

CONDENSED INTERIM

CASH FLOW STATEMENT (UNAUDITED) FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2007

Note September 30, September 30,
2007 2006

----- Rupees in '000 -----

CASH FLOW FROM OPERATING ACTIVITIES

Profit before taxation	924,952	580,476
Less: Dividend income	(75,636)	(97,754)
	<u>849,316</u>	<u>482,722</u>
Adjustments for non-cash charges		
Depreciation	87,590	54,400
Amortization	9,700	3,752
Provision against non-performing financings - net	102,482	68,432
Gain on sale of operating fixed assets	(3,451)	(1,824)
Unrealised (gain) / loss on revaluation of held for trading investments	(84,531)	37,687
	<u>111,790</u>	<u>162,447</u>
	961,106	645,169
(Increase) / decrease in operating assets		
Due from financial institutions	(390,000)	-
Held for trading securities	(298,198)	(87,494)
Financings	(2,830,760)	(2,830,682)
Others assets	(1,180,889)	222,327
	<u>(4,699,847)</u>	<u>(2,695,849)</u>
Increase / (decrease) in operating liabilities		
Bills payable	479,347	196,099
Due to financial institutions	(1,416,343)	329,530
Deposits and other accounts	17,207,903	6,677,726
Other liabilities	642,446	341,982
	<u>16,913,353</u>	<u>7,545,337</u>
	13,174,612	5,494,657
Income tax paid	(9,631)	(5,955)
Net cash flow from operating activities	<u>13,164,981</u>	<u>5,488,702</u>

CASH FLOW FROM INVESTING ACTIVITIES

Net investments in securities	(6,498,367)	(1,398,098)
Dividends received	31,996	44,508
Investments in operating fixed assets	(490,778)	(187,671)
Proceeds from sale of operating fixed assets	5,563	4,399
Net cash flow from investing activities	<u>(6,951,586)</u>	<u>(1,536,862)</u>

CASH FLOW FROM FINANCING ACTIVITIES

Increase in cash and cash equivalents	6,213,395	3,951,840
Cash and cash equivalents at the beginning of the period	10,032,269	6,812,761
Cash and cash equivalents at the end of the period	17 <u>16,245,664</u>	<u>10,764,601</u>

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

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

Irfan Siddiqui
President & Chief Executive

Istaqbal Mehdi
Director

Mohamed Abdul
Rehman Hussain
Director