

PROCTER & GAMBLE CO
Form 8-K
October 15, 2009

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported) October 15, 2009

| | | |
|---|--------------------------|---|
| THE PROCTER & GAMBLE COMPANY | | |
| (Exact name of registrant as specified in its charter) | | |
| Ohio | 1-434 | 31-0411980 |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification Number) |
| One Procter & Gamble Plaza, Cincinnati, Ohio | 45202 | |
| (Address of principal executive offices) | Zip Code | |
| (513) 983-1100 | 45202 | |
| (Registrant's telephone number, including area code) | Zip Code | |

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

ITEM 7.01 REGULATION FD DISCLOSURE

As disclosed in its most recent Form 10-K for the year ended June 30, 2009, The Procter & Gamble Company (the "Company") announced changes to its segment reporting structure that were effective July 1, 2009. Also, as disclosed in a Form 8-K dated August 24, 2009, the Company announced an agreement for the sale of its global pharmaceuticals business to Warner Chilcott. This Form 8-K provides pro forma historical total company and segment results for the three months ended September 30, 2008 reflecting the change in the reporting structure of the Company and the presentation of the Company's pharmaceuticals business as discontinued operations. This information in no way revises or restates the Consolidated Statement of Earnings, Consolidated Balance Sheet, Consolidated Statement of

Shareholder's Equity or Consolidated Statements of Cash Flows for the Company and consolidated subsidiaries for any period.

Fiscal Year 2010 Changes to Global Business Unit (GBU) Structure

Effective July 1, 2009, the Company implemented a number of changes to the organization structure of the Beauty GBU, which resulted in changes to the components of its reportable segment structure. Female blades and razors were formerly included in the Grooming reportable segment and are now included in the Beauty reportable segment. Certain male-focused brands and businesses, such as Old Spice and Gillette personal care, moved from the Beauty reportable segment to the Grooming reportable segment. In addition, the Beauty GBU was renamed the Beauty and Grooming GBU.

Presentation of the Global Pharmaceuticals Business as Discontinued Operations

Separately, on August 24, 2009, the Company announced an agreement for the sale of its global pharmaceuticals business to Warner Chilcott which will be completed at a later date. The pharmaceuticals business has historically been part of the Health Care reportable segment. In accordance with applicable accounting guidance for the disposal of long-lived assets, the results of the pharmaceuticals business will be presented as discontinued operations and, as such, will be excluded from continuing operations and from segment results.

The above changes will be reflected in the consolidated financial statements and segment reporting beginning in fiscal year 2010, starting with the Form 10-Q for the three months ended September 30, 2009. In advance of the Form 10-Q filing, this document provides pro forma consolidated earnings information and quarterly sales and profit information for the affected segments for the three months ended September 30, 2008.

CONSOLIDATED EARNINGS INFORMATION

THE PROCTER & GAMBLE COMPANY AND SUBSIDIARIES

(Amounts in Millions Except Per Share Amounts)

Consolidated Earnings Information

| | | Three Months Ended September 30, 2008 |
|--|----------------|--|
| | As Reported | Pro forma |
| NET SALES | \$ 21,582 | \$ 20,983 |
| COST OF PRODUCTS SOLD | 10,620 | 10,558 |
| GROSS MARGIN | 10,962 | 10,425 |
| SELLING, GENERAL & ADMINISTRATIVE EXPENSE | 6,393 | 6,039 |
| OPERATING INCOME | 4,569 | 4,386 |
| TOTAL INTEREST EXPENSE | 339 | 339 |
| OTHER NON-OPERATING INCOME, NET | 336 | 280 |
| EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES | 4,566 | 4,327 |
| INCOME TAXES | 1,291 | 1,212 |
| NET EARNINGS FROM CONTINUING OPERATIONS | 3,275 | 3,115 |
| | 73 | 233 |

NET EARNINGS FROM DISCONTINUED
OPERATIONS

| | | |
|--------------|-------|-------|
| NET EARNINGS | 3,348 | 3,348 |
|--------------|-------|-------|

| | | |
|--|--------|--------|
| EFFECTIVE TAX RATE FROM CONTINUING OPERATIONS | 28.3 % | 28.0 % |
|--|--------|--------|

PER COMMON SHARE:

| | | |
|---|---------|---------|
| BASIC NET EARNINGS - CONTINUING OPERATIONS | \$ 1.07 | \$ 1.02 |
|---|---------|---------|

| | | |
|---|---------|---------|
| BASIC NET EARNINGS - DISCONTINUED OPERATIONS | \$ 0.03 | \$ 0.08 |
|---|---------|---------|

| | | |
|--------------------|---------|---------|
| BASIC NET EARNINGS | \$ 1.10 | \$ 1.10 |
|--------------------|---------|---------|

| | | |
|---|---------|---------|
| DILUTED NET EARNINGS - CONTINUING OPERATIONS | \$ 1.01 | \$ 0.96 |
|---|---------|---------|

| | | |
|---|---------|---------|
| DILUTED NET EARNINGS - DISCONTINUED OPERATIONS | \$ 0.02 | \$ 0.07 |
|---|---------|---------|

| | | |
|----------------------|---------|---------|
| DILUTED NET EARNINGS | \$ 1.03 | \$ 1.03 |
|----------------------|---------|---------|

| | | |
|-----------|---------|---------|
| DIVIDENDS | \$ 0.40 | \$ 0.40 |
|-----------|---------|---------|

| | | |
|------------------------------------|---------|---------|
| AVERAGE DILUTED SHARES OUTSTANDING | 3,239.5 | 3,239.5 |
|------------------------------------|---------|---------|

SEGMENT REPORTING INFORMATION

| Three Months Ended September 30, 2008 | | | | | | |
|---------------------------------------|-----------|---|---|-----------|---|---|
| | | As Reported | | | Pro forma | |
| | | Earnings From Continuing Operations Before Income Taxes | Net Earnings From Continuing Operations | | Earnings From Continuing Operations Before Income Taxes | Net Earnings From Continuing Operations |
| | Net Sales | | | Net Sales | | |
| Beauty and Grooming GBU | | | | | | |
| Beauty Grooming | \$5,129 | \$ 983 | \$ 753 | \$5,181 | \$ 1,018 | \$ 788 |
| | 2,142 | 645 | 478 | 2,090 | 610 | 443 |
| Health and Well-Being GBU | | | | | | |
| Health Care | 3,701 | 990 | 657 | 3,101 | 757 | 503 |
| Snacks and Pet Care | 807 | 90 | 55 | 807 | 90 | 55 |
| Household Care GBU | | | | | | |
| Fabric Care and Home Care | 6,483 | 1,261 | 826 | 6,483 | 1,261 | 826 |
| Baby Care and Family Care | 3,772 | 807 | 514 | 3,772 | 807 | 514 |
| Total Business Segments | 22,034 | 4,776 | 3,283 | 21,434 | 4,543 | 3,129 |
| Corporate | (452) | (210) | (8) | (451) | (216) | (14) |
| Total Company | \$21,582 | \$ 4,566 | \$ 3,275 | \$20,983 | \$ 4,327 | \$ 3,115 |

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

SIGNATURE

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

THE PROCTER & GAMBLE COMPANY

BY: /s/ E. J. Wunsch
E. J. Wunsch
Assistant Secretary

October 15, 2009

