

Prestige Consumer HEALTHCARE

Sidoti & Co Fall Investor Conference
September 25, 2019



Safe Harbor Disclosure

This presentation contains certain “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements regarding the Company’s expected financial performance, including revenues, organic growth, adjusted EPS, and adjusted free cash flow; the market position, expected growth and consumption trends for the Company’s brands; the impact of brand-building and product innovation and the related impact on the Company’s revenues; the ability to create long-term shareholder value; and the impact of retailer destocking. Words such as “trend,” “continue,” “will,” “expect,” “project,” “anticipate,” “likely,” “estimate,” “may,” “should,” “could,” “would,” and similar expressions identify forward-looking statements. Such forward-looking statements represent the Company’s expectations and beliefs and involve a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors include, among others, general economic and business conditions, regulatory matters, competitive pressures, supplier issues, disruptions to distribution, unexpected costs or liabilities, and other risks set forth in Part I, Item 1A. Risk Factors in the Company’s Annual Report on Form 10-K for the year ended March 31, 2019. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date this presentation. Except to the extent required by applicable law, the Company undertakes no obligation to update any forward-looking statement contained in this presentation, whether as a result of new information, future events, or otherwise.

All adjusted GAAP numbers presented are footnoted and reconciled to their closest GAAP measurement in the attached reconciliation schedules or in our May 9 and August 1, 2019 earnings releases in the “About Non-GAAP Financial Measures” section.

I. Introduction to Prestige Consumer Healthcare

Ron Lombardi

Chief Executive Officer

II. Long-Term Growth Through Brand Building

Christine Sacco

Chief Financial Officer

III. Financial Profile & Capital Allocation

Phil Terpolilli

Director, Investor Relations

IV. The Road Ahead

I. Introduction to Prestige Consumer Healthcare

Compound W
WART REMOVER

Fleet

Summer's Eve

Dramamine

DenTek

LUDEN'S

**LITTLE
REMEDIES**

Efferdent
ANTI-BACTERIAL DENTURE CLEANSER

**Clear
eyes**

BC

Goody's

Chloraseptic
FAST ACTING

Nix
PERMETHRIN

**BOUDREAU'S
BUTT PASTE**
Let's kick some rash.

Hydralyte

MONISTAT

Gaviscon
and it's gone

Debrox

FESS

Helping Consumers Care for Themselves

5+ Billion

eye drops per year



MURINE®

650 Million

throat drops for every cold season



17 Million

doses of pain relief per week



8 Million

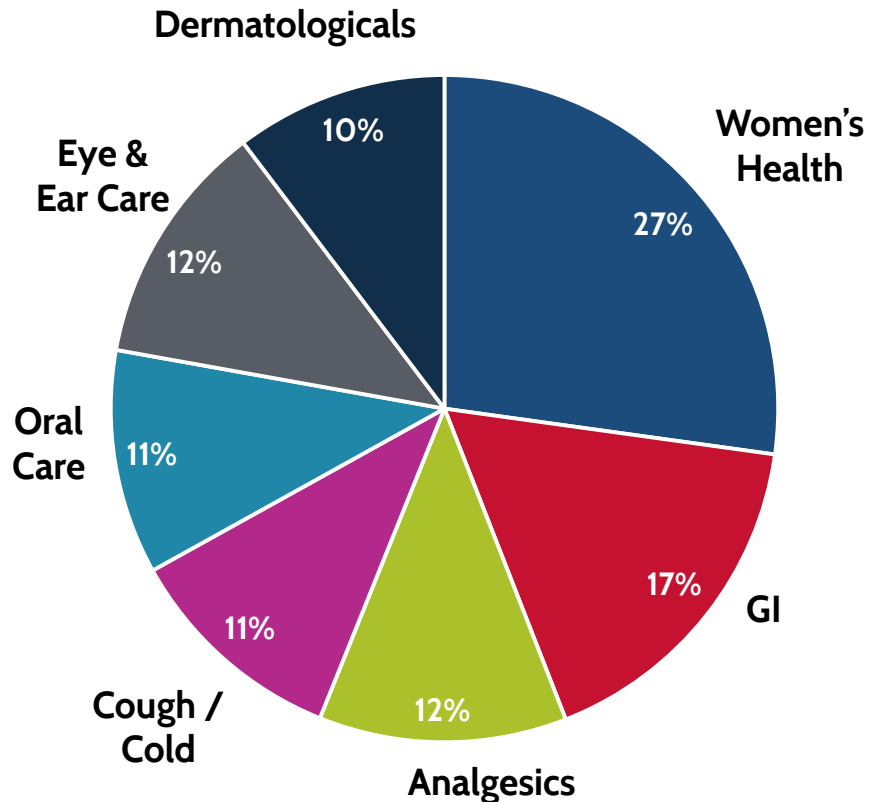
infections treated annually



Source: Company records

Diversified Portfolio of Leading, Trusted Consumer Healthcare Brands

Total Sales* by Category



* FY19 Revenues, Excludes Divested Household Cleaning Segment & Other OTC (less than 1%)

#1 Brands Represent Two-Thirds of Total Sales*

#1 Feminine Hygiene
#1 Vaginal Anti-Fungal

MONISTAT[®]

Summer's Eve[®]

#1 Enemas & Suppositories
#1 Motion Sickness

Dramamine[®] Fleet[®]

#1 Powdered Analgesic

BC[®]

FAST PAIN RELIEF
Goody's[®]

#1 Sore Throat Liquids/Lozenge

FAST ACTING
Chloraseptic[®]

#1 Allergy & Redness Relief Drop

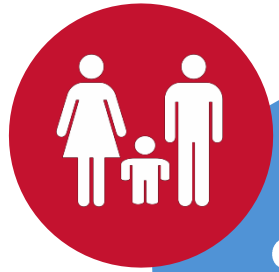
Clear eyes[®]

#1 Wart Removal
#1 Lice/Parasite Treatments

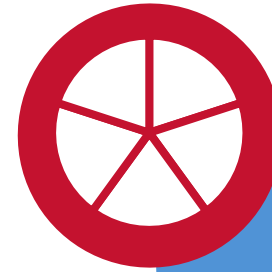
Compound W[®]
WART REMOVER

Nix[®]
FOR HEAD Lice

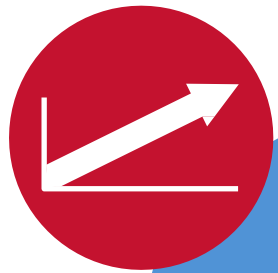
Business Positioned for Long-Term Success



OTC Attributes
Structural Tailwind
to Portfolio



Leading Brands
Across Niche
Categories



History of
Market Share
Gains & Growth



Solid Financial
Profile Generates
Durable Cash Flows

Proven, Consistent & Repeatable Strategy

#1

Invest for Growth

- Positioned for long-term 2% to 3%⁽¹⁾ Organic growth
- Brand building to drive long-term success

#2

Cash Generation

- Industry-leading financial profile
- Consistent and strong FCF generation
- Enables capital allocation opportunities

#3

Capital Allocation Options

- Disciplined capital allocation priorities
- 8+ strategic M&A transactions since CY 2013
- Completed \$50 million stock buyback in FY20

II. Long-Term Growth Through Brand Building

Compound W
WART REMOVER

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Debrox

FESS

Portfolio Supported by Consumer Megatrends

Consumer Dynamics



Boomers Accelerating Demand for Health Care



Growing Incidence of Chronic Disease



Millennials Interest in Health & Wellness

Health Care Dynamics



Employers Shift Responsibility to Employees



ACA Increasing Demand with More Newly Insured



Shortage of Primary Care Physicians

Consumer Response

Increasing Focus on Wellness and Self-Care



Well Positioned in an Evolving & Growing Retail Environment

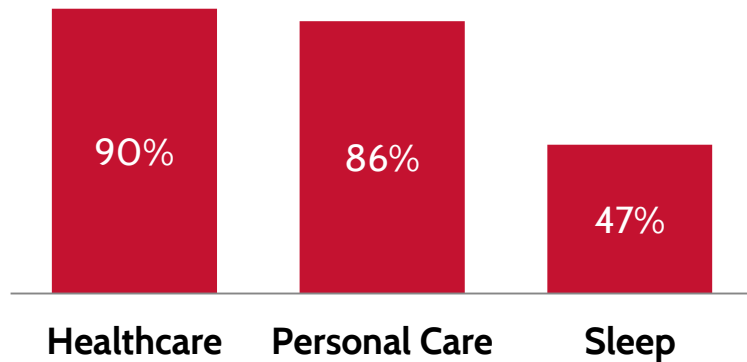
Health & Wellness Retail Opportunity is Large

U.S. "Self-Care" Marketplace



Self-Care

Select Self-Care Activities (% of Respondents)



Source: IRI "Taking Charge" Report, November 2018

Retail Traffic Driver

- Need-based products sought by consumers
- Retailers dedicating more shelf space to Health and Wellness
- Retail channel agnostic
- Category growth focus helps buyers



E-Commerce Brand of Choice

- Channel remains an opportunity, not a threat
- Ongoing channel investments
- Optimal consumer connection opportunities



"Hard to find"

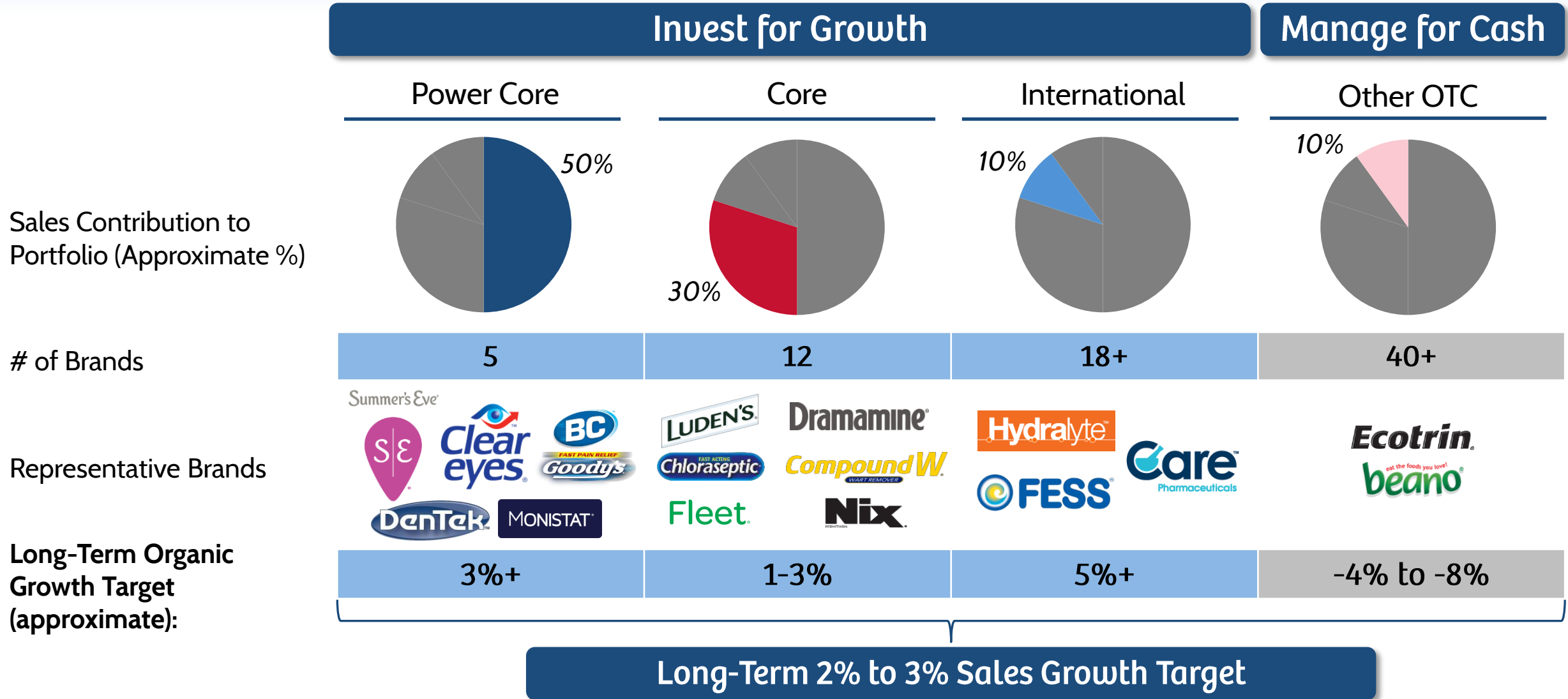


"Shy to buy"



"Regiment"

Investment Across Key Brands Drives Organic Growth



New Product Development Key Contributor to Growth

Product Development Initiatives

Summer's Eve®



DenTek®



Dramamine®



Nix
PERMETHRIN



CompoundW®
WART REMOVER



LUDEN'S®

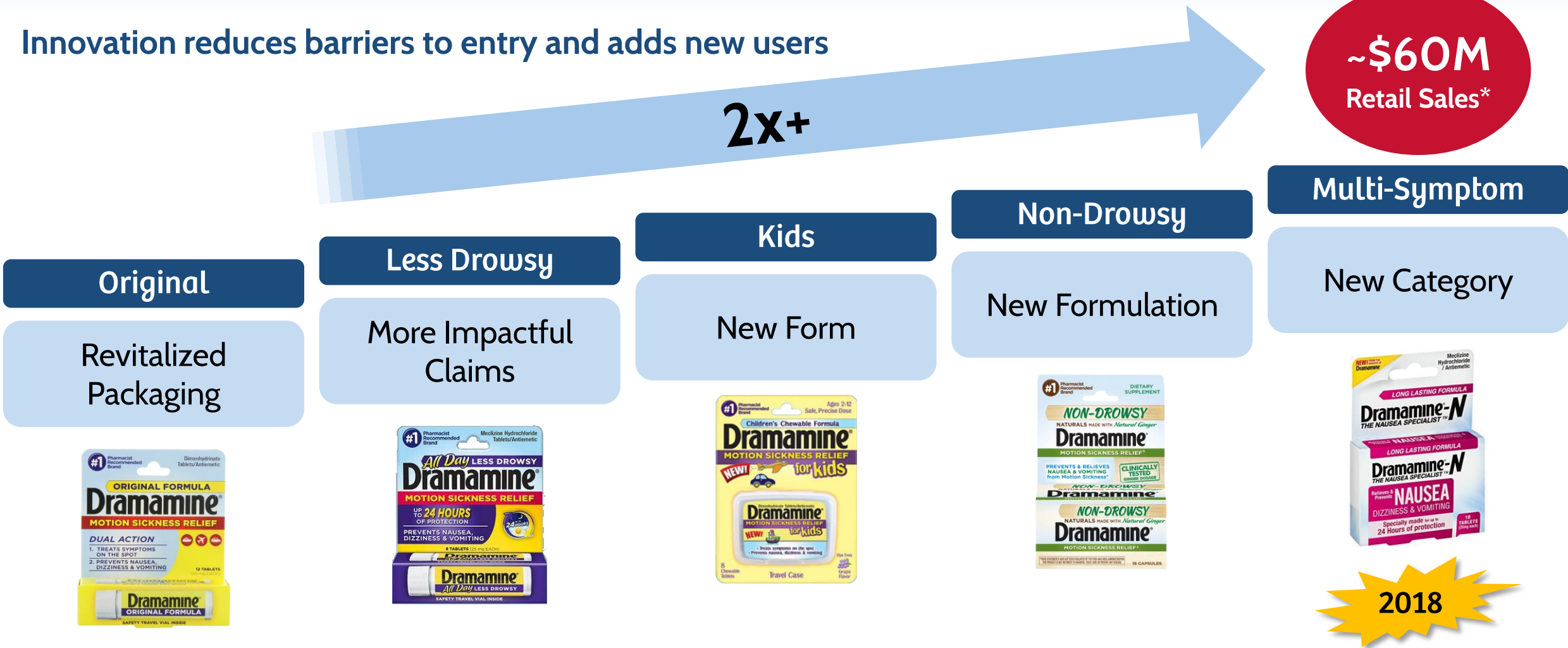


Extend Brand Through Better Consumer Experience or Claims	✓	✓	✓	✓	✓	✓
Innovate Through Technology	✓	✓		✓	✓	
Expand Brand in New Channels or Categories	Monthly Cycle	Professional Alternative	Nausea	Shampoo	Professional Alternative	Cough Suppressant

Proven Long-Term Success Executing Against our Playbook

Dramamine®

Innovation reduces barriers to entry and adds new users



~\$60M
Retail Sales*



2012



2018

*U.S. IRI MULO + C-store for the 52 weeks ended 3-24-19

Continuing to Win Across Categories Through Brand Building

Top PBH Brands	Rank	U.S. Market Share*	FY19 vs Category
Summer's Eve	#1	55%	-
Monistat	#1	60%	+
BC/Goody's	#1	100%/5%***	+
Clear Eyes	#1	25%	-
DenTek	#2	25%	-
Dramamine	#1	50%	+
Luden's	#3	5%	-
Fleet	#1	50%	+
Compound W	#1	45%	+
Chloraseptic	#1	45%	+
Nix	#1	20%	+
Hydralyte**	#1	90%	+

History of Winning

Continued in FY19

~2.5x

Average Share vs. Largest Competitor

10 of 12

Top Brands Are Market Leaders

*Approximate Market Share Reflects U.S. IRI MULO + C-store for the 52 weeks ended 3-24-19

**Hydralyte is IRI Australia data for the Grocery and Pharmacy channel for the 52 weeks ended 3-17-19

***Represents share in analgesic powders and analgesic tabs/powders respectively

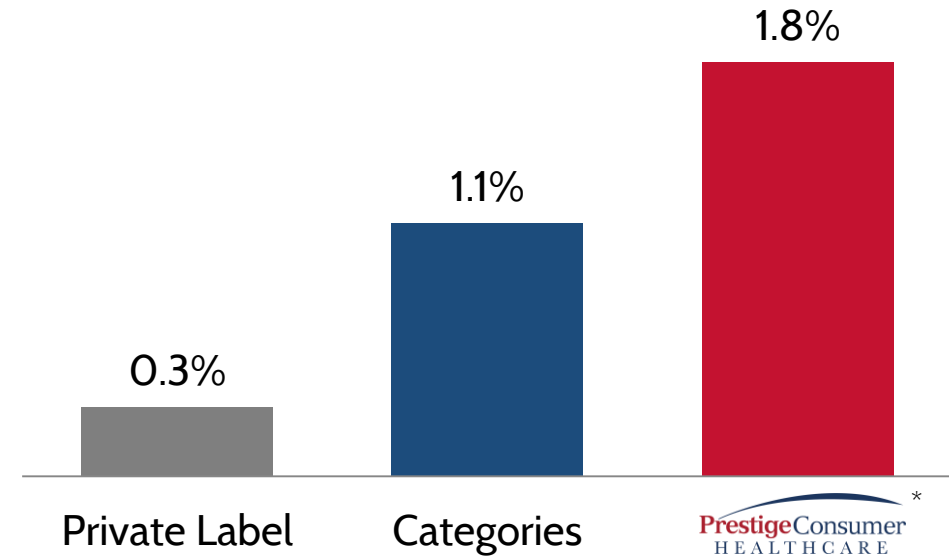
Brand-Building Drives Category Growth and Share Gains

Long-Term Brand-Building Toolkit

- Leverage portfolio's **long-standing brand heritage** with **focused digital and content marketing**
- **Develop consumer insights** to refine brand-building efforts
- **Focus new product development on attractive opportunities** that are key to category growth
- Capitalize on **new channel development opportunities**

Growing the Category and Outpacing Private Label

2018 Performance Consumption Growth



Brand-Building Differentiates versus Private Label and Branded Competition

Source: IRI MULO Data + C-Store retail dollar sales for 52 weeks ended 12/30/18; Categories include those pertaining to PBH's domestic power core and core brands

* Prestige is adjusted to include certain e-commerce and club shipment data

III. Financial Profile and Capital Allocation

Compound W
WART REMOVER

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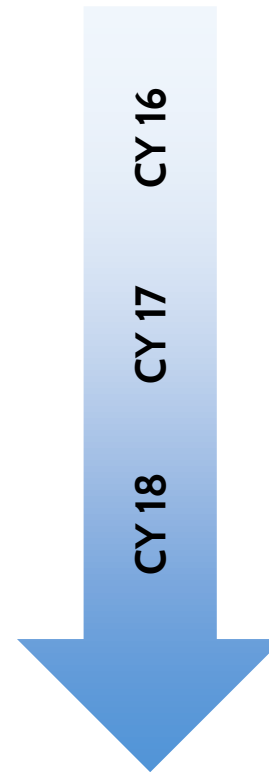
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Cash Generation: Strong Financial Profile Enables Capital Allocation Alternatives

Key Attributes and Positioning

- Debt at June 30 of ~\$1.8 billion and leverage ratio of 5.0x⁽⁴⁾
 - Target leverage ratio of between 3.5x to less than 5.0x
 - Expect to reach ~4.7x leverage by year-end FY 20 if remaining cash flows used for debt reduction
- High Free Cash Flow Generation
 - Portfolio characteristics drives solid EBITDA margins
 - Strong FCF conversion (minimal capital outlays, low cash tax rate via tax attributes)
- A&P reinvestment to drive top-line growth
- Maintain approximate mid-30s EBITDA margin over time

Timeline of Recent Capital Allocation Decisions



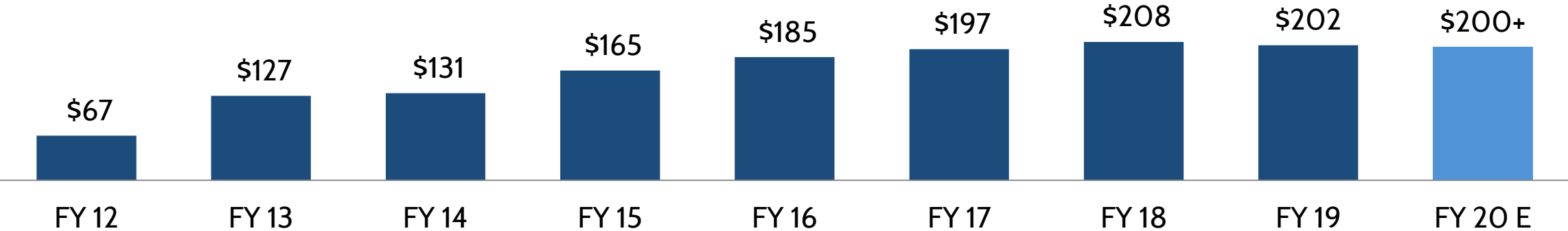
- Acquisition of DenTek brand for \$220 million
- Divestiture of 7 non-core brands for \$110 million gross proceeds

- Acquisition of C.B. Fleet portfolio for \$825 million

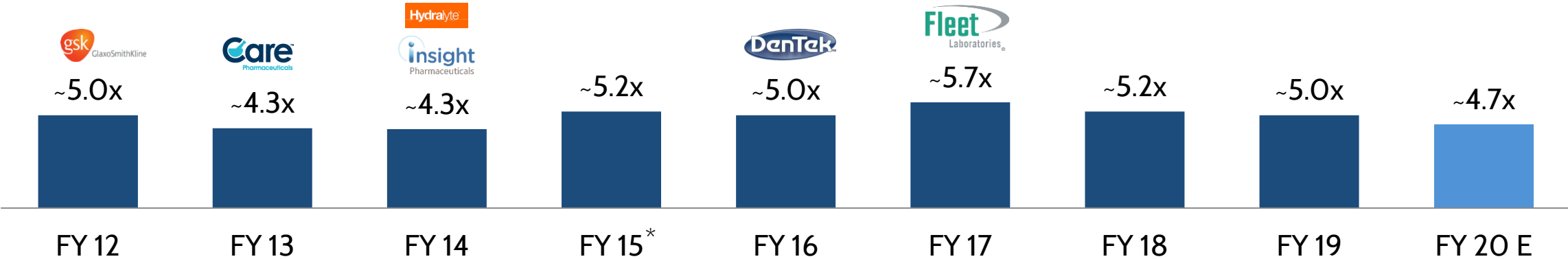
- Opportunistic \$50 million share repurchase
- Divestiture of Household segment enabled \$50 million of incremental debt paydown and capital redeployment

Strong and Consistent Cash Flow Leads to Rapid De-Levering

Adjusted Free Cash Flow⁽²⁾⁽⁴⁾



Leverage Ratio⁽³⁾

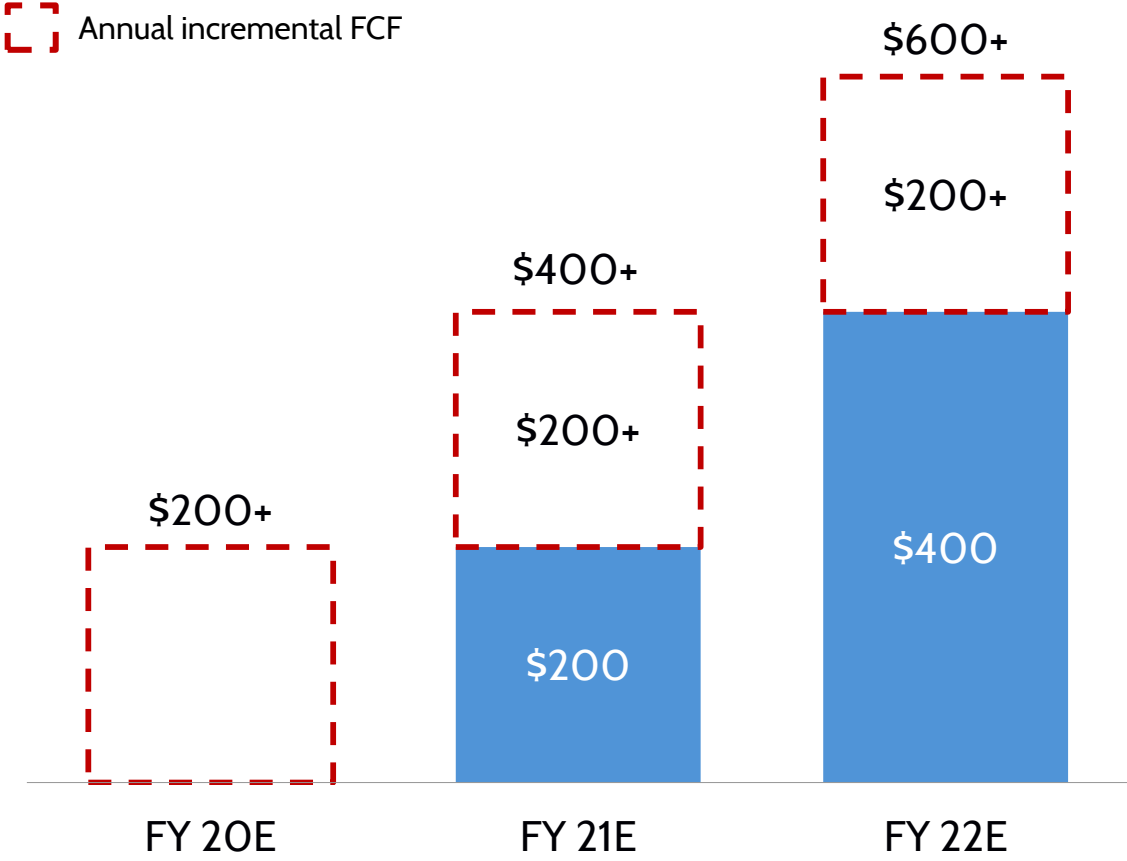


Dollar values in millions.

* Peak leverage of 5.75x at close of the Insight Acquisition in September 2014

Strategically Prioritize Free Cash Flow to Enhance Value

Illustrative Free Cash Flow⁽⁴⁾ Generation



Continued Strategy of De-Leveraging

Share Repurchases

Pursue M&A that is Accretive to Shareholders

IV. The Road Ahead

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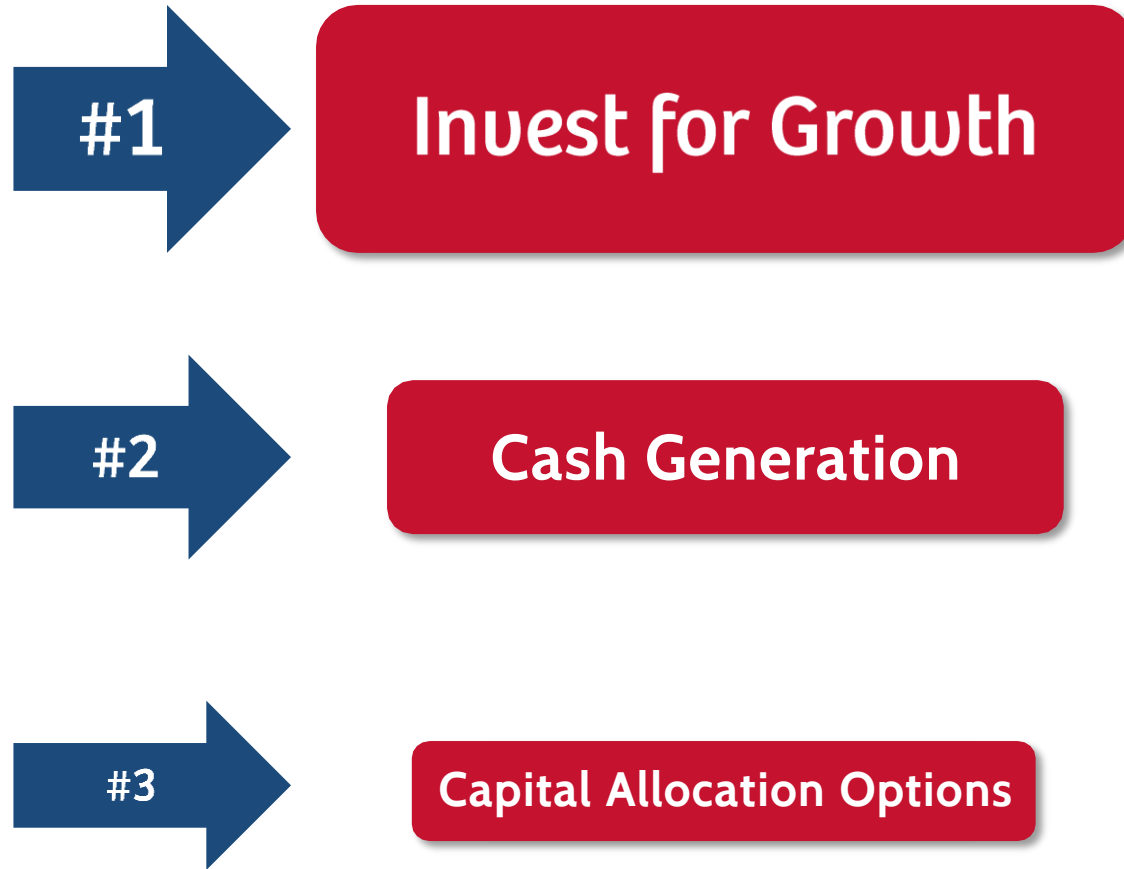
MONISTAT

Gaviscon
and it's gone

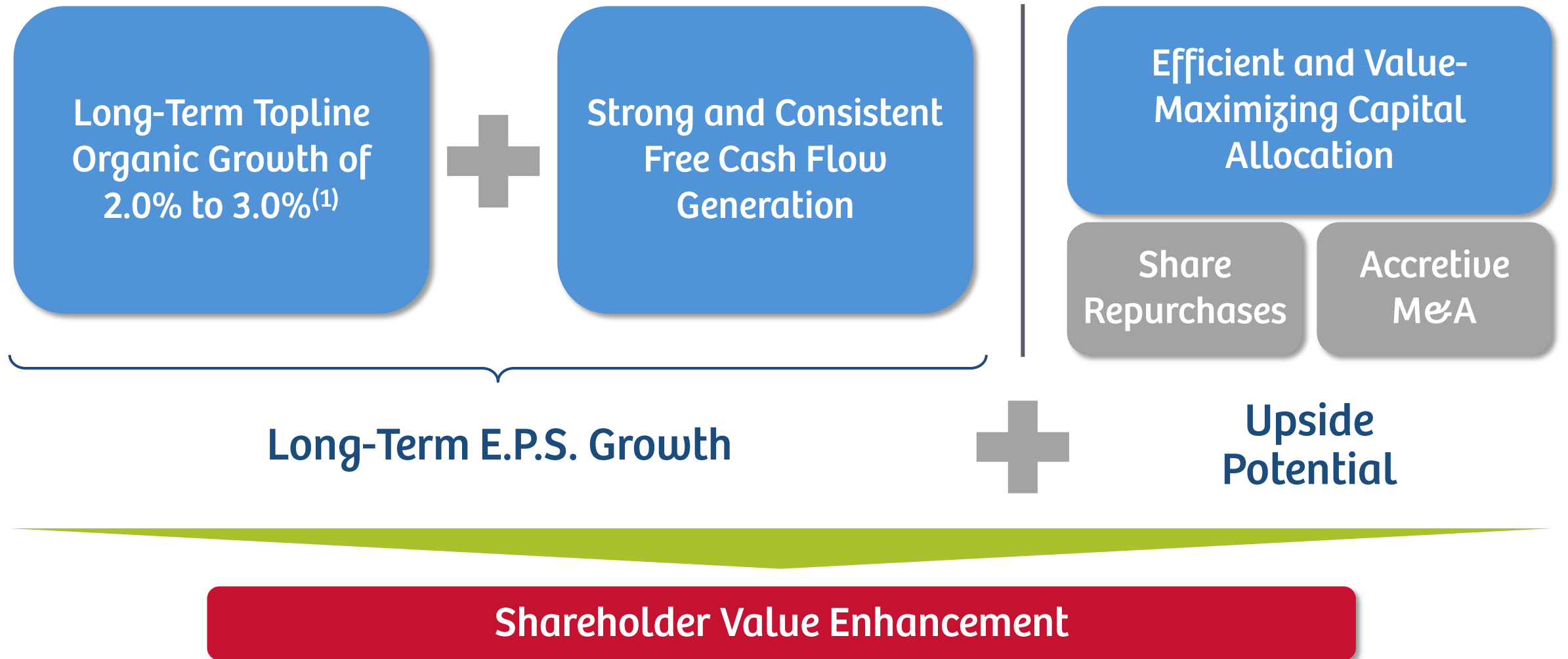
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Proven, Consistent & Repeatable Strategy



Our Long-Term Value Creation Strategy



Appendix

- (1) Organic Revenue is a Non-GAAP financial measure and is reconciled to the most closely related GAAP financial measure and defined in our August 1, 2019 earnings release in the “About Non-GAAP Financial Measures” section.
- (2) Adjusted Free Cash Flow and Net Debt are Non-GAAP financial measures and are reconciled to their most closely related GAAP financial measures in the attached Reconciliation Schedules and / or in our August 1, 2019 earnings release in the “About Non-GAAP Financial Measures” section.
- (3) Leverage ratio reflects net debt / covenant-defined EBITDA.
- (4) Adjusted Free Cash Flow for FY 20 is a projected Non-GAAP financial measure, is reconciled to projected GAAP Net Cash Provided by Operating Activities in the attached Reconciliation Schedules and / or in our August 1, 2019 earnings release in the “About Non-GAAP Financial Measures” section and is calculated based on projected Net Cash Provided by Operating Activities less projected capital expenditures plus payments associated with the integration of our new logistics provider.

Reconciliation Schedules

Adjusted Free Cash Flow

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
GAAP Net Income	\$ 65,505	\$ 72,615	\$ 78,260	\$ 99,907	\$ 69,395	\$ 339,570	\$ (35,800)
Adjustments							
Adjustments to reconcile net income to net cash provided by operating activities as shown in the statement of cash flows	59,497	52,562	65,998	98,181	92,613	(113,698)	233,400
Changes in operating assets and liabilities, net of effects from acquisitions as shown in the statement of cash flows	12,603	(11,945)	13,327	(21,778)	(13,336)	(15,762)	(8,316)
Total adjustments	<u>72,100</u>	<u>40,617</u>	<u>79,325</u>	<u>76,403</u>	<u>79,277</u>	<u>(129,460)</u>	<u>225,084</u>
GAAP Net cash provided by operating activities	137,605	113,232	157,585	176,310	148,672	210,110	189,284
Purchases of property and equipment	(10,268)	(2,764)	(6,101)	(3,568)	(2,977)	(12,532)	(10,480)
Non-GAAP Free Cash Flow	127,337	110,468	151,484	172,742	145,695	197,578	178,804
Premium payment on 2010 Senior Notes	-	15,527	-	-	-	-	-
Premium payment on extinguishment of 2012 Senior Notes	-	-	-	10,158	-	-	-
Accelerated payments due to debt refinancing	-	4,675	-	-	9,184	182	-
Integration, transition and other payments associated with acquisitions	-	512	13,563	2,461	10,448	10,358	10,902
Pension contribution	-	-	-	-	6,000	-	-
Additional income tax payments associated with divestitures	-	-	-	-	25,545	-	12,656
Total adjustments	<u>-</u>	<u>20,714</u>	<u>13,563</u>	<u>12,619</u>	<u>51,177</u>	<u>10,540</u>	<u>23,558</u>
Non-GAAP Adjusted Free Cash Flow	<u>\$ 127,337</u>	<u>\$ 131,182</u>	<u>\$ 165,047</u>	<u>\$ 185,361</u>	<u>\$ 196,872</u>	<u>\$ 208,118</u>	<u>\$ 202,362</u>

Dollar values in thousands

Reconciliation Schedules Cont'd

Projected Free Cash Flow

	2020 Projected Free Cash Flow
<i>(In millions)</i>	
Projected FY'20 GAAP Net Cash provided by operating activities	\$ 205
Additions to property and equipment for cash	(15)
Projected Non-GAAP Free Cash Flow	190
Payments associated with integration of new logistics provider	10
Non-GAAP Adjusted Free Cash Flow	\$ 200