

Colgate-Palmolive Company

Condensed Consolidated Statements of Cash Flows

For the Nine Months Ended September 30, 2015 and 2014

(Dollars in Millions) (Unaudited)

| | 2015 | 2014 |
|--|----------|----------|
| Operating Activities | | |
| Net income including noncontrolling interests | \$ 1,969 | \$ 1,673 |
| Adjustments to reconcile net income including noncontrolling interests to net cash provided by operations: | | |
| Depreciation and amortization | 337 | 329 |
| Restructuring and termination benefits, net of cash | 68 | 69 |
| Voluntary benefit plan contribution | - | (2) |
| Venezuela remeasurement charges | 34 | 327 |
| Charge for a foreign tax matter | - | 66 |
| Stock-based compensation expense | 104 | 109 |
| Gain on sale of South Pacific laundry detergent business | (187) | - |
| Deferred income taxes | (42) | (35) |
| Cash effects of changes in: | | |
| Receivables | (172) | (222) |
| Inventories | 1 | (51) |
| Accounts payable and other accruals | (18) | 100 |
| Other non-current assets and liabilities | 14 | 29 |
| Net cash provided by operations | 2,108 | 2,392 |
| Investing Activities | | |
| Capital expenditures | (459) | (493) |
| Purchases of marketable securities and investments | (499) | (232) |
| Proceeds from sale of marketable securities and investments | 398 | 277 |
| Proceeds from sale of South Pacific laundry detergent business | 221 | - |
| Payment for acquisitions, net of cash acquired | (13) | (25) |
| Other | 8 | 18 |
| Net cash used in investing activities | (344) | (455) |
| Financing Activities | | |
| Principal payments on debt | (6,691) | (6,220) |
| Proceeds from issuance of debt | 7,293 | 6,597 |
| Dividends paid | (1,033) | (990) |
| Purchases of treasury shares | (1,196) | (1,119) |
| Proceeds from exercise of stock options and excess tax benefits | 301 | 295 |
| Net cash used in financing activities | (1,326) | (1,437) |
| Effect of exchange rate changes on Cash and cash equivalents | (82) | (107) |
| Net increase in Cash and cash equivalents | 356 | 393 |
| Cash and cash equivalents at beginning of the period | 1,089 | 962 |
| Cash and cash equivalents at end of the period | \$ 1,445 | \$ 1,355 |
| Supplemental Cash Flow Information | | |
| Free cash flow before dividends (Net cash provided by operations less Capital expenditures) | | |
| Net cash provided by operations | \$ 2,108 | \$ 2,392 |
| Less: Capital expenditures | (459) | (493) |
| Free cash flow before dividends | \$ 1,649 | \$ 1,899 |
| Income taxes paid | \$ 967 | \$ 781 |