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

FORM 10-Q

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

For the quarterly period ended December 31, 2010.

OR

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

For the transition period from to

Commission File Number: **1-07151**

THE CLOROX COMPANY

(Exact name of registrant as specified in its charter)

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

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

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

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

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

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

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

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

As of December 31, 2010, there were 137,610,515 shares outstanding of the registrant's common stock ($1.00 – par value).

The Clorox Company

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

	Three Months Ended		Six Months Ended	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Net sales	$ 1,179	$ 1,215	$ 2,445	$ 2,518
Cost of products sold	687	686	1,392	1,406
Gross profit	492	529	1,053	1,112
Selling and administrative expenses	180	185	361	357
Advertising costs	117	123	235	245
Research and development costs	28	29	57	55
Goodwill impairment	258	-	258	-
Interest expense	33	37	65	73
Other (income) expense, net	(12)	18	(13)	28
Earnings (losses) from continuing operations before income taxes	(112)	137	90	354
Income taxes on continuing operations	51	44	113	121
Earnings (losses) from continuing operations	(163)	93	(23)	233
Discontinued operations:				
Earnings from Auto businesses, net of tax	7	17	23	34
Gain on sale of Auto businesses, net of tax	177	-	237	-
Earnings from discontinued operations	184	17	260	34
Net earnings	$ 21	$ 110	$ 237	$ 267
Earnings (losses) per share				
Basic				
Continuing operations	$ (1.17)	$ 0.66	$ (0.17)	$ 1.65
Discontinued operations	1.32	0.12	1.87	0.24
Basic net earnings per share	$ 0.15	$ 0.78	$ 1.70	$ 1.89
Diluted				
Continuing operations	$ (1.17)	$ 0.66	$ (0.17)	$ 1.64
Discontinued operations	1.32	0.11	1.87	0.24
Diluted net earnings per share	$ 0.15	$ 0.77	$ 1.70	$ 1.88
Weighted average shares outstanding (in thousands)				
Basic	138,678	140,303	139,077	140,023
Diluted	138,678	141,528	139,077	141,211
Dividend declared per share	$ 0.55	$ 0.50	$ 1.10	$ 1.00

See Notes to Condensed Consolidated Financial Statements

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

	12/31/2010	6/30/2010
ASSETS		
Current assets		
Cash and cash equivalents	$ 379	$ 87
Receivables, net	440	540
Inventories, net	412	332
Assets held for sale	-	405
Other current assets	113	125
Total current assets	1,344	1,489
Property, plant and equipment, net	973	966
Goodwill	1,063	1,303
Trademarks, net	551	550
Other intangible assets, net	90	96
Other assets	137	144
Total assets	$ 4,158	$ 4,548
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Notes and loans payable	$ 3	$ 371
Current maturities of long-term debt	300	300
Accounts payable	326	409
Accrued liabilities	443	491
Income taxes payable	104	74
Total current liabilities	1,176	1,645
Long-term debt	2,125	2,124
Other liabilities	704	677
Deferred income taxes	29	19
Total liabilities	4,034	4,465
Contingencies		
Stockholders' equity		
Common stock: $1.00 par value; 750,000,000 shares authorized; 158,741,461 shares issued at December 31, 2010 and June 30, 2010; and 137,610,515 and 138,764,511 shares outstanding at December 31, 2010 and June 30, 2010, respectively	159	159
Additional paid-in capital	610	617
Retained earnings	994	920
Treasury shares, at cost: 21,130,946 and 19,976,950 shares at December 31, 2010 and June 30, 2010, respectively	(1,321)	(1,242)
Accumulated other comprehensive net losses	(318)	(371)
Stockholders' equity	124	83
Total liabilities and stockholders' equity	$ 4,158	$ 4,548

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Cash Flows
(Dollars in millions)

	Six Months Ended	
	12/31/2010	12/31/2009
Operating activities:		
Net earnings	$ 237	$ 267
Deduct: Earnings from discontinued operations	260	34
Earnings (loss) from continuing operations	(23)	233
Adjustments to reconcile earnings (loss) from continuing operations:		
Depreciation and amortization	88	94
Share-based compensation	14	25
Deferred income taxes	7	5
Goodwill impairment	258	-
Other	-	(15)
Changes in:		
Receivables, net	54	58
Inventories, net	(68)	(41)
Other current assets	17	-
Accounts payable and accrued liabilities	(129)	(109)
Income taxes payable	(48)	(39)
Net cash provided by continuing operations	170	211
Net cash provided by discontinued operations	55	35
Net cash provided by operations	225	246
Investing activities:		
Capital expenditures	(89)	(76)
Proceeds from sale of businesses, net of transaction costs	747	-
Other	25	1
Net cash provided by (used for) investing activities	683	(75)
Financing activities:		
Notes and loans payable, net	(369)	(397)
Long-term debt borrowings	-	297
Long-term debt repayments	-	(15)
Treasury stock purchased	(134)	-
Cash dividends paid	(154)	(141)
Issuance of common stock for employee stock plans and other	35	31
Net cash used for financing activities	(622)	(225)
Effect of exchange rate changes on cash and cash equivalents	6	2
Net increase (decrease) in cash and cash equivalents	292	(52)
Cash and cash equivalents:		
Beginning of period	87	206
End of period	$ 379	$ 154

See Notes to Condensed Consolidated Financial Statements

Notes to Condensed Consolidated Financial Statements
(Dollars in millions, except per share amounts)

NOTE 1. INTERIM FINANCIAL STATEMENTS

Basis of Presentation

The unaudited interim condensed consolidated financial statements for the three and six months ended December 31, 2010 and 2009, in the opinion of management, reflect all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the consolidated results of operations, financial position and cash flows of The Clorox Company and its subsidiaries (the Company) for the periods presented. Certain prior period amounts have been reclassified in the condensed consolidated financial statements to conform to the current period presentation. The results for the interim period ended December 31, 2010, are not necessarily indicative of the results that may be expected for the fiscal year ending June 30, 2011, or for any future period.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) have been omitted or condensed pursuant to the rules and regulations of the Securities and Exchange Commission (the SEC). The information in this report should be read in conjunction with the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended June 30, 2010, which includes a complete set of footnote disclosures, including the Company's significant accounting policies.

Use of Estimates

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

NOTE 2. DISCONTINUED OPERATIONS

In September 2010, the Company entered into a definitive agreement to sell its global auto care businesses (Auto Businesses) to an affiliate of Avista Capital Partners in an all-cash transaction. In November 2010, the Company completed the sale pursuant to the terms of a Purchase and Sale Agreement (Purchase Agreement) and received cash consideration of $755. The Company will also receive cash flows of approximately $30 related to working capital that was retained by the Company. Included in earnings from discontinued operations for the three and six months ended December 31, 2010 is an after-tax gain on the transaction of $177 and $237, respectively. The final amount of proceeds is subject to closing adjustments related to the portion of the working capital transferred and are not expected to be material.

Included in the transaction were substantially all of the Company's global auto care businesses, the majority of which are in the U.S., Australia, Canada and Europe, including the worldwide rights to the market-leading Armor All ® and STP ® brands. As part of the transaction, the buyer acquired two auto-care manufacturing facilities, one in the U.S. and one in the United Kingdom. Employees at these facilities, the Auto Businesses management team and other employees affiliated with the Auto Businesses transferred to the buyer. The results of the Auto Businesses have historically been part of the Company's Cleaning and International reportable segments.

As part of the Purchase Agreement, certain transitional services are being provided to the buyer for a period of up to eighteen months. The purpose of these services is to provide short-term assistance to the buyer in assuming the operations of the Auto Businesses. These services do not confer to the Company the ability to influence the operating or financial policies of the Auto Businesses under its new ownership. The Company's cash inflows and outflows from these services are not expected to be significant during the transition period. Income from these transition services is being reported in other (income) expense in continuing operations with the costs associated with the services reflected in continuing operations in the condensed consolidated statements of earnings. Aside from the transition services, the Company has included the financial results of the Auto Businesses in discontinued operations for all periods presented. Assets related to the Auto Businesses are presented as assets held for sale on the accompanying condensed consolidated balance sheet at June 30, 2010.

NOTE 2. DISCONTINUED OPERATIONS (Continued)

The following table presents the earnings attributable to the Auto Businesses which includes the financial results up to November 5, 2010, the date of the sale.

	Three Months Ended		Three Months Ended		Six Months Ended	
	9/30/2010	9/30/2009	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Net sales	$ 68	$ 68	$ 27	$ 64	$ 95	$ 132
Earnings before income taxes	24	27	10	26	34	53
Income tax expense on earnings	(8)	(10)	(3)	(9)	(11)	(19)
Gain on sale	-	-	326	-	326	-
Income tax benefit (expense) on sale	60	-	(149)	-	(89)	-
Earnings from discontinued operations	$ 76	$ 17	$ 184	$ 17	$ 260	$ 34

As a result of the Auto Businesses being reported as discontinued operations in the fiscal quarter ended September 30, 2010, the Company reversed $5 in previously existing deferred tax liabilities and established a net $55 deferred tax asset for the excess of tax basis over book basis in the stock investments of the businesses being sold. A tax benefit had not been previously recorded for this temporary difference because the Company had not entered into a definitive agreement to sell the Auto Businesses until the fiscal quarter ended September 30, 2010. Upon the sale of the Auto Businesses in the fiscal quarter ended December 31, 2010, the deferred tax asset established in the fiscal quarter ended September 30, 2010, was realized. In addition, current income taxes were recorded on the gain on sale.

The major classes of assets and liabilities of the Auto Businesses reflected as held for sale at June 30, 2010 were as follows:

Receivables, net	$ 4
Inventories, net	35
Other current assets	1
Property, plant and equipment, net	13
Goodwill	347
Trademarks and other intangible assets	12
Accounts payable and other liabilities	(7)
Assets held for sale	$ 405

NOTE 3. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The Company is exposed to certain commodity, interest rate and foreign currency risks relating to its ongoing business operations. The Company may use commodity futures and swap contracts to fix the price of a portion of its forecasted raw material requirements. Contract maturities, which are generally no longer than 18 months, are matched to the length of the raw material purchase contracts. The Company may enter into interest rate forward contracts to fix a portion of the benchmark interest rate prior to the anticipated issuance of fixed rate debt. These interest rate forward contracts have durations of less than six months. The Company may also enter into certain foreign currency related derivative contracts to manage a portion of the Company's foreign exchange risk associated with the purchase of inventory. These foreign currency contracts generally have durations no longer than twelve months.

The accounting for changes in the fair value (i.e., gains or losses) of a derivative instrument depends on whether it has been designated and qualifies as a hedge, and on the type of the hedging relationship. For those derivative instruments designated and qualifying as hedging instruments, the Company must designate the hedging instrument as a fair value hedge or a cash flow hedge. The Company designates its commodity forward and future contracts of forecasted purchases for raw materials, interest rate forward contracts of forecasted interest payments, and its foreign currency forward contracts of forecasted purchases of inventory as cash flow hedges. During the three and six months ended December 31, 2010 and 2009, the Company had no hedging instruments designated as fair value hedges.

NOTE 3. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS (Continued)

For derivative instruments designated and qualifying as a cash flow hedge, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive income (OCI) and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. The estimated amount of the existing net gain at December 31, 2010, expected to be reclassified into earnings within the next twelve months is $7. Gains and losses on the derivative instruments representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings. During the three and six months ended December 31, 2010 and 2009, the hedge ineffectiveness was not material. The Company dedesignates these cash flow hedge relationships whenever it determines that the hedge relationships are no longer highly effective or that the forecasted transaction is no longer probable. The portion of gains or losses on the derivative instrument previously accumulated in other comprehensive income for dedesignated hedges remains in accumulated other comprehensive income until the forecasted transaction is recognized in earnings, or is recognized in earnings immediately if the forecasted transaction is no longer probable. Changes in the value of derivative instruments after dedesignation are recorded in other (income) expense and amounted to $2 and $3 for the three and six months ended December 31, 2010, and $0 for the three and six months ended December 31, 2009, respectively.

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

		Fair value	
	Balance Sheet classification	**12/31/2010**	**6/30/2010**
Assets			
Foreign exchange contracts	Other current assets	$ -	$ 1
Interest rate contracts	Other current assets	6	-
Commodity purchase contracts	Other current assets	8	-
		$ 14	$ 1
Liabilities			
Foreign exchange contracts	Accrued liabilities	$ (2)	$ -
Commodity purchase contracts	Accrued liabilities	-	(2)
		$ (2)	$ (2)

The effects of derivative instruments designated as hedging instruments on OCI and on the statement of earnings for the three and six months ended December 31, 2010, were as follows:

	Three months ended 12/31/2010		Six months ended 12/31/2010	
Cash flow hedges	**Gain (Loss) recognized in OCI**	**Gain reclassified from OCI and recognized in earnings**	**Gain (Loss) recognized in OCI**	**Gain reclassified from OCI and recognized in earnings**
Commodity purchase contracts	$ 6	$ 1	$ 11	$ 1
Interest rate contracts	10	-	6	-
Foreign exchange contracts	(2)	-	(3)	-
Total	$ 14	$ 1	$ 14	$ 1

The gains reclassified from OCI and recognized in earnings for commodity purchase contracts and foreign exchange contracts are included in cost of products sold.

The Company's derivative financial instruments not designated as hedging instruments are recorded at fair value in the condensed consolidated balance sheet as follows:

		Fair value	
	Balance Sheet classification	**12/31/2010**	**6/30/2010**
Commodity purchase contracts	Other current assets	$ 2	$ -
Commodity purchase contracts	Accrued liabilities	-	(1)
		$ 2	$ (1)

As of December 31, 2010, the net notional value of commodity derivatives was $62, of which $23 related to diesel fuel, $17 related to jet fuel, $19 related to soybean oil and $3 related to crude oil.

As of December 31, 2010, the net notional value of interest rate forward contracts was $150 related to interest payments associated with the anticipated refinancing of the $300 debt maturing in February 2011.

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NOTE 3. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS (Continued)

As of December 31, 2010, the Company had outstanding foreign currency forward contracts related to its subsidiaries in Canada and Australia of $24 and $12, respectively, used to hedge forecasted purchases of inventory.

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

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

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

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

At December 31, 2010, the Company's financial assets and liabilities that were measured at fair value on a recurring basis during the year comprised of derivative financial instruments and were all level 2.

Commodity purchase contracts are fair valued using market quotations obtained from commodity derivative dealers. The interest rate contracts are fair valued using information quoted by U.S. government bond dealers. The foreign exchange contracts are fair valued using information quoted by foreign exchange dealers.

The carrying values of cash and cash equivalents, accounts receivable, accounts payable and notes and loans payable approximate their fair values at December 31, 2010 and June 30, 2010, due to the short maturity and nature of those balances. The estimated fair value of long-term debt, included current maturities was $2,605 and $2,635 at December 31, 2010 and June 30, 2010, respectively. The Company accounts for its long-term debt at face value, net of any unamortized discounts or premiums. The fair value of long-term debt was determined using secondary market prices quoted by corporate bond dealers.

NOTE 4. INVENTORIES, NET

Inventories, net, consisted of the following as of:

	12/31/2010	6/30/2010
Finished goods	$ 335	$ 272
Raw materials and packaging	112	94
Work in process	4	4
LIFO allowances	(29)	(28)
Allowances for obsolescence	(10)	(10)
Total	$ 412	$ 332

NOTE 5. GOODWILL, TRADEMARKS AND OTHER INTANGIBLE ASSETS

During the fiscal 2011 second quarter, the Company identified challenges in increasing sales in new international markets in accordance with projections, particularly in the European Union and Asia. Additionally, in the fiscal 2011 second quarter, the Company initiated its process for updating the three year long-range financial and operating plan for the Burt's Bees business. In addition to slower than projected growth of international sales and challenges in the timing of certain international expansion plans, the domestic natural personal care category had not recovered in accordance with the Company's projections. Following the comprehensive reevaluation, the Company concluded to recognize an impairment charge in the fiscal 2011 second quarter.

The impairment charge is a result of changes in the assumptions used to determine the fair value of the Burt's Bees business based on slower than forecasted category growth as well as recent challenges in international expansion plans, which have adversely affected the assumptions for international growth and the estimates of expenses necessary to achieve that growth. The revised assumptions reflect somewhat higher cost levels than previously projected. As a result of this assessment, the Company concluded that the book value of the Burt's Bees reporting unit exceeded its fair value, resulting in an impairment charge of $258 recognized in the fiscal second quarter ended December 31, 2010. The goodwill impairment charge is based on the Company's current estimates regarding the future financial performance of the Burt's Bees business and macroeconomic factors. There was no substantial tax benefit associated with this noncash charge.

To determine the fair value of the Burt's Bees reporting unit, which is in the Lifestyle segment, the Company used a discounted cash flow (DCF) approach, as it believes that this approach is the most reliable indicator of fair value of the business. Under this approach, the Company estimated the future cash flows of the Burt's Bees reporting unit and discounted these cash flows at a rate of return that reflects its relative risk.

The Company's trademarks and definite-lived intangible assets for the Burt's Bees reporting unit were included in the impairment testing. The impairment testing concluded that these assets were not impaired.

The Company expects to finalize its goodwill impairment analysis for the Burt's Bees reporting unit during the fiscal quarter ended March 31, 2011, and there could be adjustments to the goodwill impairment charge when the analysis is finalized. Any potential adjustments to the Company's preliminary estimates as a result of completing this evaluation would be recorded in the Company's condensed consolidated financial statements when finalized.

The Company may need to make future changes in its assumptions relating to the value of Burt's Bees, which may result in additional impairment charges if the Company's sales growth and margin expansion expectations are not realized or macroeconomic factors such as economic and category growth rates, commodity prices and foreign currency rates change in unexpected ways. The Company expects that any such impairment charge will not result in future cash expenditures.

Changes in the carrying amount of Goodwill, Trademarks and Other intangible assets as of December 31, 2010, were as follows:

	Goodwill				
	Cleaning	Lifestyle	Household	International	Total
Balance June 30, 2010	$ 275	$ 623	$ 85	$ 320	1,303
Translation adjustments and other	-	-	-	14	14
Balance September 30, 2010	275	623	85	334	1,317
Goodwill impairment	-	(258)	-	-	(258)
Translation adjustments and other	-	-	-	4	4
Balance December 31, 2010	$ 275	$ 365	$ 85	$ 338	$ 1,063

NOTE 5. GOODWILL, TRADEMARKS AND OTHER INTANGIBLE ASSETS (Continued)

	Trademarks			Other intangible assets subject to amortization		
	Subject to amortization	Not subject to amortization	Total	Technology and Product formulae	Other	Total
Balance June 30, 2010	$ 24	$ 526	$ 550	$ 37	$ 59	$ 96
Amortization	(1)	-	(1)	(2)	(1)	(3)
Translation adjustments and other	2	1	3	2	(2)	-
Balance September 30, 2010	25	527	552	37	56	93
Amortization	(1)	-	(1)	(2)	(1)	(3)
Translation adjustments and other	-	-	-	-	-	-
Balance December 31, 2010	$ 24	$ 527	$ 551	$ 35	$ 55	$ 90

Trademarks and Other intangible assets subject to amortization are net of accumulated amortization of $243 and $235 at December 31, 2010 and June 30, 2010, respectively. Estimated amortization expense for these intangible assets is $17, $17, $16, $15 and $11 for fiscal years 2011, 2012, 2013, 2014 and 2015, respectively. The weighted-average amortization period for trademarks and other intangible assets subject to amortization is 22 years and 15 years, respectively.

NOTE 6. OTHER LIABILITIES

Other liabilities consisted of the following as of:

	12/31/2010	6/30/2010
Employee benefit obligations	$ 304	$ 306
Venture agreement net terminal obligation	276	274
Taxes	93	64
Other	31	33
Total	$ 704	$ 677

NOTE 7. NET EARNINGS PER SHARE

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

	Three Months Ended		Six Months Ended	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Earnings (losses) from continuing operations	$ (163)	$ 93	$ (23)	$ 233
Earnings from discontinued operations	184	17	260	34
Net earnings	$ 21	$ 110	$ 237	$ 267
Less: Earnings allocated to participating securities	-	(1)	(1)	(2)
Net earnings applicable to common stock	$ 21	$ 109	$ 236	$ 265

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NOTE 7. NET EARNINGS PER SHARE (Continued)

	Weighted Average Number of Shares Outstanding for the Three Months Ended		Weighted Average Number of Shares Outstanding for the Six Months Ended	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Basic	138,678	140,303	139,077	140,023
Dilutive effect of stock options and other				
(excludes participating securities)	-	1,225	-	1,188
Diluted	138,678	141,528	139,077	141,211

During the three and six months ended December 31, 2010, the Company did not include stock options to purchase 3,456 thousand shares and 3,504 thousand shares, respectively, of the Company's common stock in the calculations of diluted EPS because their inclusion would be anti-dilutive. Since the Company experienced losses from continuing operations for both the three and six month periods ended December 31, 2010, no dilution was applied to the Company ' s basic weighted average shares outstanding for those periods as to do so would have reduced the Company ' s reported losses from continuing operations.

During the three and six months ended December 31, 2009, the Company did not include stock options to purchase 4,126 thousand and 4,150 thousand shares, respectively, of the Company's common stock, in the calculations of diluted EPS because their inclusion would be anti-dilutive.

During the three and six months ended December 31, 2010, the Company repurchased 2,063 and 2,121 thousand shares for an aggregate of $130 and $134, respectively. The Company did not repurchase any shares during the three and six months ended December 31, 2009.

NOTE 8. COMPREHENSIVE INCOME

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

	Three Months Ended		Six Months Ended	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Net earnings	$ 21	$ 110	$ 237	$ 267
Other comprehensive gains (losses), net of tax:				
Foreign currency translation	8	(5)	42	17
Net derivative adjustments	8	8	6	11
Pension and postretirement benefit adjustments	3	1	5	2
Total comprehensive income	$ 40	$ 114	$ 290	$ 297

NOTE 9. INCOME TAXES

In determining its quarterly provision for income taxes, the Company uses an estimated annual effective tax rate, which is based on expected annual income, statutory tax rates and tax planning opportunities available in the various jurisdictions in which the Company operates. Certain significant or unusual items are separately recognized in the quarter in which they occur and can be a source of variability in the effective tax rates from quarter to quarter. The effective tax rate on income from continuing operations was (45.0)% and 125.9% for the three and six months ended December 31, 2010, respectively, and 32.1% and 34.2% for the three and six months ended December 31, 2009, respectively. The substantially different tax rates in the current periods resulted from the non-deductible goodwill impairment charge of $258 related to the Burt's Bees reporting unit as there was no substantial tax benefit associated with this noncash charge. The effective tax rate on continuing operations, excluding the noncash goodwill impairment charge, was 35.6% and 32.9% for the current periods. The lower rate for the three months ended December 31, 2009, was primarily due to lower foreign tax expense. The lower rate for the six months ended December 31, 2010, was primarily due to favorable tax settlements and the statutory phase-in of increased rates for the domestic manufacturing deduction, partially offset by lower foreign tax expense for the six months ended December 31, 2009.

Included in the balance of unrecognized tax benefits at December 31, 2010 and June 30, 2010, are potential benefits of $60 and $57, respectively, that if recognized, would affect the effective tax rate on earnings.

The Company recognizes interest and penalties related to uncertain tax positions as a component of income tax expense. As of December 31, 2010 and June 30, 2010, the total balance of accrued interest and penalties related to uncertain tax positions was $13 and $22, respectively. Interest and penalties included in income tax expense were a benefit of $1 and $3 for the three and six months ended December 31, 2010, and expense of $2 and $5 for the three and six months ended December 31, 2009, respectively.

The Company files income tax returns in the U.S. federal and various state, local and foreign jurisdictions. Certain issues relating to 2003, 2004 and 2006 were effectively settled by the Company and the IRS Appeals Division during the first quarter of fiscal year 2011. Tax and interest payments of $18 were made with respect to these issues in the current period. Various income tax returns in state and foreign jurisdictions are currently in the process of examination.

In the twelve months succeeding December 31, 2010, audit resolutions could potentially reduce total unrecognized tax benefits by up to $6, primarily as a result of cash settlement payments. Audit outcomes and the timing of audit settlements are subject to significant uncertainty.

NOTE 10. RETIREMENT INCOME AND HEALTH CARE BENEFIT PLANS

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

	Three Months Ended		Six Months Ended	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Components of net periodic benefit cost (income):				
Service cost	$ 4	$ 2	$ 7	$ 5
Interest cost	7	7	14	15
Expected return on plan assets	(8)	(7)	(16)	(15)
Amortization of unrecognized items	4	2	8	4
Total net periodic benefit cost	$ 7	$ 4	$ 13	$ 9

The net periodic benefit cost for the Company's retirement health care plans was $1 and $2, respectively for each of the three month and six month periods ended December 31, 2010 and 2009, respectively.

During the three months ended September 30, 2010, the Company made discretionary contributions of $15 to the domestic qualified retirement income plan.

NOTE 11. CONTINGENCIES

The Company is involved in certain environmental matters, including Superfund and other response actions at various locations. The Company has a recorded liability of $16 at both December 31, 2010 and June 30, 2010 for its share of aggregate future remediation costs related to these matters. One matter in Dickinson County, Michigan, for which the Company is jointly and severally liable, accounts for a substantial majority of the recorded liability at both December 31, 2010 and June 30, 2010. The Company has agreed to be liable for 24.3% of the aggregate remediation and associated costs for this matter pursuant to a cost-sharing arrangement with a third party. With the assistance of environmental consultants, the Company maintains an undiscounted liability representing its current best estimate of its share of the capital expenditures, maintenance and other costs that may be incurred over an estimated 30-year remediation period. Currently, the Company cannot accurately predict the timing of future payments that may be made under this obligation. In addition, the Company's estimated loss exposure is sensitive to a variety of uncertain factors, including the efficacy of remediation efforts, changes in remediation requirements and the timing, varying costs and alternative clean-up technologies that may become available in the future. Although it is possible that the Company's exposure may exceed the amount recorded, any amount of such additional exposures, or range of exposures, is not estimable at this time.

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

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NOTE 12. SEGMENT RESULTS

The Company operates through strategic business units, which are aggregated into four reportable segments: Cleaning, Household, Lifestyle and International. As a result of the recognition of the Auto Businesses as discontinued operations, the results of the Auto Businesses are no longer included in the Cleaning and International reportable segments for any period presented. The four reportable segments consist of the following:

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

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

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

- International consists of products sold outside the United States, excluding natural personal care products. These products include home-care, laundry, water filtration, charcoal and cat litter products, dressings and sauces, plastic bags, wraps and containers, and insecticides, primarily under the Clorox ®, Javex ®, Glad ®, PinoLuz ®, Ayudin ®, Limpido ®, Clorinda ®, Poett ®, Mistolin ®, Lestoil ®, Bon Bril ®, Nevex ®, Brita ®, Green Works ®, Pine-Sol ®, Agua Jane ®, Ever Clean ®, Chux ®, Kingsford ®, Fresh Step ®, Scoop Away ®, Ever Clean ®, K C Masterpiece ® and Hidden Valley ® brands.

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

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NOTE 12. SEGMENT RESULTS (Continued)

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

	Net Sales			
	Three Months Ended		Six Months Ended	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Cleaning	$ 354	$ 378	$ 803	$ 832
Household	320	334	674	715
Lifestyle	218	212	419	412
International	287	291	549	559
Total Company	$ 1,179	$ 1,215	$ 2,445	$ 2,518

	Earnings (Losses) from Continuing Operations Before Income Taxes			
	Three Months Ended		Six Months Ended	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Cleaning	$ 64	$ 70	$ 185	$ 189
Household	25	27	78	82
Lifestyle	(192)	78	(134)	144
International	41	32	81	75
Corporate	(50)	(70)	(120)	(136)
Total Company	$ (112)	$ 137	$ 90	$ 354

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

The earnings (losses) from continuing operations before income taxes for the Lifestyle segment include a $258 noncash goodwill impairment charge for the Burt's Bees business for the three and six months ended December 31, 2010.

Net sales to the Company's largest customer, Wal-Mart Stores, Inc. and its affiliates, were 25% and 26% of consolidated net sales for the three and six months ended December 31, 2010, and 26% and 27% of consolidated net sales for the three and six months ended December 31, 2009, respectively.

NOTE 13. GUARANTEES

In conjunction with divestitures and other transactions, the Company may provide indemnifications relating to the enforceability of trademarks; pre-existing legal, tax, environmental and employee liabilities; as well as provisions for product returns and other items. The Company has various indemnification agreements in effect that specify a maximum possible indemnification exposure. As of December 31, 2010, the Company's aggregate maximum exposure from these agreements is $66. This amount consists primarily of an indemnity of up to $38 made to an affiliate of Avista Capital Partners in connection with the sale of the Auto Businesses, a substantial portion of which expires six months from November 5, 2010. The Company had not made, nor does it anticipate making, any payments relating to the indemnities.

At December 31, 2010, The Company is a party to letters of credit of $18, primarily related to one of its insurance carriers.

The Company has not recorded any liabilities on any of the aforementioned guarantees at December 31, 2010.

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

Overview

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

The Company operates through strategic business units which are aggregated into four reportable segments: Cleaning, Household, Lifestyle and International. As a result of the recognition of the Auto Businesses as discontinued operations, the results of the Auto Businesses are no longer included in the Cleaning and International reportable segments. The four reportable segments consist of the following:

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

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

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

- International consists of products sold outside the United States, excluding natural personal care products. These products include home-care, laundry, water filtration, charcoal and cat litter products, dressings and sauces, plastic bags, wraps and containers, and insecticides, primarily under the Clorox ® , Javex ® , Glad ® , PinoLuz ® , Ayudin ® , Limpido ® , Clorinda ® , Poett ® , Mistolin ® , Lestoil ® , Bon Bril ® , Nevex ® , Brita ® , Green Works ® , Pine-Sol ® , Agua Jane ® , Ever Clean ® , Chux ® , Kingsford ® , Fresh Step ® , Scoop Away ® , Ever Clean ® , K C Masterpiece ® and Hidden Valley ® brands.

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

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

The following discussion of the Company's financial condition and results of operations should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and Consolidated Financial Statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended June 30, 2010, which was filed with the Securities and Exchange Commission (SEC) on August 25, 2010, and the unaudited Condensed Consolidated Financial Statements and related notes contained in this quarterly report on Form 10-Q.

Results of Operations

Management's Discussion and Analysis of the Results of Operations, unless otherwise noted, compares the three and six months ended December 31, 2010 (the current periods), to the three and six months ended December 31, 2009 (the prior periods), using percentages calculated on a rounded basis, except as noted. In addition, the discussion of results of operations of the Company as well as the Lifestyle segment includes certain financial measures that are not defined by accounting principles generally accepted in the United States of America (non-GAAP measures). These measures are diluted net earnings per share from continuing operations before the goodwill impairment charge and earnings from continuing operations before income taxes and the goodwill impairment charge. Management believes these measures provide investors with additional information about the underlying results of the Company. Information about these non-GAAP measure is set forth in the paragraph below and in the applicable segment discussion.

CONTINUING OPERATIONS

	Diluted Per Share Basis			
	Three Months Ended		Six Months Ended	
	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Net earnings from continuing operations	$ (1.17)	$ 0.66	$ (0.17)	$ 1.64
Add: Goodwill impairment	(1.85)	-	(1.85)	-
Net earnings from continuing operations before goodwill impairment	$ 0.68	$ 0.66	$ 1.68	$ 1.64

Diluted net earnings per share from continuing operations before goodwill impairment is a non-GAAP measure used by the Company's management to evaluate the business performance of the Company excluding the goodwill impairment charge . Excluding the noncash goodwill impairment, the Company's diluted net earnings per share from continuing operations increased $0.02 and $0.04 in the current periods compared to the prior periods. These increases were primarily due to the benefit of cost savings and the impact of pricing, partially offset by a decrease in net sales, unfavorable commodity costs and higher trade promotion spending.

	Three Months Ended			% of Net Sales	
	12/31/2010	12/31/2009	% Change	12/31/2010	12/31/2009
Net sales	$ 1,179	$ 1,215	(3) %	100.0 %	100.0 %
Gross profit	492	529	(7)	41.7	43.5
Selling and administrative expenses	180	185	(3)	15.3	15.2
Advertising costs	117	123	(5)	9.9	10.1
Research and development costs	28	29	(3)	2.4	2.4

	Six Months Ended			% of Net Sales	
	12/31/2010	12/31/2009	% Change	12/31/2010	12/31/2009
Net sales	$ 2,445	$ 2,518	(3) %	100.0 %	100.0 %
Gross profit	1,053	1,112	(5)	43.1	44.2
Selling and administrative expenses	361	357	1	14.8	14.2
Advertising costs	235	245	(4)	9.6	9.7
Research and development costs	57	55	4	2.3	2.2

Net sales and volume decreased in current periods as compared to prior periods. Volume decline of 2% in the three months ended December 31, 2010, was primarily driven by higher shipments of Clorox ® disinfecting wipes and other disinfecting products due to the H1N1 flu pandemic that was prevalent in the three months ended December 31, 2009. These decreases were partially offset by increased shipments in Latin America driven by new home care products, higher shipments of Burt's Bees ® natural personal care products and higher shipments of Pine-Sol ® cleaners and Glad ® trash bags behind product innovation. The variance between changes in volume and sales was primarily due to the negative impact of foreign currency exchange rates (approximately 220 basis points) and higher trade promotion spending (approximately 80 basis points), partially offset by the impact of pricing (approximately 190 basis points).

Volume decline of 2% during the six months ended December 31, 2010, was primarily driven by lower shipments of Glad ® food storage products, Scoop Away ® cat litter and Clorox ® disinfecting wipes. These decreases were partially offset by increased shipments of Burt's Bees ® natural personal care products, primarily due to lip balm, and increased shipments of Pine-Sol ® cleaners due to strong retailer merchandising and increased distribution; and Glad ® trash bags due to product innovation. The variance between changes in volume and sales was primarily due to the negative impact of foreign exchange rates (approximately 180 basis points) and higher trade promotion spending (approximately 60 basis points), partially offset by the benefits of pricing (approximately 160 basis points).

Gross margin , defined as gross profit as a percentage of net sales, decreased in the current periods as compared to prior periods. Gross margin decline in the three months ended December 31, 2010, was primarily driven by 100 basis points from unfavorable business and channel mix, 80 basis points from higher manufacturing and logistics costs, 60 basis points from unfavorable foreign exchange rates and 30 basis points from higher trade promotion spending, partially offset by 100 basis points from the impact of price increases. The impact of approximately 180 basis points from cost savings more than offset the unfavorable impact from higher commodity costs of 150 basis points.

Gross margin decline for the six months ended December 31, 2010, reflects approximately 100 basis points from higher other manufacturing related costs, 50 basis points from unfavorable foreign exchange rates, 40 basis points from higher trade promotion spending, partially offset by 90 basis points from the impact of price increases. The impact of approximately 190 basis points from the benefit of costs savings more than offset the unfavorable impact from higher commodity costs of 165 basis points.

Selling and administrative expenses decreased in the current quarter primarily due to lower legal settlement costs and lower employee incentive compensation costs partially offset by inflationary pressure in Latin America countries and infrastructure investments in facilities and information systems.

The slight increase in selling and administrative expenses in the six months ended December 31, 2010, was primarily due to inflationary pressure in Latin America countries partially offset by lower legal settlement costs and lower employee incentive costs.

Advertising costs remained flat as a percentage of net sales as the Company continues to support its new products and established brands.

Research and development costs remained flat as a percentage of net sales as the Company continues to support its new products and established brands with an emphasis on innovation.

Goodwill impairment

During the fiscal 2011 second quarter, the Company identified challenges in increasing sales in new international markets in accordance with projections, particularly in the European Union and Asia. Additionally, in the fiscal 2011 second quarter, the Company initiated its process for updating the three year long-range financial and operating plan for the Burt's Bees business. In addition to slower than projected growth of international sales and challenges in the timing of certain international expansion plans, the domestic natural personal care category had not recovered in accordance with the Company's projections. Following the comprehensive reevaluation, the Company concluded to recognize an impairment charge in the fiscal 2011 second quarter.

The impairment charge is a result of changes in the assumptions used to determine the fair value of the Burt's Bees business based on slower than forecasted category growth as well as recent challenges in international expansion plans, which have adversely affected the assumptions for international growth and the estimates of expenses necessary to achieve that growth. The revised assumptions reflect somewhat higher cost levels than previously projected. As a result of this assessment, the Company concluded that the book value of the Burt's Bees reporting unit exceeded its fair value, resulting in an impairment charge of $258 recognized in the fiscal second quarter ended December 31, 2010. The goodwill impairment charge is based on the Company's current estimates regarding the future financial performance of the Burt's Bees business and macroeconomic factors. There was no substantial tax benefit associated with this noncash charge.

To determine the fair value of the Burt's Bees reporting unit, which is in the Lifestyle segment, the Company used a discounted cash flow (DCF) approach, as it believes that this approach is the most reliable indicator of fair value of the business. Under this approach, the Company estimated the future cash flows of the Burt's Bees reporting unit and discounted these cash flows at a rate of return that reflects its relative risk.

The Company's trademarks and definite-lived intangible assets for the Burt's Bees reporting unit were included in the impairment testing. The impairment testing concluded that these assets were not impaired.

The Company expects to finalize its goodwill impairment analysis for the Burt's Bees reporting unit during the fiscal quarter ended March 31, 2011, and there could be adjustments to the goodwill impairment charge when the analysis is finalized. Any potential adjustments to the Company's preliminary estimates as a result of completing this evaluation would be recorded in the Company's condensed consolidated financial statements when finalized.

The Company may need to make future changes in its assumptions relating to the value of Burt's Bees, which may result in additional impairment charges if the Company's sales growth and margin expansion expectations are not realized or macroeconomic factors such as economic and category growth rates, commodity prices and foreign currency rates change in unexpected ways. The Company expects that any such impairment charge will not result in future cash expenditures.

Interest expense decreased by $4 and $8, respectively, in the current periods. The decrease is primarily due to lower interest rates on aggregate borrowings and a decline in average debt balances.

Other (income) expense, net was $(12) and $(13) in the current periods and $18 and $28 in the prior periods. The change in other (income) expense, net for the current periods was primarily due to the decline in foreign exchange transaction losses in Venezuela of $18 and $27, respectively, from translating the Venezuelan subsidiary's financial statements using the parallel exchange rate instead of the official rate in the prior periods and low income housing partnership gains.

The effective tax rate on continuing operations was (45)% and 125.9% for the current periods, respectively, as compared to 32.1% and 34.2% for the prior periods, respectively. The tax rates in the current periods resulted from the non-deductible goodwill impairment charge of $258 related to the Burt's Bees reporting unit, as there was no substantial tax benefits associated with the charge. The effective tax rate on continuing operations, excluding the noncash goodwill impairment charge, was 35.6% and 32.9% for the current periods. The lower rate for the three months ended December 31, 2009, was primarily due to lower foreign tax expense. The lower rate for the six months ended December 31, 2010, was primarily due to favorable tax settlements and the statutory phase-in of increased rates for the domestic manufacturing deduction for the six months ended December 31, 2010, partially offset by lower foreign tax expense.

DISCONTINUED OPERATIONS

In September 2010, the Company entered into a definitive agreement to sell its global auto care businesses (Auto Businesses) to an affiliate of Avista Capital Partners in an all-cash transaction. In November 2010, the Company completed the sale pursuant to the terms of a Purchase and Sale Agreement (Purchase Agreement) and received cash consideration of $755. The Company will also receive cash flows of approximately $30 related to working capital that was retained by the Company. Included in earnings from discontinued operations for the three and six months ended December 31, 2010 is an after-tax gain on the transaction of $177 and $237, respectively. The final amount of proceeds is subject to closing adjustments related to the portion of the working capital transferred and are not expected to be material.

Included in the transaction are substantially all of the Company's global auto care businesses, the majority of which are in the U.S., Australia, Canada and Europe, including the worldwide rights to the market-leading Armor All ® and STP ® brands. As part of the transaction, the buyer acquired two auto-care manufacturing facilities, one in the U.S. and one in the United Kingdom. Employees at these facilities, the Auto Businesses management team and other employees affiliated with the Auto Businesses transferred to the buyer. The results of the Auto Businesses have historically been part of the Company's Cleaning and International reportable segments.

As part of the Purchase Agreement, certain transitional services are provided to the buyer for a period of up to eighteen months. The purpose of these services is to provide short-term assistance to the buyer in assuming the operations of the Auto Businesses. These services do not confer to the Company the ability to influence the operating or financial policies of the Auto Businesses under its new ownership. The Company's cash inflows and outflows from these services are not expected to be significant during the transition period. Income from these transition services is being reported in other (income) expense in continuing operations with the costs associated with the services reflected in continuing operations in the condensed consolidated statements of earnings. Aside from the transition services, the Company has included the financial results of the Auto Businesses in discontinued operations for all periods presented. Assets related to the Auto Businesses are presented as assets held for sale on the accompanying condensed consolidated balance sheet at June 30, 2010.

The following table presents the earnings attributable to the Auto Businesses which includes the financial results up to November 5, 2010, the date of the sale.

	Three Months Ended		Three Months Ended		Six Months Ended	
	9/30/2010	9/30/2009	12/31/2010	12/31/2009	12/31/2010	12/31/2009
Earnings from Auto businesses, net of tax	$ 8	$ 17	$ 7	$ 17	$ 23	$ 34
Gain on sale	-	-	326	-	326	-
Income tax benefit (expense) on sale	60	-	(149)	-	(89)	-
Earnings from discontinued operations	$ 68	$ 17	$ 184	$ 17	$ 260	$ 34

As a result of the Auto Businesses being reported as discontinued operations in the fiscal quarter ended September 30, 2010, the Company reversed $5 in previously existing deferred tax liabilities and established a net $55 deferred tax asset for the excess of tax basis over book basis in the stock investments of the businesses being sold. A tax benefit had not been previously recorded for this temporary difference because the Company had not entered into a definitive agreement to sell the Auto Businesses until the fiscal quarter ended September 30, 2010. Upon the sale of the Auto Businesses in the fiscal quarter ended December 31, 2010, the deferred tax asset established in the fiscal quarter ended September 30, 2010, was realized. In addition, current income taxes were recorded on the gain on sale.

SEGMENT RESULTS FROM CONTINUING OPERATIONS

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

CLEANING

	Three Months Ended			Six Months Ended		
	12/31/2010	12/31/2009	% Change	12/31/2010	12/31/2009	% Change
Net sales	$ 354	$ 378	(6)%	$ 803	$ 832	(3)%
Earnings from continuing operations before income taxes	64	70	(9)	185	189	(2)

Net sales, volume and earnings from continuing operations before income taxes declined in the current periods as compared to the year-ago periods.

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Volume decline of 6% in the current period was primarily driven by higher shipments in the prior period of Clorox ® disinfecting wipes and other disinfecting products associated with the H1N1 flu pandemic that was prevalent in the three months ended December 31, 2009, and lower shipments of Clorox ® laundry additives due to category softness. These decreases were primarily offset by higher shipments of Pine-Sol ® cleaners due to product improvements and increased merchandising activity. The decrease in earnings from continuing operations before income taxes in the current period was primarily due to $24 of lower sales and $6 of higher commodity costs, primarily due to resin; partially offset by lower selling and administrative expenses of $8 , primarily due to lower legal settlement costs; $7 of cost savings due to network consolidations and various manufacturing efficiencies, and lower advertising costs of $6.

Volume decline of 2% in the six months ended December 31, 2010, was primarily driven by lower shipments of Clorox ® disinfecting wipes and other disinfecting products due to a high level of shipments in the year-ago period related to the H1N1 flu pandemic and lower shipments of Green Works ® products, primarily due to the launch of Green Works ® laundry detergent in the prior period. These decreases were primarily offset by higher shipments of Pine-Sol ® cleaners due to increased merchandising activity and increased distribution. The variance between changes in net sales and volume was primarily due to increased trade spending (approximately 60 basis points). The decrease in earnings from continuing operations before income taxes in the six months ended December 31, 2010, was primarily due to $29 of lower net sales, $13 of higher commodity costs, primarily due to resin; partially offset by $16 of cost savings due to network consolidations and various manufacturing efficiencies, a $13 decrease in advertising costs and a $7 decrease in selling and administrative expenses primarily due to lower legal settlement costs.

HOUSEHOLD

	Three Months Ended			Six Months Ended		
	12/31/2010	12/31/2009	% Change	12/31/2010	12/31/2009	% Change
Net sales	$ 320	$ 334	(4)%	$ 674	$ 715	(6)%
Earnings from continuing operations before income taxes	25	27	(7)	78	82	(5)

Net sales, volume and earnings from continuing operations before income taxes declined in the current periods as compared to the year-ago periods.

Volume decline of 1% in the current period was primarily driven by lower shipments of Glad ® food storage products partially offset by higher shipments of Glad ® trash bags, primarily related to product improvements. The variance between changes in net sales and volume was primarily due to increased trade spending to support the Glad ® business and price declines on cat litter (together, approximately 240 basis points). The decrease in earnings from continuing operations before income taxes in the current period was primarily due to $14 of lower net sales, $6 of higher commodity costs, primarily due to resin; partially offset by $9 of cost savings, primarily associated with various manufacturing efficiencies and product improvements, $5 of lower manufacturing and logistics costs and $4 of lower advertising costs.

Volume decline of 5% in the six months ended December 31, 2010, was primarily driven by lower shipments of Glad ® f ood storage products; lower shipments of Scoop Away ® c at litter primarily due to competitive activity, and lower shipments of Kingsford ® c harcoal. These decreases were primarily offset by higher shipments of Glad ® t rash bags primarily related to product improvements. The variance between changes in net sales and volume was primarily due to increased trade spending (approximately 90 basis points) and other smaller items (approximately 50 basis points). The decrease in earnings from continuing operations before income taxes in the six months ended December 31, 2010, was primarily due to $41 of lower net sales, $16 of higher commodity costs; partially offset by $20 of cost savings, primarily associated with various manufacturing efficiencies and product improvements and $13 of lower manufacturing and logistics costs and other items.

LIFESTYLE

	Three Months Ended		% Change	Six Months Ended		% Change
	12/31/2010	12/31/2009		12/31/2010	12/31/2009	
Net sales	$ 218	$ 212	3%	$ 419	$ 412	2%
Earnings (losses) from continuing operations before income taxes	$ (192)	$ 78	(346)	$ (134)	$ 144	(193)
Goodwill impairment	258	-	100	258	-	100
Earnings from continuing operations before income taxes and the goodwill impairment charge	$ 66	$ 78	(15)	$ 124	$ 144	(14)

Earnings (losses) from continuing operations before income taxes and earnings from continuing operations before income taxes and the goodwill impairment charge, declined while net sales and volume increased in the current periods as compared to the year-ago periods.

Earnings from continuing operations before income taxes and the goodwill impairment charge, is a non-GAAP measure used by the Company ’ s management to evaluate the business performance of the Company excluding the goodwill impairment charge.

Volume growth of 3% in the current period was primarily driven by higher shipments of Burt’s Bees ® natural personal care products and Hidden Valley ® salad dressings behind new products and incremental advertising. These increases were primarily offset by lower shipments of Brita ® water-filtration products due to a challenging comparison with high volume in the three months ended December 31, 2009. The decrease in earnings (losses) from continuing operations before income taxes in the current period was primarily due to a noncash goodwill impairment charge of $258 for the Burt’s Bees business. The decrease in earnings from continuing operations before income taxes and the goodwill impairment charge, in the three months ended December 31, 2010, was primarily due to $5 of higher advertising and sales promotion activity, $3 of higher selling and administrative expenses and other items.

Volume growth of 2% in the six months ended December 31, 2010, was primarily driven by higher shipments of Burt’s Bees ® natural personal care products, primarily driven by lip balm, and increased shipments of Brita ® pour-through water filtration products. These increases were primarily offset by lower shipments of KC Masterpiece ® barbeque sauce due to strong competitive activity and lower shipments of Hidden Valley ® bottled salad dressings. The decrease in earnings (losses) from continuing operations before income taxes in the six months ended December 31, 2010, was primarily due to a noncash goodwill impairment charge of $258 for the Burt’s Bees business. The decrease in earnings from continuing operations before income taxes and the goodwill impairment charge, in the six months ended December 31, 2010, was primarily due to $6 of higher advertising expenses, $4 of increased trade spending, $4 of higher selling and administrative expenses and other items.

INTERNATIONAL

	Three Months Ended		% Change	Six Months Ended		% Change
	12/31/2010	12/31/2009		12/31/2010	12/31/2009	
Net sales	$ 287	$ 291	(1)%	$ 549	$ 559	(2)%
Earnings from continuing operations before income taxes	41	32	28	81	75	8

Volume and earnings from continuing operations before income taxes increased while net sales declined in the current periods as compared to the year-ago periods.

Volume growth of 3% in the current period was primarily driven by new home care product launches and category growth in Latin America, partially offset by lower shipments of Glad ® products in Australia due to distribution losses. The variance between the changes in net sales and volume was primarily due to the impact of unfavorable foreign exchange rates (approximately 900 basis points) and unfavorable product mix (approximately 260 basis points) substantially offset by the impact of pricing (approximately 800 basis points). The increase in earnings from continuing operations before income taxes was primarily due to the impact of $23 of price increases and $3 of cost savings; partially offset by $9 of higher manufacturing and logistics costs, primarily due to inflation, $6 of higher selling and administrative expenses and $5 of higher commodity costs, primarily due to resin and the impact of inflation.

Volume was flat in the six months ended December 31, 2010. The variance between the changes in net sales and volume was primarily due to unfavorable foreign exchange rates (approximately 800 basis points) and unfavorable product mix (approximately 170 basis points), substantially offset by the impact of pricing (approximately 800 basis points). The increase in earnings from continuing operations before income taxes was primarily due to $45 of price increases. This factor was partially offset by $14 of higher manufacturing and logistics costs, primarily due to inflation, $12 of higher commodity costs, primarily due to resin and the impact of inflation and $11 of higher selling and administrative expenses.

CORPORATE

	Three Months Ended			Six Months Ended		
	12/31/2010	12/31/2009	% Change	12/31/2010	12/31/2009	% Change
Losses from continuing operations before income taxes	$ (50)	$ (70)	(29)%	$ (120)	$ (136)	(12)%

The decrease in losses from continuing operations before income taxes attributable to Corporate during the current periods was primarily due to low income housing partnership gains, lower compensation expense and lower interest expense primarily due to lower interest rates on aggregate borrowings and a decline in average debt balances, partially offset by incremental investments for information technology projects.

Financial Condition, Liquidity and Capital Resources

Operating Activities

The Company's financial condition and liquidity remains strong as of December 31, 2010. Net cash provided by continuing operations was $170 for the six months ended December 31, 2010, compared with $211 in the year-ago period. The decrease in net cash provided by continuing operations for the six months ended December 31, 2010, was primarily driven by higher off-season inventory builds in the Charcoal business and an increase in payments associated with fiscal year 2010 incentive compensation programs.

Working Capital

The Company's total cash balance increased $292 as of December 31, 2010 as compared to June 30, 2010. The higher cash balance at December 31, 2010, was primarily attributable to the investment of proceeds from the sale of the global auto care businesses which were invested in various money market instruments, consistent with preserving capital and maintaining daily liquidity.

The lower cash balance at June 30, 2010 was primarily attributable to repayment of temporary intercompany borrowings allowed under temporary U.S. federal tax law changes that provide tax relief for U.S. companies to borrow from their foreign subsidiaries on a short-term basis, borrowings which the Company used to pay down commercial paper balances during fiscal year 2010. As of June 30, 2010, the Company had borrowed $155 from its subsidiaries pursuant to the provisions of this tax relief. All such borrowings were repaid during the three months ended September 30, 2010. The Company is eligible to make additional borrowings subject to this tax relief through June 30, 2011.

As of December 31, 2010, total current assets exceeded total current liabilities by $168 which was primarily attributable to the funds received from the sale of the global auto businesses; the Company's focus on maintaining receivable, inventory and payable balances at levels consistent with the Company's business plan; and the classification of $300 of senior notes maturing in February 2011 in current liabilities. Although the Company has sufficient access to both the commercial paper market and current credit lines to fund the maturity of its senior notes, it plans to refinance the $300 of maturing notes with the issuance of new senior notes prior to maturity. The Company believes it will be able to successfully refinance the notes at a lower rate based on current market conditions and its strong credit ratings, strong and consistent cash flows and demonstrated access to fixed income markets, as evidenced by ongoing successful commercial paper issuances and the placement of $300 million of senior notes as recently as November 2009. The Company believes that its strong ongoing operating cash flows, ongoing access to the commercial paper markets, the $1,100 undrawn credit facility (See "Financing Activities" below) and the planned refinance of senior notes will enable the Company to meet all of its operating and capital needs for the foreseeable future.

As of June 30, 2010, total current liabilities exceeded total current assets (excluding assets held for sale) by $561 which was primarily attributable to the Company's focus on maintaining receivable, inventory and payable balances at levels consistent with the Company's business plan and the classification of $300 of senior notes maturing in February 2011 in current liabilities.

Investing Activities

Capital expenditures were $89 during the six months ended December 31, 2010, as compared to $76 during the six months ended December 31, 2009. Capital spending as a percentage of net sales was 3.6% during the six months ended December 31, 2010, compared to 3.0% during the six months ended December 31, 2009. The increase in capital expenditures in the current fiscal year was primarily due to spending related to the Supply Chain and information technology investments.

Financing Activities

Net cash used for financing activities was $622 for the six months ended December 31, 2010, as compared to $225 in the comparable prior period. The increase in cash used by financing activities was primarily due to the use of sales proceeds from the auto businesses to repay commercial paper and repurchase common stock.

At December 31, 2010 and June 30, 2010, the Company had $0 and $369 of commercial paper outstanding at a weighted average interest rate of nil and 0.43%. The average commercial paper outstanding during the three months ended December 31, 2010 and 2009 was $283 and $302 at a weighted average interest rate of 0.41% and 0.30%, respectively.

Credit Arrangements

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

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

	3/31/2010	6/30/2010	9/30/2010	12/31/2010	Total
Net earnings	$ 165	$ 171	$ 216	$ 21	$ 573
Add back:					
Interest expense	34	32	32	33	131
Income tax expense	78	104	10	203	395
Depreciation and amortization	44	46	45	43	178
Goodwill impairment charges	-	-	-	258	258
Deduct:					
Interest income	-	(1)	(1)	(1)	(3)
Gain on sale	-	-	-	(326)	(326)
EBITDA	$ 321	$ 352	$ 302	$ 231	$1,206
				Debt at December 31, 2010	$2,428
				EBITDA ratio	2.01

The Company is in compliance with all restrictive covenants and limitations as of December 31, 2010. The Company anticipates being in compliance with all restrictive covenants for the foreseeable future. The Company continues to monitor the financial markets and assess its ability to fully draw under its revolving credit facility, but expects that any drawing under the facility will be fully funded.

The Company had $44 of foreign and other credit lines at December 31, 2010, of which $35 was available for borrowing.

The Company was also a party to letters of credit of $18 primarily related to one of its insurance carriers.

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Share Repurchases

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

During the three and six months ended December 31, 2010, the Company repurchased 2,063 thousand shares and 2,121 thousand shares, respectively, for an aggregate of $130 and $134, respectively. The Company did not repurchase any shares during the three and six months ended December 31, 2009.

The Company did not repurchase any shares under the open market purchase program during the three and six months ended December 31, 2010 and 2009. The Company anticipates it will use the net proceeds of approximately $680 from the sale of the Auto Businesses to repurchase shares of the Company's common stock during this fiscal year.

Contingencies

The Company is involved in certain environmental matters, including Superfund and other response actions at various locations. The Company has a recorded liability of $16 at both December 31, 2010 and June 30, 2010 for its share of aggregate future remediation costs related to these matters. One matter in Dickinson County, Michigan, for which the Company is jointly and severally liable, accounts for a substantial majority of the recorded liability at both December 31, 2010 and June 30, 2010. The Company has agreed to be liable for 24.3% of the aggregate remediation and associated costs for this matter pursuant to a cost-sharing arrangement with a third party. With the assistance of environmental consultants, the Company maintains an undiscounted liability representing its current best estimate of its share of the capital expenditures, maintenance and other costs that may be incurred over an estimated 30-year remediation period. Currently, the Company cannot accurately predict the timing of future payments that may be made under this obligation. In addition, the Company's estimated loss exposure is sensitive to a variety of uncertain factors, including the efficacy of remediation efforts, changes in remediation requirements and the timing, varying costs and alternative clean-up technologies that may become available in the future. Although it is possible that the Company's exposure may exceed the amount recorded, any amount of such additional exposures, or range of exposures, is not estimable at this time.

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

Cautionary Statement

This Quarterly Report on Form 10-Q (this Report), including the exhibits hereto and the information incorporated by reference herein, contains "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act), and such forward looking statements involve risks and uncertainties. Except for historical information, matters discussed in this Report, including statements about future volume, sales, costs, cost savings, earnings, cash flows, plans, objectives, expectations, growth, or profitability, are forward looking statements based on management's estimates, assumptions and projections. Words such as "will," "could," "may," "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," and variations on such words, and similar expressions, are intended to identify such forward looking statements. These forward looking statements are only predictions, subject to risks and uncertainties, and actual results could differ materially from those discussed in this Report. Important factors that could affect performance and cause results to differ materially from management's expectations are described in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Annual Report on Form 10-K for the year ended June 30, 2010, as updated from time to time in the Company's SEC filings. These factors include, but are not limited to: the Company's costs, including volatility and increases in commodity costs such as resin, diesel, chlor-alkali, sodium hypochlorite, agricultural commodities and other raw materials; increases in energy costs; the ability of the Company to implement and generate expected savings from its programs to reduce costs, including its supply chain restructuring and other restructuring plans; supply disruptions or any future supply constraints that may affect key commodities or product inputs; risks inherent in relationships with suppliers, including sole-source or single-source suppliers; risks related to the handling and/or transportation of hazardous substances, including, but not limited to, chlorine; the success of the Company's strategies; the ability to manage and realize the benefits of joint ventures and other cooperative relationships, including the Company's joint venture regarding the Company's Glad ® plastic bags, wraps and containers business, and the agreements relating to the provision of information technology, procure to pay and other key services by third parties; risks relating to acquisitions, mergers and divestitures, including the Company's ability to achieve the updated strategic and financial benefits from the Burt's Bees ® acquisition or the Company's ability to successfully implement changes resulting from divestitures, including the sale of the global Auto Care businesses, and the costs associated therewith; risks inherent in maintaining an effective system of internal controls, including the potential impact of acquisitions or the use of third-party service providers, and the need to refine controls to adjust for accounting, financial reporting and other organizational changes or business conditions; the ability of the Company to successfully manage tax, regulatory, product liability, intellectual property, environmental and other legal matters, including the risk resulting from joint and several liability for environmental contingencies and risks inherent in litigation, including class action litigation; risks related to maintaining and updating the Company's information systems, including potential disruptions, costs and the ability of the Company to implement adequate information systems in order to support the current business and to support the Company's potential growth; the success of new products and the ability of the Company to develop products that delight the consumer; consumer and customer reaction to price increases; competitive actions; risks related to customer concentration; customer-specific ordering patterns and trends; risks arising out of natural disasters; the impact of disease outbreaks, epidemics or pandemics on the Company's, suppliers' or customers' operations; changes in the Company's tax rate; continuing unfavorable worldwide general economic and marketplace conditions and events, including consumer confidence and consumer spending levels, the rate of economic growth, the rate of inflation or deflation, and the financial condition of the Company's customers, suppliers and service providers; foreign currency exchange rate and interest rate fluctuations; unfavorable political conditions in international markets and risks relating to international operations; the impact of the volatility of the debt markets on the Company's cost of borrowing and access to funds, including commercial paper and its credit facility; risks relating to changes in the Company's capital structure, including risks related to the Company's ability to execute on share repurchase plans and the impact thereof on the Company's capital structure and earnings per share; the need for any unanticipated restructuring or asset-impairment charges; risks arising from declines in cash flow, whether resulting from declining sales, higher cost levels, tax payments, debt payments, share repurchases, interest cost increases greater than management's expectations, or increases in debt or changes in credit ratings, or otherwise; and the Company's ability to maintain its business reputation and the reputation of its brands.

The Company's forward looking statements in this Report are based on management's current views and assumptions regarding future events and speak only as of their dates. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by the federal securities laws.

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

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Item 3. Quantitative and Qualitative Disclosure about Market Risk.

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

Item 4. Controls and Procedures

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

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PART II – OTHER INFORMATION (Unaudited)

Item 1.A. Risk Factors

For information regarding Risk Factors, please refer to Item 1.A. in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2010.

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

The following table sets forth the purchases of the Company's securities by the Company and any affiliated purchasers within the meaning of Rule 10b-18(a)(3) (17 CFR 240.10b-18(a)(3)) during the second quarter of fiscal year 2011.

	[a]	[b]	[c]	[d]
Period	Total Number of Shares (or Units) Purchased(1)	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) that May Yet Be Purchased Under the Plans or Programs(2)
October 1 to 31, 2010	12,619	$ 66.91	-	$ 750,000,000
November 1 to 30, 2010	2,063,400	$ 63.04	-	$ 750,000,000
December 1 to 31, 2010	720	$ 61.81	-	$ 750,000,000

(1) The shares purchased in October 2010 and December 2010 relate entirely to the surrender to the Company of shares of common stock to satisfy tax withholding obligations in connection with the vesting of restricted stock and restricted stock units and the distribution of performance units. The total shares purchased in November 2010 were acquired pursuant to the Company's share repurchase program to offset the potential impact of share dilution related to share-based awards.

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

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Item 6. Exhibits

10.26	Form of Executive Change in Control Severance Plan for Clorox Executive Committee Members as of December 17, 2010.
31.1	Certification by the Chief Executive Officer of the Company Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Chief Financial Officer of the Company Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification by the Chief Executive Officer and Chief Financial Officer of the Company Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from The Clorox Company's Quarterly Report on Form 10-Q for the period ended December 31, 2010 are formatted in eXtensible Business Reporting Language (XBRL): (i) the Condensed Consolidated Statements of Earnings, (ii) the Condensed Consolidated Balance Sheets, (iii) the Condensed Consolidated Statements of Cash Flows, and (iv) Notes to Condensed Consolidated Financial Statements. This Exhibit 101 is deemed not filed for purposes of Sections 11 or 12 of the Securities Act of 1933 and Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

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SIGNATURE

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

THE CLOROX COMPANY
(Registrant)

DATE: February 7, 2011

BY /s/ Susan A. Gentile
Susan A. Gentile
Vice President – Controller and
Principal Accounting Officer

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THE CLOROX COMPANY

EXECUTIVE CHANGE IN CONTROL SEVERANCE PLAN

THIS EXECUTIVE CHANGE IN CONTROL SEVERANCE PLAN (the “Plan”) was adopted and approved by the Management Development and Compensation Committee (“Committee) of the Board of Directors (“Board”) of THE CLOROX COMPANY, a Delaware corporation (the “Company”) on December 17, 2010 and became effective immediately upon such adoption. The purpose of the Plan is to provide for the payment of severance benefits to certain eligible executives of the Company in the event their employment with the Company terminates involuntarily, as described in further detail in the Plan, and to assure that the Company will have the continued dedication of the Executive, notwithstanding the possibility, threat or occurrence of a Change in Control (as defined in Section 2 below) of the Company. The Company believes it is an important corporate goal and in the interests of the Company’s stockholders to diminish the inevitable distraction of the Executive by virtue of the personal uncertainties and risks created by a pending or threatened Change in Control and to encourage the Executive’s full attention and dedication to the Company currently and in the event of any threatened or pending Change in Control, and to provide the Executive with compensation and benefits arrangements upon a Change in Control which ensure that the compensation and benefits expectations of the Executive will be satisfied and which are competitive with those of other corporations.

1. Eligibility and Term .

(a) Each executive officer of the Company who is selected by the Committee and who executes the form of participation letter established under the Plan (“Executive”) shall be covered by the Plan until either (i) the time that he is no longer an employee of the Company or (ii) the first to occur of the following: (A) the first anniversary of the date that the Plan is amended or otherwise altered to terminate such person’s coverage, (B) the first anniversary of the date that the individual is no longer an executive officer of the Company, or (C) the first anniversary of the date that the Committee acts to end his coverage under the Plan without amendment or other alteration of the Plan. Any Executive whose participation is terminated by amendment or alteration of the Plan, cessation of service as an executive officer of the Company or action of the Committee shall be notified promptly in accordance with Section 15(b).

(b) The Plan became effective immediately upon its adoption by the Committee on December 17, 2010 (the “Effective Date”). After the Effective Date, the Plan may be amended, modified, suspended or terminated at any time by the Committee; provided, however, that no such action that may adversely affect the rights of an executive officer shall become effective for one (1) year following the date of such action. Any executive officer whose rights are adversely affected shall be notified promptly in accordance with Section 15(b) following the date of such action. With respect to any given Executive, the terms of the Plan, together with any actions taken after the Effective Date by the Committee that are effective with respect to that Executive, shall remain in effect until either (i) the time that the Executive is no longer employed by the Company, if a Severance Protection Period has not commenced for that Executive in the interim, or (ii) if a Severance Protection Period has commenced at or before the time that the Executive is no longer employed by the Company, the date as of which all of the duties and obligations of the parties have been satisfied under the Plan.

2. <u>Change in Control</u> . For the purpose of the Plan, a "Change in Control" shall mean:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of (i) 50% of either the total fair market value or the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"), or (ii) during a 12 month period ending on the date of the most recent acquisition by such Person, 30% of the Outstanding Company Voting Securities; provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, including any acquisition which by reducing the number of shares outstanding, is the sole cause for increasing the percentage of shares beneficially owned by any such Person to more than the applicable percentage set forth above, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company or (iv) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this Section 2; or

(b) Individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason within any period of 12 months to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board, shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation by the Company of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets of another corporation (a "Business Combination"), in each case, unless, following such Business Combination, (i) more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) is represented by Outstanding Company Common Stock and Outstanding Company Voting Securities, respectively, that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Outstanding Company Common Stock and Outstanding Company Voting Securities were converted pursuant to such Business Combination) and such ownership of common stock and voting power among the holders thereof is in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination.

Notwithstanding any other provision in this Section 2, any transaction defined in Section 2(a) through (c) above that does not constitute a "change in the ownership or effective control" of the Company, or "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Treasury Regulations 1.409A-3(a)(5) and 1.409A-3(i)(5) shall not be treated as a Change in Control.

3. Entitlement to Benefits Upon Termination of Employment .

(a) Events Entitling Executive to Benefits under the Plan . In the event that an Executive’s employment is terminated by the Company without Cause during the Severance Protection Period or the Executive resigns for a Good Reason during the Severance Protection Period, then the Executive shall be entitled to receive the benefits set forth in Section 4 below, subject to the satisfaction of any requirements set forth in Section 4(c) of the Plan.

(b) Events Not Entitling Executive to Benefits under the Plan . Under all other circumstances not described in Section 3(a) above, including (i) the termination of an Executive’s employment with the Company on account of death, Disability, or Executive’s resignation not for a Good Reason, or the termination of Executive’s employment, whether initiated by the Company, Executive or otherwise, that does not occur within the Severance Protection Period, the Executive shall not be entitled to receive any benefits under the Plan. For avoidance of doubt, any termination of Executive’s employment by the Company on account of a physical or mental impairment of Executive’s faculties that does not constitute a Disability shall be treated for purposes of the Plan as a termination without Cause by the Company and Executive shall be entitled to receive benefits under the Plan if such a termination occurs during the Severance Protection Period. Furthermore, nothing in the Plan shall be treated as a waiver by Executive of amounts otherwise due and owing to Executive in the event that Executive is not entitled to the receipt of benefits under the Plan (e.g., the receipt of accrued but unused vacation in accordance with the Company’s policy and applicable law).

(c) Notice of Termination .

(i) Any termination by the Company for Cause shall be communicated by Notice of Termination for Cause to Executive given in accordance with Sections 14(e) and 15(b) of this Plan.

(ii) Any termination by the Executive for Good Reason shall be communicated by Notice of Termination for Good Reason to the Company within a period not to exceed 90 days of the initial existence of the condition and given in accordance with Section 15(b) of the Plan. For purposes of the Plan, a “Notice of Termination for Good Reason” means a written notice which (X) indicates the specific termination provision in the Plan relied upon, (Y) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive’s employment under the provision so indicated and (Z) the Executive's intended Date of Termination if the Company does not cure the issue (which date shall be not less than thirty days after the giving of such notice). After receipt by the Company of the Notice of Termination for Good Reason, the Company shall have thirty (30) days during which it may remedy the condition and thereby cure the event or circumstance constituting “Good Reason”.

4. Change in Control Severance Benefits .

In the event that an Executive's employment is terminated by the Company without Cause or the Executive resigns for a Good Reason, and either such event occurs during the Severance Protection Period, the following provisions shall apply:

(a) The Company shall provide the following benefits to the Executive:

(i) A lump sum cash payment no later than 30 days after the Date of Termination equal to the aggregate of the following amounts:

(A) the sum of (1) the Executive's Annual Base Salary through the Date of Termination to the extent not theretofore paid, (2) any accrued but unused vacation pay, and (3) reimbursement of any unpaid business expenses incurred by Executive in accordance with the Company's policy on business expense reimbursement (the sum of the amounts described in clauses (1), (2), and (3) shall be hereinafter referred to as the "Accrued Obligations");

(B) an amount equal to the following:

$$\text{Average Annual Bonus} \quad \text{X} \quad \frac{\text{\# of days in the current fiscal year through the Date of Termination}}{365}$$

provided, however, that if the Executive meets retirement eligibility on the Date of Termination and thus is eligible to receive a retirement bonus in accordance with the terms of the Company's AIP Plan, EIC Plan or any other plan adopted by the Company, the Company shall pay such retirement bonus or pay the amount calculated in accordance with this Section 4(a)(i)(B), whichever is greater, but it shall not be obligated to pay both; and

(C) an amount equal to two (2) times the sum of the Executive's (i) Annual Base Salary and (ii) Average Annual Bonus; and

(D) an amount equal to the difference between (a) the actuarial equivalent of the aggregate benefits under the Company's qualified pension and profit-sharing plans (the "Retirement Plans") and any excess or supplemental pension and profit-sharing plans in which the Executive participates (collectively, the "Nonqualified Plans") which the Executive would have been entitled to receive if the Executive's employment had continued for an additional two (2) years, assuming (to the extent relevant) that the Executive's compensation during the Separation Period would have been equal to the Executive's compensation as in effect immediately prior to the Date of Termination (disregarding any decrease in compensation that resulted in the delivery by Executive to the Company of a Notice of Termination for Good Reason), and that employer contributions to the Executive's accounts in the Retirement Plans and the Nonqualified Plans during the Separation Period would have been equal to the average of such contributions for the three years immediately preceding the Date of Termination or, if higher, the three years immediately preceding the Effective Date, and (b) the actuarial equivalent of the Executive's actual aggregate benefits (paid or payable), if any, under the Retirement Plans and the Nonqualified Plans as of the Date of Termination (the actuarial assumptions used for purposes of determining actuarial equivalence shall be no less favorable to the Executive than the most favorable of those in effect under the Retirement Plan and the Nonqualified Plans on the Date of Termination and the date of the Change in Control).

(ii) the Company shall provide the following health benefits:

(A) if the Executive participated in a Company self-insured medical plan (which does not satisfy the requirements of Section 105(h)(2)) immediately prior to the Date of Termination, pay to the Executive or cause to have paid on the Executive's behalf the Company's portion of the premium payable under the Company's group health plans for providing health benefits (i.e., medical, dental and vision benefits) to the Executive and to those family members covered through Executive under the Company's group health plans immediately prior to the Date of Termination, such coverage to be provided under the group health plans in which Executive and his covered family members are participating immediately prior to the Date of Termination or elect in accordance with the Company's applicable established procedures (reduced by any amounts which Executive is required to pay for such health benefit coverage). The Company shall pay or cause to have paid all amounts due under this Section 4(a)(ii) in annual installments, with the first installment due or credited within 30 days after the Date of Termination and subsequent installments being made or credited on the anniversary thereof; provided, however, that subsequent installments may be reduced or eliminated to the extent that Executive becomes eligible for other health coverage through a subsequent employer; or

(B) if Section 4(a)(ii)(A) above is not applicable (because the Executive participated in a health benefit program to which Section 105(h) is not applicable, such as the Company's HMO immediately prior to the Date of Termination), continue benefits under such health plan on the same basis as an employee of the Company.

The purpose of providing the benefits pursuant to this Section 4(a)(ii) shall be to provide the Executive and/or the Executive’s covered family members with continued health benefits at least equal to those which would have been provided to them in accordance with the Company's health plans, programs, practices and policies if the Executive’s employment had not been terminated or, if more favorable to the Executive, as in effect generally at any time thereafter with respect to other peer executives of the Company and its affiliated companies and their families (in each case with such contributions by the Executive as would have been required had the Executive’s employment not been terminated). However, each continued benefit under a health plan sponsored by the Company described herein shall cease upon the earliest of: (i) two years from the Date of Termination; (ii) the Participant’s 65th birthday; or (iii) the Participant’s eligibility for the same type of health benefit (i.e., medical, dental or vision coverage) under a subsequent employer’s group health plans. For purposes of determining eligibility (but not the time of commencement of benefits) of the Executive for retiree benefits pursuant to such plans, practices, programs and policies of the Company, the Executive shall be considered to have remained employed for an additional two (2) years following the Date of Termination and to have retired on the last day of such period. Any period of additional coverage under this Section 4(a)(ii) shall not be subtracted from the period of months for which the Executive is eligible for benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”). As such, upon the cessation of coverage under this Section 4(a)(ii), the Participant shall be entitled to elect continued coverage under COBRA (at the Participant's sole expense) for the full period the Participant would have otherwise been entitled to had the Participant's qualifying event (within the meaning of COBRA) occurred on the date of such cessation of coverage.

(iii) if the Executive were entitled to receive financial planning and/or tax return preparation benefits immediately before the Date of Termination, the Company shall continue to provide the Executive with such financial planning and/or tax return preparation benefits with respect to the calendar year in which the Date of Termination occurs (including without limitation the preparation of income tax returns for that year), on the same terms and conditions as were in effect immediately before the Date of Termination (disregarding for all purposes of this clause (iii) any reduction or elimination of such benefits that was the basis of a termination of employment by the Executive for Good Reason).

(iv) any awards granted to the Executive prior to the Change in Control under the Company's 2005 Stock Incentive Plan or any successor plan thereto will become immediately exercisable upon the Executive's termination.

To the extent any benefits described in Section 4(a)(ii) and (iii) cannot be provided pursuant to the appropriate plan or program maintained for employees, the Company shall provide such benefits outside such plan or program at no additional cost to the Executive than the cost to the Executive immediately prior to the Date of Termination.

(b) Specified Employee . Notwithstanding the foregoing, if the Executive is a Specified Employee (as defined in Section 1.409A -1(i) of the Treasury Department Regulations) on the Date of Termination and all payments subject to Section 409A of the Internal Revenue Code (the "Code") specified in Section 4(a) are not made by March 15 of the year immediately following the Date of Termination, the following shall apply: Such payments may be made to the extent that the amount does not exceed two times the lesser of (i) the sum of the Executive's annualized compensation based upon the annual rate of pay for services provided to the Company for the taxable year preceding the termination, or (ii) the maximum amount that may be taken into account pursuant to Section 401(a)(17) of the Code ($245,000 in 2011) for the year in which the Executive has terminated. Any amounts exceeding such limit, may not be made before the earlier of the date which is six (6) months after the Date of Termination or the date of death of the Executive. Furthermore, any payments pursuant to this Section 6 shall be postponed until six (6) months following the end of the consulting period so long as the Executive continues to work on a consulting basis for the Company following termination and such consulting requires the Executive to work more than 20% of his average hours worked during the 36 months preceding his termination. Any payments that were scheduled to be paid during the six (6) month period following the Executive's Date of Termination, but which were delayed pursuant to this Section 6(e), shall be paid without interest on, or as soon as administratively practicable after, the first day following the six (6) month anniversary of the Executive's Date of Termination (or, if earlier, the date of Executive's death). Any payments that were originally scheduled to be paid following the six (6) months after the Executive's Date of Termination, shall continue to be paid in accordance to their predetermined schedule.

(c) Release . The Executive shall have 21 days following termination (or such longer period as may be required by law, but in no event greater than 60 days following termination) in which to execute a form of release of claims ("Release") in a form substantially equivalent to the attached Exhibit (which may be amended by the Company, from time to time, to conform to applicable law) and seven days in which to revoke the Release after its execution. If the Executive does not execute, or having executed, effectively revokes the Release, the Company will not be obligated to provide any benefits or payments of any kind to the Executive under the Plan.

5. Non-Exclusivity of Rights . Nothing in the Plan (i) shall prevent or limit an Executive's continuing or future participation in any written plan, program or policy provided by the Company or any of its affiliated companies and for which the Executive may qualify by the express terms of such plan, program, or policy nor (ii) shall limit or otherwise affect such rights as the Executive may have under any written contract or agreement with the Company or any of its affiliated companies. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any such plan, program or policy, or any such contract or agreement, at or subsequent to the Date of Termination shall be payable in accordance with such plan, program or policy, or such contract or agreement, except as explicitly modified by the Plan.

6. Full Settlement . The Company's obligation to make the payments provided for in the Plan to an Executive and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of the Plan and except as specifically provided in Section 4(a)(ii), such amounts shall not be reduced whether or not the Executive obtains other employment.

7. Parachute Limitation .

(a) Notwithstanding any other provision of the Plan, in the event that any amount or benefit that may be paid or otherwise provided to or in respect of an Executive by or on behalf of the Company or any affiliate, whether pursuant to the Plan or otherwise (collectively, "Covered Payments"), is or may become subject to the tax imposed under Section 4999 of the Code (or any successor provision or any comparable provision of state, local or foreign law) ("Excise Tax"), then the portion of the Covered Payments that would be treated as "parachute payments" under Code Section 280G ("Covered Parachute Payments") may be reduced so that the Covered Parachute Payments, in the aggregate, are reduced to the Safe Harbor Amount (as defined below). For purposes of this Plan, the term "Safe Harbor Amount" means that portion of the monetary value of the Covered Payments, whether either (i) provided to the Executive in full, or (ii) provided to the Executive as to such lesser extent which would result in no portion of such benefits being subject to the Excise Tax, whichever of the foregoing amounts described in (i) or (ii), when taking into account applicable federal, state, local and foreign income and employment taxes, the Excise Tax, and any other applicable taxes, results in the receipt by the Executive, on an after-tax basis, of the greatest amount of benefits, notwithstanding that some portion of such benefits may be taxable under the Excise Tax. In the event that it is determined that the amount of any Covered Payments will be reduced in accordance with this Section 7(a), the same independent tax professional experienced in the completion of the calculations described in this Section 7 ("Tax Professional") making the determinations described in Section 7(b) below shall designate which of the Covered Payments shall be reduced and to what extent. In the event that it is determined that a reduction of the Covered Payments would not result in a greater after-tax amount of benefits under the Plan to the Executive, then no reduction shall be made under this Section 7(a).

(b) The determination of (i) whether an event described in Section 280G(b)(2)(A)(i) of the Code has occurred, (ii) the value of any Covered Parachute Payments and the Safe Harbor Amount, (iii) whether any reduction in the Covered Payments is required under Section 7(a), and (iv) the amount of any such reduction, shall be made initially by the Tax Professional. The Tax Professional shall be selected by the Executive, or if the Executive fails to select a Tax Professional within thirty (30) days following the Date of Termination, by the Committee (as constituted prior to the occurrence of any Change in Control). For purposes of making the calculations required by this Section 7, the Tax Professional may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code, and other applicable legal authority. The Company and the Executive shall furnish to the Tax Professional such information and documents as the Tax Professional may reasonably request in order to make a determination under this Section 7. The Company shall bear and be solely responsible for all costs the Tax Professional may reasonably incur in connection with any calculations contemplated by this Section 7.

(c) If, notwithstanding any reduction described in Section 7(a), the IRS determines that an Executive is liable for the Excise Tax as a result of the receipt of any Covered Payments, then the Executive shall be obligated to pay back to the Company, within thirty (30) days after a final IRS determination or in the event that the Executive challenges the final IRS determination, a final judicial determination, a portion of the Payments equal to the "Repayment Amount." The Repayment Amount shall be the smallest such amount, if any, as shall be required to be paid to the Company so that the Executive's net after-tax proceeds with respect to the Covered Payments (after taking into account the payment of the Excise Tax and all other applicable taxes imposed on such benefits) shall be maximized. The Repayment Amount shall be zero if a Repayment Amount of more than zero would not result in the Executive's net after-tax proceeds with respect to the Covered Payments being maximized. If the Excise Tax is not eliminated pursuant to this Section 7(c), the Executive shall pay the Excise Tax.

(d) Notwithstanding any other provision of this Section 7, if (i) there is a reduction in the payments to an Executive as described in this Section 7, (ii) the IRS later determines that the Executive is liable for the Excise Tax, the payment of which would result in the maximization of the Executive's net after-tax proceeds (calculated as if the Executive's benefits had not previously been reduced), and (iii) the Executive pays the Excise Tax, then the Company shall pay to the Executive those payments which were reduced pursuant to this Section 7 as soon as administratively possible after the Executive pays the Excise Tax so that the Executive's net after-tax proceeds with respect to the payment of the Covered Payments are maximized.

8. Post Termination Obligations .

(a) Proprietary Information Defined . "Proprietary Information" is all information and any idea in whatever form, tangible or intangible, pertaining in any manner to the business of the Company or any of its affiliated companies, or to its clients, consultants, or business associates, unless: (i) the information is or becomes publicly known through lawful means; (ii) the information was rightfully in an Executive's possession or part of his general knowledge prior to his employment by the Company; or (iii) the information is disclosed to the Executive without confidential or proprietary restriction by a third party who rightfully possesses the information (without confidential or proprietary restriction) and did not learn of it, directly or indirectly, from the Company.

(b) General Restrictions on Use of Proprietary Information . Each Executive covered by the Plan agrees to hold all Proprietary Information in strict confidence and trust for the sole benefit of the Company and not to, directly or indirectly, disclose, use, copy, publish, summarize, or remove from Company's premises any Proprietary Information (or remove from the premises any other property of the Company), except (i) during his employment to the extent necessary to carry out the Executive's responsibilities under this Plan, (ii) after termination of his employment as specifically authorized in writing by the Board, and (iii) pursuant to a subpoena.

(c) Non-Solicitation and Non-Raiding . To forestall the disclosure or use of Proprietary Information in breach of Section 8(b), and in consideration of this Plan, each Executive covered by this Plan agrees that for a period of two (2) years after termination of his employment, he shall not, for himself or any third party, directly or indirectly (i) divert or attempt to divert from the Company (or any of its affiliated companies) any business of any kind in which it is engaged, including, without limitation, the solicitation of its customers as to products which are directly competitive with products sold by the Company at the time of the Executive's termination, or interference with any of its suppliers or customers, or (ii) solicit for employment any person employed by the Company, or by any of its affiliated companies, during the period of such person's employment and for a period of one year after the termination of such person's employment with the Company.

(d) Contacts with the Press . Following termination, each Executive covered by this Plan will continue to abide by the Company's policy that prohibits discussing any aspect of Company business with representatives of the press without first obtaining the permission of the Company's corporate communications group.

(e) Non-Disparagement . Each Executive covered by this Plan agrees that he will not do or say anything that could reasonably be expected to disparage or impact negatively the name or reputation in the marketplace of the Company or any of its employees, officers, directors, stockholders, members, principals or assigns. Nothing herein shall preclude Executive from complying with applicable disclosure requirements, responding truthfully to any legal process or truthfully testifying in a legal or regulatory proceeding, provided that, to the extent permitted by law, Executive promptly informs the Company of any such obligation prior to participating in any such proceedings. The Company likewise agrees that it will not release any information or make any statements, and it shall instruct its officers, directors and other representatives who may reasonably be viewed as speaking on its behalf not to say anything that could reasonably be expected to disparage or impact negatively the name or reputation in the marketplace of an Executive. Nothing herein shall preclude the Company from complying with applicable disclosure requirements, responding truthfully to any legal process or truthfully testifying in a legal or regulatory proceeding, provided that to the extent permitted by law, the Company will promptly inform an Executive in advance if they have reason to believe such response or testimony will directly relate to such Executive.

(f) Remedies . Nothing in this Section 8 is intended to limit any remedy of the Company under the California Uniform Trade Secrets Act (California Civil Code Section 3426), or otherwise available under law. Furthermore, each Executive covered by the Plan and the Company agrees that the covenants contained in this Section 8 are reasonable and enforceable under the circumstances, and further agrees that if in the opinion of any court of competent jurisdiction any such covenant is not enforceable in any respect, such court will have the right, power and authority to sever or modify any provision or provisions of such covenants as to the court appear unenforceable and to enforce the remainder of the covenants as so amended. Each Executive covered by the Plan shall also acknowledge and agree that the remedy at law available to the Company for breach of any of the Executive's obligations under this Section 8 would be inadequate, and that damages flowing from such a breach may not readily be susceptible to being measured in monetary terms, so therefore such Executive acknowledges, consents and agrees that, in addition to any other rights and remedies that the Company may have at law, in equity or under the Plan (subject to the limitation set forth in Section 8(g) below), upon adequate proof of the Executive's violation of any such provision of this Section 8, the Company will be entitled to immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach, without the necessity of proof of actual damage or posting of any bond.

(g) No Deferral or Withholding by the Company . In no event shall an asserted violation of the provisions of this Section 8 constitute a basis for deferring or withholding any amounts otherwise payable to an Executive pursuant to this Plan.

9. Successors .

(a) The rights and obligations of an Executive under the Plan are personal to that Executive and without the prior written consent of the Company, no such right shall be assignable by an Executive otherwise than by will or the laws of descent and distribution. The rights of Executive under this Plan shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Plan shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to administer this Plan in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in the Plan, "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform the Plan by operation of law, or otherwise.

10. Executive Acknowledgment . Each Executive covered by this Plan shall acknowledge that (a) he has consulted with or has had the opportunity to consult with independent counsel of his own choice concerning the Plan and has been advised to do so by the Company, and (b) he has read and understands the Plan, is fully aware of its legal effect, and has agreed to participate under its terms and conditions freely based on his own judgment.

11. Section 409A . To the extent applicable, it is intended that the Plan and any payment made hereunder shall comply with the requirements of Section 409A of the Code, and any related regulations or other guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service ("Section 409A"). Any provision that would cause the Plan or any payment hereof to fail to satisfy Code Section 409A shall have no force or effect until amended to the minimum extent required to comply with Section 409A, which amendment may be retroactive to the extent permitted by Section 409A.

12. Administration and Claims .

(a) Administration . The "Administrator" shall be the Committee. The Administrator shall have the exclusive discretion and authority to establish rules, forms, and procedures for the administration of the Plan, and to construe and interpret the Plan and to decide any and all questions of fact, interpretation, definition, computation or administration arising in connection with the operation of the Plan, including, but not limited to, the eligibility to participate under the Plan, the amount of benefits paid under the Plan, and the timing of payments under the Plan. For decisions made by the Administrator prior to the occurrence of a Change in Control that do affect benefits payable under the Plan on account of the occurrence of the termination of an Executive during the Severance Protection Period, the Administrator's decisions shall not be subject to review unless they are found to be unreasonable or not to have been made in good faith. For decisions made by the Administrator at or after the occurrence of a Change in Control that affect benefits payable under the Plan on account of the occurrence of the termination of an Executive during the Severance Protection Period, the Administrator's decisions shall be subject to review. As used in this Section 12, " *review* " shall mean review as provided by applicable law; further, nothing in this Section 12 is intended to abridge any of the rights of an Executive under Section 16(b) of this Plan. The Administrator may appoint one or more individuals and delegate such of its powers and duties as it deems desirable to any such individual(s), in which case every reference herein made to the Administrator shall be deemed to mean or include the appointed individual(s) as to matters within their jurisdiction.

(b) Claims Procedure . If an individual ("Claimant") believes that he is entitled to a benefit under this Plan that is greater than the benefit about which the Claimant has received or received notice under this Plan, the Claimant may submit a written application to the Administrator or its delegate within 90 days of having not received or been denied such greater benefit. The Claimant will be notified of the approval or denial of this application within 30 days of the date that the Administrator (or its delegate) receives the application. If the claim is denied in whole or in part, the notification will state specific reasons for the denial, reference the provisions of the Plan on which the denial is based, and notify the Claimant of the right to initiate an arbitration proceeding in accordance with Section 12(c). The Claimant must exhaust the procedures set forth in this Section 12(b) before initiating an arbitration proceeding relating to a claim for benefits under this Plan in accordance with Section 12(c). Each Executive agrees as a condition of receiving benefits under this Plan that arbitration is the exclusive dispute resolution mechanism with respect to this Plan following a Claimant's exhaustion of the procedures described in this Section 12(b).

(c) Arbitration . Within one (1) year following a Claimant's exhaustion of the procedures in Section 12(b), any remaining controversy relating to this Plan shall be settled by the Claimant and the Company solely pursuant to final and binding arbitration before a single arbitrator in accordance with the then current commercial arbitration rules of the American Arbitration Association and governed by California law except to the extent preempted by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and judgment on the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. Failure by the Claimant to initiate arbitration within the one (1) year time period set forth above shall prevent the Claimant from any pursuit of such claim by any means, whether through arbitration or otherwise, and the resolution of such claim upon the completion of the claims procedure set forth in Section 12(b) shall be final and binding on Claimant and any and all successors in interest. The arbitrator shall determine whether to affirm, modify or reverse the Administrator's (or its delegate's) denial of the appeal, which determination shall be made in good faith by the arbitrator. The arbitrator shall have no power to alter, add to, or subtract from any provision of the Plan. The arbitrator's decision shall be final and binding on all parties, if warranted on the record and reasonably based on applicable law and the provisions of this Plan. Each party shall bear its own attorney's fees, but the Company shall bear the costs and expenses of arbitration. The location of the arbitration shall be within fifty (50) miles of the last place of employment with the Company of the Executive with respect to whose potential benefit under the Plan the claim is brought. Service of legal process should be directed to the General Counsel of Clorox as provided in Section 15(b) below. Process may also be served on the Corporate Secretary of Clorox in the same manner. Clorox's employer identification number is 31-0595760. Clorox's address and telephone number are: 1221 Broadway, Oakland, CA 94612, (510) 271-7000.

(d) Injunctive Relief . Notwithstanding the other provisions of this Section 12 or any other provision of the Plan to the contrary, no claim or controversy for injunctive or equitable relief contemplated by or allowed under applicable law pursuant to Section 8 of the Plan will be subject to arbitration under this Section 12, but will instead be subject to determination in a court of competent jurisdiction in the State of California, County of Alameda, which court shall apply California law without reference to the conflict of laws provisions thereof.

13. Severability . If any one or more of the provisions contained in the Plan, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and all other applications thereof shall not in any way be affected or impaired thereby. The Plan shall be construed and enforced as if such invalid, illegal or unenforceable provision has never comprised a part hereof, and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the invalid, illegal or unenforceable provision or by its severance herefrom. In lieu of such invalid, illegal or unenforceable provisions there shall be added automatically as a part hereof a provision as similar in terms and economic effect to such invalid, illegal or unenforceable provision as may be possible and be valid, legal and enforceable.

14. Certain Definitions .

(a) "Annual Base Salary" shall mean the monthly base salary in effect for an Executive immediately prior to the Date of Termination multiplied by twelve (12). Any reduction of an Executive's Annual Base Salary that provides the basis for the Executive to resign for Good Reason shall be disregarded for purposes of the Plan.

(b) "Annual Bonus" shall mean the annual award an Executive receives in any year under the Company's Annual Incentive Plan ("AIP Plan") and/or the Company's Executive Incentive Compensation Plan ("EIC Plan") or any successors thereto.

(c) "Average Annual Bonus" shall mean the average Annual Bonus a given Executive received for the three (3) completed fiscal years immediately preceding the Date of Termination, or the average Annual Bonus for the actual number of completed fiscal years immediately preceding the Date of Termination if less than three (3), provided that the First Year Bonus Target, shall be used in the average computation for any year in which the Executive was not eligible to participate in the AIP Plan and/or the EIC Plan for the full fiscal year.

(d) "Bonus Target" means the Annual Bonus that an Executive would have received in a fiscal year under the AIP Plan and/or the EIC Plan, if the target goals had been achieved.

(e) "Cause" shall mean the occurrence of any one of the following:

(i) the willful and continued failure of the Executive to perform substantially the Executive's duties with the Company or one of its affiliates (other than any such failure resulting from incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to the Executive by the Board or authorized representative of the Board which specifically identifies the manner in which the Board believes that the Executive has not substantially performed the Executive's duties, or

(ii) the willful engagement by the Executive in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company.

For purposes of this provision, no act or failure to act on the part of the Executive shall be considered "willful" unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive's action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board or upon the instructions of the Chief Executive Officer or a senior officer of the Company or based upon the advice of counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company. The cessation of employment of the Executive shall not be deemed to be for Cause unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than three-quarters of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice is provided to the Executive and the Executive is given an opportunity, together with counsel, to be heard before the Board), finding that, in the good faith opinion of the Board, the Executive is guilty of the conduct described in subparagraph (i) or (ii) above, and specifying the particulars thereof in detail. Executive's employment shall end on the date such resolutions are delivered to Executive or a later date specified in or established in accordance with such resolutions (which shall generally not be any later than the 30 th day following the delivery of such resolutions. The delivery of such resolutions shall constitute "Notice of Termination for Cause".

(f) “Date of Termination” shall mean (i) if the Executive’s employment is terminated by the Company for Cause, the date of receipt of the Notice of Termination for Cause or any later date specified therein, as the case may be, (ii) if the Executive’s employment is terminated by the Executive for Good Reason, the 30th day following receipt by the Company of the Notice of Termination for Good Reason if the Company fails to cure the problem during the 30-day cure period, or any later date specified in the Notice of Termination for Good Reason, as the case may be, (iii) if the Executive’s employment is terminated by the Company other than for Cause or Disability, the date on which the Company notifies the Executive of such termination, and (iv) if the Executive’s employment is terminated by reason of death or Disability, the date of death of the Executive or the Disability Effective Date, as the case may be.

(g) “Disability” shall mean that the Executive (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) is receiving income replacement benefits for a period of not less than three (3) months under the Company’s accident and health plans by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

(h) “Disability Effective Date” shall mean the 30 th day after receipt of written notice by Executive of the Company’s intent to terminate Executive’s employment on account of Disability; provided that Executive has not returned to full-time performance of Executive’s duties during such 30-day period.

(i) “Effective Date” shall mean the date on which the Plan became effective, as set forth above.

(j) “First Year Bonus Target” means an Executive’s Bonus Target as of the last day of the first fiscal year in which he was eligible to participate in the AIP Plan and/or the EIC Plan.

(k) “Good Reason” shall mean the occurrence of any of the following during the Severance Protection Period. The Executive’s employment may be terminated by the Executive for Good Reason provided the Executive delivers the written notice to the Company set forth in Section 3 (c)(ii) and the Company fails to cure the issue within the time period set forth in such notice. For purposes of the Plan, “Good Reason” shall mean:

(i) the assignment to the Executive of any duties inconsistent in any material respect with the Executive’s position (including offices and reporting requirements), authority, duties or responsibilities, as in effect immediately prior to the occurrence of the Change in Control or the Date of Termination, whichever is greater, or any other action by the Company which results in a material diminution in such position, authority, duties or responsibilities, excluding for this purpose either (A) an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive or (B) the assignment of Executive to a different position with a substantially similar level and scope of authority, duties, responsibilities and reporting relationship;

(ii) any failure by the Company to substantially comply with any of the material provisions of Executive's compensation plans, programs, agreements or arrangements as in effect immediately prior to the Change in Control, which material provisions shall consist of base salary, cash incentive compensation target bonus opportunity, equity compensation opportunity in the aggregate, savings and retirement benefits in the aggregate, and welfare benefits (including medical, dental, life, disability, and severance benefits) in the aggregate, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Executive;

(iii) the Company's requiring the Executive to be based at any office or location other than that in effect immediately prior to the Change in Control or any office or location not requiring Executive's commute to increase by more than 50 miles from his commute immediately prior to the Change in Control;

(iv) any purported termination by the Company of the Executive's employment otherwise than as expressly permitted by this Plan; or

(v) any material failure by the Company to comply with and satisfy Section 9(c) of the Plan.

(l) "Severance Protection Period" shall mean the period commencing on the day on which a Change in Control occurs and ending on the second anniversary following such date and shall be inclusive of both such dates. Such period shall also include the time prior to the occurrence of a Change in Control if the Company either terminates an Executive's employment without Cause or acts in a manner that provides an Executive with the basis to resign for a Good Reason, but in either case only if (1) (i) such termination or other act is made at the request of a third party who has expressed an intent or taken action to cause a Change in Control to occur and (ii) a Change in Control in fact occurs on or before the first anniversary of the termination of Executive's employment that results in that third party being in control of the ownership of the Company's securities or business or being a member of a group that acquires control of the ownership of the Company's securities or business, or (2) such termination or other act occurs either (i) on or before three months prior to the occurrence of a Change in Control or (ii) with respect to a negotiated transaction that results in a Change in Control, between the time of the signing of a definitive agreement with respect to such transaction and the closing of such transaction.

15. Miscellaneous .

(a) The captions of this Plan are not part of the provisions hereof and shall have no force or effect. References to the masculine gender shall include the feminine gender and references to the feminine gender shall include the masculine gender.

(b) All notices or other communications required or permitted hereunder shall be made in writing. Notice shall be effective on the date of delivery if delivered by hand upon receipt or if delivered by use of the recipient's Company e-mail address upon receipt, on the first business day following the date of dispatch if delivered utilizing next day service by a recognized next day courier to the applicable address set forth below, or if mailed, three (3) business days after having been mailed, postage prepaid, by certified or registered mail, return receipt requested, and addressed to the applicable address set forth below. Notice given by facsimile shall be effective upon written confirmation of receipt of the facsimile.

If to the Executive :

To the residence address for the Executive last shown on the Company's
payroll records.

If to the Company :

The Clorox Company
1221 Broadway
Oakland, California 94612
Attention: General Counsel
Fax: 510-271-1696

or to such other address as either party shall have furnished to the other in writing in accordance herewith.

(c) The invalidity or unenforceability of any provision of this Plan shall not affect the validity or enforceability of any other provision of this Plan.

(d) The Company may withhold from any amounts payable under this Plan such Federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) This Plan may not be modified or amended in a manner adverse to the interests of Executive except as provided in Section 1 above, or with respect to a given Participating Executive, by an instrument in writing signed by the Executive consenting to such modification or amendment. By an instrument in writing similarly executed, either party may waive compliance by the other party with any provision of this Plan that such other party was or is obligated to comply with or perform, provided, however, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to exercise and no delay in exercising any right, remedy, or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or power hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, or power provided herein or by law or in equity.

(f) This Plan shall terminate only in accordance with the terms of Section 1 above.

(g) Except as provided in Section 5 herein, the terms of this Plan are intended by the Company to be the final, complete and exclusive expression of its commitment regarding the provision of benefits to be paid by the Company to an Executive in connection with a certain types of termination of employment in connection with the occurrence of a Change in Control. Except as permitted under Section 5 herein, the terms of the Plan may not be contradicted by evidence of any prior or contemporaneous agreement and no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding involving the Plan. Each Executive covered by this Plan shall set forth in writing his acceptance of the terms of the Plan, including this Section 15(g), as a condition of participation in this Plan. The Plan (and any other plan, program, contract, agreement, policy or other document either incorporated by reference or referred to herein) supersede any prior agreements or understandings, written or oral, between the Company and an Executive concerning any or all matters addressed by this Plan.

(h) All benefits under the Plan shall be paid by the Company. The benefits payable under the Plan are unfunded and shall be paid only from the general assets of the Company.

(i) In the event of any inconsistency between (i) this Plan and (ii) any other plan, program, practice or agreement in which the Executive participates or is a party, this Plan shall control.

END OF PLAN

EXHIBIT
GENERAL RELEASE

This document is an important one. You should review it carefully and, if you agree to it, sign at the end on the line indicated.

You have 21 days to sign this Release, during which time you are advised to consult with an attorney regarding its terms.

After signing this Release, you have seven days to revoke it. Revocation should be made in writing and delivered so that it is received by the Corporate Secretary of The Clorox Company, 1221 Broadway, Oakland, CA 94612 no later than 4:30 p.m. Pacific time on the seventh day after signing this Release. If you do revoke this Release within that time frame, you will have no rights under it. This Release shall not become effective or enforceable until the seven day revocation period has expired.

The agreement for payment of consideration in paragraph 2 will not become effective until the seven day revocation period has passed.

This GENERAL RELEASE is entered into between The Clorox Company (hereinafter referred to as "Employer") and ______________________ (hereinafter referred to as "Executive"). Defined terms used in this General Release not defined herein shall have the meaning set forth in the Severance Plan (as defined below). Employer and Executive agree as set forth herein, including as follows:

1. Executive's regular employment with Employer will terminate as of _________________, 20_. Executive is ineligible for reemployment or reinstatement with Employer.

2. Upon Executive's acceptance of the terms set forth herein, the Employer agrees to provide the Executive with compensation and benefits set forth in Section 4 of the Executive Change in Control Severance Plan (the “Severance Plan”), which compensation and benefits shall be provided subject to the terms and conditions of the Severance Plan, a copy of which is attached to this General Release.

3. (a) In consideration of the Employer providing Executive this compensation, Executive and Executive's heirs, assignees and agents agree to release the Employer, all affiliated companies, agents and employees and each of their successors and assigns (hereinafter referred to as "Releasees") fully and finally from any claims, liabilities, demands or causes of action which Executive may have or claim to have against the Releasees at present or in the future, except for the following: (i) claims for vested benefits under the terms of an employee compensation or benefit plan, program or arrangement sponsored by the Company, (ii) claims for workers' compensation benefits under any of the Company's workers' compensation insurance policies or funds, (iii) claims related to Executive's COBRA rights, and (iv) claims for indemnification to which Executive is or may become entitled, including but not limited to claims submitted to an insurance company providing the Company with directors and officers liability insurance. The claims released may include, but are not limited to, any tax obligations as a result of the payment of consideration referred to in paragraph 2, and claims arising under federal, state or local laws prohibiting discrimination in employment, including the Age Discrimination in Employment Act (ADEA) or claims growing out of any legal restrictions on the Employer's right to terminate its employees. Claims of discrimination, wrongful termination, age discrimination, and any claims other than for vested benefits are hereby released.

(b) By signing this document, Executive agrees not to file a lawsuit to assert such claims. Executive also agrees that if Executive breaches this provision, Executive will be liable for all costs and attorneys' fees incurred by any Releasee resulting from such action and shall pay all expenses incurred by a Releasee in defending any proceeding pursuant to this Section 3(b) as they are incurred by the Releasee in advance of the final disposition of such proceedings, together with any tax liability incurred by the Releasee in connection with the receipt of such amounts; provided, however, that the payment of such expenses incurred in advance of the final disposition of such proceeding shall be made only upon delivery to the Executive of an undertaking, by or on behalf of the Releasee, to repay all amounts so advanced to the extent the arbitrator in such proceeding affirmatively determines that the Executive is the prevailing party, taking into account all claims made by any party to such proceeding.

4. By signing this document, Executive is also expressly waiving the provisions of California Civil Code section 1542, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

By signing this document, Executive agrees and understands that Executive is releasing unknown as well as known claims related to Executive's employment in exchange for the compensation set forth above.

5. Executive agrees to maintain in complete confidence the terms of this Release, except as it may be necessary to comply with a legally compelled request for information. It is agreed since confidentiality of this Release is of the essence, damages for violation being impossible to assess with precision, that $10,000 is a fair estimate of the damage caused by each disclosure and is agreed to as the measure of damages for each violation.

6. Executive agrees to comply with the Post Termination Obligations set forth in Section 8 of the Severance Plan, a copy of which is attached to this General Release, including Executive's obligations regarding (i) the use of Proprietary Information, (ii) non-solicitation and non-raiding, (iii) contacts with the press, (iv) non-disparagement and (v) remedies.

7. Executive's execution of this General Release and the absence of an effective revocation of such General Release by Executive shall constitute Executive's resignation from all offices, directorships and other positions then held with the Employer or any of its affiliates, and any other position held for the benefit of or at the request of the Employer or any of its affiliates, and Executive hereby agrees that this General Release constitutes such resignation. Executive also agree to execute a confirmatory letter of resignation if requested.

8. Executive hereby acknowledges and agrees that all personal property and equipment furnished to or prepared by the Executive in the course of or incident to his employment, belong to the Employer and shall, if physically returnable, be promptly returned to the Employer upon termination of his employment. "Personal property" includes, without limitation, all books, manuals, records, reports, notes, contracts, lists, blueprints, and other documents, computer media or materials, or copies thereof, and Proprietary Information. Following termination, the Executive will not retain any written or other tangible material containing any Proprietary Information (as defined in the Severance Plan).

9. Nothing in this General Release is intended to limit any remedy of the Employer under the California Uniform Trade Secrets Act (California Civil Code Section 3426), or otherwise available under law.

10. The provisions of this General Release are severable and in the event that a court of competent jurisdiction determines that any provision of this General Release is in violation of any law or public policy, in whole or in part, only the portions of this General Release that violate such law or public policy shall be stricken. All portions of this General Release that do not violate any statute or public policy shall not be affected thereby and shall continue in full force and effect. Further, any court order striking any portion of this General Release shall modify the stricken terms as narrowly as possible to give as much effect as possible to the intent of the Employer and Executive under this General Release.

11. Executive agrees to indemnify and hold Employer harmless from and against any tax obligations for which Executive may become liable as a result of this Release and/or payments made pursuant to the Severance Plan, other than tax obligations of the Employer resulting from the nondeductibility of any payments made pursuant to this Release or the Severance Plan.

12. Agreeing to this Release shall not be deemed or construed by either party as an admission of liability or wrongdoing by either party.

13. This Release, the Severance Plan and the plans of The Clorox Company referred to in the Severance Plan set forth the entire agreement between Executive and the Employer. This Release is not subject to modification except in writing executed by both of the parties. The Clorox Company plan documents of plans referred to in the Severance Plans may be amended in accordance with the provisions of those plans.

Executive acknowledges by signing below that Executive has not relied upon any representations, written or oral, not set forth in this Release.

THE CLOROX COMPANY	EXECUTIVE
Signature:	Signature:
Name:	Name:
Title:	Date:
Date:	

Exhibit 31.1

CERTIFICATION

I, Donald R. Knauss, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: February 7, 2011

/s/ Donald R. Knauss

Donald R. Knauss
Chairman and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Daniel J. Heinrich, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: February 7, 2011

/s/ Daniel J. Heinrich

Daniel J. Heinrich
Executive Vice President - Chief Financial Officer

Exhibit 32

CERTIFICATION

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

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

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

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

Date: February 7, 2011

/s/ Donald R. Knauss

Donald R. Knauss
Chairman and Chief Executive Officer

/s/ Daniel J. Heinrich

Daniel J. Heinrich
Executive Vice President – Chief Financial Officer