

Table 6

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended March 31, 2017 and 2016

(Dollars in Millions Except Per Share Amounts) (Unaudited)

	2017	2016	
Gross Profit			
Gross profit, GAAP	\$ 2,269	\$ 2,248	
2012 Restructuring Program	14	8	
Gross profit, non-GAAP	\$ 2,283	\$ 2,256	
Gross Profit Margin	2017	2016	Basis Point Change
Gross profit margin, GAAP	60.3%	59.8%	50
2012 Restructuring Program	0.4%	0.2%	
Gross profit margin, non-GAAP	60.7%	60.0%	70
Selling, General and Administrative Expenses	2017	2016	
Selling, general and administrative expenses, GAAP	\$ 1,362	\$ 1,354	
2012 Restructuring Program	(21)	(26)	
Selling, general and administrative expenses, non-GAAP	\$ 1,341	\$ 1,328	
Selling, General and Administrative Expenses as a Percentage of Net Sales	2017	2016	Basis Point Change
Selling, general and administrative expenses as a percentage of Net sales, GAAP	36.2%	36.0%	20
2012 Restructuring Program	(0.6)%	(0.7)%	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	35.6%	35.3%	30
Other (Income) Expense, Net	2017	2016	
Other (income) expense, net, GAAP	\$ 22	\$ 27	
2012 Restructuring Program	(11)	(21)	
Other (income) expense, net, non-GAAP	\$ 11	\$ 6	
Operating Profit	2017	2016	% Change
Operating profit, GAAP	\$ 885	\$ 867	2%
2012 Restructuring Program	46	55	
Operating profit, non-GAAP	\$ 931	\$ 922	1%
Operating Profit Margin	2017	2016	Basis Point Change
Operating profit margin, GAAP	23.5%	23.0%	50
2012 Restructuring Program	1.2%	1.5%	
Operating profit margin, non-GAAP	24.7%	24.5%	20

Table 6
Continued

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended March 31, 2017 and 2016

(Dollars in Millions Except Per Share Amounts) (Unaudited)

	2017					
	Income Before Income Taxes	Provision For Income Taxes⁽¹⁾	Net Income Including Noncontrolling Interests	Net Income Attributable To Colgate- Palmolive Company	Effective Income Tax Rate⁽²⁾	Diluted Earnings Per Share⁽³⁾
As Reported GAAP	\$ 862	\$ 251	\$ 611	\$ 570	29.1%	\$ 0.64
2012 Restructuring Program	46	15	31	31	0.2%	0.03
Non-GAAP	<u>\$ 908</u>	<u>\$ 266</u>	<u>\$ 642</u>	<u>\$ 601</u>	<u>29.3%</u>	<u>\$ 0.67</u>
	2016					
	Income Before Income Taxes	Provision For Income Taxes⁽¹⁾	Net Income Including Noncontrolling Interests	Net Income Attributable To Colgate- Palmolive Company	Effective Income Tax Rate⁽²⁾	Diluted Earnings Per Share⁽³⁾
As Reported GAAP	\$ 839	\$ 265	\$ 574	\$ 533	31.6%	\$ 0.59
2012 Restructuring Program	55	17	38	38	(0.1)%	0.04
Non-GAAP	<u>\$ 894</u>	<u>\$ 282</u>	<u>\$ 612</u>	<u>\$ 571</u>	<u>31.5%</u>	<u>\$ 0.63</u>

Notes:

(1) The income tax effect on non-GAAP items is calculated based upon the tax laws and statutory income tax rates applicable in the tax jurisdiction(s) of the underlying non-GAAP adjustment.

(2) The impact of non-GAAP items on the Company's effective tax rate represents the difference in the effective tax rate calculated with and without the non-GAAP adjustment on Income before income taxes and Provision for income taxes.

(3) The impact of non-GAAP adjustments on Diluted earnings per share may not necessarily equal the difference between "GAAP" and "non-GAAP" as a result of rounding.