

Colgate Announces Strong 1st Quarter Results, Gross Profit Increased 140 Basis Points to Record Level, E.P.S. up 11% to \$.49 vs. \$.44

NEW YORK, NEW YORK, April 18, 2002... Colgate-Palmolive Company (NYSE:CL) today reported its 24th consecutive quarter of increased earnings per share, increased net income and increased gross profit margin. Gross profit margin grew 140 basis points, above the top end of the Company's target range. Gross profit reached a record 54.8% with every operating division showing gains. Global unit volume grew 2.5% in the quarter on top of extremely strong volume growth in the year ago period. Operating profit margin also increased in every division while global net profit margin increased to a record 13.2%. Sales declined 0.5% due to exchange while dollar operating profit as reported increased 4%. Excluding foreign exchange, worldwide sales rose 3% and operating profit increased 8%.

Net income increased 8% to \$289.7 million and earnings per share rose 11% to \$.49 versus \$.44 in the first quarter 2001. First quarter 2002 results reflect the Company's adoption of SFAS 142 effective January 1, 2002 which eliminates the amortization of goodwill. As announced in the Company's last quarterly earnings release webcast, the non-cash benefit of \$.01 per share in the quarter from the goodwill elimination was offset by an increase in non-cash pension and benefit expenses.

Reuben Mark, Colgate's Chairman and CEO said, "We are pleased to start the year achieving our profit target, despite very difficult economic conditions in many locations around the world. Record gross profit margin across all operating divisions bodes well for the rest of this year and beyond. The 140 basis point jump in gross profit margin is the largest improvement in over two years. This positive momentum combined with the completion of SAP implementation in Latin America this year give us encouragement that we are on track to achieve our long-term gross margin goal of 60% by the end of 2008 or sooner, while reaching shorter-term gross profit targets as well.

"Increased total marketing support behind our global brands in the quarter helped drive market share gains and worldwide volume increases while again delivering strong earnings per share growth.

"Our already strong balance sheet, as reflected by our rating upgrade last year, became even stronger with interest coverage ratios continuing to increase. Aftertax return on capital set a new all-time record at 30.9%, up more than 300 basis points versus the year ago period.

"Looking ahead to the balance of the year we are encouraged by our full new product pipeline. In addition, our ability to generate funds to support global new product launches appears to be accelerating. Volume is expected to grow progressively as we move through the year, and an excellent level of profitability should be maintained. Accordingly, we expect earnings per share results for the full year to be in line with expectations."

At 11:00 a.m. EST today, Colgate will host a conference call to further elaborate on first quarter results and to discuss the Company's ongoing expectations. To access this call as a webcast, please go to Colgate's web site on the Internet at www.colgate-palmolive.com.

The following are comments about divisional performance:

Colgate-North America (26% of Company Sales)

Positive growth momentum continued in North America fueled by new product sales and market share gains. Unit volume and dollar sales grew 3.0% and 3.5%, respectively, against a very strong performance in the first quarter 2001. Colgate's consumer takeaway exceeded Company shipments as the level of trade inventories again decreased nationwide. Operating profit increased 13% and is unaffected by the combination of the goodwill and benefit changes.

In the U.S., Colgate's leadership of the toothpaste market continues with a national ACNielsen market share of 35.5% for the quarter, maintaining the all-time high market share achieved in the year ago period. Innovative new products gaining share across categories are Colgate Total Plus Whitening and Colgate Fresh Confidence toothpastes, Colgate 2in1 toothpaste and mouthwash, Colgate Motion battery-powered toothbrush, Colgate Active Angle toothbrush, Lady Speed Stick Invisible Dry and Speed Stick Power of Nature deodorants, Softsoap Vitamins with vitamin E body wash and Suavitel Fresca Primavera fabric conditioner.

Maintaining the fast new product launch pace in the U.S., more recent introductions arriving on store shelves now include Softsoap Naturals moisturizing body wash, Ajax Spring Blossom dishwashing liquid and new Palmolive Super Scrub Gel Paste dish and pot scrub with special abrasives for tough-to-clean items. The new product pipeline remains strong for the balance of

this year.

Colgate-Europe (20% of Company Sales)

European unit volume rose 4.0% as innovative new products drove top-line increases in nearly every country. The United Kingdom, Nordic, Greece, Portugal, Belgium, Russia, Turkiye and Poland were among the strongest performers. Local currency sales and operating profit increased 3% and 16%, respectively (local currency operating profit increased 13% excluding the goodwill accounting change). Dollar sales for the region decreased 1.0% due to the weak Euro while reported dollar operating profit increased 12% versus the first quarter 2001.

In Oral Care, successful new entrants gaining market share throughout the region include Colgate Herbal and Colgate Total Plus Whitening toothpastes, Colgate Motion battery-powered toothbrush and Colgate Zig Zag manual toothbrush. Palmolive Aromatherapy shower gel and bath foam, Ajax glass and all purpose cleaner wipes and Soupline Lily of the Valley fabric conditioner were standouts in other categories.

New products driving growth throughout Central Europe and Russia include Colgate Total Plus Whitening and Colgate Herbal White toothpastes, Palmolive Fruit Essentials translucent bar soap, Palmolive Aromatherapy shower gel and bath foam and Ajax Floral Fiesta powder scourer.

Colgate-Latin America (24% of Company Sales)

Volume gains in Central America, Colombia, the Dominican Republic, Ecuador and Peru were offset by expected volume declines in Brazil when compared against the very strong double-digit volume growth in that country in the year ago period. The Latin American volume decline of 1.0% also reflects the economic crisis in Argentina versus the year ago quarter. In local currency, continuing sales rose 1% and operating profit increased 5% (local currency operating profit increased 2% excluding the goodwill accounting change). Due to the stronger dollar, continuing sales for the Division declined 5.0% and reported operating profit was flat versus first quarter 2001.

Colgate continues to strengthen its Oral Care leadership in the region. New products contributing to gains include Colgate Triple Action toothpaste, Colgate Active Flexible and Colgate Premier Ultra toothbrushes, and most recently Colgate Fresh Confidence Extreme Red gel and Colgate Herbal White toothpastes. Fueling growth in Personal Care are Mennen Speed Stick Power of Nature deodorants and a new line of Palmolive Caprice specialty variants of shampoo. Fabuloso Lavender liquid cleaner and Axion Apple Fantasy dishwashing paste were standouts in Household Surface Care.

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

Unit volume grew 3.5% in Asia/Africa led by strong growth in Australia, New Zealand, Fiji, Hong Kong, Malaysia, Vietnam and South Africa. This growth is on top of double-digit volume growth in the first quarter 2001. Excluding foreign exchange, sales rose 2% and operating profit increased 4% (local currency operating profit increased 3% excluding the goodwill accounting change). Due to currency translation, reported sales declined 3.0% and operating profit decreased 1%.

Successful new entrants driving growth in Oral Care include Colgate Herbal, Colgate Herbal White and Colgate Triple Action toothpastes. In China, for example, Colgate's national toothpaste market share as measured by ACNielsen rose almost three full share points versus first quarter 2001 to 28.9%. Protex Herbal soap and talc, Palmolive Fresh soap and Softlan fabric conditioner contributed to gains in other categories throughout Asia.

Strong growth in the South Pacific region was led by gains from Colgate Fresh Confidence and Colgate Total Plus Whitening toothpastes, and Colgate Active Flexible toothbrush.

Hill's Pet Nutrition (13% of Company Sales)

The world leader in specialty pet food, Hill's increased unit volume and sales by 4.0% and 2.5%, respectively. Technology-based new products, veterinary endorsements and targeted promotional activities contributed to growth in North America and internationally. Excluding foreign exchange, sales increased 5% and operating profit increased 11%. Dollar operating profit increased 5% versus the year ago period.

Hill's increased consumption of Science Diet in the U.S. specialty retail channel, where its growth continues to outpace category growth, and increased sales of Prescription Diet in the veterinary channel. Strong domestic results include the success of recently launched Science Diet Oral Care for cats and dogs, and Prescription Diet b/d, a diet clinically proven to reduce the signs of brain aging in dogs.

Australia, Hong Kong, Spain, Denmark, New Zealand, Taiwan and South Korea led Hill's international volume growth. During the quarter, Hill's gained leadership of the dry cat food market in Japan and introduced Science Diet Oral Care and

Prescription Diet b/d throughout Europe and Asia.

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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 www.colgate-palmolive.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 10-K for the year ended December 31, 2001 under the caption "Cautionary Statement on Forward-Looking Statements") 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.

(See attached table for first quarter results.)

The full text of Colgate releases is available:

Internet Address: <http://www.colgatepalmolive.com>

Shareholder Direct: 1-800-850-2654

E-mail: Investor_Relations@Colpal.com

Colgate-Palmolive Company Summary of Consolidated Results

For the three months ended March 31, 2002 and 2001

(Dollars in Millions Except Per Share Amounts) (Unaudited)

	<u>2002</u>	<u>2001</u>
Net Sales	\$2,195.2	\$2,212.2
Cost of Sales	992.4	1,031.8
Gross Profit	1,202.8	1,180.4
Gross Profit Margin	54.8%	53.4%
Selling, General & Administrative Expenses	742.1	738.9
Earnings before Interest & Taxes (EBIT)	460.7	441.5
Operating Profit Margin	21.0%	20.0%
Net Interest Expense	34.9	43.6
Income Before Income Taxes	425.8	397.9
Provision for Income Taxes	136.1	130.0
Tax Rate	32.0%	32.7%
Net Income	289.7	267.9
Net Earnings Per Common Share		

Basic	\$.52	\$.47
Diluted	\$.49	\$.44
Average Common Shares Outstanding		
Basic	549.2	564.6
Diluted	597.2	615.5

SFAS 142, which was adopted on January 1, 2002, resulted in the discontinuance of amortization of goodwill and indefinite life intangible assets. If year 2001 had been restated for the impact of SFAS 142, EBIT, net income and diluted earnings per share would have been \$455.5, \$279.1 and \$.45, respectively.