



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

	<b>31 March 2010 RO</b>	<b>31 March 2009 RO</b>
<b>Operating activities</b>		
Profit before taxation	<b>1,418,725</b>	2,207,448
Adjustments for:		
Depreciation	<b>19,879</b>	20,140
Net unrealised gain on investments securities	<b>(589,867)</b>	(1,445,380)
Realised (loss) gain on removal of investment securities	<b>4,555</b>	10,454
Amortisation of issue expenses on Bank Muscat Bonds	<b>1,404</b>	-
Profit on disposal of property, plant and equipment	<b>23</b>	-
Accrual for employees' end of service benefits	<b>6,569</b>	8774
Interest income	<b>(97,734)</b>	(30,087)
Dividend income	<b>(447,186)</b>	(543,289)
Interest expense	<b>18,871</b>	29,498
Rental income	<b>(18,847)</b>	(19,452)
Profit before changes in operating assets and liabilities	<b>316,392</b>	238,106
Premiums and insurance balances receivable	<b>(3,265,726)</b>	(3,398,200)
Reinsurers' share of outstanding claims	<b>162,145</b>	71,592
Gross outstanding claims	<b>(136,923)</b>	13,937
Reinsurers' share of unearned premium reserve	<b>(858,883)</b>	(945,633)
Movement in gross unearned premium reserve	<b>948,757</b>	1,136,189
Other assets	<b>(167,400)</b>	(100,817)
Due to reinsurers	<b>2,955,801</b>	2,872,278
Other liabilities and accruals	<b>(15,438)</b>	(102,232)
Cash (used in) operations	<b>(61,275)</b>	(214,780)
Taxation paid	<b>(122,877)</b>	(105,464)
Interest paid	<b>(18,871)</b>	(29,498)
Employees' end of services benefits paid	<b>(664)</b>	(573)
Net cash (used in) operating activities	<b>(203,687)</b>	(350,315)
<b>Investing activities</b>		
Purchase of fixed assets	<b>(11,949)</b>	(1,281)
Encashment of bank deposits	<b>1,365,727</b>	503,413
Increase in bank deposits	<b>(581,122)</b>	(315,411)
Proceeds from sale of investment	<b>(4,127)</b>	19,536
Proceeds from sale of property, plant and equipment	<b>68</b>	-
Interest income	<b>97,734</b>	30,087
Dividends received	<b>9,814</b>	2,399
Rental income	<b>18,847</b>	19,452
Net cash from investing activities	<b>894,992</b>	258,195
<b>Financing activities</b>		
Movement in bank borrowings	<b>(718,167)</b>	87,568
Net cash (used in) from financing activities	<b>(718,167)</b>	87,568
<b>Decrease in cash and cash equivalents</b>	<b>(26,862)</b>	(4,411)
Cash and cash equivalents at the beginning of the period	<b>852,835</b>	653,463
<b>Cash and cash equivalents at the end of the period</b>	<b>825,973</b>	648,911