

PROCTER & GAMBLE Co
Form 8-K
May 04, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act Of 1934

Date of Report (Date of earliest event reported) May 4, 2012

THE PROCTER & GAMBLE COMPANY
(Exact name of registrant as specified in its charter)

| | | |
|--|-----------------------------------|--|
| Ohio (State or other jurisdiction of incorporation) | 1-434 (Commission File Number) | 31-0411980 (IRS Employer Identification Number) |
|--|-----------------------------------|--|

| | |
|--|-------------------|
| One Procter & Gamble Plaza, Cincinnati, Ohio (Address of principal executive offices) | 45202 Zip Code |
|--|-------------------|

| | |
|--|-------------------|
| (513) 983-1100 (Registrant's telephone number, including area code) | 45202 Zip Code |
|--|-------------------|

- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 7.01 REGULATION FD DISCLOSURE

During the quarter ended March 31, 2012, the Procter & Gamble Company (the "Company") began presenting its Snacks business as a discontinued operation. During the quarter ended December 31, 2011, the Company changed its segment reporting structure and presentation of the Consolidated Statement of Earnings. This Form 8-K provides pro forma historical Consolidated Statements of Earnings and segment results for the three months ended September 30, 2011, December 31, 2011, and June 30, 2011, as well as for the twelve months ended June 30, 2011. This information in no way revises or restates the Consolidated Statement of Earnings, Consolidated Balance Sheet, Consolidated Statement of Shareholder's Equity or Consolidated Statements of Cash Flows for the Company and consolidated

subsidiaries for any period.

Presentation of the Snacks Business as Discontinued Operations

Effective during the quarter ended March 31, 2012, we reported the Snacks business as discontinued operations due to the agreement that was announced in February 2012 to divest the Snacks business to The Kellogg Company. Therefore, Snacks sales and earnings are no longer included in the results of the continuing operations of the Company. The transaction is expected to close by the end of the current fiscal year, subject to necessary regulatory approvals. Additionally, as a result of this change the Pet Care business is now included in the Fabric Care and Home Care segment effective in the January – March 2012 quarter.

Fiscal Year 2012 Changes to Global Business Unit (GBU) Structure

Effective during the quarter ended December 31, 2011, we implemented a number of changes to our organization structure within the Beauty & Grooming GBU, which resulted in changes to the components of the Beauty reportable segment and Grooming reportable segment. These two segments transitioned from consumer-oriented to product-oriented segment breakouts. As a result, female blades and razors transitioned from the Beauty reporting segment to the Grooming reporting segment, while male personal care products such as Old Spice and Gillette, moved from the Grooming reporting segment to the Beauty reporting segment.

Presentation of the Consolidated Statements of Earnings

Effective during the quarter ended December 31, 2011, we elected to revise our Consolidated Statements of Earnings to present separately the expense for net earnings attributable to noncontrolling interests. As previously disclosed, this expense has not historically been presented separately in the Consolidated Statements of Earnings due to immateriality, but has been reflected within other non-operating income/(expense). The historical Consolidated Statements of Earnings have been revised to conform to the new presentation.

This document provides pro forma historical segment and consolidated earnings information reflecting these changes for the three months ended September 30, 2011, December 31, 2011, and June 30, 2011, as well as for the twelve months ended June 30, 2011.

THE PROCTER & GAMBLE COMPANY AND SUBSIDIARIES

(Amounts in Millions)

Segment Earnings

Information

Three Months Ended September 30, 2011

| | Previously reported | | | Pro forma | | |
|---------------------------|---------------------------|--------------|---|---------------------------|--------------|---|
| | Earnings Before Net Sales | Income Taxes | Net Earnings From Continuing Operations | Earnings Before Net Sales | Income Taxes | Net Earnings From Continuing Operations |
| Beauty | \$ 5,315 | \$ 928 | \$ 683 | \$ 5,315 | \$ 928 | \$ 683 |
| Grooming | 2,168 | 639 | 486 | 2,168 | 639 | 486 |
| Health Care | 3,291 | 800 | 542 | 3,291 | 800 | 542 |
| Snacks and Pet Care | 776 | 90 | 62 | N/A | N/A | N/A |
| Fabric Care and Home Care | 6,681 | 1,263 | 805 | 7,071 | 1,282 | 818 |
| Baby Care and Family Care | 4,079 | 792 | 494 | 4,079 | 792 | 494 |
| Corporate | (393) | (417) | (48) | (394) | (397) | (24) |
| Total Company | \$ 21,917 | \$ 4,095 | \$ 3,024 | \$ 21,530 | \$ 4,044 | \$ 2,999 |

THE PROCTER & GAMBLE COMPANY AND

SUBSIDIARIES

(Amounts in Millions)

Segment Earnings

Information

Three Months Ended December 31, 2011

| | Previously reported | | | Pro forma | | |
|--------|---------------------------|--------------|---|---------------------------|--------------|---|
| | Earnings Before Net Sales | Income Taxes | Net Earnings Attributable to Procter & Gamble | Earnings Before Net Sales | Income Taxes | Net Earnings From Continuing Operations |
| Beauty | \$ 5,353 | \$ 1,014 | \$ 802 | \$ 5,353 | \$ 1,014 | \$ 802 |

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| | | | | | | |
|---------------------------|-----------|----------|----------|-----------|----------|----------|
| Grooming | 2,202 | 692 | 517 | 2,202 | 692 | 517 |
| Health Care | 3,183 | 784 | 537 | 3,183 | 784 | 537 |
| Snacks and Pet Care | 824 | 95 | 61 | N/A | N/A | N/A |
| Fabric Care and Home Care | 6,605 | 1,151 | 717 | 7,037 | 1,200 | 746 |
| Baby Care and Family Care | 4,162 | 816 | 516 | 4,162 | 816 | 516 |
| Corporate | (194) | (1,844) | (1,460) | (193) | (1,857) | (1,446) |
| Total Company | \$ 22,135 | \$ 2,708 | \$ 1,690 | \$ 21,744 | \$ 2,649 | \$ 1,672 |

THE PROCTER & GAMBLE COMPANY AND SUBSIDIARIES
(Amounts in Millions)
Segment Earnings Information

| | Three Months Ended June 30, 2011 | | | | | |
|---------------------------|----------------------------------|--------------|------------|----------------------------|--------------|------------|
| | Previously reported | | | Pro forma | | |
| | Net Earnings | | | Net Earnings | | |
| | From | | | From | | |
| | Earnings Before Continuing | | | Earnings Before Continuing | | |
| | Net Sales | Income Taxes | Operations | Net Sales | Income Taxes | Operations |
| Beauty | \$ 5,068 | \$ 623 | \$ 414 | \$ 4,982 | \$ 579 | \$ 381 |
| Grooming | 2,056 | 500 | 372 | 2,142 | 544 | 405 |
| Health Care | 2,949 | 542 | 343 | 2,949 | 542 | 343 |
| Snacks and Pet Care | 850 | 92 | 59 | N/A | N/A | N/A |
| Fabric Care and Home Care | 6,144 | 937 | 560 | 6,585 | 961 | 576 |
| Baby Care and Family Care | 4,056 | 798 | 478 | 4,056 | 798 | 478 |
| Corporate | (263) | (287) | 284 | (263) | (295) | 285 |
| Total Company | \$ 20,860 | \$ 3,205 | \$ 2,510 | \$ 20,451 | \$ 3,129 | \$ 2,468 |

THE PROCTER & GAMBLE COMPANY AND SUBSIDIARIES
(Amounts in Millions)
Segment Earnings Information

| | Twelve Months Ended June 30, 2011 | | | | | |
|----------|-----------------------------------|--------------|------------|----------------------------|--------------|------------|
| | Previously reported | | | Pro forma | | |
| | Net Earnings | | | Net Earnings | | |
| | From | | | From | | |
| | Earnings Before Continuing | | | Earnings Before Continuing | | |
| | Net Sales | Income Taxes | Operations | Net Sales | Income Taxes | Operations |
| Beauty | \$ 19,937 | \$ 3,415 | \$ 2,542 | \$ 19,937 | \$ 3,415 | \$ 2,542 |
| Grooming | 8,245 | 2,375 | 1,775 | 8,245 | 2,375 | 1,775 |

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|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Health Care | 12,033 | 2,720 | 1,796 | 12,033 | 2,720 | 1,796 |
| Snacks and Pet Care | 3,156 | 356 | 241 | N/A | N/A | N/A |
| Fabric Care and Home Care | 24,837 | 4,714 | 3,009 | 26,536 | 4,867 | 3,109 |
| Baby Care and Family Care | 15,606 | 3,181 | 1,978 | 15,606 | 3,181 | 1,978 |
| Corporate | (1,255) | (1,442) | 586 | (1,253) | (1,561) | 498 |
| Total Company | \$ 82,559 | \$ 15,319 | \$ 11,927 | \$ 81,104 | \$ 14,997 | \$ 11,698 |

THE PROCTER & GAMBLE COMPANY AND SUBSIDIARIES
(Amounts in Millions Except Per Share Amounts)
Consolidated Earnings Information

Three Months Ended September 30, 2011

| | As reported | | Pro forma |
|---|-------------|----|-----------|
| NET SALES | \$ 21,917 | \$ | 21,530 |
| COST OF PRODUCTS SOLD | 11,061 | | 10,806 |
| SELLING, GENERAL & ADMINISTRATIVE EXPENSE | 6,522 | | 6,474 |
| OPERATING INCOME | 4,334 | | 4,250 |
| TOTAL INTEREST EXPENSE | 207 | | 207 |
| OTHER NON-OPERATING INCOME/(EXPENSE), NET | (32) | | 1 |
| EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES | 4,095 | | 4,044 |
| INCOME TAXES ON CONTINUING OPERATIONS | 1,071 | | 1,045 |
| NET EARNINGS FROM CONTINUING OPERATIONS | 3,024 | | 2,999 |
| NET EARNINGS FROM DISCONTINUED OPERATIONS | - | | 58 |
| NET EARNINGS | 3,024 | | 3,057 |
| LESS: NET EARNINGS ATTRIBUTABLE TO NONCONTROLLING INTERESTS | - | | 33 |
| NET EARNINGS ATTRIBUTABLE TO PROCTER & GAMBLE | 3,024 | | 3,024 |
| EFFECTIVE TAX RATE | 26.2 % | | 25.8 % |
| BASIC NET EARNINGS PER COMMON SHARE (1): | | | |
| EARNINGS FROM CONTINUING OPERATIONS | \$ 1.08 | \$ | 1.06 |
| EARNINGS FROM DISCONTINUED OPERATIONS | - | \$ | 0.02 |
| BASIC NET EARNINGS PER COMMON SHARE | \$ 1.08 | \$ | 1.08 |
| DILUTED NET EARNINGS PER COMMON SHARE (1): | | | |
| EARNINGS FROM CONTINUING OPERATIONS | \$ 1.03 | \$ | 1.01 |
| | - | \$ | 0.02 |

EARNINGS FROM DISCONTINUED
OPERATIONS

| | | | | |
|--|----|------|----|------|
| DILUTED NET EARNINGS PER COMMON SHARE | \$ | 1.03 | \$ | 1.03 |
|--|----|------|----|------|

| | | | | |
|---------------------------------------|----|---------|----|---------|
| DIVIDENDS PER COMMON SHARE | \$ | 0.5250 | \$ | 0.5250 |
| AVERAGE DILUTED SHARES OUTSTANDING | | 2,945.8 | | 2,945.8 |

(1) Basic net earnings per share and diluted net earnings per share are calculated on net earnings attributable to Procter & Gamble

THE PROCTER & GAMBLE COMPANY AND SUBSIDIARIES
(Amounts in Millions Except Per Share Amounts)
Consolidated Earnings Information

Three Months Ended December 31, 2011

| | As reported | | Pro forma |
|---|-------------|----|-----------|
| NET SALES | \$ 22,135 | \$ | 21,744 |
| COST OF PRODUCTS SOLD | 11,125 | | 10,851 |
| SELLING, GENERAL & ADMINISTRATIVE EXPENSE | 6,717 | | 6,659 |
| GOODWILL & INDEFINITE LIVED INTANGIBLE IMPAIRMENT CHARGES | 1,554 | | 1,554 |
| OPERATING INCOME | 2,739 | | 2,680 |
| TOTAL INTEREST EXPENSE | 201 | | 201 |
| OTHER NON-OPERATING INCOME/(EXPENSE), NET | 170 | | 170 |
| EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES | 2,708 | | 2,649 |
| INCOME TAXES ON CONTINUING OPERATIONS | 995 | | 977 |
| NET EARNINGS FROM CONTINUING OPERATIONS | 1,713 | | 1,672 |
| NET EARNINGS FROM DISCONTINUED OPERATIONS | - | | 41 |
| NET EARNINGS | 1,713 | | 1,713 |
| LESS: NET EARNINGS ATTRIBUTABLE TO NONCONTROLLING INTERESTS | 23 | | 23 |
| NET EARNINGS ATTRIBUTABLE TO PROCTER & GAMBLE | 1,690 | | 1,690 |
| EFFECTIVE TAX RATE | 36.7 % | | 36.9 % |
| BASIC NET EARNINGS PER COMMON SHARE (1): | | | |
| EARNINGS FROM CONTINUING OPERATIONS | \$ 0.59 | \$ | 0.58 |
| EARNINGS FROM DISCONTINUED OPERATIONS | - | \$ | 0.01 |
| BASIC NET EARNINGS PER COMMON SHARE | \$ 0.59 | \$ | 0.59 |
| DILUTED NET EARNINGS PER COMMON SHARE (1): | | | |
| EARNINGS FROM CONTINUING OPERATIONS | \$ 0.57 | \$ | 0.56 |
| | - | \$ | 0.01 |

EARNINGS FROM DISCONTINUED
OPERATIONS

| | | | | |
|--|----|------|----|------|
| DILUTED NET EARNINGS PER COMMON SHARE | \$ | 0.57 | \$ | 0.57 |
|--|----|------|----|------|

| | | | | |
|---------------------------------------|----|---------|----|---------|
| DIVIDENDS PER COMMON SHARE | \$ | 0.5250 | \$ | 0.5250 |
| AVERAGE DILUTED SHARES OUTSTANDING | | 2,949.7 | | 2,949.7 |

(1) Basic net earnings per share and diluted net earnings per share are calculated on net earnings attributable to Procter & Gamble

THE PROCTER & GAMBLE COMPANY AND SUBSIDIARIES
(Amounts in Millions Except Per Share Amounts)
Consolidated Earnings Information

Three Months Ended June 30, 2011

| | As reported | Pro forma |
|---|-------------|------------|
| NET SALES | 20,860 | 20,451 |
| COST OF PRODUCTS SOLD | 10,787 | 10,532 |
| SELLING, GENERAL & ADMINISTRATIVE EXPENSE | 6,788 | 6,740 |
| OPERATING INCOME | 3,285 | 3,179 |
| TOTAL INTEREST EXPENSE | 212 | 212 |
| OTHER NON-OPERATING INCOME/(EXPENSE), NET | 132 | 162 |
| EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES | 3,205 | 3,129 |
| INCOME TAXES ON CONTINUING OPERATIONS | 695 | 661 |
| NET EARNINGS FROM CONTINUING OPERATIONS | 2,510 | 2,468 |
| NET EARNINGS FROM DISCONTINUED OPERATIONS | - | 71 |
| NET EARNINGS | 2,510 | 2,539 |
| LESS: NET EARNINGS ATTRIBUTABLE TO NONCONTROLLING INTERESTS | - | 29 |
| NET EARNINGS ATTRIBUTABLE TO PROCTER & GAMBLE | 2,510 | 2,510 |
| EFFECTIVE TAX RATE | 21.7 % | 21.1 % |
| BASIC NET EARNINGS PER COMMON SHARE (1): | | |
| EARNINGS FROM CONTINUING OPERATIONS | \$ 0.88 | \$ 0.85 |
| EARNINGS FROM DISCONTINUED OPERATIONS | \$ - | \$ 0.03 |
| BASIC NET EARNINGS PER COMMON SHARE | \$ 0.88 | \$ 0.88 |
| DILUTED NET EARNINGS PER COMMON SHARE (1): | | |
| EARNINGS FROM CONTINUING OPERATIONS | \$ 0.84 | \$ 0.82 |
| | \$ - | \$ 0.02 |

EARNINGS FROM DISCONTINUED
OPERATIONS

| | | | | |
|--|----|------|----|------|
| DILUTED NET EARNINGS PER COMMON SHARE | \$ | 0.84 | \$ | 0.84 |
|--|----|------|----|------|

| | | | | |
|---------------------------------------|----|---------|----|---------|
| DIVIDENDS PER COMMON SHARE | \$ | 0.5250 | \$ | 0.5250 |
| AVERAGE DILUTED SHARES OUTSTANDING | | 2,983.6 | | 2,983.6 |

(1) Basic net earnings per share and diluted net earnings per share are calculated on net earnings attributable to Procter & Gamble

THE PROCTER & GAMBLE COMPANY AND SUBSIDIARIES
(Amounts in Millions Except Per Share Amounts)
Consolidated Earnings Information

Twelve Months Ended June 30, 2011

| | As reported | Pro forma |
|---|-------------|-----------|
| NET SALES | \$ 82,559 | \$ 81,104 |
| COST OF PRODUCTS SOLD | 40,768 | 39,859 |
| SELLING, GENERAL & ADMINISTRATIVE EXPENSE | 25,973 | 25,750 |
| OPERATING INCOME | 15,818 | 15,495 |
| TOTAL INTEREST EXPENSE | 831 | 831 |
| OTHER NON-OPERATING INCOME/(EXPENSE), NET | 332 | 333 |
| EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES | 15,319 | 14,997 |
| INCOME TAXES ON CONTINUING OPERATIONS | 3,392 | 3,299 |
| NET EARNINGS FROM CONTINUING OPERATIONS | 11,927 | 11,698 |
| NET EARNINGS FROM DISCONTINUED OPERATIONS | - | 229 |
| NET EARNINGS | 11,927 | 11,927 |
| LESS: NET EARNINGS ATTRIBUTABLE TO NONCONTROLLING INTERESTS | 130 | 130 |
| NET EARNINGS ATTRIBUTABLE TO PROCTER & GAMBLE | 11,797 | 11,797 |
| EFFECTIVE TAX RATE | | |
| BASIC NET EARNINGS PER COMMON SHARE (1): | | |
| EARNINGS FROM CONTINUING OPERATIONS | \$ 4.12 | \$ 4.04 |
| EARNINGS FROM DISCONTINUED OPERATIONS | \$ - | \$ 0.08 |
| BASIC NET EARNINGS PER COMMON SHARE | \$ 4.12 | \$ 4.12 |
| DILUTED NET EARNINGS PER COMMON SHARE (1): | | |
| EARNINGS FROM CONTINUING OPERATIONS | \$ 3.93 | \$ 3.85 |
| | \$ - | \$ 0.08 |

EARNINGS FROM DISCONTINUED
OPERATIONS

| | | | | |
|--|----|------|----|------|
| DILUTED NET EARNINGS PER COMMON SHARE | \$ | 3.93 | \$ | 3.93 |
|--|----|------|----|------|

| | | | | |
|---------------------------------------|----|---------|----|---------|
| DIVIDENDS PER COMMON SHARE | \$ | 1.9704 | \$ | 1.9704 |
| AVERAGE DILUTED SHARES OUTSTANDING | | 3,001.9 | | 3,001.9 |

(1) Basic net earnings per share and diluted net earnings per share are calculated on net earnings attributable to Procter & Gamble

This 8-K is furnished pursuant to Item 7.01 "Regulation FD Disclosure".

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

THE PROCTER & GAMBLE
COMPANY

BY: /s/ Susan S. Whaley
Susan S. Whaley
Assistant Secretary
May 4, 2012