

ARAB AFRICAN INTERNATIONAL BANK
(EGYPTIAN JOINT STOCK COMPANY)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	Year ended Dec. 31	
		2007	2006
		US\$ '000	US\$ '000
Cash Flows from Operating Activities			
Profit before income tax		131,281	76,529
Adjustments to reconcile net profit to net cash provided from operating activities			
Depreciation		3,311	2,990
Provisions		20,400	12,437
Trading investments' revaluation differences		(7,537)	(915)
Other Investments' revaluation losses		171	1,218
Amounts used from provisions (other than loan loss provision)			
Foreign currencies' revaluation differences		-	(4,000)
Provision not longer needed		-	(2,617)
Gains on sale of fixed assets		(122)	(18)
Income tax paid		(1,134)	(4,059)
Operating profit before changes in assets & liabilities provided from operating activities		146,370	81,565
Net Decrease (Increase) in Assets			
Deposits with banks		(2,058,689)	(928,188)
Treasury bills & other bills eligible for rediscounting with Central Bank of Egypt (matured over than three months)		626,304	(154,541)
Trading investments		(46,488)	(15,661)
Available for sale investments		61,640	113,615
Loans to customers and banks		(1,466,678)	(642,165)
Debit balances and other assets		(44,603)	(9,908)
Net Increase (Decrease) in Liabilities			
Due to banks		1,216,823	480,097
Customers' deposits		1,664,354	1,051,822
Credit balances and other liabilities		12,083	24,227
Net cash flows provided from operating activities	(1)	111,116	863
Cash Flows from Investing Activities			
Held to maturity investments		(2,860)	(73,915)
Investments in subsidiaries and associates		(57)	(1,576)
Payments to purchase fixed assets & branches' establishments		(5,937)	(2,559)
Proceeds from sale of fixed assets		122	18
Net cash flows provided from (used in) investing activities	(2)	(8,732)	(78,032)
Cash Flows from Financing Activities			
Cash dividends paid		(22,200)	(20,200)
Long term Debts		90,670	-
Net cash flows Provided from (used in) financing activities	(3)	68,470	(20,200)
Net Increase (Decrease) in cash & cash equivalents during the year (1+2+3)		170,854	(97,369)
Cash & cash equivalents at the beginning of the year		110,295	207,664
Cash & cash equivalents at the end of the year		281,149	110,295
Cash & cash equivalents are represented in:			
Cash and due from Central Bank of Egypt		201,366	76,037
Due from banks		4,431,686	2,320,931
Treasury bills and other bills eligible for rediscounting with Central Bank of Egypt		10,685	643,531
Deposits with banks		(4,351,903)	(2,293,214)
Treasury bills & other bills eligible for rediscounting with Central Bank of Egypt (matured over than three months)		(10,685)	(636,990)
Cash & cash equivalents at the end of the year	(2-14)	281,149	110,295

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