

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2009

All figures in US\$ million

	<u>2009</u>	<u>2008</u>
OPERATING ACTIVITIES		
Profit (loss) attributable to the shareholders of the parent	122	(880)
Items not involving cash flow:		
Impairment provisions - net	115	1,055
Depreciation and amortisation	17	19
Amortisation of fair value shortfall on reclassified securities	30	26
Items considered separately:		
Losses on non-trading securities - net	-	20
Changes in operating assets and liabilities:		
Trading securities	21	598
Placements with banks and other financial institutions	285	751
Loans and advances	1,768	(965)
Interest receivable and other assets	351	41
Deposits from customers	(1,214)	535
Deposits from banks and other financial institutions	(646)	(1,684)
Securities sold under repurchase agreements	(1,735)	(384)
Interest payable and other liabilities	(386)	154
Other non-cash movements	(13)	162
Net cash used in operating activities	<u>(1,285)</u>	<u>(552)</u>
INVESTING ACTIVITIES		
Purchase of non-trading securities	(1,005)	(800)
Sale and redemption of non-trading securities	2,309	1,936
Purchase of premises and equipment	(38)	(39)
Sale of premises and equipment	1	6
Additional investment in an associate	(16)	-
Controlling interest in an associate	-	(6)
Net cash from investing activities	<u>1,251</u>	<u>1,097</u>
FINANCING ACTIVITIES		
Increase in share capital - rights issue	-	1,110
Redemption of certificates of deposit - net	(3)	(1,039)
Repurchase of subordinated debt	(88)	-
Repayment of other term notes, bonds and other term financing - net	(72)	(58)
Net cash (used in) from financing activities	<u>(163)</u>	<u>13</u>
(Decrease) increase in liquid funds	(197)	558
Effect of exchange rate changes on liquid funds	20	(70)
Liquid funds at beginning of the year	823	335
LIQUID FUNDS AT THE END OF THE YEAR	<u><u>646</u></u>	<u><u>823</u></u>