

1. GENERAL INFORMATION

Oman International Development and Investment Company SAOG (the Parent Company) is incorporated in the Sultanate of Oman as a public joint stock company and is principally engaged in investment related activities. The Parent Company has its listing on the Muscat Securities Market.

The Parent Company's principal place of business and registered address is Al Shatti Al Qurum, Way No. 3036 Building No. 2832 Fourth Floor, P O Box 3886, Ruwi, Postal Code 112, Sultanate of Oman.

These consolidated interim financial statements for the three month period ended 31 March 2015 comprise the Parent Company and its subsidiaries (together referred to as the Group) and the Group's interest in associates. The separate financial statements represent the financial statements of the Parent Company on a stand-alone basis. The consolidated and separate financial statements are collectively referred to as "the financial statements".

2. ACCOUNTING POLICIES

The interim condensed consolidated financial information of the Group has been prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the audited annual consolidated financial statements for the year ended 31 December 2014.

3. CERTIFICATES OF DEPOSIT

Certificates of deposit held are issued by the Central Bank of Oman for a tenor of 28 days and carry interest at the average rate of 0.125% per annum (31 March 2014 – 0.125% per annum).

4. DEPOSITS WITH BANKS

Deposits with banks include RO 500,000 (31 March 2014 - RO 500,000) being statutory capital deposit with the Central Bank of Oman in terms of regulations applicable to the banking subsidiary. This deposit cannot be withdrawn without prior written approval of the Central Bank of Oman.

5. INVESTMENT SECURITIES

At 31 March, investment securities comprised the following:

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Financial assets at fair value through				
profit or loss	6,619	10,013	4,600	8,226
Available for sale investments	58,079	30,265	34,107	8,142
Held-to-maturity investments	110,077	32,006	-	-
	<u>174,775</u>	<u>72,284</u>	<u>38,707</u>	<u>16,368</u>

5. INVESTMENT SECURITIES (continued)

(a) Financial assets at fair value through profit or loss

(i) Financial assets designated at fair value through profit or loss

At 31 March, financial assets designated at fair value through profit or loss comprised the following:

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Quoted investments				
Local investments				
Equity investments:				
Banking sector	3,706	2,267	2,812	1,799
Investment sector	1,303	1,382	1,303	1,382
Services sector	86	161	36	104
Industrial sector	335	907	330	845
	<u>5,430</u>	<u>4,717</u>	<u>4,481</u>	<u>4,130</u>
Mutual Funds	423	597	-	-
	<u>5,853</u>	<u>5,314</u>	<u>4,481</u>	<u>4,130</u>
Foreign investments				
Equity investments	<u>119</u>	<u>4,096</u>	<u>119</u>	<u>4,096</u>
Total quoted investments	<u>5,972</u>	<u>9,410</u>	<u>4,600</u>	<u>8,226</u>
Unquoted investments				
Local investments	317	286	-	-
Total financial assets designated at fair value through profit or loss	<u>6,289</u>	<u>9,696</u>	<u>4,600</u>	<u>8,226</u>

5. INVESTMENT SECURITIES (continued)

(a) *Financial assets at fair value through profit or loss (continued)*

(ii) *Financial assets held for trading*

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Quoted	330	317	-	-
Total financial assets at fair value through profit or loss	6,619	10,013	4,600	8,226

(b) *Available for sale investments*

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Local investments				
Quoted investments	42,286	16,077	27,134	-
Fair value reserve	(1,947)	567	(1,855)	-
Unquoted investments	889	874	700	700
Fair value reserve	6,583	6,565	6,598	6,598
Deferred tax liability on fair value reserve	(659)	(659)	(659)	(659)
	47,152	23,424	31,918	6,639
Foreign investments				
Quoted investments	11,246	5,156	1,907	-
Fair value reserve	(738)	(4)	(137)	-
	10,508	5,152	1,770	-
Unquoted investments	1,830	4,517	1,830	4,331
Less: Provision for impairment [note 5(d)]	(1,475)	(2,906)	(1,475)	(2,906)
	355	1,611	355	1,425
Fair value reserve	64	78	64	78
	419	1,689	419	1,503
Total available for sale investments	58,079	30,265	34,107	8,142

5. INVESTMENT SECURITIES (continued)

(c) *Held-to-maturity investments*

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Oman Government Development Bonds				
- held by the banking subsidiary	51,127	32,006	-	-
Treasury bills				
- held by the banking subsidiary	58,950	-	-	-
	<u>110,077</u>	<u>32,006</u>	<u>-</u>	<u>-</u>

Bonds are denominated in Rial Omani and are issued by the Government of Oman. They carry interest rates varying between 2.75% and 5.50% (2014 – 2.75% and 5.50%) per annum. The maturity profile of these bonds, based on the remaining period to maturity from the balance sheet date, is as follows:

	2015	2014
	(RO'000)	(RO'000)
Within one year	800	2,400
Between one and five years	50,327	29,606
	<u>51,127</u>	<u>32,006</u>

(d) *Movement in provision for impairment of investments*

	Group and Parent Company	
	Unquoted foreign investments	
	2015	2014
	(RO'000)	(RO'000)
Balance at 1 January	1,475	2,906
Provided during the period	-	-
Written off during the period	-	-
Balance at 31 March	<u>1,475</u>	<u>2,906</u>

5. INVESTMENT SECURITIES (continued)

(e) *Investments in associates*

Group

At 31 March, investments in associates represented holdings in the following companies registered in the Sultanate of Oman:

	2015		2014	
	Holding	Carrying	Holding	Carrying
	(%)	value	(%)	value
		(RO'000)		(RO'000)
National Finance Company SAOG	25.87	9,719	24.22	8,388
National Biscuit Industries Ltd. SAOG	29.32	1,161	21.32	1,023
National Detergent Company SAOG	20.94	2,612	20.94	2,599
		<u>13,492</u>		<u>12,010</u>

All the Group's associated companies' shares are listed on the Muscat Securities Market (MSM). The market value of investments in associated companies as of the balance sheet date amounted to RO 13,733,172 (2014 - RO 13,418,532).

Parent Company

At 31 March, investments in associates represented holdings by the Parent Company in the following companies registered in the Sultanate of Oman:

	2015		2014	
	Holding	Cost	Holding	Cost
	(%)	(RO'000)	(%)	(RO'000)
National Finance Company SAOG	25.56	4,804	24.01	4,182
National Biscuit Industries SAOG	28.92	732	21.00	732
National Detergent Company SAOG	20.94	<u>713</u>	20.94	<u>713</u>
		<u>6,249</u>		<u>5,627</u>

All the Parent Company's associated companies' shares are listed on the Muscat Securities Market (MSM). The market value of investments in associated companies as of the balance sheet date amounted to RO 13,604,096 (2014 - RO 13,285,502).

5. INVESTMENT SECURITIES (continued)

(f) *Investments in subsidiaries*

At 31 March, investments held by the Parent Company in subsidiaries are:

	<u>Incorporated in</u>	<u>2015</u>		<u>2014</u>	
		<u>Cost</u> (RO'000)	<u>Holding</u> %	<u>Cost</u> (RO'000)	<u>Holding</u> %
Oman Arab Bank SAOC (Principal activity: Banking)	Oman	41,302	50.99	41,302	50.99
Oman Investment Services SAOC (Principal activity: Investments)	Oman	903	99.98	903	99.98
Salalah Resorts SAOC (Principal activity: Integrated Tourism Project)	Oman	3,000	99.98	1,000	99.98
Al Jabal Al Aswad Investment LLC (Principal activity: Real Estate)	Oman	-	100.00	-	-
Budva Beach Properties d.o.o (Principal activity: Tourism Project) (Held through SPV Al Jabal Al Aswad Investment LLC)	Montenegro	5,231	100.00	5,231	100.00
		<u>50,436</u>		<u>48,436</u>	

5. INVESTMENT SECURITIES (continued)

(g) Details of significant investments

At 31 March, the Group's investments for which either, the Group's holding represents 10% or more of the issuer's share capital, or, the Group's holding exceeds 10% of the market value of the Group's investment portfolio, are detailed as follows:

Quoted securities

	<u>Holding</u> %	<u>Number of</u> <u>shares held</u>	<u>Fair</u> <u>value</u> (RO'000)	<u>Carrying</u> <u>value</u> (RO'000)
<u>Group</u>				
National Biscuit Industries Ltd SAOG	29.22	292,197	1,096	1,161
National Finance Co. SAOG	25.87	68,101,939	10,147	9,719
National Detergent Co. SAOG	20.94	3,561,700	2,493	2,612
Oman National Dairy Products Co. Ltd SAOC	19.65	482,726	-	-
			<u>13,736</u>	<u>13,492</u>

At 31 March, the Parent Company's investments for which either, the Parent Company's holding represents 10% or more of the issuer's share capital, or, the Parent Company's holding exceeds 10% of the market value of the Parent Company's investment portfolio, are detailed as follows:

	<u>Holding</u> %	<u>Number of</u> <u>shares held</u>	<u>Fair</u> <u>value</u> (RO'000)	<u>Carrying</u> <u>value</u> (RO'000)
<u>Parent Company</u>				
National Biscuit Industries Ltd SAOG	28.92	289,197	1,085	732
National Finance Co. SAOG	25.56	61,650,136	10,026	4,804
National Detergent Co. SAOG	20.94	3,561,700	2,493	713
Oman National Dairy Products Co. Ltd SAOC	19.65	482,726	-	-
			<u>13,604</u>	<u>6,249</u>

Unquoted securities

	<u>Holding</u> %	<u>Number of</u> <u>shares held</u>	<u>Carrying</u> <u>value</u> (RO'000)
<u>Group</u>			
<u>Subsidiaries</u>			
Oman Arab Bank SAOC	51.00	591,600,000	104,745
Oman Investment Services SAOC	99.98	999,800	845
Salalah Resorts SAOC	99.98	999,800	1,288
Budva Beach Properties d.o.o	100.00	-	4,906
<u>Others</u>			
Al Shamal Plastics LLC	20.00	200,000	913
Modern Steel Mills LLC	19.48	1,363,950	4,828
Gulf Acrylic Industries LLC	20.00	100,000	621
			<u>118,146</u>

5. INVESTMENT SECURITIES (continued)

(g) Details of significant investments (continued)

	<u>Holding</u> %	<u>Number of</u> <u>shares held</u>	<u>Carrying</u> <u>value</u> (RO'000)
<u>Parent Company</u>			
<i>Subsidiaries</i>			
Oman Arab Bank SAOC	50.99	591,484,000	41,302
Oman Investment Services SAOC	99.98	999,800	903
Salalah Resorts SAOC	99.98	2,999,800	3,000
Budva Beach Properties d.o.o	100.00	-	5,231
<i>Others</i>			
Al Shamal Plastics LLC	15.00	150,000	876
Modern Steel Mills LLC	19.48	1,363,950	4,828
Gulf Acrylic Industries LLC	15.00	75,000	561
			<u>56,701</u>

6. LOANS AND ADVANCES TO CUSTOMERS

- (a) At 31 March, Loans and advances to customers extended by the banking subsidiary were as follows:

	<u>2015</u> (RO'000)	<u>2014</u> (RO'000)
Commercial loans	657,885	584,233
Overdrafts	131,298	118,985
Personal loans	527,495	441,586
Credit cards	4,907	5,326
Al-Yusr financing activities	<u>26,027</u>	<u>6,846</u>
Gross loans and advances	1,347,612	1,156,976
Less: Allowance for loan impairment and reserved interest	<u>(39,052)</u>	<u>(34,657)</u>
Net loans and advances	<u>1,308,560</u>	<u>1,122,319</u>

(b) Allowance for loan impairment and reserved interest

The movement in the allowance for loan impairment and reserved interest was as follows:

	<u>Allowance for</u> <u>loan impairment</u> (RO 000)	<u>Reserved</u> <u>interest</u> (RO 000)	<u>Total</u> (RO 000)
2015			
Balance at 1 January	30,651	6,339	36,990
Provided during the period	2,587	590	3,177
General Provision – Al-Yusr	79	-	79
Amounts written off during the period	-	(15)	(15)
Amounts released/recovered	<u>(1,025)</u>	<u>(154)</u>	<u>(1,179)</u>
Balance at 31 March	<u>32,292</u>	<u>6,760</u>	<u>39,052</u>

6. LOANS AND ADVANCES TO CUSTOMERS (continued)

(b) Allowance for loan impairment and reserved interest (continued)

	Allowance for loan impairment	Reserved interest	Total
	(RO 000)	(RO 000)	(RO 000)
2014			
Balance at 1 January	27,318	6,997	34,315
Provided during the period	1,546	607	2,153
General Provision – Al-Yusr	53	-	53
Amounts written off during the period	(316)	(934)	(1,250)
Amounts released/recovered	(517)	(97)	(614)
Balance at 31 March	<u>28,084</u>	<u>6,573</u>	<u>34,657</u>

- (c) The Central Bank of Oman regulations require that the allowance for impaired loan account should be the higher of the provision determined in accordance with IAS 39 and Central Bank of Oman guidelines. Loans and advances on which interest has been reserved and/or has not been accrued amounted to RO 40,082,495 (2014 - RO 35,903,070).

At 31 March 2015, out of the total loan impairment provision, RO 17,821,138 (2014 - RO 15,421,782) has been made for the potential loss against risk inherent on performing portion of the loans and advances on a collective portfolio basis.

- (d) All loans and advances were made to customers within the Sultanate of Oman. The concentration of loans and advances by sector is as follows:

	2015	2014
	(RO'000)	(RO'000)
Personal loans including credit cards	550,235	449,950
Transportation	103,627	143,742
Construction	134,913	114,347
Manufacturing	110,334	110,972
Utilities	65,823	43,154
Wholesale and retail trade	76,013	41,952
Services	43,657	34,408
Import trade	46,012	35,784
Mining and quarrying	20,283	14,707
Financial institutions	35,307	13,664
Agriculture and allied activities	6,638	6,204
Export trade	992	990
Others	153,778	147,102
	<u>1,347,612</u>	<u>1,156,976</u>

7. PROJECTS WORK IN PROGRESS

At 31 March, projects work in progress are as follows:

	<u>2015</u> (RO'000)	<u>2014</u> (RO'000)
Salalah Resorts SAOC:		
Initial stage	168	1,067
Consultancy charges	<u>2,575</u>	<u>2,811</u>
	2,743	3,878
Less: Provision for impairment	<u>-</u>	<u>(1,329)</u>
	2,743	2,549
Budva Beach Properties d.o.o :		
Cost of land	5,231	5,231
Consultancy and other costs	<u>948</u>	<u>951</u>
	6,179	6,182
	<u>8,922</u>	<u>8,731</u>

8. DUE TO BANKS

At 31 March, due to banks are as follows:

	<u>Group</u> <u>2015</u> (RO'000)	<u>2014</u> (RO'000)	<u>Parent Company</u> <u>2015</u> (RO'000)	<u>2014</u> (RO'000)
Due to banks	26,750	17,700	-	-
Loans and overdrafts	<u>11,967</u>	<u>4,124</u>	<u>44,750</u>	<u>22,700</u>
	<u>38,717</u>	<u>21,824</u>	<u>44,750</u>	<u>22,700</u>

The maturity profile of terms loans is as follow:

	<u>Group</u> <u>2015</u> (RO'000)	<u>2014</u> (RO'000)	<u>Parent Company</u> <u>2015</u> (RO'000)	<u>2014</u> (RO'000)
Due within one year	3,750	17,700	6,750	22,700
Due in more than one year	<u>23,000</u>	<u>-</u>	<u>38,000</u>	<u>-</u>
	<u>26,750</u>	<u>17,700</u>	<u>44,750</u>	<u>22,700</u>

9. SUBORDINATED BONDS

In order to enhance the capital adequacy and to meet the funding requirements our banking subsidiary Oman Arab Bank issued non-convertible unsecured Subordinated Bonds of RO 50 million (50,000,000 units of RO 1 each) for a tenor of five years and one month in April 2012 through private placement. The Bonds are listed in the Muscat Securities Market and are transferable through trading. The Bonds carry a fixed coupon rate payable semi-annually with the principal payable on maturity.

10. SHARE CAPITAL

- (a) The authorised share capital of the Parent Company is 500,000,000 (2014 – 500,000,000) shares of 100 baisa each. 370,417,300 (2014 – 336,743,000) shares of 100 baisa each have been issued and fully paid.
- (b) At the Annual General Meeting of the shareholders of the Parent Company held on 30 March 2015 bonus shares of 33,674,300 (2014 – 30,613,000) shares at 100 baisa per share were approved to be issued by transferring RO 3,367,430 (2014 – RO 3,061,300) from retained earnings to share capital.
- (c) Shareholders of the Parent Company who own 10% or more of the Company's shares, whether in their name or through a nominee, and the number of shares they hold are as follows:

	2015		2014	
	Holding %	Shares	Holding %	Shares
Al Hilal Investment Co. LLC	20.22	68,092,793	20.22	68,092,793
Civil Service Employees Pension Fund	14.17	47,728,116	14.77	49,726,182
	<u>34.39</u>	<u>115,820,909</u>	<u>34.99</u>	<u>117,818,975</u>

11. INTEREST INCOME

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Loans and advances to customers	14,507	13,581	-	-
Placements with banks	61	9	-	-
Certificates of deposit	66	38	-	-
Interest from treasury bills	4	-	-	-
Oman Government Development Bonds	285	194	-	-
	<u>14,923</u>	<u>13,822</u>	<u>-</u>	<u>-</u>

12. INTEREST EXPENSE

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Parent Company:				
Bank borrowings	180	87	302	114
Banking subsidiary:				
Time deposits	2,666	2,124	-	-
Subordinated bonds	678	678	-	-
Call accounts	222	186	-	-
Saving accounts	68	101	-	-
	<u>3,814</u>	<u>3,176</u>	<u>302</u>	<u>114</u>

13. INVESTMENT INCOME

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Dividend from investments	799	1,137	8,205	7,148
Quoted local investments:				
Profit on sale	743	638	76	61
Changes in fair value	2,237	131	2,200	28
Quoted foreign investments:				
Profit on sale	(57)	266	(57)	266
Changes in fair value	(14)	198	(14)	198
Investment property:				
Gain on sale of an investment property	651	-	651	-
	<u>4,359</u>	<u>2,370</u>	<u>11,061</u>	<u>7,701</u>

14. COMMISSION AND OTHER INCOME

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Fees and commission	5,693	4,882	12	54
Foreign exchange	1,137	1,073	-	-
Other income	36	44	(2)	7
	<u>6,866</u>	<u>5,999</u>	<u>10</u>	<u>61</u>

15. OPERATING EXPENSES

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Staff costs	7,005	6,029	416	317
Other operating expenses	3,341	2,872	380	57
Depreciation	832	646	24	19
Directors' sitting fees and remuneration:				
Parent company	50	50	50	50
Banking subsidiary	12	24	-	-
	<u>11,240</u>	<u>9,621</u>	<u>870</u>	<u>443</u>

16. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following:

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Balances with banks and money at call	101,705	103,060	10,216	7,381
Deposits with banks (note 4)	89,575	38,352	-	-
Certificates of deposit	195,000	170,000	-	-
Due to banks	(11,967)	(4,124)	-	-
	<u>374,313</u>	<u>307,288</u>	<u>10,216</u>	<u>7,381</u>

17. DIVIDENDS PER SHARE

At the Annual General Meeting, held on, Monday 30 March 2015 (2014 – Monday, 31 March 2014), a cash dividend of RO 0.020 per share (2014 – RO 0.015 per share) amounting to a total of RO 6,734,800 (2014 – RO 4,591,950) and a stock dividend of 10 shares for every 100 shares held (2014 – 10 shares for every 100 shares held) amounting RO 3,367,400 (2014 – RO 3,061,300) in respect of year ended 31 December 2014 was approved. Following this, the dividend is accounted for in shareholders' changes in equity as an appropriation of retained profits in the period.

18. CONTINGENT LIABILITIES

At 31 March 2015, the Group had contingent liabilities as follows:

	2015	2014
	(RO'000)	(RO'000)
Banking subsidiary:		
Letters of credit	256,883	433,506
Guarantees	607,658	495,394
	<u>864,541</u>	<u>928,900</u>

Letters of credit and guarantees amounting to RO 558,575,542 (2014 – RO 691,205,171) and relating to banking subsidiary were counter guaranteed by other banks.

19. SEGMENTAL INFORMATION

The Group is organised into two main business segments:

- 1) Banking Segment – incorporating corporate, retail and treasury and investment banking activities carried out by the Group’s banking subsidiary; and
- 2) Investment Segment – incorporating investment activities for both short-term and long-term purposes.

Transactions between the business segments are on normal commercial terms and conditions and are entered into between the banking subsidiary and the rest of the Group. Such transactions are eliminated on consolidation.

	Investments RO'000	Banking Sector					Adjustments RO'000	Total RO'000
		Retail Banking RO'000	Corporate Banking RO'000	Treasury/ Investment Banking RO'000	Unallocated Al Yusr RO'000	RO'000		
2015								
Net operating income	10,784	10,699	6,802	1,550	116	323	(7,514)	22,760
Segmental assets	123,557	516,933	784,034	36,717	546,031	29,638	(73,322)	1,963,588
2014								
Net operating income	7,698	9,526	5,823	2,000	490	168	(6,279)	19,426
Segmental assets	99,376	431,381	689,192	38,624	384,712	10,960	(58,441)	1,595,804

20. RELATED PARTY TRANSACTIONS

- (a) These represent transactions with related parties defined in International Accounting Standard 24 – Related Party Disclosures. Pricing policies and the terms of the transactions are approved by the Parent Company’s and subsidiaries’ respective Boards of Directors.
- (b) Transactions and balances with related parties of the Parent Company or holders of 10% or more of the Parent Company’s shares or their family members, included in the income statement, balance sheet and off-balance sheet are as follows:

	Total	Major	Directors	Associates/	Key	Non-
	RO’000	shareholders	RO’000	Subsidiary	Management	controlling
	RO’000	RO’000	RO’000	RO’000	RO’000	interests
	RO’000	RO’000	RO’000	RO’000	RO’000	RO’000
2015						
Group						
Statement of income						
Interest and commission income	206	5	4	46	-	151
Interest expense	106	-	-	-	-	106
Directors’ sitting fees	62	-	50	-	-	12
Statement of financial position						
Loans and advances	20,724	4,000	413	9,817	-	6,494
Deposit from customers	4,870	118	118	45	-	4,589
Off Statement of financial position						
Letters of credit, guarantees and Acceptances	209,578	-	-	-	-	209,578
Parent Company						
Statement of income						
Directors’ sitting fees	50	-	50	-	-	-
Operating expenses	1	-	1	-	-	-
Statement of financial position						
Property and equipment	142	-	142	-	-	-
Bank borrowings	18,000	-	-	18,000	-	-
Bank balances	8,220	-	-	8,220	-	-
Due from subsidiaries	2,942	-	-	2,942	-	-

20. RELATED PARTY TRANSACTIONS (continued)

	Total	Major	Directors	Associates/ Subsidiary	Key Management	Non- controlling interests
	RO'000	shareholders RO'000	RO'000	RO'000	RO'000	RO'000
2014						
Group						
Statement of income						
Interest and commission income	79	-	1	31	-	47
Interest expense	103	-	-	-	-	103
Directors' sitting fees	74	-	50	-	-	24
Statement of financial position						
Loans and advances	7,368	-	85	6,533	-	750
Deposit from customers	177	-	140	33	-	4
Off Statement of financial position						
Letters of credit, guarantees and Acceptances	171,860	-	-	-	-	171,860
Parent Company						
Statement of income						
Directors' sitting fees	50	-	50	-	-	-
Operating expenses	40	-	40	-	-	-
Statement of financial position						
Bank borrowings	5,000	-	-	5,000	-	-
Bank balances	6,467	-	-	6,467	-	-
Due from subsidiaries	4,593	-	-	4,593	-	-

- (c) The banking subsidiary has a management agreement with Arab Bank plc, Jordan, which owns 49% of the banking subsidiary's share capital. In accordance with the terms of the management agreement, Arab Bank plc provides banking related technical assistance and other management services, including secondment of managerial staff. The annual management fee is 0.3% of profit after tax.

21. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period by the number of shares outstanding during the period.

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Profit for the period (RO '000)	<u>5,657</u>	<u>4,463</u>	<u>9,899</u>	<u>7,205</u>
Weighted average number of shares outstanding during the period	<u>370,417,300</u>	<u>370,417,300</u>	<u>370,417,300</u>	<u>370,417,300</u>
Basic earnings per share (RO)	<u>0.015</u>	<u>0.012</u>	<u>0.027</u>	<u>0.019</u>

During the period the Parent Company issued stock dividend of 33,674,000 shares (2014 – 30,613,000). According to IAS 33 - Earnings per share, paragraph 26, the weighted average number of ordinary shares outstanding during the period and for all periods presented shall be adjusted. In the present financial statement, the issue has been treated as if it had occurred at the beginning of 2015 and the 2014 basic earnings per share was recalculated accordingly. As there was no dilutive potential shares, the diluted earnings per share is identical to the basic earnings per share.

22. NET ASSETS PER SHARE

The calculation of net assets per share is as follows:

	Group		Parent Company	
	2015	2014	2015	2014
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
Net assets value attributable to shareholders profit (RO'000)	<u>128,603</u>	<u>122,882</u>	<u>60,113</u>	<u>61,146</u>
Weighted average number of shares outstanding during the year	<u>370,417,300</u>	<u>370,417,300</u>	<u>370,417,300</u>	<u>370,417,300</u>
Net assets per share (RO)	<u>0.347</u>	<u>0.332</u>	<u>0.162</u>	<u>0.165</u>

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