

Herbalife Nutrition Ltd.
Contribution Margin for Certain Markets
(Dollars in Millions)

| | Three Months Ended | |
|--|---------------------------|--------------|
| | Mar 31, | |
| | 2019 | |
| Contribution Margin: ⁽¹⁾ | | |
| United States | \$ | 104.8 |
| Mexico | | 45.7 |
| China ⁽²⁾ | | 133.1 |
| Others | | 287.5 |
| Total Contribution Margin | \$ | 571.1 |
| Selling, general and administrative expense ⁽²⁾ | \$ | 435.4 |
| Other operating income ⁽³⁾ | | (27.3) |
| Interest expense, net | | 36.1 |
| Other income, net ⁽⁴⁾ | | (8.5) |
| Income before income taxes | | 135.4 |
| Income taxes | | 39.1 |
| Net Income | \$ | 96.3 |

(1) Contribution Margin consists of net sales less cost of sales and royalty overrides. For China, contribution margin does not include service fees to China independent service providers. We present Contribution Margin for certain markets because management believes it provides additional information in evaluating our operating results in those markets. Contribution Margin should not be considered in isolation from or as a substitute for net income, cash flows from operating activities and other consolidated income or cash flow statement data prepared in accordance with accounting principles generally accepted in the United States. Contribution Margin, as presented, may not be comparable to similarly titled measures reported by other companies.

(2) Service fees to China independent service providers totaling \$76.5 million for the three months ended March 31, 2019 are included in selling, general and administrative expenses.

(3) Other Operating Income relates to certain China government grant income and income related to the finalization of insurance recoveries in connection with the flooding at one of the Company's warehouses in Mexico during September 2017.

(4) Other income, net for the three months ended March 31, 2019 relates to the gain on revaluation of the Contingent Value Rights (CVR) issued in connection with the October 2017 modified Dutch auction tender offer.