

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report:**

**February 1, 2006**  
(Date of earliest event reported)

**SPECTRUM BRANDS, INC.**

(Exact Name of Registrant as Specified in Charter)

**Wisconsin**  
(State or other Jurisdiction  
of Incorporation)

**001-13615**  
(Commission File No.)

**22-2423556**  
(IRS Employer  
Identification No.)

**Six Concourse Parkway, Suite 3300, Atlanta, Georgia 30328**  
(Address of principal executive offices, including zip code)

**(770) 829-6200**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.**

As previously reported, in order to assist the Company's shareholders to better understand the impact of the Company's recent acquisitions and dispositions its ongoing business, beginning on January 26, 2006 the Company made available on the Investor Relations section of its website certain supplementary information representing the Company's quarterly results for the fiscal year ended September 30, 2005, as adjusted to include the results of acquired businesses and to exclude the results of disposed businesses, along with a reconciliation of these pro forma results to financial results presented in accordance with U.S. generally accepted accounting principles. Beginning on February 1, 2006, the Company expanded this supplementary information to include certain information regarding its quarterly results of operations by segment. This supplementary information is attached hereto in its entirety as Exhibit 99.2 and incorporated herein by reference.

**Item 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

(c) *Exhibits*

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Supplemental pro forma financial information issued by Spectrum Brands, Inc. on February 1, 2006.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 1, 2006

SPECTRUM BRANDS, INC.

By: /s/ Randall J. Steward

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Name: Randall J. Steward  
Title: Executive Vice President and  
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Supplemental pro forma financial information issued by Spectrum Brands, Inc. on February 1, 2006.



**Spectrum Brands Fiscal 2005  
Financial Results Adjusted to  
Reflect the Effect of  
Acquisitions and Divestitures  
For the Full Year**

**Spectrum Brands Inc.**  
**Condensed Combined Financial Data Adjusted to Include Results of Acquisitions (Unaudited)**  
**Excluding Nu-Gro Discontinued Operations**

The following unaudited condensed combined statement of operations for the year ended September 30, 2005, and the accompanying condensed combined statement of operations for the four quarters of the year then ended assume all acquisitions completed by Spectrum Brands during the year ended September 30, 2005 were completed on October 1, 2004. Specifically, this includes the acquisition of United Industries Inc. ("United"), completed by Spectrum Brands on February 7, 2005, the acquisition of Tetra Holding GmbH ("Tetra"), completed by Spectrum Brands on April 29, 2005, the acquisition of Jungle Laboratories ("Jungle"), completed by Spectrum Brands on September 2, 2005, and the acquisition of Firstrax, completed by the United Pet Group ("UPG") on February 1, 2005.

The data also excludes the results of operations for the Nu-Gro Pro and Tech business that Spectrum Brands classified as an asset held for sale as of September 30, 2005. This business was disposed of by sale in January 2006. Amounts excluded are based upon internal financial information prepared by management.

The information also gives effect to certain adjustments described in the accompanying notes.

In addition, interest expense has been adjusted to reflect interest expense we estimate would be incurred by the Company had all acquisitions occurred on October 1, 2004 and the sale of the Nu-Gro Pro and Tech business had occurred on October 1, 2004, with the proceeds from the sale applied to reduce approximately \$80 million in outstanding debt.

Our capital structure has also been adjusted as if the issuance of 13.75 million shares of our common stock, which actually occurred on February 7, 2005 in connection with the United acquisition, had occurred on October 1, 2004. Earnings per share calculations presented in the accompanying condensed combined statements of operations reflect this adjusted capital structure.

The effective tax rate for the periods presented is adjusted to 35%.

The information make no adjustments to estimate the impact of synergies we expect to achieve from the integration of the acquired companies.

This comparable information is provided solely for the purpose of additional analysis of the results of the Company. The data is presented for informational purposes only and is not intended to be in conformity with the rules governing the preparation of pro forma financial information, nor is it intended to be a forecast of future operating results.

Spectrum Brands, Inc.  
**Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)**  
**Excluding Nu-Gro Discontinued Operations**  
**For the Fiscal Year Ended September 30, 2005**  
**EPS Summary by Quarter**  
*(in thousands)*

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Full Year</b>
Net Income, as adjusted	\$ 14,945	\$ 21,146	\$ 38,230	\$ 5,323	\$ 79,644
Shares Outstanding, as adjusted	49,290	50,403	51,086	51,207	50,528
Diluted EPS, as adjusted	\$ 0.30	\$ 0.42	\$ 0.75	\$ 0.10	\$ 1.58

Spectrum Brands, Inc.  
Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)  
Excluding Nu-Gro Discontinued Operations  
For the Fiscal Year Ended September 30, 2005  
Pro Forma Net Sales and Profitability by Segment  
(in thousands)

	Q1	Q2	Q3	Q4	Full Year
<b>Segment Net Sales:</b>					
North America	\$ 276,544	\$ 325,626	\$ 412,848	\$ 246,522	\$ 1,261,540
EROW	222,272	144,290	137,253	153,835	657,650
Latin America	52,683	49,624	49,568	56,201	208,076
Global Pet	135,386	132,785	131,252	132,955	532,378
<b>Total Net Sales:</b>	<b>\$ 686,885</b>	<b>\$ 652,325</b>	<b>\$ 730,921</b>	<b>\$ 589,513</b>	<b>\$ 2,659,644</b>
<b>Segment Profitability (A):</b>					
North America	\$ 27,829	\$ 51,762	\$ 73,900	\$ 17,518	\$ 171,009
EROW	35,959	19,409	17,968	21,215	94,551
Latin America	4,196	3,594	4,281	5,367	17,438
Global Pet	18,315	20,642	22,296	20,362	81,615
<b>Total Segment Profit:</b>	<b>86,299</b>	<b>95,407</b>	<b>118,445</b>	<b>64,462</b>	<b>364,613</b>
<b>Corporate (B):</b>	<b>(24,037)</b>	<b>(25,314)</b>	<b>(22,491)</b>	<b>(17,446)</b>	<b>(89,288)</b>
<b>Total Operating Income:</b>	<b>\$ 62,262</b>	<b>\$ 70,093</b>	<b>\$ 95,954</b>	<b>\$ 47,016</b>	<b>\$ 275,325</b>

(A) Segment profitability presented above differs from previously reported results as it includes the impact of acquisitions and divestitures and excludes certain items discussed more fully in the notes to the accompanying unaudited condensed consolidated financial information. Refer to such notes to the accompanying unaudited condensed consolidated financial information for each respective period for details of these adjustments.

(B) Consists of purchasing expense, corporate general and administrative expense, and research and development expense.



Spectrum Brands, Inc.  
**Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)**  
**Excluding Nu-Gro Discontinued Operations**  
**Quarter Ended January 2, 2005**  
*(in thousands)*

	Spectrum Brands Q1 Results As Reported (1)	Impact of Acquisitions & Divestitures (2), (3)	Non-Recurring Charges		Other Adjustments		Q1 Results As Adjusted
Net sales	\$ 490,769	\$ 196,116	\$ -		\$ -		\$ 686,885
Cost of goods sold	292,412	123,218	(1,899)	(4)	-		413,731
Restructuring and related charges	-	-	-		-		-
Gross profit	198,357	72,898	1,899		-		273,154
Operating expenses:							
Selling, general and administrative expenses	137,124	75,979	(451)	(5)	(1,760)	(6)	210,892
Restructuring and related charges	-	-	-		-		-
	137,124	75,979	(451)		(1,760)		210,892
Operating Income (loss)	61,233	(3,081)	2,350		1,760		62,262
Interest expense	16,955	-	-		22,295	(7)	39,250
Other (income) expense, net	(36)	56	-		-		20
Income (loss) from continuing operations before income taxes	44,314	(3,137)	2,350		(20,535)		22,992
Income tax expense (benefit)	16,385	-	-		(8,338)	(8)	8,047
Income from continuing operations	27,929	(3,137)	2,350		(12,197)		14,945
Loss/(Income) from discontinued operations, net of tax	-	-	-		-		-
Net income	<u>\$ 27,929</u>	<u>\$ (3,137)</u>	<u>\$ 2,350</u>		<u>\$ (12,197)</u>		<u>\$ 14,945</u>
Diluted Shares Outstanding	35,540						
As Adjusted Diluted Shares Outstanding							49,290 (9)
Diluted Earnings Per Share	<u>\$ 0.79</u>						<u>\$ 0.30</u>

See accompanying notes which are an integral part of this unaudited condensed consolidated adjusted financial information.

**Spectrum Brands Inc.**  
**Notes to Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)**  
**Excluding Nu-Gro Discontinued Operations**  
**Quarter Ended January 2, 2005**

- (1) - Condensed Consolidated Statement of Operations for Spectrum Brands, as obtained from the Company's 10-Q report for the three month period ended January 2, 2005.
- (2) - Includes the results of operations for the following:
- United, from its Unaudited Consolidated Statement of Operations for the three month period ended December 31, 2004
  - Tetra, from its Unaudited Consolidated Statement of Operations for the three month period ended December 31, 2004.
  - Firststrax, from its Unaudited Consolidated Statement of Operations for the three month period ended December 31, 2004
  - Jungle, from its Unaudited Consolidated Statement of Operations for the three month period ended December 31, 2004
- (3) - Excludes the unaudited results of the Nu-Gro Corporation's Pro and Tech business for the three month period ended January 2, 2005. Nu-Gro's Pro and Tech business was disposed of by sale in January 2006. Excluded results of the Pro and Tech business were calculated by management.
- (4) - Comprises the charge for the fair value adjustment applied to UPG inventory, acquired in United's acquisition of the UPG on July 30, 2004.
- (5) - Comprises a \$1.1 million charge related to the disposal of Spectrum Brands property in Wisconsin, \$0.4 million in transaction costs incurred by United in connection with its acquisition of UPG, and \$0.5 million of executive recruiter fees incurred by United during the quarter. These amounts are offset by a \$1.6 million gain on the sale of Spectrum Brands property in Mexico.
- (6) - Impact on amortization of Spectrum Brands' acquisitions of United, Tetra, Firststrax and Jungle.
- (7) - Interest expense associated with the debt issued and refinanced in connection with the acquired companies. Such debt and resulting interest expense has been reduced as a result of applying the net proceeds from the sale of the Nu- Gro Pro and Tech businesses as if such sale occurred on October 1, 2004.
- (8) - Adjustment to income tax expense to arrive at an adjusted 2005 effective tax rate of 35 percent.
- (9) - Increase to weighted shares outstanding due to the assumed issuance of 13.75 million shares of Spectrum Brands common stock on October 1, 2004

Spectrum Brands, Inc.  
Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)  
Excluding Nu-Gro Discontinued Operations  
Quarter Ended April 3, 2005  
(in thousands)

	Spectrum Brands Q2 Results As Reported (10)	Impact of Acquisitions & Divestitures (11), (12)	Non-Recurring Charges	Other Adjustments	Q2 Results As Adjusted
Net sales	\$ 534,511	\$ 117,814	\$ -	\$ -	\$ 652,325
Cost of goods sold	345,008	68,010	(30,588)	(13)	382,430
Restructuring and related charges	-	-	-	-	-
Gross profit	189,503	49,804	30,588	-	269,895
Operating expenses:					
Selling, general and administrative expenses	153,636	55,863	(9,384)	(14) (313)	(17) 199,802
Restructuring and related charges	157	-	(157)	(15)	-
Operating Income (loss)	35,710	(6,059)	40,129	313	70,093
Interest expense	38,966	-	(12,033)	(16) 11,107	(18) 38,040
Other (income) expense, net	(131)	(348)	-	-	(479)
Income (loss) from continuing operations before income taxes	(3,125)	(5,711)	52,162	(10,794)	32,532
Income tax expense (benefit)	(1,194)	-	-	12,580	(19) 11,386
Income from continuing operations	(1,931)	(5,711)	52,162	(23,374)	21,146
Loss/(Income) from discontinued operations, net of tax	-	-	-	-	-
Net income	\$ (1,931)	\$ (5,711)	\$ 52,162	\$ (23,374)	\$ 21,146
Diluted Shares Outstanding	43,222				
As Adjusted Diluted Shares Outstanding					50,403 (20)
Diluted Earnings Per Share	\$ (0.04)				\$ 0.42

See accompanying notes which are an integral part of this unaudited condensed consolidated adjusted financial information.

**Spectrum Brands Inc.**  
**Notes to Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)**  
**Excluding Nu-Gro Discontinued Operations**  
**Quarter Ended April 3, 2005**

(10) – Condensed Consolidated Statement of Operations for Spectrum Brands, as obtained from the Company's 10-Q report for the three month period ended April 3, 2005.

(11) – Includes the results of operations for the following:

- United, from its Unaudited Consolidated Statement of Operations for the period January 1, 2005 through February 7, 2005.
- Tetra, from its Unaudited Consolidated Statement of Operations for the three month period ended March 31, 2005
- Firstrax, from its Unaudited Consolidated Statement of Operations for the month ended January 31, 2005.
- Jungle, from its Unaudited Consolidated Statement of Operations for the three month period ended March 31, 2005

(12) – Excludes the unaudited results of the Nu-Gro Corporation's Pro and Tech business for the three month period ended April 3, 2005. Nu-Gro's Pro and Tech business was disposed of by sale in January 2006. Excluded results of the Pro and Tech business were calculated by management.

(13) – Comprises a \$27.7 million charge for the fair value adjustment applied to United's acquired inventory and \$2.9 million of non-recurring transaction related costs incurred by United in January 2005.

(14) – Comprises transaction related costs incurred by United in January 2005.

(15) – Spectrum Brands restructuring and related charges incurred during the quarter.

(16) – Debt issuance costs related to the debt refinancing that occurred in connection with Spectrum Brands' acquisition of United

(17) – Impact on amortization of Spectrum Brands' acquisitions of United, Tetra, Firstrax and Jungle.

(18) – Interest expense associated with the debt issued and refinanced in connection with the acquired companies. Such debt and resulting interest expense has been reduced as a result of applying the net proceeds from the sale of the Nu-Gro Pro and Tech businesses as if such sale occurred on October 1, 2004.

(19) – Adjustment to income tax expense to arrive at an adjusted 2005 effective tax rate of 35 percent.

(20) – Increase to weighted shares outstanding due to the assumed issuance of 13.75 million shares of Spectrum Brands common stock on October 1, 2004

Spectrum Brands, Inc.  
Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)  
Excluding Nu-Gro Discontinued Operations  
Quarter Ended July 3, 2005  
(in thousands)

	Spectrum Brands Q3 Results As Reported (21)	Impact of Acquisitions & Divestitures (22), (23)	Non-Recurring Charges	Other Adjustments	Q3 Results As Adjusted
Net sales	\$ 730,445	\$ 476	\$ -	\$ -	\$ 730,921
Cost of goods sold	446,003	(5,573)	(7,266)	(24)	433,164
Restructuring and related charges	7,807	-	(7,807)	(25)	-
Gross profit	276,635	6,049	15,073	-	297,757
Operating expenses:					
Selling, general and administrative expenses	195,872	5,931	-	-	201,803
Restructuring and related charges	7,365	-	(7,365)	(26)	-
	203,237	5,931	(7,365)	-	201,803
Operating Income (loss)	73,398	118	22,438	-	95,954
Interest expense	38,623	-	-	227	(27) 38,850
Other (income) expense, net	(1,107)	(605)	-	-	(1,712)
Income (loss) from continuing operations before income taxes	35,882	723	22,438	(227)	58,816
Income tax expense (benefit)	12,171	-	-	8,415	(28) 20,586
Income from continuing operations	23,711	723	22,438	(8,642)	38,230
Loss/(Income) from discontinued operations, net of tax	-	-	-	-	-
Net income	\$ 23,711	\$ 723	\$ 22,438	\$ (8,642)	\$ 38,230
Diluted Shares Outstanding	51,086				51,086
As Adjusted Diluted Shares Outstanding					51,086
Diluted Earnings Per Share	\$ 0.46				\$ 0.75

See accompanying notes which are an integral part of this unaudited condensed consolidated adjusted financial information.

**Spectrum Brands Inc.**  
**Notes to Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)**  
**Excluding Nu-Gro Discontinued Operations**  
**Quarter Ended July 3, 2005**

(21) – Condensed Consolidated Statement of Operations for Spectrum Brands, as obtained from the Company's 10-Q report for the three month period ended July 3, 2005.

(22) – Includes the results of operations for the following:

- Tetra, from its Unaudited Consolidated Statement of Operations for the month ended April 30, 2005
- Jungle, from its Unaudited Consolidated Statement of Operations for the three month period ended June 30, 2005.

(23) – Excludes the unaudited results of the Nu-Gro Corporation's Pro and Tech business for the three month period ended July 3, 2005. Nu-Gro's Pro and Tech business was disposed of by sale in January 2006. Excluded results of the Pro and Tech business were calculated by management.

(24) – Comprises a \$1.6 million charge for the fair value adjustment applied to United's acquired inventory and a \$5.7 million charge for the fair value adjustment applied to Tetra's acquired inventory.

(25) – Spectrum Brands restructuring and related charges incurred during the quarter in connection with the closure of a manufacturing facility in France.

(26) – Restructuring and related charges incurred during the quarter in connection with Spectrum Brands' integration of United's operations.

(27) – Interest expense associated with the debt issued and refinanced in connection with the acquired companies. Such debt and resulting interest expense has been reduced as a result of applying the net proceeds from the sale of the Nu-Gro Pro and Tech businesses as if such sale occurred on October 1, 2004.

(28) – Adjustment to income tax expense to arrive at an adjusted 2005 effective tax rate of 35 percent.

Spectrum Brands, Inc.  
**Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)**  
**Excluding Nu-Gro Discontinued Operations**  
**Quarter Ended September 30, 2005**  
*(in thousands)*

	Spectrum Brands Q4 Results As Reported (29)	Impact of Acquisitions & Divestitures (30), (31)	Non-Recurring Charges	Other Adjustments	Q4 Results As Adjusted
Net sales	\$ 603,721	\$ (14,208)	\$ -	\$ -	\$ 589,513
Cost of goods sold	381,672	(10,886)	(2,572)	(32)	368,214
Restructuring and related charges	2,688	-	(2,688)	(33)	-
Gross profit	219,361	(3,322)	5,260	-	221,299
Operating expenses:					
Selling, general and administrative expenses	176,924	(2,641)	-	-	174,283
Restructuring and related charges	8,298	-	(8,298)	(34)	-
	185,222	(2,641)	(8,298)	-	174,283
Operating Income (loss)	34,139	(681)	13,558	-	47,016
Interest expense	39,509	-	-	(1,100)	(35) 38,409
Other (income) expense, net	418	-	-	-	418
Income (loss) from continuing operations before income taxes	(5,788)	(681)	13,558	1,100	8,189
Income tax expense (benefit)	(2,911)	-	-	5,777	(36) 2,866
Income from continuing operations	(2,877)	(681)	13,558	(4,677)	5,323
Loss/(Income) from discontinued operations, net of tax	-	-	-	-	-
Net income	<u>\$ (2,877)</u>	<u>\$ (681)</u>	<u>\$ 13,558</u>	<u>\$ (4,677)</u>	<u>\$ 5,323</u>
Diluted Shares Outstanding	51,207				51,207
As Adjusted Diluted Shares Outstanding					51,207
Diluted Earnings Per Share	<u>\$ (0.06)</u>				<u>\$ 0.10</u>

See accompanying notes which are an integral part of this unaudited condensed consolidated adjusted financial information.

**Spectrum Brands Inc.**  
**Notes to Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)**  
**Excluding Nu-Gro Discontinued Operations**  
**Quarter Ended September 30, 2005**

(29) – Condensed Consolidated Statement of Operations for Spectrum Brands, as obtained from the Company's 4<sup>th</sup> Quarter Press Release issued November 10, 2005.

(30) – Includes the results of operations for the following:

- Jungle, from its Unaudited Consolidated Statement of Operations for the two month period ended August 31, 2005.

(31) – Excludes the unaudited results of the Nu-Gro Corporation's Pro and Tech business for the three month period ended September 30, 2005. Nu-Gro's Pro and Tech business was disposed of by sale in January 2006. Excluded results of the Pro and Tech business were calculated by management.

(32) – Comprises a \$2.3 million charge for the fair value adjustment applied to Tetra's acquired inventory and a \$0.3 million charge for the fair value adjustment applied to Jungle's acquired inventory.

(33) – Spectrum Brands restructuring and related charges incurred during the quarter primarily in connection with the closure of a manufacturing facility in France.

(34) – Restructuring and related charges incurred during the quarter primarily in connection with Spectrum Brands' integration of United's operations.

(35) – Decreased interest expense as a result of applying the proceeds from the sale of the Nu-Gro Pro and Tech businesses to reduce outstanding debt

(36) – Adjustment to income tax expense to arrive at an adjusted 2005 effective tax rate of 35 percent.



Spectrum Brands, Inc.  
**Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)**  
**Excluding Nu-Gro Discontinued Operations**  
**Year Ended September 30, 2005**  
*(in thousands)*

	Spectrum Brands 2005 Results As Reported (37)	Impact of Acquisitions & Divestitures (38), (39)	Non-Recurring Charges	Other Adjustments	2005 Results As Adjusted
Net sales	\$ 2,359,446	\$ 300,198	\$ -	\$ -	\$ 2,659,644
Cost of goods sold	1,465,095	174,769	(42,325)	(40)	1,597,539
Restructuring and related charges	10,495	-	(10,495)	(41)	-
Gross profit	883,856	125,429	52,820	-	1,062,105
Operating expenses:					
Selling, general and administrative expenses	663,556	135,132	(9,835)	(42) (2,073)	(45) 786,780
Restructuring and related charges	15,820	-	(15,820)	(43)	-
Operating Income (loss)	679,376	135,132	(25,655)	(2,073)	786,780
Interest expense	204,480	(9,703)	78,475	2,073	275,325
Other (income) expense, net	134,053	-	(12,033)	(44) 32,529	(46) 154,549
	(856)	(897)	-	-	(1,753)
Income (loss) from continuing operations before income taxes	71,283	(8,806)	90,508	(30,456)	122,529
Income tax expense (benefit)	24,451	-	-	18,434	(47) 42,885
Income from continuing operations	46,832	(8,806)	90,508	(48,890)	79,644
Loss/(Income) from discontinued operations, net of tax	-	-	-	-	-
Net income	<u>\$ 46,832</u>	<u>\$ (8,806)</u>	<u>\$ 90,508</u>	<u>\$ (48,890)</u>	<u>\$ 79,644</u>
Diluted Shares Outstanding	45,631				
As Adjusted Diluted Shares Outstanding					50,528 (48)
Diluted Earnings Per Share	<u>\$ 1.03</u>				<u>\$ 1.58</u>

See accompanying notes which are an integral part of this unaudited condensed consolidated adjusted financial information.

**Spectrum Brands Inc.**  
**Notes to Condensed Combined Statement of Operations Adjusted to Include Results of Acquisitions (Unaudited)**  
**Excluding Nu-Gro Discontinued Operations**  
**Year Ended September 30, 2005**

(37) – Condensed Consolidated Statement of Operations for Spectrum Brands, as obtained from the Company's Form 10-K report for the year ended September 30, 2005.

(38) – Includes the results of operations for the following:

- United, from its Unaudited Consolidated Statement of Operations for the period from October 1, 2004 through February 7, 2005
- Tetra, from its Unaudited Consolidated Statement of Operations for the period from October 1, 2004 through April 30, 2005.
- Firstrax, from its Unaudited Consolidated Statement of Operations for the period from October 1, 2004 through January 31, 2005
- Jungle, from its Unaudited Consolidated Statement of Operations for the period from October 1, 2004 through August 31, 2005

(39) – Excludes the unaudited results of the Nu-Gro Corporation's Pro and Tech business for the year ended September 30, 2005. Nu-Gro's Pro and Tech business was disposed of by sale in January 2006. Excluded results of the Pro and Tech business were calculated by management.

(40) – Comprises a \$29.3 million charge for the fair value adjustment applied to United's acquired inventory, a \$7.9 million charge for the fair value adjustment applied to Tetra's acquired inventory, a \$1.9 million charge for the fair value adjustment applied to UPG inventory, acquired in United's acquisition of the United Pet Group on July 30, 2004, a \$0.3 million charge for the fair value adjustment applied to Jungle's acquired inventory, and \$2.9 million of non-recurring transaction related costs incurred by United in January 2005.

(41) – Spectrum Brands restructuring and related charges incurred during the year primarily in connection with the closure of a manufacturing facility in France.

(42) – Comprises transaction related costs incurred by United in January 2005 of \$9.4 million, a \$1.1 million charge related to the disposal of Spectrum Brands property in Wisconsin, \$0.4 million in transaction costs incurred by United in connection with its acquisition of UPG, and \$0.5 million of executive recruiter fees incurred by United. These amounts are offset by a \$1.6 million gain on the sale of Spectrum Brands property in Mexico.

(43) – Restructuring and related charges incurred during the year primarily in connection with Spectrum Brands' integration of United's operations.

(44) – Debt issuance costs related to the debt refinancing that occurred in connection with Spectrum Brands' United acquisition

(45) – Impact on amortization of Spectrum Brands' acquisitions of United, Tetra, Firstrax and Jungle.

(46) – Interest expense associated with the debt issued and refinanced in connection with the acquired companies. Such debt and resulting interest expense has been reduced as a result of applying the net proceeds from the sale of the Nu-Gro Pro and Tech businesses as if such sale occurred on October 1, 2004.

(47) – Adjustment to income tax expense to arrive at an adjusted 2005 effective tax rate of 35 percent.

(48) – Increase to weighted shares outstanding due to the assumed issuance of 13.75 million shares of Spectrum Brands common stock on October 1, 2004