

Table 4

Colgate-Palmolive Company
Condensed Consolidated Statements of Cash Flows
For the Twelve Months Ended December 31, 2018 and 2017
(Dollars in Millions) (Unaudited)

	2018	2017
Operating Activities		
Net income including noncontrolling interests	\$ 2,558	\$ 2,174
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations:		
Depreciation and amortization	511	475
Restructuring and termination benefits, net of cash	(7)	91
Stock-based compensation expense	109	127
Charge for U.S. tax reform	80	275
Deferred income taxes	27	108
Voluntary benefit plan contributions	(67)	(81)
Cash effects of changes in:		
Receivables	(79)	(15)
Inventories	(58)	(8)
Accounts payable and other accruals	18	(96)
Other non-current assets and liabilities	(36)	4
Net cash provided by operations	3,056	3,054
Investing Activities		
Capital expenditures	(436)	(553)
Sale of property and non-core products	1	44
Purchases of marketable securities and investments	(169)	(347)
Proceeds from sale of marketable securities and investments	156	391
Payment for acquisitions, net of cash acquired	(728)	—
Other	6	(6)
Net cash used in investing activities	(1,170)	(471)
Financing Activities		
Principal payments on debt	(7,355)	(4,808)
Proceeds from issuance of debt	7,176	4,779
Dividends paid	(1,591)	(1,529)
Purchases of treasury shares	(1,238)	(1,399)
Proceeds from exercise of stock options	329	507
Net cash used in financing activities	(2,679)	(2,450)
Effect of exchange rate changes on Cash and cash equivalents	(16)	87
Net increase (decrease) in Cash and cash equivalents	(809)	220
Cash and cash equivalents at beginning of the period	1,535	1,315
Cash and cash equivalents at end of the period	\$ 726	\$ 1,535
Supplemental Cash Flow Information		
Free cash flow before dividends (Net cash provided by operations less Capital expenditures)		
Net cash provided by operations	\$ 3,056	\$ 3,054
Less: Capital expenditures	(436)	(553)
Free cash flow before dividends	\$ 2,620	\$ 2,501
Income taxes paid	\$ 847	\$ 1,037