OUR 24 POWER BRANDS are valuable, pervasive, extendable brands that touch every retail channel and every consumer's life.

LEADER OF THE PACK®

NEWELL RUBBERMAID 2002 ANNUAL REPORT

This Annual Report should be read in conjunction with Newell Rubbermaid’s proxy statement, dated March 30, 2003, and the 2002 Form 10-K. Copies of the proxy statement and Form 10-K may be obtained online at www.newellrubbermaid.com.
NEWELL RUBBERMAID 2002 ANNUAL REPORT

OUR 24 POWER BRANDS are valuable, pervasive, extendable brands that touch every retail channel and every consumer's life.

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Internal Sales Growth 3.3% Operating Income 10.4% Working Capital 3.8%

Newell Rubbermaid is a global manufacturer and full-service marketer of branded consumer products and their commercial extensions, serving the needs of volume purchasers, including department stores, discount stores and warehouse clubs, as well as home centers, hardware stores, commercial distributors, office suppliers and contract dealers. We market a multi-product offering of branded consumer products, backed by an obsession with customer service excellence and new product development. Our current portfolio includes 34 power brands, and we operate under four highly focused business groups: Rubbermaid, Sharpie, Irwin and Calphalon.

Free Cash Flow $392 Million ROIC 10.5%

Our five key measures and goals:

Internal Sales—minimum growth level of 5%
Operating Income—15%
Operating income, excluding restructuring and other non-recurring charges, as a percentage of sales
Working Capital—maximum of 30%
Return on Invested Capital—minimum of 15%

This group showcases a worldwide product offering that includes pens, pencils, ballpoints, rollerball pens, felt tip pens, markers, juvenile writing instruments and fine writing instruments. This group also includes hair markers, juvenile writing instruments and fine writing instruments. This group is a world leader in writing instruments with a product offering that includes pens, pencils, ballpoints, rollerball pens, felt tip pens, markers, juvenile writing instruments and fine writing instruments.

Internal Sales Growth (percent increased)

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
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</thead>
<tbody>
<tr>
<td>Rubbermaid™ Shrink®</td>
<td>$1,904.7</td>
<td>6.1%</td>
</tr>
<tr>
<td>Shrink®</td>
<td>$1,799.4</td>
<td>55.6%</td>
</tr>
<tr>
<td>Paper Mate®</td>
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<tr>
<td>Waterman®</td>
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<tr>
<td>Parker®</td>
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<td>Calligrafix®</td>
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<tr>
<td>Goody®</td>
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<tr>
<td>Irwin Group</td>
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<td>Irwin®</td>
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<tr>
<td>View-Point®</td>
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<tr>
<td>Maratón®</td>
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<tr>
<td>Quick-Grip®</td>
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<tr>
<td>Bent-Over® Shrink®</td>
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<tr>
<td>Linex®</td>
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Working Capital (in millions of dollars)

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<tr>
<th></th>
<th>2001</th>
<th>2002</th>
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<tbody>
<tr>
<td>Rubbermaid® Slim Cooler</td>
<td>$19.2</td>
<td>10.7%</td>
</tr>
<tr>
<td>Rubbermaid® Slim Cooler</td>
<td>$19.2</td>
<td>10.7%</td>
</tr>
<tr>
<td>Parker® 3&quot; Special Edition</td>
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<tr>
<td>Sharpie® Grip Permanent Marker</td>
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<td></td>
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<tr>
<td>Quick Grip® Chisel</td>
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<tr>
<td>Marathon® 7&quot; / 9&quot; Sae Blade</td>
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<tr>
<td>Rubbermaid® Marking™ Saws</td>
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<tr>
<td>Little Tykes® Dehy Corporation</td>
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<tr>
<td>Little Tikes® Natural Bedlock</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lasso®</td>
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<td></td>
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<tr>
<td>Utility Knife</td>
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</table>

Return on Invested Capital (percent)

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<th></th>
<th>2001</th>
<th>2002</th>
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<tbody>
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Forward-Looking Statements

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Stockholder Information

Additional copies of Newell Rubbermaid’s proxy statement and Form 10-K filed with the Securities and Exchange Commission, dividend reinvestment plan information, recent and historical financial data and other information about Newell Rubbermaid is available without charge to interested stockholders upon request to: Investor Relations Newell Rubbermaid Inc. 6823 Sable Drive, Suite 100 Rockford, IL 61109 (815) 387-4173 investor.relations@newellco.com or the Company’s website at www.newellrubbermaid.com

Newell Rubbermaid will hold its annual meeting of stockholders of Newell Rubbermaid on May 7, 2003, 10:00 a.m. local time at The Northern Tool Company 50 South LaSalle Street Chicago, Illinois 60675

Products shown on back cover

- Rubbermaid® Point Applicators
- Expo® Dry Erase Marker
- Straightline® Assorted Colors
- Paper Mate® Clear Point® Pencils
- GoWrite® Board Eraser
- Lasso® Utility Knife
- Quickfire® Marker
- Charcoal® Sneaker
- Dry Erase Board
- Leather Rose Ponytailer
- Goatly® Leather Rose Ponytailer
- Calphalon® Contemporary Cutlery
- BernzOmatic® Contemporary Cutlery
- Rubbermaid® Blue Ice® Action Pocket® Soft Solder
- Waterman® Fountain Pen
- True Packer®
- Conair® and Bursten of Boston
- Straightline® All-Purpose Markers

Research Coverage

A.G. Edwards & Sons, Robert W. Baird
Bank of America Securities
Barrington Research Associates
CIBC World Markets
Folksam
Goldman, Sachs & Co.
J.P. Morgan & Co.
Lynch, Jones & Ryan, Inc.
Merrill Lynch
Midwest Research
Prudential Securities
Raymond James & Associates
Salomon Smith Barney
Washington Strategies
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### Internal Sales Growth: 3.3%  Operating Income: 10.4%  Working Capital: 38.8%

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<td>34.8%</td>
</tr>
<tr>
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<td>-</td>
<td>55.6%</td>
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<td>Irwin®</td>
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Free Cash Flow: $392 Million  ROIC: 10.5%

Our five key measures and goals:

- **Internal Sales**—minimum growth level of 5%
- **Operating Income**—minimum growth level of 15%
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Return on Invested Capital—maximum of 30% from-previous quarter of accounts receivable plus inventory, net of accounts payable, divided by trailing 12-month sales.

Free Cash Flow—trailing 12-months operating income divided by a five-quarter average of debt and equity.

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### Annual Meeting of Stockholders

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### Forward-Looking Statements

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### Products shown on back cover

- **Rubbermaid**® Point Applicators
- **Equipt** Dry Erase Marker
- **Stratilux** Low-Latex
to-shelf Pencils
- **Gecko** Grip Pencil
- **Jentri** Disposable Hardware
- **Little Pack of Black**
- **Lasser** Utility Knife
- **Bernz-Omatic**® Hand Held Power Tools
- **Marathon**® 7/" saw blade
- **Berkley**® Made in the USA Disposal Food Storage Containers
- **Little Tikes**® Natural Habitat®
- **Design** Woodpecker Table and Chair
- **Glocki**® Sure Grip Putty
- **Calphalon**® Contemporary Cutlery
- **Waterman**® Fountain Pen
- **Letterman**® Disposable Food Storage Containers
- **Paterson**® Frame Frames

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To Our Shareholders:

These are exciting times at Newell Rubbermaid as we continue to transform into a consumer-focused, new product driven company. We are encouraged by our substantial progress. In 2002, we achieved strong internal sales growth of 3.3%, the highest in over four years, and earnings per share grew 15% to $1.58, excluding charges. Just as important, we demonstrated meaningful improvement in all five of our key financial measures.

We achieved these results by controlling our destiny in a difficult macroeconomic environment. Today, our focus remains fixed on what is strategically vital to us—organic growth through New Product Development, Marketing and Strategic Account Management. In addition, we have made broad-based improvements in our cost structure that are providing the resources for these growth strategies.

We are also encouraged by the enormous potential we see for our brands. We estimate that our sales account for only 2% of a $370 billion worldwide marketplace for consumer products and their commercial extensions. By executing our strategic initiatives and controlling our destiny, we will capture a larger share of this enormous market. Our results to date provide early evidence that we are right on track.

To further strengthen our presence in the worldwide marketplace, we acquired two outstanding hardware companies, American Tool in April 2002, and American Saw in January 2003. These hardware companies bring us five power brands: Lenox®, Irwin®, Marathon®, Vise-Grip® and Quick-Grip®, and position us as a strong player in the global hand tool and power tool accessories market.

How we win. At Newell Rubbermaid we have formulated a thoughtful, comprehensive plan to maximize our company’s long-term results. We call this our “How We Win” roadmap. It keeps us focused on the right measures, the right strategy, the right organization, the right operating cycle and the right culture. In short, our roadmap provides the direction we need to win in the marketplace and create value for our shareholders.

The right measures. All of our businesses measure their performance by the same yardstick, using five key measures: Internal Sales Growth, Operating Income, Working Capital, Free Cash Flow and Return on Invested Capital (ROIC). Collectively, they indicate how well we are executing our strategies.
Internal sales growth was 3.3% in 2002, versus a 7.6% sales decline in 2001. This significant sales growth was accomplished despite reducing sales to certain high-risk customers. Historically, we struggled to grow our existing businesses, and instead, relied on acquisitions for sales growth. Today, we are focusing on growing sales organically. We believe we will reach a minimum 5% sustainable annual internal sales growth rate by 2004.

Operating income as a percentage of sales, excluding restructuring and other non-recurring charges, rose to 10.4% in 2002, versus 9.5% in 2001. Our plan is to grow operating income to 15% by improving our gross margin through a combination of increased productivity, high-margin new products and better product mix management. As operating margins begin to exceed 15%, we will invest more heavily in new product and marketing initiatives to ensure an even higher future growth rate.

Working capital as a percentage of sales improved to 26% in 2002, versus 30% in 2001. Working capital improvement is vital to providing cash flow and allows us to further strengthen our balance sheet. We made good progress on reducing our working capital, and believe we have significant opportunities to further reduce inventory and to increase payables.

Free cash flow reached $392 million in 2002, equaling our record performance in 2001. Our free cash flow during 2002 is an important reflection of the quality of our earnings. Essentially, it enabled us to purchase American Tool. Over the next 12 to 18 months, our priority will be to reduce debt rather than invest in significant acquisitions.

ROIC improved to 10.5% in 2002, versus 7.9% in 2001. Results in 2002 demonstrate that we are more effectively using our capital by improving our earnings, reducing our working capital and better utilizing our fixed capital. Our intermediate goal is to reach 15% ROIC, and long-term, we will target 20% ROIC or greater.

The right strategy. At Newell Rubbermaid, our six strategic initiatives provide us with a consistent template for driving operating improvements to achieve our long-term financial goals.

Two initiatives, Productivity and Streamlining, target cost reductions to provide funds for our growth initiatives. We’re not looking to be pioneers here; we only need to implement best practices already established by other world-class companies.

The remaining four initiatives drive growth: New Product Development, Marketing, Strategic Account Management and Collaboration. They make up our “special sauce” because we believe they will provide us with an unassailable competitive advantage.

The pages that follow this letter will further describe the six strategic initiatives, along with a discussion of our Power Brands and Phoenix Program.

The right organization. We are aligning our organizational structure to support our strategic plan. We have been extremely fortunate in attracting outstanding people and infusing their talent into strategic functions. In 2002, we enhanced our senior management team by adding 55 external hires and promoting 51 internal employees to the vice president level and above. Bottom line: We now have one of the most highly talented, passionate and results-oriented teams in the consumer products industry.

“... there are no boundaries for Newell Rubbermaid and our powerful portfolio of brands, only immense opportunities.”
Our Phoenix Program, a network of over 500 recent college graduates serves as our in-store sales force, focusing on our strategic customers. We have hired over 1,000 Phoenicians from 128 universities since this program was established in 2001. Their impact has been substantial—sales to our eight largest strategic accounts are up 15% for the year and our relationships with these retailers are stronger than ever. The Phoenix Program continues to be a source of future company leaders and we have already promoted 255 high-potential Phoenicians.

We concentrate heavily on training and developing the leadership talent we identify within our organization. Our training hits every level in the company, from newly hired Phoenicians to senior executives. Our senior executives attend “Breakthrough Leadership”, an intensive week-long session of training taught by our company executives and board members. The subjects: How to develop outstanding leadership skills and How to drive breakthrough improvements at Newell Rubbermaid.

Our strong commitment to developing our people will be further amplified at our new global corporate headquarters in Atlanta, Georgia, which will include a sophisticated world-class training center.

The right operating cycle. Our operating cycle is a series of monthly, quarterly and annual reviews. Previously, our businesses were fiercely independent, operating with their own strategies, metrics and timetables. Today, consistency is our operating standard. A consistent company-wide operating cycle now ensures that we are collaborating on the right things at the right time using a common language.

The right culture. We are changing our company from the top down and the bottom up—driving a new way of thinking across all levels of our organization. We are creating a collaborative, responsive organization that is, above all, results-oriented. And while we recognize that culture cannot change overnight, there is clearly a growing esprit de corps in our organization.

Where we go from here. We are encouraged by our performance in 2002 and we believe we are on the right track. Nevertheless, we recognize that there is still more to be done. How we grow from this point is spelled out in our six strategic initiatives and five key measures. What follows in the narrative is a look at those strategies in action, and how they are reshaping our company.

As we see it, there are no boundaries for Newell Rubbermaid and our powerful portfolio of brands, only immense opportunities. We believe that we have the right strategy and people in place to deliver consistent, long-term results.

Above all, we have the right attitude. Our culture centers on the passion we all have for our business. Our people are a critical part of making Newell Rubbermaid one of the great companies of the world. In fact, the changes you will read about in this annual report could not have happened without the singular focus and dedication of Newell Rubbermaid’s 47,000 employees.

Together, we control our destiny.

Joseph Galli
Chief Executive Officer

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Net Sales
(in billions of dollars)

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<td>Q2</td>
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<td>Q4</td>
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Strategic Account Sales Growth 2002
(percent increase)

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Our brands touch every retail channel—and every consumer’s life. At Newell Rubbermaid, we make everyday products—things people need to make everyday living easier, more comfortable and more enjoyable. But our competitors make these types of products, too. So what sets Newell Rubbermaid apart? Quite simply, the power of our brands.

Our brands are valuable. Newell Rubbermaid offers some of the most demanded retail brands in the marketplace. Our portfolio includes 24 prominent, consumer-focused power brands that we streamlined from over 260 trade-focused brands. They are established market leaders that have top-of-mind presence with virtually every consumer. When people think of home storage and organization, they think Rubbermaid®. For cooking, they trust Calphalon®. For building projects, Irwin® tools get the job done. And for something as personal as an autograph, they reach for a Sharpie® marker.

Our brands are pervasive. They touch every retail sales channel, from grocery stores and discount stores to warehouse clubs and home centers. From office superstores and department stores to web-based retailers. Wherever consumers work, live and play, you’ll find our products.

Our brands are extendable. This gives us the advantage of re-branding existing products to strengthen their marketability. Or in the case of Rubbermaid® TakeAlongs® containers, using the recognized Rubbermaid® brand to enter a new product category. These are just two of the many ways we unlock the power of our brands.
Rubbermaid® TakeAlongs® are semi-disposable food storage containers introduced in 2002. Leveraging the powerful Rubbermaid® brand with a superior new product, TakeAlongs® have captured a significant position of this key market segment in less than one year. An expanded line of TakeAlongs® will launch in 2003.
Irwin is investing in technology to drive productivity on the factory floor. This grinder automates multiple steps of the manufacturing process of drill bits into a single step—improving throughput and reducing labor and material handling costs.
Our strategy for productivity is driven by a simple idea—challenge every cost. At Newell Rubbermaid we have a continuous improvement mindset, or as we like to call it, a “raise the bar” culture, that is at the heart of our productivity initiative. Our objective is to become the best-cost supplier to our customers. To accomplish that, we’re challenging every component of our cost of production and transportation. Our annual objective is to reduce total cost 5% year over year.

Our Irwin group leads the company in driving productivity breakthroughs. Irwin began by addressing their greatest opportunity for savings—purchasing. Purchased materials represent more than 50% of total cost of goods sold. Irwin was able to leverage Newell Rubbermaid’s consolidated purchasing power to drive lower cost and reduce complexity in their supply chain.

Irwin also reduced the number of their suppliers by over 16% in 2002, and expects another 25% reduction in 2003. In addition, they introduced a “supplier scorecard” to measure supplier productivity and promote operational excellence in their supply chain. In purchasing alone, Irwin achieved over 5% productivity in 2002.

Next, the Irwin group looked at manufacturing costs, closing 18 manufacturing facilities, streamlining excess capacity and shifting production to lower-cost countries. This shift to lower-cost countries positions Irwin for future global expansion.

Distribution and transportation is another source for productivity. Irwin’s early progress in this area includes establishing a core North American freight carrier program that reduced the number of carriers from roughly 1,200 to 200. Not only has that significantly decreased complexity, but it also reduced the cost of shipping.

On the factory floor, Irwin is focusing on operational excellence to boost manufacturing productivity, quality and safety. Irwin uses value stream mapping, Kaizen and other lean manufacturing principles to improve material flow, reduce scrap, minimize down time and achieve continuous improvement in cost, quality and service levels. And to improve their process capabilities, Irwin is making high-return investments in new equipment, technology and preventive maintenance programs. The result for Newell Rubbermaid: world-class operations that will support our future growth.
The SG&A savings from streamlining operations don’t go directly to the bottom line—we use them to invest in and grow our top line.

Streamlining goes hand in hand with improving productivity. We are focused on reducing non-strategic and non-value-added SG&A activities across our organization. We’re centralizing administrative functions, reducing excess layers and eliminating non-strategic spending. We’re creating a leaner, more flexible organization.

Streamlining isn’t just about savings, it’s about investing those savings into strategic SG&A activities. Our Calphalon Home group is a great example of streamlining success. In 2002, Calphalon used their streamlining savings to launch the new Calphalon Culinary Center in Chicago. This is one of our many new grass roots marketing programs.

In addition to generating valuable media publicity for the Calphalon® brand, the center is putting our products in the hands of consumers. Chefs at the Culinary Center conduct lectures, demonstrations and hands-on cooking classes with the seamless integration of Calphalon® products.

The results have been so successful that we’re opening a Culinary Center in Toronto in 2003 and up to 30 other schools over the next 5 years.

Calphalon also invested their SG&A savings into a dedicated Phoenix team to support its launch of Cooking with Calphalon®. This is an exclusive line of cookware for Kohl’s, one of our strategic customers.

Calphalon’s success is one of many examples of effective streamlining by Newell Rubbermaid in 2002. Further streamlining initiatives will provide the funds for even more exciting marketing programs in the future.
New Product Development

As shown above, we develop numerous prototypes throughout our new product development process. Using these models, we solicit feedback from consumers and from our retail partners to develop innovative new products.
New Ideas You Asked For

**Rubbermaid® Stain Shield™** food storage containers resist tomato stains—even in microwaves. **Graco® TurboBooster™** a car seat that grows with your child. **Rubbermaid® Corner Deck Box** makes use of unused space. **Little Tikes® Goofy Giggles™** the grow-with-me remote control.

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**Our new product development process is driven by a strong point of view—the consumer’s.**

Keeping ahead of the competition means differentiating our brands—not with commodity products, but with impactful, innovative and patentable new products to meet consumer needs. We’ve done this by developing an aggressive new product development program—one in which the consumer now plays a pivotal role.

The Rubbermaid group has taken the lead in our new product development model, taking it from an engineering-driven process to a consumer-driven process. Their best practices have been shared across the company and the results have been remarkable. In fact, we introduced more new products in 2002 than we had in the last three years combined. More than just new, the products we develop are unique in their categories. They offer patentable features, fashion-forward styling and satisfy unmet consumer needs. Most importantly, this type of product differentiation warrants higher margins for both Newell Rubbermaid and our retailers.

In 2002, the launch of the revolutionary **Stain Shield™** food storage containers was the largest single new product launch in our 100-year history. Consumers asked for a food storage container that would resist tomato sauce stains, even in the microwave. In the end, we not only had a highly profitable new product, but a proven technology for use in other new products company wide.

And in the youth booster seat market, the new sporty **TurboBooster™** car seat has redefined child safety and comfort. The TurboBooster™ has safety features like energy-absorbing foam that provide added side impact protection and it has a head support for comfort that can be easily adjusted as a child grows.

The **Corner Deck Box** is another exciting new product from Rubbermaid that will launch in early 2003. The waterproof Corner Deck Box helps the consumer stay organized and its unique design makes use of space in the corner of the deck. Another winner for 2003 is the **Goofy Giggles™** Remote Control from Little Tikes. This toy creates a fun and unique learning environment for children. When touched, it giggles and scoots away, encouraging crawling. As children develop, they can use the remote control ring, which aids in the development of their motor skills.

Rubbermaid will also launch a new family of coolers in 2003. Consumers demanded large coolers that are easy to transport during family activities. Rubbermaid responded by applying their new product development model involving end-users in every step of the process. The result is a functional and fashionable cooler with innovative features such as a split lid with deep cupholders, a retractable “luggage like” pull handle, and dual material wheels—an example of our commitment to a full new product pipeline.
Kurt Busch won his first career Winston Cup race at the Bristol Motor Speedway. We love to see the Rubbermaid car in Victory Lane, but our sponsorship of NASCAR is really about grass roots marketing. NASCAR is America’s fastest growing spectator sport, drawing over 10 million fans per year in attendance and 250 million television viewers. NASCAR fans have the highest brand loyalty of any sport, and we believe our sponsorship is a high-return investment.
We focused our marketing efforts on the consumer to increase demand for our high-impact new products. Zero to $40 million in two years. For a company's advertising budget, it's a phenomenal growth pace. It's money well spent—both to reinforce our power brands and to promote our impactful, high-margin new products.

Increased advertising is just one part of our marketing strategy. We're also reaching out to consumers in a variety of hands-on ways—creating heightened consumer demand for our products through grass roots marketing. It includes innovative concepts such as the Phoenix Program, our aggressive in-store sales force, NASCAR and other event marketing. These programs put Newell Rubbermaid products directly into the hands of consumers, generating brand loyalty and building a strong, word-of-mouth following.

Our Sharpie® marker sales grew 23% during 2002, driven, in part, by our marketing campaigns. For television advertising, the “How do you use your Sharpie®” campaign highlighted the diverse and creative ways people use the world’s most popular marker. For print advertising, Sharpie ran a holiday ad that was inspired by San Francisco 49ers Terrell Owens's spontaneous use of a Sharpie®. On a nationally televised NFL game, he ceremoniously pulled a Sharpie® marker out of his sock and used it to sign his touchdown football. The value of the media coverage generated by that single action is immeasurable.

In collaboration with Newell Rubbermaid’s overall sponsorship of NASCAR, Sharpie sponsors the Sharpie® 500. The televised Bristol, TN night race is one of the most popular, highly rated races in the circuit, and, after two years of sponsorship, has energized the Sharpie® brand. The Sharpie® 500 is not just a race, but an entire weekend of activities, featuring the Newell Rubbermaid Block Party. The Block Party includes product demos and interactive displays that reach tens of thousands of consumers over the course of the weekend.

The Sharpie group’s Goody division is also driving demand through grass roots marketing efforts. This year, Goody announced its sponsorship of the National Spirit Group, an organization that reaches more than three million cheerleaders and dancers across the nation. This sponsorship leverages the Goody® brand and heightens its visibility as a fashion leader in hair care accessories. Their focus on this extremely influential segment of the teen market helped drive their double-digit sales increase in 2002.

Television and print advertising campaigns, combined with powerful grass roots marketing events will continue to play an integral role in strengthening consumers’ preference for Newell Rubbermaid brands.
We’re growing our company with the right retailers. Not all retailers are the same. Some are growing at an accelerated rate that offers us greater opportunity. At Newell Rubbermaid, we have a name for those customers: Strategic Accounts.

For Strategic Accounts, we focus our resources and efforts on new ways to grow their business as well as our own. Our strategic customers have priority for new product introductions like Rubbermaid® TakeAlongs® containers and Calphalon® cutlery. They also have priority for marketing investments such as support from our Phoenix Program. We commit our time and best talent to partner with these customers, and, as a result, they see as much opportunity in Newell Rubbermaid as we see in them.

Strategic Account Management also drives our Key Account program. This program, launched in 2001, established three distinct sales organizations, each headed by its own president, to address the specific needs of Wal*Mart, The Home Depot and Lowe’s. Each Key Account also has a dedicated team of Phoenicians driving sales at the store level. Working closely with these Strategic Accounts, we’re able to customize services, enhance our response time, and most importantly, build stronger relationships.

In 2002, Strategic Accounts represented 40% of our domestic business and sales to our top eight Strategic Accounts grew 15%. These are strong results and we are just beginning to tap the enormous potential of all our Strategic Accounts.
Mike Schumaker, a Wal*Mart Phoenician, gets an early start at the Niles, Illinois store. A dedicated Phoenix team is one of the ways we invest in our Strategic Accounts like Wal*Mart. Our Phoenicians helped drive our 9% sales increase to Wal*Mart in 2002.
Sharpie® sales at The Home Depot have improved significantly due to the efforts of our Phoenicians, like Kevin Gladstone. Because of Sharpie’s many uses, creative merchandising can have a tremendous impact on sales.
Most consumer products companies have a merchandising group – we have a small army.

Today’s retail environment is contentious, with our competitors vying for shelf space, brand presence, product placement and sales. Meet Newell Rubbermaid’s frontline force – the 542 team members of our Phoenix Program. They’re no ordinary group of merchandisers. They’re the most powerful in-store sales force in the industry.

Phoenix team members work exclusively in the field with dedicated teams for Wal*Mart, The Home Depot and Lowe’s, as well as other Strategic Accounts. Their mission: build rock-solid relationships with retailers at the store level. It’s a mutually beneficial arrangement. We help the retailer merchandise more effectively, increasing sales for them and Newell Rubbermaid.

Our Phoenicians are recent university graduates, high achievers with a visible passion for the business. They are not traditional merchandising reps. Sure, they perform product demonstrations and restock shelves, but their real talent lies in inventing profitable new retail marketing tactics on the fly that drive incremental sales for our products. Like cross-merchandising Sharpie® markers in the lumber department and other key contractor areas in The Home Depot; or training Lowe’s associates on their innovative Size-in-Store Levolor window blind program; or securing high-velocity front register space for Rubbermaid® Stain Shield™ at Wal*Mart.

Our Phoenicians are a source of future company leaders. Since we began, 255 Phoenicians have been promoted to mid-level sales and marketing positions, infusing a valuable store-level and consumer perspective into our organization. Hundreds of new graduates have replaced them, committed to making further inroads into our Strategic Accounts.
Collaboration

Our business units are diverse, yet they share many things. Take best practices, for instance. Don’t reinvent the wheel. An excellent strategy to follow for an enterprise as large and diverse as Newell Rubbermaid. That’s why we continue to put such a heavy emphasis on sharing knowledge and resources. It’s a focus that is paying off, not only in cost synergies from centralizing functions like purchasing, distribution and transportation, but also in the way that our people communicate and work together.

A new collaborative spirit is emerging at Newell Rubbermaid as we continue to drive strategic and cultural change throughout the company. Put simply, we are reshaping ourselves from the top down and the bottom up. An example: we train all Phoenicians together as a group, regardless of their ultimate Strategic Account assignments. As a result, they have a collaborative mindset from day one, and they take that mindset with them as they move through the ranks.

Collaboration has a positive impact on our new product development teams. Our new product development process is cross-functional, involving Marketing, R&D, Engineering, Purchasing, Manufacturing and Logistics. We also consistently gather input from external sources like our consumers and our retail partners. This level of collaboration makes us extremely efficient, reducing the time it takes to get to market with a new product. In fact, our Rubbermaid® Tough Tools™ program, which will launch in mid-2003, will be brought to market in less than 10 months.

The Rubbermaid® Tough Tools™ program was defined through collaborative efforts between Rubbermaid and our hardware business. This program targets the beginner to intermediate do-it-yourself consumer for the most common household projects such as hanging a picture or installing a shelf. Combining the quality of our hand tools with the highly recognized Rubbermaid® brand, consumers who look to Rubbermaid for storage solutions will now look to Rubbermaid for project solutions.

At Newell Rubbermaid we are more powerful acting as one. By combining our knowledge and expertise and leveraging our brands, we’re creating an organization that responds more effectively and efficiently to changes in our competitive landscape.
The Rubbermaid® Tough Tools™ program is a collaborative effort between Rubbermaid and our hardware business. Targeting the beginner to intermediate do-it-yourself consumers, these attractive high-quality tools have a comfortable ergonomic rubberized grip that we believe is destined for success with retailers as well as end users.
Newell Rubbermaid Directors

William P. Sovey
Chairman of the Board of the Company
Age 69
Director since 1986

Joseph Galli
Chief Executive Officer of the Company
Age 44
Director since 2001

Scott S. Cowen
President, Tulane University
Age 56
Director since 1999

Alton F. Doody
President & Chief Executive Officer, Alton F. Doody Co., a Marketing Consulting Company
Age 68
Director since 1976

Robert L. Katz
President, Robert L. Katz & Associates, Consultants in Corporate Strategy
Age 76
Director since 1975

William D. Marohn
Retired Vice Chairman of the Board, Whirlpool Corporation
Age 62
Director since 1999

Elizabeth Cuthbert Millett
Private Investor
Age 46
Director since 1995

Cynthia A. Montgomery
Professor, Graduate School of Business Administration, Harvard University
Age 50
Director since 1995

Allan P. Newell
Private Investor
Age 56
Director since 1982

Gordon R. Sullivan
President, Association of the United States Army
Age 65
Director since 1999

Raymond G. Viault
Vice Chairman, General Mills, Inc.
Age 58
Director since 2002

Thomas E. Clarke
President, New Business Ventures Nike, Inc.
Age 51
Director since 2003

Newell Rubbermaid Officers

Joseph Galli
Chief Executive Officer
Age 44
Joined Company 2001

William T. Alldredge
President – Corporate Development & Chief Financial Officer
Age 62
Joined Company 1983

Jeffrey E. Cooley
Group President – Calphalon Home
Age 49
Joined Company 1998

Andrea L. Horne
Vice President – Corporate Development & Corporate Secretary
Age 37
Joined Company 2000

Timothy J. Jahnke
Vice President – Human Resources
Age 43
Joined Company 1986

David A. Klatt
Group President – Rubbermaid
Age 38
Joined Company 2001

Douglas L. Martin
Vice President – Treasurer
Age 40
Joined Company 1987

Dale L. Matschullat
Vice President – General Counsel
Age 57
Joined Company 1989

Robert S. Parker
Group President – Sharpie
Age 57
Joined Company 1992

James J. Roberts
Group President – Irwin
Age 44
Joined Company 2001

J. Patrick Robinson
Vice President – Controller
Age 47
Joined Company 2001

Key Account Presidents

Paul G. Boitmann
President – The Home Depot Division
Age 41
Joined Company 2001

Richard L. Kern
President – Lowe’s Division
Age 41
Joined Company 2001

Steven R. Scheyer
President – Wal*Mart Division
Age 44
Joined Company 2001
Internal Sales Growth 3.3% Operating Income 10.4% Working Capital 38.8%

Newell Rubbermaid is a global manufacturer and full-service marketer of branded consumer products and their commercial extensions, serving the needs of volume purchasers, including department stores, discount stores and warehouse clubs, as well as home centers, hardware stores, commercial distributors, office superstores and contract stations. We market a multi-product offering of branded consumer products, backed by an obsession with customer service excellence and new product development. Our current portfolio includes 24 power brands, and we operate under four highly focused business groups: Rubbermaid, Sharpie, Irwin and Calphalon.

Power Brands

<table>
<thead>
<tr>
<th>Worldwide Sales</th>
<th>% Increase</th>
<th>% of Total NWL Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rubbermaid®</td>
<td>$2.592.4</td>
<td>10.0%</td>
</tr>
<tr>
<td>SureCall®</td>
<td>$2.586.6</td>
<td>10.0%</td>
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Rubbermaid® Group

This group is a world leader in indoor and outdoor organization, storage and cleaning products. The group also includes: ready-to-use wipes, cleaning cloths, dish soap, glass cleaner, hand soaps and towels.

Sharpie Group

This group is a world leader in writing instruments with a product offering that includes pens, pencil markers, permanent writing inks and fine writing inks. This group also includes: care essentials.

Irwin Group

This group includes an extensive global offering of hand tools, power tool accessories, window furnishings, cabinet hardware, decorative trim, paint applicators and portable tools.

Calphalon Home Group

This group showcases a worldwide product offering of branded cookware, bakeware, cutlery and kitchen accessories. Also included in this business segment are food service products, as well as imagery of Boston and Concorde picture frames and photo albums.

Free Cash Flow $392 Million ROIC 10.5%

Our five key measures and goals:

Internal Sales—minimum growth level of 5% This sales growth for businesses we have owned longer than one year, including major acquisitions and dispositions.

Operating Income—15% Operating income, excluding restructuring and other non-recurring charges, as a percentage of sales.

Working Capital—maximum of 20% Five-quarter average of accounts receivable plus inventory, net of accounts payable, divided by trailing 12-month sales.

Free Cash Flow—grow Free Cash Flow in line with earnings growth Cash flow provided by operations, net of dividends and capital expenditures.

Return on Invested Capital—minimum of 15% Dividing five-year average operating income divided by a five-year average of debt and equity.

Stockholder Information

Additional copies of this annual report, proxy statement and Form 10-K filed with the Securities and Exchange Commission, dividend reinvestment plan information, recent and historical financial data and other information about Newell Rubbermaid are available without charge to interested stockholders upon request to our Investor Relations Newell Rubbermaid Inc. 6833 Stable Drive, Suite 100 Rockford, IL 61108 (815) 387-6720 investor.relations@newellco.com or the Company’s website at www.newellrubbermaid.com

Annual Meeting of Stockholders

The annual meeting of stockholders of Newell Rubbermaid will be held May 7, 2003, 10:00 a.m. local time at the Northern Trust Company 50 South LaSalle Street Chicago, Illinois 60673

Stockholder Account Maintenance

Communications concerning the transfer of shares, lost certificates, dividends, dividend reinvestment, or multiple dividend checks, duplicate executions or change of address should be directed to the Transfer Agent and Registrar: EquiServe Newell Rubbermaid Inc. Transfer Agent PO Box 2100 Jersey City, NJ 07303-2100 (800) 317-4443 www.equiserve.com

Forward-Looking Statements

The statements contained in this annual report that are not historical in nature are forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties, which could cause actual results to differ materially from those projected, refer to Newell Rubbermaid’s 2002 Form 10-K, Exhibit 99, filed with the Securities and Exchange Commission.

Research Coverage

A.G. Edwards & Sons Robert W. Baird

Bank of America Securities BancBoston Robertson

Barclays Capital Colin Smith

BofA Securities Sandy Barney

Bulwark Goldman, Sachs & Co.

Charles Schwab Jones, Ryan, Inc.

Midwest Research Merrill Lynch

Prudential Securities Salomon Smith Barney

Wachovia Securities

Products shown on back cover

• Rubbermaid® Paint Applicators
• Expo® Dry Erase Marker
• Spirale® (cursive) Script
• Paper Mate® Clear Point Pens
• Sharpie® Quatro Fine Tip Markers
• Expo® White Chalkboard Markers
• Sharpie® Super Grip Permanent Markers
• Quick Grip® Chisel
• Lanier® Display Hardware
• Little Giant® Ladders
• Little Giant® Paint Pail
• Lyon® Utility Knife

• Scripto® Sunrise Pen
• Bic® Pen
• Sharpie® Black Blue Action Parker® Soft Chisel
• Kmart® Waterman Pen
• Concorde® and Burnes of Boston Parker® Rollerball

This Annual Report should be read in conjunction with Newell Rubbermaid’s proxy statement, dated March 25, 2003, and the 2003 Form 10-K. Copies of the proxy statement and Form 10-K may be obtained online at www.newellrubbermaid.com.
OUR 24 POWER BRANDS are valuable, pervasive, extendable brands that touch every retail channel and every consumer's life.

This Annual Report should be read in conjunction with Newell Rubbermaid's proxy statement, dated March 24, 2003, and the 2002 Form 10-K. Copies of the proxy statement and Form 10-K may be obtained online at www.newellrubbermaid.com.