

CENTRAL GARDEN & PET

FEBRUARY 26, 2019



PRESENTERS

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SAFE HARBOR

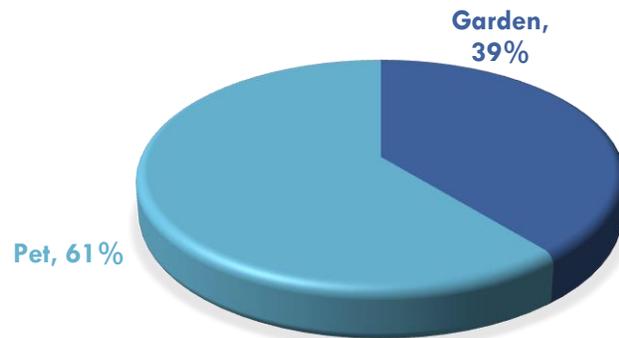
"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: The statements contained in this presentation which are not historical facts, including expectations for improved efficiency and profitability and FY19 guidance are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by forward-looking statements. These risks are described in the Company's Securities and Exchange Commission filings. Central undertakes no obligation to publicly update these forward-looking statements to reflect new information, subsequent events or otherwise.

This presentation contains certain non-GAAP financial measures. For a reconciliation of GAAP to non-GAAP financial measures, please see the Reconciliation of GAAP to non-GAAP in the Appendix of this presentation or in our most recent Form 10-K and Form 10-Q.

CENTRAL GARDEN & PET (NASDAQ: CENT AND CENTA)

- Leading manufacturer and supplier of branded and private label lawn & garden and pet products
- Founded in 1980 as a distribution company. Approximately 21% of revenues today from distribution
- 10% - 15% of revenue from private label products
- In fiscal 2018, Company had \$2.2 billion in net sales, approximately 95% of sales in the U.S.
- Acquired over 50 companies in the last 25 years

Sales by Segment (FY 2018)



Nationwide Presence



Central has a nationwide multi-category, multi-channel platform

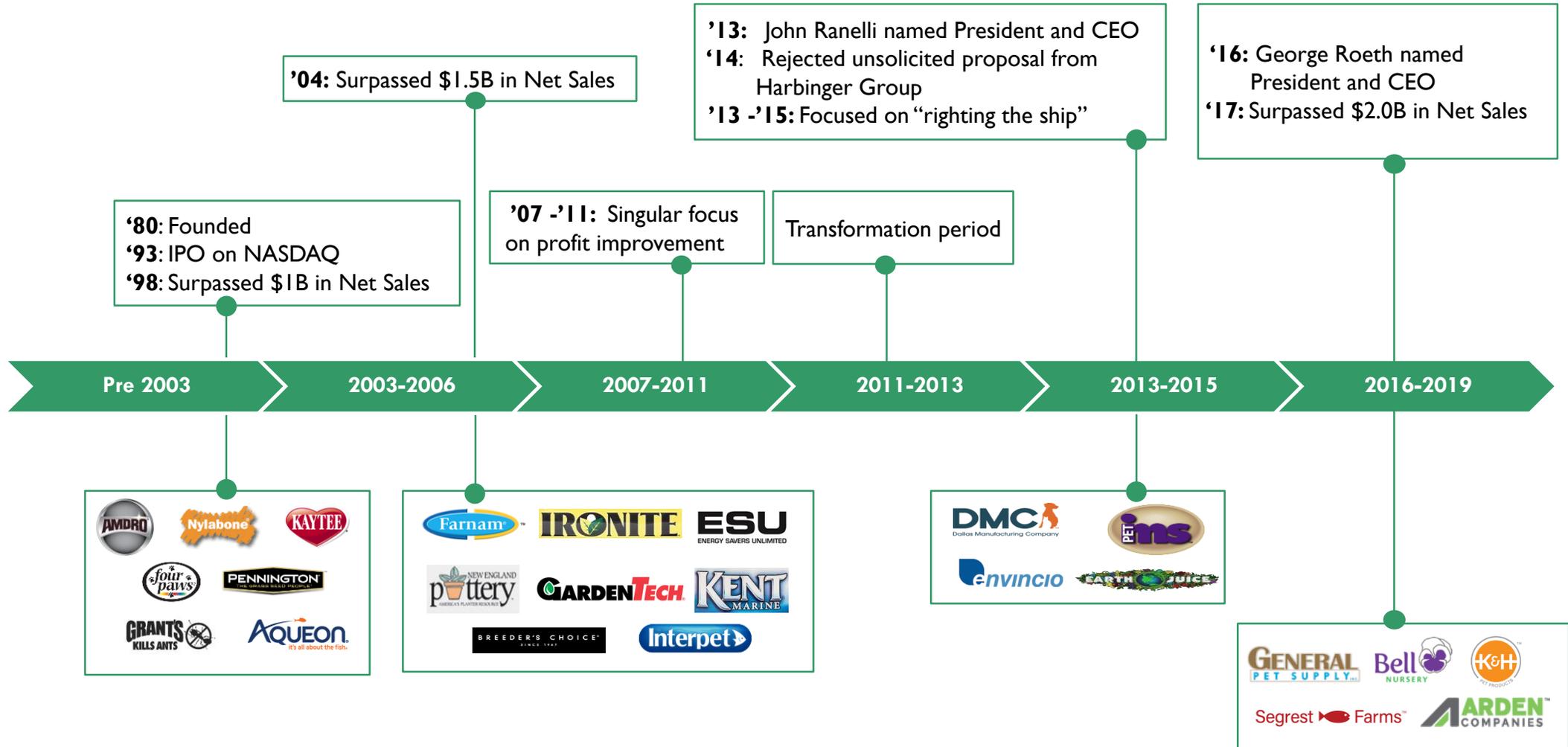
The following cities have multiple facilities: Phoenix, AZ (2); Colorado Springs, CO (2); West Haven, CT (2); Lakeland, FL (2); Plant City, FL (2); Ruskin, FL (4); Atlanta, GA (3); Covington, GA (2); Eatonton, GA (2); Madison, GA (5); Neptune City, NJ (2); Athens, TX (3), Dallas, TX (2); Greenfield, MO (3); Peebles, OH (2) and Franklin, WI (2)

Not on map: Guelph & Mississauga, Ontario, Canada; Guangzhou & Shanghai, China; Atlixco, Puebla, Mexico; Dorking, Surrey, UK; and Taunton, Somerset, UK

HISTORY OF GROWTH

Milestones

M&A

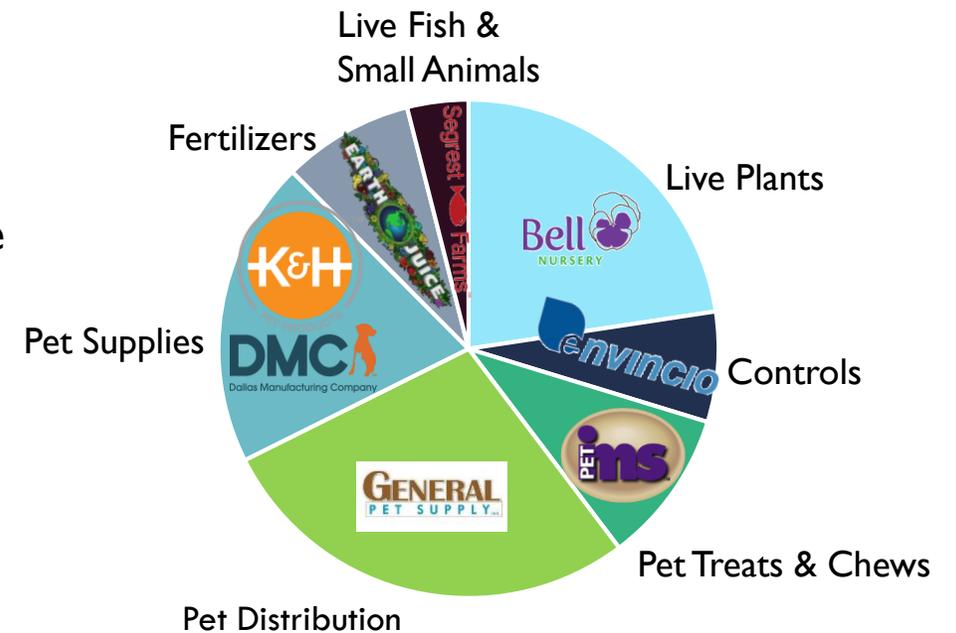


PROVEN M&A CAPABILITY

...Central Possesses Acquisition Momentum with Several Recent Deals...

- Central is a **preferred acquirer**
 - Track record of successful M&A - over 50 acquisitions in the last 25 years
 - Provides a national platform for smaller businesses to scale up
 - Acquired businesses generally maintain degree of independence
- Few strategic buyers in Pet and Garden industries
- Disciplined buyers
- Also investing in joint ventures to drive growth
- Have grown recent acquisitions by an average of over 4% annually since joining our portfolio

2014 – 2018 Deals by Segment & Market Size



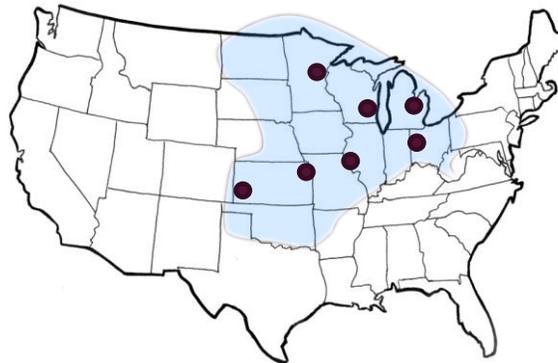
LATEST ACQUISITIONS



- The largest commercial grower of flowers & plants in the mid-Atlantic U.S.
- Live plants drive traffic to stores
- Category growing faster than overall Garden industry
- Dedicated on-site “Purple Shirted” merchandising team to manage deliveries, care for the plants and answer consumer questions
- Growth synergies with existing lawn & garden portfolio
- A very fragmented segment; many opportunities for bolt-on acquisitions
- Expected to be dilutive in FY 2019



- A leading supplier of pet food & supplies in the Midwest
- Fills out company’s national footprint
- Expands Central’s food distribution business
- Provides access to the veterinary channel



- Leading manufacturer & marketer of outdoor cushions and pillows sold at Home Depot, Lowes & Walmart
- Invested in March 2017, 45% position
- Purchased remaining 55% February 2, 2019
- 4 manufacturing plants in the US
- 55 years in business
- Annual revenues ranging \$75M - \$100M



BUSINESS MODEL DRIVES COMPETITIVE ADVANTAGES

Our Broad Product Portfolio and Distribution Footprint Differentiate Central

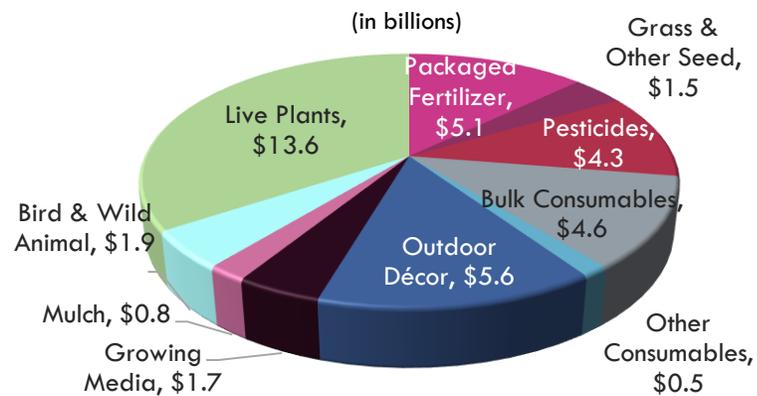
- Broad product portfolio: premium brands through private label programs
- Superior knowledge of consumer and marketplace trends as a manufacturer & an owner of distribution networks
- Strong customer capabilities and relationships
- Leading franchises in most categories or segments
- Low cost producer in many categories

THE GARDEN INDUSTRY IS SEASONAL WITH A CONCENTRATED SUPPLIER BASE

The Garden Industry

- Central participates in \$22B of a \$40B industry
- Home centers & mass merchandisers represent approximately 65% of sales*
- Seasonal business – 2/3 sales in fiscal Q2 & Q3
- Industry annual growth rate 0% – 1%
- E-commerce not much of a factor
- Concentrated supplier base

Garden Industry Retail Sales**



*2018 National Gardening Survey

**Packaged Facts Lawn & Garden Consumables in the U.S 2018, Freedonia Landscape Products 2017

*** Adjusted for 53rd week in FY2017

Central's Garden Business

- Net sales of \$874M in 2018
- 19% of segment sales from 3rd party distribution
- 8% revenue growth FY 2018; (1%) organic*** due to unfavorable weather
- 77% revenue from Walmart, Lowes & Home Depot
- Widespread market share gains driven by private label and branded products

Leading brands in several categories including:

Wild Bird Feed



Grass Seed



Specialty Niche Controls

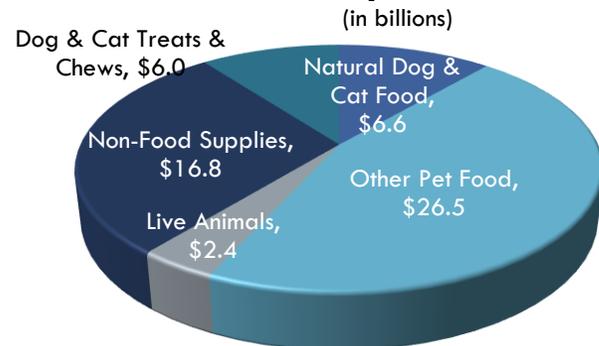


THE PET SEGMENT IS FRAGMENTED WITH ATTRACTIVE GROWTH RATES

The Pet Industry

- Central participates in \$27B of a \$58B industry
- Fragmented customer base
 - Less than 20% sales through major pet specialty retailers
 - 7,300 independent retail stores
 - Mass market, club, e-Commerce
- Diverse supplier base of 1,400 global manufacturers
- Industry annual growth rate – 2 – 4%
- Dynamics are changing
 - E-commerce accounts for over 10% of sales and is growing double digits

Pet Industry Retail Sales*



Central's Pet Business

- Net sales of \$1.3B in 2018
- Consumer and professional businesses
- 22% of segment sales from 3rd party distribution
- 8% revenue growth FY 2018; 5%** organic growth
- E-commerce growth superseding decline in pet specialty

Leading brands in several categories including:

Aquatic Tanks & Supplies



Small Animal, Bird Feed & Supplies



Pet Beds



Live Fish & Small Animals



Equine



* Packaged Facts Durable Dog & Cat Petcare Products in the U.S. 2018, Fish, Reptile, Small Animal & Pet Bird in the U.S. 2018 and Treats & Chews 2017

** Adjusted for 53rd week in FY2017

CENTRAL'S BROAD PRODUCT PORTFOLIO IS UNIQUE

Commentary

- Participant in a number of categories across Garden & Pet
- Broad portfolio provides multiple levers for growth
- Wide range of products allows for economies of scale and market advantages
- Central has leadership and differentiated expertise in major participant categories

Company

Garden Products

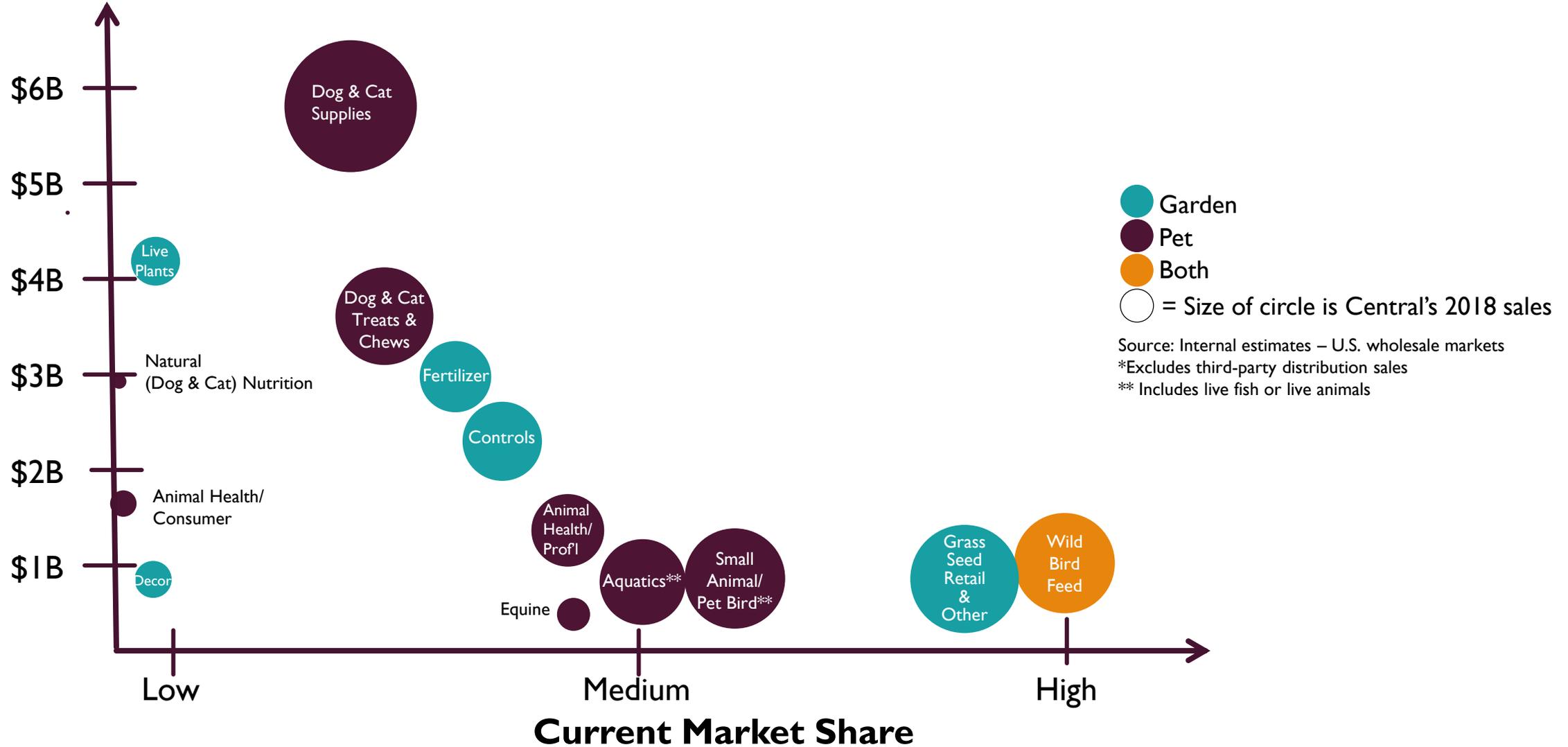
Pet Products

	Grass Seed	Fertilizers	Controls	Décor	Live Plants	Wild Bird Feed	Aquatics & Reptile	Bird & Small Animal	Dog & Cat Food, Treats & Chews	Dog & Cat Supplies	Animal Health - Consumer	Animal Health Professional
Central Garden & Pet	Major	Meaningful	Meaningful	Meaningful	Meaningful	Major	Major	Major	Meaningful	Major	Meaningful	Meaningful
Scotts Miracle-Gro	Major	Major	Major	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor
Spectrum Brands	Minor	Minor	Major	Minor	Minor	Minor	Major	Meaningful	Major	Minor	Minor	Minor
Hartz Mountain	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Meaningful	Meaningful	Major	Meaningful	Minor
Fresh Pet	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor
Smucker's	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Major	Minor	Minor	Minor
Pet IQ	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Minor	Meaningful	Minor

Major participant
Meaningful participant
Minor participant

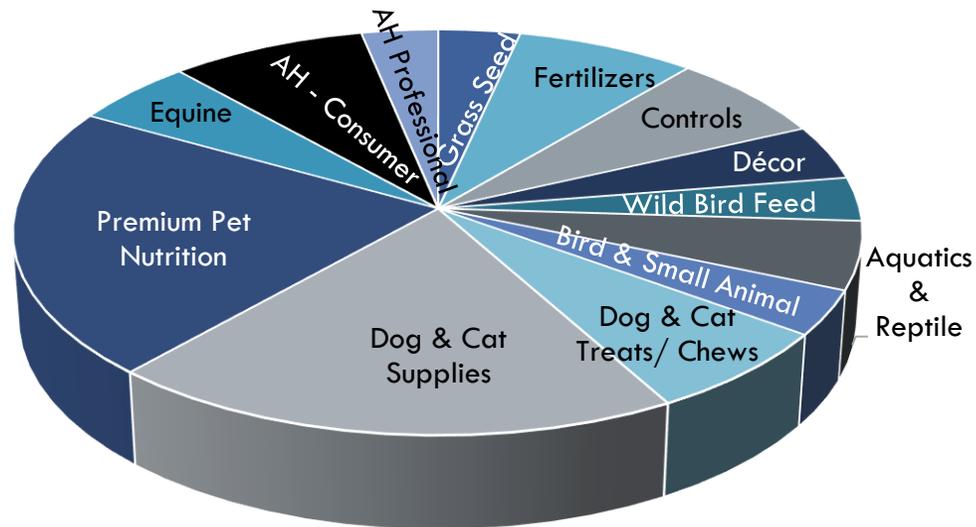
OUR MARKETS*

Market Opportunity

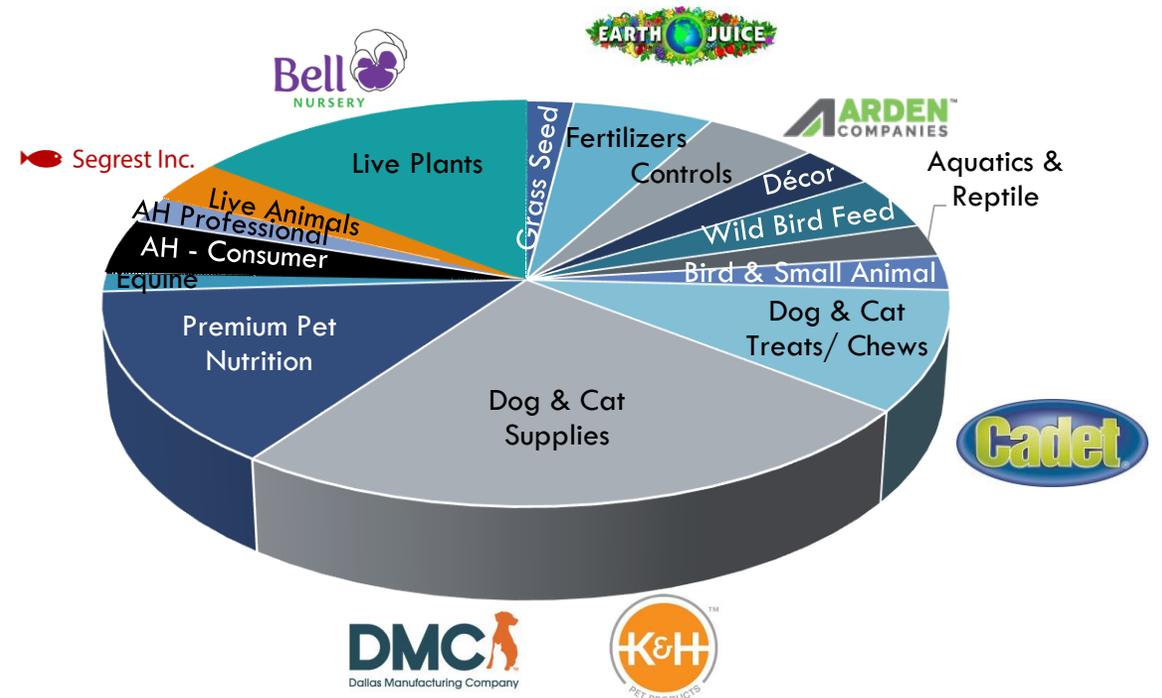


RECENT ACQUISITIONS EXPAND ADDRESSABLE MARKET

Prior to 2015*
\$30.5B



2019*
\$46.7B



*Excludes businesses that were divested
Normalized for changes in Packaged Facts methodologies
Source – Packaged Facts & company estimates

STRONG 2018 RESULTS

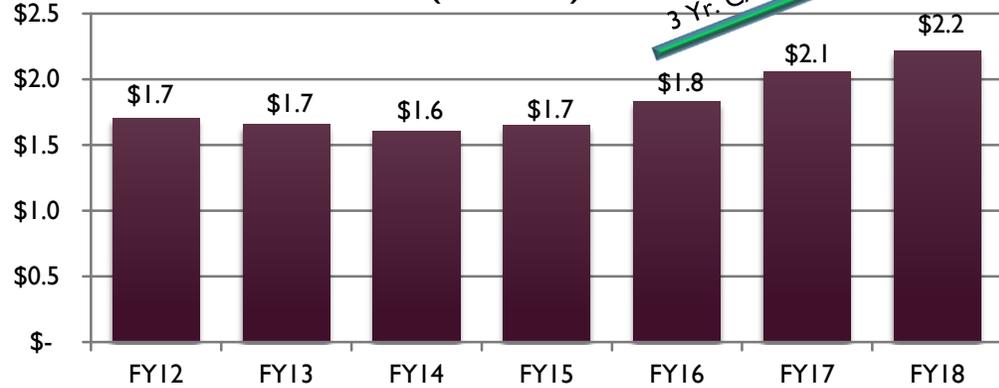
\$ in millions except EPS	GAAP			Non-GAAP ^{1,2}
	For the Fiscal Year Ended September			
	2017	2018	Change	Change
Net Sales/Organic Net Sales	\$2,054	\$2,215	7.8%	2.6%
Gross Margin %	30.8%	30.5%	(30 bps)	-
Operating Income	\$156.1	\$167.3	7.2%	8.6%
Operating Margin %	7.6%	7.6%	-	-
Net Income	\$ 78.8	\$123.6	56.8%	31.7%
Diluted EPS ¹	\$ 1.52	\$2.32	52.6%	27.3%

¹2018 non-GAAP diluted EPS excludes the tax impact of the revaluation of the Company's deferred tax accounts and presents organic sales information

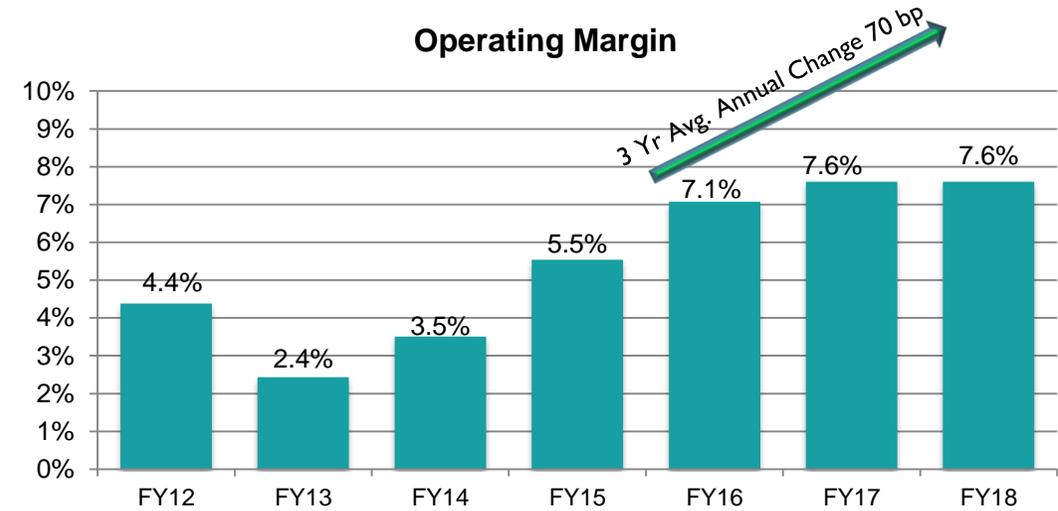
²2018 non-GAAP revenue comparison excludes an extra week in prior year

METRICS ACCELERATING OVER THE LAST THREE YEARS

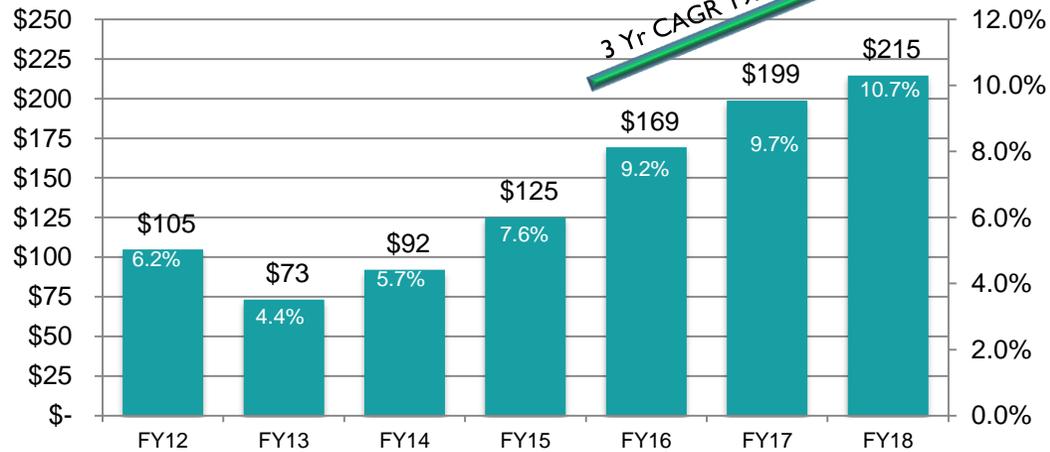
Net Sales
(in billions)



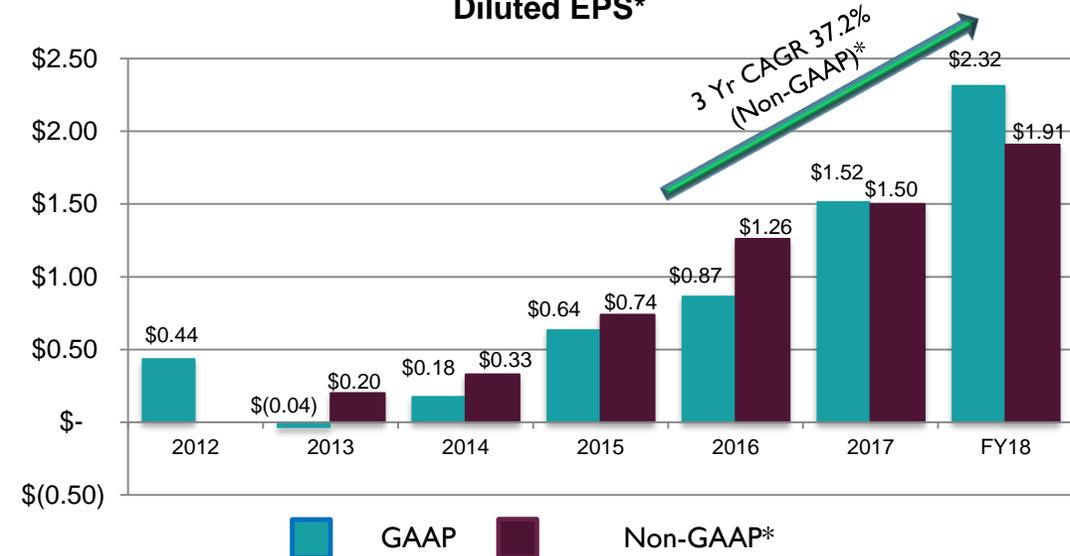
Operating Margin



EBITDA & EBITDA Margin*
(in millions)



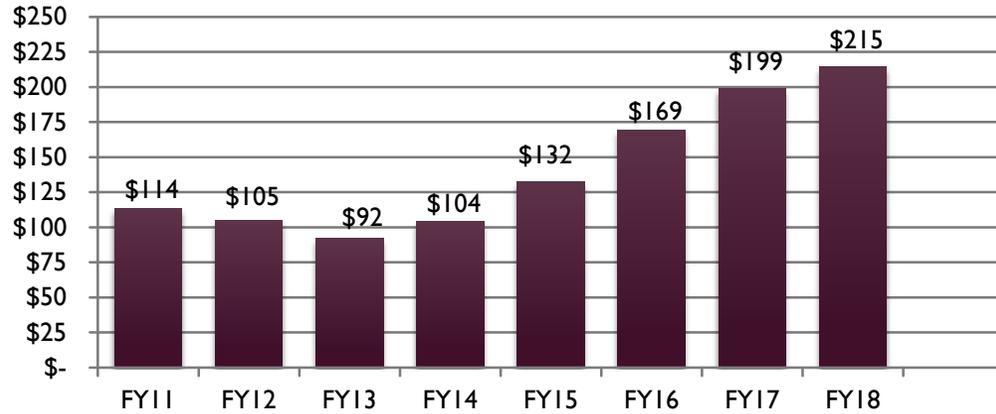
Diluted EPS*



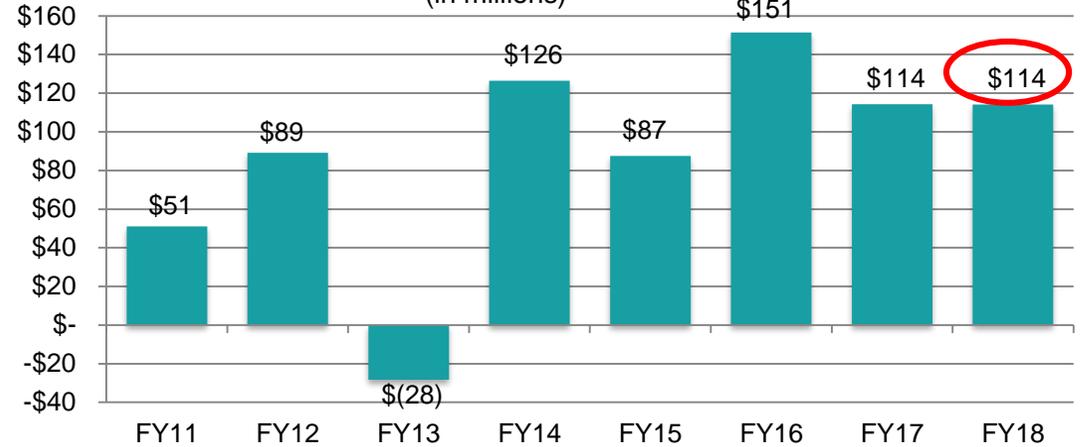
*See non-GAAP reconciliations in the appendix

STRONG CASH FLOW

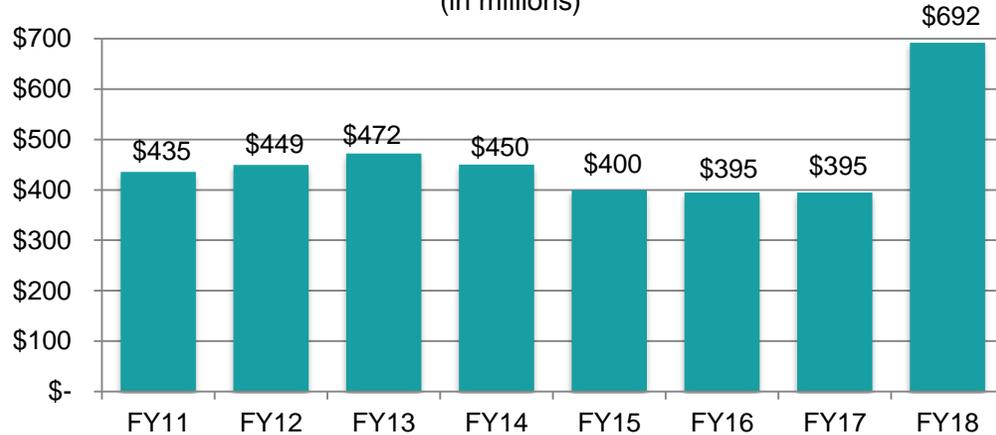
EBITDA*
(in millions)



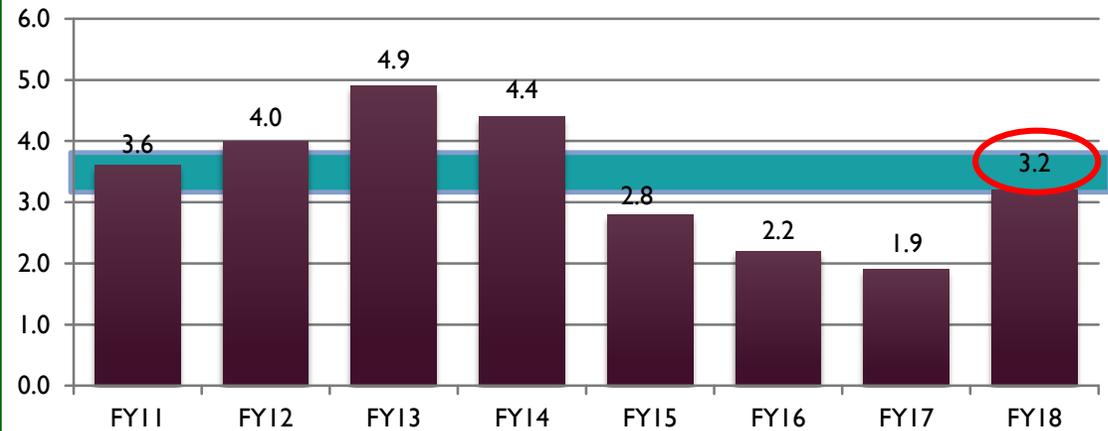
Cash Provided by Operations
(in millions)



Long-Term Debt (year end)
(in millions)



Leverage Ratio**



* See non-GAAP reconciliation in the appendix

**As calculated per the terms of our 2017 Credit Agreement

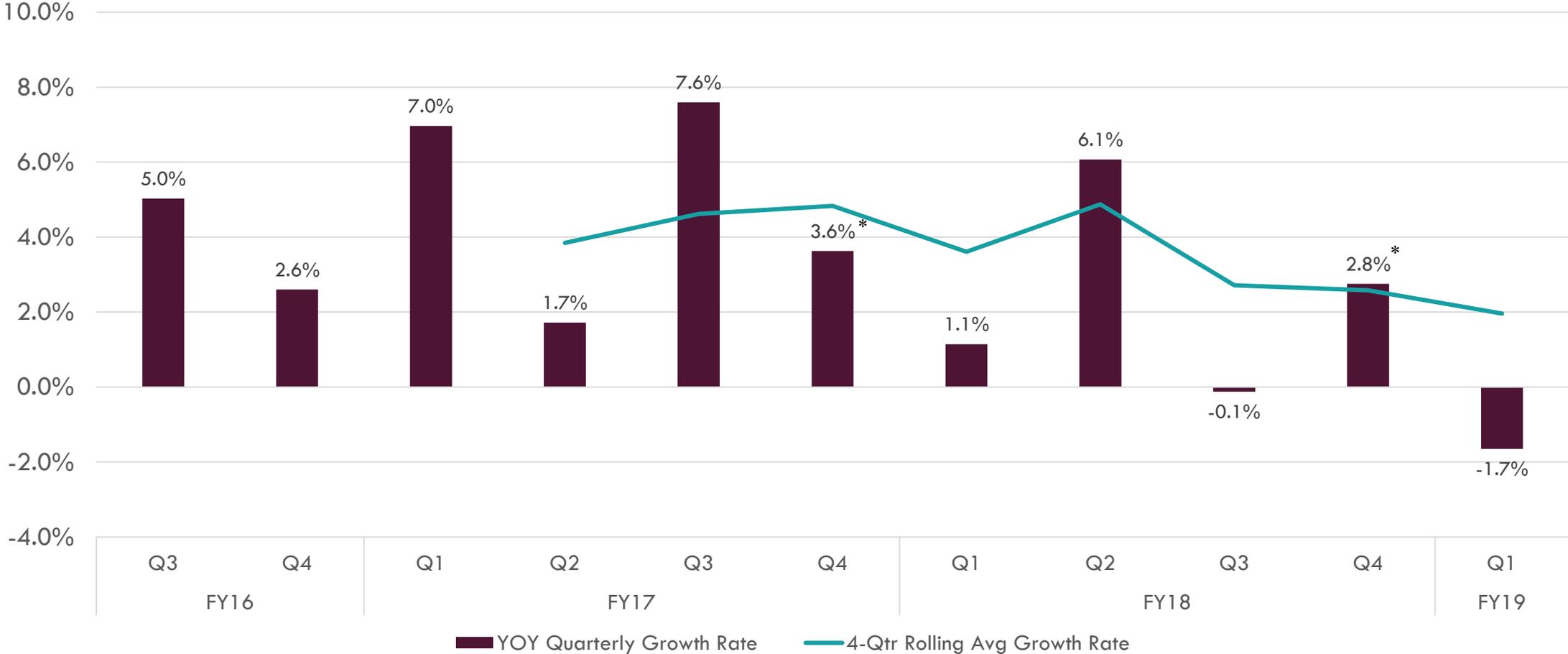
Q1'19 RESULTS

\$ in millions except EPS	GAAP			Non-GAAP ¹
	For the Fiscal Year Ended September			
	Q1'18	Q1'19	Change	Change
Net Sales/Organic Net Sales	\$442.0	\$462.0	4.5%	(1.7)%
Gross Margin %	29.8%	28.2%	(160 bps)	-
Operating Income	\$22.5	\$10.2	(54.7)%	-
Operating Margin %	5.1%	2.2%	(290 bp)	-
Net Income	\$ 26.2	\$1.8	(93.1)%	(81.8)%
Diluted EPS ¹	\$ 0.50	\$0.03	(94.0)%	(84.2)%
EBITDA	\$33.7	\$22.5	-	(33.1)%

¹2018 non-GAAP diluted EPS excludes the tax impact of the revaluation of the Company's deferred tax accounts and presents organic sales information

- IQ'19 results impacted by numerous factors:
 - Impact of recent acquisitions – will anniversary at end of 2Q. Bell Nursery is a seasonal business that generates a sizeable loss in Q1.
 - Added interest expense due to bond issuance
 - Higher freight, labor, and raw material costs – price increases taken to mitigate impact going forward
 - Timing of customer orders – expected benefit later in year. Without timing shift, organic growth would have been positive.
 - Less favorable mix of sales – expected to be more favorable in second half of year

HISTORIC TOTAL COMPANY ORGANIC GROWTH



*Adjusted for 53rd week in Q4 2017

2019 GUIDANCE*

- Company expects overall revenue growth in mid-single digits
 - Organic revenue growth consistent with LT annual target of 2% - 3%
- Company expects fully-diluted EPS of \$1.80 or higher, a decrease from FY 2018 due to:
 - Higher projected tax rate
 - Increased shares outstanding from 8/18 equity offering
 - Impact from Bell Nursery acquisition on results in first half of year
 - First two quarters generate losses and were not in prior year's results

* Excludes any impact from recent Arden acquisition

FACTORS FAVORING BETTER SECOND HALF RESULTS

- 1) Lack of dilution from Bell Nursery and General Pet
 - Acquisitions will anniversary at end of Q2
- 2) An unfavorable weather season last year
 - Impacted consumer garden and professional purchases of fly and other pest control products
- 3) Continued share gains from new products and increased distribution
- 4) Margins should improve significantly
 - Price increases near beginning of Q2
 - Easier comparisons, especially Q3 & Q4, as inflationary pressures expected to lessen from a year ago
 - A more favorable mix of business - weather, growth in Pet D, and product issues all unfavorably impacted mix last year
 - Continued cost savings benefits
- 5) Offsets to the above factors negatively impacting results
 - Higher shares outstanding
 - Higher tax rate
 - Purchase price accounting on Arden purchase

CENTRAL GARDEN & PET STRATEGY

Accelerate the portfolio growth momentum	<ul style="list-style-type: none">• Manage businesses differentially based on clearly articulated strategies.• Build out our portfolio in attractive broadly defined Pet & Garden markets.
Keep the Core Healthy	<ul style="list-style-type: none">• Ensure sufficient demand creation investment to drive organic growth & build share.• Develop more differentiated & defensible new products with a 3-year pipeline of opportunities.• Build on our strong customer relationships by developing and executing winning category growth strategies.
Build digital capabilities for competitive advantage and compelling consumer experiences	<ul style="list-style-type: none">• Free up businesses to compete in ecommerce by ensuring we have the right policies, products and programs to allow all channels to compete effectively.• Optimize the supply chain for high-demand ecommerce items to ensure customer and consumer availability requirements are met at the optimal cost.• Expand data and analytics capability to accelerate business insights.
Drive Cost Savings & Productivity to Fuel Growth	<ul style="list-style-type: none">• Optimize our supply chain footprint.• Improve our operating efficiency with a continuous improvement mindset.• Improve coordination by sharing best practices and aligning for scale.

Attract, Retain and Develop Exceptional Employees

DEVELOP MORE DIFFERENTIATED AND DEFENSIBLE NEW PRODUCTS



- New brand for the Pet Specialty Channel and Independent Pet Retailers
- Collection of single & limited ingredients
- Minimally processed treats & chews



Four Paws Wee Wee

- Stain & Odor and pads
- Wee-Wee Professional Strength
- Febreze license

DEVELOP MORE DIFFERENTIATED AND DEFENSIBLE NEW PRODUCTS

Pennington Lawn Booster

- Combination grass seed, fertilizer & soil enhancer
- For quicker, thicker, greener grass
- Feeds for up to 12 weeks
- Corrects the pH and loosens the soil
- Uses up to 30% less water year after year



Pennington Smart Blend

- Drought tolerant premium grass seed mix with fertilizer
- Protection from fungus
- Feeds for up to 8 weeks
- Ideal mixture for your region
- Available exclusively at Costco warehouses



BUILD DIGITAL CAPABILITIES FOR COMPETITIVE ADVANTAGE AND COMPELLING CONSUMER EXPERIENCE

- Free up businesses to compete in ecommerce by ensuring we have the right policies, products and programs to allow all channels to compete effectively.
- Optimize the supply chain for high-demand ecommerce items to ensure customer and consumer availability requirements are met at the optimal cost.
- Expand data and analytics capability to accelerate business insights.
- Increased investment in demand creation and customer facing digital resources.



IMPROVE COORDINATION BY SHARING BEST PRACTICES AND ALIGNING FOR SCALE

AMDRO Quick Kill® Mosquito Controls



Only brand to offer full line of solutions aligned with CDC recommendation

- Cross-company collaboration
- Larvicide & Adulticide – control products and inhibit breeding
- Works faster, longer than competitive products



A DEDICATED STAFF OF NOW OVER 5,400 EMPLOYEES

Working in 92 Locations Throughout the United States, Canada, Mexico, China and UK



INVESTMENT THESIS

- 1) Underlying trends in both garden and pet categories are favorable
- 2) The company is operating with a continuous improvement mindset – and has ample opportunities to take 1% to 2% out of costs per year
- 3) Cost savings expected to fund growth levers, e.g. R&D, selling, marketing, trade promotions, to fuel organic growth thus creating a virtuous cycle
- 4) Cash flow and balance sheet are strong, providing flexibility to make strategically sound acquisitions
- 5) Competitive advantages driven by scale and distribution networks in Garden and Pet
- 6) The company is small relative to large global CPG players, so reasonably modest changes can have a big impact on total performance
- 7) We have \$8+ per share in cash on the balance sheet and a history of building value through acquisitions
- 8) We have delivered four successive years of strong growth and financial performance

QUESTIONS & ANSWERS

PENNINGTON

Interpet

AMDRO

VITA FLEX

Cadet

Moss OUT!

CORRY'S

GARDEN EASY
Sevin
BUG KILLER

Alaska

IRONITE

ZODIAC

THE
Rebels

DMC
Dallas Manufacturing Company

Nutri Dent
Edible Dental Chews



HORSE
HEALTH
PRODUCTS

Farnam

Bell
NURSERY

K&H
PET PRODUCTS

AQUEON

KAYTEE

tffh

Comfort Zone

four
paws

KENT
MARINE

Segrest Inc.

ADAMS

Nylabone
CHEWS BEST

Zilla

AvoDerm
Good health shows

ZOËCON
Professional
Products

Altosid

Arden Companies

Over'n Out!
ADVANCED
Fire Ant
Killer

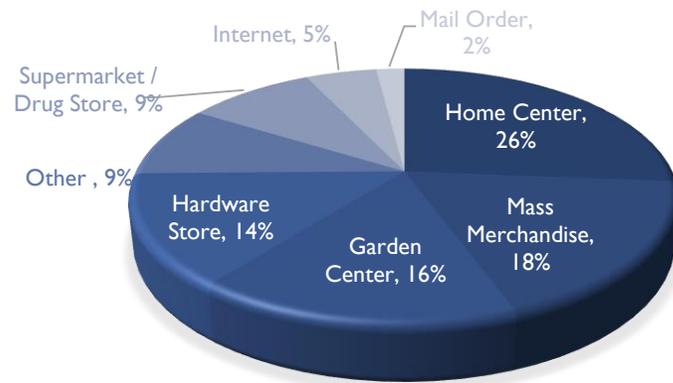
CORALIFE

FERTILIZERS

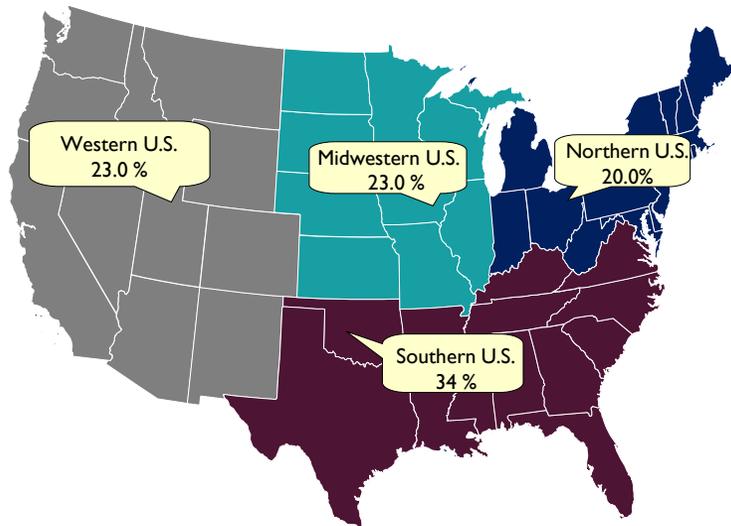
Consumer fertilizer sales are approximately \$2.8B

Home Centers are still the preferred shopping destination and maintain the largest retail share

L&G Retailer Share 2017*



Industry Market – Fertilizer



- We offer consumers differentiated value-add products for their lawn, landscape and garden.
- Our portfolio includes traditional, organic and hydroponic options.
- We specialize in soil solutions with specialty mineral supplements (Iron, Lime, Gypsum, Sulfur etc.)
- In 2019 we've consolidated several regional brands into a full line of Pennington branded lawn fertilizers.
- Leveraging consumer insights for packaging and product claims for differentiation.

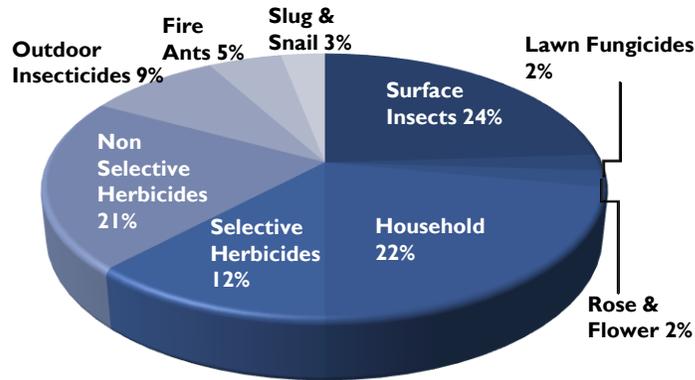


CONTROLS

Consumer pesticide sales are approximately \$2.3B - Retail

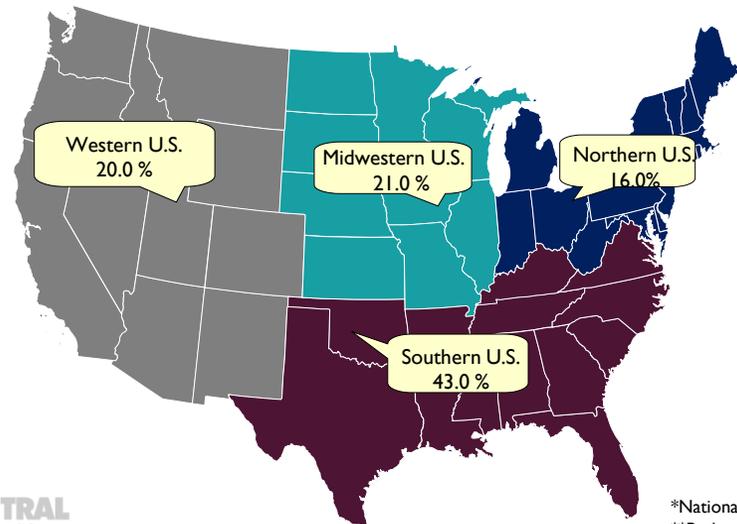
U.S. household participation in Lawn & Garden is at an all-time high of 77%*

Industry Sales of Outdoor Controls**



- Our Portfolio includes well established and trusted brands.
- Sevin, Corry's and AMDRO have been in market for decades.
- Newer strong brands like Over'n Out and Moss Out have been introduced.
- AMDRO® was originally an Ant Killing brand
 - Successfully extended outside of this core
 - New solutions in multi insect, wood destroying insects, mosquito and rodent control

Industry Market – Outdoor Controls***



*National Gardening Survey, 2018 Edition

**Packaged Facts Lawn & Garden Consumables in the U.S. by Market & Product, 9th Edition 2018

***Source: Kline Report, Internal Market Research and Volume Estimates, IRI pesticide category data

GRASS SEED

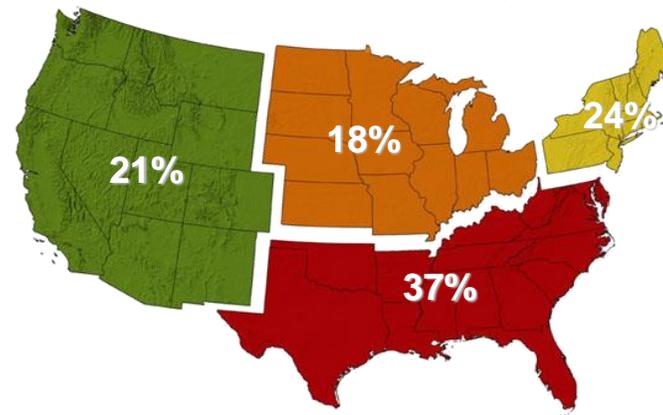
A broad line of product with an emphasis on superior performance & technology

- **Grass Seed Industry**
 - Estimated at \$955 MM
 - 61% of all grass seed sales in the Southeast & Northeast
- **Central is the largest grass seed manufacturer**
 - Package & ship 160M pounds of turf grass annually
- **Central is the largest seed producer**
 - Over 40K acres contracted for seed production
 - Over 100K acres production purchased annually
 - Two facilities dedicated to turf grass research



ESTABLISHES QUICKLY AND USES UP TO **30% LESS WATER** YEAR AFTER YEAR!

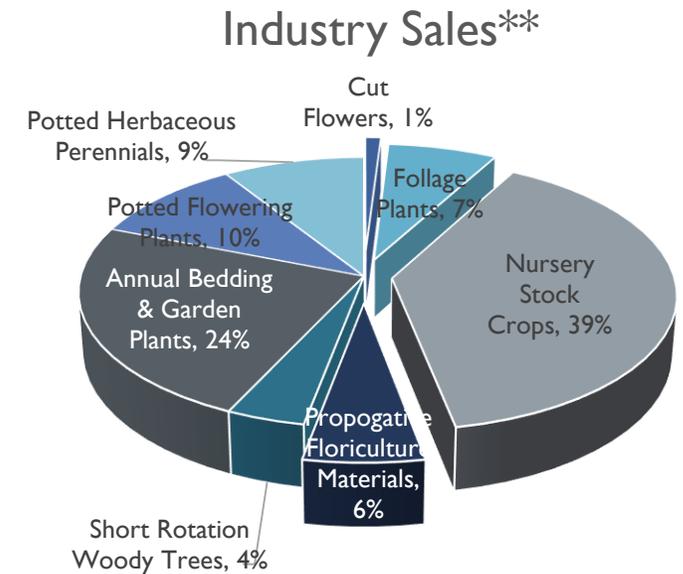
Lawn Care Dollar Sales by Region*



*2018 National Gardening Survey
30% Less Water claim: NexGen Turf Research

LIVE PLANTS

- Bell Nursery ranked #7 of Top 100 Growers
- No major players in this industry; many opportunities for bolt-on acquisitions
- Approximately 33K businesses
- Key drivers - Demand from nursery & garden stores, flower & nursery stock wholesalers
- In past 5 years, emphasis on quality has driven product improvement
 - Improved flower life for potted plants
 - Irrigation
 - Disease resistance
- Barriers to entry are moderate due to levels of capital investment including real estate, greenhouse construction, cooling rooms, equipment including irrigation and machinery



*Greenhouse Growers 2017

**Source IBIS World Industry Report 11142 Plant & Flower Growing in the U.S. – May 2017

PENNINGTON DÉCOR

The Home and Garden Décor category is the focal point of every living space; from indoor design through to an outdoor oasis. Central's Pennington® Décor offers a wide array of products and families to inspire, simplify and educate the consumer in the beauty of decorating.

- 1. Scale:** Central is the #1 planter company in the USA. Now extending into multiple Décor categories. Known as the category leader in marketplace trends and consumer expertise.
- 2. Logistics:** The only nationwide distributor of garden décor products. Directly importing from 8 countries worldwide.
- 3. Category Management & Innovation:** The art of merging trends with shopper insights drive Right Product * Right Outlet * Right Price.



WILD BIRD FEED

Pennington® & Kaytee® together shipped over 450M pounds in 2018

Brand	Segment	Distribution
Pennington	Garden	Predominantly sold in the mass channel with additional home improvement channel distribution
Kaytee	Pet	Sold primarily in small format hardware (Ace, True Value), grocery stores, farm/agriculture and pet specialty stores

Industry Sales



Over 35% of every dollar spent by U.S. Households on Wild Bird is for Pennington or Kaytee branded products.



The **Cornell Lab** of Ornithology

PENNINGTON is a proud sponsor* of the Cornell Lab of Ornithology's research and education about wild birds. Visit allaboutbirds.org

Driving category demand through innovative programs and partnerships:

In Elementary Schools and Homeschools: Educator and student links on POS for classroom lessons and activities to create the next generation of bird watchers. Lesson plans, feeders and coupons distributed via Cornell kits to teachers and Facebook outreach.



* Industry data based on Nielsen and internal assumptions

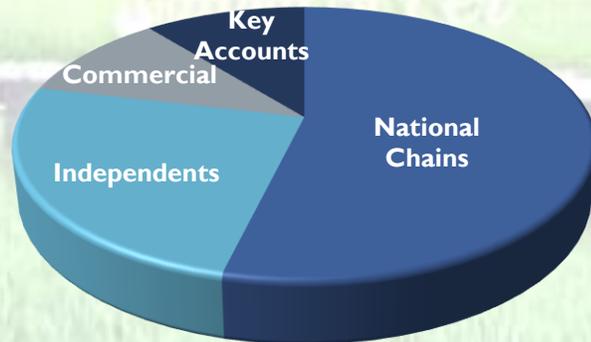
DISTRIBUTION

Garden



- 19% of Garden segment revenue from 3rd party products
- Distribution services over 12K “ship to” locations in all 50 states
- Stocks over 8K SKUs from over 325 vendors to ensure we meet the assortment needs of our customer base

Garden Distribution Sales

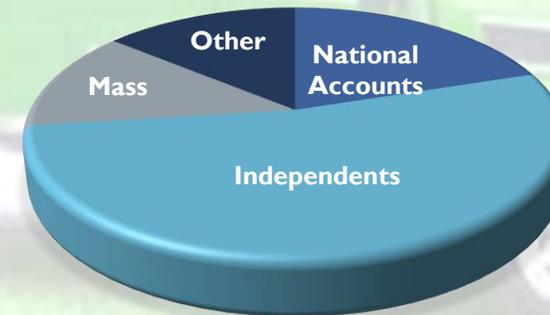


Pet



- 22% of Pet segment revenue from 3rd party products
- Distributes products, foods and provides service to over 7K retailers and 3K vet clinics throughout the continental US, Alaska & Hawaii
- Stocks nearly 36K unique items from nearly 400 manufacturers offering the largest assortment of pet products in the industry

Pet Distribution Sales



By distributing other manufacturers' products, Central is better able to influence shelf space at retail. Also, ensures regional assortment needs of customers are met beyond core Central portfolio.

DOG & CAT SUPPLIES

Nylabone®, Four Paws®, DMC™ and K&H™



Nylabone® makes high-quality chew toys to meet all the different chew types and chew styles of dogs and puppies because all dogs need to chew.

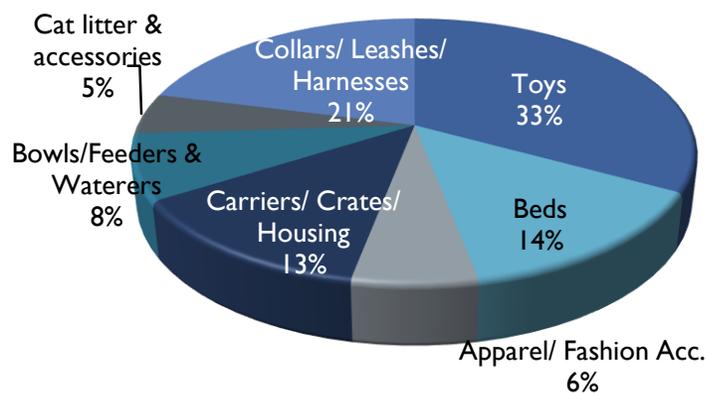


Four Paws® provides high quality solutions for pet parents in a wide array of product categories, including waste management via Wee-Wee® branded products, dog & cat grooming solutions via Magic Coat™ grooming tools and cleansers, health & wellness remedies & containment gates and outdoor pet restraints.



DMC™ is the largest provider of quality dog and cat bedding in the U.S. This number one share position is being leveraged in adjacent segments.

Industry Sales by Category*



* Based on Packaged Facts Durable Dog & Cat Petcare Products 2018



K&H Pet Products® produces premium pet supplies and is the largest marketer of heated pet products in the U.S. Products in several categories including dog & cat, small animal and farm & ranch.

DOG & CAT FOOD, TREATS AND EDIBLE CHEWS

Nylabone®, IMS™, Breeder's Choice

Edible Dog & Cat Treats & Chews is a \$6.0B category & projected to grow an average of over 5% annually*



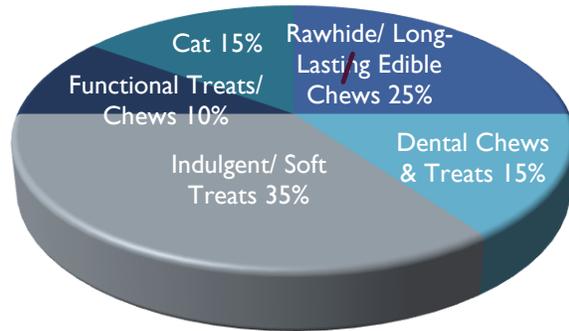
Nylabone offers natural edible chews and treats that are wholesome and tasty way to occupy, reward, train, and maintain a dog's dental health.



IMS Pet is launching a new brand for the Pet Specialty channel. Introducing Farm to Paws™ - A collection of single and limited ingredients, minimally-processed dog treats and chews. The Cadet® brand offers a full line of high quality rawhide chews, natural chews and jerky treats for dogs.



Dog & Cat Treats & Chews*
Sales by Category



Breeder's Choice Brands



Super premium, specialty channel brand providing holistic health with healthy skin & coat benefits through avocados, an omega rich super food, and premium, natural ingredients.



Super premium, independent channel brand providing holistic health from super premium, natural ingredients.

* Based on Packaged Facts Pet Treats & Chews in the U.S., 2017

Appendix

SMALL ANIMAL & PET BIRD

Kaytee®

Kaytee has the #1 share in the combined Pet Bird & Small Animal Category

Kaytee is the **only** brand to offer consumers a complete solution from food, treats, bedding, hay and habitats



Most Small Mammal Owners also own other animals making them important for the entire pet industry



Small Animal ownership is influenced by children, making it an important experience for a lifetime of pet companionship

AQUATICS

Aqueon® and Zilla

Make getting into the hobby and keeping fish/reptiles easy.



- A leading aquatics manufacturer in U.S.
- Complete line of aquatic products from one brand
- Easy to find solutions for the entry level customer
- Developed for pet specialty

- Single brand name across all consumer touch points improves shop-ability
- Provides consumers with reassurance that all the products will work together
- Developed for pet specialty
- Follows proven success of Aqueon brand roadmap – habitats to consumables to promotion



LIVE FISH, REPTILES, SMALL ANIMALS & PET BIRDS

Segrest Inc.

Segrest Inc. is the leading wholesaler of quality pets, aquatic, small animals, birds and reptiles.



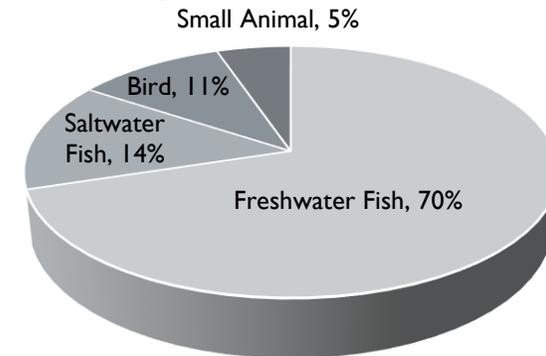
Growth and Leadership:

- Growing the market through industry leadership
- Providing healthy companion animals & retailer education on Animal Husbandry
- Leading the industry in best practices for sustainability and eco-responsibility



Partnerships and Synergies:

- Supplying pet stores, public aquariums & research institutions
- Significant synergies with existing aquatics business



ANIMAL HEALTH - PROFESSIONAL

- Over 45 years ago, invented insect growth regulator (IGR) technology which uses the insect's natural chemistry as a means to reduce disease-spreading and profit-reducing pest populations
- Pest control solutions with a proven record of efficacy, recommended by professionals, with products used in sensitive areas including schools, hospitals and food handling, as well as in neighborhoods, farms and grain handling facilities

Livestock Insect Control

Mosquito Control

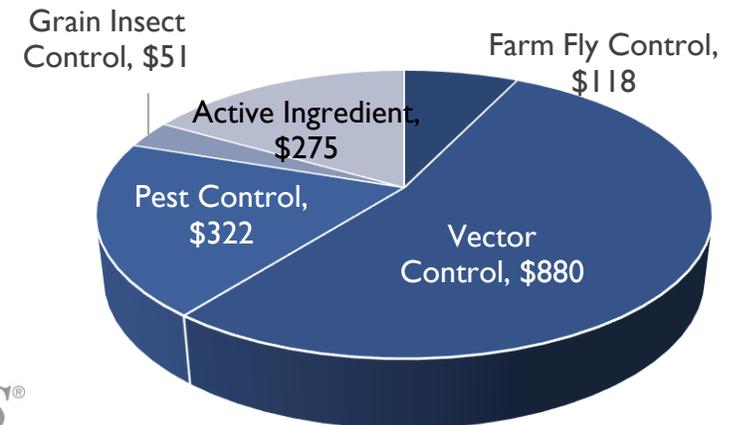
Home Pest

Fire Ants

Grain Protection



Industry Sales
in millions

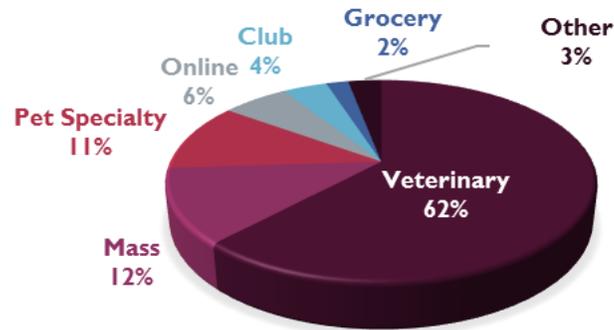


ANIMAL HEALTH & WELLNESS – CONSUMER PRODUCTS

Updated 1/7/19 Lazarczyk

Flea & Tick Control

FLEA & TICK INDUSTRY SALES*



ADAMS™ offers a *smarter* approach to pet care making protecting your pet, family, home, and yard from fleas & ticks easier and more effective. Available at leading retailers nationally.



New **Premium F&T Dog Collars, and Foaming Shampoo** for 2019



Zodiac brand offers unique pet, home and yard products sold in Independent Pet, Pet Specialty and at leading Farm Chain retailers

Behavior Management



Less stress. More love.



Comfort Zone® is a leading brand in pet behavior management bringing thoroughly tested, superior-performing products to market that are safe, effective, and that drive Category growth.

- Facts:
- 2/3 of cat & dog households report behavior problems
 - Behavior problems are responsible for 30-40% of animals in shelters
 - 6.5M dogs & cats enter shelters every year
 - **Comfort Zone®** products help solve cat and dog behavior problems!



New **Comfort Zone™** Dog Vests launched in 2018 helping canines with noise phobias, separation anxiety, travel and vet visit

Voted 2019 **'Product of the Year'**!



* Based on Braake, ARA Scan & Panel Data

EQUINE

Central Garden & Pet's Equine Brands



Comprehensive Horse Care:

- Complete range of horse care products to keep horses healthy inside and out, from head to hoof



Fundamental Horse Care:

- Fundamental care and ingredient-focused products for the experienced horseman

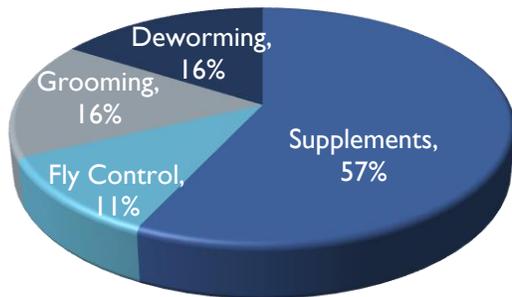


Performance Horse Care:

- Industry thought leadership by providing solutions for elite performance horses

For over 70 years, generations of horse owners have known and trusted our products as effective fly control, dewormers, top quality feed supplements, grooming products and more.

Industry Equine Sales for 2017*



* Based on Brakke Equine Market Study

Total Market Size

- The total population of 'cared-for' horses is about 2.5M
- On average, each horse owner has 5 horses
- We estimate 500k horse owners drive category purchases
- Total retail dollars spent industry-wide in 2017 on equine products: \$1.9B

Go-To-Market Strategy

Improve the Lives of Horses by offering:

Consumer—Comprehensive horse care products and knowledge whenever and wherever needed.

Customers—Exceptional horse care business expertise whether a Distributor or Retailer.

GAAP TO NON-GAAP RECONCILIATION

Use of Non-GAAP Financial Measures

We report our financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, to supplement the financial results prepared in accordance with GAAP, we use non-GAAP financial measures including organic net sales on a consolidated and segment basis, non-GAAP selling, general and administrative (SG&A) expense, non-GAAP operating income on a consolidated and segment basis, non-GAAP interest expense, non-GAAP other income (expense) and non-GAAP net income and diluted net income per share. Management believes these non-GAAP financial measures that exclude the impact of specific items (described below) may be useful to investors in their assessment of our ongoing operating performance and provide additional meaningful comparisons between current results and results in prior operating periods.

The reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are shown in the tables below. We believe that the non-GAAP financial measures provide useful information to investors and other users of our financial statements, by allowing for greater transparency in the review of our financial and operating performance. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating our performance, and we believe these measures similarly may be useful to investors in evaluating our financial and operating performance and the trends in our business from management's point of view. While our management believes that non-GAAP measurements are useful supplemental information, such adjusted results are not intended to replace our GAAP financial results and should be read in conjunction with those GAAP results.

We have not provided a reconciliation of forward-looking non-GAAP guidance measures to the corresponding GAAP measures, because such reconciliation cannot be done without unreasonable efforts due to the potential significant variability and limited visibility of the excluded items discussed below.

GAAP TO NON-GAAP RECONCILIATION (CONTINUED)

Non-GAAP financial measures reflect adjustments based on the following items:

- **Asset impairment charges:** We have excluded the impact of asset impairments on intangible assets and equity method investments as such non-cash amounts are inconsistent in amount and frequency. We believe that the adjustment of these charges supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- **Tax Reform Act:** The U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Job Act in December 2017. We have excluded the transitional impact of the Tax Reform Act as the remeasurement of our deferred tax assets and liabilities does not reflect the ongoing impact of the lower U.S. statutory rate on our current year earnings.
- **Gains on disposals of significant plant assets:** We have excluded the impact of gains on the disposal of significant plant assets as these represent infrequent transactions that impact the comparability between operating periods. We believe the adjustment of these gains supplements the GAAP information with a measure that may be used to assess the sustainability of our operating performance.
- **Loss on early extinguishment of debt:** We have excluded the charges associated with the refinancing of our 2018 Notes as the amount and frequency of such charges is not consistent and is significantly impacted by the timing and size of debt financing transactions.
- **Tax impact:** adjustment represents the impact of the tax effect of the pre-tax non-GAAP adjustments excluded from non-GAAP net income. The tax impact of the non-GAAP adjustments is calculated based on the consolidated effective tax rate on a GAAP basis, applied to the non-GAAP adjustments, unless the underlying item has a materially different tax treatment.
- **Organic net sales:** a non-GAAP measure that excludes the impact of businesses purchased or exited in the prior 12 months, because we believe it permits investors to better understand the performance of our historical business without the impact of recent acquisitions or dispositions. For fiscal 2017, we have also adjusted our organic net sales for our estimate of the impact of the extra week on our 2017 fiscal year net sales.

GAAP TO NON-GAAP RECONCILIATION (CONTINUED)

Non-GAAP Adjustments

GAAP to Non-GAAP Reconciliation (in thousands) For the Fiscal Year Ended September,		
	2018	2017
(Gain)/loss on disposal of plant assets	\$ -	\$ (2,050)
Total non-GAAP adjustments	\$ -	\$ (2,050)
Tax effects of non-GAAP adjustments		757
Tax effect of revaluation of deferred tax amounts	(21,485)	-
Total net income impact from non-GAAP adjustments	\$ (21,485)	\$ (1,293)

GAAP TO NON-GAAP RECONCILIATION (CONTINUED)

Non-GAAP Adjustments

GAAP to Non-GAAP Reconciliation (in thousands) For the Quarter Ended December,		
	Q1'19	Q1'18
GAAP net income attributable to Central Garden & Pet	\$1,803	\$ 26,247
Tax effect of revaluation of deferred tax amounts	-	16,343
Non-GAAP net income attributable to Central Garden & Pet	\$1,803	\$ 9,904
GAAP diluted net income per share	\$0.03	\$0.50
Non-GAAP diluted net income per share	\$0.03	\$0.19
Shares used in GAAP and non-GAAP diluted net earnings per share calculation	58,001	52,695

GAAP TO NON-GAAP RECONCILIATION (CONTINUED)

Organic Net Sales Reconciliation

We have provided organic net sales, a non-GAAP measure that excludes the impact of recent acquisitions and dispositions, because we believe it permits investors to better understand the performance of our historical business. We define organic net sales as net sales from our historical business derived by excluding the net sales from businesses acquired or exited in the preceding 12 months. After an acquired business has been part of our consolidated results for 12 months, the change in net sales thereafter is considered part of the increase or decrease in organic net sales.

Organic Reconciliation

GAAP to Non-GAAP Reconciliation (in thousands) For the Fiscal Year Ended September 29, 2018						
	Consolidated		Pet Segment		Garden Segment	
		Percent Change		Percent Change		Percent Change
Reported net sales FY18 – GAAP	\$2,215.4		\$1,340.9		\$847.5	
Reported net sales FY17 – GAAP	2,054.5		1,246.4		808.1	
Increase in net sales	160.9	7.8%	94.5	7.6%	66.4	8.2%
Effect of acquisition and divestitures on increase in net sales	140.3		56.2		84.1	
Increase (decrease) in organic net sales	20.6	1.0%	38.3	3.1%	(17.7)	(2.2)%
Estimated impact of extra week in Fiscal 2017 on organic sales	32.8		21.4		11.4	
Organic net sales adj. for extra week	<u>\$ 53.4</u>	2.6%	<u>\$ 59.7</u>	4.8%	<u>\$ (6.3)</u>	(0.8)%

GAAP TO NON-GAAP RECONCILIATION (CONTINUED)

Organic Net Sales Reconciliation

We have provided organic net sales, a non-GAAP measure that excludes the impact of recent acquisitions and dispositions, because we believe it permits investors to better understand the performance of our historical business. We define organic net sales as net sales from our historical business derived by excluding the net sales from businesses acquired or exited in the preceding 12 months. After an acquired business has been part of our consolidated results for 12 months, the change in net sales thereafter is considered part of the increase or decrease in organic net sales.

Organic Reconciliation

GAAP to Non-GAAP Reconciliation (in thousands) For the Quarter Ended December 29, 2018						
	Consolidated		Pet Segment		Garden Segment	
		Percent Change		Percent Change		Percent Change
Reported net sales Q1' FY19 – GAAP	\$462.0		\$340.4		\$121.6	
Reported net sales Q1' FY18 – GAAP	442.0		325.1		116.9	
Increase in net sales	20.0	4.5%	15.3	4.7%	4.7	4.0%
Effect of acquisition and divestitures on increase in net sales	27.3		17.2		10.1	
Decrease in organic net sales – Q1 2019	<u>\$ (7.3)</u>	(1.7)%	<u>\$ (1.9)</u>	(0.6)%	<u>\$ (5.4)</u>	(4.6)%

GAAP TO NON-GAAP RECONCILIATION (CONTINUED)

Consolidated Operating Income

GAAP to Non-GAAP Reconciliation
(in thousands)
For the Fiscal Year Ended September,

	2018	2017	2016	2015	2014	2013	2012
GAAP operating income	\$167,336	\$156,112	\$129,358	\$91,435	\$56,213	\$40,155	\$74,421
Total operating income impact from non-GAAP adjustments	-	(2,050)	(535)	7,272	12,033	18,870	-
Non-GAAP operating income	\$167,336	\$154,062	\$128,823	\$98,707	\$68,246	\$59,025	\$74,421
GAAP operating margin	7.6%	7.6%	7.1%	5.5%	3.5%	2.4%	4.4%
Non-GAAP operating margin	7.6%	7.5%	7.0%	6.0%	4.2%	3.6%	4.4%

GAAP TO NON-GAAP RECONCILIATION (CONTINUED)

EBITDA Reconciliation

GAAP to Non-GAAP Reconciliation (in thousands) For the Fiscal Year Ended September,							
	2018	2017	2016	2015	2014	2013	2012
Net income (loss) attributable to Central Garden & Pet	\$123,594	\$78,828	\$44,514	\$31,971	\$8,804	\$(1,929)	\$21,173
Interest expense, net	36,051	28,062	42,707	39,898	42,750	42,970	40,170
Other expense (income)	3,860	1,621	17,013	(13)	(403)	677	(678)
Income tax expense (benefit)	3,305	46,699	24,053	18,535	4,045	(2,592)	12,816
Net income attributable to noncontrolling interest	526	902	1,071	1,044	1,017	1,029	940
Sum of items below operating income	43,742	77,284	84,844	59,464	47,409	42,084	53,258
Income from Operations	167,336	156,112	129,358	91,435	56,213	40,155	74,421
Depreciation & Amortization	47,199	42,719	40,001	33,703	35,781	32,968	30,425
EBITDA	\$214,535	\$198,831	\$169,359	\$125,138	\$91,994	\$73,123	\$104,846

GAAP TO NON-GAAP RECONCILIATION (CONTINUED)

EBITDA Reconciliation

GAAP to Non-GAAP Reconciliation (in thousands)
For the Quarter Ended December 29, 2018

	Garden	Pet	Corp	Total
Net income (loss) attributable to Central Garden & Pet	-	-	-	\$1,803
Interest expense, net	-	-	-	8,077
Other income	-	-	-	192
Income tax expense	-	-	-	273
Net income attributable to noncontrolling interest	-	-	-	(164)
Sum of items below operating income	-	-	-	8,378
Income from Operations	\$(4,637)	\$29,755	\$(14,937)	\$10,181
Depreciation & Amortization	2,826	8,056	1,470	12,352
EBITDA	\$(1,811)	\$37,811	\$(13,467)	\$22,533

GAAP to Non-GAAP Reconciliation (in thousands)
For the Quarter Ended December 30, 2017

	Garden	Pet	Corp	Total
Net income (loss) attributable to Central Garden & Pet	-	-	-	\$26,247
Interest expense, net	-	-	-	7,218
Other income	-	-	-	3,089
Income tax benefit	-	-	-	(14,236)
Net income attributable to noncontrolling interest	-	-	-	203
Sum of items below operating income	-	-	-	(3,726)
Income (loss) from Operations	\$2,300	\$36,176	\$(15,955)	\$22,521
Depreciation & Amortization	1,569	7,145	2,449	11,163
EBITDA	\$3,869	\$43,321	\$(13,506)	\$33,684

GAAP TO NON-GAAP RECONCILIATION (CONTINUED)

Net Income & Diluted Net Income Per Share Reconciliation

GAAP to Non-GAAP Reconciliation
(in thousands, except per share amounts)
For the Fiscal Year Ended September,

	2018	2017	2016	2015	2014	2013	2012
GAAP net income attributable to Central Garden & Pet	\$123,594	\$78,828	\$44,514	\$31,971	\$8,804	\$(1,929)	\$21,173
Total non-GAAP adjustments		(2,050)	30,376	7,272	12,033	18,870	-
Tax effects of non-GAAP adjustments		757	(10,492)	(2,618)	(4,452)	(6,982)	-
Tax effect of revaluation of deferred tax amounts	(21,485)						
Total adjustments	(21,485)	(1,293)	19,884	4,654	7,581	11,888	-
Non-GAAP net income attributable to Central Garden & Pet	\$102,109	\$77,535	\$64,398	\$36,625	\$16,385	\$9,959	\$21,173
GAAP diluted net income per share	\$2.32	\$1.52	\$0.87	\$0.64	\$0.18	\$(0.04)	\$0.44
Non-GAAP diluted net income per share	\$1.91	\$1.50	\$1.26	\$0.74	\$0.33	\$0.20	N/A
Shares used in GAAP diluted net earnings per share calculation	53,341	51,820	51,075	49,638	49,397	48,094	48,374
Shares used in non-GAAP diluted net earnings per share calculation	53,341	51,820	51,075	49,638	49,397	48,781	N/A