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

	30 June 2009 (RO)	30 June 2008 (RO)
Operating activities		
Profit before taxation	**3,113,347**	1,626,099
Adjustments for:		
Depreciation	**40,278**	36,885
Net unrealised gain on investments securities	**(2,124,983)**	(665,708)
Realised (loss) gain on removal of investment securities	**67,300**	(3,900)
Amortisation of issue expenses on Bank Muscat Bonds	**702**	-
Profit on disposal of property, plant and equipment	**-**	(956)
Accrual for employees' end of service benefits	**15,299**	17,166
Interest income	**(93,282)**	(94,070)
Dividend income	**(545,915)**	(397,639)
Interest expense	**53,534**	26,282
Rental income	**(36,346)**	(35,749)
Profit before changes in operating assets and liabilities	**489,934**	508,410
Premiums and insurance balances receivable	**(2,246,499)**	(114,198)
Reinsurers' share of outstanding claims	**948,851**	(4,463,180)
Gross outstanding claims	**(904,696)**	4,448,320
Reinsurers' share of unearned premium reserve	**(1,947,519)**	(959,981)
Movement in gross unearned premium reserve	**2,286,251**	1,259,057
Other assets	**(139,290)**	(63,780)
Due to reinsurers	**2,200,908**	2,419,138
Other liabilities and accruals	**47,038**	(214,553)
Cash from operations	**734,978**	2,819,233
Taxation paid	**(105,464)**	(100,313)
Interest paid	**(53,534)**	(26,282)
Employees' end of services benefits paid	**(573)**	(17,487)
Net cash from operating activities	**575,407**	2,675,151
Investing activities		
Purchase of fixed assets	**(3,759)**	(80,005)
Encashment of bank deposits	**6,354,107**	868,064
Increase in bank deposits	**(2,923,942)**	(3,222,405)
Purchase of Bank Muscat bonds	**(3,972,027)**	-
Purchase of investment securities	**(12,035)**	(50,000)
Proceeds from sale of investment	**61,507**	28,035
Proceeds from sale of property, plant and equipment	**-**	956
Interest income	**93,282**	94,070
Dividends received	**545,915**	397,639
Rental income	**36,346**	35,749
Net cash from (used in) investing activities	**179,394**	(1,927,897)
Financing activities		
Cash dividend paid	**-**	(736,456)
Movement in bank borrowings	**(274,682)**	(125,686)
Net cash (used in) financing activities	**(274,682)**	(862,142)
Increase/(Decrease) in cash and cash equivalents	**480,119**	(114,888)
Cash and cash equivalents at the beginning of the period	**653,463**	754,450
Cash and cash equivalents at the end of the period	**1,133,582**	639,562