

Table 1

Colgate-Palmolive Company
Consolidated Income Statements
For the Three Months Ended June 30, 2010 and 2009
(in Millions Except Per Share Amounts) (Unaudited)

	<u>2010</u>	<u>2009</u>
Net sales	\$ 3,814	\$ 3,745
Cost of sales	1,572	1,544
Gross profit	2,242	2,201
Gross profit margin	58.8%	58.8%
Selling, general and administrative expenses	1,292	1,296
Other (income) expense, net	2	18
Operating profit	948	887
Operating profit margin	24.9%	23.7%
Interest expense, net	14	21
Income before income taxes	934	866
Provision for income taxes	304	278
Effective tax rate	32.5%	32.1%
Net income including noncontrolling interests	630	588
Less: Net income attributable to noncontrolling interests	27	26
Net income attributable to Colgate-Palmolive Company	\$ 603	\$ 562
Earnings per common share		
Basic	\$ 1.21	\$ 1.11
Diluted	\$ 1.17	\$ 1.07

Table 2

Colgate-Palmolive Company
Consolidated Income Statements
For the Six Months Ended June 30, 2010 and 2009
(in Millions Except Per Share Amounts) (Unaudited)

	<u>2010</u>	<u>2009</u>
Net sales	\$ 7,643	\$ 7,248
Cost of sales	3,133	3,034
Gross profit	4,510	4,214
Gross profit margin	59.0%	58.1%
Selling, general and administrative expenses	2,647	2,482
Other (income) expense, net	237	34
Operating profit	1,626	1,698
Operating profit margin	21.3%	23.4%
Interest expense, net	30	42
Income before income taxes	1,596	1,656
Provision for income taxes	579	532
Effective tax rate	36.3%	32.1%
Net income including noncontrolling interests	1,017	1,124
Less: Net income attributable to noncontrolling interests	57	54
Net income attributable to Colgate-Palmolive Company	\$ 960	\$ 1,070
Earnings per common share		
Basic	\$ 1.92	\$ 2.11
Diluted	\$ 1.86	\$ 2.04

Colgate-Palmolive Company
Non-GAAP Reconciliation
For the Six Months Ended June 30, 2010 and 2009
(in Millions Except Per Share Amounts) (Unaudited)

	2010			2009
	As Reported ¹	Venezuela Hyperinflationary ²	As Adjusted Non-GAAP ¹	As Reported
Other (income) expense, net	\$ 237	\$ 271	\$ (34)	\$ 34
Operating profit	1,626	(271)	1,897	1,698
Operating profit margin	21.3%		24.8%	23.4%
Income before income taxes	1,596	(271)	1,867	1,656
Effective tax rate	36.3%		31.0%	32.1%
Net income including noncontrolling interests	1,017	(271)	1,288	1,124
Net income attributable to Colgate-Palmolive Company	\$ 960	\$ (271)	\$ 1,231	\$ 1,070
Earnings per common share ³				
Basic	\$ 1.92	\$ (0.55)	\$ 2.47	\$ 2.11
Diluted	\$ 1.86	\$ (0.52)	\$ 2.38	\$ 2.04

¹ Includes a \$46 pre-tax (\$59 after-tax, \$0.11 diluted earnings per share) gain related to the remeasurement of the Venezuelan balance sheet and lower taxes on accrued but unpaid remittances as a result of the currency devaluation on January 8, 2010.

² Represents the one-time charge related to the transition to hyperinflationary accounting in Venezuela as of January 1, 2010. This amount primarily represents the premium paid to acquire U.S. dollar-denominated cash and bonds. Prior to January 1, 2010, these assets had been remeasured at the parallel market rate and then translated for financial reporting purposes at the official rate of 2.15.

³ The impact of Non-GAAP adjustments on the basic and diluted earnings per share may not necessarily equal the earnings per share if calculated independently as a result of rounding.

Table 4

Colgate-Palmolive Company
Condensed Consolidated Balance Sheets
As of June 30, 2010, December 31, 2009 and June 30, 2009
(Dollars in Millions) (Unaudited)

	June 30, 2010	December 31, 2009	June 30, 2009
Cash and cash equivalents	\$ 555	\$ 600	\$ 896
Receivables, net	1,594	1,626	1,728
Inventories	1,246	1,209	1,224
Other current assets	416	375	370
Property, plant and equipment, net	3,410	3,516	3,245
Other assets, including goodwill and intangibles	3,365	3,808	3,267
Total assets	<u>\$ 10,586</u>	<u>\$ 11,134</u>	<u>\$ 10,730</u>
Total debt	3,373	3,182	3,802
Other current liabilities	2,913	3,238	2,806
Other non-current liabilities	1,496	1,457	1,423
Total liabilities	<u>7,782</u>	<u>7,877</u>	<u>8,031</u>
Total Colgate-Palmolive Company shareholders' equity	2,632	3,116	2,540
Noncontrolling interests	172	141	159
Total liabilities and shareholders' equity	<u>\$ 10,586</u>	<u>\$ 11,134</u>	<u>\$ 10,730</u>
Supplemental Balance Sheet Information			
Debt less cash, cash equivalents and marketable securities*	\$ 2,764	\$ 2,541	\$ 2,873
Working capital % of sales	1.8%	(0.4%)	3.2%

* Marketable securities of \$54, \$41 and \$33 as of June 30, 2010, December 31, 2009 and June 30, 2009, respectively, are included in Other current assets.

Table 5

Colgate-Palmolive Company
Condensed Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2010 and 2009
(Dollars in Millions) (Unaudited)

	2010	2009
Operating Activities		
Net income including noncontrolling interests	\$ 1,017	\$ 1,124
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations:		
Venezuela hyperinflationary transition charge	271	-
Restructuring, net of cash	-	(9)
Depreciation and amortization	185	172
Stock-based compensation expense	60	56
Deferred income taxes	55	34
Cash effects of changes in:		
Receivables	(35)	(86)
Inventories	(85)	2
Accounts payable and other accruals	(206)	(62)
Other non-current assets and liabilities	40	(20)
Net cash provided by operations	1,302	1,211
Investing Activities		
Capital expenditures	(204)	(210)
Sales of property and non-core product lines	2	12
Sales (purchases) of marketable securities and investments	(13)	(20)
Other	-	1
Net cash used in investing activities	(215)	(217)
Financing Activities		
Principal payments on debt	(2,514)	(1,515)
Proceeds from issuance of debt	2,757	1,608
Dividends paid	(520)	(454)
Purchases of treasury shares	(978)	(396)
Proceeds from exercise of stock options and excess tax benefits	141	92
Net cash used in financing activities	(1,114)	(665)
Effect of exchange rate changes on Cash and cash equivalents	(18)	12
Net increase (decrease) in Cash and cash equivalents	(45)	341
Cash and cash equivalents at beginning of period	600	555
Cash and cash equivalents at end of period	\$ 555	\$ 896
Supplemental Cash Flow Information		
Free cash flow before dividends (Net cash provided by operations less capital expenditures)		
Net cash provided by operations	\$ 1,302	\$ 1,211
Less: Capital expenditures	(204)	(210)
Free cash flow before dividends	\$ 1,098	\$ 1,001
Income taxes paid	\$ 621	\$ 582

Table 6

Colgate-Palmolive Company

Segment Information

For the Three and Six Months Ended June 30, 2010 and 2009

(Dollars in Millions) (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net sales				
Oral, Personal and Home Care				
North America	\$ 768	\$ 734	\$ 1,521	\$ 1,464
Latin America	1,055	1,050	2,061	1,961
Europe/South Pacific	770	791	1,594	1,510
Greater Asia/Africa	730	641	1,460	1,277
Total Oral, Personal and Home Care	3,323	3,216	6,636	6,212
Pet Nutrition	491	529	1,007	1,036
Total Net sales	\$ 3,814	\$ 3,745	\$ 7,643	\$ 7,248
	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Operating profit				
Oral, Personal and Home Care				
North America	\$ 227	\$ 199	\$ 444	\$ 391
Latin America ²	303	335	643	641
Europe/South Pacific	184	177	375	320
Greater Asia/Africa	189	144	378	296
Total Oral, Personal and Home Care	903	855	1,840	1,648
Pet Nutrition	134	140	275	271
Corporate ¹	(89)	(108)	(489)	(221)
Total Operating Profit	\$ 948	\$ 887	\$ 1,626	\$ 1,698

Note: The Company evaluates segment performance based on several factors, including Operating profit. The Company uses Operating profit as a measure of the operating segment performance because it excludes the impact of corporate-driven decisions related to interest expense and income taxes.

¹ Corporate operations include stock-based compensation related to stock options and restricted stock awards, research and development costs, Corporate overhead costs, restructuring and related implementation costs and gains and losses on sales of non-core product lines and assets. Corporate Operating profit for the six months ended June 30, 2010 also includes a one-time \$271 charge related to the transition to hyperinflationary accounting in Venezuela as of January 1, 2010.

² Latin America Operating profit for the six months ended June 30, 2010 includes a \$46 pre-tax gain related to the remeasurement of the Venezuelan balance sheet as a result of the currency devaluation on January 8, 2010. This gain was substantially offset by the impact of translating our Venezuelan financial statements at a lower exchange rate as a result of the devaluation.

Table 7

Colgate-Palmolive Company

Geographic Sales Analysis

Percentage Changes - Second Quarter 2010 vs 2009

June 30, 2010

(Unaudited)

<u>Region</u>	<u>2nd Qtr Sales Change As Reported</u>	<u>2nd Qtr Organic Sales Change</u>	<u>COMPONENTS OF SALES CHANGE SECOND QUARTER</u>			<u>6 Months Sales Change As Reported</u>	<u>6 Months Organic Sales Change</u>	<u>COMPONENTS OF SALES CHANGE SIX MONTHS</u>		
			<u>Volume</u>	<u>Pricing Coupons Consumer & Trade Incentives</u>	<u>Exchange</u>			<u>Volume</u>	<u>Pricing Coupons Consumer & Trade Incentives</u>	<u>Exchange</u>
Total Company	2.0%	3.5%	3.0%	0.5%	(1.5%)	5.5%	4.5%	4.5%	0.0%	1.0%
Europe/South Pacific	(2.5%)	(1.0%)	1.5%	(2.5%)	(1.5%)	5.5%	1.5%	4.0%	(2.5%)	4.0%
Latin America	0.5%	8.0%	1.0%	7.0%	(7.5%)	5.0%	11.0%	4.5%	6.5%	(6.0%)
Greater Asia/Africa	14.0%	10.0%	11.5%	(1.5%)	4.0%	14.5%	9.0%	10.0%	(1.0%)	5.5%
Total International	3.0%	5.5%	4.0%	1.5%	(2.5%)	8.0%	7.5%	6.0%	1.5%	0.5%
North America	4.5%	3.5%	5.0%	(1.5%)	1.0%	4.0%	2.5%	5.0%	(2.5%)	1.5%
Total CP Products	3.5%	5.0%	4.0%	1.0%	(1.5%)	7.0%	6.5%	6.0%	0.5%	0.5%
Hill's	(7.5%)	(8.0%)	(4.0%)	(4.0%)	0.5%	(3.0%)	(5.5%)	(3.0%)	(2.5%)	2.5%