

Table 1

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

	<u>2010</u>	<u>2009</u>
Net sales	\$ 3,943	\$ 3,998
Cost of sales	1,599	1,631
Gross profit	2,344	2,367
Gross profit margin	59.4%	59.2%
Selling, general and administrative expenses	1,391	1,403
Other (income) expense, net	(5)	38
Operating profit	958	926
Operating profit margin	24.3%	23.2%
Interest expense, net	13	17
Income before income taxes	945	909
Provision for income taxes	300	292
Effective tax rate	31.7%	32.1%
Net income including noncontrolling interests	645	617
Less: Net income attributable to noncontrolling interests	26	27
Net income attributable to Colgate-Palmolive Company	\$ 619	\$ 590
Earnings per common share		
Basic	\$ 1.26	\$ 1.17
Diluted	\$ 1.21	\$ 1.12
Average common shares outstanding		
Basic	486.0	499.1
Diluted	509.5	524.6

Table 2

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

	<u>2010</u>	<u>2009</u>
Net sales	\$ 11,586	\$ 11,246
Cost of sales	4,732	4,665
Gross profit	6,854	6,581
Gross profit margin	59.2%	58.5%
Selling, general and administrative expenses	4,038	3,885
Other (income) expense, net	232	72
Operating profit	2,584	2,624
Operating profit margin	22.3%	23.3%
Interest expense, net	43	59
Income before income taxes	2,541	2,565
Provision for income taxes	879	824
Effective tax rate	34.6%	32.1%
Net income including noncontrolling interests	1,662	1,741
Less: Net income attributable to noncontrolling interests	83	81
Net income attributable to Colgate-Palmolive Company	\$ 1,579	\$ 1,660
Earnings per common share		
Basic	\$ 3.17	\$ 3.27
Diluted	\$ 3.07	\$ 3.16
Average common shares outstanding		
Basic	489.9	500.2
Diluted	514.7	525.0

Colgate-Palmolive Company
Non-GAAP Reconciliation
For the Nine Months Ended September 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	\$ 232	\$ 271	\$ (39)	\$ 72
Operating profit	2,584	(271)	2,855	2,624
Operating profit margin	22.3%		24.6%	23.3%
Income before income taxes	2,541	(271)	2,812	2,565
Effective tax rate	34.6%		31.3%	32.1%
Net income including noncontrolling interests	1,662	(271)	1,933	1,741
Net income attributable to Colgate-Palmolive Company	\$ 1,579	\$ (271)	\$ 1,850	\$ 1,660
Earnings per common share ³				
Basic	\$ 3.17	\$ (0.55)	\$ 3.72	\$ 3.27
Diluted	\$ 3.07	\$ (0.52)	\$ 3.59	\$ 3.16

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 September 30, 2010, December 31, 2009 and September 30, 2009
(Dollars in Millions) (Unaudited)

	September 30, 2010	December 31, 2009	September 30, 2009
Cash and cash equivalents	\$ 654	\$ 600	\$ 847
Receivables, net	1,690	1,626	1,780
Inventories	1,278	1,209	1,241
Other current assets	469	375	336
Property, plant and equipment, net	3,572	3,516	3,351
Other assets, including goodwill and intangibles	3,727	3,808	3,512
Total assets	<u>\$ 11,390</u>	<u>\$ 11,134</u>	<u>\$ 11,067</u>
Total debt	3,388	3,182	3,263
Other current liabilities	3,117	3,238	3,211
Other non-current liabilities	2,039	1,457	1,482
Total liabilities	<u>8,544</u>	<u>7,877</u>	<u>7,956</u>
Total Colgate-Palmolive Company shareholders' equity	2,672	3,116	2,952
Noncontrolling interests	174	141	159
Total liabilities and shareholders' equity	<u>\$ 11,390</u>	<u>\$ 11,134</u>	<u>\$ 11,067</u>
Supplemental Balance Sheet Information			
Debt less cash, cash equivalents and marketable securities*	\$ 2,679	\$ 2,541	\$ 2,378
Working capital % of sales	1.7%	(0.4%)	0.7%

* Marketable securities of \$55, \$41 and \$38 as of September 30, 2010, December 31, 2009 and September 30, 2009, respectively, are included in Other current assets.

Table 5

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

	2010	2009
Operating Activities		
Net income including noncontrolling interests	\$ 1,662	\$ 1,741
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations:		
Venezuela hyperinflationary transition charge	271	-
Restructuring, net of cash	-	(14)
Depreciation and amortization	278	262
Stock-based compensation expense	101	97
Deferred income taxes	91	16
Cash effects of changes in:		
Receivables	(56)	(104)
Inventories	(63)	10
Accounts payable and other accruals	(95)	355
Other non-current assets and liabilities	54	12
Net cash provided by operations	2,243	2,375
Investing Activities		
Capital expenditures	(318)	(347)
Purchases of marketable securities and investments	(211)	(147)
Proceeds from sales of marketable securities and investments	94	-
Other	(3)	10
Net cash used in investing activities	(438)	(484)
Financing Activities		
Principal payments on debt	(3,469)	(3,011)
Proceeds from issuance of debt	3,709	2,561
Dividends paid	(804)	(702)
Purchases of treasury shares	(1,385)	(664)
Proceeds from exercise of stock options and excess tax benefits	204	196
Net cash used in financing activities	(1,745)	(1,620)
Effect of exchange rate changes on Cash and cash equivalents	(6)	21
Net increase (decrease) in Cash and cash equivalents	54	292
Cash and cash equivalents at beginning of period	600	555
Cash and cash equivalents at end of period	\$ 654	\$ 847
Supplemental Cash Flow Information		
Free cash flow before dividends (Net cash provided by operations less capital expenditures)		
Net cash provided by operations	\$ 2,243	\$ 2,375
Less: Capital expenditures	(318)	(347)
Free cash flow before dividends	\$ 1,925	\$ 2,028
Income taxes paid	\$ 854	\$ 853

Table 7

Colgate-Palmolive Company

Geographic Sales Analysis

Percentage Changes - Third Quarter 2010 vs 2009

September 30, 2010

(Unaudited)

<u>Region</u>	<u>3rd Qtr Sales Change As Reported</u>	<u>3rd Qtr Organic Sales Change</u>	COMPONENTS OF SALES CHANGE THIRD QUARTER			<u>9 Months Sales Change As Reported</u>	<u>9 Months Organic Sales Change</u>	COMPONENTS OF SALES CHANGE NINE MONTHS		
			<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	(1.5%)	3.0%	3.0%	0.0%	(4.5%)	3.0%	4.0%	4.0%	0.0%	(1.0%)
Europe/South Pacific	(8.5%)	(3.0%)	0.5%	(3.5%)	(5.5%)	0.5%	0.0%	3.0%	(3.0%)	0.5%
Latin America	(6.0%)	6.0%	1.0%	5.0%	(12.0%)	1.0%	9.0%	3.0%	6.0%	(8.0%)
Greater Asia/Africa	12.0%	10.0%	12.0%	(2.0%)	2.0%	13.5%	9.5%	11.0%	(1.5%)	4.0%
Total International	(2.0%)	4.0%	3.5%	0.5%	(6.0%)	4.0%	6.0%	5.0%	1.0%	(2.0%)
North America	2.0%	1.5%	3.0%	(1.5%)	0.5%	3.0%	2.0%	4.5%	(2.5%)	1.0%
Total CP Products	(1.5%)	3.5%	3.5%	0.0%	(5.0%)	4.0%	5.5%	5.0%	0.5%	(1.5%)
Hill's	(2.0%)	(1.5%)	(0.5%)	(1.0%)	(0.5%)	(2.5%)	(4.0%)	(2.0%)	(2.0%)	1.5%