

Colgate Announces Strong Third Quarter, EPS up 16% on 5% Unit Volume Growth

New York, New York, October 24, 2000...Colgate-Palmolive Company (NYSE:CL) achieved strong 5% worldwide unit volume growth led by a 10% volume increase in Colgate-North America. The strong volume, plus continued gains in worldwide profitability, led to a 16% increase in diluted earnings per share to a record \$.44, up from \$.38 in the 1999 quarter. Net income increased 15% to \$275.3 million, also a record. Global sales before foreign exchange rose 7% and increased 2% to \$2.4 billion after the effect of the stronger dollar.

Colgate's key profitability indicators all set new records. The Company's effectiveness in driving down costs in the quarter more than offset higher raw material prices and the impact of the weak euro. Gross profit margin moved up to an all-time high of 54.7% from 54.2% last year. Operating profit increased double-digit, lifting the operating margin by 130 basis points to a record 18.7%.

Reuben Mark, Chairman and CEO, said: "The quarter is an excellent demonstration of our global financial strategy. Gross profit was up substantially while overhead was down, allowing us to increase global advertising absolutely and as a percent of sales. This increased spending plus new product activity led to market share gains in our core businesses here and abroad, while we simultaneously improved profitability. We are excited that our earnings per share would have increased more than 20% in the quarter without the impact of the weaker euro and higher oil prices."

"It is especially encouraging to see operating profit increase sharply, not just in Colgate-North America but also in the areas of the world recovering from macro-economic dislocations, specifically Latin America and Asia/Africa.

"Cash profitability continues to increase. Record cash flow

amounted to \$1,081.8 million on a worldwide basis in the first nine months, up 12% from 1999. After-tax return on capital set a new all-time record, at 25.7% for the first nine months, vs. 22.4% in 1999."

For the first nine months, earnings per share were \$1.24 vs. \$1.06, up 17%. Net income rose 15% to \$777.1 million. Worldwide unit volume increased 6% and sales excluding currency grew 7%. After accounting for the strong dollar, nine months sales grew 3% to \$6.9 billion.

Mr. Mark said further: "With these excellent results, we continue to be comfortable with the external earnings per share estimates for the fourth quarter 2000, full-year 2000 and year 2001. Further, we expect these earnings to be derived from a healthy combination of strong worldwide topline volume growth, increased gross profit margin and strong overhead control. We expect the Company's gross profit margin will exceed 55% in 2001, reaching our 2002 margin goal a full year early."

At 11:00 a.m. EDT today Colgate will host a conference call to further elaborate on these third quarter results and to discuss the Company's comfort with ongoing expectations. To access this call as a webcast, please go to the Colgate site: www.colgatepalmolive.com.

The following are comments about third quarter divisional

performance:

Colgate-North America (25% of Company sales)

Innovative new products fueled 11% sales growth and 10% higher unit volume at Colgate-North America. Profitability expanded significantly, due to greater productivity savings and contributions from the high-value-added new products. Retail consumption of Colgate's products grew twice as fast as category growth, indicating strong market share gains. In the U.S., Colgate gained leadership of the fast-growing whitening toothpaste segment, with strong sales of its new Colgate Sparkling White. Colgate's market leadership of the entire toothpaste category reached a 31.8% share, the highest of any quarter in recent history, and was 32.9% in the final month of the quarter. Toothbrush shares moved up sharply, aided by the battery-powered Colgate Actibrush. Market shares for both bar and liquid soaps were up as well, reflecting new Irish Spring Aloe, Softsoap Fruit Essentials body wash & hand soap, and Softsoap 2-in-1 with moisturizing lotion. Colgate-U.S. will introduce a record-setting 19 new products in 2000, including new Colgate Total Whitening toothpaste, which begins to ship at the end of the fourth quarter. Another quarter of strong volume growth is expected in fourth quarter 2000 and for full year 2001.

Colgate-Latin America (26% of Company sales)

Colgate's largest division, Latin America increased dollar sales and unit volume by 5% and 2%, respectively. Operating profit expanded considerably, even as Colgate increased advertising to support new products region wide. Unit volume in Latin America is expected to accelerate in fourth quarter 2000 and full year 2001.

Colgate's market shares are healthy throughout the region, and new products are performing well. Excellent volume growth in Mexico, Venezuela, Central America, the Dominican Republic and Peru more than offset the effects of severe economic weakness in Colombia. The comprehensive rollout of Colgate Fresh Confidence toothpaste is reaching its target audience of young consumers, achieving market shares close to 5% in countries like Mexico and Venezuela. Colgate Herbal and Colgate Triple Action toothpastes and the Colgate Navigator toothbrush added strength in Oral Care as well. Growth in Personal Care saw Lady Speed Stick gel contribute to record underarm shares in Mexico, Colombia, Venezuela and Chile. Palmolive Botanicals shampoo and soap and Protex Cream soap gained share as well. Successful new Household/Fabric products include Ajax antibacterial cleaner, Axion cinnamon fantasy dishwashing paste, and new Suavitel peach, which contributed to record fabric softener market shares in key countries.

Colgate-Europe (21% of Company sales)

Colgate's European unit volume increased 2.5% and sales grew 4% in local currency. When translated into dollars, sales declined 9% in the quarter due to the weakness of the Euro. Operating profit was up excluding the impact of the weak euro, but was down in dollars. Unit volume growth in Europe is expected to be at or above current levels in fourth quarter 2000 and full year 2001.

Italy, Holland, Switzerland, France, United Kingdom and Poland all delivered strong volume. The Colgate Actibrush battery-powered toothbrush is winning impressive volume and market share in Europe. In France, for example, Colgate has become a strong #2 in toothbrushes, and its market share has more than doubled. New Colgate Fresh Confidence helped drive strong growth in toothpaste across Europe. Among the other new product standouts were Ajax Shower Power cleaner, Palmolive Actif men's shower gel and Palmolive Spring Sensations dish liquid, introduced to Europe soon after its successful North American debut. Market shares grew in Central Europe, reflecting Colgate Herbal toothpaste and Palmolive shower gel.

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

Unit volume increased a strong 9% in Asia/Africa, and sales increased 3%. Sales would have increased 9% absent foreign currency declines. Profitability was sharply higher, reflecting the favorable margins of Colgate's new products, reduced overhead, and margin improvement programs. China, Thailand, Vietnam and South Africa generated particularly strong volume. It is expected that Asia/Africa volume gains in the mid-to-high single digits will continue in fourth quarter 2000 and full year 2001.

Colgate-China continues to strengthen its Number One market leadership position in toothpaste, with its latest share at 25% vs. 21% for full-year 1999. Distribution was expanded to 470 cities during the quarter, and Colgate Herbal toothpaste was launched, to build future growth. Colgate recently formed a new Chinese joint venture in toothbrushes, Colgate Sanxiao, which added incremental market share, volume and sales.

Elsewhere in Asia, Colgate Fresh Confidence and Colgate Herbal toothpastes are contributing to strong Oral Care growth, as is the new Colgate Navigator toothbrush. Excelling products in other categories include Palmolive Naturals shampoo, Axion Spring Sensations dishwashing liquid, and Lady Speed Stick deodorant.

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

The world leader in premium pet food, Hill's increased volume 2% from last year's very strong quarter. Sales grew 2% excluding foreign exchange, and 1% reflecting the weakness of the Euro. Hill's strengthened U.S. market shares for both Science Diet and Prescription Diet, while store traffic in large-format retailers declined somewhat. Operating profit at Hill's increased high single digit in the quarter.

Hill's fourth quarter 2000 volume is expected to accelerate from the third quarter levels and to be at least mid-single digit growth rates for full year 2001.

Strong international volume in the third quarter reflected the continued growth of Science Diet Hairball Control in Japan, expansion of the Perfect Shop/Perfect Clinic merchandising program in Europe and new in-store merchandising in the South Pacific.

Hill's recently introduced a number of breakthrough new products. In the U.S., Science Diet Sensitive Skin and Science Diet Sensitive Stomach are the first such products for dogs and cats to help address these common problems. And new Prescription Diet Z/D helps alleviate food-related allergies in dogs and cats using state-of-the-art protein hydrolysate technology. Hill's-Europe is the lead market for Science Plan Feline Oral Care, a diet that helps maintain healthy gums and teeth.

About Colgate-Palmolive: Colgate-Palmolive is a leading global consumer products company, tightly focused on Oral Care, Personal Care, Household Surface 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, Irish Spring, Protex, Sorriso, Kolynos, Ajax, Axion, Soupline, Suavitel and Fab, as well as Hill's Science Diet and Hill's Prescription Diet pet foods. For more information about Colgate's global business, visit the Company's web site on the Internet at <http://www.colgatepalmolive.com>.

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 that 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

Three Months and Nine Months Ended September 30, 2000 and 1999

(In Millions Except Per Share Amounts) (Unaudited)

	Third Quarter		Nine Months	
	2000	1999	2000	1999
Net Sales	\$2,366.5	\$2,314.0	\$6,945.0	\$6,774.3
Cost of Sales	1,073.0	1,060.4	3,159.4	3,133.5
Gross Profit	1,293.5	1,253.6	3,785.6	3,640.8
Gross Profit Margin	54.7%	54.2%	54.5%	53.7%
Selling, General and Administrative Expenses	851.9	852.0	2,501.4	2,484.5
Earnings Before Interest and Taxes	441.6	401.6	1,284.2	1,156.3
Operating Profit Before Income Taxes	18.7%	17.4%	18.5%	17.1%
Net Interest Expense	48.3	43.8	133.6	133.9
Income Before Income Taxes	393.3	357.8	1,150.6	1,022.4
Provision for Income Taxes	118.0	118.1	373.5	345.7
Net Income	275.3	239.7	777.1	676.7
Preferred Dividends, Net of Tax	5.2	5.3	15.6	15.7
Net Earnings Per Common Share - Basic	\$.47	\$.40	\$1.32	\$1.13
Net Earnings Per Common Share - Diluted	\$.44	\$.38	\$1.24	\$1.06
Average Common Shares Outstanding - Basic	573.6	582.8	576.1	583.5
Average Common Shares Outstanding - Diluted	624.9	638.5	628.9	640.0

Outstanding - Basic				
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