Supplemental Information – Balance Sheet

(Unaudited)

As of September 30, 2007

Working Capital Update

	Q1					
	FY 2008 ($ millions)	***FY 2007 ($ millions)***	***Change ($ millions)***	***Days [5] FY 2008***	***Days [5] FY 2007***	***Change***
Receivables, net	$408	$374	$34	32	31	1 day
Inventories	$332	$325	$7	41	42	-1 day
Accounts payable [1]	$318	$299	$19	40	41	-1 day
Accrued liabilities	$347	$415	-$68			
Total WC [2]	$74	$26	$48			
Total WC % net sales [3]	1.5%	0.6%				
Average WC [2]	$36	$10	$26			
Average WC % net sales [4]	0.7%	0.2%				

- Receivables increased primarily as a result of higher sales and the impact of favorable foreign exchange rates. Increase in days of receivables is primarily due to growth in International receivables which generally have longer collection times.
- Accounts payable increased mainly due to timing of payments.
- Accrued liabilities decreased primarily due to the adoption of FASB Financial Interpretation No. 48 which resulted in income tax liabilities being reclassified from accrued liabilities to income taxes payable and long-term liabilities. These were partially offset by higher accruals related to increased trade and marketing spending levels and an increase in the quarterly dividend rate.

Supplemental Information – Cash Flow

(Unaudited)

As of September 30, 2007

Capital expenditures were $26 million

Depreciation and amortization was $48 million

Cash provided by operations

Net cash provided by operations was $163 million, compared with $133 million provided by operations in the year-ago quarter. The year-over-year increase was mainly due to higher earnings, excluding non-cash restructuring charges.

(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 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.