

OMAN TELECOMMUNICATIONS COMPANY SAOG

CONSOLIDATED STATEMENT OF CASH FLOWS

for the period ended 30 June 2011

	Unaudited 6-months ended 30 June 2011 RO'000	Unaudited 6-months ended 30 June 2010 RO'000
Operating activities		
Profit before taxation	61,877	68,797
Adjustments for:		
Depreciation of property, plant and equipment	40,384	35,472
Cost of IRU sale	7,104	-
Loss/(profit) on sale of property, plant and equipment	(483)	(62)
Provision for impairment of receivables	3,061	1,613
Write back of provision for impairment of receivables	(731)	(571)
Provision for inventory obsolescence	27	23
Amortisation of intangible asset	1,968	1,628
Fair value losses / (gains) on investments	523	276
Realised losses/ (gain) on investments held for trading –net	198	(30)
Impairment loss on available for sale investment	47	259
Interest income	(1,272)	(1,958)
Dividend income	(234)	(162)
Exchange translation	104	-
Interest expense	2,012	3,140
Share of loss/(profits) from associates- Net	(319)	(350)
Net movement in retirement benefits	825	534
Operating profit before changes in working capital	115,091	108,609
Working capital changes:		
Inventories	(475)	529
Trade and other receivables	872	(7,913)
Prepayments	(59)	(2,041)
Long term receivable	(33)	(194)
Royalty payable	(12,261)	(13,794)
Trade and other payables	(13,350)	9,099
Long term deposit payable	654	(1,928)
Cash generated from operations	90,439	92,367
Interest received	2,141	2,523
Tax paid	(16,824)	(16,508)
Net cash from operating activities	75,756	78,382
Investing activities		
Net purchase of property, plant and equipment	(45,859)	(41,571)
Purchase of licences	-	(10,520)
Dividend received	682	399
Proceeds from sale of property, plant and equipment	254	104
Investment in associates	(294)	-
Net (acquisition) / proceeds of investments	(2,871)	(3,300)
Fixed deposit	58,551	70,141
Net cash (used in)/from investing activities	10,463	15,253
Financing activities		
Dividend paid	(75,613)	(75,588)
Borrowings-net	(13,611)	(19,390)
Interest paid	(2,339)	(2,980)
Finance Lease Liability paid	(75)	(197)
Net cash used in financing activities	(91,638)	(98,155)
Net change in cash and cash equivalents	(5,419)	(4,520)
Cash and cash equivalents at beginning of the period	28,016	32,042
Effect of exchange rate changes on balance of cash held in foreign currency	(17)	12
Cash and cash equivalents at end of the period (Note 44)	22,580	27,534

The attached notes from pages 8 to 43 form an integral part of these financial statements.

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