

JP Morgan Healthcare Conference Investor Presentation

January 2017

HealthEquity[®]

Building Health SavingsSM

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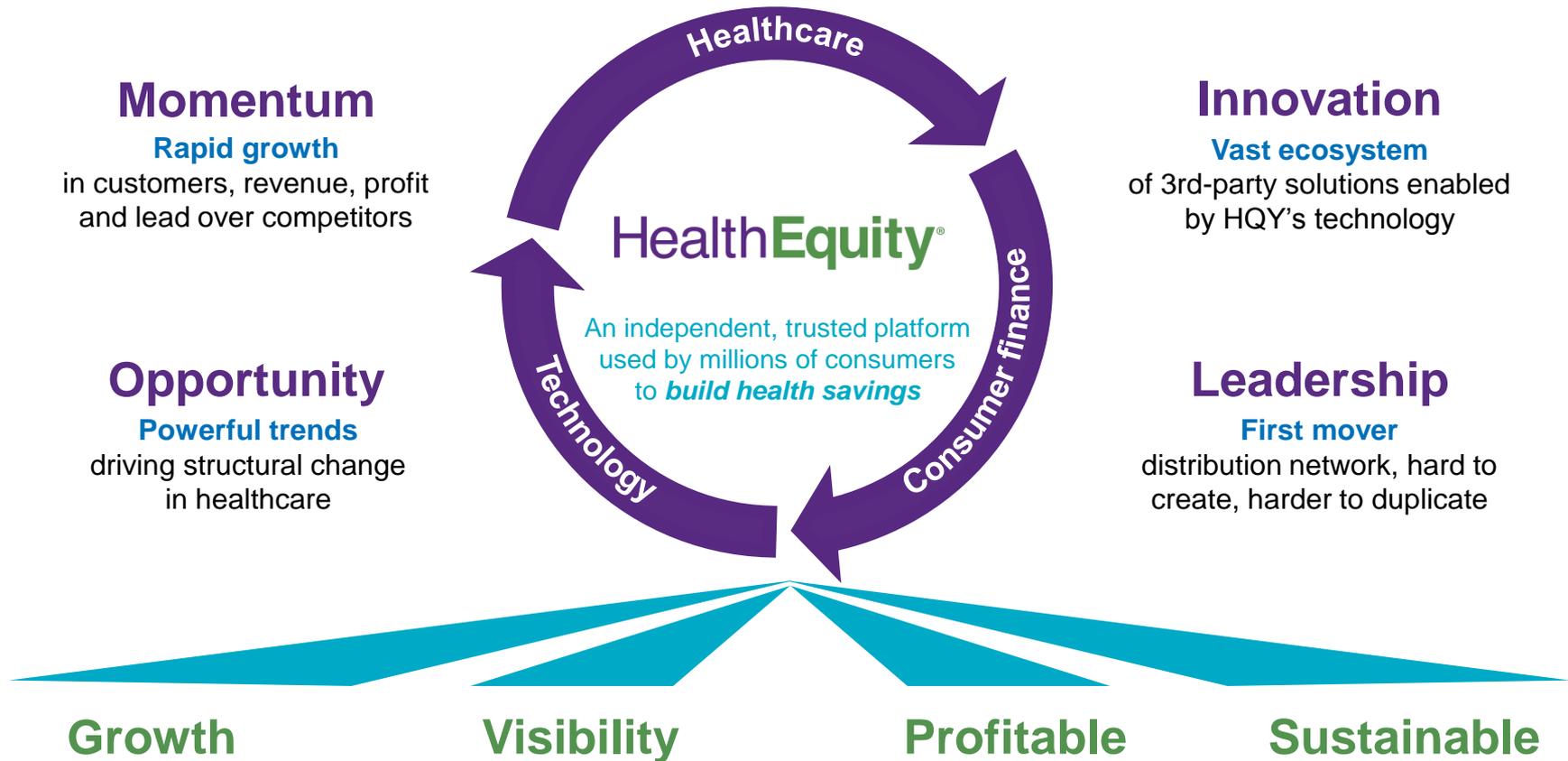
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Investment highlights



Key financial metrics

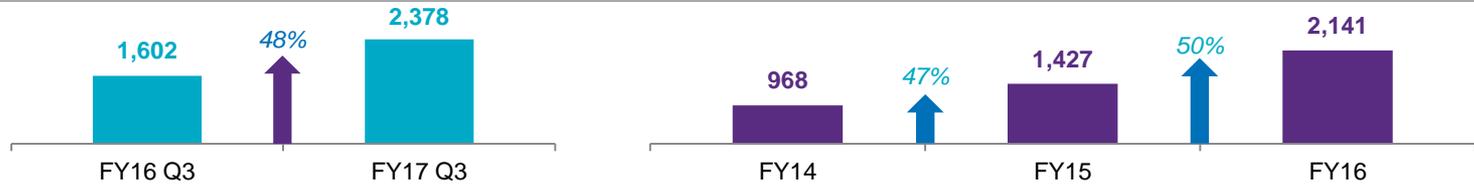
Revenue (\$M)



Adjusted EBITDA (\$M)



HSA Members (000s)



AUM (\$M)



Our core – health savings accounts

\$2,266

Average premium savings*

\$6,750

Maximum contribution to HSA

\$1,617

Average employer contribution**

For consumers

Triple tax savings
Lower premiums
Fully portable



For HealthEquity

Engaged consumers
Sticky relationships
Diverse revenue

Same annual out-of-pocket maximums as traditional plans

SOURCE: * Kaiser Family Foundation, 2016 Employee Benefits Survey, difference between family plan premiums for HDHP/HSA vs PPO

** Kaiser Family Foundation, 2016 Employee Benefits Survey, average firm contribution by companies making contributions to HSA for family coverage.

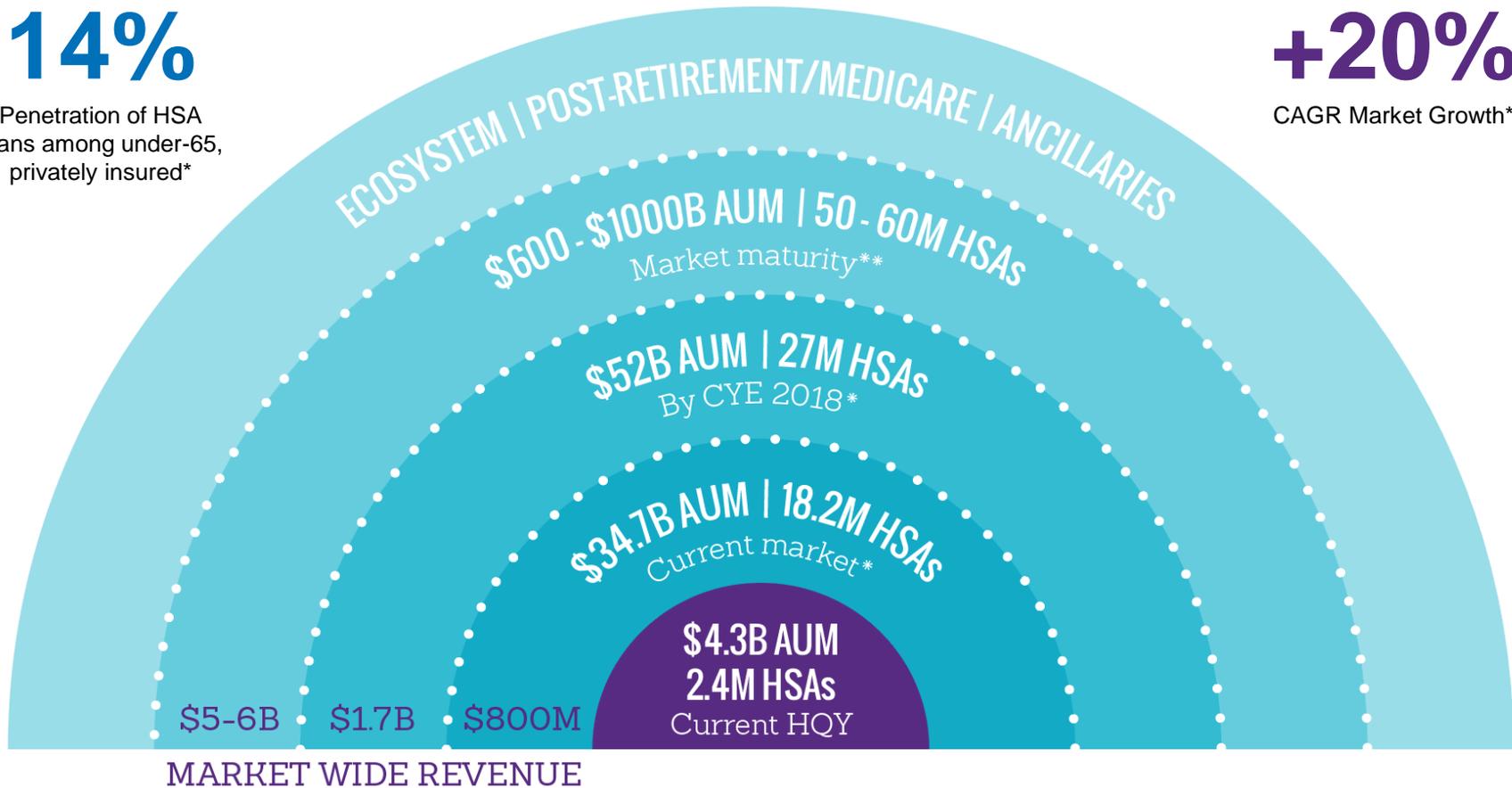
Expanding market

14%

Penetration of HSA plans among under-65, privately insured*

+20%

CAGR Market Growth*



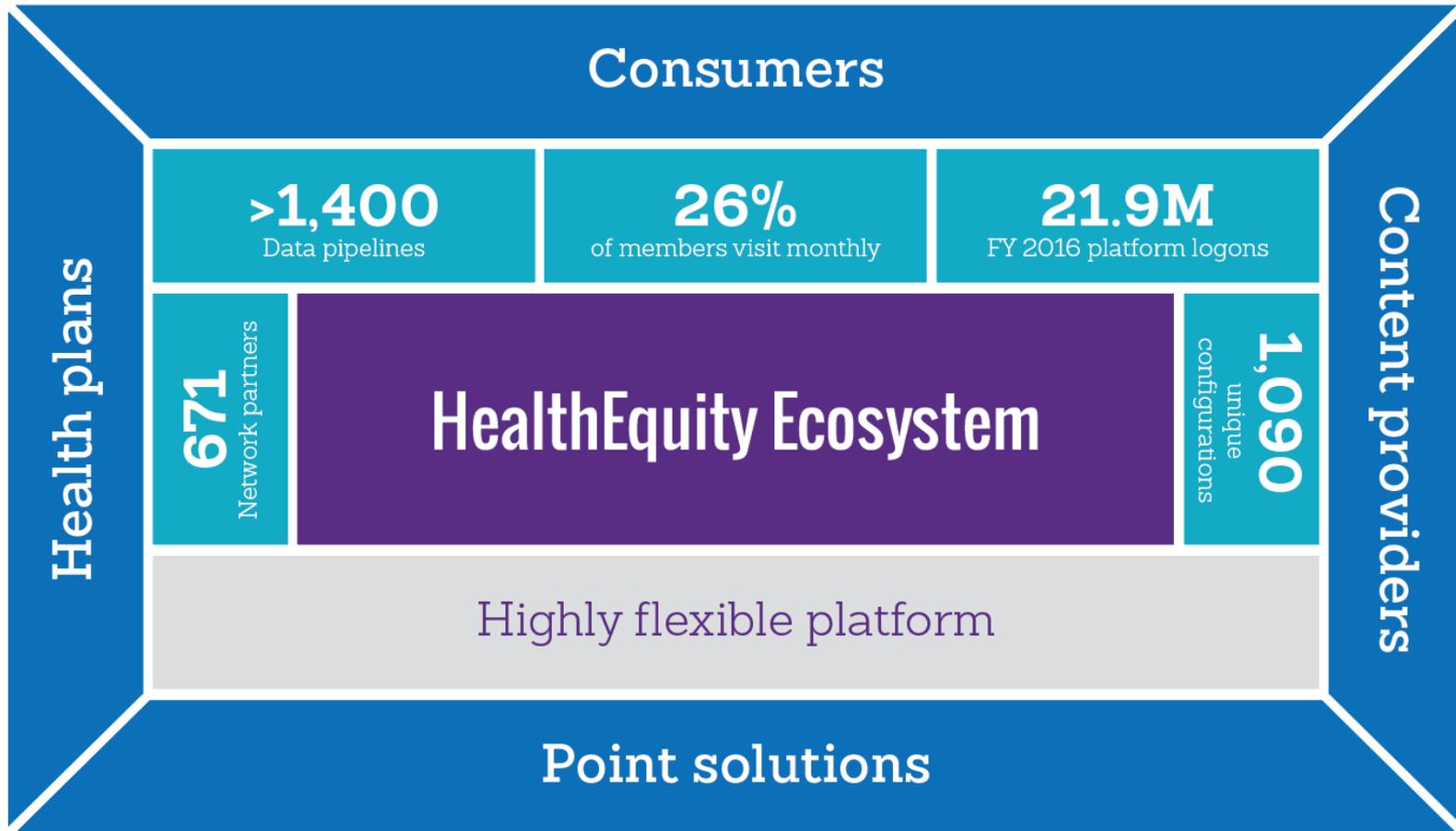
*Devenir Midyear HSA Report 6/30/2016

** Management estimate

Competition: 2016 midyear estimates⁽¹⁾

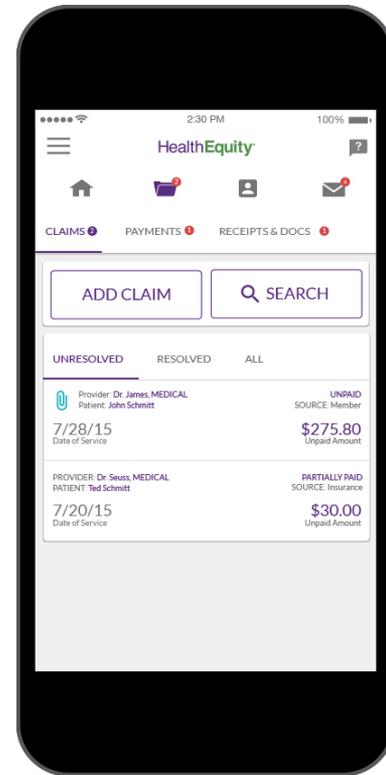
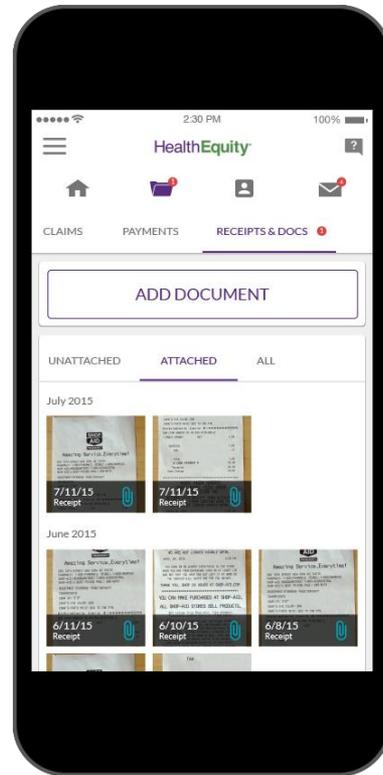
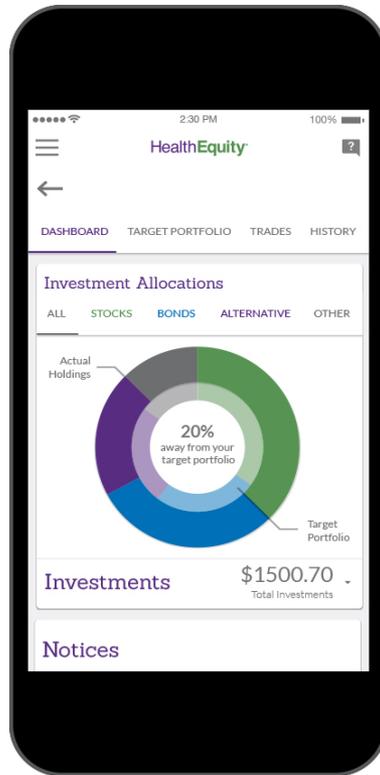
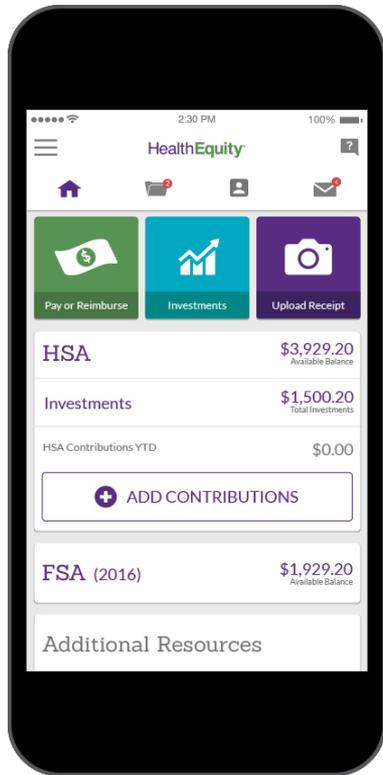
	AUM \$ billion	1-year growth	HSAs 000's	1-year growth
UNH ⁽²⁾	6.776	37%	2,896	32%
WBS	4.930	15%	2,012	20%
HQY	4.201	60%	2,300	50%
XRX/BK	2.724	47%	2,230	42%
BAC	1.743	29%	729	33%
Top 20 total	27.710	27%	13,569	27%

HealthEquity difference



NOTE: Data as of December 31, 2016 except for Network partners data as of January 1, 2017

Advanced functionality and mobility



B2B2C



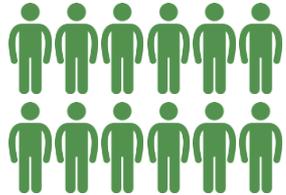
Network partners

584

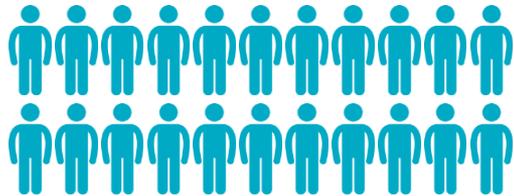
Large employers

87

Health plans

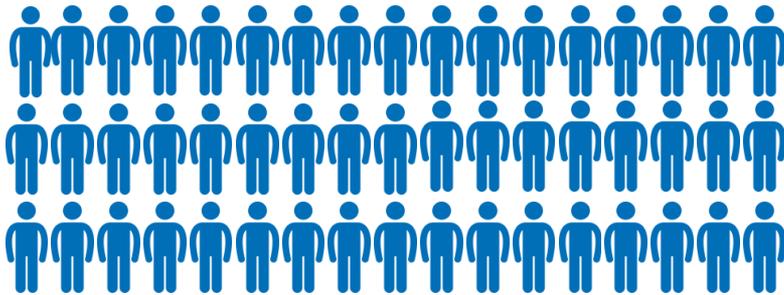


Health plan and broker sales, account execs



34K+

Employers



~4.7M**

Consumers

>1/3
Of Americans under 65 are covered by HQY network partners*

Growth in HSA members

47%

FY 15

50%

FY 16

Share from existing partners

77%

FY 15

87%

FY 16

Unit acquisition cost

\$23

FY 15

\$24

FY 16

NOTE: Data as of January 1, 2017 except as noted; * Of those under-65 with commercial insurance as of January 31, 2016. **Management estimate as of January 31, 2016

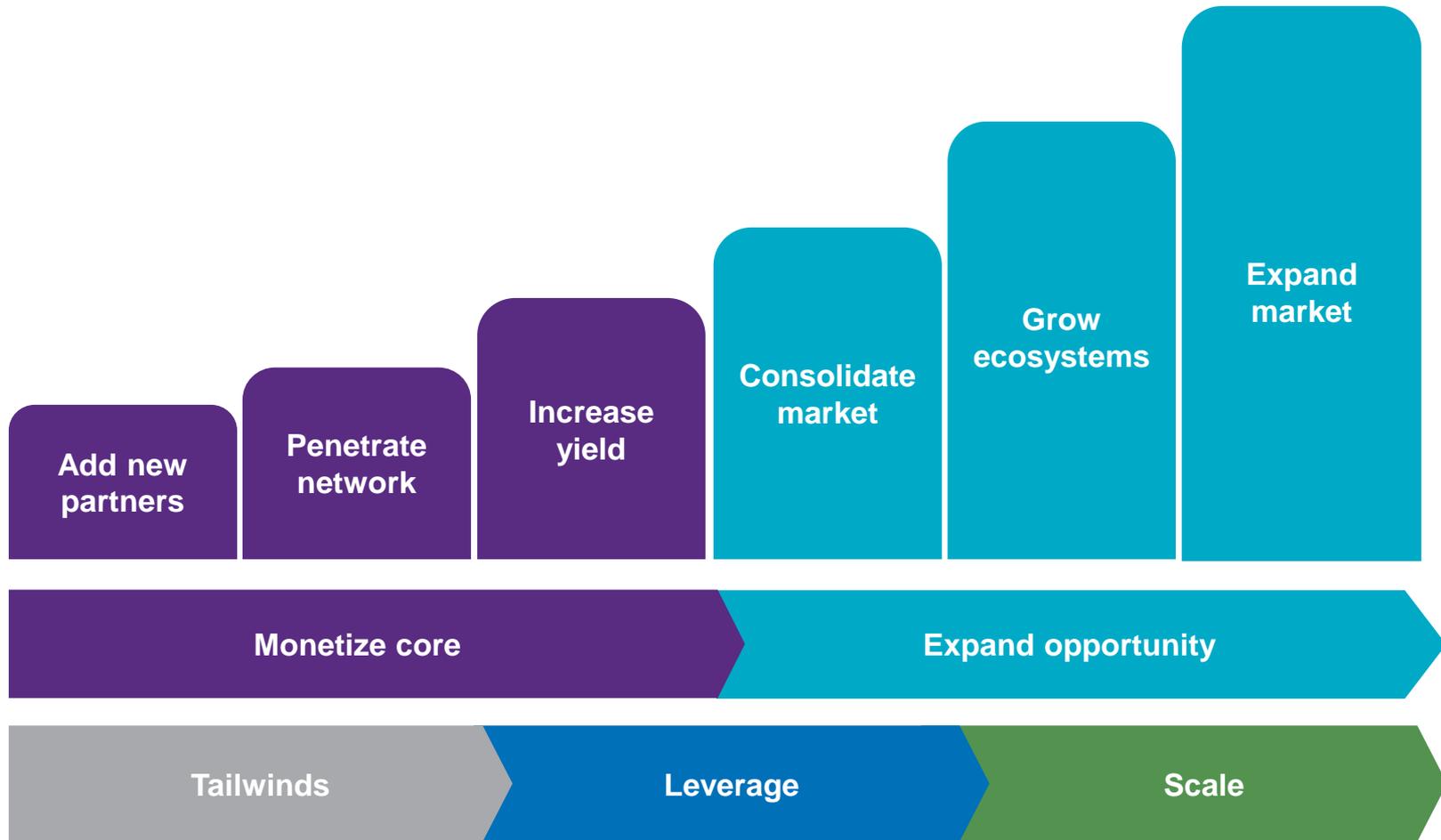
Value of mature accounts

The average HealthEquity HSA

	All HSAs	5+ year HSAs Investors
Average cash balance	\$1,532	\$5,444
Average investment balance	\$189	\$14,217
Total AUM balance	\$1,721	\$19,661



Early innings



Seeds of future growth

57% Of HSAs are new to HQY platform

\$1,721 Average account balance

98% Of HSA members yet to invest

< 10% Penetration of network partners

Low Interest rate environment

> 97% Retention rate for FY2016

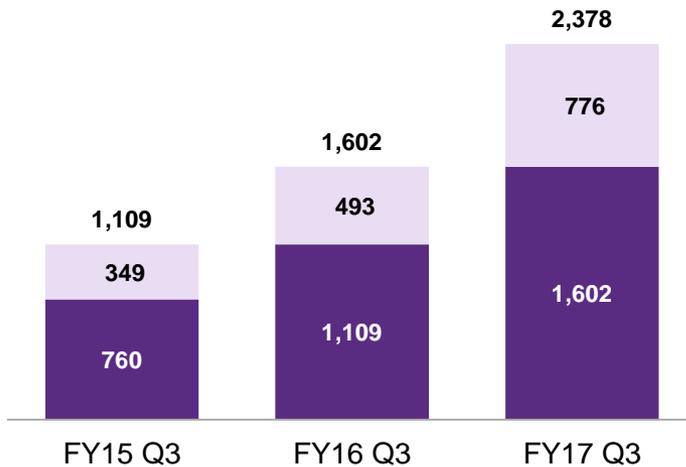


FY 2016 data

3rd quarter operating results

HSA (000s)

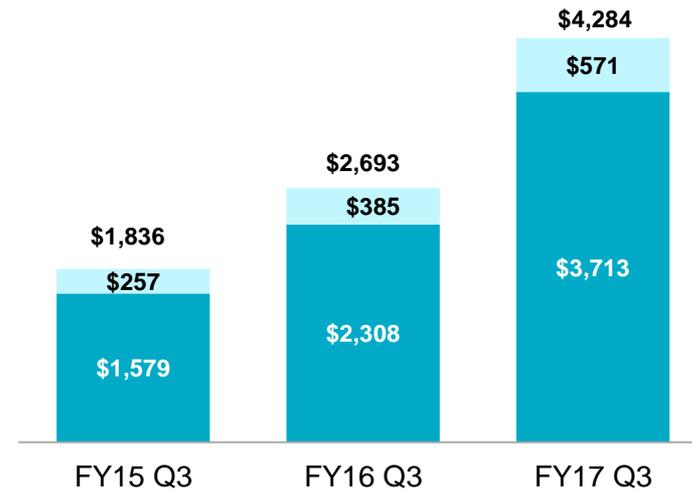
■ Net new HSAs



- Net increase of **776K** YoY
 - 195K from acquisitions (M&T, Bancorp)
 - 581K organic growth
- **48%** growth YoY

AUM (\$M)

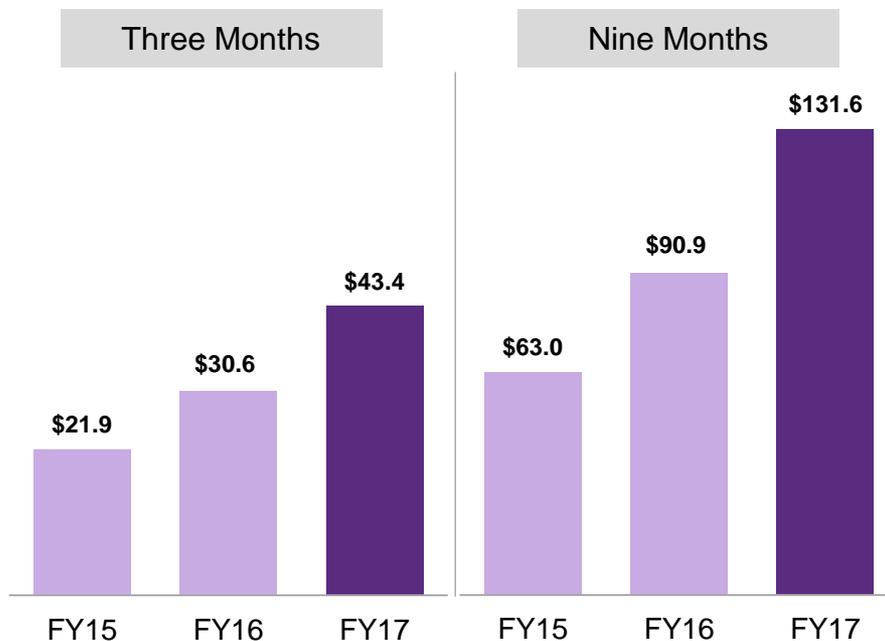
■ Cash AUM ■ Investment AUM



- Net increase of **\$1.4B** YoY
 - \$453M from acquisitions
 - \$1.1B organic growth
- **59%** growth YoY

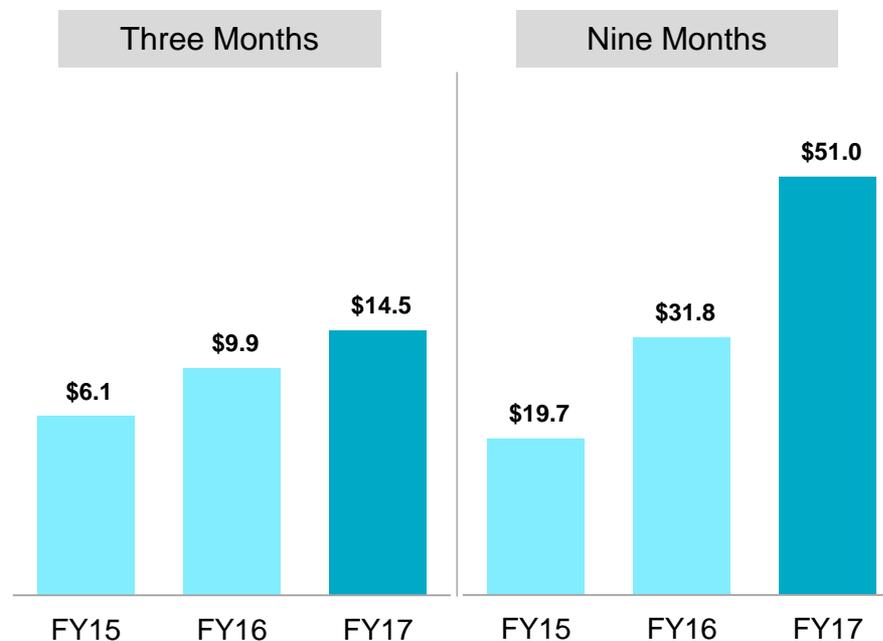
3rd quarter financial results

Revenue (\$M)



- **45%** YTD revenue growth YoY
 - 27% growth in Service
 - 64% growth in Custodial
 - 59% growth in Interchange

Adjusted EBITDA⁽¹⁾ (\$M)



- **60%** YTD Adjusted EBITDA growth YoY
- YTD Gross margins 62.4% vs 59.6% prior year
- YTD Operating margins 26.6% vs 24.0%

Capitalization

(\$ in millions)	October 31, 2016	January 31, 2016
Cash, cash equivalents & marketable securities	\$165.7	\$123.8
Long-term debt (\$100M available LOC)	\$0.0	\$0.0
Total equity	\$252.6	\$203.5

NOTE: For more information, see our public filings with the Securities and Exchange Commission.

Guidance

For the Fiscal Year Ending January 31, 2017	
	Guidance as of December 6, 2016 (\$ in millions, except per share)
Revenue	\$174 – \$178
Net Income	\$23 - \$25
Earnings per diluted share	\$0.38 - \$0.42
Adjusted EBITDA**	\$59 – \$62

*Guidance issued in earnings press release on December 6, 2016. We do not undertake to update this guidance, which speaks only as of the date given.

** See press release on December 6, 2016, for a reconciliation of net income, the most comparable GAAP measure, to Adjusted EBITDA.

Powerful monetization

Gross margin

57%

FY 16 overall

68%

3-year old HSA

72%

6-year old HSA



Account opening

Balance growth

Payments

Investing

10x

HSA balance of mature accounts investing

HQY data as of January 31, 2016

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