

**DECKERS**  
— BRANDS —

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# DISCLOSURES

## Safe Harbor

We make forward-looking statements in this presentation, which represent our expectations or beliefs about future events and financial performance. Forward-looking statements are identifiable by words such as “believe,” “anticipate,” “expect,” “intend,” “plan,” “will,” “may” and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. Forward-looking statements are subject to known and unknown risks and uncertainties, including those described in our filings with the Securities and Exchange Commission. In addition, actual results could differ materially from those suggested by the forward-looking statements, and therefore you should not place undue reliance on the forward-looking statements. Except as required by law, we undertake no obligation to update or revise any forward-looking statements.

## Non-GAAP Reconciliation and Certain Supplemental Financial Information

This presentation includes Non-GAAP financial measures. Reconciliations of, and certain required disclosures regarding, these Non-GAAP financial measures and supplemental financial information can be found in our Securities and Exchange Commission filings.

# DECKERS AT A GLANCE

## SNAPSHOT

- **Portfolio of leading footwear and lifestyle brands** serving both casual and high-performance needs
- Global infrastructure with **customers in 80+ countries**
- Recognized omni-channel leader with strong wholesale, retail and ecommerce capabilities
- As of Fiscal 2019 year-end, delivered beyond the committed \$100MM of operating profit improvement, compared to levels in Fiscal 2017, a year ahead of schedule.
- Fiscal Year 2019: Revenue of \$2.02B with an Operating Margin of 16.2%, and a 2-year Non-GAAP EPS annualized growth rate over 50%.
- Strong confidence in delivering long term strategy, supported by outstanding share repurchase authorization of \$350MM<sup>1</sup>

## BRANDS

FASHION  
LIFESTYLE  
GROUP

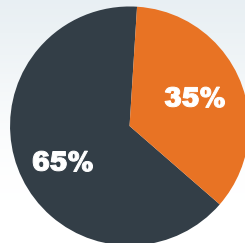


PERFORMANCE  
LIFESTYLE  
GROUP



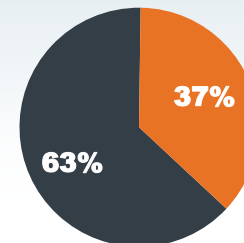
## REVENUE BY CHANNEL (FY19)

**\$2.02B**  
FY19 REVENUE



■ Wholesale ■ DTC

## REVENUE BY REGION (FY19)



■ US ■ International

Source: Company filings

Notes:  
1) Share repurchase authorization remaining per the 10-K filing for the fiscal year ended March 31, 2019.

**DECKERS**  
— BRANDS —

# BUILD BRANDS THAT CONNECT WITH CONSUMERS GLOBALLY

## FASHION LIFESTYLE GROUP

UGG®



KOOLABURRA  
BY UGG®



**UGG:** Iconic **\$1.5B+** global lifestyle brand, known primarily for its luxurious comfort-based sheepskin footwear

**Koolaburra:** **Sub-\$100** priced sheepskin/wool boot category attack brand that complements premium UGG offerings

## PERFORMANCE LIFESTYLE GROUP



HOKA ONE ONE



Teva



sanuk

**HOKA ONE ONE: \$220MM+** rapidly growing running performance brand known for maximum cushioning and minimal weight

**Teva: \$130MM+** modern outdoor lifestyle brand known primarily for sports sandals

**Sanuk: \$80MM+** relaxed surf / lifestyle footwear leader known primarily for sidewalk surfers and yoga sling sandals

# REVENUE GROWTH DRIVERS



Authentic performance footwear expanding globally;  
including running, outdoor, and fitness product

Innovative designs and compelling replenishment cycle,  
on a growing customer base

## DECKERS — BRANDS — DISTRIBUTION

Invest in ecommerce competencies to fuel growth across  
our brand portfolio

Exploit digital capabilities to expand consumer base

Implement new distribution strategies internationally with  
plans that mirror proven success domestically

## UGG<sup>®</sup> MEN'S PRODUCT & WOMEN'S NON-CORE

Men's: Expand awareness to capture market share,  
attracting younger consumers with compelling product

Women's: Develop year-round product to extend category  
offerings to new and existing consumers



Continued expansion in the family value channel

Gaining market-share in the sub-\$100 sheepskin boot  
category, incremental to UGG's business

# CREATING LONG-TERM SHAREHOLDER VALUE

## MAJOR COMPONENTS DRIVING STOCKHOLDER VALUE



### TRANSFORMING BRANDS IN THE MARKETPLACE & DRIVING GROWTH

- Elevate our brands in the marketplace
- Connect digitally with consumers
- Supercharge our ecommerce and digital marketing capabilities
- De-seasonalize the business and move beyond footwear
- Exploit our growth opportunities
- Grow internationally



### EVOLVING THE ORGANIZATION TO MEET THE CHANGING MARKETPLACE

#### People Effectiveness

Continue to improve organizational efficiencies

#### Process

Increase speed to market, allowing for quick-strike opportunities

#### IT & Analytics

Invest in tools and infrastructure for our expanding organization

#### Leadership

Focused on delivering our strategic initiatives



### INCREASING OPERATING PROFITS & DRIVING SHAREHOLDER RETURNS

#### DTC

Optimize retail performance and accelerate ecommerce growth

#### Supply Chain & Logistics

Enhance gross margins through supply chain efficiencies & inventory planning

#### Financial Discipline

Demonstrate expense control, in conjunction with strategic reinvestment

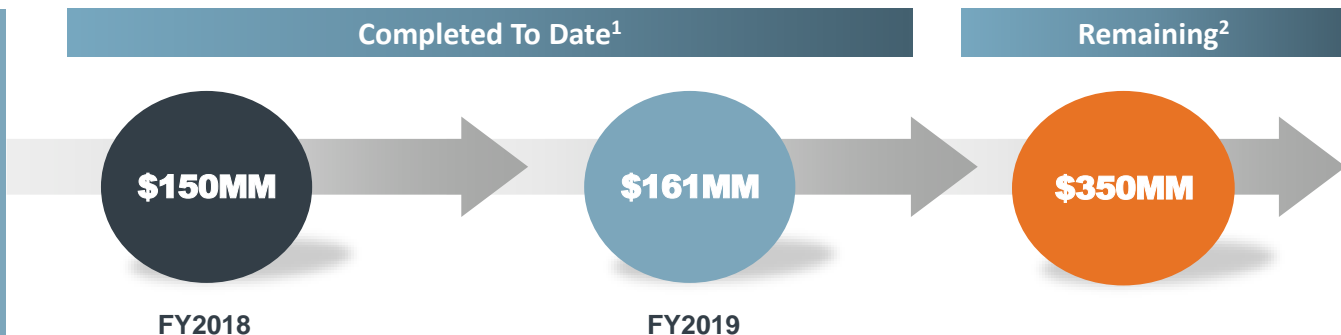
#### Share Repurchase

Continue to repurchase shares under the current \$350 million authorization

# SHARE BUYBACK PROGRAM

TOTAL OF \$311MM IN SHARE REPURCHASE ACTIVITY BETWEEN FISCAL 2018 AND FISCAL 2019.

IN JANUARY 2019, BOARD INCREASED SHARE REPURCHASE AUTHORIZATION BY \$261MM, BRINGING TOTAL OUTSTANDING TO \$350MM.



Share repurchases combined with our long term strategies can drive significant value creation

## REVENUE

**\$2+ BILLION**

ACHIEVED IN FY2019  
6.2% GROWTH VS PRIOR YR

## OPERATING MARGIN EXPANSION

**+700 bps**

IMPROVEMENT IN FY2019  
BEYOND FY2017 LEVELS<sup>3</sup>

## ROIC IMPROVEMENT

**>20%**

ROIC ACHIEVED  
IN FY2019

Source: Company filings

Notes:

1) Share repurchases per the 10-K filing for the fiscal year ended March 31, 2019.

2) Total available share repurchase authorization remaining per the 10-K filing for the fiscal year ended March 31, 2019.

3) GAAP and Non-GAAP Operating Margin of 16.2% delivered in Fiscal 2019 as compared to Non-GAAP Operating Margin of 9.2% in Fiscal 2017.

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**THANK YOU**

Questions: [investor@deckers.com](mailto:investor@deckers.com)

