

# Group Cash Flow Statement

For the year ended 31 March 2007

	Note	2007 £m	2006 £m
<b>Cash flows from operating activities</b>			
Profit before tax		85.2	65.1
Depreciation and other amortisation		27.0	24.1
Equity settled transactions		2.7	2.7
Finance income and expense		5.9	3.4
<b>Operating cash flow before changes in working capital, interest and taxes</b>		<b>120.8</b>	<b>95.3</b>
(Increase) in inventories		(7.7)	(12.8)
(Increase) in trade and other receivables		(9.2)	(14.6)
Increase in trade and other payables		–	13.2
<b>Cash generated from operations</b>		<b>103.9</b>	<b>81.1</b>
Interest received		11.2	6.8
Interest paid		(17.0)	(10.1)
Income tax paid		(22.0)	(25.8)
<b>Operating cash flow</b>		<b>76.1</b>	<b>52.0</b>
<b>Cash flows from investing activities</b>			
Capital expenditure and financial investment		(42.4)	(26.3)
Proceeds from sale of property, plant and equipment		11.6	1.2
<b>Net cash used in investing activities</b>		<b>(30.8)</b>	<b>(25.1)</b>
<b>Free cash flow</b>		<b>45.3</b>	<b>26.9</b>
<b>Cash flows from financing activities</b>			
Proceeds from the issue of share capital		0.3	–
New bank loans		30.3	54.3
Repayment of bank loans		(16.6)	(25.6)
Equity dividends paid	10	(80.0)	(80.0)
<b>Net cash used in financing activities</b>		<b>(66.0)</b>	<b>(51.3)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(20.7)</b>	<b>(24.4)</b>
Cash and cash equivalents at the beginning of the year		38.0	62.6
Effect of exchange rates on cash		(0.1)	(0.2)
<b>Cash and cash equivalents at the end of the year</b>	28	<b>17.2</b>	<b>38.0</b>

The notes on pages 29 to 45 form part of these Group accounts.