Fortune Brands Innovations

NOVEMBER 3, 2026

Q3 Earnings

All references to earnings per share, operating income, operating margin, and EBITDA are on a before charges/gains basis







FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements that are made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include all statements that are not historical statements of fact and those regarding our intent, belief or expectations for our business, operations, financial performance or financial condition in addition to statements regarding our strategies and investments to enhance execution and realign our business, our expectations for the markets in which we operate, expected impacts from recently-announced organizational and leadership changes, ongoing succession planning, the market potential of our brands, trends in the housing market, the potential impact of costs, including material and labor costs, the other potential impacts of inflation, including consumer spending, expected capital spending, expected pension contributions or de-risking initiatives, the expected impact of acquisitions, dispositions and other strategic transactions, the anticipated impact of recently issued accounting standards on our financial statements, the anticipated impact of future tariff and tariff refunds and other matters that are not historical in nature. Statements preceded by, followed by or that otherwise include the words “believes,” “expects,” “anticipates,” “intends,” “projects,” “estimates,” “plans,” “outlook,” “positioned,” “confident,” “opportunity,” “focus,” "on track" and similar expressions or future or conditional verbs such as “will,” “should,” “would,” “may,” and “could” are generally forward-looking in nature and not historical facts. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is based on current expectations, estimates, assumptions and projections of our management about our industry, business and future financial results, available at the time this press release is issued. Although we believe that these statements are based on reasonable assumptions, they are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those indicated in such statements, including but not limited to: (i) our reliance on the North American and Chinese home improvement, repair and remodel and new home construction activity levels, (ii) the housing market, downward changes in the general economy, unfavorable interest rates or other business conditions, (iii) the competitive nature of consumer and trade brand businesses, (iv) our ability to execute on our strategic plans and the effectiveness of our strategies in the face of business competition, (v) our reliance on key customers and suppliers, including wholesale distributors and dealers and retailers, (vi) risks associated with our recent leadership changes, (vii) risks relating to rapidly evolving technological change, (viii) risks associated with our ability to improve organizational productivity and global supply chain efficiency and flexibility, (ix) risks associated with global commodity and energy availability and price volatility, as well as the possibility of sustained inflation, (x) delays or outages in our information technology systems or computer networks or breaches of our information technology systems or other cybersecurity incidents, (xi) risks associated with doing business globally, including changes in trade-related tariffs (including recent U.S. tariffs announced or imposed on China, Canada, Mexico and other countries and any reciprocal actions taken by such countries) and risks with uncertain trade environments, (xii) risks associated with the disruption of operations, including as a result of severe weather events, (xiii) our inability to obtain raw materials and finished goods in a timely and cost-effective manner, (xiv) risks associated with strategic acquisitions, divestitures and joint ventures, including difficulties integrating acquired companies and the inability to achieve the expected financial results and benefits of transactions, (xv) impairments in the carrying value of goodwill or other acquired intangible assets, (xvi) risks of increases in our defined benefit-related costs and funding requirements, (xvii) our ability to attract and retain qualified personnel and other labor constraints, (xviii) the effect of climate change and the impact of related changes in government regulations and consumer preferences, (xix) risks associated with environmental, social and governance matters, (xx) potential liabilities and costs from claims and litigation, (xxi) changes in government and industry regulatory standards, (xxii) future tax law changes or the interpretation of existing tax laws, and (xxiii) our ability to secure and protect our intellectual property rights. These and other factors are discussed in Part I, Item 1A “Risk Factors” of our Annual Report on Form 10-K for the year ended December 27, 2025. We undertake no obligation to, and expressly disclaim any such obligation to, update, amend, revise or clarify any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events, new information or changes to future results over time or otherwise, except as required by law.

USE OF NON-GAAP FINANCIAL INFORMATION

This presentation includes measures not derived in accordance with generally accepted accounting principles (“GAAP”), such as diluted earnings (loss) per share before charges / gains, operating income (loss) before charges / gains, operating margin before charges / gains, net debt, net debt to EBITDA before charges / gains, net sales excluding the impact of China, Outdoors net sales excluding the impact of Fiberon and free cash flow. These non-GAAP financial measures should not be considered in isolation or as a substitute for any measure derived in accordance with GAAP and may also be inconsistent with similar measures presented by other companies. Reconciliations of these measures to the applicable most closely comparable GAAP measures, and reasons for the Company’s use of these measures, are presented in the attached pages.

On the Call



Jesse Singh

Chief Executive Officer



Peter Clifford

Chief Financial Officer

Key Messages



Executing our Back to Business Turnaround Plan

In the early stages of a multi-year improvement plan to return the business to sustainable growth and margin expansion

Near-Term Focus is Stabilizing Performance

Taking actions to restore execution, realign the organization and optimize our portfolio; putting us in position to achieve cost savings targets and improve our margin profile

Setting the Stage to Rebuild and Invest For Future Growth

Reinvesting SG&A and portfolio savings into accelerating our new product development pipeline and our commercial capabilities

Updating Full Year 2026 Guidance

Macro environment has softened; making the necessary decisions that are impacting our near-term results but are designed to set up the Company for future success

Back-to-Business Turnaround Plan

1
Establish high-performing, customer-focused business units

- **Realign** functions into entrepreneurial business segments
- **Drive** growth and profit at the segment level
- **Lift** quality, service, and responsiveness
- **Upgrade** organizational capability

2
Optimize the portfolio across and within the business units to revitalize our core

- **Address** underperforming businesses and geographies
- **Optimize** every segment for growth and profitability
- **Realize** accretive growth in connected products

3
Build a business-led, sustainable growth engine

- **Expand** in underpenetrated and more resilient end markets - Commercial and R&R
- **Increase** impact from new product launches
- **Sharpen** sales and marketing execution

4
Expand margins while sustaining growth investments

- **Benefit** from cost savings and portfolio actions
- **Fund** incremental investments in people, technology, NPI and SG&A
- **Scale** operational excellence through AI, Lean and sourcing
- **Improve** product engineering, pricing and mix management

Portfolio Optimization Actions

Agreed to Divest Fiberon Decking Business

- Agreed to sell business for $160M
- Proceeds expected to be used to reduce net leverage and reinvest in the business

Expected Close: Before Year End 2026

Reorganize Operations in China

- Exit commercial operations serving the Chinese domestic market
- Keep manufacturing, R&D and sourcing for North American end markets

Targeted Completion: End of Q3 2027

Rationalize EMEA Footprint of a Water business

- More competitive cost structure
- Scalable capacity to support expansion and profitable growth

Targeted Completion: Q4 2027

Combined Impact Annualized, businesses in scope

$320M–330M
Net Sales

($50M–$55M)
Operating Loss

Accretive to earnings and margin; full run-rate benefit by end of 2027

Impact of Tariff Refunds & Tax Items on Results

$ in millions (except per share amounts)	Q3 2026 Water	Q3 2026 Outdoors	Q3 2026 Security	Q3 2026 Corporate	Q3 2026 Consolidated	Anticipated Q4 & FY 2026 Q4 2026 Consolidated	Anticipated Q4 & FY 2026 FY 2026 Consolidated
Gross Tariff Refunds	$12	$2	$15	$0	$29	$1	$134
Net Tariff Refunds: Operating Income Impact[1]	$8	$0	$13	($3)	$18	($9)	$90
Net Tariff Refunds: EPS Impact[1]	-	-	-	-	$0.14	($0.07)	$0.59
Net Tax Benefit: EPS Impact[2]	-	-	-	-	$0.28	-	$0.28

- Reported segment and consolidated results include the impact of net tariff refunds and the net tax benefit
- Net tax benefit related to internal restructuring designed to streamline the legal entity structure of European operations

1 Net tariff refunds include gross tariff refunds and interest income (for EPS only), partially offset by increases in directly attributable variable incentive compensation costs and taxes (for EPS only).
2 Net tax benefit from an internal legal entity restructuring.

Q3 2026 Results

Total Company Results

$ in millions (except per share amounts)	Net Sales	Operating Income[1]	Operating Margin[1]	EPS[1]
Q3 2026	**$1,113.7**	**$155.5**	**14.0%**	**$1.14**
Change	(3.1%)	(24.6%)	(390 bps)	4.6%

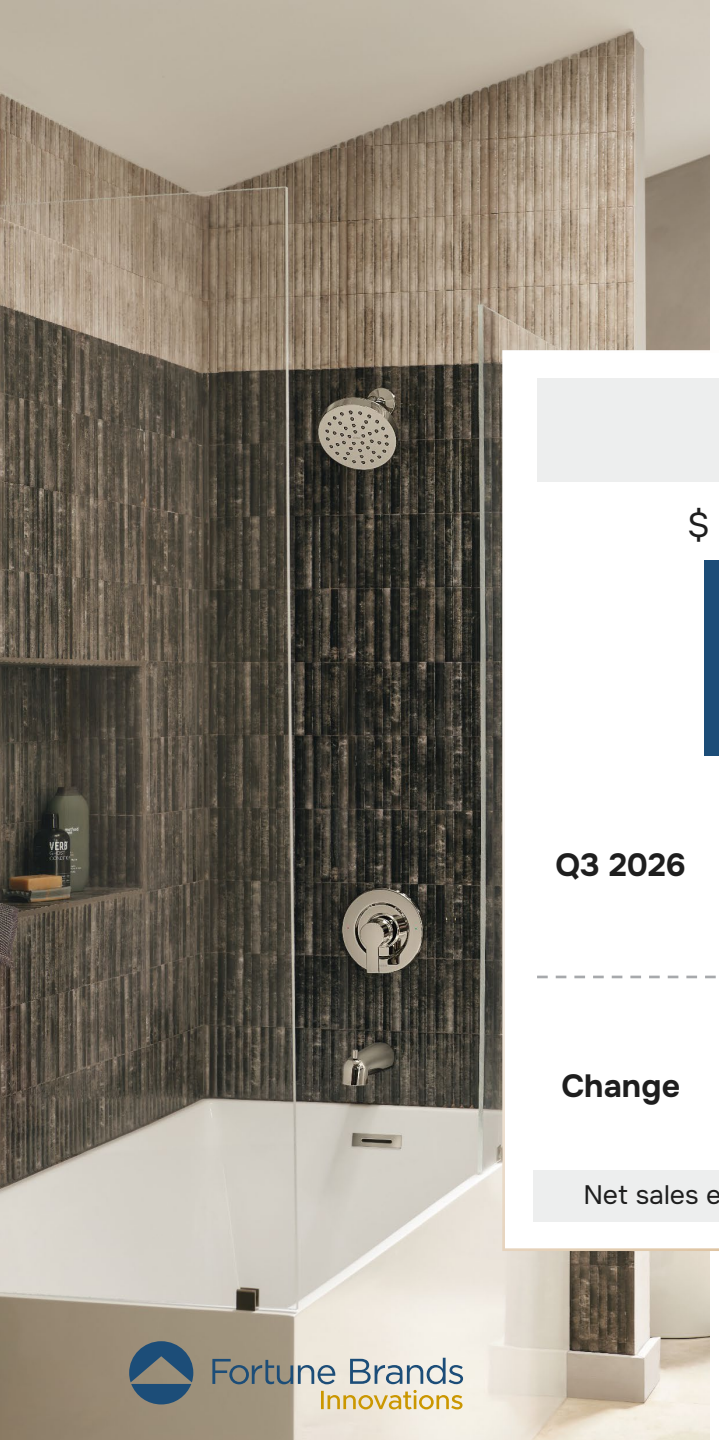
Net Sales excluding impact of China[2] were (2.4%)

- Net Sales decline primarily driven by the Water and Security segments, partially offset by growth in Outdoors
- EPS[1] results include a net tax benefit of $0.28 from a legal entity restructuring transaction and a net tariff refund benefit of $0.14; Operating Income[1] benefited by $18M from the net tariff refund

1 Operating income, operating margin and EPS are on a before charges/gains basis. Operating income before charges/gains, operating margin before charges/gains, and EPS before charges/gain are non-GAAP financial measures. Please see the appendix hereto for reconciliations to their most directly comparable GAAP financial measures.

2 Net sales excluding the impact of China is a non-GAAP financial measure. Please see the appendix hereto for the reconciliation to the most directly comparable GAAP financial measure.

3 Net tariff refunds include gross tariff refunds and interest income (for EPS only), partially offset by increases in directly attributable variable incentive compensation costs and taxes (for EPS only).



Q3 2026 SUMMARY

Water

Segment Results

$ in millions

	Net Sales	Operating Income[1]	Operating Margin[1]
Q3 2026	$584.5	$103.1	17.6%
Change	(5.5%)	(31.8%)	(680 bps)

Net sales excluding impact of China[2] were (4.3%)

Quarter Highlights

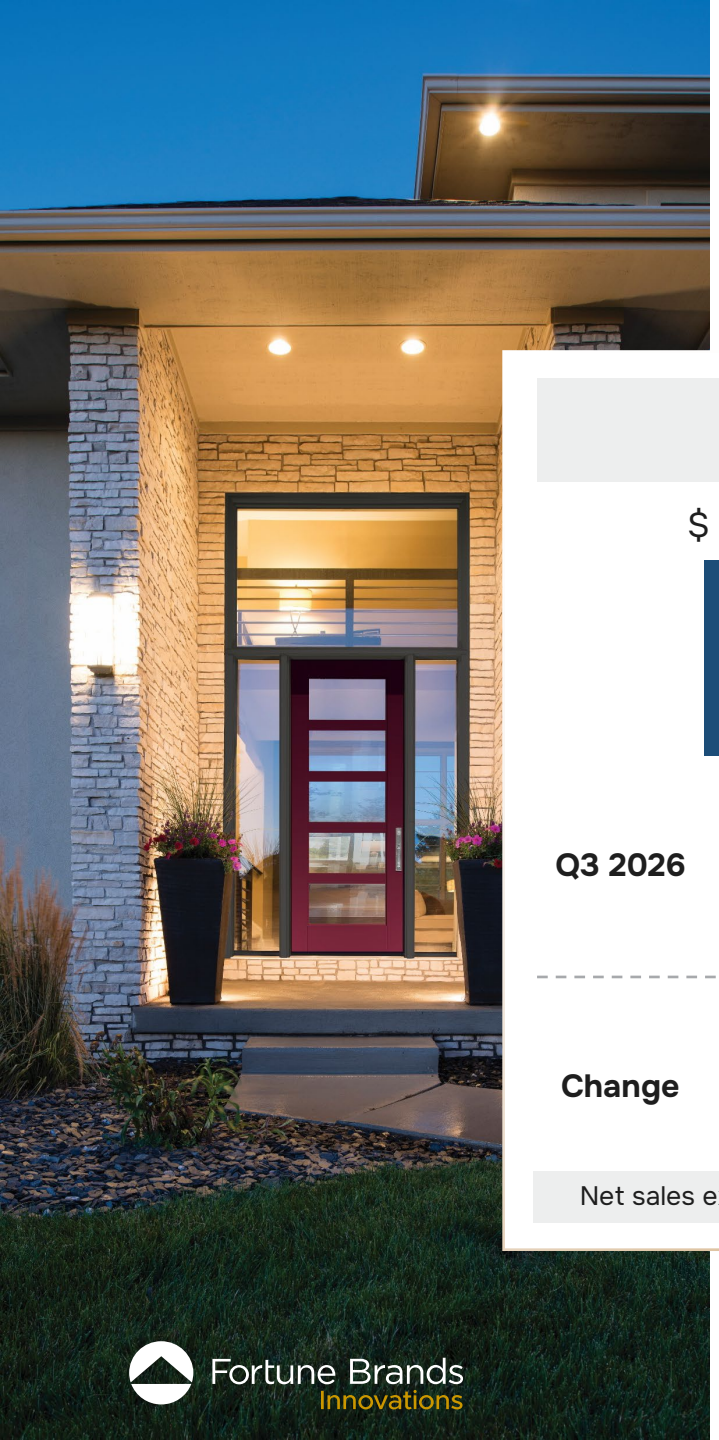
Net Sales were impacted by service levels, softer customer demand in retail and a slow down in wholesale new construction demand; these factors were partially offset by growth in the eCommerce channel

Operating Margin[1] reflects a net tariff refund[3] benefit of ~135 bps, offset by pricing that was below inflationary levels, volume deleverage and higher costs to serve our customers

1 Operating income and operating margin are on a before charges/gains basis. Operating income before charges/gains and operating margin before charges/gains are non-GAAP financial measures. Please see the appendix hereto for reconciliations to their most directly comparable GAAP financial measures.

2 Net sales excluding the impact of China is a non-GAAP financial measure. Please see the appendix hereto for the reconciliation to the most directly comparable GAAP financial measure.

3 Net tariff refunds include gross tariff refunds, partially offset by increases in directly attributable variable incentive compensation costs.



Q3 2026 SUMMARY

Outdoors

Segment Results

$ in millions

	Net Sales	Operating Income[1]	Operating Margin[1]
Q3 2026	$347.4	$53.3	15.3%
Change	0.8%	(0.3%)	(20 bps)

Net sales excluding impact of Fiberon[2] were 3.4%

Quarter Highlights

Net Sales benefited from favorable YoY comps in channel inventory and price realization; partially offset by a slow down in new construction demand in wholesale, which primarily impacted Therma-Tru

Operating Margin[1] reflects volume deleverage and higher material and freight costs, particularly in Larson where aluminum inflation was a headwind; these factors were partially offset by favorable mix

1 Operating income and operating margin are on a before charges/gains basis. Operating income before charges/gains and operating margin before charges/gains are non-GAAP financial measures. Please see the appendix hereto for reconciliations to their most directly comparable GAAP financial measures.

2 Outdoors net sales excluding the impact of Fiberon is a non-GAAP financial measure. Please see the appendix hereto for the reconciliation to the most directly comparable GAAP financial measure.



Q3 2026 SUMMARY

Security

Segment Results

$ in millions

	Net Sales	Operating Income[1]	Operating Margin[1]
Q3 2026	**$181.8**	**$38.8**	**21.3%**
Change	(2.4%)	16.9%	350 bps

Quarter Highlights

Net Sales were impacted by declines in retail & eCommerce primarily due to service levels, partially offset by growth in commercial and increased penetration with multi-family customers in Yale

Operating Margin[1] reflects a net tariff refund[2] benefit of ~715 bps, offset by an inventory adjustment related to SKU rationalization efforts, which impacted margins by ~450bps, as well as higher costs to serve customers as service levels return to historical averages

1 Operating income and operating margin are on a before charges/gains basis. Operating income before charges/gains and operating margin before charges/gains are non-GAAP financial measures. Please see the appendix hereto for reconciliations to their most directly comparable GAAP financial measures.

2 Net tariff refunds include gross tariff refunds, partially offset by increases in directly attributable variable incentive compensation costs.

Q3 2026 SUMMARY

Balance Sheet and Cash Flow

Cash

$231 M

Increase of $21 M vs Q2 2026

Total liquidity

$1.3 B

$1.1 B available under $1.25 B revolving credit facility

Net debt [1]

$2.1 B

Down from $2.3 B in Q2 2026

Net debt / EBITDA [1]

2.5x

Down from 2.7x in Q2 2026; committed to Net debt / EBITDA <2.5x in the near term

Working capital [2]

$660 M

15.2% of LTM Net sales

Capex

$16 M

YTD Capex of $60 M; Lowering full year range to $90 M - $100 M

Returns to shareholders

$71 M

$40 M in share repurchases and $31 M in dividends

Free cash flow [1]

$331 M

Up $154 M vs Q3 2025

1 EBITDA is on a before charges/gains basis. Net debt, net debt/EBITDA before charges / gains and free cash flow are non-GAAP financial measures. Please see the appendix hereto for reconciliations to their most directly comparable GAAP financial measures.
2 Please see appendix for working capital calculation.

2026 Full-Year Guidance & Assumptions

		Prior*	Updated
Guidance	**Net Sales**	Down low single digits	$4,205 million to $4,275 million
	EPS[1]	$3.22 to $3.52	$3.20 to $3.30

		Prior*	Updated
Market Assumptions	**Global Market**	Down low single digits	Down low single digits
	U.S. R&R	Down low single digits	Down low single digits
	U.S. SFNC	Down mid single digits	Down mid to high single digits
Total Company Financial Assumptions	**Cash Flow From Operations**	$495 million to $530 million	$480 million to $500 million
	Free Cash Flow	$370 million to $420 million	$380 million to $410 million
Other Assumptions	**Interest Expense**	$108 million to $112 million	$102 million to $103 million
	Capex	$110 million to $125 million	$90 million to $100 million
	Tax Rate	24.0% to 24.5%	18.0% to 19.0%
	Share Count	120 million to 120.5 million	119 million to 120 million



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* As provided in Q2 2026 Earnings Call on August 4, 2026.

1 EPS is on a before charges/gains basis and is presented as a non-GAAP financial measures. Please see the appendix hereto for detail on why the Company is unable to provide a reconciliation to the most directly comparable GAAP financial measure for this forward-looking non-GAAP measure.

Q4 2026 Guidance

Net Sales

$925M–995M

4Q26 guidance

EPS[1]

$0.19–$0.29

4Q26 guidance

Step-Down vs. Prior Guidance

Driver	EPS[1]
Mid-Point of Previous Guidance	**$0.76**
Impact from Businesses Subject to Portfolio Optimization Actions	~($0.08)
Impact from Core Business and End Market	~($0.11)
Channel Inventory	~($0.12)
Portfolio Optimization & Alignment Actions	~($0.14)
Net Tariff Refunds	~($0.07)
Total Step-Down	**~($0.52)**
Mid-Point of Current Guidance	**$0.24**

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1 EPS is on a before charges/gains basis and is presented as a non-GAAP financial measures. Please see the appendix hereto for detail on why the Company is unable to provide a reconciliation to the most directly comparable GAAP financial measure for this forward-looking non-GAAP measure.



Q&A



Appendix

Fortune Brands Innovations, Inc.

(In millions)
(Unaudited)

Net sales (GAAP)	Thirteen Weeks Ended				Thirty-Nine Weeks Ended			
	September 26, 2026	September 27, 2025	$ Change	% Change	September 26, 2026	September 27, 2025	$ Change	% Change
Water	$ 584.5	$ 618.5	$ (34.0)	(5.5)	$ 1,753.1	$ 1,830.8	$ (77.7)	(4.2)
Outdoors	347.4	344.5	2.9	0.8	1,006.4	1,028.1	(21.7)	(2.1)
Security	181.8	186.2	(4.4)	(2.4)	519.4	526.8	(7.4)	(1.4)
Total net sales	$ 1,113.7	$ 1,149.2	$ (35.5)	(3.1)	$ 3,278.9	$ 3,385.7	$ (106.8)	(3.2)

Reconciliations Of GAAP Operating Income To Operating Income Before Charges/(Gains)

(In millions)
(Unaudited)

	Thirteen Weeks Ended				Thirty-Nine Weeks Ended			
	September 26, 2026	September 27, 2025	$ Change	% Change	September 26, 2026	September 27, 2025	$ Change	% Change
WATER								
Operating income (GAAP)	$ 13.3	$ 145.9	$ (132.6)	(90.9)	$ 292.0	$ 405.1	$ (113.1)	(27.9)
Restructuring charges	13.1	4.4	8.7	197.7	18.3	20.3	(2.0)	(9.9)
Other charges/(gains)								
Cost of products sold	-	0.3	(0.3)	NM	-	0.8	(0.8)	NM
Selling, general and administrative expenses	7.2	0.5	6.7	NM	7.4	3.7	3.7	NM
Asset impairment charges [h]	69.5	-	69.5	NM	70.1	-	70.1	NM
Operating income before charges/(gains) [a]	$ 103.1	$ 151.1	$ (48.0)	(31.8)	$ 387.8	$ 429.9	$ (42.1)	(9.8)
OUTDOORS								
Operating (loss) income (GAAP)	$ 52.3	$ (5.0)	$ 57.3	1,146.0	$ (107.7)	$ 59.7	$ (167.4)	(280.4)
Restructuring charges	0.9	0.3	0.6	NM	1.8	4.9	(3.1)	(63.3)
Other charges/(gains)								
Cost of products sold	0.5	3.0	(2.5)	(83.3)	1.6	8.8	(7.2)	(81.8)
Selling, general and administrative expenses	-	2.0	(2.0)	NM	0.1	7.2	(7.1)	(98.6)
Asset impairment charges [h]	4.3	50.1	(45.8)	(91.5)	233.0	50.1	182.9	NM
Manufacturing facility fire [i]	(4.7)	3.0	(7.7)	NM	1.9	3.0	(1.1)	(36.7)
Operating income before charges/(gains) [a]	$ 53.3	$ 53.4	$ (0.1)	(0.3)	$ 130.7	$ 133.7	$ (3.0)	(2.2)
SECURITY								
Operating income (GAAP)	$ 38.4	$ 27.7	$ 10.7	38.6	$ 109.1	$ 66.4	$ 42.7	64.3
Restructuring charges	0.4	1.7	(1.3)	(76.5)	1.0	7.4	(6.4)	(86.5)
Other charges/(gains)								
Cost of products sold	-	0.1	(0.1)	NM	-	3.8	(3.8)	NM
Selling, general and administrative expenses	-	3.7	(3.7)	NM	(0.2)	5.1	(5.3)	NM
Operating income before charges/(gains) [a]	$ 38.8	$ 33.2	$ 5.6	16.9	$ 109.9	$ 82.7	$ 27.2	32.9
TOTAL COMPANY								
Operating income (loss) (GAAP)	$ 60.4	$ 125.9	$ (65.5)	(52.0)	$ 111.7	$ 394.4	$ (282.7)	(71.7)
Restructuring charges	16.4	10.8	5.6	51.9	28.9	49.3	(20.4)	(41.4)
Other charges/(gains)								
Cost of products sold	0.5	3.4	(2.9)	(85.3)	1.6	13.4	(11.8)	(88.1)
Selling, general and administrative expenses	8.6	12.3	(3.7)	(30.1)	12.1	27.8	(15.7)	(56.5)
Asset impairment charges [h]	73.8	50.1	23.7	47.2	303.1	50.1	253.0	NM
Manufacturing facility fire [i]	(4.7)	3.0	(7.7)	NM	1.9	3.0	(1.1)	(36.7)
Transformation costs [j]	-	0.7	(0.7)	NM	-	3.0	(3.0)	NM
Governance advisory services and leadership transitions [k]	0.5	-	0.5	NM	44.2	-	44.2	NM
Operating income before charges/(gains) [a]	$ 155.5	$ 206.2	$ (50.7)	(24.6)	$ 503.5	$ 541.0	$ (37.5)	(6.9)

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(a) (h) (i) (j) (k) For definitions of Non-GAAP financial measures, see Definitions of Terms: Non-GAAP Financial Measures page
NM = Not meaningful

Fortune Brands Innovations, Inc.
Condensed Consolidated Balance Sheets (GAAP)

(In millions)
(Unaudited)

	September 26, 2026	December 27, 2025
Assets		
Current assets		
Cash and cash equivalents	$ 230.9	$ 264.0
Accounts receivable, net	551.2	513.1
Inventories	1,013.8	1,024.9
Other current assets	164.0	172.2
Total current assets	1,959.9	1,974.2
Property, plant and equipment, net	582.9	805.9
Goodwill	2,002.0	2,006.4
Other intangible assets, net of accumulated amortization	1,071.9	1,231.7
Assets held for sale	104.0	113.8
Other assets	413.6	388.6
Total assets	**$ 6,134.3**	**$ 6,520.6**
Liabilities and equity		
Current liabilities		
Accounts payable	540.9	524.6
Other current liabilities	527.9	547.0
Total current liabilities	1,068.8	1,071.6
Long-term debt	2,296.6	2,544.9
Deferred income taxes	110.7	146.9
Other non-current liabilities	368.3	368.6
Total liabilities	3,844.4	4,132.0
Stockholders' equity	2,289.9	2,388.6
Total equity	2,289.9	2,388.6
Total liabilities and equity	**$ 6,134.3**	**$ 6,520.6**

Fortune Brands Innovations, Inc.
Condensed Consolidated Statements Of Cash Flows

(In millions)
(Unaudited)

	Thirty-Nine Weeks Ended	
	September 26, 2026	**September 27, 2025**
Operating activities		
Net income	$ 51.6	$ 222.4
Depreciation and amortization	121.2	151.5
Non-cash lease expense	30.6	31.4
Deferred taxes	(39.9)	33.3
Asset impairment charge	303.1	50.1
Other non-cash items	14.1	19.4
Changes in assets and liabilities, net	(50.1)	(237.7)
Net cash provided by operating activities	$ 430.6	$ 270.4
Investing activities		
Capital expenditures	$ (59.7)	$ (87.3)
Proceeds from the disposition of assets	24.3	-
Other investing activities, net	(1.0)	2.9
Net cash used in investing activities	$ (36.4)	$ (84.4)
Financing activities		
Increase in debt, net	$ (251.2)	$ (20.0)
Proceeds from the exercise of stock options	8.6	4.0
Treasury stock purchases	(84.4)	(237.8)
Dividends to stockholders	(93.2)	(90.6)
Other items, net	(7.1)	(8.2)
Net cash used in financing activities	$ (427.3)	$ (352.6)
Effect of foreign exchange rate changes on cash	$ (0.3)	$ 8.6
Net decrease in cash and cash equivalents	$ (33.4)	$ (158.0)
Cash, cash equivalents and restricted cash* at beginning of period	267.5	385.5
Cash, cash equivalents and restricted cash* at end of period	$ 234.1	$ 227.5

FREE CASH FLOW	Thirty-Nine Weeks Ended		2026 Full Year
	September 26, 2026	**September 27, 2025**	**Estimate**
Cash flow from operations (GAAP)	$ 430.6	$ 270.4	$480 to $500
Less:			
Capital expenditures	$ 59.7	$ 87.3	$90 to $100
Free cash flow [(b)]	$ 370.9	$ 183.1	$380 to $410

*Restricted cash of $1.2 million and $2.0 million is included in Other current assets and Other assets, respectively, as of September 26, 2026. Restricted cash of $1.3 million and $2.3 million is included in Other current assets and Other assets, respectively, as of September 27, 2025.

(b) For definitions of Non-GAAP financial measures, see Definitions of Terms: Non-GAAP Financial Measures page

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Fortune Brands Innovations, Inc.
Reconciliation of Cash Flow From Operations (GAAP) To Free Cash Flow

(In millions)
(Unaudited)

	Thirteen Weeks Ended September 26, 2026
Cash flow from operations (GAAP)	$ 347.0
Less:	
Capital expenditures	15.9
Free cash flow [(b)]	$ 331.1

(b) For definitions of Non-GAAP financial measures, see Definitions of Terms: Non-GAAP Financial Measures page

Fortune Brands Innovations, Inc.
Condensed Consolidated Statements Of Income (GAAP)

(In millions, except per share amounts)
(Unaudited)

	Thirteen Weeks Ended			Thirty-Nine Weeks Ended		
	September 26, 2026	September 27, 2025	% Change	September 26, 2026	September 27, 2025	% Change
Net sales	$ 1,113.7	$ 1,149.2	(3.1)	$ 3,278.9	$ 3,385.7	(3.2)
Cost of products sold	607.7	629.8	(3.5)	1,746.5	1,868.5	(6.5)
Selling, general and administrative expenses	339.5	313.2	8.4	1,035.9	967.0	7.1
Amortization of intangible assets	15.9	19.4	(18.0)	52.8	56.4	(6.4)
Asset impairment charges	73.8	50.1	47.3	303.1	50.1	505.0
Restructuring charges	16.4	10.8	51.9	28.9	49.3	(41.4)
Operating income	60.4	125.9	(52.0)	111.7	394.4	(71.7)
Interest expense	24.4	28.6	(14.7)	78.3	88.4	(11.4)
Other (income)/expense, net	(4.5)	2.6	(273.1)	(3.9)	(5.8)	(32.8)
Income before taxes	40.5	94.7	(57.2)	37.3	311.8	(88.0)
Income tax (benefit) expense	(9.4)	23.9	(139.3)	(14.3)	89.4	(116.0)
Net income	$ 49.9	$ 70.8	(29.5)	$ 51.6	$ 222.4	(76.8)
Diluted earnings (loss) per common share	$ 0.42	$ 0.59	(28.8)	$ 0.43	$ 1.83	(76.4)
Diluted average number of shares outstanding	119.3	120.5	(1.0)	119.6	121.4	(1.5)

Fortune Brands Innovations, Inc.
Reconciliations Of Net Income To EBITDA Before Charges/(Gains)

(In millions)
(Unaudited)

	Thirteen Weeks Ended			Thirty-Nine Weeks Ended		
	September 26, 2026	September 27, 2025	% Change	September 26, 2026	September 27, 2025	% Change
Net income	$ 49.9	$ 70.8	(29.5)	$ 51.6	$ 222.4	(76.8)
Depreciation *	$ 20.6	$ 24.4	(15.6)	$ 68.3	$ 74.1	(7.8)
Amortization of intangible assets	15.9	19.4	(18.0)	52.8	56.4	(6.4)
Restructuring charges	16.4	10.8	51.9	28.9	49.3	(41.4)
Other charges/(gains)	9.1	15.7	(42.0)	13.7	41.2	(66.7)
Interest expense	24.4	28.6	(14.7)	78.3	88.4	(11.4)
Asset impairment charge (h)	73.8	50.1	47.3	303.1	50.1	505.0
Manufacturing facility fire (i)	(4.7)	3.0	(256.7)	1.9	3.0	(36.7)
Transformation costs (j)	-	0.7	(100.0)	-	3.0	(100.0)
Governance advisory services and leadership transitions (k)	0.5	-	NM	44.2	-	NM
Income taxes	(9.4)	23.9	(139.3)	(14.3)	89.4	(116.0)
EBITDA before charges/(gains) (c)	196.5	247.4	(20.6)	628.5	677.3	(7.2)

*Depreciation excludes accelerated depreciation expense of zero for the thirteen weeks ended September 26, 2026, and $(0.2) million for the thirty-nine weeks ended September 26, 2026 and excludes accelerated depreciation expense of $5.2 million for the thirteen weeks ended September 27, 2025, and $21.0 million for the thirty-nine weeks ended September 27, 2025. Accelerated depreciation is included in other charges/(gains).

Calculation Of Net Debt-to-EBITDA Before Charges/(Gains) Ratio

As of September 26, 2026	
Long-term debt **	$ 2,296.6
Total debt	2,296.6
Less:	
Cash and cash equivalents **	230.9
Net debt (1) (d)	$ 2,065.7
For the fifty-two weeks ended September 26, 2026	
EBITDA before charges/(gains) (2) (c)	$ 829.6
Net debt-to-EBITDA before charges/(gains) ratio (1/2)(e)	2.5

** Amounts are per the Unaudited Condensed Consolidated Balance Sheet as of September 26, 2026.

	Thirteen Weeks Ended	Thirty-Nine Weeks Ended	Fifty-Two Weeks Ended
	December 27, 2025	September 26, 2026	September 26, 2026
Net income	$ 76.4	$ 51.6	$ 128.0
Depreciation***	$ 25.6	$ 68.3	$ 93.9
Amortization of intangible assets	18.8	52.8	71.6
Restructuring charges	3.1	28.9	32.0
Other charges/(gains)	12.0	13.7	25.7
Interest expense	26.8	78.3	105.1
Asset impairment charge (h)	3.5	303.1	306.6
Manufacturing facility fire (i)	18.1	1.9	20.0
Governance advisory services and leadership transitions (k)	-	44.2	44.2
Income taxes	16.8	(14.3)	2.5
EBITDA before charges/(gains) (c)	$ 201.1	$ 628.5	$ 829.6

*** Depreciation excludes accelerated depreciation expense of $(0.2) million for the thirty-nine weeks ended September 26, 2026, and $(1.8) million for the thirteen weeks ended December 27, 2025. Accelerated depreciation is included in other charges/(gains).

(c) (d) (e) (h) (i) (j) (k) For definitions of Non-GAAP financial measures, see Definitions of Terms: Non-GAAP Financial Measures page

NM = Not meaningful

Reconciliation Of Diluted EPS Before Charges/(Gains)

For the thirteen weeks ended September 26, 2026 diluted EPS before charges/(gains) is calculated as net income on a diluted per-share basis, excluding $16.4 million ($15.5 million after tax or $0.13 per diluted share) of restructuring charges, $9.1 million ($8.7 million after tax or $0.07 per diluted share) of other charges/gains, $73.8 million ($55.2 million after tax or $0.47 per diluted share) of asset impairment charges, ($4.7) million (($3.5) million after tax or ($0.03) per diluted share) of net costs relating to a manufacturing facility fire and a discrete tax impact of China commercial exit of $9.2 million ($0.08 per diluted share).

For the thirty-nine weeks ended September 26, 2026, diluted EPS before charges/(gains) is calculated as net income on a diluted per-share basis, excluding $28.9 million ($24.9 million after tax or $0.21 per diluted share) of restructuring charges, $13.7 million ($12.1 million after tax or $0.10 per diluted share) of other charges/gains, $303.1 million ($227.3 million after tax or $1.90 per diluted share) of asset impairment charges, $1.9 million ($1.3 million after tax or $0.01 per diluted share) of net costs relating to a manufacturing facility fire, $44.2 million ($33.8 million after tax or $0.28 per diluted share) of costs associated with governance advisory services and leadership changes and a discrete tax impact of China commercial exit of $9.2 million ($0.08 per diluted share).

For the thirteen weeks ended September 27, 2025, the diluted EPS before charges/(gains) is calculated as net income from on a diluted per-share basis, excluding $50.1 million ($37.6 million after tax or $0.31 per diluted share) of asset impairment charges, $10.8 million ($8.2 million after tax or $0.07 per diluted share) of restructuring charges, $15.7 million ($11.8 million after tax or $0.10 per diluted share) of other charges/(gains), and $3.0 million ($2.3 million after tax or $0.02 per diluted share) of costs due to manufacturing facility fire.

For the thirty-nine weeks ended September 27, 2025, the diluted EPS before charges/(gains) is calculated as net income on a diluted per-share basis, excluding $50.1 million ($37.6 million after tax or $0.31 per diluted share) of asset impairment charges, $49.3 million ($37.9 million after tax or $0.32 per diluted share) of restructuring charges, $41.2 million ($30.8 million after tax or $0.25 per diluted share) or other charges/(gains), $3.0 million ($2.3 million after tax or $0.02 per diluted share) of costs due to manufacturing facility fire and $3.0 million ($2.3 million after tax or $0.02 per diluted share) of transformation costs.

	Thirteen Weeks Ended			Thirty-Nine Weeks Ended		
	September 26, 2026	September 27, 2025	% Change	September 26, 2026	September 27, 2025	% Change
Earnings per common share (EPS) - Diluted						
Diluted EPS (GAAP)	$ 0.42	$ 0.59	(28.8)	$ 0.43	$ 1.83	(76.4)
Restructuring charges	0.13	0.07	85.7	0.21	0.32	(34.4)
Other charges/(gains)	0.07	0.10	(30.0)	0.10	0.25	(60.0)
Asset impairment charge [h]	0.47	0.31	51.6	1.90	0.31	512.9
Manufacturing facility fire [i]	(0.03)	0.02	(250.0)	0.01	0.02	(50.0)
Transformation costs [j]	-	-	-	-	0.02	(100.0)
Governance advisory services and leadership transitions [k]	-	-	-	0.28	-	NM
Discrete tax impact of China commercial exit [n]	0.08	-	NM	0.08	-	NM
Diluted EPS before charges/(gains) [f]	$ 1.14	$ 1.09	4.6	$ 3.01	$ 2.75	9.5

(h) (i) (j) (k) (f) (n) For definitions of Non-GAAP financial measures, see Definitions of Terms: Non-GAAP Financial Measures page

NM = Not meaningful

Fortune Brands Innovations, Inc.
Operating Margin To Operating Margin Before Charges/(Gains)

(Unaudited)

	Thirteen Weeks Ended			Thirty-Nine Weeks Ended		
	September 26, 2026	September 27, 2025	Change	September 26, 2026	September 27, 2025	Change
WATER						
Operating margin [g]	2.3%	23.6%	(2130) bps	16.7%	22.1%	(540) bps
Restructuring charges	2.2%	0.7%		1.0%	1.2%	
Other charges/(gains)						
Selling, general and administrative expenses	1.2%	0.1%		0.4%	0.2%	
Asset impairment charge [h]	11.9%	-		4.0%	-	
Before charges/(gains) operating margin [g]	17.6%	24.4%	(680) bps	22.1%	23.5%	(140) bps
OUTDOORS						
Operating margin [g]	15.1%	(1.5%)	1660 bps	(10.7%)	5.8%	(1650) bps
Restructuring charges	0.3%	0.1%		0.2%	0.5%	
Other charges/(gains)						
Cost of products sold	0.1%	0.9%		0.2%	0.9%	
Selling, general and administrative expenses	-	0.6%		-	0.7%	
Asset impairment charge [h]	1.2%	14.5%		23.1%	4.8%	
Manufacturing facility fire [i]	(1.4%)	0.9%		0.2%	0.3%	
Before charges/(gains) operating margin [g]	15.3%	15.5%	(20) bps	13.0%	13.0%	0 bps
SECURITY						
Operating margin [g]	21.1%	14.9%	620 bps	21.0%	12.6%	840 bps
Restructuring charges	0.2%	0.8%		0.2%	1.4%	
Other charges/(gains)						
Cost of products sold	-	0.1%		-	0.7%	
Selling, general and administrative expenses	-	2.0%		-	1.0%	
Before charges/(gains) operating margin [g]	21.3%	17.8%	350 bps	21.2%	15.7%	550 bps
TOTAL COMPANY						
Operating margin [g]	5.4%	11.0%	(560) bps	3.4%	11.6%	(820) bps
Restructuring charges	1.5%	0.9%		0.9%	1.5%	
Other charges/(gains)						
Cost of products sold	-	0.3%		-	0.4%	
Selling, general and administrative expenses	0.9%	1.0%		0.4%	0.8%	
Asset impairment charge [h]	6.6%	4.3%		9.3%	1.5%	
Manufacturing facility fire [i]	(0.4%)	0.3%		0.1%	0.1%	
Transformation costs [j]	-	0.1%		-	0.1%	
Governance advisory services and leadership transitions [k]	-	-		1.3%	-	
Before charges/(gains) operating margin [g]	14.0%	17.9%	(390) bps	15.4%	16.0%	(60) bps

(g) (h) (i) (j) (k) For definitions of Non-GAAP financial measures, see Definitions of Terms: Non-GAAP Financial Measures page

Fortune Brands Innovations, Inc.
Reconciliation Of GAAP Net Sales To Net Sales Excluding The Impact Of China Sales

(Unaudited)

	Thirteen Weeks Ended September 26, 2026 vs Thirteen Weeks Ended September 27, 2025
	% Change
Water	
Percentage change in net sales (GAAP)	(5.5%)
Excluding China sales	1.2%
Net sales excluding impact of China (l)	(4.3%)

	Thirteen Weeks Ended September 26, 2026 vs Thirteen Weeks Ended September 27, 2025
	% Change
Total Company	
Percentage change in net sales (GAAP)	(3.1%)
Excluding China sales	0.7%
Net sales excluding impact of China (l)	(2.4%)

	Thirty-Nine Weeks Ended September 26, 2026 vs Thirty-Nine Weeks Ended September 27, 2025
	% Change
Water	
Percentage change in net sales (GAAP)	(4.2%)
Excluding China sales	1.3%
Net sales excluding impact of China (l)	(2.9%)

	Thirty-Nine Weeks Ended September 26, 2026 vs Thirty-Nine Weeks Ended September 27, 2025
	% Change
Total Company	
Percentage change in net sales (GAAP)	(3.2%)
Excluding China sales	0.8%
Net sales excluding impact of China (l)	(2.4%)

(l) For definitions of Non-GAAP financial measures, see Definitions of Terms: Non-GAAP Financial Measures page

Fortune Brands Innovations, Inc.
Reconciliation Of Outdoors GAAP Net Sales To Outdoors Net Sales Excluding Impact Of Fiberon

(Unaudited)

	Thirteen Weeks Ended September 26, 2026 vs Thirteen Weeks Ended September 27, 2025
	% Change
Outdoors	
Percentage change in net sales (GAAP)	**0.8%**
Excluding Fiberon Sales (GAAP)	**2.6%**
Net sales excluding impact of Fiberon [m]	**3.4%**

	Thirty-Nine Weeks Ended September 26, 2026 vs Thirty-Nine Weeks Ended September 27, 2025
	% Change
Outdoors	
Percentage change in net sales (GAAP)	**(2.1%)**
Excluding Fiberon Sales (GAAP)	**2.1%**
Net sales excluding impact of Fiberon [m]	**0%**

(m) For definitions of Non-GAAP financial measures, see Definitions of Terms: Non-GAAP Financial Measures page

Fortune Brands Innovations, Inc.
Calculation Of Working Capital As Percentage Of LTM Net Sales

(In millions)
(Unaudited)

As of September 26, 2026 **	
Accounts receivable, net	$ 551.2
Inventories	1,013.8
Other current assets	164.0
Accounts payable	(540.9)
Other current liabilities	(527.9)
Working capital (1)	$ 660.2

For the fifty-two weeks ended September 26, 2026	
Net sales (2)	$ 4,356.4

Working capital as percentage of LTM net sales (1/2)	15.2%

** Amounts are per the Unaudited Condensed Consolidated Balance Sheet as of September 26, 2026

	Thirteen Weeks Ended December 27, 2025	**Thirty-Nine Weeks Ended September 26, 2026**	**Fifty-Two Weeks Ended September 26, 2026**
Net sales	$ 1,077.5	$ 3,278.9	$ 4,356.4

Definition of Terms: Non-GAAP Financial Measures

(a) Operating income (loss) before charges/gains is calculated as operating income (loss) derived in accordance with U.S. generally accepted accounting principles (“GAAP”), excluding restructuring, other charges/gains, asset impairment charges, manufacturing facility fire, transformation costs and governance advisory services and leadership transitions. Operating income (loss) before charges/gains is a measure not derived in accordance with GAAP. Management uses this measure to evaluate the returns generated by the Company and its business segments. Management believes this measure provides investors with helpful supplemental information regarding the underlying performance of the Company from period to period. This measure may be inconsistent with similar measures presented by other companies.

(b) Free cash flow is cash flow from operations calculated in accordance with U.S. generally accepted accounting principles ("GAAP") less capital expenditures. Free cash flow does not include adjustments for certain non-discretionary cash flows such as mandatory debt repayments. Free cash flow is a measure not derived in accordance with GAAP. Management believes that free cash flow provides investors with helpful supplemental information about the Company's ability to fund internal growth, make acquisitions, repay debt and related interest, pay dividends and repurchase common stock. This measure may be inconsistent with similar measures presented by other companies.

(c) EBITDA before charges/gains is calculated as net income (loss) in accordance with GAAP, excluding depreciation, amortization of intangible assets, restructuring and other charges/gains, interest expense, asset impairment charge, manufacturing facility fire, transformation costs, governance advisory services and leadership transitions, and income taxes. EBITDA before charges/gains is a measure not derived in accordance with GAAP. Management uses this measure to assess returns generated by the Company. Management believes this measure provides investors with helpful supplemental information about the Company's ability to fund internal growth, make acquisitions and repay debt and related interest. This measure may be inconsistent with similar measures presented by other companies.

(d) Net debt is calculated as long-term debt less cash and cash equivalents. Net debt is a measure not derived in accordance with GAAP. Management believes this supplemental measure is useful as it reflects the Company's debt obligations after considering cash and cash equivalents available to repay such obligations.

(e) Net debt-to-EBITDA before charges/gains ratio is calculated as net debt divided by EBITDA before charges/gains for the trailing 52 weeks. Management believes net debt-to-EBITDA before charges/gains is a useful measure of the Company's leverage position because it provides investors with helpful supplemental information about the Company's ability to service and repay outstanding debt using earnings from the underlying performance of the Company. This measure may be inconsistent with similar measures presented by other companies.

(f) Diluted earnings (loss) per share before charges/gains is calculated as net income on a diluted per-share basis, excluding restructuring, other charges/gains, asset impairment charges, manufacturing facility fire, transformation costs, governance advisory services and leadership transitions and a discrete tax impact of the China commercial exit. This measure is not in accordance with GAAP. Management uses this measure to evaluate the Company's overall performance and believes it provides investors with helpful supplemental information about the Company's underlying performance from period to period. However, this measure may not be consistent with similar measures presented by other companies.

(g) Operating margin is calculated as operating income in accordance with GAAP, divided by the GAAP net sales. The operating margin before charges/gains is calculated as operating income, excluding restructuring, other charges/gains, asset impairment charges, manufacturing facility fire, transformation costs, governance advisory services and leadership transitions, divided by GAAP net sales. The operating margin before charges/gains is not a measure derived in accordance with GAAP. Management uses this measure to evaluate the returns generated by the Company and its business segments. Management believes that this measure provides investors with helpful supplemental information about the Company's underlying performance from period to period. However, this measure may not be consistent with similar measures presented by other companies.

(h) For the thirteen and thirty-nine weeks ended September 26, 2026, impairment charges of $4.3 million and $233.0 million, respectively, were recorded related to the Fiberon asset group within the Outdoors segment. The impairment charge was related to certain identifiable intangible assets as well as property and equipment. For the thirteen and thirty-nine weeks ended September 26, 2026, impairment charges of $69.5 million and $70.1 million, respectively, were recorded for certain identifiable intangible assets and property and equipment related to rationalizing the EMEA operating footprint, impacting asset groups within the Water segment. For the thirteen and thirty-nine weeks ended September 27, 2025, an impairment charge of $50.1 million was recorded related to the classification of certain assets within the Outdoor segment as held-for-sale. For the thirteen weeks ended December 27, 2025, an impairment charge of $3.5 million was recorded related to the classification of certain assets to equal their fair value, less estimated costs to sell.

Definition of Terms: Non-GAAP Measures (cont.)

(i) For the thirteen and thirty-nine weeks ended September 26, 2026, we recognized ($4.7) million and $1.9 million, respectively, and for the thirteen and thirty-nine weeks ended September 27, 2025 we recognized $3.0 million, related to a fire at one of our manufacturing facilities within the Outdoors segment. For the thirteen weeks ended December 27, 2025, we recognized $18.1 million related to a fire at one of our manufacturing facilities within the Outdoors segment.

(j) For the thirteen and thirty-nine weeks ended September 27, 2025, professional fees incurred related to ongoing transformation initiatives were $0.7 million and $3.0 million, respectively, at Corporate.

(k) For the thirteen and thirty-nine weeks ended September 26, 2026, the Company incurred charges of $0.5 million and $44.2 million, respectively, associated with governance advisory services and leadership transitions.

(l) Net sales excluding the impact of China sales is net sales derived in accordance with GAAP excluding the impact of China sales. Management uses this measure to evaluate the overall performance of its segments and believes this measure provides investors with helpful supplemental information regarding the underlying performance of the Company and its reportable segments from period to period. This measure may be inconsistent with similar measures presented by other companies.

(m) Outdoors net sales excluding the impact of Fiberon sales is net sales for the Outdoors segment derived in accordance with GAAP excluding the impact of Fiberon sales. On October 15, 2026, the Company entered into a definitive agreement to sell its Fiberon composite decking business to a subsidiary of Inteplast Group Corporation for $160 million, subject to the terms and conditions of the agreement. Management uses this measure to evaluate the overall performance of the Outdoors segment and believes this measure provides investors with helpful supplemental information regarding the underlying performance of the segment from period to period. This measure may be inconsistent with similar measures presented by other companies.

(n) On September 25, 2026, the Board of Directors approved a plan to exit its Moen commercial business serving domestic markets in Asia. The Company will continue to conduct supply chain operations in China. For the thirteen and thirty-nine weeks ended September 26, 2026, the Company incurred discrete tax charges of $9.2 million ($0.08 per diluted share) related to certain China tax attributes that are no longer expected to be realized as a result of the commercial operations exit.

Additional Information:

For certain forward-looking non-GAAP financial measures (as used in this press release, EPS before charges / gains), the Company is unable to provide a reconciliation to the most comparable GAAP financial measure because the information needed to reconcile the non-GAAP financial measure to the GAAP financial measure is unavailable due to the inherent difficulty of forecasting the timing and / or amount of various items that have not yet occurred, including the high variability and low visibility with respect to gains and losses associated with our defined benefit plans, and restructuring and other charges, each of which are excluded from EPS before charges / gains, other than with respect to the Company's previously-announced estimated additional non-cash impairment charge for the Fiberon asset group of approximately $175 million to $205 million. As a result, the Company is not otherwise able to reasonably estimate the probable significance of such items. Additionally, estimating such GAAP measures and providing a meaningful reconciliation consistent with the Company's accounting policies for future periods requires a level of precision that is unavailable for these future periods and cannot be accomplished without unreasonable effort. Forward-looking non-GAAP financial measures are estimated consistent with the relevant definitions and assumptions. For a reconciliation of full year 2026 free cash flow guidance to full year 2026 operating cash flow guidance, see the table entitled "Free Cash Flow".