

Colgate Reports Strong First Quarter EPS Up 8% to \$.70 vs. \$.65 Growth Led by Robust U.S. Performance

New York, New York, April 21, 1999 ... - Colgate-Palmolive Company (NYSE:CL) opened 1999 with record first quarter earnings led by broad new product initiatives and very strong unit volume growth in the United States. Continued improvements in profitability drove a basic earnings per share increase of 8% to \$.70 vs. \$.65 last year. Diluted earnings per share also rose 8%, to \$.65 vs. \$.60, and net income rose 7% to \$208.9 million. Worldwide unit volume rose 3% and worldwide sales increased 1% to \$2.2 billion. Excluding foreign currency translation, sales rose 5%.

Colgate's gross profit margin increased by 1.6 percentage points to 53.6%, a new all-time record, with every division delivering significant improvement. Operating profit margin also set a new record, at 16.8% rising almost one full percentage point from the 1998 first quarter.

Reuben Mark, Chairman and CEO, said: "We are very pleased with this robust volume momentum, led by 13% unit volume growth in Colgate-North America and 8% at Hill's Pet Nutrition. Good growth, together with strong margin improvement in every division, drove us to another record in both dollar profit and profitability. Cash generation was very strong, and after-tax return on capital reached a record 20.9% vs. 18.8% in last year's first quarter.

"Every geographic area met or exceeded our volume expectations despite economic problems in some areas of the developing world. The aggressive focus of Colgate people worldwide on profitable new products, cost reduction and streamlining operations once again achieved sharp profit margin expansion. From this excellent beginning, we are excited about prospects for continued strong profitable growth throughout 1999."

The following are comments about results of the divisions:

Colgate-North America (24% of Company sales)

Unit volume surged 13% in Colgate-North America. This division is on track to achieve its fifth consecutive year of strong, profitable growth. Sales increased 11% from the year-ago quarter.

Innovative new products in all core categories drove volume growth in the U.S., including Colgate Total Fresh Stripe toothpaste. After only two weeks of shipments, excellent consumer take-away is already evident for Colgate Total Fresh Stripe toothpaste, even outpacing last year's record-breaking introduction of original Colgate Total toothpaste. A fresh-tasting gel variant of the best-selling Colgate Total brand, Colgate Total Fresh Stripe has the same therapeutic benefits and approvals by the Food & Drug Administration and the American Dental Association for protection against plaque, gingivitis and cavities. Colgate's whitening toothpastes and premium toothbrush entries fueled Colgate's strong Oral Care growth as well.

Impressive Personal Care growth reflected strong sales of Speed Stick Ultimate odor-fighting deodorant, Lady Speed Stick gel, and Softsoap body wash, while Household Care benefited from increasing sales of recently introduced Palmolive lemon dishwashing liquid & antibacterial hand soap and Palmolive automatic dishwashing line extension, baking soda fresh.

Colgate again increased its gross profit margin in North America, driven by profitable product mix, focused manufacturing and SAP integrated business process software.

Colgate-Latin America (25% of Company sales)

Colgate's strong growth in Mexico, the region's second largest market, as well as in Central America, the Caribbean, Argentina, Chile and the Dominican Republic largely offset difficult economic conditions in Brazil and Ecuador. Overall unit volume in the region decreased 3% and sales decreased 8%, reflecting currency translation. Excluding Brazil, both sales and unit volume increased in Latin America.

Colgate-Latin America continues to strengthen its market leadership positions through innovative value-added new products, while concurrently offering single-size sachets and packs for lower income consumers. Colgate Double Cool Stripe toothpaste, the Colgate Sensation toothbrush, the Twister toothbrush, Sorriso Herbal toothpaste and Kolynos Fresh toothpaste all performed well. Aggressive roll-outs in Personal Care include Lady Speed Stick gel, recently introduced into four additional countries, the extension of the Softsoap liquid soap line from the U.S. under the Palmolive brand name, and the launch of Palmolive shower gels, which have done exceptionally well in Europe. Ajax Fiesta de Flores, another successful European initiative, entered four new Latin American countries in the first quarter and is off to an excellent start.

Colgate-Europe (23% of Company sales)

European sales were level with the exceptionally strong first quarter of 1998, and units declined 2%. Excluding Russia and the bordering countries, sales were up 4% and unit volume rose 1%. Strong volume performers included Italy, Greece, Holland and Germany.

Market shares are healthy across the region. The relaunch of Colgate Total toothpaste with creative new advertising and clinical support has strengthened the brand's market shares in a number of important countries. Colgate Sensation whitening and new liquid gel toothpastes in convenient squeezable bottles are also gaining market share in various countries.

New varieties of Palmolive shower gel together with Palmolive liquid soaps boosted sales in Personal Care. Ajax Igiene Attiva (active hygiene) performed exceptionally well in its lead market of Italy. And a new more efficient bottle and a new peach variant added growth in fabric softeners.

Operating profits again increased significantly as Colgate-Europe continues to take costs out of the system. With SAP going live in Italy and Greece at the end of the first quarter, all of Western Europe is now on a single integrated system, providing real time information and efficiency across 15 countries.

Colgate-Asia/Africa (17% of Company sales)

Unit volume increased 1.5% in the Asia/Africa division, and sales were also slightly ahead of 1998. Colgate had substantial volume growth in Greater China, potentially the world's largest consumer market, the South Pacific, Taiwan and Vietnam.

Colgate's market shares in China reached new records during the quarter, further strengthening toothpaste leadership in major key cities. The highly successful launch of Colgate Sensation whitening toothpaste, continued growth for Colgate Total and widening in-country distribution all fueled growth. In Australia, Colgate strengthened market leadership with such innovations as the Colgate Replace toothbrush, featuring a replaceable head system, Palmolive shower gel, Palmolive Softwash, now Number One in the fast-growing body wash segment, and Palmolive Botanicals shampoo.

Moves to regional product sourcing boosted Asia's profitability and speed to market. Premium toothbrushes are now sourced from China. Toothpaste for the ASEAN countries is sourced out of Thailand while soap will primarily be manufactured in Malaysia. And the rapid, successful introduction of Palmolive shower gel into Malaysia was enabled by sourcing the entire product line from Colgate's pan-European plant in Anzio, Italy.

Hill's Pet Nutrition (11% of Company sales)

Hill's had an excellent quarter in both its domestic and international pet food business. Technology-based new products, increased advertising and innovative educational programs drove unit volume up 8%. Sales expanded 6%.

Hill's Science Diet Hairball Control Formula for cats has won excellent acceptance from U.S. veterinarians, pet stores and pet owners. Developed by Hill's technology, the new diet addresses a problem affecting most cats. Excellent growth for the Hill's Prescription Diet brand resulted from strong levels of veterinary endorsement, new Prescription Diet n/d formula for dogs undergoing cancer treatment and clinic-based educational programs.

Hill's enjoyed double-digit volume increases in Europe and Asia. New feline varieties, palatability improvements of the entire dry cat food line and aggressive merchandising spurred growth across Europe. In Japan, Hill's continues to expand its effective advertising and in-store educational programs.

* * * * *

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 products in over 200 countries and territories around the world under such internationally recognized brand names as Colgate, Palmolive, Mennen, Softsoap, Protex, Sorriso, Kolynos, Ajax, Axion, Soupline, Suavitel and Fab, as well as Hill's Science Diet and Hill's Prescription Diet pet foods.

This press release (other than historical information) contains forward looking statements. Actual events or results may differ materially from those statements. Investors should consult the Company's filings with the Securities and Exchange Commission (including the Company's Form 8-K dated November 13, 1998) for information about factors which could cause such differences. Copies of these filings may be obtained upon request from the Company's Investor Relations Department.

Colgate-Palmolive Company Summary of Consolidated Results
for the three months ended March 31, 1999 and 1998
(Dollars in Millions Except Per Share Amounts(Unaudited))

	1999	1998
Net Sales	\$2,175.3	\$2,159.5
Cost of Sales	1,009.4	1,036.0
Gross Profit	1,165.9	1,123.5
Selling, General and Administrative Expenses	801.0	781.1
Earnings before Interest and Taxes	364.9	342.4
Net Interest Expense	45.9	43.2
Income Before Income Taxes	319.0	299.2
Provision for Income Taxes	110.1	103.2
Net Income	208.9	196.0
Preferred Dividends, Net of Tax	5.2	5.3
Basic Earnings Per Common Share	\$.70	\$.65
Average Common Shares Outstanding (in millions)	292.1	295.6

Diluted earnings per common share were \$.65 vs. \$.60 in the first quarter of 1998. Average common shares used in the diluted computation were 320.7 million in 1999 vs. 325.7 million in 1998.