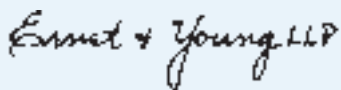


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Independent Auditors' Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of The Clorox Company and subsidiaries as of June 30, 2003, and the related consolidated statements of earnings, stockholders' equity and cash flows for the year then ended (not presented separately herein), and in our report dated August 11, 2003, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.



San Francisco, California
August 11, 2003

Independent Auditors' Report

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

We have audited the consolidated balance sheet of The Clorox Company and its subsidiaries (the "Company") as of June 30, 2002, and the related consolidated statements of earnings, stockholders' equity and cash flows for the years ended June 30, 2002 and 2001. Such consolidated financial statements and our report thereon dated September 4, 2002, expressing an unqualified opinion (none of which are included herein), are included in Appendix D to the proxy statement for the 2003 annual meeting of stockholders. The accompanying condensed consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on such condensed consolidated financial statements in relation to the complete consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of June 30, 2002, and the related condensed consolidated statements of earnings, stockholders' equity and cash flows for the years ended June 30, 2002 and 2001, is fairly stated in all material respects in relation to the basic consolidated financial statements from which it has been derived.



Oakland, California
September 4, 2002

Stockholder and Financial Information

Stock Listing

The New York Stock Exchange and Pacific Exchange list The Clorox Company's common stock, which is identified by the symbol CLX.

Transfer Agent, Registrar and Dividend Disbursing Agent

Inquiries relating to stockholder records, change of ownership, change of address and the dividend reinvestment plan should be sent to:

EquiServe Trust Company, N.A.
P.O. Box 43069
Providence, RI 02940-3069
(781) 575-2726
TDD (800) 952-9245 for hearing impaired
www.equiserve.com

Stockholder Information Service

Shareholder.com offers the latest Clorox news. Stockholders can call (888) CLX-NYSE (259-6973) toll-free 24 hours a day to hear messages about Clorox, request company materials or get a 20-minute-delayed stock quote. For more information, visit www.shareholder.com.

Dividend Reinvestment Plan

Clorox offers holders of its common stock a dividend reinvestment plan. Investors who take advantage of the plan can purchase additional shares at no cost (most fees are paid by Clorox) through a voluntary cash investment plan. For more information or plan materials, call (888) CLX-NYSE (259-6973).

2003 Financial Information

The following pages of the Clorox 2003 Annual Report contain summary financial information. Full financial statements are provided in the company's Notice of 2003 Annual Meeting and Proxy Statement. Detailed financial information is available through the following sources:

- > The company's Proxy Statement, which will be mailed to all stockholders, is available at www.clorox.com.
- > The company's **Form 10-K Annual Report** to the Securities and Exchange Commission for the year ended June 30, 2003, is available at www.clorox.com and through the SEC's EDGAR database. **Printed copies are available by calling (888) CLX-NYSE (259-6973).**

Except for historical information, matters discussed in the Annual Report are forward-looking statements and are based on management's estimates, assumptions and projections. Actual results could vary materially. Please look to the "Forward-Looking Statements and Risk Factors" and "Management's Discussion and Analysis" sections in the company's SEC Form 10-K for the year ended June 30, 2003, and subsequent SEC filings for a number of factors that can affect the company's performance and ability to achieve forward-looking statements. The information in this report reflected management's estimates, assumptions and projections as of Sept. 15, 2003. Clorox has not made updates since then and makes no representation, express or implied, that the information is still current or complete. The company is under no obligation to update any part of this document.

Fiscal Year Net Sales¹
(in millions)

	Twelve Months Ended June 30, 2003			Twelve Months Ended June 30, 2002		
	Total Sales (GAAP)	Sales of Divested Businesses	Sales Excluding Divested Businesses	Total Sales (GAAP)	Sales of Divested Businesses	Sales Excluding Divested Businesses
Household Products – North America	\$ 2,282	\$ 1	\$ 2,281	\$ 2,198	\$ 34	\$ 2,164
Specialty Products	1,369	13	1,356	1,304	38	1,266
Household Products – Latin America/Other	493	2	491	520	4	516
Total Company	\$ 4,144	\$ 16	\$ 4,128	\$ 4,022	\$ 76	\$ 3,946

1. This table provides a quantitative reconciliation of the differences between financial measures that are not presented in accordance with Generally Accepted Accounting Principles in the United States (GAAP) and those calculated and presented in accordance with GAAP. Management believes that the presentation of a comparison of historical sales excluding divested operations (a non-GAAP financial measure) with sales in the current period (a GAAP measure) provides useful information to investors about current trends in the ongoing business. Management does not use this non-GAAP measure for any other purpose.

Condensed Consolidated Statements of Earnings

Years ended June 30 (in millions, except share and per-share amounts)	2003	2002 ¹	2001 ¹
Net sales	\$ 4,144	\$ 4,022	\$ 3,859
Cost of products sold	2,225	2,279	2,289
Gross profit	1,919	1,743	1,570
Selling and administrative expenses	532	526	483
Advertising costs	456	391	348
Research and development costs	76	66	67
Restructuring and asset impairment costs	33	184	59
Interest expense	28	38	88
Other (income) expense, net	(8)	(23)	46
Earnings from continuing operations before income taxes	802	561	479
Income taxes	288	204	153
Earnings from continuing operations	514	357	326
Losses from discontinued operations, net of tax benefits of \$5, \$28 and \$2 for the years ended June 30, 2003, 2002, and 2001, respectively	(21)	(35)	(1)
Earnings before cumulative effect of change in accounting principle	493	322	325
Cumulative effect of change in accounting principle (net of tax benefit of \$1)	–	–	(2)
Net earnings	\$ 493	\$ 322	\$ 323
Earnings (losses) per common share			
Basic			
Continuing operations	\$ 2.36	\$ 1.54	\$ 1.39
Discontinued operations	(0.10)	(0.15)	(0.01)
Cumulative effect of change in accounting principle	–	–	(0.01)
Basic net earnings per common share	\$ 2.26	\$ 1.39	\$ 1.37
Diluted			
Continuing operations	\$ 2.33	\$ 1.52	\$ 1.37
Discontinued operations	(0.10)	(0.15)	(0.01)
Cumulative effect of change in accounting principle	–	–	(0.01)
Diluted net earnings per common share	\$ 2.23	\$ 1.37	\$ 1.35
Weighted average common shares outstanding (in thousands)			
Basic	218,174	231,849	236,149
Diluted	220,692	234,704	239,483

1. Certain reclassifications have been made to conform to the fiscal 2003 presentation.

Condensed Consolidated Balance Sheets

As of June 30 (in millions, except share and per-share amounts)

	2003	2002 ¹
Assets		
Current assets		
Cash and cash equivalents	\$ 172	\$ 177
Receivables, net	463	481
Inventories	264	252
Other current assets	46	83
Assets held for sale	6	51
Total current assets	951	1,044
Property, plant and equipment, net	1,072	992
Goodwill, net	730	728
Trademarks and other intangible assets, net	651	573
Other assets, net	248	187
Total assets	\$ 3,652	\$ 3,524
Liabilities and Stockholders' Equity		
Current liabilities		
Notes and loans payable	\$ 361	\$ 330
Current maturities of long-term debt	213	2
Accounts payable	312	330
Accrued liabilities	537	510
Income taxes payable	28	54
Total current liabilities	1,451	1,226
Long-term debt	495	678
Other liabilities	376	231
Deferred income taxes	115	23
Stockholders' equity		
Common stock, \$1.00 par value, 750,000,000 shares authorized, 249,826,934 shares issued and 213,676,668 and 223,009,909 shares outstanding at June 30, 2003 and 2002, respectively	250	250
Additional paid-in capital	255	222
Retained earnings	2,565	2,270
Treasury shares, at cost, 36,150,266 and 26,817,025 shares at June 30, 2003 and 2002, respectively	(1,507)	(1,070)
Accumulated other comprehensive net losses	(339)	(296)
Unearned compensation	(9)	(10)
Stockholders' equity	1,215	1,366
Total liabilities and stockholders' equity	\$ 3,652	\$ 3,524

1. Certain reclassifications have been made to conform to the fiscal 2003 presentation.

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Condensed Consolidated Statements of Stockholders' Equity

In millions (except share and per-share amounts)	Common Stock		Additional Paid-in Capital	Retained Earnings	Treasury Shares		Accumulated Other Comprehensive Net Losses ¹	Unearned Compensation	Total	Total Comprehensive Income
	Shares (000)	Amount			Shares (000)	Amount				
Balance, June 30, 2000	249,827	\$ 250	\$ 175	\$ 2,020	(14,466)	\$ (451)	\$ (158)	\$ (17)	\$ 1,819	
Comprehensive income										
Net earnings				323					323	\$ 323
Translation adjustments							(46)		(46)	(46)
Minimum pension liability adjustments							(3)		(3)	(3)
Cumulative effect and change in valuation of derivatives, net of tax							5		5	5
Total comprehensive income										\$ 279
Dividends (\$.84 per share)				(199)					(199)	
Employee stock plans			20	(2)	1,330	20		6	44	
Treasury stock premiums						(10)			(10)	
Balance, June 30, 2001	249,827	250	195	2,142	(13,136)	(441)	(202)	(11)	1,933	
Comprehensive income										
Net earnings				322					322	\$ 322
Translation adjustments							(215)		(215)	(215)
Tax effect on translation adjustments							107		107	107
Translation related to impairment charges							75		75	75
Change in valuation of derivatives, net of tax							4		4	4
Minimum pension liability adjustments							(65)		(65)	(65)
Total comprehensive income										\$ 228
Dividends (\$.84 per share)				(196)					(196)	
Employee stock plans			27	(3)	1,839	32		1	57	
Treasury stock purchased and related premiums				5	(10,000)	(417)			(412)	
Settlement of share repurchase contracts					(5,520)	(244)			(244)	
Balance, June 30, 2002	249,827	250	222	2,270	(26,817)	(1,070)	(296)	(10)	1,366	
Comprehensive income										
Net earnings				493					493	\$ 493
Translation adjustments							48		48	48
Tax effect on translation adjustments							(94)		(94)	(94)
Translation related to impairment charges							13		13	13
Change in valuation of derivatives, net of tax							(5)		(5)	(5)
Minimum pension liability adjustments, net of tax							(5)		(5)	(5)
Total comprehensive income										\$ 450
Dividends (\$.88 per share)				(193)					(193)	
Employee stock plans			33	(5)	2,333	49		1	78	
Treasury stock purchased					(11,666)	(486)			(486)	
Balance, June 30, 2003	249,827	\$ 250	\$ 255	\$ 2,565	(36,150)	\$ (1,507)	\$ (339)	\$ (9)	\$ 1,215	

1. Certain reclassifications have been made to conform to the fiscal 2003 presentation.

Condensed Consolidated Statements of Cash Flows

Years ended June 30 (in millions)	2003	2002 ¹	2001 ¹
Operations:			
Earnings from continuing operations	\$ 514	\$ 357	\$ 326
Adjustments to reconcile earnings from continuing operations to net cash provided by continuing operations:			
Depreciation and amortization	191	189	224
Deferred income taxes	100	(27)	(41)
Restructuring and asset impairment	30	158	59
Net gain on sale of businesses and disposition of assets	(4)	(16)	(1)
Increase (decrease) in defined benefit liability	22	(10)	8
Other	16	22	10
Cash effects of changes in (excluding effects of businesses sold or acquired):			
Receivables, net	17	–	123
Inventories	(11)	3	89
Other current assets	(1)	(3)	8
Accounts payable and accrued liabilities	(84)	106	(81)
Income taxes payable	71	99	21
Pension contribution	(54)	–	–
Net cash provided by continuing operations	807	878	745
Net cash (used for) provided by discontinued operations	(4)	(2)	2
Net cash provided by operations	803	876	747
Investing activities:			
Capital expenditures	(205)	(176)	(190)
Business acquired, net of cash acquired	–	–	(126)
Proceeds from the sale of businesses	15	60	–
Low income housing contributions	(15)	(14)	(16)
Other	2	20	–
Net cash used for investing by continuing operations	(203)	(110)	(332)
Net cash provided by (used for) investing by discontinued operations	10	1	(4)
Net cash used for investing activities	(193)	(109)	(336)
Financing activities:			
Notes and loans payable, net	30	205	(653)
Collection of forward contract	–	–	150
Long-term debt borrowings	8	3	310
Long-term debt repayments	(27)	(212)	(19)
Cash dividends paid	(193)	(196)	(199)
Treasury stock purchased and related premiums	(486)	(412)	(10)
Settlement of share repurchase contracts	–	(257)	–
Issuance of common stock for employee stock plans, and other	41	35	12
Net cash used for financing by continuing operations	(627)	(834)	(409)
Net cash provided by financing by discontinued operations	10	1	2
Net cash used for financing activities	(617)	(833)	(407)
Effect of exchange rate changes on cash and cash equivalents	2	(8)	(7)
Net decrease in cash and cash equivalents	(5)	(74)	(3)
Cash and cash equivalents:			
Beginning of year	177	251	254
End of year	\$ 172	\$ 177	\$ 251
Supplemental cash flow information:			
Cash paid for:			
Interest, net of amounts capitalized	\$ 30	\$ 47	\$ 83
Income taxes, net of refunds	115	119	156
Non-cash investing activity:			
Venture agreement			
Equipment and technologies obtained	\$ 125	–	–
Terminal obligation recorded	125	–	–

1. Certain reclassifications have been made to conform to the fiscal 2003 presentation.