

Consolidated Statements of Cash Flows

For the years ended December 31
(\$ millions)

	2008	2007
Cash from (used in) operating activities		
Net income	\$ 1,523	\$ 743
Items not requiring an outlay of cash		
Depreciation, depletion and accretion	444	351
Unrealized foreign exchange loss (gain) on long-term debt	204	(153)
Future income tax expense (recovery)	(93)	578
Other	2	(3)
Net change in deferred items	(41)	26
Funds from operations	2,039	1,542
Change in non-cash working capital (Note 24)	202	(165)
Cash from operating activities	2,241	1,377
Cash from (used in) financing activities		
Repayment of medium term and Senior Notes (Note 11)	(150)	(272)
Net drawdown (repayment) of bank credit facilities (Note 10)	(16)	16
Unitholder distributions (Note 17)	(1,804)	(791)
Issuance of Trust Units (Note 14)	21	3
Cash used in financing activities	(1,949)	(1,044)
Cash from (used in) investing activities		
Capital expenditures	(281)	(183)
Acquisition of additional Syncrude working interest (Note 5)	–	(231)
Disposition of properties	–	4
Reclamation trust funding	(6)	(7)
Change in non-cash working capital (Note 24)	6	(1)
Cash used in investing activities	(281)	(418)
Increase (decrease) in cash and cash equivalents	11	(85)
Cash and cash equivalents, beginning of year	268	353
Cash and cash equivalents, end of year	\$ 279	\$ 268
Cash and cash equivalents consist of:		
Cash	\$ 18	\$ 4
Short-term investments	261	264
	\$ 279	\$ 268

Supplementary Information (Note 24)

See Notes to Consolidated Financial Statements.