



شركة مسقط الوطنية القابضة ش.م.ع.
MUSCAT NATIONAL HOLDING COMPANY S.A.O.G.

**BOARD OF DIRECTORS' REPORT ON THE THREE MONTHS (UNAUDITED)
CONSOLIDATED RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2013**

I am pleased to present, on behalf of the Board of Muscat National Holding Company SAOG the consolidated unaudited results for the three months ended 31st March 2013.

The consolidated Gross Premiums have decreased to OMR 7.130 Million in the first three months of 2013 compared with OMR 7.337 Million in 2012. While the general subsidiary gross premium increased from RO 5.912 million to RO 6.810 million on quarter on quarter basis; The life subsidiary's gross premium reduced to RO 321K from RO 1.425 million for the same period last year. This reduction was in respect of bank credit life business from HSBC Bank Oman. The bank renewed the policy with its international insurance company in accordance with its global policy. The life subsidiary company is in close contact with other Omani banks for replacement of the lost business in respect of the bank credit life.

As a result, our consolidated underwriting results for the three months were OMR 444,340 compared to OMR 645,704 in 2012.

The Investment loss was OMR 150,715 compared with income of OMR 246,118 for the corresponding period of 2012 on account of unrealised losses in the local equity portfolio.

General and Administrative Expenses were lower at OMR 280,785 compared to OMR 306,534 for the same period in 2012.

The net loss after tax for the period was OMR 61,918 compared to a profit of OMR 488,897 for the same period last year.

The Board of Directors appreciates the ongoing support of our Customers, Reinsurers and Shareholders.

The Board of Directors appreciates the efforts being made by the Management and staff of the company for the development of the business.

On behalf of the Board, I would like to take this opportunity to express our most humble gratitude and loyalty to His Majesty Sultan Qaboos bin Said for the continued peace and stability, which his reign has brought us. We also wish His Majesty the strength and good health to allow him to continue to lead us on an enlightened path to future prosperity and development for Oman and its people.

For and on behalf of the Board of Directors,

Gamal Mohamed Mohamed
Chairman