

The Clorox Company
Reconciliation schedule of operating profit
to earnings from continuing operations before income taxes

In millions

	Three months ended,		Nine months ended,	
	3/31/05	3/31/04	3/31/05	3/31/04
Net sales	\$1,086	\$1,051	\$3,134	\$2,977
Gross profit	454	467	1,342	1,289
<i>Gross margin (1)</i>	41.8%	44.4%	42.8%	43.3%
Total operating expenses (2)	267	289	771	765
Operating profit	187	178	572	524
<i>Operating margin (1)</i>	17.2%	16.9%	18.2%	17.6%
Restructuring and asset impairment costs	5	-	37	-
Interest expense	27	8	52	21
Other (income) expense, net	18	(6)	(15)	(5)
Earnings from continuing operations before income taxes	\$137	\$176	\$498	\$508

(1) Percentages based on unrounded numbers

(2) Operating expenses = selling and administrative expenses, advertising costs and research and development costs

In accordance with SEC's Regulation G, this schedule provides the definition of a non-GAAP measure and the reconciliation to the most closely related GAAP measure.

Operating margin is a measure of operating profit as a percentage of net sales, whereby operating profit (a non-GAAP measure) represents earnings from continuing operations before income taxes (a GAAP measure), excluding restructuring and asset impairment costs, interest expense and other (income) expense, as reported in the Condensed Consolidated Statements of Earnings (Unaudited).

Management believes the presentation of operating profit and margin provides useful information to investors about current trends in the business. Operating profit is a component for the calculation of management incentive compensation and employee profit sharing plans.

The Clorox Company

Supplemental Balance Sheet Information – Preliminary* (unaudited) For the three-months ended March 31, 2005

Working Capital (WC) Update

	Q3'05 (\$ million)	Q3'04 (\$ million)	Change (\$ million)	Days '05	Days '04 ⁽³⁾	Change
Receivables, net	401	444	-43	31	33	-2 days
Inventories	374	342	+32	51	49	+2 days
Accounts payable	312	304	+8	41	38	+3 days
Accrued liabilities	531	580	-49			
Total WC ⁽¹⁾	-41	-91	+50			
Avg WC% Net sales ^(2,3)	-2.5%	-1.9%	-0.6 pts			

- Receivables declined due to improved collections and shorter payment terms.
- Inventory was higher primarily due to normalization of charcoal inventory levels and increased new product inventory of *Glad ForceFlex* trash bags and *Clorox BathWand* bathroom-cleaning system.
- Accounts payable increased primarily due to higher commodity prices, while accrued liabilities decreased as a result of tax payments.

Supplemental Cash Flow Information – Preliminary * (unaudited) For the three-months ended March 31, 2005

Capital expenditures were \$31 million

Depreciation and amortization was \$48 million

Cash provided by continuing operations

- Cash provided by continuing operations was \$52 million (5 percent of sales) and 73 percent below the three-month period ended March 31, 2004, driven primarily by tax payments.

*Preliminary estimates. Final numbers will be published in our Form 10-Q.

⁽¹⁾ Working capital is defined as current assets minus current liabilities excluding cash and short-term debt.

⁽²⁾ Based on a two points average working capital divided by annualized net sales (*current quarter net sales x 4*).

⁽³⁾ Q3'04 working capital as a percentage of net sales and days in receivables, net, inventories and accounts payable are calculated based on balances as reported in our Form 10-Q filed for the quarterly period ended March 31, 2004, and do not reflect reclassification of operating results of businesses transferred to Henkel as discontinued operations.

The Clorox Company Supplemental Volume Growth Information

All business segments have been realigned to reflect management reporting changes (effective Q3 FY'05).

Business Segment	% Change vs. Prior Year									
	FY04					FY05				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	FYTD	
Laundry Care	2%	14%	9%	7%	8%	6%	0%	1%	3%	
Home Care *	-2%	-1%	-4%	5%	0%	8%	15%	3%	9%	
Water Filtration	-13%	-2%	21%	21%	6%	0%	7%	-13%	-3%	
Auto Care	-11%	-5%	-2%	-11%	-7%	-12%	-4%	1%	-4%	
Total Household Group - North America*	-3%	2%	1%	4%	1%	4%	7%	1%	4%	
Bags & Wraps	11%	9%	9%	7%	9%	14%	9%	3%	9%	
Charcoal	9%	7%	7%	6%	7%	-6%	4%	-5%	-4%	
Cat Litter	6%	5%	4%	8%	6%	2%	5%	6%	4%	
<i>Cat Litter, excluding divestitures</i>	17%	13%	4%	8%	10%	2%	5%	6%	4%	
Dressings & Sauces	15%	10%	14%	7%	11%	-2%	5%	1%	1%	
Total Specialty Group *	10%	8%	8%	7%	8%	5%	6%	2%	4%	
<i>Specialty, excluding Cat Litter divestitures</i>	13%	10%	8%	7%	9%	5%	6%	2%	4%	
Total International *	8%	4%	2%	6%	5%	7%	12%	9%	9%	
Total Clorox *	3%	4%	4%	5%	4%	5%	8%	3%	5%	
<i>Total, excluding Cat Litter divestitures</i>	4%	5%	4%	5%	5%	5%	8%	3%	5%	
<i>Total North America, excluding Cat Litter divestitures</i>	3%	5%	4%	5%	4%	4%	7%	2%	4%	

Major drivers of change

Increased shipments of *Clorox* liquid bleach and *Clorox2* color-safe bleach, offset by comparisons against prior year launch of *Clorox* bleach pen gel.

Volume growth behind *Clorox* disinfecting wipes and *Clorox ToiletWand* toilet cleaning system, offset by distribution declines in *Clorox ReadyMop* mopping system.

Volume decline due to high levels of base period promotional activity.

Favorability driven by *Armor All* gels product launch and merchandising behind *STP* products, offset by softness in appearance products.

Volume growth behind *Glad ForceFlex* trash bags launch and merchandising support for *GladWare* containers, offset by the anniversary of *Press 'n Seal* wrap launch pipeline.

Charcoal consumption decline driven by poor weather across the country.

Record Q3 shipments for both *Fresh Step* and *Scoop Away* cat litter behind new distribution and strong promotional events.

Jonny Cat cat litter divested in Q2 FY03.

Continued volume growth behind new line extensions, offset by some category softness.

Strong volume growth behind new product launches and category/share growth across Latin America. Growth in Australia and New Zealand behind the launch of *Clorox*-branded cleaning products.

* Volume for Soft Scrub and insecticides businesses transferred to Henkel has been excluded for all periods presented.