

Condensed Consolidated Statements of Earnings

Dollars in millions, except share and per share data

	Three Months Ended		Twelve Months Ended	
	6/30/2020	6/30/2019	6/30/2020	6/30/2019
	(Unaudited)	(Unaudited)	(Unaudited)	
Net sales	\$ 1,983	\$ 1,627	\$ 6,721	\$ 6,214
Cost of products sold	1,054	893	3,658	3,486
Gross profit	<u>929</u>	<u>734</u>	<u>3,063</u>	<u>2,728</u>
Selling and administrative expenses	279	217	969	856
Advertising costs	214	167	675	612
Research and development costs	42	38	145	136
Interest expense	25	25	99	97
Other (income) expense, net	(26)	(5)	(10)	3
Earnings before income taxes	<u>395</u>	<u>292</u>	<u>1,185</u>	<u>1,024</u>
Income taxes	85	51	246	204
Net earnings	<u>\$ 310</u>	<u>\$ 241</u>	<u>\$ 939</u>	<u>\$ 820</u>
Net earnings per share				
Basic net earnings per share	\$ 2.45	\$ 1.91	\$ 7.46	\$ 6.42
Diluted net earnings per share	\$ 2.41	\$ 1.88	\$ 7.36	\$ 6.32
Weighted average shares outstanding (in thousands)				
Basic	126,387	126,663	125,828	127,734
Diluted	128,494	128,423	127,671	129,792

**Reportable Segment Information
(Unaudited)**

Dollars in millions

	Net sales			Earnings (losses) before income taxes		
	Three Months Ended			Three Months Ended		
	6/30/2020	6/30/2019	% Change ⁽¹⁾	6/30/2020	6/30/2019	% Change ⁽¹⁾
Health and Wellness ⁽²⁾	\$ 805	\$ 606	33%	\$ 252	\$ 137	84%
Household ⁽²⁾	612	525	17%	157	127	24%
Lifestyle ⁽²⁾	298	257	16%	78	68	15%
International	268	239	12%	10	19	-47%
Corporate	-	-	-	(102)	(59)	73%
Total	<u>\$ 1,983</u>	<u>\$ 1,627</u>	<u>22%</u>	<u>\$ 395</u>	<u>\$ 292</u>	<u>35%</u>

	Net sales			Earnings (losses) before income taxes		
	Twelve Months Ended			Twelve Months Ended		
	6/30/2020	6/30/2019	% Change ⁽¹⁾	6/30/2020	6/30/2019	% Change ⁽¹⁾
Health and Wellness ⁽²⁾	\$ 2,749	\$ 2,422	14%	\$ 766	\$ 570	34%
Household ⁽²⁾	1,795	1,774	1%	347	337	3%
Lifestyle ⁽²⁾	1,154	1,048	10%	320	264	21%
International	1,023	970	5%	116	96	21%
Corporate	-	-	-	(364)	(243)	50%
Total	<u>\$ 6,721</u>	<u>\$ 6,214</u>	<u>8%</u>	<u>\$ 1,185</u>	<u>\$ 1,024</u>	<u>16%</u>

⁽¹⁾ Percentages based on rounded numbers.

⁽²⁾ In the fourth quarter of fiscal year 2020, the Digestive Health and Dietary Supplements business units were combined into a new Vitamins, Minerals and Supplements business unit, and the Laundry and Home Care business units were combined to create the Cleaning business unit. These newly established business units, along with the Professional Products business unit, now make up the new Health and Wellness reportable segment. Historical segment financial information presented has been recast to reflect this change.

Condensed Consolidated Balance Sheets

Dollars in millions

	<u>6/30/2020</u> (Unaudited)	<u>6/30/2019</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 871	\$ 111
Receivables, net	648	631
Inventories, net	454	512
Prepaid expenses and other current assets	47	51
Total current assets	<u>2,020</u>	<u>1,305</u>
Property, plant and equipment, net	1,103	1,034
Operating lease right-of-use assets	291	-
Goodwill	1,577	1,591
Trademarks, net	785	791
Other intangible assets, net	109	121
Other assets	328	274
Total assets	<u>\$ 6,213</u>	<u>\$ 5,116</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Notes and loans payable	\$ -	\$ 396
Current operating lease liabilities	64	-
Accounts payable and accrued liabilities	1,329	1,035
Income taxes payable	25	9
Total current liabilities	<u>1,418</u>	<u>1,440</u>
Long-term debt	2,780	2,287
Long-term operating lease liabilities	278	-
Other liabilities	767	780
Deferred income taxes	62	50
Total liabilities	<u>5,305</u>	<u>4,557</u>
Stockholders' equity		
Preferred stock	-	-
Common stock	159	159
Additional paid-in capital	1,137	1,046
Retained earnings	3,567	3,150
Treasury shares	(3,315)	(3,194)
Accumulated other comprehensive net (loss) income	(640)	(602)
Stockholders' equity	<u>908</u>	<u>559</u>
Total liabilities and stockholders' equity	<u>\$ 6,213</u>	<u>\$ 5,116</u>