

WOLVERINE WORLDWIDE | W

INVESTOR PRESENTATION

Q4 2019

ended December 28, 2019



Hush Puppies®

HYTEST



kids group

Keds

MERRELL



WOLVERINE

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements, including statements regarding the Company's global growth and the Company's fiscal 2020 outlook and guidance. In addition, words such as "guidance," "estimates," "anticipates," "believes," "forecasts," "step," "plans," "predicts," "focused," "projects," "outlook," "is likely," "expects," "intends," "should," "will," "confident," variations of such words, and similar expressions are intended to identify forward-looking statements. Forward looking statements, by their nature, address matters that are, to varying degrees, uncertain. Uncertainties that could cause the Company's performance to differ materially from what is expressed in forward-looking statements include, but are not limited to the following:

- changes in general economic conditions, employment rates, business conditions, interest rates, tax policies and other factors affecting consumer spending in the markets and regions in which the Company's products are sold;
- the inability for any reason to effectively compete in global footwear, apparel and consumer-direct markets;
- the inability to maintain positive brand images and anticipate, understand and respond to changing footwear and apparel trends and consumer preferences;
- the inability to effectively manage inventory levels;
- increases or changes in duties, tariffs, quotas or applicable assessments in countries of import and export;
- foreign currency exchange rate fluctuations;
- currency restrictions;
- capacity constraints, production disruptions, quality issues, price increases or other risks associated with foreign sourcing;
- the recent coronavirus outbreak;
- the cost and availability of raw materials, inventories, services and labor for contract manufacturers;
- labor disruptions;
- changes in relationships with, including the loss of, significant wholesale customers;
- risks related to the significant investment in, and performance of, the Company's consumer-direct operations;
- risks related to expansion into new markets and complementary product categories as well as consumer-direct operations;
- the impact of seasonality and unpredictable weather conditions;
- changes in general economic conditions and/or the credit markets on the Company's distributors, suppliers and retailers;
- increases in the Company's effective tax rates;
- failure of licensees or distributors to meet planned annual sales goals or to make timely payments to the Company;
- the risks of doing business in developing countries and politically or economically volatile areas;
- the ability to secure and protect owned intellectual property or use licensed intellectual property;
- the impact of regulation, regulatory and legal proceedings and legal compliance risks, including compliance with federal, state and local laws and regulations relating to the protection of the environment, environmental remediation and other related costs, litigation or other legal proceedings relating to the protection of the environment or environmental effects on human health and settlements or other dispositions of such litigation or other legal proceedings;
- risks of breach of the Company's databases or other systems, or those of its vendors, which contain certain personal information, payment card data or proprietary information, due to cyberattack or other causes;
- problems affecting the Company's distribution system, including service interruptions at shipping and receiving ports;
- strategic actions, including new initiatives and ventures, acquisitions and dispositions, and the Company's success in integrating acquired businesses, and implementing new initiatives and ventures;
- the risk of impairment to goodwill and other intangibles;
- the success of the Company's restructuring and realignment initiatives undertaken from time to time; and
- changes in future pension funding requirements and pension expenses.

These or other uncertainties could cause a material difference between an actual outcome and a forward-looking statement. The uncertainties included here are not exhaustive and are described in more detail in Part I, Item 1A: "Risk Factors" of this Annual Report on Form 10-K. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. The Company does not undertake an obligation to update, amend or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation includes non-GAAP financial measures which are indicated by footnote references. Slides 25 and 26 at the end of this presentation include reconciliations of the non-GAAP financial measures to the most comparable GAAP financial measures.

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OUR VISION

To build a family of the most admired performance and lifestyle brands on earth



WHO WE ARE

Recent acceleration of growth, led by our largest brands

Merrell and **Sperry** grew **mid-teens** in Q4 2019

LTM Revenue: \$2.27 billion



1.

Business model that mitigates risk through geographic diversification, multiple consumer targets, and a variety of distribution channels

2.

Industry-leading portfolio of performance and lifestyle brands

3.

Strong balance sheet

4.

Experienced management team with deep bench strength

5.

Strong operational platform

6.

Scalable global infrastructure

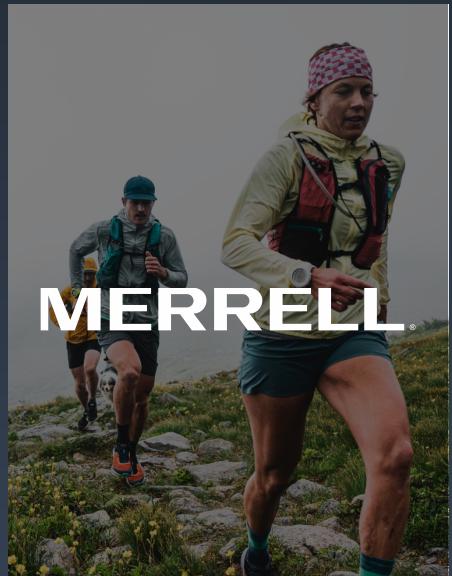
OUR BRANDS

Industry-leading portfolio of performance and lifestyle brands with **over 1,000 years** of combined brand heritage



BOSTON GROUP

MICHIGAN GROUP

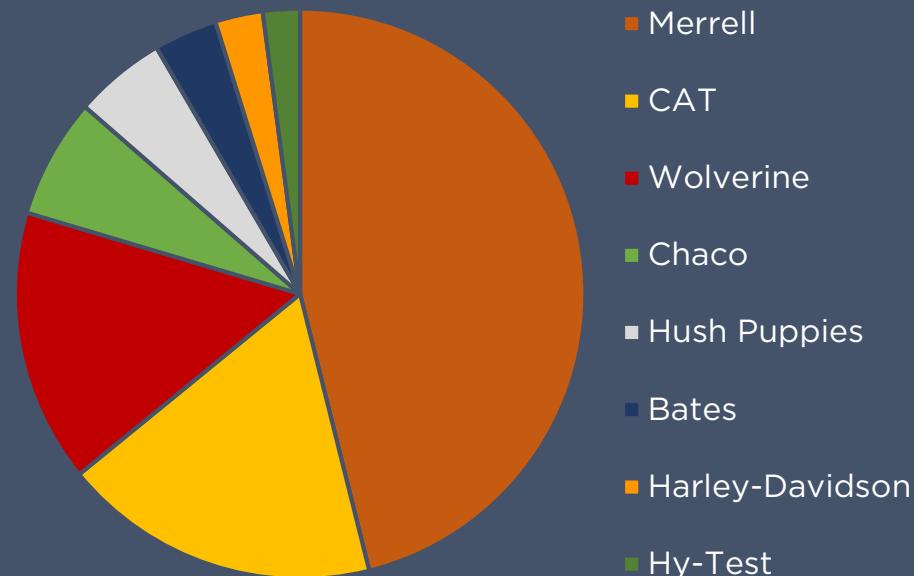


MICHIGAN GROUP

**STRONG PRODUCT
PIPELINE HIGHLIGHTED
BY NEW PRODUCTS
SHOWN BELOW**

Headquartered in Rockford, MI and home of Merrell, the largest brand in the portfolio

LTM REVENUE BY BRAND



MERRELL®



Nova



Bravada



Antora



Wayfarer Slide



Chillos Slide



Z/Chromatic Sandal

Hush Puppies



Lexi
Slide



Kendall
Ballet



Bennet Wing
Tip Oxford



Tremont



Salter



Barren

The Michigan Group includes five brands that sell into the **Work** category
Work is approaching **20%** of our global revenues
and continues to be a **significant growth** opportunity for the Company



Sprint



Excavator
Superlite



RePowered
Intruder



Blvd
Chelsea



Hellcat



ShiftPlus
Work LX



Rush Low



Maneuver WP Zip



Rush Mid



FootRests® 2.0
Tread Hiker



Annex
Metatarsal Guard



FootRests® 2.0
Mission Zipper Boot

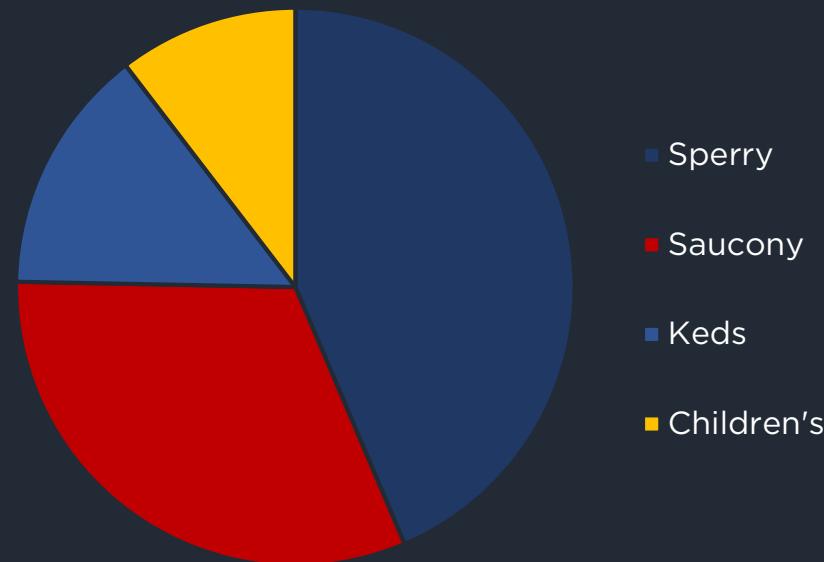
Merrell and Cat Footwear were early adopters of the new Brand Growth Model; both saw strong growth in 2019.

BOSTON GROUP

STRONG DIVERSIFIED
PORTFOLIO LEAD BY
SPERRY, ALONG WITH
SAUCONY RETURNING
TO GROWTH

Headquartered in Waltham,
MA and home to Sperry and
Saucony, the 2nd and 3rd
largest brands in the portfolio

LTM REVENUE BY BRAND



85th
Anniversary



Bionic



Plushwave



Ride 13



Endorphin Pro



Jazz 4000 OG



Vintage Champion



Crew Kick Applique



K-89

kids group
of WOLVERINE WORLDWIDE



Sperry Abyss Washable



Merrell Hydro Creek



Saucony Jazz Riff

MARKET SHARE LEADERS

#1 MARKET SHARE

HIKE

BOAT

WORK

MERRELL.



WOLVERINE 

OTHER CATEGORY LEADERS



#1*

WINTER/RAIN
BOOTS



#2

MILITARY/
TACTICAL



#3

WORK
BOOTS



#3

OUTDOOR/
WATER SANDAL



#4

TRAIL
RUNNING

Diversified portfolio of market share **leading brands**

*Sperry holds the #1 market share spot amongst branded winter/rain boots. They are #2 behind "private label"

Source: NPD sell-through data as of Q4 2019 for US markets

HOW WE GO TO MARKET

U.S. WHOLESALE



Dillard's



DIRECT TO CONSUMER

96

&

41

OWNED
STORESOWNED
ECOMMERCE SITES

ACCOUNTED FOR 15% OF REVENUE FOR 2019

REST OF WORLD DISTRIBUTION

- Owned distribution to over **4,000** customers in **13** countries, primarily in Western Europe
- Over **300** independent distributors across EMEA, Asia Pacific and Latin America

*Other methods include sales through **licensee distributors** and **joint ventures**, as well as our **leathers** business*

2019 SALES BY REGION/CHANNEL

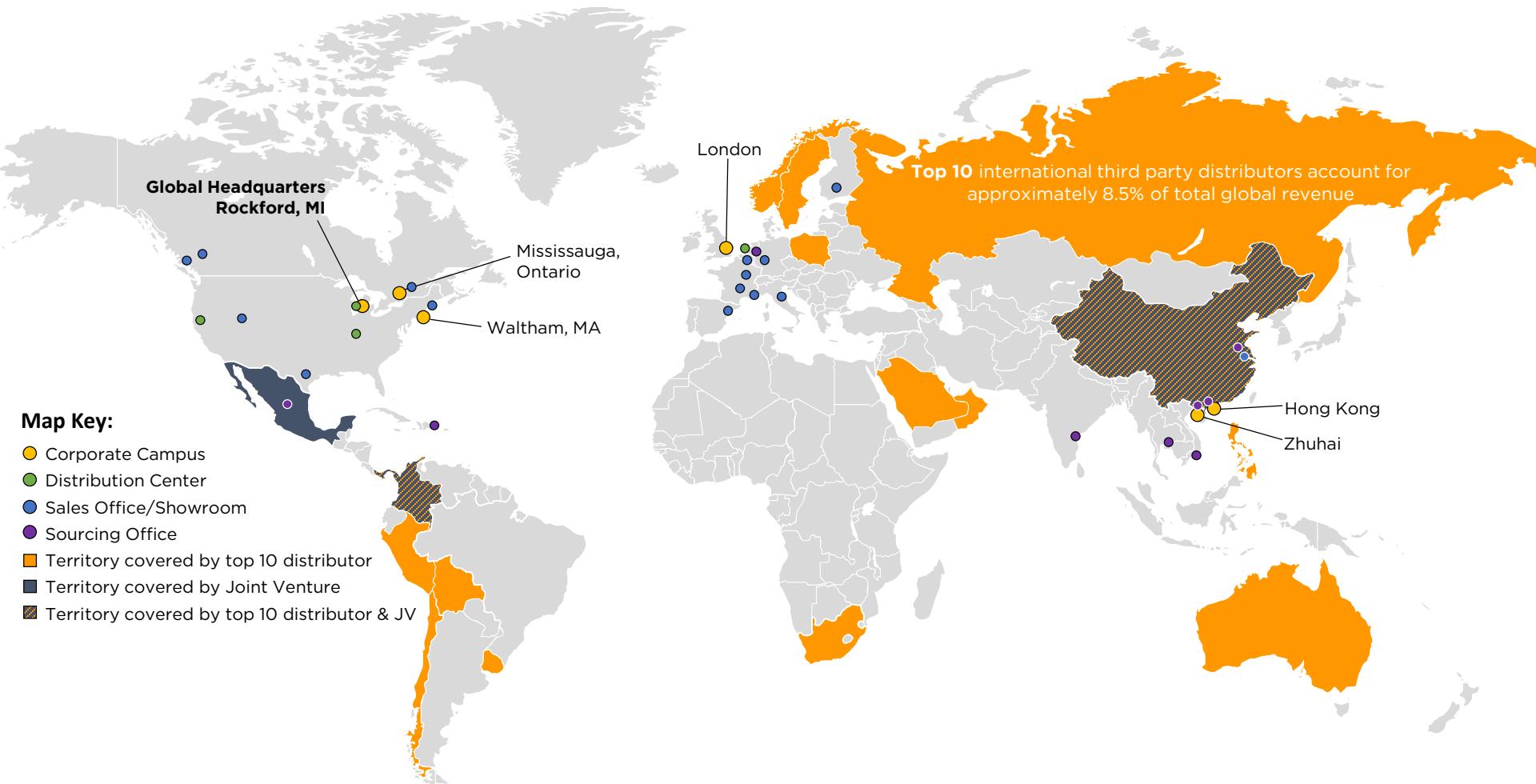
Region	Revenue	Pairs
USA	66%	46%
International	34%	54%
Canada	5%	4%
EMEA	15%	19%
Latin America	5%	10%
Asia Pacific	9%	21%

OVER 50% UNITS SOLD OUTSIDE U.S.

Channel	2019 Revenue	2018 Revenue
Wholesale	85%	87%
eCommerce	10%	9%
Stores	5%	4%

DTC GROWING AS A % OF TOTAL REVENUE

WOLVERINE “WORLD WIDE” GLOBAL FOOTPRINT



2019 UNITS BY REGION

46%
US

54%
International

Sold in approximately **170** countries and territories around the world through **hundreds** of independent distributors

Diversified factory base:
Approximately 40% of global products were sourced from China in 2019; expect to further reduce this to less than 20% in 2020

Powerful Product Creation Engine

- New Chief Merchant position and global product creation process
- Relentless and frequent introduction of craveable product
- Improved creative design capabilities
- Stronger consumer insights
- More streamlined product development process
- Speed to market initiatives

Digital-Direct Offense

- Strengthened collaboration with 3P digital players
- Constant flow of compelling new media content
- Improved social prospecting
- Improved customer website experience
- Global expansion of our eCom platforms
- Reduced fulfillment times on eCommerce purchases

International Expansion

- Regional merchandising to enhance development of market-right product
- Bolstered resources to strengthen regional teams, especially in China
- Repatriation of Distributor markets (Saucony Italy)
- Expanded network of core partners and continuous evaluation of international business model (China JVs/ Italy repatriation)

Expect to maintain investment behind the **GLOBAL GROWTH AGENDA** in 2020
to better position the Company for future growth

2019 KEY EVENTS

CONTINUED SIGNIFICANT INVESTMENT IN DIRECT-TO-CONSUMER

Owned eCommerce is a strong growth driver (eCom up **22%** in 2019)

Opened **21** Merrell & Sperry Outlet stores in premium locations (Stores up **12%** in 2019)



Acquired Saucony's **Italian** distributor to further **strengthen** the company's owned market presence and **maximize growth** opportunities for the brand



Entered into a JV Partnership with leading Chinese sportswear and running footwear company, **Xtep**, to grow Merrell and Saucony in mainland **China, Hong Kong** and **Macau**

RETURNED CAPITAL TO SHAREHOLDERS

Purchased **\$319M** of WWW stock

Increased quarterly dividend by **25%** in 2019, following a **33%** increase in 2018

We continue to invest in the **GLOBAL GROWTH AGENDA** to drive long-term revenue growth and drive shareholder return

(In millions, except per share data)

	Q4 2019	Change vs Q4 2018	Full Year 2019	Change vs 2018
Michigan Group	\$ 360.0	7.6%	\$ 1,299.7	2.2%
Boston Group	234.1	1.4%	910.9	1.7%
Other	13.3	-7.0%	63.1	-11.7%
Total Revenue	\$ 607.4	4.8%	\$ 2,273.7	1.5%
Constant \$ Growth		5.1%*		2.3%*
Gross Profit	\$ 229.9	1.2%	\$ 923.8	0.3%
<i>Gross Margin</i>	<i>37.8%</i>	<i>-140 bps</i>	<i>40.6%</i>	<i>-50 bps</i>
Adjusted Operating Profit	\$ 61.3 *	-1.2% *	\$ 262.6 *	-1.9% *
<i>Adjusted Operating Margin</i>	<i>10.1%</i>	<i>-60 bps</i>	<i>11.5%</i>	<i>-50 bps</i>
Adjusted EPS	\$ 0.59 *	13.5%*	\$ 2.25 *	3.7%*

Q4 revenue **growth** led by **mid-teens** growth from **Merrell** and **Sperry**

*See slides 26 and 27 for reconciliations to the most comparable GAAP measures

PRIORITIES FOR \$1.3B OF “DRY POWDER” & STRONG CASH FLOW

1. ORGANIC GROWTH

- Expect to maintain investment behind the **GLOBAL GROWTH AGENDA** in 2020

3. RETURN OF CAPITAL

- Increased quarterly dividend **25%** in 2019 following **33%** dividend increase in 2018
- Repurchased **\$319 million** of shares in 2019; **\$508 million** remaining on current authorizations

2. PAY DOWN DEBT

- Amended credit facility in Q4 2018 to reduce pricing, improve liquidity, and give greater flexibility with uses of cash

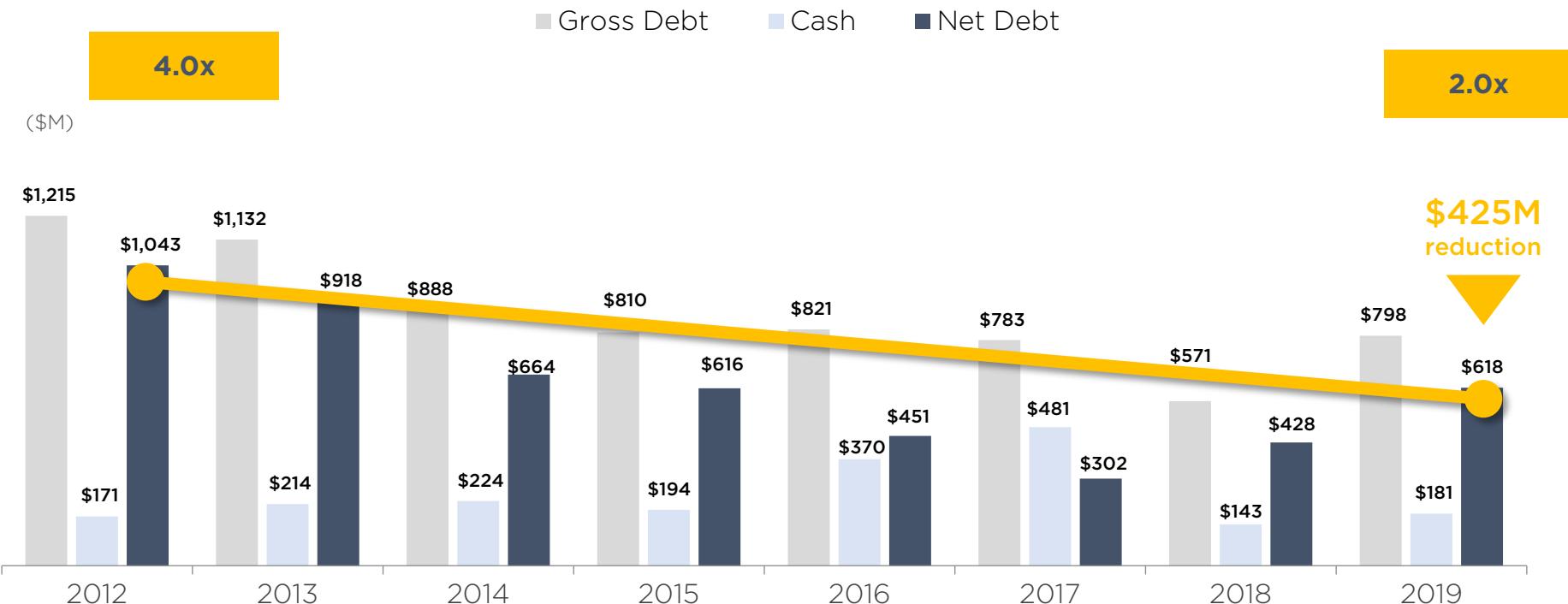
4. M&A

- Continued effort in evaluating potential acquisition opportunities
- Will remain disciplined regarding valuation

Significant capacity to drive shareholder return

SIGNIFICANT DELEVERAGE IN RECENT YEARS

LEVERAGE RATIO OF **2.05X** AS OF Q4 2019



Note: leverage ratio is defined per the Company's credit agreement; gross and net debt are based on the Company's reported financial statements.

Strong cash flow & leverage ratio provides significant flexibility
to execute future actions to drive shareholder return

RELATIVE PERFORMANCE

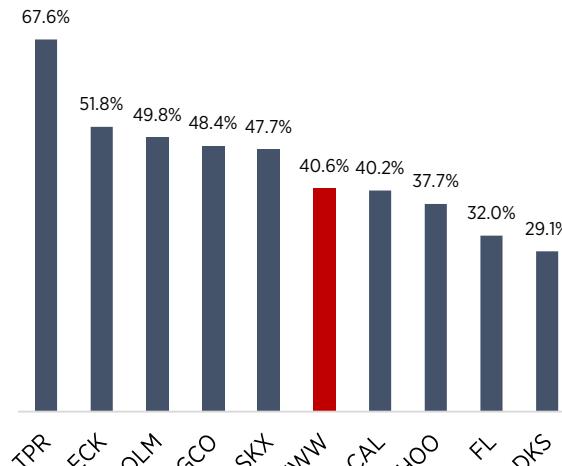
(Compared to Footwear Industry Peers)

TSR FOCUS

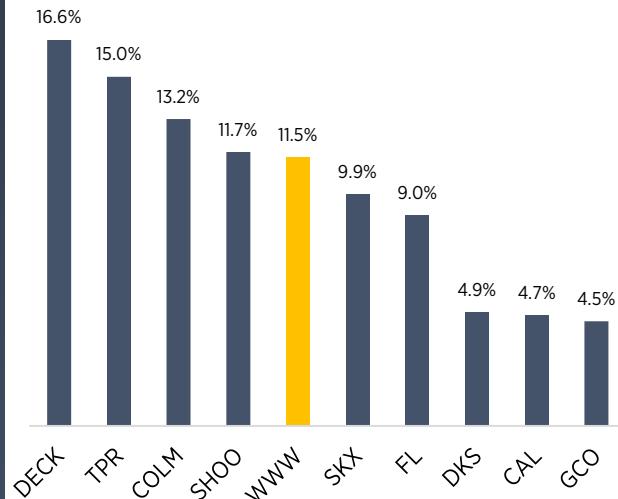
Targeting “top-quartile”
valuation multiple with
continued organic growth

Stated priority uses of capital
supplement TSR

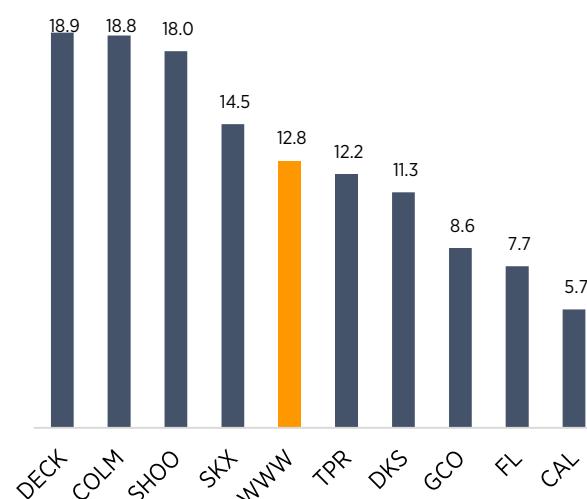
ADJ GROSS MARGIN (LTM)



ADJ OPERATING MARGIN (LTM)



PRICE/NTM EPS



Amounts publicly available per Bloomberg as of 02/20/2020

NOTES

**RECONCILIATION OF REPORTED REVENUE
TO ADJUSTED REVENUE ON A CONSTANT CURRENCY BASIS***

(Unaudited)
(In millions)

REVENUE	GAAP Basis	Foreign Exchange Impact	Constant Currency Revenue	Prior Year GAAP Basis	Constant Currency Growth	Reported Growth
Fiscal 2019 Q4	\$ 607.4	\$ 1.9	\$ 609.3	\$ 579.6	5.1%	4.8%
2019	\$ 2,273.7	\$ 16.7	\$ 2,290.4	\$ 2,239.2	2.3%	1.5%

**RECONCILIATION OF REPORTED OPERATING MARGIN
TO ADJUSTED OPERATING MARGIN***

(Unaudited)
(In millions)

	GAAP Basis	Adjustments	As Adjusted
Operating Profit (Loss) - Fiscal 2019 Q4	\$ (5.2)	\$ 66.5	\$ 61.3
<i>Operating Margin</i>	<i>-0.8%</i>		<i>10.1%</i>
Operating Profit - Fiscal 2018 Q4	\$ 53.9	\$ 8.2	\$ 62.1
<i>Operating Margin</i>	<i>9.3%</i>		<i>10.7%</i>

Q4 2019 adjustments reflect \$64.4 million of environmental and other related costs net of a settlement and \$2.1 million of other costs. Q4 2018 adjustments include \$7.7 million of environmental and related costs and \$0.5 million of other costs.

**RECONCILIATION OF REPORTED OPERATING MARGIN
TO ADJUSTED OPERATING MARGIN***

(Unaudited)
(In millions)

	GAAP Basis	Adjustments	As Adjusted
Operating Profit - Fiscal 2019	\$ 171.0	\$ 91.6	\$ 262.6
<i>Operating Margin</i>	<i>7.5%</i>		<i>11.5%</i>
Operating Profit - Fiscal 2018	\$ 251.9	\$ 15.8	\$ 267.7
<i>Operating Margin</i>	<i>11.2%</i>		<i>12.0%</i>

2019 adjustments reflect \$83.5 million of environmental and other related costs net of a settlement and \$8.1 million of other costs. 2018 adjustments include \$15.3 million of environmental and related costs and \$0.5 million of other costs.

**RECONCILIATION OF REPORTED DILUTED EPS
TO ADJUSTED DILUTED EPS***
(Unaudited)

	GAAP Basis	Adjustments	As Adjusted
EPS - Fiscal 2019 Q4	\$ (0.01)	\$ 0.60	\$ 0.59
EPS - Fiscal 2018 Q4	\$ 0.39	\$ 0.13	\$ 0.52

Q4 2019 adjustments reflect environmental and other related costs net of a settlement, business development costs and reorganization costs. Q4 2018 adjustment include the impact of environmental and related costs, pension settlement costs and other costs

**RECONCILIATION OF REPORTED DILUTED EPS
TO ADJUSTED DILUTED EPS***
(Unaudited)

	GAAP Basis	Adjustments	As Adjusted
EPS - Fiscal 2019	\$ 1.44	\$ 0.81	\$ 2.25
EPS - Fiscal 2018	\$ 2.05	\$ 0.12	\$ 2.17

2019 adjustments reflect environmental and other related costs net of a settlement, business development costs and reorganization costs. Fiscal 2018 adjustments include the impact of environmental and related costs, pension settlement costs and a foreign currency remeasurement gain recorded in the second quarter

*To supplement the consolidated condensed financial statements presented in accordance with Generally Accepted Accounting Principles ("GAAP"), the Company describes what certain financial measures would have been if environmental and other related costs and environmental cost recoveries, business development related costs, reorganization costs, the impact of tax reform updates and a foreign currency remeasurement gain that is not expected to reoccur were excluded. The Company believes these non-GAAP measures provide useful information to both management and investors to increase comparability to the prior period by adjusting for certain items that may not be indicative of core operating measures and to better identify trends in our business. The adjusted financial results are used by management to, and allow investors to, evaluate the operating performance of the Company on a comparable basis.

The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates. The Company believes providing constant currency information provides valuable supplemental information regarding results of operations, consistent with how the Company evaluates performance. The Company calculates constant currency by converting the current-period local currency financial results using the prior period exchange rates and comparing these adjusted amounts to our current period reported results.

Management does not, nor should investors, consider such non-GAAP financial measures in isolation from, or as a substitution for, financial information prepared in accordance with GAAP. A reconciliation of all non-GAAP measures included in this press release, to the most directly comparable GAAP measures are found in the financial tables above.

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