

# Consolidated Statements of Cash Flows

(In millions)	Fiscal Year Ended		
	May 25, 2008	May 27, 2007	May 28, 2006
<b>Cash flows – operating activities</b>			
Net earnings	\$ 377.2	\$ 201.4	\$ 338.2
(Earnings) losses from discontinued operations, net of tax benefit	(7.7)	175.7	13.6
Adjustments to reconcile net earnings from continuing operations to cash flows:			
Depreciation and amortization	245.7	200.4	197.0
Asset impairment charges, net	–	2.4	1.3
Amortization of loan costs	2.3	1.7	3.0
Stock-based compensation expense	48.9	31.6	12.5
Change in current assets and liabilities	53.7	(20.5)	127.3
Contribution to postretirement plan	(1.2)	(0.8)	(0.4)
Loss on disposal of land, buildings and equipment	2.2	3.1	2.4
Change in cash surrender value of trust-owned life insurance	4.6	(10.4)	(6.0)
Deferred income taxes	31.1	(27.1)	(30.7)
Change in deferred rent	12.8	2.5	4.8
Change in other liabilities	(17.0)	3.3	2.5
Income tax benefits credited to equity	–	–	34.3
Income tax benefits from exercise of stock-based compensation credited to goodwill	8.0	–	–
Other, net	6.2	6.5	(0.7)
<b>Net cash provided by operating activities of continuing operations</b>	<b>\$ 766.8</b>	<b>\$ 569.8</b>	<b>\$ 699.1</b>
<b>Cash flows – investing activities</b>			
Sale of short-term investments	6.3	–	–
Purchases of land, buildings and equipment	(429.2)	(345.2)	(273.5)
Proceeds from disposal of land, buildings and equipment	5.9	57.9	20.6
Cash used in business combination, net of cash acquired	(1,198.1)	–	–
Proceeds from trust-owned life insurance	1.9	–	–
Increase in other assets	(2.5)	(2.2)	(5.4)
<b>Net cash used in investing activities of continuing operations</b>	<b>\$(1,615.7)</b>	<b>\$(289.5)</b>	<b>\$(258.3)</b>
<b>Cash flows – financing activities</b>			
Proceeds from issuance of common stock	66.8	56.6	61.8
Income tax benefits credited to equity	23.5	40.0	–
Dividends paid	(100.9)	(65.7)	(59.2)
Purchases of treasury stock	(159.4)	(371.2)	(434.2)
ESOP note receivable repayments	3.6	3.3	3.6
Proceeds from Interim Credit Agreement	1,150.0	–	–
Repayment of Interim Credit Agreement	(1,150.0)	–	–
(Payments) proceeds from issuance of short-term debt	(33.0)	167.4	44.0
Proceeds from issuance of long-term debt	1,150.0	–	294.7
Payments of debt issuance costs	(16.0)	–	–
Repayment of long-term debt	(3.6)	(153.3)	(303.6)
Repayment of acquired convertible notes	(125.0)	–	–
Principal payments on capital leases	(0.5)	–	–
<b>Net cash provided by (used in) financing activities of continuing operations</b>	<b>\$ 805.5</b>	<b>\$(322.9)</b>	<b>\$(392.9)</b>
<b>Cash flows – discontinued operations</b>			
Net cash (used in) provided by operating activities of discontinued operations	(32.6)	36.6	17.9
Net cash provided by (used in) investing activities of discontinued operations	89.0	(6.1)	(66.3)
<b>Net cash provided by (used in) discontinued operations</b>	<b>\$ 56.4</b>	<b>\$ 30.5</b>	<b>\$ (48.4)</b>
Increase (decrease) in cash and cash equivalents	13.0	(12.1)	(0.5)
Cash and cash equivalents – beginning of year	30.2	42.3	42.8
<b>Cash and cash equivalents – end of year</b>	<b>\$ 43.2</b>	<b>\$ 30.2</b>	<b>\$ 42.3</b>
<b>Cash flows from changes in current assets and liabilities</b>			
Receivables	(1.5)	(5.9)	(0.7)
Inventories	9.5	(14.2)	37.0
Prepaid expenses and other current assets	(2.6)	(5.6)	(2.1)
Accounts payable	38.6	(23.6)	29.4
Accrued payroll	–	(8.2)	7.9
Accrued income taxes	(30.6)	11.1	12.4
Other accrued taxes	2.1	0.7	2.5
Unearned revenues	2.8	11.8	11.5
Other current liabilities	35.4	13.4	29.4
<b>Change in current assets and liabilities</b>	<b>\$ 53.7</b>	<b>\$ (20.5)</b>	<b>\$ 127.3</b>

See accompanying notes to consolidated financial statements.