

**FORTUNE BRANDS HOME & SECURITY, INC.**
**RECONCILIATION OF OPERATING INCOME (LOSS) BEFORE CHARGES/GAINS TO GAAP OPERATING INCOME (LOSS)**
**(In millions)**
**(unaudited)**

	For the three month period ended			
	March 31, 2012	March 31, 2011	\$ change	% change
<b>KITCHEN &amp; BATH CABINETRY</b>				
<b>Operating income (loss) before charges/gains<sup>(a)</sup></b>	\$ (3.9)	\$ (1.7)	\$ (2.2)	129.4
Restructuring charges	(0.8)	(0.3)	(0.5)	166.7
Other charges				
Cost of products sold	(0.6)	-	(0.6)	-
<b>Operating income (loss) - GAAP</b>	\$ (5.3)	\$ (2.0)	\$ (3.3)	165.0
<b>PLUMBING &amp; ACCESSORIES</b>				
<b>Operating income before charges/gains<sup>(a)</sup></b>	\$ 36.2	\$ 25.6	\$ 10.6	41.4
Restructuring charges	-	-	-	-
Other charges				
Cost of products sold	-	0.1	(0.1)	(100.0)
<b>Operating income (GAAP)</b>	\$ 36.2	\$ 25.7	\$ 10.5	40.9
<b>ADVANCED MATERIAL WINDOWS &amp; DOOR SYSTEMS</b>				
<b>Operating income (loss) before charges/gains<sup>(a)</sup></b>	\$ (10.3)	\$ (13.6)	\$ 3.3	(24.3)
Restructuring charges	(0.2)	-	(0.2)	-
Other charges				
Cost of products sold	-	(0.3)	0.3	(100.0)
Contingent acquisition consideration adjustment	2.0	-	2.0	-
<b>Operating income (loss) - GAAP</b>	\$ (8.5)	\$ (13.9)	\$ 5.4	(38.8)
<b>SECURITY &amp; STORAGE</b>				
<b>Operating income before charges/gains<sup>(a)</sup></b>	\$ 11.8	\$ 6.2	\$ 5.6	90.3
Restructuring charges	-	-	-	-
Other charges				
Cost of products sold	-	-	-	-
<b>Operating income (GAAP)</b>	\$ 11.8	\$ 6.2	\$ 5.6	90.3
<b>CORPORATE</b>				
<b>Operating income before charges/gains</b>	\$ (12.9)	\$ (13.2)	\$ 0.3	2.3
Standalone corporate costs	-	5.0	(5.0)	(100.0)
<b>Corporate expense</b>	\$ (12.9)	\$ (8.2)	\$ (4.7)	57.3
<b>FORTUNE BRANDS HOME &amp; SECURITY</b>				
<b>Operating income before charges/gains</b>	\$ 20.9	\$ 3.3	\$ 17.6	533.3
Restructuring charges	(1.0)	(0.3)	(0.7)	233.3
Other charges				
Cost of products sold	(0.6)	(0.2)	(0.4)	200.0
Contingent acquisition consideration adjustment	2.0	-	2.0	-
Standalone corporate costs	-	5.0	(5.0)	(100.0)
<b>Operating income - GAAP</b>	\$ 21.3	\$ 7.8	\$ 13.5	173.1

(a) Operating income (loss) before charges/gains is operating income (loss) derived in accordance with GAAP including estimated incremental standalone corporate expenses and excluding restructuring and other charges, and income from a contingent acquisition consideration adjustment. Operating income (loss) before charges/gains is a measure not derived in accordance with GAAP. Management uses this measure to determine the returns generated by FBHS and to evaluate and identify cost-reduction initiatives. Management believes this measure provides investors with helpful supplemental information regarding the underlying performance of the company from year to year. This measure may be inconsistent with similar measures presented by other companies.

**FORTUNE BRANDS HOME & SECURITY, INC.**  
**SUPPLEMENTAL INFORMATION ON KITCHEN & BATH CABINERY**  
**RECONCILIATION OF OPERATING INCOME BEFORE CHARGES/GAINS TO GAAP OPERATING INCOME**  
(In millions)  
(unaudited)

	For the year ended	
	December 31, 2011	
<b>KITCHEN &amp; BATH CABINERY</b>		
<b>Operating income before charges/gains<sup>(a)</sup></b>	\$	18.4
Restructuring charges		(3.7)
Other charges		
Cost of products sold		(9.0)
Selling, general and administrative expenses		-
<b>Operating income - GAAP</b>	\$	5.7

(a) Operating income before charges/gains is operating income derived in accordance with GAAP excluding restructuring and other charges. Operating income before charges/gains is a measure not derived in accordance with GAAP. Management uses this measure to determine the returns generated by FBHS and to evaluate and identify cost-reduction initiatives. Management believes this measure provides investors with helpful supplemental information regarding the underlying performance of the company from year to year. This measure may be inconsistent with similar measures presented by other companies.

**FORTUNE BRANDS HOME & SECURITY, INC.**  
**RECONCILIATION OF FULL YEAR GUIDANCE DILUTED EPS BEFORE CHARGES/GAINS TO GAAP DILUTED EPS**  
**(unaudited)**

	For the twelve months ended		
	December 31, 2012	December 31, 2011	% change
<b>Diluted EPS before charges/gains - full year range</b>	\$0.77 - \$0.87		
<b>Diluted EPS before charges/gains<sup>(a)</sup></b>	\$ 0.82	\$ 0.60	36.7
Restructuring and other charges	(0.02)	(0.08)	
Contingent acquisition consideration adjustment	0.01	-	
Standalone corporate costs	-	0.05	
Capital structure change	-	(0.06)	
Business separation costs	-	(0.01)	
Adjusted pro forma tax rate adjustment	-	(0.07)	
Asset impairment charges	-	(0.35)	
Defined benefit plan accounting change <sup>(b)</sup>	-	(0.31)	
<b>Diluted EPS (GAAP)</b>	<b>\$ 0.81</b>	<b>\$ (0.23)</b>	<b>(452.2)</b>

(a) 2011 Diluted EPS before charges/gains is net income (loss) calculated on a diluted per-share basis adjusted to reflect the borrowing arrangements and debt levels that actually existed immediately after the separation from Fortune Brands, Inc. as of October 4, 2011, the actual diluted shares of the Company as of December 31, 2011 of 160.7 million, standalone corporate costs, an adjusted pro forma effective tax rate of 35%, and excludes restructuring and other charges, income from a contingent acquisition consideration adjustment, business separation costs, asset impairment charges and actuarial losses associated with the Company's defined benefit plans. Diluted EPS before charges/gains is a measure not derived in accordance with GAAP. Management uses this measure to evaluate its underlying 2012 EPS growth rate and believes this measure provides investors with helpful supplemental information regarding the underlying performance of the company from period to period. This measure may be inconsistent with similar measures presented by other companies.

(b) Represents the impact of expense from the actuarial losses totaling approximately \$80 million pre-tax.