

## Colgate Previews Second Quarter Earnings and Announces 15% Dividend Increase

**New York, New York, July 13th, 1995** - Colgate-Palmolive (NYSE symbol: CL) issued an alert to the financial community today that second quarter earnings, due to be released next week, are expected to be \$.95 per share, falling 9 to 10 cents below analysts' expectations of \$1.04 - \$1.05 per share. This is due to economic conditions in Mexico, leading to reduced profits in that country.

Reuben Mark, Colgate Chairman and CEO stated, "As results from our operations in more than a hundred companies worldwide have come in, it has become evident that our expectations of being able to offset the sharp fall in Mexican profit elsewhere will not be fulfilled. We made up for a substantial loss of profits in Mexico in the first quarter with strong performances in all our other geographic businesses. We were not able to do that in the second quarter while still fully maintaining the strong worldwide support for our global franchises that is so important to our continued profitable growth."

Mr. Mark continued, "While Mexico has temporarily reduced our earnings growth, our worldwide business fundamentals are extremely sound."

Mr. Mark continued, "In the second quarter, we expect to report net income of \$143 million, slightly ahead of 1994's \$142 million. Worldwide Earnings Before Interest and Taxes was up 12% in the quarter, and up more than 20% if Mexico is excluded. The quarter will also show excellent sales growth, with worldwide sales from ongoing operations up 13%, on a unit volume increase of 8%.

"Business was especially strong in North America, Latin America, excluding Mexico, and in Asia/Pacific. Worldwide overhead was down as a percent to sales, while advertising spending in support of Colgate's strong global franchises was up significantly."

Mr. Mark further said, "The Mexican economic difficulties are a short term problem, and with our strong worldwide business momentum, our earnings will be up in 1995 versus 1994, and will be up again in 1996, continuing our long string of annual increases in earnings per share.

In their regularly scheduled July meeting today, the Colgate Board of Directors voted a 15% increase in the common stock dividend, from \$.41 to \$.47 quarterly, reflecting their view that the future outlook is indeed positive."

### Dividend dates

The higher common dividend is payable August 15, 1995 to shareholders of record July 25, 1995. Directors also declared the regular \$1.0625 quarterly dividend on the \$4.25 preferred stock, payable on October 2, 1995 to shareholders of record September 15, 1995.

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