

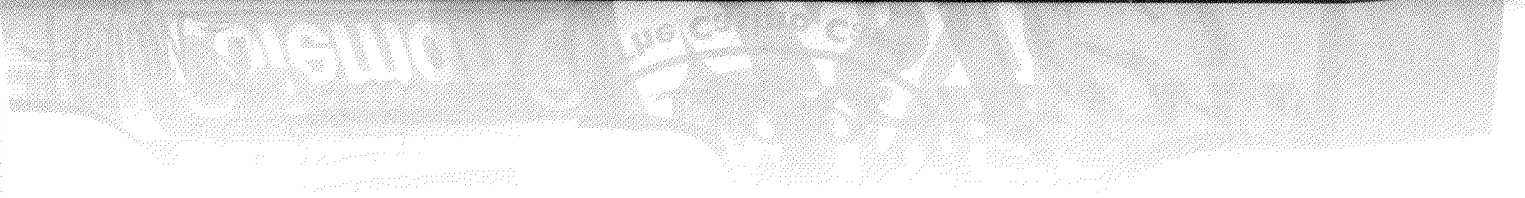
# JARDEN corporation

Annual Report 2011

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Washington, DC



Proud of  
our past,  
embracing  
our future

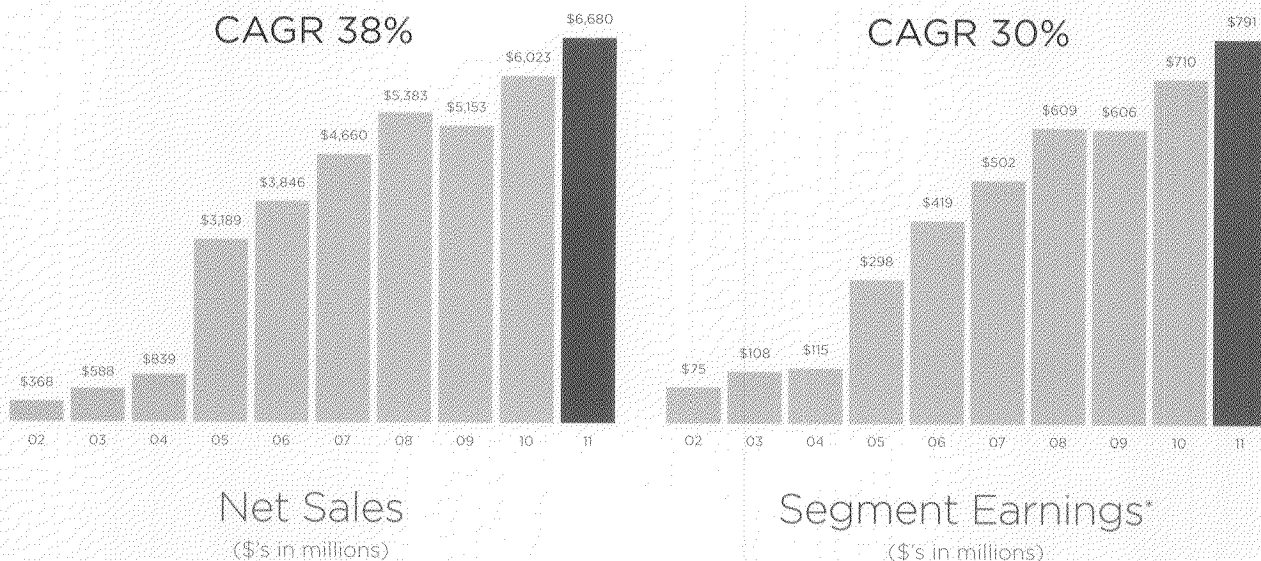


# Proud of our 10 Year Track Record and Accomplishments

## A Decade of Building:

- A Portfolio of Market Leading Brands
- Expertise in Product Innovation
- Diversification across Products, Geographies and Channels of Distribution
- Global Operating Platform with over 23,000 Employees and over 60 Manufacturing Plants

## A Decade of Outstanding Performance:



\* Non-GAAP - For a reconciliation of Segment Earnings to GAAP Operating Earnings please see p. 14.

Each year Jarden employees submit creative ideas for the cover of our Annual Report. The winners of this year's annual report contest were David Kittle - Jarden Outdoor Solutions and Olga Gavrilyuk - Jarden Branded Consumables.



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# Dear Fellow Shareholders

March, 2012

## Office of the Chairman

**Martin E. Franklin** (Center)  
Founder  
Executive Chairman

**Ian G.H. Ashken** (Left)  
Co-Founder  
Vice Chairman  
Chief Financial Officer

**James E. Lillie** (Right)  
Chief Executive Officer



It is with a great sense of pride that Jarden celebrated its 10th anniversary in 2011. A decade ago our Company had annual revenue of approximately \$300 million almost all of which was domestic, six manufacturing facilities, less than 800 employees, and a clearly defined new strategy: to build a portfolio of authentic, leading consumer brands, serving primarily niche markets, and to drive exceptional financial performance based on investments in innovative new products, our brands and our people.

Over the last 10 years Jarden has remained true to the core principles on which it was built, as encapsulated in the eight elements of Jarden's DNA. At the same time Jarden has grown, organically and through a series of disciplined acquisitions, into a global, Fortune 500 company. As we have grown, we have sought diversification. Today, Jarden is a diversified global consumer products company with a highly talented team, an expansive distribution network and an infrastructure in place to support our growth. The Company has annual sales approaching \$7 billion, approximately 40% of which are derived from international markets. We offer more than 120 brands, many of which are synonymous with the categories they serve. Our success is made possible through the confidence consumers have in our products across our operating segments and the innovation we bring to the market, which sets us apart from our peers.

Our commitment to building long-term value for our shareholders has remained consistent. In 2011, we were honored to receive various acknowledgements from Fortune magazine in its annual issue highlighting the largest 500 companies in America, including: an overall ranking of #379, a ranking of #38 in terms of annual EPS growth over the last decade, a ranking of #14 in terms of total rate of return to shareholders over the last decade, and a ranking of #1 in terms of total rate of return to shareholders over the last decade within the Consumer Products category. On September 24, 2001, the day we were appointed as the new management team, the shares of the Company (*fka* Alltrista Corporation) closed at \$2.38, on a split adjusted basis. \$1,000 invested on that date would be worth approximately \$16,000 as of the date of this letter. As expected, 2011 marked another year of

global macroeconomic uncertainty. Despite this backdrop, we met all of our principal financial goals, reporting another year of record sales, segment earnings and earnings per share. Our performance was particularly pleasing in a year in which, in addition to macroeconomic headwinds, we witnessed several unusual weather patterns and natural disasters including the earthquake and Tsunami in Japan, floods in the spring, a drought in the summer, Hurricane Irene in the fall, and a mild start to the winter. Despite these challenges, the diversification of our overall portfolio and our proactive, entrepreneurial culture enabled Jarden not only to withstand these obstacles, but also to produce a year of record results.

In 2011, sales grew by almost 11% on an actual basis, 5% on an organic basis, and over 3% on an organic basis adjusting for currency movements. We generated cash flow from operations of over \$425 million, well above our target of \$350 million. We reported record segment earnings of \$791 million and increased adjusted earnings per share by approximately 18%, compared to our base line goal of 10%. Additionally, we ended the year with over \$800 million of cash. We are extremely proud of this financial performance and believe that it offers a sound foundation to pursue continued consistent, profitable growth in the future.

One of Jarden's core competencies has been our ability to successfully integrate acquisitions into our operating platform and culture. Our 2010 acquisition of Mapa Spontex was our first of a predominantly international business, offering new challenges and opportunities. The newly named Jarden Home and Family business has blossomed under Jarden's ownership and we are extremely proud of the team that delivered a successful integration during 2011 of brands such as NUK®, Mapa® and Spontex®, ahead of our budget in terms of both time and financial results. In December we opened our first African subsidiary in Johannesburg, South Africa, as we continue to focus on investments to increase our presence in new and underpenetrated international markets. The year included the evaluation of a large number of acquisition opportunities and our decision to invest in our own company rather than pursue them is a further illustration of our disciplined and stringent acquisition criteria.

As Jarden enters a new decade in 2012, we are proud of our past and equally enthusiastic about our future. Every year our new product pipeline has gotten stronger and more exciting and 2012 is no exception. Additionally, every year brings the opportunity to celebrate a landmark anniversary for one or more of our portfolio of iconic brands. In 2011 this included Crockpot's 40th anniversary and Diamond's 130th anniversary, and in 2012 we will celebrate K2's 50th anniversary and Rawlings' 125th anniversary. One of the most pleasing elements about celebrating these milestones is that, in our view, the outlook for these brands has never been stronger. Our brands receive numerous industry awards every year and we appreciate this recognition from our suppliers, customers and the trade. We post details of many of these awards on the Investor Relations section of our corporate website, which we would encourage you to visit to learn more about the innovation behind our brands and new product launches.

In this period of time, we have built a robust operating platform that has allowed us to deliver improved performance and predictable financial results with accurate and insightful visibility into our operations and the drivers that influence results. We continuously look to optimize our current network of 61 manufacturing plants and 59 distribution and warehousing facilities across 28 countries. We have nurtured a culture in which the size of our corporate headquarters and its expense are held to a minimum. Our considerable investment in information technology has allowed us to leverage the efficiency of our infrastructure as well as provide more timely, relevant information to our management teams. Jarden's corporate offices exist to serve and enhance our operating businesses, and this philosophy has helped us recruit and retain some of the best talent available throughout Jarden's management ranks. Having increased brand investment in the last four years to a level of approximately 5% of sales in 2011

“Over the last decade, we have relied on three primary drivers to deliver consistent, profitable growth for our shareholders. First, optimizing the performance of our existing businesses; second, pursuing a disciplined, opportunistic acquisition strategy; and third, effectively managing our capital structure.”

One of Jarden's key strengths today is its diversification. We are the largest sporting hard goods company in the world, a major player in the small appliances market in the Americas, and a leader in several other niche domestic markets such as infant care, food preservation and home safety. By focusing on achieving diversification across our brands, product lines, distribution and supply chain, we have created natural hedges that have allowed us to build Jarden into not only a larger, but also a far stronger company. In line with a strand from Jarden's DNA, “strive to be better”, we believe we can continue to profitably build on these platforms in the future.

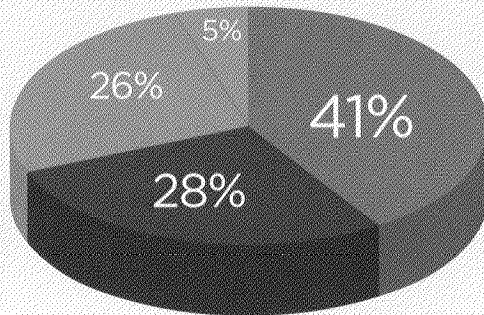
Over the last decade, we have relied on three primary drivers to deliver consistent, profitable growth for our shareholders. First, optimizing the performance of our existing businesses; second, pursuing a disciplined, opportunistic acquisition strategy; and third, effectively managing our capital structure.

from 4.5% in 2008, our goal is to deliver gross margin expansion of 50 basis points per year, while maintaining brand investment levels to help drive future revenue growth at our target long-term average rate of 3-5% per annum.

In regards to our capital structure, 2011 was an active year. During the first quarter, we completed an attractive refinancing of our \$1.3 billion senior secured credit facility and we returned to the capital markets in the first quarter of 2012 on an opportunistic basis to add to this facility. We have consciously maintained a conservative position, in terms of both the long-term maturity profile of our debt and the level of fixed versus floating rate debt, at some expense to short-term profits. We believe that the strength of our balance sheet is an important indicator of the strength of Jarden's overall business, and our expected ability to satisfy debt maturities over the next five years using our free cash flow is a signal of this.

Consolidated 2011  
Net Sales by Segment\*

\$6,680m



● Outdoor Solutions ● Consumer Solutions

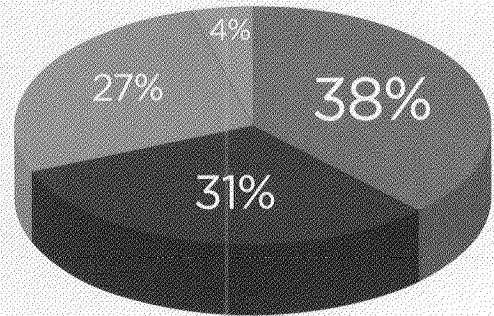
\* Segment percentages exclude intercompany eliminations.

We continuously prioritize our uses of cash. Reinvesting in our businesses (our brands, our products and our people) always remains our priority, followed by paying down debt to remain within our targeted range for our bank leverage ratio. With additional excess cash, we seek strategic acquisitions to provide new avenues for profitable growth, or, when we believe our own Company represents the best available investment opportunity, we repurchase shares. In August of 2011, the Board approved a new share repurchase program to purchase up to \$500 million in value of shares from time to time. Limited in our ability to acquire a meaningful number of shares due to daily volume rules and quiet period restrictions, the Board, in January 2012, launched a 'modified Dutch auction' self tender offer for up to \$500 million in value of our shares. We were delighted with the successful result with approximately \$435 million or 13.2% of our shares being tendered, which enabled us to achieve our objective of helping to maximize shareholder value by utilizing excess cash in an accretive manner.

As we begin a new decade, we are proud of the outstanding performances our businesses have delivered and believe that the strategies we have in place, to leverage our market leading brands with product innovation and geographic expansion, will allow us to grow future sales at rates above GDP while expanding margins. It must be stated that Jarden's success over the last ten years would not have been possible without the dedication of our employees. We always say that our best assets go

Consolidated 2011  
Segment Earnings\*\*

\$791m



● Branded Consumables ● Process Solutions

\*\* Segment percentages are based on operating segments only. For a reconciliation of Segment Earnings to GAAP Operating Earnings please see p. 69.

home every night and we would like to thank all our employees for their contributions. Building on the well-rounded, scalable platform we have set in place, we now look forward to delivering another decade of consistent, profitable growth and creating compelling returns for our shareholders.

Respectfully yours,

The Office of the Chairman

Martin E. Franklin  
Founder  
Executive Chairman

Ian G.H. Ashken  
Co-Founder  
Vice Chairman  
Chief Financial Officer

James E. Lillie  
Chief Executive Officer

<sup>1</sup> Please visit Jarden's corporate website ([www.jarden.com](http://www.jarden.com)) for more information on Jarden's DNA.

<sup>2</sup> Please see page 76 for GAAP reconciliation of organic sales.

# JOS

## Outdoor Solutions

World's largest hard goods sporting company.  
A global provider of innovative, recreational  
and high-performance products designed to  
maximize consumers' enjoyment of the outdoors

**\$2,722m**  
2011 net sales

**\$345m**  
2011 Segment Earnings







# JOS

## Consumer Solutions

Global provider of products designed to enhance the daily lives of consumers in and around the home; making otherwise mundane experiences more satisfying

**\$1,880m**  
2011 net sales

**\$275m**  
2011 Segment Earnings



# JBC

## Branded Consumables

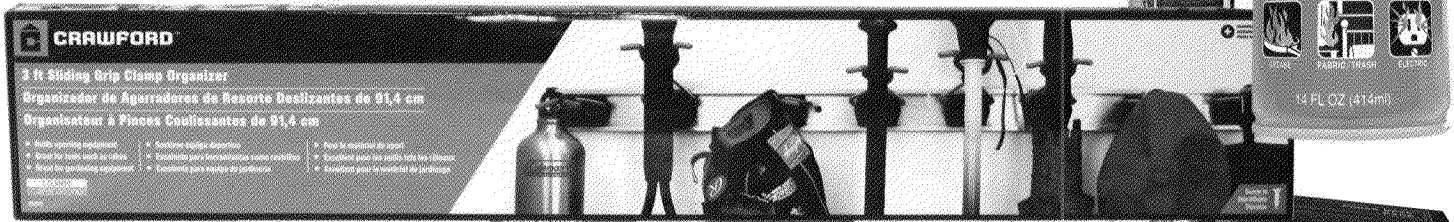
Leading provider of primarily niche, affordable consumable household staples used in and around the home

**\$1,734m**

2011 net sales

**\$238m**

2011 Segment Earnings



# Select Product Awards

At Jarden, we are passionate about our brands and our products and we are focused on innovation. We are also proud to share a sample of awards received.



## Our Execution Approach Enhances Value

Jarden maintains continual, insightful visibility into our operations.

Our businesses operate on sophisticated financial systems, which feed into our headquarters allowing for continual, insightful visibility into our operations. Each of our manufacturing operations have common, key performance measurements that are peer reviewed by our global operating teams allowing for the cross pollination of ideas and problem resolution while promoting an open environment that allows for the sharing of ideas and new processes coupled with cutting edge analysis. Our supply chain team supplements our operating businesses with continual analysis of the forward curves of our key cost drivers ensuring that we have the most current perspective of the market dynamics that influence cost and profitability. This insight allows for the continued predictive and preemptive approach to managing our business that has been a hallmark of our ability to manage through the on-going volatility of the last decade.

# Selected Financial Data

## Jarden Corporation Annual Report 2011

The following tables set forth the Company's selected financial data as of and for the years ended December 31, 2011, 2010, 2009, 2008 and 2007. The selected financial data set forth below has been derived from the audited consolidated financial statements and related notes thereto, where applicable, for the respective fiscal years. The selected financial data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," as well as the consolidated financial statements and notes thereto. These historical results are not necessarily indicative of the results to be expected in the future. Certain reclassifications have been made in the Company's financial statements of prior years to conform to the current year presentation. These reclassifications had no impact on previously reported net income.

(In millions, except per share data)	As of and for the Years Ended December 31,				
	2011(c)	2010(b)(c)	2009(c)	2008(c)	2007(b)(c)
<b>STATEMENTS OF OPERATIONS DATA</b>					
Net sales	\$ 6,679.9	\$ 6,022.7	\$ 5,152.6	\$ 5,383.3	\$ 4,660.1
Operating earnings (a)	522.9	407.3	386.9	146.1	232.0
Interest expense, net	179.7	177.8	147.5	178.7	149.7
Loss on early extinguishment of debt	12.8	—	—	—	15.7
Income tax provision	125.7	122.8	110.7	26.3	38.5
Net income (loss) (a)	\$ 204.7	\$ 106.7	\$ 128.7	\$ (58.9)	\$ 28.1
Basic earnings (loss) per share (a)	\$ 2.33	\$ 1.20	\$ 1.53	\$ (0.78)	\$ 0.39
Diluted earnings (loss) per share (a)	\$ 2.31	\$ 1.19	\$ 1.52	\$ (0.78)	\$ 0.38
<b>OTHER FINANCIAL DATA</b>					
Segment earnings (a)(d)	\$ 790.8	\$ 710.1	\$ 605.7	\$ 609.4	\$ 501.5
Net cash provided by operating activities	427.1	289.0	641.1	249.9	304.8
Net cash provided by (used in) financing activities	(196.7)	480.2	(32.5)	104.6	680.6
Net cash used in investing activities	(113.1)	(883.1)	(130.6)	(175.5)	(972.6)
Depreciation and amortization	163.7	142.8	130.3	120.3	96.4
Capital expenditures	126.9	137.5	107.4	102.2	81.2
Cash dividends declared per common share (e)	0.345	0.33	0.15	—	—
<b>BALANCE SHEET DATA</b>					
Cash and cash equivalents	\$ 808.3	\$ 695.4	\$ 827.4	\$ 392.8	\$ 220.5
Working capital (f)	2,029.8	1,693.6	1,503.5	1,374.7	1,269.8
Total assets	7,116.7	7,093.0	6,023.6	5,727.0	5,868.1
Total debt	3,159.4	3,240.6	2,666.2	2,868.3	2,747.3
Total stockholders' equity	1,912.0	1,820.5	1,766.8	1,384.2	1,538.6

(a) Includes the following significant items affecting comparability:

- 2011 includes: non-cash impairment charges of \$52.5 million, primarily comprised of a non-cash impairment charge of \$43.4 million related to the impairment of goodwill and intangibles (see Note 6 to the consolidated financial statements); \$23.4 million of reorganization costs (see item (c) below); and \$21.4 million of acquisition-related and other costs, net.
- 2010 includes: \$70.6 million of non-cash charges related to the Company's Venezuela operations (see Note 1 to the consolidated financial statements); \$42.3 million of acquisition-related and other charges, net, primarily related to 2010 acquisitions; purchase accounting adjustments of \$27.4 million for the elimination of manufacturer's profit in inventory charged to cost of sales, which is the purchase accounting fair value adjustment to inventory associated with acquisitions; and a \$19.7 million non-cash charge related to the impairment of goodwill and intangibles (see Note 6 to the consolidated financial statements).
- 2009 includes: \$22.9 million non-cash charge related to the impairment of goodwill and intangibles (see Note 6 to the consolidated financial statements); and \$52.3 million of reorganization costs (see item (c) below).
- 2008 includes: \$283 million non-cash charge related to the impairment of goodwill and intangibles; and \$59.8 million of reorganization costs (see item (c) below).
- 2007 includes: purchase accounting adjustments of \$119 million for the elimination of manufacturer's profit in inventory charged to cost of sales; and \$49.6 million of reorganization costs (see item (c) below).

# Selected Financial Data

## Jarden Corporation Annual Report 2011

(b) The results of Pure Fishing, Inc., K2 Inc., Mapa Spontex, Aero and Quickie are included from their dates of acquisition of April 6, 2007, August 8, 2007, April 1, 2010, October 1, 2010 and December 17, 2010, respectively.

(c) Reorganization costs include costs associated with exit or disposal activities, including costs of employee and lease terminations and facility closings or other exit activities. Additionally, these costs include expenses directly related to integrating and reorganizing acquired businesses and include items such as employee retention, recruiting costs, certain moving costs, certain duplicative costs during integration and asset impairments (see Note 16 to the consolidated financial statements).

(d) Segment Earnings represents earnings before interest, taxes and depreciation and amortization, excluding certain reorganization costs, acquisition-related and other costs, net, impairment of goodwill and intangible assets, transaction costs, other items, non-cash Venezuela hyperinflationary and devaluation charges, mark-to-market net impact on non-hedged Euro denominated debt, fair value inventory adjustments, and loss on early extinguishment of debt. This non-GAAP financial measure is presented in this Annual Report because it is a basis upon which the Company's management has assessed its financial performance in the years presented. Additionally, the Company uses non-GAAP financial measures because the Company's credit agreement provides for certain adjustments in calculations used for determining whether the Company is in compliance with certain credit agreement covenants, including, but not limited to, adjustments relating to non-cash purchase accounting adjustments, certain reorganization and acquisition-related integration costs, impairment of goodwill and intangible assets, non-cash stock-based compensation costs and loss on early extinguishment of debt. Segment Earnings should not be considered a primary measure of the Company's performance and should be reviewed in conjunction with, and not as substitute for, financial measurements prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") that are presented in this Annual Report. A reconciliation of the calculation of Segment Earnings is presented below:

### Reconciliation of non-GAAP Measure:

(In millions)	For the Years Ended December 31,				
	2011	2010	2009	2008	2007
Net income (loss)	\$ 204.7	\$ 106.7	\$ 128.7	\$ (58.9)	\$ 28.1
Income tax provision	125.7	122.8	110.7	26.3	38.5
Interest expense, net	179.7	177.8	147.5	178.7	149.7
Loss on early extinguishment of debt	12.8	—	—	—	15.7
Operating earnings	522.9	407.3	386.9	146.1	232.0
Adjustments to reconcile to Segment Earnings:					
Depreciation and amortization	163.7	142.8	130.3	120.3	96.4
Fair value adjustment to inventory	6.9	27.4	—	—	118.9
Venezuela hyperinflationary and devaluation charges	—	70.6	—	—	—
Reorganization costs	23.4	—	48.5	59.8	49.6
Acquisition-related and other costs, net (3)	21.4	42.3	—	—	4.6
Impairment of goodwill, intangibles and other assets	52.5	19.7	22.9	283.2	—
Other adjustments (4)	—	—	17.1	—	—
Segment Earnings (1)(2)	\$ 790.8	\$ 710.1	\$ 605.7	\$ 609.4	\$ 501.5

(1) For 2009, Segment Earnings includes reorganization costs of \$3.8 million related to the Consumer Solutions segment.

(2) During 2008, the Company modified the composition of Segment Earnings to include stock-based compensation. All prior periods have been restated to conform to the current presentation.

(3) Amount in 2010 comprised of \$52.4 million of acquisition-related and other charges, net, which primarily relate to acquisitions (see Note 3 to the consolidated financial statements) and a \$10.1 million mark-to-market gain associated with the Company's Euro-denominated debt and intercompany loans.

(4) Amount in 2009 represents executive stock compensation resulting from a strategic review of executive long-term incentive compensation.

(e) In January 2012, the Company announced that the Board had decided to suspend the Company's dividend program following the dividend paid on January 31, 2012.

(f) Working capital is defined as current assets (including cash) less current liabilities. For 2011, 2010, 2009, 2008 and 2007, working capital excluding cash was \$1.2 billion, \$998 million, \$676 million, \$982 million and \$1.0 billion, respectively.



# Selected Financial Data/Management's Discussion and Analysis

## Jarden Corporation Annual Report 2011

### Selected Quarterly Financial Data (Unaudited)

(In millions, except per share amounts)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter(2)	Total
<b>2011</b>					
Net sales	\$ 1,483.4	\$ 1,673.8	\$ 1,784.7	\$ 1,738.0	\$ 6,679.9
Gross profit	401.8	477.5	517.0	461.7	1,858.0
Net income as reported	19.0	73.9	90.7	21.1	204.7
Basic earnings per share (1)	0.21	0.83	1.03	0.24	2.33
Diluted earnings per share (1)	0.21	0.83	1.03	0.24	2.31
<b>2010</b>					
Net sales	\$ 1,189.1	\$ 1,547.5	\$ 1,601.9	\$ 1,684.2	\$ 6,022.7
Gross profit	309.1	411.6	457.9	460.2	1,638.8
Net income (loss) as reported	(59.0)	38.4	80.6	46.7	106.7
Basic earnings (loss) per share (1)	(0.66)	0.43	0.91	0.53	1.20
Diluted earnings (loss) per share (1)	(0.66)	0.43	0.90	0.52	1.19

(1) Earnings per share calculations for each quarter are based on the weighted average number of shares outstanding for each period, and the sum of the quarterly amounts may not necessarily equal the annual earnings per share amounts.

(2) The results of operations for the fourth quarter of 2011 include impairment charges of \$52.5, primarily comprised of an impairment charge of \$43.4 related to the impairment of goodwill and intangibles (see Note 6 to the consolidated financial statements); \$17.2 of reorganization costs and \$15.0 of acquisition-related and other costs, net.

The results of operations for the fourth quarter of 2010 include \$27.8 of acquisition-related and other costs and a foreign currency gain of \$7.5 related to the Venezuela devaluation (see Note 1 to the consolidated financial statements).

### Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion of financial condition and results of operations of Jarden Corporation and its subsidiaries (hereinafter referred to as the "Company" or "Jarden") should be read together with the consolidated financial statements and notes to those statements included in this Annual Report. Unless otherwise indicated, references in the following discussion to 2011, 2010 and 2009 are to Jarden's fiscal years ended December 31, 2011, 2010 and 2009, respectively.

#### Overview

The Company is a leading provider of a broad range of consumer products. The Company reports four business segments: Outdoor Solutions, Consumer Solutions, Branded Consumables and Process Solutions. The Company's sales are principally within the United States. The Company's international operations are mainly based in Asia, Canada, Europe and Latin America.

The Company distributes its products globally, primarily through club stores; craft stores; direct-to-consumer channels, primarily consisting of infomercials; department stores; drugstores; grocery retailers; home improvement stores; mass merchandisers; on-line; specialty retailers and wholesalers. The markets in which the Company's businesses operate are generally highly competitive, based primarily on product quality, product innovation, price and customer service and support, although the degree and nature of such competition vary by location and product line. Since the Company operates primarily in the consumer products markets, it is generally affected, by among other factors, overall economic conditions and the related impact on consumer confidence.

The Outdoor Solutions segment manufactures or sources, markets and distributes global consumer active lifestyle products for outdoor and outdoor-related activities. For general outdoor activities, Coleman® is a leading brand for active lifestyle products, offering an array of products that include camping and outdoor equipment such as air beds, camping stoves, coolers, foldable furniture, gas grills, lanterns and flashlights, propane fuel, sleeping bags, tents and water recreation products such as inflatable boats, kayaks and tow-behinds. The Outdoor Solutions segment is also a leading provider of fishing equipment under brand names such as Abu Garcia®, All Star®, Berkley®, Fenwick®, Gulp!®, JRC™, Mitchell®, Penn®, Pflueger®, Sebile®, Sevenstrand®, Shakespeare®, Spiderwire®, Stren®, Trilene®, Ugly Stik® and Xtools®. Team sports equipment for baseball, softball, football, basketball, field hockey and lacrosse products are sold under brand names such as deBeer®, Gait®, Miken®, Rawlings® and Worth®. Alpine and nordic skiing, snowboarding, snowshoeing and in-line skating products are sold under brand names such as Atlas®, Full Tilt®, K2®, Line®, Little Bear®, Madshus®, Marker®, Morrow®, Ride®, Tubbs®, Völkl® and 5150 Snowboards®. Water sports equipment, personal flotation devices and all-terrain vehicle gear are sold under brand names such as Helium®, Hodgman®, Mad Dog Gear®, Sevylor®, Suspenders® and Stearns®. The Company also sells high performance technical and outdoor apparel and equipment under brand names such as CAPP3L®, Ex Officio®, K2®, Marker®, Marmot®, Planet Earth®, Ride®, Völkl® and Zoot®, and premium air beds under brand names, including Aero®, Aerobed® and Aero Sport®.

# Management's Discussion and Analysis

## Jarden Corporation Annual Report 2011

The Consumer Solutions segment manufactures or sources, markets, and distributes a diverse line of household products, including kitchen appliances and home environment products. This segment maintains a strong portfolio of globally-recognized brands including, Bionaire®, Crock-Pot®, FoodSaver®, Health o meter®, Holmes®, Mr. Coffee®, Oster®, Patton®, Rival®, Seal-a-Meal®, Sunbeam®, skybar® and Villaware®. The principal products in this segment include: clippers and trimmers for professional use in the beauty and barber and animal categories; electric blankets, mattress pads and throws; household kitchen appliances, such as blenders, coffeemakers, irons, mixers, slow cookers, toasters, toaster ovens and vacuum packaging machines; home environment products, such as air purifiers, fans, heaters and humidifiers; products for the hospitality industry; and scales for consumer use.

The Branded Consumables segment manufactures or sources, markets and distributes a broad line of branded consumer products, many of which are affordable, consumable and fundamental household staples, including arts and crafts paint brushes, brooms, brushes, buckets, children's card games, clothespins, collectible tins, condoms, cord, rope and twine, dusters, dust pans, feeding bottles, fencing, fire extinguishing products, firelogs and firestarters, home canning jars and accessories, kitchen matches, mops, other craft items, pacifiers, plastic cutlery, playing cards and accessories, rubber gloves and related cleaning products, safes, security cameras, security doors, smoke and carbon monoxide alarms, soothers, sponges, storage organizers and workshop accessories, teats, toothpicks, window guards and other accessories. This segment markets our products under the Aviator®, Ball®, Bee®, Bernardin®, Bicycle®, Billy Boy®, BRK®, Crawford®, Diamond®, Dicon®, Fiona®, First Alert®, First Essentials®, Hoyle®, Java-Log®, KEM®, Kerr®, Lehigh®, Lillo®, Loew-Cornell®, Mapa®, NUK®, Pine Mountain®, Quickie Green Cleaning®, Quickie Home-Pro®, Quickie Microban®, Quickie Original®, Quickie Professional®, Spontex®, Tigex® and Wellington® brand names, among others.

The Process Solutions segment manufactures, markets and distributes a wide variety of plastic products including closures, contact lens packaging, medical disposables, plastic cutlery and rigid packaging. Many of these products are consumable in nature or represent components of consumer products. This segment's materials business produces specialty nylon polymers, conductive fibers and monofilament used in various products, including woven mats used by paper producers and weed trimmer cutting line, as well as fiberglass radio antennas for marine, citizen band and military applications. This segment is also the largest North American producer of niche products fabricated from solid zinc strip and is the sole source supplier of copper-plated zinc penny blanks to the United States Mint and a major supplier to the Royal Canadian Mint, as well as a supplier of brass, bronze and nickel-plated finishes on steel and zinc for coinage to other international markets. In addition, the Company manufactures a line of industrial zinc products marketed globally for use in the architectural, automotive, construction, electrical component and plumbing markets.

### **Summary of Significant 2011 Activities**

- On March 31, 2011, the Company completed a new \$1.275 billion senior secured credit facility (the "Facility"). The proceeds from the Facility and cash on hand were used to extinguish approximately \$1.1 billion of debt outstanding, which was primarily comprised of the principal amount outstanding under the Company's prior senior secured credit facility. The weighted average interest rate spread on the Facility decreased by over 60 basis points from the prior senior secured credit facility.
- In August 2011, the Company's Board of Directors (the "Board") authorized a new stock repurchase program for up to \$500 million of its common stock.

### **Acquisitions**

Consistent with the Company's historical acquisition strategy, to the extent the Company pursues future acquisitions, the Company intends to focus on businesses with product offerings that provide geographic or product diversification, or expansion into related categories that can be marketed through the Company's existing distribution channels or provide us with new distribution channels for its existing products, thereby increasing marketing and distribution efficiencies. Furthermore, the Company expects that acquisition candidates would demonstrate a combination of attractive margins, strong cash flow characteristics, category leading positions and products that generate recurring revenue. The Company anticipates that the fragmented nature of the consumer products market will continue to provide opportunities for growth through strategic acquisitions of complementary businesses. However, there can be no assurance that the Company will complete an acquisition in any given year or that any such acquisition will be significant or successful. The Company will only pursue a candidate when it is deemed to be fiscally prudent and that meets the Company's acquisition criteria. The Company anticipates that any future acquisitions would be financed through any combination of cash on hand, operating cash flow, availability under its existing credit facilities and new capital market offerings.

#### **2011 Activity**

During 2011, the Company did not complete any significant acquisitions.

#### **2010 Activity**

On April 1, 2010, the Company acquired the Mapa Spontex Baby Care and Home Care businesses ("Mapa Spontex") of Total S.A. ("Total"), through the acquisition of certain of Total's subsidiaries for a Euro purchase price of approximately €200 million (approximately \$275 million), subject to certain adjustments (the "Acquisition"). The total value of the transaction, including debt assumed and/or repaid, was approximately €305 million (approximately \$415 million). Mapa Spontex is a global manufacturer and

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distributor of primarily baby care and home care products with leading market positions in Argentina, Brazil and Europe in the core categories it serves. Its baby care portfolio includes feeding bottles, soothers, teats and other infant accessories sold primarily under the Fiona®, First Essentials®, Lillo®, NUK® and Tigex® brands; and health care products, including condoms sold under the Billy Boy® brand. Its home care portfolio includes sponges, rubber gloves and related cleaning products for industrial, professional and retail uses sold primarily under the Mapa® and Spontex® brands. Mapa Spontex is reported in the Company's Branded Consumables segment and is included in the Company's results of operations from April 1, 2010 (the "Acquisition Date").

In addition, the Company completed three tuck-in acquisitions during 2010, including the acquisition of Aero Products International, Inc. ("Aero") on October 1, 2010 and the acquisition of Quickie Manufacturing Corporation ("Quickie") on December 17, 2010. Aero is a leading provider of premium, air-filled mattresses under brand names including Aero®, Aerobed® and Aero Sport®. Aero is reported in the Company's Outdoor Solutions segment and is included in the Company's results of operations from October 1, 2010. Quickie is a leading supplier and distributor of innovative cleaning tools and supplies. Quickie designs, manufactures and distributes cleaning products including mops, brooms, dusters, dust pans, brushes, buckets and other supplies for traditional in-home use, as well as commercial and contractor-grade applications, sold primarily under the leading brands Quickie Original®, Quickie Home-Pro®, Quickie Professional®, Quickie Microban® and Quickie Green Cleaning®. Quickie is reported in the Company's Branded Consumables segment and is included in the Company's results of operations from December 17, 2010. The combined cash purchase price, net of cash acquired, for the Aero and Quickie acquisitions was approximately \$270 million, subject to certain adjustments. Additionally, during 2010, the Company completed another tuck-in acquisition. All three tuck-in acquisitions were complementary to the Company's core businesses and from an accounting standpoint were not significant.

As discussed hereinafter, the Company's results of operation for 2011 and 2010 have been affected in varying degrees by the inclusion of Mapa Spontex, Aero and Quickie from their respective acquisition dates of April 1, 2010, October 1, 2010 and December 17, 2010, respectively. Furthermore, during 2011, the integration of Aero into the operating results of the Company's existing Coleman business was completed.

### 2009 Activity

During 2009, the Company completed three tuck-in acquisitions that by nature are complementary to the Company's core businesses and from an accounting standpoint were not significant.

### Venezuela Operations

In January 2010, the Venezuelan government announced its intention to devalue its currency (Bolívar) relative to the U.S. dollar. The official exchange rate for imported goods classified as essential, such as food and medicine, changed from 2.15 to 2.60 Bolívars per U.S. dollar, while payments for other non-essential goods moved to an official exchange rate of 4.30 Bolívars per U.S. dollar. As such, beginning in 2010, the financial statements of the Company's subsidiaries operating in Venezuela are remeasured at and are reflected in the Company's consolidated financial statements at the official exchange rate of 4.30, which is the Company's expected settlement rate.

As a result of the change in the official exchange rate to 4.30 Bolívars per U.S. dollar, the results of operations for 2010 include a non-cash charge of approximately \$14.0 million, primarily reflecting the write-down of monetary assets as of January 1, 2010. This charge is classified in selling, general and administrative costs ("SG&A").

In March 2010, the Securities and Exchange Commission (the "SEC") provided guidance on certain exchange rate issues specific to Venezuela. This SEC guidance, in part, requires that any differences between the amounts reported for financial reporting purposes and actual U.S. dollar-denominated balances that may have existed prior to the application of the highly inflationary accounting requirements (effective January 1, 2010 for the Company) should be recognized in the statement of operations. As a result of applying this SEC guidance, the results of operations for 2010 include a non-cash charge of \$56.6 million related to remeasuring U.S. dollar-denominated assets at the parallel exchange rate and subsequently translating at the official exchange rate. This charge is classified in SG&A.

The transfers of funds out of Venezuela are subject to restrictions, and historically, payments for certain imported goods and services have been required to be transacted by exchanging Bolívars for U.S. dollars through securities transactions in the more unfavorable parallel market rather than at the more favorable official exchange rate. During the third quarter of 2010, the parallel market was discontinued and replaced with the newly created and government-regulated System of Transactions in Foreign Currency Denominated Securities ("SITME") market. Historically, the majority of the Company's purchases have qualified for the official exchange rate. As such, the Company has been able to convert Bolívars at the official exchange rate and, based upon this ability, the Company does not expect further changes in the SITME market to have a material impact on the consolidated financial position, results of operations or cash flows of the Company. While the timing of government approval for settlement of payables at the official exchange rate varies, the Company believes these payables will ultimately be approved and settled at the official exchange rate based on past experience. However, if in the future, further restrictions require the Company's subsidiaries operating in Venezuela to convert an increasing amount of the Bolívar cash balances into U.S. dollars using the more unfavorable exchange rate, it could result in currency exchange losses that may be material to the Company's results of operations. At December 31, 2011, the Company's subsidiaries operating in Venezuela have approximately \$15 million in cash denominated in U.S. dollars and cash of approximately \$53 million held in Bolívars converted at the official exchange rate.

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### Consolidated Results of Operations

(In millions)	Years Ended December 31,		
	2011	2010	2009
<b>Net sales</b>	\$ 6,679.9	\$ 6,022.7	\$ 5,152.6
Cost of sales	4,821.9	4,383.9	3,726.6
Gross profit	1,858.0	1,638.8	1,426.0
Selling, general and administrative expenses	1,259.2	1,211.8	963.9
Reorganization costs, net	23.4	—	52.3
Impairment of goodwill and intangibles and other assets	52.5	19.7	22.9
<b>Operating earnings</b>	522.9	407.3	386.9
Interest expense, net	179.7	177.8	147.5
Loss on early extinguishment of debt	12.8	—	—
Income before taxes	330.4	229.5	239.4
Income tax provision	125.7	122.8	110.7
<b>Net income</b>	\$ 204.7	\$ 106.7	\$ 128.7

### Results of Operations—Comparing 2011 to 2010

(In millions)	Net Sales		Operating Earnings (Loss)	
	Years Ended December 31,			
	2011	2010	2011	2010
Outdoor Solutions	\$ 2,772.1	\$ 2,518.7	\$ 276.4	\$ 228.6
Consumer Solutions	1,880.3	1,869.6	236.7	233.4
Branded Consumables	1,734.4	1,345.3	105.4	109.0
Process Solutions	351.2	342.7	21.9	25.0
Corporate	—	—	(117.5)	(188.7)
Intercompany eliminations	(58.1)	(53.6)	—	—
	\$ 6,679.9	\$ 6,022.7	\$ 522.9	\$ 407.3

Note: Changes in net sales on a currency neutral basis that are presented hereafter are provided to enhance visibility of the underlying operations by excluding the impact of foreign currency translation.

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### *Net Sales*

Net sales for 2011 increased \$657 million, or 10.9%, to \$6.7 billion versus the same period in the prior year. Acquisitions provided net sales growth of approximately 6%. Excluding acquisitions, sales increased approximately 5%, primarily due to increased sell-through in certain product categories, expanded product offerings and favorable foreign currency translation, partially offset by weakness in certain product categories. On a currency-neutral basis net sales increased approximately 3%.

Net sales in the Outdoor Solutions segment increased \$253 million, or 10.1%. Increased sales in the apparel, camping and outdoor, team sports and winter sports businesses provided an increase of approximately 8% in net sales, largely related to expanded air bed product offerings, increased point of sale and earthquake-related sales. Favorable foreign currency translation accounted for an increase of approximately 2% in net sales.

Net sales in the Consumer Solutions segment increased \$10.7 million, or 0.6%. Increased demand internationally, primarily in Latin America, which contributed to an increase in net sales of approximately 3%, primarily due to gains in distribution, was mostly offset by declines domestically, primarily related to weakness in certain appliance and personal care and wellness categories.

Net sales in the Branded Consumables segment increased \$389 million, or 28.9%. Acquisitions provided net sales growth of approximately 24%. Increased sales on a currency neutral basis provided an increase in net sales of approximately 2%, in part due to increased sales in certain product categories in the safety and security businesses, partially offset by softness in firelog and playing card sales, as well as softness in food preservation sales, which were negatively affected by unfavorable weather conditions. Favorable foreign currency translation accounted for an increase of approximately 2% in net sales.

Net sales in the Process Solutions segment increased 2.5% on a year-over-year basis primarily due to an increase in coinage sales.

### *Cost of Sales*

Cost of sales for 2011 increased \$438 million, or 10.0%, to \$4.8 billion versus the same prior year period. The increase is primarily due to the impact of acquisitions (approximately \$280 million), foreign currency translation (approximately \$67 million) and increased sales (approximately \$110 million), partially offset by a \$20.5 million period-over-period decrease in the charge recorded for the purchase accounting adjustment for the elimination of manufacturer's profit in inventory. Cost of sales as a percentage of net sales for 2011 and 2010 was 72.2% and 72.8%, respectively (72.1 % and 72.3% for 2011 and 2010, respectively, excluding the charge for the elimination of manufacturer's profit in inventory). Cost of sales as a percentage of net sales for 2010 was negatively affected as a result of the currency devaluation in Venezuela (see "Venezuela Operations").

### *SG&A*

SG&A for 2011 increased \$47.4 million, or 3.9%, to \$1.3 billion versus the same prior year period. The change is primarily due to an increase in marketing and product development costs (\$13.3 million) primarily related to the Company's investment in brand equity, foreign currency translation (approximately \$23 million) and an increase of \$11.3 million related to the period-over-period change in the net gain/loss recognized on derivatives not designated as effective hedges. The period-over-period impact of acquisitions was mostly offset by the \$70.6 million of charges recorded in 2010, related to the Company's Venezuela operations (see "Venezuela Operations"). Additionally during 2011, the Company recorded a gain on the sale of certain domestic assets that was mostly offset by acquisition-related and other charges.

### *Operating Earnings*

Operating earnings for 2011 in the Outdoor Solutions segment increased \$47.8 million, or 20.9%, versus the same prior year period primarily due to a gross profit increase (approximately \$91 million) due to higher sales and increased margins, partially offset by a \$30.0 million increase in SG&A and a \$13.5 million increase in reorganization costs. Operating earnings for 2011 in the Consumer Solutions segment increased \$3.3 million, or 1.4%, versus the same prior year period primarily due to a gross profit increase (approximately \$22 million) primarily due to increased margins, partially offset by an increase in SG&A (\$16.9 million). Operating earnings for 2011 in the Branded Consumables segment decreased \$3.6 million, or 3.3%, versus the same prior year period primarily due to the period-over-period increase in the charges recorded related to the impairment of goodwill and intangible assets (\$25.1 million), an impairment charge recorded for the write off of an equity basis investment (\$9.1 million) and a \$6.4 million increase in reorganization costs, partially offset by the impact of acquisitions and a gross profit increase of approximately \$15 million due to higher sales. Operating earnings in the Process Solutions segment for 2011 decreased \$3.1 million, or 12.4%, versus the same prior year period primarily due to a gross profit decrease (approximately \$5 million) primarily due to the negative gross margin impact of higher commodity costs and a \$1.4 million increase in reorganization costs partially offset by a decrease in SG&A (\$3.8 million).

### *Reorganization Costs and Impairment Charges*

For 2011, reorganization costs were \$23.4 million, primarily related to reorganization plans initiated in the Outdoor Solutions and Branded Consumables segments. Reorganization costs of \$13.5 million were recorded in the Outdoor Solutions segment related to a plan to consolidate certain international manufacturing processes and a plan to rationalize the overall cost structure of this segment through headcount reductions. Reorganization costs of \$6.4 million were recorded in the Branded Consumables segment related to a plan to consolidate certain manufacturing processes through headcount reduction and facility consolidation and a plan to rationalize the overall cost structure of this segment through headcount reductions. For 2010, the Company did not incur any reorganization costs as the reorganization plans from prior periods have been completed.

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In the fourth quarter of 2011, the Company's annual impairment test, in connection with fourth quarter triggering events, resulted in non-cash charges of \$43.4 million to reflect impairment of goodwill and intangible assets in the Company's Branded Consumables segment. The most significant of which was a non-cash charge of \$41.9 million, primarily related to the impairment of goodwill within the United States Playing Cards business and was due to a decrease in the fair value of forecasted cash flows, reflecting lower levels of revenues and margins in the business than originally forecast. During 2011, the Company also recorded a \$9.1 million impairment charge within the Branded Consumables segment related to the impairment of an equity basis investment.

### Interest Expense

Net interest expense for 2011 increased by \$1.9 million to \$180 million versus the same prior year period due to higher average levels of outstanding debt versus the same prior year period, partially offset by a decrease in the weighted average interest rate for 2011 to 5.4% from 5.8% in 2010.

### Income Taxes

The Company's reported tax rate for 2011 and 2010 was 38.0% and 53.5%, respectively. The increase from the statutory tax rate to the reported tax rate for 2011 results principally from the U.S. tax expense (\$12.3 million) related to U.S. goodwill impairment. The increase from the statutory tax rate to the reported tax rate for 2010 results principally from the tax expense (\$29.7 million) due to non-deductible charges primarily related to the currency devaluation in Venezuela and from the translation of U.S. dollar-denominated net assets in Venezuela (see "Venezuela Operations") and a tax charge (\$7.2 million) related to non-deductible transaction costs attributable to the Acquisition, partially offset by the tax benefit (\$14.2 million) related to the reversal of a deferred tax liability attributable to the reduction of Venezuelan earnings considered as not permanently reinvested.

### Net Income

Net income for 2011 increased \$98 million to \$205 million versus the same prior year period. For 2011 and 2010, earnings per diluted share were \$2.31 and \$1.19, respectively. The increase in net income was primarily due to the \$70.6 million non-cash charge recorded in 2010 related to the Company's Venezuela operations (see "Venezuela Operations"), a \$20.5 million period-over-period decrease in the charge recorded for the purchase accounting adjustment for the elimination of manufacturer's profit in inventory; incremental earnings from acquisitions; and the gross profit impact of higher sales, partially offset by the period-over-period increase in the impairment charges for goodwill, intangibles and other assets (\$32.8 million), increased reorganization costs (\$23.4 million) and the loss on early extinguishment of debt (\$12.8 million) recorded in 2011.

## Results of Operations—Comparing 2010 to 2009

(In millions)	Net Sales		Operating Earnings (Loss)	
	Years Ended December 31,			
	2010	2009	2010	2009
Outdoor Solutions	\$ 2,518.7	\$ 2,311.8	\$ 228.6	\$ 161.6
Consumer Solutions	1,869.6	1,835.9	233.4	260.4
Branded Consumables	1,345.3	792.1	109.0	60.0
Process Solutions	342.7	262.6	25.0	18.7
Corporate	—	—	(188.7)	(113.8)
Intercompany eliminations	(53.6)	(49.8)	—	—
	\$ 6,022.7	\$ 5,152.6	\$ 407.3	\$ 386.9

### Net Sales

Net sales for 2010 increased \$870 million, or 16.9%, to \$6.0 billion versus the same prior year period. The overall increase in net sales was primarily due to the Acquisition (approximately \$539 million), improved retail environment, favorable weather conditions, improved point of sale in certain product categories, expanded product offerings, and increased demand internationally, partially offset by unfavorable foreign currency translation of approximately \$42 million, which includes the unfavorable foreign currency translation of approximately \$88 million related to the currency devaluation in Venezuela (see "Venezuela Operations"). Net sales in the Outdoor Solutions segment increased \$207 million, or 9.0%, primarily as the result of improved sales in the Coleman and fishing businesses; improved sales in the winter sports and technical apparel businesses, due primarily to increased category space at certain major domestic retailers; expanded product offerings; increased point of sales; increased demand internationally; overall economic improvement; favorable weather conditions and favorable foreign currency translation (approximately \$14 million); partially offset by the exiting of two business lines (approximately \$54 million). Net sales in the Consumer Solutions segment increased \$33.7 million, or 1.8%, primarily as the result of increased demand domestically, especially in the beverage

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and food preparation categories and certain personal care and wellness categories, which is primarily due to new product placements; increased point of sales; increased sell-through for seasonal products at certain major retailers; increased demand internationally, excluding Venezuela, primarily due to overall economic improvement, new institutional sales and increased promotional activity; offset by unfavorable foreign currency translation (approximately \$61 million), which includes the unfavorable impact of approximately \$81 million related to the currency devaluation in Venezuela (see "Venezuela Operations"). Net sales in the Branded Consumables segment increased \$553 million, or 69.8%, which is mainly due to the Acquisition, improvements in the safety and security business and new product placements, including safes and shredders and favorable foreign currency translation (approximately \$6 million). Net sales in the Process Solutions segment increased 30.5% on a year-over-year basis, primarily due to an increase in the pass-through pricing of commodities and increases in coinage and monofilament due to improved market conditions.

### Cost of Sales

Cost of sales for 2010 increased \$657 million, or 17.6%, to \$4.4 billion versus the same prior year period. The increase is primarily due to the Acquisition (approximately \$342 million), improved sales and the inclusion of a \$27.4 million charge during 2010, related to a purchase accounting adjustment, primarily due to the Acquisition, for the elimination of manufacturer's profit in inventory that requires the fair value of the inventory acquired to be valued at the sales price of the finished inventory, less costs to complete and a reasonable profit allowance for selling effort. Cost of sales as a percentage of net sales for 2010 and 2009 was 72.8% and 72.3%, respectively (72.3% for 2010 excluding the charge for the elimination of manufacturer's profit in inventory). Cost of sales as a percentage of net sales for 2010 was negatively affected as a result of the currency devaluation in Venezuela (see "Venezuela Operations"). Cost of sales as a percentage of net sales for 2009 was also negatively affected by the sell-through during the first quarter of 2009 of higher cost inventory that was built in 2008 during a significant rise in commodity prices.

### SG&A

SG&A for 2010 increased \$248 million, or 25.7%, to \$1.2 billion versus the same prior year period. The change is primarily due to the Acquisition; \$70.6 million of charges related to the Company's Venezuela operations (see "Venezuela Operations"); and acquisition-related and other charges (\$33.8 million), primarily associated with acquisitions, partially offset by a decrease in stock-based compensation (\$17.0 million) and gains recognized on derivatives not designated as effective hedges (\$10.6 million). Additionally, the Company recorded a fair value adjustment related to the recovery of a long-term note from a prior investment, partially offset by a fair value adjustment of a lease termination.

### Operating Income

Operating earnings for 2010 in the Outdoor Solutions segment increased \$67.0 million, or 41.5%, versus the same prior year period primarily due to a net gross margin increase (approximately \$45 million) due to higher sales, partially offset by other costs and a \$48.5 million decrease in reorganization costs, partially offset by an increase in SG&A (\$26.5 million). Operating earnings for 2010 in the Consumer Solutions segment decreased \$27.0 million, or 10.4%, versus the same prior year period primarily as the result of the unfavorable impact on gross margins (approximately \$52 million) primarily related to the currency devaluation in Venezuela (see "Venezuela Operations"), partially offset by a gross margin increase (approximately \$25 million) due to higher sales and a \$3.8 million decrease in reorganization costs. Operating earnings for 2010 in the Branded Consumables segment increased \$49.0 million, or 81.7%, versus the same prior year period primarily due to the impact of the Acquisition, a net gross margin increase (approximately \$10 million) due to higher sales, a \$4.9 million decrease in SG&A, excluding the impact of the Acquisition and a decrease in impairment charges for goodwill and intangible assets (\$3.8 million), partially offset by the purchase accounting adjustment for the elimination of manufacturer's profit in inventory (\$24.7 million). Operating earnings for 2010 in the Process Solutions segment increased \$6.3 million, or 33.7%, versus the same prior year period primarily as the result of the gross margin impact of higher sales, partially offset by an increase in SG&A (\$6.7 million).

### Reorganization Costs and Impairment Charges

For 2010, the Company did not incur any reorganization costs as the reorganization plans from prior periods have been completed. For 2009, reorganization costs were \$52.3 million. The majority of these charges (\$48.5 million) relate to plans initiated for 2009 to rationalize the overall cost structure of the Outdoor Solutions segment. The Company also recorded reorganization costs (\$3.8 million) during 2009 within the Consumer Solutions segment for headcount reductions related to cost reduction initiatives.

During 2010, the Company recorded non-cash charges of \$19.7 million to reflect the impairment of goodwill and certain intangible assets. The most significant of which was a non-cash charge of \$17.3 million recorded during the second quarter of 2010 within the Branded Consumables segment to reflect impairment of goodwill in this segment's Arts and Crafts business. The impairment was due to a decrease in the fair value of forecasted cash flows, reflecting the deterioration of revenues and margins due to a decline in 2010 of forecasted sales to a major customer.

### Interest Expense

Net interest expense for 2010 increased by \$30.3 million to \$178 million versus the same prior year period due to higher levels of outstanding debt versus the same prior year period and an increase in the Company's weighted average interest rate for 2010 to 5.8% from 5.4% in 2009.

# Management's Discussion and Analysis

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### *Income Taxes*

The Company's reported tax rate for 2010 and 2009 was 53.5% and 46.2%, respectively. The increase from the statutory tax rate to the reported tax rate for 2010 results principally from the tax expense (\$29.7 million) due to non-deductible charges primarily related to the currency devaluation in Venezuela and from the translation of U.S. dollar-denominated net assets in Venezuela (see "Venezuela Operations") and a tax charge (\$7.2 million) related to non-deductible transaction costs attributable to the Acquisition, partially offset by the tax benefit (\$14.2 million) related to the reversal of a deferred tax liability attributable to the reduction of Venezuelan earnings considered as not permanently reinvested. The difference from the statutory tax rate to the reported tax rate for 2009 results principally from the U.S. tax expense of \$25.7 million recognized on the undistributed foreign income, and \$18.5 million recognized on the distributed foreign income, less a \$12.9 million benefit attributable to local Venezuela inflationary adjustments and tax-exempt earnings.

### *Net Income*

Net income for 2010 decreased \$22.0 million to \$107 million versus the same prior year period. For 2010 and 2009, diluted earnings per share were \$1.19 and \$1.52, respectively. The decrease in net income was primarily due to the non-cash charges related to the Company's Venezuela operations (\$70.6 million), the purchase accounting adjustment for the elimination of manufacturer's profit in inventory (\$27.4 million), acquisition-related and other charges (\$42.3 million) and an increase in interest expense (\$30.3 million), partially offset by higher sales, incremental earnings from the Acquisition and a decrease in reorganization costs (\$52.3 million).

## Financial Condition, Liquidity and Capital Resources

### *LIQUIDITY*

At December 31, 2011 and 2010, the Company had cash and cash equivalents of \$808 million and \$695 million, respectively. The Company believes that its cash and cash equivalents, cash generated from operations and the availability under the Facility, the securitization facility, as amended (see "Capital Resources") and the credit facilities of certain foreign subsidiaries as of December 31, 2011 provide sufficient liquidity to support working capital requirements, planned capital expenditures, debt obligations, completion of current and future reorganization and acquisition-related integration programs and pension plan contribution requirements for the foreseeable future, as well as fund a portion of the potential repurchase of shares of the Company's common stock under the accelerated stock repurchase program (see "Capital Resources"), which the Company expects to fund from a combination of cash on hand and new debt.

As of December 31, 2011, the amount of cash held by our non-U.S. subsidiaries was approximately \$458 million, of which approximately \$385 million is considered to be indefinitely reinvested overseas, such that no provision for U.S. federal and state income taxes has been made in the Company's consolidated statements of operations. If this intention changes, any distribution of these non-U.S. earnings may be subject to both U.S. federal and state income taxes.

### *Cash Flows from Operating Activities*

Net cash provided by operating activities was \$427 million and \$289 million for 2011 and 2010, respectively. The change is primarily due to improved operating results in 2011; the impact of acquisitions; favorable working capital changes, primarily due to the timing of the purchase of seasonal inventory in certain businesses and the corresponding effect on accounts payable; a \$20.5 million period-over-period decrease in the purchase accounting adjustment for the elimination of manufacturer's profit in inventory; a decrease in pension contributions of approximately \$13 million, which is primarily due to the settlement of a domestic pension plan in 2010, partially offset by an increase in cash interest paid of approximately \$22 million.

### *Cash Flows from Financing Activities*

Net cash provided by (used in) financing activities for 2011 and 2010 was (\$197) million and \$480 million, respectively. The change is primarily due to the period-over-period decrease in the proceeds from the issuance of long-term debt in excess of payments on long-term debt (\$611 million), the period-over-period decrease in the net change in short-term debt (\$55.2 million) and the increase in the repurchase of common stock and of shares tendered for taxes (\$37.7 million).

### *Cash Flows from Investing Activities*

Net cash used in investing activities was \$113 million and \$883 million for 2011 and 2010, respectively. Cash used for the acquisition of businesses, net of cash acquired and earnout payments for 2011 decreased approximately \$741 million over the same period due to the acquisitions in 2010. For 2011, capital expenditures were \$127 million versus \$138 million in 2010. The Company expects to maintain capital expenditures at an annualized run-rate in the range of approximately 2.0% to 2.5% of net sales.

### *Dividends*

In December 2011, the Board declared a quarterly cash dividend of \$0.08625 per share of the Company's common stock, or \$7.5 million, paid on January 31, 2012 to stockholders of record as of the close of business on January 3, 2012. Cash dividends paid to stockholders in 2011 and 2010 were \$30.1 million and \$28.7 million, respectively. In January 2012, in connection with the acceleration of the stock repurchase program (see "Capital Resources"), the Company announced that the Board had decided to suspend its dividend program following the dividend paid on January 31, 2012.



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### CAPITAL RESOURCES

In March 2011, the Company completed the Facility, which is comprised of:

- a \$525 million senior secured term loan A facility maturing in March 2016, that bears interest at LIBOR plus a spread of 225 basis points;
- a \$500 million senior secured term loan B facility maturing in January 2017, which is subject to extension to 2018 under certain conditions, that bears interest at LIBOR plus a spread of 300 basis points; and
- a \$250 million senior secured revolving credit facility (the "Revolver"), which is comprised of a \$175 million U.S. dollar component and a \$75 million multi-currency component. The Revolver matures in March 2016 and bears interest at certain selected rates, including LIBOR plus a spread of 225 basis points. The Company is required to pay commitment fees on the unused balance of the Revolver. At December 31, 2011, the annual commitment fee on unused balances was approximately 0.38%.

The proceeds from the Facility and cash on hand were used to extinguish the entire principal amount outstanding of approximately \$1.1 billion under the Company's prior senior secured credit facility and the entire principal amount outstanding of approximately \$22 million under a U.S. dollar-based term loan of a Canadian subsidiary. As a result of these debt extinguishments, the Company recorded a \$12.8 million loss on the extinguishment of debt, which is primarily comprised of a non-cash charge due to the write-off of deferred debt issuance costs relating to the prior senior secured credit facility.

At December 31, 2011, there was no amount outstanding under the Revolver. At December 31, 2011, net availability under the Revolver was approximately \$210 million, after deducting approximately \$40 million of outstanding standby and commercial letters of credit.

At December 31, 2011, the Company's \$300 million receivables purchase agreement (the "Securitization Facility") had outstanding borrowings totaling \$300 million. At December 31, 2011, the borrowing rate margin and the unused line fee on the securitization were 1.25% and 0.625% per annum, respectively. In February 2012, the Company entered into an amendment to the Securitization Facility that, in part, increased maximum borrowings from \$300 million to \$400 million and extended the term until February 2015. Following the renewal, the borrowing rate margin is 0.90% and the unused line fee is 0.45% per annum.

Certain foreign subsidiaries of the Company maintain working capital lines of credit with their respective local financial institutions for use in operating activities. At December 31, 2011, the aggregate amount available under these lines of credit totaled approximately \$71 million.

The Company was not in default of any of its debt covenants (see Note 9 to the consolidated financial statements) as of December 31, 2011.

In August 2011, the Board authorized a new stock repurchase program that would allow the Company to repurchase up to \$500 million of its common stock (the "Stock Repurchase Program"). During August 2011, the Company completed its prior \$150 million stock repurchase program that was authorized in November 2007 and increased in March 2010. During 2011 and 2010, the Company repurchased approximately 2.5 million and 1.4 million shares, respectively, of its common stock under these stock repurchase programs at a per share average price of \$30.42 and \$29.62, respectively. There were no shares repurchased in 2009.

On January 26, 2012, the Company commenced a "modified Dutch auction" self-tender offer (the "Offer") to purchase up to \$500 million in value of its common stock at a purchase price of not greater than \$33.00 or less than \$30.00 per share. On February 21, 2012, the Company extended the expiration date of the Offer from midnight on February 23, 2012 until midnight on March 5, 2012 and increased the purchase price to not greater than \$36.00 or less than \$32.00 per share. The repurchase of shares of common stock under the Offer is being made pursuant to the Stock Repurchase Program, pursuant to which the Company is authorized to repurchase up to \$500 million aggregate amount of outstanding shares of common stock at prevailing market prices or in privately-negotiated transactions. On January 23, 2012, the Board authorized an increase in the then available repurchase capacity of the Stock Repurchase Program to \$500 million. The Offer is not conditioned upon any minimum number of shares being tendered, but is subject to the satisfaction of certain conditions as specified in the Offer, including the successful completion of additional debt under the Facility. The Company expects to fund the Offer from a combination of cash on hand and new debt.

# Management's Discussion and Analysis

## Jarden Corporation Annual Report 2011

### Contractual Obligations and Commercial Commitments

The following table includes aggregate information about the Company's contractual obligations as of December 31, 2011 and the periods in which payments are due. Certain of these amounts are not required to be included in its consolidated balance sheets:

(In millions)	Year(s)				
	Total	1	2-3	4-5	After 5
Debt (1)	\$ 4,095.8	\$ 413.3	\$ 484.7	\$ 1,051.9	\$ 2,145.9
Operating leases	317.2	66.4	106.3	74.1	70.4
Unconditional purchase obligations	114.5	56.3	46.0	11.7	0.5
Other current and non-current obligations	24.9	20.1	1.2	1.1	2.5
Total	\$ 4,552.4	\$ 556.1	\$ 638.2	\$ 1,138.8	\$ 2,219.3

(1) These amounts reflect scheduled principal payments and the expected future interest expense related to the debt at December 31, 2011 that carries a fixed rate of interest. As of December 31, 2011, approximately \$2.2 billion of the Company's debt is considered fixed-rate debt, by nature or through use of interest rate swaps. As of December 31, 2011, approximately \$1.0 billion of the Company's debt is considered variable-rate debt, by nature or through use of interest rate swaps with a weighted average interest rate of approximately 2.4%. For further information regarding the Company's debt and interest rate structure, refer to Note 9—"Debt" and Note 10—"Derivative Financial Instruments" to the consolidated financial statements.

The table above does not reflect tax reserves and accrued interest thereon of \$52.6 million and \$5.2 million, respectively, as the Company cannot reasonably predict the timing of the settlement of the related tax positions beyond 2012. See Note 12—"Taxes on Income" to the consolidated financial statements for additional information on the Company's unrecognized tax benefits at December 31, 2011.

Commercial commitments are items that the Company could be obligated to pay in the future and are not included in the above table. At December 31, 2011, the Company had approximately \$40 million in standby and commercial letters of credit that expire through December 2013.

### Risk Management

From time to time, the Company enters into derivative transactions to hedge its exposures to interest rate, foreign currency rate and commodity price fluctuations. The Company does not enter into derivative transactions for trading purposes.

### Interest Rate Contracts

The Company manages its fixed and floating rate debt mix using interest rate swaps. The Company uses fixed and floating rate swaps to alter its exposure to the impact of changing interest rates on its consolidated results of operations and future cash outflows for interest. Floating rate swaps are used, depending on market conditions, to convert the fixed rates of long-term debt into short-term variable rates. Fixed rate swaps are used to reduce the Company's risk of the possibility of increased interest costs. Interest rate swap contracts are therefore used by the Company to separate interest rate risk management from the debt funding decision.

### Fair Value Hedges

During 2011, the Company terminated \$350 million notional amount outstanding in swap agreements that exchange a fixed rate of interest for a variable rate (LIBOR) of interest and received \$8.4 million in net proceeds. These floating rate swaps, which were to mature in 2017, were designated as fair value hedges against \$350 million of principal on the 7 1/2% senior subordinated notes due 2017. The gain on the termination of these swaps is deferred and is being amortized over the remaining contractual term of the terminated swaps.

### Cash Flow Hedges

During 2011, the Company entered into an aggregate \$350 million notional amount of interest rate swaps that exchange a variable rate of interest (LIBOR) for an average fixed rate of interest of approximately 1.5% over the term of the agreements, which mature on December 31, 2015. These swaps are forward-starting and are effective commencing December 31, 2013. The Company has designated these swaps as cash flow hedges of the interest rate risk attributable to forecasted variable interest (LIBOR) payments.

At December 31, 2011, the Company had \$750 million notional amount outstanding in swap agreements, which include \$350 million notional amount of forward-starting swaps that become effective commencing December 31, 2013, that exchange variable rates of interest (LIBOR) for fixed interest rates over the terms of the agreements and are designated as cash flow hedges of the interest

# Management's Discussion and Analysis

## Jarden Corporation Annual Report 2011

rate risk attributable to forecasted variable interest payments and have maturity dates through December 2015. At December 31, 2011, the weighted average fixed rate of interest on these swaps, excluding the forward-starting swap, was approximately 1.6%. The effective portion of the after-tax fair value gains or losses on these swaps is included as a component of accumulated other comprehensive income (loss) ("AOCI").

During 2011, the Company terminated a \$250 million notional amount outstanding swap agreement that exchanged a variable rates of interest (LIBOR) for a fixed interest rate. This fixed rate swap, which was to mature on December 31, 2011, was designated as cash flow hedge of the interest rate risk attributable to forecasted variable interest.

### Forward Foreign Currency Contracts

The Company uses forward foreign currency contracts ("foreign currency contracts") to mitigate the foreign currency exchange rate exposure on the cash flows related to forecasted inventory purchases and sales and have maturity dates through September 2013. The derivatives used to hedge these forecasted transactions that meet the criteria for hedge accounting are accounted for as cash flow hedges. The effective portion of the gains or losses on these derivatives is deferred as a component of AOCI and is recognized in earnings at the same time that the hedged item affects earnings and is included in the same caption in the statements of operations as the underlying hedged item. At December 31, 2011, the Company had approximately \$477 million notional amount of foreign currency contracts outstanding that are designated as cash flow hedges of forecasted inventory purchases and sales.

At December 31, 2011, the Company had outstanding approximately \$159 million notional amount of foreign currency contracts that are not designated as effective hedges for accounting purposes and have maturity dates through December 2012. Fair market value gains or losses are included in the results of operations and are classified in SG&A.

### Commodity Contracts

The Company enters into commodity-based derivatives in order to mitigate the risk that the rising price of these commodities could have on the cost of certain of the Company's raw materials. These commodity-based derivatives provide the Company with cost certainty, and in certain instances allow the Company to benefit should the cost of the commodity fall below certain dollar thresholds. At December 31, 2011, the Company had outstanding approximately \$18.8 million notional amount of commodity-based derivatives that are not designated as effective hedges for accounting purposes and have maturity dates through March 2014. Fair market value gains or losses are included in the results of operations and are classified in SG&A.

The following table presents the fair value of derivative financial instruments as of December 31, 2011:

	December 31, 2011
<i>(In millions)</i>	Asset (Liability)
<b>Derivatives designated as effective hedges:</b>	
Cash flow hedges:	
Interest rate swaps	\$ (8.4)
Foreign currency contracts	4.1
Subtotal	(4.3)
<b>Derivatives not designated as effective hedges:</b>	
Foreign currency contracts	(0.6)
Commodity contracts	0.7
Subtotal	0.1
Total	\$ (4.2)

### Significant Accounting Policies and Critical Estimates

The Company's financial statements are prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP"), which require us to make certain judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The following list of critical accounting policies is not intended to be a comprehensive list of all its accounting policies. The Company's significant accounting policies are more fully described in Note 1—"Business and Significant Accounting Policies". The following represents a summary of the Company's critical accounting policies, defined as those policies that the Company believes are the most important to the portrayal of its financial condition and results of operations, and/or require management's significant judgments and/or estimates. In many cases, the accounting treatment for a particular transaction is specifically directed by GAAP with no need for management's judgment in their application.

# Management's Discussion and Analysis

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### *Revenue Recognition and Allowance for Product Returns*

The Company recognizes revenues at the time of product shipment or delivery, depending upon when title passes, to unaffiliated customers, and when all of the following have occurred: a firm sales agreement is in place, pricing is fixed or determinable, and collection is reasonably assured. Revenue is recognized as the net amount estimated to be received after deducting estimated amounts for product returns, discounts and allowances. The Company estimates future product returns, discounts and allowances based upon historical return rates and its reasonable judgment.

### *Income Taxes*

The Company records a valuation allowance to reduce its deferred tax assets to the amount that the Company believes is more likely than not to be realized. While the Company has considered future taxable income and ongoing prudent and feasible tax planning strategies in assessing the need for the valuation allowance, in the event the Company were to determine that it would not be able to realize all or part of its net deferred tax assets in the future, an adjustment to the deferred tax assets would be charged to income in the period such determination was made. Likewise, should the Company determine that it would be able to realize its deferred tax assets in the future in excess of its net recorded amount, an adjustment to the deferred tax assets would increase income in the period such determination was made.

Additionally, the Company recognizes tax benefits for certain tax positions based upon judgments as to whether it is more likely than not that a tax position will be sustained upon examination. The measurement of tax positions that meet the more-likely-than-not recognition threshold are based in part on estimates and assumptions as to the probability of an outcome, along with estimated amounts to be realized upon any settlement. While the Company believes the resulting tax balances at December 31, 2011 and 2010 are fairly stated based upon these estimates, the ultimate resolution of these tax positions could result in favorable or unfavorable adjustments to its consolidated financial statements and such adjustments could be material. See Note 12 to the consolidated financial statements for further information regarding taxes.

### *Goodwill and Indefinite-Lived Intangibles*

The application of the purchase method of accounting for business combinations requires the use of significant estimates and assumptions in determining the fair value of assets acquired and liabilities assumed in order to properly allocate the purchase price. The estimates of the fair value of the assets acquired and liabilities assumed are based upon assumptions believed to be reasonable using established valuation techniques that consider a number of factors and when appropriate, valuations performed by independent third party appraisers.

As a result of acquisitions in prior years, the Company has significant intangible assets on its balance sheet that include goodwill and indefinite-lived intangibles (primarily trademarks and tradenames). The Company's goodwill and indefinite-lived intangibles are tested and reviewed for impairment annually (during the fourth quarter, which coincides with the Company's planning process), or more frequently if facts and circumstances warrant. In 2011, the Company adopted authoritative accounting guidance that allows a company to use a qualitative approach to test goodwill for impairment by first assessing qualitative factors to determine whether it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test. The qualitative ("Step 0") approach, which was only applied to a portion of the Company's reporting units, assesses various factors including, in part, the macroeconomic environment, industry and market specific conditions, financial performance, operating costs and cost impacts, as well as issues or events specific to the reporting unit. If necessary, the first step ("Step 1") in the goodwill impairment test involves comparing the fair value of each of its reporting units to the carrying value of those reporting units. If the carrying value of a reporting unit exceeds the fair value of the reporting unit, the Company is required to proceed to the second step. In the second step, the fair value of the reporting unit would be allocated to the assets (including unrecognized intangibles) and liabilities of the reporting unit, with any residual representing the implied fair value of goodwill. An impairment loss would be recognized if, and to the extent that, the carrying value of goodwill exceeded the implied value.

Both qualitative and quantitative goodwill impairment testing requires significant use of judgment and assumptions, including the identification of reporting units; the assignment of assets and liabilities to reporting units; and the estimation of future cash flows, business growth rates, terminal values and discount rates. The Company uses various valuation methods, such as the discounted cash flow and market multiple methods. The income approach used is the discounted cash flow methodology and is based on five-year cash flow projections. The cash flows projected are analyzed on a "debt-free" basis (before cash payments to equity and interest bearing debt investors) in order to develop an enterprise value from operations for the reporting unit. A provision is also made, based on these projections, for the value of the reporting unit at the end of the forecast period, or terminal value. The present value of the interim cash flows and the terminal value are determined using a selected discount rate. The market multiple methodology involves estimating value based on the trading multiples for comparable public companies. Multiples are determined through an analysis of certain publicly traded companies that are selected on the basis of operational and economic similarity with the business operations. Valuation multiples are calculated for the comparable companies based on daily trading prices. A comparative analysis between the reporting unit and the public companies forms the basis for the selection of appropriate risk-adjusted multiples. The comparative analysis incorporates both quantitative and qualitative risk factors which relate to, among other things, the nature of the industry in which the reporting unit and other comparable companies are engaged.

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The testing of unamortizable intangibles under established guidelines for impairment also requires significant use of judgment and assumptions (such as cash flow projections, terminal values and discount rates). For impairment testing purposes, the fair value of unamortizable intangibles is determined using the same method which was used for determining the initial value. The first method is the relief from the royalty method, which estimates the value of a tradename by discounting the hypothetical avoided royalty payments to their present value over the economic life of the asset. The second method is the excess earnings method, which estimates the value of the intangible asset by quantifying the residual (or excess) cash flows generated by the asset, and discounting those cash flows to the present. The excess earnings methodology requires the application of contributory asset charges. Contributory asset charges typically include payments for the use of working capital, tangible assets and other intangible assets. Changes in forecasted operations and other assumptions could materially affect the estimated fair values. Changes in business conditions could potentially require adjustments to these asset valuations.

As previously disclosed, in the fourth quarter of 2011, the Company's annual impairment test, in connection with fourth quarter triggering events, resulted in a non-cash charge of \$43.4 million to reflect impairment of goodwill and intangible assets in the Company's Branded Consumables segment. The Company did not record any impairment charges in 2010 in connection with its annual impairment testing. As previously disclosed, during the second quarter of 2010, the Company recorded a non-cash charge of \$17.3 million to reflect impairment of goodwill and during 2010 the Company recorded a non-cash charge of \$2.4 million to reflect impairment of certain intangibles. In the fourth quarter of 2009, the Company's annual impairment test resulted in a non-cash charge to goodwill of \$12.8 million and a non-cash charge to indefinite-lived intangibles (tradenames) of \$10.1 million.

While some of the Company's businesses experienced a revenue decline and decreased profitability in 2011, the Company believes that its long-term growth strategy supports its fair value conclusions. For both goodwill and indefinite-lived intangible assets, the recoverability of these amounts is dependent upon achievement of the Company's projections and the execution of key initiatives related to revenue growth and improved profitability. As a result of the 2011 annual impairment testing, the enterprise value of all reporting units undergoing Step 1 analyses that were not impaired exceeded their carrying value by more than 10%; however, changes in business conditions and assumptions could potentially require future adjustments to these asset valuations. The estimated fair values for one reporting unit and certain trade names primarily within the Branded Consumables segment, exceeded their carrying values by a percentage that was near or slightly above the 10% threshold. The Company will continue to monitor this reporting unit and the indefinite-lived intangible assets. Should projected cash flows or profitability not be achieved, or should actual capital expenditures exceed current plans, estimated fair values could be reduced to below carrying values resulting in material non-cash impairment charges. The reporting units undergoing Step 0 analyses were not deemed to have significant negative qualitative factors that would result in it being more likely than not that the reporting units were impaired. Furthermore, there were no changes from the prior year in any significant assumptions involved in testing goodwill and other indefinite-lived intangible assets that were not impaired that resulted in a material change to the fair value of a reporting unit or an intangible asset. The Company will continue to monitor its reporting units for any triggering events or other signs of impairment.

### **Other Long-Lived Assets**

The Company evaluates the recoverability of long-lived assets, including property, plant and equipment and amortizable intangible assets, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment indicators that could trigger an impairment review include significant underperformance relative to historical or projected future operating results, significant changes in the manner of use of the assets or the strategy for the overall business, significant decreases in the market value of the assets and significant negative industry or economic trends. When the Company determines that the carrying amount of long-lived assets may not be recoverable based upon the existence of one or more of these indicators, the assets are assessed for impairment based on the estimated future undiscounted cash flows expected to result from the use of the asset and its eventual disposition. The cash flows are estimated utilizing various assumptions regarding future revenue and expenses, working capital, and proceeds from disposal. If the carrying amount exceeds the sum of the undiscounted future cash flows, the Company discounts the future cash flows using a discount rate required for a similar investment of like risk and records an impairment charge as the difference between the fair value and the carrying value of the asset group.

### **Pension and Postretirement Benefit Plans**

The Company records annual amounts relating to its pension and postretirement plans based on calculations, which include various actuarial assumptions, including discount rates, assumed rates of return, compensation increases, turnover rates and health care cost trend rates. The Company reviews its actuarial assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when it is deemed appropriate to do so. The effect of modifications is generally deferred and amortized over future periods. The Company believes that the assumptions utilized in recording its obligations under its plans are reasonable based on its experience, market conditions and the input from its actuaries and investment advisors. The pension and postretirement obligations are measured as of December 31 for 2011 and 2010.

The Company employs a total return investment approach for its pension and postretirement benefit plans whereby a mix of equities and fixed income investments are used to maximize the long-term return of pension and postretirement plan assets. The intent of this strategy is to minimize plan expenses by outperforming plan liabilities over the long run. Risk tolerance is established through careful consideration of plan liabilities, plan funded status, and corporate financial condition. The investment portfolios contain a diversified blend of equity and fixed-income investments. Furthermore, equity investments are diversified across

# Management's Discussion and Analysis

## Jarden Corporation Annual Report 2011

geography and market capitalization through investments in U.S. large-capitalization stocks, U.S. small-capitalization stocks and international securities. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset/liability studies and quarterly investment portfolio reviews.

The expected long-term rate of return for plan assets is based upon many factors including expected asset allocations, historical asset returns, current and expected future market conditions, risk and active management premiums. The prospective target asset allocation percentage for the pension plans is approximately 45% – 60% for equity securities, approximately 25% – 40% for fixed-income investments and approximately 0% – 30% for other securities. At December 31, 2011, the domestic plan assets were allocated as follows: Equities: approximately 34% and Other Investments (alternative investments, fixed-income securities, cash and other): approximately 66%.

For 2011, 2010 and 2009, the actual return on plan assets for the Company's U.S. pension plan assets was \$9.5 million, \$16.4 million and \$33.4 million, respectively, versus an expected return on plan assets of \$15.6 million, \$13.6 million and \$12.5 million, respectively. The actual amount of future contributions will depend, in part, on long-term actual return on assets and future discount rates. Pension contributions for 2012 are estimated to be approximately \$20 million, compared to approximately \$30 million in 2011.

The weighted average expected return on plan assets assumption for 2011 was approximately 7.6% for the Company's pension plans. The weighted average discount rate at the 2011 measurement date used to measure the pension and postretirement benefit obligations was approximately 4.5% and 4.4%, respectively. A one percentage point increase in the discount rate at the 2011 measurement date would decrease the pension plans' projected benefit obligation by approximately \$41 million.

The health care cost trend rates used in valuing the Company's postretirement benefit obligation are established based upon actual health care cost trends and consultation with actuaries and benefit providers. At the 2011 measurement date, the current weighted average healthcare trend rate assumption was 7.0%. The current trend rate gradually decreases to an ultimate trend rate of 4.5%. A one percentage point change in assumed healthcare cost trend rates would not have a material effect on the postretirement benefit obligation or the service and interest cost components of postretirement benefit costs.

### *Product Liability*

As a consumer goods manufacturer and distributor, the Company faces the risk of product liability and related costs for substantial money damages, product recall actions and higher than anticipated rates of warranty returns or other returns of goods. Each year the Company sets its product liability insurance program, which is an occurrence-based program, based on current and historical claims experience and the availability and cost of related insurance.

Product liabilities are based on estimates (which include actuarial determinations made by an independent actuarial consultant as to liability exposure, taking into account prior experience, number of claims and other relevant factors); thus, the Company's ultimate liability may exceed or be less than the amounts accrued. The methods of making such estimates and establishing the resulting liability are reviewed on a regular basis and any adjustments resulting therefrom are reflected in current operating results.

### *Stock-Based Compensation*

The fair value of stock options is determined using the Black-Scholes option-pricing. The fair value of the market-based restricted stock awards is determined using a Monte Carlo simulation embedded in a lattice model, and for all other restricted stock awards the fair value is based on the closing price of the Company's common stock on the date of grant. The determination of the fair value of the Company's stock option awards and restricted stock awards is based on a variety of factors including, but not limited to, the Company's common stock price, expected stock price volatility over the expected life of awards, and actual and projected exercise behavior. Additionally, the Company estimates forfeitures for options and restricted stock awards at the grant date of the award based on historical experience and estimates are adjusted as necessary if actual forfeitures differ from these estimates. Certain performance awards require management's judgment as to whether performance targets will be achieved.

### *Product Warranty Costs*

The Company recognizes warranty costs based on an estimate of amounts required to meet future warranty obligations arising as part of the sale of its products. The Company accrues an estimated liability at the time of a product sale based on historical claim rates applied to current period sales, as well as any information applicable to current product sales that may indicate a deviation from such historical claim rate trends.

### *Contingencies*

The Company is involved in various legal disputes and other legal proceedings that arise from time to time in the ordinary course of business. In addition, the Company or various of its subsidiaries have been identified by the United States Environmental Protection Agency or a state environmental agency as a Potentially Responsible Party pursuant to the federal Superfund Act and/or state Superfund laws comparable to the federal law at various sites. Based on currently available information, the Company does not believe that the disposition of any of the legal or environmental disputes the Company or its subsidiaries are currently involved in will have a material adverse effect on the consolidated financial condition, results of operations or cash flows of the Company. It is possible, that as additional information becomes available, the impact on the Company of an adverse determination could have a different effect.

# Management's Discussion and Analysis

## Jarden Corporation Annual Report 2011

### New and Pending Accounting Pronouncements

During 2011, 2010 and 2009, the Company adopted various accounting standards. A description of these standards and their effect on the consolidated financial statements are described in Note 2 to the consolidated financial statements.

Pending standards and their estimated effect on the Company's consolidated financial statements are described in Note 2 to the consolidated financial statements.

### Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of the Company. The Company may from time to time make written or oral statements that are "forward-looking," including statements contained in this report and other filings with the SEC and in reports to its stockholders. Such forward-looking statements include the Company's adjusted earnings per share, expected or estimated revenue, the outlook for the Company's markets and the demand for its products, estimated sales, segment earnings, earnings per share, reorganization and other charges, cash flows from operations, consistent profitable growth, free cash flow, future revenues and gross operating and EBITDA margin improvement requirement and expansion, organic net sales growth, bank leverage ratio, the success of new product introductions, growth in costs and expenses, the impact of commodities, currencies, and transportation costs and the Company's ability to manage its risk in these areas, repurchase of shares of common stock from time to time under the Company's stock repurchase program or through any tender offer, and the impact of acquisitions, divestitures, restructurings and other unusual items, including the Company's ability to successfully integrate and obtain the anticipated results and synergies from its consummated acquisitions. These statements are made on the basis of management's views and assumptions as of the time the statements are made and the Company undertakes no obligation to update these statements. There can be no assurance, however, that its expectations will necessarily come to pass. A discussion of factors that could cause results to vary is included in the Company's periodic and other reports filed with the SEC.

### Quantitative and Qualitative Disclosures About Market Risk

In general, business enterprises can be exposed to market risks including fluctuations in interest rates, foreign currency exchange rates and certain commodity prices, and that can affect the cost of operating, investing and financing under those conditions. The Company believes it has moderate exposure to these risks. The Company assesses market risk based on changes in interest rates, foreign currency rates and commodity prices utilizing a sensitivity analysis that measures the potential loss in earnings, fair values and cash flows based on a hypothetical 10% change in these rates and prices.

The Company is exposed to interest rate risk on its variable rate debt and price risk on its fixed rate debt. As such, the Company monitors the interest rate environment and uses interest rate swap agreements to manage its interest rate risk and price risk by balancing its exposure to fixed and variable interest rates while attempting to minimize interest costs. As of December 31, 2011, approximately \$1.0 billion of the Company's debt carries a variable rate of interest either by nature or through the use of interest rate swaps. The remainder of the debt (approximately \$2.2 billion) carries a fixed rate of interest either by nature or through the use of interest rate swaps. A hypothetical 10% change in these interest rates would change interest expense by approximately \$4 million and the fair values of fixed rate debt by approximately \$60 million.

While the Company transacts business predominantly in U.S. dollars and most of its revenues are collected in U.S. dollars, a substantial portion of the Company's operating costs are denominated in other currencies, such as the Brazilian Real, British Pound, Canadian dollar, Chinese Renminbi, European Euro, Japanese Yen, Mexican Peso and Venezuelan Bolivar. Changes in the relation of these and other currencies to the U.S. dollar will affect Company's sales and profitability and could result in exchange losses. For 2011, approximately 39% of the Company's sales were denominated in foreign currencies, the most significant of which were: European Euro—approximately 13%; and Canadian dollar—approximately 6%. The primary purpose of the Company's foreign currency hedging activities is to mitigate the foreign currency exchange rate exposure on the cash flows related to forecasted inventory purchases and sales. A hypothetical 10% change in foreign currency exchange rates would not have a material effect on foreign currency gains and losses related to the foreign currency derivatives or the net fair value of the Company's foreign currency derivatives.

The Company is exposed to the price risk that the rising cost of commodities has on certain of its raw materials. As such, the Company monitors the commodities markets and from time to time the Company enters into commodity-based derivatives in order to mitigate the impact that the rising price of these commodities has on the cost of certain of the Company's raw materials. A hypothetical 10% change in the commodity prices underlying the derivatives would not have a material effect on the fair value commodity derivatives and the related gains and losses included in the Company's results of operations.

The Company is exposed to credit loss in the event of non-performance by the counterparties to its derivative financial instruments, all of which are highly rated institutions; however, the Company does not anticipate non-performance by such counterparties.

The Company does not enter into derivative financial instruments for trading purposes.

# Market for Registrant's Common Equity

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## Market; Market Price; and Dividends for Registrant's Common Equity

Jarden Corporation's (the "Company" or "Jarden") common stock is traded on the New York Stock Exchange ("NYSE") under the symbol "JAH." As of February 15, 2012, there were approximately 3,500 registered holders of record of the Company's common stock, par value \$0.01 per share. On February 15, 2012, the last recorded sales price of the Company's common stock was \$34.01. In January 2012, the Company announced that the Board of Directors of the Company (the "Board"), in connection with the acceleration of the stock repurchase program (see "Recent Purchases of our Registered Equity Securities by the Issuer and Affiliated Purchases"), had decided to suspend the Company's dividend program following the dividend paid on January 31, 2012.

The table below sets forth the intraday high and low sales prices of the Company's common stock as reported on the NYSE and cash dividends declared per share for the periods indicated:

	Dividends Declared Per Share		Common Stock Price			
			2011		2010	
	2011	2010	High	Low	High	Low
First Quarter	\$ 0.08625	\$ 0.0825	\$ 37.50	\$ 30.89	\$ 35.11	\$ 29.34
Second Quarter	0.08625	0.0825	37.50	31.16	34.63	25.50
Third Quarter	0.08625	0.0825	35.17	25.60	31.49	25.55
Fourth Quarter	0.08625	0.0825	34.95	26.52	34.52	30.32

## Recent Purchases of our Registered Equity Securities by the Issuer and Affiliated Purchases

In August 2011, the Board authorized a new stock repurchase program that would allow the Company to repurchase up to \$500 million of its common stock (the "Stock Repurchase Program"). During August 2011, the Company completed its prior \$150 million stock repurchase program that was authorized in November 2007 and increased in March 2010. There were no shares of the Company's common stock repurchased during the fourth quarter of 2011.

On January 26, 2012, the Company commenced a "modified Dutch auction" self-tender offer (the "Offer") to purchase up to \$500 million in value of its common stock at a purchase price of not greater than \$33.00 or less than \$30.00 per share. On February 21, 2012, the Company extended the expiration date of the Offer from midnight on February 23, 2012 until midnight on March 5, 2012 and increased the purchase price to not greater than \$36.00 or less than \$32.00 per share. The repurchase of shares of common stock under the Offer is being made pursuant to the Stock Repurchase Program, pursuant to which the Company is authorized to repurchase up to \$500 million aggregate amount of outstanding shares of common stock at prevailing market prices or in privately negotiated transactions. On January 23, 2012, the Board authorized an increase in the then available repurchase capacity of the Stock Repurchase Program to \$500 million. The Offer is not conditioned upon any minimum number of shares being tendered, but is subject to the satisfaction of certain conditions as specified under the Offer, including the successful completion of additional debt under the Company's senior secured credit facility.

On March 9, 2012, the Company announced the final results of its modified Dutch auction tender offer, which expired at 12:00 midnight, New York City time, on Monday, March 5, 2012. Based on the final count by Computershare Trust Company, N.A., the depository for the tender offer, a total of 12,080,107 shares of the Company's common stock were properly tendered and not withdrawn at or below the final purchase price of \$36.00 per share. The Company accepted for purchase all 12,080,107 shares tendered at or below \$36.00 per share, for an aggregate cost of approximately \$435 million, excluding fees and expenses related to the tender offer.



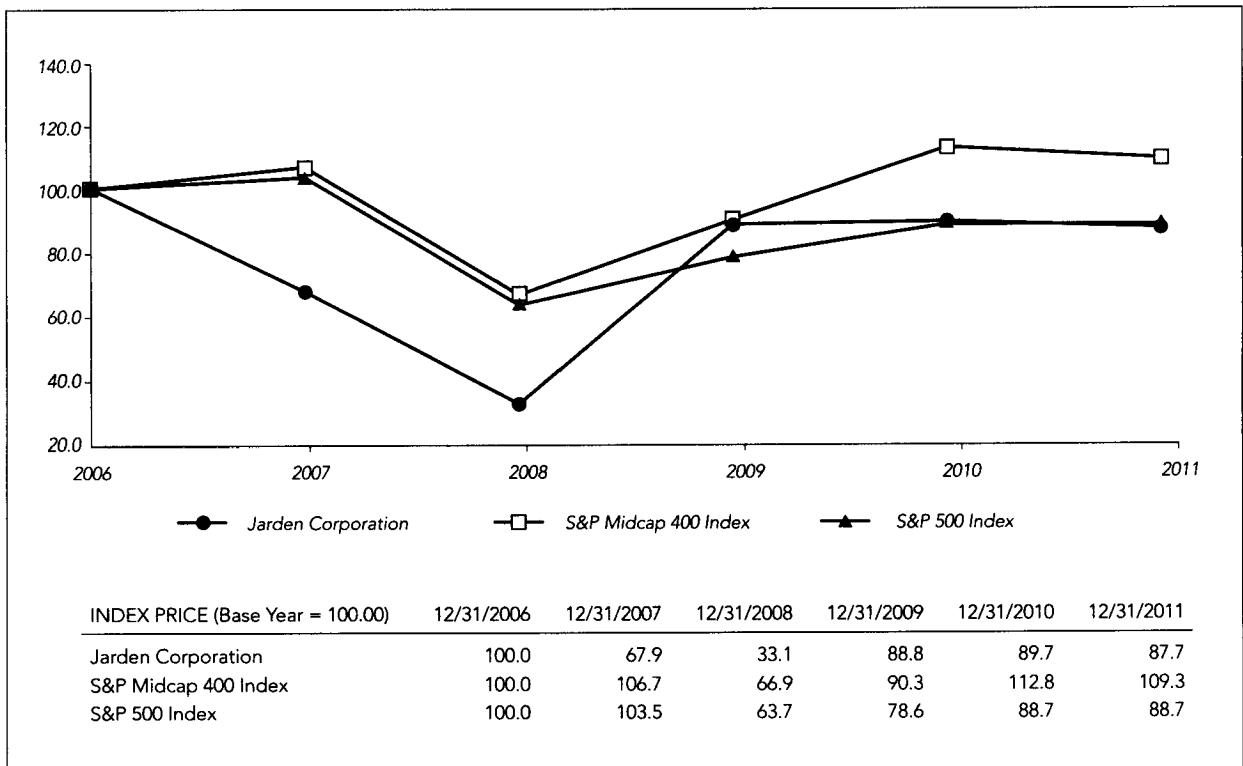
# Market for Registrant's Common Equity

## Jarden Corporation Annual Report 2011

### Performance Graph

The following Performance Graph and related information shall not be deemed "soliciting material" or to be "filed" with the Securities and Exchange Commission, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or Securities Exchange Act of 1934, each as amended, except to the extent that the Company specifically incorporates it by reference into such filing.

The graph below compares total stockholder return on the Company's common stock from December 31, 2006 through December 31, 2011 with the cumulative total return of (a) the Standard and Poor's ("S&P") 500 Index, and (b) the S&P Midcap 400 Index, assuming a \$100 investment made on December 31, 2006. Each of the three measures of cumulative total return assumes reinvestment of dividends, if applicable. The stock performance shown on the graph below is based on historical data and is not indicative of, or intended to forecast, possible future performance of the Company's common stock.



# Management's Report

Jarden Corporation Annual Report 2011

## Management's Report on Internal Control Over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As required by Section 404 of the Sarbanes-Oxley Act of 2002, management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2011. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework*.

Based on our assessment and the above criteria, management concluded that the Company maintained effective internal control over financial reporting as of December 31, 2011.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2011 has been audited by the Company's independent auditor, PricewaterhouseCoopers LLP, an independent registered public accounting firm, and issued their audit report expressing an unqualified opinion on the Company's internal control over financial reporting, as stated in their report which is included elsewhere herein.

# Report of Independent Registered Public Accounting Firm

## Jarden Corporation Annual Report 2011

To the Board of Directors and Stockholders of Jarden Corporation:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, stockholders' equity and cash flows present fairly, in all material respects, the financial position of Jarden Corporation and its subsidiaries at December 31, 2011 and 2010, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2011 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on these financial statements and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



New York, New York  
February 23, 2012

# Consolidated Statements of Operations

Jarden Corporation Annual Report 2011

(In millions, except per share amounts)	Years Ended December 31,		
	2011	2010	2009
Net Sales	\$ 6,679.9	\$ 6,022.7	\$ 5,152.6
Cost of Sales	4,821.9	4,383.9	3,726.6
Gross profit	1,858.0	1,638.8	1,426.0
Selling, general and administrative expenses	1,259.2	1,211.8	963.9
Reorganization costs, net	23.4	—	52.3
Impairment of goodwill, intangibles, and other assets	52.5	19.7	22.9
Operating earnings	522.9	407.3	386.9
Interest expense, net	179.7	177.8	147.5
Loss on early extinguishment of debt	12.8	—	—
Income before taxes	330.4	229.5	239.4
Income tax provision	125.7	122.8	110.7
Net income	\$ 204.7	\$ 106.7	\$ 128.7
Earnings per share:			
Basic	\$ 2.33	\$ 1.20	\$ 1.53
Diluted	\$ 2.31	\$ 1.19	\$ 1.52
Weighted average shares outstanding:			
Basic	88.1	89.0	84.1
Diluted	88.6	89.8	84.8

The accompanying notes are an integral part of the consolidated financial statements.

# Consolidated Balance Sheets

## Jarden Corporation Annual Report 2011

(In millions, except per share amounts)	As of December 31,	
	2011	2010
<b>Assets</b>		
Cash and cash equivalents	\$ 808.3	\$ 695.4
Accounts receivable, net of allowances of \$83.9 in 2011, \$64.7 in 2010	1,080.5	1,067.7
Inventories	1,274.4	1,294.6
Deferred taxes on income	181.6	166.5
Prepaid expenses and other current assets	148.7	146.6
<b>Total current assets</b>	<b>3,493.5</b>	<b>3,370.8</b>
Property, plant and equipment, net	615.9	658.9
Goodwill	1,717.1	1,752.4
Intangibles, net	1,156.5	1,182.6
Other assets	133.7	128.3
<b>Total assets</b>	<b>\$ 7,116.7</b>	<b>\$ 7,093.0</b>
<b>Liabilities</b>		
Short-term debt and current portion of long-term debt	\$ 269.3	\$ 434.6
Accounts payable	557.5	573.3
Accrued salaries, wages and employee benefits	181.1	180.2
Taxes on income	22.3	27.9
Other current liabilities	433.5	461.2
<b>Total current liabilities</b>	<b>1,463.7</b>	<b>1,677.2</b>
Long-term debt	2,890.1	2,806.0
Deferred taxes on income	507.8	458.7
Other non-current liabilities	343.1	330.6
<b>Total liabilities</b>	<b>5,204.7</b>	<b>5,272.5</b>
Commitments and contingencies (see Note 11)	—	—
<b>Stockholders' equity:</b>		
Preferred stock (\$0.01 par value, 5.0 shares authorized, no shares issued and outstanding at December 31, 2011 and 2010)	—	—
Common stock (\$0.01 par value, 300 and 150 shares authorized at December 31, 2011 and December 31, 2010, respectively, 92.7 shares issued at December 31, 2011 and 2010)	0.9	0.9
Additional paid-in capital	1,424.6	1,450.2
Retained earnings	594.4	421.0
Accumulated other comprehensive income (loss)	(56.7)	(24.8)
Less: Treasury stock (1.8 and 0.9 shares, at cost, at December 31, 2011 and 2010, respectively)	(51.2)	(26.8)
<b>Total stockholders' equity</b>	<b>1,912.0</b>	<b>1,820.5</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 7,116.7</b>	<b>\$ 7,093.0</b>

The accompanying notes are an integral part of the consolidated financial statements.

# Consolidated Statements of Cash Flows

Jarden Corporation Annual Report 2011

(In millions)	Years Ended December 31,		
	2011	2010	2009
<b>Cash flows from operating activities:</b>			
Net income	\$ 204.7	\$ 106.7	\$ 128.7
Reconciliation of net income to net cash provided by operating activities:			
Depreciation and amortization	163.7	142.8	130.3
Impairment of goodwill, intangibles and other assets	52.5	19.7	22.9
Venezuela hyperinflationary and devaluation charges	—	70.6	—
Deferred income taxes	32.9	45.3	61.2
Stock-based compensation	23.8	24.3	41.3
Loss on early extinguishment of debt	12.8	—	—
Other	8.8	21.2	28.9
Changes in operating assets and liabilities, net of effects from acquisitions:			
Accounts receivable	(25.2)	(50.7)	51.2
Inventory	(7.0)	(145.2)	229.9
Accounts payable	(12.4)	84.7	(40.9)
Accrued salaries, wages and employee benefits	3.9	(12.5)	19.1
Other assets and liabilities	(31.4)	(17.9)	(31.5)
<b>Net cash provided by operating activities</b>	<b>427.1</b>	<b>289.0</b>	<b>641.1</b>
<b>Cash flows from financing activities:</b>			
Net change in short-term debt	1.0	56.2	(153.6)
Proceeds from issuance of long-term debt	1,025.0	786.1	292.2
Payments on long-term debt	(1,110.6)	(260.9)	(351.2)
Proceeds from issuance of stock, net of transaction fees	8.2	8.5	211.6
Repurchase of common stock and shares tendered for taxes	(89.0)	(51.3)	(12.6)
Debt issuance costs	(12.3)	(24.7)	(17.3)
Dividends paid	(30.1)	(28.7)	(6.6)
Other, net	11.1	(5.0)	5.0
<b>Net cash provided by (used in) financing activities</b>	<b>(196.7)</b>	<b>480.2</b>	<b>(32.5)</b>
<b>Cash flows from investing activities:</b>			
Additions to property, plant and equipment	(126.9)	(137.5)	(107.4)
Acquisition of businesses, net of cash acquired and earnout payments	(14.4)	(755.5)	(13.7)
Other	28.2	9.9	(9.5)
<b>Net cash used in investing activities</b>	<b>(113.1)</b>	<b>(883.1)</b>	<b>(130.6)</b>
Effect of exchange rate changes on cash and cash equivalents	(4.4)	(18.1)	(43.4)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>112.9</b>	<b>(132.0)</b>	<b>434.6</b>
Cash and cash equivalents at beginning of period	695.4	827.4	392.8
<b>Cash and cash equivalents at end of period</b>	<b>\$ 808.3</b>	<b>\$ 695.4</b>	<b>\$ 827.4</b>
<b>Supplemental cash disclosures:</b>			
Taxes paid	\$ 85.1	\$ 75.7	\$ 64.3
Interest paid	176.4	154.2	133.1

The accompanying notes are an integral part of the consolidated financial statements.

# Consolidated Statements of Changes in Stockholders' Equity

## Jarden Corporation Annual Report 2011

(In millions)	Common Stock		Treasury Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount	Shares	Amount				
<b>Balance, December 31, 2008</b>	78.4	\$ 0.8	(2.8)	\$ (58.4)	\$ 1,264.1	\$ 229.5	\$ (51.8)	\$ 1,384.2
Net income	—	—	—	—	—	128.7	—	128.7
Comprehensive income:								
Cumulative translation adjustment	—	—	—	—	—	—	39.1	39.1
Derivative transactions and other, net	—	—	—	—	—	—	(16.3)	(16.3)
Accrued benefit costs, net	—	—	—	—	—	—	8.1	8.1
Comprehensive income	—	—	—	—	—	—	—	159.6
Proceeds from issuance of common stock, net	12.0	0.1	—	—	202.6	—	—	202.7
Restricted stock awards, stock options exercised and stock plan purchases	—	—	2.8	57.7	(49.1)	—	—	8.6
Restricted stock awards cancelled and shares tendered for stock options and taxes	—	—	(0.7)	(18.6)	1.9	—	—	(16.7)
Dividends declared	—	—	—	—	—	(13.5)	—	(13.5)
Stock-based compensation	—	—	—	—	41.3	—	—	41.3
Other	0.5	—	—	0.6	—	—	—	0.6
<b>Balance, December 31, 2009</b>	90.9	\$ 0.9	(0.7)	\$ (18.7)	\$ 1,460.8	\$ 344.7	\$ (20.9)	\$ 1,766.8
Net income	—	—	—	—	—	106.7	—	106.7
Comprehensive income:								
Cumulative translation adjustment	—	—	—	—	—	—	1.2	1.2
Derivative transactions and other, net	—	—	—	—	—	—	2.6	2.6
Accrued benefit costs, net	—	—	—	—	—	—	(7.7)	(7.7)
Comprehensive income	—	—	—	—	—	—	—	102.8
Restricted stock awards, stock options exercised and stock plan purchases	1.8	—	1.5	44.6	(36.3)	—	—	8.3
Restricted stock awards cancelled and shares tendered for stock options and taxes	—	—	(0.3)	(9.9)	1.4	—	—	(8.5)
Dividends declared	—	—	—	—	—	(30.4)	—	(30.4)
Stock-based compensation	—	—	—	—	24.3	—	—	24.3
Shares repurchased	—	—	(1.4)	(42.8)	—	—	—	(42.8)
<b>Balance, December 31, 2010</b>	92.7	\$ 0.9	(0.9)	\$ (26.8)	\$ 1,450.2	\$ 421.0	\$ (24.8)	\$ 1,820.5
Net income	—	—	—	—	—	204.7	—	204.7
Comprehensive income:								
Cumulative translation adjustment	—	—	—	—	—	—	(25.4)	(25.4)
Derivative transactions and other, net	—	—	—	—	—	—	13.3	13.3
Accrued benefit costs, net	—	—	—	—	—	—	(19.8)	(19.8)
Comprehensive income	—	—	—	—	—	—	—	172.8
Restricted stock awards, stock options exercised and stock plan purchases	—	—	2.3	75.1	(53.2)	—	—	21.9
Restricted stock awards cancelled and shares tendered for stock options and taxes	—	—	(0.7)	(23.4)	3.8	—	—	(19.6)
Dividends declared	—	—	—	—	—	(31.3)	—	(31.3)
Stock-based compensation	—	—	—	—	23.8	—	—	23.8
Shares repurchased	—	—	(2.5)	(76.1)	—	—	—	(76.1)
<b>Balance, December 31, 2011</b>	92.7	\$ 0.9	(1.8)	\$ (51.2)	\$ 1,424.6	\$ 594.4	\$ (56.7)	\$ 1,912.0

The accompanying notes are an integral part of the consolidated financial statements.

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 (Dollars in millions, except per share data and unless otherwise indicated)

## 1. Business and Significant Accounting Policies

### *Business*

Jarden Corporation and its subsidiaries (hereinafter referred to as the "Company" or "Jarden") is a leading provider of a diverse range of consumer products with a portfolio of over 100 brands sold globally. Jarden's three primary business segments, Outdoor Solutions, Consumer Solutions and Branded Consumables, manufacture or source, market and distribute a number of well-recognized brands, including: Outdoor Solutions: Abu Garcia®, Aero®, Berkley®, Campingaz®, Coleman®, ExOfficio®, Fenwick®, Gulp!®, K2®, Marker®, Marmot®, Mitchell®, Penn®, Rawlings®, Shakespeare®, Stearns®, Stren®, Trilene®, Vökl® and Zoot®; Consumer Solutions: Bionaire®, Crock-Pot®, FoodSaver®, Health o meter®, Holmes®, Mr. Coffee®, Oster®, Patton®, Rival®, Seal-a-Meal®, Sunbeam®, VillaWare® and White Mountain®; and Branded Consumables: Ball®, Bee®, Bernardin®, Bicycle®, Billy Boy®, Crawford®, Diamond®, Dicon®, Fiona®, First Alert®, First Essentials®, Hoyle®, Kerr®, Lehigh®, Lillo®, Loew-Cornell®, Mapa®, NUK®, Pine Mountain®, Quickie®, Spontex® and Tigex®. The Company's growth strategy is based on introducing new products, as well as on expanding existing product categories, which is supplemented through opportunistically acquiring businesses with highly-recognized brands, innovative products and multi-channel distribution.

### *Basis of Presentation*

The consolidated financial statements include the consolidated accounts of the Company and have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP").

All significant intercompany transactions and balances have been eliminated upon consolidation. Unless otherwise indicated, references in the consolidated financial statements to 2011, 2010 and 2009 are to the Company's calendar years ended December 31, 2011, 2010 and 2009, respectively.

Certain reclassifications have been made in the Company's consolidated financial statements of prior years to conform to the current year presentation. These reclassifications have no impact on previously reported net income.

### *Supplemental Information*

Stock-based compensation costs, which are included in selling, general and administrative expenses ("SG&A"), were \$23.8, \$24.3 and \$41.3 for 2011, 2010 and 2009, respectively.

Interest expense is net of interest income of \$7.2, \$4.9 and \$7.8 for 2011, 2010 and 2009, respectively.

### *Foreign Operations*

The functional currency for most of the Company's consolidated foreign operations is the local currency. Assets and liabilities are translated at year-end exchange rates, and income and expenses are translated at average exchange rates during the year. Net unrealized exchange adjustments arising on the translation of foreign currency financial statements are reported as cumulative translation adjustments within accumulated other comprehensive income. Foreign currency transaction gains and losses are included in the results of operation and are generally classified in SG&A. Foreign currency transaction gains/(losses) for 2011, 2010 and 2009, were (\$11.1), \$8.7 and \$18.9, respectively.

The U.S. dollar is the functional currency for certain foreign subsidiaries that conduct their business primarily in U.S. dollars. As such, monetary items are translated at current exchange rates, and non-monetary items are translated at historical exchange rates.

### *Venezuela Operations*

Effective January 1, 2010, the Company's subsidiaries operating in Venezuela are considered under GAAP to be operating in a highly inflationary economy based on the use of the blended National Consumer Price Index (a blend of the National Consumer Price Index subsequent to January 1, 2008 and the Consumer Price Index for Caracas and Maracaibo prior to January 1, 2008), as the Venezuela economy exceeded the three-year cumulative inflation rate of 100%. The Company's financial statements of its subsidiaries operating in Venezuela are remeasured as if their functional currency were the U.S. dollar. As such, gains and losses resulting from the remeasurement of monetary assets and liabilities for 2011 and 2010 are reflected in current earnings.

In January 2010, the Venezuelan government announced its intention to devalue its currency (Bolívar) relative to the U.S. dollar. The official exchange rate for imported goods classified as essential, such as food and medicine, changed from 2.15 to 2.60 Bolívars per U.S. dollar, while payments for other non-essential goods moved to an official exchange rate of 4.30 Bolívars per U.S. dollar. As such, beginning in 2010, the financial statements of the Company's subsidiaries operating in Venezuela are remeasured at and are reflected in the Company's consolidated financial statements at the official exchange rate of 4.30 Bolívars per U.S. dollar, which is the Company's expected settlement rate.

As a result of the change in the official exchange rate, the results of operations for 2010 include a non-cash charge of approximately \$14.0, primarily reflecting the write-down of monetary assets as of January 1, 2010. This charge is classified in SG&A.



# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

In March 2010, the Securities and Exchange Commission (the "SEC") provided guidance on certain exchange rate issues specific to Venezuela. This SEC guidance, in part, requires that any differences between the amounts reported for financial reporting purposes and actual U.S. dollar-denominated balances that may have existed prior to the application of the highly inflationary accounting requirements (effective January 1, 2010 for the Company) should be recognized in the income statement. As a result of applying this SEC guidance, the results of operations for 2010 include a non-cash charge of \$56.6 classified in SG&A related to remeasuring U.S. dollar-denominated assets at the parallel exchange rate and subsequently translating at the official exchange rate. This SEC guidance was codified by the Financial Accounting Standards Board (the "FASB") in May 2010, with the issuance of Accounting Standards Update ("ASU") 2010-19.

## *Use of Estimates*

The preparation of the consolidated financial statements in accordance with GAAP requires estimates and assumptions that affect amounts reported and disclosed in the consolidated financial statements and accompanying notes. Actual results could differ materially from those estimates. Significant accounting estimates and assumptions are used for, but not limited to, the allowance for doubtful accounts; assets impairments; useful lives of tangible and intangible assets; pension and postretirement liabilities; tax valuation allowances and unrecognized tax benefits; reserves for sales returns and allowances; product warranty; product liability; excess and obsolete inventory; and litigation and environmental liabilities.

## *Concentrations of Credit Risk*

Substantially all of the Company's trade receivables are due from retailers and distributors located throughout Asia, Canada, Europe, Latin America and the United States. Approximately 20%, 21% and 23% of the Company's consolidated net sales in 2011, 2010 and 2009, respectively, were to a single customer who purchased product from the all of the Company's business segments:

## *Cash and Cash Equivalents*

The Company considers highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

## *Accounts Receivable*

The Company provides credit, in the normal course of business, to its customers. The Company maintains an allowance for doubtful customer accounts for estimated losses that may result from the inability of the Company's customers to make required payments. That estimate is based on a variety of factors, including historical collection experience, current economic and market conditions, and a review of the current status of each customer's trade accounts receivable. The Company charges actual losses when incurred to this allowance.

## *Leasehold Improvements*

Leasehold improvements are recorded at cost less accumulated amortization. Improvements are amortized over the shorter of the remaining lease term (and any renewal period if such a renewal is reasonably assured at inception) or the estimated useful lives of the assets.

## *Property, Plant and Equipment*

Property, plant and equipment are recorded at cost less accumulated depreciation. Maintenance and repair costs are charged to expense as incurred, and expenditures that extend the useful lives of assets are capitalized. The Company reviews property, plant and equipment for impairment whenever events or circumstances indicate that carrying amounts may not be recoverable through future undiscounted cash flows. If the Company concludes that impairment exists, the carrying amount is reduced to fair value.

The Company provides for depreciation primarily using the straight-line method in amounts that allocate the cost of property, plant and equipment over the following ranges of useful lives:

Buildings and improvements	5 to 45 years
Machinery, equipment and tooling (includes capitalized software)	3 to 25 years
Furniture and fixtures	3 to 10 years
Land is not depreciated	

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

## **Goodwill and Intangible Assets**

Goodwill and certain intangibles (primarily trademarks and tradenames) are not amortized; however, they are subject to evaluation for impairment using a fair value based test. This evaluation is performed annually, during the fourth quarter or more frequently if facts and circumstances warrant. In 2011, the Company adopted authoritative accounting guidance that allows a company to use a qualitative approach to test goodwill for impairment by first assessing qualitative factors to determine whether it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test. The Company applied this qualitative approach to select reporting units.

For other reporting units, the Company proceeded directly to the first step of goodwill impairment testing. The first step in the goodwill impairment test involves comparing the fair value of each of its reporting units to the carrying value of those reporting units. If the carrying value of a reporting unit exceeds the fair value of the reporting unit, the Company is required to proceed to the second step. In the second step, the fair value of the reporting unit would be allocated to the assets (including unrecognized intangibles) and liabilities of the reporting unit, with any residual representing the implied fair value of goodwill. An impairment loss would be recognized if, and to the extent that, the carrying value of goodwill exceeded the implied value (see Note 6).

## **Amortization**

Deferred debt issue costs are amortized over the term of the related debt. Identifiable intangible assets are recognized apart from goodwill and are amortized over their estimated, useful lives, except for identifiable intangible assets with indefinite lives, which are not amortized.

## **Revenue Recognition**

The Company recognizes revenues at the time of product shipment or delivery, depending upon when title and risk of loss passes, to unaffiliated customers, and when all of the following have occurred: a firm sales agreement is in place, pricing is fixed or determinable and collection is reasonably assured and title and risk of loss has passed. Revenue is recognized as the net amount estimated to be received after deducting estimated amounts for product returns, discounts and allowances. The Company estimates future product returns, discounts and allowances based upon historical return rates and its reasonable judgment.

## **Cost of Sales**

The Company's cost of sales includes the costs of raw materials and finished goods purchases, manufacturing costs and warehouse and distribution costs.

## **Advertising Costs**

Advertising costs consist primarily of ad demo, media placement and promotions, and are expensed as incurred. The amounts charged to advertising and included in SG&A in the consolidated statements of operations for 2011, 2010 and 2009 were \$143, \$129 and \$108, respectively.

## **Product Warranty Costs**

The Company recognizes warranty costs based on an estimate of amounts required to meet future warranty obligations arising as a cost of the sale of its products. The Company accrues an estimated liability at the time of a product sale based on historical claim rates applied to current period sales, as well as any information applicable to current product sales that may indicate a deviation from such historical claim rate trends. Warranty reserves are included within "Other current liabilities" and "Other non-current liabilities" in the Company's consolidated balance sheets.

## **Sales Incentives and Trade Promotion Allowances**

The Company offers various sales incentives and trade promotional programs to its reseller customers from time to time in the normal course of business. These incentives and trade promotions typically include arrangements known as slotting fees, cooperative advertising and buydowns. These arrangements are recorded as a reduction to net sales in the Company's consolidated statements of operations.

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 (*Dollars in millions, except per share data and unless otherwise indicated*)

## **Income Taxes**

Deferred taxes are provided for differences between the financial statement and tax basis of assets and liabilities using enacted tax rates. The Company established a valuation allowance against a portion of the net tax benefit associated with all carryforwards and temporary differences in a prior year, as it was more likely than not that these would not be fully utilized in the available carryforward period. A portion of this valuation allowance remained as of December 31, 2011 and 2010 (see Note 12).

The Company recognizes tax benefits for certain tax positions based upon judgments as to whether it is more likely than not that a tax position will be sustained upon examination. The measurement of tax positions that meet the more-likely-than-not recognition threshold are based in part on estimates and assumptions as to be the probability of an outcome, along with estimated amounts to be realized upon any settlement.

Components of accumulated other comprehensive income (loss) ("AOCI") are presented net of tax at the applicable statutory rates and are primarily generated domestically.

## **Disclosures about Fair Value of Financial Instruments and Credit Risk**

The carrying values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their fair market values due to the short-term maturities of these instruments. The fair market value of the Company's senior notes and senior subordinated notes are based upon quoted market prices. The fair market value of the Company's other long-term debt is estimated using interest rates currently available to the Company for debt with similar terms and maturities (see Note 9).

Unless otherwise disclosed in the notes to the consolidated financial statements, the estimated fair value of financial assets and liabilities approximates carrying value.

Financial instruments that potentially subject the Company to credit risk consist primarily of trade receivables and interest-bearing investments. Trade receivable credit risk is limited due to the diversity of the Company's customers and the Company's ongoing credit review procedures. Collateral for trade receivables is generally not required. The Company places its interest-bearing cash equivalents with major financial institutions.

The Company is exposed to credit loss in the event of non-performance by the counterparties to its derivative financial instruments, all of which are highly rated financial institutions; however, the Company does not anticipate non-performance by such counterparties.

## **Derivative Financial Instruments**

The Company manages its fixed and floating rate debt mix using interest rate swaps. The Company uses fixed and floating rate swaps to alter its exposure to the impact of changing interest rates on its consolidated results of operations and future cash outflows for interest. Floating rate swaps are used, depending on market conditions, to convert the fixed rates of long-term debt into short-term variable rates. Fixed rate swaps are used to reduce the Company's risk of the possibility of increased interest costs. Interest rate swap contracts are therefore used by the Company to separate interest rate risk management from the debt funding decision.

The Company uses forward foreign currency contracts ("foreign currency contracts") to mitigate the foreign currency exchange rate exposure on the cash flows related to forecasted inventory purchases and sales. The derivatives used to hedge these forecasted transactions that meet the criteria for hedge accounting are accounted for as cash flow hedges. The effective portion of the gains or losses on these derivatives are deferred as a component of AOCI and are recognized in earnings at the same time that the hedged item affects earnings and are included in the same caption in the statement of operations as the underlying hedged item.

The Company enters into commodity-based derivatives in order to mitigate the impact that the rising price of these commodities has on the cost of certain of the Company's raw materials. These derivatives provide the Company with maximum cost certainty, and in certain instances allow the Company to benefit should the cost of the commodity fall below certain dollar levels.

## **Fair Value Measurements**

GAAP defines three levels of inputs that may be used to measure fair value and requires that the assets or liabilities carried at fair value be disclosed by the input level under which they were valued. The input levels are defined as follows:

Level 1: Quoted market prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than defined in Level 1, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are not corroborated by observable market data.

# Notes to Consolidated Financial Statements

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The following table summarizes assets and liabilities that are measured at fair value on a recurring basis at December 31, 2011 and 2010:

(In millions)	2011		
	Fair Value Asset (Liability)		
	Level 1	Level 2	Total
Derivatives:			
Assets	\$ —	\$ 4.4	\$ 4.4
Liabilities	—	(8.6)	(8.6)
Available-for-sale securities	—	19.5	19.5

(In millions)	2010		
	Fair Value Asset (Liability)		
	Level 1	Level 2	Total
Derivatives:			
Assets	\$ —	\$ 0.1	\$ 0.1
Liabilities	—	(34.5)	(34.5)
Available-for-sale securities	19.1	—	19.1

Derivative assets and liabilities relate to interest rate swaps, foreign currency contracts and commodity contracts. Fair values are determined by the Company using market prices obtained from independent brokers or determined using valuation models that use as their basis readily observable market data that is actively quoted and can be validated through external sources, including independent pricing services, brokers and market transactions. Available-for-sale securities are valued based on quoted market prices.

The following table summarizes the assets that are measured at Level 3 fair value on a non-recurring basis at December 31, 2011 and 2010:

(In millions)	2011	2010
Goodwill	\$ 74.0	\$ 6.4
Intangible assets	2.1	3.6

At December 31, 2011 and 2010, goodwill of certain reporting units and certain intangible assets are recorded at fair value based upon the Company's impairment testing and as circumstances require.

The Company's goodwill and indefinite-lived intangibles are fair valued using discounted cash flows and market multiple methods. Goodwill impairment testing requires significant use of judgment and assumptions including the identification of reporting units; the assignment of assets and liabilities to reporting units; and the estimation of future cash flows, business growth rates, terminal values and discount rates. The testing of indefinite-lived intangibles under established guidelines for impairment also requires significant use of judgment and assumptions, such as the estimation of cash flow projections, terminal values and discount rates.

## Stock-Based Compensation

The Company estimates the fair value of share-based awards on the date of grant, which is generally the date the award is approved by the Board of Directors of the Company (the "Board") or committee thereof. The fair value of stock options is determined using the Black-Scholes option-pricing model. The fair value of the market-based restricted stock awards is determined using a Monte Carlo simulation embedded in a lattice model, and for all other restricted stock awards, based on the closing price of the Company's common stock on the date of grant. The determination of the fair value of the Company's stock option awards and restricted stock awards is based on a variety of factors including, but not limited to, the Company's common stock price, expected stock price volatility over the expected life of awards, and actual and projected exercise behavior (see Note 13). Additionally, the Company has estimated forfeitures for share-based awards at the dates of grant based on historical experience. The forfeiture estimate is revised as necessary if actual forfeitures differ from these estimates.

The Company issues restricted share awards whose restrictions lapse upon either the passage of time (service vesting), achieving performance targets, attaining Company common stock price thresholds, or some combination of these restrictions. For those

# Notes to Consolidated Financial Statements

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restricted share awards with only service conditions, the Company recognizes compensation cost on a straight-line basis over the explicit service period. For those restricted share awards with market conditions, the Company recognizes compensation cost on a straight-line basis over the derived service period unless the market condition is satisfied prior to the end of the derived service period. For performance only awards, the Company recognizes compensation cost on a straight-line basis over the implicit service period which represents the Company's best estimates for when the target will be achieved. If it becomes apparent that the original service periods are no longer accurate, the remaining unrecognized compensation cost will be recognized over the revised remaining service periods. For restricted share awards that contain both service and market or performance vesting conditions, compensation cost is recognized over the shorter of the two conditions if only one of the conditions must be met or the longer of the two conditions if both conditions must be met.

For restricted awards that contain performance or market vesting conditions, the Company excludes these awards from diluted earning per share computations until the end of the reporting period that the contingency is met.

## ***Pension and Postretirement Benefit Plans***

The Company records annual amounts relating to its pension and postretirement benefit plans based on calculations which include various actuarial assumptions, including discount rates, assumed rates of return, compensation increases, turnover rates and healthcare cost trend rates. The Company reviews its actuarial assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when it is deemed appropriate to do so. The effect of modifications is generally recorded or amortized over future service periods. The assumptions utilized in recording its obligations under its plans are based on its experience, market conditions and input from its actuaries and investment advisors.

## ***Reorganization Costs***

Reorganization costs include costs associated with exit or disposal activities, including costs for employee and lease terminations, facility closings or other exit activities. Additionally, these costs may also include expenses directly related to integrating and reorganizing acquired businesses and include items such as employee retention costs, recruiting costs, asset impairments, certain moving costs and certain duplicative costs during integration.

## **2. New Accounting Guidance and Adoption of New Accounting Guidance**

### ***New Accounting Guidance***

In December 2011, the FASB issued ASU No. 2011-11, "Disclosures about Offsetting Assets and Liabilities" ("ASU 2011-11"). ASU 2011-11 enhances disclosures regarding financial instruments and derivative instruments and requires companies to provide both net information and gross information for these assets and liabilities in order to enhance comparability between those companies that prepare their financial statements in accordance with GAAP and those companies that prepare their financial statements in accordance with International Financial Reporting Standards. ASU 2011-11 is effective for annual reporting periods beginning on or after January 1, 2013 and interim periods within those annual periods. Since ASU 2011-11 requires only additional disclosures, the adoption of ASU 2011-11 will not affect the consolidated financial position, results of operations or cash flows of the Company.

In June 2011, the FASB issued ASU 2011-05, "Presentation of Comprehensive Income" ("ASU 2011-05"). ASU 2011-05 requires companies to present the total of comprehensive income, the components of net income and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The provisions of ASU 2011-05 are effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. Since ASU 2011-05 amends the disclosure requirements concerning comprehensive income, the adoption of ASU 2011-05 will not affect the consolidated financial position, results of operations or cash flows of the Company. In December 2011, the FASB deferred indefinitely certain provisions of ASU 2011-05 that would require companies to present reclassification adjustments by component in both the statement where net income is presented and the statement where other comprehensive income is presented for both interim and annual financial statements.

### ***Adoption of New Accounting Guidance***

In September 2011, the FASB issued ASU 2011-08, "Testing Goodwill for Impairment" ("ASU 2011-08"). ASU 2011-08 allows a company to first assess qualitative factors to determine whether it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test. The more-likely-than-not threshold is defined as having a likelihood of more than 50 percent. The provisions of ASU 2011-08 are effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011 with early adoption permitted. The Company elected to adopt the provisions of ASU 2011-08 in 2011, which had no impact on the consolidated financial position, results of operations or cash flows of the Company.

In January 2010, the FASB issued ASU 2010-06, "Fair Value Measurements and Disclosures" ("ASU 2010-06"). ASU 2010-06 requires companies to provide additional disclosures related to transfers in and out of Level 1 and Level 2 and in the reconciliation of Level 3 fair value measurements. ASU 2010-06 was effective for the Company for interim and annual reporting periods beginning

# Notes to Consolidated Financial Statements

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in 2010, except for the disclosures related to the reconciliation of Level 3 fair value measurements, which was effective for the Company beginning in 2011. Since ASU 2010-06 requires only additional disclosures, the adoption of ASU 2010-06 did not affect the consolidated financial position, results of operations or cash flows of the Company.

In October 2009, the FASB issued ASU 2009-13, "Revenue Recognition" ("ASU 2009-13"). ASU 2009-13 requires companies to allocate revenue in multiple-element arrangements based on an element's estimated selling price if vendor-specific or other third-party evidence of value is not available. ASU 2009-13 was effective for the Company beginning in 2011. The adoption of the provisions of ASU 2009-13 did not have a material effect on the consolidated financial position, results of operations or cash flows of the Company.

In June 2009, the FASB issued authoritative accounting guidance ("Guidance") that in part, amends derecognition guidance for transfers of financial assets, eliminates the exemption from consolidation for qualifying special-purpose entities and requires additional disclosures. This Guidance was effective for the Company beginning in 2010. The adoption of the provisions of this Guidance did not have a material effect on the consolidated financial position, results of operations or cash flows of the Company.

In June 2009, the FASB issued Guidance that amends the consolidation guidance applicable to variable interest entities. The provisions of this Guidance require entities to perform an analysis to determine whether the enterprise's variable interest or interests give it a controlling financial interest in a variable interest entity. The Guidance also requires an enterprise to assess on an ongoing basis to determine whether it is a primary beneficiary or has an implicit responsibility to ensure that a variable interest entity operates as designed. This Guidance was effective for the Company beginning in 2010. In January 2010, the FASB indefinitely deferred certain consolidation provisions of this Guidance. The adoption of the provisions of this Guidance did not have a material effect on the consolidated financial position, results of operations or cash flows of the Company.

### 3. Acquisitions

On April 1, 2010, the Company acquired the Mapa Spontex Baby Care and Home Care businesses ("Mapa Spontex") of Total S.A. ("Total") through the acquisition of certain of Total's subsidiaries for a Euro purchase price of approximately €200 (approximately \$275), subject to certain adjustments (the "Acquisition"). The total value of the transaction, including debt assumed and/or repaid, was approximately €305 (approximately \$415). Mapa Spontex is a global manufacturer and distributor of primarily baby care and home care products with leading market positions in Argentina, Brazil and Europe in the core categories it serves. Its baby care portfolio includes feeding bottles, soothers, teats and other infant accessories sold primarily under the Fiona®, First Essentials®, Lillo®, NUK® and Tigex® brands; and health care products, including condoms sold under the Billy Boy® brand. Its home care portfolio includes sponges, rubber gloves and related cleaning products for industrial, professional and retail uses sold primarily under the Mapa® and Spontex® brands. The Acquisition is expected to expand the Company's product offerings and distribution channels into new, attractive categories and further diversify revenue streams and increase the Company's international presence. The Acquisition is consistent with the Company's strategy of purchasing leading, niche consumer-oriented brands with attractive cash flows and strong management. Mapa Spontex is reported in the Company's Branded Consumables segment and is included in the Company's results of operations from April 1, 2010 (the "Acquisition Date"). The Company's 2010 consolidated statement of operations includes approximately \$539 of net sales and approximately \$31 of operating earnings related to Mapa Spontex.

Based on the Company's independent valuation of Mapa Spontex, the Company allocated the total purchase price, net of cash acquired, to the identifiable tangible and intangible assets acquired and liabilities assumed based on their estimated fair values on the Acquisition Date. Based on the purchase price allocation, net of cash acquired, the Company allocated approximately \$9 of the purchase price to identified tangible net assets and approximately \$107 of the purchase price to identified intangible assets. The Company recorded the excess of the purchase price over the aggregate fair values of approximately \$129 as goodwill.

In addition, the Company completed three tuck-in acquisitions during 2010. On October 1, 2010, the Company acquired Aero Products International, Inc. ("Aero"), a leading provider of premium, air-filled mattresses under brand names including Aero®, Aerobed® and Aero Sport®. The acquisition of Aero is expected to expand distribution channels, as well as expand the Company's current Coleman product offerings of indoor and outdoor air beds and accessories. Aero is reported in the Company's Outdoor Solutions segment and is included in the Company's results of operations from October 1, 2010. On December 17, 2010, the Company acquired Quickie Manufacturing Corporation ("Quickie"), a leading supplier and distributor of innovative cleaning tools and supplies. Quickie designs, manufactures and distributes cleaning products including mops, brooms, dusters, dust pans, brushes, buckets and other supplies, for traditional in-home use, as well as commercial and contractor-grade applications sold primarily under the leading brands Quickie Original®, Quickie Home-Pro®, Quickie Professional®, Quickie Microban® and Quickie Green Cleaning®. The Quickie acquisition complements the Mapa Spontex acquisition by combining Quickie's leading domestic position in household stick and smallware cleaning supplies with Mapa Spontex's leading international position in gloves and sponges and provides the Company with a complete product line in conventional cleaning supplies to offer our retailers both domestically and internationally. Quickie is reported in the Company's Branded Consumables segment and is included in the Company's results of operations from December 17, 2010. Additionally, during 2010, the Company completed another tuck-in acquisition. All three tuck-in acquisitions were complementary to the Company's core businesses and from an accounting standpoint were not significant.

# Notes to Consolidated Financial Statements

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The combined cash purchase price, net of cash acquired, for the Aero and Quickie acquisitions was approximately \$270, subject to certain adjustments. Based on the Company's independent valuations for Aero and Quickie, the Company allocated the total purchase price for these acquisitions, net of cash acquired, to the identifiable tangible and intangible assets acquired and liabilities assumed based on their estimated fair values on the respective acquisition dates. Based on these purchase price allocations, the Company allocated approximately \$10 of the purchase price to identified tangible net liabilities and approximately \$161 of the purchase price to identified intangible assets. The Company recorded the excess of the purchase price over the aggregate fair values of approximately \$121 as goodwill.

Supplemental pro forma information has not been provided for Mapa Spontex as the acquired operations were a component of a significantly larger legal entity and separate historical financial statements were not prepared and could not be prepared to a sufficient level of reliability, as well as be inclusive of all costs necessary to operate the acquired businesses as a stand-alone operation. As such, the compilation of the requisite historical financial data is impracticable. Supplemental pro forma financial information for Aero and Quickie have been excluded as they are not material to the consolidated financial position, results of operations or cash flows of the Company.

For 2010, cost of sales includes a \$27.4 charge for the purchase accounting adjustment for the elimination of manufacturer's profit in inventory related to these acquisitions.

For 2010, SG&A includes approximately \$23 in transaction costs related to these acquisitions.

## 4. Inventories

Inventories are stated at the lower-of-cost-or-market with cost being determined principally by the first-in, first-out method ("FIFO"), and are comprised of the following at December 31, 2011 and 2010:

<i>(In millions)</i>	2011	2010
Raw materials and supplies	\$ 219.4	\$ 231.8
Work-in-process	89.6	90.8
Finished goods	965.4	972.0
Total inventories	\$ 1,274.4	\$ 1,294.6

## 5. Property, Plant and Equipment

Property, plant and equipment, net, is comprised of the following at December 31, 2011 and 2010:

<i>(In millions)</i>	2011	2010
Land	\$ 47.2	\$ 49.6
Buildings	286.7	291.6
Machinery and equipment	1,032.4	973.9
	1,366.3	1,315.1
Less: Accumulated depreciation	(750.4)	(656.2)
Total property, plant and equipment, net	\$ 615.9	\$ 658.9

Depreciation of property, plant and equipment for 2011, 2010 and 2009 was \$145, \$127 and \$114, respectively.

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

## 6. Goodwill and Intangibles

Goodwill activity for 2011 and 2010 is as follows:

(In millions)	Net Book Value at December 31, 2010	Additions	Impairment Charge	Foreign Exchange and Other Adjustments	December 31, 2011		
					Gross Carrying Amount	Accumulated Impairment Charges	Net Book Value
Goodwill							
Outdoor Solutions	\$ 684.0	\$ 3.6	\$ —	\$ 0.1	\$ 706.2	\$ (18.5)	\$ 687.7
Consumer Solutions	492.6	—	—	(0.3)	492.3	—	492.3
Branded Consumables (1)	554.3	4.6	(41.9)	(1.4)	741.4	(225.8)	515.6
Process Solutions	21.5	—	—	—	21.5	—	21.5
	\$ 1,752.4	\$ 8.2	\$ (41.9)	\$ (1.6)	\$ 1,961.4	\$ (244.3)	\$ 1,717.1

(In millions)	Net Book Value at December 31, 2009	Additions	Impairment Charge	Foreign Exchange and Other Adjustments	December 31, 2010		
					Gross Carrying Amount	Accumulated Impairment Charges	Net Book Value
Goodwill							
Outdoor Solutions	\$ 660.6	\$ 23.4	\$ —	\$ —	\$ 702.5	\$ (18.5)	\$ 684.0
Consumer Solutions	491.5	—	—	1.1	492.6	—	492.6
Branded Consumables (2)	344.8	226.4	(17.3)	0.4	738.2	(183.9)	554.3
Process Solutions	21.5	—	—	—	21.5	—	21.5
	\$ 1,518.4	\$ 249.8	\$ (17.3)	\$ 1.5	\$ 1,954.8	\$ (202.4)	\$ 1,752.4

(1) In the fourth quarter of 2011, the Company's annual impairment test, in connection with fourth quarter triggering events, resulted in a non-cash charge to reflect impairment of goodwill in the Company's Branded Consumables segment. The impairment charge was recorded primarily within the United States Playing Cards business and was primarily due to a decrease in the fair value of forecasted cash flows, reflecting lower levels of revenues and margins in the business than originally forecast.

(2) The non-cash impairment charge recorded within the Branded Consumables segment during the second quarter of 2010, reflects the impairment of goodwill within this segment's Arts and Crafts business. The impairment was due to a decrease in the fair value of forecasted cash flows, reflecting the deterioration of revenues and margins in this segment's Arts and Crafts business due to a decline in 2010 of forecasted sales to a major customer.

In 2009, the Company's annual impairment test resulted in a non-cash charge of \$12.8 to reflect impairment of goodwill in the Company's Branded Consumables segment. The impairment charge was recorded within the Arts and Crafts business unit. The impairment was due to a decrease in the fair value of forecasted cash flows, reflecting the deterioration of revenues and margins in the business.



# Notes to Consolidated Financial Statements

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Intangibles activity for 2011 and 2010 is as follows:

<i>(In millions)</i>	Gross Carrying Amount at December 31, 2010	Additions	Impairment Charge	Accumulated Amortization and Foreign Exchange	Net Book Value at December 31, 2011	Amortization Periods (years)
<b>Intangibles</b>						
Patents	\$ 7.2	\$ 0.3	\$ —	\$ (2.2)	\$ 5.3	12-30
Non-compete agreements	3.7	—	—	(3.7)	—	1-5
Manufacturing process and expertise	42.1	—	—	(34.4)	7.7	3-7
Brand names	18.3	—	—	(3.8)	14.5	4-20
Customer relationships and distributor channels	253.6	—	—	(42.7)	210.9	10-35
Trademarks and tradenames	925.4	—	(1.5)	(5.8)	918.1	Indefinite
	\$ 1,250.3	\$ 0.3	\$ (1.5)	\$ (92.6)	\$ 1,156.5	

<i>(In millions)</i>	Gross Carrying Amount at December 31, 2009	Additions	Impairment Charge	Accumulated Amortization and Foreign Exchange	Net Book Value at December 31, 2010	Amortization Periods (years)
<b>Intangibles</b>						
Patents	\$ 7.2	\$ —	\$ —	\$ (1.7)	\$ 5.5	12-30
Non-compete agreements	3.7	—	—	(3.6)	0.1	1-5
Manufacturing process and expertise	30.9	11.2	—	(28.5)	13.6	3-7
Brand names	3.2	15.1	—	(0.9)	17.4	4-10
Customer relationships and distributor channels	151.7	101.9	—	(31.4)	222.2	10-35
Trademarks and tradenames	781.0	146.8	(2.4)	(1.6)	923.8	Indefinite
	\$ 977.7	\$ 275.0	\$ (2.4)	\$ (67.7)	\$ 1,182.6	

Impairment charges for 2011, 2010 and 2009 were allocated to the Company's reporting segments as follows:

<i>(In millions)</i>	2011	2010	2009
<b>Impairment of intangibles</b>			
Outdoor Solutions	\$ —	\$ 0.7	\$ 0.8
Consumer Solutions	—	0.7	—
Branded Consumables	1.5	1.0	9.3
	\$ 1.5	\$ 2.4	\$ 10.1

## **Impairments—2011**

The non-cash impairment charge recorded within the Branded Consumables segment during 2011, which resulted from the Company's annual impairment test, reflects the impairment of certain tradenames within this segment's Arts and Crafts business and was due to a decline in forecasted cash flows resulting from a continued deterioration of forecasted sales and profitability at its major customers.

# Notes to Consolidated Financial Statements

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## Impairments—2010

The non-cash impairment charge recorded within the Branded Consumables segment during the second quarter of 2010 reflects the impairment of certain tradenames within this segment's Arts and Crafts business. The impairment was due to a decrease in the fair value of forecasted cash flows, reflecting the deterioration of revenues and margins in the business due to a decline in 2010 of forecasted sales to a major customer. The remainder of the impairment charges to tradenames during 2010 are primarily due to a decline in forecasted revenues.

## Impairments—2009

The non-cash impairment charges recorded during 2009, which resulted from the Company's annual impairment test, reflect the impairment of intangible assets related to certain of the Company's tradenames. In the Outdoor Solutions segment, the impairment charge recorded relates primarily to certain tradenames within this segment's snow sports business, primarily a result of the abandonment of a minor tradename. In the Branded Consumables segment, the impairment charge recorded relates to certain tradenames associated with this segment's Firelog and Safety and Security businesses. The impairment within the Branded Consumables segment was due to a decrease in the fair value of forecasted cash flows, resulting from the deterioration of revenues and margins related to these tradenames.

The estimated future amortization expense related to amortizable intangible assets at December 31, 2011 is as follows:

Years Ending December 31,	Amount (in millions)
2012	\$ 16.8
2013	16.0
2014	13.1
2015	12.8
2016	12.3
Thereafter	167.4

Amortization of intangibles for 2011, 2010 and 2009 was \$18.7, \$16.0 and \$16.7, respectively. At December 31, 2011, approximately \$2 billion of the goodwill and other intangible assets recorded by the Company is not deductible for income tax purposes.

During 2011, the Company recorded a \$9.1 impairment charge related to the impairment of an equity basis investment. This impairment charge is classified in the consolidated financial statement of operations in impairment of goodwill, intangibles and other assets.

## 7. Other Current Liabilities

Other current liabilities are comprised of the following at December 31, 2011 and 2010:

<i>(In millions)</i>	2011	2010
Cooperative advertising, customer rebates and allowances	\$ 87.4	\$ 88.6
Warranty and product liability reserves	97.3	111.4
Accrued environmental and other litigation	20.5	20.8
Other	228.3	240.4
Total other current liabilities	\$ 433.5	\$ 461.2

# Notes to Consolidated Financial Statements

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## 8. Warranty Reserve

Warranty reserve activity for 2011 and 2010 is as follows:

<i>(In millions)</i>	2011	2010
Warranty reserve at January 1,	\$ 86.0	\$ 85.5
Provision for warranties issued	145.5	124.7
Warranty claims paid	(146.5)	(129.4)
Acquisitions and other adjustments	(0.2)	5.2
Warranty reserve at December 31,	\$ 84.8	\$ 86.0
Allocation in the consolidated balance sheets:		
Other current liabilities	\$ 74.3	\$ 75.3
Other non-current liabilities	10.5	10.7
	\$ 84.8	\$ 86.0

## 9. Debt

Debt is comprised of the following at December 31, 2011 and 2010:

<i>(In millions)</i>	2011	2010
Senior Secured Credit Facility Term Loans	\$ 1,001.6	\$ 1,059.8
8% Senior Notes due 2016 (1)	294.6	293.6
6 1/8% Senior Notes due 2022 (1)	300.0	300.0
7 1/2% Senior Subordinated Notes due 2017 (2)	656.5	639.8
7 1/2% Senior Subordinated Notes due 2020 (2)	464.0	470.2
Securitization Facility	300.0	300.0
Revolving Credit Facility	—	—
2% Subordinated Note due 2012	99.7	98.4
Non-U.S. borrowings	35.6	62.0
Other	7.4	16.8
Total debt	3,159.4	3,240.6
Less: current portion	(269.3)	(434.6)
Total long-term debt	\$ 2,890.1	\$ 2,806.0

(1) Collectively, the "Senior Notes."

(2) Collectively, the "Senior Subordinated Notes."

### Senior Secured Credit Facility

On March 31, 2011, the Company completed a new \$1.275 billion senior secured credit facility (the "Facility"), which is comprised of:

- a \$525 senior secured term loan A facility maturing in March 2016, that bears interest at LIBOR plus a spread of 225 basis points;
- a \$500 senior secured term loan B facility maturing in January 2017, which is subject to extension to 2018 under certain conditions, that bears interest at LIBOR plus a spread of 300 basis points; and
- a \$250 senior secured revolving credit facility (the "Revolver"), which is comprised of a \$175 U.S. dollar component and a \$75 multi-currency component. The Revolver matures in March 2016 and bears interest at certain selected rates, including LIBOR plus a spread of 225 basis points. At December 30, 2011, there was no amount outstanding under the Revolver. The Company is required to pay an annualized commitment fee of approximately 0.38% on the unused balance of the Revolver.

# Notes to Consolidated Financial Statements

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The proceeds from the Facility and cash on hand were used to extinguish the entire principal amount outstanding of approximately \$1.1 billion under the Company's prior senior secured credit facility and the entire principal amount outstanding of approximately \$22 under a U.S. dollar-based term loan of a Canadian subsidiary. As a result of these debt extinguishments, the Company recorded a \$12.8 loss on the extinguishment of debt, which is primarily comprised of a non-cash charge due to the write-off of deferred debt issuance costs relating to the prior senior secured credit facility.

The weighted average interest rate on the Facility was approximately 3% at December 31, 2011.

## **Senior Notes and Senior Subordinated Notes**

The Company may redeem all or part of the 8% senior notes due 2016 and the 7 1/2% senior subordinated notes due 2020 beginning in May 2013 and January 2015, respectively, at specified redemption prices ranging from approximately 100% to 104% of the principal amount, plus accrued and unpaid interest to the date of redemption. Beginning in November 2015, the Company may redeem all or part of these 6 1/8% senior notes due 2022 at specified redemption prices ranging from approximately 100% to 103% of the principal amount, plus accrued and unpaid interest to the date of redemption.

The 2% subordinated note due 2012 (the "Note") is not prepayable at the Company's option. The holder of the Note has the option to require redemption of the Note if the closing price of Jarden's common stock exceeds \$45.32 (subject to adjustment as provided therein) per share for a period of three consecutive trading days.

The Company has designated a portion of its Euro-denominated 7 1/2% senior subordinated notes due 2020, with an aggregate principal balance of €150 (the "Hedging Instrument"), as a net investment hedge of the foreign currency exposure of its net investment in certain Euro-denominated subsidiaries. Foreign currency gains and losses on the Hedging Instrument are recorded as an adjustment to AOCI. See Note 10 for disclosures regarding the Company's derivative financial instruments.

## **Securitization Facility**

The Company maintains a receivables purchase agreement (the "Securitization Facility") that bears interest at a margin over the commercial paper rate. Under the Securitization Facility, substantially all of the Company's Outdoor Solutions, Consumer Solutions and Branded Consumables domestic accounts receivable are sold to a special purpose entity, Jarden Receivables, LLC ("JRLLC"), which is a wholly-owned consolidated subsidiary of the Company. JRLLC funds these purchases with borrowings under a loan agreement, which are secured by the accounts receivable. There is no recourse to the Company for the unpaid portion of any loans under this loan agreement. To the extent there is availability, the Securitization Facility will be drawn upon and repaid as needed to fund general corporate purposes. At December 31, 2011, the borrowing rate margin and the unused line fee on the securitization were 1.25% and 0.625% per annum, respectively.

In February 2012, the Company entered into an amendment to the Securitization Facility that, in part, increased maximum borrowings from \$300 to \$400 and extended the term from May 2014 until February 2015. Following the renewal, the borrowing rate margin is 0.90% and the unused line fee is 0.45% per annum.

## **Non-U.S. Borrowings**

As of December 31, 2011 and 2010, non-U.S. borrowings consisted of the foreign senior debt of none and \$26.5, respectively; and amounts borrowed under various foreign credit lines and facilities totaling \$35.6 and \$35.5, respectively. Certain of these foreign credit lines are secured by certain non-U.S. subsidiaries' inventory and/or accounts receivable.

## **Debt Covenants and Other**

The Senior Notes and Senior Subordinated Notes are subject to a number of restrictive covenants that, in part, limit the ability of the Company and certain of its subsidiaries, subject to certain exceptions and qualifications, to incur additional indebtedness, to incur liens, engage in mergers and consolidations, enter into transactions with affiliates, make certain investments, transfer or sell assets, pay dividends to third parties or distributions on or repurchase the Company's common stock, prepay debt subordinate to the Senior Notes or dispose of assets.

The Facility and contains certain restrictions, subject to certain exceptions and qualifications, on the conduct of the Company and certain of its subsidiaries, including, among other restrictions: incurring debt, disposing of certain assets, making investments, exceeding certain agreed upon capital expenditures, creating or suffering liens, completing certain mergers, consolidations and sales of assets, acquisitions, declaring dividends to third parties, redeeming or prepaying other debt, and certain transactions with affiliates. The Facility and the Foreign Debt also include financial covenants that require the Company to maintain certain total leverage and interest coverage ratios.

# Notes to Consolidated Financial Statements

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The Facility contains a covenant that restricts the Company and its subsidiaries from making certain "restricted payments" (any dividend or other distribution, whether in cash, securities or other property, with respect to any stock or stock equivalents of the Company or any subsidiary), except that:

- the Company may declare and make dividend payments or other distributions payable in common stock;
- the Company may repurchase shares of its own stock (provided certain financial and other conditions are met); and
- the Company may make restricted payments during any fiscal year not otherwise permitted, provided that certain financial and other conditions are met

The Facility and the indentures related to the Senior Notes and the Senior Subordinated Notes (the "Indentures") contain cross-default provisions pursuant to which a default in respect to certain of the Company's other indebtedness could trigger a default by the Company under the Facility, the Foreign Debt and the Indentures. If the Company defaults under the covenants (including the cross-default provisions), the Company's lenders could foreclose on their security interest in the Company's assets, which may have a material adverse effect on the consolidated financial condition, results of operations or cash flows of the Company.

The Company's obligations under the Facility, the Senior Subordinated Notes and the Senior Notes are guaranteed, on a joint and several basis, by certain of its domestic subsidiaries, all of which are directly or indirectly wholly-owned by the Company (see Note 19).

The Company's debt maturities for the five years following December 31, 2011 and thereafter are as follows:

Years Ending December 31,	Amount (in millions)
2012	\$ 269.6
2013	92.9
2014	107.9
2015	429.7
2016	371.2
Thereafter	1,913.0
Total principal payments	3,184.3
Net discount and other	(24.9)
Total	\$ 3,159.4

At December 31, 2011 and 2010, unamortized deferred debt issue costs were \$40.7 and \$47.6, respectively. These costs are included in "Other assets" on the consolidated balance sheets and are being amortized over the respective terms of the underlying debt.

At December 31, 2011 and 2010, the fair market value of total debt was approximately \$3,245 and \$3,330, respectively.

## 10. Derivative Financial Instruments

From time to time, the Company enters into derivative transactions to hedge its exposures to interest rate, foreign currency rate and commodity price fluctuations. The Company does not enter into derivative transactions for trading purposes.

### *Interest Rate Contracts*

The Company manages its fixed and floating rate debt mix using interest rate swaps. The Company uses fixed and floating rate swaps to alter its exposure to the impact of changing interest rates on its consolidated results of operations and future cash outflows for interest. Floating rate swaps are used, depending on market conditions, to convert the fixed rates of long-term debt into short-term variable rates. Fixed rate swaps are used to reduce the Company's risk of the possibility of increased interest costs. Interest rate swap contracts are therefore used by the Company to separate interest rate risk management from the debt funding decision.

### *Fair Values Hedges*

During 2011, the Company terminated \$350 notional amount outstanding in swap agreements that exchange a fixed rate of interest for a variable rate (LIBOR) of interest and received \$8.4 in net proceeds. These floating rate swaps, which were to mature in 2017, were designated as fair value hedges against \$350 of principal on the 7 1/2% senior subordinated notes due 2017. The gain on the termination of these swaps is deferred and is being amortized over the remaining contractual term of the terminated swaps.

### *Cash Flow Hedges*

During 2011, the Company entered into an aggregate \$350 notional amount of interest rate swaps that exchange a variable rate of interest (LIBOR) for an average fixed rate of interest the term of the agreements, which mature on December 31, 2015. These swaps are forward-starting and are effective commencing December 31, 2013. The Company has designated these swaps as a cash flow hedges of the interest rate risk attributable to forecasted variable interest (LIBOR) payments.

# Notes to Consolidated Financial Statements

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At December 31, 2011, the Company had \$750 notional amount outstanding in swap agreements, which include \$350 notional amount of forward-starting swaps that become effective commencing December 31, 2013, that exchange variable rates of interest (LIBOR) for fixed interest rates over the terms of the agreements and are designated as cash flow hedges of the interest rate risk attributable to forecasted variable interest payments and have maturity dates through December 2015. At December 31, 2011, the weighted average fixed rate of interest on these swaps, excluding the forward-starting swap, was approximately 1.6%. The effective portion of the after-tax fair value gains or losses on these swaps is included as a component of AOCI.

During 2011, the Company terminated a \$250 notional amount outstanding swap agreement that exchanged a variable rates of interest (LIBOR) for a fixed interest rate. This fixed rate swap, which was to mature on December 31, 2011, was designated as cash flow hedge of the interest rate risk attributable to forecasted variable interest.

## Foreign Currency Contracts

The Company uses foreign currency contracts to mitigate the foreign currency exchange rate exposure on the cash flows related to forecasted inventory purchases and sales and have maturity dates through September 2013. The derivatives used to hedge these forecasted transactions that meet the criteria for hedge accounting are accounted for as cash flow hedges. The effective portion of the gains or losses on these derivatives is deferred as a component of AOCI and is recognized in earnings at the same time that the hedged item affects earnings and is included in the same caption in the statements of operations as the underlying hedged item. At December 31, 2011, the Company had approximately \$477 notional amount of foreign currency contracts outstanding that are designated as cash flow hedges of forecasted inventory purchases and sales.

At December 31, 2011, the Company had outstanding approximately \$159 notional amount of foreign currency contracts that are not designated as effective hedges for accounting purposes and have maturity dates through December 2012. Fair market value gains or losses are included in the results of operations and are classified in SG&A.

## Commodity Contracts

The Company enters into commodity-based derivatives in order to mitigate the risk that the rising price of these commodities could have on the cost of certain of the Company's raw materials. These commodity-based derivatives provide the Company with cost certainty, and in certain instances allow the Company to benefit should the cost of the commodity fall below certain dollar thresholds. At December 31, 2011, the Company had outstanding approximately \$18.8 notional amount of commodity-based derivatives that are not designated as effective hedges for accounting purposes and have maturity dates through March 2014. Fair market value gains or losses are included in the results of operations and are classified in SG&A.

The following table presents the fair value of derivative financial instruments as of December 31, 2011 and 2010:

<i>(In millions)</i>	2011		2010		Weighted Average Remaining Term (years)
	Fair Value of Derivatives		Fair Value of Derivatives		
	Asset(a)	Liability(a)	Asset(a)	Liability(a)	
<b>Derivatives designated as effective hedges:</b>					
Cash flow hedges:					
Interest rate swaps	\$ —	\$ 8.4	\$ —	\$ 5.3	2.9
Foreign currency contracts	12.2	8.1	4.5	18.9	0.6
Fair value hedges:					
Interest rate swaps	—	—	—	10.2	—
Cross-currency swaps	—	—	—	4.1	—
Subtotal	12.2	16.5	4.5	38.5	
<b>Derivatives not designated as effective hedges:</b>					
Foreign currency contracts	1.1	1.7	1.3	2.6	0.5
Commodity contracts	1.0	0.3	0.9	—	0.7
Subtotal	2.1	2.0	2.2	2.6	
Total	\$ 14.3	\$ 18.5	\$ 6.7	\$ 41.1	

(a) Consolidated balance sheet location:

Asset: Other non-current assets

Liability: Other non-current liabilities

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

The following table presents gain and loss activity (on a pretax basis) for 2011, 2010 and 2009 related to derivative financial instruments designated as effective hedges:

<i>(In millions)</i>	2011			2010			2009		
	Gain/(Loss)			Gain/(Loss)			Gain/(Loss)		
	Recognized in OCI(a)	Reclassified from AOCI to Income	Recognized in Income(b)	Recognized in OCI(a)	Reclassified from AOCI to Income	Recognized in Income(b)	Recognized in OCI(a)	Reclassified from AOCI to Income	Recognized in Income(b)
<b>Derivatives designated as effective hedges:</b>									
Cash flow hedges:									
Interest rate swaps	\$ (3.1)	\$ —	\$ —	\$ 9.9	\$ 1.9	\$ —	\$ 14.1	\$ 4.8	\$ —
Foreign currency contracts	2.5	(19.6)	(1.3)	(14.4)	(10.2)	(2.7)	(10.1)	20.1	(7.6)
Total	\$ (0.6)	\$ (19.6)	\$ (1.3)	\$ (4.5)	\$ (8.3)	\$ (2.7)	\$ 4.0	\$ 24.9	\$ (7.6)
Location of gain/(loss) in the consolidated results of operations:									
Net sales		\$ (1.0)	\$ —		\$ (0.7)	\$ —		\$ 0.2	\$ —
Cost of sales		(18.6)	—		(9.5)	—		19.9	—
SG&A		—	(1.3)		—	(2.7)		—	(7.6)
Interest expense		—	—		1.9	—		4.8	—
Total		\$ (19.6)	\$ (1.3)		\$ (8.3)	\$ (2.7)		\$ 24.9	\$ (7.6)

(a) Represents effective portion recognized in Other Comprehensive Income ("OCI").

(b) Represents portion excluded from effectiveness testing.

At December 31, 2011, deferred net gains of \$8.7 within AOCI are expected to be reclassified to earnings over the next twelve months.

The following table presents gain and loss activity (on a pretax basis) for 2011, 2010 and 2009 related to derivative financial instruments not designated as effective hedges:

<i>(In millions)</i>	Gain/(Loss) Recognized in Income(a)		
	2011	2010	2009
<b>Derivatives not designated as effective hedges:</b>			
Cash flow hedges:			
Interest rate swaps	\$ (1.0)	\$ 0.9	\$ 1.2
Foreign currency contracts	(0.3)	(10.5)	0.1
Commodity contracts	0.1	1.6	7.6
Subtotal	(1.2)	(8.0)	8.9
Fair value derivatives:			
Interest rate swaps	0.5	18.6	(10.5)
Total	\$ (0.7)	\$ 10.6	\$ (1.6)

(a) Classified in SG&A

# Notes to Consolidated Financial Statements

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## 11. Commitments and Contingencies

### Operating Leases

The Company conducts its operations in various leased facilities under leases that are classified as operating leases for financial statement purposes. Certain leases provide for payment of real estate taxes, common area maintenance, insurance and certain other expenses. Lease terms may have escalating rent provisions and rent holidays which are expensed on a straight-line basis over the term of the lease. Also, certain equipment used in Company operations is leased under operating leases.

Operating lease commitments for the five years following December 31, 2011 and thereafter are as follows:

Years Ending December 31,	Amount (in millions)
2012	\$ 66.4
2013	57.9
2014	48.4
2015	42.2
2016	31.9
Thereafter	70.4
Total	\$ 317.2

The fixed operating lease commitments detailed above assume that the Company continues the leases through their initial lease terms. Rent expense, including equipment rentals, was \$110, \$96.0 and \$88.0 for 2011, 2010 and 2009, respectively.

### Contingencies

The Company is involved in various legal disputes and other legal proceedings that arise from time to time in the ordinary course of business. In addition, the Company or certain of its subsidiaries have been identified by the United States Environmental Protection Agency ("EPA") or a state environmental agency as a Potentially Responsible Party ("PRP") pursuant to the federal Superfund Act and/or state Superfund laws comparable to the federal law at various sites. Based on currently available information, the Company does not believe that the disposition of any of the legal or environmental disputes the Company or its subsidiaries are currently involved in will have a material adverse effect upon the consolidated financial condition, results of operations or cash flows of the Company. It is possible that, as additional information becomes available, the impact on the Company of an adverse determination could have a different effect.

### Environmental

The Company's operations are subject to certain federal, state, local and foreign environmental laws and regulations in addition to laws and regulations regarding labeling and packaging of products and the sales of products containing certain environmentally sensitive materials.

In addition to ongoing environmental compliance at its operations, the Company also is actively engaged in environmental remediation activities, the majority of which relates to divested operations and sites. Various of the Company's subsidiaries have been identified by the EPA or a state environmental agency as a PRP pursuant to the federal Superfund Act and/or state Superfund laws comparable to the federal law at various sites (collectively, the "Environmental Sites"). The Company has established reserves to cover the anticipated probable costs of investigation and remediation based upon periodic reviews of all sites for which they have, or may have, remediation responsibility. The Company accrues environmental investigation and remediation costs when it is probable that a liability has been incurred, the amount of the liability can be reasonably estimated and their responsibility for the liability is established. Generally, the timing of these accruals coincides with the earlier of a formal commitment to an investigation plan, completion of a feasibility study or a commitment to a formal plan of action. The Company accrues its best estimate of investigation and remediation costs based upon facts known at such dates, and because of the inherent difficulties in estimating the ultimate amount of environmental costs, which are further described below, these estimates may materially change in the future as a result of the uncertainties described below. Estimated costs, which are based upon experience with similar sites and technical evaluations, are judgmental in nature and are recorded at discounted amounts without considering the impact of inflation and are adjusted periodically to reflect changes in applicable laws or regulations, changes in available technologies and receipt by the Company of new information. It is difficult to estimate the ultimate level of future environmental expenditures due to a number of uncertainties surrounding environmental liabilities. These uncertainties include the applicability of laws and regulations, changes in environmental remediation requirements, the enactment of additional regulations, uncertainties surrounding remediation procedures including the development of new technology, the identification of new sites for which various of the Company's subsidiaries could be a PRP, information relating to the exact nature and extent of the contamination at each Environmental Site and the extent of required cleanup efforts, the uncertainties with respect to the ultimate outcome of issues which may be actively contested and the varying costs of alternative remediation strategies.



# Notes to Consolidated Financial Statements

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Due to the uncertainty described above, the Company's ultimate future liability with respect to sites at which remediation has not been completed may vary from the amounts reserved as of December 31, 2011.

The Company believes that the costs of completing environmental remediation of all sites for which the Company has a remediation responsibility have been adequately reserved and that the ultimate resolution of these matters will not have a material adverse effect on the consolidated financial position, results of operations or cash flows of the Company.

## Litigation

The Company and/or its subsidiaries are involved in various lawsuits arising from time to time that the Company considers ordinary routine litigation incidental to its business. Amounts accrued for litigation matters represent the anticipated costs (damages and/or settlement amounts) in connection with pending litigation and claims and related anticipated legal fees for defending such actions. The costs are accrued when it is both probable that a liability has been incurred and the amount can be reasonably estimated. The accruals are based upon the Company's assessment, after consultation with counsel (if deemed appropriate), of probable loss based on the facts and circumstances of each case, the legal issues involved, the nature of the claim made, the nature of the damages sought and any relevant information about the plaintiffs and other significant factors that vary by case. When it is not possible to estimate a specific expected cost to be incurred, the Company evaluates the range of probable loss and records the minimum end of the range. The Company believes that anticipated probable costs of litigation matters have been adequately reserved to the extent determinable. Based on current information, the Company believes that the ultimate conclusion of the various pending litigation of the Company, in the aggregate, will not have a material adverse effect on the consolidated financial position, results of operations or cash flows of the Company.

## Product Liability

As a consumer goods manufacturer and distributor, the Company and/or its subsidiaries face the risk of product liability and related lawsuits involving claims for substantial money damages, product recall actions and higher than anticipated rates of warranty returns or other returns of goods.

The Company and/or its subsidiaries are therefore party to various personal injury and property damage lawsuits relating to their products and incidental to their business. Annually, the Company sets its product liability insurance program which is an occurrence-based program based on the Company and its subsidiaries' current and historical claims experience and the availability and cost of insurance. The Company's product liability insurance program generally includes a self-insurance retention per occurrence.

Cumulative amounts estimated to be payable by the Company with respect to pending and potential claims for all years in which the Company is liable under its self-insurance retention have been accrued as liabilities. Such accrued liabilities are based on estimates (which include actuarial determinations made by an independent actuarial consultant as to liability exposure, taking into account prior experience, number of claims and other relevant factors); thus, the Company's ultimate liability may exceed or be less than the amounts accrued. The methods of making such estimates and establishing the resulting liability are reviewed on a regular basis and any adjustments resulting therefrom are reflected in current operating results.

Based on current information, the Company believes that the ultimate conclusion of the various pending product liability claims and lawsuits of the Company, in the aggregate, will not have a material adverse effect on the consolidated financial position, results of operations or cash flows of the Company.

## 12. Taxes on Income

The components of the provision for income taxes attributable to continuing operations for 2011, 2010 and 2009 are as follows:

<i>(In millions)</i>	2011	2010	2009
Current income tax expense:			
U.S. federal	\$ 1.4	\$ 2.9	\$ (7.9)
Foreign	86.4	71.8	55.4
State and local	5.0	2.9	2.0
Total	92.8	77.6	49.5
Deferred income tax expense (benefit):			
U.S. federal	55.5	57.3	54.1
Foreign	(25.3)	(14.6)	(1.2)
State, local and other, net of federal tax benefit	2.7	2.5	8.3
Total	32.9	45.2	61.2
Total income tax provision	\$ 125.7	\$ 122.8	\$ 110.7

# Notes to Consolidated Financial Statements

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The difference between the federal statutory income tax rate and the Company's reported income tax rate as a percentage of income from operations for 2011, 2010 and 2009 is reconciled as follows:

	2011	2010	2009
Federal statutory tax rate	35.0%	35.0%	35.0%
Increase (decrease) in rates resulting from:			
State and local taxes, net	1.6	1.8	0.4
Foreign rate differences	(3.1)	(3.8)	(2.3)
Non-deductible compensation	1.0	3.5	3.3
Foreign earnings not permanently reinvested	3.4	6.8	10.7
Tax settlements and related adjustments	—	—	(3.6)
Goodwill impairment	3.4	—	—
Valuation allowance	(2.3)	(0.3)	1.4
Venezuela devaluation and inflationary adjustments and tax exempt income	(1.5)	5.9	(5.4)
Foreign dividends	1.3	0.9	7.7
Non-deductible transaction costs	—	3.1	—
Other	(0.8)	0.6	(1.0)
Reported income tax rate	38.0%	53.5%	46.2%

Foreign pre-tax income was approximately \$250, \$115, and \$218 for 2011, 2010 and 2009, respectively.

Deferred tax assets (liabilities) at December 31, 2011 and 2010 are comprised of the following:

<i>(In millions)</i>	2011	2010
Intangibles	\$ (370.8)	\$ (375.6)
Goodwill	(110.1)	(92.6)
Financial reporting amount of a subsidiary in excess of tax basis	(71.6)	(71.6)
Foreign earnings not permanently reinvested	(45.6)	(38.1)
Property and equipment	(13.4)	(14.8)
Other	(6.9)	(6.6)
Gross deferred tax liabilities	(618.4)	(599.3)
Net operating loss	40.0	73.2
Accounts receivable allowances	13.3	14.7
Inventory valuation	56.7	51.8
Pension and postretirement	41.5	43.0
Stock-based compensation	17.9	10.1
Other compensation and benefits	21.2	19.7
Operating reserves	60.6	57.9
Other	79.9	72.2
Gross deferred tax assets	331.1	342.6
Valuation allowance	(26.9)	(35.3)
Net deferred tax liability	\$ (314.2)	\$ (292.0)

# Notes to Consolidated Financial Statements

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The Company continually reviews the adequacy of the valuation allowance. A valuation allowance is recorded if, based on the weight of available evidence, it is more likely than not that a deferred tax asset will not be realized. This assessment is based on an evaluation of the level of historical taxable income and projections for future taxable income. During 2011, the Company's valuation allowance decreased by \$8.4 principally due to the ability to recognize certain foreign losses for which a valuation allowance was previously established. During 2010, the Company's valuation allowance was increased by \$3.2 principally due to the inability to benefit from certain foreign losses attributable to the Company's 2010 acquisitions. During 2009, the Company's valuation allowance increased \$4.1 due to the inability to benefit from certain state and foreign losses.

At December 31, 2011, the Company had net operating losses ("NOLs") of approximately \$935 for domestic tax purposes, none of which are reflected in the consolidated financial statements. In 2011, the Company utilized approximately \$8 of these previously unrecognized U.S. federal NOLs in its consolidated financial statements. Additionally, approximately \$784 of these domestic NOLs are subject to varying limitations on their use under Section 382 of the Internal Revenue Code of 1986, as amended.

Deferred tax assets relating to tax benefits of employee equity compensation awards have been reduced by approximately \$1.2 to reflect exercises whereby the book expenses exceeds tax deductions that can be claimed. Certain vested and exercised employee equity compensation awards have resulted in tax deductions in excess of previously recorded tax benefits based on the value of such equity compensation awards at the time of grant ("windfalls"). Although the additional tax benefit for windfalls is reflected in the tax return NOL carryforwards, the additional tax benefit associated with the windfalls is not recognized for financial statement purposes until the deduction reduces taxes payable as recorded on the Company's financial statements with an offset to additional paid-in-capital. Windfall tax benefits of \$3.0 were recognized in 2011. Windfall tax benefits of \$33 are not reflected in deferred tax assets.

The Company has also accumulated or acquired through acquisitions approximately \$111 of foreign NOLs. Of the total foreign NOLs, approximately \$1 will expire in 2012. Approximately \$35 of the foreign NOLs will expire in years subsequent to 2012, and approximately \$75 have an unlimited life.

The Company and/or its subsidiaries are subject to federal, state and foreign income tax audits. The Company believes that adequate amounts have been reserved for any adjustments that may ultimately result from these examinations.

Generally, the Company intends to indefinitely reinvest undistributed earnings of certain of its foreign subsidiaries outside the U.S. As a result, the Company has not provided for U.S. income taxes on undistributed foreign earnings of approximately \$957 at December 31, 2011. The Company intends to permanently reinvest these earnings in the future growth of its foreign businesses. Determination of the amount of unrecognized deferred U.S. income liability is not practicable because of the complexities associated with its hypothetical calculation. In 2011, 2010 and 2009, the Company recorded a deferred tax charge (benefit) of \$7.5, (\$2.4) and \$23.7, respectively, related to profits that were deemed not to be permanently reinvested outside of the United States.

The following table sets forth the details and the activity related to unrecognized tax benefit as of and for the years ended December 31, 2011 and 2010:

<i>(In millions)</i>	2011	2010
Unrecognized tax benefits, January 1,	\$ 55.7	\$ 51.5
Increases (decreases):		
Acquisitions	—	1.8
Tax positions taken during the current period	3.4	3.3
Tax positions taken during a prior period	(0.1)	(1.3)
Settlements with taxing authorities	(0.2)	(1.9)
Other	(1.0)	2.3
Unrecognized tax benefits, December 31,	\$ 57.8	\$ 55.7

During 2011 and 2010, the change in the unrecognized tax benefits primarily relates to the expiration of certain statutes of limitations, the redetermination of required reserves, and tax settlements made during the year. In 2011 and 2010, the decrease in unrecognized tax benefits due to expiring statutes was \$0.3 and \$0.6, respectively. At December 31, 2011, the amount of gross unrecognized tax benefits that, if recognized, would affect the reported tax rate is \$56.4. The Company has indemnification for \$1.4 of the gross unrecognized tax benefit from the sellers of acquired companies.

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The Company conducts business globally and, as a result, the Company or its subsidiaries file income tax returns in the U.S. federal jurisdiction, and in various state, local, and foreign jurisdictions. In the normal course of business, the Company or its subsidiaries are subject to examination by tax authorities throughout the world, including such major jurisdictions as Canada, France, Germany, Hong Kong, Japan, Mexico, Venezuela, the United Kingdom and the U.S. As of December 31, 2011, the Company remains subject to examination by federal and state tax authorities for the tax years 2005 to 2011. At December 31, 2011, certain of the Company's more significant foreign jurisdictions remain subject to examination for various tax years between 2000 and 2011. At December 31, 2011, the Company believes it has no material tax positions for which it is reasonably possible that the total amount of unrecognized tax benefits may significantly change within twelve months.

The Company classifies all interest expense and penalties on uncertain tax positions as income tax expense. The provision for income taxes 2011 and 2010 includes tax-related interest expense of \$1.1. As of December 31, 2011 and 2010, the liability for tax-related interest expense was \$5.2 and \$4.1, respectively.

## 13. Stockholders' Equity and Share-Based Awards

The Company maintains the 2009 Stock Incentive Plan and the Amended and Restated 2003 Stock Incentive Plan, as amended, which allows for grants of stock options, restricted stock and short-term cash awards. At December 31, 2011, there were approximately 2.4 million share-based awards collectively available for grant under these stock plans.

### Stock Options

A summary of the Company's stock option activity in 2011 is as follows:

	Shares (in thousands)	Weighted Average Exercise Price	Weighted Average Remaining Life (years)	Total Intrinsic Value (in millions)
Options outstanding, beginning of year	2,529.3	\$ 20.33		
Granted	—	—		
Exercised	(990.2)	15.09		
Cancelled	(46.3)	21.69		
Options outstanding, end of year <sup>(1)</sup>	1,492.8	\$ 23.59	2.6	\$ 10.6
Options exercisable, end of year	1,318.8	\$ 23.76	2.3	\$ 9.2

<sup>(1)</sup> Approximates the options vested and expected to vest

The weighted average per share grant date fair value of options granted and the total intrinsic value of options exercised for 2011, 2010 and 2009 are as follows:

	Weighted Average Per Share Grant Date Fair Value	Total Intrinsic Value of Options Exercised (in millions)
2011	\$ —	\$ 18.4
2010	16.89	9.4
2009	9.91	18.6

The weighted average assumptions used to determine the fair value of options granted in 2011, 2010 and 2009 is as follows:

	2011	2010	2009
Expected volatility	—	60.7%	58.3%
Risk-free interest rates	—	2.3%	2.3%
Expected life (in years)	—	4.5	4.5

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

The Company does not use cash to settle any of its options or restricted share awards and when available issues shares from its treasury stock instead of issuing new shares. The common stock options granted during 2011, 2010 and 2009, vest ratably over the explicit service period typically 3 to 4 years and generally have a contractual term of 7 years.

## Restricted Shares of Common Stock

The Company issues restricted share awards whose restrictions lapse upon either the passage of time (service vesting), achieving performance targets, attaining Company common stock price thresholds or some combination of these restrictions. The contractual life is generally 7 years for those restricted shares with performance targets, common stock price thresholds or some combination thereof. For those restricted share awards with common stock price thresholds, the fair values were determined using a Monte Carlo simulation embedded in a lattice model. The fair value for all other restricted share awards were based on the closing price of the Company's common stock on the dates of grant.

A summary of the Company's restricted share activity for 2011 is as follows:

	Shares (in thousands)
Outstanding as of December 31, 2010	3,422.6
Granted	1,246.8
Released/Vested	(487.1)
Cancelled	(209.6)
Outstanding as of December 31, 2011	3,972.7

The total fair value of restricted shares granted and total fair value of restricted shares vested for 2011, 2010 and 2009 is as follows:

<i>(in millions)</i>	2011	2010	2009
Total fair value of restricted shares granted	\$ 36.0	\$ 73.9	\$ 36.1
Total fair value of restricted shares vested	14.5	19.5	30.0

For those restricted awards with common stock price thresholds, the weighted average grant date fair values of these awards were \$29.50, \$30.72 and \$10.99 for 2011, 2010 and 2009, respectively, based on the following assumptions:

	2011	2010	2009
Expected volatility	44.0%	49.4%	50.4%
Risk-free interest rates	2.2%	2.6%	1.4%
Derived service periods (in years)	0.2	0.1	0.2

For all other restricted share awards, the weighted average grant date fair values were \$28.55, \$31.00 and \$24.08 for the years ended December 31, 2011, 2010 and 2009, respectively.

As part of the restricted share awards granted in 2011, in January 2011, the Board authorized an annual grant of approximately 0.4 million restricted share awards to certain executive officers. These awards had an aggregate grant date fair value of \$11.7 and vested during the first three months of 2011 when the Company's weighted average share price exceeded certain thresholds. In 2011, the Company also granted approximately 0.8 million restricted share awards with an aggregate grant date fair value of \$24.3 that cliff vest upon the achievement of certain performance targets.

Additionally, in January 2010, the Board authorized a grant of approximately 1.4 million restricted share awards to certain executive officers. These awards, which had an aggregate grant date fair value of \$44.8, have a 5-year contractual life and their restrictions lapse if and when the Company achieves certain performance targets. The Company is currently not recognizing compensation expense on these awards as the achievement of the performance targets is improbable.

As of December 31, 2011, there was \$31.5 of unrecognized compensation cost related to non-vested share-based awards. Those costs are expected to be recognized through 2014 over a weighted-average period of approximately 14 months.

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

## Stockholders' Equity

In August 2011, the Board authorized a new stock repurchase program that would allow the Company to repurchase up to \$500 of its common stock (the "Stock Repurchase Program"). During August 2011, the Company completed its prior \$150 stock repurchase program that was authorized in November 2007 and increased in March 2010. During 2011 and 2010, the Company repurchased approximately 2.5 million and 1.4 million shares, respectively, of its common stock under these stock repurchase programs at a per share average price of \$30.42 and \$29.62, respectively. There were no shares repurchased in 2009.

Cash dividends paid to stockholders in 2011, 2010 and 2009 were \$30.1, \$28.7 and \$6.6, respectively. In January 2012, the Company announced that the Board had decided to suspend the Company's dividend program following the dividend paid on January 31, 2012.

In 2009, the Company completed an equity offering of 12.0 million newly-issued shares of common stock at \$17.50 per share. The net proceeds to the Company were \$203.

At December 31, 2011, the Company had a common stock warrant (the "Warrant") outstanding that grants the holder the right to purchase approximately 2.2 million shares of Jarden common stock at an initial exercise price of \$45.32 per share (subject to adjustment as provided therein). The Warrant must be exercised in full and expires on March 31, 2012. The Company has the option to require the holder to exercise the Warrant if the closing price of Jarden's common stock exceeds \$50.99 per share (subject to equitable adjustment for certain transactions) for a period of three consecutive trading days. If the holder of the Note, (see Note 9) causes Jarden to redeem the Note, then the threshold price for the right of mandatory exercise of the Warrant will be reduced from the aforementioned \$50.99 per share to \$45.32 per share.

## Subsequent Event

On January 26, 2012, the Company commenced a "modified Dutch auction" self-tender offer (the "Offer") to purchase up to \$500 in value of its common stock. The repurchase of shares of common stock under the Offer is being made pursuant to the Stock Repurchase Program, pursuant to which the Company is authorized to repurchase up to \$500 aggregate amount of outstanding shares of common stock at prevailing market prices or in privately-negotiated transactions. On January 23, 2012, the Board authorized an increase in the then available repurchase capacity of the Stock Repurchase Program to \$500. The Offer is not conditioned upon any minimum number of shares being tendered, but is subject to the satisfaction of certain conditions, as specified in the Offer, including the successful completion of additional debt under the Facility. The Company expects to fund the Offer from a combination of cash on hand and new debt.

## 14. Earnings Per Share Calculation

A computation of the weighted average shares outstanding for 2011, 2010 and 2009 is as follows:

<i>(In millions)</i>	2011	2010	2009
Weighted average shares outstanding:			
Basic	88.1	89.0	84.1
Dilutive share-based awards	0.5	0.8	0.7
Diluted	88.6	89.8	84.8

Stock options and warrants to purchase approximately 2.4 million, 2.4 million and 2.9 million shares of the Company's common stock at December 31, 2011, 2010 and 2009 had exercise prices that exceeded the average market price of the Company's common stock for the three months ended December 31, 2011, 2010 and 2009, respectively. As such, these share-based awards did not affect the computation of diluted earnings per share.

## 15. Employee Benefit Plans

The Company maintains defined benefit pension plans for certain of its employees and provides certain postretirement medical and life insurance benefits for a portion of its employees. At December 31, 2011, substantially all the domestic pension and postretirement plans are frozen to new entrants and to future benefit accruals. Benefit obligations are calculated using generally accepted actuarial methods. Actuarial gains and losses are amortized using the corridor method over the average remaining service life of its active employees. The pension and postretirement benefit obligations are measured as of December 31, for 2011 and 2010.

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

## Net Periodic Expense

The components of net periodic pension and postretirement benefit expense for 2011, 2010 and 2009 are as follows:

<i>(In millions)</i>	Pension Benefits								
	2011			2010			2009		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
Service cost	\$ 0.2	\$ 1.9	\$ 2.1	\$ 0.2	\$ 1.6	\$ 1.8	\$ 0.2	\$ 0.9	\$ 1.1
Interest cost	15.9	2.8	18.7	17.6	2.5	20.1	18.4	1.8	20.2
Expected return on plan assets	(15.6)	(1.4)	(17.0)	(13.6)	(1.2)	(14.8)	(12.5)	(0.9)	(13.4)
Amortization:									
Net actuarial loss	3.2	—	3.2	3.3	—	3.3	4.8	—	4.8
Net periodic cost	3.7	3.3	7.0	7.5	2.9	10.4	10.9	1.8	12.7
Curtailments and settlements	1.6	—	1.6	1.9	(0.1)	1.8	0.5	0.1	0.6
Total expense	\$ 5.3	\$ 3.3	\$ 8.6	\$ 9.4	\$ 2.8	\$ 12.2	\$ 11.4	\$ 1.9	\$ 13.3
<b>Assumptions</b>									
Weighted average assumption used to calculate net periodic cost:									
Discount rate	5.25%	4.78%	5.18%	5.79%	5.12%	5.69%	6.19%	5.57%	6.13%
Expected return on plan assets	8.00%	4.83%	7.63%	8.21%	5.16%	7.87%	8.18%	5.19%	7.94%
Rate of compensation increase	—	2.98%	2.98%	—	2.98%	2.98%	—	2.95%	2.95%

<i>(In millions)</i>	Postretirement Benefits		
	2011	2010	2009
Service cost	\$ 0.3	\$ 0.3	\$ 0.1
Interest cost	0.7	0.7	0.5
Amortization:			
Prior service benefit	(0.8)	(0.8)	(0.8)
Net actuarial gain	(0.1)	—	(0.1)
Net periodic cost (credit)	0.1	0.2	(0.3)
Curtailments and settlements	(7.3)	—	—
Total expense (credit)	\$ (7.2)	\$ 0.2	\$ (0.3)
<b>Assumptions</b>			
Weighted average assumption used to calculate net periodic cost:			
Discount rate	5.50%	5.96%	6.25%

The amount of AOCI expected to be recognized in net periodic benefit cost for the year ending December 31, 2012 is as follows:

<i>(In millions)</i>	Pension Benefits			Postretirement
	Domestic	Foreign	Total	
Prior service cost	\$ —	\$ —	\$ —	\$ 0.4
Net actuarial loss (gain)	7.0	(0.1)	6.9	0.1
	\$ 7.0	\$ (0.1)	\$ 6.9	\$ 0.5

# Notes to Consolidated Financial Statements

## Jarden Corporation Annual Report 2011 (Dollars in millions, except per share data and unless otherwise indicated)

### Funded Status

The following table provides a reconciliation of the benefit obligation, plan assets and the funded status of the pension and postretirement plans as of December 31, 2011 and 2010:

(In millions)	Pension Benefits						Postretirement Benefits	
	2011			2010			2011	2010
	Domestic	Foreign	Total	Domestic	Foreign	Total		
<b>Change in benefit obligation:</b>								
Benefit obligation at beginning of year	\$ 313.1	\$ 58.3	\$ 371.4	\$ 316.4	\$ 35.1	\$ 351.5	\$ 15.3	\$ 8.2
Acquisitions	—	—	—	—	21.9	21.9	—	6.2
Service cost	0.2	1.9	2.1	0.2	1.6	1.8	0.3	0.3
Interest cost	15.9	2.8	18.7	17.6	2.5	20.1	0.7	0.7
Curtailements and settlements	(1.7)	(0.2)	(1.9)	(15.9)	(0.4)	(16.3)	—	—
Amendments	—	—	—	—	0.3	0.3	(8.1)	—
Actuarial loss (gain)	27.8	2.7	30.5	18.0	0.7	18.7	—	0.6
Participant contributions	—	—	—	—	—	—	0.4	0.5
Benefits paid	(21.0)	(3.1)	(24.1)	(23.2)	(3.0)	(26.2)	(0.8)	(1.2)
Foreign currency translation and other	—	(1.5)	(1.5)	—	(0.4)	(0.4)	—	—
<b>Benefit obligation at end of year (1)</b>	<b>334.3</b>	<b>60.9</b>	<b>395.2</b>	<b>313.1</b>	<b>58.3</b>	<b>371.4</b>	<b>7.8</b>	<b>15.3</b>
<b>Change in plan assets:</b>								
Fair value of plan assets at beginning of year	\$ 221.6	\$ 29.3	\$ 250.9	\$ 204.3	\$ 20.2	\$ 224.5	\$ —	\$ —
Acquisitions	—	—	—	—	7.6	7.6	—	—
Actual return on plan assets	9.5	1.3	10.8	16.4	1.8	18.2	—	—
Company contributions	26.2	3.8	30.0	40.0	3.3	43.3	0.4	0.7
Settlements	(1.7)	(0.2)	(1.9)	(15.9)	(0.2)	(16.1)	—	—
Participant contributions	—	—	—	—	—	—	0.4	0.5
Benefits paid	(21.0)	(3.1)	(24.1)	(23.2)	(3.0)	(26.2)	(0.8)	(1.2)
Foreign currency translation and other	—	(0.9)	(0.9)	—	(0.4)	(0.4)	—	—
<b>Fair value of plan assets at end of year</b>	<b>234.6</b>	<b>30.2</b>	<b>264.8</b>	<b>221.6</b>	<b>29.3</b>	<b>250.9</b>	<b>—</b>	<b>—</b>
<b>Net (liability) recognized in the consolidated balance sheet</b>	<b>\$ (99.7)</b>	<b>\$ (30.7)</b>	<b>\$ (130.4)</b>	<b>\$ (91.5)</b>	<b>\$ (29.0)</b>	<b>\$ (120.5)</b>	<b>\$ (7.8)</b>	<b>\$ (15.3)</b>
<b>Assumptions</b>								
Weighted average assumption used to calculate benefit obligation:								
Discount rate	4.50%	4.30%	4.47%	5.25%	4.78%	5.18%	4.40%	5.50%
Rate of compensation increase	—	2.51%	2.51%	—	2.98%	2.98%	—	—
Healthcare cost trend rate:								
Current:								
Pre-Age 65	—	—	—	—	—	—	7.00%	7.50%
Post-Age 65	—	—	—	—	—	—	7.00%	7.50%
Ultimate	—	—	—	—	—	—	4.50%	4.50%

(1) The accumulated benefit obligation for all defined benefit pension plans was \$390 and \$367 at December 31, 2011 and 2010, respectively.



# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

Amounts recognized in the Company's consolidated balance sheets at December 31, 2011 and 2010 consist of:

<i>(In millions)</i>	Pension Benefits		Postretirement Benefits	
	2011	2010	2011	2010
Other assets	\$ 2.4	\$ 1.5	\$ —	\$ —
Accrued benefit cost	(132.8)	(122.0)	(7.8)	(15.3)
Net amount recognized	\$ (130.4)	\$ (120.5)	\$ (7.8)	\$ (15.3)

Summary of under-funded or non-funded pension benefit plans with projected benefit obligation in excess of plan assets at December 31, 2011 and 2010:

<i>(In millions)</i>	Pension Benefits	
	2011	2010
Projected benefit obligation	\$ 383.5	\$ 350.8
Fair value of plan assets	250.7	228.8

Summary of pension plans with accumulated benefit obligations in excess of plan assets at December 31, 2011 and 2010:

<i>(In millions)</i>	Pension Benefits	
	2011	2010
Accumulated benefit obligation	\$ 379.3	\$ 343.8
Fair value of plan assets	250.7	224.6

The Company employs a total return investment approach for its pension plans whereby a mix of equities and fixed income investments are used to maximize the long-term return of pension plan assets. The intent of this strategy is to minimize plan expenses by outperforming plan liabilities over the long run. Risk tolerance is established through careful consideration of plan liabilities, plan funded status, and the Company's financial condition. The domestic investment portfolios contain a diversified blend of equity and fixed-income investments. The domestic equity investments are diversified across geography and market capitalization through investments in U.S. large-capitalization stocks, U.S. small-capitalization stocks and international securities. The domestic fixed income investments are primarily comprised of investment-grade and high-yield securities through investments in corporate and government bonds, government agencies and asset-backed securities. The Level 1 and Level 2 investments are primarily based upon quoted market prices and the classification between Level 1 and Level 2 is based upon the valuation frequency of the investments. The domestic Level 3 investments are primarily comprised of hedge fund of funds whose assets are primarily valued based upon the net asset value per share and an insurance contract valued at contract value. The Company maintains numerous foreign defined benefit pension plans. The asset allocations for the foreign investment may vary by plan and jurisdiction and are primarily based upon the plan structure and plan participant profile. The foreign Level 3 investments are primarily comprised of insurance contracts valued at contract value. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset/liability studies and quarterly investment portfolio reviews.

The expected long-term rate of return for plan assets is based upon many factors, including expected asset allocations, historical asset returns, current and expected future market conditions, risk and active management premiums. The expected long-term rate of return is adjusted when there are fundamental changes in expected returns on the Company's defined benefit pension plan's investments. The Company's target asset allocation for 2011 and 2010 is as follows: equities—45%-60%; bonds—25%-40%; and cash alternatives investments and other—0%-30%. Actual asset allocations may vary from the targeted allocations for various reasons, including market conditions and the timing of transactions.

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The composition of domestic pension plan assets at December 31, 2011 and 2010 is as follows:

Fair Value Measurements of Plan Assets – Domestic Plans				
December 31, 2011				
(In millions)	Level 1	Level 2	Level 3	Total
<b>Asset Category</b>				
Equity securities and funds:				
Domestic	\$ 7.3	\$ 31.7	\$ —	\$ 39.0
International	—	41.2	—	41.2
Fixed income securities and funds:				
Investment-grade	60.7	—	—	60.7
High-yield	—	12.3	—	12.3
Alternative Investments	22.5	42.8	12.0	77.3
Cash and other	2.8	—	1.3	4.1
<b>Total</b>	<b>\$ 93.3</b>	<b>\$ 128.0</b>	<b>\$ 13.3</b>	<b>\$ 234.6</b>

Fair Value Measurements of Plan Assets – Domestic Plans				
December 31, 2010				
(In millions)	Level 1	Level 2	Level 3	Total
<b>Asset Category</b>				
Equity securities and funds:				
Domestic	\$ 46.0	\$ —	\$ —	\$ 46.0
International	16.7	17.3	—	34.0
Fixed income securities and funds:				
Investment-grade	35.9	6.5	—	42.4
High-yield	0.2	11.7	—	11.9
Alternative Investments	21.0	34.6	13.6	69.2
Cash and other	16.7	—	1.4	18.1
<b>Total</b>	<b>\$ 136.5</b>	<b>\$ 70.1</b>	<b>\$ 15.0</b>	<b>\$ 221.6</b>

The composition of foreign pension plan assets at December 31, 2011 and 2010 is as follows:

Fair Value Measurements of Plan Assets – Foreign Plans				
December 31, 2011				
(In millions)	Level 1	Level 2	Level 3	Total
<b>Asset Category</b>				
Equity securities and funds	\$ 5.1	\$ —	\$ —	\$ 5.1
Fixed income securities and funds	8.9	—	—	8.9
Cash and other	0.9	—	15.3	16.2
<b>Total</b>	<b>\$ 14.9</b>	<b>\$ —</b>	<b>\$ 15.3</b>	<b>\$ 30.2</b>

Fair Value Measurements of Plan Assets – Foreign Plans				
December 31, 2010				
(In millions)	Level 1	Level 2	Level 3	Total
<b>Asset Category</b>				
Equity securities and funds	\$ 5.6	\$ —	\$ —	\$ 5.6
Fixed income securities and funds	7.6	—	—	7.6
Cash and other	0.8	—	15.3	16.1
<b>Total</b>	<b>\$ 14.0</b>	<b>\$ —</b>	<b>\$ 15.3</b>	<b>\$ 29.3</b>

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The activity for Level 3 pension plan assets for 2011 and 2010 is as follows:

<i>(In millions)</i>	Level 3 Pension Plan Assets	
	Domestic Plans	Foreign Plans
Balance, December 31, 2009	\$ 7.8	\$ 7.7
Actual return on plan assets:		
Relating to assets held at year-end	0.2	0.7
Purchases, sales and settlements and other, net	7.0	6.9
Balance, December 31, 2010	\$ 15.0	\$ 15.3
Actual return on plan assets:		
Relating to assets held at year-end	(0.2)	0.5
Purchases, sales, settlements and other, net	8.3	(0.5)
Transfers in/(out)	(9.8)	—
Balance, December 31, 2011	\$ 13.3	\$ 15.3

## Domestic Contributions

In 2012, the Company expects to make cash contributions of approximately \$16 and \$0.7 to its domestic pension and postretirement plans, respectively. These contributions are for both funded and unfunded plans and are net of participant contributions.

## Foreign Contributions

The Company funds its pension plans in amounts consistent with applicable laws and regulations and expects to make cash contributions of approximately \$4 in 2012.

Information about the expected benefit payments for the Company's pension and postretirement plans are as follows:

<i>(In millions)</i>		Pension Plans	Postretirement Plans
Years Ending December 31,			
2012		\$ 26.8	\$ 0.7
2013		25.7	0.6
2014		25.1	0.6
2015		24.4	0.6
2016		25.1	0.5
Next 5 years		127.9	2.5
Total		\$ 255.0	\$ 5.5

The current healthcare cost trend rate gradually declines through 2022 to the ultimate trend rate and remains level thereafter. A one percentage point change in assumed healthcare cost trend rates would not have a material effect on the postretirement benefit obligation or the service and interest cost components of postretirement benefit costs.

The Company sponsors a defined contribution savings plan for substantially all of its U.S. employees. Under provisions for this plan, employees may contribute a percentage of eligible compensation on both a before-tax basis and after-tax basis. The Company generally matches a percentage of a participating employee's before-tax contributions. For 2011, 2010 and 2009, the defined contribution savings plan expense was \$4.9, \$5.5 and \$5.7, respectively.

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## 16. Reorganization Costs

The Company did not incur any reorganization costs in 2010. Reorganization costs for 2011 and 2009 are as follows:

(In millions)	2011			
	Employee Terminations	Other Charges	Impairment	Total
Outdoor Solutions	\$ 5.6	\$ 7.9	\$ —	\$ 13.5
Consumer Solutions	—	2.1	—	2.1
Branded Consumables	3.4	3.0	—	6.4
Process Solutions	1.0	0.4	—	1.4
	\$ 10.0	\$ 13.4	\$ —	\$ 23.4

(In millions)	2009			
	Employee Terminations	Other Charges	Impairment	Total
Outdoor Solutions	\$ 23.5	\$ 20.8	\$ 4.2	\$ 48.5
Consumer Solutions	2.9	0.9	—	3.8
	\$ 26.4	\$ 21.7	\$ 4.2	\$ 52.3

### Outdoor Solutions Segment Reorganization Costs

During 2011, the Company initiated a plan to consolidate certain international manufacturing processes within the Outdoor Solutions segment. This plan primarily consists of a facility consolidation in the Far East. During 2011, the Company also initiated a plan to rationalize the overall cost structure of the Outdoor Solutions segment through headcount reductions. Reorganization costs for 2011 relate to these plans.

In 2009, the Company initiated plans to rationalize the overall cost structure of the Outdoor Solutions segment through headcount reductions and facility consolidation. These plans consist of restructuring the Company's domestic and European paintball operations, realigning distribution and warehouse facilities both domestically and in Europe, rationalizing manufacturing operations in the Far East and integrating various 2009 tuck-in acquisitions. Employee termination charges for 2009 primarily relate to the implementation of these plans.

For 2011, other charges are primarily comprised of contract termination fees. For 2009, other charges include lease and moving costs (\$6.2), contract termination fees (\$4.3), professional fees (\$4.0) and other costs (\$6.3). The impairment charges recorded in 2009 relate to the write-down of certain fixed assets.

### Consumer Solutions Segment Reorganization Costs

During 2009, the Company initiated plans to rationalize the overall cost structure of the Consumer Solutions segment primarily through headcount reductions. Employee termination charges for 2009 primarily relate to these plans. For 2011, other costs relate to lease terminations.

### Branded Consumables Segment Reorganization Costs

During 2011, the Company initiated a plan to consolidate certain manufacturing processes within the Branded Consumables segment. This plan includes headcount reduction and facility consolidation. During 2011, the Company also initiated a plan to rationalize the overall cost structure of the Branded Consumables segment through headcount reductions. Reorganization costs for 2011 relate to these plans. For 2011, other costs are primarily comprised of moving costs.

# Notes to Consolidated Financial Statements

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Accrued reorganization costs activity for 2011 and 2010 are as follows:

<i>(In millions)</i>	Accrual Balance at December 31, 2010	Reorganization Costs	Payments	Foreign Currency and Other	Accrual Balance at December 31, 2011
Severance and other employee-related (1)	\$ 0.5	\$ 10.0	\$ (3.0)	\$ (0.2)	\$ 7.3
Other costs (2)	9.5	13.4	(12.7)	(0.3)	9.9
Total	\$ 10.0	\$ 23.4	\$ (15.7)	\$ (0.5)	\$ 17.2

<i>(In millions)</i>	Accrual Balance at December 31, 2009	Reorganization Costs	Payments	Foreign Currency and Other	Accrual Balance at December 31, 2010
Severance and other employee-related	\$ 10.7	\$ —	\$ (9.9)	\$ (0.3)	\$ 0.5
Other costs	18.7	—	(10.0)	0.8	9.5
Total	\$ 29.4	\$ —	\$ (19.9)	\$ 0.5	\$ 10.0

(1) For 2011, the total headcount underlying these costs is approximately 330. At December 31, 2011, approximately 65 employees have not been terminated under the plans. Substantially all of the amounts accrued at December 31, 2011 for severance and other employee-related will be paid in 2012.

(2) Amounts accrued at December 31, 2011 for other costs (principally lease costs) are expected to be paid through 2015.

# Notes to Consolidated Financial Statements

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## 17. Segment Information

The Company reports four business segments: Outdoor Solutions, Consumer Solutions, Branded Consumables and Process Solutions. The Company's sales are principally within the United States. The Company's international operations are mainly based in Asia, Canada, Europe and Latin America. The Company and its chief operating decision maker use "segment earnings" to measure segment operating performance.

The Outdoor Solutions segment manufactures or sources, markets and distributes global consumer active lifestyle products for outdoor and outdoor-related activities. For general outdoor activities, Coleman® is a leading brand for active lifestyle products, offering an array of products that include camping and outdoor equipment such as air beds, camping stoves, coolers, foldable furniture, gas grills, lanterns and flashlights, propane fuel, sleeping bags, tents and water recreation products such as inflatable boats, kayaks and tow-behinds. The Outdoor Solutions segment is also a leading provider of fishing equipment under brand names such as Abu Garcia®, All Star®, Berkley®, Fenwick®, Gulp!®, JRC™, Mitchell®, Penn®, Pflueger®, Sebile®, Sevenstrand®, Shakespeare®, Spiderwire®, Stren®, Trilene®, Ugly Stik® and Xtools®. Team sports equipment for baseball, softball, football, basketball, field hockey and lacrosse products are sold under brand names such as deBeer®, Gait®, Miken®, Rawlings® and Worth®. Alpine and nordic skiing, snowboarding, snowshoeing and in-line skating products are sold under brand names such as Atlas®, Full Tilt®, K2®, Line®, Little Bear®, Madshus®, Marker®, Morrow®, Ride®, Tubbs®, Vökl® and 5150 Snowboards®. Water sports equipment, personal flotation devices and all-terrain vehicle gear are sold under brand names such as Helium®, Hodgman®, Mad Dog Gear®, Sevylor®, Suspenders® and Stearns®. The Company also sells high performance technical and outdoor apparel and equipment under brand names such as CAPP3L®, Ex Officio®, K2®, Marker®, Marmot®, Planet Earth®, Ride®, Vökl® and Zoot®, and premium air beds under brand names including Aero®, Aerobed® and Aero Sport®.

The Consumer Solutions segment manufactures or sources, markets, and distributes a diverse line of household products, including kitchen appliances and home environment products. This segment maintains a strong portfolio of globally-recognized brands including Bionaire®, Crock-Pot®, FoodSaver®, Health o meter®, Holmes®, Mr. Coffee®, Oster®, Patton®, Rival®, Seal-a-Meal®, Sunbeam®, skybar® and Villaware®. The principal products in this segment include: clippers and trimmers for professional use in the beauty and barber and animal categories; electric blankets, mattress pads and throws; household kitchen appliances, such as blenders, coffeemakers, irons, mixers, slow cookers, toasters, toaster ovens and vacuum packaging machines; home environment products, such as air purifiers, fans, heaters and humidifiers; products for the hospitality industry; and scales for consumer use.

The Branded Consumables segment manufactures or sources, markets and distributes a broad line of branded consumer products, many of which are affordable, consumable and fundamental household staples, including arts and crafts paint brushes, brooms, brushes, buckets, children's card games, clothespins, collectible tins, condoms, cord, rope and twine, dusters, dust pans, feeding bottles, fencing, fire extinguishing products, firelogs and firestarters, home canning jars and accessories, kitchen matches, mops, other craft items, pacifiers, plastic cutlery, playing cards and accessories, rubber gloves and related cleaning products, safes, security cameras, security doors, smoke and carbon monoxide alarms, soothers, sponges, storage organizers and workshop accessories, teats, toothpicks, window guards and other accessories. This segment markets our products under the Aviator®, Ball®, Bee®, Bernardin®, Bicycle®, Billy Boy®, BRK®, Crawford®, Diamond®, Dicon®, Fiona®, First Alert®, First Essentials®, Hoyle®, Java-Log®, KEM®, Kerr®, Lehigh®, Lillo®, Loew-Cornell®, Mapa®, NUK®, Pine Mountain®, Quickie Green Cleaning®, Quickie Home-Pro®, Quickie Microban®, Quickie Original®, Quickie Professional®, Spontex®, Tigex® and Wellington® brand names, among others.

The Process Solutions segment manufactures, markets and distributes a wide variety of plastic products including closures, contact lens packaging, medical disposables, plastic cutlery and rigid packaging. Many of these products are consumable in nature or represent components of consumer products. This segment's materials business produces specialty nylon polymers, conductive fibers and monofilament used in various products, including woven mats used by paper producers and weed trimmer cutting line, as well as fiberglass radio antennas for marine, citizen band and military applications. This segment is also the largest North American producer of niche products fabricated from solid zinc strip and is the sole source supplier of copper-plated zinc penny blanks to the United States Mint and a major supplier to the Royal Canadian Mint, as well as a supplier of brass, bronze and nickel-plated finishes on steel and zinc for coinage to other international markets. In addition, the Company manufactures a line of industrial zinc products marketed globally for use in the architectural, automotive, construction, electrical component and plumbing markets.

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

Segment information as of and for the years ended December 31, 2011, 2010 and 2009 is as follows:

(In millions)	2011							
	Outdoor Solutions	Consumer Solutions	Branded Consumables	Process Solutions	Intercompany Eliminations	Total Operating Segments	Corporate/Unallocated	Consolidated
Net Sales	\$ 2,772.1	\$ 1,880.3	\$ 1,734.4	\$ 351.2	\$ (58.1)	\$ 6,679.9	\$ —	\$ 6,679.9
Segment earnings (loss)	344.6	274.7	237.9	37.7	—	894.9	(104.1)	790.8
<i>Adjustments to reconcile to reported operating earnings (loss):</i>								
Fair value adjustment to inventory	—	—	(6.9)	—	—	(6.9)	—	(6.9)
Reorganization costs	(13.5)	(2.1)	(6.4)	(1.4)	—	(23.4)	—	(23.4)
Acquisition-related and other costs (1)	7.1	(4.8)	(10.8)	(2.0)	—	(10.5)	(10.9)	(21.4)
Impairment of goodwill, intangibles and other assets	—	—	(52.5)	—	—	(52.5)	—	(52.5)
Depreciation and amortization	(61.8)	(31.1)	(55.9)	(12.4)	—	(161.2)	(2.5)	(163.7)
Operating earnings (loss)	\$ 276.4	\$ 236.7	\$ 105.4	\$ 21.9	\$ —	\$ 640.4	\$ (117.5)	\$ 522.9
<i>Other segment data:</i>								
Total assets	\$ 2,810.3	\$ 1,855.9	\$ 1,801.8	\$ 186.9	\$ —	\$ 6,654.9	\$ 461.8	\$ 7,116.7
Capital expenditures	61.4	23.2	31.6	8.6	—	124.8	2.1	126.9

(In millions)	2010							
	Outdoor Solutions	Consumer Solutions	Branded Consumables	Process Solutions	Intercompany Eliminations	Total Operating Segments	Corporate/Unallocated	Consolidated
Net Sales	\$ 2,518.7	\$ 1,869.6	\$ 1,345.3	\$ 342.7	\$ (53.6)	\$ 6,022.7	\$ —	\$ 6,022.7
Segment earnings (loss)	300.9	266.2	195.0	37.1	—	799.2	(89.1)	710.1
<i>Adjustments to reconcile to reported operating earnings (loss):</i>								
Fair value adjustment to inventory	(2.1)	—	(25.3)	—	—	(27.4)	—	(27.4)
Acquisition-related and other costs (2)	(7.4)	(4.0)	(3.4)	—	—	(14.8)	(27.5)	(42.3)
Venezuela hyperinflationary and devaluation charges (see Note 1)	—	—	—	—	—	—	(70.6)	(70.6)
Impairment of goodwill and intangibles	(0.7)	(0.7)	(18.3)	—	—	(19.7)	—	(19.7)
Depreciation and amortization	(62.1)	(28.1)	(39.0)	(12.1)	—	(141.3)	(1.5)	(142.8)
Operating earnings (loss)	\$ 228.6	\$ 233.4	\$ 109.0	\$ 25.0	\$ —	\$ 596.0	\$ (188.7)	\$ 407.3
<i>Other segment data:</i>								
Total assets	\$ 2,785.4	\$ 1,818.6	\$ 1,897.1	\$ 200.5	\$ —	\$ 6,701.6	\$ 391.4	\$ 7,093.0
Capital expenditures	48.0	24.3	30.7	7.5	—	110.5	27.0	137.5

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 (Dollars in millions, except per share data and unless otherwise indicated)

2009

(In millions)	Outdoor Solutions	Consumer Solutions	Branded Consumables	Process Solutions	Intercompany Eliminations	Total Operating Segments	Corporate/Unallocated	Consolidated
Net Sales	\$ 2,311.8	\$ 1,835.9	\$ 792.1	\$ 262.6	\$ (49.8)	\$ 5,152.6	\$ —	\$ 5,152.6
Segment earnings (loss) (3)	277.6	280.5	104.0	30.3	—	692.4	(86.7)	605.7
Adjustments to reconcile to reported operating earnings (loss):								
Reorganization costs (3)	(48.5)	—	—	—	—	(48.5)	—	(48.5)
Impairment of goodwill and intangibles	(0.8)	—	(22.1)	—	—	(22.9)	—	(22.9)
Other (4)	—	9.2	—	—	—	9.2	(26.3)	(17.1)
Depreciation and amortization	(66.7)	(29.3)	(21.9)	(11.6)	—	(129.5)	(0.8)	(130.3)
Operating earnings (loss)	\$ 161.6	\$ 260.4	\$ 60.0	\$ 18.7	\$ —	\$ 500.7	\$ (113.8)	\$ 386.9
Other segment data:								
Capital expenditures	44.0	29.0	27.2	7.0	—	107.2	0.2	107.4

(1) Consolidated amount is net of gain on the sale of certain domestic assets recorded in the Outdoor Solutions segment.

(2) Comprised of \$52.4 of acquisition-related and other charges, which primarily relate to acquisitions (see Note 3) and a \$10.1 mark-to-market gain associated with the Company's Euro-denominated debt and intercompany loans.

(3) Segment Earnings for the Consumer Solutions segment includes reorganization costs of \$3.8 (see Note 16).

(4) Consolidated amount of \$17.1 represents executive stock compensation resulting from a strategic review of executive long-term incentive compensation.

Note: Intersegment sales are recorded at cost plus an agreed upon profit.

## Geographic Information

Geographic information as of and for the years ended December 31, 2011, 2010 and 2009 is as follows:

(In millions)	Domestic	International	Total
2011			
Net sales	\$ 4,082.7	\$ 2,597.2	\$ 6,679.9
Long-lived assets	309.9	306.0	615.9
2010			
Net sales	\$ 3,830.4	\$ 2,192.3	\$ 6,022.7
Long-lived assets	333.1	325.8	658.9
2009			
Net sales	\$ 3,538.0	\$ 1,614.6	\$ 5,152.6

## 18. Accumulated Other Comprehensive Income (Loss)

The components of AOCI at December 31, 2011 and 2010 are as follows:

(In millions)	2011	2010
Foreign currency translation adjustment	\$ 4.0	\$ 29.4
Derivative financial instruments and other, net	1.1	(12.2)
Accrued benefit costs, net	(61.8)	(42.0)
Total accumulated other comprehensive income (loss)	\$ (56.7)	\$ (24.8)



# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

## 19. Condensed Consolidating Financial Data

The Company's Senior Notes and Senior Subordinated Notes (see Note 9) are fully guaranteed, jointly and severally, by certain of the Company's domestic subsidiaries ("Guarantor Subsidiaries"). The guarantees of the Guarantor Subsidiaries are subject to release only in certain limited circumstances. The Company's non-United States subsidiaries and those domestic subsidiaries who are not guarantors ("Non-Guarantor Subsidiaries") are not guaranteeing these notes. Presented below is the condensed consolidating financial data of the Company ("Parent"), the Guarantor Subsidiaries and the Non-Guarantor Subsidiaries on a consolidated basis as of and for the years ended December 31, 2011, 2010 and 2009.

### Condensed Consolidating Results of Operations

<i>(In millions)</i>	Year Ended December 31, 2011				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net Sales	\$ —	\$ 3,906.0	\$ 2,917.2	\$ (143.3)	\$ 6,679.9
Costs and expenses	95.6	3,507.9	2,696.8	(143.3)	6,157.0
Operating (loss) earnings	(95.6)	398.1	220.4	—	522.9
Other expense, net	61.4	224.8	32.0	—	318.2
Equity in the income of subsidiaries	361.7	182.8	—	(544.5)	—
Net income (loss)	\$ 204.7	\$ 356.1	\$ 188.4	\$ (544.5)	\$ 204.7

<i>(In millions)</i>	Year Ended December 31, 2010				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net Sales	\$ —	\$ 3,689.1	\$ 2,452.5	\$ (118.9)	\$ 6,022.7
Costs and expenses	126.3	3,273.3	2,334.7	(118.9)	5,615.4
Operating (loss) earnings	(126.3)	415.8	117.8	—	407.3
Other expense, net	57.0	169.2	74.4	—	300.6
Equity in the income of subsidiaries	290.0	37.8	—	(327.8)	—
Net income (loss)	\$ 106.7	\$ 284.4	\$ 43.4	\$ (327.8)	\$ 106.7

<i>(In millions)</i>	Year Ended December 31, 2009				
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net Sales	\$ —	\$ 3,395.0	\$ 1,890.7	\$ (133.1)	\$ 5,152.6
Costs and expenses	114.3	3,057.0	1,727.5	(133.1)	4,765.7
Operating (loss) earnings	(114.3)	338.0	163.2	—	386.9
Other expense, net	13.7	186.8	57.7	—	258.2
Equity in the income of subsidiaries	256.7	102.6	—	(359.3)	—
Net income (loss)	\$ 128.7	\$ 253.8	\$ 105.5	\$ (359.3)	\$ 128.7

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

## Condensed Consolidating Balance Sheets

As of December 31, 2011					
<i>(In millions)</i>	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
<b>Assets</b>					
Current assets	\$ 359.0	\$ 995.9	\$ 2,140.0	\$ (1.4)	\$ 3,493.5
Investment in subsidiaries	5,688.8	1,748.1	—	(7,436.9)	—
Non-current assets	114.5	4,003.9	914.0	(1,409.2)	3,623.2
<b>Total assets</b>	<b>\$ 6,162.3</b>	<b>\$ 6,747.9</b>	<b>\$ 3,054.0</b>	<b>\$ (8,847.5)</b>	<b>\$ 7,116.7</b>
<b>Liabilities and stockholders' equity</b>					
Current liabilities	\$ 260.8	\$ 589.0	\$ 614.1	\$ (0.2)	\$ 1,463.7
Non-current liabilities	3,989.5	507.0	654.9	(1,410.4)	3,741.0
Stockholders' equity	1,912.0	5,651.9	1,785.0	(7,436.9)	1,912.0
<b>Total liabilities and stockholders' equity</b>	<b>\$ 6,162.3</b>	<b>\$ 6,747.9</b>	<b>\$ 3,054.0</b>	<b>\$ (8,847.5)</b>	<b>\$ 7,116.7</b>

As of December 31, 2010					
<i>(In millions)</i>	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
<b>Assets</b>					
Current assets	\$ 314.6	\$ 998.6	\$ 2,067.6	\$ (10.0)	\$ 3,370.8
Investment in subsidiaries	5,340.3	1,739.8	93.4	(7,173.5)	—
Non-current assets	153.7	3,768.8	1,015.1	(1,215.4)	3,722.2
<b>Total assets</b>	<b>\$ 5,808.6</b>	<b>\$ 6,507.2</b>	<b>\$ 3,176.1</b>	<b>\$ (8,398.9)</b>	<b>\$ 7,093.0</b>
<b>Liabilities and stockholders' equity</b>					
Current liabilities	\$ 217.4	\$ 588.5	\$ 878.0	\$ (6.7)	\$ 1,677.2
Non-current liabilities	3,770.7	504.3	539.0	(1,218.7)	3,595.3
Stockholders' equity	1,820.5	5,414.4	1,759.1	(7,173.5)	1,820.5
<b>Total liabilities and stockholders' equity</b>	<b>\$ 5,808.6</b>	<b>\$ 6,507.2</b>	<b>\$ 3,176.1</b>	<b>\$ (8,398.9)</b>	<b>\$ 7,093.0</b>

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

## Condensed Consolidating Statements of Cash Flows:

<i>(In millions)</i>	Year Ended December 31, 2011			
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated
Net cash provided by (used in) operating activities, net	\$ (128.8)	\$ 407.4	\$ 148.5	\$ 427.1
Financing activities:				
Net change in short-term debt	—	—	1.0	1.0
(Payments on) proceeds from intercompany transactions	377.8	(302.3)	(75.5)	—
Proceeds from issuance of long-term debt	1,025.0	—	—	1,025.0
Payments on long-term debt	(1,110.6)	—	—	(1,110.6)
Issuance (repurchase) of common stock, net	(80.8)	—	—	(80.8)
Other	(31.3)	—	—	(31.3)
Net cash provided by (used in) financing activities	180.1	(302.3)	(74.5)	(196.7)
Investing activities:				
Additions to property, plant and equipment	(2.1)	(108.5)	(16.3)	(126.9)
Acquisition of business, net of cash acquired and earnout payments	(0.9)	(12.5)	(1.0)	(14.4)
Other	—	24.2	4.0	28.2
Net cash used in investing activities	(3.0)	(96.8)	(13.3)	(113.1)
Effect of exchange rate changes on cash	—	—	(4.4)	(4.4)
Net increase in cash and cash equivalents	48.3	8.3	56.3	112.9
Cash and cash equivalents at beginning of year	287.1	15.5	392.8	695.4
Cash and cash equivalents at end of year	\$ 335.4	\$ 23.8	\$ 449.1	\$ 808.3

<i>(In millions)</i>	Year Ended December 31, 2010			
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated
Net cash provided by (used in) operating activities, net	\$ (196.8)	\$ 414.8	\$ 71.0	\$ 289.0
Financing activities:				
Net change in short-term debt	—	50.0	6.2	56.2
(Payments on) proceeds from intercompany transactions	239.2	(297.4)	58.2	—
Proceeds from issuance of long-term debt	786.1	—	—	786.1
Payments on long-term debt	(260.9)	—	—	(260.9)
Issuance (repurchase) of common stock, net	(42.8)	—	—	(42.8)
Other	(58.4)	—	—	(58.4)
Net cash provided by (used in) financing activities	663.2	(247.4)	64.4	480.2
Investing activities:				
Additions to property, plant and equipment	(27.0)	(91.9)	(18.6)	(137.5)
Acquisition of business, net of cash acquired and earnout payments	(680.9)	(73.8)	(0.8)	(755.5)
Other	(9.3)	—	19.2	9.9
Net cash used in investing activities	(717.2)	(165.7)	(0.2)	(883.1)
Effect of exchange rate changes on cash	—	—	(18.1)	(18.1)
Net increase (decrease) in cash and cash equivalents	(250.8)	1.7	117.1	(132.0)
Cash and cash equivalents at beginning of year	537.9	13.8	275.7	827.4
Cash and cash equivalents at end of year	\$ 287.1	\$ 15.5	\$ 392.8	\$ 695.4

# Notes to Consolidated Financial Statements

Jarden Corporation Annual Report 2011 *(Dollars in millions, except per share data and unless otherwise indicated)*

<i>(In millions)</i>	Year Ended December 31, 2009			
	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated
<b>Net cash provided by (used in) operating activities, net</b>	\$ (62.4)	\$ 503.5	\$ 200.0	\$ 641.1
<b>Financing activities:</b>				
Net change in short-term debt	(132.0)	—	(21.6)	(153.6)
(Payments on) proceeds from intercompany transactions	401.6	(392.9)	(8.7)	—
Proceeds from issuance of long-term debt	292.2	—	—	292.2
Payments on long-term debt	(351.2)	—	—	(351.2)
Issuance (repurchase) of common stock, net	199.0	—	—	199.0
Other	(18.9)	—	—	(18.9)
<b>Net cash provided by (used in) financing activities</b>	<b>390.7</b>	<b>(392.9)</b>	<b>(30.3)</b>	<b>(32.5)</b>
<b>Investing activities:</b>				
Additions to property, plant and equipment	(0.2)	(89.4)	(17.8)	(107.4)
Acquisition of business, net of cash acquired and earnout payments	(2.0)	(10.4)	(1.3)	(13.7)
Other	—	(4.9)	(4.6)	(9.5)
<b>Net cash used in investing activities</b>	<b>(2.2)</b>	<b>(104.7)</b>	<b>(23.7)</b>	<b>(130.6)</b>
Effect of exchange rate changes on cash	—	—	(43.4)	(43.4)
<b>Net increase in cash and cash equivalents</b>	<b>326.1</b>	<b>5.9</b>	<b>102.6</b>	<b>434.6</b>
Cash and cash equivalents at beginning of year	211.8	7.9	173.1	392.8
<b>Cash and cash equivalents at end of year</b>	<b>\$ 537.9</b>	<b>\$ 13.8</b>	<b>\$ 275.7</b>	<b>\$ 827.4</b>

The amounts reflected as proceeds (payments) from (to) intercompany transactions represent cash flows originating from transactions conducted between guarantor subsidiaries, non-guarantor subsidiaries and parent in the normal course of business operations.

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# Reconciliation of GAAP to Non-GAAP Measures

Jarden Corporation Annual Report 2011

	<u>Year Ended December 31, 2011</u>
Reconciliation of Non- GAAP measure	
Net sales growth	10.9%
(Acquisitions)/Exited business, net	(5.9%)
	<hr/> 5.0%
Foreign exchange impacts	(1.7%)
	<hr/> 3.3%
Organic net sales growth	<hr/>

# Annual Report 2011

## Corporate Information

### Board of Directors

Martin E. Franklin  
Founder  
*Executive Chairman*  
*Jarden Corporation*

Ian G. H. Ashken  
Co-Founder  
*Vice Chairman and*  
*Chief Financial Officer*  
*Jarden Corporation*

James E. Lillie  
*Chief Executive Officer*  
*Jarden Corporation*

René-Pierre Azria (1)  
*President and*  
*Chief Executive Officer*  
*Tegrís LLC*

William J. Grant (1)  
*Partner*  
*Winston & Strawn LLP*

Michael Gross (3)  
*Chief Executive Officer*  
*Solar Capital Ltd. and*  
*Solar Senior Capital Ltd.*

Richard J. Heckmann (1)  
*Chairman and*  
*Chief Executive Officer*  
*Heckmann Corporation*

William P. Lauder (2)  
*Executive Chairman*  
*The Estée Lauder Companies Inc.*

Irwin D. Simon (2), (3)  
*Chairman, Chief Executive Officer*  
*and President*  
*Hain Celestial Group, Inc.*

Robert L. Wood (2), (3)  
*Former Chairman, President*  
*and Chief Executive Officer*  
*Chemtura Corporation*

- (1) *Member of Audit Committee*
- (2) *Member of Nominating and*  
*Policies Committee*
- (3) *Member of Compensation*  
*Committee*

### Corporate Headquarters

Jarden Corporation  
555 Theodore Fremd Avenue  
Rye, NY 10580  
Telephone: 914-967-9400  
Facsimile: 914-967-9405  
[www.jarden.com](http://www.jarden.com)

### Executive Officers

Martin E. Franklin  
Founder  
*Executive Chairman*

Ian G. H. Ashken  
Co-Founder  
*Vice Chairman and*  
*Chief Financial Officer*

James E. Lillie  
*Chief Executive Officer*

John E. Capps  
*Executive Vice President,*  
*General Counsel and Secretary*

Richard T. Sansone  
*Executive Vice President, Finance*

Patricia J. Gaglione  
*Senior Vice President, Business*  
*Operations and Supply Chain*

Patricia A. Mount  
*Senior Vice President, Finance*

J. David Tolbert  
*Senior Vice President,*  
*Human Resources and Corporate Risk*

### Corporate Counsel

Greenberg Traurig LLP  
*Chicago, Illinois*

Kane Kessler, PC  
*New York, New York*

### Registrar and Transfer Agent

Computershare Trust Company  
*Providence, Rhode Island*  
800-622-6757

### Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP  
*New York, New York*

### Securities Listing

Jarden's common stock is listed on the  
New York Stock Exchange.  
Symbol: JAH

### Investor Relations

ICR, Inc.  
*Norwalk, CT*  
203-682-8200

### NYSE Corporate Governance Disclosure

Jarden Corporation filed as exhibits to its 2011 Annual Report on Form 10-K, the Sarbanes-Oxley Act Section 302 certifications regarding the quality of Jarden's public disclosure. The Annual CEO certification of Jarden Corporation required pursuant to NYSE Corporate Governance Standards Section 303A. 12(a) that the CEO was not aware of any violation by the Company of NYSE's Corporate Governance listing standards was submitted to the NYSE.

### Outdoor Solutions

Aero®, Campingaz®, Coleman®,  
Stearns®, Sevyllor®  
*Wichita, KS*  
316-832-2653

Abu Garcia®, Berkley®, Fenwick®, Gulp!®,  
Mitchell®, Penn®, Shakespeare®, Stren®, Trilene®  
*Columbia, SC*  
803-754-7000

deBeer®, Gait®, Miken®, Rawlings®, Worth®  
*St. Louis, MO*  
314-819-2800

Adio®, K2®, Planet Earth®, Zoot®  
*Seattle, WA*  
206-805-4800

ExOfficio®, Marmot®  
*Santa Rosa, CA*  
707-544-4590

Marker®, Volk!®  
*Penzberg, Germany*  
+49 (0) 8856-8000-337  
*West Lebanon, NH*  
603-298-7836

### Consumer Solutions

Bionaire®, Crock-Pot®, FoodSaver®,  
Health o meter®, Holmes®, Mr. Coffee®,  
Oster®, Patton®, Rival®, Seal-a-Meal®,  
Sunbeam®, VillaWare®, White Mountain®  
*Boca Raton, FL*  
561-912-4100

### Branded Consumables

Ball®, Bee®, Bernardin®, Bicycle®, Diamond®,  
Hoyle®, Java Log®, Loew-Cornell®, KEM®, Kerr®,  
Patton®, Pine Mountain®  
*Erlanger, KY*  
859-815-7300

BRK®, Crawford®, Dicon®, First Alert®  
Lehigh®, Tundra®, Wellington®  
*Aurora, IL*  
630-851-7330

Billy Boy®, Fiona®, First Essentials®, Lillo®,  
Mapa®, NUK®, Spontex®, Tigex®  
*Paris, France*  
+33 (1) 49 64 22 00

Quickie®  
*Cinnaminson, New Jersey*  
800-257-5751

### Process Solutions

Jarden Applied Materials  
*Columbia, SC*  
803-754-7011

Jarden Plastic Solutions  
*Greer, SC*  
864-879-8100

Jarden Zinc Products  
*Greenville, TN*  
423-639-8111

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VillaWare

