

ARAB AFRICAN INTERNATIONAL BANK
(EGYPTIAN JOINT STOCK COMPANY)
STATEMENT OF CASH FLOWS
FOR THE YEAR END AS At 31 DECEMBER 2010

	<u>Note</u>	<u>31-12-2010</u>	<u>31-12-2009</u>
		<u>US\$ '000</u>	<u>Amended</u>
		<u>US\$ '000</u>	<u>US\$ '000</u>
<u>Cash Flows from Operating Activities</u>			
Profit before income tax		167,242	131,329
<u>Adjustments to reconcile net profit to net cash provided from operating activities</u>			
Depreciation and Amortization		7,726	6,237
Impairment loss on loans an advances		1,520	72,406
Other Provisions		934	4,186
Impairment Losses (Recovery) in Financial Investments Available for Sale		413	(752)
Amounts used from provisions (other than loan loss & claims provisions)		(1,324)	(5,839)
Amounts used from provisions Retirement benefit obligations		(1,900)	-
Provisions Retirement benefit obligations		3,425	-
Translation differences on foreign currency of financial investments other than trading		7,853	(383)
Operating profit before changes in assets and liabilities provided from operating activities		185,889	207,184
<u>Net Decrease (Increase) in Assets and Liabilities</u>			
Deposits with banks		(483,647)	(314,456)
Treasury bills		455,633	(997,633)
Trading investments		891	(3,900)
Loans to customers and banks		(287,032)	605,820
Financial Derivatives (net)		(87)	(113)
Other assets		(11,638)	9,909
Due to banks		(254,570)	342,365
Customers' deposits		372,551	193,226
Credit balances and other liabilities		10,986	(58,959)
Income tax paid		(37,844)	(23,476)
Net cash flows used in operating activities	(1)	(48,868)	(40,033)
<u>Cash Flows from Investing Activities</u>			
Purchase Financial investments other than trading		(21,494)	(65,899)
Sale Financial investments other than trading		45,610	98,009
Investments in subsidiaries and associates		(16,156)	-
Payments to purchase fixed assets and branches' establishments		(7,115)	(6,393)
Net cash flows used in investing activities	(2)	845	25,717
<u>Cash Flows from Financing Activities</u>			
Cash dividends paid		(36,200)	(36,200)
Net cash flows used in financing activities	(3)	(36,200)	(36,200)
Net Decrease in cash and cash equivalents during the period	(1+2+3)	(84,223)	(50,516)
Cash and cash equivalents at the beginning of the period		872,236	922,752
Cash and cash equivalents at the end of the period		788,013	872,236
<u>Cash and cash equivalents are represented in:</u>			
Cash and due from Central Banks		700,031	763,956
Due from banks		1,725,985	1,246,858
Treasury bills		1,367,453	1,838,864
Deposits with banks		(1,700,274)	(1,216,627)
Treasury bills (matured over than three months)		(1,305,182)	(1,760,815)
Cash and cash equivalents at the end of the period	(2-17)	788,013	872,236

* The accompanying notes from page (9) to (77) form an integral part of these financial statements and are to be read therewith .