

**Bank of Alexandria
(Egyptian Joint Stock Company)
Statement of Cash Flow
For the period ended 30 June 2008**

Translation

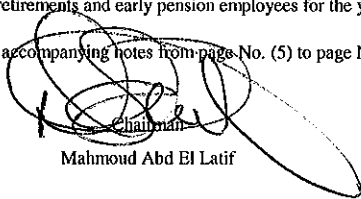
	For the period from 1/1/2008 to 30/6/2008	For the period from 1/1/2007 to 30/6/2007
	<u>LE.</u>	<u>LE.</u>
<u>Cash flows from operating activities</u>		
Net profit for the period before taxes	409 940 650	382 772 493
<u>Adjustments to reconcile net profit to net cash provided from operating activities</u>		
Fixed assets depreciation	19 478 605	17 525 264
Provisions	-	59 953 500
Provisions no longer needed	(117 955 000)	(11 994 000)
Unrealized gains arising from trading investments	68 457 620	(95 417 469)
Valuation differences of other investments	6 771 665	(34 443 847)
Amounts used from provisions (other than loans provision)	(13 291 696)	(13 971 402)
Foreign exchange differences for provisions (other than loans provision)	(2 780 169)	(941 857)
Foreign exchange differences for held -to- maturity investments	50 572 324	3 150 316
Gains from sale of fixed assets	(465 310)	(968)
Operating profit before changes in assets & liabilities	420 728 689	306 632 030
<u>Net decrease (increase) in assets</u>		
Deposits with banks	4 278 940 195	(3 805 207 753)
Treasury bills and other bills eligible for rediscounting with CBE	2 226 573 964	2 456 931 932
Trading investments	(325 369 892)	604 464 313
Available -for- sale investments	(555 047 779)	1 232 585 594
Loans to customers and banks	(351 221 484)	(606 741 693)
Debit balances and other assets	(62 892 359)	(161 572 619)
<u>Net increase (decrease) in liabilities</u>		
Due to banks	1 186 838 320	2 936 314 599
Customers' deposits	(96 406 806)	(393 712 578)
Credit balances and other liabilities	125 057 344	37 987 224
Net cash available from operating activities	6 847 200 192	2 607 681 049
<u>Cash flows from investing activities</u>		
Payments to purchase Held -to- maturity investments	(119 065 440)	-
Payments to purchase Investments in associates	(3 747 500)	-
Payments to purchase fixed assets & preparing branches	(17 272 480)	(10 109 412)
Proceeds from sale of fixed assets	933 453	442 855
Net cash used in investing activities	(139 151 967)	(9 666 557)
<u>Cash flows from financing activities</u>		
Payments of long term loans	(46 721 485)	(317 258 566)
Dividends paid	(201 474 073)	-
Net cash used in financing activities	(248 195 558)	(317 258 566)
Net changes in cash and cash equivalent during the period	6 459 852 667	2 280 755 926
Cash & cash equivalent at the beginning of the period	604 612 343	3 401 276 312
Cash & cash equivalent at the end of the period	7 064 465 010	5 682 032 238
<u>Cash and cash equivalent are represented in:</u>		
Cash and due from Central Bank of Egypt	6 883 826 403	3 199 959 496
Due from banks	12 565 900 962	9 546 621 225
Treasury bills and other governmental bills eligible for rediscounting with the CBE	1 611 816 818	5 892 600 639
Deposits with banks	(12 415 520 274)	(9 335 988 913)
Treasury bills and other governmental bills eligible for rediscounting with the CBE (more than 3 months maturity)	(1 581 558 899)	(3 621 160 209)
Cash & cash equivalent in the end of the period	7 064 465 010	5 682 032 238

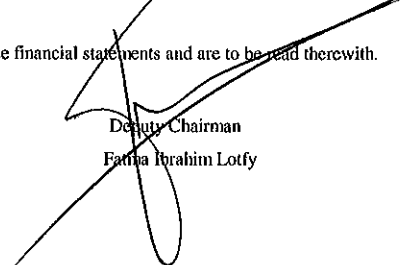
Non Cash Transactions:

For the purpose of preparing the cash flow statement, the following amounts were eliminated:

- An amount of LE .13 200 000 from both change in debit balances and credit balances .
- An amount of LE .2 890 537 from both payments to purchase fixed assets and the change in debit balances (payments under purchase of fixed assets).
- An amount of LE.1 013 115 from both change available -for- sale investments and reserves (valuation differences of available -for- sale investments in foreign currencies).
- An amount of LE.34 250 633 from both change in paid dividends and debit balances (settlement of the state's share in profits).
- An amount of LE. 13 536 693 from both the amounts used from provisions and changes in debit balances (settlement of the amount paid to the retirements and early pension employees for the year 2007).

The accompanying notes from page No. (5) to page No. (28) are an integral part of these financial statements and are to be read therewith.


Mahmoud Abd El Latif


Deputy Chairman
Fatma Ibrahim Lotfy