Spectrum Brands

Global Batteries & Appliances

Pet, Home & Garden

Hardware & Home Improvement

Global Auto Care

Fiscal 2016 Second Quarter Earnings Call

April 28, 2016

Agenda

▪ **Introduction**	Dave Prichard Vice President, Investor Relations
▪ **FY16 Q2 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

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FY16 Q2 Highlights and Full Year Outlook

Andreas Rouvé

Chief Executive Officer

FY16 Q2 Highlights

- Solid Q2, following strong Q1, provides excellent first half and momentum to deliver record performance in FY16
- Adjusted EBITDA grew $71 million or 44% despite Fx headwinds; excluding negative Fx and acquisition EBITDA of $49 million, organic EBITDA growth was a strong 25%
- Strong Q2 driven by solid 4.9% organic sales growth
  - Record Home & Garden and HHI results, and battery and personal care growth in Europe and Latin America on currency neutral basis
  - Legacy Pet and small appliance sales decline, but EBITDA grew from exiting unprofitable promotions and low-margin private label business
- Clear target is to pursue long-term EBITDA growth and maximize sustainable free cash flow
  - Fix or exit any business where we do not generate long-term healthy returns even if this leads to short-term sales decline
- Strong regional results in North America as well as in Europe and Latin America despite currency challenges
  - More, more, more strategy is working
- Global Auto Care division performing to expectations with very good Q2; next phase is to step up cross-selling efforts

Full Year Outlook

- Global market is very challenging, price transparency has never been greater, consumer spending is uneven and retailers are managing inventories tighter than ever before
- Remain optimistic about a record FY16 with margin growth
  - Second half should again be larger than our first half
  - Expect healthy top- and bottom-line improvement from distribution gains, innovation and continuous improvement savings
  - Weather conditions will be major impact for GAC and Home & Garden in upcoming peak season where POS and replenishment orders are key
- Spectrum First growth initiative is our operating roadmap
  - Accelerating new product launches to attract more consumers and gain distribution
  - Equally committed to providing consumers with superior value products to increase brand loyalty while working with retailers to eliminate unnecessary supply chain costs
  - Driving organic sales growth through more, more, more strategy
  - Focus on continuous product and process enhancements and leveraging expenses through closer cross-divisional and global cooperation
- Investing more in R&D, marketing and sales to ensure sustainable organic growth

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Financial and Business Unit Review

Doug Martin

Chief Financial Officer

Financial Review *(1/2)*

- Q2 reported net sales increased 13.4%
- Organic net sales grew 4.9% excluding negative Fx of $32.1 million and acquisition-related net sales of $122.8 million
- Reported gross margin of 38.3% increased 320 basis points from 35.1% primarily due to the impact of the GAC acquisition, favorable mix and strong productivity, partially offset by negative Fx
- Reported SG&A expense of $285.1 million, or 23.6% of sales, improved by 50 basis points vs. 24.1% last year
- Reported operating margin of 12.3% improved by 400 basis points compared to 8.3% last year
- Higher reported EPS of $1.26 compared to 52 cents last year due to the impact of the GAC acquisition, improved margins and a lower tax rate, partially offset by higher common shares outstanding
- Adjusted EPS of $1.16 increased from 69 cents last year primarily as a result of the GAC acquisition and improved mix

Financial Review *(2/2)*

- Q2 interest expense of $58 million increased $8 million from last year driven by acquisition financing while cash interest payments of $59 million were $31 million above prior year due to acquisition financing and coupon payment timing
- Q2 reported tax rate of 16.5% decreased from 22.5% last year primarily due to higher Q2 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 Q2 of $14 million were $3 million above last year
- Q2 depreciation and amortization was $66 million vs. $54 million last year driven by higher stock-based compensation expense and the GAC acquisition
- Cash payments for acquisition & integration and restructuring & related charges were $12 million and $2 million, respectively, in Q2

Global Auto Care

- Q2 reported net sales and adjusted EBITDA of $119.5 million and $48.6 million, respectively
- Strong 40.7% adjusted EBITDA margin
- Solid U.S. appearance and performance category consumption, helped by favorable weather
- Innovation continues across the major brands
- GAC integration progressing smoothly, with key milestones already achieved and expected synergies exceeding expectations
    - GAC went live on our SAP platform in early April in Europe following a successful SAP cutover in the U.S., Canada, Australia and Mexico in early January
- GAC is pivoting now to growth initiatives from first-year integration and synergies, and we are making progress on international growth plans

Hardware & Home Improvement

- Record Q2 results with reported net sales growth of 4.3% and 6.1% excluding negative Fx
- Continued and planned exits from unprofitable businesses and customer tolling arrangement expiration negatively impacted sales by 3.3%
- Q2 adjusted EBITDA grew 17.3% and the margin increased 200 basis points to 17.8%
- HHI on track for another record year in FY16
  - Growth drivers include extending our leadership position in home electronics and automation, driving our multi-family/commercial market expansion, steady growth in U.S. housing markets, U.S. line review wins, e-commerce, and international growth
- Innovation road map is best ever, with launches occurring every quarter
- Cost improvements and metals deflation more than offsetting pricing pressure and Fx
- 3-year global transformation program under way

Kwikset

IBS

2016 NAHB International Builders' Show®

kēvo 2

GreenBuilder

2016 Hot Product

Pfister

Social media campaign

XTRACT

National Hardware®

Gate Hardware -Driving **POS**

LOWE'S

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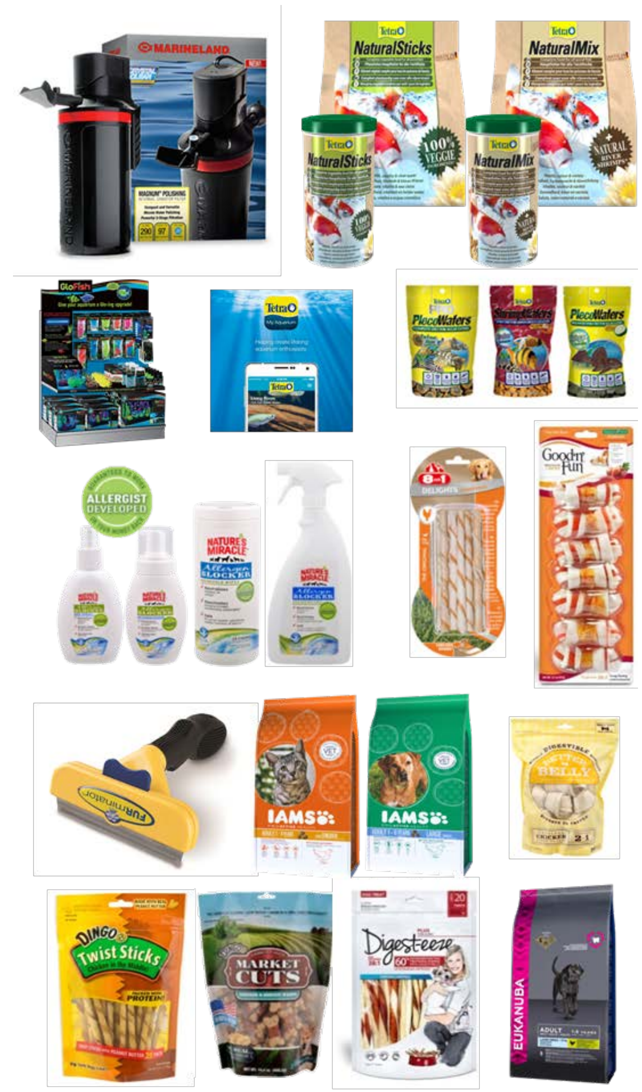
Global Pet Supplies

- Q2 reported net sales fell slightly and organic sales decreased 1.0% excluding negative Fx and acquisition revenues of $3.3 million
- Higher companion animal sales in North America were offset by lower aquatics revenues in Europe and in the U.S. from the exit of an unprofitable promotion
- Q2 adjusted EBITDA grew nearly 2% and almost 5% excluding negative Fx; reported margin improved 40 basis points to 15.1%
- Seeing signs of sales and adjusted EBITDA momentum in FY16 in our North American legacy business due to operational improvements and restructuring initiatives begun in Q3 last year which have taken hold
- Pet looks to a stronger second half from process improvements in North America, category growth, cross-selling and continued innovation

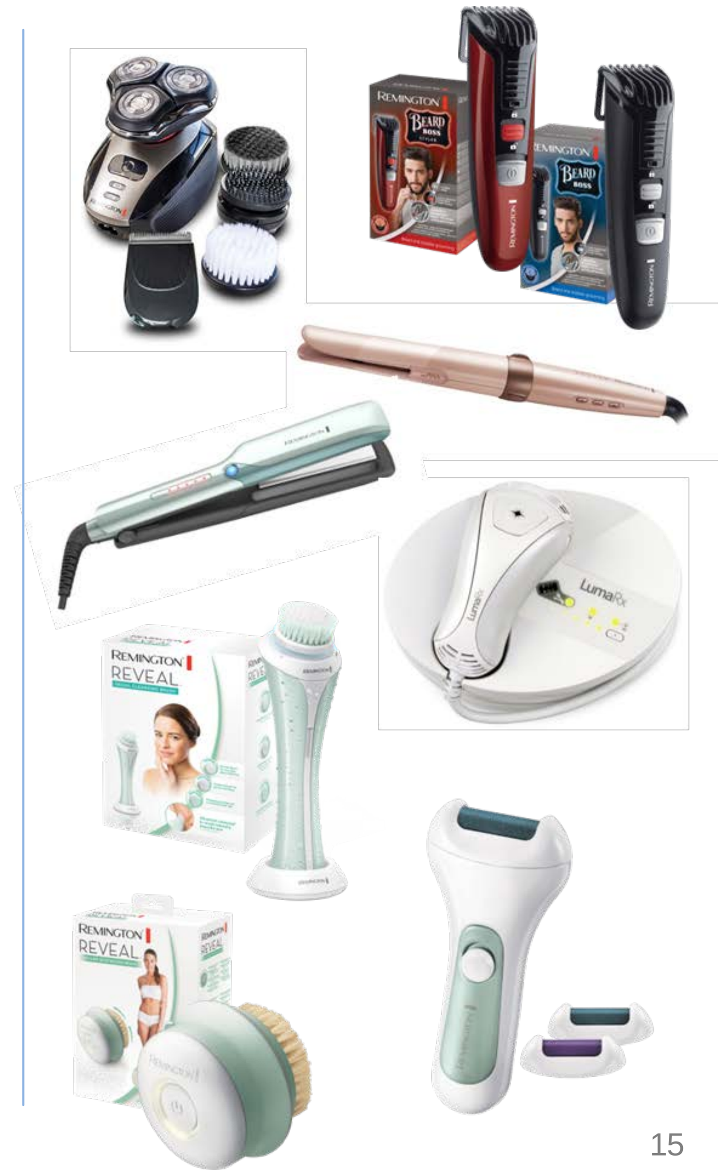


Home and Garden

- Record Q2 results with reported net sales growth of 25.1%
  - Strong increases in repellents and household controls, as well as in lawn and garden controls
  - Favorable weather, solid retailer early season orders, market share gains, and the Zika virus impact drove the strong sell-in
- Adjusted EBITDA of $44.2 million grew 40.3%, with a 310 basis point margin improvement to 28.5%, driven by favorable mix
- Focus is on driving POS with effective merchandising and marketing programs
- Much of Home & Garden's season is still ahead with favorable weather, POS strength, retailer replenishment rates, and consumer activity in repellents key factors in driving results
- Aerosol capacity expansion project on schedule for completion this fall, which will approximately double filling capacity and reduce inventory levels in FY17

Personal Care (Remington)

- Q2 reported net sales fell 1.9% but grew 2.9% excluding unfavorable Fx
- Double-digit growth on a constant currency basis in Europe, primarily in hair care, and Latin America from new listings and distribution gains more than offset lower North American revenues
- North American decline due to category softness against strong growth last year, tighter retailer inventory levels, and the timing of new product placements between Q2 and Q3
- Continuous improvement savings overcame negative Fx impacts from all regions as Remington is one of our most international businesses
- Strong new product launches in shaving and grooming and hair care are set for second half to help capture market share as the business leverages its global product development platform



Small Appliances

- Q2 reported net sales decreased 8.8% and 3.5% excluding negative Fx impacts
- Currency headwinds were also strong in small appliances
- Sales decline primarily due to aggressive competitor promotions, retailer inventory reductions and overall category declines in the U.S., as well as the exit from unprofitable business in Latin America
- Revenues were unchanged in Europe on a currency neutral basis
- Double-digit increase in adjusted EBITDA, excluding negative Fx, driven by exit of unprofitable business and strong continuous improvement savings
- New product launches planned to gain incremental listings across the regions while continuing to deliver solid level of cost savings to further enhance profitability

Spectrum Brands

Global Batteries

- Q2 reported net sales fell 2% but grew 4% excluding negative Fx impacts
- Adjusted EBITDA increased double-digit on a currency neutral basis
- European growth due to new customers and promotions and double-digit increase in Latin America on a currency neutral basis came from alkaline and specialty batteries growth
- New go-to-market strategy rolling out in North America
  - Modernized Rayovac logo, clearer price and usage segmentation, improved and more readable packaging, and brand awareness campaigns
  - Sales force additions to pursue new or underserved distribution channels
- Growth continues in the U.S. DIY channel and highest-performing, longest-lasting Fusion alkaline battery continues to perform well

Financial Review

- Strong liquidity position at the end of Q2
- Expect to reduce total leverage by approximately ½ turn to end FY16 at 4 turns or below
- Free cash flow in Q2 was a source of $58 million
- Q2 capital expenditures were $21 million compared to $16 million last year

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 330-350 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 approximately $50 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. We do not anticipate being a regular U.S. federal cash taxpayer for the next 3 years
  - Cash payments for acquisition & integration and restructuring & related charges expected to be between $35-$45 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

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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 · ULTRAPRO · 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 · Digesteeze · 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 · ARMORALL

Spectrum Brands

Global Batteries & Appliances

Pet, Home & Garden

Hardware & Home Improvement

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Appendix

Table 1
SPECTRUM BRANDS HOLDINGS, INC.
Condensed Consolidated Statements of Operations
For the three month periods ended April 3, 2016 and March 29, 2015
(unaudited)

(in millions, except per share amounts)	Three Month Period Ended April 3, 2016	Three Month Period Ended March 29, 2015	INC %	Six Month Period Ended April 3, 2016	Six Month Period Ended March 29, 2015	INC %
Net sales	$ 1,209.6	$ 1,067.0	13.4 %	$ 2,428.4	$ 2,134.8	13.8 %
Cost of goods sold	746.6	692.1		1,524.6	1,389.5	
Restructuring and related charges	0.2	0.2		0.3	0.4	
Gross profit	462.8	374.7	23.5 %	903.5	744.9	21.3 %
Operating expenses						
Selling	189.5	173.1		376.6	332.9	
General and administrative	95.6	84.3		181.9	152.6	
Research and development	14.5	12.8		28.3	24.0	
Acquisition and integration related charges	13.3	11.9		23.2	20.0	
Restructuring and related charges	1.4	4.2		2.5	11.4	
Total operating expenses	314.3	286.3		612.5	540.9	
Operating income	148.5	88.4		291.0	204.0	
Interest expense	57.5	49.2		115.9	93.6	
Other non-operating expense, net	0.8	3.2		4.3	3.9	
Income from operations before income taxes	90.2	36.0		170.8	106.5	
Income tax expense	14.9	8.1		21.8	28.6	
Net income	75.3	27.9		149.0	77.9	
Net income attributable to non-controlling interest	0.1	0.1		0.2	0.3	
Net income attributable to controlling interest	$ 75.2	$ 27.8		$ 148.8	$ 77.6	
Earnings Per Share						
Basic earnings per share	$ 1.27	$ 0.52		$ 2.51	$ 1.46	
Diluted earnings per share	$ 1.26	$ 0.52		$ 2.50	$ 1.46	
Dividends per share	$ 0.38	$ 0.33		$ 0.71	$ 0.63	
Weighted Average Shares Outstanding						
Basic	59.4	53.3		59.3	53.0	
Diluted	59.5	53.3		59.4	53.1	

Table 2
SPECTRUM BRANDS HOLDINGS, INC.
Consolidated Statements of Cash Flows
For the six month periods ended April 3, 2016 and March 29, 2015
(Unaudited)

	Six Month Period Ended	
(in millions)	April 3, 2016	March 29, 2015
Cash flows from operating activities		
Net income	$ 149.0	$ 77.9
Adjustments to reconcile net income to net cash used by operating activities:		
Amortization of intangible assets	47.0	41.7
Depreciation	44.4	37.1
Share based compensation	31.6	19.4
Non-cash inventory adjustment from acquisitions	—	3.0
Non-cash restructuring and related charges	—	7.2
Amortization of debt issuance costs	4.1	5.1
Non-cash debt accretion	0.5	—
Deferred tax (benefit) expense	(1.9)	1.4
Net changes in operating assets and liabilities, net of effects of acquisitions	(419.2)	(373.1)
Net cash used by operating activities	(144.5)	(180.3)
Cash flows from investing activities		
Purchases of property, plant and equipment	(38.7)	(29.9)
Business acquisitions, net of cash acquired	—	(292.7)
Proceeds from sales of property, plant and equipment	0.8	1.2
Other investing activities	—	(0.9)
Net cash used by investing activities	(37.9)	(322.3)
Cash flows from financing activities		
Proceeds from issuance of long-term debt	175.0	477.4
Payment of long-term debt	(13.3)	(18.9)
Payment of debt issuance costs	(1.6)	(6.9)
Payment of cash dividends	(42.0)	(33.5)
Treasury stock purchases	(40.2)	(8.5)
Share based tax withholding payments, net of proceeds upon vesting	(9.8)	(1.9)
Net cash provided by financing activities	68.1	407.7
Effect of exchange rate changes on cash and cash equivalents	(0.3)	(11.9)
Net decrease in cash and cash equivalents	(114.6)	(106.8)
Cash and cash equivalents, beginning of period	247.9	194.6
Cash and cash equivalents, end of period	133.3	87.8

Table 3

SPECTRUM BRANDS HOLDINGS, INC.

Supplemental Financial Data

As of and for the three and six month periods ended April 3, 2016 and March 29, 2015

(Unaudited)

Supplemental Financial Data (in millions)	April 3, 2016	March 29, 2015
Cash and cash equivalents	$ 133.3	$ 87.8
Trade receivables, net	$ 557.2	$ 494.8
Days Sales Outstanding [(a)]	39.6	38.8
Inventory	$ 924.4	$ 814.0
Inventory Turnover [(b)]	3.7	3.8
Total debt	$ 4,103.8	$ 3,376.1

	Three Month Period Ended		Six Month Period Ended	
Supplemental Segment Sales (in millions)	April 3, 2016	March 29, 2015	April 3, 2016	March 29, 2015
Global Batteries & Appliances	$ 424.9	$ 443.9	$ 1,036.2	$ 1,080.4
Hardware & Home Improvement	301.7	289.4	584.3	560.6
Global Pet Supplies	208.5	209.8	411.9	330.4
Home and Garden	155.0	123.9	202.7	163.4
Global Auto Care	119.5	-	193.3	-
Total segment sales	$ 1,209.6	$ 1,067.0	$ 2,428.4	$ 2,134.8

	Three Month Period Ended		Six Month Period Ended	
Supplemental Segment Profitability (in millions)	April 3, 2016	March 29, 2015	April 3, 2016	March 29, 2015
Global Batteries & Appliances	$ 40.0	$ 41.8	$ 130.4	$ 138.4
Hardware & Home Improvement	45.6	37.3	89.8	76.1
Global Pet Supplies	20.9	18.7	39.7	24.4
Home and Garden	44.5	28.3	48.1	31.1
Global Auto Care	40.4	-	54.5	-
Total segment profit	191.4	126.1	362.5	270.0
Corporate	28.0	21.4	45.5	34.2
Acquisition and integration related charges	13.3	11.9	23.2	20.0
Restructuring and related charges	1.6	4.4	2.8	11.8
Interest expense	57.5	49.2	115.9	93.6
Other non-operating expense, net	0.8	3.2	4.3	3.9
Income from operations before income taxes	$ 90.2	$ 36.0	$ 170.8	$ 106.5

[(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 and six month periods ended April 3, 2016 and March 29, 2015

(Unaudited)

	Three Month Period Ended		Six Month Period Ended	
	April 3, 2016	March 29, 2015	April 3, 2016	March 29, 2015
Diluted income per share, as reported	$ 1.26	$ 0.52	$ 2.50	$ 1.46
Adjustments, net of tax:				
Acquisition and integration related charges	0.15 [(a)]	0.15 [(b)]	0.25 [(c)]	0.24 [(d)]
Restructuring and related charges	0.02 [(e)]	0.05 [(e)]	0.03 [(f)]	0.14 [(f)]
Income taxes	(0.28) [(g)]	(0.08) [(g)]	(0.63) [(g)]	(0.16) [(g)]
Purchase accounting inventory adjustment	—	0.03 [(h)]	—	0.04 [(h)]
Other	0.01 [(i)]	0.02 [(j)]	0.01 [(i)]	0.03 [(j)]
	(0.10)	0.17	(0.34)	0.29
Diluted income per share, as adjusted	$ 1.16	$ 0.69	$ 2.16	$ 1.75

[(a)] For the three month period ended April 3, 2016, reflects $8.6 million, net of tax, of acquisition and integration related charges, as follows: (i) $4.0 million related to the integration of Armored AutoGroup ("AAG"); (ii) $3.1 million related to the integration of the HHI Business; (iii) $1.5 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 months ended March 29, 2015, reflects $7.7 million, net of tax, of Acquisition and integration related charges, as follows: (i) $2.7 million related to the acquisition of Proctor & Gamble's European pet food business consisting of the IAMS and Eukanuba brands ("European IAMS and Eukanuba"); (ii) $3.3 million related to the acquisition of Salix Animal Health LLC ("Salix"); (iii) $2.0 million related the integration of the HHI Business; (iv) $0.4 million related to the acquisition of Tell Manufacturing ("Tell"); (v) $0.2 million related to the integration of The Liquid Fence Company ("Liquid Fence"); and (vi) $(0.9) million related to other acquisition activity.

[(c)] For the six months ended April 3, 2016, reflects $15.1 million, net of tax, of acquisition and integration related charges, as follows: (i) $6.9 million related to the acquisition and integration of AAG; (ii) $4.9 million related to the integration of the HHI Business; (iii) $1.3 million related to the integration of European IAMS and Eukanuba; (iv) $1.0 million related to the integration of Salix; and $1.0 million related to other acquisition and integration activity.

[(d)] For the six months ended March 29, 2015, reflects $13.0 million, net of tax, of acquisition and integration related charges, as follows: (i) $3.3 million related to the acquisition of European IAMS and Eukanuba;(ii) $3.3 million related to the acquisition of Salix; (iii) $4.0 million related to the acquisition of the HHI Business; (iv) $0.7 million related to the acquisition of Tell; (v) $0.8 million related to the acquisition of Liquid Fence; and (vi) $0.9 million related to other acquisition activity.

[(e)] For the three month periods ended April 3, 2016 and March 29, 2015, reflects $1.1 million and $2.9 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.

[(f)] For the six month periods ended April 3, 2016 and March 29, 2015, reflects $1.8 million and $7.7 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.

[(g)] 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 (35%). For the three month periods ended April 3, 2016 and March 29, 2015, the adjustment was $(16.7) million and $(4.4) million, respectively. For the six month periods ended April 3, 2016 and March 29, 2015, the adjustment was $(38.0) million and $(8.7) million, respectively.

[(h)] For the three month period ended March 29, 2015, reflects a $1.4 million, net of tax, non-cash increase to cost of goods sold related to inventory fair value adjustments in conjunction with the acquisition of European IAMS and Eukanuba and Salix. For the six month period ended March 29, 2015, reflects a $2.0 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, European IAMS and Eukanuba and Salix.

[(i)] For the three and six month periods ended April 3, 2016, reflects adjustments of $0.5 million and $0.7 million, net of tax, respectively, for costs associated with exiting a key executive coupled with onboarding a key executive, and an involuntary transfer of inventory during the three month period ended April 3, 2016.

[(j)] For the three and six month periods ended March 29, 2015, reflects adjustments of $1.1 million and $1.8 million, net of tax, respectively, 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 April 3, 2016 and March 29, 2015

(unaudited)

Three month period ended April 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)	$ 39.1	$ 39.8	$ 18.4	$ 39.8	$ 39.1	$ (100.9)	$ 75.3
Income tax expense [a]	—	—	—	—	—	14.9	14.9
Interest expense [a]	—	—	—	—	—	57.5	57.5
Depreciation and amortization	17.6	8.7	10.7	3.8	3.9	—	44.7
EBITDA	56.7	48.5	29.1	43.6	43.0	(28.5)	192.4
Stock based compensation expense	—	—	—	—	—	21.5	21.5
Acquisition and integration related charges	0.7	4.9	1.5	0.3	5.6	0.3	13.3
Restructuring and related charges	0.3	0.2	0.8	0.3	—	—	1.6
Other [b]	0.6	—	—	—	—	0.2	0.8
Adjusted EBITDA	$ 58.3	$ 53.6	$ 31.4	$ 44.2	$ 48.6	$ (6.5)	$ 229.6
Adjusted EBITDA Margin [c]	13.7%	17.8%	15.1%	28.5%	40.7%	—	19.0%

Three month period ended March 29, 2015 (in millions)	**Global Batteries & Appliances**	**Hardware & Home Improvement**	**Global Pet Supplies**	**Home & Garden**	**Global Auto Care**	**Corporate / Unallocated Items**	**Consolidated**
Net income (loss)	$ 37.9	$ 32.4	$ 12.6	$ 28.0	$ —	$ (83.0)	$ 27.9
Income tax expense [a]	—	—	—	—	—	8.1	8.1
Interest expense [a]	—	—	—	—	—	49.2	49.2
Depreciation and amortization	17.5	9.3	9.9	3.1	—	(0.1)	39.7
EBITDA	55.4	41.7	22.5	31.1	—	(25.8)	124.9
Stock based compensation expense	—	—	—	—	—	14.0	14.0
Acquisition and integration related charges	1.0	2.7	3.9	0.3	—	4.0	11.9
Restructuring and related charges	0.7	1.3	2.3	0.1	—	—	4.4
Purchase accounting inventory adjustment	—	—	2.2	—	—	—	2.2
Other [b]	—	—	—	—	—	1.7	1.7
Adjusted EBITDA	$ 57.1	$ 45.7	$ 30.9	$ 31.5	$ —	$ (6.1)	$ 159.1
Adjusted EBITDA Margin [c]	12.9%	15.8%	14.7%	25.4%	—	—	14.9%

[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] *For the three month periods ended April 3, 2016 and March 29, 2015, other includes costs associated with exiting a key executive, coupled with onboarding a key executive, and an involuntary transfer of inventory during the three month period ended April 3, 2016.*

[c] *Adjusted EBITDA Margin is determined by dividing the Adjusted EBITDA by their respective net sales.*

Table 5

SPECTRUM BRANDS HOLDINGS, INC.

Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA

For the six month periods ended April 3, 2016 and March 29, 2015

(unaudited)

Six months ended April 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), as adjusted	$ 126.8	$ 81.2	$ 34.3	$ 43.1	$ 47.9	$ (184.3)	$ 149.0
Income tax expense [(a)]	—	—	—	—	—	21.8	21.8
Interest expense [(a)]	—	—	—	—	—	115.9	115.9
Depreciation and amortization	34.8	18.0	21.4	7.4	9.8	—	91.4
EBITDA	161.6	99.2	55.7	50.5	57.7	(46.6)	378.1
Stock based compensation expense	—	—	—	—	—	31.6	31.6
Acquisition and integration related charges	1.0	7.8	3.3	0.5	10.1	0.5	23.2
Restructuring and related charges	0.6	0.3	1.6	0.3	—	—	2.8
Other [(b)]	0.6	—	—	—	—	0.4	1.0
Adjusted EBITDA	$ 163.8	$ 107.3	$ 60.6	$ 51.3	$ 67.8	$ (14.1)	$ 436.7
Adjusted EBITDA Margin [(c)]	15.8%	18.4%	14.7%	25.3%	35.1%	—	18.0%

Six months ended March 29, 2015 (in millions)	Global Batteries & Appliances	Hardware & Home Improvement	Global Pet Supplies	Home & Garden	Global Auto Care	Corporate / Unallocated Items	Consolidated
Net income (loss), as adjusted	$ 126.2	$ 70.9	$ 15.4	$ 28.8	$ —	$ (163.4)	$ 77.9
Income tax expense [(a)]	—	—	—	—	—	28.6	28.6
Interest expense [(a)]	—	—	—	—	—	93.6	93.6
Depreciation and amortization	34.9	20.0	17.6	6.4	—	(0.1)	78.8
EBITDA	161.1	90.9	33.0	35.2	—	(41.3)	278.9
Stock based compensation expense	—	—	—	—	—	19.4	19.4
Acquisition and integration related charges	2.6	4.5	4.3	2.2	—	6.4	20.0
Restructuring and related charges	5.5	1.5	4.4	0.1	—	0.3	11.8
Purchase accounting inventory adjustment	—	0.8	2.2	—	—	—	3.0
Other [(b)]	—	—	—	—	—	1.8	1.8
Adjusted EBITDA	$ 169.2	$ 97.7	$ 43.9	$ 37.5	$ —	$ (13.4)	$ 334.9
Adjusted EBITDA Margin [(c)]	15.7%	17.4%	13.3%	22.9%	—	—	15.7%

[(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)] *For the six month periods ended April 3, 2016 and March 29, 2015, other includes costs associated with exiting a key executive, coupled with onboarding a key executive, and an involuntary transfer of inventory during the six month period ended April 3, 2016.*

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

Table 6

SPECTRUM BRANDS HOLDINGS, INC.

Reconciliation of Forecasted Cash Flow from Operating Activities to Forecasted 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)
Free cash flow	$	505 - 515