

Table 8

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended September 30, 2016 and 2015

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

| | 2016 | 2015 | |
|---|-----------------|-----------------|--------------------|
| Gross Profit | | | |
| Gross profit, GAAP | \$ 2,324 | \$ 2,347 | |
| 2012 Restructuring Program | 11 | 3 | |
| Gross profit, non-GAAP | <u>\$ 2,335</u> | <u>\$ 2,350</u> | |
| | | | Basis Point |
| Gross Profit Margin | 2016 | 2015 | Change |
| Gross profit margin, GAAP | 60.1 % | 58.7 % | 140 |
| 2012 Restructuring Program | 0.3 % | 0.1 % | |
| Gross profit margin, non-GAAP | <u>60.4 %</u> | <u>58.8 %</u> | <u>160</u> |
| | | | |
| Selling, General and Administrative Expenses | 2016 | 2015 | |
| Selling, general and administrative expenses, GAAP | \$ 1,322 | \$ 1,347 | |
| 2012 Restructuring Program | (9) | (15) | |
| Selling, general and administrative expenses, non-GAAP | <u>\$ 1,313</u> | <u>\$ 1,332</u> | |
| | | | Basis Point |
| Selling, General and Administrative Expenses as a Percentage of Net Sales | 2016 | 2015 | Change |
| Selling, general and administrative expenses as a percentage of Net sales, GAAP | 34.2 % | 33.7 % | 50 |
| 2012 Restructuring Program | (0.2)% | (0.4)% | |
| Selling, general and administrative expenses as a percentage of Net sales, non-GAAP | <u>34.0 %</u> | <u>33.3 %</u> | <u>70</u> |
| | | | |
| Other (Income) Expense, Net | 2016 | 2015 | |
| Other (income) expense, net, GAAP | \$ (69) | \$ (136) | |
| 2012 Restructuring Program | (22) | (28) | |
| Gain on sale of land in Mexico | 97 | — | |
| Charge for a previously disclosed litigation matter | (6) | — | |
| Venezuela remeasurement charge | — | (18) | |
| Gain on sale of South Pacific laundry detergent business | — | 187 | |
| Other (income) expense, net, non-GAAP | <u>\$ —</u> | <u>\$ 5</u> | |
| | | | |
| Operating Profit | 2016 | 2015 | % Change |
| Operating profit, GAAP | \$ 1,071 | \$ 1,136 | (6)% |
| 2012 Restructuring Program | 42 | 46 | |
| Gain on sale of land in Mexico | (97) | — | |
| Charge for a previously disclosed litigation matter | 6 | — | |
| Venezuela remeasurement charge | — | 18 | |
| Gain on sale of South Pacific laundry detergent business | — | (187) | |
| Operating profit, non-GAAP | <u>\$ 1,022</u> | <u>\$ 1,013</u> | <u>1 %</u> |
| | | | |
| Operating Profit Margin | 2016 | 2015 | Basis Point |
| Operating profit margin, GAAP | 27.7 % | 28.4 % | (70) |
| 2012 Restructuring Program | 1.1 % | 1.1 % | |
| Gain on sale of land in Mexico | (2.5)% | — % | |
| Charge for a previously disclosed litigation matter | 0.1 % | — % | |
| Venezuela remeasurement charge | — % | 0.5 % | |
| Gain on sale of South Pacific laundry detergent business | — % | (4.7)% | |
| Operating profit margin, non-GAAP | <u>26.4 %</u> | <u>25.3 %</u> | <u>110</u> |

Table 8
Continued

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended September 30, 2016 and 2015

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

| | 2016 | | | | | |
|---|---------------------------------------|---|--|--|--|---|
| | Income Before Income Taxes | Provision For Income Taxes⁽¹⁾ | Net Income Including Noncontrolling Interests | Net Income Attributable To Colgate- Palmolive | Effective Income Tax Rate⁽²⁾ | Diluted Earnings Per Share⁽³⁾ |
| As Reported GAAP | \$ 1,046 | \$ 300 | \$ 746 | \$ 702 | 28.7 % | \$ 0.78 |
| 2012 Restructuring Program | 42 | 10 | 32 | 32 | (0.2)% | 0.04 |
| Gain on sale of land in Mexico | (97) | (34) | (63) | (63) | (0.6)% | (0.07) |
| Benefits from previously disclosed tax matters | — | 22 | (22) | (22) | 2.2 % | (0.02) |
| Charge for a previously disclosed litigation matter | 6 | 2 | 4 | 4 | — % | — |
| Non-GAAP | <u>\$ 997</u> | <u>\$ 300</u> | <u>\$ 697</u> | <u>\$ 653</u> | <u>30.1 %</u> | <u>\$ 0.73</u> |

| | 2015 | | | | | |
|--|---------------------------------------|---|--|--|--|---|
| | Income Before Income Taxes | Provision For Income Taxes⁽¹⁾ | Net Income Including Noncontrolling Interests | Net Income Attributable To Colgate- Palmolive | Effective Income Tax Rate⁽²⁾ | Diluted Earnings Per Share⁽³⁾ |
| As Reported GAAP | \$ 1,131 | \$ 361 | \$ 770 | \$ 726 | 31.9 % | \$ 0.80 |
| 2012 Restructuring Program | 46 | 11 | 35 | 35 | (0.3)% | 0.04 |
| Venezuela remeasurement charge | 18 | 6 | 12 | 12 | 0.1 % | 0.01 |
| Gain on sale of South Pacific laundry detergent business | (187) | (67) | (120) | (120) | (0.8)% | (0.13) |
| Non-GAAP | <u>\$ 1,008</u> | <u>\$ 311</u> | <u>\$ 697</u> | <u>\$ 653</u> | <u>30.9 %</u> | <u>\$ 0.72</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.