

# **National Bank of Oman SAOG**

## **INTERIM CONDENSED FINANCIAL STATEMENTS**

**30 September 2016 (UNAUDITED)**



PO Box 751 PC 112 Ruwi Sultanate of Oman.

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**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**As at 30 September 2016 (Un-audited)**

		<b>30-09-2016</b>	30-09-2015	<i>Audited</i> 31-12-2015
	<i>Notes</i>	<b>RO'000</b>	RO'000	RO'000
<b>Assets</b>				
Cash and balances with Central Banks	3	<b>338,084</b>	325,220	304,488
Due from banks and other money market placements (net)	4	<b>162,046</b>	137,242	170,985
Loans, advances and financing activities for customers (net)	5	<b>2,736,090</b>	2,535,832	2,534,099
Financial investments	6	<b>156,091</b>	165,340	156,658
Premises and equipment	7	<b>40,768</b>	32,347	34,671
Other assets	8	<b>65,960</b>	65,032	62,534
<b>Total assets</b>		<b>3,499,039</b>	3,261,013	3,263,435
<b>Liabilities</b>				
Due to banks and other money market deposits		<b>177,615</b>	131,444	162,525
Customers' deposits and unrestricted investment accounts	9	<b>2,421,272</b>	2,396,632	2,249,826
Euro medium term notes	10	<b>237,599</b>	199,611	195,973
Other liabilities	11	<b>77,918</b>	80,937	79,952
Taxation	12	<b>5,708</b>	5,419	8,402
<b>Total liabilities</b>		<b>2,920,112</b>	2,814,043	2,696,678
<b>Subordinated debt</b>	13	<b>49,100</b>	62,100	52,100
<b>Equity</b>				
Share capital		<b>147,478</b>	134,071	134,071
Share premium		<b>34,465</b>	34,465	34,465
Legal reserve		<b>47,737</b>	43,380	47,737
General reserve		-	4,419	-
Other non-distributable reserves	14	<b>36,903</b>	40,849	40,596
Proposed cash dividend		-	-	22,792
Proposed stock dividend		-	-	13,407
Retained earnings		<b>147,744</b>	127,686	106,089
<b>Total shareholders' equity attributable to the equity holders of the bank</b>		<b>414,327</b>	384,870	399,157
Tier 1 perpetual bond	15	<b>115,500</b>	-	115,500
<b>Total equity</b>		<b>529,827</b>	384,870	514,657
<b>Total liabilities, subordinated debt and equity</b>		<b>3,499,039</b>	3,261,013	3,263,435
<b>Contingent liabilities and commitments</b>	16	<b>656,800</b>	703,541	697,782

The interim condensed financial statements were authorised for issue on \_\_\_\_\_ October 2016 in accordance with a resolution of the Board of Directors.

.....  
Chairman

.....  
Chief Executive Officer

The attached notes 1 to 27 form part of the interim condensed financial statements.

**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**For the period ended 30 September 2016 (Un-audited)**

	Notes	<u>Nine months ended</u>		<u>Three months ended</u>	
		<u>30 September</u>		<u>30 September</u>	
		2016	2015	2016	2015
		RO'000	RO'000	RO'000	RO'000
Interest income	17	100,535	90,271	35,360	30,924
Interest expense	18	(27,060)	(23,326)	(10,123)	(7,771)
<b>Net interest income</b>		<b>73,475</b>	<b>66,945</b>	<b>25,237</b>	<b>23,153</b>
Income from Islamic financing and Investment activities		3,655	2,714	1,276	872
Unrestricted investment account holders' share of profit		(1,041)	(416)	(376)	(151)
<b>Net Income from Islamic financing and Investment activities</b>		<b>2,614</b>	<b>2,298</b>	<b>900</b>	<b>721</b>
<b>Net interest income and net income from Islamic financing and Investment activities</b>		<b>76,089</b>	<b>69,243</b>	<b>26,137</b>	<b>23,874</b>
Other operating income	19	26,181	28,317	8,323	9,308
<b>OPERATING INCOME</b>		<b>102,270</b>	<b>97,560</b>	<b>34,460</b>	<b>33,182</b>
Staff costs		(25,723)	(26,073)	(8,782)	(9,080)
Other operating expenses	20	(17,259)	(15,015)	(6,583)	(5,041)
Depreciation	7	(1,986)	(2,292)	(670)	(744)
<b>OPERATING EXPENSES</b>		<b>(44,968)</b>	<b>(43,380)</b>	<b>(16,035)</b>	<b>(14,865)</b>
<b>PROFIT FROM OPERATIONS BEFORE IMPAIRMENT LOSSES AND TAX</b>		<b>57,302</b>	<b>54,180</b>	<b>18,425</b>	<b>18,317</b>
Credit loss expense – customer loans	5	(15,855)	(11,975)	(6,631)	(3,873)
Recoveries and releases from provision for credit losses		6,708	7,269	2,696	2,683
Others		(157)	(67)	(176)	2
<b>TOTAL IMPAIRMENT LOSSES (NET)</b>		<b>(9,304)</b>	<b>(4,773)</b>	<b>(4,111)</b>	<b>(1,188)</b>
<b>PROFIT BEFORE TAX</b>		<b>47,998</b>	<b>49,407</b>	<b>14,314</b>	<b>17,129</b>
Taxation	12	(5,881)	(6,373)	(1,592)	(2,158)
<b>PROFIT FOR THE PERIOD</b>		<b>42,117</b>	<b>43,034</b>	<b>12,722</b>	<b>14,971</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Net movement on available for sale investments		(632)	972	105	(1,002)
Tax effect of net results on available for sale financial investments		(61)	55	(46)	21
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>(693)</b>	<b>1,027</b>	<b>59</b>	<b>(981)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>41,424</b>	<b>44,061</b>	<b>12,781</b>	<b>13,990</b>
Earnings per share annualized:					
Basic and diluted, profit for the period attributable to equity holders		0.038	0.039	0.034	0.040

The attached notes 1 to 27 form part of the interim condensed financial statements.

**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
**For the period ended 30 September 2016 (Un-audited)**

	Notes	Nine months ended 30 September	
		2016 RO'000	2015 RO'000
<b>Profit before taxation</b>		<b>47,998</b>	49,407
Adjustments for:			
Depreciation	7	1,986	2,292
Provision for credit losses (net)		15,855	10,659
Provision for others		157	67
(Profit) on sale of fixed assets		(12)	(4)
(Profit)/loss on sale of investments		(1,576)	(189)
Investment income		(3,545)	(3,248)
<b>Operating profit before changes in operating assets and liabilities</b>		<b>60,863</b>	58,984
Due from and other money market deposits		(53,665)	(28,177)
Due to and other money market placements		11,863	38,977
Loans and advances to customers		(217,846)	(229,678)
Other assets		(3,286)	(10,060)
Customer deposits		171,446	218,890
Euro Medium Term Notes		41,626	4,388
Other liabilities		(2,034)	11,176
<b>Cash from operations</b>		<b>8,967</b>	64,500
Tax paid		(8,601)	(7,134)
<b>Net cash from operating activities</b>		<b>366</b>	57,366
<b>Investing activities</b>			
Purchase of investments		(11,273)	(44,076)
Proceeds from sale of investments		12,541	27,403
Purchase of premises and equipment	7	(8,145)	(11,506)
Disposal of premises and equipment		42	54
Translation difference in premises & equipment & tax		(137)	21
Interest on govt. development bond and t-bills		2,881	2,084
Dividend income	19	664	1,164
<b>Net cash used in investing activities</b>		<b>(3,427)</b>	(24,856)
<b>Financing activities</b>			
Payment of dividend		(22,792)	(20,720)
Proceeds from subordinated debt		(3,000)	(1,500)
Payment of tier 1 perpetual bond		(3,462)	-
<b>Net cash used in financing activities</b>		<b>(29,254)</b>	(22,220)
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(32,315)</b>	10,290
Cash and cash equivalents at the beginning of the period		341,881	313,135
<b>Cash and cash equivalents at the end of the period</b>		<b>309,566</b>	323,425
<b>Representing:</b>			
Cash and balances with central bank	3	337,584	324,720
Deposits and balances with other banks and financial institutions (net)		(28,018)	(1,295)
		<b>309,566</b>	323,425

The attached notes 1 to 27 form part of the interim condensed financial statements.

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**As at 30 September 2016 (Un-audited)**

<i>(RO'000)</i>	Share capital	Share premium	Legal reserve *	General reserve	Other non-distributable reserves*	Proposed cash dividend	Proposed stock dividend	Retained earnings	Total	Tier 1 Perpetual bond	Total
Balance at 1 January 2015	121,883	34,465	43,380	4,419	41,322	20,720	12,188	83,152	361,529	-	361,529
Total comprehensive income for the period	-	-	-	-	1,027	-	-	43,034	44,061	-	44,061
Transfer to retained earnings	-	-	-	-	(1,500)	-	-	1,500	-	-	-
Dividend paid during the period	-	-	-	-	-	(20,720)	-	-	(20,720)	-	(20,720)
Issue of shares	12,188	-	-	-	-	-	(12,188)	-	-	-	-
<b>Balance at 30 September 2015</b>	<b>134,071</b>	<b>34,465</b>	<b>43,380</b>	<b>4,419</b>	<b>40,849</b>	-	-	<b>127,686</b>	<b>384,870</b>	-	<b>384,870</b>
Balance at 1 October 2015	134,071	34,465	43,380	4,419	40,849	-	-	127,686	384,870	-	384,870
Total comprehensive income for the period	-	-	-	-	(548)	-	-	17,072	16,524	-	16,524
Proceeds from tier 1 perpetual bond	-	-	-	-	-	-	-	-	-	115,500	115,500
Tier 1 perpetual bond issuance cost	-	-	-	-	-	-	-	(1,151)	(1,151)	-	(1,151)
Payment of tier 1 perpetual bond	-	-	-	-	-	-	-	(1,086)	(1,086)	-	(1,086)
Transfer to retained earnings	-	-	-	(4,419)	(10,125)	-	-	14,544	-	-	-
Transfer to subordinated funds reserve	-	-	-	-	10,420	-	-	(10,420)	-	-	-
Transfer to legal reserve	-	-	4,357	-	-	-	-	(4,357)	-	-	-
Proposed dividend	-	-	-	-	-	22,792	13,407	(36,199)	-	-	-
<b>Balance at 31 December 2015</b>	<b>134,071</b>	<b>34,465</b>	<b>47,737</b>	-	<b>40,596</b>	<b>22,792</b>	<b>13,407</b>	<b>106,089</b>	<b>399,157</b>	<b>115,500</b>	<b>514,657</b>
Balance at 1 January 2016	<b>134,071</b>	<b>34,465</b>	<b>47,737</b>	-	<b>40,596</b>	<b>22,792</b>	<b>13,407</b>	<b>106,089</b>	<b>399,157</b>	<b>115,500</b>	<b>514,657</b>
Total comprehensive income for the period	-	-	-	-	(693)	-	-	42,117	41,424	-	41,424
Transfer to retained earnings	-	-	-	-	(3,000)	-	-	3,000	-	-	-
Payment of tier 1 perpetual bond	-	-	-	-	-	-	-	(3,462)	(3,462)	-	(3,462)
Issue of shares	<b>13,407</b>	-	-	-	-	-	(13,407)	-	-	-	-
Dividend paid during the period	-	-	-	-	-	(22,792)	-	-	(22,792)	-	(22,792)
<b>Balance at 30 September 2016</b>	<b>147,478</b>	<b>34,465</b>	<b>47,737</b>	-	<b>36,903</b>	-	-	<b>147,744</b>	<b>414,327</b>	<b>115,500</b>	<b>529,827</b>

\*Transfers to legal reserve and subordinated debt reserve are made on an annual basis.

The attached notes 1 to 27 form part of the interim condensed financial statements.

## **NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT 30 September 2016 (Un-audited)**

### **1 LEGAL STATUS AND PRINCIPAL ACTIVITIES**

National Bank of Oman SAOG ("NBO", "the bank") was established in the Sultanate of Oman in 1973 as a joint stock company and is engaged in retail, wholesale banking, investment banking services and Islamic banking within the Sultanate of Oman with overseas branches in the United Arab Emirates and Egypt. The bank operates in Oman under a banking license issued by the Central Bank of Oman and is covered by its deposit insurance scheme. The registered address of the bank is PO Box 751, Ruwi, Postal Code 112, Muscat, Sultanate of Oman. The bank has a primary listing on the Muscat Stock Exchange.

The bank employed 1,544 employees as of 30 September 2016 (30 September 2015 – 1,463 employees / 31 December 2015 – 1,506 employees).

### **2 SIGNIFICANT ACCOUNTING POLICIES**

The condensed interim financial statements of the bank are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The accounting policies used in the preparation of the condensed interim financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2015.

The condensed interim financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the nine months ended 30 September 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016.

The condensed interim financial statements are prepared in Rial Omani, rounded to the nearest thousands, except as indicated. The functional currencies of the bank's operations are as follows:

- Sultanate of Oman: Rial Omani
- United Arab Emirates: UAE Dirham
- Egypt: US Dollar

The interim condensed financial statements are prepared under the historical cost convention, modified to include revaluation of freehold land and buildings, measurement of derivative financial instruments and investments, either through profit and loss account or through other comprehensive Income, at fair value.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**3 CASH AND BALANCES WITH CENTRAL BANKS**

	<i>30/09/2016</i>	<i>30/09/2015</i>	<i>31/12/2015</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Cash	<b>48,028</b>	60,894	44,678
Treasury bills	<b>658</b>	30,666	8,146
Other balances with Central Banks	<b>288,898</b>	233,160	251,164
<b>Cash and cash equivalents</b>	<b>337,584</b>	324,720	303,988
Capital deposit with Central Bank of Oman	<b>500</b>	500	500
<b>Cash and balances with Central Banks</b>	<b>338,084</b>	325,220	304,488

The capital deposit with the Central Bank of Oman cannot be withdrawn without the approval of the Central Bank of Oman.

**4 DUE FROM BANKS AND OTHER MONEY MARKET PLACEMENTS (NET)**

	<i>30/09/2016</i>	<i>30/09/2015</i>	<i>31/12/2015</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Loans and advances to banks	<b>29,549</b>	34,501	26,084
Placements with banks	<b>105,010</b>	71,514	96,080
Demand balances	<b>27,577</b>	31,400	48,951
<b>Due from banks and other money market placements</b>	<b>162,136</b>	137,415	171,115
Less: allowance for credit losses	<b>(90)</b>	(173)	(130)
<b>Net due from banks and other money market placements</b>	<b>162,046</b>	137,242	170,985

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**5 LOANS, ADVANCES AND FINANCING ACTIVITIES FOR CUSTOMERS (NET)**

	<i>30/09/2016</i>	<i>30/09/2015</i>	<i>31/12/2015</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Overdrafts	<b>86,991</b>	77,212	69,987
Personal loans	<b>1,339,974</b>	1,139,284	1,190,195
Other loans	<b>1,406,542</b>	1,405,425	1,362,123
Gross loans and advances	<b>2,833,507</b>	2,621,921	2,622,305
Allowance for credit losses	<b>(97,417)</b>	(86,089)	(88,206)
Net loans and advances	<b>2,736,090</b>	2,535,832	2,534,099

Gross loans and advances include RO 81.4 million due from related parties at 30 September 2016 (30 September 2015 – RO 33.7 million, 31 December 2015 – RO 43.7 million).

The movement in the provision for impairment of loans and advances presented as loan loss provisions and reserved interest is set out below:

<b>Allowance for credit losses</b>	<i>9 months</i>	<i>9 months</i>	<i>12 months</i>
	<i>ended</i>	<i>ended</i>	<i>ended</i>
	<i>30/09/2016</i>	<i>30/09/2015</i>	<i>31/12/2015</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Balance at beginning of period / year	<b>76,743</b>	69,197	69,197
Provided during the period / year	<b>15,855</b>	11,975	15,472
Recovered/ released during the period / year	<b>(1,551)</b>	(1,034)	(1,155)
Written off during the period / year	<b>(6,198)</b>	(5,267)	(6,639)
Translation difference	<b>(39)</b>	(130)	(132)
Balance at end of period / year	<b>84,810</b>	74,741	76,743

<b>Reserved interest</b>	<i>9 months</i>	<i>9 months</i>	<i>12 months</i>
	<i>ended</i>	<i>ended</i>	<i>ended</i>
	<i>30/09/2016</i>	<i>30/09/2015</i>	<i>31/12/2015</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Balance at beginning of period / year	<b>11,463</b>	9,751	9,751
Reserved during the period / year	<b>2,887</b>	2,171	2,769
Recovered/ released during the period / year	<b>(416)</b>	(282)	(664)
Written off during the period / year	<b>(1,317)</b>	(284)	(386)
Translation difference	<b>(10)</b>	(8)	(7)
Balance at end of period / year	<b>12,607</b>	11,348	11,463

All loans and advances require payment of interest based on agreed tenors, some at fixed rates and others at rates that re-price prior to maturity.

As of 30 September 2016 loans and advances on which interest is not being accrued or where interest has been reserved amounted to RO 76 million, (30 September 2015 – RO 60 million and 31 December 2015 – RO 62 million).

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**6 FINANCIAL INVESTMENTS**

	<i>Carrying value 30/09/2016 RO'000</i>	<i>Carrying value 30/09/2015 RO'000</i>	<i>Carrying value 31/12/2015 RO'000</i>
<b>A. Held for trading</b>			
<b>Quoted investments- Oman</b>			
Government Sukuk	3,000	-	-
Government Development Bonds	62,156	62,571	65,468
Equities	129	-	-
	<u>65,285</u>	<u>62,571</u>	<u>65,468</u>
<b>Quoted investments- Foreign</b>			
Equities	429	-	-
	<u>429</u>	<u>-</u>	<u>-</u>
<b>Total held for trading</b>	<u><u>65,714</u></u>	<u><u>62,571</u></u>	<u><u>65,468</u></u>
<b>B. Available for sale</b>			
<b>Quoted investments- Oman</b>			
Banking and investment sector	640	540	500
Manufacturing sector	154	169	159
Service sector	12,685	33,184	23,885
Government Development Bonds	-	43,379	43,266
	<u>13,479</u>	<u>77,272</u>	<u>67,810</u>
<b>Quoted investments- Foreign</b>			
Banking and investment sector	330	1,998	307
Service sector	3,688	3,758	3,700
	<u>4,018</u>	<u>5,756</u>	<u>4,007</u>
<b>Unquoted investments</b>			
Banking and investment sector	8,420	8,868	8,566
Manufacturing sector	3,483	3,483	3,483
Service sector	352	109	70
	<u>12,255</u>	<u>12,460</u>	<u>12,119</u>
<b>Total available for sale</b>	<u><u>29,752</u></u>	<u><u>95,488</u></u>	<u><u>83,936</u></u>
<b>C. Held to maturity</b>			
<b>Quoted investments- Oman</b>			
Government Development Bonds	47,681	-	-
Manufacture sector	5,775	-	-
	<u>53,456</u>	<u>-</u>	<u>-</u>
<b>Quoted investments- Overseas</b>			
Government Development Bonds	5,191	5,296	5,270
Banking Sector	1,978	1,985	1,984
	<u>7,169</u>	<u>7,281</u>	<u>7,254</u>
<b>Total Held to maturity</b>	<u><u>60,625</u></u>	<u><u>7,281</u></u>	<u><u>7,254</u></u>
<b>TOTAL FINANCIAL INVESTMENTS</b>	<u><u>156,091</u></u>	<u><u>165,340</u></u>	<u><u>156,658</u></u>

Government Development Bonds which were classified at 31 December 2015 as available for sale amounting to RO 42.9 million have been reclassified as held to maturity with effect from 1 January 2016.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**6 FINANCIAL INVESTMENTS (continued)**

**Details of significant investments**

Details of investments exceeding 10% of the carrying value of the bank's investment are as follows:

	<i>Bank's portfolio</i> %	<i>Carrying value</i> RO'000
<b><u>30 September 2016</u></b>		
Government Development Bonds-Oman	<b>70.4</b>	<b>109,837</b>
<b><u>30 September 2015</u></b>		
Government Development Bonds-Oman	64.1	105,950
<b><u>31 December 2015</u></b>		
Government Development Bonds-Oman	69.4	108,734

**7 PREMISES AND EQUIPMENT**

	<i>Freehold Land, buildings and leasehold improvements RO'000</i>	<i>Motor vehicles, furniture and equipment RO'000</i>	<i>Capital work in progress RO'000</i>	<i>Total RO'000</i>
<b>Reconciliation of carrying amount:</b>				
Balance at 1 January 2016, net of accumulated depreciation	<b>11,723</b>	<b>5,368</b>	<b>17,580</b>	<b>34,671</b>
Addition	<b>179</b>	<b>901</b>	<b>7,065</b>	<b>8,145</b>
Disposal	<b>(1)</b>	<b>(22)</b>	<b>(8)</b>	<b>(31)</b>
Transfer	<b>162</b>	<b>1,085</b>	<b>(1,247)</b>	<b>-</b>
Translation difference	<b>(30)</b>	<b>(1)</b>	<b>-</b>	<b>(31)</b>
Depreciation	<b>(427)</b>	<b>(1,559)</b>	<b>-</b>	<b>(1,986)</b>
<b>Balance at 30 September 2016, net of accumulated depreciation</b>	<b>11,606</b>	<b>5,772</b>	<b>23,390</b>	<b>40,768</b>
At cost / valuation	<b>26,405</b>	<b>31,561</b>	<b>23,390</b>	<b>81,356</b>
Accumulated depreciation	<b>(14,799)</b>	<b>(25,789)</b>	<b>-</b>	<b>(40,588)</b>
<b>Net carrying value at 30 September 2016</b>	<b>11,606</b>	<b>5,772</b>	<b>23,390</b>	<b>40,768</b>
Net carrying value at 30 September 2015	11,821	5,334	15,192	32,347

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**8 OTHER ASSETS**

	<i>30/09/2015</i>	<i>30/09/2015</i>	<i>31/12/2015</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Interest receivable and others	<b>17,615</b>	15,573	15,502
Positive fair value of derivatives (note 26)	<b>12,381</b>	12,856	8,250
Customers' indebtedness for acceptances (note 11)	<b>35,073</b>	35,983	38,030
Deferred tax (note 12)	<b>891</b>	620	752
	<b>65,960</b>	65,032	62,534

**9 CUSTOMERS' DEPOSITS AND UNRESTRICTED INVESTMENT ACCOUNTS**

	<i>30/09/2016</i>	<i>30/09/2015</i>	<i>31/12/2015</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Current accounts	<b>1,011,427</b>	772,390	800,726
Savings accounts	<b>596,328</b>	602,922	599,367
Term deposits	<b>813,517</b>	1,021,320	849,733
	<b>2,421,272</b>	2,396,632	2,249,826

**10 EURO MEDIUM TERM NOTES**

The Bank in 2014 had Issued a 5-year, USD 500 million Regulation S, bond issuance under its Euro Medium Term Note (EMTN) programme of USD 600 million with regional and international investors. The bonds are listed on the Irish Stock Exchange and are governed by English law. The carrying amount of EMTN is stated after taking into account the amount of MTM value of the fair value hedge (Refer note 26).

During July 2016 the bank concluded a top issuance for USD 100 million under the same Euro Medium Term Note (EMTN) programme.

**11 OTHER LIABILITIES**

	<i>30/09/2016</i>	<i>30/09/2015</i>	<i>31/12/2015</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Interest payable and other accruals	<b>38,504</b>	39,310	36,384
Negative fair value of derivatives (note 26)	<b>4,341</b>	5,644	5,538
Liabilities under acceptances (note 8)	<b>35,073</b>	35,983	38,030
	<b>77,918</b>	80,937	79,952

**12 TAXATION**

	<i>30/09/2016</i>	<i>30/09/2015</i>	<i>31/12/2015</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
<b>Statement of comprehensive income</b>			
Current period/year	<b>5,881</b>	<b>6,373</b>	9,265

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**12 TAXATION (continued)**

Set out below is reconciliation between incomes taxes calculated on accounting profits with income tax expense for the period:

	<b>30/09/2016</b>	<b>30/09/2015</b>	<b>31/12/2015</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
Accounting profit	<b>47,998</b>	49,407	69,371
Tax at applicable rate	<b>5,760</b>	5,929	8,325
Non-deductible expenses	<b>53</b>	61	261
Tax exempt revenues	<b>(808)</b>	(389)	(595)
Others	<b>876</b>	772	1,274
	<b>5,881</b>	6,373	9,265

The bank's liabilities for taxation in the Sultanate of Oman have been assessed up to the year ended 31 December 2009.

The tax assessments of the Egypt operations in respect of the different taxes applicable are at different stages of completion with the respective tax authorities. The bank's liability in respect of its branches in UAE has been agreed with the tax authorities up to 31 December 2014.

	<b>30/09/2016</b>	<b>30/09/2015</b>	<b>31/12/2015</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
<b>Tax liability</b>			
Income tax and other taxes – Current year	<b>5,881</b>	6,373	9,265
Income tax and other taxes – Prior years	<b>(173)</b>	(954)	(863)
	<b>5,708</b>	5,419	8,402

	<b>30/09/2016</b>	<b>30/09/2015</b>	<b>31/12/2015</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
<b>Recognised deferred tax assets and liabilities</b>			
Deferred tax assets and liabilities are attributable to the following:			
Provisions	<b>928</b>	609	728
Available for sale investments	<b>(37)</b>	11	24
	<b>891</b>	620	752

Deferred tax is calculated at 12% (2015 – 12%).

**13 SUBORDINATED DEBT**

	<b>30/09/2016</b>	<b>30/09/2015</b>	<b>31/12/2015</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
At 1 January	<b>52,100</b>	63,600	63,600
Redeemed during the period/year	<b>(3,000)</b>	(1,500)	(11,500)
	<b>49,100</b>	62,100	52,100

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**14 OTHER NON-DISTRIBUTABLE RESERVES**

	<i>Available for sale reserve</i>	<i>Revaluation reserve</i>	<i>Subordinated debt reserve</i>	<i>Total</i>
	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>
At 1 January 2016	2,331	4,385	33,880	40,596
Net movement on available for sale investments	(632)	-	-	(632)
Tax effect of net results on available for sale financial investments	(61)	-	-	(61)
Transfer to retained earnings	-	-	(3,000)	(3,000)
<b>At 30 September 2016</b>	<b>1,638</b>	<b>4,385</b>	<b>30,880</b>	<b>36,903</b>
At 30 September 2015	3,623	3,766	33,460	40,849

- (i) The revaluation reserve represents the surplus on revaluation of building and is not available for distribution until the related assets have been disposed off or used.
- (ii) The subordinated debt reserve represents an annual transfer towards subordinated debt which is due to mature within the next five years period (note 15). The reserve is available for transfer back to retained earnings upon maturity of the subordinated debt.

**15 TIER 1 PERPETUAL BOND**

On 18 Nov 2015, the Bank issued Perpetual Tier 1 Capital Securities (the "Tier 1 Securities"), amounting to USD 300,000,000.

The Tier 1 Securities constitute direct, unconditional, subordinated and unsecured obligations of the Bank and are classified as equity in accordance with IAS 32: Financial Instruments – Classification. The Tier 1 Securities do not have a fixed or final maturity date. They are redeemable by the Bank at its sole discretion on 18 Nov 2020 (the "First Call Date") or on any interest payment date thereafter subject to the prior consent of the regulatory authority.

The Tier 1 Securities bear interest on their nominal amount from the issue date to the First Call Date at a fixed annual rate of 7.875%. Thereafter the interest rate will be reset at five year intervals. Interest will be payable semi-annually in arrears and treated as deduction from equity.

These securities form part of Tier 1 Capital of the Bank and comply with basel-3 and Central Bank of Oman regulation (BM 1114).

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**16 CONTINGENT LIABILITIES AND COMMITMENTS**

	<i>30/09/2016</i>	<i>30/09/2015</i>	<i>31/12/2015</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Guarantees	<b>428,668</b>	436,691	457,570
Documentary letters of credit	<b>93,689</b>	104,563	100,221
Undrawn commitment to lend	<b>134,443</b>	162,287	139,991
	<b>656,800</b>	703,541	697,782

Contingent liabilities include RO 0.47 million (30 September 2015 – RO 0.1 million and 31 December 2015– RO 0.1 million) relating to non-performing loans.

**17 INTEREST INCOME**

Interest bearing assets earned interest at an overall rate of 4.82% for the nine months period ended 30 September 2016 (30 September 2015 – 4.58% and 31 December 2015 – 4.68%).

**18 INTEREST EXPENSE**

For the nine months period ended 30 September 2016, the average overall cost of funds was 1.35% (30 September 2015-1.18% and 31 December 2015 – 1.16%).

**19 OTHER OPERATING INCOME**

	<i>9 months ended</i>	<i>9 months ended</i>
	<i>30/09/2016</i>	<i>30/09/2015</i>
	<i>RO'000</i>	<i>RO'000</i>
Net gains from foreign exchange dealings	<b>3,738</b>	3,920
Fees and commissions	<b>11,597</b>	13,011
Net income from sale of investments	<b>1,576</b>	189
Income from bonds	<b>2,881</b>	2,084
Dividend income	<b>664</b>	1,164
Service charges	<b>4,763</b>	6,497
Miscellaneous income	<b>962</b>	1,452
	<b>26,181</b>	28,317

**20 OTHER OPERATING EXPENSES**

	<i>9 months ended</i>	<i>9 months ended</i>
	<i>30/09/2016</i>	<i>30/09/2015</i>
	<i>RO'000</i>	<i>RO'000</i>
Establishment costs	<b>4,547</b>	4,467
Operating and administration expenses	<b>12,712</b>	10,548
	<b>17,259</b>	15,015

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**21 ASSET LIABILITY MISMATCH**

The asset liability mismatch is based on CBO circular BM 955 and given as follows:

**30 September 2016**

Maturities	<i>Assets</i> <i>RO'000</i>	<i>Equity, subordinated</i> <i>funds and liabilities</i> <i>RO'000</i>	<i>Mismatch</i> <i>RO'000</i>
0 - 3 month	1,109,226	865,932	243,294
3 - 12 month	300,383	791,668	(491,285)
1 – 5 years	635,465	821,720	(186,255)
More than 5 years	1,453,965	1,019,719	434,246
<b>Total</b>	<b>3,499,039</b>	<b>3,499,039</b>	<b>-</b>

**30 September 2015**

Maturities	<i>Assets</i> <i>RO'000</i>	<i>Equity, subordinated</i> <i>funds and liabilities</i> <i>RO'000</i>	<i>Mismatch</i> <i>RO'000</i>
0 - 3 month	1,012,827	821,465	191,362
3 - 12 month	293,319	786,541	(493,222)
1 – 5 years	616,139	806,829	(190,690)
More than 5 years	1,338,728	846,178	492,550
<b>Total</b>	<b>3,261,013</b>	<b>3,261,013</b>	<b>-</b>

**31 December 2015**

Maturities	<i>Assets</i> <i>RO'000</i>	<i>Equity, subordinated</i> <i>funds and liabilities</i> <i>RO'000</i>	<i>Mismatch</i> <i>RO'000</i>
0 - 3 month	983,544	860,308	123,236
3 - 12 month	286,624	665,021	(378,397)
1 – 5 years	623,624	784,819	(161,195)
More than 5 years	1,369,643	953,287	416,356
<b>Total</b>	<b>3,263,435</b>	<b>3,263,435</b>	<b>-</b>

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**22 RELATED PARTY TRANSACTIONS**

In the ordinary course of business, the bank conducts transactions with certain of its Directors and/or shareholders and companies over which they have significant interest. The aggregate amounts of balances with such related parties are as follows

	<u>30/09/2016</u>			<u>31/12/2015</u>		
	<i>Principal shareholder</i> RO'000	<i>Others</i> RO'000	<i>Total</i> RO'000	<i>Principal shareholder</i> RO'000	<i>Others</i> RO'000	<i>Total</i> RO'000
Loans and advances	-	81,477	81,477	-	43,669	43,669
Customers' deposits	91,232	21,358	112,590	91,345	20,869	112,214
Due from banks	92	13,668	13,760	235	15,015	15,250
Due to banks	220	-	220	38,647	-	38,647
Subordinated debt	14,500	4,000	18,500	14,500	4,000	18,500
Letters of credit, guarantees and acceptances	98	2,662	2,760	118	2,122	2,240
Standby revolving credit facility	77,000	-	77,000	77,000	-	77,000
Risk indemnities received	400	-	400	484	-	484
Investments	1,917	-	1,917	1,801	-	1,801

The statement of comprehensive income includes the following amounts in relation to transactions with related parties:

	<u>30/09/2016</u>			<u>30/09/2015</u>		
	<i>Principal shareholder</i> RO'000	<i>Others</i> RO'000	<i>Total</i> RO'000	<i>Principal shareholder</i> RO'000	<i>Others</i> RO'000	<i>Total</i> RO'000
Interest income	-	2,101	2,101	21	686	707
Commission income	74	37	111	-	44	44
Interest expense	2,670	211	2,881	2,632	262	2,894
Other expenses	-	871	871	-	380	380
Senior management compensation:				<b>9 months ended</b>	<b>9 months ended</b>	
Salaries and other short term benefits				<b>30/09/2016</b>	<b>30/09/2015</b>	
				<b>RO'000</b>	<b>RO'000</b>	
- Fixed				<b>2,242</b>	1,887	
- Discretionary				<b>1,329</b>	1,811	
				<b>3,571</b>	<b>3,698</b>	

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**23 SHAREHOLDERS**

As of 30 September 2016, the shareholders of the bank who own 10% or more of the bank's shares:

	<i>Number of shares '000</i>	<i>% Holding</i>
The Commercial Bank of Qatar	514,696	34.90%
Suhail Bahwan Group (Holdings) LLC	217,446	14.74%
Civil Service Employees Pension Fund	166,619	11.30%

The percentage shareholding is calculated based on the total shares of the bank outstanding at the reporting date.

**24 SEGMENT REPORTING**

For management purposes, the bank is organised into four operating segments based on business units and are as follows:

- Retail banking offers various products and facilities to individual retail and high networth customers to meet everyday banking needs. This includes asset products like Personal Loans, Housing Loan, Credit Cards and Term Loans and liability products like Savings account, Current account & Term Deposits.
- Wholesale banking delivers a variety of products and services to Corporate customers that include lending, accepting deposits, trade finance, treasury and foreign exchange. It also includes Investment banking which offers investment products such as asset management, corporate advisory and brokerage services to retail customers and institutional clients.
- Commercial banking covers the mid-tier corporate and SME customers offering the entire spectrum of products to suit their business needs. It also includes our international operations in UAE and Egypt.
- Islamic banking offers products to cater to both retail and corporate customers as per Sharia principles.

Management monitors the operating results of these segments separately for the purpose of making decisions about resource allocation and performance assessment. The costs incurred by the central functions are managed on a group basis and are not allocated to operating segments.

Segment information by business line is as follows:

<i>9 months ended</i>	<i>Retail banking</i>	<i>Wholesale Banking</i>	<i>Commercial banking</i>	<i>Head office</i>	<i>Sub Total</i>	<i>Islamic Banking</i>	<i>Total</i>
<i>30-Sep-16</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
<b>Operating income</b>	39,696	31,250	13,812	14,695	99,453	2,817	102,270
<b>Net Profit / (loss)</b>	18,927	26,760	4,853	(9,340)	41,200	917	42,117
<b>Total assets</b>	1,230,766	1,130,668	445,110	564,510	3,371,054	127,985	3,499,039

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (unaudited)**

**24 SEGMENT REPORTING (Continued)**

<i>9 months ended</i>	<i>Retail banking</i>	<i>Wholesale Banking</i>	<i>Commercial banking</i>	<i>Head office</i>	<i>Sub Total</i>	<i>Islamic Banking</i>	<i>Total</i>
<i>30-Sep-15</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Operating income	36,574	35,719	11,311	11,512	95,116	2,444	97,560
Net Profit / (loss)	20,982	30,808	5,603	(14,868)	42,525	509	43,034
Total assets	1,071,396	1,185,130	416,576	487,327	3,160,429	100,584	3,261,013

For management purposes the bank also reports the segment information of its operations by the following geographical locations:

- i) Oman
- ii) United Arab Emirates (UAE)
- iii) Egypt

Transactions between the above segments are conducted at estimated market rates on an arm's length basis. Segment information by geography is as follows:

<b>For the period ended 30 September 2016</b>	<b><i>Oman</i></b> <b><i>RO'000</i></b>	<b><i>UAE</i></b> <b><i>RO'000</i></b>	<b><i>Egypt</i></b> <b><i>RO'000</i></b>	<b><i>Total</i></b> <b><i>RO'000</i></b>
Interest income and Income from Islamic financing and Investment activities	96,341	7,575	274	104,190
Other operating income	24,225	1,993	(37)	26,181
Total Income	120,566	9,568	237	130,371
Interest costs and Unrestricted investment account holders' share of profit	26,131	1,921	49	28,101
Other operating expenses	39,788	2,916	278	42,982
Depreciation	1,910	76	-	1,986
Credit loss expense - customer loan	12,208	3,646	1	15,855
Recoveries	(6,398)	(310)	-	(6,708)
Others	157	-	-	157
Taxation	5,604	262	15	5,881
Total	79,400	8,511	343	88,254
Segment profit for the year	41,166	1,057	(106)	42,117

**Other information**

Segment assets	3,187,714	290,479	20,846	3,499,039
Segment capital expenses	7,998	147	-	8,145

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (unaudited)**

**24 SEGMENT REPORTING (Continued)**

For the period ended 30 September 2015

	<i>Oman</i> <i>RO'000</i>	<i>UAE</i> <i>RO'000</i>	<i>Egypt</i> <i>RO'000</i>	<i>Total</i> <i>RO'000</i>
<b>Segment revenue</b>				
Interest income and Income from Islamic financing and Investment activities	88,095	4,766	124	92,985
Other operating income	25,938	1,907	472	28,317
Total income	114,033	6,673	596	121,302
<b>Segment costs</b>				
Interest costs and Unrestricted investment account holders' share of profit	22,806	884	52	23,742
Other operating expenses	38,279	2,527	282	41,088
Depreciation	2,225	67	-	2,292
Credit loss expense - customer loan	10,613	1,361	1	11,975
Recoveries	(6,209)	(457)	(603)	(7,269)
Others	67	-	-	67
Taxation	5,907	458	8	6,373
Total	73,688	4,840	(260)	78,268
Segment profit for the year	40,345	1,833	856	43,034
<b>Other information</b>				
Segment assets	2,957,815	281,934	21,264	3,261,013
Segment capital expenses	11,466	41	-	11,507

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (unaudited)**

**25 FAIR VALUE OF FINANCIAL INSTRUMENTS**

The fair values of financial instruments that are traded in active markets are based on quoted market prices or dealer price quotations. Other unquoted equities are valued based on information provided by fund managers, investee financial information and current purchase prices.

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

**Valuation models**

Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The following table shows an analysis of financial instruments other than derivatives instruments recorded at fair value by level of the fair value hierarchy:

	<i>Level 1</i>	<i>Level 2</i>	<i>Total</i>
<i>30 September 2016</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
<b>Investments – held for trading:</b>			
Government development bonds	62,156	-	62,156
Government Sukuk	3,000	-	3,000
Quoted equities	558	-	558
<b>Total</b>	<b>65,714</b>	<b>-</b>	<b>65,714</b>
<b>Investments - available for sale:</b>			
Quoted equities	17,497	-	17,497
Other unquoted equities	-	12,255	12,255
<b>Total</b>	<b>17,497</b>	<b>12,255</b>	<b>29,752</b>
<b>Total financial assets</b>	<b>83,211</b>	<b>12,255</b>	<b>95,466</b>

Financial instruments at level 2 are valued based on counter party valuation, quoted forward rates and yield curves.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (unaudited)**

**25 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)**

	<i>Level 1</i>	<i>Level 2</i>	<i>Total</i>
<i>30 September 2015</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
<b>Investments – held for trading:</b>			
Government development bonds	62,571	-	62,571
<b>Total</b>	<b>62,571</b>	<b>-</b>	<b>62,571</b>
<b>Investments - available for sale:</b>			
Government development bonds	43,379	-	43,379
Quoted equities	39,649	-	39,649
Other unquoted equities	-	12,460	12,460
<b>Total</b>	<b>83,028</b>	<b>12,460</b>	<b>95,488</b>
<b>Total financial assets</b>	<b>145,599</b>	<b>12,460</b>	<b>158,059</b>
	<i>Level 1</i>	<i>Level 2</i>	<i>Total</i>
<i>31 December 2015</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
<b>Investments – held for trading:</b>			
Government development bonds	65,468	-	65,468
<b>Total</b>	<b>65,468</b>	<b>-</b>	<b>65,468</b>
<b>Investments - available for sale:</b>			
Government development bonds	43,266	-	43,266
Quoted equities	28,551	-	28,551
Other unquoted equities	-	12,119	12,119
<b>Total</b>	<b>71,817</b>	<b>12,119</b>	<b>83,936</b>
<b>Total financial assets</b>	<b>137,285</b>	<b>12,119</b>	<b>149,404</b>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT  
30 September 2016 (Unaudited)

26 DERIVATIVES

	<i>Positive fair value (Note 8) RO'000</i>	<i>Negative fair value (Note 10) RO'000</i>	<i>Notional amount total RO'000</i>	<i>Notional amounts by term to maturity</i>		
				<i>Within 3 months RO'000</i>	<i>3 – 12 months RO'000</i>	<i>Above 1 Year RO'000</i>
<i>30 September 2016</i>						
<i>Derivatives</i>						
Fair value hedge	6,599	-	192,500	-	-	192,500
Interest rate swaps	4,084	(4,084)	108,527	4,243	12,485	91,799
Forward foreign exchange purchase contracts	725	(99)	264,225	190,838	73,387	-
Forward foreign exchange sales contracts	973	(158)	264,225	192,371	71,854	-
Currency options	-	-	2,502	1,951	551	-
<b>Total</b>	<b>12,381</b>	<b>(4,341)</b>	<b>831,979</b>	<b>389,403</b>	<b>158,277</b>	<b>284,299</b>
<i>30 September 2015</i>						
<i>Derivatives</i>						
Fair value hedge	7,111	-	192,500	-	-	192,500
Interest rate swaps	5,030	(5,030)	118,660	2,125	11,691	104,844
Forward foreign exchange purchase contracts	104	(200)	142,453	100,636	41,817	-
Forward foreign exchange sales contracts	392	(195)	142,452	99,000	43,452	-
Currency Options	219	(219)	3,590	3,376	214	-
<b>Total</b>	<b>12,856</b>	<b>(5,644)</b>	<b>599,655</b>	<b>205,137</b>	<b>97,174</b>	<b>297,344</b>
<i>31 December 2015</i>						
<i>Derivatives</i>						
Fair value hedge	3,473	-	192,500	-	-	192,500
Interest rate swaps	4,373	(4,373)	117,067	2,125	11,691	103,251
Forward purchase contracts	265	(324)	135,681	105,634	30,047	-
Forward sales contracts	138	(840)	135,681	105,807	29,874	-
Currency options	1	(1)	765	294	-	471
<b>Total</b>	<b>8,250</b>	<b>(5,538)</b>	<b>581,694</b>	<b>213,860</b>	<b>71,612</b>	<b>296,222</b>

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENT**  
**30 September 2016 (Unaudited)**

**27 LIQUIDITY COVERAGE RATIO**

		September 2016		September 2015	
		Quarterly average			
		Total Unweighted Value	Total Weighted Value	Total Unweighted Value	Total Weighted Value
		RO'000	RO'000	RO'000	RO'000
<b>High Quality Liquid Assets</b>					
1	Total High Quality Liquid Assets (HQLA)		442,236		469,269
<b>Cash Outflows</b>					
2	Retail deposits and deposits from small business customers, of which:	735,456	43,088	714,331	41,163
3	Stable deposits	609,146	30,457	605,408	30,270
4	Less stable deposits	126,310	12,631	108,923	10,892
5	Unsecured wholesale funding, of which:	1,019,310	397,362	867,602	332,544
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,019,310	397,362	867,602	332,544
7	Non-operational deposits (all counterparties)	-	-	-	-
8	Unsecured debt	-	-	-	-
9	Secured wholesale funding		-		-
10	Additional requirements, of which	11,867	1,187	31,482	3,148
11	Outflows related to derivative exposures and other collateral requirements	-	-	-	-
12	Outflows related to loss of funding on debt products	-	-	-	-
13	Credit and liquidity facilities	11,867	1,187	31,482	3,148
14	Other contractual funding obligations	-	-	-	-
15	Other contingent funding obligations	551,168	28,741	554,460	29,850
16	<b>TOTAL CASH OUTFLOWS</b>		470,378		406,705
<b>Cash Inflows</b>					
17	Secured lending (e.g. reverse repos)	-	-	-	-
18	Inflows from fully performing exposures	420,685	278,975	385,514	244,632
19	Other cash inflows	20,302	20,302	19,488	19,488
20	<b>TOTAL CASH INFLOWS</b>	440,988	299,277	405,001	264,120
			<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>
21	<b>TOTAL HQLA</b>		442,236		469,269
22	<b>TOTAL NET CASH OUTFLOWS</b>		171,101		142,586
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		258.47		329.11