

# OMAN TELECOMMUNICATIONS COMPANY SAOG

## Consolidated statement of cash flows

for the period ended 31 March 2011

	Unaudited 3 months ended 31 March 2011 RO'000	Unaudited 3 months ended 31 March 2010 RO'000
<b>Operating activities:</b>		
Profit before taxation	29,055	36,632
Adjustments for:		
Depreciation of property, plant and equipment	19,836	17,463
Profit on sale of property, plant and equipment	(223)	(25)
Provision for impairment of receivables - net	693	648
Provision for inventory obsolescence	6	8
Amortisation of intangible asset	983	813
Fair value (loss)/gains on investments	457	(72)
Realised gains on investments held for trading –net	(44)	(34)
Impairment loss on available for sale investment	6	111
Interest income	(699)	(1,256)
Dividend income	(165)	(113)
Interest expense	1,121	1,717
Share of profits from associates- net	(168)	(147)
Net movement in retirement benefits	349	201
<b>Operating profit before changes in working capital</b>	<b>51,207</b>	<b>55,946</b>
<b>Working capital changes:</b>		
Inventories	(306)	346
Trade and other receivables	655	(8,174)
Prepayments	(1,054)	(404)
Long term receivable	47	-
Royalty payable	(19,620)	(20,737)
Trade and other payables	(8,334)	(2,890)
Long term deposit payable	506	404
<b>Cash generated from operations</b>	<b>23,101</b>	<b>24,491</b>
Interest received	1,121	758
Tax paid	(16,700)	(16,278)
<b>Net cash from operating activities</b>	<b>7,522</b>	<b>8,971</b>
<b>Investing activities:</b>		
Net purchase of property, plant and equipment	(16,166)	(16,530)
Purchase of licences	-	(10,517)
Dividend received	613	26
Net acquisition of investments	(489)	(42)
Purchase of investment in associates	(294)	-
Fixed deposit	11,500	16,000
<b>Net cash (used in)/from investing activities</b>	<b>(4,836)</b>	<b>(11,063)</b>
<b>Financing activities:</b>		
Repayment of borrowings	(10,796)	(10,088)
Borrowings raised	13,353	-
Interest paid	(764)	(984)
Finance lease liability paid	(20)	-
<b>Net cash used in financing activities</b>	<b>1,773</b>	<b>(11,072)</b>
<b>Net change in cash and cash equivalents</b>	<b>4,459</b>	<b>(13,164)</b>
Cash and cash equivalents at beginning of the period	22,718	27,325
Effect of exchange rate changes on balance of cash held in foreign currency	26	11
<b>Cash and cash equivalents at end of the period (Note 44)</b>	<b>27,203</b>	<b>14,172</b>

The attached notes from pages 8 to 44 form an integral part of these financial statements.

The Review Report of the Auditors is set out on page 1.