

GROUP CASH FLOW

for the half year ended 30th June 2005

		Six months to 30th June 2005 £000	Six months to 30th June 2004 £000	Year ended 31st December 2004 £000
	<i>notes</i>			
Cash flows from operating activities				
Profit before taxation		25,982	22,237	48,704
Depreciation and amortisation		6,142	6,227	13,030
Share of profit of associates		(384)	(306)	(735)
Equity settled share plans		436	85	357
Net finance income		(567)	157	(13)
Operating profit before changes in working capital and provisions		31,609	28,400	61,343
Increase in trade and other receivables		(3,701)	(6,897)	(6,875)
Increase in inventories		(1,899)	500	619
Increase in provisions and post-retirement benefits		436	(376)	(23)
Increase in trade and other payables		242	4,390	7,139
Cash generated from operations		26,687	26,017	62,203
Interest paid		(759)	(942)	(1,829)
Income taxes paid		(9,529)	(8,775)	(16,071)
Net cash from operating activities		16,399	16,300	44,303
Cash flows from investing activities				
Purchase of property, plant and equipment		(5,972)	(5,977)	(14,395)
Proceeds from sale of property, plant and equipment		492	322	641
Development expenditure capitalised		(600)	(296)	(674)
Acquisition of subsidiaries		(4,943)	-	(803)
Interest received		896	622	1,517
Dividends received		47	24	71
Net cash used in investing activities		(10,080)	(5,305)	(13,643)
Cash flows from financing activities				
Proceeds from issue of share capital		4,518	627	2,138
Repayment of borrowings	6	(3,917)	(1,390)	(2,330)
Payment of finance lease liabilities	6	(187)	(182)	(360)
Dividends paid		(11,537)	(10,635)	(15,322)
Net cash used in financing activities		(11,123)	(11,580)	(15,874)
Net decrease in cash and cash equivalents	6	(4,804)	(585)	14,786
Cash and cash equivalents at beginning of period	6	43,914	29,120	29,120
Exchange movement	6	(264)	(367)	8
Cash and cash equivalents at end of period	6	38,846	28,168	43,914
Long term borrowings and finance leases	6	(37,370)	(42,184)	(42,615)
Net cash	6	1,476	(14,016)	1,299