

Condensed Consolidated Statements of Earnings (Unaudited)

Dollars in millions, except per share amounts

| | Three Months Ended | | Nine Months Ended | |
|---|--------------------|----------------|-------------------|----------------|
| | 3/31/2007 | 3/31/2006 | 3/31/2007 | 3/31/2006 |
| Net sales | \$ 1,241 | \$ 1,157 | \$ 3,503 | \$ 3,325 |
| Cost of products sold | <u>704</u> | <u>677</u> | <u>2,006</u> | <u>1,943</u> |
| Gross profit | 537 | 480 | 1,497 | 1,382 |
| Selling and administrative expenses | 162 | 140 | 477 | 445 |
| Advertising costs | 121 | 112 | 347 | 324 |
| Research and development costs | 26 | 25 | 79 | 73 |
| Restructuring and asset impairment costs | 9 | - | 13 | 1 |
| Interest expense | 28 | 33 | 86 | 95 |
| Other (income) expense, net | <u>(2)</u> | <u>2</u> | <u>(9)</u> | <u>2</u> |
| Earnings from continuing operations before income taxes | 193 | 168 | 504 | 442 |
| Income taxes on continuing operations | <u>64</u> | <u>58</u> | <u>172</u> | <u>141</u> |
| Earnings from continuing operations | 129 | 110 | 332 | 301 |
| Earnings from discontinued operations | <u>-</u> | <u>-</u> | <u>5</u> | <u>1</u> |
| Net earnings | <u>\$ 129</u> | <u>\$ 110</u> | <u>\$ 337</u> | <u>\$ 302</u> |
| Earnings per common share: | | | | |
| Basic | | | | |
| Continuing operations | \$ 0.85 | \$ 0.73 | \$ 2.20 | \$ 2.00 |
| Discontinued operations | <u>-</u> | <u>-</u> | <u>0.03</u> | <u>0.01</u> |
| Basic net earnings per common share | <u>\$ 0.85</u> | <u>\$ 0.73</u> | <u>\$ 2.23</u> | <u>\$ 2.01</u> |
| Diluted | | | | |
| Continuing operations | \$ 0.84 | \$ 0.72 | \$ 2.16 | \$ 1.97 |
| Discontinued operations | <u>-</u> | <u>-</u> | <u>0.03</u> | <u>0.01</u> |
| Diluted net earnings per common share | <u>\$ 0.84</u> | <u>\$ 0.72</u> | <u>\$ 2.19</u> | <u>\$ 1.98</u> |
| Weighted average common shares outstanding (in thousands) | | | | |
| Basic | 151,469 | 150,364 | 151,341 | 150,426 |
| Diluted | 153,970 | 152,905 | 153,822 | 152,771 |

Segment Information
(Unaudited)
Dollars in millions

Third Quarter

| | Net Sales | | | Earnings/(Losses) from Continuing Operations Before Income Taxes | | |
|---------------------------------|--------------------|----------------|----------------------------|--|--------------|----------------------------|
| | Three Months Ended | | % Change ⁽¹⁾ | Three Months Ended | | % Change ⁽¹⁾ |
| | 3/31/2007 | 3/31/2006 | | 3/31/2007 | 3/31/2006 | |
| Household Group - North America | \$557 | \$531 | 5% | \$175 | \$162 | 8% |
| Specialty Group | 499 | 466 | 7% | 131 | 110 | 19% |
| International | 185 | 160 | 16% | 38 | 33 | 15% |
| Corporate | - | - | - | (151) | (137) | -10% |
| Total Company | <u>\$1,241</u> | <u>\$1,157</u> | <u>7%</u> | <u>\$193</u> | <u>\$168</u> | <u>15%</u> |

Year To Date

| | Net Sales | | | Earnings/(Losses) from Continuing Operations Before Income Taxes | | |
|---------------------------------|-------------------|----------------|----------------------------|--|--------------|----------------------------|
| | Nine Months Ended | | % Change ⁽¹⁾ | Nine Months Ended | | % Change ⁽¹⁾ |
| | 3/31/2007 | 3/31/2006 | | 3/31/2007 | 3/31/2006 | |
| Household Group - North America | \$1,590 | \$1,550 | 3% | \$500 | \$493 | 1% |
| Specialty Group | 1,389 | 1,296 | 7% | 347 | 281 | 23% |
| International | 524 | 479 | 9% | 106 | 101 | 5% |
| Corporate | - | - | - | (449) | (433) | -4% |
| Total Company | <u>\$3,503</u> | <u>\$3,325</u> | <u>5%</u> | <u>\$504</u> | <u>\$442</u> | <u>14%</u> |

⁽¹⁾ Percentages based on rounded numbers.

Condensed Consolidated Balance Sheets (Unaudited)

Dollars in millions

| | <u>3/31/2007</u> | <u>6/30/2006</u> | <u>3/31/2006</u> |
|---|------------------------|------------------------|------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and equivalents | \$ 171 | \$ 192 | \$ 289 |
| Receivables, net | 426 | 435 | 386 |
| Inventories | 346 | 292 | 377 |
| Other current assets | 75 | 88 | 67 |
| Total current assets | <u>1,018</u> | <u>1,007</u> | <u>1,119</u> |
| Property, plant and equipment, net | 965 | 1,004 | 992 |
| Goodwill | 837 | 744 | 743 |
| Trademarks and other intangible assets, net | 621 | 604 | 608 |
| Other assets | <u>250</u> | <u>257</u> | <u>160</u> |
| Total assets | <u><u>\$ 3,691</u></u> | <u><u>\$ 3,616</u></u> | <u><u>\$ 3,622</u></u> |
| Liabilities and Stockholders' Equity (Deficit) | | | |
| Current liabilities | | | |
| Notes and loans payable | \$ 206 | \$ 156 | \$ 466 |
| Current maturities of long-term debt | 501 | 152 | 153 |
| Accounts payable | 292 | 329 | 285 |
| Accrued liabilities | 460 | 474 | 437 |
| Income taxes payable | 24 | 19 | 36 |
| Total current liabilities | <u>1,483</u> | <u>1,130</u> | <u>1,377</u> |
| Long-term debt | 1,463 | 1,966 | 1,967 |
| Other liabilities | 556 | 547 | 638 |
| Deferred income taxes | <u>97</u> | <u>129</u> | <u>67</u> |
| Total liabilities | <u>3,599</u> | <u>3,772</u> | <u>4,049</u> |
| Contingencies | | | |
| Stockholders' equity (deficit) | | | |
| Common stock | 159 | 250 | 250 |
| Additional paid-in capital | 452 | 397 | 359 |
| Retained earnings | 85 | 3,939 | 3,843 |
| Treasury shares | (404) | (4,527) | (4,542) |
| Accumulated other comprehensive net losses | <u>(200)</u> | <u>(215)</u> | <u>(337)</u> |
| Stockholders' equity (deficit) | <u>92</u> | <u>(156)</u> | <u>(427)</u> |
| Total liabilities and stockholders' equity (deficit) | <u><u>\$ 3,691</u></u> | <u><u>\$ 3,616</u></u> | <u><u>\$ 3,622</u></u> |

Note: During the second quarter of fiscal year 2007, Clorox retired 91 million shares of its treasury stock. As a result of the retirement, treasury stock was reduced by \$4,137 and common stock and retained earnings were reduced by \$91 and \$4,046, respectively. There was no impact to the company's overall equity position as a result of the retirement.