

BANGKO SENTRAL NG PILIPINAS

CASH FLOWS STATEMENT

Year ended 31 December	Note	2006 PHP000	2005 PHP000
Cash flows from operating activities:			
Interest received – foreign currency		38,107,067	28,729,496
Interest received – local currency -investment portfolio		9,873,359	10,139,502
Fees, commission and other Income received		8,048,540	29,755,960
Interest paid – foreign currency		(14,550,781)	(15,794,928)
Interest paid – local currency		(26,605,808)	(17,253,425)
Others		(381,553)	(866,520)
Payment to suppliers and employees		(3,175,359)	(11,338,110)
Income tax paid		<u>43,093</u>	<u>(1,453,061)</u>
Net cash from operating activities	33	<u>11,358,558</u>	<u>21,918,914</u>
Cash flow from investing activities:			
Net (increase)/decrease in other local currency assets		(3,139,440)	12,535,285
Decrease in other foreign currency liabilities		(2,052,795)	(1,740,921)
Net (increase)/decrease in marketable securities		40,734,248	(26,462,818)
Decrease in other foreign currency assets		3,887,418	5,688,009
Increase in other local currency liabilities		105,863,153	75,170,716
Net increase/(decrease) in short-term deposits		21,484,936	(3,471,946)
Proceeds/(payments) for gold sales/purchases		(15,737,812)	16,209,302
Purchase of fixed assets		<u>(835,577)</u>	<u>(705,798)</u>
Net cash flow from investing activities		<u>150,204,131</u>	<u>77,221,829</u>
Cash flow from financing activities:			
Issue of circulating currency		206,513,126	190,447,261
Withdrawal of circulating currency		(158,579,016)	(176,355,320)
Cash recoveries from items written-off and prior period expenses		6,820,583	216,951
Net (increase)/decrease in special drawing rights		(65,679)	6,138
Payments for bonds payable		(3,929,388)	(33,137,114)
Payment of loans payable		(92,133,838)	(19,673,610)
Payment of dividends to national government		<u>(3,603,712)</u>	<u>(1,611,720)</u>
Net cash flow from financing activities		<u>(44,977,924)</u>	<u>(40,107,414)</u>
Net increase in cash and cash equivalents		<u>116,584,765</u>	<u>59,033,329</u>
Cash and cash equivalents at beginning of year		466,976,343	453,685,790
Effect of exchange rate changes on cash & cash equivalents		<u>(24,336,986)</u>	<u>(45,742,776)</u>
Cash and cash equivalents at end of year	34	<u>559,224,122</u>	<u>466,976,343</u>

The statements are to be read in conjunction with the Notes on the succeeding pages.