

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 30 June 2006

	CONSOLIDATED	
	2006 \$m	2005 \$m
Cash flows from operating activities		
Premium received	6,530	6,610
Reinsurance and other recoveries received	589	452
Claims costs paid	(4,423)	(4,179)
Reinsurance expense paid	(434)	(394)
Dividends received	85	93
Interest and trust distributions received	415	412
Finance costs paid	(82)	(62)
Income taxes refunded	8	4
Income taxes paid	(497)	(315)
Other operating receipts	1,051	1,036
Other operating payments	(2,855)	(2,736)
Net cash flows from operating activities	387	921
Cash flows from investing activities		
Net cash flows on acquisition of subsidiaries	(92)	(7)
Proceeds from disposal of investments and property, plant and equipment	19,503	19,987
Outlays for investments and property, plant and equipment acquired	(18,591)	(20,137)
Repayment of premium funding loans	448	375
Advances of premium funding loans	(446)	(414)
Net cash flows from investing activities	822	(196)
Cash flows from financing activities		
Outlays for purchase of treasury shares	(19)	(13)
Proceeds from issue of trust units	1,152	2,035
Outlays for redemption of trust units	(1,288)	(2,163)
Proceeds from issue of reset exchangeable securities, net of transaction costs	-	537
Outlays to acquire Portfolio	-	(550)
Proceeds from other borrowings inclusive of costs	-	9
Repayment of borrowings	(46)	(9)
Dividends paid to IAG equity holders	(647)	(442)
Dividends paid to minority interests	(89)	(96)
Net cash flows from financing activities	(937)	(692)
Net movement in cash held	272	33
Effects of exchange rate changes on balances of cash held in foreign currencies	(10)	(1)
Cash and cash equivalents at the beginning of the financial year	456	424
Cash and cash equivalents at the end of the financial year	718	456

The above consolidated cash flow statement should be read in conjunction with the notes to the concise financial statements.