

Consolidated Interest Expense

(\$ in millions)	Six Months Ended December 31,	
	2022	2021
Interest expense	\$ (138)	\$ (79)
Interest expense as a percentage of net sales	(1.9 %)	(1.1 %)

Interest expense increased by \$59 million, or by 75%, for the six months ended December 31, 2022, compared to the six months ended December 31, 2021, driven by increased interest rates on our variable rate debt.

Consolidated Income Tax Expense

(\$ in millions)	Six Months Ended December 31,	
	2022	2021
Income tax expense	\$ (91)	\$ (124)
Effective income tax rate	11.6 %	22.3 %

The provision for income taxes for the six months ended December 31, 2022 and 2021 is based on our estimated annual effective tax rate for the respective fiscal years before income before income taxes and adjusted for specific items that are required to be recognized in the period in which they are incurred.

The effective tax rate for the six months ended December 31, 2022 decreased by 10.7 percentage points compared to the six months ended December 31, 2021, primarily due to differences in the income mix, including higher non-taxable income in the current period, and the difference in magnitude of discrete events in both periods.