

**Omani Qatari Telecommunications
Company SAOG (Under
Transformation)**

**INTERIM CONDENSED FINANCIAL
STATEMENTS**

30 SEPTEMBER 2010

REVIEW REPORT ON INTERIM CONDENSED FINANCIAL STATEMENTS TO THE DIRECTORS OF OMANI QATARI TELECOMMUNICATIONS COMPANY SAOG (UNDER TRANSFORMATION)

Introduction

We have reviewed the accompanying interim condensed financial statements of Omani Qatari Telecommunications Company SAOG (Under Transformation) (“the company”) as at 30 September 2010, comprising of the interim statement of financial position as at 30 September 2010 and the related interim condensed statements of income, comprehensive income, changes in equity and cash flows for the nine-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard IAS 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.



19 October 2010
Muscat

Omani Qatari Telecommunications Company SAOG (Under Transformation)

INTERIM CONDENSED STATEMENT OF INCOME

Period ended 30 September 2010 (Unaudited)

	<i>Notes</i>	<i>Three months ended</i>		<i>Nine months ended</i>	
		<i>30 September</i>		<i>30 September</i>	
		<i>2010</i>	<i>2009</i>	<i>2010</i>	<i>2009</i>
		<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
Revenue		47,740	42,098	138,973	121,502
Other income		246	105	253	283
		47,986	42,203	139,226	121,785
Operating expenses		(6,887)	(10,233)	(20,976)	(31,561)
General and administrative expenses		(16,914)	(13,558)	(45,619)	(38,247)
Depreciation and amortisation		(5,931)	(5,463)	(17,760)	(14,870)
Royalty		(3,076)	(2,465)	(8,519)	(6,843)
Financing costs		(967)	(1,532)	(3,098)	(3,554)
PROFIT BEFORE TAX		14,211	8,952	43,254	26,710
Income tax expense	2	(1,713)	(1,216)	(5,210)	(2,974)
PROFIT FOR THE PERIOD		12,498	7,736	38,044	23,736
Basic and diluted earnings per share (RO)	3	0.019	0.012	0.058	0.036

The attached notes 1 to 13 form part of these interim condensed financial statements.

