# CHURCH & DWIGHT CO., INC.

## 2017 CAGNY Conference

February 23, 2017

# Safe Harbor Statement

This presentation contains forward-looking statements, including, among others, statements relating to expected future financial and operating results, net sales and earnings growth; gross margin changes; trade and marketing spending; marketing expense as a percentage of net sales; sufficiency of cash flows from operations; earnings per share; cost savings programs; consumer demand and spending; the effects of competition; the effect of product mix; volume growth, including the effects of new product launches into new and existing categories; the impact of competitive laundry detergent products, including unit dose laundry detergent; the Company's hedge programs; the impact of foreign exchange and commodity price fluctuations; impairments and other charges, including the Natronx impairment charge, the pension settlement charges and the asset impairment charges; the Company's investments in joint ventures; the impact of acquisitions; capital expenditures; the impact of the two for one stock split; the Company's effective tax rate; the impact of tax audits; tax changes and the lapse of applicable statutes of limitations; the effect of the credit environment on the Company's liquidity and capital resources; the Company's fixed rate debt; compliance with covenants under the Company's debt instruments; the Company's commercial paper program; the Company's current and anticipated future borrowing capacity to meet capital expenditure program costs; the Company's share repurchase programs; payment of dividends; environmental and regulatory matters; and the availability and adequacy of raw materials, including trona reserves. These statements represent the intentions, plans, expectations and beliefs of the Company, and are based on assumptions that the Company believes are reasonable but may prove to be incorrect. In addition, these statements are subject to risks, uncertainties and other factors, many of which are outside the Company's control and could cause actual results to differ materially from such forward-looking statements. Factors that could cause such differences include a decline in market growth, retailer distribution and consumer demand (as a result of, among other things, political, economic and marketplace conditions and events); unanticipated increases in raw material and energy prices; delays or other problems in manufacturing or distribution; adverse developments affecting the financial condition of major customers and suppliers; competition, including The Procter & Gamble Company's participation in the value laundry detergent category and Henkel AG & Co. KGaA's entry into the U.S. premium laundry detergent category; Henkel's announced purchase of Sun Products; changes in marketing and promotional spending; growth or declines in various product categories and the impact of customer actions in response to changes in consumer demand and the economy, including increasing shelf space of private label products; consumer and competitor reaction to, and customer acceptance of, new product introductions and features; the Company's ability to maintain product quality and characteristics at a level acceptable to our customers and consumers; disruptions in the banking system and financial markets; foreign currency exchange rate fluctuations; United Kingdom's withdrawal from the European Union; issues relating to the Company's information technology and controls; the impact of natural disasters on the Company and its customers and suppliers, including third party information technology service providers; the acquisition or divestiture of assets; the outcome of contingencies, including litigation, pending regulatory proceedings and environmental matters; and changes in the regulatory environment. For a description of additional factors that could cause actual results to differ materially from the forward looking statements, please see Item 1A, "Risk Factors" in the Company's annual report on Form 10-K.

This presentation contains non-GAAP financial measures such as Adjusted Operating Margin, Free Cash Flow, Organic Net Sales, Adjusted SG&A, EBITDA, Adjusted EPS and Adjusted Gross Margin, which differ from reported results using Generally Accepted Accounting Principles (GAAP). The most directly comparable GAAP financial measures and reconciliation to non-GAAP financial measures are set forth in the Appendix hereto and in the Company's filings with the Securities and Exchange Commission.

# What You Are Going to Hear Today

1. Excellent 2016 Results
   - Delivered 9.3% adjusted EPS growth despite currency headwinds
   - Achieved 3.2% organic growth
   - Expanded operating margin (as adjusted) 80 bps to 20.9%

2. “Playing to Win” in 2017 with aggressive but achievable plan
   - Strong new product pipeline off to good start with retailer acceptance
   - Continued focus on growing 10 power brands
   - Continued competitive business environment

3. Minimal exposure to international headwinds
   - Less than 20% of net sales outside of U.S.
   - 7% EPS growth target for 2017 includes ~1% F/X headwind

4. Returning cash to shareholders
   - 7% dividend increase to maintain 40% payout ratio

5. Aggressively pursuing acquisitions
   - 2 bolt-on acquisitions in January
   - $2.8 billion of additional purchasing power

01.

WHO WE ARE

02.

CATEGORY TRENDS

03.

HOW WE DELIVER

04.

HOW WE RUN THE COMPANY

05.

FINANCIALS

# 01.

# WHO WE ARE

# Started with Arm & Hammer Baking Soda



# $3.5 Billion Diversified CPG Company



# 10 Power Brands






























# These 10 Brands Drive Our Results

**80%** of sales and profits are represented by these **10 power brands.**

# We Are a Serial Acquirer

**Acquired 2001**

TROJAN

#1 Condom

**Acquired 2001**

XTRA

#1 Extreme Value Laundry Detergent

**Acquired 2001**

FIRST RESPONSE

#1 Pregnancy Kit

**Acquired 2001**

Nair

#1 Depilatory

**Acquired 2005**

Spinbrush

#1 Battery Powered Toothbrush

**Acquired 2006**

OXI CLEAN

#1 Laundry Additive

**Acquired 2008**

Orajel

#1 Oral Care Pain Relief

**Acquired 2011**

Batiste

#1 Dry Shampoo

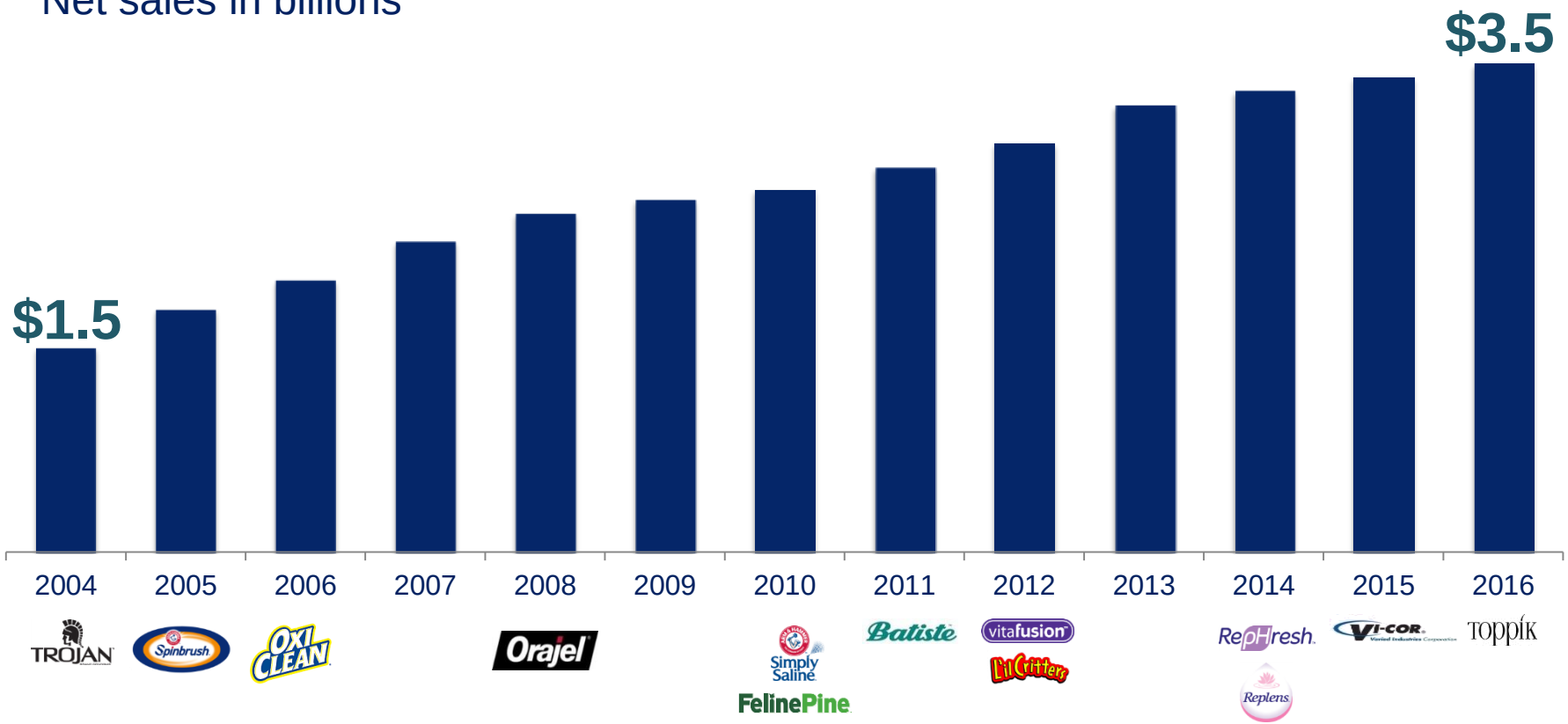
**Acquired 2012**

vitafusion L'il Critters

#1 Adult & Kids Gummy Vitamin

# Long History of Growth Through Acquisitions

Net sales in billions



# We Have Clear Acquisition Criteria



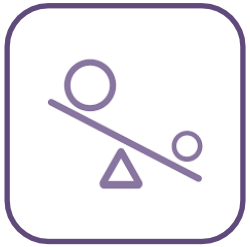
Primarily #1 or #2 share brands



Higher growth, higher margin brands



Asset Light

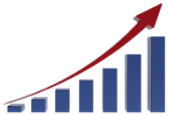


Leverage CHD capital base in manufacturing, logistics and purchasing



Deliver sustainable competitive advantage

# Church & Dwight Is An Acquisition Platform



Revenue Growth



Operational Efficiencies



Excellent Integration Track Record

**BBB+** Access to Capital

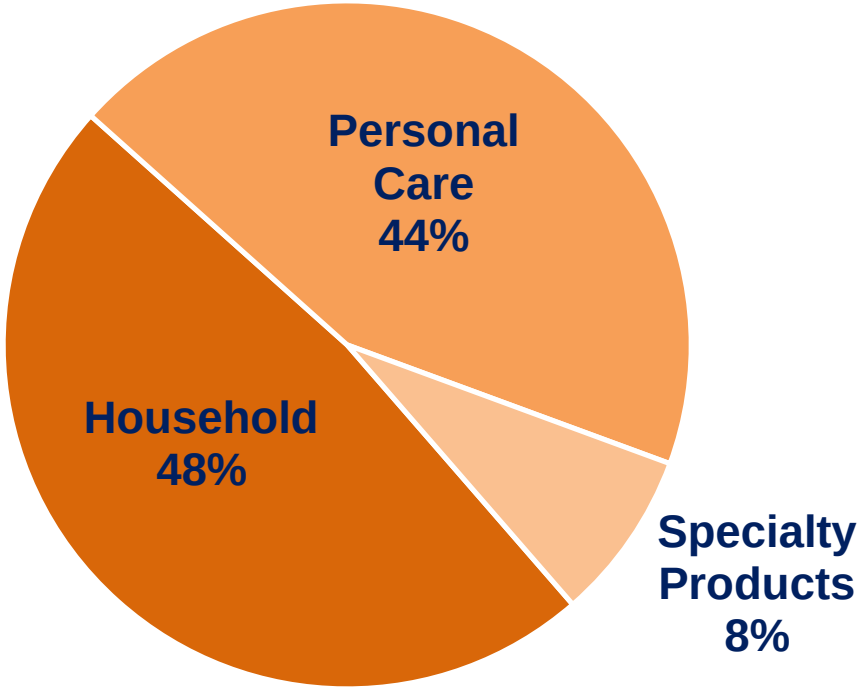
# We Are Primarily a U.S. Company



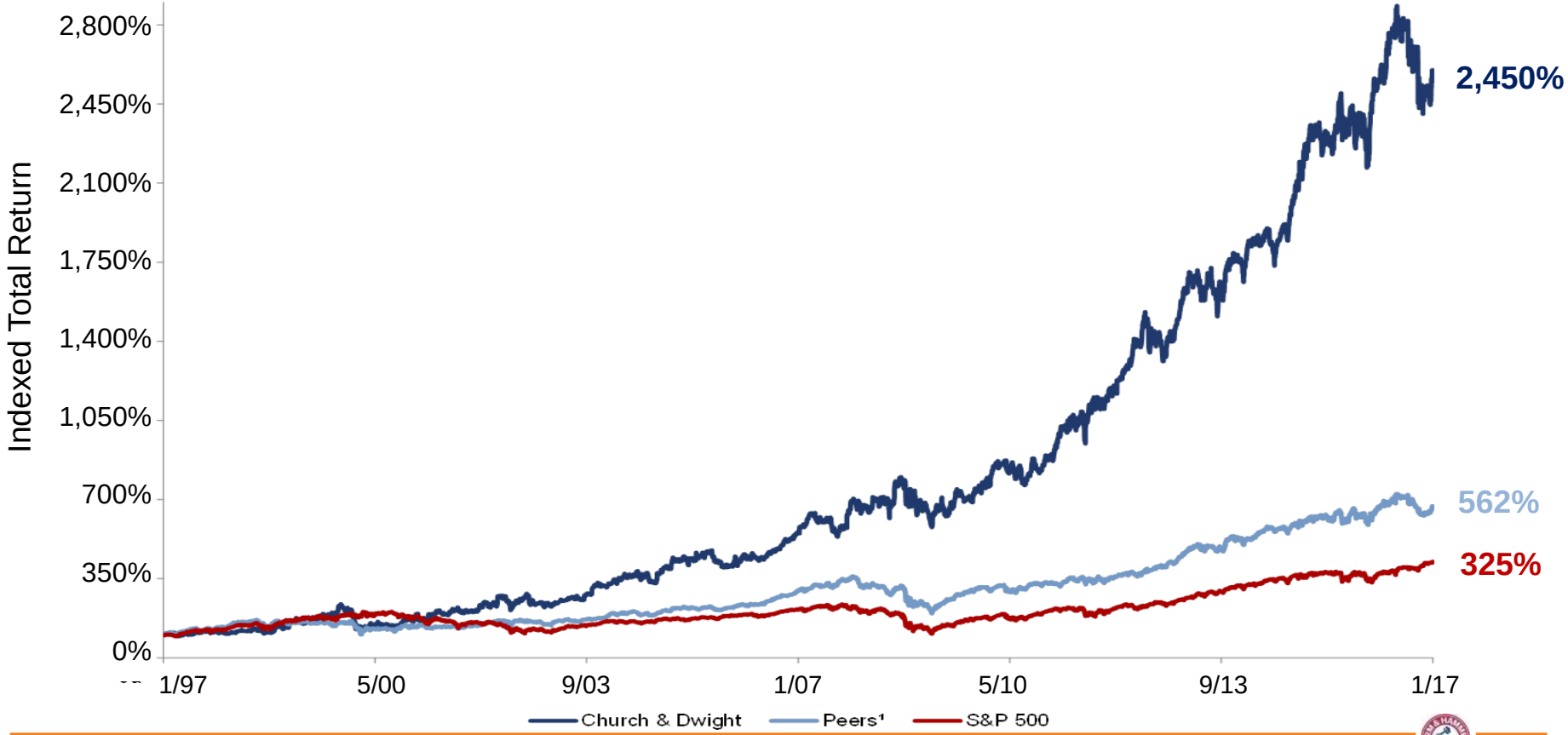

80% of Church & Dwight is based in the United States.

# Our Portfolio Is Balanced

A Well-balanced Portfolio Of Household And Personal Care.



# Deliver Outstanding Returns to Our Shareholders




Source: Market data as of 30-Jan-2017.

¹ Peers include Clorox, Colgate, Edgewell Personal Care, Energizer, Kimberly Clark , Newell Rubbermaid, Procter & Gamble, Reckitt Benckiser and Unilever.

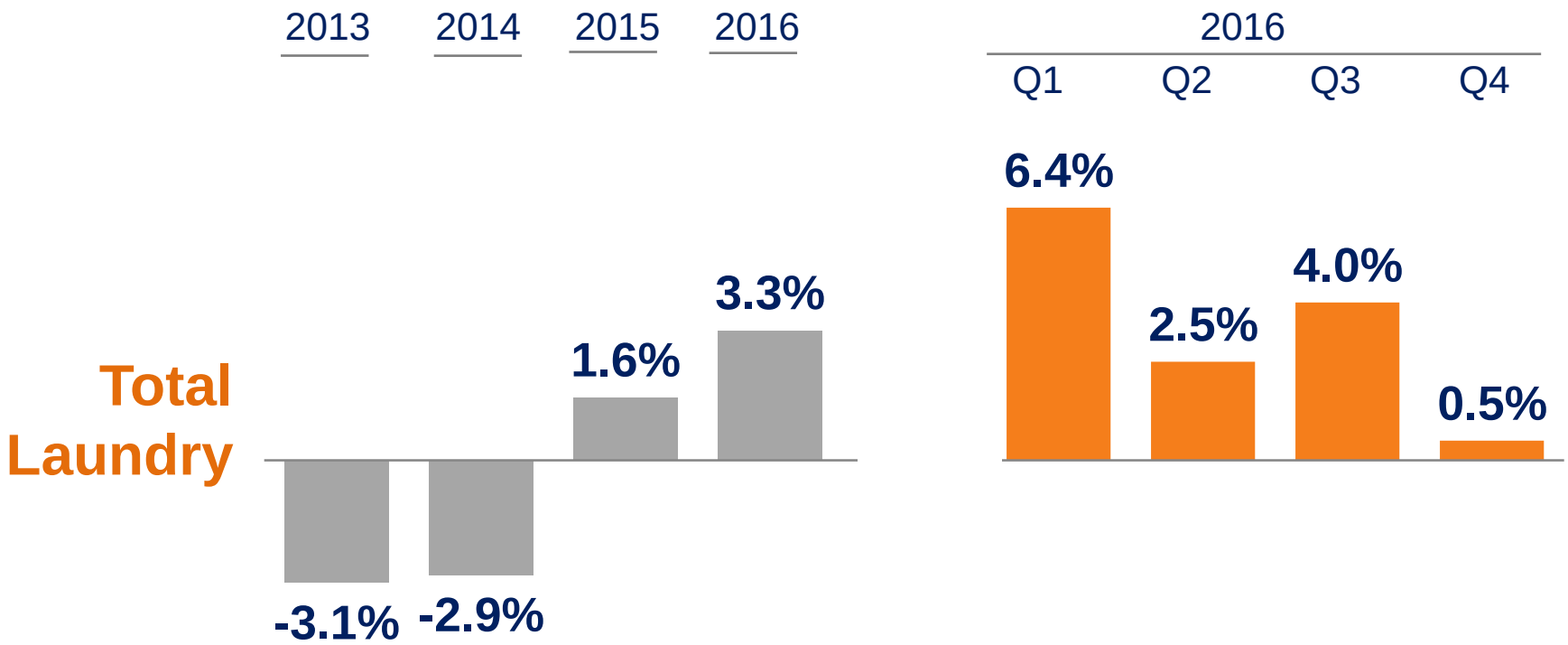
# 02.

# CATEGORY TRENDS




# Unit Dose Driving Laundry Category Growth

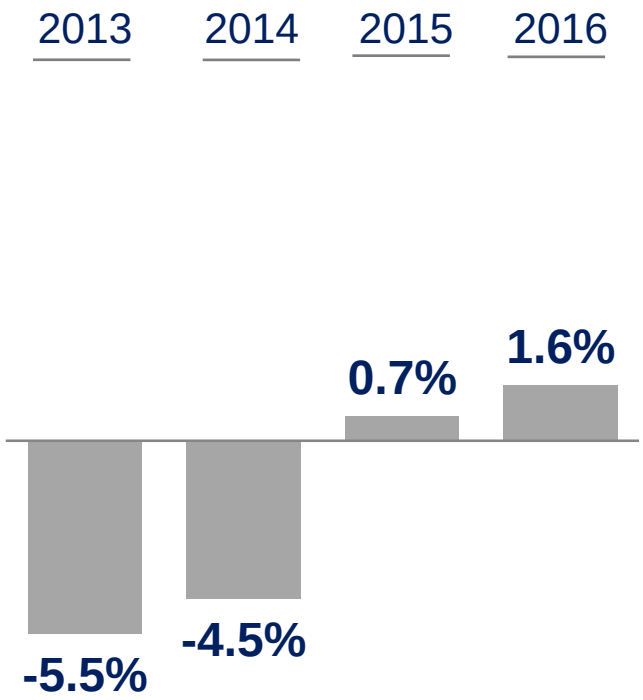
# Total Laundry Category Trend

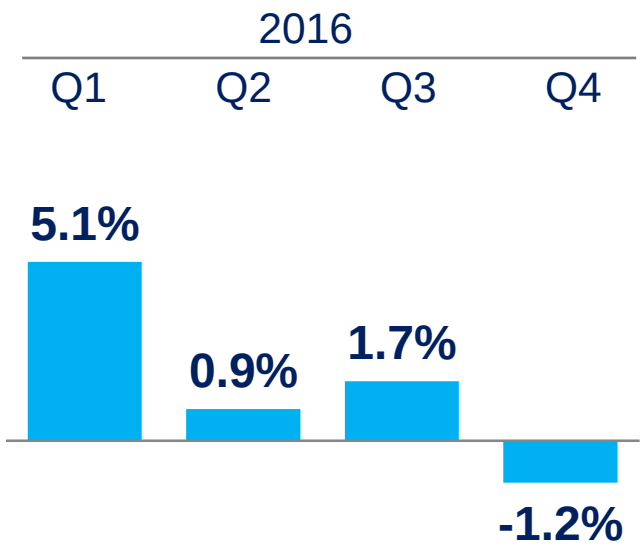



Source: Nielsen Total U.S. AOC

# Liquid Laundry Category Trend

**Liquid Laundry**




Source: Nielsen Total U.S. AOC

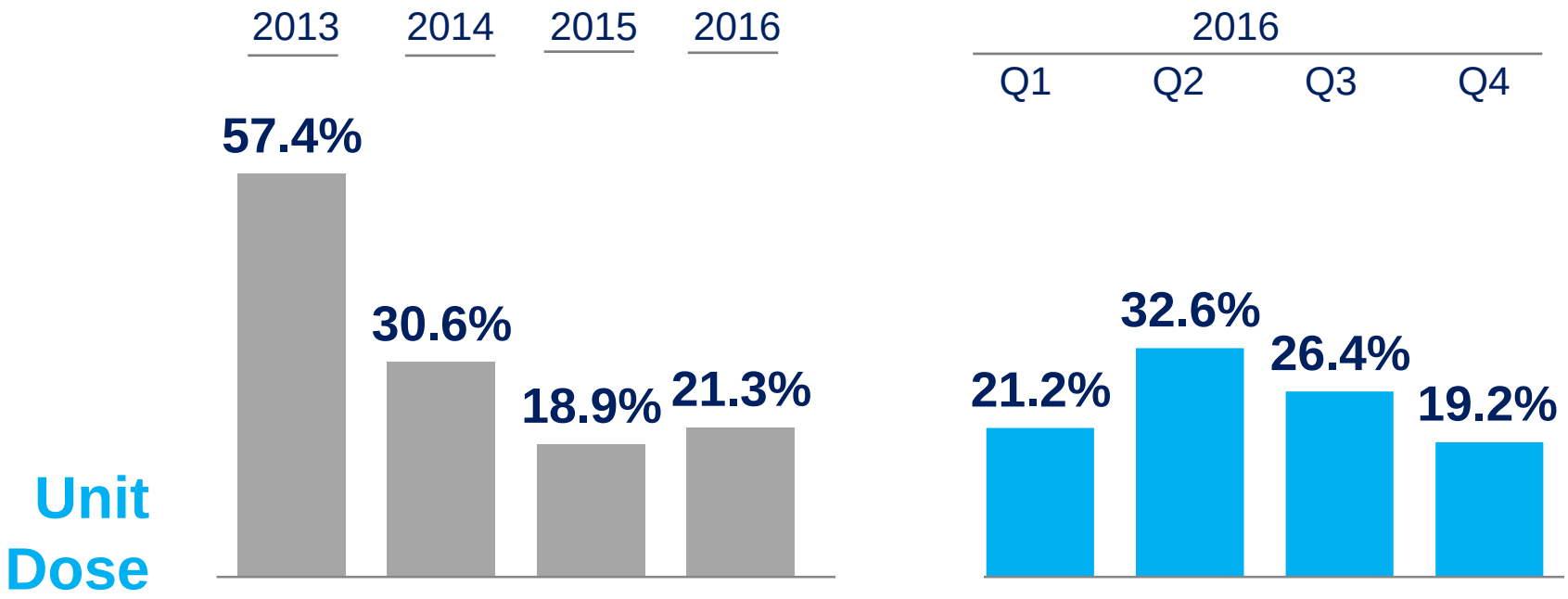
# Promotional Environment



| | Sold on Deal | |
|---|---|---|
| | **Q4 16** | **FY16** |
| Simply Tide | 60% | 47% |
| Sun | 43% | 42% |
| Arm & Hammer | 33% | 36% |

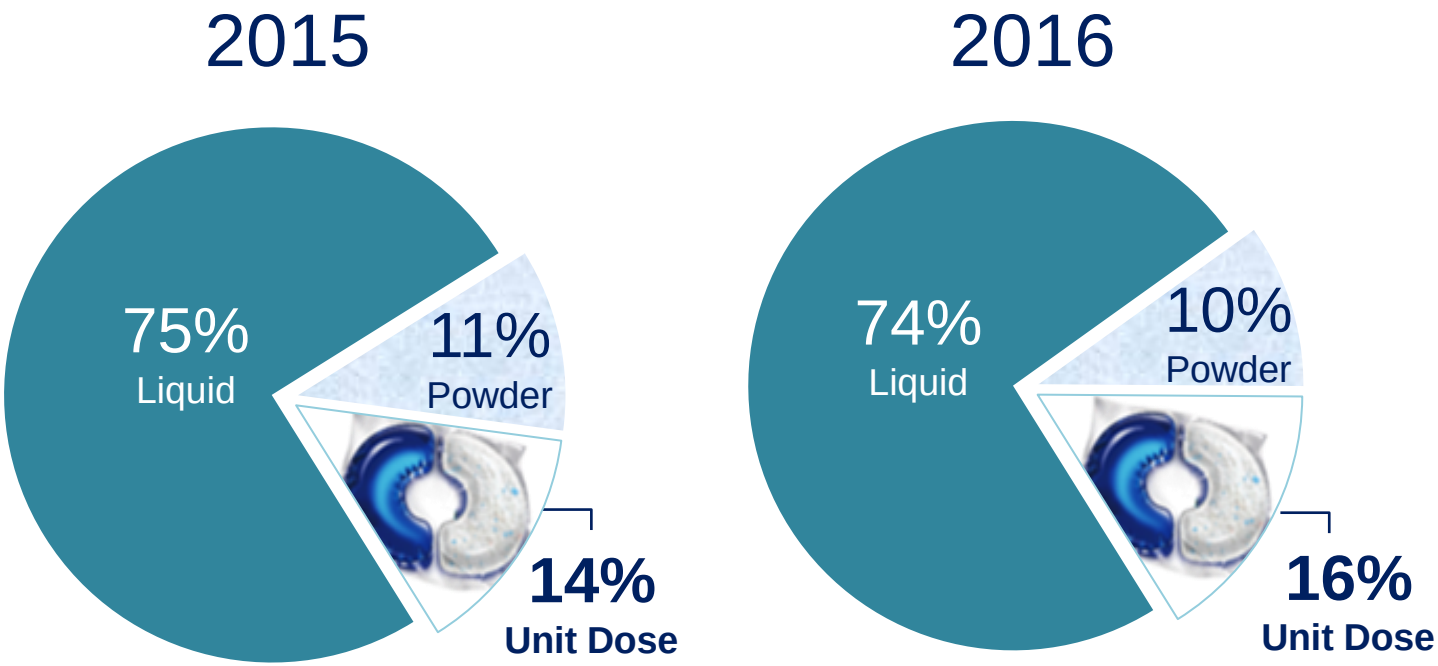
Source: Nielsen Total U.S. AOC

# Unit Dose Category Trend



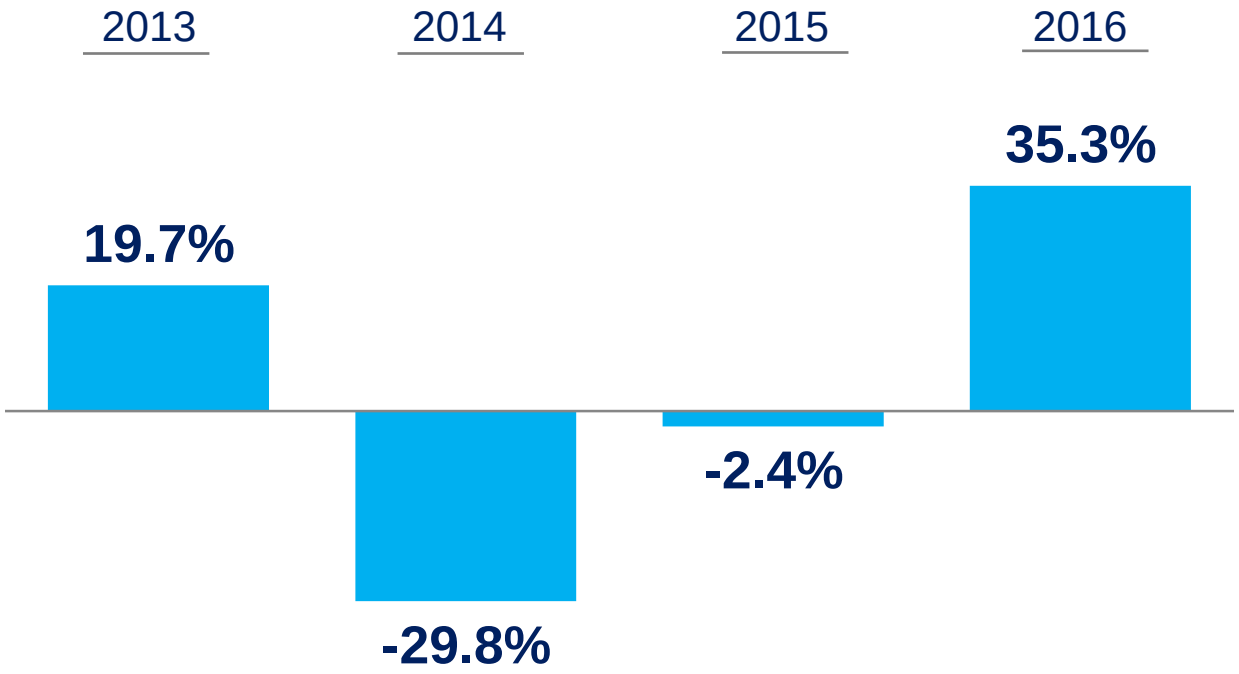

Source: Nielsen Total U.S. AOC

# Unit Dose Increases YOY to 16% of Total Laundry Category




Source: Nielsen Total U.S. AOC

# Church & Dwight Unit Dose Trends







Source: Nielsen Total U.S. AOC

# Unit Dose Market Share

| | Unit Dose Market Share | | |
|---|---|---|---|
| | 2015 | 2016 | Δ |
| Procter & Gamble | 81.0 | 80.6 | *-0.4* |
|  | **3.7** | **4.0** | ***+0.3*** |
| Sun Products | 9.3 | 10.8 | *+1.5* |
| Henkel | 2.8 | 1.6 | *-1.2* |

Source: Nielsen Total U.S. AOC
Note: The "change" column may not add due to rounding

# 2017 Unit Dose Innovation







## ARM & HAMMER 3-IN-1 Power Paks

Baking soda freshness with OxiClean stain fighters.

# Total Laundry Detergent Market Share

## Total Laundry Detergent Market Share

| | 2015 | 2016 | Δ |
|---|---|---|---|
| Procter & Gamble | 60.1 | 60.2 | *+0.1* |
|  | **14.4** | **14.1** | ***-0.3*** |
| Sun Products | 12.1 | 11.7 | *-0.4* |
| Henkel | 6.6 | 7.2 | *+0.8* |

Source: Nielsen Total U.S. AOC

# 2016 Church & Dwight Laundry Share vs. 2015











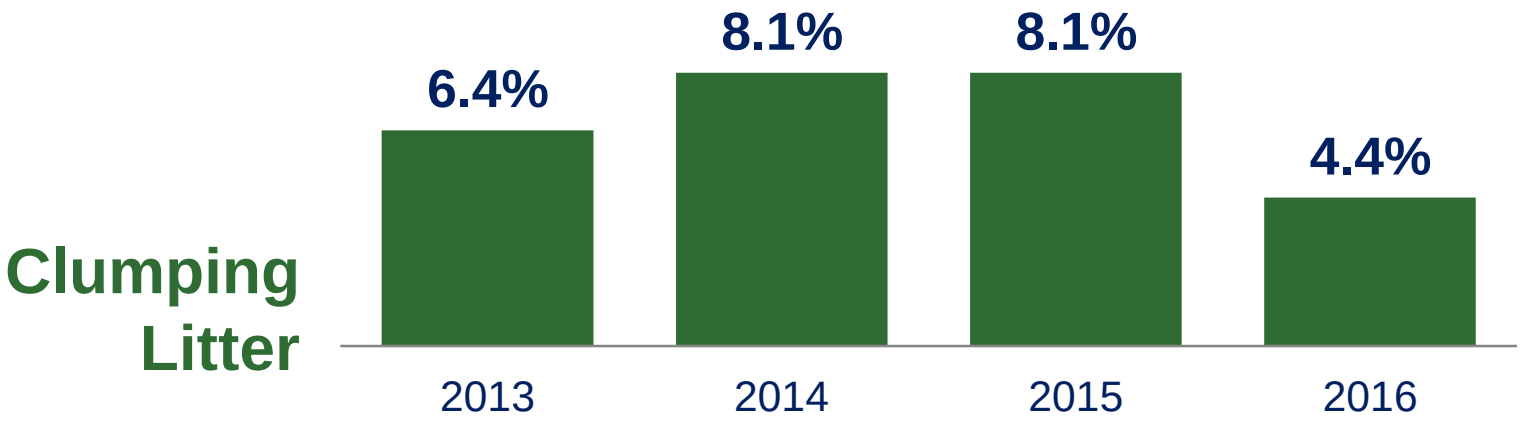





# Innovation Continues to Drive Cat Litter Growth



# Litter Category Continues to Grow




Source: Nielsen Total U.S. AOC

# We Have Grown Through Innovation

## Driven by Consumer Insights




2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016

Retail Sales

Source: Neilson Retail Sales for 2011 – 2016

# The Consumer Spoke and We Listened







Source: Accupoll concept studies

# The Consumer Spoke and We Listened







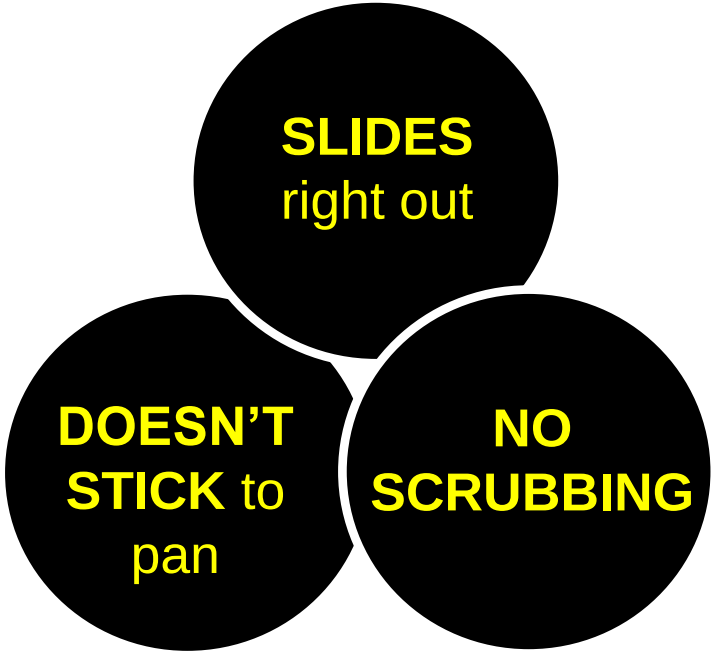
Source: Accupoll concept studies

# The Consumer Spoke and We Listened




Source: Accupoll concept studies

# 2017 Litter Innovation – “Slide”









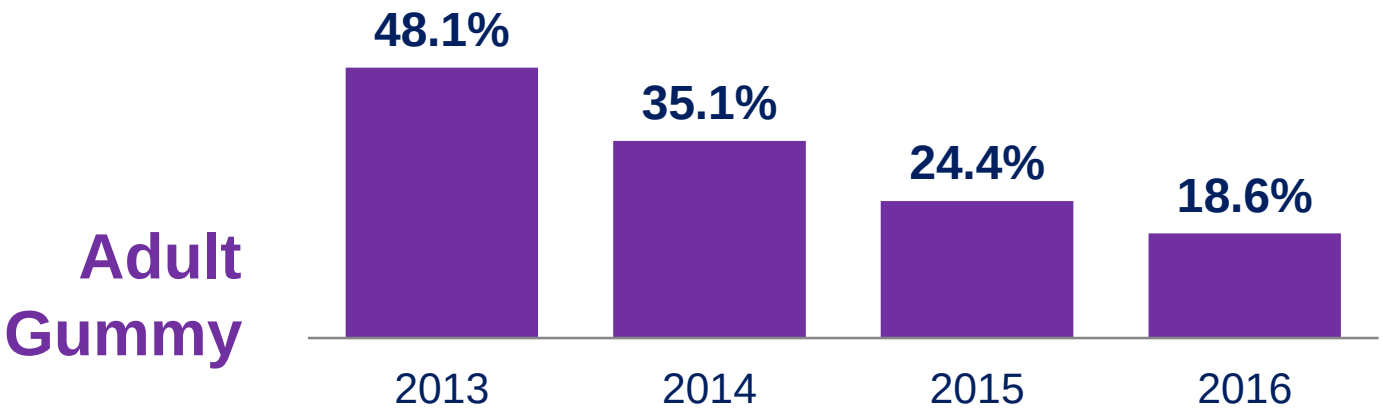


:30 second and :15 second commercial spots



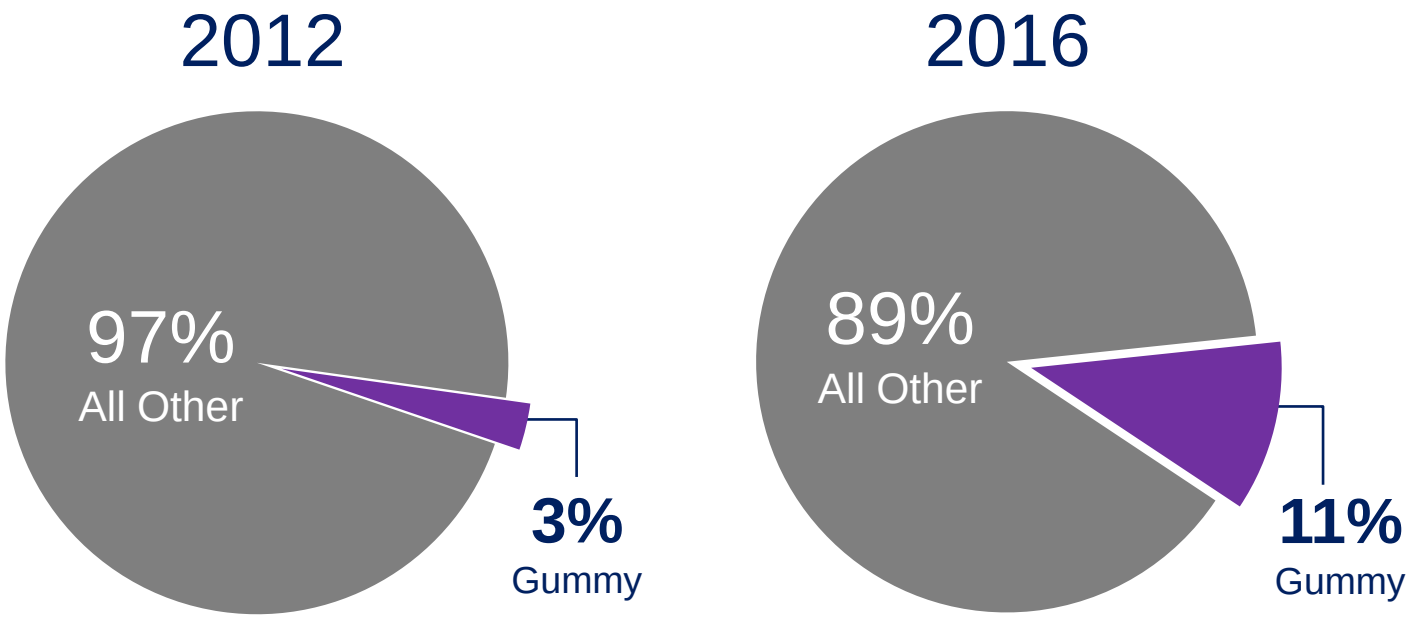

# Adult Conversion to Gummies Continues to Drive Category Growth

# Adult Gummy Vitamin Category Continues to Grow




Source: Nielsen Total U.S. AOC

# Adult Gummy Form Continues Strong Growth




Source: Nielsen Total U.S. AOC

# Adults Consume a Considerable Amount of Vitamins

**68%** of U.S. adults take a dietary supplement



**of those,**

**3** out of **4** take a multivitamin

Source: Nielsen Total U.S. AOC

# vitafusion is the #1 Adult Gummy Vitamin



Church & Dwight is

number 1

in gummy vitamins

Source: Nielsen Total U.S. AOC

# What Does the Consumer Say?

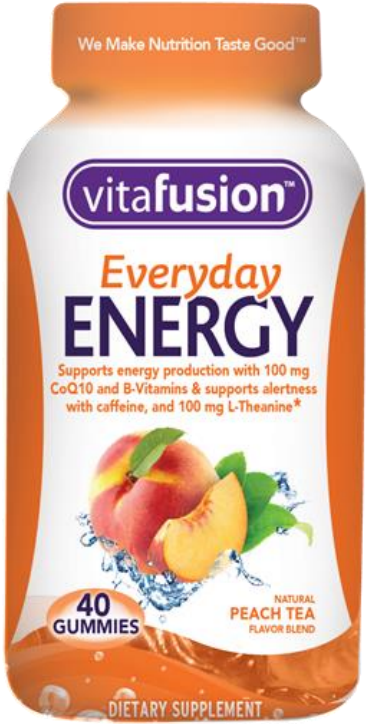
**80%** say they need more energy.

**6** out of **10** say that energy is necessary for an active lifestyle.



# 2017 Vitamin Innovation – “Energy”

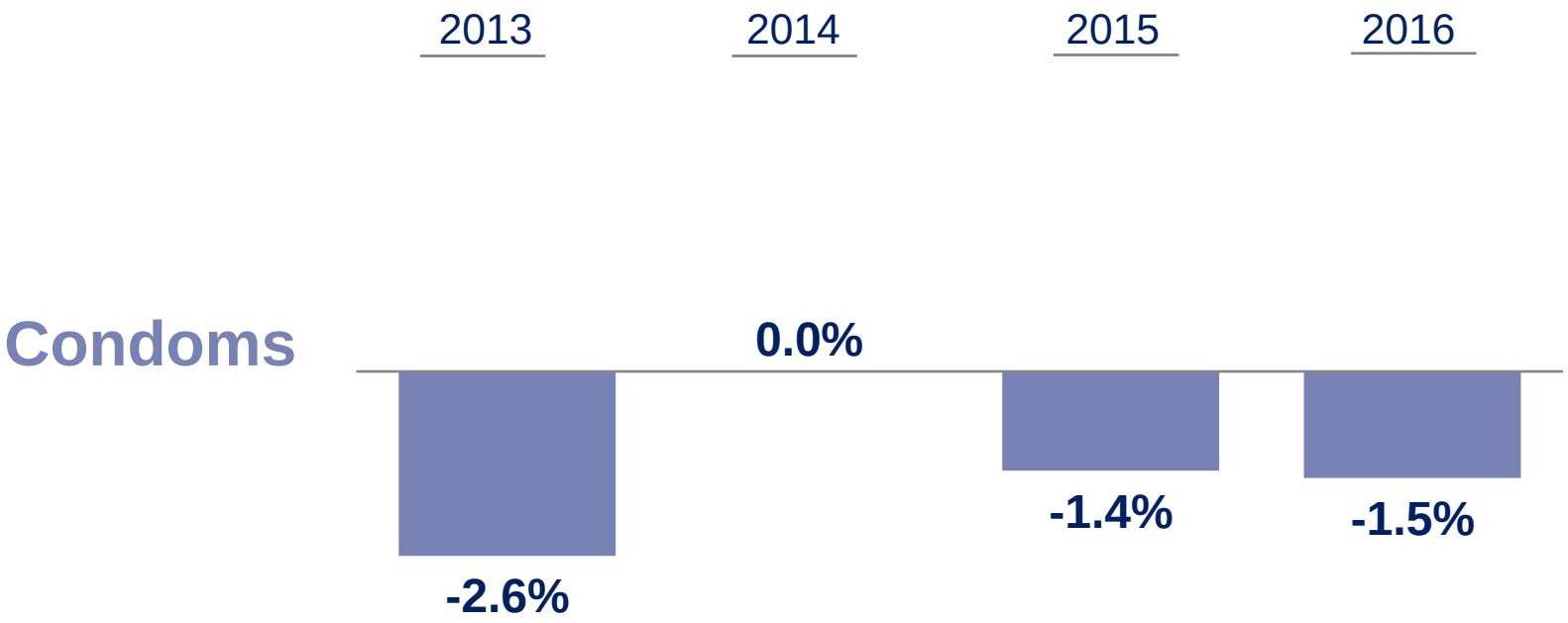


# The Condom Category is Beginning to Shift to Online



# Measured Channel Growth




Source: Nielsen Total U.S. AOC

# Online Channel Growth

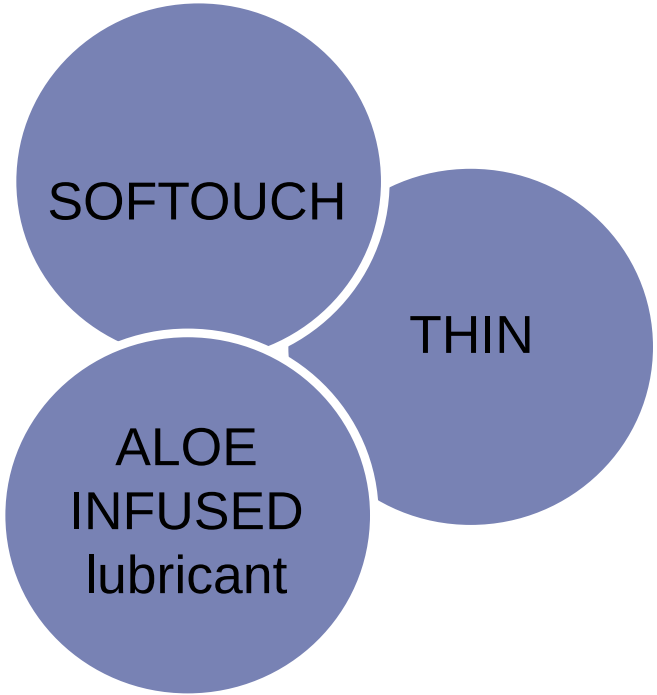


# Condoms are Not Just Purchased by Men

**1 in 3** 

condom purchases are by **women**.

# 2017 TROJAN Innovation – “XOXO”






# The First Time on Network Television



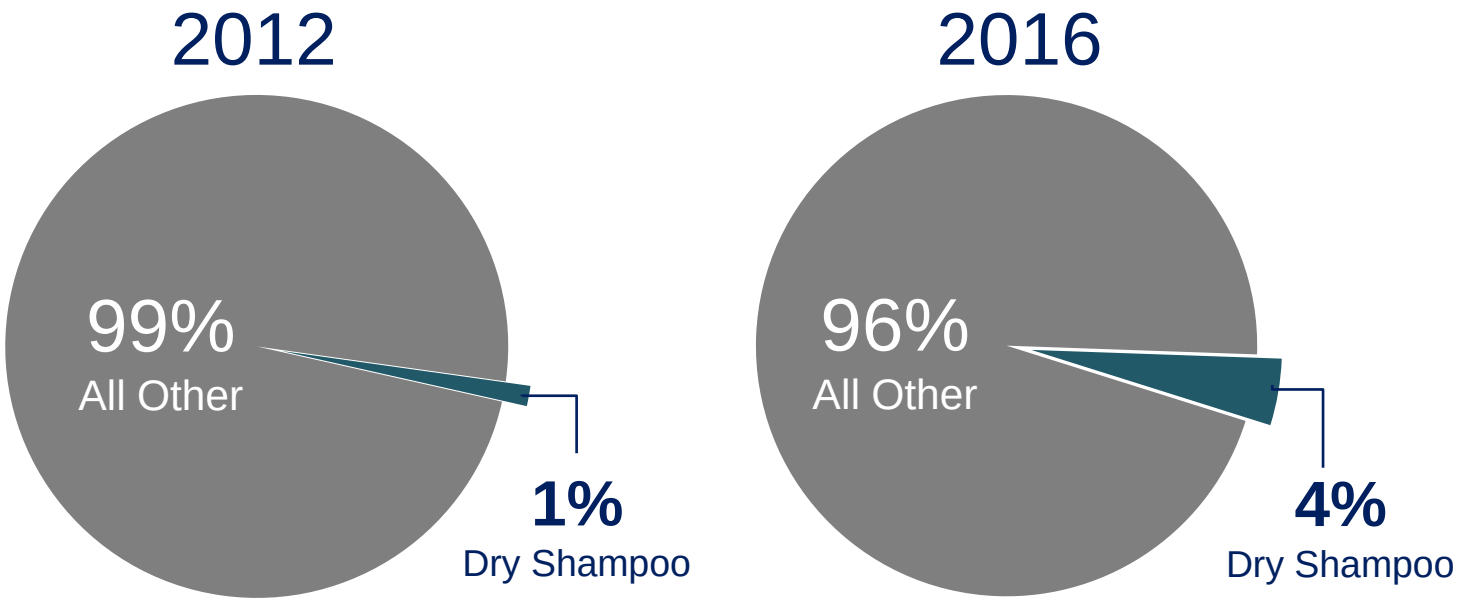



:30 second commercial spot




# Dry Shampoo is the Fastest Growing Segment of Haircare

# U.S. Dry Shampoo Continues Strong Growth




Source: Nielsen Total U.S. AOC

# U.S. Dry Shampoo Category Continues to Grow

2012

2016





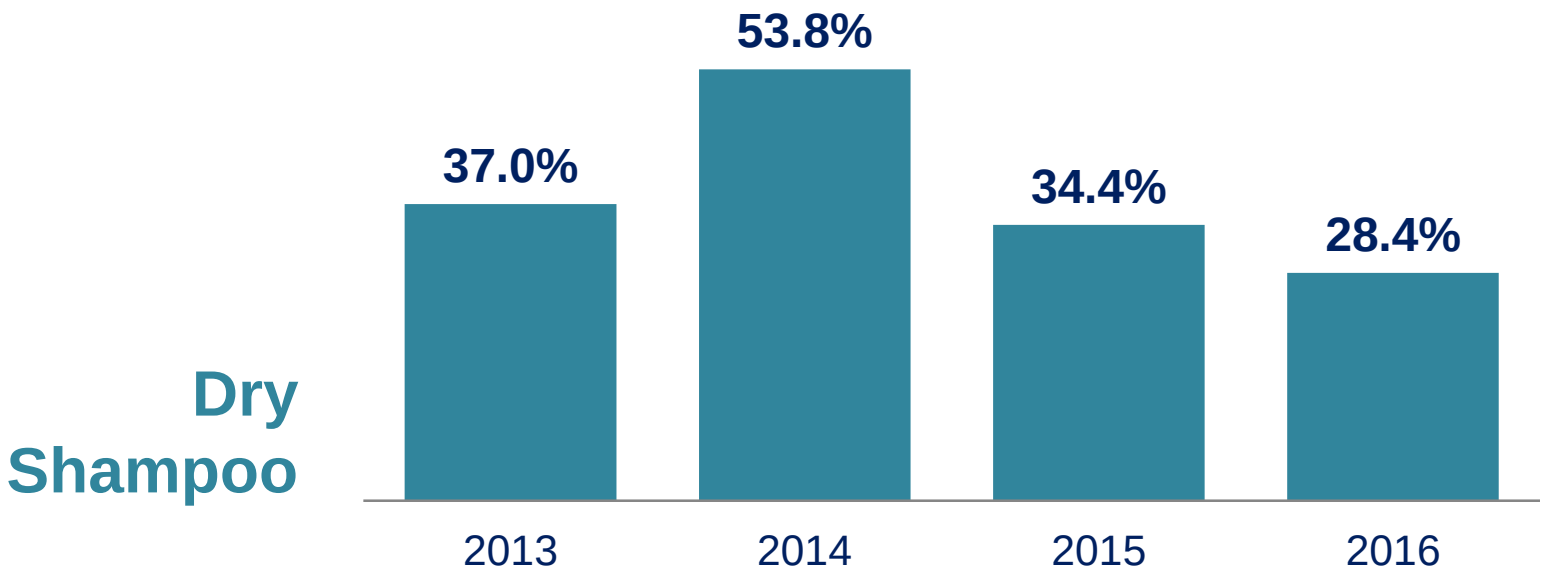


$32MM

$115MM

Source: Nielsen Total U.S. AOC

# U.S. Dry Shampoo Category Continues to Grow




Source: Nielsen Total U.S. AOC

# Dry Shampoo Growth is Ahead of Us

## #1 Dry Shampoo in the U.S. and the U.K.





| | | | |
|---|---|---|---|
| U.S. Population: | 324 million | U.K. Population: | 65 million |
| Retail Category: | $115 million | Retail Category: | $63 million |

Source: Nielsen 12/19/16

# Significant Growth Opportunity in the Dry Shampoo Category

There are **125 million** women 18+ in the U.S.

**66%** of women don't wash their hair every day.






**13%** of women 18+ use dry shampoo.

*Source: MRI Doublebase 2016*, ^Mintel 2013, ~Lightspeed GMI/Mintel January 2016*

# 2017 Batiste Expanded Offering




**clean & light**

## bare

Same formulation, but with “barely there” fragrance that won’t compete with perfume




**vibrant & fruity**

## neon

On-trend fragrance profile bursting with juicy pomegranate & jasmine

# 03.

# HOW WE DELIVER

# TSR Drivers Deliver Results

1. Diversified Product Portfolio
2. Build Power Brand Shares
3. Driving International Growth
4. Focus on Gross Margin
5. Growth Through Acquisitions
6. “Best in Class” Free Cash Flow Conversion
7. Superior Overhead Management
8. Simple Incentive Compensation

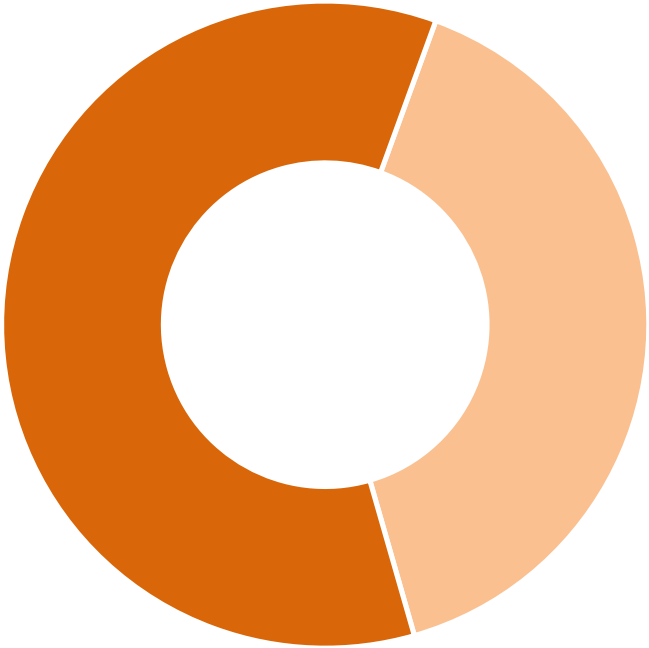


# 1 Diversified Product Portfolio

# Diversified Product Portfolio

Our Unique Product Portfolio Has Both Value and Premium Products

**Premium: 60%**



**Value: 40%**



# 2 Build Power Brand Shares

# Build Power Brand Shares

## Consistent Share Growth Formula



Innovative
New Products

+



Increased
Marketing
Spending

+



Increased
Distribution

=



Share Growth on
Power Brands

# Innovative New Products



Innovative New Products

+



Increased Marketing Spending

+



Increased Distribution

=



Share Growth on Power Brands

# 2017 ARM & HAMMER Launch






**OXICLEAN**

3-IN-1 POWER PAKS

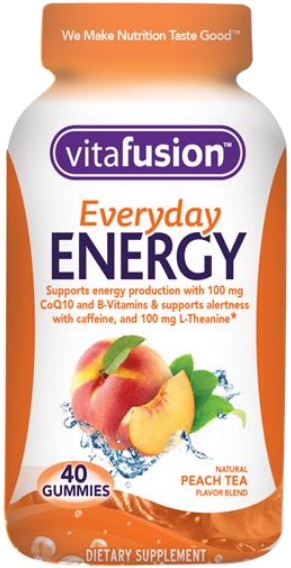
# 2017 LITTER Launches




**SLIDE**

Easy Clean-Up Clumping Litter

# 2017 VITAMIN Launches




**VITAFUSION ENERGY**

Supports energy productions




**L'IL CRITTERS**

**Twisted Fruits & Fruit 'n Honey**

# 2017 TROJAN Launches




**TROJAN CONDOMS**
**XOXO**
Softouch low odor thin condoms




**TROJAN LUBRICANTS**
**Chain Reaction**
Sensations Keep Changing for Non-Stop Thrills




**TROJAN VIBRATIONS**
**power wand**
Multi-speed Vibrating Massager

# 2017 DRY SHAMPOO Launches




**BATISTE bare**
Clean & light




**BATISTE neon**
Vibrant & fruity

# Innovation Continues with 2017 Launches


















# Increased Marketing Spending



Innovative New Products

+



Increased Marketing Spending

+



Increased Distribution

=



Share Growth on Power Brands

# CHD is 18th Largest U.S. Advertiser

**12. Glaxo SmithKline**

**18. Church & Dwight**

**20. Clorox**

**22. Kimberly-Clark**

**23. S.C. Johnson**

**26. Campbell Soup**

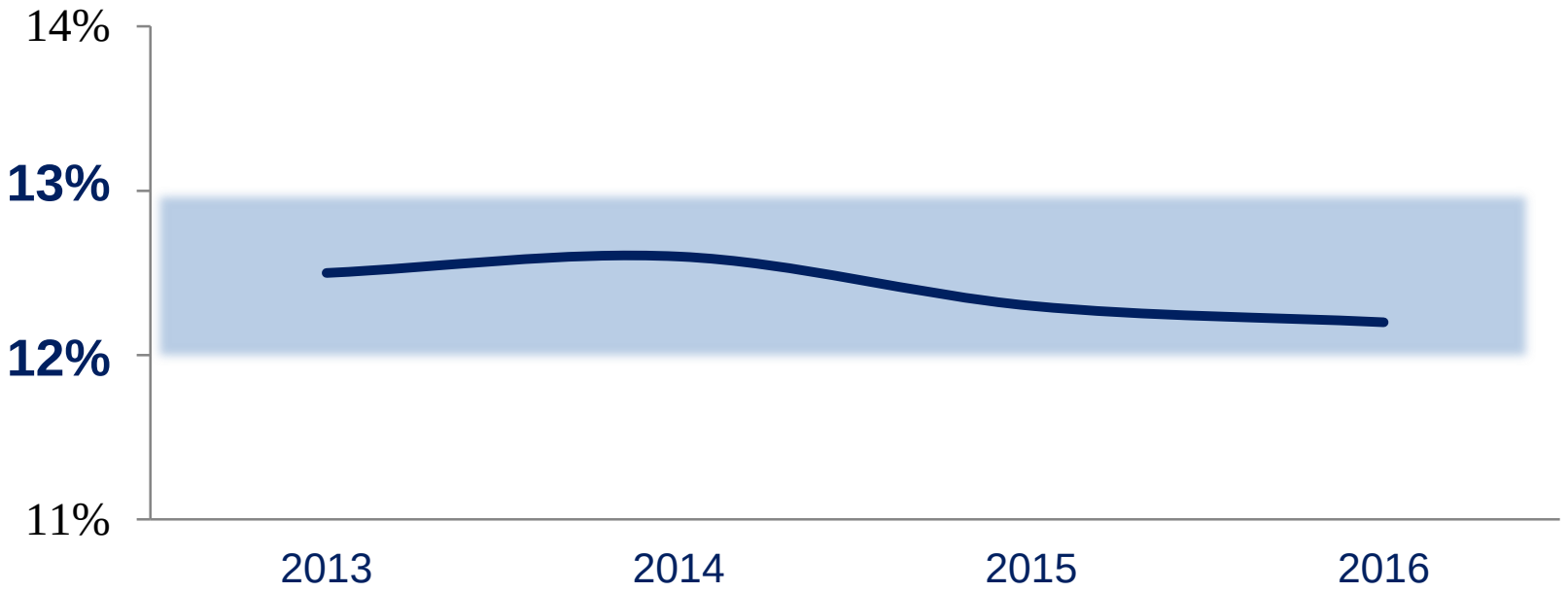
**29. Colgate-Palmolive**



Source: Kantar, Oct 15 – Sept 16

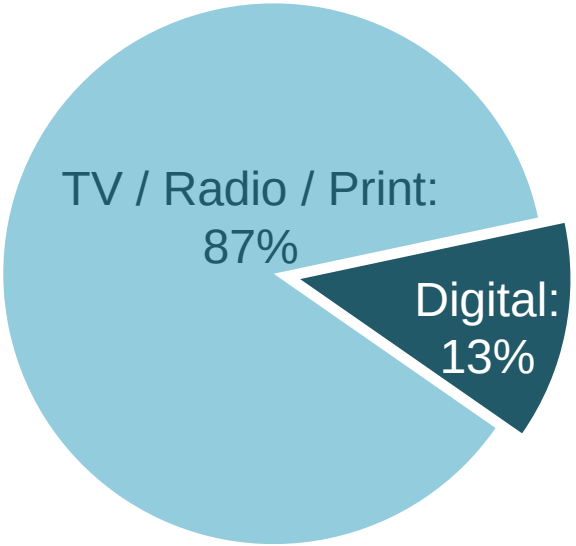
# Marketing % of Net Revenue

Marketing support over recent years has been steady

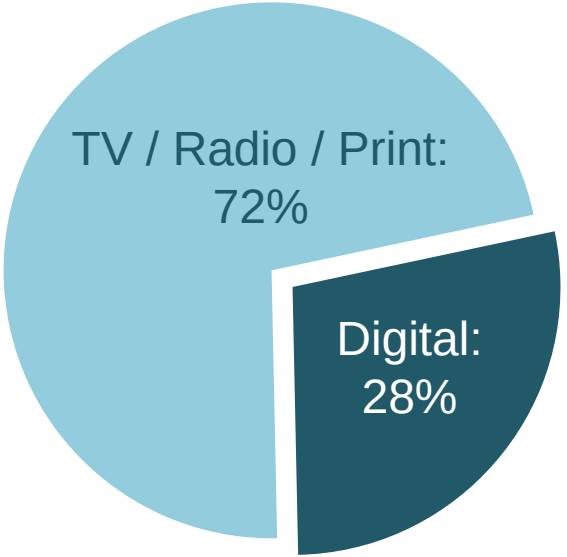


# Dollars Continue to Shift to Digital

## 2011




## 2016



# Digital Approach

1/3 of U.S. households own a cat



# Digital Approach

**Find Them**




+

**Reach Them**

facebook.

+

**Educate Them**

Google

+

**Engage Them**

Pet360

=

**Drive Sales**
in-store & online

Walmart

amazon.com

# Increased Distribution



Innovative New Products

+



Increased Marketing Spending

+



Increased Distribution

=



Share Growth on Power Brands

# Sustainable Distribution Gains

| | **Change in Measured Distribution Channels** 2013 Index vs. 2016 |
|---|---|
| A&H Liquid Detergent | 114 ↑ |
| A&H Clumping Litter | 140 ↑ |
| Trojan Condoms | 95 ↔ |
| First Response | 109 ↔ |
| XTRA Liquid Detergent | 93 ↔ |
| Nair Depilatory/Wax/Bleach | 112 ↑ |
| Spinbrush Toothbrushes | 126 ↑ |
| OxiClean Stainfighter | 117 ↑ |
| Vitamins | 134 ↑ |
| Batiste | 314 ↑ |

Source: Nielsen Total U.S. AOC

# Share Growth on Power Brands



Innovative New Products

+



Increased Marketing Spending

+



Increased Distribution

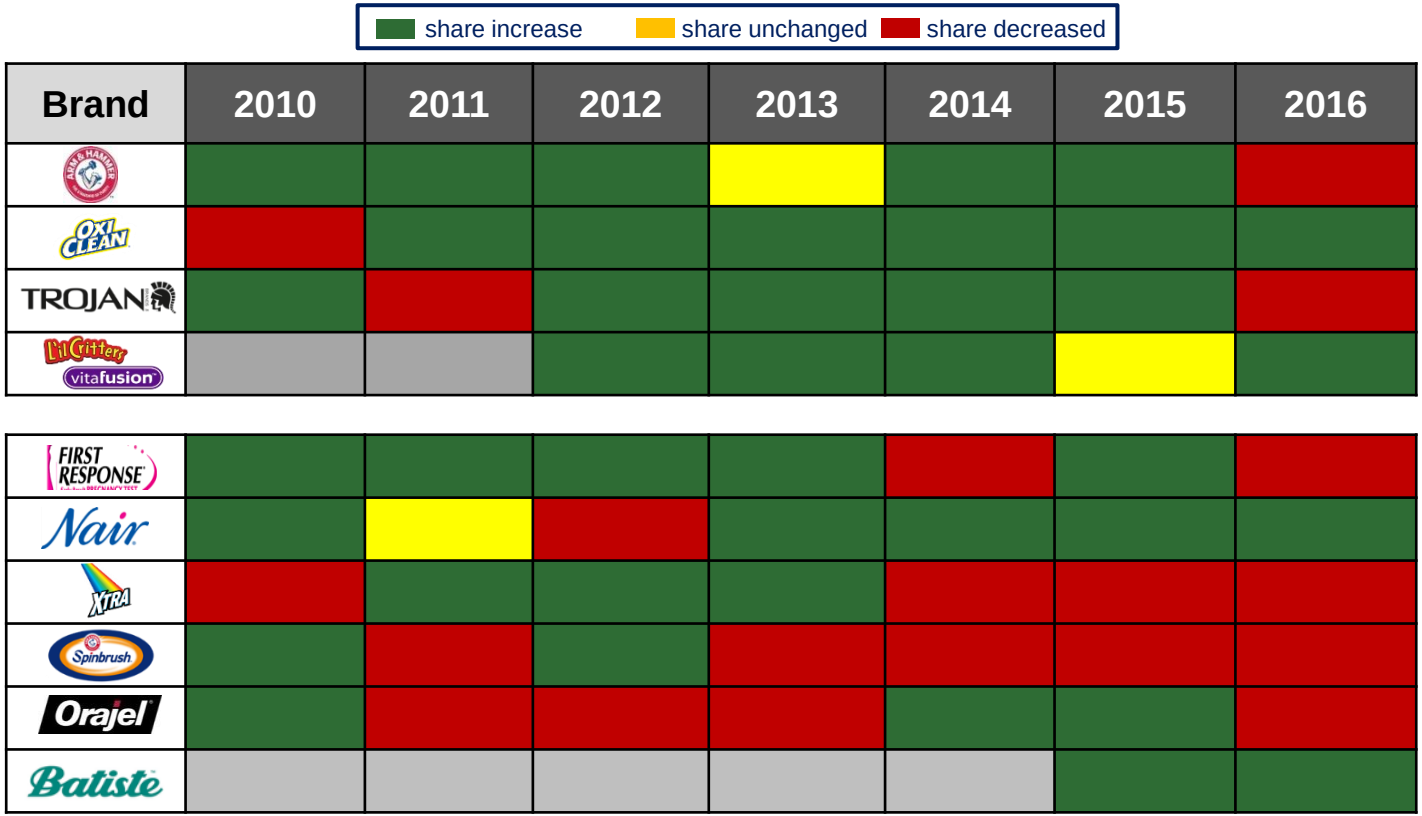
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Share Growth on Power Brands

# Church & Dwight Report Card – “Measured Channels Only”

Power Brands have met or exceeded category growth two out of three times over the last seven years.




Source: Nielsen Total U.S. AOC



# 3 Drive International Growth

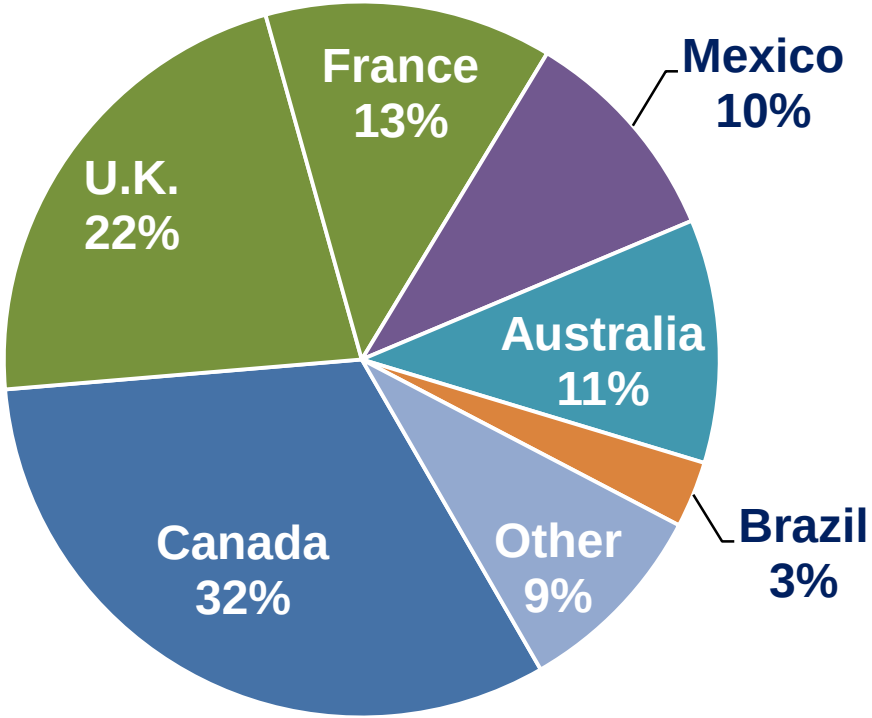
# Driving International Growth



denotes regional headquarters

# International Net Sales Composition

International Net Sales in 2016 Were ~$525 Million With 91%* in 6 Countries




*Includes exports from these subsidiaries to over 100 countries.

# Excellent Long-Term Growth Record

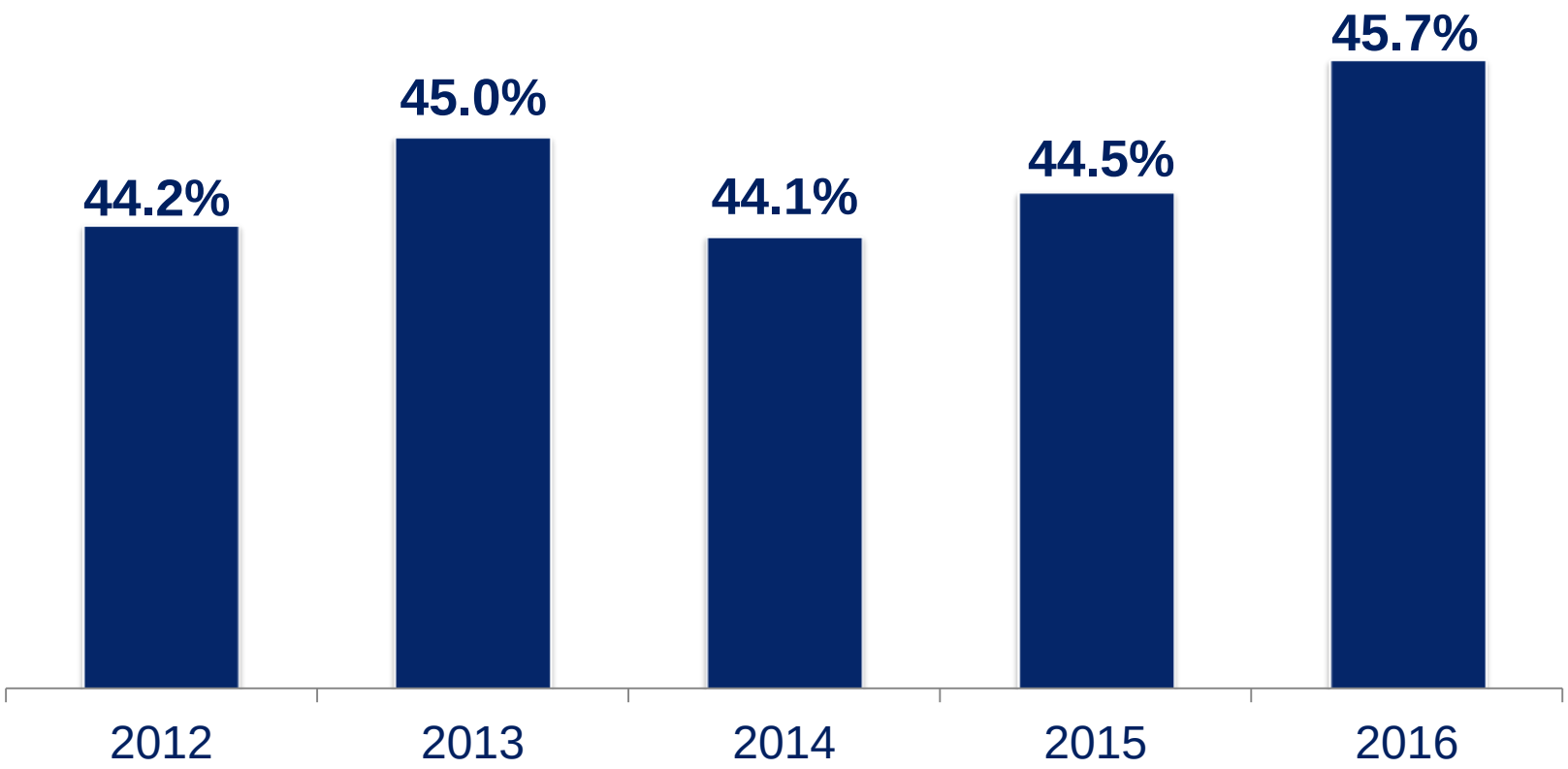
| | 2011 vs. 2016 CAGR |
|---|---|
| Mexico | +13.0% |
| U.K. | +11.3% |
| France | +1.3% |
| Australia | +6.4% |
| Canada | +4.3% |
| Brazil | +4.1% |

**International Consumer 2011 vs. 2016 CAGR: 7.3%**



# 4 Focus on Gross Margin

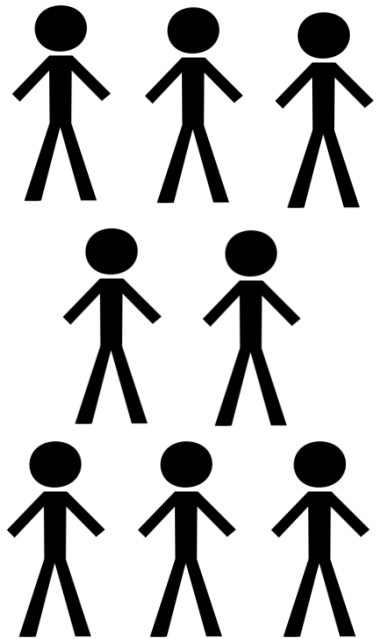
# Focus on Gross Margin



# Key Gross Margin Growth Drivers



# All CHD Employees Focus on Gross Margin



GROSS MARGIN IS

25%

OF ALL EMPLOYEES' ANNUAL BONUS.



# 5 Growth Through Acquisitions

# Growth Through Acquisitions



Primarily #1 or #2 share brands



Higher growth, higher margin brands



Asset Light



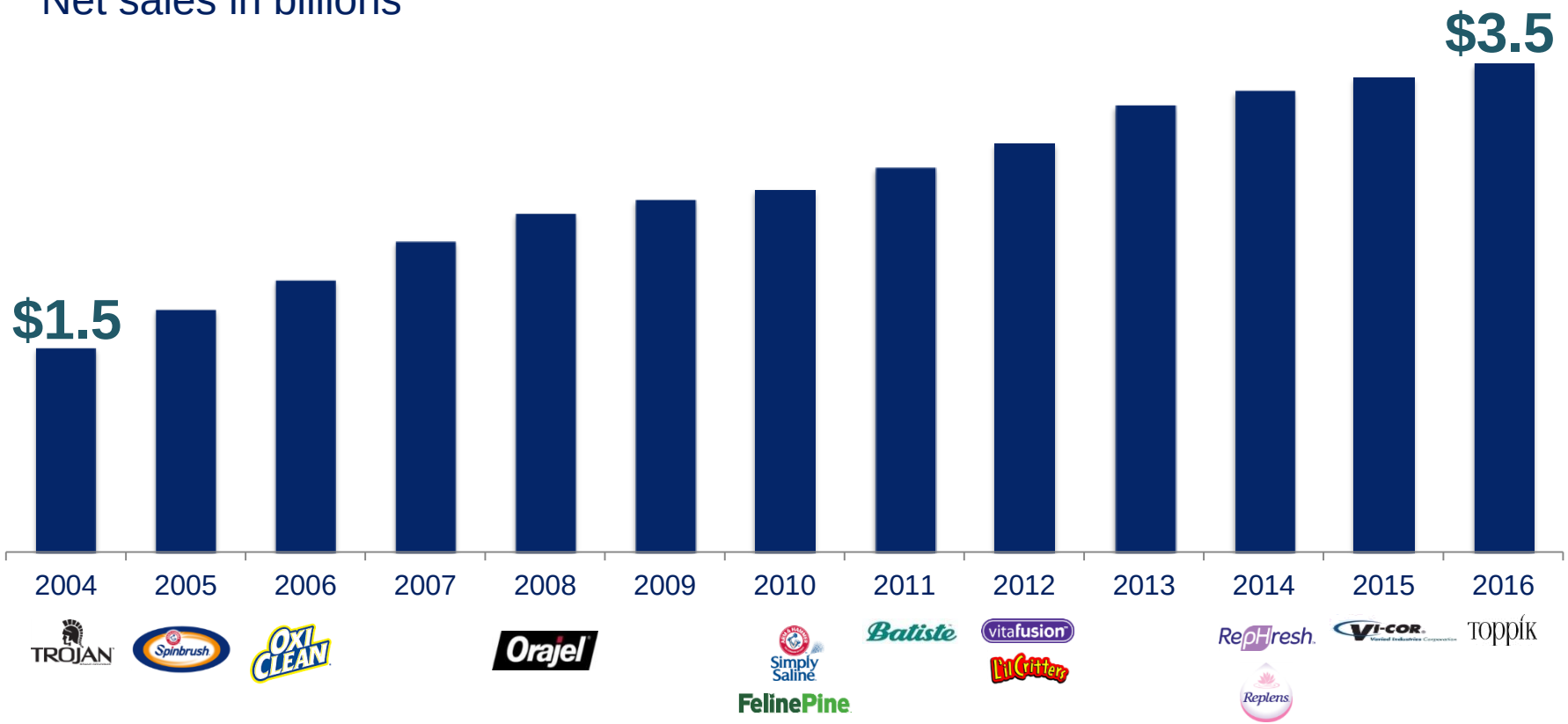
Leverage CHD capital base in manufacturing, logistics and purchasing



Deliver sustainable competitive advantage

# Long History of Growth Through Acquisitions

Net sales in billions



# Church & Dwight – Acquisition Platform

| | |
|---|---|
| Revenue Growth | Marketing expertise |
| | NPD process is ingrained |
| | Expand shares of acquired brands |
| Operational Efficiencies | Leverage salesforce across COTs |
| | Versatile manufacturing and R&D capabilities (liquids, powders, aerosols, gels, devices, …) |
| Integration Track Record | Acquired 9 of 10 power brands |
| | Stellar record in achieving cost synergies |
| Access to Capital | Still under-levered (1.4x) |
| | BBB+ rated |

# CHD Grows Share on Acquired Brands

| | Year Acquired | Pre-Acquisition Share | 2016 Share |
|---|---|---|---|
| TROJAN | 2001 | 68.9% | 75.3% |
| XTRA | 2001 | 3.2% | 4.0% |
| FIRST RESPONSE | 2001 | 12.0% | 30.6% |
| Nair | 2001 | 22.8% | 61.6% |
| Spinbrush | 2005 | 30.1% | 33.4% |
| OXI CLEAN | 2006 | 26.1% | 48.3% |
| Batiste | 2011 | - | 22.5% |
| vitafusion L'il Critters | 2012 | 2.7% | 3.9% |

Source: Nielsen FDMx & Total U.S. AOC, IRI FDMx Share prior to 2005

# 2017 Bolt-On Acquisition

Viviscal®
Hair Growth Program

Viviscal is the #1 non-drug hair care supplement brand mainly sold in the U.S. and the U.K. with annual 2016 sales of $44 million.

# 2017 Bolt-On Acquisition

Anusol®

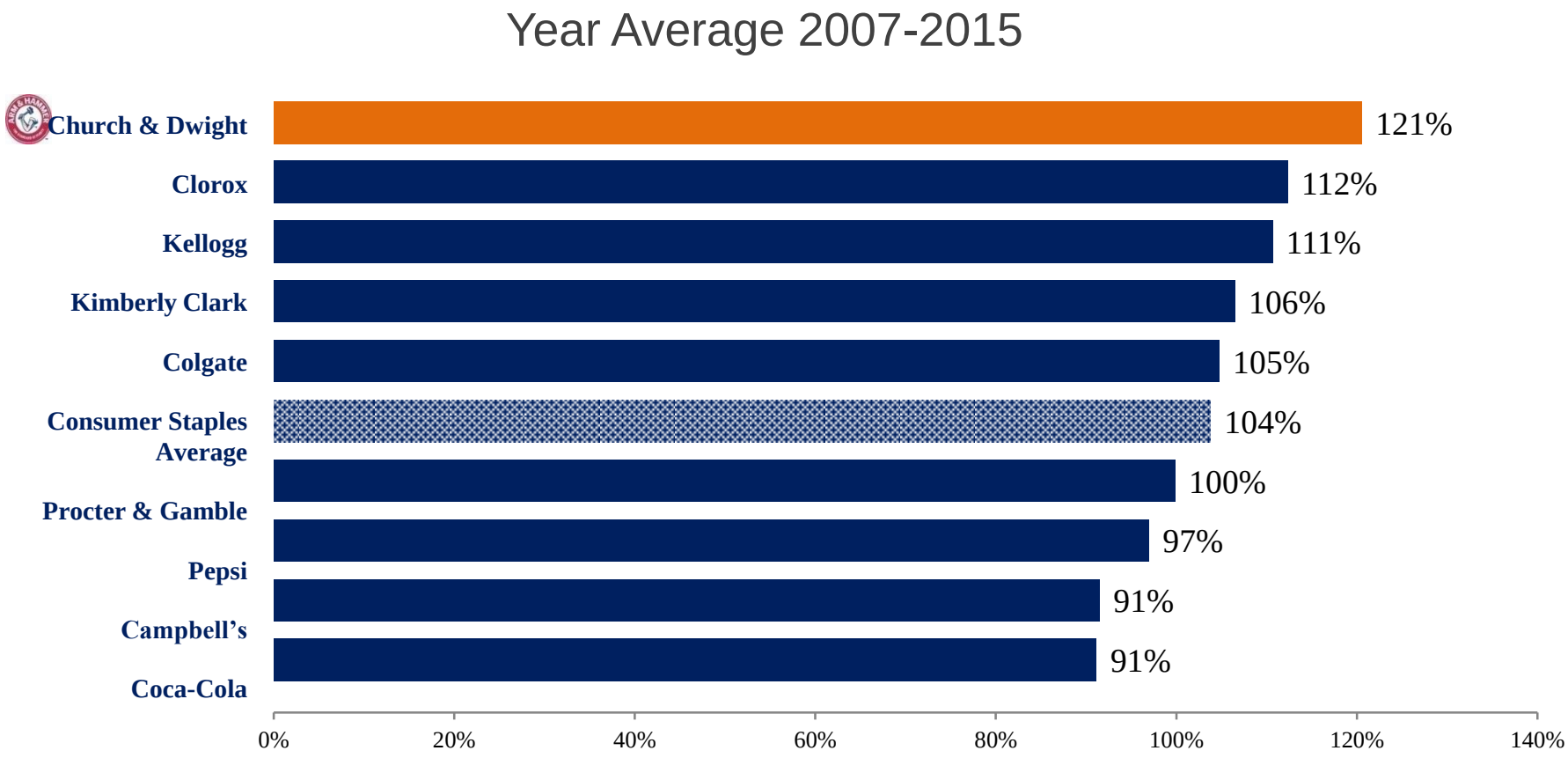
Rectinol®

These are the #1 or #2 hemorrhoid care brands mainly sold in the U.K., Canada, Australia and South Africa with 2016 annual sales of $24 million.



# 6 “Best in Class” Free Cash Flow Conversion

# “Best in Class” FCF Conversion

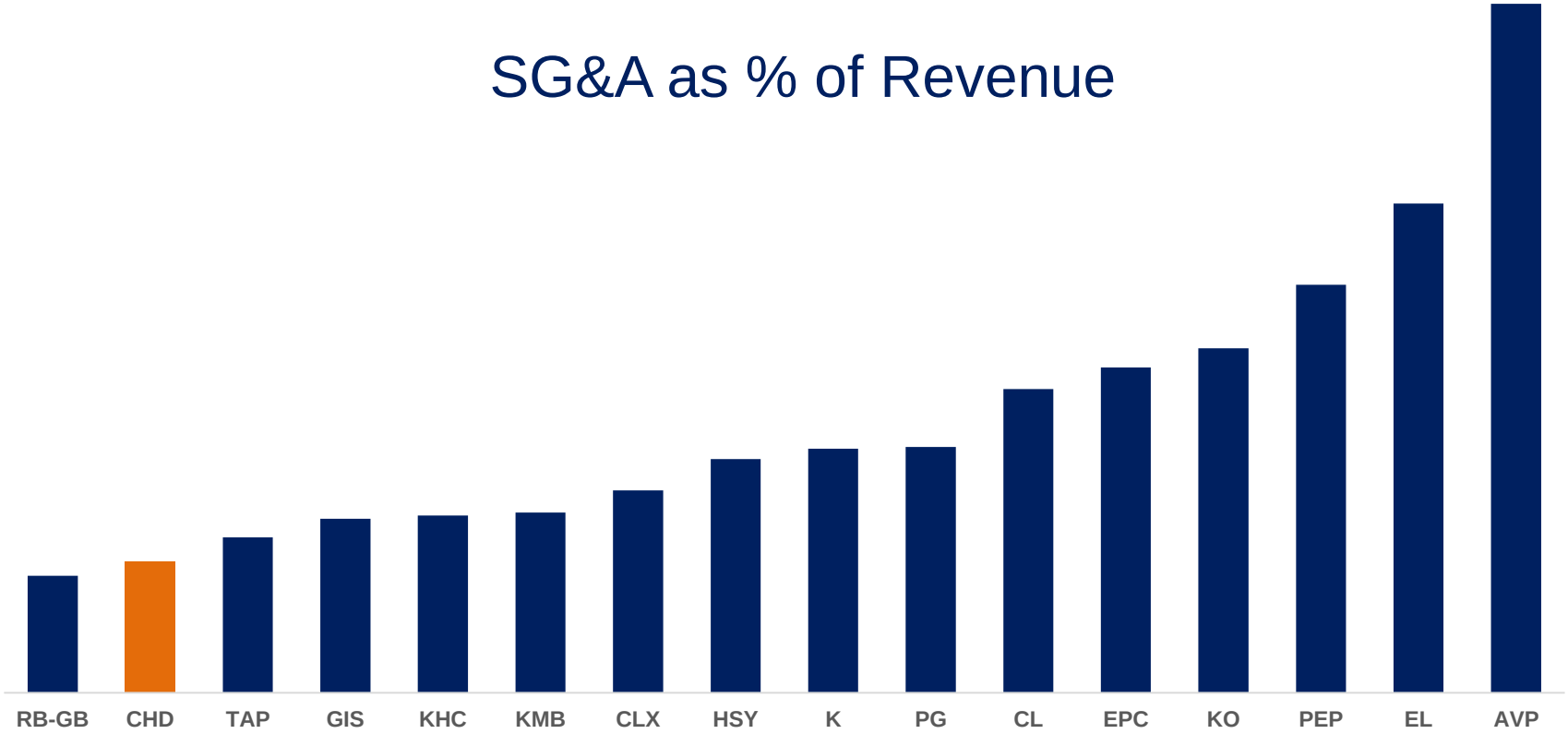



Source : Bloomberg. See appendix.



# 7 Superior Overhead Management

# SG&A is One of the Lowest of Major CPG Companies




SG&A data as reported is taken from latest SEC 10K filings as of 12/15. For peers that do not break out SG&A and marketing, above result is total SG&A less advertising per SEC filings

# SG&A Investments for the Future



International expansion



IT investments to drive efficiency



R&D investments to continue driving innovation



# 8 Simple Incentive Compensation

# Simple Incentive Compensation Plan

1. Bonuses Tied 100% to Business Results
2. Equity Compensation is 100% Stock Options
3. Management Required to be Heavily Invested in Company Stock



# 04.

# HOW WE RUN THE COMPANY

# We Have 4 Operating Principles

| | |
|---|---|
| Leverage Brands | **#1 Brands** |
| Leverage Assets | **Asset Light** |
| Leverage People | **Highly Productive Employees** |
| Leverage Acquisitions | **GOOD shareholder returns become GREAT shareholder returns** |

# Evergreen Model

| | TSR Model |
|---|---|
| Organic Net Sales Growth | +3.0% |
| Gross Margin | +25 bps |
| Marketing | FLAT |
| SG&A | -25 bps |
| Operating Margin Δ | +50 bps |
| EPS Growth | 8% |

# We Have an Explicit Operating System

## EVERGREEN MODEL

- 3% Organic NS Growth
- OP Margin +50 bps
- Operating Income Growth 6%
- EPS Growth 8%
- TSR 10%

## GEOGRAPHIC FOCUS

- North America
- Secondarily:
  - Europe
  - Asia

## ACQUISITION CRITERIA

- Primarily #1 or #2 Share Brands
- Higher Growth Rate
- Higher Gross Margin
- Asset Light
- Deliver Sustainable Competitive Advantage

## ALLOCATION OF CAPITAL

- TSR Accretive M&A
- New Product Development
- Capex For Organic Growth & G2G
- Return Of Cash to Shareholders – 40% payout
- Debt Reduction

# 05.

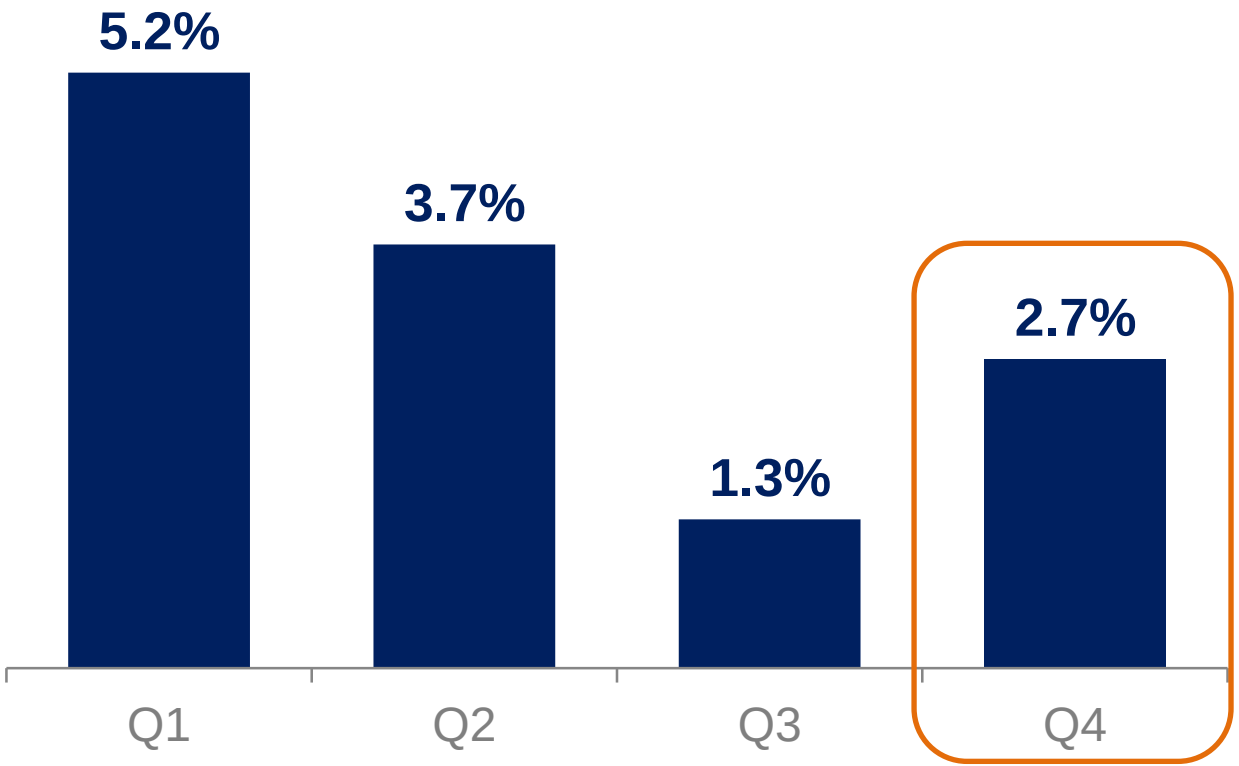
# FINANCIALS

# Full Year 2016 Highlights

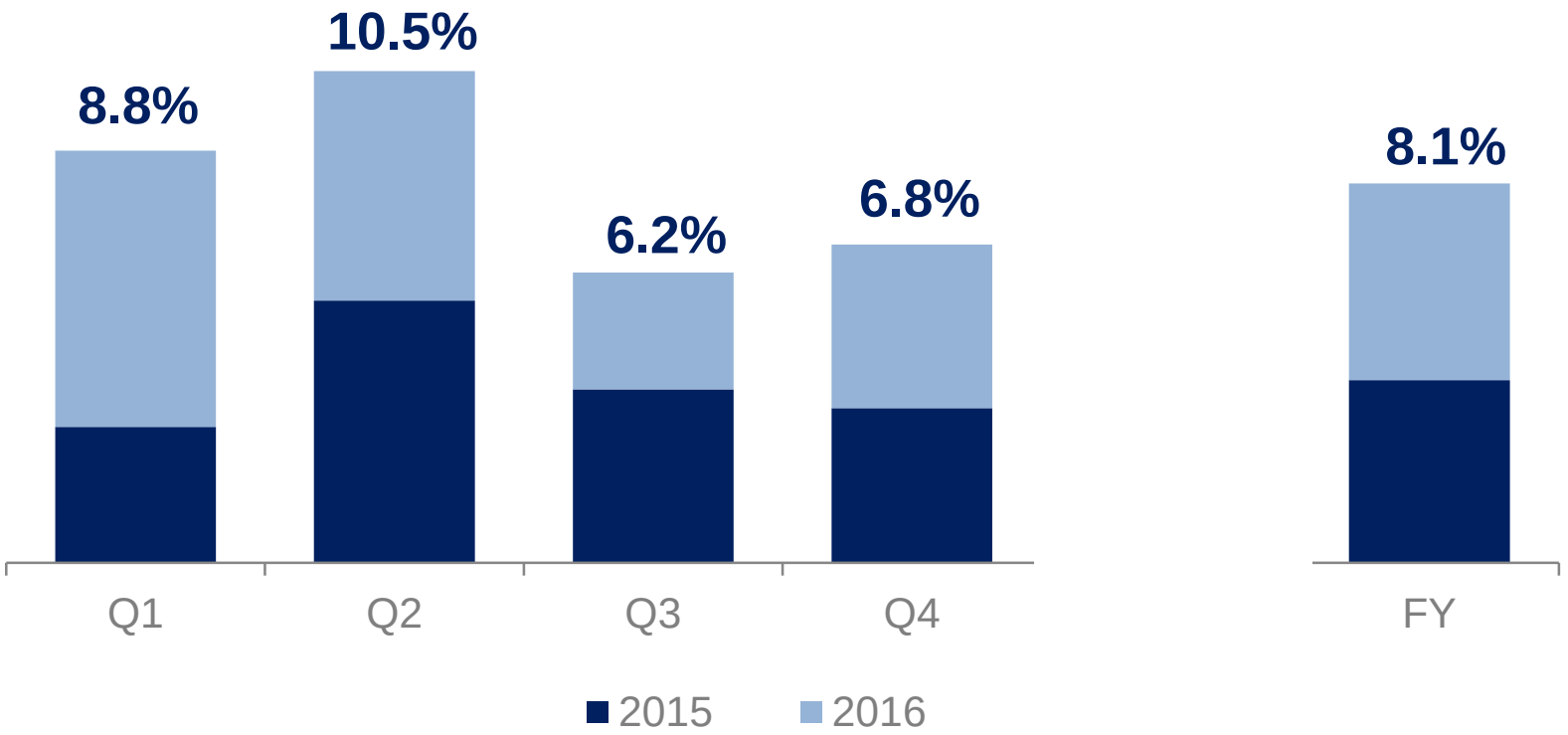
| | |
|---|---|
| Organic sales growth | +3.2% |
| Volume growth | +3.1% |
| Adjusted gross margin | +120 bps |
| Marketing % | -10 bps to 12.2% |
| Adjusted SG&A | +50 bps to 12.6% |
| Adjusted operating margin | +80 bps |
| Adjusted EPS | +9.3% to $1.77 |
| Free Cash Flow | $606MM |
| Adjusted FCF Conversion | 131% |

Domestic: 3.1%
Int'l: 10.0%
SPD: (6.6%)

# 2016 Quarterly Organic Sales

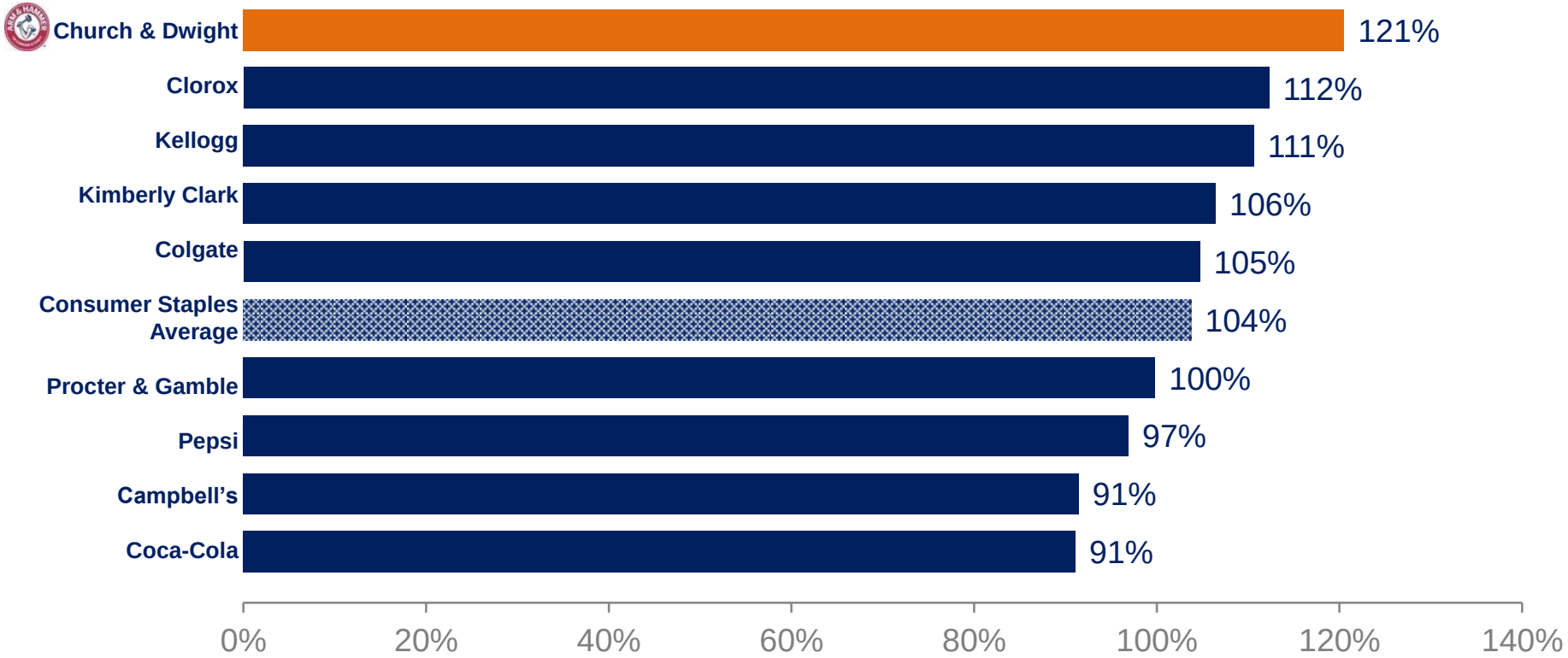


# 2 Year Stacked Quarterly Organic Sales – Global Consumer



# “Best in Class” FCF Conversion

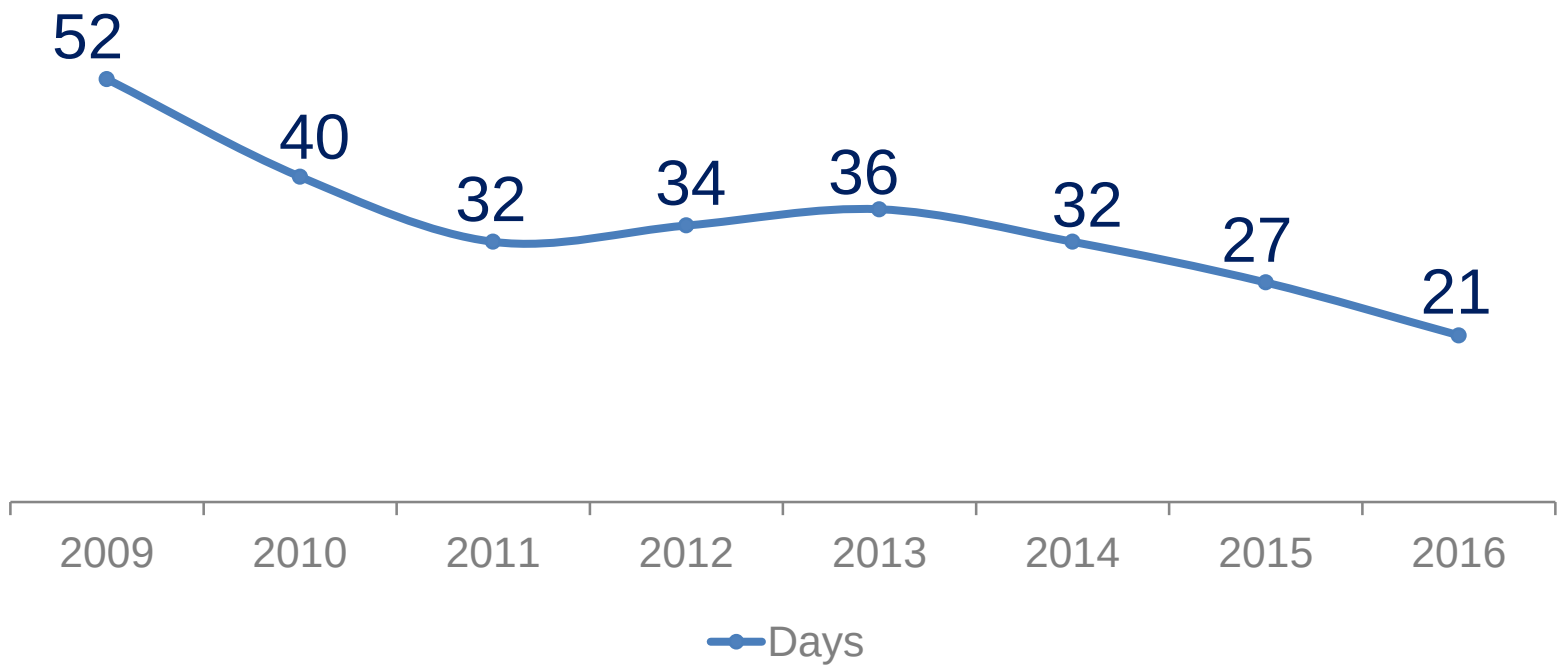
## Year Average 2007-2015



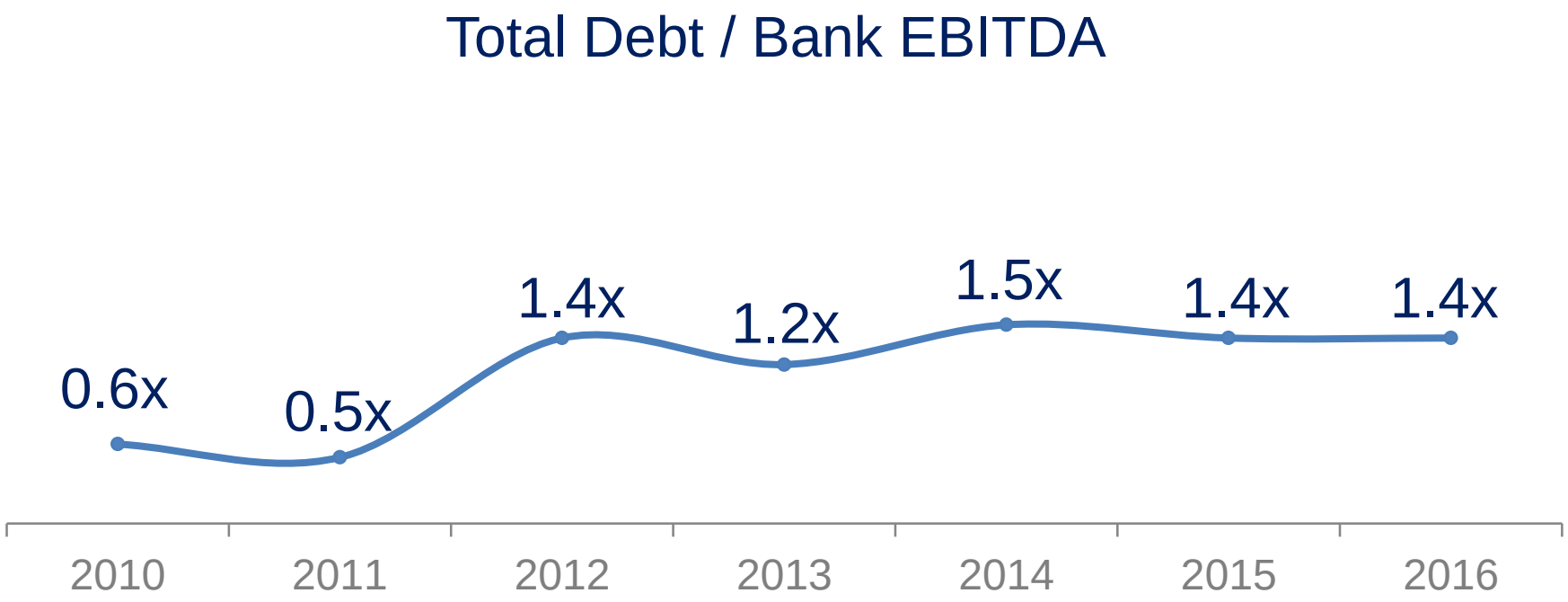

Source : Bloomberg. See appendix.

# Cash Conversion Cycle

Tight Control of Working Capital Drives CCC Improvement.



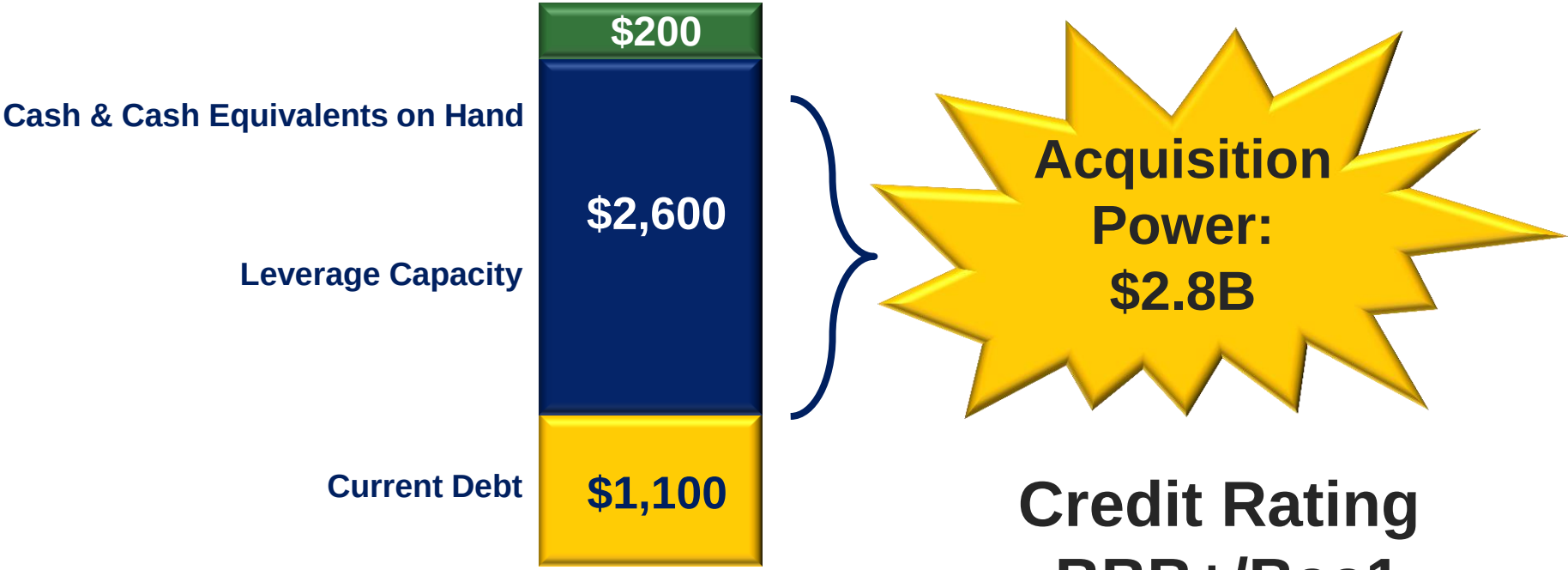
# Strong Balance Sheet




See appendix for reconciliation.

# Significant Financial Capacity

As of December 31, 2016 (in $millions)




- 2016 Bank EBITDA = $857M
- Leverage capacity to 3.50x EBITDA
- Example: Acquisition EBITDA multiple of 12x

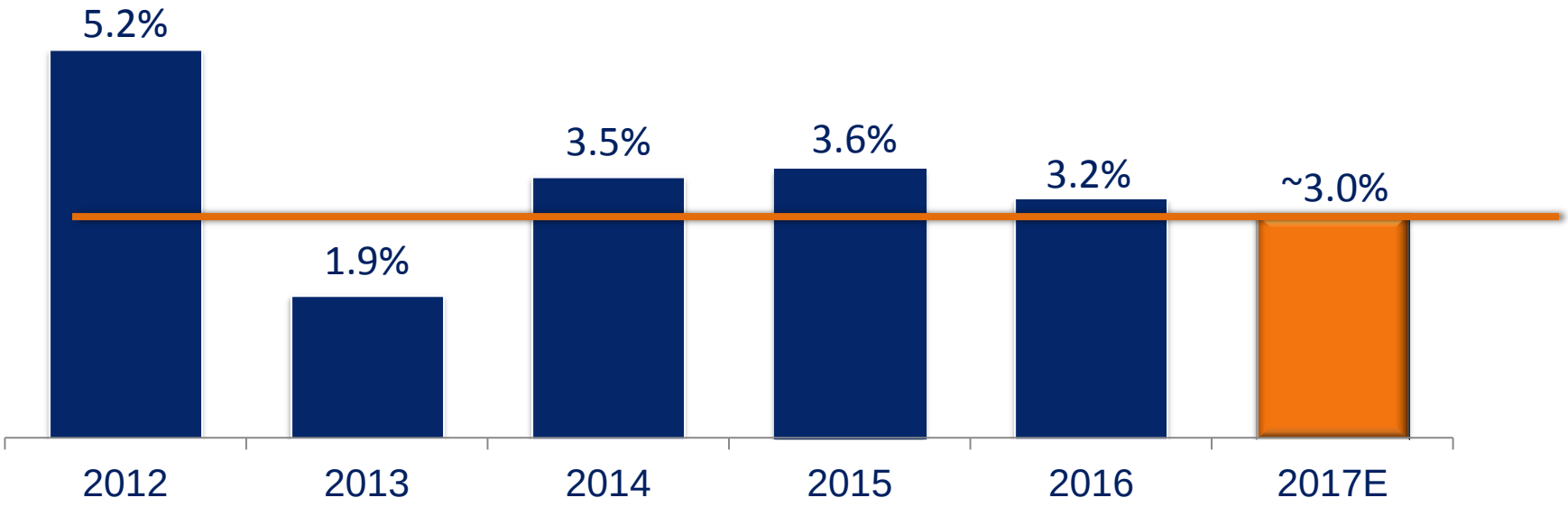
# Aggressive But Achievable 2017 Targets

| | 2017 Outlook |
|---|---|
| Organic Sales | ~3% |
| Adjusted Gross Margin | +60bps |
| Marketing | +10bps |
| SG&A | +10bps |
| Adjusted Operating Margin | +40bps |
| Other Income/(Expense) | -$14MM |
| Adjusted Effective Tax Rate | 34.7% |
| Adjusted EPS | 7% |
| Currency Neutral EPS | 8% |

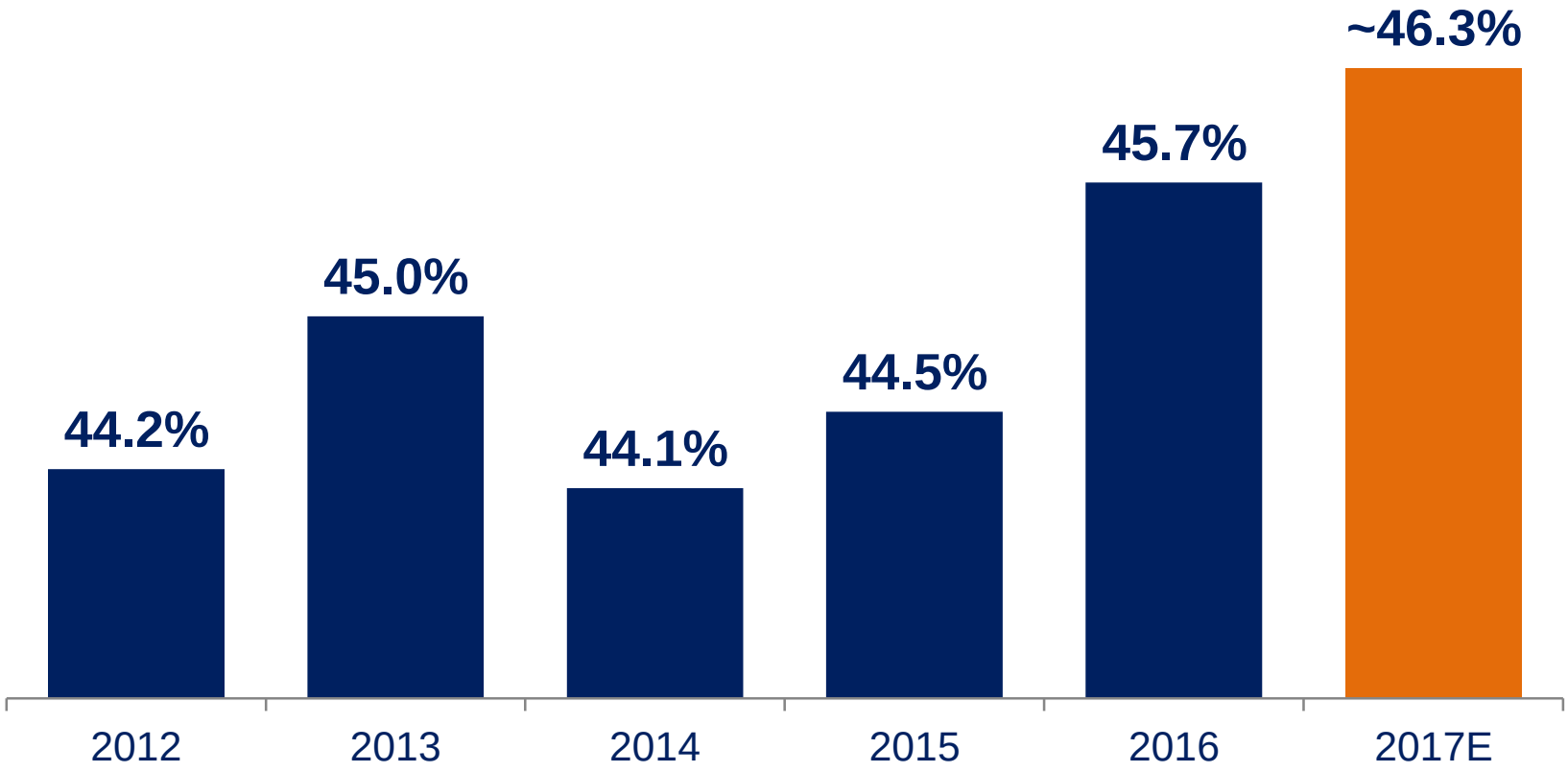
Domestic: 2.5 – 3.0%
Int'l: 4-5%
SPD: 2-3%

Note: Outlook as of February 7, 2017
2017 adjusted for Brazil charges, UK pension settlement and adoption of new option accounting standard.

# CHD Consistent Solid Organic Sales Growth

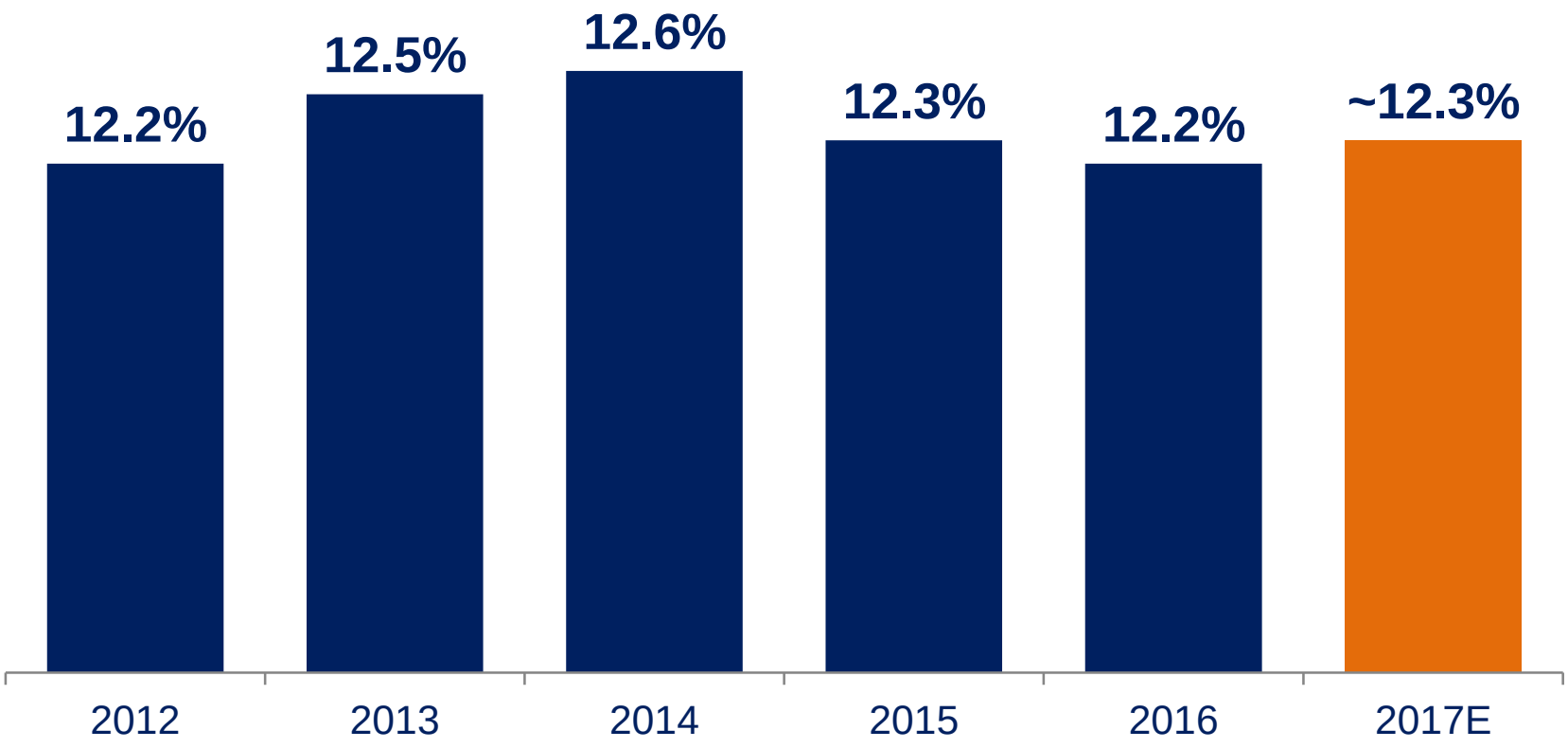


# Focus on Gross Margin

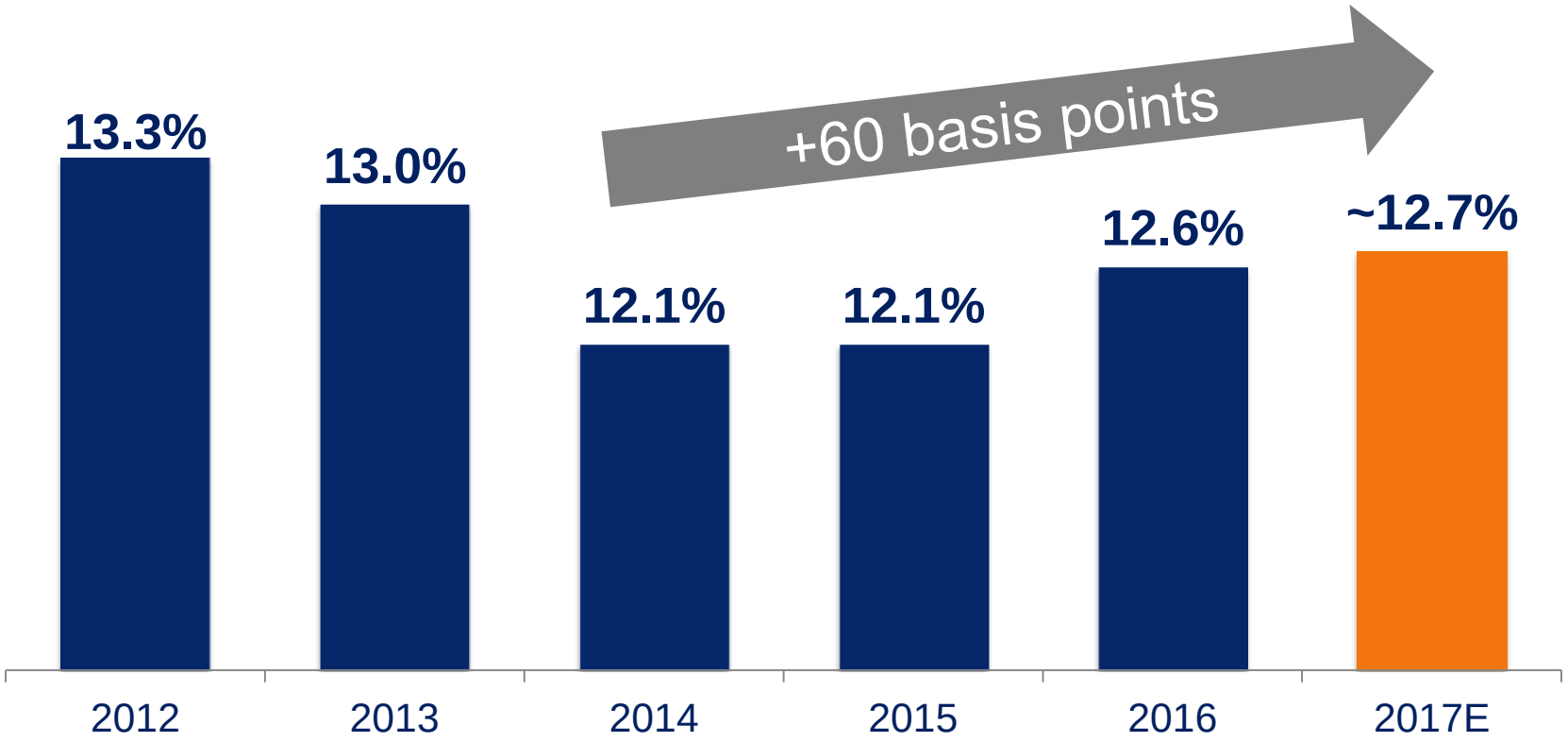



Footnote: 2016 & 2017 exclude the Brazil subsidiary charge.

# Consistent Marketing Spend

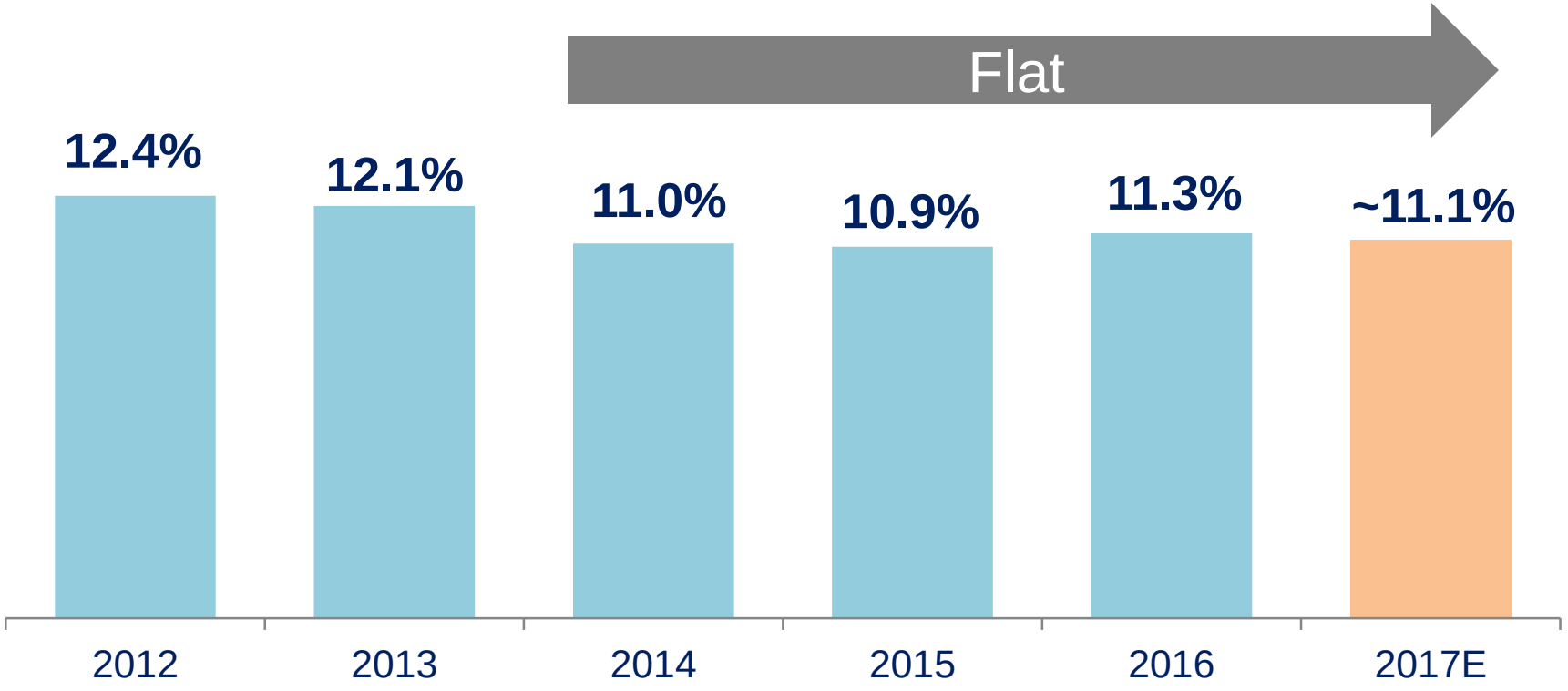


# Superior “SG&A” Management



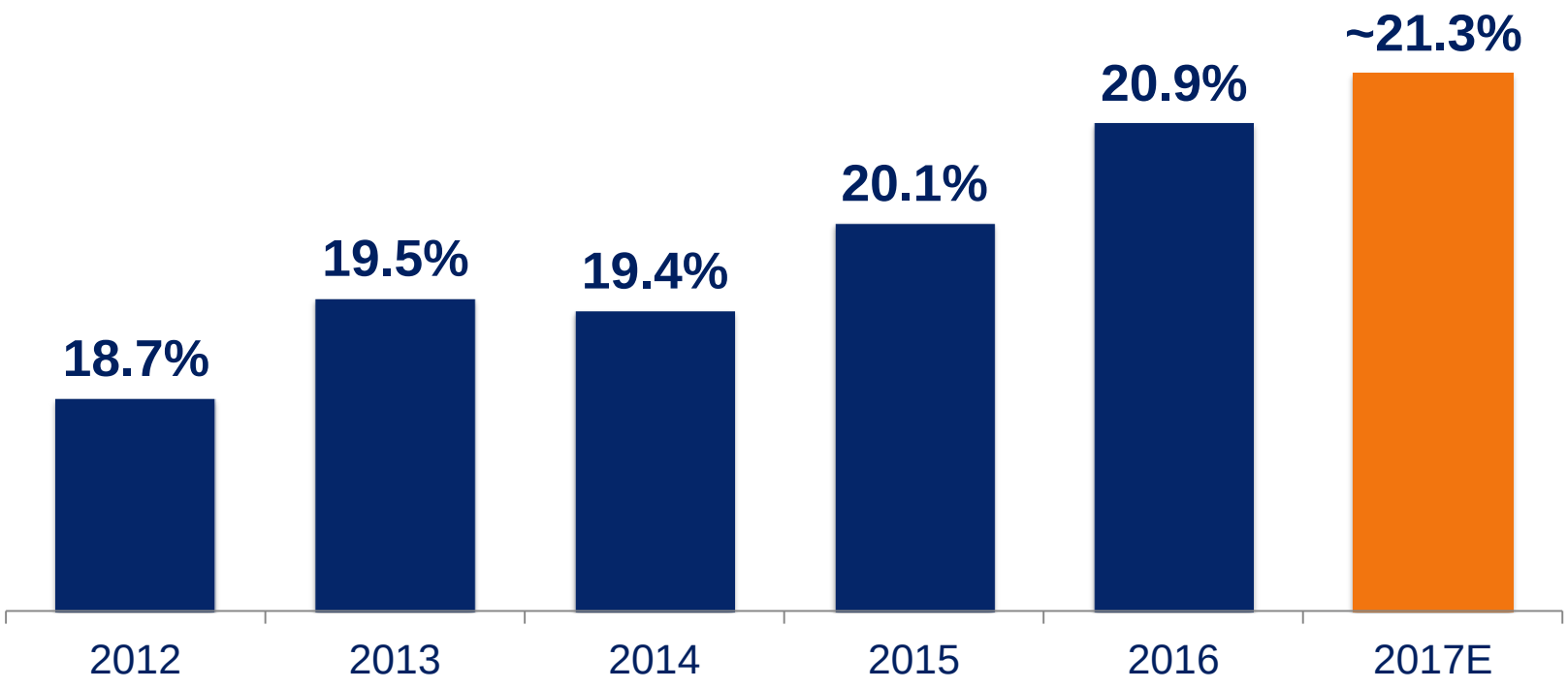

Note: 2015 adjusted for a pension settlement charge. 2017 adjusted for pension settlement and Brazil charges.

# “SG&A” Flat Excluding Amortization



# Operating Margin %

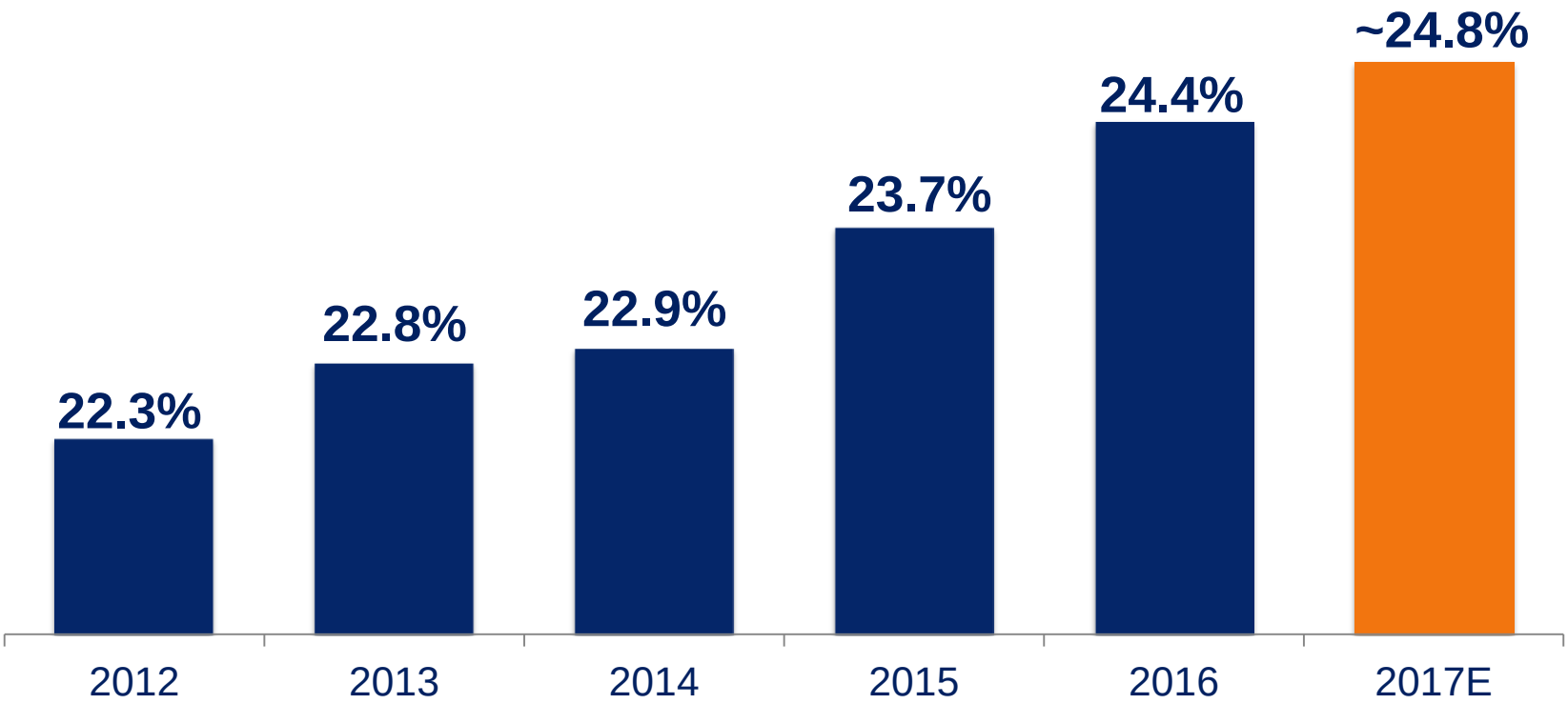
Operating profit expansion driven by gross margin.




Note: 2015 adjusted for a pension settlement charge. 2017 adjusted for pension settlement and Brazil charges.

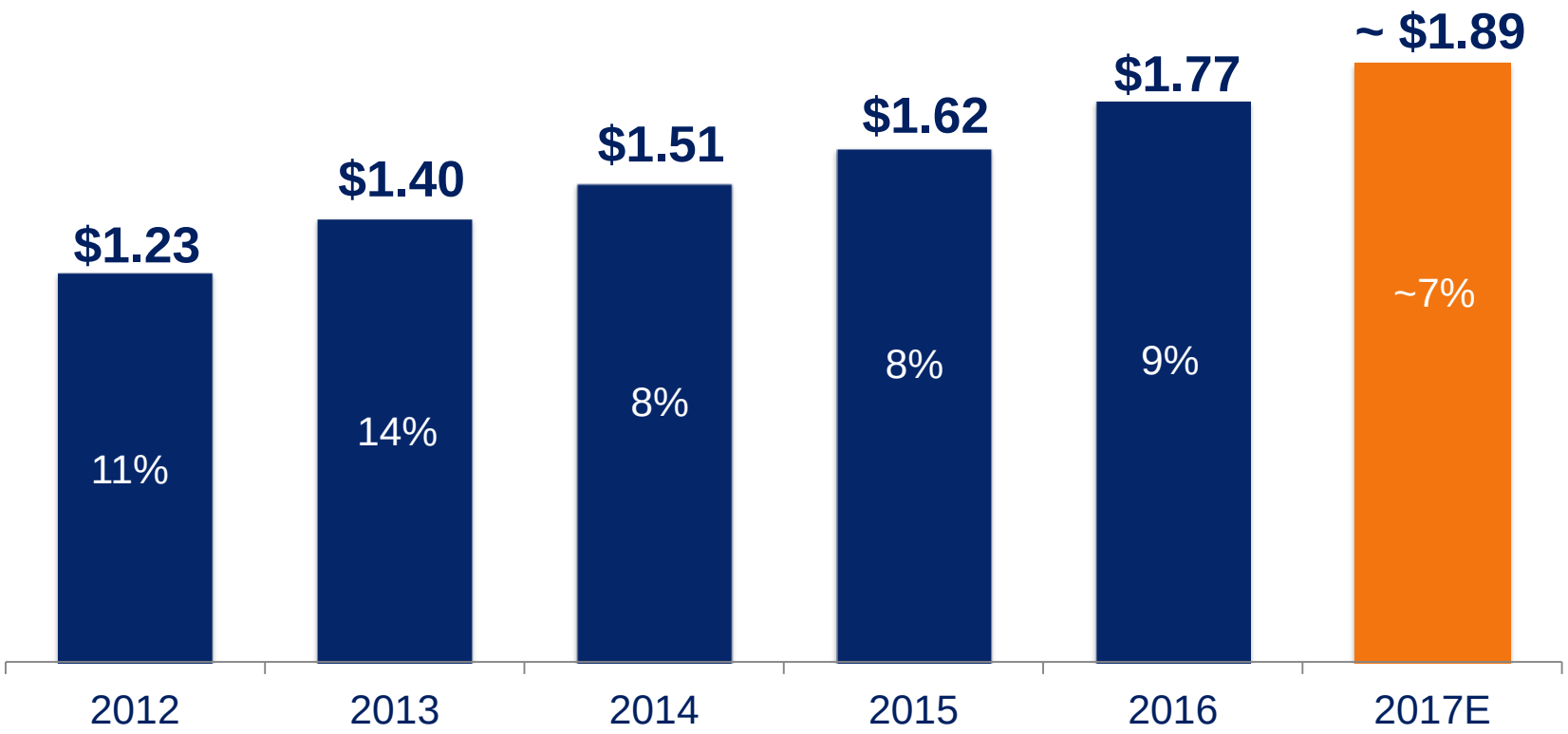
# EBITDA Margin %

Focused on growing our cash earnings.




Note: EBITDA margin is a non-GAAP measure defined as Net Income + (Interest, Taxes, Depreciation, Amortization and non-cash compensation and charges), 2015 adjusted for pension settlement & impairment charge
Note: 2015 adjusted for a pension settlement charge. 2017 adjusted for pension settlement and Brazil charges.

# Consistent Strong Adjusted EPS Growth

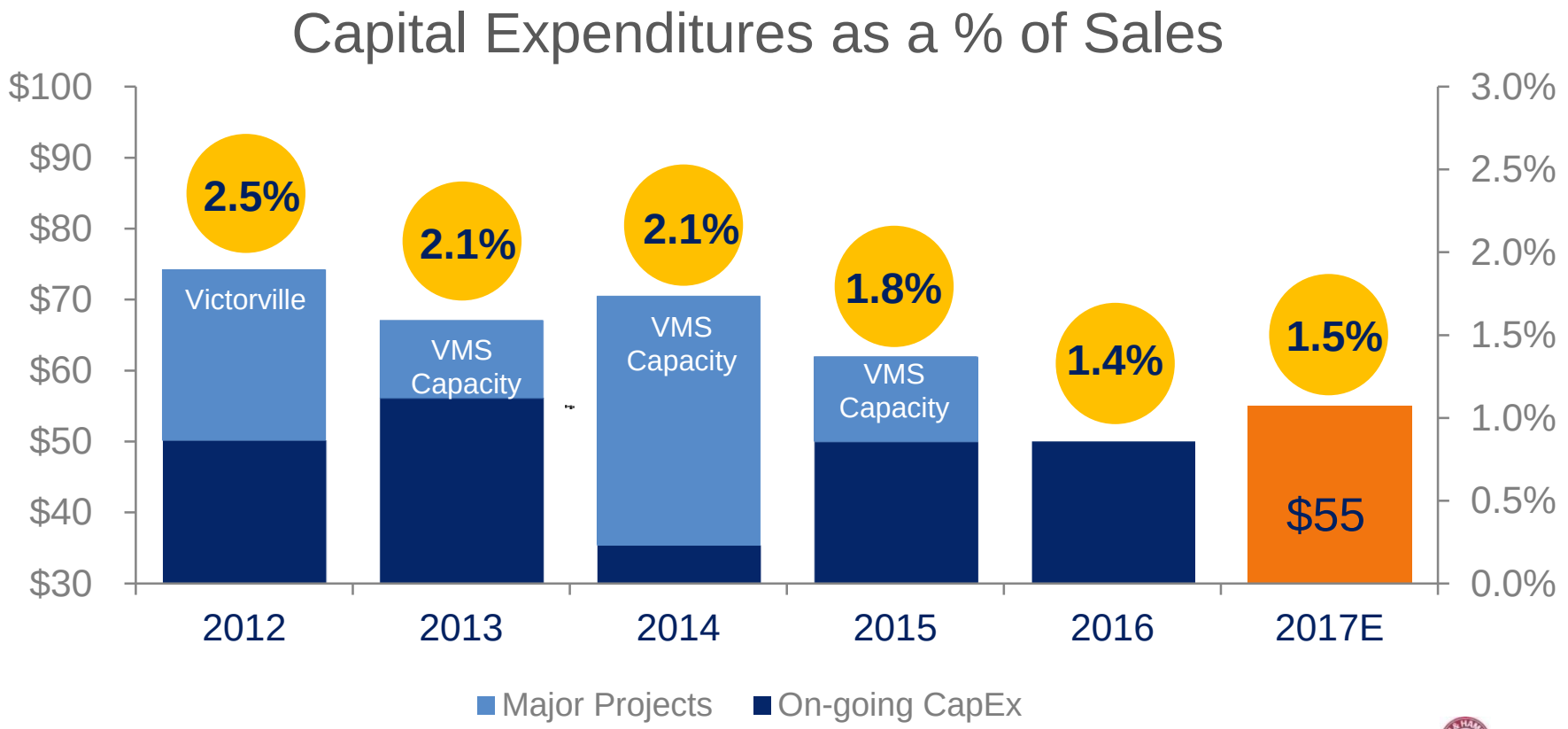



See Appendix for 2015 & 2016 reconciliation.
Note: 2017 outlook includes a $0.01 negative impact from foreign exchange and excludes impairment from UK pension settlement, Brazil charges and adoption of new stock option accounting.

# Prioritized Uses of Free Cash Flow

1. TSR-Accretive M&A
2. New Product Development
3. Capex For Organic Growth & G2G
4. Return Of Cash To Shareholders
5. Debt Reduction

# Minimal Capital Investment



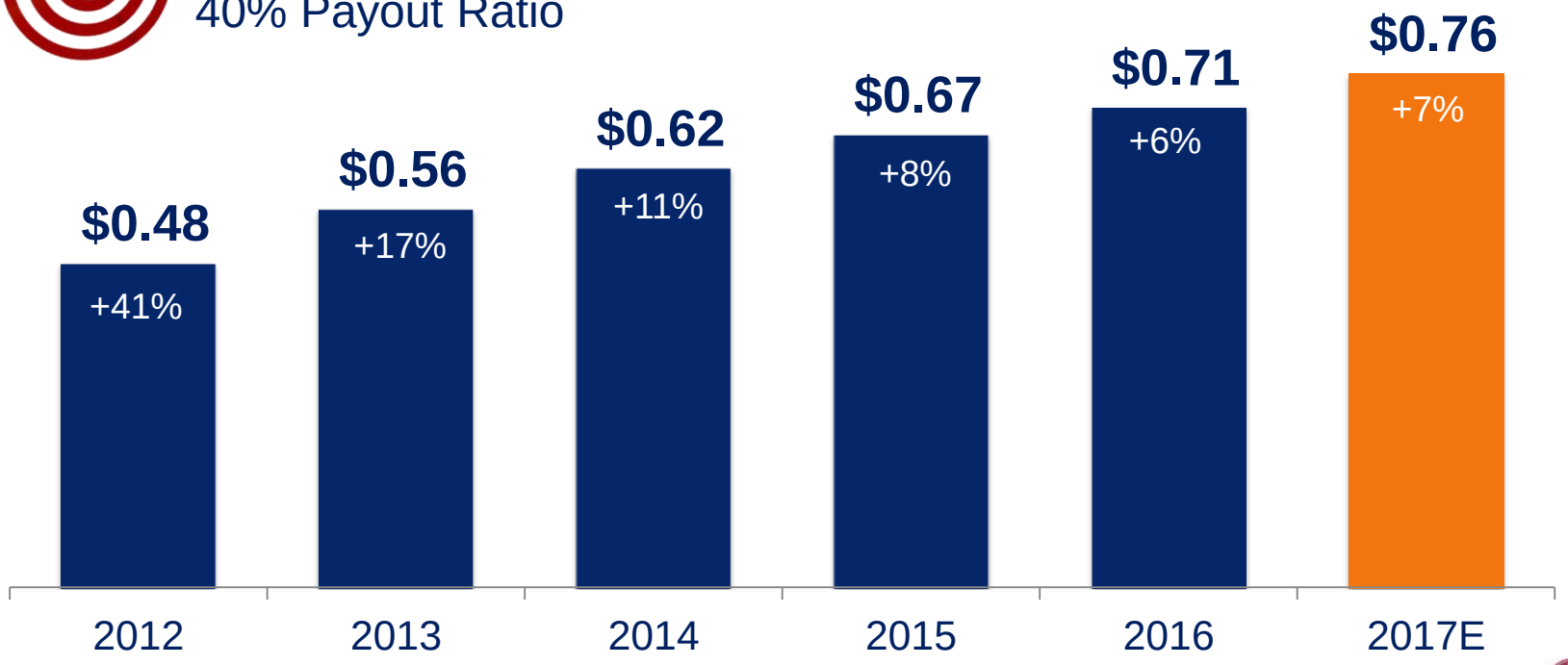
# 7% Dividend Increase in 2017

116 Consecutive Years of Dividends



Target:

40% Payout Ratio



# Proposed Tax Reform - Benefits CHD

- Over 90% of taxable income is in the U.S.
- ~95% of products sold in the U.S. market are sourced and produced domestically
- U.S. imports and exports are essentially balanced




& HAMMER
TM
THE STANDARD OF PURITY
TM

# Reconciliations

**For a full reconciliation, please visit our investor section at:**

**www.churchdwight.com**

# Reconciliation of Non-GAAP Measures

**Church & Dwight Co., Inc.'s Reconciliation of Non-GAAP Measures:**

The following pages provide definitions of the non-GAAP measures used in this presentation and reconciliations of these non-GAAP measures to the most directly comparable GAAP measures. These non-GAAP financial measures should not be considered in isolation from or as a substitute for the comparable GAAP measures, but rather as supplemental information to more fully understand our business results. The following non-GAAP measures may not be the same as similar measures provided by other companies due to differences in methods of calculation and items and events being excluded.

The measures provided are (1) organic sales growth, (2) adjusted EPS, (3) adjusted SG&A, (4) adjusted operating profit and margin, (5) free cash flow, (6) adjusted free cash flow, (7) free cash flow as a percentage of net income, and (8) Total Debt to Bank EBITDA.

As described in more detail below, we believe these measures provide useful perspective of underlying business trends and results and provide a more comparable measure of year over year results.

# Reconciliation of Non-GAAP Measures

**Organic Sales Growth:**

The presentation provides information regarding organic sales growth, namely net sales growth excluding the effect of acquisitions, divestitures, the change in customer shipping arrangements, foreign exchange rate changes, the impact of an information systems upgrade, a discontinued product line and the change in the fiscal calendar for three foreign subsidiaries, from year-over-year comparisons.

Management believes that the presentation of organic sales growth is useful to investors because it enables them to assess, on a consistent basis, sales trends related to products that were marketed by the Company during the entirety of relevant periods excluding the change in customer shipping arrangements and the SAP Conversion, without the effect of the change in the fiscal calendar and foreign exchange rate changes that are out of the control of, and do not reflect the performance of, management.

# Reconciliation of Non-GAAP Measures

**Adjusted Gross Profit and Gross Profit Margin**

This presentation discloses the Company's Gross Profit and Gross Profit Margin. Adjusted Gross Profit and Gross Profit Margin , as used in this presentation, is defined as gross profit excluding significant one-time items that is not indicative of the Company's period to period performance. We believe that this metric further enhances investors' understanding of the Company's year over year gross profit and gross profit margin, excluding certain significant one-time items. These excluded item is as follows:

2016 – Excludes the impact of a plant impairment charge of $4.9 million (pre and post-tax) at the Company's Brazilian subsidiary

# Reconciliation of Non-GAAP Measures

**Adjusted EPS:**

This presentation discloses reported EPS excluding the following, namely, earnings per share calculated in accordance with GAAP adjusted to exclude significant one-time items that are not indicative of the Company's period to period performance. We believe that this metric provides investors a useful perspective of underlying business trends and results and provides useful supplemental information regarding our year over year earnings per share growth. The excluded items are as follows:

2009 - Excludes $28.3 million ($17.4 post tax) associated with restructuring charges related to plant closing expenses and a favorable legal settlement of $20.0 million ($12.3 post tax), net of legal fees.

2010 - Excludes $24.3 million ($15.9 post tax) associated with the settlement of a pension plan.

2011 - Excludes $12.9 million tax valuation allowance for the Company's Brazilian subsidiary

2015 - Excludes the impact of the settlement of a foreign pension plan of $8.9 million ($6.6 post tax) and the pre and post- tax Natronx Impairment charge of $17 million.

2016 – Excludes the impact of a plant impairment charge of $4.9 million at the Company's Brazilian subsidiary.

# Reconciliation of Non-GAAP Measures

**Adjusted SG&A:**

This presentation discloses the Company's SG&A expenses as a percent of net sales. Adjusted SG&A, as used in this presentation, is defined as selling, general and administrative expenses excluding significant one-time items that is not indicative of the Company's period to period performance. We believe that this metric further enhances investors' understanding of the Company's year over year expenses, excluding certain significant one-time items. These excluded items are as follows:

2009 - Excludes a favorable legal settlement of $20.0 million ($12.3 post tax), net of legal fees.

2010 - Excludes $24.3 million ($15.9 post tax) associated with the settlement of a pension plan.

2015 - Excludes the impact of the settlement of a foreign pension plan of $8.9 million ($6.6 post tax)

# Reconciliation of Non-GAAP Measures

**Adjusted Operating Profit and Margin:**

The presentation discloses Operating Income and margin (a GAAP measure) and Adjusted Operating Income and margin (a non-GAAP measure) which excludes significant one time items. We believe that excluding the significant one-time items provides a useful measure of the Company's ongoing operating performance growth. These items are:

2009 - Excludes $28.3 million ($17.4 post tax) associated with restructuring charges related to plant closing expenses and a favorable legal settlement of $20.0 million ($12.3 post tax), net of legal fees.

2010 - Excludes $24.3 million ($15.9 post tax) associated with the settlement of a pension plan.

2015 - Excludes the impact of the settlement of a foreign pension plan of $8.9 million ($6.6 post tax).

2016 – Excludes the impact of a plant impairment charge of $4.9 million at the Company's Brazilian subsidiary.

# Reconciliation of Non-GAAP Measures

**Free Cash Flow:**

Free cash flow (a non-GAAP measure) is defined as cash from operating activities (a GAAP measure) less capital expenditures (a GAAP measure). Management views free cash flow as an important measure because it is one factor in determining the amount of cash available for dividends and discretionary investment.

**Adjusted Free Cash Flow:**

Adjusted Free cash flow (a non-GAAP measure) is defined as adjusted cash from operating activities (a non-GAAP measure) less capital expenditures (a GAAP measure). Management views adjusted free cash flow as an important measure because it is one factor in determining the amount of cash available for dividends and discretionary investment excluding one-time items. These excluded items are:

2010 - Cash from Operations excludes approximately $9 million and Net Income excludes a $16 million ($24 pre tax) associated with a Pension Settlement

2012 and 2013 - Cash from Operations excludes the impact of a $36 million federal tax payment that was deferred from December 2012 to January 2013

2015 - Cash from Operations and Net Income excludes the impact of a pension settlement ($8.9 pre tax, $6.6 after tax) and a pre and post tax charge of $17 million associated with the Natronx Impairment charge.

# Reconciliation of Non-GAAP Measures

**Free Cash Flow as Percent of Net Income:**

Free cash flow as percent of net income is defined as the ratio of free cash flow to net income. Management views this as a measure of how effective the Company manages its cash flow relating to working capital and capital expenditures.

**Total Debt to Bank EBITDA:**

Total Debt to Bank EBITDA is a ratio used in our debt agreements. Bank EBITDA (a non-GAAP measure) is a form of adjusted EBITDA, and represents earnings from Income (a GAAP measure), excluding interest income, interest expense, and before income taxes, depreciation, and amortization (EBITDA) and certain other adjustments per the Company's Credit Agreement.

Total Debt is defined as short and long term debt as defined by GAAP, plus items that are classified as debt by the Company's credit agreement. These items include Letters of Credit, Capital and Synthetic Lease Obligations, and certain Guarantees.

Management believes the presentation of Total Debt to Bank EBITDA provides additional useful information to investors about liquidity and our ability to service existing debt.

# Total Company Organic Sales Reconciliation

| Year | Reported | FX | Acq/Div | Disc. Ops. | System Upgrade | Calendar/ Other | Shipping Terms | Organic |
|---|---|---|---|---|---|---|---|---|
| 2016 | 2.9% | 0.9% | 1.2% | 0.0% | 0.0% | 0.0% | 0.0% | 3.2% |
| 2015 | 2.9% | 2.7% | -2.0% | 0.0% | 0.0% | 0.0% | 0.0% | 3.6% |
| 2014 | 3.2% | 0.5% | -0.2% | 0.0% | 0.0% | 0.0% | 0.0% | 3.5% |
| 2013 | 9.3% | 0.5% | -7.6% | 0.0% | -0.3% | 0.0% | 0.0% | 1.9% |
| 2012 | 6.3% | 0.8% | -3.1% | 0.0% | 0.6% | 0.6% | 0.0% | 5.2% |
| 2011 | 6.2% | -1.0% | -1.2% | 0.8% | -0.3% | -0.6% | 0.2% | 4.1% |
| 2010 | 2.7% | -1.1% | 0.5% | 0.0% | 0.0% | 0.0% | 0.9% | 3.0% |

# Consumer Domestic Organic Sales Reconciliation

| Year | Reported | FX | Acq/Div | Disc. Ops. | System Upgrade | Calendar/ Other | Shipping Terms | Organic |
|---|---|---|---|---|---|---|---|---|
| 2016 | 3.7% | 0.0% | -0.8% | 0.0% | 0.0% | 0.2% | 0.0% | 3.1% |
| 2015 | 4.5% | 0.0% | -1.3% | 0.0% | 0.0% | -0.2% | 0.0% | 3.0% |
| 2014 | 2.4% | 0.0% | -0.4% | 0.0% | 0.0% | 0.0% | 0.0% | 2.0% |
| 2013 | 11.9% | 0.0% | -9.6% | 0.0% | -0.4% | 0.0% | 0.0% | 1.9% |
| 2012 | 9.0% | 0.0% | -3.5% | 0.0% | 0.8% | 0.0% | 0.0% | 6.3% |
| 2011 | 4.9% | 0.0% | -1.1% | 0.0% | -0.4% | 0.0% | 0.3% | 3.7% |
| 2010 | 0.2% | 0.0% | 0.7% | 0.0% | 0.0% | 0.0% | 1.2% | 2.1% |

# Consumer International Organic Sales Reconciliation

| Year | Reported | FX | Acq/Div | Disc. Ops. | System Upgrade | Calendar/ Other | Shipping Terms | Organic |
|---|---|---|---|---|---|---|---|---|
| 2016 | 4.8% | 6.8% | -1.6% | 0.0% | 0.0% | 0.0% | 0.0% | 10.0% |
| 2015 | -6.4% | 15.5% | -0.9% | 0.0% | 0.0% | 0.0% | 0.0% | 8.1% |
| 2014 | 0.5% | 2.7% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 3.3% |
| 2013 | 4.5% | 2.3% | -3.1% | 0.0% | 0.0% | 0.0% | 0.0% | 3.7% |
| 2012 | 0.2% | 3.3% | -3.1% | 0.0% | 0.0% | 2.9% | 0.0% | 3.3% |
| 2011 | 14.7% | -5.4% | -1.9% | 0.0% | 0.0% | -3.3% | 0.0% | 4.1% |
| 2010 | 12.8% | -5.9% | 0.2% | 0.0% | 0.0% | 0.0% | 0.0% | 7.1% |

# Specialty Products Organic Sales Reconciliation

| Year | Reported | FX | Acq/Div | Disc. Ops. | System Upgrade | Calendar/ Other | Shipping Terms | Organic |
|---|---|---|---|---|---|---|---|---|
| 2016 | -7.1% | 0.0% | 0.5% | 0.0% | 0.0% | 0.0% | 0.0% | -6.6% |
| 2015 | 7.3% | 3.4% | -10.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.7% |
| 2014 | 17.3% | 1.0% | 1.2% | 0.0% | 0.0% | 0.0% | 0.0% | 19.5% |
| 2013 | -2.7% | 1.3% | 0.0% | 0.0% | -0.4% | 0.0% | 0.0% | -1.8% |
| 2012 | -2.4% | 2.4% | 0.0% | 0.0% | 0.8% | 0.0% | 0.0% | 0.8% |
| 2011 | 0.8% | -0.8% | 0.1% | 7.7% | -0.4% | 0.0% | 0.0% | 7.4% |
| 2010 | 5.6% | -2.2% | 0.3% | 0.0% | 0.0% | 0.0% | 0.0% | 3.7% |

**Church & Dwight Co., Inc and Subsidiaries**
**Reported and Adjusted Condensed Statement of Income**
**(Amounts in Millions Except Per Share Amounts)**

| | Q4 2016 | | | 2016 | | | 2015 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Reported | Adjustments | Adjusted | Reported | Adjustments | Adjusted | Reported | Adjustments | Adjusted |
| Net Sales | $ 896.0 | | $ 896.0 | $ 3,493.1 | | $ 3,493.1 | $ 3,394.8 | | $ 3,394.8 |
| Gross Profit | 408.0 | 4.9 | 412.9 | 1,590.6 | 4.9 | 1,595.5 | 1,511.8 | | 1,511.8 |
| % of Sales | 45.5% | | 46.1% | 45.5% | | 45.7% | 44.5% | | 44.5% |
| Marketing Expenses | 116.3 | | 116.3 | 427.2 | | 427.2 | 417.5 | | 417.5 |
| Amortization Expense | 33.4 | | 33.4 | 46.0 | | 46.0 | 39.9 | | 39.9 |
| All Other Selling, General & Admin Expenses | 84.9 | | 84.9 | 393.2 | | 393.2 | 380.2 | | 371.3 |
| Total Selling, General & Admin Expenses | 118.3 | - | 118.3 | 439.2 | - | 439.2 | 420.1 | (8.9) | 411.2 |
| Operating Profit | 173.4 | 4.9 | 178.3 | 724.2 | 4.9 | 729.1 | 674.2 | 8.9 | 683.1 |
| % of Sales | 19.4% | | 19.9% | 20.7% | | 20.9% | 19.9% | | 20.1% |
| Other Income/(Expense) | (3.9) | - | (3.9) | (18.3) | - | (18.3) | (38.8) | 17.0 | (21.8) |
| Income Before Taxes | 169.5 | 4.9 | 174.4 | 705.9 | 4.9 | 710.8 | 635.4 | 25.9 | 661.3 |
| Income Taxes | 59.1 | - | 59.1 | 246.9 | - | 246.9 | 225.0 | (2.3) | 222.7 |
| Tax Rate | 34.9% | | 33.9% | 35.0% | | 34.7% | 35.4% | | 33.7% |
| Net Income | $ 110.4 | $ 4.9 | $ 115.3 | $ 459.0 | $ 4.9 | $ 463.9 | $ 410.4 | $ 23.6 | $ 434.0 |
| Diluted EPS | $ 0.42 | $ 0.02 | $ 0.44 | $ 1.75 | $ 0.02 | $ 1.77 | $ 1.54 | $ 0.09 | $ 1.62 |
| Reported EPS Year over Year Change | | | | 14% | | | 2% | | |
| Adjusted EPS Year over Year Change | | | | | | 9% | | | 8% |
| SG&A as % of net sales | | | | 12.6% | | 12.6% | 12.4% | | 12.1% |

**Notes:**
**2009 - Excludes $28.3 million ($17.4 post tax) associated with restructuring charges related to plant closing expenses and a favorable legal settlement of $20.0 million ($12.3 post tax), net of legal fees.**
**2010 - Excludes $24.3 million ($15.9 post tax) associated with the settlement of a pension plan.**
**2011 - Excludes $12.9 million tax valuation allowance for the Company's Brazilian subsidiary**
**2015 - Excludes the impact of the settlement of a foreign pension plan of $8.9 million ($6.6 post tax) and the pre and post tax Natronx Impairment charge of $17 million.**
**2016 - Excludes $4.9 million (pre and post tax) plant impairment charge at the Company's Brazilian subsidiary**

Church & Dwight Co., Inc and Subsidiaries
Reported and Adjusted Condensed Statement of Income
(Amounts in Millions Except Per Share Amounts)

| | 2014 | | | 2013 | | | 2012 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Reported | Adjustments | Adjusted | Reported | Adjustments | Adjusted | Reported | Adjustments | Adjusted |
| Net Sales | $ 3,297.6 | | $ 3,297.6 | $ 3,194.3 | | $ 3,194.3 | $ 2,921.9 | | $ 2,921.9 |
| Gross Profit | 1,452.9 | | 1,452.9 | 1,438.0 | | 1,438.0 | 1,291.4 | | 1,291.4 |
| % of Sales | 44.1% | | 44.1% | 45.0% | | 45.0% | 44.2% | | 44.2% |
| Marketing Expenses | 416.9 | | 416.9 | 399.8 | | 399.8 | 357.3 | | 357.3 |
| Amortization Expense | 31.7 | | 31.7 | 28.9 | | 28.9 | 26.8 | | 26.8 |
| All Other Selling, General & Admin Expenses | 363.1 | | 363.1 | 387.1 | | 387.1 | 362.2 | | 362.2 |
| Total Selling, General & Admin Expenses | 394.8 | - | 394.8 | 416.0 | - | 416.0 | 389.0 | - | 389.0 |
| Operating Profit | 641.2 | - | 641.2 | 622.2 | - | 622.2 | 545.1 | - | 545.1 |
| % of Sales | 19.4% | | 19.4% | 19.5% | | 19.5% | 18.7% | | 18.7% |
| Other Income/(Expense) | (16.3) | | (16.3) | (24.4) | | (24.4) | (2.6) | | (2.6) |
| Income Before Taxes | 624.9 | - | 624.9 | 597.8 | - | 597.8 | 542.5 | - | 542.5 |
| Income Taxes | 211.0 | - | 211.0 | 203.4 | - | 203.4 | 192.7 | - | 192.7 |
| Tax Rate | 33.8% | | 33.8% | 34.0% | | 34.0% | 35.5% | | 35.5% |
| Net Income | $ 413.9 | $ - | $ 413.9 | $ 394.4 | $ - | $ 394.4 | $ 349.8 | $ - | $ 349.8 |
| Diluted EPS | $ 1.51 | $ - | $ 1.51 | $ 1.40 | $ - | $ 1.40 | $ 1.23 | $ - | $ 1.23 |
| Reported EPS Year over Year Change | 8% | | | 14% | | | 15% | | |
| Adjusted EPS Year over Year Change | | | 8% | | | 14% | | | 11% |
| SG&A as % of net sales | 12.0% | | 12.0% | 13.0% | | 13.0% | 13.3% | | 13.3% |

Notes:
2009 - Excludes $28.3 million ($17.4 post tax) associated with restructuring charges related to plant closing expenses and a favorable legal settlement of $20.0 million ($12.3 post tax), net of legal fees.
2010 - Excludes $24.3 million ($15.9 post tax) associated with the settlement of a pension plan.
2011 - Excludes $12.9 million tax valuation allowance for the Company's Brazilian subsidiary
2015 - Excludes the impact of the settlement of a foreign pension plan of $8.9 million ($6.6 post tax) and the pre and post tax Natronx Impairment charge of $17 million.
2016 - Excludes $4.9 million (pre and post tax) plant impairment charge at the Company's Brazilian subsidiary

Church & Dwight Co., Inc and Subsidiaries
Reported and Adjusted Condensed Statement of Income
(Amounts in Millions Except Per Share Amounts)

| | 2011 | | | 2010 | | |
|---|---|---|---|---|---|---|
| | Reported | Adjustments | Adjusted | Reported | Adjustments | Adjusted |
| Net Sales | $ 2,749.3 | | $ 2,749.3 | $ 2,589.2 | | $ 2,589.2 |
| Gross Profit | 1,214.5 | | 1,214.5 | 1,157.8 | | 1,157.8 |
| % of Sales | 44.2% | | 44.2% | 44.7% | | 44.7% |
| Marketing Expenses | 354.1 | | 354.1 | 338.0 | | 338.0 |
| Amortization Expense | 25.2 | | 25.2 | 23.7 | | 23.7 |
| All Other Selling, General & Admin Expenses | 342.6 | | 342.6 | 351.1 | | 326.8 |
| Total Selling, General & Admin Expenses | 367.8 | - | 367.8 | 374.8 | (24.3) | 350.5 |
| Operating Profit | 492.6 | - | 492.6 | 445.0 | 24.3 | 469.3 |
| % of Sales | 17.9% | | 17.9% | 17.2% | | 18.1% |
| Other Income/(Expense) | 2.0 | | 2.0 | (26.7) | | (26.7) |
| Income Before Taxes | 494.6 | - | 494.6 | 418.3 | 24.3 | 442.6 |
| Income Taxes | 185.0 | (12.9) | 172.1 | 147.6 | (8.4) | 139.2 |
| Tax Rate | 37.4% | | 34.8% | 35.3% | | 31.5% |
| Net Income | $ 309.6 | $ 12.9 | $ 322.5 | $ 270.7 | $ 15.9 | $ 286.6 |
| Diluted EPS | $ 1.06 | $ 0.05 | $ 1.11 | $ 0.94 | $ 0.05 | $ 0.99 |
| Reported EPS Year over Year Change | 13% | | | 10% | | |
| Adjusted EPS Year over Year Change | | | 11% | | | 14% |
| SG&A as % of net sales | 13.4% | | 13.4% | 14.5% | | 13.5% |

Notes:
2009 - Excludes $28.3 million ($17.4 post tax) associated with restructuring charges related to plant closing expenses and a favorable legal settlement of $20.0 million ($12.3 post tax), net of legal fees.
2010 - Excludes $24.3 million ($15.9 post tax) associated with the settlement of a pension plan.
2011 - Excludes $12.9 million tax valuation allowance for the Company's Brazilian subsidiary
2015 - Excludes the impact of the settlement of a foreign pension plan of $8.9 million ($6.6 post tax) and the pre and post tax Natronx Impairment charge of $17 million.
2016 - Excludes $4.9 million (pre and post tax) plant impairment charge at the Company's Brazilian subsidiary

**Church & Dwight Co., Inc**
**Historic Free Cash Flow Conversion**

| As Reported | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2007 - 2015 Average | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Cash From Operations | $ 248.7 | $ 336.2 | $ 400.9 | $ 428.5 | $ 437.8 | $ 523.6 | $ 499.6 | $ 540.3 | $ 606.1 | | $ 655.3 |
| Capital Expenditures | $ 48.9 | $ 98.3 | $ 135.4 | $ 63.8 | $ 76.6 | $ 74.5 | $ 67.1 | $ 70.5 | $ 61.8 | | $ 49.8 |
| Free Cash Flow (FCF) | $ 199.8 | $ 237.9 | $ 265.5 | $ 364.7 | $ 361.2 | $ 449.1 | $ 432.5 | $ 469.8 | $ 544.3 | | $ 605.5 |
| Net Income | $ 169.0 | $ 195.2 | $ 243.5 | $ 270.7 | $ 309.6 | $ 349.8 | $ 394.4 | $ 413.9 | $ 410.4 | | $ 459.0 |
| FCF as % of Net Income | 118% | 122% | 109% | 135% | 117% | 128% | 110% | 114% | 133% | 121% | 132% |

**Church & Dwight Co., Inc**
**Historic Free Cash Flow Conversion**

| Adjusted (see notes below) | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2007 - 2015 Average | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Cash From Operations | $ 248.7 | $ 336.2 | $ 400.9 | $ 444.4 | $ 437.8 | $ 487.6 | $ 535.6 | $ 540.3 | $ 606.1 | | $ 655.3 |
| Capital Expenditures | $ 48.9 | $ 98.3 | $ 135.4 | $ 63.8 | $ 76.6 | $ 74.5 | $ 67.1 | $ 70.5 | $ 61.8 | | $ 49.8 |
| Free Cash Flow (FCF) | $ 199.8 | $ 237.9 | $ 265.5 | $ 380.6 | $ 361.2 | $ 413.1 | $ 468.5 | $ 469.8 | $ 544.3 | | $ 605.5 |
| Net Income | $ 169.0 | $ 195.2 | $ 243.5 | $ 286.6 | $ 309.6 | $ 349.8 | $ 394.4 | $ 413.9 | $ 434.0 | | $ 463.9 |
| FCF as % of Net Income | 118% | 122% | 109% | 133% | 117% | 118% | 119% | 114% | 125% | 120% | 131% |

Notes:
2010 - Cash from Operations an Net Income excludes a $24 million ($15.9 after tax) Pension Settlement
2012 and 2013 - Cash from Operations excludes the impact of a $36 million federal tax payment that was deferred from December 2012 to January 2013
2015 - Cash from Operations and Net Income excludes the impact of a pension settlement ($8.9 pre tax, $6.6 after tax) and a pre and post tax charge of $17 million associated with the Natronx Impairment charge.
2016 - Adjusted Net Income includes a $4.9 million (pre and post-tax) plant impairment charge at the Company's Brazilian subsidiary

Church & Dwight Co., Inc
Total Debt to Bank EBITDA Reconciliation
($ in millions)

| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|---|---|---|
| Total Debt as Presented (1) | $ 1,120.1 | $ 1,050.0 | $ 1,086.6 | $ 797.3 | $ 895.6 | $ 246.7 | $ 333.3 |
| Other Debt per Covenant (2) | 79.3 | 83.5 | 88.0 | 90.3 | 79.1 | 45.9 | 11.7 |
| Total Debt per Credit Agreement | $ 1,199.4 | $ 1,133.5 | $ 1,174.6 | $ 887.6 | $ 974.7 | $ 292.6 | $ 345.0 |
| | | | | | | | |
| Net Cash from Operations | $ 655.3 | $ 606.1 | $ 540.3 | $ 499.6 | $ 523.6 | $ 437.8 | $ 428.5 |
| Interest Paid | 25.6 | 29.0 | 25.7 | 26.4 | 9.7 | 9.2 | 29.3 |
| Current Tax Provision | 222.0 | 201.0 | 198.3 | 192.3 | 179.5 | 125.6 | 108.7 |
| Excess Tax Benefits on Option Exercises | 30.0 | 15.8 | 18.5 | 13.1 | 14.6 | 12.1 | 7.3 |
| Change in Working Capital and other Liabilities | (75.7) | (38.6) | (13.5) | 16.1 | (75.4) | 11.0 | (31.6) |
| Adjustments for Significant Acquisitions/Dispositions (net) | - | - | - | - | 46.8 | 3.9 | 6.8 |
| | | | | | | | |
| Adjusted EBITDA (per Credit Agreement) | $ 857.2 | $ 813.3 | $ 769.3 | $ 747.5 | $ 698.8 | $ 599.6 | $ 549.0 |
| | | | | | | | |
| Ratio | 1.4 | 1.4 | 1.5 | 1.2 | 1.4 | 0.5 | 0.6 |

Notes:
(1)Net of Deferred Financing Costs per ASC 2015-03, "Simplifying the Presentation of Debt Issuance Costs"
(2) Includes Letters of Credit, Capital and Synthetic Lease Obligations, and certain Guarantees.