



Where Outdoor Living Comes to Life



Forward Looking Statements

This presentation may contain forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements speak only as of the date of this presentation and are subject to change. The Company undertakes no obligation to update or revise forward-looking statements to reflect new circumstances or unanticipated events as they occur. Actual results may differ materially due to a variety of factors, including the sensitivity of our business to weather conditions, changes in the economy and the housing market, our ability to maintain favorable relationships with suppliers and manufacturers, competition from other leisure product alternatives and mass merchants, excess tax benefits or deficiencies recognized under ASU 2016-09 and other risks detailed in POOLCORP's 2017 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

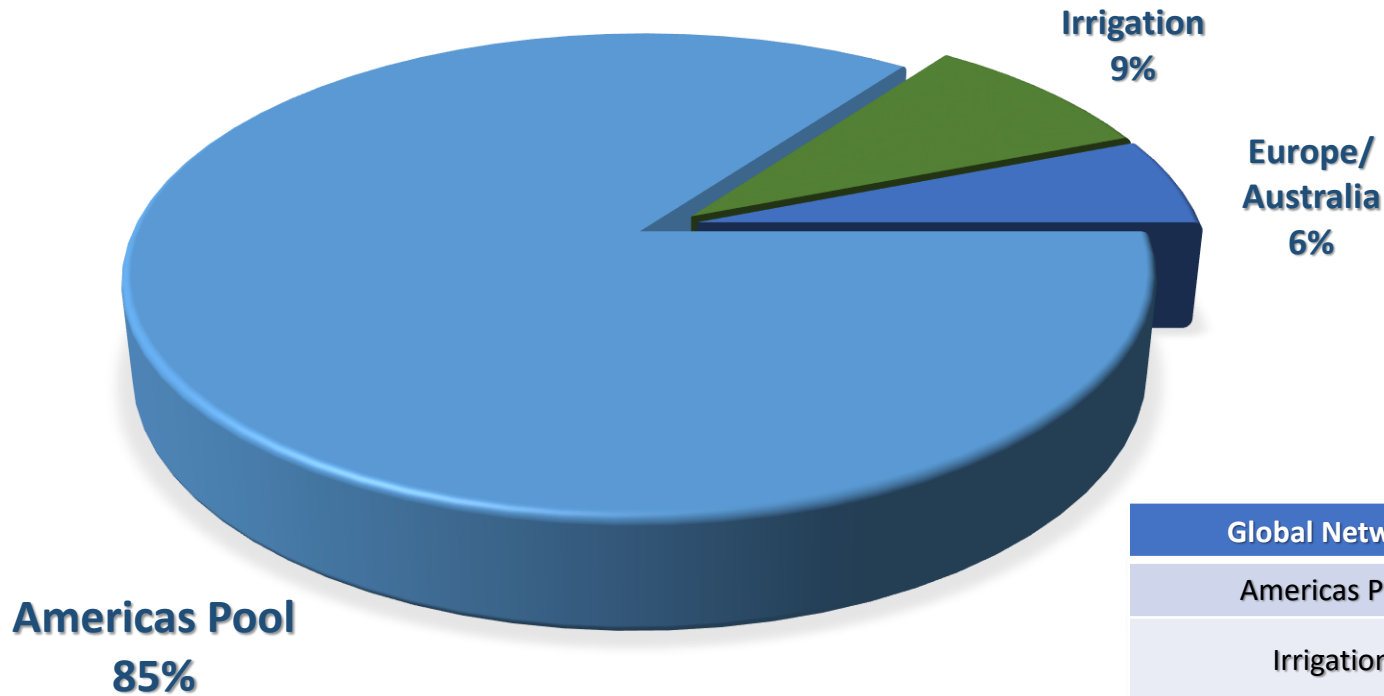
This presentation may also contain references to certain non-GAAP financial measures as defined by the SEC. A reconciliation of non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles can be found in the Appendix at the end of this presentation, if applicable at http://ir.poolcorp.com/NonGAAP_Financial_Measures, or in the Company's most recent earnings release, which is furnished in our Current Report on Form 8-K filed with the SEC.

POOLCORP Overview

- Undisputed leader in high-growth, niche distribution market
- High recurring consumer spending on pool and landscape maintenance mitigates risk
- Organic growth and efficient cost management generate strong operating leverage and high operating margins
- Exceptional performance history – 26.5% Total Shareholder Return CAGR over 22 years



POOLCORP Global Network Revenue

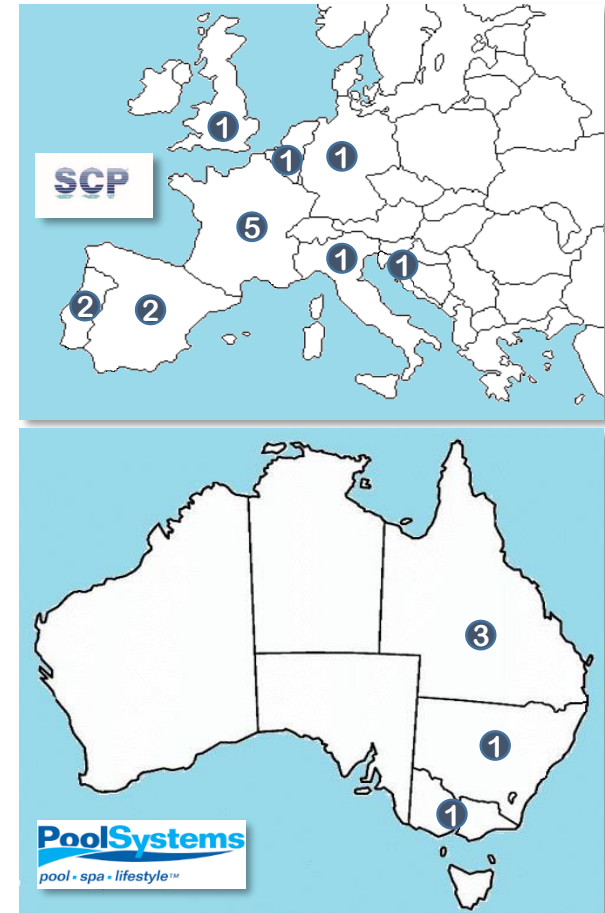
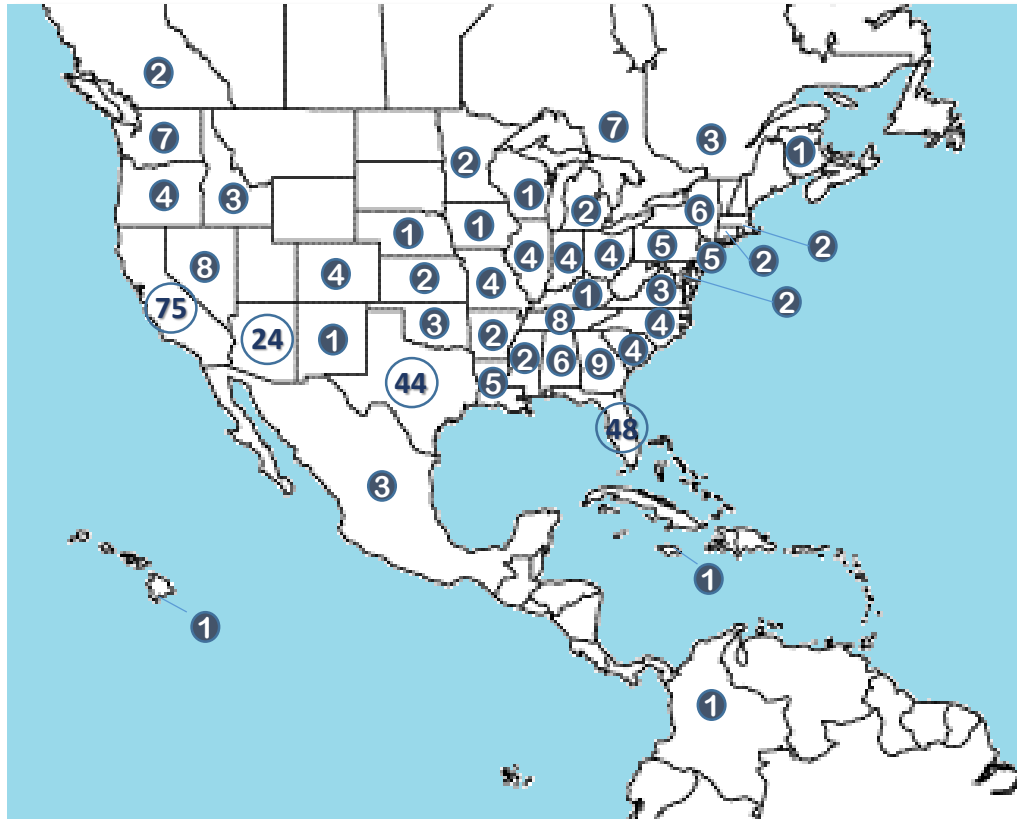


Global Network	Sale Centers
Americas Pool	267
Irrigation	65
Europe/Australia	19

Vision: 'To be the best worldwide distributor of outdoor lifestyle home products'

Overview

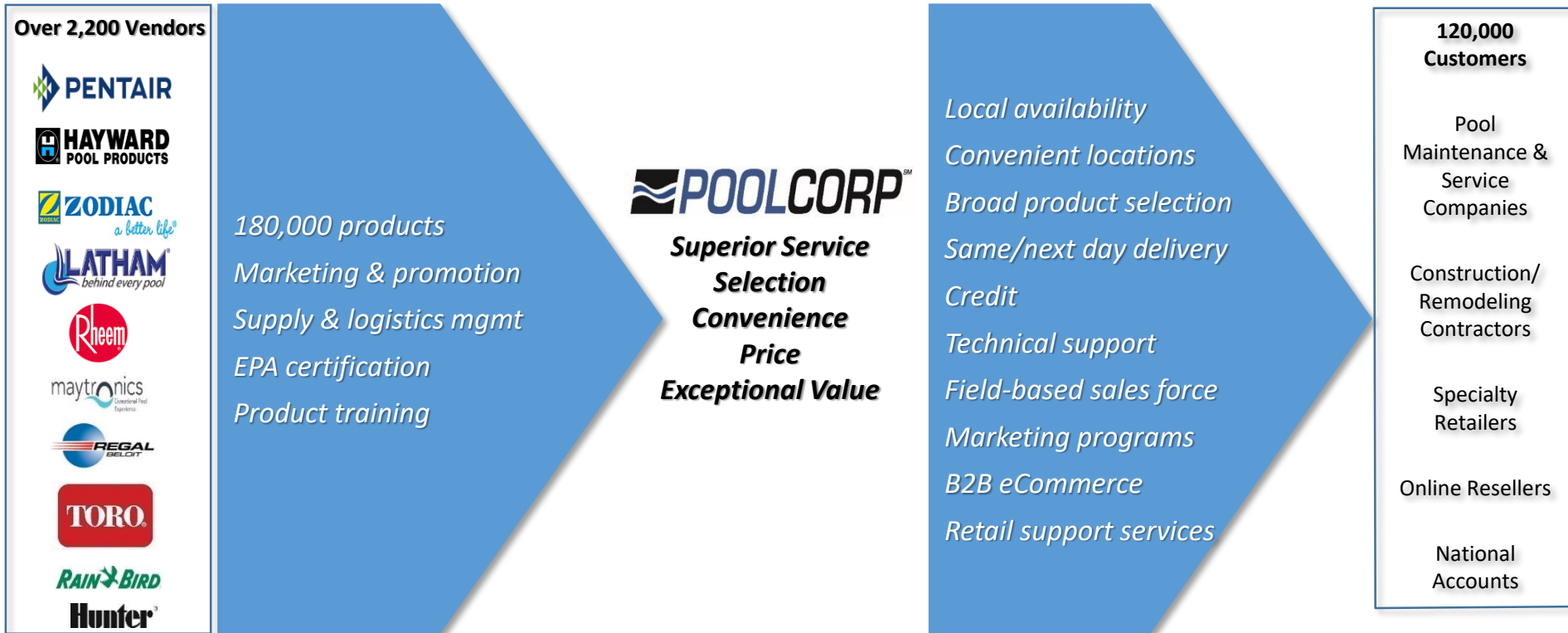
Europe/Australia



NASDAQ/GSM: POOL

Value-Added Distribution

Overview

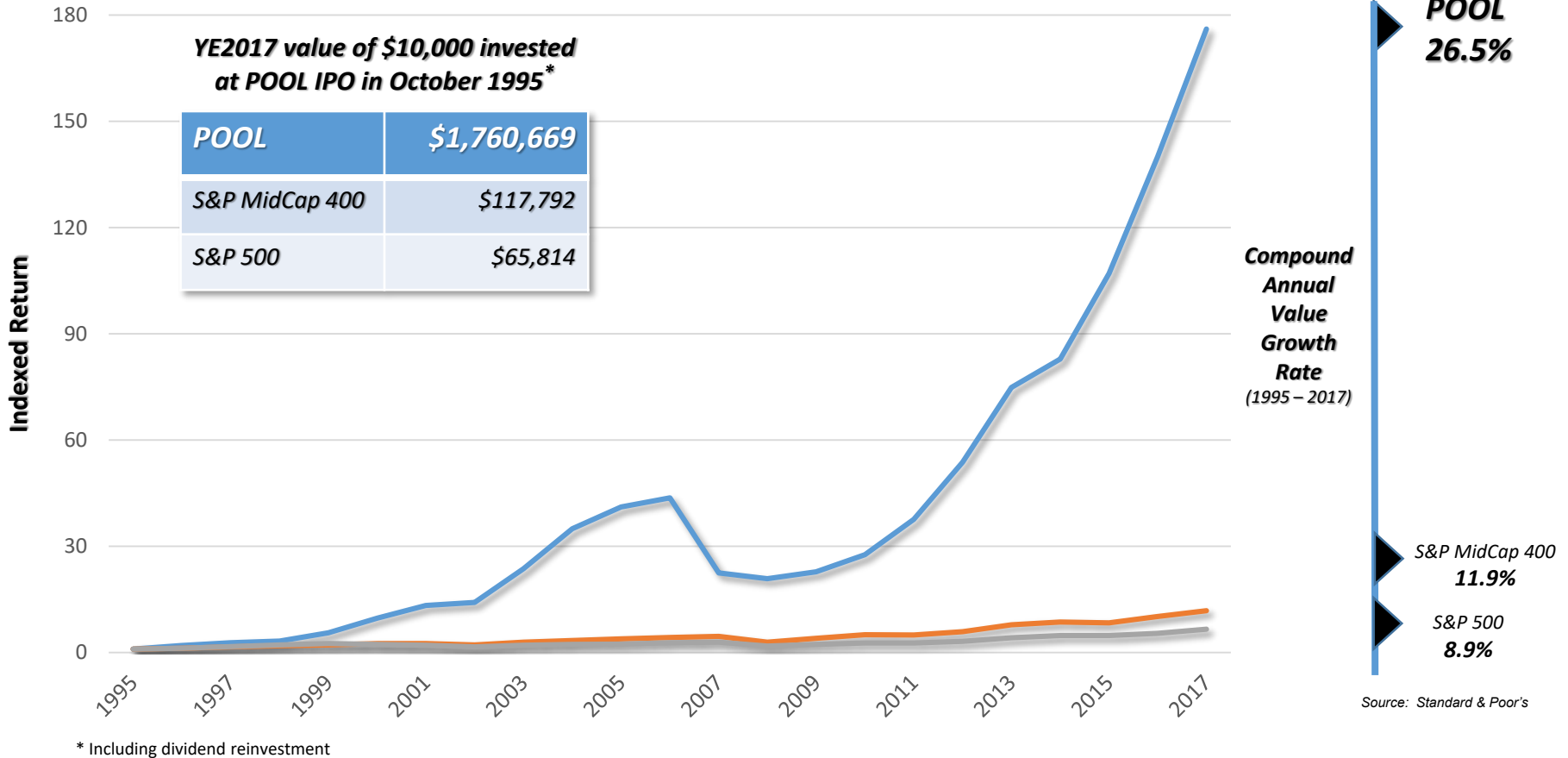


‘At the center of a fragmented supply chain’

NASDAQ/GSM: POOL

Exceptional Shareholder Returns

Overview



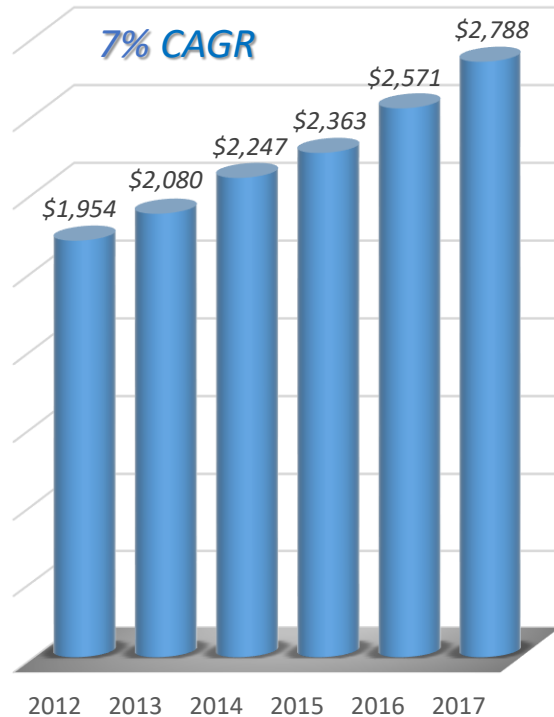
'Creating exceptional value over the long-term'

NASDAQ/GSM: POOL

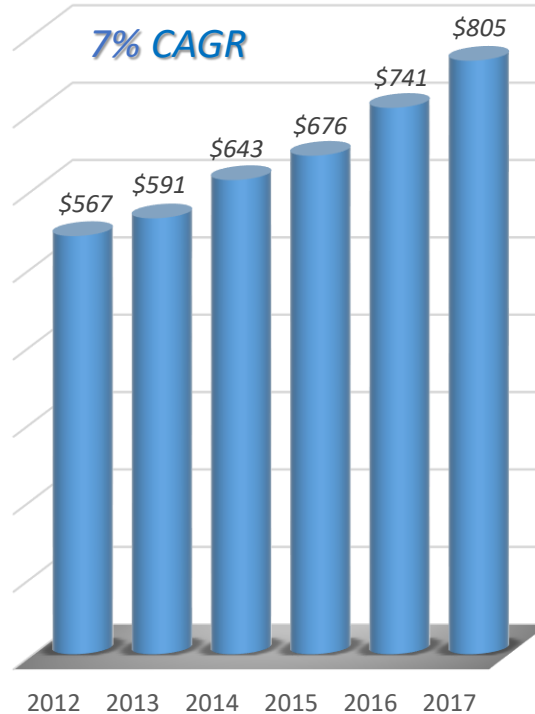
Financial Results

Overview

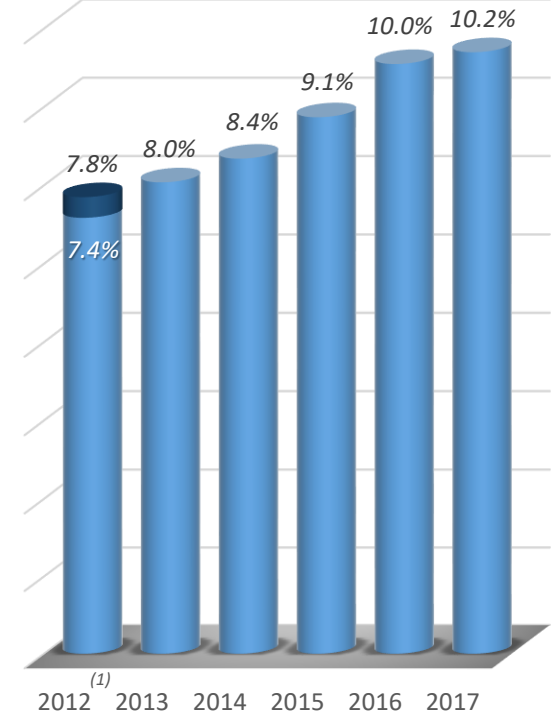
Net Sales
(in millions)



Gross Profit
(in millions)



Operating Margin



‘Consistent revenue and profit growth while generating operating leverage’

Source: Company Financial Data

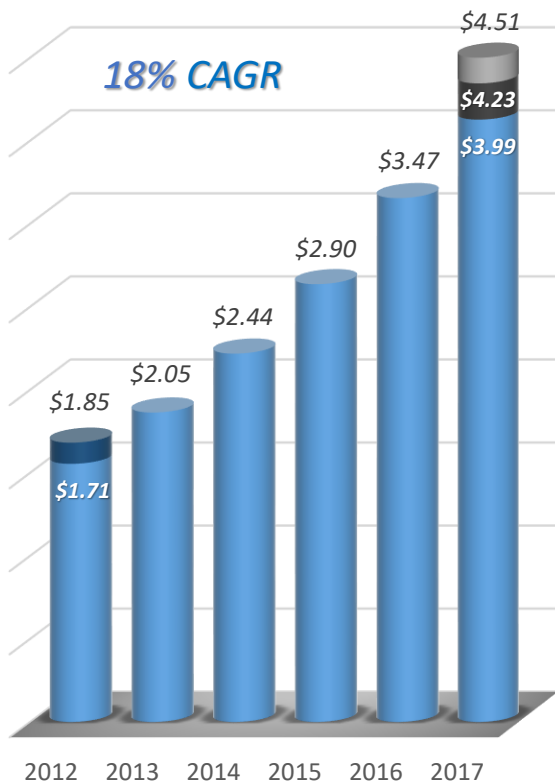
(1) Excluding \$6.9 million non-cash goodwill impairment charge.

NASDAQ/GSM: POOL

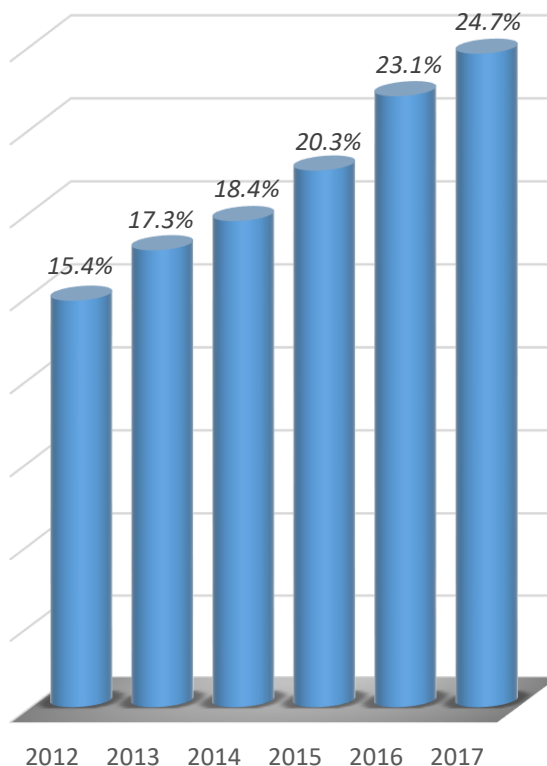
Financial Results

Overview

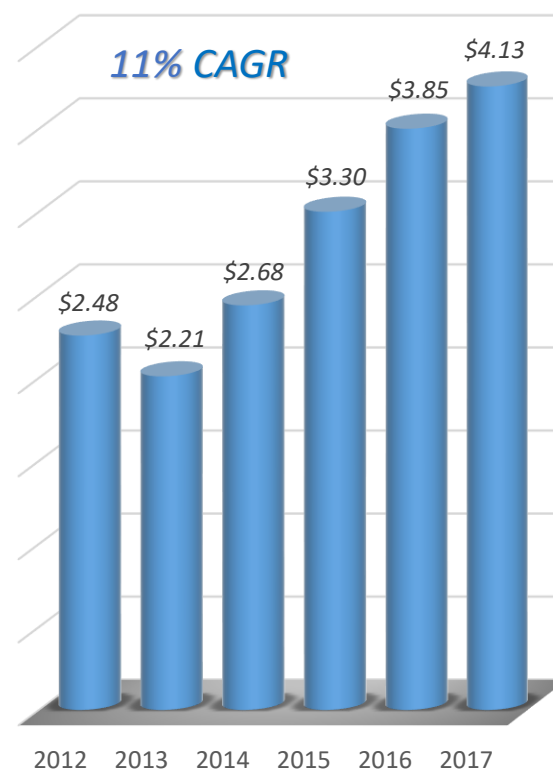
Adjusted Diluted EPS⁽¹⁾



Return on Invested Capital⁽²⁾



Cash Flow from Operations per Diluted Share



'Superior earnings, investment return and cash flow performance'

Source: Company Financial Data

(1) See Appendix for Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS. CAGR excludes 2012 impairment charge and 2017 adjustments for accounting and tax changes.

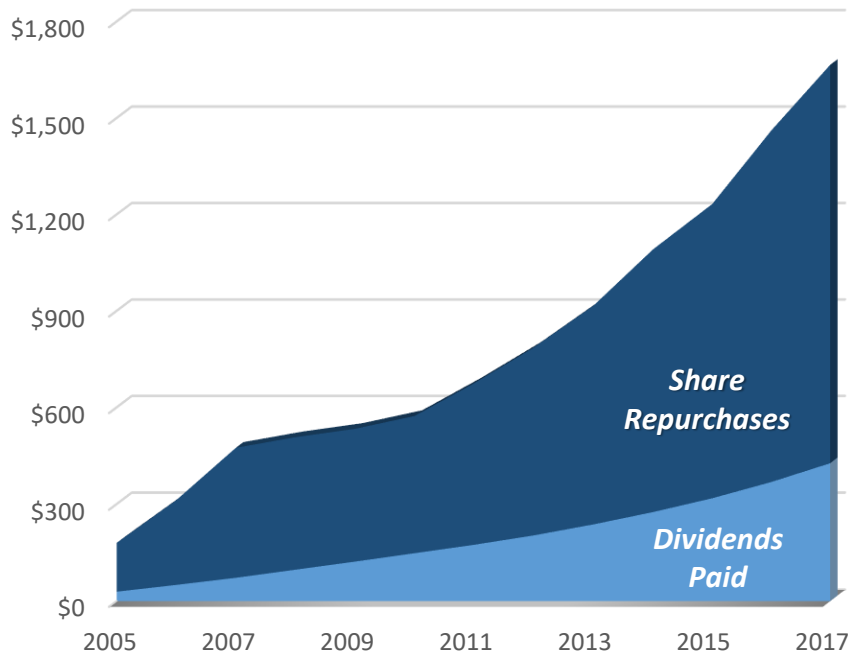
(2) See Appendix for ROIC calculation.

NASDAQ/GSM: POOL

Returning Excess Cash to Stockholders

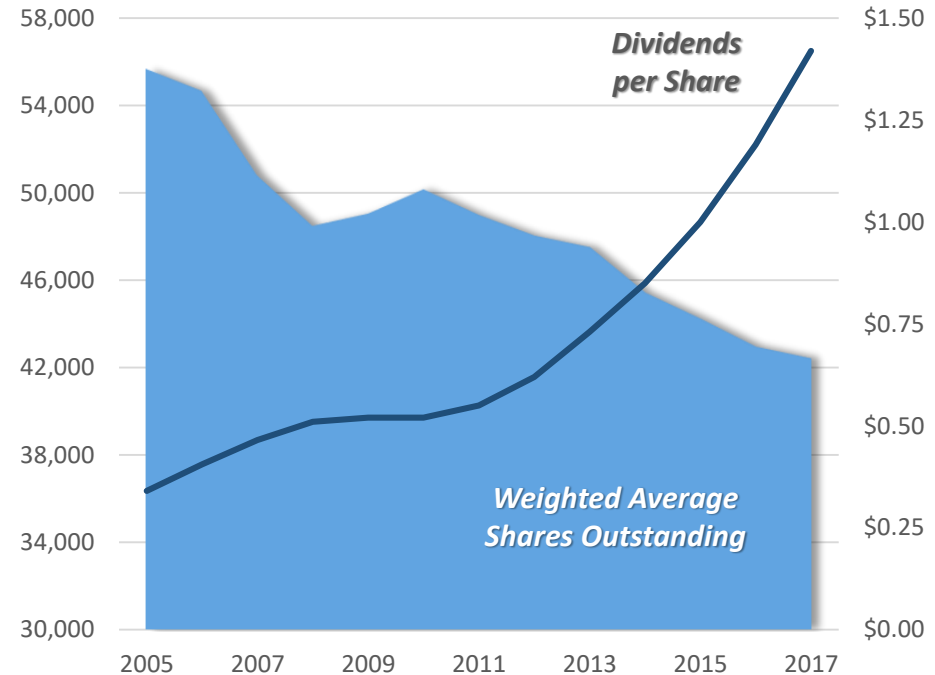
Overview

Total Cash Returned to
Stockholders
(in millions)



Source: Company Financial Data

Increasing Dividends &
Reducing Shares Outstanding
(shares in thousands)

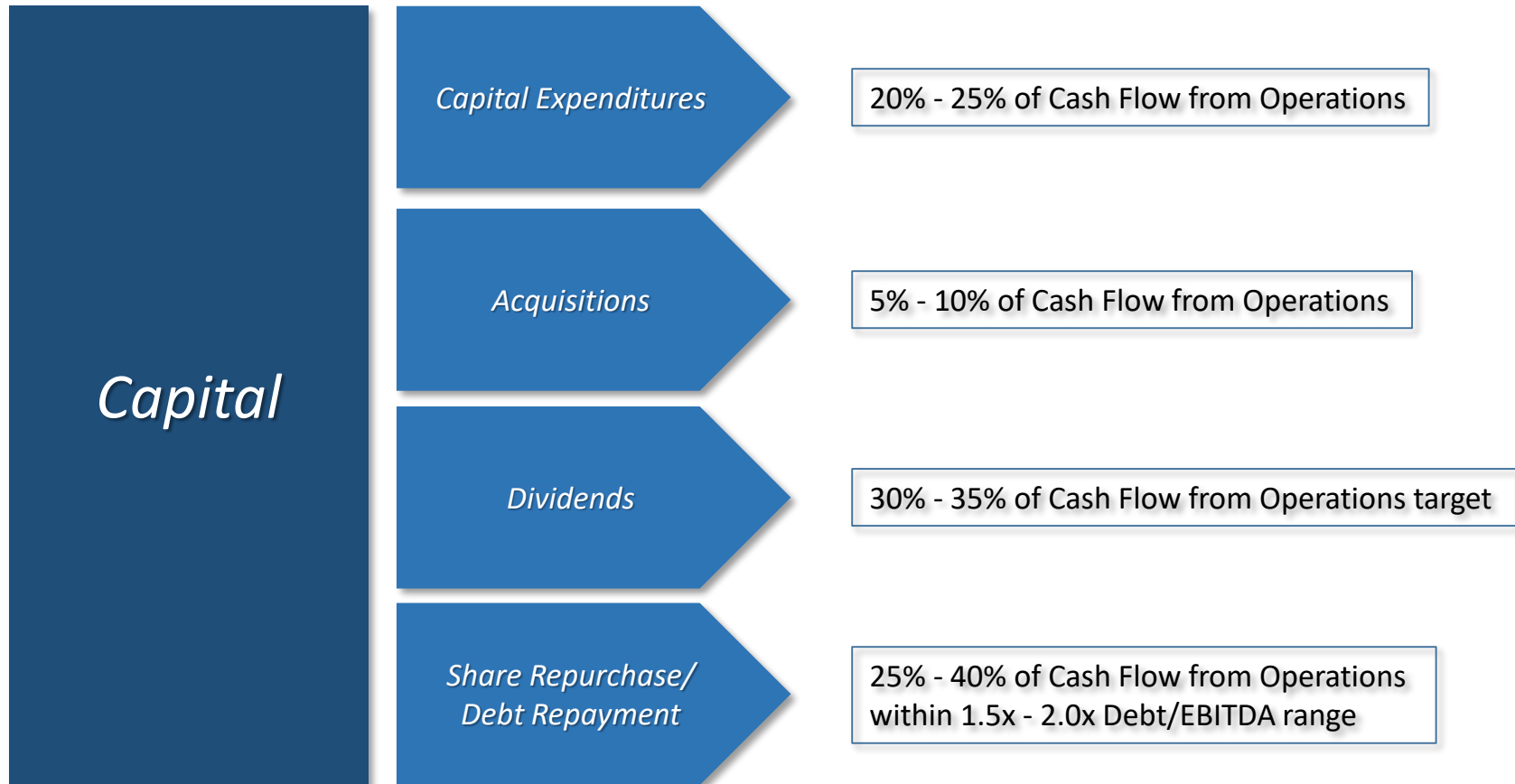


'Over \$1.6 billion in cash returned to shareholders through dividends and share repurchases'

NASDAQ/GSM: POOL

Capital Allocation Priorities

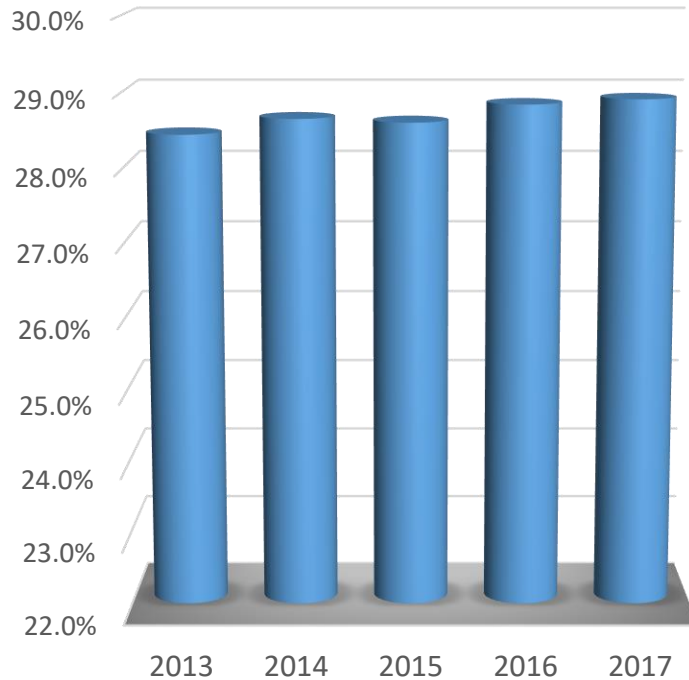
Overview



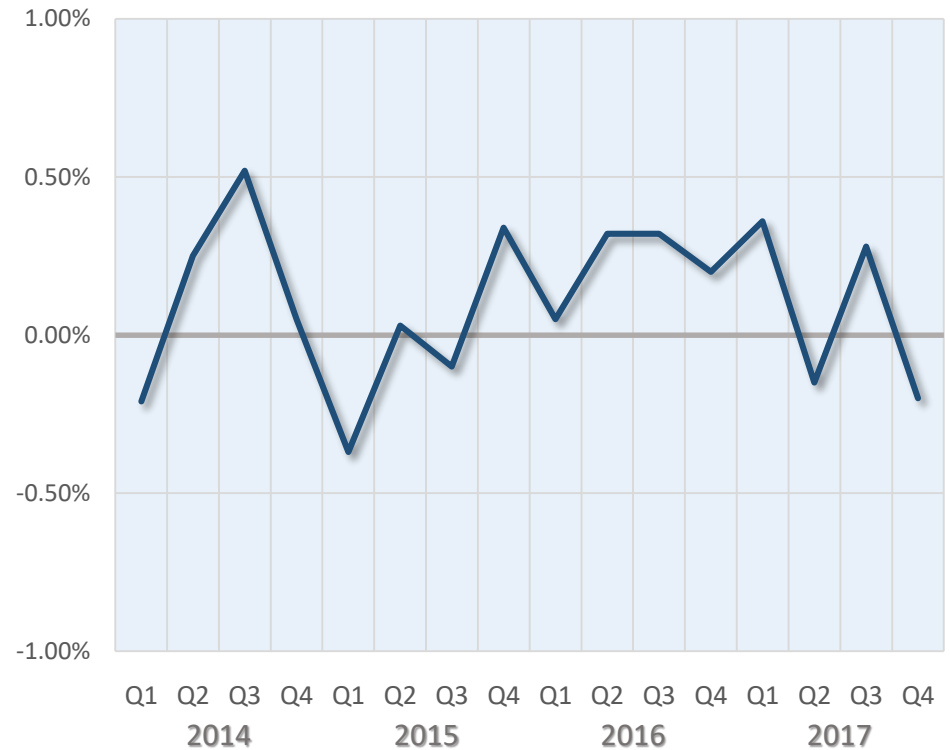
‘Consistent approach to efficient use of capital’

Gross Profit Margins

Steady, annual trends...



...with variability by quarter*



*Variability due to weather and product mix

'Stable annual gross profit margin outlook over time'

Source: Company Financial Data

Income Taxes

**ASU
2016-09**

- *Non-cash accounting change for equity-based employee compensation effective in 2017*
- *Continued impact on effective tax rate for 2-3 more years*
- *Guidance based on known options expiration and stock vesting value at then current share price; as recognized, thereafter*

**Tax Cut
& Jobs
Act**

- *Effective tax rate reducing from approx. 38.5% in 2017, pre-tax reform, to approx. 25.5% in 2018, excluding ASU impact*
- *Estimated tax savings and cash flow increase of approx. \$40 million in 2018*
- *No material changes to capital allocation priorities*

‘Tax changes impacting reported earnings and cash flow’

POOL Americas

85% of Total POOLCORP Revenue

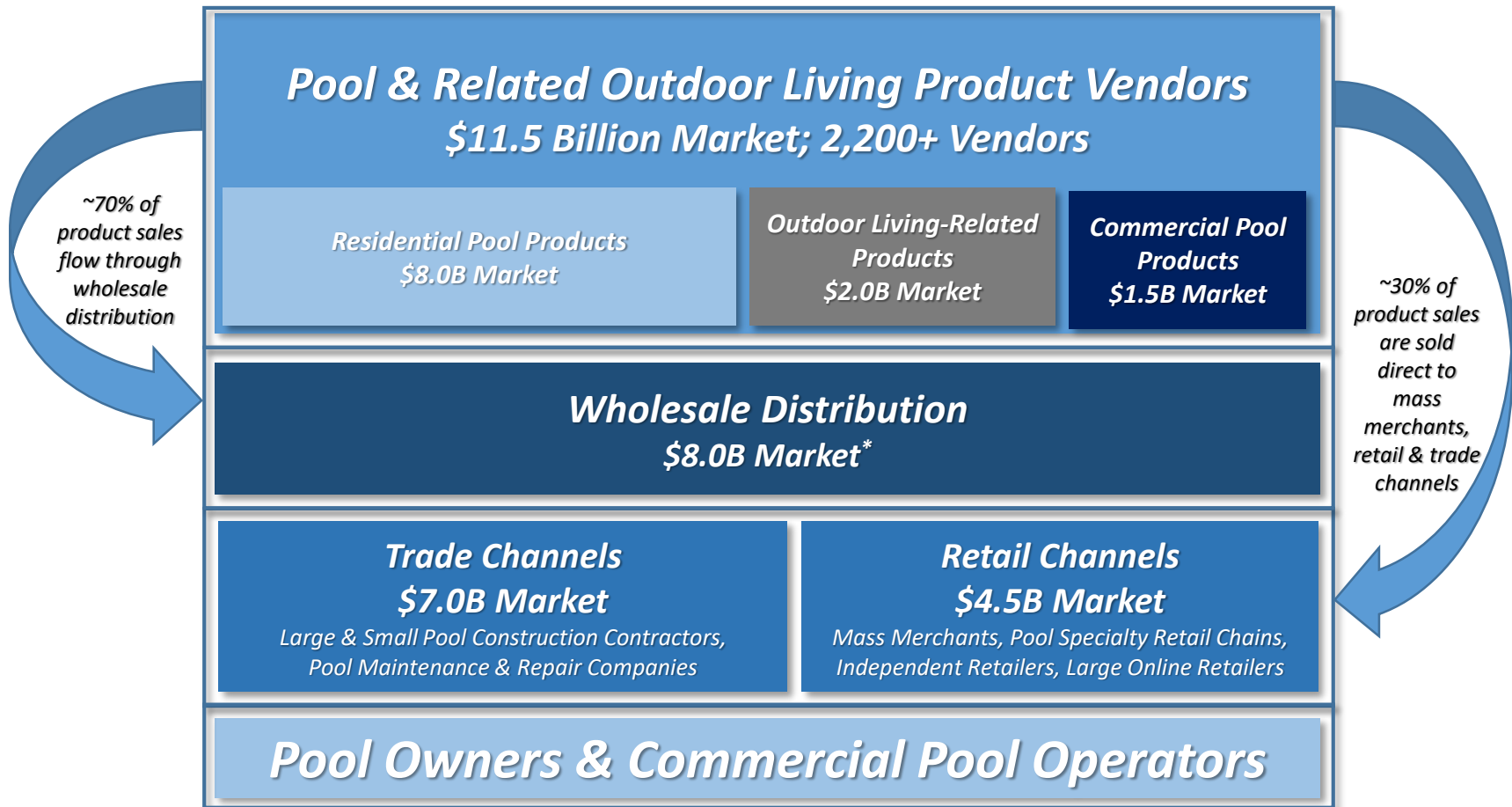
(96% U.S.; 4% Canada, Mexico & South America)

U.S. Pool Market



NASDAQ/GSM: POOL

U.S. POOL Market Opportunity



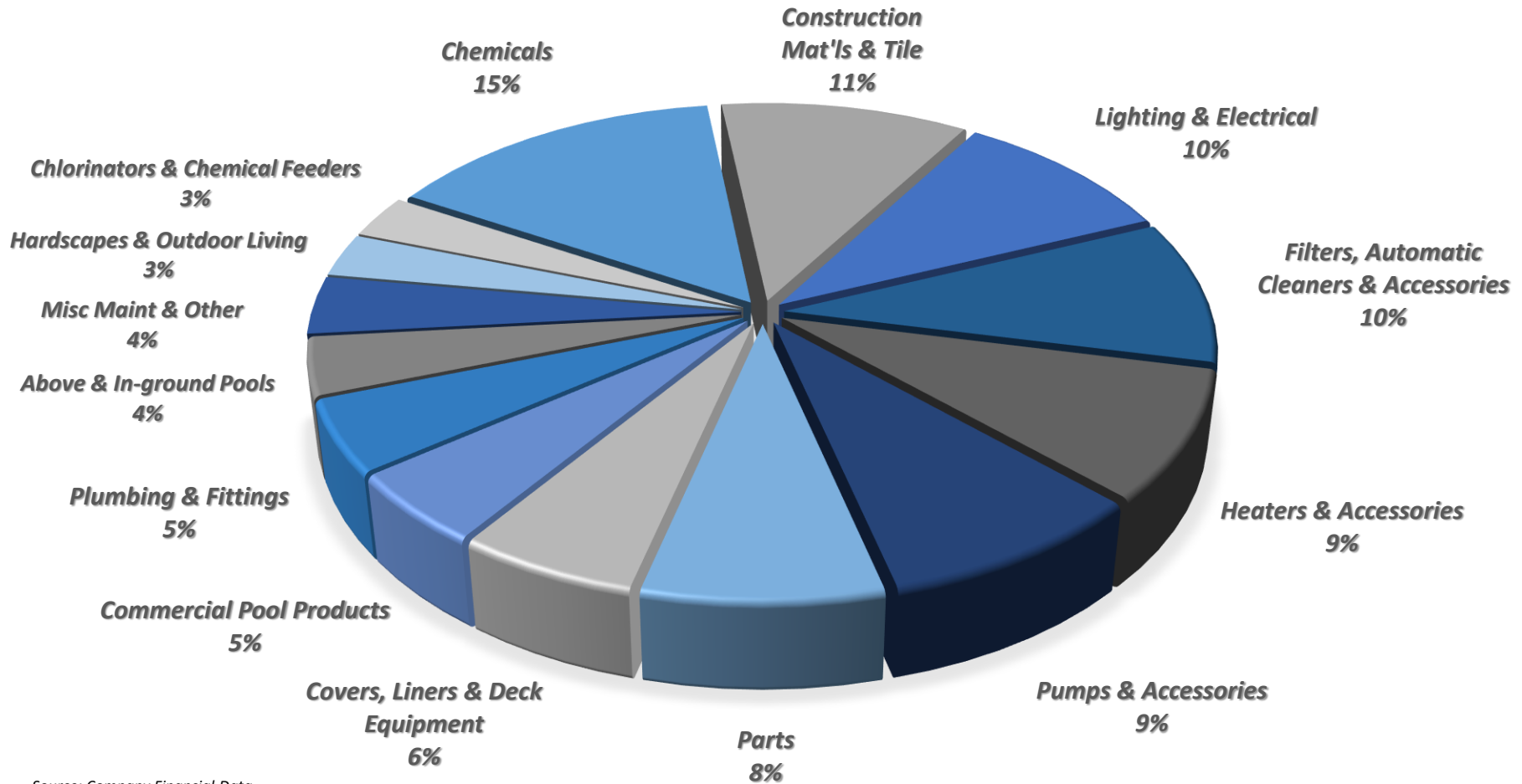
* Includes commercial and adjacent product categories

Source: Company estimates at wholesale values

'Wholesale distribution is the primary channel to market in the pool industry'

U.S. 'Blue' Product Sales

US Blue

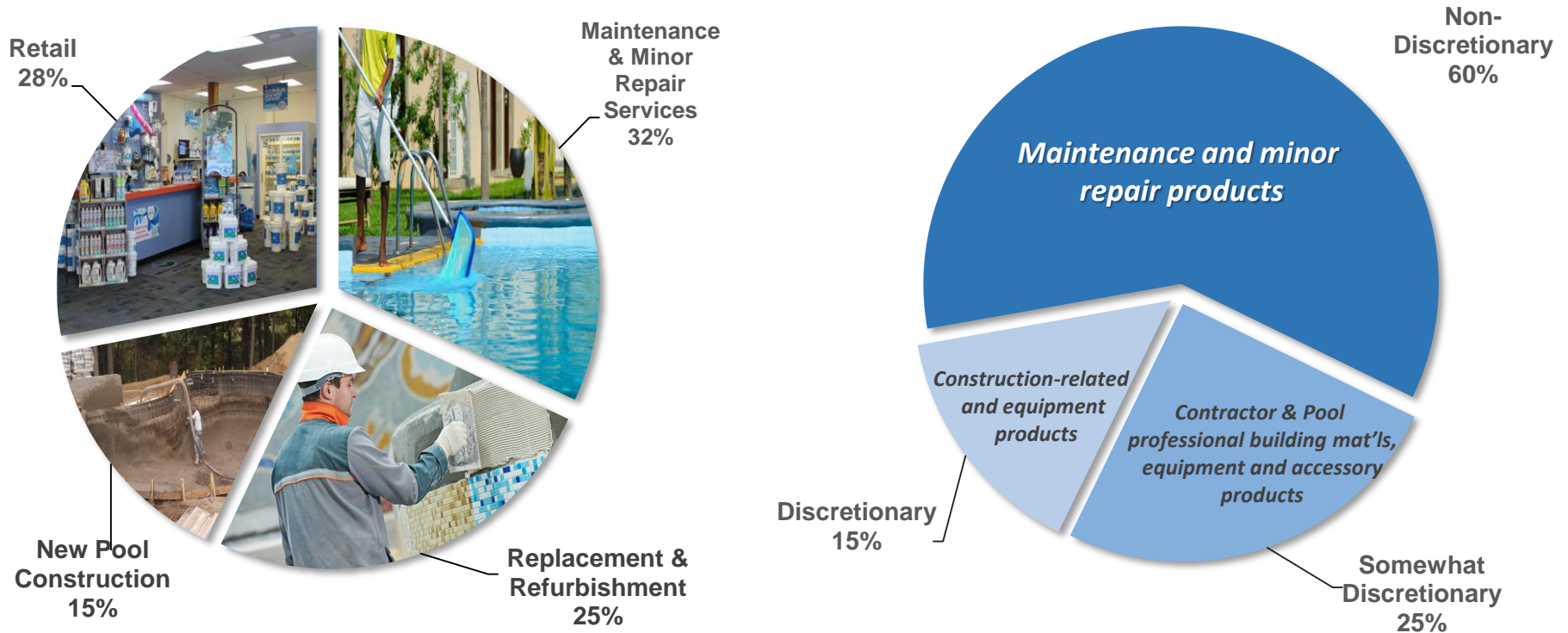


Source: Company Financial Data

'More than 180,000 industry-leading products from over 2,200 suppliers'

NASDAQ/GSM: POOL

U.S. 'Blue' Distribution Sales



Source: Company estimates & market data

'Over 80,000 customers purchasing an average of \$25,000 per year'

U.S. Blue Product Utilization

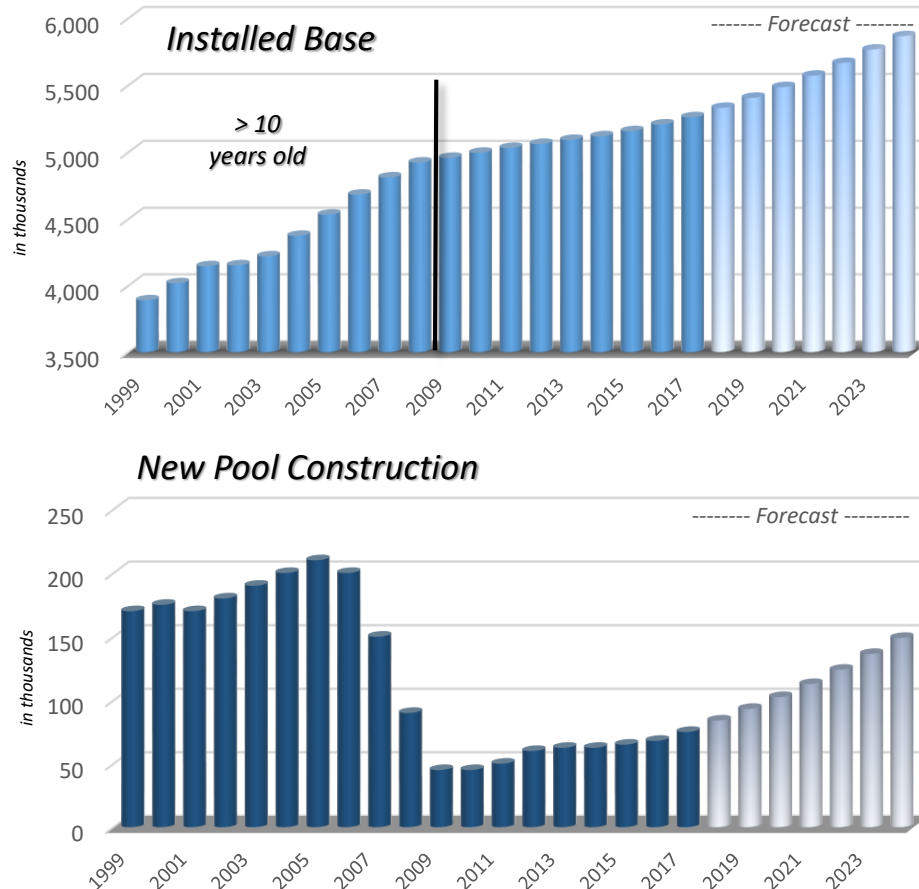
Maintenance <i>Approx. 60% of POOL US sales</i>	Replace/Refurbish <i>Approx. 25% of POOL US sales</i>	New Pool Construction <i>Approx. 15% of POOL US sales</i>
<ul style="list-style-type: none"> ○ Non-discretionary expenditures ○ Stable; driven by pool installed base growth ○ 2% to 4% annual total market growth ○ POOL growing faster with market share gains 	<ul style="list-style-type: none"> ○ Somewhat discretionary expenditures ○ Aging installed base drives demand ○ Consumer economics drive amount of spend ○ Higher revenue growth driven by share gains & high-volume of pre-recession installations 	<ul style="list-style-type: none"> ○ Highly discretionary expenditures ○ 80% activity decline during 2007-09 recession ○ Recovering slowly with increasing home values & financing availability ○ 10%+ est. growth in 2017 to ~75,000 units; still over 50% below normalized levels ○ Growth limited by construction labor capacity

Source: Company estimates & market data

‘Recurring maintenance revenue augmented by continuing construction recovery’



U.S. In-Ground Pools



Source: PK Data & company estimates

- Est. 5.3 million U.S. in-ground pools in 2017 drives 85%+ of POOL blue sales
- New pool construction adding 1% - 2% per year to installed base
- Over 4 million U.S. in-ground pools are more than 10 years old
- Growing installed base drives POOL recurring sales

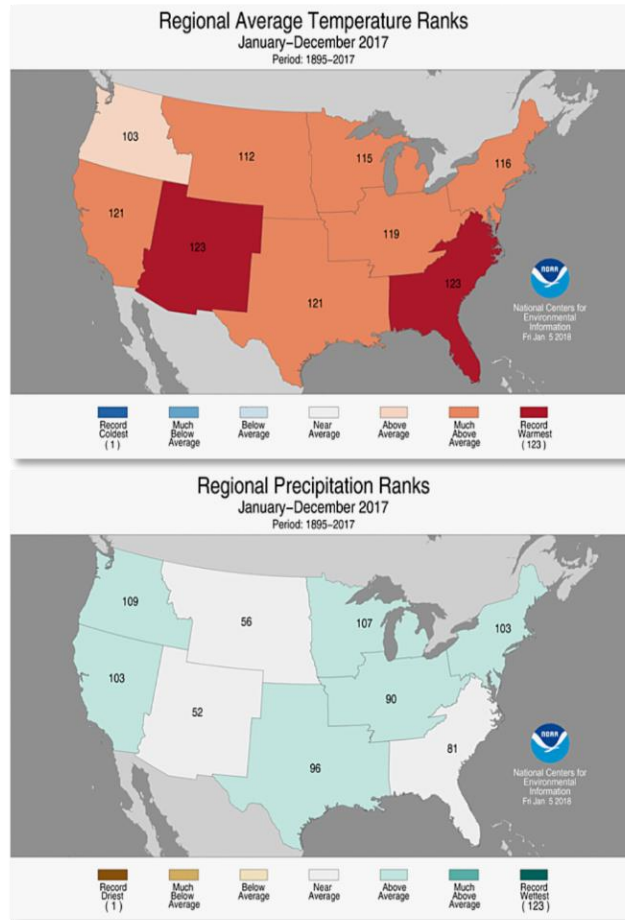
'Installed base growing as new pool construction occurs'

NASDAQ/GSM: POOL

Major External Impacts

US Blue

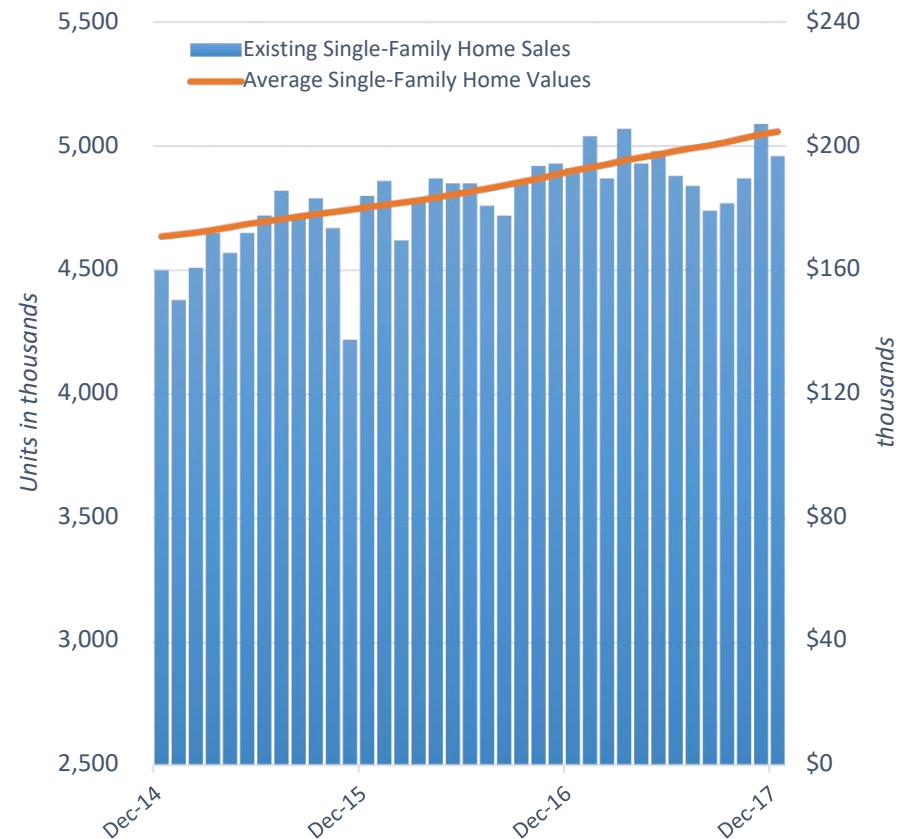
Short-Term: Weather



Source: NOAA

Long-Term: Housing Market

Existing Single Family Home Sales & Values



Sources: Federal Reserve Economic Data; Zillow

NASDAQ/GSM: POOL

Irrigation

9% of Total POOLCORP Revenue



Irrigation

US Green

- 3rd largest US irrigation and landscape maintenance products distributor; multi-regional footprint
- Focused on expansion in higher growth US sunbelt markets
- Highly fragmented market with consolidation opportunity
- Similar long-term operating characteristics to pool distribution model with scale
- Higher correlation to new home construction than pool distribution business
- 15%+ contribution margin with sales growth

Target Categories



Irrigation products



Outdoor living products

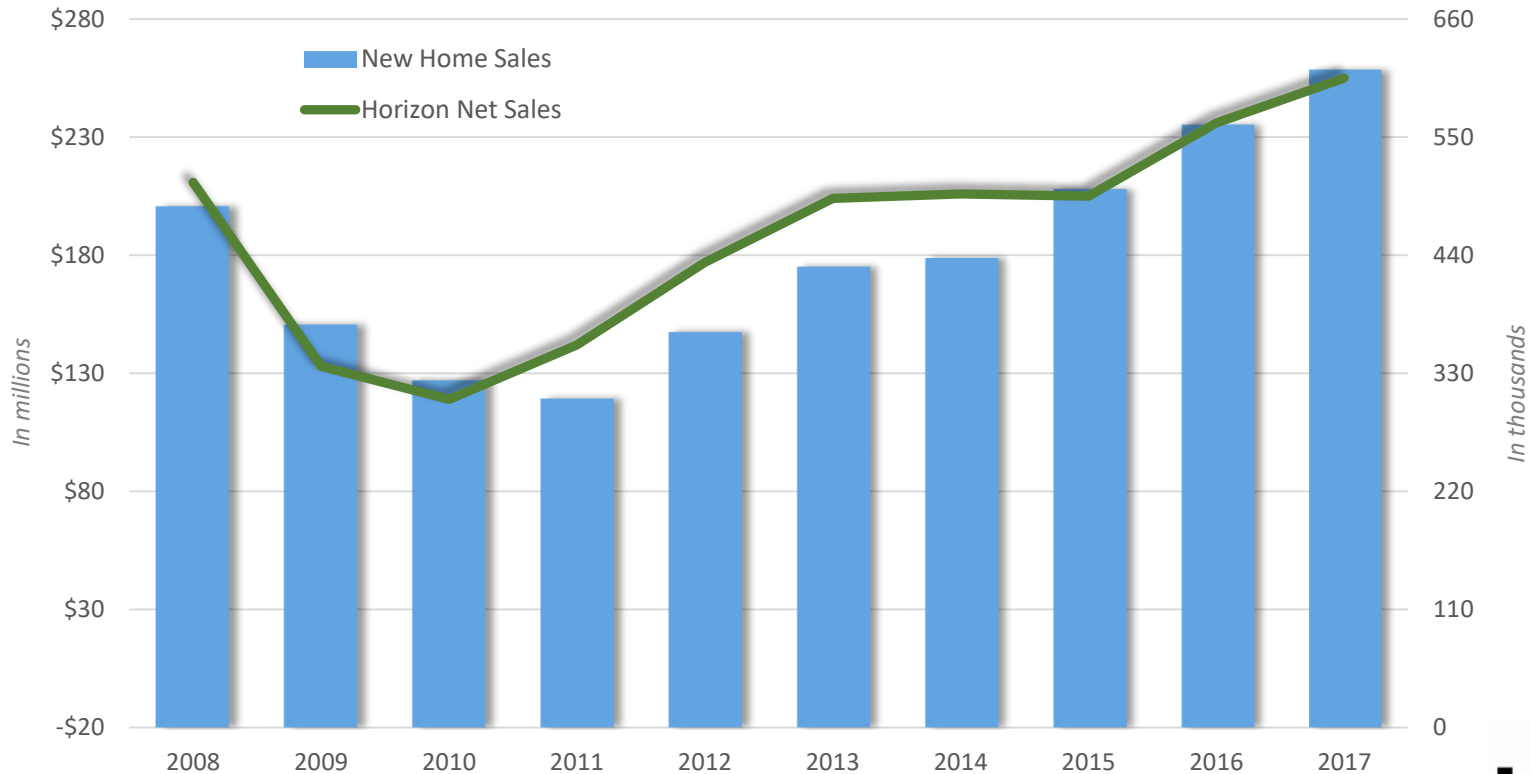


Landscape & Equipment


Horizon
irrigation | outdoor living | landscape | equipment

NASDAQ/GSM: POOL

Horizon Revenue vs. New Home Sales



Source: U.S. Census Bureau



'Improving growth opportunity for Horizon's business as housing market recovers'

NASDAQ/GSM: POOL

POOL Europe/Australia

6% of Total POOLCORP Revenue



Europe/Australia

Europe/Australia

- Presence in largest swimming pool markets
- Smaller installed base than Americas suggests higher market growth potential
- Current POOL market share is lower; long-term growth potential is higher
- Focus on improving performance with longer term network expansion strategy
- Base business Europe/Australia revenues up 11% in 2017 with expansion opportunities



Region	# of Sales Centers
Western Europe	14
Australia	5

‘Consistent organic international business growth with opportunistic acquisitions’

POOL Growth Drivers

Growth Contributors	2018 - 2022 Annual Revenue Growth Range
Installed Base Growth	1% - 2%
Inflation	1% - 2%
Market Recovery	2% - 3%
Industry Growth Contributors	4% - 7%
Market Share Gains & New Products	2% - 3%
Total POOL Revenue Growth Range	6% - 9%

‘Strong industry growth attributes’

POOL Financial Model

Financial Measurement	2012-2017 Statistics	2018 - 2022 Outlook
Revenue Growth	5% - 9%	6% - 9%
Gross Profit Margins	28.4% - 29.0%	Stable
Operating Leverage	11% - 23%	15%+
Share Repurchases <i>(avg)</i>	\$125 million	Ongoing
Earnings per Share* Growth <i>(CAGR)</i>	18%	15% - 20%

* See Appendix for EPS reconciliation

‘Continuing growth and superior performance opportunity’

Sustainable Competitive Advantages

Industry-specific

- Recurring revenue from growing pool installed base
- Professionally installed products
- Large scale competitive barriers
 - Broad product diversity
 - Supply chain & sourcing complexities
 - Seasonality
 - Product demand varies by region
 - Large local market inventory selection with immediate availability

POOL-specific

- Nationwide network & reach
- Scale & capital strength
- Long-term commitment & investment focus
- Operating leverage & superior execution
- Technology enabling enhanced customer access & operating leverage

‘Powerful business model with high recurring revenue and low cyclicalities’



Summary

- Continuing long-term demographic trends will drive above-market industry growth
- Sustainable competitive advantages with highly experienced team
- Consistent exceptional investment performance



Where Outdoor Living Comes to Life

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 **POOLCORP[®]**

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Appendix

Reconciliation of Reported Diluted EPS to Adjusted Diluted EPS

	<u>FYE 12/31/17</u>	<u>FYE 12/31/12</u>
Reported Diluted EPS before adjustments and effects of tax and accounting changes	\$4.51	\$1.71
Less:		
Per diluted share effect of application of ASU 2016-09, <i>Improvements to Employee Share-Based Payment Accounting</i> , standard	(0.24)	
Per diluted share provisional tax benefit recorded for remeasurement of deferred tax liabilities upon enactment of the Tax Cut and Jobs Act	(0.28)	
Add:		
Loss per diluted share related to goodwill impairment		0.14
Adjusted Diluted EPS	<u>\$3.99</u>	<u>\$1.85</u>

Reconciliation of Net Income to Adjusted EBITDA

	<u>FYE 12/31/17</u>	<u>FYE 12/31/16</u>	<u>FYE 12/31/15</u>	<u>FYE 12/31/14</u>	<u>FYE 12/31/13</u>	<u>FYE 12/31/12</u>
Net income	\$191,339	\$148,603	\$128,224	\$111,030	\$97,330	\$81,972
(\$ in thousands)						
Add:						
Interest expense ⁽¹⁾	15,360	13,802	7,298	7,208	6,528	6,580
Provision for income taxes	77,982	92,931	80,137	70,559	61,590	56,744
Share-based compensation	12,482	9,902	9,543	9,065	8,150	8,465
Goodwill impairment	-	613	-	-	-	6,946
Equity (earnings) losses in unconsolidated investments, net of tax	(139)	(156)	(211)	(204)	(182)	(316)
Depreciation	24,157	20,338	16,373	14,495	13,359	11,592
Amortization ⁽²⁾	976	1,012	398	845	825	896
Adjusted EBITDA	<u>\$322,157</u>	<u>\$287,045</u>	<u>\$241,762</u>	<u>\$212,998</u>	<u>\$187,600</u>	<u>\$172,879</u>

⁽¹⁾ Shown net of interest income, impact of foreign currency transactions and includes amortization of deferred financing costs

⁽²⁾ Excludes amortization of deferred financing costs

Return on Invested Capital

	<u>2017</u>	<u>2016</u> ⁽²⁾	<u>2015</u> ⁽²⁾	<u>2014</u> ⁽²⁾	<u>2013</u> ⁽²⁾	<u>2012</u> ⁽²⁾
<u>Numerator (trailing four quarters total):</u>						
Net Income attributable to Pool Corporation ⁽¹⁾	\$179,633	\$148,955	\$128,275	\$110,692	\$97,330	\$81,972
Interest and other non-operating expenses, net	15,189	14,481	8,072	7,485	6,748	6,469
Less: taxes on Interest and other non-operating expenses, net at 33.4% ⁽¹⁾ for 2017 and at respective effective tax rates for previous years	(5,073)	(5,575)	(3,108)	(2,912)	(2,618)	(2,652)
	<u>\$189,749</u>	<u>\$157,861</u>	<u>\$133,239</u>	<u>\$115,265</u>	<u>\$101,460</u>	<u>\$85,789</u>
<u>Denominator (average of trailing four quarters):</u>						
Long-term debt, net	\$520,950	\$441,026	\$400,204	\$366,407	\$271,455	\$263,509
Short-term borrowings and current portion of long-term debt	11,030	3,806	1,732	1,038	16	23
Total stockholders' equity ⁽¹⁾	236,901	237,380	254,298	257,502	313,401	294,509
	<u>\$768,881</u>	<u>\$682,212</u>	<u>\$656,234</u>	<u>\$624,947</u>	<u>\$584,872</u>	<u>\$558,041</u>
Return on invested capital	24.7%	23.1%	20.3%	18.4%	17.3%	15.4%

⁽¹⁾ We reduced Net income attributable for Pool Corporation for 2017 by \$12.0 million in calculating ROIC for the year. This amount represents our benefit related to the enactment of the Tax Cuts and Jobs Act. We also adjusted our effective tax rate and our December 31, 2017 retained earnings balance for this benefit. ROIC for 2017 based on reported amounts is 26.2%.

⁽²⁾ Our 2012-2016 ROIC calculations has been conformed to our 2017 presentation.