

## Supplemental Information – Balance Sheet

(Unaudited)

*As of December 31, 2014*

### Working Capital Update

	Q2		Change (\$ millions)	Days <sup>(5)</sup> FY 2015	Days <sup>(5)</sup> FY 2014	Change
	FY 2015 (\$ millions)	FY 2014 (\$ millions)				
Receivables, net	\$473	\$499	-\$26	31	35	-4
Inventories	\$446	\$466	-\$20	49	54	-5
Accounts payable <sup>(1)</sup>	\$375	\$359	\$16	42	42	0
Accrued liabilities	\$492	\$480	\$12			
Total WC <sup>(2)</sup>	\$219	\$320	-\$101			
Total WC % net sales <sup>(3)</sup>	4.1%	6.1%				
Average WC <sup>(2)</sup>	\$155	\$267	-\$112			
Average WC % net sales <sup>(4)</sup>	2.9%	5.1%				

**Receivables, net:** Decrease driven primarily by unfavorable foreign exchange rates.

**Inventories:** Decrease driven primarily by the write-off of inventory resulting from the discontinuation of Clorox Venezuela's operations.

(1) Days of accounts payable is calculated as follows: average accounts payable / [(cost of products sold + change in inventory) / 90].

(2) Working capital (WC) is defined in this context as current assets minus current liabilities excluding cash and short-term debt, based on end of period balances. Average working capital represents a two-point average of working capital.

(3) Represents working capital at the end of the period divided by annualized net sales (*current quarter net sales x 4*).

(4) Represents a two-point average of working capital divided by annualized net sales (*current quarter net sales x 4*).

(5) Days calculations based on a two-point average.

## Supplemental Information – Cash Flow

(Unaudited)

*For the quarter ended December 31, 2014*

Capital expenditures for the second quarter were \$31 million versus \$36 million in the year-ago quarter.

Depreciation and amortization for the second quarter was \$42 million versus \$45 million in the year ago quarter.

Net cash provided by continuing operations in the second quarter was \$33 million, or 2 percent of sales.

## Supplemental Unaudited Condensed Information

## Fiscal Year to Date Free Cash Flow Reconciliation

	Q2 Fiscal YTD 2015	Q2 Fiscal YTD 2014
<b>Net cash provided by continuing operations – GAAP</b>	<b>\$267</b>	<b>\$222</b>
Less: Capital expenditures	60	63
<b>Free cash flow – non-GAAP <sup>(1)</sup></b>	<b>\$207</b>	<b>\$159</b>
<i>Free cash flow as a percent of sales – non-GAAP <sup>(1)</sup></i>	<i>7.7%</i>	<i>6.0%</i>
Net sales	\$2,697	\$2,651

- (1) In accordance with the 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 uses free cash flow and free cash flow as a percent of sales to help assess the cash generation ability of the business and funds available for investing activities, such as acquisitions, investing in the business to drive growth, and financing activities, including debt payments, dividend payments and share repurchases. Free cash flow does not represent cash available only for discretionary expenditures, since the Company has mandatory debt service requirements and other contractual and non-discretionary expenditures. In addition, free cash flow may not be the same as similar measures provided by other companies due to potential differences in methods of calculation and items being excluded.