

Bahrain Mumtalakat Holding Company B.S.C. (c)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended 31 December 2008

	<i>Period from</i>	
	<i>29 June</i>	
	<i>2006 to</i>	
	<i>31 December</i>	
	<i>2008</i>	<i>2007</i>
	<i>BD '000</i>	<i>BD '000</i>
OPERATING ACTIVITIES		
Net (loss) income for the year/period	(69,345)	245,803
Adjustments for:		
Depreciation	120,600	145,014
Fair value (gain) loss on derivatives	(100,877)	141,176
Loss (gain) on investments carried at fair value through statement of income	653	(504)
(Gain) loss on non-trading investments	(30)	52
Gain on sale of investment in associate	(37,417)	-
Share of profits of associates	(74,148)	(41,833)
Impairment loss on non-trading investments	314,918	112,091
Impairment loss on goodwill	55,309	-
Provision for impairment on trade accounts and other receivables	5,945	3,366
Gain on asset held for sale	(9,250)	-
Loss on disposal and write-off of property, plant and equipment	4,895	2,093
Impairment loss on property, plant and equipment	2,450	-
Interest income	(5,372)	(10,673)
Interest expense	42,570	81,391
Employees' end of service benefits	2,848	3,890
Operating profit before changes in operating assets and liabilities	253,749	681,866
Changes in operating assets and liabilities:		
Inventories	(82,313)	(19,097)
Trade accounts receivable, prepayments and other assets	35,611	5,019
Trade accounts payable, accruals and other liabilities	79,386	68,088
Cash from operations	286,433	735,876
Interest paid	(45,501)	(85,614)
Derivative financial instruments	(158,013)	(250,922)
Employees' end of service benefits paid	(2,293)	(3,066)
Net cash from operating activities	80,626	396,274
INVESTING ACTIVITIES		
Investment in associates	(2,477)	(198,311)
Purchase of available for sale and other investments	(10,493)	(23,038)
Proceeds from sale of non-trading investments and other investments	1,196	450
Proceeds from sale of investment in associate	65,000	-
Purchase of property, plant and equipment	(120,142)	(54,398)
Proceeds from disposal of property, plant and equipment	1,515	8,697
Assets held for sale	20,999	(31,157)
Other assets	(7,781)	(368)
Dividends from associates	56,112	40,807
Net cash from (used in) investing activities	3,929	(257,318)

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CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

Year ended 31 December 2008

	<i>Period from</i>	
	<i>29 June</i>	
	<i>2006 to</i>	
	<i>31 December</i>	
	2008	2007
	BD '000	BD '000
FINANCING ACTIVITIES		
Issue of share capital	-	20,283
Proceeds from borrowings	400,806	343,544
Repayment of borrowings	(334,419)	(428,793)
Dividend paid to minority interests	(146)	(42,009)
Interest received	5,372	10,219
Margin deposits with brokers	25,177	8,861
Obligations relating to acquired entities	(107,957)	(87,900)
Net cash used in financing activities	(11,167)	(175,795)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	73,388	(36,839)
Cash and cash equivalents acquired on 29 June 2006	-	42,298
Cash and cash equivalent of subsidiary acquired on 5 May 2007	-	11,305
Cash and cash equivalent at beginning of the year	16,764	-
CASH AND CASH EQUIVALENTS AT END OF THE YEAR/ PERIOD	90,152	16,764