

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

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 1999
OR
[] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
COMMISSION FILE NUMBER 1-10585

CHURCH & DWIGHT CO., INC.

(Exact name of registrant as specified in its charter)

INCORPORATED IN DELAWARE

I.R.S. EMPLOYER IDENTIFICATION NO. 13-4996950

469 NORTH HARRISON STREET, PRINCETON, NEW JERSEY
(Address of principal executive offices)

08543-5297
(Zip Code)

Registrant's telephone number, including area code: (609) 683-5900

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Stock, \$1 par value	New York Stock Exchange
Preferred Stock Purchase Rights	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None

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 and (2) has been subject to such filing requirements for the past 90 days.

Yes X No .

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. []

As of March 17, 2000, 36,650,566 shares of Common Stock held by non-affiliates were outstanding with an aggregate market value of approximately \$561 million. The aggregate market value is based on the closing price of such stock on the New York Stock Exchange on March 17, 2000.

As of March 17, 2000, 38,339,004 shares of Common Stock were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

PARTS II AND IV

Portions of registrant's 1999 Annual Report

to Stockholders.

PART III

Portions of registrant's Proxy Statement for
the Annual of Stockholders to be held on
May 11, 2000.

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PART I

ITEM 1. BUSINESS.

The Company was founded in 1846 and is the world's leading producer of sodium bicarbonate, popularly known as baking soda, a versatile chemical which performs a broad range of functions such as cleaning, deodorizing, leavening and buffering. The Company specializes in sodium bicarbonate and sodium bicarbonate-based products, along with other products which use the same raw materials or technology or are sold into the same markets.

The Company sells its products, primarily under the ARM & HAMMER(R) trademark, to consumers through supermarkets, drug stores and mass merchandisers; and to industrial customers and distributors. ARM & HAMMER is the registered trademark for a line of consumer products which includes ARM & HAMMER Baking Soda, ARM & HAMMER DENTAL CARE(R) Dentifrices and ARM & HAMMER

DENTAL CARE Gum, ARM & HAMMER Carpet Deodorizer, ARM & HAMMER Deodorizing Air Freshener, ARM & HAMMER Powder and Liquid Laundry Detergent, ARM & HAMMER SUPER SCOOP(R) and ARM & HAMMER SUPER STOP(R) Cat Litter and ARM & HAMMER Deodorant Anti-Perspirant with Baking Soda. The ARM & HAMMER trademark is also used for a line of chemical products, the most important of which are sodium bicarbonate, ammonium bicarbonate, sodium sesquicarbonate, ARM & HAMMER MEGALAC(R) Rumen Bypass Fat and ARMEX(R) Blast Media. The Company also owns BRILLO(R) Soap Pads and other consumer products. In 1999, consumer products represented approximately 80% and specialty products 20% of the Company's sales. Approximately 89% of the Company's sales revenues are derived from sales in the United States.

CONSUMER PRODUCTS

PRINCIPAL PRODUCTS

The Company's founders first marketed baking soda in 1846 for use in home baking. The ARM & HAMMER trademark was adopted in 1867. Today, this product is known for a wide variety of uses in the home, including as a refrigerator and freezer deodorizer, scratchless cleaner and deodorizer for kitchen surfaces and cooking appliances, bath additive, dentifrice, cat litter deodorizer, and swimming pool pH stabilizer. The Company estimates that a majority of U.S. households have a box of baking soda on hand. Although no longer the Company's largest single business, ARM & HAMMER Baking Soda remains the leading brand of baking soda in terms of consumer recognition of the brand name and its reputation for quality and value.

The deodorizing properties of baking soda have since led to the development of several other household products; ARM & HAMMER Carpet Deodorizer and ARM & HAMMER Deodorizing Air Freshener are both available in a variety of fragrances. In 1992, the Company launched ARM & HAMMER Cat Litter Deodorizer, a scented baking soda product targeted to cat-owning households and veterinarians. During the fourth quarter of 1997, the Company introduced nationally ARM & HAMMER SUPER SCOOP(R), The Baking Soda Clumping Litter, which competes in the fast-growing clumping segment of the cat litter market. Following its success, the Company launched ARM & HAMMER SUPER STOP(R) Clay Litter in late 1999.

The Company's largest consumer business today, measured by sales volume, is in the laundry detergent market. The ARM & HAMMER brand name has been associated with this market since the last century when ARM & HAMMER Super Washing Soda was first introduced as a heavy-duty laundry and household cleaning product. The Company today makes products for use in various stages of the laundry cycle; powdered and liquid laundry detergents, fabric softener dryer sheets and a laundry detergent booster.

ARM & HAMMER Laundry Detergents, in both powder and liquid forms, have been available nationally since the early 1980's. The Company markets these brands as value products, priced at a 15 to 20 percent discount from products identified by the Company as market leaders. In 1996 and in late 1999, the Company reformulated and concentrated the powder product. A companion product, ARM & HAMMER Liquid Laundry Detergent, is also available in regular and perfume and dye-free forms. In 1995 and 1998, this liquid product was reformulated to improve its performance.

In 1992, the Company completed the national expansion of another laundry product, ARM & HAMMER Fabric Softener Sheets. This product stops static cling, and softens and freshens clothes. In 1998, the Company acquired the TOSS `N SOFT(R) brand of dryer sheets and combined both products under the FRESH & SOFT(R) brand name.

ARM & HAMMER Baking Soda has long been used as a dentifrice. Its mild cleansing action cleans and polishes teeth, removes plaque and leaves the mouth

feeling fresh and clean. These properties have led to the development of a complete line of sodium bicarbonate-based dentifrice products which are marketed and sold nationally: ARM & HAMMER DENTAL CARE, The Baking Soda Tooth Powder; ARM & HAMMER DENTAL CARE, The Baking Soda Toothpaste; ARM & HAMMER DENTAL CARE Gel; ARM & HAMMER DENTAL CARE Tartar Control Formula; ARM & HAMMER DENTAL CARE Tartar Control Gel; ARM & HAMMER PEROXICARE, a baking soda toothpaste containing hydrogen peroxide; and Tartar Control PEROXICARE. In 1996, three new ARM & HAMMER DENTAL CARE Toothpaste line extensions were introduced nationally, ARM & HAMMER DENTAL CARE Sensitive Formula, ARM & HAMMER DENTAL CARE Extra-Whitening and ARM & HAMMER DENTAL CARE Smooth Spearmint. In early 1998, the Company introduced ARM & HAMMER DENTAL CARE Gum, a baking soda-based oral care product that is available in three flavors. In early 1999, the Company introduced ARM & HAMMER ADVANCE WHITE line of dentifrice for the whitening segment of the toothpaste market and in late 1999 introduced ARM & HAMMER P.M., the first toothpaste specifically formulated for nighttime oral care.

The Company markets and sells, ARM & HAMMER Deodorant Anti-Perspirant with Baking Soda, and ARM & HAMMER Deodorant with Baking Soda. These products are available in various scented and unscented stick, aerosol and roll-on forms, including ARM & HAMMER Deodorant with Baking Soda in a wide solid stick and a jumbo oval stick Deodorant Anti-Perspirant. In 1997, the Company launched nationally ARM & HAMMER Aerosol Deodorant Anti-Perspirant.

In 1997, the Company acquired a group of five household cleaning brands from The Dial Corporation. The brands acquired were BRILLO(R) Soap Pads and other steel wool products, PARSONS(R) and BO-PEEP(R) Ammonia, CAMEO(R) Metal Polish, RAIN DROPS(R) Water Softener and SNO BOL(R) Cleaners. In 1998, the Company purchased from The Dial Corporation TOSS `N SOFT(R) Dryer Sheets. During the fourth quarter of 1999, the Company entered the bathroom cleaner category with the acquisition of two major brands, CLEAN SHOWER(R) and SCRUB FREE(R). As part of the Scrub Free transaction, the Company also acquired the DELICARE(R) fine fabric wash brand. The acquisition of these brands broadens the Company's base of household cleaning products, and fits well within the Company's current sales, marketing and distribution activities.

COMPETITION

The markets for retail consumer products are highly competitive. ARM & HAMMER Baking Soda competes with generic and private label brands of grocery chains. ARM & HAMMER DENTAL CARE dentifrice products, ARM & HAMMER Carpet Deodorizer, ARM & HAMMER Deodorant Anti-Perspirant and ARM & HAMMER Deodorizing Air Freshener compete with other nationally advertised brands, generally sold by larger multi-national companies. ARM & HAMMER DENTAL CARE Gum, although an oral care product, competes with other chewing gum brands which are promoted as good for oral health.

The Company's laundry products, ARM & HAMMER Powder Laundry Detergent, ARM & HAMMER Liquid Laundry Detergent, ARM & HAMMER Super Washing Soda, and ARM & HAMMER FRESH & SOFT Dryer Sheets, all have small shares in large markets competing generally against large multi-national consumer packaged goods companies.

All of the Company's products are competitively priced and receive strong support in the form of trade and/or consumer promotion. In addition, the Company advertises certain products on national television.

DISTRIBUTION

The Company's consumer products are primarily marketed throughout the United States and Canada and sold through supermarkets, mass merchandisers and drugstores. The Company employs a sales force based regionally throughout the United States. This sales force utilizes the services of independent food brokers in each market. The Company's products are strategically located in public warehouses and either picked up by customers or delivered by independent trucking companies.

SPECIALTY PRODUCTS

PRINCIPAL PRODUCTS

The Company's specialty products business primarily consists of the manufacture, marketing and sale of sodium bicarbonate in a range of grades and granulations for use in industrial and agricultural markets. In industrial markets, sodium bicarbonate is used by other manufacturing companies as a leavening agent for commercial baked goods, as an antacid in pharmaceuticals, as a carbon dioxide release agent in fire extinguishers, and as an alkaline agent in swimming pool chemicals, and as an agent in kidney dialysis. A special grade of sodium bicarbonate, as well as sodium sesquicarbonate, is sold to the animal feed market as a feed additive for use by dairymen as a buffer, or antacid, for dairy cattle.

The Company markets and sells MEGALAC Rumen Bypass Fat, a nutritional supplement made from natural oils, which allows cows to maintain energy levels during the period of high-milk production, resulting in improved milk yields and minimal weight loss. The product and the trademark MEGALAC are licensed under a long-term license agreement from a British company, Volac Ltd.

In January 1999, the Company formed a joint venture with the Safety-Kleen Corporation called the ArmaKleen Company. This joint venture will distribute Church & Dwight's proprietary product line of aqueous cleaners along with the Company's Armex Blast Media line which is designed for the removal of a wide variety of surface coatings. During the first quarter of 1999, the Company sold the equipment portion of the Armex blast cleaning business to U.S. Filter Surface Preparation Group, Inc., a U.S. Filter Company.

The Company markets and sells ammonium bicarbonate and other specialty chemicals to food and agricultural markets in Europe through its wholly-owned British subsidiary Brotherton Speciality Products Ltd.

The Company and Occidental Petroleum Corporation are equal partners in a joint venture named Armand Products Company, which produces and markets potassium carbonate and potassium bicarbonate. Potassium chemicals are sold, among others, to the glass industry for use in TV and computer monitor screens.

During 1997, the Company acquired a 40 percent equity interest in QGN/Carbonor, a Brazilian bicarbonate/carbonate-related chemical company. The Company exercised its option to increase its interest to 75 percent during the second quarter of 1999.

COMPETITION

The sodium bicarbonate industry continues to be affected by competition from domestic sodium bicarbonate producers and imports. In agricultural markets, sodium bicarbonate also competes with several alternative buffer products. The competitive level is substantial as competitors employ aggressive selling techniques in the attempt to build their respective businesses. Furthermore, another domestic producer of sodium bicarbonate is threatening to enter the market in late 2000 or early 2001. Despite this intense competition, the Company's business has remained essentially level.

The Company competes primarily on the basis of its product quality, grade availability and reliability of supply from a two-plant manufacturing system. Pricing is a major competitive factor for animal feed and other less specialized grades of sodium bicarbonate.

The addition of a combined total of 75,000 tons of potassium carbonate capacity by competitors, has intensified the competitive environment in the potassium carbonate business, as the new entrants try to gain volume. Additionally, a growing, worldwide over capacity in video glass production results in extreme pressure on all raw materials sold to that industry,

including potassium carbonate.

DISTRIBUTION

The Company markets sodium bicarbonate and other chemicals to industrial and agricultural customers throughout the United States and Canada. Distribution is accomplished through regional sales offices and manufacturer's representatives augmented by the sales personnel of independent distributors throughout the country.

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RAW MATERIALS AND SOURCES OF SUPPLY

The Company manufactures sodium bicarbonate for both of its consumer and industrial businesses at two of its plants located at Green River, Wyoming and Old Fort, Ohio.

The production of sodium bicarbonate requires two basic raw materials, soda ash and carbon dioxide. The primary source of soda ash used by the Company is the mineral, trona, which is found in abundance in southwestern Wyoming, near the Company's Green River plant. The Company had acquired a number of leases allowing it to extract these trona deposits. In January 1999, the Company sold most of these leases to Solvey Minerals, Inc. The Company will retain adequate trona reserves to support the requirements of the sodium bicarbonate business and may acquire other leases in the future as the need arises.

The Company is party to a partnership agreement with General Chemical Corporation, which mines and processes certain trona reserves owned by each of the two companies in Wyoming. Through the partnership and related supply and services agreements, the Company obtains a substantial amount of its soda ash requirements, enabling the Company to achieve some of the economies of an integrated business capable of producing sodium bicarbonate and related products from the basic raw material. The Company also has an agreement for the supply of soda ash from another company.

The partnership agreement and other supply agreements between the Company and General Chemical terminate upon two years notice by either company. The Company believes that alternative sources of supply are available.

The Company obtains its supply of the second basic raw material, carbon dioxide, in Green River and Old Fort, under long-term supply contracts. The Company believes that its sources of carbon dioxide, and other raw and packaging materials, are adequate.

The Company presently uses light soda ash in the manufacture of its ARM & HAMMER Powder Laundry Detergent in its Syracuse, New York plant. Light soda ash is obtained under a one-year supply agreement which is automatically renewable on a year to year basis. This agreement terminates upon 90 day's written notice by either company. At the Syracuse plant and the Green River, Wyoming plant, the Company also produces laundry detergent powder employing a process utilizing raw materials readily available from a number of sources. Therefore, the supply of appropriate raw materials to manufacture this product is adequate. In January 1999, the Company announced it will concentrate all powder laundry detergent production at Green River. This is expected to be completed during 2000.

During 1995, a liquid laundry detergent manufacturing line was constructed in the Company's Syracuse, New York Plant. This line is capable of producing virtually all of the Company's liquid laundry detergent requirements. The Company, when necessary, will utilize a contract manufacturer to meet higher demand. Prior to this, all of the Company's ARM & HAMMER Liquid Laundry Detergent was contract manufactured. The BRILLO product line and the Company's Dryer Sheets line are manufactured at the Company's London, Ohio plant, which was acquired from The Dial Corporation. ARM & HAMMER DENTAL CARE Gum, PARSONS(R)

Ammonia, CAMEO(R) Metal Polish, RAIN DROPS(R) Water Softener, SNO BOL(R) Cleaners, CLEAN SHOWER, SCRUB FREE and DELICARE, are contract manufactured for the Company under various agreements. Alternative sources of supply are available in case of disruption or termination of the agreements.

The main raw material used in the production of potassium carbonate is liquid potassium hydroxide. Armand Products obtains its supply of liquid potassium hydroxide under a long-term supply arrangement.

The ArmaKleen Company's industrial liquid cleaning products are contracted manufactured.

PATENTS AND TRADEMARKS

The Company's ARM & HAMMER trademark is registered with the United States Patent and Trademark Office and also with the trademark offices of many foreign countries. It has been used by the Company since the late 1800's, and is a valuable asset and important to the successful operation of the Company's business.

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CUSTOMERS AND ORDER BACKLOG

A group of three Consumer Products customers accounted for approximately 20% of consolidated net sales in 1999, including a single customer which accounted for approximately 12%. A group of three customers accounted for approximately 16% of consolidated net sales in 1998 including a single customer which accounted for approximately 11%. This group accounted for 16% in 1997.

The time between receipt of orders and shipment is generally short, and as a result, backlog is not significant.

RESEARCH & DEVELOPMENT

The Company's Research and Development Department is engaged in work on product development, process technology and basic research. During 1999, \$17,921,000 was spent on research activities as compared to \$16,448,000 in 1998 and \$15,841,000 in 1997.

ENVIRONMENT

The Company's operations are subject to federal, state and local regulations governing air emissions, waste and steam discharges, and solid and hazardous waste management activities. The Company endeavors to take actions necessary to comply with such regulations. These steps include periodic environmental audits of each Company facility. The audits, conducted by an independent engineering concern with expertise in the area of environmental compliance, include site visits at each location, as well as a review of documentary information, to determine compliance with such federal, state and local regulations. The Company believes that its compliance with existing environmental regulations will not have any material adverse effect with regard to the Company's capital expenditures, earnings or competitive position. No material capital expenditures relating to environmental control are presently anticipated.

EMPLOYEES

At December 31, 1999, the Company had 1,324 employees. The Company is party to a labor contract with the United Steelworkers of America covering approximately 129 hourly employees at its Syracuse, New York plant which contract continues until June 30, 2001; and, with the United Industrial Workers

of North America at its London, Ohio plant which contract continues until September 28, 2002. The Company believes that its relations with both its union and non-union employees are satisfactory.

CLASSES OF SIMILAR PRODUCTS

The Company's operations constitute two operating segments. The table set forth below shows the percentage of the Company's net sales contributed by each group of similar products marketed by the Company during the period from January 1, 1995 through December 31, 1999.

	% of Net Sales				
	1999	1998	1997	1996	1995
Consumer Products	80	82	80	79	78
Specialty Products	20	18	20	21	22

ITEM 2. PROPERTIES.

The Company's executive offices and research and development facilities are owned by the Company, subject to a New Jersey Industrial Revenue Bond, and are located on 22 acres of land in Princeton, New Jersey, with approximately 72,000 square feet of office and laboratory space. In addition, the Company leases space in two buildings adjacent to this facility which contain approximately 90,000 square feet of office space. The Company also leases regional sales offices in various locations throughout the United States.

At Syracuse, New York the Company owns a 16 acre site and plant which includes a group of connected buildings containing approximately 270,000 square feet of floor space. This plant is used primarily for the manufacture and packaging of laundry detergents and cat litter. As previously mentioned, the Company announced it will concentrate all powder laundry detergent production at Green River. This will be completed during 2000.

The Company's plant in Green River, Wyoming is located on 112 acres of land owned by the Company. The plant and related facilities contain approximately 273,000 square feet of floor space. The plant was constructed in 1968 and has since been expanded to a current capacity of 200,000 tons of sodium bicarbonate per year. This plant also manufactures powder laundry detergent and cat litter.

The Company's plant in Old Fort, Ohio is located on 75 acres of land owned by the Company. The plant and related facilities contain approximately 208,000 square feet of floor space. The plant was completed in 1980 and has since been expanded to a capacity of 280,000 tons of sodium bicarbonate per year.

In 1998, the Company purchased from the Fluid Packaging Co., Inc., a 250,000 square foot manufacturing facility set on approximately 46 acres in Lakewood, New Jersey. The plant currently manufactures and packages the ARM & HAMMER Deodorant Anti-Perspirant product line. During 1999, the Company relocated the dentifrice products manufacturing and packaging capabilities to Lakewood from its Greenville, South Carolina, facility and started to manufacture ARM & HAMMER Deodorizing Air Freshener and package ARM & HAMMER Dental Care Gum.

The Company owns a facility in Greenville, South Carolina, which manufactured and packaged its dentifrice products in a 117,000 square foot building. The facility is located on 6 acres of land owned by the Company. During 1999, the Company closed the facility, which is currently for sale.

During 1997, the Company acquired from The Dial Corporation a manufacturing facility in London, Ohio. This facility contains approximately 141,000 square feet of floor space and is located on 6 acres of land. The facility manufactures and packages BRILLO Soap Pads and ARM & HAMMER FRESH & SOFT Dryer Sheets.

In Ontario, Canada, the Company owns a 26,000 square foot distribution center which is used for the purpose of warehousing and distribution of products sold into Canada. The principal office of the Canadian subsidiary is located in leased offices in Toronto.

Brotherton Speciality Products Ltd. owns and operates a 71,000 square foot manufacturing facility in Wakefield, England on about 7 acres of land.

In December 1998, the Company closed its Venezuela subsidiary, Industrias Bicarbon De Venezuela S.A., after determining that marketing conditions could no longer support it.

The Armand Products partnership, in which the Company has a 50% interest, owns and operates a potassium carbonate manufacturing plant located in Muscle Shoals, Alabama. This facility contains approximately 53,000 square feet of space and has a capacity of 103,000 tons of potassium carbonate per year.

The Company believes that its manufacturing, distribution and office facilities are adequate for the conduct of its business at the present time.

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ITEM 3. LEGAL PROCEEDINGS.

The Company is subject to claims and litigation in the ordinary course of its business such as product liability claims, employment related matters and general commercial disputes. The Company does not believe that any pending claim or litigation will have a material adverse effect on the business.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

No matters were submitted to a vote of the Company's security holders during the last quarter of the year ended December 31, 1999.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

The Company's common stock is traded on the New York Stock Exchange (symbol: "CHD"). Refer to Page 19 of the Annual Report which is incorporated herein by reference. During 1999, there were no sales of unregistered securities.

ITEM 6. SELECTED FINANCIAL DATA.

Refer to Page 14 of the Annual Report. The portion of the table on page 14 which includes information with respect to the years 1995 through 1999 is incorporated herein by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND

FINANCIAL CONDITION.

Refer to Financial Review Pages 15-19 of the Annual Report which are incorporated herein by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Refer to Financial Review Pages 17-18 of the Annual Report which are incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

Refer to Pages 20-34 of the Annual Report which are incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

Information required by this item is incorporated by reference to the Company's definitive proxy statement pursuant to Regulation 14A which will be filed with the Commission not later than 120 days after the close of the fiscal year ended December 31, 1999.

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ITEM 11. EXECUTIVE COMPENSATION.

Information required by this item is incorporated by reference to the Company's definitive proxy statement pursuant to Regulation 14A which will be filed with the Commission not later than 120 days after the close of the fiscal year ended December 31, 1999.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

Information required by this item is incorporated by reference to the Company's definitive proxy statement pursuant to Regulation 14A which will be filed with the Commission not later than 120 days after the close of the fiscal year ended December 31, 1999.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

Information required by this item is incorporated by reference to the Company's definitive proxy statement pursuant to Regulation 14A which will be filed with the Commission not later than 120 days after the close of the fiscal year ended December 31, 1999.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K.

(a) 1. FINANCIAL STATEMENTS

The following financial statements are incorporated herein by reference to the Annual Report:

Consolidated Statements of Income for each of the three years in the period ended December 31, 1999	20
Consolidated Balance Sheets as of December 31, 1999 and 1998	21
Consolidated Statements of Cash Flow for each of the three years in the period ended December 31, 1999	22
Consolidated Statements of Stockholders' Equity for each of the three years in the period ended December 31, 1999	23
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(a) 2. FINANCIAL STATEMENT SCHEDULE

Included in Part IV of this report:

Independent Auditors' Report on Schedule

For each of the three years in the period ended December 31, 1999:

Schedule II - Valuation and Qualifying Accounts

Other schedules are omitted because of the absence of conditions under which they are required or because the required information is given in the financial statements or notes thereto.

(a) 3. EXHIBITS

- (3) (a) Restated Certificate of Incorporation including amendments has previously been filed with the Securities and Exchange Commission on the Company's Form 10-K for the year ended December 31, 1989, (Commission file no. 1-10585) which is incorporated by reference.

(b) By-Laws have previously been filed with the Securities and Exchange Commission on the Company's Form 10-K for the year ended December 31, 1985, (Commission file no. 1-10585) which is incorporated herein by reference.
- (4) The Company is party to a Loan Agreement dated May 31, 1991 with the New Jersey Economic Development Authority. The principal amount of the loan thereunder is less than ten percent of the Company's consolidated assets. The Company will furnish a copy of said agreement to the Commission upon request.
- (10) (a) Supply Agreement between Church & Dwight Co., Inc. and ALCAD Partnership for supply of soda ash. This document is not attached hereto but has been separately submitted to the Securities and Exchange Commission which has approved the Company's

application under rule 24b-2 for privileged and confidential treatment thereof.

COMPENSATION PLANS AND ARRANGEMENTS

- (b) Indemnification Agreement for directors, and certain officers, employees, agents and fiduciaries, which was approved by stockholders at the Annual Meeting of Stockholders on May 7, 1987, and was included in the Company's definitive Proxy Statement dated April 6, 1987, (Commission file no. 1-10585) which is incorporated herein by reference.
- (c) Shareholder Rights Agreement dated August 27, 1999, between Church & Dwight Co., Inc. and ChaseMellon Shareholder Services, L.L.C., has been previously filed on August 31, 1999 with the Securities and Exchange Commission on the Company's Form 8-K, (Commission file no. 1-10585) which is incorporated herein by reference.
- (d) The Company's 1983 Stock Option Plan, which was approved by stockholders at the Annual Meeting of Stockholders on May 5, 1983, and was included in the Company's definitive Proxy Statement dated April 4, 1983, (Commission file no. 1-10585) which is incorporated herein by reference.
- (e) Restricted Stock Plan for Directors which was approved by stockholders at the Annual Meeting of Stockholders on May 7, 1987, and was included in the Company's definitive Proxy Statement dated April 6, 1987, (Commission file no. 1-10585) which is incorporated herein by reference.
- (f) Church & Dwight Co., Inc. Executive Deferred Compensation Plan, effective as of June 1, 1997, (Commission file no. 1-10585) which is incorporated herein by reference.
- (g) Deferred Compensation Plan for Directors has previously been filed with the Securities and Exchange Commission on the Company's Form 10-K for the year ended December 31, 1987, (Commission file no. 1-10585) which is incorporated herein by reference.
- (h) Employment Service Agreement with Senior Management of Church & Dwight Co., Inc. has previously been filed with the Securities and Exchange Commission on the Company's Form 10-K for the year ended December 31, 1990, (Commission file no. 1-10585) which is incorporated herein by reference.

- (i) The Stock Option Plan for Directors which was approved by stockholders in May 1991, authorized the granting of options to non-employee directors. The full text of the Church & Dwight Co., Inc. Stock Option Plan for Directors was contained in the definitive Proxy Statement filed with the Commission on April 2, 1991, (Commission file no. 1-10585)

which is incorporated herein by reference.

- (j) A description of the Company's Incentive Compensation Plan has previously been filed with the Securities and Exchange Commission on the Company's Form 10-K for the year ended December 31, 1992, (Commission file no. 1-10585) which is incorporated herein by reference.
- (k) Church & Dwight Co., Inc. Executive Stock Purchase Plan has previously been filed with the Securities and Exchange Commission on the Company's Form 10-K for the year ended December 31, 1993, (Commission file no. 1-10585) which is incorporated herein by reference.
- (l) The 1994 Incentive Stock Option Plan has previously been filed with the Securities and Exchange Commission on the Company's Form 10-K for the year ended December 31, 1994, (Commission file no. 1-10585) which is incorporated herein by reference.
- (m) The Compensation Plan for Directors, which was approved by stockholders at the Annual Meeting of Stockholders on May 9, 1996, and was included in the Company's definitive Proxy Statement filed with the Commission on April 1, 1996, (Commission file no. 1-10585) which is incorporated herein by reference.

* (11) Computation of earnings per share.

* (13) 1999 Annual Report to Stockholders. Except for portions of said Annual Report expressly incorporated by reference herein, said Annual Report is not deemed "filed herewith."

* (21) List of the Company's subsidiaries.

* (23) Consent of Independent Auditor.

* (27) Financial Data Schedule.

(b) REPORTS ON FORM 8-K

No reports on Form 8-K were filed during the fourth quarter of the year ended December 31, 1999.

Copies of exhibits will be made available upon request and for a reasonable charge.

*filed herewith

INDEPENDENT AUDITORS' REPORT

To The Board of Directors and Stockholders of
Church & Dwight Co., Inc.

We have audited the consolidated financial statements of Church & Dwight Co., Inc. and subsidiaries as of December 31, 1999 and 1998, and for each of the three years in the period ended December 31, 1999, and have issued our report thereon dated January 26, 2000 (which expresses an unqualified opinion and includes an explanatory paragraph relating to the Company in 1998 changing its method of accounting for internal-use software development costs as described in Note 1). Such consolidated financial statements and report are included in your 1999 Annual Report to Stockholders and are incorporated herein by reference. Our audits also included the consolidated financial statement schedule of Church & Dwight Co., Inc. and subsidiaries, listed in Item 14. This consolidated financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such consolidated financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

DELOITTE & TOUCHE LLP
 Parsippany, New Jersey
 January 26, 2000

CHURCH & DWIGHT CO., INC. AND SUBSIDIARIES
 SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS
 (In thousands)

	1999	1998	1997

ALLOWANCE FOR DOUBTFUL ACCOUNTS:			
Balance at beginning of year	\$1,579	\$1,532	\$1,478

Additions:			
Charged to expenses and costs	200	435	200
Acquisition of subsidiary	122	-	-

Deductions:			
Amounts written off	348	387	145
Foreign currency translation adjustments	1	1	1

	349	388	146

BALANCE AT END OF YEAR	\$1,552	\$1,579	\$1,532

/s/ Robert H. Beeby ----- Robert H. Beeby	Director	February 23, 2000
/s/ Robert A. Davies, III ----- Robert A. Davies, III	Director	February 23, 2000
/s/ Rosina B. Dixon, M.D. ----- Rosina B. Dixon, M.D.	Director	February 23, 2000
/s/ J. Richard Leaman, Jr. ----- J. Richard Leaman, Jr.	Director	February 23, 2000
/s/ Robert D. LeBlanc ----- Robert D. LeBlanc	Director	February 23, 2000
/s/ John D. Leggett, III, Ph.D ----- John D. Leggett, III, Ph.D.	Director	February 23, 2000
/s/ John F. Maypole ----- John F. Maypole	Director	February 23, 2000
/s/ Robert A. McCabe ----- Robert A. McCabe	Director	February 23, 2000
/s/ Dwight C. Minton ----- Dwight C. Minton	Chairman	February 23, 2000
/s/ Burton B. Staniar ----- Burton B. Staniar	Director	February 23, 2000
/s/ John O. Whitney ----- John O. Whitney	Director	February 23, 2000

CHURCH & DWIGHT CO., INC. AND SUBSIDIARIES
EXHIBIT 11 - COMPUTATION
OF EARNINGS PER SHARE
(In thousands except per share amounts)

	1999	1998	1997

BASIC:			
Net Income	\$45,357	\$30,289	\$24,506
Weighted average shares outstanding	38,792	38,734	38,922
Basic earnings per share	\$1.17	\$0.78	\$0.63
DILUTED:			
Net Income	\$45,357	\$30,289	\$24,506
Weighted average shares outstanding	38,792	38,734	38,922
Incremental shares under stock option plans	2,251	1,316	1,020

Adjusted weighted average shares outstanding	41,043	40,050	39,942

Diluted earnings per share	\$1.11	\$0.76	\$0.61

[PHOTO OMITTED]

Bold New Product Innovation

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CHURCH & DWIGHT | FINANCIAL HIGHLIGHTS

Financial Highlights
(Dollars in Millions, except per share data)

	1999	1998	CHANGE
Sales	\$ 730.0	\$ 684.4	+7%
Income From Operations	\$ 67.7	\$ 42.5	+59%
Net Income	\$ 45.4	\$ 30.3	+50%
Net Income Per Share - Diluted	\$ 1.11	\$ 0.76	+46%
Dividends Per Share	\$ 0.26	\$ 0.24	+8%

Additional Information

Sales Including Affiliates	\$ 755.1	\$ 704.3	+7%
Ongoing Income From Operations(1) (2)	\$ 68.8	\$ 47.0	+46%
Ongoing Net Income Per Share - Diluted(2)	\$ 1.03	\$ 0.72	+43%

(1) Includes Company's share of income from affiliates.

(2) Here and elsewhere in this report, the word "ongoing" excludes unusual gains and impairment and other unusual charges.

Church & Dwight Co., Inc., founded in 1846, is the world's leading producer of sodium bicarbonate, popularly known as baking soda, a natural product which cleans, deodorizes, leavens and buffers. The Company's famous ARM & HAMMER(R) brand is one of the nation's most trusted trademarks for a variety of household and personal care uses.

Today, the Church & Dwight product lines are comprised of a broad range of consumer and specialty products developed from the base of bicarbonate and related technologies and the heritage of the ARM & HAMMER brand.

Consumer Products consist of oral and personal care products, deodorizing products and laundry and household cleaning products. Most consumer products are sold under the ARM & HAMMER brand name and derivative trademarks such as ARM & HAMMER DENTAL CARE(R), ARM & HAMMER SUPER SCOOP(R) and ARM & HAMMER FRESH `N SOFT(TM). Other brands include BRILLO(R), SNO BOL(R), PARSONS'(R), CLEAN SHOWER(R) and SCRUBFREE(R).

Specialty Products encompass specialty chemicals, animal nutrition and specialty industrial cleaning products. In addition to ARM & HAMMER, specialty product trademarks include MEGALAC(R), ARMAKLEEN(R) and ARMEX(R).

[GRAPHIC OMITTED] Cover caption:

[GRAPHIC OMITTED] Whiter teeth, fresher breath. Guaranteed.

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DEAR FELLOW STOCKHOLDER:

[PHOTO OMITTED]

President & Chief Executive Officer
Robert A. Davies, III (right front);
(clockwise) Zvi Eiref, Vice President
Finance; Eugene F. Wilcauskas,
President, Specialty Products Division;
Dwight C. Minton, Chairman of the Board.

1999 was notable for three important developments: a significant improvement in our operating profit margin, an unprecedented number of new product initiatives, and two household product acquisitions in Fourth Quarter 1999, all of which set the stage for expected major new growth in the year 2000.

We are pleased to report a solid sales gain and a significant earnings gain for the year:

- o Sales increased by \$46 million or 6.7% to \$730 million, compared to \$684 million in the previous year. Including our share of sales by affiliates, total sales increased 7.2% to \$755 million.
- o Operating income increased 59% to \$67.7 million, compared to \$42.5 million in the previous year. Both years included unusual gains partially offset by impairment and other unusual charges. Excluding the effect of the unusual items, and including our share of the operating income of affiliates, operating income increased 46% to \$68.8 million from \$47.0 million in the previous year.
- o Diluted earnings per share increased to \$1.11 from \$.76 in the previous year. These numbers include the already described unusual gains and charges which amounted to \$.08 in 1999 and \$.04 in 1998. Excluding these items, ongoing earnings per share increased 43% to \$1.03 in 1999 from \$.72 in 1998.
- o At the July 28th Board Meeting, we took advantage of the Company's much stronger financial position and stock price, and split the stock 2-for-1. This is the fifth stock split in the past 20 years and reflects our desire to improve the liquidity of the stock as conditions allow.
- o We also declared a 17% dividend increase from \$.24 to \$.28 per share on an annualized basis. This is the 15th dividend increase in the past 20 years.

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FINANCIAL OBJECTIVES

Once again, we call your attention to two key financial objectives toward which we have been working for several years:

- o To achieve a long-term sales growth rate in the high single-digit or low double-digit range, primarily from internal growth, which is about double the growth rate for the industries in which we compete;

- o To continue to raise our operating profit margin, with a short-term goal of achieving a 10% margin and a longer-term goal of a low to mid-teen margin percentage.

The Company has excellent growth opportunities through internal development, which means that our capital needs are lower than if growth were dependent on acquisitions. This efficient use of capital, combined with the growth and margin goals, should result in excellent returns for our stockholders.

CHART 1 - As to sales growth, this 5-year chart shows an average annual growth rate of almost 11%, about three-quarters of which came from internal product development rather than from acquisitions. The 1999 growth rate of 6.7% was lower than the three previous years; however, we regard this as satisfactory, following the exceptional 19.0% growth rate in 1998, and ahead of what we believe will be another strong year in 2000, driven by additional new products and acquisitions.

CHART 2 - 1999 results marked a major step toward achieving the operating margin objective. As the chart shows, our operating margin, which was essentially flat in the 1996 to 1998 period, advanced 2.4 points to 9.1% in 1999. Although this figure is still below our short-term objective of 10%, we believe we are on track to reach this objective in the near term.

CHART 3 - The combination of growth and margin gains has produced a steady improvement in earnings per share from \$.26 in 1995 to \$1.11 in 1999. Adjusting for unusual items, earnings per share increased from \$.33 in 1995 to \$1.03 in 1999, more than a twofold increase in four years.

Net Sales
(Millions of Dollars)

[The following table was depicted as line graph in the printed material]

1995	\$ 485.8
1996	\$ 527.8
1997	\$ 574.9
1998	\$ 684.4
1999	\$ 730.0

Ongoing Operating Margin%
(Percentage of Net Sales)

[The following table was depicted as line graph in the printed material]

1995	4.6%
1996	6.8%
1997	6.3%
1998	6.7%
1999	9.1%

Ongoing Net Income Per Share
(Diluted)

[The following table was depicted as line graph in the printed material]

1995	\$	0.33
1996	\$	0.54
1997	\$	0.61
1998	\$	0.72
1999	\$	1.03

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GROWTH INITIATIVES

Although Church & Dwight is one of the smaller players in the consumer packaged goods business, the Company possesses an unusual range of assets which enables it to compete effectively with larger industry participants. These assets (see margin bar) create the basis for growth through bold new product innovation.

An example of this strategy of growth through innovation was the development of the Company's cat litter business. We first entered this \$800 million retail market with the launch of ARM & HAMMER Cat Litter Deodorizer, a relatively small product, in the early 1990's. The first major product, ARM & HAMMER SUPER SCOOP Clumping Litter, was introduced in late 1997. Following its success, we launched ARM & HAMMER SUPER STOP(TM) Clay Litter in late 1999. Both products provide state-of-the-art deodorization. This entire business, which should represent over 10% of Church & Dwight's consumer products sales in year 2000, grew out of our deodorizing technology and the reputation of the ARM & HAMMER brand name.

Following a similar strategy, the Company expanded its oral care sales in the last two years through a series of initiatives which included the introduction of ARM & HAMMER DENTAL CARE Gum(R) in early 1998 and ARM & HAMMER ADVANCE WHITE(TM) Toothpaste in late 1998. As the next step in this strategy, we recently introduced ARM & HAMMER(R) P.M.(TM), the first toothpaste specifically formulated for the rigors of nighttime oral care.

Other new and improved products introduced in 1999 included ARM & HAMMER Baking Soda FRIDGE-N-FREEZER FRESHENER(TM), ARM & HAMMER FRESH `N SOFT Dryer Sheets replacing two earlier lines, new and improved BRILLO Soap Pads, and an anti-bacterial form of ARM & HAMMER Carpet & Room Deodorizers. Early in 2000, the Company also took an important initiative in the laundry detergent business, launching ARM & HAMMER FabriCare(R), a totally reformulated version of ARM & HAMMER Powder Laundry Detergent, offering significantly improved stain removal and color protection.

Further expansion occurred in December 1999 with the acquisitions for \$55 million of two major bathroom cleaner brands, SCRUB FREE and CLEAN SHOWER. These acquisitions mark the Company's entry into the \$450 million retail bathroom cleaning market, which is closely related to our existing laundry and deodorizing businesses. These acquired brands, together with BRILLO Soap Pads, SNO BOL Toilet Bowl Cleaner and other products, double the size of our household cleaning business to approximately \$100 million a year, providing more critical mass for future growth.

BASIC ASSETS

- o The ARM & HAMMER trademark communicating trust and reliability, as well as quality, safety, good value and environmental awareness, for over a century.
- o World leadership in bicarbonate and carbonate technology, utilizing the unique properties of sodium bicarbonate and related products for whitening, deodorizing, cleaning, buffering and other applications, sold in both consumer and industrial markets.
- o A nimble organization of energetic and creative people who are shareholder value-driven, and receive a high percentage of their compensation from variable programs, primarily bonuses and stock options, based on Church & Dwight's results versus those of our competitors.

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GROWTH AND MARGIN INITIATIVES

On the Specialty Products side of the business, in January 1999 we formed a joint venture with Safety-Kleen(R)Corp. to accelerate the growth of the ARMAKLEEN aqueous-based specialty industrial cleaning business. Mid-year, we acquired a controlling interest in our Brazilian affiliate, QGN, South America's leading producer of sodium bicarbonate, strengthening our strategic position worldwide.

The Specialty Products Division was also active on the new-product front with the introduction of two important new items: ARMICARB(R) 100, a safe foliar fungicide, and CLEAR BALANCE(TM), a convenience chemical for swimming pool maintenance. Both of these products resulted from many years of research and development efforts.

MARGIN INITIATIVES

The Company has worked steadily to improve its cost structure over the last few years, and several projects completed in late 1998 and early 1999 contributed to the significant margin improvement for the year. The most important of these were the \$7 million modernization of the Green River, Wyoming, sodium bicarbonate plant; the restructuring of the industrial specialty cleaning business following the Safety-Kleen joint venture; and the \$13 million overhaul of our information systems which began in mid-1997 and was completed with the integration of the new resource planning, accounting and logistics systems in early 1999.

The new computer system has already enabled us to reduce distribution costs through improvements in inventory management and transportation planning. The logistics area contains additional cost reduction opportunities. In 2000, our main objective will be to improve the efficiency of our supply chain by better coordinating our inventory management system with those of our major customers.

Parallel to the logistics effort, the Company took steps in 1999 to further improve the efficiency of its manufacturing operations. The most important was the mid-year transfer of toothpaste production from the Greenville, South Carolina, plant to the Lakewood, New Jersey, plant which consolidated all oral and personal care production on one site. The Greenville facility was closed in the third quarter. Additional capacity for both sodium bicarbonate and the fast-growing MEGALAC animal nutrition business came on-stream at the Old Fort, Ohio, plant in the fourth quarter. Late in the year, we completed a major expansion and upgrade of powder laundry detergent capacity at the Green River, Wyoming, plant, with the objective of consolidating all powder production at this facility during 2000. Additional activity is planned during 2000 to improve the cost structure of the liquid laundry detergent operation at our Syracuse, New York, plant.

Another area containing major opportunities for improved efficiency is

advertising, consumer and trade promotion spending which represents about 30% of our consumer product sales. During 1999, we applied newly available analytical tools, based on supermarket scanner data, to improve the effectiveness of consumer promotion spending. Additional steps to improve the effectiveness of trade promotion spending are planned for 2000 and beyond.

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OUTLOOK

The focus on margin improvement paid off handsomely in 1999. Although margins will fluctuate from quarter to quarter, due to investment spending and other factors, our objective is to improve the operating margin again for the full year 2000.

As to growth, the Company will benefit from the new product initiatives and acquisitions in late 1999, and we can expect a return to higher sales growth in the months ahead.

The Company's business remains healthy. We are positive about the outlook for the year, and believe the expected combination of margin and sales gains should result in solid earnings growth in year 2000.

Sincerely,

/s/ R.A. Davies, III

R.A. Davies, III
President and Chief Executive Officer
January 26, 2000

The Company's business is organized into two segments, Consumer Products and Specialty Products. Each segment, comprised of three product lines, shares common services and is managed as a single business unit.

CONSUMER PRODUCTS

Oral & Personal Care Products

ARM & HAMMER Dental Care Toothpaste

PEROXICARE (R) Toothpaste

ARM & HAMMER ADVANCE WHITE Toothpaste

ARM & HAMMER P.M. Toothpaste

ARM & HAMMER DENTAL CARE Gum

ARM & HAMMER Deodorant Anti-Perspirant

Deodorizing Products

ARM & HAMMER Baking Soda

ARM & HAMMER Carpet & Room Deodorizer

ARM & HAMMER Deodorizing Air Freshener

ARM & HAMMER Cat Litter Deodorizer

ARM & HAMMER SUPER SCOOP Clumping Litter

ARM & HAMMER SUPER STOP Clay Litter

Laundry & Household Cleaners

Arm & Hammer FabriCare Powder Laundry Detergent

ARM & HAMMER Liquid Laundry Detergent ARM & HAMMER Washing Soda

ARM & HAMMER FRESH 'N SOFT Dryer Sheets

DELICARE(R) Fine Fabric Wash

BRILLO Soap Pads

SNO BOL Toilet Bowl Cleaner

PARSONS' Ammonia

SCRUB FREE Bathroom Cleaner

CLEAN SHOWER Bathroom Cleaner

SPECIALTY PRODUCTS

Specialty Chemicals

ARM & HAMMER Sodium Bicarbonate

ARMAND(R) Potassium Carbonate

ARMICARB 100 Fungicide

CLEAR BALANCE Swimming Pool Chemical

Animal Nutrition Products

ARM & HAMMER Feed Grade Sodium Bicarbonate

MEGALAC Rumen Bypass Fat

ARM & HAMMER SQ-810(R) Rumen Buffer

ARM & HAMMER S-CARB(R) Rumen Buffer

Specialty Cleaners

ARMEX Blast Media

ARMAKLEEN Aqueous Cleaner

AquaWorks(R) Aqueous Cleaner

Another breakthrough innovation in oral care, ARM & HAMMER P.M., the Nighttime Fluoride Toothpaste, was launched in Fourth Quarter 1999. In keeping with our strategy to provide products focused on consumer benefits, P.M. is formulated to specifically fight build up of unsightly plaque and odor-causing germs resulting from the reduction of saliva flow in the mouth at night. This condition, described as "nighttime mouth," is a common complaint experienced by virtually everyone. Premium-priced and sold in a 4.5-ounce tube, the new toothpaste is available in two distinct continuous-action formulations, each containing two key ingredients: zinc citrate, a highly effective anti-microbial compound that fights plaque and stays effective for hours after brushing; and a maximum level of fluoride which helps remineralize teeth every time you brush.

- o ARM & HAMMER P.M. "Bold Mint" combines baking soda and peroxide with the familiar hearty mint flavor of ARM & HAMMER DENTAL CARE toothpastes.
- o ARM & HAMMER P.M. "Fresh Mint," a milder tasting dentifrice, is our first non-baking soda toothpaste, especially formulated to appeal to those who prefer a lighter mint taste.

Expected to reach national distribution in First Quarter 2000, P.M. will be heavily promoted via television advertising, high-impact color inserts in major market newspapers, consumer couponing, in-store displays and professional sampling.

[GRAPHIC OMITTED]

ARM & HAMMER ADVANCE WHITE Toothpaste, introduced in late 1998, enjoyed strong sales throughout 1999, responding to compelling and newsworthy advertising and promotion. Based on baking soda's scientifically proven ability to clean away plaque and reduce deep stains, ADVANCE WHITE is the first whitening product to be packaged with an innovative Shade Guide permitting consumers to monitor their teeth-whitening progress. The premium-priced toothpaste is available in three formulations - Paste and Gel, both with special micro-polishers; and Peroxide, a patented high-level baking soda formulation with peroxide.

ARM & HAMMER DENTAL CARE, The Baking Soda Gum(R), clinically proven to reduce plaque up to 25 percent after four weeks of daily chewing, pioneered a new oral care category segment when it was introduced in early 1998 as a companion product to our toothpastes. A fourth flavor, Wintergreen, was added in Second Quarter 1999. Late in the year, we introduced the product into the Canadian market.

[GRAPHIC OMITTED]

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[PHOTO OMITTED]

[LOGO] The first and only toothpaste specially formulated to fight "nighttime mouth."

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CONSUMER PRODUCTS | PRODUCT REVIEW

These three products reflect the strategy of the ARM & HAMMER DENTAL CARE brand, which is to be recognized as a premier supplier of serious oral care. In the last two years, our oral care sales have increased by almost 20 percent in the \$1.7 billion retail toothpaste and dental gum market.

Although the ARM & HAMMER Deodorant Anti-Perspirant line continued to receive advertising support in 1999, anti-perspirants experienced a sales decline compared to 1998 when the aerosol and Advanced Deodorancy(R) lines were introduced. Additional marketing initiatives will be implemented in 2000.

DEODORIZING PRODUCTS

[GRAPHIC OMITTED]

ARM & HAMMER SUPER STOP, The Premium Clay Litter is a major year 2000 entry into the traditional clay segment of the \$800 million retail cat litter market as a companion product to ARM & HAMMER SUPER SCOOP Clumping Litter launched in 1997. SUPER STOP, a lightweight, super-absorbent clay litter formulated with an advanced baking soda system to effectively deodorize the litter box for days at a time, is packaged in 7-, 14- and 21-pound bags available at supermarket, mass and specialty pet outlets.

[GRAPHIC OMITTED]

SUPER STOP will build on the success of SUPER SCOOP, which is currently the fastest-growing brand in the clumping category. Both products will be promoted in television commercials as super odor eliminators which destroy litter odors on contact, providing continuous-action odor control.

ARM & HAMMER Carpet & Room Deodorizers maintained their category leadership throughout 1999. In the second quarter, we launched a line extension, Anti-Bacterial Carpet & Room Deodorizer products in two formulations, PET FRESH(R) and Carpet & Room Odor Neutralizer, to attract both pet-owning and non-pet households. The new products perform three important beneficial functions: absorb and eliminate odors with baking soda, fight germs that cause odors with safe, active ingredients, and leave a fresh, clean scent. Strong marketing support includes pet-oriented television commercials, consumer coupon offers in major market newspapers, and a professional program targeted to veterinarians.

The base business of scented carpet and room deodorizers continues to thrive, led by 1998's LASTING SCENT(TM) line of stronger fragrances, which completed national expansion in early 1999.

[GRAPHIC OMITTED]

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[GRAPHIC OMITTED]

[GRAPHIC OMITTED] Extra-strength baking soda formulas destroy litter odors on contact.

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CONSUMER PRODUCTS | PRODUCT REVIEW

Our flagship product, ARM & HAMMER Baking Soda, responded well to its return to television. The product's core use of refrigerator deodorization, vastly improved by a newly designed cool-blue FRIDGE-N-FREEZER FRESHENER box which doubles baking soda exposure to absorb odors, was further strengthened by a "Change Your Box with the Clock" reminder promotion in both Spring and Fall.

LAUNDRY AND HOUSEHOLD CLEANING PRODUCTS

Late in 1999, the Company introduced a major performance enhancement to its ARM & HAMMER Powder Laundry Detergent line, which has long been recognized for its excellent soil- and odor-removal capabilities. The reformulated product, renamed ARM & HAMMER FabriCare, achieves scientifically proven excellent results in stain removal and color protection, out-performing other national mid-priced brands in research testing. New enzymes and a triple-action color protection system combine with baking soda and peroxide to extend fabric life and set a higher standard for clothing care. Available in five sizes, ranging from 18-load to 140-load club size, and in three formulations - regular, with bleach alternative, and perfume- and dye-free, FabriCare will roll out on a regional basis, reaching national distribution during Third Quarter 2000.

[GRAPHIC OMITTED]

ARM & HAMMER Liquid Laundry Detergent, reformulated in 1998 and now available in a 200-ounce jumbo-size bottle, as well as the original 50-ounce and 100-ounce size bottles, performed well throughout 1999 in the face of heavy promotion spending by our competitors. Sales of both regular and with bleach alternative products kept pace with the growing liquid category.

A new product for controlling static cling, ARM & HAMMER Fresh `N Soft Dryer Sheets, replacing ARM & HAMMER and TOSS `N SOFT(R) brands, was launched in early 1999 and incorporated in store displays and laundry detergent promotions under the banner, "Freshness Runs in Our Family."

The new and improved steel wool BRILLO Soap Pads, now 60 percent stronger, longer lasting and with more soap, were launched in First Half 1999. Retail distribution was broadened, and the product was supported by television advertising, the first in many years.

A major addition to our household cleaning products line occurred In Fourth Quarter 1999, when the Company acquired two leading brands in the \$450 million retail bathroom cleaner category. CLEAN SHOWER, from Clean Shower L.P., was introduced in 1995 as the original daily shower cleaner. Based on well-patented technology, this premium-priced cleaner prevents build-up of scum, mildew stains and hard-water deposits on shower surfaces. SCRUB FREE, acquired from Benckiser Consumer Products Inc., was first launched in 1976 and repositioned in 1995 as a value brand selling at full price for twice the ounces. Four SCRUB FREE formulations include a fresh-scent and a lemon-scent Soap Scum Remover, a fresh-scent Mildew Remover and a Daily Shower Cleaner. Both brands are currently available in household cleaning sections of food and mass merchandise stores nationwide.

[GRAPHIC OMITTED]

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[GRAPHIC OMITTED]

[GRAPHIC OMITTED] The new blue FRIDGE-N-FREEZER FRESHENER box keeps food tasting fresher, longer.

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SPECIALTY CHEMICALS

Church & Dwight's strategic position as the world's leading supplier of sodium bicarbonate for consumer and industrial uses was substantially strengthened when the two-year modernization of its sodium bicarbonate plant in Green River, Wyoming, became operational in First Quarter 1999. In order to insure the Company's ability to produce high-value specialty grades, a further increase in domestic capacity, from 440,000 to 520,000 short tons, has been announced. Half of this expansion was in place in Fourth Quarter 1999 at the Old Fort, Ohio, facility, and engineering is being completed for the remainder to be produced at the Green River plant.

[GRAPHIC OMITTED]

Church & Dwight has long been recognized for its ability to produce sodium bicarbonate granulations of exceptional purity, suitable for high-value uses such as food, healthcare and pharmaceuticals. As an example, Partners in Quality Care is a unique long-term alliance between the ARM & HAMMER brand and the nation's leaders in dialysis, through which we provide educational materials, such as posters and training films, for both professionals and patients.

[GRAPHIC OMITTED]

During 1999, the Performance Products Group introduced two new products, each based on bicarbonate technologies formulated by our R & D scientists. ARMICARB 100 is a potassium bicarbonate-based, EPA-registered contact fungicide, an environmentally sound formulation primarily for use on high-value crops, such as grapes, and also as a control for horticultural products. Helena Chemical Company, a firm well-known in the crop protection business, markets this product's uses for food crops, and H & I Agritech, Inc. is the marketer for horticultural applications. CLEAR BALANCE is a convenient single-step sodium bicarbonate-based formulation for use in swimming pools to control pH, raise alkalinity, and provide water clarity. Available in both granular and tablet form, the product is currently in test in three regional markets. Although these two products will contribute modestly to the bottom line in year 2000, their long-term potential is considerable.

The Armand Products Company which sells potassium carbonate and bicarbonate, with video glass as its primary market, again experienced lower sales because of weakness in demand from video glass producers. Brotherton Speciality Products, Ltd., our subsidiary in the United Kingdom, continued to focus on ammonium- and potassium-based specialty chemicals used in food, pharmaceutical and photographic sectors.

In keeping with the Company's strategy of global growth for the Specialty Chemicals business, Church & Dwight acquired in Second Quarter 1999 an additional 35 percent interest in its Brazilian affiliate, Quimica Geral do Nordeste (QGN), raising its 40 percent initial interest, acquired in 1997, to a total of 75 percent. The firm is South America's leading producer of sodium bicarbonate and is also Brazil's sole producer of barium carbonate, used primarily in the production of video glass, much as potassium carbonate from our Armand joint venture is used to make video glass in the U.S. With 1999 sales in excess of \$20 million, QGN contributed to the Company's growth in operating profit.

[GRAPHIC OMITTED]

ARMICARB 100 - a safe foliar fungicide; Clear BALANCE - a convenience chemical
for

ANIMAL NUTRITION PRODUCTS

In the Animal Nutrition product line, our rumen buffers business, which consists of sodium bicarbonate and sodium sesquicarbonate, improved as more managed dairy herds increased the usage of rumen buffers to balance feed rations for maximum milk production. A new buffer product, ARM & HAMMER S-Carb(R), a refined sodium sesquicarbonate, was added to the quality ARM & HAMMER line late in the year as the result of a supply agreement with FMC Corp.

[GRAPHIC OMITTED]

MEGALAC Rumen Bypass Fat and the value-added MEGALAC products continued their robust growth. In 1999, MEGALAC volume sales surged for the third consecutive year at a rate which surpassed our domestic production capacity, forcing us to meet demand with product from the United Kingdom. In the fourth quarter, a 65 percent increase in MEGALAC capacity came on-stream to accommodate the growing demand in North America.

[GRAPHIC OMITTED]

A major initiative in this product line is LifeRight Foods L.L.C., our joint venture with Agway, Inc. and Compton & Associates, to develop enhanced natural feed ingredients to be used in producing functional foods, defined as foods with health-promoting properties such as reduced fats or cholesterol. Established in late 1998, LifeRight Foods expects to have its first product ready for market before year-end 2000.

SPECIALTY CLEANING PRODUCTS

Specialty Cleaning Products is a new and growing product line in the Specialty Products Division. In January 1999, two agreements were finalized which are the basis for a total restructuring of the business:

The Company took a major step in extending its alliance with Safety-Kleen Corp. into a new joint venture, named The ArmaKleen Company headquartered in Princeton, New Jersey, with the objective of building a specialty cleaning business based on Church & Dwight's aqueous cleaning technology and Safety-Kleen's unique selling and distribution capabilities. Beginning last September, Safety-Kleen's nearly 3,000 sales and service representatives were introduced, through an intensive marketing campaign, to our full line of ARMAKLEEN and AquaWorks aqueous cleaning products as environmentally superior alternatives to hydrocarbon-based solvents.

[GRAPHIC OMITTED]

In a separate agreement, the equipment portion of ARMEX Cleaning and Coating Removing Systems was sold to U.S. Filter Corporation, while Church & Dwight retained its interest in the ARMEX Soluble Blast Media business for which U.S. Filter became a distributor. At year-end, ARMEX continues to hold its position in the industry as the leading sodium bicarbonate agent used in blast cleaning applications.

Now that the new organization is in place, we believe the Specialty Cleaning line is prepared for significant future growth.

pool maintenance; ARM & HAMMER S-Carb - a rumen buffer to improve milk production.

(Dollars in millions, except per share data)

Operating Results	1999	1998	1997	1996	1995	1994
Net sales:						
Consumer Products	\$ 586.9	560.2	459.0	417.6	380.6	393.0
Specialty Products	143.1	124.2	115.9	110.2	105.2	98.0
Total	730.0	684.4	574.9	527.8	485.8	491.0
Marketing	\$ 176.1	182.2	148.3	136.3	120.0	131.3
Research & development	\$ 17.9	16.4	15.8	17.8	18.5	20.6
Income from operations	\$ 67.7	42.5	30.6	27.3	8.4	1.5
% of sales	9.3%	6.2%	5.3%	5.2%	1.7%	.3%
Net income	\$ 45.4	30.3	24.5	21.2	10.2	6.1
Net income per share - basic	\$ 1.17	.78	.63	.55	.26	.16
Net income per share - diluted	\$ 1.11	.76	.61	.54	.26	.16

Financial Position	1999	1998	1997	1996	1995	1994
Total assets	\$ 476.3	391.4	351.0	308.0	293.2	294.5
Total debt	84.4	48.8	39.5	7.5	12.5	32.5
Stockholders' equity	226.7	194.8	179.3	165.3	153.7	153.9
Total debt as a % of total capitalization	27%	20%	18%	4%	8%	17%
Working capital	\$ 35.2	42.6	23.2	36.8	22.1	23.4
Current ratio	1.3	1.3	1.2	1.4	1.2	1.2

Other Data	1999	1998	1997	1996	1995	1994
Average common shares outstanding-basic (In thousands)	38,792	38,734	38,922	39,068	39,134	39,412
Return on average stockholders' equity	21.5%	16.2%	14.2%	13.3%	6.6%	3.8%
Return on average capital	17.0%	13.8%	12.8%	12.7%	6.2%	3.6%
Cash dividends paid	\$ 10.1	9.3	9.0	8.6	8.6	8.7
Cash dividends paid per common share	\$.26	.24	.23	.22	.22	.22
Stockholders' equity per common share	\$ 5.84	5.05	4.62	4.25	3.94	3.94
Additions to property, plant and equipment	\$ 33.1	27.1	9.9	7.1	19.7	28.4
Depreciation and amortization	\$ 19.3	16.5	14.2	13.6	13.1	11.7
Employees at year-end	1,324	1,127	1,137	937	941	1,028
Statistics per employee:*						
(In thousands)						
Sales	\$ 635	607	506	563	516	478
Operating earnings	57	38	27	29	9	1

Operating Results	1993	1992	1991	1990	1989
Net sales:					
Consumer Products	410.4	409.3	386.1	331.1	295.6
Specialty Products	97.3	87.2	80.7	80.2	75.8
Total	507.7	496.5	466.8	411.3	371.4
Marketing	126.3	123.0	94.9	71.3	45.9
Research & development	21.2	17.8	13.4	12.3	7.9
Income from operations	35.6	37.7	34.0	28.9	25.2
% of sales	7.0%	7.6%	7.3%	7.0%	6.8%
Net income	26.3	29.5	26.5	22.5	8.6
Net income per share - basic	.65	.73	.65	.53	.21
Net income per share - diluted	.64	.71	.65	.53	.21

Financial Position	1993	1992	1991	1990	1989
Total assets	281.7	261.0	244.3	249.2	242.5
Total debt	9.6	7.7	7.8	31.0	53.6
Stockholders' equity	169.4	159.1	139.2	118.7	111.6

Total debt as a % of total capitalization	5%	5%	5%	21%	32%
Working capital	54.6	40.7	34.1	46.1	66.8
Current ratio	1.8	1.5	1.4	1.6	2.2
Other Data					
Average common shares outstanding-basic (In thousands)	40,446	40,676	39,662	40,910	41,456
Return on average stockholders' equity	16.0%	19.8%	20.5%	19.5%	7.7%
Return on average capital	15.3%	19.0%	18.5%	15.7%	6.8%
Cash dividends paid	8.5	7.7	6.7	6.1	5.4
Cash dividends paid per common share	.21	.19	.17	.15	.13
Stockholders' equity per common share	4.22	3.91	3.43	2.94	2.70
Additions to property, plant and equipment	28.8	12.5	19.3	10.0	10.4
Depreciation and amortization	10.6	9.8	9.5	8.9	8.5
Employees at year-end	1,096	1,092	1,081	994	1,070
Statistics per employee:*					
(In thousands)					
Sales	463	455	432	414	347
Operating earnings	33	35	31	29	24

* 1999 results reflect sales and earnings for U.S. operations only.

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FINANCIAL REVIEW

The Financial Review discusses the Company's performance for 1999 and compares it to previous years. This Review is an integral part of the Annual Report and should be read in conjunction with all other sections.

1999 COMPARED TO 1998

Net Sales

Net sales increased by \$46 million or 6.7% to \$730 million, compared to \$684 million in the previous year. The majority of this increase was due to growth in the Consumer Products business.

Consumer Products were up 4.8% led by strong growth in deodorizing products, particularly ARM & HAMMER SUPER SCOOP Cat Litter, and increased toothpaste sales resulting from the introduction of the ARM & HAMMER ADVANCE WHITE product line in late 1998, partially offset by lower sales of ARM & HAMMER DENTAL CARE Gum. Last year's results reflected a 22.0% increase in consumer product sales relating to the introduction of two major new products in late 1997 and early 1998, ARM & HAMMER SUPER SCOOP Cat Litter and ARM & HAMMER DENTAL CARE Gum.

Specialty Products were up 15.2% due largely to the inclusion of QGN, the Company's 75% owned Brazilian subsidiary, whose results are now consolidated, and strong sales of animal nutrition products, particularly MEGALAC Rumen Bypass Fat. These increases were partially offset by the deconsolidation of the Specialty Cleaners business which is accounted for on the equity method in 1999 following the formation of the ArmaKleen Company as a 50% owned affiliate.

Operating Costs

The Company's gross margin decreased slightly to 44.6% from 44.7% in the prior year. Major favorable factors included lower direct manufacturing costs, particularly in the form of lower material costs, and improved distribution efficiencies. This margin improvement, however, was more than offset by the

inclusion of the Brazilian subsidiary, the shift in the high margin specialty cleaning business from having its results fully consolidated in 1998 to being accounted for as an equity investment in 1999, and the use of co-packers to meet higher than expected order requirements. The one-time acquisition related inventory costs of the CLEAN SHOWER and SCRUB FREE brands also contributed to gross margin decline in 1999.

Advertising, consumer and trade promotion expenses decreased \$6.1 million to \$176.1 million. The most significant factor behind this decrease is lower expenses in support of the oral and personal care product line, compared to the previous year which included introductory costs of ARM & HAMMER DENTAL CARE Gum. This reduction in expenses was partially offset by higher promotional support behind the deodorizing product line and the introduction of ARM & HAMMER SUPER STOP, the Company's first entry into the traditional clay cat litter market.

Selling, general and administrative expenses increased \$5.2 million. Major factors contributing to this increase included higher brokerage expenses related to higher sales, higher personnel and outside service costs in support of new business initiatives, the inclusion of the Brazilian subsidiary, and higher net costs of information systems, as less of these expenditures qualified for capitalization in 1999. These increases were partially offset by the reorganization of the Specialty Cleaners business in 1999.

In early 1999, the Company sold most of its trona mineral leases in Wyoming for approximately \$22.5 million, resulting in a one-time gain of approximately \$11.8 million.

The Company recorded a pre-tax charge of \$6.6 million for impairment and certain other items related to a planned plant shutdown late in 1999, which included the rationalization of both toothpaste and powder laundry detergent production.

Other Income and Expenses

The increase in equity in earnings of affiliates is due to the formation of the ArmaKleen Company as a 50% affiliate, which product lines prior to this year were fully consolidated in the Specialty Cleaners business. The Company also benefited from a \$.4 million additional contribution from our Brazilian subsidiary during the period of 1999 that the Company owned only 40%, and did not consolidate this subsidiary.

The Armand Products Company, saw a 7.5% sales decline driven by an increase of imports and domestic production of video glass. Although manufacturing cost reductions were obtained, our profitability in this business declined by approximately \$.6 million.

Investment income was lower than a year ago as a result of a lower amount of average cash available for investment.

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Other expenses in 1998 were largely the result of foreign exchange losses, which included translation losses incurred by our Venezuelan subsidiary due to the devaluation of the local currency.

Although average domestic debt outstanding during 1999 was lower than the prior year, interest expense was up slightly because of the debt service costs of the Brazilian subsidiary.

Taxation

The effective tax rate for 1999 was 36.9%, compared to 34.4% in the previous year. The lower effective rate in 1998 is primarily due to the utilization of tax losses of our Venezuelan subsidiary that could not be utilized in prior years.

Net Income and Earnings Per Share The Company's net income for 1999 was \$45.4 million, equivalent to diluted earnings of \$1.11 per share, compared to \$30.3 million or \$.76 per share in 1998.

1998 COMPARED TO 1997

Net Sales

Net sales increased 19.0% in 1998 primarily due to growth in the Consumer Products business.

Consumer Products were up 22.0% reflecting the introduction of two new major consumer products, SUPER SCOOP Cat Litter, in 1997's third quarter and ARM & HAMMER DENTAL CARE Gum, in early 1998. The acquisition of BRILLO Soap Pads and certain other brands in late 1997 also contributed to the sales growth. In the established consumer business, higher sales of laundry and deodorizing products were partially offset by lower toothpaste sales.

Specialty Products were up 7.1% led by higher sales of animal nutrition products, particularly MEGALAC Rumen Bypass Fat.

Operating Costs

The Company's gross margin decreased .5 points to 44.7%, reflecting the change in sales mix, especially the higher laundry and lower toothpaste sales, partially offset by lower manufacturing costs.

Advertising, consumer and trade promotion expenses increased \$34.0 million to \$182.2 million. The introductory costs of advertising and promoting ARM & HAMMER DENTAL CARE Gum were the most significant factors behind this increase. Other factors contributing to this increase included the full-year effect of advertising SUPER SCOOP Cat Litter, and promotion costs in support of BRILLO Soap Pads.

Selling, general and administrative expenses were slightly higher primarily as a result of personnel-related costs in support of new business initiatives and brokerage commissions related to higher sales. These increases were mostly offset by a reduction in the net cost of information systems. At the beginning of 1998, the Company adopted a new AICPA accounting statement which requires companies to capitalize certain costs of developing computer software for internal use. The amount capitalized, net of amortization, was \$4.7 million which reflected an unusually high level of software spending on a major company-wide information system implemented during 1998. If the same policy had been in effect in the previous year, the amount capitalized that year would have been about \$4.0 million.

During the second quarter of 1998, the Company recognized a one-time gain from the sale of research & development technology for \$3.5 million.

In the final quarter of 1998, the Company closed its small sodium bicarbonate plant in Venezuela after determining that market conditions could no longer support it. The facility produced 1998 sales of \$2.3 million and was unprofitable. The closure involved a \$2.8 million pre-tax write-off.

Other Income and Expenses

The Armand Products Company, saw a 2.8% sales decline driven by an increase in imports of finished products from the Far East as the dollar strengthened against Asian currencies. The slightly lower profitability on the lower sales of this joint venture, together with a break-even result from our 40% equity interest in our Brazilian chemical affiliate, were the primary reasons for the \$.8 million decrease in equity income.

Investment income was lower than a year ago as a result of a lower amount of average cash available for investment.

Other expenses in 1998 were largely the result of foreign exchange losses, which include translation losses incurred by our Venezuelan subsidiary due to the devaluation of the local currency.

Interest expense in 1998 was approximately \$1.7 million higher than the previous year and was the result of an increase of the debt incurred to finance the purchase of new product lines in the third quarter of 1997 and the first quarter of 1998. Additional financing was also required to fund the acquisition of the Lakewood plant and a relatively large capital expenditure program.

Taxation

The effective tax rate for 1998 was 34.4%, compared to 36.7% in the previous year. The lower effective rate is primarily due to the utilization of tax losses of our Venezuelan subsidiary that could not be utilized in prior years.

Net Income and Earnings Per Share

The Company's net income for 1998 was \$30.3 million, equivalent to diluted earnings of \$.76 per share, compared to \$24.5 million or \$.61 per share in 1997.

LIQUIDITY AND CAPITAL RESOURCES

The Company's balance sheet was strong at both the 1999 and 1998 year-end. The net debt position, after deducting cash and short-term investments, increased to \$60.6 million at December 31, 1999 from \$30.6 million at the year-end 1998.

In 1999, operating cash flow was \$64.0 million. The most significant factor contributing to the cash flow from operating activities was the higher operating earnings before non-cash charges for depreciation and amortization. Operating cash flow together with the proceeds from the sale of mineral rights and additional net borrowings of \$30.0 million, were used to acquire the CLEAN SHOWER and SCRUB FREE brands, and to increase our investment in the Brazilian subsidiary to a 75% majority owned position. Cash flow was also used to fund significant capital expenditures associated mainly with the reformulated powder laundry detergent manufacturing process at Green River, toothpaste and gum manufacturing capabilities at Lakewood, and the expansion of Megalac capacity at Old Fort. Other major uses of cash included the payment of cash dividends and the purchase of 424,000 shares of treasury stock.

The Company has a total debt-to-capital ratio of approximately 27%. At December 31, 1999 the Company had \$57.0 million of additional borrowing capacity available through short-term lines of credit. Capital expenditures in 2000 are expected to be lower than in 1999, but may be higher than the level of depreciation and amortization. Management believes that operating cash flow, coupled with the Company's access to credit markets, will be more than sufficient to meet the anticipated cash requirements for the coming year.

In 1998, operating cash flow was \$48.2 million. Major factors contributing to the cash flow from operating activities included higher operating earnings before non-cash charges for depreciation and amortization, offset by an increase in accounts receivable related to the higher sales. Operating cash flow together with additional net borrowings of \$9.3 million were used to fund capital expenditures associated mainly with the installation of the new enterprise software system and related hardware additions, plant modernization and cat litter capacity projects at Green River, and new packaging equipment in support of the BRILLO Soap Pad line at our London, Ohio, plant. Other major uses of cash included the expenditures related to the Lakewood plant acquisition, the early 1998 acquisition of the TOSS `N SOFT product line, and the purchase of 694,000 shares of treasury stock and cash dividends.

OTHER ITEMS

Market Risk

Interest Rate Risk

The Company has available short-term unsecured lines of credit with several banks. The Company's primary domestic line of credit is \$80 million, of which \$23 million was utilized as of December 31,1999; and \$50 million of a revolving credit agreement of which \$50 million was utilized at December 31,1999. The weighted average interest rate on these borrowings at December 31,1999 was approximately 6.5%. The Company entered into interest rate swap agreements to reduce the impact of interest rates on this debt. The swap agreements are contracts to exchange floating rate for fixed interest rate payments periodically over the life of the agreements without the exchange of the underlying notional amounts. As of December 31,1999, the Company entered into agreements for a notional amount of \$23 million, swapping debt with a three month LIBOR rate for a fixed rate that averages 6.2%. As a result, the swap agreements eliminate the variability of interest expense for that portion of the Company's debt. However, a 10% drop in interest rates would result in an immaterial payment under the swap agreement in excess of what would have been paid based on the variable rate.

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The Company's domestic operations and its Brazilian subsidiary have short and long term debts that are floating rate obligations. If the floating rate was to change by 10% from December 31,1999 and 1998, levels, annual interest expense associated with the floating rate debt would be immaterial.

Foreign Currency

The Company is subject to exposure from fluctuations in foreign currency exchange rates, primarily U.S. Dollar/British Pound, U.S. Dollar/Japanese Yen, U.S. Dollar/Canadian Dollar and U.S. Dollar/Brazilian Real.

The Company enters into forward exchange contracts to hedge anticipated but not yet committed sales denominated in the Canadian dollar, the British pound and the Japanese Yen. The terms of these contracts are for periods of under 12 months. The purpose of the Company's foreign currency hedging activities is to protect the Company from the risk that the eventual dollar net cash inflows from the sale of products to foreign customers will be adversely affected by changes in exchange rates. The amount outstanding at December 31,1999 and 1998 of "sell" contracts, translated into U.S. dollars using the rates current at the reporting date, were \$3,944,000 and \$3,156,000, respectively. At December 31,1999, the Company had an immaterial unrealized gain and an immaterial unrealized loss at December 31,1998. Had there been a 10% change in the value of the underlying foreign currency, the effect on these contracts would still have been immaterial.

The Company is also subject to translation exposure of the Company's foreign subsidiary's financial statements. A hypothetical change of 10% in the exchange rates for the U.S. Dollar to the Canadian Dollar, the British Pound and the Brazilian Real from those at December 31,1999 and 1998, would result in an annual currency translation gain or loss of approximately \$.6 million in 1999 and \$.3 million in 1998.

New Accounting Pronouncement

In June 1998, The Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133 ("SFAS 133") "Accounting for Derivative Instruments and Hedging Activities." This Statement requires that all derivatives be recorded in the balance sheet as either an asset or liability measured at fair value. The Statement requires that changes in a derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. In June 1999, the FASB issued SFAS No. 137 which deferred the effective date of adoption of SFAS No. 133 for one year. The Company will adopt SFAS No. 133 in the 2001 financial statements. The Company is in the process of evaluating this Statement and has not yet determined the future impact on the

Company's consolidated financial statements.

Year 2000

The Company was prepared for the date change to the year 2000 and successfully started the year 2000 without any interruption to the business. Although our IT systems and non-IT systems have operated thus far in the new year without any major disruptions there still exists the remote possibility that some future undetected problem may still occur.

Total expenditures incurred on Y2K-related projects through the fourth quarter of 1999 are estimated at approximately \$13 million, and any remaining costs of these projects are not expected to be significant.

Competitive Environment

The Company operates in highly competitive consumer product markets, in which cost efficiency and innovation are critical to success.

Most of the Company's laundry and household cleaning products are sold as value brands, which makes their cost position most important. Toward the end of 1999, the Company experienced increased price competition in the laundry detergent category. To stay competitive in this category, the Company completed a major project to modernize and upgrade its powder laundry detergent plant at Green River, Wyoming. With this project completed in late 1999, we expect to concentrate all powder laundry detergent production at Green River, thereby improving upon our cost position.

The Company has been very successful in recent years in entering the oral care and personal care and deodorizing businesses using the unique strengths of its ARM & HAMMER trademark and baking soda technology. These are highly innovative markets, characterized by a continuous flow of new products and line extensions, and requiring heavy advertising and promotion.

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In 1998, the Company made an important addition to the oral care product line with the introduction of ARM & HAMMER DENTAL CARE Gum. Although this introduction was considered a success in creating a new category, competitive products have been developed and the eventual success of the product may not be known for some time. The Company expects one or more additional competitive entries into the category in the years 2000 and 2001. In the toothpaste category, the Company introduced, early in 1999, ARM & HAMMER ADVANCE WHITE, a new product line based on the whitening power of baking soda in combination with other ingredients and, late in the year, ARM & HAMMER PM, the first toothpaste specifically formulated for nighttime oral care. The Company anticipates that marketing spending levels will remain high in 2000.

The major activity in the deodorizing product line for 1999 was the continuation of the SUPER SCOOP Cat Litter launch, which first began in late 1997. Late in the year, the Company introduced ARM & HAMMER SUPER STOP Clay Litter into the traditional clay segment. This product will require additional support as distribution is expanded. In 1999, the Company introduced two line extensions in the deodorizing area: ARM & HAMMER Baking Soda FRIDGE-N-FREEZER FRESHENER and ARM & HAMMER Carpet Deodorizer Lasting Scent. These introductions usually involve heavy marketing costs in the year of launch, and the eventual success of these line extensions will not be known for some time.

In the Specialty Products business, competition within the two major product categories, sodium bicarbonate and potassium carbonate, remained intense in 1999. Sodium bicarbonate sales have been impacted for several years by a nahcolite-based sodium bicarbonate manufacturer which has been operating at the lower end of the business and is now making an effort to enter the higher end. Furthermore, an affiliate of an energy services company has announced plans to enter the sodium bicarbonate market in late 2000 or early 2001 using a new

nahcolite process. To strengthen its competitive position, the Company has recently completed the modernization of its Green River facility to provide better availability of specialized grades, and has increased its production capacity at Old Fort. The Company is also increasing its R & D spending on health care, food processing and other high-end applications. As for potassium carbonate, the Company expects imports of video glass from the Far East and production from domestic suppliers to affect U.S. demand in 2000 as it did in 1999.

During the year, the Company continued to pursue opportunities to build a specialized industrial cleaning business using our aqueous-based technology. In early 1999, the Company extended its alliance with Safety-Kleen Corp. to build a specialty cleaning products business based on our technology and their sales and distribution organization. While this opportunity holds great promise, the outcome will not be known for some time.

Cautionary Note on Forward-Looking Statements

This Annual Report contains forward-looking statements relating, among others, to financial objectives, sales growth and margin improvement programs. Many of these statements depend on factors outside the Company's control, such as economic conditions, market growth and consumer demand, competitive products and pricing, raw material costs and other matters. With regard to new product introductions, there is particular uncertainty related to trade, competitive and consumer reactions. If the Company's assumptions are incorrect, or there is a significant change in some of these key factors, the Company's performance could vary materially from the forward-looking statements in this Report.

Common Stock Price Range and Dividends	1999			1998		
	Low	High	Dividend	Low	High	Dividend
1st Quarter	\$ 16 1/2	\$ 22 13/16	\$ 0.06	\$13 3/16	\$ 15 5/16	\$ 0.06
2nd Quarter	19 1/32	23 1/8	0.06	14 9/16	15 7/16	0.06
3rd Quarter	20 9/16	25 1/2	0.07	13 9/16	17 3/16	0.06
4th Quarter	23 1/8	30 3/16	0.07	13 3/4	18	0.06
Full Year	\$ 16 1/2	\$ 30 3/16	\$ 0.26	\$13 3/16	\$ 18	\$ 0.24

Based on composite trades reported by the New York Stock Exchange.

Approximate number of holders of Church & Dwight's Common Stock as of December 31, 1999: 10,000.

CHURCH & DWIGHT CO., INC. AND SUBSIDIARIES Consolidated Statements of Income (Dollars in thousands, except per share data)

Year ended December 31,	1999	1998	1997
Net Sales	\$ 730,036	\$ 684,393	\$ 574,906
Cost of sales	404,341	378,604	314,821
Gross Profit	325,695	305,789	260,085
Advertising, consumer and trade promotion expenses	176,123	182,206	148,254
Selling, general and administrative expenses	87,047	81,824	81,275
Gain on sale of mineral rights	(11,772)	--	--
Impairment and other items	6,617	--	--
Sale of technology	--	(3,500)	--

Plant shutdown	--	2,766	--

Income from Operations	67,680	42,493	30,556
Equity in earnings of affiliates	6,366	5,276	6,057
Investment earnings	1,216	1,348	1,666
Other income (expense)	201	(278)	1,320
Interest expense	(2,760)	(2,653)	(912)

Income before taxes	72,703	46,186	38,687
Income taxes	26,821	15,897	14,181
Minority interest; net of taxes	525	--	--
=====			
Net Income	\$ 45,357	\$ 30,289	\$ 24,506
=====			
Weighted average shares outstanding (in thousands) - Basic	38,792	38,734	38,922
Weighted average shares outstanding (in thousands) - Diluted	41,043	40,050	39,942
=====			
Net Income Per Share - Basic	\$ 1.17	\$.78	\$.63
Net Income Per Share - Diluted	\$ 1.11	\$.76	\$.61
=====			

See Notes to Consolidated Financial Statements.

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CHURCH & DWIGHT CO., INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(Dollars in thousands, except per share data)

December 31,	1999	1998
=====		
Assets		
=====		
Current Assets		
Cash and cash equivalents	\$ 19,765	\$ 16,189
Short-term investments	4,000	2,042
Accounts receivable, less allowances of \$1,552 and \$1,579	64,505	65,014
Inventories	72,670	60,285
Current portion of notes receivable	--	7,485
Deferred income taxes	8,221	10,535
Prepaid expenses	6,622	5,258

Total Current Assets	175,783	166,808

Property, Plant and Equipment (Net)	182,219	161,712
Notes Receivable	3,000	2,384

Equity Investment in Affiliates	20,177	27,751
Long-term Supply Contracts	4,105	4,918
Goodwill and Other Intangibles	83,744	25,142
Other Assets	7,278	2,723

Total Assets	\$ 476,306	\$ 391,438
=====		
Liabilities and Stockholders' Equity		
=====		
Current Liabilities		
Short-term borrowings	\$ 25,574	\$ 18,500
Accounts payable and accrued expenses	106,109	98,069
Current portion of long-term debt	685	685
Income taxes payable	8,240	6,983

Total Current Liabilities	140,608	124,237

Long-term Debt	58,107	29,630
Deferred Income Taxes	20,416	21,178
Deferred Liabilities	11,860	6,785
Nonpension Postretirement and Postemployment Benefits	15,145	14,770
Minority Interest	3,437	--
Commitments and Contingencies		
Stockholders' Equity		
Preferred Stock-\$1.00 par value		
Authorized 2,500,000 shares, none issued	--	--
Common Stock-\$1.00 par value		
Authorized 100,000,000 shares,		
issued 46,660,988 shares	46,661	46,661
Additional paid-in capital	18,356	13,171
Retained earnings	253,885	218,618
Accumulated other comprehensive (loss)	(4,599)	(782)
	314,303	277,668
Common stock in treasury, at cost:		
7,805,152 shares in 1999 and		
8,039,010 shares in 1998	(87,021)	(82,281)
Due from shareholder	(549)	(549)
Total Stockholders' Equity	226,733	194,838
Total Liabilities and Stockholders' Equity	\$ 476,306	\$ 391,438

See Notes to Consolidated Financial Statements.

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CHURCH & DWIGHT CO., INC. AND SUBSIDIARIES
Consolidated Statements of Cash Flow
(Dollars in thousands)

Year ended December 31,	1999	1998	1997
Cash Flow From Operating Activities			
Net Income	\$ 45,357	\$ 30,289	\$ 24,506
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, depletion and amortization	19,256	16,503	14,158
Disposal of fixed assets	5,490	3,554	--
Equity in earnings of affiliates	(6,366)	(5,276)	(6,057)
Deferred income taxes	1,888	(133)	2,733
Gain on sale of mineral rights	(11,772)	--	--
Other	403	90	155
Change in assets and liabilities:			
Decrease (increase) in accounts receivable	2,661	(15,545)	(7,875)
(Increase) decrease in inventories	(5,601)	2,053	(7,108)
(Increase) decrease in prepaid expenses	(1,235)	455	(819)
Increase (decrease) in accounts payable	4,513	6,143	(1,118)
Increase (decrease) in income taxes payable	3,426	6,521	(3,683)
Increase in other liabilities	6,025	3,505	1,650
Net Cash Provided by Operating Activities	64,045	48,159	16,542
Cash Flow From Investing Activities			
(Increase) decrease in short-term investments	(1,958)	1,951	1,018
Additions to property, plant and equipment	(33,112)	(27,123)	(9,918)
Proceeds from sale of mineral rights	16,762	--	--
Distributions from affiliates	3,354	4,756	5,818
Investment in affiliates, net of cash acquired	(9,544)	(360)	(10,421)
Purchase of new product lines	(54,826)	(7,038)	(30,973)
Purchase of other assets	(4,404)	(1,995)	(727)

Proceeds from note receivable	6,869	4,131	--
Investment in note receivable	--	(3,000)	--
Acquisition of manufacturing facility	--	(9,014)	--
Purchase of supply contract	--	(2,750)	--
Purchase of license agreement	--	--	(1,000)

Net Cash Used in Investing Activities	(76,859)	(40,442)	(46,203)

Cash Flow From Financing Activities

Proceeds (repayments) from short-term borrowing	5,349	(13,500)	32,000
Proceeds from stock options exercised	6,679	3,770	1,705
Purchase of treasury stock	(9,116)	(10,269)	(3,044)
Payment of cash dividends	(10,090)	(9,293)	(8,953)
Long-term debt repayment	(685)	(685)	--
Long-term borrowing	24,253	23,500	--

Net Cash Provided by (Used in) Financing Activities	16,390	(6,477)	21,708

Net Change in Cash and Cash Equivalents	3,576	1,240	(7,953)
Cash and Cash Equivalents at Beginning of Year	16,189	14,949	22,902

Cash and Cash Equivalents at End of Year	\$ 19,765	\$ 16,189	\$ 14,949

Cash paid during the year for:

Interest (net of amounts capitalized)	\$ 2,831	\$ 2,768	\$ 698
Income taxes	21,524	9,521	15,159

In 1999, the Company purchased an additional 35% of the stock of QGN, bringing its total ownership position to 75%. In conjunction with the acquisition, liabilities were assumed as follows:

Fair value of assets	\$ 22,699
Cash paid for stock	(9,034)
Liabilities assumed	\$ 13,665

See Notes to Consolidated Financial Statements.

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CHURCH & DWIGHT CO., INC. AND SUBSIDIARIES
Consolidated Statements of Stockholders' Equity
(In thousands)

Years ended December 31, 1999, 1998, 1997

	Number of Shares		Amounts		
	Common Stock	Treasury Stock	Common Stock	Treasury Stock	Additional Paid-In Capital
January 1, 1997	46,661	(7,756)	\$ 46,661	\$ (72,708)	\$ 10,033
Net Income	--	--	--	--	--
Translation adjustments	--	--	--	--	--
Comprehensive Income	--	--	--	--	--
Cash dividends	--	--	--	--	--
Stock option plan transactions including related income tax benefit	--	202	--	1,184	733
Purchase of treasury stock	--	(232)	--	(3,044)	--

December 31, 1997	46,661	(7,786)	46,661	(74,568)	10,766
Net Income	--	--	--	--	--
Translation adjustments	--	--	--	--	--
Comprehensive Income	--	--	--	--	--
Cash dividends	--	--	--	--	--
Stock option plan transactions including related income tax benefit	--	428	--	2,474	2,278

Purchase of treasury stock	--	(694)	--	(10,269)	--
Other stock issuances	--	13	--	82	127
=====					
December 31, 1998	46,661	(8,039)	46,661	(82,281)	13,171
Net Income	--	--	--	--	--
Translation adjustments	--	--	--	--	--
Comprehensive Income					
Cash dividends	--	--	--	--	--
Stock option plan					
transactions including					
related income tax benefit	--	649	--	4,311	5,028
Purchase of treasury stock	--	(424)	--	(9,116)	--
Other stock issuances	--	9	--	65	157
=====					
December 31, 1999	46,661	(7,805)	\$ 46,661	\$ (87,021)	\$ 18,356
=====					

Years ended December 31, 1999, 1998, 1997

Amounts				
	Retained Earnings	Accumulated Other Comprehensive Income (loss)	Due From Shareholder	Comprehensive Income
=====				
January 1, 1997	\$ 182,069	\$ (194)	\$ (549)	
Net Income	24,506	--	--	24,506
Translation adjustments	--	(397)	--	(397)
Comprehensive Income				24,109
Cash dividends	(8,953)	--	--	
Stock option plan				
transactions including				
related income tax benefit	--	--	--	
Purchase of treasury stock	--	--	--	
=====				
December 31, 1997	197,622	(591)	(549)	
Net Income	30,289	--	--	30,289
Translation adjustments	--	(191)	--	(191)
Comprehensive Income				30,098
Cash dividends	(9,293)	--	--	
Stock option plan				
transactions including				
related income tax benefit	--	--	--	
Purchase of treasury stock	--	--	--	
Other stock issuances	--	--	--	
=====				
December 31, 1998	218,618	(782)	(549)	
Net Income	45,357	--	--	45,357
Translation adjustments	--	(3,817)	--	(3,817)
Comprehensive Income				41,540
Cash dividends	(10,090)	--	--	
Stock option plan				
transactions including				
related income tax benefit	--	--	--	
Purchase of treasury stock	--	--	--	
Other stock issuances	--	--	--	
=====				
December 31, 1999	\$ 253,885	\$ (4,599)	\$ (549)	
=====				

See Notes to Consolidated Financial Statements

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CHURCH & DWIGHT CO., INC. AND SUBSIDIARIES
Notes to Consolidated Financial Statements

1. accounting policies

Business

The Company's principal business is the manufacture and sale of sodium carbonate-based products. It sells its products, primarily under the ARM & HAMMER trademark, to consumers through supermarkets, drug stores and mass merchandisers; and to industrial customers and distributors. In 1999, Consumer Products represented approximately 80% and Specialty Products 20% of the

Company's net sales. The Company does approximately 89% of its business in the United States.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries. The Company's 50% interest in its Armand Products Company joint venture, the ArmaKleen Company joint venture and its 45% interest in LifeRight Foods LLC, a joint venture to develop enhanced feeds made from natural ingredients, have been accounted for under the equity method of accounting. During early 1999, the Company increased its ownership of QGN, its Brazilian subsidiary from 40% to 75%. The Brazilian subsidiary has been consolidated since May 1999 and was previously accounted for under the equity method. All material intercompany transactions and profits have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Foreign Currency Translation

Financial statements of foreign subsidiaries are translated into U.S. dollars in accordance with SFAS No. 52. Gains and losses on foreign currency transactions were not material.

Cash Equivalents

Cash equivalents consist of highly liquid short-term investments which mature within three months of purchase.

Inventories

Inventories are valued at the lower of cost or market. Cost is determined primarily by using the last-in, first-out (LIFO) method.

Property, Plant and Equipment

Property, plant and equipment and additions thereto are stated at cost. Depreciation and amortization are provided by the straight-line method over the estimated useful lives of the respective assets.

Software

Starting in 1998, the Company accounted for software in accordance with Statement of Position (SOP) 98-1 "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use." The SOP requires companies to capitalize certain costs of developing computer software. Amortization is provided by the straight-line method over the estimated useful lives of the software. In 1997, such costs were charged to expense.

Long-Term Supply Contracts

Long-term supply contracts represent advance payments under multi-year contracts with suppliers of raw materials and finished goods inventory. Such advance payments are applied over the lives of the contracts.

Goodwill and Other Intangibles

Goodwill recorded prior to November 1, 1970, is not being amortized, as management of the Company believes there has been no diminution in carrying value. Goodwill and other intangibles, recorded as part of the Brillo and related brand acquisitions, the investment in QGN and the bathroom cleaner

product lines acquired in 1999, is being amortized predominately over 20 years using the straight-line method. The Company will be periodically assessing the recoverability of the cost of its goodwill based on a review of projected undiscounted cash flows of the related acquisitions.

Selected Operating Expenses

Research & development costs in the amount of \$17,921,000 in 1999, \$16,448,000 in 1998 and \$15,841,000 in 1997, were charged to operations as incurred.

Earnings Per Share

Basic EPS is calculated based on income available to common shareholders and the weighted-average number of shares outstanding during the reported period. Diluted EPS includes additional dilution from potential common stock issuable

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pursuant to the exercise of stock options outstanding. Antidilutive stock options, in the amounts of 21,000 and 485,800 for 1999 and 1997, have been excluded. There were no antidilutive options for 1998. On July 29, 1999, the Company announced a 2 for 1 stock split. The shares resulting from the stock split were distributed on September 1, 1999, to stockholders of record at close of business on August 10, 1999. Financial information contained elsewhere in these financial statements has been adjusted to reflect the impact of the stock split.

Income Taxes

The Company recognizes deferred income taxes under the liability method; accordingly, deferred income taxes are provided to reflect the future consequences of differences between the tax bases of assets and liabilities and their reported amounts in the financial statements.

New Accounting Pronouncement

In June 1998, The Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133 ("SFAS 133") "Accounting for Derivative Instruments and Hedging Activities." This Statement requires that all derivatives be recorded in the balance sheet as either an asset or liability measured at fair value. The Statement requires that changes in a derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. In June 1999, the FASB issued SFAS No. 137 which deferred the effective date of adoption of SFAS No. 133 for one year. The Company will adopt SFAS No. 133 in the 2001 financial statements. The Company is in the process of evaluating this Statement and has not yet determined the future impact on the Company's consolidated financial statements.

Reclassification

Certain prior year amounts have been reclassified in order to conform with the current year presentation.

2. fair value of financial instruments and risk management

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments at December 31, 1999 and 1998. Financial Accounting Standards No. 107, "Disclosures About Fair Value of Financial Instruments," defines the fair value of a financial instrument as the amount at which the instrument could be exchanged in a current transaction between willing parties.

	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets:				
Short-term investments	\$ 4,000	\$ 4,000	\$ 2,042	\$ 2,042
Notes receivable	3,000	-- (1)	9,869	9,814
Due from shareholder	549	549	549	554
Financial Liabilities:				
Short-term borrowings	25,574	25,574	18,500	18,500
Current portion of long-term debt	685	685	685	685
Long-term debt	58,107	58,107	29,630	29,630

The following methods and assumptions were used to estimate the fair value of each class of financial instruments reflected in the Consolidated Balance Sheets:

Short-term Investments

The cost of the investments (trading securities) can be specifically identified and its fair value is based upon quoted market prices at the reporting date. At December 31, 1999 and 1998, both the cost and market value of the investments approximated each other.

Notes Receivable

The notes receivable represent loans to the Company's Armand Products Company joint venture and Fluid Packaging Co., Inc. The note to Armand Products was secured by plant and equipment owned by the joint venture, bore interest at a rate of 8.25% and was due in installments from January 1998 through June 2000. The note was paid in full in December 1999. The fair value of the Armand note in 1998 was based on discounting cash flows using rates available on notes with similar terms.

(1) The note to Fluid Packaging is secured by a pledge of and security interest in 65% of the capital stock of Allied Mexico, S.A. de C.V., a wholly-owned subsidiary of Fluid Packaging. The note bears an interest rate of 8.0% and was due in full no later than July 15, 1999. The Fluid note was not paid by its maturity date. The Company is proceeding toward the resolution of the matter, leading to the collection of the note. After reviewing the value of the collateral, the Company believes the carrying value of the note is fully recoverable. However, because the note has passed the maturity date, and other financial matters relating to Fluid Packaging exist, the Company is unable to determine the current fair value of the note.

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Due from Shareholder

The note receivable approximates fair value because of its short maturity.

Short-term Borrowings

The amounts of unsecured lines of credit equal fair value because of short maturities and variable interest rates.

Long-term Debt and Current Portion of Long-term Debt

The Company estimates that based upon the Company's financial position and the variable interest rate, the carrying value approximates fair value.

Risk Management

The Company enters into forward exchange contracts to hedge anticipated but not

committed sales denominated in Canadian dollar, English pound and the Japanese yen. The terms of these contracts are for periods of under 12 months. The purpose of the Company's foreign currency hedging activities is to protect the Company from the risk that the eventual dollar net cash inflows resulting from the sale of products to foreign customers will be adversely affected by changes in exchange rates. The amounts outstanding at December 31, 1999 and 1998 of "sell" contracts, translated into U.S. dollars using the rates current at the reporting date, were \$3,944,000 and \$3,156,000, respectively. The Company's accounting policy is to value these contracts at market value and record currently any change in market value as a gain or loss. At December 31, 1999, the Company had an immaterial unrealized gain and an immaterial unrealized loss at December 31, 1998.

The Company entered into interest rate swap agreements to reduce the impact of changes in interest rates on its floating rate short-term debt. The swap agreements are contracts to exchange floating rate for fixed interest payments periodically over the life of the agreements without the exchange of the underlying notional amounts. As of December 31, 1999, the Company entered into agreements for a notional amount of \$23,000,000, swapping debt with a three month libor rate for a fixed interest rate that averages 6.2%. These swaps are accounted for on an accrual basis with amounts to be paid or received recognized as adjustments to interest expense.

3. inventories

Inventories are summarized as follows:

(In thousands)	1999	1998
Raw materials and supplies	\$25,698	\$16,278
Work in process	22	160
Finished goods	46,950	43,847
	<u>\$72,670</u>	<u>\$60,285</u>

Inventories valued on the LIFO method totaled \$63,098,000 and \$53,203,000 at December 31, 1999 and 1998, respectively, and would have been approximately \$3,225,000 and \$3,656,000 higher, respectively, had they been valued using the first-in, first-out (FIFO) method.

4. property, plant and equipment

Property, plant and equipment consist of the following:

(In thousands)	1999	1998
Land	\$ 5,741	\$ 4,896
Buildings and improvements	85,411	73,529
Machinery and equipment	221,783	173,595
Office equipment and other assets	15,434	14,347
Software	5,857	5,311
Mineral rights	328	5,931
Construction in progress	4,960	14,148
	<u>339,514</u>	<u>291,757</u>
Less accumulated depreciation, depletion and amortization	157,295	130,045
Net property, plant and equipment	<u>\$182,219</u>	<u>\$161,712</u>

Depreciation, depletion and amortization of property, plant and equipment have been charged to operations in the amount of \$16,594,000, \$14,646,000 and \$13,249,000 in 1999, 1998 and 1997, respectively. Interest charges in the amount of \$421,000, \$381,000 and \$109,000 were capitalized in connection with construction projects in 1999, 1998 and 1997, respectively.

5. acquisitions

In 1997, the Company acquired a 40% interest in QGN. The investment, costing approximately \$10.4 million, was financed internally and included goodwill of approximately \$3.3 million. The Company exercised its option to increase its interest to 75% during the second quarter of 1999. The additional 35% ownership cost approximately \$9.1 million and included goodwill of approximately \$4.8 million. Pro forma comparative results of operation are not presented because they are not materially different from the Company's reported results of operations.

On January 26, 1998, the Company's Brotherton Speciality Products subsidiary purchased Kingston Chemical Ltd., a supplier of specialty chemicals, for approximately \$1.7 million, which was allocated to intangible assets.

On January 29, 1998, the Company closed on its previously announced acquisition of TOSS 'N SOFT Dryer Sheets from The Dial Corporation for approximately \$5.3 million.

On July 15, 1998, the Company purchased from Fluid Packaging Co., Inc., a manufacturing facility and machinery located in Lakewood, New Jersey, for approximately \$9.0 million. As noted earlier, the Company loaned to Fluid Packaging \$3.0 million at an interest rate of 8.0%.

During the fourth quarter of 1999, the Company entered the bathroom cleaner category with the acquisition of two major brands, CLEAN SHOWER and SCRUB FREE. As part of the Scrub Free transaction, the Company also acquired the DELICARE fine fabric wash brand. The combined purchase price of both transactions was approximately \$55.2 million and was financed by the use of the Company's lines of credit and included goodwill and other intangibles of approximately \$51.7 million.

6. accounts payable and accrued expenses

Accounts payable and accrued expenses consist of the following:

(In thousands)	1999	1998
Trade accounts payable	\$ 46,950	\$ 40,194
Accrued marketing and promotion costs	39,867	40,622
Accrued wages and related costs	9,195	8,467
Accrued pension and profit-sharing	5,640	5,230
Other accrued current liabilities	4,457	3,556
	-----	-----
	\$106,109	\$ 98,069

7. short-term borrowings and long-term debt

The Company has available short-term unsecured lines of credit with several banks. The Company's primary domestic line of credit is \$80 million, of which

\$23 million was utilized as of December 31, 1999; and \$50 million of a revolving credit agreement, of which \$50 million was utilized at December 31, 1999. The weighted average interest rate on these borrowings at December 31, 1999 was approximately 6.5%.

In addition, the Company's Brazilian subsidiary has lines of credit which allow it to borrow in its local currency. This amounts to \$8 million, of which \$2.6 million was utilized as of December 31, 1999. The weighted average interest rate on these borrowing as December 31, 1999 was approximately 19.9%.

Long-term debt and current portion of long-term debt consists of the following:

(In thousands)	1999	1998
Three-Year Unsecured Revolving Credit Loan due December 29, 2002	\$50,000	\$23,500
Various Debt from Brazilian Banks	2,662	--
Industrial Revenue Refunding Bond due in installments of \$685 from 2000-2007 and \$650 in 2008	6,130	6,815
	\$58,792	\$30,315

The Industrial Revenue Refunding Bond carries a variable rate of interest determined weekly, based upon current market conditions for short-term tax-exempt financing. The average rate of interest charged in 1999 and 1998 was 3.5% and 3.0%, respectively. The interest rate associated with the revolving credit loan is tied to the LIBOR rate and may be adjusted based on the Company's financial performance. The average interest rate charged in 1999 was 5.4%.

The Brazilian subsidiary's long-term debt is due in installments of \$1.2 million in 2001 and 2002, with the balance due in 2003 and 2004. The rate of interest ranges from 18.5% to 24.0%, but averages 19.2%.

8. Income taxes

The components of income before taxes are as follows:

(In thousands)	1999	1998	1997
Domestic	\$66,740	\$43,197	\$36,099
Foreign	5,963	2,989	2,588
Total	\$72,703	\$46,186	\$38,687

The following table summarizes the provision for U.S. federal, state and foreign income taxes:

(In thousands)	1999	1998	1997
----------------	------	------	------

Current:			
U.S. federal	\$19,395	\$12,214	\$ 9,180
State	3,531	2,754	1,794
Foreign	2,007	1,062	474
	-----	-----	-----
	\$24,933	\$16,030	\$11,448
Deferred:			
U.S. federal	\$ 1,552	\$ 274	\$ 2,243
State	358	(424)	439
Foreign	(22)	17	51
	-----	-----	-----
	\$ 1,888	\$ (133)	\$ 2,733
	-----	-----	-----
Total provision	\$26,821	\$15,897	\$14,181
	=====	=====	=====

Deferred tax liabilities/(assets) consist of the following at December 31:

(In thousands)	1999	1998
Current deferred tax assets:		
Marketing expenses, principally coupons	\$ (5,065)	\$ (7,198)
Reserves and other liabilities	(1,320)	(1,329)
Accounts receivable	(1,339)	(1,294)
Other	(497)	(714)
	-----	-----
Total current deferred tax assets	(8,221)	(10,535)
Noncurrent deferred tax liabilities/(assets):		
Nonpension postretirement and postemployment benefits	(6,124)	(5,746)
Capitalization of items expensed	(5,010)	(3,117)
Loss carryforward of foreign subsidiary (1)	(6,636)	--
Foreign exchange translation adjustment	(1,789)	(305)
Valuation allowance	8,425	305
Depreciation and amortization	31,608	29,443
Other	(58)	598
	-----	-----
Net noncurrent deferred tax liabilities	20,416	21,178
	-----	-----
Net deferred tax liability	\$ 12,195	\$ 10,643
	-----	-----

The difference between tax expense and the "expected" tax which would result from the use of the federal statutory rate is as follows:

(In thousands)	1999	1998	1997
Statutory rate	35%	35%	35%
Tax which would result from use of the federal statutory rate	\$ 25,446	\$ 16,165	\$ 13,540
	-----	-----	-----
Depletion	(466)	(490)	(473)
Research & development credit	(200)	(200)	(200)
State and local income tax, net of federal effect	2,528	1,515	1,451
Varying tax rates of foreign affiliates	(103)	142	151
Non-recognition of foreign affiliate loss	--	--	193
Recognition of foreign affiliate losses	--	(996)	(416)
Other	(384)	(239)	(65)
	-----	-----	-----
	1,375	(268)	641
	-----	-----	-----
Recorded tax expense	\$ 26,821	\$ 15,897	\$ 14,181
	-----	-----	-----
Effective tax rate	36.9%	34.4%	36.7%
	=====	=====	=====

(1) The loss carryforward existed at the date of acquisition. Any recognition of this benefit will be an adjustment to Goodwill.

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9. pension and nonpension postretirement benefits

The Company has defined benefit pension plans covering certain hourly employees. Pension benefits to retired employees are based upon their length of service and a percentage of qualifying compensation during the final years of employment. The Company's funding policy, which is consistent with federal funding requirements, is intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future.

The Company maintains unfunded plans which provide medical benefits for eligible domestic retirees and their dependents. The Company accounts for these benefits in accordance with Statement of Financial Accounting Standards No. 106 (SFAS 106), "Employers' Accounting for Postretirement Benefits Other than Pensions." This standard requires the cost of such benefits to be recognized during the employee's active working career.

The following table provides information on the status of the plans at December 31:

(In thousands)	Pension Plans		Nonpension Postretirement Benefit Plans	
	1999	1998	1999	1998
Change in Benefit Obligation:				
Benefit obligation at beginning of year	\$ 15,403	\$ 13,301	\$ 9,548	\$ 7,871
Service cost	440	396	477	446
Interest cost	1,008	977	647	592
Plan amendments	21	--	--	--
Actuarial (gain) loss	(1,470)	1,387	(325)	880
Benefits paid	(726)	(658)	(693)	(241)
Benefit obligation at end of year	\$ 14,676	\$ 15,403	\$ 9,654	\$ 9,548
Change in Plan Assets:				
Fair value of plan assets at beginning of year	\$ 15,789	\$ 14,347	\$ --	\$ --
Actual return on plan assets (net of expenses)	5,201	2,100	--	--
Employer contributions	47	--	693	241
Benefits paid	(726)	(658)	(693)	(241)
Fair value of plan assets at end of year	\$ 20,311	\$ 15,789	\$ --	\$ --
Reconciliation of the Funded Status:				
Funded status	\$ 5,635	\$ 386	\$ (9,654)	\$ (9,548)
Unrecognized transition obligation	3	10	--	--
Unrecognized prior service cost	177	184	(1,055)	(1,160)
Unrecognized actuarial gain	(6,182)	(990)	(3,355)	(3,174)
Loss due to currency fluctuations	39	56	--	--
Net amount recognized at end of year	\$ (328)	\$ (354)	\$ (14,064)	\$ (13,882)
Amounts recognized in the statement of financial position consist of:				
Prepaid benefit cost	\$ 663	\$ 562	\$ --	--
Accrued benefit liability	(991)	(916)	(14,064)	(13,882)
Net amount recognized at end of year	\$ (328)	\$ (354)	\$ (14,064)	\$ (13,882)
Weighted-average assumptions as of December 31:				
Discount rate	7.50%	6.75%	7.50%	6.75%
Rate of compensation increase	5.00%	5.00%	--	--
Expected return on plan assets	9.25%	9.25%	--	--

Net Pension and Net Postretirement Benefit Costs consisted of the following components:

(In thousands)	Pension Costs			Postretirement Costs		
	1999	1998	1997	1999	1998	1997
Components of Net Periodic Benefit Cost:						
Service cost	\$ 440	\$ 396	\$ 348	\$ 477	\$ 446	\$ 371
Interest cost	1,008	977	891	647	592	530
Expected return on plan assets	(1,433)	(1,291)	(1,167)	--	--	--
Amortization of transition obligation	4	4	2	--	--	--
Amortization of prior service cost	29	28	28	(105)	(105)	(96)
Recognized actuarial (gain) or loss	(27)	(13)	(31)	(144)	(215)	(301)
Net periodic benefit cost	\$ 21	\$ 101	\$ 71	\$ 875	\$ 718	\$ 504

The pension plan assets primarily consist of equity mutual funds, fixed income funds and a guaranteed investment contract fund.

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The accumulated postretirement benefit obligation has been determined by application of the provisions of the Company's medical plans including established maximums and sharing of costs, relevant actuarial assumptions and health-care cost trend rates projected at 9% in 1999, and ranging to 5.0% for years 2000 and beyond. During 1996, the Company changed the eligibility requirements of the plan and established a maximum annual benefit based on years of service for those over 65 years of age.

(In thousands)	1999	1998
Effect of 1% increase in health-care cost trend rates on:		
Postretirement benefit obligation	\$ 697	\$ 737
Total of service cost and interest cost component	93	90
Effect of 1% decrease in health-care cost trend rates on:		
Postretirement benefit obligation	(615)	(646)
Total of service cost and interest cost component	(80)	(77)

The Company also maintains a defined contribution profit-sharing plan for salaried and certain hourly employees. Contributions to the profit-sharing plan charged to earnings amounted to \$4,481,000, \$4,340,000 and \$4,100,000 in 1999, 1998 and 1997, respectively.

The Company also has an employee savings plan. The Company matches 50% of each employee's contribution up to a maximum of 6% of the employee's earnings. The Company's matching contributions to the savings plan were \$1,327,000, \$1,097,000 and \$963,000 in 1999, 1998 and 1997, respectively.

10. stock option plans

The Company has options outstanding under three plans. Under the 1983 Stock Option Plan and the 1994 Incentive Stock Option Plan, the Company may grant options to key management employees. The Stock Option Plan for Directors authorizes the granting of options to non-employee directors. Options outstanding under the plans are issued at market value, are exercisable on the third anniversary of the date of grant, and must be exercised within ten years of the date of grant. In early 1998, the Company made a special option award to 31 executives and key managers. This award, amounting to approximately 444,000 shares, vested at various stock prices ranging from \$18 to \$25 a share. A grand total of 7,000,000 shares of the Company's common stock is authorized for issuance for the exercise of stock options.

Stock option transactions for the three years ended December 31, 1999 were as follows:	Number of Shares	Weighted Avg. Exercise Price
Outstanding at January 1, 1997	4,569,364	\$10.53
Grants	115,546	12.58
Exercised	202,800	8.40
Cancelled	99,200	10.39
-----	-----	-----
Outstanding at December 31, 1997	4,382,910	10.69
Grants	1,147,400	13.76
Exercised	428,000	8.82
Cancelled	65,900	12.99
-----	-----	-----
Outstanding at December 31, 1998	5,036,410	11.52
Grants	579,000	20.94
Exercised	649,116	10.29
Cancelled	83,500	12.84
-----	-----	-----
Outstanding at December 31, 1999	4,882,794	12.78

At December 31, 1999, 1998 and 1997, 3,499,380 options, 2,256,864 options and 2,481,064 options were exercisable.

The table below summarizes information relating to options outstanding and exercisable at December 31, 1999.

Options Outstanding				Options Exercisable	
Exercise Prices	Options Outstanding	Weighted Average Exercise Price	Weighted Avg. Remaining Contractual Life	Options Exercisable	Weighted Average Exercise Price
\$ 8.00 - \$10.00	737,264	\$ 8.74	3.8 years	737,264	\$ 8.74
\$10.01 - \$12.50	1,866,896	10.76	6.2	1,800,950	10.72
\$12.51 - \$15.00	1,455,534	13.62	6.5	738,466	13.54
\$15.01 - \$17.50	244,100	16.00	3.8	222,700	16.05
\$17.51 - \$21.00	553,800	20.72	9.4	--	--
\$21.01 - \$27.75	25,200	26.66	9.8	--	--

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The fair-value of options granted in 1999, 1998 and 1997 is \$4,447,000, \$4,658,000, and \$372,000, respectively and the weighted average fair-value per share of options granted in 1999, 1998 and 1997 is \$7.68, \$4.06 and \$3.22, respectively.

The fair-value of options granted in 1999, 1998 and 1997 is estimated on the date the options are granted based on the Black Scholes option-pricing model with the following weighted-average assumptions:

	1999	1998	1997
Risk-free interest rate	6.0%	5.7%	6.5%
Expected life	6.0 years	6.1 years	4.5 years
Expected volatility	30.0%	25.6%	23.1%
Dividend yield	1.2%	1.8%	1.7%

The Company accounts for costs of stock-based compensation in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," rather than the fair-value based method in Statement of Financial Accounting Standards No. 123 (SFAS 123), "Accounting for Stock-Based Compensation." No compensation cost has been recognized for the Company's stock option plans. Had compensation cost been determined based on the fair values of the stock options at the date of grant in accordance with SFAS 123, the Company would have recognized additional compensation expense, net of taxes, of \$2,037,000, \$1,831,000 and \$1,113,000 for 1999, 1998 and 1997, respectively. The Company's pro forma net income and pro forma net income per share for 1999, 1998 and 1997 would have been as follows:

(In thousands, except for per share data)

	1999	1998	1997
Net Income			
As reported	\$ 45,357	\$ 30,289	\$ 24,506
Pro forma	43,320	28,458	23,393
Net Income per Share: basic			
As reported	\$ 1.17	\$.78	\$.63
Pro forma	1.12	.74	.60
Net Income per Share: diluted			
As reported	\$ 1.11	\$.76	\$.61
Pro forma	1.06	.71	.59

Since compensation expense associated with option grants is recognized over the vesting period, the initial impact of applying SFAS No. 123 on pro forma disclosure is not representative of the potential impact on pro forma net income for future years, when the effect of the recognition of a portion of compensation expense from multiple awards would be reflected.

11. plant shutdown

During the fourth quarter of 1998, the Company ceased operation of its sodium bicarbonate facility in Venezuela. The write-off, consisting primarily of property, plant, equipment and inventory, amounted to a pre-tax charge of \$2,766,000. This charge also includes approximately \$200,000 of severance and related costs, and the ending liability at December 31, 1999 and 1998 was insignificant. Partially offsetting this were related tax loss benefits, which reduced the net charge to approximately \$600,000 or \$0.015 per diluted share.

12. gain on the sale of mineral rights

The Company sold most of its trona mineral leases in Wyoming for approximately \$22.5 million to Solvay Minerals, Inc., resulting in a gain of approximately \$11.8 million. The terms of the note recorded as part of the sale included annual payments beginning on January 5, 1999 and concluding on January 5, 2011. The Company received its initial payment of \$3.0 million and assigned and sold the note for the present value of the remaining payments net of expenses for approximately \$13.8 million.

13. impairment and other items

The Company recorded a pre-tax charge of \$6.6 million for impairment and certain other items relating to a plant shutdown late in 1999 which included the rationalization of both toothpaste and powder laundry detergent production. Components of the impairment charge and the outstanding reserve balances included in accounts payable and accrued expenses consist of the following:

(In thousands)	Impairment Charge	(Disposals/Payments)	Reserves at Dec. 31, 1999
Fixed asset impairment	\$ 4,922	\$(4,922)	\$ --
Severance and other charges	1,695	(1,427)	268
	\$ 6,617	\$(6,349)	\$ 268

The severance charge is for 74 production related individuals.

14. common stock voting rights and rights agreement

Effective February 19, 1986, the Company's Restated Certificate of Incorporation was amended to provide that every share of Company common stock is entitled to four votes per share if it has been beneficially owned continuously by the same holder (1) for a period of 48 consecutive months preceding the record date for the Stockholders' Meeting; or (2) since February 19, 1986. All other shares carry one vote. Specific provisions for the determination of beneficial ownership and the voting of rights of the Company's common stock are contained in the Company's Notice of Annual Meeting of Stockholders and Proxy Statement.

On August 27, 1999, the Board of Directors adopted a Shareholder Rights Plan (the Plan) that essentially reinstates a Shareholder Rights Plan originally enacted in 1989, which had terminated. In connection with the adoption of the Plan, the Board declared a dividend of one preferred share purchase right for each outstanding share of Company Common Stock. Each right, which is not presently exercisable, entitles the holder to purchase one one-hundredth of a share of Junior Participating Preferred Stock at an exercise price of \$200.00. In the event that any person acquires 20% or more of the outstanding shares of Common Stock, each holder of a right (other than the acquiring person or group) will be entitled to receive, upon payment of the exercise price, that number of shares of Common Stock having a market value equal to two times the exercise price. In order to retain flexibility and the ability to maximize shareholder value in the event of unknown future transactions, the Board of Directors retains the power to redeem the rights for a set amount.

The rights were issued on September 13, 1999, payable to shareholders of record at the close of business on that date. The rights will expire on September 13, 2009.

15. commitments and contingencies

a. Rent expense amounted to \$2,715,000 in 1999, \$2,821,000 in 1998 and \$2,890,000 in 1997. The Company is obligated for minimum annual rentals under non-cancelable long-term operating leases as follows:

(In thousands)	
2000	\$2,982
2001	2,323
2002	1,403
2003	144
2004	44

Total future minimum lease commitments \$6,896

=====

- b. In December 1981, the Company formed a partnership with a supplier of raw materials which mines and processes sodium mineral deposits owned by each of the two companies in Wyoming. The partnership supplies the Company with the majority of its sodium raw material requirements. This agreement terminates upon two years' written notice by either company.
- c. The Company, in the ordinary course of its business, is the subject of, or party to, various pending or threatened legal actions. The Company believes that any ultimate liability arising from these actions will not have a material adverse effect on its financial position or results of operation.

16. segments

Segment Information

The Company has two operating segments: Consumer Products and Specialty Products. The Consumer Products segment comprises packaged goods primarily sold to retailers. The Specialty Products segment includes chemicals sold primarily to industrial and agricultural markets.

Measurement of Segment Results and Assets

The accounting policies of the segments are generally the same as those described in the summary of significant accounting policies with the exception of:

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- a. The Companies' portion of the Armand Products and ArmaKleen joint ventures are consolidated into the Specialty Products segment results. Accordingly, they are not accounted for by the equity method.
- b. The administrative costs of the production planning and logistics functions are included in segment SG&A expenses, but are elements of cost of goods sold in the Company's Consolidated Statement of Income.

The Company evaluates performance based on operating profit. There are no intersegment sales.

Factors used to Identify Segments

The Company's segments are strategic business units with distinct differences in product application and customer base. They are managed by separate sales and marketing organizations.

	Consumer	Specialty	Subtotal	Unconsolidated Affiliates	(3) (4) Corporate	(5) Adjustments	Total
Net Sales							
1999	\$586,944	\$168,148	\$755,092	\$(25,056)	--	--	\$730,036
1998	560,201	144,065	704,266	(19,873)	--	--	684,393
1997	458,978	136,363	595,341	(20,435)	--	--	574,906
Gross Profit							
1999	285,036	57,346	342,382	(10,175)	--	(6,512)	325,695
1998	266,685	52,695	319,380	(6,673)	--	(6,918)	305,789
1997	222,068	51,263	273,331	(7,025)	--	(6,221)	260,085
Advertising, Consumer and Trade Promotion Expenses							
1999	173,856	2,647	176,503	(380)	--	--	176,123

1998	179,173	3,098	182,271	(65)	--	--	182,206
1997	145,065	3,270	148,335	(81)	--	--	148,254
=====							
Selling, General and Administrative Expenses							
1999	69,628	27,311	96,939	(3,380)	--	(6,512)	87,047
1998	60,638	29,292	89,930	(1,188)	--	(6,918)	81,824
1997	55,445	31,782	87,227	(1,258)	1,527	(6,221)	81,275
=====							
Operating Profit							
1999	41,554	27,254	68,808	(6,283)	--	5,155	67,680
1998	30,374 (1)	20,305	50,679	(5,420)	--	(2,766)	42,493
1997	21,558	16,211	37,769	(5,686)	(1,527)	--	30,556
=====							
Identifiable Assets (2)							
1999	309,366	139,831	449,197	--	27,109	--	476,306
1998	251,528	115,872	367,400	--	24,038	--	391,438
1997	214,570	113,262	327,832	--	23,182	--	351,014
=====							
Capital Expenditures							
1999	23,526	9,586	33,112	--	--	--	33,112
1998	27,010	9,127	36,137	--	--	--	36,137
1997	6,829	3,089	9,818	--	--	--	9,918
=====							
Depreciation Depletion and Amortization							
1999	12,988	6,268	19,256	--	--	--	19,256
1998	10,919	5,584	16,503	--	--	--	16,503
1997	9,157	5,001	14,158	--	--	--	14,158
=====							

(1) Included in the 1998 operating profit of the Consumer Products segment is a one-time gain of \$3,500,000 relating to the sale of technology. (2) The Specialty Products segment's identifiable assets include equity of investments in affiliates in the amounts of \$20,177,000, \$27,751,000 and \$26,871,000 for 1999, 1998 and 1997, respectively. (3) Corporate selling, general and administrative expenses include certain research & development costs that are not allocated to segments. (4) Corporate assets include excess cash and investments not used for segment operating needs and deferred income taxes. (5) Adjustments reflect reclassification of production planning and logistics administrative costs between gross profit and SG&A expenses, in 1998 the plant shutdown charge, and in 1999 the gain on sale of mineral reserves and the impairment and other items charges.

Product line net sales data is as follows:

	Laundry and Household Cleaners	Oral and Personal Care	Deodorizing	Specialty Chemicals	Animal Nutrition	Specialty Cleaners	Unconsolidated Affiliates	Total
1999	\$270,112	\$159,782	\$157,050	\$ 97,364	\$ 61,283	\$ 9,501	\$(25,056)	\$730,036
1998	262,959	160,813	136,429	81,018	50,793	12,254	(19,873)	684,393
1997	214,588	141,770	102,620	81,456	43,332	11,575	(20,435)	574,906

Geographic Information

Approximately 89% of net sales in 1999 and 91% in 1998 and 1997 were to customers in the United States, and approximately 89% of long-lived assets in 1999 and 95% in 1998 and 1997 were located in the U.S.

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Customers

A group of three Consumer Products customers accounted for approximately 20% of consolidated net sales in 1999, including a single customer which accounted for approximately 12%. A group of three customers accounted for approximately 16% of consolidated net sales in 1998 including a single customer which accounted for approximately 11%. This group accounted for 16% in 1997.

17. unaudited quarterly financial information

(In thousands, except for per share data)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
1999					
Net sales	\$174,708	\$186,365	\$185,949	\$183,014	\$730,036
Gross profit	77,118	83,912	84,974	79,691	325,695
Income from operations	17,974	14,976	17,563	17,167	67,680
Equity in earnings of affiliates	2,020	1,929	1,372	1,045	6,366
Net income	12,365	10,456	11,379	11,157	45,357
Net income per share - basic	\$.32	\$.27	\$.29	\$.29	\$ 1.17
Net income per share - diluted	\$.30	\$.26	\$.28	\$.27	\$ 1.11
1998					
Net sales	\$152,011	\$173,534	\$176,827	\$182,021	\$684,393
Gross profit	67,618	78,590	79,163	80,418	305,789
Income from operations	8,454	11,337	12,021	10,681	42,493
Equity in earnings of affiliates	1,224	1,739	1,207	1,106	5,276
Net income	5,896	7,873	7,834	8,686	30,289
Net income per share - basic	\$.15	\$.21	\$.20	\$.22	\$.78
Net income per share - diluted	\$.15	\$.19	\$.20	\$.22	\$.76
1997					
Net sales	\$129,621	\$141,850	\$146,328	\$157,107	\$574,906
Gross profit	58,248	64,851	66,669	70,317	260,085
Income from operations	6,180	8,550	9,303	6,523	30,556
Equity in earnings of affiliates	1,416	1,594	1,242	1,805	6,057
Net income	5,227	7,280	6,427	5,572	24,506
Net income per share - basic	\$.13	\$.19	\$.17	\$.14	\$.63
Net income per share - diluted	\$.13	\$.18	\$.16	\$.14	\$.61

independent auditors' report

To the Stockholders and Board of Directors of
Church & Dwight Co., Inc.
Princeton, New Jersey

We have audited the accompanying consolidated balance sheets of Church & Dwight Co., Inc., and subsidiaries (the Company) as of December 31, 1999 and 1998, and the related consolidated statements of income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 1999 and 1998, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 1999 in conformity with generally accepted accounting principles.

As discussed in Note 1 to the consolidated financial statements, in 1998 the Company changed its method of accounting for internal-use software development costs to conform with Statement of Position 98-1.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP
Parsippany, New Jersey
January 26, 2000

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DIRECTORS

Cyril C. Baldwin, Jr.
Chairman of the Board
Cambrex Corporation
Director since 1983

William R. Becklean
Managing Director
SunTrust Equitable Securities
Director since 1980

Robert H. Beeby
Retired President and
Chief Executive Officer
Frito-Lay, Inc.
Director since 1992

Robert A. Davies, III
President and
Chief Executive Officer
Church & Dwight Co., Inc.
Director since 1995

Rosina B. Dixon, M.D.
Physician and Consultant
Director since 1979

J. Richard Leaman, Jr.
Retired President and
Chief Executive Officer
S. D. Warren Company
Director since 1985

Robert D. LeBlanc
President and
Chief Executive Officer
Handy & Harman
Director since 1998

John D. Leggett III, Ph.D.
President
Sensor Instruments Co., Inc.
Director since 1979

John F. Maypole
Managing Partner
Peach State Real Estate
Holding Co.
Director since 1999

Robert A. McCabe
Chairman
Pilot Capital Corporation
Director since 1987

Dwight C. Minton
Chairman of the Board

Church & Dwight Co., Inc.
Director since 1965

Burton B. Staniar
Chairman
Knoll, Inc.
Director since 1999

John O. Whitney
Professor and Executive Director
The Deming Center for Quality
Management
Columbia Business School
Director since 1992

ELECTED OFFICERS

Robert A. Davies, III
President and
Chief Executive Officer

Raymond L. Bendure, Ph.D.
Vice President
Research & Development

Mark A. Bilawsky
Vice President,
General Counsel and Secretary

Mark G. Conish
Vice President
Operations

Steven P. Cugine
Vice President
Human Resources

Zvi Eiref
Vice President Finance and
Chief Financial Officer

Dennis M. Moore
Vice President Sales
Arm & Hammer Division

Eugene F. Wilcauskas
President and
Chief Operating Officer
Specialty Products Division

Principal Accounting
Officers

Gary P. Halker
Vice President, Controller and
Chief Information Officer

Steven J. Katz
Assistant Controller

INVESTOR INFORMATION

Corporate Headquarters
Church & Dwight Co., Inc.
469 North Harrison Street
Princeton, NJ 08543-5297
(609) 683-5900

Independent Auditors
Deloitte & Touche LLP
2 Hilton Court
Parsippany, NJ 07054

Transfer Agent and Registrar
ChaseMellon
Shareholder Services, LLC
85 Challenger Road
Ridgefield Park, NJ 07660
www.chasemellon.com

Stock Listing
Church & Dwight Co., Inc.
shares are listed on the
New York Stock Exchange.
The symbol is CHD.

10-K Report

Stockholders may obtain a copy of the Company's Form 10-K Annual Report to the Securities and Exchange Commission, for the year ended December 31, 1999, by writing to the Vice President Finance at Corporate Headquarters.

Quarterly Reports

Church & Dwight Co., Inc. mails quarterly reports to stockholders of record and to other persons who request copies. If your shares are not registered in your name but are held at a broker, bank or other intermediary, you can receive quarterly reports if you send a written request and provide your name and address to:

Church & Dwight Co., Inc.
c/o ChaseMellon
Shareholder Services, LLC
P.O. Box 3316
South Hackensack, NJ 07606

Stockholder Inquiries

Communications concerning stockholder records, stock transfer, changes of ownership, account consolidations, dividends and change of address should be directed to:

Church & Dwight Co., Inc.
c/o ChaseMellon
Shareholder Services, LLC
P.O. Box 3315
South Hackensack, NJ 07606
1-800-851-9677

Dividend Reinvestment Plan

Church & Dwight Co., Inc. offers an automatic Dividend Reinvestment Plan for our Common Stockholders.

For details, contact:
Church & Dwight Co., Inc.
Dividend Reinvestment Plan
c/o ChaseMellon
Shareholder Services, LLC
P.O. Box 3338
South Hackensack, NJ 07606
1-800-851-9677

The Annual Meeting of Stockholders will be held at:

11:00 a.m. Thursday,
May 11, 2000
New York Historical Society

2 West 77th Street
New York City.

Cautionary Note on Forward-Looking Statements

This Annual Report contains forward-looking statements relating, among others, to financial objectives, sales growth and margin improvement programs. Many of these statements depend on factors outside the Company's control, such as economic conditions, market growth and consumer demand, competitive products and pricing, raw material costs and other matters. With regard to new product introductions, there is particular uncertainty related to trade, competitive and consumer reactions. If the Company's assumptions are incorrect, or there is a significant change in some of these key factors, the Company's performance could vary materially from the forward-looking statements in this Report.

(R)Church & Dwight Co., Inc. 2000

[RECYCLED LOGO] Recycled Paper Design: De Plano Group, New York

Product Photography: Bob Kato

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[LOGO] (R)

CHURCH & DWIGHT CO., INC.
469 North Harrison Street
Princeton, NJ 08543-5297

On the Internet
www.churchdwright.com

[GRAPHIC OMITTED]

CHURCH & DWIGHT CO., INC. AND SUBSIDIARIES
EXHIBIT 21
LIST OF THE COMPANY'S SUBSIDIARIES

- 1) Church & Dwight Ltd./Ltee
Incorporated in Canada
- 2) C & D Chemical Products, Inc.
Incorporated in the State of Delaware,
D/B/A Armand Products Company, a Partnership
- 3) DeWitt International Corporation
Incorporated in the State of Delaware
- 4) Brotherton Speciality Products Ltd.
Incorporated in the United Kingdom
- 5) Industrias Bicarbon De Venezuela, S.A. - Ceased operation December 1998
- 6) Quimica Geral do Nordeste S.A. (QGN)
Incorporated in Brazil (75% Interest)

The Company's remaining subsidiaries, if considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary as of December 31, 1999.

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statements No. 33-60149, 33-60147, 33-24553, 33-6150 and 33-44881 on Form S-8 of our reports dated January 26, 2000 (which expresses an unqualified opinion and which report on the financial statements includes an explanatory paragraph relating to the Company in 1998 changing its method of accounting for internal-use software development costs as described in Note 1) included or incorporated by reference in the Annual Report on Form 10-K of Church & Dwight Co., Inc. for the year ended December 31, 1999.

DELOITTE & TOUCHE LLP
Parsippany, New Jersey
March 28, 2000

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