



Supplemental Information – Gross Margin Drivers

The table below provides details on the drivers of gross margin change versus the prior year.

Driver	Change vs. Prior Year (basis points)						
	FY07					FY08	
	Q1	Q2	Q3	Q4	FY	Q1	Q2
Cost savings	+190 bp	+240 bp	+280 bp	+200 bp	+230 bp	+180 bp	+170 bp
Pricing changes	+210 bp	+160 bp	+140 bp	+80 bp	+150 bp	+50 bp	+40 bp
Market movement (commodities)	-280 bp	-190 bp	+40 bp	-40 bp	-110 bp	-120 bp	-170 bp
Manufacturing & logistics ⁽¹⁾	-90 bp	-110 bp	-120 bp	-70 bp	-100 bp	-140 bp	-70 bp
All other ⁽²⁾	+40 bp	0 bp	-160 bp	-120 bp	-80 bp	0 bp	-130 bp
Gross margin change vs prior year	+70 bp	+100 bp	+180 bp	+50 bp	+90 bp	-30 bp	-160 bp

(1) "Manufacturing & logistics" includes the change in the cost of diesel fuel.

(2) "All other" includes all other drivers of gross margin change, which are usually of an immaterial nature. Examples of drivers included: volume change, trade and consumer spending, restructuring and acquisition-related costs, foreign currency, etc. If a driver included in all other is deemed to be material in a given period, it will be disclosed as part of the company's earnings release.