

Fiscal 2020 Second Quarter Earnings Call

Presented 04/30/2020

Agenda

- **Introduction**
Kevin Kim
Divisional Vice President, Investor Relations
- **CEO Overview and Outlook**
David Maura
Chairman and Chief Executive Officer
- **Financial Review**
Jeremy Smeltser
Chief Financial Officer
- **Business Review**
Randy Lewis
Chief Operating Officer
- **Q&A**
David Maura
Jeremy Smeltser
Randy Lewis

Forward-Looking Statements

This document contains, and certain oral and written statements made by our representatives from time to time may contain, forward-looking statements, including, without limitation, statements made under “Fiscal 2020 Outlook for Continuing Operations”, statements regarding our Global Productivity Improvement Plan and other statements regarding the Company’s ability to meet its expectations for its fiscal 2020. We have tried, whenever possible, to identify these statements by using words like “future,” “anticipate,” “intend,” “plan,” “estimate,” “believe,” “belief,” “expect,” “project,” “forecast,” “could,” “would,” “should,” “will,” “may,” and similar expressions of future intent or the negative of such terms. 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 as a result of (1) the impact of the COVID-19 pandemic on our customers, employees and suppliers and our overall business and results of operations (2) the impact of our indebtedness on our business, financial condition and results of operations; (3) the impact of restrictions in our debt instruments on our ability to operate our business, finance our capital needs or pursue or expand business strategies; (4) any failure to comply with financial covenants and other provisions and restrictions of our debt instruments; (5) the effects of general economic conditions, including the impact of, and changes, to tariffs and trade policies, inflation, recession or fears of a recession, depression or fears of a depression, labor costs and stock market volatility or monetary or fiscal policies in the countries where we do business; (6) the impact of fluctuations in commodity prices, costs or availability of raw materials or terms and conditions available from suppliers, including suppliers’ willingness to advance credit; (7) interest rate and exchange rate fluctuations; (8) the loss of significant reduction in, or dependence upon, sales to any significant retail customer(s); (9) competitive promotional activity or spending by competitors, or price reductions by competitors; (10) the introduction of new product features or technological developments by competitors and/or the development of new competitors or competitive brands; (11) the impact of actions taken by significant stockholders; (12) changes in consumer spending preferences and demand for our products; (13) our ability to develop and successfully introduce new products, protect our intellectual property and avoid infringing the intellectual property of third parties; (14) our ability to successfully identify, implement, achieve and sustain productivity improvements (including our Global Productivity Improvement Plan), cost efficiencies (including at our manufacturing and distribution operations), and cost savings; (15) the seasonal nature of sales of certain of our products; (16) the effects of climate change and unusual weather activity; (17) the cost and effect of unanticipated legal, tax or regulatory proceedings or new laws or regulations (including environmental, public health and consumer protection regulations); (18) our discretion to conduct, suspend or discontinue our share repurchase program (including our discretion to conduct purchases, if any, in a variety of manners such as open-market purchases or privately negotiated transactions) (19) public perception regarding the safety of products that we manufacture and sell, including the potential for environmental liabilities, product liability claims, litigation and other claims related to products manufactured by us and third parties; (20) the impact of existing, pending or threatened litigation, government regulations or other requirements or operating standards applicable to our business; (21) the impact of cybersecurity breaches or our actual or perceived failure to protect company and personal data; (22) changes in accounting policies applicable to our business; (23) our ability to utilize net operating loss carry-forwards to offset tax liabilities from future taxable income; (24) the impact of expenses resulting from the implementation of new business strategies, divestitures or current and proposed restructuring activities; (25) our ability to successfully implement further acquisitions or dispositions and the impact of any such transactions on our financial performance; (26) the unanticipated loss of key members of senior management and the transition of new members of our management teams to their new roles; (27) the effects of political or economic conditions, terrorist attacks, acts of war, natural disasters, public health concerns or other unrest in international markets; and (28) the other risk factors set forth in the securities filings of Spectrum Brands Holdings, Inc. and SB/RH Holdings, LLC, including their most recently filed Annual Report on Form 10-K and subsequent Quarterly Report(s) on Form 10-Q.

We caution the reader that our estimates of trends, market share, retail consumption of our products and reasons for changes in such consumption are based solely on limited data available us and our management’s reasonable assumptions about market conditions, and consequently may be inaccurate or may not reflect significant segments of the retail market. We also caution the reader that undue reliance should not be placed on any forward-looking statements, which speak only as of the date of this release. We undertake no duty or responsibility to update any of these forward-looking statements to reflect events or circumstances after the date of this document or to reflect actual outcomes.

Reconciliation of Non-GAAP Financial Measurements



Management believes that certain non-GAAP financial measures may be useful in certain instances to provide additional meaningful comparisons between current results and results in prior operating periods. Within this presentation, including the tables that follow, reference is made to organic net sales, adjusted diluted earnings per share (EPS), adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) and adjusted EBITDA margin.

Management believes that organic net sales provide for a more complete understanding of underlying business trends of regional and segment performance by excluding the impact of currency exchange fluctuations and the impact of acquisitions (when applicable) when there is no comparable sales in the prior period. Organic growth is calculated by comparing organic net sales to net sales in the prior year. The effect of changes in currency exchange rates is determined by translating the period's net sales using the currency exchange rates that were in effect during the prior comparative period. Management uses adjusted diluted EPS as a useful measure for providing further insight into our operating performance because it eliminates the effects of certain items that are not comparable from one period to the next. An income tax adjustment is included in adjusted diluted EPS to exclude the impact of the valuation allowance against deferred taxes and other tax-related items in order to reflect a normalized ongoing effective tax rate of 25%. Adjusted EBITDA is a metric used by management to evaluate segment performance and frequently used by the financial community which provides insight into an organization's operating trends and facilitates comparisons between peer companies, because interest, taxes, depreciation and amortization can differ greatly between organizations as a result of differing capital structures and tax strategies. Adjusted EBITDA can also be a useful measure for determining Spectrum Brands' debt covenant compliance. Adjusted EBITDA excludes certain items that are unusual in nature or not comparable from period to period. Adjusted EBITDA margin reflects adjusted EBITDA as a percentage of net sales.

Spectrum Brands provides this information to investors to assist in comparisons of past, present and future operating results and to assist in highlighting the results of on-going operations. While Spectrum Brands' management believes that non-GAAP measurements are useful supplemental information, such adjusted results are not intended to replace the Spectrum Brands' GAAP financial results and should be read in conjunction with those GAAP results. Supplemental tables have been provided within this presentation to demonstrate reconciliation of non-GAAP measurements discussed in the most relevant GAAP financial measurements.

All GAAP reconciliations are available at www.spectrumbrands.com

CEO Overview & Outlook

David Maura

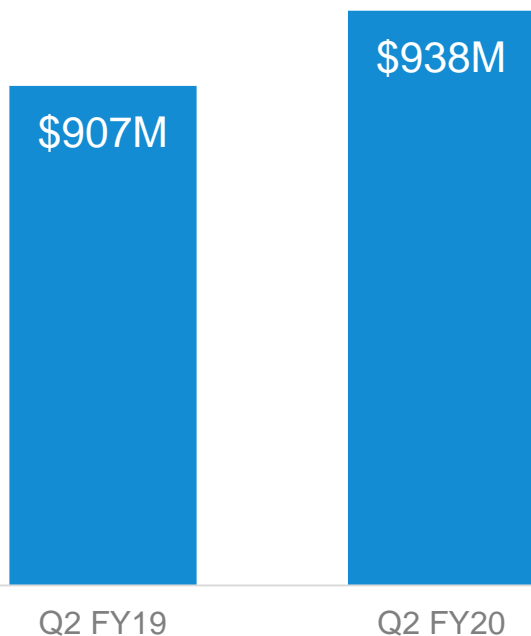
Presented 04/30/2020



Second Quarter 2020 Total SPB

Net Sales

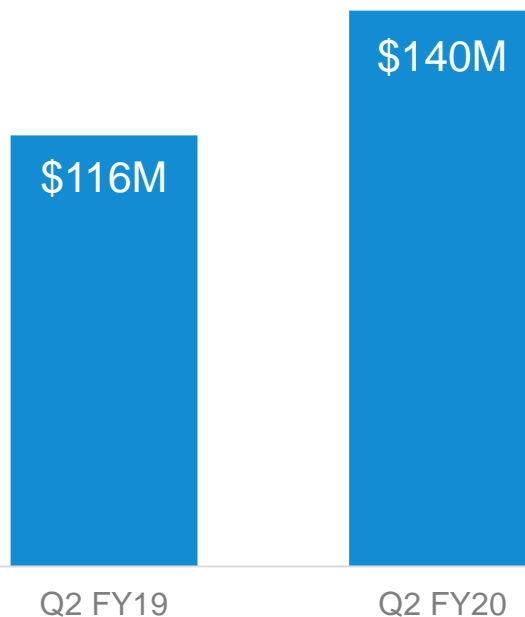
+3.4%



Organic Sales +4.1%

Adj. EBITDA

+21.5%



Operating Income +62.7%

KEY TAKEAWAYS

- Our Spectrum team worked tirelessly to **ensure the health and safety of our employees** across the globe
- Diverse with **four different business units** with all four of our operating companies deemed essential
- **Strong top and bottom-line results**
- Increased the amount of cash on hand to **strengthen liquidity**
- Importance of **strong and consistent execution**

SPB - Disciplined Approach



- **Disciplined approach** to supply chain disruptions in China which delayed some shipments and sales during Q2

- **Servant leadership + operational excellence**



Cutter Hand Sanitizer - Speed and Flexibility

- Part of Blacksburg, VA facility quickly repurposed
- Donations to community partners across the country
- Now selling on Amazon

Cutter PRODUCTS · ACTIVE INGREDIENTS · TIPS & INFORMATION · WHERE TO BUY

HOME > CUTTER™ BRAND PRODUCES HAND SANITIZER

HAND SANITIZER

FROM THE MAKERS OF CUTTER™ BRAND

Cutter™ Brand Produces Hand Sanitizer

To help families navigate these uncertain times, the maker of Cutter™ products has shifted production in its Blacksburg, Va., manufacturing plant to produce hand sanitizer.

The hand sanitizer is being produced to support the company's facilities, U.S. employees, and local organizations in communities where the company operates.

HAND SANITIZER

from the makers of Cutter™ Brand

Use on hands to help reduce bacteria that potentially can cause illness — for use when soap and water are not available. Directions: Place enough product on hands to cover all surfaces. Rub hands together until dry.

- Great alternative when soap & water are not available
- Alcohol antiseptic 60% topical solution
- Antiseptic hand rub
- Non-sterile solution
- Convenient spray

LEARN MORE

Learn More

To learn more on how to protect yourself and others, please visit the [CDC website](#).



CEO Overview

- Our Spectrum 20/20 guiding principles remain **Vision, Clarity** and **Focus**
- **Withdrawing fiscal 2020 guidance**
- Working to **deliver significant long-term value creation and produce sustainable growth** going forward



Financial Review

Jeremy Smeltser

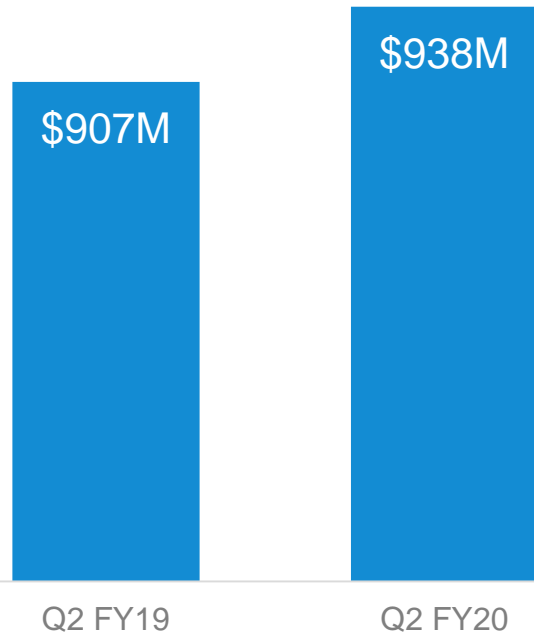
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Second Quarter 2020 Total SPB

Net Sales

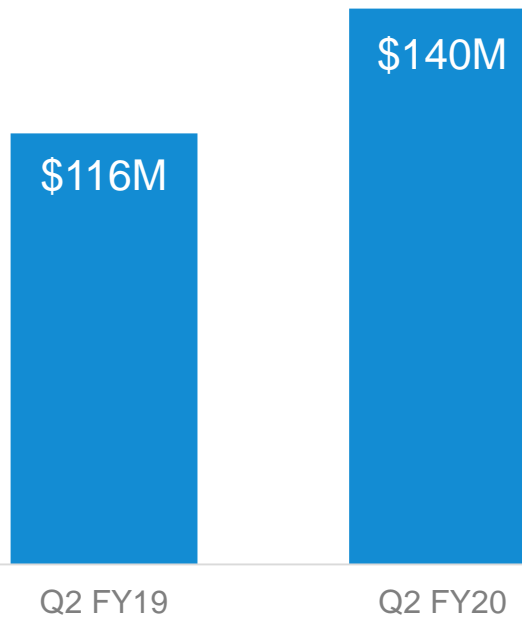
+3.4%



Organic Sales +4.1%

Adj. EBITDA

+21.5%



Operating Income +62.7%

KEY TAKEAWAYS

- **Organic net sales** increased 4.1%
 - Organic growth in Global Pet Care, HPC and Home & Garden, offset by a slight decline in HHI
- **Adjusted EBITDA** increased 21.5%
 - **Improved gross profit and lower SG&A** drove increased operating income
 - HHI includes an \$8.4 million cash benefit from retrospective tariff exclusions
- **COVID-19 negatively impacted sales by (\$7.5) million and adjusted EBITDA by (\$3.6) million**

Q2 Financial Review

- **Interest expense** of \$35.5 million decreased \$58.7 million, driven by lower debt levels
- **D&A** of \$36.4 million, in-line with prior year. Share and incentive-based compensation decreased to \$15 million
- Cash payments for **transaction related** charges were \$6.0 million, down from \$14.6 million last year. **Restructuring & related** cash charges were \$12.8 million versus \$4.8 million last year
- **Strong liquidity position**, including a **cash balance of \$458 million**
- **Debt outstanding was** \$3.0 billion, up as a result of drawing down our revolver
- **Inventory was lower by \$168 million compared to last year**, as our operating teams managed through enhanced demand and supply delays associated with COVID-19 combined with increased discipline and improved process around inventory management
- Strengthened our liquidity by **adding a \$90 million dollar tranche** to our \$800 million multi-currency Cash Flow Revolver
- **Capital expenditures** were \$13.0 million versus \$13.6 million last year

Current Market Conditions

- We expect that our 2020 financial results will be lower than our previously issued guidance
- **Continued spending discipline**
 - Delay salary increases
 - Halt non-essential capital expenditures and projects
 - Slow down on hiring decisions and implement travel bans
- Temporarily suspending share repurchase activity
- We have no plans of changing our current dividend approach of **rewarding our shareholders with a quarterly payout of 42 cents per share**
- **Strong liquidity** positions us to weather the storm of a recession
- **So far in April**, we have experienced continued strong orders in Pet and Home & Garden, while HPC and HHI have begun to see certain areas of slowing

Business Review

Randy Lewis

Presented 04/30/2020

- **Q2 represented a challenging environment** for managing all aspects of our business in response to the COVID-19 crisis
 - Financial impacts on our Q2 performance were relatively small
 - In 2H 2020, we expect to see more impact from both supply and demand that will vary by business unit
- Early in the quarter, the Chinese government extended the Lunar New Year and shutdown operations, which **created delays from our supply base in China**
- Toward the end of March and into early April, we saw **government restrictions impact our HHI facilities** in the Philippines and Mexico
 - Our manufacturing output continues to be constrained and while we hope we will return to full capacity in **Q3 the situation remains uncertain**
- Additionally, we **temporarily shut down our Home & Garden manufacturing in St. Louis, MO** facility at the end of March because of confirmed COVID-19 cases
 - The **facility is currently operating** at slightly reduced staffing levels while we expand production in a measured way
- **All other facilities around the world remain open** and operational as part of our essential business
- Respond quickly due to the actions of our **Global COVID-19 Response Team**

SPB – Investing in Appropriate, Authentic and Caring Messaging

HPC



- Home Haircut How-To Series: blog, influencers, social videos
- BD Pantry Meal Challenge
- GF & BD at home recipe content

HHI



Fight bacterial growth on Kwikset door hardware for a cleaner home.



- Pfister No Touch Faucets
- Kwikset Microban
- National DIY Home Projects

GPC



- Natures Miracle COVID fighter
- DIY Pet Grooming – FURminator
- Tranquil Hobby Aquatics

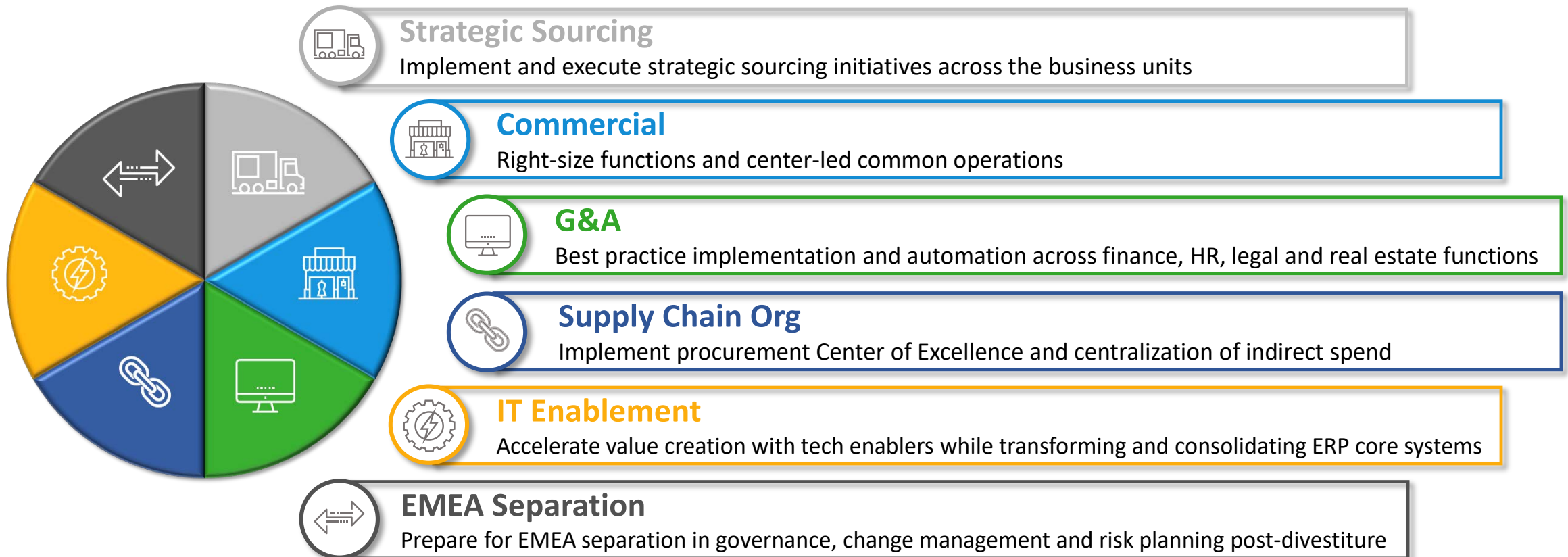
H&G



- Cutter “Protect Your People” campaign & cutterprotects.com
- Spectracide/GardenSafe lawn maintenance and gardening education
- Hot Shot & Ecologic reminders to stop home-invading pests while WFH

Global Productivity Improvement Plan (GPIP)

- We continue to expect the gross, annualized savings from sourcing and other GPIP cost improvements to be at least \$100 million and that these saving will be at full run rate within the next 12 to 15 months



Expected to increase operating efficiency and effectiveness
Expected to enable growth investments in consumer insights, research and development and marketing



Second Quarter 2020 Hardware & Home Improvement

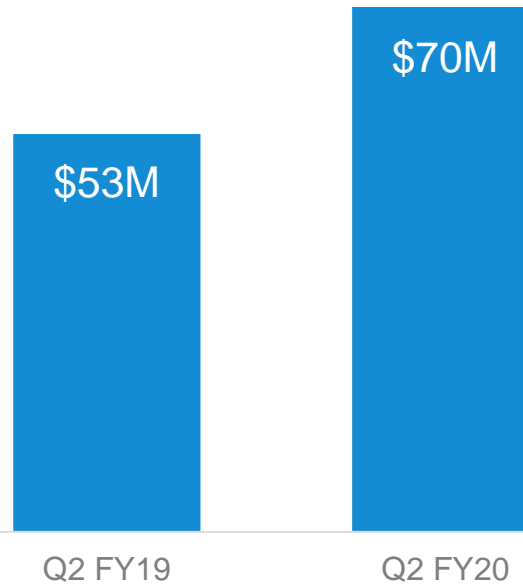
Net Sales

-0.6%



Adj. EBITDA

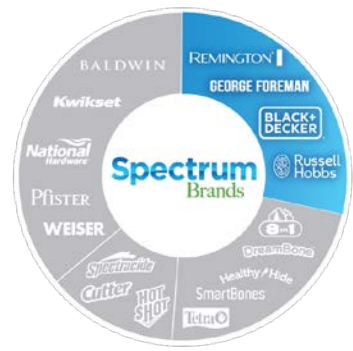
+31.9%



Operating Income +37.4%

KEY TAKEAWAYS

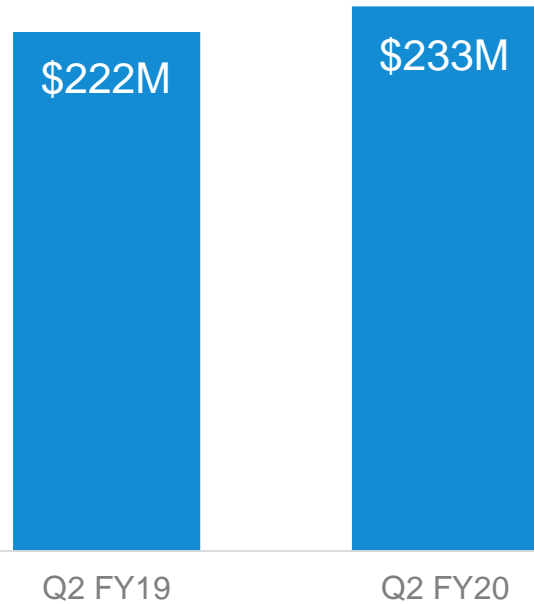
- **Organic net sales** decreased 0.6%
 - Net impact of COVID-19 was nearly \$3M in revenue loss due to supply challenges, which more than offset orders we believe our customers pulled forward into Q2
- **Adjusted EBITDA** increased 31.9%, driven by an \$8.4 million benefit from retrospective tariff exclusions and productivity improvements, partially offset by tariff costs
- **Halo Touch** Wi-Fi Smart Lock will launch in summer



Second Quarter 2020 Home & Personal Care

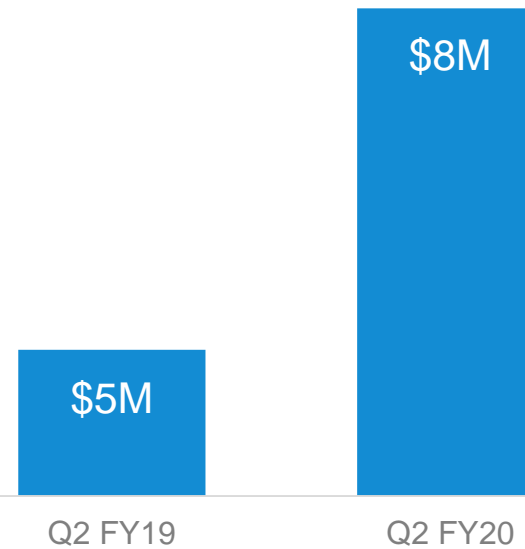
Net Sales

+5.0%



Adj. EBITDA

+77.8%



Operating Loss Improved +3.3M

KEY TAKEAWAYS

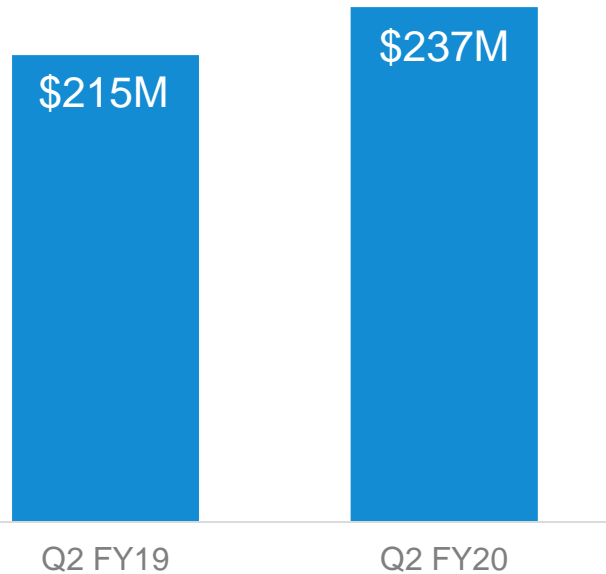
- **Organic net sales** increased 7.5%
 - Driven by growth throughout the quarter
- **Adjusted EBITDA** increased 77.8%
- In mid-March, we introduced the **George Foreman Smokeless Grill**
- **Remington** continues to advance its leadership in hair appliances with **over 15% growth** in both Europe and North America



Second Quarter 2020 Global Pet Care

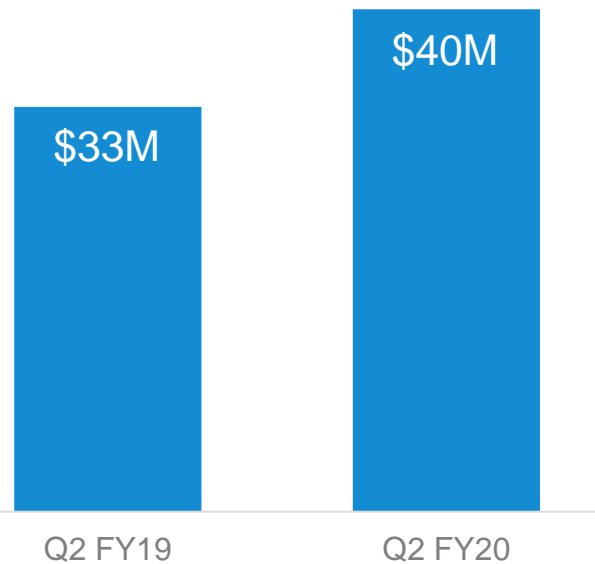
Net Sales

+10.2%



Adj. EBITDA

+22.0%



Operating Income +43.1%

KEY TAKEAWAYS

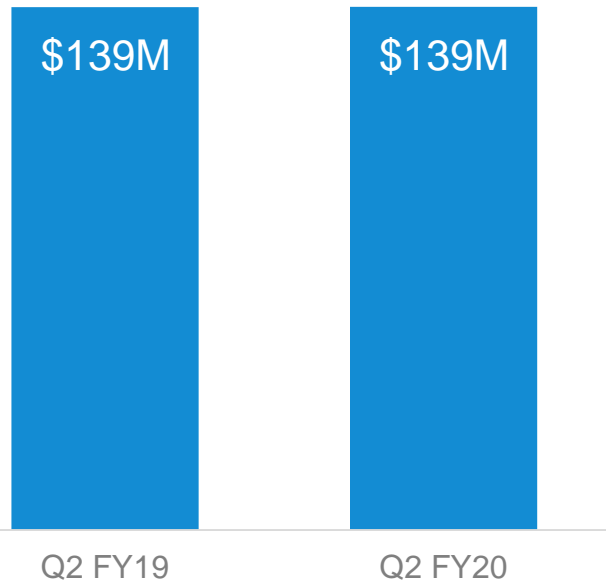
- **Organic net sales** increased 10.6%, with growth in both companion animal and aquatics
- Successfully completed three **major productivity initiatives**
 - Closure of the Cambodia Raw Hide manufacturing facility
 - Finalized the sale of the European Dog and Cat Food manufacturing
 - Added the Omega Sea acquisition
- Q2 was the **sixth quarter of year over year topline and fourth consecutive quarter of bottom-line growth**



Second Quarter 2020 Home & Garden

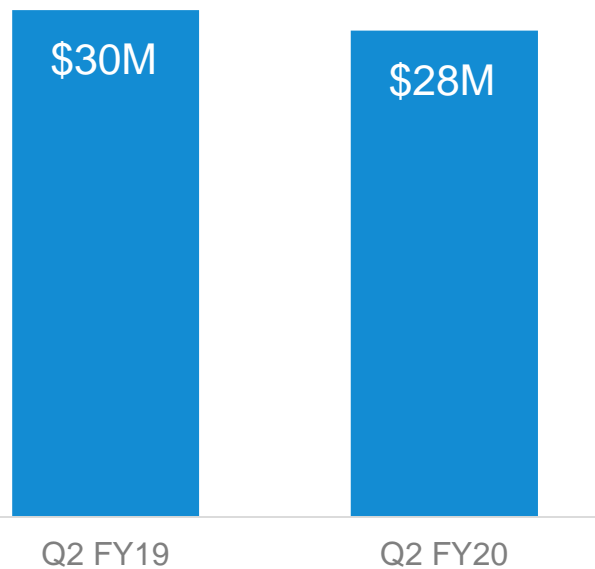
Net Sales

+0.1%



Adj. EBITDA

-4.1%



Operating Income -6.5%

KEY TAKEAWAYS

- **Net sales** increased 0.1%
 - Lapping difficult year ago comparisons and COVID-19 related transportation shortages
 - Strong POS in the quarter generated early season orders
- **Adjusted EBITDA** decreased 4.1% due to COVID-19 related revenue
- **Strong early season orders** were driven primarily by new items, increased product placement and favorable weather, which has continued across most of the U.S. as we enter our largest quarter

CEO TAKEAWAYS

David Maura

Presented 04/30/2020

CEO TAKEAWAYS

1. **GPIP program** and the **actions we have taken in the last 24 months** are paying off and are reflected in our strong performance this quarter. We believe is the **foundation for the long term growth**
2. **Top and bottom line growth** before and during the first part of the COVID-19 pandemic, tracking ahead of our earlier expectations
3. Our global teams demonstrated **strong operational excellence**, including in our response to the COVID-19 pandemic
4. **Well positioned balance sheet.** We have upsized our revolver, we have a **significant liquidity position** that we expect to build on during 2H 2020 and have other potential sources of liquidity
5. We believe that consumers will continue to look to us and find themselves **at home with our innovative products and great brands**



APPENDIX

SPECTRUM BRANDS HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

(in millions, except per share amounts)	Three Month Periods Ended		Six Month Periods Ended	
	March 29, 2020	March 31, 2019	March 29, 2020	March 31, 2019
Net sales	\$ 937.8	\$ 906.7	\$ 1,809.3	\$ 1,787.0
Cost of goods sold	606.0	601.0	1,198.5	1,174.7
Restructuring and related charges	2.9	0.2	12.8	1.0
Gross profit	328.9	305.5	598.0	611.3
Selling	150.0	151.4	296.1	306.9
General and administrative	81.9	83.6	162.2	183.0
Research and development	10.1	11.2	19.9	22.3
Restructuring and related charges	19.0	12.4	36.6	20.5
Transaction related charges	7.2	5.3	11.3	11.6
(Gain) loss on assets held for sale	(7.0)	—	25.7	—
Write-off from impairment of intangible assets	—	—	24.2	—
Total operating expenses	261.2	263.9	576.0	544.3
Operating income	67.7	41.6	22.0	67.0
Interest expense	35.5	94.2	70.4	151.2
Other non-operating expense, net	110.4	24.1	66.8	24.8
Loss from continuing operations before income taxes	(78.2)	(76.7)	(115.2)	(109.0)
Income tax benefit	(19.0)	(22.7)	(18.3)	(26.0)
Net loss from continuing operations	(59.2)	(54.0)	(96.9)	(83.0)
Income from discontinued operations, net of tax	1.4	783.6	4.3	700.4
Net (loss) income	(57.8)	729.6	(92.6)	617.4
(Loss) income attributable to non-controlling interest	(0.8)	1.0	0.1	1.2
Net (loss) income attributable to controlling interest	\$ (57.0)	\$ 728.6	\$ (92.7)	\$ 616.2
Amounts attributable to controlling interest				
Net loss from continuing operations attributable to controlling interest	\$ (58.4)	\$ (55.0)	\$ (97.0)	\$ (84.2)
Net income from discontinued operations attributable to controlling interest	1.4	783.6	4.3	700.4
Net (loss) income attributable to controlling interest	\$ (57.0)	\$ 728.6	\$ (92.7)	\$ 616.2
Earnings Per Share				
Basic earnings per share from continuing operations	\$ (1.29)	\$ (1.06)	\$ (2.09)	\$ (1.60)
Basic earnings per share from discontinued operations	0.03	15.13	0.09	13.32
Basic earnings per share	\$ (1.26)	\$ 14.07	\$ (2.00)	\$ 11.72
Diluted earnings per share from continuing operations	\$ (1.29)	\$ (1.06)	\$ (2.09)	\$ (1.60)
Diluted earnings per share from discontinued operations	0.03	15.13	0.09	13.32
Diluted earnings per share	\$ (1.26)	\$ 14.07	\$ (2.00)	\$ 11.72
Weighted Average Shares Outstanding				
Basic	45.1	51.8	46.4	52.6
Diluted	45.1	51.8	46.4	52.6

SPECTRUM BRANDS HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (Unaudited)

(in millions)	Six Month Periods Ended	
	March 29, 2020	March 31, 2019
Cash flows from operating activities		
Net cash used by operating activities from continuing operations	\$ (184.6)	\$ (279.7)
Net cash used by operating activities from discontinued operations	—	(254.0)
Net cash used by operating activities	(184.6)	(533.7)
Cash flows from investing activities		
Purchases of property, plant and equipment	(31.7)	(27.1)
Proceeds from disposal of property, plant and equipment	0.6	0.1
Proceeds from sale of discontinued operations, net of cash	—	2,854.4
Business acquisitions, net of cash acquired	(17.0)	—
Proceeds from sale of equity investment	28.6	—
Other investing activity	2.5	—
Net cash (used) provided by investing activities from continuing operations	(17.0)	2,827.4
Net cash used by investing activities from discontinued operations	—	(5.3)
Net cash (used) provided by investing activities	(17.0)	2,822.1
Cash flows from financing activities		
Payment of debt, including premium on extinguishment	(130.0)	(2,479.9)
Proceeds from issuance of debt	780.0	136.3
Payment of debt issuance costs	(0.8)	(0.1)
Payment of contingent consideration	(197.0)	—
Treasury stock purchases	(239.8)	(268.5)
Accelerated share repurchase	(125.0)	—
Dividends paid to shareholders	(39.1)	(44.6)
Share based award tax withholding payments, net of proceeds upon vesting	(12.6)	(2.5)
Net cash provided (used) by financing activities from continuing operations	35.7	(2,659.3)
Net cash used by financing activities from discontinued operations	—	(2.3)
Net cash provided (used) provided by financing activities	35.7	(2,661.6)
Effect of exchange rate changes on cash and cash equivalents	(0.5)	(3.1)
Net change in cash, cash equivalents and restricted cash	(166.4)	(376.3)
Net change in cash, cash equivalents and restricted cash in discontinued operations	—	—
Net change in cash, cash equivalents and restricted cash in continuing operations	(166.4)	(376.3)
Cash, cash equivalents, and restricted cash, beginning of period	627.1	561.4
Cash, cash equivalents, and restricted cash, end of period	\$ 460.7	\$ 185.1

SPECTRUM BRANDS HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Unaudited)

<u>(in millions)</u>	<u>March 29, 2020</u>	<u>September 30, 2019</u>
Assets		
Cash and cash equivalents	\$ 457.8	\$ 627.1
Trade receivables, net	465.9	356.7
Other receivables	99.5	74.2
Inventories	607.9	548.4
Prepaid expenses and other current assets	60.1	53.5
Total current assets	1,691.2	1,659.9
Property, plant and equipment, net	396.2	452.9
Operating lease assets	93.6	—
Investments	134.0	230.8
Deferred charges and other	102.8	51.7
Goodwill	1,324.1	1,328.1
Intangible assets, net	1,453.3	1,507.1
Total assets	\$ 5,195.2	\$ 5,230.5
Liabilities and Shareholders' Equity		
Current portion of long-term debt	\$ 13.3	\$ 136.9
Accounts payable	387.4	456.8
Accrued wages and salaries	47.7	72.1
Accrued interest	36.7	29.3
Indemnification payable to Energizer	31.7	230.8
Other current liabilities	190.1	216.0
Total current liabilities	706.9	1,141.9
Long-term debt, net of current portion	2,999.1	2,214.4
Long term operating lease liability	79.7	—
Deferred income taxes	77.2	55.9
Other long-term liabilities	110.1	112.0
Total liabilities	3,973.0	3,524.2
Shareholders' equity	1,214.1	1,698.3
Noncontrolling interest	8.1	8.0
Total equity	1,222.2	1,706.3
Total liabilities and equity	\$ 5,195.2	\$ 5,230.5

SPECTRUM BRANDS HOLDINGS, INC.

RECONCILIATION OF GAAP DILUTED EARNINGS PER SHARE TO ADJUSTED DILUTED EARNINGS PER SHARE (Unaudited)

	Three Month Periods Ended		Six Month Periods Ended	
	March 29, 2020	March 31, 2019	March 29, 2020	March 31, 2019
Diluted EPS from continuing operations, as reported	\$ (1.29)	\$ (1.06)	\$ (2.09)	\$ (1.60)
Adjustments:				
Restructuring and related charges	0.48	0.24	1.06	0.41
Transaction related charges	0.16	0.10	0.24	0.22
Debt refinancing costs	—	0.98	0.06	0.96
Loss on Energizer investment	2.37	0.10	1.47	0.09
Write-off from impairment of intangible assets	—	—	0.52	0.41
(Gain) Loss on assets held for sale	(0.16)	—	0.56	—
Foreign currency change on multicurrency divestiture loans	0.07	0.42	0.01	—
Salus	—	—	0.01	—
GPC safety recall	—	—	—	0.01
Depreciation & amortization on HPC long-lived assets	—	—	—	0.55
Other	—	0.02	—	0.08
Income tax adjustment	(0.72)	(0.54)	(0.75)	(0.65)
Total adjustments	2.20	1.32	3.18	2.08
Diluted EPS from continuing operations, as adjusted	\$ 0.91	\$ 0.26	\$ 1.09	\$ 0.48

SPECTRUM BRANDS HOLDINGS, INC.
TRANSACTION RELATED CHARGES (Unaudited)

(in millions)	Three Month Periods Ended		Six Month Periods Ended	
	March 29, 2020	March 31, 2019	March 29, 2020	March 31, 2019
Coevorden operations divestiture	\$ 1.5	\$ —	\$ 1.7	\$ —
GBL divestiture	2.7	2.5	5.1	2.5
Omega Sea acquisition	1.3	—	1.3	—
Other	1.7	2.8	3.2	9.1
Total transaction-related charges	\$ 7.2	\$ 5.3	\$ 11.3	\$ 11.6

SPECTRUM BRANDS HOLDINGS, INC.
RESTRUCTURING AND RELATED CHARGES (Unaudited)

(in millions)	Three Month Periods Ended		Six Month Periods Ended	
	March 29, 2020	March 31, 2019	March 29, 2020	March 31, 2019
Global productivity improvement plan	\$ 21.2	\$ 12.7	\$ 47.9	\$ 18.5
Other	0.7	(0.1)	1.5	3.0
Total restructuring and related charges	\$ 21.9	\$ 12.6	\$ 49.4	\$ 21.5

SPECTRUM BRANDS HOLDINGS, INC.
NET SALES SUMMARY (Unaudited)

(in millions, except %)	Three Month Periods Ended				Six Month Periods Ended			
	March 29, 2020	March 31, 2019	Variance		March 29, 2020	March 31, 2019	Variance	
HHI	\$ 329.1	\$ 331.1	(2.0)	(0.6%)	\$ 626.8	\$ 636.2	(9.4)	(1.5%)
HPC	232.7	221.7	11.0	5.0%	554.8	538.9	15.9	3.0%
GPC	236.9	214.9	22.0	10.2%	442.7	419.6	23.1	5.5%
H&G	139.1	139.0	0.1	0.1%	185.0	192.3	(7.3)	(3.8%)
Net Sales	\$ 937.8	\$ 906.7	31.1	3.4%	\$ 1,809.3	\$ 1,787.0	22.3	1.2%

SPECTRUM BRANDS HOLDINGS, INC.
RECONCILIATION OF GAAP NET SALES TO ORGANIC NET SALES (Unaudited)

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Three Month Periods Ended (in millions, except %)	March 29, 2020									
	Net Sales	Effect of Changes in Currency	Net Sales Excluding Effect of Changes in Currency	Effect of Acquisitions	Organic Net Sales	Net Sales March 31, 2019	Variance			
HHI	\$ 329.1	\$ 0.1	\$ 329.2	\$ —	\$ 329.2	\$ 331.1	\$ (1.9)	(0.6%)		
HPC	232.7	5.6	238.3	—	238.3	221.7	16.6	7.5%		
GPC	236.9	1.6	238.5	(0.8)	237.7	214.9	22.8	10.6%		
H&G	139.1	—	139.1	—	139.1	139.0	0.1	0.1%		
Total	\$ 937.8	\$ 7.3	\$ 945.1	\$ (0.8)	\$ 944.3	\$ 906.7	37.6	4.1%		

Six Month Period Ended (in millions, except %)	March 29, 2020									
	Net Sales	Effect of Changes in Currency	Net Sales Excluding Effect of Changes in Currency	Effect of Acquisitions	Organic Net Sales	Net Sales March 31, 2019	Variance			
HHI	\$ 626.8	\$ —	\$ 626.8	\$ —	\$ 626.8	\$ 636.2	\$ (9.4)	(1.5%)		
HPC	554.8	10.8	565.6	—	565.6	538.9	26.7	5.0%		
GPC	442.7	2.8	445.5	(0.8)	444.7	419.6	25.1	6.0%		
H&G	185.0	—	185.0	—	185.0	192.3	(7.3)	(3.8%)		
Total	\$ 1,809.3	\$ 13.6	\$ 1,822.9	\$ (0.8)	\$ 1,822.1	\$ 1,787.0	35.1	2.0%		

SPECTRUM BRANDS HOLDINGS, INC.

RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN (Unaudited)

Three Month Period Ended March 29, 2020 (in millions, except %)	HHI	HPC	GPC	H&G	Corporate	Consolidated
Net income (loss) from continuing operations	\$ 60.8	\$ (6.2)	\$ 27.2	\$ 23.0	\$ (164.0)	\$ (59.2)
Income tax benefit	—	—	—	—	(19.0)	(19.0)
Interest expense	—	—	—	—	35.5	35.5
Depreciation and amortization	8.5	9.0	9.8	5.2	3.9	36.4
EBITDA	69.3	2.8	37.0	28.2	(143.6)	(6.3)
Share and incentive based compensation	—	—	—	—	14.6	14.6
Restructuring and related charges	0.2	1.7	6.4	0.2	13.4	21.9
Transaction related charges	—	2.7	3.6	—	0.9	7.2
Loss on Energizer investment	—	—	—	—	106.8	106.8
Gain on assets held for sale	—	—	(7.0)	—	—	(7.0)
Foreign currency translation on multicurrency divestiture loans	—	0.8	—	—	2.3	3.1
Salus	—	—	—	—	0.1	0.1
Adjusted EBITDA	\$ 69.5	\$ 8.0	\$ 40.0	\$ 28.4	\$ (5.5)	\$ 140.4
Net Sales	\$ 329.1	\$ 232.7	\$ 236.9	\$ 139.1	\$ —	\$ 937.8
Adjusted EBITDA Margin	21.1%	3.4%	16.9%	20.4%	—	15.0%
Three Month Period Ended March 31, 2019 (in millions, except %)	HHI	HPC	GPC	H&G	Corporate	Consolidated
Net income (loss) from continuing operations	\$ 43.6	\$ (6.6)	\$ 19.6	\$ 24.7	\$ (135.3)	\$ (54.0)
Income tax benefit	—	—	—	—	(22.7)	(22.7)
Interest expense	—	—	—	—	94.2	94.2
Depreciation and amortization	8.3	9.2	10.6	4.8	3.7	36.6
EBITDA	51.9	2.6	30.2	29.5	(60.1)	54.1
Share and incentive based compensation	—	—	—	—	17.3	17.3
Restructuring and related charges	0.4	1.3	2.3	0.3	8.3	12.6
Transaction related charges	0.4	0.9	0.3	—	3.7	5.3
Loss on Energizer investment	—	—	—	—	5.0	5.0
Foreign currency loss on multicurrency divestiture loans	—	—	—	—	21.8	21.8
Other	—	(0.3)	—	(0.2)	—	(0.5)
Adjusted EBITDA	\$ 52.7	\$ 4.5	\$ 32.8	\$ 29.6	\$ (4.0)	\$ 115.6
Net Sales	\$ 331.1	\$ 221.7	\$ 214.9	\$ 139.0	\$ —	\$ 906.7
Adjusted EBITDA Margin	15.9%	2.0%	15.3%	21.3%	—	12.7%

SPECTRUM BRANDS HOLDINGS, INC.

RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN (Unaudited)

Six Month Period Ended March 29, 2020 (in millions, except %)	HHI	HPC	GPC	H&G	Corporate	Consolidated
Net income (loss) from continuing operations	\$ 95.0	\$ 18.8	\$ (26.0)	\$ 14.4	\$ (199.1)	\$ (96.9)
Income tax benefit	—	—	—	—	(18.3)	(18.3)
Interest expense	—	—	—	—	70.4	70.4
Depreciation and amortization	16.6	17.8	25.9	10.3	7.4	78.0
EBITDA	111.6	36.6	(0.1)	24.7	(139.6)	33.2
Share and incentive based compensation	—	—	—	—	29.1	29.1
Restructuring and related charges	0.7	2.8	16.7	0.4	28.8	49.4
Transaction related charges	—	4.3	5.0	—	2.0	11.3
Loss on Energizer investment	—	—	—	—	68.3	68.3
Loss on assets held for sale	—	—	25.7	—	—	25.7
Write-off from impairment of intangible assets	—	—	24.2	—	—	24.2
Foreign currency loss on multicurrency divestiture loans	—	0.7	—	—	(0.3)	0.4
Salus	—	—	—	—	0.4	0.4
Other	—	—	—	—	0.5	0.5
Adjusted EBITDA	\$ 112.3	\$ 44.4	\$ 71.5	\$ 25.1	\$ (10.8)	\$ 242.5
Net Sales	\$ 626.8	\$ 554.8	\$ 442.7	\$ 185.0	\$ —	\$ 1,809.3
Adjusted EBITDA Margin	17.9%	8.0%	16.2%	13.6%	—	13.4%
Six Month Period Ended March 31, 2019 (in millions, except %)	HHI	HPC	GPC	H&G	Corporate	Consolidated
Net income from continuing operations	\$ 87.3	\$ (14.7)	\$ 31.4	\$ 22.8	\$ (209.8)	\$ (83.0)
Income tax benefit	—	—	—	—	(26.0)	(26.0)
Interest expense	—	—	—	—	151.2	151.2
Depreciation and amortization	16.8	47.3	21.3	9.6	7.6	102.6
EBITDA	104.1	32.6	52.7	32.4	(77.0)	144.8
Share based compensation	—	—	—	—	23.2	23.2
Restructuring and related charges	3.2	1.5	4.9	1.0	10.9	21.5
Transaction related charges	0.9	5.5	0.9	—	4.3	11.6
GPC safety recall	—	—	0.6	—	—	0.6
Loss on Energizer investment	—	—	—	—	5.0	5.0
Foreign currency loss on multicurrency divestiture loans	—	—	—	—	21.8	21.8
Other	—	(0.1)	2.8	(0.7)	0.3	2.3
Adjusted EBITDA	\$ 108.2	\$ 39.5	\$ 61.9	\$ 32.7	\$ (11.5)	\$ 230.8
Net Sales	\$ 636.2	\$ 538.9	\$ 419.6	\$ 192.3	\$ —	\$ 1,787.0
Adjusted EBITDA Margin	17.0%	7.3%	14.8%	17.0%	—	12.9%