

ARAB AFRICAN INTERNATIONAL BANK
(EGYPTIAN JOINT STOCK COMPANY)
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2009

	Note	Period ended 30 June	
		2009	2008
		US\$ '000	US\$ '000
<u>Cash Flows from Operating Activities</u>			
Profit before income tax		102,637	97,501
<u>Adjustments to reconcile net profit to net cash provided from operating activities</u>			
Depreciation & Amortization		3,011	2,110
Provisions		10,203	9,376
Trading investments' revaluation differences		(3,409)	5,011
Amounts used from provisions (other than loan loss & claims provisions)		(5,839)	-
Imperment Losses in Investments in subsidiaries and associates		-	(93)
Income tax paid		(21,071)	(3,795)
Operating profit before changes in assets & liabilities provided from operating activities		85,532	110,110
<u>Net Decrease (Increase) in Assets</u>			
Deposits with banks		100,479	222,524
Treasury bills & other bills eligible for rediscounting with Cenrtal Bank (matured over than three months)		(77,244)	(158,736)
Trading investments		1,664	9,353
Available for sale investments		44,708	(181)
Loans to customers and banks		566,043	(1,190,952)
Net Change in Financial Derivatives		266	247
Debit balances and other assets		2,476	(23,428)
Due to banks		(283,687)	388,068
Customers' deposits		(543,908)	544,063
Credit balances and other liabilities		(8,621)	37,386
Net cash flows used in operating activities	(1)	(112,292)	(61,546)
<u>Cash Flows from Investing Activities</u>			
Held to maturity investments		(52,294)	(3,125)
Investments in subsidiaries and associates		-	34
Payments to purchase fixed assets & branches' establishments		(2,929)	(6,686)
Net cash flows used in investing activities	(2)	(55,223)	(9,777)
<u>Cash Flows from Financing Activities</u>			
Cash dividends paid		(36,178)	(30,200)
Long term Debts		(1,340)	3,084
FMV reserve for AFS investments		2,960	(2,301)
Net cash flows used in financing activities	(3)	(34,558)	(29,417)
Net Decrease in cash & cash equivalents during the period	(1+2+3)	(202,073)	(100,740)
Cash & cash equivalents at the beginning of the period		511,931	281,149
Cash & cash equivalents at the end of the period		309,858	180,409
<u>Cash & cash equivalents are represented in:</u>			
Cash and due from Central Bank		254,690	107,190
Due from banks		1,267,290	4,190,826
Treasury bills and other bills eligible for rediscounting with Central Bank		840,817	181,195
Deposits with banks		(1,212,513)	(4,129,380)
Treasury bills & other bills eligible for rediscounting with Cenrtal Bank (matured over than three months)		(840,426)	(169,422)
Cash & cash equivalents at the end of the period	(2-17)	309,858	180,409

*The accompanying notes from (1) to (40) form an integral part of these financial statements and are to be read therewith.