

Colgate-Palmolive Company

Condensed Consolidated Statements of Cash Flows

For the Six Months Ended June 30, 2015 and 2014

(Dollars in Millions) (Unaudited)

| | 2015 | 2014 |
|--|----------|----------|
| Operating Activities | | |
| Net income including noncontrolling interests | \$ 1,199 | \$ 1,093 |
| Adjustments to reconcile Net income including noncontrolling interests to Net cash provided by operations: | | |
| Depreciation and amortization | 225 | 215 |
| Restructuring and termination benefits, net of cash | 59 | 68 |
| Venezuela remeasurement charges | 16 | 266 |
| Stock-based compensation expense | 51 | 54 |
| Deferred income taxes | (60) | (37) |
| Cash effects of changes in: | | |
| Receivables | (222) | (198) |
| Inventories | 8 | (90) |
| Accounts payable and other accruals | (77) | (8) |
| Other non-current assets and liabilities | 24 | 26 |
| Net cash provided by operations | 1,223 | 1,389 |
| Investing Activities | | |
| Capital expenditures | (280) | (314) |
| Purchases of marketable securities and investments | (365) | (165) |
| Proceeds from sale of marketable securities and investments | 195 | 177 |
| Payment for acquisitions, net of cash acquired | - | (25) |
| Other | 12 | 13 |
| Net cash used in investing activities | (438) | (314) |
| Financing Activities | | |
| Principal payments on debt | (4,178) | (4,282) |
| Proceeds from issuance of debt | 4,686 | 4,707 |
| Dividends paid | (689) | (662) |
| Purchases of treasury shares | (767) | (746) |
| Proceeds from exercise of stock options and excess tax benefits | 192 | 153 |
| Net cash used in financing activities | (756) | (830) |
| Effect of exchange rate changes on Cash and cash equivalents | (59) | (46) |
| Net (decrease) increase in Cash and cash equivalents | (30) | 199 |
| Cash and cash equivalents at beginning of the period | 1,089 | 962 |
| Cash and cash equivalents at end of the period | \$ 1,059 | \$ 1,161 |
| Supplemental Cash Flow Information | | |
| Free cash flow before dividends (Net cash provided by operations less Capital expenditures) | | |
| Net cash provided by operations | \$ 1,223 | \$ 1,389 |
| Less: Capital expenditures | (280) | (314) |
| Free cash flow before dividends | \$ 943 | \$ 1,075 |
| Income taxes paid | \$ 640 | \$ 514 |