Table 8

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended December 31, 2020 and 2019

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

Gross Profit	2020	2019	
Gross profit, GAAP	$ 2,643	$ 2,414	
Global Growth and Efficiency Program	—	(1)	
Acquisition-related costs	—	3	
Gross profit, non-GAAP	$ 2,643	$ 2,416	

Gross Profit Margin	2020	2019	**Basis Point Change**
Gross profit margin, GAAP	61.1 %	60.1 %	100
Acquisition-related costs	— %	0.1 %	
Gross profit margin, non-GAAP	61.1 %	60.2 %	90

Selling, General and Administrative Expenses	2020	2019	
Selling, general and administrative expenses, GAAP	$ 1,633	$ 1,412	
Global Growth and Efficiency Program	—	(18)	
Selling, general and administrative expenses, non-GAAP	$ 1,633	$ 1,394	

Selling, General and Administrative Expenses as a Percentage of Net Sales	2020	2019	**Basis Point Change**
Selling, general and administrative expenses as a percentage of Net sales, GAAP	37.8 %	35.2 %	260
Global Growth and Efficiency Program	— %	(0.5)%	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	37.8 %	34.7 %	310

Other (Income) Expense, Net	2020	2019	
Other (income) expense, net, GAAP	$ 41	$ 71	
Global Growth and Efficiency Program	—	(14)	
Acquisition-related costs	—	(3)	
Value-added tax matter in Brazil	—	30	
Other (income) expense, net, non-GAAP	$ 41	$ 84	

Operating Profit (Loss)	2020	2019	**% Change**
Operating profit (loss), GAAP	$ 969	$ 931	4 %
Global Growth and Efficiency Program	—	31	
Acquisition-related costs	—	6	
Value-added tax matter in Brazil	—	(30)	
Operating profit, non-GAAP	$ 969	$ 938	3 %

Operating Profit Margin	2020	2019	**Basis Point Change**
Operating profit margin, GAAP	22.4 %	23.2 %	(80)
Global Growth and Efficiency Program	— %	0.8 %	
Acquisition-related costs	— %	0.1 %	
Value-added tax matter in Brazil	— %	(0.7)%	
Operating profit margin, non-GAAP	22.4 %	23.4 %	(100)

Non-Service Related Postretirement Costs	2020	2019	
Non-service related postretirement costs, GAAP	$ 18	$ 29	
Global Growth and Efficiency Program	—	(3)	
Non-service related postretirement costs, non-GAAP	$ 18	$ 26	

Table 8
Continued

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended December 31, 2020 and 2019

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

	2020					
	Income Before Income Taxes	**Provision For Income Taxes[1]**	**Net Income Including Non-controlling Interests**	**Net Income Attributable To Colgate-Palmolive Company**	**Effective Income Tax Rate[2]**	**Diluted Earnings Per Share**
As Reported GAAP	$ 894	$ 202	$ 692	$ 647	22.6 %	$ 0.75
Loss on early extinguishment of debt	23	5	18	18	— %	0.02
Non-GAAP	$ 917	$ 207	$ 710	$ 665	22.6 %	$ 0.77

	2019					
	Income Before Income Taxes	**Provision For Income Taxes[1]**	**Net Income Including Non-controlling Interests**	**Net Income Attributable To Colgate-Palmolive Company**	**Effective Income Tax Rate[2]**	**Diluted Earnings Per Share**
As Reported GAAP	$ 870	$ 188	$ 682	$ 643	21.6 %	$ 0.75
Global Growth and Efficiency Program	34	7	27	27	— %	0.03
Acquisition-related costs	6	—	6	6	(0.1)%	0.01
Value-added tax matter in Brazil	(30)	(10)	(20)	(20)	(0.5)%	(0.02)
Swiss income tax reform	—	29	(29)	(29)	3.3 %	(0.04)
Non-GAAP	$ 880	$ 214	$ 666	$ 627	24.3 %	$ 0.73

The impact of non-GAAP adjustments may not necessarily equal the difference between "GAAP" and "non-GAAP" as a result of rounding.

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.