



Spectrum Brands Announces Actions to Enhance Operating Efficiency and Reduce Costs

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Business Units Streamlined Into Three Product-Focused, Vertically Integrated Operating Units

ATLANTA--(BUSINESS WIRE)--Jan. 10, 2007--Spectrum Brands, Inc. (NYSE:SPC), a global consumer products company with a diverse portfolio of world-class brands, today announced its plans to realign the Company's four operating segments into three vertically integrated, product-focused operating units: Global Batteries & Personal Care, Home & Garden and Global Pet Supplies.

"The actions we announced today will make Spectrum Brands a stronger, more efficient and competitive company," said Dave Jones, Chairman and Chief Executive Officer of Spectrum Brands. "By streamlining the business into three product-oriented operating units, we will significantly enhance our competitive focus and improve our cost structure. These changes will allow us to go to market faster with new, innovative products, as well as improve our ability to efficiently allocate resources on a worldwide basis. This business unit realignment will also facilitate the orderly execution of the asset sale process we announced in July."

The consolidation of the Company's four geography-based segments (North America, Latin America, Europe/ROW, and Global Pet) into three operating segments (Global Batteries & Personal Care, Home & Garden and Global Pet Supplies) will begin immediately. The Company's Global Operations organization will be consolidated within the three business segments. Commencing in the second quarter of fiscal 2007, Spectrum's financial reporting will reflect segment results for the three global business units under the new operational structure.

David Lumley, formerly President, North America for Spectrum Brands, has been named President, Global Batteries & Personal Care and Home & Garden, and Co-Chief Operating Officer of Spectrum Brands. Remy Burel, President, Europe/ROW, and Hartmut Junghahn, Executive Vice President, Latin America, will continue to oversee their respective regions for the Global Batteries & Personal Care division, reporting to Mr. Lumley.

John Heil will continue in his role as President, Global Pet Supplies, and has been named Co-Chief Operating Officer of Spectrum Brands.

Kent Hussey, formerly the Company's President and Chief Operating Officer, has been appointed Vice Chairman of Spectrum Brands, responsible for spearheading the strategic direction of the Company and for corporate business development.

Randall Steward, Executive Vice President and Chief Financial Officer, will report directly to Mr. Jones, Chairman and Chief Executive Officer. Ken Biller, President, Global Operations, will oversee consolidation of the Global Operations organization into the three new business units and will report directly to Mr. Jones.

In conjunction with these changes, Spectrum Brands will undertake a number of cost reduction actions at the corporate and operating levels, including a reduction in headcount of approximately 100 employees. "Our new structure will enable Spectrum to operate more efficiently and profitably by eliminating duplicative staff functions and overhead in each of our business units, and downsizing our corporate infrastructure," said Jones. "At the same time, the changes will reinvigorate our competitive focus, allowing us to move quickly to capture new growth opportunities."

Conference Call

Further details regarding today's announcement will be made available during Spectrum Brands' regularly scheduled earnings conference call to be held at 8:30 a.m. EST, Thursday, February 1. To listen to the call, please dial (800) 592-7713 (U.S.) or (706) 679-4191 (international), conference ID 4876524. The call will also be accessible via webcast through the company's website, www.spectrumbrands.com, and will be archived online until February 20, 2006.

Forward Looking Statement

Certain matters discussed in this news release, with the exception of historical matters, may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to a number of risks and uncertainties that could cause results to differ materially from those anticipated as of the date of this release. Actual results may differ materially from these statements as a result of (1) changes in external competitive market factors, such as introduction of new product features or technological developments, development of new competitors or competitive brands or competitive promotional activity or spending, (2) changes in consumer demand for the various types of products Spectrum Brands offers, (3) changes in the general economic conditions where Spectrum Brands does business, such as interest rates, currency exchange rates, inflation, consumer spending and raw material costs, (4) the company's ability to successfully implement manufacturing, distribution and other cost efficiencies, and various other factors, including those discussed herein and those set forth in Spectrum Brands' securities filings, including the most recently filed Annual Report on Form 10-K.

About Spectrum Brands, Inc.

Spectrum Brands is a global consumer products company and a leading supplier of batteries, lawn and garden care products, specialty pet supplies, shaving and grooming products, household insect control products, personal care products and portable lighting. Spectrum Brands' products are sold by the world's top 25 retailers and are available in more than one million stores in more than 120 countries around the world. Headquartered in Atlanta, Georgia, Spectrum Brands generates annual revenue of approximately \$2.5 billion. The company's stock trades on the New York Stock Exchange under the symbol SPC.

CONTACT: Investor Contact:
Spectrum Brands

Nancy O'Donnell, 770-829-6208

VP Investor Relations

or

Media Contact:

For Spectrum Brands

Sard Verbinnen & Co

Matt Benson, 415-618-8750

mbenson@sardverb.com

or

Jamie Tully, 212-687-8080

jtully@sardverb.com

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