ECOLAB

PRESS RELEASES

Apr 21, 1997

Ecolab Reports 33% Earnings Per Share Gain, Record Results For First Quarter 1997

1997 FIRST QUARTER HIGHLIGHTS:

- **Record earnings per share +33% to $0.40**
- **Record earnings +33% to $26 million**
- **Record sales +12% to $374 million**
- **Strong domestic Institutional and Food & Beverage sales and profits lead growth**

(Millions, except per share)	First Quarter Ended March 31 1997	1996	% Increase
Net Sales	$373.8	$333.7	12%
Operating Income	$ 43.4	$ 33.8	28%
Pretax Income	$ 40.4	$ 30.4	33%
Taxes	16.5	12.3	36
Earnings from Joint Venture	2.3	1.5	61
Net Income	$ 26.2	$ 19.6	33%
Net Income Per Share	$ 0.40	$ 0.30	33%
Average Shares Outstanding	64.8	64.6	--%

ST. PAUL, Minn., April 21, 1997: Strong trends in its domestic Institutional and Food & Beverage businesses as well as a comparison against last year's weather-affected period caused Ecolab earnings to soar 33% to a record $0.40 per share in the first quarter ended March 31, 1997.

Ecolab's consolidated sales increased 12% to a record $374 million in 1997's first quarter. Net income rose 33% to a record $26 million, or $0.40 per share, reflecting the higher volume, cost efficiencies and improved sales mix.

Commenting on the quarter, Allan L. Schuman, Ecolab's President and Chief Executive Officer said, "The strength in our domestic Institutional and Food & Beverage businesses reflects healthy conditions in our major markets and the investments we have made in these businesses. In addition, the quarter benefited from a favorable comparison against last year, when severe winter weather hurt results for customers of those businesses. International results were good, more than offsetting the unfavorable foreign exchange movement, and the joint venture showed a very good earnings gain.

"We are optimistic regarding the balance of the year. With favorable trends in our end markets, a major expansion of our large and productive sales-and-service force, another year of strong new product introductions, and ongoing strategic development to broaden product offerings to our large customer base, we expect further earnings gains over the remaining quarters, though clearly not at the unusually strong rate shown by our first quarter results. We remain committed to our objectives to expand our range of products and services to our customers and enhance the value of our offerings to them. To support these objectives, we will make major investments in all aspects of our business in 1997 to ensure we develop the products, people, businesses and systems to enable us to continue to provide superior service to our customers and maintain our above-average growth trend through the years ahead. We are off to a great start, and we are well on our way to another year of record results."

First quarter sales for Ecolab's domestic operations rose 14% over last year to $291 million. Institutional, Food & Beverage and Professional Products led the growth. Food & Beverage sales benefited from the August 1996 acquisition of Monarch and Professional Products' sales included the February 1996 acquisition of Huntington Laboratories. U.S. operating income rose 27% to $38 million, reflecting cost controls and an improved sales mix.

Ecolab's international sales rose 6% to $83 million in the first quarter; in local currencies, sales rose 10%. Aggressive new account and new product sales more than offset the negative effects of changes in currency translation and led the results. Operating income rose 34% to $6 million.

Joint venture earnings are included in the financial statements using the equity method of accounting. Sales continue to reflect difficult conditions in Europe's janitorial and food and beverage markets. When measured in deutsche marks, Henkel-Ecolab sales increased 7%. When translated into U.S. dollars, joint venture sales comparisons suffered from the stronger U.S. dollar and decreased 3% to $210 million compared with $217 million in the first quarter of last year. Ecolab's equity in the earnings of the Henkel-Ecolab joint venture was $2.3 million compared with $1.5 million in the first quarter of last year. The joint venture benefited from restructuring efforts undertaken in 1996 and continued cost controls.

In May 1995, Ecolab announced a 6 million share repurchase program. As part of that program, Ecolab purchased 3.5 million shares in June 1995 under a "Dutch auction" self-tender offer. At March 31, 1997 there were approximately 2.4 million shares remaining under the existing repurchase authorization. Additionally, consistent with its longstanding practice, Ecolab has acquired shares under its systematic repurchase program to fund employee benefit plans. During the first quarter, approximately 230,000 shares were purchased under these programs. The company intends to continue making purchases from time to time in open market and privately negotiated transactions.

Ecolab is the leading global developer and marketer of premium cleaning, sanitizing and maintenance products and services for the hospitality, institutional and industrial markets. For the year ended December 31, 1996, Ecolab reported sales of $1.5 billion; including European joint venture sales of $0.9 billion, Ecolab's global sales coverage was $2.4 billion. Ecolab shares are traded on the New York Stock Exchange and the Pacific Exchange under the symbol ECL.

Ecolab news releases and other investor information are available on the Internet at http://www.ecolab.com; and by telephone at 1-800-FACT-ECL.

ECOLAB INC.

CONSOLIDATED STATEMENT OF INCOME

FIRST QUARTER ENDED MARCH 31, 1997

(Unaudited)

(thousands, except per share)	**1997**	1996
Net Sales		
United States	**$290,703**	$255,695
International	**83,057**	78,025
Total	**373,760**	333,720
Cost of Sales	**165,726**	152,589
Selling, General and		
Administrative Expenses	**164,604**	147,333
Operating Income		
United States	**38,441**	30,154
International	**5,870**	4,378
Corporate	**(881)**	(734)
Total	**43,430**	33,798
Interest Expense, Net	**2,998**	3,440
Income Before Income Taxes		
And Equity in Earnings of		
Joint Venture	**40,432**	30,358
Provision for Income Taxes	**16,577**	12,171
Equity in Earnings of Henkel-Ecolab		
Joint Venture	**2,349**	1,458
Net Income	**$ 26,204**	$ 19,645
Net Income Per Common Share	**$ 0.40**	$ 0.30
Average Common Shares Outstanding	**64,774**	64,590

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