

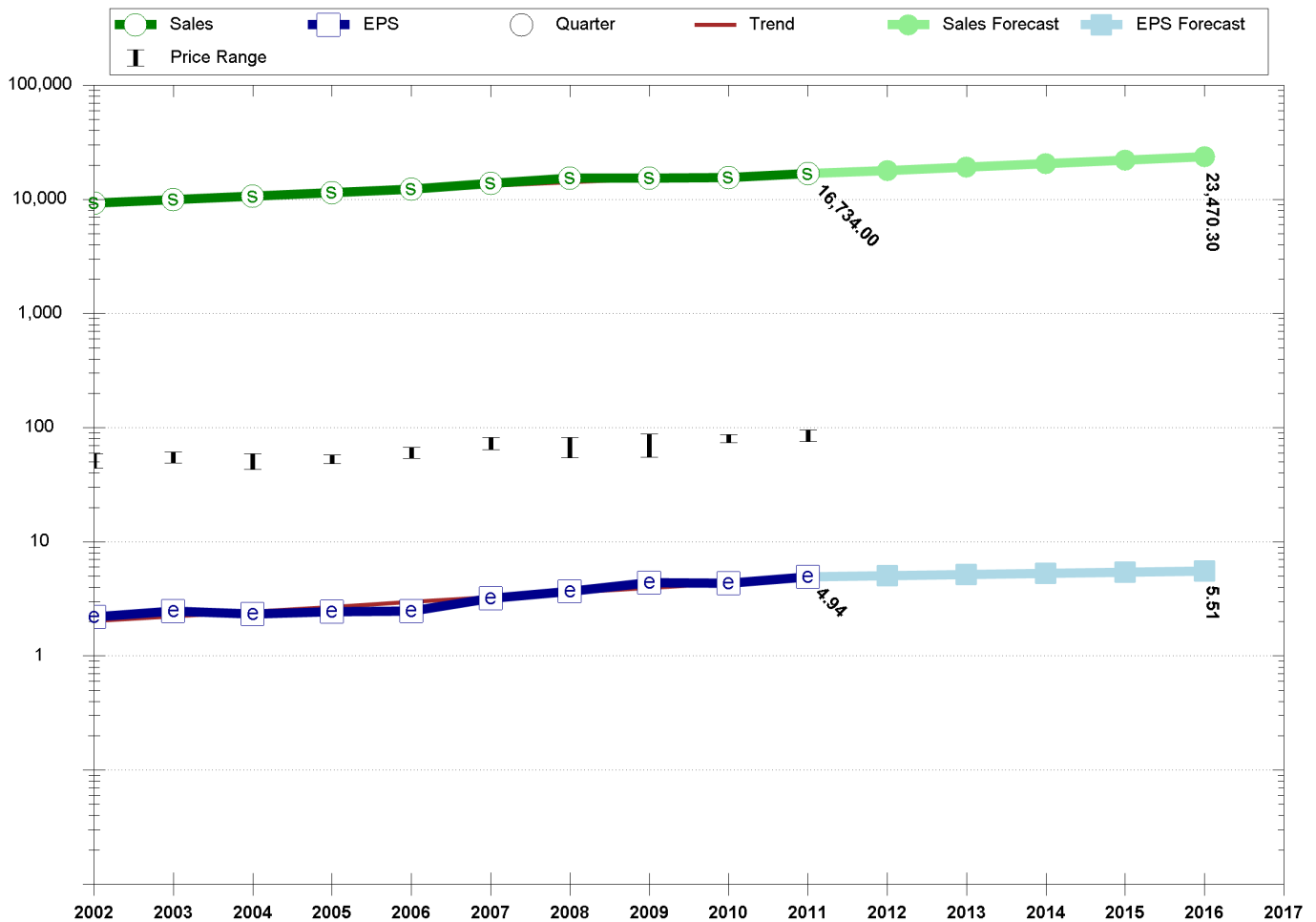
Company	Colgate-Palmolive Co			Date	2/15/2012
Prepared by	Poy			Data taken from	BI Stock Data
Where traded	NYSE	Industry	Household & Personal Products		
Capitalization --- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	483.5	2.2	76.3		
Debt (\$M)	4,810.0	% to Tot Cap	66.9	% Pot Dil	0.9

Stock Selection Guide

Symbol: CL

1 VISUAL ANALYSIS of Sales, Earnings, and Price

FY2011 Quarter Ending (12/11)	Sales (\$M)	Earnings Per Share
Latest Quarter	4,172.0	1.21
Year Ago Quarter	3,978.0	1.24
Percentage Change	4.88%	-2.42%



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|-----------------------------------|-------|--|-------|
| (1) Historical Sales Growth | 7.1% | (3) Historical Earnings Per Share Growth | 10.1% |
| (2) Estimated Future Sales Growth | 7.00% | (4) Estimated Future Earnings Per Share Growth | 2.20% |

2 EVALUATING Management

Colgate-Palmolive Co

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Last 5 Year Avg.
Pre-tax Profit on Sales (Net Before Taxes/Sales)	20.12%	21.22%	19.56%	18.24%	17.61%	18.51%	19.08%	23.08%	22.04%	22.64%	21.07%
% Earned on Equity (E/S / Book Value)	4,319.53 %	222.42%	127.20%	114.82%	106.48%	78.10%	106.04%	73.28%	79.74%	89.65%	85.36%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

PRESENT PRICE 92.2

HIGH THIS YEAR 94.89

LOW THIS YEAR 76.39

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
1 2007	81.27	64.16	3.20	25.40	20.05	1.400	43.75	2.18
2 2008	81.98	54.36	3.66	22.40	14.85	1.560	42.62	2.87
3 2009	87.39	54.51	4.37	20.00	12.47	1.720	39.36	3.16
4 2010	86.15	73.12	4.31	19.99	16.97	2.030	47.10	2.78
5 2011	94.89	74.86	4.94	19.21	15.15	2.270	45.95	3.03
6 TOTAL		321.0		107.0	79.5		218.8	
7 AVERAGE		64.2		21.4	15.9		43.8	
8 AVERAGE PRICE EARNINGS RATIO 18.6					9 CURRENT PRICE EARNINGS RATIO 18.7			

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 20.00 X Estimate High Earnings/Share 5.50 = Forecasted High Price \$ 110.00

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 15.90 X Estimate Low Earnings/Share 4.94 = Forecasted Low Price \$ 78.55

(b) Avg. Low Price of Last 5 Years 64.20

(c) Recent Market Low Price 73.12

(d) Price Dividend Will Support $\frac{\text{Present Dividend}}{\text{High Yield}} = \frac{2.320}{3.00\%} = 77.33$

Selected Forecasted Low Price 73.12

C ZONING using 33%-33%-33%

Forecasted High Price 110.00 Minus Forecasted Low Price 73.12 = 36.88 Range. 33% of Range 12.29

Buy Zone 73.12 to 85.41

Hold Zone 85.41 to 97.71

Sell Zone 97.71 to 110.00

Present Market Price of 92.16 is in the **Hold** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price} - \text{Low Price}} = \frac{110.00 - 92.16}{92.16 - 73.12} = \frac{17.84}{19.04} = 0.94$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price}}{\text{Present Market Price}} = \frac{110.00}{92.16} = 1.19$ X 100 = 119.36 - 100 = 19.36 % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Present Full Year's Dividend \$}}{\text{Present Price of Stock}} = \frac{2.320}{92.16} = 0.03 = 2.52\%$ Present Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{43.76\%}{20.00} = 2.19\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 3.60 %

Average Yield 2.19 %

Annualized Rate of Return 5.79 %