

Consolidated
Balance Sheets

December 31, <i>(in millions, except share data)</i>	2001	2000
Assets		
Current assets		
Cash and cash equivalents	\$ 48	\$ 28
Accounts receivable, net of allowances of \$5 and \$5	85	107
Other receivables	16	22
Inventories	87	87
Deferred income taxes	18	23
Prepaid expenses	19	14
Other current assets	20	20
Total current assets	293	301
Property, plant and equipment, net	178	183
Goodwill and other intangibles, net	402	511
Investments in unconsolidated affiliates	93	98
Other assets	7	14
Total assets	\$ 973	\$ 1,107
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 183	\$ 177
Short-term debt	1	61
Total current liabilities	184	238
Long-term debt	310	367
Other liabilities	20	62
Commitments and contingent liabilities		
Stockholders' equity		
Preferred stock, \$0.01 par value, authorized 50,000,000 shares, no shares outstanding	—	—
Common stock, \$1.00 par value, authorized 350,000,000 shares, 59,327,872 and 58,668,393 shares outstanding	59	59
Additional contributed capital	287	277
Retained earnings	88	103
Accumulated other comprehensive income	26	1
Common stock in treasury, at cost	(1)	—
Total stockholders' equity	459	440
Total liabilities and stockholders' equity	\$ 973	\$ 1,107

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

Consolidated
Statements of Operations

Years Ended December 31, <i>(in millions, except per share information)</i>	2001	2000	1999
Net sales	\$ 692	\$ 804	\$ 905
Cost of goods sold	324	423	466
Gross profit	368	381	439
Selling, general and administrative expenses	203	216	233
Research and development expenses	55	55	55
Goodwill amortization	19	29	34
Disposition of assets and other non-recurring charges, net	83	312	—
Non-recurring spin-off expenses	—	18	—
Other operating income	(16)	(14)	—
Operating income (loss)	24	(235)	117
Interest expense, net	23	20	—
Other expense, net	10	4	4
Income (loss) before provision for income taxes	(9)	(259)	113
Provision for income taxes	1	13	31
Income (loss) before cumulative effect of change in accounting principle	(10)	(272)	82
Cumulative effect of change in accounting principle, net of tax (Note 2)	(1)	—	—
Net income (loss)	\$ (11)	\$ (272)	\$ 82
Share information (Note 1):			
Earnings per basic and diluted share			
Loss before cumulative effect of change in accounting principle	\$ (0.17)	—	—
Cumulative effect of change in accounting principle (Note 2)	\$ (0.02)	—	—
Net loss	\$ (0.19)	—	—
Weighted average number of common shares outstanding			
Basic	59	—	—
Diluted	59	—	—

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