

# PrestigeBrands

## Who We Are and Review of 3Q Results

Raymond James Institutional Investor Conference

March 6-7, 2017



# 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 revenue growth, adjusted EPS, and adjusted free cash flow; the impact of the Fleet acquisition on revenues; the timing of the Fleet integration; the Company’s expected leverage and ability to meet financial covenants; the expected growth and market position of the acquired Fleet brands; the impact of the Fleet acquisition on the Company’s brand-building and product development initiatives; the ability to achieve synergies from the Fleet acquisition; and the Company’s ability to leverage the Fleet manufacturing facility and R&D resources. 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, difficulties successfully integrating the Fleet brands, manufacturing facility and R&D resources, supplier issues, unexpected costs or liabilities, disruptions resulting from the integration of Fleet, 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, 2016 and in Part II, Item 1A. Risk Factors in the Company’s Quarterly Report on Form 10-Q for the quarter ended December 31, 2016. 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 schedule or in our earnings release in the “About Non-GAAP Financial Measures” section.

# Agenda for Today's Discussion

- I. Who is Prestige Brands?
- II. Performance Highlights
- III. Fleet Overview
- IV. FY 17 Outlook and the Road Ahead

# I. Who is Prestige Brands?

**Compound W**  
WART REMOVER

LITTLE  
REMEDIES

eat the foods you love!  
**beano**

**Fleet**

**Efferdent**  
ANTI-BACTERIAL DENTURE CLEANSER

**Hydralyte™**

Summer's Eve®

**Clear eyes**™

**MONISTAT®**

**Dramamine**®

**BC**

**Goody's**

**Gaviscon**  
and it's gone®

**Dentek**

FAST ACTING  
**Chloraseptic**

**Nix**  
PERMETHRIN

**LUDEN'S.**

**Debrox**®

**Care**™  
Pharmaceuticals

**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. and 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.

# Helping Consumers Care for Themselves

5+  
Billion

eye drops per year



650  
Million

throat drops for every cold season



17  
Million

doses of pain relief per week

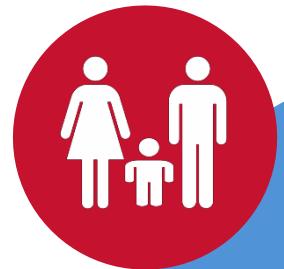


Source: Company records

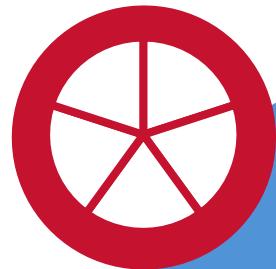
Third Quarter FY 17 Results

PrestigeBrands

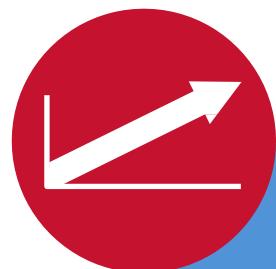
# Prestige Brands Snapshot



**Leading OTC Platform**  
in North America



**~\$1 Billion<sup>\*\*</sup>**  
in Revenue Across  
Leading OTC Franchises



**90%<sup>\*</sup>**  
Shareholder Return  
Since 2013 Investor Day  
**+2.0X vs. S&P 500**



**\$5+ Billion<sup>\*</sup>**  
Enterprise Value

\* Market data as of February 21<sup>st</sup>, 2017

\*\* Includes approximate run-rate revenue pro forma for the acquisitions of DenTek and Fleet

# 3 Key Drivers of Long-Term Shareholder Value

#1

Invest for Growth

- ~85% of portfolio now positioned for durable, consistent organic growth

#2

Debt Reduction

- Best-in-class ongoing FCF generation
- \$190M+<sup>(6)</sup> of adjusted FCF expected for FY17

#3

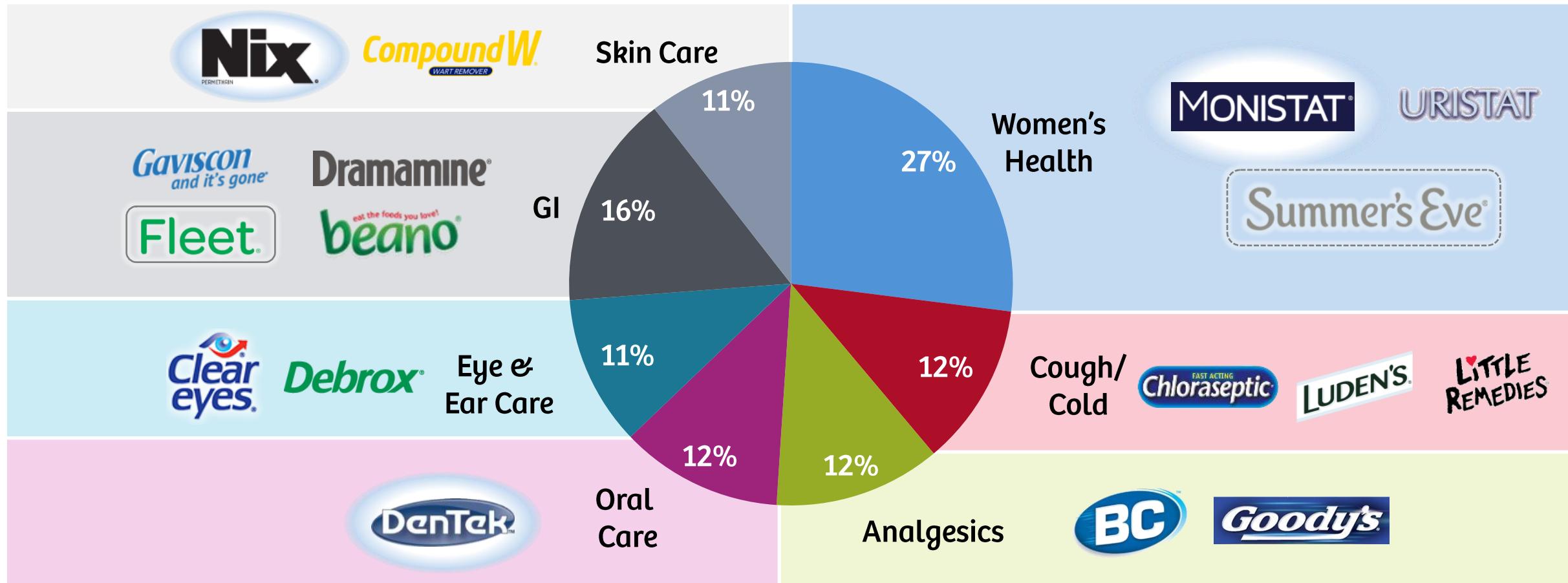
M&A

- Completed 4 acquisitions since 2013 Investor Day, plus Fleet acquisition announcement

# Repeatable and Consistently Disciplined Approach to M&A



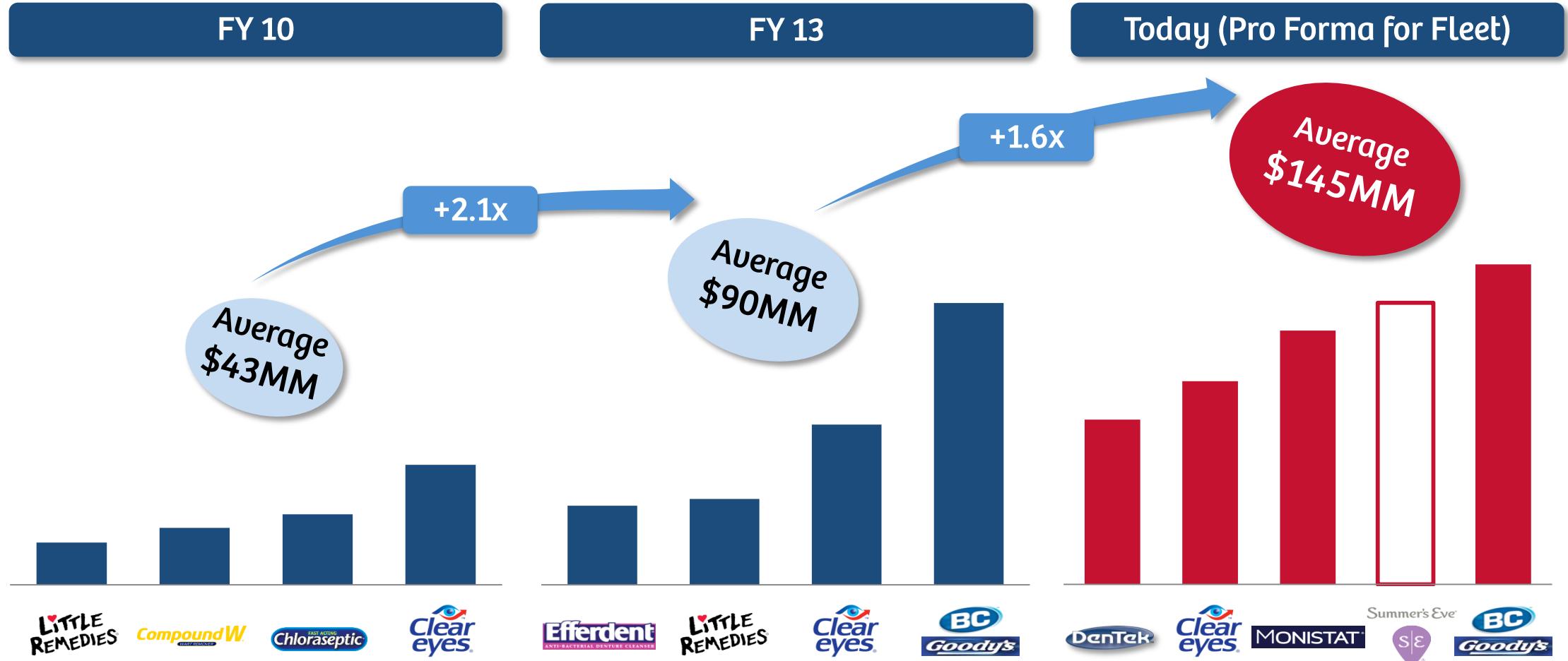
# Diversified Portfolio of Leading, Trusted Brands



Source: OTC revenues for FY 16

Note: Pro forma for DenTek and Fleet acquisitions; excludes Household

# Company Brands Firmly Average Over \$100MM at Retail



Source: IRI MULO+C-Store (Retail Dollar Sales).

## II. Performance Highlights

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# Strong Financial Performance in YTD Q3 FY 17

Revenue of \$641.4 million, up 7.2% versus YTD Q3 FY 16

Organic Revenue growth of +1.0%<sup>(1)</sup> on a constant currency basis

Adjusted EPS of \$1.83<sup>(2)</sup>, up 10.9% versus YTD Q3 FY 16

Adjusted Free Cash Flow of \$149.1 million<sup>(2)</sup>, up 10.7% versus YTD Q3 FY 16

Net debt reduction of \$251.6 million from free cash flow generation and brand divestitures

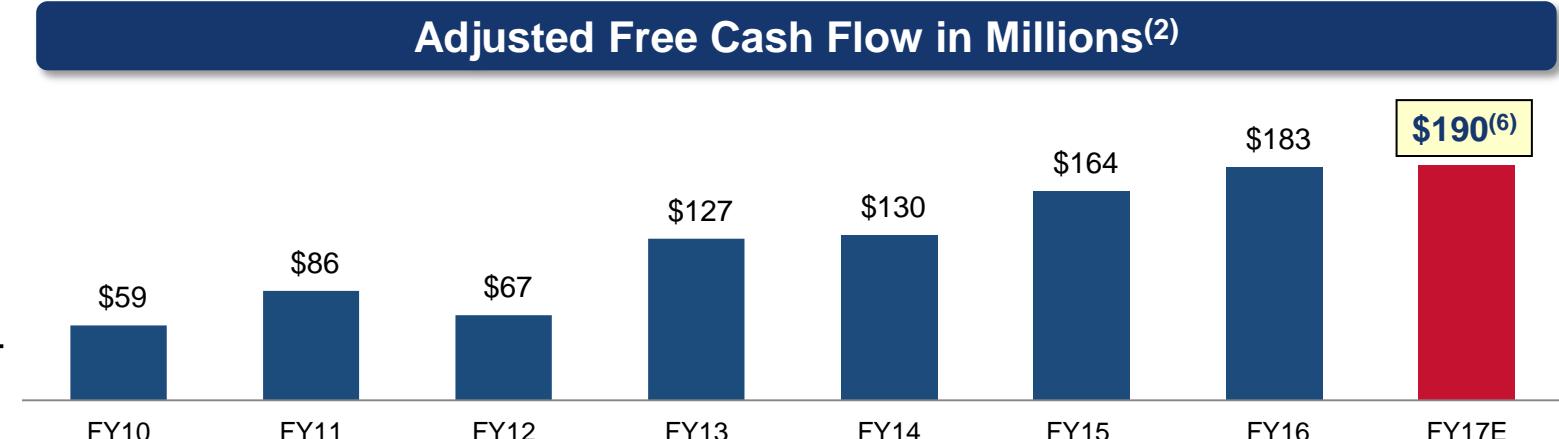
# FY 17 Third Quarter Consolidated Financial Summary

	3 Months Ended			9 Months Ended			Comments
	Three Months Ended			Nine Months Ended			
	Q3 FY 17	Q3 FY 16	% Chg	Q3 FY 17	Q3 FY 16	% Chg	
<b>Total Revenue</b>	\$ 216.8	\$ 200.2	8.3%	\$ 641.4	\$ 598.4	7.2%	<ul style="list-style-type: none"> <li>Revenue growth of +8.3%</li> </ul>
<b>Gross Margin</b>	124.5	116.8	6.6%	370.1	349.0	6.1%	<ul style="list-style-type: none"> <li>Organic growth of 2.8% excluding the impact of Fx<sup>(1)</sup></li> </ul>
% Margin	57.5%	58.3%		57.7%	58.3%		<ul style="list-style-type: none"> <li>DenTek contributed \$17.3 million of revenue during the quarter</li> </ul>
<b>A&amp;P</b>	30.7	29.9	2.5%	86.9	84.3	3.2%	
% Total Revenue	14.2%	15.0%		13.6%	14.1%		
<b>Adjusted G&amp;A<sup>(2)</sup></b>	18.9	17.1	10.7%	53.6	49.8	7.6%	<ul style="list-style-type: none"> <li>Gross Margin of 57.5%</li> </ul>
% Total Revenue	8.7%	8.6%		8.3%	8.3%		<ul style="list-style-type: none"> <li>A&amp;P 14.2% of Revenue, or \$30.7 million</li> </ul>
<b>Adjusted EBITDA<sup>(2)</sup></b>	\$ 74.9	\$ 69.7	7.4%	\$ 229.6	\$ 214.9	6.8%	<ul style="list-style-type: none"> <li>Adjusted EBITDA Margin of 34.6%<sup>(2)</sup></li> </ul>
% Margin	34.6%	34.8%		35.8%	35.9%		<ul style="list-style-type: none"> <li>Adjusted Net Income +15.1%<sup>(2)</sup> over Q3 FY 16, ahead of topline growth</li> </ul>
<b>Adjusted Net Income<sup>(2)</sup></b>	\$ 32.6	\$ 28.4	14.9%	\$ 97.8	\$ 87.5	11.7%	
<b>Adjusted Earnings Per Share<sup>(2)</sup></b>	\$ 0.61	\$ 0.53	15.1%	\$ 1.83	\$ 1.65	10.9%	

Dollar values in millions, except per share data.

# Industry Leading Free Cash Flow Provides Rapid Deleveraging

- Superior EBITDA margin profile
- Largely outsourced manufacturing with minimal capital outlays
- Disciplined acquisition strategy with proven integration synergies
- Low cash tax rate from significant long-term tax attributes



### Recent Opportunistic Divestitures Accelerate Deleveraging

Timing	Brands Divested	Gross Proceeds
December 2016		
December 2016		
August 2016		<b>\$110+ million</b> Total Gross Proceeds Year-to-Date
July 2016		

- FY17 strategic divestitures aid deleveraging, shift in focus towards core “invest-for-growth” portfolio
- Prestige consistently generates strong cash flow, rapidly delevers, and will continue to review its portfolio to further monetize assets and accelerate deleveraging when appropriate

### III. Fleet Overview

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FAST ACTING

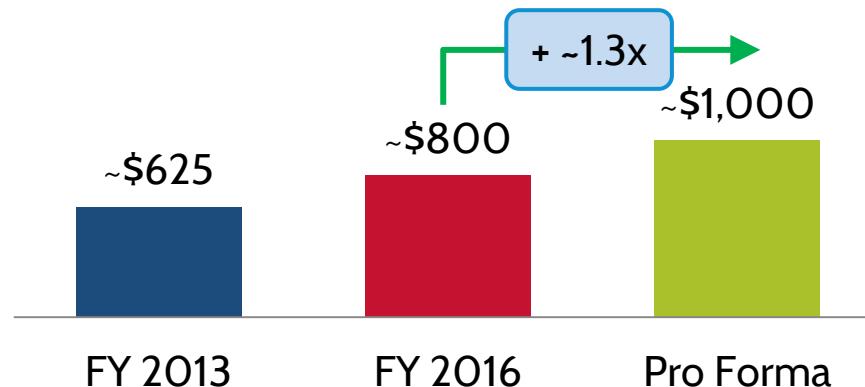
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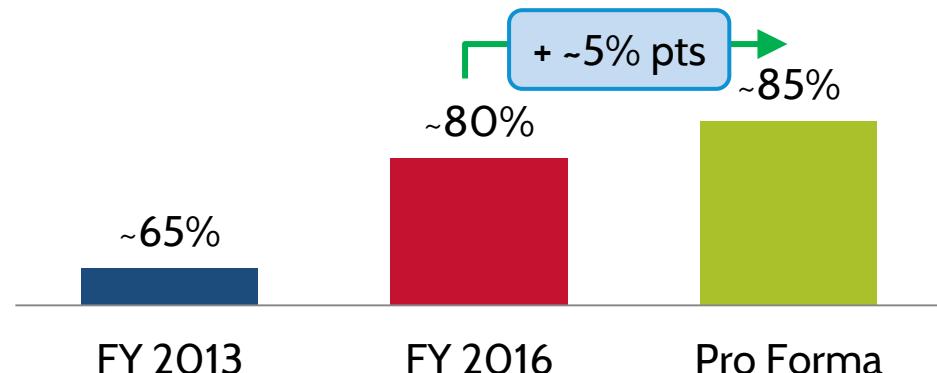
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# Acquisition of C.B. Fleet is a Milestone in the Evolution of the Prestige Platform

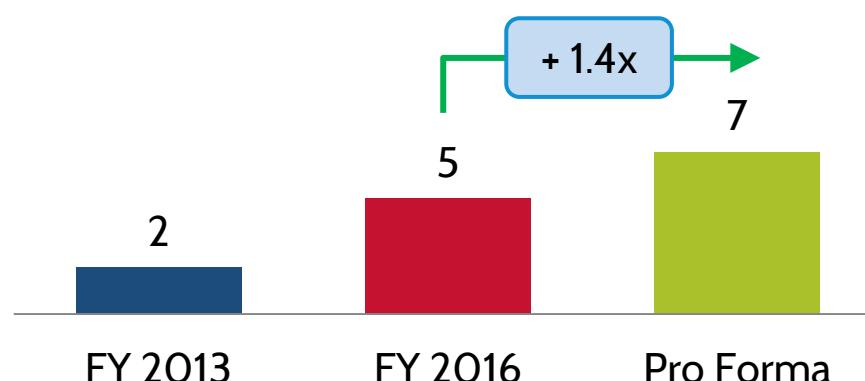
\$1 Billion in Revenue



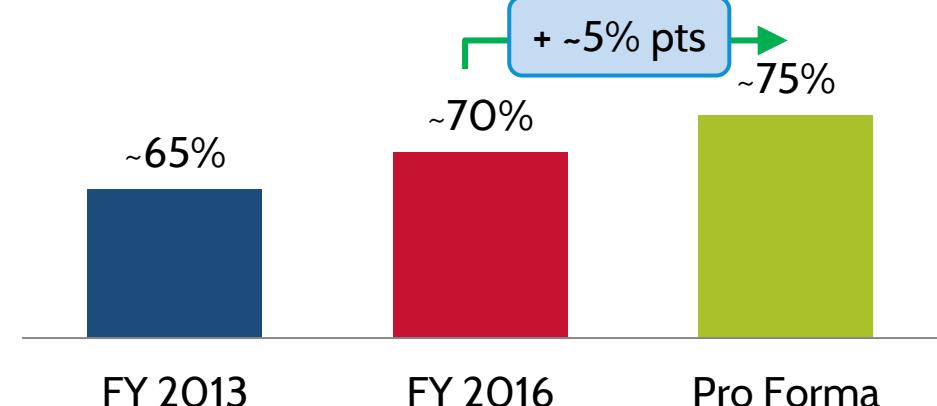
85% of Portfolio “Invest for Growth”



\$100MM+ OTC Platforms



Leading Brands



Dollar values in millions

Note: All charts refer to Total Revenue or Revenue mix as % of total.

# C.B. Fleet Strengthens Platforms in Women's Health, Gastrointestinal and Dermatologicals

## Women's Health

Summer's Eve®

MONISTAT®

VITRONIC

URISTAT

~\$275

## GI

Fleet.

Dramamine®

eat the foods you love!  
beano®

PHAZYME

Pedia-Lax™  
keeping kids regular

~\$150

## Cough & Cold

Chloraseptic

LUDEN'S®

LITTLE  
REMEDIES

eFESS®

~\$120

## Analgesics

BC

Goody's

ANACIN®

Ecotrin®

~\$120

## Oral Care

Dentek™

Efferdent®  
ANTI-BACTERIAL DENTURE CLEANSER

The Doctor's®

Gly-Oxide®

~\$110

## Eye & Ear Care

Clear eyes®

Debrox®

Murine®

Stye

PrestigeBrands

18

Third Quarter FY 17 Results

Dollar values in millions

Note: Figures represent approximate annualized Total Revenues pro forma for C.B. Fleet acquisition.



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# Summer's Eve® : Our Fifth and Largest OTC "Power" Core Brand, with Leading Franchises in the Most Attractive Feminine Hygiene Categories

	Internals	Externals (~80% of Total Summer's Eve)			
Description	Douche	Wash	Cloth	Spray	
	<ul style="list-style-type: none"><li>■ Temporary relief of minor vaginal irritation and itching</li><li>■ pH-balanced, gentle formulas</li></ul>				<ul style="list-style-type: none"><li>■ Cleanses odor-causing bacteria</li><li>■ pH-balanced, alcohol-free and hypoallergenic</li><li>■ Quick and discreet</li><li>■ pH-balanced, alcohol-free and hypoallergenic</li><li>■ Neutralizes odor and absorbs moisture</li><li>■ Hypoallergenic and infused with Vitamin E</li></ul>
Year Introduced	1972	1987	1989	1998	

Summer's Eve Has Leading Market Share in the Externals Category

Source: IRI MULO period ending 12-25-16.

# Integration and Synergy Recapture Based on Proven Competencies



## Sales & Distribution

- Leverage Prestige's scale to expand distribution
- Strengthen and accelerate international growth

## Brand Building

- Invest meaningfully in Fleet's brands and accelerate new product pipeline
- Broaden established leadership in women's health

## Supply Chain

- Optimize operations to derive significant synergies over time
- Identify opportunities to manufacture existing brands in-house and leverage R&D capabilities

## General & Administrative

- Expect meaningful G&A savings that exceed 9% of C.B. Fleet's Net Revenue
- Integration and timing consistent with past transactions

## IV. FY 17 Outlook and the Road Ahead

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# FY 17 Updated Full Year Outlook

## Updated FY Outlook\*

### Revenue

- Revenue growth remains +4.5% to +6.0% for the year
  - Q3 YTD Actual +7.2%
  - Includes impact of divested brands
  - Continuing to expect organic growth of +1.5% to +2.0% in second half

### Adjusted EPS<sup>(5)</sup>

- Expect high end of \$2.30 to \$2.36 range

### Adjusted Free Cash Flow<sup>(6)</sup>

- Adjusted Free Cash Flow of \$190 million or more

\* Excludes impact of C.B. Fleet acquisition

# 3 Key Drivers of Long-Term Shareholder Value

## Grow Our Invest for Growth Portfolio

- Portfolio of recognizable brands in attractive consumer health industry
- Established expertise in brand-building and product innovation
- Demonstrated ability to gain market share long-term

## Deliver Industry-Leading and Consistent Free Cash Flow

- Strong and consistent cash flow driven by industry leading EBITDA margins, capital-lite business model & significant benefit of deferred taxes
- Rapid deleveraging allows for expanded acquisition capacity and continued investment in brand building
- Non-core brands' contribution to cash flow
- Debt repayment reduces cash interest expense and adds to EPS

## Strategic and Disciplined M&A Strategy

- Demonstrated track record of 8 successful acquisitions during the past ~6 years
- Effective consolidation platform positioned for consistent pipeline of opportunities
- Proven ability to source from varied sellers
- Fragmented industry and acquisition activity creates a consistent pipeline of opportunity

# Q&A

# Appendix

- (1) Organic Revenue Growth on a constant currency basis is a Non-GAAP financial measure and is reconciled to its most closely related GAAP financial measure in our earnings release in the “About Non-GAAP Financial Measures” section.
- (2) Adjusted G&A, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted EPS, Adjusted Free Cash Flow are Non-GAAP financial measures and are reconciled to their most closely related GAAP financial measures in the attached Reconciliation Schedules and in our earnings release in the “About Non-GAAP Financial Measures” section.
- (3) Leverage ratio reflects net debt / covenant defined EBITDA.
- (4) Operating cash flow is equal to GAAP net cash provided by operating activities.
- (5) Adjusted EPS for FY 17 is a projected Non-GAAP financial measure, is reconciled to projected GAAP EPS in our earnings release in the “About Non-GAAP Financial Measures” section and is calculated based on projected GAAP EPS of \$1.55 to \$1.61 plus \$0.08 of costs associated with DenTek integration plus \$0.67 of costs associated with the loss on sale of assets, resulting in \$2.30 to \$2.36. The reconciliation of this forward-looking non-GAAP financial measure excludes the recently acquired Fleet business primarily due to the high variability and difficulty in making accurate forecasts and projections of some of the excluded information, together with some of the excluded information not being ascertainable or accessible, the Company is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measure without unreasonable efforts.
- (6) Adjusted Free Cash Flow for FY 17 is a projected Non-GAAP financial measure, is reconciled to projected GAAP Net Cash Provided by Operating Activities in our earnings release in the “About Non-GAAP Financial Measures” section and is calculated based on projected Net Cash Provided by Operating Activities of \$191 million less projected capital expenditures of \$4 million plus payments associated with acquisitions of \$3 million.

# Reconciliation Schedules

## Organic Revenue Growth

	Three Months Ended Dec. 31,		Nine Months Ended Dec. 31,	
	2016	2015	2016	2015
<b><u>(In Thousands)</u></b>				
GAAP Total Revenues	\$ 216,763	\$ 200,195	\$ 641,390	\$ 598,392
<b><u>Adjustments:</u></b>				
DenTek revenues	(17,327)	-	(51,168)	-
Revenues associated with divested brands	-	(6,636)	-	(13,542)
Total adjustments	(17,327)	(6,636)	(51,168)	(13,542)
Non-GAAP Organic Revenues	<u>199,436</u>	<u>193,559</u>	<u>590,222</u>	<u>584,850</u>
Organic Revenue Growth (Decline)	<u>3.0%</u>	<u>0.9%</u>		
Impact of foreign currency exchange rates		384		(521)
Non-GAAP Organic Revenues on a constant currency basis	\$ 199,436	\$ 193,943	\$ 590,222	\$ 584,329
<b>Constant Currency Organic Revenue Growth</b>	<b><u>2.8%</u></b>	<b><u>1.0%</u></b>		

# Reconciliation Schedules Cont'd

## Adjusted GeA

	Three Months Ended Dec. 31,		Nine Months Ended Dec. 31,	
	2016	2015	2016	2015
<b><u>(In Thousands)</u></b>				
<b>GAAP General and Administrative Expense</b>	\$ 22,131	\$ 18,135	\$ 60,383	\$ 52,186
<b><u>Adjustments:</u></b>				
Costs Associated with CEO transition	-	-	-	1,406
Legal and professional fees associated with acquisitions and divestitures	2,544	1,016	3,129	1,016
Integration, transition and other costs associated with acquisitions and divestitures	638	-	3,699	-
Total adjustments	3,182	1,016	6,828	2,422
<b>Non-GAAP Adjusted General and Administrative Expense</b>	<b>\$ 18,949</b>	<b>\$ 17,119</b>	<b>\$ 53,555</b>	<b>\$ 49,764</b>
<b>Non-GAAP Adjusted General and Administrative Expense Percentage</b>	<b>8.7%</b>	<b>8.6%</b>	<b>8.3%</b>	<b>8.3%</b>

# Reconciliation Schedules Cont'd

## Adjusted EBITDA

	Three Months Ended Dec. 31,		Nine Months Ended Dec. 31,	
	2016	2015	2016	2015
<b><u>(In Thousands)</u></b>				
GAAP Net (Loss) Income	\$ 31,641	\$ 27,995	\$ 58,305	\$ 85,971
Interest expense, net	18,554	19,462	60,511	62,013
(Benefit) provision for income taxes	19,092	15,186	33,743	46,611
Depreciation and amortization	5,852	6,071	18,700	17,478
<b>Non-GAAP EBITDA</b>	<b>75,139</b>	<b>68,714</b>	<b>171,259</b>	<b>212,073</b>
<b><u>Adjustments:</u></b>				
Costs associated with CEO transitions	-	-	-	1,406
Legal and professional fees associated with acquisitions and divestitures	2,544	1,016	3,129	1,016
Integration, transition and other costs associated with acquisitions and divestitures	638	-	3,699	-
Loss on extinguishment of debt	-	-	-	451
(Gain) loss on divestitures	(3,405)	-	51,552	-
<b>Total adjustments</b>	<b>(223)</b>	<b>1,016</b>	<b>58,380</b>	<b>2,873</b>
<b>Non-GAAP Adjusted EBITDA</b>	<b>\$ 74,916</b>	<b>\$ 69,730</b>	<b>\$ 229,639</b>	<b>\$ 214,946</b>
<b>Non-GAAP Adjusted EBITDA Margin</b>	<b>34.6%</b>	<b>34.8%</b>	<b>35.8%</b>	<b>35.9%</b>

# Reconciliation Schedules Cont'd

## Adjusted Net Income and Adjusted EPS

	Three Months Ended Dec. 31,				Nine Months Ended Dec. 31,			
	2016		2015		2016		2015	
	Net Income	EPS	Net Income	EPS	Net Income	EPS	Net Income	EPS
<b>(In Thousands)</b>								
<b>GAAP Net Income</b>	\$ 31,641	\$ 0.59	\$ 27,995	\$ 0.53	\$ 58,305	\$ 1.09	\$ 85,971	\$ 1.62
<b>Adjustments:</b>								
Costs associated with CEO transition	-	-	-	-	-	-	1,406	0.03
Legal and professional fees associated with acquisitions and divestitures	2,544	0.05	1,016	0.02	3,129	0.06	1,016	0.02
Integration, transition and other costs associated with acquisitions and divestitures	638	0.01	-	-	3,699	0.07	-	-
Accelerated amortization of debt origination costs	-	-	-	-	1,131	0.02	-	-
Loss on extinguishment of debt	-	-	-	-	-	-	451	0.01
(Gain) loss on divestitures	(3,405)	(0.06)	-	-	51,552	0.97	-	-
Tax impact of adjustments	2,638	0.05	(657)	(0.02)	(18,586)	(0.35)	(1,314)	(0.03)
Tax impacts related to tax reserve adjustments	(1,477)	(0.03)	-	-	(1,477)	(0.03)	-	-
<b>Total Adjustments</b>	<b>938</b>	<b>0.02</b>	<b>359</b>	<b>-</b>	<b>39,448</b>	<b>0.74</b>	<b>1,559</b>	<b>0.03</b>
<b>Non-GAAP Adjusted Net Income and Adjusted EPS</b>	<b>\$ 32,579</b>	<b>\$ 0.61</b>	<b>\$ 28,354</b>	<b>\$ 0.53</b>	<b>\$ 97,753</b>	<b>\$ 1.83</b>	<b>\$ 87,530</b>	<b>\$ 1.65</b>

# Reconciliation Schedules Cont'd

## Adjusted Free Cash Flow

	Three Months Ended Dec. 31,		Nine Months Ended Dec. 31,	
	2016	2015	2016	2015
<b><u>(In Thousands)</u></b>				
GAAP Net (Loss) Income	\$ 31,641	\$ 27,995	\$ 58,305	\$ 85,971
<b><u>Adjustments:</u></b>				
Adjustments to reconcile net (loss) income to net cash provided by operating activities as shown in the Statement of Cash Flows	3,978	19,119	70,366	62,015
Changes in operating assets and liabilities, net of effects from acquisitions as shown in the Statement of Cash Flows	4,447	(1,253)	11,677	(11,535)
Total Adjustments	8,425	17,866	82,043	50,480
<b>GAAP Net cash provided by operating activities</b>	<b>40,066</b>	<b>45,861</b>	<b>140,348</b>	<b>136,451</b>
Purchase of property and equipment	(531)	(857)	(1,935)	(2,540)
<b>Non-GAAP Free Cash Flow</b>	<b>39,535</b>	<b>45,004</b>	<b>138,413</b>	<b>133,911</b>
Integration, transition and other payments associated with acquisitions and divestitures	1,461	796	2,144	796
Additional income tax payments associated with divestitures	8,589	-	8,589	-
<b>Non-GAAP Adjusted Free Cash Flow</b>	<b>\$ 49,585</b>	<b>\$ 45,800</b>	<b>\$ 149,146</b>	<b>\$ 134,707</b>

# Reconciliation Schedules Cont'd

## Projected EPS

	2017 Projected EPS	
	Low	High
Projected FY'17 GAAP EPS	\$ 1.55	\$ 1.61
<u>Adjustments:</u>		
Costs associated with DenTek integration	0.08	0.08
Loss on divestitures	0.67	0.67
Total Adjustments	0.75	0.75
<b>Projected Non-GAAP Adjusted EPS</b>	<b>\$ 2.30</b>	<b>\$ 2.36</b>

## Projected Free Cash Flow

	2017 Projected Free Cash Flow
<i>(In millions)</i>	
Projected FY'17 GAAP Net Cash provided by operating activities	\$ 191
Additions to property and equipment for cash	(4)
Projected Non-GAAP Free Cash Flow	187
Payments associated with acquisitions	3
<b>Adjusted Non-GAAP Projected Free Cash Flow</b>	<b>\$ 190</b>