Spectrum Brands

Global Batteries & Appliances

Pet, Home & Garden

Hardware & Home Improvement

Global Auto Care

Fiscal 2016 First Quarter Earnings Call

February 2, 2016

Agenda

- **Introduction** — Dave Prichard, Vice President, Investor Relations
- **FY16 Q1 Highlights and Full Year Outlook** — Andreas Rouvé, Chief Executive Officer
- **Financial and Business Unit Review** — Doug Martin, Chief Financial Officer
- **Q&A** — Andreas Rouvé, Doug Martin

Forward-Looking Statements

Certain matters discussed in this presentation, with the exception of historical matters, may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, regarding our business strategy, future operations, financial condition, estimated revenues, projected costs, projected synergies, prospects, plans and objectives of management, as well as information concerning expected actions of third parties, are forward-looking statements. 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 presentation. Important factors that could cause our actual results to differ materially from those expressed or implied herein include, without limitation: our ability to manage and otherwise comply with our covenants with respect to our significant outstanding indebtedness or maintain our credit ratings; 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 or industry consolidation; the cost and effect of unanticipated legal, tax or regulatory proceedings or new accounting policies, laws or regulations (including environmental, public health and consumer protection regulations); seasonality of our products and changes in consumer demand for the various types of products we offer resulting in the loss of, or a significant reduction in, sales to significant retail customers; our ability to develop and successfully introduce new products, protect our intellectual property and avoid infringing the intellectual property of third parties; public perception regarding the safety of our products, including the potential for environmental liabilities, product liability claims, litigation and other claims; unfavorable developments in the global credit markets; the impact of overall economic conditions, terrorist attacks, acts of war or other unrest in international markets on consumer spending; fluctuations in commodities prices, supply shortages, the costs or availability of raw materials or terms and conditions available from suppliers; changes in the general economic conditions in countries and regions where we do business, such as stock market prices, interest rates, currency exchange rates, inflation and consumer spending; our ability to successfully implement manufacturing, distribution and other cost efficiencies and to continue to benefit from our cost-cutting initiatives; the impact of expenses resulting from the implementation of new business strategies, divestitures or restructuring activities; our ability to integrate, and to realize synergies from, the combined businesses of Spectrum Brands, Inc. and Russell Hobbs, Inc.; our ability to identify, develop and retain key employees; unfavorable weather conditions or climate change and various other risks and uncertainties, including those discussed herein and those set forth in our filings with the Securities and Exchange Commission (“SEC”).

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 presentation. We undertake no duty or responsibility to update any of these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect actual outcomes. Additional factors that may affect future results and conditions are described in our filings with the SEC, which are available at the SEC’s web site at www.sec.gov or at Spectrum Brands’ website at www.spectrumbrands.com. The information contained in this presentation is summary information that is intended to be considered in the context of our SEC filings, and other public announcements that we may make, by press release or otherwise, from time to time. In addition, information related to past performance, while helpful as an evaluative tool, is not necessarily indicative of future results, the achievement of which cannot be assured. You should not view our past performance, or information about the market, as indicative of our future results. Further, performance information respecting investment returns on portfolio transactions is not directly equivalent to returns on an investment in our common stock.

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. Excluding the impact of current exchange rate fluctuations may provide additional meaningful reflection of underlying business trends. In addition, within this presentation, including the tables that follow, reference is made to adjusted earnings before interest, taxes, depreciation and amortization (EBITDA), free cash flow and adjusted gross profit.

Adjusted EBITDA is a metric used by management 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 of a company's ability to service debt and is one of the measures used for determining the Company's debt covenant compliance. Adjusted EBITDA excludes certain items that are unusual in nature or not comparable from period to period.

In addition, the Spectrum Brands' management uses adjusted gross profit as one means of analyzing the Spectrum Brands' current and future financial performance and identifying trends in its financial condition and results of operations. Management believes that adjusted gross profit is a useful measure for providing further insight into Spectrum Brands' operating performance because it eliminates the effects of certain items that are not comparable from one period to the next.

Also, management believes that free cash flow is useful to both management and investors in their analysis of Spectrum Brands' ability to service and repay its debt and meet its working capital requirements. Free cash flow should not be considered in isolation or as a substitute for pretax income (loss), net income (loss), cash provided by (used in) operating activities or other statement of operations or cash flow statement data prepared in accordance with GAAP or as a measure of profitability or liquidity. In addition, the calculation of free cash flow does not reflect cash used to service debt and therefore, does not reflect funds available for investment or discretionary uses.

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.

All GAAP reconciliations are available at www.spectrumbrands.com

Spectrum Brands

Global Batteries & Appliances

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Hardware & Home Improvement

Global Auto Care

FY16 Q1 Highlights and Full Year Outlook

Andreas Rouvé

Chief Executive Officer

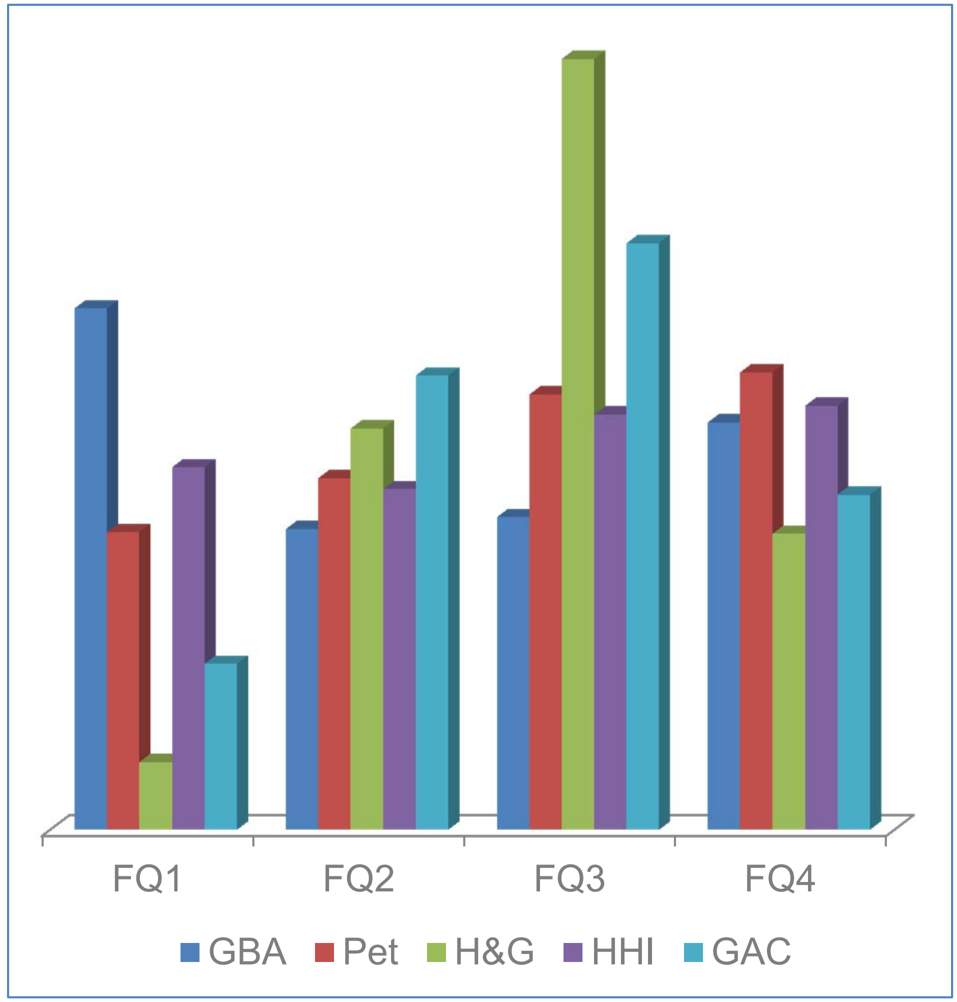
FY16 Q1 Highlights

- Strong Q1 provides excellent start to another year of record performance in FY16
- Adjusted EBITDA grew $31 million or 18% despite major Fx headwinds of $33 million; excluding negative Fx and acquisition EBITDA of $29 million, organic EBITDA growth rate was a very strong 20%
- Growth driven by broad-based 6.3% organic sales increase
  - Highlights were record HHI and Home & Garden results and strong global battery and legacy Pet sales in all regions, including solid recovery in our core U.S. market
  - Mixed appliances picture with global personal care growth but sales decline in North American small appliances from softer market demand and aggressive competitor promotions
- Strong regional results in North America as well as in Europe and Latin America despite significant currency challenges
  - Asia-Pacific only region with lower sales due to our exit of the unprofitable China closet door business
- Acquisitions completed in FY15 performed well and ahead of expectations

EBITDA Seasonality – Strong Differences By Category

- EBITDA phasing across the year has been seasonal and GAC acquisition further adds to that seasonality
- Global Batteries & Appliances strongest in Q1 due to the importance of Black Friday and the holidays
- Pet relatively stable with some increase in summer due to outdoor aquatics
- H&G with strongest seasonality due to relevance of outdoor activities (garden and repellents)
- HHI with relatively stable business except for some higher level of house repair work in summer
- GAC division has second biggest seasonal variation due to A/C recharge business and higher focus on appearance in summer months
- Overall, Q1 is the smallest quarter and Q3 the strongest

Quarterly EBITDA by Category in % of Year



Full Year Outlook

- Global market is very challenging and competition intense
- Remain optimistic about healthy growth and steady margin expansion in FY16, along with a more than 10% increase in free cash flow and continued deleveraging
- Spectrum First growth initiative is gaining traction
  - Increasing efforts on new product introductions to attract more consumers
  - Equally committed to providing consumers with superior value products to increase brand loyalty
  - Driving further organic sales growth through increased cross-selling and expansion into more channels and countries
- Focus on continuous product and process enhancements and leveraging expenses through closer cross-divisional and global cooperation
- Selectively increasing spending on R&D, marketing and other growth initiatives to ensure sustainable organic growth
- FY16 reported sales expected to increase in high-single digit range, including acquisitions, and partially offset by negative Fx impacts, with free cash flow growing to between $505-$515 million

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Financial and Business Unit Review

Doug Martin

Chief Financial Officer

Financial Review *(1/2)*

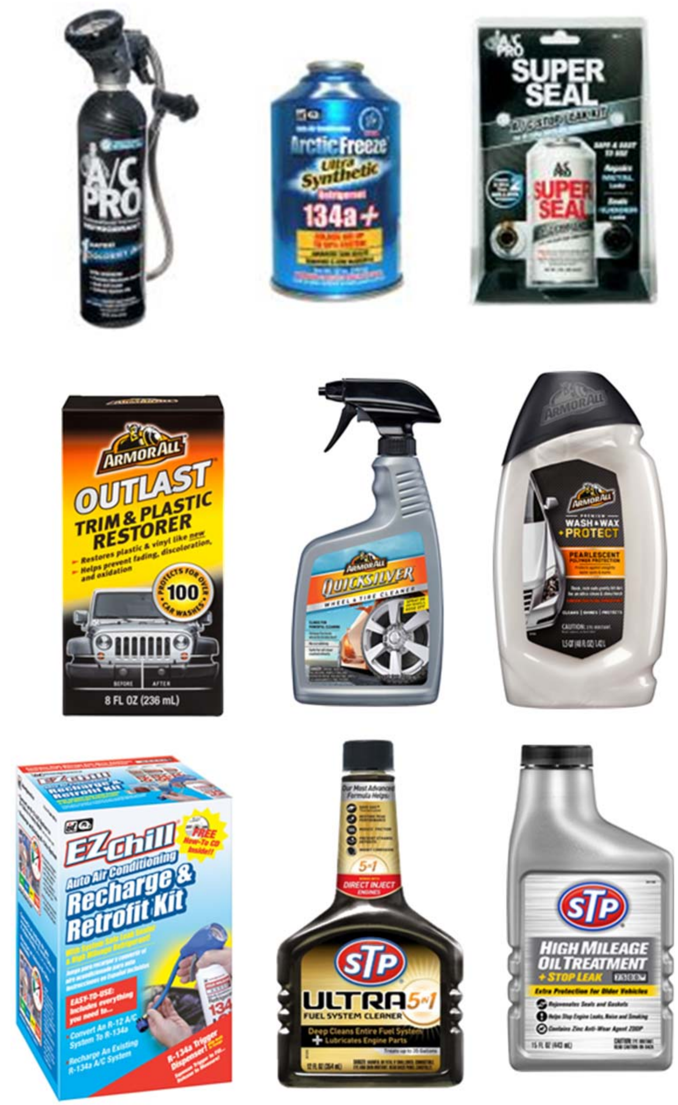
- Q1 reported net sales increased 14.1%
- Organic net sales grew 6.3% excluding negative Fx of $61.4 million and acquisition-related net sales of $144.9 million
- Reported gross margin of 36.2% increased from 34.7% primarily due to the impact of acquisitions, improved mix and strong productivity, partially offset by negative Fx
- Reported SG&A expense of $273.4 million, or 22.4% of sales, increased by 100 basis points vs. 21.4% last year due to the impact of acquisitions and higher stock-based compensation expense
- Reported operating margin of 11.7% improved by 90 basis points compared to 10.8% last year
- Higher reported EPS of $1.24 compared to 94 cents last year was due to the impact of acquisitions, improved margins and a lower tax rate, partially offset by higher common shares outstanding
- Adjusted EPS of $1.01 fell 5.6% from $1.07 last year primarily due to higher interest expense and shares outstanding compared to the seasonality of the Global Auto Care business acquired last May

Financial Review *(2/2)*

- Q1 interest expense of $58 million increased $14 million from last year driven by acquisition financing while cash interest payments of $62 million were $6 million above prior year
- Q1 reported tax rate of 9% decreased from 29.1% last year primarily due to higher Q1 U.S. pretax income currently subject to a very low rate because of our U.S. NOL valuation allowance and lower rates outside of the U.S.
- Cash taxes in Q1 of $10 million were $1 million below last year
- Q1 depreciation and amortization was $57 million vs. $45 million last year
- Cash payments for acquisition & integration and restructuring & related charges were $12 million and $6 million, respectively, in Q1

Global Auto Care

- Q1 reported net sales and adjusted EBITDA of $73.7 million and $19.2 million, respectively, in smallest seasonal quarter
- 26.1% adjusted EBITDA margin
- Strong Q1 U.S. appearance, performance and refrigerant category consumption, helped by unseasonably warm weather
- Armor All® experienced especially solid POS at major U.S. customers, notably its gift packs
- Key new product launches planned
- GAC integration continues smoothly, on fast timetable and with realization of expected synergies
  - GAC went live on our SAP platform in the U.S., Canada, Australia and Mexico in early January with Europe set for April



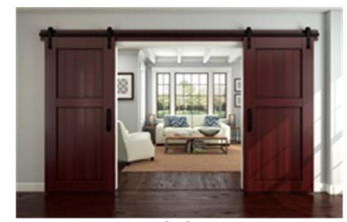
Hardware & Home Improvement

- Record Q1 results with reported net sales growth of 4.2% and 6% excluding negative Fx
- Continued and planned exits from unprofitable businesses and customer tolling arrangement expiration negatively impacted sales by 3.3%, similar to Q3 and Q4 last year
- Q1 adjusted EBITDA grew 3.5% and 6.2% excluding negative Fx; margin of 19.0% essentially unchanged from last year
- HHI on track for another record year in FY16
  - Growth drivers include accelerating our leadership positions in home automation and electronics, extending our multi-family/commercial market expansion, steady growth in U.S. housing markets, U.S. line review wins, and international growth
- Innovation road map is best ever, including key new products unveiled at Consumer Electronics Show
- Cost improvements and metals deflation offsetting pricing pressure and Fx

BALDWIN ESTATE

PFISTER

National Hardware



Interior Sliding Doors Hardware

Kwikset

SMARTCODE 916
TOUCHSCREEN ELECTRONIC DEADBOLT

Works with Apple HomeKit

Global Pet Supplies

- Q1 reported net sales grew 68.7% driven by acquisition revenues of $71.2 million and strong legacy performance
- Legacy sales improved a strong 12.9%, excluding negative Fx impacts and acquisitions, from North American aquatics category growth, strong rawhide and stain and odor product category results, and the timing of holiday shipments
- Q1 adjusted EBITDA more than doubled from last year; margin increased 360 basis points to 14.4%
- Resumption of North American legacy business growth due to operational improvements and restructuring initiatives begun in Q3 last year which are taking hold compared to declines in first half of FY15
- Legacy business also had broad-based growth on a constant currency basis in Europe and Latin America

Spectrum Brands

Home and Garden

- Record Q1 results in smallest quarter provides strong start to the year
- Reported net sales grew 20.8% from strong increases in lawn and garden controls category driven by warm weather which extended the outdoor season
  - Household controls and repellent category sales also improved
- Adjusted EBITDA of $7.1 million grew 18.3%
- Margin decline of 30 basis points to 14.9% due to higher variable operating expense spending from higher volume and investments to support growth
- Home and Garden plans another strong year in FY16 from a mix of innovation, broader distribution and operational excellence

Personal Care (Remington)

- Q1 reported net sales fell 2.2% but grew 7.1% excluding unfavorable Fx
- Even with currency headwinds the strongest in personal care, improvements were achieved from new retail customers and holiday shipment timing in North America and constant currency growth in Europe and Latin America
- Continuous improvement savings more than offset product cost changes with benefits from solid volume and improved price/mix
- Key new product launches in Q1 with more products to be introduced throughout FY16
- Remington off to a good start with plans for another year of solid performance in FY16

Small Appliances

- Q1 reported net sales decreased 15.2% and 9.2% excluding negative Fx impacts
- Currency headwinds were also strong in small appliances
- Sales decline primarily due to aggressive competitor promotions and overall category declines in the U.S., partially offset by constant currency growth in Europe and Latin America from new listings
- Strong continuous improvement savings more than offset product cost changes but were insufficient to overcome North American volume declines
- Further sales and adjusted EBITDA growth expected in the out-quarters despite challenging start in Q1

Global Batteries

- Very strong Q1 with reported net sales increase of 5.2% and 14.9% excluding negative Fx impacts
- Adjusted EBITDA also grew nicely
- U.S. growth driven by new alkaline business at a number of retailers and timing of holiday shipments
  - Rayovac enjoyed strong promotional support in unmeasured channels
- VARTA sales increase on currency neutral basis in Europe was primarily due to alkaline holiday promotions while Latin American double-digit growth in constant currency came from solid improvement across the region
- Continuous improvement savings more than offset product cost changes and strong volume growth overcame negative Fx impacts
- Encouraged by strong, broad-based battery performance in seasonally largest quarter of the year
- Expect improved performance in FY16 but do not see this Q1 level of growth on the full year

Spectrum Brands

Financial Review

- Strong liquidity position at the end of Q1
- Expect to reduce total leverage by approximately ½ turn to end FY16 at 4 turns or below
- Free cash flow in Q1 was a use of $241 million, consistent with the seasonality of our working capital cycle
- Q1 capital expenditures were $17 million compared to $14 million last year
- Repurchased 428,700 shares of common stock in Q1 for $40.2 million or $93.85 per share

FY16 Guidance

- Reported net sales expected to increase in high-single digit range, including acquisitions, and partially offset by anticipated negative Fx impacts of approximately 200-220 basis points based on current spot rates, primarily in the first half of the year
- Expect to deliver free cash flow between $505-$515 million:
  - Full-year interest expense expected to be between $235-$245 million, including approximately $15 million of non-cash items resulting in cash interest payments between $220-$230 million
  - D&A expected to be between $240-$250 million, including approximately $60 million for amortization of stock-based compensation
  - Effective tax rate expected to be between 10%-15%; 35% tax rate used for adjusted earnings
  - Cash taxes expected to be between $50-$60 million; as a result of a favorable tax ruling, we now have approximately $800 million of usable NOLs compared to $700 million we began FY16 with and we do not anticipate being a regular U.S. federal cash taxpayer for the next 3-4 years
  - Cash payments for acquisition & integration and restructuring & related charges expected to be between $30-$40 million
  - Capital expenditures expected to be between $110-$120 million
    - Incremental investments include impact of full-year expenditures supporting recent acquisitions, a major aerosol capacity expansion, and to support technology and innovation

Spectrum Brands

Global Batteries & Appliances	Pet, Home & Garden	Hardware & Home Improvement	Global Auto Care

RAYOVAC · VARTA · Russell Hobbs · REMINGTON · DINGO · Cutter

GEORGE FOREMAN · LITTERMAID · PRO·SENSE · 8in1 · id QUEST · FORTIS PURO DESIGN ITALIANO · TAT INSECTICIDES

HOT SHOT · Spectracide · BLACK FLAG · ULTRA PRO · REPEL · Tetra · STP · Kwikset · Garden Safe

WEISER SECURITY & INNOVATION · iLIGHT PRO professional hair removal results at home · MARINELAND · Instant Ocean · STANLEY · FURminator PROFESSIONAL PET PRODUCTS

NATURE'S MIRACLE · BALDWIN · WET2STRAIGHT · Pfister · GEO by BLACK&DECKER · Wild Harvest · A/C PRO · EZSET

IAMS · smooth & silky · Tell Manufacturing, Inc. · Sportsman · BIRDOLA Wildlife feeding specialists · Digest-eeze · Breadman · Jungle

FreshResults · Balanced-By-Nature ECOTRITION · National Hardware · FANAL · Tuff Stuff · Perfect Coat Every Dog Has Its Perfect Style · EUKANUBA

LIQUID FENCE · BLACK+DECKER · FARBERWARE · Juiceman · Excel · PROLINE ADVANCED · ARMOR ALL

Global Batteries & Appliances

Pet, Home & Garden

Hardware & Home Improvement

Global Auto Care

Appendix

Table 1
SPECTRUM BRANDS HOLDINGS, INC.
Condensed Consolidated Statements of Operations
For the three month periods ended January 3, 2016 and December 28, 2014
(unaudited)

	Three Month Period Ended		
(in million, except per share amounts)	**January 3, 2016**	**December 28, 2014**	**INC %**
Net sales	$ 1,218.8	$ 1,067.8	14.1 %
Cost of goods sold	778.0	697.4	
Restructuring and related charges	0.1	0.2	
Gross profit	440.7	370.2	19.0 %
Operating expenses			
Selling	187.1	159.8	
General and administrative	86.3	68.3	
Research and development	13.8	11.2	
Acquisition and integration related charges	9.9	8.1	
Restructuring and related charges	1.1	7.2	
Total operating expenses	298.2	254.6	
Operating income	142.5	115.6	
Interest expense	58.4	44.4	
Other non-operating expense, net	3.5	0.7	
Income from operations before income taxes	80.6	70.5	
Income tax expense	6.9	20.5	
Net income	73.7	50.0	
Net income attributable to non-controlling interest	0.1	0.2	
Net income attributable to controlling interest	$ 73.6	$ 49.8	
Earnings Per Share			
Basic earnings per share	$ 1.24	$ 0.94	
Diluted earnings per share	$ 1.24	$ 0.94	
Dividends per share	$ 0.33	$ 0.30	
Weighted Average Shares Outstanding			
Basic	59.2	52.8	
Diluted	59.2	53.1	

Table 2
SPECTRUM BRANDS HOLDINGS, INC.
Condensed Consolidated Statements of Cash Flows
For the three month periods ended January 3, 2016 and December 28, 2014
(Unaudited)

	Three Month Period Ended	
(in millions)	**January 3, 2016**	**December 28, 2014**
Cash flows from operating activities		
Net income	$ 73.7	$ 50.0
Adjustments to reconcile net income to net cash used by operating activities:		
Amortization of intangible assets	23.6	20.5
Depreciation	23.0	18.4
Share based compensation	10.1	5.6
Non-cash inventory adjustment from acquisitions	—	0.8
Non-cash restructuring and related charges	(0.8)	4.2
Amortization of debt issuance costs	2.1	2.5
Non-cash debt accretion	0.3	—
Deferred tax expense	(9.7)	1.7
Net changes in operating assets and liabilities, net of effects of acquisitions	(345.8)	(250.3)
Net cash used by operating activities	(223.5)	(146.6)
Cash flows from investing activities		
Purchases of property, plant and equipment	(17.4)	(14.2)
Business acquisitions, net of cash acquired	—	(29.2)
Proceeds from sales of property, plant and equipment	0.1	1.1
Other investing activities	—	(0.9)
Net cash used by investing activities	(17.3)	(43.2)
Cash flows from financing activities		
Proceeds from issuance of long-term debt	230.0	443.9
Payment of long-term debt	(5.9)	(1.8)
Payment of debt issuance costs	(1.1)	(6.1)
Payment of cash dividends	(19.5)	(15.9)
Treasury stock purchases	(40.2)	(8.5)
Share based tax withholding payments, net of proceeds upon vesting	(5.3)	(1.7)
Net cash provided by financing activities	158.0	409.9
Effect of exchange rate changes on cash and cash equivalents	(3.1)	(6.3)
Net decrease in cash and cash equivalents	(85.9)	213.8
Cash and cash equivalents, beginning of period	247.9	194.6
Cash and cash equivalents, end of period	162.0	408.4

Table 3

SPECTRUM BRANDS HOLDINGS, INC.

Supplemental Financial Data

As of and for the three month periods ended January 3, 2016 and December 28, 2014

(Unaudited)

Supplemental Financial Data (in millions)	January 3, 2016	December 28, 2014
Cash and cash equivalents	$ 162.0	$ 408.4
Trade receivables, net	$ 513.8	$ 489.7
Days Sales Outstanding[(a)]	40.9	41.1
Inventory	$ 867.7	$ 701.9
Inventory Turnover[(b)]	3.9	4.0
Total debt	$ 4,127.7	$ 3,360.5

	Three Month Period Ended	
Supplemental Segment Sales (in millions)	January 3, 2016	December 28, 2014
Global Batteries & Appliances	$ 611.3	$ 636.5
Hardware & Home Improvement	282.7	271.2
Global Pet Supplies	203.4	120.6
Home and Garden	47.7	39.5
Global Auto Care	73.7	-
Total segment sales	$ 1,218.8	$ 1,067.8

	Three Month Period Ended	
Supplemental Segment Profitability (in millions)	January 3, 2016	December 28, 2014
Global Batteries & Appliances	$ 90.4	$ 96.6
Hardware & Home Improvement	44.2	38.9
Global Pet Supplies	18.8	5.6
Home and Garden	3.6	2.8
Global Auto Care	14.1	-
Total segment profit	171.1	143.9
Corporate expense	17.5	12.8
Acquisition and integration related charges	9.9	8.1
Restructuring and related charges	1.2	7.4
Interest expense	58.4	44.4
Other non-operating expense, net	3.5	0.7
Income from operations before income taxes	$ 80.6	$ 70.5

(a) Reflects actual days sales outstanding at end of period.

(b) Reflects cost of sales (excluding restructuring and related charges) during the last twelve months divided by average inventory during the period.

Table 4
SPECTRUM BRANDS HOLDINGS, INC.
Reconciliation of GAAP Diluted Income Per Share to Adjusted Diluted Earnings Per Share
For the three month periods ended January 3, 2016 and December 28, 2014
(Unaudited)

	THREE MONTH PERIOD ENDED	
	January 3, 2016	**December 28, 2014**
Diluted income per share, as reported	$ 1.24	$ 0.94
Adjustments, net of tax:		
Acquisition and integration related charges	0.11 [(a)]	0.10 [(b)]
Restructuring and related charges	0.01 [(c)]	0.09 [(c)]
Income taxes	(0.35) [(d)]	(0.08) [(d)]
Purchase accounting inventory adjustment	—	0.01 [(e)]
Other	—	0.01 [(f)]
	(0.23)	0.13
Diluted income per share, as adjusted	$ 1.01	$ 1.07

(a) For the three month period ended January 3, 2016, reflects $6.4 million, net of tax, of acquisition and integration related charges, as follows: (i) $2.9 million related to the integration of Armored AutoGroup ("AAG"); (ii) $1.9 million related to the integration of the HHI Business; (iii) $1.6 million related primarily to the integration of the European pet food business acquired from Procter & Gamble consisting of the IAMS and Eukanuba brands ("European IAMS and Eukanuba"), Salix and Tell Manufacturing ("Tell").

(b) For the three month period ended December 28, 2014, reflects $5.3 million, net of tax, of acquisition and integration related charges, as follows: (i) $2.1million related to the integration of the HHI Business; (ii) $0.6 million related to the integration of the Liquid Fence Company; (iii) $0.3 million related to the acquisition of Tell; and (iv) $2.3 million related to other acquisition and integration activity.

(c) For the three month periods ended January 3, 2016 and December 28, 2014, reflects $0.7 million and $4.8 million, net of tax, respectively, of restructuring and related charges primarily related to the Global Expense Rationalization Initiatives announced in fiscal 2013 and HHI Business Rationalization Initiatives announced in fiscal 2014.

(d) Reflects adjustments to income tax expense to exclude the impact of adjusting the valuation allowance against deferred taxes and other tax related items in order to reflect a normalized ongoing effective tax rate. For the three month periods ended January 3, 2016 and December 28, 2014, the adjustment was $(21.3) million and $(4.2) million, respectively.

(e) For the three month period ended December 28, 2014, reflects a $0.5 million, net of tax, non-cash increase to cost of goods sold related to inventory fair value adjustments in conjunction with the acquisition of Tell.

(f) For the three month period ended December 28, 2014, reflects adjustments of $0.7 million, net of tax, for costs related to a key executive onboarding and the accelerated amortization of stock compensation related to a retention agreement entered into with another key executive.

Table 5
SPECTRUM BRANDS HOLDINGS, INC.
Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA
For the three month periods ended January 3, 2016 and December 28, 2014
(unaudited)

Three month period ended January 3, 2016 (in millions)	Global Batteries & Appliances	Hardware & Home Improvement	Global Pet Supplies	Home & Garden	Global Auto Care	Corporate / Unallocated Items	Consolidated
Net income (loss)	$ 87.7	$ 41.4	$ 16.0	$ 3.3	$ 8.8	$ (83.5)	$ 73.7
Income tax expense [(a)]	—	—	—	—	—	6.9	6.9
Interest expense [(a)]	—	—	—	—	—	58.4	58.4
Depreciation and amortization	17.3	9.3	10.7	3.4	5.9	—	46.6
EBITDA	105.0	50.7	26.7	6.7	14.7	(18.2)	185.6
Stock based compensation expense	—	—	—	—	—	10.1	10.1
Acquisition and integration related charges	0.3	2.9	1.8	0.2	4.5	0.2	9.9
Restructuring and related charges	0.2	0.1	0.7	0.2	—	—	1.2
Purchase accounting fair value adjustment	—	—	—	—	—	—	—
Other [(b)]	—	—	—	—	—	0.3	0.3
Adjusted EBITDA	$ 105.5	$ 53.7	$ 29.2	$ 7.1	$ 19.2	$ (7.6)	$ 207.1
Adjusted EBITDA Margin [(c)]	17.3%	19.0%	14.4%	14.9%	26.1%	—	17.0%

Three month period ended December 28, 2014 (in millions)	Global Batteries & Appliances	Hardware & Home Improvement	Global Pet Supplies	Home & Garden	Global Auto Care	Corporate / Unallocated Items	Consolidated
Net income (loss)	$ 88.2	$ 38.5	$ 2.7	$ 0.9	$ —	$ (80.3)	$ 50.0
Income tax expense [(a)]	—	—	—	—	—	20.5	20.5
Interest expense [(a)]	—	—	—	—	—	44.4	44.4
Depreciation and amortization	17.5	10.6	7.8	3.2	—	—	39.1
EBITDA	105.7	49.1	10.5	4.1	—	(15.4)	154.0
Stock based compensation expense	—	—	—	—	—	5.4	5.4
Acquisition and integration related charges	1.6	1.8	0.4	1.9	—	2.4	8.1
Restructuring and related charges	4.8	0.2	2.1	—	—	0.3	7.4
Other [(b)]	—	0.8	—	—	—	0.1	0.9
Adjusted EBITDA	$ 112.1	$ 51.9	$ 13.0	$ 6.0	$ —	$ (7.2)	$ 175.8
Adjusted EBITDA Margin [(c)]	17.6%	19.1%	10.8%	15.2%	—	—	16.5%

(a) Company policy is to record income tax expense and interest expense on a consolidated basis. Accordingly, such amounts are not reflected in the results of the operating segments and are presented within 'Corporate/Unallocated' Items.

(b) Other relates to onboarding costs for a key executive and costs associated with a transition agreement with another key executives.

(c) Adjusted EBITDA Margin is determined by dividing the segment Adjusted EBITDA by their respective net sales.

Table 6
SPECTRUM BRANDS HOLDINGS, INC.
Reconciliation of Forecasted Adjusted Cash Flow from Operating Activities to Forecasted Adjusted Free Cash Flow
For the year ending September 30, 2016
(Unaudited)

Forecasted range (in millions)	**F2016**
Net Cash provided from Operating Activities, as adjusted	$ 615 - 635
Purchases of property, plant and equipment	(110) - (120)
Forecasted Adjusted Free cash flow	$ 505 - 515