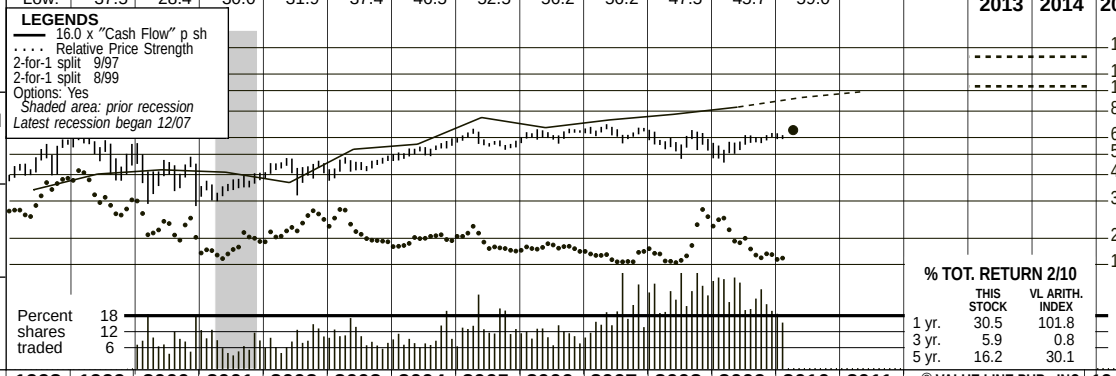
CLOROX CO. NYSE-CLX

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
65.11	15.0	(Trailing: 15.7 Median: 20.0)	0.84	3.3%	VALUE LINE

TIMELINESS 3 Lowered 9/25/09
SAFETY 2 Lowered 4/14/00
TECHNICAL 2 Raised 3/19/10
BETA .65 (1.00 = Market)

High:	66.5	56.4	40.8	47.9	49.2	59.4	66.0	66.0	69.4	65.3	63.1	65.2
Low:	37.5	28.4	30.0	31.9	37.4	46.5	52.5	56.2	56.2	47.5	45.7	59.0

Target Price Range
2013 | 2014 | 2015



2013-15 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	145	(+125%)	24%
Low	105	(+60%)	15%

Insider Decisions

	M	J	J	A	S	O	N	D	J
to Buy	0	0	0	0	0	0	0	0	0
Options	0	2	5	0	1	0	3	4	0
to Sell	0	2	5	1	1	0	4	5	0

Institutional Decisions

	2Q2009	3Q2009	4Q2009
to Buy	231	236	262
to Sell	245	239	221
Hld's(000)	108161	101346	98785

% TOT. RETURN 2/10

	THIS STOCK	VL ARITH. INDEX
1 yr.	30.5	101.8
3 yr.	5.9	0.8
5 yr.	16.2	30.1

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	© VALUE LINE PUB., INC.	13-15
8.60	9.29	10.82	12.27	13.32	17.01	17.35	16.49	18.21	19.39	20.30	28.93	30.69	32.05	38.20	39.16	*40.15*	*41.95*	Sales per sh A	*47.80*
1.28	1.43	1.65	1.82	2.12	2.52	2.64	2.57	2.30	3.30	3.49	4.66	4.17	4.55	4.82	5.22	*5.80*	*6.20*	"Cash Flow" per sh	*8.15*
.84	.95	1.07	1.21	1.41	1.63	1.75	1.63	1.37	2.33	2.55	2.88	2.89	3.23	3.24	3.81	*4.25*	*4.65*	Earnings per sh B	*6.20*
.47	.48	.53	.58	.64	.72	.80	.84	.84	.88	1.08	1.10	1.14	1.31	1.66	1.88	*2.04*	*2.20*	Div'ds Decl'd per sh C■	*3.00*
.27	.29	.41	.46	.48	.75	.67	.81	.79	.96	.81	1.00	1.19	.97	1.23	1.42	*1.40*	*1.45*	Cap'l Spending per sh	*1.80*
4.26	4.42	4.55	5.02	5.27	6.67	7.62	8.03	6.07	5.69	7.23	d3.65	d1.03	1.13	d2.68	d1.26	*.35*	*1.65*	Book Value per sh D	*10.75*
213.49	213.49	205.03	206.33	205.74	235.31	235.36	236.69	223.01	213.68	212.99	151.68	151.30	151.26	138.04	139.16	*138.00*	*136.00*	Common Shs Outst'g E	*135.00*
15.6	14.9	17.9	22.4	27.5	33.2	25.0	22.6	29.6	18.2	18.8	19.8	20.1	19.7	18.5	14.5	*Bold figures are*		Avg Ann'l P/E Ratio	*20.0*
1.02	1.00	1.12	1.29	1.43	1.89	1.63	1.16	1.62	1.04	.99	1.05	1.09	1.05	1.11	.96	*Value Line*		Relative P/E Ratio	*1.35*
3.6%	3.4%	2.8%	2.1%	1.7%	1.3%	1.8%	2.3%	2.1%	2.1%	2.3%	1.9%	2.0%	2.1%	2.8%	3.4%	*estimates*		Avg Ann'l Div'd Yield	*2.4%*

CAPITAL STRUCTURE as of 12/31/09
Total Debt $3035 mill. **Due in 5 Yrs** $2172 mill.
LT Debt $2435 mill. **LT Interest** $145 mill.
(Total interest coverage: 7.0x)
(Over 100% of Cap'l)
Leases, Uncapitalized Annual rentals $61 mill.
Pension Assets-6/09 $275 mill. **Oblig.** $468 mill.
Pfd Stock None

Common Stock 140,239,949 shs.

MARKET CAP: $9.1 billion (Large Cap)

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011		13-15
4083.0	3903.0	4061.0	4144.0	4324.0	4388.0	4644.0	4847.0	5273.0	5450.0	*5540*	*5705*	Sales ($mill) A	*6450*
24.0%	22.9%	23.2%	25.2%	24.7%	23.0%	20.8%	21.8%	20.7%	22.2%	*23.2%*	*23.0%*	Operating Margin	*25.0%*
201.0	225.0	190.0	191.0	197.0	190.0	188.0	192.0	205.0	190.0	*200*	*205*	Depreciation ($mill)	*250*
420.5	384.0	322.0	514.0	546.0	517.0	443.0	496.0	461.0	537.0	*600*	*640*	Net Profit ($mill)	*850*
36.1%	29.7%	35.3%	35.9%	35.0%	29.1%	32.2%	33.2%	33.5%	33.8%	*34.5%*	*34.5%*	Income Tax Rate	*35.0%*
10.3%	9.8%	7.9%	12.4%	12.6%	11.8%	9.5%	10.2%	8.7%	9.9%	*10.8%*	*11.2%*	Net Profit Margin	*13.2%*
d87.0	34.0	d223.0	d500.0	d225.0	d258.0	d123.0	d395.0	d412.0	d757.0	*d700*	*d600*	Working Cap'l ($mill)	*d280*
590.0	685.0	678.0	495.0	475.0	2122.0	1966.0	1462.0	2720.0	2151.0	*2000*	*1800*	Long-Term Debt ($mill)	*1400*
1794.0	1900.0	1354.0	1215.0	1540.0	d553.0	d156.0	171.0	d370.0	d175.0	*50.0*	*225*	Shr. Equity ($mill)	*1450*
18.6%	15.9%	16.7%	30.7%	27.8%	35.2%	27.3%	33.6%	22.5%	30.0%	*32.5%*	*34.5%*	Return on Total Cap'l	*31.5%*
23.4%	20.2%	23.8%	42.3%	35.5%	- -	- -	NMF	NMF	NMF	*NMF*	*NMF*	Return on Shr. Equity	*58.5%*
12.9%	9.7%	9.3%	26.4%	20.6%	- -	- -	NMF	NMF	NMF	*NMF*	*NMF*	Retained to Com Eq	*30.5%*
45%	52%	61%	38%	42%	39%	39%	37%	49%	48%	*48%*	*47%*	All Div'ds to Net Prof	*48%*

CURRENT POSITION ($MILL.)	2008	2009	12/31/09
Cash Assets	214	206	154
Receivables	505	486	423
Inventory (LIFO)	384	366	409
Other	146	122	117
Current Assets	1249	1180	1103
Accts Payable	418	381	301
Debt Due	755	998	600
Other	488	550	471
Current Liab.	1661	1937	1372

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '07-'09 to '13-'15
Sales	10.0%	13.5%	*4.5%*
"Cash Flow"	8.5%	10.0%	*9.0%*
Earnings	9.0%	10.5%	*10.5%*
Dividends	9.5%	11.5%	*11.0%*
Book Value	- -	- -	*NMF*

Fiscal Year Ends	QUARTERLY SALES ($ mill.) A Sep.30	Dec.31	Mar.31	Jun.30	Full Fiscal Year
2007	1161	1101	1241	1344	4847.0
2008	1239	1186	1353	1495	5273.0
2009	1384	1216	1350	1500	5450.0
2010	1372	1279	*1369*	*1520*	*5540*
2011	*1410*	*1310*	*1415*	*1570*	*5705*

Fiscal Year Ends	EARNINGS PER SHARE A B Sep.30	Dec.31	Mar.31	Jun.30	Full Fiscal Year
2007	.73	.59	.84	1.07	3.23
2008	.76	.65	.71	1.12	3.24
2009	.91	.62	1.08	1.20	3.81
2010	1.11	.77	*1.08*	*1.29*	*4.25*
2011	*1.21*	*.86*	*1.20*	*1.38*	*4.65*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2006	.29	.29	.29	.29	1.16
2007	.31	.31	.40	.40	1.42
2008	.40	.40	.46	.46	1.72
2009	.46	.46	.50	.50	1.92
2010	.50				

BUSINESS: The Clorox Co. operates in four segments. Cleaning consists of laundry, home care, professional products and auto care (34% of '09 sales and 37% of pretax income). Lifestyle consists of food products and water filtration systems and filters (15%, 24%). Household consists of charcoal, cat litter, plastic bags, wraps and containers (31%, 26%). International (20%, 13%). Largest products: liquid bleach 13%, trash bags, 12%, and charcoal 10%. Acquired First Brands (1/99), Burt's Bees (11/07). Has 8,300 empls.. Henkel sold its 28.8% stake to Clorox in 11/04. Off. & dir. own 1.2% of common stock; (10/09 proxy). Chrmn. and CEO.: Donald R. Knauss. Inc.: CA. Add.: 1221 Broadway, Oakland, CA 94612. Telephone: 510-271-7000. Internet: www.clorox.com.

Clorox has nudged its fiscal 2010 (ends June 30th) share-earnings guidance up a nickel to the $4.10-$4.25 range. Strong first-half results will likely provide most of the expected bottom-line improvement. Second-half sales and earnings growth will probably be limited due to increased competitively related trade promotion spending, a likely temporary slowdown in disinfecting product sales as retailers and consumers work through their supplies, and the negative effects of Venezuela's currency devaluation (estimated at $0.09 a share). Moreover, recent increases in energy, resin, and wood prices will substantially limit favorable commodity cost comparisons. Our initial fiscal 2011 outlook is roughly for a 10% earnings gain.

Several products are being introduced. The most notable are four line extensions of the premium-priced *Hidden Valley Ranch* dressings. Other new lines include *Burt's Bees* oral care items, single dose packets of *Clorox 2*, a bleach that is more compatable with high-efficiency washers; and fragranced disinfecting sprays and air sanitizing products for the Latin American market.

Clorox's debt/EBITDA ratio is in its targeted range. The company indicated when this ratio fell into the 2.00 to 2.50 range (now 2.45), it would consider acquisitions and share buybacks. A small tuck-in deal to buy Caltech Industries, a maker of germ-killing disinfecting bleaches, cleaners, and wipes for hospitals, adds nearly 1,000 hospitals to Clorox's 600 existing customers. We look for further expansion in Clorox's away-from-home business. The company recently announced it would resume its share repurchase program ($750 million is authorized).

This good-yielding issue has significant 3- to 5-year total return potential. Clorox's successful strategy is to build large market shares in mid-sized categories (and avoid direct competition from large entities). We expect growth in these operations to be supplemented by additional emphasis, including acquisitions, on higher-margined health and wellness products. Shareholders won't be neglected, as the company has raised dividends every year, but one, since 1980.

Jerome H. Kaplan *April 2, 2010*

(A) Fscl. yr. ends June 30. (B) Based on avg. shrs. outstndg. though '97; dil. thereafter. Excl. nonrecur. gain (loss): '99, ($0.60); '00, ($0.11); '01, ($0.16); '03, ($0.10); '04, $0.01. Next earnings report due early May.. (C) Div'd historically paid in mid-Feb., May, Aug., Nov.. ■ Div'd reinvest. plan available. (D) Incl. intang. At 6/30/09: $2292.0 mill., $16.47/sh. (E) In mill., adj. for stk. splits.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	60
Earnings Predictability	100

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