

Cash Flow Statements

For the year ended 31 December 2008

| | Note | Group 2008 £m | Group 2007 £m | Company 2008 £m | Company 2007 £m |
|--|-------|---------------------|---------------------|-----------------------|-----------------------|
| Cash flows from operating activities: | | | | | |
| (Loss)/profit for the year | | (625.0) | 413.5 | (204.7) | 17.7 |
| Adjustments for: | | | | | |
| Tax | 11 | (155.0) | 169.2 | 5.0 | 9.9 |
| Finance income | 9 | (4.1) | (1.9) | (7.3) | (1.8) |
| Finance costs | 9 | 75.8 | 74.1 | 40.4 | 40.4 |
| Depreciation charge | 16 | 8.7 | 9.8 | 0.8 | 0.8 |
| Amortisation of intangible assets | 15 | 0.3 | 0.2 | 0.3 | 0.2 |
| Impairment of intangible assets – utilisation of strategic land holdings | 15 | 1.8 | 2.4 | – | – |
| Share of results of jointly controlled entities | 17 | (0.8) | (1.0) | – | – |
| Profit on disposal of property, plant and equipment | | (0.7) | (1.0) | – | – |
| Share-based payment charge | 31 | 4.4 | 6.0 | 4.4 | 6.0 |
| Exceptional non-cash items | 6, 17 | 892.7 | – | 281.7 | – |
| Other non-cash items | | (3.1) | – | (3.5) | (0.9) |
| Profit from operations before working capital movements | | 195.0 | 671.3 | 117.1 | 72.3 |
| Movements in working capital: | | | | | |
| Decrease/(increase) in inventories | | 187.8 | (426.7) | – | 0.2 |
| (Increase)/decrease in trade and other receivables | | (8.1) | (7.2) | (2.5) | 316.6 |
| (Decrease)/increase in trade and other payables | | (173.6) | 25.6 | 245.2 | 220.9 |
| Net cash from operations | | 201.1 | 263.0 | 359.8 | 610.0 |
| Interest paid | | (67.6) | (66.2) | (43.3) | (39.1) |
| Interest received | | 4.1 | 1.9 | 6.6 | 1.8 |
| Tax received/(paid) | | 106.2 | (126.3) | (3.6) | (12.1) |
| Net cash from operating activities | | 243.8 | 72.4 | 319.5 | 560.6 |
| Cash flows from investing activities: | | | | | |
| Received from jointly controlled entities | | 0.1 | 0.6 | – | – |
| Additional investment in subsidiaries | | – | – | (126.1) | (475.0) |
| Purchase of property, plant and equipment | | (6.9) | (10.6) | (0.2) | (0.4) |
| Proceeds from sale of property, plant and equipment | | 2.2 | 4.6 | 0.3 | 0.2 |
| Net cash used in investing activities | | (4.6) | (5.4) | (126.0) | (475.2) |
| Cash flows from financing activities: | | | | | |
| Repayment of borrowings | | (162.2) | (68.0) | (95.1) | (17.2) |
| Drawdown of loan facilities | | 65.0 | 75.0 | 65.0 | 75.0 |
| Finance lease principal payments | | (1.4) | (1.4) | (0.6) | (0.4) |
| Own shares purchased | | (2.4) | (25.5) | (1.7) | (22.3) |
| Exercise of share options | | 0.8 | 2.3 | 0.5 | 2.3 |
| Dividends paid to Group shareholders | | (113.1) | (114.1) | (113.1) | (114.1) |
| Net cash used in financing activities | | (213.3) | (131.7) | (145.0) | (76.7) |
| Increase/(decrease) in net cash and cash equivalents | 26 | 25.9 | (64.7) | 48.5 | 8.7 |
| Net cash and cash equivalents at beginning of year | | (48.8) | 15.9 | (67.4) | (76.1) |
| Net cash and cash equivalents at end of year | 27 | (22.9) | (48.8) | (18.9) | (67.4) |