

Bank Islam Malaysia Berhad

(Company No. 98127-X)

(Incorporated in Malaysia)

and its subsidiaries

Cash flow statements for the year ended 30 June 2007

	Group		Bank	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Cash flow from operating activities				
Profit/(Loss) before zakat and tax	230,799	(1,240,469)	255,488	(1,277,160)
Adjustments for:				
Depreciation of property, plant and equipment	20,727	17,794	20,638	17,713
Impairment of property, plant and equipment	11,424	-	11,424	-
(Reversal) /Impairment loss on securities available-for-sale	(75,002)	90,156	(75,002)	90,156
Impairment loss on securities held-to-maturity	-	55,887	-	55,887
Impairment loss on investment in subsidiary	-	-	2,450	7,550
Impairment loss on investment in associate	-	1,089	-	1,900
Allowance for losses on financing	24,739	1,288,720	(261)	1,313,720
Allowance for doubtful debts	129	7,313	129	7,313
Dividends	-	-	(40)	(758)
Loss/(Gain) on disposal of property, plant and equipment	6	(81)	6	(81)
Net gain on sale of securities held-for-trading	(3,478)	(17,663)	(3,478)	(17,663)
Net gain on sale of securities available-for-sale	(1,821)	(48,109)	(1,818)	(48,109)
Fair value gain on securities held-for-trading	(7,805)	(334)	(7,805)	(334)
Fair value gain on securities available-for-sale	33,495	(6,650)	33,495	(6,650)
Amortisation of premium less accretion of discount	(71,882)	(21,893)	(71,882)	(21,893)
Dividend from securities	(2,373)	(2,835)	(2,352)	(2,834)
Property, plant and equipment written off	7,644	-	7,644	-
Gain on disposal of an associate company	(950)	-	(950)	-
Goodwill written off	2,450	-	-	-
Operating profit before working capital changes	168,102	122,925	167,686	118,757

Cash flow statements for the year ended 30 June 2007 (continued)

	Group		Bank	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Changes in working capital:				
Deposits and placements with banks and other financial institutions	(29,037)	(1,294,498)	(29,037)	(1,294,498)
Financing, advances and others	151,782	(682,556)	151,782	(798,661)
Statutory deposits with Bank Negara Malaysia	63,217	(31,386)	63,217	(31,389)
Bills receivables	1,933	3,532	1,933	3,532
Other receivables	(24,958)	59,451	(15,236)	120,911
Deposits from customers	3,237,283	862,553	3,174,125	959,603
Bills and acceptance payable	8,270	14,448	8,270	14,448
Other payables	(23,520)	145,330	37,287	91,038
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Cash generated from/(used in) operations	3,553,072	(800,201)	3,560,027	(816,259)
Zakat paid	(4,879)	(3,364)	(4,875)	(3,364)
Tax paid	(21,954)	(30,239)	(21,751)	(30,008)
Tax refund	1,973	-	-	-
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Net cash generated from/(used in) operating activities	3,528,212	(833,804)	3,533,401	(849,631)
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Cash flow from investing activities				
Additional investment in subsidiary	-	-	(2,450)	(422)
Acquisition of minority interest	(2,450)	-	-	-
Purchase of property, plant and equipment	(39,749)	(20,637)	(39,676)	(20,604)
Proceeds from disposal of property, plant and equipment	178	120	178	120
Dividend received	-	-	40	758
Dividend from securities	2,373	2,835	2,352	2,834
Net (purchase)/disposal of securities	(1,249,946)	712,346	(1,254,397)	714,935
Proceeds from disposal of an associate company	950	-	950	-
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Net cash (used in)/generated from investing activities	(1,288,644)	694,664	(1,293,003)	697,621
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Cash flow statements for the year ended 30 June 2007 (continued)

	Group		Bank	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Cash flow from financing activities				
Proceeds from issuance of shares	1,014,135	280,000	1,014,135	280,000
Net cash generated from financing activities	1,014,135	280,000	1,014,135	280,000
Net increase in cash and cash equivalents	3,253,703	140,860	3,254,533	127,990
Cash and cash equivalents at beginning of year	2,877,974	2,726,895	2,866,488	2,723,061
Exchange difference on translation	23,092	10,219	23,150	15,437
Cash and cash equivalents at end of year	6,154,769	2,877,974	6,144,171	2,866,488
Cash and cash equivalents comprise:				
Cash and short-term funds	6,005,290	2,621,386	5,994,692	2,609,900
Deposits and placements with banks and other financial institutions	149,479	256,588	149,479	256,588
	6,154,769	2,877,974	6,144,171	2,866,488