SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
for the Quarterly Period Ended June 30, 2000

Commission File Number 1-9608

NEWELL RUBBERMAID INC.

(Exact name of registrant as specified in its charter)

DELAWARE	36-3514169
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

29 East Stephenson Street
Freeport, Illinois 61032-0943
(Address of principal executive offices)
(Zip Code)

(815) 235-4171
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days.

Yes /x/ No / /

Number of shares of Common Stock outstanding (net of treasury shares) as of August 2, 2000: 266,574,627

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited, in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
Net sales	$1,711,515	$1,597,314	$3,262,359	$3,113,507
Cost of products sold	1,224,039	1,176,508	2,366,399	2,269,393
GROSS INCOME	487,476	420,806	895,960	844,114
Selling, general and administrative expenses	221,589	322,528	461,197	582,493
Restructuring costs	7,774	8,697	8,537	186,721
Goodwill amortization and other	12,496	12,625	25,718	24,663
OPERATING INCOME	245,617	76,956	400,508	50,237
Nonoperating expenses:				
Interest expense	33,988	24,440	61,837	49,701
Other, net	3,475	3,246	6,582	6,288
Net nonoperating expenses	37,463	27,686	68,419	55,989
INCOME (LOSS) BEFORE INCOME TAXES	208,154	49,270	332,089	(5,752)
Income taxes	80,139	19,216	127,854	43,193
NET INCOME (LOSS)	$ 128,015	$ 30,054	$204,235	$ (48,945)
Earnings (loss) per share:				
Basic	$ 0.48	$ 0.11	$ 0.76	$ (0.17)

Diluted	0.48	0.11	0.76	(0.17)
Dividends per share	$ 0.21	$ 0.20	$ 0.42	$ 0.40
Weighted average shares outstanding:				
Basic	266,542	281,830	270,300	281,639
Diluted	276,492	281,830	270,300	281,639

See notes to consolidated financial statements.

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited, in thousands)

	June 30, 2000	% of Total	December 31, 1999	% of Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 15,897	0.2%	$ 102,164	1.5%
Accounts receivable, net	1,224,305	18.0%	1,178,423	17.5%
Inventories, net	1,200,547	17.6%	1,034,794	15.4%
Deferred income taxes	245,589	3.6%	250,587	3.7%
Prepaid expenses and other	160,703	2.4%	172,601	2.6%
TOTAL CURRENT ASSETS	2,847,041	41.8%	2,738,569	40.7%
MARKETABLE EQUITY SECURITIES	8,813	0.1%	10,799	0.2%
OTHER LONG-TERM INVESTMENTS	70,216	1.0%	65,905	1.0%
OTHER ASSETS	294,678	4.3%	335,699	5.0%
PROPERTY, PLANT AND EQUIPMENT, NET	1,573,580	23.1%	1,548,191	23.0%
TRADE NAMES AND GOODWILL	2,025,027	29.7%	2,024,925	30.1%
TOTAL ASSETS	$6,819,355	100.0%	$6,724,088	100.0%

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (CONT.)
(Unaudited, in thousands)

	June 30, 2000	% of Total	December 31, 1999	% of Total
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Notes payable	$ 72,031	1.1%	$ 97,291	1.4%
Accounts payable	340,930	5.0%	376,596	5.6%
Accrued compensation	103,883	1.5%	113,373	1.7%
Other accrued liabilities	809,550	11.9%	892,481	13.3%
Income taxes	54,416	0.8%	-	-
Current portion of long-term debt	150,015	2.2%	150,142	2.2%

TOTAL CURRENT LIABILITIES	1,530,825	22.5%	1,629,883	24.2%
LONG-TERM DEBT	2,008,218	29.4%	1,455,779	21.7%
OTHER NON-CURRENT LIABILITIES	350,894	5.1%	354,107	5.3%
DEFERRED INCOME TAXES	85,017	1.3%	85,655	1.3%
MINORITY INTEREST	1,137	0.0%	1,658	0.0%
COMPANY-OBLIGATED MANDATORILY REDEEMABLE CONVERTIBLE PREFERRED SECURITIES OF A SUBSIDIARY TRUST	500,000	7.3%	500,000	7.4%
STOCKHOLDERS' EQUITY				
Common stock - authorized shares, 800.0 million at $1 par value;	282,122	4.1%	282,026	4.2%
Outstanding shares:				
2000 282.1 million				
1999 282.0 million				
Treasury stock	(407,459)	(5.9)%	(2,760)	(0.1)%
Additional paid-in capital	214,017	3.1%	213,112	3.2%
Retained earnings	2,425,604	35.6%	2,334,609	34.7%
Accumulated other comprehensive income	(171,020)	(2.5)%	(129,981)	(1.9)%
TOTAL STOCKHOLDERS' EQUITY	2,343,264	34.4%	2,697,006	40.1%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$6,819,355	100.0%	$6,724,088	100.0%

See notes to consolidated financial statements.

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, in thousands)

	For the Six Months Ended June 30,	
	2000	1999
OPERATING ACTIVITIES:		
Net Income (loss)	$ 204,235	$(48,945)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	154,153	141,265
Deferred income taxes	6,270	18,808
Other	(4,851)	111,354
Changes in current accounts, excluding the effects of acquisitions:		
Accounts receivable	(37,745)	(107,623)
Inventories	(171,959)	(93,204)
Other current assets	6,824	(33,532)
Accounts payable	(39,742)	(2,306)
Accrued liabilities and other	(13,910)	38,279
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 103,275	$ 24,096
INVESTING ACTIVITIES:		
Acquisitions, net	$ (68,147)	$ (35,334)
Expenditures for property, plant and equipment	(159,067)	(89,031)
Disposals of non-current assets and other	8,302	11,250
NET CASH USED IN INVESTING ACTIVITIES	$ (218,912)	$ (113,115)

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT.)
(Unaudited, in thousands)

	For the Six Months Ended June 30,	
	2000	1999
FINANCING ACTIVITIES:		
Proceeds from issuance of debt	$ 768,075	$719,424
Payments on notes payableand long-term debt	(219,176)	(577,889)
Proceeds from exercised stock options and other	(989)	25,963
Common stock repurchase	(402,962)	-
Cash dividends	(113,121)	(112,989)
NET CASH PROVIDED BY FINANCING ACTIVITIES	$ 31,827	$ 54,509
Exchange rate effect on cash	(2,457)	(3,048)
DECREASE IN CASH AND CASH EQUIVALENTS	$ (86,267)	$ (37,558)
Cash and cash equivalents at beginning of year	102,164	86,554
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 15,897	$ 48,996
Supplemental cash flow disclosures -		
Cash paid during the period for:		
Income taxes	$ 49,626	$ 87,327
Interest	$ 79,199	$ 60,903

See notes to consolidated financial statements.

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - GENERAL INFORMATION

The condensed financial statements included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission, and reflect all adjustments necessary to present a fair statement of the results for the periods reported, subject to normal recurring year-end adjustments, none of which is expected to be material. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these condensed financial statements be read in conjunction with the financial statements and the notes thereto included in the Company's latest Annual Report on Form 10-K.

NOTE 2 - ACQUISITIONS

The Company acquired Mersch SA ("Mersch") on January 24, 2000 and Brio on May 24, 2000. Both are manufacturers and suppliers of picture frames in Europe, and now operate as part of Newell Frames and Albums Europe.

For these and for other minor acquisitions, the Company paid $47.3 million in cash and assumed $10.4 million of debt. The transactions were accounted for as purchases; therefore, results of operations are included in the accompanying consolidated financial statements since their respective acquisition dates. The acquisition costs were allocated on a preliminary basis to the fair market value of the assets acquired and liabilities assumed and resulted in trade names and goodwill of approximately $29.3 million.

The Company began to formulate an integration plan for these acquisitions as of their respective acquisition dates. These plans may include exit costs for certain plants and product lines and employee terminations associated with the integrations. The final adjustments to the purchase price allocations are not expected to be material to the consolidated financial statements.

The unaudited consolidated results of operations for the six months ended June 30, 2000 and 1999 on a pro forma basis, as though the Mersch and Brio businesses (as well as the 1999 acquisitions of Ateliers 28, Reynolds, McKechnie and Ceanothe) had been acquired on January 1, 1999, are as follows:

	Six Months Ended June 30, (in millions, except per share amounts)	
	2000	1999
Net sales	$3,275.8	$3,314.2
Net income (loss)	$ 204.0	$ (48.4)
Basic earnings (loss per share)	$ 0.75	$ (0.17)

NOTE 3 - RESTRUCTURING COSTS

In the first six months of 2000, the Company recorded a pre-tax restructuring charge of $8.5 million ($5.2 million after taxes). This restructuring charge included primarily severance and facility exit costs associated with the integration of the Rubbermaid businesses into Newell.

As of June 30, 2000, $14.3 million of reserves remain for the 1999 restructuring program. These reserves consist primarily of $6.5 million for exit costs associated with the closure of four facilities, $ 5.3 million in contractual future maintenance costs on abandoned Rubbermaid computer software, $2.4 million for exit costs associated with discontinued product lines at Little Tikes and $0.1 million for severance and termination benefits.

NOTE 4 - INVENTORIES

Inventories are stated at the lower of cost or market value. The components of inventories, net of LIFO reserve, were as follows (in millions):

	June 30, 2000	December 31, 1999
Materials and supplies	$ 278.5	$ 240.0
Work in process	180.5	149.5
Finished products	741.5	645.3
	$1,200.5	$ 1,034.8

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following (in millions):

	June 30, 2000	December 31, 1999
Land	$ 61.1	$ 63.4
Buildings and improvements	692.1	691.3
Machinery and equipment	2,272.2	2,200.7
	$ 3,025.4	$ 2,955.4
Allowance for depreciation	(1,451.8)	(1,407.2)
	$ 1,573.6	$ 1,548.2

Replacements and improvements are capitalized. Expenditures for maintenance and repairs are charged to expense. The components of depreciation are provided by annual charges to income calculated to amortize, principally on the straight-line basis, the cost of the depreciable assets over their depreciable lives. Estimated useful lives determined by the Company are: buildings and improvements (5-40 years) and machinery and equipment (2-15 years).

NOTE 6 - LONG-TERM DEBT

Long-term debt consisted of the following (in millions):

	June 30, 2000	December 31, 1999
Medium-term notes	$ 1,159.5	$ 859.5
Commercial paper	993.0	718.5
Other long-term debt	5.7	27.9
	$ 2,158.2	$ 1,605.9
Current portion	(150.0)	(150.1)
	$ 2,008.2	$ 1,455.8

At June 30, 2000, $993.0 million (principal amount) of long-term commercial paper was outstanding. The entire amount is classified as

long-term debt because the amount is backed by long-term revolving credit.

NOTE 7 - EARNINGS PER SHARE

The earnings (loss) per share amounts are computed based on the weighted average monthly number of shares outstanding during the year. "Basic" earnings per share is calculated by dividing net income (loss) by weighted average shares outstanding. "Diluted" earnings per share is calculated by dividing net income (loss) by weighted average shares outstanding, including the assumption of the exercise and/or conversion of all potentially dilutive securities ("in the money" stock options and company-obligated mandatorily redeemable convertible preferred securities of a subsidiary trust). A reconciliation of the difference between basic and diluted earnings (loss) per share for the first six months of 2000 and 1999 is shown below (in millions, except per share data):

	Basic Method	"In the money" stock options	Convertible Preferred Securities	Diluted Method
Three months ended June 30, 2000:				
Net Income	$ 128.0	-	$ 4.1	$ 132.1
Weighted average shares outstanding	266.5	0.1	9.9	276.5
Earnings per Share	$ 0.48	-	-	$ 0.48
Three months ended June 30, 1999:				
Net Income	$ 30.1	N/A	N/A	$ 30.1
Weighted average shares outstanding	281.8	N/A	N/A	281.8
Earnings per Share (1)	$ 0.11	-	-	$ 0.11
First six months, 2000:				
Net Income	$ 204.2	N/A	N/A	$ 204.2
Weighted average shares outstanding	270.3	N/A	N/A	270.3
Earnings per Share (1)	$ 0.76	-	-	$ 0.76
First six months, 1999:				
Net Loss	$ (48.9)	N/A	N/A	$ (48.9)
Weighted average shares outstanding	281.6	N/A	N/A	281.6
Loss per Share (1)	$ (0.17)	-	-	$ (0.17)

(1) Diluted earnings (loss) per share for these periods exclude the impact of "in the money" stock options and convertible preferred securities because they are antidilutive.

NOTE 8 - COMPREHENSIVE INCOME (LOSS)

The following tables display Comprehensive Income (Loss) and the components of Accumulated Other Comprehensive Income (Loss), in millions:

	Six months ended June 30, 2000	1999
Comprehensive Income (Loss):		
Net income (loss)	$ 204.2	$(48.9)
Unrealized gain (loss) on marketable securities	(1.4)	4.5
Foreign currency translation	(39.6)	(29.8)
Total Comprehensive Income (Loss)	$ 163.2	$(74.2)

	Net Unrealized Gain/(Loss) on Securities	Foreign Currency Translation	Accumulated Other Comprehensive Income (Loss)
Accumulated Other Comprehensive Income (Loss):			
Balance at December 31, 1999	$ 0.1	$ (130.1)	$ (130.0)
Change during six months ended June 30, 2000	(1.4)	(39.6)	(41.0)
Balance at June 30, 2000	$ (1.3)	$ (169.7)	$ (171.0)

NOTE 9 - INDUSTRY SEGMENT INFORMATION

The Company's results by business segment were as follows, in millions:

	For the three months ended June 30, 2000	1999	For the six months ended June 30, 2000	1999
Net Sales				
Plastic Storage & Organization	$ 443.3	$ 444.8	$ 853.4	$ 892.0
Home Decor	332.2	320.0	645.7	613.8
Office Products	367.4	332.7	621.1	576.2
Infant/Juvenile Care & Play	222.7	193.0	453.7	414.9
Hardware & Tools	184.4	148.2	353.9	285.0
Food Preparation, Cooking & Serving	161.6	158.6	334.6	331.6
	$1,711.6	$1,597.3	$3,262.4	$3,113.5

Operating Income				
Plastic Storage & Organization	$ 52.6	$ (71.8)	$ 95.6	$ (23.5)
Home Decor	44.6	46.9	73.7	78.5
Office Products	96.3	80.6	133.1	111.7
Infant/Juvenile Care & Play	26.9	4.7	57.0	25.0
Hardware & Tools	32.1	29.9	52.7	50.3
Food Preparation, Cooking & Serving	20.1	16.4	37.0	35.7
Corporate	(19.3)	(21.0)	(40.1)	(40.7)
	253.3	85.7	409.0	237.0
Restructuring costs	(7.7)	(8.7)	(8.5)	(186.7)
	$245.6	$77.0	$400.5	$50.3

	June 30, 2000	Dec. 31, 1999
Identifiable Assets		
Plastic Storage & Organization	$1,176.9	$1,155.3
Home Decor	804.2	818.0
Office Products	825.8	720.9
Infant/Juvenile Care & Play	474.7	433.9
Hardware & Tools	373.9	376.5
Food Preparation, Cooking & Serving	544.7	539.8
Corporate	2,619.2	2,679.7
	$6,819.4	$6,724.1

Operating income is net sales less cost of products sold and selling, general and administrative ("SG&A") expenses, but is not affected either by nonoperating (income) expenses or by income taxes. Nonoperating (income) expenses consists principally of net interest expense. In calculating operating income for individual business segments, certain headquarter expenses of an operational nature are allocated to business segments primarily on a net sales basis. Trade names and goodwill amortization is considered a corporate expense and not allocated to business segments. All intercompany transactions have been eliminated and transfers of finished goods between areas are not significant. Corporate assets primarily include trade names and goodwill, equity investments and deferred tax assets.

NOTE 10 - ACCOUNTING FOR DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Effective January 1, 2001, the Company will adopt SFAS No. 133 "Accounting for Derivative Instruments and Hedging Activities." Management believes that the adoption of this statement will not be material to the consolidated financial statements.

PART I

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Results of Operations

The following table sets forth for the periods indicated items from the Consolidated Statements of Income as a percentage of net sales.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of products sold	71.5%	73.7%	72.5%	72.9%
GROSS INCOME	28.5%	26.3%	27.5%	27.1%
Selling, general and administrative expenses	12.9%	20.2%	14.1%	18.7%
Restructuring costs	0.5%	0.5%	0.3%	6.0%
Trade names and goodwill amortization and other	0.7%	0.8%	0.8%	0.8%
OPERATING INCOME	14.4%	4.8%	12.3%	1.6%
Nonoperating expenses:				

Interest expense	2.0%	1.8%	1.9%	1.7%
Other, net	0.2%	(0.1)%	0.2%	0.1%
Net nonoperating expenses	2.2%	1.7%	2.1%	1.8%
INCOME (LOSS) BEFORE INCOME TAXES	12.2%	3.1%	10.2%	(0.2)%
Income taxes	4.7%	1.2%	3.9%	1.4%
NET INCOME (LOSS)	7.5%	1.9%	6.3%	(1.6)%

See notes to consolidated financial statements.

Three Months Ended June 30, 2000 Vs. Three Months Ended June 30, 1999

Net sales for the three months ended June 30, 2000 ("second quarter") were $1,711.6 million, representing an increase of $114.3 million or 7.2% from $1,597.3 million in the comparable quarter of 1999. The increase in net sales is primarily due to contributions from Reynolds (acquired in October 1999), McKechnie (acquired in October 1999), Ceanothe (acquired in December 1999), Mersch (acquired in January 2000), Brio (acquired in May 2000) and internal sales growth of 3.8%. The Company defines internal growth as growth from the core businesses, which include continuing businesses owned more than two years and minor acquisitions. Sales by business segment for the second quarter were as follows, in millions:

	2000	1999	Percentage Increase/ Decrease
Plastic Storage & Organization	$ 443.3	$ 444.8	(0.3)%
Food Preparation, Cooking & Serving	161.6	158.6	1.9%
Infant/Juvenile Care & Play	222.7	193.0	15.4%(1)
Home Decor	332.2	320.0	3.8%
Hardware & Tools	184.4	148.2	24.4%(2)
Office Products	367.4	332.7	10.4%(3)
Total	$1,711.6	$1,597.3	7.2%

(1) Internal growth.
(2) 8% Internal growth plus sales from the recent McKechnie acquisition.
(3) 7% Internal growth plus sales from the recent Reynolds acquisition.

Gross income as a percentage of net sales in the second quarter of 2000 was 28.5% or $487.5 million versus 26.3% or $420.8 million in the comparable quarter of 1999. Excluding charges of $3.1 million relating to recent acquisitions, gross income in the second quarter of 2000 was $490.6 million or 28.7% of net sales. Excluding charges of $38.4 million relating to the Rubbermaid merger, gross income in the second quarter of 1999 was $459.2 million, or 28.7% of per sales. Gross margins improved as a result of integration cost savings at Rubbermaid Home Products, Rubbermaid Europe, and Little Tikes, this was offset by increased raw material costs.

SG&A in the second quarter of 2000 were 12.9% of net sales or $221.6 million versus 20.2% or $322.5 million in the comparable quarter of 1999. Excluding charges of $5.9 million relating to recent acquisitions, SG&A expenses were $215.7 million or 12.6% of net sales for the second quarter of 2000. Excluding charges of $89.0 million relating to the Rubbermaid merger, SG&A in the second quarter of 1999 were 233.5 million or 14.6% of sales. SG&A declined as a result of

integration cost savings at Rubbermaid Home Products, Rubbermaid Europe, Little Tikes, Panex and Rotring, and tight spending control

throughout the rest of the Company's core businesses.

In the second quarter of 2000, the Company recorded a pre-tax restructuring charge of $7.7 million ($4.8 million after taxes). The pre-tax charge included $3.2 million of facility exit costs, $3.4 million of severance costs and $1.1 million of contractual commitments and discontinued product lines primarily related to the Rubbermaid acquisition.

In the second quarter of 1999, the Company recorded a pre-tax restructuring charge of $8.7 million ($5.3 million after taxes). The pre-tax charge related to the Rubbermaid acquisition, and included $3.5 million of merger costs, executive severance costs of $1.8 million and $3.4 million of exit costs primarily related to impaired Rubbermaid capitalized computer software costs and facility exit costs.

Trade names and goodwill amortization and other in the second quarter of 2000 were 0.7% of net sales or $12.5 million versus 0.8% or $12.6 million in the comparable quarter of 1999.

Operating income in the second quarter of 2000 was 14.4% of net sales or $245.6 million versus operating income of 4.8% or $77.0 million in the comparable quarter of 1999. Excluding restructuring costs and other charges in 1999 and 2000, operating income in the second quarter of 2000 was 15.3% or $262.4 million versus 13.3% or $213.0 million in the second quarter of 1999. The increase in operating margins was primarily due to integration cost savings at Rubbermaid Home Products, Rubbermaid Europe, and Little Tikes, tight spending control at our core businesses and internal sales growth. These gains were partially offset by increased raw materials costs.

Net nonoperating expenses in the second quarter of 2000 were 2.2% of net sales or $37.5 million versus net nonoperating income of 1.7% of net sales or $27.7 million in the comparable quarter of 1999. Not nonoperating expenses increased from the prior year due to higher interest expenses as a result of the Company's increased level of debt.

Excluding restructuring costs and other charges in 2000 and 1999, the effective tax rate was 38.5% in the second quarter of 2000 versus 39.0% in the second quarter of 1999.

Net income for the second quarter of 2000 was $128.0 million, compared to net income of $30.1 million in the second quarter of 1999. Diluted earnings per share were $0.48 in the second quarter of 2000 compared to $0.11 in the second quarter of 1999. Excluding 2000 restructuring costs of $7.7 million ($4.8 million after taxes), other 2000 pre-tax charges of $9.0 million ($5.5 million after taxes), 1999 restructuring costs of $8.7 million ($5.3 million after taxes), and

other 1999 pre-tax charges of $127.4 million ($77.7 million after taxes), net income increased $25.2 million or 22.3% to $138.3 million in the second quarter of 2000 from $113.1 million in 1999. Diluted earnings per share, calculated on the same basis, increased 30.0% to $0.52 in the second quarter of 2000 from $0.40 in the second quarter of 1999. The increases net income and earnings per share were primarily due to integration cost savings at Rubbermaid Home Products, Rubbermaid Europe, and Little Tikes, tight spending control at our core businesses and internal sales growth. These gains were partially offset by increased raw materials costs.

Six Months Ended June 30, 2000 Vs. Six Months Ended June 30, 1999

Net sales for the first six months of 2000 were $3,262.4 million, representing an increase of $148.9 million or 4.8% from $3,113.5 million in the comparable period of 1999. The increase in net sales was primarily attributable to contributions from Reynolds (acquired in October 1999), McKechnie (acquired in October 1999), Ceanothe (acquired in December 1999), Mersch (acquired in January 2000), Brio (acquired May 2000) and 1.5% internal sales growth. Segment results for the six months ended June 30, 2000 were as follows, in millions:

	2000	1999	Percentage Increase/ Decrease
Plastic Storage & Organization	$ 853.4	$ 892.0	(4.3)%
Food Preparation, Cooking & Serving	334.6	331.6	0.9%
Infant/Juvenile Care & Play	453.7	414.9	9.4%(1)
Home Decor	645.7	613.8	5.2%
Hardware & Tools	353.9	285.0	24.2%(2)
Office Products	621.1	576.2	7.8%(3)
Total	$3,262.4	$3,113.5	4.8%

(1) Internal growth.
(2) 6% Internal growth plus sales from the recent McKechnie acquisition.
(3) 6% Internal growth plus sales from the recent Reynolds acquisition.

Gross income as a percentage of net sales in the first six months of 2000 was 27.5% or $896.0 million versus 27.1% or $844.1 million in the comparable period of 1999. Excluding charges of $3.1 million relating to recent acquisitions, gross income in the first six months of 2000 was $899.1 million or 27.6% of net sales. Excluding 1999 charges of $38.4 million relating to the Rubbermaid merger, gross

income for the six months ended June 30, 1999 was $882.5 million or 28.3% of net sales. Gross margins improved due to integration cost savings at Rubbermaid Home Products, Rubbermaid Europe, and Little Tikes. This was more than offset by increased raw material costs.

Selling, general and administrative expenses ("SG&A") in the first six months of 2000 were 14.1% of net sales or $461.2 million versus 18.7% or $582.5 million in the comparable period of 1999. Excluding charges of $5.9 million relating to recent acquisitions, SG&A in the first six months of 2000 was $455.3 million or 14.0% of net sales. Excluding 1999 charges of $89.0 million relating to the Rubbermaid merger, SG&A for the six months ended June 30, 1999 were $493.5 million or 15.9% of net sales. SG&A declined as a result of integration cost savings at Rubbermaid Home Products, Rubbermaid Europe, Little Tikes, Panex and Rotring, and tight spending control throughout the rest of the Company's core businesses.

In the first six months of 2000, the Company recorded a pre-tax restructuring charge of $8.5 million ($5.2 million after taxes). The 2000 restructuring charge primarily included severance and facility exit costs associated with the Rubbermaid acquisition.

In the first six months of 1999, the Company recorded a pre-tax restructuring charge of $186.7 million ($159.3 million after taxes). The pre-tax charge related to the Rubbermaid acquisition, and included $36.8 million of merger costs (investment banking, legal and accounting fees), executive severance costs of $85.1 million and $64.8 million of exit costs primarily related to impaired Rubbermaid capitalized computer software costs and facility exit costs.

Trade names and goodwill amortization and other in the first six months of 2000 were 0.8% of net sales or $25.7 million versus 0.8% or $24.7 million in the first six months of 1999.

Operating income in the first six months of 2000 was 12.3% of net sales or $400.5 million versus 1.6% or $50.2 million in the comparable period of 1999. Excluding restructuring costs and other charges in 1999 and 2000, operating income in the first six months of 2000 was 12.8% or $418.0 million versus 11.7% or $364.3 million in the first six months of 1999. The increase in operating margins was primarily due to integration cost savings at Rubbermaid Home Products, Rubbermaid Europe, and Little Tikes, tight spending control at our core businesses and internal sales growth. These gains were partially offset by increased raw materials costs.

Net nonoperating expenses in the first six months of 2000 were 2.1% of net sales or $68.4 million versus net nonoperating income of 1.8% of net sales or $56.0 million in the comparable period of 1999. Net nonoperating expenses increased from the prior year due to higher interest expense as a result of the Company's increased level of debt.

Excluding restructuring costs and other gains and charges in 2000 and 1999, the effective tax rate was 38.5% in the first six months of 2000 versus 39.0% in the first six months of 1999.

The net income for the first six months of 2000 was $204.2 million, compared to a net loss of $48.9 million in the first six months of 1999. Diluted earnings (loss) per share were $0.76 in the first six months of 2000 compared to $(0.17) in the first six months of 1999. Excluding 2000 restructuring costs of $8.5 million ($5.2 million after taxes), other 2000 pre-tax charges of $9.0 million ($5.5 million after taxes), 1999 restructuring costs of $186.7 million ($159.3 million after taxes), and other 1999 pre-tax charges of $127.4 million ($77.7 million after taxes), net income increased $26.9 million or 14.3% to $215.0 million the first six months of 2000 versus $188.1 million in 1999. Diluted earnings per share, calculated on the same basis, increased 19.4% to $0.80 in the first six months of 2000 versus $0.67 in the first six months of 1999. The increases in net income and earnings per share were primarily due to integration cost savings at Rubbermaid Home Products, Rubbermaid Europe, and Little

Tikes, tight spending control at our core businesses and internal sales growth. These gains were partially offset by increased raw materials costs.

Liquidity and Capital Resources

Sources:

The Company's primary sources of liquidity and capital resources include cash provided from operations and use of available borrowing facilities.

Cash provided from operating activities in the first six months ended June 30, 2000 was $103.3 million compared to $24.1 million for the comparable period of 1999. The increase in net cash provided from operating activities in 2000 versus 1999 is primarily due to the year over year improved operating results.

The Company has short-term foreign and domestic uncommitted lines of credit with various banks which are available for short-term financing. Borrowings under the Company's uncommitted lines of credit are subject to discretion of the Lender. The Company's uncommitted lines of credit do not have a material impact on the Company's liquidity. Borrowings under the Company's uncommitted lines of credit at June 30, 2000 totaled $72.0 million.

During 1997, the Company amended its revolving credit agreement to increase the aggregate borrowing limit to $1.3 billion, at a floating interest rate. The revolving credit agreement will terminate in August 2002. At June 30, 2000, there were no borrowings under the revolving credit agreement.

In lieu of borrowings under the Company's revolving credit agreement, the Company may issue up to $1.3 billion of commercial paper. The Company's revolving credit agreement provides the committed backup liquidity required to issue commercial paper. Accordingly, commercial paper may only be issued up to the amount available for borrowing under the Company's revolving credit agreement. At June 30, 2000, $993.0 million (principal amount) of commercial paper was outstanding. The entire amount is classified as long-term debt.

On March 24, 2000, the Company issued $300.0 million (principal amount) of 3-Year Medium Term Notes pursuant to its universal shelf program. The securities mature on March 24, 2003, and bear a 3-month floating interest rate based on 3-month LIBOR +22 basis points. The initial interest rate was 6.5%. Proceeds were used to pay down commercial paper. Including this financing, the Company had outstanding at June 30, 2000, a total of $1,159.5 million (principal amount) of Medium Term Notes. The maturities on these notes range from 3 to 30 years at an average interest rate of 6.3%.

A universal shelf registration statement became effective in July 1999. As of June 30, 2000, $449.5 million of Company debt and equity securities may be issued under the shelf.

Uses:

The Company's primary uses of liquidity and capital resources include acquisitions, dividend payments and capital expenditures.

Cash used in acquiring businesses was $68.1 million and $35.3 million in the first six months of 2000 and 1999, respectively. In the first six months of 2000, the Company acquired Mersch and Brio and made other minor acquisitions for cash purchase prices totaling $47.3 million. In the first six months of 1999, the Company acquired Ateliers 28 for a cash purchase price of $40.3 million. All of these acquisitions were accounted for as purchases and were paid for with proceeds obtained from the issuance of commercial paper.

Cash used for restructuring activities was $7.6 million and $121.7 million in the first six months of 2000 and 1999, respectively. Such cash payments represent primarily employee termination benefits and other merger expenses.

Capital expenditures were $159.1 million and $89.0 million in the first six months of 2000 and 1999, respectively.

Aggregate dividends paid during the first six months of 2000 and 1999 were $113.1 million ($0.42 per share) and $113.0 million ($0.40 per share), respectively.

During the first six months of 2000, the Company repurchased 15.5 million shares of its common stock at an average price of $26 per share, for a total cash price of $403.0 million.

Retained earnings increased in the first six months of 2000 by $91.0 million. Retained earnings decreased in the first six months of 1999 by $161.9 million. The difference between 1999 and 2000 was primarily due to improved operating results in 2000 and 1999 restructuring costs of $186.7 million ($159.3 million after taxes) and other pre-tax charges of $127.4 million ($77.7 million after taxes).

Working capital at June 30, 2000 was $1,316.2 million compared to $1,108.7 million at December 31, 1999. The current ratio at June 30, 2000 was 1.86:1 compared to 1.68:1 at December 31, 1999.

Total debt to total capitalization (total debt is net of cash and cash equivalents, and total capitalization includes total debt, convertible preferred securities and stockholders equity) was .44:1 at June 30, 2000 and .33:1 at December 31, 1999.

The Company believes that cash provided from operations and available borrowing facilities will continue to provide adequate support for the cash needs of existing businesses; however, certain events, such as significant acquisitions, could require additional external financing.

Market Risk

The Company's market risk is impacted by changes in interest rates, foreign currency exchange rates, and certain commodity prices. Pursuant to the Company's policies, natural hedging techniques and derivative financial instruments may be utilized to reduce the impact of adverse changes in market prices. The Company does not hold or issue derivative instruments for trading purposes, and has no material sensitivity to changes in market rates and prices on its derivative financial instrument positions.

The Company's primary market risk is interest rate exposure, primarily in the United States. The Company manages interest rate exposure through its conservative debt ratio target and its mix of fixed and floating rate debt. Interest rate exposure was reduced significantly in 1997 from the issuance of $500 million 5.25% Company-Obligated Mandatorily Redeemable Convertible Preferred Securities of a Subsidiary Trust, the proceeds of which reduced commercial paper. Interest rate swaps may be used to adjust interest rate exposures when appropriate based on market conditions, and, for qualifying hedges, the interest differential of swaps is included in interest expense.

The Company's foreign exchange risk management policy emphasizes hedging anticipated intercompany and third-party commercial

transaction exposures of one year duration or less. The Company focuses on natural hedging techniques of the following form: 1) offsetting or netting of like foreign currency flows, 2) structuring foreign subsidiary balance sheets with appropriate levels of debt to reduce subsidiary net investments and subsidiary cash flows subject to conversion risk, 3) converting excess foreign currency deposits into U.S. dollars or the relevant functional currency and 4) avoidance of risk by denominating contracts in the appropriate functional currency. In addition, the Company utilizes forward contracts and purchased options to hedge commercial and intercompany transactions. Gains and losses related to qualifying hedges of commercial transactions are deferred and included in the basis of the underlying transactions. Derivatives used to hedge intercompany transactions are marked to market with the corresponding gains or losses included in the consolidated statements of income.

Due to the diversity of its product lines, the Company does not have material sensitivity to any one commodity. The Company manages commodity price exposures primarily through the duration and terms of its vendor contracts.

The amounts shown below represent the estimated potential economic loss that the Company could incur from adverse changes in either interest rates or foreign exchange rates using the value-at-risk estimation model. The value-at-risk model uses historical foreign exchange rates and interest rates to estimate the volatility and correlation of these rates in future periods. It estimates a loss in fair market value using statistical modeling techniques and including substantially all market risk exposures (specifically excluding equity-method investments). The fair value losses shown in the table below have no impact on results of operations or financial condition as they represent economic not financial losses.

(In millions)	June 30, 2000	Time Period	Confidence Level
Interest rates	$6.3	1 day	95%
Foreign exchange	$4.4	1 day	95%

The 95% confidence interval signifies the Company's degree of confidence that actual losses would not exceed the estimated losses shown above. The amounts shown here disregard the possibility that interest rates and foreign currency exchange rates could move in the Company's favor. The value-at-risk model assumes that all movements in these rates will be adverse. Actual experience has shown that gains and losses tend to offset each other over time, and it is highly

unlikely that the Company could experience losses such as these over an extended period of time. These amounts should not be considered projections of future losses, since actual results may differ significantly depending upon activity in the global financial markets.

EURO CURRENCY CONVERSION

On January 1, 1999, the "Euro" became the common legal currency for 11 of the 15 member countries of the European Union. On that date, the participating countries fixed conversion rates between their existing sovereign currencies ("legacy currencies") and the Euro. On January 4, 1999, the Euro began trading on currency exchanges and became available for non-cash transactions, if the parties elect to use it. The legacy currencies will remain legal tender through December 31, 2001. Beginning January 1, 2002, participating countries will introduce Euro-denominated bills and coins, and effective July 1, 2002, legacy currencies will no longer be legal tender.

After the dual currency phase, all businesses in participating countries must conduct all transactions in the Euro and must convert their financial records and reports to be Euro-based. The Company has commenced an internal analysis of the Euro conversion process to prepare its information technology systems for the conversion and analyze related risks and issues, such as the benefit of the decreased exchange rate risk in cross-border transactions involving participating countries and the impact of increased price transparency on cross-border competition in these countries.

The Company believes that the Euro conversion process will not have a material impact on the Company's businesses or financial condition on a consolidated basis.

FORWARD LOOKING STATEMENTS

Forward-looking statements in this Report are made in reliance upon the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may relate to, but are not limited to, such matters as sales, income, earnings per share, return on equity, capital expenditures, dividends, capital structure, free cash flow, debt to capitalization ratios, interest rates, internal growth rates, Euro conversion plans and related risks, pending legal proceeding and claims (including environmental matters), future economic performance, operating income improvements, synergies, management's plans, goals and objectives for future operations and growth or the assumptions relating to any of the forward-looking information. The Company cautions that forward-looking statements are not guarantees since there are inherent difficulties in predicting future results, and that actual results could differ materially from those expressed or implied in the forward-looking statements. Factors that could cause actual results to differ include, but are not limited

to, those matters set forth in the Company's Annual Report on Form 10-K, the documents incorporated by reference therein and in Exhibit 99 in thereto.

PART I.

Item 3.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information required by this item is incorporated herein by reference to the section entitled "Market Risk" in the Company's

Management's Discussion and Analysis of Results of Operations and Financial Condition (Part I, Item 2).

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company is subject to certain legal proceedings and claims, including the environmental matters described below, that have arisen in the ordinary conduct of its business or have been assumed by the Company when it purchased certain businesses.

As of June 30, 2000, the Company was involved in various matters concerning federal and state environmental laws and regulations, including matters in which the Company has been identified by the U.S. Environmental Protection Agency and certain state environmental agencies as a potentially responsible party ("PRP") at contaminated sites under the Federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and equivalent state laws.

In assessing its environmental response costs, the Company has considered several factors, including: the extent of the Company's volumetric contribution at each site relative to that of other PRPs; the kind of waste; the terms of existing cost sharing and other applicable agreements; the financial ability of other PRPs to share in the payment of requisite costs; the Company's prior experience with similar sites; environmental studies and cost estimates available to the Company; the effects of inflation on cost estimates; and the extent to which the Company's and other parties' status as PRPs is disputed.

Based on information available to it, the Company's estimate of environmental response costs associated with these matters as of June 30, 2000 ranged between $16.0 million and $21.0 million. As of June 30, 2000, the Company had a reserve equal to $19.7 million for such environmental response costs in the aggregate. No insurance recovery was taken into account in determining the Company's cost estimates or reserve, nor do the Company's cost estimates or reserve reflect any discounting for present value purposes.

Because of the uncertainties associated with environmental investigations and response activities, the possibility that the Company could be identified as a PRP at sites identified in the future that require the incurrence of environmental response costs and the possibility of additional sites as a result of businesses acquired, actual costs to be incurred by the Company may vary from the Company's estimates.

Subject to difficulties in estimating future environmental response costs, the Company does not expect that any amount it may have to pay in connection with environmental matters in excess of amounts reserved will have a material adverse effect on its consolidated financial statements.

The Company is involved in a legal proceeding relating to the importation and distribution of vinyl mini-blinds made with plastic containing lead stabilizers. In 1996, the Consumer Product Safety Commission found that such stabilizers deteriorate over time from exposure to sunlight and heat, causing lead dust to form on mini-blind surfaces and presenting a health risk to children under six years of age. In December 1998, 13 companies, including a subsidiary of the Company, were named as defendants in a case involving the importation and distribution of vinyl mini-blinds containing lead. The case, filed as a Massachusetts class action in the Superior Court, alleges misrepresentation, breaches of express and implied warranties, negligence, loss of consortium and violation of Massachusetts consumer protection laws. The plaintiffs seek injunctive relief, unspecified damages, compensatory damages for personal injury and court costs.

As of June 30, 2000, eight complaints were filed against the Company and certain of its officers and directors in the U.S. District Court for the Northern District of Illinois on behalf of a purported class consisting of persons who purchased common stock of the Company, Newell Co. or Rubbermaid Incorporated during the period from October 21, 1998 through September 3, 1999 or exchanged shares of Rubbermaid common stock for the Company's common stock as part of the Newell Rubbermaid merger. The complaints allege that during the relevant time period the defendants violated Sections 10(b), 14(a) and 20(a) of the Securities Exchange Act as a result of, among other allegations, issuing false and misleading statements concerning the Company's financial condition and results of operations. The eight cases were consolidated before a single judge in the United States District Court for the Northern District of Illinois, Eastern Division. The court appointed lead plaintiffs and approved counsel for the lead plaintiffs. On May 12, 2000, plaintiffs filed a consolidated amended complaint that asserts claims under Sections 11, 12, and 15 of the Securities Act of 1933 and Sections 10(b) and 20 of the Securities Exchange Act of 1934. Defendants have moved to dismiss each count of the consolidated

amended complaint. That motion is fully briefed and awaiting decision. The Company believes that these claims are without merit and intends to vigorously defend these lawsuits.

Although management of the Company cannot predict the ultimate outcome of these matters with certainty, it believes that their

ultimate resolution, including any amounts it may have to pay in excess of amounts reserved, will not have a material effect on the Company's consolidated financial statements.

Item 4. Submission of Matters to a Vote of the Security-Holders

On May 10, 2000, the 2000 Annual Meeting of Stockholders of the Company was held. The following is a brief description of the matters voted upon at the meeting and tabulation of the voting therefor:

Proposal 1. Election of a Board of Directors to hold office for a term of three years.

	Number of Shares	
Nominee	For	Withheld
Robert L. Katz	223,553,808	9,841,214
John J. McDonough	210,503,557	22,891,465
William P. Sovey	226,941,093	6,453,929

Proposal 2. Ratification of Appointment of Independent Accountants. A proposal to ratify the appointment of Arthur Andersen LLP as independent accountants to audit the consolidated balance sheet and related consolidated statements of income, stockholder's equity and comprehensive income and cash flows of the Company for 2000 was adopted, with 231,835,267 votes cast for, 861,655 votes cast against, 698,100 votes abstained and 0 broker non-votes.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

12. Statement of Computation of Ratio of Earnings to Fixed Charges

27. Financial Data Schedule

(b) Reports on Form 8-K:

None.

SIGNATURES

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 thereunto duly authorized.

NEWELL RUBBERMAID INC.
Registrant

Date: August 11, 2000 /s/ Dale L. Matschullat

Dale L. Matschullat
Vice President - Finance

Date: August 11, 2000 /s/ Brett E. Gries

Brett E. Gries
Vice President - Accounting & Audit

EXHIBIT 12

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
STATEMENT OF COMPUTATION OF
RATIO OF EARNINGS TO FIXED CHARGES
(in thousands, except ratio data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
	(In thousands, except ratio data)			
Earnings (loss) available to fixed charges:				
Income (loss) before income taxes	$208,154	$49,270	$332,089	$(5,752)
Fixed charges:				
Interest expense	33,988	24,440	61,837	49,701
Portion of rent determined to be interest (1)	5,953	3,232	16,561	13,996
Minority interest in income of subsidiary trust	6,678	6,684	13,363	13,396
Eliminate equity in earnings of unconsolidated entities	(2,703)	(2,236)	(4,877)	(4,056)
	$252,070	$81,390	$418,973	$67,285
Fixed charges:				
Interest expense	$ 33,988	$24,440	$ 61,837	$49,701
Portion of rent determined to be interest (1)	5,953	3,232	16,561	13,996
Minority interest in income of subsidiary trust	6,678	6,684	13,363	13,396
	$ 46,619	$34,356	$ 91,761	$77,093
Ratio of earnings (loss) to fixed charges	5.41	2.37	4.57	0.87

(1) A standard ratio of 33% was applied to gross rent expense to approximate the interest portion of short-term and long-term leases.

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This schedule contains summary financial information extracted from the Newell Rubbermaid Inc. and Subsidiaries Consolidated Balance Sheets and Statements of Income and is qualified in its entirety by reference to such financial statements.

1,000
6-MOS
DEC-31-2000
JUN-30-2000
15,897
0
1,224,305
(38,946)
1,200,547
2,847,041
3,025,370
(1,451,790)
6,819,355
1,530,825
2,008,218
500,000
0
282,122
2,061,142
6,819,355
3,262,359
895,960
2,366,399
2,861,851
68,419
713
61,837
332,089
127,854
204,235
0
0
0
204,235
0.76
0.76

Allowances for doubtful accounts are reported as contra accounts to accounts receivable. The corporate reserve for bad debts is a percentage of trade receivables based on the bad debts experienced in one or more past years, general economic conditions, the age of the receivables and other factors that indicate the element of uncollectibility in the receivables outstanding at the end of the period.

See notes to consolidated financial statements.