

**CASH FLOW STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2008**

(AMOUNTS IN MILLION SHILLINGS)

		Current quarter 31-mars-08	Previous quarter 31-déc-07
I	Cash flow from operating activities:		
	Profit before Taxation	9 399	12 022
	Adjustment for non-cash items:		
	Depreciation	833	940
	Provisions/Amortization	1 188	2 005
	Allocation to Government	699	(372)
	Gain/loss on sale of assets	(4)	0
	Tax paid	(3 327)	(3 374)
	Gross change in loans and advances	(25 423)	(39 874)
	Net change in deposits	102 453	27 477
	Net change in short term negotiable securities	-	-
	Net change in other assets	(1 725)	(141)
	Net change in other liabilities	16 063	7 799
	Net change in SMR deposits	(10 500)	3 500
	Net change in Treasury Bills	6 380	24 235
Net cash provided (used) by operating activities	96 035	34 217	
II	Cash flow from investing activities:		
	Dividends received	-	-
	Purchase of fixed assets	(2 097)	(7 580)
	Proceeds on sale of fixed assets	1	-
	Acquisition of Government securities	(4 638)	(2 782)
	Proceeds from redemption of Government securities	11 755	-
	Proceeds from redemption of Treasury Notes	-	-
Net cash provided (used) by investing	5 021	(10 362)	
III	Cash flow from financing activities:		
	Repayment of long-term debt	-	-
	Proceed from issuance of long-term debt	-	-
	Proceeds from issue of shares	-	-
	Dividend paid to shareholders	-	-
	Net change in other borrowings	-	-
	Others	-	-
Net cash provided (used) by financing activities	-	-	
IV	Cash and cash equivalents		
	Net increase (decrease) in cash and cash equivalents	101 056	23 856
	Cash and cash equivalent at the beginning of the quarter	267 048	243 193
	Cash and cash equivalent at the end of the quarter	368 104	267 048

Signed by

Date

Christo De Vries	Chief Executive Officer	23 April 2008
Riaan van Jaarsveld	Director of Finance	24 April 2008
Severin Ndaskoi	Head of Internal Audit	24 April 2008

We, the undersigned non-executive members of the board of directors, attest to the correctness of the above statements. We declare that the statements have been examined by us, and to the best of our knowledge and belief have been prepared in conformance with the instructions and are true and correct.

Signed by

Date

1 Dr. Musa Assad	Director	08 May 2008
2 Ambassador Ami Ramadhani Mpungwe	Chairman (Acting)	08 May 2008