Germ Free Cool Mist


Easy Fill Cool Mist

HUMIDIFICATION




VAPOPADS & STEAM


15 Second Oral/Rectal/UA


8 Second Oral/Rectal


2 Second Oral/Rectal


Tracking


Rectal

THERMOMETERS

Home:
#1 Leadership brands

Honeywell


Cool Moisture Med Room


Cool Moisture Lg Room


Warm Mist 99.9% Germ-free


Cool Mist Ultrasonic


Cool Mist Tower Lg Room


Cool Moisture Multi-room


Humidity Monitors

HUMIDIFIERS

ACCESSORIES


True HEPA


True HEPA Bluetooth Connected


True HEPA Tower


Quiet Clean Tower


Air Genius Permanent Compact


Air Genius Permanent Tower


Air Genius Permanent Bluetooth Connected


Ture HEPA Professional Series

AIR PURIFICATION

PÜR


Classic


Basic CleanSensor™


Advanced Mineral Clear ®


Ultimate Bluetooth

FAUCET MOUNTS


7 Cup Basic & Ultimate


11 Cup Classic & Ultimate


18 Cup Classic & Ultimate

PITCHERS/DISPENSERS

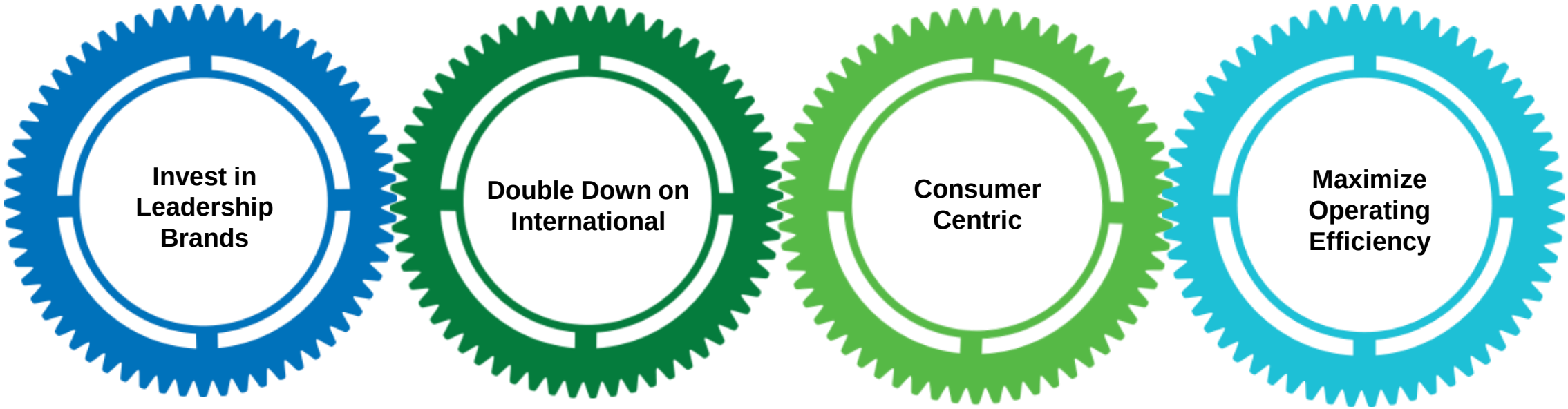
Delighting consumers with trusted solutions for healthy living and peace of mind

Helen of Troy



Helen of Troy

Sustainable & Profitable Growth



Helen of Troy

Building Momentum on our Leadership Brands



- Invest in Braun Thermometers, Vicks Humidifiers, Honeywell Air Purifiers and PUR Water Filtration products
- Best in class digital marketing & direct to consumers with sharp eye on ROI
- Raise household penetration & international presence

Helen of Troy

BRAUN

VICKS

Honeywell

PUR

Global Brand Consistency

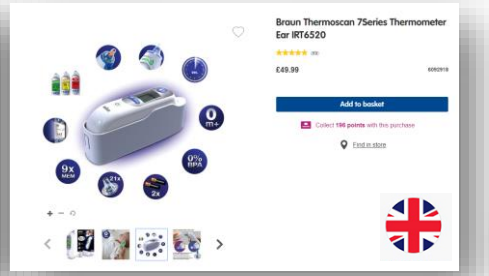
Seamless branding across regions, with local messaging for relevance



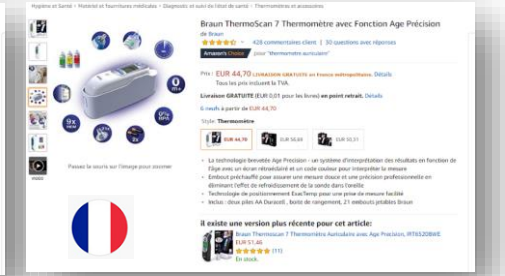












Braun Healthcare



Helen of Troy

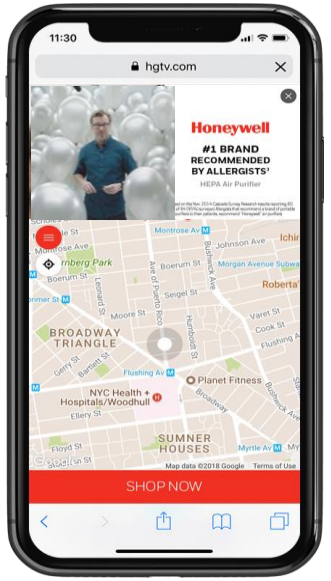
Data-Driven Targeted Advertising



Applying data on **flu, allergy,** and **air quality** conditions to target **precise** audiences

Featuring current retail availability and **nearest store location**

Retailers tagged are **prioritized by purchases and promotions**



Proprietary and Confidential

Helen of Troy

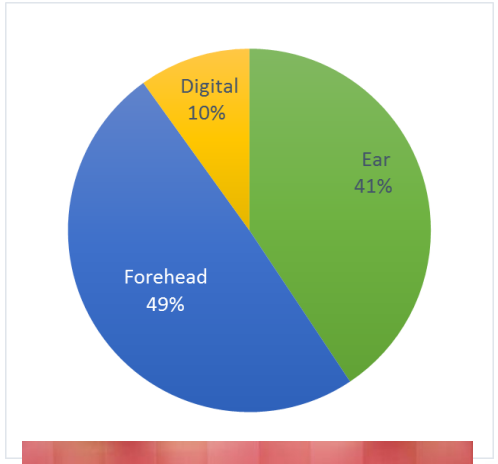
Expand Geographically



- Asia Pacific
- EMEA
- Consumers in Developed Markets

Helen of Troy

FY20 New Launches: Braun BNT100 in China & Vicks Humidifier in EMEA







BRAUN



RMB 199



Recommended by VICKS









Helen of Troy

Innovation & Ingenuity

Consumer Centric

- Product Innovation
- Commercial Innovation
- Design & Consumer Experiences

Helen of Troy

Health and Home Recent Design Awards







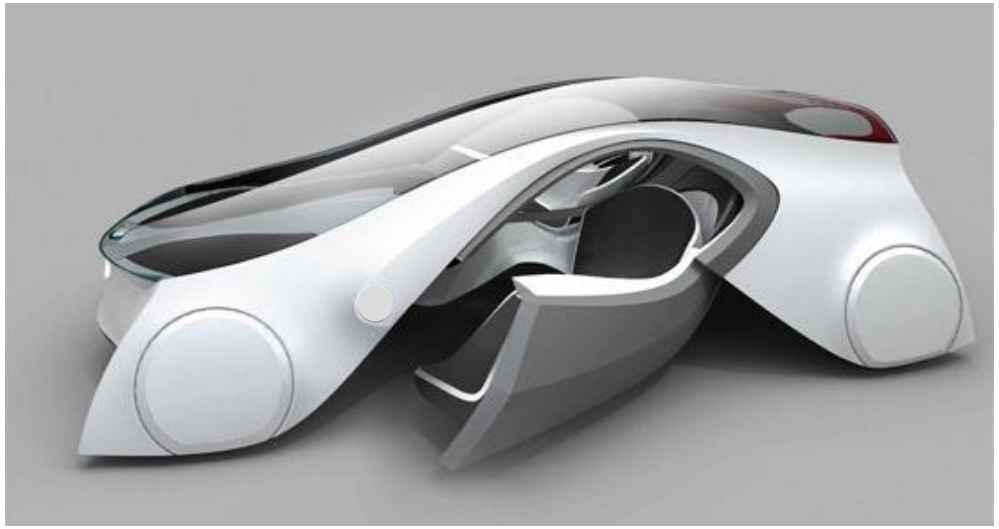





Design & Innovation : Vision Concept

The intention of the Vision is to:

- Challenge us to think differently
- Break the typical predevelopment cycle
- Different, better, meaningful
- Look 3-5 years out, potential for manufacturers today









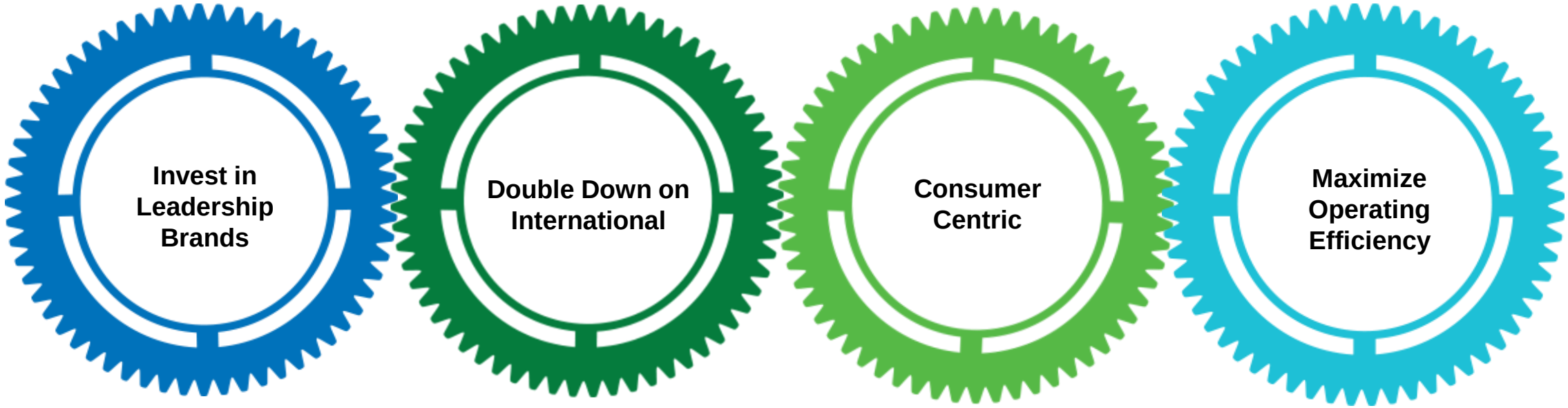
Helen of Troy

Honeywell Dream Weaver: The First Sleep Fan with Pink Noise Technology





Helen of Troy


Invest in Leadership Brands
Double Down on International
Consumer Centric
Maximize Operating Efficiency

Helen of Troy

Larry Witt

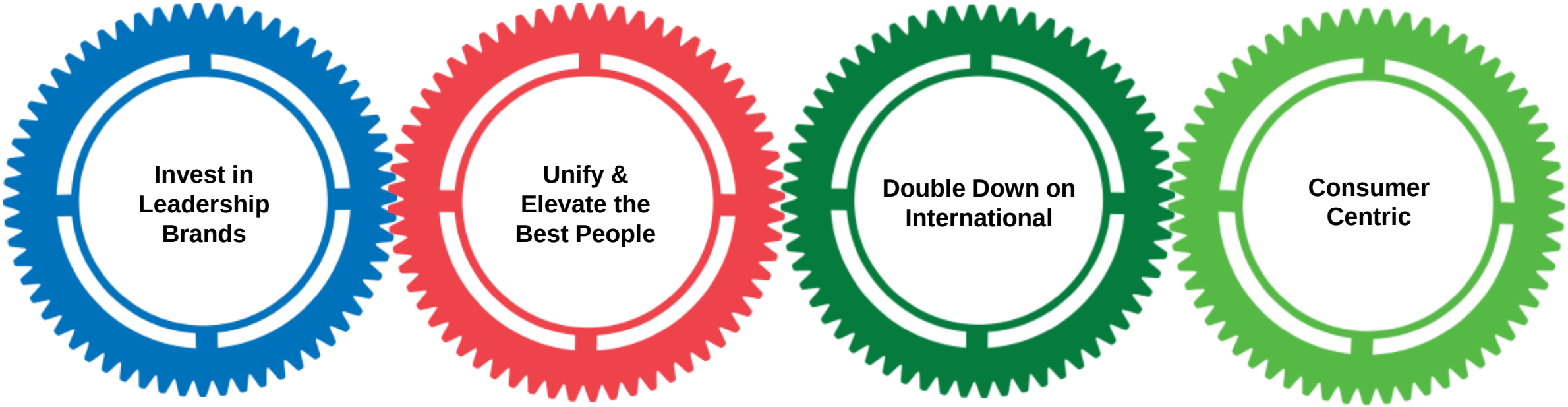
President, Housewares


OXO


Hydro Flask®

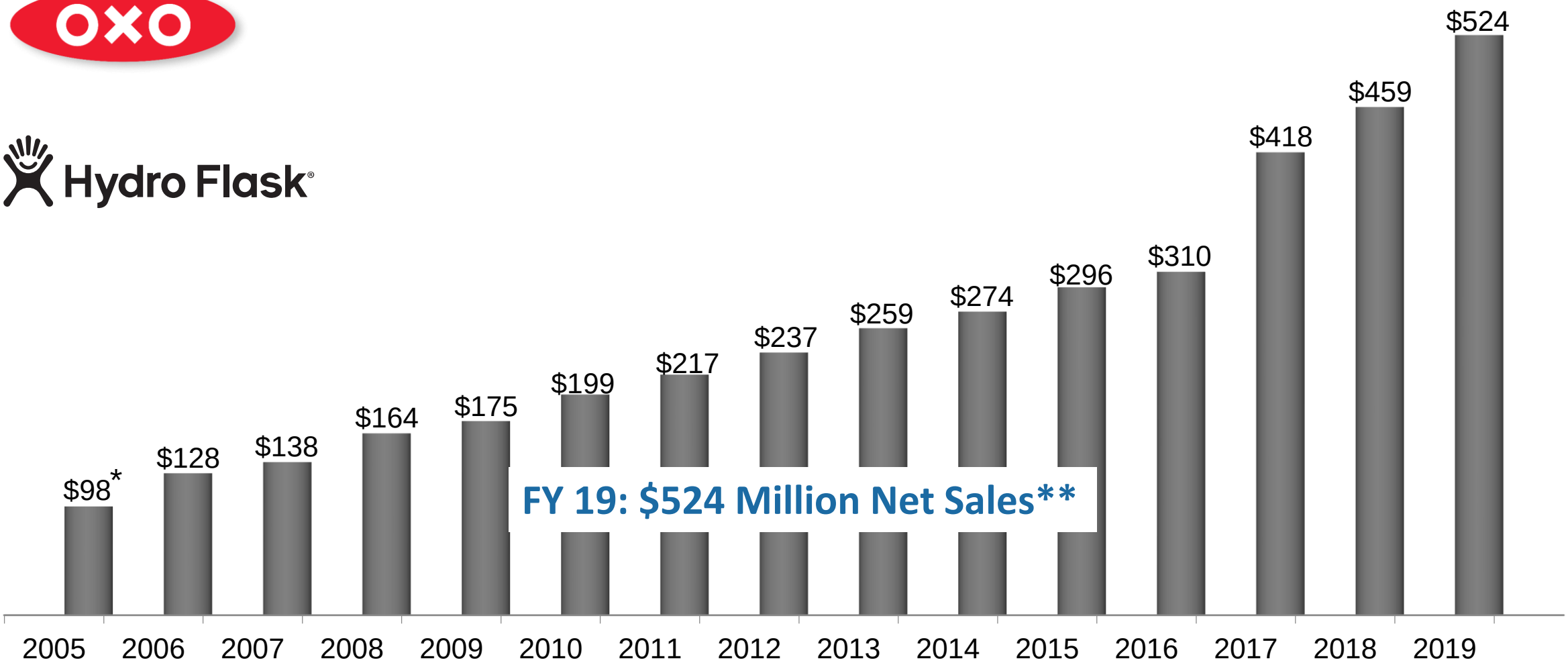


Helen of Troy



Helen of Troy

Housewares Division



Source: Helen of Troy
* Proforma FY 2005 Sales – HOT acquired June 2004.
** Results for Fiscal 2018 and Fiscal 2019 have been recast for the adoption of ASU 2014-09, “Revenue from Contracts with Customers”.

Growing by unifying & elevating the best people



- Internal promotion of top talent
- Organization designed to take advantage of talent
- Divisionalization

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Growing by Investing in our Brands



- **Design**
  Innovation
  Institutionalized Processes
- **Leadership team**
  Organizational structure
- **Branding OXO and Hydro Flask**

Helen of Troy



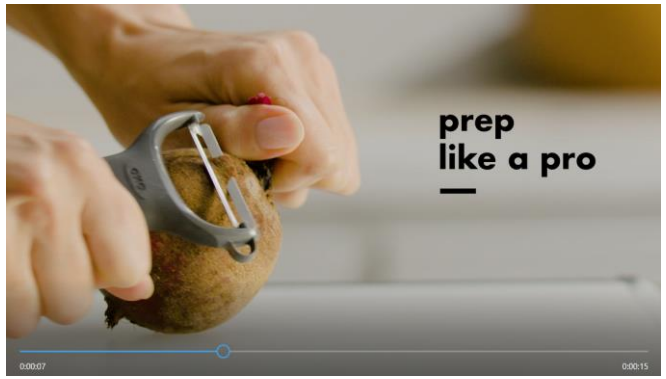


Helen of Troy

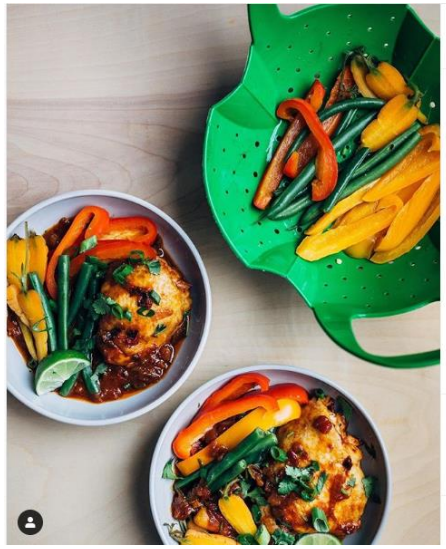
Make Everyday Better, Every Day: Activated Across Marketing Channels



How-to Videos



Product Videos



Influencer / UGC



Cooking & Baking

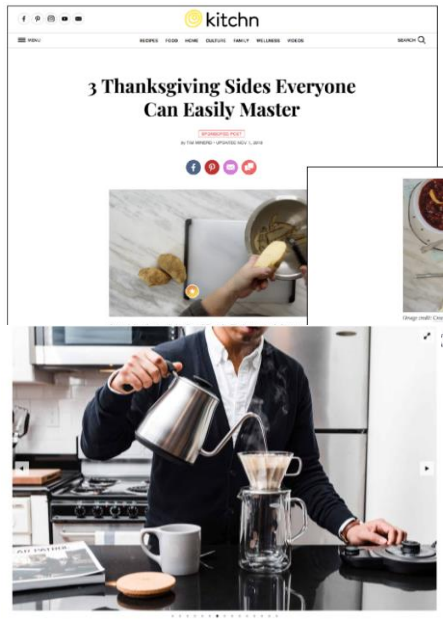
How to Store Your Leftovers (and Never Use the Sniff-Test Again)

The food storage experts at OXO have gathered their tips and best practices when it comes to storing leftovers

Blog



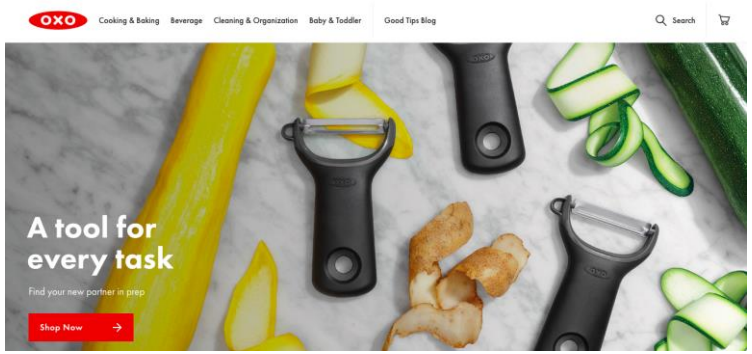
Emails



Digital Partnerships



AMG



OXO.com

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Example A+ Level Product Launch: Product + Lifestyle

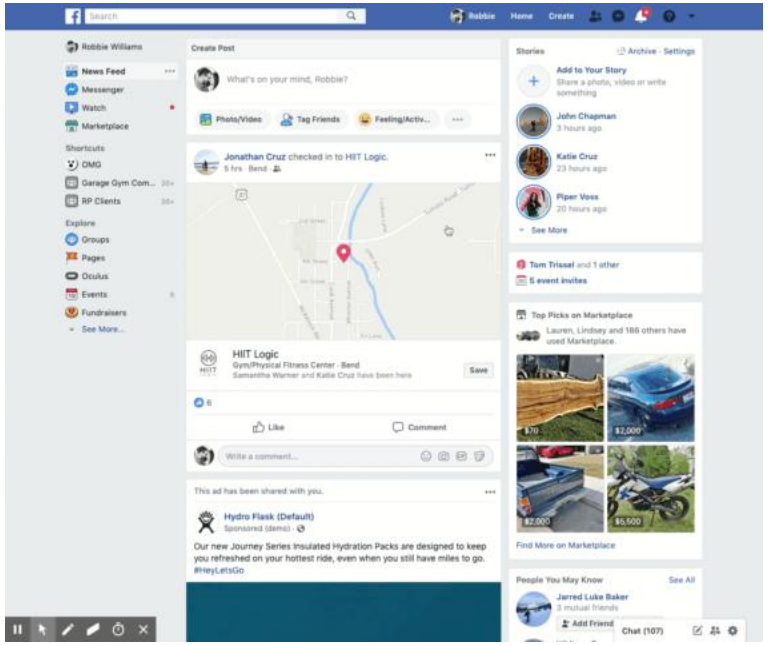
Landing Page



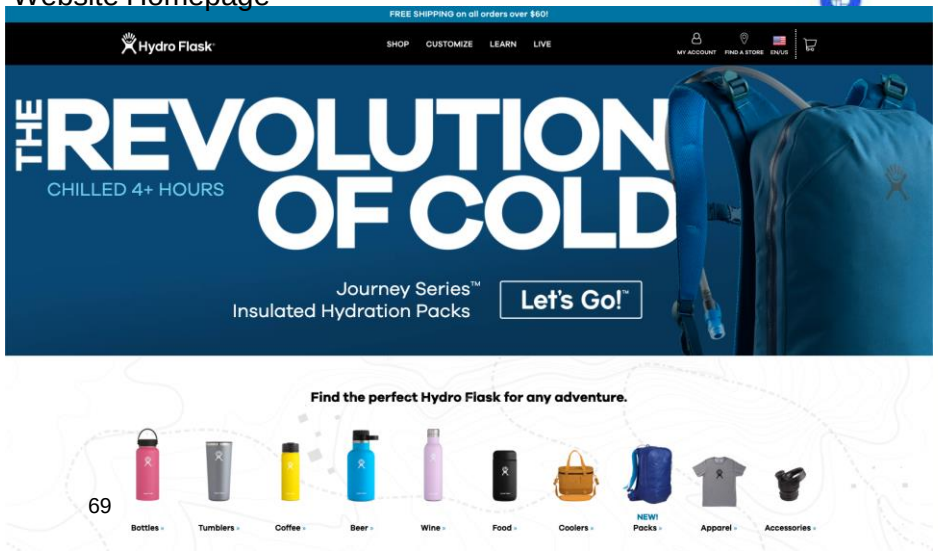
Email Marketing

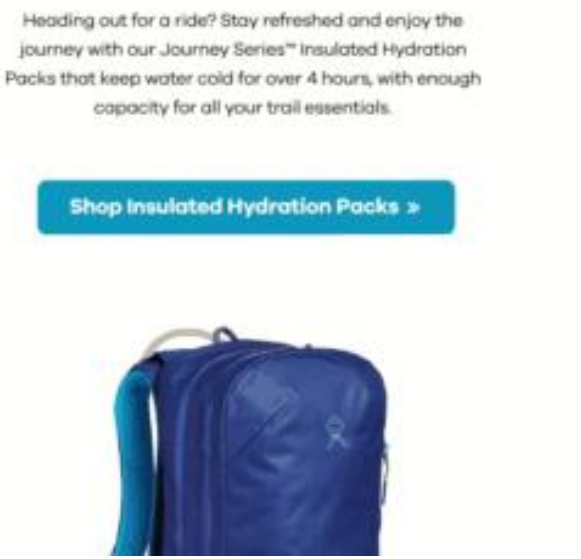


Organic & Paid Social Ad



Website Homepage





YouTube Videos



Hydro Flask Journey Series™ Hydration Packs - Product...
244K views • 1 month ago

Hydro Flask Journey Series™ Hydration Packs
2.5K views • 1 month ago

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Hydro Flask Digital Highlights

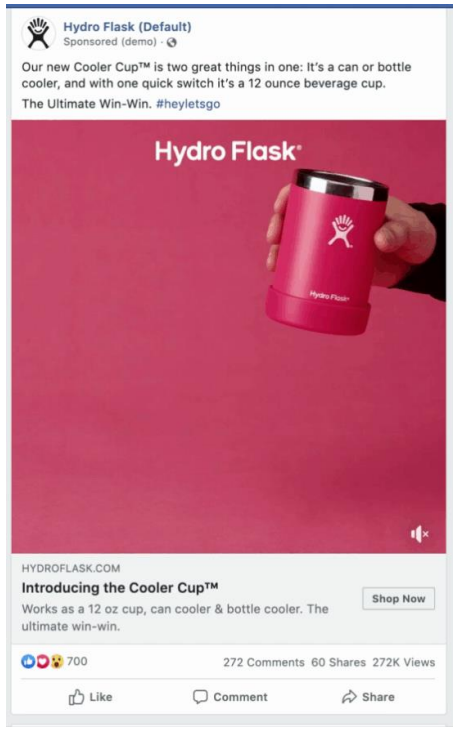
New Colors / Instagram Stories

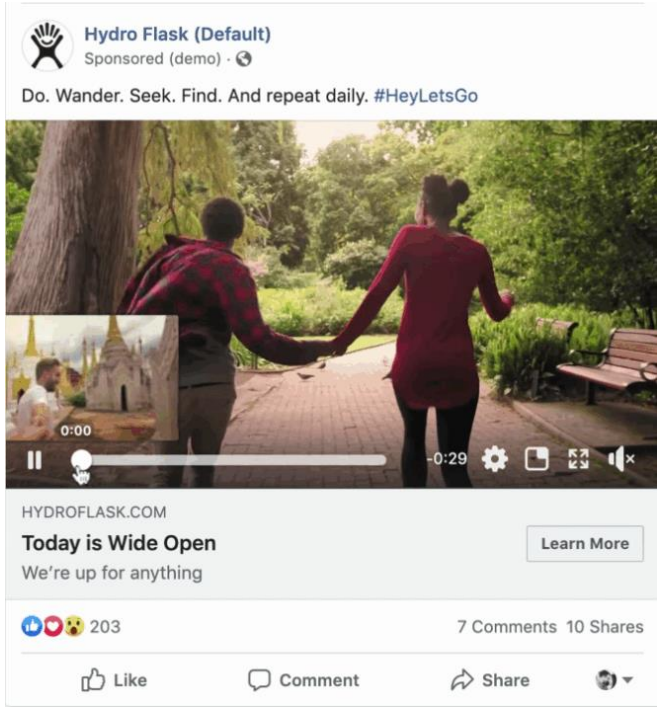


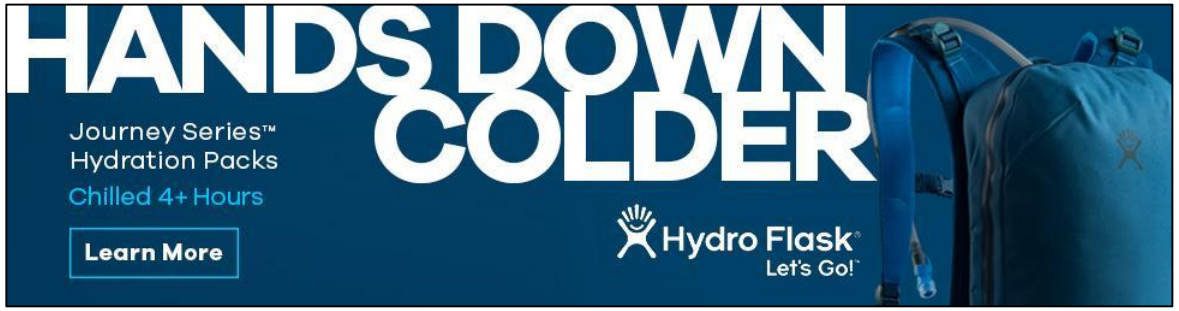
National Park Limited Edition Collection / Facebook



Cooler Cup / Facebook







Journey Series Insulated Hydration Packs Banner Ad & YouTube Video Ad




OXO



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Growth by Design



- Lifestyle Brands
- Consumer Centric Insights
- Award Winning Design and Engineering

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940 Products



TOOLS



GADGETS



MEASURING



BAKING TOOLS



BAKEWARE



COOKWARE



DRY FOOD STORAGE



WET FOOD STORAGE



BATH CLEANING



BATH ORG.



COFFEE



BEVERAGE



UTILITY



TOT SEATING



TOT FEEDING



TOT BATH



TOT ON THE GO



TOT CLEANING

Helen of Troy

Hydro Flask®
Let's Go!™

69 products













HYDRATION | COFFEE | DRINKWARE | BEER WINE SPIRITS | FOOD | ACCESSORIES





SOFT COOLERS | HYDRATION PACKS | NEW CATEGORIES

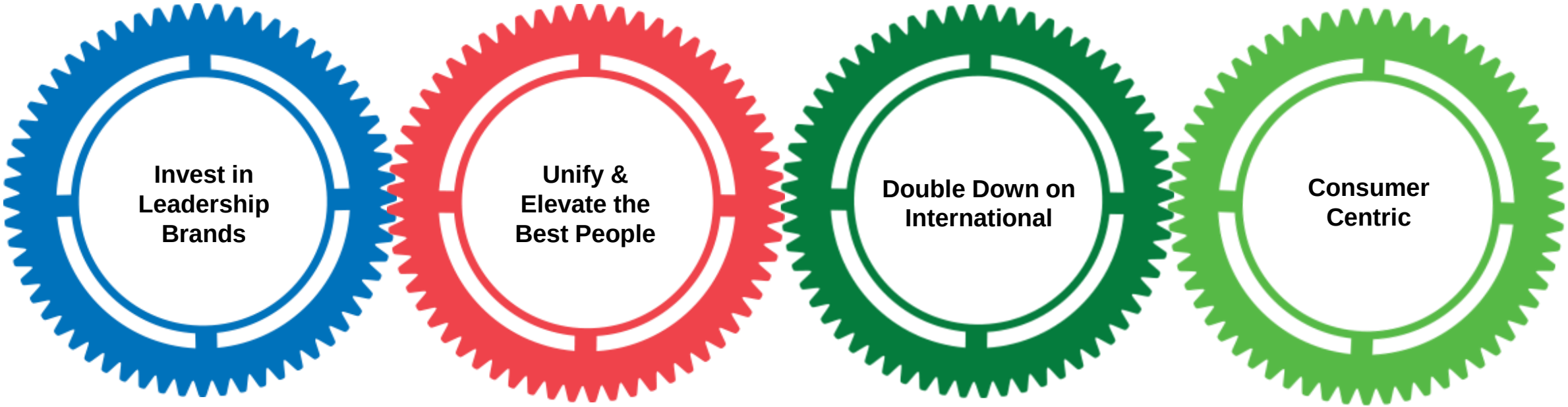
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Growing Key International Markets



- Insights
- Global Mindset
- Regional Market Organization

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Invest in Leadership Brands
Unify & Elevate the Best People
Double Down on International
Consumer Centric

Helen of Troy

Ronald Anderskow

President, Beauty


Helen
of Troy
beauty

We make everyone look and feel more beautiful

Helen of Troy

Beauty Portfolio

HOT TOOLS PROFESSIONAL



Flat Irons

HOT TOOLS | SIGNATURE SERIES



Curling Irons



Dryers



Specialty

GOLD N HOT



PROFESSIONAL

REVLON







BRUSHES COMBS & ACCESSORIES

REVLON



Dryers



Flat Irons



Curing Irons



Specialty

HOT TOOLS | SIGNATURE SERIES



Dryers



Curing Irons

Flat Irons

BED HEAD TIGI



RETAIL APPLIANCES

BRUT



PERT



Sure



INFUSIUM



PERSONAL CARE

Helen of Troy



Helen of Troy

Beauty Strategic Growth Choice Highlights



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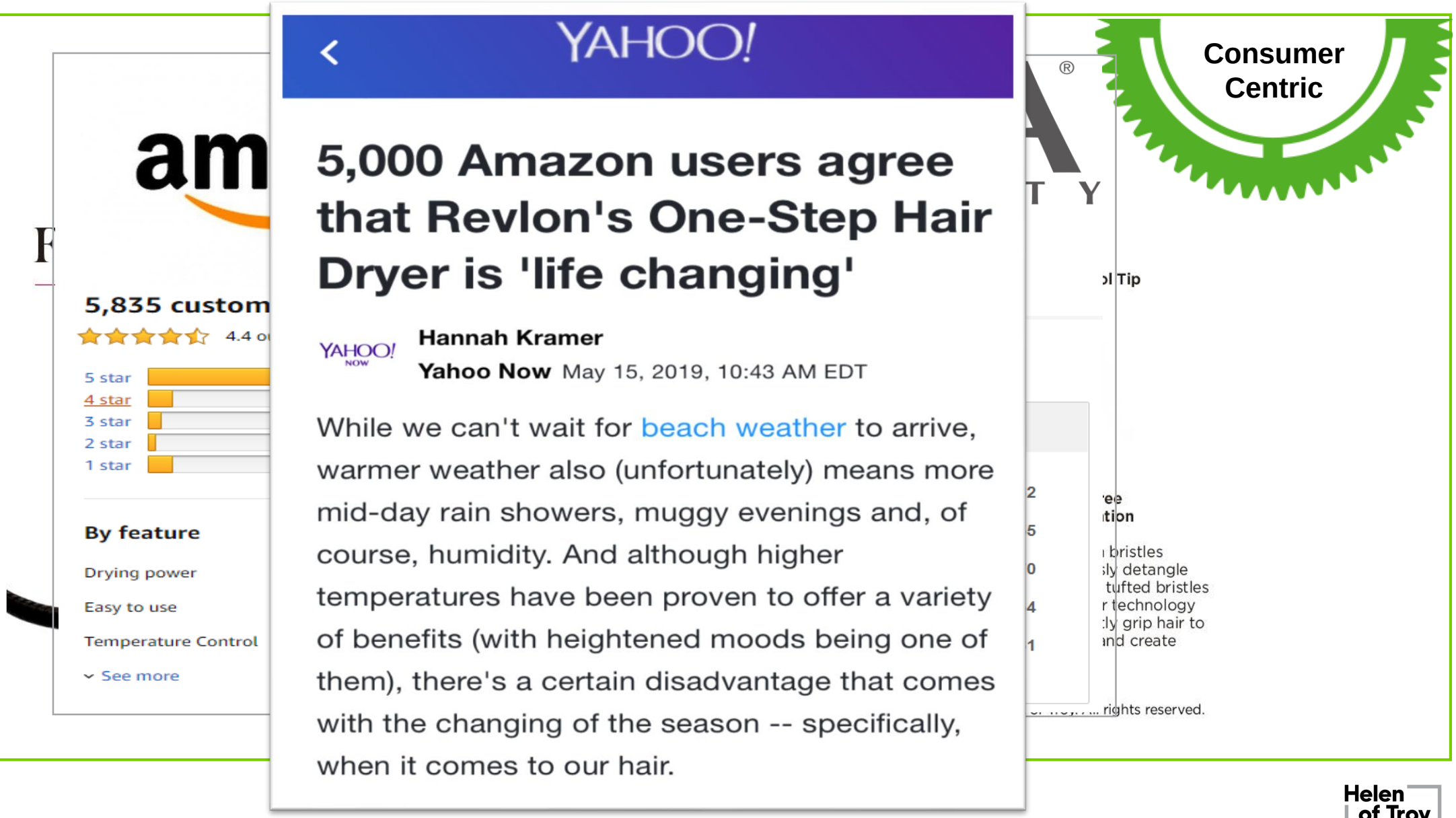
Winning with the Consumer



- Innovation that delights with superior solutions today and delivers tomorrows new benefits
- Win online where consumers want to research and socialize and shop
- Win in the largest Brick & Mortar retailers

Helen of Troy

Innovation is Key to Winning



Helen of Troy

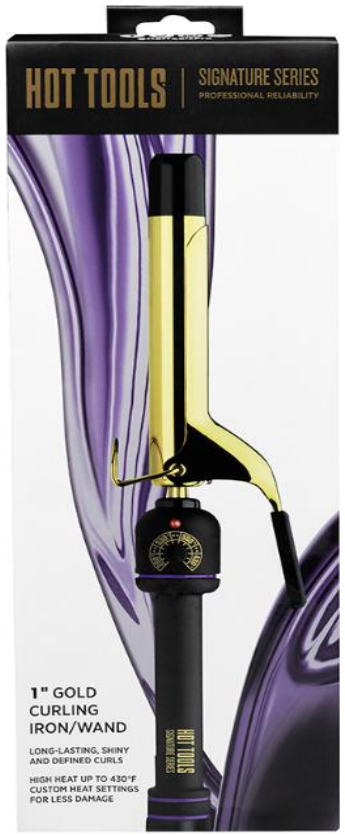
Expanding our Consumer Centric Focus

- One of Company's Leadership Brands
- Salon inspired Brand meeting both stylist and consumer needs
- Deliver great performance at great value…delivering on our Mission
- Now available in major retailers in North America and online

Consumer Centric

HOT TOOLS® | SIGNATURE SERIES







Helen of Troy

Growing Consumer Centric Focus

Consumer Centric

- Bringing the Hot Tools brand equity life



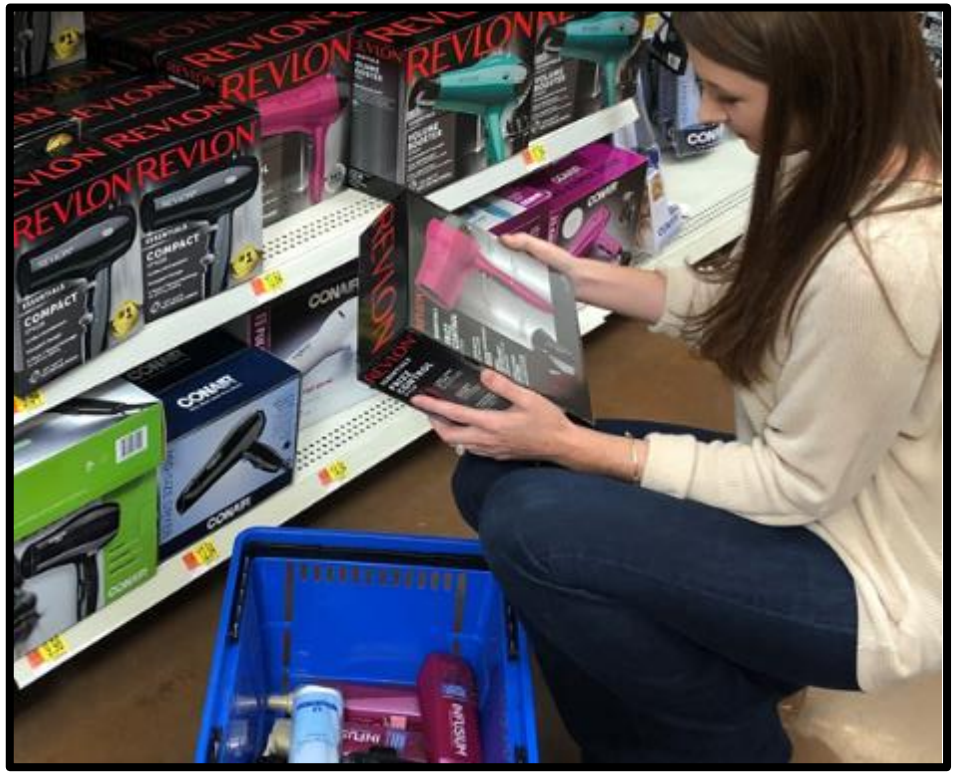
Helen of Troy

Build Competitive Advantage – Omni-Channel GTM Strategy

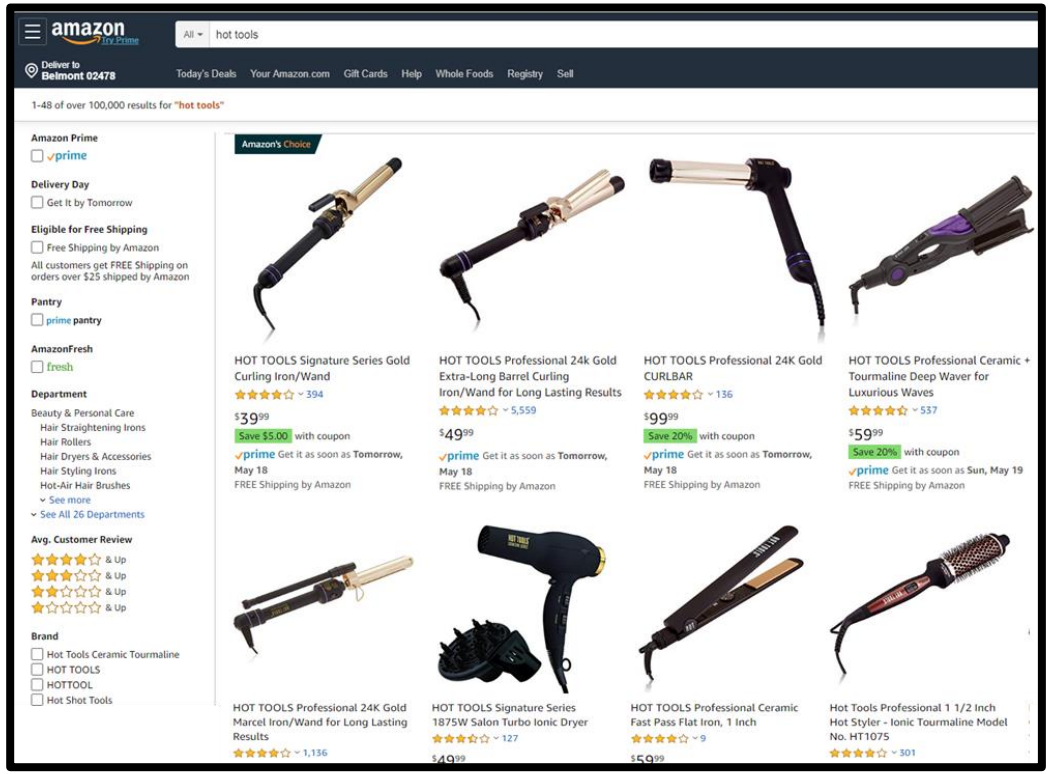
- Reaching the consumer at each step of their shopping journey

Consumer Centric

Brick & Mortar

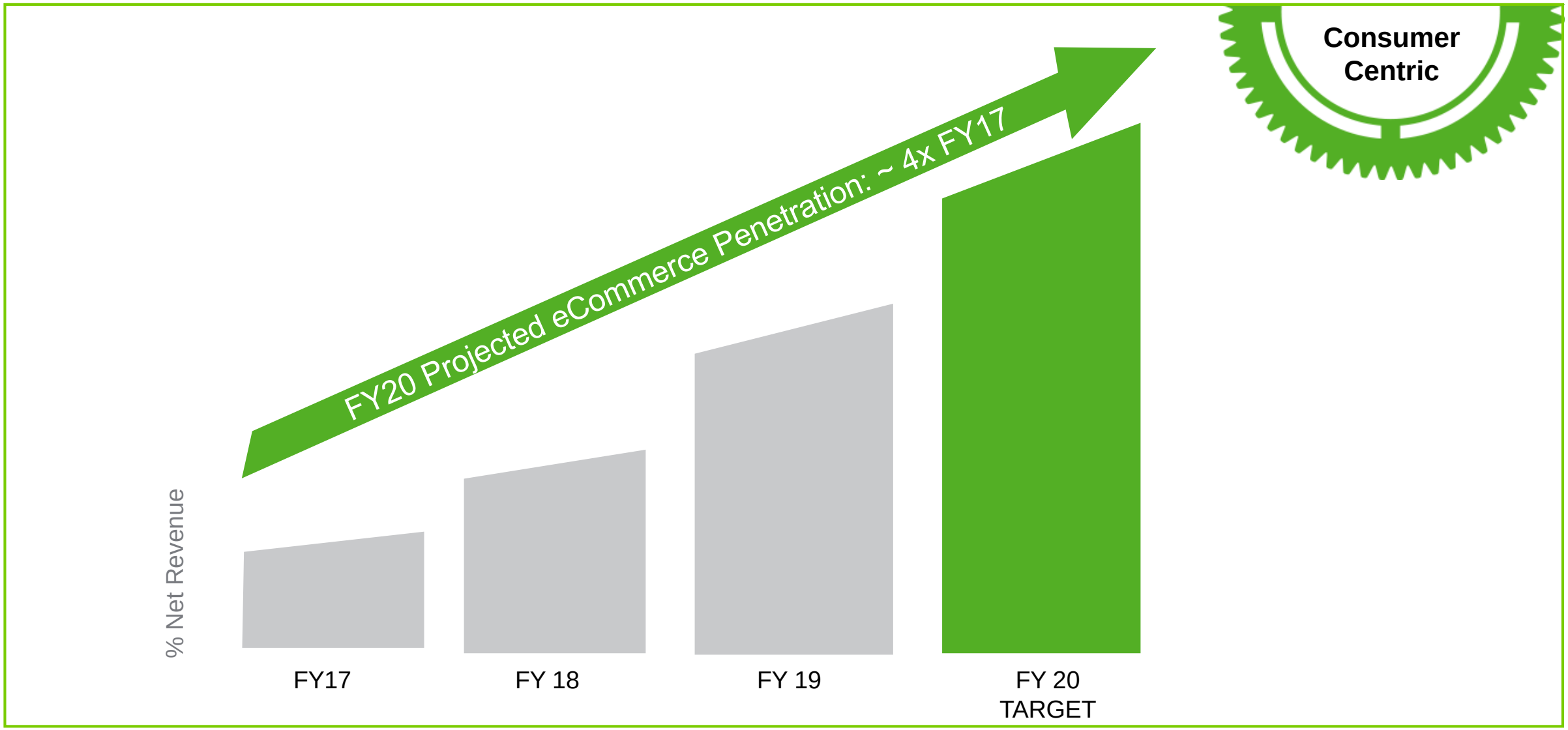


Online



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Build Competitive Advantage – Rapid Shift to Online



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Globalize Franchise Management



- Asia & EMEA regions
- Regional Market Organization

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Sharpen our Competitive Edge



- Enhance channel team top leadership
- Product team/new product development top talent & next level

Helen of Troy

HOT TOOLS PROFESSIONAL

HOT TOOLS | SIGNATURE SERIES



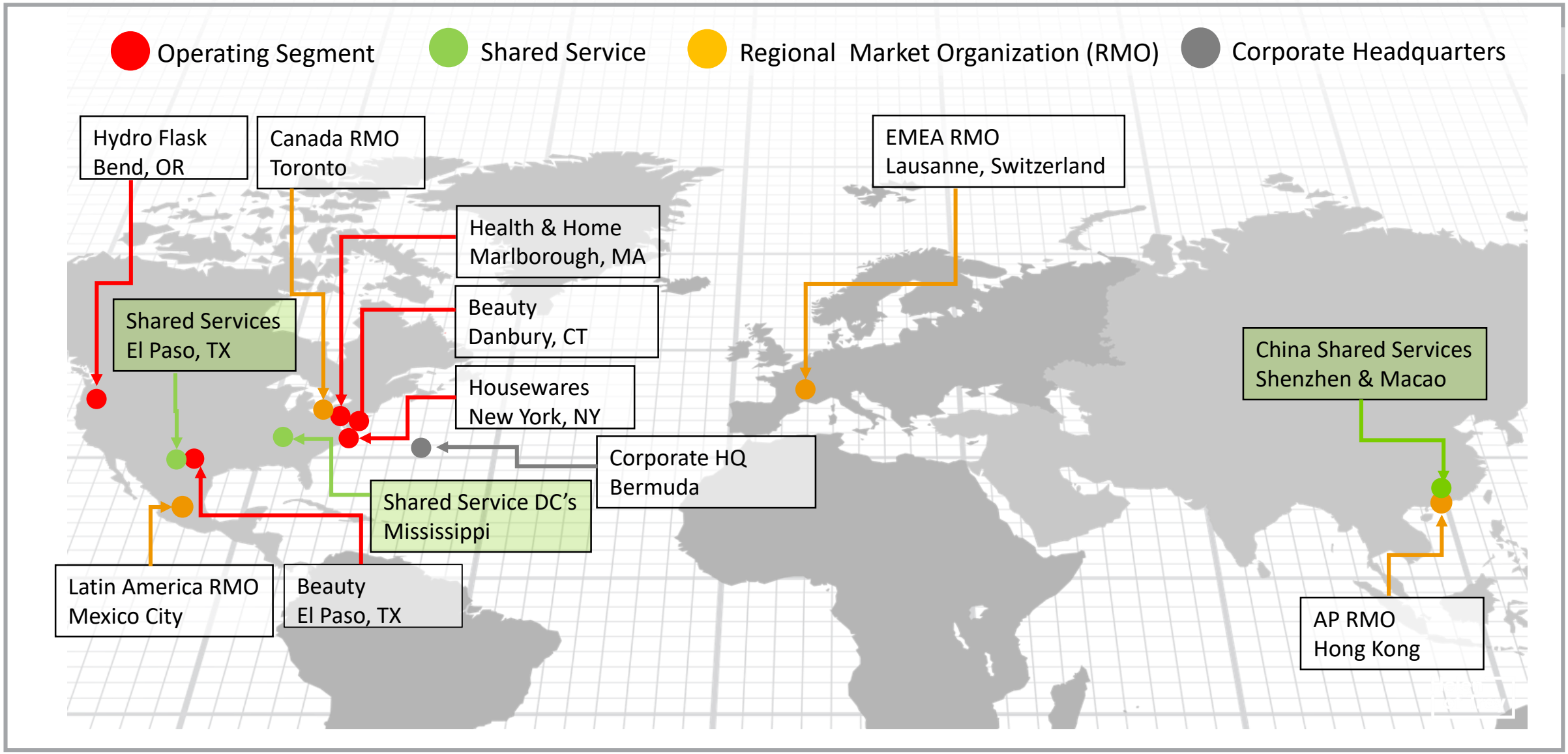
Helen of Troy

Helen of Troy

Jay Caron

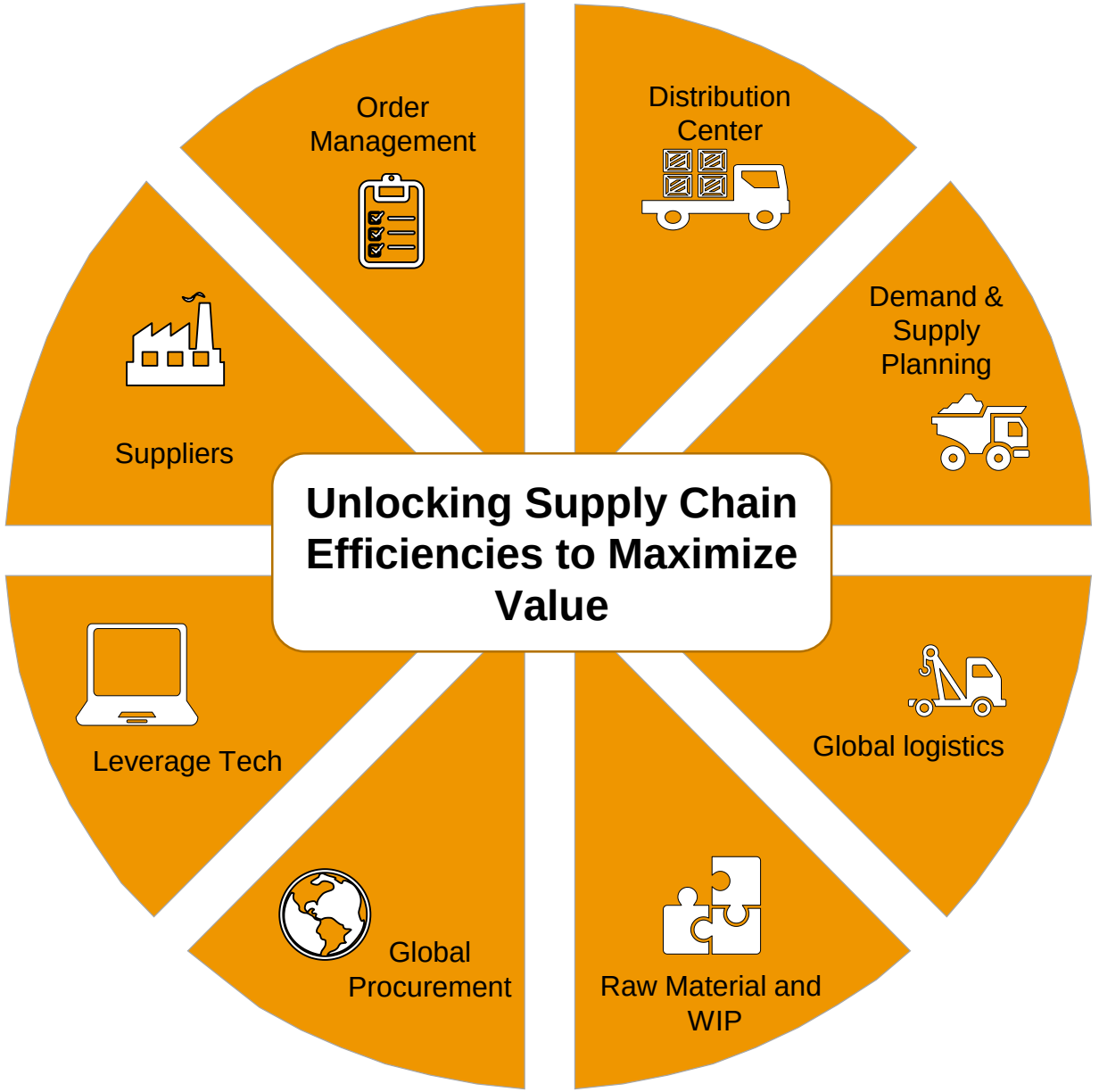
Chief Supply Chain Officer and Interim CIO

Our Global Footprint…



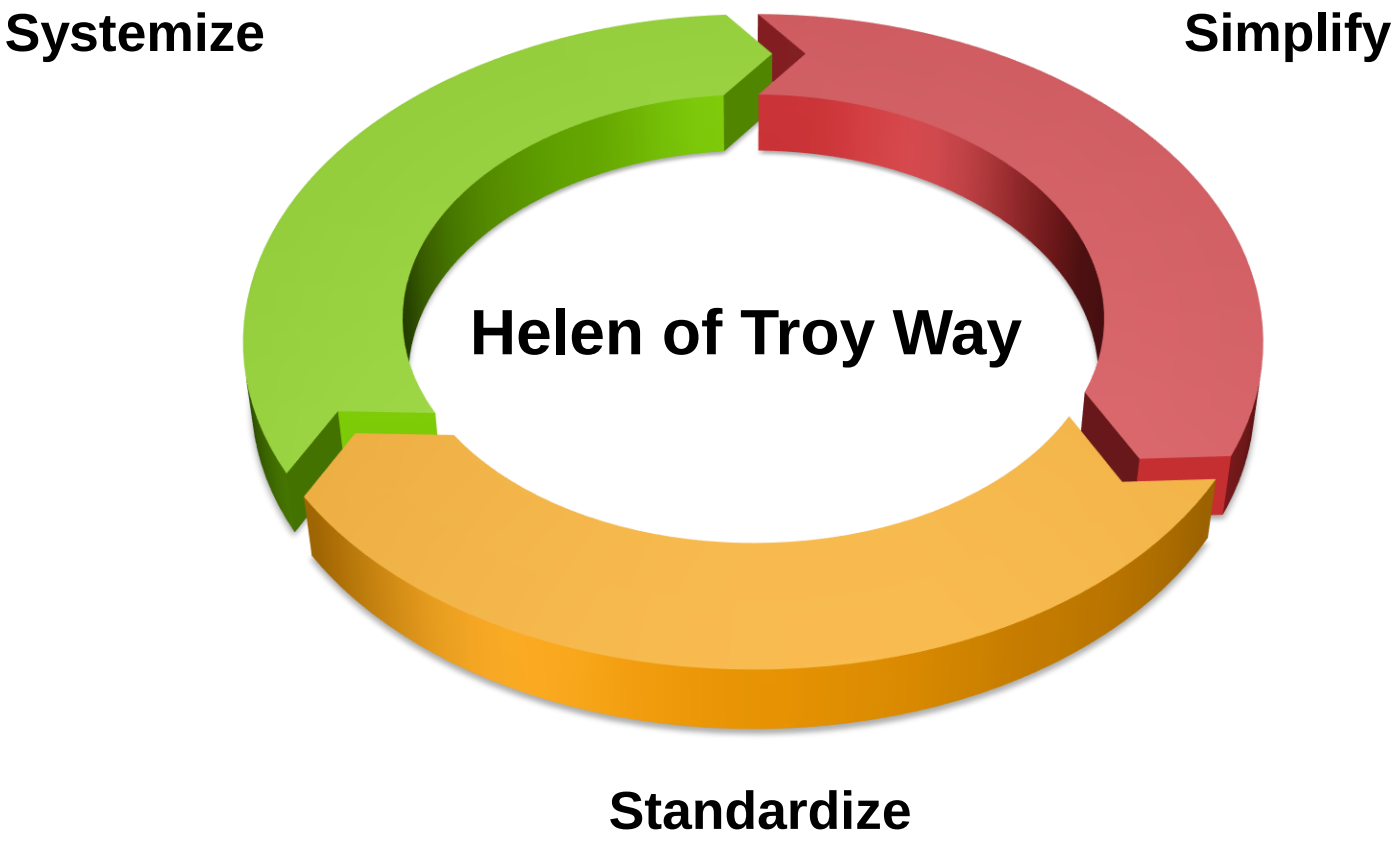
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Building Supply Chain Excellence: Best in Class Processes and Solutions



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Building Excellence in Processes

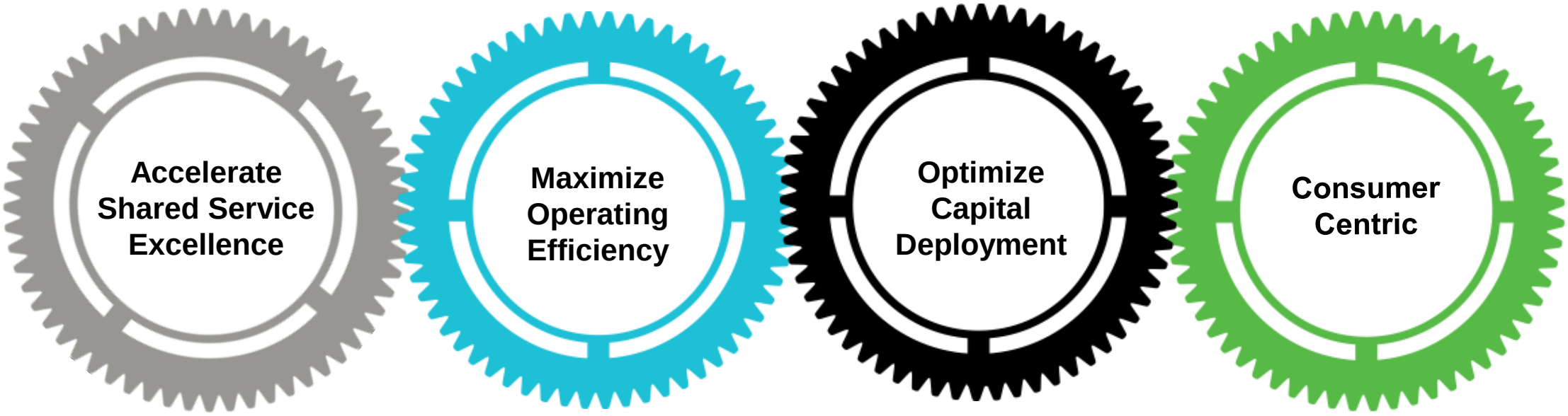


Building Solutions Excellence to Meet Demands of the Future



Helen of Troy

Building Solutions Excellence to Meet Demands of the Future



Helen of Troy

Meet the Customer, Consumer, and Channel Needs of the Future



- Upgrade order entry, allocation, and D2C fulfillment capabilities. Build for speed and demand flexibility
- Support double down on international with regional sourcing & distribution capabilities
- Grow existing, and build new supplier capabilities outside of China to diversify geopolitical risk

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Unlocking OPEX Efficiencies



- Operational Efficiency – Reducing OPEX through the “Helen of Troy Way”
- Supplier Consolidation – Consolidate and leverage spend with BIC suppliers to drive COGs savings
- Leverage technology to eliminate waste. Increase precision in PTP, OTC, and back office processes

Helen of Troy

Unlocking Working Capital Efficiencies



- Standardized and optimized Demand and Supply Planning
- Days Payable Outstanding improvement
- Shorter lead times and greater supply flexibility

DRIVING TO 4X TURNS

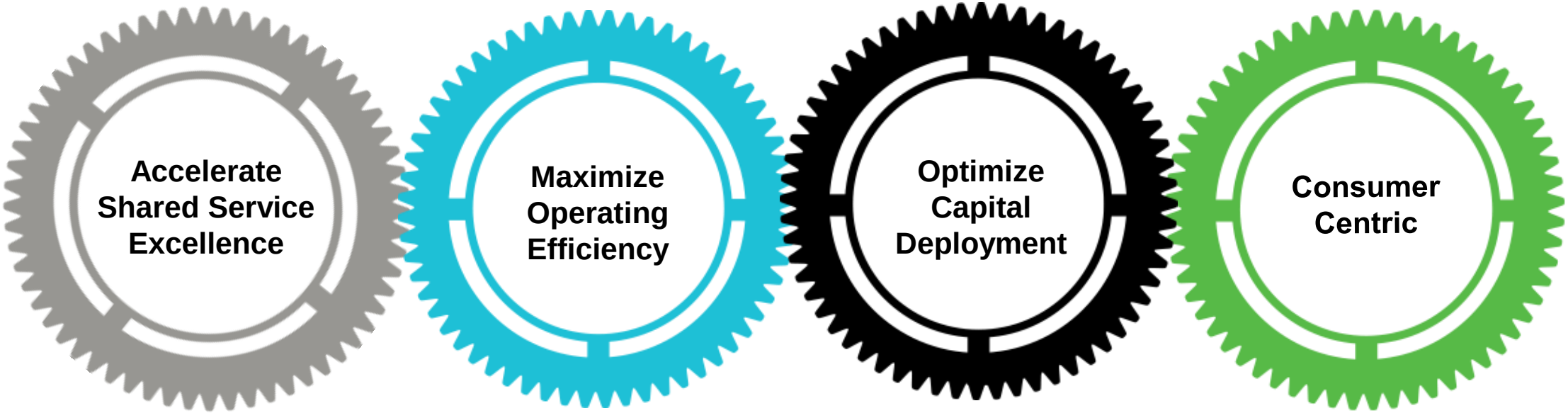
Helen of Troy

Delighting our Customers

Consumer Centric

- Leverage Advanced Product Quality Planning (APQP) to ensure all consumer expectations are met or exceeded
- Leverage technology to improve consumer engagement on all platforms
- Leverage supplier consolidation to drive social and environment responsibility continuous improvement

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Helen of Troy

Brian Grass

Chief Financial Officer

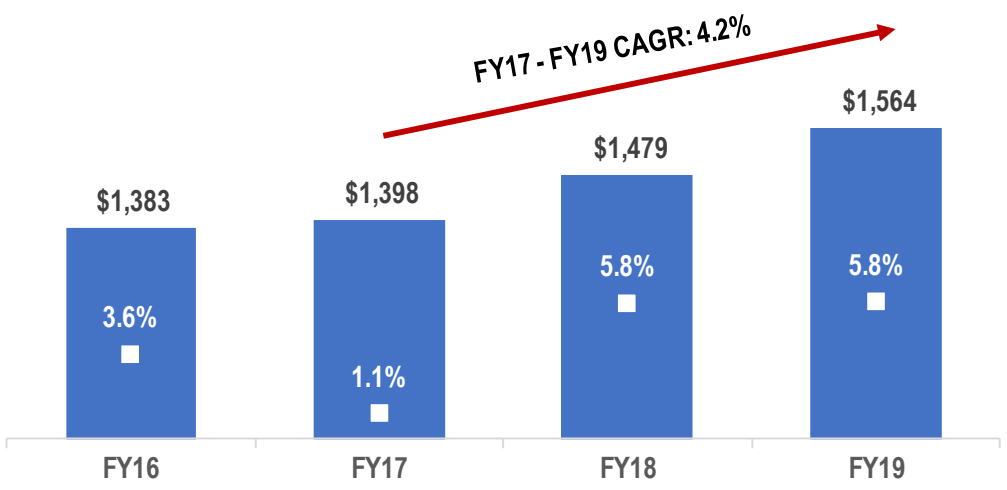
Helen of Troy

Key Messages:

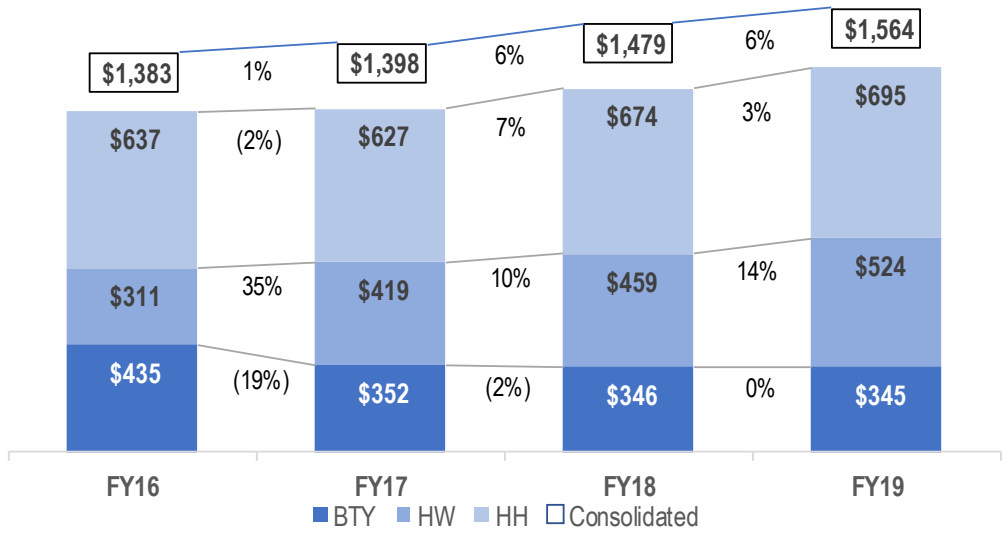
- FY19 and 3-year financial results show acceleration
- Strategic formula is enabling margin expansion while making higher levels of investment
- Track record of consistent annual results
- Strong shareholder return with the opportunity to create even more value in Phase II
- We believe we are a true operating company with strengths and qualities that set us apart
- Key metrics illustrate we remain undervalued compared to most of our peers
- Proven ability to deploy capital while maintaining low leverage and risk
- We believe the best is yet to come

FY19 and 3-Year Growth Highlights

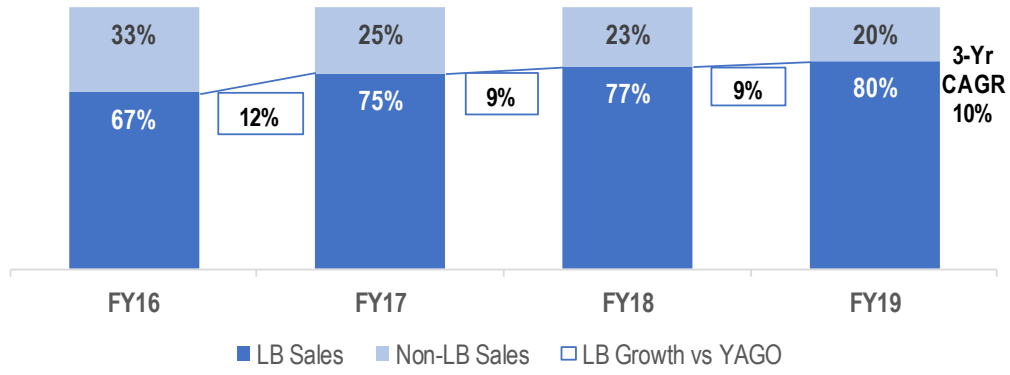
Net Sales $ and Growth vs YAGO



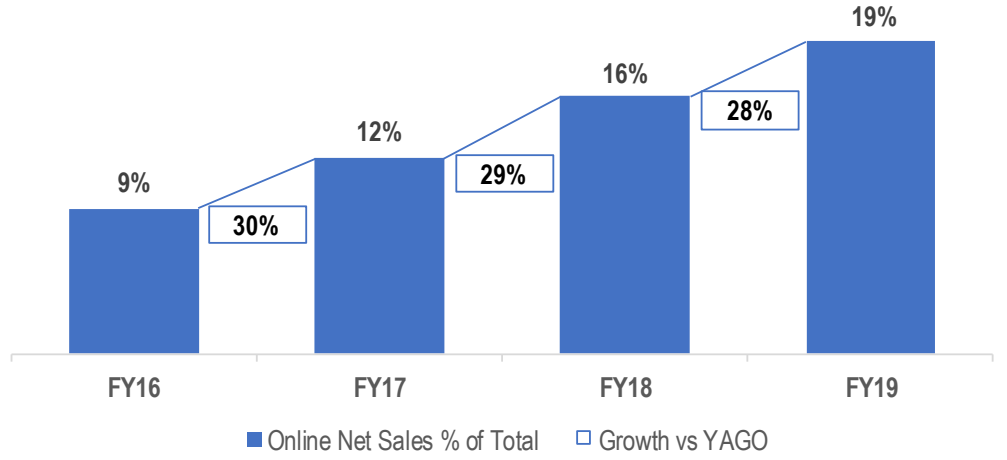
Consolidated & Segment Net Sales $ and Growth vs YAGO



Leadership Brands Net Sales % of Total and Growth vs YAGO

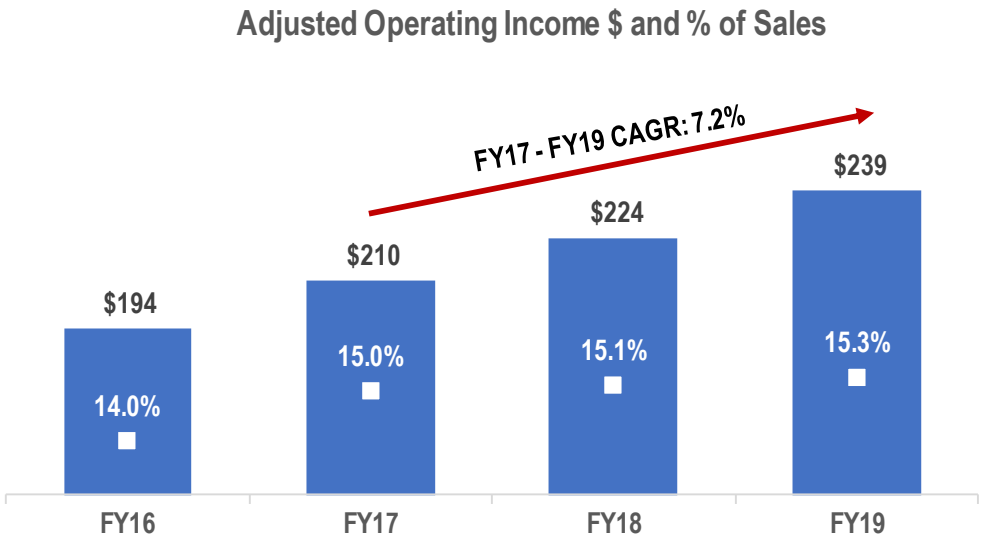


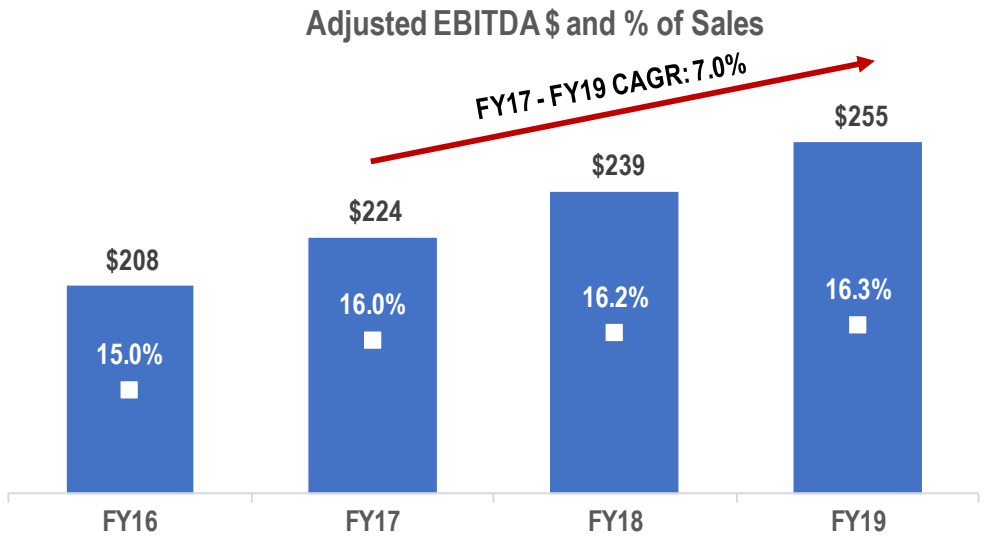
Online Net Sales % of Total and Growth vs YAGO

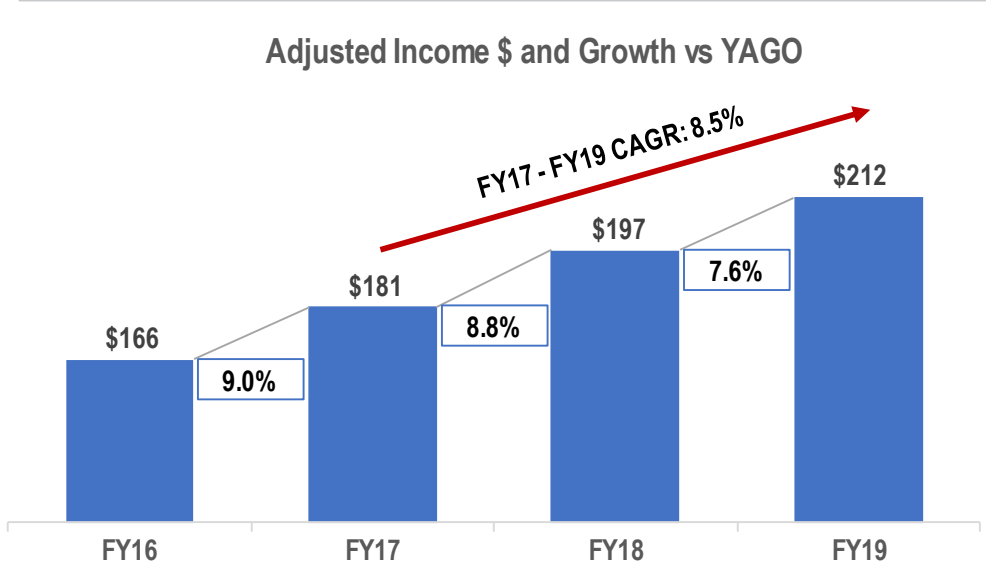


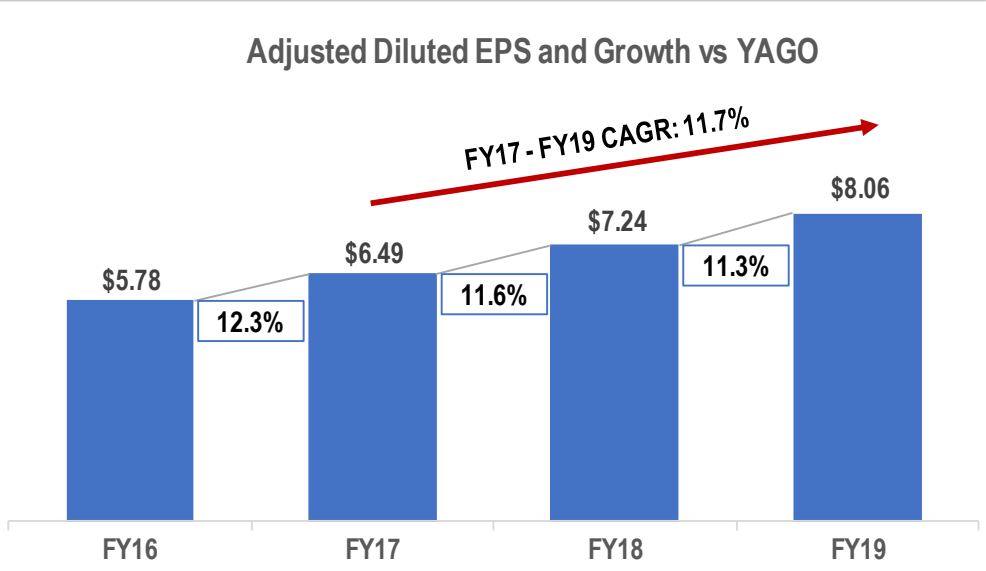
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FY19 and 3-Year Profitability Highlights



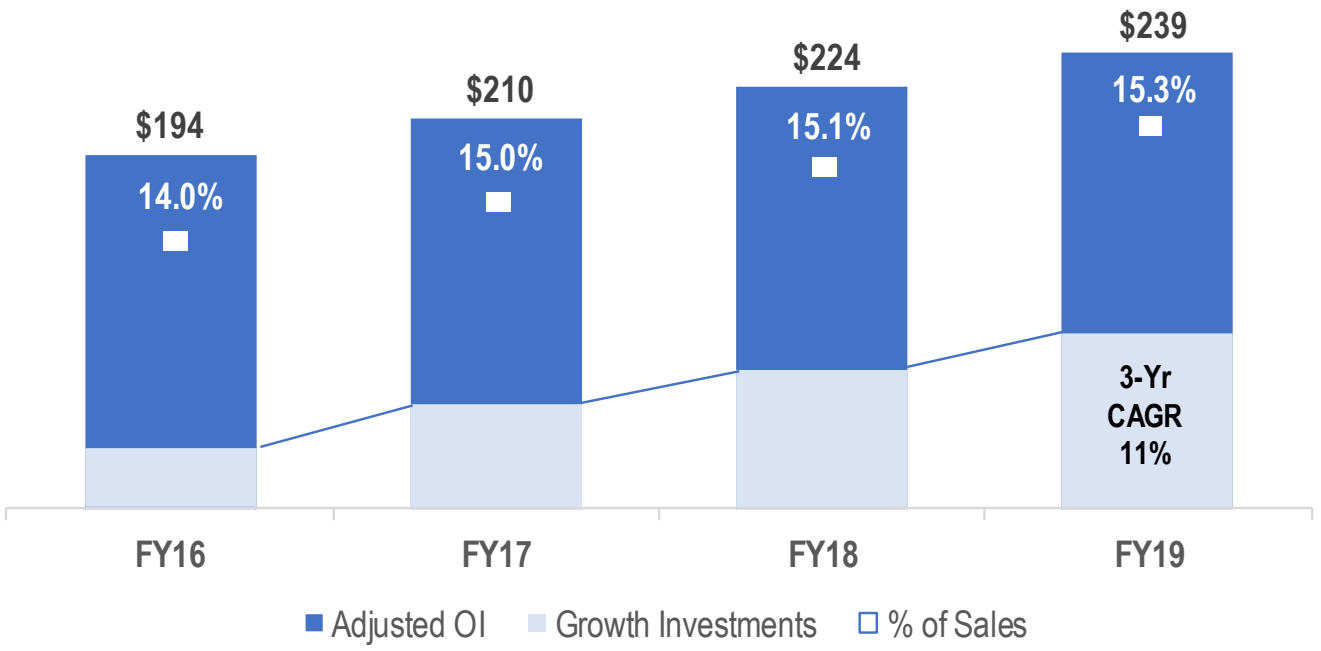






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Adjusted Operating Margin and Growth Investment Progression



Margin Expansion Formula:

Drivers

+ Leadership Brand Growth
+ New Product Development
+ Portfolio Enhancement
+ Project Refuel
+ Shared Service Efficiency

Investments

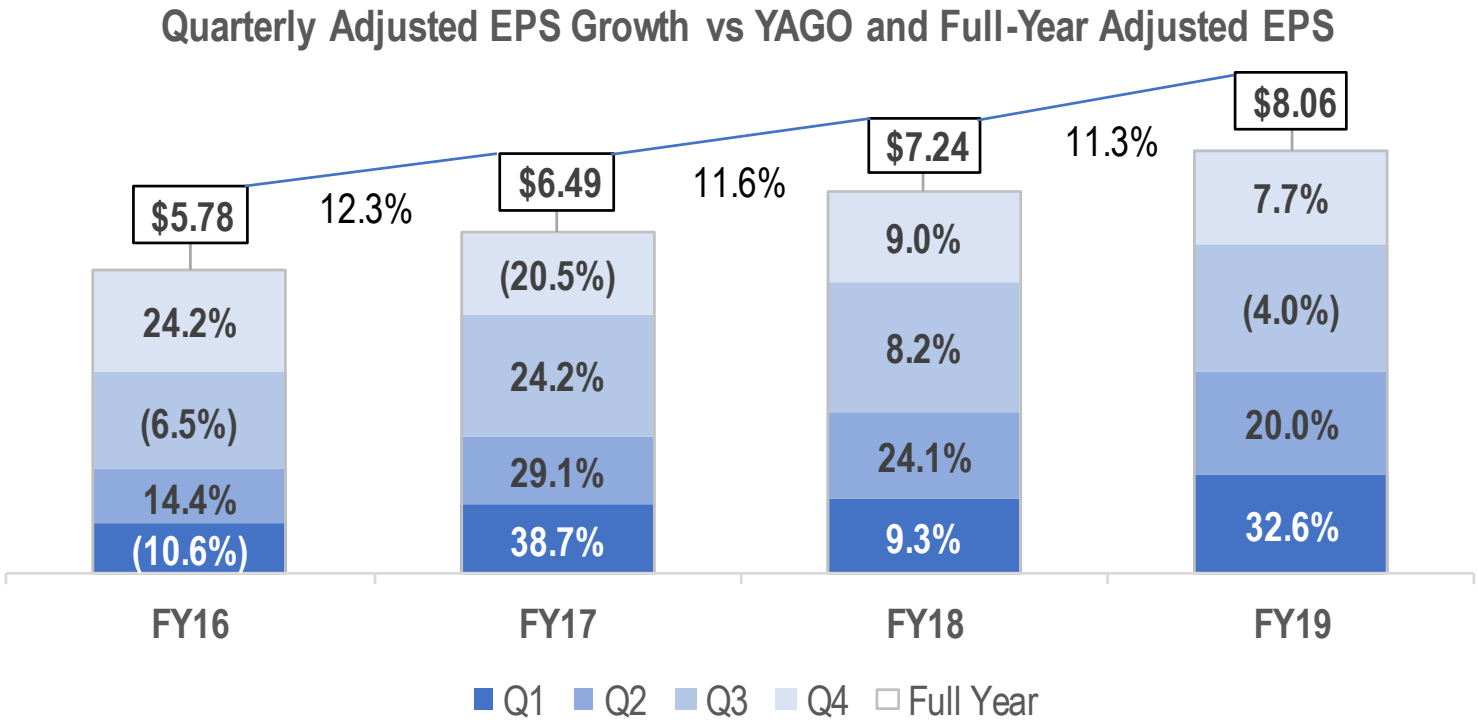
- Growth investment CAGR of 11%
- Organizational investments

Headwinds

- Unfavorable FY19 tariff impact of $4M

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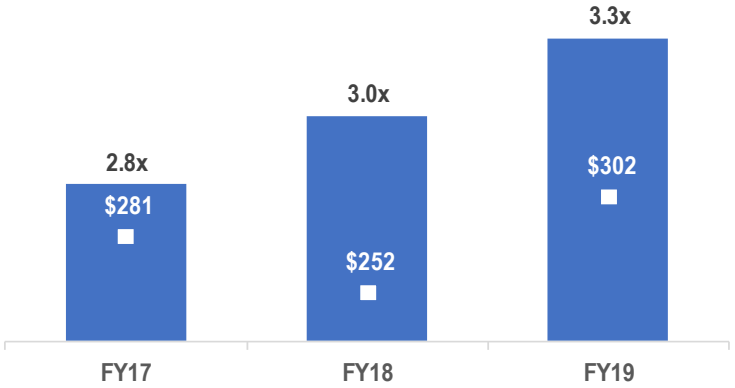
Adjusted EPS - Annual Consistency Despite Quarterly Variability



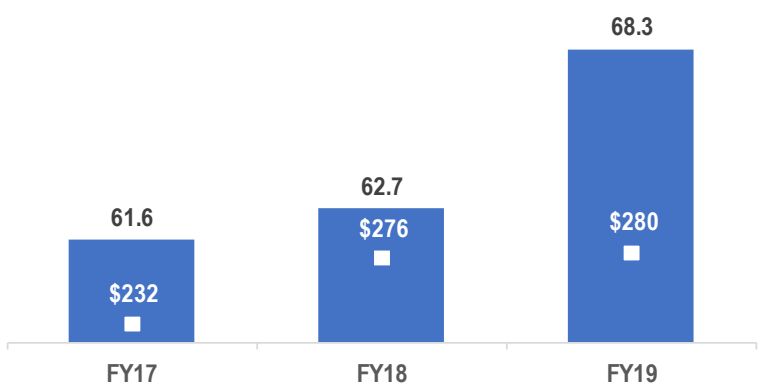
- We are pleased with the consistency of our annual growth and ability to quickly react to opportunities and market conditions
- As we maximize growth opportunities in the omnichannel retail environment, we may see uneven quarterly revenue growth
- Retailers are adjusting to the same environment, which can result in retail inventory adjustments and order volatility
- Our digital advertising initiatives have been effective and measurable, but can vary quarter to quarter and year over year
- These factors subject us to uneven quarterly growth

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Working Capital Improvement Highlights



- Solid improvement in inventory turns
- Turns favorably impacted by Direct Import sales in FY19
- Ended FY19 with higher inventory levels
- Risk management for upcoming supply chain transitions
- Expect inventory to normalize post-transition, but turns may take a step backwards during FY20



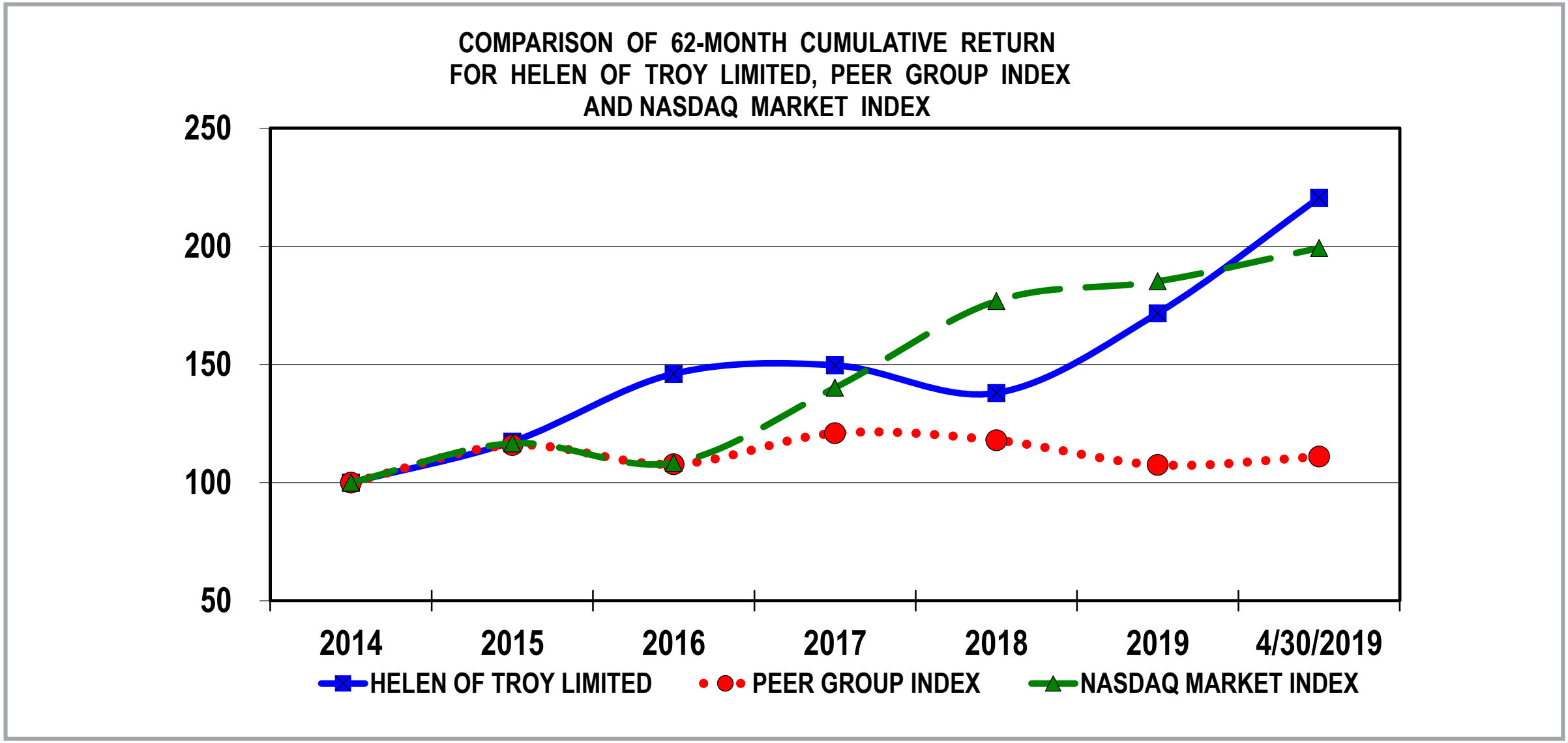
- FY19 accounts receivable days higher than normal
- DSO unfavorably impacted by Direct Import sales
- Ended FY19 with a YoY balance increase of only $4M despite 5.8% sales growth
- Expect DSO to rebalance some in FY20
- Ongoing retail pressure for longer terms
- Aggressive retailer chargeback trend



- Solid improvement in accounts payable days
- Focus for our sourcing shared service
- Longer terms with fewer, more strategic partners
- Opportunity to continue to improve

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Strong Shareholder Return; Opportunity to Create Even More Value in Phase II



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We Believe We Have Strengths and Qualities that Set Us Apart

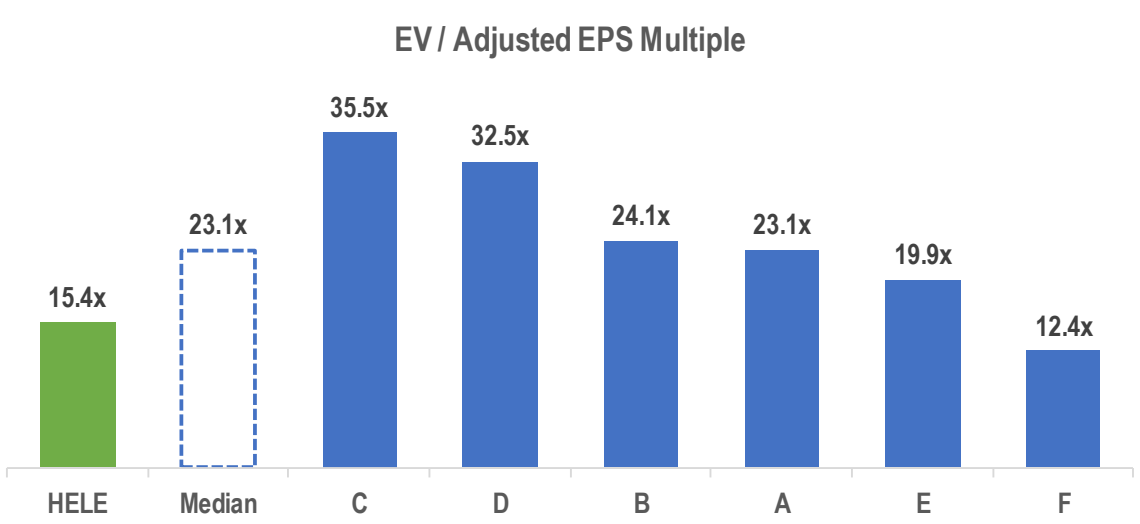
Strengths:

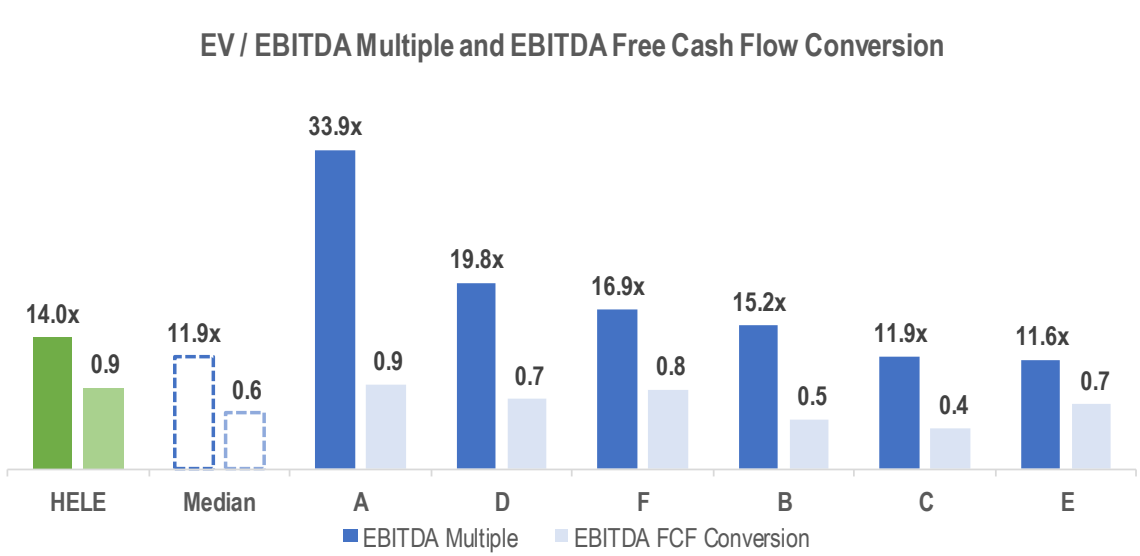
- Operational excellence
- Strategic plan and operating company structure
- Depth of business integration
- Scalable acquisition platform and playbook
- Ability to generate strong cash flow
- Optimal debt structure for our strategy and risk profile
- Tax efficiency and sustainability

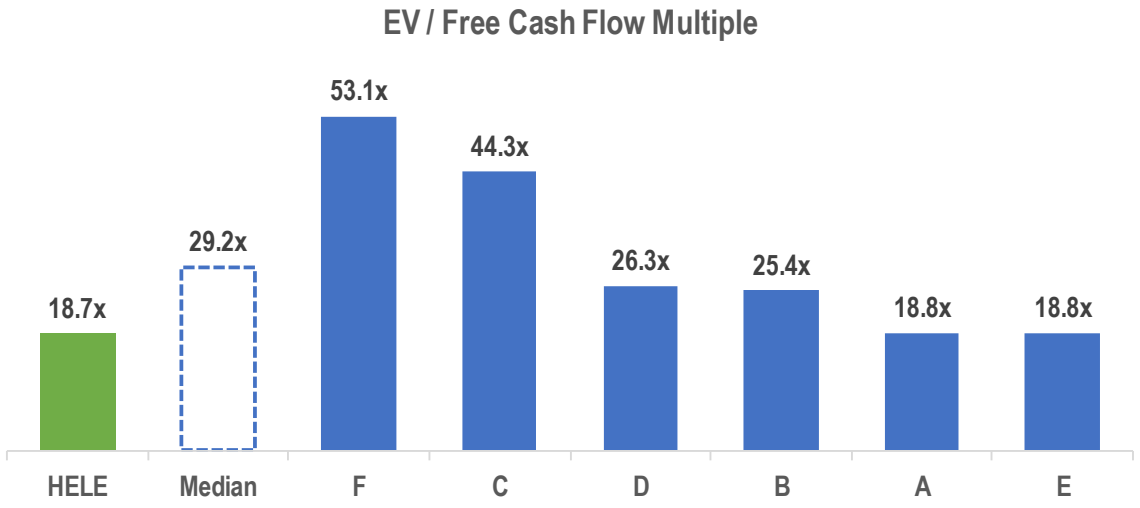
Qualities:

- Track record of consistent results
- Above average returns with below average risk
- High say to do ratio, credibility and transparency
- Diversification, resiliency and risk management
- Primed to deploy capital with low risk and leverage
- Undervalued in comparison to most of our peers
- Still in the “middle innings”; the best is yet to come

Valuation Multiples Compared to Peers



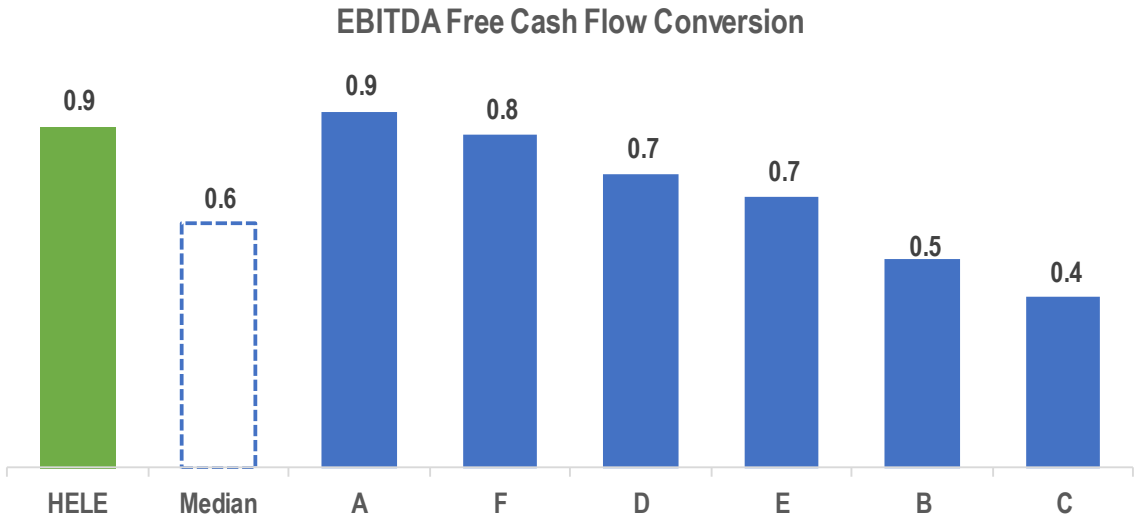


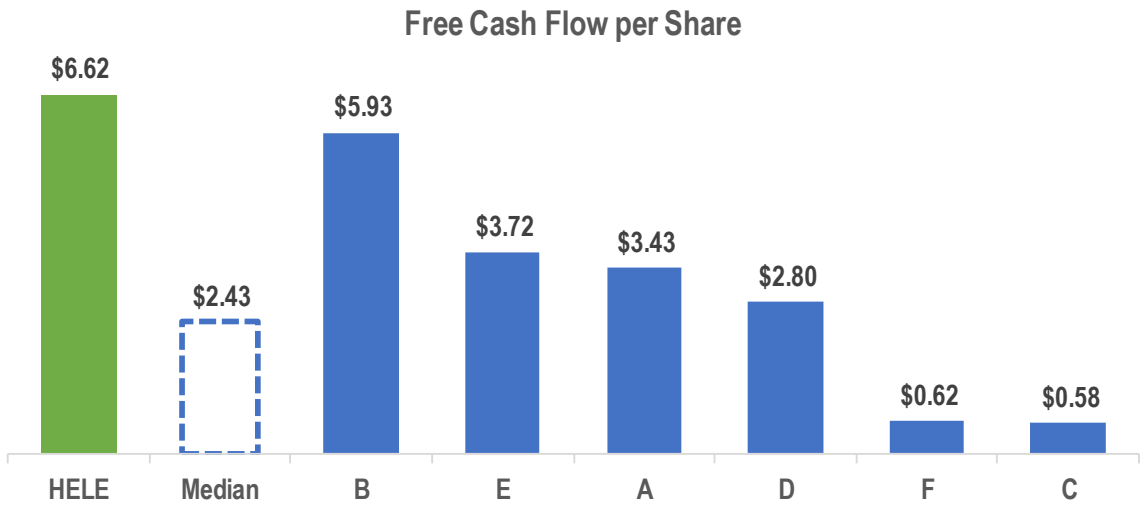


- Undervalued vs. peer group by most measures
- Adjusted EPS/Free Cash Flow (FCF) multiples well below median and most peers
- EBITDA multiple is slightly above median, yet EBITDA FCF conversion is well above median
- Higher FCF conversion supports a higher EBITDA multiple

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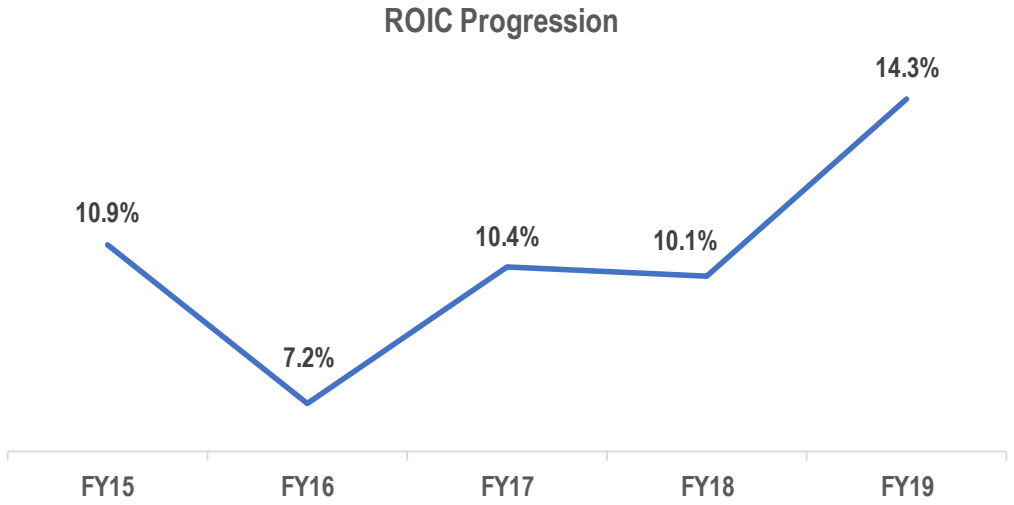
EBITDA FCF Conversion and FCF per Share Compared to Peers





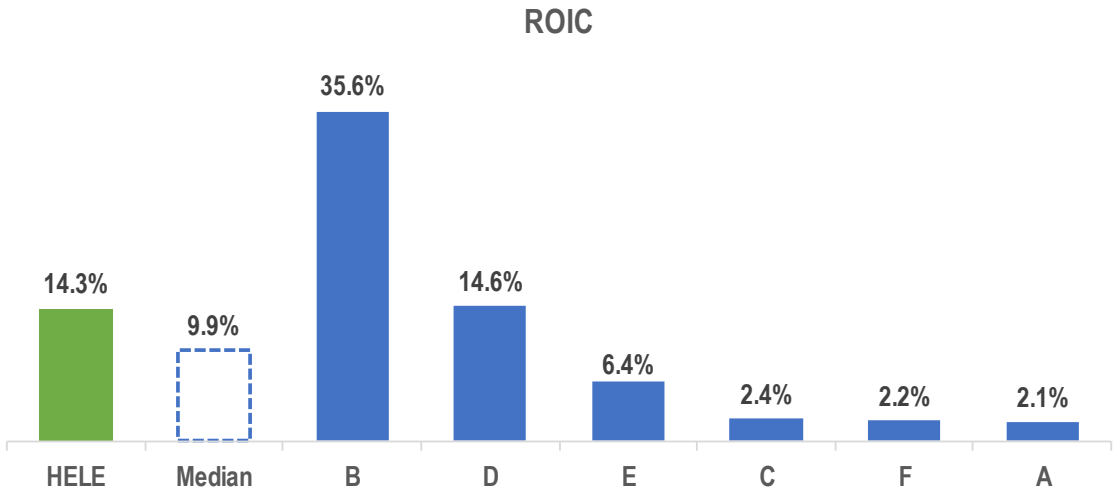
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ROIC Progression and Comparison to Peers



ROIC improvement through:

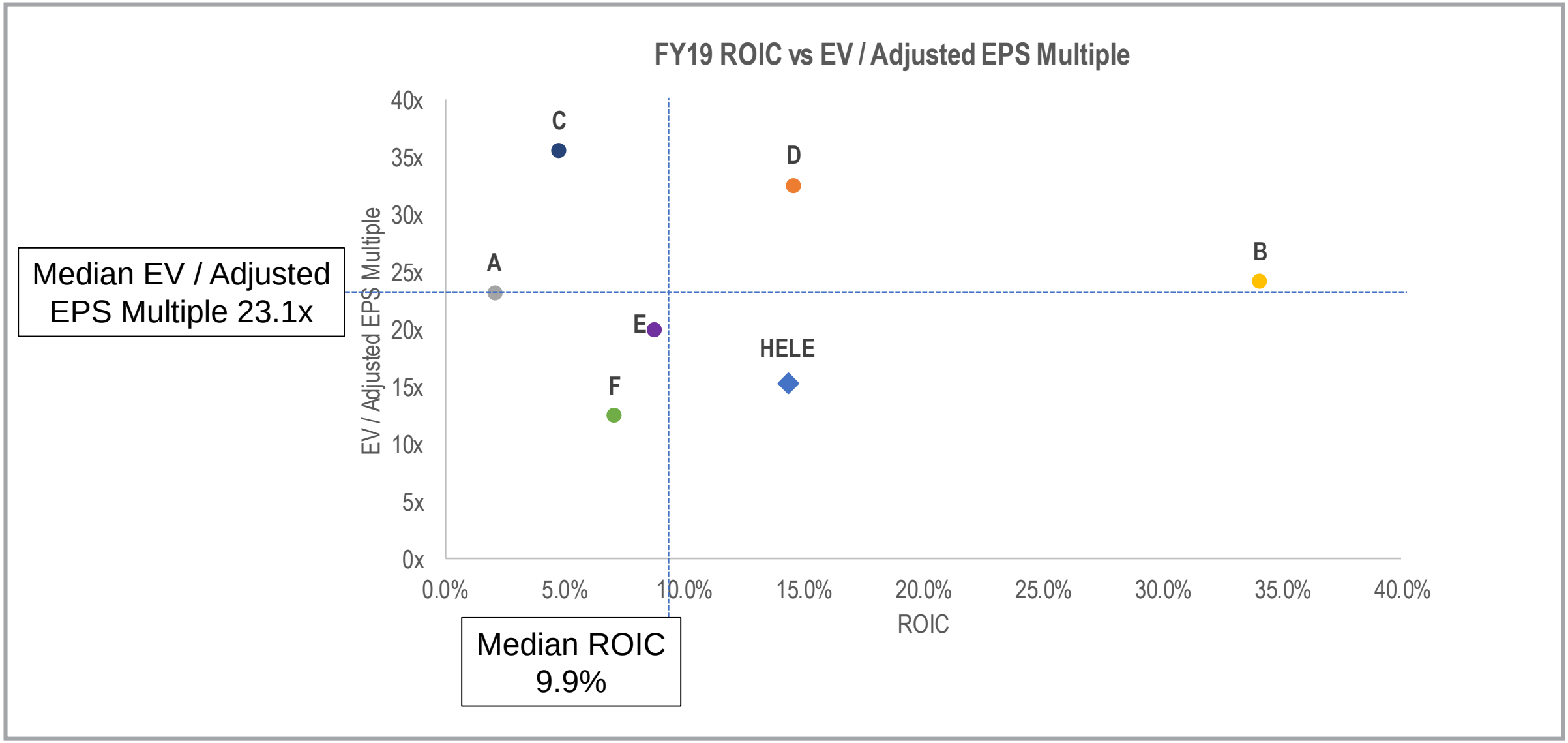
- Focus on Leadership Brands
- Acquisition
- Portfolio enhancement
- Working capital improvement
- Risk management
- Project Refuel
- Supply Chain initiatives
- Operating efficiency



- FY19 ROIC above most peers/median
- Includes drag from tariffs
- Also includes higher investment spend
- Opportunity to continue to improve
  - Growth and margin expansion
  - Working capital efficiency
  - Acquisition

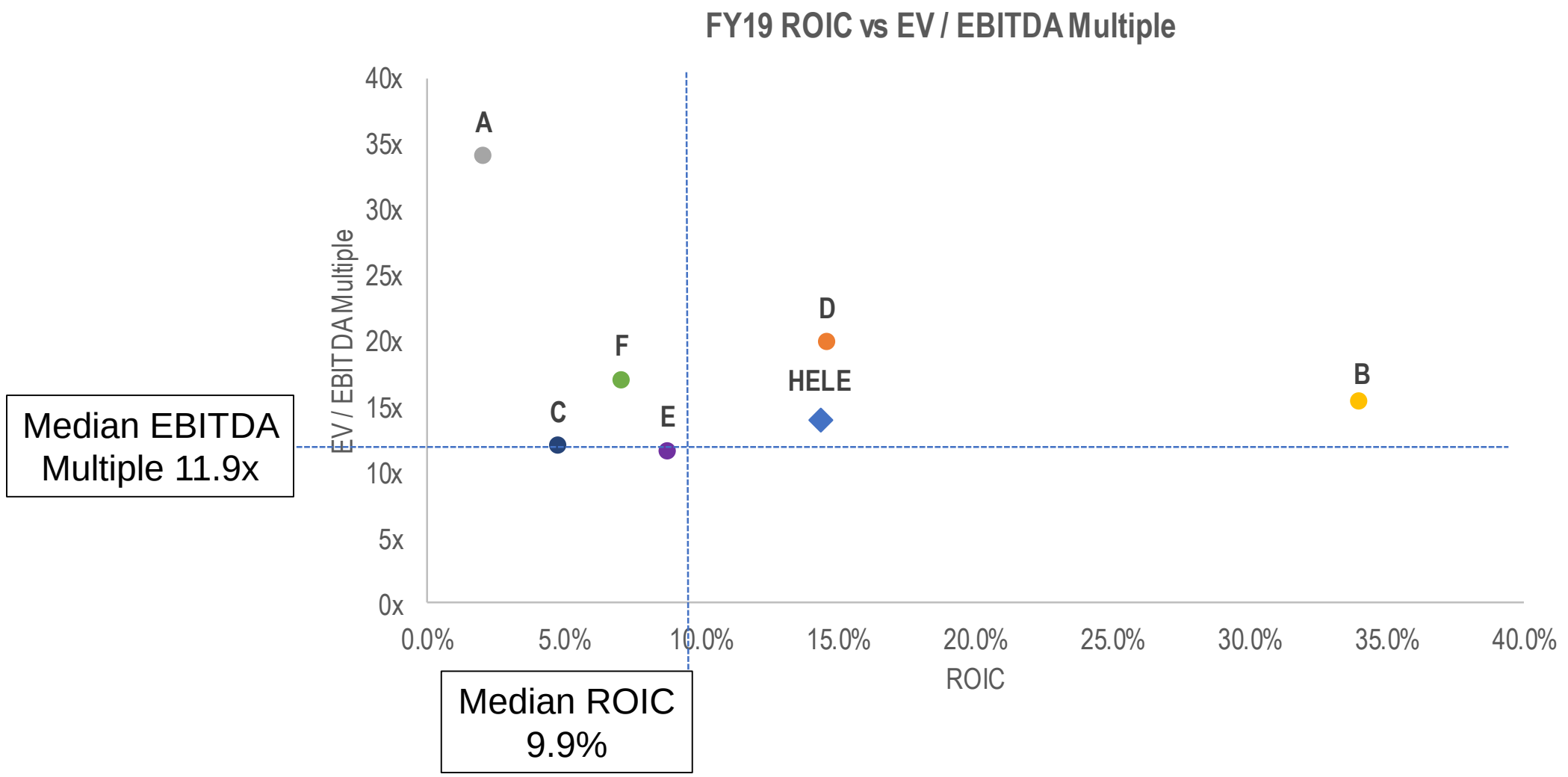
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ROIC and Adjusted EPS Multiple Compared to Peers



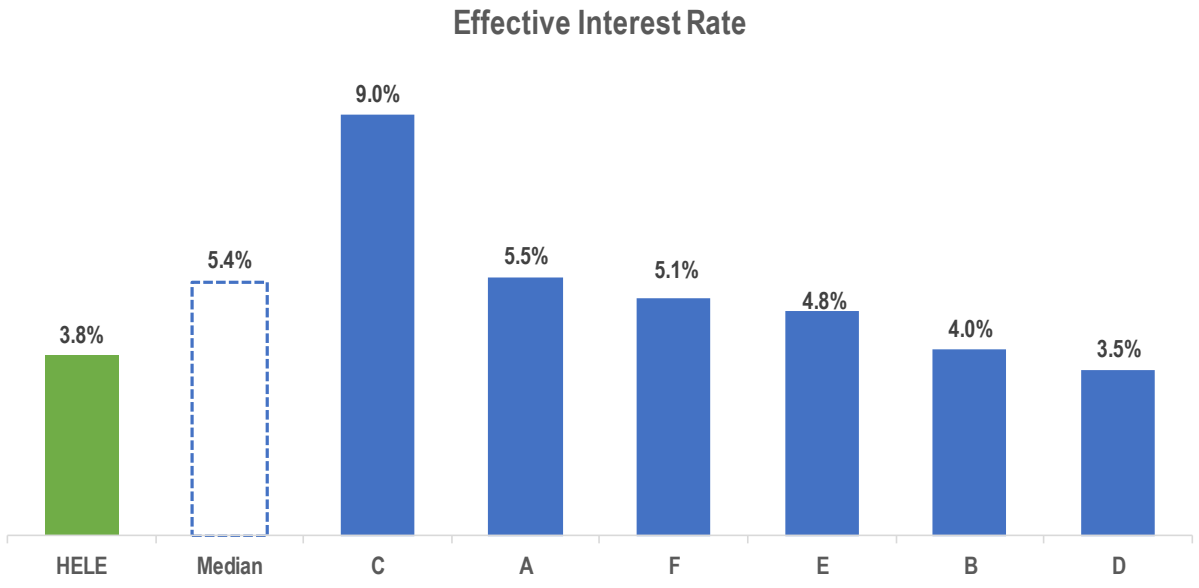
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ROIC and EBITDA Multiple Compared to Peers

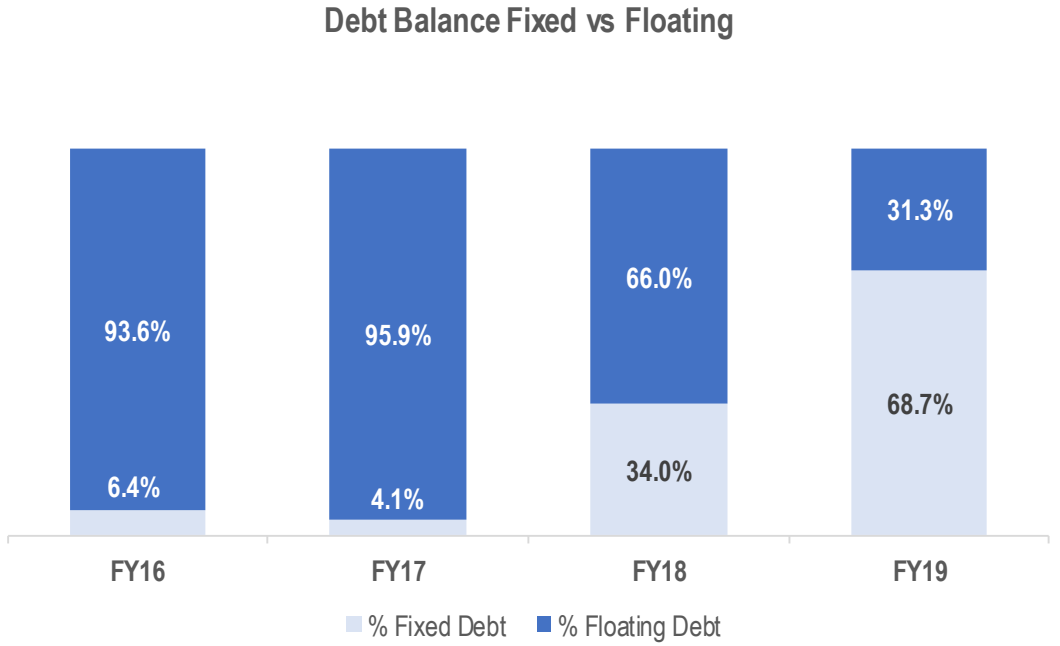


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Debt Structure Efficiency



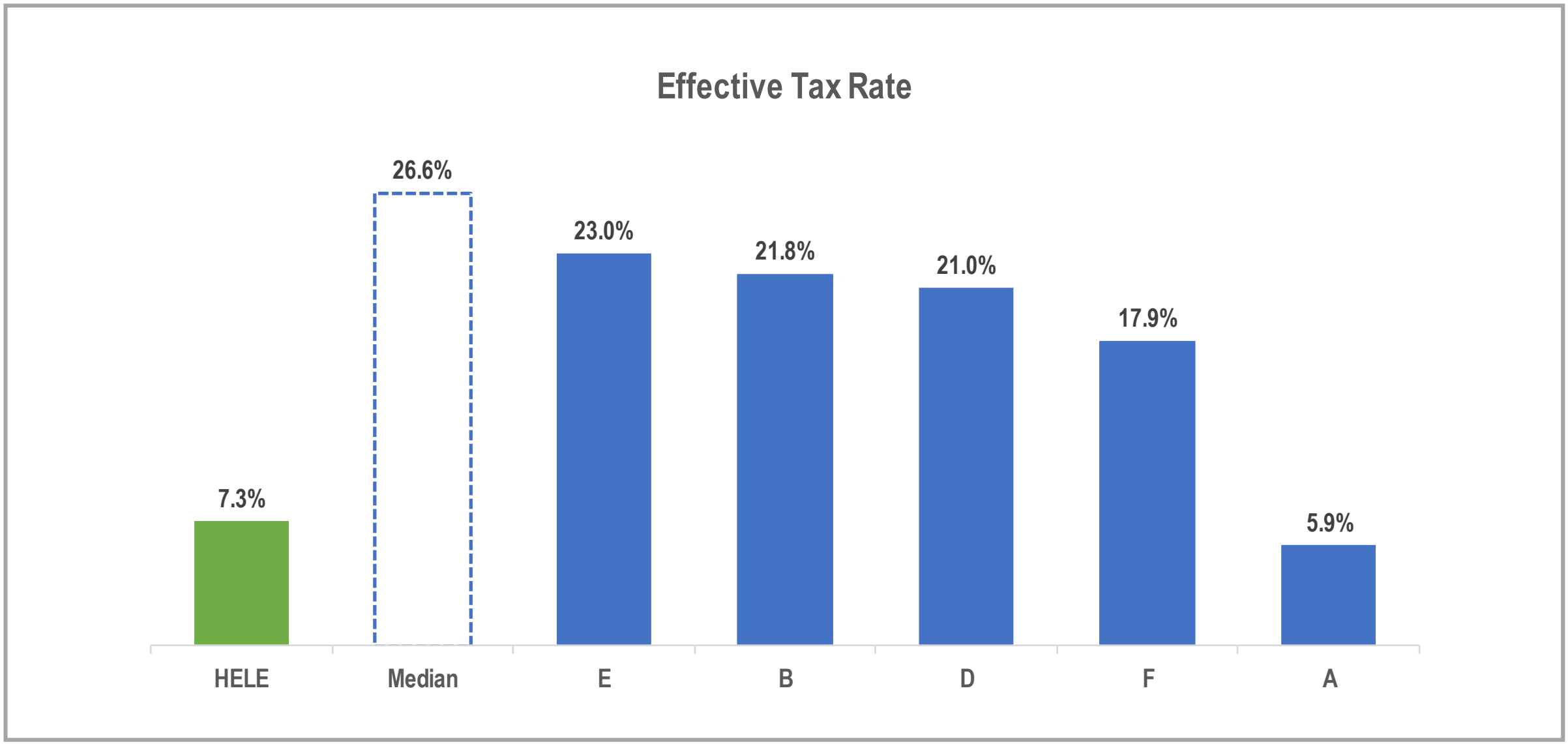
- Optimal debt structure for strategic plan and risk profile



- Higher mix of fixed-rate debt at below current floating rates

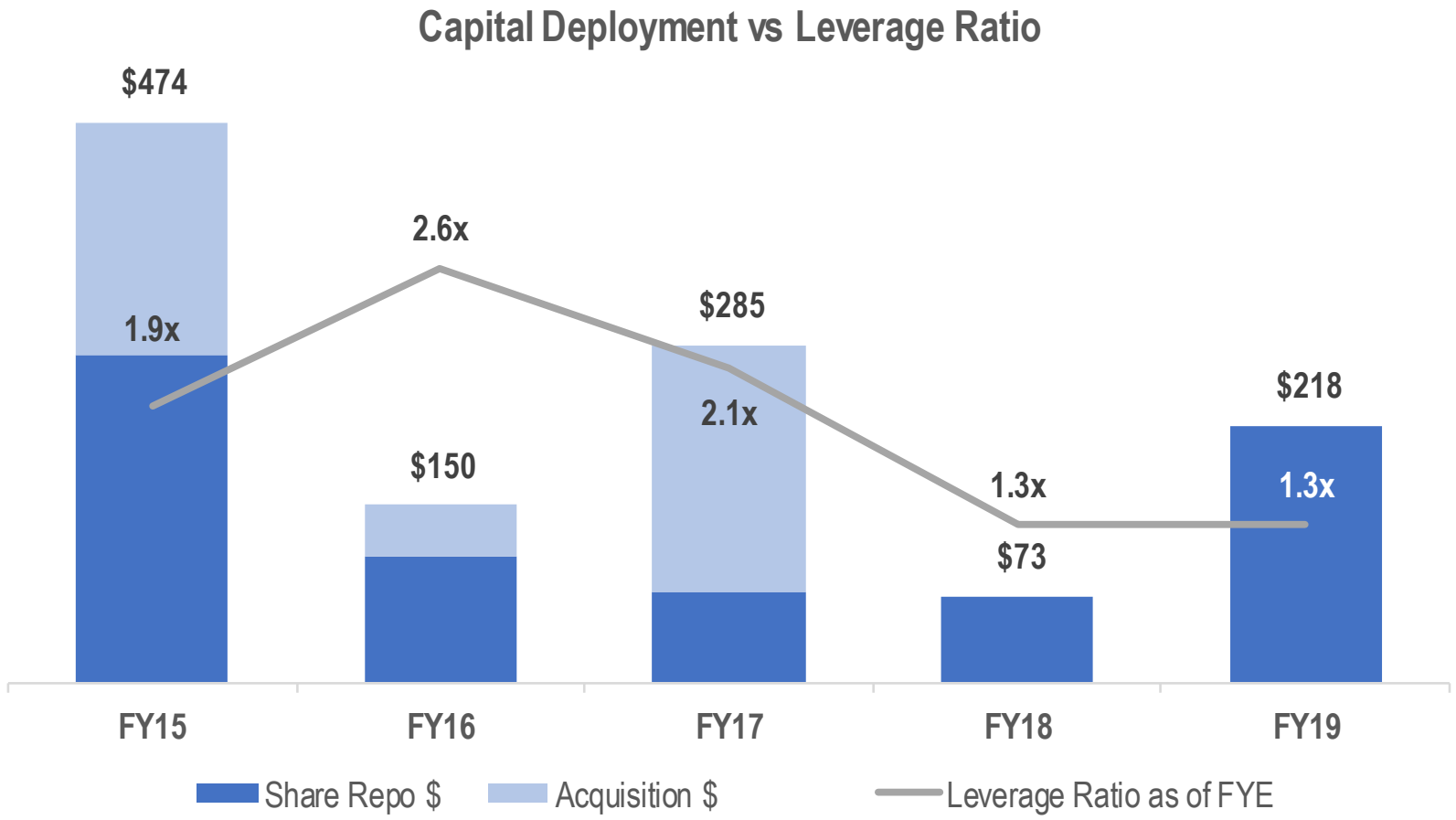
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Tax Efficiency Compared to Peers



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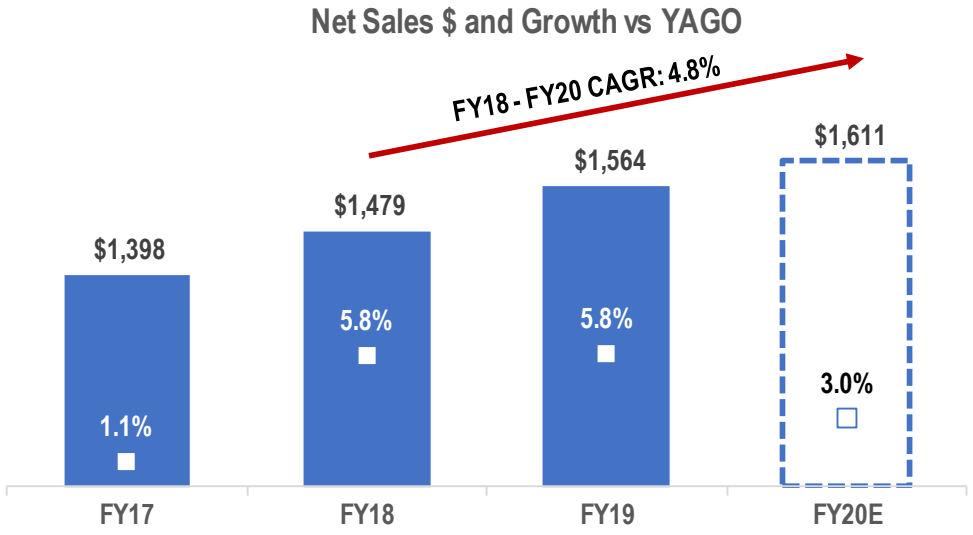
Capital Deployment with Low Leverage and Risk

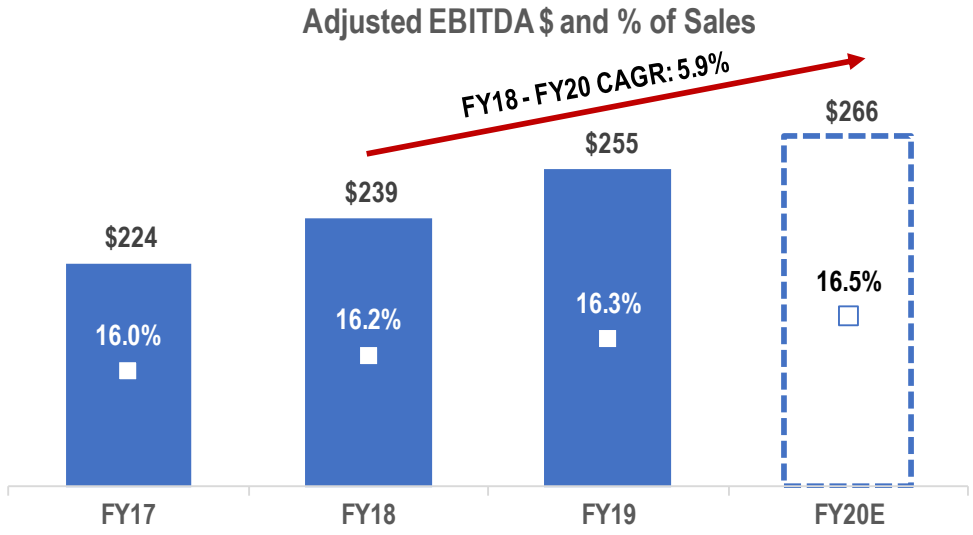


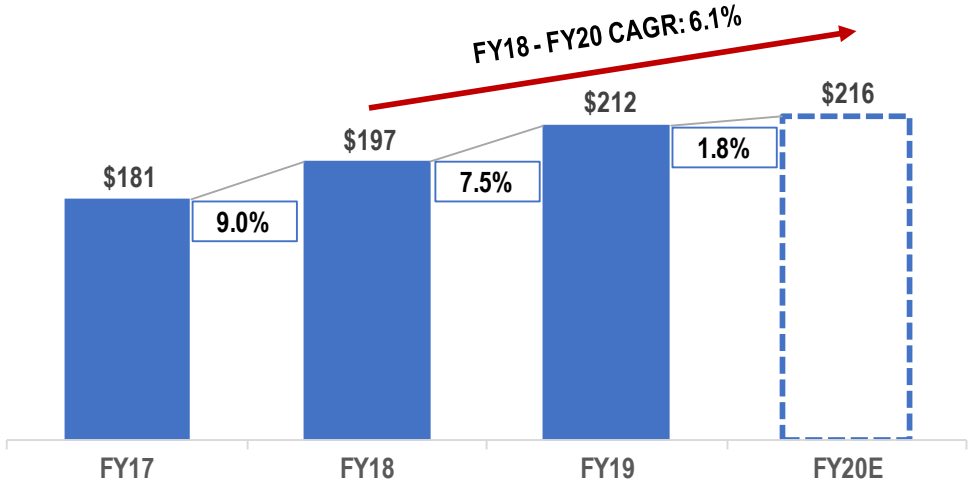
- Deployed a total of ~$1.2B of capital without exceeding 2.6x leverage
- Share repurchases of ~$750M
- Acquisition totaling ~$450M
- Ability to deploy over ~$1.3B of capital in Phase II without exceeding 3.0x leverage
- Low interest cost compared to peers
- Higher leverage in FY16 due to pre-borrowing at end of the year to fund Hydro Flask acquisition at the beginning of FY17

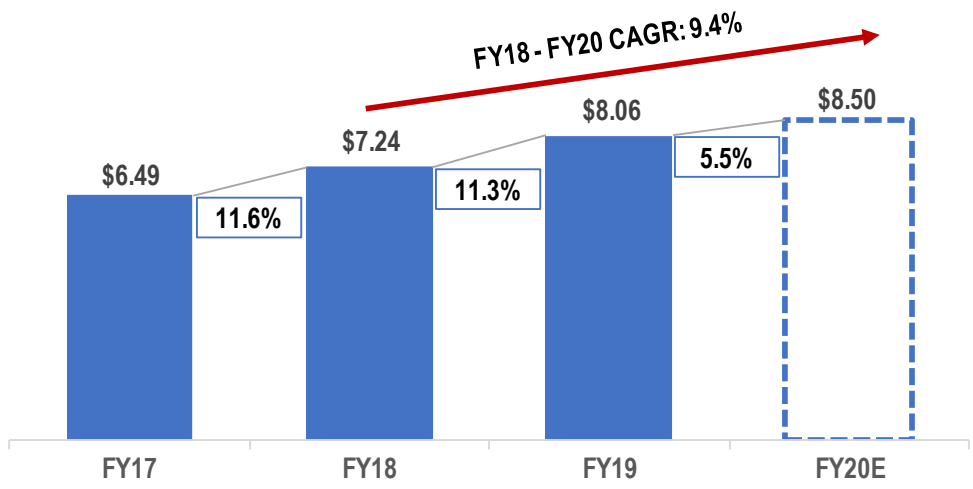
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FY20 Outlook* Highlights - Continued Momentum





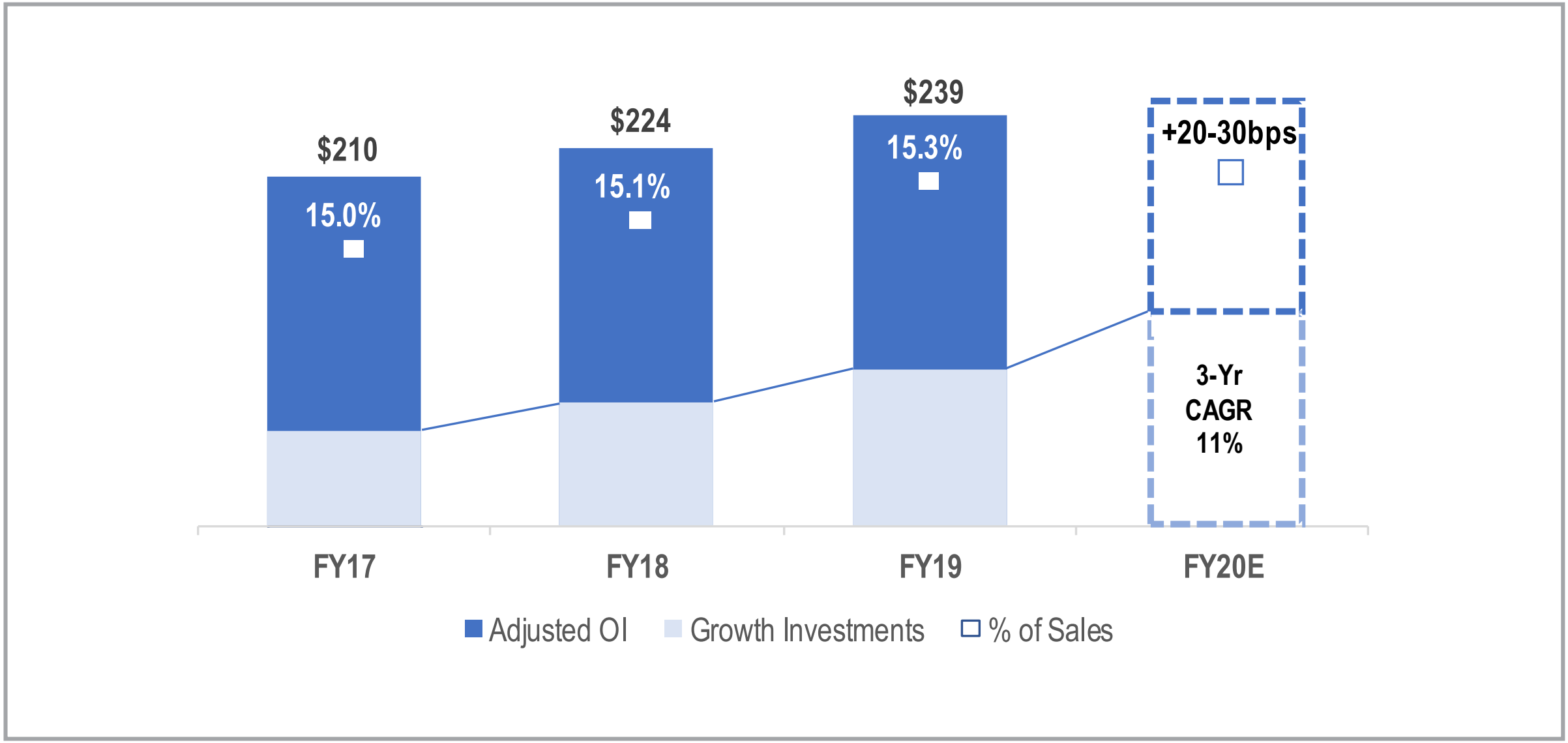




* FY20E amounts presented represent or are implied by the high end of the Company's outlook range for FY20.

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FY20 Adjusted Operating Margin and Growth Investment Implied in Outlook



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Tariff Mitigation Playbook Remains Unchanged

List 3:

- List 3 tariffs were recently increased from 10% to 25%; impacts certain categories in our H&H and HW segments
- We have planned on these increases for some time
- We believe that we are in a good position to take pricing action that will be effective in 60 – 90 days

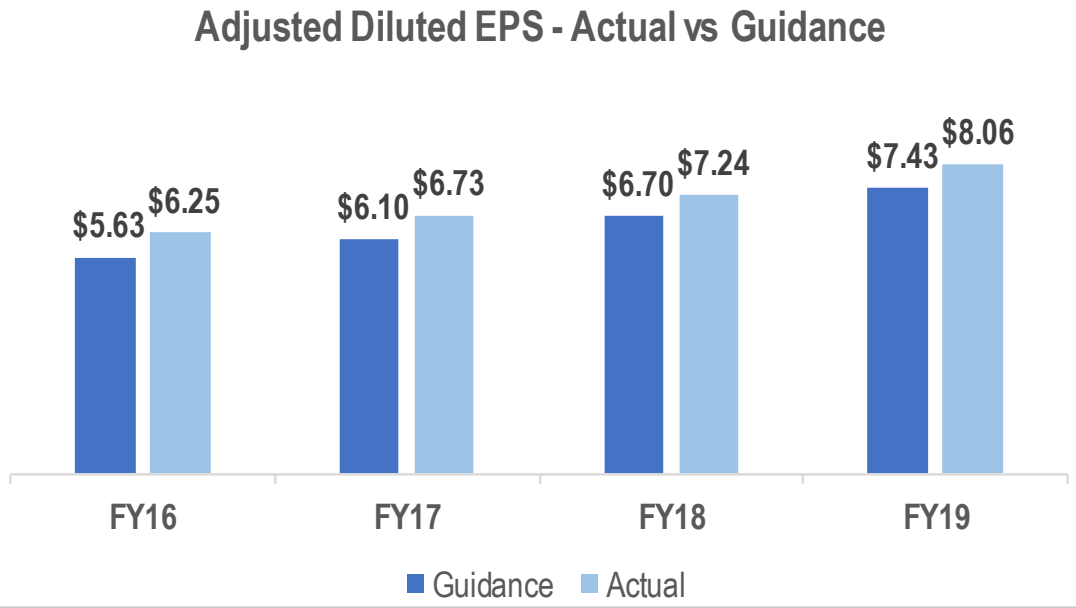
List 4:

- The USTR also recently introduced increases of 25% on List 4; covers remaining product categories imported from China
- The increases have been introduced into the Federal Register for comment, but are not yet in effect
- If implemented per estimated timing, the *unmitigated* impact on our FY20 COGS could range from $25M to $30M

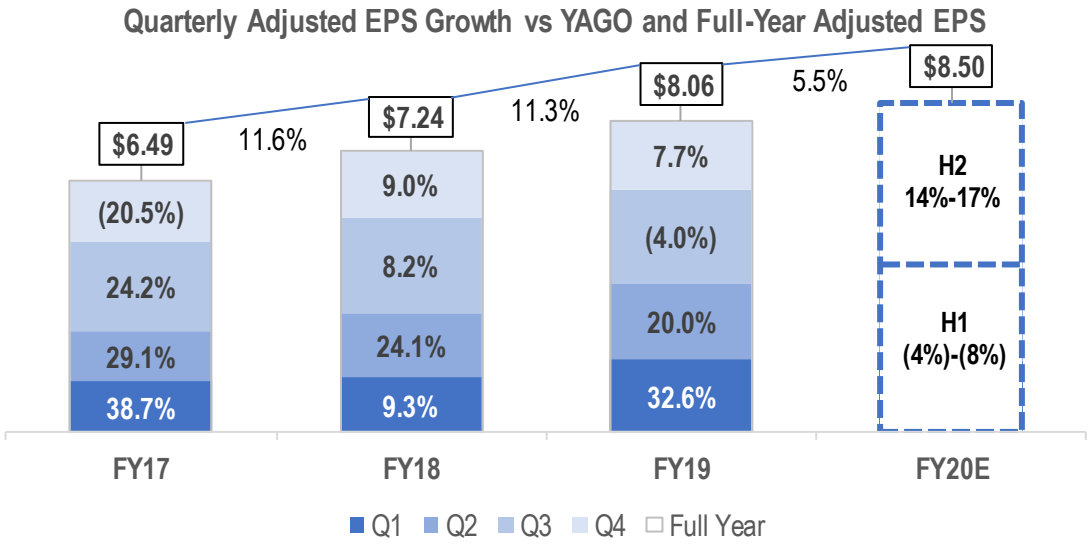
Mitigation Playbook:

- We anticipate taking the same approach that we have taken in the past with respect to pricing action
- The goal is to offset the vast majority of the gross profit dollar impact with price increases
- We continue to pursue supplier cost reductions, consolidation, and other mitigation; explore sourcing in other regions
- As list 4 tariffs have not been implemented, we have not considered any changes to our FY20 outlook

Adjusted EPS Track Record and FY20 Outlook



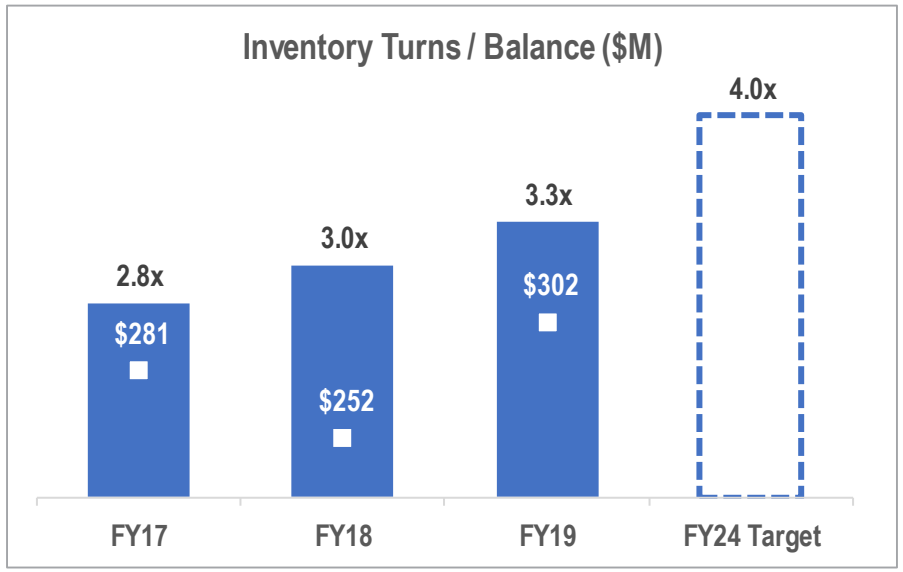
- Solid track record of long-term EPS performance
- Midpoint of original guidance
- FY19 performance overcame a net tariff impact of $0.16 per share not considered in original outlook

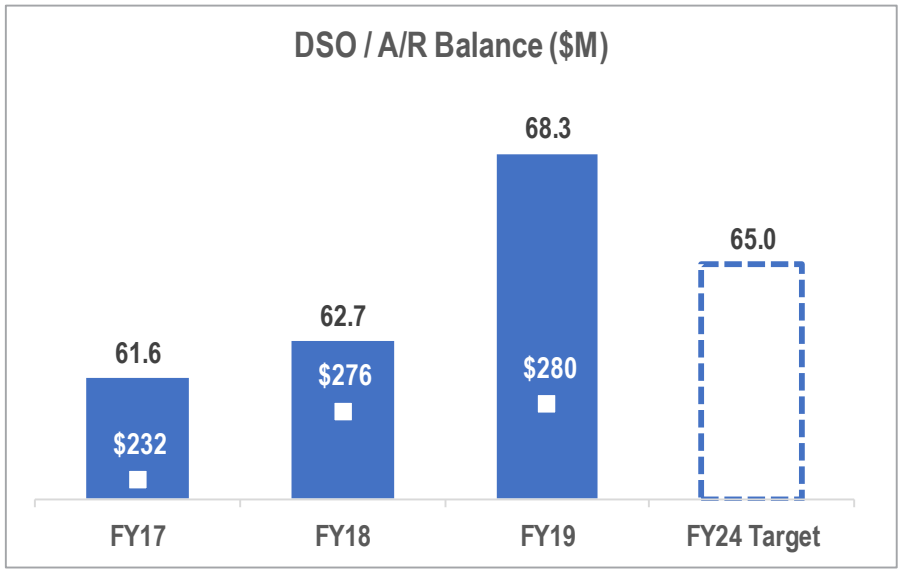


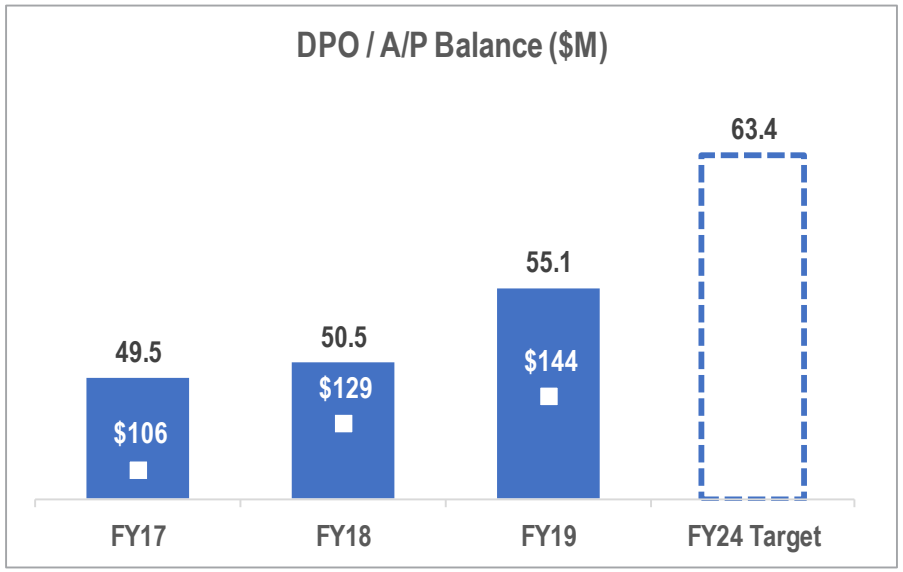
- Consistent growth expected for the full fiscal year 2020
- Expect uneven quarterly EPS growth to continue
- Expect 4% - 8% decline in H1; concentrated in Q1
- Function of retail environment, specific events in the prior periods and investment spend
- List 4 tariff announcement not included in outlook as the tariffs have not been implemented
- We don't expect List 3 to have a meaningful net impact

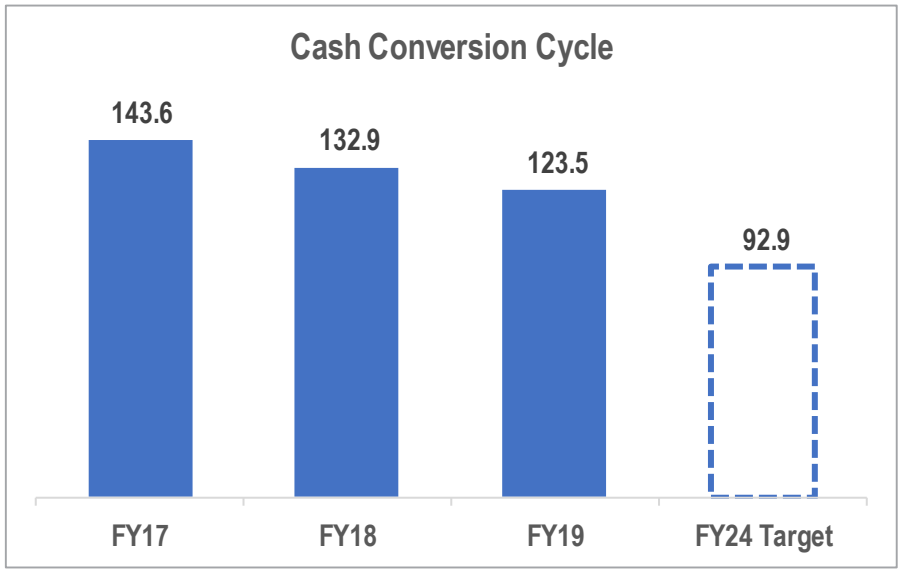
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Working Capital Improvement Opportunity









Reduction in cash conversion cycle equates to over $90M of targeted working capital improvement by the end of FY24

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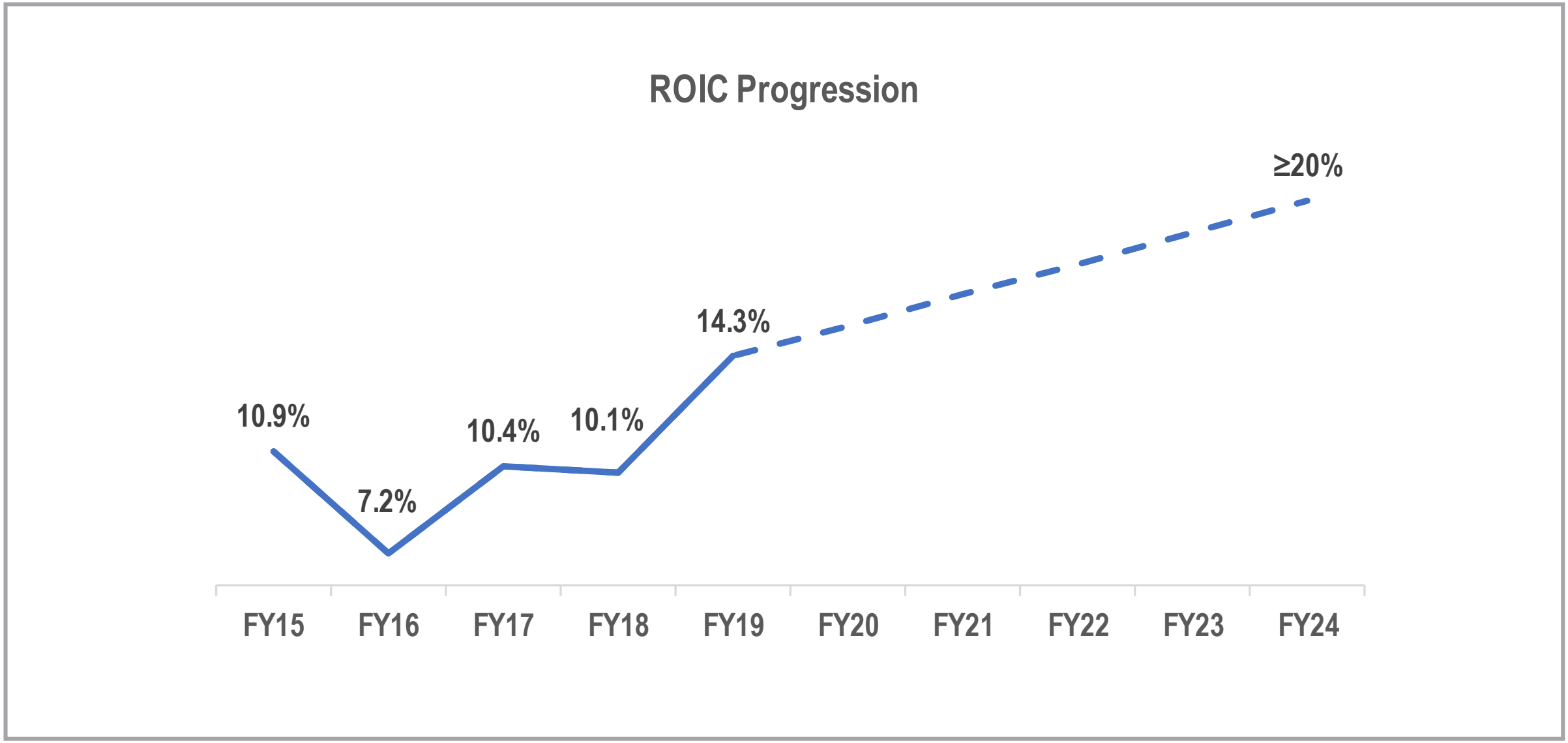
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FY20 Outlook and Phase II Targets*

	FY20 Outlook	Phase II Targets*
Annual Core Business Sales Growth	1.0% to 3.0%	2.5% to 3.5%
Annual Operating Margin Expansion (1)	~20 bps	20 to 30 bps
Annual EPS Growth (2)	2.4% to 5.5%	≥ 8%
Annual Growth Investment Increase	10% to 15%	≥ 10%
ROIC (1)	14% to 15%	≥ 20% by FY24
Annual Cash Flow From Operations Growth (1)	≥ 10%	≥ 10%
Annual Capital Expenditures (1)	$18M - $22M	$20M - $25M

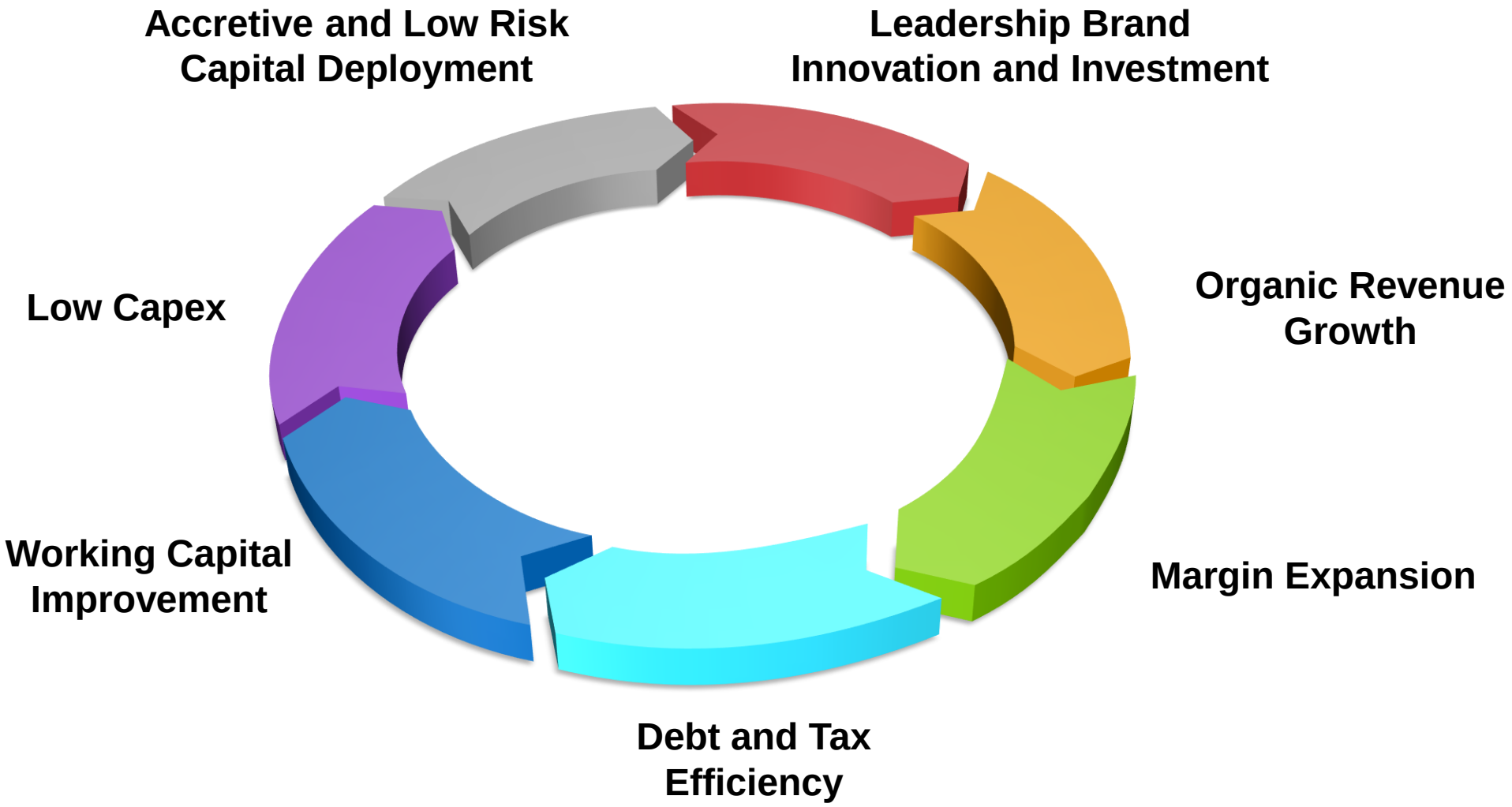
(1) Excludes acquisitions, material currency fluctuations and future tariff impacts
(2) Excludes share repurchases, acquisitions, material currency fluctuations and future tariff impacts
* Annual targets are averages

Long-Term ROIC Improvement Opportunity



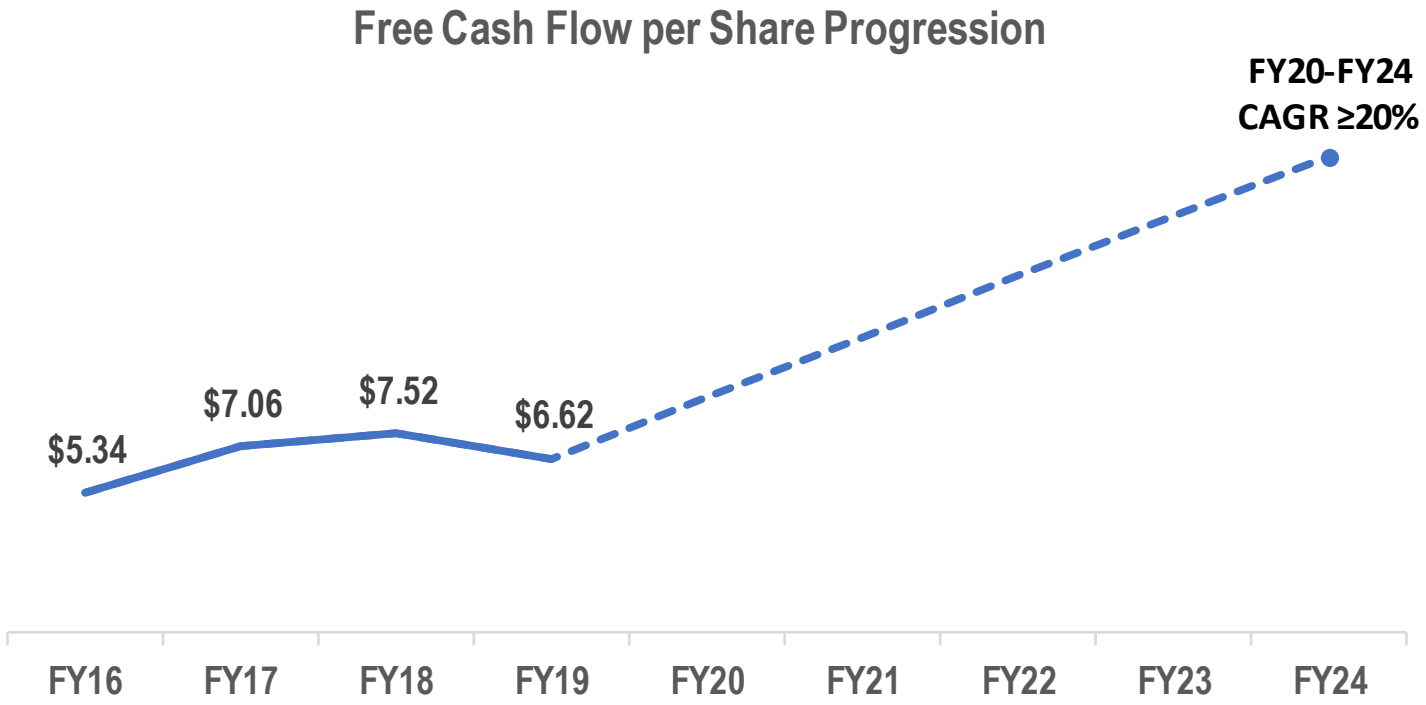
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Value Creation Flywheel



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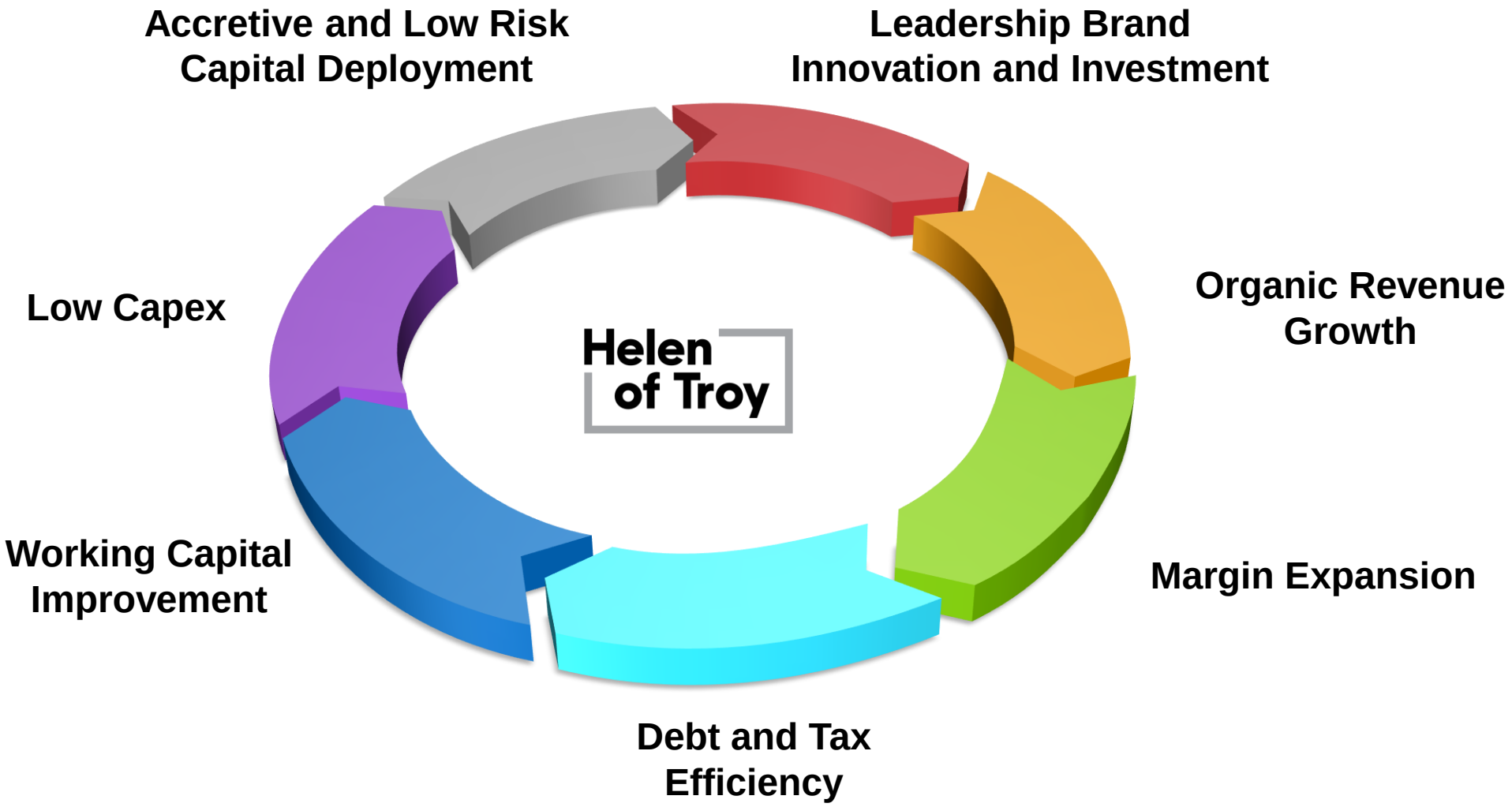
Value Creation Flywheel Illustration – FCF per Share



- Illustration of a potential Phase II outcome based on long-term targets, consistent adjusted EPS trading multiple and the deployment of capital through share repurchases that would maintain 3.0x debt leverage throughout Phase II
- Share repurchases used as proxy for capital deployment; we expect to prioritize acquisition over repurchase
- Illustrates the multiplier effect of putting all the elements of the flywheel to work
- Should not be considered a projection, estimate or target, only an illustration of potential value

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Value Creation Flywheel





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Innovation Showcase

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Q&A

Global Leadership Team

Phase II is Designed to Deliver to All Key Stakeholders

Associates

Elevate our culture and management capability to Attract, Retain, Unify and Train the best people for rewarding long-term careers

Customers

Provide Leadership Brands that deliver profitable growth



Consumers

Elevate lives every day with high-quality solutions from trusted, compelling brands

Shareholders

Strive to deliver superior long-term performance

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Appendix

Glossary of Terms

Adjusted Diluted Earnings per Share (EPS) – Non-GAAP Adjusted Income divided by diluted shares outstanding

Adjusted EBITDA - EBITDA excluding non-cash share-based compensation, TRU bankruptcy charge, CEO succession costs, acquisition-related expenses, Venezuelan currency re-measurement related charges, patent litigation charges, non-cash asset impairment charges, and restructuring charges (as applicable)

Adjusted Income – GAAP net income excluding TRU bankruptcy charge, CEO succession costs, acquisition-related expenses, tax reform, Venezuelan currency re-measurement related charges, patent litigation charges, non-cash asset impairment charges, restructuring charges, non-cash share-based compensation expense, and intangible asset amortization expense (as applicable)

Adjusted Operating Income – GAAP operating income excluding TRU bankruptcy charge, CEO succession costs, acquisition-related expenses, Venezuelan currency re-measurement related charges, patent litigation charges, non-cash asset impairment charges, restructuring charges, non-cash share-based compensation expense, and intangible asset amortization expense(as applicable)

Adjusted Operating Margin – Non-GAAP Adjusted Operating Income divided by net sales

Capital Deployment – Combination of capital used to repurchase shares of common stock and capital used in acquisitions

Cash Conversion Cycle – Inventory days plus DSO, less DPO

Compound Annual Growth Rate (CAGR) – Implied annual rate of return that would be required for compounded growth from a beginning balance to an ending balance

Continuing Operations – All references to the Company's continuing operations exclude the Nutritional Supplements segment

Days Payable Outstanding (DPO) – Average of the current and prior four quarters' ending accounts payable balances divided by trailing 12 months cost of goods sold, multiplied by 365 days

Days Sales Outstanding (DSO) – Average of the current and prior four quarters' ending accounts receivable balances divided by trailing 12 months net sales, multiplied by 365 days

EBITDA – Earnings before interest, taxes, depreciation and amortization expense, as reported

EBITDA Free Cash Flow Conversion – Trailing 12 months free cash flow divided by EBITDA

Effective Interest Rate – Trailing 12 months interest expense divided by the average of current and prior years' ending balances of short and long-term debt

Enterprise Value – Market capitalization plus short and long-term debt balances. Market capitalization defined as share price as of the end of the reported fiscal period, multiplied by the diluted share count for the same period.

Enterprise Value / EBITDA Multiple – Enterprise value divided by trailing 12 months EBITDA

Enterprise Value / Adjusted EPS Multiple – Enterprise value per share divided by trailing 12 months adjusted diluted EPS

Enterprise Value / Free Cash Flow Multiple – Enterprise value divided by trailing 12 months free cash flow

Free Cash Flow (FCF) – Trailing 12 months net cash provided by operating activities less capital and intangible asset expenditures

Glossary of Terms

Free Cash Flow per Share – Free cash flow divided by diluted share count as reported at the end of the fiscal period

Growth Investment – Expenses included in SG&A consisting of selling (marketing and advertising) expenses and new product development expenses

Inventory Days – 365 days divided by inventory turns

Inventory Turns – Trailing 12 months cost of goods sold divided by the average of the current and prior four quarters' ending inventory balances

Leadership Brand Net Sales (LB) – Consists of revenue from the OXO, Honeywell, Braun, PUR, Hydro Flask, Vicks, and Hot Tools brands

Leverage Ratio – Total current and long-term debt divided by EBITDA plus proforma effect of acquisitions

Online Channel Net Sales – Net sales from pure-play online retailers and net sales made direct to consumers through Company-owned websites

Peer Group Median – Derived from the Company's compensation peer group for FY19, which includes Church & Dwight Co. Inc., The Clorox Company, Coty Inc., Edgewell Personal Care Company, Energizer Holdings, Inc., La-Z-Boy Incorporated, Libbey Inc., Lifetime Brands Inc., Newell Brands, Inc., Nu Skin Enterprises Inc., Prestige Consumer Healthcare, Inc., Revlon Inc., Spectrum Brand Holdings Inc., Tempur Sealy International Inc., and Tupperware Brands Corp. The median shown in the presentation is derived from public filings of the compensation peer group, excluding Coty Inc., Libbey Inc., Revlon Inc., and Spectrum Brands Holdings Inc. as outliers

Individual Peers - A subset of the Company's compensation peer group was selected for direct comparison on valuation metrics based on as-reported amounts in public filings. This subset includes Church & Dwight Co. Inc., The Clorox Company, Edgewell Personal Care Company, Prestige Consumer Healthcare, Inc., Lifetime Brands, Inc., and Newell Brands Inc.

Project Refuel – In fiscal 2018, we announced a restructuring plan (referred to as "Project Refuel"). Project Refuel includes charges for a reduction-in-force and the elimination of certain contracts. Project Refuel targets total annualized profit improvements of approximately $8.0 million to $10.0 million over the duration of the plan. We estimate the plan to be completed during fiscal 2020 and expect to incur total restructuring charges of approximately $7.0 million.

Return on Invested Capital (ROIC) – Net operating profit after tax (NOPAT) divided by average invested capital. NOPAT is defined as annual operating income, as reported, less annual income tax expense. Invested capital is the average of the current and prior fiscal years' ending balances of debt and shareholder's equity, less the average of the current and prior fiscal years' ending balances of cash and cash equivalents.

Return on Invested Capital Margin (ROIC Margin) – ROIC less the weighted average cost of capital (WACC)

Weighted Average Cost of Capital (WACC) – Calculated by proportionally weighting the Company's cost of equity and after-tax cost of debt based on their respective market values. The cost of equity is estimated using the capital asset pricing model (CAPM) method to determine the Company's systematic risk versus a market proxy.

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Selected Financial Data (Unaudited) (in thousands)

	Fiscal Years Ended Last Day of February,					
	2019	2018	2017	2016	2015	2014
Income Statement Data:						
Housewares	$ 523,807	$ 459,004	$ 418,558	$ 311,023	$ 296,491	$ 272,484
Health & Home	695,217	674,062	626,982	637,427	607,567	563,950
Beauty	345,127	345,779	351,995	434,943	430,912	471,267
Sales revenue, net	1,564,151	1,478,845	1,397,535	1,383,393	1,334,970	1,307,701
Gross profit	641,106	611,199	573,416	516,551	516,906	526,270
Asset impairment charges	—	15,447	2,900	6,000	9,000	12,049
Restructuring charges	3,586	1,857	—	—	—	—
Operating income	199,379	169,062	169,664	116,294	152,215	117,100
Interest expense	11,719	13,951	14,361	10,581	14,079	10,193
Income tax expense	13,776	26,556	11,407	13,021	12,332	20,886
Income from continuing operations	174,224	128,882	144,310	92,991	126,322	86,248
Income (loss) from discontinued operations, net of tax	(5,679)	(84,436)	(3,621)	8,237	4,842	—
Net income	168,545	44,446	140,689	101,228	131,164	86,248
Earnings (loss) per share - basic						
Continuing operations	$ 6.68	$ 4.76	$ 5.24	$ 3.29	$ 4.42	$ 2.69
Discontinued operations	(0.22)	(3.12)	(0.13)	0.29	0.17	—
Net income	$ 6.46	$ 1.64	$ 5.11	$ 3.58	$ 4.59	$ 2.69
Earnings (loss) per share - diluted						
Continuing operations	$ 6.62	$ 4.73	$ 5.17	$ 3.23	$ 4.35	$ 2.66
Discontinued operations	(0.22)	(3.10)	(0.13)	0.29	0.17	—
Net income	$ 6.41	$ 1.63	$ 5.04	$ 3.52	$ 4.52	$ 2.66
Weighted average shares outstanding - basic	26,073	27,077	27,522	28,273	28,579	32,007
Weighted average shares outstanding - diluted	26,303	27,254	27,891	28,749	29,035	32,386

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Selected Financial Data (Unaudited) (in thousands)

	Fiscal Years Ended Last Day of February,					
	2019	2018	2017	2016	2015	2014
Cash Flow Data from Continuing Operations:						
Depreciation and amortization	$ 29,927	$ 33,730	$ 36,175	$ 34,889	$ 34,213	$ 33,839
Net cash provided by operating activities [3]	200,568	218,609	212,491	170,263	171,742	154,165
Capital and intangible asset expenditures	26,385	13,605	15,507	16,676	5,908	40,463
Payments to acquire businesses, net of cash acquired	—	—	209,267	43,150	195,943	—
Net amounts borrowed (repaid)	29,900	(197,000)	(133,200)	190,700	240,600	(64,393)

	Fiscal Years Ended Last Day of February,					
	2019	2018	2017	2016	2015	2014
Balance Sheet Data from Continuing Operations:						
Working capital	$ 292,828	$ 258,222	$ 267,896	$ 487,861	$ 308,895	$ 286,122
Goodwill and other intangible assets	893,846	905,235	938,324	762,879	746,542	453,241
Total assets	1,649,535	1,623,717	1,616,235	1,639,673	1,444,163	1,553,302
Long-term debt	318,900	287,985	461,211	600,107	411,307	95,707
Stockholders' equity	996,637	1,014,459	1,020,766	930,043	904,565	1,029,487

Leadership Brand Net Sales Revenue (Unaudited) (in thousands)

	Fiscal Years Ended Last Day of February,					
	2019	2018	2017	2016	2015	2014
Leadership Brand sales revenue, net	$ 1,243,600	$ 1,142,183	$ 1,044,208	$ 930,890	$ 878,834	$ 735,018
All other sales revenue, net	320,551	336,662	353,327	452,492	456,134	572,683
Total sales revenue, net	$ 1,564,151	$ 1,478,845	$ 1,397,535	$ 1,383,382	$ 1,334,968	$ 1,307,707

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Reconciliation of Non-GAAP Financial Measures - GAAP Operating Income to Adjusted Operating Income (non-GAAP) (Unaudited) (in thousands)

	Fiscal Years Ended the Last Day of February											
	2014		2015		2016		2017		2018		2019	
Operating income as reported (GAAP)	$ 117,100	9.0%	$ 152,215	11.4%	$ 116,294	8.4%	$ 169,664	12.1%	$ 169,062	11.4%	$ 199,379	12.7%
Asset impairment charges	12,049	0.9%	9,000	0.7%	6,000	0.4%	2,900	0.2%	15,447	1.0%	—	—%
Restructuring charges	—	—%	—	—%	—	—%	—	—%	1,857	0.1%	3,586	0.2%
Toys "R" Us bankruptcy charge	—	—%	—	—%	—	—%	—	—%	3,596	0.2%	—	—%
CEO succession costs	18,228	1.4%	—	—%	6,003	0.4%	—	—%	—	—%	—	—%
Acquisition-related expenses	—	—%	—	—%	698	0.1%	—	—%	—	—%	—	—%
Venezuela re-measurement related charges	—	—%	—	—%	18,733	1.4%	—	—%	—	—%	—	—%
Patent litigation charge	—	—%	—	—%	17,830	1.3%	1,468	0.1%	—	—%	—	—%
Subtotal	147,377	11.3%	161,215	12.1%	165,558	12.0%	174,032	12.4%	189,962	12.8%	202,965	13.0%
Amortization of intangible assets, net of tax	21,614	1.7%	21,156	1.6%	21,514	1.6%	22,024	1.6%	18,854	1.3%	14,204	0.9%
Non-cash share-based compensation, net of tax	14,232	1.1%	5,541	0.4%	7,164	0.5%	13,861	1.0%	15,054	1.0%	22,053	1.4%
Adjusted operating income (non-GAAP)	$ 183,223	14.0%	$ 187,912	14.1%	$ 194,236	14.0%	$ 209,917	15.0%	$ 223,870	15.1%	$ 239,222	15.3%

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Reconciliation of GAAP Diluted Earnings Per Share (“EPS”) to Adjusted Diluted EPS (non-GAAP) (Unaudited)

	Fiscal Years Ended the Last Day of February					
	2014	2015	2016	2017	2018	2019
Diluted EPS as reported (GAAP)	$ 2.66	$ 4.36	$ 3.23	$ 5.17	$ 4.73	$ 6.62
Tax reform	—	—	—	—	0.66	—
Asset impairment charges, net of tax	0.37	0.28	0.18	0.09	0.51	—
Restructuring charges, net of tax	—	—	—	—	0.07	0.13
Toys "R" Us bankruptcy charge, net of tax	—	—	—	—	0.12	—
CEO succession costs, net of tax	0.51	—	0.14	—	—	—
Acquisition-related expenses, net of tax	—	—	0.02	—	—	—
Venezuela re-measurement related charges, net of tax	—	—	0.65	—	—	—
Patent litigation charge, net of tax	—	—	0.62	0.05	—	—
Subtotal	3.54	4.64	4.85	5.32	6.08	6.75
Amortization of Intangible Assets, net of tax	0.64	0.70	0.71	0.73	0.66	0.53
Non-cash share-based compensation, net of tax	0.32	0.16	0.22	0.44	0.49	0.79
Adjusted diluted EPS (non-GAAP)	$ 4.50	$ 5.50	$ 5.78	$ 6.49	$ 7.24	$ 8.06
Weighted average shares of common stock used in computing diluted EPS	32,344	29,035	28,749	27,891	27,254	26,303

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Reconciliation of Net Cash Provided by Operating Activities (GAAP) to Free Cash Flow (non-GAAP) (Unaudited) (in thousands)

	Fiscal Years Ended the Last Day of February					
	2014	2015	2016	2017	2018	2019
Net cash provided by operating activities (GAAP)	$ 154,165	$ 171,742	$ 170,263	$ 212,491	$ 218,609	$ 200,568
Less: Capital and intangible asset expenditure	(40,463)	(5,908)	(16,676)	(15,507)	(13,605)	(26,385)
Free cash flow (Non-GAAP)	$ 113,702	$ 165,834	$ 153,587	$ 196,984	$ 205,004	$ 174,183

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FY20 Outlook

Fiscal 2020 Outlook for Net Sales Revenue (Unaudited) (in thousands)

	Outlook for Fiscal 2020		
Net sales revenue	$ 1,585,000	—	$ 1,611,000
	1.0%	—	3.0%

Reconciliation of Fiscal 2020 Outlook for GAAP Diluted Earnings Per Share ("EPS") from Continuing Operations to Adjusted Diluted EPS from Continuing Operations (non-GAAP) (Unaudited)

	Outlook Fiscal 2020		
Diluted EPS from continuing operations, as reported (GAAP)	$ 6.83	—	$ 7.00
Restructuring charges, net of tax	0.04	—	0.05
Subtotal	6.87	—	7.05
Amortization of intangible assets, net of tax	0.52	—	0.54
Non-cash share-based compensation, net of tax	0.86	—	0.91
Adjusted diluted EPS from continuing operations (non-GAAP)	$ 8.25	—	$ 8.50

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FY20 Outlook

Effective Tax Rate (GAAP) and Adjusted Effective Tax Rate (Non-GAAP) (Unaudited)

	Outlook Fiscal 2020		
Effective tax rate, as reported (GAAP)	9.5 %	—	11.5 %
Restructuring charges	0.1 %	—	0.1 %
Subtotal	9.6 %	—	11.6 %
Amortization of intangible assets	(0.5)%	—	(0.6)%
Non-cash share based compensation	(0.3)%	—	(0.5)%
Adjusted effective tax rate	8.8 %	—	10.5 %

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