



Church & Dwight Co Inc (United States)

CREDIT SNAPSHOT

08/19/09

e-mail snapshotzh@gmail.com
 blog www.zerohedge.com

- 01 DEBT DISTRIBUTION**
- 02 BONDS**
- 03 INCOME STATEMENT**
- 04 CASH FLOW**
- 05 BALANCE SHEET**
- 06 COVERAGE RATIOS**
- 07 LEVERAGE RATIOS**
- 08 ENTERPRISE VALUE**
- 09 RETURN ON CAPITAL**
- 10 RECOVERY & TANGIBLE NET WORTH**
- 11 ACCOUNTING RED FLAGS**
- 12 LATEST SEC FILINGS**
- 13 LEGAL DISCLAIMER**

CHD US Equity

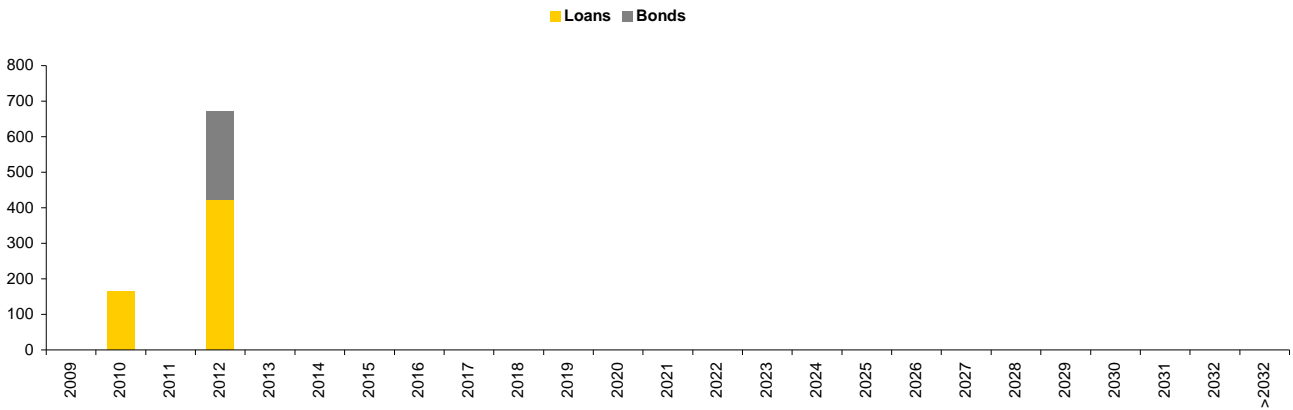
| | | | |
|---|---|--|--------------|
| equity ticker: | CHD US | capitalisation (USD in millions): | |
| bond ticker: | CHD | stock price | USD 57.07 |
| sector: | Consumer, Non-cyclical | shares outstanding (million) | <u>70.30</u> |
| subgroup: | Soap&Cleaning Prepar | market capitalisation (USD mm) | 4,012 |
| company description: | Church & Dwight Co., Inc. produces sodium bicarbonate and sodium bicarbonate-based products. The Company sells its products, primarily under the ARM & HAMMER trademark, to consumers and to industrial customers and distributors. Church & Dwight provides products such as baking soda, carpet deodorizer, and laundry detergent, as well as Brillo soap pads. | total debt | 850 |
| Church & Dwight Co Inc has 3,500 employees. | | cash + marketable securities | 357 |
| | | other capital | <u>0</u> |
| | | enterprise value (excl. cash) | 4,505 |
| | | current EV / TTM EBITDA | 10.0x |
| | | The company's next report is expected for 11/4/2009 (type: Estimated). | |
| | | www.churchdwight.com | |

The distribution of this report is restricted. Important information concerning these restrictions and legal disclaimer is set forth at the end of this report.

| issuer | Rtg | debt type & details | coupon | mat | crncy | amount out (mm) | facility amount (mm) | issue date |
|------------------------|-----|---------------------------------------|--------|------------|-------|-----------------|----------------------|------------|
| CHURCH & DWIGHT CO INC | NA | Loan, secured, term, floater | | 12/23/2010 | USD | 165 | 900 | 5/28/2004 |
| CHURCH & DWIGHT CO INC | NA | Loan, secured, term, floater | | 8/31/2012 | USD | 243 | 900 | 6/3/2008 |
| CHURCH & DWIGHT CO INC | NA | Loan, secured, term, floater | | 8/31/2012 | USD | 179 | 900 | 8/17/2006 |
| CHURCH & DWIGHT CO INC | BB | Bond, callable, company guarnt, fixed | 6.000% | 12/15/2012 | USD | 250 | - | 6/24/2005 |

DEBT DISTRIBUTION

| | | | |
|--|-----|--|-----|
| Total amount out of instruments listed above (USD in MM) | 836 | Cash (MM) | 357 |
| Total debt (MM) | 850 | Total Number of Debt Instruments (for the issuer and its subs) | 5 |



| Moody's Ratings | | |
|-----------------------|---------------|----------|
| Outlook | STABLE | 05/05/08 |
| Issuer | WR | 07/07/05 |
| Senior Secured Debt | N/A | |
| LT Corp Family | Ba1 | 12/15/06 |
| Bank Loan Debt | Baa3 | 09/21/06 |
| Senior Unsecured Debt | Ba2 | 05/05/08 |
| Subordinated Debt | N/A | |
| Short Term | N/A | |

| Standard & Poor's Ratings | | |
|----------------------------|---------------|----------|
| Outlook | STABLE | 06/01/09 |
| LT Foreign Currency Issuer | BB+ | 05/05/08 |
| LT Local Currency Issuer | BB+ | 05/05/08 |
| ST Foreign Currency Issuer | N/A | |
| ST Local Currency Issuer | N/A | |

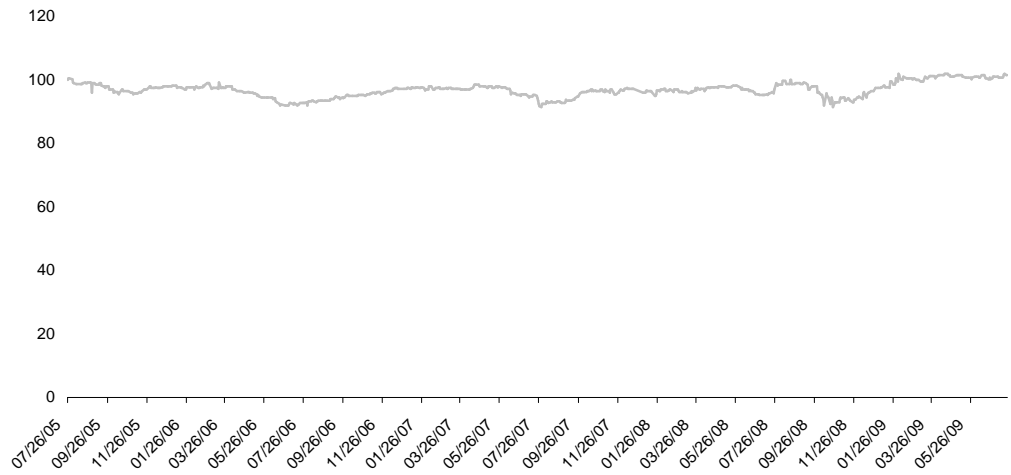
| id | issuer | coupon | mat | USD | outstanding | S&P | MDY | ask px | yield | spread* | px date |
|----------|------------------------|--------|----------|-----|-------------|-----|-----|--------|-------|---------|----------|
| 171340AF | CHURCH & DWIGHT CO INC | 6.000 | 12/15/12 | USD | 250,000,000 | BB+ | Ba2 | 101.50 | 4.9 | 342 | 07/21/09 |

*interpol. swap spread

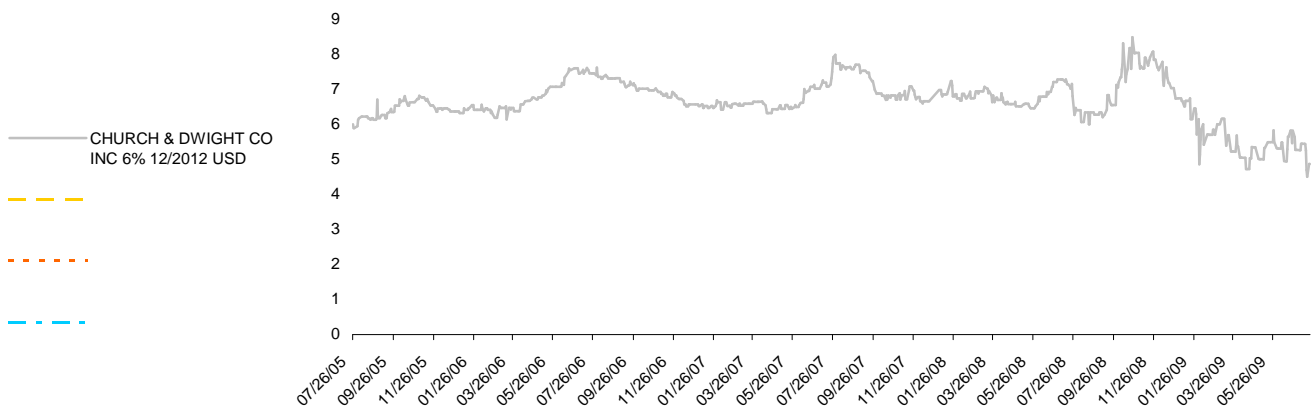
BONDS

Total Debt for the company currently stands at USD 849.456mm.

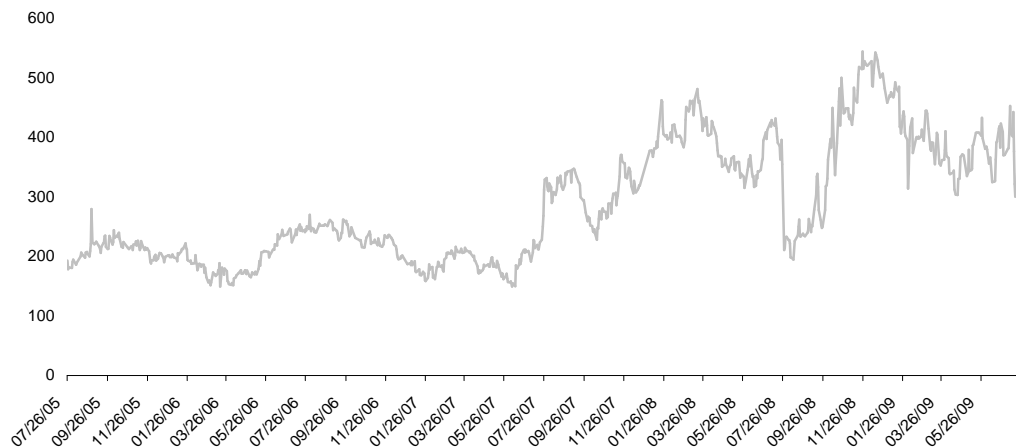
bond price



yield

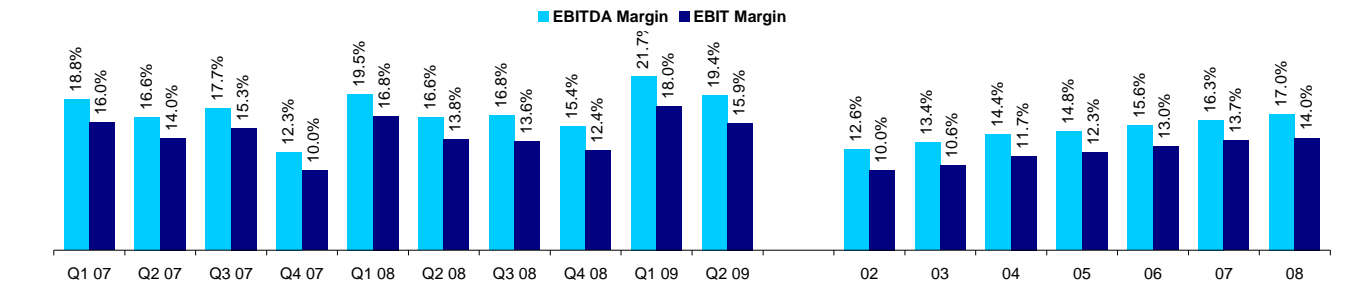


interpolated swap spread

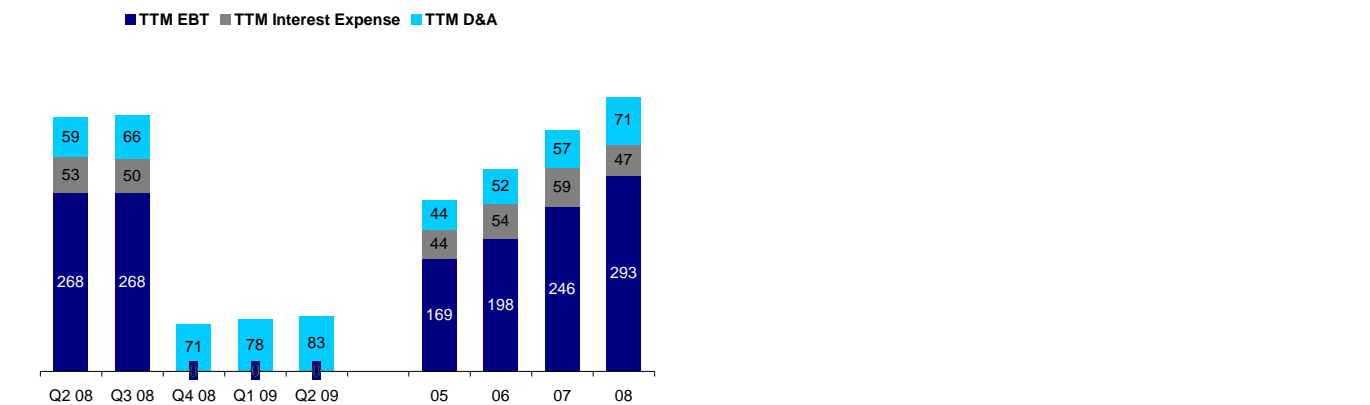
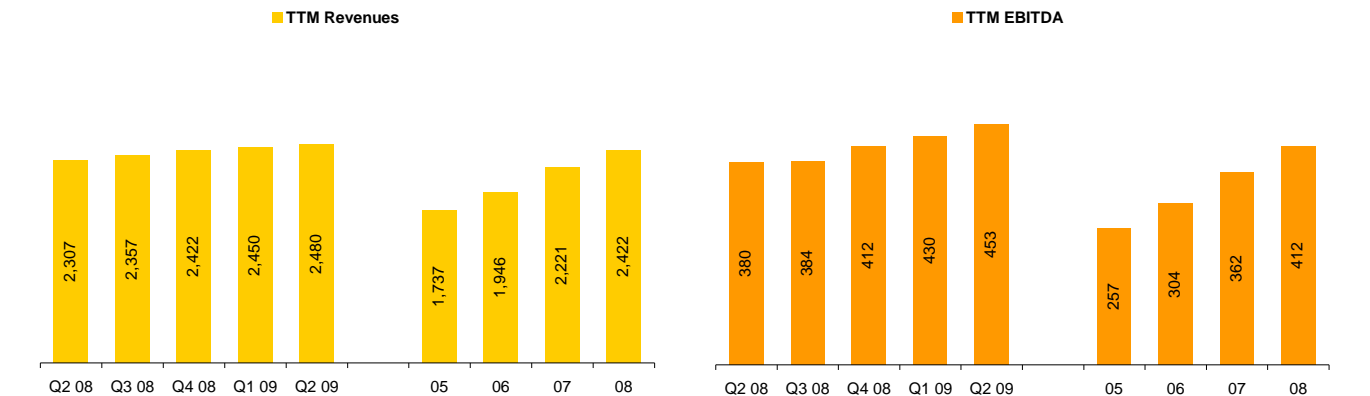


Prices & yields bid side to 28/7/08 and ask side thereafter. Spread is Govt Bid Sprd to 28/7/08 and Interpol. Swap Ask Sprd then.

| USD in millions | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|-------------------------------|-------|-------|-------|-------|----------|-------|-------|-------|----------|
| | | | | | 06/26/09 | | | | 12/31/08 |
| Revenues | 594 | 631 | 645 | 581 | 623 | 1,737 | 1,946 | 2,221 | 2,422 |
| COGS | 351 | 380 | 391 | 332 | 342 | 1,100 | 1,185 | 1,353 | 1,451 |
| COGS % of Revenues | 59.2% | 60.2% | 60.6% | 57.1% | 54.8% | 63.3% | 60.9% | 60.9% | 59.9% |
| SG&A | 161 | 166 | 174 | 145 | 183 | 424 | 509 | 563 | 631 |
| SG&A % of Revenues | 27.0% | 26.2% | 27.0% | 24.9% | 29.3% | 24.4% | 26.2% | 25.3% | 26.1% |
| EBITDA | 98 | 106 | 100 | 126 | 121 | 257 | 304 | 362 | 412 |
| Interest Expense | 11 | 12 | | 9 | 9 | 44 | 54 | 59 | 47 |
| EBT | 71 | 74 | | 96 | 90 | 169 | 198 | 246 | 293 |
| Net Income | 46 | 49 | 44 | 63 | 58 | 123 | 139 | 169 | 195 |
| EBITDA Margin | 16.6% | 16.8% | 15.4% | 21.7% | 19.4% | 14.8% | 15.6% | 16.3% | 17.0% |
| EBIT Margin | 13.8% | 13.6% | 12.4% | 18.0% | 15.9% | 12.3% | 13.0% | 13.7% | 14.0% |

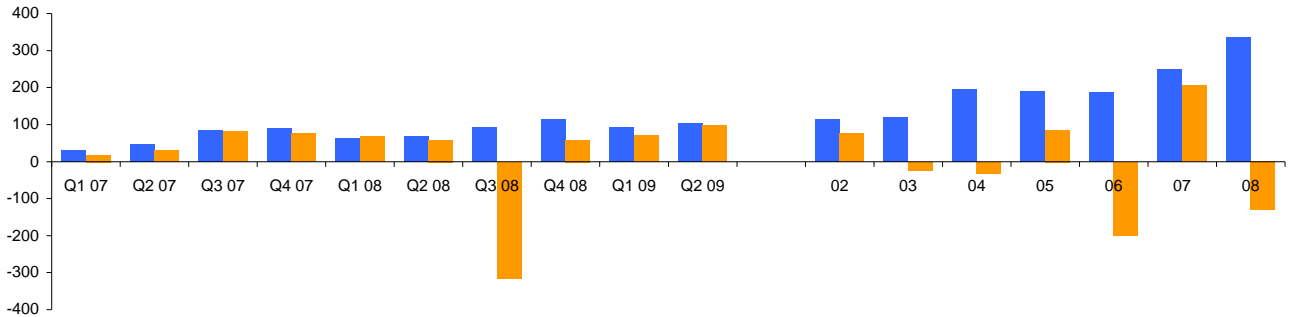


| USD in millions | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|-----------------------------|-------|-------|-------|-------|----------|-------|-------|-------|----------|
| | | | | | 06/26/09 | | | | 12/31/08 |
| TTM Revenues | 2,307 | 2,357 | 2,422 | 2,450 | 2,480 | 1,737 | 1,946 | 2,221 | 2,422 |
| TTM EBITDA | 380 | 384 | 412 | 430 | 453 | 257 | 304 | 362 | 412 |
| TTM D&A | 59 | 66 | 71 | 78 | 83 | 44 | 52 | 57 | 71 |
| TTM EBIT | 321 | 318 | 340 | 352 | 369 | 213 | 252 | 305 | 340 |
| TTM Interest Expense | 53 | 50 | | | | 44 | 54 | 59 | 47 |
| TTM EBT | 268 | 268 | | | | 169 | 198 | 246 | 293 |
| TTM Net Income | 185 | 183 | 195 | 202 | 214 | 123 | 139 | 169 | 195 |



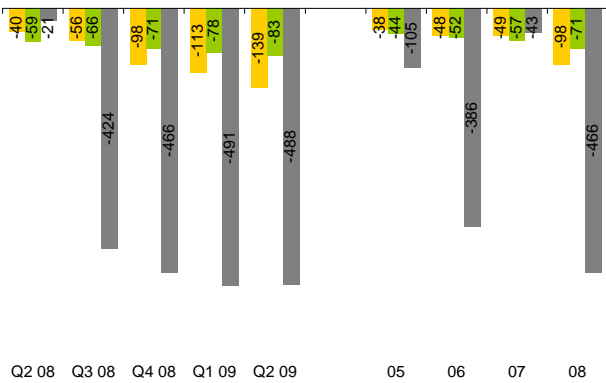
| USD in millions | | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|------------------|--------------------------------|-------|-------|-------|-------|----------|------|------|-----|----------|
| CASH FLOW | | | | | | 06/26/09 | | | | 12/31/08 |
| | Cash from Operations (CFO) | 68 | 92 | 114 | 92 | 103 | 190 | 186 | 249 | 336 |
| | Cash from Investing (CFI) | -9 | -406 | -55 | -21 | -6 | -105 | -386 | -43 | -466 |
| | Free Cash Flow (CFO + CFI) | 59 | -314 | 59 | 71 | 97 | 85 | -199 | 206 | -130 |
| | Cash from Financing Activities | -11 | 234 | -36 | 11 | -20 | -104 | 183 | -67 | 78 |

■ Cash from Operations (CFO) ■ Free Cash Flow (CFO + CFI)

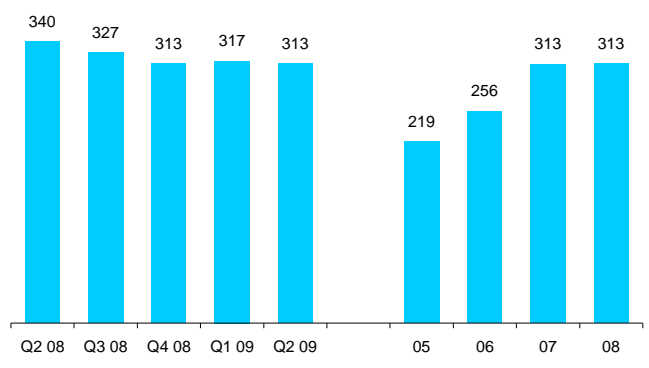


| USD in millions | | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|----------------------|--|-------|--------|--------|--------|----------|-------|--------|-------|----------|
| TTM CASH FLOW | | | | | | 06/26/09 | | | | 12/31/08 |
| | TTM Cash from Operations (CFO) | 304 | 312 | 336 | 365 | 401 | 190 | 186 | 249 | 336 |
| | TTM Cash from Invest. (CFI) | -21 | -424 | -466 | -491 | -488 | -105 | -386 | -43 | -466 |
| | TTM Capex | -40 | -56 | -98 | -113 | -139 | -38 | -48 | -49 | -98 |
| | TTM D&A | -59 | -66 | -71 | -78 | -83 | -44 | -52 | -57 | -71 |
| | TTM Free Cash Flow (CFO + CFI) | 283 | -112 | -130 | -126 | -87 | 85 | -199 | 206 | -130 |
| | TTM Cash from Financing Activities | -133 | 109 | 78 | 198 | 188 | -104 | 183 | -67 | 78 |
| | TTM CFO - Capital Expenditures | 264 | 255 | 238 | 252 | 261 | 152 | 139 | 200 | 238 |
| | TTM EBITDA - Capital Expenditures | 340 | 327 | 313 | 317 | 313 | 219 | 256 | 313 | 313 |
| | TTM EBITDA - Capex - Change in WC | 340 | 327 | 314 | 317 | 313 | 219 | 256 | 313 | 314 |
| | TTM EBITDA-Capex-WC-CshIntEx-CshTax-CshDiv | 269 | 176 | 158 | 169 | 162 | 132 | 123 | 173 | 158 |
| | TTM CFO/Total Debt | 41.1% | 35.3% | 39.3% | 41.9% | 47.2% | 25.1% | 20.0% | 29.1% | 39.3% |
| | TTM FCF/Total Debt | 38.2% | -12.7% | -15.2% | -14.4% | -10.2% | 11.2% | -21.3% | 24.1% | -15.2% |

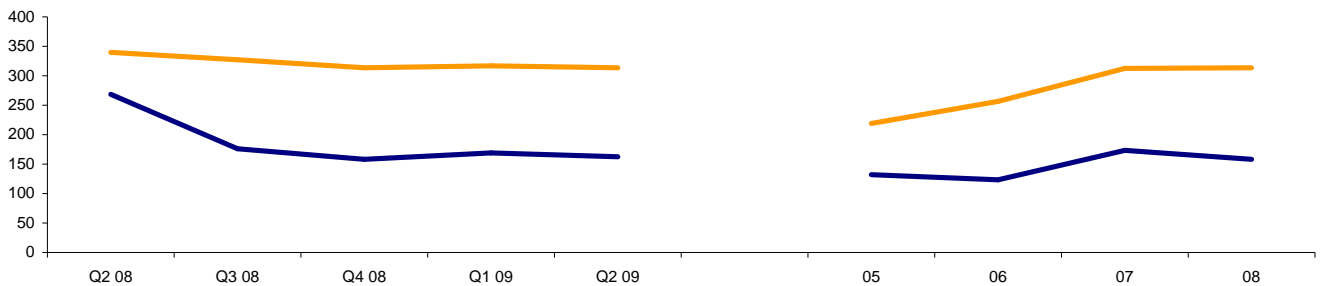
■ TTM Capex ■ TTM D&A ■ TTM Cash from Invest. (CFI)



■ TTM EBITDA - Capital Expenditures



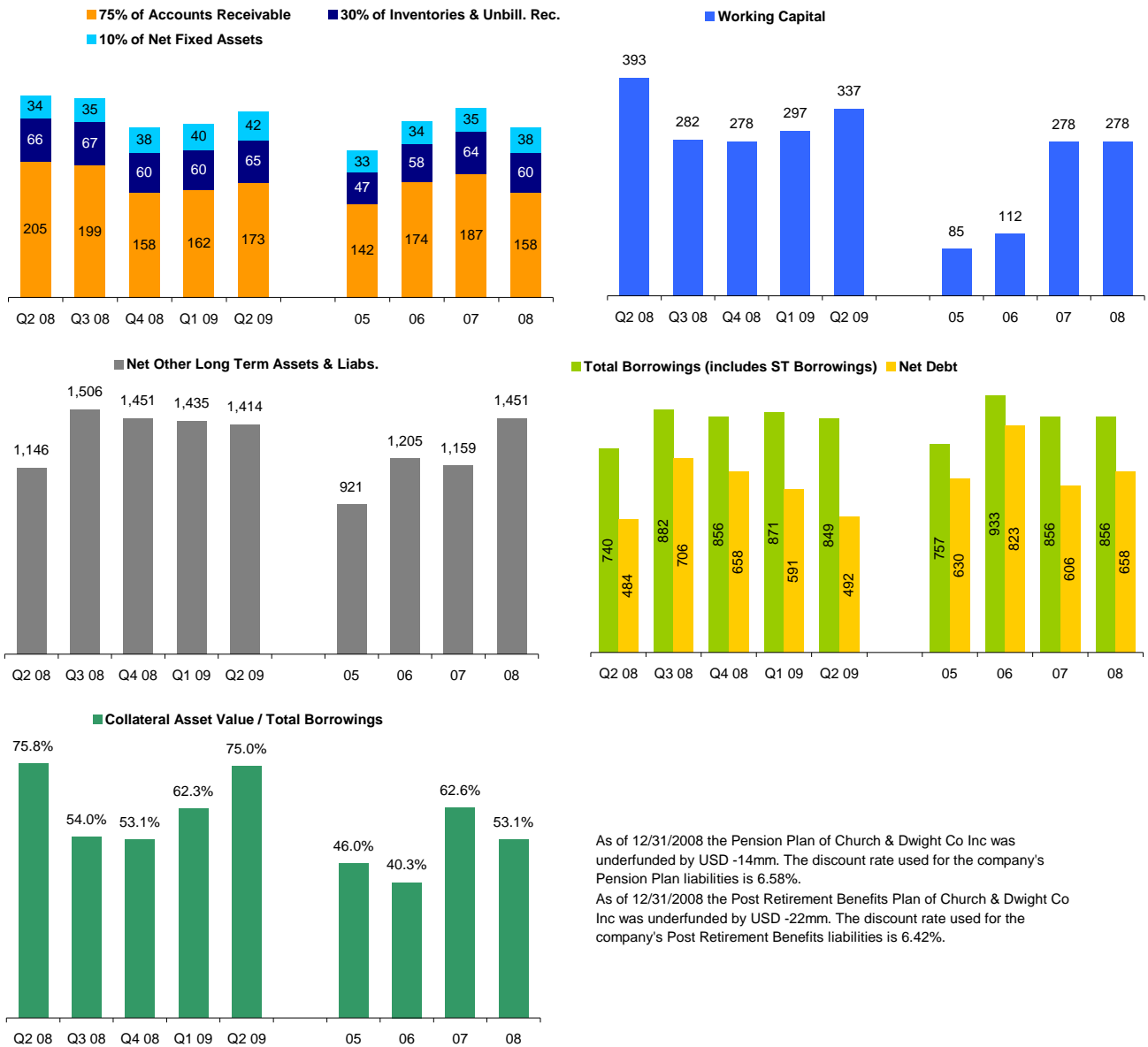
— TTM EBITDA - Capex - Change in WC — TTM EBITDA-Capex-WC-CshIntEx-CshTax-CshDiv



| USD in millions | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|--|-------|-------|-------|-------|----------|-------|-------|-------|----------|
| | | | | | 06/26/09 | | | | 12/31/08 |
| Cash | 256 | 176 | 198 | 280 | 357 | 127 | 110 | 250 | 198 |
| Marketable Securities / ST Investments | | | | | | | | | |
| Accounts & Notes Receivable | 273 | 265 | 211 | 216 | 231 | 189 | 231 | 249 | 211 |
| Inventories & Unbilled Receivables | 219 | 222 | 199 | 200 | 215 | 156 | 195 | 214 | 199 |
| Net Fixed Assets | 340 | 350 | 385 | 399 | 424 | 327 | 340 | 351 | 385 |
| 75% of Accounts Receivable | 205 | 199 | 158 | 162 | 173 | 142 | 174 | 187 | 158 |
| 30% of Inventories & Unbill. Rec. | 66 | 67 | 60 | 60 | 65 | 47 | 58 | 64 | 60 |
| 10% of Net Fixed Assets | 34 | 35 | 38 | 40 | 42 | 33 | 34 | 35 | 38 |
| Collateral (Liquidation) Asset Value | 561 | 476 | 455 | 542 | 637 | 348 | 377 | 536 | 455 |
| Working Capital | 393 | 282 | 278 | 297 | 337 | 85 | 112 | 278 | 278 |
| Net Other Long Term Assets & Liabs. | 1,146 | 1,506 | 1,451 | 1,435 | 1,414 | 921 | 1,205 | 1,159 | 1,451 |
| Total Borrowings (includes ST Borrowings) | 740 | 882 | 856 | 871 | 849 | 757 | 933 | 856 | 856 |
| Net Debt | 484 | 706 | 658 | 591 | 492 | 630 | 823 | 606 | 658 |
| Collateral Asset Value / Total Borrowings | 75.8% | 54.0% | 53.1% | 62.3% | 75.0% | 46.0% | 40.3% | 62.6% | 53.1% |

BALANCE SHEET

explanations and definitions:
 The approximation we use to calculate a company's total **Collateral (Liquidation) Asset Value** (for an asset based liquidation scenario) is calculated as the sum of Cash plus Marketable Securities / Short-Term Investments plus assets with the following valuation rates applied:
 75% of stated Accounts Receivable
 30% of stated Inventory
 10% of stated Net Fixed Assets.
 Although we acknowledge that some industries and individual situations demand clearly different assumptions we nevertheless think this is a useful approximation across all industries covered, if only as a starting point for further individual in-depth analysis.



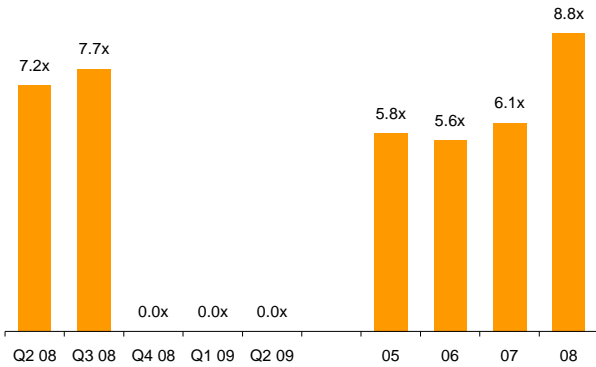
As of 12/31/2008 the Pension Plan of Church & Dwight Co Inc was underfunded by USD -14mm. The discount rate used for the company's Pension Plan liabilities is 6.58%.
 As of 12/31/2008 the Post Retirement Benefits Plan of Church & Dwight Co Inc was underfunded by USD -22mm. The discount rate used for the company's Post Retirement Benefits liabilities is 6.42%.

| COVERAGES RATIOS | USD in millions | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|------------------|--|-------|-------|-------|-------|-------|----------|------|------|------|
| | | | | | | | 06/26/09 | | | |
| | TTM EBITDA / TOTAL INTEREST | 7.2x | 7.7x | - | - | - | 5.8x | 5.6x | 6.1x | 8.8x |
| | TTM EBITDAR / TOTAL INTEREST+RENT | 5.4x | 5.6x | - | - | - | 4.8x | 4.7x | 5.0x | 6.3x |
| | TTM EBITDA-CAPEX / TOTAL INTEREST | 6.5x | 6.6x | - | - | - | 5.0x | 4.7x | 5.3x | 6.7x |
| | TTM EBITDAR-CAPEX / TOTAL INTEREST+RENT | 4.8x | 4.9x | - | - | - | 4.1x | 4.0x | 4.3x | 4.9x |

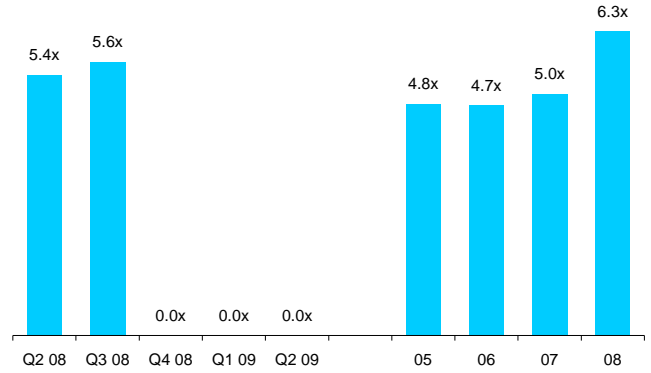
explanations and definitions:

TTM TOTAL INTEREST: For all coverage ratio calculations we use the Total Interest figure which in addition to Interest Expense also includes Capitalized Interest Expenses. We think this gives a better view of the economic reality than the simple Interest Expense figure.

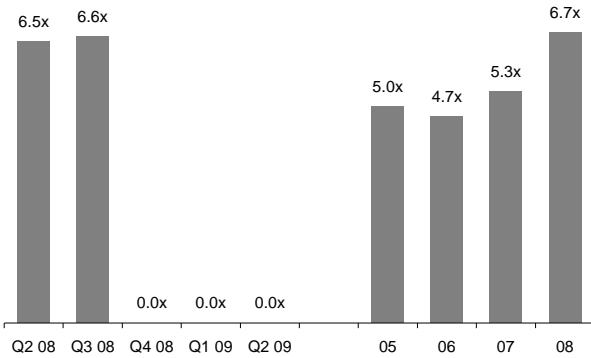
■ TTM EBITDA / TOTAL INTEREST



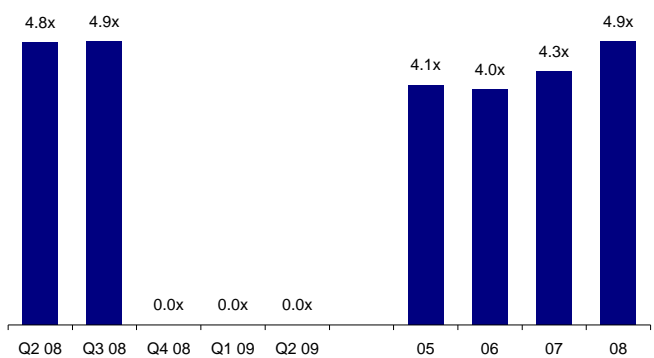
■ TTM EBITDAR / TOTAL INTEREST+RENT



■ TTM EBITDA-CAPEX / TOTAL INTEREST



■ TTM EBITDAR-CAPEX / TOTAL INTEREST+RENT



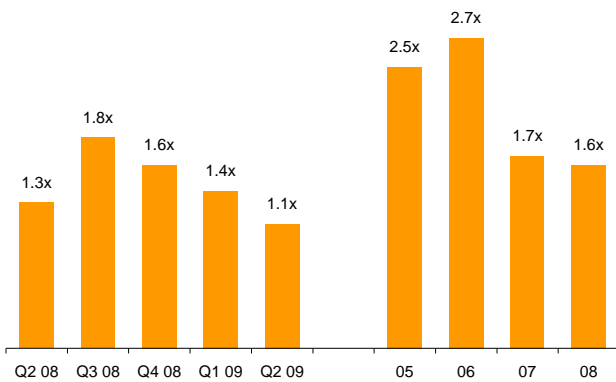
| USD in millions | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|--|--------|--------|--------|--------|----------|--------|--------|--------|----------|
| | | | | | 06/26/09 | | | | 12/31/08 |
| NET DEBT / TTM EBITDA | 1.3x | 1.8x | 1.6x | 1.4x | 1.1x | 2.5x | 2.7x | 1.7x | 1.6x |
| TOTAL DEBT / TTM EBITDA | 1.9x | 2.3x | 2.1x | 2.0x | 1.9x | 2.9x | 3.1x | 2.4x | 2.1x |
| TOTAL DEBT / TTM EBITDA-CAPEX | 2.2x | 2.7x | 2.7x | 2.8x | 2.7x | 3.5x | 3.6x | 2.7x | 2.7x |
| Rentadj. TOT DEBT / TTM EBITDAR | 2.3x | 2.6x | 2.4x | 2.3x | 2.2x | 3.2x | 3.3x | 2.6x | 2.4x |
| Rentadj. TOT DEBT / TTM EBITDAR-CAPEX | 2.5x | 3.0x | 3.1x | 3.1x | 3.1x | 3.7x | 3.8x | 3.0x | 3.1x |
| HAIRCUT EBITDA MULTIPLE / TOTAL DEBT | 161.9% | 137.0% | 151.5% | 155.5% | 167.9% | 107.0% | 102.5% | 133.1% | 151.5% |
| TOTAL DEBT / TTM EBIT | 2.3x | 2.8x | 2.5x | 2.5x | 2.3x | 3.6x | 3.7x | 2.8x | 2.5x |

explanations and definitions:

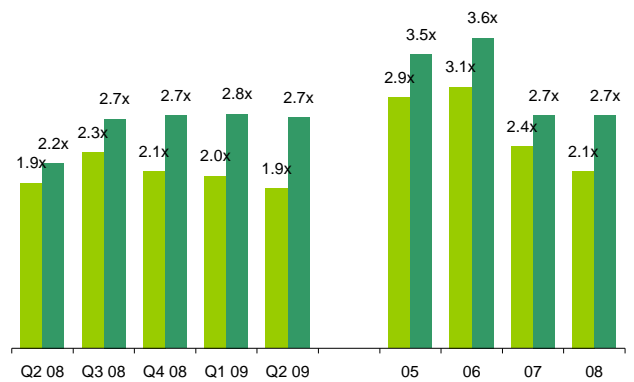
Rent adj. Total Debt/TTM EBITDAR: This ratio is calculated by dividing the Rent Adjusted Total Debt figure (Total Debt plus 8 times TTM Rental Expenses) by EBITDAR (TTM EBITDA plus TTM Rental Expenses).

HAIRCUT EBITDA MULTIPLE / TOTAL DEBT: We adjust TTM EBITDA to 70% of its stated value, multiply the result with 4.5 as an assumed exit multiple and relate the resulting figure (the haircut EBITDA multiple) to the TOTAL DEBT number. This ratio should reflect the situation of an issuer's liquidation, whereby the assets can be sold at a reduced EBITDA multiple.

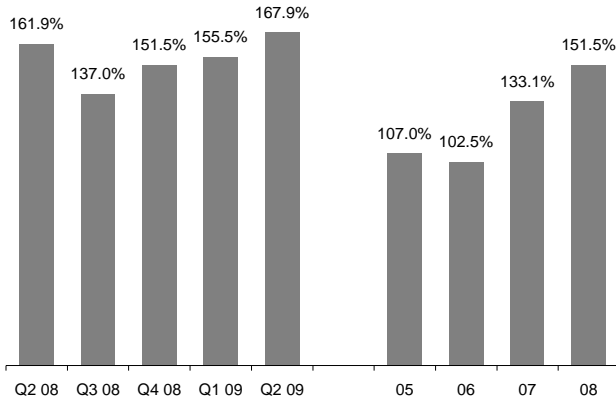
NET DEBT / TTM EBITDA



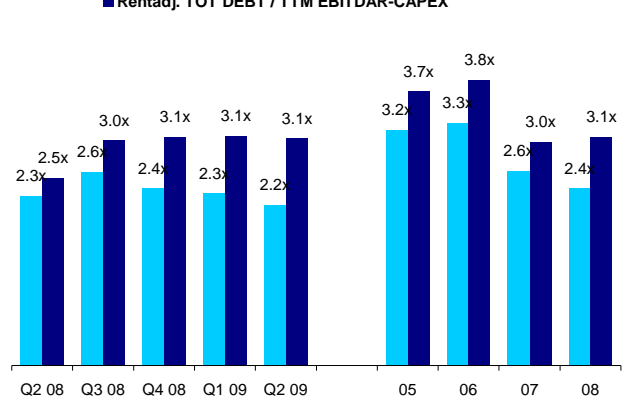
TOTAL DEBT / TTM EBITDA, TOTAL DEBT / TTM EBITDA-CAPEX



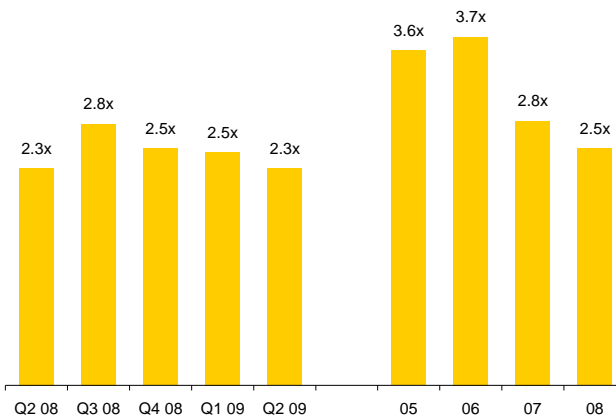
HAIRCUT EBITDA MULTIPLE / TOTAL DEBT



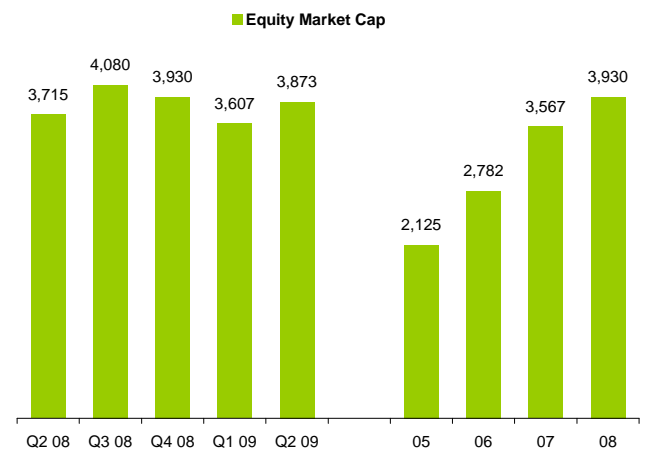
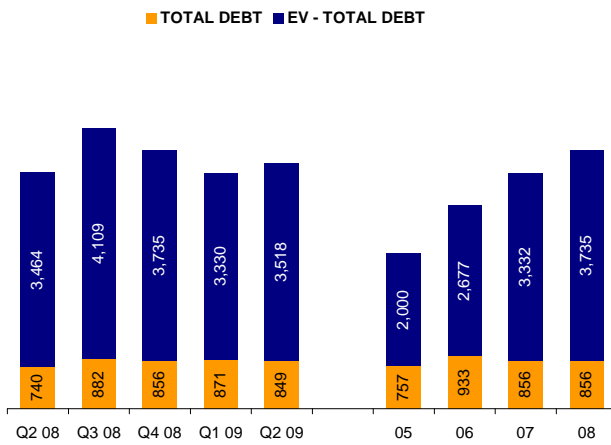
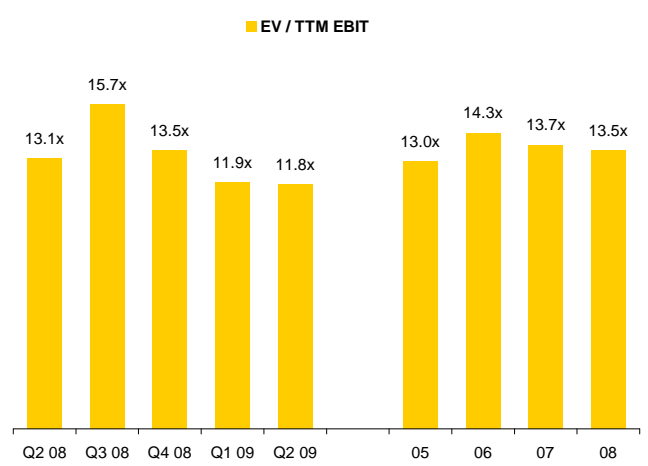
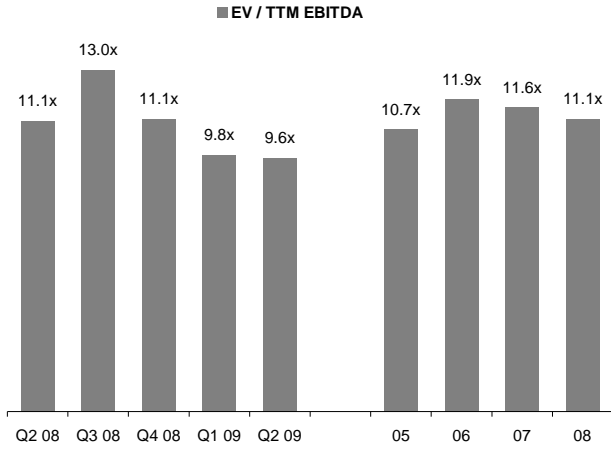
Rentadj. TOT DEBT / TTM EBITDAR, Rentadj. TOT DEBT / TTM EBITDAR-CAPEX



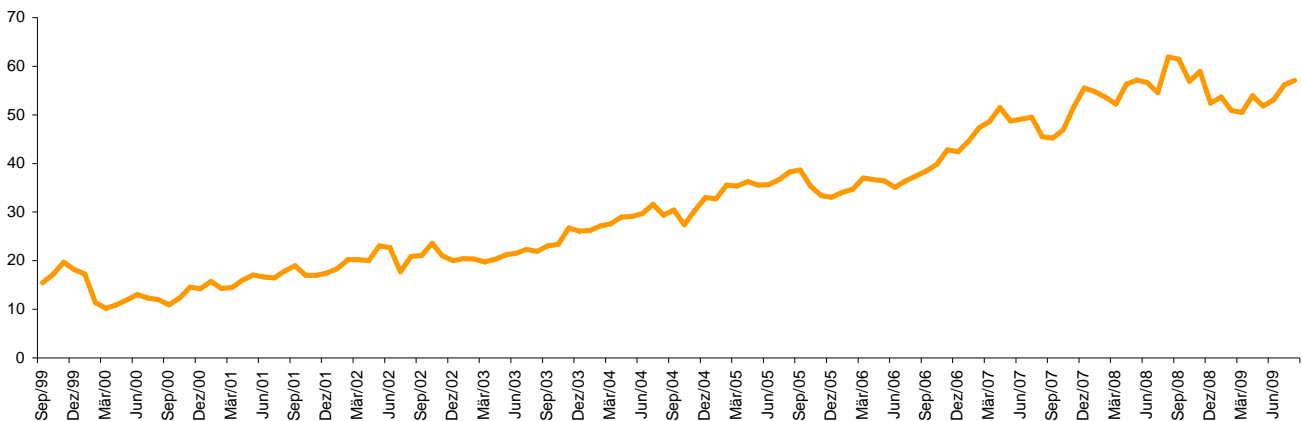
TOTAL DEBT / TTM EBIT



| USD in millions | | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|------------------|-------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| ENTERPRISE VALUE | EV / TTM EBITDA | 11.1x | 13.0x | 11.1x | 9.8x | 9.6x | 10.7x | 11.9x | 11.6x | 11.1x |
| | EV / TTM EBIT | 13.1x | 15.7x | 13.5x | 11.9x | 11.8x | 13.0x | 14.3x | 13.7x | 13.5x |
| | Enterprise Value | 4,204 | 4,991 | 4,591 | 4,201 | 4,368 | 2,757 | 3,611 | 4,188 | 4,591 |
| | TOTAL DEBT | 740 | 882 | 856 | 871 | 849 | 757 | 933 | 856 | 856 |
| | Equity Market Cap | 3,715 | 4,080 | 3,930 | 3,607 | 3,873 | 2,125 | 2,782 | 3,567 | 3,930 |



CHD US stock closing price



| USD in millions | | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|--------------------------|--|-------|-------|-------|-------|----------|-------|-------|-------|----------|
| RETURN ON CAPITAL | | | | | | 06/26/09 | | | | 12/31/08 |
| | Adjusted Cap Rate | 5.01% | 4.18% | 0 | 5.50% | 5.55% | 5.33% | 4.78% | 4.94% | 5.01% |
| | Tangible Capital | 780 | 852 | 837 | 835 | 830 | 261 | 321 | 333 | 837 |
| | Total Intangibles | 905 | 1,189 | 1,153 | 1,147 | 1,138 | 1,066 | 1,366 | 1,354 | 1,153 |
| | Pre-tax ROIC | 41.2% | 37.3% | 40.7% | 42.2% | 44.5% | 81.4% | 78.4% | 91.7% | 40.7% |
| | After-tax ROIC (effective tax rate) | 25.0% | 24.5% | 25.4% | 26.5% | 27.2% | 57.2% | 51.1% | 58.5% | 25.7% |
| | After-tax ROIC (assumed tax rate) | 26.8% | 24.3% | 26.4% | 27.4% | 28.9% | 52.9% | 51.0% | 59.6% | 26.4% |
| | WACD (Pre-tax) | 7.1% | 5.6% | | | | 5.8% | 5.8% | 6.9% | 5.5% |

explanations and definitions:

Adjusted Cap Rate: This ratio shows EBIT reduced by an assumed tax rate of 35% and adjusted for Net Non-Operating and Extraordinary Losses (Gains) - averaged over the last 5 years - divided by the Enterprise Value.

Tangible Capital: Starting with the Total Book Capital the Tangible Capital figure is calculated by subtracting Intangibles, Cash and Marketable Securities as well as Short Term Investments.

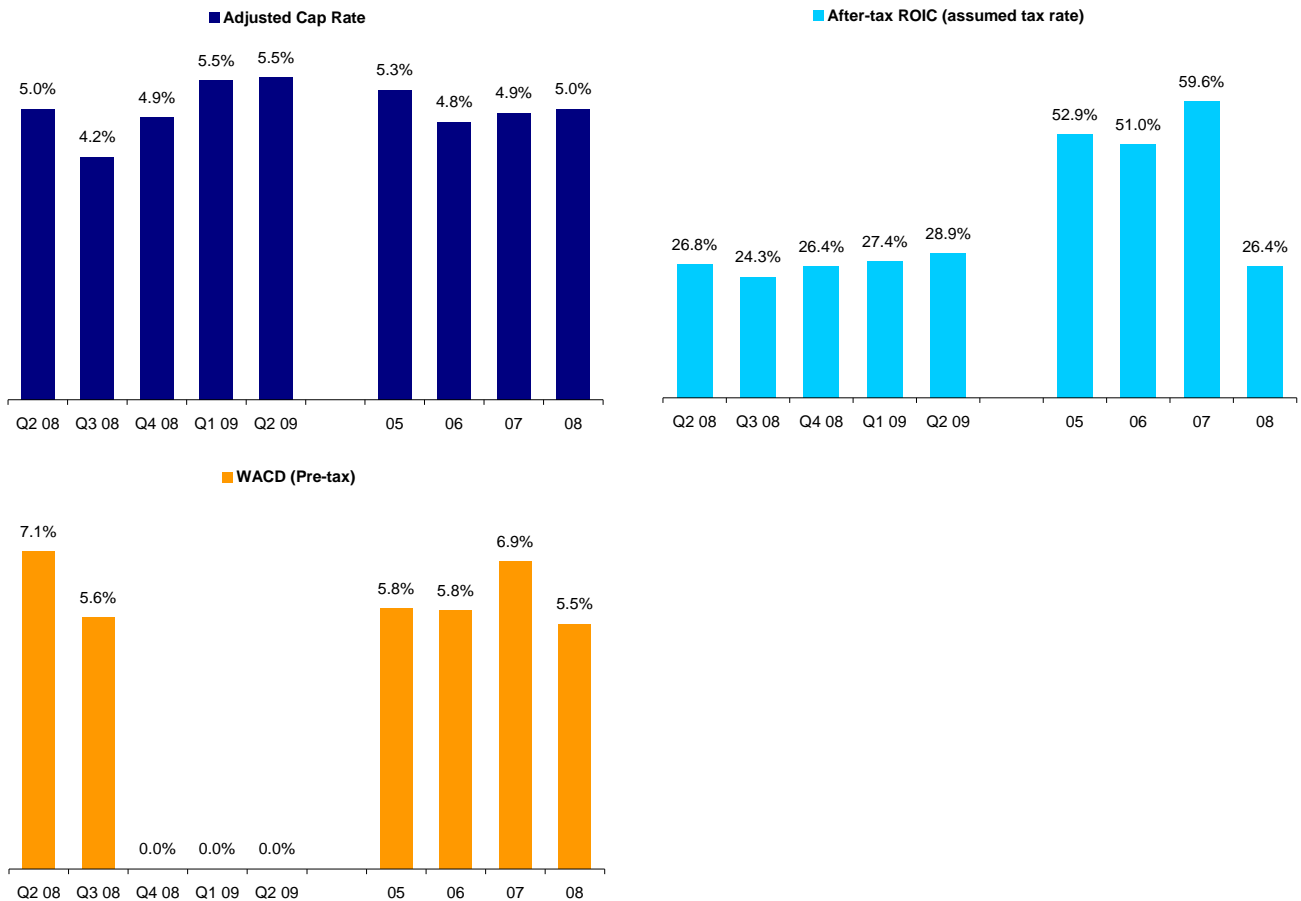
We calculate three different ROIC (Return on Invested Capital) figures:

Pre-Tax ROIC: this ratio relates the trailing twelve months (TTM) EBIT to Tangible Capital as defined above.

After-tax ROIC (effective tax rate): here EBIT is corrected by the company's effective tax rate as stated in it's latest financials, giving an after-tax ROIC rate.

After-tax ROIC (assumed tax rate): here EBIT is corrected by an assumed tax rate of 35%, giving a modified after-tax ROIC rate.

WACD (Pre-Tax): This rate is defined as trailing twelve months (TTM) TOTAL INTEREST EXPENSE divided by Total Borrowings.



| | |
|--------------------------------------|--------|
| Average Bond Spread (in BPoints (1)) | 342 |
| Estimated Bond Recovery Rate (2) | 100.0% |
| Resulting Tolerable Default Rate (3) | NM |

explanations and definitions:

We calculate estimated default and recovery rates to be used in other credit models (f.i. for the valuation of CDOs or similar structures) as follows:

(1) **Average Bond Spread:** Average Spread of all bonds listed on page 2 of this report.

(2) **Estimated Bond Recovery Rate:** To calculate this rate we first divide the total debt amount into bond debt and loan debt that is senior to bond debt. As an approximation for the total amount of bond debt we use the sum of the amounts outstanding of all bonds listed on page 1 of this report. The total debt figure is reduced by this sum, giving us an approximate figure for debt that is senior to bond debt. We then calculate a collateral asset coverage figure for the bond debt by starting with the Collateral Asset Value (as defined on page 5 of this report) which we reduce by the amount of senior debt ahead of the bonds. The remaining Collateral Asset Value is then divided by the approximate bond debt amount as defined above, giving an estimated recovery value on a collateral asset basis. We apply the same logic to an EBITDA multiple ratio (as on page 7 of this report) and get a second recovery estimate based on the EBITDA multiple. The higher of the 2 estimates is used as the "Estimated Bond Recovery Rate".

(3) **Resulting Tolerable Default Rate:** The implied default rate calculated using the Market Spread (1) and the Estimated Recovery Rate (2). With the given Market Spread and Estimated Recovery Rate it defines the maximum tolerable default probability for the risk premium paid in the form of Spread. Please note: This rate will only be displayed when it is greater than 0% and lower than 30% as we believe it is not meaningful ('NM') out of this range.

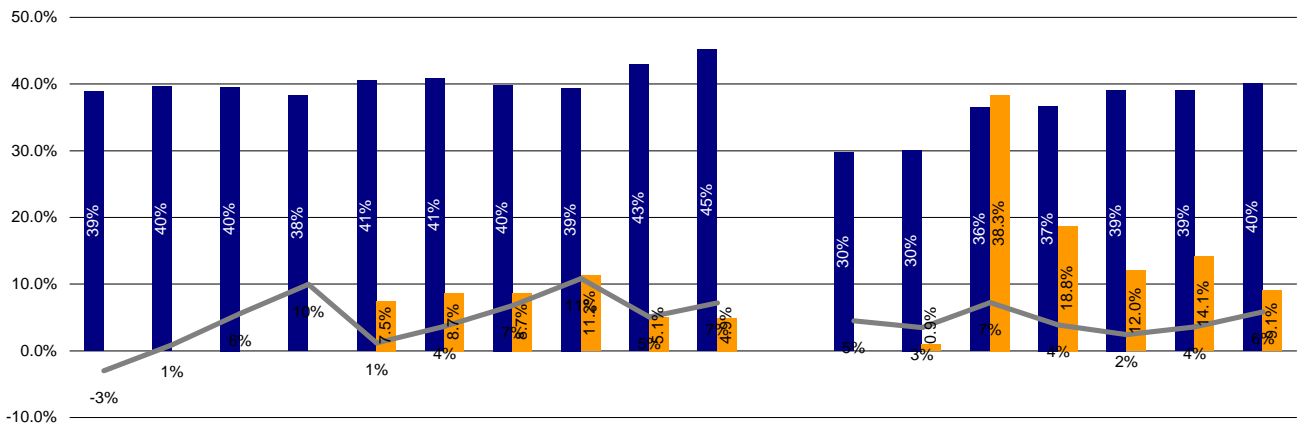
Although we acknowledge that the calculated results are by no means exact, we think they make for a good estimate in the valuation of credit structures when individual default and recovery rates for single issuers are to be used.

| USD in millions | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|--|-------|-------|-------|-------|----------|-------|--------|-------|----------|
| | | | | | 06/26/09 | | | | 12/31/08 |
| Total Assets | 2,551 | 2,843 | 2,801 | 2,901 | 3,005 | 1,962 | 2,334 | 2,532 | 2,801 |
| Total Liabilities | 1,351 | 1,507 | 1,470 | 1,510 | 1,530 | 1,265 | 1,470 | 1,452 | 1,470 |
| Total Intangibles | 905 | 1,189 | 1,153 | 1,147 | 1,138 | 1,066 | 1,366 | 1,354 | 1,153 |
| Tangible Net Worth | 296 | 146 | 179 | 244 | 337 | -369 | -501 | -274 | 179 |
| Rent Debt (8x Annual Rental Expense) | 178 | 178 | 178 | 178 | 178 | 98 | 101 | 138 | 178 |
| Underfunded Pension & Post Ret. Liab. | | | | | | -59 | -51 | -35 | -36 |
| Discount on Hard Assets | 528 | 536 | 538 | 553 | 590 | 451 | 501 | 528 | 538 |
| Adjusted Tangible Net Worth | -410 | -568 | -537 | -487 | -430 | -975 | -1,154 | -974 | -572 |

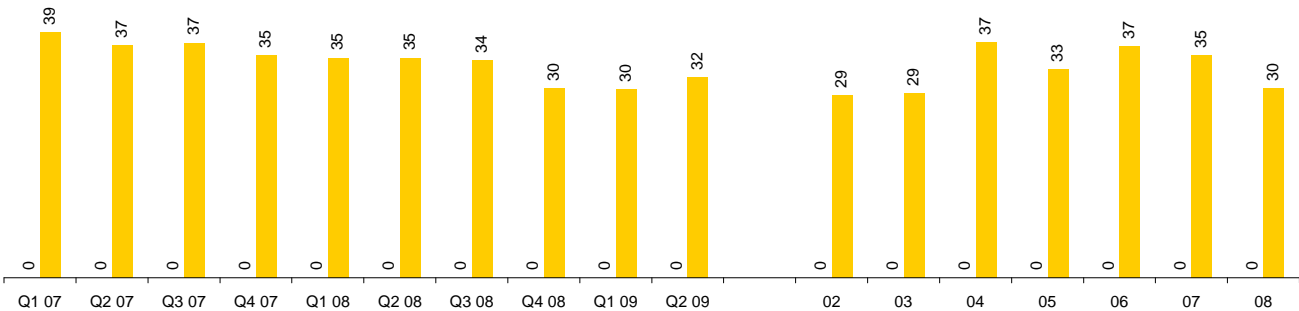
| USD in millions | Q2 08 | Q3 08 | Q4 08 | Q1 09 | Q2 09 | 05 | 06 | 07 | 08 |
|---------------------------------|-------|-------|-------|-------|----------|-------|-------|-------|----------|
| | | | | | 06/26/09 | | | | 12/31/08 |
| (CFO-Net Income)/Revenues | 3.7% | 6.8% | 10.8% | 5.1% | 7.2% | 3.9% | 2.4% | 3.6% | 5.8% |
| yoy Revenue Growth | 8.7% | 8.7% | 11.2% | 5.1% | 4.9% | 18.8% | 12.0% | 14.1% | 9.1% |
| Gross Margin | 40.8% | 39.8% | 39.4% | 42.9% | 45.2% | 36.7% | 39.1% | 39.1% | 40.1% |
| Days Sales Outstanding | 43 | 41 | 32 | 32 | 34 | 40 | 43 | 41 | 32 |
| Days Sales of Inventory | 35 | 34 | 30 | 30 | 32 | 33 | 37 | 35 | 30 |
| Soft Assets | 1,461 | 1,828 | 1,809 | 1,805 | 1,778 | 1,157 | 1,452 | 1,465 | 1,809 |
| Unbilled Receivables | - | - | - | - | - | - | - | - | - |
| Deferred / Unearned Revenue | - | - | - | - | - | - | - | - | - |
| Allowance for Doubtful Accounts | 4 | 5 | 5 | 6 | 6 | 2 | 2 | 5 | 5 |
| TTM Dividends Paid | 21 | 22 | 23 | 24 | 25 | 15 | 17 | 20 | 23 |
| TTM Preferred Dividends | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Change in Capital Stock | 5 | 7 | 3 | 3 | 2 | 17 | 20 | 24 | 19 |
| Non-Capex CFI (CFI less Capex) | 1 | -379 | -1 | 1 | 31 | -67 | -338 | 6 | -368 |

ACCOUNTING RED FLAGS

Gross Margin yoy Revenue Growth (CFO-Net Income)/Revenues



Days Sales Outstanding Days Sales of Inventory



Auditor Information:

| | |
|--|---|
| Current auditor | DELOITTE & TOUCHE LLP (as of 24.2.2009) |
| Auditor's opinion | Unqualified |
| Auditor's opinion - Definitions | |
| Not Audited / Unaudited | No tests were performed to verify amounts in financial statements. Typically applied to interim statement. |
| Partially audited | Not all statements were audited. Auditor may specifically give opinion on one or two statements. |
| Unqualified | Auditor declares, without reservation, that the financial statements fairly represent the company's financial position at a point in time and that the statements conform in all material respects to GAAP. |
| Qualified: Limited Scope | An aspect of the company's financial statements could not be verified, such as a portion of inventory not counted. |
| Qualified: Inconsistent Standards | Accounting standards were not applied consistently between periods. |
| Qualified: not GAAP | Standard accounting principles for the country were not followed. Typically related to a unique line item and uses the phrase 'except for.' |
| Qualified: uncertainty | Doubt exists related to a material balance sheet item, such as value of investment or collectability of major receivable; or auditor doubts going concern ability of company. This opinion usually employs the phrase 'subject to.' |
| Disclaimer | Auditor refuses to state opinion on financial statements, typically due to lack of sufficient documentation provided by company and/or subsidiaries. |

Quarterly Report (Form Type 10-Q)

end of period

| | | |
|-------------------------------|---|----------|
| Form 10-Q -- Quarterly report | http://www.sec.gov/Archives/edgar/data/313927/000119312509163610/d10q.htm | 06/26/09 |
| Form 10-Q -- Quarterly report | http://www.sec.gov/Archives/edgar/data/313927/000114036109011093/chd10q1q2009.htm | 03/27/09 |
| Form 10-Q -- Quarterly report | http://www.sec.gov/Archives/edgar/data/313927/000031392708000556/form10q3q2008.htm | 09/26/08 |
| Form 10-Q -- Quarterly report | http://www.sec.gov/Archives/edgar/data/313927/000031392708000406/form10q2q2008.htm | 06/27/08 |
| Form 10-Q -- Quarterly report | http://www.sec.gov/Archives/edgar/data/313927/000031392708000221/chd10q-q12008.htm | 03/28/08 |
| Form 10-Q -- Quarterly report | http://www.sec.gov/Archives/edgar/data/313927/000119312507236794/d10q.htm | 09/28/07 |
| Form 10-Q -- Quarterly report | http://www.sec.gov/Archives/edgar/data/313927/000119312507173469/d10q.htm | 06/29/07 |
| Form 10-Q -- Quarterly report | http://www.sec.gov/Archives/edgar/data/313927/000119312507105924/d10q.htm | 03/30/07 |
| Form 10-Q -- Quarterly report | http://www.sec.gov/Archives/edgar/data/313927/000119312506226557/d10q.htm | 09/29/06 |
| Form 10-Q -- Quarterly report | http://www.sec.gov/Archives/edgar/data/313927/000119312506165281/d10q.htm | 06/30/06 |

Annual Report (Form Type 10-K)

end of period

| | | |
|------------------------------|---|----------|
| Form 10-K -- Annual report | http://www.sec.gov/Archives/edgar/data/313927/000119312509036152/d10k.htm | 12/31/08 |
| Form 10-K -- Annual report | http://www.sec.gov/Archives/edgar/data/313927/000119312508039878/d10k.htm | 12/31/07 |
| Form 10-K -- Annual report | http://www.sec.gov/Archives/edgar/data/313927/000119312507039869/d10k.htm | 12/31/06 |
| Form 10-K -- Annual report | http://www.sec.gov/Archives/edgar/data/313927/000119312506052189/d10k.htm | 12/31/05 |
| Form 10-K/A -- Annual report | http://www.sec.gov/Archives/edgar/data/313927/000119312505052382/d10ka.htm | 12/31/04 |
| Form 10-K -- Annual report | http://www.sec.gov/Archives/edgar/data/313927/000119312505047881/d10k.htm | 12/31/04 |
| Form 10-K -- Annual report | http://www.sec.gov/Archives/edgar/data/313927/000119312504042212/d10k.htm | 12/31/03 |
| Form 10-K -- Annual report | http://www.sec.gov/Archives/edgar/data/313927/000095012303003367/y84841e10vk.txt | 12/31/02 |
| Form 10-K -- Annual report | http://www.sec.gov/Archives/edgar/data/313927/000095012302003119/y59049e10-k.txt | 12/31/01 |
| Form 10-K -- Annual report | http://www.sec.gov/Archives/edgar/data/313927/000031392701000084/0000313927-01-000084-0001.txt | 12/31/00 |

Special Events & Material News (Form Type 8-K)

filing date

| | | |
|----------------------------|---|----------|
| Form 8-K -- Current report | http://www.sec.gov/Archives/edgar/data/313927/000119312509163146/d8k.htm | 08/04/09 |
| Form 8-K -- Current report | http://www.sec.gov/Archives/edgar/data/313927/000114036109011009/form8k.htm | 05/05/09 |
| Form 8-K -- Current report | http://www.sec.gov/Archives/edgar/data/313927/000031392709000018/icmetrics.htm | 03/20/09 |
| Form 8-K -- Current report | http://www.sec.gov/Archives/edgar/data/313927/000031392709000016/whitneyretirement8k.htm | 03/17/09 |
| Form 8-K -- Current report | http://www.sec.gov/Archives/edgar/data/313927/000031392709000008/chd8kearnings.htm | 02/05/09 |
| Form 8-K -- Current report | http://www.sec.gov/Archives/edgar/data/313927/000031392709000005/chd8k.htm | 02/03/09 |
| Form 8-K -- Current report | http://www.sec.gov/Archives/edgar/data/313927/000031392708000551/form8k110408.htm | 11/04/08 |
| Form 8-K -- Current report | http://www.sec.gov/Archives/edgar/data/313927/000031392708000420/chd8k08202008.htm | 08/19/08 |
| Form 8-K -- Current report | http://www.sec.gov/Archives/edgar/data/313927/000031392708000387/form8kq2earningsrelease.htm | 08/04/08 |
| Form 8-K -- Current report | http://www.sec.gov/Archives/edgar/data/313927/000031392708000370/chd8k07162008.htm | 07/17/08 |

Prospectus (Form Type 42..)

filing date

| | | |
|---|---|----------|
| Form 424B3 -- Prospectus [Rule 424(b)(3)] | http://www.sec.gov/Archives/edgar/data/313927/000119312505115710/d424b3.htm | 05/26/05 |
| Form 424B3 -- Prospectus [Rule 424(b)(3)] | http://www.sec.gov/Archives/edgar/data/313927/000119312505033042/d424b3.htm | 02/18/05 |
| Form 424B3 -- Prospectus [Rule 424(b)(3)] | http://www.sec.gov/Archives/edgar/data/313927/000119312504156962/d424b3.htm | 09/15/04 |
| Form 424B3 -- Prospectus [Rule 424(b)(3)] | http://www.sec.gov/Archives/edgar/data/313927/000119312504105990/d424b3.htm | 06/21/04 |
| Form 424B3 -- Prospectus [Rule 424(b)(3)] | http://www.sec.gov/Archives/edgar/data/313927/000119312504104557/d424b3.htm | 06/17/04 |



Zero
Hedge

On a long enough timeline
the survival rate for
everyone drops to zero.

This research report was prepared by Zerohedge. The information herein has been obtained from, and any opinions herein are based upon, sources believed to be reliable, but Zerohedge does not represent that it is accurate or complete and it should not be relied upon as such. All opinions, forecasts and estimates herein reflect our judgement on the date of this report and are subject to change without notice.

This document may not be reproduced, distributed or published without the prior consent of Zerohedge.