



ScottsMiracle-Gro Reaffirms Fiscal 2025 Guidance, Reports Strong Consumer Engagement in Peak Lawn and Garden Season

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MARYSVILLE, Ohio, June 05, 2025 (GLOBE NEWSWIRE) -- The Scotts Miracle-Gro Company (NYSE: SMG), the world's leading marketer of branded consumer lawn and garden as well as a leader in indoor and hydroponic growing products, announced today that it is reaffirming its full fiscal year 2025 guidance. The Company is providing the guidance update through the first two months of its fiscal third quarter in advance of its presentation today at the William Blair Annual Growth Stock Conference.

Additionally, the Company reported that it continued to drive consumer POS unit and dollar growth during the peak lawn and garden season. Through the Memorial Day weekend, the year-to-date increases in POS units and POS dollars were in line with POS trends in the first half of the fiscal year.

The Company also projects interest expense to be approximately \$30 million lower than prior year compared to its previous estimate of a \$15 million to \$20 million decrease, and it projects diluted share count increase to be approximately 1 million compared to its previous estimate of 2 million. The Company expects non-GAAP adjusted earnings per diluted share to be at least \$3.50, a 53% increase versus prior year.

"With the peak lawn and garden season upon us, we continue to drive positive outcomes on multiple fronts, a reflection of the health of our consumer coupled with the power of our incremental marketing investments and retailer promotional programs," said Jim Hagedorn, chairman and CEO. "We feel good about our overall performance and expect to meet our financial commitments for the fiscal year, creating a foundation to achieve our multi-year objectives aimed at improving shareholder returns."

Chief Financial Officer Mark Scheiwer added, "The strong consumer takeaway, along with the pace of retailer replenishment thus far in the third quarter, solidifies our confidence in the full-year guidance. Delivering on our adjusted EBITDA and free cash flow targets will enable us to exit 2025 with a significantly improved debt position that will put us on a path to realize our goal of getting leverage below 3.5 by the end of fiscal 2027."

Detailed Outlook for Fiscal Year 2025

The Company is reaffirming its previously announced fiscal year 2025 guidance of:

- U.S. Consumer net sales low single-digit growth (excluding non-repeat sales for AeroGarden and bulk raw material sales)
- Non-GAAP adjusted gross margin of approximately 30 percent
- Non-GAAP adjusted EBITDA of \$570 million to \$590 million
- Free cash flow of approximately \$250 million

The Company will provide more commentary today when it participates in the William Blair 45th Annual Growth Stock Conference in Chicago at 9:40 a.m. ET. Investors and other interested parties may listen to a live webcast of the presentation from the [events page](#) of the Company's investor relations website. An archive of the webcast will be available on the website for at least 90 days.

About ScottsMiracle-Gro

With approximately \$3.6 billion in sales, the Company is the world's largest marketer of branded consumer products for lawn and garden care. The Company's brands are among the most recognized in the industry. The Company's Scotts®, Miracle-Gro®, and Ortho® brands are market-leading in their categories. The Company's wholly-owned subsidiary, The Hawthorne Gardening Company, is a leading provider of nutrients, lighting, and other materials used in the indoor and hydroponic growing segment. For additional information, visit us at www.scottsmiraclegro.com.

Cautionary Note Regarding Forward-Looking Statements

Statements contained in this press release, other than statements of historical fact, which address activities, events and developments that the Company expects or anticipates will or may occur in the future, including, but not limited to, information regarding the future economic performance and financial condition of the Company, the plans and objectives of the Company's management, and the Company's assumptions regarding such performance and plans are "forward-looking statements" within the meaning of the U.S. federal securities laws that are subject to risks and uncertainties. These forward-looking statements generally can be identified as statements that include phrases such as "guidance," "outlook," "projected," "believe," "target," "predict," "estimate," "forecast," "strategy," "may," "goal," "expect," "anticipate," "intend," "plan," "foresee," "likely," "will," "should" or other similar words or phrases. Actual results could differ materially from the forward-looking information in this release due to a variety of factors, including, but not limited to:

- An economic downturn and economic uncertainty may adversely affect demand for the Company's products;
- The Company's operations, financial condition or reputation may be impaired if its information or operational technology systems fail to perform adequately or if it is the subject of a data breach or cyber-attack;
- The highly competitive nature of the Company's markets could adversely affect its ability to maintain or grow revenues;
- In the event of a disaster, the Company's disaster recovery and business continuity plans may fail, which could adversely interrupt its operations;
- Climate change and unfavorable weather conditions could adversely impact financial results;
- The Company may not successfully develop new product lines and products or improve existing product lines and products;

- The Company's indebtedness could limit its flexibility and adversely affect its financial condition;
- If the Company underestimates or overestimates demand for its products and does not maintain appropriate inventory levels, its net sales and/or working capital could be negatively impacted;
- Disruptions in availability or increases in the prices of raw materials, fuel or transportation costs could adversely affect the Company's results of operations;
- The Company's business is subject to risks associated with sourcing and manufacturing outside of the U.S. and risks from tariffs and/or international trade wars.
- A significant interruption in the operation of the Company's or its suppliers' facilities could impact the Company's capacity to produce products and service its customers, which could adversely affect the Company's revenues and earnings;
- Acquisitions, other strategic alliances and investments could result in operating difficulties, dilution and other harmful consequences that may adversely impact the Company's business and results of operations;
- Compliance with environmental and other public health regulations or changes in such regulations or regulatory enforcement priorities could increase the Company's costs of doing business or limit its ability to market all of its products;
- Because of the concentration of the Company's sales to a small number of retail customers, the loss of one or more of, or significant reduction in orders from, its top customers, or a material reduction in the inventory of the Company's products that they carry, could adversely affect the Company's financial results;
- If the perception of the Company's brands or organizational reputation are damaged, its consumers, distributors and retailers may react negatively, which could materially and adversely affect the Company's business, financial condition and results of operations; and
- Hagedorn Partnership, L.P. beneficially owns approximately 23% of the Company's common shares and can significantly influence decisions that require the approval of shareholders.

Additional detailed information concerning a number of the important factors that could cause actual results to differ materially from the forward-looking information contained in this release is readily available in the Company's publicly filed quarterly, annual and other reports. The Company disclaims any obligation to update developments of these risk factors or to announce publicly any revision to any of the forward-looking statements contained in this release, or to make corrections to reflect future events or developments.

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