

STATEMENTS OF CASH FLOWS
For the three months ended 31 March
Unaudited

	<u>Notes</u>	<u>2006</u> <u>SAR' 000</u>	<u>2005</u> <u>SAR' 000</u>
OPERATING ACTIVITIES			
Net income for the period		986,178	455,892
Adjustments to reconcile net income to net cash from (used in) operating activities:			
Amortisation of premium on investments, net		527	2,421
Losses from FVIS financial instruments		1,416	3,747
Gain on non trading investments, net		(20,829)	(4,087)
Depreciation and amortisation		22,650	16,908
Losses on disposal of fixed and other assets, net		71	28
Provision for credit losses, net		47,683	19,763
Change in fair value		(2,055)	43,664
		1,035,641	538,336
Net (increase) decrease in operating assets:			
Statutory deposit with SAMA		(467,292)	3,111
Investments held for trading		65,000	-
Loans and advances		1,290,601	(687,511)
Other assets		(469,497)	(346,899)
Net increase (decrease) in operating liabilities:			
Due to banks and other financial institutions		577,455	(196,964)
Customer deposits		5,988,754	(2,379,363)
Other liabilities		448,625	18,411
Net cash from (used in) operating activities		8,469,287	(3,050,879)
INVESTING ACTIVITIES			
Proceeds from sale of and maturities of non-trading investments		1,656,540	366,612
Purchase of non-trading investments		(3,711,317)	(2,051,508)
Purchase of fixed assets		(42,209)	(19,655)
Proceeds from disposal of fixed assets		-	16
Net cash used in investing activities		(2,096,986)	(1,704,535)
FINANCING ACTIVITIES			
Debt securities in issue		-	2,246,381
Dividends paid		(259,311)	(488,578)
Net cash (used in) from financing activities		(259,311)	1,757,803
Increase (decrease) in cash and cash equivalents		6,112,990	(2,997,611)
Cash and cash equivalents at beginning of the period		5,388,091	8,770,976
Cash and cash equivalents at end of the period	5	11,501,081	5,773,365
Supplemental non-cash information			
Net changes in fair value and cash flow hedges		(33,656)	15,546

The accompanying notes 1 to 8 form an integral part of these interim condensed financial statements.