

Supplemental Information – Balance Sheet

(Unaudited)

As of September 30, 2011

Working Capital Update

	Q1		Change (\$ millions)	Days ⁽⁵⁾ FY 2012	Days ⁽⁵⁾ FY 2011	Change
	FY 2012 (\$ millions)	FY 2011 (\$ millions)				
Receivables, net	\$439	\$480	-\$41	33	36	-3 days
Inventories, net	\$407	\$370	+\$37	47	45	+2 days
Accounts payable ⁽¹⁾	\$357	\$379	-\$22	45	48	-3 days
Accrued liabilities	\$434	\$425	+\$9			
Total WC ⁽²⁾	\$140	\$72	+\$68			
Total WC % net sales ⁽³⁾	2.7%	1.4%				
Average WC ⁽²⁾	\$127	\$48	+\$79			
Average WC % net sales ⁽⁴⁾	2.4%	0.9%				

- Receivables decreased primarily due to the sale of the Auto Businesses in Q2 FY11.
- Inventories increased primarily due to inventory builds for current year product launches and an increase in commodity costs.
- Account payable decrease primarily due to the sale of the Auto businesses in Q2 FY11.

Supplemental Information – Cash Flow

(Unaudited)

For the quarter ended September 30, 2011

Capital expenditures for the first quarter were \$37 million.

Depreciation and amortization for the first quarter was \$46 million.

Cash provided by continuing operations in the first quarter increased to \$131 million from \$126 million in the year-ago quarter. The year-over-year increase was primarily due to a discretionary pension contribution of \$15 million in the year-ago quarter, partially offset by lower earnings in the current period.

(1) Days of accounts payable is calculated as follows: average accounts payable / [(cost of products sold + change in inventory) / 90].

(2) Working capital (WC) is defined in this context as current assets minus current liabilities excluding cash, assets held for sale, and short-term debt, based on end of period balances. Average working capital represents a two-point average of working capital.

(3) Represents working capital at the end of the period divided by annualized net sales (*current quarter net sales x 4*).

(4) Represents a two-point average of working capital divided by annualized net sales (*current quarter net sales x 4*).

(5) Days calculations based on a two-point average.