

ARAB AFRICAN INTERNATIONAL BANK
(EGYPTIAN JOINT STOCK COMPANY)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30,2007

	Period ended Sep. 30	
	2007	2006
	US\$ '000	US\$ '000
<u>Cash Flows from Operating Activities:</u>		
Profit before income tax	89,413	58,450
<u>Adjustments to reconcile net profit to net cash provided from operating activities</u>		
Depreciation	2,313	2,173
Provisions	12,669	9,023
Trading investments' revaluation differences	(4,506)	311
Other Investments' revaluation differences	166	1,204
Amounts used from provisions (other than loan loss provision)		
Foreign currencies' revaluation differences	(8)	-
Provision not longer used	-	(2,617)
Impairment losses on intangible assets		
Gains on sale of fixed assets	80	(18)
Income tax paid	(1,127)	(3,463)
	99,000	65,063
<u>Operating profit before changes in assets & liabilities provided from operating activities</u>		
<u>Net Decrease (Increase) in Assets</u>		
Deposits with banks	(997,061)	113,314
Treasury bills & other bills eligible for rediscounting with Central Bank of Egypt (matured over than three months)	533,345	(169,360)
Trading investments	(44,411)	(18,743)
Available for sale investments	67,997	21,508
Loans to customers and banks	(1,028,945)	(310,117)
Debit balances and other assets	(54,602)	(6,963)
<u>Net Increase (Decrease) in Liabilities</u>		
Due to banks	572,177	(55,713)
Customers' deposits	1,289,489	540,308
Credit balances and other liabilities	16,016	12,133
Long term Debts	89,537	-
Net cash flows provided from operating activities (1)	542,542	191,430
<u>Cash Flows from Investing Activities:</u>		
Held to maturity investments	(1,745)	18,365
Investments in subsidiaries and associates	(36)	-
Payments to purchase fixed assets & branches' establishments	(2,543)	(1,498)
Proceeds from sale of fixed assets	(80)	18
Net cash flows used in investing activities (2)	(4,404)	16,885
<u>Cash Flows from Financing Activities:</u>		
Cash dividends paid	(22,186)	(20,200)
Net cash flows used in financing activities (3)	(22,186)	(20,200)
Net (Decrease) Increase in cash & cash equivalents during the year (1+2+3)	515,952	188,115
Cash & cash equivalents at the beginning of the year	110,295	205,980
Cash & cash equivalents at the end of the year	626,247	394,095
<u>Cash & cash equivalents are represented in:</u>		
Cash and due from Central Bank of Egypt	550,237	101,384
Due from banks	3,366,276	1,283,617
Treasury bills and other bills eligible for rediscounting with Central Bank of Egypt	103,653	912,617
Deposits with banks	(3,290,275)	(1,251,714)
Treasury bills & other bills eligible for rediscounting with Central Bank of Egypt (matured over than three months)	(103,644)	(651,809)
Cash & cash equivalents	626,247	394,095