

Colgate-Palmolive Company

Condensed Consolidated Statements of Cash Flows

For the Six Months Ended June 30, 2014 and 2013

(Dollars in Millions) (Unaudited)

	2014	2013
Operating Activities		
Net income including noncontrolling interests	\$ 1,093	\$ 1,110
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations:		
Depreciation and amortization	215	221
Restructuring and termination benefits, net of cash	68	105
Voluntary benefit plan contributions	-	(100)
Stock-based compensation expense	54	52
Venezuela remeasurement charges	266	172
Deferred income taxes	(37)	(48)
Cash effects of changes in:		
Receivables	(198)	(194)
Inventories	(90)	(118)
Accounts payable and other accruals	(8)	89
Other non-current assets and liabilities	26	36
Net cash provided by operations	1,389	1,325
Investing Activities		
Capital expenditures	(314)	(243)
Purchases of marketable securities and investments	(165)	(246)
Proceeds from sale of marketable securities and investments	177	92
Payment for acquisitions, net of cash acquired	(25)	-
Other	13	(1)
Net cash used in investing activities	(314)	(398)
Financing Activities		
Principal payments on debt	(4,282)	(3,425)
Proceeds from issuance of debt	4,707	3,803
Dividends paid	(662)	(625)
Purchases of treasury shares	(746)	(771)
Proceeds from exercise of stock options and excess tax benefits	153	172
Net cash used in financing activities	(830)	(846)
Effect of exchange rate changes on Cash and cash equivalents	(46)	(81)
Net increase (decrease) in Cash and cash equivalents	199	-
Cash and cash equivalents at beginning of period	962	884
Cash and cash equivalents at end of period	\$ 1,161	\$ 884
Supplemental Cash Flow Information		
Free cash flow before dividends (Net cash provided by operations less Capital expenditures)		
Net cash provided by operations	\$ 1,389	\$ 1,325
Less: Capital expenditures	(314)	(243)
Free cash flow before dividends	\$ 1,075	\$ 1,082
Income taxes paid	\$ 514	\$ 561