

Supplemental Information – Gross Margin Drivers

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

Driver	Gross Margin Change vs. Prior Year (basis points)					
	FY10					FY11
	Q1	Q2	Q3	Q4	FY	Q1
Cost Savings	+170	+160	+170	+220	+180	+200
Price Changes	+170	+80	+60	+60	+90	+80
Market Movement (commodities)	+240	+300	-120	-260	+30	-180
Manufacturing & Logistics ⁽¹⁾	-40	-80	0	-30	-30	0
Customer pick-up allowance	0	0	0	0	0	+20
All other ⁽²⁾	-90	-70	-120	-90	-90	-160
Impact of Auto Care sale reclassification ⁽³⁾	-40	-40	-60	-50	-50	--
Change vs prior year	+410	+350	-70	-150	+130	-40

(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.

(3) Fiscal 2010 gross margin changes reflect the reclassification of the Auto Care businesses to discontinued operations in Q1 Fiscal 2011. Fiscal 2009 gross margins have not been adjusted for the sale of the Auto Care businesses. Fiscal 2010 gross margin drivers have not changed and any differences to gross margin based on this reclassification are reflected here.