



Weight Watchers Reports Record Worldwide Attendance in 2001

WOODBURY, N.Y. –Feb. 19, 2002 – Weight Watchers International, Inc. (NYSE-WTW) today announced its results for the fourth quarter and fiscal year ended December 29, 2001. In summarizing the year's results, President and CEO Linda Huett cited a number of operational accomplishments that contributed to the company's revenue and earnings growth. "I am very pleased with our success in increasing market penetration, introducing innovative new products, and intelligently expanding the offerings under our valuable Weight Watchers brand," said Huett. "We continue to strengthen our position as the leader in our industry."

Highlights for the Year

The company:

- Acquired and successfully integrated Weighco Enterprises, one of its two largest franchisees.
- Increased worldwide attendance at company-owned meetings by 17.1%, to 47.0 million from 40.1 million in 2000. (Pro forma to include attendance from Weighco Enterprises in both years.)
- Increased pro forma annual revenues by 27.8%, driven by both attendance and product sales growth.
- Increased pro forma operating margins to 31.2% of revenues from 25.7% in 2000.
- Successfully completed its IPO and listed its shares on the New York Stock Exchange.

Financial Results

For the fiscal 2001 fourth quarter, the company had net revenues of \$145.5 million and net income of \$81.4 million, or \$0.75 per diluted share, including the reversal of a \$71.9 million income tax valuation allowance that had been set up concurrent with Heinz's September 1999 sale of the company. Excluding the impact of this reversal on the provision for income taxes, fourth quarter net income was \$9.5 million, or \$0.09 per diluted share. The fourth quarter results include a \$1.8 million after-tax (\$0.02 per diluted share) foreign currency translation gain, net of hedges, related to the company's euro-denominated debt. Due to the company's change in fiscal year to a December year-end, there is no comparable fourth quarter available for the prior year. However, the company's results compare favorably with the analysts' consensus fourth quarter net income estimate of \$0.04 per diluted share.

Net revenues for the fiscal year ended December 29, 2001 were \$623.9 million, a 42.0% increase compared with \$439.4 million for the year ended December 30, 2000. Pro forma for the Weighco acquisition, net revenues grew 27.8% from \$488.2 million in the prior year. Pro forma 2000 results assume Weight Watchers owned Weighco for all of 2000, rather than since the actual acquisition date of January 16, 2001. Net income for the twelve months ending December 29, 2001, was \$145.8 million, or \$1.31 per diluted share. Excluding the \$71.9 million reversal of an income tax valuation allowance, net income was \$73.8 million, or \$0.67 per diluted share.

Ms. Huett continued, “The fourth quarter capped another great year for Weight Watchers. During 2001 we achieved record worldwide attendance. At the same time our continuous focus on both our operating efficiencies and marketing effectiveness helped drive margin expansion. While our initial public offering could have diverted our attention, the entire Weight Watchers team stayed focused on what drives our business—serving our members—enabling us to finish the year on a high note.”

2002 Accounting Changes

The company recorded \$9.8 million of pre-tax or \$6.4 million of after-tax (\$0.06 per diluted share) goodwill amortization expense in 2001. Beginning in January 2002, the company adopted the Financial Accounting Standards Board (FASB) Statement No. 142, “Goodwill and Other Intangible Assets.” Under this statement, goodwill and indefinite lived intangible assets will no longer be amortized but will be subject to annual impairment tests in accordance with the new standard.

Fourth-Quarter and Full-Year Conference Call

The company has scheduled a conference call on Wednesday, February 20, 2002 at 10:00 A.M. EST. During the conference call, Linda A. Huett, President and CEO, and Thomas S. Kiritsis, Vice President Finance, Chief Financial Officer, will discuss fourth-quarter and full-year results for 2001. Live audio of the conference call will be simultaneously broadcast over the Internet at the following Web site, www.weightwatchers.econcall.net and by calling 973-321-1030.

About Weight Watchers

Weight Watchers International, Inc., is the world’s leading provider of weight-loss services, operating in 30 countries through a network of company-owned and franchise operations. Currently, over one million members attend weekly Weight Watchers meetings to receive group support and education about healthy eating patterns, behavior modification and physical activity. In addition, Weight Watchers offers a wide range of products, publications and programs for those interested in weight loss and weight control.

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. While the management of Weight Watchers International believes that current expectations reflect reasonable assumptions, actual results could vary materially depending on risks and uncertainties. The reports filed by the company pursuant to United States securities laws contain detailed discussions of these factors and certain other risks. Weight Watchers International assumes no obligation to update this information. Readers are advised to review these reports (which are available from the United States Securities and Exchange Commission’s EDGAR database at <http://www.sec.gov> and at various other reference facilities in the United States).

Note:

The results of operations for the twelve months ended December 30, 2000 have been derived from historical results of operations for the eight months ended December 30, 2000 plus the results of operations for the four months ended April 29, 2000, which are derived from results of operations for the historical fiscal year ended April 29, 2000.

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(Tables to follow)

WEIGHT WATCHERS INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(IN MILLIONS)

	December 29, 2001	December 30, 2000
	<u> </u>	<u> </u>
ASSETS		
Current assets	\$ 83.9	\$ 93.4
Property and equipment, net	10.7	8.1
Notes and other receivables, noncurrent	0.3	5.6
Goodwill, trademarks and other intangible assets, net	241.2	157.5
Deferred income taxes	136.3	67.2
Deferred financing costs, other	10.5	14.3
TOTAL ASSETS	<u>\$ 482.9</u>	<u>\$ 346.1</u>
LIABILITIES, REDEEMABLE PREFERRED STOCK AND SHAREHOLDERS' DEFICIT		
Current liabilities	\$ 108.0	\$ 83.2
Long-term debt	458.3	456.5
Deferred income taxes	3.2	3.1
Other	0.9	0.1
TOTAL LIABILITIES	<u>570.4</u>	<u>542.9</u>
Redeemable preferred stock	26.0	26.0
Shareholders' deficit	<u>(113.5)</u>	<u>(222.8)</u>
TOTAL LIABILITIES, REDEEMABLE PREFERRED STOCK AND SHAREHOLDERS' DEFICIT	<u>\$ 482.9</u>	<u>\$ 346.1</u>

WEIGHT WATCHERS INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(IN MILLIONS, EXCEPT PER SHARE AMOUNTS)

	<u>Three Months Ended</u>	<u>Twelve Months Ended</u>		
	<u>(13 weeks)</u>	<u>(52 weeks)</u>	<u>(54 weeks)</u>	<u>(54 weeks)</u>
	<u>December 29,</u> <u>2001</u>	<u>December 29,</u> <u>2001</u>	<u>December 30,</u> <u>2000</u>	<u>Pro Forma</u> <u>December 30,</u> <u>2000</u>
Revenues, net	\$ 145.5	\$ 623.9	\$ 439.4	\$ 488.2
Cost of revenues	71.3	286.4	218.0	237.5
Gross profit	74.2	337.5	221.4	250.7
Marketing expenses	18.2	69.7	54.8	58.9
Selling, general and administrative expenses	16.2	73.0	56.3	66.2
Operating income	39.8	194.8	110.3	125.6
Interest expense	12.5	54.5	57.6	66.8
Other expenses, net	4.4	13.2	3.5	4.1
Income before income taxes, minority interest and extraordinary item	22.9	127.1	49.2	54.7
(Benefit from) Provision for income taxes	(61.8)	(23.2)	18.1	20.1
Income before minority interest and extraordinary item	84.7	150.3	31.1	34.6
Minority interest	-	0.1	0.3	0.3
Income before extraordinary item	84.7	150.2	30.8	34.3
Extraordinary charge on early extinguishment of debt, net of taxes	2.9	2.9	-	-
Net Income	81.8	147.3	30.8	34.3
Preferred stock dividends	0.4	1.5	1.5	1.5
Net income available to common shareholders	<u>\$ 81.4</u>	<u>\$ 145.8</u>	<u>\$ 29.3</u>	<u>\$ 32.8</u>
Basic Net Income per share:				
Income before extraordinary item	\$ 0.80	\$ 1.37	\$ 0.26	\$ 0.29
Extraordinary item, net of taxes	(0.03)	(0.03)	-	-
Net income	<u>\$ 0.77</u>	<u>\$ 1.34</u>	<u>\$ 0.26</u>	<u>\$ 0.29</u>
Diluted Net Income per share:				
Income before extraordinary item	\$ 0.78	\$ 1.34	\$ 0.26	\$ 0.29
Extraordinary item, net of taxes	(0.03)	(0.03)	-	-
Net income	<u>\$ 0.75</u>	<u>\$ 1.31</u>	<u>\$ 0.26</u>	<u>\$ 0.29</u>
Weighted Average Shares common shares outstanding:				
Basic	105.4	108.7	112.0	112.0
Diluted	108.3	111.0	112.0	112.0

Pro forma results for 2000 assume the acquisition of Weighco occurred at the beginning of the fiscal year.

Certain expenses have been reclassified from Other expenses, net to Selling, general and administrative expenses.

Due to the company's change in fiscal year to a December year-end, there is no comparable fourth quarter available for the prior year.

WEIGHT WATCHERS INTERNATIONAL, INC. AND SUBSIDIARIES
OPERATING STATISTICS
(IN MILLIONS)
(UNAUDITED)

	<u>Three Months Ended</u>		<u>Twelve Months Ended</u>		
	<u>(13 weeks)</u>	<u>(13 weeks)</u>	<u>(52 weeks)</u>	<u>(54 weeks)</u>	<u>(54 weeks)</u>
	<u>December 29,</u>	<u>December 30,</u>	<u>December 29,</u>	<u>December 30,</u>	<u>December 30,</u>
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>	<u>2000</u>
<u>Attendance</u>					
North America	5.5	4.0	23.4	18.8	14.3
International	5.1	5.0	23.5	21.4	21.4
Total Attendance	<u>10.5</u>	<u>9.0</u>	<u>47.0</u>	<u>40.1</u>	<u>35.7</u>
<u>Supplemental Attendance detail</u>					
UK	2.3	2.4	11.6	11.2	11.2
CE	2.1	1.9	8.7	7.0	7.0
Other	0.8	0.7	3.2	3.2	3.2
Total International Attendance	<u>5.1</u>	<u>5.0</u>	<u>23.5</u>	<u>21.4</u>	<u>21.4</u>
<u>North America</u>					
Meetings Fees	\$ 63.9		\$ 262.5	\$ 201.6	\$ 150.3
Products Sales	\$ 25.0		\$ 99.6	\$ 57.3	\$ 54.6
Total	<u>\$ 88.8</u>		<u>\$ 362.1</u>	<u>\$ 258.9</u>	<u>\$ 205.0</u>
<u>International</u>					
Meetings Fees	\$ 33.3		\$ 153.2	\$ 141.9	\$ 141.9
Products Sales	\$ 15.4		\$ 70.7	\$ 57.6	\$ 57.6
Total	<u>\$ 48.7</u>		<u>\$ 224.0</u>	<u>\$ 199.5</u>	<u>\$ 199.5</u>
<u>Total Sales</u>					
Meeting Fees	\$ 97.2		\$ 415.7	\$ 343.5	\$ 292.2
Product Sales	\$ 40.3		\$ 170.4	\$ 115.0	\$ 112.3
Domestic Franchise Commissions	\$ 4.8		\$ 23.3	\$ 18.3	\$ 23.8
Foreign Franchise Commissions	\$ 1.2		\$ 5.0	\$ 4.5	\$ 4.5
All Other	\$ 2.0		\$ 9.5	\$ 7.0	\$ 6.6
Total Sales	<u>\$ 145.5</u>		<u>\$ 623.9</u>	<u>\$ 488.2</u>	<u>\$ 439.4</u>

Note: Totals may not sum due to rounding.