

## The Clorox Company

Earnings (Losses) From Continuing Operations Before Interest and Taxes (EBIT), Earnings (Losses) From Continuing Operations Before Interest, Taxes, Depreciation and Amortization (EBITDA) <sup>(1)</sup>

### Reconciliation of earnings (losses) from continuing operations before income taxes to EBIT and EBITDA

Dollars in millions and percentages based on rounded numbers

	FY 2011					FY 2012				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
	9/30/10	12/31/10	3/31/11	6/30/11	6/30/11	9/30/11	12/31/11	3/31/2012	6/30/12	6/30/12
<b>Earnings (losses) from continuing operations before income taxes</b>	\$ 202	\$ (112)	\$ 219	\$ 254	\$ 563	\$ 187	\$ 155	\$ 198	\$ 251	\$ 791
Goodwill impairment <sup>(2)</sup>	-	258	-	-	258	-	-	-	-	-
Interest income	(1)	(1)	-	(1)	(3)	(1)	(1)	-	(1)	(3)
Interest expense	32	33	29	29	123	29	30	33	33	125
<b>EBIT <sup>(3)</sup></b>	<b>233</b>	<b>178</b>	<b>248</b>	<b>282</b>	<b>941</b>	<b>215</b>	<b>184</b>	<b>231</b>	<b>283</b>	<b>913</b>
<i>EBIT margin <sup>(3)</sup></i>	18.4%	15.1%	19.0%	19.0%	18.0%	16.5%	15.1%	16.5%	18.4%	16.7%
Depreciation and amortization	45	43	42	43	173	46	43	44	45	178
<b>EBITDA <sup>(4)</sup></b>	<b>\$ 278</b>	<b>\$ 221</b>	<b>\$ 290</b>	<b>\$ 325</b>	<b>\$ 1,114</b>	<b>\$ 261</b>	<b>\$ 227</b>	<b>\$ 275</b>	<b>\$ 328</b>	<b>\$ 1,091</b>
<i>EBITDA margin <sup>(4)</sup></i>	22.0%	18.7%	22.2%	21.9%	21.3%	20.0%	18.6%	19.6%	21.3%	20.0%
Net sales	\$ 1,266	\$ 1,179	\$ 1,304	\$ 1,482	\$ 5,231	\$ 1,305	\$ 1,221	\$ 1,401	\$ 1,541	\$ 5,468
<b>Debt to EBITDA <sup>(5)</sup></b>	<b>2.3</b>					<b>2.5</b>				
Total debt <sup>(6)</sup>	\$2,584					\$2,721				

(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 net earnings.

- (2) The goodwill impairment represents a \$258 non-cash charge recognized in Q2 fiscal 2011 to adjust the carrying value of the goodwill related to the acquisition of Burt's Bees to estimated fair value.
- (3) EBIT (a non-GAAP measure) represents earnings before income taxes (a GAAP measure), excluding goodwill impairment, interest income and interest expense, as reported above. EBIT margin is a measure of EBIT as a percentage of net sales.
- (4) EBITDA (a non-GAAP measure) represents earnings before income taxes (a GAAP measure), excluding goodwill impairment, interest income, interest expense, depreciation and amortization, as reported above. EBITDA margin is a measure of EBITDA as a percentage of net sales.
- (5) Debt to EBITDA (a non-GAAP measure) represents total debt divided by EBITDA.
- (6) Total debt represents the sum of notes and loans payable, current maturities of long-term debt, and long-term debt.