

## Reconciliation of Earnings

(dollars in millions except per share amounts, unaudited)

### QUARTERLY:

Quarter Ended March 31, 2008						
	Cost of Goods Sold	Research & Development Expense	Other (Income) Expense, Net	Income Tax Provision (Benefit)	Net Income (Loss)	Diluted Earnings Per Share
GAAP Basis	\$ 225.5	\$ 85.8	\$ (4.0)	\$ 26.8	\$ 78.0	\$ 0.76
<u>Items that affect comparability of results between periods:</u>						
Purchased research & development	-	(49.3)	-	18.2	31.1	0.30
Adjusted Basis	<u>\$ 225.5</u>	<u>\$ 36.5</u>	<u>\$ (4.0)</u>	<u>\$ 45.0</u>	<u>\$ 109.1</u>	<u>\$ 1.06</u>

Quarter Ended March 31, 2007						
	Cost of Goods Sold	Research & Development Expense	Other (Income) Expense, Net	Income Tax Provision (Benefit)	Net Income (Loss)	Diluted Earnings Per Share
GAAP Basis	\$ 206.5	\$ 30.1	\$ (7.4)	\$ 40.8	\$ 101.6	\$ 0.95
Adjusted Basis	<u>\$ 206.5</u>	<u>\$ 30.1</u>	<u>\$ (7.4)</u>	<u>\$ 40.8</u>	<u>\$ 101.6</u>	<u>\$ 0.95</u>

Quarter Ended June 30, 2008						
	Cost of Goods Sold	Research & Development Expense	Other (Income) Expense, Net	Income Tax Provision (Benefit)	Net Income (Loss)	Diluted Earnings Per Share
GAAP Basis	\$ 243.6	\$ 38.2	\$ 32.6	\$ 41.0	\$ 77.9	\$ 0.76
<u>Items that affect comparability of results between periods:</u>						
Asset disposition	(3.7)	-	(36.8)	5.6	34.9	0.34
Adjusted Basis	<u>\$ 239.9</u>	<u>\$ 38.2</u>	<u>\$ (4.2)</u>	<u>\$ 46.6</u>	<u>\$ 112.8</u>	<u>\$ 1.10</u>

Quarter Ended June 30, 2007						
	Cost of Goods Sold	Research & Development Expense	Other (Income) Expense, Net	Income Tax Provision (Benefit)	Net Income (Loss)	Diluted Earnings Per Share
GAAP Basis	\$ 216.6	\$ 35.1	\$ (8.8)	\$ 41.8	\$ 97.5	\$ 0.91
<u>Items that affect comparability of results between periods:</u>						
Purchased research & development	-	(1.6)	-	0.1	1.5	0.02
Adjusted Basis	<u>\$ 216.6</u>	<u>\$ 33.5</u>	<u>\$ (8.8)</u>	<u>\$ 41.9</u>	<u>\$ 99.0</u>	<u>\$ 0.93</u>

Quarter Ended September 30, 2008						
	Cost of Goods Sold	Research & Development Expense	Other (Income) Expense, Net	Income Tax Provision (Benefit)	Net Income (Loss)	Diluted Earnings Per Share
GAAP Basis	\$ 239.5	\$ 35.1	\$ (1.9)	\$ 49.2	\$ 111.2	\$ 1.09
<u>Items that affect comparability of results between periods:</u>						
Reorganization costs	-	-	(1.3)	0.5	0.8	
Gain on asset sale	-	-	0.7	(0.1)	(0.6)	
Tax adjustment	-	-	-	(1.0)	1.0	
Total	-	-	(0.6)	(0.6)	1.2	0.01
Adjusted Basis	<u>\$ 239.5</u>	<u>\$ 35.1</u>	<u>\$ (2.5)</u>	<u>\$ 48.6</u>	<u>\$ 112.4</u>	<u>\$ 1.10</u>

Quarter Ended September 30, 2007						
	Cost of Goods Sold	Research & Development Expense	Other (Income) Expense, Net	Income Tax Provision (Benefit)	Net Income (Loss)	Diluted Earnings Per Share
GAAP Basis	\$ 213.7	\$ 34.0	\$ (8.9)	\$ 40.1	\$ 102.1	\$ 0.96
<u>Items that affect comparability of results between periods:</u>						
Tax adjustment	-	-	-	3.7	(3.7)	
Total	-	-	-	3.7	(3.7)	(0.03)
Adjusted Basis	<u>\$ 213.7</u>	<u>\$ 34.0</u>	<u>\$ (8.9)</u>	<u>\$ 43.8</u>	<u>\$ 98.4</u>	<u>\$ 0.93</u>

Quarter Ended December 31, 2008						
	Cost of Goods Sold	Research & Development Expense	Other Expense (Income), Net	Income Tax Provision (Benefit)	Net Income (Loss)	Diluted Earnings Per Share
GAAP Basis	\$ 243.5	\$ 40.0	\$ 2.7	\$ 16.4	\$ 149.4	\$ 1.47
<u>Items that affect comparability of results between periods:</u>						
Tax adjustment	-	-	-	28.3	(28.3)	
Total	-	-	-	28.3	(28.3)	(0.28)
Adjusted Basis	<u>\$ 243.5</u>	<u>\$ 40.0</u>	<u>\$ 2.7</u>	<u>\$ 44.7</u>	<u>\$ 121.1</u>	<u>\$ 1.19</u>

Quarter Ended December 31, 2007						
	Cost of Goods Sold	Research & Development Expense	Other Expense (Income), Net	Income Tax Provision (Benefit)	Net Income (Loss)	Diluted Earnings Per Share
GAAP Basis	\$ 227.7	\$ 36.3	\$ (7.2)	\$ 48.2	\$ 105.2	\$ 1.01
Adjusted Basis	<u>\$ 227.7</u>	<u>\$ 36.3</u>	<u>\$ (7.2)</u>	<u>\$ 48.2</u>	<u>\$ 105.2</u>	<u>\$ 1.01</u>

**YEAR TO DATE:**

Twelve Months Ended December 31, 2008						
	Cost of Goods Sold	Research & Development Expense	Other Expense (Income), Net	Income Tax Provision (Benefit)	Net Income (Loss)	Diluted Earnings Per Share
GAAP Basis	\$ 952.1	\$ 199.1	\$ 29.4	\$ 133.4	\$ 416.5	\$ 4.06 *
<u>Items that affect comparability of results between periods:</u>						
Asset disposition	(3.7)	-	(36.8)	5.6	34.9	
Purchased research & development	-	(49.3)	-	18.2	31.1	
Reorganization costs	-	-	(1.3)	0.5	0.8	
Gain on asset sale	-	-	0.7	(0.1)	(0.6)	
Tax adjustments	-	-	-	27.3	(27.3)	
Total	(3.7)	(49.3)	(37.4)	51.5	38.9	0.38
Adjusted Basis	<u>\$ 948.4</u>	<u>\$ 149.8</u>	<u>\$ (8.0)</u>	<u>\$ 184.9</u>	<u>\$ 455.4</u>	<u>\$ 4.44</u>

Twelve Months Ended December 31, 2007						
	Cost of Goods Sold	Research & Development Expense	Other Expense (Income), Net	Income Tax Provision (Benefit)	Net Income (Loss)	Diluted Earnings Per Share
GAAP Basis	\$ 864.5	\$ 135.8	\$ (32.3)	\$ 170.9	\$ 406.4	\$ 3.84 *
<u>Items that affect comparability of results between periods:</u>						
Purchased research & development	-	(1.6)	-	0.1	1.5	
Tax adjustment	-	-	-	3.7	(3.7)	
Total	-	(1.6)	-	3.8	(2.2)	(0.02)
Adjusted Basis	<u>\$ 864.5</u>	<u>\$ 134.2</u>	<u>\$ (32.3)</u>	<u>\$ 174.7</u>	<u>\$ 404.2</u>	<u>\$ 3.82</u>

\* Items may not add due to rounding.

For the first quarter 2008, charges of approximately \$49.3 million pretax for purchased research and development affected the comparability of results between periods. The effect of these charges decreased income from continuing operations by \$31.1 million, or \$0.30 diluted earnings per share from continuing operations.

For the first quarter 2007, there were no items that affected the comparability of results between periods.

For the second quarter 2008, a charge of \$40.5 million pretax for an asset disposition affected the comparability of results between periods. The effect of this charge decreased net income by \$34.9 million, or \$0.34 diluted earnings per share.

For the second quarter 2007, a charge of \$1.6 million pretax for purchased research and development affected the comparability of results between periods. The effect of this charge decreased net income by \$1.5 million, or \$0.02 diluted earnings per share.

For the third quarter 2008, the following items affected the comparability of results between periods: (i) a charge of \$1.3 million pretax for reorganization costs; (ii) a gain of \$0.7 million pretax associated with the sale of an asset; and (iii) an increase of \$1.0 million in the income tax provision due to a tax-related interest adjustment. The net effect of these items decreased net income by \$1.2 million, or \$0.01 diluted earnings per share.

For the third quarter 2007, a reduction in the income tax provision of \$3.7 million for changes in certain statutory tax rates outside the United States that resulted in the revaluation of deferred taxes affected the comparability of results between periods. The effect of this item increased net income by \$3.7 million, or \$0.03 diluted earnings per share.

For the fourth quarter 2008, a decrease in the income tax provision as a result of the completion of the U.S. Internal Revenue Service (IRS) examination for the tax years of 2003 and 2004 affected the comparability of results between periods. The effect of this item increased net income by \$28.3 million, or \$0.28 diluted earnings per share.

For the fourth quarter 2007, there were no items that affected the comparability of results between periods.

For the twelve months ended December 31, 2008, the following items affected the comparability of results between periods: (i) a charge of \$40.5 million pretax for an asset disposition; (ii) a charge of \$49.3 million pretax for purchased research and development; (iii) a charge of \$1.3 million pretax for reorganization costs; (iv) a gain of \$0.7 million pretax associated with the sale of an asset; and (v) a net decrease of \$27.3 million in the income tax provision including a decrease of \$28.3 million as a result of the completion of the IRS examination for the tax years of 2003 and 2004, offset by an increase of \$1.0 million due to a tax-related interest adjustment. The net effect of these items decreased net income by \$38.9 million, or \$0.38 diluted earnings per share.

For the twelve months ended December 31, 2007, the following items impacted the comparability of results between periods: (i) a charge of \$1.6 million pretax for purchased research and development; and (ii) a decrease in the income tax provision of \$3.7 million due to changes in certain statutory tax rates outside the United States that resulted in the revaluation of deferred taxes. The net effect of these items increased net income by \$2.2 million, or \$0.02 diluted earnings per share.

This reconciliation contains financial measures that are not calculated in accordance with United States generally accepted accounting principles (GAAP). These non-GAAP financial measures are reconciled to their most directly comparable GAAP measures in the above tables.

In addition, this reconciliation includes the following non-GAAP measures: (1) cost of goods sold excluding a charge for an asset disposition; (2) research & development expense excluding payments for purchased research and development; (3) other expense (income), net excluding charges for an asset disposition and reorganization costs as well as a gain on an asset sale; (4) income tax provision excluding: a decrease as a result of the completion of the IRS examination for the tax years of 2003 and 2004; an increase related to a tax-related interest adjustment; a decrease related to changes in statutory tax rates; and the tax effect of the items set forth in (1) through (3) above; (5) net income excluding the items set forth in (1) through (4) above; and (6) diluted earnings per share excluding the items set forth in (1) through (4) above.

Management recognizes that the use of these non-GAAP measures has limitations, including the fact that they may not be comparable with similar non-GAAP financial measures used by other companies and that management must exercise judgment in determining which types of charges or other items should be excluded from the non-GAAP financial information. Management compensates for these limitations by providing full disclosure of each non-GAAP financial measure and a reconciliation to the most directly comparable GAAP financial measure. All non-GAAP financial measures are intended to supplement the applicable GAAP disclosures and should not be considered in isolation from, or as a replacement for, financial information prepared in accordance with GAAP. For a reconciliation of these non-GAAP measures to the most comparable GAAP measures, please see the above tables.