

Summary consolidated statements of cash flows In millions of US dollars

Year to December 31,	2009 \$'M	2008 \$'M
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	491.4	152.4
Adjustments to reconcile net income to net cash provided by operating activities:		
Loss from discontinued operations	12.4	17.6
Depreciation and amortization	250.2	202.9
Share-based compensation	65.7	65.2
IPR&D charge	1.6	128.1
Impairment of intangible assets	—	97.1
Impairment of available-for-sale securities	0.8	58.0
Gain on sale of non-current investments	(55.2)	(10.1)
Gain on sale of product rights	(6.3)	(20.7)
Other	12.2	10.5
Movement in deferred taxes	(98.8)	74.0
Equity in losses/(earnings) of equity-method investees	0.7	(2.4)
Changes in operating assets and liabilities:		
(Increase)/decrease in accounts receivable	(212.3)	9.4
Increase in sales deduction accrual	134.7	84.3
(Increase)/decrease in inventory	(38.7)	36.4
Decrease/(increase) in prepayments and other current assets	30.1	(9.6)
Decrease in other assets	0.8	3.6
Increase/(decrease) in accounts and notes payable and other liabilities	38.6	(99.0)
Returns on investment	4.9	7.1
Cash flows used in discontinued operations	(5.9)	(4.7)
Net cash provided by operating activities^(A)	626.9	800.1
CASH FLOWS FROM INVESTING ACTIVITIES:		
Movements in restricted cash	(3.9)	10.3
Purchases of subsidiary undertakings and businesses, net of cash acquired	(83.3)	(499.4)
Payment on settlement of TKT appraisal rights litigation	—	(419.9)
Purchases of non-current investments	(0.9)	(2.2)
Purchases of property, plant and equipment	(254.4)	(236.0)
Purchases of intangible assets	(7.0)	(25.0)
Proceeds from disposal of non-current investments	19.2	10.3
Proceeds from disposal of property, plant and equipment	1.0	1.8
Proceeds/deposits received on sales of product rights	—	5.0
Proceeds from disposal of subsidiary undertakings	6.7	—
Returns from equity investments	0.2	0.6
Net cash used in investing activities^(B)	(322.4)	(1,154.5)

Summary consolidated statements of cash flows continued In millions of US dollars

Year to December 31,	2009 \$'M	2008 \$'M
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from drawings under bank facility	—	190.0
Repayment of drawings under bank facility	—	(190.0)
Proceeds from building finance obligation	—	11.3
Payment under building financing obligation	(4.7)	(1.8)
Excess tax benefit of share-based compensation	16.8	—
Costs from issue of common stock, net	—	(5.6)
Proceeds from exercise of options	14.6	11.4
Payment of dividend	(54.4)	(46.8)
Payments to acquire shares by Employee Share Ownership Trust ('ESOT')	(1.0)	(146.6)
Net cash used in financing activities ^(C)	(28.7)	(178.1)
Effect of foreign exchange rate changes on cash and cash equivalents ^(D)	4.9	(11.8)
Net increase/(decrease) in cash and cash equivalents ^(A+B+C+D)	280.7	(544.3)
Cash and cash equivalents at beginning of period	218.2	762.5
Cash and cash equivalents at end of period	498.9	218.2