

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2009

	Note	2009 KD 000's	2008 KD 000's
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit from operations		158	105,502
Adjustments for:			
Provisions for impairment on loans and advances		101,029	28,573
Income from investment securities		(21,025)	(40,466)
Foreign exchange and other losses on investment securities		(375)	211
Depreciation and amortisation		2,672	2,889
Other provisions and valuation adjustments		29,861	29,116
Share of results of associate		2,345	-
		114,665	125,825
Changes in operating assets and liabilities:			
Treasury and Central Bank bonds		(109,534)	(44,166)
Due from banks and other financial institutions		663,688	266,100
Loans and advances		(77,558)	(244,733)
Other assets		63,199	(161,157)
Due to banks and other financial institutions		1,321	33,197
Customer deposits		(602,931)	8,990
Other liabilities		(52,309)	14,148
Net cash from (used in) operating activities		441	(1,796)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of investment securities		77,624	230,323
Acquisition of investment securities		(94,925)	(142,141)
Acquisition of a subsidiary		-	(20,900)
Dividend income from investment securities		2,422	5,824
Proceeds from disposal of premises and equipment		31	(16)
Acquisition of premises and equipment		(1,688)	(3,479)
Net cash (used in) from investing activities		(16,536)	69,611
CASH FLOWS FROM FINANCING ACTIVITIES			
Subordinated loan		-	(16,380)
Purchase of treasury shares		(75)	(102,167)
Sale of treasury shares		-	102,751
Dividend paid		(50,881)	(102,334)
Net cash used in financing activities		(50,956)	(118,130)
Net decrease in cash and short term funds		(67,051)	(50,315)
Cash and short term funds at beginning of the year		319,709	370,024
Cash and short term funds at end of the year	3	252,658	319,709

The attached notes 1 to 31 form part of these consolidated financial statements.

