

# Group cash flow statement

Years ended 31 December

	Note	2007 US\$m	2006 US\$m
<b>Cash flow from consolidated operations (a)</b>		<b>10,805</b>	9,196
Dividends from equity accounted units		<b>1,764</b>	1,727
<b>Cash flow from operations</b>		<b>12,569</b>	10,923
Net interest paid		<b>(489)</b>	(128)
Dividends paid to outside shareholders		<b>(168)</b>	(193)
Tax paid		<b>(3,421)</b>	(2,799)
<b>Cash flow from operating activities</b>		<b>8,491</b>	7,803
<b>Cash used in investing activities</b>			
Net acquisitions of subsidiaries, joint ventures and associates	41	<b>(37,526)</b>	(279)
Purchase of property, plant and equipment and intangible assets		<b>(5,000)</b>	(3,992)
Sales of financial assets		<b>49</b>	293
Purchases of financial assets		<b>(273)</b>	(167)
Other investing cash flows		<b>8</b>	56
<b>Cash used in investing activities</b>		<b>(42,742)</b>	(4,089)
<b>Cash flow before financing activities</b>		<b>(34,251)</b>	3,714
<b>Cash from/(used in) financing activities</b>			
Equity dividends paid to Rio Tinto shareholders		<b>(1,507)</b>	(2,573)
Own shares purchased from Rio Tinto shareholders		<b>(1,624)</b>	(2,370)
Proceeds from issue of ordinary shares in Rio Tinto		<b>13</b>	31
Additional borrowings		<b>39,195</b>	483
Repayment of borrowings		<b>(1,034)</b>	(1,102)
Other financing cash flows		<b>54</b>	142
<b>Cash from/(used in) financing activities</b>		<b>35,097</b>	(5,389)
Effects of exchange rates on cash and cash equivalents		<b>(27)</b>	30
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>819</b>	(1,645)
Opening cash and cash equivalents less overdrafts		<b>722</b>	2,367
Closing cash and cash equivalents less overdrafts	21	<b>1,541</b>	722
<b>(a) Cash flow from consolidated operations</b>			
Profit for the year		<b>7,746</b>	7,867
Adjustments for:			
Taxation		<b>2,090</b>	2,373
Finance items		<b>319</b>	112
Share of profit after tax of equity accounted units		<b>(1,584)</b>	(1,378)
Depreciation and amortisation		<b>2,115</b>	1,509
Impairment charges/(reversals)	5	<b>58</b>	(396)
Provisions	27	<b>308</b>	60
Utilisation of provisions	27	<b>(162)</b>	(194)
Utilisation of provision for post retirement benefits		<b>(121)</b>	(77)
Change in inventories		<b>130</b>	(454)
Change in trade and other receivables		<b>(385)</b>	(394)
Change in trade and other payables		<b>375</b>	116
Other items		<b>(84)</b>	52
		<b>10,805</b>	9,196