



Financial Highlights

February 13, 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 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 our markets, including the United States and Mainland China, may be modified, interpreted or enforced in a manner that results in negative changes to our business model or negatively impacts our 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;
- 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 company's recent acquisitions;
- risks related to accurately predicting, delivering or maintaining sufficient quantities of products to support our 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 the company's ability to import or continue selling a product in a market if it is determined to be a medical device or if it is unable to register the product in a timely manner under applicable regulatory requirements;
- unpredictable economic conditions and events globally;
- 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.

Q4 Takeaways



Revenue +3%, +7% constant currency



Constant currency revenue growth in virtually all segments



Customer growth +16%

2018 Takeaways



Revenue +18%, +17% constant currency



Revenue growth in virtually all segments



Growth strategy driving results

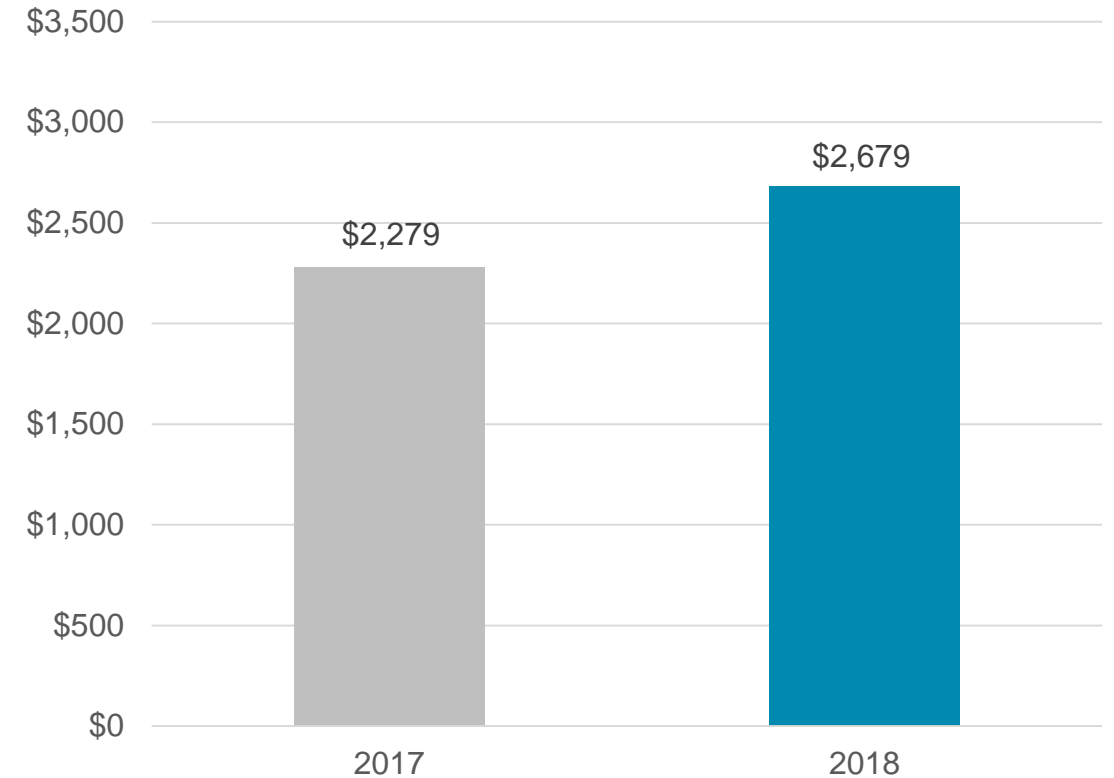
2018 Q4 and Annual Results

Revenue (M)



\$683.3 million, up +3%
Includes (4%) FX impact or (\$26.8M); \$130M LumiSpa launch
in prior year

Revenue (M)



\$2.68 billion, up +18%
Includes 0.5% FX impact

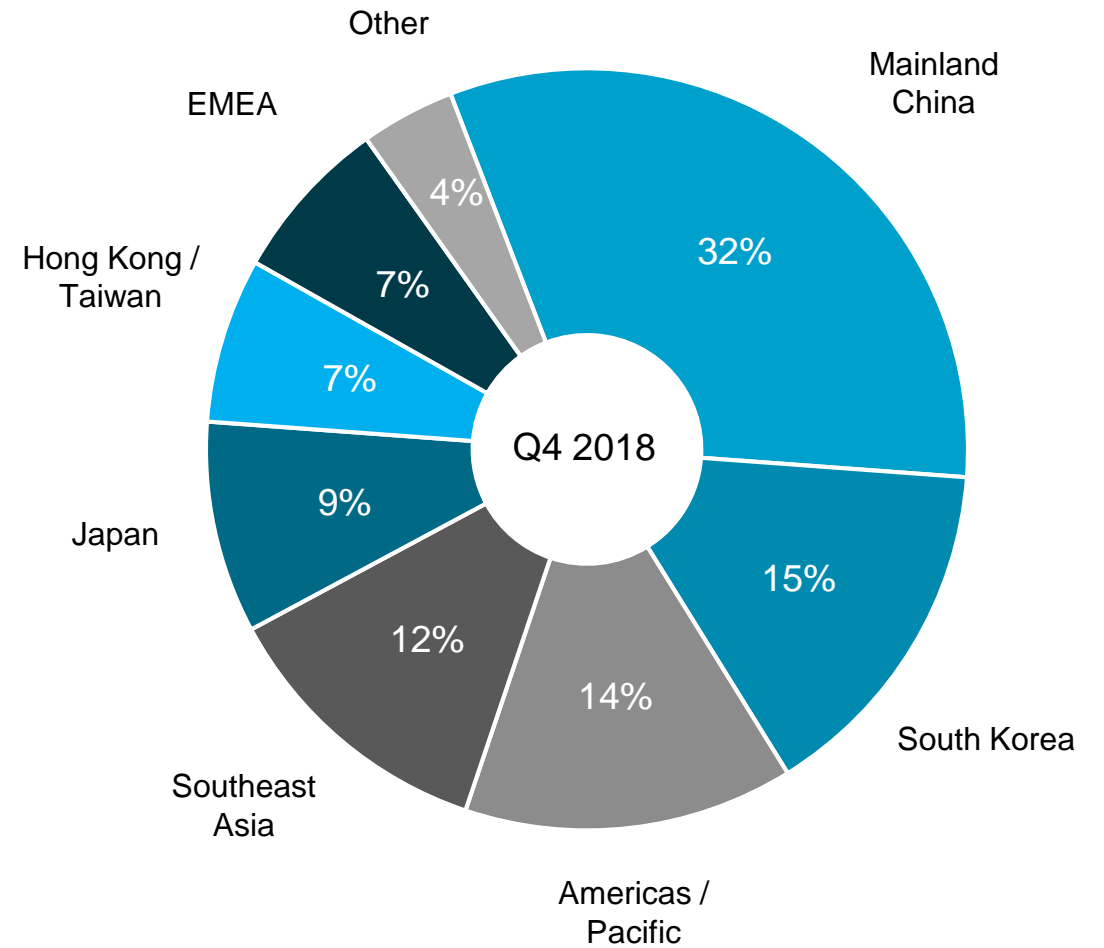
Q4 Revenue Results

Highlights

- +3% YOY revenue growth, +7% constant currency
- LumiSpa contributed 11% of revenue
- Constant currency growth in virtually all segments

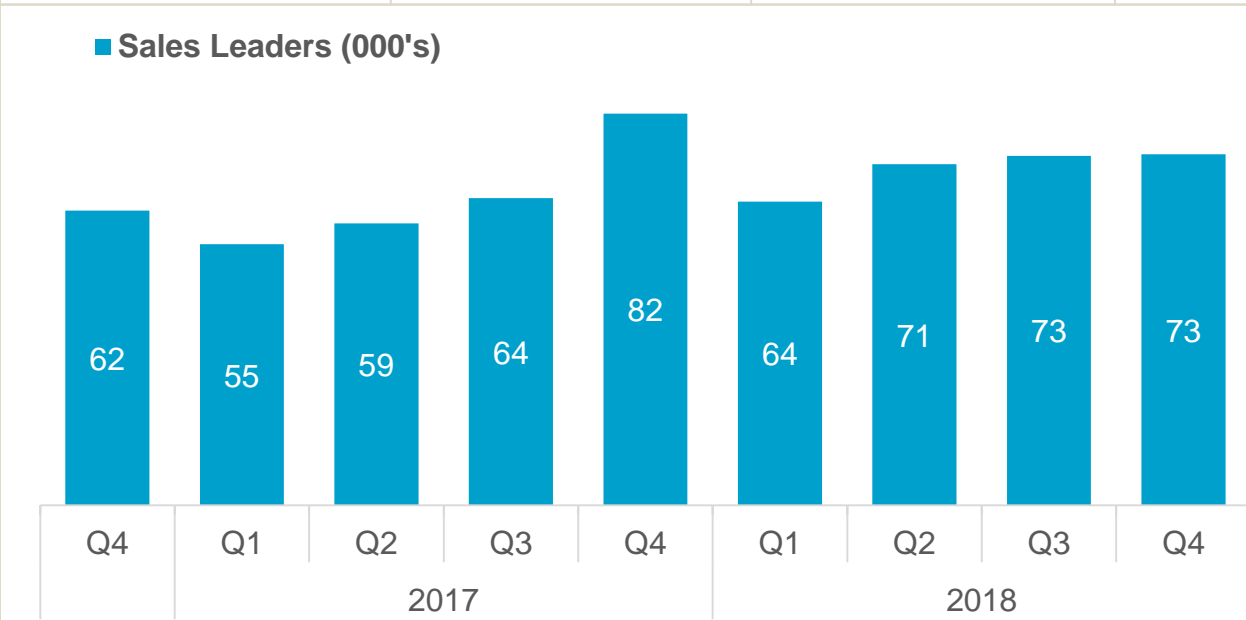


% of Revenue



Sales Force Performance

Market	Q4 2018		Q4 2017		YOY % Change	
	Customers	Sales Leaders	Customers	Sales Leaders	Customers	Sales Leaders
Mainland China	304,000	33,100	193,000	40,600	58%	(18%)
Americas/Pacific	249,000	8,300	244,000	8,900	2%	(7%)
South Korea	182,000	7,600	173,000	8,400	5%	(10%)
S.E. Asia	153,000	8,900	122,000	8,000	25%	11%
Japan	130,000	5,900	132,000	6,600	(2%)	(11%)
HK/Taiwan	77,000	4,800	71,000	4,700	8%	2%
EMEA	149,000	4,800	135,000	4,700	10%	2%
Total	1,244,000	73,400	1,070,000	81,900	16%	(10%)



Mainland China

Q4 Highlights

Constant currency revenue growth +2%
Offset by (4%) fx impact

Customer growth +58%

Prebiotic product launch via WeChat platform

Continued interest in LumiSpa

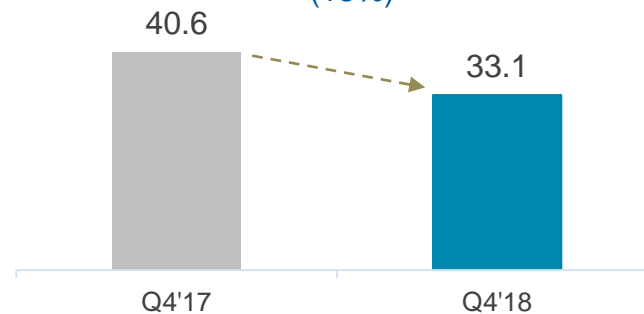
Revenue (millions)

(2%)



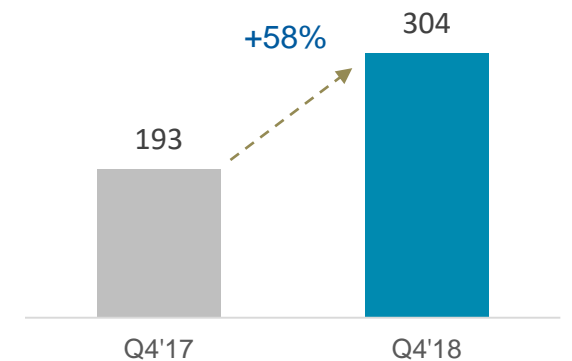
Sales Leaders (000's)

(18%)



Customers (000's)

+58%



Americas / Pacific

Q4 Highlights

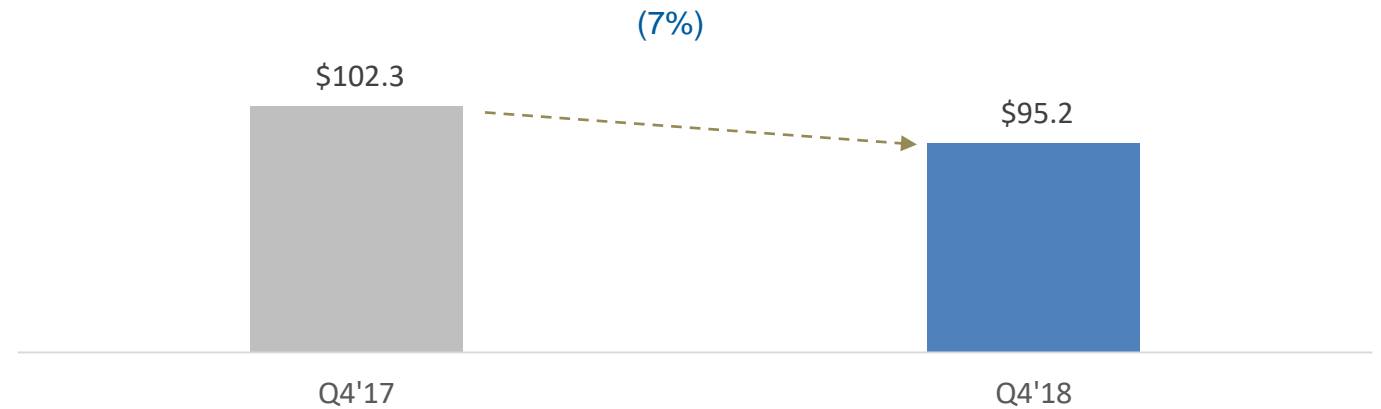
Local currency revenue growth +3%
Offset by (10%) fx impact

Strong growth in Latin America and Pacific
markets, offset by hyperinflation in Argentina

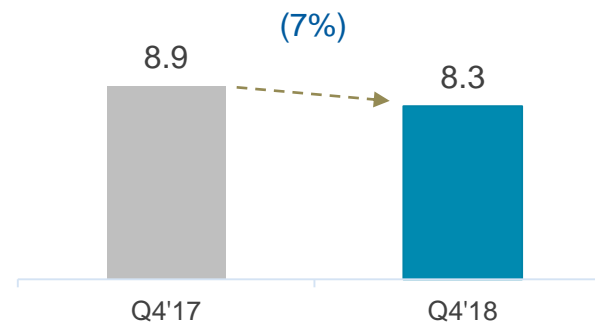
Positive results from social sharing initiatives

Continued interest in LumiSpa

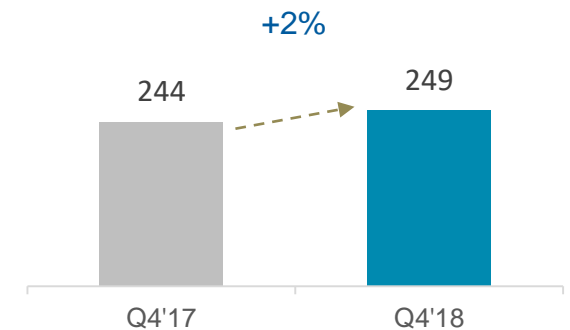
Revenue (millions)



Sales Leaders (000's)



Customers (000's)



South Korea

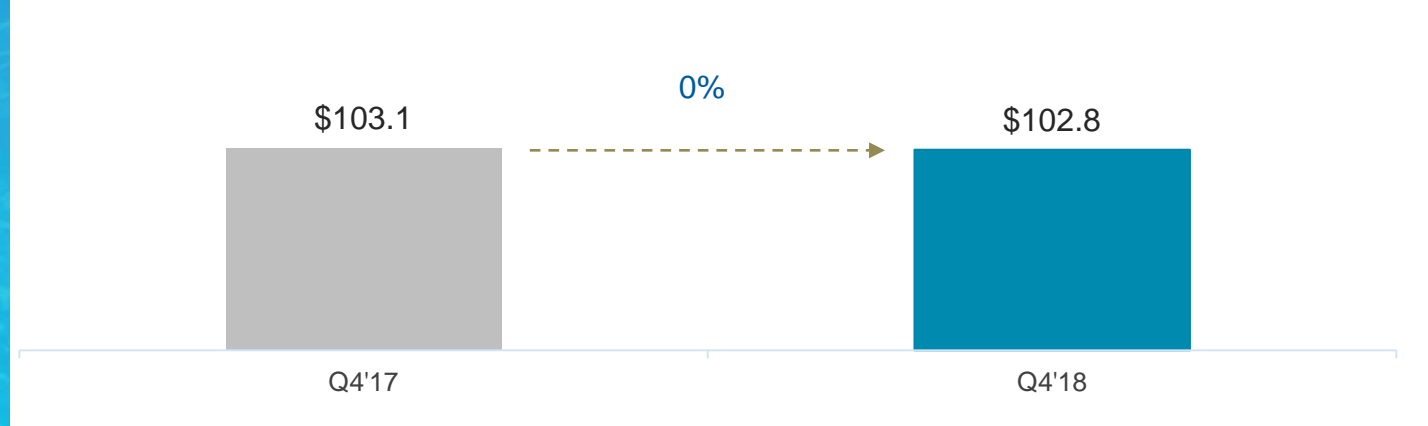
Q4 Highlights

Local currency revenue growth +2%
Offset by (2%) fx impact

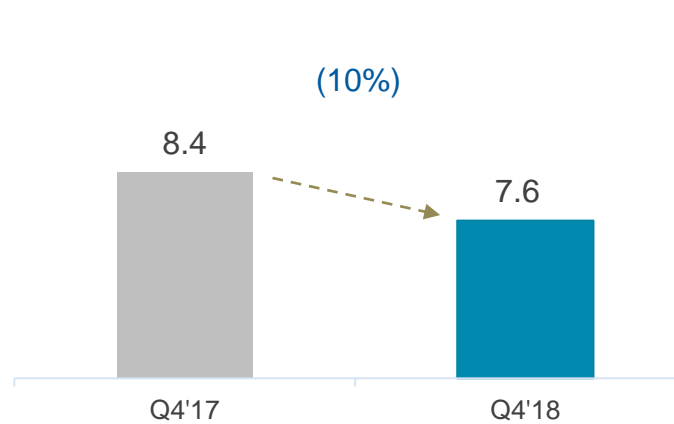
Velocity launch in October

Successful Nu Skin 180 launch via Kakao Talk

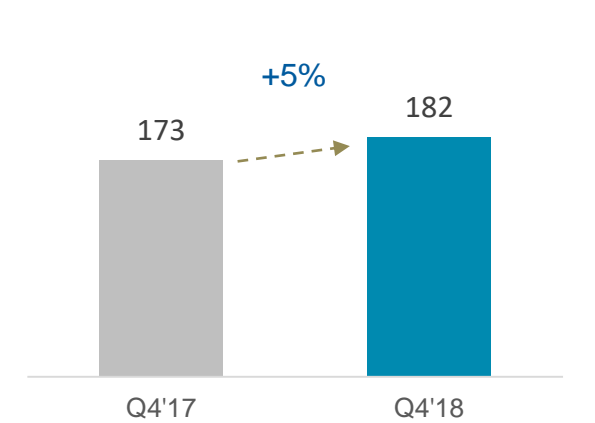
Revenue (000's)



Sales Leaders (000's)



Customers (000's)



Q4 Highlights

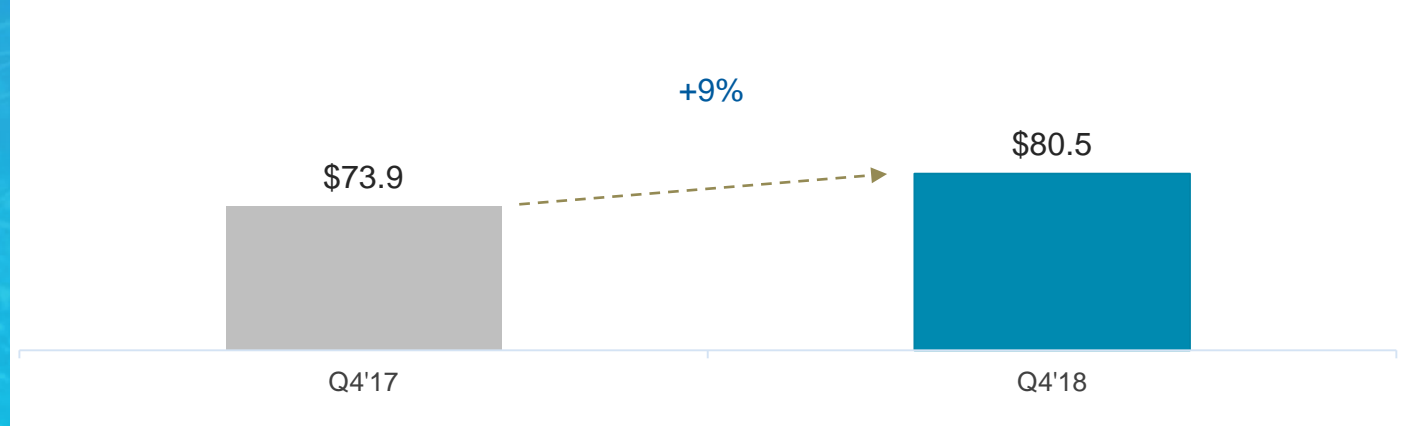
Local currency revenue growth +13%
Offset by (4%) fx impact

Growth driven by social sharing initiatives

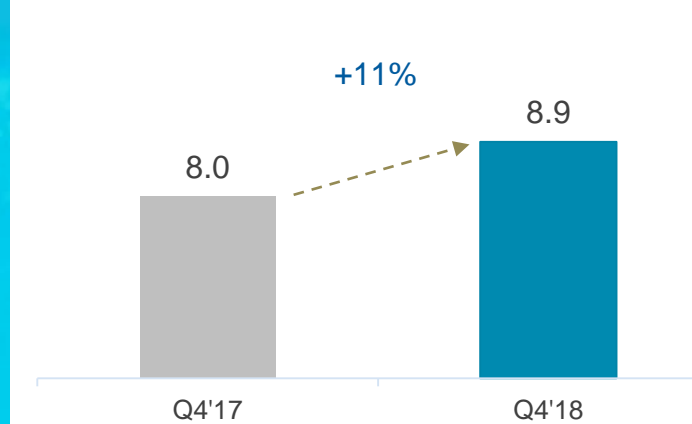
Strong sales leaders and customer growth

Continued momentum with LumiSpa

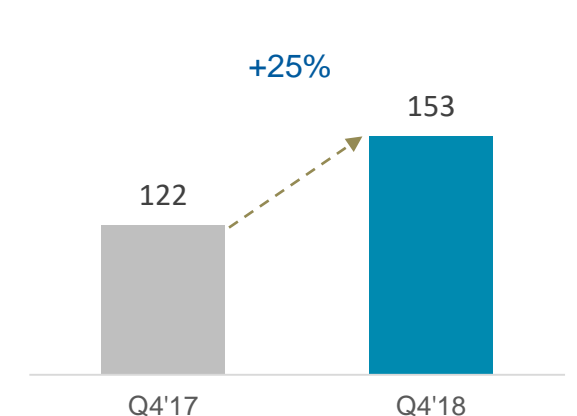
Revenue (000's)



Sales Leaders (000's)



Customers (000's)



JAPAN

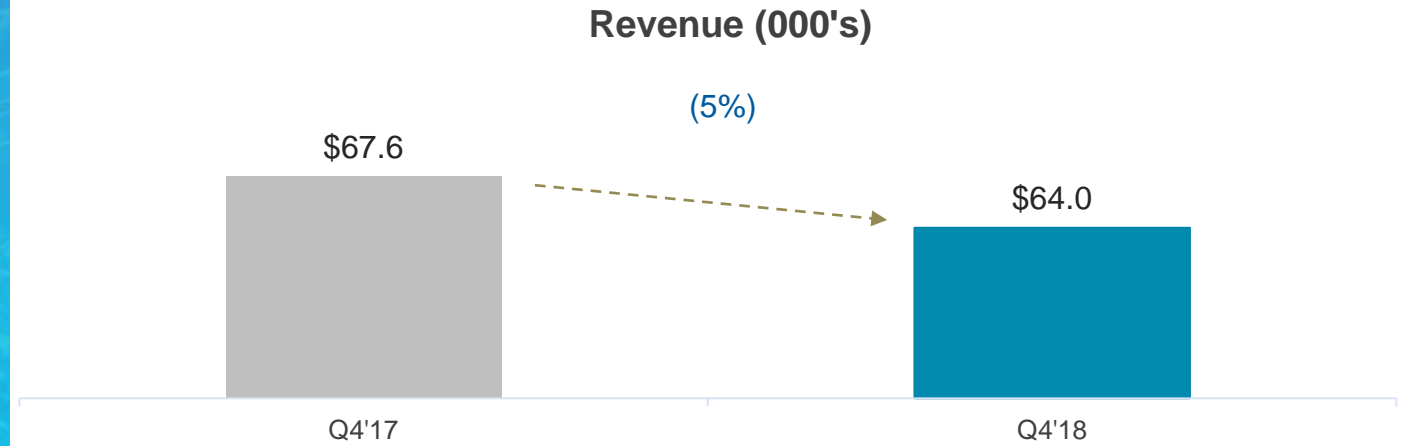
Q4 Highlights

Local currency revenue (6%)
Offset by 1% fx impact

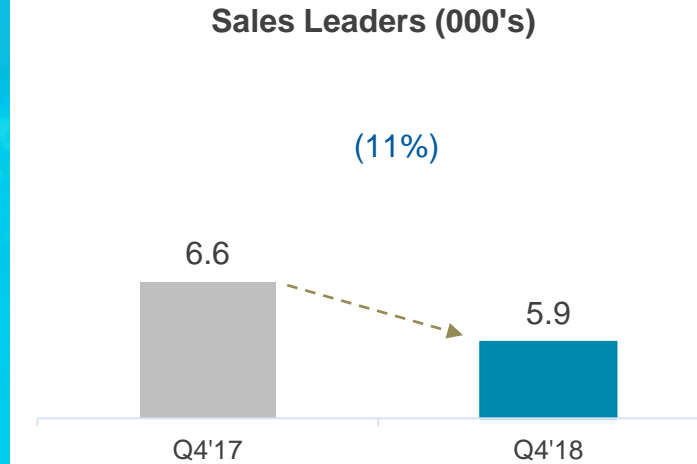
2018 Revenue decline, improvement of prior year trend

Challenging regulatory environment and aging demographic

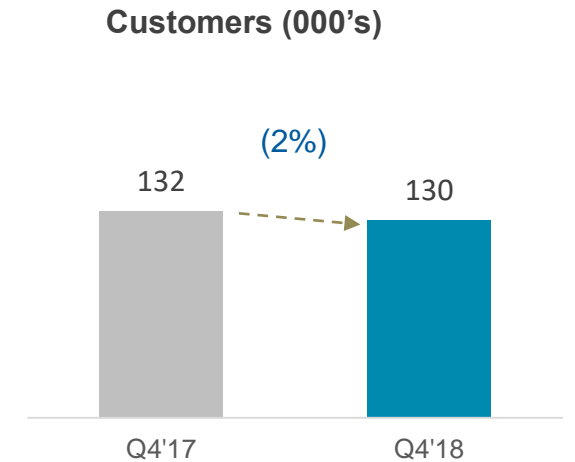
Revenue (000's)



Sales Leaders (000's)



Customers (000's)



HONG KONG / TAIWAN

Q4 Highlights

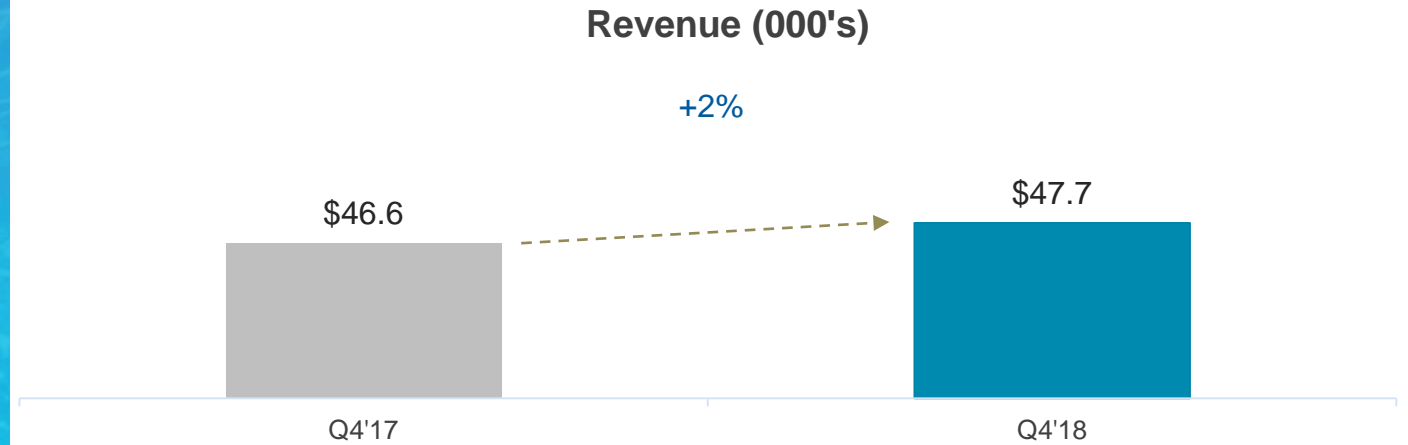
Local currency revenue growth +4%
Offset by (2%) fx impact

Customer and sales leader growth

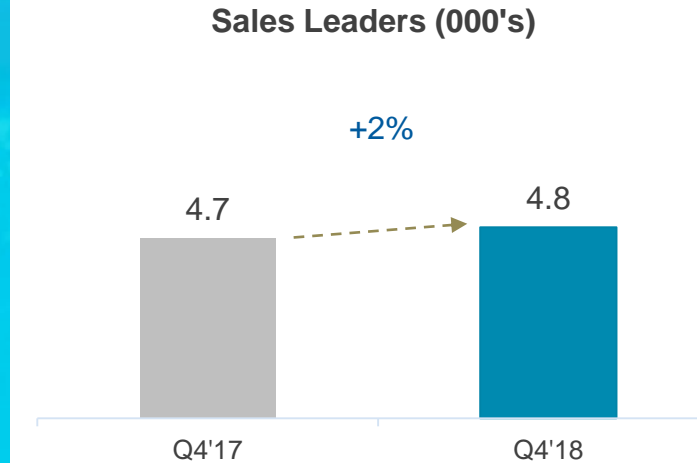
Continued interest in LumiSpa

Successful social sharing initiatives in Hong Kong

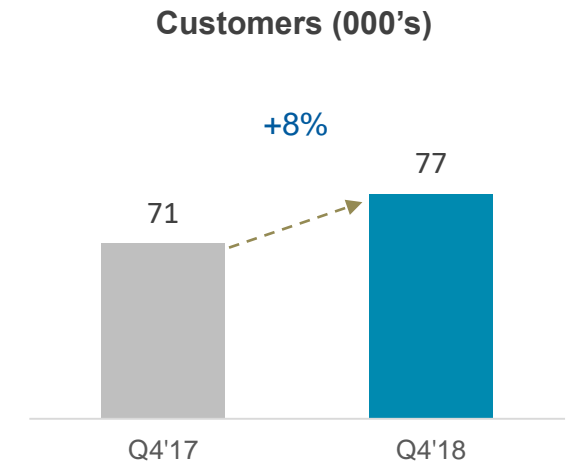
Revenue (000's)



Sales Leaders (000's)



Customers (000's)



EMEA

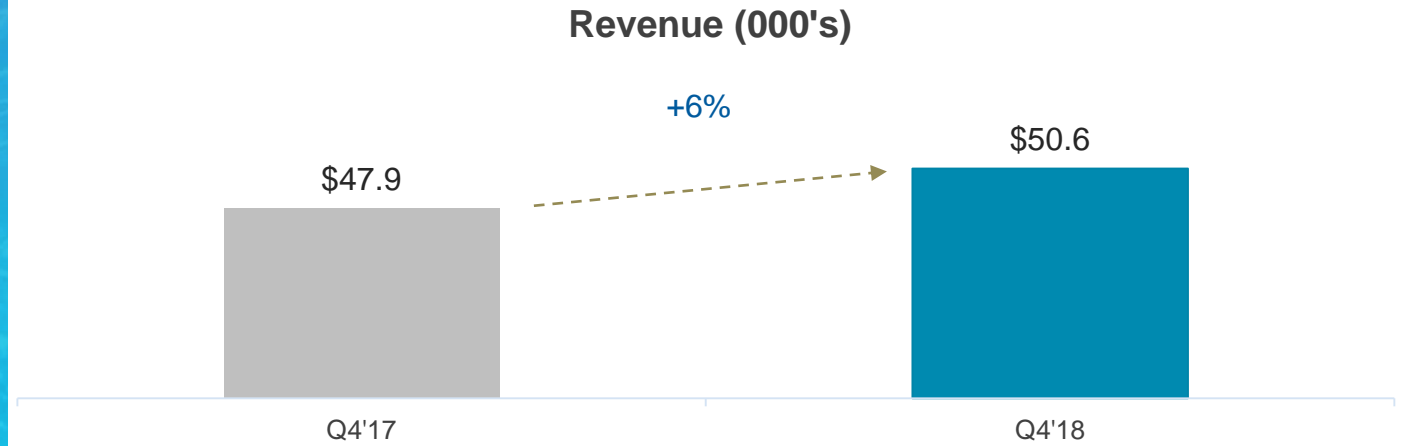
Q4 Highlights

Local currency revenue growth +10%
Offset by (4%) fx impact

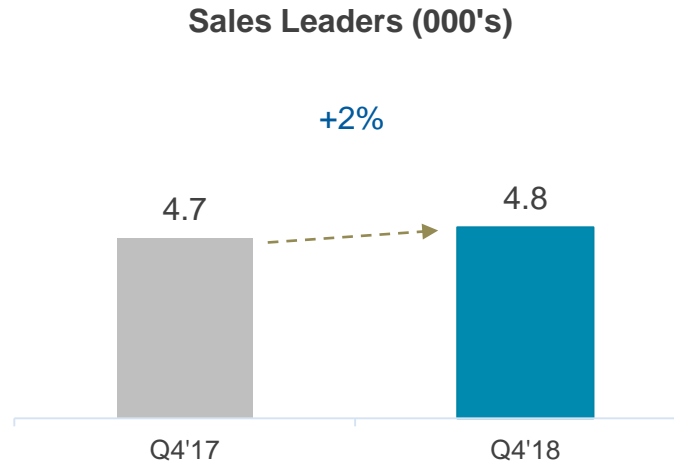
Continued success of Sales Leader social
sharing initiative

Successful product initiatives and promotions

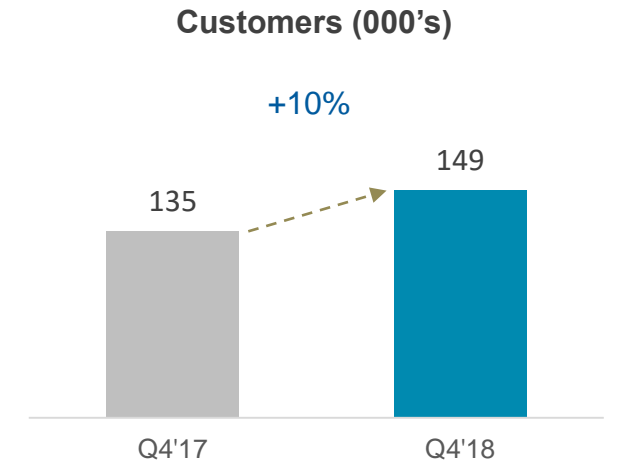
Revenue (000's)



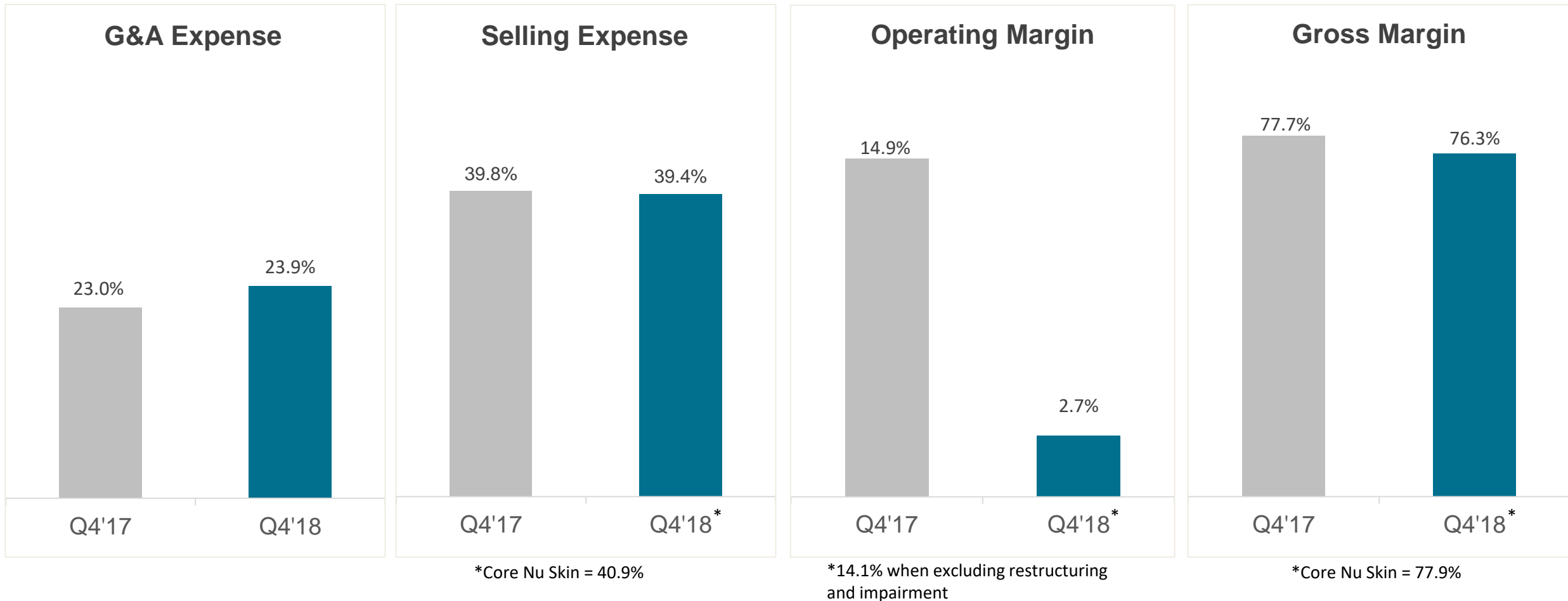
Sales Leaders (000's)



Customers (000's)



Operational Performance



Shareholder Value

Annual Dividend



Cash Usage

Q4 Dividend Payment

- \$20.2 million

Q4 Stock Repurchases

- \$21.3 million
- \$471 million remaining in authorization

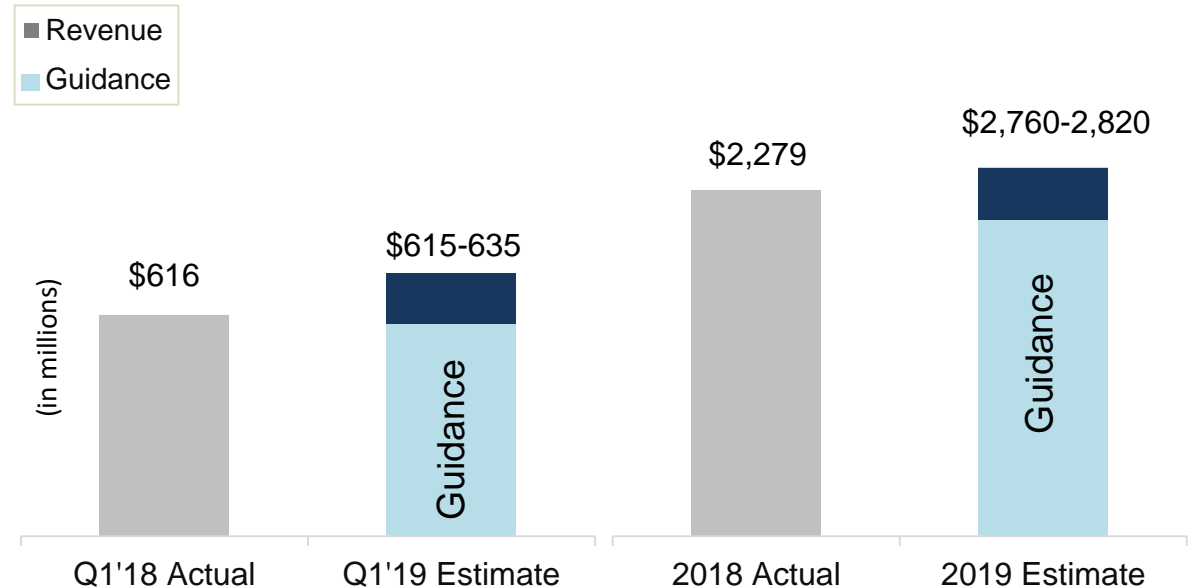
Recently increased 2019 dividend to \$1.48

18th consecutive year of increasing dividend



2019 Outlook

Q1'19 Revenue:	<p>\$615 to \$635 million, 0 to 3% growth</p> <ul style="list-style-type: none"> • 6 to 8% constant currency growth • Approximately (5 to 6%) fx impact
Q1'19 EPS:	\$0.70 to \$0.77
2019 Revenue:	<p>\$2.76 billion to \$2.82 billion, 3 to 5% growth</p> <ul style="list-style-type: none"> • 5 to 7% constant currency growth • Approximately (2 to 3%) fx impact
2019 EPS:	\$3.80 to \$4.05



NU SKIN ENTERPRISES, INC.
Reconciliation of Operating Margin Excluding Impact of Restructuring to GAAP
Operating Margin

(in thousands, except per share amounts)

	Three Months Ended December 31,		Years Ended December 31,	
	2018	2017	2018	2017
Operating income	\$ 18,431	\$ 99,120	\$ 240,860	\$ 274,483
Impact of restructuring and impairment:				
Restructuring and impairment	70,686	—	70,686	—
Inventory write-off	7,240	—	7,240	—
Adjusted operating income	<u>\$ 96,357</u>	<u>\$ 99,120</u>	<u>\$ 318,786</u>	<u>\$ 274,483</u>
Operating margin	2.7%	14.9%	9.0%	12.0%
Operating margin, excluding restructuring impact	14.1%	14.9%	11.9%	12.0%
Revenue	\$ 683,287	\$ 666,201	\$ 2,679,008	\$ 2,279,099

NU SKIN ENTERPRISES, INC.
Reconciliation of Earnings Per Share Excluding Impact of Restructuring and Tax
Reform to GAAP Earnings Per Share

(in thousands, except per share amounts)

	Three Months Ended December 31,		Years Ended December 31,	
	2018	2017	2018	2017
Net income	\$ (17,759)	\$ 18,235	\$ 121,887	\$ 129,437
Impact of restructuring and impairment:				
Restructuring and impairment	70,686	—	70,686	—
Inventory write-off	7,240	—	7,240	—
Income tax impact	(1,086)	—	(1,086)	—
Impact of tax reform on provision for income taxes	—	47,729	—	47,729
Adjusted net income	<u>\$ 59,081</u>	<u>\$ 65,964</u>	<u>\$ 198,727</u>	<u>\$ 177,166</u>
Diluted earnings per share	\$ (0.32)	\$ 0.33	\$ 2.16	\$ 2.36
Diluted earning per share, excluding restructuring and tax reform impact	\$ 1.05	\$ 1.20	\$ 3.52	\$ 3.23
Weighted-average common shares outstanding (000s):	56,341	55,053	56,476	54,852

NU SKIN ENTERPRISES, INC.
Reconciliation of Effective Tax Rate Excluding Impact of Restructuring and Tax Reform to GAAP Effective Tax Rate
(in thousands, except per share amounts)

	Three Months Ended December 31,		Years Ended December 31,	
	2018	2017	2018	2017
Provision for income taxes	\$ 31,936	\$ 80,439	\$ 97,779	\$ 136,130
Impact of restructuring on tax provision	1,086	—	1,086	—
Impact of tax reform on provision for income taxes	—	(47,729)	—	(47,729)
Provision for income taxes, excluding impact of restructuring and tax reform	<u>\$ 33,022</u>	<u>\$ 32,710</u>	<u>\$ 98,865</u>	<u>\$ 88,401</u>
Income before provision for income taxes	\$ 14,177	\$ 98,674	\$ 219,666	\$ 265,567
Impact of restructuring and impairment:				
Restructuring and impairment	70,686	—	70,686	—
Inventory write-off	7,240	—	7,240	—
Income before provision for income taxes, excluding impact of restructuring and tax reform	<u>\$ 92,103</u>	<u>\$ 98,674</u>	<u>\$ 297,592</u>	<u>\$ 265,567</u>
Effective tax rate	225.3%	81.5%	44.5%	51.3%
Effective tax rate, excluding restructuring and tax reform impact	35.9%	33.1%	33.2%	33.3%

Constant-currency revenue growth is a non-GAAP financial measure that removes the impact of fluctuations in foreign-currency exchange rates, thereby facilitating period-to-period comparisons of the company's performance. It is calculated by translating the current period's revenue at the same average exchange rates in effect during the applicable prior-year period and then comparing this amount to the prior-year period's revenue.



