

PrestigeBrands

NYSE-PBH



Who We Are & Review of Second Quarter FY 16 Results
Raymond James Fall Investor Conference, Boston

November 11, 2015

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 product expansion and development plans, investments in brand building and marketing, debt reduction and future financing capacity, consumption growth and strength of the Company’s brands, M&A strategy and market activity, future financial performance, and creation of shareholder value. Words such as “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, the inability to identify and consummate future acquisitions at attractive valuations, the failure to successfully commercialize new products, the severity of the cold and flu season, the inability of third party suppliers to meet demand, competitive pressures, the effectiveness of the Company’s brand building and marketing investments, 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, 2015 and in Part II, Item 1A. Risk Factors in the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2015. 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.

Agenda for Today's Discussion

- I. Who We Are**
- II. Performance Highlights**
- III. Financial Overview**
- IV. FY 16 Outlook and the Road Ahead**

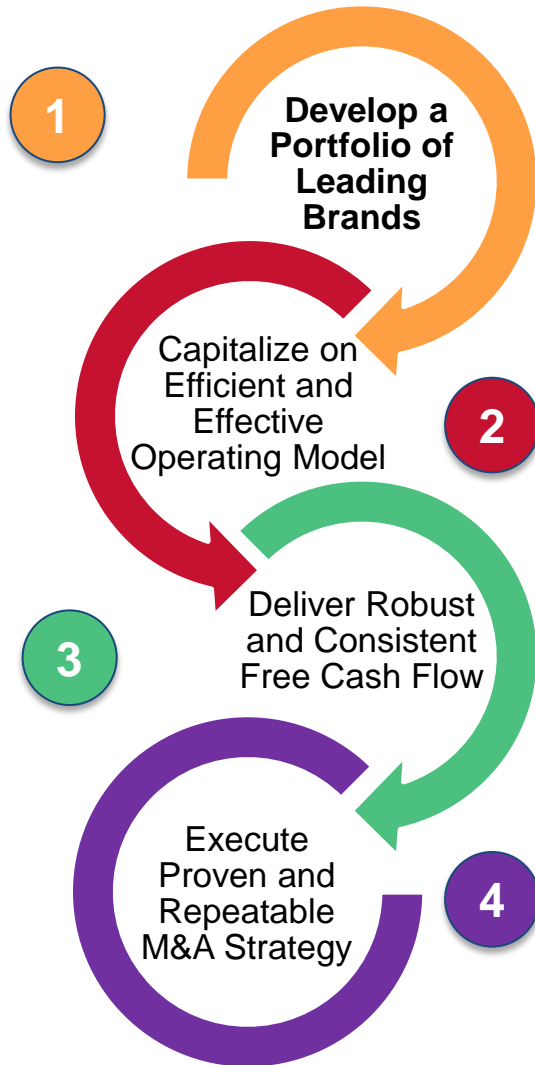
About Prestige Brands Holdings, Inc.

(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.

4 Key Drivers of Long-Term Shareholder Value



- **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**
 - **Target Revenue contribution from Core OTC and International brands from ~78% to ~85%**
-
- Efficient asset-lite model with best-in-class outsourced manufacturing and distribution partners
 - Scalable operating platform key to Revenue expansion from \$300MM to \$800MM and beyond
 - Business model enables gross margin expansion and G&A absorption
 - Continued cost efficiencies expected with GM targeted at 60% and savings reinvested in A&P
-
- Strong and consistent cash flow driven by industry leading EBITDA margins, capital-lite business model and significant deferred tax assets
 - Rapid deleveraging allows for expanded acquisition capacity and continued investment in brand building
 - Non-core brands' role contributes to cash flow
 - Debt repayment reduces cash interest expense and adds to EPS
-
- Demonstrated track record of 6 acquisitions during the past 5 years
 - Effective consolidation platform positioned for consistent pipeline of opportunities
 - Proven ability to source from varied sellers
 - Fragmented industry and recent wave of acquisitions creates a robust pipeline

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A Diversified Portfolio Of Well-Known Brands

Analgesics	     
Women's Health	   
GI	    
Cough & Cold	     
Eye & Ear Care	    
Oral Care	   
Skin Care	   
International	     
Household Cleaning	   

Prestige Operating Model

Leverage Internal and External Resources as One Integrated System



- Focus on Brand Building

- Specialized Skills and Knowledge
- Economies of Scale

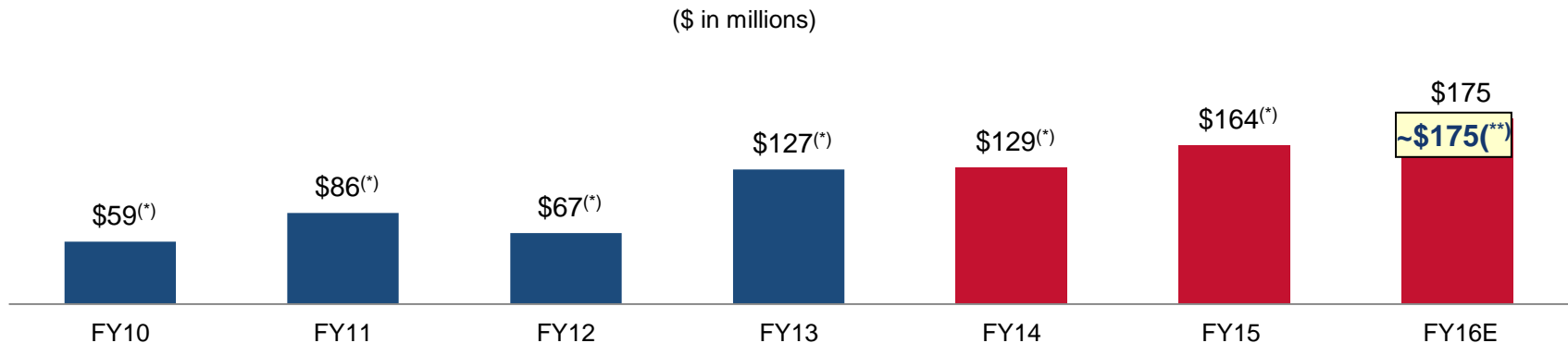
Key Benefits of Our Operating Model

- Ensures Organizational Focus on **Brand Building**
- Provides Access to Additional Technical Resources for **New Product Development**
- Broad Base of Manufacturer's **Industry Knowledge**
- Efficient, Scalable and **Flexible Model**
- State-of-the-Art Manufacturing with **Minimal Capital Outlays**
- Results in **Superior Margins** and **Free Cash Flow Conversion**

Drivers of Free Cash Flow

- Superior EBITDA margin profile
- Outsourced manufacturing with minimal capital outlays
- Disciplined acquisition strategy with proven integration synergies and structured in a highly tax-efficient manner
- Low cash tax rate from significant long-term tax attributes

Adjusted Free Cash Flow^(*)



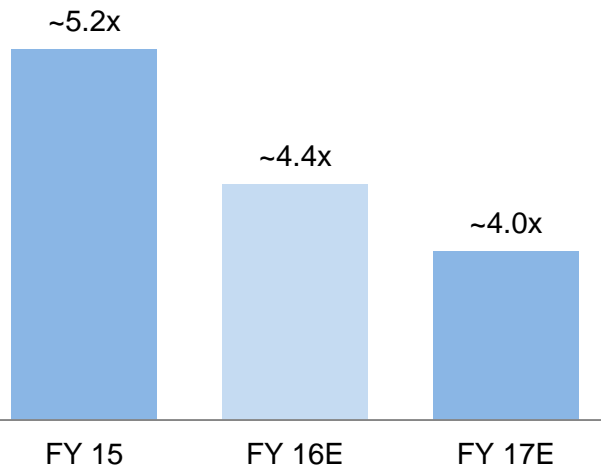
(*) Adjusted Free Cash Flow is a Non-GAAP financial measure and is reconciled to GAAP net income for each of the fiscal years ended March 31, 2010 through March 31, 2015 in Exhibit 99.2 to our Form 8-K dated May 14, 2015.

(**) Free Cash Flow for FY'16 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 Measure" section for Q2 FY'16 in Exhibit 99.1 to our Form 8-K filed with the SEC on November 5, 2015, and is calculated based on projected Net Cash Provided by Operating Activities of \$181 million less projected capital expenditures of \$6 million.

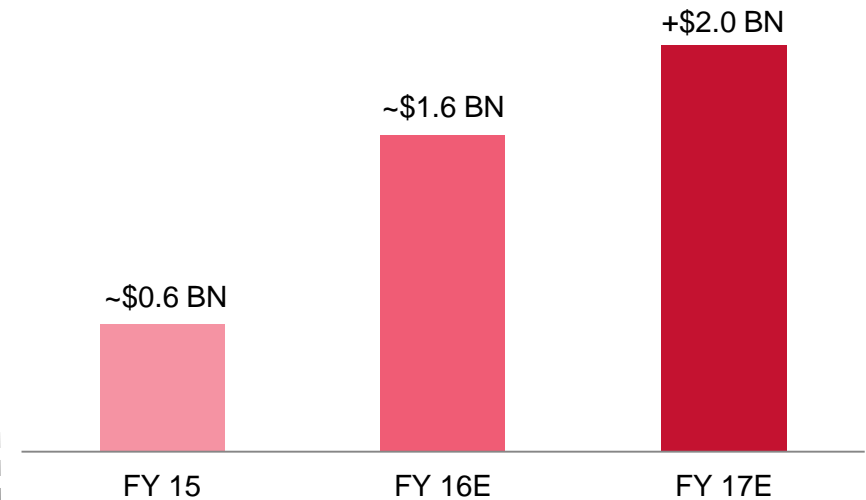
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Strong & Consistent Cash Flow Leads to Rapid De-levering & Building M&A Capacity

Leverage Ratio⁽³⁾



Illustrative Financing Capacity



- Projected expanded M&A capability of \$1.6 billion in FY 16E and +\$2.0 billion by FY 17E
- Assumes maximum leverage of 5.75x and average EBITDA acquisition multiple consistent with previous acquisitions

Recent Acquisitions Have Transformed Our Business



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

Solid Q2 Results

First Half Results In Line with Expectations

- Q2 consolidated **Revenue** of **\$206.1** million, up **13.7%** versus prior year Q2, and **+17.1%⁽¹⁾ on a constant currency basis**
 - **First half consolidated Revenue growth of 21.8%**, consistent with prior guidance of +20% to +23% for that period
 - **Q2 Organic decline of (0.5)%⁽¹⁾ and first half Organic growth of 1.4%⁽¹⁾, on a constant currency basis**
 - **Q2 Core OTC + International Revenue growth of 3.0% on a constant currency basis**
- **Q2 Core OTC consumption growth of 3.6% and first half Core OTC consumption growth of 5.5%**
 - **78%** of Core OTC portfolio with **consumption growth in Q2**
 - Continued strength in our biggest brands
 - Consistent and innovative marketing support building **long-term brand equity in Core OTC brands**
- **Adjusted Gross Margin of 58.2%⁽²⁾** versus 57.0% in the prior year Q2, and in-line with 58.4% in Q1
- **Adjusted EPS of \$0.60⁽²⁾**, up **20.0%** versus the prior year Q2
- Strong **Free Cash Flow** of **\$46.2⁽²⁾** million, up **26.4%** versus the prior year Q2
- **Leverage of ~5.0x⁽³⁾**, down from 5.7x at the time of the Insight acquisition

Solid Q2 Results

Company on Track to Meet FY2016 Expectations

- **Company on track** to continue to deliver **strong financial performance in FY2016**

Full Year Revenue Outlook

- Second Half up 0.5% to 1.5%
- Full year up 10% to 11%

Adjusted E.P.S.

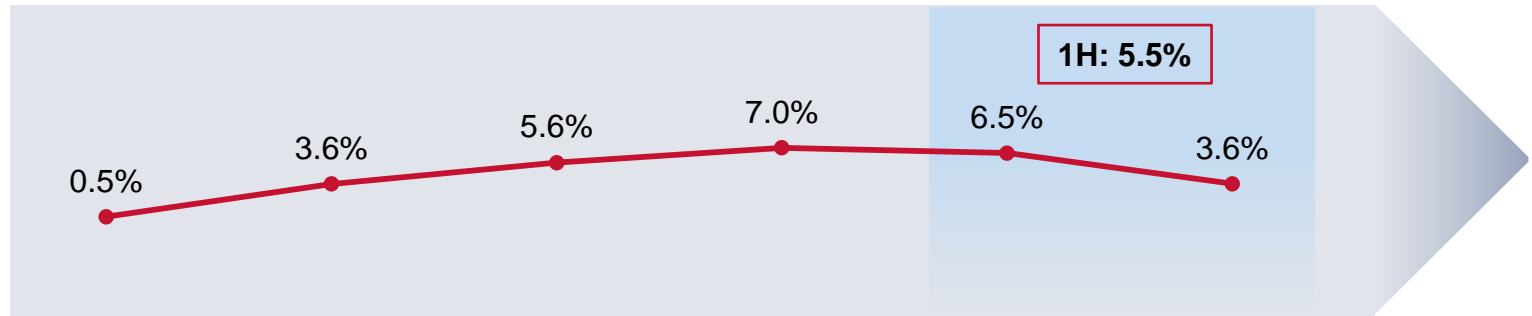
- Full year estimate range of: \$2.05 to \$2.10⁽⁷⁾
- Expected to be at high end of the range

Free Cash Flow and Leverage

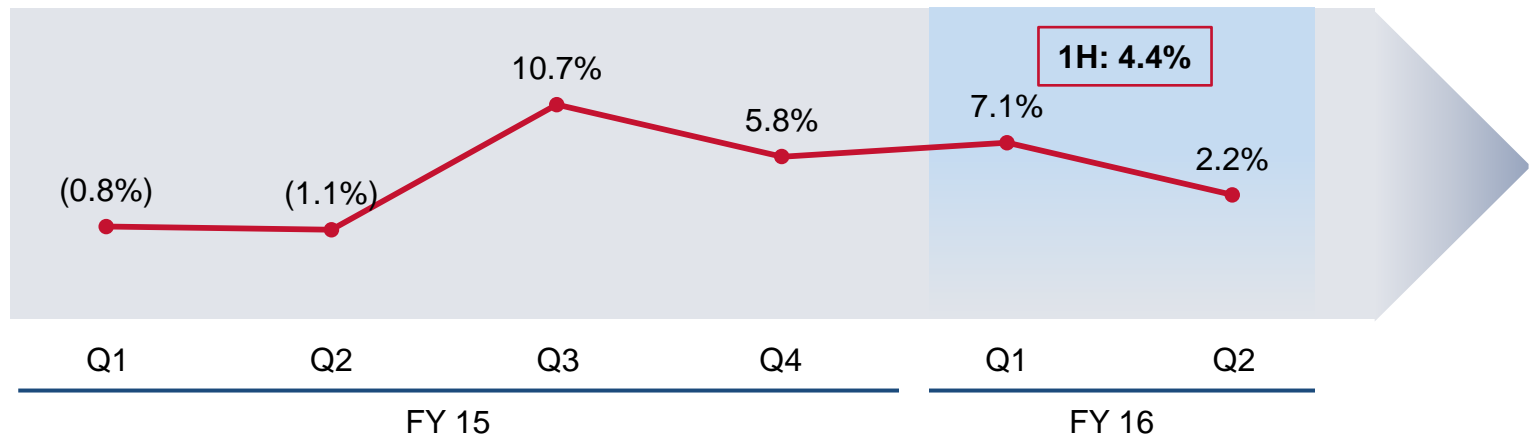
- Free Cash Flow of \$175MM⁽⁸⁾ or more expected
- Year-end leverage expected to be ~4.7x⁽³⁾

Continued Core OTC Consumption Growth and Sales Momentum

Consumption Growth



Organic Sales Growth



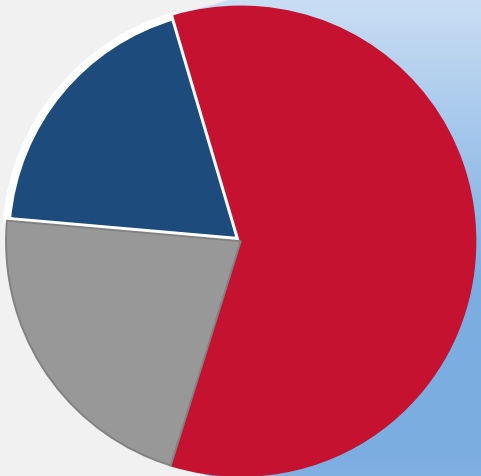
Source: IRI multi-outlet + C-Store retail dollar sales growth for relevant period.
 Data reflects retail dollar sales percentage growth versus prior period; FY'16 Organic sales growth presented on a constant currency basis.

Q2 FY 16 Core OTC Growth Broad Based, Led by Largest Brands

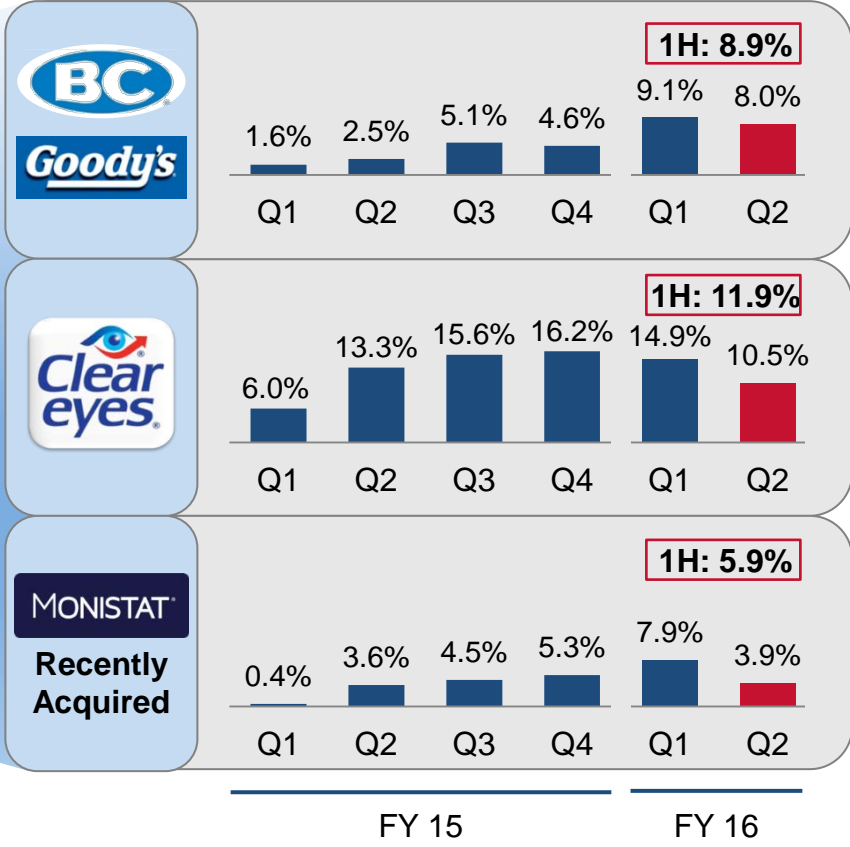
Core OTC Portfolio with Consumption Growth in Q2 FY 16

Largest Brands Growing Above Categories

78% of Core OTC \$ Consumption Experiencing Growth



Y/Y Retail Sales % Growth

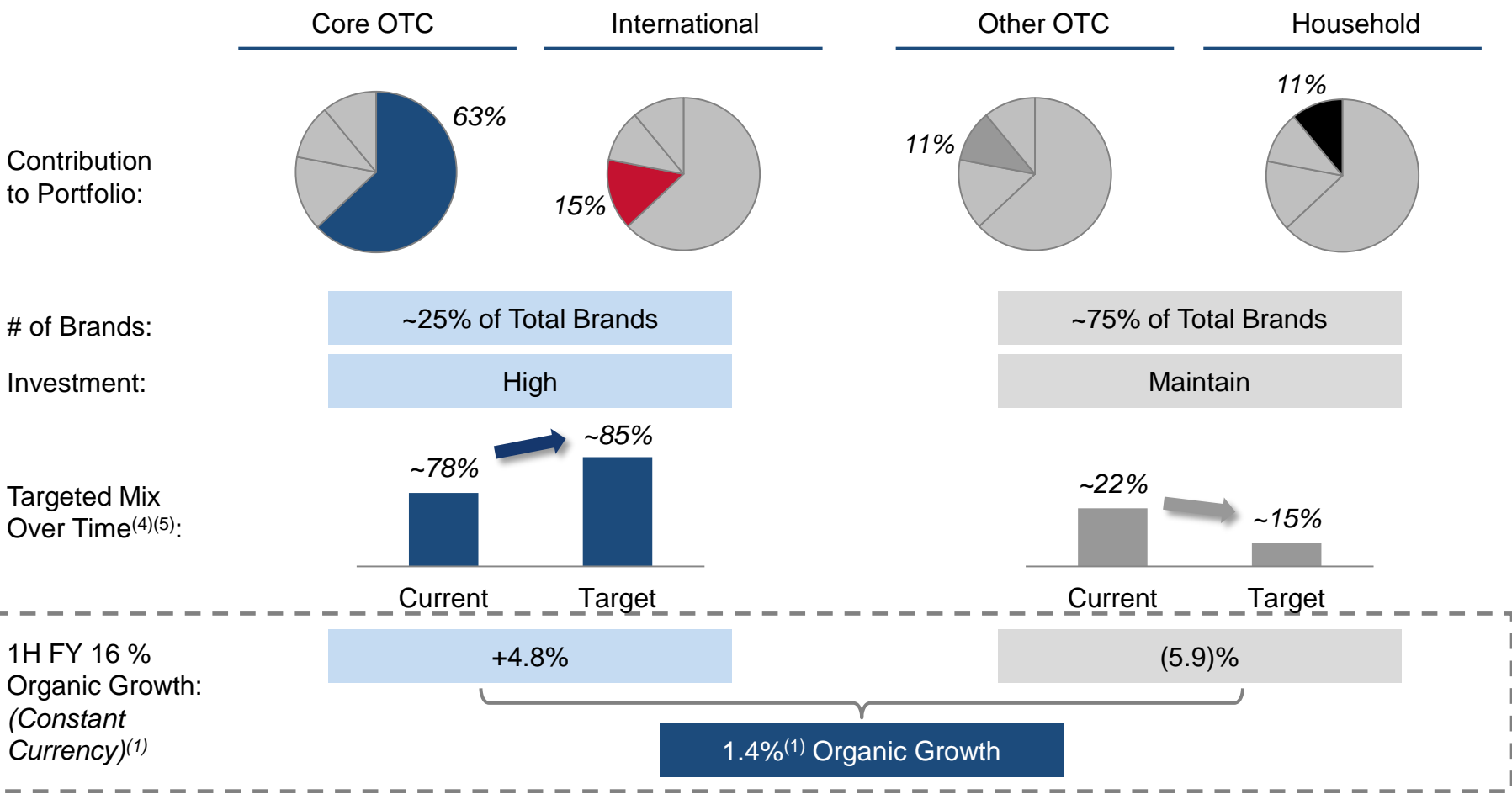


Core OTC, includes Insight Pharmaceuticals.
Source: IRI multi-outlet + C-Store, L-12 period for each quarter.
Data reflects retail dollar sales percentage growth versus prior period;

First Half Investment in Core OTC and International Driving Organic Growth

Invest for Growth

Manage for Cash Flow Generation



Monistat Building Momentum One Year After Acquisition; +6% in 1H

MONISTAT[®]

The Prestige 4-Part Plan for Monistat Success Began on Day 1

1. Re-engage With Health Care Professionals (HCP)

- Create **new educational materials for HCPs**
- **Partner with professional detail force and tele-sales reps**

2. Re-engage With Consumers

- Capture key consumer insights through **targeted consumer research**
- Develop new **creative advertising & media plan**
- Build New **Digital Marketing and Social Media Outreach Program**
- Create new **Women's Health PR Education Initiative**

3. Re-engage With Retail Customers

- Maximize shelf impact with **new package design and pricing**
- As category leader, **share insights and updates with retail partners**

4. Fill New Product Development Pipeline

- Extend the brand through **NPD and innovation**

Women Like Me – Online Support



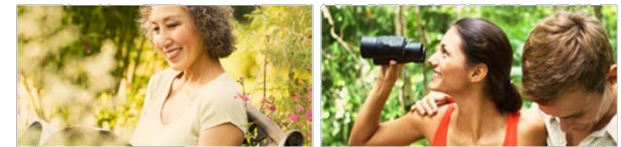
First Time Yeast Infection Sufferer

Yeast Infections with an Active Lifestyle



Menopause and Yeast Infections

Yeast Infections and Antibiotics or Other Medications



Yeast Infections and Diabetes

Chronic Yeast Infection Sufferers



Little Remedies: Our Core Pediatric Brand Expands With New GI Product



- **Expanding Product Offering:** Little Remedies expands focus to include products for **fast-growing digestive category to treat infant gas and colic**
- **Multi-Media Marketing Approach:** Features **first TV campaign ever for digestive brands**, a social media initiative providing advice to parents, and an educational outreach to HCPs including sampling
- **New Marketing Efforts:** **Engaging caregivers and HCPs** to focus on supporting baby's digestive health

Marketing Strategy

- TV
- Digital/Social
- Website
- HCP Outreach

New on TV



New GI Product



Expanded Healthcare Solutions



Luden's: A Classic Brand Engaging A New Generation of Consumers



- **Revitalized and modernized:** Luden's still **retains its heritage and reputation** for great taste for a new generation
- **Marketing and NPD Working Together:** Flavor line expansion, new sizes, packaging innovation, consumer insight research, retail promotions, digital marketing and experiential marketing tactics have all **contributed to the growth of this brand among a younger generation**
- **Resulting In: Sales CAGR of +5% in the 5 years** it has been with the Prestige family

F'13 Luden's Classic Flavors



New Flavors for F'15



New Flavors for F'16

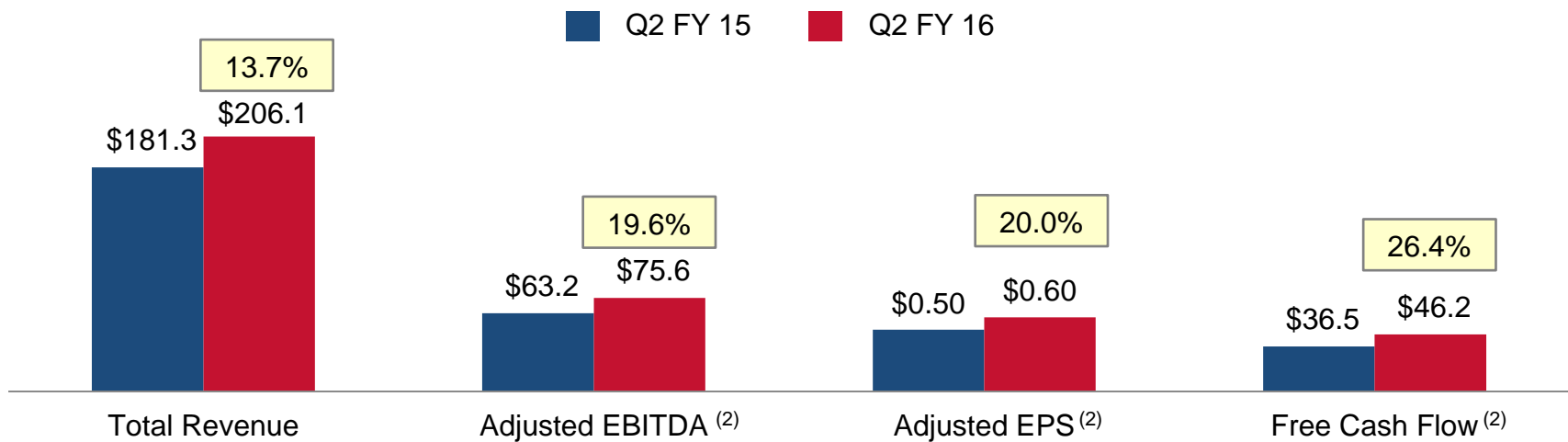


Financial Overview

Key Financial Results for Second Quarter Performance

- **Solid overall financial performance** in the quarter

- Revenue of \$206.1 million, an increase of 13.7%
- Organic Revenue decline of (0.5%)⁽¹⁾ excluding the impact of foreign currency
- Adjusted EPS of \$0.60⁽²⁾, up 20.0%
- Free Cash Flow growth of 26.4% to \$46.2 million⁽²⁾



Dollar values in millions, except per share data.

FY 16 Second Quarter and 1H Consolidated Financial Summary

- Q2 Revenue growth of +13.7%, or +17.1%⁽¹⁾ on a constant currency basis
- Q2 Adjusted Gross Margin of 58.2%⁽²⁾, consistent with full year outlook of 58.0%
- Q2 A&P of 13.5% of Total Revenue, or \$27.9 million, up 11.4% versus PYQ2
- Q2 Adjusted EBITDA Margin of 36.7%⁽²⁾
- Q2 Adjusted EPS of \$0.60, up 20.0%⁽²⁾

	3 Months Ended			6 Months Ended		
	Sep '15	Sep '14	% Chg	Sep '15	Sep '14	% Chg
Total Revenue	\$ 206.1	\$ 181.3	13.7%	\$ 398.2	\$ 327.0	21.8%
Adj. Gross Margin	119.9	103.3	16.1%	232.2	185.3	25.3%
<i>% Margin</i>	58.2%	57.0%		58.3%	56.7%	
A&P	27.9	25.0	11.4%	54.3	44.1	23.1%
<i>% Total Revenue</i>	13.5%	13.8%		13.6%	13.5%	
Adj. G&A	16.5	15.0	9.4%	32.6	26.9	21.3%
<i>% Total Revenue</i>	8.0%	8.3%		8.2%	8.2%	
Adjusted EBITDA	\$ 75.6	\$ 63.2	19.6%	\$ 145.2	\$ 114.3	27.1%
<i>% Margin</i>	36.7%	34.9%		36.5%	34.9%	
Adjusted Net Income	\$ 31.8	\$ 26.4	20.6%	\$ 59.2	\$ 47.9	23.7%
Adjusted Earnings Per Share	\$ 0.60	\$ 0.50	20.0%	\$ 1.12	\$ 0.91	23.1%

Dollar values in millions, except per share data.
Refer to footnote 2 for all adjusted items above.

Exceptional Free Cash Flow Trends

Cash Flow

	Three Months Ended		Six Months Ended	
	Sep'15	Sep'14	Sep'15	Sep'14
Net Income - As Reported	\$ 31.8	\$ 16.5	\$ 58.0	\$ 33.2
Depreciation & Amortization	5.7	3.9	11.4	6.8
Other Non-Cash Operating Items	14.4	8.0	31.5	17.9
Working Capital	(4.8)	(1.0)	(10.3)	(1.0)
Operating Cash Flow ⁽⁶⁾	\$ 47.1	\$ 27.4	\$ 90.6	\$ 57.1
Additions to Property and Equipment	(0.9)	(0.9)	(1.7)	(1.4)
Free Cash Flow ⁽²⁾	\$ 46.2	\$ 26.5	\$ 88.9	\$ 55.7
Acquisition Costs	-	10.0	-	12.4
Adjusted Free Cash Flow ⁽²⁾	\$ 46.2	\$ 36.5	\$ 88.9	\$ 68.1

Dollar values in millions.

Comments

Debt Profile & Financial Compliance:

- Net Debt at 9/30/15 of \$1,481 million comprised of:
 - Cash on hand of \$22 million
 - \$853 million of term loan and revolver
 - \$650 million of bonds
- Leverage ratio⁽³⁾ of ~5.0x
- Acquisition capacity exceeding ~\$550 million



FY 16 Outlook and the Road Ahead

Staying the Strategic Course to Continue Shareholder Value Creation

Strong Consumption Trends

- Good momentum heading into Q3
- Retail environment continues to present headwinds
- Fx impact larger than anticipated of approx. +\$12MM full year, no impact expected on EPS or FCF

Brand Building

- Continued focus on investment in brand building for FY 16
- Invest and innovate in Core OTC brands and international platform
- Continue to build new product pipeline for the long term

M&A Strategy

- Remain aggressive and disciplined
- Rapidly de-levering and building meaningful M&A capacity
- Continue to monitor major company divestiture announcements and opportunities with privately-held assets

Confident in Full FY 16 Outlook

- Revenue growth of +10% to +11% to reflect current Fx rates, 2H +0.5% to +1.5%
- Adjusted EPS +10% to +13% (\$2.05 to \$2.10)⁽⁷⁾, expect to be at high end of range
- Free cash flow of \$175MM⁽⁸⁾ or more
- Continued A&P investment in portfolio

Q&A

Appendix

- (1) 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 Gross Margin, Adjusted G&A, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Adjusted EPS, Free Cash Flow and Adjusted Free Cash Flow are Non-GAAP financial measures and are reconciled to their most closely related GAAP financial measures in our earnings release in the “About Non-GAAP Financial Measures” section.
- (3) Leverage ratio reflects net debt / covenant defined EBITDA.
- (4) Pro forma Net Sales for FY 15 as if Insight and Hydralyte were acquired on April 1, 2014.
- (5) Based on Company's organic long-term plan. Source: Company data.
- (6) Operating cash flow is equal to GAAP net cash provided by operating activities.
- (7) Adjusted EPS for FY 16 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 \$2.00 to \$2.05 plus \$0.05 of cost associated with term loan refinancing and CEO retirement totaling \$2.05 to \$2.10.
- (8) Free Cash Flow for FY 16 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 \$181 million less projected capital expenditures of \$6 million.