## Condensed Consolidated Statements of Earnings (Unaudited)

In millions, except share and per-share amounts

|  | Three Months Ended |  | Six Months Ended |  |  |
| :--- | ---: | ---: | ---: | ---: | ---: |
|  |  |  |  |  |  |

## Segment Information (Unaudited)

In millions

| Second Quarter | Net Sales |  | Change ${ }^{(1)}$ | Earnings from Continuing Operations Before Income Taxes |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Three Months Ended |  |  | Three Month | ths Ended | \% |
|  | 12/31/2004 | 12/31/2003 |  | 12/31/2004 | 12/31/2003 | Change ${ }^{(1)}$ |
| Household Products- North America | \$584 | \$536 | 9\% | \$154 | \$139 | 11\% |
| Specialty Products | 267 | 255 | 5\% | 93 | 82 | 13\% |
| International | 149 | 129 | 16\% | 38 | 32 | 19\% |
| Corporate ${ }^{(2)}$ | - | - | - | (91) | (99) | 8\% |
| Total Company | \$1,000 | \$920 | 9\% | \$194 | \$154 | 26\% |

Year To Date

| $\underline{\text { Year To Date }}$ |  | Net Sales | $\begin{gathered} \% \\ \text { Change }{ }^{(1)} \end{gathered}$ | Earnings from Continuing Operations Before Income Taxes |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Six Months Ended |  |  | Six Months Ended |  | Change ${ }^{(1)}$ |
|  | 12/31/2004 | 12/31/2003 |  | 12/31/2004 | 12/31/2003 |  |
| Household Products- North America | \$1,209 | \$1,121 | 8\% | \$295 | \$282 | 5\% |
| Specialty Products | 568 | 560 | 1\% | 193 | 180 | 7\% |
| International | 271 | 245 | 11\% | 65 | 61 | 7\% |
| Corporate ${ }^{(2)}$ | - | - | - | (192) | (191) | -1\% |
| Total Company | \$2,048 | \$1,926 | 6\% | \$361 | \$332 | 9\% |

(1) Percentages based on rounded numbers.
${ }^{(2)}$ Includes gain of $\$ 20$ million related to the company's investment in the Henkel lberica, S.A., joint venture.

## Condensed Consolidated Balance Sheets (Unaudited)

In millions
12/31/2004
6/30/2004

Assets
Current assets

| Cash and cash equivalents | $\$ 300$ | $\$ 232$ |
| :--- | ---: | ---: |
| Receivables, net | 354 | 460 |
| Inventories | 342 | 301 |
| Income taxes receivable | 8 | - |
| Other current assets | 43 | 50 |
| $\quad$ Total current assets | 1,047 | 1,043 |


| Property, plant and equipment, net | 991 | 1,052 |
| :--- | ---: | ---: |
| Goodwill, net | 748 | 742 |
| Trademarks and other intangible assets, net | 606 | 633 |
| Other assets, net | 318 | 364 |
| Total assets | $\$ 3,710$ | $\$ 3,834$ |

## Liabilities and Stockholders' (Deficit) Equity

| Current liabilities |  |  |
| :---: | :---: | :---: |
| Notes and loans payable | \$545 | \$289 |
| Current maturities of long-term debt | 2 | 2 |
| Accounts payable | 293 | 310 |
| Accrued liabilities | 629 | 643 |
| Income taxes payable | - | 24 |
| Total current liabilities | 1,469 | 1,268 |
| Long-term debt | 2,124 | 475 |
| Other liabilities | 390 | 377 |
| Deferred income taxes | 184 | 174 |
| Stockholders' (deficit) equity |  |  |
| Common stock | 250 | 250 |
| Additional paid-in capital | 314 | 301 |
| Retained earnings | 3,542 | 2,846 |
| Treasury shares, at cost | $(4,339)$ | $(1,570)$ |
| Accumulated other comprehensive net losses | (207) | (274) |
| Unearned compensation | (17) | (13) |
| Stockholders' (deficit) equity | (457) | 1,540 |
| Total liabilities and stockholders' (deficit) equity | \$3,710 | \$3,834 |

