

Condensed Consolidated Statements of Earnings (Unaudited)

Dollars in millions, except per share amounts

	Three Months Ended		Six Months Ended	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Net sales	\$ 1,179	\$ 1,215	\$ 2,445	\$ 2,518
Cost of products sold	687	686	1,392	1,406
Gross profit	492	529	1,053	1,112
Selling and administrative expenses	180	185	361	357
Advertising costs	117	123	235	245
Research and development costs	28	29	57	55
Goodwill impairment	258	-	258	-
Interest expense	33	37	65	73
Other (income) expense, net	(12)	18	(13)	28
Earnings (losses) from continuing operations before income taxes	(112)	137	90	354
Income taxes on continuing operations	51	44	113	121
Earnings (losses) from continuing operations	(163)	93	(23)	233
Discontinued operations:				
Earnings from Auto businesses, net of tax	7	17	23	34
Gain on sale of Auto businesses, net of tax	177	-	237	-
Earnings from discontinued operations	184	17	260	34
Net earnings	\$ 21	\$ 110	\$ 237	\$ 267
Earnings (losses) per share				
Basic				
Continuing operations	\$ (1.17)	\$ 0.66	\$ (0.17)	\$ 1.65
Discontinued operations	1.32	0.12	1.87	0.24
Basic net earnings per share	\$ 0.15	\$ 0.78	\$ 1.70	\$ 1.89
Diluted				
Continuing operations	\$ (1.17)	\$ 0.66	\$ (0.17)	\$ 1.64
Discontinued operations	1.32	0.11	1.87	0.24
Diluted net earnings per share	\$ 0.15	\$ 0.77	\$ 1.70	\$ 1.88
Weighted average shares outstanding (in thousands)				
Basic	138,678	140,303	139,077	140,023
Diluted	138,678	141,528	139,077	141,211

**Reportable Segment Information
(Unaudited)**

Dollars in millions

<u>Second Quarter</u>	Net Sales			Earnings/(Losses) from Continuing Operations Before Income Taxes		
	Three Months Ended			Three Months Ended		
	12/31/2010	12/31/2009 ⁽²⁾	% Change ⁽¹⁾	12/31/2010	12/31/2009 ⁽²⁾	% Change ⁽¹⁾
Cleaning Segment	\$ 354	\$ 378	-6%	\$ 64	\$ 70	-9%
Household Segment	320	334	-4%	25	27	-7%
Lifestyle Segment ⁽³⁾	218	212	3%	(192)	78	-346%
International Segment	287	291	-1%	41	32	28%
Corporate	-	-	0%	(50)	(70)	-29%
Total Company	<u>\$ 1,179</u>	<u>\$ 1,215</u>	<u>-3%</u>	<u>\$ (112)</u>	<u>\$ 137</u>	<u>-182%</u>

<u>Year-to-Date</u>	Net Sales			Earnings/(Losses) from Continuing Operations Before Income Taxes		
	Six Months Ended			Six Months Ended		
	12/31/2010	12/31/2009 ⁽²⁾	% Change ⁽¹⁾	12/31/2010	12/31/2009 ⁽²⁾	% Change ⁽¹⁾
Cleaning Segment	\$ 803	\$ 832	-3%	\$ 185	\$ 189	-2%
Household Segment	674	715	-6%	78	82	-5%
Lifestyle Segment ⁽³⁾	419	412	2%	(134)	144	-193%
International Segment	549	559	-2%	81	75	8%
Corporate	-	-	0%	(120)	(136)	-12%
Total Company	<u>\$ 2,445</u>	<u>\$ 2,518</u>	<u>-3%</u>	<u>\$ 90</u>	<u>\$ 354</u>	<u>-75%</u>

⁽¹⁾ Percentages based on rounded numbers.

⁽²⁾ As a result of the Auto Businesses' results being included in discontinued operations in the three and six months ended December 31, 2010, the prior comparative period has been reclassified to conform with current period presentation.

⁽³⁾ The earnings/(losses) from continuing operations before income taxes for the Lifestyle segment includes a \$258 noncash goodwill impairment charge for the Burt's Bees business for the three and six months ended December 31, 2010.

Condensed Consolidated Balance Sheets (Unaudited)

Dollars in millions

	<u>12/31/2010</u>	<u>6/30/2010</u>	<u>12/31/2009</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 379	\$ 87	\$ 154
Receivables, net	440	540	419
Inventories, net	412	332	378
Assets held for sale	-	405	401
Other current assets	<u>113</u>	<u>125</u>	<u>116</u>
Total current assets	1,344	1,489	1,468
Property, plant and equipment, net	973	966	924
Goodwill	1,063	1,303	1,299
Trademarks, net	551	550	547
Other intangible assets, net	90	96	98
Other assets	<u>137</u>	<u>144</u>	<u>146</u>
Total assets	<u>\$ 4,158</u>	<u>\$ 4,548</u>	<u>\$ 4,482</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Notes and loans payable	\$ 3	\$ 371	\$ 25
Current maturities of long-term debt	300	300	575
Accounts payable	326	409	298
Accrued liabilities	443	491	437
Income taxes payable	<u>104</u>	<u>74</u>	<u>35</u>
Total current liabilities	1,176	1,645	1,370
Long-term debt	2,125	2,124	2,435
Other liabilities	704	677	626
Deferred income taxes	<u>29</u>	<u>19</u>	<u>24</u>
Total liabilities	<u>4,034</u>	<u>4,465</u>	<u>4,455</u>
Contingencies			
Stockholders' equity			
Common stock	159	159	159
Additional paid-in capital	610	617	576
Retained earnings	994	920	753
Treasury shares	(1,321)	(1,242)	(1,144)
Accumulated other comprehensive net losses	<u>(318)</u>	<u>(371)</u>	<u>(317)</u>
Stockholders' equity	<u>124</u>	<u>83</u>	<u>27</u>
Total liabilities and stockholders' equity	<u>\$ 4,158</u>	<u>\$ 4,548</u>	<u>\$ 4,482</u>