

ARAB AFRICAN INTERNATIONAL BANK
(EGYPTIAN JOINT STOCK COMPANY)
SEPARATE STATEMENT OF CASH FLOWS
FOR THE PERIOD END AS At 31 MARCH 2011

	<u>Note</u>	<u>31-Mar-2011</u>	<u>31-Mar-2010</u>
		<u>US\$ '000</u>	<u>US\$ '000</u>
<u>Cash Flows from Operating Activities</u>			
Profit before income tax		48,267	46,434
<u>Adjustments to reconcile net profit to net cash provided from operating activities</u>			
Depreciation and Amortization		1,912	1,739
Impairment charge for credit losses		980	(4,596)
Other provision charges		(227)	1,131
Impairment Gain (Losses) in Financial Investments Available for Sale		-	413
Foreign currencies revaluation differences of provisions other than loan loss provision		2,735	1,580
Operating profit before changes in assets and liabilities provided from operating activities		53,667	46,701
<u>Net Decrease (Increase) in Assets and Liabilities</u>			
Due from banks		78,432	(506,963)
Treasury bills		(8,587)	565,852
Held for trading investments		6,619	(8,411)
Loans and advances to customers		285,965	(162,148)
Derivative financial instruments (net)		(59)	(105)
Other assets		(6,243)	6,710
Due to banks		(262,188)	(120,799)
Customers' deposits		(521,006)	14,587
Other liabilities		46,944	(6,104)
Income taxes paid		(7,064)	(6,018)
Net cash flows used in operating activities	(1)	(333,520)	(176,698)
<u>Cash Flows from Investing Activities</u>			
Purchase securities other than trading		(15,366)	(721)
Sale / redemption of securities other than trading		5,766	11,955
Investments in subsidiaries and associates		(5,120)	(7,511)
Purchase of fixed assets and branches leasehold improvements		(230)	(2,632)
Net cash flows used in investing activities	(2)	(14,950)	1,091
<u>Cash Flows from Financing Activities</u>			
Cash dividends paid		(200)	(200)
Net cash flows used in financing activities	(3)	(200)	(200)
Net Decrease in cash and cash equivalents during the period	(1+2+3)	(348,670)	(175,807)
Cash and cash equivalents at the beginning of the period		788,013	872,235
Cash and cash equivalents at the end of the period		439,343	696,428
<u>Cash and cash equivalents are represented in:</u>			
Cash and due from Central Banks		386,366	624,515
Due from banks		1,655,875	1,770,395
Treasury bills		1,335,581	1,220,071
Deposits with banks		(1,621,842)	(1,723,590)
Treasury bills (matured over than three months)		(1,316,637)	(1,194,963)
Cash and cash equivalents at the end of the year	(42)	439,343	696,428

* The accompanying notes from page (8) to (71) form an integral part of these financial statements and are to be read therewith .