

**MUSCAT NATIONAL HOLDING COMPANY SAOG  
AND ITS SUBSIDIARIES**



**Statement of consolidated changes in equity  
for the year ended 31 December**

Group	Share capital RO	Legal reserve RO	Capital reserve RO	Undistributable reserve RO	Fair value reserve RO	(Accumulated losses)/ 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
Profit for the year	-	-	-	-	-	3,014,708	-	3,014,708
Transfer to legal reserve (note 28)	-	301,471	-	-	-	(301,471)	-	-
Movement in fair value reserve (note 14)	-	-	-	-	17,857	-	-	17,857
Transfer to contingency reserve	-	-	-	-	-	(85,344)	85,344	-
At 31 December 2009	5,000,000	2,159,593	25,207	3,101,017	17,857	1,954,835	751,845	13,010,354
<b>Profit for the year</b>	-	-	-	-	-	<b>1,081,205</b>	-	<b>1,081,205</b>
<b>Cash dividend paid</b>	-	-	-	-	-	<b>(500,000)</b>	-	<b>(500,000)</b>
<b>Transfer to legal reserve (note 28)</b>	-	<b>108,120</b>	-	-	-	<b>(108,120)</b>	-	-
<b>Movement in fair value reserve (note 14)</b>	-	-	-	-	<b>14,286</b>	-	-	<b>14,286</b>
<b>Transfer to contingency reserve</b>	-	-	-	-	-	<b>(77,305)</b>	<b>77,305</b>	-
<b>At 31 December 2010</b>	<b>5,000,000</b>	<b>2,267,713</b>	<b>25,207</b>	<b>3,101,017</b>	<b>32,143</b>	<b>2,350,615</b>	<b>829,150</b>	<b>13,605,845</b>

Note: The undistributable reserve relates to bonus shares issued by the Group's subsidiaries, Muscat Insurance Company SAOC and Muscat Life Assurance Company SAOC, and is not available for distribution as at 31 December 2010.

Parent company	Share capital RO	Legal reserve RO	Capital reserve RO	(Accumulated losses) / retained earnings RO	Total RO
At 1 January 2009	5,000,000	993,021	25,207	(545,706)	5,472,522
Profit for the year	-	-	-	1,488,530	1,488,530
Transfer to legal reserve (note 28)	-	148,853	-	(148,853)	-
At 31 December 2009	5,000,000	1,141,874	25,207	793,971	6,961,052
<b>Profit for the year</b>	-	-	-	<b>606,156</b>	<b>606,156</b>
<b>Cash dividend paid</b>	-	-	-	<b>(500,000)</b>	<b>(500,000)</b>
<b>Transfer to legal reserve (note 28)</b>	-	<b>60,616</b>	-	<b>(60,616)</b>	-
<b>At 31 December 2010</b>	<b>5,000,000</b>	<b>1,202,490</b>	<b>25,207</b>	<b>839,511</b>	<b>7,067,208</b>

The attached notes 1 to 35 form an integral part of these consolidated financial statements.  
The report of the Auditors is set forth on page 1.