**Muscat National Holding Company SAOG**
**Unaudited condensed consolidated statement of changes in equity**
**For the six months ended 30th June 2010**

| | Share capital RO | Legal reserve* RO | Capital reserve RO | Undistri-butable reserve* RO | Fair value reserve RO | Retained earnings* RO | Contingency reserve* RO | Total RO |
|---|---|---|---|---|---|---|---|---|
| **At 1 January 2010** | **5,000,000** | **2,159,593** | **25,207** | **3,101,017** | **17,857** | **1,954,835** | **751,845** | **13,010,354** |
| **Approved dividend payable** | - | - | - | - | - | **(500,000)** | **-** | **(500,000)** |
| **Transfer to contingency reserve** | - | - | - | - | - | **(43,440)** | **43,440** | - |
| **Profit for the period** | - | - | **-** | - | **-** | **471,954** | **-** | **471,954** |
| **At 30 June2010** | **5,000,000** | **2,159,593** | **25,207** | **3,101,017** | **17,857** | **1,883,349** | **795,285** | **12,982,308** |

| | Share capital RO | Legal reserve* RO | Capital reserve RO | Undistri butable reserve* RO | Retained earnings* RO | Contingency reserve* RO | Total RO |
|---|---|---|---|---|---|---|---|
| At 1 January 2009 | 5,000,000 | 1,858,122 | 25,207 | 3,101,017 | (673,058) | 666,501 | 9,977,789 |
| Transfer to contingency reserve | - | - | - | - | (51,763) | 51,763 | - |
| Profit for the period | - | - | - | - | 3,037,620 | - | 3,037,620 |
| At 30 June 2009 | 5,000,000 | 1,858,122 | 25,207 | 3,101,017 | 2,312,799 | 718,264 | 13,015,409 |

* Note:

1) The undistributable reserve relates to bonus shares issued by the Group's subsidiaries, Muscat Insurance Company SAOC and Muscat Life Assurance Assurance Company SAOC increasing their paid up share capital and is not available for distribution.

2) The contingency reserve in the books of the Group's subsidiaries in accordance with the Omani Insurance Law are not distributable with out prior approval of the Capital Market Authority.

3) Legal reserve is not distributable.