

Key Performance Highlights for Quarter Ended 31 March 2012

Commercial KPIs	Q1 2012	Q4 2011	Growth QoQ(%)	Q1 2011	Growth YoY(%)
Mobile Subscribers¹ (K subs)					
Subsidiaries					
Batelco Bahrain	738	739	-	745	(1)
Umniah	2,287	2,306	(1)	2,219	3
Sub-Total	3,025	3,045	(1)	2,964	2
Operations accounted for under equity method/held for sale					
Sabafon	3,400	4,030	(16)	3,613	(6)
STel	-	3,549	(100)	2,821	(100)
Sub-Total	3,400	7,579	(55)	6,434	(47)
Grand Total (Mobile Subscribers)	6,425	10,624	(40)	9,398	(32)
Total Broadband Subscribers	279	269	4%	266	5
Total Fixed Subscribers	168	171	(2)	183	(8)
Financial KPIs	Q1 2012	Q4 2011	Growth QoQ(%)	Q1 2011	Growth YoY (%)
Operating Revenues (BD thousand)					
Mobile telecommunication services	33,452	35,865	(7)	38,456	(13)
Fixed line telecommunication services	6,363	6,396	(1)	7,418	(14)
Internet	9,220	10,454	(12)	9,394	(2)
Datacommunication circuits	14,339	13,546	6	13,885	3
Wholesale	8,747	10,178	(14)	8,646	1
Others	5,847	5,077	15	3,015	94
Total Operating Revenues	77,968	81,516	(4)	80,814	(4)
EBITDA	28,260	33,018	(14)	32,615	(13)
EBITDA %	36%	41%		40%	
Share of profit/ (loss) of associates (net)	(1,898)	224	NM	(4,269)	(56)
Consolidated Income before non-controlling interest	16,911	24,556	(31)	18,167	(7)
Consolidated Net Income after non-controlling interest	16,122	23,514	(31)	17,456	(8)

^[1] Based on subscriber definitions followed by each OpCo in respective country.

Condensed Consolidated Income Statement

For the three months ended 31 March, 2012

	2012	2011	Variance	%
Gross Revenues	77,968	80,814	(2,846)	(4)
Network operating expenses	(29,387)	(27,124)	(2,263)	8
Staff costs	(12,543)	(12,520)	(23)	-
Other operating expenses	(7,778)	(8,555)	777	(9)
EBITDA	28,260	32,615	(4,355)	(13)
<i>EBITDA %</i>	36%	40%	(4)	
Depreciation and Amortization	(8,627)	(9,350)	723	(8)
Operating Profit	19,633	23,265	(3,632)	(16)
<i>Operating Profit %</i>	25%	29%	(4)	
Non Operating Items				
Share of profit/(loss) of associates(net)	(1,898)	(4,269)	2,371	(56)
Finance and other income (net of finance expenses)	733	166	567	342
Income tax expense	(1,557)	(995)	(562)	56
Total Non Operating items	(2,722)	(5,098)	2,376	(47)
Net Income before non-controlling interest	16,911	18,167	(1,256)	(7)
Non-controlling interest	(789)	(711)	(78)	11
Net Income after non-controlling interest	16,122	17,456	(1,334)	(8)

The comparative figures for the previous period have been regrouped, where necessary, in order to conform to the current period's presentation. Such grouping does not affect the previously reported profit, comprehensive income or equity.

Condensed Consolidated Statement of Financial PositionAs At 31 March, 2012

	31/03/2012	31/12/2011	Variance	%
Assets				
Property and equipment	183,546	185,019	(1,473)	(1)
Goodwill	124,918	124,682	236	-
Intangible assets	50,521	24,308	26,213	108
Investment in associate	76,682	78,580	(1,898)	(2)
Deferred tax assets	2,132	2,018	114	6
Available-for-sale investments	35,180	16,703	18,477	111
Current assets	210,187	227,997	(17,810)	(8)
Total Assets	683,166	659,307	23,859	4
Liabilities and Shareholders' Equity				
Current liabilities	136,416	133,868	2,548	2
Non-current liabilities	20,618	6,748	13,870	206
Total Liabilities	157,034	140,616	16,418	12
Shareholders' Equity				
Paid-up capital	144,000	144,000	-	-
Statutory reserve	76,847	76,719	128	-
General reserve	39,444	30,000	9,444	31
Foreign currency translation reserve	1,189	787	402	51
Investments fair value reserve	18,850	(3,397)	22,247	NM
Retained earnings	233,481	257,731	(24,250)	(9)
Non-controlling interest	12,321	12,851	(530)	(4)
Total Shareholders' Equity	526,132	518,691	7,441	1
Total Liabilities and Shareholders' Equity	683,166	659,307	23,859	4

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Condensed Consolidated Statement of Cash FlowsFor the three months ended 31 March, 2012

	2012	2011	Variance	%
Cash flows from operating activities	22,459	24,207	(1,748)	(7)
Cash flows from Investing activities	(56,178)	(3,154)	(53,024)	NM
Cash flows from financing activities	(13,057)	(38,999)	25,942	(67)
Net Cash Flow changes	(46,776)	(17,946)	(28,830)	161
Beginning cash and cash equivalents	105,095	80,436	24,659	31
Ending cash and cash equivalents	58,319	62,490	(4,171)	(7)
Free Cash Flow (Operating Cashflows-Capex payments)	(16,965)	16,403	(33,368)	(203)
Normalised Free Cash Flow for one-off capital expenditures	12,325	16,403	(4,078)	(25)

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