

**ARAB AFRICAN INTERNATIONAL BANK**  
**(EGYPTIAN JOINT STOCK COMPANY)**  
**STATEMENT of CASH FLOWS**  
**FOR THE PERIOD END AS At 31 March 2010**

	<u>Note</u>	<u>31-Mar-2010</u>	<u>31-03-2009</u>
		<u>US\$ '000</u>	<u>Amended</u> <u>US\$ '000</u>
<b><u>Cash Flows from Operating Activities:</u></b>			
Profit before income tax		46,434	42,781
<b><u>Adjustments to reconcile net profit to net cash provided from operating activities</u></b>			
Depreciation and Amortization		1,739	1,493
Net recovery / (impairment loss) on loans and advances		(1,213)	15,254
Provisions		1,131	(223)
Impairment Losses in Financial Investments Available for Sale		413	-
Recovery/impairment Losses in Held to maturity investments		(3,383)	-
Translation differences on foreign currency of financial investments other than trading		1,580	-
<b>Operating profit before changes in assets and liabilities provided from operating activities</b>		<b>46,701</b>	<b>59,305</b>
<b><u>Net Decrease (Increase) in Assets and Liabilities</u></b>			
Deposits with banks		(506,963)	(2,719)
Treasury bills		565,852	(127,557)
Trading investments		(8,411)	1,178
Loans to customers and banks		(162,148)	295,280
Financial Derivatives (net)		(105)	(1,302)
Debit balances and other assets		6,710	(858)
Due to banks		(120,799)	(222,342)
Customers' deposits		14,587	(327,807)
Credit balances and other liabilities		(6,104)	(40,068)
Income tax paid		(6,018)	(6,968)
<b>Net cash flows used in operating activities</b>	<b>(1)</b>	<b>(176,698)</b>	<b>(373,858)</b>
<b><u>Cash Flows from Investing Activities:</u></b>			
Available for sale investment:		5,373	29,827
Held to maturity investment:		5,861	(29,493)
Investments in subsidiaries and associate:		(7,511)	-
Payments to purchase fixed assets and branches' establishment		(2,632)	(1,460)
<b>Net cash flows used in investing activities</b>	<b>(2)</b>	<b>1,091</b>	<b>(1,126)</b>
<b><u>Cash Flows from Financing Activities:</u></b>			
Cash dividends paid		(200)	(200)
<b>Net cash flows used in financing activities</b>	<b>(3)</b>	<b>(200)</b>	<b>(200)</b>
<b>Net Decrease in cash and cash equivalents during the period</b>	<b>(1+2+3)</b>	<b>(175,807)</b>	<b>(375,184)</b>
Cash and cash equivalents at the beginning of the period		872,235	922,753
<b>Cash and cash equivalents at the end of the period</b>		<b>696,428</b>	<b>547,569</b>
<b><u>Cash and cash equivalents are represented in</u></b>			
Cash and due from Central Bank		624,515	496,128
Due from banks		1,770,395	954,334
Treasury bills		1,220,071	892,736
Deposits with banks		(1,723,590)	(904,890)
Treasury bills (matured over than three months)		(1,194,963)	(890,739)
<b>Cash and cash equivalents at the end of the period</b>	<b>(2-17)</b>	<b>696,428</b>	<b>547,569</b>

\* The accompanying notes from page (7) to (75) form an integral part of these financial statements and are to be read therewith .