

**ARAB AFRICAN INTERNATIONAL BANK**  
**(EGYPTIAN JOINT STOCK COMPANY)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 MARCH 2009**

	<u>Note</u>	<u>31,Mar. 2009</u> <u>US\$ '000</u>	<u>31,Mar.2008</u> <u>US\$ '000</u>
<b><u>Cash flows from operating activities</u></b>			
Profit before income tax		57,604	50,748
<b><u>Adjustments to reconcile net profit to net cash provided from operating activities</u></b>			
Depreciation and amortizations		1,493	1,029
Provisions		2,000	2,000
Trading investments' revaluation difference		715	889
Other investments revaluation difference		-	(50)
Income tax paid		(6,968)	(1,427)
<b>Operating profit before changes in assets and liabilities provided from operating activities</b>		<b>54,844</b>	<b>53,189</b>
<b><u>Net Decrease (Increase) in Assets and liabilities</u></b>			
Deposits with banks		144,986	(314,545)
Treasury bills and other government discounted bills (matured over the three months)		(127,557)	9,503
Financial assets held for trading		462	20,930
Available for sale investments		13,092	1,191
Loans to customers and bank		297,304	(500,905)
Financial Derivatives ( Net )		(1,302)	271
Debit balances and other assets		(495)	(18,205)
Due to banks		(222,342)	150,451
Customers' deposits		(327,807)	814,148
Credit balances and other liabilities		(41,545)	79,350
<b>Net cash flows provided from operating activities</b>	<b>(1)</b>	<b>(210,360)</b>	<b>295,378</b>
<b><u>Cash flows from investing activities</u></b>			
Held to maturity investment		(7,494)	(1,017)
Investments in subsidiaries and associate		-	32
Payments to purchase fixed assets and branches' establishment		(1,460)	(2,612)
<b>Net cash flows ( used in ) investing activities</b>	<b>(2)</b>	<b>(8,954)</b>	<b>(3,597)</b>
<b><u>Cash flows from financing activities</u></b>			
Cash dividends paid		(200)	(200)
Long term loans		(2,025)	1,046
Retained earnings		-	(2)
Reserve of fair market value for available for sale investments		(5,940)	(808)
<b>Net cash flows provided from financing activities</b>	<b>(3)</b>	<b>7 (8,165)</b>	<b>36</b>
<b>Net increase in cash and cash equivalents during the year</b>	<b>(1+2+3)</b>	<b>(227,479)</b>	<b>291,817</b>

Cash & cash equivalents at the beginning of the year	511,931	281,149
<b>Cash &amp; cash equivalents at the end of the year</b>	<b><u>284,452</u></b>	<b><u>572,966</u></b>
<b><u>Cash &amp; cash equivalents are represented in:</u></b>		
Cash and due from Central Bank of Egypt	223,284	480,476
Due from banks	1,227,178	4,752,571
Treasury bills and other government discounted bills	892,736	7,550
Deposits with banks	(1,168,007)	(4,666,449)
Treasury bills and other government discounted bills (matured over than three months)	(890,739)	(1,182)
<b>Cash and cash equivalents at the end of the year</b>	<b>(2-17) <u>284,452</u></b>	<b><u>572,966</u></b>

\*The accompanying notes from (1) to (38) form an integral part of these financial statements and are to be read therewith.