



# Financial Highlights Q3 2019

**Important information regarding forward-looking statements:** This presentation contains forward-looking statements within the meaning of federal and state securities laws that represent the company's current expectations and beliefs. All statements other than statements of historical fact are "forward-looking statements" and include, but are not limited to, statements of management's expectations regarding the company's performance, sales force and customer base, growth, initiatives and areas of focus, acquisitions and acquired companies' performance, strategy and new product introductions; projections regarding dividends, revenue, earnings per share, foreign currency fluctuations, tax rates, and other financial items; statements of belief; and statements of assumptions underlying any of the foregoing. In some cases, you can identify these statements by forward-looking words such as "believe," "expect," "outlook," "project," "anticipate," "estimate," "intend," "plan," "likely," "will," "would," "could," "may," "might," the negative of these words and other similar words.

The forward-looking statements and related assumptions involve risks and uncertainties that could cause actual results and outcomes to differ materially from any forward-looking statements or views expressed herein. These risks and uncertainties include, but are not limited to, the following:

- adverse publicity related to the company's business, products, industry or any legal actions or complaints by the company's sales force or others;
- risk that direct selling laws and regulations in any of the company's markets, including the United States and Mainland China, may be modified, interpreted or enforced in a manner that results in negative changes to the company's business model or negatively impacts its revenue, sales force or business, including through the interruption of sales activities, loss of licenses, imposition of fines, or any other adverse actions or events;
- any failure of current or planned initiatives or products to generate interest among the company's sales force and customers and generate sponsoring and selling activities on a sustained basis;
- uncertainty regarding the continued impact of the 100 day review and negative media and consumer sentiment in Mainland China on our business operations and results.
- risk of foreign-currency fluctuations and the currency translation impact on the company's business associated with these fluctuations;
- uncertainties regarding the future financial performance of the businesses the company has acquired;
- risks related to accurately predicting, delivering or maintaining sufficient quantities of products to support planned initiatives or launch strategies, and increased risk of inventory write-offs if the company over-forecasts demand for a product or changes its planned initiatives or launch strategies;
- regulatory risks associated with the company's products, which could require the company to modify its claims or inhibit its ability to import or continue selling a product in a market if the product is determined to be a medical device or if the company is unable to register the product in a timely manner under applicable regulatory requirements;
- unpredictable economic conditions and events globally, including trade policies and tariffs;
- uncertainties related to interpretation of, and forthcoming regulations under, the recently enacted U.S. tax reform legislation; the company's future tax-planning initiatives; any prospective or retrospective increases in duties on the company's products imported into the company's markets outside of the United States; and any adverse results of tax audits or unfavorable changes to tax laws in the company's various markets; and
- continued competitive pressures in the company's markets.

The company's financial performance and the forward-looking statements contained herein are further qualified by a detailed discussion of associated risks set forth in the documents filed by the company with the Securities and Exchange Commission. The forward-looking statements set forth the company's beliefs as of the date that such information was first provided and the company assumes no duty to update the forward-looking statements contained in this presentation to reflect any change except as required by law.

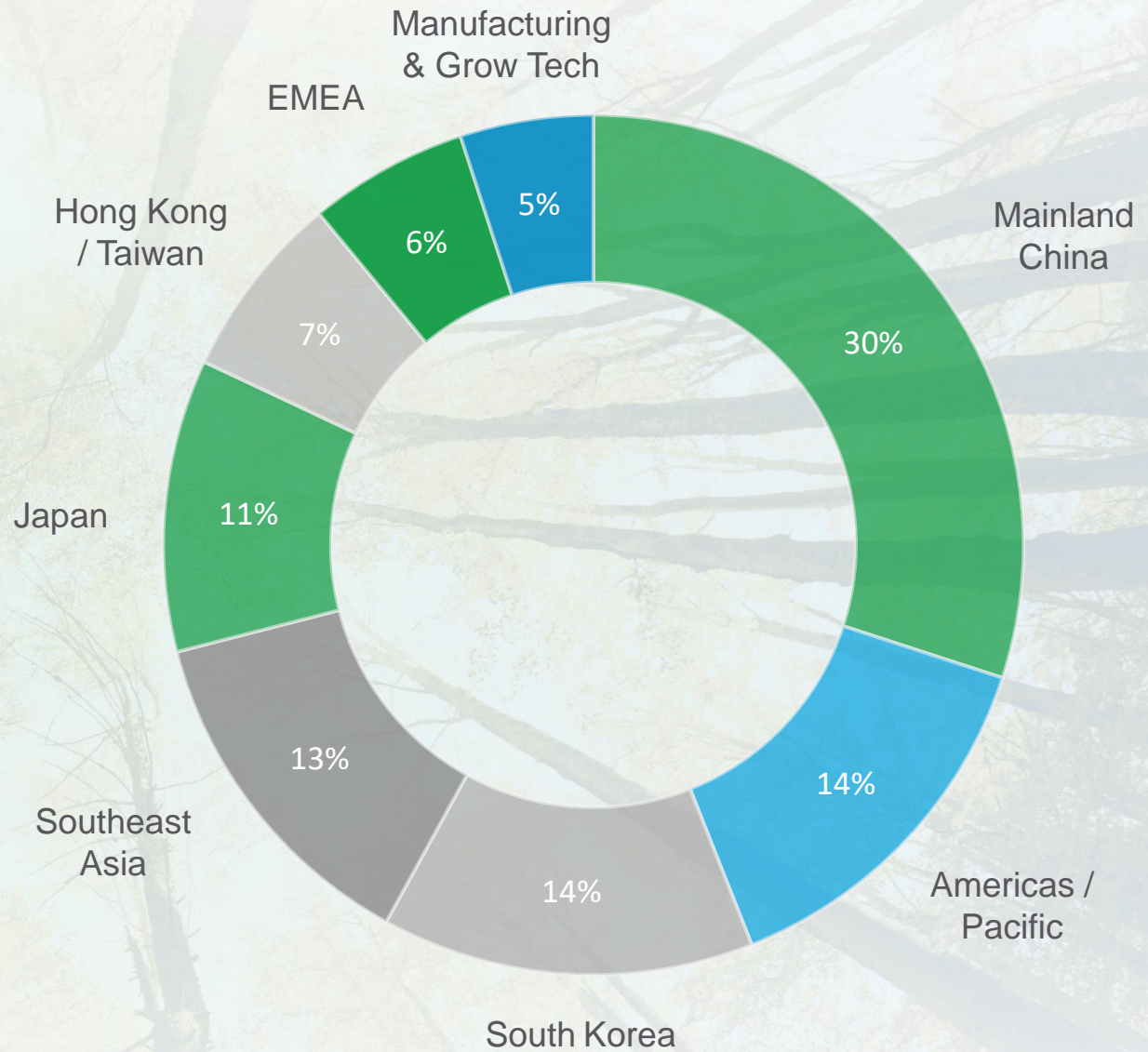


# Q3 Results

Revenue (13%) YOY, (2%) fx impact or (\$12M)

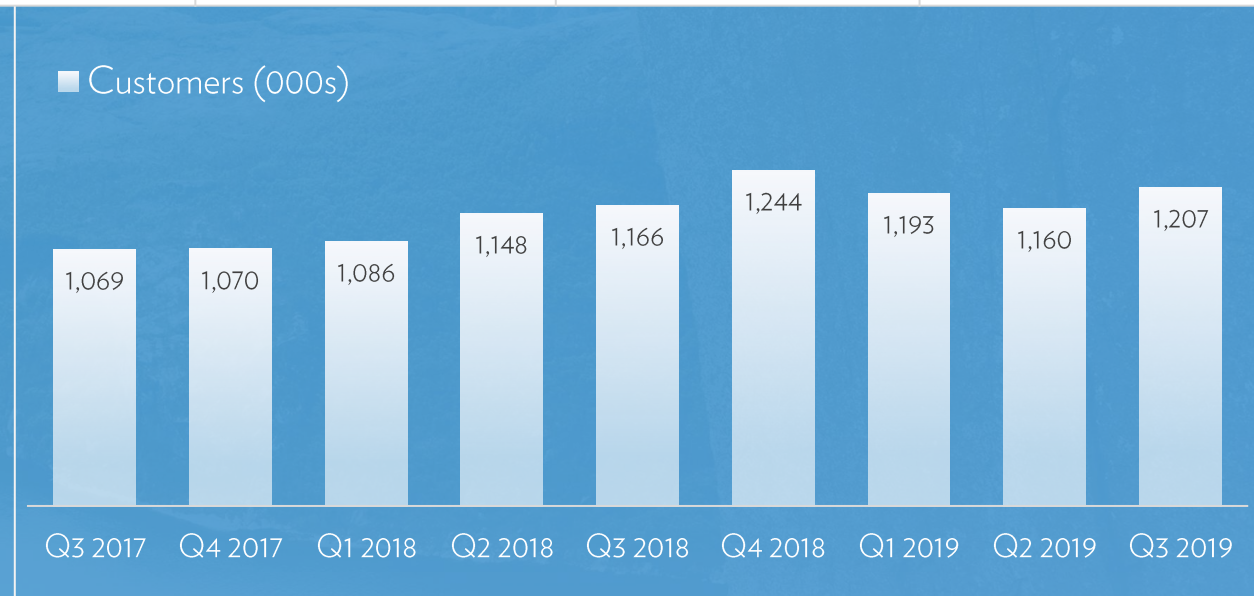
EPS \$0.79 compared to \$0.94 YOY

Sales Leaders (16%), Customers +4%



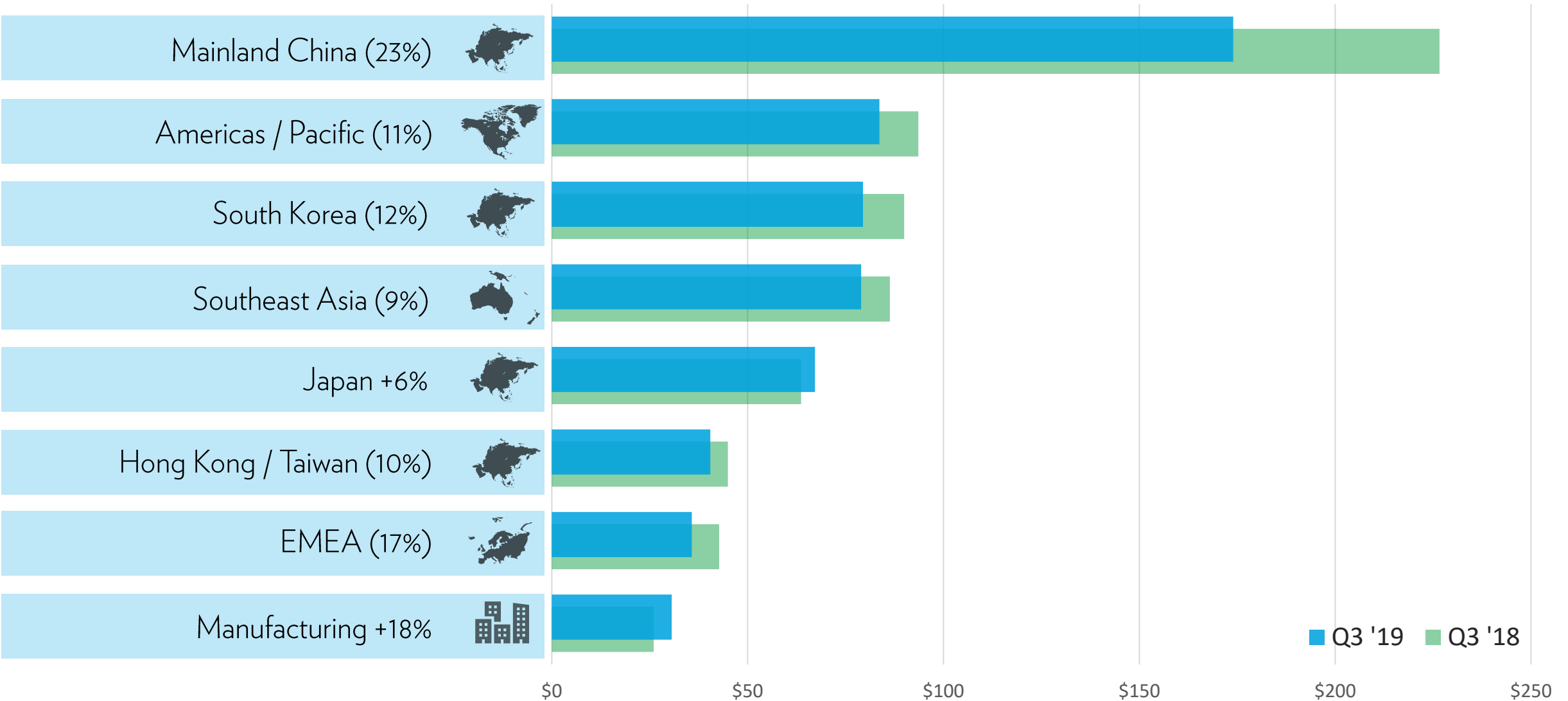
# Sales Force Performance

Market	Q3 2019		Q3 2018		YOY % Change	
	Customers	Sales Leaders	Customers	Sales Leaders	Customers	Sales Leaders
Mainland China	317,257	23,776	210,212	33,335	50.92%	-28.68%
Americas/Pacific	229,013	7,760	276,923	8,475	-17.30%	-8.44%
South Korea	169,589	7,363	180,254	7,700	-5.92%	-4.38%
S.E. Asia	145,845	7,936	146,586	8,668	-0.51%	-8.44%
Japan	128,373	5,964	130,831	6,182	-1.88%	-3.53%
HK/Taiwan	68,862	4,231	75,985	4,402	-9.37%	-3.88%
EMEA	147,758	4,060	144,977	4,320	1.92%	-6.02%
<b>Total</b>	<b>1,206,697</b>	<b>61,090</b>	<b>1,165,768</b>	<b>73,082</b>	<b>3.51%</b>	<b>-16.41%</b>

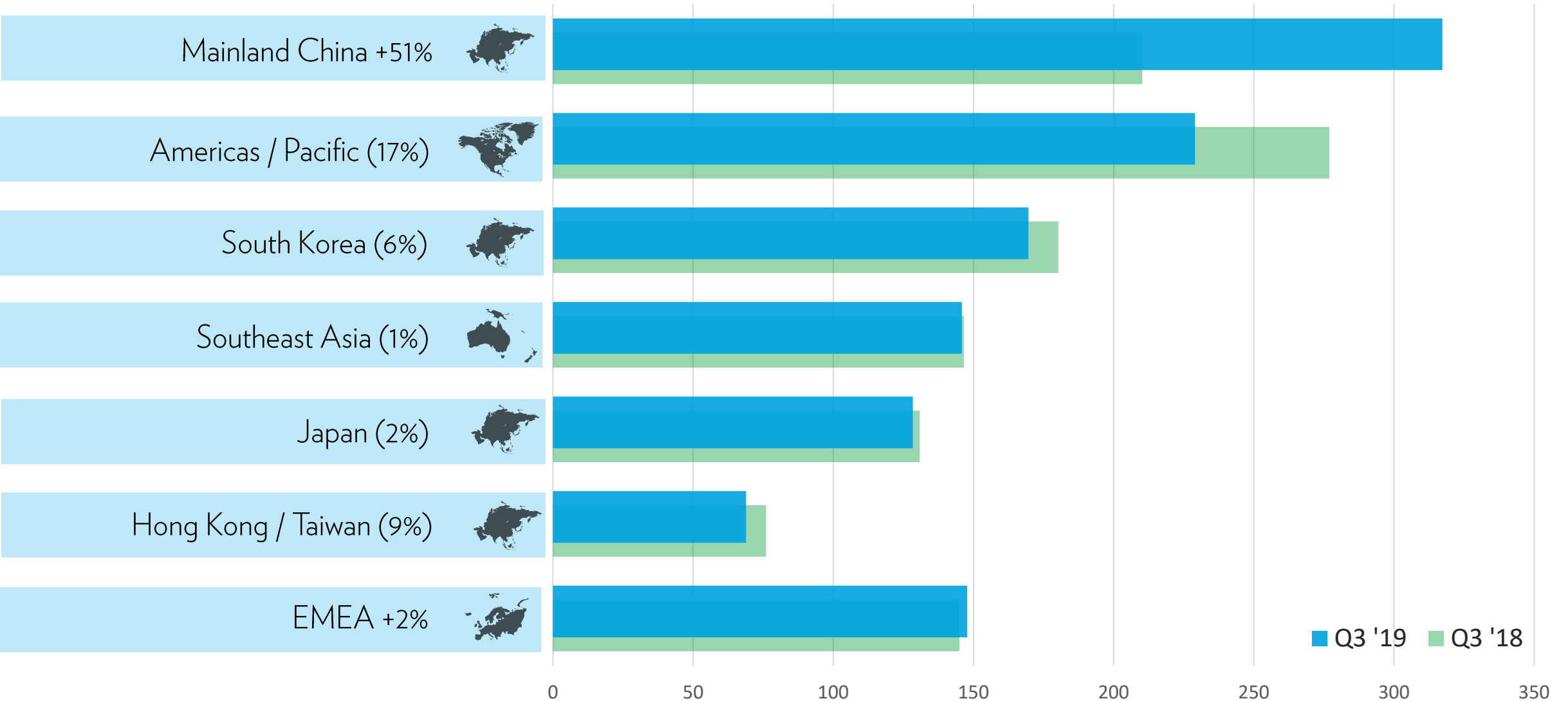




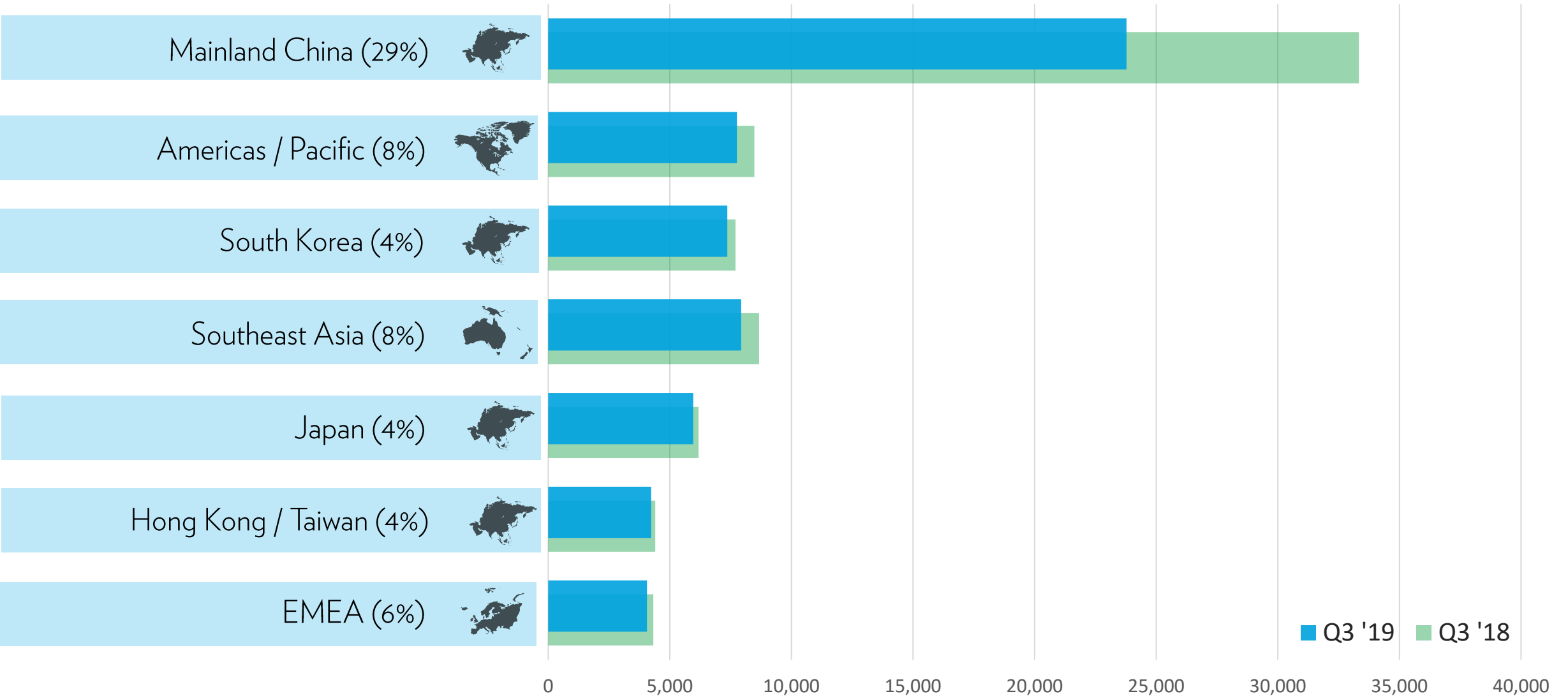
# Revenue by Segment (M)



# Customers by Segment (000's)



# Sales Leaders by Segment



# Manufacturing (000's)

Revenue

Revenue

\$26,022

\$30,601

3 months ended 9/30/18

3 months ended 9/30/19

\$65,937

\$91,430

9 months ended 9/30/18\*

9 months ended 9/30/19

- Innovation & Speed
- Gross margin benefit to core business
- U.S. profit
- High growth opportunity

\*Because the companies were acquired during Q1'18, YOY revenue comparison for the nine-month periods reflect only a partial period for 2018



# Operational Performance (YOY)

## Gross Margin



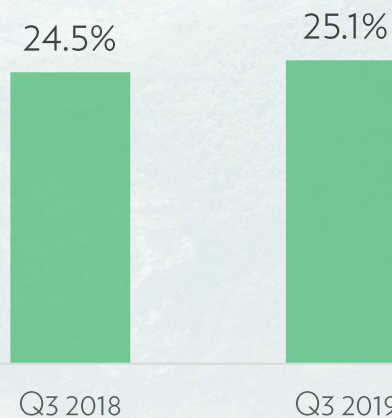
Nu Skin business was 78.6% (Q3'19) vs. 78.7% (Q3'18)  
Impacted by cost savings

## Selling Expenses



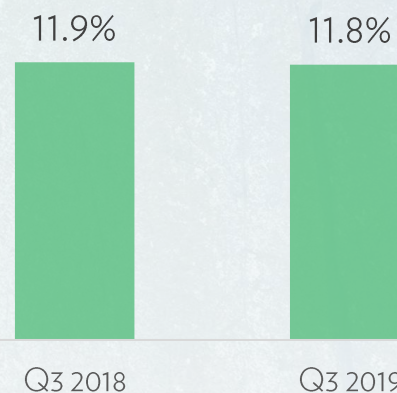
Nu Skin business was 41.5% (Q3'19) vs. 41.8% (Q3'18)

## G&A Expense



\$165.7M vs. \$147.9M

## Operating Margin



# Operational Performance (QOQ)

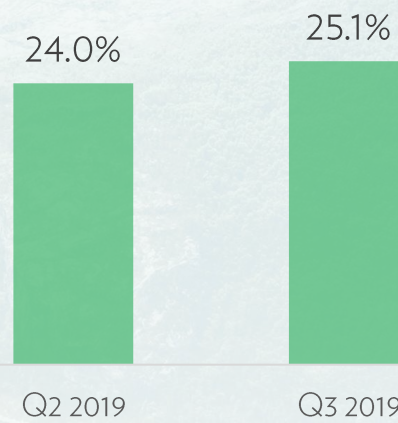
Gross Margin



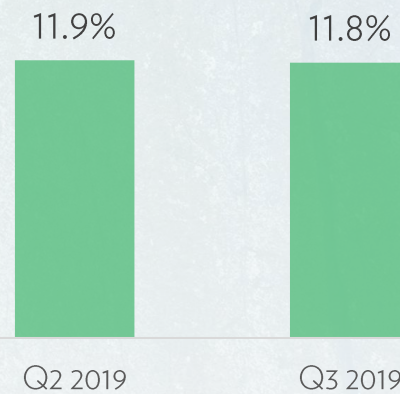
Selling Expenses



G&A Expense



Operating Margin



Nu Skin business was 41.5% for Q2 and Q3 2019

\$149.4M vs. \$147.9M



# Shareholder Value

## Q3 Dividend Payment

- \$20.6 million

## Q3 Stock Repurchases

- Nil
- \$470.2 million remaining in authorization





# Q4 Outlook



Q4 2019 Revenue : \$570 to \$590 million; (17%) to (14%)  
Approx. (2%) fx impact

Q4 2019 EPS • \$0.68 to \$0.75

2019 Revenue • \$2.41 to \$2.43 billion; (10%) to (9%)  
• Approx. (4%) fx impact

2019 EPS • \$3.07 to \$3.14