



Earnings Before Interest and Taxes (EBIT), Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA), and Debt to EBITDA (Unaudited) ⁽¹⁾

Reconciliation schedule of earnings before income taxes to EBIT, EBITDA, and debt to EBITDA

Dollars in millions and percentages based on rounded numbers

	Three Months Ended		Twelve Months Ended	
	6/30/09	6/30/08	6/30/09	6/30/08
Earnings before income taxes	\$ 261	\$ 240	\$ 811	\$ 693
Interest income	(1)	(2)	(4)	(12)
Interest expense	36	43	161	168
EBIT ⁽²⁾	296	281	968	849
<i>EBIT margin ⁽²⁾</i>	19.7%	18.8%	17.8%	16.1%
Depreciation and amortization	48	51	190	205
EBITDA ⁽³⁾	\$ 344	\$ 332	\$ 1,158	\$ 1,054
<i>EBITDA margin ⁽³⁾</i>	22.9%	22.2%	21.2%	20.0%
Net sales	\$ 1,500	\$ 1,495	\$ 5,450	\$ 5,273
			Trailing Twelve Months Ended	
			6/30/09	6/30/08
Debt to EBITDA ⁽⁴⁾			2.7	3.3
Total debt ⁽⁵⁾			\$3,149	\$3,475

(1) In accordance with SEC's Regulation G, this schedule provides the definition of certain non-GAAP measures and the reconciliation to the most closely related GAAP measure.

Management believes the presentation of EBIT, EBIT margin, EBITDA, EBITDA margin, and Debt to EBITDA provides additional useful information to investors about current trends in the business.

- (2) EBIT (a non-GAAP measure) represents earnings before income taxes (a GAAP measure), excluding interest income and expense, as reported above. EBIT margin is a measure of EBIT as a percentage of net sales.
- (3) EBITDA (a non-GAAP measure) represents earnings before income taxes (a GAAP measure), excluding interest income, interest expense, depreciation and amortization, as reported above. EBITDA margin is a measure of EBITDA as a percentage of net sales.
- (4) Debt to EBITDA (a non-GAAP measure) represents total debt for the periods ended June 30, 2009 and June 30, 2008, divided by EBITDA for the twelve months ended June 30, 2009 and June 30, 2008, respectively.
- (5) Total debt represents the sum of notes and loans payable, current maturities of long-term debt, and long-term debt.