NEWS RELEASE

Clorox Reports Solid Top-line Growth and EPS Results in Q1; Confirms Financial Outlook for Q2 and Fiscal Year 2006

11/3/2005

OAKLAND, Calif., Nov. 3, 2005 – The Clorox Company (NYSE: CLX) (PCX: CLX) today announced that strong sales growth, price increases and cost savings contributed to solid results for the company's fiscal first quarter, which ended Sept. 30, 2005.

"Overall, I'm pleased with our first-quarter performance," said Chairman and CEO Jerry Johnston. "Nearly every business unit in the company achieved sales growth, and our brands continue to be healthy. We're maintaining the focus on our strategy of building brands through superior consumer insights, innovation and demand-building investments, even in the face of substantial increases in raw-material costs."

First-quarter highlights

In accordance with generally accepted accounting principles in the United States (GAAP), Clorox reported first-quarter net earnings from continuing operations of $108 million, or 70 cents per diluted share, based on weighted average shares outstanding of 153 million. This compares with net earnings from continuing operations in the year-ago period of $109 million, or 50 cents per diluted share, based on weighted average shares outstanding of 215 million, for an increase of 20 cents per diluted share, or 40 percent.

Including discontinued operations, Clorox reported first-quarter net earnings of $109 million, or 71 cents diluted EPS, compared with net earnings in the year-ago period of $123 million, or 57 cents per diluted share, for an increase of 14 cents per diluted share, or 25 percent.

Current quarter diluted EPS from continuing operations reflected the continued benefit of the lower share base due to the company's fiscal 2005 share exchange with Henkel KGaA, which more than offset the lost earnings from the transferred businesses and investments, and higher debt and interest expense resulting from the transaction. Also reflected is the 3-cent incremental impact of equity-compensation expense in accordance with Statement of Financial Accounting Standards (SFAS) No. 123-R, "Share-Based Payment," which began in the first quarter. In the year-ago quarter, diluted EPS from continuing operations reflected $30 million of pretax restructuring and asset-impairment charges, primarily due to optimizing the Glad® product supply chain.

First-quarter sales grew 5 percent to $1.1 billion, compared with $1 billion in the year-ago period. First-quarter volume increased 1 percent due to increased shipments in Latin America and cat litter, partially offset by lower shipments of Glad® products following price increases earlier in the calendar year. Sales growth outpaced volume growth primarily due to higher trade-promotion spending in the year-ago quarter to support new products, the benefits of favorable foreign exchange rates in the current quarter and price increases taken over the past calendar year.

Gross margin in the first quarter declined 140 basis points versus the year-ago period to 42.2 percent. This decline was primarily due to higher energy-related commodity and transportation expenses, and higher year-over-year costs associated with Procter & Gamble's increased investment in the Glad® joint venture, partially offset by the benefits of cost savings and price increases.

Net cash used in operations was $59 million in the first quarter, compared with $216 million provided by operations in the year-ago quarter. The year-over-year decline was primarily due to payment of a $151 million IRS settlement. Also contributing to the decline were increased interest payments of $41 million; lower levels of cash provided by discontinued operations of approximately $30 million, due to the businesses exchanged as part of the aforementioned Henkel transaction; and higher inventory values of $10 million, mainly due to increased commodity costs. Excluding the impact of the IRS settlement, the company generated cash from operations of $92 million.

During the quarter, Clorox repurchased about 1.6 million shares of the company's common stock at a cost of about $90 million under its ongoing program to offset stock option dilution.

First-quarter results by business segment

Following is a summary of key first-quarter results by business segment. All comparisons are with the first quarter of fiscal year 2005.

Household Group – North America

Compared with the year-ago quarter, the segment reported 3 percent sales growth, flat volume and 2 percent growth in pretax earnings from continuing operations. The segment delivered all-time record shipments of Clorox® disinfecting wipes and increased shipments of Clorox® bathroom cleaner, Clorox 2® color-safe bleach, Armor All® auto-care products, and products for commercial and institutional markets. These results were offset by decreased shipments of Clorox® ToiletWand versus the year-ago quarter, which included the impact of the product launch, as well as Formula 409® cleaner and Clorox® bleach pen. Sales growth outpaced volume growth primarily due to higher trade-promotion expenses in the year-ago period to support several new products, and a favorable Canadian exchange rate. Pretax earnings from continuing operations primarily reflected the benefit of cost savings partially offset by unfavorable raw-material costs.

Specialty Group

Compared with the year-ago quarter, the segment reported 3 percent sales growth, 1 percent volume decline and 22 percent growth in pretax earnings from continuing operations. All-time record shipments of Scoop Away® cat litter and higher shipments of Fresh Step® cat litter and Hidden Valley® salad dressings were more than offset by decreased shipments of Glad® products due to price increases taken earlier in the calendar year, and Kingsford® charcoal products. Sales growth outpaced the change in volume due to the benefits of the aforementioned price increases on Glad® products, and higher trade- and consumer-promotion expenses in the year-ago quarter behind the launch of Glad® ForceFlex® trash bags. Pretax earnings from continuing operations reflected a favorable comparison to the year-ago quarter, when the company reported a restructuring and asset-impairment charge related to optimizing the Glad® product supply chain. Other factors included the benefits of cost savings and price increases, partially offset by higher energy-related commodity and transportation expenses.

International

Compared with the year-ago quarter, the segment reported 21 percent sales growth, 14 percent volume growth and 25 percent growth in pretax earnings from continuing operations. The strong sales growth was primarily driven by price increases and increased shipments in Latin America. The variance between sales growth and volume growth, and the increase in pretax earnings from continuing operations, were primarily due to price increases and favorable exchange rates in Latin America and Asia-Pacific.

Outlook

For the second quarter of fiscal 2006, Clorox continues to anticipate sales growth of 1-3 percent versus the year-ago quarter, when the company delivered 9 percent sales growth. The company's second-quarter outlook for diluted EPS from continuing operations continues to be in the range of 41-47 cents. An estimated incremental impact of 3-4 cents from expensing equity compensation in accordance with SFAS No. 123-R is included in the company's second-quarter outlook.

"I feel good about the way we're managing through this extremely challenging cost environment," Johnston said. "We are taking a number of decisive actions, from increasing prices to reducing selected administrative expenses."

As previously communicated, the company is taking pricing actions, effective Jan. 2, 2006, on about 40 percent of its portfolio. Brands impacted include: Glad® trash bags, GladWare® containers, Clorox® bleach, Match Light® charcoal, Armor All® and STP® auto-care products and Brita® pitchers and filters. For more information on price increases, visit the Financial Results area within the Investors section of the company's Web site at www.TheCloroxCompany.com.

For fiscal 2006, the company's sales outlook continues to be within its previously communicated long-term target of 3-5 percent, but likely at the upper end of the range due to the net benefits of price increases and new products. Clorox's fiscal-year outlook for diluted EPS from continuing operations continues to be in the range of $2.91-$3.06. An estimated incremental impact of 14-16 cents from expensing equity compensation in accordance with SFAS No. 123-R is included in the company's fiscal-year outlook.

Note: Percentage and basis-point changes noted in this news release are calculated based on rounded numbers. For additional information about the company's results, including definitions of financial terms used in this earnings release and on today's conference call with the investment community (details below), visit the Financial Results area within the Investors section of the company's Web site at **www.TheCloroxCompany.com**.

Today's webcast

Today at 10:30 a.m. Pacific time (1:30 p.m. Eastern time), Clorox will host a live audio webcast of a discussion with the investment community regarding the company's first-quarter results. The webcast can be accessed at **www.TheCloroxCompany.com/investors/index.html**. Following a live discussion, a replay of the webcast will be archived for one week on the company's Web site.

The Clorox Company

The Clorox Company is a leading manufacturer and marketer of consumer products with fiscal year 2005 revenues of $4.4 billion. Clorox markets some of consumers' most trusted and recognized brand names, including its namesake bleach and cleaning products, Armor All® and STP® auto care products, Fresh Step® and Scoop Away® cat litters, Kingsford® charcoal briquets, Hidden Valley® and K C Masterpiece® dressings and sauces, Brita® water-filtration systems, and Glad® bags, wraps and containers. With 7,600 employees worldwide, the company manufactures products in 25 countries and markets them in more than 100 countries. Clorox is committed to making a positive difference in the communities where its employees work and live. Founded in 1980, The Clorox

Company Foundation has awarded cash grants totaling more than $62.3 million to nonprofit organizations, schools and colleges; and in fiscal year 2005 alone made product donations valued at $4.9 million. For more information about Clorox, visit **www.TheCloroxCompany.com**.

Forward-looking statements

Except for historical information, matters discussed above, including statements about future volume, sales and earnings growth, profitability, costs, cost savings or expectations, are forward-looking statements based on management's estimates, assumptions and projections. Important factors that could cause results to differ materially from management's expectations are described in "Forward-Looking Statements and Risk Factors" and "Management's Discussion & Analysis" in the company's SEC Form 10-K for the year ended June 30, 2005, as updated from time to time in the company's SEC filings. Those factors include, but are not limited to, general economic and marketplace conditions and events; competitors' actions; the company's costs, including changes in exposure to commodity costs such as resin, diesel and chlor-alkali; increases in energy costs; consumer reaction to price increases; the company's actual cost performance; any future supply constraints which may affect key commodities; risks from natural disasters; risks inherent in litigation and international operations; the ability to manage and realize the benefits of joint ventures and other cooperative relationships, including the company's joint venture with Procter & Gamble regarding the company's Glad® plastic bags, wraps and containers business; the success of new products; the integration of acquisitions and mergers; the divestiture of non-strategic businesses; and environmental, regulatory and intellectual property matters. In addition, the company's future performance is subject to risks following the share exchange transaction with Henkel, including the sustainability of cash flows and the actual level of debt costs. Declines in cash flow, whether resulting from tax payments, debt payments, share repurchases or otherwise, or interest cost increases greater than management expects, could adversely affect the company's earnings.

The company's forward-looking statements are and will be based on management's then current views and assumptions regarding future events and speak only as of their dates. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by the federal securities laws.

Consolidated Earnings, Segment Information and Consolidated Balance Sheets

Volume Growth Statement

Supplemental P&L Statement

Supplemental Balance Sheet and Cash Flow Information

Supplemental Price Communication

Supplemental Sales Growth Information