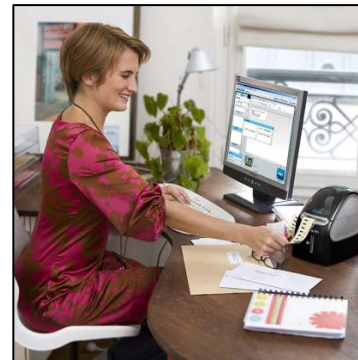


## Q3 2009 Earnings Call Presentation

October 28, 2009



# Forward-Looking Statement

Statements in this presentation that are not historical in nature constitute forward-looking statements. These forward-looking statements relate to information or assumptions about the effects of sales, income/(loss), earnings per share, operating income or gross margin improvements or declines, Project Acceleration, capital and other expenditures, cash flow, dividends, restructuring costs, costs and cost savings, inflation or deflation, particularly with respect to commodities such as oil and resin, debt ratings, and management's plans, projections and objectives for future operations and performance. These statements are accompanied by words such as "anticipate," "expect," "project," "will," "believe," "estimate" and similar expressions. Actual results could differ materially from those expressed or implied in the forward-looking statements. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, our dependence on the strength of retail, commercial and industrial sectors of the economy in light of the global economic slowdown; currency fluctuations; competition with other manufacturers and distributors of consumer products; major retailers' strong bargaining power; changes in the prices of raw materials and sourced products and our ability to obtain raw materials and sourced products in a timely manner from suppliers; our ability to develop innovative new products and to develop, maintain and strengthen our end-user brands; our ability to expeditiously close facilities and move operations while managing foreign regulations and other impediments; our ability to implement successfully information technology solutions throughout our organization; our ability to improve productivity and streamline operations; our ability to refinance short-term debt on terms acceptable to us, particularly given the recent turmoil and uncertainty in the global credit markets; changes to our credit ratings; significant increases in the funding obligations related to our pension plans due to declining asset values or otherwise; the imposition of tax liabilities greater than our provisions for such matters; the risks inherent in our foreign operations and those factors listed in the company's most recent quarterly report on Form 10-Q, and exhibit 99.1 thereto, filed with the Securities and Exchange Commission. Changes in such assumptions or factors could produce significantly different results. The information contained in this presentation is as of the date indicated. The company assumes no obligation to update any forward-looking statements contained in this presentation as a result of new information or future events or developments.

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# Q3 2009 Summary

- » **“Normalized” EPS of \$0.38 Ahead of Guidance (\$0.25 to \$0.35) and Driven by Strong Gross Margin Expansion, SG&A Management**
- » **Operating Cash Flow of \$328 Million (Including a \$75 Million Pension Contribution) Significantly Above of Guidance of \$200 to \$250 Million; Higher Earnings, Inventory Reductions and Accounts Receivable Management Led the Strong Performance**
- » **Gross Margin Expansion of 480 Basis Points to 37.4%**
  - **Favorable impact of planned product line exits, moderating input costs and year over-year-pricing initiatives more than offset the effects of reduced production volumes**
- » **Net Sales Decline of 17.7% with Core Sales Softness of Almost 10% (in line with guidance); the Balance of the Decline from Foreign Currency (-2%) and Planned Product Line Exits (-6%)**

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# Q3 Sales: Percent Change by Segment



	<u>H&amp;F</u>	<u>OP</u>	<u>TH&amp;C</u>	<u>Total</u>
<b>Core Sales</b>	<b>&lt; 5 &gt;</b>	<b>&lt; 7 &gt;</b>	<b>&lt; 19 &gt;</b>	<b>&lt; 10 &gt;</b>
<b>Product Line Exits</b>	<b>&lt; 10 &gt;</b>	<b>&lt; 6 &gt;</b>	<b>-</b>	<b>&lt; 6 &gt;</b>
<b>Currency Translation</b>	<b>&lt; 1 &gt;</b>	<b>&lt; 3 &gt;</b>	<b>&lt; 2 &gt;</b>	<b>&lt; 2 &gt;</b>
<b>Total</b>	<b>&lt; 16 &gt;</b>	<b>&lt; 16 &gt;</b>	<b>&lt; 21 &gt;</b>	<b>&lt; 18 &gt;</b>



# FY 2009 Guidance

## Guidance [ 1 ]

Net Sales Growth	Unfavorable end of - 10 to - 15%
Core Sales Decline	- High single digit %
Product Line Exits	- 4 to - 6%
Currency Translation	- 2%
Acquisitions	+ 1%
"Normalized" EPS [ 2 ]	\$1.27 to \$1.32
Cash Flow from Operations	\$550 million
Capital Expenditures	\$150 million

[ 1 ] Reflects guidance communicated in Q3 2009 Earnings Release and Earnings Call

[ 2 ] See reconciliation on page 10



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# Q4 2009 Guidance

	Guidance [ 1 ]
Net Sales Growth	- 2 to - 4%
Core Sales Decline	Flat to - low single digit %
Product Line Exits	- 3 to - 5%
Currency Translation	+ 2%
"Normalized" EPS [ 2 ]	\$0.23 to \$0.28
Cash Flow from Operations	About \$135 million

[ 1 ] Reflects guidance communicated in Q3 2009 Earnings Release and Earnings Call

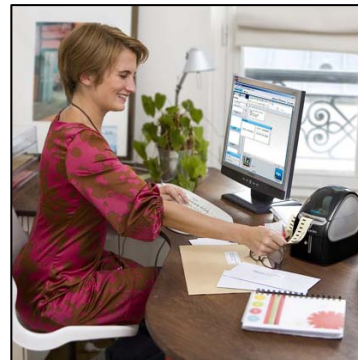
[ 2 ] See reconciliation on page 10



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Appendix



# Reconciliation: Q3 2009 and Q3 2008 “Normalized” EPS



	Q3 2009	Q3 2008
Diluted earnings per share (as reported):	\$0.28	\$0.20
Project Acceleration restructuring costs, net of tax [ 1 ]	\$0.07	\$0.04
Convertible notes dilution	\$0.02	\$0.00
Other items, net of tax [ 2 ]	\$0.00	\$0.12
"Normalized" EPS:	\$0.38	\$0.35

*Totals may not foot due to rounding.*

[ 1 ] Restructuring costs include impairment charges, employee termination benefits and other costs associated with Project Acceleration, and the related tax effects.

[ 2 ] Other items in the third quarter 2008 include the net of tax impact of the company’s purchase of a call option with respect to its \$250 million of 6.35% Reset notes due 2028 for approximately \$52 million, or approximately \$0.13 per diluted share, as well as a tax benefit of \$3.5 million, or \$0.01 per diluted share.



# Reconciliation: YTD Q3 2009 and YTD Q3 2008 "Normalized" EPS



	<u>YTD Q3 2009</u>	<u>YTD Q3 2008</u>
Diluted earnings per share (as reported):	\$0.78	\$0.73
Project Acceleration restructuring costs, net of tax [ 1 ]	\$0.22	\$0.25
Convertible notes dilution	\$0.03	\$0.00
Other items, net of tax [ 2 ]	<u>\$0.02</u>	<u>\$0.12</u>
"Normalized" EPS:	\$1.04	\$1.11

*Totals may not foot due to rounding.*

[ 1 ] Restructuring costs include impairment charges, employee termination benefits and other costs associated with Project Acceleration, and the related tax effects.

[ 2 ] Other items for the first nine months of 2009 include one-time costs of \$0.01 per diluted share incurred for the early retirement of \$325 million principal amount of medium-term notes and \$0.01 per diluted share of other tax adjustments. Other items for the first nine months of 2008 are the same as those for the third quarter of 2008.



# Reconciliation: Q4 2009 and FY 2009 Guidance for "Normalized" EPS



	<u>Q4 2009</u>	<u>FY 2009</u>
Diluted earnings per share (as reported):	\$0.16 to \$0.21	\$0.93 to \$0.98
Project Acceleration restructuring costs, net of tax [ 1 ]	\$0.06 to \$0.09	\$0.28 to \$0.31
Convertible notes dilution [ 2 ]	\$0.00	\$0.03
Other items, net of tax [ 3 ]	<u>\$0.00</u>	<u>\$0.02</u>
"Normalized" EPS:	\$0.23 to \$0.28	\$1.27 to \$1.32

[ 1 ] Restructuring costs include impairment charges, employee termination benefits and other costs associated with Project Acceleration, and the related tax effects.

[ 2 ] The convertible notes dilution of \$0.03 per diluted share represents the dilution through the first nine months of 2009 only. No provision is made for potential dilution from the conversion feature of the convertible notes in the fourth quarter of 2009.

[ 3 ] Other items for the full year 2009 reflect the year-to-date costs of \$0.01 per diluted share incurred for the early retirement of \$325 million principal amount of medium-term notes and \$0.01 per diluted share of other tax adjustments.



# Reconciliation: Q3 2009 and Q3 2008 Operating Income to Operating Income Excluding Charges



\$ millions

	Q3 2009	Q3 2008
Net Sales	\$1,449.0	\$1,760.3
Operating Income (as reported)	\$165.3	\$166.9
Project Acceleration Restructuring Costs [ 1 ]	\$27.0	\$13.5
Operating Income (excluding charges)	\$192.3	\$180.4
Operating Income (excluding charges), as a Percent of Net Sales	13.3%	10.2%

[ 1 ] Restructuring costs include impairment charges, employee termination benefits and other costs associated with Project Acceleration.



## Reconciliation: YTD Q3 2009 and YTD Q3 2008 Operating Income to Operating Income Excluding Charges



<i>\$ millions</i>	<u>YTD Q3 2009</u>	<u>YTD Q3 2008</u>
Net Sales	\$4,157.2	\$5,019.1
Operating Income (as reported)	\$445.6	\$438.9
Project Acceleration Restructuring Costs [ 1 ]	\$87.0	\$101.3
Operating Income (excluding charges)	\$532.6	\$540.2
Operating Income (excluding charges), as a Percent of Net Sales	12.8%	10.8%

[ 1 ] Restructuring costs include impairment charges, employee termination benefits and other costs associated with Project Acceleration.



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# Reconciliation: Q3 2009 and Q3 2008 Free Cash Flow



*\$ millions*

	Q3 2009	Q3 2008
Cash Flow From Operations	\$327.7	\$364.3
Capital Expenditures	(\$37.0)	(\$43.9)
Free Cash Flow	\$290.7	\$320.4

