

February 2, 2005



## Central Garden & Pet Announces Record First Quarter Earnings for Fiscal 2005

- Earnings Per Share of 12 Cents v. A Loss of 3 Cents A Year Ago
- Existing Brands, Acquisitions and Margin Expansion Initiatives Drive Performance
- Re-Affirms Guidance Including the New Impact of Expensing Stock Options

WALNUT CREEK, Calif.--([BUSINESS WIRE](#))--Feb. 2, 2005--Central Garden & Pet Company (Nasdaq:CENT) - Central Garden & Pet Company (Nasdaq:CENT) today announced record results for its fiscal first quarter ended December 25, 2004.

Net sales for the fiscal first quarter were \$265.6 million, an increase of 19% from \$222.4 million in the first quarter of fiscal 2004. Net income was \$2.5 million for the quarter compared to a net loss of \$0.6 million in the first quarter of fiscal 2004. Fully-diluted earnings per share was \$0.12, compared to a loss of \$0.03 in the first quarter of fiscal 2004. Depreciation and amortization in the quarter was \$4.5 million.

"Fiscal 2005 is off to a strong start," noted Glenn Novotny, President and Chief Executive Officer of Central Garden and Pet. "We systematically worked to strengthen our Company to deliver four profitable quarters. Both Garden and Pet benefited from a combination of strong growth and margin expansion from our existing brands. Acquisitions completed after the first quarter of fiscal 2004 further strengthened our results."

The Company reiterated its fiscal 2005 guidance of approximately \$1.4 billion in sales and an earnings range of \$2.42 to \$2.52 per fully diluted share. Included in this guidance is the new impact of expensing stock options. The Company anticipates stock options to cost approximately three cents per fully-diluted share in fiscal 2005 and approximately eight cents per fully-diluted share in fiscal 2006.

The Company will discuss its fiscal first quarter 2005 results on a conference call today at 4:30 p.m. EST. The conference call will be simultaneously broadcast over the Internet through Central's website, <http://www.centralgardenandpet.com/>. To listen to the webcast, please log on to the website prior to the scheduled call time to register and download any necessary audio software.

Central Garden & Pet Company is a leading innovator, marketer and producer of quality branded products for the pet and lawn and garden supplies markets. Our pet products

include pet bird and small animal food, aquarium products, flea, tick, mosquito and other pest control products, edible bones, cages, carriers, pet books, and other dog, cat, reptile and small animal products. These products are sold under a number of brand names, including Kaytee, All-Glass Aquarium, Oceanic, Kent Marine, Energy Saver Unlimited, Zodiac, Pre-Strike, Altosid, Nylabone, TFH, Four Paws and Interpet. Our lawn and garden products include grass seed, wild bird food, weed and insect control products, decorative outdoor patio products and ant control products. These products are sold under a number of brand names, including Pennington, Norcal Pottery, New England Pottery, GKI/Bethlehem Lighting, Lilly Miller, Matthews Four Seasons, AMDRO and Grant's. For additional information on Central Garden & Pet, including access to the Company's SEC filings, please visit the Company's website at <http://www.centralgardenandpet.com/>.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: The statements contained in this release which are not historical facts, including future earnings 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 including, without limitation, the resolution of litigation between the Company and Hebert Axelrod. Central undertakes no obligation to publicly update these forward-looking statements to reflect new information, subsequent events or otherwise.

Central Garden & Pet Company  
 Consolidated Statements of Income  
 (Unaudited)  
 (In thousands, except per share amounts)

	Three Months Ended	
	December 25,	December
	2004	2003
Net Sales	\$265,576	
\$222,350		
Cost of Goods Sold and Occupancy	179,535	
160,279		
Gross Profit	86,041	
62,071		
Selling, General and Administrative		
Expenses	76,525	
58,511		

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Income from Operations 3,560	9,516
Interest Expense (4,105)	(5,298)
Interest Income 199	103
Other Expense (715)	(320)
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Income (Loss) Before Income Taxes (1,061)	4,001
Income Taxes (416)	1,485
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Net Income (Loss) \$(645)	\$2,516
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Basic Earnings Per Common Share: \$(0.03)	\$0.12
Diluted Earnings Per Common Share: \$(0.03)	\$0.12
Weighted Average Shares Outstanding	
Basic 19,877	20,539
Diluted 19,877	21,264

Central Garden & Pet Company  
Condensed Consolidated Balance Sheets  
(Unaudited)  
(In thousands)

December 25, December

27,

	2004	2003
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Assets		
Current Assets:		
Cash & Cash Equivalents	\$14,100	
\$65,265		
Restricted Investments	15,066	
15,052		
Accounts Receivable	143,656	
113,839		
Inventories	288,192	
243,911		
Other Current Assets	18,718	
17,601		
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Total Current Assets	479,732	
455,668		
Property & Equipment - Net	106,893	
101,873		
Goodwill	340,088	
222,780		
Other Assets	50,292	
51,481		
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Total	\$977,005	
\$831,802		
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Liabilities & Shareholders' Equity		
Current Liabilities:		
Accounts Payable	\$119,018	
\$105,112		
Accrued Expenses	69,448	
47,556		
Current Portion of Long-Term Debt	1,025	
1,028		
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Total Current Liabilities	189,491	
153,696		
Long-Term Liabilities	294,296	
249,782		
Other Long-Term Obligations	3,967	
1,570		
Convertible Redeemable Preferred Stock	3,000	-
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Shareholders' Equity	486,251	
426,754		
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Total	\$977,005	
\$831,802		
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