

# OMAN TELECOMMUNICATIONS COMPANY SAOG

## STATEMENT OF CASH FLOWS

for the year ended 31 December 2016

	Parent Company		Consolidated	
	2016 RO'000	2015 RO'000	2016 RO'000	2015 RO'000
<b>Operating activities</b>				
Profit before tax from continuing operations	133,683	71,740	134,038	131,223
Loss before tax from discontinuing operations	-	-	(2,083)	(109,769)
Adjustments for:				
Depreciation of property, plant and equipment	93,575	81,180	94,315	86,071
Impairment losses	-	60,390	-	72,298
Foreign currency translation reserve	-	-	-	19,434
Profit on sale of property, plant and equipment	(478)	(944)	-	(834)
Provision for impairment of receivables	2,087	1,401	2,559	1,787
(Release of)/provision for inventory obsolescence-net	(366)	734	(366)	1,275
Amortisation cost of receivables	-	-	-	(69)
Amortisation of intangible assets	8,253	6,494	8,453	7,161
Voluntary employees' end of service	-	12,578	-	12,578
Loss on re-measurement of investment property	-	-	-	(56)
Fair value (gain)/loss on investments	(1,152)	1,966	(1,152)	1,937
Realised loss on investments – net	1,069	352	1,068	352
Interest income	(2,818)	(4,006)	(2,818)	(2,790)
Dividend income	(2,210)	(2,920)	(1,433)	(2,093)
Interest expense	-	-	1,360	3,589
Share of results of associates	-	-	(1,172)	(809)
(Gain) loss on exchange translation	-	-	(478)	1,080
Net movement in retirement benefits	48	412	197	629
	<u>231,691</u>	<u>229,377</u>	<u>232,488</u>	<u>222,994</u>
<b>Working capital adjustments:</b>				
Inventories	(1,330)	223	(1,323)	1,012
Trade and other receivables	(7,631)	(878)	(8,109)	1,635
Prepayments	6,074	(3,592)	6,097	(3,645)
Long term deposit and payable	-	-	-	(1,213)
Long term receivable	-	-	-	149
Royalty payable	293	2,068	293	2,068
Trade and other payables	110	12,031	2,890	12,800
Receivable from subsidiaries	(1,368)	(2,576)	-	-
	<u>227,839</u>	<u>236,653</u>	<u>232,336</u>	<u>235,800</u>
Interest received	2,687	3,894	2,687	3,997
Voluntary end of service paid	(5,239)	-	(5,239)	-
Tax paid	(17,604)	(18,873)	(17,604)	(19,014)
	<u>207,683</u>	<u>221,674</u>	<u>212,180</u>	<u>220,783</u>
<b>Net cash from operating activities</b>				
<b>Investing activities</b>				
Net purchase of property, plant and equipment	(149,396)	(129,217)	(152,653)	(128,967)
Proceeds from sale of property, plant and equipment	379	1,099	379	1,769
Purchase of intangibles	(1)	(7,712)	(1)	(8,028)
Net acquisition of investments	(3,181)	(12,275)	(3,181)	(12,275)
Proceed from fixed deposits	(10,046)	18,548	(10,046)	18,548
Investment in subsidiaries	(550)	(500)	-	-
Dividend received (including associates)	2,210	2,920	2,210	2,920
	<u>(160,585)</u>	<u>(127,137)</u>	<u>(163,292)</u>	<u>(126,033)</u>
<b>Financing activities</b>				
Share capital raised from non-controlling interests	-	-	200	-
Dividend paid	(75,000)	(97,500)	(75,000)	(97,500)
Borrowings-net	-	-	(237)	460
Finance lease liability paid	-	-	(78)	(82)
Payment of put option	(6,634)	-	(6,634)	-
Interest paid	-	-	(350)	(1,392)
	<u>(81,634)</u>	<u>(97,500)</u>	<u>(81,203)</u>	<u>(98,514)</u>
<b>Net cash used in financing activities</b>				
<b>Net change in cash and cash equivalents</b>	<u>(34,537)</u>	<u>(2,963)</u>	<u>(33,213)</u>	<u>(3,764)</u>
Cash and cash equivalents at beginning of the year	42,992	45,955	44,980	48,828
Currency translation adjustments	-	-	-	(84)
	<u>8,456</u>	<u>42,992</u>	<u>11,768</u>	<u>44,980</u>
<b>Cash and cash equivalents</b>				
<b>Cash and cash equivalent of discontinued operation</b>	-	-	(1,747)	-
	<u>8,456</u>	<u>42,992</u>	<u>10,022</u>	<u>44,980</u>

The accompanying notes 1 to 50 form part of these financial statements