

Condensed Consolidated Statements of Earnings (Unaudited)

Dollars in millions, except per share amounts

| | Three Months Ended | | Nine Months Ended | |
|---|--------------------|-----------|-------------------|-----------|
| | 3/31/2012 | 3/31/2011 | 3/31/2012 | 3/31/2011 |
| Net sales | \$ 1,401 | \$ 1,304 | \$ 3,927 | \$ 3,749 |
| Cost of products sold | 808 | 729 | 2,281 | 2,121 |
| Gross profit | 593 | 575 | 1,646 | 1,628 |
| Selling and administrative expenses | 211 | 182 | 585 | 543 |
| Advertising costs | 126 | 125 | 359 | 360 |
| Research and development costs | 30 | 29 | 87 | 86 |
| Goodwill impairment | - | - | - | 258 |
| Interest expense | 33 | 29 | 92 | 94 |
| Other income, net | (5) | (9) | (17) | (22) |
| Earnings from continuing operations before income taxes | 198 | 219 | 540 | 309 |
| Income taxes on continuing operations | 64 | 78 | 171 | 191 |
| Earnings from continuing operations | 134 | 141 | 369 | 118 |
| Discontinued operations: | | | | |
| Earnings from Auto businesses, net of tax | - | - | - | 23 |
| (Loss) gain on sale of Auto businesses, net of tax | (2) | 10 | (2) | 247 |
| (Losses) earnings from discontinued operations | (2) | 10 | (2) | 270 |
| Net earnings | \$ 132 | \$ 151 | \$ 367 | \$ 388 |
| Earnings (losses) per share | | | | |
| Basic | | | | |
| Continuing operations | \$ 1.03 | \$ 1.03 | \$ 2.81 | \$ 0.85 |
| Discontinued operations | (0.01) | 0.07 | (0.01) | 1.95 |
| Basic net earnings per share | \$ 1.02 | \$ 1.10 | \$ 2.80 | \$ 2.80 |
| Diluted | | | | |
| Continuing operations | \$ 1.02 | \$ 1.02 | \$ 2.78 | \$ 0.84 |
| Discontinued operations | (0.01) | 0.07 | (0.01) | 1.93 |
| Diluted net earnings per share | \$ 1.01 | \$ 1.09 | \$ 2.77 | \$ 2.77 |
| Weighted average shares outstanding (in thousands) | | | | |
| Basic | 130,266 | 136,364 | 131,116 | 138,172 |
| Diluted | 131,607 | 137,689 | 132,569 | 139,527 |

**Reportable Segment Information
(Unaudited)**

Dollars in millions

| Third Quarter | Net Sales | | | Earnings (Losses) from Continuing Operations Before Income Taxes | | |
|----------------------------------|---------------------------|------------------|--------------------------------|---|------------------|--------------------------------|
| | Three Months Ended | | | Three Months Ended | | |
| | 3/31/2012 | 3/31/2011 | % Change ⁽¹⁾ | 3/31/2012 | 3/31/2011 | % Change ⁽¹⁾ |
| Cleaning Segment | \$ 447 | \$ 407 | 10% | \$ 101 | \$ 89 | 13% |
| Household Segment | 417 | 394 | 6% | 77 | 73 | 5% |
| Lifestyle Segment ⁽²⁾ | 250 | 227 | 10% | 77 | 68 | 13% |
| International Segment | 287 | 276 | 4% | 20 | 39 | -49% |
| Corporate ⁽³⁾ | - | - | 0% | (77) | (50) | 54% |
| Total Company | \$ 1,401 | \$ 1,304 | 7% | \$ 198 | \$ 219 | -10% |

| Year-to-Date | Net Sales | | | Earnings (Losses) from Continuing Operations Before Income Taxes | | |
|----------------------------------|--------------------------|------------------|--------------------------------|---|------------------|--------------------------------|
| | Nine Months Ended | | | Nine Months Ended | | |
| | 3/31/2012 | 3/31/2011 | % Change ⁽¹⁾ | 3/31/2012 | 3/31/2011 | % Change ⁽¹⁾ |
| Cleaning Segment | \$ 1,256 | \$ 1,210 | 4% | \$ 287 | \$ 274 | 5% |
| Household Segment | 1,117 | 1,068 | 5% | 153 | 151 | 1% |
| Lifestyle Segment ⁽²⁾ | 694 | 646 | 7% | 201 | (66) | 405% |
| International Segment | 860 | 825 | 4% | 93 | 120 | -23% |
| Corporate ⁽³⁾ | - | - | 0% | (194) | (170) | 14% |
| Total Company | \$ 3,927 | \$ 3,749 | 5% | \$ 540 | \$ 309 | 75% |

⁽¹⁾ Percentages based on rounded numbers.

⁽²⁾ The earnings (losses) from continuing operations before income taxes for the Lifestyle segment included a \$258 non-cash goodwill impairment charge for the Burt's Bees business for the nine months ended March 31, 2011.

⁽³⁾ The increase in Corporate losses for the three months ended March 31, 2012, as compared to the three months ended March 31, 2011, is primarily due to higher employee benefit and incentive compensation expenses. The increase in Corporate losses for the nine months ended March 31, 2012 as compared to the nine months ended March 31, 2011, is primarily due to higher employee benefit compensation expenses, gains on asset sales in the prior nine month period and fees related to a withdrawn proxy contest in the current nine month period. These factors were partially offset by lower information technology expenses reflected in Corporate.

Condensed Consolidated Balance Sheets

Dollars in millions

| | <u>3/31/2012</u> (Unaudited) | <u>6/30/2011</u> | <u>3/31/2011</u> (Unaudited) |
|--|---------------------------------|------------------|---------------------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | \$ 303 | \$ 259 | \$ 153 |
| Receivables, net | 557 | 525 | 499 |
| Inventories, net | 454 | 382 | 435 |
| Other current assets | <u>128</u> | <u>113</u> | <u>117</u> |
| Total current assets | 1,442 | 1,279 | 1,204 |
| Property, plant and equipment, net | 1,039 | 1,039 | 1,006 |
| Goodwill | 1,120 | 1,070 | 1,066 |
| Trademarks, net | 558 | 550 | 550 |
| Other intangible assets, net | 90 | 83 | 86 |
| Other assets | <u>137</u> | <u>142</u> | <u>139</u> |
| Total assets | <u>\$ 4,386</u> | <u>\$ 4,163</u> | <u>\$ 4,051</u> |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | | | |
| Current liabilities | | | |
| Notes and loans payable | \$ 430 | \$ 459 | \$ 343 |
| Current maturities of long-term debt | 850 | - | - |
| Accounts payable | 364 | 423 | 360 |
| Accrued liabilities | 472 | 442 | 452 |
| Income taxes payable | <u>15</u> | <u>41</u> | <u>77</u> |
| Total current liabilities | 2,131 | 1,365 | 1,232 |
| Long-term debt | 1,570 | 2,125 | 2,125 |
| Other liabilities | 634 | 619 | 715 |
| Deferred income taxes | <u>157</u> | <u>140</u> | <u>61</u> |
| Total liabilities | 4,492 | 4,249 | 4,133 |
| Contingencies | | | |
| Stockholders' deficit | | | |
| Preferred Stock | - | - | - |
| Common stock | 159 | 159 | 159 |
| Additional paid-in capital | 624 | 632 | 623 |
| Retained earnings | 1,263 | 1,143 | 1,059 |
| Treasury shares | (1,848) | (1,770) | (1,616) |
| Accumulated other comprehensive net losses | <u>(304)</u> | <u>(250)</u> | <u>(307)</u> |
| Stockholders' deficit | <u>(106)</u> | <u>(86)</u> | <u>(82)</u> |
| Total liabilities and stockholders' deficit | <u>\$ 4,386</u> | <u>\$ 4,163</u> | <u>\$ 4,051</u> |