

# Fiscal 2015: Additional Information

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- Due to the spin-off the Household Products business on July 1, 2015, Edgewell's historical results on a continuing operations basis include certain costs associated with supporting the Household Products business that are not eligible to be reported in discontinued operations. These costs affect selling, general and administrative expense ("SG&A,") and as a result, EBITDA on both a GAAP and Non-GAAP basis for the first three quarters and full fiscal year for 2015 are not comparable to the prior year, and will not be comparable as we move through each of the first three quarters of fiscal 2016. To help address this, we are providing normalized EBITDA reflecting pro forma adjustments to SG&A.
- Adjusted EBITDA is defined as earnings before income taxes, interest income and expense, depreciation and amortization and excludes items such as spin costs, restructuring charges, impairment charges, acquisition and integration expenses, Venezuela deconsolidation charges, cost of early debt retirements and adjustments to prior year tax accruals.
- Normalized EBITDA adjusts general corporate and other expenses to reflect the Company's estimated full-year run rate for 2015. Normalized EBITDA is presented to provide a basis for comparing to future performance.

# Consolidated Statement of Earnings

*In millions - Unaudited*

	2015				
	Q1	Q2	Q3	Q4	Full Year
Net Sales	\$ 537.1	\$ 651.1	\$ 672.9	\$ 560.1	\$ 2,421.2
Gross Profit	256.8	334.3	323.4	269.3	1,183.8
Selling, general and administrative expense	133.5	149.1	165.5	123.5	571.6
Advertising and sales promotion expense	50.7	78.4	142.3	95.7	367.1
Research and development expense	15.7	16.0	16.8	22.5	71.0
Impairment charge	-	-	-	318.2	318.2
Venezuela deconsolidation charge	-	79.3	-	-	79.3
Spin restructuring charges	1.2	22.8	4.3	-	28.3
2013 restructuring and related costs	9.2	6.5	4.7	6.3	26.7
Industrial sale charges	-	-	21.9	10.8	32.7
Interest expense	27.8	28.1	27.5	16.4	99.8
Cost of early debt retirements	-	-	59.6	-	59.6
Other (income) expense, net	(0.4)	(1.1)	(6.8)	(3.5)	(11.8)
(Loss) earnings from continuing operations before income taxes	19.1	(44.8)	(112.4)	(320.6)	(458.7)
Income tax (benefit) provision for continuing operations	(0.8)	9.8	(44.7)	(126.9)	(162.6)
Net earnings (loss) from continuing operations	\$ 19.9	\$ (54.6)	\$ (67.7)	\$ (193.7)	\$ (296.1)
Net earnings (loss) from discontinued operations, net of tax	\$ 85.2	\$ (33.8)	\$ (4.8)	\$ (25.8)	\$ 20.8
Net earnings (loss) earnings	\$ 105.1	\$ (88.4)	\$ (72.5)	\$ (219.5)	\$ (275.3)

# Normalized EBITDA

*In millions - Unaudited*

	2015				
	Q1	Q3	Q3	Q4	Full Year
(Loss) Earnings from continuing operations before income taxes - GAAP	\$ 19.1	\$ (44.8)	\$ (112.4)	\$ (320.6)	\$ (458.7)
Interest Expense	27.8	28.1	87.1	16.4	159.4
Depreciation and Amortization	25.2	23.0	20.6	22.3	91.1
EBITDA	\$ 72.1	\$ 6.3	\$ (4.7)	\$ (281.9)	\$ (208.2)
Impairment Charge	-	-	-	318.2	318.2
Venezuela Deconsolidation	-	79.3	-	-	79.3
Spin Restructuring Charges	1.2	22.8	4.3	-	28.3
Spin Costs	23.8	32.2	55.7	30.3	142.0
2013 Restructuring and related Costs <sup>(1)</sup>	7.7	5.0	4.1	5.6	22.4
Industrial Sale Charges	-	-	21.9	10.8	32.7
Adjusted EBITDA <sup>(2)</sup>	\$ 104.8	\$ 145.6	\$ 81.3	\$ 83.0	\$ 414.7
Selling, general and administrative expenses <sup>(3)</sup>	12.5	16.4	18.6	-	47.5
Normalized EBITDA	\$ 117.3	\$ 162.0	\$ 99.9	\$ 83.0	\$ 462.2

1) 2013 Restructuring and related costs exclude \$4.6 accelerated depreciation.

2) Historical adjusted EBITDA results on a continuing operations basis include costs associated with supporting the Household Product business that are not eligible to be reported in discontinued operations which affect corporate SG&A expenses. As such, both EBITDA and adjusted EBITDA are not comparable to the prior year, and will not be comparable year-over-year as we move through each of the first three quarters of fiscal 2016.

3) SG&A expenses have been adjusted to reflect an estimated full year run-rate of \$74.5M in fiscal 2015 for general corporate and other expenses included in SG&A in the consolidated statement of earnings versus reported fiscal 2015 general and corporate and other expense of \$122M.