

CLOROX CO /DE/

FORM 10-K (Annual Report)

Filed 9/26/1994 For Period Ending 6/30/1994

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
FORM 10-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended June 30, 1994

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 (State or other jurisdiction of incorporation or organization)	31-0595760 (I.R.S. Employer Identification No.)
1221 Broadway, Oakland, CA (Address of principal executive offices)	94612-1888 (Zip Code)
Registrant's telephone number, including area code	(510) 271-7000
Securities registered pursuant to Section 12(b) of the Act:	
Title of each class -----	Name of each exchange on which registered -----
Common Stock, \$1 par value	New York Stock Exchange Pacific Stock Exchange

Securities registered pursuant to Section 12(g)
of the Act: NONE.

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Aggregate market value of voting stock held by non-affiliates of the registrant at July 29, 1994: \$1,861,402,866.

Number of shares of common stock outstanding at July 29, 1994; 53,373,421.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Annual Report to Stockholders for the Year Ended June 30, 1994 are incorporated by reference into Parts I, II and IV of this Report. Portions of the registrant's definitive Proxy Statement for the Annual Meeting of Stockholders to be held on November 16, 1994, which will be filed with the United States Securities and Exchange Commission within 120 days after the end of the registrant's fiscal

year ended June 30, 1994, are incorporated by reference into Part III of this Report.

PART I

ITEM 1. BUSINESS

(a) GENERAL DEVELOPMENT OF BUSINESS.

The Company (the term "Company" as used herein includes the registrant identified on the facing sheet, The Clorox Company, and its subsidiaries, unless the context indicates otherwise) was originally founded in Oakland, California in 1913 as the Electro-Alkaline Company. It was reincorporated as Clorox Chemical Corporation in 1922, as Clorox Chemical Co. in 1928, and as The Clorox Company (an Ohio corporation) in 1957, when the business was acquired by The Procter & Gamble Company. The Company was fully divested by The Procter & Gamble Company in 1969 and, as an independent company, was reincorporated in 1973 in California as The Clorox Company. In 1986, the Company was reincorporated in Delaware.

The Clorox Company Annual Report for the Year Ended June 30, 1994 ("Annual Report") to its stockholders is included in this Form 10-K. Portions of the Annual Report are incorporated herein by specific reference.

During fiscal year 1994, the Company continued the implementation of a new strategy for its domestic business. The process of divestiture of the Company's frozen food product lines and its bottled water business was completed. In its continuing operations, the Company continued to focus on expanding the business through internal development of new products and line extensions of existing products. The Company introduced 14 new products in the U.S. during fiscal year 1994. It also continued its strategy of considering strategic acquisitions and, in that regard, acquired S.O.S brand soap pads during the fiscal year. In addition to the S.O.S domestic business, the S.O.S acquisition provided a major source of growth in the Company's Canadian operations.

Internationally, the Company continued the implementation of its strategy of expanding its laundry, household cleaning and insecticide businesses to markets where these categories are not yet fully developed, but where high potential exists. With Yuhan Corporation, the Company formed the joint venture Yuhan-Clorox Co., Inc., which is now the leading bleach producer in the Republic of Korea. During fiscal year 1994, the Company made two acquisitions of bleach businesses in Chile and reached a definitive agreement to acquire the leading scrubber pad and stain remover business in Argentina, the acquisition of which was completed in July 1994. The Company is in the process of completing a merger of its Argentine subsidiaries, following the increase of the Company's ownership of its Argentine operations which occurred at the end of fiscal year 1993.

(b) FINANCIAL INFORMATION ABOUT INDUSTRY SEGMENTS.

The Company's operations are predominantly in one segment

-- non-durable household consumer products. Such operations include the production and marketing of non-durable consumer products sold primarily through grocery and other retail stores. Financial information for the last three fiscal years attributable to the Company's operations is set forth in the Consolidated Financial Statements, pages 20 through 29 of the Annual Report, incorporated herein by this reference.

(c) NARRATIVE DESCRIPTION OF BUSINESS.

PRINCIPAL PRODUCTS. Products currently marketed in the United States and certain foreign countries are listed on page 36 of the Annual Report, incorporated herein by this reference.

PRINCIPAL MARKETS - METHODS OF DISTRIBUTION. Most non-durable household consumer products are nationally advertised and sold within the United States to grocery stores through a network of brokers that was reduced through consolidation during fiscal year 1994, and to mass merchandisers, warehouse clubs, military and other retail stores primarily through a direct sales force. The Company also sells, within the United States, institutional versions of specialty food and non-food products. Outside the United States, the Company sells consumer products through subsidiaries, licensees, distributors and joint venture arrangements with local partners.

SOURCES AND AVAILABILITY OF RAW MATERIALS. The Company has obtained ample supplies of all required raw materials and packaging supplies, which, with a few exceptions, were available from a wide variety of sources during fiscal year 1994. Contingency plans have been developed for single sourced supplier materials. No supply problems are presently anticipated.

PATENTS AND TRADEMARKS. Although some products are covered by patents, the Company does not believe that patents, patent licenses or similar arrangements are material to its business. Most of the Company's brand name consumer products are protected by registered trademarks. Its brand names and trademarks are extremely important to its business and the Company pursues a course of vigorous action against apparent infringements.

SEASONALITY. The only portions of the operations of the Company which have any significant degree of seasonality are the marketing of charcoal briquets and insecticides. Most sales of these product lines occur in the third and fourth fiscal quarters. Working capital to carry inventories built up in the off-season and to extend terms to customers is generally provided by internally generated funds plus commercial paper lines of credit.

CUSTOMERS AND ORDER BACKLOG. During fiscal year 1994, revenue from the Company's sales of its products to Wal-Mart Stores, Inc. and its affiliated companies exceeded 10% of the Company's gross consolidated revenues. Except for this relationship, the Company is not dependent upon any other single customer or a few customers. Order backlog is not a significant factor in the Company's business.

RENEGOTIATION. None of the Company's operations is subject to renegotiation or termination at the election of the Federal government.

COMPETITION. The markets for consumer products are highly competitive and most of the Company's products compete with other nationally advertised brands within each category, and with "private label" brands and "generic" non-branded products of grocery chains and wholesale cooperatives. Competition is encountered from similar and alternative products, many of which are produced and marketed by major national concerns having financial resources greater than those of the Company.

A newly introduced consumer product (whether improved or newly developed) usually encounters intense competition requiring substantial expenditures for advertising and sales promotion. If a product gains consumer acceptance, it normally requires continuing advertising and promotional support to maintain relative market position.

RESEARCH AND DEVELOPMENT. The Company's operations incurred expenses of approximately \$44,558,000 in fiscal year 1994, \$42,445,000 in fiscal year 1993 and \$42,052,000 in fiscal year 1992 on research activities relating to the development of new products or the maintenance and improvement of existing products. None of such research activity was customer sponsored.

ENVIRONMENTAL MATTERS. The Company does not anticipate making material capital expenditures in the future for environmental control facilities or to comply with environmental laws and regulations. However, in general, the Company does anticipate spending increasing amounts annually for facility upgrades and for environmental programs. The amount of capital expenditures for environmental compliance was not material in fiscal year 1994 and is not expected to be material in the next fiscal year.

In addition, the Company is involved in certain other environmental matters, as follows:

(i) The Company sold its architectural coatings business in fiscal year 1990. In connection with the disposition of those manufacturing facilities, the Company retained responsibility for certain environmental obligations. The financial reserve established at the time of the sale is expected to be adequate to cover the financial responsibilities for environmental matters which may arise in the future.

(ii) The Company has been named as a potentially responsible party ("PRP") by the Environmental Protection Agency pursuant to the Spill Compensation and Control Act, the Sanitary Landfill Closure and Contingency Fund Act, and a section of the Solid Waste Management Act, for two sites in New Jersey. Based on the Company's experience and because the Company's level of involvement is extremely limited, the Company does not expect that these matters will represent a material cost to the Company in the future.

(iii) The Company received a "No Further Action" letter regarding New Jersey Industrial Site Recovery Act requirements related to the sale of its Jersey City, New Jersey manufacturing facility, which occurred during fiscal year 1994. The Company does not expect that the cost of any future environmental liability in connection with the sale of this facility will be material.

(iv) The Company operates a water treatment operation at its former Oakland, California manufacturing location. This operation will be an ongoing cost for the foreseeable future. A financial reserve established in an earlier year is considered by management to be adequate to cover the future costs of this water treatment operation.

(v) During fiscal year 1994, the Company executed an "Administrative Order on Consent" indicating its willingness to participate in a "de minimis" settlement offer relating to its alleged involvement at the American Chemical Services site in Griffith, Indiana. The Company does not expect the settlement to represent a material cost in the future.

(vi) The Company has been identified as a PRP by the Environmental Protection Agency for a site in Johnson County, Kansas. The Company is currently negotiating a settlement of this matter, which is not expected to represent a material cost to the Company.

(vii) The Company has incurred environmental remediation costs at one of its facilities in Chicago, Illinois, which are not material. The Company is seeking reimbursement of all these costs from an adjacent property owner.

(viii) The Company has announced that it contemplates the sale of its Dyersburg, Tennessee manufacturing facility and its Frederick, Maryland manufacturing facility. Customary environmental investigations are being conducted in conjunction with the contemplated sales of these sites. The Company does not expect that material environmental liabilities will be identified, and accordingly has not recorded any loss contingencies.

(ix) The Company has been named in a private action by a party seeking contribution by the Company for remediation costs relating to a site that the Company may have formerly been associated with in Dickinson County, Michigan. Although the parties are currently in the discovery process and the basis for the Company's potential liability has not yet been clearly identified, the Company does not expect that this matter will represent a material cost in the future.

Although the potential cost to the Company related to the above ongoing environmental matters is uncertain due to such factors as: the unknown magnitude of possible pollution and clean-up costs; the complexity and evolving nature of governmental laws and regulations and their interpretations; and the timing, varying costs and effectiveness of alternative clean-up technologies; based on its experience and without offsetting for expected insurance recoveries or discounting for present value, the Company does not expect that such costs individually and in the aggregate will represent a material cost to the Company or affect its competitive position.

NUMBER OF PERSONS EMPLOYED. At the end of fiscal year 1994, approximately 4,850 persons were employed by the Company's continuing operations.

(d) FINANCIAL INFORMATION ABOUT FOREIGN AND DOMESTIC OPERATIONS AND EXPORT SALES.

Net sales, pretax earnings and identifiable assets related to foreign operations and export sales are each below 10% of the respective consolidated amounts for the Company for fiscal year 1994, have been below these levels for the two preceding fiscal years, but may not be indicative of future levels due to the Company's strategy to expand its international operations.

ITEM 2. PROPERTIES

PRODUCTION FACILITIES. The Company operates production and major warehouse facilities for its operations in approximately 30 locations in the United States, Puerto Rico, Canada, Mexico, Argentina, Chile and the Republic of Korea. The vast majority of the space is owned. Some space, mainly for warehousing, is leased. The facility in Jersey City, New Jersey was sold during fiscal year 1994. The Frederick, Maryland facility was closed in August 1994. As part of the acquisition of S.O.S in fiscal year 1994, the Company acquired two facilities, one in the United States and the other in Canada. The Canadian S.O.S facility is scheduled to be closed in fiscal year 1995. The Company considers its manufacturing and warehousing facilities to be adequate to support its business.

OFFICES AND TECHNICAL CENTER. The Company's general office building is owned and is located in Oakland, California. The Company also occupies leased office space in Oakland one block from its general office building. The Company's Technical Center and Data Center are owned and are located in Pleasanton, California. Leased sales and other office facilities are located at a number of manufacturing and other locations.

ENCUMBRANCES. None of the Company's owned facilities are encumbered to secure debt owed by the Company, except that the manufacturing facility in Wheeling, Illinois secures industrial revenue bond indebtedness incurred in relation to the construction thereof.

ITEM 3. LEGAL PROCEEDINGS

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

EXECUTIVE OFFICERS OF THE REGISTRANT

The names, ages and current positions of the executive officers of the Company are set forth below:

Name (Age) and Year Elected to Current Position	Title and Current Position(s)
G. C. Sullivan (54) 1992	Chairman of the Board, Chief Executive Officer and President
W. F. Ausfahl (54) 1983	Group Vice President and Chief Financial Officer
E. A. Cutter (55) 1992	Senior Vice President-General Counsel and Secretary
N. P. DeFeo (48) 1993	Group Vice President-U.S. Operations
R. A. Llenado (47) 1992	Group Vice President-Technical
P. N. Louras, Jr. (44) 1992	Group Vice President
A. W. Biebl (44) 1992	Vice President-Manufacturing, Engineering and Distribution
J. M. Brady (40) 1993	Vice President-Human Resources

J. O. Cole	(53)	1992	Vice President-Corporate Affairs
R. T. Conti	(39)	1992	Vice President-International
L. Griffey	(58)	1993	Vice President-International Manufacturing
G. E. Johnston	(47)	1993	Vice President-Kingsford Products Division
R. C. Klaus	(49)	1990	Vice President-Professional Products
D. C. Murray	(58)	1989	Vice President-Household Products
L. S. Peiros	(39)	1993	Vice President-Corporate Marketing Services
J. D. M. Robertson	(42)	1993	Vice President-Foods Products Division
K. M. Rose	(45)	1993	Vice President-Treasurer
H. J. Salvo, Jr.	(46)	1991	Vice President-Controller
B. A. Sudbury	(47)	1992	Vice President-Research and Development
F. A. Tataseo	(40)	1994	Vice President-Sales
E. N. Wheeler	(55)	1992	Vice President-Health, Safety and Environment
C. E. Williams	(45)	1993	Vice President-Information Services

There is no family relationship between any of the above named persons, or between any of such persons and any of the directors of the Company or any persons nominated for election as a director of the Company. See Item 10 of

Part III of this Form 10-K.

The current term of office of each officer is from the date of the officer's election to the date of the first Board of Directors' meeting following the next Annual Meeting of Stockholders or until the officer's successor is elected, subject to the power of the Board of Directors to remove any officer at any time.

W. F. Ausfahl and D.C. Murray have been employed by the Company for at least the past five years in the same respective positions as listed above. The other executive officers have held the respective positions described below for at least the past five years:

G. C. Sullivan joined the Company in 1971 in the sales department of Household Products. Prior to his election as Chairman of the Board, Chief Executive Officer and President in 1992, he was Group Vice President from 1989 through 1992 and Vice President-Household Products from 1984 through 1989.

E. A. Cutter joined the Company in June 1983 as Vice President-General Counsel and Secretary. He held this position through June 1, 1992, when he was elected Senior Vice President-General Counsel and Secretary, with additional responsibility for the Company's government affairs and community affairs functions.

N. P. DeFeo joined the Company in June 1993 as Group Vice President-U.S. Operations. Previously, he had been with The Procter & Gamble Company for 25 years. His last position there was as Vice President and Managing Director of Worldwide Strategic Planning, Laundry and Cleaning Products.

R. A. Llenado joined the Company in September 1991 as Group Vice President. Prior to joining the Company, he was Vice President, Research and Development, L & F Products, Inc. (formerly Lehn & Fink Products Group, a subsidiary of Eastman Kodak Co.) from 1988 to 1991.

P. N. Louras, Jr. joined the Company in April 1980 as Manager, Analysis and Control, Kingsford Products. Prior to his election as Group Vice President effective June 1, 1992, he was Vice President-International from August 1990 through May 1992, Vice President-Controller from July 1988 through August 1990 and Controller, Household Products from 1987 through July 1988.

A. W. Biebl joined the Company in 1981 as Manufacturing Manager, Food Service. Prior to his election as Vice President-Manufacturing, Engineering and Distribution effective June 1, 1992, he was Vice President-Kingsford Products from 1989 through May 1992 and Vice President-Food Service Products from 1985 through 1989.

J. M. Brady joined the Company in 1976 as a brand assistant in Marketing, Household Products. From November 1991 until her election as Vice President-Human Resources in September 1993, she was Vice President-Corporate Marketing Services. She was director of Corporate

Marketing Services from August 1991 through November 1991, Director of Marketing, Kingsford Products from 1989 through August 1991 and held various marketing positions for Household Products and Kingsford Products from 1987 through 1989.

J. O. Cole joined the Company in 1973 as an attorney in its Legal Services Department. He has served in numerous capacities in that Department and was named Associate General Counsel in 1992. In November 1992, he was elected to the position of Vice President-Corporate Affairs.

R. T. Conti joined the Company in 1982 as Associate Region Sales Manager, Household Products. Prior to his election as Vice President-International effective June 1, 1992, he was Area General Manager-International for Europe, Middle East and Africa from 1990 through May 1992 and Manager of Sales Planning for Household Products from 1987 through 1990.

G. E. Johnston joined the Company in July 1981 as Regional Sales Manager-Special Markets. Prior to his election as Vice President-Kingsford Product Division effective November 17, 1993, he was Vice President-Corporate Development from June 1992 through November 16, 1993, and Director of Corporate Development from 1991 through May 1992, and Director of Business Development from September 1989 through 1991.

R. C. Klaus joined the Company in 1977 as Region Sales Manager-Household Products. He was elected as Vice President-Food Service Products in May 1990 and his title was changed to Vice President-Professional Products in July 1993 when the Food Services division was renamed the Professional Products division; and he was General Manager-Food Service Products from May 1989 through May 1990.

L. S. Peiros joined the Company in 1982 and was elected Vice President-Corporate Marketing Services effective September 1993. From June 1992 until his election to his current position he was Director of Marketing-Household Products and from August 1991 through June 1992 he was Director of Marketing-Kingsford Products. Prior to that he had served in various marketing positions in both Household Products and Kingsford Products.

J. D. M. Robertson joined the Company in 1977 as Marketing Manager of The Clorox Company of Canada, Ltd. Prior to his election as Vice President-Food Products Division effective November 17, 1993, he was Vice President-Kingsford Products from June 1992 through November 16, 1993, and Director of Marketing, Household Products from 1989 through May 1992.

K. M. Rose joined the Company in 1978 as a financial analyst. Prior to her election as Vice President-Treasurer effective July 15, 1992, she was Controller, Household Products from July 1988 through July 1992. Beginning October 1, 1994, she will also have responsibility for the Company's investor relations and risk management functions.

H. J. Salvo, Jr. joined the Company in 1972 as a staff accountant. Prior to his election as Vice President-Controller in November 1990, he was Director of Business Development from October 1989 through September 1990 and had served as Controller for three of the Company's operating units from 1983 through September 1989.

B. A. Sudbury joined the Company in 1978 as Project Leader in Research and Development. Prior to his election as Vice President-Research and Development effective June 1, 1992, he was Director of Research and Development, Household Products from 1985 through May 1992.

F. A. Tataseo will join the Company in October 1994 as Vice President-Sales. Previously, he was employed by The Pillsbury Company (Division of Grand Metropolitan Inc.) as Vice President, Sales (March - September 1994), and as Vice President, Direct Sales Force (June 1993 - February 1994); and by The Procter & Gamble Company as Sales Merchandising Division Manager, Soap Sector (May 1992 - May 1993); as Division Sales Manager, Laundry Products Category (November 1990 - April 1993); and as Division Sales Manager, Fabric Care Category (July 1988 - October 1990).

E. N. Wheeler joined the Company in 1973 as Manager of Food Product Development. Prior to his election as Vice President-Health, Safety and Environment effective June 1, 1992, he was Vice President-Research and Development from 1981 through May 1992.

C. E. Williams joined the Company in May 1993 as Vice President-Information Services. From 1987 until he joined the Company, Mr. Williams was Director of Information Services of the Fritz Companies, Inc.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(a) MARKET INFORMATION.

The principal markets for Clorox Common Stock are the New York and Pacific Stock Exchanges. The high and low sales prices quoted for New York Stock Exchange-Composite Transactions Report for each quarterly period during the past two fiscal years appears under "Quarterly Data," page 32 of the Annual Report, incorporated herein by this reference, and on July 29, 1994, the closing price for the Company's stock was \$49.75 per share.

(b) HOLDERS.

The approximate number of record holders of Clorox Common Stock as of July 29, 1994 was 12,539 based on information provided by the Company's transfer agent.

(c) DIVIDENDS.

The amount of quarterly dividends paid with respect to Clorox Common Stock during the past two fiscal years appears under "Quarterly Data," page 32 of the Annual Report, incorporated herein by this reference.

ITEM 6. SELECTED FINANCIAL DATA

This information appears under "Financial Summary," pages 30 and 31 of the Annual Report, incorporated herein by this reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

This information appears under "Management's Discussion and Analysis," pages 18 and 19 of the Annual Report, incorporated herein by this reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

These statements and data appear on pages 18 through 28 and 32 of the Annual Report, incorporated herein by this reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information regarding each nominee for election as a director, including those who are executive officers of the Company, appears under "Nominees for Election as Directors" of the definitive Proxy Statement of the Company, which will be filed with the United States Securities and Exchange Commission within 120 days after the end of the registrant's fiscal year ended June 30, 1994 ("Proxy Statement"), incorporated herein by this reference.

Pursuant to Instruction 3 to Item 401(b) of Regulation S-K, information regarding the executive officers of the registrant is reported in Part I of this Report.

The information required by Item 405 of Regulation S-K appears under "Compliance with Section 16(a) of the Exchange Act" of the Proxy Statement, incorporated herein by this reference.

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 402 of Regulation S-K appears under "Organization of the Board of Directors," "Employee Benefits and Management Compensation Committee Report on Compensation," "Summary Compensation Table," "Options and Stock Appreciation Rights," "Comparative Stock Performance," "Pension Plan," and "Supplemental Executive Retirement Plan" of the Proxy Statement, all incorporated herein by this reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

(a) SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS.

Information concerning the only entity or person known to the Company to be the beneficial owner of more than 5% of its Common Stock appears under "Beneficial Ownership of Voting Securities" of the Proxy Statement, incorporated herein by this reference.

(b) SECURITY OWNERSHIP OF MANAGEMENT.

Information concerning the beneficial ownership of the Company's Common Stock by each nominee for election as a director appears under "Nominees for Election as Directors" of the Proxy Statement and by all directors and executive officers as a group appears under "Beneficial Ownership of Voting Securities" of the Proxy Statement, both incorporated herein by this reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information concerning transactions with directors, nominees for election as directors, management and the beneficial owner of more than 5% of the Company's Common Stock appears under "Beneficial Ownership of Voting Securities" of the Proxy Statement, incorporated herein by this reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a)	(1)	Financial Statements:	Page
		Financial Statements and Independent Auditors' Report included in the Annual Report, incorporated herein by this reference:	Copy Included
		Statements of Consolidated Earnings for the years ended June 30, 1994, 1993 and 1992	
		Consolidated Balance Sheets, June 30, 1994 and 1993	
		Statements of Consolidated Stockholders' Equity for the years ended June 30, 1994, 1993 and 1992	
		Statements of Consolidated Cash Flows for the years ended June 30, 1994, 1993 and 1992	
		Notes to Consolidated Financial Statements	
		Independent Auditors' Report	
		Quarterly Data	
(2)		Financial Statement Schedules as of June 30, 1994 or for the years ended June 30, 1994, 1993 and 1992, as applicable:	
		Independent Auditors' Report on Financial Statement Schedules	17
	I	Short-Term Investments	18
	V	Property, Plant and Equipment	19
	VI	Accumulated Depreciation and Amortization of Property, Plant and Equipment	20
	VIII	Valuation and Qualifying Accounts and Reserves	21
	IX	Short-Term Borrowings	22
	X	Supplementary Income Statement Information	23
		Other schedules have been omitted because of the absence of conditions under which they are required, or because the information is shown elsewhere in this Form 10-K.	
(3)		Executive Compensation Plans and Arrangements:	
		Stock Option Plan (1977), amended 10/16/80, 7/21/82, 6/21/83, 10/19/83 and 11/17/93 (Exhibit 10(i) to Annual Report on Form 10-K for the year ended June 30, 1994)	
		Long-Term Compensation Program dated October 21, 1987, amended 11/17/93 (Exhibit 10(ii) to Annual Report on Form 10-K for the year ended June 30, 1994)	
		Officer Employment Contract (form) (Exhibit 10(ix) to Annual Report on Form 10-K for the year ended June 30, 1993)	
		Supplemental Executive Retirement Plan dated July 17, 1991 (Exhibit 10(x) to Annual Report on Form 10-K for the year ended June 30, 1993)	
(b)		Current Reports on Form 8-K during the fourth quarter of fiscal year 1994:	

None.

(c) Exhibits:

Index to Exhibits follows.

(d) (Not applicable)

Index to Exhibits

(2) (Not applicable)

(3) (i) Certificate of Incorporation dated October 22, 1986 (filed as Exhibit (3)(i) to Annual Report on Form 10-K for the year ended June 30, 1987, incorporated herein by this reference)

(ii) Bylaws dated November 18, 1992 (restated) (filed as Exhibit 3(ii) to Quarterly Report on Form 10-Q for the quarter ended December 31, 1992, incorporated herein by this reference)

(4) (i) Form of Indenture between the Company and Wachovia Bank & Trust Company, N.A. as Trustee, regarding \$200,000,000 in 8.8% Notes due 2001 (filed as Exhibit 4 to Registration Statement on Form S-3 No. 33-4083 dated May 24, 1991, incorporated herein by this reference)

(ii) Prospectus Supplement (to Prospectus dated July 9, 1991) giving terms of the Indenture referenced in Exhibit 4 (i) above (filed on July 18, 1991, 1991, supplementing the Registration Statement on Form S-3 No. 33-4083 dated May 24, 1991, and incorporated herein by this reference)

(9) (Not applicable)

(10) Material contracts:

(i) Stock Option Plan (1977) (Amended 10/16/80, 7/21/82, 6/21/83, 10/19/83, 9/18/85, 11/20/85, 7/15/87 and 11/17/93) (Exhibit 10(i) to Annual Report on Form 10-K for the year ended June 30, 1994)

(ii) Long-Term Compensation Program dated October 21, 1987 (filed as Exhibit 10(ii) to Annual Report on Form 10-K for the year ended June 30, 1994)

(iii) Agreement between Henkel KGaA and the Company dated June 18, 1981 (filed as Exhibit (10)(v) to Form 8 dated August 11, 1983, incorporated herein by this reference)

(iv) Agreement between Henkel GmbH (now Henkel KGaA) and the Company dated July 31, 1974 (filed as Exhibit (10)(vi) to Form 8 dated August 11, 1983, incorporated herein by this reference)

(v) Agreement between Henkel KGaA and the Company dated November 16, 1981 (filed as Exhibit (10)(vii) to Form 8 dated August 11, 1983, incorporated herein by this reference)

(vi) Agreement between Henkel KGaA and the Company dated July 16, 1986 (filed as Exhibit B to Current Report on Form 8-K for March 19, 1987, incorporated herein by this reference)

(vii) Agreement between Henkel KGaA and the Company dated March 18, 1987 (filed as Exhibit A to Current Report on Form 8-K for March 19, 1987, incorporated herein by this reference)

(viii) Agreement between Henkel KGaA and the Company dated January 16, 1992 (filed as Exhibit 10(xi) to Annual Report on Form 10-K for the year ended June 30, 1992, incorporated herein by this reference)

(ix) Officer Employment Contract (form) (filed as Exhibit 10(ix) to Annual Report on Form 10-K for the year ended June 30, 1993, incorporated herein by this reference)

(x) Supplemental Executive Retirement Plan dated July 17, 1991 (filed as Exhibit 10(x) to Annual Report on Form 10-K for the year ended June 30, 1993, incorporated herein by this reference)

(xi) 1993 Directors' Stock Option Plan dated November 17, 1993 (filed as Exhibit 10(xi) to Annual Report on Form 10-K for the year ended June 30, 1994)

(11) (Not applicable)

(12) (Not applicable)

(13) Annual Report, following the Financial Statement Schedules of this Form 10-K

(16) (Not applicable)

(18) (Not applicable)

(21) Subsidiaries of the registrant, following Exhibits 10(i)(ii) and (xi) of this Form 10-K

(22) (Not applicable)

(23) Independent Auditors' Consent, following Exhibit 21 of this Form 10-K

(24) (Not applicable)

(26) (Not applicable)

(27) Financial Data Schedule, following Exhibit 23 of this Form 10-K

(28) (Not applicable)

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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

Date: September 21, 1994

By: /s/G. C. Sullivan
G. C. Sullivan, Chairman of the
Board and Chief Executive
Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/G.C. Sullivan G. S. Sullivan	Chairman of the Board & Director (Chief Executive Officer)	September 21, 1994
/s/W. F. Ausfahl W. F. Ausfahl	Group Vice President & Director (Principal Financial Officer)	September 21, 1994
/s/s/D. Boggan, Jr. D. Boggan, Jr.	Director	September 21, 1994
/s/J. W. Collins J. W. Collins	Director	September 21, 1994
/s/U. Fairchild U. Fairchild	Director	September 21, 1994
(signatures continue)		
/s/J. Krautter J. Krautter	Director	September 21, 1994
/s/J. Manchot J. Manchot	Director	September 21, 1994
/s/D. O. Morton D. O. Morton	Director	September 21, 1994
/s/E. L. Scarff /E. L. Scarff	Director	September 21, 1994
s/L. R. Scott L. R. Scott	Director	September 21, 1994
/s/F. N. Shumway F. N. Shumway	Director	September 21, 1994
/s/J. A. Vohs J. A. Vohs	Director	September 21, 1994
/s/C. A. Wolfe	Director	September 21, 1994
/s/H. J. Salvo, Jr.	Vice President-Controller (Principal Accounting Officer)	September 21, 1994

**INDEPENDENT AUDITORS' REPORT
ON FINANCIAL STATEMENT SCHEDULES**

The Stockholders and the Board of Directors of The Clorox Company:

We have audited the consolidated financial statements of The Clorox Company and its subsidiaries as of June 30, 1994 and 1993, and for each of the three years in the period ended June 30, 1994, and have issued our report thereon dated August 11, 1994; such consolidated financial statements and report are included in your 1994 Annual Report to Stockholders and are incorporated herein by reference. Our audits also included the financial statement schedules of The Clorox Company and its subsidiaries listed in Item 14(a)(2). These financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly in all material respects the information set forth therein.

/s/Deloitte & Touche

*San Francisco, California
August 10, 1994*

SCHEDULE I

THE CLOROX COMPANY AND SUBSIDIARIES

SHORT-TERM INVESTMENTS

June 30, 1994
(In thousands)

COLUMN A	COLUMN B	COLUMN C
Name of Issuer and Title of Each Issue <F1>	Principal Amount of Bonds and Notes	Cost of Each Issue
Eurodollar Time Deposits, issued by J. P. Morgan	\$50,624	\$50,624
Eurodollar Time Deposits	6,000	6,000
Repurchase Agreements	26,600	26,600
Certificate of Deposits	3,000	3,000
Foreign Government Notes	13	13
Total	\$85,877 =====	\$85,877 =====

[FN]

<F1> Names of issuers have been omitted when no security of the same issuer in the aggregate is more than two percent of total assets.

Information required by Columns D & E is omitted since short-term investments are valued at cost, and such cost approximates market value.

THE CLOROX COMPANY AND SUBSIDIARIES
PROPERTY, PLANT AND EQUIPMENT
FOR THE YEARS ENDED JUNE 30, 1994, 1993 AND 1992
(In thousands)

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Classification	Balance at beginning of period	<F1> Additions at cost	Retirements	<F2> Other changes - add(deduct)	Balance at end of period
YEAR ENDED JUNE 30, 1994					
Land and improvements	\$57,594	\$3,309	\$1,860	(\$38)	\$59,005
Buildings	262,198	13,673	13,767	(140)	261,964
Machinery & equipment	443,157	69,930	16,769	(415)	495,903
Construction in progress	51,304	(14,146)	3,496	(12)	33,650
Total	\$814,253	\$72,766	35,892	(\$605)	\$850,522
YEAR ENDED JUNE 30, 1993					
Land and improvements	\$50,214	\$7,685	\$290	(\$15)	\$57,594
Buildings	243,933	26,090	7,713	(112)	262,198
Machinery & equipment	352,039	110,573	19,237	(218)	443,157
Construction in progress	106,116	(53,314)	1,495	(3)	51,304
Total	\$752,302	\$91,034	\$28,735	(\$348)	\$814,253
YEAR ENDED JUNE 30, 1992					
Land and improvements	\$44,651	\$6,195	\$622	(\$10)	\$50,214
Buildings	232,415	12,412	818	(76)	243,933
Machinery & equipment	319,431	41,415	8,672	(135)	352,039
Construction in progress	52,153	55,738	1,773	(2)	106,116
Total	\$648,650	\$115,760	\$11,885	(\$223)	\$752,302

<F1> Significant additions in all three years related to expansion of processing and packaging facilities and equipment.

<F2> Effect of translating property, plant and equipment of foreign subsidiaries using the exchange rates in effect at the balance sheet date as required by Statement of Financial Accounting Standards No. 52 (see Note 1 to Consolidated Financial Statements, page 24 of the Annual Report, incorporated herein by this reference).

THE CLOROX COMPANY AND SUBSIDIARIES
 ACCUMULATED DEPRECIATION AND AMORTIZATION OF PROPERTY, PLANT AND EQUIPMENT
 FOR THE YEARS ENDED JUNE 30, 1994, 1993 AND 1992
 (In thousands)

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Classification	Balance at beginning of period	Additions charged to costs & expenses	Retirements	(1) Other changes - add(deduct)	Balance at end of period
YEAR ENDED JUNE 30, 1994					
Land and improvements	\$6,417	\$1,196	\$498	(\$9)	\$7,106
Buildings	68,354	12,054	4,753	(48)	75,607
Machinery & equipment	201,381	48,410	14,367	(215)	235,209
Total	\$276,152	\$61,660	\$19,618	(\$272)	\$317,922
	=====	=====	=====	=====	=====
YEAR ENDED JUNE 30, 1993					
Land and improvements	\$5,468	\$943	(\$14)	(\$8)	\$6,417
Buildings	59,179	11,877	2,665	(37)	68,354
Machinery & equipment	179,026	38,712	16,200	(157)	201,381
Total	\$243,673	\$51,532	\$18,851	(\$202)	\$276,152
	=====	=====	=====	=====	=====
YEAR ENDED JUNE 30, 1992					
Land and improvements	\$4,835	\$771	\$133	(\$5)	\$5,468
Buildings	49,151	10,845	794	(23)	59,179
Machinery & equipment	152,870	32,851	6,602	(93)	179,026
Total	\$206,856	\$44,467	\$7,529	(\$121)	\$243,673
	=====	=====	=====	=====	=====

<F1> Effect of translating property, plant and equipment of foreign subsidiaries using the exchange rates in effect at the balance sheet date as required by Statement of Financial Accounting Standards No. 52 (see Note 1 to Consolidated Financial Statements, page 24 of the Annual Report, incorporated herein by this reference).

Depreciation - Rates used to compute depreciation are generally as follows:

Land improvements	3-1/3% to 10%
Buildings	2-1/2% to 10%
Machinery and equipment	5% to 33-1/3%

THE CLOROX COMPANY AND SUBSIDIARIES
 VALUATION AND QUALIFYING ACCOUNTS AND RESERVES
 FOR THE YEARS ENDED JUNE 30, 1994, 1993 AND 1992
 (In thousands)

COLUMN A Description	COLUMN B Balance beginning of period	COLUMN C (1) Additions Charged to Costs and Expenses	COLUMN C (2) Additions Charged to Other Accounts	COLUMN D Deductions	COLUMN E Balance as end of period
YEAR ENDED JUNE 30, 1994	N/A				N/A
YEAR ENDED JUNE 30, 1993	N/A				N/A
YEAR ENDED JUNE 30, 1992 Inventories valuation allowance resulting from restructuring	\$3,516			\$3,516	0

THE CLOROX COMPANY AND SUBSIDIARIES
 SHORT-TERM BORROWINGS
 FOR THE YEARS ENDED JUNE 30, 1994, 1993 AND 1992
 (In thousands)

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Category of Aggregate Short-Term Borrowing <F1>	Balance at End of Period	Weighted Average Interest Rate	Maximum Amount Outstanding During the Period	Average Amount Outstanding During the Period<F2>	Weighted Average Interest Rate During the Period <F3>
YEAR ENDED JUNE 30, 1994 Commercial Paper and Other	\$42,916 <F4>	4.43%	\$173,185	\$59,186	3.50%
YEAR ENDED JUNE 30, 1993 Commercial Paper and Other	\$39,486 <F4>	3.14%	\$112,999	\$79,203	3.25%
YEAR ENDED JUNE 30, 1992 Commercial Paper	\$77,410	3.86%	\$178,816	\$153,952	4.86%

<F1> These are temporary borrowings with maturity term from 1 to 91 days.

<F2> Computed as the average of ending daily balances outstanding.

<F3> Computed based upon average daily balances outstanding.

<F4> Amounts include commercial paper of \$34,855 and \$34,941, and short-term notes payable to banks of \$8,061 and \$4,544 at June 30, 1994 and 1993, respectively.

APPENDIX

(to Form 10-K)

The following items have been filed under cover of Form SE:

1. Page 18 - Bar Chart entitled "Clorox Value Measure", showing the economic value measurement of the Company over the period of the last five fiscal years.
2. Page 19 - Bar Chart entitled "Cash Provided, Continuing Operations."

ARTICLE A -- PURPOSE

The purpose of The Clorox Company Stock Option Plan (1977) is to encourage those key employees of The Clorox Company (the "Company") and affiliated companies who are largely responsible for the success and development of the business to increase their proprietary interest in the Company by the allotment and sale to them by the Company of shares of Clorox Common Stock as provided in this Plan.

ARTICLE B -- SALE OF SHARES

The allotment and sale of shares of Clorox Common Stock shall be made through the granting of options to purchase said shares in accordance with and subject to the terms and restrictions of this Plan. Such options may or may not qualify as "Incentive Stock Options" under Section 422A of the Internal Revenue Code (as it may hereafter from time to time be amended). (Amended 7/21/82).

ARTICLE C -- NUMBER OF SHARES TO BE SOLD THROUGH OPTIONS

The aggregate number of shares of Clorox Common Stock which may be issued under all options to be granted pursuant to this Plan shall not exceed one million nine hundred thousand (1,900,000) shares. The shares to be delivered upon exercise of options granted under this Plan shall be made available at the discretion of the Board of Directors of the Company (the "Board") out of either authorized and unissued shares or treasury shares. (Amended 10/19/83).

ARTICLE D -- ADMINISTRATION OF PLAN

1. This plan shall be administered by the committee of the Board (the "Committee") designated by it for that purpose. The Committee shall be composed of three or more members of the Board who are not officers or employees of the Company or an affiliated company, to be appointed by the Board from time to time and to serve at the pleasure of the Board.

2. It shall be the duty of the Committee to administer this Plan in accordance with its provisions, to report thereon not less than once each year to the Board, and to make such recommendations of amendments or otherwise as it may deem necessary. A decision by a majority of the Committee shall govern all actions of the Committee. Members of the Committee shall not be eligible to receive options under this Plan while serving, but may exercise options previously granted in accordance with the terms of said options.

3. Subject to the express provisions of this Plan, the Committee shall have authority to grant options, to construe the respective option agreements and this Plan, to determine the terms and provisions of the respective option agreements including the setting of the dates when the option or parts of it may be exercised, and to make all other determinations necessary or advisable for administering this Plan. If an option is intended to qualify as an Incentive Stock Option, the option agreement shall contain those terms and conditions necessary to so qualify said option. (Amended 7/21/82).

4. The Committee may establish from time to time such regulations, provisions, and procedures, within the terms of this Plan as, in its opinion, may be advisable in the administration of this Plan.

5. The Committee may designate the Secretary of the Company or other employees of the Company to assist the Committee in the administration of this Plan and may grant authority to such persons to execute documents on behalf of the Committee.

6. The Committee shall have the authority to grant options consistent with the terms and conditions of this Plan, but which may contain other provisions satisfying the conditions of any applicable law or regulation affording the option or the optionee favorable treatment for specified purposes.

ARTICLE E -- PARTICIPATION

The Committee shall select those key employees of the Company and affiliated companies who, in the opinion of the Committee, have demonstrated a capacity for contributing in a substantial measure to the success of the Company, and shall determine the number of shares with respect to which options are to be granted to each.

ARTICLE F -- OPTION PRICE

The option price shall be established by the Committee as of the date the option is granted and shall be not less than 100% of the fair market value of such shares on the day such option is granted.

ARTICLE G -- CONDITION OF OPTIONS

The fact that an employee has been granted an option under this Plan shall not affect or qualify the right of the employer to terminate his employment at any time.

ARTICLE H -- NUMBER OF OPTIONS

More than one option may be granted to any employee under this Plan.

ARTICLE I -- ADJUSTMENT

Appropriate adjustments in the number of shares which can be issued (ARTICLE C), and in the numbers and option prices of shares covered by outstanding options granted hereunder, shall be made to give effect to any stock splits, stock dividends, or other changes in the stock of the Company.

ARTICLE J -- EXERCISE OF OPTIONS

1. Any stock option granted by the committee shall have a maximum life of ten (10) years from the date of grant.
2. No option granted under this Plan shall be exercisable within one (1) year from the date of grant.
3. In case an optionee ceases to be an employee of the Company or any of its affiliated companies while holding an unexercised option:

(a) Any unexercisable portions of the option are then void except in case of death of the optionee.

(b) Except in case of death or retirement of the optionee, any exercisable portions of an option shall terminate and be no longer exercisable unless exercised before the expiration date of the option or within three (3) months of the date of such cessation, whichever is earlier.

(Amended 10/16/80).

4. When an employee retires, in accordance with the provisions of any appropriate profit sharing or retirement plan of the Company or any of its affiliated companies, any options shall become immediately exercisable at any time prior to the expiration date of the options or within a period following the employee's retirement date specified from time to time by the Committee, whichever period is shorter. Termination of employment under the permanent disability settlement provision of any such plan shall be deemed the same as retirement. (Amended 11/17/93)

If the Compensation Committee changes the time period following Retirement in which an Option may be exercised, the change will not (i) have the effect of shortening the exercise period of Options held by persons who retired before the effective date of the Compensation Committee's action, to (ii) make exercisable any Option which had expired pursuant to an exercise time period previously set by the Compensation Committee. (Added 11/17/93)

5. Options are not transferable otherwise than by will or by the laws of descent and distribution.
6. In case of the death of the optionee while an employee of the Company or any of its affiliated companies, the persons to whom the options have been transferred by will or by the laws of descent and distribution shall have the privilege of exercising remaining options or parts thereof (whether or not exercisable on the date of the death of such employee) at any time prior to the expiration date of the option or within one (1) year of the date of death of the optionee, whichever is earlier. Otherwise, any option may be exercised only by the optionee personally or by his legal representative.
7. The Committee may, in its sole discretion, permit an option which is being exercised either (a) by an optionee who has retired due to permanent disability or (b) after the death of the optionee, as provided in paragraphs 4 and 6 above, to be surrendered, in lieu of exercise, for an amount equal to the difference between the option price and the fair market value, if higher, of shares of Clorox Common Stock on the day the option is surrendered, payment to be made in shares of Clorox Common Stock valued at their fair market value on such date, cash or a combination thereof, in such proportion and upon such other terms and conditions as shall be determined by the Committee. The difference between the number of shares subject to options so surrendered and the number of shares, if any, issued upon exercise shall represent shares which shall not be available for granting future options under this Plan.
8. The Committee may, in its sole discretion, permit an option which is being exercised by an optionee who is subject to the provisions of Section 16(b) of the Securities Exchange Act of 1934, as amended, to be surrendered in part in lieu of exercise and exercised in part as follows: not less than 50% of the number of shares being exercised must be paid for at the option price; and the remaining number of shares may be surrendered for an amount per share equal to the difference between the option price and the fair market value of shares of Clorox Common Stock on the day the option is so surrendered, payable by the Company in cash but in no event shall the amount paid per share exceed 100% of the option price of the shares so surrendered. The number of shares so surrendered, as well as the shares issued, shall represent shares which shall not be available for granting future options under this Plan.
9. Notwithstanding the foregoing, time spent on leave of absence shall be considered as employment for the purposes of this Plan. Leave of

absence means any period of time away from work granted to an employee by the employer because of illness or injury or because of other reasons satisfactory to the employer.

10. A certificate or certificates for the shares purchased through the exercise of options will be issued in regular course after exercise of the option and payment therefore. The Company reserves the right from time to time to suspend the exercise of any option for a period not to exceed thirty (30) days where such suspension is required for corporate purposes. No such suspension shall extend the life of the option beyond its expiration date and, in no event, will there be a suspension in the five calendar days immediately preceding the expiration date.

11. On exercise of an option, payment of the option price may be made (a) in cash or (b) in shares of Clorox Common Stock valued at their fair market value on the date of such payment, or a combination thereof. Certificate(s) for such shares tendered in payment shall be in a form for good delivery and the optionee must have held the tendered shares for at least one year. In addition, after July 1, 1983, (i) only an optionee who is not at the time subject to the provisions of Section 16(b) of the Securities Exchange Act of 1934, as amended, may pay the option price in shares receivable upon exercise of the option being exercised, valued at their fair market value on the date of such payment plus cash for any resulting fraction of a share, and only with respect to options outstanding on June 30, 1983; and (ii) no option granted will be exercisable in the manner described in (i) hereof. (Amended 6/21/83).

12. The Company shall have the power to withhold, or require an optionee to remit to the Company, an amount sufficient to satisfy any federal, state, local or foreign withholding tax requirements on any non-qualified stock option exercised pursuant to the Plan.

To the extent permissible under applicable tax, securities, and other laws, the Company may, in its sole discretion, permit the optionee to satisfy a tax withholding requirement by directing the Company to apply shares of stock to which the optionee is entitled as a result of the exercise of an option other than an Incentive Stock Option, to satisfy such requirement. (Added 7/15/87).

ARTICLE K -- ADDITIONAL PROVISIONS

1. The Board may at any time repeal this Plan and may amend it from time to time. The optionee and the Company shall be bound by any such amendments as of their effective dates, but if any outstanding options are affected, notice thereof shall be given to the holders of such options and such amendments shall not be applicable to any option without the consent of the optionee. If this Plan is repealed in its entirety, any unexercised option shall continue to be exercisable in accordance with its terms.

2. Should any option expire, cease to be exercisable or be otherwise canceled without being fully exercised, the number of shares as to which the option has not been exercised shall thereupon continue to be reserved for, and be subject to, the granting of options under this Plan. Such shares may be optioned again to the employee who had been granted such canceled option or to other employees at an option price, determined in accordance with Article F, which may be lower than, the option price of such canceled option.

3. No shares shall be issued or delivered upon the exercise of any option unless and until, in the opinion of Counsel for the Company, any applicable registration requirements of the Securities Act of 1933, as amended, any applicable listing requirements of any national securities exchange on which stock of the same class is then listed and any other requirements of law or of any regulatory body having jurisdiction over such issuance or delivery shall have been fully complied with.

4. "Affiliated company" means any company controlling, controlled by or under common control with the Company.

ARTICLE L -- CONSENT OF OPTIONEE

Every optionee shall be bound by the terms and restrictions of this Plan and his acceptance of an option shall constitute an agreement between him and the Company or an affiliated company and any successors in interest to any of them.

ARTICLE M -- PERFORMANCE UNITS (Add 10/16/80)

1. The Committee may from time to time, and subject to the provisions of this Plan and such other terms and conditions as the Board or the Committee may prescribe, grant one or more performance units to any optionee under the 1977 Plan with respect to options granted thereunder at any time or to any optionee under the 1968 Plan with respect to outstanding options granted thereunder and outstanding as of October 17, 1980. Performance units shall be related (on a one-for-one basis and with the effect herein set forth) to shares which are subject to an option granted on or after October 17, 1980 and to shares which are subject to an option granted under either Plan outstanding as of October 17, 1980 but only to the extent then unexercised.

2. Upon the exercise of any option to which performance units have been related by grant of the Committee, there shall be canceled that number of performance units equal to the sum of the shares issued on exercise plus the number of shares surrendered in lieu of exercise.

3. The value of a performance unit and the method of assigning the value shall be determined by the Committee at the time of the granting of the performance unit. The value to be paid shall be based upon the achievement of criteria of performance over an award period, such criteria and period to be determined by the Committee at the time of grant. In its administration of this Plan, the Committee shall have full discretion to

change from time to time the criteria of performance with respect to outstanding performance units in recognition of conditions, events or transactions not foreseen at the time of grant.

4. At the expiration of the award period determined by the Committee for each performance unit, the performance unit value, if any, shall be credited to an account for the benefit of the optionee who shall thereafter have a fully vested interest in that value, with payment deferred as hereafter provided. Interest shall be credited to that account at a rate fixed from time to time by the Committee. Thereafter, if the option to purchase the related shares is exercised or if the related shares are surrendered in lieu of exercise, there shall be charged to the optionee's account the value of that number of performance units (plus any interest accrued thereon) equal to the sum of the shares issued on exercise plus the number of shares surrendered in lieu of exercise.

5. Payment of the vested performance unit values (plus any interest accrued thereon) shall be deferred until the earliest of the following dates and be made in the manner respectively set forth:

(a) At the expiration of the original term of the option to purchase the related shares, in the discretion of the Committee, the value may be paid up to approximately one-half in full shares of Clorox Common Stock valued at their fair market value on the date of such payment and the balance in cash, or all in cash.

(b) In case an optionee ceases to be an employee of the Company or any of its affiliated companies, except in case of death or retirement of the optionee, in five equal annual cash payments commencing on the date of such cessation unless the Committee, in its sole discretion, fixes a shorter term;

(c) On retirement of the optionee, in cash at any time elected by the optionee within one (1) year of the date of retirement;

(d) On death of the optionee, in cash at anytime elected by the optionee's legal representative within one (1) year of the date of death.

If vested performance unit values are paid as above, the number of shares subject to related stock options shall represent shares which shall not be available for granting future options under this Plan.

ARTICLE N -- DURATION OF PLAN

This Plan will terminate on October 31, 1987 unless an earlier termination date is fixed by action of the Board, but any options granted prior thereto may be exercised in accordance with their terms.

ARTICLE O -- INCENTIVE STOCK OPTIONS (Add 7/21/82)

1. The provisions of this Article O shall govern all options granted after July 1, 1982 and designated by the Committee as "Incentive Stock Options" as defined in Section 422A of the Internal Revenue Code.

2. Shares acquired pursuant to exercise of an Incentive Stock Option will be entitled to treatment as such only if:

(a) no disposition of such shares is made by the optionee within two (2) years from the date of granting such option nor within one (1) year from the date of exercising such option (i.e., the date shown on the stock certificate; and (Added 11/20/85)

(b) except in the case of total and permanent disability, as defined in Article J.4, and in the case of death, the optionee, at all times during the period beginning on the date of granting such option and ending on the day three (3) months before the date of exercising such option, was an employee of the company or of an affiliated company; and (Added 11/20/85)

(c) in the case of total and permanent disability, the three (3) months period is extended to one (1) year; and (Added 11/20/85)

(d) in the case of death, the provisions of Article J.6 apply. (Added 11/20/85)

3. "Incentive Stock Option" means an option designated as such by the Committee and granted to an employee of the Company or an affiliated company, provided:

(a) such option is granted under this Plan, as amended;

(b) such option is granted on or before August 8, 1987;

(c) such option by its terms is not exercisable after the expiration of ten (10) years from the date such option is granted;

(d) the option price under such option conforms to Article F hereof;

(e) such option by its terms is not transferable by the optionee otherwise than by will or the laws of descent and distribution, and is exercisable during the optionee's lifetime only by the optionee;

(f) the optionee at the time such option is granted does not own stock possessing more than ten (10) percent of the total combined voting power of all classes of stock of the Company or of an affiliated company;

(g) such option by its terms is not exercisable while there is outstanding any Incentive Stock Option which was granted before the granting of such option to the optionee; and

(h) the aggregate fair market value (as of the date such option is granted) of Clorox Common Stock covered by all Incentive Stock Options granted in any calendar year to any optionee shall not exceed \$100,000 plus any unused limit carryover to such year as defined in Section 422A (c) (4) of the Internal Revenue Code.

4. In the event that the optionee acquires any shares of stock pursuant to the exercise of an Incentive Stock Option, the optionee shall notify the Company within 30 days of any disposition (whether by sale, exchange, gift, or any other transfer of legal title) which he shall make of any such shares within the one (1) year period beginning on the day after the day of exercise or within the two (2) year period beginning on the day after the day of granting such option.

5. If any provision of this plan is in conflict with this Article O, the provision of this Article O shall prevail with respect to Incentive Stock Options.

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**THE CLOROX COMPANY
1987 LONG-TERM
COMPENSATION PROGRAM**

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THE CLOROX COMPANY
1987 LONG-TERM
COMPENSATION PROGRAM

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Amended 11/17/93 - Former Article 8, Stock Indemnification Rights, deleted

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COMPENSATION PROGRAM**

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**1987 LONG-TERM
COMPENSATION PROGRAM**

Article 1. Establishment, Purpose, and
Effective Date of Plan

1.1 Establishment. The Clorox Company, a Delaware corporation, hereby establishes "THE CLOROX COMPANY 1987 LONG-TERM COMPENSATION PROGRAM" (the "Program") for key employees. The Program consists of the separate plans contained herein which permit the grant of stock options, stock indemnification rights, restricted stock and performance units, with common stock or cash serving as a payout medium for payments under the plans.

1.2 Purpose. The purpose of the Program is to advance the interests of the Company, by encouraging and providing for the acquisition of an equity interest in the success of the Company by key employees, by providing additional incentives and motivation toward superior performance of the Company, and by enabling the Company to attract and retain the services of key employees upon whose judgment, interest, and special effort the successful conduct of its operations is largely dependent.

1.3 Effective Date. The Program and each underlying plan became effective upon approval by the stockholders of the Company on October 21, 1987, that date being the Effective Date.

7/15/87

Article 2. Definitions

2.1 Definitions. Whenever used herein, the following terms shall have their respective meanings set forth below:

- (a) "Award" means any Option, Stock Indemnification Right, Restricted Stock, or Performance Unit granted under the Program.
- (b) "Board" means the Board of Directors of the Company.
- (c) "Code" means the Internal Revenue Code of 1986, as amended. To the extent required by the context and the purpose of the Program, any reference to a particular Code provision shall be deemed to include the successor to such provision.
- (d) "Committee" means the committee of three or more persons constituting the "outside," independent directors serving on the Employee Benefits and Management Compensation committee of the Board. No person, while a member of the Committee, shall be eligible for participation in the Program, and no person shall become a member of the Committee if, within one year prior to becoming a member, that person shall have been eligible for selection as a Participant in the Program, or any other plan of the Company entitling participants to acquire Stock, or be granted Options or Stock Indemnification Rights.
- (e) "Company" means The Clorox Company, a Delaware corporation.
- (f) "Disability" means permanent and total disability as defined in the Company's Pension Plan.
- (g) "Employee" means a regular salaried employee (including directors who are also employees) of the Company or its subsidiaries, or any branch or division thereof.
- (h) "Fair Market Value" (unless another definition is required by the Code or regulations thereunder) means the average of the highest and lowest prices of the Stock as reported in publications of general circulation for the New York Stock Exchange Composite Transactions on a particular date. In the event that there are no Stock transactions on such date, the Fair Market Value shall be determined as of the immediately preceding date on which there were Stock transactions.
- (i) "Option" means the right to purchase shares of Stock at a stated price for a specified period of time. An Option may be either an "incentive stock option" within the meaning of Section 422A of the Code, any other type of option encompassed by the Code, or a non-statutory option.
- (j) "Participant" means any Employee designated by the committee to participate in any of the plans in the Program.

7/15/87

(k) "Performance Unit" means a right to receive a payment equal to the value of a Performance Unit as determined by the Committee pursuant to Article 9.

(l) "Period of Restriction" means the period during which the transfer of shares of Restricted Stock is restricted pursuant to Article 8 of this Program.

(m) "Restricted Stock" means Stock granted to a participant pursuant to Article 8 of this Program.

(n) "Retirement" (including "Early Retirement" and "Normal Retirement") means termination of employment under the terms of the Company's Pension Plan.

(o) "Stock" means the common stock of the Company.

(p) "Termination for Cause" means termination by the Company because of the Employees' dishonesty, an assault by an employee on another person which adversely affects the Company or for any other violation of Company policy which follows a warning to cease such violation. The Committee, in its discretion, shall make the final decision as to whether a particular termination constitutes a Termination for Cause.

2.2 Gender and Number. Except when otherwise indicated by the context, words in the masculine gender when used in the Program shall include the feminine gender, the singular shall include the plural, and the plural shall include the singular.

11/17/93 References To Article numbers changed, definition of Stock Indemnification right deleted

Article 3. Eligibility and Participation

3.1 Eligibility and Participation. Participants in each plan under the Program shall be selected by the Committee from among those Employees who are recommended for participation by the chief executive officer of the Company and who, in the opinion of the Committee, are key Employees in a position to contribute materially to the Company's continued growth and development and to its long-term success. Selection for participation under one plan does not automatically result in selection for participation under another plan unless such result is specified by the Committee or by the terms of the Program.

7/15/87

Article 4. Administration

4.1 Administration. The Committee shall be responsible for the administration of the Program. The Committee, by majority action thereof, is authorized to interpret the Program, to prescribe, amend, and rescind rules and regulations relating to the Program, to provide for conditions and assurances deemed necessary or advisable to protect the interests of the Company, and to make all other determinations necessary or advisable for the administration of the Program, but only to the extent not contrary to the express provisions of the Program. Determinations, interpretations, or other actions made or taken by the Committee pursuant to the provisions of the Program shall be final and binding and conclusive for all purposes and upon all persons whomsoever.

7/15/87

Article 5. Stock Subject to Program

5.1 Number. The total number of shares of Stock subject to Awards under the Program may not exceed 4,800,000 subject to adjustment upon occurrence of any of the events indicated in section 5.3. The shares to be delivered under the Program may consist, in whole or in part, of authorized but unissued Stock or treasury Stock, not reserved for any other purpose.

5.2 Lapsed Awards. If any Award granted under the Program terminates, expires or lapses or for any reason, any shares subject to such Award shall again be available for the grant of an Award.

5.3 Adjustment in Capitalization. In the event of any change in the outstanding shares that occurs after the Effective Date by reason of a Stock dividend or split, recapitalization, merger, consolidation, combination, exchange of shares, or other similar corporate change, the aggregate number of shares subject to each outstanding Option, and its stated Option price, shall be adjusted appropriately by the Committee, whose determination shall be conclusive.

11/17/93 Number of Authorized Shares Increased from 3.1 Million to 4.8 Million

Article 6. Duration of Program

6.1 Duration of Program. The Program shall remain in effect, subject to the Board's right to terminate the Program earlier pursuant to Article 13, until all Stock subject to it shall have been purchased or acquired pursuant to the provisions hereof. Notwithstanding the foregoing, no Award may be granted under the Program on or after July 14, 1997.

7/15/87

Article 7. The Stock Option Plan

7.1 Grant of Options. One plan under the Program shall relate to Options. Subject to the other applicable provisions of the Program, Options may be granted to Participants at any time and from time to time as shall be determined by the Committee. The Committee shall have complete discretion in determining the number of Options granted to each Participant. The Committee may grant any type of Option permitted by law at the time of grant and shall specify whether or not any Option is intended to be an incentive stock option described in section 422A of the Code. In the case of incentive stock options, the following conditions shall apply in addition to any other requirements of this plan or the Code:

(a) 10-Percent Stockholders. An optionee must not, immediately before an incentive stock option is granted, own stock representing more than ten percent of the voting power or value of all classes of Stock of the Company or of any subsidiary. This requirement is waived if (i) the exercise price of the incentive stock option to be granted is at least 110 percent of the Fair Market Value of the Stock subject to the Option, determined at the time the Option is granted, and (ii) the Option is not exercisable more than five years from the date the Option is granted.

(b) Annual Limitation. The aggregate Fair Market Value (determined at the time the Option is granted) of the Stock with respect to which incentive stock options are exercisable for the first time by the optionee during any calendar year may not exceed \$100,000.

7.2 Option Agreement. Each Option shall be evidenced by an Option agreement that shall specify the type of Option granted, the Option price, the duration of the Option, the number of shares to which the Option pertains, and such other provisions as the Committee shall determine.

7.3 Option Price. No Option granted pursuant to this plan shall have an Option price that is less than the Fair Market Value of the Stock on the date the Option is granted.

7.4 Duration of Options. Each Option shall expire at such time as the Committee shall determine at the time it is granted, provided; however, that no Option shall be exercisable later than ten years and one day from the date of its grant.

7/15/87

7.5 Exercise of Options. Options granted under this plan shall be exercisable at such times and be subject to such restrictions and conditions as the Committee shall in each instance approve, which need not be the same for all Participants. Each Option which is intended to qualify as an incentive stock option pursuant to Section 422A of the Code shall comply with the applicable provisions of the Code pertaining to such Options.

7.6 Payment. The Option price of Stock upon exercise of any Option shall be paid in full either (i) in cash, or (ii) in shares of Stock valued at their Fair Market Value on the date of exercise, or (iii) by a combination of (i) and (ii), in the manner provided in the Option agreement. Certificates for such shares tendered in payment shall be in a form of good delivery and, if the certificates were issued pursuant to the exercise of an incentive stock option, the optionee must have held the tendered shares for at least one year.

7.7 Restrictions on Stock Transferability. The Committee may impose such restrictions on any shares acquired pursuant to the exercise of an Option under this plan as it may deem advisable, including, without limitation, restrictions under applicable Federal securities law, under the requirements of any stock exchange upon which such shares of Stock are then listed and under any state securities laws applicable to such shares.

7/15/87

7.8 Termination of Employment Due to Death, Disability, or Retirement. In the event the employment of a Participant is terminated by reason of death or Disability, any outstanding Options then exercisable may be exercised at the time prior to the expiration date of the Options or within 12 months after such date of termination of employment, whichever period is the shorter. In the event of termination of employment by reason of Retirement, all of the Participant's options which have been outstanding for more than six months shall become immediately exercisable and may be exercised at any time prior to the expiration date of the Options or within a period following the Participant's Retirement specified from time to time by the Committee, whichever period is shorter. Options which have been outstanding for less than six months on the date of the Participant's Retirement shall not become exercisable until they have been outstanding for six months and thereafter may be exercised at any time prior to the expiration of the Option or within the period following the Participant's Retirement specified from time to time by the Committee, whichever period is shorter. However, in the case of incentive stock options, the favorable tax treatment prescribed under section 422A of the Code shall not be available if such options are not exercised within three months after date of termination, or 12 months in the case of death or disability as defined in section 22(e) (3) of the Code. If an incentive stock option is not exercised within three months of termination due to Retirement, it shall be treated as a nonstatutory stock option for the remainder of its allowable exercise period.

If the Compensation Committee changes the time period following Retirement in which an Option may be exercised, the change will not (i) have the effect of shortening the exercise period of Options held by persons who retired before the effective date of the Compensation Committee's action, or (ii) make exercisable any Option which had expired pursuant to an exercise time period previously set by the Compensation Committee.

7.9 Termination of Employment Other Than for Death, Disability, Retirement or Termination for Cause. If the employment of the Participant shall terminate for any reason other than death, Disability, Retirement, or Termination for Cause, the rights under any then outstanding Option granted pursuant to this plan shall terminate upon the expiration date of the Option or three months after such date of termination of employment, whichever first occurs. Upon a Termination for Cause rights under all Options shall terminate immediately.

7.10 Nontransferability. No Option granted under the plan may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, otherwise than by will or by the laws of descent and distribution. Further, all Options granted to a Participant under this plan shall be exercisable during his lifetime only by such Participant.

10/16/91 - Section 7.8 effective Retroactively to 7/1/91. 11/17/93 - Section 7.8 regarding post retirement exercise period changed.

11/17/93 - Last paragraph of Section 7.8 added.

7.11 Time of Exercise for Incentive Stock Options. Notwithstanding other provisions pertaining to the times at which Options may be exercised, no Option that is intended to be an incentive stock option shall first become exercisable at a time earlier than that originally specified in the Option grant, if the result would be to cause such Option, when granted, not to be treated as an incentive stock option (whether by reason of the possible future violation of the annual limitation of section 7.1(b) or otherwise).

7/15/87

Article 8. The Restricted Stock Plan

8.1 Grant of Restricted Stock. One plan under the Program shall relate to Restricted Stock. Subject to other applicable provisions of the Program, the Committee, at any time and from time to time, may grant shares of Restricted Stock under the plan to such Participants and in such amounts as it shall determine. The Committee may also offer participants in the Company's management incentive compensation plan, or any other Company bonus or incentive plan in which awards are otherwise paid primarily or totally in cash, the opportunity to elect to receive Restricted Stock, including a bonus amount of Restricted Stock to serve as an incentive to make such an election, in lieu of receiving all or a portion of the participant's award in cash. Each grant of Restricted Stock shall be in writing and shall specify the Period(s) of Restriction and the time or times, which may be accelerated upon the attainment of specific financial goals, at which such period(s) shall lapse with respect to a specified number of shares of Stock. The Periods of Restriction shall not exceed ten years from the date of grant of the Restricted Stock.

8.2 Nontransferability. Except as provided in section 8.8 hereof, the shares of Restricted Stock granted hereunder may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated for such period of time as shall be determined by the Committee and shall be specified in the Restricted Stock grant, or upon earlier satisfaction or other conditions as specified by the Committee in its sole discretion and set forth in the Restricted Stock grant.

8.3 Other Restrictions. The Committee may impose such other restrictions on any shares of Restricted Stock granted pursuant to this plan as it may deem advisable including, without limitation, restrictions under applicable Federal or state securities laws, and may legend the certificates representing Restricted Stock to give appropriate notice of such restrictions.

8.4 Voting Rights. Participants holding shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those shares during the Period of Restriction.

8.5 Dividends and Other Distributions. During the Periods of Restriction, Participants holding shares of Restricted Stock granted hereunder shall be entitled to receive all dividends and other distributions paid with respect to those shares while they are so held. If any such dividends or distributions are paid in shares of Stock, those shares shall be subject to the same restrictions on transferability as the shares of Restricted Stock with respect to which they were paid.

11/17/93 - Former Article 8 (Stock Indemnification Rights) Deleted. Section 8.1 added accelerated vesting upon meeting goals and right to receive Restricted Stock in lieu of cash bonus.

8.6 Termination of Employment Due to Retirement.

(a) In the event that a Participant terminates his employment due to Retirement, the Periods of Restriction applicable to the Restricted Stock pursuant to subsection 8.2 hereof, shall lapse automatically and, except as otherwise provided in subsection 8.3 and 8.6 (b), the Shares of Restricted Stock shall thereby be free of restrictions and freely transferable if such Restricted Stock was issued to the Participant more than six months prior to the Participant's Retirement Date. With regard to Restricted Stock issued to the Participant less than six months before the Participant's Retirement Date, the Periods of Restriction shall lapse only after six months have elapsed since the issuance.

(b) If the grant of Restricted Stock contains a provision permitting lapse of the Period(s) of Restriction to be accelerated upon the attainment of specific financial goals, a Participant's Retirement will not accelerate the lapse of the Period(s) of Restriction. In such a case the Participant's Restricted Stock shall not be forfeited but the Period(s) of Restriction will lapse at the earlier of the Participant's death or upon the achievement of the conditions specified in the grant of the Restricted Stock.

8.7 Termination of Employment Due to Death or Disability. In the event a Participant's employment with the Company terminates because of his death or Disability during the Periods of Restriction, the restrictions applicable to the shares of Restricted Stock pursuant to section 8.2 hereof shall lapse automatically.

8.8 Termination of Employment for Reasons Other Than Death, Disability, or Retirement. Except as otherwise provided in this section, in the event that a Participant's employment with the Company terminates for any reason other than those set forth in sections 8.6 and 8.7 during the Periods of Restriction, any shares of Restricted Stock still subject to restrictions at the date of such termination automatically shall be forfeited and returned to the Company. In the event of an involuntary termination of the employment of a Participant by the Company other than a Termination for Cause, the Committee in its sole discretion may waive the automatic forfeiture of any or all such shares. With regard to Restricted Stock granted pursuant to an election to receive Restricted Stock in lieu of a cash award under the Company's Management Incentive Compensation Plan, or any other Company bonus or incentive plan in which awards are otherwise paid primarily or totally in cash, the Committee may provide at the time of the grant that upon the Participant's termination of employment for any reason, or for any reason other than Termination for Cause, the restrictions applicable to those shares of Restricted Stock, including any bonus amount, shall lapse automatically.

10/16/91 Section 8.6 Effective Retroactively to 7/1/91 11/17/93 Section 8.6 (b) added
11/17/93 Provision for vesting Restricted Stock received in lieu of cash bonus.

Article 9. The Performance Unit Plan

9.1 Grant of Performance Units. One plan under the Program shall relate to Performance Units. Subject to other applicable provisions of the Program, Performance Units may be granted to Participants at any time and from time to time as shall be determined by the Committee. The Committee shall have complete discretion in determining the number of Performance Units granted to each Participant.

9.2 Value of Performance Units. Each Performance Unit shall have an arbitrary value to be determined by the Committee at the time of grant. The Committee shall establish performance goals in its discretion which, depending on the extent to which they are met, will determine the ultimate value of the Performance Unit to the Participant. The time period during which the performance goals must be met shall be called a performance period, and also is to be determined by the Committee.

9.3 Payment of Performance Units. After a performance period has ended, the holder of a Performance Unit shall be entitled to receive the value thereof as determined pursuant to section 9.2.

9.4 Form and Timing of Payment. Payment under section 9.3 above shall be made in cash and/or shares of Stock and shall be in the form of a lump sum or installments as prescribed by the Committee. If any payment is to be made on a deferred basis, the Committee may provide for the payment of additional compensation computed in a manner like interest during the deferral period. In general, the time and manner of making installment payments and the interest component that is applied during the period of deferral shall be determined by the Committee.

9.5 Termination of Employment Due to Death, Disability, or Retirement. In the case of death, Disability or Retirement, the holder of a Performance Unit shall receive perorate payment based on the number of full months' of service completed during the performance period but based on the achievement of performance goals during the entire performance period. Payment shall be made at the time payments are made to Participants who did not terminate service during the performance period.

11/17/93 Sections renumbered.

9.6 Termination of Employment for Other than Death, Disability or Retirement Reasons. In the event that a Participant terminates employment with the Company for any reason other than death, Disability or Retirement, all Performance Units shall be forfeited. In the event of an involuntary termination of employment of the Participant by the Company other than a Termination for Cause, the Committee in its sole discretion may waive the automatic forfeiture provisions and pay out on a perorate basis.

9.7 Nontransferability. No Performance Unit granted under this plan may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution to the extent permitted by section 9.5 until the termination of the applicable performance period.

11/17/93 Sections renumbered.

Article 10. Beneficiary Designation

10.1 Beneficiary Designation. If the Program permits the transfer of any right granted in the event of a Participant's death, the beneficiary of such transfer shall be the person(s) designated by the Participant for this Company sponsored group life insurance benefits, provided, however, a Participant may designate different beneficiaries in a written instrument delivered to the Committee.

11/17/93 Sections renumbered.

Article 11. Rights of Employees

11.1 Employment. The Program shall not constitute a contract of employment. Nothing in the Program shall interfere with or limit in any way the right of the Company to terminate any Participant's employment at any time, nor shall it confer upon any Participant any right to continue in the employ of the Company.

11.2 Participation. No Employee shall have the right to be selected as a Participant, or, having been so selected, to be selected again as a Participant.

11/17/93 Sections renumbered.

Article 12. Change of Control

12.1 Acceleration of Rights Due to Change of Control. Upon a change in control, as defined in section 12.2, the Period of Restriction on any Restricted Stock shall end, all unexpired Options held by Participants shall immediately vest and become exercisable (except as otherwise provided in section 7.11), and all Performance Units shall become subject to immediate payment based upon the extent to which performance goals during the performance period have been met up to the date of the change of control, or at 100% of the total value of the Performance Unit, whichever produces the greater payout.

12.2 Definition. For purposes of the Program, a "change of control" shall be deemed to have occurred if:

(a) the Company consolidates or merges with, or sells or otherwise transfers more than 50% of its assets or earning power to, any Person in a transaction or series of transactions which result in the holders of the outstanding common stock of the Company immediately prior to the first such transaction holding (either by such shares remaining outstanding or by being converted into securities of the surviving entity) less than a majority of the shares entitled to vote for the election of directors of the surviving entity outstanding immediately after such merger, consolidation, sale or transfer, or

(b) any Person becomes the beneficial owner of more than 30% of the outstanding common shares (a "30% Beneficial Owner") and a majority of the members of the Board of Directors of the Company are not Continuing Directors.

(c) For purposes of this section 12.2:

(i) Beneficial ownership shall be determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934 (the "1934 Act"), but shall not include ownership by any Subsidiary or any employee benefit plan of the Company.

(ii) "Continuing Director" shall mean any member of the Board of Directors of the Company who is not a 30% Beneficial Owner or a representative of a 30% Beneficial Owner and who was either (a) a member of the Board prior to the time that any Person becomes a 30% Beneficial Owner or (b) subsequently becomes a member of the Board, if such Person's election to the Board is recommended or approved by a majority of Continuing Directors.

(iii) "Person" shall mean any individual, firm, partnership, corporation or other entity, and shall include any successor of such entity and all Affiliates, Associate and Subsidiaries (as those terms are defined in Rule 12b-2 under the 1934 Act) of such Person; provided, however, that the term "Person" shall not include Henkel Corporation or any of its Subsidiaries.

11/17/93 Sections renumbered.

Article 13. Amendment, Modification, and Termination of Programs

13.1 Amendment, Modification, and Termination of Program. The Board at any time may terminate, and from time to time may amend or modify the Program, provided, however, that no such action of the Board, without approval of the stockholders, may:

- (a) Increase the total amount of Stock which may be issued under the Program, except as provided in section 5.3 of the Program.
- (b) Change the provisions of the Program regarding the Option price except as provided by section 5.3.
- (c) Change the class of employees to whom incentive stock options may be granted.
- (d) Extend the period during which Awards may be granted.
- (e) Extend the maximum period after the date of grant during which Options may be exercised.

No amendment, modification, or termination of the Program shall in any manner adversely affect any Award theretofore granted under the Program, without the consent of the Participant.

11/17/93 Sections renumbered.

Article 14. Tax Withholding

14.1 Tax Withholding. The Company shall have the power to withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy any Federal, state, local or foreign withholding tax requirements on any Award under the Program.

To the extent permissible under applicable tax, securities, and other laws, the Company may, in its sole discretion, permit the Participant to satisfy a tax withholding requirement by directing the Company to apply shares of stock to which the Participant is entitled as a result of the exercise of an option or the lapse of a Period of Restriction, to satisfy such requirement.

11/17/93 Sections renumbered.

Article 15. Indemnification

15.1 Indemnification. Each person who is or shall have been a member of the Committee or of the Board shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him in connection with or resulting from any claim, action, suit, or proceeding to which he may be a party or in which he may be involved by reason of any action taken or failure to act under the Program and against and from any and all amounts paid by him in settlement thereof, with the approval of the Committee, or for members thereof of the Board, or paid by him in satisfaction of any judgment in any such action, suit, or proceeding against him, provided he shall give the Company an opportunity, at its own expense, to defend the same before he undertakes to defend it on his own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

11/17/93 Sections renumbered.

Article 16. Requirements of Law

16.1 Requirements of Law. The granting of Awards and the issuance of shares of Stock upon the exercise of an Option shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

16.2 Governing Law. The Program, and all agreements hereunder, shall be construed in accordance with and governed by the laws of the State of California.

11/17/93 Sections renumbered.

THE CLOROX COMPANY

1993 DIRECTORS' STOCK OPTION PLAN

SECTION 1. INTRODUCTION.

The Plan was adopted by the Board on July 20, 1993, subject to approval by the Company's stockholders at the annual meeting of stockholders on November 17, 1993. The purpose of the Plan is to promote the long-term success of the Company and to create incremental stockholder value by (a) encouraging the Independent Directors to focus on critical long-range objectives, (b) encouraging the attraction and retention of Independent Directors with exceptional qualifications and (c) linking Independent Directors directly to stockholder interests through increased stock ownership. The Plan seeks to achieve this purpose by providing for the grant of nonstatutory options to purchase Common Shares.

The Plan is intended to comply in all respects with Rule 16b-3 (or its successor) under the Exchange Act and shall be construed accordingly.

SECTION 2. DEFINITIONS.

(a) "Board" means the Company's Board of Directors, as constituted from time to time.

(b) "Change in Control" means the occurrence of any of the following events:

(i) The Company consolidates or merges with, or sells or otherwise transfers more than 50% of its assets or earning power to, any Person in a transaction or series of transactions which result in the holders of the outstanding common stock of the Company immediately prior to the first such transaction holding (either by such shares remaining outstanding or by being converted into securities of the surviving entity) less than a majority of the shares entitled to vote for the election of directors of the surviving entity outstanding immediately after such merger, consolidation, sale or transfer, or

(ii) Any Person becomes the beneficial owner of more than 30% of the outstanding common shares (a "30% Beneficial Owner") and a majority of the members of the Board of Directors of the Company are not Continuing Directors.

(iii) For purposes of this definition of Change in Control:

a) "Beneficial Ownership" shall be determined in accordance with Rule 13-d-3 under the "Securities Exchange Act of 1934 (the "1934 Act"), but shall not include ownership by any Subsidiary or any employee benefit plan of the Company.

- b) "Continuing Director" shall mean any member of the Board of Directors of the Company who is not a 30% Beneficial Owner or a representative of a 30% Beneficial Owner and who was either (i) a member of the Board prior to the time that any Person becomes a 30% Beneficial Owner or (ii) subsequently becomes a member of the Board, if such the Board, if such Person's election to the Board is recommended or approved by a majority of Continuing Directors.
- c) "Person" shall mean any individual, firm, partnership, corporation or other entity, and shall include any successor of such entity and all Affiliates, Associates and Subsidiaries (as those terms are defined in Rule 12b-2 under the 1934 Act) of such Person; provided, however, that the term "Person" shall not include H C Investments, Inc., a U.S. affiliate of Henkel KGaA, or any of Henkel KGaA's other Subsidiaries.
- (c) "Code" means the Internal Revenue Code of 1986, as amended.
- (d) "Committee" means the Employee Benefits and Management Compensation Committee of the Board, as constituted from time to time.
- (e) "Common Share" means one share of the common stock of the Company.
- (f) "Company" means The Clorox Company, a Delaware corporation.
- (g) "Employee" means an employee (within the meaning of Section 3401(c) of the Code and the regulations thereunder) of the Company or of a Subsidiary of the Company.
- (h) "Exchange Act" means the Securities Exchange Act of 1934, as amended.
- (i) "Exercise Price" means the amount for which one Common Share may be purchased upon exercise of an Option, as specified in the applicable Stock Option Agreement.
- (j) "Fair Market Value" means the closing price of a Common Share on the trading day immediately preceding the day in question, as stated in the New York Stock Exchange composite transactions report.
- (k) "Independent Director" means a member of the Board who is not an Employee and was not an Employee who actively performed duties at any time during the twelve months immediately preceding the member's first election to the Board as an Independent Director.
- (l) "NSO" means a stock option not described in Section 422 or 423 of the Code.
- (m) "Option" means an NSO granted under the Plan and entitling the holder to purchase Common Shares.
- (n) "Optionee" means an individual who holds an Option.

(o) "Plan" means this 1993 Directors' Stock Option Plan, as it may be amended from time to time.

(p) "Retirement" means termination of Service after

(i) attaining age 70 or (ii) serving as an Independent Director for not less than five years.

(q) "Service" means service as a member of the Board as an Independent Director.

(r) "Stock Option Agreement" means the agreement between the Company and an Optionee that contains the terms, conditions and restrictions pertaining to his or her Option.

(s) "Subsidiary" means any corporation, if the Company and/or one or more other Subsidiaries own not less than 50 percent of the total combined voting power of all classes of outstanding stock of such corporation. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

(t) "Total and Permanent Disability" means that the Optionee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted, or can be expected to last, for a continuous period of not less than 12 months.

SECTION 3. ADMINISTRATION.

(a) Plan Administrator. The Plan shall be administered by the Committee.

(b) Committee Responsibilities. Subject to the provisions of the Plan, the Committee shall have full authority and discretion to take the following actions:

(i) To interpret the Plan and to apply its provisions;

(ii) To adopt, amend or rescind rules, procedures and forms relating to the Plan;

(iii) To authorize any person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan; and

(iv) To take any other actions deemed necessary or advisable for the administration of the Plan.

All decisions, interpretations and other actions of the Committee shall be final and binding on all Optionees and all other persons deriving their rights from an Optionee. No member of the Committee shall be liable for any action that he or she has taken or has failed to take in good faith with respect to the Plan or any Option.

SECTION 4. STOCK SUBJECT TO PLAN.

(a) Basic Limitation. Common Shares offered under the Plan shall be treasury shares or authorized but unissued shares. The aggregate number of Common Shares issued under the Plan shall not exceed 100,000 Common Shares, subject to adjustment pursuant to Section 7. The number of Common Shares that are subject to Options at any time shall not exceed the number of Common Shares that then remain available for issuance under the Plan. The Company, during the term of the Plan, shall at all times reserve and keep available sufficient Common Shares to satisfy the purposes of the Plan.

(b) Additional Shares. In the event that any outstanding Option for any reason expires or is canceled or otherwise terminated, the Common Shares allocable to the unexercised portion of such Option shall again be available for the purposes of the Plan.

SECTION 5. TERMS AND CONDITIONS OF OPTIONS.

(a) Stock Option Agreement. Each grant of an Option shall be evidenced by a Stock Option Agreement between the Optionee and the Company. Such Option shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions that are not inconsistent with the Plan and that the Committee deems appropriate for inclusion in a Stock Option Agreement.

(b) Initial Grants. Each Independent Director who serves as a member of the Board on November 17, 1993, shall receive an Option covering 2,000 Common Shares on November 18, 1993. Each Independent Director who first joins the Board after November 17, 1993, shall receive an Option covering 2,000 Common Shares on the first business day after his or her initial election to the Board. (The number of Common Shares included in an Option shall be subject to adjustment under Section 7.)

(c) Annual Grants. On the first business day of each of the Company's fiscal years, each Independent Director shall receive an Option covering 500 Common Shares (subject to adjustment under Section 7), except that such Option shall not be granted in the calendar year in which the same Independent Director received an Initial Grant Option described in Subsection (b) above.

(d) Exercise Price. The Exercise Price under each Option shall be equal to 100 percent of the Fair Market Value of the Common Shares subject to such Option on the date when such Option is granted. The entire Exercise Price of Common Shares issued under the Plan shall be payable in cash when such Common Shares are purchased, except as follows:

(i) Payment may be made with Common Shares that have already been owned by the Optionee for more than six months and that are surrendered to the Company in good form for transfer or by foregoing the right to receive Common Shares whose Fair Market Value equals the Exercise Price. Such Common Shares shall be valued at their Fair Market Value on the date when the new Common Shares are purchased under the Plan.

(ii) Payment may be made by the delivery (on a form prescribed by the Company) of an irrevocable direction to a securities broker approved by the Company to sell Common Shares and to deliver all or part of the sales proceeds to the Company in payment of all or part of the Exercise Price and any withholding taxes.

(iii) Payment may be made by the delivery (on a form prescribed by the Company) of an irrevocable direction to pledge Common Shares to a securities broker or lender approved by the Company as security for a loan and to deliver all or part of the loan proceeds to the Company in payment of all or part of the Exercise Price and any withholding taxes.

(e) Vesting. Subject to Subsection (j) below, each Option shall become exercisable in two equal annual installments on each of the first two anniversaries of the date of grant. In addition, subject to Subsection (j) below, each Option that has been outstanding for not less than six months shall become exercisable in full in the event that:

(i) The Optionee's Service terminates because of Retirement, death or Total and Permanent Disability; or

(ii) A Change in Control occurs with respect to the Company.

(f) Term of Options. Subject to Subsections (g) and (h) below, each Option shall expire on the 10th anniversary of the date when such Option was granted.

(g) Termination of Service (Except by Death). If an Optionee's Service terminates for any reason other than death, then his or her Options shall expire on the earliest of the following occasions:

(i) The expiration date determined pursuant to Subsection (f) above;

(ii) The date three months after the termination of the Optionee's Service for any reason other than Retirement or Total and Permanent Disability.

The Optionee may exercise all or part of his or her Options at any time before the expiration of such Options under the preceding sentence, but only to the extent that such Options had become exercisable before his or her Service terminated or became exercisable as a result of the termination. The balance of such Options shall lapse when the Optionee's Service terminates. In the event that the Optionee dies after the termination of his or her Service but before the expiration of his or her Options, all or part of such Options may be exercised at any time within 12 months after the date of death by the executors or administrators of the Optionee's estate or by any person who has acquired such Options directly from him or her by bequest, inheritance or beneficiary designation under the Plan, but only to the extent that such Options had become exercisable before his or her Service terminated or became exercisable as a result of the termination.

(h) Death of Optionee. If an Optionee dies while he or she is in Service, then his or her Options shall expire on the earlier of the following dates:

(i) The expiration date determined pursuant to Subsection (f) above; or

(ii) The date 12 months after his or her death.

All or part of the Optionee's Options may be exercised at any time before the expiration of such Options under the preceding sentence by the executors or administrators of his or her estate or by any person who has acquired such Options directly from him or her by bequest, inheritance or beneficiary designation under the Plan.

(i) Nontransferability. During an Optionee's lifetime, his or her Options shall be exercisable only by him or her and shall be nontransferable. In the event of an Optionee's death, his or her Options shall not be transferable other than by bequest, inheritance or beneficiary designation under the Plan.

(j) Stockholder Approval. Subsection (e) above notwithstanding, no Option shall be exercisable under any circumstances unless and until the Company's stockholders have approved the Plan.

SECTION 6. MISCELLANEOUS PROVISIONS.

(a) No Rights as a Stockholder. An Optionee, or a transferee of an Optionee, shall have no rights as a stockholder with respect to any Common Shares covered by his or her Option until the date of the issuance of a stock certificate for such Common Shares. No adjustment shall be made except as provided in Section 7.

(b) Restrictions on Issuance of Shares. Common Shares shall not be issued under the Plan unless the issuance and delivery of such Common Shares complies with (or is exempt from) all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, and the regulations of any stock exchange on which the Company's securities may then be listed. The Company may impose restrictions upon the sale, pledge or other transfer of such Common Shares (including the placement of appropriate legends on stock certificates) if, in the judgment of the Company and its counsel, such restrictions are necessary or desirable in order to achieve compliance with the provisions of the Securities Act of 1933, as amended, the securities laws of any state or any other law.

(c) Withholding Taxes. The Company's obligation to deliver Common Shares upon the exercise of an Option shall be subject to any applicable tax withholding requirements. To the extent permissible under applicable tax, securities and other laws, the Company may, in its sole discretion, permit the Optionee to satisfy a tax withholding requirement by directing the Company to apply Common Shares to which the Optionee is entitled as a result of the exercise of an Option to satisfy such requirement.

(d) No Retention Rights. No provision of the Plan, nor any Option granted under the Plan, shall be construed as giving any person the right to be elected as, or to be nominated for election as, an Independent Director or to remain an Independent Director.

SECTION 7. ADJUSTMENT OF SHARES.

(a) General. In the event of any change in the Common Shares that occurs after the Plan becomes effective by reason of a stock dividend or split, recapitalization, merger, consolidation, combination, exchange of shares, or other similar corporate change, the aggregate number of shares subject to each outstanding Option, and its stated Option price, shall be adjusted appropriately by the Committee, whose determination shall be conclusive.

(b) Reorganizations. In the event that the Company is a party to a merger or other reorganization, outstanding Options shall be subject to the agreement of merger or reorganization. Such agreement may provide, without limitation, for the assumption of outstanding Options by the surviving corporation or its parent, for their continuation by the Company (if the Company is a surviving corporation), for accelerated vesting or for settlement in cash.

(c) Reservation of Rights. Except as provided in this Section 7, an Optionee shall have no rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any stock dividend or any other increase or decrease in the number of shares of stock of any class. Any issue by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number or Exercise Price of Common Shares subject to an Option. The grant of an Option pursuant to the Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its capital or business structure, to merge or consolidate or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

SECTION 8. DURATION AND AMENDMENTS.

(a) Term of the Plan. The Plan, as set forth herein, shall become effective on November 17, 1993 if approved by the Company's stockholders. The Plan shall remain in effect until it is terminated under Subsection

(b) below.

(b) Right to Amend or Terminate the Plan. The Board may amend, suspend or terminate the Plan at any time and for any reason, except that the provisions of the Plan relating to the amount, price and timing of Option grants shall not be amended more than once in any six-month period. Any amendment of the Plan shall be subject to the approval of the Company's stockholders to the extent required by applicable laws, regulations or rules (including, without limitation, Rule 16b-3 under the Exchange Act).

(c) Effect of Amendment or Termination. No Common Shares shall be issued or sold under the Plan after the termination thereof, except upon exercise of an Option granted prior to such termination. The termination of the Plan, or any amendment thereof, shall not affect any Option previously granted under the Plan.

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EXHIBIT 13
(to Form 10-K)

SECTIONS OF ANNUAL REPORT INCORPORATED BY REFERENCE

Results of Operations

The Company's continuing operations again achieved record unit volume in 1994, following record years in 1993 and 1992. The increase in unit volume was principally due to the S.O.S acquisition, the consolidation of an Argentine subsidiary in which the Company increased its interest to 90 percent in June 1993, and the introduction of new products including Liquid-Plumr build-up remover, Clorox Stain-Out soil and stain remover, Clorox toilet bowl cleaners, Tilex soap scum remover, and Hidden Valley Ranch kids' dressings. Also contributing to volume growth were record shipments for Clorox liquid bleach, Pine-Sol cleaners, and the Kingsford line of charcoal briquets.

Net sales increased 12 percent in 1994, following increases of 6 percent in 1993, and 5 percent in 1992. This year's growth was primarily driven by volume increases from the acquisitions and new product introductions described above. Price increases on a few established brands were offset by a price decrease on Pine-Sol cleaner and increased incentive trade promotions.

Cost of products sold as a percentage of net sales was 45 percent in 1994, and 44 percent in both 1993 and 1992. Research and Development (R&D) expense increased 5 percent over 1993 and 1992, but remained relatively constant as a percent of net sales in 1994, while achieving a second consecutive record year of new product introductions. In 1993, the R&D function began to implement several productivity improvements to bring products to market faster and at lower overall costs. These efficiencies were realized in 1994 and the Company aims to continue to shorten development times and further improve cost efficiency, while maintaining a high level of new product activity in 1995.

Selling, delivery and administration (SD&A) expenses were up 10 percent over 1993 but decreased slightly as a percent of net sales. Without the S.O.S and Argentine acquisitions, SD&A was approximately one percentage point lower as a percent of net sales (19 percent), versus 1993 and 1992. This cost reduction is a reflection of several significant cost savings projects including broker and advertising agency consolidations, the initiation of a new logistics strategy, and improved budgetary controls, all of which occurred or were initiated in 1994. The Company will continue to focus on improving its cost structure during 1995.

Total marketing spending, comprising trade promotions, consumer promotions and advertising, increased versus 1993 levels. Advertising expense alone increased 18 percent versus 1993 principally as a result of the Company's new product introductions and line extensions in late 1993 and during 1994. In spite of an overall increase in marketing spending in 1993, advertising expense in 1993 decreased 8 percent from the 1992 level, reflecting a shift toward trade promotions during 1993.

Interest expense, the majority of which relates to long-term debt, was level with 1993. Interest expense related to commercial paper borrowings to finance seasonal working capital needs also was in line with 1993. Interest expense is down significantly compared with 1992 principally due to strong cash flows, which reduced the need for commercial paper borrowings, and to lower interest rates.

The Company's effective tax rates were 41.3 percent, 39.0 percent, and 40.9 percent in 1994, 1993, and 1992, respectively. The higher rate in 1994 was principally due to a 1 percent increase in the statutory federal tax rate, and the retroactive effect of that increase which was reflected in 1994 earnings. The statutory rate increase had the effect of reducing earnings per share from continuing operations by \$.11. The lower rate in 1993 versus 1992 primarily resulted from the favorable resolution of tax liabilities in prior years.

Earnings per share from continuing operations in 1994 increased \$.28 from 1993, a 9 percent increase which was driven principally by the volume growth described above and shares purchased in 1994 under the Company's share repurchase program. Earnings per share in 1994 increased \$.89 from 1993, which was in turn up \$1.23 from 1992, the year which included a \$.35 per share charge from adopting the accounting standard for postretirement health-care benefits. In early 1994, the Company sold its bottled water and frozen foods businesses. Earnings per share in 1994 include \$.59 relating primarily to the gain on the sale of these discontinued operations.

The Company adopted Statement of Financial Accounting Standards No. 112 in 1994, and included the cumulative expense, which was not material, in operations. This statement requires the accrual of benefits provided by the Company to former or inactive employees after employment, but before retirement.

[GRAPHIC - BAR CHART - FILED UNDER COVER OF FORM SE]

Financial Position and Liquidity

Cash flow from 1994 continuing operations was a record \$298,440,000 and resulted from record earnings supported by a relatively modest increase in working capital. The modest increase in working capital relative to the growth of the business was largely due to management's focus on the efficient utilization of working capital items, driven by the Clorox Value Measure (CVM) economic value measurement system that was implemented this year. The graph on page 18 shows that CVM was on an upward trend during the last two years. Favorable working capital changes were moderated by the acceleration of income tax payments due to the 1993 tax law changes. In 1993, cash provided by operations was down from 1992 principally due to adverse changes in working capital, primarily accounts receivable and accounts payable.

Proceeds from the sale of discontinued operations generated cash of \$159,293,000 in 1994. The strong cash flows from continuing operations and the sale of discontinued operations enabled the Company's cash position at June 30, 1994 to increase approximately \$45,000,000 from a year ago to approximately \$116,000,000.

Dividends paid during 1994 amounted to \$97,095,000, or \$1.80 per share. In July 1994, the Company announced a 6.7 percent increase in the quarterly dividend to \$.48 per share from \$.45 per share, for a new annual rate of \$1.92.

At June 30, 1994, the Company had a \$200,000,000 credit agreement with a syndication of banks which was renewed in August 1994, and now expires in August 1995. Management believes that the Company has access to additional bank credit and the public debt markets should the need arise. Commercial paper and other short-term borrowings and long-term debt at year-end increased slightly from 1993 year-end.

On January 31, 1994, the Company purchased the S.O.S products business for \$116,488,000. The effect of this acquisition was not dilutive to earnings in 1994. Also, during 1994, the Company made additional foreign investments of \$25,949,000. During 1993, the Company had acquired a controlling interest in its joint venture in Argentina that previously had been accounted for on the equity basis and as of June 30, 1993 was consolidated.

Capital expenditures were \$56,627,000, \$77,637,000, and \$124,742,000 in 1994, 1993, and 1992, respectively. Spending generally has been for expanded capacity, process improvements, and environmental programs and initiatives. Capital spending has declined significantly from 1992 as that year included the majority of the Company's spending on its most recently built domestic facility, a bleach plant in Aberdeen, Maryland.

In each of 1994, 1993, and 1992, cash flow from operations has exceeded cash needs for capital expenditures, dividends, and scheduled debt service, and is expected to do so again in 1995.

In 1989, the Company commenced a program to repurchase up to 5 million shares of its outstanding stock through periodic open market and block transactions. These shares are and will be held in the Company's treasury and reissued for corporate uses. Through June 30, 1994, the Company had repurchased 3,674,515 shares, of which 1,883,000 shares at a cost of \$99,910,000 were acquired during 1994.

In order to manage the impact of interest rate movements on interest expense and interest income, the Company has approved the use of interest rate derivative instruments, such as interest rate swaps. These instruments have the effect of converting fixed rate interest to floating, or floating to fixed. The conditions under which derivatives can be used are set forth in a Company Policy Statement, and include a restriction on the amount of such activity to a designated portion of existing debt, a limit on the term of any derivative transaction, and a specific prohibition on the use of any leveraged derivatives.

Although not material, in 1994 the Company hedged its exposure to certain foreign currency denominated supply contracts and accounts receivable with foreign currency contracts.

The Company is committed to an ongoing program of comprehensive, long-term environmental assessment of its facilities. This program is implemented by the Company's Department of Health, Safety and Environment, with guidance from the Company's legal counsel. During each facility assessment, compliance with applicable environmental laws and regulations is evaluated and the facility is reviewed in an effort to identify possible future environmental liabilities. Although not material, at June 30, 1994 and 1993, the Company accrued for the probable future costs of environmental liabilities without offsetting for expected insurance recoveries or discounting for present value.

[GRAPHIC - BAR CHART - FILED UNDER COVER OF FORM SE]

Statements of Consolidated Earnings
The Clorox Company

Years ended June 30 94 93 92

In thousands, except per-share amounts.

Net Sales	\$1,836,949	\$1,634,171	\$1,547,057
<hr style="border-top: 1px dashed black;"/>			
Costs and Expenses			
Cost of products sold	820,434	724,753	678,504
Selling, delivery and administration	359,360	328,088	307,436
Advertising	286,666	242,528	262,586
Research and development	44,558	42,445	42,052
Interest expense	18,424	18,856	24,627
Other expense (income), net	874	2,316	(7,245)
Total costs and expenses	1,530,316	1,358,986	1,307,960
Earnings Before Income Taxes	306,633	275,185	239,097
Income Taxes	126,640	107,267	97,903
Earnings from Continuing Operations	179,993	167,918	141,194
Earnings (losses) from Discontinued Operations	32,064	(867)	(23,429)
Earnings Before Cumulative Effect of Accounting Change	212,057	167,051	117,765
Cumulative Effect of Accounting Change (Note 1)	-	-	(19,061)
Net Earnings	\$ 212,057	\$ 167,051	\$ 98,704
Earnings (losses) per Common Share			
Continuing operations	\$ 3.35	\$ 3.07	\$ 2.60
Discontinued operations	0.59	(0.02)	(0.43)
Earnings before cumulative effect of accounting change	3.94	3.05	2.17
Cumulative effect of accounting change	-	-	(0.35)
Net Earnings	\$ 3.94	\$ 3.05	\$ 1.82
Weighted Average Shares Outstanding	53,800	54,698	54,366

See Notes to Consolidated Financial Statements.

Consolidated Balance Sheets
The Clorox Company

Years ended June 30	94	93

In thousands, except share amounts.		
Assets		
Current Assets		
Cash and short-term investments	\$ 115,922	\$ 71,164
Accounts receivable, less allowance	249,843	226,675
Inventories	105,948	105,890
Deferred income taxes	18,548	19,360
Prepaid expenses	14,014	16,369
Net assets of discontinued operations (Note 2)	-	92,320

Total current assets	504,275	531,778

Property, Plant and Equipment - Net	532,600	538,101

Brands, Trademarks, Patents and Other Intangibles - Net	520,042	463,941

Investments in Affiliates	83,368	68,179

Other Assets	57,284	47,231

Total	\$ 1,697,569	\$ 1,649,230
	=====	
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$ 97,728	\$ 84,243
Accrued liabilities	227,197	226,775
Income taxes payable	7,599	20,585
Commercial paper	42,916	39,486
Current maturities of long-term debt	392	481

Total current liabilities	375,832	371,570

Long-term Debt	216,088	204,000

Other Obligations	63,187	50,663

Deferred Income Taxes	133,045	143,703

Stockholders' Equity		
Common stock - authorized, 175,000,000 shares, \$1 par value; issued: 55,422,297 shares	55,422	55,422
Additional paid-in capital	106,554	105,483
Retained earnings	876,832	762,162
Treasury shares, at cost: 1994, 2,050,041 shares; 1993, 572,155 shares	(107,146)	(23,357)
Cumulative translation adjustments	(22,245)	(20,416)

Stockholders' equity	909,417	879,294

Total	\$ 1,697,569	\$ 1,649,230
	=====	

See Notes to Consolidated Financial Statements.

Statements of Consolidated Stockholders' Equity
The Clorox Company

	Common Stock		Additional Paid-in Capital	Retained Earnings	Treasury Shares		Cumulative Translation Adjustments
	Shares	Amount			Shares	Amount	

In thousands, except share and per-share amounts.							
Balance, June 30, 1991	55,422,297	\$ 55,422	\$104,359	\$ 681,479	(1,226,395)	\$(47,936)	\$ (9,048)
Net earnings				98,704			
Dividends (\$1.59 per share)				(86,408)			
Employee stock plans and other			890	(3,757)	349,191	12,911	
Translation adjustments							7,125

Balance, June 30, 1992	55,422,297	55,422	105,249	690,018	(877,204)	(35,025)	(1,923)
Net earnings				167,051			
Dividends (\$1.71 per share)				(93,509)			
Employee stock plans and other		234	(1,398)	305,049	11,668		
Translation adjustments							(18,493)

Balance, June 30, 1993	55,422,297	55,422	105,483	762,162	(572,155)	(23,357)	(20,416)
Net earnings				212,057			
Dividends (\$1.80 per share)				(97,095)			
Employee stock plans and other			1,071	(292)	405,414	16,121	
Treasury shares acquired					(1,883,300)	(99,910)	
Translation adjustments							(1,829)

Balance, June 30, 1994	55,422,297	\$ 55,422	\$106,554	\$ 876,832	(2,050,041)	\$(107,146)	\$(22,245)

See Notes to Consolidated Financial Statements.

Statements of Consolidated Cash Flows
The Clorox Company

Years ended June 30	94	93	92

In thousands.			
Operations:			
Earnings from continuing operations	\$ 179,993	\$ 167,918	\$ 141,194
Adjustments to reconcile to net cash provided by continuing operations:			
Depreciation and amortization	94,120	83,607	76,507
Deferred income taxes	15,985	32,378	13,330
Other	25,985	9,412	6,849
Effects of changes in:			
Accounts receivable	(18,299)	(36,266)	11,866
Inventories	5,691	(7,892)	183
Prepaid expenses	2,355	(2,850)	4,983
Accounts payable	13,485	(18,071)	(5,399)
Accrued liabilities	(8,134)	2,849	21,772
Income taxes payable	(12,741)	3,498	6,010

Net cash provided by continuing operations	298,440	234,583	277,295
Net cash (used for) provided by discontinued operations	(31,658)	10,877	29,398

Net cash provided by operations	266,782	245,460	306,693

Investing Activities:			
Property, plant and equipment	(56,627)	(77,637)	(124,742)
Net proceeds from sales of businesses	159,293	15,000	709
Businesses purchased	(142,437)	(31,547)	(802)
Disposal of property, plant and equipment	11,264	3,759	1,580
Other	(22,046)	(24,938)	(15,897)

Net cash used for investment	(50,553)	(115,363)	(139,152)

Financing Activities:			
Long-term borrowings	13,000	299	199,532
Long-term debt repayments	(741)	(1,236)	(1,203)
Short-term borrowings (repayments), net	3,430	(42,469)	(333,035)
Cash dividends	(97,095)	(93,509)	(86,408)
Treasury shares acquired	(99,910)	-	-
Employee stock plans	9,845	8,958	8,735

Net cash used for financing	(171,471)	(127,957)	(212,379)

Net increase (decrease) in cash and short-term investments	44,758	2,140	(44,838)
Cash and short-term investments:			
Beginning of year	71,164	69,024	113,862

End of year	\$ 115,922	\$ 71,164	\$ 69,024
	=====		
Cash Paid for:			
Interest (net of amounts capitalized)	\$ 18,267	\$ 18,616	\$ 18,019
Income taxes	128,210	61,052	73,709
Noncash Transactions:			
Liabilities arising from business purchased	\$ 7,200	\$ -	\$ -

See Notes to Consolidated Financial Statements.

Significant Accounting Policies

Principles of Consolidation

The Company is principally engaged in the production and marketing of nondurable consumer products to grocery stores and other retail outlets. The consolidated financial statements include the statements of the Company and its majority-owned subsidiaries. All significant intercompany transactions and accounts are eliminated in consolidation.

Short-term Investments

Short-term investments consist of money market and other high quality instruments with an initial maturity of three months or less and are stated at cost which approximates market value.

Inventories

Inventories are stated at the lower of cost or market. Cost of the majority of inventories is determined on the last-in, first-out (LIFO) method. Cost for the remainder of the inventories is determined generally on the first-in, first-out (FIFO) method.

**Brands, Trademarks, Patents
and Other Intangibles**

Brands, trademarks, patents and other intangible assets arising from transactions after October 31, 1970 are amortized over their estimated useful lives up to a maximum of 40 years. Carrying values are reviewed periodically and a determination of impairment is based on estimates of future cash flows, undiscounted and without interest charges.

Investments in Affiliates

The Company holds minority investments in foreign entities which are accounted for under the equity method. The most significant investment is a 20 percent equity ownership in Henkel Iberica, S.A. of Spain.

Income Taxes

The Company uses the liability method to account for income taxes, in accordance with Statement of Financial Accounting Standards (SFAS) No. 109, "Accounting for Income Taxes".

Foreign Currency Translation

Foreign currency assets and liabilities are translated using the exchange rates in effect at the balance sheet date. Income and expenses are translated at the average exchange rates during the year. Translation gains and losses are reported primarily in stockholders' equity and are excluded from net earnings.

Earnings per Common Share

Earnings per common share are computed by dividing net earnings by the weighted average number of common shares outstanding during the year. The potential dilution from the exercise of stock options is not material.

Major Customer

Sales to the Company's largest customer, Wal-Mart Stores, Inc. and affiliates, were 12% of consolidated net sales in 1994.

Accounting Changes

In 1992, the Company adopted SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions". In adopting SFAS No. 106, the Company elected to fully recognize the accumulated postretirement benefit obligation as of July 1, 1991 (see Note 13). The cumulative effect of adoption resulted in a charge to 1992 earnings of \$19,061,000 (\$.35 per share), net of \$11,832,000 tax benefit.

The Company sold its bottled water and frozen foods businesses during the first quarter of 1994 for \$159,293,000. The sale of these businesses resulted in a net gain of \$31,430,000. In June 1993, the Company sold its Prince Castle business which did not result in a material gain or loss. Results of discontinued operations are classified separately in the Statements of Consolidated Earnings and include (in thousands):

	1994	1993	1992

Net sales	\$ 18,700	\$ 173,291	\$ 169,982
	=====		
Earnings (losses) from operations before income taxes	\$ 1,043	\$ (1,437)	\$ (28,225)
Income tax (expense) benefit	(409)	570	4,796
Net earnings (losses) from discontinued operations	634	(867)	(23,429)

Gain on sale of businesses	42,177	-	-
Income taxes	10,747	-	-

Net gain on sale of businesses	31,430	-	-

Earnings (losses) from discontinued operations	\$ 32,064	\$ (867)	\$ (23,429)

The 1992 loss from operations includes the revaluation of certain intangibles of the bottled water business based upon discounted

cash flows from future operations. The net assets of the discontinued operations are segregated in the June 30, 1993 consolidated balance sheet and are comprised of the following (in thousands):

	1993

Assets	\$ 105,678
Liabilities	13,358

Net assets	\$ 92,320
	=====

Assets consist primarily of accounts receivable, inventories,

property, plant and equipment and intangibles. Liabilities consisted primarily of accounts payable and accrued liabilities.

3
Acquisitions

On January 31, 1994, the Company acquired and accounted for as a purchase, the S.O.S products business of Miles Inc. The acquisition cost of \$116,488,000 included the S.O.S brand of steel wool soap pads and other cleaning products in the United States and Canada, manufacturing facilities, and certain items of working capital. Approximately \$98,850,000 of the purchase price has been allocated to brands and trademarks to be amortized over 40 years. The purchase included at fair value current assets of \$9,200,000, property, plant and equipment of \$15,600,000, and the assumption of current liabilities of \$5,300,000 and a postretirement health-care liability of \$1,900,000. The acquisition was funded from cash and short term borrowings. Results of operations after the acquisition date are included in the 1994 Statement of Consolidated Earnings. The following pro forma information has been prepared assuming that this acquisition had taken place at the beginning of the respective periods. The pro forma information includes adjustments for interest expense that would have been incurred to finance the purchase, additional depreciation based on the fair market value of the property, plant, and equipment acquired, and the amortization of intangibles arising from the transaction. The pro forma financial information is not necessarily indicative of the results of operations as they would have been had the transactions been effected on the assumed dates.

Year ended June 30	1994	1993

In thousands, except per share amounts (unaudited)		
Net sales	\$ 1,884,362	\$ 1,722,845
Earnings from continuing operations	\$ 177,070	\$ 169,991
Net earnings	\$ 209,134	\$ 169,124
Earnings per common share from Continuing operations	\$ 3.29	\$ 3.11
Net earnings per common share	\$ 3.89	\$ 3.09

In addition, 1994 acquisitions included various foreign investments of \$25,949,000. During 1993, the Company purchased an additional 39 percent interest in its joint venture in Argentina bringing total ownership to 90 percent. This investment had been accounted for on the equity method and as of June 30, 1993 was consolidated.

4
Inventories

The major classes are (in thousands):

	1994	1993

Finished goods and work in process	\$ 69,280	\$ 64,162
Raw materials and supplies	36,668	41,728
Total	\$ 105,948	\$ 105,890
	=====	=====

Had the cost of inventories been determined using the FIFO method, inventories would have been higher by approximately \$14,843,000 at June 30, 1994 and \$14,735,000 at June 30, 1993. The LIFO method was used to value 85 percent of the inventory at June 30, 1994 and 88 percent at June 30, 1993.

5
Property, Plant and Equipment

The major classes are (in thousands):

	1994	1993

Land and improvements	\$ 59,005	\$ 57,594

Buildings	261,964	262,198
Machinery and equipment	495,903	443,157
Construction in progress	33,650	51,304
	-----	-----
Total	850,522	814,253
Less accumulated depreciation	317,922	276,152
	-----	-----
Net	\$ 532,600	\$ 538,101
	=====	=====

Property, plant and equipment are stated at cost, reduced in certain cases by valuation allowances. Depreciation is calculated by the straight-line method over the estimated useful lives of the depreciable assets. Depreciation expense was \$61,660,000 in 1994, \$51,532,000 in 1993 and \$44,467,000 in 1992.

6

Brands, Trademarks, Patents
and Other Intangibles - Net

The major classes are (in thousands):

	1994	1993
	-----	-----
Brands and trademarks	\$ 484,574	\$ 406,594
Patents and other intangibles	129,076	129,006
Accumulated amortization	(93,608)	(71,659)
	-----	-----
Net	\$ 520,042	\$ 463,941

Brands and trademarks includes \$41,708,000 of continuing value arising from transactions prior to October 31, 1970.

Accrued Liabilities

Advertising costs included in accrued liabilities at June 30, 1994 and 1993 were \$126,725,000 and \$119,439,000, respectively.

Long-term Debt

The principal components are (in thousands):

	1994	1993
8.8% Non-callable notes due August 1, 2001, includes net unamortized premium Of \$243 and \$278, respectively	\$200,243	\$200,278
Other debt	16,237	4,203
	216,480	204,481
Less: current maturities	392	481
Long-term debt	\$216,088	\$204,000

The Company has a \$200,000,000 credit agreement with a syndication of banks which was renewed in August 1994, and now expires in August 1995. The credit agreement requires maintenance of a minimum net worth of \$600,000,000. At June 30, 1994, the credit agreement was available for general corporate purposes and for the support of additional commercial paper issuance. At June 30, 1994, the Company had four outstanding interest rate swap agreements under which the Company receives average fixed rates of 6.3 percent on a combined notional amount of \$100,000,000 and pays a floating rate based on LIBOR, an average of 3.9 percent in 1994, as determined in six-month intervals through October 16, 2001. At June 30, 1993, the Company had one outstanding interest rate swap and received 6.8 percent fixed and paid 3.6 percent variable interest on notional principal of \$50,000,000. Original terms to maturity ranged from 8 1/2 to 7 3/4 years. At June 30, 1994, the remaining term for all the agreements was approximately seven years. The transactions effectively convert a portion of the Company's interest rate exposure on the 8.8 percent notes from a fixed rate to a floating rate. The effect of swap agreements as a hedge of the 8.8 percent fixed rate notes reduced interest expense by \$1,803,000 and \$1,179,000, and resulted in effective borrowing rates of 7.9 percent and 8.2 percent in years 1994 and 1993, respectively. The fair value of these agreements at June 30, 1994 and 1993 was an unrealized (loss) gain of (\$8,422,000) and \$3,500,000, respectively, based on the market prices for similar instruments. The fair value of the 8.8 percent notes at June 30, 1994 and 1993 was approximately \$212,250,000 and \$234,000,000, respectively, based upon quoted market prices for the same or similar debt.

Stockholders' Equity

In addition to common stock, the Company is authorized to issue 5,000,000 shares of preferred stock with a par value of \$1 per share, none of which is outstanding. The Company has a stock option plan under which options to purchase shares of common stock may be granted to key employees. The plan provides that the option price shall not be less than the fair market value of the shares on the date of grant and that no portion of the option may be exercised beyond 10 years from that date. At June 30, 1994, there were 1,943,220 shares available for the granting of additional options or other stock compensation awards. A summary of changes in common stock options during 1994 and 1993 is:

	Number of Shares	Price per Share
Outstanding at June 30, 1992	1,852,958	\$7.28 - \$40.94
Granted	397,629	43.75
Exercised	(291,744)	7.28 - 40.94
Cancelled	(73,920)	24.34 - 43.75
Outstanding at June 30, 1993	1,884,923	13.69 - 43.75
Granted	907,768	51.13 - 63.50
Exercised	(296,849)	13.69 - 43.75
Cancelled	(137,722)	20.00 - 52.94
Outstanding (held by 192 optionees) at June 30, 1994	2,358,120	\$13.81 - \$63.50
Options exercisable at:		
June 30, 1994	1,163,598	
June 30, 1993	1,161,607	

The Company leases transportation equipment and a limited number of its manufacturing, warehousing and office facilities. Most leases are classified as operating leases and will expire over the next four years. Future minimum lease payments are \$11,847,000, and do not exceed \$5,400,000 in any one year. Rental expense for continuing operations was \$11,875,000 in 1994, \$14,365,000 in 1993, and \$12,384,000 in 1992. Space not occupied by the Company in its headquarters building is let to other tenants under operating leases expiring through 1998. Future minimum rentals to be received are \$5,448,000, and do not exceed \$1,900,000 in any one year.

Other Expense (Income), Net

The major components are (in thousands):

	1994	1993	1992
Amortization of intangibles	\$ 23,896	\$ 22,058	\$ 22,962
Equity in earnings of affiliates	(5,926)	(9,979)	(13,908)
Interest income	(5,292)	(2,931)	(4,557)
Other, net	(11,804)	(6,832)	(11,742)
Total	\$ 874	\$ 2,316	\$ (7,245)

Income Taxes

Income tax expenses are (in thousands):

	1994	1993	1992
Current			
Federal	\$ 86,686	\$ 57,776	\$ 62,332
State	17,562	13,815	12,789
Foreign	3,569	3,651	6,325
Total current	107,817	75,242	81,446
Deferred			
Federal	16,416	26,635	13,028
State	1,173	4,147	2,129
Foreign	1,234	1,243	1,300
Total deferred	18,823	32,025	16,457
Total expense	\$ 126,640	\$ 107,267	\$ 97,903
Effective income tax rate	41.3%	39.0%	40.9%

The reconciliation between the Company's effective income tax rate and the statutory federal income tax rate is as follows:

	1994	1993	1992
Federal statutory rate	35.0%	34.0%	34.0%
State income taxes, net of federal tax benefit	3.9	4.2	4.1
Taxes on foreign earnings	1.1	1.2	2.4
Retroactive effect of federal rate increase	1.0	-	-
Other	0.3	(0.4)	0.4
Effective income tax rate	41.3%	39.0%	40.9%

The net deferred income tax liabilities (assets), both current and non-current at June 30, result from the tax effects of the following temporary differences (in thousands):

	1994	1993
Amortization/depreciation	\$64,268	\$87,016
Safe harbor lease agreements	32,145	33,232
Unremitted foreign earnings	35,057	30,841
Restructuring expense	(12,812)	(19,469)
Postretirement health benefits	(18,402)	(15,396)
Other	14,241	8,119
Net	\$114,497	\$124,343

The June 30, 1994 deferred income tax liability reflects a \$28,466,000 decrease which is not included in the 1994 deferred tax expense. This results from the reversal of a prior year tax accrual recorded in conjunction with the 1991 purchase of Pine-Sol. The accrual was deemed unnecessary as a result of the 1993 tax law change. The offset to this adjustment was a reduction in brands, trademarks, patents and other intangibles in 1994.

Employee Benefit Plans**Retirement Income Plans**

The Company has defined benefit pension plans for substantially all its domestic employees. Benefits are based on either employee years of service and compensation or stated dollar amount per year of service. The Company is the sole contributor to the plans, in amounts deemed necessary to provide benefits and to the extent deductible for federal income tax purposes. Assets of the plans consist primarily of stocks and bonds. The components of pension expense are (in thousands):

	1994	1993	1992

Service cost - benefits earned in current year	\$5,970	\$5,646	\$5,530
Interest on projected benefit obligation	7,753	6,552	5,840
Return on plan assets:			
Actual gain	(2,762)	(9,750)	(7,946)
Deferral of the actual gain in excess of (less than) the assumed rate of 8% in 1994, and 1993 and 9% in 1992	(6,029)	1,766	(442)
Other gains, including amortization over 15 years of the net pension transition asset at July 1, 1985	(790)	(1,245)	(1,369)

Total pension expense	\$4,142	\$2,969	\$1,613
	=====		

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The plans' funded status at June 30 is as follows

(in thousands):	1994	1993
Actuarial present value of the accumulated benefit obligation, including vested benefits of \$84,027 in 1994 and \$72,497 in 1993	\$ 89,531	\$ 75,674
=====		
Plans' assets at market value	119,100	107,699
Projected benefit obligation, determined using a discount rate of 8% and including the effect of an assumed annual increase in future compensation levels of 4.5% in 1994 and 4% in 1993	111,846	91,466

Excess of plans' assets over pension obligation	7,254	16,233
Less deferrals:		
Remaining unamortized balance of net pension transition asset at July 1, 1985	(10,338)	(11,985)
Prior service cost	5,748	2,817

Other net losses (gains)	14,330	(679)
Accrued pension asset included in other assets	\$ 16,994	\$ 6,386
=====		

The Company has defined contribution plans for most of its domestic employees not covered by collective bargaining agreements, to which it contributes based on its earnings or participants' contributions. The Company also participates in multi-employer pension plans for certain of its hourly-paid production employees and contributes to those plans based on collective bargaining agreements. The aggregate cost of the defined contribution and multi-employer pension plans was \$12,753,000 in 1994, \$11,570,000 in 1993, and \$7,970,000 in 1992.

Retirement Health-Care

The Company provides certain health-care benefits for employees who meet age, participation and length of service requirements at retirement. The plans pay stated percentages of covered expenses after annual deductibles have been met. Benefits paid take into consideration payments by Medicare. The plans are not prefunded, and the Company has the right to modify or terminate certain of these plans.

Postretirement health-care expense consists of the following (in thousands):

	1994	1993	1992

Service cost - benefits earned in the current year	\$ 2,823	\$ 2,898	\$ 2,798
Interest on projected benefit obligation	2,881	2,749	2,471

Total postretirement health-care expense	\$ 5,704	\$ 5,647	\$ 5,269
=====			

Benefits paid were \$1,058,000, \$1,060,000 and \$550,000 in 1994, 1993 and 1992, respectively.

The accumulated postretirement benefit obligation (APBO) includes the following at June 30 (in thousands):

	1994	1993

Retirees	\$ 10,260	\$ 8,359
Fully eligible active employees	6,731	7,608
Other active employees	21,976	24,232
Unrecognized net gains	6,599	-

Total unfunded accrued benefit obligation included in other obligations	\$ 45,566	\$ 40,199
=====		

Included in 1994 amounts is \$1,900,000 representing the assumption of postretirement health-care liabilities related to the acquisition of the S.O.S brands. The assumed health-care cost trend rate used in measuring the APBO was 12 percent for 1995, gradually declining to 5.5 percent

over the next 10 years. Changes in these rates can have a significant effect on amounts reported. A one percentage point increase in the trend rates would increase the 1994 accumulated postretirement benefit obligation by \$6,742,000 and increase 1994 expense by \$805,000. The discount rate used to determine the APBO was 8 percent.

Discontinued Operations

As a result of the Company's decision to discontinue operations of its bottled water and frozen foods businesses, curtailment gains of \$2,104,000 for pension benefits and \$1,228,000 for postretirement health-care were recognized in 1994 in income from discontinued operations.

Postemployment Benefits

The Financial Accounting Standards Board issued SFAS No. 112, "Employers' Accounting for Postemployment Benefits", in November 1992. This Statement requires the accrual of benefits provided by the Company to former or inactive employees after employment, but before retirement. The Company adopted SFAS No. 112 in 1994, and included the cumulative expense, which was not material, in operations.

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Contingent Liabilities

The Company is subject to various lawsuits and claims arising out of its businesses which include contracts, environmental issues, product liability, patent and trademark matters, and taxes. In the opinion of management, after consultation with counsel, the disposition of these matters will not have a material adverse effect, individually or in the aggregate, on the Company's financial position, results of operations, or liquidity.

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Responsibility for Consolidated
Financial Statements

The management of the Company is responsible for the integrity and objectivity of the financial statements included in this Annual Report. In fulfilling this responsibility, management maintains an effective system of internal accounting controls and supports a comprehensive internal audit program. The Board of Directors has an Audit Committee consisting of independent directors. The Committee meets regularly with management, internal auditors and Deloitte & Touche, independent certified public accountants. Deloitte & Touche and the internal auditors have full authority to meet with the Audit Committee, either with or without management representatives present. Deloitte & Touche has completed its audit of the accompanying consolidated financial statements. Their report appears below.

Independent Auditors' Report

[DELOITTE & TOUCHE LOGO]

The Stockholders and Board of Directors
of The Clorox Company:

We have audited the accompanying consolidated balance sheets of The Clorox Company and its subsidiaries as of June 30, 1994 and 1993, and the related statements of consolidated earnings, consolidated stockholders' equity and consolidated cash flows for the years ended June 30, 1994, 1993, and 1992. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of The Clorox Company and its subsidiaries at June 30, 1994 and 1993, and the results of their operations and their cash flows for the years ended June 30, 1994, 1993 and 1992 in conformity with generally accepted accounting principles.

As discussed in Note 1 to the consolidated financial statements, in 1992 the Company changed its method of accounting for postretirement benefits other than pensions to conform with Statement of Financial Accounting Standards No. 106.

/S/ DELIOTTE & TOUCHE

*Deloitte & Touche
Oakland, California
August 10, 1994*

Financial Summary
The Clorox Company

Years ended June 30	94	93	92	91	90	89	88	87	86	85
In thousands, except per-share data.										
Operations										
Net sales	\$1,836,949	\$1,634,171	\$1,547,057	\$1,468,370	\$1,309,019	\$1,199,293	\$1,033,747	\$ 934,985	\$ 893,699	\$ 873,162
Percent change	12.4	5.6	5.4	12.2	9.1	16.0	10.6	4.6	2.4	8.8
Cost of products sold	820,434	724,753	678,504	672,405	601,322	548,434	450,527	422,149	415,542	418,457
Operating expenses	690,584	613,061	612,074	677,468	498,084	458,085	396,910	356,065	326,531	319,151
Other	19,298	21,172	17,382	21,315	(30,755)	(28,189)	(10,897)	(17,588)	(5,356)	(6,482)
Total costs and expenses	1,530,316	1,358,986	1,307,960	1,371,188	1,068,651	978,330	836,540	760,626	736,717	731,126
Earnings before income taxes	306,633	275,185	239,097	97,182	240,368	220,963	197,207	174,359	156,982	142,036
Income taxes	126,640	107,267	97,903	37,361	87,456	79,718	73,460	75,394	70,389	62,125
Earnings from continuing operations	179,993	167,918	141,194	59,821	152,912	141,245	123,747	98,965	86,593	79,911
Earnings (losses) from discontinued operations	32,064	(867)	(23,429)	(7,075)	714	(17,101)	8,823	5,934	9,017	6,213
Cumulative effect of accounting change	-	-	(19,061)	-	-	-	-	-	-	-
Net earnings	\$ 212,057	\$ 167,051	\$ 98,704	\$ 52,746	\$ 153,626	\$ 124,144	\$ 132,570	\$ 104,899	\$ 95,610	\$ 86,124
Percent change, continuing operations	7.2	18.9	136.0	(60.9)	8.3	14.1	25.0	14.3	8.4	10.2
Common Stock										
Weighted average shares outstanding	53,800	54,698	54,366	54,063	54,873	55,333	55,127	54,652	54,268	53,942
Earnings (losses) per common share:										
Earnings from continuing operations	\$3.35	\$3.07	\$2.60	\$1.11	\$2.79	\$2.55	\$2.26	\$1.82	\$1.60	\$1.49
Earnings (losses) from discontinued operations	0.59	(0.02)	(0.43)	(0.13)	0.01	(0.31)	0.16	0.11	0.17	0.12
Cumulative effect of accounting change	-	-	(0.35)	-	-	-	-	-	-	-
Net earnings	\$3.94	\$3.05	\$1.82	\$0.98	\$2.80	\$2.24	\$2.42	\$1.93	\$1.77	\$1.61
Dividends	\$1.80	\$1.71	\$1.59	\$1.47	\$1.29	\$1.09	\$0.92	\$0.79	\$0.70	\$0.62
Stockholders' equity at end of year	17.04	16.03	14.92	14.47	15.00	14.19	13.19	11.51	10.31	9.18

Other Data

Continuing operations										
Working capital (deficiency) \$	128,443	\$ 160,208	\$ (25,322)	\$ 115,626	\$ 151,602	\$ 265,569	\$ 145,780	\$ 225,596	\$ 198,290	\$ 160,031
Property, plant and equipment - net	532,600	538,101	508,629	441,794	441,681	348,526	312,068	207,712	193,503	165,000

Property additions	56,627	72,141	114,353	89,009	134,099	66,551	135,702	48,630	59,408	37,858
Long-term debt	216,088	204,000	203,627	405,341	5,807	5,192	20,739	24,513	33,626	35,935
Percent return on net sales	9.8	10.3	9.1	4.1	11.7	11.8	12.0	10.6	9.7	9.2
Current ratio	1.3	1.4	0.9	1.3	1.7	1.9	1.5	2.3	2.2	1.9
Total assets	1,697,569	1,649,230	1,589,993	1,656,872	1,124,147	1,189,894	1,121,232	911,097	825,748	753,994
Stockholders' equity	909,417	879,294	813,741	784,276	810,514	786,176	712,854	616,447	549,793	485,856
Percent return on average stockholders' equity	24.2	19.8	12.3	6.4	19.1	16.4	19.9	18.0	18.5	18.8

[FN]

<F1> Includes net gain on the sale of discontinued businesses of \$31,430 or \$.58 per share.

<F2> Includes special charges for the revaluation of certain intangible assets. See Note 2 to Consolidated Financial Statements.

<F3> Nonrecurring charge to recognize the accumulated postretirement health benefit obligation at July 1, 1991, resulting from the adoption of SFAS No. 106. See Note 1 to Consolidated Financial Statements. (Operating results preceding 1992 were not restated for the adoption of this new standard.)

<F4> Includes a charge for restructuring of \$125,250 or \$1.45 per share.

<F5> Includes net loss on the disposal of Olympic HomeCare Products of \$20,000 or \$.36 per share. <F6> Weighted average shares outstanding and earnings per share from 1985 through 1989 assume full dilution from a note converted during 1989.

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CAPTION>

Quarterly Data
The Clorox Company

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year

In thousands, except per-share amounts.					
Year Ended June 30, 1994					
Net sales	\$ 449,744	\$ 370,844	\$ 481,928	\$ 534,433	\$ 1,836,949
Cost of products sold	\$ 193,828	\$ 163,386	\$ 211,964	\$ 251,256	\$ 820,434
Earnings from					
Continuing operations	\$ 46,314	\$ 30,586	\$ 49,515	\$ 53,578	\$ 179,993
Discontinued operations	32,064<F1>	-	-	-	32,064<F1>

Net earnings	\$ 78,378	\$ 30,586	\$ 49,515	\$ 53,578	\$ 212,057
Per common share					
Net earnings	\$1.44<F1>	\$0.57	\$0.93	\$1.00	\$3.94<F1>
Dividends	0.45	0.45	0.45	0.45	1.80
Market price (NYSE)					
High	55 3/8	55 1/4	55 3/4	52 1/4	55 3/4
Low	47 1/8	51 1/2	47 1/4	47	47
Year-end					48 7/8
Price/earnings ratio, year end					12
Year Ended June 30, 1993					
Net sales	\$ 394,657	\$ 327,354	\$ 435,559	\$ 476,601	\$1,634,171
Cost of products sold	\$ 170,135	\$ 141,272	\$ 185,897	\$ 227,449	\$ 724,753
Earnings (losses) from					
Continuing operations	\$ 44,393	\$ 27,032	\$ 46,526	\$ 49,967	\$ 167,918
Discontinued operations	203	211	(1,106)	(175)	(867)

Net earnings	\$ 44,596	\$ 27,243	\$ 45,420	\$ 49,792	\$ 167,051
Per common share					
Net earnings	\$0.82	\$0.50	\$0.83	\$0.91	\$3.05
Dividends	0.42	0.42	0.42	0.45	1.71
Market price (NYSE)					
High	48 1/4	47	51 7/8	53 3/8	53 3/8
Low	41 1/8	40 3/4	44	46 3/4	40 3/4
Year-end					52 1/8
Price/earnings ratio, year end					17

[FN]
<F1> Includes net gain on the sale of discontinued businesses of \$31,430 or \$.58 per share.

The Company's Principal Retail Brands

United States	BBQ Bag	Single-use, lightable bag of charcoal briquets
	Brita	Water filter systems
	Clorox	Regular, Fresh Scent and Lemon Fresh liquid bleach
	Clorox	Toilet bowl cleanser and automatic toilet bowl cleaner
	Clorox Clean-Up	Dilutable household cleaner and spray cleaner
	Clorox 2	Dry and liquid, and regular and Lemon Fresh all-fabric bleach
	Combat	Insecticides: ant and roach bait stations; ant and roach aerosols and foggers
	Control	Cat litter
	Formula 409	All-purpose spray cleaner and glass & surface cleaner
	Fresh Step	Cat litter
	Hidden Valley Ranch	Bottled salad dressing; dry salad dressing and party dip mixes; bottled low-fat salad dressing; bottled salad dressings for kids
	Hidden Valley Ranch Salad Crispins	Seasoned mini-cROUTONS
	K.C. Masterpiece	Barbecue sauce
	Kingsford	Charcoal briquets, charcoal briquets with mesquite and charcoal lighter
	Kitchen Bouquet	Browning and seasoning sauce and gravy aid
	Liquid-Plumr	Drain opener, regular and professional strength, and build-up remover
	Match Light	Instant lighting charcoal briquets
	Pine-Sol	Cleaner and spray cleaner
	Scoop Fresh	Scoopable cat litter
	Soft Scrub	Mild abrasive liquid cleanser, regular, with bleach and with lemon
	S.O.S	Steel wool soap pads and home cleaning products
	Stain Out	Soil and stain remover
	SuperBait	Insecticides: roach bait stations
	Tackle	Household cleaner disinfectant
	Tilex	Instant mildew remover and soap scum remover
	Tuffy	Mesh scrubber

Professional Products

Hidden Valley Ranch	Salad dressings
K.C. Masterpiece	Barbecue sauce
Kitchen Bouquet	Browning and seasoning sauce and gravy aid
Clorox	Liquid bleach
Clorox	Toilet bowl cleanser
Clorox Clean-Up	Dilutable cleaner
Formula 409	All-purpose spray cleaner and glass & surface cleaner
Liquid-Plumr	Drain opener
Pine-Sol	Cleaner
Tilex	Instant mildew remover
Maxforce	Professional insecticides; ant and roach baits; roach gel

International Markets

Argentina
Canada
Chile
Colombia
Dominican Republic
Egypt
Hong Kong
Hungary
Japan
Malaysia
Mexico
Panama
Poland
Puerto Rico
Republic of Korea
Saudi Arabia/Gulf States
Venezuela
Yemen Arab Republic

Clorox also exports products to more than 70 other countries.

EXHIBIT 21
(to Form 10-K)

THE CLOROX COMPANY
SUBSIDIARIES OF THE REGISTRANT
(100% owned unless otherwise indicated)

Subsidiaries -----	Jurisdiction of Incorporation -----
Brita (USA), Inc.	Delaware
The Clorox Company of Canada, Ltd.	Canada
The Clorox International Company	Delaware
Clorox Argentina S.A. (90%)	Argentina
Clorox Chile S.A.	Chile
Clorox Korea Ltd.	Korea
Clorox de Mexico, S.A. de C.V.	Mexico
The Clorox Company of Puerto Rico	Delaware
Colgate-Clorox (Far East) Ltd. (50%)	Hong Kong
Corporacion Clorox de Venezuela, S.A.	Venezuela
Henkel Iberica, S.A. (20%)	Spain
The Household Cleaning Products Company of Egypt, Ltd. (49%)	Egypt
Mohammed Ali Abudawood and Company for Industry (30%)	Saudi Arabia
National Cleaning Products Company Limited (30%)	Saudi Arabia
Productos Del Hogar, C. por A. (49%)	Dominican Republic
Tecnoclor, S.A. (49%)	Colombia
United Cleaning Products Mfg. Co. Ltd. (33%)	Yemen Arab Republic
Yuhan-Clorox Co., Ltd. (50%)	Korea

The Clorox Professional Products Company Delaware

EXHIBIT 21 (continued)

(to Form 10-K)

The HVR Company

Delaware

The Kingsford Products Company

Delaware

The Company also markets its branded products through licensees and distributors in Australia, Canada, Costa Rica, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Japan, Malaysia, Netherlands Antilles, Panama, Peru, Trinidad, Venezuela and Yemen Arab Republic and other countries.

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in The Clorox Company Registration Statements No. 33-4083 on Form S-3, Nos. 33-41131, 33-41277, 2-88106 (Post-Effective Amendment No. 2) and 33-24582 on Form S-8 of our reports dated August 10, 1994, appearing in and incorporated by reference in this Annual Report on Form 10-K of The Clorox Company for the year ended June 30, 1994.

/s/Deloitte & Touche LLP

*San Francisco, California
September 26, 1994*

ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION FROM THE FINANCIAL STATEMENTS OF THE CLOROX COMPANY FOR THE FISCAL YEAR ENDED JUNE 30, 1994, AS PRESENTED IN THE CLOROX COMPANY'S FORM 10-K FOR SUCH PERIOD, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

MULTIPLIER: 1000

PERIOD TYPE	12 MOS
FISCAL YEAR END	JUN 30 1994
PERIOD START	JUL 01 1993
PERIOD END	JUN 30 1994
CASH	30,045
SECURITIES	85,877
RECEIVABLES	251,364
ALLOWANCES	1,521
INVENTORY	105,948
CURRENT ASSETS	504,275
PP&E	850,522
DEPRECIATION	317,922
TOTAL ASSETS	1,697,569
CURRENT LIABILITIES	375,832
BONDS	216,088
COMMON	55,422
PREFERRED MANDATORY	0
PREFERRED	0
OTHER SE	853,995
TOTAL LIABILITY AND EQUITY	1,697,569
SALES	1,836,949
TOTAL REVENUES	1,836,949
CGS	820,434
TOTAL COSTS	1,511,018
OTHER EXPENSES	874
LOSS PROVISION	0
INTEREST EXPENSE	18,424
INCOME PRETAX	306,633
INCOME TAX	126,640
INCOME CONTINUING	179,993
DISCONTINUED	32,064
EXTRAORDINARY	0
CHANGES	0
NET INCOME	212,057
EPS PRIMARY	3.94
EPS DILUTED	0

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