

OMAN TELECOMMUNICATIONS COMPANY SAOG

Consolidated statement of cash flows

for the period ended 30 September 2011

	Unaudited 9-months ended 30 September 2011 RO'000	Unaudited 9-months ended 30 September 2010 RO'000
Operating activities		
Profit before taxation	93,330	92,669
Adjustments for:		
Depreciation of property, plant and equipment	58,668	52,461
Profit on sale of property, plant and equipment	(530)	(46)
Provision for impairment of receivables-net	2,950	2,040
Provision for inventory obsolescence	27	109
Amortisation of intangible assets	4,990	4,427
Fair value losses / (gains) on investments	991	(218)
Realised losses/ (gains) on investments held for trading –net	44	(23)
Impairment loss on available for sale investment	70	301
Interest income	(1,775)	(2,739)
Dividend income	(260)	(283)
Loss on Exchange translation	318	-
Interest expense	2,796	4,484
Write off of property, plant and equipment	176	-
Gain on remeasurement of liability	(1,636)	-
Share of profits from associates- net	(496)	(590)
Net movement in retirement benefits	976	579
Operating profit before changes in working capital	160,639	153,171
Working capital changes:		
Inventories	(881)	429
Trade and other receivables	(4,513)	(2,382)
Prepayments	2,900	621
Long term receivable	(67)	(189)
Royalty payable	(4,989)	(6,266)
Trade and other payables	(9,257)	7,558
Long term deposit payable	5,790	(1,098)
Cash generated from operations	149,622	151,844
Interest received	2,708	2,832
Tax refund relating to previous years	-	1,052
Tax paid	(16,908)	(16,614)
Net cash from operating activities	135,422	139,114
Investing activities		
Net purchase of property, plant and equipment	(61,741)	(61,060)
Purchase of intangibles	(295)	(10,763)
Dividend received	708	566
Proceeds from sale of property, plant and equipment	264	105
Net acquisition of investments	(2,997)	(3,190)
Purchase of investment in associates	(294)	(2,480)
Proceeds from fixed deposits	20,551	48,641
Net cash used in investing activities	(43,804)	(28,181)
Financing activities		
Dividend paid	(75,613)	(75,588)
Repayment of borrowings-net	(11,839)	(31,209)
Amounts paid to government	(9,000)	(1,211)
Interest paid	(2,521)	(3,657)
Finance lease liability paid	(127)	(242)
Net cash used in financing activities	(99,100)	(111,907)
Net change in cash and cash equivalents	(7,482)	687
Cash and cash equivalents at beginning of the period	28,017	32,042
Effect of exchange rate changes on balance of cash held in foreign currency	(29)	(24)
Cash and cash equivalents at end of the period (Note 44)	20,506	31,044

The attached notes from pages 8 to 42 form an integral part of these financial statements.

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