

1. GENERAL INFORMATION

Oman International Development and Investment Company SAOG ('the Company' or 'the Parent company' or "OMINVEST") is incorporated in the Sultanate of Oman as a public joint stock company and is listed on the Muscat Securities Market. The parent company is principally engaged in investment related activities and is in the business of banking, insurance and financing through its subsidiaries and associates.

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.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES.

The unaudited condensed interim financial statements for the three months period ended 31 March 2016 comprise the Parent company and its subsidiaries (together referred to as the Group) and the Group's interest in associates. These statements have been prepared in accordance with IAS 34, 'Interim financial reporting' and in compliance with the applicable provisions of the Rules and Guidelines on Disclosure by Issuers of Securities and Insider Trading ('R&G') issued by the Capital Market Authority ('CMA') of the Sultanate of Oman and with the Commercial Companies Law of 1974, as amended.

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the audited annual consolidated financial statements for the year ended 31 December 2015. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2015, which have been prepared in accordance with International Financial Reporting Standards.

Exceptional items are disclosed and described separately in the interim financial statements where it is necessary to do so to provide further understanding of the financial performance of the company. Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

3. ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimating uncertainty were the same as those that were applied to the financial statements for the year ended 31 December 2015.

4. IFRS STANDARDS, AMENDMENTS AND INTERPRETATIONS EFFECTIVE IN 2016

For the period ended 31 March 2016, the Group has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant and mandatory to its operations and effective for periods beginning on 1 January 2016.

Consequent to the amendments in IAS 27 effective from 1 January 2016, company has adopted equity method to account for investments in associates and subsidiaries in separate financial statements. These amendments have been applied retrospectively. The following is the summary of changes in parent company financial statements due to change in accounting policy:

4. IFRS STANDARDS, AMENDMENTS AND INTERPRETATIONS EFFECTIVE IN 2016 (continued)

4.1 Effect on Parent company statement of financial position as on 31.12.2014

	Previously reported as on 31.12.2014	Adjustment	Restated 31.12.2014
Investment in Associate	6,249	7,583	13,832
Investment in Subsidiaries	50,536	65,183	115,719
Retained earnings	10,191	28,676	38,867
Legal reserve	9,072	15,730	24,802
General reserve	-	12,064	12,064
Subordinate debt reserve	-	15,297	15,297
Cumulative changes in Fair Value reserve	6,970	(678)	6,292
Revaluation reserve	-	1,677	1,677

4.2 Effect on Parent company statement of financial position as on 31.12.2015

	Previously reported as on 31.12.2015	Adjustment	Restated 31.12.2015
Investment in Associate	71,035	10,164	81,199
Investment in Subsidiaries	107,176	70,283	177,459
Due from Subsidiaries	39,596	(18)	39,578
Retained earnings	2,696	30,924	33,620
Legal reserve	9,362	17,320	26,682
General reserve	-	13,543	13,543
Subordinate debt reserve	-	20,396	20,396
Cumulative changes in Fair Value reserve	(1,619)	(2,557)	(4,176)
Foreign exchange revaluation reserve	-	(1,239)	(1,239)
Contingency reserve	-	293	293
Revaluation reserve	-	1,748	1,748

4.3 Effect on Parent company statement of comprehensive income for the period ended 31 March 2015

	Previously reported for 3 months ended 31.03.2015	Adjustment	Restated for 3 months ended 31.03.2015
Share of results of Subsidiaries	-	3,273	3,273
Dividend from Subsidiaries	7,099	(7,099)	-
Other comprehensive income	-	(33)	(33)
Share of results of Associates	-	426	426
Dividend from Associates	872	(872)	-

5. CASH AND CASH EQUIVALENTS

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

	Consolidated		Parent Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
				(Restated)
Balances with banks and money at call	178,923	193,267	7,216	1,112
Deposits with banks (note 6)	101,977	116,484	-	-
Due to banks – current accounts (note 16)	(14,084)	(9,404)	-	-
Capital deposits (note 6)	(500)	(500)	-	-
	266,316	299,847	7,216	1,112

6. DEPOSITS WITH BANKS

	Consolidated		Parent Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
				(Restated)
Money market placements	45,751	24,400	-	-
Current accounts	23,013	58,826	-	-
Capital deposits with CBO	500	500	-	-
Deposits with Banks and leasing companies	24,171	24,216	-	-
Subordinated deposits	8,542	8,542	-	-
	101,977	116,484	-	-

7. PREMIUM AND INSURANCE BALANCES RECEIVABLE

	Consolidated (Unaudited)			Consolidated (Audited)		
	31-Mar-16			31-Dec-2015		
	Life	General	Total	Life	General	Total
	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000
Premiums receivable	27,150	1,218	28,368	24,017	1,047	25,064
Reinsurance balances receivable	3,018	386	3,404	3,454	506	3,960
	30,168	1,604	31,772	27,471	1,553	29,024
Allowance for doubtful debts	(474)	(189)	(663)	(441)	(197)	(638)
	29,694	1,415	31,109	27,030	1,356	28,386

8. INVESTMENT SECURITIES

As at the reporting date, investment securities comprised the following:

	Consolidated		Parent Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
				(Restated)
Financial assets at fair value through profit or loss (Note 8a)	8,634	8,936	1,272	1,264
Available-for-sale investments (Note 8b)	104,807	86,483	9,393	9,827
Held-to-maturity investments (Note 8c)	83,786	97,501	-	-
	197,227	192,920	10,665	11,091

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

	Consolidated		Parent Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
				(Restated)
Financial sector	2,940	3,268	1,187	1,179
Industrial sector	1,709	1,683	63	65
Services sector	3,178	3,145	17	15
	7,827	8,096	1,267	1,259
Oman Al Arabi Fund	421	438	-	-
Local quoted investments	8,248	8,534	1,267	1,259
Foreign quoted investments	5	5	5	5
Quoted investments	8,253	8,539	1,272	1,264
Unquoted local investments	323	323	-	-
Financial assets designated at fair value through profit or loss	8,576	8,862	1,272	1,264
Held for trading	58	74	-	-
Financial assets at fair value through profit or loss	8,634	8,936	1,272	1,264

8. INVESTMENT SECURITIES (continued)

(b) Available-for-sale investments

	Consolidated		Parent Company	
	(Unaudited) 31-Mar-16 (RO'000)	(Audited) 31-Dec-15 (RO'000)	(Unaudited) 31-Mar-16 (RO'000)	(Audited) 31-Dec-15 (RO'000) (Restated)
Local investments				
Quoted investments (cost)	82,510	77,505	2,536	2,512
Fair value reserve	(9,489)	(6,295)	(79)	(150)
Unquoted investments (cost)	1,064	1,050	861	861
Fair value reserve	(29)	(15)	-	-
Total local investments	74,056	72,245	3,318	3,223
Foreign investments				
Quoted investments (amortized cost)	33,491	14,469	7,355	7,355
Fair value reserve	(4,380)	(1,876)	(1,939)	(1,410)
Unquoted investments (amortized cost)	2,536	2,519	718	718
Fair value reserve	(801)	(776)	(59)	(59)
Deferred tax liability on fair value reserve	(95)	(98)	-	-
Total foreign investments	30,751	14,238	6,075	6,604
Total available-for-sale investments	104,807	86,483	9,393	9,827

(c) Held-to-maturity investments

	Consolidated		Parent Company	
	(Unaudited) 31-Mar-16 (RO'000)	(Audited) 31-Dec-15 (RO'000)	(Unaudited) 31-Mar-16 (RO'000)	(Audited) 31-Dec-15 (RO'000) (Restated)
Oman Government Development Bonds	56,141	53,855	-	-
Treasury Bills	27,000	43,000	-	-
Banks and Corporate Bonds	645	646	-	-
	83,786	97,501	-	-

9. INVESTMENT IN ASSOCIATES

As at the reporting date, investments in associates represented holdings in the following companies:

31-Mar-2016 (Unaudited)

	Consolidated		Parent company	
	Holding (%)	RO'000	Holding (%)	RO'000
Quoted				
Oman Orix Leasing Company SAOG	35.00%	13,901	35.00%	13,901
National Finance Company SAOG	25.87%	10,562	25.56%	10,491
Oman Chlorine SAOG	15.11%	7,096	15.11%	7,096
National Detergent Company SAOG	20.94%	2,660	20.94%	2,660
National Biscuit Industries Ltd. SAOG	29.22%	1,321	28.92%	1,316
		35,540		35,464

9. INVESTMENT IN ASSOCIATES (continued)

Unquoted

International General Insurance Holding Limited (DIFC UAE)	20.00%	28,686	20.00%	28,686
Al Ahlia Insurance Company SAOC	20.03%	8,917	20.03%	8,917
National Finance House B.S.C.(Bahrain)	17.47%	2,653	17.47%	2,653
Modern Steel Mill LLC	19.49%	3,707	19.49%	3,707
Shamal Plastic Industries LLC	15.00%	698	15.00%	698
Gulf Acrylic Industries LLC	15.00%	500	15.00%	500
Oman Aluminum Cast LLC	20.00%	268	-	-
		<u>45,429</u>		<u>45,161</u>
Total		<u><u>80,969</u></u>		<u><u>80,625</u></u>

31-Dec-2015 (Audited) (Restated)				
	Holding (%)	Consolidated RO'000	Holding (%)	Parent Company RO'000
Quoted				
Oman Orix Leasing Company SAOG	35.00%	14,202	35.00%	14,202
National Finance Company SAOG	25.87%	11,003	25.56%	10,932
Oman Chlorine SAOG	15.11%	7,121	15.11%	7,121
National Detergent Company SAOG	20.94%	2,707	20.94%	2,707
National Biscuit Industries Ltd. SAOG	29.22%	1,288	28.92%	1,283
		<u>36,321</u>		<u>36,245</u>
Unquoted				
International General Insurance Holding Limited (DIFC UAE)	20.00%	28,326	20.00%	28,326
Al Ahlia Insurance Company SAOC	20.03%	8,973	20.03%	8,973
National Finance House B.S.C.(Bahrain)	17.47%	2,685	17.47%	2,685
Modern Steel Mill LLC	19.49%	3,787	19.49%	3,787
Shamal Plastic Industries LLC	15.00%	690	15.00%	690
Gulf Acrylic Industries LLC	15.00%	493	15.00%	493
		<u>44,954</u>		<u>44,954</u>
Total		<u><u>81,275</u></u>		<u><u>81,199</u></u>

10. INVESTMENT IN SUBSIDIARIES

As at the reporting date, investments held by the Parent Company in subsidiaries are:

	Country of Incorporation	(Unaudited) 31-Mar-2016 % (RO'000)		(Audited) 31-Dec-2015 % (RO'000) (Restated)	
Oman Arab Bank SAOC (Principal activity: Banking)	Oman	50.99	111,830	50.99	115,248
National Life and General Insurance Co SAOC (Principal activity: Insurance)	Oman	97.93	37,360	97.93	39,569
Oman National Investment Corporation SAOC (Principal activity: Investments)	Oman	98.00	15,841	98.00	19,174
Oman Real Estate Investment and Services SAOC (Principal activity: Real Estate)*	Oman	99.98	700	99.98	730
Salalah Resorts SAOC (Principal activity: Integrated Tourism Project)	Oman	100.00	0	100.00	0
Al Jabal Al Aswad Investment LLC (Principal activity: Real Estate)	Oman	100.00	100	100.00	100
Budva Beach Properties doo (Principal activity: Tourism project)	Montenegro	100.00	2,852	100.00	2,638
Total			168,683		177,459

* During this quarter, Oman Investment Services SAOC has been renamed as Oman Real Estate Investment and Services SAOC.

11. DETAILS OF SIGNIFICANT INVESTMENTS

As at reporting date, 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:

Group - Quoted securities

	Holding %	Number of shares	Carrying value (RO'000)	Market value (RO'000)
National Biscuit Industries Ltd SAOG	29.22%	292,197	1,321	1,096
National Finance Co SAOG	25.87%	70,144,996	10,563	9,539
National Detergent Co. SAOG	20.94%	3,561,700	2,660	2,265
Oman Orix Leasing Co. SAOG	37.41%	90,296,564	14,198	11,016
Oman Chlorine SAOG	16.21%	11,036,987	7,459	5,364
Takaful Oman SAOG	17.35%	17,347,934	1,769	1,769
Bank Muscat SAOG	3.37%	84,196,072	32,163	32,163
Ahli Bank SAOG	8.21%	116,965,731	21,054	21,054

11. DETAILS OF SIGNIFICANT INVESTMENTS (continued)

Group - Unquoted securities

	Holding %	Number of shares	Carrying value (RO'000)
<i>Subsidiaries</i>			
Oman Arab Bank SAOC	51.00%	591,600,000	111,850
National Life & General Insurance Co SAOC	97.93%	10,282,715	41,758
Oman National Investment Corporation SAOC	100.00%	20,000,000	16,241
Salalah Resorts SAOC	99.98%	2,999,800	0
Oman Real Estate Investment & Services SAOC	99.98%	999,800	700
Budva Beach Properties doo	100.00%	-	2,852
Al Jabal Al Aswad investment LLC	100.00%	100,000	100
<i>Others</i>			
International General Ins. Holding	20.00%	11,025,577	28,686
Al Ahlia Insurance Co. SAOC	20.03%	2,003,091	8,916
National Finance House B.S.C	17.47%	1,337,510	2,652
Al Shamal Plastics LLC	20.00%	200,000	769
Modern Steel Mills LLC	19.49%	136,395	3,707
Gulf Acrylic Industries LLC	20.00%	100,000	548
Oman Aluminum Cast LLC	20.00%	NA	268

As at reporting date, 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:

Parent Company - Quoted securities

	Holding %	Number of shares	Carrying value (RO'000)	Market value (RO'000)
National Biscuit Industries Ltd SAOG	28.92%	289,197	1,316	1,084
National Finance Co. SAOG	25.56%	69,310,130	10,491	9,426
National Detergent Co. SAOG	20.94%	3,561,700	2,660	2,265
Oman Orix Leasing Co. SAOG	35.00%	87,863,758	13,901	10,719
Oman Chlorine SAOG	15.11%	10,290,935	7,096	5,001
Takaful Oman SAOG	17.35%	17,347,934	1,769	1,769

Parent Company - Unquoted securities

	Holding %	Number of shares	Carrying value (RO'000)
<i>Subsidiaries</i>			
Oman Arab Bank SAOC	50.99%	591,484,000	111,829
National Life & General Insurance Co. SAOC	97.93%	10,282,715	37,360
Oman National Investment Corporation SAOC	98.00%	19,600,000	15,841
Salalah Resort SAOC	99.98%	2,999,800	0
Oman Real Estate Investment & Services SAOC	99.98%	999,800	700
Budva Beach Properties SAOC	100.00%	-	2,852
Al Jabal Al Aswad investment LLC	100.00%	100,000	100
<i>Others</i>			
International General Ins. Holding	20.00%	11,025,577	28,686
Al Ahlia Insurance Co. SAOC	20.03%	2,003,091	8,917
National Finance House B.S.C	17.47%	1,337,510	2,653
Al Shamal Plastics LLC	15.00%	150,000	698
Modern Steel Mills LLC	19.49%	136,395	3,707
Gulf Acrylic Industries LLC	15.00%	75,000	500

12. LOANS AND ADVANCES TO CUSTOMERS

a. At 31st March 2016, loans and advances to customers extended by the banking subsidiary were as follows:

	(Unaudited) 31-Mar-16 RO 000	(Audited) 31-Dec-15 RO 000
Commercial loans	799,903	756,135
Overdrafts	136,566	162,092
Personal loans	636,740	575,726
Credit cards	4,600	4,716
Al-Yusr Financing activities	54,176	50,715
	1,631,985	1,549,384
Less: Allowance for loan impairment and reserved interest	(47,121)	(44,813)
	1,584,864	1,504,571

b. Allowance for loan impairment and reserved interest

The movements in the provision for loan impairment and reserved interest were as follows:

	31-Mar-16 (Unaudited)		
	Allowance for loan impairment	Contractual interest not recognized	Total
	RO 000	RO 000	RO 000
Balance at beginning of period	37,432	7,381	44,813
Provided during the period	2,619	651	3,270
General Provision – AL-Yusr	42	-	42
Amounts written off during the period	(6)	-	(6)
Amounts recovered during the period	(790)	(208)	(998)
Balance at end of period	39,297	7,824	47,121

	31-Mar-15 (Unaudited) (Restated)		
	Allowance for loan impairment	Contractual interest not recognized	Total
	RO 000	RO 000	RO 000
Balance at beginning of period	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 recovered during the period	(1,025)	(154)	(1,179)
Balance at end of period	32,292	6,760	39,052

12. LOANS AND ADVANCES TO CUSTOMERS (continued)

Total allowance for the potential loss on the performing loans as at 31 March 2016 is RO 21,327,560 (31 March 2015: 17,821,138). 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 43,723,091 (31 March 2015: RO 40,082,495)

b) Concentration of loans and advances

Loans and advances were granted to customers within the Sultanate of Oman. The concentration of gross loans and advances by industry sector is as follows:

	(Unaudited) 31-Mar-16 RO 000	(Audited) 31-Dec-15 RO 000
Personal loans including credit cards	672,287	635,289
Transportation	136,885	128,063
Manufacturing	125,671	111,138
Construction	259,360	244,915
Wholesale and retail trade	49,749	59,196
Services	63,812	67,928
Utilities	48,576	47,434
Import trade	51,720	58,462
Financial Institutions	49,187	48,326
Mining and quarrying	92,382	70,700
Agriculture and allied activities	6,597	7,067
Government	2,096	1,958
Others	73,663	68,908
	<u>1,631,985</u>	<u>1,549,384</u>

13. SHARE CAPITAL

	(Unaudited) 31-Mar-16 (RO'000)	(Audited) 31-Dec-15 (RO'000) (Restated)
Authorized 900,000,000 ordinary shares of RO 0.100 each (31 December 2015 - 900,000,000 ordinary shares of RO 0.100 each)	<u>90,000</u>	<u>90,000</u>
Issued and fully paid 635,790,892 ordinary shares of RO 0.100 each (31 December 2015 – 552,861,642 shares of RO 0.100 each)	<u>63,579</u>	<u>55,286</u>

At the Annual General Meeting of the shareholders of the Parent Company held on 30 March 2016 stock dividend of 82,929,246 (2015 – 33,674,300) shares at 100 baisa per share were approved to be issued by transferring RO 8,292,925 (2015 – RO 3,367,430) from share premium to share capital.

14. DIVIDEND PAID

Parent Company

At the Annual General Meeting held on 30 March 2016, a cash dividend of RO 0.010 per share (2015 - RO 0.020 per share) amounting to RO 5,528,616 (2015 - RO 6,734,860) and a stock dividend of RO 0.015 per share (2015 - RO 0.010) amounting to RO 8,292,925 (2014 - RO 3,367,430) in respect of year ended 31 December 2015 was approved by the shareholders.

15. OTHER NON-DISTRIBUTABLE RESERVES

PARENT COMPANY	Contingency Reserve	Special Reserve	Sub. Debt Reserve	Foreign Currency Revaluation Reserve	Revaluation Reserve	Total
At 1 January 2015 (restated)	-	-	15,297	-	1,677	16,974
Net changes in fair values	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
At 31 March 2015 (Restated)	-	-	15,297	-	1,677	16,974
At 1 January 2016 (restated)	293	-	20,396	(1,239)	1,748	21,198
Net changes in fair values				221		221
Other comprehensive income				221		221
Transfer to / from retained earnings	285	1,224				1,509
At 31 March 2016	578	1,224	20,396	(1,018)	1,748	22,928

CONSOLIDATED	Capital Reserve	Contingency Reserve	Special Reserve	Sub. Debt Reserve	Foreign Currency Revaluation Reserve	Revaluation Reserve	Total
At 1 January 2015	17,846	-	-	15,297	-	1,677	34,820
Net changes in fair values	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-
At 31 March 2015	17,846	-	-	15,297	-	1,677	34,820
At 1 January 2016	17,846	293	-	20,396	(1,239)	1,748	39,044
Net changes in fair values					221		221
Other comprehensive income					221		221
Transfer to / from retained earnings		285	1,224				1,509
At 31 March 2016	17,846	578	1,224	20,396	(1,018)	1,748	40,774

16. DUE TO BANKS

As at the reporting date, due to banks are as follows:

	Consolidated		Parent Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
				(Restated)
Due to banks – current accounts	14,084	9,404	-	-
Terms loans	118,261	88,000	130,000	102,500
	132,346	97,404	130,000	102,500

The maturity profile of terms loans is as follows:

	Consolidated		Parent Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
				(Restated)
Due within one year	48,261	38,000	60,000	52,500
Due in more than one year	70,000	50,000	70,000	50,000
	118,261	88,000	130,000	102,500

17. DEPOSITS FROM CUSTOMERS

	Consolidated		Parent Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	31-Mar-16	31-Dec-15	31-Mar-16	31-Dec-15
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
				(Restated)
Term deposits	720,801	689,265	-	-
Demand and call accounts	672,466	664,986	-	-
Saving accounts	246,744	238,974	-	-
	1,640,011	1,593,225	-	-

18. INSURANCE FUNDS

	Consolidated					
	31-Mar-2016 (Unaudited)			31-Dec-15 (Audited)		
	Gross	Reinsurers' share	Net	Gross	Reinsurers' share	Net
	RO '000	RO '000	RO'000	RO '000	RO '000	RO'000
Actuarial / mathematical and unexpired risk reserve – life assurance	40,838	(15,613)	25,225	39,005	(14,187)	24,818
Unexpired risk reserve – general insurance	3,310	(542)	2,768	3,237	(602)	2,635
Closing claims outstanding (including IBNR)	26,961	(12,005)	14,956	17,372	(7,899)	9,473
	71,109	(28,160)	42,949	59,614	(22,688)	36,926

The amounts of claims provided during the period are as follows:

	31-Mar-2016 (Unaudited)			31-Mar-2015 (Unaudited)		
	Gross outstanding claims	Reinsurers' share of outstanding claims	Net outstanding claims	Gross outstanding claims	Reinsurers' share of outstanding claims	Net outstanding claims
	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000
At acquisition date claims outstanding (including IBNR)	17,372	(7,899)	9,473	-	-	-
Claims provided during the period	21,984	(9,392)	12,592	-	-	-
Claims paid during the period	(12,395)	5,286	(7,109)	-	-	-
Closing claims outstanding (including IBNR)	26,961	(12,005)	14,956	-	-	-

19. GROSS PREMIUMS AND PREMIUMS CEDED TO REINSURERS

	31-Mar-2016 (Unaudited)			31-Mar-2015 (Unaudited)		
	Life	General	Total	Life	General	Total
	RO'000	RO '000	RO '000	RO 000	RO '000	RO '000
Consolidated						
Gross written premiums	24,636	1,700	26,336	-	-	-
Movement in unearned premiums	(1,832)	(74)	(1,906)	-	-	-
Gross premium, earned	22,804	1,626	24,430	-	-	-
Reinsurance premiums ceded	(11,879)	(248)	(12,127)	-	-	-
Movement in unearned premiums	1,426	(60)	1,366	-	-	-
Premium ceded to reinsurers	(10,453)	(308)	(10,761)	-	-	-
Net insurance premium revenue	12,351	1,318	13,669	-	-	-

20. INTEREST INCOME

	Consolidated		Parent Company	
	(Unaudited) 31-Mar-16 (RO'000)	(Unaudited) 31-Mar-15 (RO'000)	(Unaudited) 31-Mar-16 (RO'000)	(Unaudited) 31-Mar-15 (RO'000) (Restated)
Loans and advances to customers	17,206	14,507	-	-
Oman Government Development Bonds	321	285	-	-
Placements with banks and other money market placements	259	61	-	-
Certificates of deposit	9	66	-	-
Other interest income	31	4	-	-
	17,826	14,923	-	-

21. INTEREST EXPENSE

	Consolidated		Parent Company	
	(Unaudited) 31-Mar-16 (RO'000)	(Unaudited) 31-Mar-15 (RO'000)	(Unaudited) 31-Mar-16 (RO'000)	(Unaudited) 31-Mar-15 (RO'000) (Restated)
Time deposits	3,787	2,666	-	-
Subordinated bonds	960	678	-	-
Call accounts	307	222	-	-
Savings accounts	71	68	-	-
Bank borrowings	737	180	881	302
	5,862	3,814	881	302

22. INVESTMENT INCOME

	Consolidated		Parent Company	
	(Unaudited) 31-Mar-16 (RO'000)	(Unaudited) 31-Mar-15 (RO'000)	(Unaudited) 31-Mar-16 (RO'000)	(Unaudited) 31-Mar-15 (RO'000) (Restated)
Dividend from investments	4,792	799	126	265
<u>Quoted local investments</u>				
Profit / (loss) on sale	(2)	743	-	76
Change in fair value	18	2,237	10	2,200
<u>Quoted foreign investments</u>				
Profit on sale	-	(57)	-	(57)
Change in fair value	-	(14)	-	(14)
<u>Investment properties</u>				
Profit on sale of an investment property	-	651	-	651
Rental income	111		71	
<u>Unquoted foreign investments</u>				
Loss on sale	-		-	
Provision on investments	-	(314)	-	
	4,919	4,045	207	3,121

23. OPERATING EXPENSES

	Consolidated		Parent Company	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
	(RO'000)	(RO'000)	(RO'000)	(RO'000)
				(Restated)
Staff costs	8,762	7,005	817	666
Other operating expenses	4,241	3,341	186	130
Depreciation and amortization	1,347	832	82	24
Due from Subsidiaries impairment	-	-	34	-
<u>Directors' sitting fees and remuneration:</u>				
Parent Company	50	50	50	50
Subsidiaries and adjustments	21	12	-	-
	14,421	11,240	1,169	870

24. SEGMENTAL INFORMATION

The Consolidated is organized into four main business segments:

- 1) Investment Segment – incorporating investment activities for both short-term and long-term purposes;
- 2) Banking Segment – incorporating corporate, retail and treasury and investment banking activities carried out by the Group's banking subsidiary;
- 3) Insurance Segment – incorporating insurance related activities for Life and General Insurance;
- 4) Real Estate Segment – incorporating activities in real estate sector.

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

	Investments	Banking	Insurance	Real Estate	Adjustments	Total
	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000
31 March 2016						
Segment revenues	13,179	23,944	25,781	70	(7,209)	55,765
Segment results	11,202	5,212	540	(28)	(9,855)	7,071
Segment assets	358,004	2,028,294	113,302	6,137	(180,213)	2,325,524
31 March 2015						
Segment revenues	10,431	22,810	-	655	(7,636)	26,260
Segment results	9,274	6,501	-	583	(10,701)	5,657
31 December 2015						
Segment assets	259,564	1,982,699	103,361	5,911	(102,687)	2,248,848

25. 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 statements of comprehensive income, statement of financial position and off-balance sheet are as follows:

Consolidated	Directors	Associates	Other Related Parties	Non- controlling interests
	RO'000	RO'000	RO'000	RO'000
<u>Statement of comprehensive income</u>				
31-March-2016				
Interest and commission income	48	186	237	129
Interest expense	-	-	-	166
Directors' sitting fees and Remuneration	71	-	-	-
Premium received	-	164	61	-
Claims paid	-	31	9	-
Re-insurance claims received	-	17	-	-
31-March-2015				
Interest and commission income	4	46	5	151
Interest expense	-	-	-	106
Directors' sitting fees and Remuneration	62	-	-	-
<u>Statement of financial positions</u>				
31-March-2016				
Loans and advances	3,907	31,004	17,800	10,810
Deposits from customers	101	109	6,868	3,815
Off balance sheet				
Letters of credit and guarantees	-	-	2,182	236,565
31-December-2015				
Loans and advances	290	29,333	2,000	21,764
Deposits from customers	193	116	32	5,865
Property and equipment	68	-	-	-
Other assets	12	665	6	-
Off balance sheet				
Letters of credit and guarantees	-	-	-	205,675

25. RELATED PARTY TRANSACTIONS (continued)

Parent Company	31-Mar-2016 (Unaudited)			31-Mar-15 (Unaudited)		
	Subsidiaries	Associates	Directors	Subsidiaries	Associates	Directors
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
<u>Statement of comprehensive income</u>						
Directors' sitting fees and remuneration	-	-	50	-	-	50
Dividend from Subsidiaries	8,477	-	-	7,098	-	-
Dividend from Associates	-	2,638	-	-	842	-
Brokerage	-	-	-	42	-	-
Operating expenses	-	-	-	1	-	-
Other income	36	-	-	-	-	-
Interest expenses	109	-	-	122	-	-
Premiums	73	-	-	-	-	-
Claims	10	-	-	-	-	-
<u>Statement of financial positions</u>						
Bank borrowings	15,000	-	-	15,000	-	-
Bank balances	6,770	-	-	715	-	-
Due from subsidiaries (Net)	67,600	-	-	39,512	-	-
Property & Equipment	-	-	-	-	-	27

26. CONTINGENT LIABILITIES

The Contingent liabilities for the Group were as follows:

	(Unaudited) 31 March 2016 (RO'000)	(Audited) 31 December 2015 (RO'000)
Letters of credit	144,277	233,862
Guarantees	670,333	626,272
Others	533	453
	815,143	860,587

Letters of credit and Guarantees amounting to RO 463,154 thousand (2015 530,135 thousand) and relating to banking subsidiary are counter guaranteed by other banks.

27. RISK FACTORS

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk, liquidity risk and insurance risks. The interim financial statements do not include all financial and insurance risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements as at 31 December 2015. There have been no changes in the risk management policies since year end.

28. BASIC EARNINGS PER SHARE

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

	Consolidated		Parent Company	
	(Unaudited) 31-Mar-16 (RO'000)	(Unaudited) 31-Mar-15 (RO'000)	(Unaudited) 31-Mar-16 (RO'000)	(Unaudited) 31-Mar-15 (RO'000) (Restated)
Profit for the year attributable to shareholders of the parent (RO'000)	7,071	5,657	7,320	5,657
Weighted average number of shares outstanding during the period	635,790,892	425,979,875	635,790,892	425,979,875
Basic earnings per share (RO)	0.011	0.013	0.012	0.013

During the period, the Parent Company issued stock dividend of shares 82,929,250 (2015 – 33,674,300) without consideration. According to IAS 33 - Earnings per share, the weighted average number of ordinary shares outstanding during the period and for all periods presented shall be adjusted for stock dividend. In the present financial statement, the issue of stock dividend has been treated as if it had occurred at the beginning of 2015 and the 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.

29. NET ASSETS PER SHARE

The calculation of net assets per share is as follows:

	Consolidated		Parent Company	
	(Unaudited) 31-Mar-16 (RO'000)	(Audited) 31-Dec-15 (RO'000)	(Unaudited) 31-Mar-16 (RO'000)	(Audited) 31-Dec-15 (RO'000) (Restated)
Equity attributable to shareholders of the parent (RO'000)	213,647	219,937	209,441	215,482
Number of shares outstanding at the end of the period	635,790,892	552,861,642	635,790,892	552,861,642
Net assets per share (RO)	0.336	0.398	0.329	0.390

30. COMPARATIVE FIGURES

The corresponding figures of 2015 included for comparative purposes have been reclassified to conform to the presentation in the current period.

31. APPROVAL OF FINANCIAL STATEMENTS

These unaudited condensed interim financial statements were approved and authorized for release by the Board of Directors on 10 May 2016.