

OMAN TELECOMMUNICATIONS COMPANY SAOG

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 September 2010

	Unaudited 9-months ended 30 September 2010 RO'000	Unaudited 9-months ended 30 September 2009 RO'000
Operating activities		
Profit before taxation	92,669	120,602
Adjustments for:		
Depreciation of property, plant and equipment	54,069	45,992
Loss/(profit) on sale of property, plant and equipment	(46)	98
Provision for impairment of receivables - net	2,040	(1,383)
Provision for inventory obsolescence	109	-
Amortisation of intangible asset	2,819	2,214
Fair value gains on investments	(218)	(1,643)
Realised losses/ (gains) on investments held for trading –net	(23)	547
Impairment loss on available for sale investment	301	-
Interest income	(2,739)	(4,322)
Dividend income	(283)	(141)
Interest expense	4,484	3,252
Share of loss/(profits) from associates- Net	(590)	588
Net movement in retirement benefits	579	233
Insurance claim	-	(3,642)
	153,171	162,395
Operating profit before changes in working capital		
Working capital changes:		
Inventories	429	(1,043)
Trade and other receivables	(2,382)	(2,166)
Prepayments	621	1,023
Long term receivable	(189)	(23)
Royalty payable	(6,266)	(8,032)
Trade and other payables	7,588	2,759
Long term deposit payable	(1,098)	1,088
	151,844	156,001
Cash generated from operations		
Interest received	2,832	3,677
Tax refund relating to previous years	1,052	-
Tax paid	(16,614)	(20,229)
	139,114	139,449
Net cash from operating activities		
Investing activities		
Net purchase of property, plant and equipment	(61,305)	(70,113)
Purchase of licences	(10,518)	-
Dividend received	566	385
Proceeds from sale of property, plant and equipment	105	45
Insurance claim settlement	-	3,601
Net acquisition of investments	(3,190)	(6,805)
Purchase of investment in associates	(2,480)	-
Fixed deposit	48,641	(26,588)
	(28,181)	(99,475)
Net cash (used in)/from investing activities		
Financing activities		
Dividend paid	(75,588)	(75,632)
Repayment of borrowings	(30,191)	(10,092)
Borrowings raised	643	-
Amounts paid to government	(1,211)	-
Interest paid	(3,657)	(2,683)
Finance lease liability paid	(242)	(152)
	(110,246)	(88,559)
Net cash used in financing activities		
Net change in cash and cash equivalents	687	(48,585)
Cash and cash equivalents at beginning of the period	27,325	81,828
Cash and cash equivalent acquired on business combination (Note 5 (b))	-	(1,703)
Effect of exchange rate changes on balance of cash held in foreign currency	(24)	72
	27,988	31,612
Cash and cash equivalents at end of the period (Note 43)		

The attached notes from pages 8 to 49 form an integral part of these financial statements.
The Review Report of the Auditors is set out on page 1.