**Muscat National Holding Company SAOG**
**Unaudited condensed consolidated statement of cash flows for the three months ended**

| | **31 March 2008 (RO'000)** | 31 March 2007 (RO'000) |
|---|---|---|
| **Operating activities** | | |
| Profit before taxation | **1,590** | 685 |
| Adjustments for: | | |
| Depreciation | **18** | 15 |
| Net unrealised gain on investments securities | **(907)** | (4) |
| Realised gain on removal of investment securities | **(4)** | - |
| Accrual for employees' end of service benefits | **7** | 5 |
| Interest income | **(50)** | (49) |
| Dividend income | **(392)** | (353) |
| Interest expense | **15** | 14 |
| Rental income | **(16)** | (11) |
| Profit before changes in operating assets and liabilities | **261** | 302 |
| Premiums and insurance balances receivable | **(2,412)** | (496) |
| Reinsurers' share of outstanding claims | **(5,398)** | (59) |
| Gross outstanding claims | **5,390** | (22) |
| Reinsurers' share of unearned premium reserve | **(852)** | (576) |
| Movement in gross unearned premium reserve | **1,027** | 595 |
| Other assets | **(79)** | (45) |
| Due to reinsurers | **2,786** | 525 |
| Other liabilities and accruals | **230** | (22) |
| Cash from operations | **953** | 202 |
| Taxation paid | **(100)** | (51) |
| Interest paid | **(15)** | (14) |
| Employees' end of services benefits paid | **(4)** | (3) |
| Net cash from operating activities | **834** | 134 |
| **Investing activities** | | |
| Purchase of fixed assets | **(72)** | (12) |
| Encashment of bank deposits | **868** | 307 |
| Increase in bank deposits maturing after three months | **(1,314)** | (43) |
| Purchase of securities | **-** | (71) |
| Proceeds from sale of investment | **24** | - |
| Interest income | **50** | 49 |
| Dividends received | **-** | 3 |
| Rental income | **16** | 11 |
| Net cash (used in) / from investing activities | **(428)** | 244 |
| **Financing activities** | | |
| Movement in bank borrowings | **8** | (6) |
| Net cash from/(used in) financing activities | **8** | (6) |
| **Increase in cash and cash equivalents** | **414** | 372 |
| Cash and cash equivalents at the beginning of the period | **754** | 457 |
| **Cash and cash equivalents at the end of the period** | **1,168** | 829 |