

**Herbalife Ltd.**  
**Contribution Margin for certain Markets**  
(Dollars in Millions)

	<u>Three Months Ended</u>	<u>Twelve Months Ended</u>
	<u>Dec 31,</u>	<u>Dec 31,</u>
	<u>2018</u>	<u>2018</u>
Contribution Margin: <sup>(1)</sup>		
United States	\$ 90.1	\$ 400.3
Mexico	43.7	185.2
China <sup>(2)</sup>	220.5	915.0
Others	273.5	1,108.0
<b>Total Contribution Margin</b>	<b>\$ 627.8</b>	<b>\$ 2,608.5</b>
Selling, general and administrative expense <sup>(2)</sup>	\$ 485.5	\$ 1,955.2
Other operating income <sup>(3)</sup>	(5.9)	(29.8)
Interest expense, net	37.5	161.6
Other expense (income), net <sup>(4)</sup>	(2.7)	57.3
Income before income taxes	113.4	464.2
Income taxes	64.5	167.6
<b>Net Income</b>	<b>\$ 48.9</b>	<b>\$ 296.6</b>

(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 \$124.9 million and \$523.2 million for the three and twelve months ended December 31, 2018, respectively, are included in selling, general and administrative expenses.

(3) Other Operating Income relates to certain China government grant income.

(4) Other expense (income), net for the three months ended December 31, 2018 relates to the gain on revaluation of the Contingent Value Rights (CVR) issued in connection with the October 2017 modified Dutch auction tender offer. Other Expense (income), net for the twelve months ended December 31, 2018 relates to the \$13.1 million loss on the extinguishment of a portion of the 2.0% convertible senior notes due 2019 repurchased in March 2018; the \$35.4 million loss on extinguishment of the of the Company's 2017 senior secured credit facility and the \$8.8 million loss on revaluation of the CVR.