

**Bahrain Mumtalakat Holding Company B.S.C. (c)****CONSOLIDATED STATEMENT OF CASH FLOWS**

Period from 29 June 2006 to 31 December 2007

	<i>BD '000</i>
<b>OPERATING ACTIVITIES</b>	
Net income for the period	245,803
Adjustments for:	
Depreciation	145,014
Fair value loss on derivatives	141,176
Gain on investments carried at fair value through statement of income	(504)
Gain on non-trading investments	52
Share of profits of associates	(41,833)
Impairment loss on available for sale investments	112,091
Provision for impairment on trade accounts and other receivables	3,366
Loss on disposal and write-off of property, plant and equipment	2,093
Interest income	(10,673)
Interest expense	81,391
Employees' end of service benefits	3,890
Operating profit before changes in operating assets and liabilities	<u>681,866</u>
Changes in operating assets and liabilities:	
Inventories	(19,097)
Trade accounts receivable, prepayments and other assets	5,019
Trade accounts payable, accruals and other liabilities	68,088
Cash from operations	<u>735,876</u>
Interest expense	(85,614)
Derivative financial instruments	(250,922)
Employees' end of service benefits paid	(3,066)
Net cash from operating activities	<u>396,274</u>
<b>INVESTING ACTIVITIES</b>	
Investment in associates	(198,311)
Purchase of available for sale and other investments	(23,038)
Proceeds from sale of non-trading investments	450
Purchase of property, plant and equipment	(54,398)
Proceeds from disposal of property, plant and equipment	8,697
Assets held for sale	(31,157)
Other assets	(368)
Dividends from associates	40,807
Net cash used in investing activities	<u>(257,318)</u>
<b>FINANCING ACTIVITIES</b>	
Issue of share capital	20,283
Proceeds from borrowings	343,544
Repayment of borrowings	(428,793)
Dividend paid to minority interests	(42,009)
Interest received	10,219
Margin deposits with brokers	8,861
Obligations relating to acquired entities	(87,900)
Net cash used in financing activities	<u>(175,795)</u>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(36,839)</b>
Cash and cash equivalents acquired on 29 June 2006	42,298
Cash and cash equivalent of subsidiary acquired on 5 May 2007	11,305
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER 2007</b>	<u><u>16,764</u></u>