

FY18 Q3 Investor Presentation



Safe Harbor



Except for historical information, matters discussed in this presentation, including statements about the success of the Company's future volume, sales, costs, cost savings, earnings, earnings per share, including as a result of the Nutranext acquisition, diluted earnings per share, margins, foreign currencies, foreign currency exchange rates, tax rates, cash flows, plans, objectives, expectations, growth or profitability, are forward-looking statements based on management's estimates, assumptions and projections. Important factors that could affect performance and cause results to differ materially from management's expectations are described in the Company's most recent Form 10-K filed with the SEC, as updated from time to time in the Company's SEC filings. Those factors include, but are not limited to, risks related to competition in the Company's markets; volatility and increases in commodity, energy, transportation and other costs; the Company's ability to drive sales growth and increase market share; dependence on key customers; increase in sales of consumer products through alternative retail channels; information technology security breaches or cyber attacks; government regulations; political, legal and tax risks; risks relating to acquisitions, including as a result of the Nutanext acquisition, new ventures and divestitures; economic and financial market conditions; international operations and international trade, including price controls, foreign currency fluctuations, labor claims and labor unrest, and potential harm and liabilities from use, storage and transportation of chlorine in certain markets; the ability of the Company to innovate, to develop commercially successful products and to implement cost savings; the success of the Company's business strategies; the Company's business reputation; the effects of the Tax Cuts and Jobs Act; the venture agreement with P&G related to the Company's Glad® business; supply disruptions; product liability claims, labor claims and other legal proceedings; the Company's ability to attract and retain key personnel; environmental matters; the Company's ability to assert and defend its intellectual property rights; and the impacts of potential stockholder activism.

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WHO WE ARE



1913



2018

Our Story



1957 – 1969

Purchased by P&G; then sold
Developed world-class brand-
building capabilities

1999

Sales grew by ~40% through
First Brands acquisition



2006 – current

Expanded Health & Wellness portfolio
through the acquisitions of Burt's Bees,
Renew Life, and Nutranext bran



Recognized for corporate citizenship



1913

Developed household
bleach in Oakland, CA



1970s & 1980s

Growth through diversification
and international expansion



2004

Acquired ~29% of Clorox
outstanding common stock from a
major shareholder, Henkel, KGaA














How We Create Value



Leading Brands

Over 80% of Global Sales from #1 or #2 Share Brands

Selected Countries/Categories:

	United States	Share Position		International	Share Position
	Disinfecting Wipes	#1		Argentina Bleach	#1
	Bleach	#1		Korea Bleach	#1
	Toilet Bowl Cleaner	#1		Malaysia Bleach	#1
	Dilutable Cleaners	#1		Hong Kong Bleach	#2
	Drain Care	#2		Hong Kong Wipes	#1
	Charcoal	#1		Chile	#1
	Salad Dressing	#1		Canada	#1
 	Cat Litter	#2		Canada	#1
	Premium Trash Bags	#1		Australia	#1
	Food Wraps	#1		Argentina	#1
	Natural Lip Care	#1		Chile	#1
	Water Filtration	#1		Canada Trash Bags	#1
	Probiotics – Natural Channel	#2		Canada Food Wraps	#1
				China* Food Protection	#1
				Hong Kong Food Protection	#1
				Canada Natural Lip Care	#1

-US share position: dollar market share, IRI MULOP 52 weeks ending 3/18/18

-International share : dollar market share 52 weeks endings November 2017, Nielsen Retail Measurement for International geographies except; IRI for Australia.

*Guangzhou market



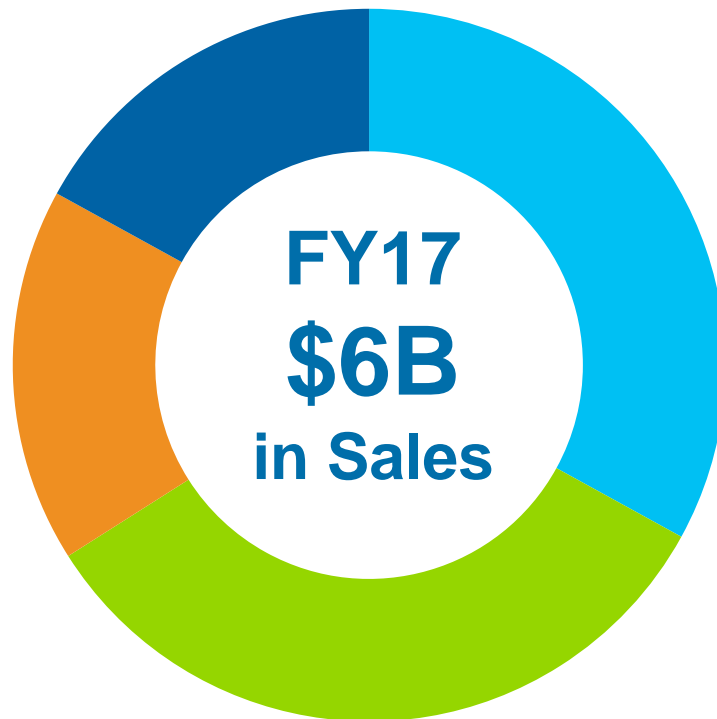
Mid-Sized Categories

International : 17%




Latin America	9%
Canada	3%
Australia / NZ	2%
Rest of World	3%

Lifestyle : 16%

 Hidden Valley	9%
 BURT'S BEES	4%
 BRITA	3%



Cleaning : 34%

 Pine Sol	Home Care	19%
 CLOROX	Laundry	9%
 CLOROX HEALTHCARE®	Professional	6%

Household : 33%

 GLAD	14%
 KINGSFORD	10%
 Fresh Step	7%
 Renew Life	2%



Operational Excellence



*As of June 30th, 2017, Clorox's S&A/Sales was ~13.6% vs. peer average of 19% . This number does not include R&D or marketing expenses and excludes peers that do not disclose S&A separately from SG&A in their reported financial statements (Kimberly-Clark, Reckitt-Benckiser). Peer group consists of CHD, CL, PG, NWL, CPB, GIS, HSY, K, KHC, DPS, KO, PEP, COTY, EL, KMB, RB-GB.

Good Growth



Profitable, Sustainable, Responsible



Our Efforts Are Broadly Recognized



2020 Strategy



Mission

- We make everyday life better, every day

Objectives

- Maximize economic profit
- Big-share brands in mid-sized categories and countries

Strategy

- Drive superior consumer value behind strong brand investment, innovation and technology transformation
- Accelerate portfolio momentum in and around the core
- Fuel growth by reducing waste in our work, products and supply chain
- Engage our people as business owners

Long-Term Growth Algorithm

U.S. Domestic

~80% of Clorox Sales
+2-4% annual growth

1.5 - 3.0 pts
company growth

International

~20% of Clorox Sales
+5-7% annual growth

1.0 - 1.5 pts
company growth

Total Company

annual growth
= +3 to 5pts

Annual EBIT Margin Improvement:
Annual Free Cash Flow:

+25 to +50 bps
11% to 13% of Sales

EBIT (a non-GAAP measure) represents earnings from continuing operations before income taxes (a GAAP measure), excluding interest income & interest expense.

EBIT margin is a measure of EBIT as a percentage of sales.

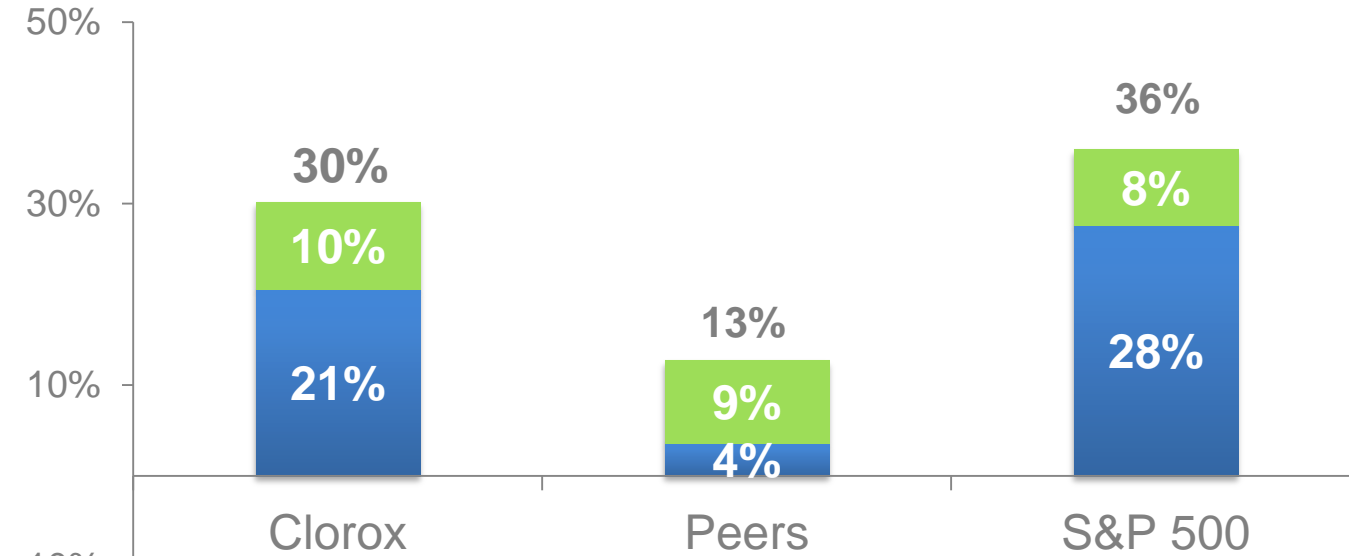
Free Cash Flow (a non-GAAP measure) represents Operating Cash Flow from Continuing Operations less Capital Expenditures.

See reconciliation in the supplemental financial schedules located at: <https://investors.thecloroxcompany.com/investors/financial-information/quarterly-results/default.aspx>



Strong Shareholder Return

Total Shareholder Return - 3 Years Ending 3/31/2018



■ Share Price Appreciation

■ Dividend Paid



Financial Performance



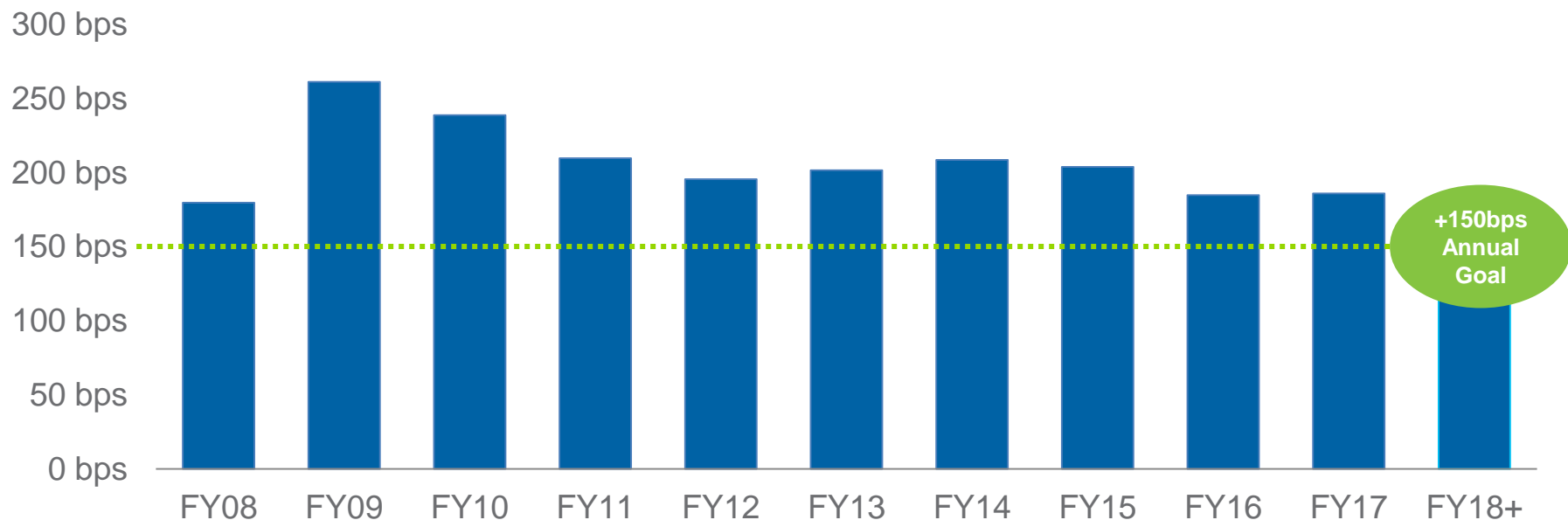
FY18 Year-to-Date Performance & FY18 Outlook



	<u>FY18 YTD</u> <i>(9 months)</i>	<u>FY18 FY Outlook</u> <i>(Feb 2 earnings call)</i>	
Sales (vs Year Ago)	\$4.4B (+2%)	~ +3%	Innovation: ~ +3pts Aplicare Divestiture: ~ -1pt Nutranext Acquisition: ~ +1pt
Diluted EPS from cont. ops (vs Year Ago)	\$4.60 (+21%)	\$6.15 to \$6.30 (+15 to +18%)	Gross Margin: -100 to -150bps Selling & Admin: <14% of Sales Provisional Effective Tax Rate: ~22%-23%

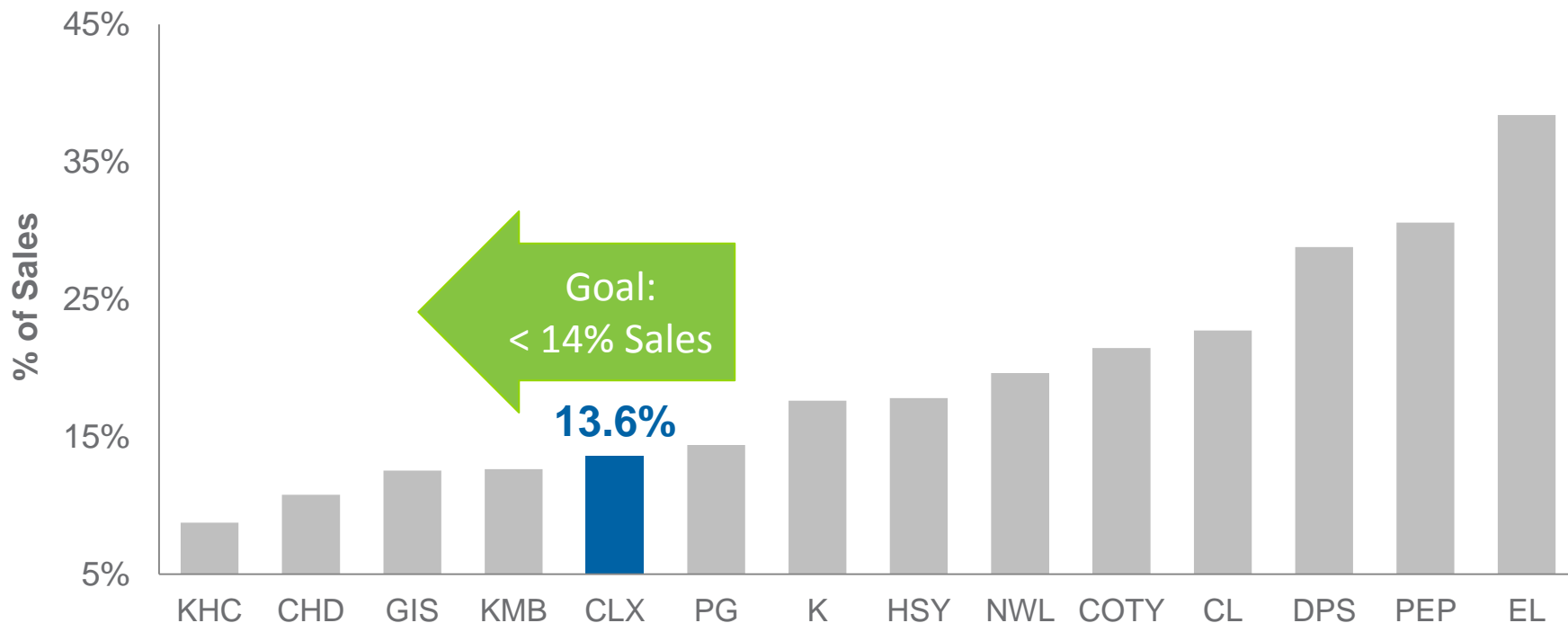
Strong Track Record of Cost Savings

EBIT Margin Benefit from Cost Savings



Continued Discipline on SG&A

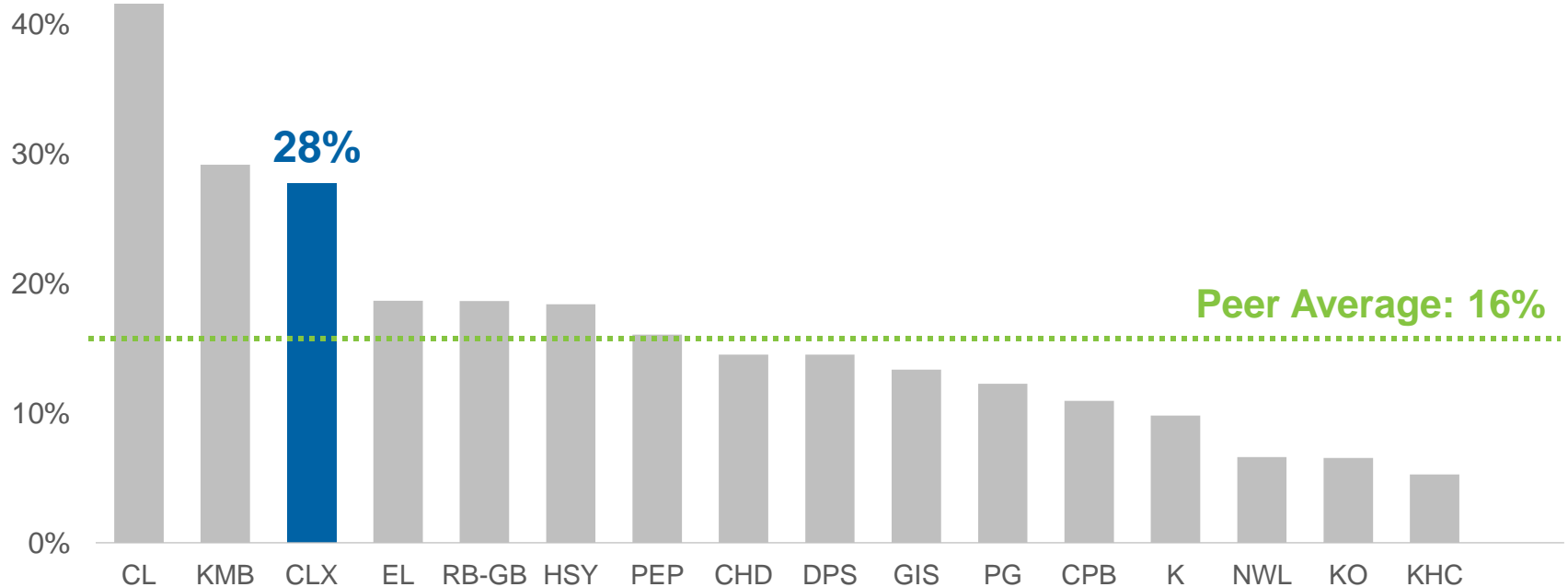
As of Fiscal Year Ending June 30, 2017



SG&A % of Sales as of Latest Fiscal Year End, CLX as of June 30, 2017

Delivering Top-Tier ROIC

As of Fiscal Year Ending June 30, 2017



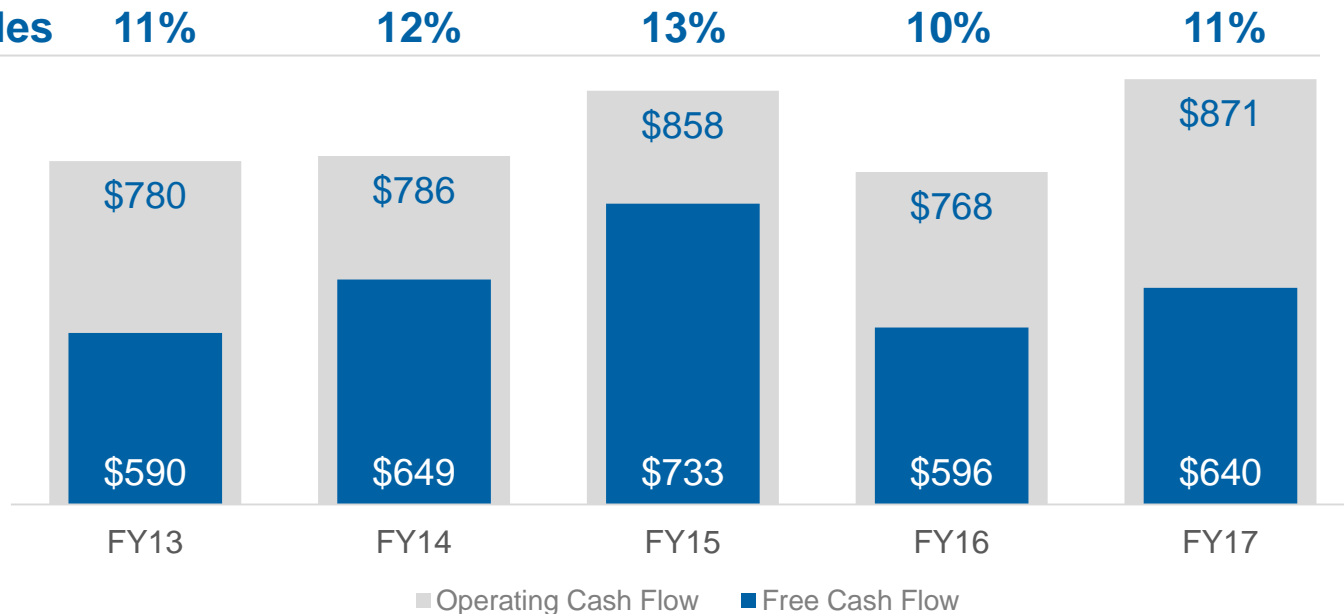
Return on invested capital (ROIC), a non-GAAP measure, is calculated as earnings from continuing operations before income taxes and interest expense, computed on an after-tax basis as a percentage of average invested capital. Average invested capital represents a five quarter average of total assets less non-interest bearing liabilities. ROIC is a measure of how effectively the company allocates capital. Information on the Peer ROIC is based on publicly available Fiscal-end data (FactSet) as of 6/30/2017. See reconciliation on 62 and 63.

Strong Free Cash Flow

Annual Free Cash Flow Goal: 11%-13% of Sales

\$ in Millions

Free Cash Flow
% of Sales



Free Cash Flow (a non-GAAP measure) represents Operating Cash Flow from Continuing Operations less Capital Expenditures.

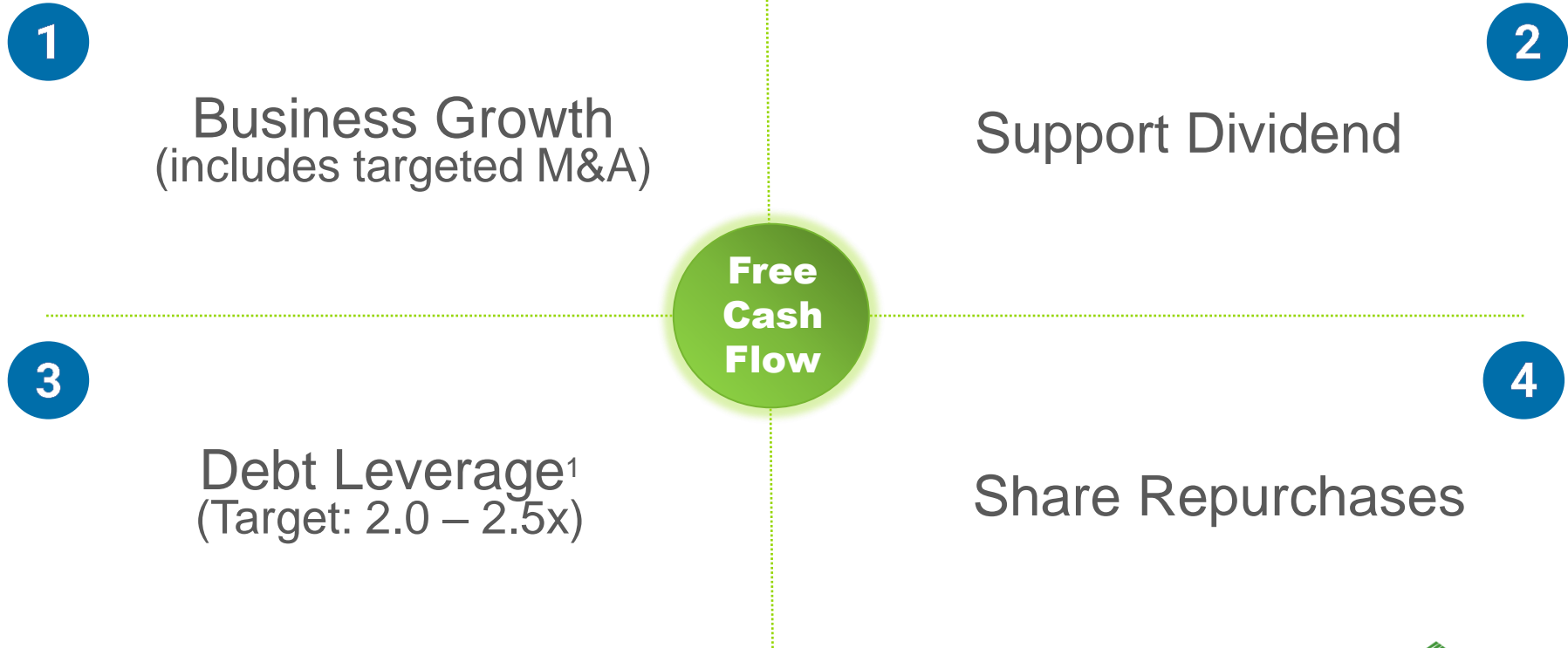
See reconciliation in the supplemental financial schedules located at: <https://investors.thecloroxcompany.com/investors/financial-information/quarterly-results/default.aspx>



Impact of Recent Tax Reform

- The passage of The Tax Cuts and Jobs Act in December 22, 2017, is expected to meaningfully lower Clorox's long-term effective tax rate
- **Long-term:** effective tax rate expected to be in **mid-twenties range** (vs previous range of low to mid thirties)
- **FY18:** Full year effective tax rate estimated be **22% to 23%**

Use of Cash Priorities



1. Debt Leverage = Gross Debt / EBITDA. EBITDA is a non-GAAP measure. See reconciliation in the supplemental financial schedules located at: <https://investors.thecloroxcompany.com/investors/financial-information/quarterly-results/default.aspx>

M&A Focus Unchanged

- Areas with tailwinds in categories, countries, and channels
- Strong fit with Clorox strategy and capabilities
- Brands with good market positions
- Attractive margins

Please note that this slide refers to general goals for Clorox's M&A focus – each element may not be relevant or applicable to each potential M&A transaction.

Evolving our Portfolio



RenewLife[®] - Strong First Year

- Transaction closed in May 2016
- About 2% of total company sales
- Purchase Price: \$290M (2.5x Sales)
- Integration is on track
- Distribution wins in Food, Drug, Mass and Club



Aplicare - Sale Completed

- Transaction closed in August 2017
- No change to strategic focus of Professional Products Division

Evolving our Portfolio with Nutranext Acquisition

Nutranext™

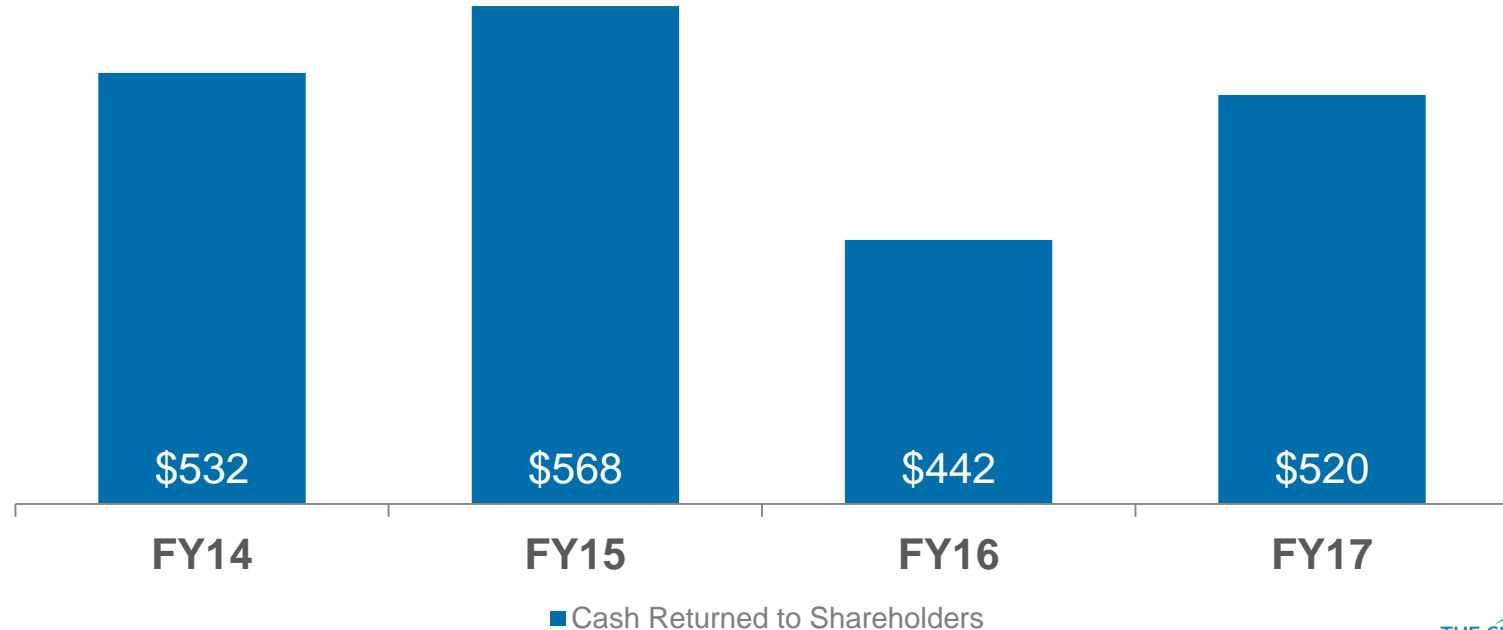
- Transaction closed April 2018, purchase price \$700M (~3.5x Sales)
- About 3% of company sales
- Attractive mid-sized categories in Health and Wellness space with strong tailwinds
- Leading brands in natural channels¹ (Natural Vitality #1, Rainbow Light #2)
- US centric: ~90% of sales
- Leverages Clorox capabilities in brand building, innovation, digital marketing and eCommerce
- Attractive margins



¹ Source: SPINS POS Retail Dollars 52weeks ending 12/31/2017.

Over \$2B Returned to Shareholders in the Last 4 Years

\$ in Millions



Cash Returned to Shareholders is defined as Dividends Paid plus Share Repurchased less Options Exercised

Healthy Dividend Growth...

Dividends Have Increased Each Year Since 1977

Dividend Yield as of March 31, 2017



1. As of March 31, 2018, dividend yield of 2.9% is calculated by taking prospective annual dividends per share (\$0.96/quarter x 4 = \$3.84) divided by the closing stock price (\$133.11).

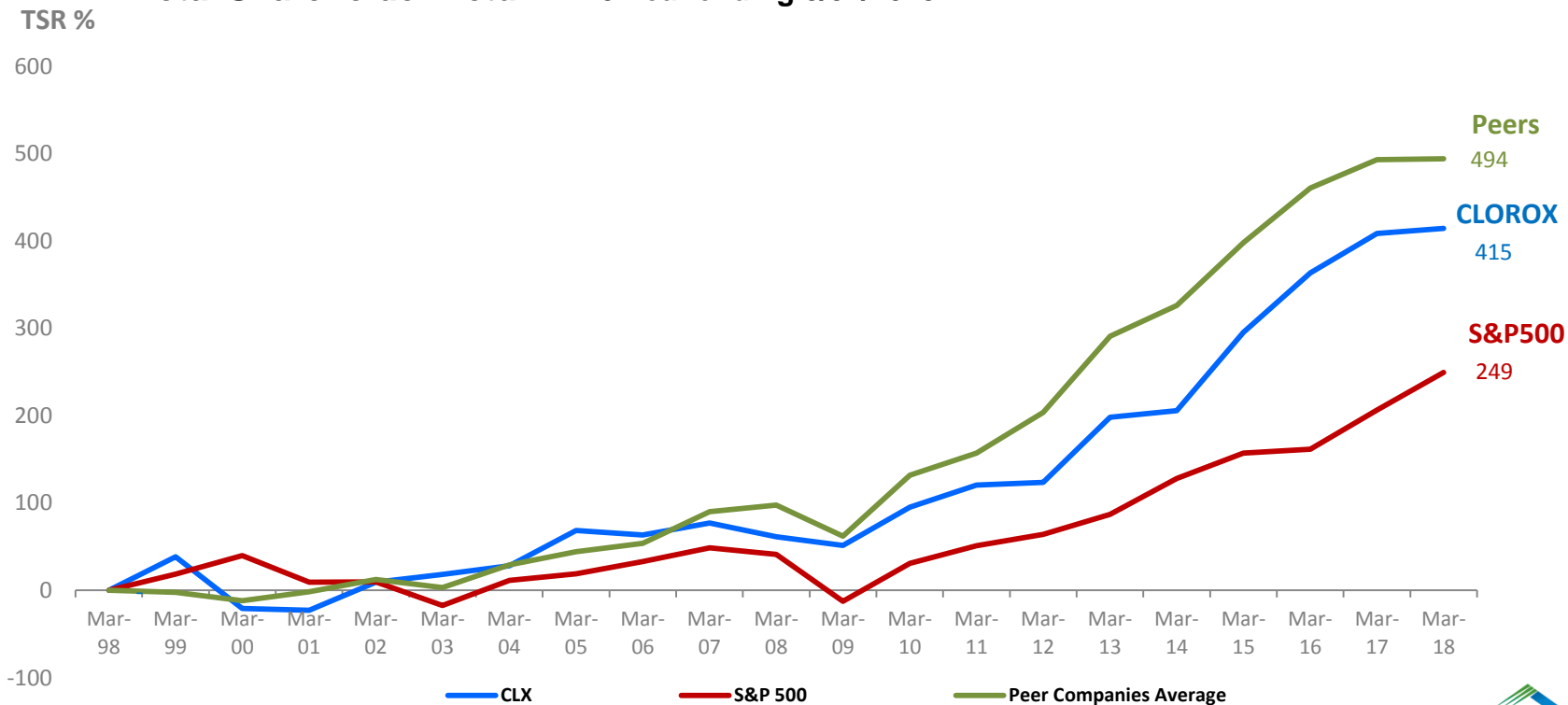
Long-Term Investment Case Remains Solid

- **Investing behind leading brands to grow categories and share**
 - 3%+ annual growth from innovation
 - Maintain healthy brand building investments
- **Margin improvement opportunities continue to exist**
 - Leverage our brands pricing power to mitigate input cost
 - Strong cost savings track record
 - Driving SG&A to below 14% of sales
- **Strong cash flow generation**
 - Goal to generate Free Cash Flow of 11% to 13% of sales
 - Announced +14% dividend increase (Feb 2018)

Strong Shareholder Return



Total Shareholder Return - 20 Year ending 3/31/2018



2020 Strategy



2020 Strategy: Drive Superior Consumer Value

Mission

- We make everyday life better, every day

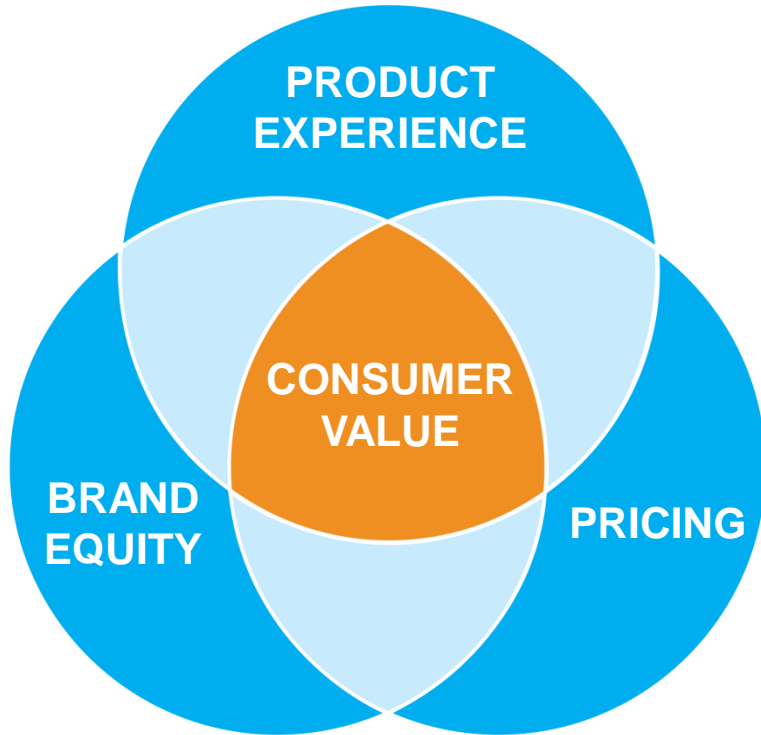
Objectives

- Maximize economic profit
- Big-share brands in mid-sized categories and countries

Strategy

- Drive superior consumer value behind strong brand investment, innovation and technology transformation
- Accelerate portfolio momentum in and around the core
- Fuel growth by reducing waste in our work, products and supply chain
- Engage our people as business owners

Driving Superior Consumer Value



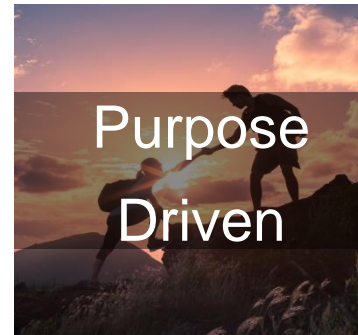
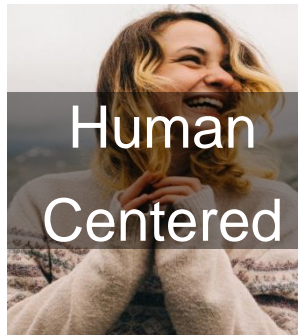
- Value is an outcome of:
 - Great brand equity
 - Differentiated products
 - The right pricing
- Executing with excellence by delivering seamless consumer experience in-store and online

Building Brand Equity

Evolving how we build Brands

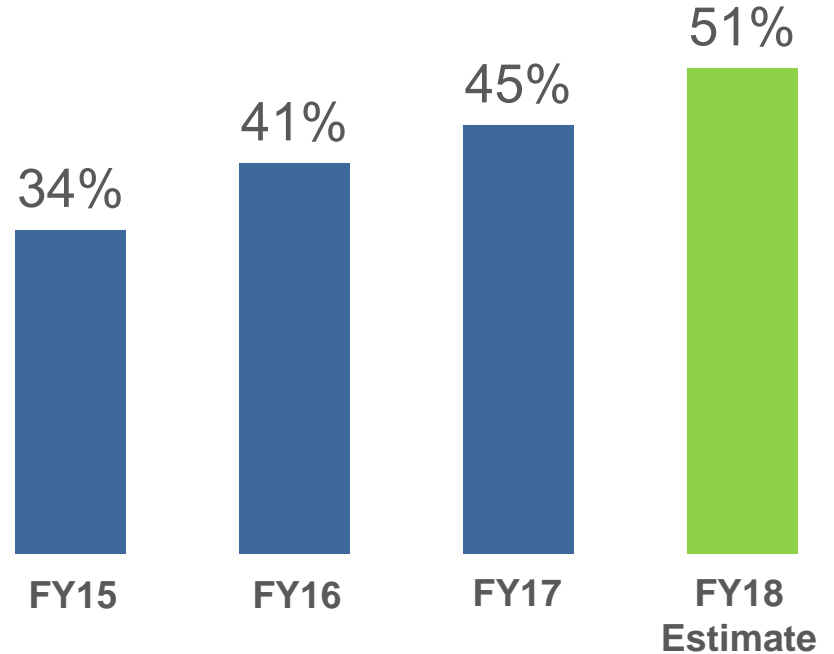


Building Brands with Purpose



We Continue to Lean Into Digital Engagement

Clorox invests **over 50%**
of our media in digital



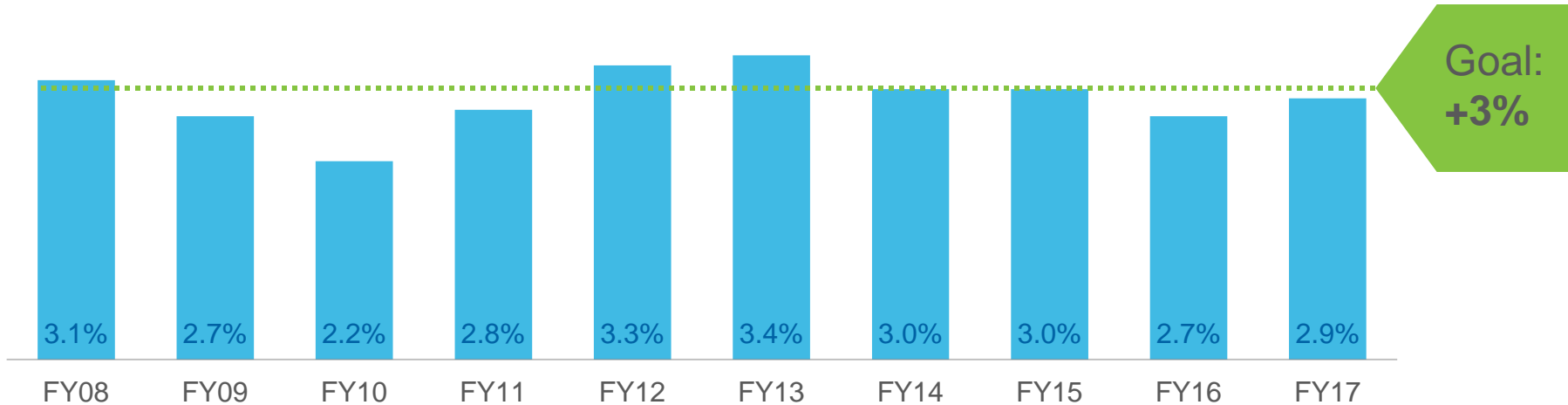
Our Partners Help Build World-Class Digital

Select Partners:



Innovation: Strong Track Record

Incremental Sales Growth from Product Innovation (Last 12 months)



Solid Pipeline to Continue the Momentum

FY18
Front Half



Clorox Performance Bleach with Cloromax



Burt's Bees Cosmetics



Scentiva Cleaning Platform

FY18
Back Half



Glad ForceFlex Plus Advanced Protection



Clorox Disinfecting Wipes: Ultra Strength & Easy to Pull



Renew Life non-GMO probiotic + organic prebiotics



Clean Paws Low Track Litter



Scentiva Bathroom Cleaners

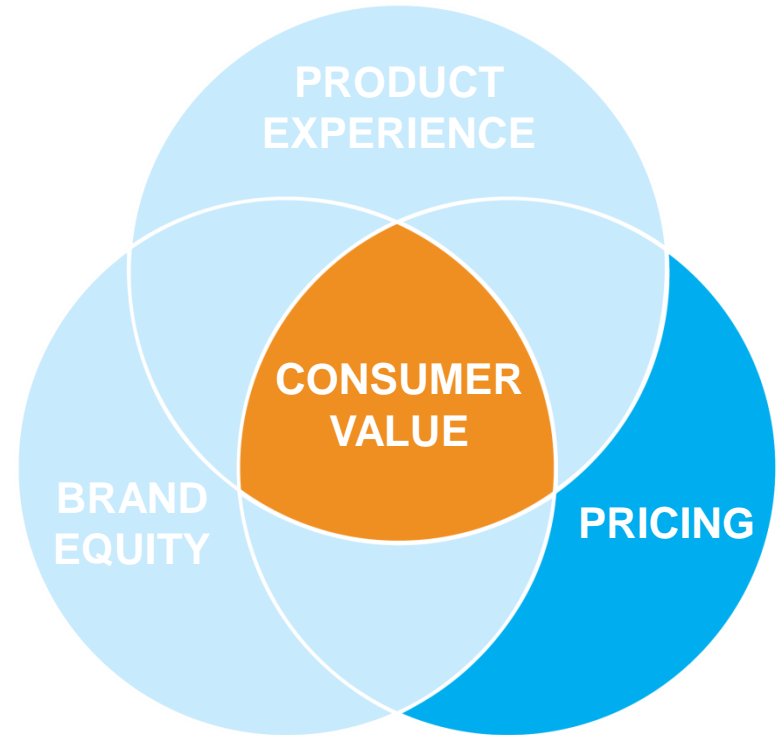


Hidden Valley Simply Dinners

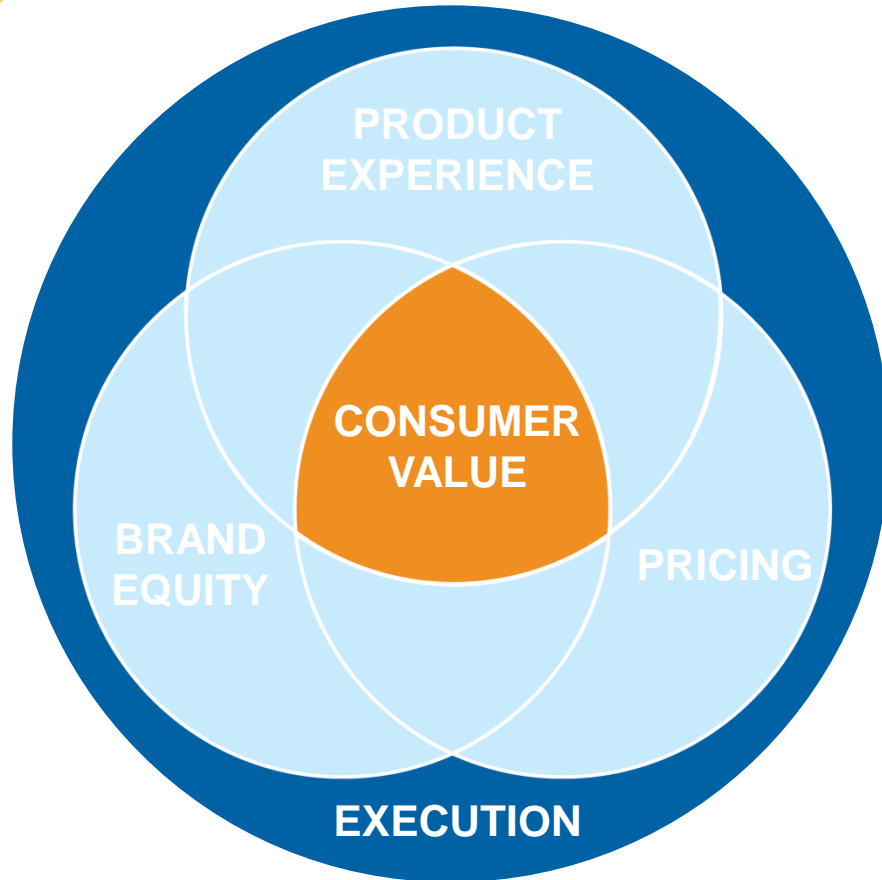


Strategic Approach to Pricing Guided by Consumer Value

- Price for value, considering all elements of consumer value
- Leverage value-added innovation as a pricing opportunity
- Strong track record of price increases over past 5 years



Driving Superior Consumer Value



- Value is an outcome of:
 - Great brand equity
 - Differentiated products
 - The right pricing
- **Executing with excellence** by delivering seamless consumer experience in-store and online

Strong Capabilities and Long History of Retail Success

Mass Merch

Dollar

eCommerce

Capabilities are World Class and Adaptable:

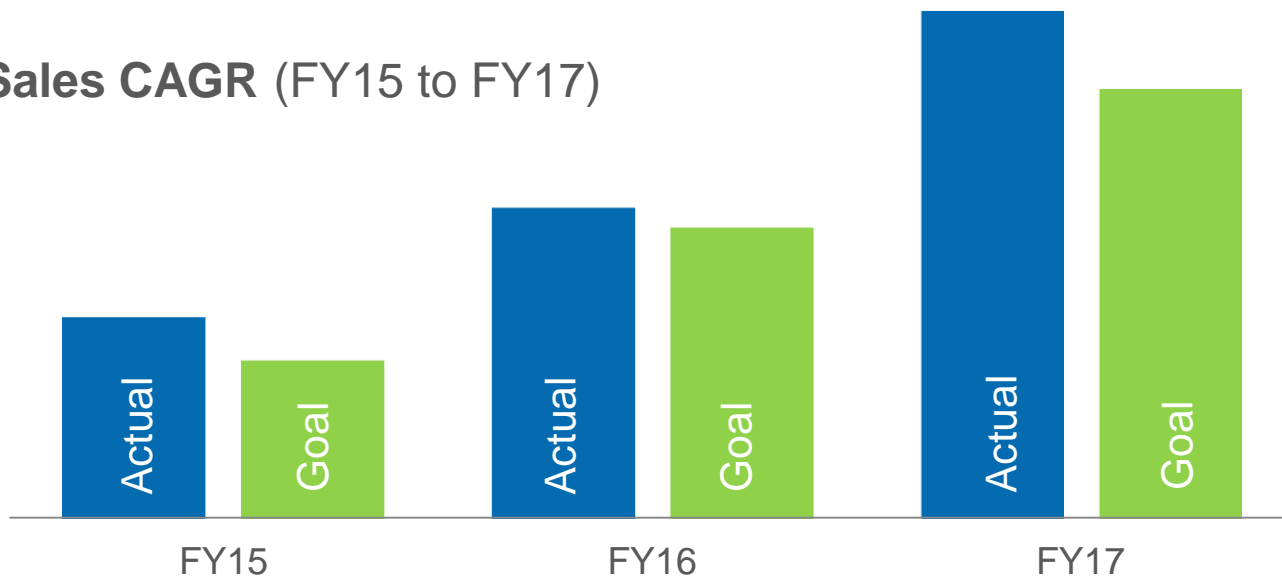
- Insights
- Retail operations
- Category management
- Supply chain
- Shopper marketing
- Omni-channel retailing

Club

Home Hardware

eCommerce Sales Well Ahead of Goals

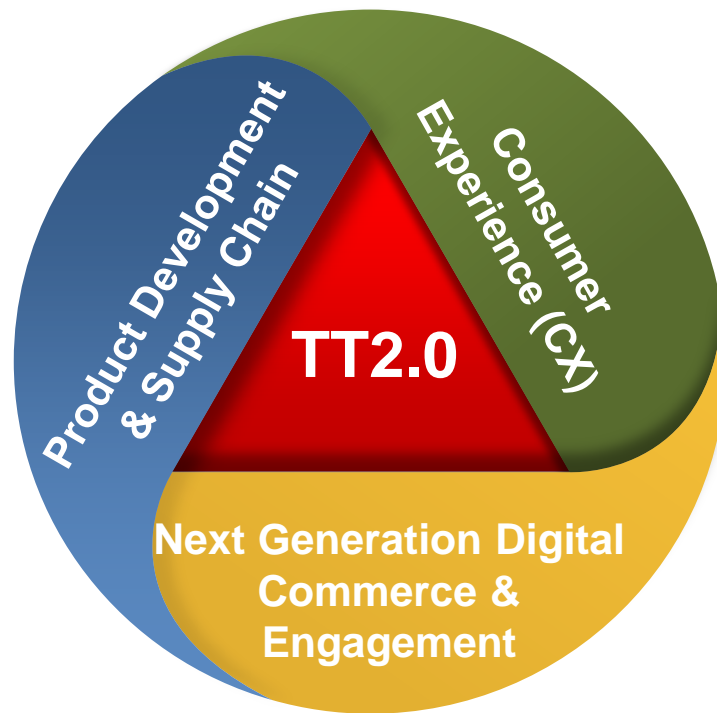
- Early investment in eCommerce is paying off
- **~4%** of Total Company Sales
- **37%** Sales CAGR (FY15 to FY17)



Tech Transformation 1.0 to 2.0

eCommerce

Digital Marketing



2020 Strategy: Accelerate Portfolio Momentum

Mission

- We make everyday life better, every day

Objectives

- Maximize economic profit
- Big-share brands in mid-sized categories and countries

Strategy

- Drive superior consumer value behind strong brand investment, innovation and technology transformation
- Accelerate portfolio momentum in and around the core
- Fuel growth by reducing waste in our work, products and supply chain
- Engage our people as business owners

Portfolio Segmentation

High

FUEL

GROWTH

Profit Margin Potential



BURT'S
BEES®

Low

Sales Growth Potential

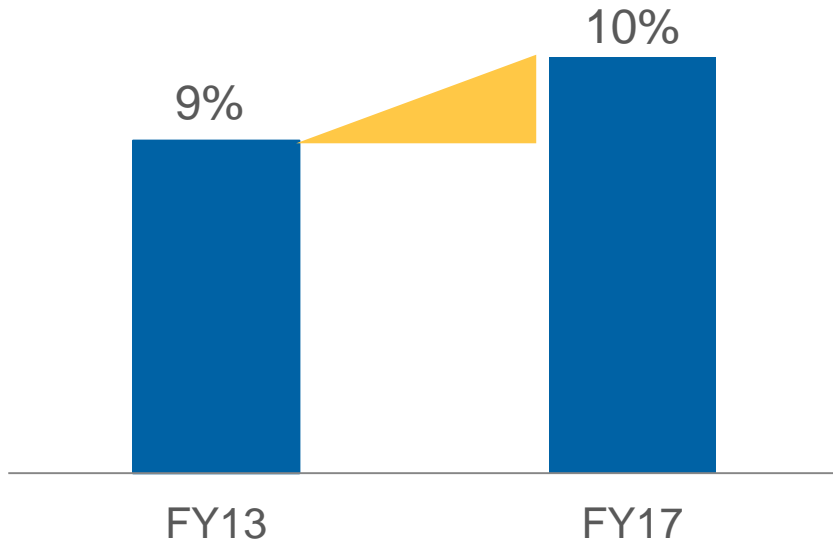
High



Fuel Brands Create Investment Dollars

Investing in A&SP ...

... and across all demand spend

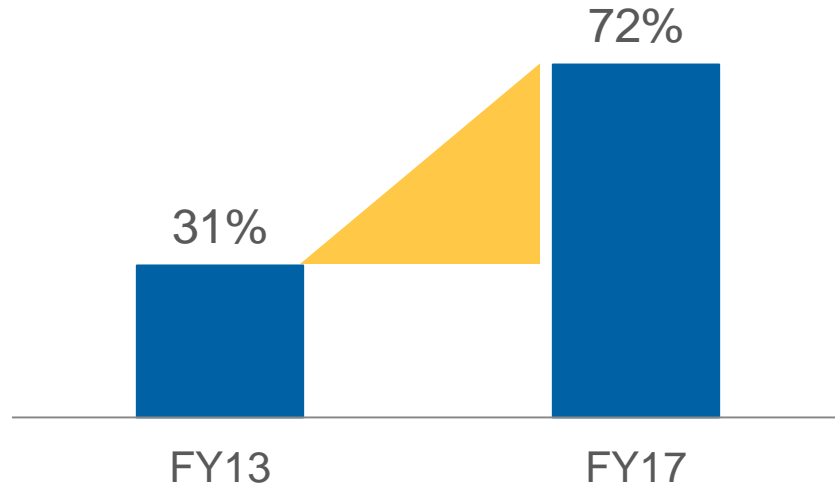


AS&P as a % of Sales



Investments Drive Household Penetration

% Sales with
Growing/Stable HH Pen



72%
of portfolio has
growing or stable
household penetration

2020 Strategy: Fuel Growth by Reducing Waste

Mission

- We make everyday life better, every day

Objectives

- Maximize economic profit
- Big-share brands in mid-sized categories and countries

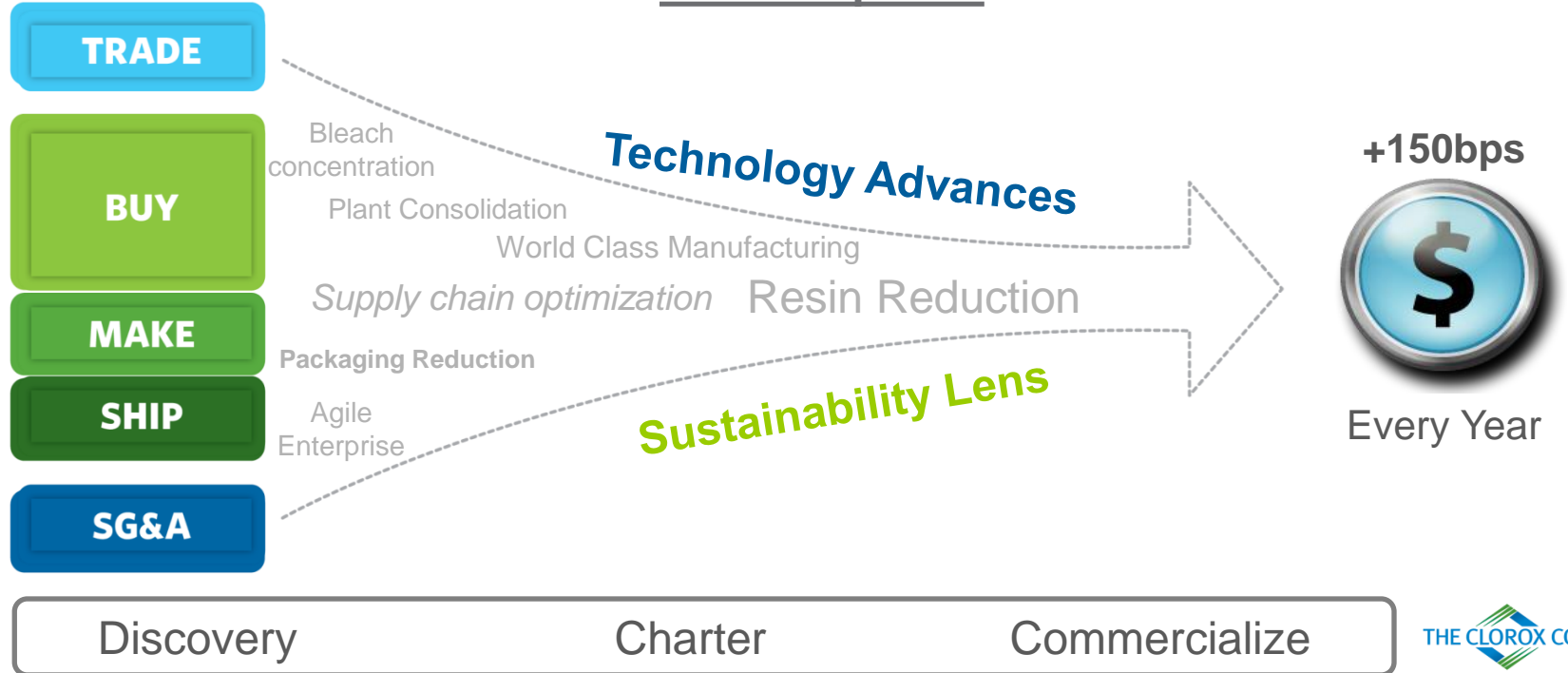
Strategy

- Drive superior consumer value behind strong brand investment, innovation and technology transformation
- Accelerate portfolio momentum in and around the core
- Fuel growth by reducing waste in our work, products and supply chain
- Engage our people as business owners

Cost Savings is in our DNA

Over 10 years of +150bps EBIT Margin Benefit from Cost Savings (see slide 18)

3-Year Pipeline



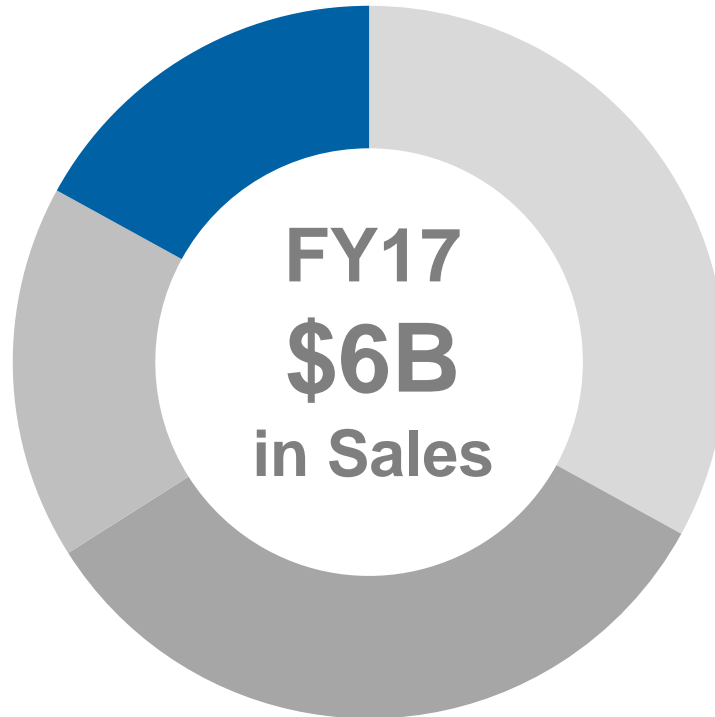
Fueling Growth in International

International : 17%

Latin America	9%
Canada	3%
Australia / NZ	2%
Rest of World	3%

Lifestyle : 16%

 Hidden Valley	9%
 BURT'S BEES	4%
 BRITA	3%



Cleaning : 34%

 Pine Sol	Home Care	19%
 CLOROX	Laundry	9%
 CLOROX HEALTHCARE*	Professional	6%

Household : 33%

 GLAD	14%
 KINGSFORD	10%
 Fresh Step	7%
 RenewLife	2%

Leading Brands in International



>80% of our brands in International are #1 or #2 in their market

Selected Countries/Categories:

	Country	Share Position
	Argentina Bleach	#1
	Hong Kong Wipes	#1
	Hong Kong Bleach	#2
	Korea Bleach	#1
	Malaysia Bleach	#1
	Saudi Arabia Bleach	#1
	Mexico Bleach	#2
	Peru Bleach	#1
	Colombia Bleach	#2
		Chile

	Country	Share Position
	Argentina	#1
	Chile	#1
	Canada Trash Bags	#1
	Canada Food Wraps	#1
	New Zealand Food Protection	#1
	China* Food Protection	#1
	Hong Kong Food Protection	#1
  	Canada	#1
	Canada	#1
	Australia	#1
	Canada Natural Lip Care	#1

International “Go Lean” Strategy is Working



**Pricing
Maximization**



**Focus on
Cost Savings**



**Right-Size
Infrastructure**



**Optimize Demand
Creation**

2020 Strategy: Engage our People as Business Owners

Mission

- We make everyday life better, every day

Objectives

- Maximize economic profit
- Big-share brands in mid-sized categories and countries

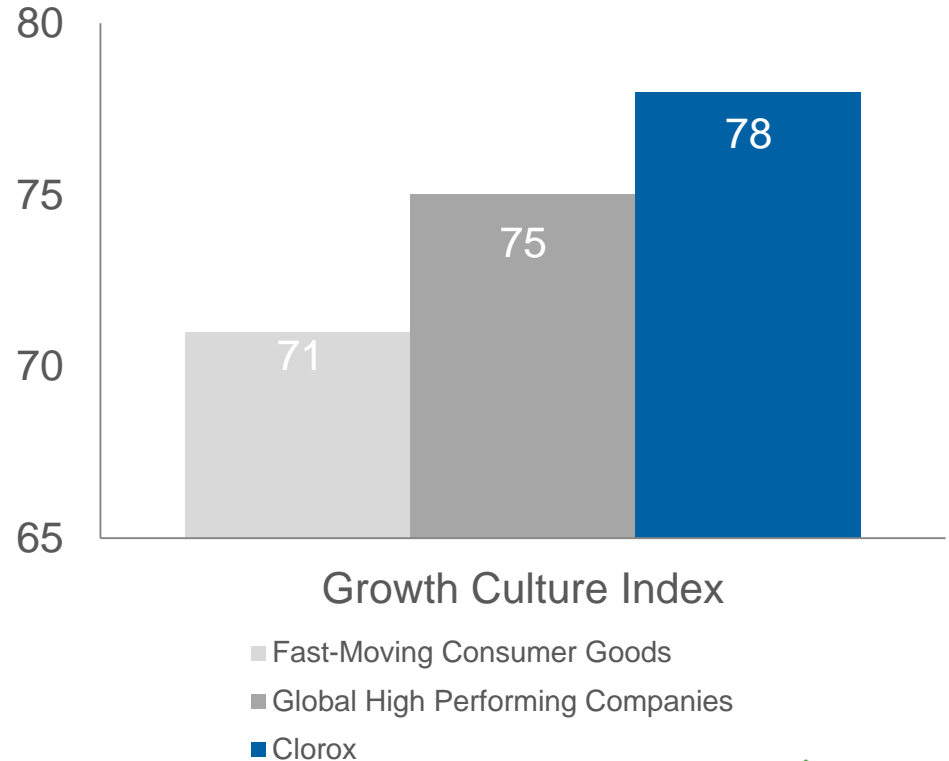
Strategy

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Clorox Growth Culture Enables our 2020 Strategy

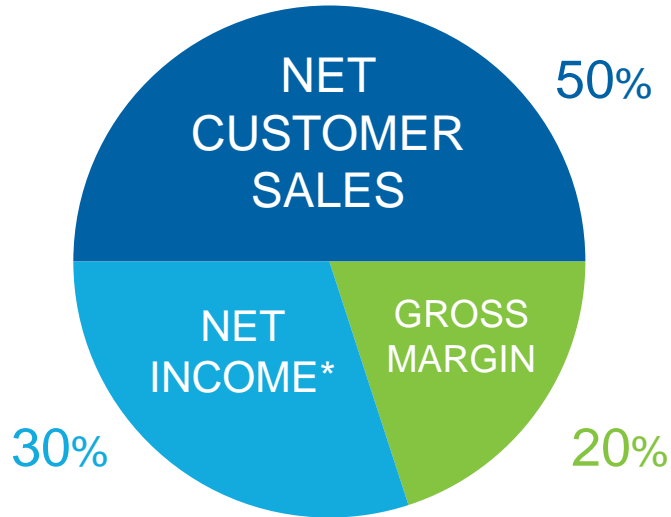
Growth Culture

- **Decisive**
- **Empowered**
- **Accountable**



Employees Share in Rewards for Delivering Results

Short-term Incentives



*Continuing operations

Long-term Incentives



*Metric for Performance Share Units

People Strategy Building a Competitive Advantage



Strong sustainable **engagement** results are associated with:

- **3x** higher operating margin¹
- **6.5** fewer days lost¹
- **41%** lower retention risk¹

Inclusion and diversity lead to **better outcomes**:

- **+6%** greater revenue, **+15%** more customer wins, significantly higher market share²
- **Gender-diverse** companies are **+15%** more likely to **outperform peers**³
- **Ethnically-diverse** companies are **35%** more likely to **outperform peers**³
- Diverse and **inclusive company cultures** are **45%** more likely to **improve market share**, and have greater discretionary effort from employees and **lower turnover**⁴

Sources:

1 Willis Towers Watson

2 Why Diversity and Inclusion Has Become a Business Priority, Josh Bersin, December 7, 2015

3 Diversity Matters, Vivian Hunt, Dennis Layton and Sara Prince, February 2, 2015

4 Why Diversity Can Be Bad For Business (And Inclusion Is The Answer), Sebastian Bailey, May 20, 2014

Strong Engagement Distinguishes Us from Peers

SUSTAINABLE ENGAGEMENT



88%
(favorable score)

Strong Absolute Results

vs. Fast Moving
Consumer Goods

vs. Global High
Performing Companies

+8*

+3*

Strong Relative to Peers

86%

2015

87%

2016

88%

2017

Stronger Results Over Time

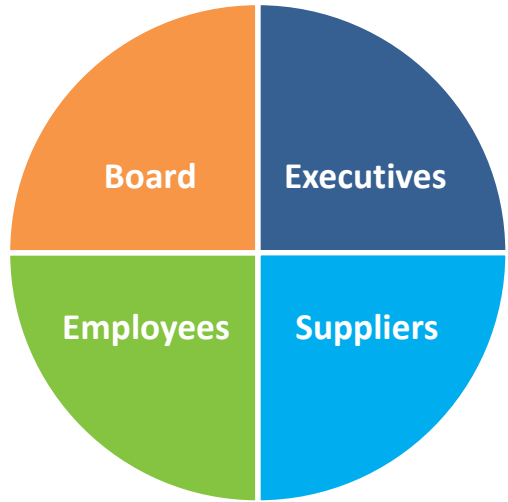
Source: Willis Towers Watson

FMCG Norm: Based on responses from more than 160,000 employees globally.

Global High Performing Companies: Companies meeting two criteria: (a) superior financial performance, defined by a net profit margin and/or return on invested capital that exceeds industry averages; and (b) superior human resource practices, defined by employee opinion scores near the top among the most financially successful companies surveyed by Willis Towers Watson. Includes responses from over 140,000 employees at dozens of global organizations.

*Statistically Significant

We Cultivate Diversity Broadly to Generate Value



36%

Female Clorox Executive Committee Members

33%

Female Board Members

33%

Minority Board Members

Clorox Employee Resource Groups



Appendix



Key Credit Metrics

\$ in B	FY13	FY14	FY15	FY16	FY17
EBITDA	\$1.2	\$1.1	\$1.2	\$1.2	\$1.3
Total Debt / EBITDA	2.1x	2.0x	1.8x	1.9x	1.7x
EBITDA Interest Coverage	9.5x	11.3x	11.9x	14.0x	14.5x
EBIT / Interest	8.0x	9.6x	10.2x	12.1x	12.7x
Free Cash Flow / Debt	25%	28%	33%	26%	29%
FCF after Dividends / Debt	10%	12%	16%	9%	10%
FCF as % of sales	10%	12%	13%	10%	11%
FCF after Dividends as % of Sales	4%	5%	6%	3%	4%
Long Term Credit Ratings	BBB+ /Baa1	BBB+/Baa 1	BBB+/Baa 1	A- / Baa1	A-/Baa1
CP Ratings	A-2/P-2	A-2/P-2	A-2/P-2	A-2/P-2	A-2/P-2

Note: EBIT, EBITDA, FCF are Non-GAAP measures with reconciliations available in the supplemental financial schedules located at: <https://investors.thecloroxcompany.com/investors/financial-information/quarterly-results/default.aspx>

Gross Margin Reconciliation

Driver	Gross Margin Change vs. Prior Year (basis points)							
	FY17					FY18		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Cost Savings	+140	+140	+150	+150	+150	+160	+170	+140
Price Changes	+70	+70	+60	+50	+60	+40	+30	+50
Market Movement (commodities)	+90	+10	-70	-90	-20	-90	-110	-160
Manufacturing & Logistics	-220	-210	-130	-130	-170	-80	-240	-220
All other ⁽¹⁾	-140	0	-140	+50	-60	+20	-20	+70
Change vs prior year	-60	+10	-130	+30	-40	+50	-170	-120
<i>Gross Margin (%)</i>	<i>44.4%</i>	<i>44.7%</i>	<i>44.0%</i>	<i>45.7%</i>	<i>44.7%</i>	<i>44.9%</i>	<i>43.0%</i>	<i>42.8%</i>

(1) In Q1 of fiscal year 2017, "All other" includes about -60bps of unfavorable mix and -50bps of unfavorable foreign exchange impact.

In Q3 of fiscal year 2017, "All other" includes about -100bps of unfavorable mix (negative mix in charcoal business and strong sales in club channel across multiple businesses) and -60bps of higher trade promotion spending.

Reportable Segments (unaudited)

Dollars in Millions

	Net sales		
	Three Months Ended		
	3/31/2018	3/31/2017	% Change ⁽¹⁾
Cleaning	\$ 513	\$ 497	3%
Household	493	486	1%
Lifestyle	252	246	2%
International	259	248	4%
Corporate	-	-	0%
Total	\$ 1,517	\$ 1,477	3%

	Net sales		
	Nine Months Ended		
	3/31/2018	3/31/2017	% Change ⁽¹⁾
Cleaning	\$ 1,544	\$ 1,500	3%
Household	1,344	1,329	1%
Lifestyle	766	742	3%
International	779	755	3%
Corporate	-	-	0%
Total	\$ 4,433	\$ 4,326	2%

	Earnings (losses) from continuing operations before income taxes		
	Three Months Ended		
	3/31/2018	3/31/2017	% Change ⁽¹⁾
	\$ 135	\$ 132	2%
	88	106	-17%
	55	51	8%
	23	20	15%
	(59)	(62)	-5%
Total	\$ 242	\$ 247	-2%

	Earnings (losses) from continuing operations before income taxes		
	Nine Months Ended		
	3/31/2018	3/31/2017	% Change ⁽¹⁾
	\$ 428	\$ 400	7%
	215	246	-13%
	188	190	-1%
	69	75	-8%
	(152)	(173)	-12%
Total	\$ 748	\$ 738	1%

⁽¹⁾ Percentages based on rounded numbers.

Return on Invested Capital (ROIC) Reconciliation

Dollars in millions and all calculations based on rounded numbers

	<u>FY17</u>
Earnings from continuing operations before income taxes	\$ 1,033
Interest expense	<u>88</u>
Earnings from continuing operations before income taxes and interest expense	<u>\$ 1,121</u>
Income taxes on earnings from continuing operations before income taxes and interest expense ⁽²⁾	<u>\$ (358)</u>
Adjusted after-tax profit	<u>\$ 763</u>
Average invested capital ⁽³⁾	<u>\$ 2,744</u>
Return on invested capital ⁽¹⁾	<u>28%</u>

(1) 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. Return on invested capital (ROIC), a non-GAAP measure, is calculated as earnings from continuing operations before income taxes and interest expense, computed on an after-tax basis as a percentage of average invested capital. Management believes ROIC provides additional information to investors about current trends in the business. ROIC is a measure of how effectively the company allocates capital.

(2) The tax rate applied is the effective tax rate on continuing operations, which was 31.9%.

Average invested capital represents a five quarter average of total assets less non-interest bearing liabilities.

Return on Invested Capital (ROIC) Reconciliation

Dollars in millions and all calculations based on rounded numbers

(Amounts shown below are five quarter averages)

	<u>FY17</u>
Total assets	\$ 4,549
Less: non-interest bearing liabilities	<u>(1,805)</u>
Average invested capital	<u><u>\$ 2,744</u></u>