

CAPITAL & CREDIT MERCHANT BANK LIMITED

Statement of Consolidated Cash Flows

Year ended 31 December 2004

	Notes	2004 \$'000	2003 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit		864,913	465,266
Interest received		4,536,364	3,452,616
Interest paid		(3,643,978)	(2,738,162)
Interest income		(4,774,335)	(3,734,542)
Interest expense		3,650,957	3,101,689
Depreciation		26,197	18,229
Gain on sale of property and equipment		(275)	-
Accounts receivable		(166,998)	(111,769)
Loans receivable		(803,322)	(359,281)
Loan loss expense		1,944	2,735
Accounts payable		279,875	22,180
Deferred taxation		10,880	44,361
Income tax charge		101,494	45,122
Income tax paid		(44,125)	(43,416)
Amortisation of goodwill		-	2,088
Net cash provided by operating activities		<u>39,591</u>	<u>167,116</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds on sale of property and equipment		275	-

Acquisition of property and equipment	(17,360)	(79,268)
Increase in investment in securities	(14,903,673)	10,817,919
Securities purchased under resale agreements	87,551	819,027
Acquisition of subsidiary	21 (149,293)	-
Minority interest	406	-
	<u>(14,982,094)</u>	<u>(10,078,160)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(146,770)	-
Issue of ordinary shares	29,080	407,549
Deposits	2,367,417	(12,467)
Securities sold under repurchase agreements	6,826,393	(5,172,313)
Loan participation	12,979	216,319
Due to other financial institutions	<u>6,534,940</u>	<u>14,957,995</u>
Cash provided by financing activities	<u>15,624,039</u>	<u>10,397,083</u>
INCREASE IN CASH AND CASH EQUIVALENTS	681,536	486,039
OPENING CASH AND CASH EQUIVALENTS	1,103,993	605,100
Effects of foreign exchange rate changes	26,490	12,854
CLOSING CASH AND CASH EQUIVALENTS	22 <u>1,812,019</u>	<u>1,103,993</u>
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