

FINANCIAL STATEMENTS

Condensed Consolidated Statements of Cash Flows

Years ended June 30

Dollars in millions

	2019	2018	2017
		(As Adjusted*)	(As Adjusted*)
Operating activities:			
Net earnings	\$ 820	\$ 823	\$ 701
Deduct: Losses from discontinued operations, net of tax	—	—	(2)
Earnings from continuing operations	820	823	703
Adjustments to reconcile earnings from continuing operations to net cash provided by continuing operations:			
Depreciation and amortization	180	166	163
Stock-based compensation	43	53	51
Deferred income taxes	(20)	(23)	(35)
Other	(29)	44	33
Changes in:			
Receivables, net	(32)	(24)	(1)
Inventories, net	(7)	(21)	(19)
Prepaid expenses and other current assets	(6)	4	(5)
Accounts payable and accrued liabilities	17	(47)	(34)
Income taxes payable/receivable, net	26	1	12
Net cash provided by continuing operations	992	976	868
Net cash used for discontinued operations	—	—	(3)
Net cash provided by operations	992	976	865
Investing activities:			
Capital expenditures	(206)	(194)	(231)
Businesses acquired, net of cash acquired	—	(681)	—
Other	10	16	26
Net cash used for investing activities	(196)	(859)	(205)
Financing activities:			
Notes and loans payable, net	189	(214)	(125)
Long-term debt borrowings, net of issuance costs	—	891	—
Long-term debt repayments	—	(400)	—
Treasury stock purchased	(661)	(271)	(183)
Cash dividends paid	(490)	(450)	(412)
Issuance of common stock for employee stock plans and other	147	45	75
Net cash used for financing activities	(815)	(399)	(645)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(2)	(3)	(1)
Net increase (decrease) in cash, cash equivalents and restricted cash	(21)	(285)	14
Cash, cash equivalents and restricted cash:			
Beginning of year	134	419	405
End of year	\$ 113	\$ 134	\$ 419
Supplemental cash flow information:			
Interest paid	\$ 87	\$ 75	\$ 78
Income taxes paid, net of refunds	207	245	347
Non-cash financing activities:			
Cash dividends declared and accrued, but not paid	133	123	108

*Adjusted to reflect the retrospective adoption of ASU No. 2016-18, "Statement of Cash Flows (Topic 230): Restricted Cash," effective July 1, 2018.