



## Spectrum Brands Holdings to Acquire Procter & Gamble's European Pet Food Business

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### Leading IAMS® and Eukanuba® Brands Offer Solid Growth Potential and Further Expand the Company's European Companion Animal Product Line

MIDDLETON, Wis.--(BUSINESS WIRE)--Sep. 23, 2014-- Spectrum Brands Holdings, Inc. (NYSE: SPB), a global and diversified consumer products company with market-leading brands, announced today the signing of a definitive agreement to acquire Procter & Gamble's (NYSE: PG) European pet food business, consisting of the complementary IAMS® and Eukanuba® premium brands for dogs and cats. Financial terms of the transaction were not disclosed.

The business has approximately \$200 million of annual sales and will provide Spectrum Brands' United Pet Group division access to the \$21 billion European dog and cat food market which is growing at an estimated 3 to 5 percent annually.

Eukanuba, a premium brand in the pet specialty channel, is the product of choice for the Federation Cynologique Internationale, a global federation of kennel clubs, as well as top breeders and veterinarians with leading shares in many large markets, including Sweden, Norway and Belgium. IAMS, a premium brand with broad consumer appeal, has a leadership share of the premium dry dog food market in the U.K. primarily through the food and mass merchandiser channel with opportunities to grow further across Europe.

"This acquisition will expand and further strengthen our United Pet Group's broad companion animal product portfolio and help to achieve our objective for more balance between our two products segments of aquatics and companion animals," said Dave Lumley, President and Chief Executive Officer of Spectrum Brands Holdings. "We already have a strong European pet supplies infrastructure in place that will enable us to leverage these well-known pet food brands in the U.K and Europe. We also see important synergies in overhead, SG&A and distribution over the next few years."

Eukanuba's patented formula targets consumers who desire the best nutrition for their pets and is positioned as "extraordinary nutrition for extraordinary beings." IAMS is positioned for consumers who treat their pets as family members and view the food they feed their pets as a way to make them happy.

"We are adding complementary brands in an adjacent category to expand our global pet business," Mr. Lumley said.

"This is a strong European pet franchise with outstanding product brand equity and room for growth and margin enhancement," said David Maura, Chairman of Spectrum Brands. "As we continue to expand our Pet division organically and by targeted acquisitions, this business will provide more global balance to our Pet footprint by further building out our continental European and U.K. market presence. We look forward to the contributions it will make to growing our adjusted EBITDA and free cash flow."

The acquisition, which has been approved by Spectrum Brands' Board of Directors, is expected to close in 2015 and is subject to customary closing conditions.

Paul, Weiss, Rifkind, Wharton & Garrison LLP served as legal advisor to Spectrum Brands.

### About United Pet Group

Based in Cincinnati, Ohio and with fiscal 2013 net sales of \$621 million, United Pet Group, Inc. is a subsidiary of Spectrum Brands Holdings and is the leading manufacturer of consumer products for the pet supply markets globally. United Pet Group provides its customers with innovative products of outstanding quality for pet owners, including dogs, cat, birds, small animals, fish and reptiles. Its brands -- including Tetra®, Marineland®, FURminator®, Nature's Miracle® and Dingo® -- are well recognized by consumers for delivering exceptional value and trusted results. United Pet Group's passion and longstanding commitment to quality and value has earned the confidence of its global retail partners, who count on United Pet Group to deliver innovative and highly profitable products, customized solutions and merchandising excellence. For more information, visit [www.unitedpetgroup.com](http://www.unitedpetgroup.com).

### About Spectrum Brands Holdings, Inc.

Spectrum Brands Holdings, a member of the Russell 2000 Index, is a global and diversified consumer products company and a leading supplier of consumer batteries, residential locksets, residential builders' hardware, faucets, shaving and grooming products, personal care products, small household appliances, specialty pet supplies, lawn and garden and home pest control products, and personal insect repellents. Helping to meet the needs of consumers worldwide, our Company offers a broad portfolio of market-leading, well-known and widely trusted brands including Rayovac®, Kwikset®, Weiser®, Baldwin®, National Hardware®, Pfister®, Remington®, VARTA®, George Foreman®, Black & Decker®, Toastmaster®, Farberware®, Tetra®, Marineland®, Nature's Miracle®, Dingo®, 8-in-1®, FURminator®, Littermaid®, Spectracide®, Cutter®, Repel®, Hot Shot®, Black Flag® and Liquid Fence®. Spectrum Brands' products are sold by the world's top 25 retailers and are available in more than one million stores in approximately 140 countries. Based in Middleton, Wisconsin, Spectrum Brands Holdings generated net sales of approximately \$4.1 billion in fiscal 2013. For more information, visit [www.spectrumbrands.com](http://www.spectrumbrands.com).

## Forward-Looking Statements

*Certain matters discussed in this news release and other oral and written statements by representatives of the Company regarding matters such as expected sales, the size of product markets, adjusted EBITDA, debt reduction and leverage, and other measures of financial performance, may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We have tried, whenever possible, to identify these statements by using words like “future,” “anticipate,” “intend,” “plan,” “estimate,” “believe,” “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) Spectrum Brands Holdings’ ability to manage and otherwise comply with its covenants with respect to its significant outstanding indebtedness, (2) our ability to integrate, and to realize synergies from, the combined businesses of Spectrum Brands, Procter & Gamble’s European pet product business, and other bolt-on acquisitions, (3) risks related to changes and developments 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, (4) changes in consumer demand for the various types of products Spectrum Brands Holdings offers, (5) unfavorable developments in the global credit markets, (6) the impact of overall economic conditions on consumer spending, (7) fluctuations in commodities prices, the costs or availability of raw materials or terms and conditions available from suppliers, (8) changes in the general economic conditions in countries and regions where Spectrum Brands Holdings does business, such as stock market prices, interest rates, currency exchange rates, inflation and consumer spending, (9) Spectrum Brands Holdings’ ability to successfully implement manufacturing, distribution and other cost efficiencies and to continue to benefit from its cost-cutting initiatives, (10) Spectrum Brands Holdings’ ability to identify, develop and retain key employees, (11) unfavorable weather conditions and various other risks and uncertainties, including those discussed herein and those set forth in the securities filings of each of Spectrum Brands Holdings, Inc. and Spectrum Brands, Inc., including each of their most recently filed Annual Reports on Form 10-K or Quarterly Reports on Form 10-Q.*

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



Source: Spectrum Brands Holdings, Inc.

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