



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

Reconciliation schedule of earnings before income taxes to EBIT and EBITDA

Dollars in millions and percentages based on rounded numbers

	FY 2008	FY 2009					FY 2010		
	Twelve Months Ended	Three Months Ended				Twelve Months Ended	Three Months Ended	Year-To-Date	
	6/30/08	9/30/08	12/31/08	3/31/09	6/30/09	6/30/09	9/30/09	12/31/09	12/31/09
Earnings before income taxes	\$ 693	\$ 186	\$ 131	\$ 233	\$ 261	\$ 811	\$ 244	\$ 163	\$ 407
Interest income	(12)	(1)	(1)	(1)	(1)	(4)	(1)	(1)	(2)
Interest expense	168	42	44	39	36	161	36	37	73
EBIT ⁽²⁾	849	227	174	271	296	968	279	199	478
<i>EBIT margin ⁽²⁾</i>	16.1%	16.4%	14.3%	20.1%	19.7%	17.8%	20.3%	15.6%	18.0%
Depreciation and amortization	205	47	46	49	48	190	48	47	95
EBITDA ⁽³⁾	\$ 1,054	\$ 274	\$ 220	\$ 320	\$ 344	\$ 1,158	\$ 327	\$ 246	\$ 573
<i>EBITDA margin ⁽³⁾</i>	20.0%	19.8%	18.1%	23.7%	22.9%	21.2%	23.8%	19.2%	21.6%
Net sales	\$ 5,273	\$ 1,384	\$ 1,216	\$ 1,350	\$ 1,500	\$ 5,450	\$ 1,372	\$ 1,279	\$ 2,651

(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 and EBITDA margin 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.