

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31

Notes	2008	2007
	<i>millions of dollars</i>	
<b>Operating Activities</b>		
Cash receipts from customers	2 208	2 069
Cash paid to suppliers and employees	(1 051)	(1 095)
Interest paid	(560)	(563)
Interest received	33	32
	630	443
<b>Financing Activities</b>		
Proceeds from long-term debt	981	172
Retirement of long-term debt	(311)	(79)
Notes payable	(148)	148
Other	(35)	(14)
	487	227
<b>Investing Activities</b>		
Property, plant and equipment, net of contributions	(827)	(645)
Sinking fund payment	(96)	(100)
Other	(62)	(43)
	(985)	(788)
<b>Net increase (decrease) in cash</b>	132	(118)
Cash at beginning of year	1	119
<b>Cash at end of year</b>	133	1

The accompanying notes are an integral part of the consolidated financial statements.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended March 31

	2008	2007
	<i>millions of dollars</i>	
<b>Net Income</b>	346	122
<b>Other Comprehensive Income</b>		
Unrealized foreign exchange gains on debt in cash flow hedges	229	-
Realized foreign exchange gains on debt in cash flow hedges recognized in net income in the current year	(52)	-
Unrealized fair value gains on available-for-sale U.S. sinking fund investments	20	-
	197	-
<b>Comprehensive Income</b>	543	122

## CONSOLIDATED STATEMENT OF ACCUMULATED OTHER COMPREHENSIVE INCOME

For the year ended March 31

	Notes	2008	2007
		<i>millions of dollars</i>	
<b>Balance, beginning of year</b>		-	-
Adjustments for the adoption of new accounting policies	2	108	-
Other comprehensive income		197	-
<b>Balance, end of year</b>		305	-

The accompanying notes are an integral part of the consolidated financial statements.