

Colgate Achieves Record Sales and Earnings in Third Quarter - Earnings Increase 35%

New York, New York, October 17th, 1996 - Colgate-Palmolive Company (NYSE:CL) today announced record sales and earnings for the third quarter of 1996. Net earnings increased 35% to \$160.9 million or \$1.06 per share versus \$119.0 million or \$.78 per share before a restructuring provision in the third quarter of 1995. Sales increased 5% to \$2.2 billion on strong 6% worldwide unit volume growth and would have increased 7% if not for the effects of currency. Every operating division contributed to the strong volume growth.

Reuben Mark, Colgate Chairman and CEO, said: "We are delighted with these strong results, especially since the excellent growth in sales and profits was well balanced between developed and developing regions of the world. The gross profit margin increase of more than a full percentage point allowed us to significantly increase advertising spending worldwide and still deliver a sharp increase in earnings to a record level. In addition, overhead expenses were reduced, further fueling our strong profit growth.

"Volume growth in the developing world was strong, but we are particularly encouraged with the excellent shipment increases in our North American and European businesses, up 5% and 4%, respectively, better than overall market growth in both regions and a good indication of our ongoing flow of value-added new products. With this momentum and our aggressive ongoing new products program Colgate is well positioned for a strong fourth quarter and 1997," Mr. Mark said.

Colgate-Europe (25% of Company sales)

Colgate achieved 4% unit volume growth in this mature region by growing market share with innovative new products. Dollar sales were level with the third quarter of 1995 due to the strengthening of the U.S. dollar. Germany, France, Spain, Poland and Russia turned in strong volume growth. In Germany, the highly successful launch of Colgate Total toothpaste has won market share and gave Colgate leadership of the entire toothpaste category during the quarter. The success of this brand in Germany follows the same pattern as in the almost 100 countries where it has been launched. For example, Colgate's toothpaste share in the U.K. has reached a new all-time high, bolstered by a strong Colgate Total. Other contributors to Colgate's European growth are Colgate Baking Soda and Colgate Triple Cool Gel Stripes toothpastes, Protex antibacterial personal cleansing products, Palmolive Foam Bath, Ajax Expel liquid cleaner with insect repellent, Palmolive Balsam dishwashing liquid and Soupline with vanilla fabric softener.

Colgate-Latin America (24% of Company sales)

Colgate achieved 8% unit volume growth and 9% higher sales in this rapidly developing region of 500 million people. Colgate is strongly positioned throughout Latin America, and results were especially good in Argentina, Colombia, Ecuador, Brazil and Mexico, which is recovering from last year's devaluation and subsequent recession. Successful new products across the region include Protex Fresh soap, Vel fine fabric laundry bar, scented bleaches and bleach cleaners, and detergents that provide "total clean with total care."

Colgate-North America (22% of Company sales)

Led by strong growth in the U.S., unit volume for the region increased 5% on top of 13% growth in the third quarter of 1995; sales increased 4%. In the U.S., Colgate continues to do well with Palmolive Antibacterial, which has driven the Company's current dishwashing share to an all-time high of 35% of the market. Also, Colgate Baking Soda & Peroxide and Mennen Speed Stick gel have added market share in the toothpaste and deodorant categories. In total, 11 new products have been launched year to date, and this momentum is expected to continue. Also in the third quarter, Colgate-U.S. sharply improved its gross profit margin, and significantly increased advertising investment, both absolutely and as a percent of sales.

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

Colgate achieved 5% unit volume growth in Asia/Africa, following its strong double-digit growth in the third quarter of 1995. Sales increased 4%. Countries showing strong volume were China, where Colgate market share continues to increase, Taiwan, Hong Kong, India and South Africa. Colgate is aggressively introducing new products into the region including Palmolive Optima shampoo and Palmolive Optima Scalp Care, Axion antibacterial dishwashing products, Fabuloso fragranced cleaner and Palmolive shower cream. In Australia, new Colgate Baking Soda & Peroxide toothpaste has achieved a 10% market share.

Hill's Pet Nutrition (9% of Company sales)

Worldwide sales increased 11% on 6% unit volume growth as Hill's continues to lead the specialty food segment in the U.S. and globally. In the U.S., Hill's has introduced three new products and completed a major relaunch of Science Diet formulas in the third quarter, with improved vitamin and mineral balance. Strong growth internationally was led by Europe where Hill's this year added a manufacturing plant.

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.

(table attached)

Colgate-Palmolive Company Summary of Consolidated Results
 Three Months and Nine Months Ended September 30, 1996 and 1995
 (Dollars in Millions Except Per Share Amounts) (Unaudited)

	Third Quarter	Third Quarter	Nine Months	Nine Months
	1996	1995	1996	1995
Net Sales	\$2,230.6	\$2,134.4	\$6,451.6	\$6,205.4
Cost of Sales	1,135.8	1,109.7	3,292.5	3,230.8
Gross Profit	1,094.8	1,024.7	3,159.1	2,974.6
Provision for Restructuring	---	460.5	---	460.5
Selling, General and Administrative Expenses	799.1	785.8	2,313.4	2,185.5
Earnings (Loss) Before Interest and Taxes	295.7	(221.6)	845.7	328.6
Net Interest Expense	50.4	53.3	150.6	145.9
Income (Loss) Before Income Taxes	245.3	(274.9)	695.1	182.7
Provision (Benefit) for Income Taxes	84.4	(24.7)	241.8	133.2
Net Income (Loss)	160.9	(250.2)	453.3	49.5
Preferred Dividends, Net of Tax	5.3	5.4	16.1	16.2
Earnings (Loss) Per Common Share	\$1.06	\$(1.76)	\$2.99	\$.23
Average Common Shares Outstanding (000)	146,823	145,455	146,474	145,044
Excluding the 1995 Third Quarter Restructuring Charge:				
Earnings Before Interest and Taxes	\$295.7	\$238.9	\$845.7	\$789.1
Income Before Income Taxes	245.3	185.6	695.1	643.2
Provision for Income Taxes	84.4	66.6	241.8	224.5
Net Income	160.9	119.0	453.3	418.7
Earnings Per Common Share	\$1.06	\$.78	\$2.99	\$2.78

Assuming full dilution, earnings (loss) per common share was \$.99 vs. \$(1.76) in the third quarter and \$2.79 vs. \$.23 in the first

nine months for the periods ended September 30, 1996 and 1995. Excluding the 1995 restructuring, fully diluted earnings per share was \$.74 in the third quarter and \$2.60 in the first nine months of 1995.