

Colgate Announces Strong Growth for Year and 4th Quarter

New York, New York, February 8, 1996 ... - Colgate-Palmolive Company today announced strong sales and unit volume growth for the year and fourth quarter ended December 31, 1995, and earnings in line with prior Company projections.

Sales increased 11% to a record \$8.4 billion in 1995, driven by 9% worldwide unit volume growth. Reuben Mark, Colgate Chairman and CEO, said: "We are pleased that our continuing strong momentum extends across both Colgate-North America and Colgate-International, which increased unit volume 9% and 10%, respectively. Fourth quarter 1995 sales increased to a record \$2.2 billion, with unit volume and sales each up 8% fueled by healthy increases in worldwide advertising. Colgate-North America and Colgate-International participated equally in the gains."

After-tax income for the year was \$541.2 million or \$3.58 per share before the corporate restructuring, announced on September 20th, compared with \$580.2 million or \$3.82 per share in 1994. The \$369.2 million restructuring (\$2.54 per share) brought final 1995 net income to \$172 million or \$1.04 per share. Fourth quarter net income was \$122.5 million or \$.80 per share versus \$137.1 million or \$.91 per share in the year-ago quarter. As anticipated and as previously disclosed, earnings comparisons for the year and the fourth quarter reflect three special factors: the maxi-devaluation and deep recession in Mexico, where Colgate has very strong operations, the temporary impact of inventory liquidations as Hill's Pet Nutrition changes its distribution system, and the planned dilution from the Company's January 1995 acquisition of Kolynos Oral Care in Latin America.

1995 earnings before interest and taxes (EBIT) before the restructuring exceeded a billion dollars for the first time ever, up 6% for the year; excluding the special factors noted above, 1995 EBIT grew 20%. In addition, Mr. Mark commented that "We're delighted that all Colgate geographic operating divisions grew EBIT significantly during the year."

EBIT, net income and earnings per share comparisons were stronger in the fourth quarter than in the third quarter, and further improvements are expected in the first quarter of 1996. Mr. Mark commented further: "Savings from the restructuring of worldwide manufacturing and administration will begin in the second half of this year and are expected to reach an annual rate of \$100 million by 1998. We have consolidated all worldwide advertising with one global agency, which will lead to better and more efficient advertising backed by further increases in media in 1996. We look forward to a strong year."

In other 1995 actions, Colgate raised its dividend in July by 15% from an annual rate of \$1.64 per share to \$1.88, resulting in the 33rd consecutive year of increased dividend payments to shareholders.

Following are comments about Colgate's business by geographic region and Hill's:

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

Colgate continues to achieve excellent results in this fast-growing region, increasing both sales and unit volume by 14% in the fourth quarter, led by China, India, Malaysia, Philippines and Thailand. Contributing to growth were incremental sales from new products, healthy increases in the base business, expanded distribution in rural areas and entry into new countries. Among the new product successes: Colgate Baking Soda and Colgate Total Fresh Stripe toothpaste, Protex personal care products, Palmolive Naturals shampoo, the Ajax All-in-One laundry bar and Fab Total Clean Total Care detergent. For the full year, sales increased 17% and unit volume rose 13%.

Colgate-Europe (26% of Company sales)

Sales increased 5% in the latest quarter. Solid volume growth in most of Southern/Central Europe, France and all of Scandinavia was offset by declines related to economic conditions in Germany and Italy. Full year sales increased 10%, primarily due to the strengthening of European currencies. By introducing value-added new products, Colgate is maintaining or increasing its European market shares in a competitive environment even as it streamlines manufacturing and distribution for greater profitability. Colgate Total and Colgate Baking Soda toothpaste were highly successful in 1995. The relaunch of Palmolive, as one integrated Personal Care line across 15 countries, and the expansion of Fabuloso fragranced cleaner into new countries also added to the Company's market shares. An important element of the worldwide restructuring, Colgate-Europe is moving to focused regional production centers while working to make the supply chain more efficient.

Colgate-Latin America (24% of Company sales)

The division achieved excellent fourth quarter results: Unit volume was up 15% and dollar sales rose 8%. Excluding Mexico and Kolynos, acquired in January 1995, sales for the quarter in the rest of Latin America rose 17%, unit volume rose 16% and operating profits increased significantly. Argentina, Brazil, Colombia, Peru and the Dominican Republic were among the strong Colgate performers. Continued leadership in Oral Care, as well as expansion of Mennen deodorants, further development of the dishwashing market under the Axion brand and strength in fabric care all are producing growth in the region, while maintaining Colgate's market leadership in Mexico.

Colgate-North America (21% of Company sales)

Successful new products and market share gains produced 9% increases in sales and unit volume for the fourth quarter; operating profits increased significantly. For the year, sales increased 10% on 9% unit volume growth. Gaining market share in 9 of its 12 major product categories since the end of 1994, Colgate-U.S. achieved incremental sales from new Colgate Baking Soda & Peroxide toothpaste, Palmolive Dishwashing Liquid & Antibacterial Hand Soap and Irish Spring Waterfall Clean soap. Canada and Puerto Rico also had strong growth from new products. In Canada, share growth from Colgate Total plaque-fighting toothpaste and the expansion into fabric softener sheets is encouraging.

Colgate continues to invest in new products, recently announcing introductions of Palmolive Ultra dishwashing liquid, Mennen Speed Stick gel anti-perspirant and Softsoap Antibacterial Bodywash shower gel.

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

As Hill's completes its strategic shift to an in-house sales force, unit volume grew 3% in the fourth quarter, the best performance of any quarter in 1995. Sales also increased 3%. The successful regional launch of Hill's Science Diet Lamb Meal & Rice has exceeded expectations and national expansion is underway. Sales growth for the full year, up 2%, was restrained by the temporary impact of inventory liquidation by discontinued outside distributors in the U.S. Hill's continues to expand internationally, adding four new countries in 1996, and sells its nutritional pet foods in 55 countries.

Colgate-Palmolive is a leading global consumer products company tightly focused on Oral Care, Personal Care, Household Care, Fabric Care and Pet Nutrition. With on-the-ground operations in over 90 countries around the world, Colgate sells its products in 206 countries and territories under such internationally recognized brand names as Colgate, Palmolive, Mennen, Kolynos, Ajax, Soupline, Sauvitel and Fab, as well as Hill's Science Diet and Hill's Prescription Diet pet foods.

(Tables Attached)

Colgate-Palmolive Company Summary of Consolidated Results Three Months and Years Ended December 31, 1995 and 1994 (Dollars in Millions Except Per Share Amounts)

	Fourth Quarter	Fourth Quarter	Years	Years
	1995	1994	1995	1994
Net Sales	\$2,152.8	\$1,996.1	\$8,358.2	\$7,587.9
Cost of Sales	1,122.3	1,038.1	4,353.1	3,913.3
Gross Profit	1,030.5	958.0	4,005.1	3,674.6
Provision for Restructuring	---	---	460.5	---
Selling, General and Administrative Expenses	790.2	729.5	2,975.7	2,708.0
Earnings Before Interest and Taxes	240.3	228.5	568.9	966.6(a)
Net Interest Expense	59.6	23.9	205.4	86.7
Income Before Income Taxes	180.7	204.6	363.5	879.9(a)
Provision for Income Taxes	58.2	67.5	191.5	299.7
Net Income	122.5	137.1	172.0	580.2(a)
Preferred Dividends, Net of Tax	5.4	5.3	21.6	21.6
Earnings Per Common Share (after Restructuring)	\$0.80	\$0.91	\$1.04	\$3.82(a)
Average Common Shares Outstanding (000)	145,734	144,828	145,218	146,227

Colgate is restructuring its worldwide manufacturing and administrative operations to enhance profitable growth, which is reflected as an after-tax charge of \$369.2 or \$2.54 per share in 1995 full year results. Excluding this charge, 1995 net income was \$541.2 or \$3.58 per share.

Assuming full dilution, earnings per common share were \$.76 vs. \$.85 in the fourth quarter and \$1.02 vs. \$3.56 in the full year. Average common shares used in the fully diluted computation were 159,878,000 vs. 158,961,000 for the fourth quarter and 147,769,000 vs. 160,395,000 in the full year.

(a) Includes one-time charge of \$5.2 after-tax or \$.04 per share for the sale of a non-core business.

Colgate-Palmolive Company
 Supplemental Schedule of Consolidated Results
 Excluding the Restructuring Charge
 Years Ended December 31, 1995 and 1994
 (Dollars in Millions Except Per Share Amounts)

	Years	Years
	1995	1994
Net Sales	\$8,358.2	\$7,587.9
Cost of Sales	4,353.1	3,913.3
Gross Profit	4,005.1	3,674.6
Selling, General and Administrative Expenses	2,975.7	2,708.0
Earnings Before Interest and Taxes (Before Restructuring)	1,029.4	966.6(a)
Net Interest Expense	205.4	86.7
Income Before Income Taxes (Before Restructuring)	824.0	879.9(a)
Provision for Income Taxes (Before Restructuring)	282.8	299.7
Net Income (Before Restructuring)	541.2	580.2(a)
Preferred Dividends, Net of Tax	21.6	21.6
Average Common Shares Outstanding (000)	145,218	146,227
Earnings Per Common Share Before Restructuring	\$3.58	\$3.82(a)
Provision for Restructuring Per Common Share	(\$2.54)	---
Earnings Per Common Share After Restructuring	\$1.04	\$3.82(a)

NOTES:

This schedule is provided as a supplement to the Colgate-Palmolive Company earnings release of February 8, 1996 and should be read in conjunction with the Summary of Consolidated Results as included in the earnings release.

Assuming full dilution, earnings per common share before restructuring were \$3.35 vs. \$3.56 in 1995 and 1994. Average common shares used in the fully diluted computation were 159,798,000 vs. 160,395,000.

(a) Includes one-time charge of \$5.2 after-tax or \$.04 per share for the sale of a non-core business.