

Financial Statements

Condensed Consolidated Statements of Cash Flows

Years ended June 30

Dollars in millions

	2017	2016	2015
Operating activities:			
Net earnings	\$ 701	\$ 648	\$ 580
Deduct: Losses from discontinued operations, net of tax	(2)	—	(26)
Earnings from continuing operations	703	648	606
Adjustments to reconcile earnings from continuing operations to net cash provided by continuing operations:			
Depreciation and amortization	163	165	169
Stock-based compensation	51	45	32
Deferred income taxes	(35)	5	(16)
Settlement of interest rate forward contracts	—	—	(25)
Other	36	1	(17)
Changes in:			
Receivables, net	(1)	(52)	6
Inventories, net	(19)	(45)	(25)
Prepaid expenses and other current assets	(5)	6	6
Accounts payable and accrued liabilities	(34)	57	93
Income taxes payable	12	(62)	29
Net cash provided by continuing operations	871	768	858
Net cash (used for) provided by discontinued operations	(3)	10	16
Net cash provided by operations	868	778	874
Investing activities:			
Capital expenditures	(231)	(172)	(125)
Business acquired, net of cash acquired	—	(290)	—
Other	26	32	19
Net cash used for investing activities	(205)	(430)	(106)
Financing activities:			
Notes and loans payable, net	125	426	(48)
Long-term debt borrowings, net of issuance costs	—	—	495
Long-term debt repayments	—	(300)	(575)
Treasury stock purchased	(183)	(254)	(434)
Cash dividends paid	(412)	(398)	(385)
Issuance of common stock for employee stock plans and other	75	210	251
Net cash used for financing activities	(645)	(316)	(696)
Effect of exchange rate changes on cash and cash equivalents	(1)	(13)	(19)
Net increase in cash and cash equivalents	17	19	53
Cash and cash equivalents:			
Beginning of year	401	382	329
End of year	\$ 418	\$ 401	\$ 382
Supplemental cash flow information:			
Interest paid	\$ 78	\$ 79	\$ 104
Income taxes paid, net of refunds	347	323	236
Noncash financing activities:			
Cash dividends declared and accrued, but not paid	108	104	99