

The Clorox Company
Reconciliation schedule of operating profit
to earnings from continuing operations before income taxes

In millions

	Three months ended,		Nine months ended,	
	3/31/05	3/31/04	3/31/05	3/31/04
Net sales	\$1,086	\$1,051	\$3,134	\$2,977
Gross profit	454	467	1,342	1,289
<i>Gross margin (1)</i>	41.8%	44.4%	42.8%	43.3%
Total operating expenses (2)	267	289	771	765
Operating profit	187	178	572	524
<i>Operating margin (1)</i>	17.2%	16.9%	18.2%	17.6%
Restructuring and asset impairment costs	5	-	37	-
Interest expense	27	8	52	21
Other (income) expense, net	18	(6)	(15)	(5)
Earnings from continuing operations before income taxes	\$137	\$176	\$498	\$508

(1) Percentages based on unrounded numbers

(2) Operating expenses = selling and administrative expenses, advertising costs and research and development costs

In accordance with SEC's Regulation G, this schedule provides the definition of a non-GAAP measure and the reconciliation to the most closely related GAAP measure.

Operating margin is a measure of operating profit as a percentage of net sales, whereby operating profit (a non-GAAP measure) represents earnings from continuing operations before income taxes (a GAAP measure), excluding restructuring and asset impairment costs, interest expense and other (income) expense, as reported in the Condensed Consolidated Statements of Earnings (Unaudited).

Management believes the presentation of operating profit and margin provides useful information to investors about current trends in the business. Operating profit is a component for the calculation of management incentive compensation and employee profit sharing plans.