

Condensed Consolidated Statements of Earnings (Unaudited)

Dollars in millions, except per share amounts

	Three Months Ended		Six Months Ended	
	12/31/2014	12/31/2013	12/31/2014	12/31/2013
Net sales	\$ 1,345	\$ 1,308	\$ 2,697	\$ 2,651
Cost of products sold	<u>773</u>	<u>753</u>	<u>1,547</u>	<u>1,512</u>
Gross profit	<u>572</u>	<u>555</u>	<u>1,150</u>	<u>1,139</u>
Selling and administrative expenses	191	196	371	390
Advertising costs	127	122	248	242
Research and development costs	33	31	63	62
Interest expense	26	26	52	52
Other (income) expense, net	<u>(2)</u>	<u>(4)</u>	<u>1</u>	<u>(2)</u>
Earnings from continuing operations before income taxes	197	184	415	395
Income taxes on continuing operations	<u>69</u>	<u>66</u>	<u>142</u>	<u>138</u>
Earnings from continuing operations	128	118	273	257
Losses from discontinued operations, net of tax	<u>(3)</u>	<u>(3)</u>	<u>(58)</u>	<u>(6)</u>
Net earnings	<u>\$ 125</u>	<u>\$ 115</u>	<u>\$ 215</u>	<u>\$ 251</u>
Net earnings (losses) per share				
Basic				
Continuing operations	\$ 0.98	\$ 0.91	\$ 2.10	\$ 1.99
Discontinued operations	<u>(0.02)</u>	<u>(0.02)</u>	<u>(0.44)</u>	<u>(0.06)</u>
Basic net earnings per share	<u>\$ 0.96</u>	<u>\$ 0.89</u>	<u>\$ 1.66</u>	<u>\$ 1.93</u>
Diluted				
Continuing operations	\$ 0.97	\$ 0.90	\$ 2.07	\$ 1.95
Discontinued operations	<u>(0.02)</u>	<u>(0.03)</u>	<u>(0.44)</u>	<u>(0.05)</u>
Diluted net earnings per share	<u>\$ 0.95</u>	<u>\$ 0.87</u>	<u>\$ 1.63</u>	<u>\$ 1.90</u>
Weighted average shares outstanding (in thousands)				
Basic	130,555	129,836	129,933	129,955
Diluted	132,819	132,278	132,203	132,276

Reportable Segment Information
(Unaudited)
Dollars in millions

<u>Second Quarter</u>	Net Sales			Earnings (Losses) from Continuing Operations Before Income Taxes		
	Three Months Ended			Three Months Ended		
	12/31/14	12/31/13 ⁽¹⁾	% Change ⁽²⁾	12/31/14	12/31/13 ⁽¹⁾	% Change ⁽²⁾
Cleaning Segment	\$ 447	\$ 432	3%	\$ 107	\$ 101	6%
Household Segment	371	352	5%	51	41	24%
Lifestyle Segment	246	237	4%	73	69	6%
International Segment	281	287	-2%	24	33	-27%
Corporate	-	-	-	(58)	(60)	-3%
Total Company	<u>\$ 1,345</u>	<u>\$ 1,308</u>	<u>3%</u>	<u>\$ 197</u>	<u>\$ 184</u>	<u>7%</u>
<u>Year-to-Date</u>	Net Sales			Earnings (Losses) from Continuing Operations Before Income Taxes		
	Six Months Ended			Six Months Ended		
	12/31/14	12/31/13 ⁽¹⁾	% Change ⁽²⁾	12/31/14	12/31/13 ⁽¹⁾	% Change ⁽²⁾
Cleaning Segment	\$ 917	\$ 911	1%	\$ 231	\$ 232	0%
Household Segment	763	724	5%	103	93	11%
Lifestyle Segment	462	455	2%	129	122	6%
International Segment	555	561	-1%	50	64	-22%
Corporate	-	-	-	(98)	(116)	-16%
Total Company	<u>\$ 2,697</u>	<u>\$ 2,651</u>	<u>2%</u>	<u>\$ 415</u>	<u>\$ 395</u>	<u>5%</u>

⁽¹⁾ As a result of Clorox Venezuela results being included in discontinued operations beginning in the first fiscal quarter of the current fiscal year, the prior comparative period has been reclassified to conform with current quarter presentation.

⁽²⁾ Percentages based on rounded numbers.

Condensed Consolidated Balance Sheets

Dollars in millions

	<u>12/31/2014</u> <u>(Unaudited)</u>	<u>6/30/2014</u>	<u>12/31/2013</u> <u>(Unaudited)</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 819	\$ 329	\$ 341
Receivables, net	473	546	499
Inventories, net	446	386	466
Other current assets	167	134	194
Total current assets	<u>1,905</u>	<u>1,395</u>	<u>1,500</u>
Property, plant and equipment, net	933	977	992
Goodwill	1,080	1,101	1,100
Trademarks, net	537	547	552
Other intangible assets, net	55	64	67
Other assets	164	174	177
Total assets	<u>\$ 4,674</u>	<u>\$ 4,258</u>	<u>\$ 4,388</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Notes and loans payable	\$ 2	\$ 143	\$ 342
Current maturities of long-term debt	875	575	-
Accounts payable	375	440	359
Accrued liabilities	492	472	480
Income taxes payable	-	8	-
Total current liabilities	<u>1,744</u>	<u>1,638</u>	<u>1,181</u>
Long-term debt	1,795	1,595	2,170
Other liabilities	773	768	765
Deferred income taxes	81	103	116
Total liabilities	<u>4,393</u>	<u>4,104</u>	<u>4,232</u>
Stockholders' equity			
Common stock	159	159	159
Additional paid-in capital	726	709	693
Retained earnings	1,757	1,739	1,623
Treasury shares	(1,908)	(2,036)	(1,932)
Accumulated other comprehensive net losses	(453)	(417)	(387)
Stockholders' equity	<u>281</u>	<u>154</u>	<u>156</u>
Total liabilities and stockholders' equity	<u>\$ 4,674</u>	<u>\$ 4,258</u>	<u>\$ 4,388</u>