

## Colgate-Palmolive Company

## Condensed Consolidated Statements of Cash Flows

For the Three Months Ended March 31, 2016 and 2015

(Dollars in Millions) (Unaudited)

	2016	2015
<b>Operating Activities</b>		
Net income including noncontrolling interests	\$ 574	\$ 583
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations:		
Depreciation and amortization	106	114
Restructuring and termination benefits, net of cash	6	57
Stock-based compensation expense	31	32
Deferred income taxes	(36)	(22)
Voluntary benefit plan contributions	(50)	-
Cash effects of changes in:		
Receivables	(95)	(150)
Inventories	(32)	(23)
Accounts payable and other accruals	80	111
Other non-current assets and liabilities	30	25
Net cash provided by operations	614	727
<b>Investing Activities</b>		
Capital expenditures	(114)	(122)
Purchases of marketable securities and investments	(80)	(252)
Proceeds from sale of marketable securities and investments	50	110
Other	-	7
Net cash used in investing activities	(144)	(257)
<b>Financing Activities</b>		
Principal payments on debt	(2,388)	(2,171)
Proceeds from issuance of debt	2,370	2,105
Dividends paid	(340)	(329)
Purchases of treasury shares	(229)	(374)
Proceeds from exercise of stock options and excess tax benefits	146	128
Net cash used in financing activities	(441)	(641)
Effect of exchange rate changes on Cash and cash equivalents	15	(59)
Net increase (decrease) in Cash and cash equivalents	44	(230)
Cash and cash equivalents at beginning of the period	970	1,089
Cash and cash equivalents at end of the period	\$ 1,014	\$ 859
<b>Supplemental Cash Flow Information</b>		
Free cash flow before dividends (Net cash provided by operations less Capital expenditures)		
Net cash provided by operations	\$ 614	\$ 727
Less: Capital expenditures	(114)	(122)
Free cash flow before dividends	\$ 500	\$ 605
Income taxes paid	\$ 217	\$ 164