

INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED 30 June 2017

Unaudited 30-Jun-16 US\$ '000	Unaudited 30-Jun-17 US\$ '000		Unaudited 30-Jun-17 RO '000	Unaudited 30-Jun-16 RO '000
		CASH FLOWS FROM OPERATING ACTIVITIES		
41,975	38,038	Profit before taxation	14,645	16,160
		Adjustments for:		
1,662	1,688	Depreciation	650	640
426	4,496	Loans and financing impairment, net of recoveries	1,731	164
1,327	247	Impairment on available for sale investments	95	511
195	161	End of service benefits provision	62	75
80	-	Loss on sale of investment securities	-	31
45,665	44,630	Operating profit before working capital changes	17,183	17,581
(5,000)	-	Decrease in due to banks	-	(1,925)
(44)	(55)	End of service benefits paid	(21)	(17)
(76,932)	(252,958)	Increase in loans & advances and financing	(97,389)	(29,619)
(63,984)	(59,475)	Net movement in held for trading investments	(22,898)	(24,634)
(174,927)	276,416	Increase / (Decrease) in customers' deposits	106,420	(67,347)
7,179	7,938	Changes in other assets and other liabilities	3,056	2,765
(268,043)	16,496	Cash generated from/(used in) operations	6,351	(103,196)
(7,358)	(10,948)	Tax paid	(4,215)	(2,833)
(275,401)	5,548	Net cash generated from / (used in) operating activities	2,136	(106,029)
		CASH FLOWS FROM INVESTING ACTIVITIES		
5,369	(42,005)	Increase in investment, net (excluding held for trading investments)	(16,172)	2,067
(743)	(1,504)	Purchase of property and equipment	(579)	(286)
4,626	(43,509)	Net cash (used in)/ generated from investing activities	(16,751)	1,781
		CASH FLOWS FROM FINANCING ACTIVITIES		
(37,013)	(37,013)	Dividends paid	(14,250)	(14,250)
-	(90,909)	Decrease in subordinated liabilities	(35,000)	-
-	20,000	Increase in borrowed funds	7,700	-
(37,013)	(107,922)	Net cash used in financing activities	(41,550)	(14,250)
(307,788)	(145,883)	Net change in cash and cash equivalents	(56,165)	(118,498)
261,282	139,771	Cash and cash equivalents at 1 January	53,812	100,593
(46,506)	(6,112)	Cash and cash equivalents at 30 June	(2,353)	(17,905)

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Cash and cash equivalent comprises of the following:

30-Jun-16 US\$ '000	30-Jun-17 US\$ '000		30-Jun-17 RO '000	30-Jun-16 RO '000
260,096	225,623	Cash and current balances with Central Bank of Oman	86,865	100,137
33,842	19,405	Due from banks	7,471	13,029
200,000	145,000	Treasury bills with three months maturity	55,825	77,000
(540,444)	(396,140)	Due to banks	(152,514)	(208,071)
<u>(46,506)</u>	<u>(6,112)</u>		<u>(2,353)</u>	<u>(17,905)</u>

Reconciliation of liabilities arising from financing activities

30-Jun-16 US\$ '000	30-Jun-17 US\$ '000		30-Jun-17 RO '000	30-Jun-16 RO '000
		Borrowed funds		
125,000	130,000	Balance at beginning of the period	50,050	48,125
-	20,000	Cash flows	7,700	-
<u>125,000</u>	<u>150,000</u>	Balance at end of the period	<u>57,750</u>	<u>48,125</u>
		Subordinated liabilities		
168,831	168,831	Balance at beginning of the period	65,000	65,000
-	(90,909)	Cash flows	(35,000)	-
<u>168,831</u>	<u>77,922</u>	Balance at end of the period	<u>30,000</u>	<u>65,000</u>

Notes 1 to 16 form part of these interim condensed financial statements