

Consolidated Statements of Cash Flows

for the years ended December 31,

€ millions	2007	2006	2005
Net income	1,919	1,871	1,496
Net income from discontinued operations	15	10	6
Minority interests	2	2	3
Income from continuing operations before minority interests	1,936	1,883	1,505
Adjustments to reconcile income before minority interests to net cash provided by operating activities:			
Depreciation and amortization	261	214	204
Gains/losses from equity investees	1	1	- 1
Gains/losses on disposal of intangible assets and property, plant, and equipment	1	- 2	- 5
Losses on disposal of investments	- 2	0	- 1
Writeups/downs of financial assets	8	0	14
Allowances for doubtful accounts	0	- 40	- 25
Impacts of STAR hedging	21	- 79	7
Stock-based compensation including income tax benefits	13	82	50
Excess tax benefit from stock-based compensation	0	- 3	0
Deferred income taxes	8	- 2	- 16
Change in accounts receivable	- 521	- 230	- 295
Change in other assets	- 322	- 216	- 63
Change in accrued and other liabilities	423	130	164
Change in deferred income	123	117	74
Net cash provided by operating activities from continuing operations	1,950	1,855	1,612
Acquisition of minority interests in subsidiaries	- 48	0	- 60
Business combinations, net of cash and cash equivalents acquired	- 672	- 504	- 177
Purchase of intangible assets and property, plant, and equipment	- 401	- 365	- 253
Proceeds from disposal of intangible assets and property, plant, and equipment	27	29	17
Cash transferred to restricted cash accounts	- 550	0	0
Purchase of investments	- 768	- 2,055	- 4,485
Sales of investments	1,025	2,765	4,388
Purchase of other financial assets	- 20	- 17	- 17
Sales of other financial assets	15	15	13
Net cash used in investing activities from continuing operations	- 1,392	- 132	- 574
Dividends paid	- 556	- 447	- 340
Purchase of treasury stock	- 1,005	- 1,149	- 454
Proceeds from reissuance of treasury stock	156	165	205
Proceeds from issuance of common stock (stock-based compensation)	44	49	43
Excess tax benefit from stock-based compensation	0	3	0
Repayment of bonds	0	- 1	0
Proceeds from short-term and long-term debt	47	44	338
Repayments of short-term and long-term debt	- 48	- 43	- 339
Proceeds from the exercise of equity-based derivative instruments (STAR hedge)	75	57	39
Purchase of equity-based derivative instruments (STAR hedge)	0	- 53	- 47
Net cash used in financing activities from continuing operations	- 1,287	- 1,375	- 555
Effect of foreign exchange rates on cash and cash equivalents	- 49	- 3	88
Net cash used in operating activities from discontinued operations	- 12	- 8	- 4
Net cash used in investing activities from discontinued operations	- 1	- 2	- 9
Net cash used in financing activities from discontinued operations	0	0	0
Net cash used in discontinued operations	- 13	- 10	- 13
Net change in cash and cash equivalents	- 791	335	558
Cash and cash equivalents at the beginning of the period	2,399	2,064	1,506
Cash and cash equivalents at the end of the period	1,608	2,399	2,064

The accompanying Notes are an integral part of these Consolidated Financial Statements.