
# Accelerated Transformation Plan

May 4, 2018

newell BRANDS

# Forward-looking statements

Forward-looking statements in this presentation are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may relate to, but are not limited to, information or assumptions about the effects of sales (including pricing), income/(loss), earnings per share, return on equity, return on invested capital, operating income, operating margin or gross margin improvements or declines, Project Renewal, capital and other expenditures, working capital, cash flow, free cash flow productivity, dividends, capital structure, debt to capitalization ratios, debt ratings, availability of financing, interest rates, restructuring and other project costs, impairment and other charges, potential losses on divestitures, impacts of changes in accounting standards, pending legal proceedings and claims (including environmental matters), future economic performance, costs and cost savings, inflation or deflation with respect to raw materials and sourced products, productivity and streamlining, changes in foreign exchange rates, product recalls, expected benefits and synergies and financial results from recently completed acquisitions and planned acquisitions and divestitures and management's plans, goals and objectives for future operations, performance and growth or the assumptions relating to any of the forward-looking statements. These statements generally are accompanied by words such as "intend," "anticipate," "believe," "estimate," "project," "target," "plan," "expect," "will," "should," "would" or similar statements. The Company cautions that forward-looking statements are not guarantees because there are inherent difficulties in predicting future results. Actual results could differ materially from those expressed or implied in the forward-looking statements. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the Company's dependence on the strength of retail, commercial and industrial sectors of the economy in light of the continuation of challenging economic conditions, particularly outside of the United States; competition with other manufacturers and distributors of consumer products; major retailers' strong bargaining power and consolidation of the Company's customers; the Company's ability to improve productivity, reduce complexity and streamline operations; the Company's ability to develop innovative new products and to develop, maintain and strengthen its end-user brands, including the ability to realize anticipated benefits of increased advertising and promotion spend; risks related to the substantial indebtedness that the Company incurred in connection with the Jarden Acquisition; the Company's ability to effectively accelerate its transformation plan and explore and execute its strategic options; risks related to a potential increase in interest rates; the Company's ability to complete planned acquisitions and divestitures; difficulties integrating Jarden and other acquisitions and unexpected costs or expenses associated with acquisitions or dispositions; changes in the prices of raw materials and sourced products and the Company's ability to obtain raw materials and sourced products in a timely manner from suppliers; the risks inherent in the Company's foreign operations, including currency fluctuations, exchange controls and pricing restrictions; a failure of one of the Company's key information technology systems or related controls; future events that could adversely affect the value of the Company's assets and require impairment charges; United States and foreign regulatory impact on the Company's operations including environmental remediation costs; the potential inability to attract, retain and motivate key employees; the imposition of tax liabilities greater than the Company's provisions for such matters; product liability, product recalls or regulatory actions; the Company's ability to protect its intellectual property rights; changes to the Company's credit ratings; significant increases in the funding obligations related to the Company's pension plans due to declining asset values, declining interest rates or otherwise; and those factors listed in our filings with the Securities and Exchange Commission (including the information set forth under the caption "Risk Factors" in the Company's and Jarden Corporation's Annual Report on Form 10-K). Changes in such assumptions or factors could produce significantly different results. The information contained in this presentation is as of the date indicated. The Company assumes no obligation to update any forward-looking statements contained in this presentation as a result of new information or future events or developments. In addition, there can be no assurance that the Company has correctly identified and assessed all of the factors affecting the Company or that the publicly available and other information the Company receives with respect to these factors is complete or correct. This presentation contains non-GAAP financial measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission and to the extent available without unreasonable effort or expense includes a reconciliation of these non-GAAP financial measures to the most directly comparable financial measures calculated in accordance with GAAP. While the Company believes that these non-GAAP financial measures are useful in evaluating the Company's performance, this information should be considered as supplemental in nature and not as a substitute for or superior to the related financial information prepared in accordance with GAAP. Additionally, these non-GAAP financial measures may differ from similar measures presented by other companies.

# Accelerated Transformation Plan overview

Newell Brands to transform to a simpler, stronger and faster global consumer goods company, with portfolio best positioned to leverage the company's advantaged capabilities in product design, innovation, and e-commerce

- Create focused $9 billion portfolio of seven large consumer-facing divisions (Appliances & Cookware, Writing, Outdoor & Recreation, Baby, Food, Home Fragrance and Safety & Security)
- Expects to divest eight businesses representing approximately 35% of net sales, including three large industrial and commercial product assets (Waddington, Consumer & Commercial Solutions and Process Solutions) and five non-core consumer businesses (Team Sports, Beauty, U.S. Playing Cards, Jostens and Pure Fishing)
- Dramatically simplified company (66% less factories; 58% less retailer and distributor interfaces; 45% less brands; 100% less unbranded sales) will increase speed and agility to respond to rapidly changing marketplace trends
- No compromise on route to market scale in North America, Europe, and Latin America

# Accelerated Transformation Plan overview

- Expect ~$10 billion of after-tax proceeds from divestitures, which in combination with operating cash flow available after dividends and capex, to be allocated toward share repurchase (~55%) and debt repayment (~45%)
- At today's share price, have potential to repurchase over 40 percent of the existing share count by 2020
- Company to maintain commitment to investment grade rating, while maintaining the annualized dividend of $0.92 per share through 2019 and growing dividend thereafter within our target payout ratio of 30-35%
- Intend to implement incremental cost reduction initiatives to right-size corporate infrastructure and transactional back office systems, to fully offset stranded overhead costs and divested synergies
- Expect portfolio transformation completed by the end of 2019
- 2017 proforma baseline metrics assuming all retained costs allocated to continuing businesses: $9bn net sales, normalized operating income margin 12.2% and normalized EBITDA margin 14.5%*
- Expected 2020 (post portfolio transformation) metrics: ~$9.5bn net sales, normalized operating margin greater than 15% and meaningful improvement in FCF productivity
- Longer term metrics: >$10bn net sales, normalized operating margin in high teens, FCF productivity consistently greater than 80%

The company has presented forward-looking statements regarding normalized operating margin, normalized EPS and free cash flow productivity for 2020 and Longer Term, which are non-GAAP financial measures. Normalized operating margins and normalized EPS are derived by excluding certain amounts, expenses or income from the corresponding financial measure determined in accordance with GAAP. Free cash flow productivity is the ratio of adjusted free cash flow to net earnings excluding certain one time items. Adjusted cash flow is operating cash flow less capital spending and certain divestiture impacts. The determination of the amounts that are excluded from these non-GAAP financial measures is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income amounts recognized in a given period. We are unable to present a quantitative reconciliation of the aforementioned forward-looking non-GAAP financial measures to the most directly comparable forward-looking GAAP financial measure because such information is not available and management cannot reliably predict all of the necessary components of such GAAP measures without unreasonable effort or expense. In addition, we believe such reconciliation would imply a degree of precision that would be confusing or misleading to investors. The unavailable information could have a significant impact on the company's full-year 2020 and Longer Term GAAP financial results.



* Excludes contribution from all held-for-sale assets that were sold in 2017, as well as planned divestitures that were announced in 2018; assumes all retained costs are allocated to continuing businesses

# Overall thesis that underpins transformation plan

1. The world is changing much faster: online shift, US retail macros; need faster road to value
2. Speed and agility flow from focus: sell non-core, strengthen core, fuel advantages
3. Businesses need renewed vision, resources need reallocating, margins and cash need to go up
4. Market landscape leaves Newell Brands' organic potential in our own hands
5. Sum of parts and tax reform provide unique opportunity to create value from portfolio

# Proven value creation formula

**Drive Profitable Growth**

| Innovation | E-commerce | International |
|---|---|---|
|  |  |  |

**enabled by**

| Strong brands with leading market share | Cost reduction fueling margins and investment | Improving working capital and FCF productivity |
|---|---|---|

Focused portfolio: common channels and customers

Simplified operations: shared services, IT, network optimization

Top talent and positive performance culture

# Our markets are changing quickly

| NWL U.S. e-com penetration | 2014 | 2018E |
|---|---|---|
| Baby | 16% | 56% |
| O&R | 9% | 27% |
| Appliances | 8% | 27% |
| Writing | 3% | 16% |
| Home Fragrance | 7% | 10% |
| Fishing | 1% | 12% |

Sales to pure play e-tailers and other .coms including direct to consumer websites

# Newell Brands: $9bn portfolio with clear right to win

| Divisions | Key Brands | US Share Position |
|---|---|---|
| Writing | Sharpie, Paper Mate, EXPO, DYMO, ELMER'S, PRISMACOLOR, PARKER, WATERMAN PARIS, rotring | #1 |
| Appliances & Cookware | Calphalon, Sunbeam, CROCK-POT THE ORIGINAL SLOW COOKER, Oster, Mr. Coffee EST. 1970 | #1 |
| Outdoor & Recreation | Marmot, Coleman, STEARNS, contigo, bubba, the original aerobed, CAMPINGAZ | #2 |
| Baby | GRACO, Aprica, baby jogger, NUK, Tigex | #1 |
| Home Fragrance | YANKEE CANDLE, CHESAPEAKE BAY CANDLE®, WoodWick — crackles as it burns —, Millefiori MILANO | #1 |
| Food | FoodSaver, Rubbermaid, Ball, sistema | #1 |
| Safety & Security | FIRST ALERT, BRK THE PROFESSIONAL STANDARD, First Alert Onelink | #1 |

# Divestiture candidates, ~35% of net sales

| Divisions | Key Brands |
| --- | --- |
| Consumer & Commercial Solutions | Rubbermaid Commercial Products, Quickie, MAPA Professional, Spontex |
| Waddington | WNA, Eco Products, Polar Pak |
| Jostens | Jostens, Neff |
| Process Solutions | Process Solutions, Lifoam (Make life cooler), Rainbow |
| Fishing | Abu Garcia, Berkley, Shakespeare, Penn, Ugly Stik |
| Team Sports | Rawlings, Worth |
| Beauty | Goody, Ace, Solano |
| USPC | Bicycle, Bee, Aviator |

# Significant complexity reduction, unlocking future value

## ~35% of revenue under review

| | |
|---|---|
| 66% ▼ | in Factories |
| 55% ▼ | in Distribution Centers |
| 58% ▼ | in Retailers & Distributors |
| ~45% ▼ | in Brands |
| 39% ▼ | in Employees |
| ~100% ▼ | in OEM and Private Label |
| 51% ▼ | SKUs |

## Remaining business unlocks future value

### Greater management focus

Dedicated leadership for remaining businesses, reflective of unique consumer value drivers

### More rapid progression of OH reduction

Fewer and more consistent processes / systems and faster progression on transformative initiatives

### Streamlined supply chain to unlock gross margin

Fewer facilities, optimize D&T with top customers, and rapid implementation of inventory planning

### Simpler international model

Consolidated customers and routes to market, focused growth opportunities, streamlined int'l OH structure

# Scaled yet more focused continuing business

| | Continuing Business | Divestiture Candidates |
|---|---|---|
| Top 10 global customers % of sales* | 50% | 38% |
| Top 10 U.S. customers % of sales** | 67% | 48% |
| Global e-commerce penetration* | ~15% | ~5% |
| U.S. e-commerce penetration** | ~20% | ~7% |
| % of sales* outside the US | 29% | 20% |
| Resin exposure | MSD% COGS | LDD% COGS |
| % unbranded products | ~0% | ~10% |
| Number of factories | 35 | 71 |

Note: MSD=mid-single-digits, LDD=low-double-digits
* Based on global invoice sales
**Based on U.S. invoice sales

# Job one: strengthen operational and financial performance

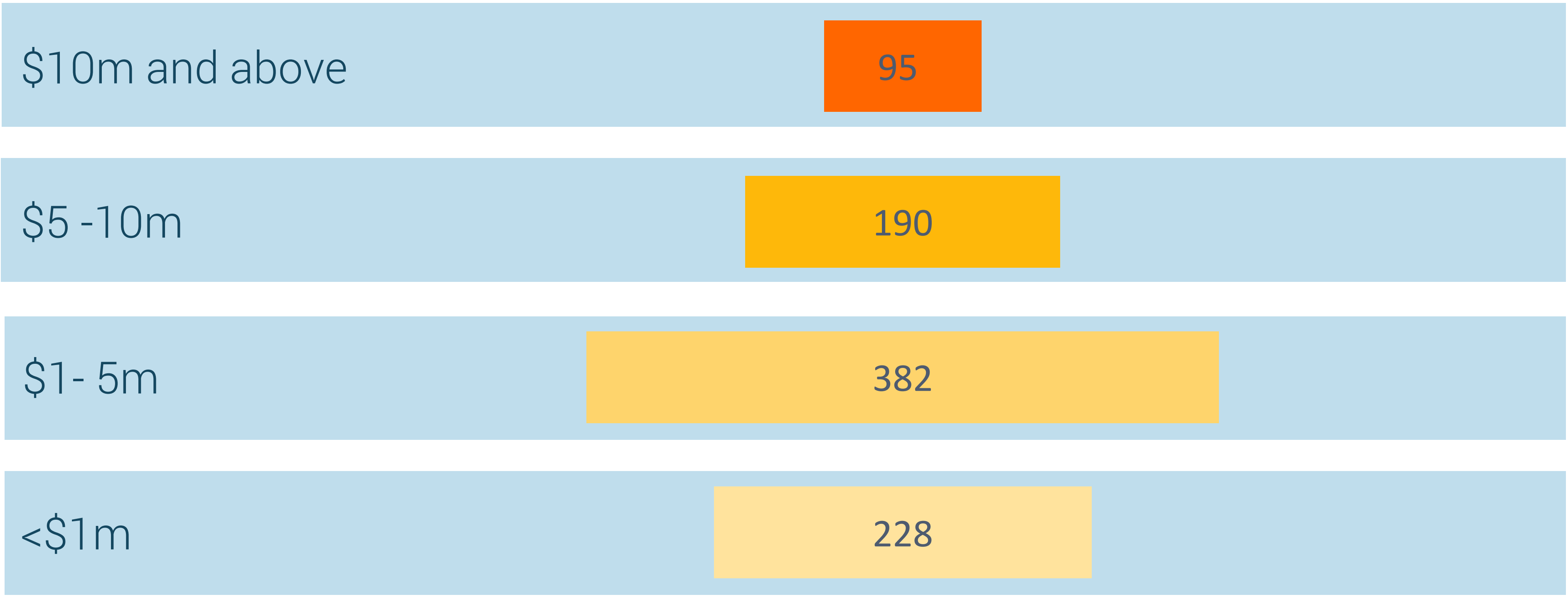
- Leverage innovation, e-commerce platform, as well as incremental distribution opportunities both domestically and abroad to build momentum across the business
- Reignite growth in Baby and Writing divisions, while addressing structural declines in challenged retail formats
- Self-fund investment behind growing channels by reallocating spending within the organization
- Continue to execute on the cost savings agenda and drive operational efficiency
  - Right-size corporate infrastructure and transactional back office systems
  - Procurement savings
  - Supply chain and distribution network optimization
  - ERP integration
  - Global Business Services
  - Base productivity initiatives
- Maximize cash flow generation
  - Increase operating income
  - Improve working capital management, with particular focus on inventories
  - Reduce normalized charges

# Expect to remove retained costs and recover sold synergies

| | Progress '16 to '18 | Plan for '19 to '21 |
|---|---|---|
| Procurement | • 65 categories bid out<br>• $4.5B spend renegotiated<br>• Centers of Excellence set up | • $1.5B spend to be addressed |
| Organizational Model | • 10,000 roles redesigned<br>• $350K+ headcount down by 36%<br>• Consolidated from 32 to 16 Divisions<br>• Global functions in IT, Legal<br>• Corporate HQ relocated to Hoboken and downsized | • Right-size corporate costs for divestitures<br>• Strengthen supply chain excellence<br>• Strengthen e-commerce and division connectedness<br>• Deliver "Own Grown" talent agenda |
| Supply Chain | • VAVE (Value Analysis Value Engineering) team built | • Distribution network consolidation<br>• Strengthened manufacturing productivity delivery<br>• VAVE embedded in division supply chain teams<br>• SKU complexity reduction |
| G&A Efficiency | • 5 ERP's eliminated<br>• Data centers reduced from 17 to 2<br>• New global finance system deployed<br>• Formed Global Business Services team<br>• HR and Legal costs to benchmark | • Consolidate shared service centers to GBS platform<br>• Finance and IT costs to benchmark |

# Strong innovation funnel built for continuing business

## Number of Projects by Incremental Revenue




Please refer to the company’s recent filing (Click Here) to see a funnel of innovation ideas

as of Q4 2017

# Elmer's® Glow in the Dark Glue

The specially formulated, washable and non-toxic Glow in the Dark Glue comes in luminous neon colors ideal for bright slime creations and other incandescent craft projects.

# First Alert®
# Onelink Safe & Sound

Combines intelligent protection from smoke, fire and carbon monoxide with superior audio capabilities, compatibility with connected home platforms, premium home speakers and hands-free voice commands.

# Sunbeam® Heated Back Wrap with Shiatsu Massage

Applies heat to the impacted area and adds deep, kneading massage to relax the muscles. Wear it for completely hands-free use, and adjust it for a firm fit.

# Coleman® 360° Sound and Light Lantern

This weather-resistant lantern provides 360° of light and a built-in wireless speaker, making it the perfect centerpiece for any outdoor gathering.

# Paper Mate® Handwriting

This collection, designed just for kids, features pencils and pens in a variety of colors that provide control for early writers.

# Baby Jogger®
# City Tour Lux

Offers parents a compact, lightweight stroller without compromising on features. Weighing only 19 pounds, this modular stroller can be used from birth and includes an integrated carry strap and backpack-style carry bag for easy transportation.

# Ball® Amber Jars

Effectively blocks 99% of harmful UV rays with their performance-driven amber color, which helps maintain the flavor, fragrance and nutrients of foods, herbs and spices.

# Contigo® Couture Collection

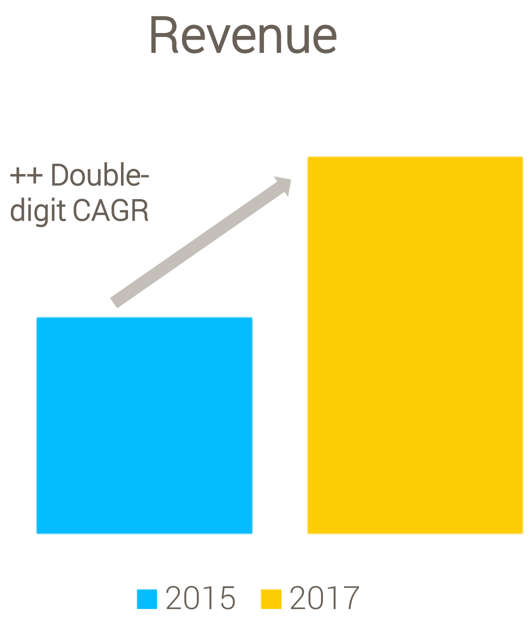
With eight stylish color choices, a leak-proof stainless steel cap, a removable spout for easy cleaning, Contigo's patented THERMALOCK™ technology and a well-positioned carry handle, the Couture Collection delivers optimum performance and style.

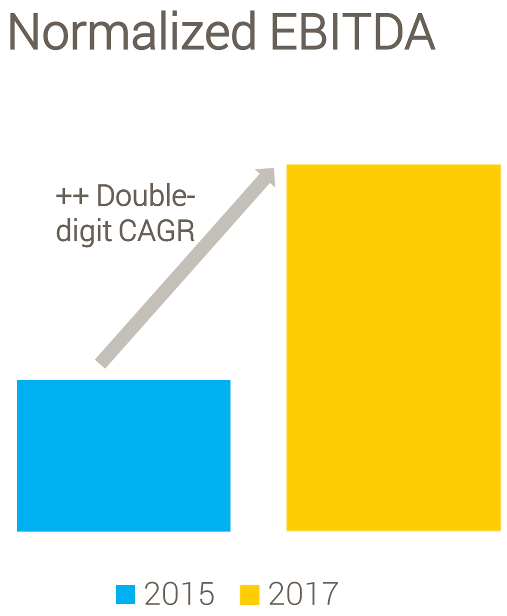
# Marmot® EVODry

Featuring a breathable finish that won't wash or wear out, the EVODry line of rainwear resists heavy rain, and unlike other waterproof products on the market, its fabrics, laminations and trims are 100% PFC free.

# Agreement to sell The Waddington Group

- Signed definitive agreement to sell The Waddington Group to Novolex Holdings LLC for approximately $2.3 billion ($2.2 billion net of tax)
- Transaction is expected to be completed within approximately 60 days
- Expect to direct proceeds toward deleveraging and share repurchase



# Priorities for capital allocation

1. Invest profitably in the continuing business
2. Maintain per share dividend through 2019, then grow in payout ratio range
3. Deleverage the balance sheet (committed to investment grade)
4. Repurchase shares given current multiple
5. Fund strategic, accretive, bolt-on M&A in core (2022+)

# Financial potential of Accelerated Transformation Plan

All years adjusted to reflect continuing business only

| | 2017 Adjusted Baseline* | 2020 Outlook | Longer Term |
|---|---|---|---|
| Sales | $9 bn | ~ $9.5 bn | >$10 bn |
| Normalized OI margin | 12.2% | >15% | High-teens |
| D&A / sales | 2.3% | 2-2.5% | 2-2.5% |
| Tax rate | na | Low 20%'s | Low 20%'s |
| Share count | 488m | >40% reduction (at current share price) | >40% reduction (at current share price) |
| EPS Dilution/Accretion (versus 2017 $2.75 normalized EPS) | na | Accretive | Accretive |
| FCF productivity | na | Meaningful improvement | >80% |
| Dividend/share | $0.88 per share | Payout ratio 30% to 35% | Payout ratio 30% to 35% |

* Excludes contribution from all held-for-sale assets that were sold in 2017, as well as the planned divestitures that were announced in 2018; assumes all retained costs are allocated to continuing businesses

The company has presented forward-looking statements regarding normalized operating margin, normalized EPS and free cash flow productivity for 2020 and Longer Term, which are non-GAAP financial measures. Normalized operating margins and normalized EPS are derived by excluding certain amounts, expenses or income from the corresponding financial measure determined in accordance with GAAP. Free cash flow productivity is the ratio of adjusted free cash flow to net earnings excluding certain one time items. Adjusted cash flow is operating cash flow less capital spending and certain divestiture impacts. Depreciation and amortization expense excludes amortization related to acquired intangibles. The determination of the amounts that are excluded from these non-GAAP financial measures is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income amounts recognized in a given period. We are unable to present a quantitative reconciliation of the aforementioned forward-looking non-GAAP financial measures to the most directly comparable forward-looking GAAP financial measure because such information is not available and management cannot reliably predict all of the necessary components of such GAAP measure without unreasonable effort or expense. In addition, we believe such reconciliation would imply a degree of precision that would be confusing or misleading to investors. The unavailable information could have a significant impact on the company's full-year 2020 and Longer Term GAAP financial results.

# Reaffirmed 2018 net sales, normalized EPS and operating cash flow outlooks

| Twelve Months Ending December 31, 2018 | Guidance |
|---|---|
| Net Sales | $14.4 to $14.8 billion |
| Normalized EPS | $2.65 to $2.85 |
| Weighted Average Diluted Shares | ~489 million |
| Effective Tax Rate | 20-21% |
| Operating Cash Flow | $1.15 to $1.45 billion |

The company has presented forward-looking statements regarding normalized earnings per share for 2018, which is a non-GAAP financial measure. This non–GAAP financial measure is derived by excluding certain amounts, expenses or income from the corresponding financial measure determined in accordance with GAAP. The determination of the amounts that are excluded from this non-GAAP financial measure is a matter of management judgment and depends upon, among other factors, the nature of the underlying expense or income amounts recognized in a given period. We are unable to present a quantitative reconciliation of the aforementioned forward-looking non-GAAP financial measure to its most directly comparable forward-looking GAAP financial measure because such information is not available and management cannot reliably predict all of the necessary components of such GAAP measure without unreasonable effort or expense. The unavailable information could have a significant impact on the company's full-year 2018 GAAP financial results.

Net sales guidance reflects new revenue recognition standards implemented January 1, 2018, resulting in a reduction in net sales of approximately $300 million with no earnings impact.

Guidance assumes continued ownership of all businesses for the entire calendar year.

# Factors influencing 2018 underlying performance

## U.S. Baby TRU Liquidation Impact

FY impact vs prior guidance
Net sales ~($75m)
Normalized EPS -$0.07 to -$0.10

## U.S. Writing OSS/Distributive Trade

| Retailer | Old Targets Weeks on Hand | New Targets Weeks on Hand |
|---|---|---|
| Customer 1 | 12 to 15 | 8 Retail<br>3 Commercial |
| Customer 2 | 15 to 17 | 13 |
| Customer 3 | 17 to 20 | 12 |
| Customer 4 | 17 to 20 | 12 to 15 |

Proactively accelerating liquidation into first half of 2018
Results in double-digit H1 2018 core sales decline in Writing

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# Appendix

Non-GAAP Reconciliations

# FY 2017 GAAP & Non-GAAP Certain Line Items

**NEWELL BRANDS INC.**
Reconciliation of GAAP and Non-GAAP Information
CERTAIN LINE ITEMS
*(in millions, except per share data)*

| | For the twelve months ended December 31, 2017 | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | GAAP Measure | Project Renewal Costs [1] | | | | | | | | | | | | Non-GAAP Measure | |
| | Reported | Advisory costs | Personnel costs | Other costs | Inventory step up [2] | Integration costs [3] | Acquisition amortization costs [4] | Transaction and related costs [5] | Divestiture costs [6] | Other Non-recurring Items [7] | Loss on extinguishment of debt [8] | Net gain/(loss) on sale of businesses [9] | Non-recurring tax items [10] | Normalized* | Percentage of Sales |
| Cost of products sold | $ 9,652.9 | $ — | $ (2.6) | $ — | $ (10.7) | $ (20.0) | $ (11.7) | $ — | $ — | $ (14.6) | $ — | $ — | $ — | $ 9,593.3 | 65.1% |
| Gross profit | 5,089.3 | — | 2.6 | — | 10.7 | 20.0 | 11.7 | — | — | 14.6 | — | — | — | 5,148.9 | 34.9% |
| Selling, general and administrative expenses | 3,666.7 | (4.4) | (7.5) | (0.6) | — | (246.5) | (273.2) | (27.4) | (34.9) | (15.2) | — | — | — | 3,057.0 | 20.7% |
| Restructuring costs | 111.9 | — | — | (19.4) | — | (92.5) | — | — | — | — | — | — | — | — | |
| Impairment charges | 85.0 | — | — | — | — | — | (85.0) | — | — | — | — | — | — | — | |
| **Operating income (loss)** | **1,225.7** | **4.4** | **10.1** | **20.0** | **10.7** | **359.0** | **369.9** | **27.4** | **34.9** | **29.8** | — | — | — | **2,091.9** | **14.2%** |
| Non-operating (income) expenses | (203.3) | — | — | — | — | — | — | (2.0) | — | — | (32.3) | 713.0 | — | 475.4 | |
| **Income before income taxes** | **1,429.0** | **4.4** | **10.1** | **20.0** | **10.7** | **359.0** | **369.9** | **29.4** | **34.9** | **29.8** | **32.3** | **(713.0)** | — | **1,616.5** | |
| Income taxes [11] | (1,319.8) | 1.6 | 3.7 | 7.4 | 3.9 | 136.1 | 134.7 | 10.2 | 12.8 | 10.9 | 10.4 | (166.1) | 1,429.5 | 275.3 | |
| **Net income (loss) from continuing operations** | **2,748.8** | **2.8** | **6.4** | **12.6** | **6.8** | **222.9** | **235.2** | **19.2** | **22.1** | **18.9** | **21.9** | **(546.9)** | **(1,429.5)** | **1,341.2** | |
| **Net income (loss)** | **2,748.8** | **2.8** | **6.4** | **12.6** | **6.8** | **222.9** | **235.2** | **19.2** | **22.1** | **18.9** | **21.9** | **(546.9)** | **(1,429.5)** | **1,341.2** | |
| Diluted earnings per share** | $ 5.63 | $ 0.01 | $ 0.01 | $ 0.03 | $ 0.01 | $ 0.46 | $ 0.48 | $ 0.04 | $ 0.05 | $ 0.04 | $ 0.04 | $ (1.12) | $ (2.93) | $ 2.75 | |

* Normalized results are financial measures that are not in accordance with GAAP and exclude the above normalized adjustments. See below for a discussion of each of these adjustments.
**Totals may not add due to rounding.

[1] Costs associated with Project Renewal during the twelve months ended December 31, 2017 include $15.1 million of project-related costs and $19.4 million of restructuring costs. Project-related costs include advisory and consultancy costs, compensation and related costs of personnel dedicated to transformation projects, and other project-related costs.

[2] During the twelve months ended December 31, 2017, the Company recognized $10.7 million of non-cash charges related to the fair value step up of inventory related to the Chesapeake®, Sistema® and WoodWick® (Smith Mountain Industries) acquisitions.

[3] During the twelve months ended December 31, 2017, the Company incurred $359.0 million of costs (including $92.5 million of restructuring costs) primarily associated with the Jarden integration.

[4] During the twelve months ended December 31, 2017, the Company incurred acquisition amortization costs of $284.9 million, respectively. During the twelve months ended December 31, 2017, the Company recognized $85.0 million of impairment charges, primarily associated with assets of the Winter Sports and Fire building businesses held for sale.

[5] During the twelve months ended December 31, 2017, the Company recognized $29.4 million of transaction and related costs, which includes $2.0 million of hedge loss associated with the Sistema® acquisition.

[6] During the twelve months ended December 31, 2017, the Company recognized $34.9 million of transaction and related costs primarily associated with the divestiture of the Tools business (excluding Dymo® industrial labeling), and the Winter Sports businesses.

[7] During the twelve months ended December 31, 2017, the Company incurred $14.6 million of fire-related losses and costs, net of recoveries, in the Writing business; $13.0 million of bad debt related to a customer in the Baby business; and $2.2 million of consulting expenses for new accounting standards adoption.

[8] During the twelve months ended December 31, 2017, the Company incurred a $32.3 million loss related to the extinguishment of debt, consisting of a make-whole payment of $34.2 million and fees, partially offset by $1.9 million of non-cash write-offs.

[9] During the twelve months ended December 31, 2017, the Company recognized $713.0 million of net gains related to the sale of businesses, primarily Tools and Winter Sports businesses. During the twelve months ended December 31, 2017, the Company recognized $166.1 million of net tax expense attributed to the gain on sale, withholding taxes, and outside basis differences primarily related to the dispositions of the Tools and Winter Sports businesses.

[10] During the twelve months ended December 31, 2017, the Company recognized a benefit of $1.5 billion related to tax reform due to the revaluation of its deferred tax liabilities for the change in the U.S. tax rate from 35% to 21%; $195.0 million of tax expense related to the mandatory repatriation tax ; and $87.2 million of tax benefit to reverse the Company's APB 23 liability on historical Jarden earnings.

[11] The Company determined the tax effect of the items excluded from normalized results by applying the estimated effective rate for the applicable jurisdiction in which the pre-tax items were incurred, and for which realization of the resulting tax benefit, if any, is expected. In certain situations in which an item excluded from normalized results impacts income tax expense, the Company uses a "with" and "without" approach to determine normalized income tax expense.

# FY 2017 Non-GAAP Adjusted Baseline Metrics

**NEWELL BRANDS INC.**

Reconciliation Non-GAAP Information

CERTAIN LINE ITEMS & MEASURES

*(in millions)*

| | For the twelve months ended December 31, 2017 | | |
|---|---|---|---|
| | Newell Brands Inc. | Less: ASC 606 Revenue Recognition and Completed & Planned Divestitures [2] | Adjusted Baseline |
| Net sales | $ 14,742.2 | $ 5,757.5 | $ 8,984.7 |
| Normalized gross profit [1] | $ 5,148.9 | $ 1,886.7 | $ 3,262.2 |
| *Normalized gross margin* | *34.9%* | | *36.3%* |
| Normalized operating income [1] | $ 2,091.9 | $ 998.9 | $ 1,093.0 |
| | *14.2%* | | *12.2%* |
| Add: Depreciation and amortization expense, excluding acquired intangibles | $ 350.7 | $ 140.4 | $ 210.3 |
| | *2.4%* | | *2.3%* |

[1] Amounts for Newell Brands Inc. obtained from the 'Reconciliation of GAAP and Non-GAAP Information' for the year ended December 31,
[2] Includes amounts reclassified from cost of sales to net sales to conform to the adoption of ASC 606 revenue recognition in 2018.
[2] Normalized operating income for actual and planned divestitures includes only direct costs and does not contain any allocated costs. Actual and planned divestitures consist of businesses sold during 2017 consisting of the Tools business (excluding Dymo® industrial labeling) in the first quarter of 2017, the Fire Building, Lehigh®, and Teutonia businesses all in the second quarter of 2017, two winter sports units, Völkl® and K2®, a remaining portion of the Rubbermaid® Consumer Storage business during the third quarter of 2017 and the planned exit of a distribution agreement with Sprue Aegis; and planned divestitures of non-core businesses announced in the 2018 Accelerated Transformation Plan, consisting of Jostens, Pure Fishing, Rubbermaid ® Commercial Products, Mapa/Spontex/Quickie, Waddington, Process Solutions, Rawlings, Goody, Rubbermaid® Outdoor/Closet/Refuse & Garbage, and U.S. Playing Cards.

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