

**CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2007**

	Parent Company		Consolidated	
	Unaudited 30 June 2007 RO'000	Unaudited 30 June 2006 RO'000	Unaudited 30 June 2007 RO'000	Unaudited 30 June 2006 RO'000
Operating activities				
Profit before taxation	62,490	52,173	55,929	49,074
Adjustments for:				
Depreciation	13,739	13,840	30,080	27,297
Provision for impairment of receivables	2,856	1,224	4,401	4,651
Amortisation of licences	150	150	1,398	1,396
Fair value gains on investments	(1,147)	-	(1,147)	-
Interest (income)/cost – net	(143)	1,200	175	1,861
Dividend income	(32,771)	(29,676)	-	-
Share of profit from associated companies – net	-	-	(97)	(142)
Net change in end of service benefits	77	(14)	167	(6)
(Profit) / loss on sale of property, plant and equipment	(4)	-	(4)	-
Operating profit before changes in working capital	45,247	38,897	90,902	84,131
Working capital changes:				
Inventories	(352)	(126)	(1,159)	61
Trade and other receivables	(6,367)	7,871	(13,307)	(1,456)
Royalty payable	(6,998)	(4,833)	(16,608)	(12,603)
Trade and other payables	(876)	(8,158)	6,431	(6,275)
Amounts receivable from subsidiary	(5,712)	(21,034)	-	-
Cash generated from operations	24,942	12,617	66,259	63,858
Interest received	2,048	1,021	700	360
Tax paid	(3,500)	(3,218)	(7,801)	(9,054)
Net cash from / (used in) operating activities	23,490	10,420	59,158	55,164
Investing activities				
Net purchase of property, plant and equipment	(5,827)	(6,562)	(15,991)	(23,954)
Acquisition of investments	(1,973)	-	(1,973)	-
Installment received on loan to subsidiary	22,664	(4,228)	-	-
Dividend received from subsidiary	1,401	16,000	-	-
Net cash used in investing activities	16,265	5,210	(17,964)	(23,954)
Financing activities				
Amount paid to government	-	(2,852)	-	(2,852)
Bank Borrowing	-	(4,560)	-	(4,560)
Dividends paid	(34,125)	(27,300)	(34,125)	(27,422)
Amounts paid to contractors on behalf of Ministry of Finance	(400)	-	(400)	-
Repayment of loan to Government	(664)	(664)	(664)	(664)
Interest paid	(855)	(2,386)	(855)	(2,386)
Net cash used in financing activities	(36,044)	(37,762)	(36,044)	(37,884)
Net change in cash and cash equivalents	3,711	(22,132)	5,150	(6,674)
Cash and cash equivalents at the beginning of the period	25,557	34,376	54,305	47,564
Cash and cash equivalents at the end of the period	29,268	12,244	59,455	40,890

The accompanying notes form an integral part of these financial statements.