

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): January 31, 2023

TEMPUR SEALY INTERNATIONAL, INC.

Delaware
(State or other jurisdiction of incorporation)

(Exact name of registrant as specified in its charter)
001-31922
(Commission File Number)

33-1022198
(I.R.S. Employer Identification No.)

1000 Tempur Way
Lexington, Kentucky 40511
(Address of principal executive offices) (Zip Code)

(800) 878-8889
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, \$0.01 par value

Trading Symbol(s)
TPX

Name of exchange on which registered
New York Stock Exchange

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Items.

On January 31, 2023, Tempur Sealy International, Inc. (the "Company") released a supplementary investor presentation (the "Investor Presentation"). The Investor Presentation will be used from time to time in meetings with investors. A copy of the Investor Presentation is furnished herewith as Exhibit 99.1 and is incorporated into this Item 8.01 by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Tempur Sealy International, Inc. January 2023 Supplementary Investor Presentation
104	Cover page interactive data file (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 31, 2023

Tempur Sealy International, Inc.

By: /s/ Bhaskar Rao
Name: Bhaskar Rao
Title: Executive Vice President & Chief Financial Officer



TEMPUR SEALY INTERNATIONAL, INC., TPX

“We continue to demonstrate the resilience of our business model as we generate profits, invest in our business, return capital to shareholders, and outperform the global bedding industry.”

TEMPUR+SEALY

1

Investment Thesis

The leading vertically integrated global bedding company with iconic brands and extensive manufacturing capabilities

Over the long term, the bedding industry has consistently grown through ASP and unit expansion

History of market share gains across global omnichannel distribution

Legacy of strong value creation via capital allocation including share buybacks and acquisitions

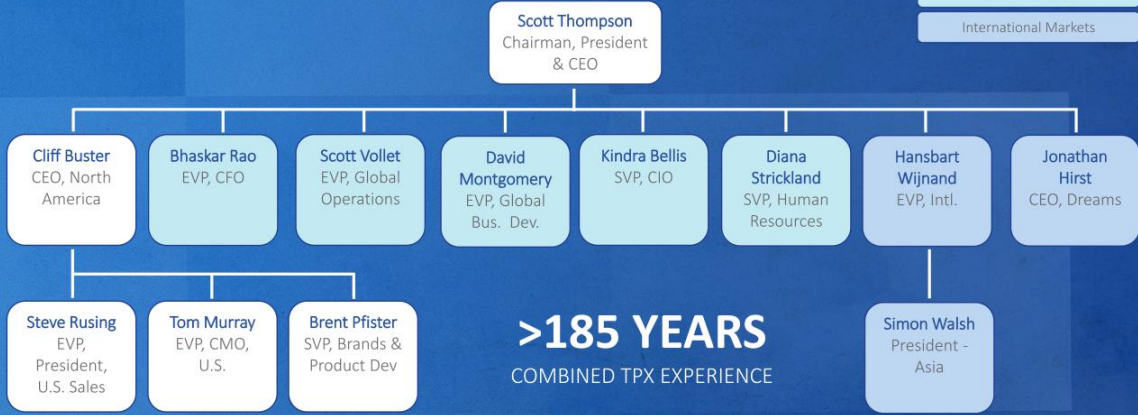
Seasoned, well-aligned management with proven track record

TEMPUR+SEALY

2

Tenured Leadership Team

- U.S. Market
- Shared Services
- International Markets



>185 YEARS
COMBINED TPX EXPERIENCE

14 YEARS
AVERAGE TPX TENURE

TEMPUR+SEALY

Experienced Team's Value Creation

Since management change in 2015, sales have increased more than 60% and EPS² has increased approximately 10x

Current TPX Management Track Record Since 2015				
(in millions, except percentages, multiples, stock price and per common share amounts)	Trailing Twelve Months Ended December 31, 2015	Trailing Twelve Months Ended September 30, 2022	CAGR	Total Growth
Net Sales	\$3,151	\$5,093	7%	62%
Adjusted EBITDA²	\$456	\$987	12%	116%
Adjusted Net Income²	\$200	\$547	15%	174%
Adjusted EPS²	\$0.80	\$2.93	20%	266%
GAAP EPS	\$0.26	\$2.83	41%	999%

Award-Winning Products Spanning Key Retail Price Points

PREMIUM



\$2,200 – \$9,000



\$1,800 – \$6,450



\$230 – \$3,500

AMERICA'S #1 MATTRESS BRAND



Private Label

VALUE

TEMPUR+SEALY

World-Class Manufacturing Capabilities

34 NORTH AMERICAN FACILITIES | 37 INTERNATIONAL FACILITIES



TEMPUR+SEALY

Successful Global Omni Distribution Platform

Wholesale

- Third-party retailers are our largest distribution channel
- Significant private label opportunity
- Valued supplier, win-win relationships

Ecommerce

- Significant worldwide sales growth
- Highly profitable and expanding rapidly
- Direct customer relationships

Company-Owned Stores

- Luxury Tempur-Pedic®, Dreams, and multi-branded showroom experiences
- Operate over 650 stores worldwide and expanding direct customer relationships
- Unlocks addressable market, driving incremental profitability



Omnichannel Strategy

Providing an omnichannel experience through owned stores and e-commerce initiatives

Sealy.com and Stearns&Foster.com DTC officially launched in 2022

- Sites are in their infancy and provide DTC growth opportunity over time as we test and optimize



Omnichannel Strategy

Our e-commerce activities are based on three fundamentals:

- 1) Profitable growth, with high return on investment (vs. growth at any cost)
- 2) Providing consumers with a resource to research and educate themselves on our products
 - 72% of mattress purchases begin after the consumer begins their journey online
 - Providing easy to understand comparisons and feature benefit step stories increases ASP
- 3) Defending our competitive position in the market across brand and product categories

The screenshot displays three main sections of the Tempur-Sealy website:

- Product Listings:** Three Tempur mattresses are featured: TEMPUR-Cloud (1,299.00), TEMPUR-Adapt (2,199.00), and TEMPUR-breeze (4,499.00). Each listing includes a star rating and a 'Shop Now' button.
- Comparison Table:** Titled 'Why Pay More for Less?', it compares COCOON by Sealy, Purple Mattress, and Casper Original. COCOON is highlighted as the best value.
- Product Collections:** A section titled 'OUR MOST POPULAR COLLECTIONS' features Estate, Lux Hybrid, and Reserve mattresses, each with a 'Shop Now' button.

	COCOON by Sealy	Purple Mattress	Casper Original
Mattress Price (Queen)*	\$799	\$1,399	\$1,299
2 Free Pillows*	✓	-\$103	-\$106
Free Sheets (Queen)*	✓	-\$96	-\$89
Total Price*	\$799	\$1,598	\$1,471

Omnichannel Strategy

We introduced new products into the market in 2022 including the Sealy FlexGrid and Sealy Naturals

- Provides additional options for consumers seeking a grid-based or eco-friendly product online

We use a comprehensive approach to digital marketing, including:

- Branded search; non-branded search; conquering campaigns; affiliate marketing



TEMPUR+SEALY

Stearns & Foster



2023:

**OUR FIRST STEP ON THE
PATH TO A BILLION
DOLLAR BRAND**

AND

**BECOMING THE #1
LUXURY INNERSPRING
BRAND**

Stearns & Foster

TSI identified the opportunity to better serve consumers interested in innerspring mattresses at premium price points, representing a significant growth opportunity

- Higher ASP and profit margin potential for retailers and TSI

#1 CONSUMER NEED IN A MATTRESS:
COMFORT

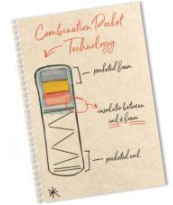


THE STEARNS & FOSTER DIFFERENCE:
EXCEPTIONAL HAND-CRAFTED COMFORT



A comprehensive new lineup of products designed to drive retailer and consumer interest

- Modern, **fresh, and inspirational aesthetics** differentiated by collection
- **New, exclusive features** for upgraded, indulgent comfort at the high end with sustainably sourced latex and cool to touch covers
- **Reimagined hybrids with innovative new C-Pocket innerspring technology** to provide the utmost in personalized comfort



TEMPUR+SEALY

Stearns & Foster

Products Have Been Well-Received by Retailers Resulting in Significant Slot Expansion of >20%



To increase brand awareness in advance of the new product launch, TSI spent record levels of advertising in 2021 and 2022 for S&F

TSI will support continued growth in brand awareness through:

- All new advertising and brand messaging
- National media support to drive traffic in promotional periods
- 52 weeks of streaming / digital to ensure high reach



2023 New Product Launch INNOVATION THAT PERFORMS

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Tempur-Pedic

Building on over three decades of innovation, Tempur-Pedic focuses on solutions to:

Aches & Pains

Sleeping Hot

Snoring

DEEP, UNDISTURBED SLEEP™

In March 2023, the next generation of Tempur mattresses launches with all new Tempur-Breeze

In addition to Breeze, an upgraded line of new Tempur Bases will launch simultaneously

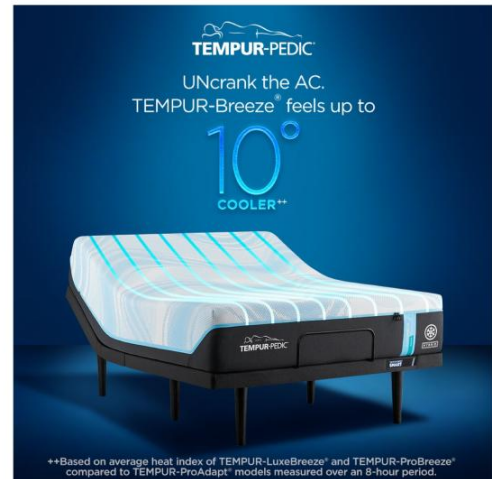


TEMPUR+SEALY

Tempur-Pedic

All new Tempur-Breeze, elevating upon our industry-leading portfolio

- Improved Tempur feels made possible by innovative, new Tempur formulation
- Measurably Cooler Sleep with more all-night cooling power
- Improved merchandising to Drive Mix and Average Selling Price
 - Introducing a LuxeBreeze Hybrid



Tempur-Pedic

Featuring exciting ergonomic and connected-sleep innovations, new Tempur Bases reimagine sleep

- Improved Ergonomic designs with a new, proprietary Lumbar Support
- Industry leading SleepTracker-AI, validated by Stanford Medical, now upgraded to new 2.0 version with more health features
- Industry-first advanced Wave Form™ massage technology on the new Ergo ProSmart base



International Markets – TEMPUR Brand

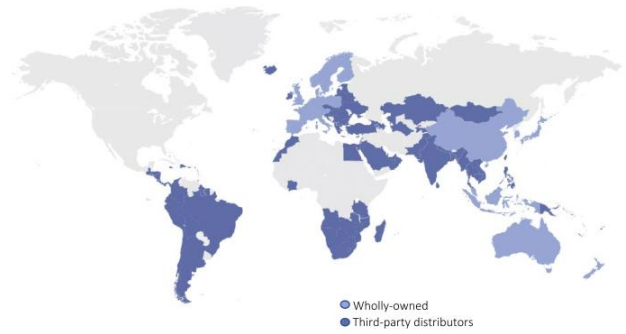
Overview

TEMPUR sold in 90+ countries

- 22 countries served through wholly owned subsidiaries, the rest by third-party distributors

Selling direct via own stores and online channels, and wholesale via furniture and bedding retailers

Key markets include Germany, UK, France, South Korea, Japan, and China



International Markets – TEMPUR Brand

Historical Strategy & Performance

- Employed super premium strategy
- Managed for cash, markets harvested versus seeded for growth
- Conservative approach to China strategy
- Highly complex and individualized SKUs, and therefore highly complex and individualized manufacturing process

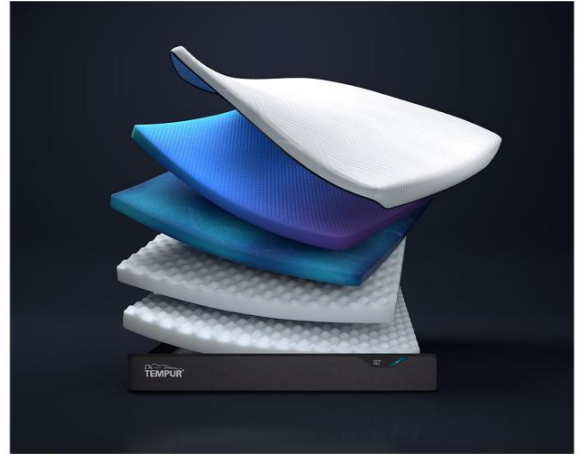
Strategy 2023+

- Continue to grow super premium, while also targeting premium and top mainstream price points
- Seeding markets for growth with incremental advertising and launch investments
- Unlocking incremental growth through a new assortment of mattresses, pillows and base beds
- Simplified SKU build, and therefore simplified manufacturing process

International Markets – TEMPUR Brand

2023 Strategy – Mattresses

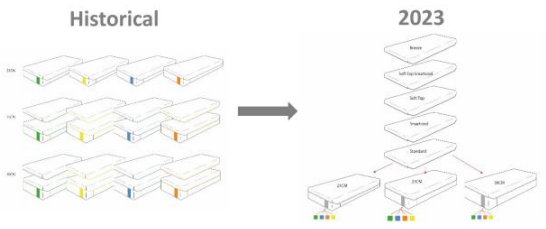
- Leveraging proven innovation that has met with success in the U.S.
- Innovations:
 - Next generation/higher performance Tempur foams
 - Cooling yarns
 - Washable TEMPUR quilting
 - High airflow 3D fabric
- To increase efficiency / reduce cost:
 - Full assortment build on common component platform
 - Using late-stage dedication assembly process



International Markets – TEMPUR Brand

2023 Strategy: Mattresses - Simplified SKU build

Common component platform:



Late dedication:



International Markets – Super Premium



2023 Strategy: Mattresses – Proven U.S Innovation

- Continue to appeal to super premium consumer, better channel/customer differentiation

THE ALL NEW TEMPUR PRO®
THE MOST ADAPTIVE
TEMPUR® EVER
WITH
20% MORE
PRESSURE RELIEF*
THE FUTURE OF SLEEP IS HERE

THE ALL NEW TEMPUR PRO® SMARTCOOL™
20% MORE
PRESSURE RELIEF*
AND
INSTANT
COOLING
THE FUTURE OF SLEEP IS HERE

THE ALL NEW TEMPUR PRO® SOFTQUILT
20% MORE
PRESSURE RELIEF*
AND
LUXURIOUS
QUILTED COMFORT
THE FUTURE OF SLEEP IS HERE

THE ALL NEW TEMPUR PRO AIR™
10 TIMES
MORE AIRFLOW*
SO
YOU FEEL 2°C
COOLER™
THE FUTURE OF SLEEP IS HERE

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International Markets – Incremental Price Points



2023 Strategy: Mattresses – Premium/Top Mainstream Price Points

- Targeting new consumers



International Markets – New Pillows

2023 Strategy

- Continue to grow super premium, while also targeting new distribution/consumers in premium/top mainstream price points



TEMPUR® PILLOWS	
COMFORT PILLOWS	
SOFT	MEDIUM
COMFORT Air	COMFORT Air
COMFORT SmartCool	COMFORT SmartCool
COMFORT PureClean	COMFORT PureClean
COMFORT	COMFORT

TEMPUR® ERGONOMIC PILLOWS				
ORIGINAL SmartCool	MILLENNIUM SmartCool	OMBRACIO SmartCool	SONATA SmartCool	SYMPHONY SmartCool
ORIGINAL	MILLENNIUM	OMBRACIO	SONATA	SYMPHONY

TEMPUR® PRIMA		TEMPUR® EASE AND ONE	
SOFT	MEDIUM	SOFT	MEDIUM
Prima Cooling	Prima Cooling	ONE Cooling	ONE Cooling
Prima	Prima	ONE	ONE
			EASE

International Markets – New Bed Bases

2023 Strategy

- Continue to grow super premium, while also targeting new distribution/consumers in premium/top mainstream price points

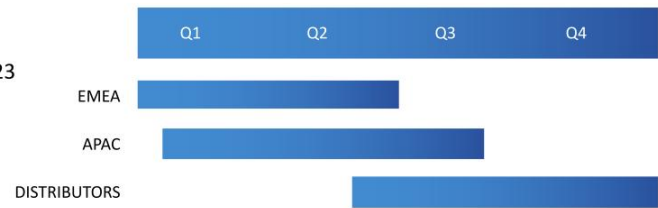


International Markets – New Product Rollout

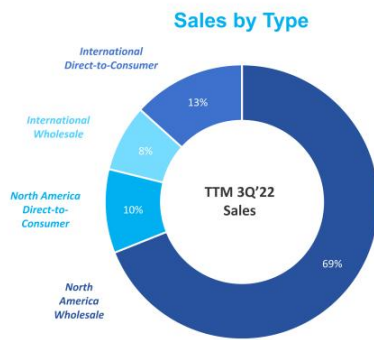
2023 Strategy

- All markets start their roll out in Q1
- Roll out completed in all markets during 2023
 - EMEA - 70%
 - APAC - 20%
 - Third-Party Distributors - 10%
- EBITDA benefit fully realized in 2024

2023 Roll Out Timing



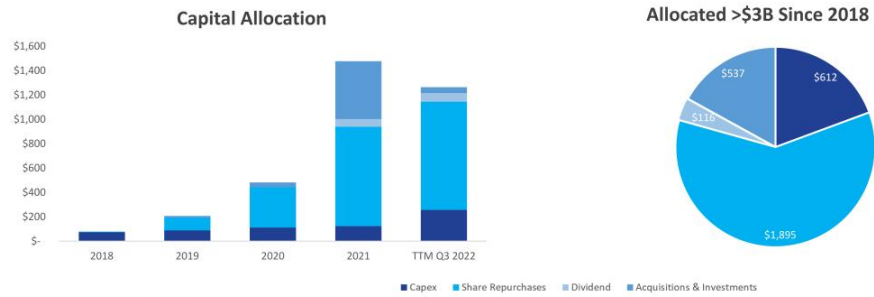
Third Quarter and Trailing Twelve Month Performance



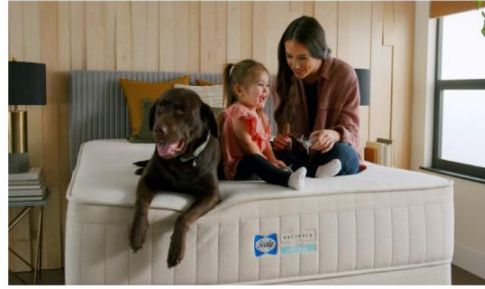
(in millions, except percentages and per common share amounts)	Three Months Ended			Trailing Twelve Months Ended		
	September 30, 2022	September 30, 2021	% Change	September 30, 2022	September 30, 2021	% Change
Net Sales	\$1,283.3	\$1,358.3	-5.5%	\$5,093.4	\$4,628.2	10.1%
Net Income	\$132.7	\$177.4	-25.2%	\$529.8	\$593.4	-10.7%
Adjusted Net Income²	\$137.8	\$179.6	-23.3%	\$547.6	\$618.9	-11.5%
EPS	\$0.75	\$0.87	-13.8%	\$2.83	\$2.85	-0.7%
Adjusted EPS²	\$0.78	\$0.88	-11.4%	\$2.93	\$2.98	-1.7%

Balanced Capital Allocation Strategy

- Long-term target leverage ratio of 2.0 – 3.0x²
- Continue to invest in the business, including a new domestic foam-pouring plant to be operational in 2023
- Disciplined approach to shareholder returns includes a quarterly dividend
- Repurchased 39% of shares outstanding since 2015 at an average price of \$25/share
- Maintain capacity for strategic acquisitions



Environmental, Social, & Governance



Investment Thesis

The leading vertically integrated global bedding company with iconic brands and extensive manufacturing capabilities

Over the long term, the bedding industry has consistently grown through ASP and unit expansion

History of market share gains across global omnichannel distribution

Legacy of strong value creation via capital allocation including share buybacks and acquisitions

Seasoned, well-aligned management with proven track record

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30

Thank you for your interest in Tempur Sealy International

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



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 2022 and adjusted EPS for 2022 and subsequent periods and the Company's expectations for increasing sales growth, product launches, channel growth, acquisitions and commodities outlook, and expectations regarding supply chain disruptions, the macroeconomic environment and COVID-related disruptions. 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 potential risks include the factors discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 and in the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022. 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-Traditional™, TEMPUR-Home™, Sealy®, Sealy Posturepedic®, Stearns & Foster®, COCODN 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.

Use of Non-GAAP Financial Measures

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, 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 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.

EBITDA and Adjusted EBITDA

A reconciliation of the Company's GAAP net income to EBITDA and adjusted EBITDA per credit facility (which we refer to in this investor presentation as adjusted EBITDA) is provided in the appendix to the Company's November 2022 investor presentation, available on the Company's website. 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 and Adjusted EPS

A reconciliation of the Company's GAAP net income to adjusted net income and a calculation of adjusted EPS is provided in the appendix to the Company's November 2022 investor presentation, available on the Company's website. 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. Forward-looking Adjusted EPS is a non-GAAP financial measure. The Company is unable to reconcile this forward-looking non-GAAP measure to EPS, its most directly comparable forward-looking GAAP financial measure, without unreasonable efforts, because the Company is currently unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact EPS in 2022.

Leverage

Consolidated indebtedness less netted cash to adjusted EBITDA per credit facility, which the Company may refer to as leverage, is provided in the appendix to the Company's November 2022 investor presentation, available on the Company's website, 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.

Footnotes

¹ Management estimates

² Adjusted net income, EBITDA, adjusted EBITDA, adjusted EPS, leverage, free cash flow, and constant currency are non-GAAP financial measures. Please refer to the "Use of Non-GAAP Financial Measures" on a previous slide for more information regarding the definitions of adjusted net income, EBITDA, adjusted EBITDA, adjusted EPS, leverage, and free cash flow, including the adjustments (as applicable) from the corresponding GAAP information. Please refer to "Forward-Looking Statements" on a previous slide.

³ Sealy® was ranked number one on Furniture Today's list of the Top 20 U.S. Bedding Producers in June 2021. See Furniture Today's Top 20 U.S. Bedding Producers methodology that includes Sealy® and Stearns & Foster® products in Sealy ranking. Tempur-Pedic® was ranked number two on Furniture Today's list of the Top 20 U.S. Bedding Producers in June 2021. Tempur-Pedic® brand was awarded #1 in Customer Satisfaction for both the Retail Mattress and Online Mattress categories in the U.S. in the J.D. Power 2022 Mattress Satisfaction Report.

