

Consolidated cash flow statement¹

in CHF million	Notes	January 1 to December 31, 2014	January 1 to December 31, 2013
Net income		202	201
Income taxes		76	84
Interest expense (net)	5	33	32
Other financial income/expenses (net)		-3	4
Depreciation of property, plant and equipment	12	127	108
Amortization of intangible assets	13	41	18
Impairment losses on intangible assets	13	32	-
Addition to other provisions (net)	17	50	35
Decrease in post-employment benefit liabilities		-22	-13
Gain on sale of property, plant and equipment and intangible assets		-5	-5
Gain/loss on sale of discontinued operations, net of tax	2	-1	92
Income taxes paid		-106	-120
Other non-cash items		3	-1
Cash flow from operating activities before changes in net current assets		427	435
Decrease in receivables, prepaid expenses and accrued income		17	31
Decrease/increase in inventories		31	-69
Decrease/increase in payables, accrued liabilities and use of other provisions		-90	10
Decrease in customer advances		-131	-35
Non-cash impact on net current assets due to hedge accounting		2	-5
Cash flow from changes in net current assets		-171	-68
Cash flow from operating activities		256	367
Purchase of property, plant and equipment	12	-143	-168
Purchase of intangible assets	13	-25	-22
Acquisition of subsidiaries, net of cash acquired	2	-921	-
Payments relating to/Proceeds from sale of discontinued operations ²		-12	502
Proceeds from sale of property, plant and equipment		21	34
Proceeds from non current receivables		11	4
Interest received		8	7
Dividends received		3	3
Cash flow from investing activities		-1 058	360
Dividends paid		-94	-86
Purchase of treasury shares		-14	-11
Proceeds from capital increase		30	52
Proceeds from issue of financial debt (net of transaction costs)		489	-
Repayment of financial debt		-42	-
Acquisition of non-controlling interest		-	-16
Interest paid		-36	-38
Other proceeds/payments related to financing activities		1	-1
Cash flow from financing activities		334	-100
Conversion adjustments to cash and cash equivalents		14	-7
Decrease (-)/increase (+) in cash and cash equivalents		-454	620
Cash and cash equivalents at the beginning of the year		1 280	660
Cash and cash equivalents at the end of the year ³		826	1 280
Decrease (-)/increase (+) in cash and cash equivalents		-454	620

¹ The cash flow statement is presented without any effects from discontinued operations as well as assets and liabilities held for sale. Refer to Note 2 for cash flow from discontinued operations.

² 2013: Net of cash disposed of and related transaction costs.

³ Includes CHF 1 million which are included in "Assets classified as held for sale" in the balance sheet as of December 31, 2014.