

Table 8

## Colgate-Palmolive Company

## Non-GAAP Reconciliations

For the Three Months Ended December 31, 2017 and 2016

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

	2017	2016	
<b>Gross Profit</b>			
Gross profit, GAAP	\$ 2,328	\$ 2,247	
Global Growth and Efficiency Program	24	15	
Gross profit, non-GAAP	<u>\$ 2,352</u>	<u>\$ 2,262</u>	
			<b>Basis Point</b>
<b>Gross Profit Margin</b>	<b>2017</b>	<b>2016</b>	<b>Change</b>
Gross profit margin, GAAP	59.8 %	60.4 %	(60)
Global Growth and Efficiency Program	0.6 %	0.4 %	
Gross profit margin, non-GAAP	<u>60.4 %</u>	<u>60.8 %</u>	<u>(40)</u>
<b>Selling, General and Administrative Expenses</b>	<b>2017</b>	<b>2016</b>	
Selling, general and administrative expenses, GAAP	\$ 1,373	\$ 1,253	
Global Growth and Efficiency Program	(29)	(28)	
Selling, general and administrative expenses, non-GAAP	<u>\$ 1,344</u>	<u>\$ 1,225</u>	
			<b>Basis Point</b>
<b>Selling, General and Administrative Expenses as a Percentage of Net Sales</b>	<b>2017</b>	<b>2016</b>	<b>Change</b>
Selling, general and administrative expenses as a percentage of Net sales, GAAP	35.3 %	33.7 %	160
Global Growth and Efficiency Program	(0.8)%	(0.8)%	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>34.5 %</u>	<u>32.9 %</u>	<u>160</u>
<b>Other (Income) Expense, Net</b>	<b>2017</b>	<b>2016</b>	
Other (income) expense, net, GAAP	\$ 31	\$ 39	
Global Growth and Efficiency Program	(34)	(29)	
Charge for a litigation matter	—	(11)	
Other (income) expense, net, non-GAAP	<u>\$ (3)</u>	<u>\$ (1)</u>	
<b>Operating Profit (Loss)</b>	<b>2017</b>	<b>2016</b>	<b>% Change</b>
Operating profit (loss), GAAP	\$ 924	\$ 955	(3)%
Global Growth and Efficiency Program	87	72	
Charge for a litigation matter	—	11	
Operating profit, non-GAAP	<u>\$ 1,011</u>	<u>\$ 1,038</u>	<u>(3)%</u>
<b>Operating Profit Margin</b>	<b>2017</b>	<b>2016</b>	<b>Basis Point</b>
Operating profit margin, GAAP	23.7 %	25.7 %	(200)
Global Growth and Efficiency Program	2.3 %	1.9 %	
Charge for a litigation matter	— %	0.3 %	
Operating profit margin, non-GAAP	<u>26.0 %</u>	<u>27.9 %</u>	<u>(190)</u>

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended December 31, 2017 and 2016

(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 <sup>(3)</sup>
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>

  

	2016					
	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 <sup>(3)</sup>
As Reported GAAP	\$ 934	\$ 306	\$ 628	\$ 606	32.8 %	\$ 0.68
Global Growth and Efficiency Program	72	18	54	54	(0.5)%	0.06
Charge for a litigation matter	11	4	7	7	— %	0.01
Non-GAAP	<u>\$ 1,017</u>	<u>\$ 328</u>	<u>\$ 689</u>	<u>\$ 667</u>	<u>32.3 %</u>	<u>\$ 0.75</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.