CLOROX CO /DE/

FORM 10-Q/A
(Amended Quarterly Report)

Filed 11/15/1999 For Period Ending 9/30/1999

Address	THE CLOROX COMPANY 1221 BROADWAY
	OAKLAND, California 94612-1888
Telephone	510-271-7000
CIK	0000021076
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	06/30

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

AMENDMENT NO. 1 TO FORM 10-Q

FORM 10-Q/A
(Mark One)

[x] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal quarter ended September 30, 1999

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

For the transmission 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, CA	94612-1888
(Address of principal executive offices)	(Zip Code)
Registrant's telephone number, including area code	(510) 271-7000

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

THIS AMENDMENT IS BEING FILED SOLELY TO CORRECT CERTAIN FORMATTING ERRORS IN THE FORM 10-Q FOR THE CLOROX COMPANY FOR THE FISCAL QUARTER ENDED SEPTEMBER 30, 1999, AS FILED ON THE EDGAR SYSTEM ON NOVEMBER 12. 1999. THERE ARE NO SUBSTANTIVE CHANGES TO THE ORIGINAL FILING BEING MADE VIA THIS AMENDMENT. THE AMENDED FORM 10-Q, WITH ALL EXHIBITS THERETO, IS ATTACHED HERETO IN ITS ENTIRETY, WITH THE FORMATTING ERRORS CORRECTED.

SIGNATURES

Pursuant to the requirements of Section l3 or l5(d) of the Securities Exchange Act of l934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE CLOROX COMPANY

Date: November 15, 1999	*/S/ PETER D. BEWLEY, ESQ.*
	By: P. D. Bewley, Senior Vice President - General Counsel and Secretary

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE --- SECURITIES SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1999 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         (I.R.S. Employer
   incorporation or organization)          Identification
number)

1221 Broadway - Oakland, California          94612 -1888
---------------------------------------------------------------
(Address of principal executive offices)

 Registrant's telephone number,              (510)-271-7000
(including area code)                      ---------------------
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(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 X No

As of September 30, 1999 there were 236,403,373 shares outstanding of the registrant's common stock (par value $1.00), the registrant's only outstanding class of stock.

Total pages 12 1

THE CLOROX COMPANY

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PART I - FINANCIAL INFORMATION
Item 1. Financial Statements
The Clorox Company and Subsidiaries
Condensed Statements of Consolidated Earnings
(In millions, except share and per-share amounts)

	Three Months Ended	
	9/30/99	9/30/98
Net Sales	$ 942	$ 965
Costs and Expenses		
Cost of products sold	462	458
Selling, delivery and administration	182	191
Advertising	116	115
Research and development	14	14
Merger, integration and restructuring	2	-
Interest expense	23	28
Other expense, net	6	1
Total costs and expenses	805	807
Earnings before income taxes	137	158
Income taxes	50	58
Net Earnings	$ 87	$ 100
Earnings per Common Share		
Basic	$ 0.37	$ 0.42
Diluted	0.36	0.42
Weighted Average Shares Outstanding (in thousands)		
Basic	237,020	234,458
Diluted	240,578	238,968
Dividends per Share	$ 0.20	$ 0.17

See Notes to Condensed Consolidated Financial Statements.

PART I - FINANCIAL INFORMATION (Continued)
Item 1. Financial Statements
The Clorox Company and Subsidiaries
Condensed Consolidated Balance Sheets
(In millions)

	9/30/99	6/30/99
ASSETS		
Current Assets		
Cash and short-term investments	$ 209	$ 132
Receivables, net	580	610
Inventories	320	319
Prepaid expenses and other	20	29
Deferred income taxes	25	26
Total current assets	1,154	1,116
Property, Plant and Equipment - Net	1,049	1,054
Brands, Trademarks, Patents and Other Intangibles - Net	1,485	1,497
Investments in Affiliates	109	104
Other Assets	364	361
Total	$ 4,161	$ 4,132
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	$ 205	$ 206
Accrued liabilities	318	350
Accrued merger, integration, and restructuring	14	23
Short-term debt and notes payable	711	734
Income taxes payable	58	48
Current maturities of long-term debt	8	7
Total current liabilities	1,314	1,368
Long-term Debt	704	702
Other Obligations	193	255
Deferred Income Taxes	228	237
Stockholders' Equity		
Common stock	250	250
Additional paid-in capital	128	50
Retained earnings	1,891	1,842
Treasury shares, at cost	(367)	(392)
Accumulated other comprehensive loss	(165)	(160)
Other	(15)	(20)
Stockholders' Equity	1,722	1,570
Total	$ 4,161	$ 4,132

See Notes to Condensed Consolidated Financial Statements.

PART I - FINANCIAL INFORMATION (Continued)
Item 1. Financial Statements
The Clorox Company and Subsidiaries
Condensed Statements of Consolidated Cash Flows
(In millions)

	Three Months Ended 9/30/99	Three Months Ended 9/30/98
Operations:		
Net earnings	$ 87	$ 100
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation and amortization	48	48
Deferred income taxes	2	3
Other	(4)	(3)
Effects of changes in (excluding effects of businesses purchased):		
Accounts receivable	30	101
Inventories	1	(1)
Prepaid expenses and other	8	5
Accounts payable	(1)	(60)
Accrued liabilities	(32)	(97)
Accrued merger, integration, and restructuring	(9)	-
Income taxes payable	10	46
Net cash provided by operations	140	142
Investing Activities:		
Property, plant and equipment	(24)	(31)
Businesses purchased	(7)	(91)
Other	(14)	(34)
Net cash used for investing	(45)	(156)
Financing Activities:		
Credit facilities and short-term debt repayments, net	(26)	(45)
Long-term debt and other borrowings	13	149
Long-term debt and other repayments	(2)	(3)
Cash dividends	(47)	(41)
Treasury stock purchased	(49)	(28)
Termination of share repurchase and options contracts	82	-
Issuance of common stock under employee stock plans and other	10	7
Net cash provided by (used for) financing	(19)	39
Effect of exchange rate changes on cash	1	1
Net Increase in Cash and Short-Term Investments	77	26
Cash and Short-Term Investments:		
Beginning of period	132	102
End of period	$ 209	$ 128

See Notes to Condensed Consolidated Financial Statements.

PART I - FINANCIAL INFORMATION (Continued)

Item 1. Financial Statements
The Clorox Company and Subsidiaries

Notes to Condensed Consolidated Financial Statements

(In millions, except share and per-share amounts)

(1) The condensed consolidated financial information for the three months ended September 30, 1999 and 1998 is unaudited but, in the opinion

of management, includes all adjustments
(consisting of normal recurring and merger related 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"). The Company's results reflect the January 29, 1999 merger with First Brands Corporation ("First Brands"). The merger was accounted for as a pooling of interests and all historical financial information has been restated to include First Brands. The results for the three months ended September 30, 1999 and 1998 should not be considered as necessarily indicative of the annual results for the respective years.

(2) Inventories at September 30, 1999 and at June 30, 1999 consisted of:

	9/30/99	6/30/99
Finished goods and work in process	$ 219	$ 220
Raw materials and supplies	101	99
Total	$ 320	$ 319

(3) Basic earnings per share (EPS) is computed by dividing net earnings by the weighted average number of common shares outstanding each period. Diluted EPS is computed by dividing net earnings by the diluted weighted average number of common shares outstanding during each period. Diluted EPS reflects the potential dilution that could occur from common shares issuable through stock options, restricted stock, warrants and other convertible securities. The weighted average number of shares outstanding (denominator) used to calculate basic EPS is reconciled to those used in calculating diluted EPS as follows (in thousands):

	Weighted Average Number of Shares Outstanding	
	Three Months Ended	
	9/30/99	9/30/98
Basic	237,020	234,458
Stock options	3,539	4,348
Other	19	162
Diluted	240,578	238,968

Item 1. Financial Statements
The Clorox Company and Subsidiaries Notes to Condensed Consolidated Financial Statements

(In millions, except share and per-share amounts)

(4) Comprehensive income for the Company includes net income and foreign currency translation adjustments that are excluded from net income but included as a component of total stockholders' equity. Comprehensive income for the three months ended September 30, 1999 and 1998 is as follows:

	Three Months Ended	
	9/30/99	9/30/98
Net Earnings	$ 87	$ 100
Other comprehensive loss:		
Foreign currency translation adjustments	(5)	(22)

Comprehensive Income	$ 82	$ 78

(5) On January 29, 1999, the Company completed a merger with First Brands. Related merger, integration, restructuring and asset impairment charges through September 30, 1999 are as follows:

	Merger and Integration	Restructuring	Sub-Total	Asset Impairment	Total
Provision for merger, integration, restructuring, and asset impairment:					
For the year ended June 30, 1999	$ 36	$ 53	$ 89	$ 91	$ 180
For the three months ended September 30, 1999	1	1	2	-	2
Total provision for merger, integration, restructuring and asset impairment through September 30, 1999	37	54	91	$ 91	$ 182
Total paid through September 30, 1999	(33)	(44)	(77)		
Accrued liability as of September 30, 1999	$ 4	$ 10	$ 14		

Total merger, integration, restructuring and asset impairment costs are now estimated to be approximately $210. Of such estimated merger-related and asset impairment costs, $182 has been recognized to date and $8 of obsolete First Brands' inventory was written off in 1999. The Company expects to incur an additional $20 over the remainder of the fiscal year and such costs will be recognized and reported as merger and restructuring costs as incurred.

Item 1. Financial Statements

The Clorox Company and Subsidiaries Notes to Condensed Consolidated Financial Statements

(In millions, except share and per-share amounts)

(6) As a result of several recent executive promotions and management realignments, operating segment information has been revised to reflect the Company's current organizational structure and management responsibilities. The Company's operating segments are as follows:

Household Products: Includes cleaning, bleach and other home care products, professional products, and water filtration products marketed in the United States and Canada.

U. S. Specialty Products: Includes charcoal, automotive care, cat litter, insecticides, dressings, sauces, and food storage and disposal categories.

International: Includes operations outside the United States and Canada.

Corporate, Interest and Other: Includes certain non-allocated administrative and sales costs, goodwill amortization, interest income, interest expense, merger, integration and restructuring, and other income and expense.

Each segment is individually managed with separate operating results that are reviewed regularly by the chief operating decision maker. The following table shows operating segment information.

Net Sales		Earnings Before Income Taxes	
Three Months Ended		Three Months Ended	
9/30/99	9/30/98	9/30/99	9/30/98

Household Products	$ 401	$ 415	$ 132	$ 136
U.S. Specialty Products	404	409	97	101
International	137	141	13	9
Corporate, Interest and Other	-	-	(105)	(88)
Total Company	$ 942	$ 965	$ 137	$ 158

(7) In September 1999, in response to recent declines in the Company's stock price, the Board of Directors authorized a common stock repurchase program intended to reduce or eliminate dilution when shares are issued in accordance with the Company's various stock compensation plans. The Company had canceled a prior share repurchase program (previously authorized in September 1996, by the Board of Directors to offset the dilutive effects of employee stock exercises) when it merged with First Brands. Additionally, on September 15, 1999, the Company closed share repurchase agreements and options contracts realizing cash proceeds of approximately $82. The Company entered into two new share repurchase transactions whereby the Company contracted for future delivery of 2,260,000 shares on September 15, 2002 and 2,260,000 shares on September 15, 2004, each for a strike price of $43 per share.

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition

Results of Operations

Comparison of the Three Months Ended September 30, 1999 with the Three Months Ended September 30, 1998

Diluted earnings per share decreased 14% to 36 cents from 42 cents a year ago and net earnings declined 13% to $87 million from $100 million a year ago. The Company's results reflect the January 29, 1999 merger with First Brands Corporation ("First Brands"). The merger was accounted for as a pooling of interests and all historical financial information has been restated to include First Brands.

Net sales decreased 2% to $942 million. The decline resulted primarily from lower household products shipments which in the prior year were buoyed by the extraordinary success achieved from launching Tilex Fresh Shower and Pine Sol cleaners, and an increase in international promotional activities in the current period. These declines are partially offset by the recent introduction of new products such as Clorox Disinfecting Spray, Liquid-Plumr Foaming Pipe Snake, Clorox FreshCare fabric refresher, and Clorox Advantage bleach, strong volume performance from the Company's charcoal business, increased volumes from the Korean Homekeeper insecticide business acquired in calendar year 1998, and growth in Australia and New Zealand.

Cost of products sold as a percentage of sales increased to 49.0% as compared to 47.5% in the year ago period due to higher resin prices. The Company was able to somewhat soften the impact of higher resin prices through its domestic and international cost savings initiatives.

Selling, delivery and administrative expenses decreased approximately 5% from the prior year period, reflecting a savings on both domestic and international commission expense mostly due to the consolidation of the Company's broker network, and a reduction in headcount due to the combination of the Clorox and First Brands headquarters in Oakland, California.

Advertising expense was virtually unchanged from the year ago period. Increased media spending to support First Brands' businesses and the recent introduction of new products was offset by savings from changing certain First Brands couponing practices.

Merger, integration and restructuring of approximately $2 million primarily reflect relocation expenses and retention bonuses paid to former First Brands employees. The Company expects to incur an additional $20 million over the remainder of the fiscal year and such costs will be recognized and reported as merger and restructuring costs as incurred.

Interest expense decreased from the prior year due to the refinancing of former First Brands debt at lower interest rates made possible by Clorox's more favorable credit rating.

Other expense, net increased approximately $5 million versus the year ago period primarily due to lower interest and equity income.

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition

Liquidity and Capital Resources

The Company's financial position and liquidity remain strong due to cash provided by operations during the quarter. The declines in accounts receivable, accounts payable and accrued liabilities from June 30, 1999 are partly reflective of lower volumes as well as normal seasonality experienced by some of the Company's businesses.

In September 1999, in response to recent declines in the Company's stock price, the Board of Directors authorized a common stock repurchase program intended to reduce or eliminate dilution when shares are issued in accordance with the Company's various stock compensation plans. The Company had canceled a prior share repurchase program (previously authorized in September 1996, by the Board of Directors to offset the dilutive effects of employee stock exercises) when it merged with First Brands. Additionally, on September 15, 1999, the Company terminated existing share repurchase agreements and options contracts realizing cash proceeds of approximately $82 million. On the same day, the Company entered into two new share repurchase transactions whereby the Company contracted for future delivery of 2,260,000 shares on September 15, 2002 and 2,260,000 shares on September 15, 2004, each for a strike price of $43 per share.

Management believes the Company has access to additional capital through existing lines of credit and from public and private sources should the need arise.

Year 2000 Compliance

Many financial information and operations systems used today may be unable to interpret dates after December 31, 1999 because these systems allow only two digits to indicate the year in a date. Consequently, these systems may not distinguish January 1, 2000 from January 1, 1900, which could have adverse consequences on the operations of an entity and the integrity of information processing. This issue is commonly referred to as the "Year 2000" or "Y2K" problem.

In 1997, the Company established a comprehensive corporatewide program to address Y2K issues. This effort encompasses software, hardware, electronic data interchange, networks, personal computers, manufacturing and other facilities, embedded chips, century certification, supplier and customer readiness, contingency planning and domestic and international operations. Following the Company's January 29, 1999 merger with First Brands, the Company has incorporated First Brands (since renamed The Glad Products Company) and its subsidiaries into the Company's comprehensive Y2K compliance program.

As of September 30, 1999, the Company has completed all of its Y2K compliance efforts on all of its critical United States and Canadian business systems through retirement, upgrades or replacements, and has century certified these systems through testing. The upgrade or replacement of the Company's critical international systems is 95% complete as of September 30, 1999. The target to complete all remaining key international Y2K work is during the fourth calendar quarter. The Company has completed all of its compliance efforts for critical plant floor equipment, instrumentation and facilities and its third party assessment for all of its operations. The Company has also requested a Y2K contract warranty in many new key contracts.

If necessary modifications and conversions by the Company are not made on a timely basis, or if key third parties are not Y2K compliant, Y2K problems could have a material adverse effect on the Company's business, financial condition and operations. The Company's most reasonably likely worst case scenario is a regional utility failure that would interrupt manufacturing operations and distribution centers in the affected region. To

mitigate this risk, and to address the possible uncertainty of whether the Company has solved all potential Y2K issues, the Company has developed contingency plans for its critical operations and third party relationships, including key customers, suppliers and other service providers. The Company has completed all of its written contingency plans, except for its international operations which are scheduled to be finalized during the fourth calendar quarter. During the final quarter of calendar year 1999, the Company will implement many of the details of the documented contingency plans, such as testing and execution of contingency plans, and establishing a command center to monitor activities, resolve issues and communicate status information as the Company enters the new year. Y2K costs are expensed as incurred and funded through operating cash flows. Through September 30, 1999, the Company has expensed incremental remediation costs of $19.6 million with remaining incremental remediation costs estimated at $2.8 million. In addition, through September 30, 1999, the Company has expensed accelerated strategic upgrade costs of $18.7 million with anticipated remaining accelerated strategic upgrade costs of $0.8 million. The Company spent approximately 6.4% of its 1999 fiscal year information technology budget, and expects to spend approximately 3.6% of its fiscal year 2000 budget, on Y2K remediation issues. The Company has not deferred any critical information technology projects because of its Year 2000 program efforts, which are primarily being addressed through a joint team of the Company's business and information technology resources.

Time and cost estimates are based on currently available information and could be affected by the ability to correct all relevant computer codes and equipment, and the Y2K readiness of the Company's business partners, among other factors. Given the inherent risks and required resources for a project of this magnitude, the timing and costs involved could differ materially from those anticipated by the Company. There can be no assurance that the Y2K program will be completed on schedule or within budget.

PART I - FINANCIAL INFORMATION (Continued)

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition

Cautionary Statement

Except for historical information, matters discussed above and in the financial statements and footnotes, including statements about future growth, profitability, expectations, plans or objectives, are forward-looking statements based on management's estimates, assumptions and projections. These forward-looking statements are subject to risks and uncertainties, and actual results could differ materially from those discussed above and in the financial statements and footnotes. Important factors that could affect performance and cause results to differ materially from management's expectations are described in "Forward-Looking Statements and Risk Factors" in the Company's Annual Report on Form 10-K for the year ending June 30, 1999, and in the Company's subsequent SEC filings. Those factors include, but are not limited to, marketplace conditions and events, the Company's costs, risks inherent in litigation and international operations, the success of new products, the integration of acquisitions and mergers, including First Brands, and environmental, regulatory and intellectual property matters.

S I G N A T U R E

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 November 9, 1999 *BY /s/ GREGORY S. FRANK*
Gregory S. Frank
Vice-President - Controller

ARTICLE 5

THIS SCHEDULE CONTAINS RESTATED SUMMARY FINANCIAL INFORMATION FROM THE FINANCIAL STATEMENTS OF THE CLOROX COMPANY FOR THE FISCAL QUARTER ENDED SEPTEMBER 30, 1998, AS PRESENTED IN THE CLOROX COMPANY'S FROM 10-Q FILED FOR SUCH PERIOD, AND AS RESTATED HEREIN, AND IS INCORPORATED BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

RESTATED:

MULTIPLIER: 1000000

PERIOD TYPE	3 MOS
FISCAL YEAR END	JUN 30 1999
PERIOD END	SEP 30 1998
CASH	90
SECURITIES	38
RECEIVABLES	436
ALLOWANCES	3
INVENTORY	369
CURRENT ASSETS	1014
PP&E	1737
DEPRECIATION	720
TOTAL ASSETS	4072
CURRENT LIABILITIES	1166
BONDS	910
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	249
OTHER SE	1243
TOTAL LIABILITY AND EQUITY	4072
SALES	965
TOTAL REVENUES	965
CGS	458
TOTAL COSTS	778
OTHER EXPENSES	1
LOSS PROVISION	0
INTEREST EXPENSE	28
INCOME PRETAX	158
INCOME TAX	58
INCOME CONTINUING	0
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	100
EPS BASIC	0.42
EPS DILUTED	0.42

ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION FROM THE FINANCIAL STATEMENTS OF THE CLOROX COMPANY FOR THE FISCAL QUARTER ENDED SEPTEMBER 30, 1999, AS PRESENTED IN THE CLOROX COMPANY'S FORM 10-Q FILED FOR SUCH PERIOS, AND IS INCORPORATED BY ITS REFERENCE TO SUCH FINANCIAL STATEMENTS.

MULTIPLIER: 1000000

PERIOD TYPE	3 MOS
FISCAL YEAR END	JUN 30 2000
PERIOD END	SEP 30 1999
CASH	78
SECURITIES	131
RECEIVABLES	583
ALLOWANCES	3
INVENTORY	320
CURRENT ASSETS	1154
PP&E	1849
DEPRECIATION	800
TOTAL ASSETS	4161
CURRENT LIABILITIES	1314
BONDS	704
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	250
OTHER SE	1472
TOTAL LIABILITY AND EQUITY	4161
SALES	942
TOTAL REVENUES	942
CGS	462
TOTAL COSTS	774
OTHER EXPENSES	8
LOSS PROVISION	0
INTEREST EXPENSE	23
INCOME PRETAX	137
INCOME TAX	50
INCOME CONTINUING	0
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	87
EPS BASIC	0.37
EPS DILUTED	0.36

End of Filing