

Group cash flow statement

for the year ended 31 December

Unaudited proforma		Note	1998	1997
1998			€m	£m
200.7	Net cash inflow from operating activities	22	135.5	10.7
Returns on investment and servicing of finance				
14.4	Interest received		9.7	0.5
(51.8)	Interest paid		(35.0)	(8.4)
(1.6)	Interest element of finance lease rentals		(1.1)	(0.2)
(39.0)	Net cash inflow/(outflow) for returns on investment and servicing of finance		(26.4)	(8.1)
(64.0)	Taxation		(43.1)	(14.8)
Capital expenditure and financial investment				
(52.9)	Purchase of tangible fixed assets		(35.7)	(11.8)
3.9	Sale of tangible fixed assets		2.6	2.0
(49.0)	Net cash inflow/(outflow) for capital expenditure and financial investment		(33.1)	(9.8)
Acquisitions and disposals				
(44.0)	Purchase of subsidiary undertakings		(29.7)	(13.7)
(53.3)	Net cash/(overdrafts) acquired with subsidiaries		(36.0)	(147.0)
(22.7)	Purchase of pharmacy licences		(15.3)	(4.7)
(15.0)	Investment in associated undertakings		(10.2)	(1.3)
3.5	Sale of pharmacy licences		2.3	1.3
-	Sale of shares in Lloyds Chemists		-	64.3
(131.5)	Net cash inflow/(outflow) for acquisitions and disposals		(88.9)	(101.1)
(12.7)	Equity dividends paid		(8.5)	(10.9)
Management of liquid resources				
49.3	Other		33.3	-
(46.2)	Cash inflow/(outflow) before financing		(31.2)	(134.0)

Group cash flow statement (continued)

for the year ended 31 December

Unaudited proforma		Note	1998	1997
1998			€m	£m
(46.2)	Net cash inflow/(outflow) before financing		(31.2)	(134.0)
	Financing			
5.0	Issue of ordinary share capital	23	3.4	2.5
	Debt due within one year			
	Net movement in money market			
8.0	borrowings maturing within one week		5.4	(87.6)
130.2	Increase/(decrease) in short-term borrowings		87.9	(41.4)
(1.1)	Loan notes repaid		(0.8)	(0.8)
	Debt due after one year			
197.6	Increase in borrowings		133.4	61.9
(355.0)	Repayment of borrowings		(239.7)	(5.2)
(8.4)	Capital element of finance lease rental payments		(5.7)	(4.8)
(23.7)	Net cash inflow/(outflow) from financing	23	(16.1)	(75.4)
(69.9)	Increase/(decrease) in cash in the period		(47.3)	(209.4)
	Reconciliation of net cash flow to movement in net debt			
	Increase/(decrease) in cash in the period		(47.3)	(209.4)
	Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	23	19.5	77.9
	Change in net debt resulting from cash flows		(27.8)	(131.5)
	New finance leases		-	(1.4)
	Debt acquired with subsidiaries		(7.5)	(230.1)
	Other non cash movements		(0.7)	(1.1)
	Translation difference		(20.1)	2.8
	Movement in net debt for the period		(56.1)	(361.3)
	Net debt at 1 January		(436.9)	(75.6)
	Net debt at 31 December	24	(493.0)	(436.9)