

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2005

Notes	2005 £m	As restated 2004 £m
Cash flows from operating activities		
<i>Reconciliation of profit to operating cash flows</i>		
Profit for the period	477.5	237.6
Add back:		
Taxation	25.8	(92.3)
Depreciation	10.4	12.9
Amortisation	11.4	3.1
Interest income	(28.2)	(26.5)
Interest expense	15.5	14.1
Net financing costs – pension schemes	2.5	3.4
Net financing costs – other than interest	19.1	–
Share in profits from associates and joint ventures	(13.2)	(5.0)
Income from fixed asset investments	(3.0)	(5.2)
Profit on disposals	(417.0)	(18.9)
Non-recurring reorganisation and restructuring costs	37.2	–
Amounts written off investments	–	11.7
	138.0	134.9
Payments against provisions	(19.9)	(16.1)
Additional pension contributions	(17.2)	(7.0)
Other non-cash items	4.1	(0.6)
(Increase)/decrease in inventories	(6.2)	2.4
(Increase)/decrease in trade and other receivables	(17.1)	(3.7)
Increase/(decrease) in trade and other payables	18.4	(2.4)
Cash generated from operations	100.1	107.5
Interest received	19.9	27.4
Interest paid	(16.4)	(19.6)
Taxation paid	(17.4)	(10.0)
Dividend received from joint ventures and associates	2.8	4.8
Income from investments	3.0	4.8
Net cash flows from operating activities	92.0	114.9
Cash flows from investing activities		
Acquisition of interests in subsidiaries, net of cash acquired	(115.6)	(190.2)
Sale of discontinued operations	437.4	–
Purchase of property and equipment	(9.7)	(8.5)
Proceeds on sale of property and equipment	6.3	1.9
Sale/(purchase) of interests in associated companies and joint ventures	300.3	(1.7)
Proceeds from sale of investments	42.8	67.1
Net cash flows from investing activities	661.5	(131.4)
Cash flows from financing activities		
Proceeds from issuance of ordinary share capital	18.2	1.5
Return of capital to shareholders (including costs)	(16.8)	(1.9)
Dividend paid to shareholders	(337.8)	(31.2)
Dividend paid to minority interests	(1.9)	–
Investment in own shares – ESOP	(7.4)	(4.1)
Decrease in borrowings	–	(98.9)
Repurchase of bonds	(273.2)	–
Net cash flows from financing activities	(618.9)	(134.6)
Net decrease in cash and cash equivalents	134.6	(151.1)
Net foreign exchange difference	11.4	(8.0)
Cash and cash equivalents at 1 January	336.6	495.7
Cash and cash equivalents at 31 December	482.6	336.6