UNITED STATES
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 March 31, 2010

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.)

Three Glenlake Parkway
Atlanta, Georgia 30328
(Address of principal executive offices)
(Zip Code)

(770) 418-7000
(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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☑	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

Number of shares of common stock outstanding (net of treasury shares) as of March 31, 2010: 278.2 million.

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION	3
Item 1. Financial Statements	3
Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	19
Item 3. Quantitative and Qualitative Disclosures about Market Risk	27
Item 4. Controls and Procedures	27
PART II. OTHER INFORMATION	28
Item 1. Legal Proceedings	28
Item 1A. Risk Factors	28
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	28
Item 6. Exhibits	29
SIGNATURES	30
Revised Long Term Incentive Plan	
Revised Form of Restricted Stock Unit Agreement	
Second Amendment to the Management Cash Bonus Plan	
302 Certification of Chief Executive Officer	
302 Certification of Chief Financial Officer	
906 Certification of Chief Executive Officer	
906 Certification of Chief Financial Officer	
Safe Harbor Statement	

Table of Contents

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	Three Months Ended March 31,	
	2010	2009
Net sales	$1,306.4	$1,203.9
Cost of products sold	834.7	781.1
GROSS MARGIN	471.7	422.8
Selling, general and administrative expenses	325.6	311.5
Restructuring costs	16.0	30.5
OPERATING INCOME	130.1	80.8
Nonoperating expenses:		
Interest expense, net	32.0	30.6
Other (income) expense, net	(0.3)	0.7
Net nonoperating expenses	31.7	31.3
INCOME BEFORE INCOME TAXES	98.4	49.5
Income taxes	40.0	15.8
NET INCOME	$ 58.4	$ 33.7
Weighted average shares outstanding:		
Basic	281.1	280.7
Diluted	307.8	280.7
Earnings per share:		
Basic	$ 0.21	$ 0.12
Diluted	$ 0.19	$ 0.12
Dividends per share	$ 0.05	$ 0.11

See Notes to Condensed Consolidated Financial Statements (Unaudited).

Table of Contents

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)
(Amounts in millions, except par values)

	March 31, 2010	December 31, 2009
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 253.0	$ 278.3
Accounts receivable, net	915.8	894.1
Inventories, net	728.6	688.2
Deferred income taxes	187.9	183.8
Prepaid expenses and other	151.5	137.7
TOTAL CURRENT ASSETS	2,236.8	2,182.1
PROPERTY, PLANT AND EQUIPMENT, NET	550.2	578.1
GOODWILL	2,730.1	2,754.3
OTHER INTANGIBLE ASSETS, NET	642.8	646.2
OTHER ASSETS	256.2	263.2
TOTAL ASSETS	$ 6,416.1	$ 6,423.9
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 501.3	$ 433.6
Accrued compensation	94.8	176.4
Other accrued liabilities	612.7	656.0
Short-term debt	—	0.6
Current portion of long-term debt	495.3	492.9
TOTAL CURRENT LIABILITIES	1,704.1	1,759.5
LONG-TERM DEBT	2,013.4	2,015.3
DEFERRED INCOME TAXES	18.2	0.3
OTHER NONCURRENT LIABILITIES	864.8	866.6
STOCKHOLDERS' EQUITY:		
Preferred stock, authorized shares, 10.0 at $1.00 par value	—	—
None issued and outstanding		
Common stock, authorized shares, 800.0 at $1.00 par value	294.7	294.0
Outstanding shares, before treasury:		
2010 – 294.7		
2009 – 294.0		
Treasury stock, at cost:	(423.8)	(420.6)
Shares held:		
2010 – 16.5		
2009 – 16.2		
Additional paid-in capital	679.9	669.8
Retained earnings	1,865.2	1,820.7
Accumulated other comprehensive loss	(603.9)	(585.2)
STOCKHOLDERS' EQUITY ATTRIBUTABLE TO PARENT	1,812.1	1,778.7
STOCKHOLDERS' EQUITY ATTRIBUTABLE TO NONCONTROLLING INTERESTS	3.5	3.5
TOTAL STOCKHOLDERS' EQUITY	1,815.6	1,782.2
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 6,416.1	$ 6,423.9

See Notes to Condensed Consolidated Financial Statements (Unaudited).

Table of Contents

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(Amounts in millions)

	Three Months Ended March 31,	
	2010	2009
OPERATING ACTIVITIES:		
Net income	$ 58.4	$ 33.7
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	44.2	41.9
Deferred income taxes	21.3	(1.5)
Non-cash restructuring costs	0.9	4.6
Stock-based compensation expense	10.5	8.8
Other, net	9.0	3.2
Changes in operating assets and liabilities:		
Accounts receivable	(29.4)	77.1
Inventories	(46.1)	(29.9)
Accounts payable	71.1	(85.8)
Accrued liabilities and other	(110.5)	(63.3)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	29.4	(11.2)
INVESTING ACTIVITIES:		
Acquisitions and acquisition related activity	(1.5)	(1.4)
Capital expenditures	(31.5)	(32.4)
Disposals of non-current assets	—	0.3
NET CASH USED IN INVESTING ACTIVITIES	(33.0)	(33.5)
FINANCING ACTIVITIES:		
Proceeds from issuance of debt, net of debt issuance costs	1.4	758.0
Proceeds from issuance of warrants	—	32.7
Purchase of call options	—	(69.0)
Payments on notes payable and debt	(2.9)	(132.5)
Cash dividends	(13.9)	(29.4)
Purchase of noncontrolling interest in consolidated subsidiary	—	(28.2)
Other, net	(2.9)	(4.0)
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	(18.3)	527.6
Currency rate effect on cash and cash equivalents	(3.4)	(2.4)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(25.3)	480.5
Cash and cash equivalents at beginning of period	278.3	275.4
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 253.0	$ 755.9

See Notes to Condensed Consolidated Financial Statements (Unaudited).

NEWELL RUBBERMAID INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Footnote 1 — Basis of Presentation and Significant Accounting Policies

The accompanying unaudited condensed consolidated financial statements of Newell Rubbermaid Inc. (collectively with its subsidiaries, the “Company”) have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) and do not include all the information and footnotes required by U.S. generally accepted accounting principles (“U.S. GAAP”) for complete financial statements. In the opinion of management, the unaudited condensed consolidated financial statements include all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the financial position and the results of operations. It is recommended that these unaudited condensed consolidated financial statements be read in conjunction with the financial statements and the footnotes thereto included in the Company’s latest Annual Report on Form 10-K.

Seasonal Variations: The Company’s sales and operating income in the first quarter are generally lower than any other quarter during the year, driven principally by reduced volume and the mix of products sold in the quarter.

Recent Accounting Pronouncements: Changes to U.S. GAAP are established by the Financial Accounting Standards Board (“FASB”) in the form of accounting standards updates (“ASU’s”) to the FASB’s Accounting Standards Codification. The Company considers the applicability and impact of all ASU’s. Recently issued ASU’s were assessed and determined to be either not applicable or are expected to a have minimal impact on the Company’s consolidated financial position and results of operations.

Accumulated Other Comprehensive Loss: Accumulated other comprehensive loss is recorded within stockholders’ equity and encompasses foreign currency translation adjustments, gains (losses) on derivative instruments and unrecognized pension and other postretirement costs.

The following table displays the components of accumulated other comprehensive loss for the three months ended March 31, 2010 *(in millions)*:

	Foreign Currency Translation Loss	Unrecognized Pension & Other Postretirement Costs, net of tax	Derivative Hedging Loss, net of tax	Accumulated Other Comprehensive Loss
Balance at December 31, 2009	$(166.3)	$(418.4)	$(0.5)	$(585.2)
Current period change	(33.0)	14.5	(0.2)	(18.7)
Balance at March 31, 2010	$(199.3)	$(403.9)	$(0.7)	$(603.9)

Comprehensive income amounted to the following for the three months ended March 31, *(in millions):*

	2010	2009
Net income	$ 58.4	$33.7
Foreign currency translation loss	(33.0)	(6.1)
Unrecognized pension & other postretirement costs, net of tax (benefit) expense of $(7.3) and $0.7 in 2010 and 2009, respectively, and including translation effects	14.5	1.1
Derivative hedging loss, net of tax (benefit) expense of $(0.3) and $11.3 in 2010 and 2009, respectively	(0.2)	(5.9)
Comprehensive income (1)	$ 39.7	$22.8

(1) Comprehensive income was primarily attributable to controlling interests. Comprehensive income (loss) attributable to noncontrolling interests was not material for disclosure purposes.

Disclosures about Fair Values of Financial Instruments: The Company's financial instruments include cash and cash equivalents, accounts receivable, accounts payable, derivative instruments, convertible note hedge instruments, notes payable and short and long-term debt. The carrying values for current financial assets and liabilities, including cash and cash equivalents, accounts receivable and accounts payable, approximate fair value due to the short maturity of such instruments. The fair values of the Company's derivative instruments are recorded in the Condensed Consolidated Balance Sheets and are disclosed in Footnote 6. The fair values of the Company's convertible note hedge instruments are disclosed in Footnote 5. The fair values of certain of the Company's short and long-term debt are based on quoted market prices and are as follows *(in millions)*:

	March 31, 2010		December 31, 2009	
	Fair Value	Book Value	Fair Value	Book Value
Medium-term notes	$1,573.1	$ 1,425.6	$1,520.7	$1,426.6
Preferred securities underlying junior convertible subordinated debentures	327.5	421.2	307.5	421.2
Convertible Notes	655.5	287.2	660.3	284.3

The carrying amounts of all other significant debt, including the term loan, approximate fair value. The term loan is not publicly traded and accordingly, the fair value of this instrument was determined using a discounted cash flow model and market rates of interest as of March 31, 2010.

Venezuelan Operations: The Company applies to the Venezuelan government's Foreign Exchange Administrative Commission, CADIVI, for the conversion of local currency to U.S. Dollars at the official exchange rate. The parallel exchange market is used for U.S. Dollar needs exceeding conversions obtained through CADIVI, and the parallel exchange market has rates less favorable than the official exchange rate.

As of December 31, 2009, the Company had changed the rate it used to translate its Venezuelan subsidiary's transactions and balances from the official exchange rate to the parallel exchange rate, which approximated 6 Venezuelan Bolivar Fuertes to the U.S. Dollar on December 31, 2009. The resulting foreign currency translation adjustment of approximately $29.4 million increased accumulated other comprehensive loss within stockholders' equity as of December 31, 2009. The Company's considerations for changing the rate included indications that the Venezuelan government is not likely to continue to provide substantial currency exchange at the official rate for companies importing nonessential products, difficulties in obtaining approval for the conversion of local currency to U.S. Dollars at the official exchange rate (for imported products, royalties and distributions), and delays in previously obtained approvals being honored by CADIVI.

Effective January 1, 2010, the Company accounted for Venezuela as a highly inflationary economy as the three-year cumulative inflation rate for Venezuela, using a blend of the Consumer Price Index associated with the city of Caracas and the National Consumer Price Index (developed commencing in 2008 and covering the entire country of Venezuela), exceeded 100%. Accounting standards require the functional currency of the foreign operations operating in highly inflationary economies to be the same as the reporting currency of the Company. Accordingly, the Company's Venezuelan subsidiary began using the U.S. Dollar as its functional currency on January 1, 2010. As a result of the change to a U.S. Dollar functional currency, monetary assets and liabilities denominated in Bolivar Fuertes generate income or expense for changes in value associated with parallel exchange rate fluctuations against the U.S. Dollar. The Company's Venezuelan subsidiary had approximately $14.5 million of net monetary assets denominated in Bolivar Fuertes as of March 31, 2010. For every $10 million of net monetary assets denominated in Bolivar Fuertes, a 5% increase/(decrease) in the parallel exchange rate would decrease/(increase) the Company's pre-tax income by approximately $0.5 million. During the three months ended March 31, 2010, the Company's Venezuelan subsidiary generated less than 1% of consolidated net sales.

On January 11, 2010, the Venezuelan government devalued the Venezuelan Bolivar Fuerte and changed to a two-tier exchange structure. The official exchange rate moved from 2.15 Bolivar Fuertes per U.S. Dollar to 2.60 for essential goods and 4.30 for non-essential goods and services, with the Company's products generally falling into the non-essential category. The devaluation is not expected to materially impact the Company's 2010 consolidated financial statements and had no impact on the consolidated financial statements for the three months ended March 31, 2010. For any U.S. Dollars the Company obtains at the official rate to pay for the purchase of imported goods, the Company will realize benefits in its statements of operations associated with the favorable exchange rate, as compared to the parallel rate.

Reclassifications: Certain 2009 amounts have been reclassified to conform to the 2010 presentation.

Footnote 2 — Restructuring Costs

In 2005, the Company commenced a multi-year, global initiative referred to as Project Acceleration aimed at strengthening and transforming the Company's portfolio. Project Acceleration is designed to reduce manufacturing overhead, better align the Company's distribution and transportation processes to achieve logistical excellence, and reorganize the Company's overall business structure to

align with the Company's core organizing concept, the global business unit, to achieve best total cost. In 2008, the Company expanded Project Acceleration to include initiatives to exit certain product categories to create a more focused and more profitable platform for growth by eliminating selected low-margin, commodity like, mostly resin-intensive product categories and reduce the Company's exposure to volatile commodity markets, particularly resin. Project Acceleration is expected to be fully implemented in 2010 and is expected to result in cumulative restructuring costs over the life of the initiative totaling between $475 and $500 million. The table below summarizes the restructuring costs recognized for Project Acceleration restructuring activities for the periods indicated *(in millions)*:

	For the three months ended March 31, 2010	For the three months ended March 31, 2009	Since inception through March 31, 2010
Facility and other exit costs	$ 0.9	$ 4.6	$ 173.3
Employee severance, termination benefits and relocation costs	13.8	20.9	201.2
Exited contractual commitments and other	1.3	5.0	62.4
	$ 16.0	$ 30.5	$ 436.9

Restructuring provisions were determined based on estimates prepared at the time the restructuring actions were approved by management, are periodically updated for changes and also include amounts recognized as incurred. Costs incurred include cash payments and the impairment of assets associated with vacated facilities. A summary of the Company's accrued restructuring reserves as of and for the three months ended March 31, 2010 is as follows (*in millions*):

	December 31, 2009 Balance	Provision	Costs Incurred	March 31, 2010 Balance
Facility and other exit costs	$ —	$ 0.9	$ (0.9)	$ —
Employee severance, termination benefits and relocation costs	23.3	13.8	(15.2)	21.9
Exited contractual commitments and other	11.8	1.3	(2.2)	10.9
	$ 35.1	$ 16.0	$ (18.3)	$ 32.8

The following table depicts the changes in accrued restructuring reserves for the three months ended March 31, 2010 aggregated by reportable business segment *(in millions)*:

Segment	December 31, 2009 Balance	Provision	Costs Incurred	March 31, 2010 Balance
Home & Family	$ 8.0	$ 3.3	$ (4.0)	$ 7.3
Office Products	15.7	5.4	(7.2)	13.9
Tools, Hardware & Commercial Products	3.9	1.3	(2.1)	3.1
Corporate	7.5	6.0	(5.0)	8.5
	$ 35.1	$ 16.0	$ (18.3)	$ 32.8

The table below shows restructuring costs recognized for Project Acceleration restructuring activities for the periods indicated, aggregated by reportable business segment *(in millions)*:

Segment	For the three months ended March 31, 2010	For the three months ended March 31, 2009	Since inception through March 31, 2010
Home & Family	$ 3.3	$ 8.7	$ 134.4
Office Products	5.4	5.5	168.1
Tools, Hardware & Commercial Products	1.3	9.1	80.2
Corporate	6.0	7.2	54.2
	$ 16.0	$ 30.5	$ 436.9

Cash paid for all restructuring activities was $16.1 million and $20.0 million for the three months ended March 31, 2010 and 2009, respectively.

Footnote 3 — Inventories, Net

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

	March 31, 2010	December 31, 2009
Materials and supplies	$ 120.7	$ 118.5
Work in process	149.0	141.6
Finished products	458.9	428.1
	$ 728.6	$ 688.2

Footnote 4 — Debt

The following is a summary of outstanding debt *(in millions)*:

	March 31, 2010	December 31, 2009
Medium-term notes	$1,425.6	$ 1,426.6
Term loan	350.0	350.0
Convertible notes	287.2	284.3
Junior convertible subordinated debentures	436.7	436.7
Other debt	9.2	11.2
Total debt	2,508.7	2,508.8
Short-term debt	—	(0.6)
Current portion of long-term debt	(495.3)	(492.9)
Long-term debt	$2,013.4	$ 2,015.3

Interest Rate Swaps

As of March 31, 2010, the Company had entered into fixed-for-floating interest rate swaps designated as fair value hedges. The interest rate swaps relate to $1.0 billion of the principal amount of the medium-term notes and result in the Company effectively paying a floating rate of interest on the medium-term notes subject to the interest rate swaps. The medium-term notes balance at March 31, 2010 and December 31, 2009 include mark-to-market adjustments of $32.8 million and $18.4 million, respectively, to record the fair value of the hedges of the fixed-rate debt, and the mark-to-market adjustments had the effect of increasing the reported value of the medium-term notes.

Term Loan

In September 2008, the Company entered into a $400.0 million credit agreement (the "Agreement"), under which the Company received an unsecured three-year term loan in the amount of $400.0 million (the "Term Loan"). The Company is required to repay the outstanding principal amount of the Term Loan of $350.0 million at March 31, 2010 according to the following schedule: $100.0 million in September 2010 and $250.0 million in September 2011, the maturity date. Borrowings under the Agreement bear interest at a rate of LIBOR plus a spread that is determined based on the credit rating of the Company, and interest is payable quarterly. The $350.0 million of outstanding borrowings under the Agreement at March 31, 2010 bear interest at a weighted-average interest rate of 2.5%.

Convertible Notes

In March 2009, the Company issued $345.0 million convertible senior notes (the "Convertible Notes"). The Convertible Notes bear interest at a rate of 5.5% per year, which is payable semi-annually, and mature on March 15, 2014. The Convertible Notes are convertible at a conversion rate of 116.198 shares of the Company's common stock per $1,000 principal amount of Convertible Notes (representing a conversion price of approximately $8.61 per share of common stock), subject to adjustment in certain circumstances. Upon conversion, a holder will receive cash up to the aggregate principal amount of the Convertible Notes converted, and cash, shares of common stock or a combination thereof (at the Company's election) in respect of the conversion value above the Convertible Notes' principal amount, if any.

The Convertible Notes will be convertible only in the following circumstances: (i) during any calendar quarter (and only during such calendar quarter), if the last reported sale price of the Company's common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price (currently $11.19) in effect on each applicable trading day; (ii) during the five business day period after any 10 consecutive trading day period in which the trading price per $1,000 principal amount of Convertible Notes for each trading day of the period was less than 98% of the product of the last reported sale price of the Company's common stock and the applicable conversion rate on each such day; (iii) upon the occurrence of specified corporate events; and (iv) at any time from, and including, November 15, 2013 through the second scheduled trading day immediately preceding March 15, 2014, the maturity date of the Convertible Notes.

Because the last reported sale price of the Company's common stock exceeded $11.19 for at least 20 of the last 30 consecutive trading days in the three months ended March 31, 2010, the Convertibles Notes are convertible at the election of the holders of the Convertible Notes at any time during the three months ending June 30, 2010. Accordingly, the Convertible Notes are classified as current portion of long-term debt in the Condensed Consolidated Balance Sheet at March 31, 2010. Based on the closing price of the Company's common stock on March 31, 2010 of $15.20 per share, approximately $264.3 million (in addition to the principal amount) would be due to the holders of the Convertible Notes upon conversion if the holders elected to convert the Convertible Notes. The amount could be paid in cash or shares of the Company's stock or a combination thereof, at the Company's option, in respect of the conversion value above the Convertible Notes' principal amount. The Company entered into convertible note hedge transactions to reduce the Company's cost of the conversion option. See Footnote 5 for more information.

The Company has separately accounted for the liability and equity components of the Convertible Notes in a manner that reflects the Company's nonconvertible debt borrowing rate at the date of issuance. The Company allocated $69.0 million of the $345.0 million principal amount of the Convertible Notes to the equity component, which represents a discount to the debt and is being amortized into interest expense using the effective interest method through March 2014. Accordingly, the Company's effective interest rate on the Convertible Notes is 10.8%, so the Company will recognize interest expense during the twelve months ending March 31, 2011 on the Convertible Notes in an amount that approximates 10.8% of $287.2 million, the liability component of the Convertible Notes at March 31, 2010. The interest expense recognized for the Convertible Notes in subsequent periods will be greater as the discount is amortized and the effective interest method is applied.

Receivables Facility

In September 2009, the Company completed a 364-day receivables facility that provides for borrowings of up to $200.0 million and expires in September 2010. Under this facility, the Company and certain operating subsidiaries (collectively, "the Originators") sell their receivables to a financing subsidiary as the receivables are originated. The financing subsidiary is wholly owned by the Company and is the owner of the purchased receivables and the borrower under the facility. The assets of the financing subsidiary are restricted as collateral for the payment of debt or other obligations arising under the facility, and the financing subsidiary's assets and credit are not available to satisfy the debts and obligations owed to the Company's or any other Originator's creditors. As of March 31, 2010, $612.6 million of outstanding accounts receivable were owned by the financing subsidiary, and these amounts are included in accounts receivable, net in the Company's Condensed Consolidated Balance Sheet at March 31, 2010. As of March 31, 2010, no amounts were outstanding under the facility and $200.0 million was available for borrowing.

Footnote 5 — Convertible Note Hedge and Warrant Transactions

In connection with the issuance of the Convertible Notes, the Company entered into separate convertible note hedge transactions and warrant transactions with respect to the Company's common stock to minimize the impact of the potential dilution upon conversion of the Convertible Notes. The Company purchased call options in private transactions to cover 40.1 million shares of the Company's common stock at a strike price of $8.61 per share, subject to adjustment in certain circumstances, for $69.0 million. The call options generally allow the Company to receive shares of the Company's common stock from counterparties equal to the number of shares of common stock payable to the holders of the Convertible Notes upon conversion. These call options will terminate the earlier of the maturity dates of the related Convertible Notes or the first day all of the related Convertible Notes are no longer outstanding due to conversion or otherwise. As of March 31, 2010, the estimated fair value of the call options was $294.4 million.

The Company also sold warrants permitting the purchasers to acquire up to 40.1 million shares of the Company's common stock at an exercise price of $11.59 per share, subject to adjustment in certain circumstances, in private transactions for total proceeds of $32.7 million. The warrants expire over a period of seventy-five trading days beginning on June 13, 2014 and are European-style warrants (exercisable only upon expiration). For each warrant that is exercised, the Company will deliver to the counterparties a number of shares of the Company's common stock equal to the amount by which the Company's stock price exceeds the exercise price, divided by the stock price. The Company will not be required to deliver a number of the Company's shares in connection with the net settlement of the warrants in excess of the aggregate number of shares subject to the warrants, or 40.1 million shares of the Company's common stock. As of March 31, 2010, the estimated fair value of the warrants was $222.1 million.

The Company has analyzed the convertible note hedge transactions and warrant transactions under the applicable authoritative guidance, and the Company determined that they meet the criteria for classification as equity transactions. As a result, the Company does not recognize subsequent changes in the fair value of the instruments in its financial statements.

Footnote 6 — Derivatives

The use of financial instruments, including derivatives, exposes the Company to market risk related to changes in interest rates, foreign currency exchange rates and commodity prices. The Company enters into interest rate swaps related to debt obligations with maturity dates ranging from five to ten years. The Company uses interest rate swap agreements to manage its interest rate exposure and to achieve a desired proportion of variable and fixed-rate debt. These derivatives are designated as fair value hedges based on the nature of the risk being hedged. The Company also uses derivative instruments, such as forward contracts, to manage the risk associated with the volatility of future cash flows denominated in foreign currencies and changes in fair value resulting from changes in foreign currency exchange rates. The Company's foreign exchange risk management policy generally emphasizes hedging transaction exposures of one-year duration or less and hedging foreign currency intercompany financing activities with derivatives with maturity dates of one year or less. Additionally, the Company purchases certain raw materials which are subject to price volatility caused by unpredictable factors. Where practical, the Company uses derivatives as part of its commodity risk management process. The Company reports its derivative positions in the Condensed Consolidated Balance Sheets on a gross basis and does not net asset and liability derivative positions with the same counterparty. The Company monitors its positions with, and the credit quality of, the financial institutions that are parties to its financial transactions.

Derivative instruments are accounted for at fair value. The accounting for changes in the fair value of a derivative depends on the intended use and designation of the derivative instrument. For a derivative instrument that is designated and qualifies as a fair value hedge, the gain or loss on the derivative as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in current earnings. For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative is initially reported as a component of accumulated other comprehensive income (loss) ("AOCI"), net of tax, and is subsequently reclassified into earnings when the hedged transaction affects earnings. The ineffective portion of the gain or loss is recognized in current earnings. Gains and losses from changes in fair values of derivatives that are not designated as hedges for accounting purposes are recognized currently in earnings, and such amounts were not material for the three months ended March 31, 2010 and 2009.

The following table summarizes the Company's outstanding derivative instruments and their effects on the Condensed Consolidated Balance Sheet as of March 31, 2010 and December 31, 2009 *(in millions)*:

Derivatives designated as hedging instruments	Asset Derivatives Balance Sheet Location	Fair Value at March 31, 2010	Liability Derivatives Balance Sheet Location	Fair Value at March 31, 2010
Interest rate swaps	Other assets	$ 32.8	Other noncurrent liabilities	$ —
Foreign exchange contracts on inventory related purchases	Prepaid expenses and other	0.9	Other accrued liabilities	(2.3)
Foreign exchange contracts on intercompany borrowings	Prepaid expenses and other	0.5	Other accrued liabilities	—
	Total assets	$ 34.2	Total liabilities	$ (2.3)

Derivatives designated as hedging instruments	Asset Balance Sheet Location	Fair Value at December 31, 2009	Liability Balance Sheet Location	Fair Value at December 31, 2009
Interest rate swaps	Other assets	$ 20.9	Other noncurrent liabilities	$ 2.5
Foreign exchange contracts on inventory related purchases	Prepaid expenses and other	0.6	Other accrued liabilities	1.5
Foreign exchange contracts on intercompany borrowings	Prepaid expenses and other	0.7	Other accrued liabilities	—
	Total assets	$ 22.2	Total liabilities	$ 4.0

The fair values of outstanding derivatives that are not designated as hedges for accounting purposes were not material as of March 31, 2010 and December 31, 2009.

The Company is a party to an interest rate swap in an asset position; in the event the interest rate swap is in a liability position, settlement could be accelerated if the Company's credit rating falls below investment grade. The Company is not a party to any derivatives that require collateral to be posted prior to settlement.

Fair Value Hedges

The following table presents the pretax effects of derivative instruments designated as fair value hedges on the Company's Condensed Consolidated Statement of Income for the three months ended March 31, (*in millions*):

Derivatives in fair value relationships	Location of gain (loss) recognized in income	Amount of gain (loss) recognized in income	
		2010	2009
Interest rate swaps	Interest expense, net	$ 14.4	$(8.2)
Fixed-rate debt	Interest expense, net	$(14.4)	$ 8.2

The Company did not record any ineffectiveness related to fair value hedges during the three months ended March 31, 2010 and 2009.

Cash Flow Hedges

The following table presents the pretax effects of derivative instruments designated as cash flow hedges on the Company's Condensed Consolidated Statement of Income and AOCI for the three months ended March 31, (*in millions*):

Derivatives in cash flow hedging relationships	Location of gain (loss) recognized in income	Amount of gain (loss) reclassified from AOCI into income 2010	Amount of gain (loss) reclassified from AOCI into income 2009	Amount of gain (loss) recognized in AOCI 2010	Amount of gain (loss) recognized in AOCI 2009
Foreign exchange contracts on inventory related purchases	Cost of products sold	$ (0.1)	$ 3.8	$ (0.6)	$ 4.7
Foreign exchange contracts on intercompany borrowings	Interest expense, net	0.1	1.0	2.4	21.2
		$ —	$ 4.8	$ 1.8	$ 25.9

The Company did not record any ineffectiveness related to cash flow hedges during the three months ended March 31, 2010 and 2009.

The Company estimates that during the next 12 months it will reclassify losses of approximately $1.4 million included in the pretax amount recorded in AOCI as of March 31, 2010 into earnings, as the anticipated cash flows occur.

Footnote 7 — Employee Benefit and Retirement Plans

The following table presents the components of the Company's pension cost, including supplemental retirement plans, for the three months ended March 31, (*in millions*):

	U.S. 2010	U.S. 2009	International 2010	International 2009
Service cost-benefits earned during the period	$ 1.3	$ 1.5	$ 1.5	$ 1.2
Interest cost on projected benefit obligation	12.9	13.4	7.2	5.7
Expected return on plan assets	(14.1)	(13.7)	(6.3)	(5.0)
Amortization of:				
Prior service cost	—	0.3	—	—
Actuarial loss	3.2	2.3	0.5	—
Net periodic pension cost	$ 3.3	$ 3.8	$ 2.9	$ 1.9

The following table presents the components of the Company's other postretirement benefit costs for the three months ended March 31, (*in millions*):

	2010	2009
Service cost-benefits earned during the period	$0.4	$ 0.5
Interest cost on projected benefit obligation	2.3	2.4
Amortization of prior service benefit and actuarial loss, net	(0.4)	(0.6)
Net other postretirement benefit costs	$2.3	$ 2.3

The Company made a cash contribution to the Company-sponsored profit sharing plan of $17.1 million and $19.0 million during the three months ended March 31, 2010 and 2009, respectively.

Footnote 8 — Income Taxes

As of March 31, 2010, there were no significant changes to the Company's unrecognized tax benefits as reported in its Form 10-K for the year ended December 31, 2009.

The Company's income tax expense and resulting effective tax rate are based upon the respective estimated annual effective tax rates applicable for the respective periods adjusted for the effect of items required to be treated as discrete to the period, including adjustments to write down deferred tax assets determined not to be realizable due to the vesting or cancellation of equity-based compensation awards, changes in tax laws, changes in estimated exposures for uncertain tax positions, and other items. The Company's income tax provision was adversely affected by $6.7 million in the three months ended March 31, 2010 due primarily to the write-off of deferred tax assets determined not to be realizable upon the vesting of restricted stock. In addition, the tax rate in the three months ended March 31, 2010 was adversely impacted by the expiration of certain U.S. tax incentives, including credits for

certain research and development activities. Interim period effective tax rates also reflect the application of applicable accounting guidance to losses generated in countries where the Company is projecting annual losses for which a deferred tax asset is not anticipated to be recognized. The Company's effective tax rate differs from the U.S. federal corporate income tax rate primarily due to foreign tax rate differentials and other items.

Footnote 9 — Earnings per Share

The calculation of basic and diluted earnings per share is shown below for the three months ended March 31, *(in millions, except per share data):*

	2010	2009
Numerator for basic and diluted earnings per share:		
Net income	$ 58.4	$ 33.7
Dividends and equivalents for share-based awards expected to be forfeited	—	0.1
Net income for basic earnings per share	$ 58.4	$ 33.8
Effect of Preferred Securities (1)	—	—
Net income for diluted earnings per share	$ 58.4	$ 33.8
Denominator:		
Weighted-average shares outstanding	278.0	277.4
Share-based payment awards classified as participating securities	3.1	3.3
Denominator for basic earnings per share	281.1	280.7
Dilutive securities (2)	1.8	—
Convertible Notes (3)	16.5	—
Warrants (4)	8.4	—
Preferred Securities (1)	—	—
Denominator for diluted earnings per share	307.8	280.7
Basic earnings per share	$ 0.21	$ 0.12
Diluted earnings per share	$ 0.19	$ 0.12

(1) The Preferred Securities are anti-dilutive for each of the three months ended March 31, 2010 and 2009, and therefore have been excluded from diluted earnings per share. Had the Preferred Securities been included in the diluted earnings per share calculation, net income would be increased by $3.5 million and weighted-average shares outstanding would be increased by 8.3 million shares for each of the three months ended March 31, 2010 and 2009.

(2) Dilutive securities include "in the money" options, non-participating restricted stock units and performance share awards. The weighted-average shares outstanding exclude the effect of approximately 13.1 million and 17.2 million stock options for the three months ended March 31, 2010 and 2009, respectively, because such options were anti-dilutive.

(3) The Convertible Notes are dilutive to the extent the average price during the period is greater than $8.61, the conversion price of the Convertible Notes, and the Convertible Notes are only dilutive for the "in the money" portion of the Convertible Notes that could be settled with the Company's stock. The Convertible Notes were dilutive for the three months ended March 31, 2010, as the average price of the Company's common stock during the three months ended March 31, 2010 was greater than $8.61. The shares of common stock issuable to satisfy the "in the money" portion of the Convertible Notes that could be settled with the Company's stock based on the average stock price for the three months ended March 31, 2010 was 16.5 million. The call options purchased in connection with the convertible note hedge transactions have an equal and offsetting impact to the dilution associated with the Convertible Notes. However, because the impact of the purchased call options would reduce weighted average shares outstanding by 16.5 million shares for the three months ended March 31, 2010, the purchased call options are considered anti-dilutive securities. The authoritative accounting guidance does not permit anti-dilutive securities to be included in weighted average shares outstanding despite their characteristics and economic impacts.

The average price of the Company's stock during the three months ended March 31, 2009 was less than $8.61 and, as a result, the Convertible Notes were not dilutive for the prior year quarter.

(4) The warrants issued in March 2009 were dilutive for the three months ended March 31, 2010, as the average price of the Company's common stock during the three months ended March 31, 2010 was greater than $11.59, the exercise price of the warrants. The average price of the Company's stock during the three months ended March 31, 2009 was less than $11.59 and, as a result, the warrants were not dilutive for the prior year quarter.

Table of Contents

Footnote 10 — Stock-Based Compensation

The Company accounts for stock-based compensation pursuant to certain authoritative guidance which requires measurement of compensation cost for all stock awards at fair value on the date of grant and recognition of compensation, net of estimated forfeitures, over the requisite service period for awards expected to vest. The Company recognized $10.5 million and $8.8 million of pre-tax stock-based compensation during the three months ended March 31, 2010 and 2009, respectively.

In determining the fair value of stock options granted during the three months ended March 31, 2010, the Company utilized its historical experience to estimate the expected life of the options and volatility.

The following table summarizes the changes in the number of shares of common stock under option for the three months ended March 31, 2010 (*shares in millions*):

	Shares	Weighted Average Exercise Price	Exercisable at Period End	Aggregate Intrinsic Value Exercisable
Outstanding at December 31, 2009	16.3	$ 22	7.6	$ 0.2
Granted	1.5	14		
Exercised	(0.1)	8		
Forfeited / expired	(0.2)	20		
Outstanding at March 31, 2010	17.5	$ 22	9.2	$ 0.3

The following table summarizes the changes in the number of shares of restricted stock and restricted stock units for the three months ended March 31, 2010 (*shares in millions*):

	Shares	Weighted-Average Grant Date Fair Value
Outstanding at December 31, 2009	4.6	$ 15
Granted	1.8	14
Vested	(0.7)	30
Forfeited	(0.1)	13
Outstanding at March 31, 2010	5.6	$ 13

During the three months ended March 31, 2010, the Company awarded 0.9 million performance-based restricted stock units which entitle recipients to shares of the Company's stock at the end of a three-year vesting period if specified market conditions are achieved. The performance-based restricted stock units entitle recipients to shares of common stock equal to 0% up to 200% of the number of units granted at the vesting date depending on the level of achievement of the specified conditions. As of March 31, 2010, 1.9 million performance-based restricted stock units were outstanding, and based on performance through March 31, 2010, recipients of performance-based restricted stock units would be entitled to 1.9 million shares at the vesting date. The performance-based restricted stock units are included in the preceding table as if the participants earn shares equal to 100% of the units granted.

Table of Contents

Footnote 11 — Fair Value

The following tables present the Company's non-pension financial assets and liabilities which are measured at fair value on a recurring basis as of March 31, 2010 and December 31, 2009 (*in millions*):

Description	Fair Value at March 31, 2010	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Money market fund investments (1)	$ 14.7	$ —	$ 14.7	$ —
Investment securities, including mutual funds (2)	30.5	6.9	23.6	—
Interest rate swaps	32.8	—	32.8	—
Foreign currency derivatives	1.4	—	1.4	—
Total	$ 79.4	$ 6.9	$ 72.5	$ —
Liabilities				
Foreign currency derivatives	2.3	—	2.3	—
Total	$ 2.3	$ —	$ 2.3	$ —

Description	Fair Value at December 31, 2009	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Money market fund investments (1)	$ 14.6	$ —	$ 14.6	$ —
Investment securities, including mutual funds (2)	31.6	6.6	25.0	—
Interest rate swaps	20.9	—	20.9	—
Foreign currency derivatives	1.3	—	1.3	—
Total	$ 68.4	$ 6.6	$ 61.8	$ —
Liabilities				
Interest rate swaps	2.5	—	2.5	—
Foreign currency derivatives	1.5	—	1.5	—
Total	$ 4.0	$ —	$ 4.0	$ —

(1) Investments in money market funds are classified as cash equivalents due to their short-term nature and the ability for them to be readily converted into cash. Investments in money market funds are valued at the net asset value per share or unit multiplied by the number of shares or units held as of the measurement date and, accordingly, have been classified as Level 2 investments.

(2) The values of investment securities, including mutual funds, are classified as cash and cash equivalents ($15.6 million at March 31, 2010) and other assets ($14.9 million at March 31, 2010). For mutual funds that are publicly traded, fair value is determined on the basis of quoted market prices and, accordingly, these investments have been classified as Level 1. Other investment securities are valued at the net asset value per share or unit multiplied by the number of shares or units held as of the measurement date and have been classified as Level 2.

The Company's nonfinancial assets which are measured at fair value on a nonrecurring basis include property, plant and equipment, goodwill, intangible assets and certain other assets. During the three months ended March 31, 2010, impairments associated with plans to dispose of certain property, plant and equipment were not material. The Company generally uses projected cash flows, discounted as necessary, to estimate the fair values of the impaired assets using key inputs such as management's projections of cash flows on a held-and-used basis (if applicable), management's projections of cash flows upon disposition and discount rates. Accordingly, these fair value measurements fall in level 3 of the fair value hierarchy. These assets and certain liabilities are measured at fair value on a nonrecurring basis as part of the Company's impairment assessments and as circumstances require.

Table of Contents

Footnote 12 — Segment Information

The Company's reportable segments are as follows:

Segment	Key Brands	Description of Products
Home & Family	Rubbermaid®, Graco®, Aprica®, Levolor®, Calphalon®, Goody®	Infant and juvenile products such as car seats, strollers, highchairs, and playards; gourmet cookware, bakeware, cutlery and small kitchen electrics; hair care accessories; cabinet hardware, drapery hardware and window treatments; and indoor/outdoor organization, food storage, and home storage products
Office Products	Sharpie®, Paper Mate®, Dymo®, Parker®, Waterman®, Expo®, mimio®	Writing instruments, including markers, highlighters, pens, pencils, and fine writing instruments; office technology solutions such as label makers and printers, interactive teaching solutions, card-scanning solutions, and on-line postage; and art products
Tools, Hardware & Commercial Products	Lenox® , Irwin®, Rubbermaid® Commercial Products, Technical Concepts™, Shur-line®, Bulldog®, BernzOmatic®	Hand tools, power tool accessories, industrial bandsaw blades, propane torches, and manual paint applicators; window hardware; cleaning and refuse products, hygiene systems and material handling solutions

The Company's segment results are as follows *(in millions)*:

	Three Months Ended March 31,	
	2010	2009
Net Sales (1)		
Home & Family	$ 556.9	$ 557.7
Office Products	351.6	318.2
Tools, Hardware & Commercial Products	397.9	328.0
	$1,306.4	$1,203.9
Operating Income (Loss) (2)		
Home & Family	$ 68.8	$ 60.3
Office Products	47.3	31.1
Tools, Hardware & Commercial Products	51.6	38.0
Corporate	(21.6)	(18.1)
Restructuring Costs	(16.0)	(30.5)
	$ 130.1	$ 80.8

	March 31, 2010	December 31, 2009
Identifiable Assets		
Home & Family	$ 897.1	$ 878.8
Office Products	932.4	970.3
Tools, Hardware & Commercial Products	939.0	892.2
Corporate (3)	3,647.6	3,682.6
	$6,416.1	$ 6,423.9

Geographic Area Information

	Three Months Ended March 31,	
	2010	2009
Net Sales (1)		
United States	$ 904.6	$ 861.3
Canada	78.0	61.5
Total North America	982.6	922.8
Europe, Middle East and Africa	188.8	159.6
Latin America	55.7	53.7
Asia Pacific	79.3	67.8
Total International	323.8	281.1
	$1,306.4	$1,203.9
Operating Income (Loss) (2), (4)		
United States	$ 101.7	$ 72.0
Canada	15.3	7.8
Total North America	117.0	79.8
Europe, Middle East and Africa	0.1	(8.1)
Latin America	2.3	7.0
Asia Pacific	10.7	2.1
Total International	13.1	1.0
	$ 130.1	$ 80.8

(1) All intercompany transactions have been eliminated. Sales to Wal-Mart Stores, Inc. and subsidiaries amounted to approximately 13% of consolidated net sales in the three months ended March 31, 2010 and 2009, respectively.

(2) Operating income (loss) by segment is net sales less cost of products sold and SG&A expenses. Operating income (loss) by geographic area is net sales less cost of products sold, SG&A expenses, and restructuring costs. Certain headquarters expenses of an operational nature are allocated to business segments and geographic areas primarily on a net sales basis.

(3) Corporate assets primarily include goodwill, capitalized software, cash and deferred tax assets.

(4) The following table summarizes the restructuring costs by region included in operating income (loss) above:

	Three Months Ended March 31,	
	2010	2009
Restructuring Costs:		
United States	$ 6.3	$ 14.9
Canada	—	4.4
Total North America	6.3	19.3
Europe, Middle East and Africa	8.2	5.6
Latin America	—	2.3
Asia Pacific	1.5	3.3
Total International	9.7	11.2
	$ 16.0	$ 30.5

Footnote 13 — Litigation and Contingencies

The Company is involved in legal proceedings in the ordinary course of its business. These proceedings include claims for damages arising out of use of the Company’s products, allegations of infringement of intellectual property, commercial disputes and employment matters, as well as environmental matters. Some of the legal proceedings include claims for punitive as well as compensatory damages, and certain proceedings may purport to be class actions.

In the normal course of business and as part of its acquisition and divestiture strategy, the Company may provide certain representations and indemnifications related to legal, environmental, product liability, tax or other types of issues. Based on the nature of these representations and indemnifications, it is not possible to predict the maximum potential payments under all of these agreements due to the conditional nature of the Company's obligations and the unique facts and circumstances involved in each particular agreement. Historically, payments made by the Company under these agreements did not have a material effect on the Company's business, financial condition or results of operations.

In July 2007, the Company acquired all of the outstanding equity interests of PSI Systems, Inc. ("Endicia"), provider of Endicia Internet Postage. Endicia is party to a lawsuit against it alleging patent infringement which was filed on November 22, 2006 in the U.S. District Court for the Central District of California. In this case, Stamps.com seeks unspecified damages, attorneys' fees and injunctive relief in order to prevent Endicia from continuing to engage in activities that are alleged to infringe on Stamps.com's patents. In the first quarter of 2010, the Court entered a judgment in favor of the Company terminating the action on summary judgment, and Stamps.com subsequently filed a notice of appeal. A separate case, in which Endicia and Stamps.com each claim infringement of different patents, remains pending in the same court.

The City of Sao Paulo's Green and Environmental Office (the "Sao Paulo G&E Office") is seeking fines of up to approximately $4 million related to alleged improper storage of hazardous materials at the Company's tool manufacturing facility located in Sao Paulo, Brazil. The Company has obtained a stay of enforcement of a notice of fine due October 1, 2009 issued by the Sao Paulo G&E Office. The Company plans to continue to contest the fines.

The Company (through two of its affiliates) has been involved in litigation with Worthington Cylinders (the "Supplier") over breach of a supply contract and price increases levied by the Supplier after having wrongfully terminated the contract prior to its expiration. In February 2010, a jury determined that the Supplier: (a) breached the supply agreement; (b) illegally traded upon the goodwill of the Company; and (c) committed deceptive trade practices in violation of relevant laws. The jury awarded damages of $13 million to the Company, and the Company will be seeking approximately an additional $3 million in pre-judgment interest and attorney fees. The Supplier intends to appeal the judgment. Under the relevant authoritative accounting guidance, the Company has not recorded any gains in the results for the three months ended March 31, 2010 due to the favorable jury verdict and intends to withhold such action until all contingencies relating to this matter have been resolved.

Footnote 14 — Subsequent Events

No significant events occurred subsequent to the balance sheet date but prior to the issuance of the financial statements that would have a material impact on the Company's condensed consolidated financial statements.

Table of Contents

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of the Company's consolidated results of operations and financial condition. The discussion should be read in conjunction with the accompanying condensed consolidated financial statements and notes thereto.

Business Overview

Newell Rubbermaid (the "Company") is a global marketer of consumer and commercial products that touch the lives of people where they work, live and play. The Company's products are sold in more than 90 countries around the world and are marketed under a strong portfolio of brands, including Rubbermaid®, Graco®, Aprica®, Levolor®, Calphalon®, Goody®, Sharpie®, Paper Mate®, Dymo®, Parker®, Waterman®, Irwin®, Lenox® and Technical Concepts™. The Company's multi-product offering consists of well-known name-brand consumer and commercial products in three business segments: Home & Family; Office Products; and Tools, Hardware & Commercial Products.

Business Strategy

Newell Rubbermaid's vision is to become a global company of Brands That Matter™ and great people, known for best-in-class results. The Company is committed to building consumer-meaningful brands through understanding the needs of consumers and using those insights to create innovative, highly differentiated product solutions that offer performance and value. To support its multi-year transformation into a best-in-class global consumer branding and marketing organization, the Company has adopted a strategy that focuses on optimizing the business portfolio, building consumer-meaningful brands, and achieving best cost and efficiency in its operations. The Company's strategy is designed to achieve simultaneous net sales growth, gross margin expansion and increased earnings per share.

The Company's core organizing concept is the global business unit ("GBU"). The Company is organized into 13 GBUs, and each of the GBUs supports one or more of the Company's key brands worldwide, with a focus on developing and marketing differentiated products designed to meet consumers' needs. The GBU structure positions the business units to leverage research and development, branding, marketing and innovation on a global basis and facilitates the Company's objective of optimizing working capital and shared resources. The Company's 13 GBUs are aggregated into three operating segments, which are as follows:

Segment	GBU	Key Brands	Description of Primary Products
Home & Family	Rubbermaid Consumer	Rubbermaid®	Indoor/outdoor organization, food storage, and home storage products
	Baby & Parenting	Graco® , Aprica®	Infant and juvenile products such as car seats, strollers, highchairs, and playards
	Décor	Levolor®	Drapery hardware, window treatments and cabinet hardware
	Culinary Lifestyle	Calphalon®	Gourmet cookware, bakeware, cutlery and small kitchen electrics
	Beauty & Style	Goody®	Hair care accessories
Office Products	Markers, Highlighters, Art and Office Organization	Sharpie®, Expo®	Writing instruments, including markers and highlighters, and art products
	Technology	Dymo®, mimio®	Office technology solutions such as label makers and printers, interactive teaching solutions and on-line postage
	Everyday Writing	Paper Mate®	Writing instruments, including pens and pencils
	Fine Writing & Luxury Accessories	Parker®, Waterman®	Fine writing instruments and leather goods
Tools, Hardware & Commercial Products	Industrial Products & Services	Lenox®	Industrial bandsaw blades
	Rubbermaid Commercial Products	Rubbermaid® Commercial Products, Technical Concepts™	Cleaning and refuse products, hygiene systems and material handling solutions
	Construction Tools & Accessories	Irwin®	Hand tools and power tool accessories
	Hardware	Shur-line®, Bulldog®, BernzOmatic®	Manual paint applicators, window hardware and propane torches

Market Overview

The Company operates in the consumer and commercial products markets, which are generally impacted by overall economic conditions in the regions in which the Company operates. During the first three months of 2010, the Company's operating results improved compared to the prior year quarter due to an increase in net sales and the expansion of gross margins. The Company's results for the first three months of 2010 were impacted by the following factors:

- Improving consumer confidence and increased demand in the commercial and industrial channels contributed an estimated 2% to 3% to the year-over-year core sales increase of more than 7%. Core sales represent net sales excluding the impacts of acquisitions, currency and product line exits.
- Customers purchasing in advance of the April 2010 launch of SAP in the Rubbermaid Commercial and Rubbermaid Consumer GBUs contributed an estimated 2% to 3% of additional core sales increases, and customer inventory restocking in anticipation of increased consumer demand contributed an estimated 2% to 3% of additional core sales improvement.
- Improvement in economic conditions internationally, which resulted in a year-over-year net sales increase of approximately 9% in the Company's international businesses, excluding the impact of currency.
- Productivity gains and favorable product mix, which more than offset the adverse impact of input cost inflation, particularly in resin, resulting in a 100 basis point expansion in gross margins.
- Continued selective investment in strategic SG&A activities to drive sales, enhance the new product pipeline and develop growth platforms. During the first three months of 2010, the Company's selective investments in strategic brand-building and consumer demand creation included investments in the following:
  - Lenox's Q88 bimetal bandsaw blade with a patent-protected design that maximizes blade life while delivering superior cutting performance;
  - Dymo's partnership with 3M to increase sales and distribution in the industrial labeling category;
  - Dedicated Parker "Shop-in-Shops" in key retail locations to enhance in-store merchandising; and
  - Advertising for Paper Mate's Biodegradable, Design Metallic and Gel pen lines.
- Increased earnings and continued working capital management contributed to the generation of $29 million in operating cash flow compared to a use of $11 million in the first quarter of last year, as the Company continues to focus on optimizing cash flow and debt reduction to improve its overall credit metrics.

Ongoing Initiatives

Project Acceleration
Project Acceleration is designed to reduce manufacturing overhead, better align the Company's distribution and transportation processes, and reorganize the overall business structure to align with the Company's core organizing concept, the GBU, to achieve best total cost. Through the Project Acceleration restructuring program and other initiatives, the Company has made significant progress in improving capacity utilization rates to deliver productivity savings and in increasing the use of strategic sourcing partners. The Company continues to review and assess its manufacturing footprint and sourcing activities and is evaluating additional projects that would be implemented in 2010 to further rationalize and optimize its manufacturing operations.

Project Acceleration also includes initiatives to exit certain product categories to create a more focused and more profitable platform for growth by eliminating selected low-margin, commodity like, mostly resin-intensive product categories and reduce the Company's exposure to volatile commodity markets, particularly resin. The product line exits were substantially completed in 2009 and primarily impacted products in the Company's Rubbermaid Consumer and Markers, Highlighters, Art and Office Organization GBUs. Because these product line exits took place throughout 2009, the product line exits are expected to result in a 1% to 2% decline in net sales in 2010 compared to 2009.

The Company expects to have completed implementation of its Project Acceleration restructuring initiative by the end of 2010, and the total costs incurred over the life of the initiative are expected to be between $475 million and $500 million, including $250 million to $270 million of employee-related costs, $155 million to $175 million in non-cash asset-related costs, and $50 million to $70 million in other associated restructuring costs. Approximately 67% of the total Project Acceleration restructuring costs are expected to be cash charges. The Company expects to incur between $60 million and $80 million of costs during the year ending December 31, 2010 to complete Project Acceleration. Cumulative annualized savings expected to be realized from the implementation of Project Acceleration are in excess of $200 million once completed, with more than $160 million in annualized savings realized to date.

One Newell Rubbermaid

The Company strives to leverage the common business activities and best practices of its GBUs, and to build one common culture of shared values with a focus on collaboration and teamwork. Through this initiative, the Company has established regional shared service centers to leverage nonmarket-facing functional capabilities to reduce costs. In addition, the Company has consolidated the leadership and strategic operations of five of the Company's GBUs into the Company's headquarters facilities to facilitate the sharing of knowledge and better leverage best practices.

The Company is also migrating multiple legacy systems and users to a common SAP global information platform in a phased, multi-year rollout. SAP is expected to enable the Company to integrate and manage its worldwide business and reporting processes more efficiently. Through March 31, 2010, the North American operations of 10 of the Company's 13 GBUs have successfully gone live with their SAP implementation efforts, and the North American operations of two additional GBUs, Rubbermaid Consumer and Rubbermaid Commercial Products, went live on SAP in April 2010. Additional SAP go-lives for certain of the Company's North American operations are scheduled for later in 2010.

Foreign Currency Translation – Venezuela Impacts

Under highly inflationary accounting, the Company remeasures assets, liabilities, sales and expenses denominated in Venezuelan Bolivar Fuertes into U.S. Dollars using the applicable exchange rate, and the resulting translation adjustments are included in earnings. The Company uses the parallel exchange rate to remeasure transactions and balances denominated in Venezuelan Bolivar Fuertes into U.S. Dollars. There is also an ongoing impact related to measuring the income statement for the Company's Venezuelan operations at the parallel exchange rate in addition to the impacts of highly inflationary accounting. The Company's results in Venezuela will be reflected in the consolidated financial statements at the parallel exchange rate, which was approximately 7 to 1 U.S. Dollar as of March 31, 2010; and during substantially all of 2009, the Company used the official rate of 2.15 to 1 to report the results of its Venezuelan operations. At the parallel rate, consolidated net sales and operating income are expected to decline an estimated 1% and 3%, respectively, for the year ending December 31, 2010 compared to the year ended December 31, 2009 due solely to the change in exchange rates used to translate the results of the Company's Venezuelan operations. The change in the rate does not impact reported changes in core sales, which exclude the impact of foreign currency.

Results of Operations

The following table sets forth for the periods indicated items from the Condensed Consolidated Statements of Income as reported and as a percentage of net sales for the three months ended March 31, *(in millions, except percentages)*:

	2010		2009	
Net sales	$1,306.4	100.0%	$1,203.9	100.0%
Cost of products sold	834.7	63.9	781.1	64.9
Gross margin	471.7	36.1	422.8	35.1
Selling, general and administrative expenses	325.6	24.9	311.5	25.9
Restructuring costs	16.0	1.2	30.5	2.5
Operating income	130.1	10.0	80.8	6.7
Nonoperating expenses:				
Interest expense, net	32.0	2.4	30.6	2.5
Other (income) expense, net	(0.3)	—	0.7	0.1
Net nonoperating expenses	31.7	2.4	31.3	2.6
Income before income taxes	98.4	7.6	49.5	4.1
Income taxes	40.0	3.1	15.8	1.3
Net income	$ 58.4	4.5%	$ 33.7	2.8%

Three Months Ended March 31, 2010 vs. Three Months Ended March 31, 2009

Consolidated Operating Results:

Net sales for the three months ended March 31, 2010 were $1,306.4 million, representing an increase of $102.5 million, or 8.5%, from $1,203.9 million for the three months ended March 31, 2009. The following table sets forth an analysis of changes in consolidated net sales:

	2010
Core sales	7.2%
Foreign currency	2.5
Product line exits	(1.2)
Total change in net sales	8.5%

Core sales increased 7.2% compared to the prior year resulting from higher volumes due to three primary reasons. An estimated 200 to 300 basis points of the core sales increase represents increases in consumer demand, and another 200 to 300 basis points is a result of restocking by customers in anticipation of future increases in consumer demand, particularly in the geographic regions and channels where inventories were reduced in late 2008 and early 2009. Finally, an additional 200 to 300 basis points of the core sales growth is attributable to customer purchases ahead of the April SAP launch in the North American operations of the Rubbermaid Consumer and Rubbermaid Commercial Products GBUs. These purchases represent pull forward of second quarter 2010 sales. Foreign currency contributed an additional 2.5% to the change in net sales, while last year's product line exits reduced year-over-year sales by 1.2%. Excluding foreign currency, sales of the Company's domestic and international businesses increased approximately 5.2% and 8.9%, respectively, versus the prior year.

Gross margin, as a percentage of net sales, for the three months ended March 31, 2010 was 36.1%, or $471.7 million, versus 35.1%, or $422.8 million, for the three months ended March 31, 2009. The primary drivers of the 100 basis point gross margin improvement were productivity gains from several initiatives, including Project Acceleration, and improved product mix, partially offset by input cost inflation. On an annualized basis, commodities consumed as raw materials generally represent approximately 10% to 15% of annual cost of products sold, with no single type of commodity representing more than 10% of cost of products sold.

SG&A expenses for the three months ended March 31, 2010 were 24.9% of net sales, or $325.6 million, versus 25.9% of net sales, or $311.5 million, for the three months ended March 31, 2009. In constant currency, SG&A expense increased $5.7 million mainly due to the Company's continued investment in brand building and other strategic SG&A activities such as marketing initiatives, advertising and promotions, sales force increases and the implementation of SAP.

The Company recorded restructuring costs of $16.0 million and $30.5 million for the three months ended March 31, 2010 and 2009, respectively. The year-over-year decrease in restructuring costs was largely attributable to lower costs associated with restructuring programs focused on streamlining the organizational structure to reduce structural SG&A costs. The restructuring costs for the three months ended March 31, 2010 included $0.9 million of facility and other exit costs, $13.8 million of employee severance, termination benefits and employee relocation costs, and $1.3 million of exited contractual commitments and other restructuring costs. The restructuring costs for the three months ended March 31, 2009 included $4.6 million of facility and other exit costs, $20.9 million of employee severance, termination benefits and employee relocation costs, and $5.0 million of exited contractual commitments and other restructuring costs. See Footnote 2 of the Notes to Condensed Consolidated Financial Statements for further information.

Operating income for the three months ended March 31, 2010 was $130.1 million, or 10.0% of net sales, versus $80.8 million, or 6.7% of net sales, for the three months ended March 31, 2009. The 330 basis point improvement in operating margin is primarily attributable to productivity gains and improved product mix combined with lower restructuring costs and better leverage of structural SG&A as a result of increased sales.

Net nonoperating expenses for the three months ended March 31, 2010 were $31.7 million versus $31.3 million for the three months ended March 31, 2009. The increase in net nonoperating expenses is attributable to higher interest rates partially offset by lower outstanding debt levels.

The Company recognized income tax expense of $40.0 million for the three months ended March 31, 2010, compared to $15.8 million for the three months ended March 31, 2009. The Company's effective tax rate was 40.7% for the three months ended March 31, 2010, compared to 31.9% for the three months ended March 31, 2009. The increase in the effective tax rate was primarily a result of the expiration of certain U.S. tax incentives, including credits for certain research and development activities, and other items discrete to the period, including non-cash tax charges associated with the vesting of equity-based compensation. Based on the accounting required for the income tax impacts associated with stock-based compensation, the Company's effective tax rate in future periods may be adversely impacted as a result of cancellations and exercises of employee stock options and vestings of restricted stock awards and restricted stock units. See Footnote 8 of the Notes to Condensed Consolidated Financial Statements for further information.

Table of Contents

Business Segment Operating Results:

Net sales by segment were as follows for the three months ended March 31, (*in millions, except percentages*):

	2010	2009	% Change
Home & Family	$ 556.9	$ 557.7	(0.1)%
Office Products	351.6	318.2	10.5
Tools, Hardware & Commercial Products	397.9	328.0	21.3
Total Net Sales	$1,306.4	$1,203.9	8.5%

The following table sets forth an analysis of changes in net sales in each segment for the three months ended March 31, 2010 as compared to net sales for the three months ended March 31, 2009:

	Home & Family	Office Products	Tools, Hardware & Commercial Products
Core sales	(1.5)%	13.0%	16.7%
Foreign currency	1.9	1.1	4.6
Product line exits	(0.5)	(3.6)	—
Total change in net sales	(0.1)%	10.5%	21.3%

Operating income (loss) by segment was as follows for the three months ended March 31, (*in millions, except percentages*):

	2010	2009	% Change
Home & Family	$ 68.8	$ 60.3	14.1%
Office Products	47.3	31.1	52.1
Tools, Hardware & Commercial Products	51.6	38.0	35.8
Corporate	(21.6)	(18.1)	(19.3)
Restructuring costs	(16.0)	(30.5)	47.5
Total Operating Income	$130.1	$ 80.8	61.0%

Home & Family

Net sales for the three months ended March 31, 2010 were $556.9 million, a decrease of $0.8 million, or 0.1%, from $557.7 million for the three months ended March 31, 2009. Core sales declined 1.5%, which was primarily attributable to softness in the Baby & Parenting GBU, particularly in the Asian markets, which was partially offset by growth in the Rubbermaid Consumer GBU, including the pull forward of customer purchases from the second quarter of 2010 in advance of the SAP go-live in April 2010. Product line exits reduced sales another 0.5% and foreign currency had a favorable impact of 1.9%.

Operating income for the three months ended March 31, 2010 was $68.8 million, or 12.4% of net sales, an increase of $8.5 million, or 14.1%, from $60.3 million, or 10.8% of net sales, for the three months ended March 31, 2009. The 160 basis point improvement in operating margin is attributable to productivity gains and mix, which combined contributed 540 basis points of improvement, partially offset by the impacts of inflation and currency. SG&A costs as a percentage of net sales were relatively unchanged.

Office Products

Net sales for the three months ended March 31, 2010 were $351.6 million, an increase of $33.4 million, or 10.5%, from $318.2 million for the three months ended March 31, 2009. Core sales increased 13.0%, which was primarily attributable to higher volumes, including customer inventory restocking. Product line exits reduced net sales 3.6% while favorable foreign currency added 1.1%, which is net of the 3.7% negative impact due to the use of the parallel rate to translate net sales denominated in Venezuela Bolivar Fuertes in 2010. See Footnote 1 to the Notes to Condensed Consolidated Financial Statements for further information.

Operating income for the three months ended March 31, 2010 was $47.3 million, or 13.5% of net sales, an increase of $16.2 million, or 52.1%, from $31.1 million, or 9.8% of net sales, for the three months ended March 31, 2009. The 370 basis point improvement in operating margin is attributable to productivity gains, mix and product line exits, which combined contributed 320 basis points of improvement, partially offset by the impacts of inflation and currency. Additionally, SG&A costs as a percentage of net sales declined modestly as the segment was able to better leverage structural SG&A costs as a result of increased net sales.

Tools, Hardware & Commercial Products

Net sales for the three months ended March 31, 2010 were $397.9 million, an increase of $69.9 million, or 21.3%, from $328.0 million for the three months ended March 31, 2009. Core sales accounted for 16.7% of the year-over-year increase, which was primarily a result of increased sales volumes, especially in the industrial and commercial channels, as a result of increases in consumer demand and customer inventory restocking. Another factor contributing to the 16.7% core sales increase, although to a lesser extent, is the pull forward of customer purchases from the second quarter of 2010 in advance of the April 2010 SAP go-live for the North American operations of the Rubbermaid Commercial Products GBU.

Operating income for the three months ended March 31, 2010 was $51.6 million, or 13.0% of net sales, an increase of $13.6 million, or 35.8%, from $38.0 million, or 11.6% of net sales, for the three months ended March 31, 2009. The 140 basis point improvement in operating margin is primarily attributable to a 250 basis point reduction in SG&A costs as a percentage of net sales as the segment was able to better leverage structural SG&A costs as a result of increased net sales.

Liquidity and Capital Resources

Cash and cash equivalents (decreased) increased as follows for the three months ended March 31, (*in millions*):

	2010	2009
Cash provided by (used in) operating activities	$ 29.4	$(11.2)
Cash used in investing activities	(33.0)	(33.5)
Cash (used in) provided by financing activities	(18.3)	527.6
Currency effect on cash and cash equivalents	(3.4)	(2.4)
(Decrease) increase in cash and cash equivalents	$(25.3)	$ 480.5

In the cash flow statement, the changes in operating assets and liabilities are presented excluding the effects of changes in foreign currency exchange rates. Accordingly, the amounts in the cash flow statement differ from changes in the operating assets and liabilities that are presented in the balance sheet.

Sources

Historically, the Company's primary sources of liquidity and capital resources have included cash provided by operations, proceeds from divestitures, issuance of debt, and use of available borrowing facilities.

Cash provided by operating activities for the three months ended March 31, 2010 was $29.4 million compared to a use of $11.2 million for the three months ended March 31, 2009. This improvement is primarily attributable to increased earnings and continued working capital management. Accounts receivable, normally a source of cash in the first quarter due to the seasonality of the business, was a net use for the three months ended March 31, 2010 primarily due to heavier than normal sales the last few weeks of the quarter as a result of pre-SAP buying. This impact was offset by a lower use of cash for the change in inventory during the three months ended March 31, 2010.

In the three months ended March 31, 2010, the Company did not engage in any significant debt issuance activity in contrast with $758.0 million net proceeds from the issuance of debt and borrowings under its syndicated revolving credit facility (the "Revolver") in the three months ended March 31, 2009.

Uses

Historically, the Company's primary uses of liquidity and capital resources have included acquisitions, dividend payments, capital expenditures and payments on debt.

The Company made payments on notes payable and other debt of $2.9 million during the three months ended March 31, 2010 compared to $132.5 million in payments on notes payable, other debt and the Revolver during the three months ended March 31, 2009.

Aggregate dividends paid were $13.9 million and $29.4 million for the three months ended March 31, 2010 and 2009, respectively. The Company paid quarterly dividends of $0.05 per share compared to $0.105 per share a year ago. The Company reduced the quarterly dividend to improve liquidity and maintain its investment-grade credit rating.

Capital expenditures were $31.5 million and $32.4 million for the three months ended March 31, 2010 and 2009, respectively. The largest single capital project in both three month periods was the implementation of SAP, which represented $10.4 million and $11.4 million of capital expenditures for the three months ended March 31, 2010 and 2009, respectively.

Cash used for restructuring activities was $16.1 million and $20.0 million for the three months ended March 31, 2010 and 2009, respectively, and is included in the cash flows from operating activities. These payments relate primarily to employee termination benefits.

Financial Position

The Company is committed to maintaining a strong financial position through maintaining sufficient levels of available liquidity, managing working capital, and monitoring the Company's overall capitalization.

- Cash and cash equivalents at March 31, 2010 were $253.0 million, and the Company had $690.0 million and $200.0 million of borrowing capacity under its Revolver and receivables facility, respectively.
- Working capital at March 31, 2010 was $532.7 million compared to $422.6 million at December 31, 2009, and the current ratio at March 31, 2010 was 1.31:1 compared to 1.24:1 at December 31, 2009. The increase in working capital and the current ratio is primarily due to net earnings.
- The Company monitors its overall capitalization by evaluating total debt to total capitalization. For this purpose, the Company defines total debt to total capital capitalization as the sum of short- and long-term debt, less cash, divided by the sum of total debt and stockholders' equity, less cash. Total debt to total capitalization was 0.55:1 at March 31, 2010 and 0.56:1 at December 31, 2009.

Over the long-term, the Company plans to improve its current ratio and total debt to total capitalization by improving operating results, managing working capital and using cash generated from operations to repay outstanding debt. The Company has from time to time refinanced, redeemed or repurchased its debt and taken other steps to reduce its debt or lease obligations or otherwise improve its overall financial position and balance sheet. Going forward, depending on market conditions, its cash positions and other considerations, the Company may continue to take such actions.

Borrowing Arrangements

The Company's Revolver expires in November 2012. As of March 31, 2010, there were no borrowings outstanding under the Revolver, and the Company had $690.0 million of borrowing capacity (in November 2010, the borrowing capacity is reduced to $665.0 million). In lieu of borrowings under the Revolver, the Company may use the borrowing capacity under the Revolver to provide 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 Revolver. However, the Company's current short-term debt credit ratings, coupled with continued uncertainty in the credit markets, may preclude it from accessing the commercial paper market. The Revolver also provides for the issuance of up to $100.0 million of standby letters of credit so long as there is a sufficient amount available for borrowing under the Revolver. As of March 31, 2010, no commercial paper was outstanding, and there were no borrowings or standby letters of credit outstanding under the Revolver.

The Company's 364-day receivables financing facility provides for maximum borrowings of up to $200.0 million, all of which was available for borrowing and no amounts were outstanding at March 31, 2010.

The indentures governing the Company's medium-term and convertible senior notes contain usual and customary nonfinancial covenants. The Company's borrowing arrangements other than the medium-term and convertible senior notes contain usual and customary nonfinancial covenants and certain financial covenants, including minimum interest coverage and maximum debt to total capitalization ratios. As of March 31, 2010, the Company had complied with all covenants under the indentures and its other borrowing arrangements, and the Company could access the full borrowing capacity available under the Revolver and the receivables facility and utilize the $890.0 million for general corporate purposes without exceeding the debt to total capitalization limits in its financial covenants. A failure to maintain the financial covenants would impair the Company's ability to borrow under the Revolver and the receivables facility and may result in the acceleration of the repayment of certain indebtedness.

Debt

The Company has varying needs for short-term working capital financing as a result of the seasonal nature of its business. The volume and timing of production impacts the Company's cash flows and has historically involved increased production in the first quarter of the year to meet increased customer demand through the remainder of the year. Working capital fluctuations have historically been financed through short-term financing arrangements, such as borrowings under the Revolver or commercial paper supported by the Revolver.

Total debt was $2.5 billion as of March 31, 2010 and December 31, 2009. No significant debt payments were due or made during the three months ended March 31, 2010.

As of March 31, 2010, the Company had $495.3 million of short-term debt, including $105.1 million of medium-term notes that mature in May 2010 and a $100.0 million principal payment due on the term loan in September 2010. In addition, because the closing sale price of the Company's common stock exceeded $11.19 for more than 20 of the last 30 consecutive trading days in the three months ended March 31, 2010, the convertible senior notes are convertible at the election of the holders of the notes at any time during the three months ending June 30, 2010. Since conversion of the notes is outside the control of the Company, the carrying value of the convertible senior notes, $287.2 million, is classified as current portion of long-term debt in the Condensed Consolidated Balance Sheet at March 31, 2010.

Pension Obligations

The Company has adopted and sponsors pension plans in the U.S. and in various other countries. The Company's ongoing funding requirements for its pension plans are largely dependent on the value of each of the plan's assets and the investment returns realized on plan assets.

Future increases or decreases in pension liabilities and required cash contributions are highly dependent on changes in interest rates and the actual return on plan assets. The Company determines its plan asset investment mix, in part, on the duration of each plan's liabilities. To the extent each plan's assets decline in value or do not generate the returns expected by the Company or interest rates decline further, the Company may be required to make contributions to the pension plans to ensure the pension obligations are adequately funded as required by law or mandate.

Dividends

The Company intends to maintain a dividend of $0.05 per share in the short-term so operating cash flow can be used to repay outstanding debt and improve its investment grade credit rating.

The payment of dividends to holders of the Company's common stock remains at the discretion of the Board of Directors and will depend upon many factors, including the Company's financial condition, earnings, legal requirements and other factors the Board of Directors deems relevant.

Credit Ratings

The Company's credit ratings are periodically reviewed by rating agencies. The Company's current senior debt credit ratings from Moody's Investors Service, Standard & Poor's and Fitch Ratings are Baa3, BBB- and BBB, respectively. Its current short-term debt credit ratings from Moody's Investors Service, Standard & Poor's and Fitch Ratings are P-3, A-3 and F-2, respectively. Moody's and Standard & Poor's have a stable outlook while Fitch maintains a higher rating, with a negative outlook. Changes in the Company's operating results, cash flows or financial position could impact the ratings assigned by the various rating agencies, and changes in the ratings may impact the rate of interest payable on certain of the Company's indebtedness. The ratings from credit agencies are not recommendations to buy, sell or hold the Company's securities, and each rating should be evaluated independently of any other rating.

Outlook

For the year ending December 31, 2010, the Company continues to expect to generate cash flows from operations in excess of $500 million after restructuring cash payments of approximately $70 million to $100 million. The Company plans to fund capital expenditures of approximately $160 million to $170 million, which include expenditures associated with the implementation of SAP.

Overall, the Company believes that available cash and cash equivalents, cash flows generated from future operations, and availability under the Revolver and receivables facility will be adequate to support the cash needs of its existing businesses.

Critical Accounting Policies

There have been no significant changes to the Company's critical accounting policies since the filing of its Form 10-K for the year ended December 31, 2009.

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, information or assumptions about the effects of Project Acceleration, sales (including pricing), income/(loss), earnings per share, operating income or gross margin improvements or declines, return on equity, return on invested capital, capital and other expenditures, working capital, cash flow,

dividends, capital structure, debt to capitalization ratios, availability of financing, interest rates, restructuring, impairment and other charges, potential losses on divestitures, impact of changes in accounting standards, pending legal proceedings and claims (including environmental matters), future economic performance, costs and cost savings (including raw material and sourced product inflation, productivity and streamlining), synergies, management's plans, goals and objectives for future operations, performance and growth or the assumptions relating to any of the forward-looking statements. These statements generally are accompanied by words such as "intend," "anticipate," "believe," "estimate," "project," "target," "plan," "expect," "will," "should," "would" or similar statements. The Company cautions that forward-looking statements are not guarantees because there are inherent difficulties in predicting future results. Actual results could differ materially from those expressed or implied in the forward-looking statements. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the Company's dependence on the strength of retail, commercial and industrial sectors of the economy in light of the global economic slowdown; currency fluctuations; competition with other manufacturers and distributors of consumer products; major retailers' strong bargaining power; changes in the prices of raw materials and sourced products and the Company's ability to obtain raw materials and sourced products in a timely manner from suppliers; the Company's ability to develop innovative new products and to develop, maintain and strengthen its end-user brands; the Company's ability to expeditiously close facilities and move operations while managing foreign regulations and other impediments; the Company's ability to manage successfully risks associated with divesting or discontinuing businesses and product lines; the Company's ability to implement successfully information technology solutions throughout its organization; the Company's ability to improve productivity and streamline operations; the Company's ability to refinance short term debt on terms acceptable to it, particularly given the uncertainties in the global credit markets; changes to the Company's credit ratings; significant increases in the funding obligations related to the Company's pension plans due to declining asset values or otherwise; the imposition of tax liabilities greater than the Company's provisions for such matters; significant increases in costs to comply with changes in legal, employment, tax, environmental and other laws and regulations; the risks inherent in the Company's foreign operations and those matters set forth in this Report generally and Exhibit 99.1 to this Report.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The Company has no material changes to the disclosure on this matter made in its Annual Report on Form 10-K for the year ended December 31, 2009.

Item 4. Controls and Procedures

As of March 31, 2010, an evaluation was performed by the Company's management, under the supervision and with the participation of the Company's chief executive officer and chief financial officer, of the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the chief executive officer and the chief financial officer concluded that the Company's disclosure controls and procedures were effective.

There were no changes in the Company's internal control over financial reporting that occurred during the quarter ended March 31, 2010 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. The Company is in the process of replacing various business information systems worldwide with an enterprise resource planning system from SAP. Implementation will continue to occur over several years in phases, primarily focused on geographic region and segment. This activity involves the migration of multiple legacy systems and users to a common SAP information platform. In addition, this conversion will impact certain interfaces with the Company's customers and suppliers, resulting in changes to the tools the Company uses to take orders, procure materials, schedule production, remit billings, make payments and perform other business functions.

Table of Contents

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Information required under this Item is contained above in Part I. Financial Information, Item 1 and is incorporated herein by reference.

Item 1A. Risk Factors

There were no material changes from the risk factors previously disclosed in the Company's 2009 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

ISSUER PURCHASES OF EQUITY SECURITIES

The following table provides information about the Company's purchases of equity securities during the quarter ended March 31, 2010:

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
1/1/10-1/31/10	198	$ 14.23	—	—
2/1/10-2/28/10	239,602	13.59	—	—
3/1/10-3/31/10	620	13.64	—	—
Total	240,420	$ 13.60	—	—

(1) None of these transactions were made pursuant to a publicly announced repurchase plan. All shares purchased for the quarter were acquired by the Company to satisfy employees' tax withholding and payment obligations in connection with the vesting of awards of restricted stock and restricted stock units, which are repurchased by the Company based on their fair market value on the vesting date.

Item 6. Exhibits

10.1	Newell Rubbermaid Inc. Long Term Incentive Plan under the Newell Rubbermaid Inc. 2003 and 2010 Stock Plans revised as of February 10, 2010.
10.2	Newell Rubbermaid Inc. 2010 Stock Plan (incorporated by reference to Exhibit A to the Company's Proxy Statement, dated April 1, 2010).
10.3	Form of Restricted Stock Unit Agreement under the 2003 Stock Plan revised as of February 9, 2010.
10.4	Second Amendment to the Newell Rubbermaid Inc. Management Cash Bonus Plan dated as of February 10, 2010.
10.5	Separation Agreement and General Release dated January 1, 2010, between the Company and Magnus Nicolin (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K/A dated January 1, 2010).
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.1	Safe Harbor Statement.

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: May 6, 2010

/s/ Juan R. Figuereo
Juan R. Figuereo
Chief Financial Officer

Date: May 6, 2010

/s/ John B. Ellis
John B. Ellis
Vice President – Corporate Controller and
Chief Accounting Officer

NEWELL RUBBERMAID INC.

Long Term Incentive Plan

1. **Grants**. Under the terms and provisions of the Newell Rubbermaid Inc. 2003 Stock Plan, as amended and restated effective as of February 8, 2006 and further amended as of August 9, 2006, and the Newell Rubbermaid Inc. 2010 Stock Plan (each the “Stock Plan”), the Organizational Development & Compensation Committee (the “Committee”) of the Board of Directors of Newell Rubbermaid Inc. (the “Company”), at any time and from time to time, may grant awards based on shares of the Company’s Common Stock, including Restricted Stock Units and Stock Options, to eligible employees in such amounts as the Committee shall determine. This Long Term Incentive Plan (“LTIP”) establishes a methodology for determining awards of Restricted Stock Units and Stock Options under the Stock Plan in 2010 and subsequent years to eligible employees with positions in Salary Bands 6-10 (“Key Employees”). The Committee will grant Restricted Stock Units and Stock Options to Key Employees pursuant to the guidelines set forth below.

2. **Guidelines.** The number of shares subject to Restricted Stock Units and Stock Options granted to a Key Employee in 2010 and in subsequent calendar years as an LTIP award will be determined as follows:

(a) On or prior to March 31 of each applicable calendar year, the Committee will determine:

(i) For each Key Employee a target value expressed as a percentage of the Key Employee’s base salary rate as in effect on December 31 of the prior year, which percentage will be based on the Key Employee’s Salary Band as of December 31 of the prior year (the “Target Value”).

(ii) A comparator group of companies for purposes of determining the Company’s relative Total Shareholder Return (“TSR”) for the three-year performance period beginning as of January 1 of the year in which this determination is made (the “TSR Comparator Group”).

(b) Of the Target Value determined for each Key Employee for each year:

(i) Stock Options. The Committee will authorize a Stock Option grant to each Key Employee in Salary Bands 7-10 for a number of shares determined by dividing 30% of the applicable Target Value for such Key Employee by the value of a Stock Option for a single share as of the date of grant, applying, on an aggregate basis, the same Black-Scholes valuation methodology used for purposes of FASB ASC Topic 718 (formerly FAS 123(R)). Fractional shares will be disregarded. The Stock Options will be Nonqualified Stock Options.

(ii) Time-Based Restricted Stock Units. The Committee will authorize a Restricted Stock Unit grant to each Key Employee for a number of shares of Common Stock determined by dividing 30% (60% in the case of a Key Employee in Salary Band 6) of the applicable Target Value for such Key Employee by the Fair Market Value of a share of Common Stock on the date of grant. Fractional shares will be rounded up.

(iii) Performance-Based Restricted Stock Units. The Committee will authorize a Restricted Stock Unit grant to each Key Employee for a number of shares determined by dividing 40% of the applicable Target Value for such Key Employee by the Fair Market Value of a share of Common Stock on the date of grant. Fractional shares will be rounded up. This Restricted Stock Unit grant will be subject to the TSR Comparator Group analysis as described in Section 2(c).

The grants described above will be made at the same time the Committee determines the criteria described in Section 2(a), and will be based on a Key Employee's Salary Band as of the December 31 of the prior year.

(c) Following the completion of the applicable three-year performance period, the Committee will determine the extent to which the TSR Comparator Group Target has been achieved. The TSR will be calculated based on the following formula:

$$\frac{\text{(Change in Stock Price) + (Dividends)}}{\text{(Beginning Stock Price)}}$$

For this purpose, the beginning stock price will be the average closing stock price in the first month of the applicable performance period and the ending stock price will be the average closing price in the last month of the applicable performance period.

The Committee will determine the Company's ranking in the comparator group based on the TSR of the Company and of each other member of the TSR Comparator Group, and will multiply the number of Restricted Stock Units subject to the TSR Comparator Group by the applicable percentage set forth below:

Rankings

- 1st in TSR comparator group = 200%
- 6th in TSR comparator group = 150%
- 11th in TSR comparator group = 100%
- 16th in TSR comparator group = 50%
- Below 20th in TSR comparator group = 0%

Interpolation is used for Company ranking between the upper and lower comparator group ranking (for example, a Company ranking of 3 would result in an interpolated percentage between 200% and 150%, and a ranking of 8 would result in an interpolated percentage between 150% and 100%).

The resulting number is the adjusted number of Restricted Stock Units and thus the number of shares of Common Stock actually issuable pursuant to the Key Employee's Performance-Based Restricted Stock Unit grant.

If a member is added or deleted from the TSR Comparator Group during the three-year performance period, such change will be made retroactively to the beginning of such performance period. If the number of members of the TSR Comparator Group changes, the Committee has the discretion to adjust the ranking levels and percentages set forth in the table above.

No Restricted Stock Units described in Section 2(b)(iii) will be awarded pursuant to this LTIP except on the basis of the attainment of the performance criteria set forth above and in the amount specified herein; provided that the Committee retains the discretion to reduce any amount of Restricted Stock Units or Stock Options awarded hereunder, to reduce the number of shares awarded pursuant to Restricted Stock Units or to terminate a Key Employee's participation in this LTIP. Except as set forth in the Restricted Stock Unit Agreement, an individual who is not employed by the Company or any of its affiliates on the date the Committee determines performance goal achievement will not be eligible to receive the Common Stock issuable pursuant to Restricted Stock Units.

3. **Vesting.** Except as otherwise specified by the Committee or as set forth in the Restricted Stock Unit Agreement or Stock Option Agreement of a Key Employee, each Restricted Stock Unit grant and Stock Option grant will be subject to a three-year cliff vesting schedule ending on the third anniversary of the date of grant.

4. **Dividends and Other Distributions**. Key Employees residing in the United States who hold Restricted Stock Units granted hereunder will be credited with an amount equal to the regular cash dividends that would be paid with respect to the underlying shares had they been issued (assuming that each Restricted Stock Unit represents one share of Common Stock) while such Restricted Stock Units are so held; provided that (a) the dividend equivalents attributable to Time-Based Restricted Stock Units shall be paid in cash to the Key Employees at the time the regular dividends are paid; and (b) in the case of Performance-Based Restricted Stock Units, the dividend equivalents (i) shall be accumulated and held until the end of the applicable vesting period, and (ii) except as otherwise set forth in the Restricted Stock Unit Agreement, shall be subject to adjustment as described in Section 2(c). The Committee shall have the discretion to determine the time at which dividend equivalents described in this Section 4(b) are credited and the form in which they will be credited and paid. The Committee may apply any other restrictions to any dividend equivalents that the Committee deems appropriate. Without limiting the generality of the preceding sentence, if the grant or vesting of Restricted Stock Units is intended to qualify as performance-based compensation, the Committee may apply any restrictions it deems appropriate to the payment of dividend equivalents declared with respect to such Restricted Stock Units, such that the dividend equivalents and/or the Restricted Stock Units maintain eligibility for the performance-based exception under Code Section 162(m). Key Employees who reside outside the United States will not be paid any dividends or dividend equivalents with respect to any Restricted Stock Units granted hereunder. Dividends and dividend equivalents are not paid with respect to Stock Options.

5. **Restricted Stock Unit and Stock Option Agreements.** Each Restricted Stock Unit and Stock Option grant awarded pursuant to this LTIP will be evidenced by a Restricted Stock Unit Agreement or a Stock Option Agreement, as applicable, in accordance with Section 4.3 of the Stock Plan, which will specify the number of shares subject to the award, the vesting schedule, the payment provisions, including dividend payment provisions, if any, and such other provisions as the Committee determines including, without limitation, provisions regarding continued employment with the Company, restrictions based upon the achievement of specific Company-wide performance goals, time-based restrictions on vesting following the attainment of performance goals, and/or restrictions under applicable federal or state securities laws.

6. **Amendment or Termination of LTIP**. Although it is intended that this LTIP be used to determine awards of Restricted Stock Units and Stock Options under the Stock Plan for 2010 and future years, the Committee reserves the right to amend or terminate the LTIP at any time, retroactively or otherwise.

7. **Capitalized Terms.** Capitalized terms used but not defined herein shall have the meanings assigned to such terms pursuant to the Stock Plan.

NEWELL RUBBERMAID INC. 2003 STOCK PLAN
(As Amended and Restated Effective February 8, 2006)

RESTRICTED STOCK UNIT AWARD AGREEMENT

A Restricted Stock Unit ("RSU") Award (the "Award") granted by Newell Rubbermaid Inc., a Delaware corporation (the "Company"), to the employee named in the attached Award letter (the "Grantee") relating to the common stock, par value $1.00 per share (the "Common Stock"), of the Company, shall be subject to the following terms and conditions and the provisions of the Newell Rubbermaid Inc. 2003 Stock Plan, as amended and restated effective February 8, 2006 and further amended August 9, 2006 (the "Plan"), a copy of which is attached hereto and the terms of which are hereby incorporated by reference.

1. Acceptance by Grantee. The receipt of the Award is conditioned upon its acceptance by the Grantee in the space provided therefor at the end of the attached Award letter and the return of an executed copy of such Award letter to the Secretary of the Company no later than 60 days after the Award Date set forth therein or, if later, 30 days after the Grantee receives this Agreement.

2. Grant of RSUs. The Company hereby grants to the Grantee the Award of RSUs, as set forth in the Award letter. An RSU is the right, subject to the terms and conditions of the Plan and this Agreement, to receive a distribution of a share of Common Stock for each RSU as described in Section 7 of this Agreement.

3. RSU Account. The Company shall maintain an account ("RSU Account") on its books in the name of the Grantee which shall reflect the number of RSUs awarded to the Grantee.

4. Dividend Equivalents.

   (a) *Time-Based RSUs.* Upon the payment of any dividend on Common Stock occurring during the period preceding the earlier of the date of vesting of the Grantee's Award or the date the Grantee's Award is forfeited as described with Section 5, the Company shall promptly pay to each Grantee an amount in cash equal in value to the dividends that the Grantee would have received had the Grantee been the actual owner of the number of shares of Common Stock represented by the Time-Based RSUs in the Grantee's RSU Account on that date.

   (b) *Performance-Based RSUs*. Upon the payment of any dividend on Common Stock occurring during the period preceding the earlier of the date of vesting of the Grantee's Award or the date the Grantee's Award is forfeited as described with Section 5, the Company shall credit the Grantee's RSU Account with an amount equal in value to the dividends that the Grantee would have received had the Grantee been the actual owner of the number of shares of Common Stock represented by the Performance-Based RSUs in the Grantee's RSU Account on that date. Such amounts shall be paid to the Grantee in cash at the time and to the extent the related Performance-Based RSUs vest. The amount of dividend equivalents payable to the Grantee shall be adjusted to reflect the adjustment made to the related RSUs pursuant to Section 6 (which shall be determined by multiplying such amount by the percentage adjustment made to the related RSUs). Any such dividend equivalents relating to Performance-Based RSUs that are forfeited shall also be forfeited.

5. Vesting.

   (a) Except as described in (b), (c) and (d) below, the Grantee shall become vested in his Award upon the third anniversary of the date of the grant of the Award (the "Award Date") if he remains in continuous employment with the Company or an affiliate until such date.

   (b) If the Grantee's employment with the Company and all affiliates terminates prior to the third anniversary of the Award Date due to death or disability, the Award shall become vested on such

date. For this purpose “disability” means (as determined by the Committee in its sole discretion) the inability of the Grantee to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which is expected to result in death or disability or which has lasted or can be expected to last for a continuous period of not less than 12 months.

(c) If the Grantee’s employment with the Company and all affiliates terminates prior to the third anniversary of the Award Date due to retirement, (i) Time-Based RSUs shall become vested on the date of such termination as provided in the table set forth below; and (ii) Performance-Based RSUs shall remain outstanding until the third anniversary of the Award Date, at which time they will vest as provided in the table set forth below. The portion of the Award that does not vest as provided below shall be forfeited to the Company. For this purpose, “retirement” means the Grantee’s termination without cause on or after the date on which the Grantee (i) has completed five years of credited service and (ii) either (A) has attained age 65 or (B) has attained age 55 and the sum of his age and credited service (his “points”) equals or exceeds 60.

Age or Points	Vesting
Age 65 or 75 or more points	100% of the Award vests for an Award made 12 or more months prior to retirement
	100% of the Pro-Rated Award vests for an Award made less than 12 months prior to retirement
70-74 points	75% of the Pro-Rated Award vests
65-69 points	50% of the Pro-Rated Award vests
60-64 points	25% of the Pro-Rated Award vests

For purposes of this subsection (c):

(1) The term “credited service” means the Grantee’s period of employment with the Company and all affiliates (including any predecessor company or business acquired by the Company or any affiliate, provided the Grantee was immediately employed by the Company or any affiliate). Age and credited service shall be determined in fully completed years and months, with each month being measured as a continuous period of 30 days.

(2) The term “cause” means the Grantee’s termination of employment due to unsatisfactory performance or conduct detrimental to the Company or its affiliates, as determined solely by the Company.

(3) The term “affiliate” means each entity with whom the Company would be considered a single employer under Sections 414(b) and 414(c) of the Code, substituting “at least 50%” instead of “at least 80%” in making such determination.

(4) The term “Pro-Rated Award” means (A) with respect to an Award granted less than 12 months prior to the Grantee’s retirement, and on the date of such retirement the Grantee has either attained age 65 or has 75 or more points, the portion of the Award determined by dividing the number of full months of employment with the Company and all affiliates from the Award’s grant date by 12; and (B) with respect to all other Awards, the portion of the Award determined by dividing the full number of months of employment with the Company and all affiliates from the Award’s grant date by 36 (in each case carried out to three decimal points).

Any Grantee whose employment terminates due to retirement as described in this Section 5(c) must execute and deliver to the Company an agreement, in a form prescribed by the Company, and

in accordance with procedures established by the Company, that he will not solicit employees, customers or suppliers of the Company and its affiliates, or compete with the Company and its affiliates, and that he releases all claims against the Company and its affiliates. If the Grantee fails to execute such agreement, or if the agreement is revoked by the Grantee, the Award shall be forfeited to the Company on the date of the Grantee's retirement.

(d) If the Grantee's employment with the Company and all affiliates terminates prior to the third anniversary of the Award Date for any reason other than death, disability or retirement, the entire Award shall be forfeited to the Company, and no portion of the Award shall vest.

(e) In the case of a Grantee who is also a Director, if the Grantee's employment with the Company and all affiliates terminates before the end of the Award's three-year vesting period, but the Grantee remains a Director, his service on the Board will be considered employment with the Company and his Award will continue to vest while his service on the Board continues. Any subsequent termination of service on the Board will be considered termination of employment and vesting will determined as of the date of such termination of employment.

The foregoing provisions of this Section 5 shall be subject to the provisions of any written employment security agreement or severance agreement that has been or may be executed by the Grantee and the Company, and the provisions in such employment security agreement or severance agreement concerning vesting of an Award shall supersede any inconsistent or contrary provision of this Section 5.

6. Adjustment of Performance-Based RSUs. The number of RSUs subject to the Award that are Performance-Based RSUs as described in the Award letter shall be adjusted by the Committee after the end of the three-year performance period that begins on January 1 of the year in which the Award is granted, in accordance with in the Long-Term Incentive Plan established under the Plan (the "LTIP"). Any Performance-Based RSUs that vest in accordance with Section 5(b) prior to the date the Committee determines the level of performance goal achievement applicable to such RSUs shall not be adjusted pursuant to the LTIP. The particular performance criteria that applies to the Performance-Based RSUs are set forth in Exhibit A to this Agreement.

7. Settlement of Award. If a Grantee becomes vested in his Award in accordance with Section 5, the Company shall distribute to him, or his personal representative, beneficiary or estate, as applicable, a number of shares of Common Stock equal to the number of vested RSUs subject to the Award, as adjusted in accordance with Section 6, if applicable. Such shares shall be delivered within 30 days following the date of vesting.

8. Withholding Taxes. The Company shall withhold from any distribution made to the Grantee in cash an amount sufficient to satisfy all minimum Federal, state and local withholding tax requirements. In the case of a distribution made in shares of Common Stock, the Grantee shall pay to the Company an amount sufficient to satisfy all minimum Federal, state and local withholding tax requirements prior to the delivery of any shares. Payment of such taxes may be made by one or more of the following methods: (i) in cash, (ii) in cash received from a broker-dealer to whom the Grantee has submitted irrevocable instructions to deliver the amount of withholding tax to the Company from the proceeds of the sale of shares subject to the Award, (iii) by directing the Company to withhold a number of shares otherwise issuable pursuant to the Award with a Fair Market Value equal to the tax required to be withheld, (iv) by delivery to the Company of other Common Stock owned by the Grantee that is acceptable to the Company, valued at its Fair Market Value on the date of payment, or (v) by certifying to ownership by attestation of such previously owned Common Stock.

9. Rights as Stockholder. The Grantee shall not be entitled to any of the rights of a stockholder of the Company with respect to the Award, including the right to vote and to receive dividends and other distributions, until and to the extent the Award is settled in shares of Common Stock.

10. Share Delivery. Delivery of any shares in connection with settlement of the Award will be by book-entry credit to an account in the Grantee's name established by the Company with the Company's transfer agent, or upon written request from the Grantee (or his personal representative, beneficiary or estate, as the case may be), in certificates in the name of the Grantee (or his personal representative, beneficiary or estate).

11. Award Not Transferable. The Award may not be transferred other than by will or the applicable laws of descent or distribution or pursuant to a qualified domestic relations order. The Award shall not otherwise be assigned, transferred, or pledged for any purpose whatsoever and is not subject, in whole or in part, to attachment, execution or levy of any kind. Any attempted assignment, transfer, pledge, or encumbrance of the Award, other than in accordance with its terms, shall be void and of no effect.

12. Administration. The Award shall be administered in accordance with such regulations as the Organizational Development and Compensation Committee of the Board of Directors of the Company (the "Committee") shall from time to time adopt.

13. Section 409A Compliance. To the extent that the Grantee's right to receive payment of the RSUs and dividend equivalents constitutes a "deferral of compensation" within the meaning of Section 409A of the Code, then notwithstanding anything contained in the Plan to the contrary, the shares of Common Stock and cash otherwise deliverable under Sections 4 and 6 shall be subject to the following rules:

    (a) The shares of Common Stock underlying the vested RSUs and the related dividend equivalents shall be delivered to the Grantee, or his personal representative, beneficiary or estate, as applicable, within 30 days following the earlier of (i) the Grantee's "separation from service" within the meaning of Section 409A of the Code, subject to Section 13(b); (ii) the occurrence of a Change in Control that also constitutes a "change in the ownership," a "change in the effective control" or a "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Section 409A of the Code; or (iii) the third anniversary of the Award Date.

    (b) Notwithstanding Section 13(a), if any Time-Based RSUs and related dividend equivalents become payable under Section 13(a)(i) as a result of the Grantee's termination of employment due to retirement or disability and the Grantee is a "specified employee," as determined under the Company's policy for determining specified employees on the date of such separation from service, then the shares of Common Stock underlying the vested RSUs and related dividends shall be delivered to the Grantee, or his personal representative, beneficiary or estate, as applicable, within 30 days after the first business day that is more than six months after the date of his or her separation from service (or, if the Grantee dies during such six-month period, within 30 days after the Grantee's death).

    (c) In the event that any taxes described in Section 8 of this Agreement are due prior to the distribution of shares of Common Stock underlying the RSUs, then the Grantee shall be required to satisfy the tax obligation by using the method set forth in Section 8(i).

14. Data Privacy Consent. The Grantee hereby consents to the collection, use and transfer, in electronic or other form, of the Grantee's personal data as described in this document by the Company and its subsidiaries for the exclusive purpose of implementing, administering and managing Grantee's participation in the Plan. The Grantee understands that the Company and its subsidiaries hold certain personal information about the Grantee, including, but not limited to, name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock or stock units awarded, canceled, purchased, exercised, vested, unvested or outstanding in the Grantee's favor for the purpose of implementing, managing and administering the Plan ("Data"). The Grantee understands that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Grantee's country or elsewhere and that the recipient country may have different data privacy laws and protections than the Grantee's country. The Grantee understands that he may request a list with the names and addresses of any potential recipients of the Data by contacting the local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Grantee's participation in the Plan,

including any requisite transfer of such Data, as may be required to a broker or other third party with whom the Grantee may elect to deposit any shares or other award acquired under the Plan. The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage participation in the Plan. The Grantee understands that he may, at any time, view Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the local human resources representative in writing. The Grantee understands that refusing or withdrawing consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of refusing to consent or withdrawing consent, the Grantee understands that he may contact his or her local human resources representative.

15. Electronic Delivery. The Grantee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered under the Plan. The Grantee understands that, unless earlier revoked by the Grantee by giving written notice to the Secretary of the Company, this consent shall be effective for the duration of the Agreement. The Grantee also understands that he or she shall have the right at any time to request that the Company deliver written copies of any and all materials referred to above at no charge. The Grantee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Grantee consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

16. Governing Law. This Agreement, and the Award, shall be construed, administered and governed in all respects under and by the laws of the State of Delaware.

NEWELL RUBBERMAID INC.

/s/ John K. Stipancich

John K. Stipancich
Senior Vice President, General Counsel and Corporate Secretary

Exhibit A

Performance Criteria Applicable to
Performance-Based RSUs for the Three-Year Performance Period

1. The Performance-Based RSUs covered by the Award are subject to the following TSR Comparator Group criterion:

- Members of the Comparator Group:[1]

3M Company	Illinois Tool Works, Inc.
Avery Dennison Corporation	Jarden Corp.
Campbell Soup Co.	Kimberly-Clark Corporation
Church & Dwight Inc.	Masco Corporation
Colgate-Palmolive Company	Mattel, Inc.
Cooper Industries, Ltd.	Sara Lee Corp.
Danaher Corporation	The Bic Group
Dorel Industries, Inc.	The Clorox Company
Ecolab, Inc.	The Stanley Works
Energizer Holdings, Inc.	Tupperware Brands Corporation
Fortune Brands, Inc.	
Groupe Seb	

- Once the Company's ranking in the Comparator Group is determined at the end of the three-year performance period beginning January 1, 2010, the number of RSUs subject to this criterion is multiplied by the applicable percentage set forth below. (Interpolation is used if the Company's ranking falls between the upper and lower comparator group ranking.)

Ranking	Multiplier
1st	200%
6th	150%
11th	100%
16th	50%
Below 20th	0%

[1] The Committee retains the discretion to revise the members of the Comparator Group applicable to subsequent Awards.

SECOND AMENDMENT TO THE
NEWELL RUBBERMAID INC.
MANAGEMENT CASH BONUS PLAN

The Newell Rubbermaid Inc. Management Cash Bonus Plan (the "Plan"), is further amended, effective as of February 10, 2010, with respect to bonuses paid for plan years beginning on or after January 1, 2010, as follows:

1. Section 6(c) of the Plan is hereby amended to read in its entirety as follows:

(c) Maximum Bonus Payment. The target and maximum annual bonus award payable to a Participant for a Plan Year is a percentage of his Salary, based on the Participant's participation category and the level of achievement of the performance goals, as set forth below:

Participation Category	Bonus as a Percentage of Salary if Targets Achieved at 100% Level	Maximum Bonus as a Percentage of Salary
A/A/A	130.0%	260.0%
A/A	75.0%	150.0%
A/B	65.0%	130.0%
A/C	55.0%	110.0%
A	45.0%	90.0%
B/C	35.0%	70.0%
B	33.5%	67.0%
C	16.75%	33.5%
D	8.375%	16.75%

Performance below the target levels will result in a lower or no bonus award.

In no event, however, shall any Participant be paid a bonus award for any Plan Year that exceeds $2,900,000.

This Amendment has been executed by the Corporation, by its duly authorized officer, as of this 10 th day of February, 2010.

NEWELL RUBBERMAID INC.

By: /s/ James M. Sweet

Title: Executive Vice President – Human Resources and Corporate Communications

EXHIBIT 31.1

CERTIFICATION

I, Mark D. Ketchum, certify that:

1. I have reviewed this report on Form 10-Q for the quarterly period ended March 31, 2010 of Newell Rubbermaid Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 6, 2010

/s/ Mark D. Ketchum

Mark D. Ketchum
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Juan R. Figuereo, certify that:

1. I have reviewed this report on Form 10-Q for the quarterly period ended March 31, 2010 of Newell Rubbermaid Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2010

/s/ Juan R. Figuereo

Juan R. Figuereo
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Newell Rubbermaid Inc. (the “Company”) on Form 10-Q for the period ending March 31, 2010 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mark D. Ketchum, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark D. Ketchum

Mark D. Ketchum
Chief Executive Officer
May 6, 2010

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Newell Rubbermaid Inc. (the “Company”) on Form 10-Q for the period ending March 31, 2010 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Juan R. Figuereo, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Juan R. Figuereo

Juan R. Figuereo
Chief Financial Officer
May 6, 2010

EXHIBIT 99.1

NEWELL RUBBERMAID INC. SAFE HARBOR STATEMENT

The Company has made statements in its Annual Report on Form 10-K for the year ended December 31, 2009, as well as in its Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, and the documents incorporated by reference therein that constitute forward-looking statements, as defined by the Private Securities Litigation Reform Act of 1995. These statements are subject to risks and uncertainties. The statements relate to, and other forward-looking statements that may be made by the Company may relate to, but are not limited to, information or assumptions about the effects of Project Acceleration, sales (including pricing), income/ (loss), earnings per share, return on equity, return on invested capital, capital and other expenditures, working capital, cash flow, dividends, capital structure, debt to capitalization ratios, availability of financing, interest rates, restructuring, impairment and other charges, potential losses on divestitures, impact of changes in accounting standards, pending legal proceedings and claims (including environmental matters), future economic performance, operating income or gross margin improvements or declines, costs and cost savings (including raw material and sourced product inflation, productivity and streamlining), synergies, and management's plans, goals and objectives for future operations, performance and growth. These statements generally are accompanied by words such as "intend," "anticipate," "believe," "estimate," "project," "target," "plan," "expect," "will," "should," "would" or similar statements. Forward-looking statements are not guarantees because there are inherent difficulties in predicting future results. Actual results could differ materially from those expressed or implied in the forward-looking statements. The factors that are discussed below, as well as the matters that are set forth generally in the 2009 Form 10-K and the first quarter 2010 Form 10-Q and the documents incorporated by reference therein could cause actual results to differ. Some of these factors are described as criteria for success. The Company's failure to achieve, or limited success in achieving, these objectives could result in actual results differing materially from those expressed or implied in the forward-looking statements. In addition, there can be no assurance that the Company has correctly identified and assessed all of the factors affecting the Company or that the publicly available and other information the Company receives with respect to these factors is complete or correct.

The Company is subject to risks related to its dependence on the strength of retail, commercial and industrial sectors of the economy in various parts of the world.

The Company's business depends on the strength of the retail, commercial and industrial sectors of the economy in various parts of the world, primarily in North America, and to a lesser extent Europe, Central and South America, and Asia. These sectors of the economy are affected primarily by factors such as consumer demand and the condition of the retail industry, which, in turn, are affected by general economic conditions. With continuing challenging economic conditions in the U.S. and elsewhere, there has been considerable pressure on consumer demand, and the resulting impact on consumer spending has had and may continue to have a material adverse effect on demand for the Company's products as well as its financial condition and results of operations. Consumer demand and the condition of these sectors of the economy may also be impacted by other external factors such as war, terrorism, geopolitical uncertainties, public health issues, natural disasters and other business interruptions. The impact of these external factors is difficult to predict, and one or more of the factors could adversely impact the Company's business.

In recent years, the retail industry in the U.S. and, increasingly, elsewhere has been characterized by intense competition among retailers. Because such competition, particularly in weak retail economies, can cause retailers to struggle or fail, the Company must continuously monitor, and adapt to changes in, the profitability, creditworthiness and pricing policies of its customers. A failure by one of the Company's large retail customers would adversely impact the Company's sales and operating cash flows.

The Company is subject to intense competition in a marketplace dominated by large retailers.

The Company competes with numerous other manufacturers and distributors of consumer and commercial products, many of which are large and well-established. The Company's principal customers are large mass merchandisers, such as discount stores, home centers, warehouse clubs and office superstores, and commercial distributors. The rapid growth of these large mass merchandisers, together with changes in consumer shopping patterns, have contributed to the formation of dominant multi-category retailers that have strong negotiating power with suppliers. Current trends among retailers include fostering high levels of competition among suppliers, demanding innovative new products and requiring suppliers to maintain or reduce product prices, and delivering products with shorter lead times. Other trends are for retailers to import products directly from foreign sources and to source and sell products, under their own private label brands, that compete with the Company's products.

The combination of these market influences has created an intensely competitive environment in which the Company's principal customers continuously evaluate which product suppliers to use, resulting in downward pricing pressures and the need for big, consumer-meaningful brands, the ongoing introduction and commercialization of innovative new products, continuing improvements in customer service, and the maintenance of strong relationships with large, high-volume purchasers. The Company also faces the risk of changes in the strategy or structure of its major retailer customers, such as overall store and inventory reductions and retailer consolidation. However, the intense competition in the retail sector combined with the overall economic environment may result in a number of retailers experiencing financial difficulty or failing in the future. As a result of these factors, the Company may experience a loss of sales, reduced profitability and a limited ability to recover cost increases through price increases.

If the Company is unable to commercialize a continuing stream of new products that create demand, the Company's ability to compete in the marketplace may be adversely impacted.

The Company's long-term success in the competitive retail environment and the industrial and commercial markets depends on its ability to develop and commercialize a continuing stream of innovative new products that create demand. The Company also faces the risk that its competitors will introduce innovative new products that compete with the Company's products. The Company's strategy includes investment in new product development and a focus on innovation. There are, nevertheless, numerous uncertainties inherent in successfully developing and commercializing innovative new products on a continuing basis, and new product launches may not deliver expected growth in sales or operating income.

If the Company does not continue to develop and maintain consumer-meaningful brands, its operating results may suffer.

The Company's ability to compete successfully also depends increasingly on its ability to develop and maintain consumer-meaningful brands so that the Company's retailer and other customers will need the Company's products to meet consumer demand. Consumer-meaningful brands allow the Company to realize economies of scale in its operations. The development and maintenance of such brands requires significant investment in brand-building and marketing initiatives. While the Company plans to increase its expenditures for advertising and other brand-building and marketing initiatives over the long term, the increased investment may not deliver the anticipated results.

Price increases in raw materials and sourced products could harm the Company's financial results.

The Company purchases raw materials, including resin, principally polyethylene and polypropylene, corrugate, steel, gold, zinc, brass and aluminum, which are subject to price volatility and inflationary pressures. The Company attempts to reduce its exposure to increases in those costs through a variety of programs, including periodic purchases, future delivery purchases, long-term contracts and sales price adjustments. Where practical, the Company uses derivatives as part of its risk management process. Also, as part of its strategy to achieve best total cost, the Company increasingly relies on third-party manufacturers as a source for its products. These manufacturers are also subject to price volatility and inflationary pressures, which may, in turn, result in an increase in the amount the Company pays for sourced products. Raw material and sourced product price increases may more than offset the Company's productivity gains and could materially impact the Company's financial results.

The Company's plans to continue to improve productivity and streamline operations may not be successful, which would adversely affect its ability to compete.

The Company's success depends on its ability to continuously improve its manufacturing operations to gain efficiencies, reduce supply chain costs and streamline non-strategic selling, general and administrative expenses in order to produce products at a best-cost position and allow the Company to invest in innovation and brand building. Project Acceleration includes the anticipated closures of certain manufacturing and distribution facilities. In addition, the Company continuously explores ways to best leverage its functional capabilities such as Human Resources, Information Technology, Customer Service, Supply Chain Management and Finance in order to improve efficiency and reduce costs. The Company runs the risk that Project Acceleration and other corporate initiatives aimed at streamlining operations and processes, cost reduction, and improving overall financial results may not be completed substantially as planned, may be more costly to implement than expected, or may not have the positive effects anticipated. It is also possible that other major productivity and streamlining programs may be required after such projects are completed. In addition, disruptions in the Company's ability to supply products on a timely basis, which may be incidental to any problems in the execution of Project Acceleration or other programs, could adversely affect the Company's future results.

If the Company is unable to make strategic acquisitions and to integrate its acquired businesses, the Company's future growth could be adversely impacted.

Although the Company has, in recent years, increasingly emphasized internal growth rather than growth by acquisition, the Company's ability to continue to make strategic acquisitions and to integrate the acquired businesses successfully, including obtaining anticipated cost savings and operating income improvements within a reasonable period of time, remain important factors in the Company's future growth. Furthermore, the Company's ability to finance major acquisitions may be adversely affected by the Company's financial position and uncertainty in global credit markets. In addition, significant additional borrowings would increase the Company's borrowing costs and could adversely affect its credit rating and could constrain the Company's future access to capital.

Circumstances associated with the Company's potential divestitures and product line rationalizations could adversely affect the Company's results of operations and financial condition.

The Company continues to evaluate the performance and strategic fit of its businesses and products and may decide to sell or discontinue a business or product line based on such an evaluation. A decision to divest or discontinue a business or product line may result in asset impairments, including those related to goodwill and other intangible assets, and losses upon disposition, both of which could have an adverse effect on the Company's results of operations and financial condition. In addition, the Company may encounter difficulty in finding buyers (or prospective buyers may have difficulty obtaining financing) or executing alternative exit strategies at

acceptable prices and terms and in a timely manner. Divestitures and business discontinuations could involve additional risks, including the following:

- difficulties in the separation of operations, services, products and personnel;
- the diversion of management's attention from other business concerns;
- the assumption of certain current or future liabilities in order to induce a buyer to complete a divestiture;
- the disruption of the Company's business;
- and the potential loss of key employees.

The Company may not be successful in managing these or any other significant risks that it may encounter in divesting or discontinuing a business or product line.

The Company is subject to risks related to its international operations and sourcing model.

International operations, especially in Europe, but also in Asia, Central and South America and Canada, are important to the Company's business. The Company is expanding from a U.S.-centric business model to one that includes international growth as an increasing focus. In addition, as the Company increasingly sources products in low-cost countries, particularly in Asia, it is exposed to additional risks and uncertainties. Foreign operations can be affected by factors such as currency devaluation; other currency fluctuations; tariffs; nationalization; exchange controls; interest rates; limitations on foreign investment in local business; and other political, economic and regulatory risks and difficulties. The Company also faces risks due to the transportation and logistical complexities inherent in increased reliance on foreign sourcing.

Venezuela was designated as a highly inflationary economy effective January 1, 2010, and accordingly, gains and losses resulting from the translation of the net assets (excluding non-monetary assets) of subsidiaries operating in Venezuela into U.S. Dollars are recorded in earnings. See Footnote 1 of the Notes to Condensed Consolidated Financial Statements for further information.

The inability to obtain raw materials and finished goods in a timely manner from suppliers would adversely affect the Company's ability to manufacture and market its products.

The Company purchases raw materials to be used in manufacturing its products. In addition, the Company is placing increasing reliance on third-party manufacturers as a source for finished goods. The Company typically does not enter into long-term contracts with its suppliers or sourcing partners. Instead, most raw materials and sourced goods are obtained on a "purchase order" basis. In addition, in some instances the Company maintains single-source or limited-source sourcing relationships, either because multiple sources are not available or the relationship is advantageous due to performance, quality, support, delivery, capacity or price considerations. Financial, operating or other difficulties encountered by the Company's suppliers and/or sourcing partners or changes in the Company's relationships with them could result in manufacturing or sourcing interruptions, delays and inefficiencies, and prevent the Company from manufacturing or obtaining the finished goods necessary to meet customer demand.

Complications in connection with the Company's current information system initiative may adversely impact its results of operations, financial condition and cash flows.

The Company is in the process of replacing various business information systems worldwide with an enterprise resource planning system from SAP. To date, the North American operations of 12 of the Company's 13 GBUs have successfully gone live with their SAP implementation efforts. These go-lives are the first major milestones in a multi-year implementation that will occur in several phases, primarily based on geographic region and segment. This activity involves the migration of multiple legacy systems and users to a common SAP information platform. Throughout this process, the Company is changing the way it conducts business and employees' roles in processing and utilizing information. In addition, this conversion will impact certain interfaces with the Company's customers and suppliers, resulting in changes to the manner in which the Company takes orders, procures materials, schedules production, remits billings, makes payments and performs other business functions. Based upon the complexity of this initiative, there is risk that the Company will be unable to complete the implementation in accordance with its timeline and will incur additional costs. The implementation could result in operating inefficiencies, and the implementation could impact the Company's ability to perform necessary business transactions. All of these risks could adversely impact the Company's results of operations, financial condition and cash flows.

Impairment charges could have a material adverse effect on the Company's financial results.

Future events may occur that would adversely affect the reported value of the Company's assets and require impairment charges. Such events may include, but are not limited to, strategic decisions made in response to changes in economic and competitive conditions, the impact of the economic environment on the Company's sales and customer base, the unfavorable resolution of litigation, including patent infringement litigation involving Endicia, a material adverse change in the Company's relationship with significant customers or business partners, or a sustained decline in the Company's stock price.

The Company continues to evaluate the impact of economic and other developments on the Company and its business units to assess whether impairment indicators are present. Accordingly, the Company may be required to perform impairment tests based on changes in the economic environment and other factors, and these tests could result in impairment charges in the future.

The Company's businesses are subject to regulation in the U.S. and abroad.

Changes in laws, regulations and related interpretations may alter the environment in which the Company does business. This includes changes in environmental, competitive and product-related laws, as well as changes in accounting standards, taxation and other regulations. Accordingly, the Company's ability to manage regulatory, tax and legal matters (including environmental, human resource, product liability, patent, and intellectual property matters), and to resolve pending legal matters without significant liability could require the Company to take significant reserves in excess of amounts accrued to date or pay significant fines during a reporting period, which could materially impact the Company's results. In addition, new regulations may be enacted in the U.S. or abroad that may require the Company to incur additional personnel-related, environmental, or other costs on an ongoing basis or incur fines or penalties for noncompliance, any of which could adversely affect the Company's results of operations. Lastly, as a U.S.-based multi-national company, the Company is also subject to tax regulations in the U.S. and multiple foreign jurisdictions, some of which are interdependent. For example, certain income that is earned and taxed in countries outside the U.S. is not taxed in the U.S., provided those earnings are indefinitely reinvested outside the U.S. If these or other tax regulations should change, the Company's financial results could be impacted.

The resolution of the Company's tax contingencies may result in additional tax liabilities, which could adversely impact the Company's cash flows and results of operations.

The Company is subject to income tax in the U.S. and numerous jurisdictions outside the U.S. Significant estimation and judgment is required in determining the Company's worldwide provision for income taxes. In the ordinary course of the Company's business, there are many transactions and calculations where the ultimate tax determination is uncertain. The Company is regularly under audit by tax authorities. Although the Company believes its tax estimates are reasonable, the final outcome of tax audits and related litigation could be materially different than that reflected in its historical income tax provisions and accruals. There can be no assurance that the resolution of any audits or litigation will not have an adverse effect on future operating results.

Conversion of the Company's convertible senior notes due 2014 may dilute the ownership interests of stockholders at the time of conversion and the Company's stock price may be impacted by note hedge and warrant transactions it entered into in connection with the issuance of the convertible senior notes.

Upon conversion of some or all of the Company's convertible senior notes due 2014, the ownership interests of stockholders may be diluted. Any sales in the public market of the common stock issuable upon such conversion could adversely affect prevailing market prices of the Company's common stock. In addition, the Company entered into note hedge transactions with various financial institutions, at the time of issuance of the convertible senior notes, with the objective of reducing the potential dilutive effect of issuing common stock upon conversion of the notes. The Company also entered into separate warrant transactions with the same financial institutions. The warrant transactions could separately have a dilutive effect to the extent that the market value per share of common stock exceeds the strike price of the warrants.

In connection with establishing an initial hedge for the note hedge and warrant transactions, these financial institutions or their affiliates entered into various derivative transactions with respect to the Company's common stock. These entities or their affiliates are likely to modify their hedge positions from time to time prior to conversion or maturity of the convertible senior notes by entering into or unwinding various derivative transactions with respect to the Company's common stock and/or purchasing and selling shares of the Company's common stock. Any of these transactions and activities could adversely affect the value of the Company's common stock. For additional information on the convertible senior notes and related note hedge and warrant transactions, please refer to Footnotes 4 and 5 of the Company's Notes to Condensed Consolidated Financial Statements.

Product liability claims or regulatory actions could adversely affect the Company's financial results or harm its reputation or the value of its end-user brands.

Claims for losses or injuries purportedly caused by some of the Company's products arise in the ordinary course of the Company's business. In addition to the risk of substantial monetary judgments, product liability claims or regulatory actions could result in negative publicity that could harm the Company's reputation in the marketplace, adversely impact the value of its end-user brands, or result in an increase in the cost of producing the Company's products. The Company could also be required to recall possibly defective products, which could result in adverse publicity and significant expenses. Although the Company maintains product liability insurance coverage, potential product liability claims are subject to a self-insured retention or could be excluded under the terms of the policy.

If the Company is unable to access the capital markets to refinance its maturing short-term debt, its borrowing costs could increase.

As of March 31, 2010, the Company had $495.3 million of debt that it could be required to refinance or repay within the next 12 months. It is possible that the Company may seek to address its short-term obligations through the capital markets or other arrangements. However, access to the capital markets cannot be assured, particularly given uncertainties in the global credit markets, and although the Company believes that alternative arrangements will be available to refinance these obligations, such arrangements could result in an increase in the Company's borrowing costs.

A reduction in the Company's credit ratings could materially and adversely affect its business, financial condition and results of operations.

The Company's current senior debt credit ratings from Moody's Investors Service, Standard & Poor's and Fitch Ratings are Baa3, BBB- and BBB, respectively. Its current short-term debt credit ratings from Moody's Investors Service, Standard & Poor's and Fitch Ratings are P-3, A-3 and F-2, respectively. Standard & Poor's and Moody's have a stable outlook and Fitch maintains a negative outlook on its ratings. The Company cannot be sure that any of its current ratings will remain in effect for any given period of time or that a rating will not be lowered by a rating agency if, in its judgment, circumstances in the future so warrant. A downgrade by Moody's or Standard & Poor's, which would reduce the Company's senior debt below investment grade, would increase the Company's borrowing costs, which would adversely affect the Company's financial results. The Company would likely be required to pay a higher interest rate in future financings, and its potential pool of investors and funding sources could decrease. If the Company's short-term ratings were to be lowered, it would further limit, or eliminate entirely, the Company's access to the commercial paper market. The ratings from credit agencies are not recommendations to buy, sell or hold the Company's securities, and each rating should be evaluated independently of any other rating.

The level of returns on pension and postretirement plan assets and the actuarial assumptions used for valuation purposes could affect the Company's earnings and cash flows in future periods. Changes in government regulations could also affect the Company's pension and postretirement plan expenses and funding requirements.

The funding obligations for the Company's pension plans are impacted by the performance of the financial markets, particularly the equity markets, and interest rates. Funding obligations are determined under government regulations and are measured each year based on the value of assets and liabilities on a specific date. If the financial markets do not provide the long-term returns that are expected under the governmental funding calculations, the Company could be required to make larger contributions. The equity markets can be, and recently have been, very volatile, and therefore the Company's estimate of future contribution requirements can change dramatically in relatively short periods of time. Similarly, changes in interest rates and legislation enacted by governmental authorities can impact the timing and amounts of contribution requirements. An adverse change in the funded status of the plans could significantly increase the Company's required contributions in the future and adversely impact its liquidity.

Assumptions used in determining projected benefit obligations and the fair value of plan assets for the Company's pension and other postretirement benefit plans are determined by the Company in consultation with outside actuaries. In the event that the Company determines that changes are warranted in the assumptions used, such as the discount rate, expected long-term rate of return on assets, or expected health care costs, the Company's future pension and postretirement benefit expenses could increase or decrease. Due to changing market conditions or changes in the participant population, the assumptions that the Company uses may differ from actual results, which could have a significant impact on the Company's pension and postretirement liabilities and related costs and funding requirements.