

Consolidated statement of cash flows

See Note 36 for further explanatory information

in million euros	2011 restated ¹	2012
Operating profit (EBIT)	1,765	2,199
Income taxes paid	- 426	- 588
Amortization/depreciation/impairment/write-ups of intangible assets and property, plant and equipment ²	403	409
Net gains/losses on disposal of intangible assets and property, plant and equipment, and from divestments	- 68	- 12
Change in inventories	- 105	64
Change in trade accounts receivable	- 111	- 37
Change in other assets	21	- 18
Change in trade accounts payable	111	256
Change in other liabilities and provisions	- 28	361
Cash flow from operating activities	1,562	2,634
Purchase of intangible assets and property, plant and equipment	- 393	- 422
Acquisition of subsidiaries and other business units	- 4	- 113
Purchase of associated companies and joint ventures held at equity	-	- 5
Proceeds on disposal of subsidiaries and other business units	53	3
Proceeds on disposal of intangible assets and property, plant and equipment	47	58
Cash flow from investing activities	- 297	- 479
Dividends paid to shareholders of Henkel AG & Co. KGaA	- 307	- 342
Dividends paid to non-controlling shareholders	- 16	- 27
Interest received	37	46
Interest paid	- 200	- 191
<i>Dividends and interest paid and received</i>	- 486	- 514
Change in borrowings	- 181	- 131
Allocation to pension funds	- 46	- 247
Other changes in pension obligations	- 102	- 102
Purchase of non-controlling interests with no change of control	- 3	- 10
Other financing transactions	16	- 1,854
Cash flow from financing activities	- 802	- 2,858
Net change in cash and cash equivalents	463	- 703
Effect of exchange rates on cash and cash equivalents	2	- 39
Change in cash and cash equivalents	465	- 742
Cash and cash equivalents at January 1	1,515	1,980
Cash and cash equivalents at December 31	1,980	1,238

¹ Application of IAS 8 "Accounting policies, changes in accounting estimates and errors" (see notes on pages 116 and 117).

² Of which: impairment losses amounting to 12 million euros (previous year: 21 million euros).

Additional voluntary information

Reconciliation to free cash flow

in million euros	2011	2012
Cash flow from operating activities	1,562	2,634
Purchase of intangible assets and property, plant and equipment	- 393	- 422
Proceeds on disposal of intangible assets and property, plant and equipment	47	58
Net interest paid	- 163	- 145
Other changes in pension obligations	- 102	- 102
Free cash flow	951	2,023