UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2010.

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number **1-07151**

THE CLOROX COMPANY

(Exact name of registrant as specified in its charter)

Delaware	**31-0595760**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1221 Broadway Oakland, California	**94612-1888**
(Address of principal executive offices)	(Zip code)

(510) 271-7000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of “large accelerated filer, ” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act (Check One):

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

As of March 31, 2010, there were 140,841,235 shares outstanding of the registrant's common stock (par value - $1.00), the registrant's only outstanding class of stock.

The Clorox Company

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PART I – FINANCIAL INFORMATION (Unaudited)
Item 1. Financial Statements
The Clorox Company
Condensed Consolidated Statements of Earnings
(Dollars in millions, except per share amounts)

	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Net sales	$ 1,366	$ 1,350	$ 4,017	$ 3,950
Cost of products sold	749	739	2,220	2,291
Gross profit	617	611	1,797	1,659
Selling and administrative expenses	182	174	544	530
Advertising costs	127	125	381	351
Research and development costs	30	27	86	81
Restructuring costs	-	14	4	16
Interest expense	34	39	107	125
Other expense (income), net	1	(1)	25	6
Earnings before income taxes	243	233	650	550
Income taxes	78	80	218	183
Net earnings	$ 165	$ 153	$ 432	$ 367
Earnings per share				
Basic	$ 1.17	$ 1.08	$ 3.06	$ 2.61
Diluted	$ 1.16	$ 1.08	$ 3.04	$ 2.59
Weighted average shares outstanding (in thousands)				
Basic	140,764	139,213	140,270	138,919
Diluted	142,014	140,002	141,509	140,078
Dividend declared per share	$ 0.50	$ 0.46	$ 1.50	$ 1.38

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Balance Sheets
(Dollars in millions, except per share amounts)

	3/31/2010	6/30/2009
ASSETS		
Current assets		
Cash and cash equivalents	$ 241	$ 206
Receivables, net	556	486
Inventories, net	423	366
Other current assets	118	122
Total current assets	1,338	1,180
Property, plant and equipment, net	935	955
Goodwill	1,658	1,630
Trademarks, net	565	557
Other intangible assets, net	100	105
Other assets	147	149
Total assets	$ 4,743	$ 4,576
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Notes and loans payable	$ 586	$ 421
Current maturities of long-term debt	300	577
Accounts payable	342	381
Accrued liabilities	478	472
Income taxes payable	66	86
Total current liabilities	1,772	1,937
Long-term debt	2,132	2,151
Other liabilities	610	640
Deferred income taxes	49	23
Total liabilities	4,563	4,751
Contingencies		
Stockholders' equity (deficit)		
Common stock: $1.00 par value; 750,000,000 shares authorized; 158,741,461 shares issued at March 31, 2010 and June 30, 2009; and 140,841,235 and 139,157,976 shares outstanding at March 31, 2010 and June 30, 2009, respectively	159	159
Additional paid-in capital	599	579
Retained earnings	838	640
Treasury shares, at cost: 17,900,226 and 19,583,485 shares at March 31, 2010 and June 30, 2009, respectively	(1,109)	(1,206)
Accumulated other comprehensive net losses	(307)	(347)
Stockholders' equity (deficit)	180	(175)
Total liabilities and stockholders' equity (deficit)	$ 4,743	$ 4,576

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Cash Flows
(Dollars in millions)

	Nine Months Ended	
	3/31/2010	3/31/2009
Operating activities:		
Net earnings	$ 432	$ 367
Adjustments to reconcile earnings from operations:		
Depreciation and amortization	139	142
Share-based compensation	46	45
Deferred income taxes	21	(4)
Net loss on disposition of assets	-	5
Other	(19)	19
Changes in:		
Receivables, net	(60)	21
Inventories, net	(50)	(42)
Other current assets	(3)	(20)
Accounts payable and accrued liabilities	(41)	(101)
Income taxes payable	(22)	(9)
Net cash provided by operations	443	423
Investing activities:		
Capital expenditures	(111)	(135)
Businesses acquired , net of cash acquired	(19)	-
Other	2	(2)
Net cash used for investing activities	(128)	(137)
Financing activities:		
Notes and loans payable, net	163	(211)
Long-term debt borrowings	297	-
Long-term debt repayments	(590)	-
Cash dividends paid	(211)	(193)
Issuance of common stock for employee stock plans, and other	61	37
Net cash used for financing activities	(280)	(367)
Effect of exchange rate changes on cash and cash equivalents	-	(16)
Net increase (decrease) in cash and cash equivalents	35	(97)
Cash and cash equivalents:		
Beginning of year	206	214
End of year	$ 241	$ 117

See Notes to Condensed Consolidated Financial Statements

NOTE 1. INTERIM FINANCIAL STATEMENTS

Basis of Presentation

The unaudited interim condensed consolidated financial statements for the three and nine months ended March 31, 2010 and 2009, in the opinion of management, reflect all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the consolidated results of operations, financial position and cash flows of The Clorox Company and its subsidiaries (the Company) for the periods presented. Certain prior period amounts have been reclassified in the condensed consolidated financial statements to conform to the current period presentation. The results for the interim period ended March 31, 2010, are not necessarily indicative of the results that may be expected for the fiscal year ending June 30, 2010, or for any future period.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) have been omitted or condensed pursuant to the rules and regulations of the Securities and Exchange Commission (the SEC). The information in this report should be read in conjunction with the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended June 30, 2009, which includes a complete set of footnote disclosures, including the Company's significant accounting policies.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ materially from estimates and assumptions made.

Foreign Currency Translation

P rior to December 31, 2009, the Company translated its Venezuelan subsidiary's financial statements using Venezuela's official exchange rate, which had been fixed by the Venezuelan government at 2.15 bolivar fuertes (VEF) to the U.S. dollar. However, the Company's access to the official exchange rate has become increasingly limited due to delays in obtaining U.S. dollars through the government-sponsored currency exchange process at the official exchange rate and the removal of some products from the official list of items that may be imported at the official exchange rate. This has led to the substantial use of the parallel market currency exchange rate to convert VEFs to U.S. dollars to pay for certain imported inventory purchases. The parallel market currency exchange rate represents the rates negotiated with local financial intermediaries. Due to these circumstances, effective December 31, 2009, the Company began translating its Venezuelan subsidiary's financial statements using the parallel market currency exchange rate, the rate at which the Company expects to be able to remit dividends or return capital. The rate used at December 31, 2009, was 5.87 VEF to the U.S. dollar. On a pre-tax basis, this change in the rate used for converting these currencies resulted in additional remeasurement losses of $12 for the three months ended December 31, 2009, which related primarily to U.S. dollar denominated inventory purchases.

Effective January 1, 2010, Venezuela was designated as a hyper-inflationary economy for purposes of U.S. GAAP. A hyper-inflationary economy designation occurs when a country has experienced cumulative rates of inflation of approximately 100 percent or more over a 3-year period. The hyper-inflationary designation requires the Company's subsidiary in Venezuela to remeasure its financial statements as if the functional currency were the reporting currency or U.S. dollar . Bolivar denominated monetary assets and liabilities are remeasured at the parallel market currency rate and are recognized in earnings rather than as a component of Accumulated Other Comprehensive Net Losses on the balance sheet. The remeasurement loss as a result of using the parallel market currency exchange rate for the three and nine months ended March 31, 2010 , was approximately $2 and $14, respectively . The rate used at March 31, 2010, was 7.05 VEF to the U.S. dollar.

NOTE 1. INTERIM FINANCIAL STATEMENTS (Continued)

During the three and nine months ended March 31, 2010, net sales in Venezuela were approximately 1% and 2%, respectively, of total Company net sales. As of March 31, 2010, total assets in Venezuela were approximately 1% of total Company assets.

New Accounting Pronouncements

Recently adopted pronouncements

On July 1, 2009, the Company adopted a new accounting standard which provides that unvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents, whether paid or unpaid, are participating securities that must be included in the computation of earnings per share pursuant to the two-class method. These payment awards were previously not considered participating securities. Accordingly, the Company's unvested performance units, restricted stock awards and restricted stock units that provide such nonforfeitable rights are now considered participating securities in the calculation of net earnings per share (EPS). The Company's share-based payment awards granted in fiscal year 2010 are not participating securities. The new standard requires the retrospective adjustment of the Company's earnings per share data. The impact of the retrospective adoption of the new accounting standard on the fiscal year 2009 reported EPS data was as follows:

	Basic		Diluted	
	As previously reported	As restated	As previously reported	As restated
Three months ended March 31, 2009	$ 1.09	$ 1.08	$ 1.08	$ 1.08
Nine months ended March 31, 2009	2.64	2.61	2.60	2.59
Three months ended June 30, 2009	1.22	1.21	1.20	1.20
Year ended June 30, 2009	3.86	3.82	3.81	3.79

The calculation of EPS under the new accounting standard is disclosed in Note 8.

On July 1, 2009, the Company adopted a new accounting standard which establishes principles and requirements for how the acquirer of a business recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, including contingent liabilities, and any noncontrolling interest in an acquired business. The new accounting standard also provides for recognizing and measuring the goodwill acquired in a business combination and requires disclosure of information to enable users of the financial statements to evaluate the nature and financial effects of the business combination. The provisions of this standard were applied during the Company's most recent acquisition (See Note 2).

On July 1, 2009, the Company adopted a new accounting standard which requires disclosures about fair value of financial instruments in interim financial information (See Note 4). The Company already complies with the provisions of this accounting standard for its annual reporting.

On July 1, 2009, the Company adopted the provisions of the accounting standard on fair value measurements that apply to nonfinancial assets and liabilities that are recognized or disclosed at fair value on a non-recurring basis. The adoption of these provisions did not have an impact on the condensed consolidated financial statements or disclosures.

On January 1, 2010, the Company adopted the provisions of the accounting standard on fair value measurements and disclosures which requires some new disclosures and clarifies existing disclosure requirements about fair value measurements. Specifically, the Company is required to disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and to also describe the reasons for the transfers. The adoption of these provisions did not have an impact on the condensed consolidated financial statements disclosures.

NOTE 1. INTERIM FINANCIAL STATEMENTS (Continued)

Pronouncements to be adopted

On December 30, 2008, the FASB issued an accounting standard that will require additional disclosures about the major categories of plan assets and concentrations of risk for an employer's plan assets of a defined benefit pension or other postretirement plan, as well as disclosure of fair value levels, similar to the disclosure requirements of the fair value measurements accounting standard. In accordance with the transition requirement, the Company will provide these enhanced disclosures about plan assets in its 2010 Annual Report on Form 10-K.

NOTE 2. BUSINESS ACQUIRED

In January 2010, the Company acquired the assets of Caltech Industries Inc., a company which provides disinfectants for the health care industry, for an aggregate price of $24, with the objective of expanding the Company's capabilities in the areas of health and wellness. The final purchase price will be subject to certain tax adjustments. In connection with the purchase, the Company acquired Caltech Industries' facility and its workforce. The Company paid for the acquisition in cash.

Net assets acquired, at fair value, included inventory of $2 and other assets of $4, goodwill of $9, trademarks of $6, customer list of $2, product formulae of $2 and other liabilities of $1. The trademarks, customer list and product formulae will be amortized over a period of 3, 15 and 10 years, respectively. Goodwill represents a substantial portion of the acquisition proceeds due to the high growth rate of the use of disinfecting products in the healthcare industry. Additional changes to the fair values of the assets acquired and liabilities assumed may be recorded as the Company finalizes its determination of the fair value of intangible assets acquired.

Operating results of the acquired business are included in the consolidated net earnings in the Cleaning reportable segment, from the acquisition date, for the three and nine months ended March 31, 2010. Pro forma results of the Company, assuming the acquisition had occurred at the beginning of each period presented, would not be materially different from the results reported **.**

NOTE 3. RESTRUCTURING

In fiscal year 2008, the Company began a restructuring plan that involves simplifying its supply chain and other restructuring activities (Supply Chain and Other restructuring plan), which was subsequently expanded to include additional costs, primarily severance, associated with the Company's plan to reduce certain staffing levels. The Company anticipates the Supply Chain and Other restructuring plan will be completed in fiscal year 2012.

The following table summarizes restructuring costs, primarily severance , associated with the Company's Supply Chain and Other restructuring plan by affected reportable segment, with unallocated amounts set forth in Corporate:

	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Cleaning	$ -	$ 1	$ 2	$ 3
International	-	2	-	2
Corporate	-	11	2	11
Total Company	$ -	$ 14	$ 4	$ 16

In addition to the restructuring costs described above, for the three months ended March 31, 2010, the Company recognized in cost of products sold restructuring-related costs associated with the Supply Chain and Other restructuring plan of $1. For the nine months ended March 31, 2010, the Company recognized restructuring-related costs associated with the Supply Chain and Other restructuring plan of $2 and $7, included in selling and administrative expenses and cost of products sold, respectively.

NOTE 3. RESTRUCTURING (Continued)

For the three months ended March 31, 2009, the Company recognized restructuring-related costs associated with the Supply Chain and Other restructuring plan of $1 and $4, included in selling and administrative expenses and cost of products sold, respectively. For the nine months ended March 31, 2009, the Company recognized restructuring-related costs associated with the Supply Chain and Other restructuring plan of $1 and $11, included in selling and administrative expenses and cost of products sold, respectively.

The following table summarizes restructuring-related costs associated with the Company's Supply Chain and Other restructuring plan by affected reportable segment, with unallocated amounts set forth in Corporate:

	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Cleaning	$ 1	$ 4	$ 4	$ 7
Household	-	-	3	3
International	-	-	-	1
Corporate	-	1	2	1
Total Company	$ 1	$ 5	$ 9	$ 12

Total costs associated with the Supply Chain and Other restructuring plan since inception through March 31, 2010, were $111, of which $35, $43, $12 and $21 were related to the Cleaning, Household, International segments and Corporate, respectively.

The Company anticipates incurring approximately $17 to $23 of Supply Chain and Other restructuring-related charges in fiscal year 2010, of which approximately $2 are expected to be noncash related. The Company anticipates approximately $6 to $8 of the fiscal year 2010 charges to be in Corporate and $8 to $10 to be in the Cleaning segment, of which approximately $6 to $8 are expected to be recognized as cost of products sold charges. The remaining estimated charges of $3 to $5 are expected to be recognized as cost of products sold in the Household segment. The total anticipated charges related to the Supply Chain and Other restructuring plan for the fiscal years 2011 and 2012 are estimated to be approximately $10 to $12.

The following table reconciles the accrual for the Supply Chain and Other restructuring charges discussed above:

	Severance	Accumulated Depreciation	Other	Total
Accrual Balance as of June 30, 2009	$ 15	$ -	$ -	$ 15
Charges	2	2	2	6
Cash payments	(3)	-	(2)	(5)
Charges against assets	-	(2)	-	(2)
Accrual Balance as of September 30, 2009	14	-	-	14
Charges	-	1	5	6
Cash payments	(5)	-	(5)	(10)
Charges against assets	-	(1)	-	(1)
Accrual Balance as of December 31, 2009	9	-	-	9
Charges	-	-	1	1
Cash payments	(2)	-	(1)	(3)
Adjustments	(1)	-	-	(1)
Accrual Balance as of March 31, 2010	$ 6	$ -	$ -	$ 6

The Company may, from time to time, decide to pursue additional restructuring-related initiatives that involve charges in future periods.

NOTE 4. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The Company is exposed to certain commodity and foreign currency risks relating to its ongoing business operations. The Company uses commodity futures and swap contracts to fix the price of a portion of its forecasted raw material requirements. Contract maturities, which are generally no longer than 18 months, are matched to the length of the raw material purchase contracts. The Company also enters into certain foreign currency related derivative contracts to manage a portion of the Company’s foreign exchange risk associated with the purchase of inventory. These foreign currency contracts generally have durations no longer than twelve months.

The accounting for changes in the fair value (i.e., gains or losses) of a derivative instrument depends on whether it has been designated and qualifies as a hedge, and on the type of the hedging relationship. For those derivative instruments designated and qualifying as hedging instruments, the Company must designate the hedging instrument as a fair value hedge or a cash flow hedge. The Company designates its commodity forward and future contracts of forecasted purchases for raw materials and its foreign currency forward contracts of forecasted purchases of inventory as cash flow hedges. During the three and nine months ended March 31, 2010, the Company had no hedging instruments designated as fair value hedges.

For derivative instruments designated and qualifying as a cash flow hedge, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive income (OCI) and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. The estimated amount of the existing net gain at the reporting date expected to be reclassified into earnings within the next twelve months is $4. Gains and losses on the derivative instruments representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings. During the three months ended March 31, 2010 and 2009, and the nine months ended March 31, 2010, the hedge ineffectiveness was not material.

The Company’s derivative financial instruments designated as hedging instruments are recorded at fair value in the condensed consolidated balance sheet as follows:

		Fair value	
	Balance Sheet location	**3/31/2010**	**6/30/2009**
Assets			
Commodity purchase contracts	Other current assets	$ 5	$ 6
Liabilities			
Foreign exchange contracts	Accrued liabilities	$ (1)	$ -
Commodity purchase contracts	Accrued liabilities	(1)	(21)
		$ (2)	$ (21)

The effects of derivative instruments on OCI and on the statement of earnings were as follows:

	Gain (Loss) recognized in OCI			Gain (Loss) reclassified from OCI and recognized in earnings		
Cash flow hedges	**Three months ended 3/31/2010**	**Three months ended 3/31/2009**	**Nine months ended 3/31/2010**	**Three months ended 3/31/2010**	**Three months ended 3/31/2009**	**Nine months ended 3/31/2010**
Commodity purchase contracts	$ (2)	$ (5)	$ -	$ (2)	$ (11)	$ (19)
Foreign exchange contracts	(1)	-	(3)	(1)	2	(2)
Total	$ (3)	$ (5)	$ (3)	$ (3)	$ (9)	$ (21)

NOTE 4. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS (Continued)

The gains (losses) reclassified from OCI and recognized in earnings are included in cost of products sold.

As of March 31, 2010, the net notional value of commodity derivatives was $103, of which $61 related to diesel fuel, $21 related to jet fuel, $18 related to soybean oil, $2 related to crude oil and $1 related to unleaded gas.

As of March 31, 2010, the Company had outstanding foreign currency forward contracts used to hedge forecasted purchases of inventory of $18 and $3 related to its subsidiaries in Canada and Australia, respectively.

Certain terms of the agreements governing the Company’s over-the-counter derivative instruments require the Company or the counterparty to post collateral when the fair value of the derivative instruments exceeds contractually defined counterparty liability position limits. There was no collateral posted at March 31, 2010.

Certain terms of the agreements governing the over-the-counter derivative instruments contain provisions that require the credit ratings, as assigned by Standard and Poor’s and Moody’s to the Company and its counterparties, to remain at a level equal to or better than the minimum of an investment grade credit rating. As of March 31, 2010, the Company and each of its counterparties maintained investment grade ratings with both Standard and Poor’s and Moody’s.

U.S. GAAP prioritizes the inputs used in measuring fair value into the following hierarchy:

Level 1: Quoted market prices in active markets for identical assets or liabilities.
Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.
Level 3: Unobservable inputs reflecting the reporting entity’s own assumptions.

At March 31, 2010, the Company’s financial assets and liabilities that were measured at fair value on a recurring basis during the year were level 2 commodity purchase contracts with a fair value of $5 (included in other current assets), and commodity purchase and foreign exchange contracts with a fair value of $1 and $1, respectively, (included in accrued liabilities).

Commodity purchase contracts are fair valued using market quotations obtained off of the New York Mercantile Exchange.

The foreign exchange contracts are fair valued using information quoted by foreign exchange dealers.

The carrying values of cash and cash equivalents, accounts receivable, accounts payable and notes and loans payable approximate their fair values at March 31, 2010 and June 30, 2009, due to the short maturity and nature of those balances. The estimated fair value of long-term debt, including current maturities, was $2,608 and $2,816 at March 31, 2010 and June 30, 2009, respectively. The Company accounts for its long-term debt at face value, net of any unamortized discounts or premiums. The fair value of long-term debt was determined using secondary market prices quoted by corporate bond dealers.

NOTE 5. INVENTORIES, NET

Inventories, net, consisted of the following at:

	3/31/2010	6/30/2009
Finished goods	$ 360	$ 304
Raw materials and packaging	100	99
Work in process	4	4
LIFO allowances	(31)	(31)
Allowances for obsolescence	(10)	(10)
Total	$ 423	$ 366

NOTE 6. OTHER LIABILITIES

Other liabilities consisted of the following at:

	3/31/2010	6/30/2009
Venture agreement net terminal obligation	$ 273	$ 269
Employee benefit obligations	241	266
Taxes	60	65
Other	36	40
Total	$ 610	$ 640

NOTE 7. DEBT

In January 2010, $575 of debt became due and was paid. The Company funded the debt repayment through the use of commercial paper and, to a lesser extent, operating cash flows.

In November 2009, the Company issued $300 of long-term debt in senior notes. The notes carry an annual fixed interest rate of 3.55% payable semi-annually in May and November. The notes mature on November 1, 2015. Proceeds from the notes were used to retire commercial paper. The notes rank equally with all of the Company's existing and future senior indebtedness.

NOTE 8. NET EARNINGS PER SHARE

The Company computes EPS using the two-class method (See Note 1), which is an earnings allocation formula that determines EPS for common stock and participating securities.

EPS for common stock is computed by dividing net earnings applicable to common stock by the weighted average number of common shares outstanding each period on an unrounded basis. Net earnings applicable to common stock includes dividends paid to common shareholders during the period plus a proportionate share of undistributed net earnings which is based on the weighted average number of shares of common stock and participating securities outstanding during the period.

Diluted EPS for common stock reflects the earnings dilution that could occur from common shares that may be issued through stock options, restricted stock awards, performance units and restricted stock units that are not participating securities. Excluded from this calculation are amounts allocated to participating securities.

NOTE 8. NET EARNINGS PER SHARE (Continued)

The following are reconciliations of net earnings to net earnings applicable to common stock, and the number of common shares outstanding (in thousands) used to calculate basic EPS to those used to calculate diluted EPS:

	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Net earnings	$ 165	$ 153	$ 432	$ 367
Less: Earnings allocated to participating securities	-	(2)	(2)	(4)
Net earnings applicable to common stock	$ 165	$ 151	$ 430	$ 363

	Weighted Average Number of Shares Outstanding for the Three Months Ended		Weighted Average Number of Shares Outstanding for the Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Basic	140,764	139,213	140,270	138,919
Dilutive effect of stock options and other (excludes participating securities)	1,250	789	1,239	1,159
Diluted	142,014	140,002	141,509	140,078

During the three and nine months ended March 31, 2010, the Company did not include stock options to purchase 2,743 thousand and 4,038 thousand shares, respectively, of the Company's common stock, in the calculations of diluted EPS because their inclusion would be anti-dilutive.

During the three and nine months ended March 31, 2009, the Company did not include stock options to purchase 6,691 thousand and 5,239 thousand shares, respectively, of the Company's common stock, in the calculations of diluted EPS because their inclusion would be anti-dilutive.

The Company did not repurchase any shares in the open market during the three and nine months ended March 31, 2010 and 2009.

NOTE 9. COMPREHENSIVE INCOME

Comprehensive income includes net earnings and certain adjustments that are excluded from net earnings, but included as a separate component of stockholders' equity (deficit), net of tax. Comprehensive income was as follows:

	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Net earnings	$ 165	$ 153	$ 432	$ 367
Other comprehensive gains (losses), net of tax:				
Foreign currency translation	10	(9)	27	(129)
Net derivative adjustments	(1)	2	10	(53)
Pension and postretirement benefit adjustments	1	1	3	2
Total comprehensive income	$ 175	$ 147	$ 472	$ 187

NOTE 10. INCOME TAXES

In determining its quarterly provision for income taxes, the Company uses an estimated annual effective tax rate, which is based on expected annual income, statutory tax rates and tax planning opportunities available in the various jurisdictions in which the Company operates. Certain significant or unusual items are separately recognized in the quarter in which they occur and can be a source of variability in the effective tax rates from quarter to quarter. On March 23, 2010, the Patient Protection and Affordable Care Act (PPACA) was signed into law, and on March 30, 2010, the Health Care and Education Reconciliation Act of 2010 was signed into law. The PPACA changes the tax treatment of federal subsidies received by sponsors of retiree health benefit plans that provide a benefit similar to Medicare Part D. These subsidies were previously non-taxable but will become taxable effective in tax years beginning after December 31, 2012. The Company has concluded that the impact of the future elimination of this tax deduction on its financial statements is and will be insignificant.

As of March 31, 2010 and June 30, 2009, the total amount of unrecognized tax benefits was $81 and $98, respectively, of which $77 and $91, respectively, would reduce income tax expense and the effective tax rate if recognized.

The Company recognizes interest and penalties related to uncertain tax positions as a component of income tax expense. As of March 31, 2010 and June 30, 2009, the total balance of accrued interest and penalties related to uncertain tax positions was $21 and $17, respectively. Interest and penalties included in income tax expense were $(1) and $4 for the three and nine months ended March 31, 2010, and $2 and $1 for the three and nine months ended March 31, 2009, respectively.

The Company files income tax returns in the U.S. federal and various state, local and foreign jurisdictions. Certain issues relating to 2003, 2004 and 2006 are under review by the IRS Appeals Division. The Company made payments of tax and interest to the IRS related to fiscal years 2004 and 2006 in the first quarter of fiscal year 2010 of $8. No tax benefits had previously been recognized for these payments. Various income tax returns in state and foreign jurisdictions are currently in the process of examination.

In the twelve months succeeding March 31, 2010, audit resolutions could potentially reduce total unrecognized tax benefits by up to $27, primarily as a result of cash settlement payments. Audit outcomes and the timing of audit settlements are subject to significant uncertainty.

NOTE 11. RETIREMENT INCOME AND HEALTH CARE BENEFIT PLANS

The following table summarizes the components of net periodic benefit cost for the Company's retirement income and health care plans:

	Retirement Income Plans for the			
	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Components of net periodic benefit cost (income):				
Service cost	$ 2	$ 1	$ 7	$ 7
Interest cost	8	7	23	22
Expected return on plan assets	(8)	(7)	(23)	(21)
Amortization of unrecognized items	2	1	6	4
Total net periodic benefit cost	$ 4	$ 2	$ 13	$ 12

	Health Care Plans for the			
	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Components of net periodic benefit cost (income):				
Service cost	$ -	$ -	$ 1	$ 1
Interest cost	1	-	3	3
Amortization of unrecognized items	-	-	(1)	(1)
Total net periodic benefit cost	$ 1	$ -	$ 3	$ 3

During the nine months ended March 31, 2010, the Company made discretionary contributions of $38 to the domestic qualified retirement income plan. The Company made an additional discretionary contribution of $5 in April 2010. Based on current pension funding rules, the Company is not required to make any contributions in fiscal year 2010.

NOTE 12. CONTINGENCIES

The Company is involved in certain environmental matters, including Superfund and other response actions at various locations. The Company has a recorded liability of $16 and $19 at March 31, 2010 and June 30, 2009, respectively, for its share of the related aggregate future remediation cost. One matter in Dickinson County, Michigan, for which the Company is jointly and severally liable, accounts for a substantial majority of the recorded liability at both March 31, 2010 and June 30, 2009. The Company is subject to a cost-sharing arrangement with Ford Motor Co. (Ford) for this matter, under which the Company has agreed to be liable for 24.3% of the aggregate remediation and associated costs, other than legal fees, as the Company and Ford are each responsible for their own such fees. If Ford is unable to pay its share of the response and remediation obligations, the Company would likely be responsible for such obligations. In October 2004, the Company and Ford agreed to a consent judgment with the Michigan Department of Environmental Quality, which sets forth certain remediation goals and monitoring activities. Based on the current status of this matter, and with the assistance of environmental consultants, the Company maintains an undiscounted liability representing its best estimate of its share of costs associated with the capital expenditures, maintenance and other costs to be incurred over an estimated 30-year remediation period. The most significant components of the liability relate to the estimated costs associated with the remediation of groundwater contamination and excess levels of subterranean methane deposits. The Company made payments of less than $1 during each of the three and nine months ended March 31, 2010 and 2009, towards remediation efforts. Currently, the Company cannot accurately predict the timing of the payments that will likely be made under this estimated obligation. In addition, the Company's estimated loss exposure is sensitive to a variety of uncertain factors, including the efficacy of remediation efforts, changes in remediation requirements and the timing, varying costs and alternative clean-up technologies that may become available in the future. Although it is possible that the Company's exposure may exceed the amount recorded, any amount of such additional exposures, or range of exposures, is not estimable at this time.

NOTE 12. CONTINGENCIES (Continued)

The Company is subject to various other lawsuits and claims relating to issues such as contract disputes, product liability, patents and trademarks, advertising, employee and other matters. Although the results of claims and litigation cannot be predicted with certainty, it is the opinion of management that the ultimate disposition of these matters, to the extent not previously provided for, will not have a material adverse effect, individually or in the aggregate, on the Company's consolidated financial statements taken as a whole.

NOTE 13. SEGMENT RESULTS

The Company operates through strategic business units which are aggregated into four reportable segments: Cleaning, Household, Lifestyle and International. The four reportable segments consist of the following:

- Cleaning consists of laundry, home-care, professional products and auto-care products marketed and sold in the United States. Products within this segment include laundry additives, including bleaches, under the Clorox ® and Clorox 2 ® brands; home-care products, primarily under the Clorox ® , Formula 409 ® , Liquid-Plumr ® , Pine-Sol ® , S.O.S ® and Tilex ® brands; natural cleaning and laundry products under the Green Works™ brand; and auto-care products primarily under the Armor All ® and STP ® brands.

- Household consists of charcoal, cat litter and plastic bags, wraps and container products marketed and sold in the United States. Products within this segment include plastic bags, wraps and containers, under the Glad ® brand; cat litter products, under the Fresh Step ® , Scoop Away ® and Ever Clean ® brands; and charcoal products under the Kingsford ® and Match Light ® brands.

- Lifestyle consists of food products and water-filtration systems and filters marketed and sold in the United States and all natural personal care products. Products within this segment include dressings and sauces, primarily under the Hidden Valley ® and K C Masterpiece ® brands, water-filtration systems and filters under the Brita ® brand; and all natural personal care products under the Burt's Bees ® brand.

- International consists of products sold outside the United States, excluding natural personal care products.

Corporate includes certain nonallocated administrative costs, interest income, interest expense and certain other nonoperating income and expenses. Corporate assets include cash and cash equivalents, the Company's headquarters and research and development facilities, information systems hardware and software, pension balances, and other investments.

NOTE 13. SEGMENT RESULTS (Continued)

The table below presents reportable segment information and a reconciliation of the segment information to the Company's net sales and earnings before income taxes, with amounts that are not allocated to the operating segments shown as Corporate.

	Net Sales			
	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Cleaning	$ 451	$ 471	$ 1,378	$ 1,371
Household	408	407	1,123	1,188
Lifestyle	226	215	638	602
International	281	257	878	789
Corporate	-	-	-	-
Total Company	$ 1,366	$ 1,350	$ 4,017	$ 3,950

	Earnings (Losses) Before Income Taxes			
	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Cleaning	$ 114	$ 111	$ 336	$ 304
Household	72	78	154	166
Lifestyle	82	74	226	197
International	47	47	133	116
Corporate	(72)	(77)	(199)	(233)
Total Company	$ 243	$ 233	$ 650	$ 550

All intersegment sales are eliminated and are not included in the Company's reportable segments' net sales.

Net sales to the Company's largest customer, Wal-Mart Stores, Inc. and its affiliates, were 27% of consolidated net sales for the three and nine months ended March 31, 2010, and 28% and 27% of consolidated net sales for the three and nine months ended March 31, 2009, respectively.

Item 2. Management's Discussion and Analysis of
Financial Condition and Results of Operations
(Dollars in millions, except per share amounts)

Overview

The Clorox Company (the Company or Clorox) is a leading manufacturer and marketer of consumer products. The Company sells its products primarily through mass merchandisers, grocery stores and other retail outlets. Clorox markets some of consumers' most trusted and recognized brand names, including its namesake bleach and cleaning products, Green Works™ natural cleaners and laundry products, Poett ® and Mistolín ® cleaning products, Armor All ® and STP ® auto-care products, Fresh Step ® and Scoop Away ® cat litter, Kingsford ® charcoal, Hidden Valley ® and K C Masterpiece ® dressings and sauces, Brita ® water-filtration systems, Glad ® bags, wraps and containers, and Burt's Bees ® natural personal care products. With approximately 8,300 employees worldwide, the Company manufactures products in more than two dozen countries and markets them in more than 100 countries.

The Company operates through strategic business units which are aggregated into four reportable segments: Cleaning, Household, Lifestyle and International. The four reportable segments consist of the following:

- Cleaning consists of laundry, home-care, professional products and auto-care products marketed and sold in the United States. Products within this segment include laundry additives, including bleaches, under the Clorox ® and Clorox 2 ® brands; home-care products, primarily under the Clorox ® , Formula 409 ® , Liquid-Plumr ® , Pine-Sol ® , S.O.S ® and Tilex ® brands; natural cleaning and laundry products under the Green Works™ brand; and auto-care products primarily under the Armor All ® and STP ® brands.

- Household consists of charcoal, cat litter and plastic bags, wraps and container products marketed and sold in the United States. Products within this segment include plastic bags, wraps and containers, under the Glad ® brand; cat litter products, under the Fresh Step ® , Scoop Away ® and Ever Clean ® brands; and charcoal products under the Kingsford ® and Match Light ® brands.

- Lifestyle consists of food products and water-filtration systems and filters marketed and sold in the United States and all natural personal care products. Products within this segment include dressings and sauces, primarily under the Hidden Valley ® and K C Masterpiece ® brands, water-filtration systems and filters under the Brita ® brand; and all natural personal care products under the Burt's Bees ® brand.

- International consists of products sold outside the United States, excluding natural personal care products.

Corporate includes certain nonallocated administrative costs, interest income, interest expense and certain other nonoperating income and expenses. Corporate assets include cash and cash equivalents, the Company's headquarters and research and development facilities, information systems hardware and software, pension balances and other investments.

The Company primarily markets its leading brands in midsized categories considered to have attractive economic profit potential. Most of the Company's products compete with other nationally-advertised brands within each category and with "private-label" brands.

The Company reported net earnings of $165 and $432 and diluted net earnings per share of $1.16 and $3.04 for the three and nine months ended March 31, 2010, respectively. This compares to net earnings of $153 and $367 and diluted net earnings per share of $1.08 and $2.59 for the three and nine months ended March 31, 2009, respectively. Restructuring-related charges were $0.00 and $0.06 per diluted share for the three and nine months ended March 31, 2010, respectively, and $0.09 and $0.13 per diluted share for the three and nine months ended March 31, 2009, respectively (See “Restructuring costs” below). The impact of foreign currency losses was $0.01 and $0.13 per diluted share for the three and nine months ended March 31, 2010, respectively, and $0.01 and $0.03 per diluted share for the three and nine months ended March 31, 2009, respectively. The foreign currency losses during the three and nine months ended March 31, 2010, include $0.01 and $0.06 per diluted share in remeasurement losses in Venezuela (See “Operating Activities” below). The effect of accounting for the Company ’ s business in Venezuela using the parallel market currency exchange rate instead of the prior official rate of 2.15 bolivar fuertes (VEF) (See “Operating Activities” below), excluding the remeasurement losses mentioned above, was $0.07 per diluted share during the three and nine months ended March 31, 2010.

The following discussion of the Company’s financial condition and results of operations should be read in conjunction with the Management’s Discussion and Analysis of Financial Condition and Results of Operations and Consolidated Financial Statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended June 30, 2009, which was filed with the Securities and Exchange Commission (SEC) on August 25, 2009, and the unaudited Condensed Consolidated Financial Statements and related notes contained in this quarterly report on Form 10-Q.

Results of Operations

Management’s Discussion and Analysis of the Results of Operations, unless otherwise noted, compares the three and nine months ended March 31, 2010 (the current periods), to the three and nine months ended March 31, 2009 (the prior periods), using percentages calculated on a rounded basis, except as noted.

	Three Months Ended			% of Net Sales	
	3/31/2010	3/31/2009	% Change	3/31/2010	3/31/2009
Diluted net earnings per share	$ 1.16	$ 1.08	7%		
Net sales	$ 1,366	$ 1,350	1%	100.0%	100.0%
Gross profit	617	611	1	45.2	45.3
Selling and administrative expenses	182	174	5	13.3	12.9
Advertising costs	127	125	2	9.3	9.3
Research and development costs	30	27	11	2.2	2.0

	Nine Months Ended			% of Net Sales	
	3/31/2010	3/31/2009	% Change	3/31/2010	3/31/2009
Diluted net earnings per share	$ 3.04	$ 2.59	17%		
Net sales	$ 4,017	$ 3,950	2%	100.0%	100.0%
Gross profit	1,797	1,659	8	44.7	42.0
Selling and administrative expenses	544	530	3	13.5	13.4
Advertising costs	381	351	9	9.5	8.9
Research and development costs	86	81	6	2.1	2.1

Diluted net earnings per share increased $0.08 and $0.45 in the current periods, respectively, compared to the prior periods. The increase in both periods was primarily due to price increases and cost savings partially offset by higher trade promotion spending. These factors were also offset by unfavorable commodity costs and unfavorable foreign exchange rates from Venezuela for the current quarter. There were also favorable foreign exchange rates in countries other than Venezuela for the current quarter . Favorable commodity costs also contributed to the increase for the nine months ended March 31, 2010 partially offset by increased advertising costs and foreign currency losses attributable to the Company’s operations in Venezuela (See “Operating Activities” below).

Net sales and volume increased in both periods as compared to the prior periods.

Volume growth of 3% for the current quarter was primarily driven by increased shipments of Clorox ® disinfecting wipes, although the growth rate decreased due to reduced concerns about H1N1 flu and a mild general flu season, Hidden Valley ® salad dressings and Fresh Step ® cat litter. Also contributing to the increase in shipments were Kingsford ® charcoal and disinfecting and fragranced cleaning products in Latin America. Partially offsetting these volume increases were lower shipments of Glad ® food storage products primarily due to competitive activity and category softness.

Volume growth of 3% during the nine months ended March 31, 2010, was primarily driven by increased shipments of disinfecting products, although the growth rate decreased due to reduced concerns about H1N1 flu and a mild general flu season, increased shipments of Hidden Valley ® salad dressing and Fresh Step ® cat litter, due to increased promotional activity. Partially offsetting these volume increases were lower shipments of Glad ® products primarily due to category softness, competitive activity and the Company's exit from its private label food bags business.

Volume growth outpaced the growth in sales in both periods primarily due to increased trade promotion spending (160 basis points and 140 basis points, respectively) partially offset by pricing (90 basis points and 160 basis points, respectively). During the current quarter also reflects unfavorable foreign exchange rates from Venezuela (230 basis points) offset by favorable foreign exchange rates for other countries (200 basis points).

Gross margin decreased slightly in the current quarter and reflects approximately 170 basis points from cost savings, partially offset by approximately 120 basis points from unfavorable commodity costs.

Gross margin expansion for the nine months ended March 31, 2010, primarily reflects approximately 170 basis points from cost savings, 135 basis points from favorable commodity costs and 100 basis points from pricing.

Selling and administrative expenses increased in the current quarter primarily due to higher incentive compensation accruals. The increase during the nine months ended March 31, 2010, was primarily due to higher legal costs, consulting spending and incentive compensation accruals.

Advertising costs increased slightly in the current quarter compared to the prior period, as the Company continues to support its new products and established brands. The increase in advertising costs for the nine months ended March 31, 2010, was primarily driven by higher spending to support new product launches for International and to support the new product launch for Green Works ™ natural laundry products. Also contributing to the increase for the nine months ended March 31, 2010, was higher spending to support Glad ® premium trash bags and Burt's Bees ® natural personal care products.

Research and development costs increased slightly in comparison to the prior periods as the Company continues to support its new products and established brands.

Restructuring costs in the current and prior periods relate to the Company's Supply Chain and Other restructuring initiative. In fiscal year 2008, the Company began a restructuring plan that involves simplifying its supply chain and other restructuring activities (Supply Chain and Other restructuring plan), which was subsequently expanded to include additional costs, primarily severance, associated with the Company's plan to reduce certain staffing levels. The Company anticipates the Supply Chain restructuring will be completed in fiscal year 2012.

The following table summarizes restructuring costs, primarily severance , associated with the Company's Supply Chain and Other restructuring plan by affected reportable segment, with unallocated amounts set forth in Corporate:

	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Cleaning	$ -	$ 1	$ 2	$ 3
International	-	2	-	2
Corporate	-	11	2	11
Total Company	$ -	$ 14	$ 4	$ 16

In addition to the restructuring costs described above, for the three months ended March 31, 2010, the Company recognized in cost of products sold restructuring-related costs associated with the Supply Chain and Other restructuring plan of $1. For the nine months ended March 31, 2010, the Company recognized restructuring-related costs associated with the Supply Chain and Other restructuring plan of $2 and $7, included in selling and administrative expenses and cost of products sold, respectively.

For the three months ended March 31, 2009, the Company recognized restructuring-related costs associated with the Supply Chain and Other restructuring plan of $1 and $4, included in selling and administrative expenses and cost of products sold, respectively. For the nine months ended March 31, 2009, the Company recognized restructuring-related costs associated with the Supply Chain and Other restructuring plan of $1 and $11, included in selling and administrative expenses and cost of products sold, respectively.

The following table summarizes restructuring-related costs associated with the Company's Supply Chain and Other restructuring plan by affected reportable segment, with unallocated amounts set forth in Corporate:

	Three Months Ended		Nine Months Ended	
	3/31/2010	3/31/2009	3/31/2010	3/31/2009
Cleaning	$ 1	$ 4	$ 4	$ 7
Household	-	-	3	3
International	-	-	-	1
Corporate	-	1	2	1
Total Company	$ 1	$ 5	$ 9	$ 12

Total costs associated with the Supply Chain and Other restructuring plan since inception through March 31, 2010, were $111, of which $35, $43, $12 and $21 were related to the Cleaning, Household, International segments and Corporate, respectively.

The Company anticipates incurring approximately $17 to $23 of Supply Chain and Other restructuring-related charges in fiscal year 2010, of which approximately $2 are expected to be noncash related. The Company anticipates approximately $6 to $8 of the fiscal year 2010 charges to be in Corporate and $8 to $10 to be in the Cleaning segment, of which approximately $6 to $8 are expected to be recognized as cost of products sold charges. The remaining estimated charges of $3 to $5 are expected to be recognized as cost of products sold in the Household segment. The total anticipated charges related to the Supply Chain and Other restructuring plan for the fiscal years 2011 and 2012 are estimated to be approximately $10 to $12.

The following table reconciles the accrual for the Supply Chain and Other restructuring charges discussed above:

	Severance	Accumulated Depreciation	Other	Total
Accrual Balance as of June 30, 2009	$ 15	$ -	$ -	$ 15
Charges	2	2	2	6
Cash payments	(3)	-	(2)	(5)
Charges against assets	-	(2)	-	(2)
Accrual Balance as of September 30, 2009	14	-	-	14
Charges	-	1	5	6
Cash payments	(5)	-	(5)	(10)
Charges against assets	-	(1)	-	(1)
Accrual Balance as of December 31, 2009	9	-	-	9
Charges	-	-	1	1
Cash payments	(2)	-	(1)	(3)
Adjustments	(1)	-	-	(1)
Accrual Balance as of March 31, 2010	$ 6	$ -	$ -	$ 6

The Company may, from time to time, decide to pursue additional restructuring-related initiatives that involve charges in future periods.

Interest expense decreased by $5 and $18, respectively, in the current periods, primarily due to a lower weighted average interest rate for total debt and a decline in average debt balances.

Other expense (income), net increased $2 and $19, respectively, in the current periods. The increase during the nine months ended March 31, 2010, was primarily from recording the Venezuelan subsidiary's financial statements using the parallel exchange rate instead of the official rate. This change in the rate used resulted in additional remeasurement losses of $12 and transaction losses of $15 (See "Operating Activities" below).

The effective tax rate was 32.2% and 33.3% for the current periods, respectively, as compared to 34.3% and 33.3% for the prior periods, respectively, on an unrounded basis. The lower rate in the current quarter was primarily due to reductions of uncertain tax positions in the current period.

On March 23, 2010, the Patient Protection and Affordable Care Act (PPACA) was signed into law, and on March 30, 2010, the Health Care and Education Reconciliation Act of 2010 was signed into law. The PPACA changes the tax treatment of federal subsidies received by sponsors of retiree health benefit plans that provide a benefit similar to Medicare Part D. These subsidies were previously non-taxable but will become taxable effective in tax years beginning after December 31, 2012. The Company has concluded that the impact of the future elimination of this tax deduction on its financial statements is and will be insignificant.

SEGMENT RESULTS

The following presents the results of operations from the Company's reportable segments excluding certain unallocated costs included in Corporate:

CLEANING

	Three Months Ended			Nine Months Ended		
	3/31/2010	3/31/2009	% Change	3/31/2010	3/31/2009	% Change
Net sales	$ 451	$ 471	(4)%	$ 1,378	$ 1,371	1%
Earnings before income taxes	114	111	3%	336	304	11%

Net sales declined while volume and earnings before income taxes increased during the current quarter as compared to the year-ago quarter. For the nine months ended March 31, 2010, net sales, volume and earnings before income taxes increased as compared to the year-ago period.

Volume increase of 1% in the current quarter and 4% during the nine months ended March 31, 2010, was primarily driven by increased shipments of Clorox Disinfecting Wipes ® and disinfecting products, although the growth rate decreased due to reduced concerns about H1N1 flu and a mild general flu season. Also contributing to the volume increase for both periods were increased shipments of Pine-Sol ®, offset by category softness in the auto category and lower shipments of Green Works ™ products.

Volume growth outpaced net sales growth in both periods, primarily due to unfavorable product mix (approximately 290 basis points and 270 basis points, respectively) and increased trade promotion spending (approximately 190 basis points and 160 basis points, respectively).

The increase in earnings before income taxes for the current quarter was primarily driven by $9 of costs savings, including more efficient sourcing of raw materials and transportation costs, $6 of lower advertising costs and $5 of favorable commodity costs. These were partially offset by $6 of unfavorable product mix.

The increase in earnings before income taxes for the nine months ended March 31, 2010, was primarily driven by $26 of favorable commodity costs and $23 of cost savings, including more efficient sourcing of raw materials and transportation costs, the implementation of cost-effective packaging, including a concentrated formulation of Clorox 2 stain fighter and color booster, and packaging simplification. These were partially offset by unfavorable product mix of $20.

HOUSEHOLD

	Three Months Ended			Nine Months Ended		
	3/31/2010	3/31/2009	% Change	3/31/2010	3/31/2009	% Change
Net sales	$ 408	$ 407	-%	$ 1,123	$ 1,188	(5)%
Earnings before income taxes	72	78	(8)%	154	166	(7)%

Net sales were flat, volume increased, while earnings before income taxes decreased during the current quarter, as compared to the year-ago quarter. For the nine months ended March 31, 2010, net sales, volume and earnings before income taxes declined as compared to the year-ago period.

Volume increases of 4% in the current quarter were primarily driven by higher shipments of Fresh Step ® cat litter, Kingsford ® charcoal products and Glad ® trash bags, due to increased promotional activities. These increases were partially offset by lower shipments of Glad ® food storage products primarily due to competitive activity and category softness.

Volume decline of 1% during the nine months ended March 31, 2010, was primarily driven by lower shipments of Glad ® products primarily due to category softness, competitive activity and the Company's exit from its private label food bags business, partially offset by increased shipments of Fresh Step ® cat litter.

The variance between changes in volume and sales during both periods was primarily due to price declines on Glad ® trash bags in the previous fiscal year (approximately 310 basis and 260 basis points, respectively) and higher trade promotion spending in response to competitive activity (approximately 240 basis points and 160 basis points, respectively). These factors, for the current quarter, were partially offset by the benefit of favorable product mix (approximately 260 basis points).

The decline in earnings before income taxes for the current quarter was primarily driven by lower sales of Glad ® products and $14 of higher commodity, primarily resin, offset by $10 of cost savings primarily associated with the Company's diversification of its supplier base and various manufacturing efficiencies.

The decline in earnings before income taxes for the nine months ended March 31, 2010, was primarily driven by lower sales of Glad ® products and $8 of higher advertising, partially offset by $23 of cost savings primarily associated with the Company's diversification of its supplier base and various manufacturing efficiencies and $21 of lower commodity costs, primarily resin.

LIFESTYLE

	Three Months Ended			Nine Months Ended		
	3/31/2010	3/31/2009	% Change	3/31/2010	3/31/2009	% Change
Net sales	$ 226	$ 215	5%	$ 638	$ 602	6%
Earnings before income taxes	82	74	11%	226	197	15%

Net sales, volume and earnings before income taxes increased in the current periods as compared to the year-ago periods. Volume growth of 8% in the current quarter and during the nine months ended March 31, 2010, was primarily driven by Hidden Valley ® salad dressings, due to increased promotional activities and increased shipments of Brita ® pour-through water-filtration products. Also contributing to the current quarter were increased shipments of Burt's Bees ® natural personal care products.

Volume growth outpaced net sales growth in both periods primarily due to increased trade-promotion spending (220 basis points and 120 basis points, respectively) and unfavorable product mix (85 basis points and 270 basis points, respectively).

The increase in earnings before income taxes for both periods was primarily due to higher net sales and lower commodity costs of $3 and $14 in the current and prior periods, respectively.

INTERNATIONAL

	Three Months Ended			Nine Months Ended		
	3/31/2010	3/31/2009	% Change	3/31/2010	3/31/2009	% Change
Net sales	$ 281	$ 257	9%	$ 878	$ 789	11%
Earnings before income taxes	47	47	-%	133	116	15%

Net sales and volume increased, while earnings before income taxes remained flat during the current quarter, as compared to the year-ago quarter. For the nine months ended March 31, 2010, net sales, volume and earnings before income taxes increased as compared to the year-ago period. Volume growth of 3% in the current quarter and 2% during the nine months ended March 31, 2010, was primarily driven by increased shipments of bleach and other disinfecting products in Latin America due to increased demand as a result of the H1N1 flu pandemic.

Net sales growth outpaced volume growth in the current periods driven by price increases.

The increase in earnings before income taxes during the nine months ended March 31, 2010, was primarily due to the $83 impact of price increases. This was partially offset by $16 of higher advertising, a $13 negative impact of foreign exchange rates, foreign currency transaction losses of $15, primarily in Venezuela as a result of converting local currency to U.S. dollars using the parallel market currency exchange rate for inventory purchases (see "Operating Activities" section below), and foreign currency loss of $12 from remeasuring Venezuela's net monetary U.S. dollar denominated liabilities using the parallel market exchange rate.

CORPORATE

	Three Months Ended			Nine Months Ended		
	3/31/2010	3/31/2009	% Change	3/31/2010	3/31/2009	% Change
Loss before income taxes	$ (72)	$ (77)	(6)%	$ (199)	$ (233)	(15)%

The decrease in losses before income taxes attributable to Corporate during the current periods was primarily due to cost savings associated with the Company's restructuring initiatives and lower interest expense, primarily due to a decrease in average interest rate paid on commercial paper borrowings and a decline in average debt balances. These decreases were partially offset by higher employee incentive compensation accruals during the current periods.

Financial Condition, Liquidity and Capital Resources

Operating Activities

The Company's financial condition and liquidity remains strong as of March 31, 2010. Net cash provided by operations was $443 for the nine months ended March 31, 2010, as compared to $423 for the year-ago period. The increase was primarily due to higher net cash earnings and the positive cash impact of changes in working capital, partially offset by a $38 voluntary domestic pension plan contribution made during the current period. Based on current pension funding rules, the Company is not required to make any contributions in fiscal year 2010.

Foreign currency translation

Prior to December 31, 2009, the Company translated its Venezuelan subsidiary's financial statements using Venezuela's official exchange rate, which had been fixed by the Venezuelan government at 2.15 VEF to the U.S. dollar. However, the Company's access to the official exchange rate has become increasingly limited due to delays in obtaining U.S. dollars through the government-sponsored currency exchange process at the official exchange rate and the removal of some products from the official list of items that may be imported at the official exchange rate.

This has led to the substantial use of the parallel market currency exchange rate to convert VEFs to U.S. dollars to pay for certain imported inventory purchases. The parallel market currency exchange rate represents the rates negotiated with local financial intermediaries. Due to these circumstances, effective December 31, 2009, the Company began translating its Venezuelan subsidiary's financial statements using the parallel market currency exchange rate, the rate at which the Company expects to be able to remit dividends or return capital. The rate used at December 31, 2009, was 5.87 VEF to the U.S. dollar. On a pre-tax basis, this change in the rate used for converting these currencies resulted in additional remeasurement losses of $12 for the three months ended December 31, 2009, which related primarily to U.S. dollar denominated inventory purchases.

Effective January 1, 2010 Venezuela was designated as a hyper-inflationary economy for purposes of accounting principles generally accepted in the United States of America. A hyper-inflationary economy designation occurs when a country has experienced cumulative rates of inflation of approximately 100 percent or more over a 3-year period. The hyper-inflationary designation requires the Company's subsidiary in Venezuela to remeasure its financial statements as if the functional currency were the reporting currency or U.S. dollar . Bolivar denominated monetary assets and liabilities are remeasured at the parallel market currency rate and are recognized in earnings rather than as a component of Accumulated Other Comprehensive Net Losses on the balance sheet. The remeasurement loss as a result of using the parallel market currency exchange rate for the three and nine months ended March 31, 2010, was approximately $2 ($0.01 per diluted share) and $14 ($0.06 per diluted share), respectively . The rate used at March 31, 2010, was 7.05 VEF to the U.S. dollar.

The effect of accounting for the Company ' s business in Venezuela using the parallel market currency exchange rate instead of the prior official rate of 2.15 VEF, excluding the remeasurement losses mentioned above, was $16 ($0.07 per diluted share) during the three and nine months ended March 31, 2010.

During the three and nine months ended March 31, 2010, net sales in Venezuela were approximately 1% and 2%, respectively, of total Company net sales. As of March 31, 2010, total assets in Venezuela were approximately 1% of total Company assets.

Working Capital

The Company's working capital, defined in this context as total current assets net of total current liabilities, increased by $323 from June 30, 2009 to March 31, 2010, principally due to a decrease in current maturities of long-term debt by $277 as a result of a debt repayment (See "Financing Activities" below) offset by a reclassification of long-term debt that matures in February 2011 to current debt. Also contributing to the increase in working capital were increases in inventory, primarily due to off-season inventory builds in the Company's charcoal business by approximately $43.

Investing Activities

Capital expenditures were $111 during the nine months ended March 31, 2010, compared to $135 in the comparable prior year period. Capital spending as a percentage of net sales was 2.8% during the nine months ended March 31, 2010, compared to 3.4% during the nine months ended March 31, 2009. Higher capital spending during the nine months ended March 31, 2009, was driven primarily by the Company's manufacturing network consolidation efforts.

In January 2010, the Company acquired the assets of Caltech Industries, Inc., a company which provides disinfectants for the health care industry, for an aggregate price of $24, with the objective of expanding the Company's capabilities in the areas of health and wellness. The final purchase price will be subject to certain tax adjustments. In connection with the purchase, the Company acquired Caltech Industries' facility and its workforce. The Company paid for the acquisition in cash.

Net assets acquired, at fair value, included inventory of $2 and other assets of $4, goodwill of $9, trademarks of $6, customer list of $2, product formulae of $2 and other liabilities of $1. The trademarks, customer list and product formulae will be amortized over a period of 3, 15 and 10 years, respectively. Goodwill represents a substantial portion of the acquisition proceeds due to the high growth rate of the use of disinfecting products in the healthcare industry. Additional changes to the fair values of the assets acquired and liabilities assumed may be recorded as the Company finalizes its determination of the fair value of intangible assets acquired. Operating results of the acquired business are included in the consolidated net earnings in the Cleaning reportable segment, from the acquisition date, for the three and nine months ended March 31, 2010.

Financing Activities

Net cash used for financing activities was $280 for the nine months ended March 31, 2010, compared to net cash used for financing activities of $367 in the comparable prior year period. The decrease in cash used for financing activities was primarily due to increased commercial paper borrowings and issuance of long-term debt to partially finance long-term debt repayment and dividend payments.

In January 2010, $575 of debt became due and was paid. The Company funded the debt repayment through the use of commercial paper and to a lesser extent, operating cash flows.

In November 2009, the Company issued $300 of long-term debt in senior notes. The notes carry an annual fixed interest rate of 3.55% payable semi-annually in May and November. The notes mature on November 1, 2015. Proceeds from the notes were used to retire commercial paper. The notes rank equally with all of the Company's existing and future senior indebtedness.

At March 31, 2010, the Company had $584 of commercial paper outstanding at a weighted average interest rate of 0.3%. The Company continues to successfully issue commercial paper. The Company believes that current cash balances and cash generated by operations, together with access to external sources of funds as described below, will be sufficient to meet the Company's operating and capital needs in the foreseeable future.

Credit Arrangements

At March 31, 2010, the Company had a $1,100 revolving credit agreement with an expiration date of April 2013. There were no borrowings under this revolving credit arrangement, which the Company believes is now available and will continue to be available for general corporate purposes and to support commercial paper issuances. The revolving credit agreement includes certain restrictive covenants. The primary restrictive covenant is a maximum ratio of total debt to EBITDA for the trailing 4 quarters (EBITDA ratio), as defined in the Company's lending agreements, of 3.25. EBITDA, as defined by the revolving credit agreement, may not be comparable to similarly titled measures used by other entities. The Company's EBITDA ratio at March 31, 2009, was 2.43.

The following table sets forth the calculation of the EBITDA ratio, as defined in the Company's credit agreement, at March 31, 2010:

	6/30/2009	9/30/2009	12/31/2009	3/31/2010	Total
Net earnings	$ 170	$ 157	$ 110	$ 165	$ 602
Add back:					
Interest expense	36	36	37	34	143
Income tax expense	91	87	53	78	309
Depreciation and amortization	48	48	47	44	187
Asset impairment charges	3	-	-	-	3
Deduct:					
Interest income	(1)	(1)	(1)	-	(3)
EBITDA	$ 347	$ 327	$ 246	$ 321	$ 1,241
				Debt at March 31, 2010	$ 3,018
				EBITDA ratio	2.43

The Company is in compliance with all restrictive covenants and limitations as of March 31, 2010. The Company anticipates being in compliance with all restrictive covenants for the foreseeable future.

The Company continues to monitor the financial markets and assess its ability to fully draw under its revolving credit facility, but expects that any drawing under the facility will be fully funded.

In addition, the Company had $55 of foreign working capital credit lines and other facilities at March 31, 2010, of which $39 was available for borrowing. The Company was also a party to letters of credit of $20, primarily related to one of its insurance carriers.

Share Repurchases

The Company has two share repurchase programs: an open-market purchase program, which had, as of March 31, 2010, a total authorization of $750, and a program to offset the impact of share dilution related to share-based awards (the Evergreen Program), which has no authorization limit as to amount or timing of repurchases.

The Company did not repurchase any shares in the open market during the three or nine month periods ended March 31, 2010 and 2009.

Valuation of Goodwill and Indefinite-Lived Intangible Assets

In the third quarter of fiscal year 2010, the Company performed its annual review of goodwill and indefinite-lived intangible assets and there were no instances of impairment identified during this review. The Company estimates fair value of goodwill and intangible assets using discounted cash flow analyses based on assumptions of future revenues, costs and after-tax cash flows. Changes in the assumptions included in the discounted cash flow analysis used in this review could materially impact the fair value estimates.

The Burt's Bees reporting unit , which includes $614 of goodwill, was the most sensitive to changes in discounted cash flow assumptions used to estimate fair value. The fair value of the Burt's Bees reporting unit was in excess of the book carrying value by approximately 5%. The Company is monitoring any events, circumstances, or changes in the Burt's Bees business that might imply a reduction in the fair value and lead to an impairment of a portion of the goodwill .

Contingencies

The Company is involved in certain environmental matters, including Superfund and other response actions at various locations. The Company has a recorded liability of $16 and $19 at March 31, 2010 and June 30, 2009, respectively, for its share of the related aggregate future remediation cost. One matter in Dickinson County, Michigan, for which the Company is jointly and severally liable, accounts for a substantial majority of the recorded liability at both March 31, 2010 and June 30, 2009. The Company is subject to a cost-sharing arrangement with Ford Motor Co. (Ford) for this matter, under which the Company has agreed to be liable for 24.3% of the aggregate remediation and associated costs, other than legal fees, as the Company and Ford are each responsible for their own such fees. If Ford is unable to pay its share of the response and remediation obligations, the Company would likely be responsible for such obligations. In October 2004, the Company and Ford agreed to a consent judgment with the Michigan Department of Environmental Quality, which sets forth certain remediation goals and monitoring activities. Based on the current status of this matter, and with the assistance of environmental consultants, the Company maintains an undiscounted liability representing its best estimate of its share of costs associated with the capital expenditures, maintenance and other costs to be incurred over an estimated 30-year remediation period. The most significant components of the liability relate to the estimated costs associated with the remediation of groundwater contamination and excess levels of subterranean methane deposits. The Company made payments of less than $1 during each of the three and nine months ended March 31, 2010 and 2009, towards remediation efforts. Currently, the Company cannot accurately predict the timing of the payments that will likely be made under this estimated obligation. In addition, the Company's estimated loss exposure is sensitive to a variety of uncertain factors, including the efficacy of remediation efforts, changes in remediation requirements and the timing, varying costs and alternative clean-up technologies that may become available in the future. Although it is possible that the Company's exposure may exceed the amount recorded, any amount of such additional exposures, or range of exposures, is not estimable at this time.

The Company is subject to various other lawsuits and claims relating to issues such as contract disputes, product liability, patents and trademarks, advertising, employee and other matters. Although the results of claims and litigation cannot be predicted with certainty, it is the opinion of management that the ultimate disposition of these matters, to the extent not previously provided for, will not have a material adverse effect, individually or in the aggregate, on the Company’s consolidated financial statements taken as a whole.

Recently adopted pronouncements

On July 1, 2009, the Company adopted a new accounting standard which provides that unvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents, whether paid or unpaid, are participating securities that must be included in the computation of earnings per share pursuant to the two-class method. These payment awards were previously not considered participating securities. Accordingly, the Company’s unvested performance units, restricted stock awards and restricted stock units that provide such nonforfeitable rights are now considered participating securities in the calculation of net earnings per share (EPS). The Company’s share-based payment awards granted in fiscal year 2010 are not participating securities. The new standard requires the retrospective adjustment of the Company’s earnings per share data. The impact of the retrospective adoption of the new accounting standard on the fiscal year 2009 reported EPS data was as follows:

	Basic		Diluted	
	As previously reported	As restated	As previously reported	As restated
Three months ended March 31, 2009	$ 1.09	$ 1.08	$ 1.08	$ 1.08
Nine months ended March 31, 2009	2.64	2.61	2.60	2.59
Three months ended June 30, 2009	1.22	1.21	1.20	1.20
Year ended June 30, 2009	3.86	3.82	3.81	3.79

The calculation of EPS under the new accounting standard is disclosed in Note 8.

On July 1, 2009, the Company adopted a new accounting standard which establishes principles and requirements for how the acquirer of a business recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, including contingent liabilities, and any noncontrolling interest in an acquired business. The new accounting standard also provides for recognizing and measuring the goodwill acquired in a business combination and requires disclosure of information to enable users of the financial statements to evaluate the nature and financial effects of the business combination. The provisions of this standard were applied during the Company’s most recent acquisition (See Note 2).

On July 1, 2009, the Company adopted a new accounting standard which requires disclosures about fair value of financial instruments in interim financial information (See Note 4). The Company already complies with the provisions of this accounting standard for its annual reporting.

On July 1, 2009, the Company adopted the provisions of the accounting standard on fair value measurements that apply to nonfinancial assets and liabilities that are recognized or disclosed at fair value on a non-recurring basis. The adoption of these provisions did not have an impact on the condensed consolidated financial statements or disclosures.

On January 1, 2010, the Company adopted the provisions of the accounting standard on fair value measurements and disclosures which requires some new disclosures and clarifies existing disclosure requirements about fair value measurements. Specifically, the Company is required to disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and to also describe the reasons for the transfers. The adoption of these provisions did not have an impact on the condensed consolidated financial statements disclosures.

Pronouncements to be adopted

On December 30, 2008, the FASB issued an accounting standard that will require additional disclosures about the major categories of plan assets and concentrations of risk for an employer's plan assets of a defined benefit pension or other postretirement plan, as well as disclosure of fair value levels, similar to the disclosure requirements of the fair value measurements accounting standard. In accordance with the transition requirement, the Company will provide these enhanced disclosures about plan assets in its 2010 Annual Report on Form 10-K.

Cautionary Statement

This Quarterly Report on Form 10-Q (this Report), including the exhibits hereto contains “forward looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act), and such forward looking statements involve risks and uncertainties. Except for historical information, matters discussed below, including statements about future volume, sales, costs, cost savings, earnings, cash flows, plans, objectives, expectations, growth, or profitability, are forward looking statements based on management’s estimates, assumptions and projections. Words such as “expects,” “anticipates,” “targets,” “goals,” “projects,” “intends,” “plans,” “believes,” “seeks,” “estimates,” and variations on such words, and similar expressions, are intended to identify such forward looking statements. These forward looking statements are only predictions, subject to risks and uncertainties, and actual results could differ materially from those discussed below. Important factors that could affect performance and cause results to differ materially from management’s expectations are described in the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Company’s Annual Report on Form 10-K for the year ended June 30, 2009, as updated from time to time in the Company’s SEC filings. These factors include, but are not limited to: unfavorable general economic and marketplace conditions and events, including consumer confidence and consumer spending levels, the rate of economic growth, the rate of inflation, and the financial condition of our customers, suppliers and service providers; foreign currency exchange rate and interest rate fluctuations; unfavorable political conditions in international markets and risks relating to international operations; the Company’s costs, including volatility and increases in commodity costs such as resin, diesel, chlor-alkali, agricultural commodities and other raw materials; increases in energy costs; the impact of the volatility of the debt markets on the Company’s cost of borrowing and access to funds, including commercial paper and its credit facility; risks relating to changes in the Company’s capital structure; risks arising from declines in cash flow, whether resulting from tax payments, debt payments, share repurchases, interest cost increases greater than management’s expectations, or increases in debt or changes in credit ratings, or otherwise; changes in the Company’s tax rate; the success of the Company’s strategies, including its previously announced Centennial Strategy; risks relating to acquisitions, mergers and divestitures, including the Company’s ability to achieve the projected strategic and financial benefits from the Burt’s Bees acquisition; the ability of the Company to implement and generate expected savings from its programs to reduce costs, including its Supply Chain Restructuring and Other restructuring plan changes; the need for any unanticipated restructuring or asset-impairment charges; the success of new products and the ability of the Company to develop products that delight the consumer; consumer and customer reaction to price increases; risks related to customer concentration; customer-specific ordering patterns and trends; competitive actions; supply disruptions or any future supply constraints that may affect key commodities or product inputs; risks inherent in supplier relationships, including sole-supplier relationships; risks related to the handling and/or transportation of hazardous substances, including but not limited to chlorine; risks related to the conversion of the Company’s information systems, including potential disruptions and costs; risks arising out of natural disasters; the impact of disease outbreaks, epidemics or pandemics on the Company’s operations; risks inherent in litigation; risks inherent in maintaining an effective system of internal controls, including the potential impact of acquisitions or the use of third-party service providers; the ability to manage and realize the benefit of joint ventures and other cooperative relationships, including the Company’s joint venture regarding the Company’s Glad ® plastic bags, wraps and containers business, and the agreements relating to the provision of information technology and related services by third parties; the ability of the Company to successfully manage tax, regulatory, product liability, intellectual property, environmental and other legal matters, including the risk resulting from joint and several liability for environmental contingencies and risks inherent in litigation including class action litigation; and the Company’s ability to maintain its business reputation and the reputation of its brands.

The Company’s forward looking statements in this Report are based on management’s 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.

In this Report, unless the context requires otherwise, the terms “the Company” and “Clorox” refer to The Clorox Company and its subsidiaries.

Item 3. Quantitative and Qualitative Disclosure about Market Risk

There have not been any material changes to the Company's market risk during the three and nine months ended March 31, 2010. For additional information, refer to the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2009.

Item 4. Controls and Procedures

The Company's management, with the participation of the Company's chief executive officer and chief financial officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the chief executive officer and chief financial officer concluded that the Company's disclosure controls and procedures, as of the end of the period covered by this report, were effective such that the information required to be disclosed by the Company in reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to management, including the chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding disclosure. There was no change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION (Unaudited)

Item 1.A. Risk Factors

For information regarding Risk Factors, please refer to Item 1.A. in the Company's Annual Report on Form 10-K for the year ended June 30, 2009.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table sets forth the purchases of the Company's securities by the Company and any affiliated purchasers within the meaning of Rule 10b-18(a)(3) (17 CFR 240.10b-18(a)(3)) during the third quarter of fiscal year 2010.

Period	[a] Total Number of Shares (or Units) Purchased(1)	[b] Average Price Paid per Share (or Unit)	[c] Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	[d] Maximum Number (or Approximate Dollar Value) that May Yet Be Purchased Under the Plans or Programs(2)
January 1 to 31, 2010	-	$	-	$ 750,000,000
February 1 to 28, 2010	-	$	-	$ 750,000,000
March 1 to 31, 2010	175	$ 61.88	-	$ 750,000,000

(1) The shares purchased in March 2010 relate entirely to the surrender to the Company of shares of common stock to satisfy tax withholding obligations in connection with the vesting of restricted stock.

(2) On May 13, 2008, the board of directors approved a new $750,000,000 share repurchase program, all of which remains available for repurchase as of March 31, 2010. On September 1, 1999, the Company announced a share repurchase program to reduce or eliminate dilution upon the issuance of shares pursuant to the Company's stock compensation plans. The program initiated in 1999 has no specified cap and therefore is not included in column [d] above. On November 15, 2005, the Board of Directors authorized the extension of the 1999 program to reduce or eliminate dilution in connection with issuances of common stock pursuant to the Company's 2005 Stock Incentive Plan. None of these programs has a specified termination date.

Item 5. Other Information

(a) None

(b) None

In addition, in the Quarterly Report on Form 10-Q filed on February 5, 2010, the Company reported the results of a vote on a stockholder proposal stating that there were 18,193,558 votes in favor of the proposal, 74,929,616 against, 23,820,307 abstentions and 23,820,307 broker non-votes. The number of abstentions is a typographical error. The correct number is 396,323.

Item 6. Exhibits

(a) Exhibits

10.27*	Form of Indemnification Agreement.
31.1	Certification by the Chief Executive Officer of the Company Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Chief Financial Officer of the Company Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification by the Chief Executive Officer and Chief Financial Officer of the Company Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from The Clorox Company's Quarterly Report on Form 10-Q for the period ended March 31, 2010, formatted in eXtensible Business Reporting Language (XBRL): (i) the Condensed Consolidated Statements of Earnings, (ii) the Condensed Consolidated Balance Sheets, (iii) the Condensed Consolidated Statements of Cash Flows, and (iv) Notes to Condensed Consolidated Financial Statements, tagged as blocks of text.
(*)	Indicates a management or director contract or compensatory plan or arrangement required to be filed as an exhibit to this report.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE CLOROX COMPANY
(Registrant)

DATE: May 4, 2010

BY /s/ Thomas D. Johnson
Thomas D. Johnson
Vice President – Global Business Services and
Chief Accounting Officer

EXHIBIT INDEX

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101	The following materials from The Clorox Company's Quarterly Report on Form 10-Q for the period ended December 31, 2009, formatted in eXtensible Business Reporting Language (XBRL): (i) the Condensed Consolidated Statements of Earnings, (ii) the Condensed Consolidated Balance Sheets, (iii) the Condensed Consolidated Statements of Cash Flows, and (iv) Notes to Condensed Consolidated Financial Statements, tagged as blocks of text.
(*)	Indicates a management or director contract or compensatory plan or arrangement required to be filed as an exhibit to this report.

INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this " Agreement ") is entered into as of ________, 2010 (the " Effective Date ") by and between The Clorox Company, a Delaware corporation (the " Company "), and ____________ (the " Indemnitee ").

RECITALS

WHEREAS, the Board of Directors has determined that the ability to attract and retain qualified persons as directors is essential and in the best interests of the Company's stockholders and that the Company should act to assure such persons that there shall be adequate certainty of protection through insurance and indemnification against claims and actions against them arising out of their service to and activities on behalf of the Company;

WHEREAS, the Company has adopted provisions in its Restated Certificate of Incorporation providing for indemnification and advancement of expenses to its directors and officers to the fullest extent authorized by the General Corporation Law of the State of Delaware (the " DGCL "), and the Company wishes to clarify and enhance the rights and obligations of the Company and the Indemnitee with respect to indemnification and advancement of expenses;

WHEREAS, in order to induce and encourage highly experienced and capable persons such as the Indemnitee to serve and continue to serve as directors of the Company and in any other capacity as the Company may request, and to otherwise provide specific contractual assurances that certain costs, judgments, penalties, fines, liabilities, and expenses incurred by them in their defense of litigation and claims made against them in connection with the good faith performance of their duties to the Company are to be borne by the Company and that they shall receive the maximum protection against such risks and liabilities as may be afforded by applicable law, the Board of Directors of the Company has determined that the following Agreement is reasonable and prudent to promote and ensure the best interests of the Company and its stockholders; and

WHEREAS, the Company desires to have the Indemnitee continue to serve as a director of the Company and in any other capacity with respect to the Company as the Company may request, as the case may be, free from undue concern for unpredictable, inappropriate, or unreasonable legal risks and personal liabilities.

AGREEMENT

NOW, THEREFORE, the parties hereto agree as follows:

1. Definitions . For purposes of this Agreement:

(a) A " Change in Control " means, and shall be deemed to have occurred if, on or after the date of this Agreement, (i) any “person” (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than (A) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its subsidiaries acting in such capacity, or (B) a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the “beneficial owner” (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing more than 50% of the total voting power represented by the Company’s then outstanding Voting Securities, (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of the Company and any new director whose election by the board of directors of the Company or nomination for election by the Company’s stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, (iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation other than a merger or consolidation that would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least 50% of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, (iv) the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of (in one transaction or a series of related transactions) all or substantially all of its assets, or (v) the Company shall file or have filed against it, and such filing shall not be dismissed, any bankruptcy, insolvency or dissolution proceedings, or a trustee, administrator or creditors committee shall be appointed to manage or supervise the affairs of the Company.

(b) “ Corporate Status ” means the status of a person who is or was a director (or a member of any committee of a board of directors), officer, employee or agent (including without limitation a manager of a limited liability company) of the Company or any of its subsidiaries, or of any predecessor thereof, or is or was serving at the request of the Company as a director (or a member of any committee of a board of directors), officer, employee or agent (including without limitation a manager of a limited liability company) of another entity, or of any predecessor thereof, including service with respect to an employee benefit plan.

(c) " Disinterested Director " means a director of the Company who is not or was not a party to the Proceeding in respect of which indemnification is being sought by the Indemnitee.

(d) " Expenses " include, without limitation, expenses incurred in connection with the prosecution, defense, appeal or settlement of, or service as a witness or other participation in or preparation for, any Proceeding, including attorneys' fees, witness fees and expenses, fees and expenses of accountants, public relations consultants and other advisors, retainers and disbursements and advances thereon, the premium, security for, and other costs relating to any bond (including cost bonds, appraisal bonds, or their equivalents), any other expenses of the types customarily incurred in connection with a Proceeding, and any expenses of establishing a right to indemnification or advancement under Sections 9, 11, 13, and 16 hereof.

(e) " Independent Counsel " means a law firm or a member of a law firm that neither is presently nor in the past five years has been retained to represent (i) the Company or the Indemnitee in any matter material to either such party (other than a matter in which Independent Counsel performed the same kind of service as it is being engaged to perform under this Agreement) or (ii) any other party to the Proceeding giving rise to a request for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or the Indemnitee in an action to determine the Indemnitee's right to indemnification under this Agreement.

(f) " Proceeding " means any pending, threatened or completed action, suit, arbitration, alternative dispute mechanism, inquiry, judicial, administrative or legislative hearing, investigation or other proceeding, including any and all appeals, whether of a civil, criminal, administrative, legislative, investigative, or other nature.

(g) " Voting Securities " means any securities of the Company that vote generally in the election of directors.

(h) References to the Company and its subsidiaries include any corporation, limited liability company, partnership, joint venture, trust or other entity or enterprise that before or after the Effective Date is party to a merger or consolidation with the Company or any such subsidiary or that is a successor to the Company as contemplated by Section 14 (whether or not such successor has executed and delivered the written agreement contemplated by Section 14).

2. Service by the Indemnitee . The Indemnitee agrees to serve as a director of the Company or one or more of its subsidiaries and in such other capacities as the Indemnitee may serve at the request of the Company from time to time, and by its execution of this Agreement the Company confirms its request that the Indemnitee serve as a director and in such other capacities. The Indemnitee shall be entitled to resign or otherwise terminate such service with immediate effect at any time, and neither such resignation or termination nor the length of such service shall affect the Indemnitee’s rights under this Agreement.

3. Indemnification and Advancement of Expenses . The Company shall indemnify and hold harmless the Indemnitee, and shall pay to the Indemnitee in advance of the final disposition of any Proceeding in any way connected with, resulting from or relating to the Indemnitee’s Corporate Status all Expenses incurred by or on behalf of the Indemnitee in connection with such Proceeding, to the fullest extent permitted by applicable law in effect on the Effective Date or as amended to increase the scope of permitted indemnification. Without diminishing the scope of the rights provided by this Section, the rights of the Indemnitee to indemnification and advancement of Expenses provided hereunder shall include but shall not be limited to those rights hereinafter set forth, except that no indemnification or advancement of Expenses shall be paid to the Indemnitee in connection with any Proceeding initiated by the Indemnitee other than (i) by way of defense, counterclaim or crossclaim, (ii) a Proceeding to enforce the Indemnitee’s rights under this Agreement or under any applicable law, other agreement, vote of stockholders or Disinterested Directors, provisions of the Certificate of Incorporation or Bylaws of the Company, insurance policy or otherwise, or (iii) an action, suit, or proceeding, or part thereof, that was authorized or ratified by the Board of Directors of the Company.

4. Action or Proceedings Other than an Action by or in the Right of the Company . Except as limited by Section 3 above, the Indemnitee shall be entitled to the indemnification rights provided in this Section if the Indemnitee was or is a party or is threatened to be made a party to, or was or is otherwise involved in, any Proceeding (other than an action by or in the right of the Company) in any way connected with, resulting from or relating to the Indemnitee's Corporate Status. Pursuant to this Section, the Indemnitee shall be indemnified, to the fullest extent permitted by applicable law in effect on the Effective Date and as amended to increase the scope of permitted indemnification, against all expense, liability, and loss (including judgments, fines, excise and other taxes, assessments, charges, interest or penalties, amounts paid in settlement, and Expenses) incurred by or on behalf of the Indemnitee in connection with such Proceeding.

5. Indemnity in Proceedings by or in the Right of the Company . Except as limited by Section 3 above, the Indemnitee shall be entitled to the indemnification rights provided in this Section if the Indemnitee was or is a party or is threatened to be made a party to, or was or is otherwise involved in, any Proceeding brought by or in the right of the Company to procure a judgment in its favor in any way connected with, resulting from or relating to the Indemnitee's Corporate Status. Pursuant to this Section, the Indemnitee shall be indemnified, to the fullest extent permitted by applicable law in effect on the Effective Date and as amended to increase the scope of permitted indemnification, against all expense, liability, and loss (including judgments, fines, excise and other taxes, assessments, charges, interest or penalties, amounts paid in settlement, and Expenses) incurred by or on behalf of the Indemnitee in connection with such Proceeding.

6. Indemnification for Expenses of Successful Party . Notwithstanding any limitations of Sections 4 and 5 above, to the extent that the Indemnitee has been successful, on the merits or otherwise, in whole or in part, in any Proceeding in any way connected with, resulting from or relating to the Indemnitee's Corporate Status, or in any claim, issue, or matter therein, including, without limitation, the dismissal of any action without prejudice, or if it is ultimately determined, by final judicial decision of a court of competent jurisdiction from which there is no further right to appeal, that the Indemnitee is otherwise entitled to be indemnified against Expenses, the Indemnitee shall be indemnified against all Expenses incurred by or on behalf of the Indemnitee in connection therewith.

7. Partial Indemnification . If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the expense, liability, and loss (including judgments, fines, excise and other taxes, assessments, charges, interest or penalties, amounts paid in settlement, and Expenses) incurred by or on behalf of the Indemnitee in connection with any Proceeding, but not, however, for all of the total amount thereof, the Company shall nevertheless indemnify the Indemnitee for the portion of such expense, liability, and loss to which the Indemnitee is entitled.

8. Indemnification for Expenses of a Witness . Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law in effect on the Effective Date and as amended to increase the scope of permitted indemnification, the Indemnitee shall be entitled to indemnification against all Expenses incurred by the Indemnitee or on the Indemnitee's behalf if, in any way connected with, resulting from or relating to the Indemnitee's Corporate Status, the Indemnitee appears as a witness, is interviewed, produces documents or otherwise incurs Expenses in connection with a Proceeding to which the Indemnitee neither is, nor is threatened to be made, a party.

9. Determination of Entitlement to Indemnification . To receive indemnification under this Agreement, the Indemnitee shall submit a written request to the Secretary of the Company. Upon receipt by the Secretary of the Company of a written request by the Indemnitee for indemnification pursuant to Sections 4 or 5, the entitlement of the Indemnitee to indemnification, to the extent not otherwise provided pursuant to the terms of this Agreement, shall be determined by the following person or persons who shall be empowered to make such determination: (a) If no Change in Control has occurred, (i) the Board of Directors of the Company by a majority vote of Disinterested Directors, whether or not such majority constitutes a quorum; (ii) a committee of Disinterested Directors designated by a majority vote of such directors, whether or not such majority constitutes a quorum; (iii) if there are no Disinterested Directors, or if the Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board of Directors, a copy of which shall be delivered to the Indemnitee; or (iv) the stockholders of the Company; or (b) in the event that a Change in Control has occurred, by Independent Counsel in a written opinion to the Board of Directors, a copy of which shall be delivered to the Indemnitee. Such Independent Counsel shall be selected by the Board of Directors and approved by the Indemnitee, except that in the event that a Change in Control has occurred, Independent Counsel shall be selected by the Indemnitee. Upon failure of the Board of Directors so to select such Independent Counsel or upon failure of the Indemnitee so to approve (or so to select, in the event a Change in Control has occurred), such Independent Counsel shall be selected upon application to a court of competent jurisdiction. The determination of entitlement to indemnification shall be made and, unless a contrary determination is made, such indemnification shall be paid in full by the Company not later than 45 calendar days after receipt by the Secretary of the Company of a written request for indemnification. If the person making such determination shall determine that the Indemnitee is entitled to indemnification as to part (but not all) of the application for indemnification, such person shall reasonably prorate such partial indemnification among the claims, issues, or matters at issue at the time of the determination. The Indemnitee shall use reasonable efforts to provide such documentation or information as is necessary for such determination and is reasonably available to the Indemnitee. In no event shall a determination be required in connection with advancement of Expenses or in connection with indemnification for Expenses incurred as a witness, interviewee or producer of documents or incurred in connection with any Proceeding or portion thereof with respect to which the Indemnitee has been successful on the merits or otherwise.

10. Presumptions and Effect of Certain Proceedings . The Secretary of the Company shall, promptly upon receipt of the Indemnitee's written request for indemnification, advise in writing the Board of Directors or such other person or persons empowered to make the determination as provided in Section 9 that the Indemnitee has made such request for indemnification. Upon making such request for indemnification, the Indemnitee shall be presumed to be entitled to indemnification hereunder and the Company shall have the burden of proof in making any determination contrary to such presumption. If the person or persons so empowered to make such determination shall have failed to make the requested determination with respect to indemnification within 90 calendar days after receipt by the Secretary of the Company of such request, a requisite determination of entitlement to indemnification shall be deemed to have been made, and the Indemnitee shall be absolutely entitled to such indemnification. The termination of any Proceeding described in Sections 4 or 5 by judgment, order, settlement, or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself (a) create a presumption that the Indemnitee did not meet any applicable standard of conduct or (b) otherwise adversely affect the rights of the Indemnitee to indemnification except as may be provided herein.

11. Remedies of the Indemnitee in Cases of Determination Not to Indemnify or to Advance Expenses; Right to Bring Suit . In the event that a determination is made that the Indemnitee is not entitled to indemnification hereunder or if payment is not timely made following a determination of entitlement to indemnification, including a deemed determination, pursuant to Sections 9 and 10, or if an advancement of Expenses is not timely made pursuant to Section 16, the Indemnitee may at any time thereafter bring suit against the Company in a court of competent jurisdiction in the State of Delaware seeking an adjudication of entitlement to such indemnification or advancement of Expenses. The Company shall not oppose the Indemnitee's right to seek any such adjudication. Further, in any suit brought by the Company to recover an advancement of Expenses pursuant to the terms of an undertaking, the Company shall be entitled to recover such Expenses upon a final judicial decision of a court of competent jurisdiction from which there is no further right to appeal that the Indemnitee is not entitled to be indemnified for such Expenses. Neither the failure of the Company (including the Disinterested Directors, a committee of Disinterested Directors, Independent Counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Indemnitee is proper in the circumstances because the Indemnitee has met any applicable standard of conduct, nor an actual determination by the Company (including the Disinterested Directors, a committee of Disinterested Directors, Independent Counsel, or its stockholders) that the Indemnitee has not met any applicable standard of conduct shall create a presumption that the Indemnitee has not met such standard of conduct, or, in the case of such a suit brought by the Indemnitee, be a defense to such suit, and any Proceeding commenced by the Indemnitee challenging an adverse determination shall be *de novo* with respect to all determinations of fact and law. In any suit brought by the Indemnitee to enforce a right to indemnification or to an advancement of Expenses hereunder, or brought by the Company to recover an advancement of Expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnitee is not entitled to be indemnified or to such advancement of Expenses, under this Section 11 or otherwise, shall be on the Company. If a determination is made or deemed to have been made pursuant to the terms of Section 9 or 10 that the Indemnitee is entitled to indemnification, the Company shall be bound by such determination and is precluded from asserting that such determination has not been made or that the procedure by which such determination was made is not valid, binding, and enforceable. The Company further agrees to stipulate in any court pursuant to this Section 11 that the Company is bound by all the provisions of this Agreement and is precluded from making any assertions to the contrary. If the court shall determine that the Indemnitee is entitled to any indemnification or advancement of Expenses hereunder, the Company shall pay all Expenses incurred by or on behalf of the Indemnitee in connection with such adjudication (including, but not limited to, any appellate proceedings) to the fullest extent permitted by law, and in any suit brought by the Company to recover an advancement of Expenses pursuant to the terms of an undertaking, the Company shall pay all Expenses incurred by or on behalf of the Indemnitee in connection with such suit to the extent the Indemnitee has been successful, on the merits or otherwise, in whole or in part, in defense of such suit, to the fullest extent permitted by law.

12. Non-Exclusivity of Rights . The rights to indemnification and to the advancement of Expenses provided by this Agreement shall not be deemed exclusive of any other right that the Indemnitee may now or hereafter acquire under any applicable law, agreement, vote of stockholders or Disinterested Directors, provisions of the Certificate of Incorporation or Bylaws of the Company, insurance policy or otherwise.

13. Expenses in Connection with Enforcement or Interpretation of This Agreement, etc . In the event any Proceeding is initiated by the Indemnitee, the Company or any other person to enforce or interpret this Agreement or any rights of the Indemnitee to indemnification or advancement of Expenses (or related obligations of the Indemnitee) under the Company's Certificate of Incorporation, Bylaws or other organizational agreement or instrument, any other agreement to which the Indemnitee and the Company are party, any vote of stockholders or directors of the Company, the DGCL, any other applicable law or any liability insurance policy, the Company shall indemnify the Indemnitee against Expenses incurred by the Indemnitee or on the Indemnitee's behalf in connection with such Proceeding to the fullest extent permitted by applicable law in effect on the Effective Date and as amended to increase the scope of permitted indemnification.

14. Continuation of Indemnity . All agreements and obligations of the Company contained herein shall survive the termination of the Indemnitee's Corporate Status. This Agreement shall be binding upon all successors and assigns of the Company (including any person or group acquiring 50% or more of the Company's Voting Securities or any transferee of all or substantially all of its assets and any successor by acquisition, merger, consolidation or operation of law) and shall inure to the benefit of the Indemnitee's heirs, executors, and administrators. The Company shall require and cause any such successor, by written agreement in form and substance satisfactory to the Indemnitee, expressly to assume and agree to perform this Agreement as if it were named as the Company herein.

15. Notification and Defense of Proceeding . Promptly after receipt by the Indemnitee of notice of any Proceeding, the Indemnitee shall, if a request for indemnification or an advancement of Expenses in respect thereof is to be made against the Company under this Agreement, notify the Company in writing of the commencement thereof; but the omission so to notify the Company shall not relieve it from any liability that it may have to the Indemnitee. Notwithstanding any other provision of this Agreement, with respect to any such Proceeding of which the Indemnitee notifies the Company:

(a) The Company shall be entitled to participate therein at its own expense;

(b) Except as otherwise provided in this Section 15(b), to the extent that it may wish, the Company, jointly with any other indemnifying party similarly notified, shall be entitled to assume the defense thereof, with counsel satisfactory to the Indemnitee. After notice from the Company to the Indemnitee of its election so to assume the defense thereof, the Company shall not be liable to the Indemnitee under this Agreement for any expenses of counsel subsequently incurred by the Indemnitee in connection with the defense thereof except as otherwise provided below. The Indemnitee shall have the right to employ the Indemnitee's own counsel in such Proceeding, but the fees and expenses of such counsel incurred after notice from the Company of its assumption of the defense thereof shall be at the expense of the Indemnitee unless (i) the employment of counsel by the Indemnitee has been authorized by the Company, (ii) the Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and the Indemnitee in the conduct of the defense of such Proceeding, or (iii) the Company shall not within 60 calendar days of receipt of notice from the Indemnitee in fact have employed counsel to assume the defense of the Proceeding, in each of which cases the fees and expenses of the Indemnitee's counsel shall be at the expense of the Company. The Company shall not be entitled to assume (or continue to assume) the defense of any Proceeding (I) brought by or on behalf of the Company, (II) as to which the Indemnitee shall have made the conclusion provided for in (ii) above or (III) after a Change in Control has occurred; and

(c) The Company will not, without the prior written consent of the Indemnitee, which may be provided or withheld in the Indemnitee's sole discretion, effect any settlement of any Proceeding against the Indemnitee or which could have been brought against the Indemnitee unless such settlement solely involves the payment of money by persons other than the Indemnitee and includes an unconditional release of the Indemnitee from all liability on any matters that are the subject of such Proceeding and an acknowledgment that the Indemnitee denies all wrongdoing in connection with such matters. The Company shall not be obligated to indemnify the Indemnitee against amounts paid in settlement of a Proceeding against the Indemnitee if such settlement is effected by the Indemnitee without the Company's prior written consent, which shall not be unreasonably withheld.

16. Advancement of Expenses . All Expenses incurred by or on behalf of the Indemnitee in connection with any Proceeding in any way connected with, resulting from or relating to the Indemnitee's Corporate Status shall be paid by the Company in advance of the final disposition of such Proceeding at the request of the Indemnitee. To receive an advancement of Expenses under this Agreement, the Indemnitee shall submit a written request to the Secretary of the Company. Such request shall reasonably evidence the Expenses incurred by or on behalf of the Indemnitee and shall include or be accompanied by an undertaking, by or on behalf of the Indemnitee, to repay any amounts so advanced if it shall ultimately be determined, by final judicial decision of a court of competent jurisdiction from which there is no further right to appeal, that the Indemnitee is not entitled to be indemnified for such amounts. The Indemnitee's undertaking to repay any such amounts is not required to be secured and shall not bear interest. The Company shall not impose on the Indemnitee additional conditions to advancement or require from the Indemnitee additional undertakings regarding repayment. Each such advancement of Expenses shall be made within 15 calendar days after the receipt by the Secretary of the Company of such written request. The Indemnitee's entitlement to indemnification and advancement of Expenses under this Agreement shall include those incurred in connection with any Proceeding contemplated by Section 11 or 13 or this Section 16 (including the enforcement of this provision) to the fullest extent permitted by applicable law in effect on the Effective Date and as amended to increase the scope of permitted indemnification.

17. Severability . If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable for any reason whatsoever, (a) the validity, legality, and enforceability of the remaining provisions of this Agreement (including, without limitation, all portions of any paragraphs of this Agreement containing any such provision held to be invalid, illegal, or unenforceable, that are not by themselves invalid, illegal, or unenforceable) shall not in any way be affected or impaired thereby, and (b) to the fullest extent possible, the provisions of this Agreement (including, without limitation, all portions of any paragraph of this Agreement containing any such provision held to be invalid, illegal, or unenforceable, that are not themselves invalid, illegal, or unenforceable) shall be construed so as to give effect to the intent of the parties that the Company provide protection to the Indemnitee to the fullest enforceable extent.

18. Directors and Officers Liability Insurance .

(a) Maintenance of Insurance . So long as the Company or any of its subsidiaries maintains liability insurance for any directors, officers, employees or agents of any such person, the Company shall ensure that the Indemnitee is covered by such insurance in such a manner as to provide the Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company's and its subsidiaries' then current directors and officers. If at any date (i) such insurance ceases to cover acts and omissions occurring during all or any part of the period of the Indemnitee's Corporate Status or (ii) neither the Company nor any of its subsidiaries maintains any such insurance, the Company shall ensure that the Indemnitee is covered, with respect to acts and omissions prior to such date, for at least six years (or such shorter period as is available on commercially reasonable terms) from such date, by other directors and officers liability insurance, in amounts and on terms (including the portion of the period of the Indemnitee's Corporate Status covered) no less favorable to the Indemnitee than the amounts and terms of the liability insurance maintained by the Company on the date hereof.

(b) Notice to Insurers . Upon receipt of notice of a Proceeding pursuant to Section 15, the Company shall give or cause to be given prompt notice of such Proceeding to all insurers providing liability insurance in accordance with the procedures set forth in all applicable or potentially applicable policies. The Company shall thereafter take all necessary action to cause such insurers to pay all amounts payable in accordance with the terms of such policies.

19. Headings; References; Pronouns . The headings of the sections of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof. References herein to section numbers are to sections of this Agreement. All pronouns and any variations thereof shall be deemed to refer to the singular or plural as appropriate.

20. Other Provisions .

(a) The Company shall not seek or agree to any order of any court or other governmental authority that would prohibit or otherwise interfere, and shall not take or fail to take any other action if such action or failure would reasonably be expected to have the effect of prohibiting or otherwise interfering, with the performance of the Company's indemnification, advancement or other obligations under this Agreement.

(b) All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed duly given (i) on the date of delivery if delivered personally, or by facsimile, upon confirmation of receipt, (ii) on the first business day following the date of dispatch if delivered by a recognized next-day courier service or (iii) on the third business day following the date of mailing if delivered by domestic registered or certified mail, properly addressed, or on the fifth business day following the date of mailing if sent by airmail from a country outside of North America, to the Indemnitee at the address shown on the signature page of this Agreement, to the Company at the address shown on the signature page of this Agreement, or in either case as subsequently modified by written notice.

(c) This Agreement and all disputes or controversies arising out of or related to this Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to the laws of any other jurisdiction that might be applied because of conflicts of laws principles of the State of Delaware. The Company and the Indemnitee each hereby irrevocably consents to the jurisdiction of the state courts of the State of Delaware for all purposes in connection with any Proceeding which arises out of or relates to this Agreement and agree that any action instituted under this Agreement shall be brought only in the state courts of the State of Delaware.

(d) This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

(e) This Agreement shall not be deemed an employment contract between the Company and any Indemnitee who is an officer of the Company, and, if the Indemnitee is an officer of the Company, the Indemnitee specifically acknowledges that the Indemnitee may be discharged at any time for any reason, with or without cause, and with or without severance compensation, except as may be otherwise provided in a separate written contract between the Indemnitee and the Company or by Company policy.

(f) In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

(g) This Agreement may not be amended, modified, or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing specifically designated as an amendment hereto, signed on behalf of each party. No failure or delay of either party in exercising any right or remedy hereunder shall operate as a waiver thereof, and no single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Company and the Indemnitee have caused this Agreement to be executed as of the date first written above.

THE CLOROX COMPANY

By: ______________________________

Name:

Title:

Address: ______________________________

____

____

INDEMNITEE

____

Address: ______________________________

____

____

Exhibit 31.1

CERTIFICATION

I, Donald R. Knauss, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Clorox Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2010

/s/ Donald R. Knauss

Donald R. Knauss

Chairman and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Daniel J. Heinrich, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Clorox Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2010

/s/ Daniel J. Heinrich

Daniel J. Heinrich

Executive Vice President - Chief Financial Officer

Exhibit 32

CERTIFICATION

In connection with the periodic report of The Clorox Company (the "Company") on Form 10-Q for the period ended March 31, 2010, as filed with the Securities and Exchange Commission (the "Report"), we, Donald R. Knauss, Chief Executive Officer of the Company, and Daniel J. Heinrich, Chief Financial Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to the best of our knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, “filed” with the Securities and Exchange Commission.

Date: May 4, 2010

/s/ Donald R. Knauss

Donald R. Knauss
Chairman and Chief Executive Officer

/s/ Daniel J. Heinrich

Daniel J. Heinrich
Executive Vice President – Chief Financial Officer