

Use of Non-GAAP Financial Measures

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that certain non-GAAP financial measures that exclude the impact of the garden charge and a gain recognized during the quarter ended June 28, 2014 in the garden segment related to the sale of plant assets may be useful in certain instances to provide additional meaningful comparisons between current results and results in prior operating periods that should be considered when assessing our ongoing performance. Additionally, we have provided a comparison of our net debt amounts which can be used as a measure of our net debt balances. The Company believes that these non-GAAP financial measures provide useful information to investors and other users of its financial statements, such as lenders. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. While the Company's management believes that non-GAAP measurements are useful supplemental information, such adjusted results are not intended to replace the Company's GAAP financial results and should be read in conjunction with those GAAP results.

GAAP to Non-GAAP Reconciliation
(unaudited, in thousands, except per share amounts)

For the Three Months Ended

	June 28, 2014 GAAP	Garden Charge (A)	Gain on Sale Of Fixed Assets (B)	June 28, 2014 As Adjusted	June 29, 2013 GAAP
Net sales	\$ 437,987	\$ 7,035	\$ -	\$ 445,022	\$ 494,130
Cost of goods sold and occupancy	318,856	(9,873)	-	308,983	341,664
Gross profit	\$ 119,131	\$ 16,908	\$ -	\$ 136,039	\$ 152,466
Selling, general and administrative expenses	100,705	-	1,996	102,701	119,574
Income from operations	18,426	16,908	(1,996)	33,338	32,892
Net Income	\$ 4,687	\$ 10,652	\$ (1,258)	\$ 14,081	\$ 13,725
Earnings per share - Diluted	\$ 0.09	\$ 0.21	\$ (0.02)	\$ 0.28	\$ 0.28
Weighted Shares Outstanding	49,841	49,841	49,841	49,841	48,822
Gross margin	27.2%			30.6%	30.9%
Selling, general and administrative expenses as a percentage of sales	23.0%			23.1%	24.2%
Operating margin	4.2%			7.5%	6.7%

For the Nine Months Ended

	June 28, 2014 GAAP	Garden Charge (A)	Gain on Sale Of Fixed Assets (B)	June 28, 2014 As Adjusted	June 29, 2013 GAAP
Net sales	\$ 1,230,119	\$ 7,035	\$ -	\$ 1,237,154	\$ 1,284,796
Cost of goods sold and occupancy	883,651	(9,873)	-	873,778	902,201
Gross profit	\$ 346,468	\$ 16,908	\$ -	\$ 363,376	\$ 382,595
Selling, general and administrative expenses	291,628	-	1,996	293,624	316,051
Income from operations	54,840	16,908	(1,996)	69,752	66,544
Net Income	\$ 12,874	\$ 10,652	\$ (1,258)	\$ 22,268	\$ 20,652
Earnings per share - Diluted	\$ 0.26	\$ 0.22	\$ (0.03)	\$ 0.45	\$ 0.42
Weighted Shares Outstanding	49,201	49,201	49,201	49,201	48,766
Gross margin	28.2%			29.4%	29.8%
Selling, general and administrative expenses as a percentage of sales	23.7%			23.7%	24.6%
Operating margin	4.5%			5.6%	5.2%

Garden Segment:	For the Three Months Ended		For the Nine Months Ended			
	Net Sales		Net Sales			
June 28, 2014 as reported (GAAP)	\$	210,905	\$	601,688		
Garden charge (A)		7,035		7,035		
June 28, 2014 as adjusted	\$	<u>217,940</u>	\$	<u>608,723</u>		
	Income from Operations		Income from Operations			
	Operating Margin		Operating Margin			
June 28, 2014 as reported (GAAP)	\$	4,011	1.9%	\$	34,579	5.7%
Garden charge (A)		16,908			16,908	
Gain on sale of fixed assets (B)		(1,996)			(1,996)	
June 28, 2014 as adjusted	\$	<u>18,923</u>	8.7%	\$	<u>49,491</u>	8.1%
June 29, 2013 as reported (GAAP)	\$	<u>13,668</u>	5.3%	\$	<u>39,090</u>	6.3%

(A) The Non-GAAP financial information excludes the impact of a garden segment charge to write off inventory, account for product returns and promotional allowances and other costs related to the discontinuance of certain products introduced in 2013.

(B) The gain on sale of fixed assets correlates to the sale of plant assets during the quarter ended June 28, 2014 related to a product the garden segment will now purchase rather than produce.

Net Debt Calculation
(unaudited, in thousands)

Net Debt:	June 28, 2014	June 29, 2013
Current portion of long term debt	\$ 296	\$ 205
Long term debt	<u>449,994</u>	<u>509,430</u>
Total long term debt	450,290	509,635
Less:		
Cash and cash equivalents	31,846	20,482
Short term investments	<u>14,220</u>	<u>17,820</u>
Net debt	<u>\$ 404,224</u>	<u>\$ 471,333</u>