

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

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2009

| | 2009 | 2008 |
|---|------------------|----------------|
| | BD '000 | BD '000 |
| OPERATING ACTIVITIES | | |
| Net loss for the year | (183,232) | (69,345) |
| Adjustments for: | | |
| Depreciation | 121,852 | 120,600 |
| Fair value loss (gain) on derivatives | 64,162 | (100,877) |
| Loss on investments carried at fair value through statement of income | 100 | 653 |
| Loss (gain) on non-trading investments | 1,142 | (30) |
| Loss (gain) on sale of investment in associate | 849 | (37,417) |
| Share of profits of associates | (82,524) | (74,148) |
| Impairment loss on non-trading investments, investment in associates and goodwill | 42,736 | 370,227 |
| Provision for impairment on trade accounts and other receivables | 2,279 | 5,945 |
| Gain on assets held for sale | - | (9,250) |
| Loss on disposal and write-off of property, plant and equipment | 24,649 | 4,895 |
| Impairment loss on property, plant and equipment | - | 2,450 |
| Interest income | (3,253) | (5,372) |
| Interest expense | 38,668 | 42,570 |
| Employees' end of service benefits | 1,437 | 2,848 |
| Operating profit before changes in operating assets and liabilities | 28,865 | 253,749 |
| Changes in operating assets and liabilities: | | |
| Inventories | 62,446 | (82,151) |
| Trade accounts receivable, prepayments and other assets | 61,284 | 35,611 |
| Trade accounts payable, accruals and other liabilities | (40,511) | 79,386 |
| Cash from operations | 112,084 | 286,595 |
| Interest paid | (38,668) | (45,501) |
| Derivative financial instruments | (3,160) | (158,013) |
| Employees' end of service benefits paid | (1,825) | (2,293) |
| Net cash from operating activities | 68,431 | 80,788 |
| INVESTING ACTIVITIES | | |
| Investment in associates | (350) | (2,639) |
| Purchase of available for sale and other investments | (72,480) | (10,493) |
| Proceeds from sale of non-trading investments and other investments | 2,327 | 1,196 |
| Proceeds from sale of investment in associate | 1,521 | 65,000 |
| Purchase of property, plant and equipment | (176,583) | (120,142) |
| Investment in properties | (307) | - |
| Proceeds from disposal of property, plant and equipment | 99,235 | 1,515 |
| Assets held for sale | - | 20,999 |
| Other assets | (50,899) | (7,781) |
| Dividends from associates | 39,746 | 56,112 |
| Net cash (used in) from investing activities | (157,790) | 3,767 |

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

Year ended 31 December 2009

| | 2009 | 2008 |
|---|------------------|----------------|
| | BD '000 | BD '000 |
| FINANCING ACTIVITIES | | |
| Capital contribution | 13,025 | - |
| Proceeds from borrowings | 222,007 | 400,806 |
| Repayment of borrowings | (189,509) | (334,419) |
| Dividend paid to non-controlling interests | (6,348) | (146) |
| Interest received | 3,253 | 5,372 |
| Margin deposits with brokers and other deposits | (7,221) | 25,177 |
| Obligations relating to acquired entities | (102,947) | (107,957) |
| Net cash used in financing activities | (67,740) | (11,167) |
| (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS | (157,099) | 73,388 |
| Cash and cash equivalents at beginning of the year | 90,152 | 16,764 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR | (66,947) | 90,152 |