

SPECTRUM BRANDS, INC.
Reconciliation of GAAP to Adjusted Financial Data
For the three months ended July 1, 2007 and July 2, 2006
(Unaudited)
(In millions, except per share amounts)

	THREE MONTHS					
	F2007			F2006		
	As Reported	Adjustments	Adjusted	As Reported	Adjustments	Adjusted
Net sales	\$ 442.0	\$ -	\$ 442.0	\$ 427.5	\$ -	\$ 427.5
Gross profit	164.2	4.1 (a)	168.3	156.4	2.7 (e)	159.1
Gross profit % of sales	37.1%		38.1%	36.6%		37.2%
Operating expenses	160.5	24.4 (a) (b)	136.1	145.9	2.4 (e) (f)	143.5
Operating income	3.7	28.5	32.2	10.5	5.1	15.6
Operating income % of sales	0.8%		7.3%	2.5%		3.7%
Interest expense	41.2	(0.8) (c)	40.4	(0.1)	0.4 (g)	0.3
Other expense (income), net	0.9	-	0.9	4.5	-	15.6
(Loss) Income from continuing operations before income taxes	(38.4)	27.8	(10.6)	(20.8)	4.7	(16.1)
Income tax (benefit) expense	(8.2)	5.6	(2.6)	(5.8)	(1.1)	(6.9)
(Loss) Income from continuing operations	(30.2)	22.1 (d)	(8.1)	(15.0)	3.6 (d)	(11.4)
Income (Loss) from discontinued operations, net of tax	22.8	(22.8)	-	17.5	(17.5)	-
Net (loss) income	(7.4)	(0.7)	(8.1)	2.5	(13.9)	(11.4)
Diluted earnings per share	<u>\$ (0.15)</u>	<u>\$ (0.01)</u>	<u>\$ (0.16)</u>	<u>\$ 0.05</u>	<u>\$ (0.28)</u>	<u>\$ (0.23)</u>

(a) For the three months ended July 1, 2007, reflects restructuring and related charges associated with the global restructuring announced in January of 2007; the integration of United and Tetra; and a series of actions in Europe and Latin America to reduce operating costs and rationalize operating structure.

(b) For the three months ended July 1, 2007, general and administrative expenses include \$2.1 million benefit, related to expiring taxes and related penalties, associated with the Company's provision for presumed credits applied to the Brazil.

(c) For the three months ended July 1, 2007, interest expenses include \$.8 million benefit, related to interest charges associated with the Company's provision for presumed credits applied to the Brazilian excise tax on manufactured products.

(d) Reflects the income from discontinued operations, net of tax, of the Company's Home & Garden business, discontinued effective October 1, 2006.

(e) For the three months ended July 2, 2006, reflects restructuring and related charges associated with the integration of United and Tetra and a series of actions in Europe to reduce operating costs and rationalize operating structure.

(f) For the three months ended July 2, 2006, general and administrative expenses include \$1.7 million benefit, related to expiring taxes and related penalties, associated with the Company's provision for presumed credits applied to the Brazil.

(g) For the three months ended July 2, 2006, interest expenses include \$.4 million benefit, related to interest charges associated with the Company's provision for presumed credits applied to the Brazilian excise tax on manufactured products.