

**FINANCIAL HIGHLIGHTS**  
**for the three months ended 31 March 2006**

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		Three months 31 March 2006	Three months 31 March 2005	% Increase/ (Decrease)
Gross revenue	BD million	52.8	52.6	-
Net revenue	BD million	43.4	43.3	-
Expenses	BD million	31.0	32.6	(5)
Profit attributable to Batelco shareholders	BD million	23.2	22.5	3
Return on capital employed*	%	27	31	(13)
Number of issued and fully paid shares	Million	1,200	1,000	20
Earnings per share for the three month period	Fils	19	19	-

\* Annualised

**CONDENSND CONSOLIDATED BALANCE SHEET**  
**as at 31 March 2006**

BD 000

	<b>31 March 2006 Reviewed</b>	<b>31 March 2005 Audited</b>
Property, plant and equipment	154,057	154,084
Investments	33,049	35,039
<b>TOTAL NON-CURRENT ASSETS</b>	<b>187,106</b>	189,123
Inventories	716	587
Accounts receivable and prepayments	41,395	39,494
Amounts due from telecommunications operators	4,428	3,786
Cash and cash equivalents	157,429	163,822
<b>TOTAL CURRENT ASSETS</b>	<b>203,968</b>	207,689
Accounts payable and accruals	48,229	49,981
Amounts due to telecommunications operators	5,294	4,847
<b>TOTAL CURRENT LIABILITIES</b>	<b>53,523</b>	54,828
<b>NET CURRENT ASSETS</b>	<b>150,445</b>	152,861
<b>NET ASSETS</b>	<b>337,551</b>	341,984
<b>EQUITY</b>		
Share capital	120,000	100,000
Statutory reserve	60,000	51,746
Other reserves	15,146	15,146
Retained earnings	136,661	168,713
<b>Total Equity attributable to Shareholders of the parent company</b>	<b>331,807</b>	335,605
<b>Minority interest</b>	<b>5,744</b>	6,379
<b>TOTAL EQUITY</b>	<b>337,551</b>	341,984

The consolidated interim financial information which consist of pages 3 to 7, were approved by the Board of Directors on 17 April 2006 and signed on their behalf by:

Chairman

First Deputy Chairman

**CONDENSND CONSOLIDATED STATEMENT OF INCOME**  
**for the three months ended 31 March 2006**

BD 000

	Note	Three months ended 31 March 2006 Reviewed	Three months ended 31 March 2005 Reviewed
<b>REVENUE</b>			
Other income	5	52,756 1,831	52,619 2,752
		<b>54,587</b>	<b>55,371</b>
<b>EXPENSES</b>			
General and administrative	6	21,665	23,363
Other expenses	7	9,385	9,270
		<b>31,050</b>	<b>32,633</b>
<b>PROFIT FOR THE PERIOD</b>		<b>23,537</b>	<b>22,738</b>
<b>Attributable to :</b>			
Shareholders of the parent company		<b>23,234</b>	<b>22,538</b>
Minority Interest		303	200
		<b>23,537</b>	<b>22,738</b>
<b>Earnings per share</b>			
<b>No of issued and fully paid shares ('000)</b>		1,200,000	1,000,000
Basic earnings per share		<b>19 Fils</b>	<b>19 Fils</b>

Chairman

First Deputy Chairman

Thee consolidated interim financial information consist of pages 3 to 7.

**CONDENSND CONSOLIDATED STATEMENT OF CASH FLOWS**  
**for the three months ended 31 March 2006**

BD 000

	<b>Three months ended 31 March 2006 Reviewed</b>	<b>Three months ended 31 March 2005 Reviewed</b>
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers	49,772	46,501
Cash paid to telecommunications operators	(4,392)	(3,759)
Cash paid to suppliers	(12,487)	(9,984)
Cash paid to and on behalf of employees	(10,720)	(9,792)
<b>Cash flows from operating activities</b>	<b>22,173</b>	<b>22,966</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of plant and equipment	(6,899)	(4,217)
Acquisition of investments	(1,108)	(1,885)
Sale and maturity of investments	3,016	3,953
Interest and investment income received	2,130	1,028
<b>Cash flows from investing activities</b>	<b>(2,861)</b>	<b>(1,121)</b>
<b>FINANCING ACTIVITIES</b>		
Dividends paid	(25,705)	(30,288)
<b>Cash flows from financing activities</b>	<b>(25,705)</b>	<b>(30,288)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(6,393)</b>	<b>(8,443)</b>
Cash and cash equivalents at beginning of the period	163,822	136,369
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>157,429</b>	<b>127,926</b>

The consolidated interim financial information consist of pages 3 to 7.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

for the three months ended 31 March 2006

BD 000

	Total Equity attributable to Shareholders of the parent company					Minority interest	Total equity
	Share capital	Statutory reserve	Other reserve	Retained earnings	Total		
At 1 January 2006	100,000	51,746	15,146	168,713	335,605	6,379	341,984
Final dividends declared for 2005	-	-	-	(25,000)	(25,000)	-	(25,000)
Bonus declared for 2005	20,000	-	-	(20,000)	-	-	-
Donations declared for 2005	-	-	-	(1,757)	(1,757)	-	(1,757)
Directors' remuneration declared for 2005	-	-	-	(275)	(275)	-	(275)
Transfer to statutory reserve (2005)	-	8,254	-	(8,254)	-	-	-
Net profit for the period	-	-	-	23,234	23,234	303	23,537
Dividends to minority interest holders	-	-	-	-	-	(938)	(938)
<b>At 31 March 2006</b>	<b>120,000</b>	<b>60,000</b>	<b>15,146</b>	<b>136,661</b>	<b>331,807</b>	<b>5,744</b>	<b>337,551</b>

**NOTES TO THE INTERIM FINANCIAL INFORMATION****for the three months ended 31 March 2006**

BD 000

- 1 The interim financial information has been prepared in accordance with International Accounting Standard 34 (Interim Financial Reporting), which permits the interim financial information to be in summarised form.
- 2 These interim financial information has been prepared using the same accounting policies set out in the audited financial statements for the year ended 31<sup>st</sup> December 2005.
- 3 The interim financial information has not been audited but reviewed by KPMG. The corresponding figures for the consolidated condensed balance sheet have been extracted from the audited consolidated financial statements for the year ended 31 December 2005.
- 4 Due to the effect of seasonal variations, the quarterly results reported in these interim financial information may not represent a proportionate share of the overall annual income.

**5 OTHER INCOME**

	<b>Three months ended 31 March 2006</b>	<b>Three months ended 31 March 2005</b>
Interest income	1,676	745
Investment income	357	251
Profit of sale of investment	-	1,764
Prior year adjustments	(146)	(8)
Loss from sale of property, plant and equipment	(56)	-
	<b>1,831</b>	<b>2,752</b>

**6 GENERAL AND ADMINISTRATIVE**

	<b>Three months ended 31 March 2006</b>	<b>Three months ended 31 March 2005</b>
Staff costs	7,875	6,744
Other general and administration expenses	7,682	9,984
Depreciation	6,109	6,635
	<b>21,665</b>	<b>23,363</b>

**7 OTHER EXPENSES**

	<b>Three months ended 31 March 2006</b>	<b>Three months ended 31 March 2005</b>
Out-payments to telecommunications Operators	6,797	7,743
License fees	467	372
Cost of equipment sales	2,121	1,155
	<b>9,385</b>	<b>9,270</b>

