

Bank Pembangunan Malaysia Berhad
(Incorporated in Malaysia)

Statements of Cash Flows
For the Financial Year Ended 31 December 2016

	Group		Bank	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Cash flows from operating activities				
Profit before taxation and zakat:				
- from continuing operations	207,563	406,414	125,658	228,120
- from discontinued operations	109,890	(281,582)	-	-
Profit before taxation and zakat	317,453	124,832	125,658	228,120
Adjustment for:				
Share of loss of joint ventures	5,880	9,235	-	-
Depreciation of property, plant and equipment (Note 32(ii) and 10(b))	4,134	59,790	3,409	4,238
Amortisation of prepaid lease rental (Note 32(ii))	34	40	34	40
Depreciation of investment properties (Note 32(ii))	192	175	51	63
Amortisation of intangible assets (Note 32(ii) and 10(b))	3,891	19,462	3,720	3,606
Net (gain)/loss on disposal of property, plant and equipment (Note 30(c))	(205)	266	(196)	386
Net loss on disposal of prepaid land lease (Note 30(c))	-	218	-	218
Net gain on disposal of investment properties (Note 30(c))	-	(741)	-	(741)
Net gain on sale of financial investments - AFS (Note 30(b) and 49(k))	(7,680)	(2,075)	(7,680)	(2,075)
Dividend income:				
Financial investments - AFS (Note 30(b))	(7,800)	(9,146)	(7,800)	(9,087)
Accretion of discount less amortisation of premium of financial investments (Note 28 and 49(k))	(26,516)	(24,613)	(26,516)	(24,613)
Impairment allowance/(written back) for:				
Financial investments - AFS (Note 36)	-	(800)	-	-
Financial investments - HTM (Note 36)	25,279	21,166	25,279	21,166
Vessels (Note 10(b))	-	200,974	-	-
Investment in subsidiaries (Note 36)	-	-	91,172	172,884
Interest in JVs (Note 36)	-	6,950	-	-
Advance to joint ventures (Note 36)	-	12,566	-	-
Amount due from associates (Note 36)	-	457	-	-
Trade receivables (Note 36)	1,103	12,498	-	-
Provision for corporate guarantee	(7,060)	9,860	-	-
Property, plant and equipment written off (Note 32(iv))	157	18	11	-
Balance carried forward	308,862	441,132	207,142	394,205

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Statements of Cash Flows

For the Financial Year Ended 31 December 2016 (cont'd.)

	Group		Bank	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Cash flows from operating activities (cont'd.)				
Balance brought forward	308,862	441,132	207,142	394,205
Unrealised loss/(gain) on foreign exchange (Note 30(c))	879	(2,378)	879	224
Individual allowance (Note 35):				
Individual allowance made	716,895	241,257	687,648	217,221
Individual allowance written back	(115,905)	(75,853)	(95,771)	(37,937)
Transferred from collective allowance	350,922	64,260	350,922	64,260
Transferred to collective allowance	(22,317)	(21,933)	(22,317)	(21,933)
Collective allowance (Note 35):				
Collective allowance made	111,939	272,260	73,225	272,356
Collective allowance written back	(5,178)	(14,748)	-	(9,473)
Transferred from individual allowance	22,317	21,933	22,317	21,933
Transferred to individual allowance	(350,922)	(64,260)	(350,922)	(64,260)
Bad debts and financing written off (Note 35 and 36)	8,970	1,402	8,641	1,402
Bad debts and financing recovered (Note 35)	(77,181)	(31,469)	(73,741)	(22,459)
Zakat (Note 49(q))	(17,805)	(21,653)	(14,555)	(19,795)
Individual allowance made during the year against ISF (Note 31)	(9,334)	(11,060)	(9,334)	(11,060)
Collective allowance written back during the year against ISF (Note 31)	7	-	7	-
Recoverable from loan written off against ISF (Note 31)	4,059	2,030	4,059	2,030
Financial investment impairment made during the year against ISF (Note 31)	(25,279)	(21,166)	(25,279)	(21,166)
Compensation from the Government (Note 28 and Note 49(k))	(136,381)	(130,051)	(136,381)	(130,051)
Operating profit before working capital changes	<u>764,548</u>	<u>649,703</u>	<u>626,540</u>	<u>635,497</u>
Decrease/(increase) in operating assets:				
Deposits and placements with financial institutions	-	677,667	-	677,667
Loans, advances and financing	809,019	1,639,976	974,693	1,558,296
Other assets	82,156	(24,153)	53,912	14,603
	<u>891,175</u>	<u>2,293,490</u>	<u>1,028,605</u>	<u>2,250,566</u>

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Statements of Cash Flows
For the Financial Year Ended 31 December 2016 (cont'd.)

	Group		Bank	
	2016	2015	2016	2015
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities (cont'd.)				
Increase/(decrease) in operating liabilities:				
Deposits from customers	1,998,232	2,085,540	1,998,232	2,085,540
Deposit and placements from financial institutions	(435,638)	145,130	(435,638)	145,130
Other liabilities	(102,601)	(215,738)	(94,874)	15,405
	<u>1,459,993</u>	<u>2,014,932</u>	<u>1,467,720</u>	<u>2,246,075</u>
Cash generated from operating activities	3,115,716	4,958,125	3,122,865	5,132,138
Income taxes paid	(80,768)	(113,196)	(70,547)	(118,333)
Zakat paid	(20,488)	(13,201)	(19,602)	(12,211)
Net cash generated from operating activities	<u>3,014,460</u>	<u>4,831,728</u>	<u>3,032,716</u>	<u>5,001,594</u>
Cash flows from investing activities				
Financial investments - AFS (Note 30(b))	7,800	9,146	7,800	9,087
Purchase of financial investments - AFS	(2,328,700)	(1,418,416)	(2,328,700)	(1,418,416)
Purchase of property, plant and equipment (Note 13)	(1,851)	(12,416)	(1,791)	(1,454)
Purchase of intangible assets (Note 16)	(4,291)	(1,618)	(3,920)	(1,618)
Net cash outflow on deconsolidation of a subsidiary	(7,397)	-	-	-
Proceeds from disposal/maturity of financial investments - AFS	717,675	587,288	717,675	587,288
Proceeds from maturity of financial investments - HTM	-	78,916	-	78,916
Proceeds from disposal of property, plant and equipment	6,657	1	6,657	-
Proceeds from disposal of investment properties	-	1,410	-	1,410
Net cash used in investing activities	<u>(1,610,107)</u>	<u>(755,689)</u>	<u>(1,602,279)</u>	<u>(744,787)</u>

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Statements of Cash Flows

For the Financial Year Ended 31 December 2016 (cont'd.)

	Group		Bank	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Cash flows from financing activities				
Net repayments of long-term loans	(1,249,800)	(5,034,233)	(1,249,800)	(5,034,233)
Net (repayment of)/receipt from bills and acceptance payables	(1,742,193)	1,742,193	(1,742,193)	1,742,193
Net (repayment of)/receipt from revolving credit	(255,042)	250,000	(255,042)	250,000
Net receipt from/(repayment of) redeemable notes	1,595,883	(1,614,393)	1,595,883	(1,614,393)
Proceeds from Government compensation	122,773	115,895	122,773	115,895
Dividends paid	-	(37,000)	-	(37,000)
Net cash used in financing activities	(1,528,379)	(4,577,538)	(1,528,379)	(4,577,538)
Net decrease in cash and cash equivalents	(124,026)	(501,499)	(97,942)	(320,731)
Cash and cash equivalents at beginning of financial year	1,419,525	1,921,024	1,126,210	1,446,941
Cash and cash equivalents at end of financial year	1,295,499	1,419,525	1,028,268	1,126,210
Cash and cash equivalents comprise:				
Cash and short term deposits (Note 4)	1,295,499	1,419,525	1,028,268	1,126,210

The accompanying notes form an integral part of the financial statements.