

ARAB AFRICAN INTERNATIONAL BANK
(EGYPTIAN JOINT STOCK COMPANY)
STATEMENT OF CASH FLOWS
FOR THE YEAR END AS At 31 December 2009

	<u>Note</u>	<u>2009</u>	<u>2008</u>
		<u>US\$ '000</u>	<u>US\$ '000</u>
<u>Cash Flows from Operating Activities:</u>			
Profit before income tax		166,371	166,603
<u>Adjustments to reconcile net profit to net cash provided from operating activities</u>			
Depreciation and Amortization		6,237	4,922
Provisions		40,523	28,268
Provisions used other than loans provisions		(5,839)	-
Impairment Losses in Financial Investments Available for Sale		752	-
Impairment Losses in Held to maturity investments		3,383	-
Impairment Losses in Investments in subsidiaries and associates		-	(252)
Amortization of intangible assets		-	236
Translation differences on foreign currency of financial investments other than trading		(383)	(32)
Operating profit before changes in assets and liabilities provided from operating activities		211,044	199,745
<u>Net Decrease (Increase) in Assets and Liabilities</u>			
Deposits with banks		(132,072)	3,038,911
Treasury bills		(997,633)	(752,497)
Trading investments		(3,893)	28,441
Available for sale investment		49,994	(16,293)
Loans to customers and banks		597,955	(1,746,054)
Financial Derivatives (net)		(113)	916
Debit balances and other assets		9,907	18,347
Due to banks		342,365	(1,349,185)
Customers' deposits		193,226	492,642
Credit balances and other liabilities		(54,520)	102,951
Income tax paid		(24,371)	(9,006)
Net cash flows used in operating activities	(1)	191,889	8,918
<u>Cash Flows from Investing Activities:</u>			
Held to maturity investment		(17,451)	(33,131)
Investments in subsidiaries and associate		-	(4,333)
Payments to purchase fixed assets and branches' establishment		(6,393)	(10,472)
Net cash flows used in investing activities	(2)	(23,844)	(47,936)
<u>Cash Flows from Financing Activities</u>			
Cash dividends paid		(36,178)	(30,200)
Subordinated Deposits		-	300,000
Net cash flows used in financing activities	(3)	(36,178)	269,800
Net Decrease in cash and cash equivalents during the period	(1+2+3)	131,867	230,782
Cash and cash equivalents at the beginning of the period		511,931	281,149
Cash and cash equivalents at the end of the period		643,798	511,931
<u>Cash and cash equivalents are represented in</u>			
Cash and due from Central Bank		525,921	454,083
Due from banks		1,484,893	1,355,866
Treasury bills		1,838,864	778,157
Deposits with banks		(1,445,065)	(1,312,993)
Treasury bills (matured over than three months)		(1,760,815)	(763,182)
Cash and cash equivalents at the end of the period	(2-17)	643,798	511,931

* The accompanying notes from page (6) to (35) form an integral part of these financial statements and are to be read therewith .