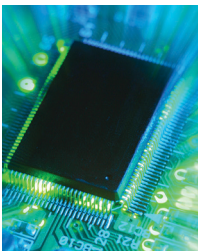
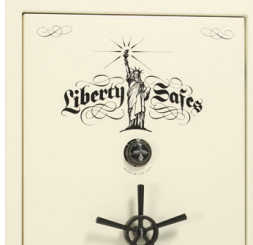


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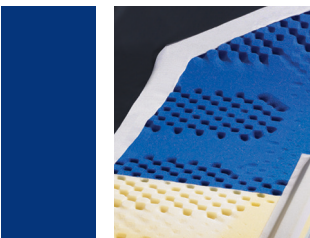
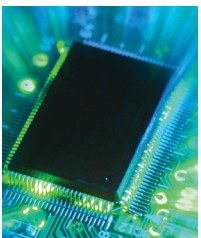
INVESTOR DAY

Growth • Stability • Transparency



Legal Disclaimer

- This presentation contains certain forward-looking statements within the meaning of the federal securities laws. These statements may be made a part of this presentation or by reference to other documents we file with the SEC.
- Some of the forward-looking statements can be identified by the use of forward-looking words. Statements that are not historical in nature, including the words “anticipate,” “may,” “estimate,” “should,” “seek,” “expect,” “plan,” “believe,” “intend,” and similar words, or the negatives of those words, are intended to identify forward-looking statements. Certain statements regarding the following particularly are forward-looking in nature: Future financial performance, market forecasts or projections, projected capital expenditures; Our business strategy.
- All forward-looking statements are based on our management’s beliefs, assumptions and expectations of our future economic performance, taking into account the information currently available to it. These statements are not statements of historical fact. Forward-looking statements are subject to a number of factors, risks and uncertainties, some of which are not currently known to us, that may cause our actual results, performance or financial condition to be materially different from the expectations of future results, performance or financial position. Our actual results may differ materially from the results discussed in forward-looking statements. Factors that might cause such a difference include, but are not limited to the risks set forth in “Risk Factors” included in our SEC filings.
- In addition, our discussion may include references to EBITDA, cash flow, CAD or other non-GAAP measures. A reconciliation of the most directly comparable GAAP financial measures to such non-GAAP financial measures is included in our annual and quarterly reports in Forms 10-K and 10-Q filed with the SEC.



Presenters

Alan Offenberg, CEO

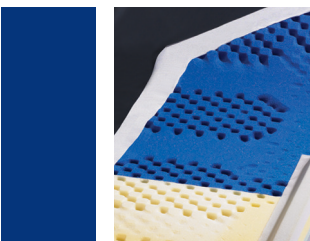
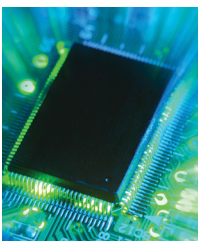
Ryan Faulkingham, CFO

Elias Sabo, Founding Partner CGM

David Swanson, Partner CGM

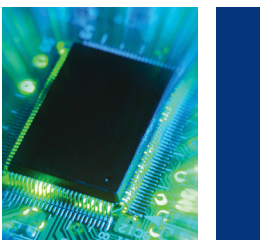
Patrick Maciariello, Partner CGM

Featured: Margaret Hardin, CEO Ergobaby



Who is Compass Diversified Holdings? (NYSE: CODI)

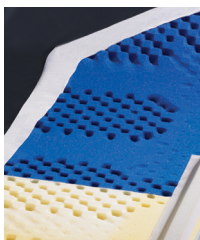
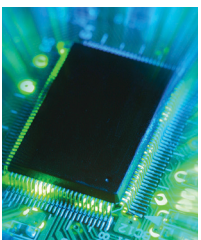
- **An acquirer, owner and manager of high cash flow, niche leading middle market businesses operating in attractive industries**
 - Family of ten operating subsidiaries
 - Defensible market positions with strong “reason to exist”
- **Diversified portfolio**
 - 4 Branded Consumer Businesses (including Manitoba Harvest)
 - 6 Niche Industrial Businesses
 - 41% ownership in Fox Factory Holdings (Nasdaq: FOXF)
- **Experienced acquirer and manager of middle market businesses**
 - 27 professionals
 - Initial public offering in 2006
 - Consistent investment style since 1998
 - Realized gains of over \$340 million through 6 company sales
 - 12 platform and 14 add-on acquisitions



Why own CODI?

Key investment considerations:

- Disciplined and patient deployment of capital
- Demonstrated history of value creation
- Poised for continued growth
- Predictable and strong free cash flow
 - Cash flow available for distribution and reinvestment (“CAD”)
- Attractive and consistent distributions
- Considerable financial strength and liquidity



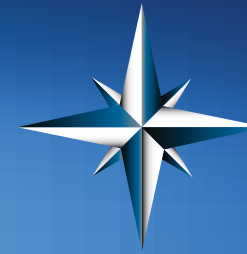
Significant value creation

- Substantial outperformance of indices since IPO

Total return:	CODI:	153.0%
	S+P 500:	91.5%
	DJIA:	105.4%
	Nasdaq:	133.1%

- Opportunistically monetized 6 businesses for realized gains of ~\$340million
 - Driven by earnings growth and multiple expansions
- Distributed \$12.12 per share since IPO

Note: Total Return from May 2006 through May 2015 and assumes reinvestment of dividends/distributions.



Value Creation Model

Maximize shareholder value and reinvest in the business





Branded Consumer

- Lifestyle brands with aspirational appeal
 - Market share leaders
 - Extendable into adjacent categories
 - Maintain pricing power in all economic environments



- Continued support of domestic and international distribution expansion
- Financial support of marketing efforts on new product launches
- Pursuing add-on acquisitions



- Improved distribution of award winning products
- Financial support for successful innovation of product suite
- Completed add-on acquisition



- Supported new \$8mm manufacturing line build-out
- Enhanced national marketing efforts
- Right-sized business levels for boom and bust cycle (2014 vs. 2013)
- Completed add-on acquisition



- Closing June/July 2015

Quarterly Results
Ended March

(\$ millions)	Three-Months '15	Three-Months '14	Change
Revenue	\$83.4	\$87.2	-4.3%
Adjusted EBITDA	\$17.3	\$18.7	-7.6%
Margin	20.7%	21.4%	-0.7bps

Annual Results

(\$ millions)	YTD 2014	YTD 2013	Change
Revenue	\$321.1	\$333.8	-3.8%
Adjusted EBITDA	\$60.8	\$69.3	-12.3%
Margin	18.9%	20.8%	-1.9bps

*Note: Excluding Liberty's results

YTD Revenue ↑ 11% and YTD EBITDA ↑ 13%

Niche Industrial

- Defensible niche industry leaders
 - Best in class manufacturing capabilities
 - Diversified end markets
 - Low capital expenditure requirements

Quarterly Results

(\$ millions)	Three-Months '15	Three-Months '14	Change
Revenue ⁽¹⁾	\$173.8	\$163.3	6.4%
Adjusted EBITDA ⁽¹⁾	\$22.1	\$21.6	2.3%
Margin ⁽¹⁾	12.7%	13.2%	-0.5bps

(1) Pro forma for Clean Earth and SternoCandleLamp for the three months ended 3/31/14

Annual Results

(\$ millions)	YTD 2014	YTD 2013	Change
Revenue ⁽²⁾	\$711.5	\$668.5	+6.4%
Adjusted EBITDA ⁽²⁾	\$104.6	\$91.4	+14.5%
Margin ⁽²⁾	14.7%	13.7%	+1.0bps

(2) Pro forma for Clean Earth and SternoCandleLamp as of 1/1/13

Compass Value-add:



- Continued support of add-on acquisitions



- Replaced management team during turnaround
- Supporting efforts to optimize margins



- Financial support of automotive green technology efforts



- Continued geographic expansion through add-on acquisitions



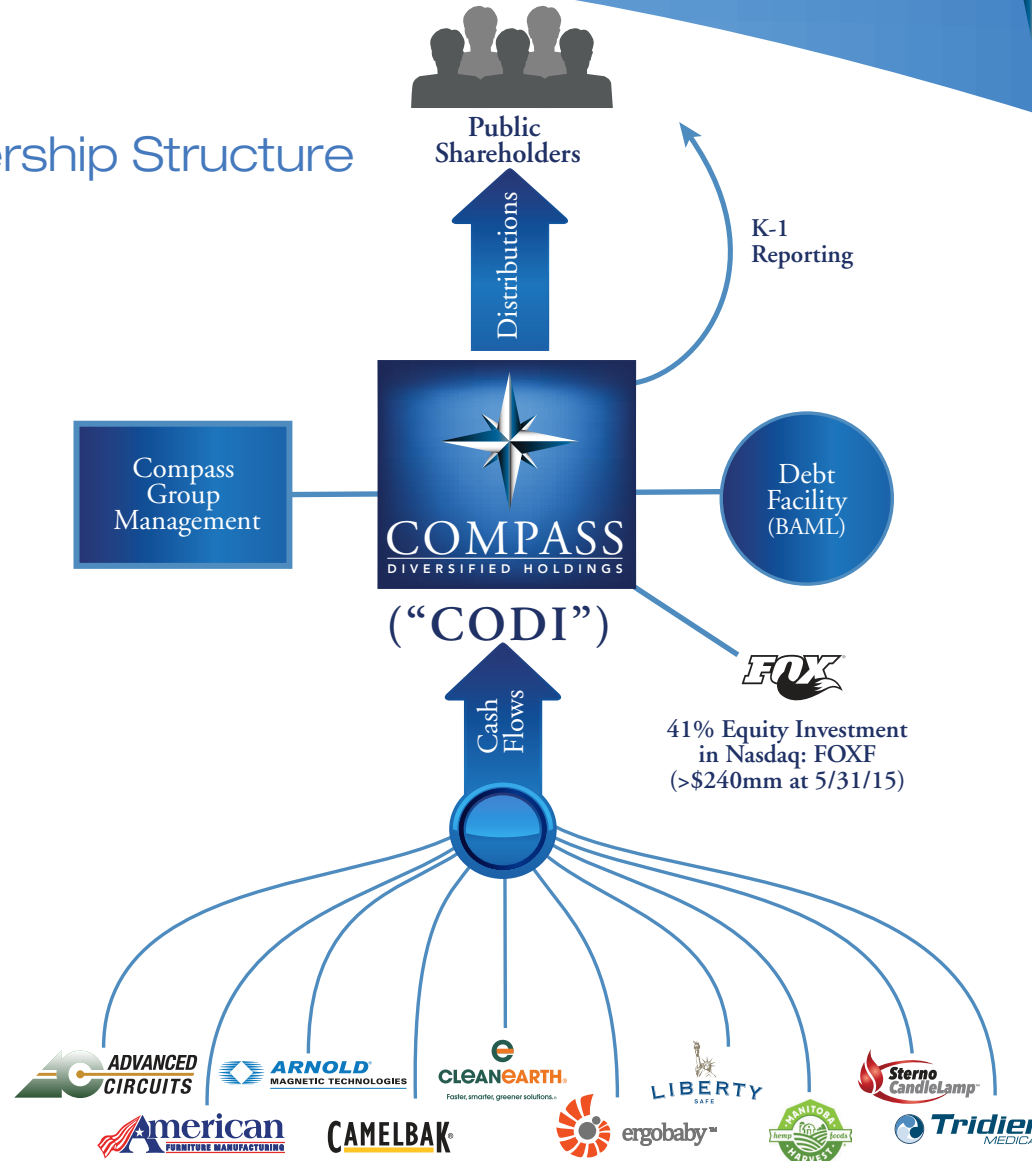
- Building strategy towards consumer retail product sales effort

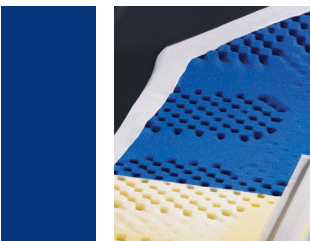
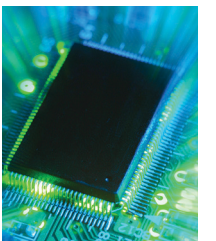


- Supporting R&D efforts of new products



CODI Partnership Structure





Financial Strength and Liquidity

Credit Facility with Bank of America Merrill Lynch

- \$400mm Revolver – Dry powder
- Revolver Availability at 3/31/15 >\$206mm
- \$325mm Term Loan
- \$200mm accordion feature

November 2014 Equity Offering

- \$100mm overnight offering
- 6mm shares sold

Improving Liquidity

- \$340mm realized gains since IPO
- >\$240mm equity investment in FOXF (Fox Factory)

Modest leverage ratio

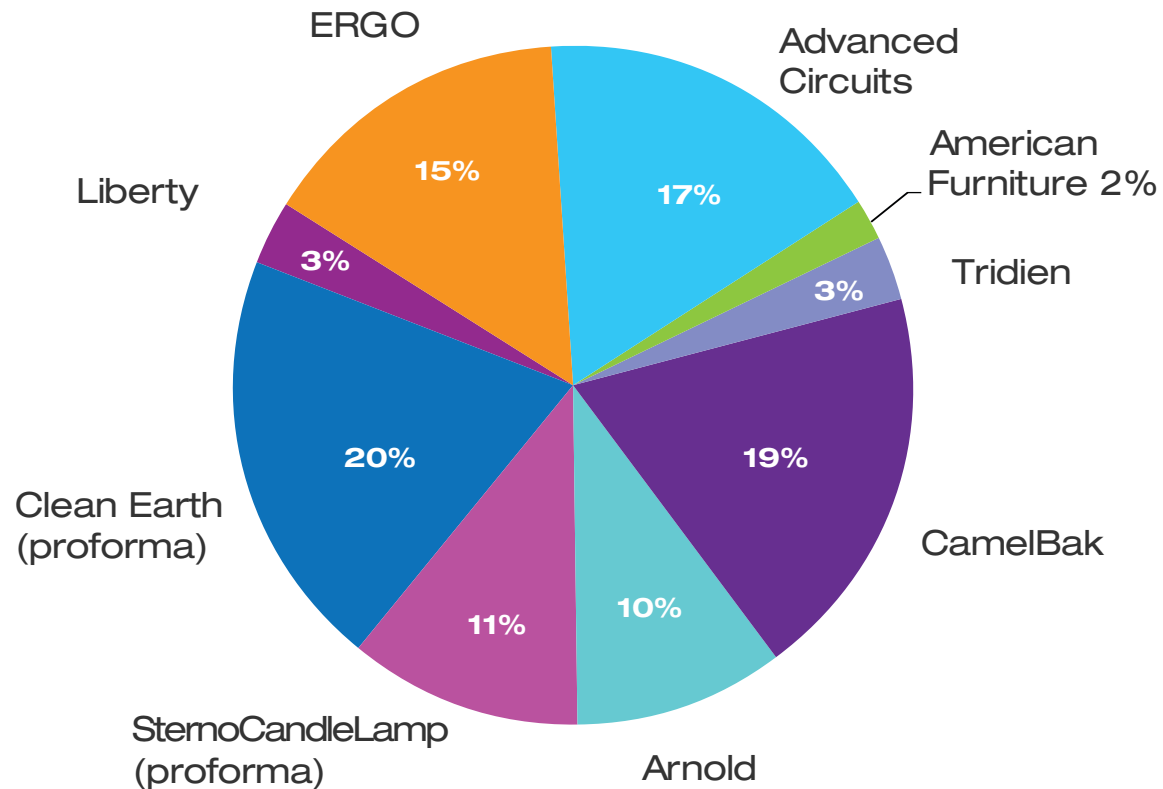
- ~ 3 times subsidiary ebitda



Current Subsidiaries - EBITDA Contribution

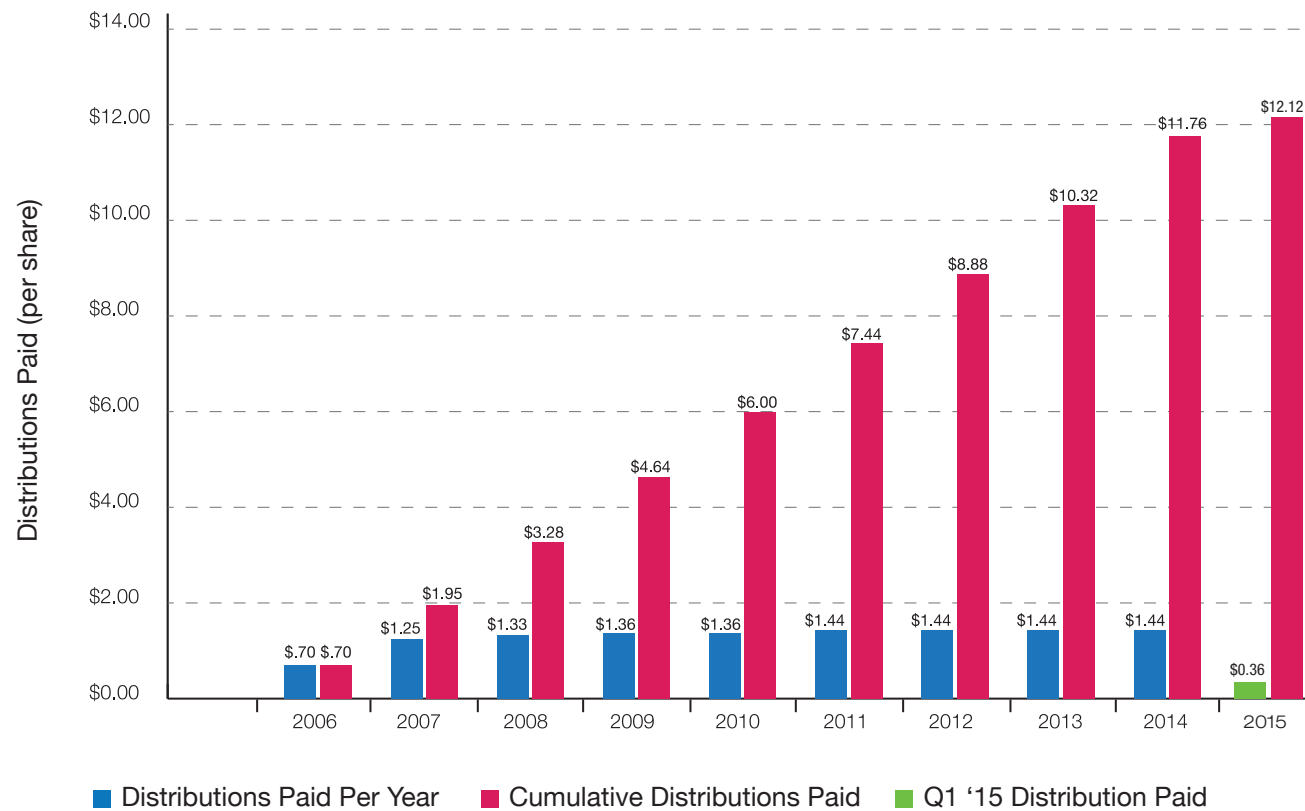
\$164.5mm in total EBITDA (excludes Fox results)

TTM March 3/31/15



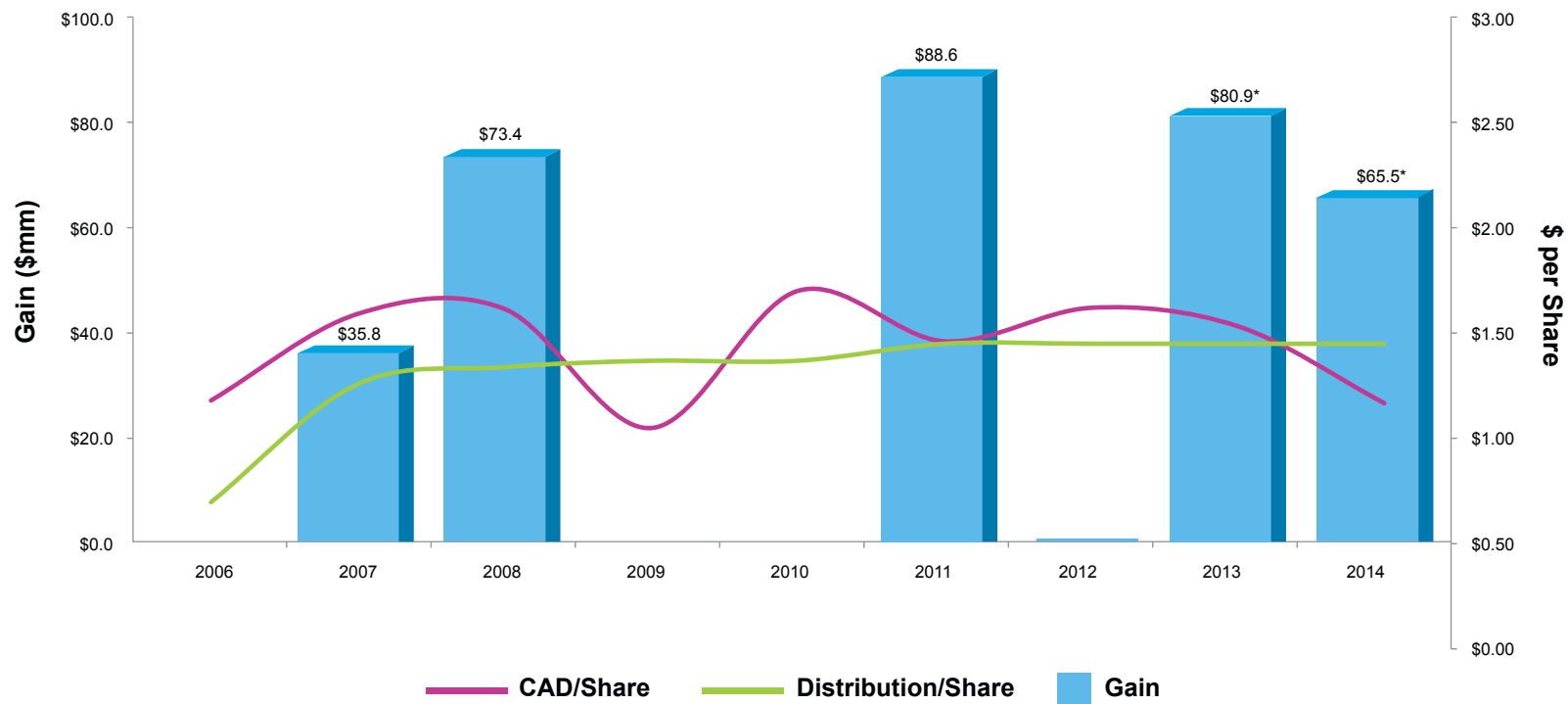


Distributions Paid Since IPO (approx. \$12.12 per share) >8.8% yield at 5/31/15





CAD, Distributions and Gains, since IPO



* Cash proceeds from FOXF offerings



Most Recent Acquisitions





Industry: Environmental services for a variety of contaminated materials including soils, dredged material, hazardous waste and drill cuttings

Purchase Price(August 2014): \$253mm

Competitive Strengths:

- Market share leader
- Significant portfolio of regulatory permits, processing knowledge and extensive equipment are difficult to replicate
- Benefitting from stricter environmental regulations as well as increasing costs of disposing in landfills
- Highly variable cost structure

Compass Value Added:

- Working with management team to develop its strategic plan and pursue acquisitions.

Financials:

(\$ millions)	Three-Months Ended <u>3/31/15</u>	Proforma Three-Months Ended <u>3/31/14</u>	Proforma Year-Ended <u>12/31/2014</u>	Proforma Year-Ended <u>12/31/2013</u>
Revenue	\$35.1	\$30.9	\$164.5	\$155.9
EBITDA	\$5.0	\$4.7	\$33.0	\$26.1





Industry: Foodservice and Consumer Products

Purchase Price(October 2014): \$161.5mm

Competitive Strengths:

- Leading manufacturer in a niche market
- Iconic brand with over 100 year history
- Strong management team with proven ability to make accretive acquisitions

Compass Value Added:

- Working with management team to develop its strategic plan to enter new markets.

Financials:

(\$ millions)	Three-Months Ended <u>3/31/15</u>	Proforma Three-Months Ended <u>3/31/14</u>	Proforma Year-Ended <u>12/31/2014</u>	Proforma Year-Ended <u>12/31/2013</u>
Revenue	\$28.6	\$29.7	\$140.9	\$133.6
EBITDA	\$3.7	\$3.8	\$18.7	\$13.6



Industry: Hemp-based foods

Purchase Price (Estimated close June/July 2015): C\$132.5mm

Competitive Strengths:

- Market share leader in Canada and the U.S.
- Passionate and loyal consumer following
- Strong management team; thought leaders in Hemp industry
- Vertically-integrated manufacturing model
- Unique access to highly regulated supply base

Compass Value Added:

- Working with management team to develop its strategic plan to reinvest in, and grow, the business

Financials:

(C\$ millions)	Six-Months Ended <u>5/31/15</u>	Twelve-Months Ended <u>5/31/15</u>
Revenue	~ C\$27	~ C\$44
EBITDA	~ C\$5	~ C\$6



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Existing Subsidiary Businesses

CAMELBAK®

Industry: Market leading provider of personal hydration products for outdoor, recreation and military applications

Purchase Price(August 2011): \$259mm

Competitive Strengths:

- Leading market share
 - #1 in reusable water bottles for specialty channels
 - #1 in recreational hands-free hydration packs
 - #1 in post-issue hydration packs for the U.S. military
- Authentic brand name / reputation
- Preferred partner to leading retailers and the military
- Passionate and enthusiastic customer base



Compass Value Added:

- Working with management to broaden international sales, expand product suite into everyday hydration and penetrate select areas of specialty retail

Financials:

(\$ millions)	Three-Months Ended <u>3/31/15</u>	Three-Months Ended <u>3/31/14</u>	Year- Ended <u>12/31/2014</u>	Year- Ended <u>12/31/2013</u>	Year- Ended <u>12/31/2012</u>
Revenue	\$36.9	\$38.8	\$148.7	\$139.9	\$157.6
EBITDA	\$7.5	\$9.6	\$33.1	\$32.3	\$40.0

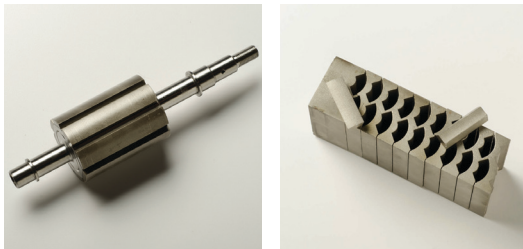


Industry: Engineered permanent magnet and magnetic assemblies manufacturer

Purchase Price(March 2012): \$131mm

Competitive Strengths:

- Market share leader
- Attractive and diverse end-markets
- Engineering and product development capabilities
- Stable blue chip customer base – 2,000+ customers globally
- Global manufacturing footprint



Compass Value Added:

- Working with management in the pursuit of acquisitions, the development of its strategic plan, organic growth initiatives and sourcing program

Financials:

(\$ millions)	Three-Months Ended <u>3/31/15</u>	Three-Months Ended <u>3/31/14</u>	Year- Ended <u>12/31/2014</u>	Year- Ended <u>12/31/2013</u>	Year- Ended <u>12/31/2012</u>
Revenue	\$31.2	\$30.7	\$123.2	\$126.6	\$127.4
EBITDA	\$4.1	\$3.7	\$16.3	\$17.7	\$16.8



Industry: Promotionally priced upholstered furniture manufacturing product line includes stationary and motion sofas, loveseats, sectionals, and recliners

Purchase Price(August 2007): \$97mm

Competitive Strengths:

- Low cost domestic manufacturer; ability to ship most product in its product line within 48 hours
- Insulated from foreign imports due to transportation economics and customer demands

Compass Value Added:

- Working with new management team to rationalize infrastructure, optimize margins, improve product costing information, and expand sales force.



Financials:

(\$ millions)	Three-Months Ended <u>3/31/15</u>	Three-Months Ended <u>3/31/14</u>	Year- Ended <u>12/31/2014</u>	Year- Ended <u>12/31/2013</u>	Year- Ended <u>12/31/2012</u>
Revenue	\$40.9	\$34.8	\$129.7	\$104.9	\$91.5
EBITDA	\$1.7	\$1.2	\$3.9	\$0.4	\$(1.1)



Industry: Quick-turn production and prototype printed circuit board (“PCB”) manufacturing

Purchase Price(May 2006): \$81mm + \$19mm add-on acquisitions

Competitive Strengths:

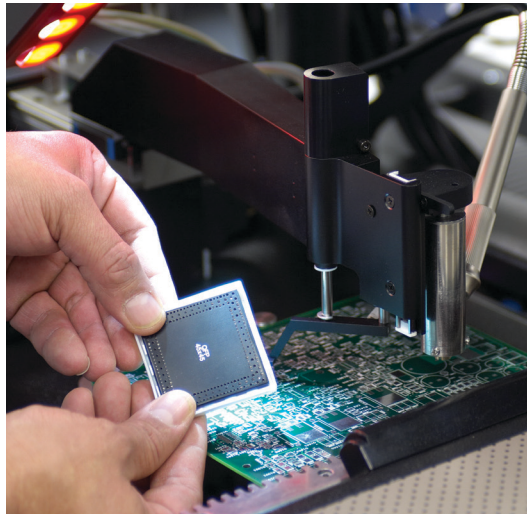
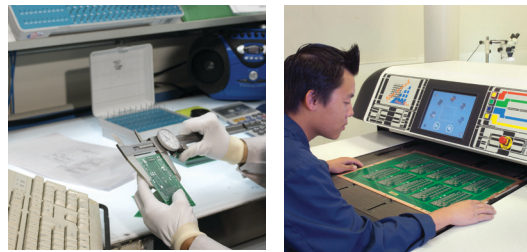
- Insulated from Asian manufacturing due to small, customized order size and requirements for rapid turnaround
- Largest quick turn manufacturer in the US; 300+ unique daily orders received
- Manufacturing scale produces high margins
- Completed accretive acquisitions of Circuit Express and UCI
- Diverse customer base – 10,000 current customers
- Approximate 30% EBITDA margins

Compass Value Added:

- Working with management to identify and consummate acquisitions and build complementary quick turn assembly business

Financials:

(\$ millions)	Three-Months Ended <u>3/31/15</u>	Three-Months Ended <u>3/31/14</u>	Year-Ended <u>12/31/2014</u>	Year-Ended <u>12/31/2013</u>	Year-Ended <u>12/31/2012</u>
Revenue	\$21.4	\$20.9	\$85.9	\$87.4	\$84.1
EBITDA	\$6.6	\$6.8	\$27.6	\$28.3	\$29.8





Industry: Premium home and gun safe manufacturing

Purchase Price(March 2010): \$70mm + \$1mm add-on acquisition

Competitive Strengths:

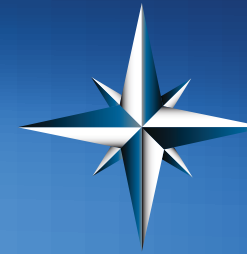
- Market share leader
- Well-known brand names
- Category management capabilities for customers
- Low cost domestic manufacturer

Compass Value Added:

- Working with management to right-size business and reduce inventory levels. Continue national marketing efforts and pursuit of organic growth initiatives

Financials:

(\$ millions)	Three-Months Ended <u>3/31/15</u>	Three-Months Ended <u>3/31/14</u>	Year- Ended <u>12/31/2014</u>	Year- Ended <u>12/31/2013</u>	Year- Ended <u>12/31/2012</u>
Revenue	\$25.9	\$28.9	\$90.1	\$126.5	\$91.6
EBITDA	\$3.2	\$3.5	\$4.5	\$19.5	\$13.8



Industry: Medical support surfaces product line includes specialty beds, mattress replacements, overlays, and patient positioning devices

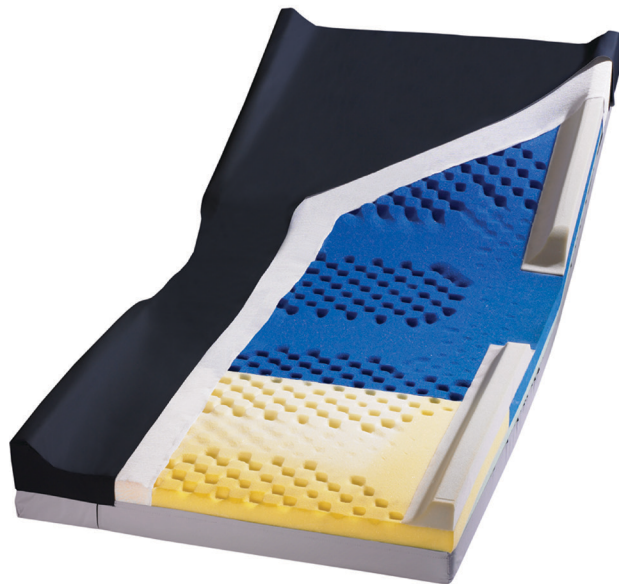
Purchase Price(August 2006): \$31mm + \$7mm add-on acquisition

Competitive Strengths:

- Cost savings through scale purchasing and operational improvements
- Full product line consisting of foam, air, gel and combination surfaces
- Significant intellectual property; FDA approvals

Compass Value Added:

- Working with management on research and development opportunities for new products.



Financials:

(\$ millions)	Three-Months Ended <u>3/31/15</u>	Three-Months Ended <u>3/31/14</u>	Year- Ended <u>12/31/2014</u>	Year- Ended <u>12/31/2013</u>	Year- Ended <u>12/31/2012</u>
Revenue	\$16.6	\$16.3	\$67.3	\$60.1	\$55.9
EBITDA	\$0.9	\$1.5	\$5.2	\$5.3	\$6.4



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Feature Presentation

Margaret Hardin, CEO Ergobaby



Closing Remarks

Compass Diversified Holdings (CODI)

- Disciplined and patient deployment of capital
- Demonstrated history of value creation
- Poised for continued growth
- Predictable and strong free cash flow
- Attractive and consistent distributions
- Considerable financial strength and liquidity
- Transparency and corporate governance



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