Investor Update

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Amy Greene, Vice President of Investor Relations
June 2010

HERBALIFE

Safe Harbor Statement

FORWARD-LOOKING STATEMENTS

This document contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are "forward-looking statements" for purposes of federal and state securities laws, including any projections of earnings, revenue or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. Forward-looking statements may include the words "may," "will," "estimate," "intend," "continue," "believe," "expect" or "anticipate" and any other similar words.

Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, such as those disclosed or incorporated by reference in our filings with the Securities and Exchange Commission. Important factors that could cause our actual results, performance and achievements, or industry results to differ materially from estimates or projections contained in our forward-looking statements include, among others, the following:

- our relationship with, and our ability to influence the actions of, our distributors;
- adverse publicity associated with our products or network marketing organization;
- Uncertainties relating to interpretation and enforcement of recently enacted legislation in China governing direct selling;
- our inability to obtain the necessary licenses to expand our direct selling business in China;
- adverse changes in the Chinese economy, Chinese legal system or Chinese governmental policies;
- improper action by our employees or international distributors in violation of applicable law; changing consumer preferences and demands;
- Loss or departure of any member of our senior management team which could negatively impact our distributor relations and operating results;
- the competitive nature of our business;
- regulatory matters governing our products, including potential governmental or regulatory actions concerning the safety or efficacy of our products, and network marketing program including the direct selling market in which we operate;
- third party legal challenges to our network marketing program;
- risks associated with operating internationally and the effect of economic factors, including foreign exchange, inflation, pricing and currency devaluation risks, especially in countries such as Venezuela;
- our dependence on increased penetration of existing markets;
- contractual limitations on our ability to expand our business;
- our reliance on our information technology infrastructure and outside manufacturers;
- the sufficiency of trademarks and other intellectual property rights;
- product concentration;
- our reliance on our management team;
- uncertainties relating to the application of transfer pricing, duties, value added taxes, and other tax regulations, and changes thereto;
- changes in tax laws, treaties or regulations, or their interpretation;
- taxation relating to our distributors;
- product liability claims;
- any collateral impact resulting from the ongoing worldwide financial "crisis," including the availability of liquidity to us, our customers and our suppliers or the willingness of our customers to purchase products in a recessionary economic environment; and
- whether we will purchase any of our shares in the open markets or otherwise.

We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.

Strong Growth & Return of Capital

The Growth Story

- HLF nutritional products address current Mega Trends of obesity and anti-aging
- Growth driven by transformation to Daily Consumption, reaching deeper into markets
- Daily Consumption (daily price points) driving growth in both emerging and established markets

Attractive Business Model

- Low capital requirements
- Strong Free Cash Flow model
- Conservatively leveraged balance sheet

Disciplined Return of Capital

- $1 billion share repurchase authorization
- Consistent dividend program

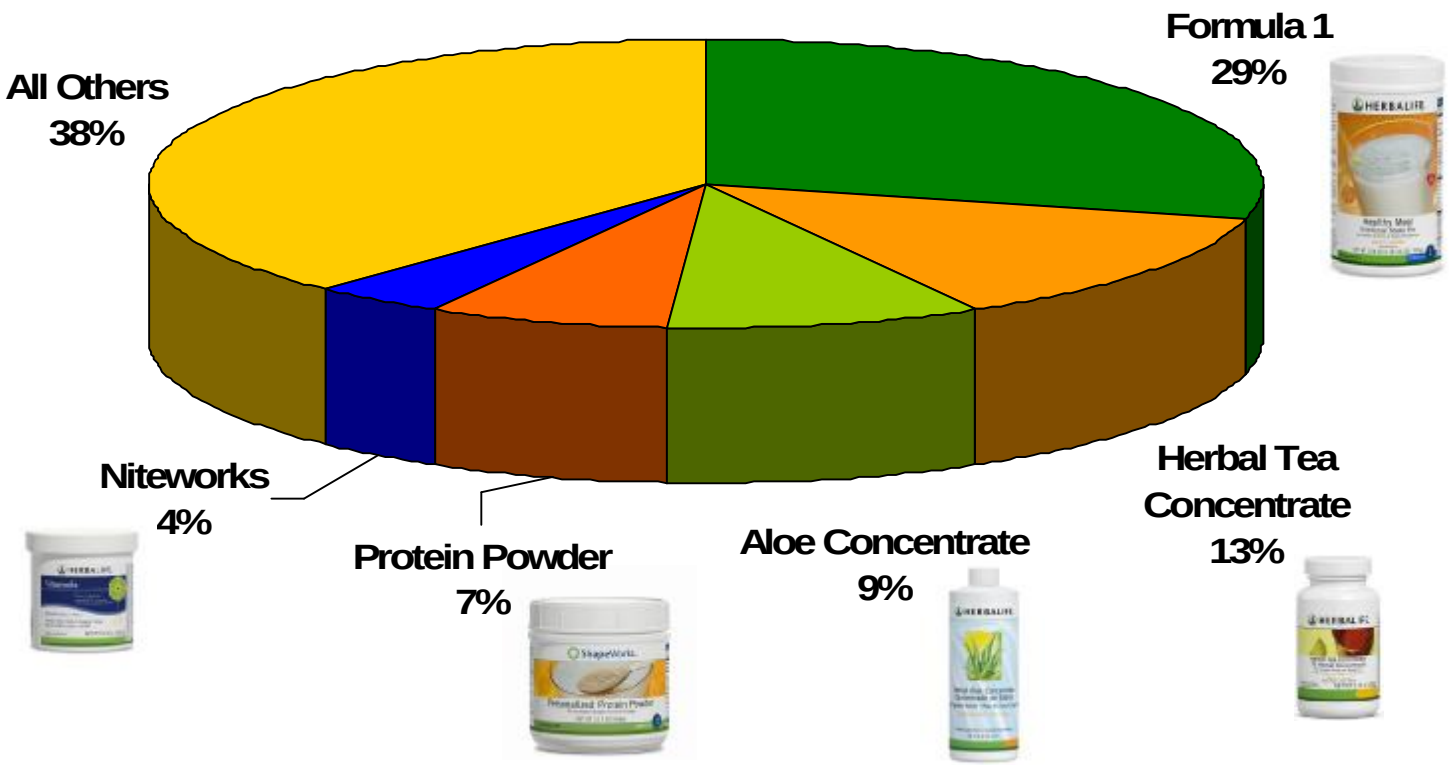
Leader in Global Nutrition, Functional Foods

	Daily Nutrition			
% of 1Q'10 Net Sales*:	62.6%	22.4%	4.2%	5.0%
	Category is largely "functional foods". Formula 1 = 29% of sales	**Condition specific products - heart health, digestive, etc.**	**Support a "healthy active lifestyle"**	**Opportunity for regional product development**

* Not shown: Literature/Other 5.8% of 1Q'10 net sales

Top 5 Products – 1Q'10

Four of the Top Five Products are Functional Foods

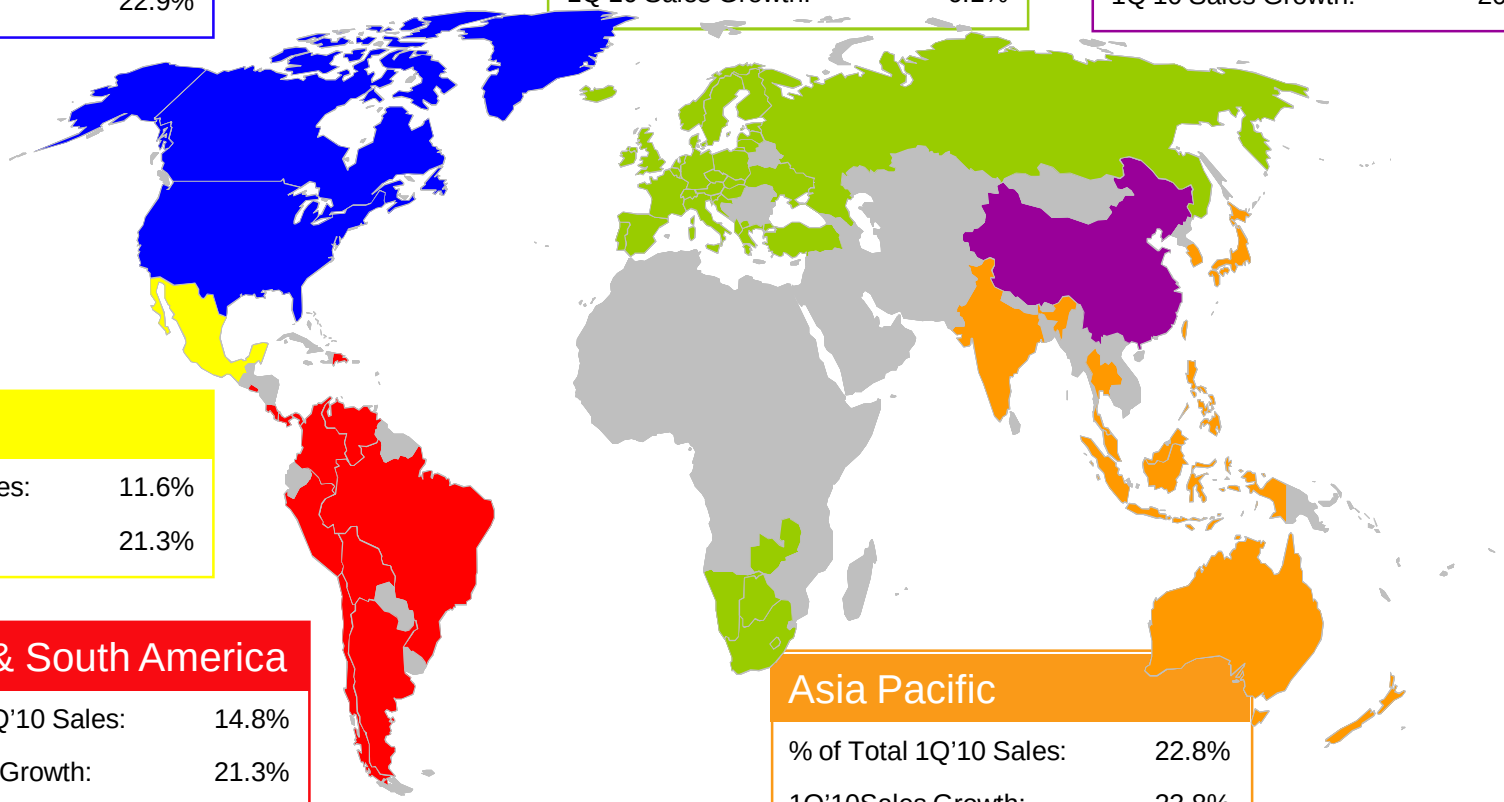


Herbalife Currently in 73 Countries, Divided into Six Regions

North America	
% of Total 1Q'10 Sales:	24.5%
1Q'10 Sales Growth:	22.9%

EMEA	
% of Total 1Q'10 Sales:	21.1%
1Q'10 Sales Growth:	6.1%

China	
% of Total 1Q'10 Sales:	5.2%
1Q'10 Sales Growth:	20.5%



Mexico	
% of Total 1Q'10 Sales:	11.6%
1Q'10 Sales Growth:	21.3%

Central & South America	
% of Total 1Q'10 Sales:	14.8%
1Q'10 Sales Growth:	21.3%

Asia Pacific	
% of Total 1Q'10 Sales:	22.8%
1Q'10Sales Growth:	23.8%

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***1Q'10 sales growth reflected in reported net sales as reported in the company's earnings release on May 4, 2010.**

Evolution of the Business is Driving Growth

TRADITIONAL		DAILY CONSUMPTION
• Medium to High Priced Purchases Done Infrequently • Low Penetration • High Customer Turnover & Customer Acquisition Costs • High Customer Acquisition Costs	HERBALIFE →	• Small Purchases Regularly • Deeper Penetration • Lower Customer Turnover • Higher Customer Retention • Very Efficient Model for Distributors
2003A 1.5 billion volume points $1.2 billion net sales 9.2% operating margin $163 million EBITDA	↑ **87%** ↑ **92%** ↑ **410bps** ↑ **120%**	**2009A*** 2.8 billion volume points $2.3 billion net sales 13.3% operating margin $358.7 million EBITDA

* Provided in the company's February 23, 2010 earnings release. Operating income excluding one-time items.

Daily Price Point Increases Access

MONTHLY PREPAY

~ $60

- Convenience
- Service

DAILY

~ $2

Aloe Tea **Formula 1**

~ $100

- Cost
- Relationships
- Community

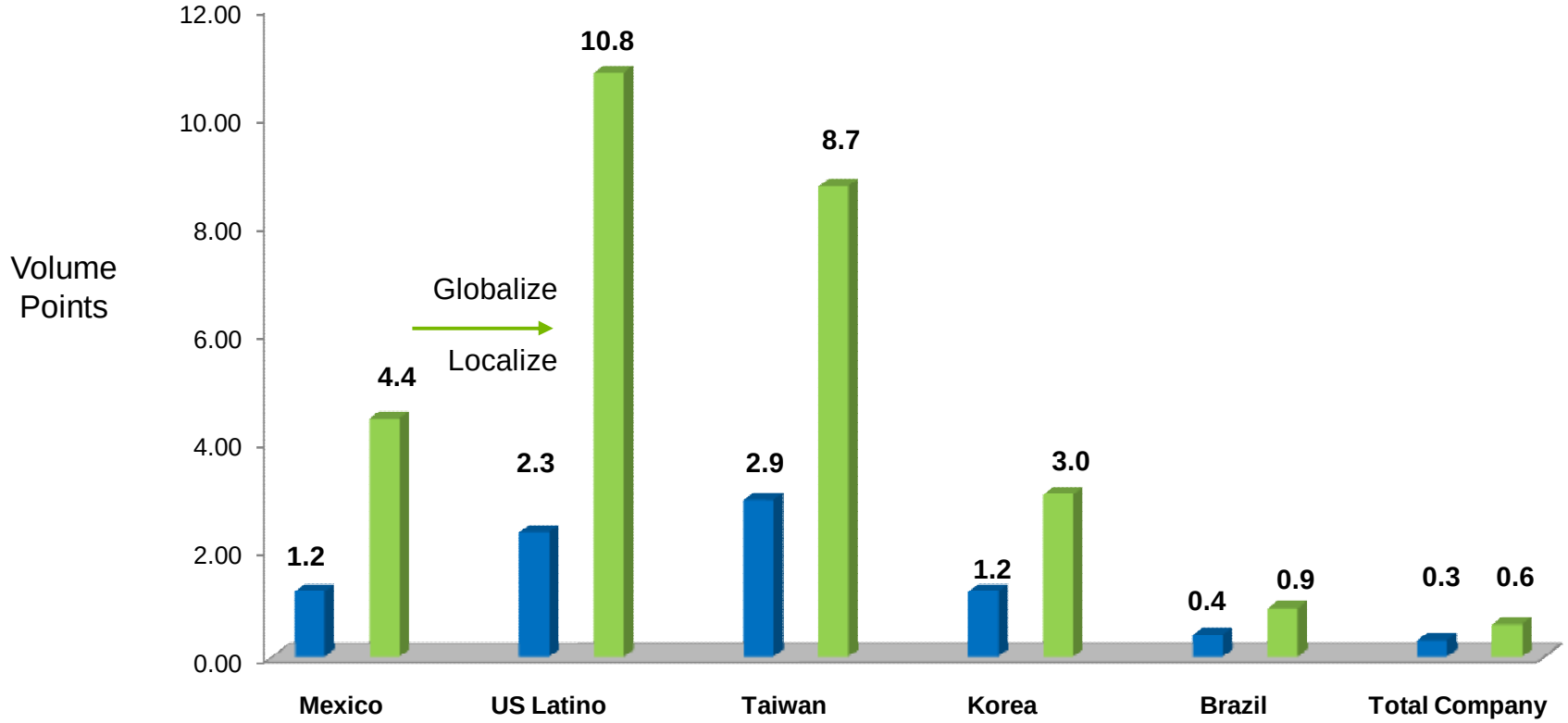
Club Model

Aloe Tea Formula 1

~ $3

Daily Consumption Goes "DEEPER" in Markets

Key Country Per Capita Penetration: 2003 & 2009



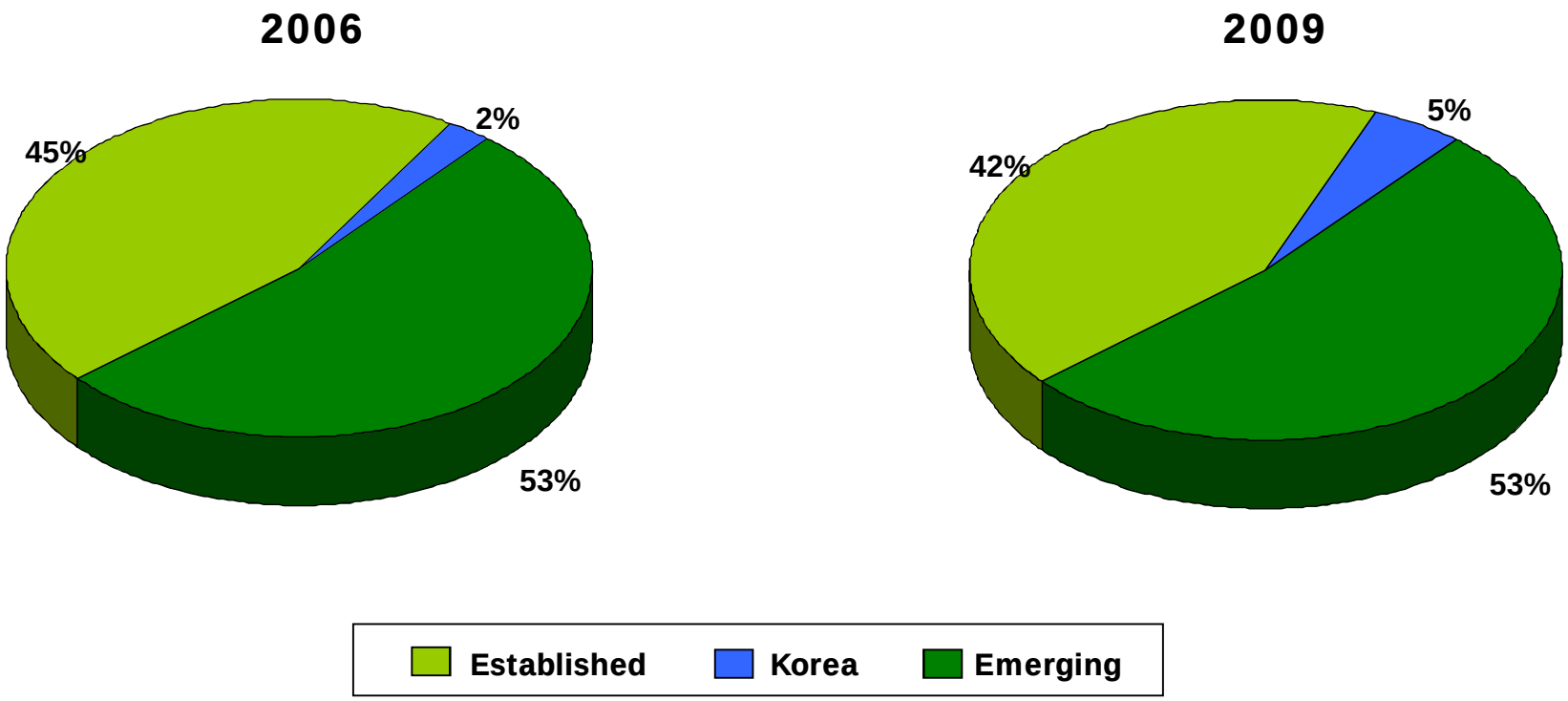
	Mexico	US Latino	Taiwan	Korea	Brazil
Club Inflection Point	*2003*	*2006*	*2006*	*2007*	*2008*
HLF VP Ranking in 1Q'10	*2*	*1*	*5*	*4*	*3*

Daily Consumption Focuses Growth

Key Club Products		Total Company
2003		**2003**
% of Total VPs	**VPs**	**VPs**
37%	573m	1.54b
2009		**2009**
% of Total VPs	**VPs**	**VPs**
51%	1,443m	2.84b
+ 152%		+ 84%

Evolution to daily consumption has driven key product growth ahead of overall company growth.

Daily Price Point Expands Addressable Audience – Emerging Markets



- **Lower, daily price points increases addressable audience in emerging markets.**
- **Daily consumption is driving growth in both established and emerging markets.**
- **Growth is relatively balanced between emerging & established.**

Seed to Feed – Increasing Control

- **Move from 95% outsourced in 2009 to 80% self-manufactured by 2014 on Inner Nutrition products (purchased 2nd manufacturing operation in Q3, 2009)**

- **Control supply chain from Seed to Feed**
  - **Protection / Risk Avoidance**
  - **Marketing**
  - **ROI**

Raw Materials | **Extraction J.V.** | **Ingredient Sourcing** | **Manufacturing (Contract or Self)** | **Herbalife**

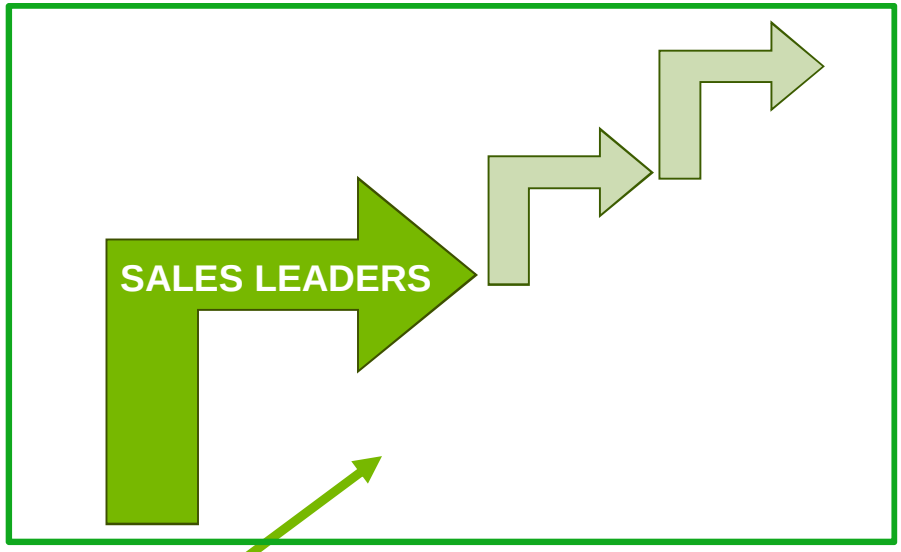
3-5 YEAR PROJECT

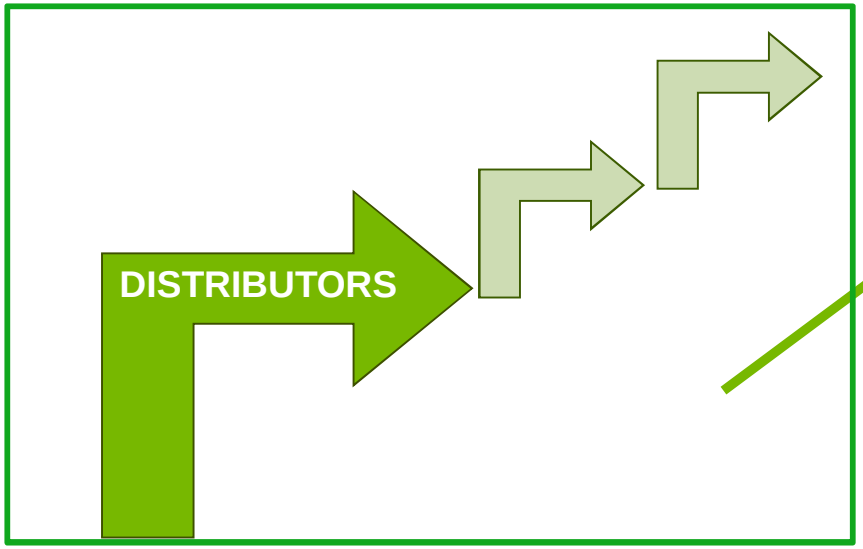
100 - 200 bps improvement in COGS

Distributors Driving Growth

Nutrition clubs enable distributors to build steady business ground in daily consumption.

Higher percentage of daily consumption business drives higher retention of distributors.

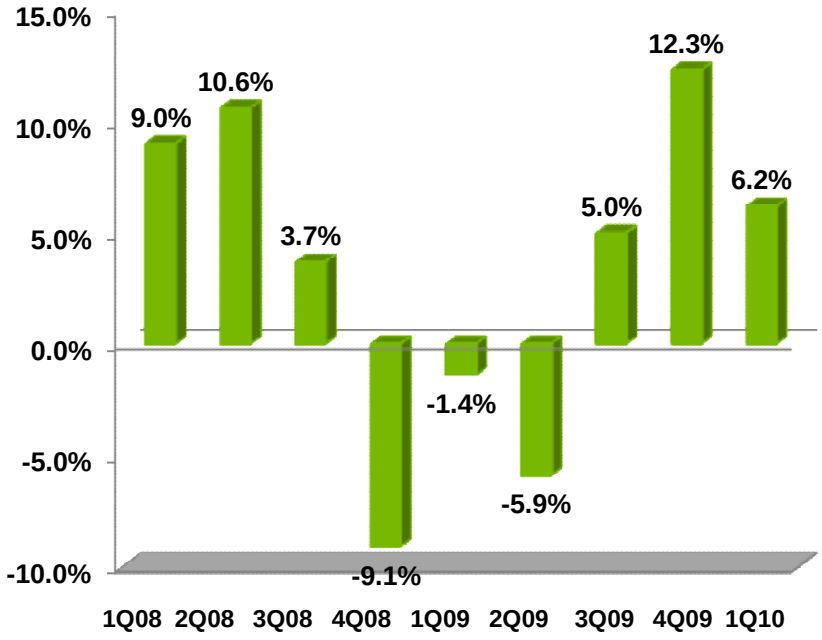




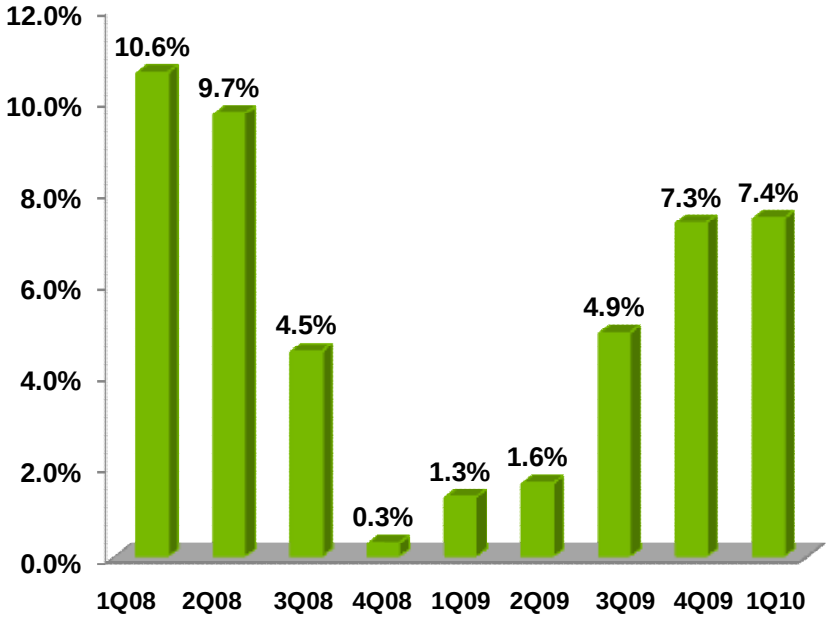
Marketing plan enhancements from late 2009 were designed to improve access to the business opportunity.

Key Metrics Driving the Business

Volume Points



Average Active Sales Leaders



Financial Update

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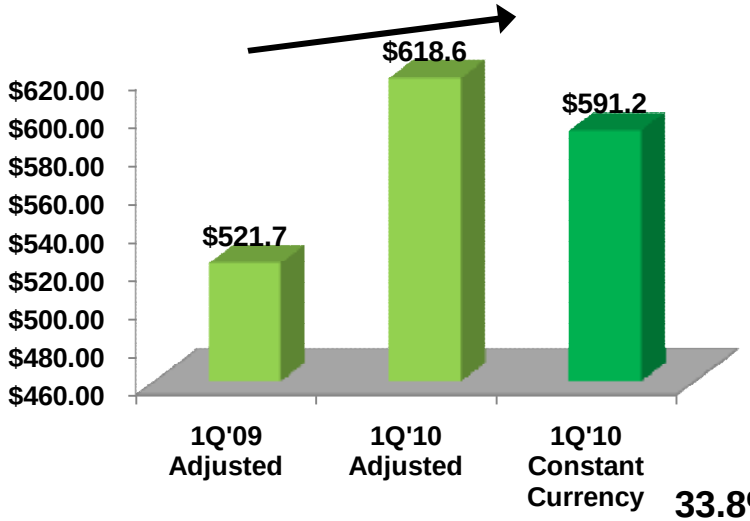
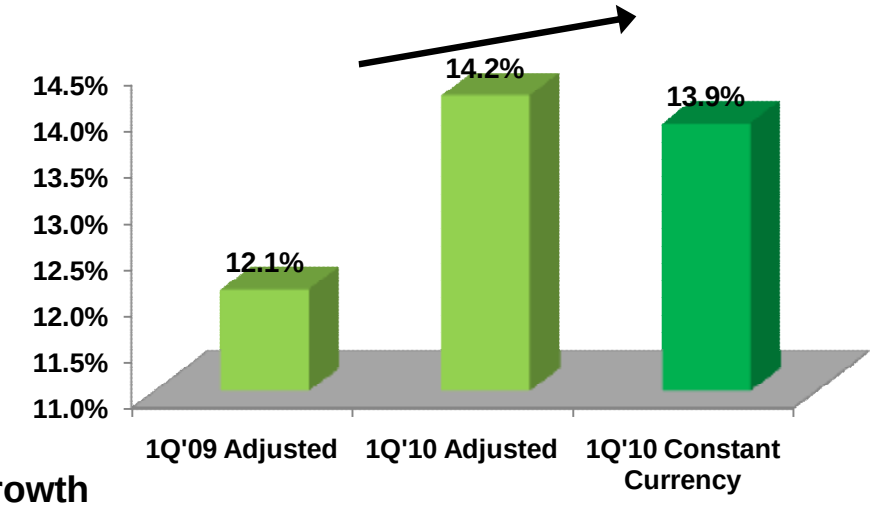
Strong Financial Performance in 1Q'10

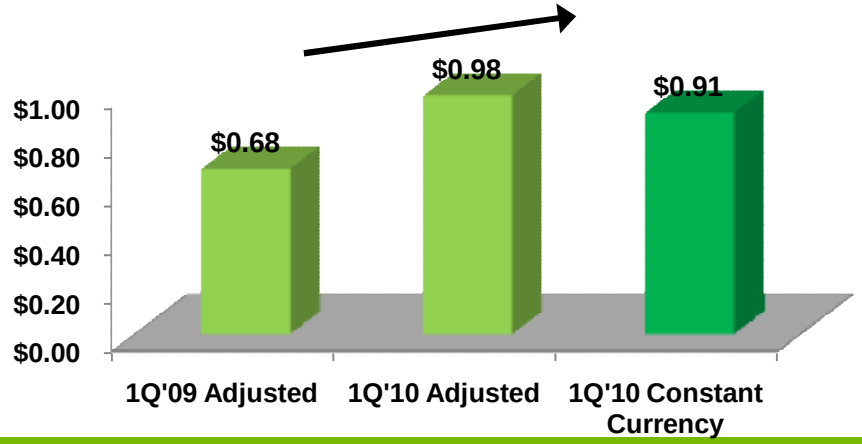
13.3% Net Sales Growth



180 bps Operating Margin Improvement



33.8% EPS Growth



Strong Cash Flow Generation

- *Herbalife is not a capital intensive business.*
- *Net income is generally a good proxy for FCF.*

(Dollars in Millions)

	2007	2008	2009	1Q'10
Net Income	**$191.5**	**$221.2**	**$203.3**	**$61.5**
Other	**79.3**	**51.8**	**81.8**	**25.9**
Cash Flow from Operations	**270.8**	**273.0**	**285.1**	**87.4**
Capital Expenditures	**(49.0)**	**(106.8)**	**(60.1)**	**(11.6)**
Free Cash Flow	**$221.8**	**$166.2**	**$225.0**	**$ 75.8**
EBITDA	**$351.5**	**$387.7**	**$371.0**	**$105.4**
EBITDA per share	**$ 4.83**	**$ 5.90**	**$ 5.88**	**$ 1.35**
EV/EBITDA	**7.8x**	**4.1x**	**7.1x**	**7.2x**

Under Leveraged Balance Sheet

- *Conservatively capitalized, Debt equal to approximately 0.7x LTM EBITDA.*
- *Current debt is due in 2012 and 2013.*
- *HLF has the ability to retire debt with earnings from operations if necessary*

(Dollars in Millions)

	2007	2008	2009	1Q'10
Total Debt (Due 2012/2013)	$ 365.2	$ 351.6	$ 250.3	$ 247.4
Total Debt / LTM EBITDA [1]	1.0x	0.9x	0.7x	0.7x
Net Debt	$ 177.7	$ 200.8	$ 99.5	$ 82.1
Net Debt / LTM EBITDA [1]	0.5x	0.5x	0.3x	0.2x

[1] Excludes certain one-time items

Industry Leading Return to Shareholders

- *Returned approximately $760.3 million to shareholders over the last 3-years*
- *As of April 2010, HLF has approximately $900mm remaining on its authorized repurchase program (expiring on December 31, 2014)*

	FY'07	FY'08	FY'09	1Q'10	Total
Dividends	$41.5	$50.7	$48.7	$12.1	$153.0
Shares Repurchased	$365.8	$138.9	$74.6	$28.0	$607.3
Total Returned to Shareholders	$407.3	$189.6	$123.3	$40.1	$760.3
% of Net Income	**213%**	**86%**	**61%**	**65%**	**112%**

Industry Leading Financial Metrics

– *HLF undervalued relative to direct selling peer group*

	HLF [1]		AVP [1]	TUP [1]	NUS [1]	USNA [1]
Forward P/E	11.1x		12.6x	9.6x	12.8x	12.5x
EBITDA per share	$1.35	P	$0.55	$1.31	$0.11	$1.05
EV/EBITDA	7.2x	P	10.2x	9.0x	8.2x	7.2x
FCF Yield	8.2%	P	3.8%	7.9%	6.5%	2.3%
PEG Ratio	0.9x	P	1.3x	1.2x	1.1x	0.9x

[1] HLF and Peer group based on First Call consensus estimates for 2010 versus 2009 actual results and P/E based on 2010 estimates from Capital IQ vs the closing stock price on June 17,2010.
[3] EBITDA per share based on 1Q'10 results for each Company

Industry Leading Financial Metrics vs. Broader Peer Group

– *HLF significantly undervalued relative to average valuations of multiple peer groups.*

	HLF		CPG Group*	Diet Group*	Direct Sales Group*
Forward P/E	11.1x	P	14.2x	15.6x	11.7x
EV/EBITDA	7.9x	P	9.3x	15.6x	8.7x
FCF Yield	8.2%	P	8.1%	6.8%	6.1%
PEG Ratio	0.9x	P	1.7x	2.0x	1.2x

[1] Peer group based on First Call consensus estimates for 2010 versus 2009 actual results and P/E based on 2010 estimates from Capital IQ vs the closing stock price on June 17, 2010.
[2] EBITDA per share based on 1Q'10 results for each Company

* CPG Group includes PG, CL, KMB; Diet Group includes WTW, MED, NTRI; Direct Sales Group includes AVP, TUP, NUS.

2010 Guidance Issued May 3, 2010

Guidance issued in HLF's Q1, 2010 earnings release dated May 3, 2010

– 16% to 19% FY'10 EPS growth compared to $3.28 in FY'09

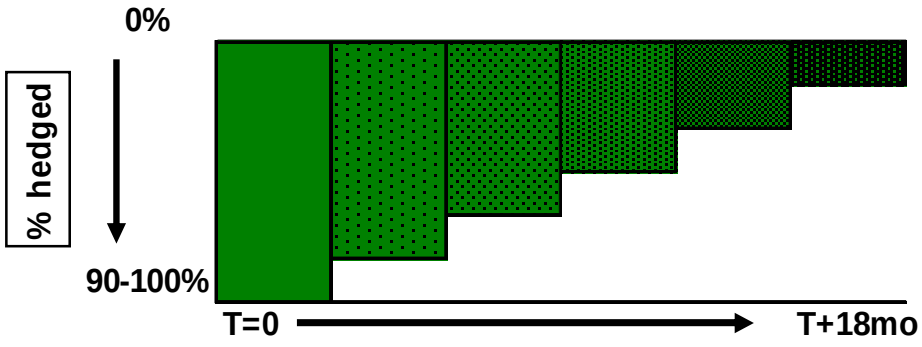
	Second Quarter 2010		Fiscal Year 2010	
	Low	High	Low	High
Volume point growth vs 2009	8.0%	9.0%	6.5%	7.5%
Net sales growth vs 2009	12.0%	13.0%	11.0%	12.0%
EPS	**$0.89**	**$0.92**	**$3.80**	**$3.90**

1. **Excludes any accretion/dilution impact should the company elect to utilize any portion of the remaining $900 million share repurchase authorization.**
2. **Guidance for FY'10 excludes the impact from the implementation of highly inflationary account in Venezuela.**

Evolving Hedging Strategy, Mitigating Risk

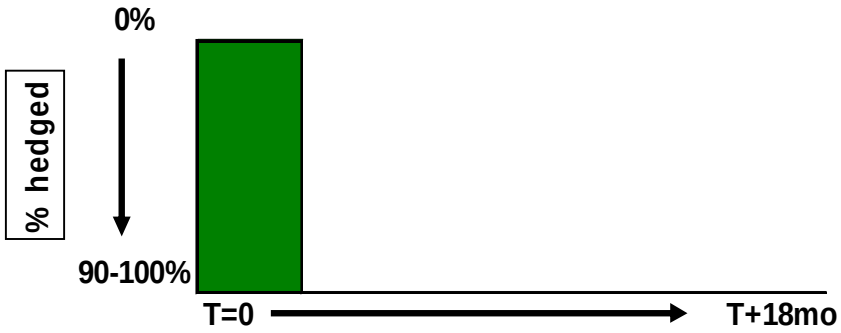
Hedge Accounting Eligible

- Rolling monthly hedges. This results in a hedge portfolio where due to 'layering', a higher percent of exposure is hedged in the near term; lower percent farther out.
- Currently employed only for Euro exposures.



Not Eligible for Hedge Accounting

- Quarterly hedges. Hedge portfolio is initiated at the beginning of each calendar quarter with final maturity at the end of that calendar quarter.
- Currently employed for other major currency exposures (MXN, TWD, KRW, BRL, JPY, RUB, CNY, THB).



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