

Consolidated Cash Flow Statement

Year ended 31 December 2006

Paddy Power plc
Annual Report 2006

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	Note	2006 €'000	2005 €'000
Cash flows from operating activities			
Profit before taxation		49,699	31,344
Financial income		(2,149)	(1,226)
Depreciation and amortisation		15,512	11,295
Cost of employee share-based payments		3,184	2,289
(Gain)/loss on disposal of property, plant and equipment		(1,183)	267
Cash from operations before changes in working capital		65,063	43,969
(Increase)/decrease in trade and other receivables		(2,013)	222
Increase in trade and other payables		13,209	3,320
Cash generated from operations		76,259	47,511
Income taxes paid		(8,526)	(6,101)
Net cash from operating activities		67,733	41,410
Cash flows from investing activities			
Purchase of property, plant and equipment		(17,855)	(23,925)
Purchase of intangible assets		(7,921)	(2,068)
Proceeds from disposal of property, plant and equipment		3,028	329
Interest received		2,094	1,254
Net cash used in investing activities		(20,654)	(24,410)
Cash flows from financing activities			
Proceeds from the issue of new shares		2,699	903
Purchase of shares by employee trust		(3,742)	(2,623)
Dividends paid		(11,293)	(10,168)
Net cash used in financing activities		(12,336)	(11,888)
Net increase in cash and cash equivalents		34,743	5,112
Cash and cash equivalents at start of year		52,318	47,206
Cash and cash equivalents at end of year	16	87,061	52,318

Notes 1 to 27 form part of these consolidated financial statements.

On behalf of the Board



Patrick Kennedy
Chief Executive



Jack Massey
Finance Director

2 March 2007