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

FORM 10-Q

(Mark One)

[X] **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2017

OR

[ ] **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____ to _____

Commission File Number: 001-32433

PRESTIGE BRANDS HOLDINGS, INC.

(Exact name of Registrant as specified in its charter)

Delaware	**20-1297589**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

660 White Plains Road
Tarrytown, New York 10591

(Address of principal executive offices) (Zip Code)

(914) 524-6800

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	x	Accelerated filer	o
Non-accelerated filer	o (Do not check if a smaller reporting company)	Smaller reporting company	o
		Emerging growth company	o

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. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes o No x
As of October 27, 2017, there were 53,038,866 shares of common stock outstanding.

Prestige Brands Holdings, Inc.
Form 10-Q
Index

Trademarks and Trade Names

Trademarks and trade names used in this Quarterly Report on Form 10-Q are the property of Prestige Brands Holdings, Inc. or its subsidiaries, as the case may be. We have italicized our trademarks or trade names when they appear in this Quarterly Report on Form 10-Q.

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Prestige Brands Holdings, Inc.

Condensed Consolidated Statements of Income and Comprehensive Income

(Unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
(In thousands, except per share data)	**2017**	**2016**	**2017**	**2016**
Revenues				
Net sales	$ 257,930	$ 215,017	$ 514,417	$ 423,787
Other revenues	96	35	182	840
Total revenues	258,026	215,052	514,599	424,627
Cost of Sales				
Cost of sales excluding depreciation	112,580	91,087	224,337	179,071
Cost of sales depreciation	1,348	—	2,688	—
Cost of sales	113,928	91,087	227,025	179,071
Gross profit	144,098	123,965	287,574	245,556
Operating Expenses				
Advertising and promotion	39,188	28,592	76,132	56,227
General and administrative	21,567	18,795	41,903	38,252
Depreciation and amortization	7,186	6,016	14,353	12,848
(Gain) loss on divestitures	—	(496)	—	54,957
Total operating expenses	67,941	52,907	132,388	162,284
Operating income	76,157	71,058	155,186	83,272
Other (income) expense				
Interest income	(85)	(46)	(154)	(103)
Interest expense	26,921	20,876	53,331	42,060
Total other expense	26,836	20,830	53,177	41,957
Income before income taxes	49,321	50,228	102,009	41,315
Provision for income taxes	18,616	18,033	37,545	14,651
Net income	$ 30,705	$ 32,195	$ 64,464	$ 26,664
Earnings per share:				
Basic	$ 0.58	$ 0.61	$ 1.21	$ 0.50
Diluted	$ 0.57	$ 0.60	$ 1.20	$ 0.50
Weighted average shares outstanding:				
Basic	53,098	52,993	53,068	52,941
Diluted	53,539	53,345	53,524	53,329
Comprehensive income (loss), net of tax:				
Currency translation adjustments	2,716	2,703	3,835	(3,121)
Unrecognized net gain on pension plans	—	—	1	—
Total other comprehensive income (loss)	2,716	2,703	3,836	(3,121)
Comprehensive income	$ 33,421	$ 34,898	$ 68,300	$ 23,543

See accompanying notes.

Prestige Brands Holdings, Inc.
Condensed Consolidated Balance Sheets

(In thousands)	September 30, 2017	March 31, 2017
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	$ 42,977	$ 41,855
Accounts receivable, net of allowance of $14,393 and $13,010, respectively	145,422	136,742
Inventories	119,484	115,609
Prepaid expenses and other current assets	23,189	40,228
Total current assets	331,072	334,434
Property, plant and equipment, net	49,570	50,595
Goodwill	620,388	615,252
Intangible assets, net	2,894,140	2,903,613
Other long-term assets	7,023	7,454
Total Assets	$ 3,902,193	$ 3,911,348
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 79,258	$ 70,218
Accrued interest payable	8,333	8,130
Other accrued liabilities	73,131	83,661
Total current liabilities	160,722	162,009
Long-term debt		
Principal amount	2,117,000	2,222,000
Less unamortized debt costs	(24,912)	(28,268)
Long-term debt, net	2,092,088	2,193,732
Deferred income tax liabilities	731,684	715,086
Other long-term liabilities	21,733	17,972
Total Liabilities	3,006,227	3,088,799
Commitments and Contingencies — Note 16		
Stockholders' Equity		
Preferred stock - $0.01 par value		
Authorized - 5,000 shares		
Issued and outstanding - None	—	—
Common stock - $0.01 par value		
Authorized - 250,000 shares		
Issued - 53,392 shares at September 30, 2017 and 53,287 shares at March 31, 2017	534	533
Additional paid-in capital	464,446	458,255
Treasury stock, at cost - 353 shares at September 30, 2017 and 332 shares at March 31, 2017	(7,669)	(6,594)
Accumulated other comprehensive loss, net of tax	(22,516)	(26,352)
Retained earnings	461,171	396,707
Total Stockholders' Equity	895,966	822,549
Total Liabilities and Stockholders' Equity	$ 3,902,193	$ 3,911,348

See accompanying notes.

Prestige Brands Holdings, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Six Months Ended September 30,	
(In thousands)	**2017**	**2016**
Operating Activities		
Net income	$ 64,464	$ 26,664
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	17,041	12,848
Loss on divestitures	—	54,957
Loss on disposals of property and equipment	1,461	155
Deferred income taxes	16,321	(10,602)
Amortization of debt origination costs	3,494	5,097
Excess tax benefits from share-based awards	470	800
Stock-based compensation costs	4,726	3,933
Changes in operating assets and liabilities, net of effects from acquisitions:		
Accounts receivable	(9,345)	356
Inventories	(3,409)	(10,663)
Prepaid expenses and other current assets	17,123	10,112
Accounts payable	8,008	820
Accrued liabilities	(11,869)	6,605
Noncurrent assets and liabilities	55	—
Net cash provided by operating activities	108,540	101,082
Investing Activities		
Purchases of property, plant and equipment	(4,785)	(1,404)
Acquisition of Fleet escrow payment	970	—
Proceeds from the sales of property, plant and equipment	—	75
Proceeds from sales of intangible assets	—	52,353
Net cash (used in) provided by investing activities	(3,815)	51,024
Financing Activities		
Term loan repayments	(105,000)	(130,500)
Borrowings under revolving credit agreement	—	20,000
Repayments under revolving credit agreement	—	(40,000)
Payments of debt origination costs	—	(9)
Proceeds from exercise of stock options	1,466	3,423
Fair value of shares surrendered as payment of tax withholding	(1,075)	(1,395)
Net cash used in financing activities	(104,609)	(148,481)
Effects of exchange rate changes on cash and cash equivalents	1,006	(397)
Increase in cash and cash equivalents	1,122	3,228
Cash and cash equivalents - beginning of period	41,855	27,230
Cash and cash equivalents - end of period	$ 42,977	$ 30,458
Interest paid	$ 49,404	$ 37,259
Income taxes paid	$ 9,037	$ 6,743

See accompanying notes.

1. Business and Basis of Presentation

Nature of Business

Prestige Brands Holdings, Inc. (referred to herein as the “Company” or “we,” which reference shall, unless the context requires otherwise, be deemed to refer to Prestige Brands Holdings, Inc. and all of its direct and indirect 100% owned subsidiaries on a consolidated basis) is engaged in the development, manufacturing, marketing, sales and distribution of over-the-counter (“OTC”) healthcare and household cleaning products to mass merchandisers and drug, food, dollar, convenience and club stores in North America (the United States and Canada), and in Australia and certain other international markets. Prestige Brands Holdings, Inc. is a holding company with no operations and is also the parent guarantor of the senior credit facility and the senior notes described in Note 8.

Basis of Presentation

The unaudited Condensed Consolidated Financial Statements presented herein have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial reporting and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. All significant intercompany transactions and balances have been eliminated in consolidation. In the opinion of management, these Condensed Consolidated Financial Statements include all adjustments, consisting of normal recurring adjustments, that are considered necessary for a fair statement of our consolidated financial position, results of operations and cash flows for the interim periods presented. Our fiscal year ends on March 31st of each year. References in these Condensed Consolidated Financial Statements or related notes to a year (e.g., “2018”) mean our fiscal year ending or ended on March 31st of that year. Operating results for the three and six months ended September 30, 2017 are not necessarily indicative of results that may be expected for the fiscal year ending March 31, 2018. These unaudited Condensed Consolidated Financial Statements and related notes should be read in conjunction with our audited Consolidated Financial Statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended March 31, 2017.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on our knowledge of current events and actions that we may undertake in the future, actual results could differ from those estimates.

Reclassification

In accordance with Accounting Standards Update (“ASU”) 2016-09, *Compensation - Stock Compensation (Topic 718)*, we have reclassified cash flows on our Condensed Consolidated Statements of Cash Flows related to excess tax benefits from a financing activity to an operating activity for all periods presented. The impact of the reclassification on our Financial Statements was not material.

Revenue Recognition

Revenues are recognized when the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the selling price is fixed or determinable, (iii) the product has been shipped and the customer takes ownership and assumes the risk of loss, and (iv) collection of the resulting receivable is reasonably assured. We have determined that these criteria are met and the transfer of the risk of loss generally occurs when the product is received by the customer, and, accordingly, we recognize revenue at that time. Provisions are made for estimated discounts related to customer payment terms and estimated product returns at the time of sale based on our historical experience.

As is customary in the consumer products industry, we participate in the promotional programs of our customers to enhance the sale of our products. The cost of these promotional programs varies based on the actual number of units sold during a finite period of time. These promotional programs consist of direct-to-consumer incentives, such as coupons and temporary price reductions, as well as incentives to our customers, such as allowances for new distribution, including slotting fees, and cooperative advertising. Estimates of the costs of these promotional programs are based on (i) historical sales experience, (ii) the current promotional offering, (iii) forecasted data, (iv) current market conditions, and (v) communication with customer purchasing/marketing personnel. We recognize the cost of such sales incentives by recording an estimate of such cost as a reduction of revenue, at the later of (a) the date the related revenue is recognized, or (b) the date when a particular sales incentive is offered. At the completion of a promotional program, the estimated amounts are adjusted to actual results.

Due to the nature of the consumer products industry, we are required to estimate future product returns. Accordingly, we record an estimate of product returns concurrent with recording sales, which is made after analyzing (i) historical return rates, (ii) current economic trends, (iii) changes in customer demand, (iv) product acceptance, (v) seasonality of our product offerings, and (vi) the impact of changes in product formulation, packaging and advertising.

Cost of Sales
Cost of sales includes product costs, warehousing costs, inbound and outbound shipping costs, and handling and storage costs. Warehousing, shipping and handling and storage costs were $15.1 million and $28.6 million for the three and six months ended September 30, 2017, respectively, and $10.9 million and $21.4 million for the three and six months ended September 30, 2016, respectively.

Advertising and Promotion Costs
Advertising and promotion costs are expensed as incurred. Allowances for distribution costs associated with products, including slotting fees, are recognized as a reduction of sales. Under these slotting fee distribution arrangements, the retailers allow our products to be placed on the stores' shelves in exchange for such fees.

Recently Adopted Accounting Pronouncements
In March 2016, the FASB issued ASU 2016-09, *Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*. The amendments in this update involve several aspects of accounting for share-based payment transactions, including income tax consequences, classification of awards and classification on the statement of cash flows. For public business entities, the amendments in this update were effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. We adopted ASU 2016-09 effective April 1, 2017, and the adoption did not have a material impact on our Financial Statements.

In July 2015, the FASB issued ASU 2015-11, *Simplifying the Measurement of Inventory*. The amendments in this update more closely align the measurement of inventory in GAAP with the measurement of inventory in International Financial Reporting Standards, under which an entity should measure inventory at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. For public business entities, the amendments are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. Our adoption of ASU 2015-11, effective April 1, 2017, did not have a material impact on our Financial Statements.

Recently Issued Accounting Pronouncements
In January 2017, the FASB issued ASU 2017-04, *Intangibles - Goodwill and Other (Topic 350)*. The amendments in this update simplify the test for goodwill impairment by eliminating Step 2 from the impairment test, which required the entity to perform procedures to determine the fair value at the impairment testing date of its assets and liabilities following the procedure that would be required in determining fair value of assets acquired and liabilities assumed in a business combination. The amendments in this update are effective for public companies for annual or any interim goodwill impairments tests in fiscal years beginning after December 15, 2019. We are evaluating the impact of adopting this guidance on our Financial Statements and whether to early adopt this ASU.

In January 2017, the FASB issued ASU 2017-01, *Business Combinations (Topic 805); Clarifying the Definition of a Business.* The amendments in this update clarify the definition of a business to help companies evaluate whether transactions should be accounted for as acquisitions or disposals of assets or businesses. The amendments in this update are effective for public companies for annual periods beginning after December 15, 2017, including interim periods within those periods. We are evaluating the impact of adopting this guidance on our Financial Statements.

In August 2016, the FASB issued ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments*. The amendments in this update provide clarification and guidance on eight cash flow classification issues. For public business entities, the amendments in this update are effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. The adoption of ASU 2016-15 is not expected to have a material impact on our Financial Statements.

In February 2016, the FASB issued ASU 2016-02, *Leases.* The amendments in this update include a new FASB Accounting Standards Codification ("ASC") Topic 842, which supersedes Topic 840. The core principle of Topic 842 is that a lessee should recognize the assets and liabilities that arise from leases. For public business entities, the amendments in this update are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application is permitted for all entities as of the beginning of interim or annual reporting periods. We are evaluating the impact of adopting this guidance on our Financial Statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers - Topic 606*, including new FASB ASC 606, which supersedes the revenue recognition requirements in FASB ASC 605. The new guidance will eliminate industry-specific revenue recognition guidance under current GAAP and replace it with a principle-based approach for determining revenue recognition. This ASU primarily states that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. This ASU will also require additional disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts. In August 2015, the FASB issued ASU 2015-14, which deferred the effective date of ASU 2014-09 from annual and interim periods beginning after December 15, 2016 to annual and interim periods beginning after December 15, 2017. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. With the issuance of ASU 2016-08 in March 2016, the FASB clarified the implementation guidance on principals versus agent considerations in FASB ASC 606. In April 2016, the FASB issued ASU 2016-10, which clarified implementation guidance on identifying performance obligations and licensing in FASB ASC 606. Certain narrow aspects of the guidance in FASB ASC 606 were amended with the issuances of ASU 2016-12 in May 2016 and ASU 2016-20 in December 2016. We expect to adopt this guidance when effective using the modified retrospective transition method. We have made substantial progress in completing our review of the impact of this guidance. Our implementation approach includes performing a detailed study of the various types of agreements that we have with our customers and assessing conformance of our current accounting practices with the new standard. We currently do not expect this new guidance to have a material impact on our Financial Statements, revenue recognition practices, or our internal controls. We continue to monitor additional amendments, clarifications and interpretations issued by the FASB that may affect our current conclusions.

2. Acquisitions

Acquisition of Fleet

On January 26, 2017, the Company completed the acquisition of C.B. Fleet Company, Inc. ("*Fleet*") pursuant to the Agreement and Plan of Merger, dated as of December 22, 2016, for $823.7 million plus cash on hand at closing and subject to certain adjustments related to net working capital. The purchase price was funded by available cash on hand, additional borrowings under our asset-based revolving credit facility, and a new $740.0 million senior secured incremental term loan. As a result of the merger, we acquired multiple women's health, gastrointestinal and dermatological care OTC brands, including *Summer’s Eve*, *Fleet*, and *Boudreaux's Butt Paste*, as well as a “mix and fill” manufacturing facility in Lynchburg, Virginia. The financial results from the *Fleet* acquisition are included in the Company's North American and International OTC Healthcare segments.

The acquisition was accounted for in accordance with Business Combinations topic of the FASB ASC 805, which requires that the total cost of an acquisition be allocated to the tangible and intangible assets acquired and liabilities assumed based upon their respective fair values at the date of acquisition.

We prepared an analysis of the fair values of the assets acquired and liabilities assumed as of the date of acquisition. The following table summarizes our allocation of the assets acquired and liabilities assumed as of the January 26, 2017 acquisition date.

(In thousands)	January 26, 2017
Cash	$ 19,884
Accounts receivable	25,293
Inventories	20,812
Prepaid expenses and other current assets	17,024
Property, plant and equipment	38,661
Goodwill	273,058
Intangible assets	747,600
Other long-term assets	1,137
Total assets acquired	1,143,469
Accounts payable	10,412
Accrued expenses	22,895
Deferred income taxes - long term	261,555
Other long term liabilities	24,884
Total liabilities assumed	319,746
Total purchase price	$ 823,723

Based on this preliminary analysis, we allocated $648.7 million to non-amortizable intangible assets and $98.9 million to amortizable intangible assets. We are amortizing the purchased amortizable intangible assets on a straight-line basis over an estimated weighted average useful life of 18.7 years.

We recorded goodwill of $273.1 million based on the amount by which the purchase price exceeded the fair value of the net assets acquired. The goodwill is a result of acquiring and retaining workforces and expected synergies from integrating *Fleet's* operations into the Company's. Goodwill is not deductible for income tax purposes.

The following table provides our unaudited pro forma revenues, net income and net income per basic and diluted common share had the results of *Fleet's* operations been included in our operations commencing on April 1, 2016, based on available information related to *Fleet's* operations. This pro forma information is not necessarily indicative either of the combined results of operations that actually would have been realized by us had the *Fleet* acquisition been consummated at the beginning of the period for which the pro forma information is presented, or of future results.

	Three Months Ended September 30, 2016	Six Months Ended September 30, 2016
(In thousands, except per share data)	*(Unaudited)*	
Revenues	$ 265,967	$ 526,743
Net income	$ 32,358	$ 26,428
Earnings per share:		
Basic EPS	$ 0.61	$ 0.50
Diluted EPS	$ 0.61	$ 0.50

3. Divestitures and Sale of License Rights

Divestitures

On July 7, 2016, we completed the sale of the *Pediacare*, *New Skin* and *Fiber Choice* brands for $40.0 million plus the cost of inventory. During the six months ended September 30, 2016, we recorded a pre-tax loss on sale of $56.2 million.

Concurrent with the completion of the sale of these brands, we entered into a transitional services agreement with the buyer, whereby we agreed to provide the buyer with various services, including marketing, operations, finance and other services, from the date of the acquisition through January 7, 2017. We also entered into an option agreement with the buyer to purchase *Dermoplast* at a specified earnings multiple, as defined in the option agreement. The buyer paid a $1.25 million deposit for this option in September 2016 and later notified us of its election to exercise the option. The sale was completed in December 2016.

Sale of license rights

Historically, we received royalty income from the licensing of the names of certain of our brands in geographic areas or markets in which we do not directly compete. We have had royalty agreements for our *Comet* brand for several years, which included options on behalf of the licensee to purchase license rights in certain geographic areas and markets in perpetuity. In December 2014, we amended these agreements and we sold rights to use of the *Comet* brand in certain Eastern European countries to a third-party licensee in exchange for $10.0 million as a partial early buyout of the license. The amended agreement provided that we would continue to receive royalty payments of $1.0 million per quarter for the remaining geographic areas and also granted the licensee an option to acquire the license rights in the remaining geographic areas any time after June 30, 2016. In July 2016, the licensee elected to exercise its option. In August 2016, we received $11.0 million for the purchase of the remaining license rights and, as a result, we recorded a pre-tax gain of $1.2 million and reduced our indefinite-lived trademarks by $9.0 million. Furthermore, the licensee was no longer required to make additional royalty payments to us, and as a result, our future royalty income was reduced accordingly.

4. Inventories

Inventories consist of the following:

(In thousands)	September 30, 2017	March 31, 2017
Components of Inventories		
Packaging and raw materials	$ 10,770	$ 9,984
Work in process	210	369
Finished goods	108,504	105,256
Inventories	$ 119,484	$ 115,609

Inventories are carried and depicted above at the lower of cost or net realizable value, which includes a reduction in inventory values of $4.2 million and $6.6 million at September 30, 2017 and March 31, 2017, respectively, related to obsolete and slow-moving inventory.

5. Goodwill

A reconciliation of the activity affecting goodwill by operating segment is as follows:

(In thousands)	North American OTC Healthcare	International OTC Healthcare	Household Cleaning	Consolidated
Balance — March 31, 2017	$ 576,453	$ 32,554	$ 6,245	$ 615,252
Adjustments [(a)]	4,481	—	—	4,481
Effects of foreign currency exchange rates	—	655	—	655
Balance — September 30, 2017	$ 580,934	$ 33,209	$ 6,245	$ 620,388

(a) Amount relates to a measurement period adjustment recorded during the three months ended September 30, 2017, associated with our *Fleet* acquisition.

As discussed in Note 2, on January 26, 2017, we completed the acquisition of *Fleet*. In connection with this acquisition, we recorded goodwill of $273.1 million based on the amount by which the purchase price exceeded the fair value of the net assets acquired.

Under accounting guidelines, goodwill is not amortized, but must be tested for impairment annually, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below the carrying amount.

On an annual basis during the fourth quarter of each fiscal year, or more frequently if conditions indicate that the carrying value of the asset may not be recoverable, management performs a review of the values assigned to goodwill and tests for impairment. At February 28, 2017, during our annual test for goodwill impairment, there were no indicators of impairment under the analysis. Accordingly, no impairment charge was recorded in fiscal 2017. We utilize the discounted cash flow method to estimate the fair value of our reporting units as part of the goodwill impairment test. We also considered our market capitalization at February 28, 2017, which was the date of our annual review, as compared to the aggregate fair values of our reporting units, to assess the reasonableness of our estimates pursuant to the discounted cash flow methodology. The estimates and assumptions made in assessing the fair value of our reporting units and the valuation of the underlying assets and liabilities are inherently subject to significant uncertainties. Consequently, changing rates of interest and inflation, declining sales or margins, increases in competition, changing consumer preferences, technical advances, or reductions in advertising and promotion may require an impairment charge to be recorded in the future. As of September 30, 2017, no events have occurred that would indicate potential impairment of goodwill.

6. Intangible Assets, net

A reconciliation of the activity affecting intangible assets, net is as follows:

(In thousands)	**Indefinite Lived Trademarks**	**Finite Lived Trademarks and Customer Relationships**	**Totals**
Gross Carrying Amounts			
Balance — March 31, 2017	$ 2,589,155	$ 441,801	$ 3,030,956
Effects of foreign currency exchange rates	2,068	156	2,224
Balance — September 30, 2017	2,591,223	441,957	3,033,180
Accumulated Amortization			
Balance — March 31, 2017	—	127,343	127,343
Additions	—	11,683	11,683
Effects of foreign currency exchange rates	—	14	14
Balance — September 30, 2017	—	139,040	139,040
Intangible assets, net — September 30, 2017	$ 2,591,223	$ 302,917	$ 2,894,140

As discussed in Note 2, on January 26, 2017, we completed the acquisition of *Fleet*. In connection with this acquisition, we allocated $747.6 million to intangible assets based on our analysis.

Under accounting guidelines, indefinite-lived assets are not amortized, but must be tested for impairment annually, or more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of the asset below the carrying amount. Additionally, at each reporting period, an evaluation must be made to determine whether events and circumstances continue to support an indefinite useful life. Intangible assets with finite lives are amortized over their respective estimated useful lives and are also tested for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable and exceeds its fair value.

On an annual basis during the fourth fiscal quarter, or more frequently if conditions indicate that the carrying value of the asset may not be recoverable, management performs a review of both the values and, if applicable, useful lives assigned to intangible assets and tests for impairment.

We utilize the excess earnings method to estimate the fair value of our individual indefinite-lived intangible assets. We also considered our market capitalization at February 28, 2017, which was the date of our annual impairment review. The estimates and assumptions made in assessing the fair value of our reporting units and the valuation of the underlying assets and liabilities are inherently subject to significant uncertainties. Consequently, changing rates of interest and inflation, declining sales or margins, increases in competition, changing consumer preferences, technical advances, or reductions in advertising and promotion may require an impairment charge to be recorded in the future. As of September 30, 2017, no events have occurred that would indicate potential impairment of intangible assets.

7. Other Accrued Liabilities

Other accrued liabilities consist of the following:

(In thousands)		September 30, 2017		March 31, 2017
Accrued marketing costs	$	30,021	$	29,384
Accrued compensation costs		8,782		15,535
Accrued broker commissions		1,179		1,782
Income taxes payable		3,005		3,840
Accrued professional fees		2,662		2,412
Accrued production costs		5,215		4,580
Income tax related payable		13,921		19,000
Other accrued liabilities		8,346		7,128
	$	73,131	$	83,661

8. Long-Term Debt

At September 30, 2017, we had $90.0 million outstanding on the asset-based revolving credit facility entered into January 31, 2012, as amended (the "2012 ABL Revolver") and an additional borrowing capacity of $85.0 million.

Long-term debt consists of the following, as of the dates indicated:

(In thousands, except percentages)		September 30, 2017		March 31, 2017
2016 Senior Notes bearing interest at 6.375%, with interest payable on March 1 and September 1 of each year. The 2016 Senior Notes mature on March 1, 2024.	$	350,000	$	350,000
2013 Senior Notes bearing interest at 5.375%, with interest payable on June 15 and December 15 of each year. The 2013 Senior Notes mature on December 15, 2021.		400,000		400,000
2012 Term B-4 Loans bearing interest at our option at either LIBOR plus a margin of 2.75%, with a LIBOR floor of 0.75%, or a base rate plus a margin (with a margin step-down to 2.50%) due on January 26, 2024.		1,277,000		1,382,000
2012 ABL Revolver bearing interest at our option at either a base rate plus applicable margin or LIBOR plus applicable margin. Any unpaid balance is due on January 26, 2022.		90,000		90,000
Total long-term debt (including current portion)		2,117,000		2,222,000
Current portion of long-term debt		—		—
Long-term debt		2,117,000		2,222,000
Less: unamortized debt costs		(24,912)		(28,268)
Long-term debt, net	$	2,092,088	$	2,193,732

As of September 30, 2017, aggregate future principal payments required in accordance with the terms of the 2012 Term B-4 Loans, 2012 ABL Revolver and the indentures governing the 6.375% senior unsecured notes due 2024 (the "2016 Senior Notes") and the 5.375% senior unsecured notes due 2021 (the "2013 Senior Notes") are as follows:

(In thousands)

Year Ending March 31,		Amount
2018 (remaining six months ending March 31, 2018)	$	—
2019		—
2020		—
2021		—
2022		490,000
Thereafter		1,627,000
	$	2,117,000

9. Fair Value Measurements

For certain of our financial instruments, including cash, accounts receivable, accounts payable and other current liabilities, the carrying amounts approximate their respective fair values due to the relatively short maturity of these amounts.

FASB ASC 820, *Fair Value Measurements*, requires fair value to be determined based on the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market assuming an orderly transaction between market participants. ASC 820 established market (observable inputs) as the preferred source of fair value, to be followed by the Company's assumptions of fair value based on hypothetical transactions (unobservable inputs) in the absence of observable market inputs. Based upon the above, the following fair value hierarchy was created:

Level 1 - Quoted market prices for identical instruments in active markets;

Level 2 - Quoted prices for similar instruments in active markets, as well as quoted prices for identical or similar instruments in markets that are not considered active; and

Level 3 - Unobservable inputs developed by the Company using estimates and assumptions reflective of those that would be utilized by a market participant.

The market values have been determined based on market values for similar instruments adjusted for certain factors. As such, the 2016 Senior Notes, the 2013 Senior Notes, the 2012 Term B-4 Loans, and the 2012 ABL Revolver are measured in Level 2 of the above hierarchy (see summary below detailing the carrying amounts and estimated fair values of these borrowings at September 30, 2017 and March 31, 2017).

	September 30, 2017		March 31, 2017	
(In thousands)	**Carrying Value**	**Fair Value**	**Carrying Value**	**Fair Value**
2016 Senior Notes	$ 350,000	$ 375,375	$ 350,000	$ 367,500
2013 Senior Notes	400,000	412,000	400,000	409,000
2012 Term B-4 Loans	1,277,000	1,283,385	1,382,000	1,395,820
2012 ABL Revolver	90,000	90,000	90,000	90,000

At September 30, 2017 and March 31, 2017, we did not have any assets or liabilities measured in Level 1 or 3.

In accordance with ASU 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, investments that are measured at fair value using net asset value ("NAV") per share as a practical expedient have not been classified in the fair value hierarchy.

10. Stockholders' Equity

The Company is authorized to issue 250.0 million shares of common stock, $0.01 par value per share, and 5.0 million shares of preferred stock, $0.01 par value per share. The Board of Directors may direct the issuance of the undesignated preferred stock in one or more series and determine preferences, privileges and restrictions thereof.

Each share of common stock has the right to one vote on all matters submitted to a vote of stockholders. The holders of common stock are also entitled to receive dividends whenever funds are legally available and when declared by the Board of Directors, subject to prior rights of holders of all classes of outstanding stock having priority rights as to dividends. No dividends have been declared or paid on the Company's common stock through September 30, 2017.

During the three months ended September 30, 2017 and 2016, we repurchased 933 shares and 0 shares, respectively, of restricted common stock from our employees pursuant to the provisions of various employee restricted stock awards. The repurchases for the three months ended September 30, 2017 were at an average price of $51.60. During the six months ended September 30, 2017 and 2016, we repurchased 20,549 shares and 24,988 shares, respectively, of restricted common stock from our employees pursuant to the provisions of various employee restricted stock awards. The repurchases for the six months ended September 30, 2017 and 2016 were at an average price of $52.33 and $55.82, respectively. All of the repurchased shares have been recorded as treasury stock.

11. Accumulated Other Comprehensive Loss

The table below presents accumulated other comprehensive loss ("AOCI"), which affects equity and results from recognized transactions and other economic events, other than transactions with owners in their capacity as owners.

AOCI consisted of the following at September 30, 2017 and March 31, 2017:

(In thousands)	September 30, 2017	March 31, 2017
Components of Accumulated Other Comprehensive Loss		
Cumulative translation adjustment	$ (22,265)	$ (26,100)
Unrecognized net loss on pension plans	(251)	(252)
Accumulated other comprehensive loss, net of tax	$ (22,516)	$ (26,352)

As of September 30, 2017 and March 31, 2017, no amounts were reclassified from accumulated other comprehensive income into earnings.

12. Earnings Per Share

Basic earnings per share is computed based on the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share is computed based on the weighted-average number of shares of common stock outstanding plus the effect of potentially dilutive common shares outstanding during the period using the treasury stock method, which includes stock options and restricted stock units. In loss periods, the assumed exercise of in-the-money stock options and restricted stock units has an anti-dilutive effect, and therefore these instruments are excluded from the computation of diluted earnings per share.

The following table sets forth the computation of basic and diluted earnings per share:

	Three Months Ended September 30,		Six Months Ended September 30,	
(In thousands, except per share data)	2017	2016	2017	2016
Numerator				
Net income	$ 30,705	$ 32,195	$ 64,464	$ 26,664
Denominator				
Denominator for basic earnings per share — weighted average shares outstanding	53,098	52,993	53,068	52,941
Dilutive effect of unvested restricted stock units and options issued to employees and directors	441	352	456	388
Denominator for diluted earnings per share	53,539	53,345	53,524	53,329
Earnings per Common Share:				
Basic net earnings per share	$ 0.58	$ 0.61	$ 1.21	$ 0.50
Diluted net earnings per share	$ 0.57	$ 0.60	$ 1.20	$ 0.50

For the three months ended September 30, 2017 and 2016, there were 0.4 million and 0.2 million shares, respectively, attributable to outstanding stock-based awards that were excluded from the calculation of diluted earnings per share because their inclusion would have been anti-dilutive. For the six months ended September 30, 2017 and 2016, there were 0.4 million and 0.2 million shares, respectively, attributable to outstanding stock-based awards that were excluded from the calculation of diluted earnings per share because their inclusion would have been anti-dilutive.

13. Share-Based Compensation

In connection with our initial public offering, the Board of Directors adopted the 2005 Long-Term Equity Incentive Plan (the “Plan”), which provides for grants of up to a maximum of 5.0 million shares of restricted stock, stock options, restricted stock units ("RSUs") and other equity-based awards. In June 2014, the Board of Directors approved, and in July 2014, our stockholders ratified, an increase of an additional 1.8 million shares of our common stock for issuance under the Plan, increased the maximum number of shares subject to stock options that may be awarded to any one participant under the Plan during any fiscal 12-month period from 1.0 million to 2.5 million shares, and extended the term of the Plan by ten years, to February 2025. Directors, officers and other employees of the Company and its subsidiaries, as well as others performing services for the Company, are eligible for grants under the Plan.

During the three and six months ended September 30, 2017, pre-tax share-based compensation costs charged against income were $3.0 million and $4.7 million, respectively, and the related income tax benefit recognized was $1.0 million and $1.5 million, respectively. During the three and six months ended September 30, 2016, pre-tax share-based compensation costs charged against income were $2.0 million and $3.9 million, respectively, and the related income tax benefit recognized was $0.5 million and $1.2 million, respectively.

At September 30, 2017, there were $10.7 million of unrecognized compensation costs related to unvested share-based compensation arrangements under the Plan, based on management's estimate of the shares that will ultimately vest. We expect to recognize such costs over a weighted-average period of 1.0 year. The total fair value of options and restricted stock units vested during the six months ended September 30, 2017 and 2016 was $6.7 million and $6.0 million, respectively. For the six months ended September 30, 2017 and 2016, we received cash from the exercise of stock options of $1.5 million and $3.4 million, respectively. For the six months ended September 30, 2017 and 2016, we realized $1.2 million and $1.7 million, respectively, in tax benefits from the tax deductions resulting from restricted stock issuances and stock option exercises. At September 30, 2017, there were 2.2 million shares available for issuance under the Plan.

On May 8, 2017, the Compensation and Talent Management Committee of our Board of Directors granted 35,593 performance units, 54,773 RSUs and stock options to acquire 182,823 shares of our common stock to certain executive officers and employees under the Plan. The stock options were granted at an exercise price of $56.11 per share, which was equal to the closing price for our common stock on the date of the grant.

Pursuant to the Plan, each of the independent members of the Board of Directors received a grant of 2,564 RSUs on August 1, 2017. The RSUs are fully vested upon receipt of the award and will be settled by delivery to the director of one share of common stock of the Company for each vested RSU promptly following the earliest of the director's (i) death, (ii) disability or (iii) the six-month anniversary of the date on which the director's Board membership ceases for reasons other than death or disability.

Restricted Stock Units

RSUs granted to employees under the Plan generally vest in three years, primarily upon the attainment of certain time vesting thresholds, and, in the case of performance share units, may also be contingent on the attainment of certain performance goals of the Company, including revenue and earnings before income taxes, depreciation and amortization targets. The RSUs provide for accelerated vesting if there is a change of control, as defined in the Plan. The RSUs granted to employees generally vest either ratably over three years or in their entirety on the three-year anniversary of the date of the grant. Upon vesting, the units will be settled in shares of our common stock. Termination of employment prior to vesting will result in forfeiture of the RSUs, unless otherwise accelerated by the Compensation and Talent Management Committee or, in the case of RSUs granted in May 2017, subject to pro-rata vesting in the event of death, disability or retirement. The RSUs granted to directors vest either in their entirety one year after the date of grant so long as membership on the Board of Directors continues through the vesting date, or immediately upon grant, and will be settled by delivery to the director of one share of common stock of the Company for each vested RSU promptly following the earliest of the director's (i) death, (ii) disability or (iii) the six-month anniversary of the date on which the director's Board membership ceases for reasons other than death or disability.

The fair value of the RSUs is determined using the closing price of our common stock on the date of the grant. The weighted-average grant-date fair value of RSUs granted during the six months ended September 30, 2017 and 2016 was $55.61 and $55.65, respectively.

A summary of the Company's RSUs granted under the Plan is presented below:

RSUs	Shares (in thousands)	Weighted-Average Grant-Date Fair Value
Six months ended September 30, 2016		
Vested and nonvested at March 31, 2016	467.8	$ 35.22
Granted	65.8	55.65
Vested and issued	(92.7)	28.47
Forfeited	(91.0)	41.69
Vested and nonvested at September 30, 2016	349.9	39.16
Vested at September 30, 2016	63.4	20.12
Six months ended September 30, 2017		
Vested and nonvested at March 31, 2017	350.1	$ 39.29
Granted	105.8	55.61
Vested and issued	(53.3)	34.30
Forfeited	(6.7)	49.30
Vested and nonvested at September 30, 2017	395.9	44.15
Vested at September 30, 2017	90.5	29.88

Options

The Plan provides that the exercise price of options granted shall be no less than the fair market value of the Company's common stock on the date the options are granted. Options granted have a term of no greater than ten years from the date of grant and vest in accordance with a schedule determined at the time the option is granted, generally three to five years. The option awards provide for accelerated vesting in the event of a change in control, as defined in the Plan. Except in the case of death, disability or retirement, termination of employment prior to vesting will result in forfeiture of the unvested stock options. Vested stock options will remain exercisable by the employee after termination of employment, subject to the terms in the Plan.

The fair value of each option award is estimated on the date of grant using the Black-Scholes Option Pricing Model that uses the assumptions noted in the table below. Expected volatilities are based on the historical volatility of our common stock and other factors, including the historical volatilities of comparable companies. We use appropriate historical data, as well as current data, to estimate option exercise and employee termination behaviors. Employees that are expected to exhibit similar exercise or termination behaviors are grouped together for the purposes of valuation. The expected terms of the options granted are derived from our historical experience, management's estimates, and consideration of information derived from the public filings of companies similar to us, and represent the period of time that options granted are expected to be outstanding. The risk-free rate represents the yield on U.S. Treasury bonds with a maturity equal to the expected term of the granted options.

The weighted-average grant-date fair values of the options granted during the six months ended September 30, 2017 and 2016 were $21.20 and $21.87, respectively.

	Six months ended September 30,	
	2017	2016
Expected volatility	35.2%	37.8%
Expected dividends	$ —	$ —
Expected term in years	6.0	6.0
Risk-free rate	2.2%	1.7%

A summary of option activity under the Plan is as follows:

Options	Shares (in thousands)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in thousands)
Six months ended September 30, 2016				
Outstanding at March 31, 2016	727.7	$ 30.70		
Granted	250.6	56.17		
Exercised	(107.1)	31.97		
Forfeited or expired	(90.7)	42.56		
Outstanding at September 30, 2016	780.5	37.33	7.5	$ 10,326
Exercisable at September 30, 2016	383.7	25.61	6.5	$ 8,693
Six months ended September 30, 2017				
Outstanding at March 31, 2017	772.3	$ 37.70		
Granted	182.8	56.11		
Exercised	(51.0)	28.76		
Forfeited or expired	(19.0)	47.57		
Outstanding at September 30, 2017	885.1	41.80	7.5	$ 9,768
Exercisable at September 30, 2017	498.4	32.34	6.3	$ 9,305

The aggregate intrinsic value of options exercised in the six months ended September 30, 2017 was $1.2 million.

14. Income Taxes

Income taxes are recorded in our quarterly financial statements based on our estimated annual effective income tax rate, subject to adjustments for discrete events, should they occur. The effective rates used in the calculation of income taxes were 37.7% and 35.9% for the three months ended September 30, 2017 and 2016, respectively. The effective rates used in the calculation of income taxes were 36.8% and 35.5% for the six months ended September 30, 2017 and 2016, respectively. The increase in the effective tax rate for the three and six months ended September 30, 2017 was primarily due to state tax increases that occurred during the period.

The balance in our uncertain tax liability was $8.1 million at September 30, 2017 and $3.7 million March 31, 2017. The increase in our uncertain tax liability was related to a measurement period adjustment associated with our *Fleet* acquisition. We recognize interest and penalties related to uncertain tax positions as a component of income tax expense. We did not incur any material interest or penalties related to income taxes in any of the periods presented.

15. Employee Retirement Plans

The primary components of Net Periodic Benefits consist of the following:

(In thousands)	Three Months Ended September 30, 2017	Six Months Ended September 30, 2017
Interest cost	$ 634	$ 1,263
Expected return on assets	(725)	(1,451)
Net periodic benefit cost (income)	$ (91)	$ (188)

During the six months ended September 30, 2017, the Company contributed $0.2 million to our non-qualified defined benefit plan and made no contributions to the qualified defined benefit plan. During the remainder of fiscal 2018, we expect to contribute an additional $0.2 million to the non-qualified plan and make no contributions to the qualified plan.

16. Commitments and Contingencies

We are involved from time to time in legal matters and other claims incidental to our business. We review outstanding claims and proceedings internally and with external counsel as necessary to assess the probability and amount of a potential loss. These assessments are re-evaluated at each reporting period and as new information becomes available to determine whether a reserve should be established or if any existing reserve should be adjusted. The actual cost of resolving a claim or proceeding ultimately may be substantially different than the amount of the recorded reserve. In addition, because it is not permissible under GAAP to establish a litigation reserve until the loss is both probable and estimable, in some cases there may be insufficient time to establish a reserve prior to the actual incurrence of the loss (upon verdict and judgment at trial, for example, or in the case of a quickly negotiated settlement). We believe the resolution of routine legal matters and other claims incidental to our business, taking our reserves into account, will not have a material adverse effect on our business, financial condition, or results of operations.

Purchase Commitments

We have supply agreements for the manufacture of some of our products. The following table shows the minimum amounts that we are committed to pay under these agreements:

(In thousands)

Year Ending March 31,		Amount
2018 (Remaining six months ending March 31, 2018)	$	2,836
2019		9,082
2020		9,859
2021		9,300
2022		9,300
Thereafter		2,300
	$	42,677

17. Concentrations of Risk

Our revenues are concentrated in the areas of OTC Healthcare and Household Cleaning products. We sell our products to mass merchandisers and drug, food, dollar, convenience and club stores. During the three and six months ended September 30, 2017, approximately 40.8% and 42.0%, respectively, of our total revenues were derived from our five top selling brands. During the three and six months ended September 30, 2016, approximately 41.6% and 42.0%, respectively, of our total revenues were derived from our five top selling brands. Two customers, Walmart and Walgreens, accounted for more than 10% of our gross revenues for each of the periods presented. Walmart accounted for approximately 25.3% and 25.4%, respectively, of our gross revenues for the three and six months ended September 30, 2017. Walgreens accounted for approximately 8.7% and 8.9%, respectively, of gross revenues for the three and six months ended September 30, 2017. Walmart accounted for approximately 21.1% and 20.9%, respectively, of our gross revenues for the three and six months ended September 30, 2016. Walgreens accounted for approximately 10.7% and 10.5%, respectively, of gross revenues for the three and six months ended September 30, 2016. At September 30, 2017, approximately 24.9% and 8.3% of accounts receivable were owed by Walmart and Walgreens, respectively.

We manage product distribution in the continental United States through a third-party distribution center in St. Louis, Missouri. A serious disruption, such as an earthquake, tornado, flood or fire, to the main distribution center could damage our inventories and could materially impair our ability to distribute our products to customers in a timely manner or at a reasonable cost. We could incur significantly higher costs and experience longer lead times associated with the distribution of our products to our customers during the time that it takes us to reopen or replace our distribution center. As a result, any such disruption could have a material adverse effect on our business, sales and profitability.

At September 30, 2017, we had relationships with 110 third-party manufacturers. Of those, we had long-term contracts with 45 manufacturers that produced items that accounted for approximately 79.5% of gross sales for the six months ended September 30, 2017. At September 30, 2016, we had relationships with 116 third-party manufacturers. Of those, we had long-term contracts with 49 manufacturers that produced items that accounted for approximately 78.8% of gross sales for the six months ended September 30, 2016. The fact that we do not have long-term contracts with certain manufacturers means that they could cease manufacturing our products at any time and for any reason or initiate arbitrary and costly price increases, which could have a material adverse effect on our business and results of operations. Although we are in the process of negotiating long-term contracts with certain key manufacturers, we may not be able to reach a timely agreement, which could have a material adverse effect on our business and results of operations.

18. Business Segments

Segment information has been prepared in accordance with the Segment Reporting topic of the FASB ASC 280. Our current reportable segments consist of (i) North American OTC Healthcare, (ii) International OTC Healthcare and (iii) Household Cleaning. We evaluate the performance of our operating segments and allocate resources to these segments based primarily on contribution margin, which we define as gross profit less advertising and promotional expenses.

The tables below summarize information about our reportable segments.

	Three Months Ended September 30, 2017			
(In thousands)	**North American OTC Healthcare**	**International OTC Healthcare**	**Household Cleaning**	**Consolidated**
Total segment revenues*	$ 215,302	$ 20,957	$ 21,767	$ 258,026
Cost of sales	87,184	9,296	17,448	113,928
Gross profit	128,118	11,661	4,319	144,098
Advertising and promotion	35,064	3,593	531	39,188
Contribution margin	$ 93,054	$ 8,068	$ 3,788	104,910
Other operating expenses				28,753
Operating income				76,157
Other expense				26,836
Income before income taxes				49,321
Provision for income taxes				18,616
Net income				$ 30,705

* Intersegment revenues of $2.3 million were eliminated from the North America OTC Healthcare segment.

	Six Months Ended September 30, 2017			
(In thousands)	**North American OTC Healthcare**	**International OTC Healthcare**	**Household Cleaning**	**Consolidated**
Total segment revenues*	$ 431,117	$ 41,855	$ 41,627	$ 514,599
Cost of sales	173,685	19,246	34,094	227,025
Gross profit	257,432	22,609	7,533	287,574
Advertising and promotion	67,872	7,283	977	76,132
Contribution margin	$ 189,560	$ 15,326	$ 6,556	211,442
Other operating expenses				56,256
Operating income				155,186
Other expense				53,177
Income before income taxes				102,009
Provision for income taxes				37,545
Net income				$ 64,464

* Intersegment revenues of $3.7 million were eliminated from the North American OTC Healthcare segment.

(In thousands)	Three Months Ended September 30, 2016 North American OTC Healthcare	International OTC Healthcare	Household Cleaning	Consolidated
Total segment revenues*	$ 172,447	$ 18,804	$ 23,801	$ 215,052
Cost of sales	65,402	7,096	18,589	91,087
Gross profit	107,045	11,708	5,212	123,965
Advertising and promotion	24,811	3,244	537	28,592
Contribution margin	$ 82,234	$ 8,464	$ 4,675	95,373
Other operating expenses**				24,315
Operating income				71,058
Other expense				20,830
Income before income taxes				50,228
Provision for income taxes				18,033
Net income				$ 32,195

* Intersegment revenues of $0.1 million were eliminated from the North American OTC Healthcare segment.

**Other operating expenses for the three months ended September 30, 2016 includes a pre-tax loss on sale of assets of $0.7 million related to *Pediacare*, *New Skin*, and *Fiber Choice* and a pre-tax gain on sale of assets of $1.2 million associated with the sale of license rights in certain geographic areas pertaining to *Comet*. The assets and corresponding contribution margin associated with the pre-tax loss on sale of assets related to *Pediacare*, *New Skin*, and *Fiber Choice* are included within the North American OTC Healthcare segment, while the pre-tax gain on sale of license rights related to *Comet* are included in the Household Cleaning segment.

(In thousands)	Six Months Ended September 30, 2016 North American OTC Healthcare	International OTC Healthcare	Household Cleaning	Consolidated
Total segment revenues*	$ 344,527	$ 34,608	$ 45,492	$ 424,627
Cost of sales	129,636	14,044	35,391	179,071
Gross profit	214,891	20,564	10,101	245,556
Advertising and promotion	49,851	5,368	1,008	56,227
Contribution margin	$ 165,040	$ 15,196	$ 9,093	189,329
Other operating expenses**				106,057
Operating income				83,272
Other expense				41,957
Income before income taxes				41,315
Provision for income taxes				14,651
Net income				$ 26,664

* Intersegment revenues of $1.4 million were eliminated from the North American OTC Healthcare segment.

**Other operating expenses for the six months ended September 30, 2016 includes a pre-tax loss on sale of assets of $56.2 million related to *Pediacare*, *New Skin*, and *Fiber Choice* and a pre-tax gain on sale of assets of $1.2 million associated with the sale of license rights in certain geographic areas pertaining to *Comet*. The assets and corresponding contribution margin associated with the pre-tax loss on sale of assets related to *Pediacare*, *New Skin*, and *Fiber Choice* are included within the North American OTC Healthcare segment, while the pre-tax gain on sale of license rights related to *Comet* are included in the Household Cleaning segment.

The tables below summarize information about our segment revenues from similar product groups.

	Three Months Ended September 30, 2017			
(In thousands)	**North American OTC Healthcare**	**International OTC Healthcare**	**Household Cleaning**	**Consolidated**
Analgesics	$ 29,348	$ 40	$ —	$ 29,388
Cough & Cold	21,567	4,659	—	26,226
Women's Health	61,436	1,906	—	63,342
Gastrointestinal	28,323	8,139	—	36,462
Eye & Ear Care	22,535	2,590	—	25,125
Dermatologicals	25,821	524	—	26,345
Oral Care	24,990	3,097	—	28,087
Other OTC	1,282	2	—	1,284
Household Cleaning	—	—	21,767	21,767
Total segment revenues	$ 215,302	$ 20,957	$ 21,767	$ 258,026

	Six Months Ended September 30, 2017			
(In thousands)	**North American OTC Healthcare**	**International OTC Healthcare**	**Household Cleaning**	**Consolidated**
Analgesics	$ 58,638	$ 549	$ —	$ 59,187
Cough & Cold	38,977	9,272	—	48,249
Women's Health	124,581	5,500	—	130,081
Gastrointestinal	58,753	13,872	—	72,625
Eye & Ear Care	47,806	5,645	—	53,451
Dermatologicals	49,952	1,025	—	50,977
Oral Care	49,882	5,989	—	55,871
Other OTC	2,528	3	—	2,531
Household Cleaning	—	—	41,627	41,627
Total segment revenues	$ 431,117	$ 41,855	$ 41,627	$ 514,599

	Three Months Ended September 30, 2016			
(In thousands)	**North American OTC Healthcare**	**International OTC Healthcare**	**Household Cleaning**	**Consolidated**
Analgesics	$ 29,993	$ 544	$ —	$ 30,537
Cough & Cold	21,106	5,160	—	26,266
Women's Health	33,268	635	—	33,903
Gastrointestinal	16,280	6,088	—	22,368
Eye & Ear Care	22,934	2,989	—	25,923
Dermatologicals	22,952	567	—	23,519
Oral Care	24,368	2,820	—	27,188
Other OTC	1,546	1	—	1,547
Household Cleaning	—	—	23,801	23,801
Total segment revenues	$ 172,447	$ 18,804	$ 23,801	$ 215,052

(In thousands)	Six Months Ended September 30, 2016 North American OTC Healthcare	International OTC Healthcare	Household Cleaning	Consolidated
Analgesics	$ 58,119	$ 1,071	$ —	$ 59,190
Cough & Cold	39,073	9,552	—	48,625
Women's Health	66,155	1,571	—	67,726
Gastrointestinal	35,386	10,344	—	45,730
Eye & Ear Care	48,941	5,785	—	54,726
Dermatologicals	45,650	1,238	—	46,888
Oral Care	48,179	5,037	—	53,216
Other OTC	3,024	10	—	3,034
Household Cleaning	—	—	45,492	45,492
Total segment revenues	$ 344,527	$ 34,608	$ 45,492	$ 424,627

During the three months ended September 30, 2017 and 2016, approximately 87.3% and 85.8%, respectively, of our total segment revenues were from customers in the United States. During the six months ended September 30, 2017 and 2016, approximately 87.5% and 86.7%, respectively, of our total segment revenues were from customers in the United States. Other than the United States, no individual geographical area accounted for more than 10% of net sales in any of the periods presented. During the three months ended September 30, 2017, our Canada and Australia sales accounted for approximately 4.5% and 4.5%, respectively, of our total segment revenues, while during the three months ended September 30, 2016, our Canada and Australia sales accounted for approximately 5.4% and 5.9%, respectively, of our total segment revenues. During the six months ended September 30, 2017, our Canada and Australia sales accounted for approximately 4.2% and 4.3%, respectively, of our total segment revenues, while during the six months ended September 30, 2016, our Canada and Australia sales accounted for approximately 5.1% and 5.5%, respectively, of our total segment revenues.

At September 30, 2017 and March 31, 2017, approximately 96.4% of our consolidated goodwill and intangible assets were located in the United States and approximately 3.6% were located in Australia, the United Kingdom and Singapore. These consolidated goodwill and intangible assets have been allocated to the reportable segments as follows:

September 30, 2017 (In thousands)	North American OTC Healthcare	International OTC Healthcare	Household Cleaning	Consolidated
Goodwill	$ 580,934	$ 33,209	$ 6,245	$ 620,388
Intangible assets				
Indefinite-lived	2,404,336	85,626	101,261	2,591,223
Finite-lived, net	276,512	6,343	20,062	302,917
Intangible assets, net	2,680,848	91,969	121,323	2,894,140
Total	$ 3,261,782	$ 125,178	$ 127,568	$ 3,514,528

March 31, 2017 (In thousands)	North American OTC Healthcare	International OTC Healthcare	Household Cleaning	Consolidated
Goodwill	$ 576,453	$ 32,554	$ 6,245	$ 615,252
Intangible assets				
Indefinite-lived	2,404,336	83,558	101,261	2,589,155
Finite-lived, net	287,056	6,468	20,934	314,458
Intangible assets, net	2,691,392	90,026	122,195	2,903,613
Total	$ 3,267,845	$ 122,580	$ 128,440	$ 3,518,865

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read together with the Condensed Consolidated Financial Statements and the related notes included in this Quarterly Report on Form 10-Q, as well as our Annual Report on Form 10-K for the fiscal year ended March 31, 2017. This discussion and analysis may contain forward-looking statements that involve certain risks, assumptions and uncertainties. Future results could differ materially from the discussion that follows for many reasons, including the factors described in Part I, Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended March 31, 2017 and in future reports filed with the Securities and Exchange Commission (the "SEC").

See also “Cautionary Statement Regarding Forward-Looking Statements” on page 38 of this Quarterly Report on Form 10-Q.

General

We are engaged in the development, manufacturing, marketing, sales and distribution of well-recognized, brand name over-the-counter ("OTC") healthcare and household cleaning products to mass merchandisers and drug, food, dollar, convenience, and club stores in North America (the United States and Canada) and in Australia and certain other international markets. We use the strength of our brands, our established retail distribution network, a low-cost operating model and our experienced management team to our competitive advantage.

We have grown our brand portfolio both organically and through acquisitions. We develop our existing brands by investing in new product lines, brand extensions and strong advertising support. Acquisitions of OTC brands have also been an important part of our growth strategy. We have acquired strong and well-recognized brands from consumer products, pharmaceutical and private equity companies. While many of these brands have long histories of brand development and investment, we believe that, at the time we acquired them, most were considered “non-core” by their previous owners. As a result, these acquired brands did not benefit from adequate management focus and marketing support during the period prior to their acquisition, which created opportunities for us to reinvigorate these brands and improve their performance post-acquisition. After adding a core brand to our portfolio, we seek to increase its sales, market share and distribution in both existing and new channels through our established retail distribution network. We pursue this growth through increased spending on advertising and promotional support, new sales and marketing strategies, improved packaging and formulations, and innovative development of brand extensions.

Acquisitions

Acquisition of Fleet

On January 26, 2017, the Company completed the acquisition of C.B. Fleet Company, Inc. ("*Fleet*") pursuant to the Agreement and Plan of Merger, dated as of December 22, 2016, for $823.7 million plus cash on hand at closing and subject to certain adjustments related to net working capital. The purchase price was funded by available cash on hand, additional borrowings under our asset-based revolving credit facility, and a new $740.0 million senior secured incremental term loan. As a result of the merger, we acquired multiple women's health, gastrointestinal and dermatological care OTC brands, including *Summer’s Eve*, *Fleet*, and *Boudreaux's Butt Paste*, as well as a “mix and fill” manufacturing facility in Lynchburg, Virginia. The financial results from the *Fleet* acquisition are included in the Company's North American and International OTC Healthcare segments.

The acquisition was accounted for in accordance with Business Combinations topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 805, which requires that the total cost of an acquisition be allocated to the tangible and intangible assets acquired and liabilities assumed based upon their respective fair values at the date of acquisition.

The following table provides our unaudited pro forma revenues, net income and net income per basic and diluted common share had the results of *Fleet's* operations been included in our operations commencing on April 1, 2016, based on available information related to *Fleet's* operations. This pro forma information is not necessarily indicative either of the combined results of operations that actually would have been realized by us had the *Fleet* acquisition been consummated at the beginning of the period for which the pro forma information is presented, or of future results.

	Three Months Ended September 30, 2016	Six Months Ended September 30, 2016
(In thousands, except per share data)	*(Unaudited)*	
Revenues	$ 265,967	$ 526,743
Net income	$ 32,358	$ 26,428
Earnings per share:		
Basic EPS	$ 0.61	$ 0.50
Diluted EPS	$ 0.61	$ 0.50

Divestitures and Sale of License Rights

On July 7, 2016, we completed the sale of the *Pediacare, New Skin* and *Fiber Choice* brands for $40.0 million plus the cost of inventory. During the six months ended September 30, 2016, we recorded a pre-tax loss on sale of $56.2 million.

Concurrent with the completion of the sale of these brands, we entered into a transitional services agreement with the buyer, whereby we agreed to provide the buyer with various services, including marketing, operations, finance and other services, from the date of the acquisition through January 7, 2017. We also entered into an option agreement with the buyer to purchase *Dermoplast* at a specified earnings multiple, as defined in the option agreement. The buyer paid a $1.25 million deposit for this option in September 2016 and later notified us of its election to exercise the option. The sale was completed in December 2016.

Historically, we received royalty income from the licensing of the names of certain of our brands in geographic areas or markets in which we do not directly compete. We have had royalty agreements for our *Comet* brand for several years, which included options on behalf of the licensee to purchase license rights in certain geographic areas and markets in perpetuity. In December 2014, we amended these agreements and we sold rights to use of the *Comet* brand in certain Eastern European countries to a third-party licensee in exchange for $10.0 million as a partial early buyout of the license. The amended agreement provided that we would continue to receive royalty payments of $1.0 million per quarter for the remaining geographic areas and also granted the licensee an option to acquire the license rights in the remaining geographic areas any time after June 30, 2016. In July 2016, the licensee elected to exercise its option. In August 2016, we received $11.0 million for the purchase of the remaining license rights and, as a result, we recorded a pre-tax gain of $1.2 million and reduced our indefinite-lived trademarks by $9.0 million. Furthermore, the licensee was no longer required to make additional royalty payments to us, and as a result, our future royalty income was reduced accordingly.

Results of Operations

Three Months Ended September 30, 2017 compared to the Three Months Ended September 30, 2016

Total Segment Revenues

The following table represents total revenue by segment, including product groups, for the three months ended September 30, 2017 and 2016.

	Three Months Ended September 30,					
					Increase (Decrease)	
(In thousands)	**2017**	**%**	**2016**	**%**	**Amount**	**%**
North American OTC Healthcare						
Analgesics	$ 29,348	11.4	$ 29,993	13.9	$ (645)	(2.2)
Cough & Cold	21,567	8.4	21,106	9.8	461	2.2
Women's Health	61,436	23.8	33,268	15.5	28,168	84.7
Gastrointestinal	28,323	11.0	16,280	7.6	12,043	74.0
Eye & Ear Care	22,535	8.7	22,934	10.7	(399)	(1.7)
Dermatologicals	25,821	10.0	22,952	10.7	2,869	12.5
Oral Care	24,990	9.7	24,368	11.3	622	2.6
Other OTC	1,282	0.5	1,546	0.7	(264)	(17.1)
Total North American OTC Healthcare	215,302	83.5	172,447	80.2	42,855	24.9
International OTC Healthcare						
Analgesics	40	—	544	0.2	(504)	(92.6)
Cough & Cold	4,659	1.8	5,160	2.4	(501)	(9.7)
Women's Health	1,906	0.7	635	0.3	1,271	200.2
Gastrointestinal	8,139	3.2	6,088	2.8	2,051	33.7
Eye & Ear Care	2,590	1.0	2,989	1.4	(399)	(13.3)
Dermatologicals	524	0.2	567	0.3	(43)	(7.6)
Oral Care	3,097	1.2	2,820	1.3	277	9.8
Other OTC	2	—	1	—	1	100.0
Total International OTC Healthcare	20,957	8.1	18,804	8.7	2,153	11.4
Total OTC Healthcare	236,259	91.6	191,251	88.9	45,008	23.5
Household Cleaning	21,767	8.4	23,801	11.1	(2,034)	(8.5)
Total Consolidated	$ 258,026	100.0	$ 215,052	100.0	$ 42,974	20.0

Total segment revenues for the three months ended September 30, 2017 were $258.0 million, an increase of $43.0 million, or 20.0%, versus the three months ended September 30, 2016. The $43.0 million increase was primarily related to an increase in the North American OTC Healthcare segment, which accounted for $42.9 million, and the International OTC Healthcare segment, which accounted for $2.2 million, largely due to the acquisition of *Fleet*. The *Fleet* brands, acquired in January 2017, accounted for $51.7 million of revenues in the North American OTC Healthcare and International OTC Healthcare segments not included in the comparable period in the prior year. The increase attributable to *Fleet* revenues was partially offset by a decrease of $5.9 million resulting from the divestiture of certain non-core brands. Excluding the impact of the acquisition and divestitures, total segment revenues decreased by $2.8 million.

North American OTC Healthcare Segment
Revenues for the North American OTC Healthcare segment increased $42.9 million, or 24.9%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. The $42.9 million increase was primarily attributable to the acquisition of *Fleet*, which accounted for $48.9 million of revenues. Excluding the revenue increase contributed by *Fleet*, and the reduction of $5.8 million in revenues resulting from the divestiture of certain non-core brands, revenues decreased by $0.2 million due to increased in transit shipments at the end of September 2017.

International OTC Healthcare Segment
Revenues for the International OTC Healthcare segment increased $2.2 million, or 11.4%, during three months ended September 30, 2017 versus the three months ended September 30, 2016. The $2.2 million increase was primarily attributable to the acquisition of *Fleet*, which accounted for $2.8 million of revenues. Excluding the revenue increase contributed by *Fleet*, and the reduction of $0.1 million in revenues resulting from the divestiture of certain non-core brands, revenues decreased by $0.5 million.

Household Cleaning Segment
Revenues for the Household Cleaning segment decreased by $2.0 million, or 8.5%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. This decrease was primarily attributable to decreased sales related to the *Comet* brand.

Cost of Sales
The following table presents our cost of sales and cost of sales as a percentage of total segment revenues, by segment for each of the periods presented.

	Three Months Ended September 30,					
(In thousands)					Increase (Decrease)	
Cost of Sales	**2017**	**%**	**2016**	**%**	**Amount**	**%**
North American OTC Healthcare	$ 87,184	40.5	$ 65,402	37.9	$ 21,782	33.3
International OTC Healthcare	9,296	44.4	7,096	37.7	2,200	31.0
Household Cleaning	17,448	80.2	18,589	78.1	(1,141)	(6.1)
	$ 113,928	44.2	$ 91,087	42.4	$ 22,841	25.1

Cost of sales increased $22.8 million, or 25.1%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. This increase was largely due to an increase in the North American OTC Healthcare segment. As a percentage of total revenues, cost of sales increased to 44.2% during the three months ended September 30, 2017 from 42.4% during the three months ended September 30, 2016.

North American OTC Healthcare Segment
Cost of sales for the North American OTC Healthcare segment increased $21.8 million, or 33.3%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. As a percentage of the North American OTC Healthcare revenues, cost of sales increased to 40.5% during the three months ended September 30, 2017 from 37.9% during the three months ended September 30, 2016. The increase to cost of sales, and cost of sales as a percentage of North American OTC Healthcare revenues, was primarily attributable to the inclusion of *Fleet*.

International OTC Healthcare Segment
Cost of sales for the International OTC Healthcare segment increased $2.2 million, or 31.0%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. As a percentage of the International OTC Healthcare revenues, cost of sales increased to 44.4% during the three months ended September 30, 2017 from 37.7% during the three months ended September 30, 2016. The increase to cost of sales, and cost of sales as a percentage of International OTC Healthcare revenues, was primarily attributable to the inclusion of *Fleet*.

Household Cleaning Segment
Cost of sales for the Household Cleaning segment decreased $1.1 million, or 6.1%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. As a percentage of Household Cleaning revenues, cost of sales increased to 80.2% during the three months ended September 30, 2017 from 78.1% during the three months ended September 30, 2016. This increase in cost of sales as a percentage of revenues was primarily attributable to the impact of product mix within the segment.

Gross Profit
The following table presents our gross profit and gross profit as a percentage of total segment revenues, by segment for each of the periods presented.

(In thousands) Gross Profit	Three Months Ended September 30, 2017	%	2016	%	Increase (Decrease) Amount	%
North American OTC Healthcare	$ 128,118	59.5	$ 107,045	62.1	$ 21,073	19.7
International OTC Healthcare	11,661	55.6	11,708	62.3	(47)	(0.4)
Household Cleaning	4,319	19.8	5,212	21.9	(893)	(17.1)
	$ 144,098	55.8	$ 123,965	57.6	$ 20,133	16.2

Gross profit for the three months ended September 30, 2017 increased $20.1 million, or 16.2%, when compared with the three months ended September 30, 2016. As a percentage of total revenues, gross profit decreased to 55.8% during the three months ended September 30, 2017 from 57.6% during the three months ended September 30, 2016. The decrease in gross profit as a percentage of revenues was primarily the result of lower gross margins associated with the acquired *Fleet* brands.

North American OTC Healthcare Segment
Gross profit for the North American OTC Healthcare segment increased $21.1 million, or 19.7%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. The increase to gross profit was primarily attributable to the acquisition of *Fleet*. As a percentage of North American OTC Healthcare revenues, gross profit decreased to 59.5% during the three months ended September 30, 2017 from 62.1% during the three months ended September 30, 2016 primarily due to the acquisition of *Fleet*, which has lower gross margins.

International OTC Healthcare Segment
Gross profit for the International OTC Healthcare segment remained consistent at $11.7 million during the three months ended September 30, 2017 and the three months ended September 30, 2016. As a percentage of International OTC Healthcare revenues, gross profit decreased to 55.6% during the three months ended September 30, 2017 from 62.3% during the three months ended September 30, 2016, primarily attributable to the acquisition of *Fleet*, which has lower gross margins.

Household Cleaning Segment
Gross profit for the Household Cleaning segment decreased $0.9 million, or 17.1%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. As a percentage of Household Cleaning revenue, gross profit decreased to 19.8% during the three months ended September 30, 2017 from 21.9% during the three months ended September 30, 2016. The decrease in gross profit as a percentage of revenues was primarily attributable to the impact of product mix within the segment.

Contribution Margin
Contribution margin is our segment measure of profitability. It is defined as gross profit less advertising and promotional expenses.

The following table presents our contribution margin and contribution margin as a percentage of total segment revenues, by segment for each of the periods presented.

(In thousands) Contribution Margin	Three Months Ended September 30, 2017	%	2016	%	Increase (Decrease) Amount	%
North American OTC Healthcare	$ 93,054	43.2	$ 82,234	47.7	$ 10,820	13.2
International OTC Healthcare	8,068	38.5	8,464	45.0	(396)	(4.7)
Household Cleaning	3,788	17.4	4,675	19.6	(887)	(19.0)
	$ 104,910	40.7	$ 95,373	44.3	$ 9,537	10.0

North American OTC Healthcare Segment
Contribution margin for the North American OTC Healthcare segment increased $10.8 million, or 13.2%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. The contribution margin increase was primarily the result of higher sales volume and gross profit, partially offset by higher advertising and promotion expenses, all attributable to the *Fleet* acquisition. As a percentage of North American OTC Healthcare revenues, contribution margin decreased to 43.2% during the three months ended September 30, 2017 from 47.7% during the three months ended September 30, 2016. The contribution margin decrease as a percentage of revenues was primarily due to the gross profit decrease as a percentage of revenues in the North American OTC Healthcare segment discussed above.

International OTC Healthcare Segment

Contribution margin for the International OTC Healthcare segment decreased $0.4 million, or 4.7%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. As a percentage of International OTC Healthcare revenues, contribution margin decreased to 38.5% during the three months ended September 30, 2017 from 45.0% during the three months ended September 30, 2016. The contribution margin decrease as a percentage of revenues was primarily due to the gross profit decrease as a percentage of revenues in the International OTC Healthcare segment discussed above.

Household Cleaning Segment

Contribution margin for the Household Cleaning segment decreased $0.9 million, or 19.0%, during the three months ended September 30, 2017 versus the three months ended September 30, 2016. As a percentage of Household Cleaning revenues, contribution margin decreased to 17.4% during the three months ended September 30, 2017 from 19.6% during the three months ended September 30, 2016. The contribution margin decrease as a percentage of revenues was primarily due to the gross profit decrease as a percentage of revenues in the Household Cleaning segment discussed above.

General and Administrative

General and administrative expenses were $21.6 million for the three months ended September 30, 2017 versus $18.8 million for the three months ended September 30, 2016. The increase in general and administrative expenses was primarily due to an increase in compensation costs associated with the acquisition of *Fleet*.

Depreciation and Amortization

Depreciation and amortization expense was $7.2 million and $6.0 million for the three months ended September 30, 2017 and 2016, respectively. The increase in depreciation and amortization expense was primarily due to higher amortization expense during the current year period as a result of the *Fleet* acquisition.

(Gain) Loss on Sale of Assets

We recorded a net gain on sales of assets of $0.5 million for the three months ended September 30, 2016, which relates to two separate transactions. On July 7, 2016, the Company completed the sale of *Pedicare, New Skin* and *Fiber Choice*, which were non-core OTC brands and were reported under the North American OTC Healthcare segment in the Cough & Cold, Dermatologicals and Gastrointestinal product groups, respectively. As a result, we recorded a preliminary pre-tax loss on sale of assets of $55.5 million in the first quarter of fiscal 2017 and increased the loss by $0.7 million during the three months ended September 30, 2016. The increase in loss recorded in the three months ended September 30, 2016 was more than offset by a pre-tax gain of $1.2 million related to the sale of a royalty license for our Comet brand in certain geographic areas.

Interest Expense

Net interest expense was $26.8 million during the three months ended September 30, 2017 versus $20.8 million during the three months ended September 30, 2016. The increase in net interest expense was primarily attributable to higher borrowings due to the *Fleet* acquisition. The average indebtedness increased to $2.2 billion during the three months ended September 30, 2017 from $1.5 billion during the three months ended September 30, 2016. The average cost of borrowing decreased to 5.0% for the three months ended September 30, 2017 from 5.5% for the three months ended September 30, 2016.

Income Taxes

The provision for income taxes during the three months ended September 30, 2017 was $18.6 million versus $18.0 million during the three months ended September 30, 2016. The effective tax rate during the three months ended September 30, 2017 was 37.7% versus 35.9% during the three months ended September 30, 2016. The increase in the effective tax rate for the three months ended September 30, 2017 was primarily due to state tax rate increases. The estimated effective tax rate for the remaining six months of the fiscal year ending March 31, 2018 is expected to be approximately 36.5%, excluding discrete items that may occur.

Results of Operations

Six Months Ended September 30, 2017 compared to the Six Months Ended September 30, 2016

Total Segment Revenues

The following table represents total revenue by segment, including product groups, for the six months ended September 30, 2017 and 2016.

	Six Months Ended September 30,					
					Increase (Decrease)	
(In thousands)	2017	%	2016	%	Amount	%
North American OTC Healthcare						
Analgesics	$ 58,638	11.4	$ 58,119	13.7	$ 519	0.9
Cough & Cold	38,977	7.5	39,073	9.2	(96)	(0.2)
Women's Health	124,581	24.2	66,155	15.6	58,426	88.3
Gastrointestinal	58,753	11.4	35,386	8.3	23,367	66.0
Eye & Ear Care	47,806	9.3	48,941	11.5	(1,135)	(2.3)
Dermatologicals	49,952	9.7	45,650	10.8	4,302	9.4
Oral Care	49,882	9.7	48,179	11.3	1,703	3.5
Other OTC	2,528	0.5	3,024	0.7	(496)	(16.4)
Total North American OTC Healthcare	431,117	83.7	344,527	81.1	86,590	25.1
International OTC Healthcare						
Analgesics	549	0.1	1,071	0.3	(522)	(48.7)
Cough & Cold	9,272	1.8	9,552	2.2	(280)	(2.9)
Women's Health	5,500	1.1	1,571	0.4	3,929	250.1
Gastrointestinal	13,872	2.7	10,344	2.4	3,528	34.1
Eye & Ear Care	5,645	1.1	5,785	1.4	(140)	(2.4)
Dermatologicals	1,025	0.2	1,238	0.3	(213)	(17.2)
Oral Care	5,989	1.2	5,037	1.2	952	18.9
Other OTC	3	—	10	—	(7)	(70.0)
Total International OTC Healthcare	41,855	8.2	34,608	8.2	7,247	20.9
Total OTC Healthcare	472,972	91.9	379,135	89.3	93,837	24.8
Household Cleaning	41,627	8.1	45,492	10.7	(3,865)	(8.5)
Total Consolidated	$ 514,599	100.0	$ 424,627	100.0	$ 89,972	21.2

Total segment revenues for the six months ended September 30, 2017 were $514.6 million, an increase of $90.0 million, or 21.2%, versus the six months ended September 30, 2016. The $90.0 million increase was primarily related to an increase in the North American OTC Healthcare segment, which accounted for $86.6 million, and the International OTC Healthcare segment, which accounted for $7.2 million, largely due to the acquisition of *Fleet*. The *Fleet* brands, acquired in January 2017, accounted for $106.5 million of revenues in the North American OTC Healthcare and International OTC Healthcare segments not included in the comparable period in the prior year. The increase attributable to *Fleet* revenues was partially offset by a decrease of $17.0 million resulting from the divestiture of certain non-core brands. Excluding the impact of acquisition and divestitures, total segment revenues increased by $0.5 million.

North American OTC Healthcare Segment

Revenues for the North American OTC Healthcare segment increased $86.6 million, or 25.1%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. The $86.6 million increase was primarily attributable to the acquisition of *Fleet*, which accounted for $99.5 million of revenues. Excluding the revenue increase contributed by *Fleet*, and the reduction of $16.0 million in revenues resulting from the divestiture of certain non-core brands, revenues increased by $3.1 million.

International OTC Healthcare Segment

Revenues for the International OTC Healthcare segment increased $7.2 million, or 20.9%, during six months ended September 30, 2017 versus the six months ended September 30, 2016. The $7.2 million increase was primarily attributable to the acquisition of *Fleet*, which accounted for $7.0 million of revenues. Excluding the revenue increase contributed by *Fleet*, and the reduction of $0.2 million in revenues resulting from the divestiture of certain non-core brands, revenues increased by $0.4 million.

Household Cleaning Segment

Revenues for the Household Cleaning segment decreased by $3.9 million, or 8.5%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. This decrease was primarily attributable to decreased royalties as a result of the sale of royalty rights related to the *Comet* brand in certain geographic regions, which was completed in July 2016.

Cost of Sales

The following table presents our cost of sales and cost of sales as a percentage of total segment revenues, by segment for each of the periods presented.

	Six Months Ended September 30,					
(In thousands)					Increase (Decrease)	
Cost of Sales	**2017**	**%**	**2016**	**%**	**Amount**	**%**
North American OTC Healthcare	$ 173,685	40.3	$ 129,636	37.6	$ 44,049	34.0
International OTC Healthcare	19,246	46.0	14,044	40.6	5,202	37.0
Household Cleaning	34,094	81.9	35,391	77.8	(1,297)	(3.7)
	$ 227,025	44.1	$ 179,071	42.2	$ 47,954	26.8

Cost of sales increased $48.0 million, or 26.8%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. This increase was largely due to an increase in the North American OTC Healthcare segment. As a percentage of total revenues, cost of sales increased to 44.1% during the six months ended September 30, 2017 from 42.2% during the six months ended September 30, 2016.

North American OTC Healthcare Segment

Cost of sales for the North American OTC Healthcare segment increased $44.0 million, or 34.0%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. As a percentage of the North American OTC Healthcare revenues, cost of sales increased to 40.3% during the six months ended September 30, 2017 from 37.6% during the six months ended September 30, 2016. The increase to cost of sales, and cost of sales as a percentage of North American OTC Healthcare revenues, was primarily attributable to the inclusion of *Fleet*.

International OTC Healthcare Segment

Cost of sales for the International OTC Healthcare segment increased $5.2 million, or 37.0%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. As a percentage of the International OTC Healthcare revenues, cost of sales increased to 46.0% during the six months ended September 30, 2017 from 40.6% during the six months ended September 30, 2016. The increase to cost of sales, and cost of sales as a percentage of International OTC Healthcare revenues, was primarily attributable to the inclusion of *Fleet*.

Household Cleaning Segment

Cost of sales for the Household Cleaning segment decreased $1.3 million, or 3.7%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. As a percentage of Household Cleaning revenues, cost of sales increased to 81.9% during the six months ended September 30, 2017 from 77.8% during the six months ended September 30, 2016. This increase in cost of sales as a percentage of revenues was primarily attributable to reduced royalties as a result of the sale of royalty rights related to the *Comet* brand in certain geographic regions, which was completed in July 2016.

Gross Profit
The following table presents our gross profit and gross profit as a percentage of total segment revenues, by segment for each of the periods presented.

(In thousands) Gross Profit	Six Months Ended September 30, 2017	%	2016	%	Increase (Decrease) Amount	%
North American OTC Healthcare	$ 257,432	59.7	$ 214,891	62.4	$ 42,541	19.8
International OTC Healthcare	22,609	54.0	20,564	59.4	2,045	9.9
Household Cleaning	7,533	18.1	10,101	22.2	(2,568)	(25.4)
	$ 287,574	55.9	$ 245,556	57.8	$ 42,018	17.1

Gross profit for the six months ended September 30, 2017 increased $42.0 million, or 17.1%, when compared with the six months ended September 30, 2016. As a percentage of total revenues, gross profit decreased to 55.9% during the six months ended September 30, 2017 from 57.8% during the six months ended September 30, 2016. The decrease in gross profit as a percentage of revenues was primarily the result of lower gross margins associated with the acquired *Fleet* brands.

North American OTC Healthcare Segment
Gross profit for the North American OTC Healthcare segment increased $42.5 million, or 19.8%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. The increase to gross profit was primarily attributable to the acquisition of *Fleet*. As a percentage of North American OTC Healthcare revenues, gross profit decreased to 59.7% during the six months ended September 30, 2017 from 62.4% during the six months ended September 30, 2016, primarily due to the acquisition of *Fleet*, which has lower gross margins.

International OTC Healthcare Segment
Gross profit for the International OTC Healthcare segment increased $2.0 million, or 9.9%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. The increase to gross profit was primarily attributable to the acquisition of *Fleet*. As a percentage of International OTC Healthcare revenues, gross profit decreased to 54.0% during the six months ended September 30, 2017 from 59.4% during the six months ended September 30, 2016, primarily due to the acquisition of *Fleet*, which has lower gross margins.

Household Cleaning Segment
Gross profit for the Household Cleaning segment decreased $2.6 million, or 25.4%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. As a percentage of Household Cleaning revenue, gross profit decreased to 18.1% during the six months ended September 30, 2017 from 22.2% during the six months ended September 30, 2016. The decrease in gross profit as a percentage of revenues was primarily attributable to the reduced royalties as a result of the sale of royalty rights related to the *Comet* brand in certain geographic regions.

Contribution Margin
Contribution margin is our segment measure of profitability. It is defined as gross profit less advertising and promotional expenses.

The following table presents our contribution margin and contribution margin as a percentage of total segment revenues, by segment for each of the periods presented.

(In thousands) Contribution Margin	Six Months Ended September 30, 2017	%	2016	%	Increase (Decrease) Amount	%
North American OTC Healthcare	$ 189,560	44.0	$ 165,040	47.9	$ 24,520	14.9
International OTC Healthcare	15,326	36.6	15,196	43.9	130	0.9
Household Cleaning	6,556	15.7	9,093	20.0	(2,537)	(27.9)
	$ 211,442	41.1	$ 189,329	44.6	$ 22,113	11.7

North American OTC Healthcare Segment
Contribution margin for the North American OTC Healthcare segment increased $24.5 million, or 14.9%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. The contribution margin increase was primarily the result of higher sales volume and gross profit, partially offset by higher advertising and promotion expenses, all attributable to the *Fleet* acquisition. As a percentage of North American OTC Healthcare revenues, contribution margin decreased to 44.0% during the six months ended September 30, 2017 from 47.9% during the six months ended September 30, 2016. The contribution margin decrease as a percentage of revenues was primarily due to the gross profit decrease as a percentage of revenues in the North American OTC Healthcare segment discussed above.

International OTC Healthcare Segment
Contribution margin for the International OTC Healthcare segment increased $0.1 million, or 0.9%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. As a percentage of International OTC Healthcare revenues, contribution margin decreased to 36.6% during the six months ended September 30, 2017 from 43.9% during the six months ended September 30, 2016. The contribution margin decrease as a percentage of revenues was primarily due to the gross profit decrease as a percentage of revenues in the International OTC Healthcare segment discussed above.

Household Cleaning Segment
Contribution margin for the Household Cleaning segment decreased $2.5 million, or 27.9%, during the six months ended September 30, 2017 versus the six months ended September 30, 2016. As a percentage of Household Cleaning revenues, contribution margin decreased to 15.7% during the six months ended September 30, 2017 from 20.0% during the six months ended September 30, 2016. The contribution margin decrease as a percentage of revenues was primarily due to the gross profit decrease as a percentage of revenues in the Household Cleaning segment discussed above.

General and Administrative
General and administrative expenses were $41.9 million for the six months ended September 30, 2017 versus $38.3 million for the six months ended September 30, 2016. The increase in general and administrative expenses was primarily due to an increase in compensation costs associated with the acquisition of *Fleet*.

Depreciation and Amortization
Depreciation and amortization expense was $14.4 million and $12.8 million for the six months ended September 30, 2017 and 2016, respectively. The increase in depreciation and amortization expense was primarily due to higher amortization expense during the current year period as a result of the *Fleet* acquisition.

(Gain) Loss on Sale of Assets
We recorded a net loss on sales of assets of $55.0 million for the six months ended September 30, 2016, which relates to two separate transactions. On July 7, 2016, the Company completed the sale of *Pediacare*, *New Skin* and *Fiber Choice*, which were non-core OTC brands and were reported under the North American OTC Healthcare segment in the Cough & Cold, Dermatologicals and Gastrointestinal product groups, respectively. As a result, we recorded a pre-tax loss on sale of these assets of $56.2 million for the six months ended September 30, 2016. This loss was slightly reduced by a pre-tax gain of $1.2 million on the sale of a royalty license for our *Comet* brand in certain geographic areas.

Interest Expense
Net interest expense was $53.2 million during the six months ended September 30, 2017 versus $42.0 million during the six months ended September 30, 2016. The increase in net interest expense was primarily attributable to higher borrowings due to the *Fleet* acquisition. The average indebtedness increased to $2.2 billion during the six months ended September 30, 2017 from $1.6 billion during the six months ended September 30, 2016. The average cost of borrowing decreased to 4.9% for the six months ended September 30, 2017 from 5.4% from the six months ended September 30, 2016.

Income Taxes
The provision for income taxes during the six months ended September 30, 2017 was $37.5 million versus $14.7 million during the six months ended September 30, 2016. The effective tax rate during the six months ended September 30, 2017 was 36.8% versus 35.5% during the six months ended September 30, 2016. The increase in the effective tax rate for the six months ended September 30, 2017 was primarily due to state tax rate increases. The estimated effective tax rate for the remaining six months of the fiscal year ending March 31, 2018 is expected to be approximately 36.5%, excluding discrete items that may occur.

Liquidity and Capital Resources

Liquidity

Our primary source of cash comes from our cash flow from operations. In the past, we have supplemented this source of cash with various debt facilities, primarily in connection with acquisitions. We have financed our operations, and expect to continue to finance our operations over the next twelve months, with a combination of funds generated from operations and borrowings. Our principal uses of cash are for operating expenses, debt service and acquisitions. Based on our current levels of operations and anticipated growth, excluding acquisitions, we believe that our cash generated from operations and our existing credit facilities will be adequate to finance our working capital and capital expenditures through the next twelve months, although no assurance can be given in this regard.

The following table summarizes our cash provided by (used in) operating activities, investing activities and financing activities as reported in our condensed consolidated statements of cash flows in the accompanying Condensed Consolidated Financial Statements.

	Six Months Ended September 30,	
(In thousands)	**2017**	**2016**
Cash provided by (used in):		
Operating Activities	$ 108,540	$ 101,082
Investing Activities	(3,815)	51,024
Financing Activities	(104,609)	(148,481)

Operating Activities

Net cash provided by operating activities was $108.5 million for the six months ended September 30, 2017 compared to $101.1 million for the six months ended September 30, 2016. The $7.5 million increase was primarily due to an increase in net income before non-cash items, partly offset by increased working capital.

Investing Activities

Net cash used in investing activities was $3.8 million for the six months ended September 30, 2017 compared to net cash provided by investing activities of $51.0 million for the six months ended September 30, 2016. The change was primarily due to proceeds of $52.4 million received in the prior period for the sale of intangible assets.

Financing Activities

Net cash used in financing activities was $104.6 million for the six months ended September 30, 2017 compared to $148.5 million for the six months ended September 30, 2016. The change was primarily due to higher debt repayments in the prior year.

Capital Resources

2012 Term Loan and 2012 ABL Revolver:

On January 31, 2012, Prestige Brands, Inc. (the "Borrower") entered into a new senior secured credit facility, which originally consisted of (i) a $660.0 million term loan facility (the “2012 Term Loan”) with a 7-year maturity and (ii) a $50.0 million asset-based revolving credit facility (the “2012 ABL Revolver”) with a 5-year maturity. The 2012 Term Loan was issued with an original issue discount of 1.5% of the principal amount thereof, resulting in net proceeds to the Borrower of $650.1 million. In connection with these loan facilities, we incurred $20.6 million of costs, which were capitalized as deferred financing costs and are being amortized over the terms of the facilities. The 2012 Term Loan is unconditionally guaranteed by Prestige Brands Holdings, Inc. and certain of its domestic 100% owned subsidiaries, other than the Borrower. Each of these guarantees is joint and several. There are no significant restrictions on the ability of any of the guarantors to obtain funds from their subsidiaries or to make payments to the Borrower or the Company.

On February 21, 2013, we entered into Amendment No. 1 ("Term Loan Amendment No. 1") to the 2012 Term Loan. Term Loan Amendment No. 1 provided for the refinancing of all of the Borrower's existing Term B Loans with new Term B-1 Loans (the "Term B-1 Loans"). The interest rate on the Term B-1 Loans under Term Loan Amendment No. 1 was based, at our option, on a LIBOR rate plus a margin of 2.75% per annum, with a LIBOR floor of 1.00%, or an alternate base rate, with a floor of 2.00%, plus a margin. In addition, Term Loan Amendment No. 1 provided the Borrower with certain additional capacity to prepay subordinated debt, the then-outstanding 8.125% senior unsecured notes due 2020 and certain other unsecured indebtedness permitted to be incurred under the credit agreement governing the 2012 Term Loan and 2012 ABL Revolver.

On September 3, 2014, we entered into Amendment No. 2 ("Term Loan Amendment No. 2") to the 2012 Term Loan. Term Loan Amendment No. 2 provided for (i) the creation of a new class of Term B-2 Loans under the 2012 Term Loan (the "Term B-2 Loans") in an aggregate principal amount of $720.0 million, (ii) increased flexibility under the credit agreement governing the 2012 Term Loan and 2012 ABL Revolver, including additional investment, restricted payment and debt incurrence flexibility and financial maintenance covenant relief, and (iii) an interest rate on (x) the Term B-1 Loans that was based, at our option, on a LIBOR rate plus a margin of 3.125% per annum, with a LIBOR floor of 1.00%, or an alternate base rate, with a floor of 2.00%, plus a margin, and (y) the Term B-2 Loans that was based, at our option, on a LIBOR rate plus a margin of 3.50% per annum, with a LIBOR floor of 1.00%, or an alternate base rate, with a floor of 2.00%, plus a margin (with a margin step-down to 3.25% per annum, based upon achievement of a specified secured net leverage ratio).

Also on September 3, 2014, we entered into Amendment No. 3 ("ABL Amendment No. 3") to the 2012 ABL Revolver. ABL Amendment No. 3 provided for (i) a $40.0 million increase in revolving commitments under the 2012 ABL Revolver and (ii) increased flexibility under the credit agreement governing the 2012 Term Loan and 2012 ABL Revolver, including additional investment, restricted payment and debt incurrence flexibility. Borrowings under the 2012 ABL Revolver, as amended, bear interest at a rate per annum equal to an applicable margin, plus, at our option, either (i) a base rate determined by reference to the highest of (a) the Federal Funds rate plus 0.50%, (b) the prime rate of Citibank, N.A., and (c) the LIBOR rate determined by reference to the cost of funds for U.S. dollar deposits for an interest period of one month, adjusted for certain additional costs, plus 1.00% or (ii) a LIBOR rate determined by reference to the costs of funds for U.S. dollar deposits for the interest period relevant to such borrowing, adjusted for certain additional costs. The applicable margin for borrowings under the 2012 ABL Revolver may be increased to 2.00% or 2.25% for LIBOR borrowings and 1.00% or 1.25% for base-rate borrowings, depending on average excess availability under the 2012 ABL Revolver during the prior fiscal quarter. In addition to paying interest on outstanding principal under the 2012 ABL Revolver, we are required to pay a commitment fee to the lenders under the 2012 ABL Revolver in respect of the unutilized commitments thereunder. The initial commitment fee rate is 0.50% per annum. The commitment fee rate will be reduced to 0.375% per annum at any time when the average daily unused commitments for the prior quarter is less than a percentage of total commitments by an amount set forth in the credit agreement covering the 2012 ABL Revolver. We may voluntarily repay outstanding loans under the 2012 ABL Revolver at any time without a premium or penalty.

On May 8, 2015, we entered into Amendment No. 3 ("Term Loan Amendment No. 3") to the 2012 Term Loan. Term Loan Amendment No. 3 provided for (i) the creation of a new class of Term B-3 Loans under the 2012 Term Loan (the "Term B-3 Loans") in an aggregate principal amount of $852.5 million, which combined the outstanding balances of the Term B-1 Loans of $207.5 million and the Term B-2 Loans of $645.0 million, and (ii) increased flexibility under the credit agreement governing the 2012 Term Loan and 2012 ABL Revolver, including additional investment, restricted payment, and debt incurrence flexibility and financial maintenance covenant relief.

On June 9, 2015, we entered into Amendment No. 4 (“ABL Amendment No. 4”) to the 2012 ABL Revolver. ABL Amendment No. 4 provided for (i) a $35.0 million increase in the accordion feature under the 2012 ABL Revolver, (ii) increased flexibility under the credit agreement governing the 2012 Term Loan and 2012 ABL Revolver, including additional investment, restricted payment, and debt incurrence flexibility and financial maintenance covenant relief, and (iii) extended the maturity date of the 2012 ABL Revolver to June 9, 2020.

In connection with acquisition of DenTek Holdings, Inc. ("*DenTek*") on February 5, 2016, we entered into Amendment No. 5 (“ABL Amendment No. 5”) to the 2012 ABL Revolver. ABL Amendment No. 5 temporarily suspended certain financial and related reporting covenants in the 2012 ABL Revolver until the earliest of (i) the date that was 60 calendar days following February 4, 2016, (ii) the date upon which certain of *DenTek's* assets were included in the Company’s borrowing base under the 2012 ABL Revolver and (iii) the date upon which the Company received net proceeds from an offering of debt securities.

In connection with the *Fleet* acquisition, on January 26, 2017, we entered into Amendment No. 4 ("Term Loan Amendment No. 4") to the 2012 Term Loan. Term Loan Amendment No. 4 provided for (i) the refinancing of all of our outstanding term loans and the creation of a new class of Term B-4 Loans under the 2012 Term Loan (the "Term B-4 Loans") in an aggregate principal amount of $1,427.0 million and (ii) increased flexibility under the credit agreement governing the 2012 Term Loan and the 2012 ABL Revolver, including additional investment, restricted payment, and debt incurrence flexibility and financial maintenance covenant relief. In addition, Citibank, N.A. was succeeded by Barclays Bank PLC as administrative agent under the 2012 Term Loan. The Term B-4 loans mature on January 26, 2024.

The 2012 Term Loan, as amended, bears interest at a rate that is based, at our option, on a LIBOR rate plus a margin of 2.75% per annum, with a LIBOR floor of 0.75%, or an alternative base rate plus a margin (with a margin step-down to 2.50% per annum based upon achievement of a specified first lien net leverage ratio). For the six months ended September 30, 2017, the average interest rate on the 2012 Term Loan was 4.4%.

Also on January 26, 2017, we entered into Amendment No. 6 ("ABL Amendment No. 6") to the 2012 ABL Revolver. ABL Amendment No. 6 provided for (i) a $40.0 million increase in revolving commitments under the 2012 ABL Revolver, (ii) an extension of the maturity date of revolving commitments to January 26, 2022, and (iii) increased flexibility under the credit agreement governing the 2012 Term Loan and the 2012 ABL Revolver, including additional investment, restricted payment and debt incurrence flexibility consistent with Term Loan Amendment No. 4. We may voluntarily repay outstanding loans under the 2012 ABL Revolver at any time without a premium or penalty. For the six months ended September 30, 2017, the average interest rate on the amounts borrowed under the 2012 ABL Revolver was 2.5%.

We used the proceeds from the Term B-4 Loans and borrowings under the 2012 ABL Revolver to finance the acquisition of *Fleet*, to refinance our outstanding term loans, and to pay fees and expenses incurred in connection with the *Fleet* acquisition.

2013 Senior Notes:
On December 17, 2013, the Borrower issued $400.0 million of senior unsecured notes, with an interest rate of 5.375% and a maturity date of December 15, 2021 (the "2013 Senior Notes"). The 2013 Senior Notes are guaranteed by Prestige Brands Holdings, Inc. and certain of its 100% domestic owned subsidiaries, other than the Borrower. Each of these guarantees is joint and several. There are no significant restrictions on the ability of any of the guarantors to obtain funds from their subsidiaries or to make payments to the Borrower or the Company. In connection with the 2013 Senior Notes offering, we incurred $7.2 million of costs, which were capitalized as deferred financing costs and are being amortized over the term of the 2013 Senior Notes.

2016 Senior Notes:
On February 19, 2016, the Borrower completed the sale of $350.0 million aggregate principal amount of 6.375% senior notes due 2024 (the “2016 Senior Notes”), pursuant to a purchase agreement, dated February 16, 2016, among the Borrower, the guarantors party thereto and the initial purchasers party thereto. The 2016 Senior Notes are guaranteed by Prestige Brands Holdings, Inc. and certain of its domestic 100% owned subsidiaries, other than the Borrower. Each of these guarantees is joint and several. There are no significant restrictions on the ability of any of the guarantors to obtain funds from their subsidiaries or to make payments to the Borrower or the Company. In connection with the 2016 Senior Notes offering, we incurred $5.5 million of costs, which were capitalized as deferred financing costs and are being amortized over the term of the 2016 Senior Notes.

The 2016 Senior Notes were issued pursuant to an indenture, dated February 19, 2016 (the “Indenture”). The Indenture provides, among other things, that interest will be payable on the 2016 Senior Notes on March 1 and September 1 of each year, beginning on September 1, 2016, until their maturity date of March 1, 2024. The 2016 Senior Notes are senior unsecured obligations of the Borrower.

Redemptions and Restrictions:
At any time prior to December 15, 2016, we had the option to redeem the 2013 Senior Notes in whole or in part at a redemption price equal to 100% of the principal amount of notes redeemed, plus an applicable "make-whole premium" calculated as set forth in the indenture governing the 2013 Senior Notes, together with accrued and unpaid interest, if any, to the date of redemption. On or after December 15, 2016, we have the option to redeem some or all of the 2013 Senior Notes at redemption prices set forth in the indenture governing the 2013 Senior Notes. In addition, at any time prior to December 15, 2016, we had the option to redeem up to 35% of the aggregate principal amount of the 2013 Senior Notes at a redemption price equal to 105.375% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, with the net cash proceeds of certain equity offerings, provided that certain conditions were met. Subject to certain limitations, in the event of a change of control (as defined in the indenture governing the 2013 Senior Notes), the Borrower will be required to make an offer to purchase the 2013 Senior Notes at a price equal to 101% of the aggregate principal amount of the 2013 Senior Notes repurchased, plus accrued and unpaid interest, if any, to the date of repurchase.

We have the option to redeem all or a portion of the 2016 Senior Notes at any time on or after March 1, 2019 at the redemption prices set forth in the Indenture, plus accrued and unpaid interest, if any. We may also redeem all or any portion of the 2016 Senior Notes at any time prior to March 1, 2019, at a price equal to 100% of the aggregate principal amount of the notes redeemed, plus a "make-whole premium" calculated as set forth in the Indenture, and accrued and unpaid interest, if any, to the date of redemption. In addition, before March 1, 2019, we may redeem up to 40% of the aggregate principal amount of the 2016 Senior Notes with the net proceeds of certain equity offerings at the redemption price set forth in the Indenture, provided that certain conditions are met. Subject to certain limitations, in the event of a change of control (as defined in the Indenture), we will be required to make an offer to purchase the 2016 Senior Notes at a price equal to 101% of the aggregate principal amount of the notes repurchased, plus accrued and unpaid interest, if any, to the date of repurchase.

The credit agreement governing the 2012 Term Loan and the 2012 ABL Revolver and the indentures governing the 2013 Senior Notes and the 2016 Senior Notes contain cross-default provisions, whereby a default pursuant to the terms and conditions of certain indebtedness will cause a default on the remaining indebtedness under the credit agreement governing the 2012 Term Loan and the 2012 ABL Revolver and the indentures governing the 2013 Senior Notes and the 2016 Senior Notes.

As of September 30, 2017, we had an aggregate of $2,117.0 million of outstanding indebtedness, which consisted of the following:

- $400.0 million of 5.375% 2013 Senior Notes due 2021;
- $350.0 million of 6.375% 2016 Senior Notes due 2024;
- $1,277.0 million of borrowings under the Term B-4 Loans; and
- $90.0 million of borrowings under the 2012 ABL Revolver.

As of September 30, 2017, we had $85.0 million of an additional borrowing capacity under the 2012 ABL Revolver.

As we deem appropriate, we may from time to time utilize derivative financial instruments to mitigate the impact of changing interest rates associated with our long-term debt obligations or other derivative financial instruments. While we have utilized derivative financial instruments in the past, we did not have any significant derivative financial instruments outstanding at either September 30, 2017 or March 31, 2017 or during any of the periods presented. We have not entered into derivative financial instruments for trading purposes; all of our derivatives have been over-the-counter instruments with liquid markets.

Our debt facilities contain various financial covenants, including provisions that require us to maintain certain leverage, interest coverage and fixed charge ratios. The credit agreement governing the 2012 Term Loan and the 2012 ABL Revolver and the indentures governing the 2013 Senior Notes and 2016 Senior Notes contain provisions that accelerate our indebtedness on certain changes in control and restrict us from undertaking specified corporate actions, including asset dispositions, acquisitions, payment of dividends and other specified payments, repurchasing our equity securities in the public markets, incurrence of indebtedness, creation of liens, making loans and investments and transactions with affiliates. Specifically, we must:

- Have a leverage ratio of less than 7.50 to 1.0 for the quarter ended September 30, 2017 (defined as, with certain adjustments, the ratio of our consolidated total net debt as of the last day of the fiscal quarter to our trailing twelve month consolidated net income before interest, taxes, depreciation, amortization, non-cash charges and certain other items (“EBITDA”)). Our leverage ratio requirement decreases over time to 7.25 to 1.0 on March 31, 2018 and .25 to 1.0 per quarter until December 31, 2018 and 6.50 to 1.0 thereafter;

- Have an interest coverage ratio of greater than 2.00 to 1.0 for the quarter ended September 30, 2017 (defined as, with certain adjustments, the ratio of our consolidated EBITDA to our trailing twelve month consolidated cash interest expense). Our interest coverage requirement increases over time to 2.25 to 1.0 on March 31, 2018 and remains level thereafter; and

- Have a fixed charge ratio of greater than 1.0 to 1.0 for the quarter ended September 30, 2017 (defined as, with certain adjustments, the ratio of our consolidated EBITDA minus capital expenditures to our trailing twelve month consolidated interest paid, taxes paid and other specified payments). Our fixed charge requirement remains level throughout the term of the credit agreement.

At September 30, 2017, we were in compliance with the applicable financial and restrictive covenants under the 2012 Term Loan and the 2012 ABL Revolver and the indentures governing the 2013 Senior Notes and the 2016 Senior Notes. Additionally, management anticipates that in the normal course of operations, we will be in compliance with the financial and restrictive covenants during the remainder of 2018. During the years ended March 31, 2017 and 2016, we made voluntary principal payments against outstanding indebtedness of $175.5 million and $60.0 million, respectively, under the 2012 Term Loan. During the first half of 2018, we made voluntary principal payments of $105.0 million under the 2012 Term Loan. Under the Term Loan Amendment No. 4, we are required to make quarterly payments each equal to 0.25% of the aggregate principal amount of $1,427.0 million. Since we have made optional payments that exceeded a significant portion of our required quarterly payments, we will not be required to make another payment on the 2012 Term Loan until the fiscal year ending March 31, 2024.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements or financing activities with special-purpose entities.

Inflation

Inflationary factors such as increases in the costs of raw materials, packaging materials, purchased product and overhead may adversely affect our operating results and financial condition. Although we do not believe that inflation has had a material impact on our financial condition or results of operations for the three and six months ended September 30, 2017, a high rate of inflation in the future could have a material adverse effect on our financial condition or results of operations. Volatility in crude oil prices may have an adverse impact on transportation costs, as well as certain petroleum based raw materials and packaging material. Although we make efforts to minimize the impact of inflationary factors, including raising prices to our customers, a high rate of pricing volatility associated with crude oil supplies or other raw materials used in our products may have an adverse effect on our operating results.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on our knowledge of current events and actions that we may undertake in the future, actual results could differ from those estimates. A summary of our critical accounting policies is presented in our Annual Report on Form 10-K for the fiscal year ended March 31, 2017. There were no material changes to our critical accounting policies during the six months ended September 30, 2017.

Recent Accounting Pronouncements

A description of recently issued and recently adopted accounting pronouncements is included in the notes to the unaudited Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report on Form 10-Q.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “PSLRA”), including, without limitation, information within Management's Discussion and Analysis of Financial Condition and Results of Operations. The following cautionary statements are being made pursuant to the provisions of the PSLRA and with the intention of obtaining the benefits of the “safe harbor” provisions of the PSLRA.

Forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. Except as required under federal securities laws and the rules and regulations of the SEC, we do not intend to update any forward-looking statements to reflect events or circumstances arising after the date of this Quarterly Report on Form 10-Q, whether as a result of new information, future events or otherwise. As a result of these risks and uncertainties, readers are cautioned not to place undue reliance on forward-looking statements included in this Quarterly Report on Form 10-Q or that may be made elsewhere from time to time by, or on behalf of, us. All forward-looking statements attributable to us are expressly qualified by these cautionary statements.

These forward-looking statements generally can be identified by the use of words or phrases such as “believe,” “anticipate,” “expect,” “estimate,” “project,” "intend," "strategy," "goal," "future," "seek," "may," "should," "would," "will," or other similar words and phrases. Forward-looking statements are based on current expectations and assumptions that are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated, including, without limitation:

- The high level of competition in our industry and markets;
- Our inability to increase organic growth via new product introductions, line extensions, increased spending on advertising and promotional support, and other new sales and marketing strategies;
- Our dependence on a limited number of customers for a large portion of our sales;
- Our inability to successfully identify, negotiate, complete and integrate suitable acquisition candidates and to obtain necessary financing;
- Our inability to invest successfully in research and development;
- Changes in inventory management practices by retailers;
- Our inability to grow our international sales;
- General economic conditions affecting sales of our products and their respective markets;
- Economic factors, such as increases in interest rates and currency exchange rate fluctuations;
- Business, regulatory and other conditions affecting retailers;
- Changing consumer trends, additional store brand competition or other pricing pressures which may cause us to lower our prices;
- Our dependence on third-party manufacturers to produce many of the products we sell;
- Price increases for raw materials, labor, energy and transportation costs, and for other input costs;
- Disruptions in our distribution center or manufacturing facility;
- Acquisitions, dispositions or other strategic transactions diverting managerial resources, the incurrence of additional liabilities or problems associated with integration of those businesses and facilities;
- Actions of government agencies in connection with our products, advertising or regulatory matters governing our industry;
- Product liability claims, product recalls and related negative publicity;
- Our inability to protect our intellectual property rights;
- Our dependence on third parties for intellectual property relating to some of the products we sell;
- Our assets being comprised virtually entirely of goodwill and intangibles and possible changes in their value based on adverse operating results;
- Our dependence on key personnel;
- Shortages of supply of sourced goods or interruptions in the manufacturing of our products;
- The costs associated with any claims in litigation or arbitration and any adverse judgments rendered in such litigation or arbitration;
- Our level of indebtedness and possible inability to service our debt;
- Our ability to obtain additional financing; and
- The restrictions imposed by our financing agreements on our operations.

For more information, see Part I, Item 1A., "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2017.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We are exposed to changes in interest rates because our 2012 Term Loan and 2012 ABL Revolver are variable rate debt. Interest rate changes generally do not significantly affect the market value of the 2012 Term Loan and the 2012 ABL Revolver but do affect the amount of our interest payments and, therefore, our future earnings and cash flows, assuming other factors are held constant. At September 30, 2017, we had variable rate debt of approximately $1,367.0 million.

Holding other variables constant, including levels of indebtedness, a 1.0% increase in interest rates on our variable rate debt would have an adverse impact on pre-tax earnings and cash flows for the three and six months ended September 30, 2017 of approximately $3.5 million and $7.2 million, respectively.

Foreign Currency Exchange Rate Risk

During the three and six months ended September 30, 2017, approximately 10.7% and 10.2%, respectively, of our revenues were denominated in currencies other than the U.S. Dollar. During the three and six months ended September 30, 2016, approximately 13.6% and 12.5%, respectively, of our revenues were denominated in currencies other than the U.S. Dollar. As such, we are exposed to transactions that are sensitive to foreign currency exchange rates, including insignificant foreign currency forward exchange agreements. These transactions are primarily with respect to the Canadian and Australian Dollar.

We performed a sensitivity analysis with respect to exchange rates for the three and six months ended September 30, 2017. Holding all other variables constant, and assuming a hypothetical 10.0% adverse change in foreign currency exchange rates, this analysis resulted in a less than 5.0% impact on pre-tax income of approximately $1.2 million for the three months ended September 30, 2017 and approximately $2.1 million for the six months ended September 30, 2017.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures, as defined in Rule 13a–15(e) of the Securities Exchange Act of 1934 (the “Exchange Act”), as of September 30, 2017. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2017, the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in the reports the Company files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

We have excluded *Fleet* from our assessment of internal control over financial reporting as of September 30, 2017, because (i) *Fleet* was acquired by us in the fourth quarter of 2017 and (ii) *Fleet* is a wholly-owned subsidiary whose total assets represent approximately 3.6% of the related condensed consolidated financial statement assets as of September 30, 2017 and whose total revenue represent approximately 20.2% and 20.8%, respectively, of the related condensed consolidated financial statement revenue for the three and six months ended September 30, 2017. We are currently in the process of evaluating and integrating *Fleet's* historical internal control over financial reporting structure with ours. Other than the changes noted above, there have been no changes during the three and six months ended September 30, 2017 in the Company’s internal control over financial reporting, as defined in Rule 13a-15(f) of the Exchange Act, that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1A. RISK FACTORS

You should carefully consider the risk factors discussed in Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the year ended March 31, 2017, which could materially affect our business, financial condition or future results of operations. The risks described in our Annual Report on Form 10-K are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and results of operations.

Our quarterly operating results and revenues may fluctuate as a result of any of these or other factors. Accordingly, results for any one quarter are not necessarily indicative of results to be expected for any other quarter or for any year, and revenues for any particular future period may decrease. In the future, operating results may fall below the expectations of securities analysts and investors. In that event, the market price of our outstanding securities could be adversely impacted.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

ISSUER PURCHASES OF EQUITY SECURITIES (a)

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs
July 1 to July 31, 2017	—	—	n/a	n/a
August 1 to August 31, 2017	933	$ 51.60	n/a	n/a
September 1 to September 30, 2017	—	—	n/a	n/a
Total	933		n/a	n/a

(a) These purchases were made pursuant to our 2005 Long-Term Equity Incentive Plan, which allows for the indirect purchase of shares through a net-settlement feature upon the vesting of shares in order to satisfy minimum statutory tax-withholding requirements.

ITEM 6. EXHIBITS

See Exhibit Index immediately following the signature page.

SIGNATURES

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

PRESTIGE BRANDS HOLDINGS, INC.

Date:	November 2, 2017	By:	**/s/ Christine Sacco**
			Christine Sacco
			Chief Financial Officer
			(Principal Financial Officer and Duly Authorized Officer)

Exhibit Index

10.1	Second amendment to Lease between GHP 660 LLC, successor-in-interest to RA 660 White Plains Road, LLC, and Prestige Brands, Inc., dated as of September 13, 2017.
31.1	Certification of Principal Executive Officer of Prestige Brands Holdings, Inc. pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.
31.2	Certification of Principal Financial Officer of Prestige Brands Holdings, Inc. pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.
32.1	Certification of Principal Executive Officer of Prestige Brands Holdings, Inc. pursuant to Rule 13a-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code.
32.2	Certification of Principal Financial Officer of Prestige Brands Holdings, Inc. pursuant to Rule 13a-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code.
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* XBRL information is furnished and not filed for purposes of Section 11 and 12 of the Securities Act of 1933 and Section 18 of the Securities Exchange Act of 1934, and is not subject to liability under those sections, is not part of any registration statement, prospectus or other document to which it relates and is not incorporated or deemed to be incorporated by reference into any registration statement, prospectus or other document.

THIS SECOND AMENDMENT TO LEASE dated as of September 13, 2017, made by and between **GHP 660 LLC** successor-in-interest to RA 660 White Plains Road, LLC**,** having its principal place of business c/o GHP Office Realty, LLC, Four West Red Oak Lane, White Plains, New York 10604 (hereinafter called "Landlord"), and **PRESTIGE BRANDS, INC.,** having an address at 660 White Plains Road, Tarrytown, New York 10591 (hereinafter called "Tenant").

W I T N E S S E T H

WHEREAS, pursuant to that certain Lease Agreement, dated as of June 26, 2012, as amended by that First Amendment to Lease dated as of June 30, 2014 (hereinafter collectively referred to as the "Lease"), Landlord's predecessor-in-interest leased to Tenant a portion of the Second (2^{nd}) floor in the building commonly known as and located at 660 White Plains Road, Tarrytown, New York 10591 (the "Building") and which premises shall be deemed to consist of 58,086 rentable square which are more particularly described in the Lease (the "Original Premises") for a term which expires on December 31, 2020 (the "Original Expiration Date");

WHEREAS, Tenant needs additional space in the Building and wants to: (i) lease from Landlord additional space located on the First (1^{st}) floor of the Building and which shall be deemed to consist of 10,800 rentable square feet, as more particularly shown on **EXHIBIT "A-1" a**nnexed hereto (the "Additional Space"); and (ii) extend the term of the Lease for the Additional Term (as hereinafter defined);

WHEREAS, the Original Premises and the Additional Space shall be deemed to consist of a total of **68,886** rentable square feet, and the Original Premises and the Additional Space are hereinafter referred to collectively as the "Premises;"

NOW, THEREFORE, in consideration of the mutual agreements of the parties hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

ARTICLE - 1 DEFINITIONS

SECTION 1.01. For the purposes of this Second Amendment to Lease, and all agreements supplemental to this Second Amendment to Lease, unless the context otherwise requires:

A. All capitalized terms used herein and not otherwise defined herein but defined in the Lease shall have the meanings ascribed to said terms as set forth in the Lease, unless otherwise defined herein.

B. "Additional Space Commencement Date" shall mean the date which is the sooner of: (i) the date that Tenant's Additional Space Work (as hereinafter defined) is substantially completed, or (ii) the date upon which Tenant takes possession of all or any part of the Additional Space; or (iii) March 1, 2018.

C. Upon determination of the date which is the Additional Space Commencement Date as provided in this Section, Tenant, upon the request of Landlord shall execute and deliver to Landlord a statement setting forth the Additional Space Commencement Date in the form annexed hereto as **EXHIBIT "B-1"**, but the failure of Tenant to execute and deliver such statement shall not detract from the effectiveness of any of the provisions of the Lease, as amended by this Second Amendment To Lease.

D. "Additional Term" shall mean the period commencing on the Additional Space Commencement Date and expiring on December 31, 2027 (the "Expiration Date"), unless the same shall sooner terminate pursuant to any of the terms, covenants, conditions or agreements of this Lease or pursuant to law.

ARTICLE-2 THE ADDITIONAL SPACE; AS-IS; ADDITIONAL SPACE WORK

SECTION 2.01. Landlord hereby leases to Tenant and Tenant hereby hires from Landlord the Additional Space for the Additional Ter. Tenant has inspected the Additional Space and the state of title thereto and Tenant accepts the Additional Space in its “AS IS” state and condition on the Additional Space Commencement Date and without any representation or warranty, express or implied, in fact or by law, by Landlord, and without recourse to Landlord, as to title thereto, the nature, square footage, condition thereof or as to the use or occupancy which may be made thereof. Notwithstanding the foregoing, Landlord represents that the Premises, with the Additional Premises Work completed as shown on **EXHIBIT “C-1”** annexed hereoto, shall be useable for general and executive use, including conference meeting rooms.

SECTION 2.02. The parties hereto acknowledge that Tenant presently occupies the Original Premises and knows the condition thereof. Landlord hereby leases to Tenant and Tenant hereby hires from Landlord the Original Premises for the period commencing on January 1, 2021 through December 31, 2027. Landlord shall have no obligation whatsoever to perform any build-out or similar work to the Original Premises, and Tenant agrees to accept same in “AS IS” physical order and condition on January 1, 2021 and without any representation or warranty, express or implied, in fact or by law, by Landlord, and without recourse to Landlord, as to title thereto, the nature, square footage, condition or usability thereof or as to the use or occupancy which may be made thereof.

SECTION 2.03. Notwithstanding the foregoing, Landlord agrees to perform, at its sole cost and expense, all the work set forth on the plans annexed hereto as **EXHIBIT “C-1”** and incorporated herein by reference (the “Additional Premises Work”). Landlord shall use reasonable efforts to complete the Additional Premises Work within a reasonable period of time, subject to unavoidable delays, but failure to complete the Additional Premises Work shall not affect the validity of the Lease or this Amendment to Lease. Landlord has not made, and makes, no representations as to the date when the Additional Work will be substantially complete. Landlord shall in no way be liable for any loss, damage, or expense to Tenant’s merchandise, trade fixtures, furniture, furnishings, inventory and equipment, or inconvenience, or annoyance, or injury to the business of Tenant resulting in any way from the Additional Premises Work. Tenant shall, at its own cost and expense, remove and/or relocate such of Tenant’s personal property from the Original Premises as Landlord shall reasonably require in order to perform the Additional Premises Work and Landlord shall not be obligated to commence the Additional Premises Work until such property has been removed and/or relocated by Tenant from the portion of the Original Premises in which the Additional Premises Work will be performed.

SECTION 2.04. Following the Additional Space Commencement Date, Tenant shall build-out and fully equip the Additional Space and Building with all trade and operating fixtures and equipment, plumbing, lighting and other fixtures and equipment, floor covering, and any and all other items necessary for the proper operation of Tenant’s business (“Tenant’s Work”). All equipment permanently affixed to the Additional Space and/or Building by Tenant shall not be subject to liens, conditional sales contracts, security agreements or chattel mortgages. Nothing contained herein shall prohibit Tenant from purchasing office and other moveable equipment which may be subject to liens, conditional sales contracts, security agreements or chattel mortgages. Tenant shall complete or cause to be completed all of Tenant’s Work in and at the Additional Space pursuant to the provisions of the Lease and the **Standard Requirements For Alterations To Be Performed By Tenants'** annexed hereto as **EXHIBIT “D-1**” and made a part hereof.

B. Tenant’s contractor who performs Tenant’s Work shall be duly licensed in the State of New York, County of Westchester and shall employ and/or hire employees, subcontractors, tradesmen, mechanics and/or other individuals who are members of the local union for each particular trade involved in Tenant’s Work.

C. Within thirty (30) days after completion of the Tenant’s Work, Tenant shall deliver to Landlord a certificate of occupancy for the Additional Space, final waivers of lien from all contractors, subcontractors and materialmen involved in performance of Tenant’s Work and the supply of materials furnished in connection therewith, and a certificate from Tenant’s independent licensed architect certifying that (i) in his opinion Tenant’s Work has been performed in a good and workmanlike manner and completed in accordance with the final detailed plans and specifications for such Tenant’s Work as approved by the Landlord, and (ii) all contractors, subcontractors and materialmen have been paid for Tenant’s Work and materials furnished through such date.

D. Prior to the commencement of the Tenant’s Work, (i) Tenant shall provide Landlord with copies of all contracts with contractors, subcontractors who will be performing Tenant’s Work, and (ii) Landlord shall approve (which approval shall not be unreasonably withheld or delayed) the schedule of payments to be made thereunder.

E. Tenant shall maintain comprehensive records and copies of all plans, specifications, budgets and other appropriate documentation in connection with any and all Tenant's Work, copies of which shall be furnished to Landlord upon demand.

SECTION - 3 LEASE AMENDMENTS

SECTION 3.01. Effective as of Additional Space Commencement, the Lease is hereby modified as follows:

A. The term "*Term*" as defined in the Lease is deleted in its entirety and a new definition is added as follows:

"Term" shall mean the Additional Term as defined in this Second Amendment to Lease, unless the same shall sooner terminate pursuant to any of the terms, covenants, conditions or agreements of this Lease or pursuant to law."

B. The term "*Premises*" as defined in the Lease is deleted in its entirety and a new definition is added as follows:

"Premises" shall mean: (i) that space on the First (1st) floor of the Building and delineated on the floor plan attached to this Second Amendment to Lease as ***EXHIBIT "A-1"****, and which shall be deemed to consist of 10,800 rentable square feet of rentable space; and (ii) that space on the Second Floor of the Building and delineated on the floor plan attached to the Lease and which shall be deemed to consist of 58,086 rentable square feet of rentable space for a total of 68,886 rentable square feet of rentable space."*

C. Section 3 of the Lease is amended to provide that Tenant shall pay to Landlord, annual minimum rent with respect to the Premises (including the Original Premises and Additional Space), over and above electric charges and all other additional rent items to be made by Tenant as provided in the Lease, as follows:

"Lease Year	***Annual Fixed Rent for Premises, electric exclusive***	***Monthly Fixed Rent for Premises, electric exclusive***
Additional Space Commencement to December 31, 2019 (both dates inclusive)	***$1,525,707.00***	***$127,142.25***
January 1, 2020 to December 31, 2023 (both dates inclusive)	***$1,670,486.04***	***$139,207.17***
January 1, 2024 to December 31, 2027 (both dates inclusive)	***$1,808,258.04***	***$150,688.17"***

D. The provisions of Article 6(A) and Schedule B of the Lease shall apply with full force and effect with respect to the entire Premises (i.e. both the Original Premises and Additional Space) and Tenant shall be obligated, at its sole cost and expense, to install a submeter in the Additional Space or connect the Additional Space to the existing submeter serving the Original Premises.

E. Article 51 of the Lease is hereby deleted in its entirety and no new Article is added in its place is being agreed and understood that Tenant does not have the right to extend the term of the Lease beyond December 31, 2027.

F. The Lease is amended to provide that Tenant's Proportionate Share shall be increased from "22.85%" to "**27.10%**".

G. Except as otherwise provided herein, The Lease is amended to delete any obligation of Landlord to perform alterations or work to the Original Premises or Additional Space in preparation of Tenant's occupancy.

H. Notices to Landlord. Notwithstanding anything to the contrary contained in the Lease, effectively immediately, any bills, statements, consents, notices, demands, requests or other correspondence given or required to be given under the Lease to Landlord shall in writing and shall be sent to GHP 660 LLC, in care of GHP Office Realty, LLC, Four West Red Oak Lane, White Plains, New York 10604, with a copy to Steven C. Hirsch, Esq., 585 Stewart Avenue, Suite 530, Garden City, New York 11530.

I. Article 52 of the Lease entitled "Right of First Offer" is hereby deleted in its entirety and a new Article 52 is hereby added as follows:

"(a) From and after the Additional Space Commencement Date, Landlord agrees that subject to the rights of existing tenants, if any, prior to offering for lease the contiguous and vacant space to the Premises (including specifically the Key Bank Space), it shall give Tenant notice of and the right to, at its option, expand the Premises herein to include such additional space (the "Expansion Premises") with occupancy to commence on the Expansion Premises Commencement Date (as hereinafter defined) and to end on the Expiration Date originally provided for in the Lease. Tenant shall, within ten (10) business days after receipt of the notice from Landlord that the Expansion Premises are available for hire, notify Landlord of its intention to lease the Expansion Premises (time being of the essence with respect thereto). Tenant's failure to notify Landlord within the ten (10) business day period shall be deemed a waiver of the right to hire the Expansion Premises. Upon the giving of such notice the Expansion Premises shall be deemed added to and a part of the Premises, with the same force and effect as if originally so demised under this Lease. Tenant shall have the right to inspect the Expansion Premises, prior to exercising its rights herein. Tenant agrees to accept the Expansion Additional in its "AS IS" state and condition on the Expansion Premises Commencement Date without any representation or warranty, express or implied, in fact or by law, by Landlord, and without recourse to Landlord, as to title thereto, the nature, condition or usability thereof or as to the use or occupancy which may be made thereof.

(b) Any notice of election to exercise the right to expand the Premises as hereinbefore provided must be in writing and sent to Landlord as provided for herein. In addition, if prior to the exercise of the right to expand the Premises, Tenant herein named shall have assigned this Lease, no notice by the then Tenant of election to exercise an option to extend shall be valid unless joined in or consented to in writing by Tenant herein named (which consent, in order for the exercise of such right to be effective, shall be delivered to Landlord at or prior to the time of the exercise of the right as to which consent of Tenant herein named had been given). Neither the right granted to Tenant in this Article to expand the Premises, nor the exercise of such right by Tenant, shall prevent Landlord from exercising any option or right granted or reserved to Landlord in this Lease to terminate this Lease, and the effective exercise of any such right of termination by Landlord shall terminate any such renewal or extension and any right of Tenant to any such renewal or extension, whether or not Tenant shall have exercised any such right to expand the Premises. Any such option or right on the part of Landlord to terminate this Lease pursuant to the provisions hereof shall apply to the Expansion Premises.

(c) The "Expansion Premises Commencement Date" shall be the date which is the later of: (i) the date specified in Landlord's notice, or (ii) the date upon which Landlord delivers possession of the Expansion Premises to Tenant.

(d) All of the terms, covenants and conditions of this Lease applicable to the Premises as originally constituted shall be applicable to the Premises including the Expansion Premises, except that the annual minimum rent provided for herein shall be increased by the product of One Hundred (100%) percent of the annual fair rental value on a square foot basis as determined in accordance with the provisions hereof ***and*** *the rentable square footage of the Expansion Premises. In no event shall the annual fair rental value exceed the average rental rate paid by other tenants with spaces of similar or greater size as calculated on a per square foot basis as of the Expansion Premises Commencement Date. During and in respect of the Term hereof, Tenant's proportionate share shall be increased by the rentable square footage of the Expansion Premises.*

(e) If Tenant shall effectively exercise its right to hire the Expansion Premises, Landlord and Tenant, upon demand of either, shall execute and deliver to each other duplicate originals of an instrument, duly acknowledged, setting forth: (i) that the Premises have been expanded to include the Expansion Premises;

(ii) the size of the Expansion Premises; (iii) the annual minimum rent payable during the Term; (iv) that the Expansion Premises is upon and subject to all of the terms, covenants, conditions and limitations contained herein; and (v) Tenant's proportionate share as increased by the Expansion Premises.

(f) The right of Tenant to hire the Expansion Premises as provided herein is conditioned in all respects upon there being no event of default in the observance or performance of any term, covenant, condition or agreement on Tenant's part to be observed or performed under this Lease both at the time the notice of exercise is given and immediately prior to the Expansion Premises Commencement Date. Any termination, cancellation or surrender of this Lease shall terminate Tenant's right to hire the Expansion Premises.

(g) With respect to the Expansion Premises Tenant shall pay to Landlord annual minimum rent, at the same times and in the same manner as in the Term originally provided for, at the annual rate equal to the annual fair rental value of the Expansion Premises (without deduction for the cash value of free rent and leasehold improvements), which renewing, non-equity tenants are then receiving in connection with a lease for comparable space in a building of the same age, quality, size, location, services, amenities, quality of construction and appearance to that of the Building on the Expansion Premises Commencement Date with a term equal to the Term and otherwise containing substantially the same provisions as this Lease contains, as determined by agreement between Landlord and Tenant. If, prior to the Expansion Premises Commencement Date, Landlord and Tenant are unable to agree on the amount of the annual minimum rent for the Expansion Premises, then in such event, the determination of such annual fair rental value shall be made by arbitration pursuant to the provisions hereof. If the Expansion Premises Commencement Date, shall commence prior to determination of the amount of annual minimum rent for the Expansion Premises, either by agreement or by decision of the arbitrators, Tenant, in the meantime, shall pay the monthly installments of annual minimum rent at the annual rate payable under this Lease on the day preceding the Expansion Premises Commencement Date. If monthly installments of the amount agreed upon by Landlord and Tenant, or found by the arbitrators, shall be greater than such amount, then Tenant, forthwith after such agreement or arbitrators' decision, shall pay to Landlord, for the period from the Expansion Premises Commencement Date to the last day of the calendar month in which the agreement or the arbitrators' decision takes effect, the difference between the monthly installments actually paid and the monthly installments which should have been paid in accordance with such agreement or arbitrator's decision, together with interest at the prime rate plus two (2%) percent from the respective due dates of each monthly installment to the date of payment pursuant to this paragraph; and, thereafter, Tenant shall pay the monthly installments at the new rate. In no event shall the annual minimum rent for the Expansion Premises be less than the annual minimum rent payable immediately prior to the Expansion Premises Commencement Date.

(h)(1) In the event that Landlord and Tenant are unable to agree on the amount of the annual minimum rent for the Expansion Premises, then either Landlord or Tenant (hereinafter referred to as the "<u>Initiating Party</u>") may give the other party (hereinafter called the "<u>Responding Party</u>") a notice designating the name and address of the arbitrator designated by the Initiating Party to act on its behalf in the arbitration process hereinafter described (the "Review Notice").

(2) If the Initiating Party gives a Review Notice, then within thirty (30) days after giving of such Review Notice, the Responding Party shall give notice to Initiating Party specifying in such notice the name and address of the arbitrator designated by the Responding Party to act on its behalf. In the event the Responding Party shall fail to give such notice within such thirty (30) day period, then the appointment of such arbitrator shall be made in the same manner as hereinafter provided for the appointment of a third arbitrator in a case where two arbitrators are appointed hereunder and the parties are unable to agree to such appointment. The two arbitrators so chosen shall meet within thirty (30) days after the second arbitrator is appointed and shall exchange sealed envelopes each containing such arbitrators written determination of the fair market rent of the Additional Premises based on the criteria set forth herein. The fair market rent specified by Landlord's arbitrator shall be called the "<u>Landlord's Submitted Value</u>" and the fair market rent specified by Tenant's arbitrator shall be called the "<u>Tenant's Submitted Value</u>". Copies of such written determinations shall promptly be sent to both Landlord and Tenant. Any failure of either such arbitrator to meet and exchange such determinations shall be acceptance of the other party's arbitrator's determination

as to fair market rent, if, and only if, such failure persists for five (5) days after notice to whom such arbitrator is acting, and, provided that such five (5) day period shall be extended by reason of any force majeure. If the higher determination of the fair market rent for the Expansion Premises is not more than one hundred and five (105%) percent of the lower determination of the fair market rent, then the fair market rent for such space shall be deemed to be the average of the two determinations. If, however, the higher determination is more than one hundred and five (105%) percent of the lower determination, then within ten (10) days of the date the arbitrators submitted their respective fair market rent determinations, the two arbitrators shall appoint a third arbitrator. In the event of their being unable to agree upon such appointment within ten (10) days after the exchange of the sealed envelopes, the third arbitrator shall be selected by the parties themselves if they can agree thereon within a further period of 10 days. If the parties do not so agree, then either party, on behalf of both and on notice to the other, may request such an appointment by the American Arbitration Association (or any successor organization) nearest to the Building in accordance with its rules then prevailing or if the American Arbitration Association (or any successor organization) nearest to the Building shall fail to appoint said third arbitrator within fifteen (15) days after such request is made, then either party may apply for such appointment, on notice to the other, to the President of the Bar Association in the county where the Building is located. Within ten (10) days after the appointment of such third arbitrator, the Landlord's arbitrator shall submit Landlord's Submitted Value to such third arbitrator and the Tenant's arbitrator shall submit Tenant's Submitted Value to such third arbitrator. Such third arbitrator shall, within thirty (30) days after the end of such fifteen (15) day period, make his own determination of the fair market rent of the Expansion Premises using the criteria set forth herein, and send copies of his determination promptly to both Landlord and Tenant specifying whether Landlord's Submitted Value or Tenant's Submitted Value was closer to the determination by such third arbitrator of the fair market rent of the Expansion Premises. Whichever of Landlord's Submitted Value or Tenant's Submitted Value shall be closer to the determination by such third arbitrator shall conclusively be deemed to be the fair market rent of the Expansion Premises.

(3) In no event shall the arbitrators enlarge upon, or alter or amend, this Lease or Landlord's or Tenant's rights as provided in this Lease, it being understood that the sole issue for determination by the arbitrators shall be the single issue of fact of the annual fair rental value of the Expansion Premises as provided herein.

(4) Except as otherwise provided in the following sentence, the fees and expenses of an arbitration proceeding shall be borne by the parties equally. The fees of respective counsel engaged by the parties the fees and expenses of expert witnesses and other witnesses called and the cost of transcripts shall be borne by the parties engaging such counsel or calling such witness or ordering such transcripts.

(5) The arbitrators selected by either party shall have a minimum of ten (10) years' experience as an appraiser of commercial real property in the county where the Building is located and who is not related directly or indirectly to either party. In the event that a third arbitrator is required, such third arbitrator shall not have any prior business relationship with either party hereto."

J. Landlord agrees that during the Additional Term Tenant shall have access to the Building's freight elevators at no charge Tenant, **provided, however,** that Tenant otherwise complies with Landlord's rules and regulation regarding use of the freight elevators.

K. Landlord agrees that during the Additional Term, Tenant shall be entitled Eight (8) reserved parking spaces in the Building's parking area at no additional cost to Tenant.

L. Landlord hereby agrees that Tenant shall be entitled to furnish, install and maintain the following signs: (x) a monument sign at the front entrance of the Building (the "Monument Sign"); and (y) a sign on the top the Building (the "Building Sign"), **provided, however**, that such Monument Sign and Building Sign shall: (i) be installed and maintained at the sole cost and expense of Tenant and in the location reasonably acceptable to Landlord, (ii) be installed and maintained in a good and workmanlike manner, and in compliance with all applicable legal requirements (including existing zoning requirements), insurance requirements and environmental laws, (iii) be performed in accordance with plans and specifications approved prior to the commencement of any work by the appropriate governmental authorities and by Landlord, which approval by Landlord will not be unreasonably withheld, conditioned or delayed, and (iv) be performed under the supervision of a licensed engineer reasonably approved by Landlord and in accordance with the **Standard Requirements For Alterations To Be Performed By Tenants'** annexed hereto as **EXHIBIT "D-1**" and made a part hereof.

ARTICLE - 4 BROKERS

SECTION 4.01. Tenant represents that in connection with this Second Amendment to Lease it dealt with no broker other than GHP Office Realty, LLC (the "Broker") nor has Tenant had any correspondence or other communication in connection with this Second Amendment to Lease with any other person who is a broker, and that so far as Tenant is aware the Broker is the only broker who negotiated this Second Amendment to Lease. Each party hereby indemnifies the other party and holds it harmless from any and all loss, cost, liability, claim, damage, or expense (including court costs and attorneys' fees) arising out of any inaccuracy of the above representation. Landlord agrees to pay the Broker all commissions due pursuant to a separate written agreement.

ARTICLE - 5 MISCELLANEOUS

SECTION 5.01. Tenant represents that: (i) Landlord is not in default of any of its obligations under the Lease; and (ii) Tenant has no claims against Landlord as of the date of this Second Amendment to Lease. Landlord represents to the best of its knowledge that: (i) Tenant is not in default of any of its obligations under the Lease as of the date of this Second Amendment to Lease; and (ii) Landlord has no claims against Tenant as of the date of this Second Amendment to Lease.

SECTION 5.02. All other terms, covenants and conditions of the Lease, as amended, and all exhibits and schedules thereto shall remain in full force and effect, are hereby ratified, confirmed and incorporated herein by reference as though set forth fully herein at length, including, without limitation, Tenant's obligation to pay the storage fees and all Additional Rent items.

SECTION 5.03. It is understood and agreed that this Second Amendment to Lease is submitted to the Tenant for signature with the understanding that it shall not bind the Landlord unless and until it has been executed by the Landlord and delivered to the Tenant or Tenant's attorney.

IN WITNESS WHEREOF, Landlord and Tenant have executed this SECOND AMENDMENT TO LEASE as of the date and year first above written.

GHP 660, LLC, (Landlord)

By: /s/ Andrew Greenspan
Name: Andrew Greenspan
Title: Manager/Member

PRESTIGE BRANDS, LLC. (Tenant)

By: /s/ Ronald Lombardi
Name: Ronald Lombardi
Title: President and CEO

BY SIGNING HERETO, THE UNDERSIGNED GUARANTOR HEREBY: (1) CONSENTS TO THE MODIFICATIONS AND AMENDMENTS MADE TO THE LEASE PURSUANT TO THIS AGREEMENT; (2) AFFIRMS ITS OBLIGATIONS AND LIABILITIES UNDER THAT CERTAIN GUARANTY EXECUTED ON OR ABOUT JUNE 22, 2012 AS AMENDED ON JUNE 30, 2014; AND (3) AGREES THAT SUCH OBLIGATIONS AND LIABILITIES SHALL EXTEND TO THE OBLIGATIONS OF TENANT UNDER THE LEASE, AS MODIFIED, AMENDED, EXPANDED AND EXTENDED BY THIS AGREEMENT.

PRESTIGE BRANDS HOLDINGS, INC., Guarantor

By: /s/ Ronald Lombardi

Name: Ronald Lombardi
Title: President and CEO

Exhibit 31.1

CERTIFICATIONS

I, Ronald M. Lombardi, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Prestige Brands Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	November 2, 2017	**/s/ Ronald M. Lombardi**
		Ronald M. Lombardi
		Chief Executive Officer
		(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Christine Sacco, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Prestige Brands Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	November 2, 2017	**/s/ Christine Sacco**
		Christine Sacco
		Chief Financial Officer
		(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Ronald M. Lombardi, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Prestige Brands Holdings, Inc. on Form 10-Q for the quarter ended September 30, 2017, fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of Prestige Brands Holdings, Inc.

/s/ Ronald M. Lombardi
Name: Ronald M. Lombardi
Title: *Chief Executive Officer*
(Principal Executive Officer)
Date: November 2, 2017

EXHIBIT 32.2

CERTIFICATION
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Christine Sacco, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Prestige Brands Holdings, Inc. on Form 10-Q for the quarter ended September 30, 2017, fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of Prestige Brands Holdings, Inc.

/s/ Christine Sacco
Name: Christine Sacco
Title: *Chief Financial Officer*
(Principal Financial Officer)
Date: November 2, 2017