



Ulta Beauty

Investor Presentation
(August 2023)

Safe Harbor Statement

This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, which reflect the company's current views with respect to, among other things, future events and financial performance. These statements can be identified by the use of forward-looking words such as "outlook," "believes," "expects," "plans," "estimates," "targets," "strategies" or other comparable words. Any forward-looking statements contained in this presentation are based upon the company's historical performance and on current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by the company or any other person that the future plans, estimates, targets, strategies or expectations contemplated by the company will be achieved. Such forward-looking statements are subject to various risks and uncertainties, which include, without limitation: macroeconomic conditions, including inflation, rising interest rates and recessionary concerns, as well as ongoing labor cost pressures, transportation and shipping cost pressures, and the COVID-19 pandemic, have had, and may continue to have, a negative impact on our business, financial condition, profitability, and cash flows (including future uncertain impacts); changes in the overall level of consumer spending and volatility in the economy, including as a result of macroeconomic conditions and geopolitical events; our ability to sustain our growth plans and successfully implement our long-range strategic and financial plan; the ability to execute our operational excellence priorities, including continuous improvement, Project SOAR (our replacement enterprise resource planning platform), and supply chain optimization; our ability to gauge beauty trends and react to changing consumer preferences in a timely manner; the possibility that we may be unable to compete effectively in our highly competitive markets; the possibility of significant interruptions in the operations of our distribution and fast fulfillment centers; the possibility that cybersecurity or information security breaches and other disruptions could compromise our information or result in the unauthorized disclosure of confidential information; the possibility of material disruptions to our information systems, including our Ulta.com website and mobile applications; the failure to maintain satisfactory compliance with applicable privacy and data protection laws and regulations; changes in the good relationships we have with our brand partners and/or our ability to continue to offer permanent or temporary exclusive products of our brand partners; changes in the wholesale cost of our products and/or interruptions at our brand partners' or third-party vendors' operations; future epidemics, pandemics or natural disasters could negatively impact sales; the possibility that new store openings and existing locations may be impacted by developer or co-tenant issues; our ability to attract and retain key executive personnel; the impact of climate change on our business operations and/or supply chain; our ability to successfully execute our common stock repurchase program or implement future common stock repurchase programs; a decline in operating results may lead to asset impairment and store closure charges; and other risk factors detailed in the company's public filings with the Securities and Exchange Commission (the "SEC"), including risk factors contained in its most recent Annual Report on Form 10-K, as such may be amended or supplemented in its subsequently filed Quarterly Reports on Form 10-Q. The company's filings with the SEC are available at www.sec.gov. The company undertakes no obligation to update any forward-looking statements after the date of this presentation, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws and regulations.

Ulta Beauty

- 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, the Company reinvented the beauty retail experience by offering a new way to shop for beauty – bringing together *All Things Beauty, All in Your World, at the Heart of the Beauty Community*
- The Company maintains an omnichannel offering with more than 25,000 products from more than 600 well-established and emerging beauty brands across all categories and price points, including Ulta Beauty's own private label.

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.

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.

Values



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 1,350+ stores concentrated in off-mall locations with one iconic & consistent store format

- 281 net new store openings between 2018 and 2022
- 420+ 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 grew by 27% (CAGR) from 2018 to 2022



Best-in-class loyalty program

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

- 41.7M members



Human connection and guest experience

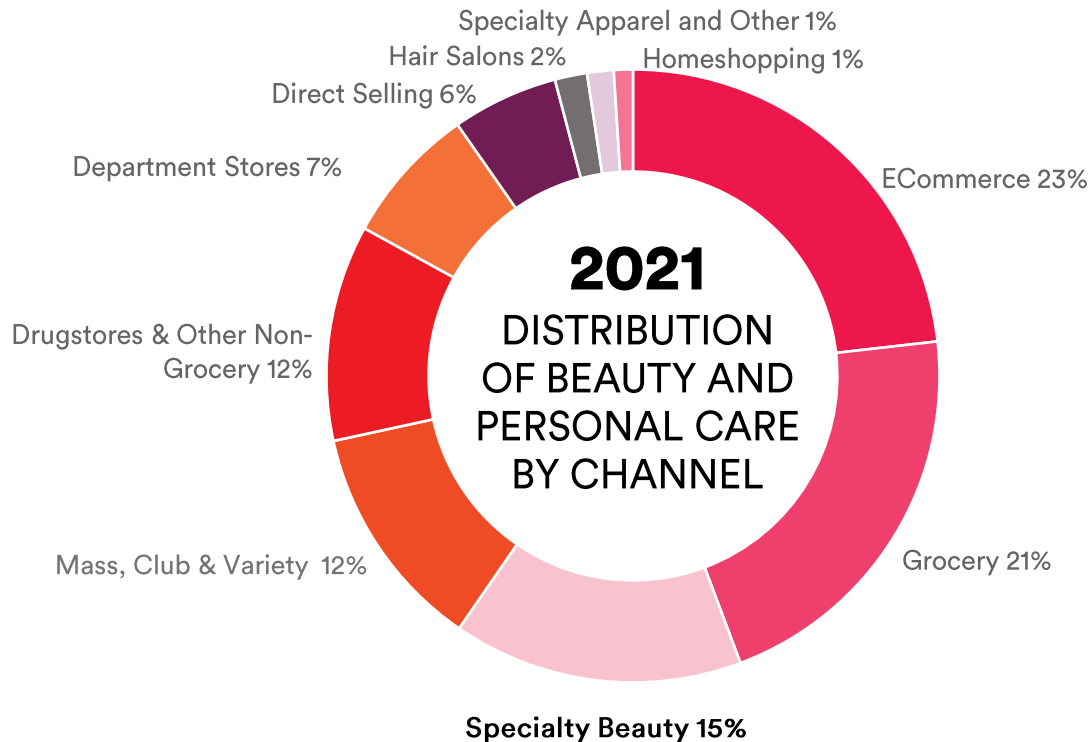
Knowledgeable and engaging store associates and our full suite of services driving competitive advantage

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

Our Market



Our Market: Large and Fragmented



Source: Euromonitor International Forecast – April 2022.

Note: Other includes men's grooming, oral care, deodorants, sun care, and depilatories.

Human Connection is at the Center of the Beauty Category ...and engagement is higher than ever



human

connection is at the center
of the beauty category



65%

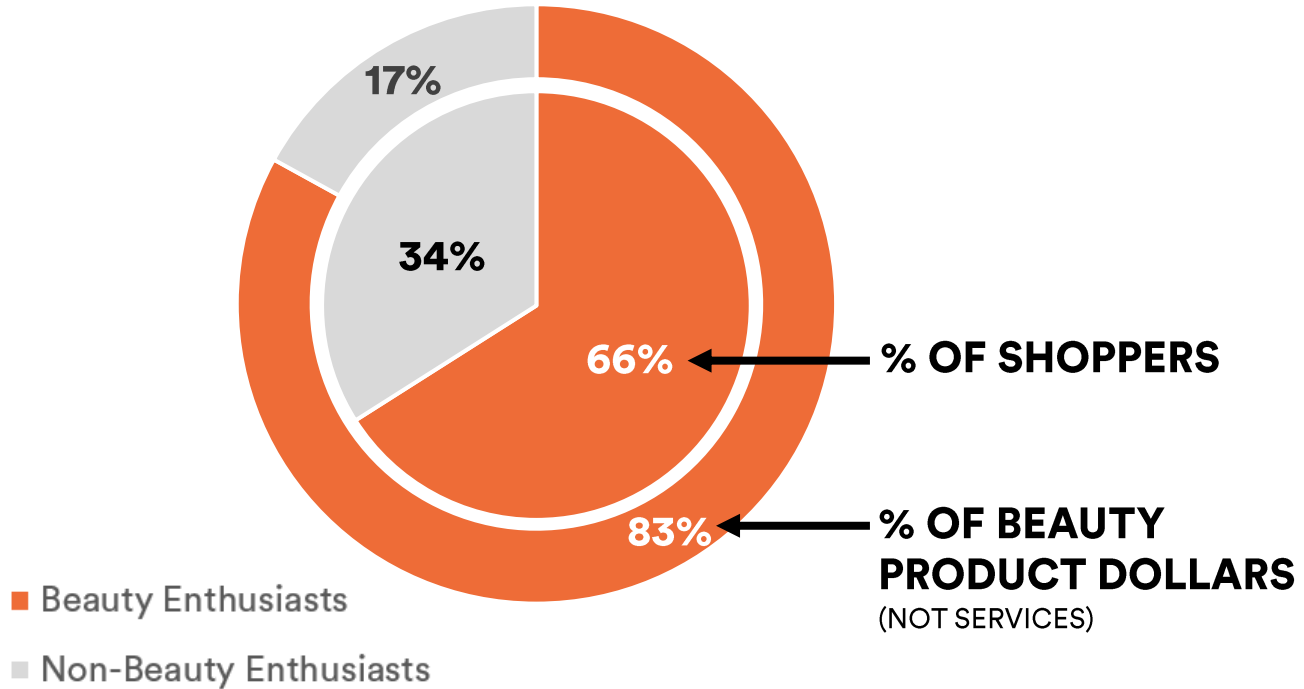
of consumers believe that the
beauty category is significantly
connected to wellness⁽¹⁾

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

Our
Customer



Our Target Consumer: The Beauty Enthusiast



Source: Ulta Beauty's Proprietary Segmentation Research 2021.



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

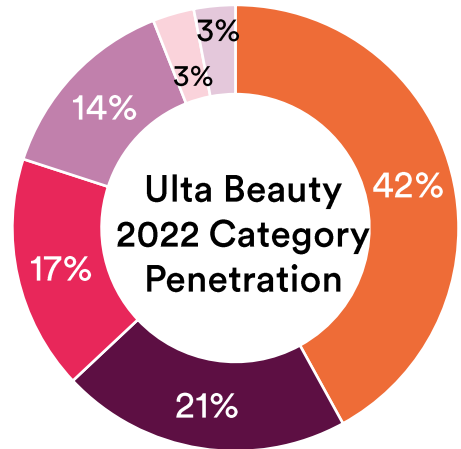
It's always changing, always something new

**Our
Competitive
Advantages**



Unique & Differentiated Model: One-of-a-kind Assortment

Multiple Categories



- Cosmetics
- Haircare products and styling tools
- Skincare
- Fragrance and bath
- Services
- Accessories and other

Variety of Price Points

Mass	Mass-Tige	Prestige
COVERGIRL	MORPHE	MAC
e.l.f.	COLOURPOP	Dior
CeraVe <small>SKINCARE WITH COSMETOLOGISTS</small>	Juvia's PLACE	OLAPLEX.
Neutrogena®	The Ordinary.	FENTY BEAUTY <small>BY RIHANNA</small>

Unique & Differentiated Model: Omni-Channel Offering

Ulta Beauty stores

More than **1,350 stores** predominantly located in convenient, high-traffic locations

Create distinctive, **tangible, irresistible experiences** that keep guests coming back

Drive discovery and **human connection** through services and passionate associates as the physical epicenter of beauty

Ulta Beauty @ Target

Supercharge guest acquisition by introducing Target guests to the Ulta Beauty assortment and experience

355 Ulta Beauty at Target locations



Digital channels

Enable connection and **always-on** shopping and consultation

Deliver **personal, anticipatory, immersive, fun, and convenient** experiences

Unique & Differentiated Model: Services

services
are a key differentiator

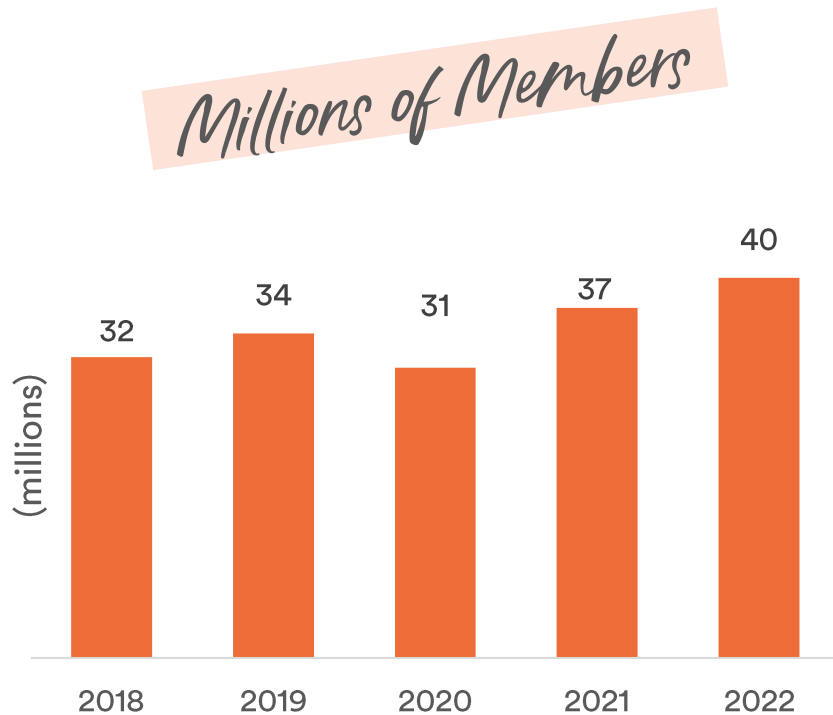
~3x higher annual spend
by services guests

~50% of guests purchase
retail products the
day of a service

+5 additional annual
trips compared to
average Ulta Beauty
guest



Best-in-Class Loyalty Program



~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

Values-Based, High Performance Culture



Our Strategy



Our strategic intent: Expand market leadership 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
- Build a new creator and content ecosystem
- 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

Our Financial Results

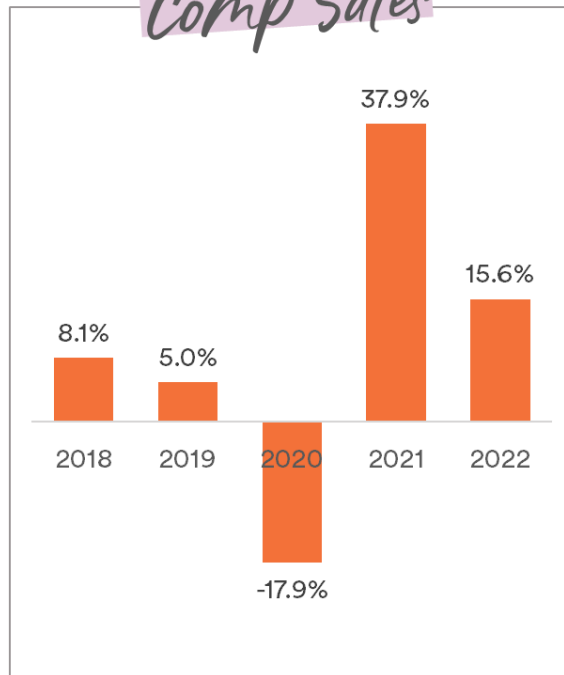


Recent Financial Performance

Net Sales



Comp Sales



Earnings per Share



Note: Fiscal year 2023 is a 53-week year.
 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.

FY22 Financial Results & Business Highlights

\$10.2^B
Net Sales
+18.3% YOY

+15.6%
Comp Sales
vs. 37.9% in FY21

+16.1%
Operating Margin
+110bp vs. FY21

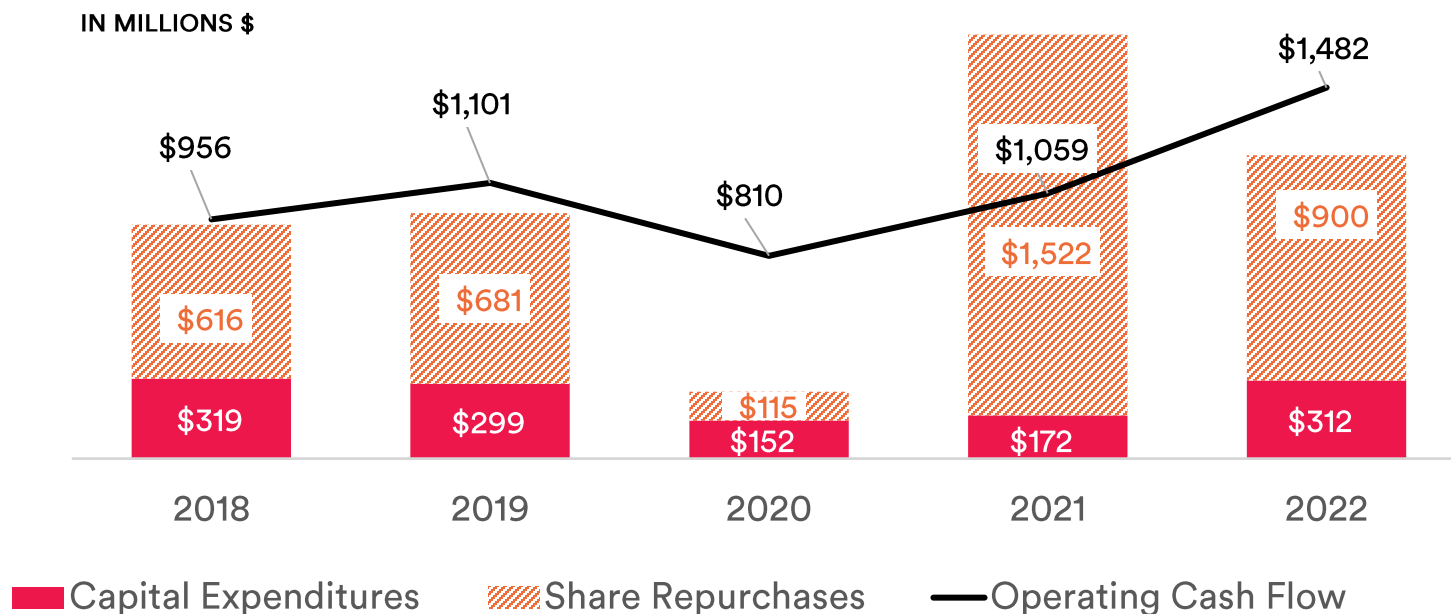
\$24.01
Diluted EPS
+34% YOY

Results reflected broad-based strength across the business

- Exceeded expectations fueled by robust demand and strong operational execution
- Robust comparable sales growth in all major categories and in services, with growth in stores and digital channels
- Increased Ultimate Rewards members to record 40.2 million members (+9% vs. LY)
- Operating margin expansion of 110bp vs. FY21 driven primarily by fixed cost leverage, higher merchandise margin, and other revenue growth, partially offset by shrink and channel mix.

Shareholder Returns

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



**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

Positioning Ulta Beauty to expand our market share gains and extend our competitive advantages

ULTA[®]
BEAUTY

