

ROBERT W. BAIRD 2015 GROWTH STOCK CONFERENCE



GNC HOLDINGS, INC. (NYSE: GNC)

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May 6, 2015

AGENDA

BRAND EVOLUTION AND PROMISE

SALES RECAPTURE INITIATIVES

GUIDANCE

BRAND EVOLUTION AND PROMISE

BRAND EVOLUTION



New brand positioning is grounded in data and evolutionary, not revolutionary
Seek to both expand share of wallet and broaden reach

Source: NBJ

BRAND PROMISE AND PILLARS

Connecting our customers to their best

**Meaningful,
long-term
connections
with our
customers**

**Deep
expertise in
health,
wellness,
and
performance**

**Customized
plans to
meet
customers'
unique
goals
through
associate
interactions**

**Best-in-
class
shopping
experience**

**Customer-
driven
decision-
making &
rigorous
quality
standards**

One-to-one customer engagement

BRAND EVOLUTION

Q4 2014

- Functional foods
- Plant and nature based proteins
- Women's business

Plant-Based Proteins



1st half 2015

- Probiotics



- Ultra Mega Green
- PUREEDGE



Contributing to category growth and customer acquisition

SALES RECAPTURE INITIATIVES

DEEP DIVE ANALYTICS

Sales recapture initiatives

- **Cycling unprofitable prior year promotions**
 - Affected Q1 comps by ~2%
 - Impact lessens in Q2'15, and is neutral thereafter
- **Restore marketing spend**
 - More consistent with prior year levels
 - Improved effectiveness of spend

Incremental initiatives

- **Expanding assortment**
- **Improving customer experience**

Sales recapture initiatives

- **Cycling unprofitable prior year promotions**
 - Affected Q1 comps by ~2%
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Restore marketing spend

- More consistent with prior year levels
- Improved effectiveness of spend
- **Increase reach and frequency of email and direct mail**
 - In place Q2 '15
- **My-source direct mail effectively addresses most-loyal customers**

Sales recapture initiatives

Incremental initiatives

- **Expanding assortment**
 - Saw improvement in 2 separate tests – returns exceed cost of capital
 - Q2 '15 implementation

- **Improving customer experience**
 - Realigning store personnel and scheduling
 - Focus on training
 - Assessment of top and bottom stores

GUIDANCE

2015 GUIDANCE (as provided on April 30, 2015)

- **EPS ~\$3.00 - \$3.15, excluding unusual items**
- **Low single digit increase in consolidated revenue for the full year**
 - **Q2 comp: low single digit decline to flat**
 - **Rest of year comp: low single digit increase**
 - **Modest revenue growth internationally**
 - **Manufacturing / Wholesale segment revenue generally in-line with 2014 levels**
- **Underlying assumptions:**
 - **Retail product gross margin improvements**
 - **Share repurchases ~5-6%**

GNC
LIVE WELL

