

BANK NIZWA SAOG**Condensed interim statement of cash flows**

30 June 2014 (Un-audited)

	<i>Six months ended 30 June 2014 RO</i>	<i>Period ended 15 August 2012 to 30 June 2013 RO</i>
Cash flows from operating activities		
Net loss for the period before tax	(4,432,476)	(9,752,479)
Adjustments for:		
Depreciation and amortization	826,326	729,602
General provision	560,713	156,760
Investment risk reserve	3,345	594
Profit equalization reserve	28,644	958
Cash flows used in operating activities before changes in operating assets and liabilities	<u>(3,013,448)</u>	<u>(8,864,565)</u>
Changes in operating assets and liabilities:		
Increase in sales receivables	(15,799,211)	(6,895,037)
Increase in Ijara Muntahia Bittamleek assets	(13,914,962)	(5,329,064)
Increase in investment in Ijarah assets	(6,656,822)	-
Increase in other assets	(244,329)	(2,406,766)
Increase in customers' current accounts	16,992,975	13,265,097
Capital deposit with CBO	(45,997)	(150,000)
Increase in other liabilities	3,669,087	2,688,752
Net cash used in operating activities	<u>(19,012,707)</u>	<u>(7,691,583)</u>
Cash flows from investing activities		
Divestment/(investment) in financial assets at fair value through equity	29,413,256	(45,081,469)
Purchase of investment in real estate	-	(14,175,000)
Purchase of intangibles assets	(174,644)	(1,422,937)
Purchase of property and equipment	(643,292)	(4,646,407)
Inter-bank Wakala investment	(6,468,000)	(13,679,900)
Net cash generated from/ (used in) investing activities	<u>22,127,320</u>	<u>(79,005,713)</u>
Cash flows from financing activities		
Increase in unrestricted investment accountholders	15,630,218	6,942,676
Inter-bank Wakala	18,011,000	-
Customer Wakala	500	-
Issue of share capital including share premium	-	153,000,000
Issue expenses	-	(908,808)
Net cash generated from financing activities	<u>33,641,718</u>	<u>159,033,868</u>
Increase in cash and cash equivalents	<u>36,756,331</u>	<u>72,336,572</u>
Cash and cash equivalents at the beginning of the period	<u>46,664,216</u>	<u>-</u>
Cash and cash equivalents at the end of the period	<u>83,420,547</u>	<u>72,336,572</u>
Cash and balances with CBO	27,402,017	20,505,891
Capital deposit with CBO	(195,997)	(150,000)
Due from banks and financial institutions	5,566,277	4,636,881
Inter-bank Wakala investment	64,707,750	53,118,800
Inter-bank Wakala	(14,059,500)	(5,775,000)
Cash and cash equivalent for the purpose of cash flow statement	<u>83,420,547</u>	<u>72,336,572</u>

The notes on pages 7 to 21 form an integral part of this condensed interim financial information.