



# Fourth Quarter and Fiscal Year 2019 Earnings Call

August 29, 2019

# Safe Harbor Statement



## Safe Harbor Statement

Certain statements in this presentation constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, relating to our business and financial outlook, which are based on our current beliefs, assumptions, expectations, estimates, forecasts and projections about future events only as of the date of this presentation, and are not statements of historical fact. We make such forward-looking statements pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. You can identify forward-looking statements by terminology such as the use of “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “projects,” “intends,” “predicts,” “potential,” or “continue” and similar expressions, or the negative of those expressions. In particular, statements reflecting our guidance for fiscal year 2020 are forward-looking statements. These forward-looking statements are not guarantees of our future performance and involve risks, uncertainties, estimates and assumptions that are difficult to predict. Therefore, our actual outcomes and results may differ materially from those expressed in these forward-looking statements. You should not place undue reliance on any of these forward-looking statements. We undertake no obligation to further update any forward-looking statement to reflect new information, the occurrence of future events or circumstances or otherwise.

These forward-looking statements involve risks and uncertainties including, among others, the impact of competitive products and changes to the competitive environment, changes to consumer preferences, political uncertainty in the United Kingdom and the negotiation of its exit from the European Union, consolidation of customers or the loss of a significant customer, reliance on independent distributors, general economic and financial market conditions, risks associated with our international sales and operations, our ability to manage our supply chain effectively, volatility in the cost of commodities, ingredients, freight and fuel, our ability to execute and realize cost savings initiatives, including SKU rationalization plans, the impact of our debt and our credit agreements on our financial condition and our business, our ability to manage our financial reporting and internal control system processes, potential liabilities due to legal claims, government investigations and other regulatory enforcement actions, costs incurred due to pending and future litigation, potential liability, including in connection with indemnification obligations to our current and former officers and members of our Board of Directors that may not be covered by insurance, potential liability if our products cause illness or physical harm, impairments in the carrying value of goodwill or other intangible assets, our ability to consummate divestitures, our ability to integrate past acquisitions, the availability of organic ingredients, disruption of operations at our manufacturing facilities, loss of one or more independent co-packers, disruption of our transportation systems, risks relating to the protection of intellectual property, the risk of liabilities and claims with respect to environmental matters, the reputation of our brands, our reliance on independent certification for a number of our products, and other risks detailed from time-to-time in our reports filed with the United States Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and our subsequent reports on Forms 10-Q and 8-K.

## Non-GAAP Financial Measures

This presentation and the accompanying appendix include non-GAAP financial measures, including adjusted operating income, adjusted gross margin, adjusted net income, adjusted earnings per diluted share, EBITDA, and Adjusted EBITDA. The reconciliations of these non-GAAP financial measures to the comparable GAAP financial measures are included in the appendix to this presentation. Management believes that the non-GAAP financial measures presented provide useful additional information to investors about current trends in the Company’s operations and are useful for period-over-period comparisons of operations. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures. In addition, these non-GAAP measures may not be the same as similar measures provided by other companies due to potential differences in methods of calculation and items being excluded. They should be read only in connection with our financial results that are presented in accordance with GAAP.

# Fiscal 2020: Guidance vs. 2019 Performance



## FY19 Reported

## FY20 Guidance

**Including  
Tilda**

**Excluding  
Tilda**

**Actual  
Currency**

**Constant  
Currency**

**Adjusted EBITDA**

\$191.4 MM

\$165.1 MM

\$168 - \$192 MM

\$173 - \$198 MM

**Adjusted EPS**

\$0.66

\$0.60

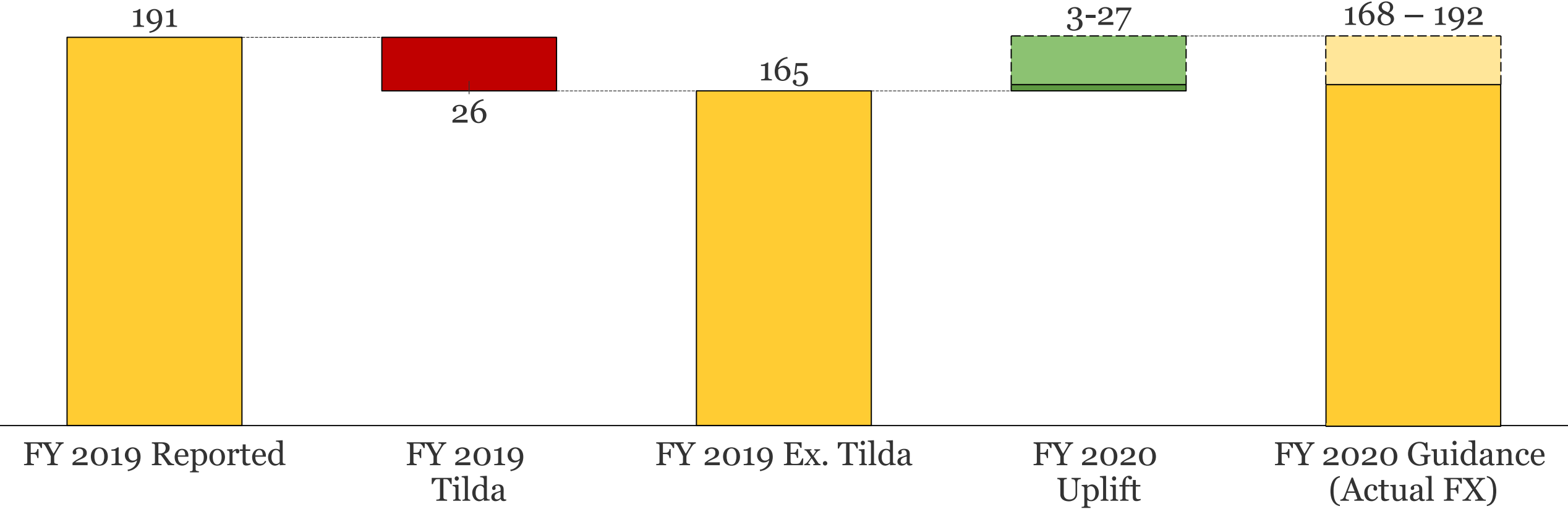
\$0.59 - \$0.72

\$0.62 - \$0.75

# Fiscal 2020: Adjusted EBITDA Guidance Details



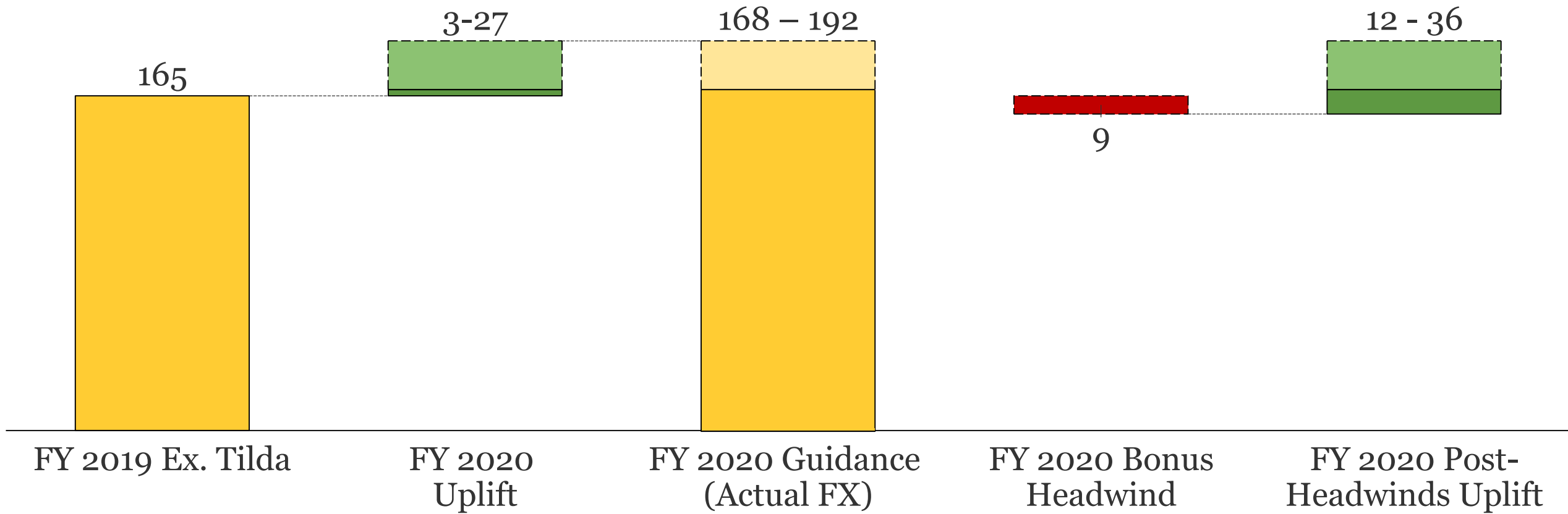
Adjusted EBITDA (\$MM)



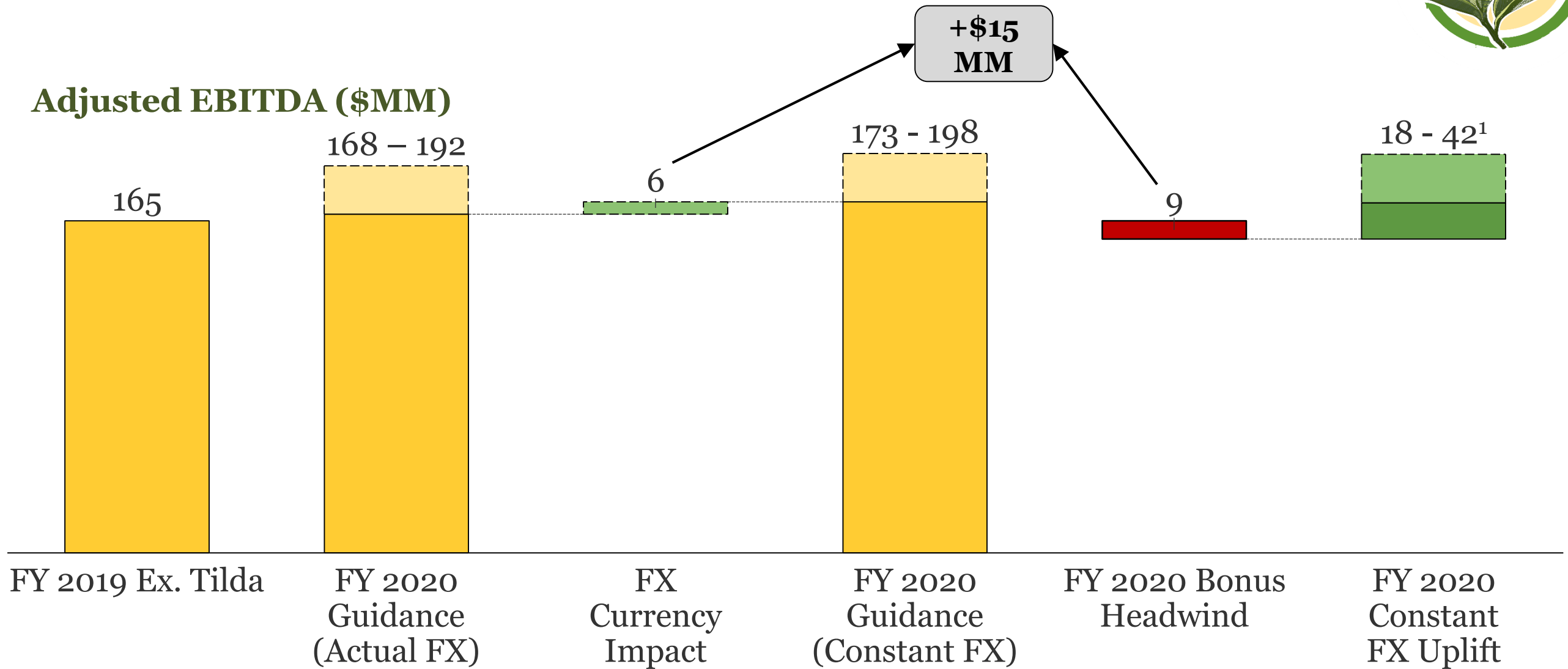
# Fiscal 2020: Adjusted EBITDA Guidance, With Bonus Headwind



Adjusted EBITDA (\$MM)



# Fiscal 2020: Adjusted EBITDA Guidance, Constant Currency

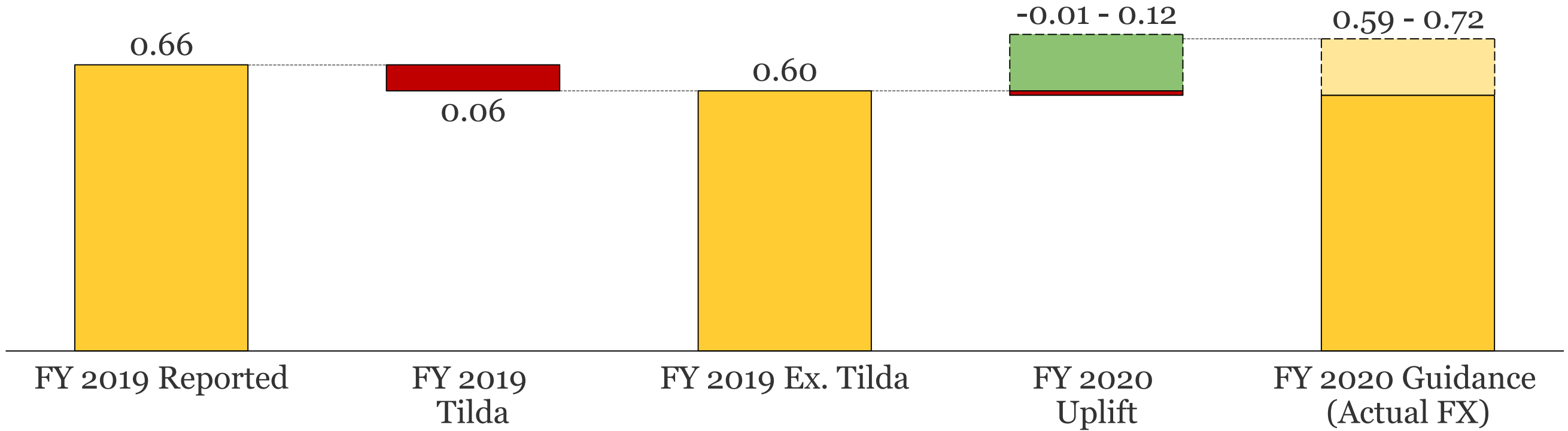


1. Includes Rounding

# Fiscal 2020: Adjusted EPS Guidance Details



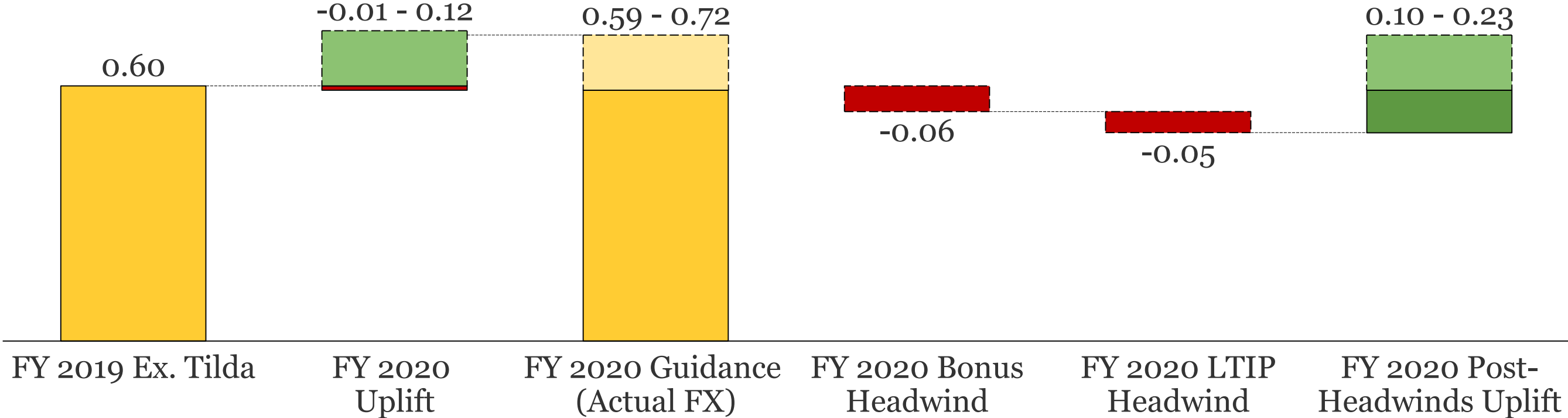
## Adjusted EPS



# Fiscal 2020: Adjusted EPS Guidance, With Bonus and LTIP Headwind



## Adjusted EPS

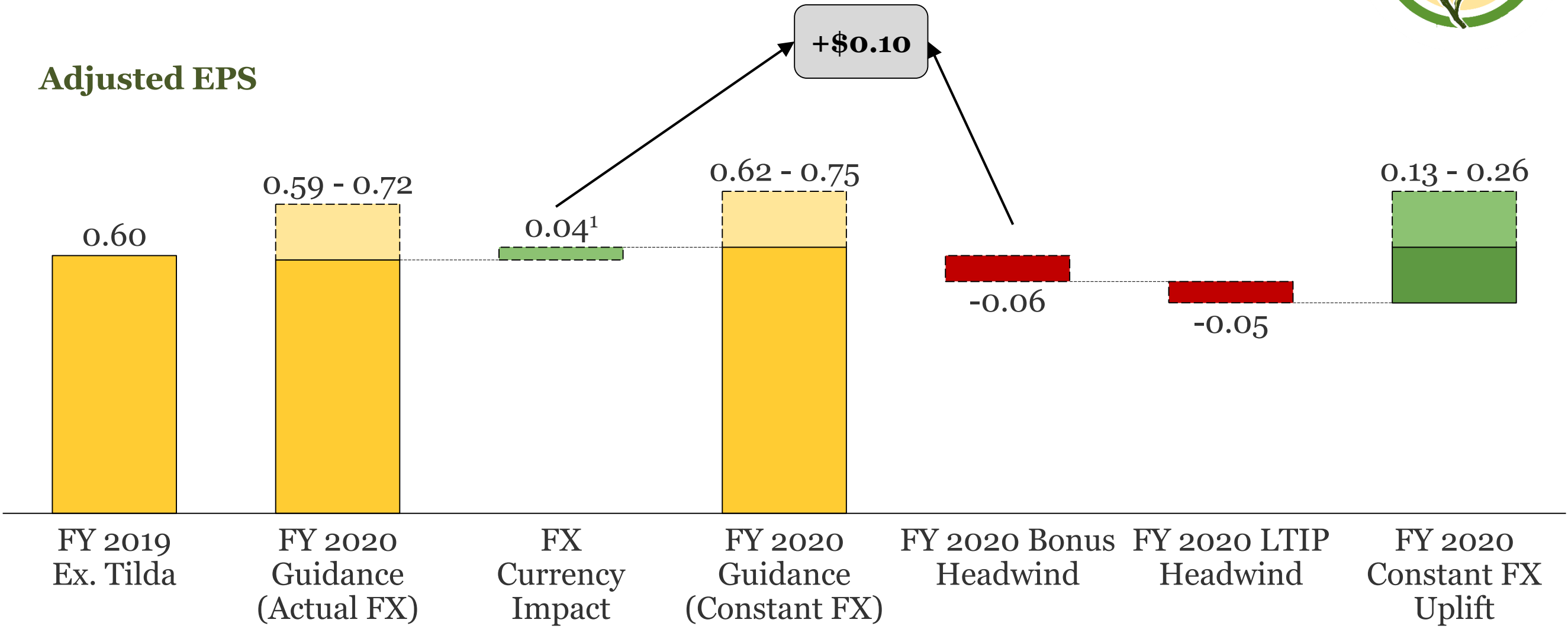




# Fiscal 2020: Adjusted EPS Guidance, Constant Currency



## Adjusted EPS



1. Includes Rounding



# APPENDIX

# Basis of Presentation



## **Basis of Presentation**

This appendix includes unaudited financial information that (1) recasts historical results for fiscal years 2019 and 2018 to reflect two reporting segments that will be in effect beginning with fiscal year 2020 – North America and International, and (2) excludes the historical results of the Tilda business and assumes that cash proceeds received from the sale would have been used to pay down debt. The unaudited financial information is based on our historical consolidated financial statements and information derived from our accounting records regarding Tilda for the periods presented. The unaudited financial information reflects adjustments that are based upon available information and certain assumptions that we believe are reasonable. The unaudited financial information is presented for illustrative purposes only and does not purport to represent the results of operations or financial position that would have been achieved had the Tilda disposition and related debt payment been completed as of the dates indicated, and is not necessarily indicative of the results that may be obtained in the future.

# Net Sales by Segment

## Four Quarters and Twelve Months Ending June 30, 2019

(unaudited and in thousands)



Three months ended 9/30/18	North America	International	Total
As Reported	\$ 295,071	\$ 265,762	\$ 560,833
Less: Tilda	(3,880)	(38,475)	(42,355)
<b>As Revised</b>	<b>\$ 291,191</b>	<b>\$ 227,287</b>	<b>\$ 518,478</b>

Three months ended 12/31/18	North America	International	Total
As Reported	\$ 309,547	\$ 274,609	\$ 584,156
Less: Tilda	(3,973)	(46,617)	(50,590)
<b>As Revised</b>	<b>\$ 305,574</b>	<b>\$ 227,992</b>	<b>\$ 533,566</b>

Three months ended 3/31/19	North America	International	Total
As Reported	\$ 319,706	\$ 280,091	\$ 599,797
Less: Tilda	(5,385)	(47,155)	(52,540)
<b>As Revised</b>	<b>\$ 314,321</b>	<b>\$ 232,936</b>	<b>\$ 547,257</b>

Three months ended 6/30/19	North America	International	Total
As Reported	\$ 290,302	\$ 267,380	\$ 557,682
Less: Tilda	(5,409)	(46,968)	(52,377)
<b>As Revised</b>	<b>\$ 284,893</b>	<b>\$ 220,412</b>	<b>\$ 505,305</b>

Twelve months ended 6/30/19	North America	International	Total
As Reported	\$ 1,214,626	\$ 1,087,842	\$ 2,302,468
Less: Tilda	(18,648)	(179,215)	(197,863)
<b>As Revised</b>	<b>\$ 1,195,978</b>	<b>\$ 908,627</b>	<b>\$ 2,104,605</b>

# Net Sales by Segment

## Four Quarters and Twelve Months Ending June 30, 2018

(unaudited and in thousands)



Three months ended 9/30/17	North America	International	Total
As Reported	\$ 319,571	\$ 269,648	\$ 589,219
Less: Tilda	(5,334)	(36,791)	(42,125)
<b>As Revised</b>	<b>\$ 314,237</b>	<b>\$ 232,857</b>	<b>\$ 547,094</b>

Three months ended 12/31/17	North America	International	Total
As Reported	\$ 328,569	\$ 287,663	\$ 616,232
Less: Tilda	(3,357)	(45,101)	(48,458)
<b>As Revised</b>	<b>\$ 325,212</b>	<b>\$ 242,562</b>	<b>\$ 567,774</b>

Three months ended 3/31/18	North America	International	Total
As Reported	\$ 339,235	\$ 293,485	\$ 632,720
Less: Tilda	(5,508)	(44,644)	(50,152)
<b>As Revised</b>	<b>\$ 333,727</b>	<b>\$ 248,841</b>	<b>\$ 582,568</b>

Three months ended 6/30/18	North America	International	Total
As Reported	\$ 327,839	\$ 291,759	\$ 619,598
Less: Tilda	(5,602)	(45,745)	(51,347)
<b>As Revised</b>	<b>\$ 322,237</b>	<b>\$ 246,014</b>	<b>\$ 568,251</b>

Twelve months ended 6/30/18	North America	International	Total
As Reported	\$ 1,315,214	\$ 1,142,555	\$ 2,457,769
Less: Tilda	(19,801)	(172,282)	(192,083)
<b>As Revised</b>	<b>\$ 1,295,413</b>	<b>\$ 970,273</b>	<b>\$ 2,265,686</b>

# Operating Income by Segment

## Four Quarters and Twelve Months Ending June 30, 2019

(unaudited and in thousands)



Three months ended 9/30/18	North America	International	Corporate/Other	Total
As Reported	\$ 4,637	\$ 9,389	\$ (38,130)	\$ (24,104)
Non-GAAP adjustments (1)	6,826	6,646	31,495	44,967
Non-GAAP operating income	\$ 11,463	\$ 16,035	\$ (6,635)	\$ 20,863
Less: Tilda	(131)	(3,730)	-	(3,861)
<b>Adjusted operating income</b>	<b>\$ 11,332</b>	<b>\$ 12,305</b>	<b>\$ (6,635)</b>	<b>\$ 17,002</b>

Three months ended 12/31/18	North America	International	Corporate/Other	Total
As Reported	\$ 9,519	\$ 20,690	\$ (45,596)	\$ (15,387)
Non-GAAP adjustments (1)	6,996	3,643	34,624	45,263
Non-GAAP operating income	\$ 16,515	\$ 24,333	\$ (10,972)	\$ 29,876
Less: Tilda	43	(5,536)	-	(5,493)
<b>Adjusted operating income</b>	<b>\$ 16,558</b>	<b>\$ 18,797</b>	<b>\$ (10,972)</b>	<b>\$ 24,383</b>

Three months ended 3/31/19	North America	International	Corporate/Other	Total
As Reported	\$ 21,581	\$ 24,533	\$ (22,249)	\$ 23,865
Non-GAAP adjustments (1)	5,109	975	8,955	15,039
Non-GAAP operating income	\$ 26,690	\$ 25,508	\$ (13,294)	\$ 38,904
Less: Tilda	(223)	(4,650)	-	(4,873)
<b>Adjusted operating income</b>	<b>\$ 26,467</b>	<b>\$ 20,858</b>	<b>\$ (13,294)</b>	<b>\$ 34,031</b>

Three months ended 6/30/19	North America	International	Corporate/Other	Total
As Reported	\$ (2,442)	\$ 21,190	\$ (18,008)	\$ 740
Non-GAAP adjustments (1)	27,500	7,600	4,707	39,807
Non-GAAP operating income	\$ 25,058	\$ 28,790	\$ (13,302)	\$ 40,547
Less: Tilda	(303)	(5,802)	-	(6,104)
<b>Adjusted operating income</b>	<b>\$ 24,755</b>	<b>\$ 22,988</b>	<b>\$ (13,302)</b>	<b>\$ 34,443</b>

Twelve months ended 6/30/19	North America	International	Corporate/Other	Total
As Reported	\$ 33,295	\$ 75,802	\$ (123,983)	\$ (14,886)
Non-GAAP adjustments (1)	46,431	18,864	79,781	145,076
Non-GAAP operating income	\$ 79,726	\$ 94,666	\$ (44,202)	\$ 130,190
Less: Tilda	(614)	(19,717)	-	(20,331)
<b>Adjusted operating income</b>	<b>\$ 79,112</b>	<b>\$ 74,949</b>	<b>\$ (44,202)</b>	<b>\$ 109,859</b>

(1) See accompanying table of "Reconciliation of GAAP Results to Non-GAAP Measures"

# Operating Income by Segment

## Four Quarters and Twelve Months Ending June 30, 2018

(unaudited and in thousands)



Three months ended 9/30/17	North America	International	Corporate/Other	Total
As Reported	\$ 25,151	\$ 14,308	\$ (10,218)	\$ 29,241
Non-GAAP adjustments (1)	2,284	3,334	1,256	6,874
Non-GAAP operating income	\$ 27,435	\$ 17,642	\$ (8,962)	\$ 36,115
Less: Tilda	(173)	(5,222)	-	(5,394)
<b>Adjusted operating income</b>	<b>\$ 27,262</b>	<b>\$ 12,420</b>	<b>\$ (8,962)</b>	<b>\$ 30,721</b>

Three months ended 12/31/17	North America	International	Corporate/Other	Total
As Reported	\$ 27,551	\$ 18,443	\$ (15,029)	\$ 30,965
Non-GAAP adjustments (1)	9,448	3,267	5,791	18,506
Non-GAAP operating income	\$ 36,999	\$ 21,710	\$ (9,238)	\$ 49,471
Less: Tilda	(102)	(5,507)	-	(5,609)
<b>Adjusted operating income</b>	<b>\$ 36,897</b>	<b>\$ 16,203</b>	<b>\$ (9,238)</b>	<b>\$ 43,862</b>

Three months ended 3/31/18	North America	International	Corporate/Other	Total
As Reported	\$ 29,544	\$ 20,352	\$ (20,642)	\$ 29,254
Non-GAAP adjustments (1)	12,081	6,951	7,723	26,755
Non-GAAP operating income	\$ 41,625	\$ 27,303	\$ (12,919)	\$ 56,009
Less: Tilda	67	(4,813)	-	(4,746)
<b>Adjusted operating income</b>	<b>\$ 41,692</b>	<b>\$ 22,490</b>	<b>\$ (12,919)</b>	<b>\$ 51,263</b>

Three months ended 6/30/18	North America	International	Corporate/Other	Total
As Reported	\$ 22,337	\$ 23,339	\$ (29,096)	\$ 16,580
Non-GAAP adjustments (1)	5,940	1,750	20,211	27,901
Non-GAAP operating income	\$ 28,277	\$ 25,089	\$ (8,885)	\$ 44,481
Less: Tilda	(352)	(4,586)	-	(4,938)
<b>Adjusted operating income</b>	<b>\$ 27,925</b>	<b>\$ 20,503</b>	<b>\$ (8,885)</b>	<b>\$ 39,543</b>

Twelve months ended 6/30/18	North America	International	Corporate/Other	Total
As Reported	\$ 104,583	\$ 76,442	\$ (74,985)	\$ 106,040
Non-GAAP adjustments (1)	29,751	15,302	34,980	80,033
Non-GAAP operating income	\$ 134,334	\$ 91,744	\$ (40,005)	\$ 186,073
Less: Tilda	(560)	(20,127)	-	(20,688)
<b>Adjusted operating income</b>	<b>\$ 133,774</b>	<b>\$ 71,617</b>	<b>\$ (40,005)</b>	<b>\$ 165,385</b>

(1) See accompanying table of "Reconciliation of GAAP Results to Non-GAAP Measures"

# North America EBITDA and Adjusted EBITDA

(unaudited and in thousands)



	Three Months Ended							
	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018	12/31/2018	3/31/2019	6/30/2019
<b>Operating Income</b>	\$ 25,151	\$ 27,551	\$ 29,544	\$ 22,337	\$ 4,637	\$ 9,519	\$ 21,581	\$ (2,442)
Depreciation and amortization	5,124	5,012	4,734	4,669	4,292	4,284	4,269	4,242
Long-lived asset impairment	-	3,449	2,282	111	(7)	1,510	-	5,617
Other	(90)	362	229	218	(46)	611	766	(1,062)
<b>EBITDA</b>	\$ 30,184	\$ 36,375	\$ 36,788	\$ 27,335	\$ 8,875	\$ 15,925	\$ 26,616	\$ 6,355
Project Terra costs and other	1,111	2,724	1,079	1,283	1,504	2,017	1,263	3,549
Warehouse/manufacturing facility start-up costs	-	-	-	3,024	4,600	1,708	3,221	8,133
Plant closure related costs	-	700	2,084	1,215	729	231	119	126
SKU rationalization	-	-	4,913	-	-	1,530	506	10,075
Gain on sale of business	-	-	-	-	-	-	-	(534)
Realized currency loss on debt settlement	-	-	-	-	-	-	-	2,563
Co-packer disruption	1,173	1,567	826	-	-	-	-	-
Regulated packaging change	-	1,007	-	-	-	-	-	-
Toys "R" Us bad debt	-	-	897	-	-	-	-	-
Recall and other related costs	-	-	-	307	-	-	-	-
<b>Adjusted EBITDA</b>	\$ 32,468	\$ 42,373	\$ 46,588	\$ 33,164	\$ 15,708	\$ 21,411	\$ 31,725	\$ 30,267
Less: Tilda	(194)	(110)	52	(366)	(147)	27	(247)	(341)
<b>Adjusted EBITDA including Proforma</b>	\$ 32,274	\$ 42,264	\$ 46,640	\$ 32,798	\$ 15,561	\$ 21,438	\$ 31,478	\$ 29,925



# International EBITDA and Adjusted EBITDA

(unaudited and in thousands)



	Three Months Ended							
	9/30/2017	12/31/2017	3/31/2018	6/30/2018	9/30/2018	12/31/2018	3/31/2019	6/30/2019
<b>Operating Income</b>	<b>\$ 14,308</b>	<b>\$ 18,443</b>	<b>\$ 20,352</b>	<b>\$ 23,339</b>	<b>\$ 9,389</b>	<b>\$ 20,690</b>	<b>\$ 24,533</b>	<b>\$ 21,190</b>
Depreciation and amortization	9,436	9,323	9,788	10,495	9,679	9,003	9,217	9,632
Long-lived asset impairment	-	-	2,560	-	4,243	62	-	4,393
Other	(344)	(87)	(340)	(341)	(88)	63	270	(554)
<b>EBITDA</b>	<b>\$ 23,400</b>	<b>\$ 27,679</b>	<b>\$ 32,360</b>	<b>\$ 33,493</b>	<b>\$ 23,224</b>	<b>\$ 29,819</b>	<b>\$ 34,020</b>	<b>\$ 34,661</b>
Project Terra costs and other	1,124	704	(425)	304	853	2,349	897	(913)
Warehouse/manufacturing facility start-up costs	737	418	-	-	-	-	-	-
Plant closure related costs	-	-	1,162	352	1,097	1,232	78	3,781
SKU rationalization	-	-	-	-	-	-	-	271
Realized currency loss on repayment of international loans	-	-	-	-	-	-	-	105
Litigation and related expenses	-	-	-	-	19	-	-	68
Losses on terminated chilled desserts contract	1,472	2,144	2,938	-	-	-	-	-
Co-packer disruption	-	-	126	-	-	-	-	-
Machine break-down costs	-	-	317	-	-	-	-	-
Recall and other related costs	-	-	273	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>\$ 26,734</b>	<b>\$ 30,946</b>	<b>\$ 36,751</b>	<b>\$ 34,149</b>	<b>\$ 25,193</b>	<b>\$ 33,400</b>	<b>\$ 34,995</b>	<b>\$ 37,973</b>
Less: Tilda	(6,768)	(7,070)	(6,436)	(6,155)	(5,216)	(7,007)	(6,123)	(7,253)
<b>Adjusted EBITDA including Proforma</b>	<b>\$ 19,966</b>	<b>\$ 23,876</b>	<b>\$ 30,315</b>	<b>\$ 27,994</b>	<b>\$ 19,977</b>	<b>\$ 26,393</b>	<b>\$ 28,872</b>	<b>\$ 30,720</b>

# Consolidated EBITDA and Adjusted EBITDA

(unaudited and in thousands)



	Three Months Ended							
	9/30/2017	12/30/2017	3/30/2018	6/30/2018	9/30/2018	12/30/2018	3/30/2019	6/30/2019
Net (loss) income	19,846	47,103	12,686	(69,941)	(37,425)	(66,501)	(65,837)	(13,551)
Net loss from discontinued operations	1,233	3,973	(12,555)	(65,385)	(14,324)	(37,223)	(75,925)	(5,897)
<b>Net (loss) income from continuing operations</b>	<b>\$ 18,613</b>	<b>\$ 43,130</b>	<b>\$ 25,241</b>	<b>\$ (4,556)</b>	<b>\$ (23,101)</b>	<b>\$ (29,278)</b>	<b>\$ 10,088</b>	<b>\$ (7,654)</b>
(Benefit) provision for income taxes	7,484	(17,690)	(1,310)	10,629	(9,483)	4,690	3,114	(1,018)
Interest expense, net	5,609	5,817	6,108	6,804	7,169	8,247	8,677	8,877
Depreciation and amortization	15,147	14,919	15,074	15,670	14,384	13,722	13,968	14,840
Equity in net loss (income) of equity-method investees	(11)	(194)	101	(235)	175	11	205	264
Stock-based compensation, net	3,164	4,158	2,936	3,122	(209)	1,774	3,937	4,001
Stock-based compensation expense in connection with Chief Executive Officer Succession Agreement	-	-	-	(2,203)	312	117	-	-
Goodwill impairment	-	-	-	7,700	-	-	-	-
Long-lived asset and intangibles impairment	-	3,449	4,839	5,743	4,236	19,473	-	10,010
Unrealized currency (gains)/losses	(3,419)	(286)	(1,465)	3,143	590	439	1,522	(3,401)
<b>EBITDA</b>	<b>\$ 46,587</b>	<b>\$ 53,303</b>	<b>\$ 51,524</b>	<b>\$ 45,817</b>	<b>\$ (5,927)</b>	<b>\$ 19,195</b>	<b>\$ 41,511</b>	<b>\$ 25,919</b>
Project Terra costs and other	4,850	4,069	4,831	4,276	10,333	9,872	9,259	10,494
Chief Executive Officer Succession Plan expense, net	-	-	-	2,723	19,241	10,031	455	-
Proceeds from insurance claims	-	-	-	-	-	-	-	(4,460)
Accounting review and remediation costs, net of insurance proceeds	(1,358)	4,451	3,313	2,887	3,414	920	-	-
Warehouse/manufacturing facility start-up costs	737	418	-	3,024	4,599	1,708	3,222	8,107
SKU rationalization	-	-	4,913	-	-	1,530	505	10,346
Plant closure related costs	-	700	3,246	1,567	1,828	1,490	184	3,954
Realized currency loss on repayment of international loans	-	-	-	-	-	-	-	2,706
Litigation and related expenses	-	-	235	780	569	122	371	455
Gain on sale of business	-	-	-	-	-	-	-	(534)
Losses on terminated chilled desserts contract	1,472	2,143	2,939	-	-	-	-	-
Co-packer disruption	1,173	1,567	952	-	-	-	-	-
Regulated packaging change	-	1,007	-	-	-	-	-	-
Toys "R" Us bad debt	-	-	897	-	-	-	-	-
Recall and other related costs	-	-	273	307	-	-	-	-
Machine break-down costs	-	-	317	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>\$ 53,461</b>	<b>\$ 67,658</b>	<b>\$ 73,440</b>	<b>\$ 61,381</b>	<b>\$ 34,057</b>	<b>\$ 44,868</b>	<b>\$ 55,507</b>	<b>\$ 56,987</b>
Less: Tilda	(6,962)	(7,180)	(6,384)	(6,521)	(5,363)	(6,980)	(6,370)	(7,594)
<b>Adjusted EBITDA including Proforma</b>	<b>\$ 46,499</b>	<b>\$ 60,478</b>	<b>\$ 67,056</b>	<b>\$ 54,860</b>	<b>\$ 28,694</b>	<b>\$ 37,888</b>	<b>\$ 49,137</b>	<b>\$ 49,393</b>

# Reconciliation of GAAP Results to Non-GAAP Measures (Q1'19 and Q2'19)

(Unaudited and in thousands, except per share amounts)



	Three Months Ended									
	September 30, 2018					December 31, 2018				
	GAAP	Adjustments	Non-GAAP	Less: Tilda	Adjusted	GAAP	Adjustments	Non-GAAP	Less: Tilda	Adjusted
Net sales	560,833	-	560,833	(42,355)	518,478	584,156	-	584,156	(50,590)	533,566
Cost of sales	461,239	(6,862)	454,377	(31,669)	422,708	469,883	(4,294)	465,589	(37,667)	427,922
Gross profit	99,594	6,862	106,456	(10,686)	95,770	114,273	4,294	118,567	(12,923)	105,644
Operating expenses (a)	90,398	(4,805)	85,593	(6,825)	78,768	108,720	(20,029)	88,691	(7,430)	81,261
Project Terra costs and other	10,333	(10,333)	-	-	-	9,872	(9,872)	-	-	-
Chief Executive Officer Succession Plan expense, net	19,553	(19,553)	-	-	-	10,148	(10,148)	-	-	-
Accounting review and remediation costs, net of insurance proceeds	3,414	(3,414)	-	-	-	920	(920)	-	-	-
Operating (loss) income	(24,104)	44,967	20,863	(3,861)	17,002	(15,387)	45,263	29,876	(5,493)	24,383
Interest and other expense (income), net (b)	8,305	(590)	7,715	(3,393)	4,322	9,190	(439)	8,751	(3,393)	5,358
(Benefit) provision for income taxes	(9,483)	12,779	3,296	205	3,501	4,690	1,462	6,152	(121)	6,031
Net (loss) income from continuing operations	(23,101)	32,778	9,677	(673)	9,004	(29,278)	44,240	14,962	(1,979)	12,983
Net (loss) income from discontinued operations, net of tax	(14,324)	14,324	-	-	-	(37,223)	37,223	-	-	-
Net (loss) income	(37,425)	47,102	9,677	(673)	9,004	(66,501)	81,463	14,962	(1,979)	12,983
Diluted net (loss) income per common share from continuing operations	(0.22)	0.32	0.09	(0.01)	0.09	(0.28)	0.43	0.14	(0.02)	0.12
Diluted net (loss) income per common share from discontinued operations	(0.14)	0.14	-	-	-	(0.36)	0.36	-	-	-
Diluted net (loss) income per common share	(0.36)	0.45	0.09	(0.01)	0.09	(0.64)	0.78	0.14	(0.02)	0.12

(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangible impairment.

(b) Interest and other expenses (income), net include interest and other financing expenses, net and other (income)/expense, net.

# Reconciliation of GAAP Results to Non-GAAP Measures (Q1'19 and Q2'19) (Unaudited and in thousands)



Detail of Adjustments:	Three Months Ended September 30, 2018	Three Months Ended December 31, 2018
Warehouse/manufacturing facility start-up costs	\$ 4,599	\$ 1,708
SKU rationalization	-	1,530
Plant closure related costs	2,263	1,056
Cost of sales	<u>6,862</u>	<u>4,294</u>
Gross profit	<u>6,862</u>	<u>4,294</u>
Long-lived asset impairment charge associated with plant closure	4,236	1,573
Litigation and related expenses	569	122
Plant closure related costs	-	434
Intangibles impairment	-	17,900
Operating expenses (a)	<u>4,805</u>	<u>20,029</u>
Project Terra costs and other	10,333	9,872
Project Terra costs and other	<u>10,333</u>	<u>9,872</u>
Chief Executive Officer Succession Plan expense, net	19,553	10,148
Chief Executive Officer Succession Plan expense, net	<u>19,553</u>	<u>10,148</u>
Accounting review and remediation costs, net of insurance proceeds	3,414	920
Accounting review and remediation costs, net of insurance proceeds	<u>3,414</u>	<u>920</u>
Operating (loss) income	<u>44,967</u>	<u>45,263</u>
Unrealized currency gains	590	439
Interest and other expense (income), net (b)	<u>590</u>	<u>439</u>
Income tax related adjustments	(12,779)	(1,462)
(Benefit) provision for income taxes	<u>(12,779)</u>	<u>(1,462)</u>
Net (loss) income from continuing operations	<u>\$ 32,778</u>	<u>\$ 44,240</u>

*(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangible impairment.*

*(b) Interest and other expenses (income), net include interest and other financing expenses, net and other (income)/expense, net.*

# Reconciliation of GAAP Results to Non-GAAP Measures (Q3'19 and Q4'19)

(Unaudited and in thousands, except per share amounts)



	Three Months Ended									
	March 31, 2019					June 30, 2019				
	GAAP	Adjustments	Non-GAAP	Less: Tilda	Adjusted	GAAP	Adjustments	Non-GAAP	Less: Tilda	Adjusted
Net sales	\$ 599,797	\$ -	\$ 599,797	\$ (52,540)	\$ 547,257	\$ 557,682	\$ -	\$ 557,682	\$ (52,377)	\$ 505,305
Cost of sales	474,528	(4,153)	470,375	(40,479)	429,896	451,605	(22,314)	429,291	(38,608)	390,684
Gross profit	125,269	4,153	129,422	(12,061)	117,361	106,077	22,314	128,391	(13,769)	114,622
Operating expenses (a)	91,541	(1,023)	90,518	(7,188)	83,330	99,303	(11,459)	87,844	(7,665)	80,179
Project Terra costs and other	9,408	(9,408)	-	-	-	10,494	(10,494)	-	-	-
Chief Executive Officer Succession Plan expense, net	455	(455)	-	-	-	-	-	-	-	-
Proceeds from insurance claims	-	-	-	-	-	(4,460)	4,460	-	-	-
Accounting review and remediation costs, net of insurance proceeds	-	-	-	-	-	-	-	-	-	-
Operating (loss) income	23,865	15,039	38,904	(4,873)	34,031	740	39,807	40,547	(6,104)	34,443
Interest and other expense (income), net (b)	10,458	(1,522)	8,936	(3,393)	5,543	9,147	882	10,029	(3,410)	6,619
(Benefit) provision for income taxes	3,114	4,963	8,077	2	8,079	(1,018)	8,912	7,894	(239)	7,656
Net (loss) income from continuing operations	10,088	11,598	21,686	(1,483)	20,203	(7,654)	30,013	22,359	(2,455)	19,904
Net (loss) income from discontinued operations, net of tax	(75,925)	75,925	-	-	-	(5,897)	5,897	-	-	-
Net (loss) income	(65,837)	87,523	21,686	(1,483)	20,203	(13,551)	35,910	22,359	(2,455)	19,904
Diluted net (loss) income per common share from continuing operations	0.10	0.11	0.21	(0.01)	0.19	(0.07)	0.29	0.21	(0.02)	0.19
Diluted net (loss) income per common share from discontinued operations	(0.73)	0.73	-	-	-	(0.06)	0.06	-	-	-
Diluted net (loss) income per common share	(0.63)	0.84	0.21	(0.01)	0.19	(0.13)	0.34	0.21	(0.02)	0.19

(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangible impairment.

(b) Interest and other expenses (income), net include interest and other financing expenses, net and other (income)/expense, net.

# Reconciliation of GAAP Results to Non-GAAP Measures (Q3'19 and Q4'19) (Unaudited and in thousands)



<b>Detail of Adjustments:</b>	<b>Three Months Ended March 31, 2019</b>	<b>Three Months Ended June 30, 2019</b>
Warehouse/manufacturing facility start-up costs	\$ 3,222	\$ 8,107
SKU rationalization	505	10,346
Plant closure related costs	426	3,861
Cost of sales	<u>4,153</u>	<u>22,314</u>
Gross profit	<u>4,153</u>	<u>22,314</u>
Stock-based compensation acceleration	583	875
Long-lived asset impairment charge associated with plant closure	-	10,010
Litigation and related expenses	371	455
Plant closure related costs	69	119
Operating expenses (a)	<u>1,023</u>	<u>11,459</u>
Project Terra costs and other	9,408	10,494
Project Terra costs and other	<u>9,408</u>	<u>10,494</u>
Chief Executive Officer Succession Plan expense, net	455	-
Chief Executive Officer Succession Plan expense, net	<u>455</u>	<u>-</u>
Proceeds from insurance claims	-	(4,460)
Proceeds from insurance claims	<u>-</u>	<u>(4,460)</u>
Operating (loss) income	<u>15,039</u>	<u>39,807</u>
Unrealized currency gains	1,522	(3,401)
Realized currency loss on repayment of international loans	-	2,706
Gain on sale of business	-	(534)
Deferred financing cost write-off	-	347
Interest and other expense (income), net (b)	<u>1,522</u>	<u>(882)</u>
Income tax related adjustments	(4,963)	(8,912)
(Benefit) provision for income taxes	<u>(4,963)</u>	<u>(8,912)</u>
Net (loss) income from continuing operations	<u>\$ 11,598</u>	<u>\$ 30,013</u>

(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangible impairment.  
(b) Interest and other expenses (income), net include interest and other financing expenses, net and other (income)/expense, net.

# Reconciliation of GAAP Results to Non-GAAP Measures (Q1'18 and Q2'18)

(Unaudited and in thousands, except per share amounts)



	Three Months Ended									
	September 30, 2017					December 31, 2017				
	GAAP	Adjustments	Non-GAAP	Less: Tilda	Adjusted	GAAP	Adjustments	Non-GAAP	Less: Tilda	Adjusted
Net sales	\$ 589,219	-	\$ 589,219	\$ (42,125)	\$ 547,094	\$ 616,232	\$ -	\$ 616,232	\$ (48,458)	\$ 567,774
Cost of sales	465,831	(3,382)	462,449	(30,412)	432,038	482,282	(5,835)	476,447	(35,743)	440,704
Gross profit	123,388	3,382	126,770	(11,714)	115,056	133,950	5,835	139,785	(12,715)	127,070
Operating expenses (a)	90,655	-	90,655	(6,319)	84,336	94,465	(4,151)	90,314	(7,106)	83,207
Project Terra costs and other	4,850	(4,850)	-	-	-	4,069	(4,069)	-	-	-
Accounting review and remediation costs, net of insurance proceeds	(1,358)	1,358	-	-	-	4,451	(4,451)	-	-	-
Goodwill impairment	-	-	-	-	-	-	-	-	-	-
Operating income	29,241	6,874	36,115	(5,394)	30,720	30,965	18,506	49,471	(5,609)	43,862
Interest and other expense (income), net (b)	3,155	3,419	6,574	(2,651)	3,923	5,719	286	6,005	(2,651)	3,355
Provision (benefit) for income taxes	7,484	691	8,175	(316)	7,859	(17,690)	27,751	10,061	(358)	9,703
Net income (loss) from continuing operations	18,613	2,764	21,377	(2,428)	18,949	43,130	(9,531)	33,599	(2,600)	30,999
Net income (loss) from discontinued operations, net of tax	1,233	(1,233)	-	-	-	3,973	(3,973)	-	-	-
Net income (loss)	19,846	1,531	21,377	(2,428)	18,949	47,103	(13,504)	33,599	(2,600)	30,999
Diluted net income (loss) per common share from continuing operations	0.18	0.03	0.20	(0.02)	0.18	0.41	(0.09)	0.32	(0.02)	0.30
Diluted net income (loss) per common share from discontinued operations	0.01	(0.01)	-	-	-	0.04	(0.04)	-	-	-
Diluted net income (loss) per common share	0.19	0.01	0.20	(0.02)	0.18	0.45	(0.13)	0.32	(0.02)	0.30

(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangible impairment.

(b) Interest and other expenses (income), net include interest and other financing expenses, net and other (income)/expense, net.

# Reconciliation of GAAP Results to Non-GAAP Measures (Q1'18 and Q2'18)

(Unaudited and in thousands)



Detail of Adjustments:	Three Months Ended September 30, 2017	Three Months Ended December 31, 2017
Warehouse/manufacturing facility start-up costs	\$ 737	\$ 418
Plant closure related costs	-	700
Losses on terminated chilled desserts contract	1,472	2,143
Co-packer disruption	1,173	1,567
Regulated packaging change	-	1,007
Cost of sales	3,382	5,835
Gross profit	3,382	5,835
Long-lived asset impairment charge associated with plant closure	-	3,449
Stock-based compensation acceleration associated with Board of Directors	-	702
Operating expenses (a)	-	4,151
Project Terra costs and other	4,850	4,069
Project Terra costs and other	4,850	4,069
Accounting review and remediation costs, net of insurance proceeds	(1,358)	4,451
Accounting review and remediation costs, net of insurance proceeds	(1,358)	4,451
Operating income	6,874	18,506
Unrealized currency (gains) losses	(3,419)	(286)
Interest and other expense (income), net (b)	(3,419)	(286)
Income tax related adjustments	(691)	(27,751)
Provision (benefit) for income taxes	(691)	(27,751)
Net income (loss) from continuing operations	\$ 2,764	\$ (9,531)

(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangible impairment.

(b) Interest and other expenses (income), net include interest and other financing expenses, net and other (income)/expense, net.



# Reconciliation of GAAP Results to Non-GAAP Measures (Q3'18 and Q4'18)

(Unaudited and in thousands, except per share amounts)



	Three Months Ended									
	March 31, 2018					June 30, 2018				
	GAAP	Adjustments	Non-GAAP	Less: Tilda	Adjusted	GAAP	Adjustments	Non-GAAP	Less: Tilda	Adjusted
Net sales	\$ 632,720	\$ -	\$ 632,720	\$ (50,152)	\$ 582,568	\$ 619,598	\$ -	\$ 619,598	\$ (51,347)	\$ 568,251
Cost of sales	499,707	(12,640)	487,067	(38,430)	448,637	494,501	(5,346)	489,155	(39,196)	449,959
Gross profit	133,013	12,640	145,653	(11,723)	133,930	125,097	5,346	130,443	(12,151)	118,292
Operating expenses (a)	95,615	(5,971)	89,644	(6,976)	82,668	93,134	(7,172)	85,962	(7,213)	78,749
Project Terra costs and other	4,831	(4,831)	-	-	-	4,276	(4,276)	-	-	-
Chief Executive Officer Succession Plan expense, net	-	-	-	-	-	520	(520)	-	-	-
Accounting review and remediation costs, net of insurance proceeds	3,313	(3,313)	-	-	-	2,887	(2,887)	-	-	-
Goodwill impairment	-	-	-	-	-	7,700	(7,700)	-	-	-
Operating income	29,254	26,755	56,009	(4,746)	51,262	16,580	27,901	44,481	(4,938)	39,543
Interest and other expense (income), net (b)	5,222	1,465	6,687	(2,651)	4,037	10,742	(3,143)	7,599	(2,651)	4,949
Provision (benefit) for income taxes	(1,310)	11,946	10,636	(186)	10,450	10,629	(1,255)	9,374	(224)	9,150
Net income (loss) from continuing operations	25,241	13,344	38,585	(1,910)	36,675	(4,556)	32,299	27,743	(2,064)	25,679
Net income (loss) from discontinued operations, net of tax	(12,555)	12,555	-	-	-	(65,385)	65,385	-	-	-
Net income (loss)	12,686	25,899	38,585	(1,910)	36,675	(69,941)	97,684	27,743	(2,064)	25,679
Diluted net income (loss) per common share from continuing operations	0.24	0.13	0.37	(0.02)	0.35	(0.04)	0.31	0.27	(0.02)	0.25
Diluted net income (loss) per common share from discontinued operations	(0.12)	0.12	-	-	-	(0.63)	0.63	-	-	-
Diluted net income (loss) per common share	0.12	0.25	0.37	(0.02)	0.35	(0.67)	0.94	0.27	(0.02)	0.25

(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangible impairment.

(b) Interest and other expenses (income), net include interest and other financing expenses, net and other (income)/expense, net.

# Reconciliation of GAAP Results to Non-GAAP Measures (Q3'18 and Q4'18) (Unaudited and in thousands)



Detail of Adjustments:	Three Months Ended March 31, 2018	Three Months Ended June 30, 2018
Warehouse/manufacturing facility start-up costs	\$ -	\$ 3,024
SKU rationalization	4,913	-
Plant closure related costs	3,246	2,015
Recall and other related costs	273	307
Machine break-down costs	317	-
Losses on terminated chilled desserts contract	2,939	-
Co-packer disruption	952	-
Cost of sales	12,640	5,346
Gross profit	12,640	5,346
Long-lived asset impairment charge associated with plant closure	4,839	111
Intangibles impairment	-	5,632
Accelerated depreciation on software disposal	-	461
Litigation and related expenses	235	780
Warehouse/manufacturing facility start-up costs	-	188
Toys "R" Us bad debt	897	-
Operating expenses (a)	5,971	7,172
Project Terra costs and other	4,831	4,276
Project Terra costs and other	4,831	4,276
Chief Executive Officer Succession Plan expense, net	-	520
Chief Executive Officer Succession Plan expense, net	-	520
Accounting review and remediation costs, net of insurance proceeds	3,313	2,887
Accounting review and remediation costs, net of insurance proceeds	3,313	2,887
Goodwill impairment	-	7,700
Goodwill impairment	-	7,700
Operating income	26,755	27,901
Unrealized currency (gains) losses	(1,465)	3,143
Interest and other expense (income), net (b)	(1,465)	3,143
Income tax related adjustments	(11,946)	1,255
Provision (benefit) for income taxes	(11,946)	1,255
Net income (loss) from continuing operations	\$ 13,344	\$ 32,299

(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangible impairment.

(b) Interest and other expenses (income), net include interest and other financing expenses, net and other (income)/expense, net.

# Reconciliation of GAAP Results to Non-GAAP Measures (YTD FY'19 and FY'18)

(Unaudited and in thousands, except per share amounts)



	YTD									
	June 30, 2019					June 30, 2018				
	GAAP	Adjustments	Non-GAAP	Less: Tilda	Adjusted	GAAP	Adjustments	Non-GAAP	Less: Tilda	Adjusted
Net sales	\$ 2,302,468	\$ -	\$ 2,302,468	\$ (197,863)	\$ 2,104,605	\$ 2,457,769	\$ -	\$ 2,457,769	\$ (192,083)	\$ 2,265,686
Cost of sales	1,857,255	(37,623)	1,819,632	(148,423)	1,671,209	1,942,321	(27,200)	1,915,121	(143,780)	1,771,341
Gross profit	445,213	37,623	482,836	(49,440)	433,397	515,448	27,200	542,648	(48,303)	494,345
Operating expenses (a)	389,962	(37,316)	352,646	(29,108)	323,537	373,869	(17,294)	356,575	(27,615)	328,960
Project Terra costs and other	40,107	(40,107)	-	-	-	18,026	(18,026)	-	-	-
Chief Executive Officer Succession Plan expense, net	30,156	(30,156)	-	-	-	520	(520)	-	-	-
Proceeds from insurance claims	(4,460)	4,460	-	-	-	-	-	-	-	-
Accounting review and remediation costs, net of insurance proceeds	4,334	(4,334)	-	-	-	9,293	(9,293)	-	-	-
Goodwill impairment	-	-	-	-	-	7,700	(7,700)	-	-	-
Operating (loss) income	(14,886)	145,076	130,190	(20,331)	109,858	106,040	80,033	186,073	(20,688)	165,385
Interest and other expense (income), net (b)	37,100	(1,669)	35,431	(13,589)	21,842	24,838	2,027	26,865	(10,602)	16,263
(Benefit) provision for income taxes	(2,697)	28,116	25,419	(153)	25,267	(887)	39,133	38,246	(1,084)	37,162
Net (loss) income from continuing operations	(49,945)	118,628	68,683	(6,590)	62,094	82,428	38,873	121,301	(9,002)	112,299
Net (loss) income from discontinued operations, net of tax	(133,369)	133,369	-	-	-	(72,734)	72,734	-	-	-
Net (loss) income	(183,314)	251,997	68,683	(6,590)	62,094	9,694	111,607	121,301	(9,002)	112,299
Diluted net (loss) income per common share from continuing operations	(0.48)	1.14	0.66	(0.06)	0.60	0.79	0.37	1.16	(0.09)	1.07
Diluted net (loss) income per common share from discontinued operations	(1.28)	1.28	-	-	-	(0.70)	0.70	-	-	-
Diluted net (loss) income per common share	(1.76)	2.42	0.66	(0.06)	0.60	0.09	1.07	1.16	(0.09)	1.07

(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangible impairment.  
(b) Interest and other expenses (income), net include interest and other financing expenses, net and other (income)/expense, net.

# Reconciliation of GAAP Results to Non-GAAP Measures (YTD FY'19 and FY'18) (Unaudited and in thousands)



Detail of Adjustments:	Twelve Months Ended June 30, 2019	Twelve Months Ended June 30, 2018
Warehouse/manufacturing facility start-up costs	\$ 17,636	4,179
SKU rationalization	12,381	4,913
Plant closure related costs	7,606	5,958
Recall and other related costs	-	580
Machine break-down costs	-	317
Losses on terminated chilled desserts contract	-	6,554
Co-packer disruption	-	3,692
Regulated packaging change	-	1,007
Cost of sales	37,623	27,200
Gross profit	37,623	27,200
Stock-based compensation acceleration	1,458	700
Long-lived asset impairment charge associated with plant closure	15,819	8,401
Intangibles impairment	17,900	5,632
Accelerated depreciation on software disposal	-	461
Litigation and related expenses	1,517	1,015
Warehouse/manufacturing facility start-up costs	-	188
Plant closure related costs	622	-
Toys "R" Us bad debt	-	897
Operating expenses (a)	37,316	17,294
Project Terra costs and other	40,107	18,026
Project Terra costs and other	40,107	18,026
Chief Executive Officer Succession Plan expense, net	30,156	520
Chief Executive Officer Succession Plan expense, net	30,156	520
Proceeds from insurance claims	(4,460)	-
Proceeds from insurance claims	(4,460)	-
Accounting review and remediation costs, net of insurance proceeds	4,334	9,293
Accounting review and remediation costs, net of insurance proceeds	4,334	9,293
Goodwill impairment	-	7,700
Goodwill impairment	-	7,700
Operating (loss) income	145,076	80,033
Unrealized currency gains	(850)	(2,027)
Realized currency loss on repayment of international loans	2,706	-
Gain on sale of business	(534)	-
Deferred financing cost write-off	347	-
Interest and other expense (income), net (b)	1,669	(2,027)
Income tax related adjustments	(28,116)	(39,133)
(Benefit) provision for income taxes	(28,116)	(39,133)
Net (loss) income from continuing operations	\$ 118,628	\$ 38,873

(a) Operating expenses include amortization of acquired intangibles, selling, general, and administrative expenses and long-lived asset and intangible impairment.

(b) Interest and other expenses (income), net include interest and other financing expenses, net and other (income)/expense, net.