



**November 2014  
Investor Presentation**

## Safe Harbor

Certain statements in this presentation that are not historical fact may be deemed “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, and Summer intends that such forward-looking statements be subject to the safe harbor created thereby. Such forward-looking statements include statements regarding the market position of Summer; the growth prospects of Summer; anticipated sales and operating results; the development of new products; demand for Summer’s products; and Summer’s business strategy. Summer cautions that these statements are qualified by important factors that could cause actual results to differ materially from those reflected by such forward-looking statements. Such factors include the concentration of Summer’s business with retail customers; the ability of Summer to compete in its industry; Summer’s dependence on key personnel; Summer’s reliance on foreign suppliers; the costs associated with pursuing and integrating strategic acquisitions; the costs associated with protecting intellectual property; and other risks as detailed in Summer’s Annual Report on Form 10-K for the fiscal year ended December 31, 2013, and subsequent filings with the Securities and Exchange Commission. The information contained in this presentation is accurate as of the date set forth on the cover page. Summer assumes no obligation to update the information contained in this presentation.

# Leveraging Strong Brands in Diverse Channels

Summer Infant designs, markets and distributes juvenile products in the monitor, safety, bath and potty, gates, nursery, gear and feeding categories.

The Company markets its products under three distinct and well recognized brands...

..and distributes its products through retail partners around the world with the greatest presence in the U.S., UK and Canada.



- Delivering products parents need
- Innovation to support child development

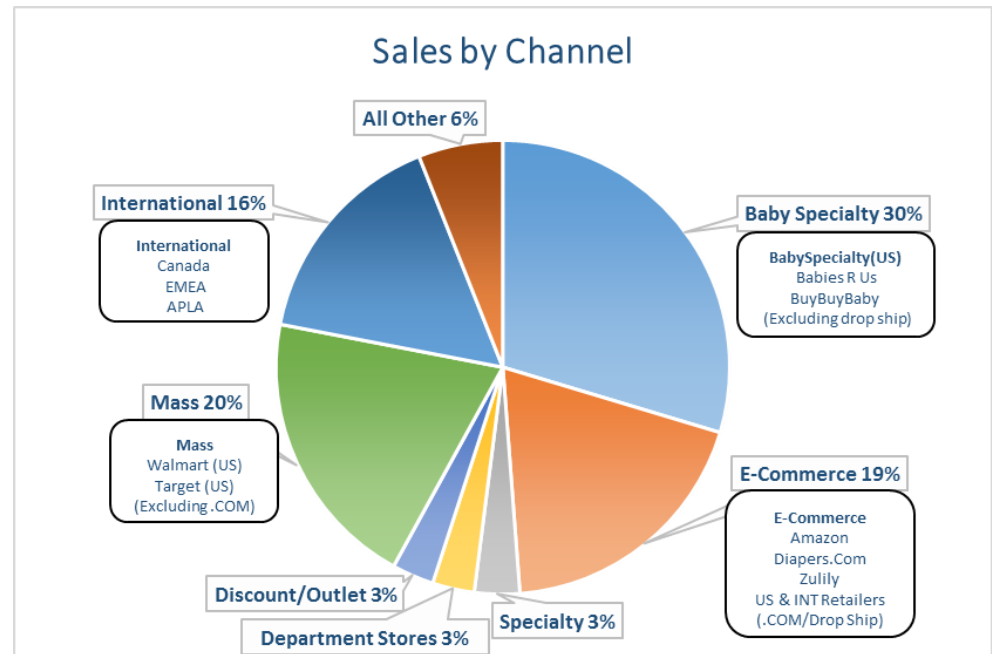


- Creating a safe, calm feeding experience
- Highest standards for safety



SwaddleMe®

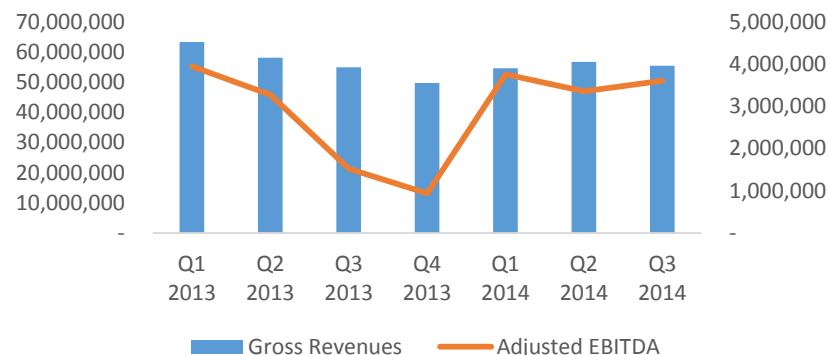
- The authority on safe sleep
- Keeps babies sleeping on their back



# Opportunity for Growth and Margin Expansion

- Q3 2014 revenue performance above Q3 2013
  - Demonstrated consistent growth in core branded products. Full replacement of former license sales
- Q3 2014 demonstrated continued margin improvement trend
  - Up 200+ bps from prior year, consistent and improving gross profit performance
- Controlled G&A spending while investing in talent. Run rate on target when adjusted for extraordinary expense
- Adjusted EBITDA for 9 months ended Q3 2014 of \$10.7M – Higher than full year 2013 and 2012

Quarterly Performance (in \$)



Summer Infant, Inc. Quarterly Comparison	2013					2014				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL-9 MOS
<b>Net Sales</b>	\$ 59,117,908	\$ 53,779,434	\$ 50,537,534	\$ 44,738,274	\$ 208,173,150	\$ 50,813,801	\$ 52,556,498	\$ 51,005,526		\$ 154,375,825
Cost of Goods Sold	40,539,414	36,799,148	35,520,501	30,306,868	143,165,931	34,364,697	35,112,593	34,408,979		103,886,269
<b>Gross Profit</b>	18,578,494	16,980,286	15,017,033	14,431,406	65,007,219	16,449,104	17,443,905	16,596,547		50,489,556
GM% Net Sales	31.4%	31.6%	29.7%	32.3%	31.2%	32.4%	33.2%	32.5%		32.7%
G&A Expense	9,433,196	8,948,962	9,085,025	9,661,436	37,128,619	9,238,287	9,614,703	9,637,099		28,490,089
Selling Expense	5,603,916	5,594,474	4,855,150	4,786,238	20,839,778	4,412,059	4,874,416	4,453,471		13,739,946
Total Operating Expense	15,037,112	14,543,436	13,940,175	14,447,674	57,968,397	13,650,346	14,489,119	14,090,570		42,230,035
<b>EBITDA</b>	<b>3,541,382</b>	<b>2,436,850</b>	<b>1,076,858</b>	<b>(16,268)</b>	<b>7,038,822</b>	<b>2,798,758</b>	<b>2,954,786</b>	<b>2,505,977</b>		<b>8,259,521</b>
Permitted add-backs	403,534	835,504	446,961	950,352	2,636,351	956,345	401,700	1,097,317		2,455,362
<b>Adjusted EBITDA</b>	<b>\$ 3,944,916</b>	<b>\$ 3,272,354</b>	<b>\$ 1,523,819</b>	<b>\$ 934,084</b>	<b>\$ 9,675,173</b>	<b>\$ 3,755,103</b>	<b>\$ 3,356,486</b>	<b>\$ 3,603,294</b>		<b>\$ 10,714,883</b>
% Net Sales	6.7%	6.1%	3.0%	2.1%	4.6%	7.4%	6.4%	7.1%		6.9%
<b>Adjusted EPS</b>	<b>0.06</b>	<b>0.01</b>	<b>(0.05)</b>	<b>(0.06)</b>	<b>(0.04)</b>	<b>0.05</b>	<b>0.03</b>	<b>0.03</b>		<b>0.11</b>

## Focus on Cash Flow

- Stability and Growth in TTM EBITDA - \$11.7 million at September 30, 2014
  - Improved Performance = Improved Financing Opportunities
- Debt Reduction
  - Cash Flow from Operations
  - Inventory Reduction
    - Tighter ordering process
    - Focus on weeks of supply

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Quarterly Adjusted EBITDA	\$ 3,944,916	\$ 3,272,354	\$ 1,523,819	\$ 934,084	\$ 9,675,173	\$ 3,755,103	\$ 3,356,486	\$ 3,603,294		\$ 10,714,883
TTM EBITDA						\$ 9,485,360	\$ 9,569,492	\$ 11,648,967		
Total Debt						48,932,000	49,081,000	56,170,000		
Total Debt/TTM EBITDA						5.2x	5.1x	4.8x		
Borrowing Base						45,684,000	57,626,000	56,906,000		
Asset Based Loan						35,057,000	35,581,000	43,045,000		
Borrowing Base Availability						\$ 10,627,000	\$ 22,045,000	\$ 13,861,000		
Term Debt						13,875,000	13,500,000	13,125,000		

# Positive Industry Dynamics

Trends	Description
Demographics	<ul style="list-style-type: none"> <li>• U.S. birth rates beginning to increase again – up 1.8% for the first half of 2014</li> <li>• Average age and education of new mothers increasing</li> <li>• 76% of Millennial households are actively employed; larger % of dual-income household and higher discretionary spending</li> <li>• U.S. under 5 yr old population expected to rebound</li> </ul>
Product Innovation	<ul style="list-style-type: none"> <li>• Development of differentiated products will continue as critical success factor for juvenile products brands</li> <li>• Millennials are tech savvy and accustomed to using smart devices in all phases of life, including childcare tools and advice</li> <li>• Product value proposition and extended use increasingly important to new moms</li> <li>• While tech savvy, Millennials also are seeking simple and pure connections with baby and products during early childhood</li> </ul>
Retail	<ul style="list-style-type: none"> <li>• Significant growth in on-line product research and shopping</li> <li>• Increasing number of dual-income households resulting in larger purchasing capability, with less time to shop</li> <li>• Declining levels of in-store retail traffic</li> <li>• Financial challenges experienced by select retailers has impacted the sector</li> </ul>
Social Media / E-Commerce	<ul style="list-style-type: none"> <li>• Brand connection and trusting relationship with consumer are key success factors</li> <li>• Position as a service provider of information and resources in addition to e-commerce delivery</li> <li>• Millennials conduct great deal of online research before purchase, product recommendations and reviews very important</li> <li>• Digital resources to support product learning including demonstration videos and connections key service delivery</li> </ul>
Safety / Quality / Value	<ul style="list-style-type: none"> <li>• Safety, Durability, Quality are highly valued by customers, consistent delivery on this promise important to brand image</li> <li>• Consumers are seeking greater value/utility from products purchased</li> <li>• Long-term lifecycle of products increasingly important to consumers</li> <li>• Demonstrated commitment to Quality and Safety standards critical in the juvenile sector</li> </ul>

## New and Experienced Senior Leadership

**Carol Bramson**

*Chief Executive Officer*

**25+ Years Experience**

*Strategic vision and management expertise*

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**Ken Price**

*President of Sales & Marketing*

**30+ Years Experience**

*Extensive customer relationships*

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**Bill Mote**

*Chief Financial Officer*

**20+ Years Experience**

*Deep global financial acumen*

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**Anna Dooley**

*SVP, Product Development*

**25+ Years Experience**

*Consumer driven innovation*

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**Tony Paolo**

*SVP, Quality Assurance*

**30 Years Experience**

*Commitment to exceptional quality*

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**Ron Cardone**

*SVP, Information Technology*

**30 Years Experience**

*Pragmatic approach to IT information resources*

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**Mark Strozik**

*SVP, Human Resources*

**20+ Years Experience**

*Strong talent management background*

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## Innovative New Product Pipeline\*



**3D zyre™ Stroller**  
*Available Q1 2015*



**HD Video Monitors**  
*Available Q1 2015*



**Bottle Genius™**  
*Available Q1 2015*



**Little Me / SwaddleMe**  
**Co-branded swaddle blankets**  
*Available Mid-2015*

SwaddleMe®



**Retractable Gate**  
*Available Q1 2015*



**Pop 'N Play Accessories**  
*Currently Available*

\*Dates for availability are subject to change



# Broadening Digital Strategy

**81%** Moms used social media to announce the birth of their baby

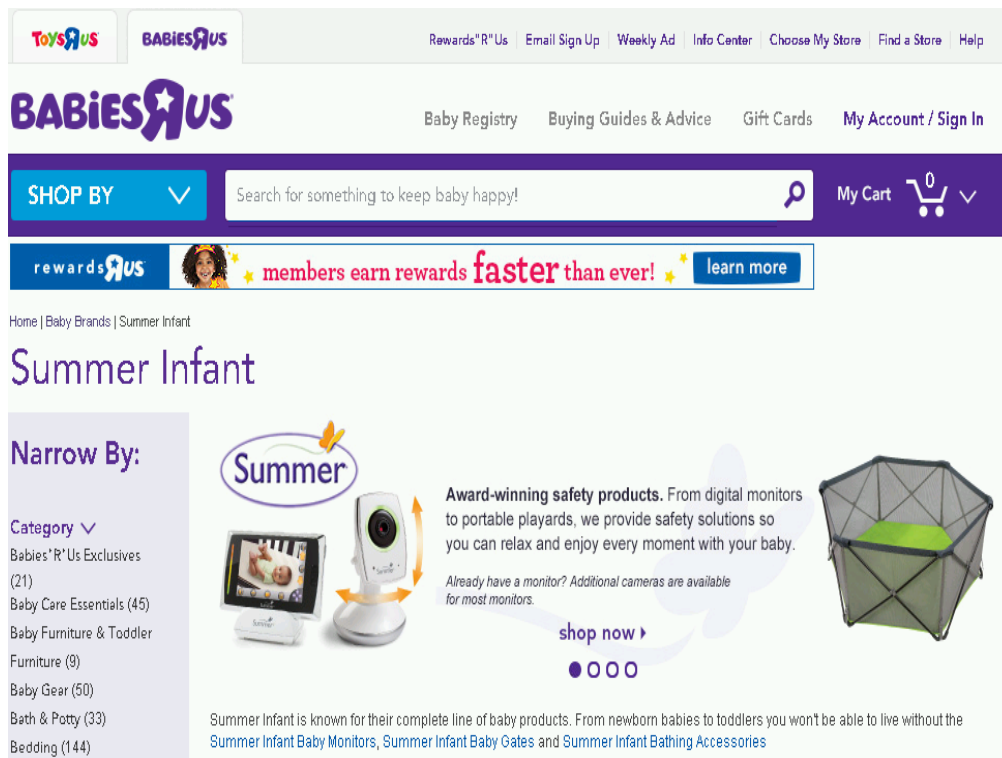
**91%** Moms post photos of their baby/children on social media

**84%** Moms look online for product recommendations

**64%** Moms read product reviews online before making a purchase

**74%** Moms purchase products as a result of blog promotion/mention

## Working with large retailers to enhance Summer's brand presence



The screenshot shows the Babies R Us website interface. At the top, there are navigation links for Rewards, Email Sign Up, Weekly Ad, Info Center, Choose My Store, Find a Store, and Help. The main header features the Babies R Us logo and links for Baby Registry, Buying Guides & Advice, Gift Cards, and My Account / Sign In. A search bar is prominently displayed with the text "Search for something to keep baby happy!". Below the search bar, there is a promotional banner for rewards: "members earn rewards faster than ever!". The main content area is titled "Summer Infant" and features a "Narrow By:" sidebar with categories like "Babies' R Us Exclusives (21)", "Baby Care Essentials (45)", "Baby Furniture & Toddler Furniture (9)", "Baby Gear (50)", "Bath & Potty (33)", and "Bedding (144)". The central product recommendation is for "Award-winning safety products" from Summer Infant, including digital monitors and portable playards. A "shop now" button is visible.

## Increasing products available for purchase online



### Registry Must-Haves from Summer!

We've gathered some of our most popular items to help you make sure your baby essentials are covered!



## Investment Highlights

### **Positive industry dynamics**

- Increasing birth rate
- More Millennial parents with higher disposable income

### **New management team**

- Focused on product innovation and operational excellence

### **Leveraging strong brands**

- Brand-specific multi-channel marketing

### **Strong revenue growth potential**

- Customer diversification
- Entering attractive markets
- Expanding e-commerce opportunity

### **Opportunity for margin expansion**

- Focus on high-margin products
- Effective pricing strategies

## Use of Non-GAAP Financial Metrics

This presentation includes certain financial information not derived in accordance with generally accepted accounting principles (“GAAP”). This presentation includes references to EBITDA, which is defined as income before interest and taxes plus depreciation, amortization, deal-related fees and non-cash stock option expense. Summer believes that the presentation of this non-GAAP measure provides information that is useful to investors as it indicates more clearly the ability of Summer’s assets to generate cash sufficient to pay interest on its indebtedness, meet capital expenditure and working capital requirements and otherwise meet its obligations as they become due. The presentation of this additional information should not be considered in isolation or as a substitute for results prepared in accordance with GAAP. Summer has included a reconciliation of this information to the most comparable GAAP measures in its filings with the Securities and Exchange Commission.

Recipients of the presentation and other interested persons are advised to read all reports and other filings made by Summer with the Securities and Exchange Commission under the Securities Act of 1933, as amended, and Securities Exchange Act of 1934, as amended, including, but not limited to, Summer’s Annual Report on Form 10-K for the year ended December 31, 2013. You can obtain a copy of any of these filings, without charge, by directing a request to Summer Infant, Inc., 1275 Park East Drive, Woonsocket, RI 02895, or on the Internet at the SEC’s website, [www.sec.gov](http://www.sec.gov).

## Reconciliation of Non-GAAP Adjusted EBITDA

(amounts in thousands of US dollars)	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	YTD 2013	YTD 2014
<i>Net (loss) income</i>	\$(1,276)	\$(1,678)	\$189	\$315	\$(138)	\$(1,137)	\$366
<i>Plus: interest expense</i>	945	871	867	834	870	3,128	2,571
<i>Plus: (benefit) provision for income taxes</i>	(304)	(737)	96	147	(64)	(581)	179
<i>Plus: depreciation and amortization</i>	1,499	1,364	1,393	1,370	1,369	4,916	4,132
<i>Plus: non-cash stock-based compensation expense</i>	213	164	254	290	468	729	1,011
<i>Plus: permitted add-backs<sup>(1)</sup></i>	447	951	956	402	1,097	1,686	2,455
<b><i>Adjusted EBITDA</i></b>	<b>\$1,524</b>	<b>\$935</b>	<b>\$3,755</b>	<b>\$3,356</b>	<b>\$3,603</b>	<b>\$8,741</b>	<b>\$10,714</b>

1. Permitted add-backs consist of items that the Company is permitted to add-back to the calculation of consolidated EBITDA under its credit agreements.