Spectrum Brands

REMINGTON | Russell Hobbs | united INDUSTRIES | VARTA | UNITED PET GROUP, INC | Hardware & Home Improvement | RAYOVAC

Fiscal 2013 First Quarter Earnings Call

February 6, 2013

Agenda

▪ **Introduction**	Dave Prichard Vice President, Investor Relations
▪ **FY13 Q1 Review and Full Year Outlook**	Dave Lumley Chief Executive Officer
▪ **Financial Highlights**	Tony Genito Chief Financial Officer
▪ **Q & A**	Dave Lumley Tony Genito

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.

Spectrum Brands

Dave Lumley
Chief Executive Officer

FY13 Q1 Review
and Full Year Outlook

Spectrum Brands FY13 Q1 Review and Full Year Outlook

- Record Q1 results put Spectrum Brands on track to deliver another year of record results from the legacy business in FY13

- December quarter was a challenging environment
  - Less than robust global holiday season
  - Cautious consumer spending heightened by fiscal cliff worries
  - Struggling European economies
  - West Coast port strike
  - Two fewer shopping days than prior year

FY13 Q1 Review and Full Year Outlook

- Q1 net sales up 2.5 percent, including HHI and FURminator® acquisitions, and 3.2 percent on constant currency basis
  - Global Batteries, Pet Supplies and Home and Garden posted improved revenues
  - Planned exit of low-margin North American appliances business of nearly $20 million and exit from low-margin battery promotions of about $10 million impacted top-line performance
- Q1 net loss driven by one-time acquisition and integration costs and interest expense primarily related to the HHI acquisition
- Adjusted diluted EPS of $0.72 improved 4.3%
- Adjusted EBITDA of $131 million, including HHI and FURminator® acquisitions, was up 4.5% and represented 4th consecutive record first quarter
- Adjusted EBITDA as percentage of net sales, including HHI, improved to 15.0 percent versus 14.7 percent last year

FURminator®
PROFESSIONAL PET PRODUCTS

Spectrum Brands

FY13 Full Year Outlook

- Legacy business expected to have measured, steady growth and achieve 4th consecutive record year in FY13, with improvements weighted to second half
  - Net sales should increase at or above rate of GDP
  - Improved EPS and adjusted EBITDA expected
  - Free cash flow expected to be at least $200 million, or approximately $4 per share
- HHI acquisition provides for updated FY13 outlook
  - Significant EPS and adjusted EBITDA increase from deal accretion
  - Free cash flow now expected to approximate $240 million, or nearly $5 per share, net of HHI acquisition costs
- Deleveraging and strengthening the balance sheet remains top priority
  - Reiterate plans to reduce total leverage by at least one-half turn per year
  - Major debt reduction to occur in the last two fiscal quarters, consistent with peak cash flow period and prior two years
- Long-term objective is to maintain a total leverage ratio in the range of 2.5x-3.5x
- <u>We will continue to manage Spectrum Brands to maximize sustainable free cash flow</u>
  - FY 2012 free cash flow of $208 million was about $4 per share
  - FY 2013 free cash flow, including HHI, to be about $240 million, or nearly $5 per share
  - Opportunity exists to drive free cash per share on run-rate basis to perhaps $7 or more in about 24 months from now

Global Pet Supplies (United Pet Group)

- FY13 expected to be another record year
- Q1 net sales up 3.6%, or nearly 5% on constant currency basis
  - Higher sales of companion animal products, primarily FURminator®
  - North American aquatics growth continues
- Q1 adjusted EBITDA increased 5%, driven by FURminator®
- Full slate of new products to be launched in second half of year in North America, Europe and Japan
- Growth weighted to second half of FY13
  - Sales increases in both companion animal and aquatics
  - Select pricing actions
  - New products
  - Record level of continuous improvement savings to offset cost increases

Remington (Personal Care)

- Q1 sales down 2%, but nearly flat on constant currency basis
- Solid Q1 growth in Europe from gains in the shaving, grooming and hair care categories
- North American holiday results impacted by major external factors
  - Nearly 10% personal care category decline primarily from decreased shelf space at major retailers
  - West Coast port strike reduced product replenishment from China
- Early dividends from growing higher margin consumables business
  - From small base, Q1 global consumables sales up 40%
  - Consumables growth to accelerate in second half of FY13 and into FY14
  - Shaser Bioscience developing line of additional skin condition/treatment products for next 2-3 years beyond i-LIGHT™
- New and expanded hair appliances/accessories placements in North America this spring; hair accessories expansion in Europe
- Remington is foundation for increased investment in our global e-commerce, including recent hiring of executive from Dell

Small Appliances (Russell Hobbs)

- Q1 net sales decline of 10% largely due to planned, continued elimination of low-margin North American promotions totaling nearly $20 million
  - Strategy started in FY12 has worked
  - North America small appliances gross margins up over 300 basis points in Q1, with higher EBITDA
- Solid Q1 sales growth in Europe, including U.K. gains and continuing regional expansion across Western/Eastern Europe
- Early success seen in George Foreman weight loss campaign
- Exciting new kitchen appliances set for FY13 second half launch
- Global platforms starting to enter the market successfully, with category management working well
- Continuous improvement savings increasing in FY13 to blunt ongoing, but moderating, Asian supplier cost increases

Home and Garden (United Industries)

- Strong Q1 start to an expected record fiscal 2013
- Q1 sales a record – increased 24%
  - All three product categories up – controls, household and repellents
  - Driven by distribution gains, strong retail inventory replenishment and Black Flag®
- Q1 adjusted EBITDA improved by 55% to loss of only $1.4 million
  - 5th straight year of EBITDA dollar and percentage improvement
- New products/distribution wins in place, along with strong expense controls and cost improvement programs
- Timing challenge between Q2 and Q3 vs. last year
  - March of 2012 unusually strong from warm, dry weather and very early spring, leading to record Q2 in fiscal 2012
  - Difficult Q2 year-over-year comparison
- Planning for more "normalized" spring season between months of March in Q2 and April in Q3

Global Batteries

- Global batteries aims for higher FY13 after record FY12
  - Viewed as growth business primarily from market share and distribution gains in U.S. and Europe
- Q1 net sales increased 1%, but 3% on a constant currency basis, with adjusted EBITDA up even more, despite North American holiday category decline and holiday price discounting by our competitors
- European VARTA growth continued from new customer listings, promotions and Eastern Europe expansion
- Latin American business has turned around after severe competitor price discounting in FY11
- Rayovac North American Q1 market share grew significantly from distribution gains, despite unique market dynamics
  - Reversal of competitor pricing to deep discounting at holiday hurt alkaline category unit /dollar performance
  - Rayovac only brand with year-over-year share gains
  - Exited low-margin sales of nearly $10 million from disruptive retailer programs
- Global battery long-term strategy working
  - “Same performance/less price” value proposition
  - Help retailer grow the category, increase market share and provide the best value to consumers

Hardware & Home Improvement (HHI)

- Completed accretive acquisition on December 17, 2012
  - Acquisition of certain Tong Lung assets for residential lockset production in the Far East expected to be completed by March 31, 2013
- HHI becomes Spectrum Brands' 4th reporting segment
- Net sales of $34 million and adjusted EBITDA of $3.2 million in Q1 2-week "stub" period
  - Adjusted EBITDA negatively impacted by $1.6 million accrual adjustment necessary due to change in contractual terms relative to product returns with a large retailer
  - Final weeks of calendar year typically a seasonally low period
  - Not representative of a full year of results
- HHI to add significantly to net sales, EPS, adjusted EBITDA and free cash flow in fiscal 2013 and beyond
- Integration proceeding smoothly and on time
  - First-year synergies will be achieved
  - Geographic and new market growth plans in place

Spectrum Brands

Tony Genito
Chief Financial Officer

Financial Highlights

Financial Highlights

- Q1 gross profit improved slightly, with gross margin declining to 33.1% from 33.5%
  - Margin decrease driven by increased COGS from sale of inventory that was revalued in connection with HHI acquisition
  - Inventory revaluation more than offset gross profit improvement from low-margin product exit in North America small appliances of nearly $20 million
  - Gross profit margin was 34.0% for legacy business, excluding HHI
- Q1 SG&A expenses, excluding FURminator impact, were essentially flat versus last year
- Q1 interest expense, excluding about $29 million primarily from the HHI acquisition, also was flat with prior year
- Q1 effective tax rate was 325% vs. 68% a year ago
  - Fixed amount of tax expense on indefinite lived intangibles means the closer to zero our income is, the greater the impact on our effective tax rate
- Restructuring, acquisition and integration charges increased to $27 million in Q1 vs. $15 million, driven by HHI acquisition
- Cash interest was $73 million vs. $49 million last year
  - Excluding one-time cash costs of $18 million for the HHI financing, cash payments were up $6 million due to timing
- FY13 cash interest payments, excluding one-time HHI financing items, expected to be approximately $190 million

Financial Highlights

- Q1 cash taxes up to $23 million vs. $18 million primarily due to timing
- Level of NOLs to be utilized means no U.S. federal tax payments for at least 5 years
- Annual normalized run rate of cash taxes, including HHI for a full year, are expected to be $60 to $70 million
- FY13 cash taxes estimated at $65-$75 million, including HHI for 3 quarters, from higher foreign profits, but mainly due to payment timing, primarily due to timing of payments between FY12 and FY13 in Germany
- Solid liquidity position at end of Q1 with $32 million drawn on $400 million ABL facility, cash balance of $71 million and total debt at par of $3,226 million
- FY13 free cash flow estimated at $240 million, or nearly $5 per share, net of HHI acquisition costs
- Normal annual Cap-x level is $65-$70 million with HHI
- FY13 Cap-x estimated at slightly higher level of $70-$80 million, including HHI
  - Over 2/3 is investments in new production capacity, lockset production infrastructure for Tong Lung integration, technology infrastructure, new product development, and cost reduction
  - FY13 investment will accelerate R&D/new product introductions in FY14

Spectrum Brands

REMINGTON

Russell Hobbs

UNITED PET GROUP, INC

united INDUSTRIES

Hardware & Home Improvement

VARTA

RAYOVAC

Cutter, HOT SHOT, Spectracide, ULTRA PRO, REPEL, Tetra, Kwikset, Garden Safe, DINGO

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

NATURE'S MIRACLE, BALDWIN, 8in1, WET2STRAIGHT, Pfister, Wild Harvest, EZSET, LITTER MAID

smooth & silky, Sportsman, Real-Kill, BIRDOLA Wildlife feeding specialists, Lazy Pet, BLACK FLAG, Jungle, TAT INSECTICIDES, PRO LINE ADVANCED

SCOOPMAID, Balanced-By-Nature ECOTRITION, National Hardware, GEO by BLACK&DECKER, Breadman, UltraStop, FORTIS PURO DESIGN ITALIANO

Toastmaster, BLACK&DECKER, FARBERWARE, FANAL, Juiceman, Excel, GEORGE FOREMAN

Appendix

Table 1
SPECTRUM BRANDS HOLDINGS, INC.
Condensed Consolidated Statements of Operations
For the three months ended December 30, 2012 and January 1, 2012
(Unaudited)
(In millions, except per share amounts)

	THREE MONTHS		
	F2013	F2012	INC(DEC) %
Net sales	$ 870.3	$ 848.8	2.5%
Cost of goods sold	581.0	560.2	
Restructuring and related charges	1.1	4.6	
Gross profit	288.2	284.0	1.5%
Selling	128.8	131.8	
General and administrative	56.7	50.6	
Research and development	8.2	7.2	
Acquisition and integration related charges	20.8	7.6	
Restructuring and related charges	5.5	3.1	
Total operating expenses	220.0	200.3	
Operating income	68.2	83.7	
Interest expense	69.9	41.1	
Other (income) expense, net	1.6	2.2	
Income (loss) from continuing operations before income tax expense	(3.3)	40.4	
Income tax expense	10.6	27.3	
Net (loss) income	(13.9)	13.1	
Less: Net loss attributable to noncontrolling interest	(0.5)	—	
Net (loss) income attributable to controlling interest	$ (13.4)	$ 13.1	
Average shares outstanding (a)	**51.8**	**52.1**	
Basic income (loss) per share attributable to controlling interest	**$ (0.26)**	**$ 0.25**	
Average shares and common stock equivalents outstanding (a) (b)	**51.8**	**52.6**	
Diluted income (loss) per share attributable to controlling interest	**$ (0.26)**	**$ 0.25**	

(a) Per share figures calculated prior to rounding.

(b) For the three months ended December 30, 2012, we have not assumed the exercise of common stock equivalents as the impact would be antidilutive.

Table 2
SPECTRUM BRANDS HOLDINGS, INC.
Supplemental Financial Data
As of and for the three months ended December 30, 2012 and January 1, 2012
(Unaudited)
($ in millions)

Supplemental Financial Data	F2013	F2012
Cash and cash equivalents	$ 70.9	$ 73.8
Trade receivables, net	$ 481.2	$ 362.3
Days Sales Outstanding (a)	42	40
Inventories	$ 679.2	$ 482.3
Inventory Turnover (b)	4.0	3.9
Total Debt	$ 3,222.3	$ 1,779.5

	THREE MONTHS	
Supplemental Cash Flow Data	F2013	F2012
Depreciation and amortization, excluding amortization of debt issuance costs	$ 31.0	$ 28.3
Capital expenditures	$ 9.3	$ 8.9

	THREE MONTHS	
Supplemental Segment Sales & Profitability	F2013	F2012
Net Sales		
Global Batteries & Appliances	$ 666.0	$ 689.2
Global Pet Supplies	139.8	134.9
Home and Garden	30.5	24.7
Hardware & Home Improvement	34.0	-
Total net sales	$ 870.3	$ 848.8
Segment Profit		
Global Batteries & Appliances	$ 95.4	$ 98.2
Global Pet Supplies	15.9	16.1
Home and Garden	(4.3)	(5.9)
Hardware & Home Improvement	(3.2)	-
Total segment profit	103.8	108.4
Corporate	8.2	9.4
Acquisition and integration related charges	20.8	7.6
Restructuring and related charges	6.6	7.7
Interest expense	69.9	41.1
Other expense, net	1.6	2.2
(Loss) income from continuing operations before income taxes	$ (3.3)	$ 40.4

(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 as of the end of the period.

Table 3

SPECTRUM BRANDS HOLDINGS, INC.

Reconciliation of GAAP Diluted Income (Loss) Per Share to Adjusted Diluted Income Per Share

For the three months ended December 30, 2012 and January 1, 2012

(Unaudited)

	THREE MONTHS					
	F2013			F2012		
Diluted income (loss) per share, as reported	$	(0.26)		$	0.25	
Adjustments, net of tax:						
Acquisition and integration related charges		0.26	(a)		0.09	(b)
Restructuring and related charges		0.08	(c)		0.10	(d)
Debt refinancing costs		0.36	(e)		-	
Inventory Adjustment		0.06	(f)		-	
Income taxes		0.22	(g)		0.25	(g)
		0.98			0.44	
Diluted income per share, as adjusted	**$**	**0.72**		**$**	**0.69**	

(a) For the three months ended December 30, 2012, reflects $13.5 million, net of tax, of acquisition and integration related charges. During the three months ended December 30, 2012, reflects the following: (i) $9.5 million related to the acquisition of the HHI Business, consisting primarily of legal and professional fees; (ii) $2.7 million related to the acquisition of Shaser, consisting of integration and legal and professional fees; (iii) $0.8 million related to the Merger with Russell Hobbs, consisting of integration costs; and (iv) $0.5 million related to the acquisition of FURminator, consisting of integration costs.

(b) For the three months ended January 1, 2012, reflects $4.8 million, net of tax, of acquisition and integration related charges as follows: (i) $2.3 million related to the merger with Russell Hobbs which consisted primarily of integration costs; and (ii) $2.5 million related to the acquisitions of Black Flag and FURminator, consisting primarily of legal and professional fees.

(c) For the three months ended December 30, 2012, reflects $4.3 million, net of tax, of restructuring and related charges primarily related to the Global Cost Reduction Initiatives announced in Fiscal 2009.

(d) For the three months ended January 1, 2012, reflects $5.0 million, net of tax, of restructuring and related charges as follows: (i) $4.6 million for the Global Cost Reduction Initiatives announced in Fiscal 2009; and (ii) $0.4 million for the Global Realignment Initiatives announced in Fiscal 2007.

(e) For the three months ended December 30, 2012, reflects $18.7 million, net of tax, related to financing fees and the write off of unamortized debt issuance costs in connection with the replacement of the Company's Term Loan and the issuance of the 6.375% Notes and 6.625% Notes.

(f) For the three months ended December 30, 2012, reflects a $3.4 million, net of tax, non-cash increase to cost of goods sold related to the sale of inventory that was subject to fair value adjustments in conjunction with the acquisition of the HHI Business.

(g) For the three months ended December 30, 2012 and January 1, 2012, reflects adjustments to income tax expense of $11.8 million and $13.2 million, respectively, 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.

Table 4
SPECTRUM BRANDS HOLDINGS, INC.
Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA
for the three months ended December 30, 2012
(Unaudited)
($ millions)

	Global Batteries & Appliances	Global Pet Supplies	Home & Garden	Hardware & Home Improvement	Corporate / Unallocated Items (a)	Consolidated Spectrum Brands Holdings, Inc.
Net income (loss), as adjusted (a)	$ 92.0	$ 10.1	$ (4.5)	$ (3.5)	$ (107.5)	$ (13.4)
Income tax expense	-	-	-	-	10.6	10.6
Interest expense	-	-	-	-	69.9	69.9
Acquisition and integration related charges	1.3	0.7	-	-	18.8	20.8
Restructuring and related charges	1.3	5.0	0.2	-	0.1	6.6
HHI Business inentory fair value adjustment	-	-	-	5.2	-	5.2
Adjusted EBIT	$ 94.6	$ 15.8	$ (4.3)	$ 1.7	$ (8.1)	$ 99.7
Depreciation and amortization (b)	16.1	7.3	2.9	1.5	3.2	31.0
Adjusted EBITDA	$ 110.7	$ 23.1	$ (1.4)	$ 3.2	$ (4.9)	$ 130.7

Note: Amounts calculated prior to rounding

(a) It is the Company's policy 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) Included within depreciation and amortization is amortization of unearned restricted stock compensation.

Table 4
SPECTRUM BRANDS HOLDINGS, INC.
Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA
for the three months ended January 1, 2012
(Unaudited)
($ millions)

	Global Batteries & Appliances	Global Pet Supplies	Home & Garden	Corporate / Unallocated Items (a)	Consolidated Spectrum Brands Holdings, Inc.
Net income (loss), as adjusted (a)	$ 89.9	$ 13.2	$ (6.4)	$ (83.6)	$ 13.1
Income tax expense	-	-	-	27.3	27.3
Interest expense	-	-	-	41.1	41.1
Acquisition and integration related charges	3.2	-	0.1	4.2	7.6
Restructuring and related charges	3.9	2.9	0.3	0.6	7.7
Adjusted EBIT	$ 97.1	$ 16.0	$ (5.9)	$ (10.4)	$ 96.8
Depreciation and amortization (b)	15.1	6.0	2.8	4.4	28.3
EBITDA	$ 112.2	$ 22.0	$ (3.1)	$ (6.0)	$ 125.1

Note: Amounts calculated prior to rounding

(a) It is the Company's policy 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) Included within depreciation and amortization is amortization of unearned restricted stock compensation.

Table 5
SPECTRUM BRANDS HOLDINGS, INC.
Reconciliation of Forecasted Cash Flow from Operating Activities to Forecasted Free Cash Flow
for the twelve months ending September 30, 2013
(Unaudited)
($ millions)

Forecasted:

Net Cash provided from Operating Activities	$ 310 - 320
Purchases of property, plant and equipment	(70) - (80)
Free Cash Flow	$240