

Colgate Reports Excellent Second Quarter Net Income and EPS up 18%-9% Unit Volume Growth

New York, New York, July 24th, 1997 ... - Colgate-Palmolive Company (NYSE: CL) achieved 9 percent unit volume growth worldwide in the second quarter, fueled by outstanding sales from new product introductions and strong increases in global advertising. The growth in unit volume produced record-breaking sales and sharply higher profits. In addition, during the quarter the Company generated the highest gross profit margin for any quarter in its history.

Net income increased 18 percent to \$175.8 million or \$.58 per share versus \$.49 for the three months ended June 30, 1997. Sales increased 6 percent to \$2.3 billion and would have increased 9 percent if not for the impact of translating foreign currency. All per share amounts reflect the two-for-one stock split which took effect May 15, 1997. Every Company division contributed to the strong worldwide volume growth, with Colgate-Latin America and Hill's Pet Nutrition, each up 12 percent, Colgate-Europe, up 8 percent, Colgate-North America, up 7 percent and Colgate-Asia/Africa, up 5 percent.

Reuben Mark, Chairman and Chief Executive Officer, said: "We are pleased at our strong top-line growth, and that every division met or exceeded our aggressive volume targets. Market shares increased in most areas, with new products receiving excellent consumer response. Ongoing cost savings and restructuring drove gross profit margin up 180 basis points, allowing for a worldwide increase in business-building advertising of almost 20 percent, at the same time that earnings grew sharply." Colgate also achieved strong results in the first six months of 1997, with unit volume increasing by 8 percent. In the first half, net income increased 18 percent to \$345.4 million as earnings per share rose 19 percent to \$1.14 from \$.96. Sales rose 5 percent to \$4.4 billion and would have increased 8 percent if not for the stronger dollar.

Colgate-Latin America (25 percent of Company sales)

Colgate achieved broad-based growth throughout the region in the second quarter, with all major countries showing good growth. Sales for the division increased 15 percent and unit volume grew 12 percent. Heavy new product activity and increased advertising are strengthening Colgate's already high Latin American market shares. Among the new successes in Oral Care are Colgate Baking Soda & Peroxide toothpaste and the Colgate Classic Deluxe toothbrush. Personal Care initiatives include the broad expansion of Protex Fresh soap and the introduction of new shampoo and hair styling varieties under the Palmolive and Caprice brand names as well as the relaunch of Mennen Speed Stick in improved packaging. Axion antibacterial dishwashing products and affordable pouches for cleaners, fabric softeners and bleach are adding to Colgate's household business.

Colgate-Europe (23 percent of Company sales) Colgate unit volume increased 8 percent with strong advances in the division's five largest subsidiaries: France, Germany, Italy, the United Kingdom and the Nordic group. Reported sales declined 3 percent due to the strengthening of the U.S. dollar against European currencies.

Colgate-Europe also has excellent new product momentum. Colgate Sensation, consisting of two toothpaste varieties and a toothbrush, is adding incremental market share in Oral Care, as is Colgate Total Fresh Stripe toothpaste. Palmolive shower gel and Palmolive liquid soap are contributing to gains in Personal Care, along with a new Tahiti deodorant. The important Ajax equity, which celebrates its 50th anniversary this year, is being extended with Ajax Fetes des Fleurs and Ajax Eucalyptus in several countries. Colgate-North America (22 percent of Company sales)

Unit volume increased 7 percent as Colgate continues to increase its domestic market shares with innovative new products and higher levels of advertising. Sales increased 6 percent. New products continue to grow Colgate's market shares. Second quarter U.S. market shares versus the fourth quarter of 1996 are up in 9 out of 12 categories in which the Company competes, driven by new Colgate Whitening with Baking Soda & Peroxide toothpaste, the premium Colgate Wave toothbrush, Palmolive Pots & Pans dishwashing detergent, Softsoap body wash and other new products. New product activity is planned to continue strong throughout the balance of the year in toothpaste, underarm protection and shower gel. And last week, Colgate received approval from the Food & Drug Administration to sell Colgate Total in the U.S. Colgate Total, the first and only toothpaste ever approved by the FDA for its ability to help prevent gingivitis, plaque and cavities, will be available in the U.S. by the end of 1997.

Colgate-Asia/Africa (20 percent of Company sales)

Sales and unit volume increased 5 percent as Colgate achieved strong growth in Greater China, India, South Africa and the South Pacific countries, partially offset by economic slowdown in Thailand and elsewhere in Southeast Asia. New Oral Care products contributing to growth included Colgate Sensation and Colgate Fresh Stripe gel toothpaste. Successful introductions of Mennen Speed Stick deodorant, Palmolive Nature's Resources shower cream and soap, and Protex soap added to volume in Personal Care while introductions of Fabuloso cleaner and Axion dishwashing paste did the same for Household Care. Colgate is constructing a new regional manufacturing center for Oral Care in Nepal, to support its growing business in the Indian subcontinent.

Hill's Pet Nutrition (10 percent of Company sales)

Sales increased 15 percent on 12 percent unit volume growth with both Domestic and International contributing strongly. Hill's-U.S. benefited from improved customer service and stronger sales execution with completion of the changeover to its own dedicated sales force. Increased advertising and the successful launches of Prescription Diet Feline t/d for tartar control and Science Diet Treats in stand up/resealable pouches contributed further growth. Hill's-International achieved strong growth in Japan, with the launch of 7 new canned varieties of Science Diet and the initiation of television advertising, and also in Europe, aided by new manufacturing capacity.

Colgate-Palmolive is a leading global consumer products company tightly focused on Oral Care, Personal Care, Household Care, Fabric Care and Pet Nutrition. Colgate sells its quality products in over 200 countries and territories under such internationally recognized brand names as Colgate, Palmolive, Mennen, Kolynos, Protex, Ajax, Soupline, Suavitel and Fab, as well as Hill's Science Diet and Hill's Prescription Diet pet foods. (Table attached)

Colgate-Palmolive Company Summary of Consolidated Results
Three Months and Six Months Ended June 30, 1997 and 1996
(In Millions Except Per Share Amounts) (Unaudited)

	Second Quarter	Second Quarter	First Half	First Half
	1997	1996	1997	1996
Net Sales	\$2,300.9	\$2,167.3	\$4,448.0	\$4,221.0
Cost of Sales	1,132.8	1,106.3	2,199.3	2,156.7
Gross Profit	1,168.1	1,061.0	2,248.7	2,064.3
Selling, General and Administrative Expenses	854.6	780.5	1,628.7	1,514.3
Earnings Before Interest and Taxes	313.5	280.5	620.0	550.0
Net Interest Expense	47.0	53.1	92.7	100.2
Income Before Income Taxes	266.5	227.4	527.3	449.8
Provision for Income Taxes	90.7	78.5	181.9	157.4
Net Income	175.8	148.9	345.4	292.4
Preferred Dividends, Net of Tax	5.2	5.3	10.6	10.7
Earnings Per Common Share	\$.58	\$.49	\$ 1.14	\$.96
Average Common Shares Outstanding	295.3	293.1	294.9	292.6