

NOTICE TO EXERCISE 06/07

Please complete and return to Stock Option Administration. Your request cannot be processed without a legible, fully completed notice.

Global Compensation Payments Stock Option Administration	Phone: 513-983-5050 FAX: 513-983-0159 www.pg.com/investors/stock_options.jhtml	TE-3 G.O. Box 5B Two Procter & Gamble Plaza Cincinnati, OH 45202
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CHOOSE SERIES TO EXERCISE

1998 _____ for _____ shares	2000 _____ for _____ shares	2003 _____ for _____ shares
2/1999 _____ for _____ shares	2001 _____ for _____ shares	2004 _____ for _____ shares
9/1999 _____ for _____ shares	2002 _____ for _____ shares	Other _____ for _____ shares

CHOOSE METHOD OF EXERCISE (Note: exercise of a SAR will automatically result in cash, skip to next section.)

U.S. CITIZENS, PERMANENT RESIDENTS (U.S. Green Card), or currently residing in the U.S: choose one of the following methods:

To receive Cash, select:



To receive Stock, select one of the following four methods:



Sell All:

Broker sells all shares indicated above.
You receive cash.

____ Sell at Market
____ Sell at Limit \$ _____ *

Sell to Cover:

Pay no cash. Broker sells enough shares to cover option cost and taxes.
You receive the balance of shares.

____ Sell at Market
____ Sell at Limit \$ _____ *
____ Deposit the resulting shares to my SIP account.
____ Mail the resulting shares to me at my home address.

Pay Cash:

Pay cash to cover option cost and taxes. You receive shares.

____ Enclosed is a check for US\$ _____ payable to P&G.
____ I have transmitted US\$ _____ via wire transfer.
____ Deposit the shares to my SIP account.
____ Mail the shares to me at my home address.

Pay Cash, Cover Taxes with Shares:

Pay cash to cover option cost (option price x shares).

P&G withholds shares to cover taxes.

____ Enclosed is a check for US\$ _____ payable to P&G.
____ I have transmitted US\$ _____ via wire transfer.
____ I authorize P&G to determine the number of shares to withhold from me in order to pay applicable taxes and to transfer shares from me to P&G
____ Deposit the resulting shares to my SIP account.
____ Mail the shares to me at my home address.

Share Exchange:

Pay no cash. Cover option cost with currently owned shares. P&G withholds shares to cover taxes.

____ I wish to tender shares of P&G stock, which I certify that I have owned for at least six months, in full payment of my option cost. Under existing law, I am entitled to keep my current shares. I authorize P&G to determine the number of shares necessary to pay my option cost and applicable taxes and to issue to me the remaining shares.
____ Deposit the resulting shares to my SIP account.
____ Mail the stock to me at my home address.

Contact Stock Option Administration for cash payment amount

RESIDENTS OF: Algeria, Azerbaijan, Bangladesh, Bosnia, China, Colombia, Croatia, Greece, India, Indonesia, Kazakhstan, Lebanon, Malaysia, Morocco, Russia, South Africa, South Korea, Sri Lanka, Thailand, Ukraine, United Arab. Emer., Uzbekistan, Vietnam, Yugoslavia check below:

____ **Sell All:** Broker sells all shares indicated above. You receive cash.

____ Sell at Market
____ Sell at Limit \$ _____ *

ALL OTHER OPTIONEES: choose one of the following methods:

To receive Cash, select:



To receive Stock, select one of the following two methods:



Sell All:

Broker sells all shares indicated above.
You receive cash.

____ Sell at Market
____ Sell at Limit \$ _____ *

Sell to Cover:

Pay no cash. Broker sells enough shares to cover option cost and taxes.
You receive the balance of shares.

____ Sell at Market
____ Sell at Limit \$ _____ *
____ Deposit the resulting shares to my SIP account.
____ Mail the resulting shares to me at my home address.

Pay Cash:

Pay cash to cover option cost and taxes. You receive shares.

____ Enclosed is a check for US\$ _____ payable to P&G.
____ I have transmitted US\$ _____ via wire transfer.
____ Deposit the shares to my SIP account.
____ Mail the shares to me at my home address.

Contact Stock Option Administration for cash payment amount

*If Limit is not reached by the time of expiration for the grant series indicated above, the grant will expire unexercised.

CERTIFICATION OF EMPLOYMENT INTENT (required for "active" employees)

NOTICE TO EXERCISE (page two)

The right to exercise any stock option or stock appreciation right under The Procter & Gamble Stock Plans is conditional upon certification by the recipient at the time of exercise that the recipient intends to remain in the employ of the Company or one of its subsidiaries for at least one year following the date of exercise. To comply with this certification provision, select one of the following:

1. I intend to remain in the employ of the Company or one of its subsidiaries (except in the case of retirement or disability) for at least one year following the date of exercise.

_____ **Optionee Signature** _____ **Date**

OR:

2. I intend to leave the Company or one of its subsidiaries within one year following the date of exercise, but I have no intent to engage in any activity that would violate the non-compete, which I have read and understand.
I also understand that it is my responsibility to have this "Notice to Exercise" approved by my Vice President.

_____ **Optionee Signature** _____ **Date** _____ **Vice President Signature*** _____ **Date** _____ **Print Vice President Name**

*This confirms, as required by the Compensation Committee, that the optionee has not acted significantly contrary to the best interests of the Company.

INDICATION OF INTERNATIONAL ASSIGNMENTS:

While you were a P&G employee, please list the countries you have worked in from 1992 – present, as well as the assignment type you had in that country (e.g. WES/International Manager or local employee):

_____ location _____	_____ dates worked in that location _____	_____ assignment type _____
_____ location _____	_____ dates worked in that location _____	_____ assignment type _____
_____ location _____	_____ dates worked in that location _____	_____ assignment type _____

BANK INFORMATION (required for "Sell All" method of exercise and exercise of Stock Appreciation Rights)

By using this application, I hereby authorize P&G to initiate electronic entries to the financial institution named within this application. If technical problems occur which prohibit electronic entries being made, a regular check will be issued.

Payee Bank Name: _____ **Payee Bank Location:** _____
 _____ City, State

Payee Bank Transit Route #: _____ **Payee Bank Account #:** _____
 _____ (9 digits)

If your account is with a non-US Bank, the following information is also required. Your bank can provide this information:

Correspondent Bank Name: _____ **Correspondent Bank Location:** _____
 _____ City, Country

Correspondent Bank Account #: _____

DISCLAIMER: Procter & Gamble shall have no responsibility for the failure to complete, for any reason, any requested transaction. In the event that the sale price on "Market" orders is lower than the grant price, you must pay the difference to The Company.

AUTHORIZATION

Regardless of the Company's withholding obligations, I understand I'm responsible for any taxes due as a result of the exercise.

 _____ **Name (please print)** _____ **Signature** _____ **Date**

P&G Employment Status active / retired / separated **P&G Global ID** _____ **Phone #** _____
 (circle one) (if known)

U.S. Social Security # _____ **E-Mail Address** _____

Home Address _____
 _____ (Street) _____ (City) _____ (State) _____ (ZIP)

P&G Office Address _____
 _____ (Legal Entity/Company Name) _____ (City) _____ (Country)