

BURGAN BANK S.A.K.**Statement of Cash Flows (Unaudited)
Period ended 30 June 2007**

	<i>Note</i>	<i>Six months ended</i>	
		<i>30 June 2007 KD 000s</i>	<i>30 June 2006 KD 000s</i>
Operating activities			
Profit for the period		46,100	25,707
Adjustments:			
Net gains from investment securities		(27,213)	(599)
Provision for impairment of investment securities		-	5
Provision for impairment of loans and advances		6,600	3,061
Dividend income		(4,604)	(3,783)
Depreciation		1,204	1,132
Provision for share based compensation		36	-
Operating profit before changes in operating assets and liabilities		22,123	25,523
Changes in operating assets and liabilities:			
Treasury bills and bonds		(60,253)	(8,275)
Due from banks and other financial institutions		(140,666)	(193,152)
Loans and advances to customers		(181,656)	(42,414)
Government debt bonds		9,927	22,094
Other assets		(14,337)	(7,397)
Due to banks		244,541	63,436
Due to other financial institutions		158,472	31,494
Certificates of deposit		(53,000)	75,000
Deposits from customers		181,411	51,308
Other liabilities		9,005	4,830
Net cash from operating activities		175,567	22,447
Investing activities			
Purchase of investment securities		(319,842)	(46,035)
Sale of investment securities		345,770	35,973
Net additions to property and equipment		(1,326)	(914)
Dividends received		4,604	3,783
Net cash from / (used in) investing activities		29,206	(7,193)
Financing activities			
Other borrowed funds		(30,171)	(450)
Purchase of treasury shares		-	(11,181)
Sale of treasury shares		64,843	892
Cash dividends paid		(39,636)	(32,194)
Net cash used in financing activities		(4,964)	(42,933)
Net increase (decrease) in cash and cash equivalents		199,809	(27,679)
Cash and cash equivalents at 1 January		288,328	371,389
Cash and cash equivalents at 30 June	4	488,137	343,710