

Table 4

Colgate-Palmolive Company
Condensed Consolidated Statements of Cash Flows
For the Twelve Months Ended December 31, 2017 and 2016
(Dollars in Millions) (Unaudited)

	2017	2016
Operating Activities		
Net income including noncontrolling interests	\$ 2,174	\$ 2,586
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations:		
Depreciation and amortization	475	443
Restructuring and termination benefits, net of cash	91	(9)
Stock-based compensation expense	127	123
Gain on sale of land in Mexico	—	(97)
Charge for U.S. tax reform	275	—
Deferred income taxes	108	56
Voluntary benefit plan contributions	(81)	(53)
Cash effects of changes in:		
Receivables	(15)	(17)
Inventories	(8)	(4)
Accounts payable and other accruals	(96)	100
Other non-current assets and liabilities	4	13
Net cash provided by operations	3,054	3,141
Investing Activities		
Capital expenditures	(553)	(593)
Sale of property and non-core products	44	—
Purchases of marketable securities and investments	(347)	(336)
Proceeds from sale of marketable securities and investments	391	378
Proceeds from sale of land in Mexico	—	60
Payment for acquisitions, net of cash acquired	—	(5)
Other	(6)	(3)
Net cash used in investing activities	(471)	(499)
Financing Activities		
Principal payments on debt	(4,808)	(7,274)
Proceeds from issuance of debt	4,779	7,438
Dividends paid	(1,529)	(1,508)
Purchases of treasury shares	(1,399)	(1,335)
Proceeds from exercise of stock options	507	446
Net cash used in financing activities	(2,450)	(2,233)
Effect of exchange rate changes on Cash and cash equivalents	87	(64)
Net increase (decrease) in Cash and cash equivalents	220	345
Cash and cash equivalents at beginning of the period	1,315	970
Cash and cash equivalents at end of the period	\$ 1,535	\$ 1,315
Supplemental Cash Flow Information		
Free cash flow before dividends (Net cash provided by operations less Capital expenditures)		
Net cash provided by operations	\$ 3,054	\$ 3,141
Less: Capital expenditures	(553)	(593)
Free cash flow before dividends	\$ 2,501	\$ 2,548
Income taxes paid	\$ 1,037	\$ 932