

**BANGKO SENTRAL NG PILIPINAS**  
**CASH FLOW STATEMENT**  
For the Year Ended December 31, 2009  
(In Thousand Pesos)

	Note	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest received – foreign currency		39,591,646	49,066,221
Interest received – local currency -investment portfolio		18,633,488	16,877,373
Fees, commission and other Income received		47,466,066	26,059,971
Interest paid – foreign currency		(4,530,538)	(4,090,511)
Interest paid – local currency		(60,716,064)	(68,928,424)
Payment to suppliers and employees		(18,983,407)	(14,348,856)
Payment of miscellaneous expenses		(465,664)	(374,940)
Income tax paid		(171,458)	(359,459)
Changes in operating assets and liabilities			
Net increase in marketable securities		(71,123,006)	(62,540,572)
Net increase in special drawing rights		(54,978,736)	(440,657)
Net increase in loans and advances-foreign		(202,102)	(715,360)
Net increase in loans and advances-local		(16,618,463)	(24,388,707)
Net increase in other foreign currency assets		(5,220,356)	(22,941,135)
Net increase in other local currency asset		(29,105)	(875,226)
Net decrease in other assets		203,754	7,171,010
Net Issuance (redemption) of government securities		13,060,000	(42,819,000)
Net increase (decrease) in short-term deposits		84,006,526	(24,324,700)
Net increase in other foreign currency liabilities		55,266,702	210,159
Net increase in other local currency liabilities		18,339	15,555
Net increase (decrease) in other liabilities		449,396	(107,715)
Net cash provided by (used in) operating activities	36	25,657,018	(167,854,973)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net payment for gold purchases		(26,561,696)	(26,265,350)
Purchase of fixed assets		(540,413)	(716,408)
<b>Net cash used in investing activities</b>		<b>(27,102,109)</b>	<b>(26,981,758)</b>

	Note	2009	2008
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Issue of circulating currency		323,758,841	339,454,229
Withdrawal of circulating currency		(286,320,883)	(228,213,711)
Proceeds from sale of franchise of closed banks		55,000	-
Payment for demonetized currency		-	(115)
Net payments for bonds payable		(2,385)	(4,577,096)
Net proceeds (payments) of loans payable		(72,118,720)	70,476,394
Payment of dividends to national government		(6,000,000)	-
Payment of tax deficiency		-	(3,600,000)
<b>Net cash provided by (used in) financing activities</b>		<b>(40,628,147)</b>	<b>173,539,701</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		(42,073,238)	(21,297,030)
Cash and cash equivalents at beginning of year		680,948,403	443,806,574
Effects of exchange rate changes on cash and cash equivalents		(80,341,537)	258,438,859
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	37	<b>558,533,628</b>	<b>680,948,403</b>

The Notes on pages 6 to 10 form part of these Financial Statements.