

**Condensed Consolidated Statements of Earnings (Unaudited)**

Dollars in millions, except per share amounts

	Three Months Ended	
	9/30/2007	9/30/2006
Net sales	\$ 1,239	\$ 1,161
Cost of products sold	<u>711</u>	<u>663</u>
Gross profit	528	498
Selling and administrative expenses	155	153
Advertising costs	118	117
Research and development costs	23	26
Restructuring and asset impairment costs	25	-
Interest expense	33	29
Other expense (income), net	<u>-</u>	<u>(2)</u>
Earnings before income taxes	174	175
Income taxes	<u>63</u>	<u>63</u>
Net earnings	<u>\$ 111</u>	<u>\$ 112</u>
Earnings per common share		
Basic	\$ 0.77	\$ 0.74
Diluted	0.76	0.73
Weighted average common shares outstanding (in thousands)		
Basic	143,778	151,143
Diluted	146,127	153,568

## Segment Information (Unaudited)

Dollars in millions

### First Quarter and Year to Date

	Net Sales			Earnings/(Losses) Before Income Taxes		
	Three Months Ended		%	Three Months Ended		%
	9/30/2007	9/30/2006	Change <sup>(1)</sup>	9/30/2007 <sup>(2)</sup>	9/30/2006	Change <sup>(1)</sup>
North America	\$1,049	\$1,000	5%	\$286	\$287	0%
International	190	161	18%	37	34	9%
Corporate	-	-	-	(149)	(146)	2%
Total Company	<u>\$1,239</u>	<u>\$1,161</u>	<u>7%</u>	<u>\$174</u>	<u>\$175</u>	<u>-1%</u>

<sup>(1)</sup> Percentages based on rounded numbers.

<sup>(2)</sup> Current quarter earnings before income taxes included \$25 in pretax restructuring and asset-impairment and incremental cost of products sold charges in the North America segment, and \$2 in pretax restructuring and asset-impairment charges in the International segment.

	<u>9/30/2007</u>	<u>6/30/2007</u>	<u>9/30/2006</u>
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 209	\$ 182	\$ 174
Receivables, net	408	460	374
Inventories, net	332	309	325
Other current assets	115	81	67
Total current assets	<u>1,064</u>	<u>1,032</u>	<u>940</u>
Property, plant and equipment, net	966	976	990
Goodwill	869	855	748
Trademarks and other intangible assets, net	585	613	604
Other assets	189	190	257
	<u>189</u>	<u>190</u>	<u>257</u>
Total assets	<u>\$ 3,673</u>	<u>\$ 3,666</u>	<u>\$ 3,539</u>
<b>Liabilities and Stockholders' (Deficit) Equity</b>			
Current liabilities			
Notes and loans payable	\$ 872	\$ 74	\$ 68
Current maturities of long-term debt	500	500	152
Accounts payable	318	329	299
Accrued liabilities	347	507	415
Income taxes payable	116	17	26
Total current liabilities	<u>2,153</u>	<u>1,427</u>	<u>960</u>
Long-term debt	1,477	1,462	1,965
Other liabilities	592	516	549
Deferred income taxes	88	90	120
	<u>88</u>	<u>90</u>	<u>120</u>
Total liabilities	<u>4,310</u>	<u>3,495</u>	<u>3,594</u>
Contingencies			
Stockholders' (deficit) equity			
Common stock	159	159	250
Additional paid-in capital	491	481	414
Retained earnings	219	185	4,005
Treasury shares	(1,309)	(445)	(4,514)
Accumulated other comprehensive net losses	(197)	(209)	(210)
	<u>(197)</u>	<u>(209)</u>	<u>(210)</u>
Stockholders' (deficit) equity	<u>(637)</u>	<u>171</u>	<u>(55)</u>
Total liabilities and stockholders' (deficit) equity	<u>\$ 3,673</u>	<u>\$ 3,666</u>	<u>\$ 3,539</u>

Note: During the second quarter of fiscal year 2007, Clorox retired 91 million of its treasury shares. As a result of the retirement, treasury shares were 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.

During the first quarter of fiscal year 2008, Clorox entered into an Accelerated Share Repurchase program through which it repurchased \$750 of common stock. As a result, the repurchase contributed to the treasury shares increase by \$750.