



Ulta Beauty

Investor Presentation

As of fiscal year-end 2023.

Safe Harbor Statement

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Ulta Beauty – Visionaries from day one

- Ulta Beauty is the **largest specialty beauty retailer in the U.S.** and the premier beauty destination for cosmetics, fragrance, skin care products, hair care products and beauty services
- Founded in 1990, we **reinvented the beauty retail experience** by offering a new way to shop for beauty – bringing together **“all things beauty, all in one place”**
- The Company maintains an **omnichannel offering ~25,000 products from ~600 well-established and emerging beauty brands across all categories and price points, including Ulta Beauty’s own private label.**



We bring to life endless possibilities through the power of beauty

Fueled by our **Mission**

Every day, we use the power of beauty to bring to life the possibilities that lie within each of us — inspiring every guest and enabling each associate to build a fulfilling career.

Led by our **Vision**

To be the most loved beauty destination of our guests and the most admired retailer by our Ulta Beauty associates, communities, partners and investors.

Guided by our **Values**



Our unique and enduring value proposition continues to drive our success



One-of-a-kind assortment

Destination for mass & prestige across beauty categories all in one place

- ~25,000 products
- ~600 brands



Store footprint

Broad footprint of 1,375+ stores concentrated in off-mall locations with one iconic & consistent store format

- 211 net new store openings between 2018 and 2023
- 510 Ulta Beauty at Target “shop-in-shops”



Leading digital experience

Winning digital experience driving outpaced growth; convenient and immersive omnichannel experience that our guests love

- eCommerce sales doubled in 2020 and continue to see healthy growth



Best-in-class loyalty program

Strength of Ultimate Rewards enables higher share of wallet and deeper insights about what our members want

- 43.3M members



Human connection and guest experience

Knowledgeable and engaging store associates and our full suite of services driving competitive advantage

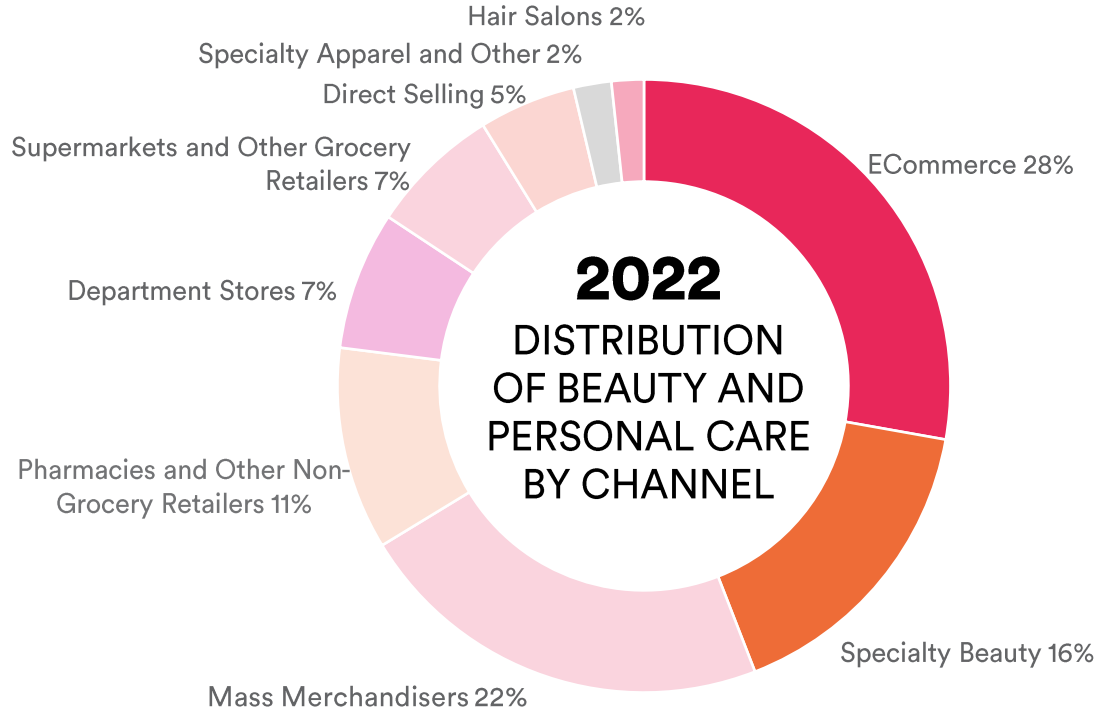
Customer experience across physical and digital focuses on connection, self-care, and positivity

Our Market

We operate in an attractive, large, and fragmented category



Source: Euromonitor International Forecast – May 2023.
Note: 'Other' includes men's grooming, oral care, deodorants, sun care, and depilatories.



Source: Euromonitor International Forecast – May 2023.
Note: ECommerce includes Ulta Beauty's ecommerce sales; Mass Merchandisers includes Hypermarkets, Discounters, & Club.

Human connection is at the center of the Beauty category, and consumer engagement remains strong



human

connection is at the center
of the beauty category



65%

of consumers believe that the
beauty category is significantly
connected to wellness⁽¹⁾

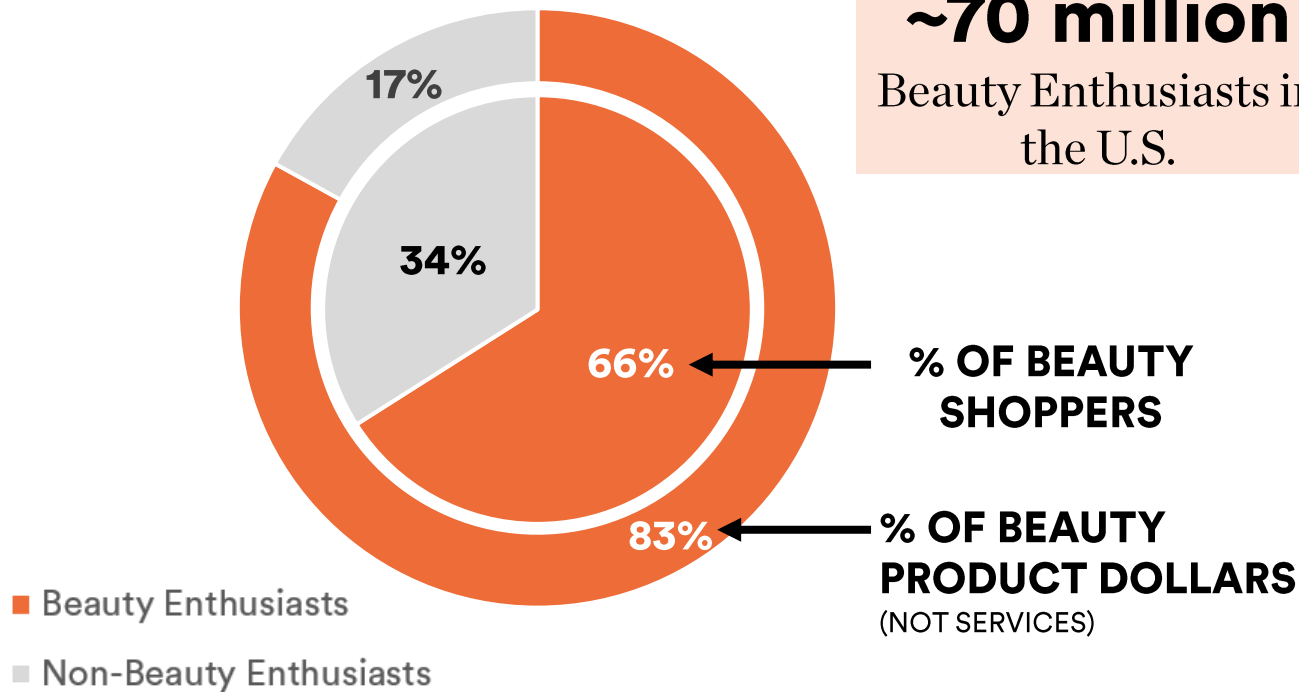
⁽¹⁾Ulta Next Better proprietary consumer research as of June 2021

Our Customer

Our target consumer is The Beauty Enthusiast



We estimate there are
~70 million
Beauty Enthusiasts in
the U.S.





Getting to know The Beauty Enthusiast

Lives, loves, and breathes beauty

It's constant exploration and experimentation

Sees beauty as more than just a routine

It's an escape and a self-investment

Leans on to beauty for self-care, self-expression

It's an important part of total wellness

Finds joy, wellness, and excitement in beauty

It's always changing, always something new

Our Competitive Advantages

Our model is unique and differentiated, featuring several key elements...

One-of-a-kind Assortment



Omni-Channel Offering

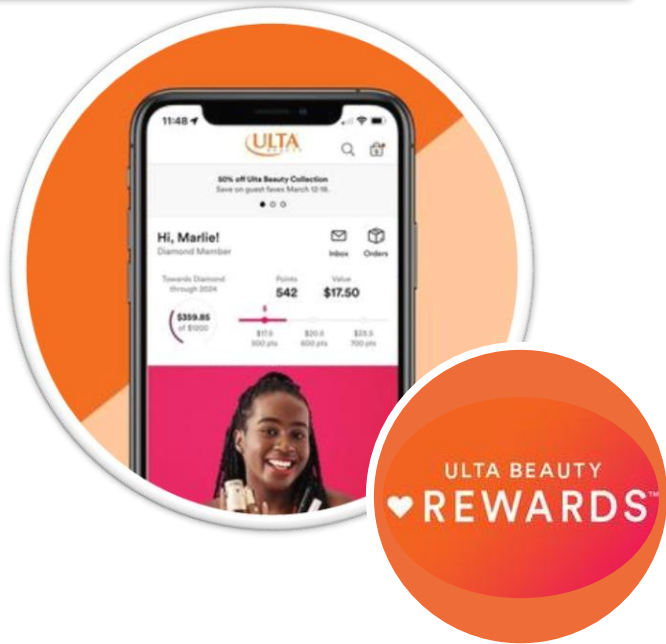


Services



...and our success is supercharged by our secret sauce

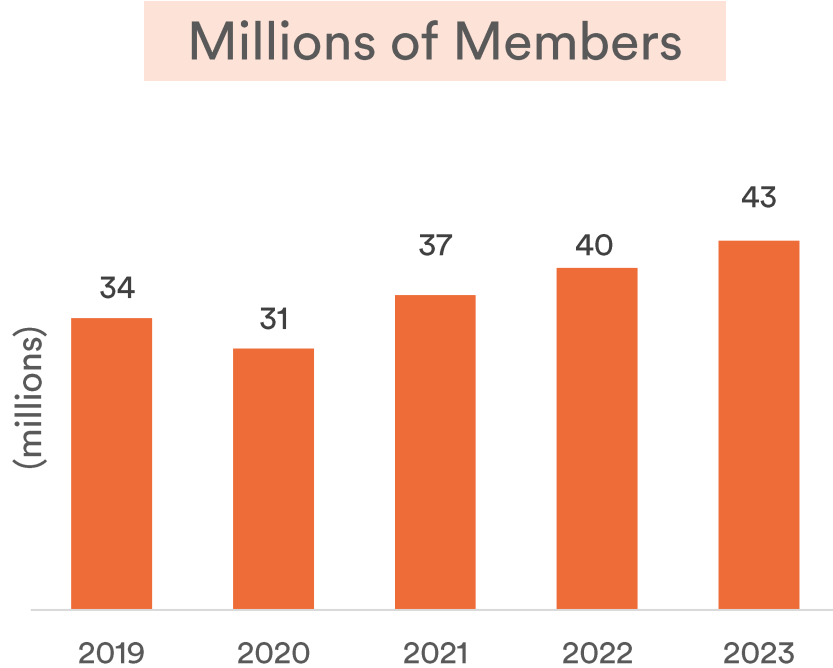
Best-in-Class Loyalty Program



Award-Winning Culture



Our best-in-class loyalty program fuels our business



~95%

of total Ulta Beauty sales
are made by
Ultamate Rewards members

Provides us with incredible data
and consumer insights that we
are unleashing as competitive
advantage

Our values-based, high performance culture sets us apart



Our Strategy

Our strategic intent is to build on our leadership position and drive profitable growth

Ulta Beauty strategic framework



Drive breakthrough and disruptive growth through an expanded definition of **ALL THINGS BEAUTY**



Evolve the omnichannel experience through connected physical and digital ecosystems
ALL IN YOUR WORLD



Expand and deepen our presence across the beauty journey, solidifying Ulta Beauty at the **HEART OF THE BEAUTY COMMUNITY**



DRIVE OPERATIONAL EXCELLENCE AND OPTIMIZATION



Protect and cultivate our **WORLD-CLASS CULTURE AND TALENT**



Expand our **ENVIRONMENTAL AND SOCIAL IMPACT**

All Things Beauty



Drive breakthrough and disruptive growth through an expanded definition of **ALL THINGS BEAUTY**

- Maximize growth from core categories: make-up, skincare, haircare, and fragrance
- Fuel growth of cross-category strategic platforms and adjacencies
- Differentiate Ulta Beauty through exclusive brands, products, and our private label business
- Drive profitability through a focused approach on assortment, inventory, and promotional optimization

All In Your World

Evolve the omnichannel experience through connected physical and digital ecosystems **ALL IN YOUR WORLD**



The guest journey is increasingly blurring across physical and digital channels

- Expand and enhance our footprint of Ulta Beauty stores
- Lead the industry with personalized and immersive digital experiences
- Grow our breakthrough partnership with Target, driving higher frequency and greater member engagement

Heart of the Beauty Community

Expand and deepen our presence across the beauty journey, solidifying Ulta Beauty at the **HEART OF THE BEAUTY COMMUNITY**

- Amplify our brand purpose platform
- Enhance our connection with key consumer cohorts
- Drive innovation in our loyalty program
- Unleash the power of our data in service of our customers and brand partners



Operational Excellence

Drive OPERATIONAL EXCELLENCE AND OPTIMIZATION



- Invest in our infrastructure to build a guest-centric Supply Chain to support and fuel our growth
- Execute Project SOAR, the upgrade of our enterprise resource planning platform, to increase efficiency and support future growth
- Expand our continuous improvement capabilities to identify and activate meaningful, cross-functional process optimization opportunities

World-Class Culture & Talent

Protect and cultivate our **WORLD-CLASS CULTURE AND TALENT**

- Lead with our heart – care for each other in everything we do and demonstrate integrity, authenticity, and inclusivity in our daily actions across the business
- Attract, develop, and retain talent at all levels and in all functional areas
- Continue to work to create an environment where every associate feels they can fully contribute and have an opportunity to grow



Environmental & Social Impact

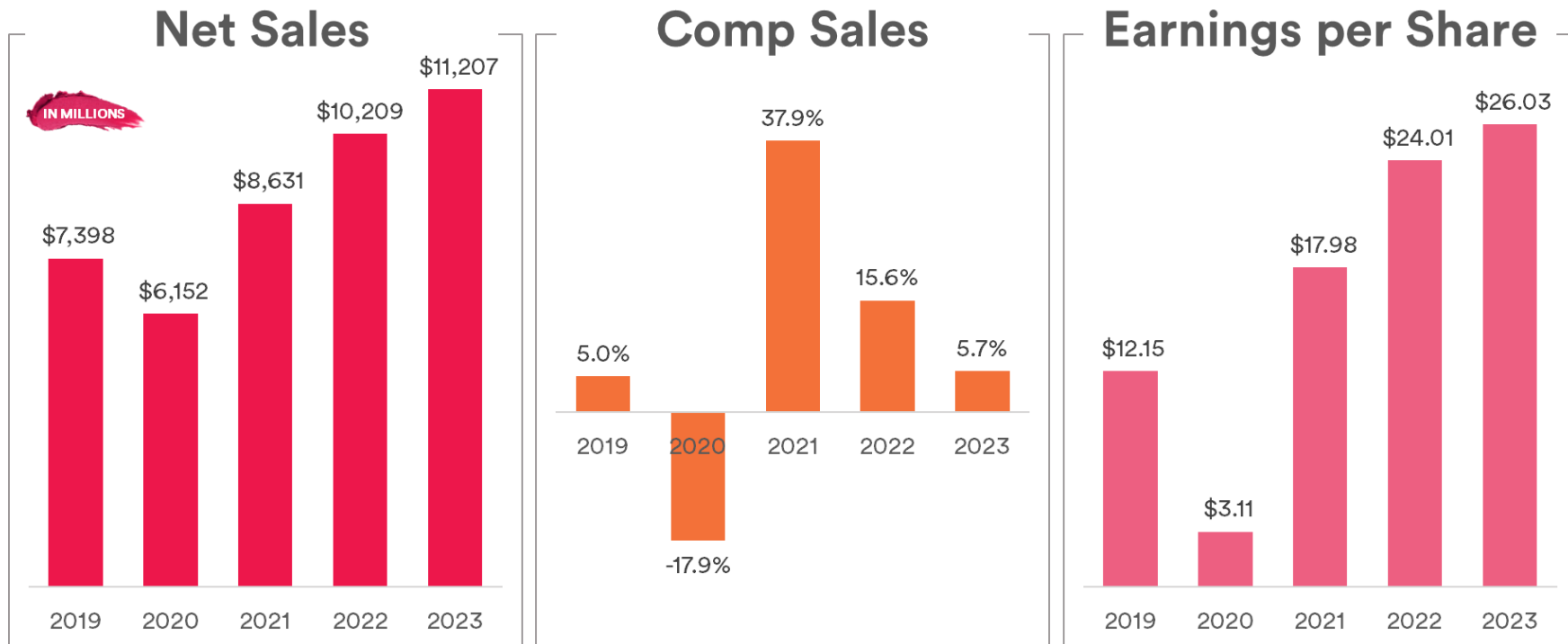


Expand our **ENVIRONMENTAL AND SOCIAL IMPACT**

- Create a more inclusive world for our guests, associates, brand partners, and communities
- Empower guests to make informed choices about the products we offer, including clean beauty, vegan, cruelty free, and sustainable packaging through our unique and well received Conscious Beauty at Ulta Beauty® program
- Drive sustainable change in areas where we can have the most impact and collaborate with others to address shared challenges
- Further our mission and vision by expanding our social impact through the Ulta Beauty Charitable Foundation which focuses on supporting well-being, particularly in women and teens

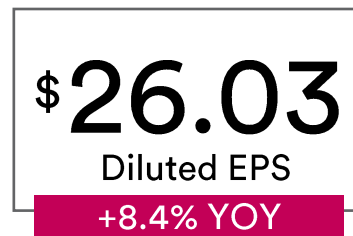
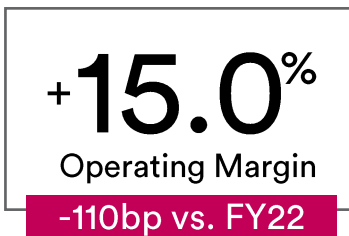
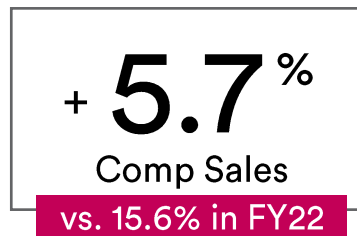
Our Financial Results

Ulta Beauty has delivered strong results post-pandemic



Note: Fiscal year 2023 is a 53-week year. Net sales in the 53rd week in fiscal 2023 were approximately \$181.9 million.
2019 diluted EPS includes share-based accounting change and federal income tax credits.
2020 adjusted diluted EPS was \$4.66 and excludes asset impairments and restructuring related costs.

And we delivered better-than-planned performance in FY23



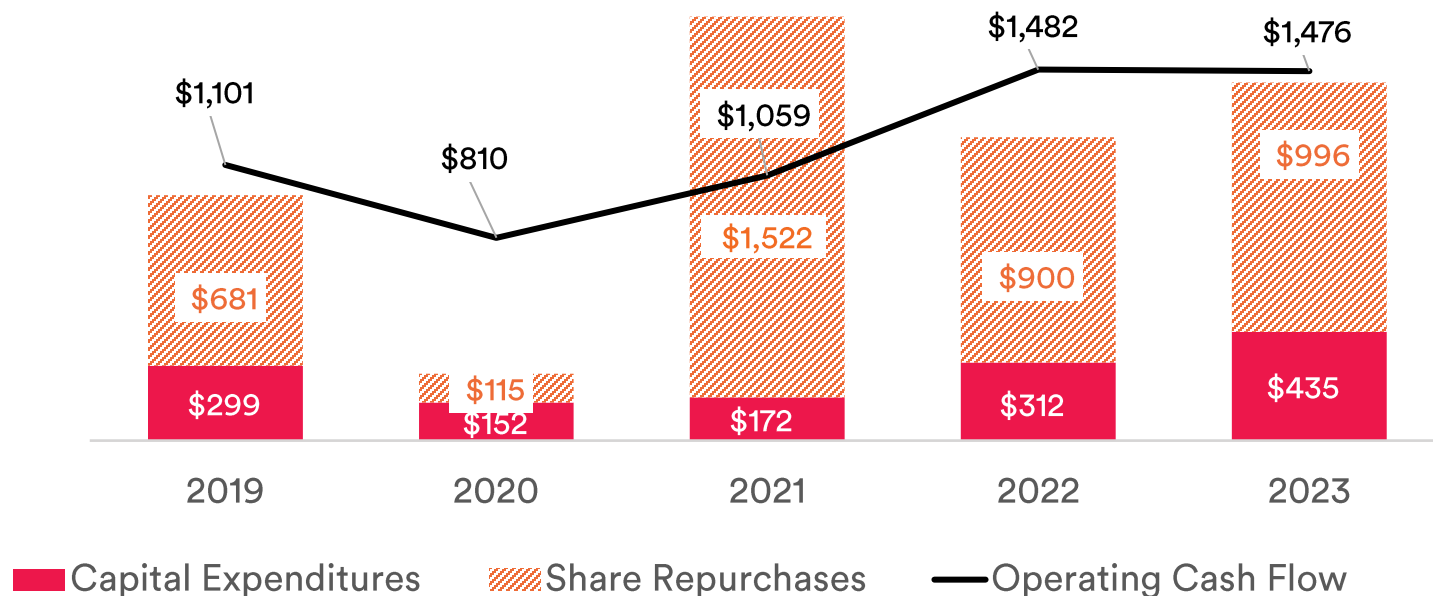
Delivered better-than-planned financial results while making meaningful progress against our strategic priorities

- Healthy traffic and guest engagement paired with strong execution resulted in better-than-planned performance
- Delivered strong comparable sales growth supported by strength in skincare and fragrance, and services, with healthy growth in stores and digital channels
- Increased Ulta Beauty Rewards members to record 43.3 million members (+8% vs. LY)
- As anticipated, operating margin declined 110bp vs. FY22 with deleverage coming evenly from gross margins and SG&A

Note: Fiscal year 2023 is a 53-week year.
Net sales in the 53rd week in fiscal 2023 were approximately \$181.9 million.

Strong, consistent cash flow generation supports strategic reinvestments and shareholder returns

Cash Generation and Capital Allocation Highlights



Note: Fiscal year 2023 is a 53-week year.
Net sales in the 53rd week in fiscal 2023 were approximately \$181.9 million.

Our Investment Proposition

Why Ulta Beauty?

- Attractive and growing category
- Unique, differentiated, and proven business model
- Strong balance sheet and a financial model that consistently generates strong cash flows
- Well-defined strategy to drive growth
- Experienced management team and winning culture

Ulta Beauty is well-positioned to expand our market share gains and extend our competitive advantages

