NEWS RELEASE

Clorox Reaches Agreement with IRS; Announces Plans to Repatriate Foreign Earnings

4/20/2005

OAKLAND, Calif., April 20, 2005 - The Clorox Company (NYSE: CLX) (PCX: CLX) today announced an agreement with the Internal Revenue Service (IRS) resolving tax issues related to its investment in a limited partnership investment fund. As part of the settlement agreement, the company will pay a total of approximately $228 million in additional taxes and interest, of which $78 million was paid in March 2005.

Separately, Clorox today announced that, in fiscal year 2006, the company expects to repatriate approximately $200 million of foreign earnings under the provisions of the American Jobs Creation Act of 2004 (AJCA).

In fiscal year 2005, the company expects the combined impact of these two activities to reduce tax expense by approximately $14 million. In fiscal year 2006, Clorox anticipates these activities to increase tax expense by approximately $4 million.

IRS Agreement

As previously communicated, the company became a limited partner in 1998 in an investment fund that invests in developed-market currencies. This investment provided Clorox with a means of mitigating its exposure to currency fluctuations in emerging markets, which is where many of the company's international operations are located. Clorox does not manage the fund nor does it control the investment decisions of the fund.

In 2004, the IRS proposed certain adjustments that would reattribute taxable income generated by the investment fund to Clorox. In June 2004, the company filed a petition in United States Tax Court contesting these adjustments, which will be dismissed as part of the settlement upon court approval. As a result of its settlement agreement,

Clorox will make cash payments totaling about $228 million, of which $78 million was paid in March 2005 and the remainder is expected to be paid in the fourth quarter of fiscal year 2005.

As a matter of course, Clorox accrues for certain tax contingencies. In the third quarter of fiscal year 2005, the company will release about $23 million in excess tax accruals related to this matter, thereby decreasing third-quarter income tax expense.

"We're pleased to have resolved this matter more quickly than expected," said Chief Financial Officer Dan Heinrich. "Despite our belief that the company's tax return position on this matter was supported, we determined it was in the company's and shareholders' best interests to resolve this dispute and dispose of the pending cost of litigation."

Foreign Earnings Repatriation

In October 2004, Congress enacted the American Jobs Creation Act of 2004, which, among other provisions, provides for a special one-time deduction of 85 percent of certain foreign earnings repatriated to the United States. In its fiscal 2006 first quarter, ending Sept. 30, 2005, Clorox expects to repatriate about $110 million of foreign earnings, followed later in the fiscal year by an additional $90 million. The company will invest the repatriated funds in activities consistent with the provisions of AJCA.

In December 2004, the Financial Accounting Standards Board (FASB) issued FASB Staff Provision No. FAS 109-2, "Accounting and Disclosure Guidance for the Foreign Earnings Repatriation Provision within the American Jobs Creation Act of 2004." In accordance with FAS 109-2, the company will record incremental U.S. federal income and foreign withholding tax expense of $9 million for the quarter ending March 31, 2005. During fiscal year 2006, the company anticipates recording incremental U.S federal and foreign withholding tax expense of approximately $4 million.

Third-Quarter Conference Call and Webcast

On Thursday, May 5, Clorox will host a live audio webcast of a discussion with the investment community regarding the company's third-quarter results. The webcast will begin at 10:30 a.m. Pacific time (1:30 p.m. Eastern time), and can be accessed at **www.TheCloroxCompany.com/investors/index.html**. A replay of the webcast will be available for one week on the company's Web site.

The Clorox Company

The Clorox Company is a leading manufacturer and marketer of consumer products with fiscal year 2004 revenues of $4.3 billion. Clorox markets some of consumers' most trusted and recognized brand names, including its

namesake bleach and cleaning products, Armor All® and STP® auto care products, Fresh Step® and Scoop Away® cat litters, Kingsford® charcoal briquets, Hidden Valley® and K C Masterpiece® dressings and sauces, Brita® water-filtration systems, and Glad® bags, wraps and containers. With 8,600 employees worldwide, the company manufactures products in 25 countries and markets them in more than 100 countries. Clorox is committed to making a positive difference in the communities where its employees work and live. Founded in 1980, The Clorox Company Foundation has awarded cash grants totaling more than $58.3 million to nonprofit organizations, schools and colleges; and in fiscal 2004 alone made product donations valued at $5 million. For more information about Clorox, visit **www.TheCloroxCompany.com**.

Forward-Looking Statements

Except for historical information, matters discussed above, including statements about future volume, sales and earnings growth, profitability, costs, cost savings or expectations, are forward-looking statements based on management's estimates, assumptions and projections. Important factors that could cause results to differ materially from management's expectations are described in "Forward-Looking Statements and Risk Factors" and "Management's Discussion & Analysis" in the company's SEC Form 10-K for the year ended June 30, 2004, as updated from time to time in the company's SEC filings. Those factors include, but are not limited to, general economic and marketplace conditions and events; competitors' actions; the company's costs, including changes in exposure to commodity costs; the company's actual cost performance; risks inherent in litigation and international operations; the ability to manage and realize the benefits of joint ventures and other cooperative relationships, including the company's joint venture with Procter & Gamble regarding the company's Glad plastic bags, wraps and containers business; the success of new products; the integration of acquisitions and mergers; the divestiture of non-strategic businesses; and environmental, regulatory and intellectual property matters. In addition, the company's future performance is subject to risks particular to the share exchange transaction with Henkel, including the sustainability of cash flows and the actual level of debt costs. Declines in cash flow, whether resulting from tax payments, debt payments, share repurchases or otherwise, or interest cost increases greater than management expects, could adversely affect the company's earnings.

The company's forward-looking statements are and will be based on management's then 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.