

Colgate-Palmolive Company

Condensed Consolidated Statements of Cash Flows

For the Three Months Ended March 31, 2014 and 2013

(Dollars in Millions) (Unaudited)

| | 2014 | 2013 |
|--|----------|---------|
| Operating Activities | | |
| Net income including noncontrolling interests | \$ 432 | \$ 506 |
| Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations: | | |
| Depreciation and amortization | 108 | 110 |
| Restructuring and termination benefits, net of cash | 45 | 30 |
| Venezuela remeasurement charges | 266 | 172 |
| Stock-based compensation expense | 34 | 32 |
| Deferred income taxes | (21) | (17) |
| Cash effects of changes in: | | |
| Receivables | (77) | (175) |
| Inventories | (67) | (15) |
| Accounts payable and other accruals | 100 | 112 |
| Other non-current assets and liabilities | - | 22 |
| Net cash provided by operations | 820 | 777 |
| Investing Activities | | |
| Capital expenditures | (168) | (94) |
| Purchases of marketable securities and investments | (151) | (199) |
| Proceeds from sale of marketable securities and investments | 74 | 54 |
| Payment for acquisitions, net of cash acquired | (25) | - |
| Other | 21 | 7 |
| Net cash used in investing activities | (249) | (232) |
| Financing Activities | | |
| Principal payments on debt | (1,938) | (1,436) |
| Proceeds from issuance of debt | 2,960 | 1,553 |
| Dividends paid | (316) | (290) |
| Purchases of treasury shares | (453) | (385) |
| Proceeds from exercise of stock options and excess tax benefits | 50 | 96 |
| Net cash provided by (used in) financing activities | 303 | (462) |
| Effect of exchange rate changes on Cash and cash equivalents | (41) | (35) |
| Net increase (decrease) in Cash and cash equivalents | 833 | 48 |
| Cash and cash equivalents at beginning of period | 962 | 884 |
| Cash and cash equivalents at end of period | \$ 1,795 | \$ 932 |
| Supplemental Cash Flow Information | | |
| Free cash flow before dividends (Net cash provided by operations less Capital expenditures) | | |
| Net cash provided by operations | \$ 820 | \$ 777 |
| Less: Capital expenditures | (168) | (94) |
| Free cash flow before dividends | \$ 652 | \$ 683 |
| Income taxes paid | \$ 171 | \$ 182 |