Spectrum Brands

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

Fiscal 2013 Full Year and Fourth Quarter Earnings Call

November 21, 2013

Agenda

▪ **Introduction**	Dave Prichard Vice President, Investor Relations
▪ **FY13 Review and FY14 Outlook**	Dave Lumley Chief Executive Officer
▪ **Financial Highlights**	Tony Genito Chief Financial Officer
▪ **Q & A**	Dave Lumley Tony Genito Andreas Rouvé, President, International

Spectrum Brands

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 Review
and FY14 Outlook

Spectrum Brands FY13 Review

- FY13 was 4th consecutive year of record performance and progress for Spectrum Brands
- Financial guidance met or exceeded
  - Reported net sales of $4.09 billion and adjusted EBITDA of $647 million, including HHI since its date of acquisition on December 17, 2012
  - Net sales and adjusted EBITDA also increased, including HHI on a pro forma basis
  - HHI delivered better-than-expected results
  - Global Pet and Home and Garden had record years
  - Europe a particularly bright spot throughout FY13
- Legacy business reported 4th consecutive year of record adjusted EBITDA
  - 2.1% growth and 6% increase, excluding negative FX impacts
  - Adjusted EBITDA margin reached another record annual level at 15.4% vs. 14.9% last year
- Solid execution on global operating plans and strategic initiatives

Rayovac · Remington · Hot Shot — It's Your Home. Not Theirs. · Cutter — Enjoy the Outdoors Again. · Black Flag · Repel — The Insect Repellent As Tough As You Are. · Tetra · Dingo — Meat in the Middle! · Russell Hobbs — At the heart of your home · George Foreman · Black & Decker · Kwikset · Farberware · Pfister

FY13 Review

- Company overcame many significant challenges in FY13
  - $23 million of negative FX impacts on adjusted EBITDA
  - Challenging global economies marked by sluggish spending by still financially stretched consumers
  - Slow store traffic, and tighter retailer inventory levels and reorder rates
  - Unusual and disruptive weather patterns
  - Sustained and heightened competitor discounting in many of our businesses
- Continuous improvement savings reached a record level, more than offsetting product cost increases and helping us invest in new products launching now and in coming months
- Spectrum Brands is managed to maximize sustainable free cash flow
  - Free cash flow reached a record $254 million in FY13, or nearly $5 per share, an increase from $208 million, or $4 per share, in FY12
- FY14 free cash flow expected to increase to at least $350 million, or nearly $7 per share

FY13 Q4 Review

- Strong Q4 finish, with solid growth in net sales, adjusted EPS and adjusted EBITDA, helped to achieve a record FY13
  - Net sales grew 4.4% on a pro forma basis, including HHI last year
  - Legacy business net sales increased 1.4%, and 2.0% excluding negative FX impacts
  - Home and Garden delivered a remarkable Q4 – net sales growth of 18% and adjusted EBITDA growth of 26%
- Adjusted EPS increased 6% to \$0.88 vs. \$0.83 last year
- Adjusted EBITDA increased 3.3%, including HHI in the prior year on a pro forma basis
- Legacy business adjusted EBITDA increased 3.6% and a strong 10.2% excluding negative FX impacts
  - 12th consecutive quarter of year-over-year adjusted EBITDA growth for legacy business
  - Adjusted EBITDA margin grew to 15.4% vs. 15.1% last year, and 14.2% 12 quarters ago




FY14 Outlook

- Company has momentum from FY13 performance and continuing accretion from the HHI acquisition
- Expectations are for 5th consecutive year of record performance for the legacy business in FY14, along with higher results from HHI
- Free cash flow expected to be at least $350 million, or nearly $7 per share, in FY14, versus $254 million in FY13, or nearly $5 per share, and $208 million in FY12, or $4 per share
- Pursuing a mix of volume growth, new retail customers, retail distribution gains, new products, cross-selling opportunities, further geographic expansion internationally, and select pricing actions
- Maintaining strict expense controls and pushing to deliver a record level of continuous improvement savings across all divisions
- Expect to reduce debt by at least $250 million and further delever the balance sheet

Global Pet Supplies (United Pet Group)

- FY13 was record year for net sales, adjusted EBITDA and adjusted EBITDA margin, which reached 19.3%
  - Adjusted EBITDA grew every quarter and increased 6% for the year
- Drivers of improved performance included:
  - Growth of high-margin FURminator product line globally
  - Geographic growth in companion animals in Europe and North America (for example, Dingo and Nature's Miracle)
  - Resumption of growth in North American aquatics
  - E-commerce increases
- Continuous improvement savings in FY13 were more than twice the level of FY12
- Optimistic for another record year in FY14
  - Global growth in companion animals and aquatics
  - Selecting pricing actions, new retail customers and increased shelf space at several key retailers
  - Record level of cost savings and strong expense controls
- Full slate of new products launching globally – North America, Europe and Japan
  - Entered large U.S. chicken jerky market approaching $200 million annually at retail level with U.S. manufactured product, Dingo Market Cuts

Hardware & Home Improvement (HHI)

- HHI delivered 3rd consecutive quarter of strong results in Q4 since its December 17, 2012 acquisition
  - Net sales grew 14% primarily from strength in U.S. residential security and faucets
  - Solid adjusted EBITDA margin approached 19%
- HHI continues to win in the marketplace with strong brands, driving solid organic growth, gaining market share especially in residential locks, benefiting from U.S. housing recovery and key customer/product initiatives, and launching innovative products like the Kwikset Kevo Bluetooth door lock
- New product investments and higher marketing spending on hero products like SmartKey are modestly tempering short-term adjusted EBITDA results even as sales grow
  - SmartKey unit adoption has increased at double-digit rate
- Investments will provide growth into FY14 and beyond
- Growth in non-retail plumbing channels taking hold
- Improvements in U.S. housing starts are helping HHI
  - New construction channel sales correlate to U.S. new housing starts with 3-month lag
  - HHI retail sales correlate to existing home sales with 6-12 month lag
- Integration continues smoothly and is essentially complete
  - Virtually all TSA cost agreements to be exited by calendar year-end
  - Confident of achieving projected $10 million of synergies in first two calendar years with more identified in next few years in IT, sourcing, D&T
- HHI targeting higher net sales, adjusted EBITDA and free cash flow in FY14 from a number of growth areas along with increased costs savings

SMARTKEY
RE-KEY TECHNOLOGY

Remington (Personal Care)

- Strong Q4 finish with 6% net sales growth and 7% increase excluding negative FX impacts
  - Continued solid growth in Europe and improvement in Latin America offset a flat North America where a major retailer’s one-time shaving/grooming shelf space reduction begun in FY13 Q1 impacted category results all year
  - North America sales would have increased without this retailer’s move
  - North America’s Q4 was a sequential improvement which provides momentum into F14
- Remington is gaining market share in 3 of 6 categories in which it competes in North America and just became the number 2 overall hair appliance brand
- Remington net sales and adjusted EBITDA should rebound in FY14 driven primarily by improvements in North America
- Remington is the fastest growing personal care brand in Europe
- Unique, patented i-LIGHT™ hair removal system is launching in Mexico and Colombia after successful introduction in Brazil
- Fine-tuning product development and marketplace strategy to drive more growth in e-commerce and consumables, given that Remington is a well-known, innovative global brand consumers trust

Small Appliances (Russell Hobbs)

- Solid Q4 finish, with double-digit adjusted EBITDA growth and 2.3% net sales increase on a constant currency basis, led by double-digit growth in Europe
- North America Q4 sales down only due to planned, continuing exit of $5 million of low/no-margin promotions
  - $45 million of low-margin sales exits in FY13
  - Program begun in FY12 has worked well and boosted gross margin percentages for the segment and total Company
  - Q4 North America small appliances gross margin percentage up 500 basis points, following 300, 450 and 350 basis point increases in first three quarters, respectively
  - Sales exit process is essentially now complete
- FY13 adjusted EBITDA increased and net sales grew as well after excluding the $45 million of low-margin sales exits in North America
- Global cost improvement was a major success story
  - FY13 cost savings were more than twice the rate of FY12
- Most new products launching in FY14 since business was acquired in 2010
  - New George Foreman grills, Black and Decker toaster ovens, irons
- Global cost improvement in FY14 expected to again more than offset moderating, but continuing, Asian supply chain cost increases

Home and Garden (United Industries)

- Remarkable and record Q4 enabled Home and Garden to achieve record year in FY13 for net sales, adjusted EBITDA and adjusted EBITDA margin, which reached 23.1%
- Q4 net sales increased 18% and adjusted EBITDA grew 26%
- Challenging weather in June quarter pushed the season and POS into July and beyond
  - April-June period was coldest spring in U.S. weather history after 2nd warmest on record in 2012
- Q4 revenues grew in all three product categories – lawn and garden controls, household insect controls and outdoor repellents – driven by extending selling season and more favorable weather
- Aggressive expense management implemented earlier in the year, when a delayed season became apparent, also was a contributor
- Cost improvements more than offset product and commodity cost increases in FY13
- Home and Garden pushing for another record year in FY14
  - Assumption is more “normal” quarterly weather pattern than in FY13 when Q3 was lower and Q4 was stronger than usual
  - Expect distribution gains via new products with increased promotional support

Spectrum Brands

Global Batteries

- Global batteries achieved adjusted EBITDA growth in FY13 – including 5% increase on a constant currency basis – despite aggressive, competitive environment with major negative FX headwinds, and net sales were essentially flat on a constant currency basis
  - Record annual adjusted EBITDA margin reinforces view of battery business as strong EBITDA-producing, cash flow business with steady performance year-in and year-out
- European VARTA ® business performed especially well in FY13
- Global cost savings significantly outpaced product and commodity cost increases
- FY14 likely to be another year of fierce competition/competitive discounting and tight retail inventory management, usually due to slow premium products POS
- Optimism for FY14 because POS data in all markets shows that value – “same or better performance/less price” – is a winner in the global marketplace
- Commodity prices expected to be relatively flat and global cost savings should be higher than in FY13
- Good momentum with new smart phone portable power products and distribution gains, with opportunities for new retailer business/shelf space gains
  - Two portable power products honored at CES Unveiled New York event
- New products driving global excitement – 2-Hour and 7-Hour power, emergency lighting, rechargeable lights, longest-lasting hearing aid battery
- Growth continues in large North American non-Nielsen measured channel
- Goal remains to help the retailer grow the category, increase market share and provide the best value to consumers

Spectrum Brands

Tony Genito
Chief Financial Officer

Financial Highlights

Financial Highlights

- FY13 gross margin of 34.0%, including HHI, versus 34.3% for legacy business in FY12
  - Slight margin decline due to $31 million increase in COGs from the sale of inventory revalued in connection with the HHI acquisition which offset gross profit improvements from the exit of $45 million of low- or no-margin sales in North America small appliances
- FY13 gross margin for legacy business increased to 34.8% versus 34.3% last year
- SG&A expenses in FY13 of $740 million, excluding HHI, were unchanged from prior year
- Interest expense in FY13 of $376 million compared to $192 million last year
  - Increase primarily due to one-time costs for replacement of the 9.5% senior notes coupled with one-time costs and ongoing higher interest expense related to financing of the HHI acquisition
  - Partial offset was non-recurrence of one-time costs for replacement of the 12% notes in FY12
- Effective tax rate in FY13 was a benefit of 98% versus tax expense of 55% last year and was impacted by the cost to replace our 9.5% notes in September which resulted in the generation of a pretax loss
- FY13 cash restructuring, acquisition and integration charges, excluding certain items from the HHI transaction, decreased to $36 million vs. $56 million in FY12, driven by significantly lower legacy business cash payments
- FY14 cash charges expected to decrease further to $25-$30 million, which includes HHI cash charges, as legacy business cash payments continue to decline
- Cash interest in FY13 was $337 million compared to $185 million in FY12
  - Excluding one-time cash costs in both years, cash payments increased $23 million due to the additional debt incurred for the HHI acquisition
- Cash interest in FY14 expected to be $165-$175 million
  - Ongoing cash interest to decline from FY13 due to savings from refinancing the 9.5% notes and debt payments, partially offset by timing related to a full year of interest on bond payments related to financing the HHI acquisition

Financial Highlights

- FY13 cash taxes of $50 million increased vs. $39 million in FY12 due to payments by foreign subsidiaries under the HHI acquisition
  - Cash taxes in FY13 were lower than expected primarily due to the timing of payments in Germany
- Level of NOLs to be utilized means no U.S. federal tax payments for 5 to 10 years
- FY14 cash taxes estimated at $70-$80 million due in part to overall higher international profits and a full year of HHI results but mainly the timing of payments, primarily in Germany, and the anticipated conclusion of several income tax audits in certain jurisdictions from the 2007-2010 period
- Normal annual run rate of cash taxes, including HHI for a full year, is expected to be $55-$60 million
- Solid liquidity position at FY13 year-end with no cash drawn on $400 million ABL facility, a cash balance of approximately $207 million and total debt at par of $3,231 million
- FY14 free cash flow estimated to be at least $350 million, or nearly $7 per share
- FY14 Cap-x estimated at $70-$75 million, including expenditures for the Tong Lung integration, compared to $82 million in FY13
- Normal annual Cap-x level is approximately $65-$70 million to fund ongoing new product introductions, product enhancements, cost improvement programs, and maintenance of equipment

Spectrum
Brands

REMINGTON | Russell Hobbs (At the heart of your home) | 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·SENSE

NATURE'S MIRACLE | BALDWIN | 8in1 | WET 2 STRAIGHT | Pfister | EZSET | LITTER MAID

smooth & silky | BLACK FLAG | Sportsman | Real-Kill | BIRDOLA | Jungle | Perfect Coat | TAT INSECTICIDES | PRO LINE ADVANCED

Balanced-By-Nature ECOTRITION | National Hardware | PETNATION | GEO by BLACK&DECKER | Wild Harvest | 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 and twelve months ended September 30, 2013 and September 30, 2012

(Unaudited)

($ in millions, except per share amounts)

	THREE MONTHS			TWELVE MONTHS		
	F2013	F2012	% INC	F2013	F2012	% INC
Net sales	$ 1,137.7	$ 832.6	36.6 %	$ 4,085.6	$ 3,252.4	25.6 %
Cost of goods sold	735.9	551.1		2,685.3	2,126.9	
Restructuring and related charges	5.3	1.5		10.0	9.8	
Gross profit	396.5	280.0	41.6 %	1,390.3	1,115.7	24.6 %
Selling	172.0	129.7		637.0	521.2	
General and administrative	88.8	60.7		286.4	218.8	
Research and development	11.8	9.3		43.3	33.1	
Acquisition and integration related charges	7.9	10.4		48.4	31.1	
Restructuring and related charges	1.0	2.3		24.0	9.7	
Total operating expenses	281.5	212.4		1,039.1	813.9	
Operating income	115.0	67.6		351.2	301.8	
Interest expense	183.9	41.8		375.6	191.9	
Other (income) expense, net	(4.5)	(1.3)		3.5	0.9	
(Loss) income from continuing operations before income taxes	(64.4)	27.1		(27.9)	109.0	
Income tax (benefit) expense	(27.6)	21.6		27.4	60.4	
Net (loss) income	(36.8)	5.5		(55.3)	48.6	
Less: Net loss attributable to noncontrolling interest, net of tax	(0.1)	—		(0.1)	—	
Net (loss) income attributable to controlling interest	$ (36.7)	$ 5.5		$ (55.2)	$ 48.6	
Average shares outstanding (a)	**52.2**	**51.4**		**52.0**	**51.6**	
Basic (loss) income per share attributable to controlling interest	**$ (0.70)**	**$ 0.11**		**$ (1.06)**	**$ 0.94**	
Average shares and common stock equivalents outstanding (a) (b)	**52.2**	**53.1**		**52.0**	**53.3**	
Diluted (loss) income per share attributable to controlling interest	**$ (0.70)**	**$ 0.10**		**$ (1.06)**	**$ 0.91**	
Cash dividends declared and paid per common share	**$ 0.25**	**$ 1.00**		**$ 0.75**	**$ 1.00**	

(a) Per share figures calculated prior to rounding.

(b) For the three and twelve months ended September 30, 2013, 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 and twelve months ended September 30, 2013 and September 30, 2012

(Unaudited)

($ in millions)

Supplemental Financial Data	F2013	F2012
Cash and cash equivalents	$ 207.3	$ 158.0
Trade receivables, net	$ 481.3	$ 335.3
Days Sales Outstanding (a)	36	33
Inventory	$ 632.9	$ 452.6
Inventory Turnover (b)	4.0	4.1
Total debt	$ 3,218.9	$ 1,669.3

	THREE MONTHS		TWELVE MONTHS	
Supplemental Cash Flow Data	F2013	F2012	F2013	F2012
Depreciation and amortization, excluding amortization of debt issuance costs	$ 51.0	$ 42.7	$ 183.7	$ 133.8
Capital expenditures	$ 36.8	$ 13.7	$ 82.0	$ 46.8

	THREE MONTHS		TWELVE MONTHS	
Supplemental Segment Sales & Profitability	F2013	F2012	F2013	F2012
Net Sales				
Global Batteries & Appliances	$ 577.3	$ 580.0	$ 2,203.6	$ 2,249.9
Global Pet Supplies	165.2	166.5	621.8	615.5
Home and Garden Business	101.4	86.1	390.6	387.0
Hardware & Home Improvement	293.8	—	869.6	—
Total net sales	$ 1,137.7	$ 832.6	$ 4,085.6	$ 3,252.4
Segment Profit				
Global Batteries & Appliances	$ 55.8	$ 58.7	$ 237.5	$ 244.4
Global Pet Supplies	28.3	28.1	91.1	85.9
Home and Garden Business	18.8	13.1	78.5	73.6
Hardware & Home Improvement	42.2	—	88.7	—
Total segment profit	145.1	99.9	495.8	403.9
Corporate	15.9	18.1	62.1	51.5
Acquisition and integration related charges	7.9	10.4	48.5	31.1
Restructuring and related charges	6.3	3.8	34.0	19.5
Interest expense	183.9	41.8	375.6	191.9
Other expense (income), net	(4.5)	(1.3)	3.5	0.9
(Loss) income from continuing operations before income taxes	$ (64.4)	$ 27.1	$ (27.9)	$ 109.0

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

(b) Reflects cost of sales (excluding restructuring and related charges and HHI Business inventory step-up) during the last twelve months divided by average inventory during 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 and twelve months ended September 30, 2013 and September 30, 2012

(Unaudited)

	THREE MONTHS				TWELVE MONTHS			
	F2013		F2012		F2013		F2012	
Diluted (loss) income per share, as reported	$ (0.70)		$ 0.10		$ (1.06)		$ 0.91	
Adjustments, net of tax:								
Pre-acquisition earnings of HHI	—		0.33	(a)	0.06	(a)	0.93	(a)
Acquisition and integration related charges	0.10	(b)	0.13	(d)	0.59	(c)	0.38	(e)
Restructuring and related charges	0.08	(f)	0.04	(g)	0.42	(f)	0.24	(g)
Debt refinancing costs	1.49	(h)	—		1.85	(i)	0.33	(j)
Purchase accounting inventory adjustment	—		—		0.38	(k)	—	
Venezuela devaluation	—		—		0.02	(l)	—	
Income taxes	(0.09)	(m)	0.23	(n)	0.70	(m)	0.42	(n)
Share dilution assumption	—	(o)	—		0.02	(o)	—	
	1.58		0.73		4.04		2.30	
Diluted income per share, as adjusted	$ 0.88		$ 0.83		$ 2.98		$ 3.21	

(a) For the twelve months ended September 30, 2013, and the three and twelve months ended September 30, 2012, reflects $3.2 million, $17.2 million and $49.5 million, net of tax, of pre-acquisition earnings related to the acquired HHI business. The Pre-acquisition earnings of HHI do not include the TLM Taiwan business as stand alone financial data is not available for the periods presented. The TLM Taiwan business is not deemed material to the Company's operating results.

(b) For the three months ended September 30, 2013, reflects $5.1 million, net of tax, of Acquisition and integration related charges, as follows: (i) $3.8 million related to the acquisition of the HHI Business, consisting primarily of legal and professional fees; (ii) $0.5 million related to the acquisition of FURminator, consisting of integration costs; (iii) $0.5 million related to the merger with Russell Hobbs, consisting of integration costs; and (iv) $0.3 million related to the acquisition of Shaser and other acquisition activity, consisting of legal and professional fees.

(c) For the twelve months ended September 30, 2013, reflects $31.5 million, net of tax, of Acquisition and integration related charges, as follows: (i) $24.0 million related to the acquisition of the HHI Business, consisting primarily of legal and professional fees; (ii) $3.1 million related to the acquisition of Shaser, consisting of integration and legal and professional fees; (iii) $2.3 million related to the merger with Russell Hobbs, consisting of integration costs; and (iv) $2.1 million related to the acquisition of FURminator and other acquisition activity, consisting of integration costs.

(d) For the three months ended September 30, 2012, reflects $6.8 million, net of tax, of Acquisition and integration related charges as follows: (i) $2.6 million related to the merger with Russell Hobbs which consisted primarily of integration costs; (ii) $1.0 million related to the acquisition of FURminator, consisting primarily of integration costs; (iii) $1.0 million related to the acquisition of Black Flag, consisting primarily of integration costs; and (iv) $2.2 million related to other acquisition activity, consisting primarily of legal and professional fees.

(e) For the twelve months ended September 30, 2012, reflects $20.2 million, net of tax, of Acquisition and integration related charges as follows: (i) $10.1 million related to the merger with Russell Hobbs which consisted primarily of integration costs; (ii) $5.2 million related to the acquisition of FURminator, consisting primarily of integration costs and legal and professional fees; and (iii) $4.9 million related to the acquisition of Black Flag and other acquisition activity, consisting primarily of legal and professional fees.

(f) For the three and twelve months ended September 30, 2013, reflects $4.1 million and $22.1 million, net of tax, respectively, of Restructuring and related charges primarily related to the Global Cost Rationalization Initiatives announced in Fiscal 2013 and the Global Cost Reduction Initiatives announced in Fiscal 2009.

(g) For the three and twelve months ended September 30, 2012, reflects $2.4 million and $12.7 million, net of tax, respectively, of Restructuring and related charges primarily related to the Global Cost Reduction Initiatives announced in Fiscal 2009.

(h) For the three months ended September 30, 2013, reflects $79.4 million, net of tax, related to financing fees and the write off of unamortized debt issuance costs in connection with the refinancing of the Company's 9.5% Notes.

(i) For the twelve months ended September 30, 2013, reflects $98.2 million, net of tax, related to financing fees and the write off of unamortized debt issuance costs in connection with the extinguishment of the Company's 9.5% Notes and the replacement of the Company's Term Loan and the issuance of the 6.375% Notes and 6.625% Notes in connection with the acquisition of the HHI Business.

(j) For the twelve months ended September 30, 2012, reflects $17.9 million, net of tax, related to financing fees and the write off of unamortized debt issuance costs in connection with the extinguishment of the Company's 12% Notes during the fiscal quarter ended April 1, 2012.

(k) For the twelve months ended September 30, 2013, reflects a $20.2 million, net of tax, non-cash increase to cost of goods sold related to the sales of inventory that was subject to fair value adjustments in conjunction with the acquisition of the HHI Business.

(l) For the twelve months ended September 30, 2013, reflects an adjustment of $1.3 million, net of tax, related to the devaluation of the Venezuelan Bolivar Fuerte.

(m) For the three and twelve months ended September 30, 2013, reflects adjustments to income tax expense of $(5.0) million and $37.1 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.

(n) For the three and twelve months ended September 30, 2012, reflects adjustments to income tax expense of $12.1 million and $22.2 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.

(o) Adjustment to reflect the fully diluted net income per share, as adjusted. The US GAAP diluted net loss per share calculation does not take into account the dilutive impact of common stock equivalents as these would be antidilutive given the net loss reported. Therefore the diluted net loss per share is decreased when the dilutive impact of common stock equivalents are taken into consideration. Full dilution is used for this calculation as a result of the adjusted net income.

Table 4
SPECTRUM BRANDS HOLDINGS, INC.
Reconciliation of GAAP Net Income (Loss) to Adjusted EBITDA
For the three months ended September 30, 2013
(Unaudited)
($ in millions)

	Global Batteries & Appliances	Global Pet Supplies	Home & Garden Business	Hardware & Home Improvement	Corporate / Unallocated Items (a)	Consolidated Spectrum Brands Holdings, Inc.
Net income (loss) attributable to controlling interest, as adjusted (a)	$ 54.9	$ 25.9	$ 18.7	$ 38.3	$ (174.5)	$ (36.7)
Net loss attributable to non-controlling interest	(0.1)	—	—	—	—	(0.1)
Net income (loss) as adjusted (a)	54.8	25.9	18.7	38.3	(174.5)	(36.8)
Income tax benefit	—	—	—	—	(27.6)	(27.6)
Interest expense	—	—	—	—	183.9	183.9
Acquisition and integration related charges	1.7	0.6	—	3.3	2.3	7.9
Restructuring and related charges	3.3	1.7	0.1	1.2	—	6.3
Adjusted EBIT	59.8	28.2	18.8	42.8	(15.9)	133.7
Depreciation and amortization (b)	17.5	7.6	3.0	11.6	11.3	51.0
Adjusted EBITDA	$ 77.3	$ 35.8	$ 21.8	$ 54.4	$ (4.6)	$ 184.7

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 year ended September 30, 2013
(Unaudited)
($ in millions)

	Global Batteries & Appliances	Global Pet Supplies	Home & Garden Business	Hardware & Home Improvement	Corporate / Unallocated Items (a)	Consolidated Spectrum Brands Holdings, Inc.
Net income (loss) attributable to controlling interest, as adjusted (a)	$ 214.1	$ 77.0	$ 77.7	$ 75.0	$ (499.0)	$ (55.2)
Net loss attributable to non-controlling interest	(0.5)	—	—	0.4	—	(0.1)
Net income (loss), as adjusted (a)	213.6	77.0	77.7	75.4	(499.0)	(55.3)
Pre-acquisition earnings of HHI (b)	—	—	—	30.3	—	30.3
Income tax expense	—	—	—	—	27.4	27.4
Interest expense	—	—	—	—	375.6	375.6
Acquisition and integration related charges	6.1	2.2	0.1	7.4	32.6	48.4
Restructuring and related charges	14.8	11.2	0.6	6.2	1.2	34.0
HHI Business inventory fair value adjustment	—	—	—	31.0	—	31.0
Venezuela devaluation	2.0	—	—	—	—	2.0
Adjusted EBIT	236.5	90.4	78.4	150.3	(62.2)	493.4
Depreciation and amortization (c)	67.2	29.6	11.7	31.3	43.9	183.7
Adjusted EBITDA	$ 303.7	$ 120.0	$ 90.1	$ 181.6	$ (18.3)	$ 677.1

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) The Pre-acquisition earnings of HHI do not include the TLM Taiwan business as stand alone financial data is not available for the periods presented. The TLM Taiwan business is not deemed material to the Company's operating results.

(c) 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 September 30, 2012

(Unaudited)

($ in millions)

	Global Batteries & Appliances	Global Pet Supplies	Home & Garden Business	Hardware & Home Improvement	Corporate / Unallocated Items (a)	Consolidated Spectrum Brands Holdings, Inc.
Net income (loss), as adjusted (a)	$ 55.2	$ 23.1	$ 11.9	$ —	$ (84.6)	$ 5.5
Pre-acquisition earnings of HHI (b)	—	—	—	53.0	—	53.0
Income tax benefit	—	—	—	—	21.6	21.6
Interest expense	—	—	—	—	41.8	41.8
Acquisition and integration related charges	3.7	1.8	1.5	—	3.4	10.4
Restructuring and related charges	0.6	3.2	(0.3)	—	0.1	3.8
Adjusted EBIT	59.5	28.1	13.1	53	(17.7)	136.1
Depreciation and amortization (c)	17.6	7.5	4.2	—	13.4	42.7
Adjusted EBITDA	$ 77.1	$ 35.7	$ 17.3	$ 53.0	$ (4.3)	$ 178.8

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) The Pre-acquisition earnings of HHI do not include the TLM Taiwan business as stand alone financial data is not available for the periods presented. The TLM Taiwan business is not deemed material to the Company's operating results.

(c) 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 year ended September 30, 2012

(Unaudited)

($ in millions)

	Global Batteries & Appliances	Global Pet Supplies	Home & Garden Business	Hardware & Home Improvement	Corporate / Unallocated Items (a)	Consolidated Spectrum Brands Holdings, Inc.
Net income (loss), as adjusted (a)	$ 221.6	$ 69.8	$ 70.6	$ —	$ (313.4)	$ 48.6
Pre-acquisition earnings of HHI (b)	—	—	—	183.1	—	183.1
Income tax expense	—	—	—	—	60.4	60.4
Interest expense	—	—	—	—	191.9	191.9
Acquisition and integration related charges	14.9	5.5	2.1	—	8.6	31.1
Restructuring and related charges	7.6	10.1	0.9	—	0.9	19.5
Adjusted EBIT	244.1	85.4	73.6	183.1	(51.6)	534.6
Depreciation and amortization (c)	63.6	27.7	13.3	—	29.2	133.8
Adjusted EBITDA	$ 307.7	$ 113.1	$ 86.9	$ 183.1	$ (22.4)	$ 668.4

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) The Pre-acquisition earnings of HHI do not include the TLM Taiwan business as stand alone financial data is not available for the periods presented. The TLM Taiwan business is not deemed material to the Company's operating results.

(c) Included within depreciation and amortization is amortization of unearned restricted stock compensation.

Table 5

SPECTRUM BRANDS HOLDINGS, INC.

Pro Forma Net Sales Comparison

For the three and twelve months ended September 30, 2013 and September 30, 2012

(Unaudited)

(In millions)

	THREE MONTHS			TWELVE MONTHS		
	F2013	F2012	% INC	F2013	F2012	% INC
Spectrum Brands Holdings, Inc. Net sales - as reported	$ 1,137.7	$ 832.6	36.6 %	$ 4,085.6	$ 3,252.4	25.6 %
HHI pre-acquisition Net sales (a)	—	256.8		191.8	973.6	
Pro Forma Net Sales	$ 1,137.7	$ 1,089.4	4.4 %	$ 4,277.4	$ 4,226.0	1.2 %

(a) Net sales have been adjusted to reflect the acquisition of HHI as if it occurred at the beginning of each period presented. HHI pre-acquisition Net sales do not include the TLM Taiwan business as stand alone financial data is not available for the periods presented. The TLM Taiwan business is not deemed material to the Company's operating results.

Table 6

SPECTRUM BRANDS HOLDINGS, INC.

Reconciliation of Cash Flow from Operating Activities to Free Cash Flow

For the year ended September 30, 2013

(Unaudited)

($ in millions)

Net Cash provided from Operating Activities	$ 256
Cash interest charges related to refinancing	44
Cash acquisition transaction costs	36
Purchases of property, plant and equipment	(82)
Free Cash Flow	$ 254

Table 7

SPECTRUM BRANDS HOLDINGS, INC.

Reconciliation of Forecasted Cash Flow from Operating Activities to Forecasted Free Cash Flow

For the year ended September 30, 2014

(Unaudited)

($ in millions)

Forecasted range:

Net Cash provided from Operating Activities	$ 420 - 425
Purchases of property, plant and equipment	(70) - (75)
Free Cash Flow	$ 350