

Cash Flow Statement For the year ended December 31, 2008


	Note	2008 (Rupees In '000)	2007 (Rupees In '000)
Cash flows from operating activities			
Profit before taxation		21,867,566	21,308,035
Less: Dividend income		(817,554)	(832,300)
Adjustments for non-cash charges		21,250,012	20,675,735
Depreciation	11.2	815,205	599,196
Amortization	11.3	142,005	191,201
Provision against loans and advances - net	10.4.2	1,335,127	2,959,583
Provision for diminution in the value of investments - net	9.3	2,683,994	105,269
Provision / (reversal) for diminution in the value of other assets	13.2	10,120	(3,743)
Bad debts written off directly	10.5.1	-	199
Operating fixed assets written off	30	-	12,102
Gain on disposal of fixed assets - net	28	(36,777)	(13,032)
Deficit on revaluation of 'held for trading' securities	9.5	103,198	13,105
		5,052,872	3,863,880
(Increase) / decrease in operating assets		26,302,884	24,539,615
Lendings to financial institutions		(3,048,707)	20,030,428
Net investments in 'held for trading' securities		20,273	(230,752)
Advances - net		(44,894,999)	(23,681,225)
Other assets - net		(1,898,841)	(6,847,748)
		(49,812,274)	(10,729,297)
Increase / (decrease) in operating liabilities			
Bills payable		72,410	3,389,379
Borrowings		(16,742,991)	15,463,355
Deposits		38,176,089	34,636,228
Other liabilities		11,914,367	770,163
		33,419,875	54,259,125
		9,910,485	68,069,443
Income tax paid		(7,878,947)	(6,170,144)
Net cash flows from operating activities		2,031,538	61,899,299



Cash Flow Statement For the year ended December 31, 2008

	Note	2008 (Rupees In '000)	2007 (Rupees In '000)
Cash flows from investing activities			
Net investments in 'available for sale' securities		15,058,126	(52,951,926)
Net investments in 'held to maturity' securities		(5,550,843)	3,564,123
Dividends received		621,763	648,480
Investments in operating fixed assets		(2,153,151)	(2,947,438)
Investment in subsidiary company		-	(20,000)
Sale proceeds of property and equipment disposed off		258,177	92,919
Net cash flows from investing activities		8,234,072	(51,615,842)
Cash flows from financing activities			
Redemption of subordinated loan		(479,232)	(1,118,208)
Dividend paid		(9,834,175)	(4,728,496)
Net cash flows from financing activities		(10,313,407)	(5,846,704)
Exchange differences on translation of the net investment in foreign branches		230,667	11,656
Increase in cash and cash equivalents		182,870	4,448,409
Cash and cash equivalents at beginning of the year		45,407,542	39,347,647
Effects of exchange rate changes on cash and cash equivalents		(1,916,140)	(304,654)
		43,491,402	39,042,993
Cash and cash equivalents at end of the year	35	43,674,272	43,491,402

The annexed notes 1 to 47 and Annexures I to V form an integral part of these financial statements.


Atif Bajwa
President and Chief Executive


Tariq Rafi
Director


Samad Amin
Director


Mian Raza Mansha
Director