

Colgate Reports Strong First Quarter Net Income up 16%-6% Unit Volume Growth

New York, New York, April 22, 1998 ... - Colgate-Palmolive Company (NYSE:CL) started 1998 with strong volume and profit growth across its worldwide consumer business. Global unit volume increased more than 6 percent in the first quarter, accompanied by record profitability. Every division participated in the excellent growth, led by Latin America, Europe and the United States.

Net income increased 16 percent to a record \$196.0 million. Basic earnings per share also rose 16 percent, to \$.65 versus \$.56 in 1997. Worldwide sales rose 1 percent to \$2.2 billion and would have risen 9 percent if not for foreign currency translation.

Colgate set new all-time records for Company profitability in the latest quarter. Gross profit margin increased to 52.0 percent of sales from 50.3 percent, with every division worldwide achieving an improvement in this key profitability indicator. Earnings before interest and taxes increased 12 percent to a record level of 15.9 percent to sales. After-tax return on sales was 9.1 percent, also a new record, versus 7.9 percent in the year-ago quarter.

Reuben Mark, Colgate Chairman and Chief Executive Officer, said: "We are delighted that Colgate's excellent 1997 momentum continues in 1998. Strongly improved gross profit margin together with reduced overhead allowed us to once again increase worldwide advertising much faster than sales. This strong support behind both established and new products has resulted in market share gains here and abroad. The extraordinary success of new Colgate Total toothpaste in the U.S. is a good example of our dedication to further building our global leadership in this core business.

"Colgate's improved profitability and working capital reductions helped achieve record operating cash flow, which increased 31 percent for the quarter. With this excellent start, we look forward to continued strong growth in Colgate's global business in 1998 and beyond."

Colgate-Latin America (27 percent of Company Sales)

Widespread gains throughout this 34-country region produced 8 percent sales growth on 9 percent higher unit volume. All key Colgate markets in the region contributed to volume growth, including Mexico, Venezuela, Brazil and Colombia. In addition, smaller areas in the region such as the Dominican Republic, Ecuador and Central America enjoyed double-digit growth. Operating profit for the Division increased significantly.

The multicountry expansion of Colgate Sensation whitening toothpaste and the Sensation toothbrush helped fuel growth in Oral Care, as did new toothpaste varieties in Brazil (Sorriso Herbal and Colgate baking soda gel). Protex Fresh soap entered new markets, benefiting sales in Personal Care, which also saw continued growth from Caprice Naturals and Botanicals hair care products in Mexico, the highly successful launch of Palmolive Naturals in Central America and the launch of Mennen Speed Stick Gel in many countries. New affordable sizes aided growth in fabric softeners, including sachets designed for small retail outlets.

Colgate-Europe (23 percent of Company Sales)

Every country across Europe contributed to the region's 8 percent unit volume growth, with strong gains in each of Colgate's five largest markets: France, Italy, United Kingdom, Germany and the Nordic Group. The volume surge offset the impact of translating weaker European currencies, keeping sales unchanged from a year ago. Operating profits rose strongly, the result of cost-savings on the increased unit volume, Pan-European efficiencies and limited price increases in several countries. To further save costs, Colgate-Europe is implementing the powerful SAP integrated system.

New products are driving Colgate-Europe's volume growth, which has now continued for 9 successive quarters. Growth in Oral Care was driven largely by Colgate Sensation whitening and Acticlean toothpastes, and the Colgate Sensation toothbrush. In Personal Care, the expanding line of Palmolive Shower gel products continues to grow at a fast rate Europe-wide. The rollout of Ajax Fete des Fleurs to 10 countries in five months is producing strong shipments and market share gains, while Palmolive antibacterial dishwashing liquid, Ajax antistatic window cleaner and LaCroix toilet bowl cleaner with bleach also contributed to Household Care growth.

Colgate-North America (22 percent of Company Sales)

New products and increased advertising continue to drive Colgate's growth in North America. Sales from continuing businesses rose 6 percent in the first quarter on 5 percent higher volume. U.S. volume increased 7 percent. This follows very strong growth throughout 1997, including December's extremely successful launch of Colgate Total toothpaste. North American operating

profits expanded sharply, reflecting manufacturing efficiency, overhead reductions and the streamlining of business processes, which was enabled by SAP integrated software.

Just four months after its introduction, Colgate Total is now the No. 1 toothpaste variant in the country, based on value market share, and is used and recommended by more dentists and hygienists than any other toothpaste. With Total's success, the Company's overall toothpaste market share moved up significantly in the first quarter, consolidating a clear Number 1 market share position in the U.S. New Palmolive for pots & pans, combined with Palmolive dishwashing & antibacterial hand soap and Ajax antibacterial, has helped put Colgate's dishwashing liquid market share at record levels. Other recent introductions fueling sales and market share growth are Murphy's Squirt & Mop cleaner, Softsoap antibacterial hand gel, Speed Stick Ultimate odor-fighting antiperspirant and Lady Speed Stick gel.

Colgate-Asia/Africa (17 percent of Company Sales)

Colgate unit volume rose 3 percent. Sales declined 10 percent reflecting currency declines, primarily due to economic difficulties in the ASEAN countries, partially offset by price increases. As expected, operating profit in the region declined.

Offsetting the expected volume decline in the ASEAN countries, Colgate unit volume grew strongly in China, Hong Kong, South Africa, Australia and New Zealand. South Pacific volume was boosted by increased sales from Palmolive Naturals shower gel and Softwash liquid hand wash. Importantly, Colgate has expanded its unit volume significantly in China, where it is aggressively introducing new products and widening distribution to offer consumers throughout the country a growing range of products. In Oral Care, Colgate is building its toothpaste franchise with Colgate anticavity toothpastes and new Colgate Total. Palmolive Optima shampoo, now being manufactured in China, is adding growth in Personal Care.

Hill's Pet Nutrition (11 percent of Company Sales)

The global leader in specialty pet food, Hill's is achieving especially rapid growth in Europe and Japan. Overall worldwide unit volume rose 4 percent in the latest quarter. Worldwide sales rose 2 percent and would have increased 5 percent if not for currency translation. Hill's-International benefited from new products and increased advertising in Japan, as well as expanded selling activities in key European markets. Hill's operating profit enjoyed a healthy increase vs. the year-ago performance.

New products from Hill's-U.S. are meeting excellent response from pet retailers and veterinarians. Science Diet Feline savory recipes, introduced at year-end 1997, is exceeding objectives. Also doing well are new Prescription Diet products for gastrointestinal and urinary problems in cats. A major new advertising campaign begins in the second quarter and will reinforce that Hill's pet foods are recommended most by veterinarians.

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 212 countries and territories under such internationally recognized brand names as Colgate, Palmolive, Mennen, Kolynos, Ajax, Soupline, Suavitel and Fab, as well as Hill's Science Diet and Hill's Prescription Diet pet foods.

Colgate-Palmolive Company Summary of Consolidated Results for the three months ended March 31, 1998 and 1997
(Dollars in Millions Except Per Share Amounts)
(Unaudited)

	1998	1997
Net Sales	\$2,159.5	\$2,147.1
Cost of Sales	1,036.0	1,066.5
Gross Profit	1,123.5	1,080.6
Selling, General and Administrative Expenses	781.1	774.1
Earnings before Interest and Taxes	342.4	306.5
Net Interest Expense	43.2	45.7
Income Before Income Taxes	299.2	260.8
Provision for Income Taxes	103.2	91.2
Net Income	196.0	169.6
Preferred Dividends, Net of Tax	5.3	5.3
Basic Earnings Per Common Share	\$.65	\$.56
Average Common Shares Outstanding (in millions)	295.6	294.6

Diluted earnings per common share were \$.60 vs. \$.52 in the first quarter of 1997. Average common shares used in the diluted computation were 325.7 million in 1998 vs. 323.9 million in 1997.