

# CASH FLOW STATEMENTS

for the financial year ended 31 December 2002

Note	The Group		The Bank	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit/(loss) before taxation</b>	<b>29,389</b>	(747,124)	<b>20,088</b>	(747,438)
Adjustments for items not involving the movement of cash and cash equivalents:				
Depreciation of fixed assets	<b>56,291</b>	60,866	<b>55,720</b>	59,312
Interest income from investment securities	<b>(78,629)</b>	(42,194)	<b>(78,629)</b>	(42,194)
Accretion of discount less amortisation of premium	<b>(26,621)</b>	(30,673)	<b>(26,621)</b>	(30,673)
Amortisation of amount recoverable from Danaharta	<b>29,082</b>	29,445	<b>27,413</b>	27,776
Impairment of goodwill	–	67,115	–	67,115
Amortisation of goodwill	<b>9,155</b>	9,155	<b>9,155</b>	9,155
(Write back)/provision for diminution in value of investment securities	<b>(10,785)</b>	35,013	<b>(4,203)</b>	35,013
Provision for diminution in investment of subsidiaries	–	–	<b>5,376</b>	5,075
Gain on sale of investment securities	<b>(26,604)</b>	(19,426)	<b>(26,604)</b>	(19,426)
Net profit from dealing securities	<b>(1,639)</b>	(4,097)	<b>(1,639)</b>	(4,097)
Specific provision for bad and doubtful debts	<b>235,288</b>	936,315	<b>235,154</b>	936,674
General provision	<b>635</b>	(88,317)	–	(88,174)
Interest-in-suspense/ income-in-suspense	<b>262,316</b>	339,354	<b>254,468</b>	331,607
Gain on sale of fixed assets	<b>(2,337)</b>	(151)	<b>(2,292)</b>	(151)
Fixed assets written-off	<b>1,500</b>	5,574	<b>1,184</b>	2,110
Operating profit before working capital changes	<b>477,041</b>	550,855	<b>468,570</b>	541,684

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for the financial year ended 31 December 2002

Note	The Group		The Bank	
	2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
Decrease in deposits and placements with financial institutions	<b>33,601</b>	261,896	<b>33,601</b>	260,900
Decrease/(increase) in loans and advances	<b>786,323</b>	(347,795)	<b>785,665</b>	(370,717)
(Increase)/decrease in other assets	<b>(225,748)</b>	52,588	<b>(228,765)</b>	58,313
Decrease in statutory deposits with BNM	<b>108,000</b>	87,170	<b>108,000</b>	87,170
Increase/(decrease) in deposits from customers	<b>300,368</b>	(2,009,337)	<b>301,843</b>	(2,012,170)
Increase/(decrease) in deposits and placements of banks and other financial institutions	<b>22,280</b>	(938,543)	<b>22,280</b>	(938,543)
(Decrease)/increase in obligation on securities sold under repurchase agreements	<b>(5,691)</b>	199,596	<b>(5,691)</b>	199,596
Decrease/(increase) in securities purchased under resale agreements	<b>1,001</b>	(1,001)	-	-
Decrease in bills and acceptances payable	<b>(104,117)</b>	(72,003)	<b>(104,117)</b>	(72,003)
Increase/(decrease) in amount due to Cagamas	<b>135,762</b>	(144,484)	<b>135,762</b>	(144,484)
(Decrease)/increase in other liabilities	<b>(173,465)</b>	116,134	<b>(176,994)</b>	145,546
Decrease/(increase) in intercompany balances	-	-	<b>3,732</b>	(994)
Cash generated from operations	<b>1,355,355</b>	(2,244,924)	<b>1,343,886</b>	(2,245,702)
Tax paid	<b>(60)</b>	(26,190)	-	(26,190)
Zakat paid	<b>(143)</b>	(67)	<b>(143)</b>	(67)
Net cash generated from/(utilised in) operating activities	<b>1,355,152</b>	(2,271,181)	<b>1,343,743</b>	(2,271,959)

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for the financial year ended 31 December 2002

	Note	The Group		The Bank	
		2002 RM'000	2001 RM'000	2002 RM'000	2001 RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received from investment securities		78,629	42,194	78,629	42,194
Proceeds from disposal of property, plant and equipment		5,636	191	5,558	191
Purchase of property, plant and equipment		(62,190)	(58,050)	(61,152)	(57,940)
Net (purchase)/sale of investment securities		(917,020)	659,817	(904,684)	659,982
Net (purchase)/sale of dealing securities		(338,748)	19,128	(338,748)	19,128
Net cash inflow from acquisition of subsidiaries		–	342,135	–	344,633
Net cash (used in)/generated from investing activities		(1,233,693)	1,005,415	(1,220,397)	1,008,188
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from issue of ordinary shares		100,000	367,946	100,000	367,946
Issue of subordinated bonds		–	600,000	–	600,000
Net cash generated from financing activities		100,000	967,946	100,000	967,946
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>221,459</b>	<b>(297,820)</b>	<b>223,346</b>	<b>(295,825)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>1,276,639</b>	<b>1,574,459</b>	<b>1,274,752</b>	<b>1,570,577</b>
<b>Cash and cash equivalents at end of the year</b>		<b>1,498,098</b>	<b>1,276,639</b>	<b>1,498,098</b>	<b>1,274,752</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>					
Cash and short term funds	3	1,498,098	1,276,639	1,498,098	1,274,752

The accounting policies on pages 53 to 57 and the accompanying notes on pages 58 to 116 form an integral part of these financial statements.