

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____ .

Commission File Number: 1-644

COLGATE-PALMOLIVE COMPANY

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of incorporation or organization)

13-1815595

(I.R.S. Employer Identification No.)

300 Park Avenue, New York, New York

(Address of principal executive offices)

10022

(Zip Code)

(212) 310-2000

(Registrant's telephone number, including area code)

NO CHANGES

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Class	Shares Outstanding	Date
Common stock, \$1.00 par value	474,169,670	June 30, 2012

PART I. FINANCIAL INFORMATION

COLGATE-PALMOLIVE COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Dollars in Millions Except Per Share Amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
Net sales	\$ 4,267	\$ 4,185	\$ 8,467	\$ 8,179
Cost of sales	1,806	1,781	3,569	3,444
Gross profit	2,461	2,404	4,898	4,735
Selling, general and administrative expenses	1,464	1,421	2,942	2,825
Other (income) expense, net	15	15	36	27
Operating profit	982	968	1,920	1,883
Interest expense, net	6	11	16	27
Income before income taxes	976	957	1,904	1,856
Provision for income taxes	311	311	606	603
Net income including noncontrolling interests	665	646	1,298	1,253
Less: Net income attributable to noncontrolling interests	38	24	78	55
Net income attributable to Colgate-Palmolive Company	\$ 627	\$ 622	\$ 1,220	\$ 1,198
Earnings per common share, basic	\$ 1.31	\$ 1.27	\$ 2.55	\$ 2.44
Earnings per common share, diluted	\$ 1.30	\$ 1.26	\$ 2.53	\$ 2.42
Dividends declared per common share*	\$ —	\$ —	\$ 1.20	\$ 1.11

* Two dividends were declared in the first quarters of 2012 and 2011.

See Notes to Condensed Consolidated Financial Statements.

COLGATE-PALMOLIVE COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Dollars in Millions)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
Net income including noncontrolling interests	\$ 665	\$ 646	\$ 1,298	\$ 1,253
Other comprehensive income, net of tax				
Cumulative translation adjustments	(291)	176	(112)	297
Retirement Plan and other retiree benefit adjustments	(4)	14	10	28
Gains (losses) on available-for-sale securities	4	8	14	48
Unrealized gains (losses) on cash flow hedges	—	(4)	5	(4)
Total Other comprehensive income, net of tax	(291)	194	(83)	369
Total Comprehensive income including noncontrolling interests	374	840	1,215	1,622
Less: Net income attributable to noncontrolling interests	38	24	78	55
Less: Cumulative translation adjustments attributable to noncontrolling interests	(6)	1	(4)	2
Total Comprehensive income attributable to noncontrolling interests	32	25	74	57
Total Comprehensive income attributable to Colgate-Palmolive Company	<u>\$ 342</u>	<u>\$ 815</u>	<u>\$ 1,141</u>	<u>\$ 1,565</u>

See Notes to Condensed Consolidated Financial Statements.

COLGATE-PALMOLIVE COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS

(Dollars in Millions)
(Unaudited)

	June 30, 2012	December 31, 2011
Assets		
Current Assets		
Cash and cash equivalents	\$ 995	\$ 878
Receivables (net of allowances of \$54 and \$49, respectively)	1,785	1,675
Inventories	1,368	1,327
Other current assets	687	522
Total current assets	4,835	4,402
Property, plant and equipment:		
Cost	7,427	7,324
Less: Accumulated depreciation	(3,802)	(3,656)
	3,625	3,668
Goodwill, net	2,611	2,657
Other intangible assets, net	1,316	1,341
Deferred income taxes	84	115
Other assets	682	541
Total assets	\$ 13,153	\$ 12,724
Liabilities and Shareholders' Equity		
Current Liabilities		
Notes and loans payable	\$ 43	\$ 34
Current portion of long-term debt	252	346
Accounts payable	1,226	1,244
Accrued income taxes	288	392
Other accruals	1,757	1,700
Total current liabilities	3,566	3,716
Long-term debt	5,068	4,430
Deferred income taxes	272	252
Other liabilities	1,737	1,785
Shareholders' Equity		
Common stock	733	733
Additional paid-in capital	1,387	1,336
Retained earnings	16,294	15,649
Accumulated other comprehensive income (loss)	(2,554)	(2,475)
Unearned compensation	(39)	(60)
Treasury stock, at cost	(13,515)	(12,808)
Total Colgate-Palmolive Company shareholders' equity	2,306	2,375
Noncontrolling interests	204	166
Total shareholders' equity	2,510	2,541
Total liabilities and shareholders' equity	\$ 13,153	\$ 12,724

See Notes to Condensed Consolidated Financial Statements.

COLGATE-PALMOLIVE COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in Millions)
(Unaudited)

	Six Months Ended	
	June 30,	
	2012	2011
Operating Activities		
Net income including noncontrolling interests	\$ 1,298	\$ 1,253
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations:		
Depreciation and amortization	211	202
Restructuring and termination benefits, net of cash	(27)	(31)
Voluntary benefit plan contributions	(100)	(100)
Stock-based compensation expense	48	56
Deferred income taxes	14	46
Cash effects of changes in:		
Receivables	(119)	(153)
Inventories	(46)	(148)
Accounts payable and other accruals	(148)	(19)
Other non-current assets and liabilities	62	48
Net cash provided by operations	<u>1,193</u>	<u>1,154</u>
Investing Activities		
Capital expenditures	(189)	(225)
Purchases of marketable securities and investments	(219)	(80)
Proceeds from sale of marketable securities and investments	71	171
Payment for acquisitions, net of cash acquired	(29)	(960)
Other	45	(17)
Net cash used in investing activities	<u>(321)</u>	<u>(1,111)</u>
Financing Activities		
Principal payments on debt	(2,307)	(1,869)
Proceeds from issuance of debt	2,873	3,433
Dividends paid	(593)	(568)
Purchases of treasury shares	(894)	(1,017)
Proceeds from exercise of stock options and excess tax benefits	191	220
Net cash provided by (used in) financing activities	<u>(730)</u>	<u>199</u>
Effect of exchange rate changes on Cash and cash equivalents	(25)	7
Net increase (decrease) in Cash and cash equivalents	<u>117</u>	<u>249</u>
Cash and cash equivalents at beginning of the period	878	490
Cash and cash equivalents at end of the period	<u>\$ 995</u>	<u>\$ 739</u>
Supplemental Cash Flow Information		
Income taxes paid	\$ 682	\$ 513

See Notes to Condensed Consolidated Financial Statements.

COLGATE-PALMOLIVE COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

1. Basis of Presentation

The Condensed Consolidated Financial Statements reflect all normal recurring adjustments which, in management's opinion, are necessary for a fair statement of the results for interim periods. Results of operations for interim periods may not be representative of results to be expected for a full year. Certain prior year amounts have been reclassified to conform to the current year presentation.

For a complete set of financial notes, including the significant accounting policies of Colgate-Palmolive Company (together with its subsidiaries, the "Company" or "Colgate"), refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2011, filed with the Securities and Exchange Commission.

2. Use of Estimates

Provision for certain expenses, including income taxes, media advertising and consumer promotion, are based on full year assumptions and are included in the accompanying Condensed Consolidated Financial Statements in proportion with estimated annual tax rates, the passage of time or estimated annual sales.

3. Recent Accounting Pronouncements

In June 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2011-05, "Presentation of Comprehensive Income." ASU No. 2011-05 eliminates the option to disclose other comprehensive income and its components in the statement of changes in equity. As permitted under ASU No. 2011-05, the Company elected to present items of net income and other comprehensive income in two separate consecutive statements beginning in the first quarter of 2012.

4. Acquisitions and Divestitures

Sanex Acquisition

On June 20, 2011, the Company, Colgate-Palmolive Europe Sàrl, Unilever N.V. and Unilever PLC (together with Unilever N.V., "Unilever") finalized the Company's acquisition from Unilever of the Sanex personal care business in accordance with a Business and Share Sale and Purchase Agreement (the "Purchase Agreement") for an aggregate purchase price of €676 (\$966), subject to certain post-closing purchase price adjustments. The acquisition was financed with available cash, proceeds from the sale of the Company's Euro-denominated investment portfolio and the issuance of commercial paper.

Total purchase price consideration of \$966 has been allocated to the net assets acquired based on their respective fair values at June 20, 2011, as follows:

Recognized amounts of assets acquired and liabilities assumed:

Inventories	\$ 26
Property, plant and equipment, net	3
Other intangible assets, net	596
Goodwill, net	411
Accrued income taxes	(48)
Long-term deferred income taxes	(18)
Long-term other liabilities	(4)
Fair value of net assets acquired	<u>\$ 966</u>

Other intangible assets acquired include trademarks of \$403 with an indefinite useful life and customer relationships of \$193 with useful lives ranging from 15 to 18 years.

COLGATE-PALMOLIVE COMPANY

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

Goodwill of \$411 was allocated between the Europe/South Pacific segment (90%) and the Greater Asia/Africa segment (10%). The Company expects that substantially all of the goodwill will be deductible for tax purposes. Pro forma results of operations have not been presented, as the impact on the Company's consolidated financial statements is not material. For the six months ended June 30, 2011, Other (income) expense, net included \$10 in transaction costs related to the acquisition, of which \$7 related to the second quarter.

Sale of Detergent Business in Colombia

In connection with the Sanex acquisition, Colgate sold its laundry detergent business in Colombia to Unilever for \$215. The detergent sale closed on July 29, 2011 and, as a result of the sale, the Company recognized a pretax gain of \$207 (\$135 aftertax gain) in the third quarter of 2011. These operations were not material to the Company's Net sales, Net income or Earnings per share.

Sale of Land in Mexico

On September 13, 2011, the Company's Mexican subsidiary entered into an agreement to sell to the United States of America the Mexico City site on which its commercial operations, technology center and soap production facility are located. The sale price is payable in three installments, with the final installment due upon the transfer of the property, which is expected to occur in 2014. During the third quarter of 2011, the Company received the first installment of \$24 upon signing the agreement. The Company is re-investing these payments to relocate its soap production to a new state-of-the-art facility to be constructed at its Mission Hills, Mexico site, to relocate its commercial and technology operations within Mexico City and to prepare the existing site for transfer. As a result, the Company expects to make capital improvements and incur costs to exit the site through 2014. These exit costs will primarily be related to staff leaving indemnities, accelerated depreciation and demolition to make the site building-ready. In 2011, the Company recorded \$13 of pretax costs (\$9 of aftertax costs) related to the sale. During the six months ended June 30, 2012, the Company incurred an additional \$13 of pretax costs (\$10 of aftertax costs) related to the sale, of which \$6 of pretax costs (\$5 of aftertax costs) relate to the second quarter.

5. Inventories

Inventories by major class are as follows:

	June 30, 2012	December 31, 2011
Raw materials and supplies	\$ 323	\$ 319
Work-in-process	68	54
Finished goods	977	954
Total Inventories	<u>\$ 1,368</u>	<u>\$ 1,327</u>

COLGATE-PALMOLIVE COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in Millions Except Share and Per Share Amounts)
(Unaudited)

6. Shareholders' Equity

Changes in the components of Shareholders' Equity for the six months ended June 30, 2012 are as follows:

	Colgate-Palmolive Company Shareholders' Equity						Noncontrolling Interests
	Common Stock	Additional Paid-in Capital	Unearned Compensation	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	
Balance, December 31, 2011	\$ 733	\$ 1,336	\$ (60)	\$ (12,808)	\$ 15,649	\$ (2,475)	\$ 166
Net income					1,220		78
Other comprehensive income, net of tax						(79)	(4)
Dividends					(575)		(18)
Stock-based compensation expense		48					
Shares issued for stock options		42		143			
Shares issued for restricted stock awards		(44)		44			
Treasury stock acquired				(894)			
Other		5	21				(18)
Balance, June 30, 2012	\$ 733	\$ 1,387	\$ (39)	\$ (13,515)	\$ 16,294	\$ (2,554)	\$ 204

Accumulated Other comprehensive income (loss), as reflected in the Condensed Consolidated Balance Sheets, primarily consists of cumulative foreign currency translation adjustments and unrecognized pension and other retiree benefit costs.

7. Earnings Per Share

	Three Months Ended					
	June 30, 2012			June 30, 2011		
	Income	Shares (millions)	Per Share	Income	Shares (millions)	Per Share
Net income attributable to Colgate-Palmolive Company	\$ 627			\$ 622		
Basic EPS	627	477.3	\$ 1.31	622	489.5	\$ 1.27
Stock options and restricted stock		4.0			3.8	
Diluted EPS	\$ 627	481.3	\$ 1.30	\$ 622	493.3	\$ 1.26

For the three months ended June 30, 2012 and 2011, the average number of stock options that were anti-dilutive and not included in diluted earnings per share calculations were 405,780 and 18,734, respectively.

COLGATE-PALMOLIVE COMPANY

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

	Six Months Ended					
	June 30, 2012			June 30, 2011		
	Income	Shares (millions)	Per Share	Income	Shares (millions)	Per Share
Net income attributable to Colgate-Palmolive Company	\$ 1,220			\$ 1,198		
Basic EPS	1,220	478.7	\$ 2.55	1,198	491.5	\$ 2.44
Stock options and restricted stock		3.9			3.4	
Diluted EPS	\$ 1,220	482.6	\$ 2.53	\$ 1,198	494.9	\$ 2.42

For the six months ended June 30, 2012 and 2011, the average number of stock options that were anti-dilutive and not included in diluted earnings per share calculations were 2,070,202 and 34,719, respectively.

8. Retirement Plans and Other Retiree Benefits

Components of net periodic benefit cost for the three and six months ended June 30, 2012 and 2011 were as follows:

	Pension Benefits				Other Retiree Benefits	
	United States		International		2012	2011
	2012	2011	2012	2011		
	Three Months Ended June 30,					
Service cost	\$ 7	\$ 6	\$ 6	\$ 5	\$ 3	\$ 3
Interest cost	24	25	8	10	10	10
Annual ESOP allocation	—	—	—	—	(1)	—
Expected return on plan assets	(28)	(28)	(6)	(7)	—	—
Amortization of transition and prior service costs (credits)	3	3	—	1	1	1
Amortization of actuarial loss	14	12	3	3	4	4
Net periodic benefit cost	\$ 20	\$ 18	\$ 11	\$ 12	\$ 17	\$ 18

	Pension Benefits				Other Retiree Benefits	
	United States		International		2012	2011
	2012	2011	2012	2011		
	Six Months Ended June 30,					
Service cost	\$ 14	\$ 13	\$ 11	\$ 10	\$ 6	\$ 6
Interest cost	49	51	17	19	21	21
Annual ESOP allocation	—	—	—	—	(1)	(1)
Expected return on plan assets	(56)	(56)	(12)	(14)	(1)	(1)
Amortization of transition and prior service costs (credits)	5	5	—	2	2	3
Amortization of actuarial loss	29	23	5	5	8	9
Net periodic benefit cost	\$ 41	\$ 36	\$ 21	\$ 22	\$ 35	\$ 37

For each of the six months ended June 30, 2012 and 2011, the Company made voluntary contributions of \$100 to its U.S. postretirement plans.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

9. Contingencies

As a global company serving consumers in more than 200 countries and territories, the Company is routinely subject to a wide variety of legal proceedings. These include disputes relating to intellectual property, contracts, product liability, marketing, advertising, foreign exchange controls, antitrust and trade regulation, as well as labor and employment, environmental and tax matters. Management proactively reviews and monitors the Company's exposure to, and the impact of, environmental matters. The Company is party to various environmental matters and, as such, may be responsible for all or a portion of the cleanup, restoration and post-closure monitoring of several sites.

As a matter of course, the Company is regularly audited by the IRS and other tax authorities around the world in countries where it conducts business. In this regard, all U.S. federal income tax returns through December 31, 2007 have been audited by the IRS and there are limited matters in administrative appeals for years 2002 through 2007, the settlement of which is not expected to have a material adverse effect on the Company's results of operations, cash flows or financial condition. With a few exceptions, the Company is no longer subject to U.S., state and local income tax examinations for the years prior to 2007. In addition, the Company has subsidiaries in various foreign jurisdictions that have statutes of limitations for tax audits generally ranging from three to six years. Estimated incremental tax payments related to potential disallowances for subsequent periods are not expected to be material.

The Company establishes accruals for loss contingencies when it has determined that a loss is probable and that the amount of loss, or range of loss, can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changes in circumstances.

The Company also determines estimates of reasonably possible losses or ranges of reasonably possible losses in excess of related accrued liabilities, if any, when it has determined that a loss is reasonably possible and it is able to determine such estimates. For those matters disclosed below, the Company currently estimates that the aggregate range of reasonably possible losses in excess of any accrued liabilities is \$0 to approximately \$225 (based on current exchange rates). The estimates included in this amount are based on the Company's analysis of currently available information and, as new information is obtained, these estimates may change. Due to the inherent subjectivity of the assessments and the unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to the Company from the matters in question. Thus, the Company's exposure and ultimate losses may be higher or lower, and possibly significantly so, than the amounts accrued or the range disclosed above.

Based on current knowledge, management does not believe that the ultimate resolution of loss contingencies arising from the matters discussed herein will have a material effect on the Company's consolidated financial position or its ongoing results of operations or cash flows. However, in light of the inherent uncertainties noted above, an adverse outcome in one or more of these matters could be material to the Company's results of operations or cash flows for any particular quarter or year.

Brazilian Matters

In 2001, the Central Bank of Brazil sought to impose a substantial fine on the Company's Brazilian subsidiary based on alleged foreign exchange violations in connection with the financing of the Company's 1995 acquisition of the Kolynos oral care business from Wyeth (formerly American Home Products) (the Seller), as described in the Company's Form 8-K dated January 10, 1995. The Company appealed the imposition of the fine to the Brazilian Monetary System Appeals Council (the Council) and, on January 30, 2007, the Council decided the appeal in the Company's favor, dismissing the fine entirely. However, certain tax and civil proceedings that began as a result of this Central Bank matter are still outstanding as described below.

The Brazilian internal revenue authority has disallowed interest deductions and foreign exchange losses taken by the Company's Brazilian subsidiary for certain years in connection with the financing of the Kolynos acquisition. The tax assessments with interest, at the current exchange rate, approximate \$129. The Company has been disputing the disallowances by appealing the assessments within the internal revenue authority's appellate process with the following results to date:

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

- In June 2005, the First Board of Taxpayers ruled in the Company's favor and allowed all of the previously claimed deductions for 1996 through 1998. In March 2007, the First Board of Taxpayers ruled in the Company's favor and allowed all of the previously claimed deductions for 1999 through 2001. The tax authorities appealed these decisions to the next administrative level.
- In August 2009, the First Taxpayers' Council (the next and final administrative level of appeal) overruled the decisions of the First Board of Taxpayers, upholding the majority of the assessments, disallowing a portion of the assessments and remanding a portion of the assessments for further consideration by the First Board of Taxpayers.

The Company has filed a motion for clarification with a special appeals chamber of the Taxpayers' Council and further appeals are available within the Brazilian federal courts. The Company intends to challenge these assessments vigorously. Although there can be no assurances, management believes, based on the opinion of its Brazilian legal counsel and other advisors, that the disallowances are without merit and that the Company should ultimately prevail on appeal, if necessary, in the Brazilian federal courts.

In 2002, the Brazilian Federal Public Attorney filed a civil action against the federal government of Brazil, Laboratorios Wyeth-Whitehall Ltda. (the Brazilian subsidiary of the Seller) and the Company, as represented by its Brazilian subsidiary, seeking to annul an April 2000 decision by the Brazilian Board of Tax Appeals that found in favor of the Seller's Brazilian subsidiary on the issue of whether it had incurred taxable capital gains as a result of the divestiture of Kolynos. The action seeks to make the Company's Brazilian subsidiary jointly and severally liable for any tax due from the Seller's Brazilian subsidiary. Although there can be no assurances, management believes, based on the opinion of its Brazilian legal counsel, that the Company should ultimately prevail in this action. The Company intends to challenge this action vigorously.

In December 2005, the Brazilian internal revenue authority issued to the Company's Brazilian subsidiary a tax assessment with interest and penalties of approximately \$77, at the current exchange rate, based on a claim that certain purchases of U.S. Treasury bills by the subsidiary and their subsequent disposition during the period 2000 to 2001 were subject to a tax on foreign exchange transactions. The Company is disputing the assessment within the internal revenue authority's administrative appeals process. In October 2007, the Second Board of Taxpayers, which has jurisdiction over these matters, ruled in favor of the internal revenue authority. In January 2008, the Company appealed this decision, and in January 2012, a special appeals chamber of the Taxpayers' Council denied the Company's appeal. The Company plans to appeal this decision. Although there can be no assurances, management believes, based on the advice of its Brazilian legal counsel, that the tax assessment is without merit and that the Company should prevail on appeal, if not at the administrative level, in the Brazilian federal courts. The Company intends to challenge this assessment vigorously.

European Competition Matters

Since February 2006, the Company has learned that investigations relating to potential competition law violations involving the Company's subsidiaries had been commenced by governmental authorities in a number of European countries and by the European Commission. The Company understands that substantially all of these investigations also involve other consumer goods companies and/or retail customers. The status of the various pending matters is discussed below.

Fines have been imposed on the Company in the following matters, although, as noted below, the Company is appealing each of these fines:

- In December 2009, the Swiss competition law authority imposed a fine of \$5 on the Company's GABA subsidiary for alleged violations of restrictions on parallel imports into Switzerland. The Company is appealing the fine in the Swiss courts.
- In January 2010, the Spanish competition law authority found that four suppliers of shower gel had entered into an agreement regarding product down-sizing, for which Colgate's Spanish subsidiary was fined \$3. The Company is appealing the fine in the Spanish courts.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

- In December 2010, the Italian competition law authority found that 16 consumer goods companies, including the Company's Italian subsidiary, exchanged competitively sensitive information in the cosmetics sector, for which the Company's Italian subsidiary was fined \$3. The Company is appealing the fine in the Italian courts.
- In December 2011, the French competition law authority found that four consumer goods companies had entered into agreements on pricing and promotion of heavy duty detergents for which Colgate's French subsidiary was fined \$46 in connection with a divested business. The Company is appealing the fine in the French courts.
- In March 2012, the French competition law authority found that three pet food producers, including the Company's Hill's France subsidiary, had violated the competition law, for which it imposed a fine of \$6 on the Company's Hill's France subsidiary for alleged restrictions on exports from France. The Company is appealing the fine in the French courts.

In addition, the German competition law authority has issued a formal claim of violations alleging that 17 branded goods companies, including the Company's German subsidiary, exchanged sensitive information related to the German market. The Company has responded to this formal claim of violations.

Investigations are ongoing in Belgium, France and Greece, but no formal claims of violations have been filed in these jurisdictions except in the two French matters noted above.

The Company's policy is to comply with antitrust and competition laws and, if a violation of any such laws is found, to take appropriate remedial action and to cooperate fully with any related governmental inquiry. The Company has undertaken a comprehensive review of its selling practices and related competition law compliance in Europe and elsewhere and, where the Company has identified a lack of compliance, it has undertaken remedial action. Competition and antitrust law investigations often continue for several years and can result in substantial fines for violations that are found. While the Company cannot predict the final financial impact of these competition law issues as these matters may change, the Company evaluates developments in these matters quarterly and accrues liabilities as and when appropriate.

ERISA Matters

In October 2007, a putative class action claiming that certain aspects of the cash balance portion of the Colgate-Palmolive Company Employees' Retirement Income Plan (the Plan) do not comply with the Employee Retirement Income Security Act was filed against the Plan and the Company in the United States District Court for the Southern District of New York. Specifically, Proesel, et al. v. Colgate-Palmolive Company Employees' Retirement Income Plan, et al. alleges improper calculation of lump sum distributions, age discrimination and failure to satisfy minimum accrual requirements, thereby resulting in the underpayment of benefits to Plan participants. Two other putative class actions filed earlier in 2007, Abelman, et al. v. Colgate-Palmolive Company Employees' Retirement Income Plan, et al., in the United States District Court for the Southern District of Ohio, and Caufield v. Colgate-Palmolive Company Employees' Retirement Income Plan, in the United States District Court for the Southern District of Indiana, both alleging improper calculation of lump sum distributions and, in the case of Abelman, claims for failure to satisfy minimum accrual requirements, were transferred to the Southern District of New York and consolidated with Proesel into one action, In re Colgate-Palmolive ERISA Litigation. The complaint in the consolidated action alleges improper calculation of lump sum distributions and failure to satisfy minimum accrual requirements, but does not include a claim for age discrimination. The relief sought includes recalculation of benefits in unspecified amounts, pre- and post-judgment interest, injunctive relief and attorneys' fees. This action has not been certified as a class action as yet. The parties are in discussions via non-binding mediation to determine whether the action can be settled. The Company and the Plan intend to contest this action vigorously should the parties be unable to reach a settlement.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

10. Segment Information

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. Corporate operations include costs 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. The Company reports these items within Corporate operations as they relate to Corporate-based responsibilities and decisions and are not included in the internal measures of segment operating performance used by the Company in order to measure the underlying performance of the business segments.

Net sales and Operating profit by segment were as follows:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2012	2011	2012	2011
Net sales				
Oral, Personal and Home Care				
North America	\$ 758	\$ 744	\$ 1,513	\$ 1,462
Latin America	1,269	1,231	2,439	2,328
Europe/South Pacific	850	857	1,704	1,689
Greater Asia/Africa	859	816	1,738	1,629
Total Oral, Personal and Home Care	3,736	3,648	7,394	7,108
Pet Nutrition	531	537	1,073	1,071
Total Net sales	\$ 4,267	\$ 4,185	\$ 8,467	\$ 8,179
Operating profit				
Oral, Personal and Home Care				
North America	\$ 196	\$ 194	\$ 379	\$ 386
Latin America	367	360	711	686
Europe/South Pacific	179	170	362	355
Greater Asia/Africa	220	199	440	402
Total Oral, Personal and Home Care	962	923	1,892	1,829
Pet Nutrition	145	140	293	281
Corporate	(125)	(95)	(265)	(227)
Total Operating profit	\$ 982	\$ 968	\$ 1,920	\$ 1,883

For the six months ended June 30, 2012, Corporate Operating profit includes costs of \$18 associated with the business realignment and other cost-saving initiatives and costs of \$13 related to the sale of land in Mexico. For the three months ended June 30, 2012, Corporate Operating profit includes costs of \$13 associated with the business realignment and other cost-saving initiatives and costs of \$6 related to the sale of land in Mexico. The business realignment and other cost-saving initiatives include the integration of Sanex, the right-sizing of the Colombia business and the closing of an oral care facility in Mississauga, Canada and a Hill's facility in Los Angeles, California. For further information regarding the sale of land in Mexico, refer to Note 4.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

11. Fair Value Measurements and Financial Instruments

The Company uses available market information and other valuation methodologies in assessing the fair value of financial instruments. Judgment is required in interpreting market data to develop the estimates of fair value and, accordingly, changes in assumptions or the estimation methodologies may affect the fair value estimates. The Company is exposed to credit losses in the event of nonperformance by counterparties to financial instrument contracts; however, nonperformance is considered unlikely as it is the Company's policy to contract only with diverse, highly rated counterparties.

The Company is exposed to market risk from foreign currency exchange rates, interest rates and commodity price fluctuations. Volatility relating to these exposures is managed on a global basis by utilizing a number of techniques, including working capital management, supplier agreements, selling price increases, selective borrowings in local currencies and entering into selective derivative instrument transactions, issued with standard features, in accordance with the Company's treasury and risk management policies, which prohibit the use of derivatives for speculative purposes and leveraged derivatives for any purpose. It is the Company's policy to enter into derivative instrument contracts with terms that match the underlying exposure being hedged. Hedge ineffectiveness, if any, is not material for any period presented.

The Company's derivative instruments include interest rate swap contracts, foreign currency contracts and commodity contracts. The Company utilizes interest rate swap contracts to manage its targeted mix of fixed and floating rate debt, and these swaps are valued using observable benchmark rates (Level 2 valuation). Foreign currency contracts consist of forward, option and swap contracts utilized to hedge a portion of the Company's foreign currency purchases, assets and liabilities arising in the normal course of business as well as the net investment in certain foreign subsidiaries. These contracts are valued using observable market rates (Level 2 valuation). Commodity futures contracts are utilized to hedge the purchases of raw materials used in the Company's operations. These contracts are measured using quoted commodity exchange prices (Level 1 valuation). The duration of foreign currency and commodity contracts generally does not exceed 12 months.

COLGATE-PALMOLIVE COMPANY

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

The following summarizes the fair value of the Company's derivative instruments and other financial instruments at June 30, 2012 and December 31, 2011:

		Assets		Liabilities		
		Fair Value		Fair Value		
Account		6/30/12	12/31/11	Account	6/30/12	12/31/11
Designated derivative instruments						
Interest rate swap contracts	Other current assets	\$ 7	\$ 2	Other accruals	\$ —	\$ —
Interest rate swap contracts	Other assets	38	40	Other liabilities	—	2
Foreign currency contracts	Other current assets	15	8	Other accruals	5	6
Foreign currency contracts	Other assets	33	28	Other liabilities	—	—
Commodity contracts	Other current assets	4	—	Other accruals	—	1
Total designated		<u>\$ 97</u>	<u>\$ 78</u>		<u>\$ 5</u>	<u>\$ 9</u>
Derivatives not designated						
Foreign currency contracts	Other assets	\$ 2	\$ 3	Other accruals	\$ —	\$ —
Total not designated		<u>\$ 2</u>	<u>\$ 3</u>		<u>\$ —</u>	<u>\$ —</u>
Total derivative instruments		<u>\$ 99</u>	<u>\$ 81</u>		<u>\$ 5</u>	<u>\$ 9</u>
Other financial instruments						
Marketable securities	Other current assets	\$ 86	\$ 72			
Available-for-sale securities	Other assets	392	236			
Total other financial instruments		<u>\$ 478</u>	<u>\$ 308</u>			

The carrying amount of cash, cash equivalents, accounts receivable and short-term debt approximated fair value as of June 30, 2012 and December 31, 2011. The estimated fair value of the Company's long-term debt, including the current portion, as of June 30, 2012 and December 31, 2011, was \$5,726 and \$5,121, respectively, and the related carrying value was \$5,320 and \$4,776, respectively. The estimated fair value of long-term debt was derived principally from quoted prices on the Company's outstanding fixed-term notes (Level 2 valuation).

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

Fair value hedges

The Company has designated all interest rate swap contracts and certain foreign currency forward and option contracts as fair value hedges, for which the gain or loss on the derivative and the offsetting loss or gain on the hedged item are recognized in current earnings. The impact of foreign currency contracts is recognized in Selling, general and administrative expenses and the impact of interest rate swap contracts is recognized in Interest expense, net.

Activity related to fair value hedges recorded during the three-month and six-month periods ended June 30, 2012 and 2011 was as follows:

	2012			2011		
	Foreign Currency Contracts	Interest Rate Swaps	Total	Foreign Currency Contracts	Interest Rate Swaps	Total
Notional Value at June 30,	\$ 740	\$ 1,338	\$ 2,078	\$ 538	\$ 1,288	\$ 1,826
Three-months ended June 30:						
Gain (loss) on derivative	9	9	18	—	11	11
Gain (loss) on hedged items	(9)	(9)	(18)	—	(11)	(11)
Six-months ended June 30:						
Gain (loss) on derivative	10	7	17	6	8	14
Gain (loss) on hedged items	(10)	(7)	(17)	(6)	(8)	(14)

Cash flow hedges

All of the Company's commodity contracts and certain foreign currency forward contracts have been designated as cash flow hedges, for which the effective portion of the gain or loss is reported as a component of Other comprehensive income (OCI) and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings.

Activity related to cash flow hedges recorded during the three-month and six-month periods ended June 30, 2012 and 2011 was as follows:

	2012			2011		
	Foreign Currency Contracts	Commodity Contracts	Total	Foreign Currency Contracts	Commodity Contracts	Total
Notional Value at June 30,	\$ 349	\$ 29	\$ 378	\$ 350	\$ 30	\$ 380
Three-months ended June 30:						
Gain (loss) recognized in OCI	(3)	3	—	(4)	(2)	(6)
Gain (loss) reclassified into Cost of sales	—	1	1	(4)	2	(2)
Six-months ended June 30:						
Gain (loss) recognized in OCI	3	5	8	(7)	—	(7)
Gain (loss) reclassified into Cost of sales	1	—	1	(8)	5	(3)

The net gain (loss) recognized in OCI for both foreign currency contracts and commodity contracts is expected to be recognized in Cost of sales within the next twelve months.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

Net investment hedges

The Company has designated certain foreign currency forward and option contracts and certain foreign currency-denominated debt as net investment hedges, for which the gain or loss on the instrument is reported as a component of Currency translation adjustments within OCI, along with the offsetting gain or loss on the hedged items.

Activity related to net investment hedges recorded during the three-month and six-month periods ended June 30, 2012 and 2011 was as follows:

	2012			2011		
	Foreign Currency Contracts	Foreign Currency Debt	Total	Foreign Currency Contracts	Foreign Currency Debt	Total
Notional Value at June 30,	\$ 563	\$ 409	\$ 972	\$ 88	\$ 333	\$ 421
Three-months ended June 30:						
Gain (loss) on instruments	27	10	37	(3)	(19)	(22)
Gain (loss) on hedged items	(27)	(10)	(37)	3	19	22
Six-months ended June 30:						
Gain (loss) on instruments	8	4	12	(10)	(33)	(43)
Gain (loss) on hedged items	(13)	(4)	(17)	10	33	43

Derivatives Not Designated as Hedging Instruments

Derivatives not designated as hedging instruments for each period consist of a cross-currency swap that serves as an economic hedge of a foreign currency deposit, for which the gain or loss on the instrument and the offsetting gain or loss on the hedged item are recognized in Other (income) expense, net for each period. The cross-currency swap outstanding at December 31, 2010 was settled during the second quarter of 2011, resulting in a realized loss of \$6 which was offset by a corresponding gain on an underlying deposit. A new cross-currency swap with similar terms and an underlying foreign currency deposit was entered into during June 2011.

Activity related to these contracts during the three-month and six-month periods ended June 30, 2012 and 2011 was as follows:

	2012	2011
	Cross-currency Swap	Cross-currency Swap
Notional Value at June 30,	\$ 96	\$ 96
Three-months ended June 30:		
Gain (loss) on instrument	2	—
Gain (loss) on hedged item	(2)	—
Six-months ended June 30:		
Gain (loss) on instrument	(1)	(4)
Gain (loss) on hedged item	1	4

COLGATE-PALMOLIVE COMPANY
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

Other Financial Instruments

Other financial instruments include marketable securities and Venezuelan bonds. The marketable securities primarily consist of bank deposits with original maturities greater than 90 days (Level 1 valuation) and are included in Other current assets.

Through its subsidiary in Venezuela, the Company is invested in U.S. dollar-linked, devaluation-protected bonds and fixed interest rate bonds, both of which are issued by the Venezuelan government. These bonds are actively traded and, therefore, are considered Level 2 investments as their values are determined based upon observable market-based inputs or unobservable inputs that are corroborated by market data. As of June 30, 2012, the U.S. dollar-linked, devaluation protected bonds and the fixed interest rate bonds had fair market values of \$251 and \$141, respectively. These investments are considered available-for-sale securities and are included in Other assets.

The following table presents a reconciliation of the Venezuelan bonds at fair value for the six months ended June 30:

	2012	2011
Beginning balance as of January 1,	\$ 236	\$ 96
Unrealized gain (loss) on investment	22	62
Purchases and sales during the period	134	71
Ending balance as of June 30,	<u>\$ 392</u>	<u>\$ 229</u>

As a result of the Venezuelan government's elimination of the two-tier exchange rate structure effective January 1, 2011, the U.S. dollar-linked, devaluation-protected bonds revalued and the Company recorded an unrealized gain of \$62 in the first quarter of 2011. For further information regarding Venezuela, refer to Note 12 below.

12. Venezuela

Effective January 1, 2010, Venezuela was designated as hyperinflationary and therefore the functional currency for the Company's Venezuelan subsidiary (CP Venezuela) became the U.S. dollar. As a result, the impact of Venezuelan currency fluctuations is reported in income. The change in the reporting currency from the Venezuelan bolivar fuerte to the U.S. dollar resulted in a one-time charge of \$271 recorded within Other (income) expense, net in the first quarter of 2010.

On January 8, 2010, the Venezuelan government announced its decision to devalue its currency and implement a two-tier exchange rate structure. As a result, the official exchange rate changed from 2.15 to 2.60 for essential goods and 4.30 for non-essential goods. The devaluation resulted in a one-time pretax gain of \$46 recorded in Other (income) expense and an aftertax gain of \$59 in the first quarter of 2010. In December 2010, the Venezuelan government announced that, effective January 1, 2011, the 2.60 exchange rate for essential goods would be abolished. As a result, CP Venezuela incurred an aftertax loss of \$36 in the fourth quarter of 2010.

The Company remeasures the financial statements of CP Venezuela at the rate at which it expects to remit future dividends, which currently is 4.30. For the six months ended June 30, 2012, CP Venezuela represented approximately 5% of the Company's consolidated Net sales. At June 30, 2012, CP Venezuela's bolivar fuerte-denominated net monetary asset position, which would be subject to translation adjustment in the event of a devaluation, was approximately \$426. This amount does not include \$251 of devaluation-protected bonds issued by the Venezuelan government, as these bonds provide protection against devaluations by adjusting the amount of bolivares fuerte received at maturity for any devaluation subsequent to issuance.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)***Executive Overview and Outlook**

Colgate-Palmolive Company seeks to deliver strong, consistent business results and superior shareholder returns by providing consumers globally with products that make their lives healthier and more enjoyable.

To this end, the Company is tightly focused on two product segments: Oral, Personal and Home Care; and Pet Nutrition. Within these segments, the Company follows a closely defined business strategy to develop and increase market leadership positions in key product categories. These product categories are prioritized based on their capacity to maximize the use of the organization's core competencies and strong global equities and to deliver sustainable long-term growth.

Operationally, the Company is organized along geographic lines with management teams having responsibility for the business and financial results in each region. The Company competes in more than 200 countries and territories worldwide with established businesses in all regions contributing to the Company's sales and profitability. Approximately 80% of the Company's net sales are generated from markets outside the U.S., with approximately 50% of the Company's net sales coming from emerging markets (which consist of Latin America, Greater Asia/Africa (excluding Japan) and Central Europe). This geographic diversity and balance help to reduce the Company's exposure to business and other risks in any one country or part of the world.

The Oral, Personal and Home Care segment is operated through four reportable operating segments: North America, Latin America, Europe/South Pacific and Greater Asia/Africa, all of which sell to a variety of retail and wholesale customers and distributors. The Company, through Hill's Pet Nutrition, also competes on a worldwide basis in the pet nutrition market, selling its products principally through specialty pet retailers and the veterinary profession.

On an ongoing basis, management focuses on a variety of key indicators to monitor business health and performance. These indicators include market share, net sales (including volume, pricing and foreign exchange components), organic sales growth (Net sales growth excluding the impact of foreign exchange, acquisitions and divestments), gross profit margin, operating profit, net income and earnings per share, as well as measures used to optimize the management of working capital, capital expenditures, cash flow and return on capital. The monitoring of these indicators and the Company's Code of Conduct and corporate governance practices help to maintain business health and strong internal controls.

To achieve its business and financial objectives, the Company focuses the organization on initiatives to drive and fund growth. The Company seeks to capture significant opportunities for growth by identifying and meeting consumer needs within its core categories, through its focus on innovation and the deployment of valuable consumer and shopper insights in the development of successful new products regionally, which are then rolled out on a global basis. To enhance these efforts, the Company has developed key initiatives to build strong relationships with consumers, dental and veterinary professionals and retail customers. Growth opportunities are greater in those areas of the world in which economic development and rising consumer incomes expand the size and number of markets for the Company's products.

The investments needed to support growth are developed through continuous, Company-wide initiatives to lower costs and increase effective asset utilization. Through these initiatives, which are referred to as the Company's funding-the-growth initiatives, the Company seeks to become even more effective and efficient throughout its businesses. These initiatives are designed to reduce costs associated with direct materials, indirect expenses and distribution and logistics and encompass a wide range of projects, examples of which include raw material substitution, reduction of packaging materials, consolidating suppliers to leverage volumes and increasing manufacturing efficiency through SKU reductions and formulation simplification. The Company also continues to prioritize its investments toward its higher margin businesses, specifically Oral Care, Personal Care and Pet Nutrition.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)*

On June 20, 2011, the Company, Colgate-Palmolive Europe Sàrl, Unilever N.V. and Unilever PLC (together with Unilever N.V., "Unilever") finalized the Company's acquisition from Unilever of the Sanex personal care business in accordance with a Business and Share Sale and Purchase Agreement for an aggregate purchase price of €676 (\$966), subject to certain post-closing purchase price adjustments. The acquisition was financed with available cash, proceeds from the sale of the Company's Euro-denominated investment portfolio and the issuance of commercial paper.

On July 29, 2011, in connection with the Sanex acquisition, Colgate sold its laundry detergent business in Colombia to Unilever for \$215 resulting in a pretax gain of \$207 (\$135 aftertax gain). In 2011, this gain was more than offset by pretax costs of \$224 (\$177 aftertax costs) associated with the implementation of business realignment and other cost-saving initiatives, the sale of land in Mexico discussed below and a competition law matter in France related to a divested detergent business as discussed in Note 9 "Contingencies" to the Condensed Consolidated Financial Statements. The business realignment and other cost-saving initiatives include the integration of Sanex, the right-sizing of the Colombia business and the closing of an oral care facility in Mississauga, Canada and a Hill's facility in Los Angeles, California. In 2012, the Company incurred aftertax costs of \$12 associated with the business realignment and other cost-saving initiatives and aftertax costs of \$10 related to the sale of land in Mexico.

On September 13, 2011, the Company's Mexican subsidiary entered into an agreement to sell to the United States of America the Mexico City site on which its commercial operations, technology center and soap production facility are located. The sale price is payable in three installments, with the final installment due upon the transfer of the property, which is expected to occur in 2014. The Company is re-investing these payments to relocate its soap production to a new state-of-the-art facility to be constructed at its Mission Hills, Mexico site, to relocate its commercial and technology operations within Mexico City and to prepare the existing site for transfer. As a result, the Company expects to make capital improvements and incur costs to exit the site through 2014. These exit costs will primarily be related to staff leaving indemnities, accelerated depreciation and demolition to make the site building-ready.

With over 80% of its Net sales generated outside of the United States, the Company is exposed to changes in economic conditions and foreign currency exchange rates, as well as political uncertainty in some countries, all of which could impact future operating results. For example, as discussed in detail below, the operating environment in Venezuela is challenging, with economic uncertainty fueled by currency devaluations and high inflation and governmental restrictions in the form of import authorization controls, currency exchange controls, price controls and the possibility of expropriation of property or other resources.

In particular, the Company has been impacted as a result of the significant devaluations of the Venezuelan bolivar fuerte, described more fully in Note 12 "Venezuela" to the Condensed Consolidated Financial Statements. In addition, the Venezuelan government continues to impose import authorization controls, currency exchange and payment controls and price controls. CP Venezuela continues to have limited access to U.S. dollars at the official rate, and currently only for imported goods. Under existing regulations, CP Venezuela is not permitted to access the currency market established in 2010, and as a result, CP Venezuela funds its requirements for imported goods through a combination of U.S. dollars obtained from the government at the official rate, intercompany borrowings, the use of financial and other intermediaries and existing U.S. dollar cash balances, which were obtained previously through parallel market transactions and through the prior liquidation of its U.S. dollar-denominated bond portfolio. On April 1, 2012, new price controls previously announced by the Venezuelan government became effective, affecting most products in CP Venezuela's portfolio, thereby further restricting the Company's ability to implement price increases, which has been one of the key mechanisms to offset the effects of continuing high inflation.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

(Dollars in Millions Except Share and Per Share Amounts)

The Company's business in Venezuela and the Company's ability to repatriate its earnings, continue to be negatively affected by these difficult conditions and would be further negatively affected by additional devaluations or the imposition of additional or more stringent controls on foreign currency exchange, pricing or imports or other governmental actions. For the six months ended June 30, 2012, CP Venezuela represented approximately 5% of the Company's consolidated Net sales. At June 30, 2012, CP Venezuela's local currency net monetary asset position was approximately \$426.

Looking forward, we expect global macroeconomic and market conditions to remain highly challenging. While the global marketplace in which we operate has always been highly competitive, the Company continues to experience heightened competitive activity in certain markets from other large multinational companies, some of which have greater resources than we do. Such activities have included more aggressive product claims and marketing challenges, as well as increased promotional spending and geographic expansion. Additionally, we continue to experience volatile foreign currency fluctuations and high commodity costs. While the Company has taken, and will continue to take, measures to mitigate the effect of these conditions, should they persist, they could adversely affect the Company's future results.

The Company believes it is well prepared to meet the challenges ahead due to its strong financial condition, experience operating in challenging environments and continued focus on the Company's strategic initiatives: engaging to build our brands; innovation for growth; effectiveness and efficiency; and leading to win. This focus, together with the strength of the Company's global brand names and its broad international presence in both mature and emerging markets, should position the Company well to increase shareholder value over the long-term.

Results of Operations*Three Months*

Worldwide Net sales were \$4,267 in the second quarter of 2012, up 2.0% from the second quarter of 2011, as volume growth of 5.0% and net selling price increases of 3.5% were significantly impacted by negative foreign exchange of 6.5%. Excluding the impact of the divestment of the non-core laundry detergent business in Colombia, volume increased 5.5%. The Sanex business contributed 1.0% to worldwide Net sales and volume growth in the second quarter of 2012. Organic sales (Net sales excluding foreign exchange, acquisitions and divestments), a non-GAAP financial measure as discussed below, increased 8.0% in the second quarter of 2012 on organic volume growth of 4.5%. Organic volume growth excludes the impact of acquisitions and divestments.

Net sales in the Oral, Personal and Home Care segment were \$3,736 in the second quarter of 2012, up 2.5% from the second quarter of 2011, as volume growth of 6.0% and net selling price increases of 3.5% were significantly impacted by negative foreign exchange of 7.0%. Excluding the impact of the divestment of the non-core laundry detergent business in Colombia, volume increased 7.0%. The Sanex business contributed 2.0% to Net sales and volume growth in the segment in the second quarter of 2012. Organic sales in the Oral, Personal and Home Care segment increased 8.5% on organic volume growth of 5.0% in the second quarter of 2012.

Gross Profit/Margin

Worldwide Gross profit increased 2% to \$2,461 in the second quarter of 2012 from \$2,404 in the second quarter of 2011. Excluding the impact of costs related to the sale of land in Mexico (\$6) and costs associated with business realignment and other cost-saving initiatives (\$2), Gross profit increased to \$2,469 in the second quarter of 2012.

Worldwide Gross profit margin increased to 57.7% in the second quarter of 2012 from 57.4% in the second quarter of 2011. Excluding the impact of costs related to the sale of land in Mexico of 10 basis points (bps) and costs associated with business realignment and other cost-saving initiatives of 10 bps, gross profit margin was 57.9% in the second quarter of 2012. This increase in the second quarter of 2012 was primarily due to cost savings from the Company's funding-the-growth initiatives (180 bps) and higher pricing (140 bps), which were partially offset by higher raw and packaging material costs driven by global commodity costs and negative foreign exchange transaction costs (265 bps).

COLGATE-PALMOLIVE COMPANY

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

(Dollars in Millions Except Share and Per Share Amounts)

	Three Months Ended June 30,	
	2012	2011
Gross profit, GAAP	\$ 2,461	\$ 2,404
Costs related to the sale of land in Mexico	6	—
Business realignment and other cost-saving initiatives	2	—
Gross profit, non-GAAP	<u>\$ 2,469</u>	<u>\$ 2,404</u>

	Three Months Ended June 30,		
	2012	2011	Basis Point Change
Gross profit margin, GAAP	57.7%	57.4%	30
Costs related to the sale of land in Mexico	0.1%	—	
Business realignment and other cost-saving initiatives	0.1%	—	
Gross profit margin, non-GAAP	<u>57.9%</u>	<u>57.4%</u>	<u>50</u>

Selling, General and Administrative expenses

Selling, general and administrative expenses increased 3.0% to \$1,464 in the second quarter of 2012 from \$1,421 in the second quarter of 2011. Excluding the impact of costs associated with the business realignment and other cost-saving initiatives (\$5), Selling, general and administrative expenses increased to \$1,459 in the second quarter of 2012.

Selling, general and administrative expenses as a percentage of Net sales increased to 34.3% in the second quarter of 2012 from 34.0% in the second quarter of 2011. Excluding the impact of costs related to the business realignment and other cost-saving initiatives (10 bps), Selling, general and administrative expenses were 34.2%, an increase of 20 bps as compared to the year ago quarter. This increase was a result of higher advertising expenses as a percentage of Net sales. In the second quarter of 2012, advertising increased 4.3% to \$457, as compared with \$438 in the second quarter of 2011, and increased as a percentage of Net sales to 10.7% in the second quarter of 2012 from 10.5% in the second quarter of 2011.

	Three Months Ended June 30,	
	2012	2011
Selling, general and administrative expenses, GAAP	\$ 1,464	\$ 1,421
Business realignment and other cost-saving initiatives	(5)	—
Selling, general and administrative expenses, non-GAAP	<u>\$ 1,459</u>	<u>\$ 1,421</u>

	Three Months Ended June 30,		
	2012	2011	Basis Point Change
Selling, general and administrative expenses as a percentage of Net sales, GAAP	34.3%	34.0%	30
Business realignment and other cost-saving initiatives	(0.1)%	—	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>34.2%</u>	<u>34.0%</u>	<u>20</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)*Other (income) expense, net

Other (income) expense, net was \$15 in the second quarter of 2012, even with the year ago quarter. In the second quarter of 2012, Other (income) expense, net includes costs of \$6 related to the business realignment and other cost-saving initiatives. In the second quarter of 2011, Other income (expense), net included transaction costs of \$7 related to the Sanex acquisition.

	Three Months Ended June 30,	
	2012	2011
Other (income) expense, net, GAAP	\$ 15	\$ 15
Business realignment and other cost-saving initiatives	(6)	—
Other (income) expense, net, non-GAAP	<u>\$ 9</u>	<u>\$ 15</u>

Operating Profit

Operating profit increased 1% to \$982 in the second quarter of 2012 from \$968 in the second quarter of 2011. Excluding the impact of costs associated with the sale of land in Mexico (\$6) and the business realignment and other cost-saving initiatives (\$13), Operating profit increased 3% to \$1,001 in the second quarter of 2012 as compared to the second quarter of 2011, primarily due to strong sales growth and higher gross profit margin.

Operating profit margin was 23.0%, a decrease of 10 bps compared to the year ago quarter. Excluding the impact of costs associated with the sale of land in Mexico (20 bps) and the business realignment and other cost-saving initiatives (30 bps), Operating profit margin increased 40 bps to 23.5% in the second quarter of 2012 as compared to 23.1% in the second quarter of 2011. This increase of 40 bps is mainly due to an increase in Gross profit as a percentage of Net sales, a portion of which was reinvested in higher advertising, which also increased as a percentage of Net sales.

	Three Months Ended June 30,		
	2012	2011	% Change
Operating profit, GAAP	\$ 982	\$ 968	1%
Costs related to the sale of land in Mexico	6	—	
Business realignment and other cost-saving initiatives	13	—	
Operating profit, non-GAAP	<u>\$ 1,001</u>	<u>\$ 968</u>	<u>3%</u>

	Three Months Ended June 30,		
	2012	2011	Basis Point Change
Operating profit margin, GAAP	23.0%	23.1%	(10)
Costs related to the sale of land in Mexico	0.2%	—	
Business realignment and other cost-saving initiatives	0.3%	—	
Operating profit margin, non-GAAP	<u>23.5%</u>	<u>23.1%</u>	<u>40</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)*Net Sales and Operating Profit by SegmentNorth America

	Three Months Ended June 30,		
	2012	2011	Change
Net sales	\$ 758	\$ 744	2.0 %
Operating profit	\$ 196	\$ 194	1 %
% of Net sales	25.9%	26.1%	(20) bps

Net sales in North America increased 2.0% in the second quarter of 2012 to \$758, as a volume decline of 0.5% and negative foreign exchange of 0.5% were more than offset by net selling price increases of 3.0%. Organic sales in North America increased 2.5% in the second quarter of 2012.

Operating profit in North America increased 1% in the second quarter of 2012 to \$196, while as a percentage of Net sales it decreased to 25.9%. The decrease in Operating profit as a percentage of Net sales was a result of an increase in Selling, general and administrative expenses, which was partially offset by an increase in Gross profit, both as a percentage of Net sales. This increase in Selling, general and administrative expenses was driven by higher advertising expenses as a percentage of Net sales. This increase in Gross profit was driven by cost savings from the Company's funding-the-growth initiatives and higher pricing, partially offset by higher raw and packaging material costs.

Latin America

	Three Months Ended June 30,		
	2012	2011	Change
Net sales	\$ 1,269	\$ 1,231	3.0 %
Operating profit	\$ 367	\$ 360	2 %
% of Net sales	28.9%	29.2%	(30) bps

Net sales in Latin America increased 3.0% in the second quarter of 2012 to \$1,269, as volume growth of 6.5% and net selling price increases of 6.0% were significantly impacted by negative foreign exchange of 9.5%. The divestment of the non-core laundry detergent business in Colombia had an impact of 3.0% on sales and volume growth in Latin America. Organic sales in Latin America increased 15.5% in the second quarter of 2012. Volume gains were led by Brazil, Venezuela, Mexico and Colombia.

Operating profit in Latin America increased 2% in the second quarter of 2012 to \$367, while as a percentage of Net sales it decreased to 28.9%. The decrease in Operating profit as a percentage of Net sales was due to a decrease in Gross profit and higher advertising, both as a percentage of Net sales. This decrease in Gross profit was due to higher raw and packaging material costs, negative foreign exchange transaction costs and higher costs due to inflation in Venezuela, which were partially offset by higher pricing and cost savings from the Company's funding-the-growth initiatives.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

(Dollars in Millions Except Share and Per Share Amounts)

Europe/South Pacific

	Three Months Ended June 30,		
	2012	2011	Change
Net sales	\$ 850	\$ 857	(1.0) %
Operating profit	\$ 179	\$ 170	5 %
% of Net sales	21.1%	19.8%	130 bps

Net sales in Europe/South Pacific decreased 1.0% in the second quarter of 2012 to \$850, as volume growth of 9.5% was more than offset by net selling price decreases of 1.5% and a significant negative impact of foreign exchange of 9.0%. The Sanex business contributed 6.5% to Europe/South Pacific sales and volume growth in the second quarter of 2012. Organic sales in Europe/South Pacific increased 1.5% in the second quarter of 2012 on organic volume growth of 3.0%. Volume gains were led by France, Iberia, Australia, the United Kingdom and the GABA business.

Operating profit in Europe/South Pacific increased 5% in the second quarter of 2012 to \$179, or 21.1% of Net sales. The increase in Operating profit was due to an increase in Gross profit and a decrease in Selling, general and administrative expenses, both as a percentage of Net sales. This increase in Gross profit was driven by savings from the Company's funding-the-growth initiatives, which were partially offset by lower pricing and higher raw and packaging material costs. This decrease in Selling, general and administrative expenses was driven by lower overhead expenses.

Greater Asia/Africa

	Three Months Ended June 30,		
	2012	2011	Change
Net sales	\$ 859	\$ 816	5.0 %
Operating profit	\$ 220	\$ 199	11 %
% of Net sales	25.6%	24.4%	120 bps

Net sales in Greater Asia/Africa increased 5.0% in the second quarter of 2012 to \$859, as volume growth of 7.5% and net selling price increases of 5.0% were significantly impacted by negative foreign exchange of 7.5%. The Sanex business contributed 0.5% to Greater Asia/Africa sales and volume growth in the second quarter of 2012. Organic sales in Greater Asia/Africa grew 12.0% on organic volume growth of 7.0% in the second quarter of 2012. Volume gains were led by India, Russia, South Africa, the Philippines and Thailand.

Operating profit in Greater Asia/Africa increased 11% in the second quarter of 2012 to \$220, or 25.6% of Net sales. This increase was a result of an increase in Gross profit as a percentage of Net sales. This increase in Gross profit was due to higher pricing and cost savings from the Company's funding-the-growth initiatives, partially offset by higher raw and packaging material costs.

Pet Nutrition

	Three Months Ended June 30,		
	2012	2011	Change
Net sales	\$ 531	\$ 537	(1.0) %
Operating profit	\$ 145	\$ 140	4 %
% of Net sales	27.3%	26.1%	120 bps

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)*

Net sales for Hill's Pet Nutrition decreased 1.0% in the second quarter of 2012 to \$531, as a volume decline of 3.0% and negative foreign exchange of 3.0% were partially offset by net selling price increases of 5.0%. Organic sales in Hill's Pet Nutrition increased 2.0% in the second quarter of 2012. Volume declines in the United States were partially offset by volume gains in France.

Operating profit in Hill's Pet Nutrition increased 4% in the second quarter of 2012 to \$145, or 27.3% of Net sales. This increase in Operating profit as a percentage of Net sales was due to an increase in Gross profit, which was partially offset by an increase in Selling, general and administrative expenses, both as a percentage of Net sales. This increase in Gross profit was driven by higher pricing and cost savings from the Company's funding-the-growth initiatives, which were partially offset by higher raw and packaging material costs. This increase in Selling, general and administrative expenses was primarily due to higher advertising expenses.

Corporate

	Three Months Ended June 30,		
	2012	2011	Change
Operating profit	\$ (125)	\$ (95)	32 %

Operating profit (loss) related to Corporate was (\$125) in the second quarter of 2012 as compared to (\$95) in the second quarter of 2011. In the second quarter of 2012, Corporate Operating profit (loss) includes costs of \$13 associated with the business realignment and other cost-saving initiatives and costs of \$6 related to the sale of land in Mexico.

Interest expense, net

Interest expense, net decreased to \$6 for the three months ended June 30, 2012 as compared with \$11 in the comparable period of 2011, due to an increase in interest income.

Net income attributable to Colgate-Palmolive Company and Earnings per share

Net income attributable to Colgate-Palmolive Company for the second quarter of 2012 increased to \$627 from \$622 in the comparable 2011 period, and earnings per common share on a diluted basis increased to \$1.30 per share from \$1.26 per share in the comparable 2011 period. Net income attributable to Colgate-Palmolive Company for the second quarter of 2012 included aftertax costs of \$5 related to the sale of land in Mexico and aftertax costs of \$9 associated with the business realignment and other cost-saving initiatives. Excluding the items described above, Net income attributable to Colgate-Palmolive Company in the second quarter of 2012 increased 3% to \$641 and earnings per share on a diluted basis increased 6% to \$1.33.

	Three Months Ended June 30,		
	2012	2011	% Change
Net income attributable to Colgate-Palmolive Company, GAAP	\$ 627	\$ 622	1%
Costs related to the sale of land in Mexico	5	—	
Business realignment and other cost-saving initiatives	9	—	
Net income attributable to Colgate-Palmolive Company, non-GAAP	<u>\$ 641</u>	<u>\$ 622</u>	<u>3%</u>
	Three Months Ended June 30,		
	2012	2011	% Change
Diluted earnings per common share, GAAP	\$ 1.30	\$ 1.26	3%
Costs related to the sale of land in Mexico	0.01	—	
Business realignment and other cost-saving initiatives	0.02	—	
Diluted earnings per common share, non-GAAP	<u>\$ 1.33</u>	<u>\$ 1.26</u>	<u>6%</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)**Six Months*

Worldwide Net sales were \$8,467 in the first half of 2012, up 3.5% from the first half of 2011, as volume growth of 4.5% and net selling price increases of 3.5% were partially offset by a negative foreign exchange impact of 4.5%. Organic sales increased 7.0% in the first half of 2012 on organic volume growth of 3.5%. The Sanex business contributed 1.5% to worldwide Net sales and volume growth in the first half of 2012.

Net sales in the Oral, Personal and Home Care segment were \$7,394 in the first half of 2012, up 4.0% from the first half of 2011, as volume growth of 5.5% and net selling price increases of 3.5% were partially offset by negative foreign exchange of 5.0%. Organic sales increased 8.0% in the first half of 2012 on organic volume growth of 4.5%. Excluding the impact of the divestment of the non-core detergent business in Colombia of 0.5%, volume increased 6.0%. The Sanex business contributed 1.5% to Oral, Personal and Home Care segment sales and volume growth in the first half of 2012.

Net sales and Operating profit by segment

Net sales and Operating profit by segment were as follows:

	Six Months Ended June 30,	
	2012	2011
Net sales		
Oral, Personal and Home Care		
North America	\$ 1,513	\$ 1,462
Latin America	2,439	2,328
Europe/South Pacific	1,704	1,689
Greater Asia/Africa	1,738	1,629
Total Oral, Personal and Home Care	7,394	7,108
Pet Nutrition	1,073	1,071
Total Net sales	\$ 8,467	\$ 8,179
Operating profit		
Oral, Personal and Home Care		
North America	\$ 379	\$ 386
Latin America	711	686
Europe/South Pacific	362	355
Greater Asia/Africa	440	402
Total Oral, Personal and Home Care	1,892	1,829
Pet Nutrition	293	281
Corporate	(265)	(227)
Total Operating profit	\$ 1,920	\$ 1,883

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)*

Within the Oral, Personal and Home Care segment, North America sales increased 3.5% as volume growth of 2.0% and net selling price increases of 2.0% were partially offset by negative foreign exchange of 0.5%. Organic sales in North America increased 4.0%. Latin America sales increased 5.0%, driven by volume growth of 4.0% and net selling price increases of 8.0%, which were significantly impacted by negative foreign exchange of 7.0%. Organic sales in Latin America increased 14.5% and, excluding the impact of the divestment of the non-core detergent business in Colombia, volume increased 6.5%. Europe/South Pacific sales increased 1.0% on volume growth of 8.5%, which was partially offset by a significant negative impact of foreign exchange of 5.5% and net selling price decreases of 2.0%. Organic sales in Europe/South Pacific were even with the year ago period. The Sanex business contributed 6.5% to Europe/South Pacific sales and volume growth. Greater Asia/Africa sales increased 6.5% on volume growth of 7.0% and net selling price increases of 4.5%, which were significantly impacted by negative foreign exchange of 5.0%. Organic sales in Greater Asia/Africa increased 11.0%. The Sanex business contributed 0.5% to Greater Asia/Africa sales and volume growth.

Net sales for the Hill's Pet Nutrition segment remained even with the year ago period, as a volume decline of 2.0% and negative foreign exchange of 2.0% were offset by net selling price increases of 4.0%. Organic sales increased 2.0% in the first half of 2012.

In the first half of 2012, Operating profit (loss) related to Corporate was (\$265) as compared to (\$227) in the comparable period of 2011. In the first half of 2012, Corporate Operating profit (loss) included costs of \$18 associated with the business realignment and other cost-saving initiatives and costs of \$13 related to the sale of land in Mexico.

Gross Profit/Margin

Worldwide Gross profit increased 3% to \$4,898 in the first half of 2012 from \$4,735 in the first half of 2011. Excluding the impact of costs related to the sale of land in Mexico (\$13) and costs associated with business realignment and other cost-saving initiatives (\$4), Gross profit increased to \$4,915 in the first six months of 2012.

Worldwide Gross profit margin decreased to 57.8% in the first half of 2012 from 57.9% in the first half of 2011. Excluding the impact of costs related to the sale of land in Mexico of 20 bps, gross profit margin was 58.0% in the first half of 2012. The increase was primarily due to cost savings from the Company's funding-the-growth initiatives (150 bps) and higher pricing (150 bps), which were partially offset by higher raw and packaging material costs driven by global commodity costs and negative foreign exchange transaction costs (270 bps).

	Six Months Ended June 30,	
	2012	2011
Gross profit, GAAP	\$ 4,898	\$ 4,735
Costs related to the sale of land in Mexico	13	—
Business realignment and other cost-saving initiatives	4	—
Gross profit, non-GAAP	<u>\$ 4,915</u>	<u>\$ 4,735</u>

	Six Months Ended June 30,		
	2012	2011	Basis Point Change
Gross profit margin, GAAP	57.8%	57.9%	(10)
Costs related to the sale of land in Mexico	0.2%	—	
Business realignment and other cost-saving initiatives	—	—	
Gross profit margin, non-GAAP	<u>58.0%</u>	<u>57.9%</u>	<u>10</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)*Selling, General and Administrative expenses

Selling, general and administrative expenses increased 4% to \$2,942 in the first half of 2012 from \$2,825 in the first half of 2011. Excluding the impact of costs associated with the business realignment and other cost-saving initiatives (\$12), Selling, general and administrative expenses increased to \$2,930 in the first half of 2012.

Selling, general and administrative expenses as a percentage of Net sales increased to 34.7% in the first half of 2012 from 34.5%. Excluding the impact of costs related to the business realignment and other cost-saving initiatives (10 bps), Selling, general and administrative expenses were 34.6%, an increase of 10 bps as compared to the year ago period, as increased advertising expenses were partially offset by lower overhead spending, all as a percentage of Net sales. In the first half of 2012, advertising increased 5.7% to \$905, as compared with \$856 in the first half of 2011.

	Six Months Ended June 30,	
	2012	2011
Selling, general and administrative expenses, GAAP	\$ 2,942	\$ 2,825
Business realignment and other cost-saving initiatives	(12)	—
Selling, general and administrative expenses, non-GAAP	<u>\$ 2,930</u>	<u>\$ 2,825</u>

	Six Months Ended June 30,		
	2012	2011	Basis Point Change
Selling, general and administrative expenses as a percentage of Net sales, GAAP	34.7 %	34.5%	20
Business realignment and other cost-saving initiatives	(0.1)%	—	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>34.6 %</u>	<u>34.5%</u>	<u>10</u>

Other (income) expense, net

Other (income) expense, net was \$36 in the first half of 2012 as compared to \$27 in the first half of 2011, primarily due to higher amortization of intangible assets related to the acquisition of Sanex on June 20, 2011 as well as foreign exchange transaction costs. In the first half of 2012, Other (income) expense, net includes costs of \$2 associated with the business realignment and other cost-saving initiatives. In the first half of 2011, Other income (expense), net includes transaction costs of \$10 related to the Sanex acquisition.

	Six Months Ended June 30,	
	2012	2011
Other (income) expense, net, GAAP	\$ 36	\$ 27
Business realignment and other cost-saving initiatives	(2)	—
Other (income) expense, net, non-GAAP	<u>\$ 34</u>	<u>\$ 27</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)*Operating Profit

Operating profit increased 2% to \$1,920 in the first half of 2012 from \$1,883 in the first half of 2011. Excluding the impact of costs associated with the sale of land in Mexico (\$13) and the business realignment and other cost-saving initiatives (\$18), Operating profit increased 4% to \$1,951 in the first half of 2012 as compared to the first half of 2011, primarily due to strong sales growth.

Operating Profit margin was 22.7% in the first half of 2012, a decrease of 30 bps compared to the year ago quarter. Excluding the impact of costs associated with the sale of land in Mexico (10 bps) and costs related to business realignment and other cost-saving initiatives (20 bps), Operating profit margin was 23.0%, even with the year ago period, as higher gross profit and lower overhead expenses, all as a percentage of Net Sales, were reinvested in advertising.

	Six Months Ended June 30,		
	2012	2011	% Change
Operating profit, GAAP	\$ 1,920	\$ 1,883	2%
Costs related to the sale of land in Mexico	13	—	
Business realignment and other cost-saving initiatives	18	—	
Operating profit, non-GAAP	<u>\$ 1,951</u>	<u>\$ 1,883</u>	<u>4%</u>

	Six Months Ended June 30,		
	2012	2011	Basis Point Change
Operating profit margin, GAAP	22.7%	23.0%	(30)
Costs related to the sale of land in Mexico	0.1%	—	
Business realignment and other cost-saving initiatives	0.2%	—	
Operating profit margin, non-GAAP	<u>23.0%</u>	<u>23.0%</u>	<u>—</u>

Interest expense, net

Interest expense, net decreased to \$16 for the six months ended June 30, 2012 from \$27 in the comparable period of 2011, due to an increase in interest income.

Income taxes

The quarterly provision for income taxes is determined based on the Company's estimated full year effective tax rate adjusted by the amount of tax attributable to infrequent and unusual items that are separately recognized on a discrete basis in the income tax provision in the quarter in which they occur. The Company's current estimate of its full year effective income tax rate before discrete period items is 31.8%, consistent with the full year effective income tax rate in 2011.

The effective tax rate for the second quarter of 2012 was 31.9% and was 31.8% for the first six months of 2012. The effective tax rate was 32.5% for the second quarter of 2011 and the first six months of 2011.

COLGATE-PALMOLIVE COMPANY

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS**

(Dollars in Millions Except Share and Per Share Amounts)

Net income attributable to Colgate-Palmolive Company and Earnings per share

Net income attributable to Colgate-Palmolive Company in the first half of 2012 increased to \$1,220 from \$1,198 in the comparable 2011 period, and earnings per common share on a diluted basis increased to \$2.53 per share from \$2.42 per share in the comparable 2011 period. Net income attributable to Colgate-Palmolive Company in the first half of 2012 included aftertax costs of \$10 related to the sale of land in Mexico and aftertax costs of \$12 associated with the business realignment and other cost-saving initiatives. Excluding these items, Net income attributable to Colgate-Palmolive Company for the first half of 2012 increased 4% and earnings per common share on a diluted basis increased 6%.

	Six Months Ended June 30,		
	2012	2011	% Change
Net income attributable to Colgate-Palmolive Company, GAAP	\$ 1,220	\$ 1,198	2%
Costs related to the sale of land in Mexico	10	—	
Business realignment and other cost-saving initiatives	12	—	
Net income attributable to Colgate-Palmolive Company, non-GAAP	<u>\$ 1,242</u>	<u>\$ 1,198</u>	<u>4%</u>

	Six Months Ended June 30,		
	2012	2011	% Change
Diluted earnings per common share, GAAP	\$ 2.53	\$ 2.42	5%
Costs related to the sale of land in Mexico	0.02	—	
Business realignment and other cost-saving initiatives	0.02	—	
Diluted earnings per common share, non-GAAP	<u>\$ 2.57</u>	<u>\$ 2.42</u>	<u>6%</u>

Liquidity and Capital Resources

Net cash provided by operations increased 3% to \$1,193 in the first half of 2012, compared with \$1,154 in the comparable period of 2011. Net cash provided by operations for 2012 includes higher income tax payments and the payments for the previously disclosed competition law matter in France related to a divested detergent business.

The Company defines working capital as the difference between current assets (excluding cash and cash equivalents and marketable securities, the latter of which is reported in Other current assets) and current liabilities (excluding short-term debt). Overall, the Company's working capital increased to 2.8% of Net sales in the first half of 2012 as compared with 2.5% in the first half of 2011, primarily due to the timing of income tax payments. Both accounts receivable days sales outstanding and inventory days coverage improved versus the year ago period.

Investing activities used \$321 in the first half of 2012, compared with \$1,111 in the comparable period of 2011. In the second quarter of 2011, the Company acquired the Sanex business for \$960, subject to certain post-closing purchase price adjustments, and, in the second quarter of 2012, the Company acquired the remaining interest in Tom's of Maine for \$18. Capital spending decreased in the first half of 2012 to \$189 from \$225 in the comparable period of 2011. The Company continues to focus its capital spending on projects that are expected to yield high aftertax returns. Overall capital expenditures for 2012 are expected to be at an annual rate of approximately 3.5% of Net sales.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)*

Financing activities used \$730 of cash during the first half of 2012 compared with cash provided of \$199 in the comparable period of 2011. The difference was primarily due to lower net proceeds from the issuance of debt and higher dividends paid in the first half of 2012 compared to the prior period.

Long-term debt, including the current portion, increased to \$5,320 as of June 30, 2012 as compared to \$4,776 as of December 31, 2011 and total debt increased to \$5,363 as of June 30, 2012 as compared to \$4,810 as of December 31, 2011. During the second quarter of 2012, the Company issued \$500 of ten-year notes at a fixed rate of 2.30% under the Company's shelf registration statement. Proceeds from the debt issuance were used to reduce commercial paper borrowings, which were used by the Company for general corporate purposes.

Commercial paper outstanding was \$1,088 and \$1,233 as of June 30, 2012 and 2011, respectively. The average daily balances outstanding for commercial paper in the first six months of 2012 and 2011 were \$1,655 and \$1,457, respectively. The maximum daily balance outstanding for commercial paper in the first six months of 2012 and 2011 were \$2,042 and \$1,853, respectively. The Company regularly classifies commercial paper and certain current maturities of notes payable as long-term debt as it has the intent and ability to refinance such obligations on a long-term basis, including, if necessary, by utilizing its lines of credit that expire in 2016.

Certain of the facilities with respect to the Company's bank borrowings contain financial and other covenants as well as cross-default provisions. Noncompliance with these requirements could ultimately result in the acceleration of amounts owed. The Company is in full compliance with all such requirements and believes the likelihood of noncompliance is remote.

In the first quarter of 2012, the Company increased the annualized common stock dividend by 7% to \$2.48 per share, effective in the second quarter of 2012. On September 8, 2011, the Company's Board of Directors (the Board) approved a share repurchase program that authorized the repurchase of up to 50 million shares of the Company's common stock.

Cash and cash equivalents increased \$117 during the first half of 2012 to \$995 at June 30, 2012, compared to \$878 at December 31, 2011, most of which (\$973 and \$824, respectively) were held by the Company's foreign subsidiaries. These amounts include \$329 and \$385, respectively, which are subject to currency exchange controls in Venezuela, limiting the total amount of Cash and cash equivalents held by the Company's foreign subsidiaries that can be repatriated at any particular point in time. The Company regularly assesses its cash needs and the available sources to fund these needs and, as part of this assessment, the Company determines the amount of foreign earnings it intends to repatriate to help fund its domestic cash needs and provides applicable U.S. income and foreign withholding taxes on such earnings.

As of December 31, 2011, the Company had approximately \$3,500 of undistributed earnings of foreign subsidiaries for which no U.S. income or foreign withholding taxes have been provided as the Company does not currently anticipate a need to repatriate these earnings. These earnings have been and currently are considered to be indefinitely reinvested and, therefore, are not subject to such taxes. Should these earnings be repatriated in the future, they would be subject to applicable U.S. income and foreign withholding taxes. Determining the tax liability that would arise if these earnings were repatriated is not practicable.

The Company expects cash flow from operations and debt issuances will be sufficient to meet foreseeable business operating and recurring cash needs (including for debt service, dividends, capital expenditures and stock repurchases). The Company believes its strong cash generation and financial position should continue to allow it broad access to global credit and capital markets.

For additional information regarding liquidity and capital resources, please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)*Non-GAAP Financial Measures

This Quarterly Report on Form 10-Q discusses organic sales growth (Net sales growth excluding the impact of foreign exchange, acquisitions and divestments) (non-GAAP). Management believes this measure provides investors with useful supplemental information regarding the Company's underlying sales trends by presenting sales growth excluding the external factor of foreign exchange, as well as the impact of acquisitions and divestments. A reconciliation of organic sales growth to Net sales growth for the three and six months ended June 30, 2012 is provided below.

Worldwide Gross profit, Gross profit margin, Selling, general and administrative expenses, Selling, general and administrative expenses as a percentage of Net sales, Other (income) expense, net, Operating profit, Operating profit margin, Net income attributable to Colgate-Palmolive Company and earnings per share on a diluted basis are discussed in this Quarterly Report on Form 10-Q both on a GAAP basis and excluding the impacts of costs associated with the business realignment and other cost-saving initiatives and costs related to the sale of land in Mexico (non-GAAP). Management believes these non-GAAP financial measures provide investors with useful supplemental information regarding the performance of the Company's on-going operations. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures for the three and six months ended June 30, 2012 and 2011 is presented within each section of Results of Operations.

The Company uses the above financial measures internally in its budgeting process and as a factor in determining compensation. While the Company believes that these non-GAAP financial measures are useful in evaluating the Company's business, this information should be considered as supplemental in nature and is not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. In addition, these non-GAAP financial measures may not be the same as similar measures presented by other companies.

The following table provides a quantitative reconciliation of organic sales growth to Net sales growth for the three months ended June 30, 2012.

Three months ended June 30, 2012	Organic Sales Growth (Non-GAAP)	Foreign Exchange Impact	Acquisitions and Divestments Impact	Net Sales Growth (GAAP)
Oral, Personal and Home Care				
North America	2.5%	(0.5)%	0.0%	2.0%
Latin America	15.5%	(9.5)%	(3.0)%	3.0%
Europe/South Pacific	1.5%	(9.0)%	6.5%	(1.0)%
Greater Asia/Africa	12.0%	(7.5)%	0.5%	5.0%
Total Oral, Personal and Home Care	8.5%	(7.0)%	1.0%	2.5%
Pet Nutrition	2.0%	(3.0)%	0.0%	(1.0)%
Total Company	8.0%	(6.5)%	0.5%	2.0%

COLGATE-PALMOLIVE COMPANY
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS

(Dollars in Millions Except Share and Per Share Amounts)

The following table provides a quantitative reconciliation of organic sales growth to Net sales growth for the six months ended June 30, 2012.

Six months ended June 30, 2012	Organic Sales Growth (Non-GAAP)	Foreign Exchange Impact	Acquisitions and Divestments Impact	Net Sales Growth (GAAP)
Oral, Personal and Home Care				
North America	4.0%	(0.5)%	0.0%	3.5%
Latin America	14.5%	(7.0)%	(2.5)%	5.0%
Europe/South Pacific	0.0%	(5.5)%	6.5%	1.0%
Greater Asia/Africa	11.0%	(5.0)%	0.5%	6.5%
Total Oral, Personal and Home Care	8.0%	(5.0)%	1.0%	4.0%
Pet Nutrition	2.0%	(2.0)%	0.0%	0.0%
Total Company	7.0%	(4.5)%	1.0%	3.5%

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATIONS*(Dollars in Millions Except Share and Per Share Amounts)***Cautionary Statement on Forward-Looking Statements**

This Quarterly Report on Form 10-Q may contain forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995 or by the SEC in its rules, regulations and releases. Such statements may relate, for example, to sales or volume growth, organic sales growth, profit or profit margin growth, earnings growth, financial goals, the impact of currency devaluations and exchange and price controls, including in Venezuela, cost-reduction plans, tax rates, new product introductions or commercial investment levels, among other matters. These statements are made on the basis of the Company's views and assumptions as of this time and the Company undertakes no obligation to update these statements. Moreover, the Company does not, nor does any other person, assume responsibility for the accuracy and completeness of those statements. The Company cautions investors that any such forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from those statements. Actual events or results may differ materially because of factors that affect international businesses and global economic conditions, as well as matters specific to the Company and the markets it serves, including the uncertain economic environment in different countries and its effect on consumer spending habits, increased competition and evolving competitive practices, currency rate fluctuations, exchange controls, price controls, changes in foreign or domestic laws or regulations or their interpretation, political and fiscal developments, the availability and cost of raw and packaging materials, the ability to maintain or increase selling prices as needed, changes in the policies of retail trade customers and the ability to continue lowering costs. For information about these and other factors that could impact the Company's business and cause actual results to differ materially from forward-looking statements, refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2011, including the information set forth under the captions "Item 1A. Risk Factors" and "Cautionary Statement on Forward-Looking Statements."

Quantitative and Qualitative Disclosures about Market Risk

There is no material change in the information reported under Part II, Item 7, "Managing Foreign Currency, Interest Rate and Commodity Price Exposure" contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011.

Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company's management, under the supervision and with the participation of the Company's Chairman of the Board, President and Chief Executive Officer and its Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of June 30, 2012 (the Evaluation). Based upon the Evaluation, the Company's Chairman of the Board, President and Chief Executive Officer and its Chief Financial Officer concluded that the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934) are effective.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding legal matters, please refer to Item 3 in the Company's Annual Report on Form 10-K for the year ended December 31, 2011, Note 12 to the Consolidated Financial Statements included therein and Note 9 to the Condensed Consolidated Financial Statements contained in this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

For information regarding risk factors, please refer to Part 1, Item 1A in the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The share repurchase program approved by the Board on September 8, 2011 (the 2011 Program) authorized the repurchase of up to 50 million shares of the Company's common stock. The Board also has authorized share repurchases on an on-going basis to fulfill certain requirements of the Company's compensation and benefit programs. The shares will be repurchased from time to time in open market transactions or privately negotiated transactions at the Company's discretion, subject to market conditions, customary blackout periods and other factors.

COLGATE-PALMOLIVE COMPANY

The following table shows the stock repurchase activity for each of the three months in the quarter ended June 30, 2012:

Month	Total Number of Shares Purchased⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs⁽²⁾	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
April 1 through 30, 2012	532,693	\$ 98.50	500,000	39,004,489
May 1 through 31, 2012	2,010,210	\$ 99.43	2,010,000	36,994,489
June 1 through 30, 2012	1,790,556	\$ 99.69	1,790,200	35,204,289
Total	4,333,459	\$ 99.42	4,300,200	

⁽¹⁾ Includes share repurchases under the 2011 Program and those associated with certain employee elections under the Company's compensation and benefit programs.

⁽²⁾ The difference between the total number of shares purchased and the total number of shares purchased as part of publicly announced plans or programs is 33,259 shares, all of which relate to shares deemed surrendered to the Company to satisfy certain employee elections under its compensation and benefit programs.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

None.

COLGATE-PALMOLIVE COMPANY

Item 6. Exhibits

Exhibit No.	Description
1	Form of Distribution Agreement.
4-A	Form of Fixed Rate Medium-Term Note, Series H.
4-B	Form of Floating Rate Medium-Term Note, Series H.
5	Opinion of Sidley Austin LLP.
10-A	Amendment, dated May 11, 2012, to the Colgate-Palmolive Company 2005 Non-Employee Director Stock Option Plan.
10-B	Amendment, dated May 11, 2012, to the Colgate-Palmolive Company 2007 Stock Plan for Non-Employee Directors.
12	Computation of Ratio of Earnings to Fixed Charges.
31-A	Certificate of the Chairman of the Board, President and Chief Executive Officer of Colgate-Palmolive Company pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
31-B	Certificate of the Chief Financial Officer of Colgate-Palmolive Company pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
32	Certificate of the Chairman of the Board, President and Chief Executive Officer and the Chief Financial Officer of Colgate-Palmolive Company pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. § 1350.
101	The following materials from Colgate-Palmolive Company's Quarterly Report on Form 10-Q for the period ended June 30, 2012, formatted in eXtensible Business Reporting Language (XBRL): (i) the Condensed Consolidated Statements of Income; (ii) the Condensed Consolidated Statements of Comprehensive Income; (iii) the Condensed Consolidated Balance Sheets; (iv) the Condensed Consolidated Statements of Cash Flows; and (v) Notes to Condensed Consolidated Financial Statements.

**COLGATE-PALMOLIVE COMPANY
SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

COLGATE-PALMOLIVE COMPANY

(Registrant)

Principal Executive Officer:

July 26, 2012

/s/ Ian Cook

Ian Cook
Chairman of the Board, President and
Chief Executive Officer

Principal Financial Officer:

July 26, 2012

/s/ Dennis J. Hickey

Dennis J. Hickey
Chief Financial Officer

Principal Accounting Officer:

July 26, 2012

/s/ Victoria L. Dolan

Victoria L. Dolan
Vice President and Corporate Controller

COLGATE-PALMOLIVE COMPANY

Medium-Term Notes, Series H

Due One Year or More from Date of Issue

DISTRIBUTION AGREEMENT

July 26, 2012

CITIGROUP GLOBAL MARKETS INC.
388 Greenwich Street
New York, New York 10013

DEUTSCHE BANK SECURITIES INC.
60 Wall Street
New York, New York 10005

GOLDMAN, SACHS & CO.
200 West Street
New York, New York 10282

J.P. MORGAN SECURITIES LLC
383 Madison Avenue
New York, New York 10179

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED
One Bryant Park
New York, New York 10036

MORGAN STANLEY & CO. LLC
1585 Broadway
New York, New York 10036

Dear Sirs:

Colgate-Palmolive Company, a Delaware corporation (the "Company"), confirms its agreement with Citigroup Global Markets Inc. ("Citigroup"), Deutsche Bank Securities Inc. ("Deutsche Bank"), Goldman, Sachs & Co. ("Goldman Sachs"), J.P. Morgan Securities LLC ("J.P. Morgan"), Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") and Morgan Stanley & Co. LLC ("Morgan Stanley" and, together with Citigroup, Deutsche Bank, Goldman Sachs, J.P. Morgan and Merrill Lynch, the "Agents") with respect to the issue and sale by the Company of its Medium-Term Notes, Series H, described herein (the "Notes"). The Notes are to be issued pursuant to an indenture (as the same may be amended or restated from time to time, the "Indenture") dated as of November 15, 1992 between the Company and The Bank of New York Mellon (formerly known as The Bank of New York). The Bank of New York Mellon will act as trustee with respect to the Notes (the "Trustee").

Notes may be sold by the Company directly or to or through the Agents pursuant to the terms of this Agreement or to or through such other agent or agents as may be designated by the Company from time to time pursuant to the terms of any such other agreement containing substantially the same terms as this Agreement. The Company may from time to time, pursuant to an Officer's Certificate delivered to the Trustee pursuant to Section 301 of the Indenture (with an original copy thereof delivered to the Agents), reduce the authorized aggregate principal amount of the Notes (but not below the aggregate principal amount of Notes previously issued under the Indenture) or authorize the issuance of additional Notes, and such additional Notes may be distributed directly by the Company or to or through any agents designated by the Company, including the Agents pursuant to the terms of this Agreement, all as though the issuance of such Notes were authorized as of the date hereof.

This Agreement provides both for the sale of Notes by the Company to one or more Agents as principal for resale to investors and other purchasers and for the sale of Notes by the Company directly to investors (as may from time to time be agreed to by the Company and the applicable Agent or Agents), in which case the applicable Agent or Agents will act as agent of the Company in soliciting offers for the purchase of Notes.

The Company has filed with the Securities and Exchange Commission (the “Commission”) an “automatic shelf registration statement,” as defined under Rule 405 of the rules and regulations of the Commission under the Securities Act of 1933, as amended (the “1933 Act Regulations”) on Form S-3 (File No. 333-177551) for the registration of debt securities, including the Notes, under the Securities Act of 1933, as amended (the “1933 Act”), and the offering thereof from time to time in accordance with Rule 415 of the 1933 Act Regulations. As of any time, the various parts of such registration statement and any post-effective amendment thereto, including all exhibits thereto, any information in a form of prospectus, prospectus supplement and/or pricing supplement that is deemed or retroactively deemed to be a part of such registration statement, as amended, pursuant to Rule 430B of the 1933 Act Regulations (which information shall be considered to be included in such registration statement, as amended, as of the time specified in Rule 430B) that has not been superseded or modified and the documents incorporated by reference therein at the time such part of such registration statement became effective, but excluding Form T-1, each as amended at the time such part of such registration statement became effective, is hereinafter collectively called the “Registration Statement.” “Registration Statement” without reference to a time means such registration statement, as amended, as of the time of the first contract of sale for the Notes of a particular tranche, which time shall be considered the “new effective date” of such registration statement, as amended, with respect to such Notes (within the meaning of Rule 430B(f)(2) of the 1933 Act Regulations).

The term “Base Prospectus” shall mean the base prospectus relating to the various debt securities of the Company, including the Notes, included in the Registration Statement, in the form in which it has most recently been filed, or transmitted for filing, with the Commission on or prior to the date of this Agreement.

The term “Prospectus” shall mean the Base Prospectus together with the prospectus supplement relating to the Notes in the form most recently filed with the Commission pursuant to Rule 424(b) of the 1933 Act Regulations prior to the date of this Agreement.

The term “Statutory Prospectus” shall mean, collectively, (i) the Prospectus and (ii) any preliminary pricing supplement used in connection with the Notes of a particular tranche, as filed by the Company with the Commission pursuant to Rule 424(b).

A “preliminary prospectus” shall be deemed to refer to any prospectus used before any acceptance by the Company of an offer for the purchase of Notes which omitted information to be included upon pricing in a form of prospectus filed with the Commission pursuant to Rule 424(b) of the 1933 Act Regulations.

“Applicable Time” means, with respect to Notes of a particular tranche, the time agreed to by the Company and the applicable Agent(s) as the time of the pricing of the Notes of that tranche, which, unless otherwise agreed, shall be the time immediately after the Company and the Agent agree on the pricing terms of such Notes.

All references to the “Registration Statement,” the “Prospectus,” the “Statutory Prospectus,” any “preliminary prospectus” or any Pricing Supplement (as defined below under Section 3(c)) shall also be deemed to include all documents incorporated therein by reference pursuant to the Securities Exchange Act of 1934, as amended (the “1934 Act”), prior to any acceptance by the Company of an offer for the purchase of Notes. For purposes of this Agreement, all references to the Registration Statement, Prospectus, the Statutory Prospectus, any preliminary prospectus, any Pricing Supplement or to any amendment or supplement thereto shall be deemed to include any copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval system or any successor system (“EDGAR”).

All references in this Agreement to financial statements and schedules and other information which is “disclosed,” “contained,” “included” or “stated” (or other references of like import) in the Registration Statement, the Prospectus, the Statutory Prospectus, any preliminary prospectus or any Pricing Supplement shall be deemed to include all financial statements and schedules and other information which is incorporated by reference in the Registration Statement, the Prospectus, the Statutory Prospectus, any preliminary prospectus or any Pricing Supplement, as the case may be; and all references in this agreement to amendments or supplements to the Registration Statement, the Prospectus, the Statutory Prospectus, any preliminary prospectus or any Pricing Supplement shall be deemed to include the filing of any document under the 1934 Act which is incorporated by reference in the Registration Statement, the Prospectus, the Statutory Prospectus, any preliminary prospectus or any Pricing Supplement, as the case may be.

SECTION 1. Appointment as Agents.

(a) Appointment. Subject to the terms and conditions stated herein and subject to the reservation by the Company of the right to sell Notes directly on its own behalf or through such additional agents as it may appoint pursuant to Section 19 hereof, the Company hereby agrees that Notes will be sold exclusively to or through the Agents.

(b) Sale of Notes. The Company shall not sell or approve the solicitation of purchases of Notes in excess of the amount which shall be authorized by the Company from time to time or in excess of the principal amount of Notes registered pursuant to the Registration Statement. The Agents will have no responsibility for maintaining records with respect to the aggregate initial offering price of Notes sold, or of otherwise monitoring the availability of Notes for sale under the Registration Statement.

(c) Purchases as Principal. The Agents shall not have any obligation to purchase Notes from the Company as principal. However, absent an agreement between an Agent and the Company that such Agent shall be acting solely as an agent for the Company, such Agent shall be deemed to be acting as principal in connection with any offering of Notes by the Company through such Agent. Accordingly, the Agents, individually or in a syndicate, may agree from time to time to purchase Notes from the Company as principal for resale to investors and other purchasers determined by such Agents. Any purchase of Notes from the Company by an Agent as principal shall be made in accordance with Section 3(a) hereof.

(d) Solicitations as Agent. If agreed upon between an Agent and the Company, such Agent, acting solely as an agent for the Company and not as principal, will use its reasonable efforts to solicit purchases of Notes. Such Agent will communicate to the Company, orally or in writing, each offer for the purchase of Notes solicited by such Agent on an agency basis other than those offers rejected by such Agent. Such Agent shall have the right, in its discretion reasonably exercised, to reject any proposed purchase of Notes, in whole or in part, and any such rejection shall not be deemed a breach of its agreement contained herein. The Company may accept or reject any proposed purchase of Notes, in whole or in part. Such Agent shall make reasonable efforts to assist the Company in obtaining performance by each purchaser whose offer to purchase Notes has been solicited by such Agent on an agency basis and accepted by the Company. Such Agent shall not have any liability to the Company in the event that any such purchase is not consummated for any reason.

(e) Reliance. The Company and the Agents agree that any Notes purchased by the Agents shall be purchased, and any Notes the placement of which the Agents arrange shall be placed, by the Agents in reliance on the representations, warranties, covenants and agreements of the Company contained herein and on the terms and conditions and in the manner provided herein.

SECTION 2. Representations and Warranties.

(a) The Company represents and warrants to each Agent as of the date hereof, as of the date of each acceptance by the Company of an offer for the purchase of Notes (whether to one or more Agents as principal or through the Agents as agents), as of the Applicable Time, as of the date of each delivery of Notes (whether to one or more Agents as principal or through the Agents as agents) (the date of each such delivery to one or more Agents as principal being hereafter referred to as a "Settlement Date"), and as of any time that the Registration Statement or the Prospectus shall be amended or supplemented (other than by an amendment or supplement providing solely for the establishment of or a change in the interest rates, maturity or price of Notes or similar changes), or there is filed with the Commission any document incorporated by reference into the Prospectus (other than any Current Report on Form 8-K relating exclusively to the issuance of debt securities under the Registration Statement other than the Notes) (each of the times referenced above being referred to herein as a "Representation Date") as follows:

(i) Registration Statement. The Registration Statement has been filed with the Commission not earlier than three years prior to the date hereof; such Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered to, or to be delivered to, the Agents (excluding exhibits thereto but including all documents incorporated by reference in the Prospectus (except for statements in such documents which are deemed under Rule 412 of the 1933 Act Regulations not to be incorporated by reference in the Prospectus)), became effective on filing pursuant to Rule 462(e) of the 1933 Act Regulations; and no stop order suspending the effectiveness of the Registration Statement, any post-effective amendment thereto or any part thereof has been issued and no proceeding for that purpose has been initiated or, to the best of the knowledge of the Company, threatened by the Commission, and no notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) of the 1933 Act Regulations has been received by the Company.

(ii) Prospectus. No order preventing or suspending the use of the Prospectus has been issued by the Commission, and the Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the 1933 Act and the 1933 Act Regulations, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements in or omissions from the Prospectus made in reliance upon and in conformity with written information furnished to the Company by any Agent specifically for use therein; and each preliminary prospectus and the Prospectus delivered to the applicable Agent(s) for use in connection with the offering of Notes are identical to any electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T. The Company has filed the Prospectus pursuant to and in accordance with Rule 424(b) of the 1933 Act Regulations within the prescribed time period.

(iii) Disclosure Package. As of the Applicable Time, the Statutory Prospectus, the final term sheet relating to the Notes of a particular tranche constituting an Issuer Free Writing Prospectus (as defined below) and any Permitted Free Writing Prospectus (as defined below under Section 4(p) hereof), when considered together (collectively, the “Disclosure Package”), will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence shall not apply to statements in or omissions from the Disclosure Package in reliance upon and in conformity with written information furnished to the Company by any Agent specifically for use therein.

(iv) Issuer Free Writing Prospectus. Each “Issuer Free Writing Prospectus,” as defined in Rule 433 of the 1933 Act Regulations, relating to the Notes of a particular tranche in the form filed or required to be filed by the Company with the Commission or, if not required to be filed, in the form retained in the Company’s records pursuant to Rule 433(g) (an “Issuer Free Writing Prospectus”), as of its issue date and at all subsequent times through the completion of the public offer and sale of the Notes of the particular tranche (which completion the lead Agent(s) shall promptly communicate to the Company) or until any earlier date that the Company notified or notifies the applicable Agent(s) as described in Section 4(q) hereof, did not, does not and will not include any information that conflicted, conflicts or will conflict (within the meaning of Rule 433(c)) with the information then contained in the Registration Statement, the Statutory Prospectus or the Prospectus; and each such Issuer Free Writing Prospectus, as supplemented by and taken together with the Disclosure Package as of the Applicable Time, did not, does not and will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence shall not apply to statements in or omissions from any Issuer Free Writing Prospectus in reliance upon and in conformity with written information furnished to the Company by any Agent specifically for use therein.

(v) Well-Known Seasoned Issuer; Ineligible Issuer; Automatic Shelf. (i) (A) At the time of filing the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the 1933 Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the 1933 Act or form of prospectus), (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the 1933 Act Regulations) made any offer relating to the Notes in reliance on the exemption of Rule 163 of the 1933 Act Regulations and (D) at the date hereof, the Company was and is a “well-known seasoned issuer,” as defined in Rule 405 of the 1933 Act Regulations (“Rule 405”), including not having been and not being an “ineligible issuer” as defined in Rule 405; and the Registration Statement is an “automatic shelf registration statement,” as defined in Rule 405.

(ii) At the time of filing the Registration Statement, at the earliest time thereafter that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) of the 1933 Act Regulations) of the Notes and at the date hereof, the Company was not and is not an “ineligible issuer,” as defined in Rule 405.

(vi) Incorporated Documents. The documents incorporated by reference in the Registration Statement, the Prospectus or the Disclosure Package, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the 1933 Act or the 1934 Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and any further documents so filed and incorporated by reference in the Registration Statement, the Prospectus or the Disclosure Package or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the 1933 Act or the 1934 Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(vii) Compliance. The Registration Statement, the Prospectus and the Disclosure Package conform, and any amendments or supplements to the Registration Statement, the Prospectus and the Disclosure Package will conform, in all material respects to the requirements of the 1933 Act, the Trust Indenture Act of 1939, as amended (the “1939 Act”) and the rules and regulations of the Commission thereunder, and do not and will not, as of the applicable effective date as to the Registration Statement and any amendment thereto and as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The preceding sentence shall not apply to statements in or omissions from the Registration Statement, the Prospectus and the Disclosure Package made in reliance upon and in conformity with written information furnished to the Company by any Agent specifically for use therein.

(viii) No Material Changes. Since the respective dates as of which information is given in the Registration Statement, the Prospectus and the Disclosure Package, there has not been any material change in the capital stock or long-term debt of the Company or any of its Significant Subsidiaries (as defined in Rule 405 under the 1933 Act) (other than changes arising from funding activities which have not resulted in any material change in the Company’s ownership of such Significant Subsidiaries or in the long term debt of the Company and its subsidiaries taken as a whole) or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, consolidated financial position or consolidated results of operations of the Company, otherwise than as set forth or contemplated in the Prospectus and the Disclosure Package.

(ix) Due Incorporation, Good Standing and Due Qualification of the Company and Significant Subsidiaries; Authorization of Agreements. The Company (A) has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with corporate power and authority to own its properties and conduct its business as described in the Prospectus and the Disclosure Package, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties, or conducts any business, so as to require such qualification, except where the failure to be so qualified would not have a material adverse effect on the Company and its subsidiaries taken as a whole; and each Significant Subsidiary of the Company has been duly incorporated and is validly existing as a corporation and is in good standing under the laws of its jurisdiction of incorporation, (B) has or, in the case of the Indenture, had the requisite corporate power and authority to execute and deliver this Agreement, any Terms Agreement, the Indenture and the Notes and has the requisite corporate power and authority to perform its obligations hereunder and thereunder, and (C) has duly authorized, executed and delivered this Agreement and at the time of the execution of any Terms Agreement will have duly authorized, executed and delivered such Terms Agreement and this Agreement constitutes and any such Terms Agreement will constitute the valid and binding agreement of the Company.

(x) Validity of Notes. When the Notes are issued and delivered pursuant to this Agreement, such Notes will have been duly authorized, executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture; and the Indenture has been duly authorized by the Company and is duly qualified under the 1939 Act and constitutes a valid and legally binding instrument, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general applicability relating to or affecting creditors' rights and to general equitable principles (regardless of whether enforcement is considered in a proceeding in equity or at law), and except further as enforcement thereof may be limited by requirements that a claim with respect to any debt securities issued under the Indenture that are payable in a foreign or composite currency (or a foreign or composite currency judgment in respect of such claim) be converted into U.S. dollars at a rate of exchange prevailing on a date determined pursuant to applicable law or by governmental authority to limit, delay or prohibit the making of payments outside the United States of America ("United States"); and the Notes and the Indenture will conform in all material respects to the descriptions thereof in the Prospectus and the Disclosure Package.

(xi) Non-Contravention. The issue and sale of the Notes by the Company and the compliance by the Company with all of the provisions of this Agreement, any Terms Agreement and the Indenture and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, which conflict, breach or default would have a material adverse effect on the consolidated financial position or consolidated results of operations of the Company, nor will such action result in (A) any violation of the provisions of the Certificate of Incorporation or By-laws of the Company or any of its subsidiaries or (B) any violation of the provisions of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, which violation in each case would have a material adverse effect on the consolidated financial position or consolidated results of operations of the Company; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Notes or the consummation by the Company of the transactions contemplated by this Agreement, any Terms Agreement or the Indenture, except such consents, approvals, authorizations, registrations or qualifications as may be required under the 1933 Act and the 1939 Act or under state or foreign securities or Blue Sky laws.

(xii) Absence of Proceedings. Other than as set forth or contemplated in the Prospectus and the Disclosure Package, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject, which are probable to result in an adverse determination and which, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a material adverse effect on the consolidated financial position or consolidated results of operations of the Company; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others.

(xiii) Accountants. PricewaterhouseCoopers LLP, who have certified certain financial statements of the Company and its consolidated subsidiaries, are independent registered public accountants as required by the 1933 Act, the 1933 Act Regulations and rules and regulations adopted by the Public Company Accounting Oversight Board (United States) ("PCAOB").

(xiv) Possession of Intellectual Property. The Company and its subsidiaries own or possess, or can acquire on reasonable terms, the patents, patent rights, licenses, invention, copyrights (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks and trade names presently employed by them in connection with the businesses now operated by them, except where the failure so to own or possess or have the ability to acquire would not have a material adverse effect on the consolidated financial position or consolidated results of operations of the Company, and neither the Company nor any of its subsidiaries has received any notice of infringement of or conflict with asserted rights of others with respect to any of the foregoing which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in any material adverse effect on the consolidated financial position or consolidated results of operations of the Company.

(xv) Investment Company Act. The Company is not, and upon the issuance and sale of the Notes as herein contemplated and the application of the net proceeds therefrom as described in the Prospectus and the Disclosure Package will not be, an “investment company” within the meaning of the Investment Company Act of 1940, as amended (the “1940 Act”).

(xvi) Ratings. The Medium-Term Note Program under which the Notes are issued (the “Program”), as well as the Notes, are rated as set forth in the certificate of even date herewith delivered pursuant to Section 5(c) of this Agreement, or such other rating as to which the Company shall have most recently notified the Agents pursuant to Section 4(a) hereof.

(xiv) Sarbanes-Oxley Compliance. The Company is in material compliance with all applicable provisions of the Sarbanes-Oxley Act of 2002 and all rules and regulations promulgated thereunder or implementing the provisions thereof.

(b) Additional Certifications. Any certificate signed by any director or officer of the Company and delivered to one or more Agents or to counsel for the Agents in connection with an offering of Notes or the sale of Notes to one or more of the Agents as principal or through an Agent as agent shall be deemed a representation and warranty by the Company to such Agent or Agents as to the matters covered thereby on the date of such certificate and, to the extent contemplated by such certificate, at each Representation Date subsequent thereto.

SECTION 3. Purchases as Principals; Solicitations as Agents.

(a) Purchases as Principal. Each sale of Notes to one or more Agents as principal shall be made in accordance with the terms contained herein and, if requested by such Agent, pursuant to a separate agreement which will provide for the sale of such Notes to, and the purchase and reoffering thereof by, such Agent or Agents. Each such separate agreement (which may be an oral agreement) between one or more Agents and the Company, is herein referred to as a “Terms Agreement”. Unless the context otherwise requires, each reference contained herein to “this Agreement” shall be deemed to include any Terms Agreement between the Company and one or more Agents. Each such Terms Agreement, whether oral or in writing, shall be with respect to such information (as applicable) as is specified in Exhibit A hereto. An Agent’s commitment to purchase Notes as principal shall be deemed to have been made on the basis of the representations and warranties of the Company herein contained and shall be subject to the terms and conditions herein set forth. Each Terms Agreement shall specify the principal amount of Notes to be purchased by each Agent pursuant thereto, the price to be paid to the Company for such Notes (which, if not so specified in a Terms Agreement, shall be at a discount equivalent to the applicable commission set forth in Schedule A hereto), the time and place of delivery of and payment for such Notes, any provisions relating to rights of, and default by, purchasers acting together with the Agents in the reoffering of the Notes, and such other provisions (including further terms of the Notes) as may be mutually agreed upon. The Agents may utilize a selling or dealer group in connection with the resale of the Notes purchased. Such Terms Agreement shall also specify whether or not any of the officer’s certificate, opinions of counsel or comfort letter specified in Sections 7(b), 7(c) and 7(d) hereof shall be required to be delivered by the Company on the related Settlement Date.

(b) Solicitations as Agents. On the basis of the representations and warranties herein contained, but subject to the terms and conditions herein set forth, when agreed by the Company and an Agent, such Agent, as an agent of the Company, will use its reasonable efforts to solicit offers to purchase the Notes upon the terms and conditions set forth herein and in the Prospectus. All Notes sold through the Agents as agents will be sold at 100% of their principal amount unless otherwise agreed to by the Company and the Agents.

The Company reserves the right, in its sole discretion, to suspend solicitation of purchases of the Notes through an Agent, as an agent of the Company, commencing at any time for any period of time or permanently. As soon as practicable after receipt of instructions from the Company, such Agent will forthwith suspend solicitation of purchases from the Company until such time as the Company has advised such Agent that such solicitation may be resumed.

The Company agrees to pay each Agent a commission, in the form of a discount or otherwise as agreed to by the Company and such Agent, equal to the applicable percentage of the principal amount of each Note sold by the Company as a result of a solicitation made by such Agent, as an agent of the Company, as set forth in Schedule A hereto; provided, however, that the Company shall only be obligated to pay one such fee with respect to any particular Note so sold.

(c) Administrative Procedures. The purchase price, interest rate or formula, maturity date and other terms of the Notes shall be agreed upon by the Company and the applicable Agent(s) and set forth in a pricing supplement to the Prospectus (each, a "Pricing Supplement") to be prepared by the Company in connection with each sale of Notes. Except as may be otherwise provided in the applicable Pricing Supplement, the Notes will be issued in denominations of \$1,000 and integral multiples thereof. Administrative procedures with respect to the sale of Notes shall be agreed upon from time to time by the Agents and the Company (the "Procedures"). Each Agent and the Company agree to perform the respective duties and obligations specifically provided to be performed by them in the Procedures.

(d) Delivery of Closing Documents. The documents required to be delivered by Section 5 hereof shall be delivered at the office of Sidley Austin LLP, 787 Seventh Avenue, New York, New York, 10019, on the date hereof, or at such other time or place as the Agents and the Company may agree.

SECTION 4. Covenants of the Company.

The Company covenants with the Agents as follows:

(a) Notice of Certain Events. The Company will promptly notify (i) the Agents of the effectiveness of any amendment to the Registration Statement, (ii) the related Agent or Agents of the transmittal to the Commission for filing of any supplement to the Prospectus (other than an amendment or supplement which relates exclusively to an offering of debt securities under the Registration Statement other than the Notes), (iii) the Agents of the receipt of any comments from the Commission with respect to the Registration Statement or the Prospectus, (iv) the Agents of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus (other than an amendment or supplement which relates exclusively to an offering of debt securities under the Registration Statement other than the Notes) or for additional information, (v) the Agents of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose, (vi) the Agents of the issuance by the Commission of any order preventing or suspending the use of any preliminary prospectus or the initiation of any proceedings for either such purpose, and (vii) the Agents of the issuance of any notice of objection to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) of the 1933 Act Regulations relating to the Notes. The Company will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment.

(b) Notice of Certain Proposed Filings. Except as otherwise provided in subsection (k) of this Section, the Company will give the Agents notice of its intention to file any amendment or supplement to the Prospectus (other than an amendment or supplement providing solely for the establishment of or change in the interest rates, maturity or price of Notes or other similar changes or an amendment or supplement which relates exclusively to an offering of debt securities under the Registration Statement other than the Notes and other than an amendment or supplement arising through incorporation by reference), whether by the filing of documents pursuant to the 1933 Act or otherwise, and will furnish the Agents with copies of any such amendment or supplement or other documents proposed to be filed a reasonable time in advance of such proposed filing. The Company shall make no amendment or supplement to the Registration Statement, the Prospectus or the Statutory Prospectus prior to the date for the delivery of documents provided for under Section 3(d) hereof or after the date of any Terms Agreement and prior to the related Settlement Date which shall be reasonably disapproved by any Agent promptly after reasonable notice thereof unless in the opinion of counsel to the Company such amendment or supplement is required by law. In the case of the filing of any document filed pursuant to the 1934 Act, each Agent shall have the right to suspend solicitation of purchases of the Notes until such time as such Agent shall reasonably determine that solicitation of purchases should be resumed or such Agent shall subsequently enter into a new Terms Agreement with the Company, and any such suspension shall not be deemed a breach of such Agent's agreement contained herein.

(c) Copies of the Registration Statement and the Prospectus. The Company will deliver to the Agents and to counsel for the Agents as many signed and conformed copies of the Registration Statement (as originally filed) and of each amendment thereto (including exhibits filed therewith or incorporated, or deemed to be incorporated, by reference therein and documents incorporated by reference in the Prospectus) as the Agents may reasonably request. The Company will furnish to the Agents and to counsel for the Agents as many copies of the Prospectus or the Statutory Prospectus (as amended or supplemented) (other than an amendment or supplement which relates exclusively to an offering of debt securities under the Registration Statement other than the Notes) as the Agents shall reasonably request so long as the Agent is (or, but for the exemption in Rule 172, would be) required to deliver the Prospectus or Statutory Prospectus in connection with sales or solicitations of offers to purchase the Notes. The Registration Statement and each amendment thereto and the Prospectus or the Statutory Prospectus and any amendments or supplements thereto furnished to the Agents will be identical to any electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(d) Preparation of Pricing Supplements, Final Term Sheets and Free Writing Prospectuses. The Company will prepare promptly, with respect to any Notes to be sold through or to the Agents pursuant to this Agreement, a preliminary prospectus and a Pricing Supplement and, unless otherwise notified by the applicable Agent(s), a final term sheet with respect to such Notes in a form previously approved by the Agents and file such preliminary prospectus and Pricing Supplement pursuant to and in accordance with Rule 424(b) within the prescribed time period and file such final term sheet within the period required by Rule 433(d)(5)(ii).

(e) Revisions of Prospectus — Material Changes. Except as otherwise provided in subsection (k) of this Section, if at any time during the term of this Agreement any event shall occur or condition exist as a result of which it is necessary, in the reasonable opinion of counsel to the Agents or counsel for the Company, to further amend or supplement the Prospectus or the Disclosure Package in order that the Prospectus or the Disclosure Package will not include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time the Prospectus or the Disclosure Package is (or, but for the exemption in Rule 172, would be) delivered to a purchaser, or if it shall be necessary, in the reasonable opinion of either such counsel, to amend or supplement the Registration Statement, the Prospectus or the Disclosure Package in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, immediate notice shall be given, and confirmed in writing, to the Agents to cease the solicitation of offers to purchase the Notes in the Agents' capacity as agents and to cease sales of any Notes the Agents may then own as principal, and the Company will promptly prepare and file with the Commission such amendment or supplement, whether by filing documents pursuant to the 1934 Act, the 1933 Act or otherwise, as may be necessary to correct such untrue statement or omission or to make the Registration Statement, the Prospectus or the Disclosure Package comply with such requirements.

(f) Prospectus Revisions — Periodic Financial Information. Except as otherwise provided in subsection (k) of this Section, on or prior to the date on which there shall be released to the general public interim financial statement information related to the Company with respect to each of the first three quarters of any fiscal year or preliminary financial statement information with respect to any fiscal year, the Company shall notify the Agents in writing; provided, however, that such written notification shall not be required if the Company issues a public announcement regarding such release prior to the release of such information.

(g) Earnings Statements. The Company, by complying with the provisions of Rule 158 under the 1933 Act, will make generally available to its security holders as soon as practicable, but not later than 90 days after the close of the period covered thereby, an earnings statement (in form complying with the provisions of Rule 158 under the 1933 Act) covering each twelve month period beginning, in each case, not later than the first day of the Company's fiscal quarter next following the "effective date" (as defined in such Rule 158) of the Registration Statement with respect to each sale of Notes.

(h) Blue Sky Qualifications. The Company will endeavor, in cooperation with the Agents, to qualify the Notes for offering and sale under the applicable securities laws of such states and other jurisdictions of the United States as the Agents may designate, and will maintain such qualifications in effect for as long as may be required for the distribution of the Notes; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation in any jurisdiction in which it is not so qualified. The Company will file such statements and reports as may be required by the laws of each jurisdiction in which the Notes have been qualified as above provided. The Company will promptly advise the Agents of the receipt by the Company of any notification with respect to the suspension of the qualification of the Notes for sale in any such state or jurisdiction or the initiating or threatening of any proceeding for such purpose.

(i) 1934 Act Filings. The Company, during the period when the Prospectus is (or, but for the exemption in Rule 172, would be) required to be delivered under the 1933 Act, will file promptly all documents required to be filed with the Commission pursuant to Sections 13(a), 13(c), 14 or 15(d) of the 1934 Act. Such documents will comply in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations and to the extent such documents are incorporated by reference in the Prospectus, when read together with the other information in or incorporated by reference into the Prospectus, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading.

(j) Stand-Off Agreement. Between the date of any Terms Agreement and the Settlement Date with respect to such Terms Agreement, the Company will not, without the prior written consent of each Agent party to such Terms Agreement, directly or indirectly, sell, offer to sell, contract to sell or otherwise dispose of, or announce the offering of, any debt securities denominated in the same currency as the Notes to be purchased pursuant to such Terms Agreement, or any security exchangeable into such debt securities (other than the Notes that are to be sold pursuant to such Terms Agreement and commercial paper in the ordinary course of business), except as may otherwise be provided in any such Terms Agreement.

(k) Suspension of Certain Obligations. The Company shall not be required to comply with the provisions of subsections (a), (b), (c), (e), (f), (i) or (o) of this Section or the provisions of Section 7 hereof during any period from the time (i) the Agents shall have received written notification from the Company to suspend solicitation of purchases of the Notes in their capacity as agents and (ii) the earlier of the date on which no Agent shall then hold any Notes as principal and the date which is fifteen days (nine months with respect to subsections (e) and (i) of this Section) from the date on which the Agents shall have received written notice from the Company to suspend solicitation of purchases of the Notes, to the time the Company shall determine that solicitation of purchases of the Notes should be resumed or shall subsequently enter into a new Terms Agreement with the Agents.

(l) Use of Proceeds. The net proceeds from the sale of Notes will be used by the Company as described in the Prospectus and the Disclosure Package.

(m) Termination of Sale in Certain Circumstances. Any person who has agreed to purchase and pay for any Note pursuant to a solicitation by any of the Agents as an agent of the Company shall have the right to refuse to purchase such Note if, subsequent to the agreement to purchase such Note, any change, condition or development specified in any of Sections 13(b)(i) through 13(b)(v) hereof shall have occurred (with the judgment of the Agent which presented the offer to purchase such Note being substituted for any judgment of a selling Agent required therein) the effect of which is, in the judgment of the Agent which presented the offer to purchase such Note, so material and adverse as to make it impractical or inadvisable to proceed with the sale and delivery of such Note (it being understood that under no circumstances shall any such Agent have any duty or obligation to the Company or to any such person to exercise the judgment to be exercised under this Section 4(m)).

(n) Payment of Commission Filing Fees. The Company will pay the required Commission filing fees relating to each offering of Notes within the time required by Rule 456(b)(1)(i) of the 1933 Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the 1933 Act Regulations (including, if applicable, by updating the “Calculation of Registration Fee” table in accordance with Rule 456(b)(1)(ii) either in a post-effective amendment to the Registration Statement or on the cover page of a prospectus filed pursuant to Rule 424(b)).

(o) Filing of New Shelf Registration Statement. Except as otherwise provided in subsection (k) of this Section, if by the third anniversary of the initial effective date of the Registration Statement (such third anniversary, the “Renewal Deadline”), any of the Notes purchased by the Agents as principal remain unsold, the Company will file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Notes, in a form reasonably satisfactory to each Agent. If at the Renewal Deadline the Company is no longer eligible to file an automatic shelf registration statement, the Company will, if it has not already done so, file a new shelf registration statement relating to the Notes, in a form reasonably satisfactory to each Agent, and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Notes to continue as contemplated in the expired registration statement relating to the Notes. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

(p) Offers by Issuer Free Writing Prospectuses. The Company represents and agrees that, unless it obtains the prior consent of the applicable Agent(s), and each applicable Agent represents and agrees that, unless it obtains the prior consent of the Company and the lead Agent(s), it has not made and will not make any offer relating to the Notes of the particular tranche that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a “free writing prospectus,” as defined in Rule 405, required to be filed with the Commission, other than a free writing prospectus containing the information contained in the final term sheet relating to such tranche of Notes. Any such free writing prospectus consented to by the Company and the lead Agent(s) is referred to herein as a “Permitted Free Writing Prospectus.” The Company represents that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus and has complied and will comply with the requirements of Rule 433 applicable to each and every Permitted Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping.

(q) Notifications and Amendments Relating to Free Writing Prospectuses. If, prior to the completion of the public offer and sale of the Notes of the particular tranche (which completion the lead Agent(s) shall promptly communicate to the Company), at any time following issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information then contained in the Registration Statement, Statutory Prospectus or Prospectus or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at that subsequent time, not misleading, the Company will promptly (i) notify the applicable Agent(s) and (ii) either (1) amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission or (2) file a report with the Commission under the 1934 Act that corrects such untrue statement or omission and notify the applicable Agent(s) that such Issuer Free Writing Prospectus shall no longer be used.

SECTION 5. Conditions of Obligations.

The obligations of one or more Agents to purchase Notes as principal pursuant to a Terms Agreement or otherwise, any obligation of one or more Agents to solicit offers to purchase the Notes as an agent of the Company, and the obligations of any purchasers of Notes sold through an Agent as an agent of the Company, will be subject to the accuracy as of the Representation Date of the representations and warranties in all material respects (to the extent any such representation or warranty is not otherwise qualified therein) on the part of the Company herein contained and to the accuracy of the statements of the Company’s officers made in any certificate furnished pursuant to the provisions hereof, to the performance and observance by the Company of all its covenants and agreements herein contained and to the following additional conditions precedent:

(a) Matters related to the Commission. (i) No stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued under the 1933 Act and no proceedings for that purpose shall have been instituted or shall be pending or threatened by the Commission, (ii) no notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) of the 1933 Act Regulations shall have been received; (iii) the final term sheet relating to the particular tranche of Notes and any other material required to be filed by the Company pursuant to Rule 433(d) of the 1933 Act Regulations shall have been filed with the Commission within the applicable time periods described for such filings by Rule 433 and (iv) any request on the part of the Commission for additional information shall have been complied with to the reasonable satisfaction of counsel to the Agents.

(b) Legal Opinions. On the date hereof, the Agents shall have received the following legal opinions, dated as of the date hereof and in form and substance satisfactory to the Agents and their counsel:

(1) Opinion of Company Counsel. The opinion of Sidley Austin LLP, to the effect that:

(i) The Company is a corporation duly incorporated and is in good standing under the laws of the State of Delaware, with corporate power and authority to own its properties and conduct its business as described in the Prospectus.

(ii) The Company has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each jurisdiction in which it owns or leases real properties, or conducts any business, so as to require such qualification, except where the failure to be so qualified would not have a material adverse effect on the Company and its subsidiaries, taken as a whole.

(iii) Each Significant Subsidiary has been duly incorporated and is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation; and all of the issued shares of capital stock of each such Significant Subsidiary have been duly and validly authorized and issued, are fully paid and nonassessable, and (except for directors' qualifying shares and except as otherwise set forth in the Prospectus) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims.

(iv) This Agreement has been duly authorized, executed and delivered by the Company.

(v) The issuance and sale of the Notes have been duly authorized by all necessary corporate action of the Company. The Notes when duly authenticated by the Trustee and issued in accordance with the provisions of this Agreement and the Indenture will be duly executed, issued and delivered and constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture and enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer and other similar laws relating to or affecting creditors' rights generally and to general equitable principles (regardless of whether enforcement is considered in a proceeding in equity or at law) including concepts of commercial reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief; and the Notes and the Indenture conform in all material respects to the descriptions thereof in the Prospectus under the captions "Description of Debt Securities" and "Description of the Notes".

(vi) The Indenture has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding agreement of the Company, enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, fraudulent transfer and other similar laws relating to or affecting creditors' rights generally and to general equitable principles (regardless of whether enforcement is considered in a proceeding in equity or at law) including concepts of commercial reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief; and the Indenture has been duly qualified under the 1939 Act.

(vii) The issue and sale of the Notes by the Company and the compliance by the Company with all of the provisions of this Agreement, any Terms Agreement, the Indenture and the Notes, and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument known to such counsel as being material to the Company and its subsidiaries taken as a whole to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, which conflict, breach or default would have a material adverse effect on the consolidated financial position or consolidated results of operations of the Company, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Company or any Applicable Laws or any order known to such counsel of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, which violation in each case would have a material adverse effect on the consolidated financial position or consolidated results of operations of the Company. As used herein, the term “Applicable Laws” means those state laws of the State of New York and federal laws of the United States that, in such counsel’s experience and without independent investigation, are normally applicable to transactions of the type contemplated by this Agreement (provided that the term “Applicable Laws” shall not include federal or state securities or blue sky laws relating to disclosure or any rules or regulations thereunder (including, without limitation, the 1933 Act, the 1934 Act and the 1939 Act and the respective regulations thereunder), any antifraud or similar laws).

(viii) To such counsel’s knowledge, no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body of the United States or any state regulatory body, state administrative agency or other state governmental body of the State of New York is required under Applicable Laws or any order of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties for the issue and sale of the Notes or the consummation by the Company of the transactions contemplated by this Agreement, any Terms Agreement or the Indenture.

(ix) To such counsel's knowledge and other than as set forth or contemplated in the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject that are probable to result in an adverse determination and that, if determined adversely to the Company or any of its subsidiaries, would have a material adverse effect on the consolidated financial position or the annual pre-tax consolidated results of operations of the Company; and, to the best of such counsel's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others.

(x) To such counsel's knowledge, all contracts or other documents of a character required to be filed as exhibits to the Registration Statement or required to be incorporated by reference into the Prospectus or described in the Registration Statement or the Prospectus have been filed or incorporated by reference or described as required.

(xi) The Registration Statement has become effective under the 1933 Act and, to such counsel's knowledge, no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act or proceedings therefor initiated or threatened by the Commission.

(xii) The Registration Statement and the Prospectus, or any further amendments or supplements thereto made by the Company prior to the date hereof (other than the financial statements and related schedules therein and other financial data, the documents incorporated by reference therein or the Statement of Eligibility on Form T-1 of the Trustee under the Indenture, as to which such counsel need express no opinion), as of their respective effective or issue dates complied as to form in all material respects with the requirements of the 1933 Act and the applicable rules and regulations thereunder.

(xiii) The information in the Prospectus under the captions "Description of the Notes", "Description of Debt Securities", and "Certain United States Federal Income Tax Considerations" (or similar captions), to the extent that it constitutes matters of law, summaries of legal matters, documents or proceedings, or legal conclusions, has been reviewed by such counsel and is correct in all material respects.

(xiv) The documents incorporated by reference into the Registration Statement and the Prospectus or any further amendments or supplements thereto made by the Company prior to the date hereof (other than the financial statements and schedules therein and other financial data, as to which such counsel need express no opinion), at the time they were filed, complied as to form in all material respects with the requirements of the 1934 Act and the rules and regulations of the Commission thereunder.

In giving such opinion such counsel shall also state that in the course of acting as counsel to the Company in connection with the contemplated transaction, they have participated in conferences with officers and other representatives of the Company, the Company's accountants and representatives of the Agents, at which conferences the contents of the Registration Statement, the Prospectus and related matters were discussed, and they have reviewed the Registration Statement and the Prospectus and, although such counsel has not made any other independent check or verification thereof (except as set forth in paragraph 5(b)(1)(v) and 5(b)(1)(xiii) above) for the purpose of rendering the opinion and is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement and Prospectus or in documents incorporated by reference therein, no facts have come to such counsel's attention that lead them to believe that the Registration Statement or any amendment thereto at the time the Registration Statement or any amendment thereto (including the filing of an Annual Report on Form 10-K with the Commission) became effective or was filed, as the case may be, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus or any amendment or supplement thereto as of its date, if applicable, and at the Settlement Date, included or includes an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or, if such opinion is being delivered in connection with a Terms Agreement pursuant to Section 7(c) hereof, that the Disclosure Package as of the Applicable Time or as of the date of such opinion included or includes an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except, in each case, such counsel may state that they express no belief and make no statement with respect to financial statements and schedules and other financial data included or incorporated by reference in or omitted from the Registration Statement, the Prospectus, the Disclosure Package or any Statement of Eligibility on Form T-1.

In giving the opinion required by this Section 5(b)(1), such counsel shall be entitled to rely upon opinions of local counsel and tax counsel and, in respect of matters of fact, upon certificates of officers of the Company or its subsidiaries, provided that such counsel shall state that they believe that both the Agents and such counsel are justified in relying upon such opinions and certificates.

(2) Opinion of Counsel to the Agents. The opinion of Mayer Brown LLP, counsel to the Agents, with respect to the incorporation of the Company, this Agreement, the Notes and the Indenture, and other related matters as the Agents may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters.

In giving such opinion Mayer Brown LLP shall additionally state that they have examined various documents and participated in conferences with representatives of the Company and its counsel and with representatives of the Agents at which times the contents of the Registration Statement, the Prospectus and related matters were discussed and, although such counsel is not passing upon and assumes no responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Prospectus or in the documents incorporated by reference therein, and are not making any representation that they have independently verified or checked the accuracy, completeness or fairness of such statements, no facts have come to such counsel's attention that cause them to believe that the Registration Statement or any amendment thereto at the time the Registration Statement or amendment (including the filing of an Annual Report on Form 10-K with the Commission) became effective or was filed, as the case may be, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading, or that the Prospectus or any amendment or supplement thereto as of its date, if applicable, and at the Settlement Date, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or, if such opinion is being delivered in connection with a Terms Agreement pursuant to Section 7(c) hereof, that the Disclosure Package as of the Applicable Time or as of the date of such opinion included or includes an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, except in each such case, such counsel may state that they are expressing no view as to the financial statements and related schedules or the other financial data included or incorporated by reference in or omitted from the Registration Statement, the Prospectus, the Disclosure Package or any Statement of Eligibility on Form T-1.

(c) Officers' Certificate. At the date hereof the Agents shall have received a certificate of the President or any Vice President and the chief financial, chief accounting officer or treasurer of the Company, dated as of the date hereof, to the effect that (i) since the respective dates as of which information is given in the Registration Statement and the Prospectus or since the date of any Terms Agreement, there has not been any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, consolidated financial position or consolidated results of operations of the Company and its subsidiaries, considered as one enterprise, whether or not arising in the ordinary course of business, otherwise than as set forth or contemplated in the Prospectus, (ii) the other representations and warranties of the Company contained in Section 2 hereof are true and correct with the same force and effect as though expressly made at and as of the date of such certificate, (iii) the Company has performed or complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the date of such certificate, and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and, to their knowledge, no proceedings for that purpose have been initiated or threatened by the Commission.

(d) Comfort Letter. On the date hereof, the Agents shall have received a letter from PricewaterhouseCoopers LLP, dated as of the date hereof, in form and substance satisfactory to the Agents, to the effect that:

(i) They are an independent registered public accounting firm with respect to the Company within the meaning of the 1933 Act, 1933 Act Regulations and the rules and regulations adopted by the PCAOB;

(ii) In their opinion, the consolidated financial statements and financial statement schedule(s) audited by them and incorporated by reference in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the 1933 Act and the 1933 Act Regulations and the 1934 Act and the 1934 Act Regulations;

(iii) Based upon limited procedures set forth in detail in such letter (which shall include, without limitation, the procedures specified by the PCAOB for a review of interim financial information as described in AU Section 722, Interim Financial Information, with respect to the unaudited condensed consolidated financial statements of the Company, if any, included in the Registration Statement), nothing came to their attention that caused them to believe that:

(A) any material modifications should be made to the unaudited condensed consolidated financial statements, if any, included in the Registration Statement for them to be in conformity with accounting principles generally accepted in the United States; or

(B) the unaudited condensed consolidated financial statements, if any, included in the Registration Statement do not comply as to form in all material respects with the applicable accounting requirements of the 1934 Act and the 1934 Act Regulations; or

(C) at a specified date not more than three business days prior to the date of such letter, there was any change in the capital stock, increase in consolidated long-term debt in excess of US\$100 million, or decrease in shareholders' equity (other than caused by changes in treasury stock or changes in the accumulated other comprehensive income component of shareholders' equity, including cumulative translation adjustments), in each case as compared with amounts shown in the most recent condensed consolidated balance sheet incorporated by reference in the Registration Statement, except in each case for changes, increases or decreases that the Registration Statement and the Prospectus disclose have occurred or may occur; or

(D) for the period from the date of the most recent financial statements incorporated by reference in the Registration Statement to a specified date not more than three business days prior to the date of such letter, there were any decreases, as compared with the corresponding period in the preceding year, in consolidated net sales or net income attributable to Colgate-Palmolive Company, except in each case for increases or decreases which the Registration Statement and the Prospectus disclose have occurred or may occur;

(iv) In addition to the examination referred to in their report incorporated by reference in the Registration Statement and the Prospectus, they have carried out certain other specified procedures, not constituting an audit, with respect to certain amounts, percentages and financial information which are included in the Registration Statement and the Prospectus and which are specified by the Agents, and have found such amounts, percentages and financial information to be in agreement with the relevant accounting, financial and other records of the Company and its subsidiaries identified in such letter.

(e) Other Documents. On the date hereof and on each Settlement Date with respect to any Terms Agreement, counsel to the Agents shall have been furnished with such documents and opinions as such counsel may reasonably require for the purpose of enabling such counsel to pass upon the issuance and sale of Notes as therein contemplated and related proceedings, or in order to evidence the accuracy and completeness of any of the representations and warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of Notes as herein contemplated shall be reasonably satisfactory in form and substance to the Agents and to counsel to the Agents.

If any condition specified in this Section 5 shall not have been fulfilled when and as required to be fulfilled, this Agreement (or, at the option of the Agents, any Terms Agreement) may be terminated by the Agents by notice to the Company at any time and any such termination shall be without liability of any party to any other party, except that the covenant regarding provision of an earnings statement set forth in Section 4(g) hereof, the provisions concerning payment of expenses under Section 10 hereof, the indemnity and contribution agreements set forth in Sections 8 and 9 hereof, the provisions concerning the representations, warranties and agreements to survive delivery set forth in Section 11 hereof and the provisions set forth under “Parties” of Section 16 hereof shall remain in effect.

SECTION 6. Delivery of and Payment for Notes Sold through an Agent as Agent. Delivery of Notes sold through an Agent as an agent of the Company shall be made by the Company to such Agent for the account of any purchaser only against payment therefor in immediately available funds. In the event that a purchaser shall fail either to accept delivery of or to make payment for a Note on the date fixed for settlement, the Agent shall promptly notify the Company and deliver the Note to the Company, and, if the Agent has theretofore paid the Company for such Note, the Company will promptly return such funds to the Agent. If such failure occurred for any reason other than default by the Agent in the performance of its obligations hereunder, the Company will reimburse such Agent on an equitable basis for its reasonable loss of the use of the funds for the period such funds were credited to the Company’s account.

SECTION 7. Additional Covenants of the Company.

The Company covenants and agrees with the Agents that:

(a) Reaffirmation of Representations and Warranties. Each acceptance by the Company of an offer for the purchase of Notes (whether to one or more Agents as principal or through the Agents as agents), and each delivery of Notes to one or more Agents (whether to one or more Agents as principal or through the Agents as agents), shall be deemed to be an affirmation that the representations and warranties of the Company contained in this Agreement and in any certificate theretofore delivered to the Agents pursuant hereto, to the extent contemplated by such certificate, are true and correct at the time of such acceptance or sale, as the case may be, and an undertaking that such representations and warranties will be true and correct at the time of delivery to the Agent or Agents or to the purchaser or its agent, as the case may be, of the Note or Notes relating to such acceptance or sale, as the case may be, as though made at and as of each such time (and it is understood that such representations and warranties shall relate to the Registration Statement and Prospectus as amended and supplemented to each such time).

(b) Subsequent Delivery of Certificates. Subject to the provisions of Section 4(k) hereof, each time that the Registration Statement or the Prospectus shall be amended or supplemented (other than by a supplement providing solely for the establishment of the interest rates, maturity or price of Notes or similar terms, and other than by an amendment or supplement which relates exclusively to an offering of debt securities under the Registration Statement other than the Notes), or there is filed with the Commission any document incorporated by reference into the Prospectus (other than any Current Report on Form 8-K relating exclusively to the issuance of debt securities under the Registration Statement other than the Notes) or (if required pursuant to the terms of a Terms Agreement) the Company sells Notes to one or more Agents pursuant to a Terms Agreement, if requested by the Agents or counsel to the Agents, the Company shall furnish or cause to be furnished to the Agents forthwith a certificate dated the date of filing with the Commission of such supplement or document, the date of effectiveness of such amendment, or the date of such sale, as the case may be, in form reasonably satisfactory to the Agents to the effect that the statements contained in the certificate referred to in Section 5(c) hereof which were last furnished to the Agents are true and correct at the time of such amendment, supplement, filing or sale, as the case may be, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such time) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 5(c), modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate; provided, however, that if the Company shall determine that it does not intend to be in the market for up to three months after the date of filing of any such amendment or supplement, the Company may deliver to the Agents a notice to such effect, in which event the request of the Agents received by the Company with respect to such amendment or supplement shall be deemed withdrawn until such time as the Company notifies the Agents that it wishes to re-enter the market.

(c) Subsequent Delivery of Legal Opinions. Subject to the provisions of Section 4(k) hereof, each time that the Registration Statement or the Prospectus shall be amended or supplemented (other than by a supplement providing solely for the establishment of the interest rates, maturity or price of the Notes or similar terms or solely for the inclusion of additional financial information, and other than by an amendment or supplement which relates exclusively to an offering of debt securities under the Registration Statement other than the Notes) or there is filed with the Commission any document incorporated by reference into the Prospectus (other than any Current Report on Form 8-K) or (if required pursuant to the terms of a Terms Agreement) the Company sells Notes to one or more Agents pursuant to a Terms Agreement, if requested by the Agents or counsel to the Agents, the Company shall furnish or cause to be furnished forthwith to the Agents and to counsel to the Agents a written opinion of Sidley Austin LLP or other counsel selected by the Company and reasonably satisfactory to the Agents dated the date of filing with the Commission of such supplement or document, the date of effectiveness of such amendment, or the date of such sale, as the case may be, in form reasonably satisfactory to the Agents, of substantially the same tenor as the opinion referred to in Section 5(b)(1) hereof, but modified, as necessary, to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such opinion; or, in lieu of such opinion, counsel last furnishing such opinion to the Agents shall furnish the Agents with a letter substantially to the effect that the Agents may rely on such last opinion to the same extent as though it was dated the date of such letter authorizing reliance (except that statements in such last opinion shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such letter authorizing reliance); provided, however, that if the Company shall determine that it does not intend to be in the market for up to three months after the date of filing of any such amendment or supplement, the Company may deliver to the Agents a notice to such effect, in which event the request of the Agents received by the Company with respect to such amendment or supplement shall be deemed withdrawn until such time as the Company notifies the Agents that it wishes to re-enter the market.

(d) Subsequent Delivery of Comfort Letters. Subject to the provisions of Section 4(k) hereof, each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented to include additional financial information (other than by an amendment or supplement relating solely to the issuance and/or offering of securities other than the Notes) or (ii) (if required pursuant to the terms of a Terms Agreement) the Company sells Notes to one or more Agents pursuant to a Terms Agreement, if requested by the Agents or counsel to the Agents, the Company shall cause PricewaterhouseCoopers LLP, or other independent certified public accountants reasonably satisfactory to the Agents, forthwith to furnish to the Agents a letter, dated the date of filing with the Commission or the date of effectiveness of such amendment or supplement, as applicable, or the date of such sale, as the case may be, in form reasonably satisfactory to the Agents, of substantially the same tenor as the letter referred to in Section 5(d) hereof, but modified to relate to the Registration Statement and Prospectus as amended and supplemented to the date of such letter, and with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Company; provided, however, that the portions of the letter referred to in Section 5(d)(iv) hereof shall, unless otherwise requested by the Agents, only be provided in subsequent letters delivered in connection with the Company's filing of its Annual Report on Form 10-K.

SECTION 8. Indemnification.

(a) Indemnification of the Agents. The Company agrees to indemnify severally and hold harmless each Agent and each person, if any, who controls each Agent within the meaning of Section 15 of the 1933 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred (to the extent the party seeking such indemnity is currently required to make a payment in respect of which such indemnity is sought), arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus or the Statutory Prospectus, the Prospectus, or any Issuer Free Writing Prospectus (or any amendment or supplement thereto) or the omission or alleged omission therefrom of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, if such settlement is effected with the written consent of the Company; and

(iii) against any and all reasonable expense whatsoever, as incurred (including the reasonable fees and disbursements of counsel chosen by an Agent), reasonably incurred in investigating, preparing or defending against any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Agent specifically for use in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Statutory Prospectus, the Prospectus, or any Issuer Free Writing Prospectus (or any amendment or supplement thereto).

(b) Indemnification of Company. Each Agent severally agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred (to the extent the party seeking such indemnity is currently required to make a payment in respect of which such indemnity is sought), but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Statutory Prospectus, the Prospectus, or any Issuer Free Writing Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by such Agent specifically for use in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Statutory Prospectus, the Prospectus, or any Issuer Free Writing Prospectus (or any amendment or supplement thereto). The Company acknowledges that the statements set forth in the third, sixth and tenth paragraphs under the heading “Plan of Distribution” of the Prospectus constitute the only information furnished in writing by any of you for inclusion in the documents referred to in the foregoing indemnity, and you confirm that such statements are correct.

(c) General. Each indemnified party shall give prompt notice to each indemnifying party of any action commenced against it in respect of which indemnity may be sought under subsection (a) and (b) of this Section, but failure to so notify an indemnifying party of such commencement shall not relieve such indemnifying party from any liability which it may have otherwise than on account of this indemnity agreement. An indemnifying party may assume the defense of the indemnified party by retaining counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. In no event shall the indemnifying parties be liable for the fees and expenses of more than one counsel (in addition to any local counsel) for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances.

(d) Foreign Currency Judgments. The Company agrees to indemnify the Agents against any loss incurred by the Agents as a result of any judgment or order being given or made for the amount due under this Agreement and such judgment or order being paid in a currency (a "Judgment Currency") other than U.S. dollars as a result of any variation between (i) the rate of exchange at which U.S. dollars are converted into the Judgment Currency for the purpose of such judgment or order and (ii) the rate of exchange at which the applicable Agent is able to purchase U.S. dollars with the amount of the Judgment Currency actually received by such Agent. The foregoing indemnity shall constitute a separate and independent obligation of the Company and shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term "rate of exchange" shall include any premiums and costs of exchange payable in connection with the purchase of, or conversion into, the relevant currency.

SECTION 9. Contribution.

If the indemnification provided for in Section 8 hereof is unavailable or insufficient to hold harmless an indemnified party thereunder, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in Section 8 in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and each Agent on the other from the offering of the Notes to which such loss, claim, damage or liability relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under Section 8(c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and each Agent on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations.

The relative benefits received by the Company on the one hand and an Agent on the other shall be deemed to be in the same proportion as the total net proceeds from the offering of Notes to which such loss, claim, damage or liability relates (before deducting expenses) received by the Company bears to the total underwriting discounts and commissions received by such Agent in connection with such Notes. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or an Agent and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission.

The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this Section 9 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this Section 9.

Notwithstanding the provisions of this Section 9, an Agent shall not be required to contribute any amount in excess of the amount by which the total price at which the Notes sold by such Agent to which such loss, claim, damage or liability relates and distributed to the public exceeds the amount of any damages which such Agent has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. In addition, in connection with an offering of Notes purchased from the Company by two or more Agents as principal, the respective obligations of such Agents to contribute pursuant to this Section 9 are several, and not joint, in proportion to the aggregate principal amount of Notes that each such Agent has agreed to purchase from the Company.

For purposes of this Section, each person, if any, who controls an Agent within the meaning of Section 15 of the 1933 Act shall have the same rights to contribution as an Agent, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act shall have the same rights to contribution as the Company.

SECTION 10. Payment of Expenses.

The Company will pay all expenses incident to the performance of its obligations under this Agreement, including:

- (a) The preparation and filing of the Registration Statement and all amendments thereto and any preliminary prospectus, the Prospectus and any amendments or supplements thereto;
- (b) The preparation, filing and reproduction of this Agreement;
- (c) The preparation, printing, issuance and delivery of the Notes, including any fees and expenses relating to the use of book-entry notes;
- (d) The preparation, printing and distribution of each Issuer Free Writing Prospectus to investors or prospective investors.
- (e) The reasonable fees and disbursements of the Company's accountants and counsel, of the Trustee and its counsel and of any Calculation Agent;
- (f) The reasonable fees and disbursements of one counsel to the Agents incurred from time to time in connection with the transactions contemplated hereby;
- (g) The qualification of the Notes under state securities laws in accordance with the provisions of Section 4(h) hereof, including filing fees, and the reasonable fees and disbursements of counsel to the Agents in connection therewith and in connection with the preparation of any Blue Sky Survey and any Legal Investment Survey;
- (h) The printing and delivery to the Agents in quantities as hereinabove stated of copies of the Registration Statement and any amendments thereto, any preliminary prospectus and of the Prospectus and any amendments or supplements thereto;
- (i) The preparation, printing, reproducing and delivery to the Agents of copies, as reasonably requested, of the Indenture and all supplements and amendments thereto;

- (j) Any fees charged by rating agencies for the rating of the Notes;
- (k) The filing fees, if any, incurred with respect to any filing with the Financial Industry Regulatory Authority, Inc.;
- (l) Any advertising and other out-of-pocket expenses of the Agents incurred with the approval of such expense by the Company;
- (m) The cost of preparing and providing any CUSIP or other identification numbers for the Notes; and
- (n) The fees and expenses of any Depository (as defined in the Indenture) and any nominees thereof in connection with the Notes.

SECTION 11. Representations, Warranties and Agreements to Survive Delivery. All representations, warranties and agreements contained in this Agreement or in certificates of officers of the Company submitted pursuant hereto or thereto, shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Agents or any controlling person of the Agents, or by or on behalf of the Company, and shall survive each delivery of and payment for any of the Notes.

SECTION 12. Default by One or More Agents.

(a) In the case of an agreement for the sale of Notes pursuant to this Agreement between the Company and more than one Agent, if any such Agent or Agents (the “Defaulting Agent(s)”) shall default in its obligation to purchase the Notes which it has agreed to purchase pursuant to this Agreement, the other Agent or Agents party to such agreement (the “Non-Defaulting Agent(s)”) may in their discretion arrange for themselves (or any of them) or another party or other parties to purchase such Notes on the terms provided by such agreement. If within thirty-six hours after such default the Non-Defaulting Agent(s) do not arrange for the purchase of such Notes, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to the Non-Defaulting Agent(s) to purchase such Notes on such terms. In the event that, within the respective prescribed periods, the Non-Defaulting Agent(s) notify the Company that they have so arranged for the purchase of such Notes, or the Company notifies the Non-Defaulting Agent(s) that it has so arranged for the purchase of such Notes, the Non-Defaulting Agent(s) or the Company shall have the right to postpone the Settlement Date for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus, or in any other documents or arrangements, and the Company agrees to file promptly any amendments to the Registration Statement or the Prospectus which in the opinion of the Non-Defaulting Agent(s) may thereby be made necessary. The term “Agent” as used with respect to the sale of such Notes shall include any person substituted under this Section 12 (if applicable) with like effect as if such person had originally been an Agent party to this Agreement with respect to such Notes.

(b) If, after giving effect to any arrangements for the purchase of the Notes of any Defaulting Agent(s) by the Non-Defaulting Agent(s) and the Company as provided in subsection (a) above, the aggregate principal amount of such Notes which remains unpurchased does not exceed one-eleventh of the aggregate principal amount of all the Notes agreed to be purchased by the Defaulting Agent(s) and the Non-Defaulting Agent(s), then the Company shall have the right to require each Non-Defaulting Agent to purchase the principal amount of Notes which such Agent agreed to purchase pursuant to the agreement for the sale of such Notes and, in addition, to require each Non-Defaulting Agent to purchase its pro rata share (based on the principal amount of Notes which such Agent agreed to purchase pursuant to such agreement) of the Notes of such Defaulting Agent(s) for which such arrangements have not been made; but nothing herein shall relieve a Defaulting Agent from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Notes of any Defaulting Agent(s) by the Non-Defaulting Agent(s) and the Company as provided in subsection (a) above, the aggregate principal amount of such Notes pursuant which remains unpurchased exceeds one-eleventh of the aggregate principal amount of all the Notes agreed to be purchased by the Defaulting Agent(s) and Non-Defaulting Agent(s), or if the Company shall not exercise the right described in subsection (b) above to require Non-Defaulting Agents to purchase Notes of any Defaulting Agent(s), then the agreement of the Agents and the Company with respect to such Notes shall thereupon terminate, without liability on the part of any Non-Defaulting Agent or the Company, except that the provisions concerning the payment of expenses under Section 10 hereof and the indemnity and contribution agreements set forth in Sections 8 and 9 hereof shall remain in effect; but nothing herein shall relieve a Defaulting Agent from liability for its default.

SECTION 13. Termination.

(a) Termination of this Agreement. This Agreement (excluding any Terms Agreement) may be terminated for any reason, at any time by either the Company or the Agents on the giving of 15 days' written notice of such termination to the other party hereto; provided, however, that the termination of this Agreement by an Agent shall terminate this Agreement only between such Agent and the Company and the Company's notice of termination as to any one Agent shall terminate this Agreement only between itself and such Agent.

(b) Termination of a Terms Agreement. The Agent or Agents party to a Terms Agreement may terminate any Terms Agreement, immediately upon notice to the Company, at any time prior to the Settlement Date relating thereto (i) if there has been, since the date of such Terms Agreement or since the respective dates as of which information is given in the Registration Statement, any material change in the capital stock or long-term debt of the Company or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, consolidated financial position or consolidated results of operations of the Company, whether or not arising in the ordinary course of business, or (ii) if there shall have occurred any material adverse change in the financial markets in the United States or, if such Notes are denominated and/or payable in, or indexed to, one or more foreign or composite currencies, in the international financial markets, or any outbreak or escalation of hostilities or other calamity or crisis the effect of which on the financial markets of the United States or, if such Notes are denominated and/or payable in, or indexed to, one or more foreign or composite currencies, on the international financial markets, in each case is such as to make it, in the reasonable judgment of the Agent or Agents party to such Terms Agreement (after consultation with the Company), impracticable to market the Notes subject to such Terms Agreement or enforce contracts for the sale of such Notes, or (iii) if trading in any securities of the Company has been suspended by the Commission or a national securities exchange, or if trading generally on either the American Stock Exchange or the New York Stock Exchange shall have been suspended, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices for securities have been required, by either of said exchanges or by order of the Commission or any other governmental authority, or if a banking moratorium shall have been declared by federal or New York authorities or if a banking moratorium shall have been declared by the relevant authorities in the country or countries of origin of any foreign currency or currencies in which the Notes subject to such Terms Agreement are denominated and/or payable, or (iv) if the rating assigned by any nationally recognized securities rating agency to any debt securities of the Company as of the date of any Terms Agreement shall have been lowered since that date or if any such rating agency shall have publicly announced since that date that it has placed any debt securities of the Company on what is commonly termed a “watch list” for possible downgrading, or (v) if the Prospectus, at the time it was required to be delivered to a purchaser of Notes subject to such Terms Agreement, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time of such delivery, not misleading.

(c) General. In the event of any such termination, no party will have any liability to any other party hereto, except that (i) each Agent shall be entitled to any commission earned in accordance with the third paragraph of Section 3(b) hereof, (ii) if at the time of termination (a) the Agents shall own any Notes purchased by such Agent with the intention of reselling them or (b) an offer to purchase any of the Notes has been accepted by the Company but the time of delivery to the purchaser or its agent of such Note or Notes relating thereto has not occurred, the obligations set forth in Section 5 hereof and the covenants set forth in Sections 4 and 7 hereof shall remain in effect until such Notes are so resold or delivered, as the case may be (provided, however, that, except as provided in clause (iii) below, the Company's obligations pursuant to Sections 4 and 7 hereof shall in any event terminate no later than the date that is fifteen days (nine months with respect to subsections (e) and (i) of Section 4 hereof) after the time of such termination), and (iii) the covenant set forth in Section 4(g) hereof, the indemnity and contribution agreements set forth in Sections 8 and 9 hereof, and the provisions of Sections 10, 11, 15 and 16 hereof shall remain in effect.

SECTION 14. Notices.

Unless otherwise provided herein, all notices required under the terms and provisions hereof shall be in writing, either delivered by hand, by mail or by telex, by telecopier or by telegram, and any such notice shall be effective when received at the address specified below.

If to the Company:

Colgate-Palmolive Company
300 Park Avenue
New York, New York 10022
Attention: Treasurer
Facsimile: (212) 310-2873

If to Citigroup:

Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013
Attention: Transaction Execution Group
Telephone: (212) 816-1135
Facsimile: (646) 291-5209

If to Deutsche Bank:

Deutsche Bank Securities Inc.
60 Wall Street
New York, New York 10005
Attention: Debt Capital Markets Syndicate Desk
Telephone: (212) 250-2500
Facsimile: (212) 250-6801

If to Goldman Sachs:

Goldman, Sachs & Co.
200 West Street
New York, New York 10282
Attention: Registration Department
Telephone: (866) 471-2526

If to J.P. Morgan:

J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179
Attention: Transaction Execution Group
Telephone: (212) 834-4533
Facsimile: (212) 834-6081

If to Merrill Lynch:

Merrill Lynch, Pierce, Fenner & Smith
Incorporated
50 Rockefeller Plaza
NY1-050-12-01
New York, New York 10020
Facsimile: (646) 855-5958

If to Morgan Stanley:

Morgan Stanley & Co. LLC
1585 Broadway, 2nd Floor
New York, New York 10036
Attention: Manager – Continuously Offered Products
Facsimile: (212) 507-3753

With a copy to:

Morgan Stanley & Co. LLC
1585 Broadway, 29th Floor
New York, New York 10036
Attention: Investment Banking Information Center
Facsimile: (212) 507-6954

or at such other address as such party may designate from time to time by notice duly given in accordance with the terms of this Section 14.

SECTION 15. Governing Law.

This Agreement and all the rights and obligations of the parties shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed in such State.

SECTION 16. Parties.

This Agreement shall inure to the benefit of and be binding upon the Agents and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons and officers and directors referred to in Sections 8 and 9 hereof and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto and their respective successors and said controlling persons, officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Notes shall be deemed to be a successor by reason merely of such purchase.

SECTION 17. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed an original hereof.

SECTION 18. Captions.

The captions in this Agreement are for convenience of reference only and shall not define or limit any of the terms or the provisions hereof.

SECTION 19. Additional Agents.

Notwithstanding anything contrary contained in this Agreement, the Company may from time to time appoint one or more additional agents (each, an “Additional Agent” and collectively, the “Additional Agents”) in accordance with the following provisions:

(a) Appointment of Agent. The Company may appoint an Additional Agent or Agents, to act as an agent of the Company pursuant to the terms and conditions set forth in this Agreement, provided that (i) such Additional Agent shall deliver to the Company a letter substantially in the form of Exhibit B hereto, and (ii) the Company shall have delivered to such Additional Agent a letter substantially in the form of Exhibit C hereto.

(b) Notice of Appointment of Additional Agents. The Company shall promptly notify the Agents of any such appointment pursuant to subsection (a) of this Section 19 by supplying to such parties a copy of the applicable letter or letters.

(c) Effect of Appointment. Upon satisfaction by the Company and any Additional Agent of the provisions of subsections (a) and (b) of this Section 19, such Additional Agent shall be deemed to be an Agent hereunder and all references to “Agent” in this Agreement shall be deemed to include such Additional Agent from and after the date such provisions are satisfied and such appointment is effective.

SECTION 20. No Fiduciary Duty.

The Company hereby acknowledges that the Agents will be acting pursuant to a contractual relationship on an arm’s length basis and in no event do the parties intend that the Agents act or be responsible as a fiduciary to the Company, its management, stockholders, creditors or any other person. The Company and the Agents each hereby expressly disclaim any fiduciary relationship and agree they are each responsible for making their own judgments with respect to any transactions entered into between them.

SECTION 21. Patriot Act.

In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Agents are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Agents to properly identify their respective clients.

If the foregoing is in accordance with the Agents' understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument along with all counterparts will become a binding agreement between the Agents and the Company in accordance with its terms.

Very truly yours,

COLGATE-PALMOLIVE COMPANY

By: _____

Name: Elaine C. Paik

Title: Vice President and Corporate Treasurer

Accepted:

CITIGROUP GLOBAL MARKETS INC.

By: _____

Name:

Title:

DEUTSCHE BANK SECURITIES INC.

By: _____

Name:

Title:

By: _____

Name:

Title:

GOLDMAN, SACHS & CO.

By: _____

Name:

Title:

J.P. MORGAN SECURITIES LLC

By: _____

Name:

Title:

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

By: _____

Name:

Title:

MORGAN STANLEY & CO. LLC

By: _____

Name:

Title:

SCHEDULE A

As compensation for the services of the Agents hereunder, the Company shall pay the applicable Agent, on a discount basis, a commission for the sale of each Note by such Agent equal to the principal amount of such Note multiplied by the appropriate percentage set forth below:

<u>Maturity Ranges</u>	<u>Percent of Principal Amount</u>
From 1 year to less than 2 years	.150
From 2 years to less than 3 years	.200
From 3 years to less than 5 years	.250
From 5 years to less than 6 years	.350
From 6 years to less than 7 years	.375
From 7 years to less than 10 years	.400
From 10 years to less than 12 years	.450
From 12 years to less than 15 years	.500
From 15 years to less than 20 years	.550
From 20 years to 30 years	.875
Beyond 30 years	To be negotiated

Schedule A

The following terms, if applicable, shall be agreed to by the Agents and the Company pursuant to each Terms Agreement:

Principal Amount: \$____
(or principal amount of foreign or composite currency)
Stated Maturity Date:
Specified Currency:
Exchange Rate Agent:
Authorized Denomination:
Original Issue Date:
Trade Date:
Issue Price: __%
Agent's Discount or Commission:
Settlement Date and Time:
Interest Rate or Formula:

If Fixed Rate Note:
Interest Rate:
Interest Payment Dates:
Day Count Convention:
 30/360 for the period from ____to ____.
 Actual/360 for the period from ____to ____.
 Actual/Actual for the period from ____to ____.

If Floating Rate Note:
Interest Calculation:
 Regular Floating Rate Note
 Floating Rate/Fixed Rate Note
Fixed Rate Commencement Date:
Fixed Interest Rate:
 Inverse Floating Rate Note
Fixed Interest Rate:

Interest Rate Basis(es):
If LIBOR,
__ Reuters Page LIBOR01
__ Reuters Page LIBOR02
Designated LIBOR Currency:
If CMT Rate,
Designated Reuters Page:
__ If Reuters Page FRBCMT
If Reuters Page FEDCMT:
__ Weekly Average
__ Monthly Average
Designated CMT Maturity Index:

If Federal Funds Rate,
__ If Federal Funds (Effective) Rate
__ If Federal Funds Open Rate
__ If Federal Funds Target Rate

Initial Interest Rate, if any:
Initial Interest Reset Date:
Spread and/or Spread Multiplier, if any:
Interest Reset Dates:
Interest Payment Dates:
Regular Record Dates:
Index Maturity:
Minimum Interest Rate, if any:
Interest Rate Reset Period:
Interest Payment Period:
Calculation Agent:
Day Count Convention:
 30/360 for the period from ___ to ____.
 Actual/360 for the period from ____to ____.
 Actual/Actual for the period from ___to ____.

If Redeemable:

Initial Redemption Date:
Initial Redemption Percentage:
Annual Redemption Percentage
Reduction, if any:

If Repayable:

Optional Repayment Dates:
Repayment Price:

Additional/Other Terms:

Also, in connection with the purchase of Notes from the Company by one or more Agents as principal, agreement as to whether the following will be required:

- Officers' Certificate pursuant to Section 7(b) of the Distribution Agreement.
- Legal Opinion pursuant to Section 7(c) of the Distribution Agreement.
- Comfort Letter pursuant to Section 7(d) of the Distribution Agreement.
- Stand-off Agreement pursuant to Section 4(j) of the Distribution Agreement.
- Legal Opinion of counsel to the Agents pursuant to Section 5(b)(2) of the Distribution Agreement.

EXHIBIT B

FORM OF LETTER APPOINTING ADDITIONAL AGENT- PROGRAM

[], []

To: Colgate-Palmolive Company
300 Park Avenue
New York, New York 10022

Attention: Treasurer

Re: Medium-Term Notes, Series H of Colgate-Palmolive
Company (the "Company")_____

Dear Sirs:

We refer to Section 19(a) of the Distribution Agreement dated July 26, 2012 entered into with respect to the distribution of the Company's Medium-Term Notes, Series H (the "Notes"), and made between the Company and the Agents party thereto (which agreement, as amended from time to time, is herein referred to as the "Distribution Agreement").

Conditions Precedent

We confirm that we are in receipt of the documents referenced below:

- (i) a copy of the Distribution Agreement;
- (ii) copies of such documents referenced in the Distribution Agreement as we have reasonably requested; and
- (iii) side letters in a form approved by us from the legal counsel referred to in Section 5(b)(1) and 5(b)(2), if required, of the Distribution Agreement addressed to us and giving us the full benefit of the existing legal opinions.

For the purposes of Section 14 of the Distribution Agreement, our name, address, telephone and telecopy number for the service of notices are as follows:

[insert name, address, telecopy number and attention]

In consideration of the Company appointing us as an Agent under the Distribution Agreement, we hereby undertake, for the benefit of the Company and each of the other Agents, that we will perform and comply with all the duties and obligations expressed to be assumed by an Agent under the Distribution Agreement.

This letter is governed by, and shall be construed in accordance with, the laws of the State of New York applicable to agreements made and to be performed wholly within such State.

Very truly yours,

[NAME OF NEW AGENT]

By: _____

Name:

Title:

FORM OF COMPANY LETTER

[], []

To: [NAME AND ADDRESS OF NEW AGENT]

Re: Medium-Term Notes, Series H of Colgate-Palmolive
Company (the "Company")_____

Dear Sirs:

We refer to the Distribution Agreement dated July 26, 2012 (such agreement, as amended from time to time, the "Distribution Agreement") entered into with respect to the distribution of the Company's Medium-Term Notes, Series H (the "Notes") and hereby acknowledge receipt of your letter to us dated _____.

In accordance with Section 19(a) of the Distribution Agreement, we hereby confirm that, with effect from the date hereof, you shall become a party to the Distribution Agreement, vested with all the authority, rights, powers, duties and obligations of an Agent as if originally named as an Agent under the Distribution Agreement.

Very truly yours,

COLGATE-PALMOLIVE COMPANY

By: _____

Name:

Title:

cc: [Other Agents party to the
Distribution Agreement]

[FACE OF NOTE]

IF THE REGISTERED OWNER OF THIS NOTE (AS INDICATED BELOW) IS THE DEPOSITORY TRUST COMPANY OR A NOMINEE OF THE DEPOSITORY TRUST COMPANY, THIS NOTE IS A GLOBAL NOTE AND THE FOLLOWING LEGENDS APPLY:

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (THE "DEPOSITARY") (55 WATER STREET, NEW YORK, NEW YORK) TO THE ISSUER HEREOF OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID," "YIELD TO MATURITY" AND "INITIAL ACCRUAL PERIOD" (COMPUTED UNDER THE APPROXIMATE METHOD) BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT RULES.

REGISTERED

CUSIP No.:

PRINCIPAL AMOUNT:
\$

No. FXR-__

**COLGATE-PALMOLIVE COMPANY
MEDIUM-TERM NOTE, SERIES H
(Fixed Rate)**

ORIGINAL ISSUE DATE:

INTEREST RATE: %

STATED MATURITY DATE:

INTEREST PAYMENT DATE(S)

CHECK IF DISCOUNT NOTE

June 1 and December 1

Issue Price: %

Other:

INITIAL REDEMPTION
DATE:

INITIAL REDEMPTION
PERCENTAGE: %

* ANNUAL REDEMPTION
PERCENTAGE
REDUCTION: %

HOLDER'S OPTIONAL REPAYMENT
DATE(S):

* If an Initial Redemption Date is specified above, (i) the Redemption Price will initially be the Initial Redemption Percentage specified above and shall decline at each anniversary of the Initial Redemption Date shown above by the Annual Redemption Percentage Reduction specified above until the Redemption Price is 100% of such principal amount, and (ii) this Note may be redeemed either in whole or from time to time in part except if the following box is marked, this Note may be redeemed in whole only . If no Initial Redemption Date is specified above, this Note may not be redeemed prior to Maturity.

AUTHORIZED DENOMINATION:

\$1,000 and integral
multiples thereof

Other:

SPECIFIED CURRENCY:

ADDENDUM ATTACHED

Yes
 No

OTHER / ADDITIONAL PROVISIONS:

COLGATE-PALMOLIVE COMPANY, a Delaware corporation (the “Company”, which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the Principal Amount of _____, on the Stated Maturity Date specified above (or any Redemption Date or Repayment Date, each as defined on the reverse hereof, or any earlier date of acceleration of maturity) (each such date being hereinafter referred to as the “Maturity Date” with respect to the principal repayable on such date) and to pay interest thereon (and on any overdue principal, premium and/or interest to the extent legally enforceable) at the Interest Rate per annum specified above, until the principal hereof is paid or duly made available for payment.

The Company will pay interest in arrears on each Interest Payment Date specified above (each, an “Interest Payment Date”), commencing with the first Interest Payment Date next succeeding the Original Issue Date specified above, and on the Maturity Date; provided, however, that if the Original Issue Date occurs between a Record Date (as defined below) and the next succeeding Interest Payment Date, interest payments will commence on the second Interest Payment Date next succeeding the Original Issue Date to the registered holder of this Note (the “Holder”) on the Record Date with respect to such second Interest Payment Date. Interest on this Note will be computed on the basis of a 360-day year of twelve 30-day months.

Interest on this Note will accrue from, and including, the most recent Interest Payment Date to which interest has been paid or duly provided for or, from and including, the Original Issue Date if no interest has been paid or duly provided for, to, but excluding, the next Interest Payment Date or the Maturity Date, as the case may be (each, an “Interest Period”). The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the fifteenth calendar day (whether or not a Business Day, as defined below) immediately preceding such Interest Payment Date (the “Record Date”); provided, however, that interest payable on the Maturity Date will be payable to the Person to whom the principal hereof and premium, if any, hereon shall be payable. Any such interest not so punctually paid or duly provided for on any Interest Payment Date (“Defaulted Interest”) shall forthwith cease to be payable to the Holder at the close of business on any Record Date and, may either be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a special record date (the “Special Record Date”) for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to the Holder of this Note by the Trustee not less than 10 calendar days prior to such Special Record Date or may be paid at any time in any other lawful manner, all as more fully provided for in the Indenture.

Payment of principal, premium, if any, and interest in respect of this Note due on the Maturity Date will be made in immediately available funds upon presentation and surrender of this Note (and, with respect to any applicable repayment of this Note, upon delivery of a duly completed election form as contemplated on the reverse hereof) at the office of the Trustee maintained for that purpose in the Borough of Manhattan, The City of New York, New York in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. Payment of interest due on any Interest Payment Date other than the Maturity Date will be made at the aforementioned office of the Trustee or, at the option of the Company, by check mailed to the address of the person entitled thereto as such address shall appear in the Security Register maintained by the Trustee; provided, however, that a Holder of U.S.\$10,000,000 or more in aggregate principal amount of Notes (whether having identical or different terms and provisions) shall, at the option of the Company, be entitled to receive interest payments on such Interest Payment Date by wire transfer of immediately available funds if appropriate wire transfer instructions have been received in writing by the Trustee not less than 15 calendar days prior to such Interest Payment Date. Any such wire transfer instructions received by the Trustee shall remain in effect until revoked by such Holder.

If any Interest Payment Date or the Maturity Date falls on a day that is not a Business Day, the required payment of principal, premium, if any, and/or interest shall be made on the next succeeding Business Day with the same force and effect as if made on such Interest Payment Date or Maturity Date, as the case may be, and no interest shall accrue with respect to such payment for the period from and after such Interest Payment Date or the Maturity Date, as the case may be, to the date of such payment on the next succeeding Business Day.

As used herein, “Business Day” means, unless otherwise specified on the face hereof, any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York; provided, however, that, with respect to non-United States dollar-denominated notes, the day is also not a day on which commercial banks are authorized or required by law, regulation or executive order to close in the Principal Financial Center (as defined below) of the country issuing the specified currency or, if the specified currency is euro, the day is also a Target Settlement Day (as defined below).

“Principal Financial Center” means, unless otherwise specified on the face hereof, the capital city of the country issuing the specified currency except, in each case, that with respect to United States dollars, Australian dollars, Canadian dollars, New Zealand dollars, South African rand and Swiss francs, the “Principal Financial Center” will be The City of New York, Sydney, Toronto, Wellington, Johannesburg and Zurich, respectively.

“Target Settlement Day” means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System or any successor is open.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and, if so specified on the face hereof, in an Addendum hereto, which further provisions shall have the same force and effect as if set forth on the face hereof.

Notwithstanding the foregoing, if an Addendum is attached hereto or “Other/Additional Provisions” apply to this Note as specified above, this Note shall be subject to the terms set forth in such Addendum or such “Other/Additional Provisions”.

Unless the Certificate of Authentication hereon has been executed by the Trustee by manual signature of one of its authorized officers, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, Colgate-Palmolive Company has caused this Note to be duly executed by one of its duly authorized officers.

COLGATE-PALMOLIVE COMPANY

By: _____
Title:

Dated:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION:

This is one of the Debt Securities of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON,
as Trustee

By _____
Authorized Signatory

COLGATE-PALMOLIVE COMPANY
MEDIUM-TERM NOTE, SERIES H
(Fixed Rate)

This Note is one of a duly authorized series of debt securities (the “Debt Securities”) of the Company issued and to be issued under an Indenture, dated as of November 15, 1992, as amended, modified or supplemented from time to time (the “Indenture”), between the Company and The Bank of New York Mellon (formerly known as The Bank of New York), as trustee (the “Trustee”, which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Debt Securities, and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. This Note is one of the Debt Securities of the series designated as “Medium-Term Notes, Series H, Due One Year or More From Date of Issue” (the “Notes”). All terms used but not defined in this Note or in an Addendum hereto shall have the meanings assigned to such terms in the Indenture or on the face hereof, as the case may be.

This Note is issuable only in registered form without coupons in minimum denominations of U.S. \$1,000 and integral multiples thereof or other Authorized Denomination specified on the face hereof.

Except as otherwise provided in the Indenture and as set forth below, the Notes will be issued in global form only, registered in the name of the Depositary or its nominee and ownership of the Notes shall be maintained in book-entry form by the Depositary for the accounts of participating organizations of the Depositary. If this Note is a global Note, this Note is exchangeable only if (i) the Depositary notifies the Company that it is unwilling or unable to continue as Depositary for this global Note and a successor depositary is not appointed by the Company within 60 days after the Depositary notifies the Company, (ii) the Company in its sole discretion determines that this global Note shall be exchangeable for certificated Notes of this series in registered form or (iii) an Event of Default with respect to the Notes represented hereby has occurred and is continuing.

Unless otherwise specified on the face hereof in accordance with the provisions of the following two paragraphs, this Note will not be subject to any sinking fund and will not be redeemable or repayable prior to the Stated Maturity Date.

This Note will be subject to redemption at the option of the Company on any date on or after the Initial Redemption Date, if any, specified on the face hereof, in whole or from time to time in part in increments of U.S. \$1,000 unless otherwise specified above (provided that any remaining principal amount hereof shall be at least U.S. \$1,000 unless otherwise specified above), at the Redemption Price (as defined below), together with unpaid interest accrued hereon to the date fixed for redemption (the “Redemption Date”), on written notice given to the Holder hereof (in accordance with the provisions of the Indenture) not more than 60 nor less than 30 calendar days prior to the Redemption Date. In the event of redemption of this Note in part only, a new Note of like tenor for the unredeemed portion hereof and otherwise having the same terms and provisions as this Note shall be issued by the Company in the name of the Holder hereof upon the presentation and surrender hereof.

Unless otherwise specified above, the “Redemption Price” shall be the Initial Redemption Percentage specified on the face hereof (as adjusted by the Annual Redemption Percentage Reduction, if any, specified on the face hereof) multiplied by the principal amount of this Note to be redeemed.

This Note may be subject to repayment by the Company at the option of the Holder hereof on the Optional Repayment Date(s), if any, specified on the face hereof, in whole or in part in increments of U.S. \$1,000 (provided that any remaining principal amount hereof shall be at least U.S. \$1,000), at a repayment price equal to 100% of the principal amount to be repaid, together with unpaid interest accrued thereon to the date fixed for repayment (the “Repayment Date”). For this Note to be repaid in whole or in part at the option of the Holder hereof, the Trustee must receive at its corporate trust office not more than 60 nor less than 30 calendar days prior to the Repayment Date, this Note with the form entitled “Option to Elect Repayment” below duly completed. Exercise of such repayment option by the Holder hereof shall be irrevocable. In the event of repayment of this Note in part only, a new Note of like tenor for the unrepaid portion hereof and otherwise having the same terms and provisions as this Note shall be issued by the Company in the name of the Holder hereof upon the presentation and surrender hereof.

If the Discount Note box above is checked, the amount payable to the Holder of this Note in the event of redemption, repayment or acceleration of maturity will be equal to the sum of (i) the Issue Price specified on the face hereof (increased by any accruals of the Discount, as defined below, and reduced by any amounts of principal previously paid) and, in the event of any redemption of this Note (if applicable), multiplied by the Initial Redemption Percentage (as adjusted by the Annual Redemption Percentage Reduction, if applicable) and (ii) any unpaid interest accrued hereon to the Redemption Date, Repayment Date or date of acceleration of maturity, as the case may be. The difference between the Issue Price specified above and 100% of the principal amount of this Note is referred to herein as the “Discount”.

For purposes of determining the amount of Discount that has accrued as of any Redemption Date, Repayment Date or date of acceleration of maturity of this Note, such Discount will be accrued so as to cause the yield on the Note to be constant. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the Initial Period (as defined below), corresponds to the shortest period between Interest Payment Dates (with ratable accruals within a compounding period) and an assumption that the maturity of this Note will not be accelerated. If the period from the Original Issue Date to the initial Interest Payment Date (the "Initial Period") is shorter than the compounding period for this Note, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then such period will be divided into a regular compounding period and a short period, with the short period being treated as provided in the preceding sentence.

If an Event of Default shall occur and be continuing, the principal of the Notes may be accelerated in the manner and with the effect provided in the Indenture.

The Indenture permits the amendment thereof for specified purposes, including, among other things, curing ambiguities and correcting inconsistencies, by the Company and the Trustee without the consent of the Holders. The Indenture also permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of any series of Debt Securities to be adversely affected thereby at any time by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of each series of Debt Securities at the time outstanding, adversely affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the outstanding Debt Securities of each series, on behalf of the Holders of Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay principal, premium, if any, and interest in respect of this Note at the times, places and rate or formula, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note may be registered on the Security Register of the Company upon surrender of this Note for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or by his attorney duly authorized in writing, and thereupon one or more new Notes of Authorized Denominations and for the same aggregate principal amount with the same terms and provisions, will be issued by the Company to the designated transferee or transferees.

The Notes are issuable only in registered form without coupons and, if payable in U.S. dollars, only in denominations of U.S.\$1,000 and any integral multiple of U.S. \$1,000. As provided in the Indenture and subject to certain limitations therein set forth, Notes of this series are exchangeable for a like aggregate principal amount of Notes of this series of a different authorized denomination, as required by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Holder as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary, except as required by law.

THE INDENTURE AND THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES.

Capitalized terms used herein without definition which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT	- _____ Custodian _____
TEN ENT	- as tenants by the entireties		(Cust) (Minor)
JT TEN	- as joint tenants with right of survivorship and not as tenants in common		Under Uniform Gifts to Minors Act

			(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR
OTHER
IDENTIFYING NUMBER OF ASSIGNEE

--	--

(Please print or typewrite name and address including postal zip code of assignee)

this Note and all rights thereunder hereby irrevocably constituting and appointing

Attorney to transfer this Note on the books of the Company, with full power of substitution in the premises.

Dated:

Notice: The signature(s) on this Assignment must correspond with the name(s) as written upon the face of this Note in every particular, without alteration or enlargement or any change whatsoever.

[OPTION TO ELECT REPAYMENT]

The undersigned hereby irrevocably request(s) and instruct(s) the Company to repay this Note (or portion hereof specified below) pursuant to its terms at a price equal to 100% of the principal amount to be repaid, together with unpaid interest accrued hereon to the Repayment Date, to the undersigned, at __

—.

(Please print or typewrite name and address of the undersigned)

For this Note to be repaid, the Trustee must receive at its corporate trust office in the Borough of Manhattan, The City of New York, currently located at 101 Barclay Street, New York, New York 10286 not more than 60 nor less than 30 calendar days prior to the Repayment Date, this Note with this "Option to Elect Repayment" form duly completed.

If less than the entire principal amount of this Note is to be repaid, specify the portion hereof (which shall be increments of U.S. \$1,000 unless otherwise specified in the Note, provided that any remaining principal amount shall be at least U.S. \$1,000 unless otherwise specified in the Note) which the Holder elects to have repaid and specify the denomination or denominations (which shall be U.S. \$1,000 or an integral multiple thereof) of the Notes to be issued to the Holder for the portion of this Note not being repaid (in the absence of any such specification, one such Note will be issued for the portion not being repaid).

Principal Amount

to be Repaid: \$

Dated:

Notice: The signature(s) on this Option to Elect Repayment must correspond with the name(s) as written upon the face of this Note in every particular, without alteration or enlargement or any change whatsoever.

[FACE OF NOTE]

IF THE REGISTERED OWNER OF THIS NOTE (AS INDICATED BELOW) IS THE DEPOSITORY TRUST COMPANY OR A NOMINEE OF THE DEPOSITORY TRUST COMPANY, THIS NOTE IS A GLOBAL SECURITY AND THE FOLLOWING LEGENDS APPLY:

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (THE "DEPOSITARY") (55 WATER STREET, NEW YORK, NEW YORK) TO THE ISSUER HEREOF OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY.

IF APPLICABLE, THE "TOTAL AMOUNT OF OID," "YIELD TO MATURITY" AND "INITIAL ACCRUAL PERIOD" (COMPUTED UNDER THE APPROXIMATE METHOD) BELOW WILL BE COMPLETED SOLELY FOR THE PURPOSES OF APPLYING THE FEDERAL INCOME TAX ORIGINAL ISSUE DISCOUNT RULES.

REGISTERED

CUSIP No.:

PRINCIPAL AMOUNT:

No. FLR-__

\$

COLGATE-PALMOLIVE COMPANY

MEDIUM-TERM NOTE, SERIES H

(Floating Rate)

INTEREST RATE BASIS ORIGINAL ISSUE DATE: STATED MATURITY DATE:
OR BASES:

IF LIBOR: IF CMT RATE: IF FEDERAL FUNDS RATE:

Reuters Page LIBOR01 Reuters Page FRBCMT Federal Funds (Effective) Rate

Reuters Page LIBOR02 Reuters Page FEDCMT Federal Funds Open Rate
 Weekly Average Federal Funds Target Rate

Designated LIBOR Monthly Average

Currency:

INDEX MATURITY: INITIAL INTEREST RATE: % INTEREST PAYMENT DATE(S):

INITIAL INTEREST RESET DATE: INTEREST RATE RESET PERIOD:

SPREAD (PLUS OR MINUS): SPREAD MULTIPLIER:

INTEREST DETERMINATION REGULAR RECORD DATES:

DATES:

MINIMUM INTEREST RATE: % MAXIMUM INTEREST RATE: % INTEREST RESET DATE(S):

INITIAL REDEMPTION DATE: INITIAL REDEMPTION PERCENTAGE: % *ANNUAL REDEMPTION PERCENTAGE REDUCTION: %

HOLDER'S OPTIONAL REPAYMENT DATE(S): CALCULATION AGENT: CHECK IF DISCOUNT NOTE
Issue Price: %

SPECIFIED CURRENCY: EXCHANGE RATE AGENT:

INTEREST CATEGORY: DAY COUNT CONVENTION:

- Regular Floating Rate Note 30/360 for the period
 Floating Rate/Fixed Rate Note from to .
Fixed Rate Commencement Date: Actual/360 for the period
Fixed Interest Rate: % from to .
 Inverse Floating Rate Note Actual/Actual for the period
Fixed Interest Rate: % from to .

Applicable Interest Rate Basis:

AUTHORIZED DENOMINATION:

- \$1,000 and integral multiples
thereof
 Other:

ADDENDUM ATTACHED

- Yes
 No

OTHER/ADDITIONAL PROVISIONS:

* If an Initial Redemption Date is specified above, (i) the Redemption Price will initially be the Initial Redemption Percentage specified above and shall decline at each anniversary of the Initial Redemption Date shown above by the Annual Redemption Percentage Reduction specified above until the Redemption Price is 100% of such principal amount, and (ii) this Note may be redeemed either in whole or from time to time in part except if the following box is marked, this Note may be redeemed in whole only . If no Initial Redemption Date is specified above, this Note may not be redeemed prior to Maturity.

COLGATE-PALMOLIVE COMPANY, a Delaware corporation (the “Company”, which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay, to _____, or registered assigns, the Principal Amount of _____, on the Stated Maturity Date specified above (or any Redemption Date or Repayment Date, each as defined on the reverse hereof, or any earlier date of acceleration of maturity) (each such date being hereinafter referred to as the “Maturity Date” with respect to the principal repayable on such date) and to pay interest thereon (and on any overdue principal, premium and/or interest to the extent legally enforceable) at a rate per annum equal to the Initial Interest Rate specified above until the Initial Interest Reset Date specified above and thereafter at a rate determined in accordance with the provisions specified above and on the reverse hereof or in an Addendum hereto with respect to one or more Interest Rate Bases specified above until the principal hereof is paid or duly made available for payment.

The Company will pay interest in arrears on each Interest Payment Date specified above (each, an “Interest Payment Date”), commencing with the first Interest Payment Date next succeeding the Original Issue Date specified above, and on the Maturity Date; provided, however, that if the Original Issue Date occurs between a Record Date (as defined below) and the next succeeding Interest Payment Date, interest payments will commence on the second Interest Payment Date next succeeding the Original Issue Date to the registered holder of this Note (the “Holder”) on the Record Date with respect to such second Interest Payment Date.

Interest on this Note will accrue from, and including, the most recent Interest Payment Date to which interest has been paid or duly provided for or from, and including, the Original Issue Date if no interest has been paid or duly provided for, to, but excluding, the next Interest Payment Date or the Maturity Date, as the case may be (each, an “Interest Period”). The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the fifteenth calendar day (whether or not a Business Day, as defined below) immediately preceding such Interest Payment Date (the “Record Date”); provided, however, that interest payable on the Maturity Date will be payable to the person to whom the principal hereof and premium, if any, hereon shall be payable. Any such interest not so punctually paid or duly provided for on any Interest Payment Date (“Defaulted Interest”) shall forthwith cease to be payable to the Holder at the close of business on any Record Date and may either be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a special record date (the “Special Record Date”) for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to the Holder of this Note by the Trustee not less than 10 calendar days prior to such Special Record Date or may be paid at any time in any other lawful manner, all as more fully provided for in the Indenture.

Payment of principal, premium, if any, and interest in respect of this Note due on the Maturity Date will be made in immediately available funds upon presentation and surrender of this Note (and, with respect to any applicable repayment of this Note, upon delivery of a duly completed election form as contemplated on the reverse hereof) at the office of the Trustee maintained for that purpose in the Borough of Manhattan, The City of New York, New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts. Payment of interest due on any Interest Payment Date other than the Maturity Date will be made at the aforementioned office of the Trustee or, at the option of the Company, by check mailed to the address of the person entitled thereto as such address shall appear in the Security Register maintained by the Trustee; provided, however, that a Holder of U.S.\$10,000,000 or more in aggregate principal amount of Notes (whether having identical or different terms and provisions) shall, at the option of the Company, be entitled to receive interest payments on such Interest Payment Date by wire transfer of immediately available funds if appropriate wire transfer instructions have been received in writing by the Trustee not less than 15 calendar days prior to such Interest Payment Date. Any such wire transfer instructions received by the Trustee shall remain in effect until revoked by such Holder.

If any Interest Payment Date other than the Maturity Date would otherwise be a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day, except that if EURIBOR or LIBOR is an applicable Interest Rate Basis and such Business Day falls in the next succeeding calendar month, such Interest Payment Date shall be the immediately preceding Business Day. If the Maturity Date falls on a day that is not a Business Day, the required payment of principal, premium, if any, and/or interest shall be made on the next succeeding Business Day with the same force and effect as if made on such Maturity Date, and no interest shall accrue with respect to such payment for the period from and after the Maturity Date to the date of such payment on the next succeeding Business Day.

As used herein, "Business Day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York; provided, however, that with respect to non-United States dollar-denominated notes, the day is also not a day on which commercial banks are authorized or required by law, regulation or executive order to close in the Principal Financial Center (as defined below) of the country issuing the specified currency or, if the specified currency is euro, the day is also a Target Settlement Day (as defined below); provided, further, that, with respect to floating rate notes as to which LIBOR is an applicable Interest Rate Basis, the day is also a London Banking Day (as defined below) and that, with respect to floating rate notes as to which EURIBOR is an applicable Interest Rate Basis, the day is also a Target Settlement Day.

"London Banking Day" means a day on which commercial banks are open for business, including dealings in the Designated LIBOR Currency, in London.

“Principal Financial Center” means (1) the capital city of the country issuing the specified currency, or (2) the capital city of the country to which the Designated LIBOR Currency relates, except, in each case, that with respect to United States dollars, Australian dollars, Canadian dollars, Euros, New Zealand dollars, South African rand and Swiss francs, the “Principal Financial Center” will be The City of New York, Sydney, Toronto, London (solely in the case of the Designated LIBOR Currency), Wellington, Johannesburg and Zurich, respectively.

Unless otherwise set forth above or specified on the face hereof or in an Addendum hereto, “U.S. Government Securities Business Day” means any day other than a Saturday, Sunday or a day on which The Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

“Target Settlement Day” means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System, or any successor, is open.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof and, if so specified on the face hereof, in an Addendum hereto, which further provisions shall have the same force and effect as if set forth on the face hereof.

Notwithstanding the foregoing, if an Addendum is attached hereto or “Other/Additional Provisions” apply to this Note as specified above, this Note shall be subject to the terms set forth in such Addendum or such “Other/Additional Provisions”.

Unless the Certificate of Authentication hereon has been executed by the Trustee by manual signature of one of its authorized officers, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, Colgate-Palmolive Company has caused this Note to be duly executed by one of its duly authorized officers.

COLGATE-PALMOLIVE COMPANY

By _____
Title:

Dated:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION:

This is one of the Debt Securities of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON,
as Trustee

By _____
Authorized Signatory

COLGATE-PALMOLIVE COMPANY

MEDIUM-TERM NOTE, SERIES H

(Floating Rate)

This Note is one of a duly authorized series of debt securities (the “Debt Securities”) of the Company issued and to be issued under an Indenture, dated as of November 15, 1992, as amended, modified or supplemented from time to time (the “Indenture”), between the Company and The Bank of New York Mellon (formerly known as The Bank of New York), as trustee (the “Trustee”, which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Debt Securities, and of the terms upon which the Debt Securities are, and are to be, authenticated and delivered. This Note is one of the Debt Securities of the series designated as “Medium-Term Notes, Series H, Due One Year or More From Date of Issue” (the “Notes”). All terms used but not defined in this Note or in an Addendum hereto shall have the meanings assigned to such terms in the Indenture or on the face hereof, as the case may be.

This Note is issuable only in registered form without coupons in minimum denominations of U.S.\$1,000 and integral multiples thereof or other Authorized Denomination specified on the face hereof.

Except as otherwise provided in the Indenture and as set forth below, the Notes will be issued in global form only, registered in the name of the Depositary or its nominee and ownership of the Notes shall be maintained in book-entry form by the Depositary for the accounts of participating organizations of the Depositary. If this Note is a global note, this Note is exchangeable for certificated Notes only if (i) the Depositary notifies the Company that it is unwilling or unable to continue as Depositary for this global Note and a successor depositary is not appointed by the Company within 60 days after the Depositary notifies the Company, (ii) the Company in its sole discretion determines that this global Note shall be exchangeable for certificated Notes of this series in registered form or (iii) an Event of Default with respect to the Notes represented hereby has occurred and is continuing.

Unless otherwise specified on the face hereof in accordance with the provisions of the following two paragraphs, this Note will not be subject to any sinking fund and will not be redeemable or repayable prior to the Stated Maturity Date.

This Note will be subject to redemption at the option of the Company on any date on or after the Initial Redemption Date, if any, specified on the face hereof, in whole or from time to time in part in increments of U.S.\$1,000 unless otherwise specified above (provided that any remaining principal amount hereof shall be at least U.S.\$1,000 unless otherwise specified above), at the Redemption Price (as defined below), together with unpaid interest accrued hereon to the date fixed for redemption (the "Redemption Date"), on written notice given to the Holder hereof (in accordance with the provisions of the Indenture) not more than 60 nor less than 30 calendar days prior to the Redemption Date. In the event of redemption of this Note in part only, a new Note of like tenor for the unredeemed portion hereof and otherwise having the same terms and provisions as this Note shall be issued by the Company in the name of the Holder hereof upon the presentation and surrender hereof.

Unless otherwise specified above, the "Redemption Price" shall be the Initial Redemption Percentage specified on the face hereof (as adjusted by the Annual Redemption Percentage Reduction, if any, specified on the face hereof) multiplied by the principal amount of this Note to be redeemed.

This Note may be subject to repayment by the Company at the option of the Holder hereof on the Optional Repayment Date(s), if any, specified on the face hereof, in whole or in part in increments of U.S.\$1,000 (provided that any remaining principal amount hereof shall be at least U.S.\$1,000), at a repayment price equal to 100% of the principal amount to be repaid, together with unpaid interest accrued thereon to the date fixed for repayment (the "Repayment Date"). For this Note to be repaid in whole or in part at the option of the Holder hereof, the Trustee must receive at its corporate trust office not more than 60 nor less than 30 calendar days prior to the Repayment Date, this Note with the form thereon entitled "Option to Elect Repayment" below duly completed. Exercise of such repayment option by the Holder hereof shall be irrevocable. In the event of repayment of this Note in part only, a new Note of like tenor for the unrepaid portion hereof and otherwise having the same terms and provisions as this Note shall be issued by the Company in the name of the Holder hereof upon the presentation and surrender hereof.

If the Discount Note box is checked above, the amount payable to the Holder of this Note in the event of redemption, repayment or acceleration of maturity of this Note will be equal to the sum of (i) the Issue Price specified on the face hereof (increased by any accruals of the Discount, as defined below, and reduced by any amounts of principal previously paid) and, in the event of any redemption of this Note (if applicable), multiplied by the Initial Redemption Percentage (as adjusted by the Annual Redemption Percentage Reduction, if applicable) and (ii) any unpaid interest accrued hereon to the Redemption Date, Repayment Date or date of acceleration of maturity, as the case may be. The difference between the Issue Price specified above and 100% of the principal amount of this Note is referred to herein as the “Discount.”

For purposes of determining the amount of Discount that has accrued as of any Redemption Date, Repayment Date or date of acceleration of maturity of this Note, such Discount will be accrued so as to cause an assumed yield on the Note to be constant. The assumed constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the Initial Period (as defined below), corresponds to the shortest period between Interest Payment Dates (with ratable accruals within a compounding period), a coupon rate equal to the initial interest rate applicable to this Note and an assumption that the maturity of this Note will not be accelerated. If the period from the Original Issue Date to the initial Interest Payment Date (the “Initial Period”) is shorter than the compounding period for this Note, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then such period will be divided into a regular compounding period and a short period, with the short period being treated as provided in the preceding sentence.

The interest rate borne by this Note will be determined as follows:

(i) Unless the Interest Category of this Note is specified on the face hereof as a “Floating Rate/Fixed Rate Note” or an “Inverse Floating Rate Note” or the face hereof specifies that either “Other/Additional Provisions” or an Addendum hereto applies, in each case, relating to a different interest rate formula, this Note shall be designated as a “Regular Floating Rate Note” and, except as set forth below or specified on the face hereof or in an Addendum hereto, shall bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the Spread, if any, and/or (b) multiplied by the Spread Multiplier, if any, in each case as specified on the face hereof. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset as of each Interest Reset Date specified on the face hereof; provided, however, that the interest rate in effect for the period, if any, from the Original Issue Date to, but excluding, the Initial Interest Reset Date shall be the Initial Interest Rate.

(ii) If the Interest Category of this Note is specified on the face hereof as a “Floating Rate/Fixed Rate Note”, then, except as set forth below or specified on the face hereof or in an Addendum hereto, this Note shall bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the Spread, if any, and/or (b) multiplied by the Spread Multiplier, if any, in each case as specified on the face hereof. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset as of each Interest Reset Date; provided, however, that (y) the interest rate in effect for the period from the Original Issue Date to, but excluding, the Initial Interest Reset Date shall be the Initial Interest Rate and (z) the interest rate in effect for the period commencing on, and including, the Fixed Rate Commencement Date specified on the face hereof to the Maturity Date shall be the Fixed Interest Rate specified on the face hereof or, if no such Fixed Interest Rate is specified, the interest rate in effect hereon on the day immediately preceding the Fixed Rate Commencement Date.

(iii) If the Interest Category of this Note is specified on the face hereof as an “Inverse Floating Rate Note”, then, except as set forth below or specified on the face hereof or in an Addendum hereto, this Note shall bear interest at the Fixed Interest Rate minus the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the Spread, if any, and/or (b) multiplied by the Spread Multiplier, if any, in each case as specified on the face hereof; provided, however, that the interest rate hereon shall not be less than zero percent. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset as of each Interest Reset Date; provided, however, that the interest rate in effect for the period from the Original Issue Date to, but excluding, the Initial Interest Reset Date shall be the Initial Interest Rate.

Except as set forth above or specified on the face hereof or in an Addendum hereto, the interest rate in effect on each day shall be (i) if such day is an Interest Reset Date, the interest rate determined as of the Interest Determination Date (as defined below) immediately preceding such Interest Reset Date or (ii) if such day is not an Interest Reset Date, the interest rate determined as of the Interest Determination Date immediately preceding the most recent Interest Reset Date; provided, however, that the interest rate in effect for the period, if any, from the Original Issue Date to, but excluding, the Initial Interest Reset Date shall be the Initial Interest Rate. If any Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next succeeding Business Day, except that if EURIBOR or LIBOR is an applicable Interest Rate Basis and such Business Day falls in the next succeeding calendar month, such Interest Reset Date shall be the immediately preceding Business Day. In addition, if the Treasury Rate is an applicable Interest Rate Basis and the Interest Determination Date would otherwise fall on an Interest Reset Date, then such Interest Reset Date will be postponed to the next succeeding Business Day.

The interest rate applicable to each Interest Reset Period commencing on the related Interest Reset Date will be determined by the Calculation Agent as of the applicable Interest Determination Date and will be calculated by the Calculation Agent on or prior to the Calculation Date (as defined below). The determination of any interest rate by the Calculation Agent will be final and binding absent manifest error. The “Interest Determination Date” with respect to the CD Rate and the Commercial Paper Rate shall be the second Business Day immediately preceding the applicable Interest Reset Date; the “Interest Determination Date” with respect to the CMT Rate shall be the second U.S. Government Securities Business Day immediately preceding the applicable Interest Reset Date; the “Interest Determination Date” with respect to the Prime Rate shall be the Business Day immediately preceding the applicable Interest Reset Date; the “Interest Determination Date” with respect to the Eleventh District Cost of Funds Rate shall be the last Business Day of the month immediately preceding the applicable Interest Reset Date on which the Federal Home Loan Bank of San Francisco (the “FHLB of San Francisco”) publishes the Index (as defined below); the “Interest Determination Date” with respect to the Federal Funds Rate shall be the applicable Interest Reset Date; the “Interest Determination Date” with respect to LIBOR shall be the second London Banking Day immediately preceding the applicable Interest Reset Date, unless the Designated LIBOR Currency is the British pounds sterling, in which case the Interest Determination Date will be the applicable Interest Reset Date; and the Interest Determination Date with respect to EURIBOR shall be the second Target Settlement Day immediately preceding the applicable Interest Reset Date. The “Interest Determination Date” with respect to the Treasury Rate shall be the day in the week in which the applicable Interest Reset Date falls on which day Treasury Bills (as defined below) are normally auctioned (i.e., Treasury Bills are normally sold at an auction held on Monday of each week, unless such Monday is a legal holiday, in which case the auction is normally held on the immediately succeeding Tuesday, except that such auction may be held on the preceding Friday) or, if no auction is held for a particular week, the first Business Day of that week; provided, however, that if an auction is held on the Friday of the week preceding the applicable Interest Reset Date, the “Interest Determination Date” shall be such preceding Friday; provided, further that if the Interest Determination Date would otherwise fall on an Interest Reset Date, then such Interest Reset Date will be postponed to the next succeeding Business Day. If the interest rate of this Note is determined with reference to two or more Interest Rate Bases specified on the face hereof, the “Interest Determination Date” pertaining to this Note shall be the most recent Business Day which is at least two Business Days prior to the applicable Interest Reset Date on which each Interest Rate Basis is determinable. Each Interest Rate Basis shall be determined as of such date, and the applicable interest rate shall take effect on the related Interest Reset Date.

Subject to applicable provisions of law, and unless otherwise specified on the face hereof or in an Addendum hereto, the rate with respect to each Interest Rate Basis will be determined in accordance with the applicable provisions below.

CD Rate. If an Interest Rate Basis for this Note is specified on the face hereof as the CD Rate, the CD Rate shall be determined as of the applicable Interest Determination Date (a “CD Rate Interest Determination Date”) as the rate on such date for negotiable United States dollar certificates of deposit having the Index Maturity specified on the face hereof published in H.15(519) (as defined below) under the caption “CDs (secondary market)”, or, if not published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such CD Rate Interest Determination Date for negotiable United States dollar certificates of deposit of the Index Maturity specified on the face hereof published in H.15 Daily Update (as defined below), or such other recognized electronic source used for the purpose of displaying such rate, under the caption “CDs (secondary market).” If such rate is not yet published in H.15(519), H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, then the CD Rate on such CD Rate Interest Determination Date will be calculated by the Calculation Agent specified on the face hereof and will be the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time, on such CD Rate Interest Determination Date, of three leading non-bank dealers in negotiable United States dollar certificates of deposit in The City of New York selected by the Calculation Agent for negotiable United States dollar certificates of deposit of major United States money market banks for negotiable United States dollar certificates of deposit with a remaining maturity closest to the Index Maturity specified on the face hereof in an amount that is representative for a single transaction in that market at that time; provided, however, that if the dealers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the CD Rate determined as of such CD Rate Interest Determination Date will be the CD Rate in effect on such CD Rate Interest Determination Date.

“H.15(519)” means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System and available on their website via <http://www.federalreserve.gov/releases/h15/> or any successor site or publication.

“H.15 Daily Update” means the daily update of H.15(519), published by the Board of Governors of the Federal Reserve System and available on their website at <http://www.federalreserve.gov/releases/h15/update/default.htm> or any successor site or publication.

CMT Rate. If an Interest Rate Basis for this Note is specified on the face hereof as the CMT Rate, the CMT Rate shall be determined as of the applicable Interest Determination Date (a “CMT Rate Interest Determination Date”) in accordance with the following provisions:

(i) if Reuters Page FRBCMT (as defined below) is specified above, the percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified on the face hereof published in H.15(519) under the caption “Treasury constant maturities”, as the yield is displayed on Reuters, (“Reuters”) (or any successor service) on page FRBCMT, or any other page as may that specified page on that service (“Reuters Page FRBCMT”) or, if not displayed on Reuters, as displayed on the Bloomberg L.P. (“Bloomberg”) service (or any successor service) on page NDX 7 (or any other page as may replace the specified page on that service) (“Bloomberg Page NDX 7”), for such CMT Rate Interest Determination Date. If such rate does not appear on Reuters Page FRBCMT or Bloomberg Page NDX 7, as the case may be, the CMT Rate on such CMT Rate Interest Determination Date will be the percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified on the face hereof and for such CMT Rate Interest Determination Date published in H.15(519) under the caption “Treasury constant maturities”. If such rate does not appear in H.15(519), the CMT Rate on such CMT Rate Interest Determination Date will be the rate on such CMT Rate Interest Determination Date for the period of the Index Maturity specified on the face hereof as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519). If the Federal Reserve System Board of Governors or the United States Department of the Treasury does not publish a yield on United States Treasury securities at “constant maturity” having the Index Maturity specified on the face hereof for such CMT Rate Interest Determination Date, the CMT Rate on such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on such CMT Rate Interest Determination Date of three leading primary United States government securities dealers in The City of New York (each, a “Reference Dealer”) selected by the Calculation Agent from five Reference Dealers and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) for United States Treasury securities with an original maturity equal to the Index Maturity specified on the face hereof, a remaining term to maturity no more than one year shorter than the Index Maturity specified on the face hereof and in a principal amount that is representative for a single transaction in such securities in such market at such time. If fewer than five but more than two such prices are provided as requested, the CMT Rate on such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotations will be eliminated.

If fewer than three prices are provided as requested, the CMT Rate on such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on such CMT Rate Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) for United States Treasury securities with an original maturity longer than the Index Maturity specified on the face hereof, a remaining term to maturity closest to the Index Maturity specified on the face hereof, and in a principal amount that is representative for a single transaction in such securities in such market at such time. If fewer than five but more than two such prices are provided as requested, the CMT Rate on such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated; provided, however, that if fewer than three such prices are provided as requested, the CMT Rate determined as of such CMT Rate Interest Determination Date will be the CMT Rate in effect on such CMT Rate Interest Determination Date. If two such United States Treasury securities with an original maturity longer than the Index Maturity specified on the face hereof have remaining terms to maturity equally close to the Index Maturity specified on the face hereof, the quotes for the Treasury security with the shorter original term to maturity will be used.

(ii) if Reuters Page FEDCMT (as defined below) is specified above, the percentage equal to the one-week or one-month, as specified above, average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified on the face hereof published in H.15(519) under the caption “Treasury constant maturities”, as such yield is displayed on Reuters (or any successor service) on page FEDCMT, or any other page as may replace that specified page on that service (“Reuters Page FEDCMT”) or, if not so displayed on Reuters, as displayed on the Bloomberg service (or any successor service) on Bloomberg Page NDX 7, for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which such CMT Rate Interest Determination Date falls. If such rate does not appear on the Reuters Page FEDCMT or Bloomberg Page NDX 7, as the case may be, the CMT Rate on such CMT Rate Interest Rate Determination Date will be the percentage equal to the one-week or one-month, as specified above, average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified on the face hereof and for the week or month, as applicable, preceding such CMT Rate Interest Determination Date published in H.15(519) opposite the caption “Treasury constant maturities”. If such rate does not appear in H.15(519), the CMT Rate on such CMT Rate Interest Determination Date will be the one-week or one-month, as specified above, average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified on the face hereof as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which such CMT Rate Interest Determination Date falls.

If the one-week or one-month, as specified above, average yield on United States Treasury securities at “constant maturity” having the Index Maturity specified on the face hereof for the applicable week or month is not published, the CMT Rate on such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on such CMT Rate Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five such Reference Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) for United States Treasury securities with an original maturity equal to the Index Maturity specified on the face hereof, a remaining term to maturity of no more than 1 year shorter than the Index Maturity specified on the face hereof and in a principal amount that is representative for a single transaction in such securities in such market at such time. If fewer than five but more than two such prices are provided as requested, the CMT Rate on such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of such quotations will be eliminated. If fewer than three prices are provided as requested, the CMT Rate on such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on such CMT Rate Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) for United States Treasury securities with an original maturity longer than the Index Maturity specified on the face hereof, a remaining term to maturity closest to the Index Maturity specified on the face hereof and in a principal amount that is representative for a single transaction in such securities in such market at such time. If fewer than five but more than two such prices are provided as requested, the CMT Rate on such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be based on the arithmetic mean of the bid prices obtained and neither the highest or the lowest of such quotations will be eliminated; provided, however, that if fewer than three such prices are provided as requested, the CMT Rate determined as of such CMT Rate Interest Determination Date will be the CMT Rate in effect on such CMT Rate Interest Determination Date. If two such United States Treasury securities with an original maturity longer than the Index Maturity specified on the face hereof have remaining terms to maturity equally close to the Index Maturity specified on the face hereof, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

Commercial Paper Rate. If an Interest Rate Basis for this Note is specified on the face hereof as the Commercial Paper Rate, the Commercial Paper Rate shall be determined as of the applicable Interest Determination Date (a “Commercial Paper Rate Interest Determination Date”) as the Money Market Yield (as defined below) on such date of the rate for commercial paper having the Index Maturity specified on the face hereof published in H.15(519) under the caption “Commercial Paper-Nonfinancial” or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Money Market Yield of the rate on such Commercial Paper Rate Interest Determination Date for commercial paper having the Index Maturity specified on the face hereof published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying such rate, under the caption “Commercial Paper-Nonfinancial.” If such rate is not so published in H.15(519), H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on such Calculation Date, then the Commercial Paper Rate on such Commercial Paper Rate Interest Determination Date will be calculated by the Calculation Agent and shall be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on such Commercial Paper Rate Interest Determination Date of three leading dealers of United States dollar commercial paper in The City of New York selected by the Calculation Agent for commercial paper having the Index Maturity specified on the face hereof placed for industrial issuers whose bond rating is “Aa”, or the equivalent, from a nationally recognized statistical rating organization; provided, however, that if the dealers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Commercial Paper Rate determined as of such Commercial Paper Rate Interest Determination Date will be the Commercial Paper Rate in effect on such Commercial Paper Rate Interest Determination Date.

“Money Market Yield” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where “D” refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and “M” refers to the actual number of days in the applicable Interest Reset Period.

Eleventh District Cost of Funds Rate. If an Interest Rate Basis for this Note is specified on the face hereof as the Eleventh District Cost of Funds Rate, the Eleventh District Cost of Funds Rate shall be determined as of the applicable Interest Determination Date (an “Eleventh District Cost of Funds Rate Interest Determination Date”) as the rate equal to the monthly weighted average cost of funds for the calendar month immediately preceding the month in which such Eleventh District Cost of Funds Rate Interest Determination Date falls, as set forth under the caption “11TH District” on the display on Reuters (or any successor service) on page COFI/ARMS or any other page as may replace that specified page on such service (“Reuters Page COFI/ARMS”) or, if not so displayed on Reuters, as displayed on the Bloomberg service (or any successor service) on page ALLX COF (or any other page as may replace the specified page on that service) (“Bloomberg Page ALLX COF”), in each case as of 11:00 A.M., San Francisco time, on such Eleventh District Cost of Funds Rate Interest Determination Date. If such rate does not appear on Reuters Page COFI/ARMS or Bloomberg Page ALLX COF, as the case may be, on such Eleventh District Cost of Funds Rate Interest Determination Date, then the Eleventh District Cost of Funds Rate on such Eleventh District Cost of Funds Rate Interest Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the “Index”) by the FHLB of San Francisco as such cost of funds for the calendar month immediately preceding such Eleventh District Cost of Funds Rate Interest Determination Date. If the FHLB of San Francisco fails to announce the Index on or prior to such Eleventh District Cost of Funds Rate Interest Determination Date for the calendar month immediately preceding such Eleventh District Cost of Funds Rate Interest Determination Date, the Eleventh District Cost of Funds Rate determined as of such Eleventh District Cost of Funds Rate Interest Determination Date will be the Eleventh District Cost of Funds Rate in effect on such Eleventh District Cost of Funds Rate Interest Determination Date.

EURIBOR. If an Interest Rate Basis for this Note is specified on the face hereof as EURIBOR, EURIBOR shall be determined as of the applicable Interest Determination Date (a “EURIBOR Interest Determination Date”) as (i) the rate for deposits in euros as sponsored, calculated and published jointly by the European Banking Federation and ACI - The Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, as that rate appears on Reuters (or any successor service) on page EURIBOR01, or any other page as may replace that specified page on that service (“Reuters Page EURIBOR01”) as of 11:00 A.M., Brussels time, on such EURIBOR Interest Determination Date, or (ii) if the rate referred to in clause

(i) does not appear on Reuters Page EURIBOR01, or is not so published by 11:00 A.M., Brussels time, on such EURIBOR Interest Determination Date, the rate calculated by the Calculation Agent as the arithmetic mean of at least two quotations obtained by the Calculation Agent after requesting the principal Euro-zone (as defined below) offices of four major reference banks in the Euro-zone interbank market to provide the Calculation Agent with its offered quotation for deposits in euros for the period of the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 A.M., Brussels time, on such EURIBOR Interest Determination Date and in a principal amount not less than the equivalent of U.S. \$1 million in euros that is representative for a single transaction in euro in that market at that time, or (iii) if fewer than two quotations referred to in clause (ii) are so provided, the rate on such EURIBOR Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates quoted at approximately 11:00 A.M., Brussels time, on such EURIBOR Interest Determination Date by four major banks in the Euro-zone for loans in euro to leading European banks, having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date and in a principal amount not less than the equivalent of U.S. \$1 million in euros that is representative for a single transaction in euros in that market at that time, or (iv) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (iii), EURIBOR in effect on such EURIBOR Interest Determination Date.

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on the European Union.

Federal Funds Rate. If an Interest Rate Basis for this Note is specified on the face hereof as the Federal Funds Rate, the Federal Funds Rate shall be determined as of the applicable Interest Determination Date (a “Federal Funds Rate Interest Determination Date”) in accordance with the following provisions:

(1) if “Federal Funds (Effective) Rate” is specified on the face hereof, the Federal Funds Rate determined as of the applicable Federal Funds Rate Interest Determination Date shall be:

(a) the rate on such date for United States dollar federal funds as published in H.15(519) under the heading “Federal funds (effective),” and that is displayed on Reuters, or any successor service, on page FEDFUNDS1 or any other page as may replace that specified page on that service (“Reuters Page FEDFUNDS1”) under the heading “EFFECT”, or

(b) if such rate does not appear on Reuters Page FEDFUNDS1 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate with respect to such Federal Funds Rate Interest Determination Date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, opposite the caption “Federal funds (effective)”, or

(c) if such rate does not appear on Reuters Page FEDFUNDS1 or is not so published in H.15(519), H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Federal Funds Rate Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York selected by the Calculation Agent, before 9:00 A.M., New York City time on such Federal Funds Rate Interest Determination Date, provided, however, that if the brokers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Federal Funds Rate determined as of such Federal Funds Rate Interest Determination Date will be the Federal Funds Rate in effect on such Federal Funds Rate Interest Determination Date.

(2) if “Federal Funds Open Rate” is specified on the face hereof, the Federal Funds Rate determined as of the applicable Federal Funds Rate Interest Determination Date shall be:

(a) the rate on such date under the heading “Federal Funds” for the Index Maturity specified on the face hereof and opposite the caption “Open” as such rate is displayed on Reuters, or any successor service, on page 5 or any other page as may replace that specified page on that service (“Reuters Page 5”), or

(b) if such rate does not appear on Reuters Page 5 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate with respect to such Federal Funds Rate Interest Determination Date displayed on the FFPREBON Index Page on the Bloomberg service, which is the Fed Funds Opening Rate as reported by Prebon Yamane (or its successor) on Bloomberg, or

(c) if such rate does not appear on the FFPREBON Index page on Bloomberg or another recognized electronic source or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Federal Funds Rate Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York selected by the Calculation Agent, before 9:00 A.M., New York City time on such Federal Funds Rate Interest Determination Date, provided, however, that if the brokers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Federal Funds Rate determined as of such Federal Funds Rate Interest Determination Date will be the Federal Funds Rate in effect on such Federal Funds Rate Interest Determination Date.

(3) if “Federal Funds Target Rate” is specified on the face hereof, the Federal Funds Rate determined as of the applicable Federal Funds Rate Interest Determination Date shall be:

(a) the rate on such date displayed on the FDTR Index Page on Bloomberg, or

(b) if such rate does not appear on the FDTR Index Page on Bloomberg or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate with respect to such Federal Funds Rate Interest Determination Date appearing on Reuters on page USFFTARGET= or any other page as may replace that specified page on that service (“Reuters Page USFFTARGET=“), or

(c) if such rate does not appear on Reuters Page USFFTARGET= or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Federal Funds Rate Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York selected by the Calculation Agent, before 9:00 A.M., New York City time, on such Federal Funds Rate Interest Determination Date, provided, however, that if the brokers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Federal Funds Rate determined as of such Federal Funds Rate Interest Determination Date will be the Federal Funds Rate in effect on such Federal Funds Rate Interest Determination Date.

LIBOR. If an Interest Rate Basis for this Note is specified on the face hereof as LIBOR, LIBOR shall be determined by the Calculation Agent as of the applicable Interest Determination Date (a “LIBOR Interest Determination Date”) in accordance with the following provisions:

(i) LIBOR will be the rate for deposits in the Designated LIBOR Currency having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, that appears on the Designated LIBOR Page (as defined below) as of 11:00 A.M., London time, on such LIBOR Interest Determination Date; or if no such rate so appears, LIBOR on such LIBOR Interest Determination Date will be determined in accordance with the provisions described in clause (ii) below.

(ii) With respect to a LIBOR Interest Determination Date on which no rate appears on the Designated LIBOR Page as specified in clause (i) above, or is not so published by 11:00 A.M., London time, the Calculation Agent shall request the principal London offices of each of four major reference banks in the London interbank market, as selected by the Calculation Agent, to provide the Calculation Agent with its offered quotation for deposits in the Designated LIBOR Currency for the period of the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date immediately following such Interest Determination Date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on such LIBOR Interest Determination Date and in a principal amount that is representative for a single transaction in the Designated LIBOR Currency in such market at such time. If at least two such quotations are so provided, then LIBOR on such LIBOR Interest Determination Date will be the arithmetic mean of such quotations.

If fewer than two such quotations are so provided, then LIBOR on such LIBOR Interest Determination Date as calculated by the Calculation Agent will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., London time, in the applicable Principal Financial Center, on such LIBOR Interest Determination Date by three major banks in such Principal Financial Center selected by the Calculation Agent for loans in the Designated LIBOR Currency to leading European banks, having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date immediately following such Interest Determination Date, and in a principal amount that is representative for a single transaction in the Designated LIBOR Currency in such market at such time; provided, however, that if the banks so selected by the Calculation Agent are not quoting as mentioned in this sentence, LIBOR determined as of such LIBOR Interest Determination Date shall be LIBOR in effect on such LIBOR Interest Determination Date.

“Designated LIBOR Currency” means the currency specified on the face hereof as to which LIBOR shall be calculated or, if no such currency is specified on the face hereof, United States dollars.

“Designated LIBOR Page” means (a) if “Reuters Page LIBOR01” or “LIBOR01” is specified on the face hereof, the display on Reuters (or any successor service) on page LIBOR01 or any page as may replace that specified page on that service, for the purpose of displaying the London interbank rates of major banks for the Designated LIBOR Currency, or (b) if “Reuters Page LIBOR02” or “LIBOR02” is specified on the face hereof, the display on Reuters (or any successor service) on page LIBOR02, or any page as may replace that specified page on that service, for the purpose of displaying the London interbank rates of major banks for the Designated LIBOR Currency.

Prime Rate. If an Interest Rate Basis for this Note is specified on the face hereof as the Prime Rate, the Prime Rate shall be determined as of the applicable Interest Determination Date (a “Prime Rate Interest Determination Date”) as the rate on such date as such rate is published in H.15(519) opposite the caption “Bank prime loan” or, if not published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Prime Rate Interest Determination Date published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying such rate, opposite the caption “Bank prime loan”, or if such rate is not so published in H.15(519), H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, the Prime Rate determined as of such Prime Rate Interest Determination Date shall be calculated by the Calculation Agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Page USPRIME1 (as defined below) as such bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on such Prime Rate Interest Determination Date. If fewer than four such rates so appear on the Reuters Page USPRIME1 by 3:00 P.M., New York City time, on the related Calculation Date, then the Prime Rate determined as of such Prime Rate Interest Determination Date shall be calculated by the Calculation Agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on such Prime Rate Interest Determination Date by three major banks in The City of New York selected by the Calculation Agent; provided, however, that if the banks so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Prime Rate determined as of such Prime Rate Interest Determination Date will be the Prime Rate in effect on such Prime Rate Interest Determination Date.

“Reuters Page USPRIME1” means the display on Reuters (or any successor service) on the page USPRIME1 (or any other page as may replace that specified page on that service) for the purpose of displaying prime rates or base lending rates of major United States banks.

Treasury Rate. If an Interest Rate Basis for this Note is specified on the face hereof as the Treasury Rate, the Treasury Rate shall be determined as of the applicable Interest Determination Date (a “Treasury Rate Interest Determination Date”) as the rate from the auction held on such Treasury Rate Interest Determination Date (the “Auction”) of direct obligations of the United States (“Treasury Bills”) having the Index Maturity specified on the face hereof under the caption “INVEST RATE” on the display on Reuters (or any successor service) on page USAUCTION 10, or any other page as may replace that specified page on that service (“Reuters Page USAUCTION 10”) or page USAUCTION 11, or any other page as may replace that specified page on that service (“Reuters Page USAUCTION 11”) or, if not so displayed on Reuters, as displayed on the Bloomberg service (or any successor service) on page AUCR 18 (or any other page as may replace that page on that service) or, if such rate not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of such Treasury Bills as announced by the United States Department of the Treasury. In the event that such auction rate is not so announced by the United States Department of Treasury on such Calculation Date, or if no such Auction is held, then the Treasury Rate determined as of such Treasury Rate Interest Determination Date shall be the Bond Equivalent Yield of the rate on such Treasury Rate Interest Determination Date of Treasury Bills having the Index Maturity specified on the face hereof published in H.15(519) under the caption “U.S. government securities/Treasury bills (secondary market)” or, if not yet published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Treasury Rate Interest Determination Date of such Treasury Bills published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “U.S. government securities/Treasury bills(secondary market).” If such rate is not yet published in H.15(519), H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, then the Treasury Rate determined as of such Treasury Rate Interest Determination Date shall be calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on such Treasury Rate Interest Determination Date, of three leading primary United States government securities dealers selected by the Calculation Agent, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified on the face hereof; provided, however, that if the dealers so selected by the Calculation Agent are not quoting as mentioned in this sentence, the Treasury Rate determined as of such Treasury Rate Interest Determination Date shall be the Treasury Rate in effect on such Treasury Rate Interest Determination Date.

“Bond Equivalent Yield” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where “D” refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal, N refers to 365 or 366, as the case may be, and “M” refers to the actual number of days in the applicable Interest Reset Period.

Any provision contained herein, including the determination of an Interest Rate Basis, the specification of an Interest Rate Basis, calculation of the interest rate applicable to this Note, its Interest Payment Dates or any other matter relating thereto may be modified as specified in an Addendum relating hereto if so specified above.

Notwithstanding the foregoing, the interest rate hereon shall not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, specified above. In addition to any maximum Interest Rate applicable hereto pursuant to the above provisions, the interest rate on this Note will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by the United States law of general application.

The Calculation Agent shall calculate the interest rate hereof in accordance with the foregoing on or before each Calculation Date. At the request of the Holder hereof, the Calculation Agent will provide to the Holder hereof the interest rate hereon then in effect and, if determined, the interest rate which will become effective as of the next Interest Reset Date.

The “Calculation Date”, if applicable, pertaining to any Interest Determination Date shall be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be. At the request of the Holder hereof, the Calculation Agent will provide to the Holder hereof the interest rate hereon then in effect and, if determined, the interest rate that will become effective as a result of a determination made for the next succeeding Interest Reset Date.

Accrued interest hereon shall be an amount calculated by multiplying the principal amount hereof by an accrued interest factor. Such accrued interest factor shall be computed by adding the interest factor calculated for each day in the applicable Interest Period. Unless otherwise specified as the Day Count Convention on the face hereof, the interest factor for each such date shall be computed by dividing the interest rate applicable to such day by 360 if the CD Rate, the Commercial Paper Rate, the Eleventh District Cost of Funds Rate, EURIBOR, the Federal Funds Rate, LIBOR or the Prime Rate is an applicable Interest Rate Basis or by the actual number of days in the year if the CMT Rate or the Treasury Rate is an applicable Interest Rate Basis. Unless otherwise specified as the Day Count Convention on the face hereof, the interest factor for this Note, if the interest rate is calculated with reference to two or more Interest Rate Bases, shall be calculated in each period in the same manner as if only the applicable Interest Rate Basis specified on the face hereof applied.

All percentages resulting from any calculation on this Note shall be rounded to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards (e.g., 9.876545% (or .09876545) would be rounded to 9.87655% (or .0987655)), and all amounts used in or resulting from such calculation on this Note shall be rounded, in the case of United States dollars, to the nearest cent or, in the case of a foreign currency, to the nearest unit (with one-half cent or unit being rounded upwards).

If an Event of Default shall occur and be continuing, the principal of the Notes may be accelerated in the manner and with the effect provided in the Indenture.

The Indenture permits the amendment thereof for specified purposes, including, among other things, curing ambiguities and correcting inconsistencies, by the Company and the Trustee without the consent of the Holders. The Indenture also permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of any series of Debt Securities to be adversely affected thereby at any time by the Company and the Trustee with the consent of the Holders of a majority in aggregate principal amount of each series of Debt Securities at the time outstanding, adversely affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the outstanding Debt Securities of each series, on behalf of the Holders of Debt Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay principal, premium, if any, and interest in respect of this Note at the times, places and rate or formula, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note may be registered on the Security Register of the Company upon surrender of this Note for registration of transfer at the office or agency of the Company in the Borough of Manhattan, The City of New York, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or by his attorney duly authorized in writing, and thereupon one or more new Notes of Authorized Denominations and for the same aggregate principal amount with the same terms and provisions, will be issued by the Company to the designated transferee or transferees.

The Notes are issuable only in registered form without coupons and, if payable in U.S. dollars, only in denominations of U.S.\$1,000 and any integral multiple of U.S.\$1,000. As provided in the Indenture and subject to certain limitations therein set forth, Notes of this series are exchangeable for a like aggregate principal amount of Notes of this series of a different denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Holder as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary, except as required by law.

THE INDENTURE AND THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES.

Capitalized terms used herein without definition which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common UNIF GIFT MIN ACT - _____ Custodian _____
TEN ENT - as tenants by the entireties (Cust) (Minor)
JT TEN - as joint tenants with right of under Uniform Gifts to Minors
survivorship and not as tenants Act _____
in common (State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR
OTHER
IDENTIFYING NUMBER OF ASSIGNEE

--	--

(Please print or typewrite name and address including postal zip code of assignee)

this Note and all rights thereunder hereby irrevocably constituting and appointing

_____ Attorney
to transfer this Note on the books of the Company, with full power of substitution in the premises.

Dated: _____

Notice: The signature(s) on this Assignment must correspond with the name(s) as
written upon the face of this Note in every particular, without alteration or
enlargement or any change whatsoever.

[OPTION TO ELECT REPAYMENT]

The undersigned hereby irrevocably request(s) and instruct(s) the Company to repay this Note (or portion hereof specified below) pursuant to its terms at a price equal to 100% of the principal amount to be repaid, together with unpaid interest accrued hereon to the Repayment Date, to the undersigned,

at _____

(Please print or typewrite name and address of the undersigned)

For this Note to be repaid, the Trustee must receive at its corporate trust office in the Borough of Manhattan, The City of New York, currently located at 101 Barclay Street, New York, New York 10286

not more than 60 nor less than 30 calendar days prior to the Repayment Date, this Note with this "Option to Elect Repayment" form duly completed.

If less than the entire principal amount of this Note is to be repaid, specify the portion hereof (which shall be increments of U.S.\$1,000, provided that any remaining principal amount shall be at least U.S.\$1,000 unless otherwise specified in the Note) which the Holder elects to have repaid and specify the denomination or denominations (which shall be U.S.\$1,000 or an integral multiple thereof) of the Notes to be issued to the Holder for the portion of this Note not being repaid (in the absence of any such specification, one such Note will be issued for the portion not being repaid).

Principal Amount
to be Repaid: \$ _____

Date: _____

Notice: The signature(s) on
this Option to Elect Repayment
must correspond with the name(s) as written upon the face of this Note in every
particular, without alteration or enlargement or any change whatsoever.

July 26, 2012

Colgate-Palmolive Company
300 Park Avenue
New York, New York 10022

Re: Colgate-Palmolive Company
Registration Statement on Form S-3 (Registration No. 333-177551)

Ladies and Gentlemen:

At your request, we have examined the Registration Statement on Form S-3 (Registration No. 333-177551) (such registration statement, as amended to the date hereof, including the documents incorporated by reference therein, the "Registration Statement") in the form filed with the Securities and Exchange Commission (the "Commission") relating to the registration under the Securities Act of 1933, as amended (the "Act"), of debt securities (the "Debt Securities") of Colgate-Palmolive Company, a Delaware corporation (the "Company"). The Debt Securities (including the Company's Medium-Term Notes, Series H, Due One Year or More from Date of Issue (the "Notes")), are to be issued from time to time under an Indenture, dated as of November 15, 1992 (the "Indenture"), between the Company and The Bank of New York Mellon (formerly known as The Bank of New York), as trustee, which is incorporated by reference as an exhibit to the Registration Statement. The Notes are to be issued in substantially the forms filed or to be filed as exhibits to the Registration Statement (with maturities, interest rates and other terms of the Notes appropriately filled in). We have examined the Registration Statement and such other instruments, documents, and records which we deemed relevant and necessary for the basis of our opinion hereinafter expressed. In such examination, we have assumed the following: (a) the authenticity of original documents and the genuineness of all signatures; (b) the conformity to the originals of all documents submitted to us as copies; and (c) the truth, accuracy and completeness of the information, representations and warranties contained in the records, documents, instruments and certificates we have reviewed.

Based on such examination, we are of the opinion that the Notes, when the issuance thereof has been duly authorized by appropriate corporate action of the Company, and when such Notes have been duly completed, executed, authenticated and delivered in accordance with the Indenture and sold as contemplated by the Registration Statement, any amendment thereto, the prospectus and any prospectus supplement and pricing supplement relating thereto and the agreed consideration therefor has been received by the Company, will constitute valid and binding obligations of the Company, enforceable in accordance with their terms.

With respect to enforcement, the above opinion is qualified to the extent that enforcement of the Indenture and the Notes may be limited by applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith), provided that we express no opinion as to the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law on the conclusions expressed above. We have assumed that none of the terms of any Note to be established subsequent to the date hereof, nor the issuance and delivery of such Note, nor the compliance by the Company with the terms of such Note will violate any applicable law or public policy or will result in a violation of any provision of any instrument or agreement then binding upon the Company, or any restriction imposed by any court or governmental body having jurisdiction over the Company. We note further that enforcement of any Notes denominated in a currency or currency unit other than United States dollars may be limited by requirements that a claim (or foreign currency judgment in respect of such claim) be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law.

The foregoing opinion is limited to matters arising under the laws of the State of New York and the General Corporation Law of the State of Delaware. We hereby consent to the filing of this opinion as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 and the incorporation by reference of this opinion as an exhibit to the above-referenced Registration Statement and to the use of our name wherever it appears in the Registration Statement and any amendment thereto. In addition, if a prospectus supplement or pricing supplement relating to the offer and sale of any particular Note or Notes is prepared and filed by the Company with the Commission on a future date and the prospectus supplement or pricing supplement contains our opinion and a reference to us substantially in the form set forth below, this consent shall apply to our opinion and the reference to us in substantially such form:

“In the opinion of Sidley Austin LLP, as counsel to the Company, when the notes offered by this prospectus supplement have been executed and issued by the Company and authenticated by the trustee pursuant to the indenture, and delivered against payment as contemplated herein, such notes will be valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors’ rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith), provided that such counsel expresses no opinion as to the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law on the conclusions expressed above. This opinion is given as of the date hereof and is limited to the Federal laws of the United States, the laws of the State of New York and the General Corporation Law of the State of Delaware as in effect on the date hereof. In addition, this opinion is subject to customary assumptions about the genuineness of signatures and certain factual matters, all as stated in the letter of such counsel dated July 26, 2012, which has been filed as an exhibit to the Company’s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on July 26, 2012 and incorporated by reference as Exhibit 5.1 to the Company’s registration statement on Form S-3. [This opinion is also subject to the discussion, as stated in such letter, of the enforcement of notes denominated in a foreign currency or currency unit.]

In giving this consent, we do not thereby admit that we are within the category of persons whose consent is required by Section 7 of the Act.

Very truly yours,

/s/ Sidley Austin LLP

Amendment, dated May 11, 2012, to the**Colgate-Palmolive Company 2005 Non-Employee Director Stock Option Plan**

At a meeting held on May 11, 2012, the Board of Directors of Colgate-Palmolive Company determined to amend the Colgate-Palmolive Company 2005 Non-Employee Director Stock Option Plan to reduce the annual stock option award granted to non-employee directors and approved the following resolutions:

RESOLVED, that pursuant to Section 7 of the Colgate-Palmolive Company 2005 Non-Employee Director Stock Option Plan (the "Plan") and subject to the limitations set forth therein, the Board hereby amends the Plan as follows:

RESOLVED, that the first sentence of Section 5(a) of the Plan be and hereby is amended so that as amended it shall read in full as follows:

Each Non-Employee Director shall, on each first business day following the date of the Company's annual meeting of stockholders or, if such date does not fall within a window period, the first day of the first window period to occur after the Company's annual meeting of stockholders, automatically be granted a Stock Option to purchase 3,500 shares of Common Stock (the "Annual Grant Amount") having an exercise price of 100% of the Fair Market Value of the Common Stock on the date of grant of such Stock Option.

; and be it further

RESOLVED, that the Chairman, President and Chief Executive Officer, the Chief Financial Officer, the Chief Legal Officer and Secretary, the Senior Vice President, Global Human Resources, the Vice President and Corporate Treasurer, the Vice President and Corporate Controller and such other officers and employees of the Company as any of them may designate in writing (the "Authorized Officers") be, and each of them hereby is, authorized, in the name and on behalf of the Company and any subsidiary thereof, to take all such further action as may be necessary or advisable to effectuate the intent and purposes of the foregoing resolutions; and be it further

RESOLVED, that the Secretary of the Company is hereby instructed to preserve with the minutes of this meeting a copy of the Plan amendments approved by this meeting.

Amendment, dated May 11, 2012, to the**Colgate-Palmolive Company 2007 Stock Plan for Non-Employee Directors**

At a meeting held on May 11, 2012, the Board of Directors of Colgate-Palmolive Company determined to amend the Colgate-Palmolive Company 2007 Stock Plan for Non-Employee Directors to reduce the annual stock award granted to non-employee directors and approved the following resolutions:

RESOLVED, that pursuant to Section 4(b) of the Colgate-Palmolive Company 2007 Stock Plan for Non-Employee Directors (the "Plan") and subject to the limitations set forth therein, the Board hereby amends the Plan as follows:

RESOLVED, that the first sentence of Section 5(a) of the Plan be and hereby is amended so that as amended it shall read in full as follows:

Each Non-Employee Director shall receive compensation at the rate of 2,200 shares of Common Stock per full calendar year of service on the Board.

; and be it further

RESOLVED, that the last sentence of Section 8 of the Plan be and hereby is amended so that as amended it shall read in full as follows:

The amount of cash received pursuant to a Cash Election shall be equal to the price at which the Common Stock was last sold as reported on the New York Stock Exchange composite tape (the "Fair Market Value" of a Share) on the day shares are paid under Section 5 hereof multiplied by the amount of shares set forth in the Cash Election.

; and be it further

RESOLVED, that the Chairman, President and Chief Executive Officer, the Chief Financial Officer, the Chief Legal Officer and Secretary, the Senior Vice President, Global Human Resources, the Vice President and Corporate Treasurer, the Vice President and Corporate Controller and such other officers and employees of the Company as any of them may designate in writing (the "Authorized Officers") be, and each of them hereby is, authorized, in the name and on behalf of the Company and any subsidiary thereof, to take all such further action as may be necessary or advisable to effectuate the intent and purposes of the foregoing resolutions

; and be it further

RESOLVED, that the Secretary of the Company is hereby instructed to preserve with the minutes of this meeting a copy of the Plan amendments approved by this meeting.

COLGATE-PALMOLIVE COMPANY

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

*(Dollars in Millions Except as Indicated)***(Unaudited)**

	Six Months Ended June 30, 2012
Earnings:	
Income before income taxes	\$ 1,904
Add:	
Interest on indebtedness and amortization of debt expense and discount or premium	26
Portion of rents representative of interest factor	41
Less:	
Gain on equity investments	(4)
Income as adjusted	\$ 1,967
Fixed Charges:	
Interest on indebtedness and amortization of debt expense and discount or premium	\$ 26
Portion of rents representative of interest factor	41
Capitalized interest	1
Total Fixed Charges	\$ 68
Ratio of earnings to fixed charges	28.9

I, Ian Cook, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Colgate-Palmolive Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 26, 2012

/s/ Ian Cook

Ian Cook
Chairman of the Board, President and
Chief Executive Officer

I, Dennis J. Hickey, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Colgate-Palmolive Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 26, 2012

/s/ Dennis J. Hickey

Dennis J. Hickey
Chief Financial Officer

The undersigned Chairman of the Board, President and Chief Executive Officer and Chief Financial Officer of Colgate-Palmolive Company each certify, pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. § 1350, that:

- (1) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2012 (the "Periodic Report") which this statement accompanies fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
- (2) information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of Colgate-Palmolive Company.

Date: July 26, 2012

/s/ Ian Cook

Ian Cook
Chairman of the Board, President and
Chief Executive Officer

/s/ Dennis J. Hickey

Dennis J. Hickey
Chief Financial Officer