

## Consolidated Statement of Cash Flows

For the year ended 31 December 2017

	Note	2017 BD'000	2016 BD'000
<b>OPERATING ACTIVITIES</b>			
Profit for the year		<b>10,141</b>	8,420
Adjustments for non-cash items:			
Depreciation	10	<b>1,570</b>	1,519
Impairment provisions on financing assets, net	24.1	<b>2,537</b>	2,091
Impairment provisions on investments, net	24.2	<b>3,660</b>	7,641
Loss on sale of investment in associates		<b>83</b>	-
Impairment charge on investment in real estate	21	<b>119</b>	82
Loss on sale of investment in real estate	21	<b>39</b>	843
Gain on sale of investment securities		<b>(3)</b>	-
Share of results of associates, net	7	<b>1,103</b>	437
<b>Operating profit before changes in operating assets and liabilities</b>		<b>19,249</b>	21,033
Working capital adjustments:			
Mandatory reserve with Central Bank of Bahrain		<b>(1,440)</b>	300
Financing assets		<b>(57,605)</b>	(52,789)
Ijarah Muntahia Bittamleek		<b>(18,808)</b>	(26,697)
Other assets		<b>739</b>	1,822
Customers' current accounts		<b>(800)</b>	(4,653)
Other liabilities		<b>(3,596)</b>	(1,711)
Placements from financial institutions		<b>(24,582)</b>	10,358
Equity of investment accountholders		<b>139,440</b>	54,912
<b>Net cash from operating activities</b>		<b>52,597</b>	2,575
<b>INVESTING ACTIVITIES</b>			
Capitalized expenditure of investment in real estate		<b>(28)</b>	-
Disposal of investment in real estate		<b>314</b>	12,868
Disposal of investment in associates		<b>1,348</b>	-
Purchase of investment securities		<b>(119,546)</b>	(51,681)
Purchase of property and equipment		<b>(1,193)</b>	(760)
Proceeds from disposal of investment securities		<b>3,538</b>	30,073
<b>Net cash used in investing activities</b>		<b>(115,567)</b>	(9,500)
<b>FINANCING ACTIVITIES</b>			
Purchase of treasury shares		<b>(301)</b>	-
Borrowings from financial institutions		<b>90,156</b>	-
Dividends paid		<b>(4,827)</b>	(26)
<b>Net cash from / (used in) financing activities</b>		<b>85,028</b>	(26)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>22,058</b>	(6,951)
Cash and cash equivalents at 1 January		<b>90,736</b>	97,687
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>		<b>112,794</b>	90,736
Cash and cash equivalents comprise of:			
Cash on hand	3	<b>13,042</b>	12,829
Balances with CBB, excluding mandatory reserve deposits	3	<b>3,654</b>	3,877
Balances with banks and other financial institutions excluding restricted balances	3	<b>15,253</b>	10,225
Placements with financial institutions with original maturities less than 90 days	4	<b>80,845</b>	63,805
		<b>112,794</b>	90,736

The attached notes 1 to 34 form an integral part of these consolidated financial statements.