

Table 1

**Colgate-Palmolive Company**  
**Condensed Consolidated Statements of Income**  
**For the Three Months Ended December 31, 2017**  
**(Dollars in Millions Except Per Share Amounts) (Unaudited)**

	2017*
Net sales	\$ 3,892
Cost of sales	1,564
Gross profit	2,328
Gross profit margin	59.8%
Selling, general and administrative expenses	1,348
Other (income) expense, net	23
Operating profit	957
Operating profit margin	24.6%
Non-service related postretirement costs	33
Interest (income) expense, net	28
Income before income taxes	896
Provision for income taxes	543
Effective tax rate	60.6%
Net income including noncontrolling interests	353
Less: Net income attributable to noncontrolling interests	30
Net income attributable to Colgate-Palmolive Company	\$ 323
Earnings per common share	
Basic	\$ 0.37
Diluted	\$ 0.37
Average common shares outstanding	
Basic	878.0
Diluted	883.3

\*The Company adopted ASU No. 2017-07, "Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost," on January 1, 2018. The adoption of this standard resulted in the non-service related postretirement costs being presented separately in the income statement from the service cost component and the non-service related postretirement costs no longer being included in Operating profit. As this standard was applied retrospectively, as required, the Company reclassified certain amounts to a new line below Operating profit called Non-service related postretirement costs. The reclassification had no effect on Net income attributable to Colgate-Palmolive Company, Earning per common share or Cash flow.

See Table 1A "Supplemental Condensed Consolidated Statements of Income Information", Table 5A "Supplemental Segment Information" and Table 8A "Supplemental Non-GAAP Reconciliations Information" for reconciliations to previously reported amounts for the three months ended December 31, 2017.

Table 1A

## Colgate-Palmolive Company

## Supplemental Condensed Consolidated Statements of Income Information

## Impact of the adoption of ASU No. 2017-07, "Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost"

For the Three Months Ended December 31, 2017

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

	Pre-Adoption of ASU No. 2017-07	Post-Adoption of ASU No. 2017-07	Impact of Adoption
Selling, general and administrative expenses	\$ 1,373	\$ 1,348	\$ (25)
Other (income) expense, net	31	23	(8)
Operating profit	924	957	33
Operating profit margin	23.7%	24.6%	+90 bps
Non-service related postretirement costs	—	33	33
Net income including noncontrolling interests	353	353	—
Less: Net income attributable to noncontrolling interests	30	30	—
Net income attributable to Colgate-Palmolive Company	\$ 323	\$ 323	\$ —

Note: The reclassification had no effect on Net income attributable to Colgate-Palmolive Company, Earning per common share or Cash flow.

Table 2

**Colgate-Palmolive Company**  
**Condensed Consolidated Statements of Income**  
**For the Twelve Months Ended December 31, 2017**  
**(Dollars in Millions Except Per Share Amounts) (Unaudited)**

	2017*
Net sales	\$ 15,454
Cost of sales	6,174
Gross profit	9,280
Gross profit margin	60.0%
Selling, general and administrative expenses	5,403
Other (income) expense, net	169
Operating profit	3,708
Operating profit margin	24.0%
Non-service related postretirement costs	119
Interest (income) expense, net	102
Income before income taxes	3,487
Provision for income taxes	1,313
Effective tax rate	37.7%
Net income including noncontrolling interests	2,174
Less: Net income attributable to noncontrolling interests	150
Net income attributable to Colgate-Palmolive Company	\$ 2,024
Earnings per common share	
Basic	\$ 2.30
Diluted	\$ 2.28
Average common shares outstanding	
Basic	881.8
Diluted	887.8

\*The Company adopted ASU No. 2017-07, "Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost," on January 1, 2018. The adoption of this standard resulted in the non-service related postretirement costs being presented separately in the income statement from the service cost component and the non-service related postretirement costs no longer being included in Operating profit. As this standard was applied retrospectively, as required, the Company reclassified certain amounts to a new line below Operating profit called Non-service related postretirement costs. The reclassification had no effect on Net income attributable to Colgate-Palmolive Company, Earning per common share or Cash flow.

See Table 2A "Supplemental Condensed Consolidated Statements of Income Information", Table 5A "Supplemental Segment Information" and Table 9A "Supplemental Non-GAAP Reconciliations Information" for reconciliations to previously reported amounts for the twelve months ended December 31, 2017.

Table 2A

## Colgate-Palmolive Company

## Supplemental Condensed Consolidated Statements of Income Information

## Impact of the adoption of ASU No. 2017-07, "Compensation—Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost"

For the Twelve Months Ended December 31, 2017

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

	Pre-Adoption of ASU No. 2017-07	Post-Adoption of ASU No. 2017-07	Impact of Adoption
Selling, general and administrative expenses	\$ 5,497	\$ 5,403	\$ (94)
Other (income) expense, net	194	169	(25)
Operating profit	3,589	3,708	119
Operating profit margin	23.2%	24.0%	+80 bps
Non-service related postretirement costs	—	119	119
Net income including noncontrolling interests	2,174	2,174	—
Less: Net income attributable to noncontrolling interests	150	150	—
Net income attributable to Colgate-Palmolive Company	\$ 2,024	\$ 2,024	\$ —

Note: The reclassification had no effect on Net income attributable to Colgate-Palmolive Company, Earning per common share or Cash flow.

Table 5

## Colgate-Palmolive Company

## Segment Information

For the Three and Twelve Months Ended December 31, 2017

(Dollars in Millions) (Unaudited)

	2017	
	Three Months Ended December 31	Twelve Months Ended December 31
<b>Net Sales</b>		
Oral, Personal and Home Care		
North America	\$ 798	\$ 3,117
Latin America	976	3,887
Europe	610	2,394
Asia Pacific	670	2,781
Africa/Eurasia	245	983
Total Oral, Personal and Home Care	3,299	13,162
Pet Nutrition	593	2,292
<b>Total Net Sales</b>	<b>\$ 3,892</b>	<b>\$ 15,454</b>
	2017*	
	Three Months Ended December 31	Twelve Months Ended December 31
<b>Operating Profit (Loss)</b>		
Oral, Personal and Home Care		
North America	\$ 277	\$ 1,043
Latin America	288	1,171
Europe	154	605
Asia Pacific	197	842
Africa/Eurasia	45	180
Total Oral, Personal and Home Care	961	3,841
Pet Nutrition	178	677
Corporate <sup>(1)</sup>	(182)	(810)
<b>Total Operating Profit (Loss)</b>	<b>\$ 957</b>	<b>\$ 3,708</b>

Corporate Operating profit (loss) for the three months ended December 31, 2017 includes charges of \$83 related to the Global Growth and Efficiency Program. Corporate Operating profit (loss) for the twelve months ended December 31, 2017 includes charges of \$312 related to the Global Growth and Efficiency Program.

Note:

(1) Corporate operations include costs related to stock options and restricted stock units, research and development costs, Corporate overhead costs, restructuring and related implementation costs and gains and losses on sales of non-core product lines and assets.

\*The Company adopted ASU No. 2017-07, "Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost," on January 1, 2018. The adoption of this standard resulted in the non-service related postretirement costs being presented separately in the income statement from the service cost component and the non-service related postretirement costs no longer being included in Operating profit. As this standard was applied retrospectively, as required, the Company reclassified the non-service components from Operating profit to a new line below Operating profit called Non-service related postretirement costs. See Table 5A "Supplemental Segment Information" for reconciliations to previously reported segment information for the three months and twelve months ended December 31, 2017.

Table 5A

## Colgate-Palmolive Company

## Supplemental Segment Information

## Impact of the adoption of ASU No. 2017-07, "Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost"

For the Three and Twelve Months Ended December 31, 2017

(Dollars in Millions) (Unaudited)

Three Months ended December 31, 2017			
	Pre-Adoption of ASU No. 2017-07	Post-Adoption of ASU No. 2017-07	Impact of Adoption
<b>Operating Profit</b>			
Oral, Personal and Home Care			
North America	\$ 263	\$ 277	\$ 14
Latin America	284	288	4
Europe	152	154	2
Asia Pacific	197	197	—
Africa/Eurasia	45	45	—
Total Oral, Personal and Home Care	941	961	20
Pet Nutrition	172	178	6
Corporate	(189)	(182)	7
<b>Total Operating Profit</b>	<u>\$ 924</u>	<u>\$ 957</u>	<u>\$ 33</u>
Twelve Months ended December 31, 2017			
	Pre-Adoption of ASU No. 2017-07	Post-Adoption of ASU No. 2017-07	Impact of Adoption
<b>Operating Profit</b>			
Oral, Personal and Home Care			
North America	\$ 986	\$ 1,043	\$ 57
Latin America	1,162	1,171	9
Europe	599	605	6
Asia Pacific	841	842	1
Africa/Eurasia	179	180	1
Total Oral, Personal and Home Care	3,767	3,841	74
Pet Nutrition	653	677	24
Corporate	(831)	(810)	21
<b>Total Operating Profit</b>	<u>\$ 3,589</u>	<u>\$ 3,708</u>	<u>\$ 119</u>

Table 8

## Colgate-Palmolive Company

## Non-GAAP Reconciliations

For the Three Months Ended December 31, 2017

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

<b>Gross Profit</b>	<b>2017</b>
Gross profit, GAAP	\$ 2,328
Global Growth and Efficiency Program	24
Gross profit, non-GAAP	<u>\$ 2,352</u>
<b>Gross Profit Margin</b>	<b>2017</b>
Gross profit margin, GAAP	59.8 %
Global Growth and Efficiency Program	0.6 %
Gross profit margin, non-GAAP	<u>60.4 %</u>
<b>Selling, General and Administrative Expenses</b>	<b>2017*</b>
Selling, general and administrative expenses, GAAP	\$ 1,348
Global Growth and Efficiency Program	(29)
Selling, general and administrative expenses, non-GAAP	<u>\$ 1,319</u>
<b>Selling, General and Administrative Expenses as a Percentage of Net Sales</b>	<b>2017*</b>
Selling, general and administrative expenses as a percentage of Net sales, GAAP	34.6 %
Global Growth and Efficiency Program	(0.7)%
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>33.9 %</u>
<b>Other (Income) Expense, Net</b>	<b>2017*</b>
Other (income) expense, net, GAAP	\$ 23
Global Growth and Efficiency Program	(30)
Other (income) expense, net, non-GAAP	<u>\$ (7)</u>
<b>Operating Profit (Loss)</b>	<b>2017*</b>
Operating profit (loss), GAAP	\$ 957
Global Growth and Efficiency Program	83
Operating profit, non-GAAP	<u>\$ 1,040</u>
<b>Operating Profit Margin</b>	<b>2017*</b>
Operating profit margin, GAAP	24.6 %
Global Growth and Efficiency Program	2.1 %
Operating profit margin, non-GAAP	<u>26.7 %</u>
<b>Non-Service Related Postretirement Costs</b>	<b>2017*</b>
Non-service related postretirement costs, GAAP	\$ 33
Global Growth and Efficiency Program	(4)
Non-service related postretirement costs, non-GAAP	<u>\$ 29</u>

**Table 8**  
**Continued**

**Colgate-Palmolive Company**

**Non-GAAP Reconciliations**

**For the Three Months Ended December 31, 2017**

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

	2017					
	Income Before Income Taxes	Provision For Income Taxes <sup>(1)</sup>	Net Income Including Noncontrolling Interests	Net Income Attributable To Colgate- Palmolive Company	Effective Income Tax Rate <sup>(2)</sup>	Diluted Earnings Per Share
As Reported GAAP	\$ 896	\$ 543	\$ 353	\$ 323	60.6 %	\$ 0.37
Global Growth and Efficiency Program	87	26	61	61	(2.7)%	0.07
U.S. tax reform	—	(275)	275	275	(28.0)%	0.31
Non-GAAP	<u>\$ 983</u>	<u>\$ 294</u>	<u>\$ 689</u>	<u>\$ 659</u>	<u>29.9 %</u>	<u>\$ 0.75</u>

The impact of non-GAAP adjustments may not necessarily equal the difference between “GAAP” and “non-GAAP” as a result of rounding.

\*The Company adopted ASU No. 2017-07, “Compensation–Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost,” on January 1, 2018. The adoption of this standard resulted in the non-service related postretirement costs being presented separately in the income statement from the service cost component and the non-service related postretirement costs no longer being included in Operating profit. The reclassification had no effect on Net income attributable to Colgate-Palmolive Company, Earning per common share or Cash flow.

See Table 8A “Supplemental Non-GAAP Reconciliations Information” for reconciliations to previously reported amounts for the three months ended December 31, 2017.

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.



## Colgate-Palmolive Company

## Supplemental Non-GAAP Reconciliations Information

## Impact of the adoption of ASU No. 2017-07, "Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost"

For the Three Months Ended December 31, 2017

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

	Pre-Adoption of ASU No. 2017-07	Post-Adoption of ASU No. 2017-07	Impact of Adoption
<b>Selling, General and Administrative Expenses</b>			
Selling, general and administrative expenses, GAAP	\$ 1,373	\$ 1,348	\$ (25)
Global Growth and Efficiency Program	(29)	(29)	—
Selling, general and administrative expenses, non-GAAP	<u>\$ 1,344</u>	<u>\$ 1,319</u>	<u>\$ (25)</u>
<b>Selling, General and Administrative Expenses as a Percentage of Net Sales</b>			
Selling, general and administrative expenses as a percentage of Net sales, GAAP	35.3 %	34.6%	(70 bps)
Global Growth and Efficiency Program	(0.8)%	(0.7)%	10 bps
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>34.5 %</u>	<u>33.9%</u>	<u>(60 bps)</u>
<b>Other (Income) Expense, Net</b>			
Other (income) expense, net, GAAP	\$ 31	\$ 23	\$ (8)
Global Growth and Efficiency Program	(34)	(30)	4
Other (income) expense, net, non-GAAP	<u>\$ (3)</u>	<u>\$ (7)</u>	<u>\$ (4)</u>
<b>Operating Profit</b>			
Operating profit, GAAP	\$ 924	\$ 957	\$ 33
Global Growth and Efficiency Program	87	83	(4)
Operating profit, non-GAAP	<u>\$ 1,011</u>	<u>\$ 1,040</u>	<u>\$ 29</u>
<b>Operating Profit Margin</b>			
Operating profit margin, GAAP	23.7 %	24.6%	+90 bps
Global Growth and Efficiency Program	2.3 %	2.1%	(20 bps)
Operating profit margin, non-GAAP	<u>26.0 %</u>	<u>26.7%</u>	<u>+70 bps</u>

Note: The reclassification had no effect on Gross profit, Net income, Earning per common share or Cash flow.

The impact of non-GAAP adjustments may not necessarily equal the difference between "GAAP" and "non-GAAP" as a result of rounding.

Table 9

## Colgate-Palmolive Company

## Non-GAAP Reconciliations

For the Twelve Months Ended December 31, 2017

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

<b>Gross Profit</b>	<b>2017</b>
Gross profit, GAAP	\$ 9,280
Global Growth and Efficiency Program	75
Gross profit, non-GAAP	<u>\$ 9,355</u>
<b>Gross Profit Margin</b>	<b>2017</b>
Gross profit margin, GAAP	60.0 %
Global Growth and Efficiency Program	0.5 %
Gross profit margin, non-GAAP	<u>60.5 %</u>
<b>Selling, General and Administrative Expenses</b>	<b>2017*</b>
Selling, general and administrative expenses, GAAP	\$ 5,403
Global Growth and Efficiency Program	(89)
Selling, general and administrative expenses, non-GAAP	<u>\$ 5,314</u>
<b>Selling, General and Administrative Expenses as a Percentage of Net Sales</b>	<b>2017*</b>
Selling, general and administrative expenses as a percentage of Net sales, GAAP	35.0 %
Global Growth and Efficiency Program	(0.6)%
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>34.4 %</u>
<b>Other (Income) Expense, Net</b>	<b>2017*</b>
Other (income) expense, net, GAAP	\$ 169
Global Growth and Efficiency Program	(148)
Other (income) expense, net, non-GAAP	<u>\$ 21</u>
<b>Operating Profit</b>	<b>2017*</b>
Operating profit, GAAP	\$ 3,708
Global Growth and Efficiency Program	312
Operating profit, non-GAAP	<u>\$ 4,020</u>
<b>Operating Profit Margin</b>	<b>2017*</b>
Operating profit margin, GAAP	24.0 %
Global Growth and Efficiency Program	2.0 %
Operating profit margin, non-GAAP	<u>26.0 %</u>
<b>Non-Service Related Postretirement Costs</b>	<b>2017*</b>
Non-service related postretirement costs, GAAP	\$ 119
Global Growth and Efficiency Program	(21)
Non-service related postretirement costs, non-GAAP	<u>\$ 98</u>

**Table 9**  
**Continued**

**Colgate-Palmolive Company**

**Non-GAAP Reconciliations**

**For the Twelve Months Ended December 31, 2017**

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

	2017					
	Income Before Income Taxes	Provision For Income Taxes <sup>(1)</sup>	Net Income Including Noncontrolling Interests	Net Income Attributable To Colgate- Palmolive Company	Effective Income Tax Rate <sup>(2)</sup>	Diluted Earnings Per Share
As Reported GAAP	\$ 3,487	\$ 1,313	\$ 2,174	\$ 2,024	37.7 %	\$ 2.28
Global Growth and Efficiency Program	333	87	246	246	(1.0)%	0.28
U.S. tax reform	—	(275)	275	275	(7.2)%	0.31
Non-GAAP	<u>\$ 3,820</u>	<u>\$ 1,125</u>	<u>\$ 2,695</u>	<u>\$ 2,545</u>	<u>29.5 %</u>	<u>\$ 2.87</u>

The impact of non-GAAP adjustments may not necessarily equal the difference between “GAAP” and “non-GAAP” as a result of rounding.

\*The Company adopted ASU No. 2017-07, “Compensation—Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost,” on January 1, 2018. The adoption of this standard resulted in the non-service related postretirement costs being presented separately in the income statement from the service cost component and the non-service related postretirement costs no longer being included in Operating profit. The reclassification had no effect on Net income attributable to Colgate-Palmolive Company, Earning per common share or Cash flow.

See Table 9A “Supplemental Non-GAAP Reconciliations Information” for reconciliations to previously reported amounts for the twelve months ended December 31, 2017.

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.

## Colgate-Palmolive Company

## Supplemental Non-GAAP Reconciliations Information

## Impact of the adoption of ASU No. 2017-07, "Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost"

For the Twelve Months Ended December 31, 2017

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

	Pre-Adoption of ASU No. 2017-07	Post-Adoption of ASU No. 2017-07	Impact of Adoption
<b>Selling, General and Administrative Expenses</b>			
Selling, general and administrative expenses, GAAP	\$ 5,497	\$ 5,403	\$ (94)
Global Growth and Efficiency Program	(89)	(89)	—
Selling, general and administrative expenses, non-GAAP	<u>\$ 5,408</u>	<u>\$ 5,314</u>	<u>\$ (94)</u>
<b>Selling, General and Administrative Expenses as a Percentage of Net Sales</b>			
Selling, general and administrative expenses as a percentage of Net sales, GAAP	35.6 %	35.0%	-60 bps
Global Growth and Efficiency Program	(0.6)%	(0.6)%	— bps
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>35.0 %</u>	<u>34.4%</u>	<u>-60 bps</u>
<b>Other (Income) Expense, Net</b>			
Other (income) expense, net, GAAP	\$ 194	\$ 169	\$ (25)
Global Growth and Efficiency Program	(169)	(148)	21
Other (income) expense, net, non-GAAP	<u>\$ 25</u>	<u>\$ 21</u>	<u>\$ (4)</u>
<b>Operating Profit</b>			
Operating profit, GAAP	\$ 3,589	\$ 3,708	\$ 119
Global Growth and Efficiency Program	333	312	(21)
Operating profit, non-GAAP	<u>\$ 3,922</u>	<u>\$ 4,020</u>	<u>\$ 98</u>
<b>Operating Profit Margin</b>			
Operating profit margin, GAAP	23.2 %	24.0%	+80 bps
Global Growth and Efficiency Program	2.2 %	2.0%	-20 bps
Operating profit margin, non-GAAP	<u>25.4 %</u>	<u>26.0%</u>	<u>+60 bps</u>

Note: The reclassification had no effect on Gross profit, Net income, Earning per common share or Cash flow.

The impact of non-GAAP adjustments may not necessarily equal the difference between "GAAP" and "non-GAAP" as a result of rounding.