



Fortune Brands
Innovations

FEBRUARY 12, 2026

Q4 Earnings

All references to earnings per share, operating margin, operating income, EBITDA and EBITDA margin 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 expectations for the markets in which we operate, general business strategies, expected impacts from recently-announced organizational and leadership changes, the market potential of our brands, trends in the housing market, the potential impact of costs, including material and labor costs, the potential impact of inflation, 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, 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 relating to rapidly evolving technological change, (vii) risks associated with our ability to improve organizational productivity and global supply chain efficiency and flexibility, (viii) risks associated with global commodity and energy availability and price volatility, as well as the possibility of sustained inflation, (ix) delays or outages in our information technology systems or computer networks or breaches of our information technology systems or other cybersecurity incidents, (x) 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, (xi) risks associated with the disruption of operations, including as a result of severe weather events, (xii) our inability to obtain raw materials and finished goods in a timely and cost-effective manner, (xiii) 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, (xiv) impairments in the carrying value of goodwill or other acquired intangible assets, (xv) risks of increases in our defined benefit-related costs and funding requirements, (xvi) our ability to attract and retain qualified personnel and other labor constraints, (xvii) the effect of climate change and the impact of related changes in government regulations and consumer preferences, (xviii) risks associated with environmental, social and governance matters, (xix) potential liabilities and costs from claims and litigation, (xx) changes in government and industry regulatory standards, (xxi) future tax law changes or the interpretation of existing tax laws, and (xxii) 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 28, 2024. The forward-looking statements included in this presentation are made as of the date hereof, and except as required by law, we undertake no obligation to, and expressly disclaim any such obligation to, update, amend or clarify any forward-looking statements to reflect events, new information or circumstances occurring after the date of this presentation.

USE OF NON-GAAP FINANCIAL INFORMATION

This presentation includes measures not derived in accordance with generally accepted accounting principles (“GAAP”), such as diluted earnings per share before charges / gains, operating income before charges / gains, operating margin before charges / gains, general and administrative expenses before charges/gains, net debt, net debt to EBITDA before charges / gains, net sales excluding the impact of China and free cash flow. These non-GAAP 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 attached as an appendix hereto.

On the Call



Susan Kilsby

Board Chair



Nicholas Fink

Chief Executive Officer



Jon Baksht

Executive Vice President,
Chief Financial Officer

FBIN Appoints Amit Banati as CEO

- **Amit Banati** appointed as CEO effective May 13, 2026; succeeds **Nicholas Fink**, who will depart on April 1, 2026, to pursue a professional opportunity outside FBIN
- **Banati** an exceptional choice to lead Fortune Brands
 - Extensive management, financial and strategic leadership experience with leading consumer products companies
 - FBIN Board member for nearly six years, and Chair of the Audit Committee since 2024
 - Has established relationships with FBIN management team and deep knowledge of Company and its market
- **Susan Kilsby** to serve as Executive Chair effective February 12, 2026, and take on the duties of the office of the CEO during brief transition between Fink's departure in April and Banati's entrance in May



Amit Banati
CEO
Effective May 13, 2026

“With a clear strategy in place, my focus will be on disciplined execution and driving the next phase of performance and growth for the Company.”

Key Messages



Navigated Challenging Macro Environment

Significant volume declines across the industry, creating pressure on profitability

Initiated Comprehensive Profitability Reset

Identified an estimated annualized run rate operating income savings of \$35 M in 2026 and working on broader cost reduction program for 2027 and 2028

Outperformed Our End Markets in Q4 and FY 2025

Strengthening our commercial execution and aligning our structure resulted in Fortune Brands outperforming the market for our products in Q4 and FY 2025

Continued Focus on Long-Term Success

Committed to investing in our growth platform through the cycle and ensuring we are operating with discipline today while positioning the business to win for years to come

Full-Year and Q4 2025 Highlights



- ✓ Fully mitigated dollar impact of tariffs through strategic sourcing and supply chain actions
- ✓ Strengthened customer relationships by maintaining transparent pricing strategy
- ✓ Improved execution through the year and strengthened core brands across all segments
- ✓ Leveraged benefits of multi-year transformation and aligned organizational structure
- ✓ Identified initiatives to increase profitability, operational efficiency and business performance

Market Backdrop



Challenging Demand Environment

Markets for our products weakened through Q4 2025; early 2026 data points suggest that near-term demand remains soft



Fundamentals Reflecting Pent-up Demand Remain Intact

Underlying demand drivers remain given an aging housing stock, elevated homeowner equity and improving affordability



Near Term Demand Remains Uncertain

Macroeconomic uncertainty and consumer caution limit visibility on timing of market recovery



Measured Approach to 2026 Guidance

Outlook for 2026 does not include a near-term demand inflection or a recovery from current levels

2025 Full-Year Results

Total Company Results

\$ in millions, except per share amounts

	Net Sales	Operating Income ¹	Operating Margin ¹	EPS ¹
FY 2025	\$4,463.2	\$699.4	15.7%	\$3.61
Change	(3.2%)	(10.4%)	(120) bps	(12.4%)

Net Sales excluding impact of China² were down 1%

Net Sales

Lower volumes partially offset by higher price realizations, including strategic adjustments to mitigate tariff-related costs

Operating Income

Lower sales volume and higher manufacturing costs, including impact of tariffs; partially offset by productivity gains and strategic sourcing actions

Q4 Results

Total Company Results

	Net Sales	Operating Income ¹	Operating Margin ¹	EPS ¹
Q4 2025	\$1,077.5	\$158.3	14.7%	\$0.86
Change	(2.4%)	(12.8%)	(170) bps	(12.2%)

Net Sales excluding impact of China² were flat



Net sales reflect softer than anticipated demand, particularly in wholesale channels in Water and Outdoors, partially offset by higher price realization



Operating income negatively impacted by lower sales volume and product mix as well as targeted brand investments

Q4 SUMMARY

Water

Segment Results

\$ in millions

Net Sales	Operating Income ¹	Operating Margin ¹
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\$616.8

\$140.6

22.8%

Change:

(4.3%)

(7.8%)

(90) bps

Net sales excluding impact of China² were down 1%

Quarter Highlights

Volumes negatively impacted by soft demand and cautious channel inventory management in wholesale channel

Partially offset by price realization and growth in luxury portfolio, improving eCommerce performance and momentum in Flo

Decline in operating income mainly due to lower volumes, product mix and investments in sales and marketing

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 closely related GAAP financial measures.

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

Q4 SUMMARY

Outdoors

Segment Results

\$ in millions

Net Sales	Operating Income ¹	Operating Margin ¹
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\$294.9

\$41.8

14.2%

Change:

(2.7%)

(24.3%)

(400) bps

Quarter Highlights

Lower volume due to softer wholesale demand and lower inventory build in Therma-Tru and Fiberon

Partially offset by price realization and positive impact of Larson in-aisle reset earlier in year

Operating income negatively impacted by lower volumes, product mix and higher manufacturing costs

Q4 SUMMARY

Security

Segment Results

\$ in millions

Net Sales	Operating Income ¹	Operating Margin ¹
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\$165.8

\$22.2

13.4%

Change:

5.9%

52.1%

410 bps

Quarter Highlights

Volume growth driven by new product launches and improved traction across retail, eCommerce and digital channels

Net sales also benefited from higher price realization

Operating income and operating margin had favorable comparison given software outage in Q4 2024, and improved due to lower manufacturing costs, partially offset by mix and slightly higher non-discretionary costs

Q4 SUMMARY

Balance Sheet and Cash Flow

Cash

\$264 M

Increase of \$40 M since Q3 2025

Total liquidity

\$1.1 B

\$863 M available under recently renewed \$1.25 B revolving credit facility

Net debt¹

\$2.3 B

Reduced from \$2.4 B as of Q3 2025

Net debt / EBITDA¹

2.6x

Remain committed to net leverage <2.5x in near term

Working capital

\$639 M

14.3% of LTM net sales

Capex

\$25 M

Full year Capex of \$112 M

Returns to shareholders

\$40 M

\$10 M in share repurchases and \$30 M in dividends

Free cash flow¹

\$184 M

Full-year Free cash flow \$367 M

2026 Guidance and Assumptions

		2026	
Market Assumptions	Global Market	Down Low Single Digits	
	U.S. Market	Down Low Single Digits	
	R&R	Down Low Single Digits	
	Single Family New Construction	Down Mid Single Digits	
	China	Down Low Double Digits	
Consolidated Guidance	Net Sales Growth	Flat to 2.0%	
	Operating Income Margin¹	14.5% to 15.5%	
	EPS¹	\$3.35 to \$3.65	
	Cap Ex	\$110 M to \$140 M	
	Free Cash Flow¹	\$400 M to \$450 M	
Segment Guidance	Water	Net Sales Growth	Flat to 2.0%
		Operating Income Margin¹	22.0% to 23.0%
	Outdoors	Net Sales Growth	(0.5%) to 1.5%
		Operating Income Margin¹	11.5% to 12.5%
	Security	Net Sales Growth	Flat to 3.0%
		Operating Income Margin¹	15.5% to 16.5%





Q&A



Appendix

RECONCILIATIONS OF GAAP OPERATING INCOME TO OPERATING INCOME BEFORE CHARGES/GAINS

(In millions)

(Unaudited)

	Thirteen Weeks Ended				Fifty-Two Weeks Ended			
	December 27, 2025	December 28, 2024	\$ Change	% Change	December 27, 2025	December 28, 2024	\$ Change	% Change
WATER								
Operating income (GAAP)	137.1	151.4	(14.3)	(9.4)	542.2	595.1	(52.9)	(8.9)
Restructuring charges	0.7	1.0	(0.3)	(26.0)	21.0	5.9	15.1	256.6
Other charges/(gains)								
Cost of products sold	(0.8)	0.1	(0.9)	(900.0)	-	2.5	(2.5)	(100.0)
Selling, general and administrative expenses	0.1	-	0.1	100.0	3.8	-	3.8	100.0
Amortization of inventory step-up ^(e)	-	-	-	-	-	0.3	(0.3)	(100.0)
Asset impairment charge ^(f)	3.5	-	3.5	100.0	3.5	-	3.5	100.0
Operating income before charges/gains ^(a)	140.6	152.5	(11.9)	(7.8)	570.5	603.8	(33.3)	(5.5)
OUTDOORS								
Operating income (GAAP)	23.7	54.1	(30.4)	(56.2)	83.5	198.0	(114.5)	(57.8)
Restructuring charges	0.6	0.1	0.5	500.0	5.5	5.0	0.5	10.0
Other charges/(gains)								
Cost of products sold	(0.6)	1.0	(1.6)	(160.0)	8.2	14.8	(6.6)	(44.6)
Selling, general and administrative expenses	-	-	-	-	7.2	0.2	7.0	3,500.0
Asset impairment charge ^(f)	-	-	-	-	50.1	-	50.1	100.0
Manufacturing facility fire ^(g)	18.1	-	18.1	100.0	21.1	-	21.1	100.0
Operating income before charges/gains ^(a)	41.8	55.2	(13.4)	(24.3)	175.6	218.0	(42.4)	(19.4)
SECURITY								
Operating income (GAAP)	13.5	13.9	(0.4)	(2.9)	79.9	100.4	(20.5)	(20.4)
Restructuring charges	0.4	0.7	(0.3)	(42.9)	7.8	3.8	4.0	105.3
Other charges/(gains)								
Cost of products sold	(0.4)	-	(0.4)	(100.0)	3.4	7.7	(4.3)	(55.8)
Selling, general and administrative expenses	8.7	-	8.7	100.0	13.8	-	13.8	100.0
Operating income before charges/gains ^(a)	22.2	14.6	7.6	52.1	104.9	111.9	(7.0)	(6.3)
CORPORATE								
Corporate expense (GAAP)	(52.7)	(41.1)	(11.6)	(28.2)	(189.5)	(155.6)	(33.9)	(21.8)
Restructuring charges	1.4	0.4	1.0	(250.0)	18.1	1.5	16.6	1,106.7
Other charges/(gains)								
Selling, general and administrative expenses	5.0	-	5.0	(100.0)	16.8	0.6	16.2	(2,701.7)
ASSA transaction expenses ^(d)	-	-	-	-	-	0.4	(0.4)	100.0
Transformation costs ^(h)	-	-	-	-	3.0	-	3.0	(100.0)
General and administrative expenses before charges/gains ^(a)	(46.3)	(40.7)	(5.6)	(13.8)	(151.6)	(153.1)	1.5	1.0
TOTAL COMPANY								
Operating income (GAAP)	121.6	178.3	(56.7)	(31.8)	516.1	737.9	(221.8)	(30.1)
Restructuring charges	3.1	2.2	0.9	42.7	52.4	16.2	36.2	223.5
Other charges/(gains)								
Cost of products sold	(1.8)	1.1	(2.9)	(263.6)	11.6	25.0	(13.4)	(53.6)
Selling, general and administrative expenses	13.8	-	13.8	100.0	41.6	0.8	40.8	5,101.3
ASSA transaction expenses ^(d)	-	-	-	-	-	0.4	(0.4)	(100.0)
Amortization of inventory step-up ^(e)	-	-	-	-	-	0.3	(0.3)	(100.0)
Asset impairment charge ^(f)	3.5	-	3.5	100.0	53.6	-	53.6	100.0
Transformation costs ^(h)	-	-	-	-	3.0	-	3.0	100.0
Manufacturing facility fire ^(g)	18.1	-	18.1	100.0	21.1	-	21.1	100.0
Operating income before charges/gains ^(a)	158.3	181.6	(23.3)	(12.8)	699.4	780.6	(81.2)	(10.4)

(a) (d) (e) (f) (g) (h) For definitions of Non-GAAP measures, see Definitions of Terms page.

FORTUNE BRANDS INNOVATIONS, INC.
OPERATING MARGIN TO OPERATING MARGIN BEFORE CHARGES/GAINS

(Unaudited)

	Thirteen Weeks Ended			Fifty-Two Weeks Ended		
	December 27, 2025	December 28, 2024	Change	December 27, 2025	December 28, 2024	Change
WATER						
Operating margin^(f)	22.2%	23.5%	(130) bps	22.2%	23.2%	(100) bps
Restructuring charges	0.1%	0.2%		0.9%	0.2%	
Other charges/(gains)						
Cost of products sold	(0.1%)	-		-	0.1%	
Selling, general and administrative expenses	-	-		0.1%	-	
Asset impairment charge ^(g)	0.6%	-		0.1%	-	
Operating margin before charges/gains^(f)	22.8%	23.7%	(90) bps	23.3%	23.5%	(20) bps
OUTDOORS						
Operating margin^(f)	8.0%	17.9%	(990) bps	6.3%	14.7%	(840) bps
Restructuring charges	0.2%	-		0.4%	0.4%	
Other charges/(gains)						
Cost of products sold	(0.1%)	0.3%		0.6%	1.0%	
Selling, general and administrative expenses	-	-		0.5%	-	
Asset impairment charge ^(g)	-	-		3.9%	-	
Manufacturing facility fire ^(h)	6.1%	-		1.6%	-	
Operating margin before charges/gains^(f)	14.2%	18.2%	(400) bps	13.3%	16.1%	(280) bps
SECURITY						
Operating margin^(f)	8.1%	8.9%	(80) bps	11.5%	14.5%	(300) bps
Restructuring charges	0.2%	0.4%		1.1%	0.5%	
Other charges/(gains)						
Cost of products sold	(0.2%)	-		0.5%	1.1%	
Selling, general and administrative expenses	5.3%	-		2.0%	-	
Operating margin before charges/gains^(f)	13.4%	9.3%	410 bps	15.1%	16.1%	(100) bps
TOTAL COMPANY						
Operating margin^(f)	11.3%	16.1%	(480) bps	11.6%	16.0%	(440) bps
Restructuring charges	0.3%	0.2%		1.2%	0.4%	
Other charges/(gains)						
Cost of products sold	(0.2%)	0.1%		0.3%	0.5%	
Selling, general and administrative expenses	1.3%	-		0.9%	-	
Asset impairment charge ^(g)	0.3%	-		1.1%	-	
Transformation costs ^(h)	-	-		0.1%	-	
Manufacturing facility fire ^(h)	1.7%	-		0.5%	-	
Operating margin before charges/gains^(f)	14.7%	16.4%	(170) bps	15.7%	16.9%	(120) bps

(f) (g) (h) (i) For definitions of Non-GAAP measures, see Definitions of Terms page.

FORTUNE BRANDS INNOVATIONS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (GAAP)
(In millions)
(Unaudited)

	December 27, 2025	December 28, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 264.0	\$ 381.1
Accounts receivable, net	513.1	514.4
Inventories	1,024.9	960.3
Other current assets	172.2	151.6
Total current assets	1,974.2	2,007.4
Property, plant and equipment, net	805.9	999.2
Goodwill	2,006.4	1,992.0
Other intangible assets, net of accumulated amortization	1,231.7	1,297.2
Assets held for sale	113.8	3.2
Other assets	388.6	262.8
Total assets	\$ 6,520.6	\$ 6,561.8
Liabilities and equity		
Current liabilities		
Short-term debt	\$ -	\$ 499.6
Accounts payable	524.6	513.9
Other current liabilities	547.0	588.8
Total current liabilities	1,071.6	1,602.3
Long-term debt	2,544.9	2,173.7
Deferred income taxes	146.9	117.4
Other non-current liabilities	368.6	246.4
Total liabilities	4,132.0	4,139.8
Stockholders' equity	2,388.6	2,422.0
Total equity	2,388.6	2,422.0
Total liabilities and equity	\$ 6,520.6	\$ 6,561.8

FORTUNE BRANDS INNOVATIONS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Fifty-Two Weeks Ended	
	December 27, 2025	December 28, 2024
Operating activities		
Net income	\$ 298.8	\$ 471.9
Depreciation and amortization	194.4	193.6
Non-cash lease expense	51.6	38.6
Deferred taxes	32.3	0.2
Asset impairment charge	53.6	-
Other non-cash items	21.2	54.9
Changes in assets and liabilities, net	(173.3)	(91.4)
Net cash provided by operating activities	\$ 478.6	\$ 667.8
Investing activities		
Capital expenditures	\$ (111.8)	\$ (193.3)
Proceeds from the disposition of assets	6.9	26.9
Cost of acquisitions, net of cash acquired	-	(135.4)
Other investing activities, net	-	(1.1)
Net cash used in investing activities	\$ (104.9)	\$ (302.9)
Financing activities		
Increase in debt, net	\$ (130.0)	\$ -
Proceeds from the exercise of stock options	4.5	15.5
Treasury stock purchases	(247.8)	(240.4)
Dividends to stockholders	(120.6)	(119.6)
Other items, net	(9.4)	(18.9)
Net cash provided by financing activities	\$ (503.3)	\$ (363.4)
Effect of foreign exchange rate changes on cash	\$ 11.5	\$ (11.5)
Net increase (decrease) in cash and cash equivalents	\$ (118.1)	\$ (10.0)
Cash, cash equivalents and restricted cash* at beginning of period	385.5	395.5
Cash, cash equivalents and restricted cash* at end of period	\$ 267.4	\$ 385.5

*Restricted cash of \$1.4 million and \$2.0 million is included in Other current assets and Other assets, respectively, as of December 27, 2025. Restricted cash of \$1.3 million and \$3.1 million is included in Other current assets and Other assets, respectively, as of December 28, 2024.

FORTUNE BRANDS INNOVATIONS, INC.
CASH FLOW FROM OPERATIONS (GAAP) TO FREE CASH FLOW AND CASH CONVERSION
(In millions)
(Unaudited)

FREE CASH FLOW

Thirteen Weeks Ended	
December 27, 2025	

Cash flow from operations (GAAP)
Less:
Capital expenditures
Free cash flow ⁽ⁱ⁾

\$	208.2
	24.5
\$	183.7

Fifty-Two Weeks Ended		2026 Full Year
December 27, 2025	December 28, 2024	Estimate

Cash flow from operations (GAAP)
Less:
Capital expenditures
Free cash flow ⁽ⁱ⁾

\$	478.6	\$	667.8	\$540 to \$560
\$	111.8	\$	193.3	\$110 to \$140
\$	366.8	\$	474.5	\$400 to \$450

FORTUNE BRANDS INNOVATIONS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (GAAP)
(In millions, except per share amounts)
(Unaudited)

	Thirteen Weeks Ended			Fifty-Two Weeks Ended		
	December 27, 2025	December 28, 2024	% Change	December 27, 2025	December 28, 2024	% Change
Net sales	1,077.5	1,104.1	(2.4)	4,463.2	4,609.0	(3.2)
Cost of products sold	605.3	596.4	1.5	2,473.8	2,542.7	(2.7)
Selling, general and administrative expenses	325.2	309.3	5.1	1,292.1	1,239.1	4.3
Amortization of intangible assets	18.8	18.0	4.4	75.2	73.1	2.9
Asset impairment charge	3.5	-	NM	53.6	-	NM
Restructuring charges	3.1	2.1	47.6	52.4	16.2	223.5
Operating income	121.6	178.3	(31.8)	516.1	737.9	(30.1)
Interest expense	26.8	27.9	(3.9)	115.2	120.5	(4.4)
Other (income)/expense, net	1.6	17.1	(90.6)	(4.1)	11.9	(134.5)
Income before taxes	93.2	133.3	(30.1)	405.0	605.5	(33.1)
Income tax	16.8	28.2	(40.4)	106.2	133.6	(20.5)
Net income	76.4	105.1	(27.3)	298.8	471.9	(36.7)
Diluted earnings per common share						
Net income	0.63	0.84	(25.0)	2.47	3.75	(34.1)
Diluted average number of shares outstanding	120.4	125.1	(3.8)	121.2	125.7	(3.6)

NM = Not Meaningful

FORTUNE BRANDS INNOVATIONS, INC.

(In millions)

(Unaudited)

RECONCILIATIONS OF INCOME FROM CONTINUING OPERATIONS, NET OF TAX TO EBITDA BEFORE CHARGES/GAINS

	Thirteen Weeks Ended			Fifty-Two Weeks Ended		
	December 27, 2025	December 28, 2024	% Change	December 27, 2025	December 28, 2024	% Change
Net Income	76.4	105.1	(27.3)	298.8	471.9	(36.7)
Depreciation *	25.6	25.9	(1.2)	99.7	95.5	4.4
Amortization of intangible assets	18.8	18.0	4.4	75.2	73.1	2.9
Restructuring charges	3.1	2.1	47.6	52.4	16.2	223.5
Other charges/(gains)	12.0	1.1	991.8	53.2	25.8	106.2
ASSA transaction expenses ^(d)	-	-	-	-	0.4	(100.0)
Amortization of inventory step-up ^(e)	-	-	-	-	0.3	(100.0)
Interest expense	26.8	27.9	(3.9)	115.2	120.5	(4.4)
Asset impairment charge ^(f)	3.5	-	NM	53.6	-	NM
Transformation costs ^(h)	-	-	-	3.0	-	NM
Manufacturing facility fire ^(g)	18.1	-	NM	21.1	-	NM
Defined benefit plan actuarial losses/(gains)	-	18.9	(100.0)	-	18.6	(100.0)
Income taxes	16.8	28.2	(40.4)	106.2	133.6	(20.5)
EBITDA before charges/gains ⁽ⁱ⁾	201.1	227.2	(11.5)	878.4	955.9	(8.1)

* Depreciation excludes accelerated depreciation expense of \$(1.8) million for the thirteen weeks ended December 27, 2025, and \$19.3 million for the fifty-two weeks ended December 27, 2025. Accelerated depreciation is included in restructuring and other charges/gains. Depreciation excludes accelerated depreciation expense of \$2.4 million for the thirteen weeks ended December 28, 2024, and \$25.0 million for the fifty-two weeks ended December 28, 2024. Accelerated depreciation is included in restructuring and other charges/gains.

CALCULATION OF NET DEBT-TO-EBITDA BEFORE CHARGES/GAINS RATIO

As of December 27, 2025

Short-term debt **	\$ -
Long-term debt **	2,544.9
Total debt	2,544.9
Less:	
Cash and cash equivalents **	264.0
Net debt (1)	\$ 2,280.9
For the fifty-two weeks ended December 27, 2025	
EBITDA before charges/(gains) (2) ⁽ⁱ⁾	\$ 878.4
Net debt-to-EBITDA before charges/gains ratio (1/2)	2.6

** Amounts are per the Unaudited Condensed Consolidated Balance Sheet as of December 27, 2025.

(c) (d) (e) (f) (g) (h) For definitions of Non-GAAP measures, see Definitions of Terms page.

NM = Not Meaningful

RECONCILIATION OF DILUTED EPS FROM CONTINUING OPERATIONS BEFORE CHARGES/GAINS

For the thirteen weeks ended December 27, 2025, the diluted EPS before charges/gains is calculated as income from continuing operations on a diluted per-share basis, excluding \$3.1 million (\$2.3 million after tax or \$0.02 per diluted share) of restructuring charges, \$12.0 million (\$9.1 million after tax or \$0.08 per diluted share) of other charges/gains, \$3.5 million (\$2.6 million after tax or \$0.02 per diluted share) asset impairment charges and \$18.1 million (\$13.4 million after tax or \$0.11 per diluted share) of manufacturing facility fire.

For the fifty-two weeks ended December 27, 2025, the diluted EPS before charges/gains is calculated as income from continuing operations on a diluted per-share basis, excluding \$52.4 million (\$40.2 million after tax or \$0.33 per diluted share) of restructuring charges, \$53.2 million (\$39.9 million after tax or \$0.33 per diluted share) of other charges/gains, \$53.6 million (\$40.2 million after tax or \$0.33 per diluted share) asset impairment charges, \$21.1 million (\$15.7 million after tax or \$0.13 per diluted share) of manufacturing facility fire and \$3.0 million (\$2.0 million after tax or \$0.02 per diluted share) of transformation costs.

For the thirteen weeks ended December 28, 2024, the diluted EPS before charges/gains is calculated as income from continuing operations on a diluted per-share basis, excluding \$2.2 million (\$1.6 million after tax or \$0.01 per diluted share) of restructuring charges, \$1.1 million (\$0.9 million after tax or \$0.01 per diluted share) of other charges/gains and \$18.8 million (\$14.4 million after tax or \$0.11 per diluted share) of defined benefit plan actuarial losses.

For the fifty-two weeks ended December 28, 2024, the diluted EPS before charges/gains is calculated as income from continuing operations on a diluted per-share basis, excluding \$16.2 million (\$12.3 million after tax or \$0.1 per diluted share) of restructuring charges, \$25.8 million (\$20.1 million after tax or \$0.16 per diluted share) of other charges/gains and \$18.6 million (\$14.2 million after tax or \$0.11 per diluted share) of defined benefit plan actuarial losses.

	Thirteen Weeks Ended			Fifty-Two Weeks Ended		
	December 27, 2025	December 28, 2024	% Change	December 27, 2025	December 28, 2024	% Change
Earnings per common share (EPS) - Diluted						
Diluted EPS from continuing operations (GAAP)	0.63	0.84	(25.0)	2.47	3.75	(34.1)
Restructuring charges	0.02	0.01	100.0	0.33	0.10	230.0
Other charges/(gains)	0.08	0.02	300.0	0.33	0.16	106.3
Asset impairment charge ^(f)	0.02	-	NM	0.33	-	NM
Manufacturing facility fire ^(g)	0.11	-	NM	0.13	-	NM
Transformation costs ^(h)	-	-	-	0.02	-	NM
Defined benefit plan actuarial (losses)/gains	-	0.11	(100.0)	-	0.11	(100.0)
Diluted EPS from continuing operations before charges/gains ^(b)	0.86	0.98	(12.2)	3.61	4.12	(12.4)

(b) (f) (g) (h) For definitions of Non-GAAP measures, see Definitions of Terms page.

NM = Not Meaningful

FORTUNE BRANDS INNOVATIONS, INC.

(In millions, except per share amounts)

(Unaudited)

	Thirteen Weeks Ended			Fifty-Two Weeks Ended		
	December 27, 2025	December 28, 2024	% Change	December 27, 2025	December 28, 2024	% Change
Net sales (GAAP)						
Water	616.8	644.6	(4.3)	2,447.6	2,564.6	(4.6)
Outdoors	294.9	303.0	(2.7)	1,323.0	1,350.1	(2.0)
Security	165.8	156.5	5.9	692.6	694.3	(0.2)
Total net sales	1,077.5	1,104.1	(2.4)	4,463.2	4,609.0	(3.2)
Operating income (loss)						
Water	137.1	151.4	(9.4)	542.2	595.1	(8.9)
Outdoors	23.7	54.1	(56.2)	83.5	198.0	(57.8)
Security	13.5	13.9	(2.9)	79.9	100.4	(20.4)
Corporate expenses	(52.7)	(41.1)	(28.2)	(189.5)	(155.6)	(21.8)
Total operating income (GAAP)	121.6	178.3	(31.8)	516.1	737.9	(30.1)
OPERATING INCOME BEFORE CHARGES/GAINS RECONCILIATION						
Total operating income (GAAP)	121.6	178.3	(31.8)	516.1	737.9	(30.1)
Restructuring charges ⁽¹⁾	3.1	2.2	42.7	52.4	16.2	223.5
Other charges/(gains) ⁽²⁾	12.0	1.1	990.9	53.2	25.8	106.2
ASSA transaction expenses ^(d)	-	-	-	-	0.4	(100.0)
Amortization of inventory step-up ^(e)	-	-	-	-	0.3	(100.0)
Asset impairment charges ^(f)	3.5	-	100.0	53.6	-	NM
Transformation costs ^(g)	-	-	-	3.0	-	NM
Manufacturing facility fire ^(h)	18.1	-	100.0	21.1	-	NM
Operating income (loss) before charges/gains ^(a)	158.3	181.6	(12.8)	699.4	780.6	(10.4)
Water	140.6	152.5	(7.8)	570.5	603.8	(5.5)
Outdoors	41.8	55.2	(24.3)	175.6	218.0	(19.4)
Security	22.2	14.6	52.1	104.9	111.9	(6.3)
Corporate expenses	(46.3)	(40.7)	(13.8)	(151.6)	(153.1)	1.0
Total operating income before charges/gains ^(a)	158.3	181.6	(12.8)	699.4	780.6	(10.4)

(1) Restructuring charges are primarily attributable to costs associated with the decision to consolidate our U.S. regional offices into one campus headquarters and related organizational and personnel changes, a product-line rationalization within our Outdoors segment and plant closures within our Water and Security segments, totaled \$3.1 million for the thirteen weeks ended December 27, 2025 and \$52.4 million for the fifty-two weeks ended December 27, 2025. Restructuring charges, which include costs incurred for product-line rationalization within our Outdoors segment, costs associated with the previously announced closure of a manufacturing facility within our Security segment and headcount actions across all segments, totaled \$2.2 million and \$16.2 million for the thirteen and fifty-two weeks ended December 28, 2024, respectively.

(2) Other charges/(gains) represent costs that are directly related to restructuring initiatives but cannot be reported as restructuring costs under GAAP. These costs can include losses from disposing of inventories, trade receivables allowances from discontinued product lines, accelerated depreciation due to the closure of facilities, gains or losses from selling previously closed facilities. During the thirteen weeks and fifty-two weeks ended December 27, 2025, total other charges were \$12.0 million and \$53.2 million. For the thirteen and fifty-two weeks ended December 28, 2024, total other charges were \$1.1 million and \$25.8 million, respectively.

(a) (d) (e) (f) (g) (h) For definitions of Non-GAAP measure, see Definitions of Terms page.

NM = Not Meaningful

FORTUNE BRANDS INNOVATIONS, INC.
RECONCILIATION OF GAAP NET SALES TO NET SALES EXCLUDING THE IMPACT OF CHINA SALES
(Unaudited)

	Thirteen Weeks Ended December 27, 2025 vs Thirteen Weeks Ended December 28, 2024
	% Change
Water	
Percentage change in net sales (GAAP)	(4.3%)
Excluding China sales	3.7%
Net sales excluding impact of China ⁽¹⁾	(0.6%)

	Thirteen Weeks Ended December 27, 2025 vs Thirteen Weeks Ended December 28, 2024
	% Change
Total Company	
Percentage change in net sales (GAAP)	(2.4%)
Excluding China sales	2.2%
Net sales excluding impact of China ⁽¹⁾	(0.2%)

	Fifty-Two Weeks Ended December 27, 2025 vs Fifty-Two Weeks Ended December 28, 2024
	% Change
Water	
Percentage change in net sales (GAAP)	(4.6%)
Excluding China sales	3.3%
Net sales excluding impact of China ⁽¹⁾	(1.3%)

	Fifty-Two Weeks Ended December 27, 2025 vs Fifty-Two Weeks Ended December 28, 2024
	% Change
Total Company	
Percentage change in net sales (GAAP)	(3.2%)
Excluding China sales	1.9%
Net sales excluding impact of China ⁽¹⁾	(1.3%)

(1) For definitions of Non-GAAP measures, see Definitions of Terms page.

Definition of Terms: Non-GAAP Measures

- (a) Operating income (loss) before charges/gains is calculated as operating income derived in accordance with GAAP, excluding restructuring and other charges/gains. 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) Diluted earnings per share from continuing operations before charges/gains is calculated as income from continuing operations on a diluted per-share basis, excluding restructuring and other charges/gains. 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.
- (c) EBITDA before charges/gains is calculated as income from continuing operations, net of tax in accordance with GAAP, excluding depreciation, amortization of intangible assets, restructuring and other charges/gains, interest expense 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) At Corporate, other charges also include expenditures of \$0.4 million in the fifty-two weeks ended December 28, 2024, respectively for external banking, legal, accounting, and other similar services directly related to our ASSA transaction.
- (e) For the fifty-two weeks ended December 28, 2024, the amortization of inventory step-up associated with the acquisition of the ASSA business was \$0.3 million within our Water segment.
- (f) For the thirteen and fifty-two weeks ended December 27, 2025, impairment charges of \$3.5 million and \$53.6 million were recorded related to the classification of certain assets to equal their fair value, less estimated costs to sell.
- (g) For the thirteen and fifty-two weeks ended December 27, 2025, we recognized \$18.1 million and \$21.1 million of losses, net of probable insurance recoveries, related to a fire at one of our manufacturing facilities within the Outdoors segment.

Definition of Terms: Non-GAAP Measures

continued

- (h) For the fifty-two weeks ended December 27, 2025, professional fees incurred related to ongoing transformation initiatives was \$3.0 million at Corporate.
- (i) 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.
- (j) Operating margin is calculated as the operating income in accordance with GAAP, divided by the GAAP net sales. The operating margin before charges/(gains) is calculated as the operating income, excluding restructuring and other charges/gains, divided by the 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.
- (k) Cash conversion ratio is free cash flow divided by net income calculated in accordance with GAAP. Cash conversion ratio is a measure not derived in accordance with GAAP. Management believes that cash conversion ratio 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 by other companies.
- (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.

Additional Information

For certain forward-looking non-GAAP measures (as used in this presentation, operating margin before charges / gains on a full Company and segment basis, EPS before charges / gains and free cash flow), 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, which are excluded from EPS before charges / gains, and restructuring and other charges, which are excluded from operating margin before charges / gains and EPS before charges / gains. 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 measures are estimated consistent with the relevant definitions and assumptions.