
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**Current Report
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): February 19, 2019

NEWELL BRANDS INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-9608
(Commission
File Number)

36-3514169
(IRS Employer
Identification Number)

221 River Street
Hoboken, New Jersey 07030
(Address of principal executive offices including zip code)

(201) 610-6600
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On February 15, 2019, Newell Brands Inc. (the “Company”) issued a press release and accompanying tables (the “Earnings Release”) to report the Company’s earnings for the three months and twelve months ended December 31, 2018 (the “Fourth Quarter 2018” and “Full Year 2018”, respectively).

The Company is updating its Condensed Consolidated Statements of Operations and related reconciliation tables reported in the Earnings Release to reflect a change in income tax between continued operations and discontinued operations solely for GAAP purposes. The change in income tax does not impact the Non-GAAP results presented in the Earnings Release and does not affect total Company net income or diluted earnings per share, as reported for Fourth Quarter 2018 or Full Year 2018.

This change in income tax has the effect of decreasing the income tax benefit for continuing operations for the Fourth Quarter 2018 and Full Year 2018 by \$27 million, resulting in a decrease in net income from continuing operations of \$27 million and a corresponding increase in income from discontinued operations, net of tax, of \$27 million for the Fourth Quarter 2018 and an increase of \$27 million in net loss from continuing operations and a corresponding decrease in loss from discontinued operations, net of tax, for the Full Year 2018. This change in income tax also impacts the reported diluted earnings per share from continuing operations and from discontinued operations in the corresponding periods. The updated tables, attached hereto as Exhibit 99.1, reflect the impact of the change in income tax in Fourth Quarter 2018 and for Full Year 2018, respectively.

The information in this Form 8-K shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Exhibit Description
99.1	<u>Updated Condensed Consolidated Statements of Operations (Unaudited) for the Fourth Quarter 2018 and Full Year 2018 and Updated Reconciliations of GAAP and Non-GAAP Information for the Fourth Quarter 2018 and Full Year 2018</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NEWELL BRANDS INC.

Dated: February 19, 2019

By: /s/ Christopher Peterson
Christopher Peterson
Executive Vice President, Chief Financial Officer

NEWELL BRANDS INC.
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
 (Amounts in millions, except per share data)

	For the three months ended December 31,			For the twelve months ended December 31,		
	2018	2017	% Change	2018	2017	% Change
Net sales	\$2,340.6	\$ 2,489.2	(6.0)%	\$ 8,630.9	\$ 9,552.0	(9.6)%
Cost of products sold	<u>1,528.9</u>	<u>1,675.4</u>		<u>5,622.1</u>	<u>6,289.0</u>	
GROSS PROFIT	811.7	813.8	(0.3)%	3,008.8	3,263.0	(7.8)%
<i>% of sales</i>	34.7%	32.7%		34.9%	34.2%	
Selling, general and administrative expenses	619.2	652.9	(5.2)%	2,434.8	2,705.6	(10.0)%
<i>% of sales</i>	26.5%	26.2%		28.2%	28.3%	
Restructuring costs, net	18.0	19.2		80.5	87.6	
Impairment of goodwill, intangibles and other assets	<u>156.7</u>	<u>—</u>		<u>8,322.0</u>	<u>84.3</u>	
OPERATING INCOME (LOSS)	17.8	141.7	(87.4)%	(7,828.5)	385.5	NM
<i>% of sales</i>	0.8%	5.7%		(90.7)%	4.0%	
Nonoperating expenses:						
Interest expense, net	104.1	116.1		446.3	469.1	
Loss on extinguishment of debt	4.1	—		4.1	32.3	
Other (income) expense, net	<u>(0.5)</u>	<u>5.6</u>		<u>(11.2)</u>	<u>(708.3)</u>	
	107.7	121.7		439.2	(206.9)	
INCOME (LOSS) BEFORE INCOME TAXES	(89.9)	20.0	(549.5)%	(8,267.7)	592.4	NM
<i>% of sales</i>	(3.8)%	0.8%		(95.8)%	6.2%	
Income tax benefit	(226.7)	(1,478.8)		(1,478.1)	(1,578.4)	
<i>Effective rate</i>	<u>252.2%</u>	<u>(7,394.0)%</u>		<u>17.9%</u>	<u>(266.4)%</u>	
INCOME (LOSS) FROM CONTINUING OPERATIONS	136.8	1,498.8	(90.9)%	(6,789.6)	2,170.8	(412.8)%
<i>% of sales</i>	5.8%	60.2%		(78.7)%	22.7%	
Income (loss) from discontinued operations, net of tax	71.3	154.1		(128.3)	578.0	
NET INCOME (LOSS)	\$ 208.1	\$ 1,652.9	(87.4)%	\$ (6,917.9)	\$ 2,748.8	(351.7)%
<i>% of sales</i>	8.9%	66.4%		(80.2)%	28.8%	
Weighted average common shares outstanding:						
Basic	451.5	488.1		473.7	486.7	
Diluted	451.8	488.8		473.7	488.0	
Earnings (loss) per share:						
Basic:						
Income (loss) from continuing operations	\$ 0.30	\$ 3.07		\$ (14.33)	\$ 4.46	
Income (loss) from discontinued operations	<u>0.16</u>	<u>0.32</u>		<u>(0.27)</u>	<u>1.19</u>	
NET INCOME (LOSS)	\$ 0.46	\$ 3.39	(86.4)%	\$ (14.60)	\$ 5.65	(358.4)%
Diluted:						
Income (loss) from continuing operations	\$ 0.30	\$ 3.07		\$ (14.33)	\$ 4.45	
Income (loss) from discontinued operations	<u>0.16</u>	<u>0.31</u>		<u>(0.27)</u>	<u>1.18</u>	
NET INCOME (LOSS)	\$ 0.46	\$ 3.38	(86.4)%	\$ (14.60)	\$ 5.63	(359.3)%
Dividends per share	\$ 0.23	\$ 0.23		\$ 0.92	\$ 0.88	

* *NM—NOT MEANINGFUL*

NEWELL BRANDS INC.
Reconciliation of GAAP and Non-GAAP Information
CERTAIN LINE ITEMS
(in millions, except per share data)

For the three months ended December 31, 2018

	GAAP Measure										Non-GAAP Measure	
	Reported	Integration costs [1]	Acquisition amortization costs [2]	Transaction and related costs [3]	Divestiture costs [4]	Other non-recurring items [5]	Loss on extinguishment of debt [6]	Net gain/(loss) on sale of business [7]	Tax items [8]	Normalized*	Percentage of Sales	
Cost of products sold	\$ 1,528.9	\$ (1.4)	\$ —	\$ —	\$ —	\$ 1.3	\$ —	\$ —	\$ —	\$ 1,528.8	65.3%	
Gross profit	811.7	1.4	—	—	—	(1.3)	—	—	—	811.8	34.7%	
Selling, general and administrative expenses	619.2	(28.0)	(32.5)	(2.5)	(11.0)	(1.2)	—	—	—	544.0	23.2%	
Restructuring costs	18.0	(18.0)	—	—	—	—	—	—	—	—		
Impairment charges	156.7	—	(156.7)	—	—	—	—	—	—	—		
Operating income (loss)	17.8	47.4	189.2	2.5	11.0	(0.1)	—	—	—	267.8	11.4%	
Non-operating (income) expenses	107.7	—	—	—	—	(0.6)	(4.1)	—	—	103.0		
Income (loss) before income taxes	(89.9)	47.4	189.2	2.5	11.0	0.5	4.1	—	—	164.8		
Income taxes [9]	(226.7)	48.3	74.7	3.8	4.6	1.0	0.9	—	43.9	(49.5)		
Net income (loss) from continuing operations	136.8	(0.9)	114.5	(1.3)	6.4	(0.5)	3.2	—	(43.9)	214.3		
Income (loss) from discontinued operations, net of tax	71.3	1.1	326.6	—	15.2	(0.1)	—	(275.8)	(31.5)	106.8		
Net income (loss)	\$ 208.1	\$ 0.2	\$ 441.1	\$ (1.3)	\$ 21.6	\$ (0.6)	\$ 3.2	\$ (275.8)	\$ (75.4)	\$ 321.1		
Diluted earnings per share**	\$ 0.46	\$ 0.00	\$ 0.98	\$ —	\$ 0.05	\$ —	\$ 0.01	\$ (0.61)	\$ (0.17)	\$ 0.71		

* Normalized results are financial measures that are not in accordance with GAAP and exclude the above normalized adjustments. See below for a discussion of each of these adjustments.

** Adjustments and normalized earnings per share are calculated based on diluted weighted average shares of 451.8 million shares for the three months ended December 31, 2018.

Totals may not add due to rounding.

- [1] During the three months ended December 31, 2018, the Company incurred costs primarily associated with the Accelerated Transformation Plan of \$49.5 million (\$2.1 million of which is reported in discontinued operations), including \$19.7 million of restructuring costs (\$1.7 million of which is reported in discontinued operations).
- [2] During the three months ended December 31, 2018, the Company incurred acquisition amortization costs of \$32.5 million. During the three months ended December 31, 2018, the Company recognized impairment charges of \$541.4 million (\$149.9 million related to goodwill, \$389.5 million to other intangible assets, \$2.0 million for other assets), \$384.7 million was reported in discontinued operations, primarily related to businesses held for sale.
- [3] During the three months ended December 31, 2018, the Company recognized transaction and related costs of \$2.5 million.
- [4] During the three months ended December 31, 2018, the Company recognized \$32.1 million of costs (\$21.1 million of which were reported in discontinued operations) primarily related to the divestitures of Jostens, Fishing and the planned divestitures of Gaming, Process Solutions and Commercial and Consumer Solutions businesses.
- [5] During the three months ended December 31, 2018, the Company recorded \$1.3 million, net of recoveries, for fire-related losses in the Writing business; \$1.2 million of consulting costs for accounting standard adoption, and \$0.6 million of pension settlement costs.
- [6] During the three months ended December 31, 2018, the Company incurred \$4.1 million of debt extinguishment costs, net, consisting of non-cash write-offs of \$46.6 million of deferred debt issue costs and \$5.2 million of fees, partially offset by \$47.7 million non-cash settlement gains for payoff of debt below its carrying value.
- [7] During the three months ended December 31, 2018, the Company recognized a \$343.6 million net gain primarily, related to the sale of the Jostens (loss of \$32.1 million) and Fishing businesses (gain of \$371.6 million).
- [8] During the three months ended December 31, 2018, the Company recognized deferred taxes in continuing operations primarily related to statutory rate changes and adjustments to the Company's 2017 transition tax estimate, while the amounts in discontinued operations relate to the difference between the book and tax basis in the Fishing, Jostens, Gaming and Process Solutions businesses divested and held for sale.
- [9] The Company determined the tax effect of the items excluded from normalized results by applying the estimated effective rate for the applicable jurisdiction in which the pre-tax items were incurred, and for which realization of the resulting tax benefit, if any, is expected. In certain situations in which an item excluded from normalized results impacts income tax expense, the Company uses a "with" and "without" approach to determine normalized income tax expense.

NEWELL BRANDS INC.
Reconciliation of GAAP and Non-GAAP Information
CERTAIN LINE ITEMS
(in millions, except per share data)

For the twelve months ended December 31, 2018

	GAAP Measure		Acquisition amortization costs [2]	Transaction and related costs [3]	Divestiture costs [4]	Other non-recurring items [5]	Loss on extinguishment of debt [6]	Net gain/(loss) on sale of business [7]	Tax items [8]	Non-GAAP Measure	
	Reported	Integration costs [1]								Normalized*	Percentage of Sales
Cost of products sold	\$ 5,622.1	\$ (4.4)	\$ —	\$ —	\$ —	\$ 10.5	\$ —	\$ —	\$ —	\$ 5,628.2	65.2%
Gross profit	3,008.8	4.4	—	—	—	(10.5)	—	—	—	3,002.7	34.8%
Selling, general and administrative expenses	2,434.8	(99.5)	(131.4)	(15.4)	(18.2)	(45.2)	—	—	—	2,125.1	24.6%
Restructuring costs	80.5	(80.5)	—	—	—	—	—	—	—	—	
Impairment charges	8,322.0	—	(8,322.0)	—	—	—	—	—	—	—	
Operating income (loss)	(7,828.5)	184.4	8,453.4	15.4	18.2	34.7	—	—	—	877.6	10.2%
Non-operating (income) expenses	439.2	—	—	—	—	10.0	(4.1)	0.6	—	445.7	
Income (loss) before income taxes	(8,267.7)	184.4	8,453.4	15.4	18.2	24.7	4.1	(0.6)	—	431.9	
Income taxes [9]	(1,478.1)	38.3	1,198.9	3.3	3.9	5.3	0.9	5.5	46.4	(175.6)	
Net income (loss) from continuing operations	(6,789.6)	146.1	7,254.5	12.1	14.3	19.4	3.2	(6.1)	(46.4)	607.5	
Income (loss) from discontinued operations, net of tax	(128.3)	16.8	1,432.0	—	43.3	0.3	—	(701.6)	—	662.5	
Net income (loss)	\$ (6,917.9)	\$ 162.9	\$ 8,686.5	\$ 12.1	\$ 57.6	\$ 19.7	\$ 3.2	\$ (707.7)	\$ (46.4)	\$ 1,270.0	
Diluted earnings per share**	\$ (14.60)	\$ 0.34	\$ 18.31	\$ 0.03	\$ 0.12	\$ 0.04	\$ 0.01	\$ (1.49)	\$ (0.10)	\$ 2.68	

* Normalized results are financial measures that are not in accordance with GAAP and exclude the above normalized adjustments. See below for a discussion of each of these adjustments.

** Adjustments and normalized earnings per share are calculated based on diluted weighted average shares of 474.3 million shares for the twelve months ended December 31, 2018.

Totals may not add due to rounding.

- [1] During the twelve months ended December 31, 2018, the Company incurred costs primarily associated with the Accelerated Transformation Plan of \$205.9 million (\$21.5 million of which is reported in discontinued operations), including \$90.0 million of restructuring costs (\$9.5 million of which is reported in discontinued operations).
- [2] During the twelve months ended December 31, 2018, the Company incurred acquisition amortization costs of \$172.3 million (\$40.9 million of which is reported in discontinued operations). During the twelve months ended December 31, 2018, the Company recognized impairment charges of \$9.8 billion (\$5.1 billion related to goodwill, \$4.7 billion related to other intangible assets and \$41.1 million, primarily related to Home Fragrance fixed assets impairments), of which \$1.5 billion was reported in discontinued operations primarily related to goodwill impairment attributable to businesses held for sale.
- [3] During the twelve months ended December 31, 2018, the Company recognized transaction and related costs of \$15.4 million.
- [4] During the twelve months ended December 31, 2018, the Company recognized \$69.0 million of costs (\$50.8 million of which is reported in discontinued operations) primarily related to the divestitures of Waddington, Team Sports, Jostens, Fishing, and Goody along with the planned divestitures of Process Solutions and Commercial and Consumer Solutions businesses.
- [5] During the twelve months ended December 31, 2018, the Company recorded \$10.5 million, net of recoveries, for fire-related losses in the Writing business; \$25.5 million of bad debt related to a customer in the Baby business; \$16.7 million of costs related to the proxy contest, \$3.0 million of consulting costs for accounting standard adoption, \$11.3 million gain on legacy Jarden investment, and \$1.6 million of pension settlement costs (\$0.3 million of which is reported in discontinued operations).
- [6] During the twelve months ended December 31, 2018, the Company incurred \$4.1 million of debt extinguishment costs, net, consisting of non-cash write-offs of \$46.6 million of deferred debt issue costs and \$5.2 million of fees, partially offset by \$47.7 million non-cash settlement gains for payoff of debt below its carrying value.
- [7] During the twelve months ended December 31, 2018, the Company recognized a gain of \$599.0 million related to the sale of the Waddington business, gain of \$20.3 million related to the sale of Goody, gain of \$371.6 million related to the sale of Pure Fishing business, gain of \$1.2 million related to a sale of a small subsidiary, loss of \$127.7 million related to the sale of the Rawlings business, loss of \$32.1 million related to the sale of the Jostens business, and \$0.6 million gain on working capital adjustment related to the sale of the Tools business.
- [8] During the twelve months ended December 31, 2018, the Company recognized deferred taxes in continuing operations primarily related to statutory rate changes and adjustments to the Company's 2017 transition tax estimate, while the amounts in discontinued operations relate to the difference between the book and tax basis in the Goody, Jostens, Fishing, Gaming and Process Solutions businesses divested and held for sale.
- [9] The Company determined the tax effect of the items excluded from normalized results by applying the estimated effective rate for the applicable jurisdiction in which the pre-tax items were incurred, and for which realization of the resulting tax benefit, if any, is expected. In certain situations in which an item excluded from normalized results impacts income tax expense, the Company uses a "with" and "without" approach to determine normalized income tax expense.