

Group cash flow statement

for the half year ended 30th June 2008

	Six months to 30th June 2008	Six months to 30th June 2007	Year ended 31st December 2007
<i>notes</i>	£000	£000	£000
Cash flows from operating activities			
Profit before taxation	41,937	32,974	72,163
Depreciation and amortisation	8,198	6,958	14,231
Share of profit of associates	(1,030)	(620)	(1,387)
Equity settled share plans	1,075	844	1,259
Net finance income	(759)	(945)	(2,440)
Operating cash flow before changes in working capital and provisions	49,421	39,211	83,826
Increase in trade and other receivables	(4,534)	(916)	(5,244)
Increase in inventories	(5,468)	(4,407)	(3,999)
Decrease in provisions and post-retirement benefits	(196)	(5,581)	(5,726)
Increase in trade and other payables	368	(167)	5,671
Cash generated from operations	39,591	28,140	74,528
Interest paid	(737)	(880)	(1,699)
Income taxes paid	(10,802)	(8,767)	(18,162)
Net cash from operating activities	28,052	18,493	54,667
Cash flows from investing activities			
Purchase of property, plant and equipment	(6,882)	(5,741)	(13,826)
Proceeds from sale of property, plant and equipment	346	360	599
Purchase of software and other intangibles	(1,322)	(649)	(1,693)
Development expenditure capitalised	(561)	(822)	(1,604)
Acquisition of businesses	(12,166)	(744)	(1,170)
Interest received	561	261	906
Dividends received	329	227	557
Net cash used in investing activities	(19,695)	(7,108)	(16,231)
Cash flows from financing activities			
Proceeds from issue of share capital	13	42	42
Proceeds from reissue of treasury shares	2,208	1,695	3,115
Repayment of borrowings	(1,936)	1,264	(2,543)
Payment of finance lease liabilities	-	26	(20)
Dividends paid (including minorities)	(16,484)	(14,497)	(20,828)
Net cash used in financing activities	(16,199)	(11,470)	(20,234)
Net decrease in cash and cash equivalents	(7,842)	(85)	18,202
Cash and cash equivalents at beginning of period	37,857	18,099	18,099
Exchange movement	1,617	103	1,556
Cash and cash equivalents at end of period	31,632	18,117	37,857
Borrowings and finance leases	(19,407)	(25,343)	(22,026)
Net cash/(borrowings)	12,225	(7,226)	15,831