

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

30 September 2016 (Un-audited)

	<i>Nine months ended 30 September 2016 RO</i>	<i>Nine months ended 30 September 2015 RO</i>
Cash flows from operating activities		
Loss for the period before tax	(539,911)	(4,436,129)
Adjustments for:		
Depreciation and amortisation	832,378	1,308,382
General and specific provision	1,206,043	1,171,366
Investment risk reserve	69,320	19,399
Profit equalisation reserve	195,242	388,546
Cash flows from (used in) operating activities before changes in operating assets and liabilities	<u>1,763,072</u>	<u>(1,548,436)</u>
Changes in operating assets and liabilities:		
Increase in sales receivables	(20,288,081)	(22,530,787)
Increase in Ijara Muntahia Bittamleek assets	(67,217,804)	(80,648,092)
Decrease in investment in Ijarah assets	-	7,427,515
Increase in Musharaka financing	(495,125)	-
Increase in other assets	(52,549)	(857,584)
(Decrease)/increase in customers' current accounts	(2,695,404)	17,875,603
Increase in other liabilities	79,359	481,657
Net cash used in operating activities	<u>(88,906,532)</u>	<u>(79,800,124)</u>
Cash flows from investing activities		
Investment in financial assets at fair value through equity	(4,353,538)	(7,452,578)
Increase of Wakala Bel Istithmar	(22,398,714)	(7,698,858)
Purchase of intangibles assets	(432,842)	(243,224)
Purchase of property and equipment	(11,814)	(356,614)
Inter bank Wakala investment	-	9,047,500
Net cash (used in) investing activities	<u>(27,196,908)</u>	<u>(6,703,774)</u>
Cash flows from financing activities		
Increase in unrestricted investment accountholders	23,506,696	20,350,984
Customers' Wakala	89,938,389	38,633,300
Increase in capital deposit with CBO	(92,989)	(57,109)
Net cash generated from financing activities	<u>113,352,096</u>	<u>58,927,175</u>
Decrease in cash and cash equivalents	<u>(2,751,344)</u>	<u>(27,576,723)</u>
Cash and cash equivalents at the beginning of the period	<u>23,847,587</u>	<u>51,135,429</u>
Cash and cash equivalents at the end of the period	<u>21,096,243</u>	<u>23,558,706</u>
Cash and balances with CBO	30,871,923	27,635,324
Capital deposit with CBO	(346,095)	(253,106)
Due from banks and financial institutions	1,590,430	2,913,988
Inter-bank Wakala Investment	734,020	-
Inter-bank Wakala	(11,754,035)	(6,737,500)
Cash and cash equivalent at the end of the period	<u>21,096,243</u>	<u>23,558,706</u>

The notes on pages 7 to 23 form an integral part of this condensed interim financial information.