

**BAHRAIN TELECOMMUNICATIONS COMPANY BSC**  
**FINANCIAL HIGHLIGHTS**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2012**

		2012	2011	% Increase/ (Decrease)
<b>Gross revenue</b>	BD million	78.0	80.8	(4%)
<b>Expenses</b>	BD million	58.3	57.5	1%
<b>Profit attributable to Batelco shareholders</b>	BD million	16.1	17.5	(8%)
<b>Return on net worth</b>	%	12.1	15.8	(24%)
<b>Weighted average number of shares</b>	Million	1,440	1,440	-
<b>Basic Earnings per share</b>	Fils	11.2	12.1	(8%)

**BAHRAIN TELECOMMUNICATIONS COMPANY BSC**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2012**

	BD'000	
	2012	2011
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property and equipment	183,546	185,019
Goodwill	124,918	124,682
Intangible assets	50,521	24,308
Investment in associate	76,682	78,580
Deferred tax assets	2,132	2,018
Available-for-sale investments	35,180	16,703
<b>Total non-current assets</b>	<b>472,979</b>	<b>431,310</b>
<b>Current assets</b>		
Investment in associate classified as held-for-sale	46,473	46,473
Inventories	2,028	1,869
Available for sale investment	3,770	-
Trade and other receivables	96,121	71,762
Cash and bank balances	61,795	107,893
<b>Total current assets</b>	<b>210,187</b>	<b>227,997</b>
<b>Total assets</b>	<b>683,166</b>	<b>659,307</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	144,000	144,000
Statutory reserve	76,847	76,719
General reserve	39,444	30,000
Foreign currency translation reserve	1,189	787
Investments fair value reserve	18,850	(3,397)
Retained earnings	233,481	257,731
<b>Total equity attributable to equity holders of the Company</b>	<b>513,811</b>	<b>505,840</b>
Non-controlling interest	12,321	12,851
<b>Total equity</b>	<b>526,132</b>	<b>518,691</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Trade and other payable	-	2,555
Loans and borrowings	16,565	-
Deferred tax liability	4,053	4,193
<b>Total non-current liabilities</b>	<b>20,618</b>	<b>6,748</b>
<b>Current liabilities</b>		
Trade and other payables	135,274	133,868
Loans and borrowings	1,142	-
<b>Total current liabilities</b>	<b>136,416</b>	<b>133,868</b>
<b>Total Liabilities</b>	<b>157,034</b>	<b>140,616</b>
<b>Total equity and liabilities</b>	<b>683,166</b>	<b>659,307</b>



**BAHRAIN TELECOMMUNICATIONS COMPANY BSC**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2012**

	BD' 000	
	2012	2011
<b>REVENUE</b>	<b>77,968</b>	<b>80,814</b>
<b>EXPENSES</b>		
Network operating expenses	(29,387)	(27,124)
Staff costs	(12,543)	(12,520)
Depreciation and amortisation	(8,627)	(9,350)
Other operating expenses	(7,778)	(8,555)
<b>Total expenses</b>	<b>(58,335)</b>	<b>(57,549)</b>
<b>Results from operating activities</b>	<b>19,633</b>	<b>23,265</b>
Finance and other income	758	232
Finance expenses	(25)	(66)
Share of profit/ (loss) of associates(net)	(1,898)	(4,269)
<b>Profit before taxation</b>	<b>18,468</b>	<b>19,162</b>
Income tax expense	(1,557)	(995)
<b>Profit for the period</b>	<b>16,911</b>	<b>18,167</b>
 <b>Other comprehensive income</b>		
Foreign currency translation differences for foreign operations	418	70
Investments fair value changes	22,247	(13,040)
<b>Other comprehensive income for the period</b>	<b>22,665</b>	<b>(12,970)</b>
<b>Total comprehensive income for the period</b>	<b>39,576</b>	<b>5,197</b>
 <b>Profit for the period attributable to :</b>		
Equity holders of the Company	16,122	17,456
Non-controlling interest	789	711
<b>16,911</b>	<b>18,167</b>	
 <b>Total comprehensive income attributable to:</b>		
Equity holders of the Company	38,771	4,371
Non-controlling interest	805	826
<b>39,576</b>	<b>5,197</b>	
 Basic earnings per share (Fils)	11.2	12.1



**BAHRAIN TELECOMMUNICATIONS COMPANY BSC**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2012**

	<b>BD' 000</b>	
	<b>2012</b>	<b>2011</b>
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers	70,951	74,978
Net cash paid to suppliers	(32,860)	(32,754)
Cash paid to and on behalf of employees	(15,632)	(18,017)
<b>Net cash from operating activities</b>	<b>22,459</b>	<b>24,207</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(39,424)	(7,804)
Advance payments in respect of rights share issue	(17,713)	-
Net proceeds from sale and maturity of investments	-	4,296
Interest and investment income received	959	354
<b>Net cash used in investing activities</b>	<b>(56,178)</b>	<b>(3,154)</b>
<b>FINANCING ACTIVITIES</b>		
Dividend paid	(30,612)	(37,911)
Interest paid	-	-
Borrowings	17,707	-
Payments to charities	(152)	(1,088)
<b>Net cash used in financing activities</b>	<b>(13,057)</b>	<b>(38,999)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(46,776)</b>	<b>(17,946)</b>
Cash and cash equivalents at 1 January	105,095	80,436
<b>Cash and cash equivalents at 31 March</b>	<b>58,319</b>	<b>62,490</b>

**BAHRAIN TELECOMMUNICATIONS COMPANY BSC**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2012**

BD' 000

Equity attributable to equity holders of the Company						
	Share capital	Statutory reserve	General reserve	Foreign currency translation reserve	Investment fair value reserve	Retained earnings
						Total
A 1 January 2012	144,000	76,715	30,000	787	(3,397)	257,731
Profit for the period	-	-	-	-	-	16,122
Other comprehensive income	-	-	-	402	-	-
Foreign currency translation differences	-	-	-	-	22,247	-
Net changes in fair value of investments	-	-	-	-	22,247	-
Total other comprehensive income	-	-	-	402	-	22,649
Total comprehensive income for the period	-	-	-	402	22,247	16
Final dividends declared for 2011	-	-	-	-	16,122	865
Donations declared for 2011	-	-	-	-	(28,890)	(28,890)
Transfer to statutory reserve (net)	-	128	-	-	(2,000)	(2,000)
Transfer to general reserve	-	-	9,444	-	(128)	-
Dividends to non-controlling interest	-	128	9,444	-	(9,444)	-
AS AT 31 MARCH 2012	144,000	76,847	39,444	1,189	18,650	233,481
						526,137
						AS AT 31 MARCH 2012

Equity attributable to equity holders of the Company						
	Share capital	Statutory reserve	General reserve	Non-foreign currency translation reserve	Investment fair value reserve	Retained earnings
						Total
A 1 January 2011	144,000	76,428	13,000	1,376	8,210	259,577
Profit for the period	-	-	-	-	-	17,456
Other comprehensive income	-	-	-	(45)	-	(45)
Foreign currency translation differences	-	-	-	-	-	(13,040)
Net changes in fair value of investments	-	-	-	(45)	(13,040)	(13,040)
Total other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-
Final dividends declared for 2010	-	-	-	-	17,456	4,371
Donations declared for 2010	-	-	-	-	(36,000)	(36,000)
Transfer to general reserve	-	-	14,000	-	(2,169)	(2,169)
Dividends to non-controlling interest	-	-	15,000	-	(15,000)	-
AS AT 31 MARCH 2011	144,000	75,428	30,000	1,331	(4,830)	224,264
						AS AT 31 MARCH 2011