

# Group cash flow statement

Years ended 31 December

	Note	2008 US\$m	2007 US\$m
<b>Cash flows from consolidated operations (a)</b>		<b>19,195</b>	10,805
Dividends from equity accounted units		<b>1,473</b>	1,764
<b>Cash flows from operations</b>		<b>20,668</b>	12,569
Net interest paid		<b>(1,538)</b>	(489)
Dividends paid to outside shareholders of subsidiaries		<b>(348)</b>	(168)
Tax paid		<b>(3,899)</b>	(3,421)
<b>Net cash generated from operating activities</b>		<b>14,883</b>	8,491
<b>Cash flows from investing activities</b>			
Net disposals/(acquisitions) of subsidiaries, joint ventures & associates	41	<b>2,563</b>	(37,526)
Purchase of property, plant & equipment and intangible assets		<b>(8,574)</b>	(5,000)
Sales of financial assets		<b>171</b>	49
Purchases of financial assets		<b>(288)</b>	(273)
Other funding of equity accounted units		<b>(334)</b>	(216)
Other investing cash flows		<b>281</b>	224
<b>Cash used in investing activities</b>		<b>(6,181)</b>	(42,742)
<b>Cash flows before financing activities</b>		<b>8,702</b>	(34,251)
<b>Cash flows from financing activities</b>			
Equity dividends paid to Rio Tinto shareholders		<b>(1,933)</b>	(1,507)
Own shares purchased from Rio Tinto shareholders		–	(1,648)
Proceeds from issue of ordinary shares in Rio Tinto		<b>23</b>	37
Proceeds from additional borrowings		<b>4,697</b>	39,195
Repayment of borrowings		<b>(12,667)</b>	(1,017)
Finance lease repayments		<b>(10)</b>	(17)
Receipts from close out of interest rate swaps		<b>710</b>	–
Other financing cash flows		<b>72</b>	54
<b>Cash (used in)/from financing activities</b>		<b>(9,108)</b>	35,097
Effects of exchange rates on cash and cash equivalents		<b>(101)</b>	(27)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(507)</b>	819
Opening cash and cash equivalents less overdrafts		<b>1,541</b>	722
Closing cash and cash equivalents less overdrafts	21	<b>1,034</b>	1,541
<b>(a) Cash flows from consolidated operations</b>			
Profit from continuing operations		<b>5,436</b>	7,746
Adjustments for:			
Taxation	8	<b>3,742</b>	2,090
Finance items		<b>2,055</b>	319
Share of profit after tax of equity accounted units	6	<b>(1,039)</b>	(1,584)
Profit on disposal of interests in businesses	41	<b>(2,231)</b>	(2)
Impairment charges	5	<b>8,015</b>	58
Depreciation and amortisation		<b>3,475</b>	2,115
Provisions (including exchange gains on provisions)	27	<b>265</b>	308
Utilisation of provisions	27	<b>(464)</b>	(162)
Utilisation of provision for post retirement benefits	27	<b>(448)</b>	(121)
Change in inventories		<b>(1,178)</b>	130
Change in trade and other receivables		<b>658</b>	(385)
Change in trade and other payables		<b>951</b>	375
Other items		<b>(42)</b>	(82)
		<b>19,195</b>	10,805