

Consolidated Statements of Cash Flows

(in millions of dollars)

for the years ended December 31,	2019	2018	2017
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Net earnings	\$ 7,728	\$ 8,286	\$ 6,341
Adjustments to reconcile net earnings to operating cash flows:			
Depreciation and amortization	964	989	875
Deferred income tax (benefit) provision	(141)	(100)	(501)
Asset impairment and exit costs, net of cash paid (Note 21)	371	(3)	(10)
Cash effects of changes in:			
Receivables, net	(331)	53	(92)
Inventories	(548)	(613)	730
Accounts payable	451	(51)	425
Accrued liabilities and other current assets	1,108	910	(554)
Income taxes	75	(135)	1,370
Pension plan contributions	(200)	(110)	(66)
Other	613 ⁽¹⁾	252	394
Net cash provided by operating activities	<u>10,090</u>	<u>9,478</u>	<u>8,912</u>
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES			
Capital expenditures	(852)	(1,436)	(1,548)
Investments in unconsolidated subsidiaries and equity securities	(31)	(63)	(111)
Deconsolidation of RBH (Note 22)	(1,346) ⁽²⁾	—	—
Net investment hedges	386	416	(1,527)
Other	32	85	103
Net cash used in investing activities	<u>(1,811)</u>	<u>(998)</u>	<u>(3,083)</u>

See notes to consolidated financial statements.

for the years ended December 31,	2019	2018	2017
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES			
Short-term borrowing activity by original maturity:			
Net issuances (repayments) - maturities of 90 days or less	\$ (364)	\$ 255	\$ (127)
Issuances - maturities longer than 90 days	989	—	1,634
Repayments - maturities longer than 90 days	(989)	—	(1,634)
Long-term debt proceeds	3,819	—	6,850
Long-term debt repaid	(3,998)	(2,484)	(2,551)
Dividends paid	(7,161)	(6,885)	(6,520)
Sale (purchase) of subsidiary shares to/(from) noncontrolling interests (Note 6)	51	(81)	5
Other	(408)	(456)	(426)
Net cash used in financing activities	(8,061)	(9,651)	(2,769)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	27	(685)	1,085
Cash, cash equivalents and restricted cash ⁽³⁾ :			
Increase (Decrease)	245	(1,856)	4,145
Balance at beginning of year	6,620	8,476	4,331
Balance at end of year	<u>\$ 6,865</u>	<u>\$ 6,620</u>	<u>\$ 8,476</u>
Cash Paid:			
Interest	\$ 800	\$ 882	\$ 1,050
Income taxes	\$ 2,430	\$ 2,749	\$ 3,403

⁽¹⁾ Includes the Loss on Deconsolidation of RBH (\$239 million) and the Canadian tobacco litigation-related charge (\$194 million) that were included in marketing, administration and research costs in the consolidated statements of earnings for the year ended December 31, 2019. For further details on these charges, see Note 22. *Deconsolidation of RBH*.

⁽²⁾ Includes deconsolidation of RBH cash and cash equivalents of \$1,323 million and restricted cash of \$23 million.

⁽³⁾ The amounts for cash and cash equivalents shown above include restricted cash of \$4 million, \$27 million and \$29 million as of December 31, 2019, 2018 and 2017, respectively, which were included in other current assets in the consolidated balance sheets.

See notes to consolidated financial statements.