

Colgate-Palmolive Company

Condensed Consolidated Statements of Cash Flows

For the Twelve Months Ended December 31, 2014 and 2013

(Dollars in Millions) (Unaudited)

	2014	2013
Operating Activities		
Net income including noncontrolling interests	\$ 2,339	\$ 2,410
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations:		
Depreciation and amortization	442	439
Restructuring and termination benefits, net of cash	64	182
Voluntary benefit plan contribution	(2)	(101)
Venezuela remeasurement charges	327	172
Charge for a foreign tax matter	66	-
Stock-based compensation expense	131	128
Deferred income taxes	18	71
Cash effects of changes in:		
Receivables	(109)	(37)
Inventories	(60)	(97)
Accounts payable and other accruals	57	24
Other non-current assets and liabilities	25	13
Net cash provided by operations	3,298	3,204
Investing Activities		
Capital expenditures	(757)	(670)
Sale of property and non-core products	24	15
Purchases of marketable securities and investments	(340)	(505)
Proceeds from sale of marketable securities and investments	283	267
Payment for acquisitions, net of cash acquired	(87)	(3)
Other	18	6
Net cash used in investing activities	(859)	(890)
Financing Activities		
Principal payments on debt	(8,525)	(7,554)
Proceeds from issuance of debt	8,960	7,976
Dividends paid	(1,446)	(1,382)
Purchases of treasury shares	(1,530)	(1,521)
Proceeds from exercise of stock options and excess tax benefits	371	339
Net cash used in financing activities	(2,170)	(2,142)
Effect of exchange rate changes on Cash and cash equivalents	(142)	(94)
Net increase (decrease) in Cash and cash equivalents	127	78
Cash and cash equivalents at beginning of the period	962	884
Cash and cash equivalents at end of the period	\$ 1,089	\$ 962
Supplemental Cash Flow Information		
Free cash flow before dividends (Net cash provided by operations less Capital expenditures)		
Net cash provided by operations	\$ 3,298	\$ 3,204
Less: Capital expenditures	(757)	(670)
Free cash flow before dividends	\$ 2,541	\$ 2,534
Income taxes paid	\$ 1,009	\$ 1,087