

## Colgate-Palmolive Company

## Non-GAAP Reconciliations

For the Three Months Ended March 31, 2018 and 2017

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

	2018	2017	
<b>Gross Profit</b>			
Gross profit, GAAP	\$ 2,408	\$ 2,269	
Global Growth and Efficiency Program	6	14	
Gross profit, non-GAAP	<u>\$ 2,414</u>	<u>\$ 2,283</u>	
			<b>Basis Point</b>
<b>Gross Profit Margin</b>	2018	2017	Change
Gross profit margin, GAAP	60.2 %	60.3 %	(10)
Global Growth and Efficiency Program	0.1 %	0.4 %	
Gross profit margin, non-GAAP	<u>60.3 %</u>	<u>60.7 %</u>	<u>(40)</u>
<b>Selling, General and Administrative Expenses</b>	2018	2017*	
Selling, general and administrative expenses, GAAP	\$ 1,392	\$ 1,336	
Global Growth and Efficiency Program	(5)	(21)	
Selling, general and administrative expenses, non-GAAP	<u>\$ 1,387</u>	<u>\$ 1,315</u>	
			<b>Basis Point</b>
<b>Selling, General and Administrative Expenses as a Percentage of Net Sales</b>	2018	2017*	Change
Selling, general and administrative expenses as a percentage of Net sales, GAAP	34.8 %	35.5 %	(70)
Global Growth and Efficiency Program	(0.1)%	(0.5)%	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>34.7 %</u>	<u>35.0 %</u>	<u>(30)</u>
<b>Other (Income) Expense, Net</b>	2018	2017*	
Other (income) expense, net, GAAP	\$ 33	\$ 21	
Global Growth and Efficiency Program	(13)	(10)	
Other (income) expense, net, non-GAAP	<u>\$ 20</u>	<u>\$ 11</u>	
<b>Operating Profit</b>	2018	2017*	% Change
Operating profit, GAAP	\$ 983	\$ 912	8%
Global Growth and Efficiency Program	24	45	
Operating profit, non-GAAP	<u>\$ 1,007</u>	<u>\$ 957</u>	<u>5%</u>
<b>Operating Profit Margin</b>	2018	2017*	Basis Point
Operating profit margin, GAAP	24.6 %	24.2 %	40
Global Growth and Efficiency Program	0.6 %	1.2 %	
Operating profit margin, non-GAAP	<u>25.2 %</u>	<u>25.4 %</u>	<u>(20)</u>
<b>Non-Service Related Postretirement Costs</b>	2018	2017*	
Non-service related postretirement costs, GAAP	\$ 24	\$ 27	
Global Growth and Efficiency Program	(4)	(1)	
Non-service related postretirement costs, non-GAAP	<u>\$ 20</u>	<u>\$ 26</u>	

**Table 6**  
**Continued**

**Colgate-Palmolive Company**

**Non-GAAP Reconciliations**

**For the Three Months Ended March 31, 2018 and 2017**

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

<b>2018</b>						
	<b>Income Before Income Taxes</b>	<b>Provision For Income Taxes<sup>(1)</sup></b>	<b>Net Income Including Noncontrolling Interests</b>	<b>Net Income Attributable To Colgate- Palmolive Company</b>	<b>Effective Income Tax Rate<sup>(2)</sup></b>	<b>Diluted Earnings Per Share</b>
As Reported GAAP	\$ 924	\$ 246	\$ 678	\$ 634	26.6 %	\$ 0.72
Global Growth and Efficiency Program	28	8	20	20	0.1 %	0.02
Non-GAAP	<u>\$ 952</u>	<u>\$ 254</u>	<u>\$ 698</u>	<u>\$ 654</u>	<u>26.7 %</u>	<u>\$ 0.74</u>
<b>2017</b>						
	<b>Income Before Income Taxes</b>	<b>Provision For Income Taxes<sup>(1)</sup></b>	<b>Net Income Including Noncontrolling Interests</b>	<b>Net Income Attributable To Colgate- Palmolive Company</b>	<b>Effective Income Tax Rate<sup>(2)</sup></b>	<b>Diluted Earnings Per Share</b>
As Reported GAAP	\$ 862	\$ 251	\$ 611	\$ 570	29.1 %	\$ 0.64
Global Growth and Efficiency 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>

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, Earnings per common share or Cash flow.

See Table 6A “Supplemental Non-GAAP Reconciliations Information” for reconciliations to previously reported amounts for the three months ended March 31, 2017. Refer to the Company’s website for reconciliations to previously reported amounts for all quarters of 2017 as well as for years 2017 and 2016.

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.