

OMAN TELECOMMUNICATIONS COMPANY SAOG

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

	Unaudited 6-months ended 30 June 2010 RO'000	Unaudited 6-months ended 30 June 2009 RO'000
Operating activities		
Profit before taxation	68,797	83,760
Adjustments for:		
Depreciation of property, plant and equipment	35,472	29,057
Loss/(profit) on sale of property, plant and equipment	(62)	137
Provision for impairment of receivables	1,613	1,176
Write back of provision for impairment of receivables	(571)	(3,166)
Provision for inventory obsolescence	23	-
Amortisation of intangible asset	1,628	1,398
Fair value losses / (gains) on investments	276	(910)
Realised losses/ (gain) on investments held for trading –net	(30)	533
Impairment loss on available for sale investment	259	-
Interest income	(1,958)	(2,926)
Dividend income	(162)	(138)
Dividend income from a subsidiary	-	-
Interest expense	3,140	1,551
Share of loss/(profits) from associates- Net	(350)	737
Net movement in retirement benefits	534	119
Insurance claim	-	(3,641)
Operating profit before changes in working capital	108,609	107,687
Working capital changes:		
Inventories	529	(608)
Trade and other receivables	(7,913)	2,915
Prepayments	(2,041)	202
Long term receivable	(194)	-
Royalty payable	(13,794)	(14,786)
Trade and other payables	9,099	9,896
Long term deposit payable	(1,928)	-
Cash generated from operations	92,367	105,306
Interest received	2,523	3,068
Tax paid	(16,508)	(20,197)
Net cash from operating activities	78,382	88,177
Investing activities		
Net purchase of property, plant and equipment	(41,571)	(46,561)
Purchase of licences	(10,520)	-
Dividend received	399	337
Proceeds from sale of property, plant and equipment	104	39
Insurance claim settlement	-	2,000
Net (acquisition) / proceeds of investments	(3,300)	(6,536)
Fixed deposit	70,141	(11,089)
Net cash (used in)/from investing activities	15,253	(61,810)
Financing activities		
Dividend paid	(75,588)	(75,632)
Repayment of borrowings	(20,276)	-
Borrowings raised	646	-
Interest paid	(2,980)	(1,596)
Finance lease liability paid	(197)	-
Net cash used in financing activities	(98,395)	(77,228)
Net change in cash and cash equivalents	(4,760)	(50,861)
Cash and cash equivalents at beginning of the period	27,325	81,828
Effect of exchange rate changes on balance of cash held in foreign currency	(18)	-
Cash and cash equivalents at end of the period (Note 43)	22,547	30,967

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.