

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	Parent Company		Consolidated	
	2006	2005	2006	2005
	RO'000	RO'000	RO'000	RO'000
Operating activities				
Profit before tax	74,763	46,988	92,119	77,780
Adjustments for:				
Depreciation	30,064	29,754	64,548	52,377
Provision for impairment of receivables	3,081	1,286	7,082	5,703
Writeback of provision	(933)	-	(2,067)	-
Amortisation of goodwill	-	-	-	96
Amortisation of licences	300	300	2,793	2,793
Fair value gains on investments	(63)	(262)	(118)	(262)
Interest income	(2,012)	(4,764)	(1,291)	(1,570)
Dividend income	(29,676)	(12,179)	-	(58)
Share of (profit) / loss from associated companies	-	-	(142)	(157)
(Profit) / loss on sale of property, plant and equipment	(11)	(39)	(11)	(39)
Interest expense	3,615	2,154	3,615	2,154
End of service benefits expenses	294	147	365	170
Operating profit before payment of end of service benefits and changes in working capital	79,422	63,385	166,893	138,987
Payment of end of service benefits	(309)	(182)	(309)	(182)
Working capital changes:				
Inventories	1,637	586	1,771	570
Trade and other receivables	(7,654)	(16,979)	(12,114)	(25,677)
Royalty payable	2,256	4,559	6,205	5,188
Trade and other payables	2,927	2,794	4,277	8,245
Amounts receivable from subsidiary	8,958	(33,571)	-	-
Cash generated from operations	87,237	20,592	166,723	127,131
Interest received	414	4,065	414	-
Tax paid	(3,225)	(7,423)	(9,056)	(10,419)
Net cash generated from operating activities	84,426	17,234	158,081	116,712
Investing activities				
Interest received	-	-	876	1,551
Purchase of property, plant and equipment	(24,702)	(33,011)	(57,472)	(82,360)
Proceeds from sale of fixed assets	11	39	11	39
Purchase of investment in associated companies	-	(612)	-	(612)
Proceeds from sale of investments at fair value through profit or loss	-	2,710	-	2,710
Dividend received	29,676	12,237	169	172
Proceeds from encashment of convertible loan note	-	36,893	-	-
Installation on loan to subsidiary	22,665	10,367	-	-
Interest free loan to subsidiary	(26,893)	(10,000)	-	-
Net cash used in investing activities	757	18,623	(56,416)	(78,500)
Financing activities				
Amount paid to the Government	(41,240)	(15,000)	(41,240)	(15,000)
Bank borrowings	(4,560)	4,560	(4,560)	4,560
Dividends paid	(52,500)	(49,002)	(52,922)	(49,002)
Repayment of loan to Government	-	(664)	-	(664)
Interest paid	(4,902)	(124)	(4,902)	(124)
Amount paid to contractors on behalf of the Ministry of Finance	-	(9,200)	-	(9,200)
Amount recovered from Ministry of Finance	9,200	-	9,200	-
Net cash used in financing activities	(94,002)	(69,430)	(94,424)	(69,430)
Net change in cash and cash equivalents	(8,819)	(33,573)	7,241	(31,218)
Cash and cash equivalents at the beginning of the year	34,376	67,949	47,564	78,782
Cash and cash equivalents at the end of the year	25,557	34,376	54,805	47,564