

STATEMENT OF CASH FLOWS

All amounts are in millions of BYR

	Note	2010	2009
Operating activities			
Profit before income tax		14,505	8,371
Depreciation and amortisation		1,709	1,265
Increase/(release) in/of allowance for impairment of financial assets		8,013	(383)
Increase/(release) in/of provisions for unused vacations		(147)	191
Change in fair value of precious metals		(1,173)	-
Income on recognition of financial instruments at amortised cost		(883)	-
Foreign exchange differences		1,881	(4,569)
Net income on available for sale financial assets		94	469
Net change in interest accruals		-	(285)
Change in fair value of financial instruments at fair value		(5,558)	2,136
Loss on disposal of property, equipment and intangible assets		413	57
Other adjustments		-	24
Increase in cash and cash equivalents from operating activities before changes in operating assets and liabilities		18,854	7,276
<i>(Increase)/decrease in operating assets:</i>			
Obligatory reserves with the National Bank of the Republic of Belarus		949	790
Precious metals		(12,316)	-
Balances due from financial organisations		(24,782)	(27,085)
Loans to customers		(3,977)	1,601
Other assets		(2,199)	(84)
<i>Increase/(decrease) in operating liabilities</i>			
Balances due to financial organisations		(1,719)	5,561
Customer accounts		54,680	14,632
Other liabilities		(16,835)	16,977
Net cash and cash equivalents from operating activities before income tax		12,655	19,668
Income tax paid		(1,211)	(2,797)
Net cash and cash equivalents from operating activities		11,444	16,871
Investing activities			
Purchase of property, equipment and intangible assets		(3,809)	(4,491)
Available for sale financial assets		8,189	(13,875)
Net cash and cash equivalents from/(used in) investing activities		4,380	(18,366)
Financing activities			
Increase in share capital		4,476	-
Issue of preference shares		12,000	-
Subordinated loan		1,283	9,486
Net cash and cash equivalents from financing activities		17,759	9,486

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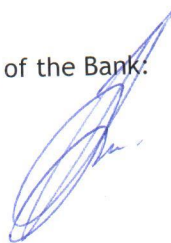
	Note	<u>2010</u>	<u>2009</u>
Net increase in cash and cash equivalents		33,583	7,991
Effect of changes in foreign exchange rates on cash and cash equivalents		(897)	3,646
Cash and cash equivalents at the beginning of the year	35	<u>63,920</u>	<u>52,283</u>
Cash and cash equivalents at the end of the year	35	<u>96,606</u>	<u>63,920</u>

The accompanying notes on pages 11 to 49 form an integral part of these financial statements.

On behalf of the Management of the Bank:

Chairman of the Board
V.A. Kazbanov

Minsk,
23 June 2011



Chief Accountant
I.I. Trepashko

