

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

FORM 8-K

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

Date of Report (Date of earliest event reported): February 17, 2011

The Scotts Miracle-Gro Company

(Exact name of registrant as specified in its charter)

Ohio

(State or other
jurisdiction
of incorporation)

001-11593

(Commission File
Number)

31-1414921

(IRS Employer
Identification No.)

14111 Scottslawn Road, Marysville, Ohio

(Address of principal executive offices)

43041

(Zip Code)

Registrant's telephone number, including area code: **(937) 644-0011**

Not applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

Item 7.01 Regulation FD Disclosure

In December 2010, The Scotts Miracle-Gro Company (the "Company") accepted a binding offer (the "Offer Letter") from Israel Chemicals Ltd. ("ICL") to acquire a significant majority of the assets of the Company's global professional business (excluding the non-European professional seed business, "Global Pro") for \$270 million in an all-cash transaction, subject to certain adjustments at closing. ICL, the Company and The Scotts Company LLC ("Scotts"), a wholly-owned subsidiary of the Company, intend to enter into a definitive share and business sale agreement providing for the sale of Global Pro by Scotts to ICL in accordance with the Offer Letter. The transaction is expected to close by the end of the Company's second quarter of fiscal 2011, subject to regulatory review and the satisfaction of certain other conditions.

On February 10, 2011, the Company filed its Quarterly Report on Form 10-Q for the quarterly period ended January 1, 2011, reflecting Global Pro as discontinued operations separate from the results of continuing operations and, accordingly, reclassified the Company's historical results to reflect Global Pro as discontinued operations. Furthermore, the Company's reportable segments were revised to reflect the reclassification of Global Pro as discontinued operations. Following this revision, the Company now divides its business into the following reportable segments — Global Consumer and Scotts LawnService®. Finally, reclassifications were also made to prior period segment amounts to reflect changes in the allocation of certain shared expenses among the segments, which in management's judgment better align those expenses with the associated drivers and benefits.

The Company is filing this Current Report on Form 8-K to retrospectively reflect Global Pro as discontinued operations and retrospectively reflect the Company's current reportable segments. Attached hereto as Exhibit 99.1 are the following unaudited condensed consolidated selected financial data of the Company:

- Reported and adjusted annual results of operations for fiscal 2010, 2009, 2008 and 2007;
- Reported and adjusted quarterly results of operations for fiscal 2010;
- Net Sales and Income from Continuing Operations before Income Taxes by Segment by quarter and on an annual basis for fiscal 2010 and on an annual basis for fiscal 2009; and
- Condensed, Consolidated Quarterly Balance Sheets for fiscal 2010 to reflect Global Pro as held for sale.

This Current Report on Form 8-K should be read in conjunction with the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2010, the Company's Quarterly Report on Form 10-Q for the quarterly period ended January 1, 2011 and other Company filings with the Securities and Exchange Commission.

Item 9.01 Financial Statements and Exhibits

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	Unaudited Condensed, Consolidated Selected Financial Data

SIGNATURES

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

THE SCOTTS MIRACLE-GRO COMPANY

Dated: February 17, 2011

By: /s/ David C. Evans

Printed Name: David C. Evans

Title: Chief Financial Officer & EVP, Strategy and
Business Development

INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
99.1	Unaudited Condensed, Consolidated Selected Financial Data

THE SCOTTS MIRACLE-GRO COMPANY
INDEX TO UNAUDITED CONDENSED CONSOLIDATED SELECTED FINANCIAL DATA

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THE SCOTTS MIRACLE-GRO COMPANY
Results of Operations and Reconciliation of Non-GAAP Disclosure Items
For the fiscal year ended September 30, 2010
(Unaudited) (in millions, except per share data)
Note: See Accompanying Footnotes on Page 11

For the fiscal year ended September 30, 2010					
Footnotes	Previously Reported ⁽¹⁾	Revised Reported ⁽¹⁾	Product Registration And Recall Matters	Impairment	Revised Adjusted ⁽⁵⁾
Net sales	<u>\$ 3,139.9</u>	<u>\$ 2,898.0</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,898.0</u>
Gross profit	<u>1,147.3</u>	<u>1,075.9</u>	<u>(3.0)</u>	<u>—</u>	<u>1,078.9</u>
% of sales	36.5%	37.1%			37.2%
Income from operations	384.6	363.1	(8.7)	(18.5)	390.3
% of sales	12.2%	12.5%			13.5%
Interest expense	46.8	43.2	—	—	43.2
Income from continuing operations before income taxes	337.8	319.9	(8.7)	(18.5)	347.1
Income tax expense	125.4	119.4	(3.1)	(5.8)	128.3
Income from continuing operations	212.4	200.5	<u>(5.6)</u>	<u>(12.7)</u>	<u>218.8</u>
Income (loss) from discontinued operations, net of tax	(2) <u>(8.3)</u>	<u>3.6</u>			
Net income	<u>\$ 204.1</u>	<u>\$ 204.1</u>			
<hr/>					
Basic income (loss) per common share:	(3)				
Income from continuing operations	\$ 3.20	\$ 3.03	<u>(0.08)</u>	<u>(0.19)</u>	<u>3.30</u>
Income (loss) from discontinued operations	<u>(0.12)</u>	<u>0.05</u>			
Net income	<u>\$ 3.08</u>	<u>\$ 3.08</u>			
<hr/>					
Diluted income (loss) per common share:	(4)				
Income from continuing operations	\$ 3.14	\$ 2.97	<u>(0.08)</u>	<u>(0.19)</u>	<u>3.24</u>
Income (loss) from discontinued operations	<u>(0.12)</u>	<u>0.05</u>			
Net income	<u>\$ 3.02</u>	<u>\$ 3.02</u>			
<hr/>					
Common shares used in basic income (loss) per share calculation	<u>66.3</u>	<u>66.3</u>	<u>66.3</u>	<u>66.3</u>	<u>66.3</u>
Common shares and potential common shares used in diluted income (loss) per share calculation	<u>67.6</u>	<u>67.6</u>	<u>67.6</u>	<u>67.6</u>	<u>67.6</u>

THE SCOTTS MIRACLE-GRO COMPANY
Results of Operations and Reconciliation of Non-GAAP Disclosure Items
For the fiscal year ended September 30, 2009
(Unaudited) (in millions, except per share data)
Note: See Accompanying Footnotes on Page 11

		For the fiscal year ended September 30, 2009			
	Footnotes	Previously Reported ⁽¹⁾	Revised Reported ⁽¹⁾	Product Registration And Recall Matters	Revised Adjusted ⁽⁵⁾
Net sales		<u>\$ 2,980.7</u>	<u>\$ 2,746.4</u>	<u>\$ (0.3)</u>	<u>\$ 2,746.7</u>
Gross profit		<u>1,057.6</u>	<u>977.7</u>	<u>(11.8)</u>	<u>989.5</u>
% of sales		35.5%	35.6%		36.0%
Income from operations		297.6	260.5	(28.6)	289.1
% of sales		10.0%	9.5%		10.5%
Interest expense		56.4	52.4	—	52.4
Income from continuing operations before income taxes		241.2	208.1	(28.6)	236.7
Income tax expense		86.6	75.5	(10.5)	86.0
Income from continuing operations		<u>\$ 154.6</u>	<u>\$ 132.6</u>	<u>\$ (18.1)</u>	<u>\$ 150.7</u>
Income (loss) from discontinued operations, net of tax	(2)	(1.3)	20.7		
Net income		<u>\$ 153.3</u>	<u>\$ 153.3</u>		
<hr/>					
Basic income (loss) per common share:	(3)				
Income from continuing operations		\$ 2.38	\$ 2.04	\$ (0.28)	\$ 2.32
Income (loss) from discontinued operations		(0.02)	0.32		
Net income		<u>\$ 2.36</u>	<u>\$ 2.36</u>		
<hr/>					
Diluted income (loss) per common share:	(4)				
Income from continuing operations		\$ 2.34	\$ 2.01	\$ (0.27)	\$ 2.28
Income (loss) from discontinued operations		(0.02)	0.31		
Net income		<u>\$ 2.32</u>	<u>\$ 2.32</u>		
<hr/>					
Common shares used in basic income (loss) per share calculation		<u>65.0</u>	<u>65.0</u>	<u>65.0</u>	<u>65.0</u>
Common shares and potential common shares used in diluted income (loss) per share calculation		<u>66.1</u>	<u>66.1</u>	<u>66.1</u>	<u>66.1</u>

THE SCOTTS MIRACLE-GRO COMPANY
Results of Operations and Reconciliation of Non-GAAP Disclosure Items
For the fiscal year ended September 30, 2008
(Unaudited) (in millions, except per share data)
Note: See Accompanying Footnotes on Page 11

For the fiscal year ended September 30, 2008					
Footnotes	Previously Reported ⁽¹⁾	Revised Reported ⁽¹⁾	Product Registration And Recall Matters	Impairment	Revised Adjusted ⁽⁵⁾
Net sales	<u>\$ 2,823.2</u>	<u>\$ 2,552.0</u>	<u>\$ (22.3)</u>	<u>\$ —</u>	<u>\$ 2,574.3</u>
Gross profit	<u>911.7</u>	<u>831.1</u>	<u>(38.4)</u>	<u>(1.3)</u>	<u>870.8</u>
% of sales	32.3%	32.6%			33.8%
Income from operations	139.8	125.2	(51.1)	(91.2)	267.5
% of sales	5.0%	4.9%			10.4%
Interest expense	<u>82.2</u>	<u>77.6</u>	<u>—</u>	<u>—</u>	<u>77.6</u>
Income from continuing operations before income taxes	<u>57.6</u>	<u>47.6</u>	<u>(51.1)</u>	<u>(91.2)</u>	<u>189.9</u>
Income tax expense	<u>24.8</u>	<u>15.6</u>	<u>(17.8)</u>	<u>(32.8)</u>	<u>66.2</u>
Income from continuing operations	<u>\$ 32.8</u>	<u>\$ 32.0</u>	<u>\$ (33.3)</u>	<u>\$ (58.4)</u>	<u>\$ 123.7</u>
Loss from discontinued operations, net of tax	(2) <u>(43.7)</u>	<u>(42.9)</u>			
Net loss	<u>\$ (10.9)</u>	<u>\$ (10.9)</u>			
<hr/>					
Basic income (loss) per common share:	(3)				
Income from continuing operations	\$ 0.51	\$ 0.50	<u>(0.52)</u>	<u>(0.90)</u>	<u>1.92</u>
Loss from discontinued operations	<u>(0.68)</u>	<u>(0.67)</u>			
Net loss	<u>\$ (0.17)</u>	<u>\$ (0.17)</u>			
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Diluted income (loss) per common share:	(4)				
Income from continuing operations	\$ 0.50	\$ 0.49	<u>(0.51)</u>	<u>(0.89)</u>	<u>1.89</u>
Loss from discontinued operations	<u>(0.67)</u>	<u>(0.66)</u>			
Net loss	<u>\$ (0.17)</u>	<u>\$ (0.17)</u>			
<hr/>					
Common shares used in basic income (loss) per share calculation	<u>64.5</u>	<u>64.5</u>	<u>64.5</u>	<u>64.5</u>	<u>64.5</u>
Common shares and potential common shares used in diluted income (loss) per share calculation	<u>65.4</u>	<u>65.4</u>	<u>65.4</u>	<u>65.4</u>	<u>65.4</u>

THE SCOTTS MIRACLE-GRO COMPANY
Results of Operations and Reconciliation of Non-GAAP Disclosure Items
For the fiscal year ended September 30, 2007
(Unaudited) (in millions, except per share data)
Note: See Accompanying Footnotes on Page 11

	For the fiscal year ended September 30, 2007				
Footnotes	Previously Reported (1)	Revised Reported (1)	Impairment, Restructuring and Other	Cost related to Refinancings	Revised Adjusted (5)
Net sales	\$ 2,687.8	\$ 2,472.9	\$ —	\$ —	\$ 2,472.9
Gross profit	952.8	878.0	—	—	878.0
% of sales	35.4%	35.5%			35.5%
Income from operations	318.0	284.2	(8.8)	—	293.0
% of sales	11.8%	11.5%			11.8%
Costs related to refinancings	18.3	18.3		18.3	—
Interest expense	70.7	65.5	—	—	65.5
Income from continuing operations before income taxes	229.0	200.4	(8.8)	(18.3)	227.5
Income tax expense	79.7	70.4	(3.4)	(6.9)	80.7
Income from continuing operations	\$ 149.3	\$ 130.0	\$ (5.4)	\$ (11.4)	\$ 146.8
Loss from discontinued operations, net of tax	(2) (35.9)	(16.6)			
Net income	\$ 113.4	\$ 113.4			
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Basic income (loss) per common share:	(3)				
Income from continuing operations	\$ 2.29	\$ 1.99	\$ (0.08)	\$ (0.18)	\$ 2.25
Loss from discontinued operations	(0.55)	(0.25)			
Net income	\$ 1.74	\$ 1.74			
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Diluted income (loss) per common share:	(4)				
Income from continuing operations	\$ 2.23	\$ 1.94	\$ (0.08)	\$ (0.17)	\$ 2.19
Loss from discontinued operations	(0.54)	(0.25)			
Net income	\$ 1.69	\$ 1.69			
<hr/>					
Common shares used in basic income (loss) per share calculation	65.2	65.2	65.2	65.2	65.2
Common shares and potential common shares used in diluted income (loss) per share calculation	67.0	67.0	67.0	67.0	67.0

THE SCOTTS MIRACLE-GRO COMPANY
Results of Operations and Reconciliation of Non-GAAP Disclosure Items
For the three months ended January 2, 2010
(Unaudited) (in millions, except per share data)
Note: See Accompanying Footnotes on Page 11

		For the three months ended January 2, 2010			
	Footnotes	Previously Reported ⁽¹⁾	Revised Reported ⁽¹⁾	Product Registration And Recall Matters	Revised Adjusted ⁽⁵⁾
Net sales		\$ 302.2	\$ 252.4	\$ —	\$ 252.4
Gross profit		65.1	52.8	(0.9)	53.7
% of sales		21.5%	20.9%		21.3%
Loss from operations		(67.6)	(69.0)	(2.6)	(66.4)
% of sales		-22.4%	-27.3%		-26.3%
Interest expense		10.7	9.7	—	9.7
Loss from continuing operations before income taxes		(78.3)	(78.7)	(2.6)	(76.1)
Income tax benefit		(28.5)	(28.6)	(0.9)	(27.7)
Loss from continuing operations		(49.8)	(50.1)	\$ (1.7)	\$ (48.4)
Loss from discontinued operations, net of tax	(2)	(7.9)	(7.6)		
Net loss		\$ (57.7)	\$ (57.7)		
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Basic loss per common share:	(3)				
Loss from continuing operations		\$ (0.76)	\$ (0.76)	\$ (0.03)	\$ (0.73)
Loss from discontinued operations		(0.12)	(0.12)		
Net loss		\$ (0.88)	\$ (0.88)		
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Diluted loss per common share:	(4)				
Loss from continuing operations		\$ (0.76)	\$ (0.76)	\$ (0.03)	\$ (0.73)
Loss from discontinued operations		(0.12)	(0.12)		
Net loss		\$ (0.88)	\$ (0.88)		
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Common shares used in basic loss per share calculation		65.9	65.9	65.9	65.9
Common shares and potential common shares used in diluted loss per share calculation		65.9	65.9	65.9	65.9

THE SCOTTS MIRACLE-GRO COMPANY
Results of Operations and Reconciliation of Non-GAAP Disclosure Items
For the three months ended April 3, 2010
(Unaudited) (in millions, except per share data)
Note: See Accompanying Footnotes on Page 11

		For the three months ended April 3, 2010			
	Footnotes	Previously Reported ⁽¹⁾	Revised Reported ⁽¹⁾	Product Registration And Recall Matters	Revised Adjusted ⁽⁵⁾
Net sales		<u>\$ 1,123.1</u>	<u>\$ 1,050.7</u>	<u>\$ —</u>	<u>\$ 1,050.7</u>
Gross profit		<u>436.0</u>	<u>415.0</u>	<u>(0.6)</u>	<u>415.6</u>
% of sales		38.8%	39.5%		39.6%
Income from operations		206.3	196.7	(1.7)	198.4
% of sales		18.4%	18.7%		18.9%
Interest expense		<u>15.1</u>	<u>14.1</u>	<u>—</u>	<u>14.1</u>
Income from continuing operations before income taxes		191.2	182.6	(1.7)	184.3
Income tax expense		<u>71.3</u>	<u>68.4</u>	<u>(0.6)</u>	<u>69.0</u>
Income from continuing operations		119.9	114.2	<u>\$ (1.1)</u>	<u>\$ 115.3</u>
Income (loss) from discontinued operations, net of tax	(2)	<u>(1.4)</u>	<u>4.3</u>		
Net income		<u>\$ 118.5</u>	<u>\$ 118.5</u>		
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Basic income (loss) per common share:	(3)				
Income from continuing operations		\$ 1.81	\$ 1.72	\$ (0.02)	\$ 1.74
Income (loss) from discontinued operations		<u>(0.02)</u>	<u>0.07</u>		
Net income		<u>\$ 1.79</u>	<u>\$ 1.79</u>		
<hr/>					
Diluted income (loss) per common share:	(4)				
Income from continuing operations		\$ 1.78	\$ 1.69	\$ (0.02)	\$ 1.71
Income (loss) from discontinued operations		<u>(0.02)</u>	<u>0.07</u>		
Net income		<u>\$ 1.76</u>	<u>\$ 1.76</u>		
<hr/>					
Common shares used in basic income (loss) per share calculation		<u>66.2</u>	<u>66.2</u>	<u>66.2</u>	<u>66.2</u>
Common shares and potential common shares used in diluted income (loss) per share calculation		<u>67.4</u>	<u>67.4</u>	<u>67.4</u>	<u>67.4</u>

THE SCOTTS MIRACLE-GRO COMPANY
Results of Operations and Reconciliation of Non-GAAP Disclosure Items
For the three months ended July 3, 2010
(Unaudited) (in millions, except per share data)
Note: See Accompanying Footnotes on Page 11

		For the three months ended July 3, 2010			
	Footnotes	Previously Reported ⁽¹⁾	Revised Reported ⁽¹⁾	Product Registration And Recall Matters	Revised Adjusted ⁽⁵⁾
Net sales		<u>\$ 1,238.9</u>	<u>\$ 1,172.6</u>	<u>\$ —</u>	<u>\$ 1,172.6</u>
Gross profit		<u>504.8</u>	<u>481.8</u>	<u>—</u>	<u>481.8</u>
% of sales		40.7%	41.1%		41.1%
Income from operations		290.5	280.1	(1.5)	281.6
% of sales		23.4%	23.9%		24.0%
Interest expense		11.9	11.2	—	11.2
Income from continuing operations before income taxes		278.6	268.9	(1.5)	270.4
Income tax expense		102.7	99.4	(0.5)	99.9
Income from continuing operations		175.9	169.5	<u>\$ (1.0)</u>	<u>\$ 170.5</u>
Income from discontinued operations, net of tax	(2)	—	6.4		
Net income		<u>\$ 175.9</u>	<u>\$ 175.9</u>		
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Basic income per common share:	(3)				
Income from continuing operations		\$ 2.65	\$ 2.55	<u>\$ (0.01)</u>	<u>\$ 2.56</u>
Income from discontinued operations		—	0.10		
Net income		<u>\$ 2.65</u>	<u>\$ 2.65</u>		
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Diluted income per common share:	(4)				
Income from continuing operations		\$ 2.59	\$ 2.50	<u>\$ (0.01)</u>	<u>\$ 2.51</u>
Income from discontinued operations		—	0.09		
Net income		<u>\$ 2.59</u>	<u>\$ 2.59</u>		
<hr/>					
Common shares used in basic income per share calculation		<u>66.5</u>	<u>66.5</u>	<u>66.5</u>	<u>66.5</u>
Common shares and potential common shares used in diluted income per share calculation		<u>67.9</u>	<u>67.9</u>	<u>67.9</u>	<u>67.9</u>

THE SCOTTS MIRACLE-GRO COMPANY
Results of Operations and Reconciliation of Non-GAAP Disclosure Items
For the three months ended September 30, 2010
(Unaudited) (in millions, except per share data)
Note: See Accompanying Footnotes on Page 11

		For the three months ended September 30, 2010				
Footnotes	Previously Reported ⁽¹⁾	Revised Reported ⁽¹⁾	Product Registration And Recall Matters	Impairment	Revised Adjusted ⁽⁵⁾	
Net sales	\$ 475.7	\$ 422.3	\$ —	\$ —	\$ 422.3	
Gross profit	141.4	126.3	(1.5)	—	127.8	
% of sales	29.7%	29.9%			30.3%	
Loss from operations	(44.6)	(44.7)	(2.9)	(18.5)	(23.3)	
% of sales	-9.4%	-10.6%			-5.5%	
Interest expense	9.1	8.2	—	—	8.2	
Loss from continuing operations before income taxes	(53.7)	(52.9)	(2.9)	(18.5)	(31.5)	
Income tax benefit	(20.1)	(19.8)	(1.1)	(5.8)	(12.9)	
Loss from continuing operations	(33.1)	(33.1)	\$ (1.8)	\$ (12.7)	\$ (18.6)	
Income from discontinued operations, net of tax	(2) 1.0	0.5				
Net loss	\$ (32.6)	\$ (32.6)				
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Basic income (loss) per common share:	(3)					
Loss from continuing operations	\$ (0.51)	\$ (0.50)	\$ (0.03)	\$ (0.19)	\$ (0.28)	
Income from discontinued operations	0.02	0.01				
Net loss	\$ (0.49)	\$ (0.49)				
<hr/>						
Diluted income (loss) per common share:	(4)					
Loss from continuing operations	\$ (0.51)	\$ (0.50)	\$ (0.03)	\$ (0.19)	\$ (0.28)	
Income from discontinued operations	0.02	0.01				
Net loss	\$ (0.49)	\$ (0.49)				
<hr/>						
Common shares used in basic income (loss) per share calculation	66.5	66.5	66.5	66.5	66.5	
Common shares and potential common shares used in diluted income (loss) per share calculation	66.5	66.5	66.5	66.5	66.5	

THE SCOTTS MIRACLE-GRO COMPANY

**Net Sales and Income from Continuing Operations before Income Taxes by Segment
by quarter and on an annual basis for the fiscal year ended September 30, 2010 and on an annual basis for the fiscal year ended
September 30, 2009**
(Unaudited) (in millions)

Note: See Accompanying Footnote 6 on Page 11

	Fiscal year ended September 30, 2010					Fiscal year ended September 30, 2009
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Year	
Net Sales:						
Global Consumer	\$ 214.0	\$ 1,014.7	\$ 1,085.9	\$ 335.1	\$ 2,649.7	\$ 2,485.3
Scotts LawnService®	33.0	30.6	81.3	79.2	224.1	231.1
Segment total	247.0	1,045.3	1,167.2	414.3	2,873.8	2,716.4
Corporate and Other	5.6	5.6	5.6	8.2	25.0	31.1
Roundup® amortization	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)	(0.8)
Product registration and recall matters	—	—	—	—	—	(0.3)
Consolidated	<u>\$ 252.4</u>	<u>\$ 1,050.7</u>	<u>\$ 1,172.6</u>	<u>\$ 422.3</u>	<u>\$ 2,898.0</u>	<u>\$ 2,746.4</u>
Income (loss) from Continuing Operations before Income Taxes:						
Global Consumer	\$ (40.4)	\$ 250.7	\$ 289.5	\$ (9.1)	\$ 490.7	\$ 411.8
Scotts LawnService®	(7.5)	(15.1)	21.9	21.7	21.0	14.0
Segment total	(47.9)	235.6	311.4	12.6	511.7	425.8
Corporate and Other	(15.6)	(34.5)	(27.3)	(33.3)	(110.7)	(124.2)
Roundup® amortization	(0.2)	(0.2)	(0.2)	(0.2)	(0.8)	(0.8)
Other amortization	(2.7)	(2.5)	(2.3)	(2.4)	(9.9)	(11.7)
Product registration and recall matters	(2.6)	(1.7)	(1.5)	(2.9)	(8.7)	(28.6)
Impairment of assets	—	—	—	(18.5)	(18.5)	—
Interest expense	(9.7)	(14.1)	(11.2)	(8.2)	(43.2)	(52.4)
Consolidated	<u>\$ (78.7)</u>	<u>\$ 182.6</u>	<u>\$ 268.9</u>	<u>\$ (52.9)</u>	<u>\$ 319.9</u>	<u>\$ 208.1</u>

THE SCOTTS MIRACLE-GRO COMPANY
Condensed, Consolidated Balance Sheets
January 2, April 3, July 3, and September 30, 2010
(Unaudited) (in millions)

Note: See Accompanying Footnote 2 on Page 11

	January 2, 2010	April 3, 2010	July 3, 2010	September 30, 2010
ASSETS				
Current assets				
Cash and cash equivalents	\$ 51.5	\$ 38.4	\$ 77.7	\$ 88.1
Accounts receivable, net	214.6	996.7	626.5	350.9
Inventories, net	587.5	531.6	405.9	352.9
Assets held for sale	221.7	237.9	206.0	193.1
Prepays and other current assets	<u>164.3</u>	<u>195.9</u>	<u>161.2</u>	<u>133.1</u>
Total current assets	1,239.6	2,000.5	1,477.3	1,118.1
Property, plant and equipment, net	356.5	362.7	359.4	381.3
Goodwill, net	305.8	305.8	305.8	305.8
Other intangible assets, net	359.8	353.5	347.1	330.2
Other assets	<u>24.3</u>	<u>29.1</u>	<u>33.6</u>	<u>28.6</u>
Total assets	<u>\$2,286.0</u>	<u>\$3,051.6</u>	<u>\$2,523.2</u>	<u>\$ 2,164.0</u>
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Current portion of debt	\$ 166.7	\$ 244.3	\$ 200.0	\$ 195.0
Accounts payable	279.3	301.8	213.3	141.7
Liabilities held for sale	42.5	45.7	44.4	42.4
Other current liabilities	<u>251.3</u>	<u>424.2</u>	<u>536.4</u>	<u>357.7</u>
Total current liabilities	739.8	1,016.0	994.1	736.8
Long-term debt	798.8	1,156.0	490.2	436.7
Other liabilities	<u>208.9</u>	<u>205.9</u>	<u>204.1</u>	<u>226.0</u>
Total liabilities	1,747.5	2,377.9	1,688.4	1,399.5
Shareholders' equity	<u>538.5</u>	<u>673.7</u>	<u>834.8</u>	<u>764.5</u>
Total liabilities and shareholders' equity	<u>\$2,286.0</u>	<u>\$3,051.6</u>	<u>\$2,523.2</u>	<u>\$ 2,164.0</u>

THE SCOTTS MIRACLE-GRO COMPANY
Footnotes to Condensed, Consolidated Selected Financial Data

Results of Operations

- (1) Previously reported results of operations reflect the Company's consolidated financial statements presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"), as disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2010 and the Company's Current Report on Form 8-K filed February 16, 2010.

Revised reported results of operations derive from the Company's historical consolidated financial statements, as recast to retrospectively reflect the Company's global professional business (excluding the non-European professional seed business, "Global Pro") as discontinued operations in accordance with GAAP. See Footnote 2 below.

- (2) In December 2010, the Company accepted a binding offer from Israel Chemicals Ltd. ("ICL") to acquire Global Pro for \$270 million in an all-cash transaction, subject to certain adjustments at closing. The transaction is expected to close in the Company's second quarter of fiscal 2011, subject to regulatory review and the satisfaction of certain other conditions.

Beginning in its fiscal quarter ended January 1, 2011, the Company reclassified the assets and liabilities of Global Pro to assets and liabilities held for sale, and included the results of operations of Global Pro in discontinued operations for all periods presented. The Global Pro results from discontinued operations include an allocation of interest expense relating to the estimated amount of the Company's senior secured credit facilities that will be required to be repaid from the sale proceeds.

During the first quarter of fiscal 2010, the Company completed the closure of its Smith & Hawken business. As a result, beginning in the first quarter of fiscal 2010 the Company included the results of operations of Smith & Hawken in discontinued operations for all periods presented.

- (3) Basic income (loss) per common share amounts are calculated by dividing income (loss) from continuing operations, income (loss) from discontinued operations and net income (loss) by average common shares outstanding during the period.
- (4) Diluted income (loss) per common share amounts are calculated by dividing income (loss) from continuing operations, income (loss) from discontinued operations and net income (loss) by the average common shares and dilutive potential common shares (common stock options, stock appreciation rights, performance shares, restricted stock and restricted stock units) outstanding during the period.

When there is a loss for the period, dilutive potential common shares are not included in the calculations because to do so would be anti-dilutive.

- (5) The Reconciliation of Non-GAAP Disclosure Items includes the following non-GAAP financial measures:

Adjusted income (loss) from continuing operations and adjusted basic and diluted income (loss) per share from continuing operations — These measures exclude charges or credits relating to refinancings, impairments, restructurings, product registration and recall matters, discontinued operations and other unusual items such as costs or gains related to discrete projects or transactions that are apart from and not indicative of the results of the operations of the business.

The Company reports its financial results in accordance with GAAP. However, management believes that certain non-GAAP financial measures used in managing the business may provide users of this financial information additional meaningful comparisons between current results and results in prior operating periods. The Company believes that these non-GAAP financial measures are the most indicative of the Company's ongoing earnings capabilities and that disclosure of these non-GAAP financial measures therefore provides useful information to investors and other users of its financial statements, such as lenders. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP.

- (6) The Company is divided into the following reportable segments: Global Consumer and Scotts LawnService®. This division of reportable segments is consistent with how the segments report to and are managed by senior management of the Company. The Company's reportable segments have been revised to reflect the reclassification of Global Pro as discontinued operations (see Footnote 2). Furthermore, reclassifications have been made to prior period segment amounts to reflect changes in the allocation of certain shared expenses among the segments, which in management's judgment better align those expenses with the associated drivers and benefits.

Segment performance is evaluated based on several factors, including income from continuing operations before amortization, product registration and recall costs, and impairment, restructuring and other charges, which are not GAAP measures. Management uses this measure of operating profit to gauge segment performance because we believe this measure is the most indicative of performance trends and the overall earnings potential of each segment.

Corporate & Other consists of the Company's non-European professional seed business and corporate and administrative expenses.