

Consolidated Income Statement

For The Financial Year Ended December 31, 2006

	Note No.	2006 LE (000)	2005 LE (000)
Operating Revenues			
Sales of services	(23)	9 400 135	8 379 705
Sales of telephone sets & directories		88 278	168 009
		9 488 413	8 547 714
Operating Expenses			
Interconnection fees	(24)	1 349 143	1 247 032
Fuel		69 881	62 301
Spare parts		89 913	82 487
Maintenance		173 233	125 297
Satellite subscriptions		24 308	29 012
Depreciation - operating	(4)	2 685 502	2 514 777
Amortization - other assets	(8)	40 529	28 133
Cost of telephone sets & directories sold		80 018	145 820
Other operating costs	(25)	1 251 400	1 191 575
		5 763 927	5 426 434
Gross Operating Profit		3 724 486	3 121 280
Administrative Expenses			
General & administrative expenses	(26)	1 006 130	962 238
Selling & distribution expenses	(27)	272 649	236 043
Impairment loss on other assets	(8)	3 848	17 006
Provisions	(17)	617	50 235
Impairment loss on trade and other receivables & inventory	(18)	161 268	73 237
		1 444 512	1 338 759
Net Operating Profit		2 279 974	1 782 521

	Note No.	2006 LE (000)	2005 LE (000)
Other Income / (Expenses)			
Interest income		48 633	27 980
Income from investments		609 477	385 291
Interest expenses		(393 082)	(381 388)
Other revenues	(28)	250 946	111 784
Impairment loss on investments available for sale		(3 717)	(1 637)
Gain on sale on investments available for sale		4 494	37 626
Gain on held for trading investments		8 146	-
Loss on sale of fixed assets		(9 443)	(24 760)
Foreign exchange (loss) gain		(123 734)	332 235
Release of unused provision	(17)	226 131	260 490
Reversal of write-down of inventory		-	2 711
		617 851	750 332
Net profit for the year before tax & minority interest		2 897 825	2 532 853
Less:			
Current tax expense		413 299	371 552
Deferred tax expense		54 752	61 272
Net profit before minority interest		2 429 774	2 100 029
Less:			
Minority interest		2 897	2 754
Net profit for the year after tax & minority interest		2 426 877	2 097 275
Earnings per share (LE/Share)	(31)	1.34	1.17

The accompanying notes from No. (1) to No. (39) form an integral part of these financial statements.