

Saudi Arabian Fertilizers Company  
Saudi Joint Stock Company

STATEMENT OF CASH FLOWS  
Year ended 31 December 2008

	<i>Note</i>	<i>2008</i> <i>SR 000</i>	<i>2007</i> <i>SR 000</i>
<b>OPERATING ACTIVITIES</b>			
Income before zakat		4,389,191	2,286,225
Adjustments for:			
Depreciation		255,272	238,963
Amortization		70,929	72,747
Impairment of investment available for sale		31,452	31,452
Share in results of an associate		(351,656)	(164,385)
Financial income, net		(75,700)	(28,891)
Loss on disposal of property, plant and equipment		1,218	-
Provision for impairment of plant assets		248,554	-
		<u>4,569,260</u>	<u>2,436,111</u>
Changes in operating assets and liabilities			
Accounts receivable		72,545	(162,579)
Inventories		1,547	(55,154)
Other receivables and prepayments		(99,340)	(21,928)
Accounts payable and accruals		(320,201)	170,882
Other non current liabilities		54,822	52,287
Employees home ownership program		38,005	24,141
Cash from operations		4,316,638	2,443,760
Zakat paid		(47,880)	(28,784)
<b>Net cash from operating activities</b>		<u>4,268,758</u>	<u>2,414,976</u>
<b>INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment		(51,011)	(24,920)
Dividends received		100,000	25,000
Financial income, net		75,700	28,891
<b>Net cash from investing activities</b>		<u>124,689</u>	<u>28,971</u>
<b>FINANCING ACTIVITIES</b>			
Repayment of term loans		(148,392)	(265,179)
Dividends paid		(1,900,000)	(1,200,000)
<b>Net cash used in financing activities</b>		<u>(2,048,392)</u>	<u>(1,465,179)</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>2,345,055</b>	<b>978,768</b>
Cash and cash equivalents at the beginning of the year		<u>1,573,006</u>	<u>594,238</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>3</b>	<u><b>3,918,061</b></u>	<u><b>1,573,006</b></u>

The attached notes from 1 to 29 form an integral part of these financial statements.