

Cash Flow Statement

For the year ended December 31, 2007

	Note	2007	2006
		Rupees in '000	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		1,269,188	780,023
Less: Dividend income		(104,345)	(165,228)
		1,164,843	614,795
Adjustments for non-cash charges			
Depreciation		124,420	103,024
Amortization		14,282	5,534
Provision against non-performing financings (net)		435,018	121,581
Provision for diminution in the value of investments		878	1,297
Gain on sale of fixed assets		(6,173)	(1,823)
Unrealized loss on held for trading investments		31,453	32,455
		599,878	262,068
		1,764,721	876,863
(Increase) / decrease in operating assets			
Due from financial institutions		(5,150,000)	(3,700,000)
Held for trading securities		(121,122)	(72,264)
Financings		(7,980,341)	(7,411,711)
Other assets		(761,301)	13,827
		(14,012,764)	(11,170,148)
Increase / (decrease) in operating liabilities			
Bills payable		628,932	302,496
Due to financial institutions		(1,869,606)	1,303,498
Deposits and other accounts		20,132,912	11,680,179
Other liabilities		843,944	509,821
		19,736,182	13,795,994
		7,488,139	3,502,709
Income tax paid		(23,139)	(17,478)
Net cashflow from operating activities		7,465,000	3,485,231
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in			
- held to maturity securities		(300,652)	(1,141,406)
- available for sale securities		(6,313,829)	(66,376)
- listed associated undertakings		(973,726)	200,038
- unlisted associated undertakings		(3,000)	(271,500)
Dividends received		101,745	164,715
Investments in operating fixed assets		(643,739)	(337,248)
Sale proceeds of property and equipment disposed off		9,509	4,836
Net cashflow from investing activities		(8,123,692)	(1,446,941)
CASH FLOW FROM FINANCING ACTIVITIES			
Amount received against issue of right shares		-	1,181,218
Net cash flow from financing activities		-	1,181,218
Net (decrease) / increase in cash and cash equivalents		(658,692)	3,219,508
Cash and cash equivalents as at January 1	31	10,032,269	6,812,761
Cash and cash equivalents as at December 31	31	9,373,577	10,032,269

The annexed notes 1 to 47 form an integral part of these financial statements.



H.E. Sheikh Ebrahim
Bin Khalifa Al-Khalifa
Chairman



Irfan Siddiqui
President and
Chief Executive



Mohamed Abdul-Rehman Hussain
Director



Arifur Islam
Director