Cash Flows from Operations

In Millions	Fiscal Year 2010	2009	2008
Net earnings, including earnings attributable to noncontrolling interests	$1,535.0	$1,313.7	$1,318.1
Depreciation and amortization	457.1	453.6	459.2
After-tax earnings from joint ventures	(101.7)	(91.9)	(110.8)
Stock-based compensation	107.3	117.7	133.2
Deferred income taxes	22.3	215.8	98.1
Tax benefit on exercised options	(114.0)	(89.1)	(55.7)
Distributions of earnings from joint ventures	88.0	68.5	108.7
Pension and other postretirement benefit plan contributions	(17.2)	(220.3)	(14.2)
Pension and other postretirement benefit plan (income) expense	(37.9)	(27.5)	5.5
Divestitures (gain), net	—	(84.9)	—
Gain on insurance settlement	—	(41.3)	—
Restructuring, impairment, and other exit costs (income)	23.4	31.3	(1.7)
Changes in current assets and liabilities	143.4	176.9	(126.7)
Other, net	75.5	5.7	(83.8)
Net cash provided by operating activities	$2,181.2	$1,828.2	$1,729.9

In fiscal 2010, our operations generated $2,181 million of cash compared to $1,828 million in fiscal 2009. The $353 million increase primarily reflects the $221 million increase in net earnings, including earnings attributable to noncontrolling interests. Fiscal 2009 cash flows from operations were also affected by several transactions. We voluntarily contributed $200 million to our principal domestic pension plans. In addition, net earnings, including earnings attributable to noncontrolling interests for fiscal 2009 included an $85 million net gain on the sale of certain product lines and a $41 million gain on the insurance settlement covering the loss at our *La Salteña* pasta manufacturing facility in Argentina.

Accounts payable generated $186 million more cash year-over-year primarily due to an increase in SG&A expense and shifts in timing. Accounts receivable was a $203 million increased use of cash primarily driven by sales timing shifts. Inventory used $11 million less cash in fiscal 2010.

We strive to grow core working capital at or below our growth in net sales. For fiscal 2010, core working capital increased 3 percent, compared to net sales growth of 1 percent which included the effects of one less week in fiscal 2010. In fiscal 2009, core working capital declined 1 percent, compared to net sales growth of 8 percent, and in fiscal 2008, core working capital grew 12 percent compared to net sales growth of 10 percent.

In fiscal 2009, our operations generated $1,828 million of cash compared to $1,730 million in fiscal 2008, primarily reflecting a $304 million reduction in the use of working capital in fiscal 2009, partially offset by a $200 million voluntary contribution made to our principal domestic pension plans.

Cash Flows from Investing Activities

In Millions	Fiscal Year 2010	2009	2008
Purchases of land, buildings, and equipment	$(649.9)	$(562.6)	$(522.0)
Acquisitions	—	—	0.6
Investments in affiliates, net	(130.7)	5.9	64.6
Proceeds from disposal of land, buildings, and equipment	7.4	4.1	25.9
Proceeds from divestitures of product lines	—	244.7	—
Proceeds from insurance settlement	—	41.3	—
Other, net	52.0	(22.3)	(11.5)
Net cash used by investing activities	$(721.2)	$(288.9)	$(442.4)

In fiscal 2010, cash used by investing activities increased by $432 million from fiscal 2009 primarily due to $245 million of proceeds from the sale of certain product lines in fiscal 2009 and the $41 million received in fiscal 2009 related to insurance proceeds from the settlement with the insurance carrier covering the loss at our *La Salteña* pasta manufacturing facility in Argentina. We also invested $131 million in affiliates in fiscal 2010, mainly our CPW joint venture, to repay local borrowings.

Capital expenditures in fiscal 2010 increased $87 million from fiscal 2009 as we increased manufacturing capacity for cereal, snack bars, and yogurt products.

In fiscal 2009, cash used by investing activities decreased by $154 million from fiscal 2008 primarily due to proceeds of $245 million from the sale of certain product lines. We also