

## Colgate-Palmolive Company

## Condensed Consolidated Statements of Cash Flows

For the Twelve Months Ended December 31, 2015 and 2014

(Dollars in Millions) (Unaudited)

	2015	2014
<b>Operating Activities</b>		
Net income including noncontrolling interests	\$ 1,548	\$ 2,339
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations:		
Depreciation and amortization	449	442
Restructuring and termination benefits, net of cash	69	64
Voluntary benefit plan contribution	-	(2)
Venezuela remeasurement charges	34	327
Charge for a foreign tax matter	-	66
Stock-based compensation expense	125	131
Gain on sale of South Pacific laundry detergent business	(187)	-
Charge for Venezuela accounting change	1,084	-
Deferred income taxes	(51)	18
Cash effects of changes in:		
Receivables	(75)	(109)
Inventories	(13)	(60)
Accounts payable and other accruals	(67)	57
Other non-current assets and liabilities	33	25
Net cash provided by operations	2,949	3,298
<b>Investing Activities</b>		
Capital expenditures	(691)	(757)
Sale of property and non-core products	9	24
Purchases of marketable securities and investments	(742)	(340)
Proceeds from sale of marketable securities and investments	599	283
Proceeds from sale of South Pacific laundry detergent business	221	-
Payment for acquisitions, net of cash acquired	(13)	(87)
Reduction in cash due to Venezuela accounting change	(75)	-
Other	7	18
Net cash used in investing activities	(685)	(859)
<b>Financing Activities</b>		
Principal payments on debt	(9,181)	(8,525)
Proceeds from issuance of debt	9,602	8,960
Dividends paid	(1,493)	(1,446)
Purchases of treasury shares	(1,551)	(1,530)
Proceeds from exercise of stock options and excess tax benefits	347	371
Net cash used in financing activities	(2,276)	(2,170)
Effect of exchange rate changes on Cash and cash equivalents	(107)	(142)
Net (decrease) increase in Cash and cash equivalents	(119)	127
Cash and cash equivalents at beginning of the period	1,089	962
Cash and cash equivalents at end of the period	\$ 970	\$ 1,089
<b>Supplemental Cash Flow Information</b>		
Free cash flow before dividends (Net cash provided by operations less Capital expenditures)		
Net cash provided by operations	\$ 2,949	\$ 3,298
Less: Capital expenditures	(691)	(757)
Free cash flow before dividends	\$ 2,258	\$ 2,541
Income taxes paid	\$ 1,259	\$ 1,009