

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Six Months Ended June 30, 2016 and 2015

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

Gross Profit			
Gross profit, GAAP	2016	2015	
	\$ 4,552	\$ 4,759	
2012 Restructuring Program	20	8	
Gross profit, non-GAAP	\$ 4,572	\$ 4,767	
Gross Profit Margin			Basis Point Change
Gross profit margin, GAAP	2016	2015	
	59.8%	58.5%	130
2012 Restructuring Program	0.3%	0.1%	
Gross profit margin, non-GAAP	60.1%	58.6%	150
Selling, General and Administrative Expenses			
Selling, general and administrative expenses, GAAP	2016	2015	
	\$ 2,674	\$ 2,831	
2012 Restructuring Program	(40)	(29)	
Selling, general and administrative expenses, non-GAAP	\$ 2,634	\$ 2,802	
Selling, General and Administrative Expenses as a Percentage of Net Sales			Basis Point Change
Selling, general and administrative expenses as a percentage of Net sales, GAAP	2016	2015	
	35.2%	34.8%	40
2012 Restructuring Program	(0.6)%	(0.4)%	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	34.6%	34.4%	20
Other (Income) Expense, Net			
Other (income) expense, net, GAAP	2016	2015	
	\$ 67	\$ 136	
2012 Restructuring Program	(54)	(115)	
Venezuela remeasurement charge	-	(16)	
Other (income) expense, net, non-GAAP	\$ 13	\$ 5	
Operating Profit			% Change
Operating profit, GAAP	2016	2015	
	1,811	\$ 1,792	1%
2012 Restructuring Program	114	152	
Venezuela remeasurement charge	-	16	
Operating profit, non-GAAP	\$ 1,925	\$ 1,960	(2%)
Operating Profit Margin			Basis Point Change
Operating profit margin, GAAP	2016	2015	
	23.8%	22.0%	180
2012 Restructuring Program	1.5%	1.9%	
Venezuela remeasurement charge	-	0.2%	
Operating profit margin, non-GAAP	25.3%	24.1%	120

	2016						
	Income Before Income Taxes	Provision for Income Taxes ⁽¹⁾	Net Income Including Noncontrolling Interests	Less: Income Attributable to Noncontrolling Interests	Net Income Attributable To Colgate- Palmolive Company	Effective Income Tax Rate ⁽²⁾	Diluted Earnings Per Share ⁽³⁾
As Reported GAAP	\$ 1,758	\$ 546	\$ 1,212	\$ 79	\$ 1,133	31.1 %	\$ 1.26
2012 Restructuring Program	114	31	83	1	82	(0.2)%	0.09
Benefit from a foreign tax matter, net	-	13	(13)	-	(13)	0.6 %	(0.01)
Non-GAAP	\$ 1,872	\$ 590	\$ 1,282	\$ 80	\$ 1,202	31.5 %	\$ 1.33

	2015						
	Income Before Income Taxes	Provision For Income Taxes ⁽¹⁾	Net Income Including Noncontrolling Interests	Less: Income Attributable to Noncontrolling Interests	Net Income Attributable to Colgate- Palmolive Company	Effective Income Tax Rate ⁽²⁾	Diluted Earnings Per Share ⁽³⁾
As Reported GAAP	\$ 1,778	\$ 579	\$ 1,199	\$ 83	\$ 1,116	32.6 %	\$ 1.22
2012 Restructuring Program	152	43	109	2	107	(0.3)%	0.11
Venezuela remeasurement charge	16	6	10	-	10	-	0.01
Charge for a foreign tax matter	-	(15)	15	-	15	(0.8)%	0.02
Non-GAAP	\$ 1,946	\$ 613	\$ 1,333	\$ 85	\$ 1,248	31.5 %	\$ 1.36

Note:

- (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.
- (3) The impact of non-GAAP adjustments on diluted earnings per share may not necessarily equal the difference between "GAAP" and "non-GAAP" as a result of rounding.