



PrestigeBrands

Presentation to :

Morgan Stanley Leveraged Finance Conference

Ron Lombardi, CFO

June 12, 2014

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 about the Company’s ability to seamlessly integrate the Insight and Hydralyte acquisitions, the synergies, efficiencies and accretion expected from the acquisitions, the sources of financing for the acquisitions, the timing of closing and integration of the acquisitions, the expected growth and market position of the acquired brands, the Company’s expansion, cash expected to be generated from the acquired businesses, the Company’s support for the acquired brands and investment in product expansion, expected tax savings and value creation, anticipated transaction expenses, the Company’s ability to delever, and the Company’s future financial performance. Words such as “continue,” “will,” “expect,” “anticipate,” “target,” “seek,” “towards,” “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, failure to satisfy the closing conditions for the acquisitions, the failure to successfully integrate the Insight or Hydralyte businesses, general economic and business conditions, competitive pressures, unexpected costs, the effectiveness of the Company’s brand building investments, lower than expected cash flow or tax savings from the acquisitions, fluctuating foreign exchange rates, 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, 2014 and Part II, Item 1A in the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2014. 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 securities laws, 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.

About Prestige Brands Holdings, Inc. (NYSE-PBH)

Prestige Brands is the largest independent OTC products company in North America. The Company markets and sells well-known, brand name over-the-counter healthcare and household cleaning products throughout the U.S., Canada, Australia and certain other international markets. We operate in niche segments within these categories in which the strength of our brand names, our established retail distribution network, a low-cost operating model and experienced management team are key to our success.

Agenda for Today's Discussion

I. Overview of Acquisition Activity

II. Brand Building in Action

III. Outlook and Road Ahead: FY2015

I. Overview of Acquisition Activity

Delivering Against the Drivers of Our Stated Long-Term Value-Creation Strategy

Core OTC Growth
Exceeding
Industry Average



High Free
Cash Flow
Generation



Proven
and Repeatable
M&A Strategy

Brand
Building

Clear
eyes

BC
Goody's

Dramamine

FESS

Transitional
Year
Factors

1

Retailer Dynamics

2

Competitive
Product Returns

3

Cough/Cold
Dynamics

High EBITDA
Margins

Significant Tax
Attributes

Minimal CapEx



High Free
Cash Flow

\$129 MM⁽¹⁾

Care
Pharmaceuticals

Hydralyte

insight
Pharmaceuticals

Adjusted E.P.S of \$1.53⁽¹⁾ Above High End of Prior Guidance of \$1.48 to \$1.52

Notes:

(1) Non-GAAP financial measures are reconciled in schedules in our earnings release in the "About Non-GAAP Financial Measures" section.

Acquisitions Continue the Transformation of Prestige by Expanding into Attractive OTC Segments and Geographies















Six Acquisitions Completed in Past Five Years Have More Than Tripled Prestige's OTC Business

Overview of Recently Announced Acquisitions

- **Prestige Brands announced an agreement to acquire Insight Pharmaceuticals Corporation (“Insight”) for US\$750 million**
 - As part of the transaction, Prestige will acquire tax attributes with a present value of approximately \$100 million, which would result in an effective purchase price of approximately \$650 million
 - Purchase price represents approximately 8x Pro Forma Adjusted EBITDA, including synergies and expected supply-chain efficiencies, and net of present value of tax benefits
- **As announced on April 15th, Prestige also acquired Hydralyte™ (“Hydralyte”) for an undisclosed sum; closed on 4/30/14**
- **Acquisition of Insight adds a compelling platform of scale in the Feminine Care OTC category**
 - Addition of a portfolio of feminine care brands, anchored by Monistat®, a \$100+ million brand with a #1 position
 - Operating model consistent with Prestige and will enable a seamless integration
- **Acquisition of Hydralyte™ drives further expansion of highly attractive Australasia geography**
 - Leading and rapidly growing oral rehydration OTC brand in Australia and New Zealand
 - Doubles Care Pharma subsidiary revenues to approximately AUD\$50 million and puts Prestige on path towards an AUD\$100 million Australasian business
- **The transactions are expected to be immediately accretive to E.P.S and Free Cash Flow, excluding transaction, integration and purchase accounting items**
- **The transactions are expected to be financed with cash on hand, availability through Prestige’s revolving credit agreement, and an add-on to Prestige’s existing Term Loan**
- **Insight acquisition is targeted to close in the first half of the Company’s fiscal year, subject to regulatory approval**

Prestige Continues to be an Aggressive and Disciplined Acquirer

						
Key Brands						
# of Key Brands:	3	1	5	1	1	3
Source:	Private Equity	Large U.S. Pharma	Large U.K. Pharma	Private	Private	Private Equity
Type of Transaction:	Going Concern	Brand Sale	Carve-Out	Going Concern	Brand Sale	Going Concern
Process:	Exclusive	Semi-Exclusive	Competitive	Exclusive	Competitive	Exclusive

Different Types
of Transactions

Different Deal
Dynamics

Different Types
of Counterparties

Different
Challenges

Insight Pharmaceuticals Overview



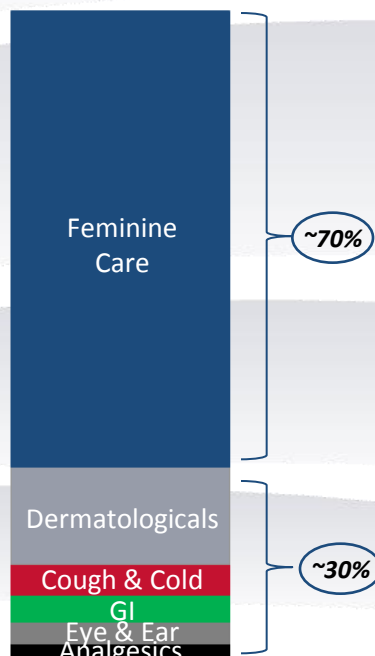
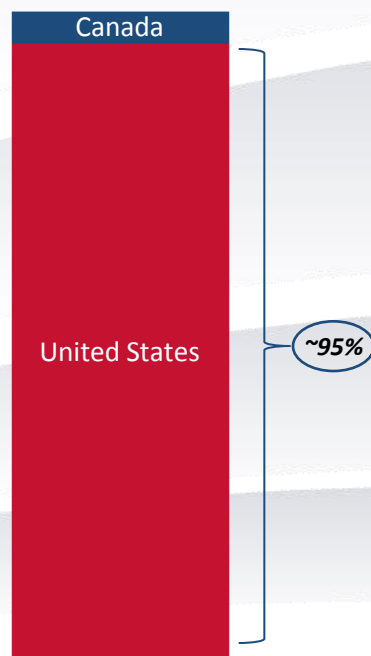
Business Mix

Business Overview

Geographic Profile

Category Profile

~\$175 Million



- Insight is a marketer and distributor of feminine care and selected other OTC brands

- Key feminine care brands include:

MONISTAT® ept URISTAT® VITRON-C

- Select other niche, need-based brands include:

Nix® Styx AURO® DERMAREST

- Virtual operating model with outsourced manufacturing, sales and distribution functions

- Net Sales of approximately \$175MM and Pro Forma Adjusted EBITDA of approximately \$80MM⁽¹⁾

(1) Pro Forma Adjusted EBITDA is a Non-GAAP financial measure and is arrived at by taking Pro Forma Net Income of \$7 million and adding back depreciation and amortization of \$12 million, interest expense of \$35 million, income taxes of \$4 million and transition, integration and purchase accounting items of \$22 million to arrive at \$80 million

Addition of New, \$125MM+ Platform in Feminine Care

MONISTAT® Get the Cure. Get MONISTAT.®



- #1 and only branded offering in the yeast infection treatment category
- Nearly 40-year brand heritage
- Rx heritage positioning – approved for OTC use in 1991
- #1 Dr. Recommendation
- Gold standard efficacy
- Marketed in the U.S. and Canada



- e.p.t. has a nearly 40-year heritage as America's first home pregnancy test
 - #1 Pharmacist Recommendation
- Uristat provides relief from UTI pain
- Vitron-C is an iron supplement for a common form of nutritional deficiency during pregnancy
- Highly complementary to Monistat offering

Compelling Strategic and Financial Rationale: Meaningful Addition to Our OTC Portfolio



- **Adds new, attractive scale OTC platform in Feminine Care**
 - Strong brand and consumer franchises; Monistat becomes Prestige's largest brand
 - Market-leading #1 brand with 53% market share⁽¹⁾
- **Highly attractive financial profile**
 - Accretive to overall gross margin and EBITDA margin profile
 - Well aligned with Prestige's outsourced operating model
 - Limited incremental overhead provides leverage on existing cost structure
 - Highly cash generative and meaningfully accretive to earnings
- **Clear path for long-term value creation**
 - Increased brand support and new product pipeline are key to capturing full value of the brand equity
 - Additional acquisition opportunities in the feminine care space

Transaction Meets Prestige's Disciplined Strategic, Execution and Financial Acquisition Criteria

(1) IRI Multi-Outlet retail dollar sales for the latest 52-week period ending March 23, 2014

Hydralyte Overview

Hydralyte™

Business Overview

- Hydralyte was launched in 2001
- Brand has demonstrated exceptional growth
- Hydralyte is the market leader in Australian pharmacy OTC Oral Rehydration with 82% market share
- Six products approved to treat dehydration in newborns, infants, children, adults and the elderly
- Acquisition includes all assets relating to marketing the brand in Australia and New Zealand; expected seamless integration into Care subsidiary
- Net Sales of AUD\$25 million

Comprehensive Product Offering



Hot/
Dry Condition



Vomiting &
Diarrhea



Sports



Travel



Alcohol



Workplace

Compelling Strategic and Financial Rationale: Expansion of Prestige's International Business



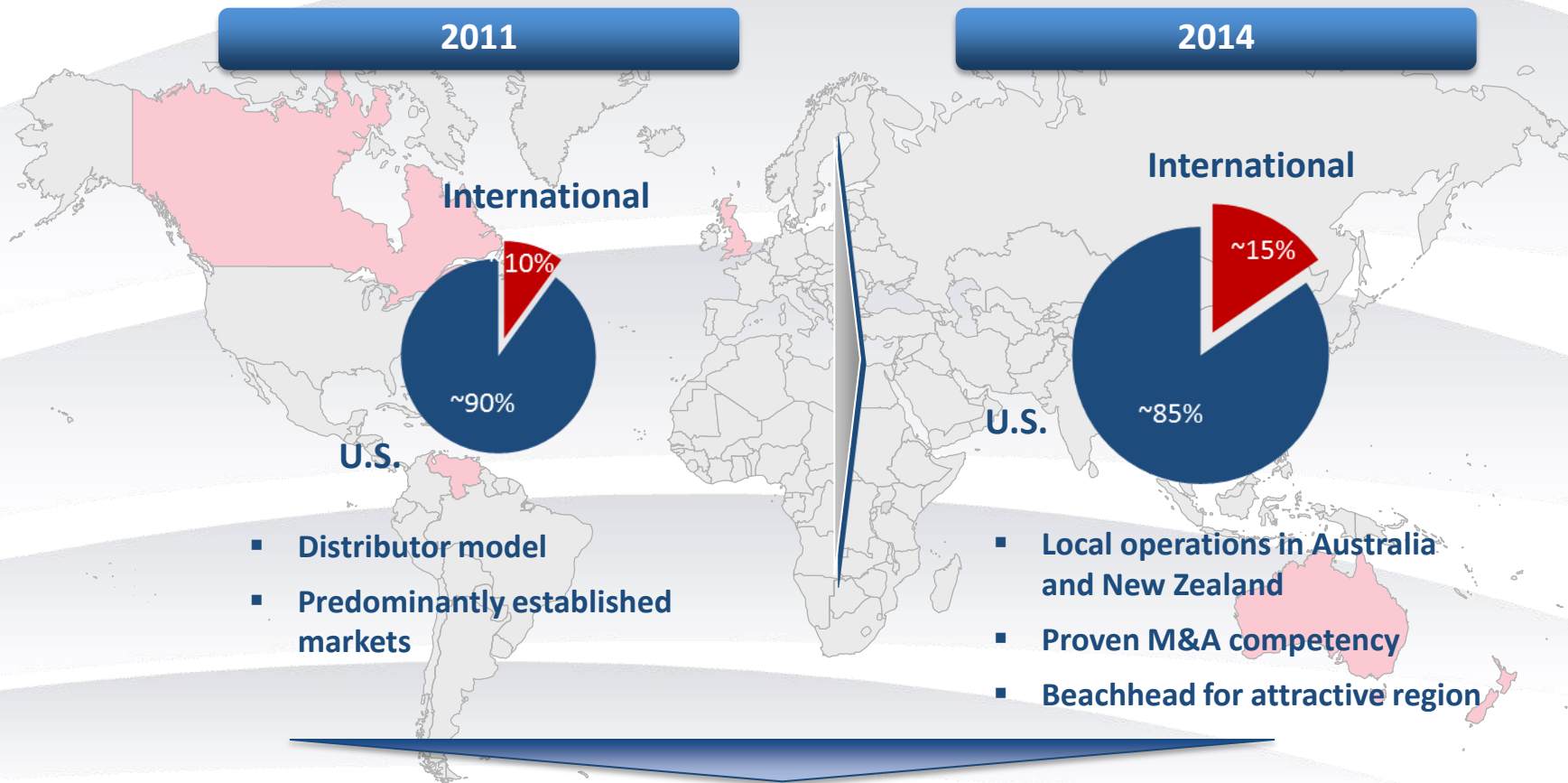
- **Adds growing, market leading brand in Australasian OTC category**
 - #1 position in growing oral rehydration category
 - Strong strategic fit; doubles Prestige's scale in Australasian geography
 - Rich brand extension opportunity set
 - Well aligned with Prestige's international distribution channels, marketing approach, supply chain, and regulatory approach

- **Highly attractive financial profile**
 - Gross margins and contribution margins that allow for increased investment in brand building and new products
 - Leverages Care Pharma's "go to market" model and resources, creating meaningful synergies and benefits
 - Doubles Prestige's scale in Australia while being accretive to earnings



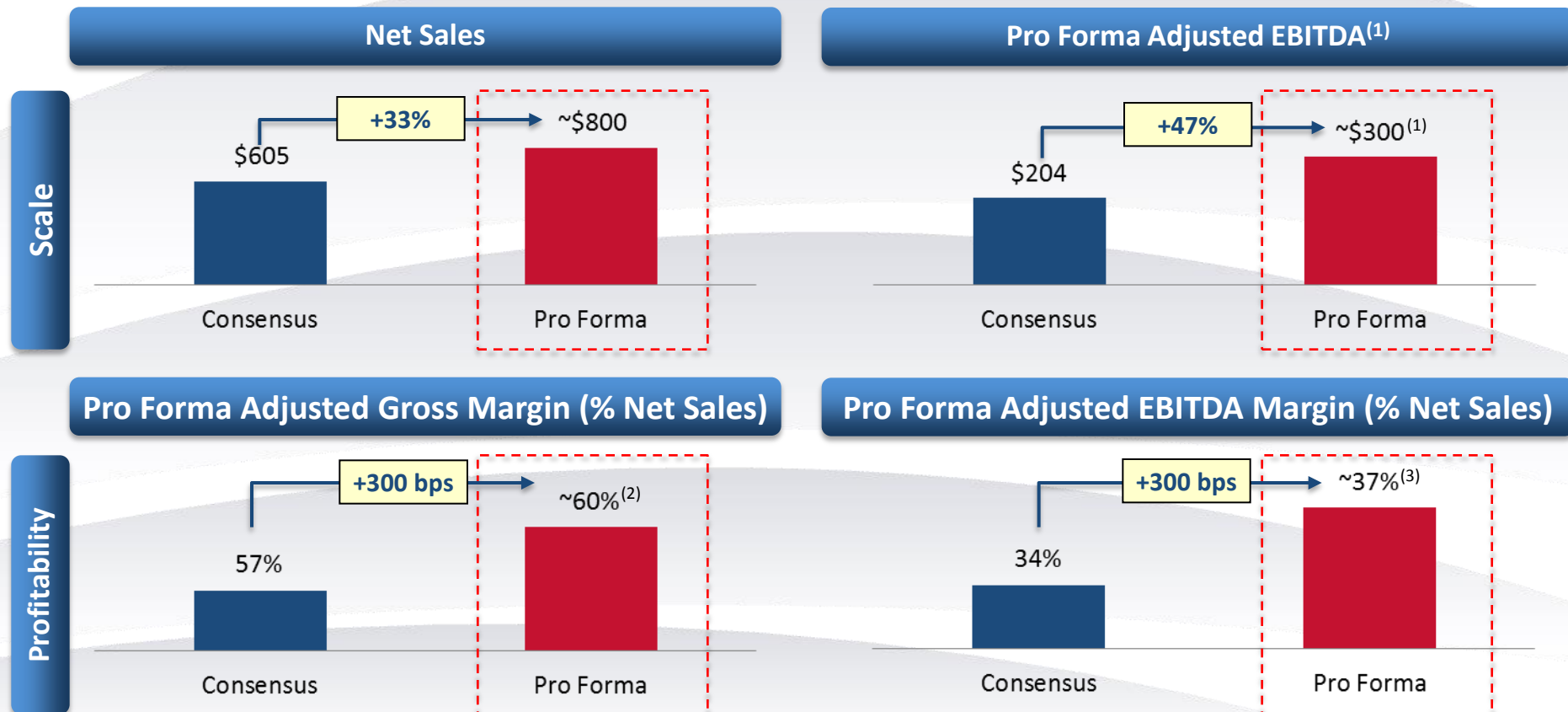
**Transaction Provides Synergistic Opportunity to Expand Presence in
Attractive Australasian Market**

Prestige has Nearly Tripled its International Business in the Last Three Years



International Business Has Grown from \$35MM to \$110MM in Last Three Years

Transactions Meaningfully Enhance Prestige's Scale and Profitability...Approx. \$800MM in Sales and \$300MM Pro Forma Adjusted EBITDA



(1) Pro Forma Adjusted EBITDA is a Non-GAAP financial measure and is arrived at by taking Pro Forma Net Income of \$89 million and adding back depreciation and amortization of \$31 million, interest expense of \$103 million, income taxes of \$52 million and transition, integration and purchase accounting items of \$25 million to arrive at \$300 million

(2) Pro Forma Adjusted Gross Margin excludes \$5 million of charges related to purchase accounting inventory step-up

(3) Pro Forma Adjusted EBITDA margin excludes depreciation and amortization of \$31 million, interest expense of \$103 million, income taxes of \$52 million and transition, integration and purchase accounting items of \$25 million

Prestige's Operating Model Generates Superior Free Cash Flow and Free Cash Flow Conversion

- Outsourced Manufacturing with **MINIMAL CAPITAL OUTLAYS**
- Highly **TAX-EFFICIENT ACQUISITIONS**
- Disciplined acquisition strategy with **PROVEN INTEGRATION SYNERGIES**

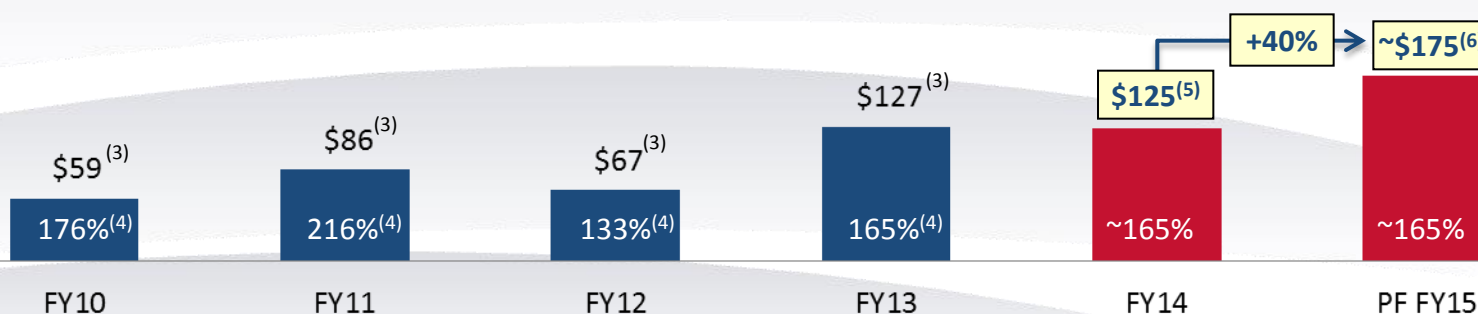
Free Cash Flow⁽¹⁾ (Free Cash Flow Conversion⁽²⁾)



Dramamine®



North American Brands



Dollar values in millions

(1) Free Cash Flow is a Non-GAAP financial measure and is defined as Net Cash Provided by Operating Activities less Capital Expenditures

(2) Free Cash Flow Conversion is a Non-GAAP financial measure and is defined as Free Cash Flow over Adjusted Net Income

(3) Free Cash Flow may be found in the Financial Highlights section of our Annual Report for the Fiscal Year ended March 31, 2013

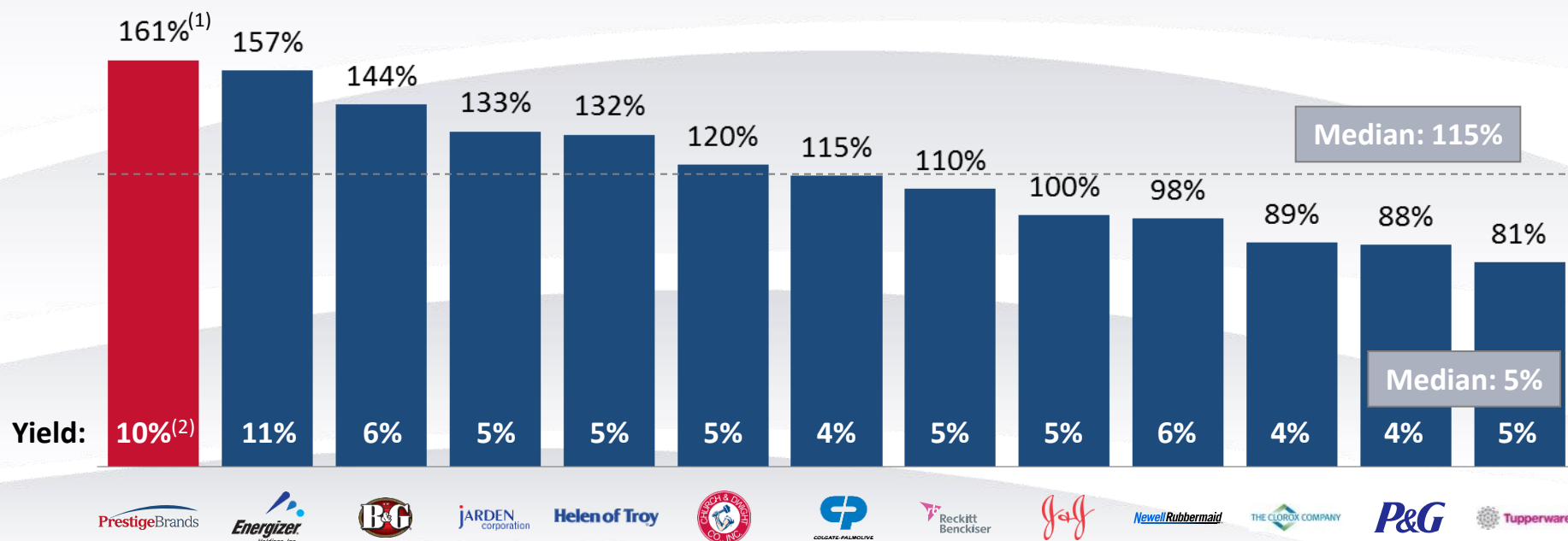
(4) Free Cash Flow Conversion utilizes the Adjusted Net Income found in the Financial Highlights section of our Annual Report for the Fiscal Year ended March 31, 2013

(5) Expected Cash Flow from Operations of approximately \$128 million less Capital Expenditures of approximately \$3 million

(6) Expected Cash Flow from Operations of approximately \$182 million less Capital Expenditures of approximately \$7 million

Prestige Continues to Have Leading Free Cash Flow Conversion With Attractive Yields

Free Cash Flow Conversion



Source: Company filings and Capital IQ

Notes: For the latest twelve month period as of April 24, 2014, the day prior to the announcement of the pending acquisition of Insight Pharmaceuticals.

(1) Free Cash Flow Conversion is a non-GAAP financial measure and is defined as Non-GAAP Operating Cash Flow less Capital Expenditures over Adjusted Net Income.

Operating Cash Flow and Adjusted Net Income are reconciled to their reported GAAP amounts in our earnings release in the "About Non-GAAP Financial Measures" section.

(2) PBH Free Cash Flow yield is calculated using non-GAAP Free Cash Flow. This non-GAAP financial measure is reconciled to net income on page 26. Free Cash Flow is reconciled to GAAP cash flow provided by operating activities in our earnings release in the "About Non-GAAP Financial Measures" section.

Tax-Efficient Acquisitions Materially Improve Free Cash Flow Conversion

		Years Remaining	Annual Tax Amortization	Annual Cash Tax Savings	Present Value
Prestige Legacy		4 – 7	\$ 35	\$ 10	\$ 50
Recent Acquisitions	 BLACKSMITH BRANDS	12	5	2	15
	Dramamine®	13	5	2	15
	 GlaxoSmithKline North American Brands	13	40	15	125
Pending Acquisitions		1 – 15	30	15	100 ⁽¹⁾
Total			~\$ 120	~\$ 45	~\$ 300

Dollar values in millions

(1) Includes NOLs

Expected Financing Structure Takes Advantage of Attractive Environment and Superior Cash Flow Characteristics

Transactions Financing

- Transactions are expected to be financed through cash on hand, availability through Prestige's revolving credit agreement, and an add-on to Prestige's existing Term Loan
- Anticipating net debt at closing of \$1,750 million
- Expect to incur transaction, integration and acquisition-related expenses of approximately \$25 million

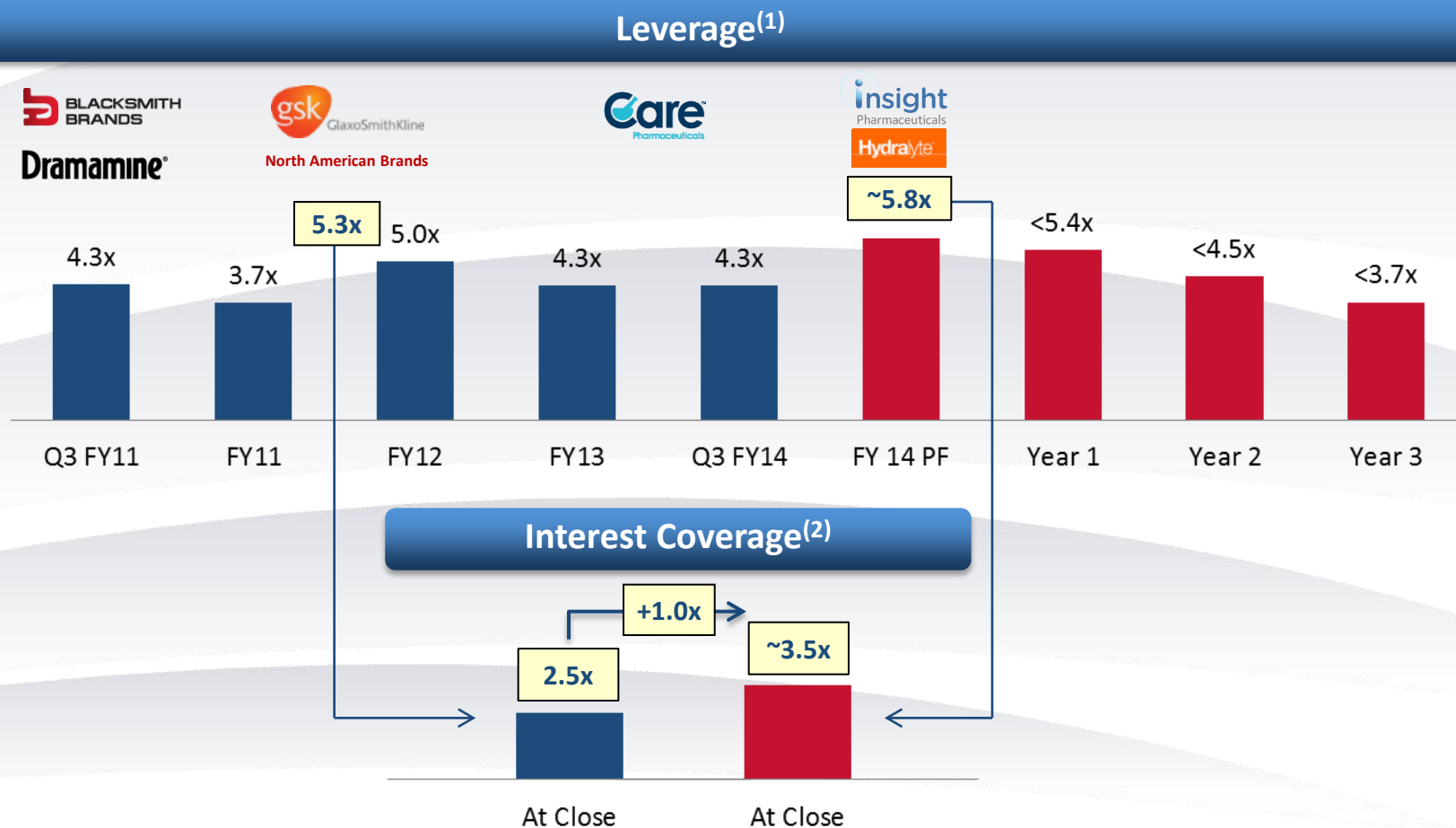
Cash Generation

- Combined Pro Forma Adjusted EBITDA and Free Cash Flow of approximately \$300 million⁽¹⁾ and approximately \$175 million⁽²⁾, respectively
- Pro-Forma net debt / Pro Forma Adjusted EBITDA of approximately 5.8x
- Interest coverage of approximately 3.5x
- Expect rapid deleveraging and strong cash flow generation

(1) Pro Forma Adjusted EBITDA is a Non-GAAP financial measure and is arrived at by taking Pro Forma Net Income of \$89 million and adding back depreciation and amortization of \$31 million, interest expense of \$103 million, income taxes of \$52 million and transition, integration and purchase accounting items of \$25 million to arrive at \$300 million

(2) Expected Cash Flow from Operations of approximately \$182 million Less Capital expenditure of approximately \$7 million

Strong Cash Flow Conversion Drives Rapid Deleveraging Consistent with Historical Acquisitions



(1) Leverage ratio reflects net debt / covenant defined EBITDA

(2) Interest Coverage reflects cash interest expense / Pro Forma covenant defined EBITDA

Proven Integration Model for Efficient and Rapid Transition of Acquired Brands



Sales & Distribution

- Integrate sales structure with Prestige's current model
- Leverage existing distribution and sales capabilities

Brand Building

- Invest meaningfully in Monistat and other acquired brands
- Leverage Care's Healthcare Professionals' endorsement and continue Hydralyte's marketing strategy

Supply Chain

- Identified significant cost savings
- Many suppliers in common with current Prestige suppliers
- Continuity plans in place
- Will seek savings going forward

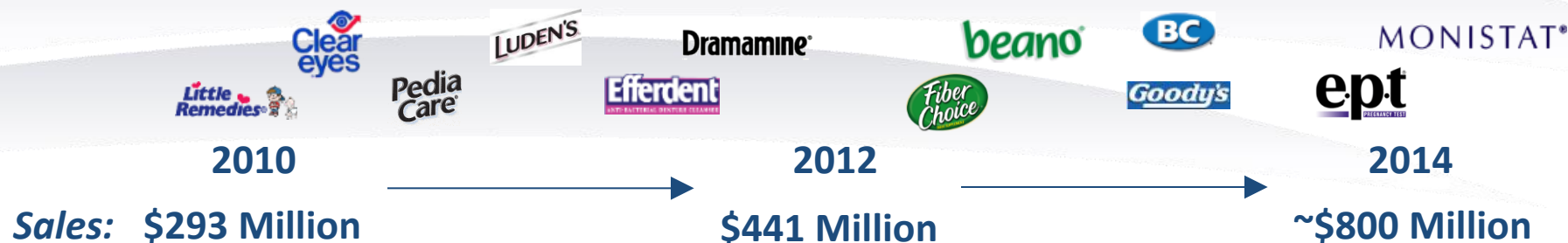
Regulatory / Quality Assurance

- Integrate RA / QA functions with Prestige's in-house capabilities
- Integrate with Care Pharma functions

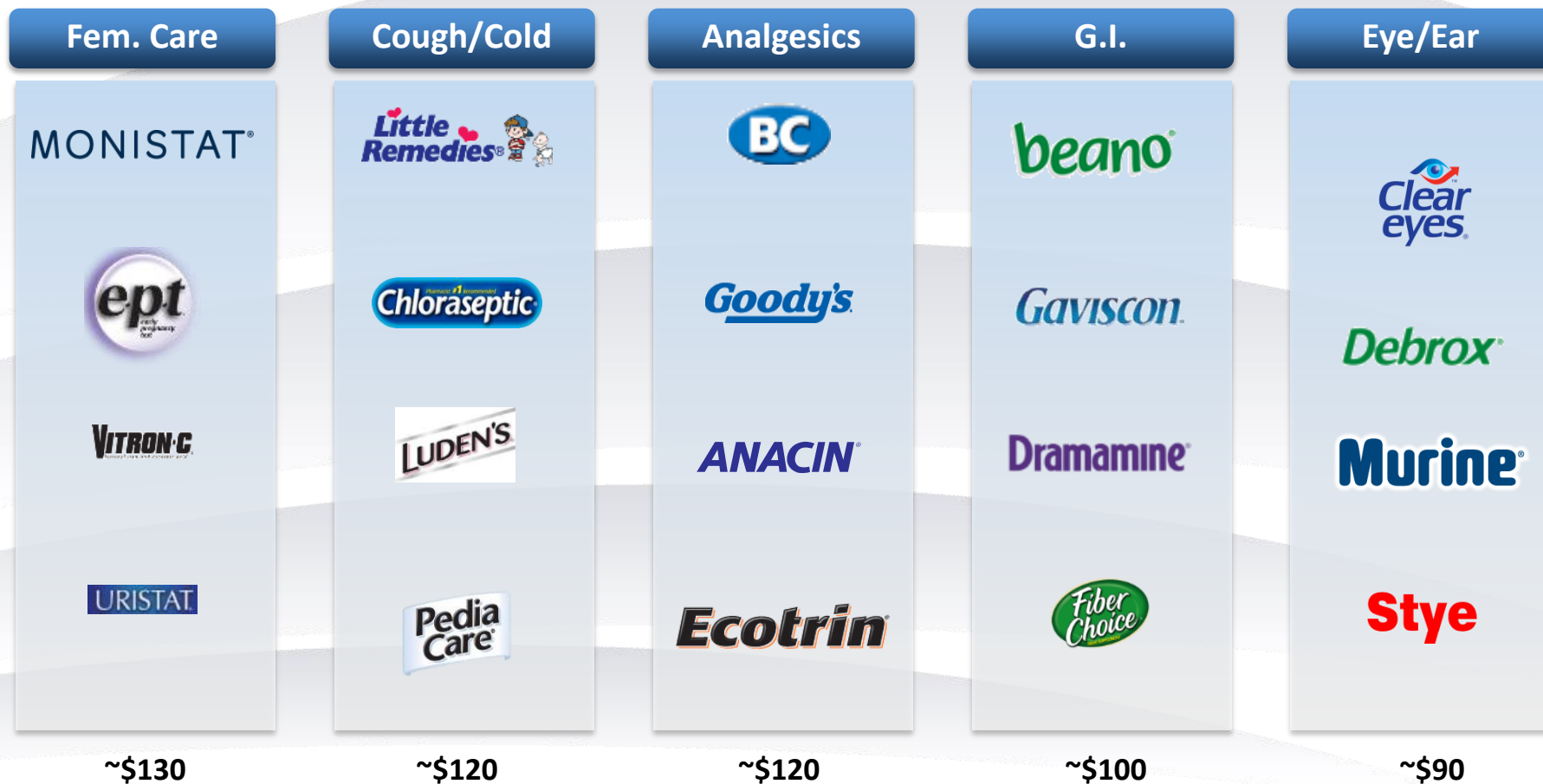
Expect Integration to be Meaningfully Complete within Six Months of Closing

Prestige Today: Investment Highlights

- Diversified **consumer healthcare company** competing in attractive OTC market
- **Portfolio of trusted brands** with durable consumer franchises across multiple strategic platforms
 - Strong positions in key OTC categories (eye/ear, cough/cold, fem. care, analgesics and G.I.)
- Proven **track record** of **strong financial** performance
 - Proven brand building initiatives
 - Industry leading margin and cash flow generation
 - Consistent M&A execution
- Proven **management team** supported by deep bench has delivered meaningful shareholder value creation



Strong Consumer Franchise Across Attractive OTC Categories



Dollar values in millions

Prestige's Transformation and the Road Ahead

	FY 2010	FY 2011	FY 2012	FY 2013	PF FY 2015
Revenue	\$293	\$336	\$441	\$624	\$800
Adj. Gross Margin	52%	53%	52%	57%	~60%
A&P (% of Sales)	11%	13%	13%	15%	15%+
Adj. EBITDA Margins ⁽¹⁾	30%	30%	30%	35%	37%+
Free Cash Flow ⁽²⁾	\$59	\$86	\$67	\$127	~\$175

The Road to a Billion and Beyond

- World Class Organization Driven by an Enduring Culture
- Preeminent Brand Building and Sales Company
- Highly Attractive Operating Model
- Proven and Repeatable M&A Strategy

Dollar values in millions

(1) Adjusted EBITDA Margins may be found in our Earnings Releases for each respective Fiscal Year ending March 31

(2) Free Cash Flow is a Non-GAAP financial measure and may be found in the Financial Highlights section of our Annual Report for the Fiscal Year ended March 31, 2013

Drivers of Our LONG-TERM VALUE-CREATION STRATEGY

**Core OTC Growth
Exceeding
Industry Average**

+

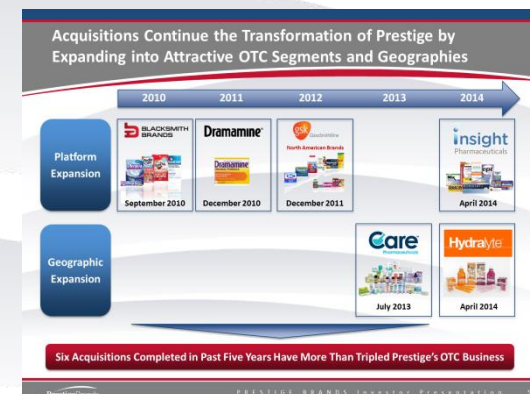
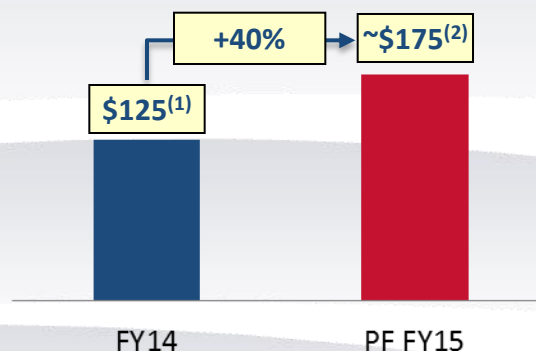
**Free
Cash Flow
Generation**

+

**Proven
and Repeatable
M&A Strategy**



Free Cash Flow



Expect Year 1 Pro Forma Adjusted E.P.S of \$1.90 – \$2.00

Dollar values in millions except for per share figures

(1) Expected Cash Flow from Operations of approximately \$128 million less Capital Expenditures of approximately \$3 million

(2) Expected Cash Flow from Operations of approximately \$182 million less Capital Expenditures of approximately \$7 million

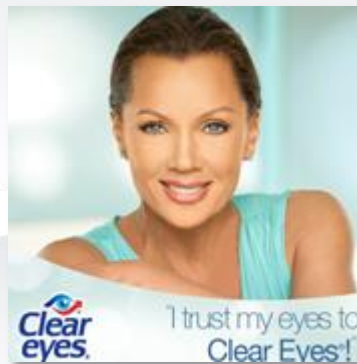


II. Brand Building In Action

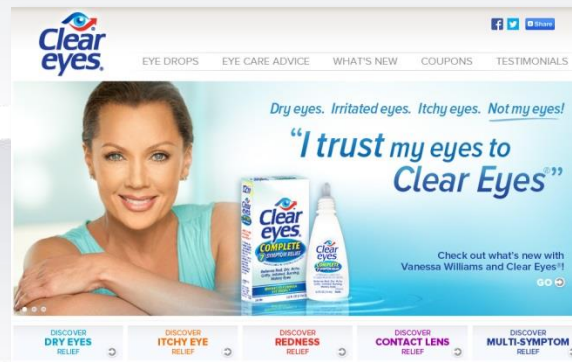
Marketing Initiatives Designed to Boost Consumption and Share Gains



Impactful TV Advertising




Strong Digital Presence



Eye Catching Display Units



- Entering allergy season with a focus on **Clear Eyes Complete**

- Steady traffic on  ,  and the Clear Eyes Website with **thousands of visits and page views**

- Create visual impact and sales at retail

Reinforced Position as #1 OTC in Redness Treatment



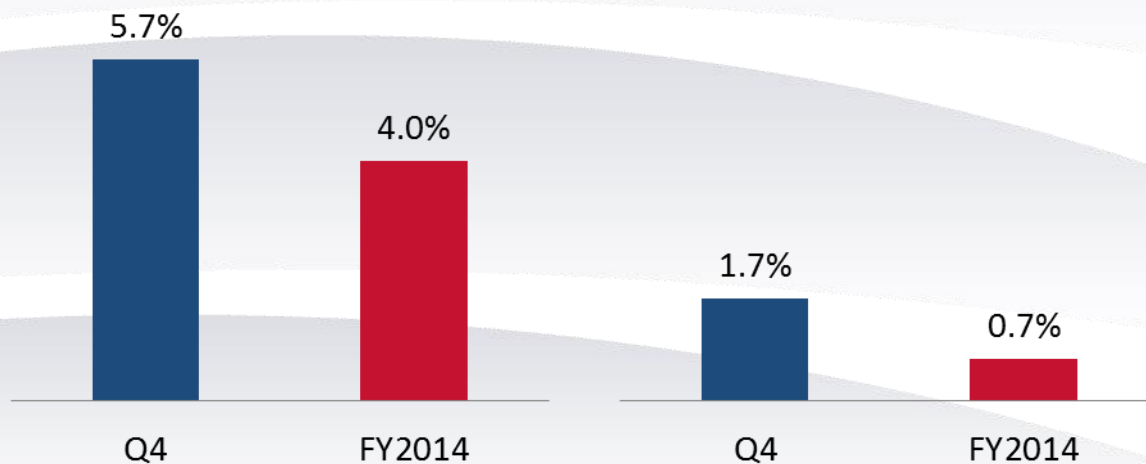
Market Position

Consumption Growth

Market Share Gains

#1

~40%
Market
Share



Source: IRI multi-outlet + convenience retail sales (redness eye drops category) as of March 23, 2014.

Note: Data reflects retail dollar sales percentage growth versus prior period.

Progress Toward Another \$100MM Platform Net Revenue Growth +16% in Two Years



NPD and Innovation

- Goody's Headache Relief Shot
- BC Cherry new product



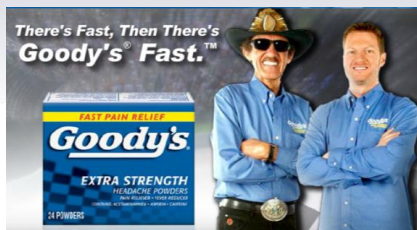
Sponsorships

- Goody's Headache Relief Shot 500 Race
- Dale Earnhardt Jr. and Goody's Paint Scheme
- SEC (BC 2013)
- Southern League (BC 2014)
- Billboards



Distribution / Consumption

- #1 Analgesic in C-store
- National distribution at Dollar General, Family Dollar, K-Mart, Hudson News, Pilot, etc.



Promotions / Social Media

- "Fastest" fan contest
- Goody's and Twitter
- Dale Jr. and Richard Petty sweepstakes
- SEC sweepstakes
- Mobile marketing (Goody's and BC)



Australian Brand Focus: Fess® Saline Sprays from Care Pharma

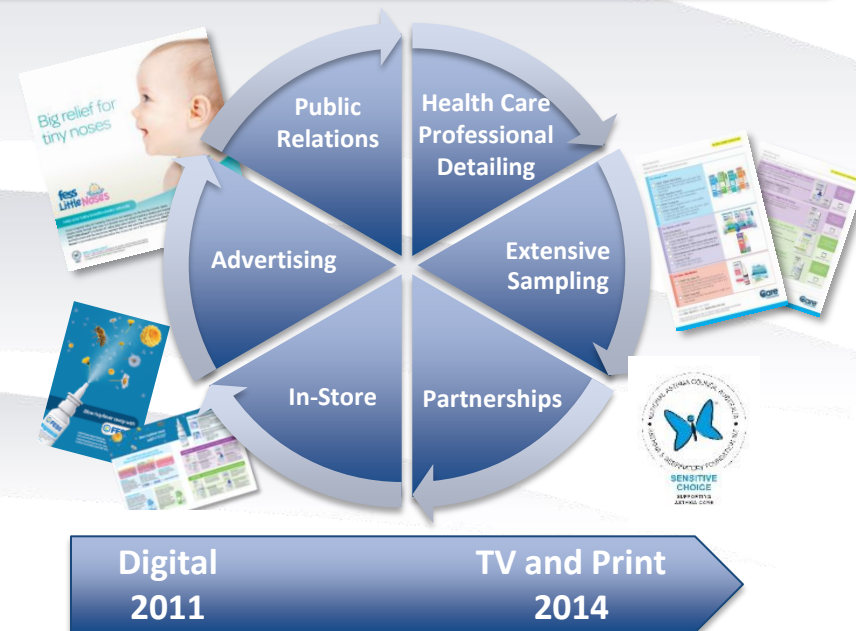


- **FESS** leads the nasal saline spray category in Australia with a portfolio of nasal sprays and washes to relieve congestion and help clean and clear blocked noses naturally
- **Care Pharmaceuticals** has driven the exceptional growth of this brand and the category by targeting a **FESS product to suit every nose, from newborn baby to adult**

Stream of Innovation

Year	Innovation
2010	Fess Sinu-Cleanse 
2011	Adult Spray with Eucalyptus 
2012	Preservative Free Adult Spray 
2012	Preservative Free Little Noses 

Expanded Brand Support



Leading Category Position Supported by Innovation and Increased Brand Investment



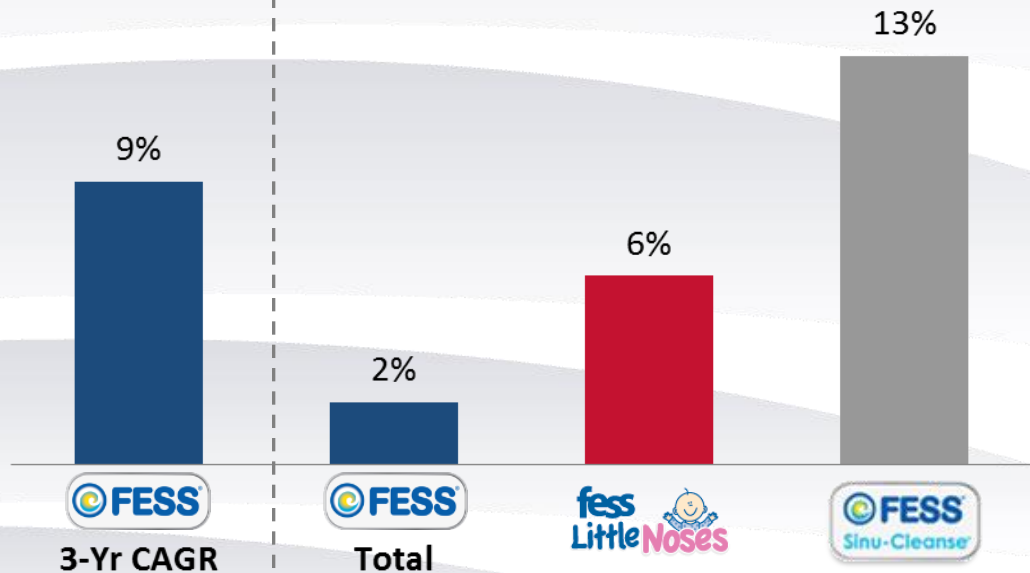
Market Position

#1

**~64% Saline
Market Share**

**~81% Baby Saline
Market Share**

Consumption Growth



Note: Data reflects retail MAT dollar sales as of March.
Source: IMS Australian Proprietary Index Data MAT MAR 2014.

III. Outlook and Road Ahead: FY2015

FY2015 Outlook: Continued Brand Building and M&A Integration Key to Strong Financial Growth

- Consumer sentiment: continued caution
 - Improving macro trends (unemployment and healthcare)
 - Brand loyalty remains important while delivering value to the consumer
- Challenging retail environment: retailers will continue to protect bottom line
 - More consumer engagement vs. consumer marketing
 - Continued investment in product innovation
 - Expanded channel development (Convenience, Dollar, Club) with key brands
- Ensure successful integration of acquisitions
 - Develop women's health platform through product innovation and health care professional marketing
 - Maintain Hydralyte momentum while increasing brand/sales support and accelerating product innovation
- Continue to deliver strong and steady financial performance in FY2015⁽¹⁾
 - Consistent high free cash flow of \$150MM
 - 15% to 18% revenue growth
 - Flat to down 3% for 1H based on strong comps and retail environment
 - Approximately 30% for 2H based on organic growth and acquisitions
 - Adjusted E.P.S growth of 15% to 20%

Note:

(1) Assumes Insight close at September 30, 2014.

Drivers of Our Long-Term Value-Creation Strategy

Core OTC Growth
Exceeding
Industry Average



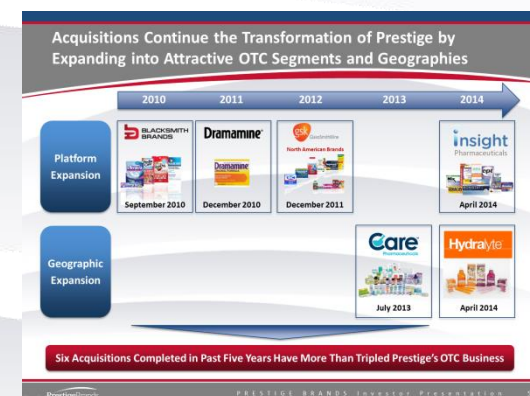
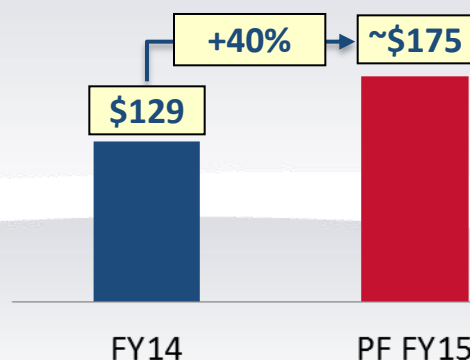
Free
Cash Flow
Generation



Proven
and Repeatable
M&A Strategy



Free Cash Flow



Expect FY2015 Adjusted E.P.S⁽¹⁾ of \$1.75 – \$1.85^(2,3)
Expect Pro Forma FY2015 Adjusted E.P.S⁽¹⁾ of \$1.90 – \$2.00⁽³⁾

Dollar values in millions except for per share figures

(1) Assumes acquisition of Insight financed solely through existing term loan.

(2) Reflects Hydralyte close of 4/30/2014 and expected Insight close of 9/30/2014.

(3) These Non-GAAP financial measures are reconciled to their most closely related GAAP financial measures in our earnings release in the "About Non-GAAP Financial Measures" section.



Prestige Brands