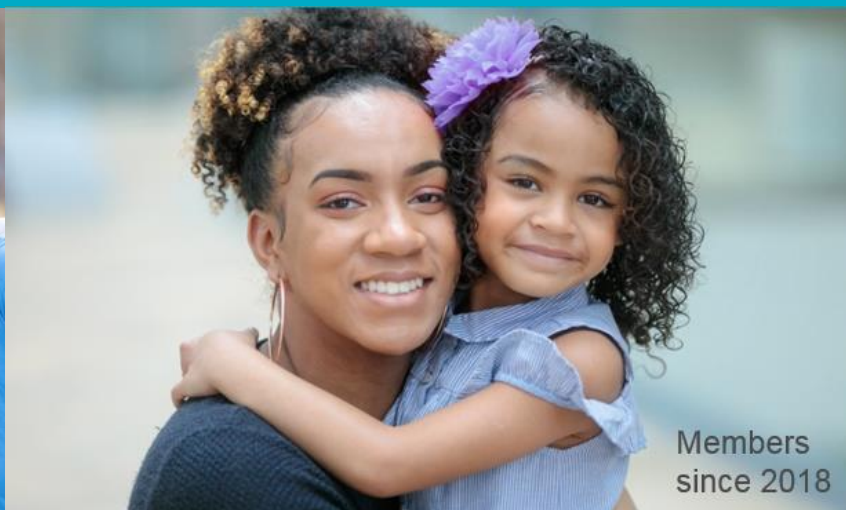
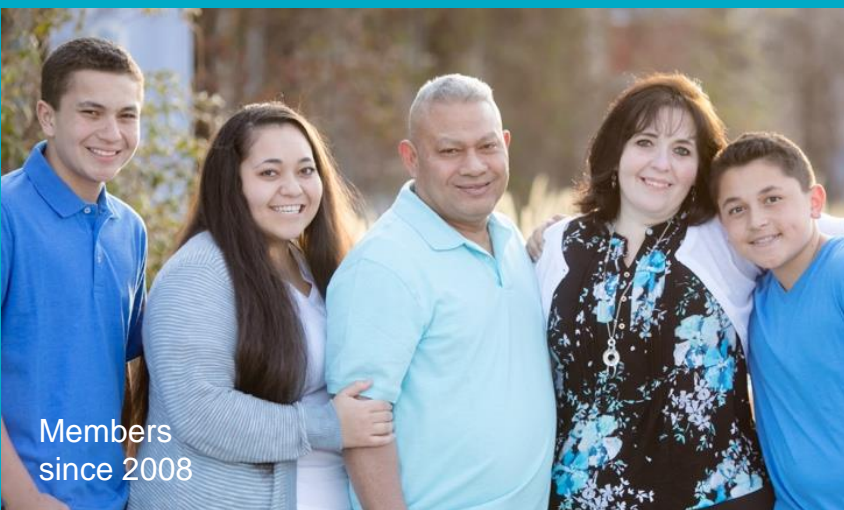


# HealthEquity

## Investor Presentation

June 2019



# Safe harbor

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This presentation does not constitute an offer or invitation for the sale or purchase of securities and has been prepared solely for informational purposes. This presentation is a summary of information contained in our public filings filed with the Securities and Exchange Commission (SEC), which public filings are expressly incorporated herein by reference (see <http://ir.healthequity.com/>), and other publicly available information. Readers are encouraged to review our public filings for further information.

This presentation contains “forward-looking” statements that are based on our management’s beliefs and assumptions and on information currently available to management. These forward-looking statements include, without limitation, statements regarding our industry, business strategy, plans, goals and expectations concerning our market position, product expansion, future operations, margins, profitability, future efficiencies, capital expenditures, liquidity and capital resources and other financial and operating information. When used in this discussion, the words “may,” “believes,” “intends,” “seeks,” “anticipates,” “plans,” “estimates,” “expects,” “should,” “assumes,” “continues,” “could,” “will,” “future” and the negative of these or similar terms and phrases are intended to identify forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our management’s beliefs and assumptions only as of the date of this presentation. Our actual future results may be materially different from what we expect. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future. Readers are encouraged to review our public filings with the SEC for further disclosure of other factors that could cause actual results to differ materially from those indicated in any forward-looking statements included herein.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates.

This presentation includes certain non-GAAP financial measures as defined by SEC rules. As required by Regulation G, we have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in our public filings.

No part of this presentation may be copied, recorded, or rebroadcast in any form.

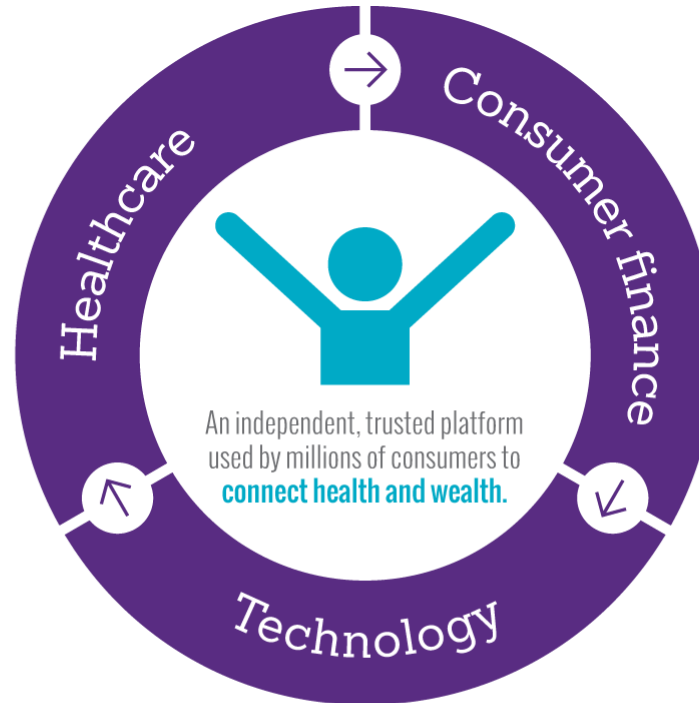
# Investment highlights

36%

5 year revenue CAGR<sup>1</sup>

20 Consecutive  
QUARTERS

Beating adj. EBITDA consensus



1,580 bps

Increase in adj. EBITDA margin<sup>1</sup>

9 Consecutive  
YEARS

Increased market share<sup>2</sup>

Growth

Visibility

Profitable

Sustainable

# Connected solutions

---



# FY 19 sales results

**\$8.3B**

in Custodial Assets



**4.1** MILLION



**141**

NETWORK  
PARTNERS



**45,000**

EMPLOYERS



**WEALTH**view™

Over

**\$1T**

in DC AUM



**MORE  
THAN**

**2,000**

LARGE EMPLOYERS

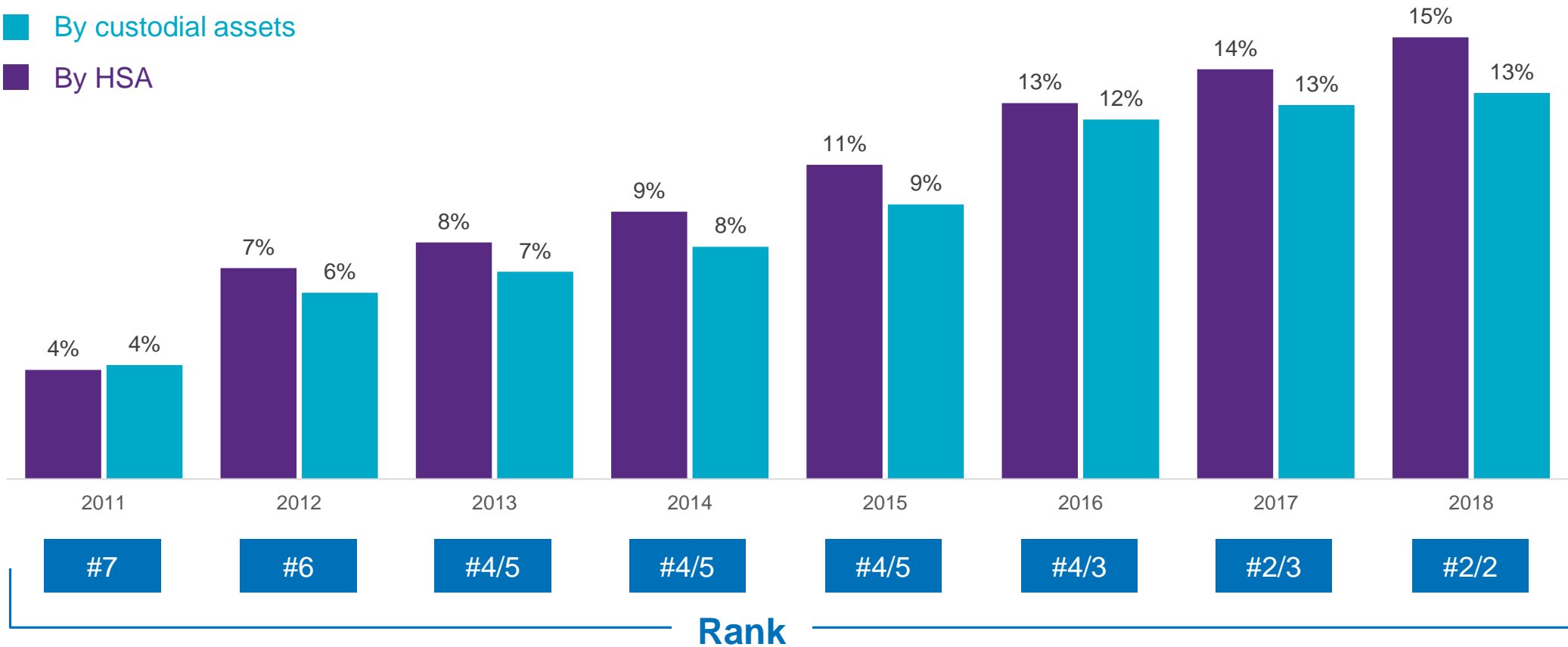
Press Release – Vanguard Partners with HealthEquity – Nov 2018

# Growing market share

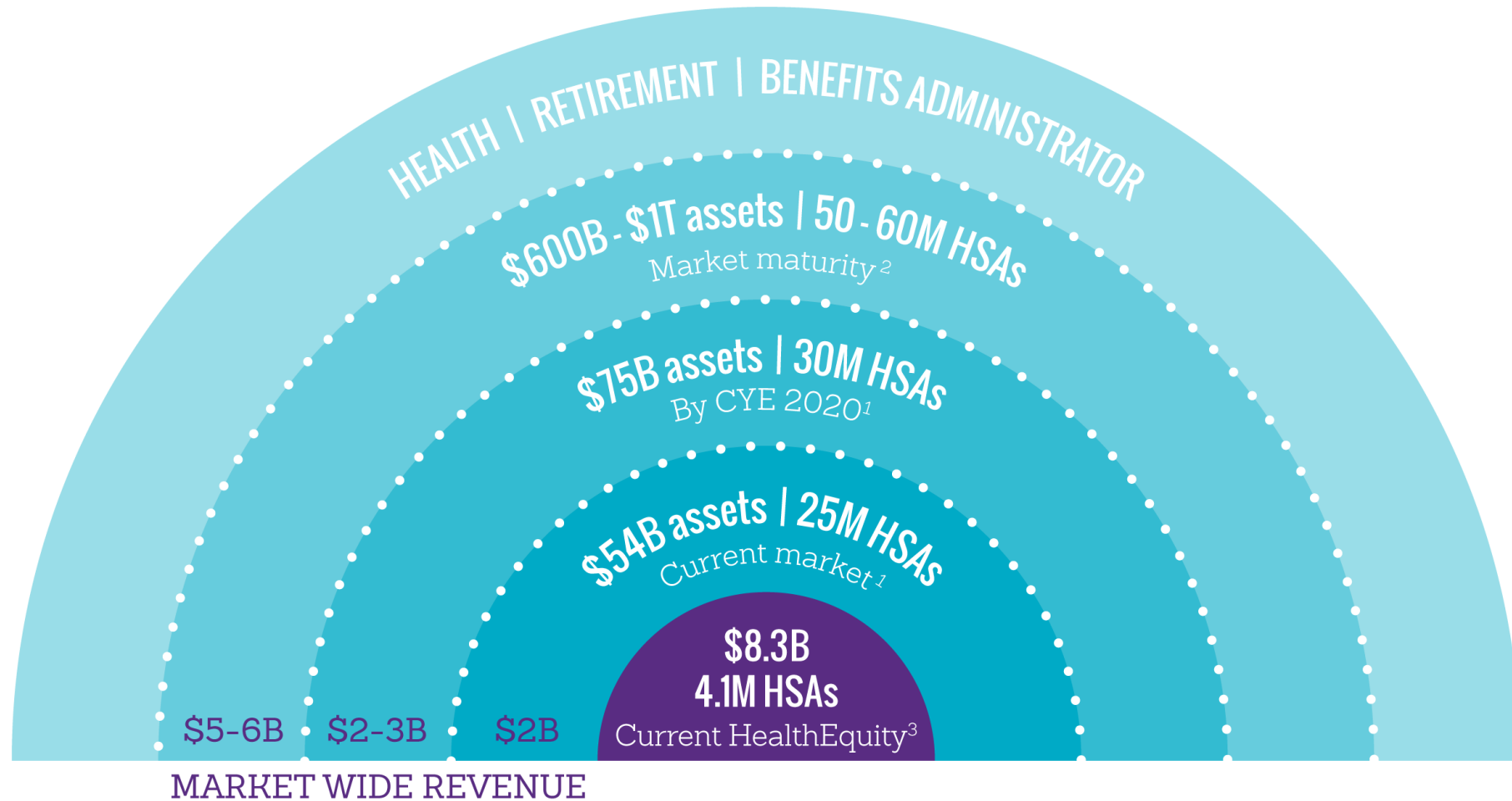
## HealthEquity HSAs market share

■ By custodial assets

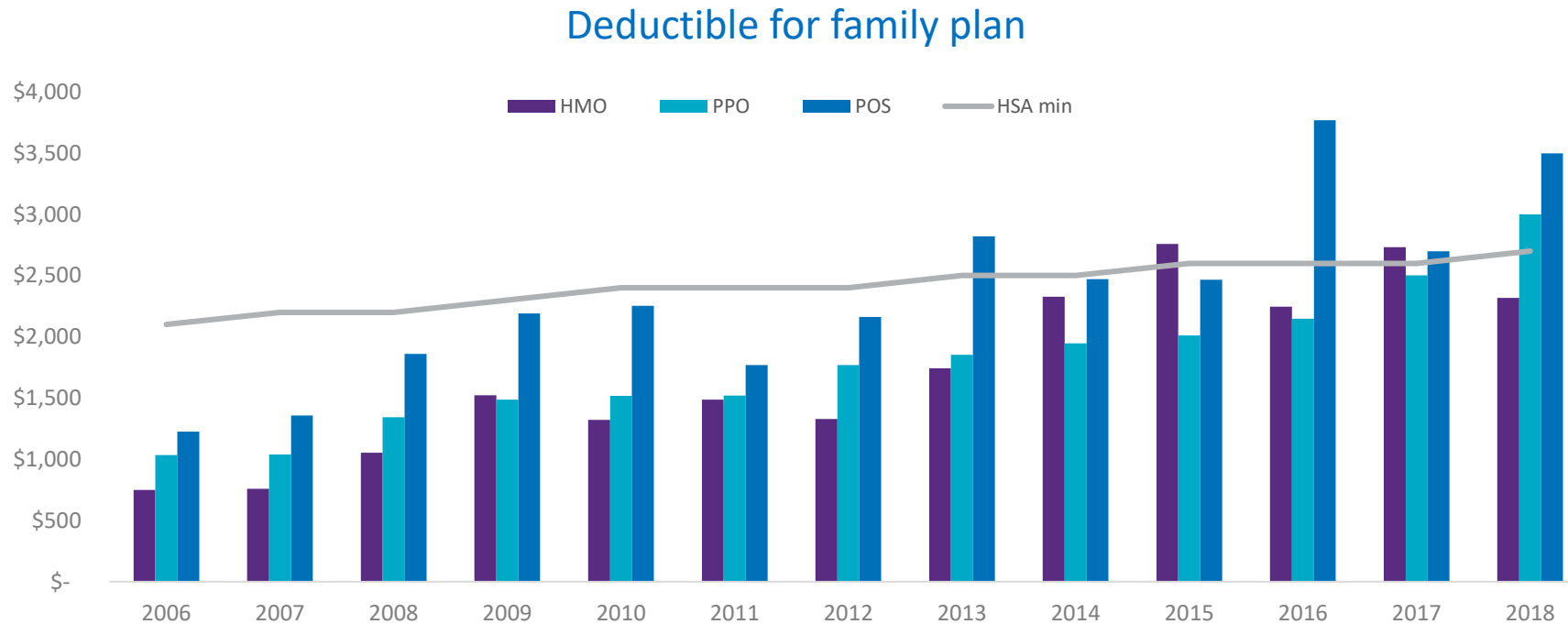
■ By HSA



# Our core – health savings accounts



# Rising first dollar responsibility



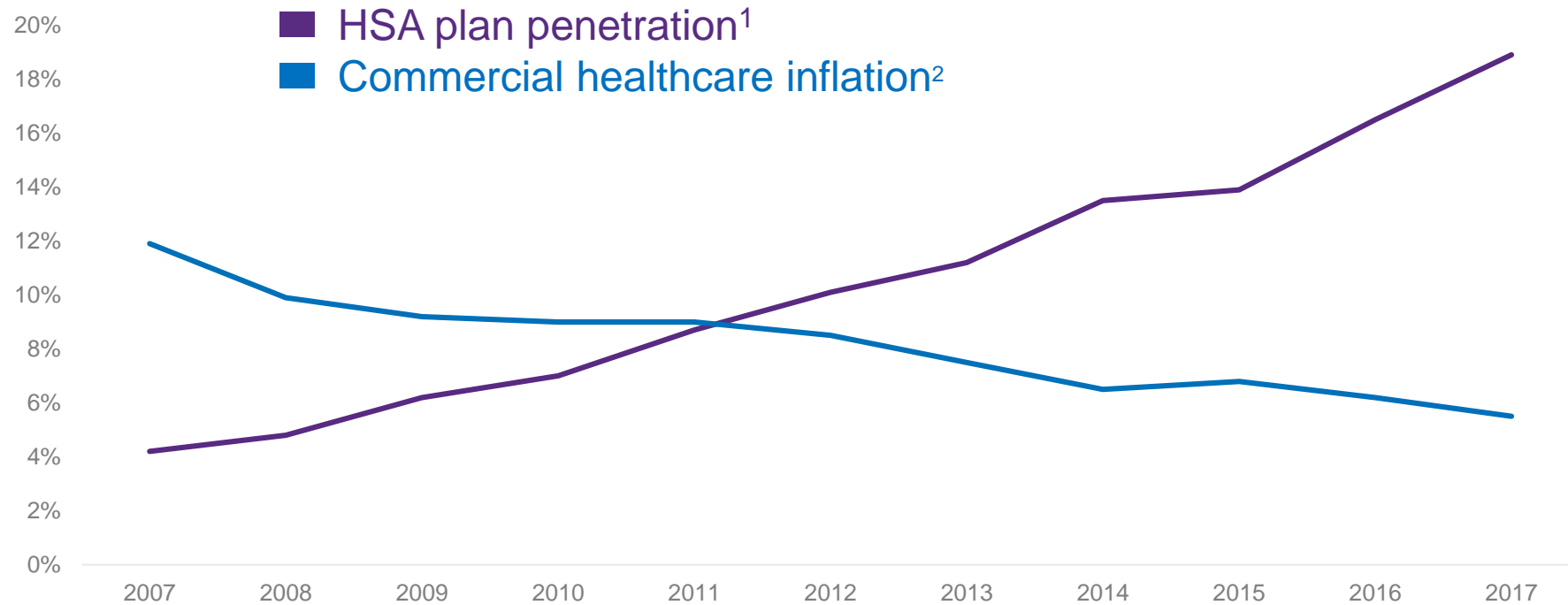
“While growing deductibles in PPOs and other plan types generally increase enrollee out-of-pocket liability, the shift in enrollment to higher deductible plans with savings option does not necessarily do so because most higher deductible plans with savings option enrollees receive an account contribution from their employers.”

- Kaiser Family Foundation  
2018 Healthcare Survey

The differences among health plans are narrowing as all plans trend toward HSAs



# HSAs reduce healthcare costs



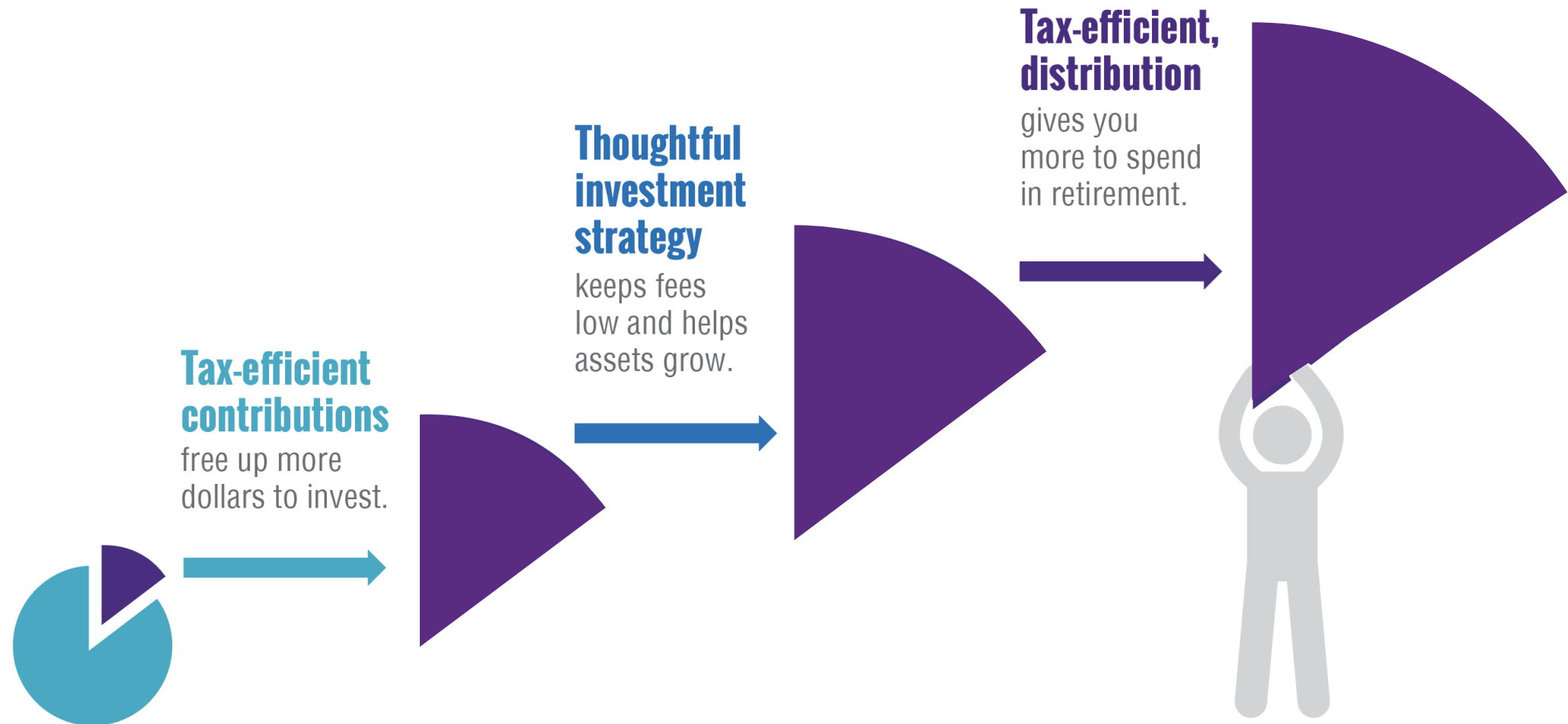
**\$1,722**

Average premium savings<sup>3</sup>

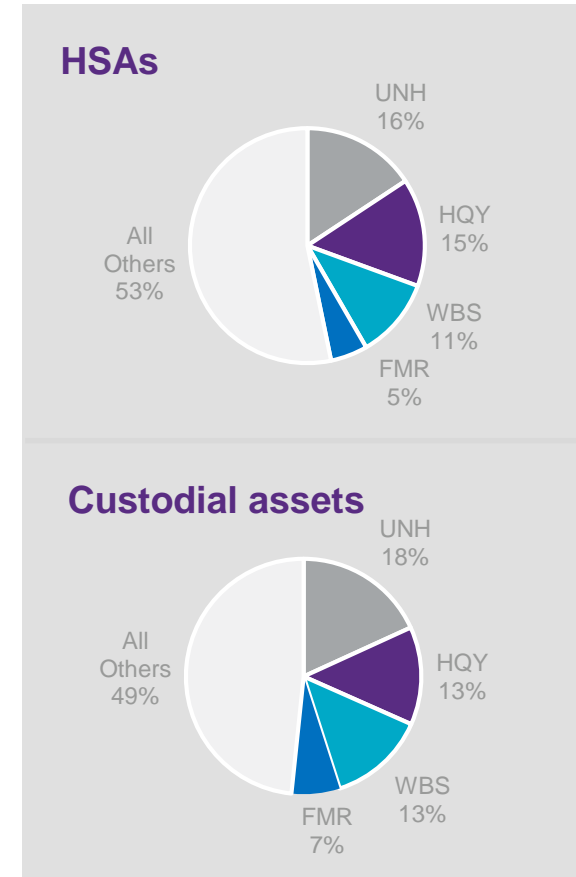
**\$1,073**

Average employer contribution<sup>3</sup>

# HSAs multiply retirement savings



# Unique market position



# Proprietary end-to-end platform

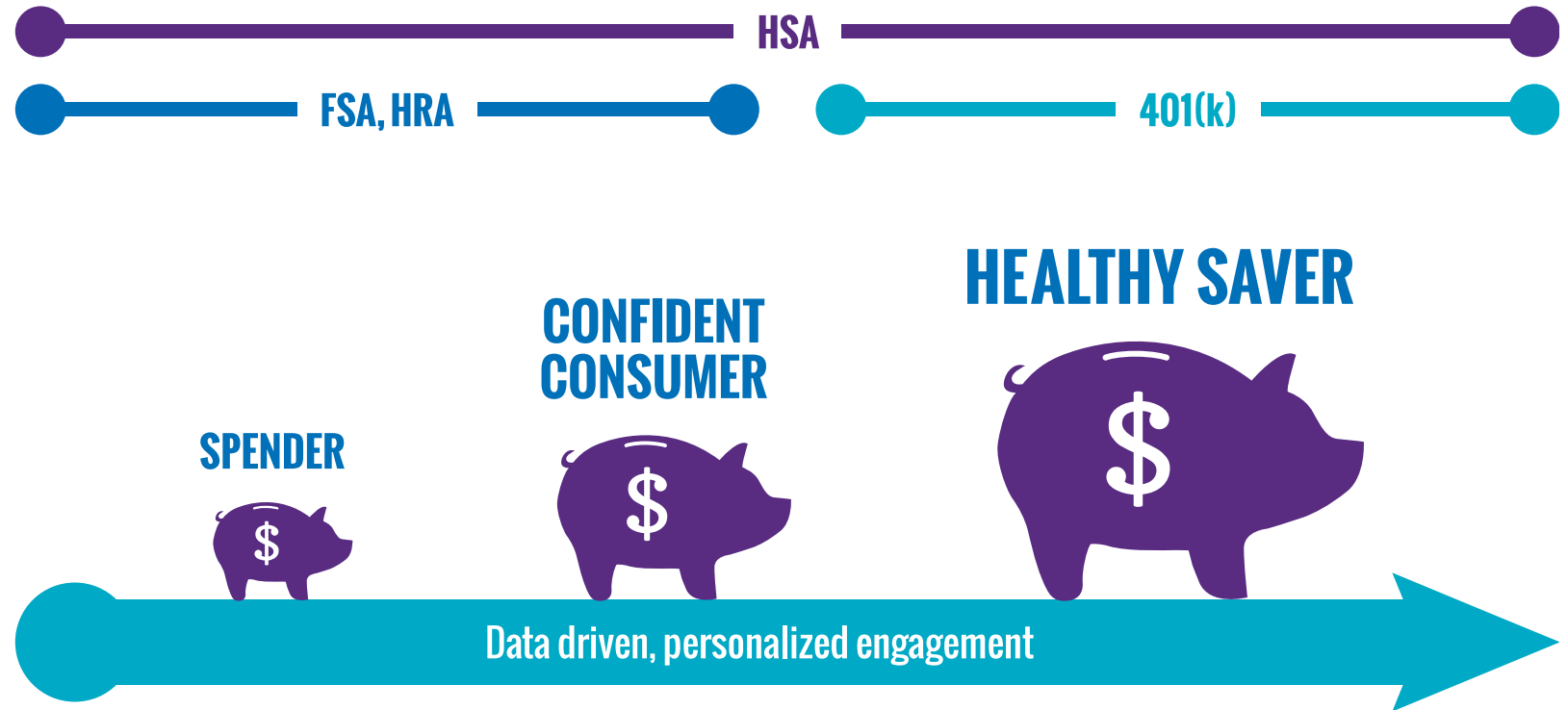
**>3,000** ←  
INTEGRATIONS →

 **21%**  
of members  
visit monthly

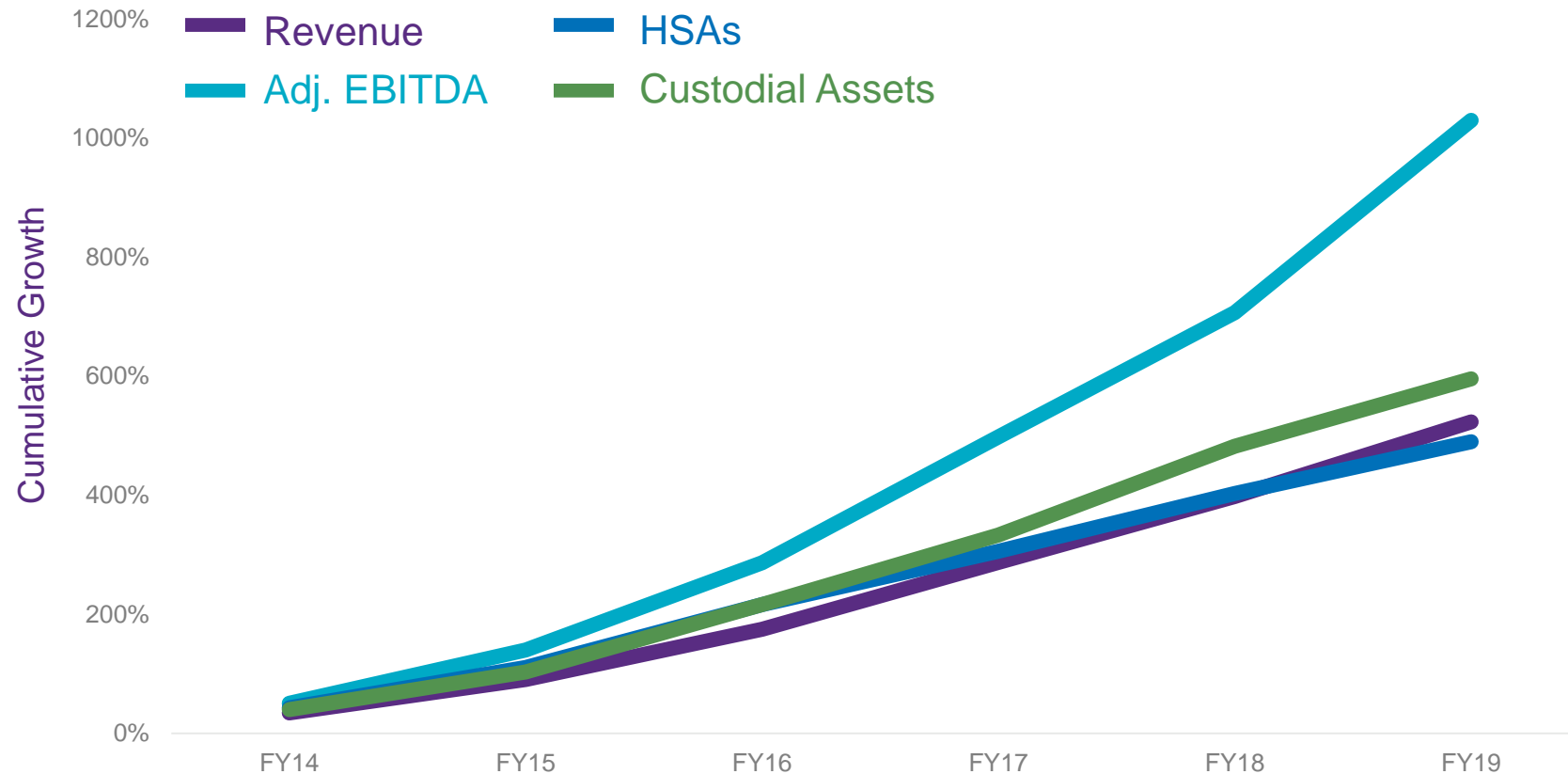
**>1,700** unique  
configurations



**40.3 M**  
FY19 PLATFORM LOGONS



# Key metrics



**1,030%**

Adjusted EBITDA<sup>1</sup>

**596%**

Custodial Assets<sup>2</sup>

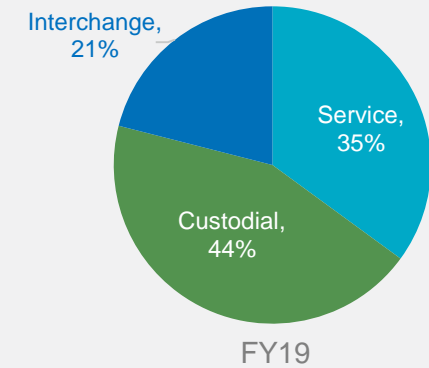
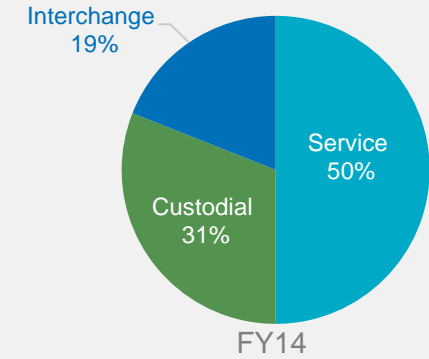
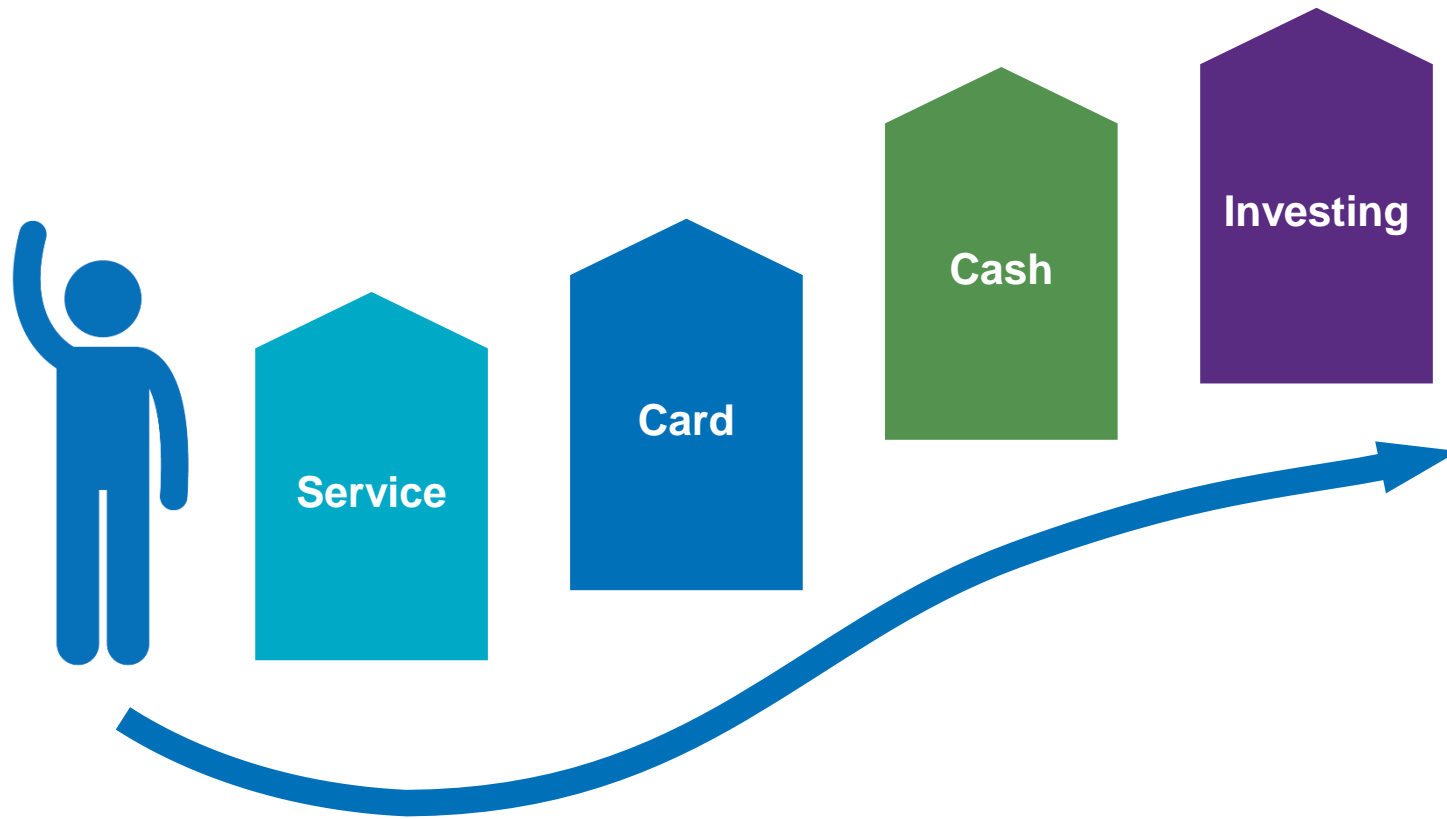
**523%**

Revenue<sup>2</sup>

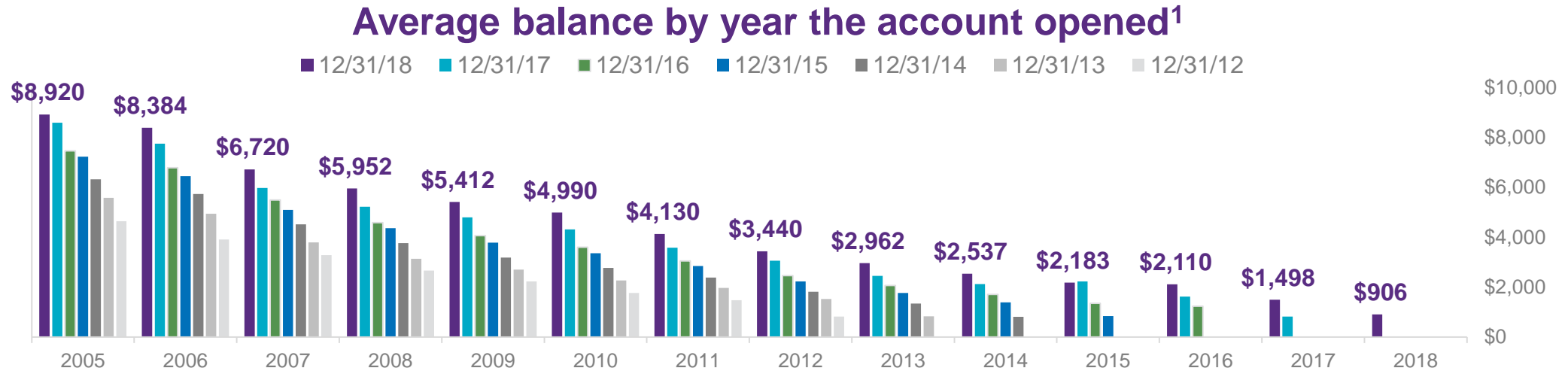
**490%**

HSA<sup>1</sup>

# Powerful monetization



# Account balance growth by age



**HealthEquity  
HSAs:**

**35%**  
open for  
2 years  
or less

AVERAGE AGE  
**3.2**  
YEARS

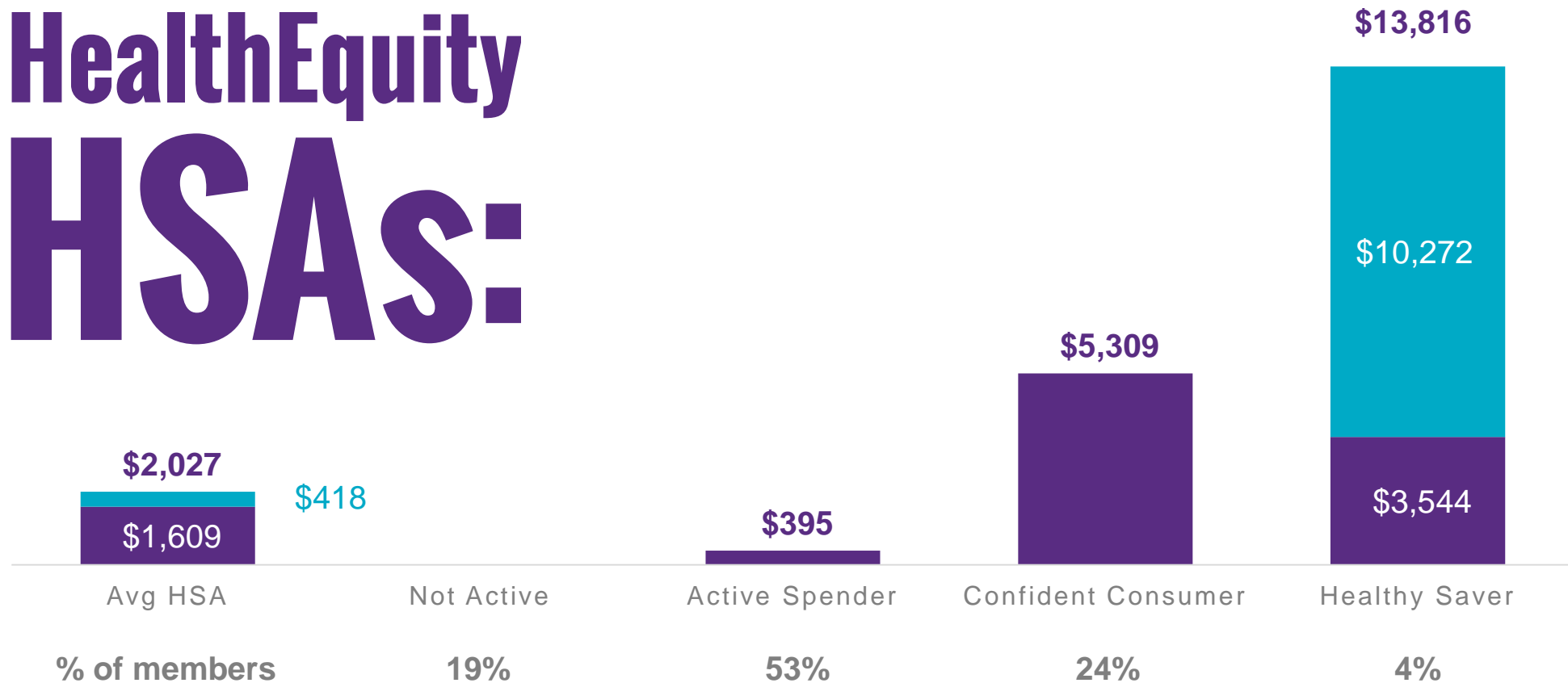
**\$2,027**  
AVERAGE  
BALANCE

**4.1%**  
HAVE INVESTMENT BALANCES

HealthEquity data as of January 31, 2018

# Value of mature accounts

## HealthEquity HSAs:

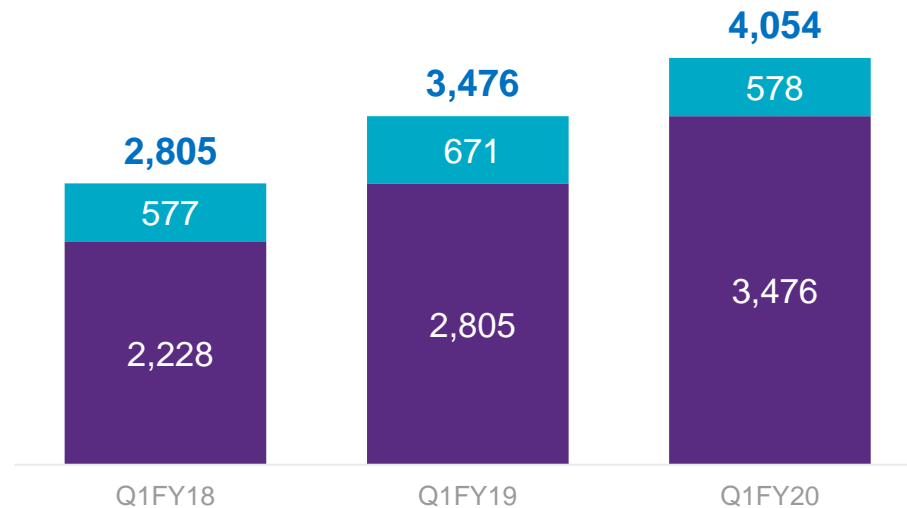




# Fiscal first quarter operating results

## HSAs (000s)

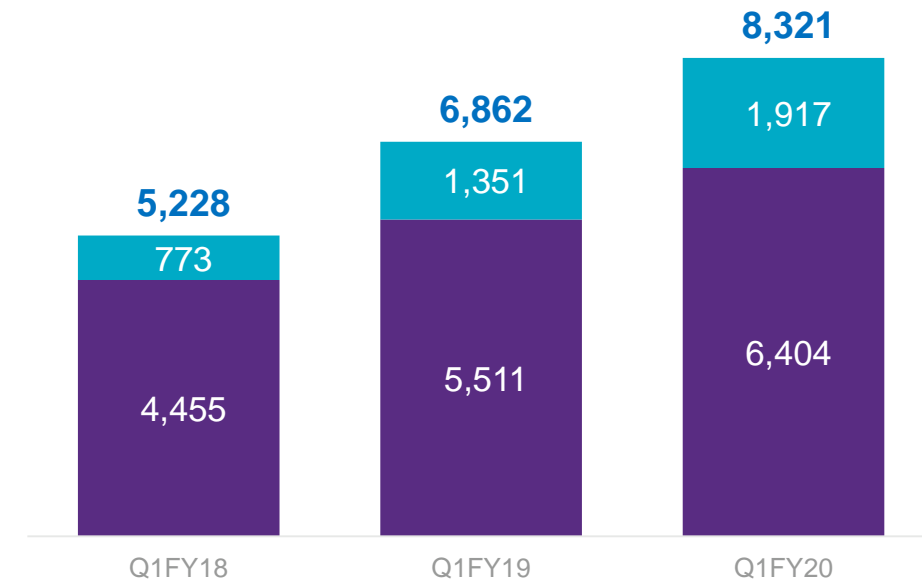
■ Net new HSAs ■ Beg HSAs



- Q1 New organic HSAs of **89K**
- **17%** growth in ending HSAs YoY

## Custodial Assets (\$M)

■ Cash Assets ■ Investment Assets

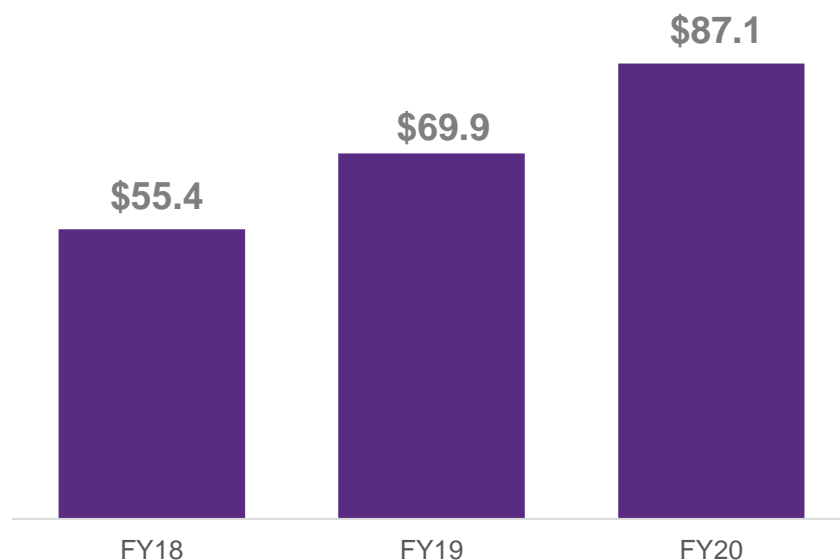


- Net increase of **\$1.5B** YoY
- **21%** growth YoY

# Fiscal first quarter financial results

## Revenue (\$M)

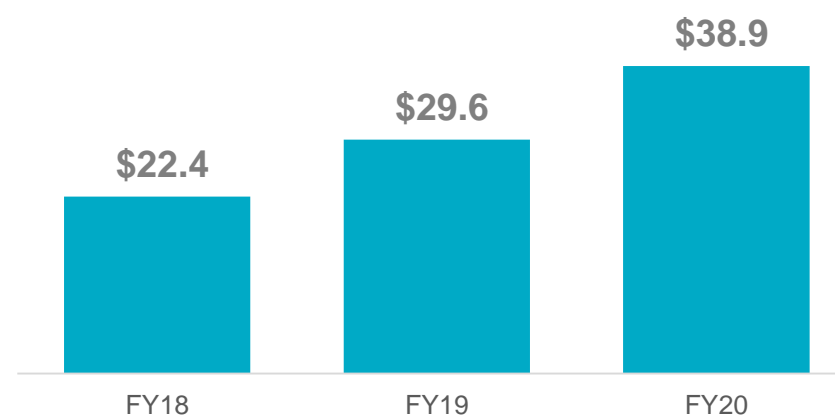
Three Months



- **25%** revenue growth YoY
- Changing revenue mix as a % of total
  - Service Revenue 31% vs 36% YoY
  - Custodial Revenue 48% vs 41% YoY
  - Interchange Revenue 21% vs 24% YoY

## Adjusted EBITDA<sup>(1)</sup> (\$M)

Three Months



- **31%** Adjusted EBITDA growth Q1 YoY
- Q1 Gross margins 66%
- Q1 Operating margins 32%
- Q1 Adjusted EBITDA margin 45%

# Capitalization

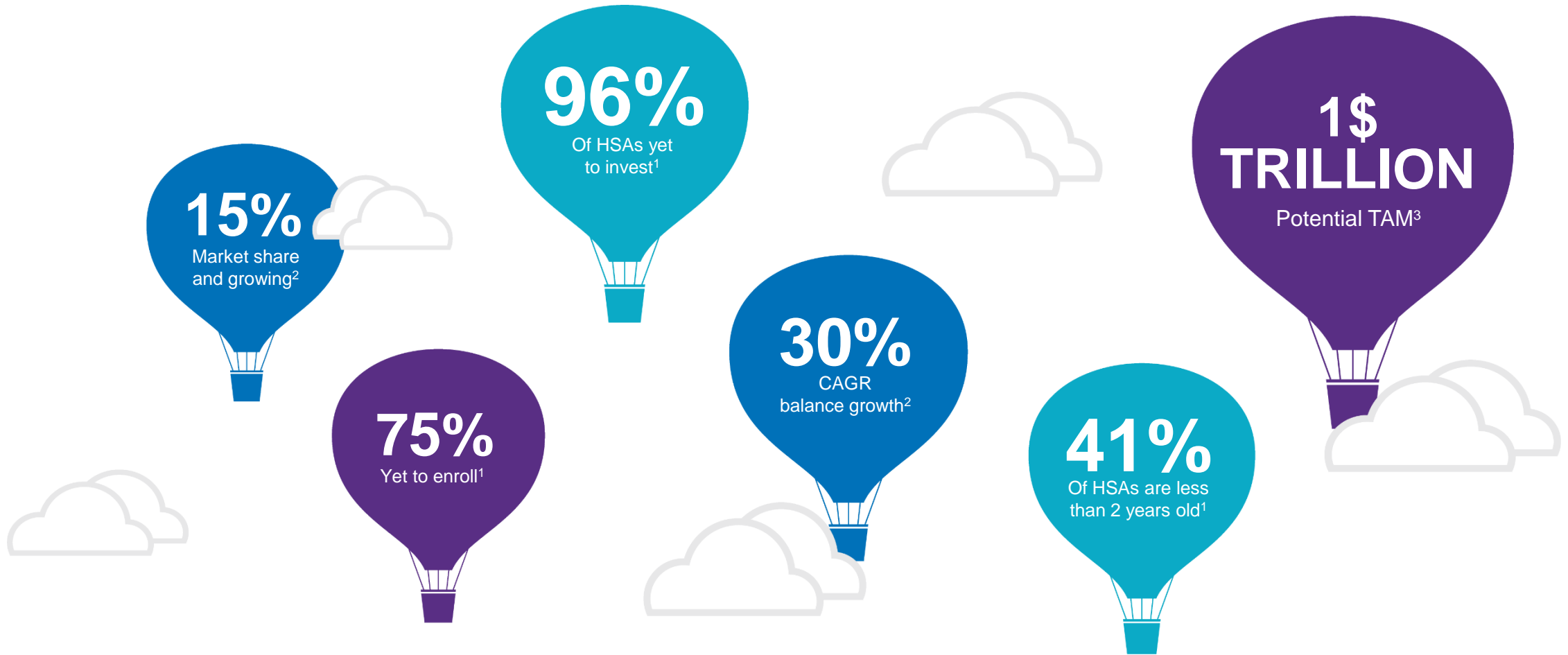
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(\$ in millions)	April 30, 2019	January 31, 2019
Cash, cash equivalents & marketable securities	\$329.3	\$361.5
Long-term debt (\$100M available LOC)	\$0.0	\$0.0
Total stockholders' equity	\$529.3	\$477.1

# Guidance

Business outlook			
For the fiscal year ending January 31, 2020			
Guidance as of: (\$ in millions, except per share)	June 4, 2019*	March 18, 2019	February 6, 2019
Revenue	\$339 – \$345	\$333 – \$339	\$333 – \$339
Non-GAAP net income**	\$83 - \$87	\$80 - \$84	
Non-GAAP Net income per diluted share**	\$1.28 - \$1.34	\$1.23 - \$1.29	
Adjusted EBITDA**	\$135 – \$140	\$133 – \$138	

# Rising above



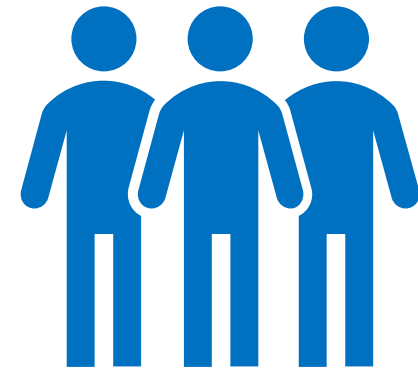
# Save the date

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## HealthEquity Investor / Analyst Day



**June 19, 2019**



At Nasdaq Market Site 10<sup>th</sup> Floor  
10am – 1pm



HealthEquity®