

Table 5

**Colgate-Palmolive Company**  
**Condensed Consolidated Statements of Cash Flows**  
**For the Nine Months Ended September 30, 2007 and 2006**  
**(Dollars in Millions) (Unaudited)**

	<u>2007</u>	<u>2006</u>
<b>Operating Activities</b>		
Net income	\$ 1,322.5	\$ 952.2
Adjustments to reconcile net income to net cash provided by operations:		
Restructuring, net of cash	(3.6)	187.6
Depreciation and amortization	246.4	243.5
Gain before tax on sale of non-core product lines	(48.6)	-
Stock-based compensation expense	93.1	91.7
Deferred income taxes	(60.2)	(24.5)
Cash effects of changes in:		
Receivables	(167.0)	(122.9)
Inventories	(118.4)	(128.9)
Accounts payable and other accruals	364.8	122.8
Other non-current assets and liabilities	9.7	48.4
Net cash provided by operations	<u>1,638.7</u>	<u>1,369.9</u>
<b>Investing Activities</b>		
Capital expenditures	(327.1)	(251.8)
Sale of property and non-core product lines	106.0	2.9
Payment for acquisitions, net of cash acquired	(26.5)	(200.0)
Other	(56.0)	(21.4)
Net cash used in investing activities	<u>(303.6)</u>	<u>(470.3)</u>
<b>Financing Activities</b>		
Principal payments on debt	(1,635.9)	(1,011.3)
Proceeds from issuance of debt	1,530.4	1,116.7
Dividends paid	(550.4)	(497.4)
Purchases of treasury shares	(866.6)	(601.3)
Proceeds from exercise of stock options and excess tax benefits	313.7	258.5
Net cash used in financing activities	<u>(1,208.8)</u>	<u>(734.8)</u>
Effect of exchange rate changes on Cash and cash equivalents	<u>12.6</u>	<u>(2.6)</u>
Net increase in Cash and cash equivalents	138.9	162.2
Cash and cash equivalents at beginning of period	489.5	340.7
Cash and cash equivalents at end of period	<u>\$ 628.4</u>	<u>\$ 502.9</u>
<b>Supplemental Cash Flow Information</b>		
Free cash flow before dividends (Net cash provided by operations less capital expenditures)		
Net cash provided by operations	\$ 1,638.7	\$ 1,369.9
Less: Capital expenditures	<u>(327.1)</u>	<u>(251.8)</u>
Free cash flow before dividends	<u>\$ 1,311.6</u>	<u>\$ 1,118.1</u>

Income taxes paid

\$ 469.3

\$ 497.9