

## **Interim report for Q2 2007/08** **(1 January - 31 March 2008)**

**The positive development continued into Q2 2007/08. Revenue in the US market rose by 18% in Q2 2007/08 compared to Q2 2006/07. Total revenue was up 7% in Q2 2007/08 reported in local currencies, and growth was generated by a broad range of products. The outlook for 2007/08 remains unchanged.**

*"In Q1 of this financial year, we made a number of changes to our organisation which are intended to lead to increases in speed and efficiency, especially within development and marketing. We can see that the changes are now starting to pay off. Q2 saw strong growth in especially the large markets – the USA and Germany. At the same time, we can also see that growth is generated by a broad range of products. Unfortunately, the development in exchange rates has reduced the growth in revenue by 5 percentage points reported in DKK, which of course has affected our net profit. Apart from this, we are very pleased with the development," says Kurt Erling Birk, President & CEO.*

- Revenue for Q2 amounted to DKK 198.4m against DKK 194.7m in Q2 2006/07 – up 2% or 7% reported in local currencies. In the period 1 October 2007 - 31 March 2008, revenue increased by 8% (13% reported in local currencies) to DKK 385.9m.
- The growth in revenue in Q2 was highest in the USA, which saw an increase of 18% compared to Q2 2006/07.
- In Q2, revenue within the business areas Respiratory Care, Cardiology and Neurology increased by 5% reported in local currencies.
- Operating profit (EBIT) for Q2 was DKK 24.5m against DKK 25.4m in the same period last year. In the period 1 October 2007 - 31 March 2008, EBIT rose by 18% to DKK 40.9m – a significant improvement in 1H despite the considerable legal fees incurred in connection with the pending patent cases.
- Profit before tax for Q2 was DKK 20.7m against DKK 23.0m in the same period last year. In the period 1 October 2007 - 31 March 2008, profit before tax increased by 18% to DKK 33.4m.

Ambu A/S  
Baltorpbakken 13  
2750 Ballerup  
CVR 63 64 49 19  
T+45 7225 2000  
F+45 7225 2050  
[www.ambu.com](http://www.ambu.com)



- The free cash flow amounted to DKK 25.1m in the period 1 October 2007 - 31 March 2008 compared to DKK -7.1m in the same period last year. The most important reason for the higher free cash flow is the improved operating profit, the reduced binding of liquidity and lower investments relative to the same period in 2006/07.
- For FY 2007/08 (1 October 2007 - 30 September 2008) as a whole, revenue is still expected to be DKK 750m or more with an EBIT margin of approx. 11.5-12% exclusive of extraordinary legal fees in relation to the patent cases. A free cash flow in the region of DKK 45m is expected.

## Conference call

Conference call and webcast on this release will be held in Danish on 8 May 2008 at 11 am Danish time. To participate, please call tel. +45 32 71 47 67 five minutes before the start of the conference. The conference can be followed via the link <http://webcast.zoomvision.se/denmark/clients/ambu/080508> or on the Ambu website [www.ambu.com](http://www.ambu.com). The conference will subsequently be made available on the Ambu website.

Contact: K.E. Birk, tel. +45 7225 2000, email [keb@ambu.com](mailto:keb@ambu.com)

*Ambu develops, produces and markets diagnostic and life-supporting devices to hospitals and rescue services. Ambu has five business areas: Respiratory Care, Cardiology, Neurology, Training and Immobilization. The most important business areas are Respiratory Care, Cardiology and Neurology, and the most important products in these areas are ventilation products for artificial respiration and single-use electrodes for ECG recordings and neurophysiological examinations. Ambu's products are sold worldwide. Exports account for 98% of sales, and sales are handled via Ambu's foreign subsidiaries or via distributors. Ambu has just over 1,200 employees, of whom approx. 300 work in Denmark and approx. 900 abroad.*



**Financial highlights**

DKKm	Q2 2007/08	Q2 2006/07	YTD 2007/08	YTD 2006/07	FY 2006/07
<b>Key figures</b>					
Revenue	198	195	386	358	715
Operating profit (EBIT)	25	25	41	35	69
Profit before tax (PBT)	21	23	33	28	54
Group profit	15	16	25	20	43
Total assets at year-end	675	704	675	704	681
Equity at year-end	413	391	413	391	418
Share capital	119	118	119	118	119
Investments in non-current assets and acquisitions	14	19	17	31	56
Depreciation, amortisation and impairment losses on non-current assets	11	10	21	21	41
Cash flows from operating	22	14	42	24	90
Free cash flow	9	(5)	25	(7)	33
Average no. of employees	1,366	1,224	1,366	1,224	1,216
<b>Ratios</b>					
EBITDA margin, %	17.7	18.2	16.1	15.6	15.5
EBIT margin, %	12.3	12.8	10.6	9.8	9.7
Return on assets, %	14.5	14.2	12.1	9.9	10.2
Return on equity, %	14.4	16.4	12.0	10.2	10.6
Equity ratio, %	61	56	61	56	61
Profit per DKK 10 share	1	1	2	2	3.62
Cash flow per DKK 10 share	2	1	4	2	7.54
Equity value of shares	35	33	35	33	35
Share price at year-end	79	102	79	102	87
Listed price/equity value	2.3	3.1	2.3	3.1	2.5
P/E ratio	16	19	19	30	24
CAPEX, %	7.0	9.7	4.4	8.7	7.8
ROIC, %	12.9	12.1	10.7	8.6	9.1

The figures for Q2 have not been audited.

The interim report for Q2 2007/08 has been presented in accordance with IAS 34 and additional Danish disclosure requirements for the interim financial reporting of listed companies. The interim report follows the same accounting principles as the 2006/07 annual report.

The key figures have been calculated in accordance with The Danish Society of Investment Professionals' 'Recommendations and Financial Ratios 2005'

The company's financial year runs from 1 October to 30 September.

## **Developments in Q2 2007/08**

The positive development in revenue continued in Q2 2007/08, and the development in the important US market is back on track.

To boost growth in revenue, a number of initiatives were introduced at the end of 2007 which include streamlining portfolio management, the development model and a number of internal processes. The status of the activities is as follows:

### *Change of development department and development model*

The organisational change in the Danish development department, which was mentioned in the interim report for Q1 2007/08, has been completed. The new organisational unit, New Platform Innovation, is developing new and innovative products within one of the existing business areas. The first product is expected to be launched in spring 2009.

The local development function in Malaysia is being established, and the organisation is expected to be fully in place in early 2009.

The development function in China is working on a number of minor product improvements and a major update of the family of silicone ventilation bags, which are expected to be marketed in 1H 2008/09.

To support the organisational changes, work is also going into ensuring that documentation activities can be undertaken in a faster and more expedient way. These changes are expected to be completed in late 2007/08.

### *Changes within sales and marketing*

The concentrated sales effort and systematic efforts to optimise and train the sales team are now paying off in the form of strong growth rates in most of Ambu's markets, particularly the USA. The sales efforts aimed at the largest customers generate more business but also ensure that Ambu expands its business with the existing large customers, which is an important element in supporting overall growth.

Within marketing, there is increased focus on product portfolio management. This has led to a considerable increase in the level of activity, which is expected to result in higher revenue from both existing products and the projects in the development pipeline. Marketing is also drawing up product strategies for the individual business areas, which will result in a clearer focus in the organisation and thereby enhanced growth in both marketing and the sales organisation.

### *Product development and new products*

In Q2 2007/08, Ambu launched AirwayMan – a complete manikin designed especially for training the use of laryngeal masks. The company also launched a new ventilation bag variant for children and an improved concentric needle for EMGs.



In Q4 2007/08, Ambu expects to launch a new ECG electrode with a double connection option for combined use in ambulances and hospitals.

In the remaining part of FY 2007/08, Ambu will be launching improved products or new variants.

The products launched in 2006/07 have generally been positively received by the market, and growth in the sales of these products is satisfactory.

### Comments on the financial statements for Q2 2007/08

#### Income statement

##### Revenue

Total revenue was DKK 198.4m in Q2 against DKK 194.7m in Q2 2006/07, up 2% (7% reported in local currencies). Year to date, revenue amounted to DKK 385.9m against DKK 358.3m in the same period in 2006/07, up 8% (13% reported in local currencies).

Year to date, the development in exchange rates has resulted in a drop in revenue of DKK 17m compared to the same period in 2006/07. This is primarily attributable to the development in USD and GBP. Year to date, the average USD and GBP exchange rates were 506 and 1,019, respectively, compared to 563 and 1,095, respectively, in the same period last year.

#### Revenue generated by the individual business areas

DKKm	Q2 2007/08	Q2 2006/07	Growth in DKK, %	Growth in local currencies, %	YTD 2007/08	YTD 2006/07	Growth in %	Growth in local currencies, %
Respiratory Care	77.0	75.9	1	8	152.0	134.6	13	19
Cardiology	70.3	73.6	(4)	(1)	134.4	132.9	1	4
Neurology	19.5	18.2	7	13	37.1	33.5	11	16
Training	17.0	16.0	6	8	34.6	33.0	5	6
Immobilization and other products	14.6	11.0	33	43	27.8	24.3	14	24
<b>Total</b>	<b>198.4</b>	<b>194.7</b>	<b>2</b>	<b>7</b>	<b>385.9</b>	<b>358.3</b>	<b>8</b>	<b>13</b>

*Within Respiratory Care*, revenue grew by 8% in Q2 2007/08 and by 19% year to date. Double-digit growth figures have been achieved in all important markets year to date. In the US market, revenue grew by 20% in Q2 and by 32% year to date. Growth was generated by a broad range of products within the product programme with a continued increase in sales of laryngeal masks, including the newly launched AuraFlex and AuraStraight products.

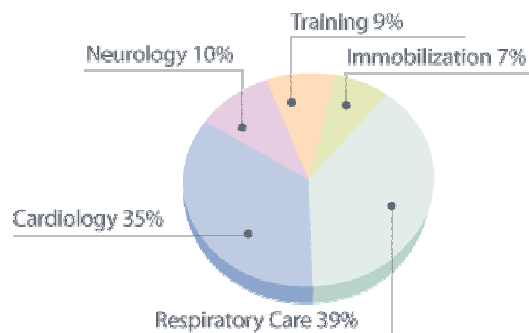


*Within Cardiology*, there was a minor drop in revenue in Q2 2007/08 compared to the same period in 2006/07, but year to date it grows by 4%. Year to date, Ambu has seen double-digit growth figures in Spain, Italy and the USA, whereas France and Danish Sales have seen a decline in revenue. The lower revenue in France is attributable to the effect of the loss of a tender last year. The lower revenue in Danish Sales, which amounts to DKK 0.8m, is attributable to the shutdown of a small product area and a changed sales mix.

*Within Neurology*, revenue grew by 13% in Q2 2007/08 and by 16% year to date. New, improved needles were introduced in 2006/07, and improved needles will also be introduced in 2007/08. Considerable interest has been shown in the new needles. Year to date, double-digit growth rates are recorded in the USA, Danish Sales, the UK and France.

*Revenue within Training* rose by 8% in Q2 2007/08 and by 6% year to date. The highest growth in revenue was recorded in the well-established German market for training products, but high growth rates were also recorded in Spain.

*Revenue within Immobilization* rose by 28% year to date, while revenue from other products rose by 22%.



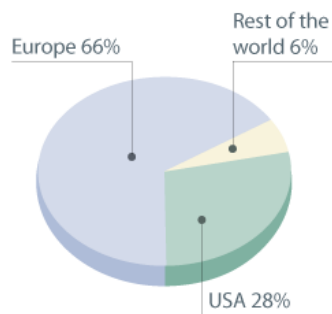
## Geographical breakdown of revenue

DKK m	Q2 2007/08	Q2 2006/07	Growth in DKK, %	Growth in local currencies, %	YTD 2007/08	YTD 2006/07	Growth in %	Growth in local currencies, %
USA	53.9	52.1	3	18	106.1	92.9	14	29
Europe	132.7	124.6	7	8	255.6	237.2	8	9
Other	11.8	18.0	(34)	(34)	24.2	28.2	(14)	(14)
<b>Total</b>	<b>198.4</b>	<b>194.7</b>	<b>2</b>	<b>7</b>	<b>385.9</b>	<b>358.3</b>	<b>8</b>	<b>13</b>

*Total US revenue* rose by 18% in Q2 and 29% year to date. Double-digit growth rates were recorded in all product categories except for Training where revenue grew by 4%. New customers are being won within Neurology, and Cardiology has also seen growth in sales to pre-hospital customers and to some of Ambu's major distributors.

*Revenue in Europe* rose by 8% in Q2 and 9% year to date which is higher than the market growth. Year to date, double-digit growth rates were recorded in Spain, Germany and Italy, while revenue grew by 8% in the UK. Within Danish Sales, direct sales in the Nordic region were on a par with last year. The development in revenue in France and the Netherlands was not satisfactory but with the measures that have been taken in the two countries, Ambu is also expecting a positive development in these markets in the coming period.

Year to date, *revenue in other markets* fell by 14%. Sales within this area, which is not a focus area, are to a large extent based on tenders, and the timing of calls varies from one year to the next.



### **Gross profit**

In Q2 2007/08, the gross profit was DKK 105m against DKK 102m in Q2 2006/07. Year to date 2007/08, the gross profit is DKK 206m against DKK 189 year to date 2006/07.

In Q2 2007/08, the gross profit ratio was 52.8 against 52.3 in Q2 2006/07. Year to date, the gross profit ratio is 53.3 against 52.6 last year to date 2006/07. Sales prices and unit costs are relatively stable but the product sales mix has improved, resulting in an increase in the gross profit ratio.

### **Costs**

The group's sales, development, management and administrative costs were DKK 80m in Q2 2007/08 against DKK 76m in Q2 2006/07. Year to date 2007/08, the group's costs are DKK 165m against 154m year to date 2006/07.

The main reason for the increase in costs of DKK 11m year to date is rising capacity costs in Ambu A/S, which have increased by DKK 8m – DKK 3.4m being attributable to special items, of which DKK 2.4m can be attributed to additional legal fees in connection with the patent cases and DKK 1m can be attributed to the accounting effect of the share option scheme for executive employees. The remaining increase in costs is primarily attributable to general increases in costs due to higher levels of activity.

The capacity costs in the subsidiaries have gone up by DKK 3m as a result of increasing sales costs in the sales companies as a whole. The capacity costs have not increased in the Asian production companies.

Developments in exchange rates have reduced the group's capacity costs for Q2 2007/08 by approx. DKK 5.5m compared to what they would have been at the exchange rates applicable in Q2 2006/07, of which an amount of DKK 4m relates to the US subsidiary.

### **EBIT**

The operating profit (EBIT) was unchanged in Q2 2007/08 at DKK 25m against DKK 25m in Q2 2006/07. The main reason for the unchanged results is the special cost items mentioned above. Year to date 2007/08, the operating profit (EBIT) is DKK 41m against DKK 35m in 2006/07. The improvement in the profit year to date is primarily attributable to higher revenue which has resulted in an improved gross profit.

The changes in foreign exchange rates year to date relative to last year only had a modest effect on EBIT year to date. Changes in exchange rates had an adverse effect on the EBIT margin of approx. 1 percentage point.





**Net financials**

Net financials were DKK 4m in Q2, up 1.5m compared to the same period in 2006/07. Year to date 2007/08, financial expenses amounts to DKK 8m, up DKK 1.5m compared to the same period in 2006/07. The increase is attributable to foreign currency translation adjustments, which amounted to DKK 3.9m in H1 2007/08.

**Profit for the period**

In Q2 2007/08, the net profit was DKK 15m against DKK 16m in Q2 2006/07. Year to date 2007/08, the net profit was DKK 25m against DKK 20m in the same period in 2006/07.

**Balance sheet**

At the end of Q2 2007/08, the balance sheet total amounted to DKK 675m, down DKK 6m compared to the end of 2006/07.

Intangible assets were reduced by DKK 3m compared to the end of the last financial year due to the fact that the amortisation of development projects exceeded the investments made year to date in 2007/08.

Receivables were DKK 6m higher than at the end of 2006/07, while inventories fell by DKK 6m to DKK 122m relative to the end of 2006/07. The increase in receivables is, among other things, attributable to an increase in prepayments primarily as a result of increased prepayments to suppliers in China.

**Cash flows**

Cash flows from operating activities amounted to DKK 22m in Q2 2007/08 against DKK 14m in Q2 2006/07. Year to date 2007/08, cash flows from operating activities are DKK 42m against DKK 24m in 2006/07. The improved cash flows from operating activities are attributable to a higher operating profit and the fact that the net effect from binding of liquidity in working capital was greater in 2006/07.

In Q2 2007/08, the group realised a positive free cash flow of DKK 9m against a negative free cash flow of DKK -5m in Q2 last year. Year to date 2007/08, the free cash flow is DKK 25m against DKK -7m in 2006/07. In addition to the positive impact from the operating profit, the improvement is due to investments amounting to DKK 17m year to date 2007/08 against DKK 31m year to date 2006/07.



### **Patent infringement case**

Since autumn 2005, Ambu has been party to a case brought by the company LMA concerning the alleged infringement of a patent. Latest developments:

During a hearing in February 2008, the European Patent Office, which is made up of patent experts, decided to invalidate LMA's patent. LMA has appealed against the decision, and it is expected to take about three years before the European Patent Office will give its decision on the appeal.

The appeal case brought before the court in Munich concerning the infringement of the German patent and protection of utility models was heard on 10 April 2008. Based on the European Patent Office's decision to invalidate LMA's patent, the court decided to postpone the part of the infringement case which is based on this. The court postponed the rest of the case due to a number of technicalities which LMA needs to document.

LMA has instituted similar patent infringement cases in the Netherlands, France and the USA. The case instituted in the Netherlands is expected to be postponed, whereas the French case has already been postponed pending a final decision from the European Patent Office. The case brought in the USA is being prepared.

Ambu still contests the claims in all the cases that the company's product is infringing LMA's patents and is contesting the validity and scope of these.

Although the court cases have not resulted in any loss of customers, they have resulted in considerable costs in the form of fees for patent experts and lawyers.

### **Outlook**

In the remaining part of 2007/08, Ambu will continue to focus on optimising sales and its product portfolio. The streamlining of production is also continuing, and the optimisation project within purchasing is expected to gain further momentum.

Based on the activities already launched, total revenue for FY 2007/08 is expected to increase by more than 8% reported in local currencies and by 5% reported in Danish kroner, corresponding to DKK 750m or more.

Revenue in H1 2007/08 amounts to approx. 51% of the expected annual revenue whereas EBIT amounts to 46-48% of the expected EBIT for the year. H1 is affected by extraordinary costs for the pending patent cases, and these are expected to be lower in H2 2007/08.

Determined efforts are being made to even out the differences in earnings between the quarters with a positive trend being shown in H1. Nevertheless, the highest earnings are expected to be recorded in H2 as in previous years.



As a result of the development in revenue and the other activities launched, the EBIT margin is expected to continue its climb in the range of approx. 11.5 - 12%, exclusive of the extraordinary legal fees in connection with the patent cases. The drop in the USD and GBP exchange rates has resulted in a technical translation adjustment of the balance sheet items, which is recognised in net financials. The profit before tax is expected to be in the region of 10% of revenue.

The expectations for revenue and EBIT are based on an average USD exchange rate of 470 in H2 2007/08. In 2006/07, the average USD exchange rate was 560 relative to DKK.

In 2007/08, investments are expected to be on a par with 2006/07 when they amounted to DKK 56m. The investments will mainly comprise the development of new products, the purchase of process equipment and continued implementation of the ERP system.

Ambu will continue to focus on its cash flow in 2007/08 while considering the company's strategic development. In 2007/08, a free cash flow of approx. DKK 45m is expected with investments expected to correspond to approx. 7% of revenue.

In 2007/08, the return on invested capital (ROIC) is expected to be approx. 12%.

### **Forward-looking statements**

*Forward-looking statements, especially such as relate to future sales and operating profit, are subject to risks and uncertainties. Various factors, many of which are outside Ambu's control, may cause the actual development to differ materially from the expectations contained in this report. Factors that might affect such expectations include, among others, changes in health care, in the world economy and in exchange rates.*

### **Financial calendar**

27 August 2008	Interim report for Q3 2007/08
26 November 2008	Annual report 2007/08
16 December 2008	Annual General Meeting



## **Statement by the Board of Directors and the Executive Board on the interim report**

Today, the Board of Directors and the Executive Board of Ambu A/S discussed and approved the interim report for the period 1 October 2007 - 31 March 2008.

The interim report is presented in accordance with the International Financial Reporting Standards (IAS 34) as adopted by the EU and additional Danish disclosure requirements for the interim reporting of listed companies.

We consider the accounting policies applied to be appropriate, and in our opinion the interim report provides a true and fair view of the group's assets, liabilities and financial standing as at 31 March 2008 as well as of the results of the group's activities and cash flows in the period 1 October - 31 March 2008.

Ballerup, 8 May 2008

### **Executive Board**

K. E. Birk  
President & CEO

### **Board of Directors**

N. E. Nielsen, (formand)	Bjørn Ragle	Jørgen Hartzberg
Anne-Marie Jensen	Torben Ladegaard	Hanne-Merete Lassen
Kirsten Therkildsen Søndersted-Olsen	John Stær	Anders Williamsson



**Income statement**

<b>DKKm</b>	<b>Q2 2007/08</b>	<b>Q2 2006/07</b>	<b>YTD 2007/08</b>	<b>YTD 2006/07</b>	<b>FY 2006/07</b>
Revenue	198.4	194.7	385.9	358.3	715.0
Production costs	(93.7)	(92.9)	(180.2)	(169.7)	(340.9)
<b>Gross profit</b>	<b>104.7</b>	<b>101.8</b>	<b>205.6</b>	<b>188.6</b>	<b>374.1</b>
%	52.8	52.3	53.3	52.6	52.3
Cost of sales	(40.8)	(38.6)	(81.6)	(76.8)	(152.0)
Development costs	(6.6)	(5.3)	(14.5)	(13.4)	(26.9)
Management and administration	(32.8)	(32.5)	(68.6)	(63.7)	(121.1)
Other operating expenses	-	-	-	-	(4.9)
<b>Operating profit (EBIT)</b>	<b>24.5</b>	<b>25.4</b>	<b>40.9</b>	<b>34.7</b>	<b>69.2</b>
%	12.4	13.0	10.6	9.7	9.7
Net financials	(3.8)	(2.4)	(7.5)	(6.3)	(14.8)
<b>Profit before tax (PBT)</b>	<b>20.7</b>	<b>23.0</b>	<b>33.4</b>	<b>28.4</b>	<b>54.4</b>
Tax	(5.8)	(6.9)	(8.7)	(8.4)	(11.6)
<b>Net profit for the period</b>	<b>14.9</b>	<b>16.1</b>	<b>24.7</b>	<b>20.0</b>	<b>42.8</b>
<b>Profit per share in DKK</b>					
Earnings per share (EPS)	1.25	1.37	2.08	1.70	3.60
Diluted earnings per share (EPS-D)	1.25	1.37	2.08	1.70	3.60

**Balance sheet**

<b>DKKm</b>	<b>31.03.08</b>	<b>31.03.07</b>	<b>30.09.07</b>
Intangible assets	171.6	174.9	174.2
Property, plant and equipment	177.6	177.9	182.0
Other non-current assets	-	-	3.9
<b>Total non-current assets</b>	<b>349.2</b>	<b>352.8</b>	<b>360.2</b>
Inventories	122.1	132.0	128.3
Receivables	187.5	201.2	181.7
Cash and cash equivalents	16.0	17.7	10.6
<b>Total current assets</b>	<b>325.6</b>	<b>350.9</b>	<b>320.6</b>
<b>Total assets</b>	<b>674.8</b>	<b>703.7</b>	<b>680.8</b>
Share capital	118.8	117.9	118.8
Reserves and retained earnings	294.0	272.6	299.4
<b>Total equity</b>	<b>412.8</b>	<b>390.5</b>	<b>418.2</b>
Long-term liabilities	52.1	67.4	65.1
Short-term liabilities	209.9	245.8	197.5
<b>Total liabilities</b>	<b>262.0</b>	<b>313.2</b>	<b>262.6</b>
<b>Total equity and liabilities</b>	<b>674.8</b>	<b>703.7</b>	<b>680.8</b>

**Statement of changes in equity**

<b>DKKm</b>	<b>31.03.08</b>	<b>31.03.07</b>	<b>30.09.07</b>
Equity as at 1 October	418.2	391.1	391.1
Capital increase	-	-	4.9
Purchase of treasury shares	(3.2)	-	-
Employee option scheme	1.0	-	4.9
Foreign currency translation adjustment, foreign subsidiaries	(10.2)	(4.0)	(9.8)
Value adjustment, forward contracts	0	1.0	1.9
Distributed dividend	(17.7)	(17.7)	(17.6)
Profit for the period	24.7	20.0	42.8
<b>Equity</b>	<b>412.8</b>	<b>390.5</b>	<b>418.2</b>

**Cash flow statement**

<b>DKKm</b>	<b>31.03.08</b>	<b>31.03.07</b>	<b>30.09.07</b>
Net profit for the year	24.7	20.0	42.8
Adjustments for depreciation, amortisation etc.	26.3	27.8	38.1
Changes in working capital	(9.1)	(23.7)	8.5
<b>Cash flows from operating activities</b>	<b>41.9</b>	<b>24.1</b>	<b>89.4</b>
Investments, net	(16.8)	(31.2)	(56.0)
<b>Free cash flow</b>	<b>25.1</b>	<b>(7.1)</b>	<b>33.4</b>
<b>Cash flows from financing activities</b>	<b>(19.7)</b>	<b>9.7</b>	<b>(37.9)</b>
<b>Changes in cash and cash equivalents</b>	<b>5.4</b>	<b>2.6</b>	<b>(4.5)</b>
Cash and cash equivalents, beginning of year	10.6	15.1	15.1
<b>Cash and cash equivalents, end of year</b>	<b>16.0</b>	<b>17.7</b>	<b>10.6</b>