



Q2 2019 RESULTS & OUTLOOK

Steve Oakland, CEO & President

Matthew Foulston, EVP & CFO

AUGUST 1, 2019

FORWARD LOOKING STATEMENTS

From time to time, we and our representatives may provide information, whether orally or in writing, including certain statements in this Quarterly Report on Form 10-Q, which are deemed to be “forward-looking” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Litigation Reform Act”). These forward-looking statements and other information are based on our beliefs as well as assumptions made by us using information currently available.

The words “anticipate,” “believe,” “estimate,” “project,” “expect,” “intend,” “plan,” “should,” and similar expressions, as they relate to us, are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to certain risks, uncertainties, and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected, or intended. We do not intend to update these forward-looking statements following the date of this report.

In accordance with the provisions of the Litigation Reform Act, we are making investors aware that such forward-looking statements, because they relate to future events, are by their very nature subject to many important factors that could cause actual results to differ materially from those contemplated by the forward-looking statements contained in this presentation and other public statements we make. Such factors include, but are not limited to: our level of indebtedness and related obligations; disruptions in the financial markets; interest rates; changes in foreign currency exchange rates; customer consolidation; raw material and commodity costs; competition; our ability to continue to make acquisitions in accordance with our business strategy; changes and developments affecting our industry, including consumer preferences; the outcome of litigation and regulatory proceedings to which we may be a party; product recalls; changes in laws and regulations applicable to us; disruptions in or failures of our information technology systems; and labor strikes or work stoppages; and other risks that are set forth in the Risk Factors section, the Legal Proceedings section, the Management’s Discussion and Analysis of Financial Condition and Results of Operations section, and other sections of our Quarterly Reports on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2018, and from time to time in our filings with the Securities and Exchange Commission.



WE DELIVERED SOLID SECOND QUARTER RESULTS AND MADE MATERIAL PROGRESS AROUND OUR ENTERPRISE STRATEGY

- ✓ Delivered Q2 adjusted EPS of \$0.36, \$0.01 above the top end of the guidance range. Revenue of \$1.25B fell short of expectations.
- ✓ Announced definitive agreements regarding the majority of Portfolio Optimization initiatives shared at December Investor Day.
 - ✓ Expect to close the sale of the snack nuts and trail mix business to Atlas Holdings today.
 - Best of numerous options considered to deliver value
 - Clean exit, allows THS management to focus on ongoing operations
- ✓ Continuing to work through FTC review for RTE Cereal sale to Post Holdings. Timely resolution anticipated.
- ✓ Launched new Commercial Excellence organization.
- ✓ Providing FY19 guidance of \$2.33 - \$2.63 in adjusted EPS from continuing operations.

Q2 HOUSEKEEPING

- **Non-cash impairments**
 - RTE Cereal
 - Snacks
- **Litigation reserve related to single serve beverage settlement**
- **Pickles LIFO to FIFO transition**
 - Historical detail provided in the 10-Q and earnings release
 - Enables consistent inventory methodology across the organization
- **We expect both Snacks and RTE Cereal will qualify for discontinued operations treatment in Q3. Going forward, financials for these businesses will be removed from each quarter of 2019 and the comparable prior year periods.**

Q2 2019 RESULTS SCORECARD

	Q2 Guidance communicated in May	Adjusted ¹ Results	Result
Net Sales	\$ 1.27 - \$1.31 b (10)% - (13)%	\$1.25 b	✗
Net Interest Expense and Other	\$ 29 - \$31 m	\$26 m	✓
Tax Rate	23 - 24 %	25.5%	✗
Diluted EPS	\$ 0.25 - \$0.35	\$0.36	✓

¹ A reconciliation of Adjusted Net Interest Expense and Adjusted Diluted EPS to the most comparable GAAP measure is provided in the Appendix.

Q2 2019 FINANCIAL PERFORMANCE

(\$ in millions)

	Q2 2019	Q2 2018 ³	Change B/(W)	
			\$	%
Net Sales	\$ 1,250.7	\$ 1,455.8	\$ (205.1)	(14.1) %
Division Direct Operating Income (DOI)	132.4	146.2	(13.8)	(9.4) %
Division DOI Margin	10.6 %	10.0 %	NA	0.6 pts
Items Affecting Comparability ¹	(203.4)	(51.9)	(151.5)	(291.9)
Corporate Unallocated	(78.6)	(90.4)	11.8	13.1
Total Corporate Unallocated Expense	(282.0)	(142.3)	(139.7)	(98.2) %
Net Income	\$ (171.8)	\$ (19.5)	\$ (152.3)	(781.0) %
Adjusted EBIT ²	53.8	55.3	(1.5)	(2.7)
Adjusted EBIT Margin	4.3 %	3.8 %	NA	0.5 pts
Adjusted EBITDAS ²	113.4	119.7	(6.3)	(5.3)
Adjusted EBITDAS Margin	9.1 %	8.2 %	NA	0.9 pts
GAAP Diluted EPS	\$ (3.05)	\$ (0.35)	\$ (2.70)	(771.4) %
Adjusted Diluted EPS ²	\$ 0.36	\$ 0.38	\$ (0.02)	(5.3) %

¹ Items impacting comparability are more fully described in the Appendix, earnings release and 10-Q filing

² A reconciliation of Adjusted EBIT, Adjusted EBITDAS and Adjusted Diluted EPS to the most comparable GAAP measure is provided in the Appendix.

³ Recast for LIFO to FIFO transition

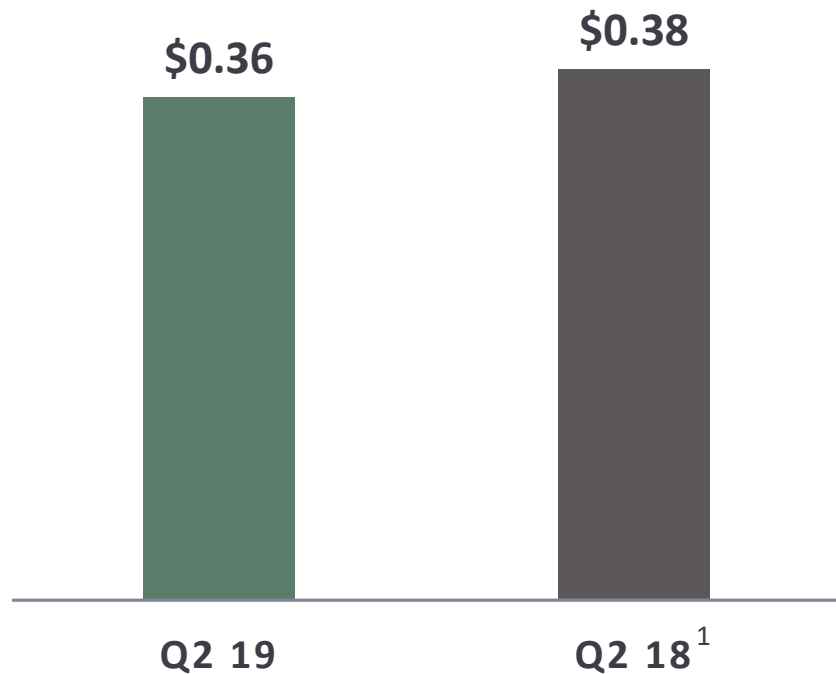


Q2 NET SALES DRIVERS

	Percentage Change in Q2 Net Sales vs. Prior Year				
	Baked Goods	Beverages	Meal Solutions	Snacks	THS
SKU Rationalization	(2.7) %	(0.5) %	(0.8) %	- %	(1.1) %
Vol / Mix (excl. SKU Rationalization)	(5.3)	(7.5)	(9.4)	(33.5)	(12.5)
Pricing	1.2	(2.0)	1.3	(4.3)	(0.3)
Divestitures	-	-	(0.2)	-	(0.1)
Currency	(0.1)	-	(0.2)	-	(0.1)
Total	<u>(6.9) %</u>	<u>(10.0) %</u>	<u>(9.3) %</u>	<u>(37.8) %</u>	<u>(14.1) %</u>
Excl SKU Rat/Divestitures					<u>(12.9) %</u>
Core TreeHouse (excl. SKU Rat, Divestitures, RTE Cereal, Snacks)	(2.5) %	(9.5) %	(8.3) %	NA	<u>(6.7) %</u>

$\$(0.02)$ DECLINE YEAR OVER YEAR MORE THAN EXPLAINED BY SNACKS

ADJUSTED EPS Q2 19 VS Q2 18

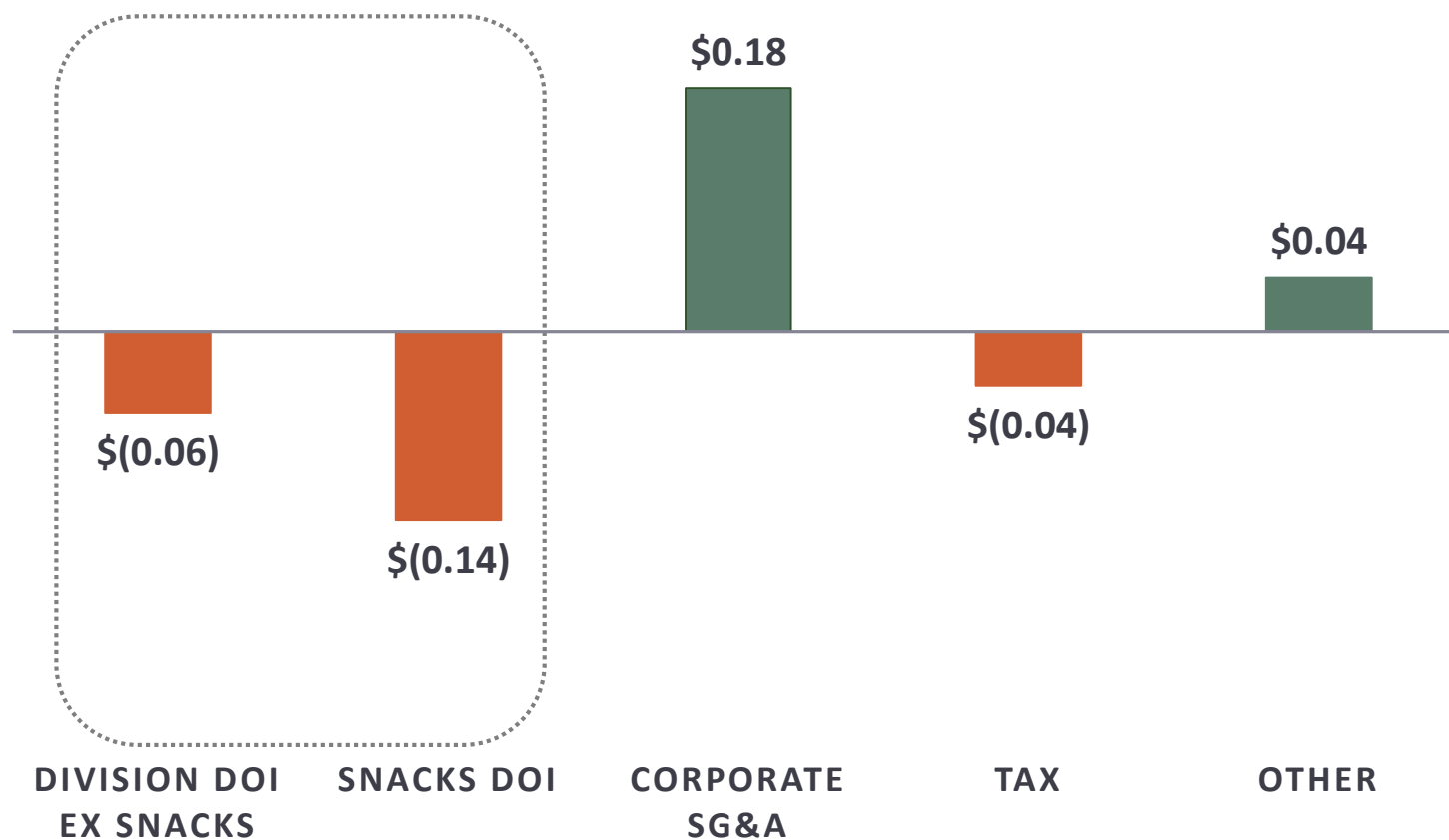


¹ Adjusted for LIFO to FIFO transition

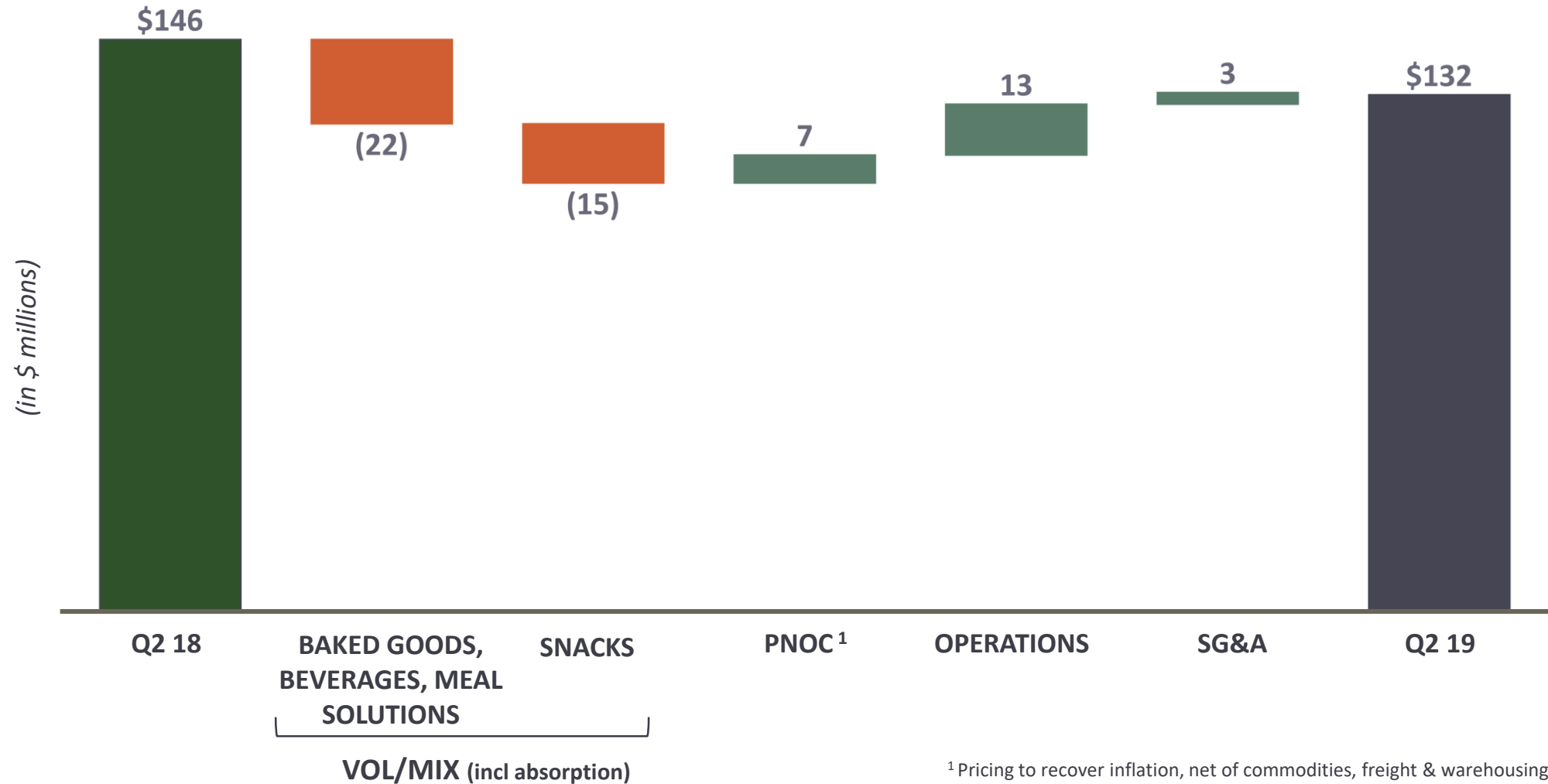


TreeHouse

KEY DRIVERS



VOLUME/MIX HEADWINDS PARTIALLY OFFSET BY IMPROVED OPERATIONS

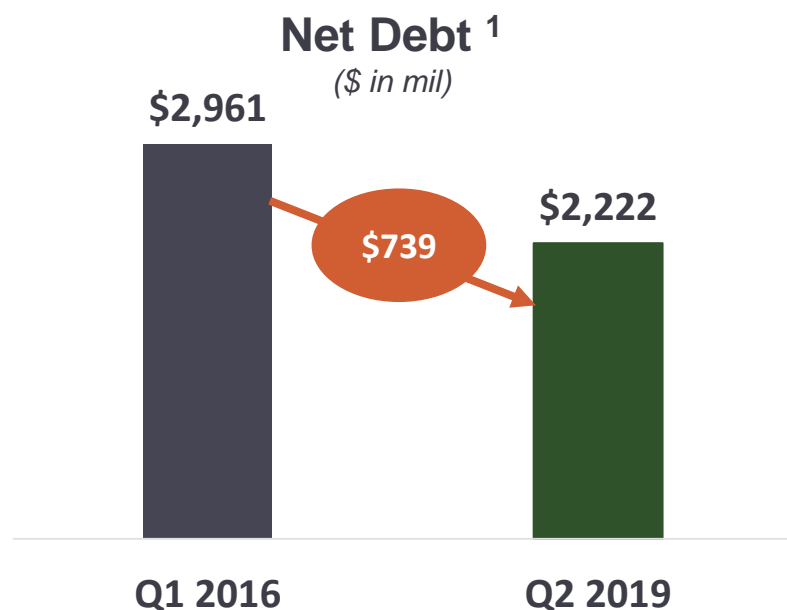


Q2 19 DIVISION DOI VS PRIOR YEAR

	<u>Vol / Mix</u> (incl absorption)	<u>PNOC</u> ¹	<u>Operations</u>	<u>SG&A</u>	<u>Total</u> (in \$m)
 Baked Goods	--	+	++	=	\$4
 Beverages	-	---	++	=	(5)
 Meal Solutions	----	+	+	+	(3)
 Snacks	-----	++++	-	=	(10)

¹ Pricing to recover inflation, net of commodities, freight & warehousing

FOCUS ON DEBT REDUCTION CONTINUES



¹ Net debt reflects total outstanding debt excluding deferred financing costs less cash and cash equivalents. See calculation of net debt in the Appendix.

	Working Capital (\$ in mil)		
	Q4 18	Q2 19	B/(W) vs Q4 18
Accounts Receivable	\$ (351)	\$ (301)	\$ 50
Inventory ²	(864)	(842)	22
Accounts Payable ³	<u>578</u>	<u>526</u>	<u>(52)</u>
Working Capital	\$ (637)	\$ (617)	\$ 20

² The Q4 18 value has been recast from the amounts previously reported due to a change in inventory valuation method from LIFO to FIFO for the Company's Pickle inventory.

³ Includes \$119 m in Q4 18 and \$71 m in Q2 19 related to accounts receivable monetization program whereby both payment from bank and payment from customer were received and are reflected in the balance sheet.



TRANSACTION CONSIDERATIONS AND ASSUMPTIONS INCLUDED IN FY2019 GUIDANCE FROM CONTINUING OPERATIONS

Snacks

- August 1 closing expected
- ~\$670 m in FY19 revenue
- 6 month transition services agreement (TSA) with extension provision

RTE Cereal

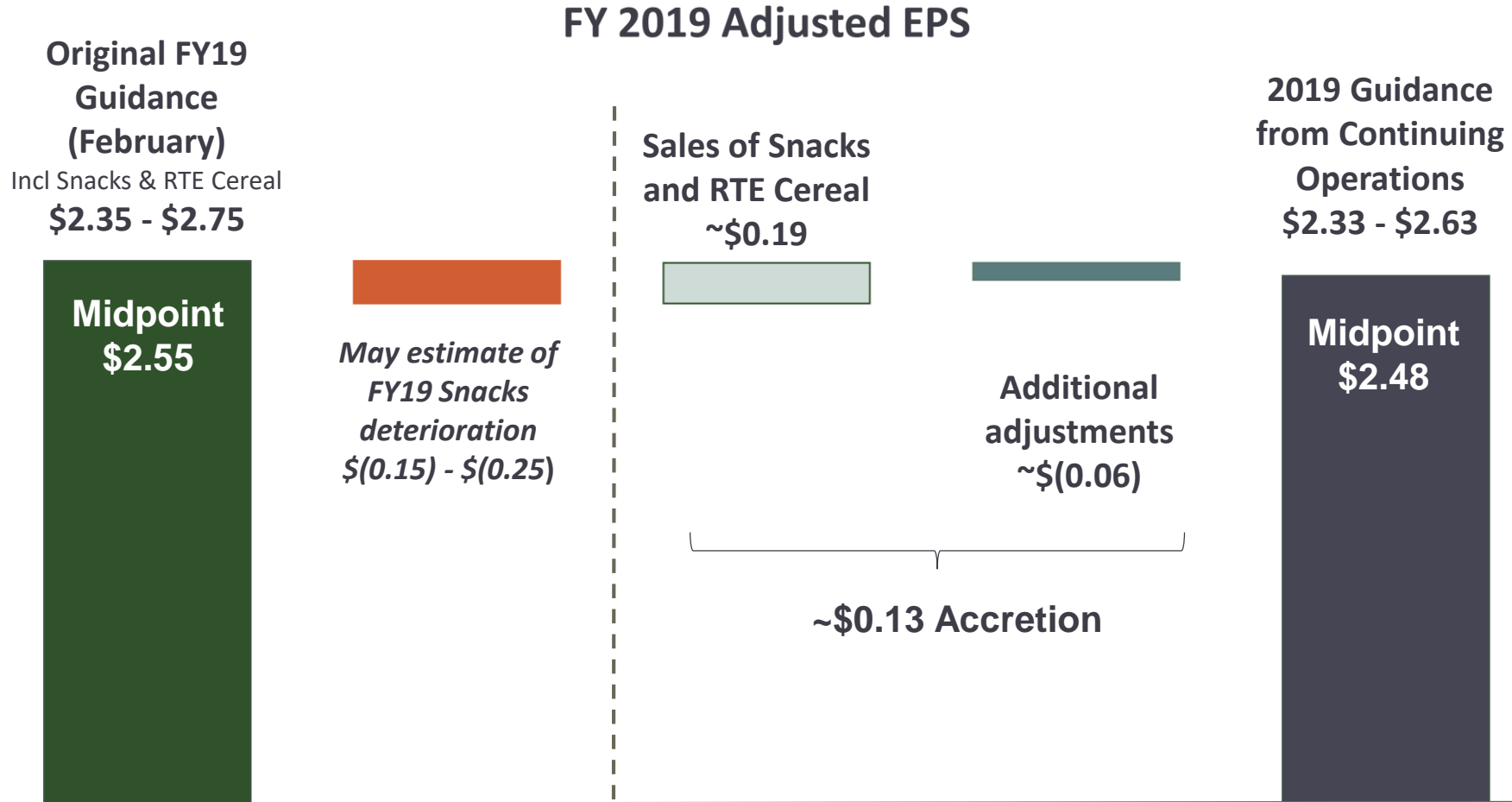
- Timing of close TBD
- ~\$230 m in FY19 revenue
- 12 month TSA

Discontinued Operations Considerations

- Accretion from Snacks and RTE Cereal sales total ~\$0.19
- Additional adjustments (stranded overhead, interest expense) of ~\$(0.06)
- 8-K pro forma financial statement filing will reflect Snacks, RTE cereal and additional adjustments for H1 2019, Q2 2019 and historical full year 2018, 2017 and 2016.
- Historical pro forma 2018 by quarter will be provided with Q3 earnings in early November.



GUIDANCE FOR 2019 EPS FROM CONTINUING OPERATIONS



FY 2019 GUIDANCE FROM CONTINUING OPERATIONS

	FY 2019 Guidance from Continuing Operations
Net Sales	\$ 4.29 - \$ 4.49 b
Adjusted EBIT	\$ 275 - \$ 300 m
Adjusted EBIT Margin	6.4 % - 6.7 %
Depreciation and Amortization	\$ 200 - \$ 210 m
Net Interest Expense	\$ 103 - \$ 108 m
Tax Rate	22 % - 23 %
Adjusted Diluted EPS	\$ 2.33 - \$2.63
Capital Expenditures	~ \$170 m
Free Cash Flow ¹	\$ 160 - \$190 m



FY19 GUIDANCE FROM CONTINUING OPERATIONS DEMONSTRATES MEANINGFUL MARGIN EXPANSION

	FY 2019 Guidance from Continuing Operations (midpoint)	Impact of Snacks and RTE divestitures
Sales	\$4,390 m	(\$900) m
Adj EBIT	288	
Adj EBIT margin	6.55 %	125 bps
Adj EBITDA	493	
Adj EBITDA margin	11.22 %	174 bps
Adj EPS	\$2.48	\$0.13

- Smaller, higher margin business
- Net \$0.13 EPS accretion
- Provides ability to de-lever
- New baseline for organic and acquisitive growth
- Allows us to focus our resources on fewer, better margin expansion efforts



Q3 2019 GUIDANCE FROM CONTINUING OPERATIONS

Q3 19 DRIVERS



TreeHouse 2020 plant closure savings
TMOS and Lean rollouts
SG&A savings



Continued lap of volume loss following 2017-18 pricing actions

ADJUSTED EPS Q3 19 VS Q3 18E

\$0.52 - \$0.62



\$0.54



Q3 19
GUIDANCE

Q3 18E¹

¹ Estimate of adjusted EPS to reflect LIFO to FIFO transition and continuing operations

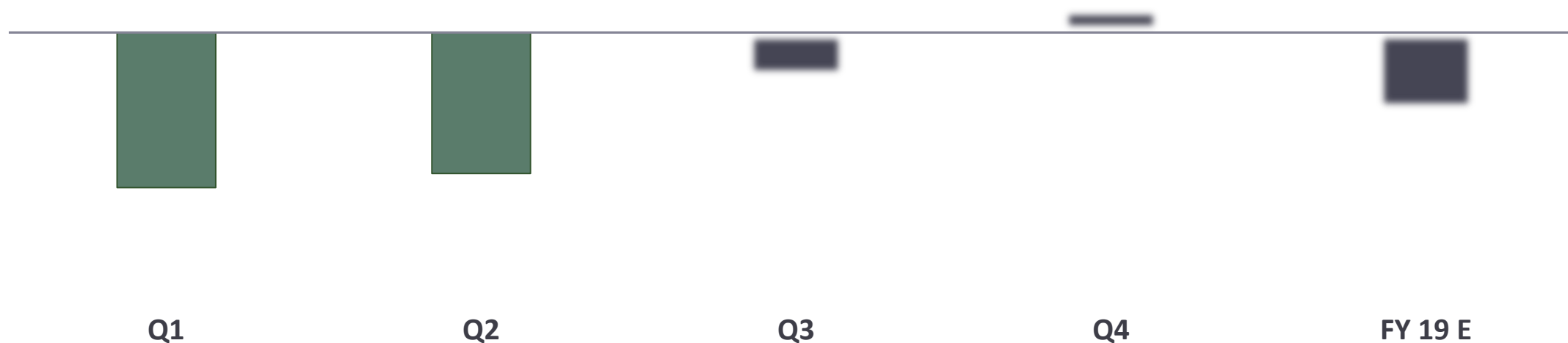
	Q3 19 E
Net Sales	\$ 1.04 - \$1.14 b
Net Interest Expense	\$ 25 - \$27 m
Tax Rate	23 - 24 %
Diluted EPS from continuing operations	\$ 0.52 - \$0.62



TreeHouse

WE CONTINUE TO DRIVE THE ORGANIZATION TO PIVOT TO SLIGHT GROWTH IN Q4 19

YEAR-OVER-YEAR VOLUME GROWTH FROM CONTINUING OPERATIONS¹



¹ Excludes SKU rationalization and divestitures

REAFFIRMING STRATEGIC GROWTH GOALS BEYOND 2019

REVENUE GROWTH



1-2%
organic

ADJUSTED EPS GROWTH



$\geq 10\%$

CASH GENERATING CAPABILITY



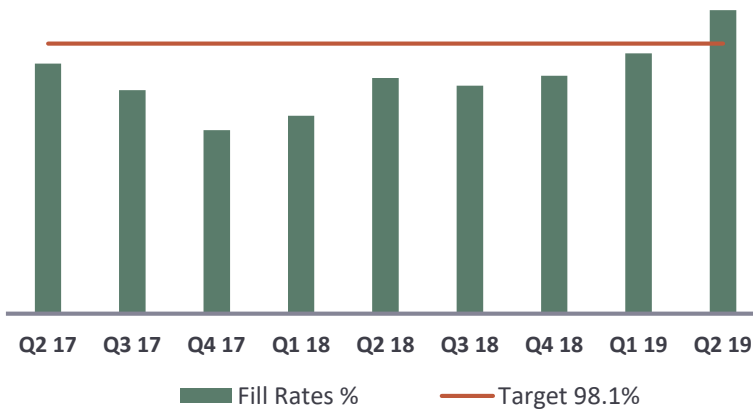
~\$300 million



THE JOURNEY TO GROWTH

Operational Excellence Is Delivering Improved Service Levels

Service at Highest Level in >2 Years



We Made Material Progress in Q2

- ✓ Announced Snacks and RTE cereal divestitures complete the majority of Portfolio Optimization initiatives
- ✓ Launched Commercial Excellence Organization
- ✓ Successfully shared Our Values across the organization



Execution

- Stabilized the business and improved service levels
- Simplified the portfolio
- Designed and launched the organization with shared purpose, vision and mission

Ready for Growth

Last 24 months

Q2 2019

Looking Ahead



TreeHouse



APPENDIX

COMPARISON OF ADJUSTED INFORMATION TO GAAP INFORMATION

The Company has included in this release measures of financial performance that are not defined by GAAP (“Non-GAAP”). A Non-GAAP financial measure is a numerical measure of financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the Company’s Condensed Consolidated Balance Sheets, Condensed Consolidated Statements of Operations, Condensed Consolidated Statements of Comprehensive Income, and the Condensed Consolidated Statements of Cash Flows. The Company believes these measures provide useful information to the users of the financial statements as we also have included these measures in other communications and publications.

For each of these Non-GAAP financial measures, the Company provides a reconciliation between the most directly comparable GAAP measure and the Non-GAAP measure and, an explanation of why management believes the Non-GAAP measure provides useful information to financial statement users, and any additional purposes for which management uses the Non-GAAP measure. This Non-GAAP financial information is provided as additional information for the financial statement users and is not in accordance with, or an alternative to, GAAP. These Non-GAAP measures may be different from similar measures used by other companies. Given the inherent uncertainty regarding adjusted items in any future period, a reconciliation of forward-looking financial measures to the most directly comparable GAAP measure is not feasible.

Adjusted Earnings Per Diluted Share, Adjusting for Certain Items Affecting Comparability

Adjusted earnings per diluted share (“Adjusted Diluted EPS”) reflects adjustments to GAAP loss per diluted share to identify items that, in management’s judgment, significantly affect the assessment of earnings results between periods. This information is provided in order to allow investors to make meaningful comparisons of the Company’s earnings performance between periods and to view the Company’s business from the same perspective as Company management. This measure is also used as a component of the Board of Director’s measurement of the Company’s performance for incentive compensation purposes. As the Company cannot predict the timing and amount of charges that include, but are not limited to, items such as acquisition, integration, divestiture, and related costs, mark-to-market adjustments on derivative contracts, and foreign currency exchange impact on the re-measurement of intercompany notes, management does not consider these costs when evaluating the Company’s performance, when making decisions regarding the allocation of resources, in determining incentive compensation, or in determining earnings estimates. The reconciliation of the GAAP measure of diluted loss per share as presented in the Condensed Consolidated Statements of Operations, excluding certain items affecting comparability, to adjusted diluted EPS is presented below.

Adjusted Net Income, Adjusted EBIT, and Adjusted EBITDAS, Adjusted net income margin, Adjusted EBIT margin and Adjusted EBITDAS margin, Adjusting for Certain Items Affecting Comparability

Adjusted net income represents GAAP net loss as reported in the Condensed Consolidated Statements of Operations adjusted for items that, in management’s judgment, significantly affect the assessment of earnings results between periods as outlined in the adjusted diluted EPS section above. This information is provided in order to allow investors to make meaningful comparisons of the Company’s earnings performance between periods and to view the Company’s business from the same perspective as Company management. This measure is also used as a component of the Board of Director’s measurement of the Company’s performance for incentive compensation purposes and is the basis of calculating the adjusted diluted EPS metric outlined above. Adjusted EBIT represents adjusted net income before interest expense, interest income, and income tax expense. Adjusted EBITDAS represents adjusted EBIT before depreciation expense, amortization expense, and non-cash stock-based compensation expense. Adjusted EBIT and adjusted EBITDAS are performance measures commonly used by management to assess operating performance, and the Company believes they are commonly reported and widely used by investors and other interested parties as a measure of a company’s operating performance between periods. Adjusted net income margin, adjusted EBIT margin and adjusted EBITDAS margin are calculated as the respective metric defined above as a percentage of net sales as reported in the Condensed Consolidated Statements of Operations adjusted for items that, in management’s judgment, significantly affect the assessment of earnings results between periods as outlined in the adjusted diluted EPS section above. A full reconciliation between the relevant GAAP measure of reported net loss for the three and six month periods ended June 30, 2019 and 2018 calculated according to GAAP, adjusted net income, adjusted EBIT, and adjusted EBITDAS is presented in the below tables.

Free Cash Flow and Net Debt

In addition to measuring the Company’s cash flow generation and usage based upon the operating, investing, and financing classifications included in the Condensed Consolidated Statements of Cash Flows, we also measure free cash flow which represents net cash provided by operating activities less capital expenditures. The Company believes free cash flow is an important measure of operating performance because it provides management and investors a measure of cash generated from operations that is available for mandatory payment obligations and investment opportunities such as funding acquisitions, repaying debt, and repurchasing our common stock. A reconciliation between the relevant GAAP measure of cash provided by operating activities for the six months ended June 30, 2019 and 2018 calculated according to GAAP and free cash flow is presented in the tables below. The Company uses a metric of Net Debt to measure our levered position at any specific point in time. Net Debt is defined as total outstanding debt excluding deferred financing fees, less cash and cash equivalents. The calculation of Net Debt is presented in the tables below.

TREEHOUSE FOODS, INC.
RECONCILIATION OF DILUTED LOSS PER SHARE TO ADJUSTED DILUTED EARNINGS PER SHARE

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
	(unaudited)		(unaudited)	
Diluted loss per share (GAAP)	\$ (3.05)	\$ (0.35)	\$ (3.54)	\$ (0.94)
Impairment	2.31	—	2.31	—
Restructuring programs	0.65	0.89	1.25	1.57
Mark-to-market adjustments	0.45	(0.13)	0.73	(0.03)
Litigation matter	0.44	—	0.44	—
Acquisition, integration, divestiture, and related costs	0.12	0.02	0.14	0.02
Multiemployer pension plan withdrawal	0.07	—	0.07	—
Tax indemnification	0.01	0.02	0.01	0.02
Product recall	—	—	0.01	—
Foreign currency (gain) loss on re-measurement of intercompany notes	(0.03)	0.03	(0.05)	0.06
CEO transition costs	—	—	—	0.23
Debt amendment and repurchase activity	—	0.09	—	0.09
Taxes on adjusting items	(0.62)	(0.19)	(0.88)	(0.45)
Dilutive impact of shares	0.01	—	0.01	—
Adjusted diluted EPS (Non-GAAP)	\$ 0.36	\$ 0.38	\$ 0.50	\$ 0.57



TREEHOUSE FOODS, INC.

RECONCILIATION OF NET LOSS TO ADJUSTED NET INCOME, ADJUSTED EBIT AND ADJUSTED EBITDAS

		Three Months Ended June 30,		Six Months Ended June 30,	
		2019	2018	2019	2018
		(unaudited, in millions)			
Net loss (GAAP)		\$ (171.8)	\$ (19.5)	\$ (198.7)	\$ (53.1)
Impairment	(1)	130.4	—	130.4	—
Restructuring programs	(2)	36.8	50.6	70.5	89.2
Mark-to-market adjustments	(3)	25.3	(7.6)	41.2	(2.0)
Litigation matter	(4)	25.0	—	25.0	—
Acquisition, integration, divestiture, and related costs	(5)	7.0	1.1	8.0	1.0
Multiemployer pension plan withdrawal	(6)	4.1	—	4.1	—
Tax indemnification	(7)	0.7	1.2	0.4	1.2
Product recall	(8)	0.1	—	0.5	—
Foreign currency (gain) loss on re-measurement of intercompany notes	(9)	(1.4)	1.4	(3.0)	3.3
CEO transition costs	(10)	—	—	—	13.0
Debt amendment and repurchase activity	(11)	—	5.0	—	5.0
Less: Taxes on adjusting items		(35.6)	(10.6)	(50.0)	(25.4)
Adjusted net income (Non-GAAP)		20.6	21.6	28.4	32.2
Interest expense		27.9	29.6	54.8	58.1
Interest income		(1.7)	(0.5)	(4.3)	(2.5)
Income tax benefit		(28.6)	(6.0)	(40.8)	(15.6)
Add: Taxes on adjusting items		35.6	10.6	50.0	25.4
Adjusted EBIT (Non-GAAP)		53.8	55.3	88.1	97.6
Depreciation and amortization	(12)	53.1	57.7	112.3	116.5
Stock-based compensation expense	(13)	6.5	6.7	12.4	13.1
Adjusted EBITDAS (Non-GAAP)		\$ 113.4	\$ 119.7	\$ 212.8	\$ 227.2
Adjusted net income margin		1.6%	1.5%	1.1%	1.1%
Adjusted EBIT margin		4.3%	3.8%	3.5%	3.3%
Adjusted EBITDAS margin		9.1%	8.2%	8.3%	7.7%



TREEHOUSE FOODS, INC.
FOOTNOTES FOR RECONCILIATION OF NET LOSS TO ADJUSTED NET INCOME, ADJUSTED EBIT AND ADJUSTED EBITDAS

	Location in Condensed Consolidated Statements of Operations	Three Months Ended June 30,		Six Months Ended June 30,	
		2019	2018	2019	2018
(unaudited, in millions)					
(1) Impairment	Asset impairment	\$ 130.4	\$ —	\$ 130.4	\$ —
(2) Restructuring programs	Other operating expense, net	35.5	46.4	64.3	75.3
	Cost of sales	0.5	1.9	4.6	11.6
	General and administrative	0.8	2.3	1.6	2.3
(3) Mark-to-market adjustments	Other expense (income), net	25.3	(7.6)	41.2	(2.0)
(4) Litigation matter	General and administrative	25.0	—	25.0	—
(5) Acquisition, integration, divestiture, and related costs	General and administrative	7.0	0.8	8.0	0.7
	Other operating expense, net	—	0.3	—	0.3
(6) Multiemployer pension plan withdrawal	Cost of sales	4.1	—	4.1	—
(7) Tax indemnification	Other expense (income), net	0.7	1.2	0.4	1.2
(8) Product recall	General and administrative	0.1	—	0.5	—
(9) Foreign currency (gain) loss on re-measurement of intercompany notes	(Gain) loss on foreign currency exchange	(1.4)	1.4	(3.0)	3.3
(10) CEO transition costs	General and administrative	—	—	—	13.0
(11) Debt amendment and repurchase activity	General and administrative	—	0.2	—	0.2
	Other expense (income), net	—	3.1	—	3.1
	Interest expense	—	1.7	—	1.7
(12) Depreciation included as an adjusting item	Cost of sales	0.3	1.9	2.2	10.1
	General and administrative	0.8	2.3	1.6	2.3
(13) Stock-based compensation expense included as an adjusting item	General and administrative	0.2	0.2	0.4	10.1



TREEHOUSE FOODS, INC.
ITEMS IMPACTING COMPARABILITY INCLUDED IN CORPORATE UNALLOCATED EXPENSE

Location in Condensed Consolidated Statements of Operations		Three Months Ended June 30,		Six Months Ended June 30,	
		2019	2018	2019	2018
(unaudited, in millions)					
Impairment	Asset impairment	\$ 130.4	\$ —	\$ 130.4	\$ —
Restructuring programs	Other operating expense, net	35.5	46.4	64.3	75.3
	Cost of sales	0.5	1.9	4.6	11.6
	General and administrative	0.8	2.3	1.6	2.3
Litigation matter	General and administrative	25.0	—	25.0	—
Acquisition, integration, divestiture, and related costs	General and administrative	7.0	0.8	8.0	0.7
	Other operating expense, net	—	0.3	—	0.3
Multiemployer pension plan withdrawal	Cost of sales	4.1	—	4.1	—
Product recall	General and administrative	0.1	—	0.5	—
CEO transition costs	General and administrative	—	—	—	13.0
Debt amendment and repurchase activity	General and administrative	—	0.2	—	0.2
Total		<u>\$ 203.4</u>	<u>\$ 51.9</u>	<u>\$ 238.5</u>	<u>\$ 103.4</u>



TREEHOUSE FOODS, INC.
RECONCILIATION OF SEGMENT AND UNALLOCATED CORPORATE COSTS TO OPERATING LOSS / INCOME

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
	(unaudited, in millions)		(unaudited, in millions)	
Net sales to external customers:				
Baked Goods	\$ 397.1	\$ 426.6	\$ 819.8	\$ 882.0
Beverages	212.8	236.4	450.0	485.5
Meal Solutions	470.3	518.5	935.2	1,041.8
Snacks	170.5	274.3	346.8	527.7
Total	<u>\$ 1,250.7</u>	<u>\$ 1,455.8</u>	<u>\$ 2,551.8</u>	<u>\$ 2,937.0</u>
Direct operating income:				
Baked Goods	\$ 41.6	\$ 37.3	\$ 86.3	\$ 65.3
Beverages	40.6	45.8	84.5	85.3
Meal Solutions	55.4	58.7	102.8	115.6
Snacks	(5.2)	4.4	(19.0)	12.0
Total	<u>132.4</u>	<u>146.2</u>	<u>254.6</u>	<u>278.2</u>
Unallocated expenses:				
Unallocated selling, general, and administrative expenses	(88.5)	(73.9)	(147.0)	(155.2)
Unallocated cost of sales	(3.6)	(0.4)	(11.7)	(8.0)
Unallocated corporate expense and other	(189.9)	(68.0)	(245.9)	(119.1)
Total	<u>(282.0)</u>	<u>(142.3)</u>	<u>(404.6)</u>	<u>(282.3)</u>
Operating (loss) income	<u>\$ (149.6)</u>	<u>\$ 3.9</u>	<u>\$ (150.0)</u>	<u>\$ (4.1)</u>



TREEHOUSE FOODS, INC.

ADJUSTED NET INTEREST EXPENSE AND OTHER RECONCILIATION

Location in Condensed Consolidated Statements of Operations		Three Months Ended June 30,		Six Months Ended June 30,	
		2019	2018	2019	2018
(unaudited, in millions)					
Interest expense		\$ 27.9	\$ 31.3	\$ 54.8	\$ 59.8
(Gain) loss on foreign currency exchange		(1.3)	1.9	(1.7)	4.4
Other expense (income), net		24.2	(3.8)	36.4	0.4
Total other expense		50.8	29.4	89.5	64.6
Adjusting items:					
Mark-to-market adjustments	Other expense (income), net	25.3	(7.6)	41.2	(2.0)
Tax indemnification	Other expense (income), net	0.7	1.2	0.4	1.2
Foreign currency (gain) loss on re-measurement of intercompany notes	(Gain) loss on foreign currency exchange	(1.4)	1.4	(3.0)	3.3
Debt amendment and repurchase activity	Other expense (income), net	—	3.1	—	3.1
	Interest expense	—	1.7	—	1.7
Adjusted net interest expense and other		<u>\$ 26.2</u>	<u>\$ 29.6</u>	<u>\$ 50.9</u>	<u>\$ 57.3</u>

TREEHOUSE FOODS, INC.
NET DEBT RECONCILIATION

Condensed Consolidated Balance Sheet	June 30, 2019	March 31, 2016
	(unaudited, in millions)	
Current portion of long-term debt	\$ 7.9	\$ 41.6
Long-term debt	2,257.6	2,942.3
Add back deferred financing costs	20.3	38.4
(Less) Cash and cash equivalents	(63.7)	(61.1)
Net debt	<u>\$ 2,222.1</u>	<u>\$ 2,961.2</u>

