



# Planned Acquisition of Health Care & Home Environment Products



**Everyday Brands – Global Markets**

**December 9, 2010**

# Forward Looking Statements and Non-GAAP Information

- This presentation may contain certain forward looking statements that are based on management's current expectation with respect to future events or financial performance. A number of risks or uncertainties could cause actual results to differ materially from historical or anticipated results. Generally, the words "anticipate," "believes," "expects," and other similar words identify forward-looking statements. The Company cautions participants to not place undue reliance on forward-looking statements. Forward-looking statements are subject to risks that could cause such statements to differ materially from actual results. Factors that could cause actual results to differ from those anticipated are described in the Company's Form 10-K, filed with the Securities and Exchange Commission, for the fiscal year ended February 28, 2010.

# Helen of Troy Business Model

World-class consumer products company with diverse products and global presence

LTM August 2010 Net Sales by Segment  
\$ 677 Million

Strong brand equity

Leading market positions

Products with recurring revenue streams

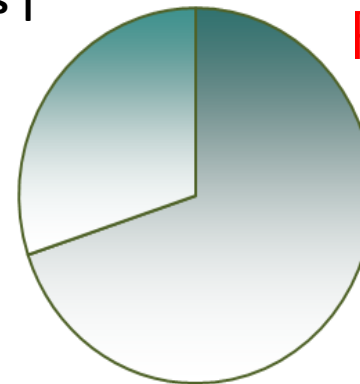
Low-cost manufacturing/sourcing

Robust processes, controls and measurements

Value added through brand equity and continuous improvement process

Broad distribution around the globe in over 70 countries

Housewares |  
31%



VIDAL SASSOON.



REVLON



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Personal Care |  
69%

# Shareholder Value Creation Strategy



# Transaction Summary

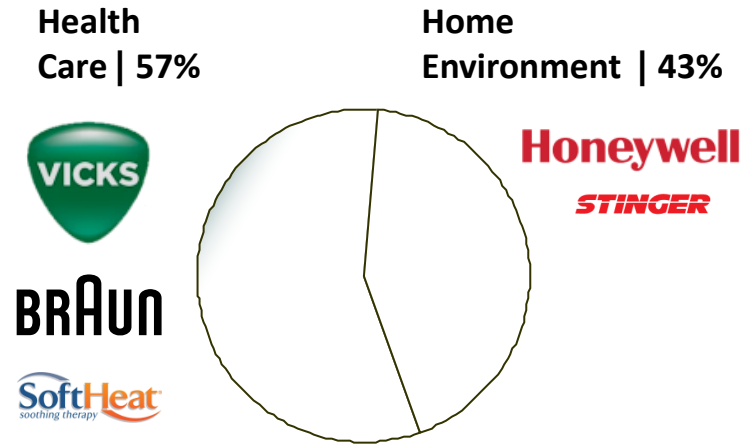
<b>Purchase Price</b>	<ul style="list-style-type: none"><li>● \$260 million, subject to working capital and other closing adjustments</li></ul>
<b>Transaction Financing</b>	<ul style="list-style-type: none"><li>● Combination of cash on the balance sheet and committed financing from Bank of America/ Merrill Lynch</li></ul>
<b>Transaction Structure</b>	<ul style="list-style-type: none"><li>● Merger with survival of Kaz, Inc.</li></ul>
<b>Closing Conditions</b>	<ul style="list-style-type: none"><li>● Subject to Hart-Scott-Rodino approval</li><li>● Financing and other customary conditions</li></ul>
<b>Closing Date</b>	<ul style="list-style-type: none"><li>● Expected to close by year-end</li></ul>
<b>Estimated Synergies</b>	<ul style="list-style-type: none"><li>● In excess of \$10 million to be achieved in second full year of operations</li></ul>
<b>Transaction Metrics</b>	<ul style="list-style-type: none"><li>● Acquire net sales of \$419 million</li><li>● ~7x adjusted EBITDA</li><li>● ~5.5x synergized adjusted EBITDA</li><li>● Expected to be \$0.40 - \$0.50 accretive to EPS in the first full fiscal year of ownership, Helen of Troy and Kaz combined for FY2012 EPS estimate of \$3.40 - \$3.50</li></ul>

# Kaz, Inc. Overview



<b>Overview</b>	<ul style="list-style-type: none"> <li>• Founded in 1926 by Max Katzman, the inventor of the electric vaporizer</li> </ul>
<b>Location</b>	<ul style="list-style-type: none"> <li>• Headquartered in Southborough, MA</li> </ul>
<b>Channels of Distribution</b>	<ul style="list-style-type: none"> <li>• Well-aligned with Helen of Troy's distribution footprint across the drug and mass channels</li> </ul>
<b>Operations</b>	<ul style="list-style-type: none"> <li>• Fully outsourced manufacturing</li> </ul>
<b>Geography</b>	<ul style="list-style-type: none"> <li>• Global footprint with offices in U.S., Europe, Canada, Asia Pacific, and Latin America</li> </ul>

**LTM Net Sales by Brand<sup>(1)</sup>**  
**Total Net Sales = \$419 Million**










(1) Kaz percentages reflect data for FY2010 ending April 30, 2010; Total Net Sales reflect October LTM

# Kaz is a Highly Compelling Strategic Fit with Helen of Troy

## Helen of Troy Business Model

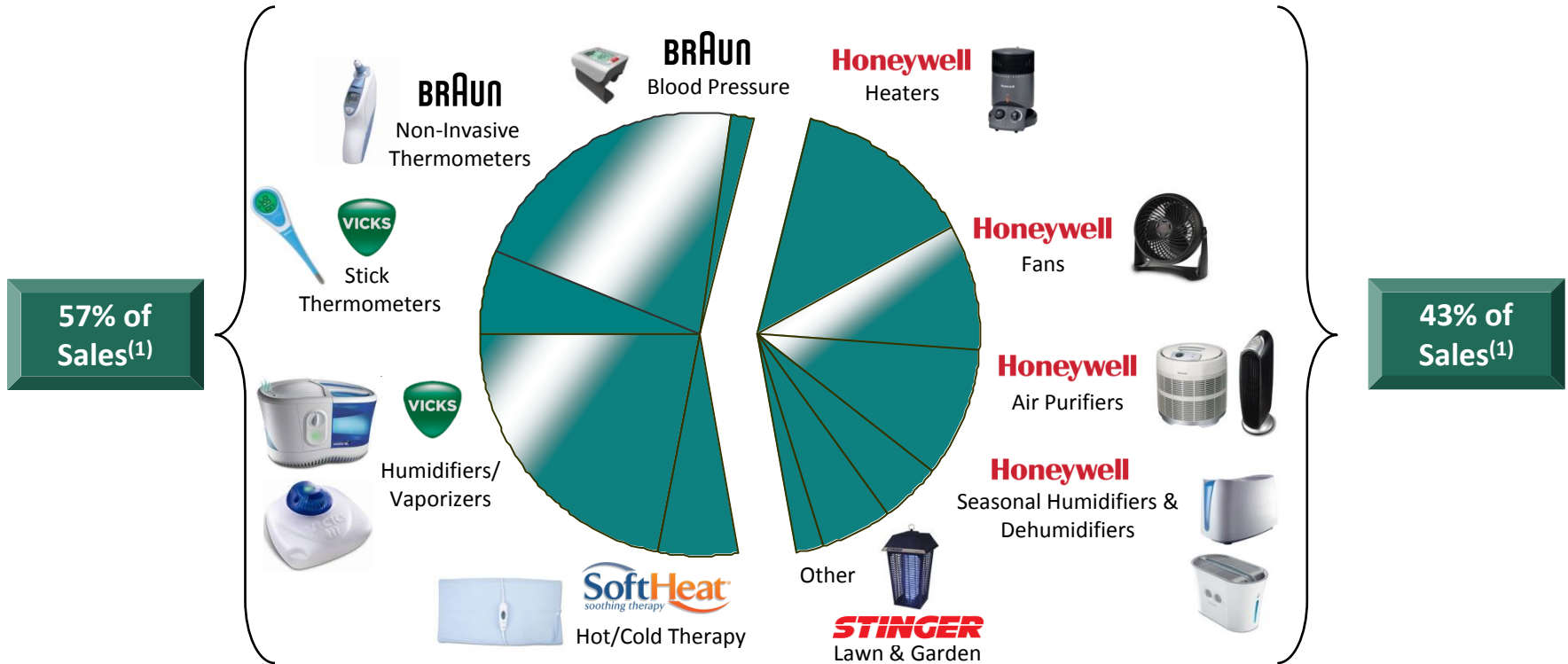
kaz

- Strong brand equity 
- Leading market positions 
- Products with recurring revenue streams 
- Low-cost manufacturing and sourcing 
- Robust processes, control and measurements (Oracle) 
- Value added through brand equity and continuous improvement process 
- Broad distribution around the globe in over 70 countries 

# Kaz: A \$419 Million, Global Branded Consumer Device Platform Focused on Two Key Categories

## Branded Health Care Products

## Branded Home Environment Products



LTM Net Sales = \$419 million <sup>(1)</sup>

(1) Kaz percentages reflect data for FY2010 ending April 30, 2010; Total Net Sales reflect October LTM

# Kaz: Leveraging the Power of Three Billion Dollar Global Licensed Brands

Health Care



- \$1 Billion Health Care powerhouse for P&G
- Global brand equity
- #1 in pharmacy humidifiers and stick thermometers in North America

## BRAUN

- \$1 Billion globally recognized brand for P&G
- #1 with Doctors and Consumers
- Welch Allyn professional partnership
- #1 in non-invasive thermometers in North America and Europe

Home Environment

## Honeywell

- Global brand recognized for highly engineered products
- High brand awareness in key markets
- Long-standing retail/consumer credibility
- #1 in Air Purifiers in US, Canada and Taiwan
- #1 in Heaters and Fans in Canada

# Stewardship of P&G Brands – Benefiting from P&G’s History of Investment

## Helen of Troy®

Hair Care and Skin Care

Personal Care Appliances

Health Care/  
Home Environment



Infusium<sup>23</sup>®

VIDAL SASSOON



BRAUN

# Helen of Troy and Kaz: Worldwide Operations

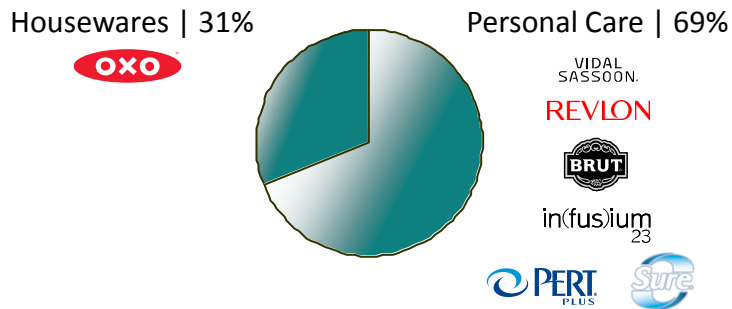


Helen of Troy		kaz	
★	★	US Headquarters	
■	■	Distribution Centers	
◆	◆	Supply Centers	
▣	▣	3 <sup>rd</sup> Party Distribution Centers	
●	●	Regional Headquarters/Offices	

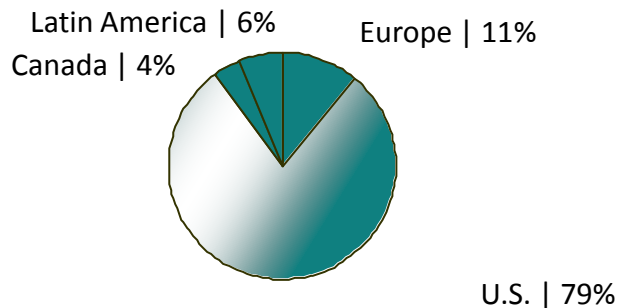
# Helen of Troy and Kaz: Segment and Geographic Summary

## Helen of Troy <sup>(1)</sup>

Revenue by Segment



Revenue by Geography<sup>(2)</sup>



Total Net Sales

\$677 Million <sup>(1)</sup>

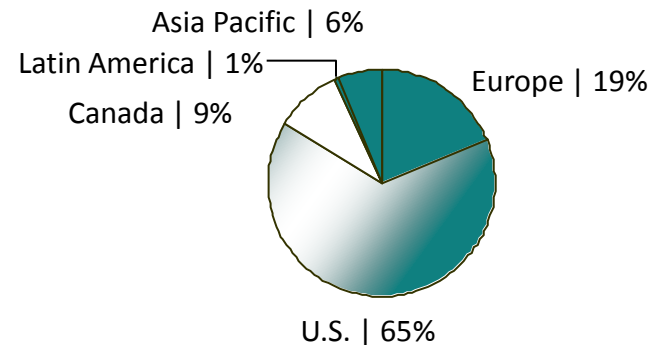
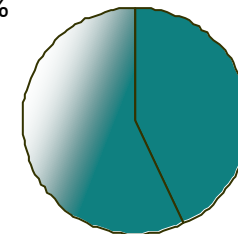
## kaz <sup>(3)</sup>

Health Care | 57%



Home Environment | 43%

Honeywell



\$419 Million

(1) LTM ending August 31, 2010

(2) Helen of Troy percentages reflect data for FY2010 ending February 28, 2010; Total Net Sales of \$648 million

(3) Kaz percentages reflect data for FY2010 ending April 30, 2010; Total Net Sales reflect October LTM

# The Result: A More Diversified and More Global Billion Dollar Business

## Portfolio Diversification<sup>(1)</sup>

Home Environment | 16%

**Honeywell**

Helen of Troy Personal Care | 43%

REVLON

VIDAL SASSOON.

BRUT

Sure

PERT PLUS

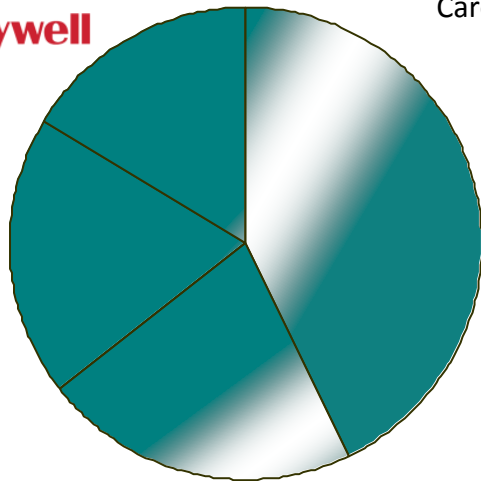
in(fus)ium<sup>23</sup>

DrScholl's

BED HEAD TIGI

Housewares | 19%

**OXO**

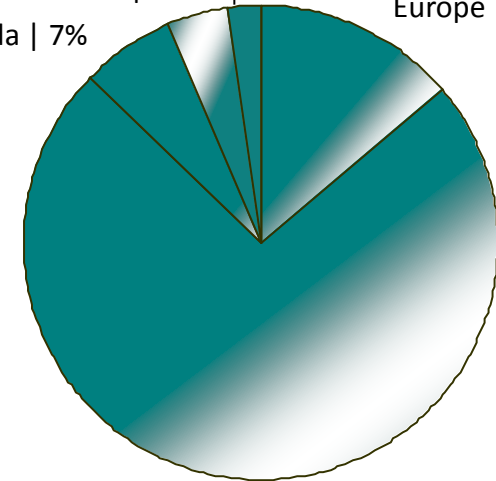


Health Care | 22%

**VICKS** **BRAUN**

## Geographic Diversification<sup>(1)</sup>

Asia Pacific | 2%  
Latin America | 4%  
Canada | 7%  
Europe | 14%



U.S. | 73%

**Total Net Sales**

**\$1.1 Billion<sup>(2)</sup>**

(1) Percentages are based on the combination of Helen of Troy data for FY2010 ending February 28, 2010 and Kaz data for FY2010 ending April 30, 2010

(2) Summation of LTM ending August 31, 2010 for Helen of Troy and LTM ending October 31, 2010 for Kaz

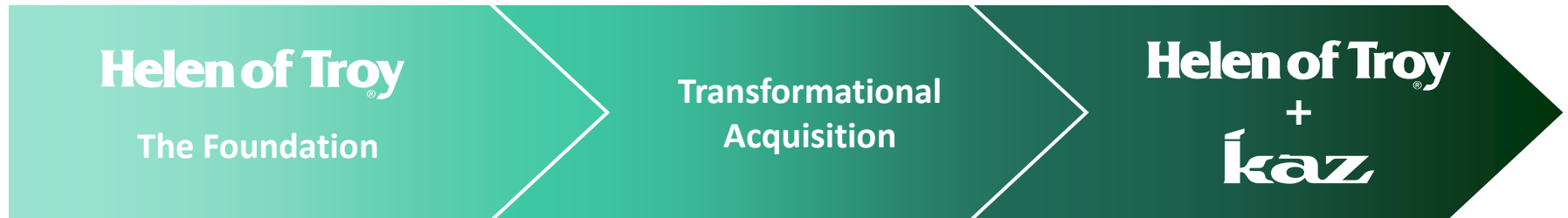
# Kaz Acquisition: Strategic Implications

- Creating a billion-dollar diversified consumer products company
- Entry to attractive new product segments
  - 57% of Kaz sales in health care business; 43% of Kaz sales in home environment
  - Deep pipeline of product innovation
- Diversification of geographic footprint
  - Non-U.S. sales will more than double with acquisition
  - European operations represent platform to expand existing business
- Add to stable of global power brands with strong licensing relationships
  - Vicks is a billion dollar global health care brand for P&G
  - Braun is #1 with doctors and consumers
  - Honeywell brand is globally recognized for highly engineered products
  - Opens potential new categories and adjacencies for future licensing expansion
- Significant synergy potential
  - Geographic overlap in regional offices
  - Supply chain
  - Corporate and back office

# Kaz Summary

- Global marketer of health care and home environment products
  - Health Care: Thermometers, Humidifiers/Vaporizers, Hot/Cold Therapy
  - Home Environment: Heaters, Fans, Air Purifiers, Lawn & Garden
- Global operations
  - Headquartered in Southborough, Massachusetts
  - Regional offices in Europe, Canada, Asia, Latin America
- Fully outsourced supply chain based in Asia and North America
- Diversified customer base
  - Strong pharmacy distribution in U.S. and Europe
  - Deep relationships with mass marketers and home centers
- Transaction summary
  - Purchase price - \$260 million
  - Acquire net sales of \$419 million
  - ~7x adjusted EBITDA
  - ~5.5x synergized adjusted EBITDA
  - Expected to be \$0.40 - \$0.50 accretive to EPS in the first full fiscal year of ownership, Helen of Troy and Kaz combined for FY2012 EPS estimate of \$3.40 - \$3.50

# The Kaz Acquisition: A Major Milestone for Helen of Troy



- Strong financial performance and cash generation
- Proven success in licensed brand stewardship
- Deep relationships with the trade



- Billion dollar consumer goods company
- Portfolio of well-known, broadly distributed, market-leading brands
- Strong innovation pipeline
- Successful acquiror

