

Consolidated Cash Flow Statements

For the years ended December 31
(\$ millions)

	2008	2007
Operating Activities		
Net earnings from continuing operations before minority interest	\$ 864	\$ 504
Gain on disposal of business (note 7)	(335)	
Depreciation and amortization	643	650
Restructuring and other charges (note 4)	5	215
Future income taxes	(14)	(3)
Fair value adjustment of GWL's forward sale agreement (note 5)	11	(141)
Change in non-cash working capital	(181)	109
Other	(8)	34
Cash Flows from Operating Activities of Continuing Operations	985	1,368
Investing Activities		
Fixed asset purchases	(807)	(658)
Short term investments	(114)	(220)
Proceeds from fixed asset sales	125	237
Business acquisition (note 6)	(10)	
Proceeds from business disposition (note 7)	467	
Domtar investment (note 16)	144	
Credit card receivables, after securitization (note 12)	82	(238)
Franchise investments and other receivables	(37)	14
Other	(75)	(101)
Cash Flows used in Investing Activities of Continuing Operations	(225)	(966)
Financing Activities		
Bank indebtedness	53	(8)
Commercial paper	(609)	(229)
Short term bank loans (notes 18 & 19)	203	72
Long term debt (note 19) – Issued	301	25
– Retired	(561)	(39)
Capital securities (note 22) – Issued	218	
Dividends – To common shareholders	(232)	(186)
– To preferred shareholders	(55)	(57)
– To minority shareholders	(110)	(88)
Other		(1)
Cash Flows used in Financing Activities of Continuing Operations	(792)	(511)
Effect of Foreign Currency Exchange Rate Changes on Cash and Cash Equivalents (note 11)	233	(152)
Cash Flows from (used in) Continuing Operations	201	(261)
Cash Flows from Discontinued Operations (note 10)	188	247
Change in Cash and Cash Equivalents	389	(14)
Cash and Cash Equivalents, Beginning of Year	1,076	1,090
Cash and Cash Equivalents, End of Year (note 11)	\$ 1,465	\$ 1,076

See accompanying notes to the consolidated financial statements.