

Colgate-Palmolive Company

Condensed Consolidated Statements of Cash Flows

For the Six Months Ended June 30, 2013 and 2012

(Dollars in Millions) (Unaudited)

	2013	2012
Operating Activities		
Net income including noncontrolling interests	\$ 1,110	\$ 1,298
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations:		
Depreciation and amortization	221	211
Restructuring and termination benefits, net of cash	105	(27)
Voluntary benefit plan contributions	(100)	(100)
Stock-based compensation expense	52	48
Venezuela devaluation charge	172	-
Deferred income taxes	(48)	14
Cash effects of changes in:		
Receivables	(194)	(119)
Inventories	(118)	(46)
Accounts payable and other accruals	89	(148)
Other non-current assets and liabilities	36	62
Net cash provided by operations	1,325	1,193
Investing Activities		
Capital expenditures	(243)	(189)
Purchases of marketable securities and investments	(246)	(219)
Proceeds from sale of marketable securities and investments	92	71
Payment for acquisitions, net of cash acquired	-	(29)
Other	(1)	45
Net cash used in investing activities	(398)	(321)
Financing Activities		
Principal payments on debt	(3,425)	(2,307)
Proceeds from issuance of debt	3,803	2,873
Dividends paid	(625)	(593)
Purchases of treasury shares	(771)	(894)
Proceeds from exercise of stock options and excess tax benefits	172	191
Net cash used in financing activities	(846)	(730)
Effect of exchange rate changes on Cash and cash equivalents	(81)	(25)
Net increase (decrease) in Cash and cash equivalents	-	117
Cash and cash equivalents at beginning of period	884	878
Cash and cash equivalents at end of period	\$ 884	\$ 995
Supplemental Cash Flow Information		
Free cash flow before dividends (Net cash provided by operations less Capital expenditures)		
Net cash provided by operations	\$ 1,325	\$ 1,193
Less: Capital expenditures	(243)	(189)
Free cash flow before dividends	\$ 1,082	\$ 1,004
Income taxes paid	\$ 561	\$ 682