PRESS RELEASES

Jul 22, 1999

Ecolab Reports 14% Earnings Per Share Gain, Record Results For Second Quarter 1999

1999 SECOND QUARTER HIGHLIGHTS:

- Record earnings per share +14% to $0.32 - Record earnings +15% to $43 million - Record sales +11% to $520 million - Strong domestic sales and profits lead growth - Eighteenth consecutive quarter of double-digit EPS growth

	1999			
(Millions, except per share)	Second Quarter	% Increase	Six Months	% Increase
Net Sales	$520	11%	$ 1,010	12%
Operating Income	$72	13%	$134	4%
Pretax Income	$65	12%	$122	14%
Taxes	27	10	51	13
Earnings from Henkel-Ecolab	5	24	7	8
Net Income	$43	15%	$78	15%
Diluted Net Income Per Share	$0.32	14%	$0.58	14%
Diluted Average Shares Outstanding	134.7	1%	134.7	1%

ST. PAUL, Minn., July 22, 1999: Continued strong trends from the major domestic businesses, sustained improvement in its Asia Pacific operations and a rebound in the earnings of the Henkel-Ecolab joint venture led Ecolab's second quarter as diluted earnings per share increased 14% to a record $0.32 for the period ended June 30, 1999.

Ecolab's consolidated sales increased 11% to a record $520 million in 1999's second quarter. Net income rose 15% to a record $43 million, reflecting the higher sales volume, cost efficiencies and favorable sales mix. Commenting on the quarter, Allan L. Schuman, Ecolab's President and Chief Executive Officer said, "The second quarter maintained the strong fundamental trends in our domestic businesses as they once again delivered excellent results, rising a robust 15%. These businesses enjoyed the benefits of our strong sales and service culture, our successful new product and acquisition strategies for growth and a good economic environment. Asia Pacific operations also continued to show good results in the quarter reflecting tight cost controls and moderate improvements in some Asian markets. In addition, our Henkel-Ecolab joint venture recorded a strong gain in the quarter, as generally good business levels and a rebound in orders from major distributors helped results.

"We believe we are well underway to achieve yet another record year in 1999. Our domestic business continues to show sustained growth, with its good market trends bolstered by the rollout of new products, services and an expanded sales and service force. Our international operations, especially Asia Pacific, have done well given the economic conditions they face, and we look for further progress in the second half. Moreover, we continue to build for the future, investing in new markets and technologies to broaden our offerings to better serve customer needs and, more importantly, to better protect their very valuable brand names and reputations. Around the clock, around the world, Ecolab continues to be the leader in premium cleaning and sanitizing products and services to our customers, and we are determined to build on and aggressively grow our business franchise."

Second quarter sales for Ecolab's United States Cleaning and Sanitizing operations rose 10% over the second quarter of 1998 to $358 million, led by double-digit gains in Food & Beverage operations and a strong performance by Institutional. United States Cleaning and Sanitizing operating income rose 9% to $58 million.

United States Other Services sales increased 53% to $53 million in the second quarter. Excluding the results of GCS, which was acquired in July 1998, sales rose 12%. Operating income grew 30% to $6 million; excluding GCS, operating income increased 26%. Sales and profits benefited from a very strong performance by Pest Elimination.

Sales of Ecolab's International Cleaning and Sanitizing operations rose 3% in the second quarter when measured at fixed currency rates. In Asia Pacific, aggressive new account development and new product sales served to more than offset poor general economic trends. Latin American sales increased at a modest rate, as Brazil's economic

weakness was more than offset by strong results primarily from Mexico. Fixed currency operating income rose 24% to $9 million. The income improvement was due to Asia Pacific, where higher sales volumes and cost controls benefited margins and offset Latin American profit declines.

Earnings of the Henkel-Ecolab joint venture are included in the financial statements using the equity method of accounting. Henkel-Ecolab sales growth improved in the second quarter, reflecting better economic conditions in Europe and a pick up in distributor orders during the quarter. When measured in fixed currencies, Henkel-Ecolab sales increased 6%. When translated into U.S. dollars, joint venture sales increased 5% to $235 million compared with $223 million in the second quarter of last year. Ecolab's equity in the earnings of the Henkel-Ecolab joint venture increased 24% to $4.8 million compared with $3.8 million in the second quarter of last year due to the sales volume gain.

Ecolab reacquired 267,500 shares of its common stock during the second quarter under its two authorized share repurchase programs. Under one plan, Ecolab reacquires shares to fund current share needs for employee incentive and benefit plans. During any fiscal quarter, the number of shares reacquired is not intended to exceed approximate plan needs for such quarter. Under a second program, established in 1995, Ecolab reacquires shares for general corporate purposes, including certain acquisitions; as of June 30, 1999, approximately 3.4 million shares remained authorized under this plan. The company anticipates that it will continue to periodically reacquire shares under these two programs.

Ecolab is the leading global developer and marketer of premium cleaning, sanitizing, maintenance and pest elimination products and services for the hospitality, institutional and industrial markets. For the year ended December 31, 1998, Ecolab reported sales of $1.9 billion; including European joint venture sales of $0.9 billion, Ecolab's global sales coverage was $2.8 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.

This news release contains various "Forward-Looking Statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements, which represent Ecolab's expectations or beliefs concerning various future events, are based on current expectations that involve a number of risks and uncertainties that could cause actual results to differ materially from those of such Forward-Looking Statements. Readers are referred to the Company's statement entitled "Forward-Looking Statements and Risk Factors" which is contained in the Company's Form 10-K for the year ended December 31, 1998, for further discussion of risk factors. Additional risk factors may be described from time to time in Ecolab's filings with the Securities and Exchange Commission.

ECOLAB INC.
CONSOLIDATED STATEMENT OF INCOME
SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 1999
(unaudited)

	Second Quarter		Six Months	
(thousands, except per share)	1999	1998	1999	1998
Net Sales	$520,416	$468,460	$1,009,720	$904,822
Cost of Sales	234,725	210,116	455,150	406,025
Selling, General and Administrative Expenses	213,949	194,604	420,565	381,337
Operating Income	71,742	63,740	134,005	117,460
Interest Expense, Net	6,209	5,400	11,959	10,806
Income Before Income Taxes and Equity in Earnings of Henkel-Ecolab	65,533	58,340	122,046	6,654
Provision for Income Taxes	26,905	24,475	50,527	44,764
Equity in Earnings of Henkel-Ecolab Joint Venture	4,756	3,824	6,903	6,387
Net Income	$43,384	$37,689	$78,422	$68,277
Net Income Per Common Share				
Basic	$0.33	$0.29	$0.61	$0.53
Diluted	$0.32	$0.28	$0.58	$0.51
Weighted-Average Common Share Outstanding				
Basic	129,596	128,667	129,567	128,813
Diluted	134,666	133,803	134,653	133,871

ECOLAB INC. OPERATING SEGMENT INFORMATION SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 1999 (unaudited)

Second Quarter Six Months (thousands) 1999 1998 1999 1998

Net Sales United States Cleaning & Sanitizing $ 358,272 $ 324,347 $ 695,094 $ 627,782 Other Services 53,313 34,907 100,641 64,086 Total 411,585 359,254 795,735 691,868 International Cleaning and Sanitizing 108,279 105,137 211,038 203,073 Effect of Foreign Currency Translation 552 4,069 2,947 9,881 Consolidated $ 520,416 $ 468,460 $1,009,720 $ 904,822

Operating Income United States Cleaning & Sanitizing $ 57,558 $ 52,644 $ 108,421 $ 97,250 Other Services 6,149 4,725 10,700 7,655 Total 63,707 57,369 119,121 104,905 International Cleaning and Sanitizing 9,160 7,380 16,778 13,578 Corporate (1,234) (1,479) (2,333) (2,389) Effect of Foreign Currency Translation 109 470 439 1,366 Consolidated $ 71,742 $ 63,740 $ 134,005 $ 117,460

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