

The Clorox Company

Earnings from Continuing Operations Before Interest and Taxes (EBIT), Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) ⁽¹⁾

Reconciliation schedule of earnings from continuing operations before income taxes to EBIT and EBITDA

Dollars in millions and percentages based on rounded numbers

	FY 2010					FY 2011
	Q1 9/30/09	Q2 12/31/09	Q3 3/31/10	Q4 6/30/10	FY 6/30/10	Q1 9/30/10
Earnings from continuing operations before income taxes	\$ 217	\$ 137	\$ 209	\$ 242	\$ 805	\$ 202
Interest income	(1)	(1)	-	(1)	(3)	(1)
Interest expense	36	37	34	32	139	32
EBIT ⁽²⁾	252	173	243	273	941	233
<i>EBIT margin ⁽²⁾</i>	19.3%	14.2%	18.9%	19.1%	18.0%	18.4%
Depreciation and amortization	48	47	44	46	185	45
EBITDA ⁽³⁾	\$ 300	\$ 220	\$ 287	\$ 319	\$ 1,126	\$ 278
<i>EBITDA margin ⁽³⁾</i>	23.0%	18.1%	22.3%	22.3%	21.5%	22.0%
Net sales	\$ 1,303	\$ 1,215	\$ 1,287	\$ 1,429	\$ 5,234	\$ 1,266

(1) In accordance with SEC's Regulation G, this schedule provides the definition of certain non-GAAP measures and the reconciliation to the most closely related GAAP measure. Management believes the presentation of EBIT, EBIT margin, EBITDA and EBITDA margin provides additional useful information to investors about current trends in the business.

Note: The Company calculates EBITDA for compliance with its debt covenants using earnings from continuing operations before income taxes and earnings from discontinued operations before income taxes.

(2) EBIT (a non-GAAP measure) represents earnings before income taxes (a GAAP measure), excluding interest income and interest expense, as reported above. EBIT margin is a measure of EBIT as a percentage of net sales.

(3) EBITDA (a non-GAAP measure) represents earnings before income taxes (a GAAP measure), excluding interest income, interest expense, depreciation and amortization, as reported above. EBITDA margin is a measure of EBITDA as a percentage of net sales.