

# OMAN TELECOMMUNICATIONS COMPANY SAOG

4

## INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	Parent Company		Consolidated	
		2007 RO'000	2006 RO'000	2007 RO'000	2006 RO'000
<b>Revenue</b>					
Service revenue		83,880	85,938	298,981	281,683
External administration revenue	26	27,117	17,904	27,117	17,904
Interconnection income	27(a)	87,990	73,240	39,213	24,045
		<u>198,987</u>	<u>177,082</u>	<u>365,311</u>	<u>323,632</u>
<b>Expenses</b>					
Roaming operator services		-	-	(6,272)	(4,638)
Interconnection expense	27(b)	(29,807)	(23,749)	(23,702)	(14,113)
Corporate shared services and recharges		5,820	6,000	-	-
Cost of content services	28	-	-	(2,054)	(1,340)
External administration expenses	29	(17,443)	(16,705)	(17,443)	(16,705)
Marketing and advertising expenses		(1,049)	(1,570)	(3,842)	(4,283)
Staff costs	30	(29,643)	(26,041)	(39,650)	(34,208)
Operating and maintenance expenses	31	(13,637)	(13,017)	(25,105)	(20,782)
Administrative expenses	32	(4,723)	(4,379)	(6,540)	(6,438)
Depreciation	6	(29,617)	(30,064)	(65,210)	(64,548)
Commission	33	(2,596)	(3,172)	(19,595)	(16,505)
Provision for impairment of receivables	39 (b) (ii)	(416)	(2,148)	(1,389)	(4,797)
Amortisation of licences	8 (a)	(300)	(300)	(2,793)	(2,793)
Annual licence fees	8 (b)	(350)	(453)	(1,125)	(1,360)
Royalty	24	(11,843)	(15,333)	(25,384)	(37,316)
		<u>(135,604)</u>	<u>(130,931)</u>	<u>(240,104)</u>	<u>(229,826)</u>
<b>Operating profit</b>		<b>63,383</b>	<b>46,151</b>	<b>125,207</b>	<b>93,806</b>
Finance income/(costs)– net	34	3,109	(1,272)	3,081	(1,993)
Dividend income from subsidiary		32,771	29,676	-	-
Other income		723	208	676	164
Share of profit from associated companies – net	9	-	-	302	142
		<u>99,986</u>	<u>74,763</u>	<u>129,266</u>	<u>92,119</u>
<b>Profit before taxation</b>		<b>99,986</b>	<b>74,763</b>	<b>129,266</b>	<b>92,119</b>
Taxation	35(a)	(8,741)	(5,437)	(16,692)	(11,011)
		<u>91,245</u>	<u>69,326</u>	<u>112,574</u>	<u>81,108</u>
<b>Profit for the year</b>		<b>91,245</b>	<b>69,326</b>	<b>112,574</b>	<b>81,108</b>
<b>Profit for the year attributable to:</b>					
Equity holders of parent		91,245	69,326	112,032	80,696
Minority interest		-	-	542	412
		<u>91,245</u>	<u>69,326</u>	<u>112,574</u>	<u>81,108</u>
<b>Profit for the year</b>		<b>91,245</b>	<b>69,326</b>	<b>112,574</b>	<b>81,108</b>
<b>Basic earnings per share (RO)</b>	36	<b>0.121</b>	<b>0.093</b>	<b>0.149</b>	<b>0.108</b>

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