

DEFINITIONS AND RECONCILIATIONS OF NON-U.S. GAAP FINANCIAL MEASURES

We present financial information in accordance with generally accepted accounting principles in the United States of America, or U.S. GAAP, but we also present financial measures that do not conform to U.S. GAAP, which we refer to as non-U.S. GAAP.

The non-U.S. GAAP financial measures presented below:

- are provided as supplemental information;
- do not purport to represent the similarly titled U.S. GAAP information or measures and should not be considered as alternatives or substitutes to such measures or as indicators of our performance under U.S. GAAP; and
- may not be comparable with similarly titled measures used by others.

Our non-U.S. GAAP financial measures excludes unusual items that are evaluated on an individual basis. Our evaluation of whether to exclude an item for purposes of determining our non-U.S. GAAP financial performance considers both quantitative and qualitative aspects of the item, including, among other things, (i) its size and nature, (ii) whether or not it relates to our ongoing business operations, and (iii) whether or not we expect it to occur as part of our normal business on a regular basis. For purposes of determining non-U.S. GAAP financial performance, restructuring and other charges and their related tax effect are excluded. Further, the items excluded from non-U.S. GAAP adjusted basis may also be excluded from the calculations of our performance measures set by the Organization and Compensation Committee of our Board of Directors for purposes of determining incentive compensation. Thus, our management believes that this information may be useful to investors.

Year Ended December 31,

(\$ in millions, except per common share data)	2010	2009	2008	2007	2006
U.S. GAAP Financial Measures:					
U.S. GAAP Total Net Sales as Reported	\$4,490.1	\$4,242.8	\$4,843.5	\$4,651.2	\$4,327.9
U.S. GAAP Operating Profit as Reported	535.0	492.3	396.5	549.3	526.1
U.S. GAAP Net Earnings as Reported	255.9	244.3	179.9	353.0	274.1
U.S. GAAP Diluted Net Earnings per Common Share as Reported	\$ 1.44	\$ 1.35	\$ 0.99	\$ 1.88	\$ 1.46
Non-U.S. GAAP Financial Measures:					
Non-U.S. GAAP Adjusted Operating Profit ⁽¹⁾	\$ 549.3	\$ 509.0	\$ 489.0	\$ 562.3	\$ 542.7
Non-U.S. GAAP Adjusted Net Earnings ⁽²⁾	282.8	260.3	257.0	307.6	285.7
Non-U.S. GAAP Adjusted Diluted Net Earnings per Common Share ⁽²⁾	\$ 1.60	\$ 1.44	\$ 1.40	\$ 1.64	\$ 1.52
Non-U.S. GAAP EBIT ⁽³⁾	\$ 505.0	\$ 484.4	\$ 350.4	\$ 596.6	\$ 548.1
Non-U.S. GAAP EBITDA ⁽³⁾	659.7	639.3	505.4	747.0	702.2
Non-U.S. GAAP Adjusted EBITDA ⁽³⁾	732.3	704.0	649.9	755.6	734.3
Non-U.S. GAAP Free Cash Flow ⁽⁴⁾	341.5	501.3	253.1	154.7	171.8

(1) The following is a reconciliation of U.S. GAAP operating profit as reported to non-U.S. GAAP adjusted operating profit:

(\$ in millions)	2010	2009	2008	2007	2006
U.S. GAAP operating profit as reported	\$ 535.0	\$ 492.3	\$ 396.5	\$ 549.3	\$ 526.1
Operating profit as a percentage of total net sales	11.9%	11.6%	8.2%	11.8%	12.2%
Add:					
Global manufacturing strategy and restructuring and other charges	7.4	16.7	26.7	13.0	16.6
European manufacturing facility closure restructuring and other charges	6.9	—	—	—	—
Cost reduction and productivity program restructuring charge	—	—	65.8	—	—
Non-U.S. GAAP adjusted operating profit	\$ 549.3	\$ 509.0	\$ 489.0	\$ 562.3	\$ 542.7
Adjusted operating profit as a percentage of total net sales	12.2%	12.0%	10.1%	12.1%	12.5%

(2) The following reconciliations of U.S. GAAP net earnings as reported to non-U.S. GAAP adjusted net earnings and U.S. GAAP diluted net earnings per common share as reported to non-U.S. GAAP adjusted diluted net earnings per common share:

(\$ in millions)	2010	2009	2008	2007	2006
U.S. GAAP net earnings as reported	\$ 255.9	\$ 244.3	\$ 179.9	\$ 353.0	\$ 274.1
Add: Loss on debt redemption, net of taxes of \$14.2 in 2010 and \$1.3 in 2009	24.3	2.1	—	—	—
Add: Global manufacturing strategy and restructuring and other charges, net of taxes of \$2.3 in 2010, \$5.3 in 2009, \$8.6 in 2008, \$4.6 in 2007 and \$5.0 in 2006	5.1	11.4	18.0	8.4	11.6
Add: Cost reduction and productivity program restructuring charge, net of taxes of \$22.3	—	—	43.5	—	—
Add: European manufacturing facility closure restructuring and other charges, net of taxes of \$2.1	4.8	—	—	—	—
(Less)/add: (Gains on sale) other-than-temporary impairment of available-for-sale securities, net of taxes of \$2.2 in 2010, \$(1.5) in 2009 and \$12.6 in 2008	(3.7)	2.5	21.4	—	—
Less: Foreign currency exchange gains related to Venezuela subsidiary, net of taxes of \$1.9	(3.6)	—	—	—	—
Less: Gain on sale of equity method investment, net of taxes of \$12.9	—	—	—	(22.4)	—
Add: Advisory expenses incurred prior to ceasing work on an acquisition, net of taxes of \$2.9	—	—	—	4.6	—
Add: Loss on sale of a small product line, net of taxes of \$0.6	—	—	—	6.2	—
Less: Reversal of tax accruals, net and related interest	—	—	(6.2)	(42.2)	—
Non-U.S. GAAP adjusted net earnings	\$ 282.8	\$ 260.3	\$ 256.6	\$ 307.6	\$ 285.7
	2010	2009	2008	2007	2006
U.S. GAAP diluted net earnings per common share as reported	\$ 1.44	\$ 1.35	\$ 0.99	\$ 1.88	\$ 1.46
Net earnings effect resulting from the following, net of taxes where applicable:					
Add: Losses on debt redemptions	0.14	0.01	—	—	—
Add: Global manufacturing strategy and restructuring and other charges	0.03	0.07	0.10	0.05	0.06
Add: Cost reduction and productivity program restructuring charge	—	—	0.23	—	—
Add: European manufacturing facility closure restructuring and other charges	0.03	—	—	—	—
(Less)/add: (Gains on sale) other-than-temporary impairment of available-for-sale securities	(0.02)	0.01	0.11	—	—
Less: Foreign currency exchange gains related to Venezuelan subsidiary	(0.02)	—	—	—	—
Less: Gain on sale of equity method investment	—	—	—	(0.12)	—
Add: Advisory expenses incurred prior to ceasing work on an acquisition	—	—	—	0.02	—
Add: Loss on sale of a small product line	—	—	—	0.03	—
Less: Reversal of tax accruals, net and related interest	—	—	(0.03)	(0.22)	—
Non-U.S. GAAP adjusted diluted net earnings per common share	\$ 1.60	\$ 1.44	\$ 1.40	\$ 1.64	\$ 1.52

(3) The following is a reconciliation of U.S. GAAP net earnings as reported to non-U.S. GAAP EBIT, EBITDA and Adjusted EBITDA:

(\$ in millions)	2010	2009	2008	2007	2006
U.S. GAAP net earnings as reported	\$ 255.9	\$ 244.3	\$ 179.9	\$ 353.0	\$ 274.1
Add:					
Interest expense	161.6	154.9	128.1	140.6	148.0
Income tax provision	87.5	85.6	42.4	103.0	126.0
Non-U.S. GAAP EBIT	\$ 505.0	\$ 484.8	\$ 350.4	\$ 596.6	\$ 548.1
Add: Depreciation and amortization ^(a)	154.7	154.5	155.0	150.4	154.1
Non-U.S. GAAP EBITDA	\$ 659.7	\$ 639.3	\$ 505.4	\$ 747.0	\$ 702.2
Add: Share-based incentive compensation expense ^(a)	30.6	38.8	16.5	15.9	13.9
Add: Loss on debt redemption	38.5	3.4	—	—	—
Add: Global manufacturing strategy and restructuring and other charges	7.4	16.7	26.6	13.0	16.6
Add: Cost reduction and productivity program restructuring charge	—	—	65.8	—	—
Add: European manufacturing facility closure restructuring and other charges	6.9	—	—	—	—
(Less)/add: (Gains on sale) other-than-temporary impairment of available-for-sale securities	(5.9)	4.0	34.0	—	—
Less: Foreign currency exchange gains related to Venezuelan subsidiary	(5.5)	—	—	—	—
Add: Settlement agreement related costs	0.6	1.8	1.5	0.7	1.6
Less: Gain on sale of equity method investment	—	—	—	(35.3)	—
Add: Advisory expenses incurred prior to ceasing work on an acquisition	—	—	—	7.5	—
Add: Loss on sale of a small product line	—	—	—	6.8	—
Non-U.S. GAAP adjusted EBITDA	\$ 732.3	\$ 704.0	\$ 649.8	\$ 755.6	\$ 734.3
Total net sales	\$4,490.1	\$4,242.8	\$4,843.5	\$4,651.2	\$4,327.9
Non-U.S. GAAP adjusted EBITDA as a percentage of total net sales	16.3%	16.6%	13.4%	16.2%	17.0%

(a) Depreciation and amortization amounts for 2006 through 2008 have been adjusted to exclude share-based incentive compensation expense to conform to the 2009 and 2010 presentation. Share-based incentive compensation expense is included in marketing, administrative and development expenses on the consolidated statement of operations for all periods.

(4) We calculate non-U.S. GAAP free cash flow as follows:

(\$ in millions)	2010	2009	2008	2007	2006
U.S. GAAP net earnings as reported	\$ 255.9	\$ 244.3	\$ 179.9	\$ 353.0	\$ 274.1
Add: Loss on debt redemption, net of taxes of \$14.2 in 2010 and \$1.3 in 2009	24.3	2.1	—	—	—
Add: Global manufacturing strategy and restructuring and other charges, net of taxes of \$2.3 in 2010, \$5.3 in 2009, \$8.6 in 2008, \$4.6 in 2007 and \$5.0 in 2006	5.1	11.4	18.0	8.4	11.6
Add: Cost reduction and productivity program restructuring charge, net of taxes of \$22.3	—	—	43.5	—	—
Add: European manufacturing facility closure restructuring and other charges, net of taxes of \$2.1	4.8	—	—	—	—
(Less)/add: (Gains on sale) other-than-temporary impairment of available-for-sale securities, net of taxes of \$2.2 in 2010, \$(1.5) in 2009 and \$12.6 in 2008	(3.7)	2.5	21.4	—	—
Less: Foreign currency exchange gains related to Venezuela subsidiary, net of taxes of \$1.9	(3.6)	—	—	—	—
Less: Gain on sale of equity method investment, net of taxes of \$12.9	—	—	—	(22.4)	—
Add: Advisory expenses incurred prior to ceasing work on an acquisition, net of taxes of \$2.9	—	—	—	4.6	—
Add: Loss on sale of a small product line, net of taxes of \$0.6	—	—	—	6.2	—
Less: Reversal of tax accruals, net and related interest	—	—	(6.2)	(42.2)	—
Non-U.S. GAAP adjusted net earnings	\$ 282.8	\$ 260.3	\$ 256.6	\$ 307.6	\$ 285.7
Add: Depreciation and amortization ^(a)	154.7	154.5	155.0	150.4	154.1
Add: Share-based incentive compensation expense ^(a)	30.6	38.8	16.5	15.9	13.9
Less: Capital expenditures	(87.6)	(80.3)	(180.7)	(210.8)	(167.9)
Changes in working capital items ^(b) :					
Receivables, net	(30.4)	16.1	107.0	(68.5)	(47.3)
Cash used to repay (received from) the accounts receivable securitization program	—	80.0	(80.0)	—	—
Inventories	(26.4)	94.9	17.4	(72.3)	(100.3)
Accounts payable	17.8	(63.0)	(39.1)	32.4	33.6
Non-U.S. GAAP free cash flow	\$ 341.5	\$ 501.3	\$ 252.7	\$ 154.7	\$ 171.8

(a) Depreciation and amortization amounts for 2006 through 2008 have been adjusted to exclude share-based incentive compensation expense to conform to the 2009 and 2010 presentation. Share-based incentive compensation expense is included in marketing, administrative and development expenses on the consolidated statement of operations for all periods.

(b) Includes the impact of foreign currency translation.

DEFINITIONS

Return on Total Assets = Net Earnings / Average Total Assets

Return on Stockholders' Equity = Net Earnings / Average Total Stockholders' Equity

Return on Invested Capital = Full year adjusted net operating profit after core taxes / Average invested capital in the period. Core taxes represent the U.S. GAAP effective tax rate after adjusting for permitted exclusions.

Invested capital = Total debt + settlement liability and related accrued interest + total stockholders' equity – accumulated other comprehensive income – cash and cash equivalents.