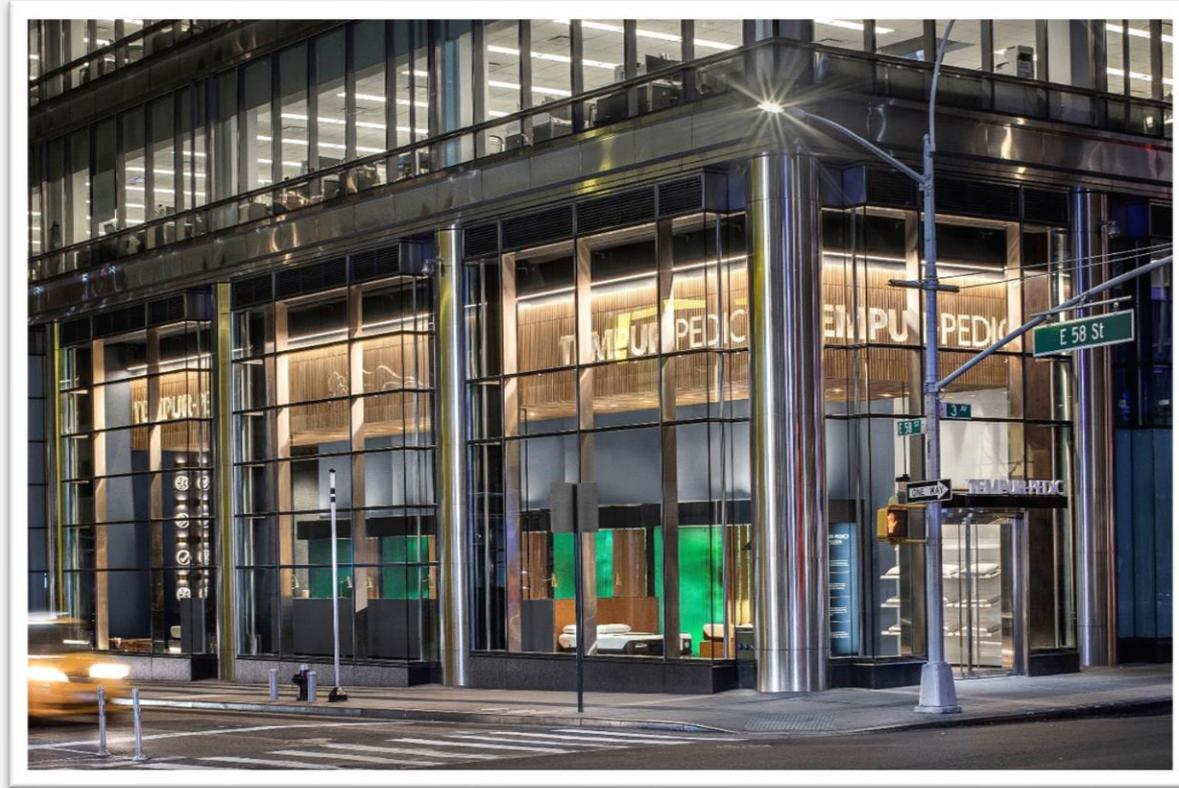


Tempur Sealy
International, Inc.
(NYSE: TPX)



Pictured above: Tempur-Pedic flagship store, 58th and Third Avenue, Manhattan, NY

TEMPUR-PEDIC[®]

#1 IN CUSTOMER
SATISFACTION
WITH RETAIL MATTRESSES
3 OUT OF 4 YEARS*



*For J.D. Power 2020 award information, visit jdpower.com/awards.

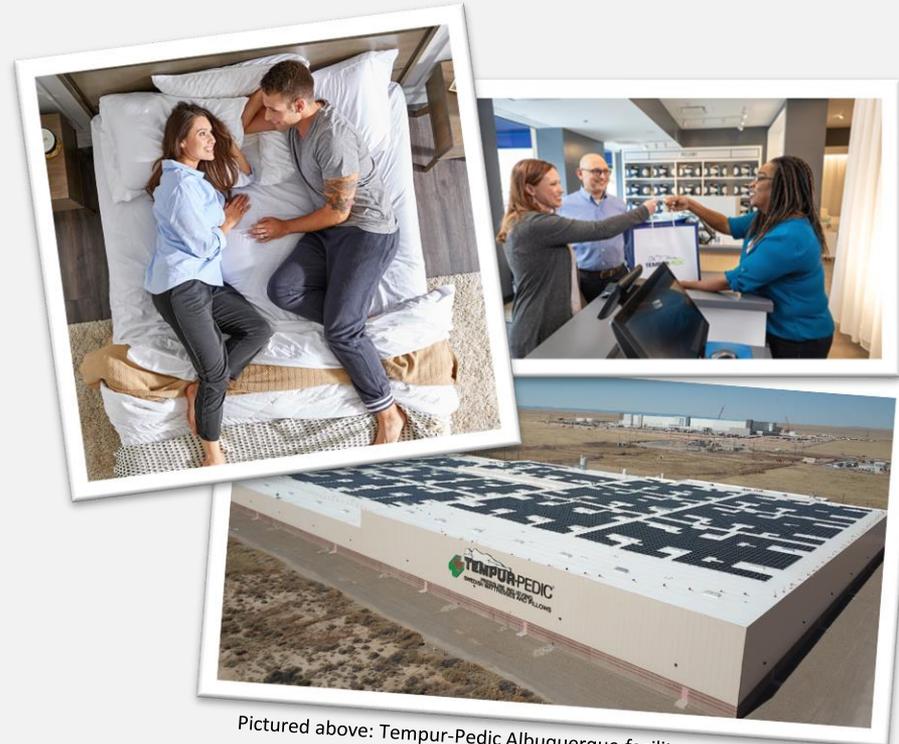
Sealy AMERICA'S #1
MATTRESS BRAND
Based on Sealy family of brand shipments, including Stearns & Foster

Purpose: To Improve the Sleep of More People, Every Night, All Around the World

WHO WE ARE

As a global leader in the design, manufacture and distribution of bedding products, we know how crucial a good night of sleep is to overall health and wellness. Utilizing over a century of knowledge and industry-leading innovation, we deliver award-winning products that provide breakthrough sleep solutions to consumers in over 100 countries.

Our highly recognized brands include Tempur-Pedic®, Sealy® featuring Posturepedic® Technology, and Stearns & Foster® and our non-branded offerings include value-focused private label and OEM products. Our distinct brands allow for complementary merchandising strategies and are sold through third-party retailers, our Company-owned stores and e-commerce channels.



Pictured above: Tempur-Pedic Albuquerque facility powered by solar

More information about Tempur Sealy's Corporate Social Values available at www.investor.tempursealy.com

Value Creation Drivers

Industry

- Stable and growing global bedding industry of ~\$50 billion⁽¹⁾
- U.S. market is concentrated and grows mid-single digits annually, driven by units and dollars⁽¹⁾
- International is highly fragmented and about the size of the U.S. market⁽¹⁾
- TPX products are sold in over 100 countries through our omni-channel network

Consumer

- Consumers continue to make the connection between a good night of sleep and health and wellness
- Enhanced focus on health over past year has strengthened the health and wellness trend
- Housing market, consumer confidence and consumer spending are correlated to the bedding industry
- 90% of consumers want to touch and feel a mattress before making a purchase⁽¹⁾
- 20% of consumers are interested in purchasing directly from the manufacturer⁽¹⁾

Tempur Sealy

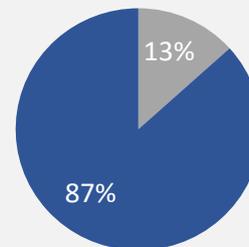
- Track record of developing and marketing differentiated products through consumer-centric innovation for the total global bedding market
- Highly desired brands; Tempur-Pedic ranked #1 in Customer Satisfaction with retail mattresses by J.D. Power and Sealy ranked America's #1 Mattress Brand⁽²⁾
- Omni-channel distribution strategy to be where the consumer wants to shop
- Robust free cash flow⁽³⁾ and fortified balance sheet provide flexibility to take advantage of industry and market opportunities and return capital to shareholders

Our Position:

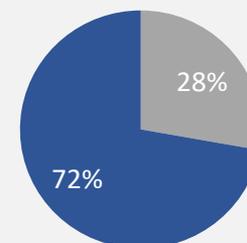
- Established worldwide omni-channel presence
- Iconic brand and product portfolio
- World-class manufacturing capabilities
- Industry-leading balance sheet and free cash flow⁽³⁾



NORTH AMERICA
Q1'21



INTERNATIONAL
Q1'21



■ Direct ■ Wholesale

Three Months Ended March 31st	2021	2020	Reported % Change	% Change Constant Currency ⁽²⁾
Net Sales	\$1,043.8	\$822.4	26.9%	25.1%
Net Income	\$130.5	\$59.7	118.6%	113.9%
Adjusted EBITDA ⁽³⁾	\$230.3	\$151.2	52.3%	49.7%
EPS ⁽³⁾	\$0.62	\$0.28	121.4%	117.9%
Adjusted EPS ⁽³⁾	\$0.64	\$0.34	88.2%	85.3%
Annualized Dividend	28 cents	0		
TTM Share Repurchase	\$445.6	\$301.3	47.9%	

Current Update

- Targeting Q2'21 Sales Growth of approximately 60% compared to Q2'19
 - Driven by growth in demand for Tempur-Pedic products in the U.S.
 - Consumer demand remains strong and broad-based
 - Further increases the Company's backlog
- Anticipates demand outlook is likely to result in some supply constraints and plant inefficiencies into the third quarter
 - Elected to delay a portion of the Sealy U.S. product launch to focus operations on producing current products
- Acquisition of Dreams, Leading Bed Specialty Retailer in the United Kingdom⁽⁴⁾





Worldwide Omni-Channel

TEMPUR+SEALY

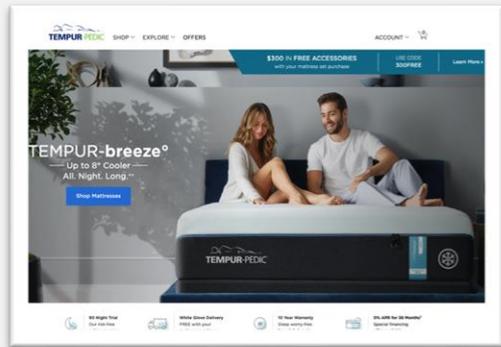
Powerful Omni-Distribution Platform

Wholesale

- Third-party retailers are our largest distribution channel
- Significant OEM opportunity



E-Commerce



- Significant worldwide sales growth
- Highly profitable and expanding rapidly

Company Owned Stores

- Luxury Tempur-Pedic and multi-branded showroom experiences
- Operate 400+ stores worldwide with sales growth opportunity
- Highly profitable and expanding margins



Success Online Through Our Wholesale and Direct Channels

CHANNEL

TempurPedic.com

Most profitable online bedding company in the world

High growth and high margins

DIRECT TO
CONSUMER

Compressed Bedding Products

TEMPUR-Cloud®
COCOON by Sealy™
Sealy Posturepedic® Foam

Traditional Bedding Products

Tempur-Pedic®
Stearns & Foster®
Sealy®

OMNI-
CHANNEL

Alternative Channels (Web-based Retailers)

Dedicated sales team with focus on eMarketplace sales growth

High growth and stable margins

WHOLESALE

Traditional Retailers Online

TPX proprietary RetailEdge training providing shopper-focused solutions

High growth and stable margins

WHOLESALE

Wholesale

Third-Party Retailers

- Strong worldwide distribution and broadly diversified
- Over 5,400 retail partners around the world selling through over 25,000 doors and their e-commerce platforms
- Global TPX sales force of over 500 people supporting our portfolio of brands



U.S. New OEM Opportunity



- OEM is about 20% of the U.S. market and growing,⁽¹⁾ supported by recent U.S. anti-dumping actions
- Leverages manufacturing expertise, diversifies consolidated sales stream and captures manufacturing profits from bedding brands beyond our own
- Plan to invest an incremental \$150 million by 2023 to increase U.S. pouring capacity for Tempur material, specialty and base foam by approximately 50%
- ~\$150 million of OEM sales in 2020; targeting the run rate to exceed \$600 million of annual sales in 5 years⁽¹⁾

Direct to Consumer

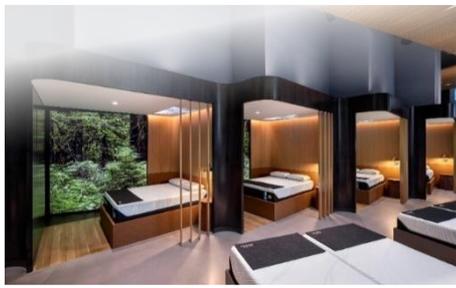
- High growth and high margin sales from web, call center, and company-owned stores
- Strong growth within the direct channel, growing 62% in the first quarter of 2021



Company-Owned Store Strategy

Operating over 400 retail stores globally

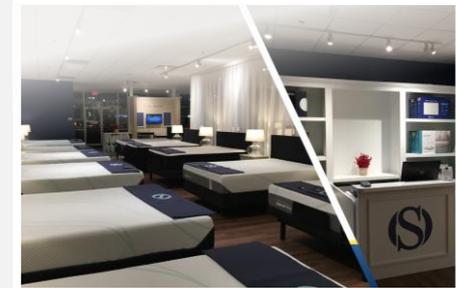
Tempur-Pedic® U.S.



Tempur-Pedic® Mexico



Sleep Outfitters® U.S.



TEMPUR® Europe



Sealy Gallery Asia



SOVA® Sweden

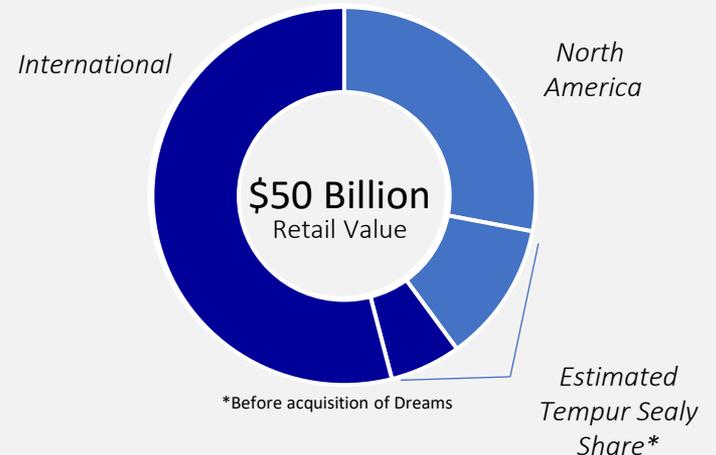


International Markets

- Highly fragmented with broad geographic diversity across Europe and Asia
- Developing new TEMPUR® line of mattresses to expand addressable market in 2022
- Tempur Sealy customizes go to market approach by country
 - Europe – success with high quality products, targeting share growth through distribution and innovation
 - Asia – share opportunity in emerging market, targeting aggressive share growth through distribution and innovation



Global Bedding Market⁽¹⁾



Family of Brands and Capabilities

Product Brands

Mattresses / Pillows / Accessories



Retailer Brands

Online / Offline



Manufacturing

Branded / OEM





Dreams Acquisition⁽⁴⁾

TEMPUR+SEALY



About Dreams

Leading Specialty Bed Retailer in the UK

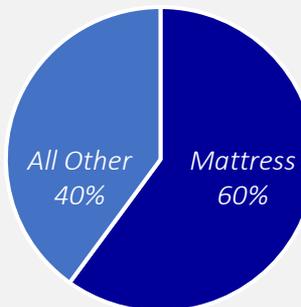
- Successful multi-channel sales strategy
- Operates over 200 brick and mortar retail locations, an industry-leading online channel, as well as manufacturing and delivery assets



More About Dreams

- Markets served: United Kingdom
- Addressable market: Complete bedroom
- Product assortment: Mattresses, bed frames, divan bases and bedroom furniture
- Operating footprint: retail locations, online channel, mattress production plant, logistics operations

Dreams Sales Mix by Product



Strategic Rationale

Combines Tempur Sealy Global Leadership with UK's Leading Specialist Bed Retailer

- Diversifies global sales and creates leading position in the UK
- Vertical integration expected to create meaningful synergies
- Expands retail competency and online capabilities
- Establishes wholly owned UK manufacturing and distribution assets
- Complements existing Tempur UK operations and its recently formed Sealy UK joint venture operations

"Dreams has created a strong retailer brand and business model, known for its outstanding products and customer service. We have worked with Dreams for many years and they are one of the most talented retailers we service."

—Scott Thompson, CEO

Terms and Transaction Summary

Consideration & Closing

- The transaction price is approximately \$475 million, less net debt and any working capital deficit
- The transaction is expected to close in the third quarter of 2021, subject to receipt of regulatory approval from the UK Financial Conduct Authority

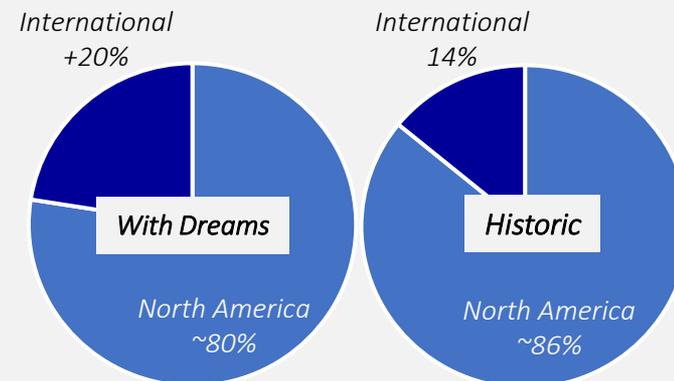
Financial Profile Post-Acquisition⁽¹⁾

- Dreams expected to generate approximately \$450 million annualized sales
- Acquisition nearly doubles international sales compared to 2020
- Worldwide direct to consumer sales expected to reach over \$1 billion
- EPS accretion of approximately 20 cents in the first year before synergies

Financing

- The transaction will be financed through a combination of cash on hand and bank borrowings
- The Company's pro forma leverage is expected to be about 2 times adjusted EBITDA ⁽¹⁾⁽²⁾

TPX Sales Geographic Mix



Increased Sales Diversification

Thank you for
your interest in
Tempur Sealy
International



For more information please email: investor.relations@tempursealy.com



Appendix

Forward-Looking Statements

This investor presentation contains statements relating to the Company's quarterly cash dividend, the Company's share repurchase targets, the Company's expectations regarding net sales for 2021, adjusted EBITDA for 2021, and adjusted EPS for 2021 and subsequent periods and the Company's expectations for increasing sales growth, product launches, channel growth, acquisitions and commodities outlook and statements relating to the Company's acquisition of Dreams and the Company's expectations regarding future performance, EPS, cost synergies, integration with our business, personnel and the impact of the anticipated acquisition on the Company's brands, products, customer base, results of operations or financial position. Any forward-looking statements contained herein are based upon current expectations and beliefs and various assumptions. There can be no assurance that the Company will realize these expectations, meet its guidance, or that these beliefs will prove correct.

Numerous factors, many of which are beyond the Company's control, could cause actual results to differ materially from any that may be expressed herein as forward-looking statements. These risk factors include risks associated with Dreams' ongoing operations; the possibility that the acquisition will not occur; the possibility that the expected benefits of the acquisition are not realized when expected or at all; general economic, financial and industry conditions, particularly conditions relating to the financial performance and related credit issues present in the retail sector, as well as consumer confidence and the availability of consumer financing; the impact of the macroeconomic environment in both the U.S. and internationally on Dreams and the Company; uncertainties arising from national and global events; industry competition; the effects of consolidation of retailers on revenues and costs; and consumer acceptance and changes in demand for Dreams' and the Company's products. Other potential risk factors include the risk factors discussed under the heading "Risk Factors" under ITEM 1A of Part 1 of the Company's Annual Report on Form 10-K for the year ended December 31, 2020. There may be other factors that may cause the Company's actual results to differ materially from the forward-looking statements. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made.

Note Regarding Historical Financial Information:

In this investor presentation we provide or refer to certain historical information for the Company. For a more detailed discussion of the Company's financial performance, please refer to the Company's SEC filings.

Note Regarding Trademarks, Trade Names and Service Marks:

TEMPUR®, *Tempur-Pedic®*, *the TEMPUR-PEDIC & Reclining Figure Design®*, *TEMPUR-Adapt®*, *TEMPUR-ProAdapt®*, *TEMPUR-LuxeAdapt®*, *TEMPUR-PRObreeze™*, *TEMPUR-LUXEbreeze™*, *TEMPUR-Cloud®*, *TEMPUR-Contour™*, *TEMPUR-Rhapsody™*, *TEMPUR-Flex®*, *THE GRANDBED BY TEMPUR-PEDIC®*, *TEMPUR-Ergo®*, *TEMPUR-UP™*, *TEMPUR-Neck™*, *TEMPUR-Symphony™*, *TEMPUR-Comfort™*, *TEMPUR-Traditional™*, *TEMPUR-Home™*, *SEALY®*, *SEALY POSTUREPEDIC®*, *STEARNS & FOSTER®*, *COCOON by Sealy™*, *SealyChill™* and *Clean Shop Promise™* are trademarks, trade names or service marks of Tempur Sealy International, Inc. and/or its subsidiaries. All other trademarks, trade names and service marks in this presentation are the property of the respective owners.

Limitations on Guidance: The guidance included herein is from the Company's press release and related earnings call on April 29, 2021. The Company is neither reconfirming this guidance as of the date of this investor presentation nor assuming any obligation to update or revise such guidance. See above.

Use of Non-GAAP Financial Measures and Constant Currency Information

In this investor presentation and certain of its press releases and SEC filings, the Company provides information regarding adjusted net income, adjusted EPS, EBITDA, adjusted EBITDA per credit facility, free cash flow, consolidated indebtedness less netted cash, and leverage which are not recognized terms under U.S. Generally Accepted Accounting Principles ("GAAP") and do not purport to be alternatives to net income and earnings per share as a measure of operating performance, an alternative to cash provided by operating activities as a measure of liquidity, or an alternative to total debt. The Company believes these non-GAAP measures provide investors with performance measures that better reflect the Company's underlying operations and trends, including trends in changes in margin and operating expenses, providing a perspective not immediately apparent from net income and operating income. The adjustments management makes to derive the non-GAAP measures include adjustments to exclude items that may cause short-term fluctuations in the nearest GAAP measure, but which management does not consider to be the fundamental attributes or primary drivers of the Company's business.

The Company believes that exclusion of these items assists in providing a more complete understanding of the Company's underlying results from continuing operations and trends, and management uses these measures along with the corresponding GAAP financial measures to manage the Company's business, to evaluate its consolidated and business segment performance compared to prior periods and the marketplace, to establish operational goals and management incentive goals, and to provide continuity to investors for comparability purposes. Limitations associated with the use of these non-GAAP measures include that these measures do not present all of the amounts associated with the Company's results as determined in accordance with GAAP. These non-GAAP measures should be considered supplemental in nature and should not be construed as more significant than comparable measures defined by GAAP. Because not all companies use identical calculations, these presentations may not be comparable to other similarly titled measures of other companies. For more information regarding the use of these non-GAAP financial measures, please refer to the reconciliations on the following pages and the Company's SEC filings.

Constant Currency Information

In this presentation the Company refers to, and in other communications with investors the Company may refer to, net sales or earnings or other historical financial information on a "constant currency basis," which is a non-GAAP financial measure. These references to constant currency basis do not include operational impacts that could result from fluctuations in foreign currency rates. To provide information on a constant currency basis, the applicable financial results are adjusted based on a simple mathematical model that translates current period results in local currency using the comparable prior corresponding period's currency conversion rate. This approach is used for countries where the functional currency is the local country currency. This information is provided so that certain financial results can be viewed without the impact of fluctuations in foreign currency rates, thereby facilitating period-to-period comparisons of business performance.

EBITDA and Adjusted EBITDA per Credit Facility

A reconciliation of the Company's GAAP net income to EBITDA and adjusted EBITDA as defined in the credit agreement (which we refer to in this investor presentation as adjusted EBITDA) is provided on the subsequent slides. Management believes that the use of EBITDA and adjusted EBITDA per credit facility provides investors with useful information with respect to the Company's operating performance and comparisons from period to period as well as the Company's compliance with requirements under its credit agreement.

Adjusted Net Income

A reconciliation of the Company's GAAP net income to adjusted net income and a calculation of adjusted EPS are provided on subsequent slides. Management believes that the use of adjusted net income and adjusted EPS also provides investors with useful information with respect to the Company's operating performance and comparisons from period to period.

Leverage

Consolidated indebtedness less netted cash to adjusted EBITDA per credit facility, which the Company may refer to as leverage, is provided on a subsequent slide and is calculated by dividing consolidated indebtedness less netted cash, as defined by the Company's senior secured credit facility, by adjusted EBITDA per credit facility. The Company provides this as supplemental information to investors regarding the Company's operating performance and comparisons from period to period, as well as general information about the Company's progress in reducing its leverage.

Free Cash Flow

The Company defines free cash flow as net cash provided by operating activities less purchases of property, plant and equipment. Management believes that free cash flow may be useful for investors in assessing the Company's operating performance, ability to generate cash and ability to fund the Company's capital expenditures and meet the Company's debt service requirements.

Adjusted EBITDA Reconciliation

<i>(in millions)</i>	Three Months Ended			
	March 31, 2021		March 31, 2020	
Net income	\$	130.5	\$	59.7
Interest expense, net		12.3		20.3
Loss on extinguishment of debt (1)		5.0		-
Income taxes		40.5		23.5
Depreciation and amortization		41.8		31.0
EBITDA		230.1		134.5
Adjustments				
Loss from discontinued operations, net of tax (2)		0.2		1.2
Customer-related charges (3)		-		11.7
Incremental operating costs (4)		-		2.3
Accounting standard adoption (5)		-		1.5
Adjusted EBITDA per credit facility	\$	230.3	\$	151.2

Notes

- (1) In the first quarter of 2021, the Company recognized \$5.0 million of loss on extinguishment of debt associated with the redemption of the remaining amount outstanding of the 2023 senior notes.
- (2) Certain subsidiaries in the International business segment are accounted for as discontinued operations and have been designated as unrestricted subsidiaries in the 2019 Credit Agreement. Therefore, these subsidiaries are excluded from the Company's adjusted financial measures for covenant compliance purposes.
- (3) In the first quarter of 2020, the Company recorded \$11.7 million of customer-related charges in connection with the bankruptcy of Art Van Furniture, LLC and affiliates to fully reserve trade receivables and other assets associated with this account.
- (4) In the first quarter of 2020, the Company recorded \$2.3 million of charges related to the global pandemic.
- (5) In the first quarter of 2020, the Company recorded \$1.5 million of charges related to the adoption of ASU No. 2016-13, "Financial Instruments - Credit Losses (Topic 326)". As permitted by the 2019 Credit Agreement, the Company elected to eliminate the effect of this accounting change within its covenant compliance calculation.

For additional information regarding the calculations above please refer to the Company's SEC Filings.

Adjusted Net Income and Adjusted EPS

	Three Months Ended	
	March 31, 2021	March 31, 2020
<i>(in millions, except per share amounts)</i>		
Net income	\$ 130.5	\$ 59.7
Loss from discontinued operations, net of tax ⁽¹⁾	0.2	1.2
Loss on extinguishment of debt ⁽²⁾	5.0	-
Customer-related charges ⁽³⁾	-	11.7
Incremental operating charges ⁽⁴⁾	-	2.3
Accounting standard adoption ⁽⁵⁾	-	1.5
Tax adjustments ⁽⁶⁾	(1.1)	(3.9)
Adjusted net income	<u>\$ 134.6</u>	<u>\$ 72.5</u>
Adjusted earnings per common share, diluted	<u>\$ 0.64</u>	<u>\$ 0.34</u>
Diluted shares outstanding	<u>210.1</u>	<u>216.0</u>

Notes

- (1) Certain subsidiaries in the International business segment are accounted for as discontinued operations and have been designated as unrestricted subsidiaries in the 2019 Credit Agreement. Therefore, these subsidiaries are excluded from the Company's adjusted financial measures for covenant compliance purposes.
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- (6) Adjusted income tax provision represents the tax effects associated with the aforementioned items.

For additional information regarding the calculations above please refer to the Company's SEC Filings.

Free Cash Flow and Free Cash Flow / Adjusted EBITDA Reconciliation

<i>(in millions)</i>	Trailing Twelve Months Ended March 31,			Twelve Months Ended December 31,		
	2021	2020	2019	2018	2017	2016
Net cash provided by operating activities	\$ 726.0	\$ 654.7	\$ 314.8	\$ 207.5	\$ 256.5	\$ 168.1
Subtract: purchases of property, plant and equipment	108.6	111.3	88.2	73.6	66.6	61.9
Free cash flow	<u>\$ 617.4</u>	<u>\$ 543.4</u>	<u>\$ 226.6</u>	<u>\$ 133.9</u>	<u>\$ 189.9</u>	<u>\$ 106.2</u>
Adjusted EBITDA per credit facility	<u>\$ 859</u>	<u>\$ 780</u>	<u>\$ 508</u>	<u>\$ 425</u>	<u>\$ 446</u>	<u>\$ 522</u>
Free cash flow / Adjusted EBITDA per credit facility	72%	70%	45%	32%	43%	20%

*For a reconciliation of adjusted EBITDA per credit facility to net income for reporting periods in the years 2016-2021, please refer to the Company's SEC filings.

Footnotes

1. Management estimates
2. Sealy was ranked number one on Furniture Today's list of the Top 20 U.S. Bedding Producers in June 2020. See Furniture Today's Top 20 U.S. Bedding Producers methodology that includes SEALY® and STEARNS & FOSTER® products in Sealy ranking.
3. Adjusted Net Income, EBITDA, adjusted EBITDA per credit facility, adjusted EPS, leverage, free cash flow and constant currency are non-GAAP financial measures. Please refer to the "Use of Non-GAAP Financial Measures and Constant Currency Information" on a previous slide for more information regarding the definitions of adjusted Net Income, EBITDA, adjusted EBITDA per credit facility, adjusted EPS, leverage, free cash flow and constant currency, including the adjustments (as applicable) from the corresponding GAAP information. Please refer to "Forward-Looking Statements" and "Limitations on Guidance" on a previous slide.
4. The transaction is expected to close in the third quarter of 2021, subject to receipt of regulatory approval from the UK Financial Conduct Authority.