

Omantel Group Performance 1st Quarter 2010

(Presentation to Investor Community)

Conference Call

on

13th May 2010 at 1 PM (Oman Time)



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Omantel Group - Performance Highlights

Growth on Track: Group Revenue increased by 12% to RO 110.6 Mn. Domestic revenue recorded a growth of 2.3%.

Impressive Margin: Net Profit of RO 32.4 Mn. Maintained **Healthy EBITDA** of 49% and net profit margin of 29%.

Strong and growing subscriber base – 3.13 Mn customer base, of which Worldcall subscribers are 817 K. Achieved 28% growth in domestic mobile market with Mobile resellers.

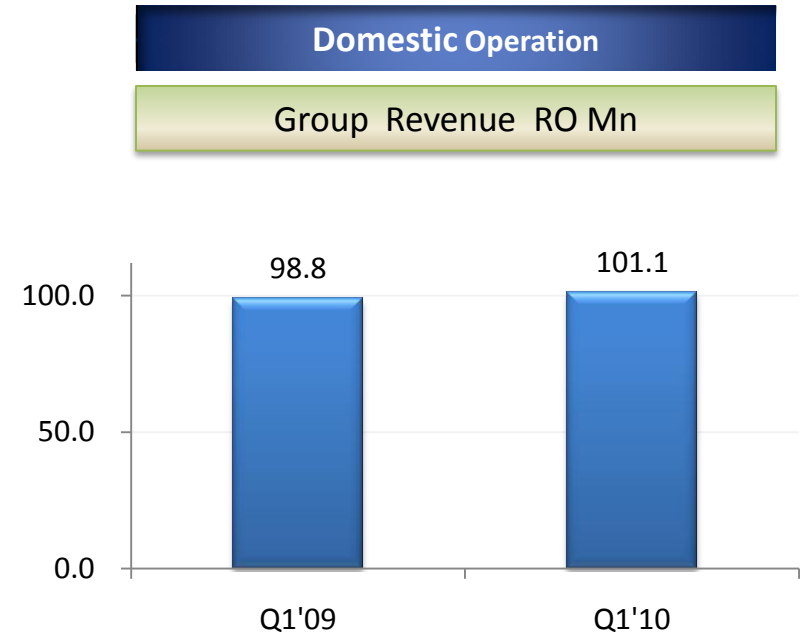
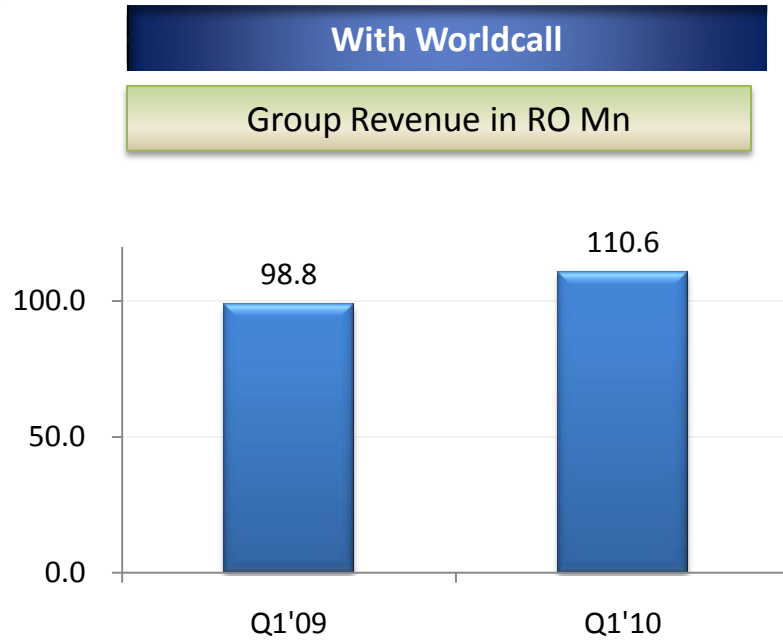
Strong Balance sheet. Debt Ratio is 42%. Group total assets of over RO 680 Mn with a net worth of RO 396 Mn.

Low Gearing, long term debt less than 10% of capital employed.

Impressive Market fundamentals - Market Capitalization RO 0.963 Bn (Mar'10), Price Earning Ratio {P/E – 7.5 (annualized), EV / EBITDA – 4.48 (annualized), Price to Book Value –2.4}.

Strong brand image – Oman Mobile recognized as the leading telecom brand in Oman by a survey conducted by the Oman Daily Observer.

Group revenue increased by 12% while Domestic Revenue recorded a growth of 2.3%.



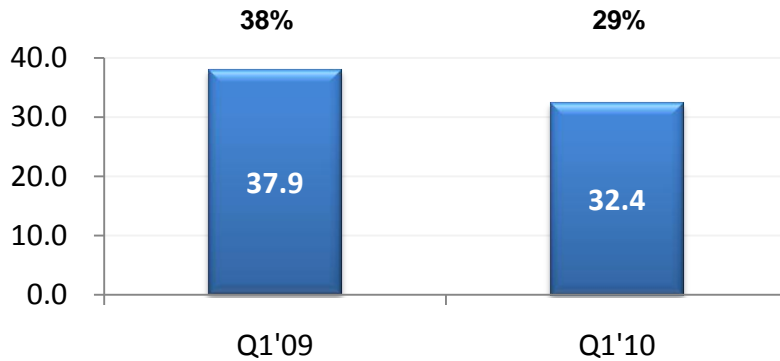
Note: Group Revenue includes Worldcall Financials for Yr 2010, but excludes in Yr 2009

1 Omani Rial = US\$ 2.6,
Group Rev and net profit include WTL, Pakistan for the period Jan – Mar '10

Domestic margins Stable. Group margins affected by Worldcall Consolidation - Net Profit at 29% EBITDA at 49%.

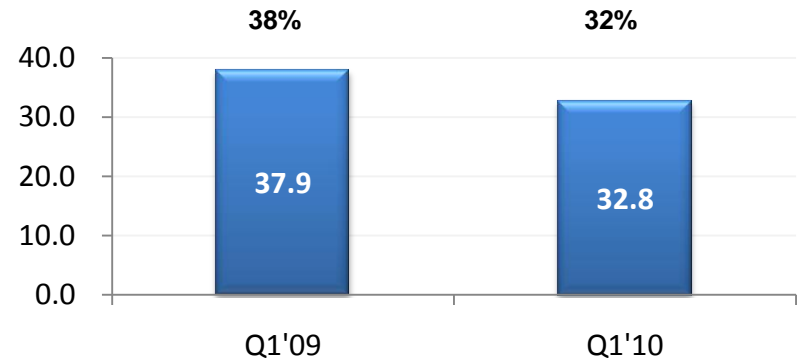
With Worldcall

Group Net Profit RO Mn

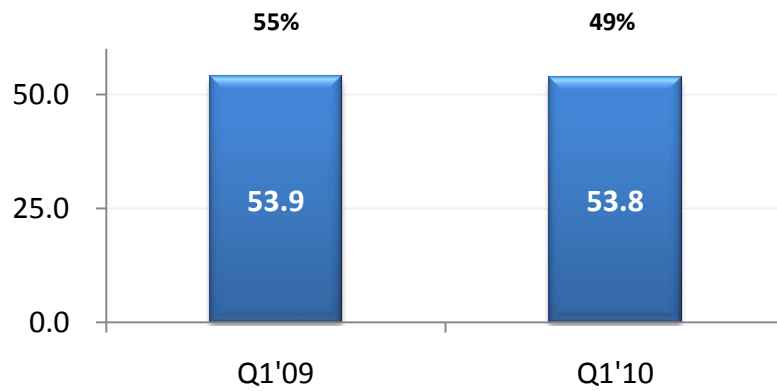


Domestic Operation

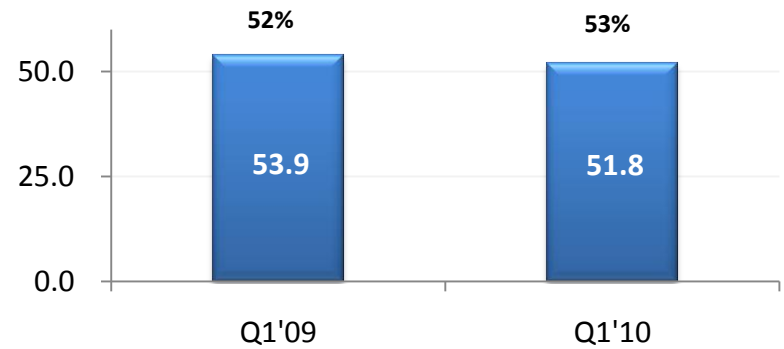
Group Net Profit in RO Mn



EBITDA RO Mn & %

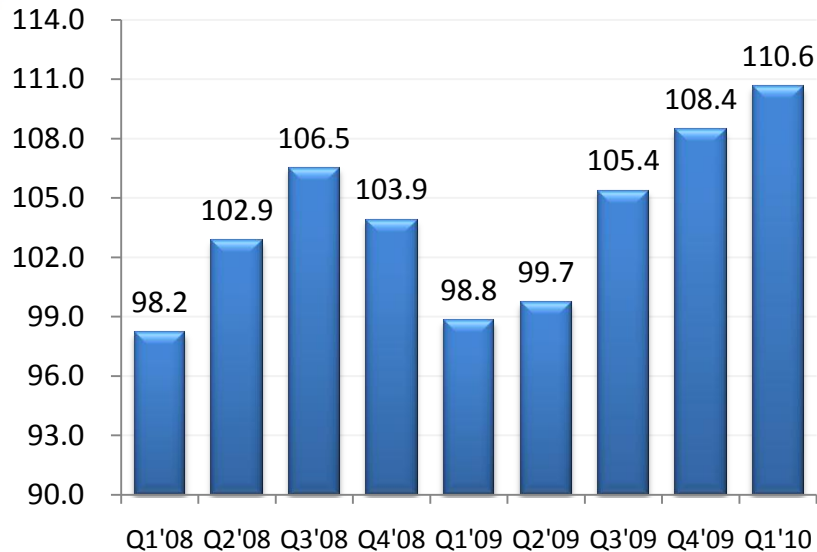


EBITDA RO Mn & %

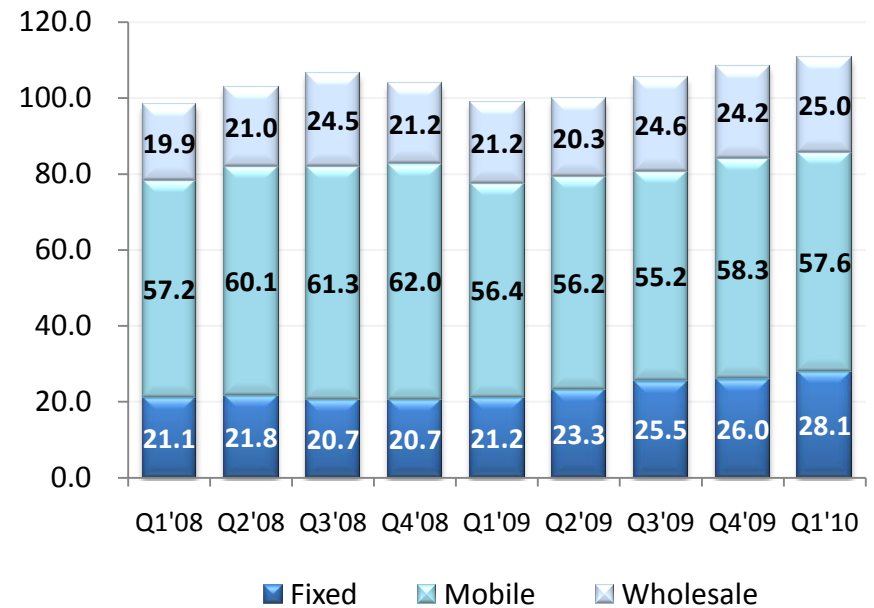


Q1'10 is the highest revenue recorded in last 9 quarters (2008-2010) in spite of increased competition and price reduction especially for international calls.

Group Revenue in RO Mn



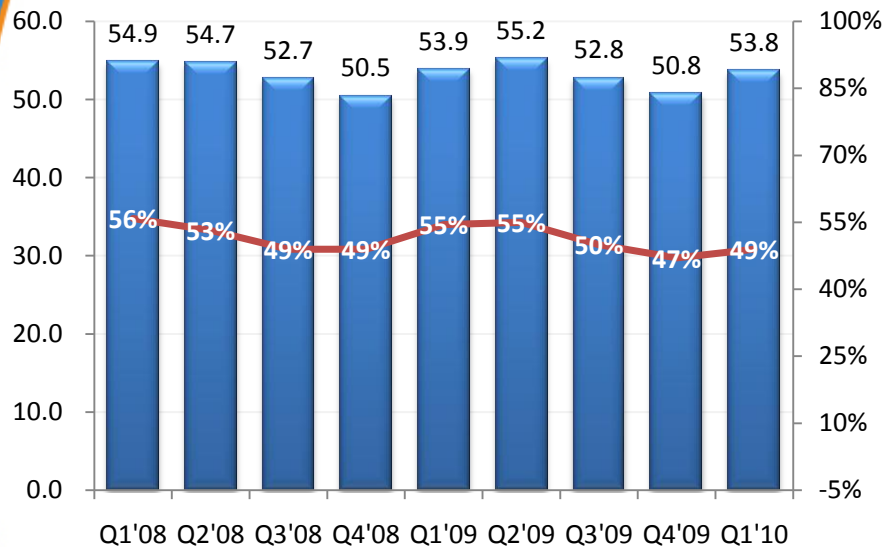
Revenue by Segment RO Mn



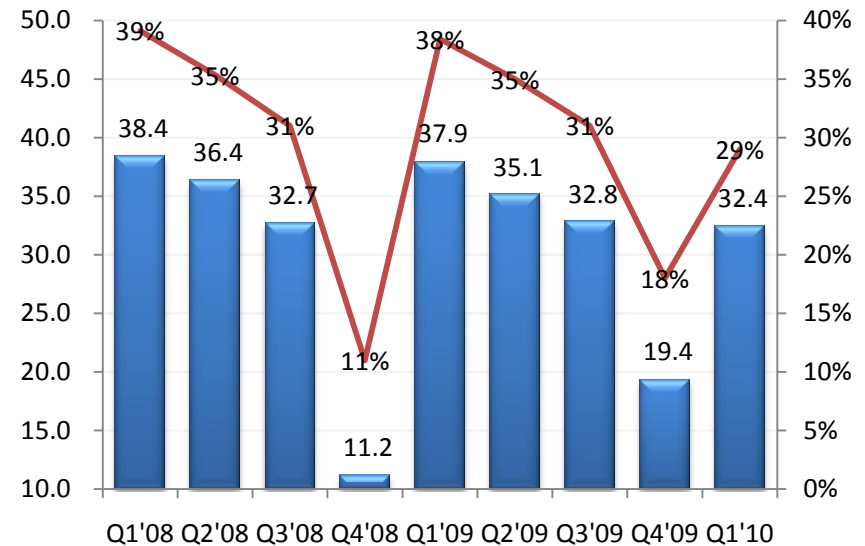
Note: Consolidated results include Worldcall performance for the period Jan – Mar'10

Qtr to Qtr analysis - Strong margin despite revenue under pressure.

EBITDA (RO Mn & %)



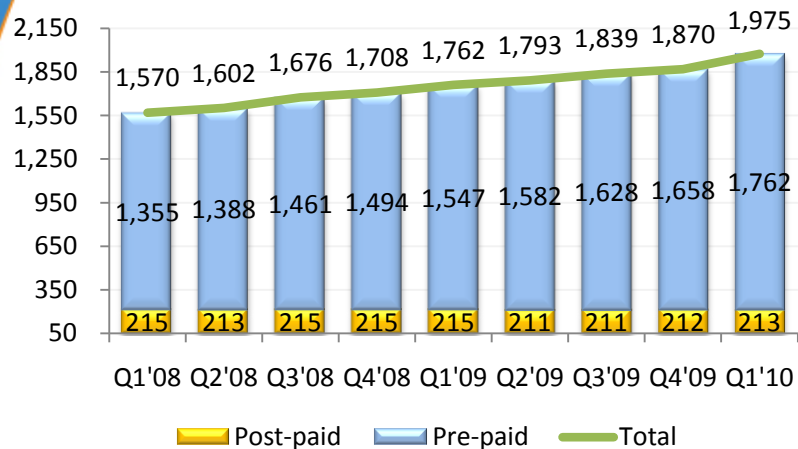
Net Profit (after Tax) (RO Mn & %)



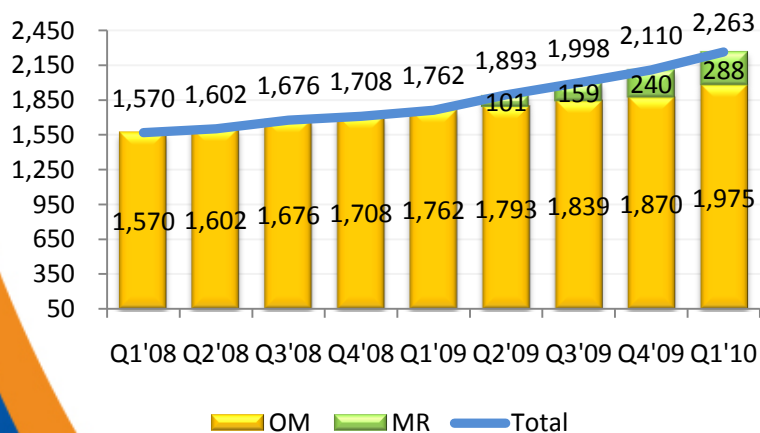
Q4'08 Net profit decline is due to the impact of the impairment on goodwill of Worldcall acquisition.
Q4'09 Net profit decline is due to the impact of Voluntary End of Service

Oman Mobile with its Mobile Resellers added 501 K subscribers, of which 57% contributed by Mobile resellers. Fixed line growth recorded a decline, while broadband growth is gradually picking up.

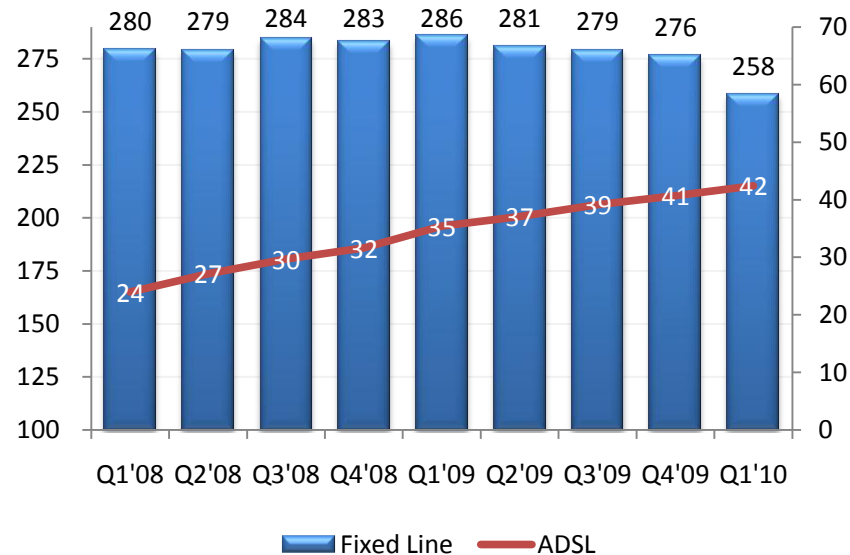
Mobile Subscribers– In '000s



With Mobile Resellers – In '000s



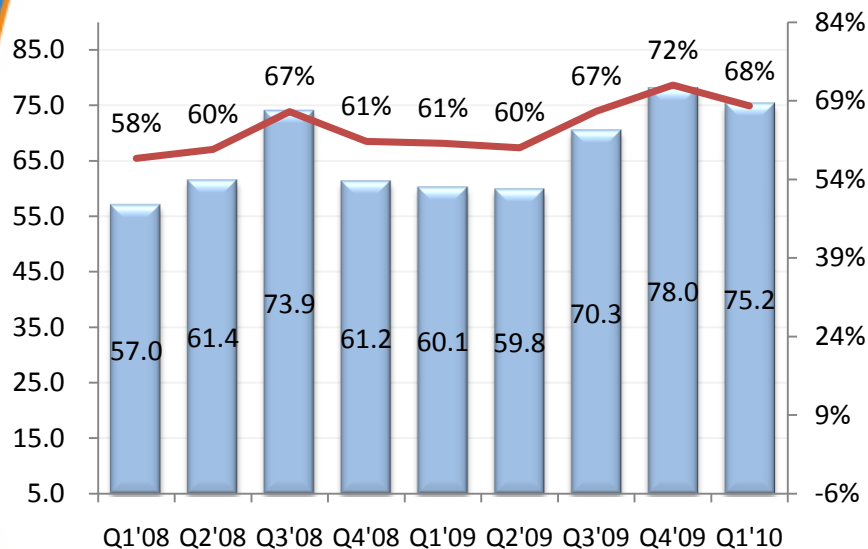
Fixed Lines & Broadband – In '000s



Fixed line include pre-paid and payphone

Consolidated Opex to Sales ratio managed at 68% in Q1.

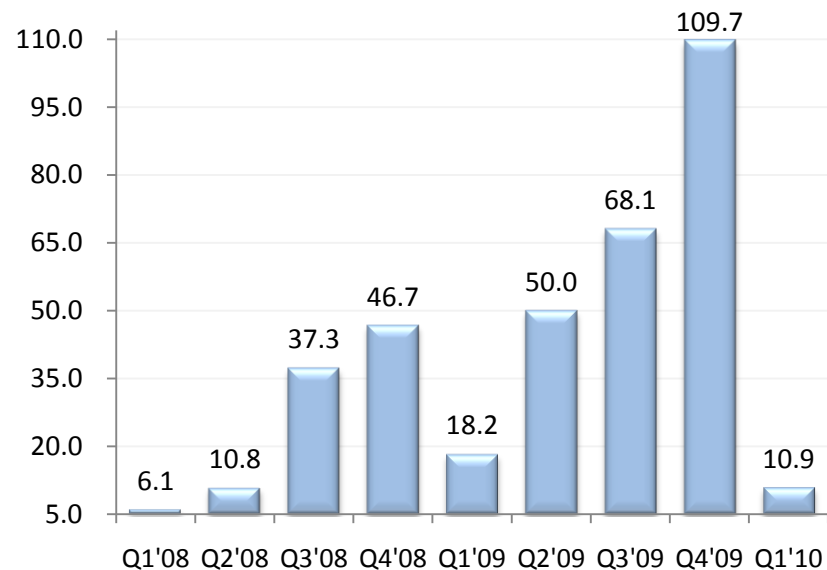
Total Opex (incl depreciation) by Qtr RO Mn



Increase in opex ratio mainly resulting from consolidation of WTL results.

Excluding WTL, the total opex for the domestic operation is RO 65.9 Mn (Q1'10), which is higher by 9.6% compared to 1st quarter 2009.

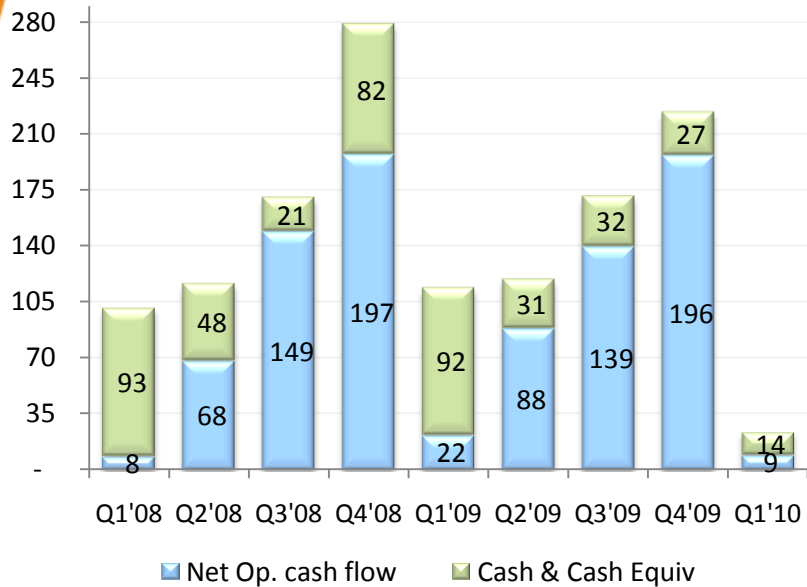
Capex Additions (cumulative) RO Mn



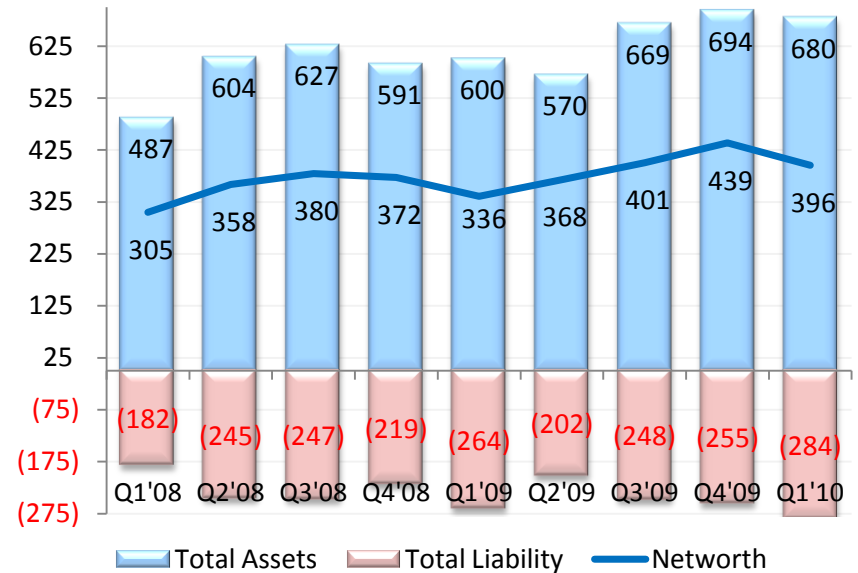
Capex to Revenue ratio decreased to 10% from 18% in 1st quarter 2009.

Net operating cash flow is around 8% of the gross sales. Debt ratio of 42%

Cash flow (cumulative) RO Mn



Assets, Liability & Net worth RO Mn



Cash & Cash Equivalent exclude long term deposit. As of Mar'10, the long term / short terms deposit amounts to RO 100.2 Mn

Thank you



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