



Figure 103: CP Cash Flow Statement

Canadian Pacific Railway Limited (CP)								
Annual Cash Flow Statement (C\$ millions)	2012	2013	2014	2015	2016	2017E	2018E	2019E
<b>Operating Activities:</b>								
Net income	484	875	1,476	1,352	1,599	1,893	1,832	2,016
Adjustments to reconcile NI								
Depreciation and amortization	539	565	552	595	640	660	682	719
Deferred income taxes	140	212	354	234	320	262	287	315
Restructuring and environmental payments	315	423	0	0	0	0	0	0
Foreign Exchange gains and losses on LTD	0	0	0	0	(79)	(300)	0	0
Pension funding	(61)	(55)	(132)	(49)	(138)	(140)	(75)	(75)
Other operating activities, net	(84)	(68)	(3)	52	(198)	0	0	0
Changes in working capital	(5)	(2)	(124)	275	(55)	11	(10)	7
<b>Cash Flow From Operations</b>	<b>1,328</b>	<b>1,950</b>	<b>2,123</b>	<b>2,459</b>	<b>2,089</b>	<b>2,385</b>	<b>2,716</b>	<b>2,983</b>
<b>Investing Activities:</b>								
Capital investments	(1,148)	(1,236)	(1,449)	(1,522)	(1,182)	(1,235)	(1,275)	(1,325)
Proceeds from asset sales	83	73	52	73	116	0	0	0
<b>Net capex</b>	<b>(1,065)</b>	<b>(1,163)</b>	<b>(1,397)</b>	<b>(1,449)</b>	<b>(1,066)</b>	<b>(1,235)</b>	<b>(1,275)</b>	<b>(1,325)</b>
Acquisitions net of cash acquired	0	0	0	0	0	0	0	0
Proceeds from sale of properties and asset sales	62	0	638	342	0	0	40	25
Other investing activities, net	(8)	(434)	9	(16)	(3)	5	0	0
<b>Cash Flow From Investing</b>	<b>(1,011)</b>	<b>(1,597)</b>	<b>(750)</b>	<b>(1,123)</b>	<b>(1,069)</b>	<b>(1,230)</b>	<b>(1,235)</b>	<b>(1,300)</b>
<b>Financing Activities:</b>								
Issuance of LTD	71	0	771	3,780	0	150	150	125
Net increase / (decrease) in ST Debt	(27)	(3)	0	(1,262)	(8)	0	0	0
Reduction of LTD	(50)	(56)	(183)	(505)	(38)	(30)	(30)	(30)
Dividends paid	(223)	(244)	(244)	(226)	(255)	(309)	(328)	(349)
Collecting of receivables from financial institutions	0	0	0	0	0	0	0	0
Issuance of CP common shares	198	83	62	43	21	0	0	0
Repurchase of common stock	0	0	(2,050)	(2,787)	(1,210)	(1,000)	(1,115)	(1,300)
Other financing activities, net	1	0	14	0	(3)	0	0	0
<b>Cash Flow From Financing</b>	<b>(30)</b>	<b>(220)</b>	<b>(1,630)</b>	<b>(957)</b>	<b>(1,493)</b>	<b>(1,189)</b>	<b>(1,323)</b>	<b>(1,554)</b>
Effect of foreign currency fluctuations	(1)	10	7	45	(13)	0	0	0
<b>Cash and cash equivalents, beginning of period</b>	<b>47</b>	<b>333</b>	<b>476</b>	<b>226</b>	<b>650</b>	<b>164</b>	<b>130</b>	<b>288</b>
Net increase (decrease) in cash and cash equivalents	286	143	(250)	424	(486)	(34)	158	129
<b>Cash and cash equivalents, end of period</b>	<b>333</b>	<b>476</b>	<b>226</b>	<b>650</b>	<b>164</b>	<b>130</b>	<b>288</b>	<b>416</b>

Source: Deutsche Bank, Company Filings