

Qatar Telecom (Qtel) Q.S.C.

(14/08/2011)

QATAR TELECOM (QTEL) ANNOUNCES ITS INTERIM SEMI-ANNUAL FINANCIAL RESULTS FOR THE PERIOD ENDING JUNE 30, 2011

The Board of Directors for Qatar Telecom (Qtel) approved the interim semi-annual financial results for the period ending June 30, 2011. The financial statements revealed a net profit of QR 1,436 million in comparison to QR 1,784 million for the corresponding period in 2010. The Earnings per Share (EPS) amounted to QR 8.16 as of June 30, 2011 versus QR 10.14 of the same period in 2010.

اتصالات قطر (كيوتل) ش.م.ق.

(2011/08/14)

اتصالات قطر (كيوتل) تعلن عن بياناتها نصف السنوية للفترة المنتهية في 30 يونيو 2011

وافق مجلس إدارة شركة اتصالات قطر (كيوتل) عن بيانات الشركة المالية نصف السنوية للفترة المنتهية في 30 يونيو 2011. وأفصحت النتائج عن صافي أرباح بلغ 1,436 مليون ريال قطري مقابل 1,784 مليون ريال قطري لنفس الفترة من العام الذي سبقه.

كما بلغ العائد على السهم 8.16 ريال قطري حتى 30 يونيو 2011 مقابل 10.14 ريال قطري لنفس الفترة من العام الذي سبقه.

بيان صحفي للنشر

نمو إيرادات كيوتل في النصف الأول من 2011 بنسبة 16.6 بالمائة لتصل إلى 15.4 مليار ر.ق.

صافي الربح المخصص لمساهمي كيوتل في النصف الأول يصل إلى 1.4 مليار ر.ق. مع نمو هذه الأرباح في الربع الثاني من العام بنسبة 18%

الدوحة، قطر، 14 أغسطس 2011: أعلنت اتصالات قطر ش. م. ق. ("كيوتل" أو "مجموعة كيوتل" أو "المجموعة")، (رمز تداولها: QTEL.QA)، اليوم عن استمرار النمو الإيجابي لإيراداتها وأرباحها خلال الستة أشهر الأولى من السنة والمنتوية في 30 يونيو 2011، مدفوعاً بتحسين في عملياتها في المجموعة بأسرها.

أهم المؤشرات المالية:

التحليل نصف السنوي			التحليل ربع السنوي			
النصف الأول	النصف الأول	النسبة التغير %	الربع الثاني	الربع الثاني	النسبة التغير %	
2010	2011		2010	2011		
13,244	15,446	16.6%	6,770	7,985	18.0%	الإيرادات الموحدة (مليون ر. ق.)
6,274	7,204	14.8%	3,240	3,654	12.8%	الأرباح قبل اقتطاع الفائدة والضريبة والاستهلاك والهلاك (مليون ر.ق.)
%47	%47	-	%48	%46	-	هامش الأرباح قبل اقتطاع الفائدة والضريبة والاستهلاك والهلاك (%)
1,784	1,436	19.5%-	571	673	17.9%	صافي الربح المخصص لمساهمي كيوتل (مليون ر. ق.)
1,230	1,436	16.7%	571	673	17.9%	صافي الربح الطبيعي* المخصص لمساهمي كيوتل (مليون ر. ق.)
66,7	77,5	16.2	66,7	77,5	16.2%	العدد الموحد للعملاء (مليون)

*تأثر صافي الربح المخصص للمساهمين في 2010 إيجابياً في الربع الأول من 2010 بقرار تناول رسوم الامتياز في قطر (مبلغ 554 مليون ر.ق.)، شمل الفترات من 2007 وحتى 2009. وقد تم تعديل الأرقام المبينة أعلاه بحيث يمكن مقارنتها بشكل أفضل مع نتائج الفترة ذاتها من العام الماضي.

- ربحية السهم في النصف الأول من 2011 بلغت 8.16 ر.ق. (كانت 10.14 ر.ق. في النصف الأول من 2010)، وقد تم تعديلها نتيجة لإصدار أسهم منحة بنسبة 20% في الربع الأول 2011.

أهم المؤشرات التشغيلية:

- تواصل زخم الإيرادات القوية في قطر، مدفوعاً بالطلب المتزايد على خدمات الصوت، وارتفاع عدد المشتركين بالبرودباند.
- أداء قوي لمجموعة شركات الوطنية، وحققت نمواً قوياً في الكويت والجزائر على وجه الخصوص. فيما أظهرت تونس أداءً قوياً في قطاع الاتصالات الجواله على الرغم من التحديات التي شهدتها البلاد.
- حافظت أعمال المجموعة في العراق وإندونيسيا على نمو قوي في إيرادات قطاع الاتصالات الجواله.
- لا زالت السوق العمانية تشهد تنافساً شديداً، وكان لإطلاق خدمات الخط الثابت أثر إيجابي على الإيرادات.

يشكل النصف الأول من 2011 فترة أخرى من النمو والإنجازات بالنسبة لمجموعة كيوتل. وواصلت المجموعة خلال هذه الفترة اهتمامها بإستراتيجيات الأسواق، وتقود زيادة أعداد العملاء، وتطوير الخدمة في جميع الأسواق التي تمارس فيها أعمالها المتنوعة. وكننتيجة لذلك الاهتمام، نجحت المجموعة في تحقيق إيرادات إضافية، ونمو في الأرباح خلال النصف الأول من العام إذ ارتفعت إيرادات المجموعة بنسبة 16.6 بالمائة لتنتهي الفترة بإيرادات بلغت 15,446 مليون ر.ق. (مقارنة مع 13,244 مليون ر.ق. في النصف الأول من 2010).

وفي 30 يونيو 2011، بلغت القاعدة الموحدة لعملاء المجموعة 77,5 مليون عميل (كانت 66,7 مليون عميل في النصف الأول من 2010)، وشكّل ذلك نمواً في عدد العملاء بنسبة 16.2 بالمائة. في حين ارتفعت الأرباح قبل اقتطاع الفوائد والضريبة والاستهلاك والاهتلاك بنسبة 14.8 بالمائة خلال الفترة ذاتها ووصلت إلى 7.2 مليار ر.ق. (كانت 6.3 مليار ر.ق. في النصف الأول من 2010). وبقي هامش الأرباح قبل اقتطاع الفوائد والضرائب والاهتلاك والاستهلاك قوياً خلال الفترة، حيث بلغ 47 بالمائة (كان 47 بالمائة في النصف الأول من 2010).

وارتفع صافي الأرباح المخصصة للمساهمين بنسبة 16.7 بالمائة، وعند معاملتها بشكل طبيعي ساهمت رسوم الامتياز في تحقيق إيرادات لمرة واحدة بلغت 554 مليون ر.ق. نتيجة القرار الإيجابي الخاص بتخفيض رسوم الترخيص المفروضة على كيوتل في قطر في 2010، وصل صافي الربح المخصص لمساهمي كيوتل إلى 1,436 مليون ر.ق. (كان 1,784 مليون ر.ق. في النصف الأول 2010).

وتعليقاً على النتائج نصف السنوية للمجموعة، قال سعادة الشيخ عبدالله بن محمد بن سعود آل ثاني، رئيس مجلس إدارة مجموعة كيوتل: "في أوقات تشهد كثيراً من التحديات، تمكنت مجموعة كيوتل من تحقيق نتائج مالية إيجابية مع نمو صافي الأرباح المعدلة المخصصة لمساهمي كيوتل بنسبة 16.7 بالمائة مقارنة بتلك الأرباح في الفترة ذاتها من السنة الماضية. إننا نؤمن بأن ذلك النمو كان نتيجة لقدرتنا على دمج ثروة الخبرات المترجمة لدى موظفي كيوتل والتي كانت إحدى أولوياتنا. كما أن نمونا كان نتيجة لعزمنا على الاستثمار في الأسواق النامية، وإدارة تلك الأصول بناءً على أفق من متوسط إلى طويل الأمد. ويمكننا القول أن ذلك المبدأ الذي انتهجناه بدأ يعطي ثماره. إننا ننظر إلى النتائج المالية على أنها انعكاس لما نقوم به لإرضاء عملائنا والتواصل معهم. ونحن على ثقة بأننا نتحسن في ذلك الجانب، ويبرهن على ذلك نتائجنا المالية ربعاً بعد آخر."

وتعليقاً على النتائج أيضاً، قال الدكتور ناصر معرفيه، الرئيس التنفيذي لمجموعة كيوتل:

"إن أحد العناصر الأساسية في إستراتيجيتنا للنمو هي أننا نبذل جهداً كبيراً للوصول إلى المواقع القيادية والحفاظ عليها في الأسواق التي نتواجد فيها. وتمكننا إلى الآن من تحقيق أداء مرن في أسواق تشهد منافسة شديدة مثل قطر والكويت والعراق والجزائر، مبرزاً قدرتنا على تلبية احتياجات العملاء وتجاوز ما ينتظرون منا تحقيقه. إن هدفنا هو إيجاد توازن بين الابتكار والإدارة الحكيمة لإرضاء كل من عملائنا ومساهميننا ومستثمريننا."

استعراض أعمال مجموعة كيوتل

يمكن تلخيص الأداء التشغيلي للمجموعة على النحو الآتي:

كيوتل - قطر

استراتيجية كيوتل لإدارة التنافسية وتشجيع الابتكار في سوقها الرئيسي في قطر كانت لها أثر كبير في تحقيق نتائج مالية قوية في النصف الأول من 2011، مع محافظة الشركة على قاعدة عملائها عند 2.4 مليون عميل (كانت 2.4 مليون عميل في النصف الأول 2010). وحافظت الإيرادات في سوق قطر على ثباتها عند 2,862 مليون ر.ق. (كانت 2,838 مليون ر.ق. في النصف الأول من 2010)، فيما أظهرت الأرباح قبل اقتطاع الفائدة والضريبة والاستهلاك والاهتلاك ارتفاعاً بنسبة 3.0 بالمائة مقارنة بالفترة ذاتها من العام الماضي لتصل إلى 1,556 مليون ر.ق. (كانت في النصف الأول 1,511 مليون ر.ق. من 2010).

وكان استمرار كيوتل في الاستثمار في الشبكات والبنية التحتية للاتصالات دور كبير في توجيه الشركة نحو مزيد من النمو والتقدم. فقد تمت المباشرة في تنفيذ مشروع الألياف الضوئية لتوصيل الخدمة إلى مناطق قطر المختلفة لكي يوفر سرعات تصل إلى 100 ميغابت في الثانية خلال المرحلة التجريبية. وصاحب تلك الاستثمارات نمو في خدمات كيوتل في قطاع الترفيه، مع مواصلة الشركة توسيع المحتوى والبرامج الجديدة عبر قنواتها المختلفة. وقد توافقت استثمارات كيوتل في الابتكارات الجديدة لتحقيق النمو التجاري مع دعمها للتنمية الاجتماعية والبيئة، من خلال دعمها لبرنامج إعادة تدوير النفايات الإلكترونية الحائز على الجوائز، والتوجه نحو نظام الفواتير الإلكترونية بالكامل.

وفي ظل وضع إستراتيجية واضحة للنمو والابتكار موضع التنفيذ، تواصل كيوتل تمييز نفسها في سوق شديدة التنافسية.

إندوسات- إندونيسيا

تواصل إندوسات تحقيق مزيد من التقدم في تطبيق إستراتيجيتها للأعمال، وقد نجحت في تحقيق مزيد من النمو في قاعدة عملائها خلال النصف الأول من هذا العام. ففي نهاية النصف الأول من 2011، نمت قاعدة عملاء إندوسات بنسبة 23.7 بالمائة مقارنة بالفترة نفسها من السنة الماضية، حيث وصل عدد العملاء إلى 47.6 مليون عميل (كان عدد العملاء 38.5 مليون عميل في النصف الأول من 2010). وقد أدى هذا الارتفاع في عدد ونوعية العملاء إلى تحقيق أداء مالي إيجابي لإندوسات، فقد ارتفعت الإيرادات خلال النصف الأول بنسبة 9.3 بالمائة مقارنة بالفترة ذاتها من السنة الماضية، ووصلت إلى 4,188 مليون ر.ق. (كانت 3,830 مليون ر.ق. في النصف الأول من 2010). وقد تم تحقيق تقدم إيجابي من ناحية الأرباح قبل اقتطاع الفوائد والضريبة والاستهلاك والاهتلاك بنسبة 2.9 بالمائة في هذه الفترة مقارنة بالفترة ذاتها من العام الماضي، لتنتهي النصف الأول من 2011 عند 1,964 مليون ر.ق. (كانت 1,909 مليون ر.ق. في النصف الأول من 2010).

الوطنية للاتصالات

تضم الوطنية للاتصالات (الشركة الوطنية للاتصالات المتنقلة شركة كويتية مساهمة) شركات مجموعة كيوتل في دولة الكويت، وتونس، والجزائر، والمملكة العربية السعودية، وجزر المالديف، وفلسطين. وقد واصلت الوطنية أدائها القوي الذي سجلته في الربع الأول في الربع الثاني من السنة، وعلى وجه الخصوص كان أداء الوطنية في الكويت ونجمة في الجزائر قوياً جداً. ففي الكويت، حققت الوطنية نمواً كبيراً في عدد العملاء بالإضافة إلى الاستفادة من زيادة ملحوظة في الطلب على خدمات البيانات. أما في الجزائر فقد تمكنت نجمة من تحقيق نمو في عدد المشتركين وتحقيق زيادة في مبيعاتها لعملائها من الشركات.

كان لهذه التطورات هنا وفي الأماكن الأخرى التي تتواجد فيها الوطنية أثر كبير في تحقيق نمو مالي قوي، فقد زادت قاعدة عملائها بنسبة 6.8 بالمائة خلال النصف الأول من 2011، ليصل عدد العملاء إلى 16.9 مليون عميل (كان 15.8 مليون عميل في النصف الأول من 2010). كما ارتفعت الإيرادات خلال النصف الأول من 2011 بنسبة 40.7 بالمائة مقارنة بالنصف الأول من 2010، ووصلت إلى 4,647 مليون ر.ق. (كانت 3,303 مليون ر.ق. في النصف الأول من 2010). وشهدت أرباح الوطنية قبل اقتطاع الفوائد والضريبة والاستهلاك والاهتلاك زيادة في النصف الأول من السنة، وارتفعت بنسبة 6.1 بالمائة مقارنة بما كانت عليه في النصف الأول من العام الماضي، لتصل إلى 2,050 مليون ر.ق. (كانت 1,273 مليون ر.ق. في النصف الأول من 2010). ويعود جانب من الزيادة في الإيرادات والأرباح قبل اقتطاع الفوائد والضريبة والاستهلاك والاهتلاك إلى توحيد تونيزيانا بنسبة 100 بالمائة بعد زيادة حصة مجموعة كيوتل من 50 بالمائة إلى 75 بالمائة.

النورس- سلطنة عُمان

تمكنت النورس من إثبات مرونة علامتها التجارية وقدرتها على الابتكار في النصف الأول من 2011، ونجحت في المحافظة على حصة قوية في السوق الذي يتميز بالمنافسة. وبقيت قاعدة مشتركي النورس ثابتة خلال النصف الأول من 2011، لتنتهي هذه الفترة بعدد عملاء بلغ 1.9 مليون عميل (كان 2.0 مليون عميل في نهاية النصف الأول من 2010). وارتفعت الإيرادات خلال الفترة نفسها بنسبة 5.8 بالمائة، لتصل إلى 954 مليون ر.ق. (بلغت الإيرادات 901 مليون ر.ق. في النصف الأول من 2010)، وانخفضت الأرباح قبل اقتطاع الفوائد والضريبة والاستهلاك والاهتلاك بشكل بسيط، لتنتهي النصف الأول عند 466 مليون ر.ق. (كانت 487 مليون ر.ق. في النصف الأول من 2010). كما أن من المتوقع أن توفر استثمارات النورس المستمرة في أعمال الخط الثابت مزيداً من النمو في الإيرادات في المستقبل.

آسياسل - العراق

واصلت آسياسل إظهار قوة علامتها التجارية، وحافظت على مستويات ممتازة من نمو قاعدة عملائها خلال الفترة، مما أدى إلى تحقيق نتائج مالية قوية. فقد نمت قاعدة عملاء آسياسل خلال النصف الأول من 2011 بنسبة 7.4 بالمائة ووصلت إلى 8.5 مليون عميل (7.9 مليون عميل في النصف الأول من 2010)، إذ نجحت الحملات الترويجية الموجهة التي قامت بها آسياسل في استقطاب أعداد كبيرة من العملاء. وارتفعت الإيرادات في النصف الأول من 2011 بنسبة 17.8 بالمائة مقارنة بالفترة ذاتها من العام الماضي، ووصلت الإيرادات في نهاية النصف الأول من 2011 إلى 2,831 مليون ر.ق. (كان 2,404 مليون ر.ق. في النصف الأول من 2010). كما نجحت آسياسل في تنمية الأرباح قبل اقتطاع الفوائد والضريبة والاستهلاك والاهتلاك خلال الفترة لتصل إلى 1,536 مليون ر.ق.، وهو ما يعتبر زيادة بنسبة 12.4 بالمائة مقارنة بالنصف الأول من 2010، والتي بلغت 1,366 مليون ر.ق.

ستنشر كيوتل نتائجها المالية عن النصف الأول من 2011 على موقعها على الإنترنت:

www.qtel.com.qa

- انتهى -

معلومات عن كيوتل

اتصالات قطر (كيوتل) هي شركة خدمات اتصالات متنوعة تعمل في 17 دولة. وتكمن رؤيتها في أن تكون من أكبر 20 شركة اتصالات في العالم بحلول عام 2020 من خلال التوسع في منطقة الشرق الأوسط وشمال أفريقيا وجنوب شرق آسيا.

**INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

30 JUNE 2011

Interim condensed consolidated financial statements
As at and for six months ended 30 June 2011

CONTENTS	Page (s)
Independent auditors' report on review of interim condensed consolidated financial statements	1
Interim condensed consolidated financial statements	
Interim condensed consolidated income statement	2
Interim condensed consolidated statement of comprehensive income	3
Interim condensed consolidated statement of financial position	4 - 5
Interim condensed consolidated statement of cash flows	6 - 7
Interim condensed consolidated statement of changes in equity	8 - 9
Notes to the interim condensed consolidated financial statements	10 - 25



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Independent auditors' report on review of interim condensed consolidated financial statements

To
The Board of Directors
Qatar Telecom (Qtel) Q.S.C.
Doha
State of Qatar

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Qatar Telecom (Qtel) Q.S.C. ("the Company") and its subsidiaries (together referred to as "the Group") as at 30 June 2011 and the interim condensed consolidated income statement, statements of comprehensive income, cash flows and changes in equity for the six month period then ended and explanatory notes (together referred to as "interim condensed consolidated financial statements").

The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 "*Interim Financial Reporting*". Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with the 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 and consequently 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 consolidated financial statements as at 30 June 2011 is not prepared, in all material respects, in accordance with IAS 34 "*Interim Financial Reporting*".

Other matter

The interim condensed consolidated financial statements as at and for the six month period ended 30 June 2010 and for the year ended 31 December 2010 were reviewed / audited by another auditor who had issued their review report / audit report on 15 August 2010 and 1 March 2011 respectively. Their review report dated 15 August 2010 expressed a review conclusion with limitation of scope due to the review of certain of its subsidiaries' interim condensed consolidated financial statements by other auditors and their audit report dated 1 March 2011 expressed an unqualified opinion on those consolidated financial statements.

14 August 2011
Doha
State of Qatar


Gopal Balasubramaniam
KPMG
Qatar Auditors Registration No. 251

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2011

	Notes	<i>For the three months ended</i>		<i>For the six months ended</i>	
		<i>30 June</i>		<i>30 June</i>	
		<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
		<i>(Reviewed)</i>		<i>(Reviewed)</i>	
		<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Revenue		7,985,100	6,769,729	15,446,037	13,244,381
Operating expenses		(2,443,737)	(2,035,843)	(4,768,076)	(4,008,588)
Selling, general and administrative expenses		(1,856,270)	(1,486,476)	(3,441,801)	(2,943,049)
Depreciation and amortisation	7,8	(1,885,916)	(1,567,722)	(3,631,751)	(3,125,274)
Finance costs (net)		(467,664)	(405,020)	(935,932)	(848,079)
Impairment losses on intangibles and investments		(804)	(22,991)	(14,709)	(22,991)
Gain on previously held interest in an acquired subsidiary	4	-	-	1,442,831	-
Other income (expense) – net		94,765	(109,941)	360,726	612,596
Share of results of associates	9	(31,006)	(7,472)	(32,564)	(18,499)
Royalties and fees	5	(92,600)	(95,318)	(188,530)	(171,522)
Net profit before income taxes		1,301,868	1,038,946	4,236,231	2,718,975
Income tax	11	(245,804)	(145,325)	(508,106)	(299,977)
Net profit for the period		1,056,064	893,621	3,728,125	2,418,998
Attributable to:					
Shareholders of the Parent		673,338	571,183	1,435,540	1,783,997
Non-controlling interests		382,726	322,438	2,292,585	635,001
		1,056,064	893,621	3,728,125	2,418,998
Basic and diluted earnings per share	6	3.83	3.25	8.16	10.14
(Attributable to shareholders of the Parent)					
(Expressed in QR per share)					

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2011

	Notes	<i>For the three months ended</i>		<i>For the six months ended</i>	
		<i>30 June</i>		<i>30 June</i>	
		<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
		<i>(Reviewed)</i>		<i>(Reviewed)</i>	
		<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Net profit for the period		<u>1,056,064</u>	<u>893,621</u>	<u>3,728,125</u>	<u>2,418,998</u>
Other comprehensive income					
Net gain / (losses) on available-for-sale financial assets	14	(21,488)	(67,700)	(16,601)	(20,636)
Net gains / (losses) on cash flow hedges	14	70,068	(31,085)	155,579	(93,822)
Exchange differences on translation of foreign operations		480,895	(190,569)	1,334,564	60,454
Share of other comprehensive income / (loss) of associates	14	(1,478)	-	682	(648)
Other comprehensive income for the period		<u>527,997</u>	<u>(289,354)</u>	<u>1,474,224</u>	<u>(54,652)</u>
Total comprehensive income for the period		<u>1,584,061</u>	<u>604,267</u>	<u>5,202,349</u>	<u>2,364,346</u>
Attributable to:					
Shareholders of the Parent		1,036,463	388,437	2,494,807	1,796,315
Non-controlling interests		547,598	215,830	2,707,542	568,031
Total comprehensive income for the period		<u>1,584,061</u>	<u>604,267</u>	<u>5,202,349</u>	<u>2,364,346</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2011

	<i>Notes</i>	30 June 2011 (Reviewed) QR'000	31 December 2010 (Audited) QR'000
ASSETS			
Non-current assets			
Property, plant and equipment	7	33,677,925	32,172,984
Intangible assets	8	38,362,002	33,279,183
Investment in associates	9	2,185,173	2,126,315
Available-for-sale financial assets		1,901,372	1,862,006
Other non-current assets		1,119,490	967,889
Deferred tax asset		319,713	357,998
		<u>77,565,675</u>	<u>70,766,375</u>
Current assets			
Inventories		284,562	316,584
Accounts receivable and prepayments		5,638,184	4,739,950
Bank balances and cash		23,492,299	25,575,667
		<u>29,415,045</u>	<u>30,632,201</u>
TOTAL ASSETS		<u>106,980,720</u>	<u>101,398,576</u>
EQUITY AND LIABILITIES			
Attributable to shareholders of the Parent			
Share capital		1,760,000	1,466,667
Legal reserve		6,494,137	6,494,137
Fair value reserve		187,713	49,996
Translation reserve		2,702,023	1,780,473
Retained earnings		9,657,196	9,238,787
		<u>20,801,069</u>	<u>19,030,060</u>
Non-controlling interests		<u>19,077,892</u>	<u>15,196,832</u>
Total equity		<u>39,878,961</u>	<u>34,226,892</u>

Continued.....

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONTINUED)
At 30 June 2011

	<i>Notes</i>	30 June 2011 (Reviewed) QR'000	31 December 2010 (Audited) QR'000
Non-current liabilities			
Interest bearing loans and borrowings	13	43,355,847	43,742,821
Employees benefits		651,982	690,982
Deferred tax liability		1,783,152	1,631,787
Other non-current liabilities		<u>2,574,916</u>	<u>3,407,742</u>
		<u>48,365,897</u>	<u>49,473,332</u>
Current liabilities			
Interest bearing loans and borrowings	13	2,270,965	2,518,853
Accounts payable and accruals		11,305,438	10,475,638
Current account with State of Qatar		3,290,590	2,891,194
Deferred income		1,419,498	1,351,216
Income tax payable		<u>449,371</u>	<u>461,451</u>
		<u>18,735,862</u>	<u>17,698,352</u>
Total liabilities		<u>67,101,759</u>	<u>67,171,684</u>
TOTAL EQUITY AND LIABILITIES		<u>106,980,720</u>	<u>101,398,576</u>

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Abdulfah Bin Mohamed Bin Saud Al-Thani
Chairman

.....
Ali Shareef Al-Emadi
Deputy Chairman

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2011

	Notes	<i>For the six months ended</i>	
		<i>30 June</i>	
		<i>2011</i>	<i>2010</i>
		<i>(Reviewed)</i>	
		<i>QR'000</i>	<i>QR'000</i>
OPERATING ACTIVITIES			
Profit before tax		4,236,231	2,718,975
Adjustments for:			
Depreciation and amortization	7,8	3,631,751	3,125,274
Dividend income		(22,683)	(21,235)
Impairment losses on intangibles and investments		14,709	22,991
Loss / (profit) on disposal of available-for-sale financial assets		(3,664)	(38,207)
Loss on disposal of property, plant and equipment		8,103	2,080
Gain on previously held interest in a joint venture	4	(1,442,831)	-
Finance costs		935,932	848,079
(Reversal) / provision for employees' end of service benefits		(31,699)	71,378
Share of results of associates		32,564	18,499
Operating profit before working capital changes		7,358,413	6,747,834
Working capital changes:			
Changes in inventories		35,729	(45,267)
Changes in accounts receivables and prepayments		(680,731)	104,782
Changes in accounts payables and accruals		333,394	(600,105)
Cash from operations		7,046,805	6,207,244
Finance costs paid		(1,053,600)	(1,367,966)
Employees' end of service benefits paid		(24,850)	(9,325)
Income tax paid		(374,095)	(192,138)
Net cash from operating activities		5,594,260	4,637,815
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	7	(2,700,092)	(2,549,526)
Purchase of intangible assets	8	(3,720)	(16,213)
Net cash outflows from acquisition of a subsidiary	4	(2,290,286)	-
Acquisition of non-controlling interests		(1,063)	(6,597)
Additional investment in associates		-	(85,993)
Purchase of available-for-sale investments		(119,291)	(1,912)
Proceeds from disposal of property, plant and equipment		201,214	10,644
Proceeds from disposal of available-for-sale investments		53,409	98,873
Movement in restricted deposits		(161,880)	4,329
Movement in other non-current assets		(151,601)	(51,522)
Dividend and interest received		363,819	281,890
Net cash used in investing activities		(4,809,491)	(2,316,027)

Continued.....

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(CONTINUED)

For the six months ended 30 June 2011

		<i>For the six months ended 30 June</i>	
		<i>2011</i>	<i>2010</i>
		<i>Reviewed</i>	
<i>Notes</i>		<i>QR'000</i>	<i>QR'000</i>
FINANCING ACTIVITIES			
	Proceeds from interest bearing loans and borrowings	516,693	7,428,434
	Repayment of interest bearing loans and borrowings	(1,584,985)	(7,510,174)
13	Additions to deferred financing costs	(4,930)	(79,430)
	Dividends paid to shareholders of the Parent	(330,000)	(462,000)
	Dividends paid to non-controlling interests	(321,881)	(253,930)
	Movement in non-controlling interests	16,642	(9,780)
	Movement in other non-current liabilities	(846,578)	(303,778)
	Net cash used in financing activities	(2,555,039)	(1,190,658)
	(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(1,770,270)	1,131,130
	Net foreign exchange differences	(473,268)	(282,940)
	Cash and cash equivalents at 1 January	25,557,920	11,486,323
	CASH AND CASH EQUIVALENTS AT 30 JUNE	23,314,382	12,334,513
10			

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2011

	<i>Attributable to shareholders of the Parent</i>					<i>Total</i>	<i>Non – controlling interests</i>	<i>Total Equity</i>
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Fair value reserve</i>	<i>Translation reserve</i>	<i>Retained earnings</i>			
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>			
At 1 January 2011	1,466,667	6,494,137	49,996	1,780,473	9,238,787	19,030,060	15,196,832	34,226,892
Profit for the period	-	-	-	-	1,435,540	1,435,540	2,292,585	3,728,125
Other comprehensive income	-	-	137,717	921,550	-	1,059,267	414,957	1,474,224
Total comprehensive income for the period	-	-	137,717	921,550	1,435,540	2,494,807	2,707,542	5,202,349
<i>Contributions by and distributions to owners of the Group</i>								
Dividends for 2010 (Note 12)	-	-	-	-	(733,333)	(733,333)	-	(733,333)
Bonus shares issued	293,333	-	-	-	(293,333)	-	-	-
<i>Change in ownership interest in subsidiaries</i>								
Recognition of non-controlling interests (Note 4)	-	-	-	-	-	-	388,695	388,695
Recognition of non-controlling interests share of PPA (Note 4)	-	-	-	-	-	-	1,092,489	1,092,489
Net dilution of Qtel holding in subsidiaries	-	-	-	-	9,535	9,535	(2,427)	7,108
<i>Transactions with non-owners of the Group</i>								
Dividends from subsidiaries to non-controlling interests	-	-	-	-	-	-	(321,881)	(321,881)
Other movements in non-controlling interests	-	-	-	-	-	-	16,642	16,642
At 30 June 2011 (Reviewed)	1,760,000	6,494,137	187,713	2,702,023	9,657,196	20,801,069	19,077,892	39,878,961

Continued....

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2011

	<i>Attributable to shareholders of the Parent</i>					<i>Total</i>	<i>Non – controlling interests</i>	<i>Total Equity</i>
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Fair value reserve</i>	<i>Translation reserve</i>	<i>Retained earnings</i>			
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
At 1 January 2010	1,466,667	6,494,137	(185,501)	955,055	6,875,150	15,605,508	13,826,899	29,432,407
Profit for the period	-	-	-	-	1,783,997	1,783,997	635,001	2,418,998
Other comprehensive income	-	-	(117,349)	129,667	-	12,318	(66,970)	(54,652)
Total comprehensive income for the period	-	-	(117,349)	129,667	1,783,997	1,796,315	568,031	2,364,346
<i>Contributions by and distributions to owners of the Group</i>								
Dividend paid for 2009 (Note 12)	-	-	-	-	(1,026,667)	(1,026,667)	-	(1,026,667)
<i>Transactions with non-owners of the Group</i>								
Dividends from subsidiaries to non-controlling interests	-	-	-	-	-	-	(253,930)	(253,930)
Acquisition of non-controlling interest	-	-	-	-	(5,600)	(5,600)	(997)	(6,597)
Other movements in non-controlling interests	-	-	-	-	-	-	(9,780)	(9,780)
At 30 June 2010 (Reviewed)	1,466,667	6,494,137	(302,850)	1,084,722	7,626,880	16,369,556	14,130,223	30,499,779

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS At 30 June 2011

1 CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Qatar Public Telecommunications Corporation (“the Corporation”) was formed on 29 June 1987 domiciled in the State of Qatar by Law No. 13 of 1987 to provide domestic and international telecommunication services within the State of Qatar.

The Corporation was transformed into a Qatari Shareholding Company under the name of Qatar Telecom (Qtel) Q.S.C. (the “Company”) on 25 November 1998, pursuant to Law No. 21 of 1998. Under that Law, Qatar Telecom (Qtel) Q.S.C. was exclusively entitled to provide domestic and international telecommunication services in Qatar for a period of 15 years and has the right to own, operate, maintain and develop telecommunications network within and outside Qatar.

The privileges granted to Qatar Telecom (Qtel) Q.S.C. under Law No. 21 of 1998 was cancelled from the effective date of Law No. 34 of 2006 issued on 6 November 2006. In accordance with this Law, the powers and competencies previously vested on Qatar Telecom (Qtel) Q.S.C. in connection with the organisation of telecommunications shall pass to the Supreme Council of Information and Communication Technology (“ictQATAR”).

The Company’s registered office is located at 100 Westbay Tower, Doha, State of Qatar.

The Company and its subsidiaries (together referred to as the “Group”) provide domestic and international telecommunication services in Qatar and elsewhere in the Asia and MENA region.

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2011 were authorised for issue on behalf of the Board by the Chairman and the Deputy Chairman on 14 August 2011.

2 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2011 have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting (“IAS 34”). The interim condensed consolidated financial statements for the six months ended 30 June 2011 incorporates the results of the Company and its subsidiaries for the period then ended.

The interim condensed consolidated financial statements are prepared in Qatar Riyals, which is the Group’s presentation currency and all values are rounded to the nearest thousands (QR’000) except when otherwise indicated.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as at 31 December 2010. In addition, results for the six months ended 30 June 2011 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2011.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2010 with the addition of new standards that have come into effect during the period under review. During the period, the Group has adopted the revised IAS 24 - Related Party Transactions, which clarifies and simplifies the definition of a related party and removes the requirement for government related entities to disclose all of the transactions with the government and other government related entities.

In addition, a number of new standards, amendment to standards and interpretations have been issued that are not yet effective for the period ended 30 June 2011 and have not been applied in preparing this interim condensed consolidated financial statements:

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2011

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IFRS 9, Financial Instruments' is the first standard issued as part of a wider project to replace IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary categories for the financial assets: amortised cost and fair value. The basis of classifications depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after 1 January 2013, however the standard can be adopted early prospectively, and prior periods need not be restated if an entity adopts the standard for reporting periods beginning before 1 January 2012. The group is currently assessing the impact of this standard for future periods.

The Group has not early adopted any standard, interpretation or amendment that was issued but is not yet effective.

4 BUSINESS COMBINATIONS

Step acquisition of Orascom Telecom Tunisie S.A. (Tunisiana)

On 4 January 2011 ("the acquisition date"), the Group acquired 25% additional shareholding interest in Orascom Telecom Tunisie S.A. (Tunisiana) As a result of the above, the Group's ownership and voting interests in Tunisiana, previously treated as a joint venture and accounted for under proportionate consolidation method, increased from 50% to 75%. Consequently, Tunisiana is fully consolidated within the Group's interim condensed consolidated financial statements for the period ended 30 June 2011 starting from the date control has been obtained.

Moreover, the Group re-measured its previously held interests in Tunisiana at fair value and recognised a revaluation gain of QR 1,442,831 thousand in the profit or loss for the period. The revaluation of previously held interests was based on the same price that was paid for the additional controlling interests acquired during the period, after adjusting for control premium.

The initial accounting for the above acquisition is only provisional at the reporting date, as the fair value to be assigned to the acquiree's identifiable assets and liabilities could be determined only provisionally. The Group will recognise any adjustments to those provisional values as a result of completing the initial accounting within one year of the acquisition date, and with effect from acquisition date.

Since the date of acquisition and up to 30 June 2011, Tunisiana contributed a net profit of QR 173.8 million. The management expects that taking control of Tunisiana will enable the Group in expanding its telecommunication activities and operations in the Tunisian market.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2011

4 BUSINESS COMBINATIONS (CONTINUED)

Step acquisition of Orascom Telecom Tunisie S.A. (Tunisiana) (continued)

(a) Identifiable assets acquired and liabilities assumed, and resulting gain on previously held interest

The provisional fair values of the identifiable assets and liabilities of Tunisiana recognised as a result of the step acquisition were as follows:

	<i>QR'000</i>
Cash and bank balances	313,607
Trade and other receivables	435,744
Inventories	7,414
Property and equipment	1,281,592
Intangible assets	5,107,301
Deferred tax assets	46,112
Total provisional fair value of acquired identifiable assets	<u>7,191,770</u>
Trade and other payables	959,538
Borrowings	279,987
Other non-current liabilities	27,508
Total provisional fair value of assumed liabilities	<u>1,267,033</u>
Provisional fair value of net identifiable assets at date of acquisition	<u>5,924,737</u>
Fair value of previously held interest in Tunisiana	4,369,802
Less: Carrying amount of previous interest in joint venture at date of acquisition	<u>(2,926,971)</u>
Gain on previously held interest in Tunisiana	<u>1,442,831</u>

(b) Goodwill resulting on the step acquisition

Goodwill has been recognised as a result of the acquisition as follows:

	<i>QR'000</i>
Acquisition cost	2,447,091
Non-controlling interest	1,481,184
Fair value of previously held interest	<u>4,369,802</u>
Sub-total	8,298,077
Less: provisional fair value of net identifiable assets at date of acquisition	<u>(5,924,737)</u>
Goodwill recognised at acquisition	<u>2,373,340</u>

(c) Cash outflow from the acquisition

	<i>QR'000</i>
Consideration paid	2,447,091
Less: Cash acquired with the subsidiary	(313,607)
Add: Derecognition of previously recorded cash under proportionate consolidation method	<u>156,802</u>
Net cash outflow from the acquisition	<u>(2,290,286)</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2011

5 ROYALTIES AND FEES

	<i>For the three months ended</i>		<i>For the six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Royalty to the Govt. of Sultanate of Oman	29,459	26,752	58,273	51,527
Industry fees	43,100	54,609	90,838	95,204
Other statutory fees	20,041	13,957	39,419	24,791
	92,600	95,318	188,530	171,522

Royalties:

In accordance with the terms of a license granted to Omani Qatari Telecommunications Company S.A.O.G. to operate wireless telecommunication services in the Sultanate of Oman, royalty is payable to the Government of the Sultanate of Oman, effective from March 2005. The royalty payable is calculated based on 7% of the net of predefined sources of revenue and operating expenses.

Industry fees:

In accordance with the Minister of Economy and Finance of the State of Qatar Decree in 2010, effective from 7 October 2007, the Group provides for a 12.5% Industry fee on profits generated from the Group's operations in Qatar.

Other Statutory Fees:

Contributions by National Mobile Telecommunications Company K.S.C to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat are included under other statutory fees.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2011

6 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period attributable to shareholders of the Parent by the weighted average number of shares outstanding during the period.

There were no potentially dilutive shares outstanding at any time during the period and, therefore, the dilutive earnings per share is equal to the basic earnings per share.

	<i>For the three months ended</i>		<i>For the six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
		<i>(Restated)</i>		<i>(Restated)</i>
Net profit for the period attributable to shareholders of the Parent (QR'000)	673,338	571,183	1,435,540	1,783,997
Weighted average number of shares (000's)	176,000	176,000	176,000	176,000
Basic and diluted earnings per share (QR)	3.83	3.25	8.16	10.14

The weighted average number of shares has been calculated as follows:

Qualifying shares at 1 January (in thousands)	146,667	146,667	146,667	146,667
Effect of bonus share issue (in thousands)	29,333	29,333	29,333	29,333
Total outstanding number of shares (in thousands)	176,000	176,000	176,000	176,000

During the current period, the Group issued bonus shares and accordingly, the previously reported earnings per share has been restated. If the effect of the bonus shares issues during the period was not considered on the earnings per share of the previous period, the basic earnings per share would have been QR 3.89 per share and QR 12.16 per share for the three months period ended and six months period ended 30 June 2010 respectively.

7 PROPERTY, PLANT AND EQUIPMENT

	<i>6 months ended 30 June 2011</i>	<i>12 months ended 31 December 2010</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Net book value at beginning of the period/year	32,172,984	29,766,515
Acquired through acquisition of a subsidiary	1,281,592	-
Derecognition of previously held interest in joint venture	(640,797)	-
Additions	2,700,092	6,941,775
Disposals (net)	(209,317)	(538,520)
Reclassifications from intangibles	13,180	14,162
Depreciation for the period/year	(2,615,633)	(4,696,409)
Exchange adjustment	975,824	685,461
Net book value at the end of the period/year	33,677,925	32,172,984

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2011

8 INTANGIBLE ASSETS

	<i>6 months ended 30 June 2011 (Reviewed) QR'000</i>	<i>12 months ended 31 December 2010 (Audited) QR'000</i>
Net book value at beginning of the period/year	33,279,183	34,104,052
Arising from step acquisition of a subsidiary (including goodwill)	7,480,641	-
Derecognition of previously held interest in joint venture	(2,420,808)	-
Additions	3,720	193,843
Amortisation for the period/year	(1,016,118)	(1,621,007)
Impairment during the period/year	-	(36,251)
Reclassification to property, plant and equipment	(13,180)	(14,162)
Exchange adjustment	1,048,564	652,708
	<u>38,362,002</u>	<u>33,279,183</u>
Net book value at the end of the period/year	<u>38,362,002</u>	<u>33,279,183</u>

9 INVESTMENT IN ASSOCIATES

The following table presents the summarised financial information of the Group's investments in associates.

	<i>30 June 2011 (Reviewed) QR'000</i>	<i>31 December 2010 (Audited) QR'000</i>
Share of associates' statement of financial position:		
Current assets	1,600,804	1,478,339
Non-current assets	1,858,843	1,821,929
Current liabilities	(1,515,086)	(859,130)
Non-current liabilities	(1,078,768)	(1,567,500)
Net assets	865,793	873,638
Goodwill on acquisition	1,365,717	1,299,014
Less: impairment on investment in associate	(46,337)	(46,337)
Carrying amount of the investment	<u>2,185,173</u>	<u>2,126,315</u>

	<i>For the three months ended 30 June</i>		<i>For the six months ended 30 June</i>	
	<i>2011 (Reviewed) QR'000</i>	<i>2010 QR'000</i>	<i>2011 (Reviewed) QR'000</i>	<i>2010 QR'000</i>
Share of associates' revenues and results:				
Revenue	<u>437,129</u>	382,800	<u>851,522</u>	748,869
Results	<u>(31,006)</u>	(7,472)	<u>(32,564)</u>	(18,499)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2011

10 CASH AND CASH EQUIVALENTS

For the purpose of the interim condensed consolidated statement of cash flows, cash and cash equivalents comprise of the following amounts:

	<i>For the six months ended 30 June</i>	
	<i>2011</i>	<i>2010</i>
	<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Bank balances and cash	23,492,299	12,350,489
Restricted deposits	(177,917)	(15,976)
Cash and cash equivalents at 30 June	<u>23,314,382</u>	<u>12,334,513</u>

11 INCOME TAX

The income tax represents amounts recognised by subsidiary companies.

The major components of income tax for the period included in the interim condensed consolidated income statement are as follows:

	<i>For the three months ended 30 June</i>		<i>For the six months ended 30 June</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Current income tax:				
Current income tax charge	(196,162)	(148,119)	(362,015)	(298,102)
Deferred income tax:				
Relating to origination and reversal of temporary differences	(49,642)	2,794	(146,091)	(1,875)
Income tax	<u>(245,804)</u>	<u>(145,325)</u>	<u>(508,106)</u>	<u>(299,977)</u>

12 DIVIDENDS AND BONUS SHARES

Dividends:

	<i>For the six months ended 30 June</i>	
	<i>2011</i>	<i>2010</i>
	<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Declared and approved at the Annual General Meeting: Final dividend for 2010, QR 5 per share (2009 : QR 7 per share)	<u>733,333</u>	<u>1,026,667</u>

Bonus shares:

The Group issued bonus shares of 20% of the share capital as at 31 December 2010 amounting to QR 293,333 thousand (2010: Nil).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2011

13 INTEREST BEARING LOANS AND BORROWINGS

	<i>30 June 2011 (Reviewed) QR'000</i>	<i>31 December 2010 (Audited) QR'000</i>
Interest bearing loans and borrowings	46,159,293	46,852,196
Less: Deferred financing costs	<u>(532,481)</u>	<u>(590,522)</u>
	<u>45,626,812</u>	<u>46,261,674</u>
Presented in the statement of financial position as follows:		
Current portion	2,270,965	2,518,853
Non-current portion	<u>43,355,847</u>	<u>43,742,821</u>
	<u>45,626,812</u>	<u>46,261,674</u>

The deferred financing costs consist of arrangement and commitment fees. The movement in deferred financing costs was as follows:

	<i>6 months ended 30 June 2011 (Reviewed) QR'000</i>	<i>12 months ended 31 December 2010 (Audited) QR'000</i>
Balance at 1 January	590,522	402,826
Additions during the year	4,930	335,870
Amortised during the year	(74,847)	(152,632)
Exchange adjustment	<u>11,876</u>	<u>4,458</u>
	<u>532,481</u>	<u>590,522</u>

14 COMPONENTS OF OTHER COMPREHENSIVE INCOME

	<i>For the three months ended 30 June</i>		<i>For the six months ended 30 June</i>	
	<i>2011</i>	<i>2010</i>	<i>2011</i>	<i>2010</i>
	<i>(Reviewed)</i>		<i>(Reviewed)</i>	
	<u><i>QR'000</i></u>	<u><i>QR'000</i></u>	<u><i>QR'000</i></u>	<u><i>QR'000</i></u>
<i>Available-for-sale investments:</i>				
(Losses) gain arising during the period from re-measurement to fair value	(18,339)	(60,694)	(27,646)	23,878
Net change in fair value reclassified to income statement	(3,953)	(2,602)	(3,664)	(40,110)
Transfer to income statement on impairment	<u>804</u>	<u>(4,404)</u>	<u>14,709</u>	<u>(4,404)</u>
	<u>(21,488)</u>	<u>(67,700)</u>	<u>(16,601)</u>	<u>(20,636)</u>
<i>Cash flow hedges :</i>				
Gain (loss) arising during the period	70,555	(35,411)	157,603	(103,782)
Income tax effect	(442)	-	(963)	-
Ineffective portion of cash flow hedges transferred to income statement	<u>(45)</u>	<u>4,326</u>	<u>(1,061)</u>	<u>9,960</u>
	<u>70,068</u>	<u>(31,085)</u>	<u>155,579</u>	<u>(93,822)</u>
<i>Associates :</i>				
Share of net gain (loss) on cash flow hedges	<u>(1,478)</u>	<u>-</u>	<u>682</u>	<u>(648)</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2011

15 COMMITMENTS

Capital expenditure commitments

	<i>30 June 2011 (Reviewed) QR'000</i>	<i>31 December 2010 (Audited) QR'000</i>
Property, plant and equipment		
Estimated capital expenditure contracted for as at reporting date but not provided for:	<u>3,240,316</u>	<u>2,832,404</u>
Intangible assets		
For the acquisition of Palestine Mobile license	<u>515,630</u>	<u>515,641</u>

Operating lease commitments

	<i>30 June 2011 (Reviewed) QR'000</i>	<i>31 December 2010 (Audited) QR'000</i>
Future minimum lease payments:		
Not later than one year	199,117	180,612
Later than one year and not later than five years	501,170	515,269
Later than five years	<u>270,156</u>	<u>302,158</u>
	<u>970,443</u>	<u>998,039</u>

16 CONTINGENT LIABILITIES

	<i>30 June 2011 (Reviewed) QR'000</i>	<i>31 December 2010 (Audited) QR'000</i>
Letters of guarantee	<u>516,695</u>	<u>493,341</u>
Letters of credit	<u>14,566</u>	<u>19,341</u>
Claims against the Group not acknowledged as debts	<u>22,861</u>	<u>4,678</u>

17 RELATED PARTY DISCLOSURES

Related party transactions and balances

Related parties represent associated companies including Government and semi Government agencies, associates, major shareholders, directors and key management personnel of the Group, and companies of which they are principal owners. In the ordinary course of business the Group enters into transactions with related parties. Pricing policies and terms of transactions are approved by the Group's management.

The Group has a current account payable to the Government of Qatar amounting to QR 3,290,590 thousand as at 30 June 2011 (31 December 2010: QR 2,891,194 thousand). Further, the Group enters into commercial transactions with other Government related entities in the ordinary course of business in terms of providing telecommunication services, placement of deposits and obtaining credit facilities etc.

Amounts due from Directors for services provided under ordinary course of business amounting to QR 81 thousand (31 December 2010: QR 178 thousand) is included under "Accounts receivable and prepayments".

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2011

17 RELATED PARTY DISCLOSURES (CONTINUED)

Compensation of key management personnel

Key management personnel comprise the Board of Directors and key members of management having authority and responsibility of planning, directing and controlling the activities of the Group.

The compensation and benefits related to Board of Directors and key management personnel amounted to QR 26,559 thousand for the three months ended 30 June 2011 (For the three months period ended 30 June 2010: QR 37,417 thousand) and QR 64,428 thousand for six months ended 30 June 2011 (For the six months period ended 30 June 2010: QR 67,030 thousand) and end of service benefits amounted to QR 10,223 thousand for the three months ended 30 June 2011 (For the three months period ended 30 June 2010: QR 3,510 thousand) and QR 30,813 thousand for the six month period ended 30 June 2011 (For the six months period ended 30 June 2010: QR 12,253 thousand). The remuneration to the Board of Directors and key management personnel has been included under the caption "Selling, general and administrative expenses".

18 SEGMENT INFORMATION

For management reporting purposes, the Group is organised into business units based on their geographical area covered, and has five reportable operating segments as follows:

1. Qtel is a provider of domestic and international telecommunication services within the State of Qatar.
2. ACL, Iraq is a provider of mobile telecommunication services in Iraq.
3. Wataniya is a provider of mobile telephone and pager systems and services in Kuwait and elsewhere in the Middle East and North African (MENA) region.
4. Indosat is a provider of telecommunication services such as cellular services, fixed telecommunications, multimedia, data communication and internet services in Indonesia.
5. Nawras is provider of mobile telecommunication services in Oman and has been recently awarded a license to operate fixed telecommunication services.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss of these segments. Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2011

18 SEGMENT INFORMATION (CONTINUED)

Operating segments

The following tables present revenue and profit information regarding the Group's operating segments for the period ended 30 June 2011 and 2010:

For the three months ended 30 June 2011 (Reviewed)

	<i>Qtel</i> <i>QR'000</i>	<i>ACL, Iraq</i> <i>QR'000</i>	<i>Wataniya</i> <i>QR'000</i>	<i>Indosat</i> <i>QR'000</i>	<i>Nawras</i> <i>QR'000</i>	<i>Others</i> <i>QR'000</i>	<i>Adjustments and</i> <i>eliminations</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
Revenue								
Third party	1,425,244	1,438,780	2,385,930	2,184,214	479,072	71,860	-	7,985,100
Inter-segment	25,985	18,505	33,698	6,695	1,629	55,295	(141,807) ⁽ⁱ⁾	-
Total revenue	1,451,229	1,457,285	2,419,628	2,190,909	480,701	127,155	(141,807)	7,985,100
Results								
Segment profit before tax	418,857	457,896	642,901	147,045	121,558	(165,940)	(320,449) ⁽ⁱⁱ⁾	1,301,868
Depreciation and amortisation	154,069	195,982	403,386	725,603	64,922	21,505	320,449 ⁽ⁱⁱⁱ⁾	1,885,916

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2011

18 SEGMENT INFORMATION (CONTINUED)

For the three months ended 30 June 2010 (Reviewed)

	<i>Qtel</i> <i>QR'000</i>	<i>ACL, Iraq</i> <i>QR'000</i>	<i>Wataniya</i> <i>QR'000</i>	<i>Indosat</i> <i>QR'000</i>	<i>Nawras</i> <i>QR'000</i>	<i>Others</i> <i>QR'000</i>	<i>Adjustments and</i> <i>eliminations</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
Revenue								
Third party	1,411,147	1,213,127	1,687,208	1,966,676	445,564	46,007	-	6,769,729
Inter-segment	23,964	16,056	16,737	2,976	3,884	56,980	(120,597) ⁽ⁱ⁾	-
Total revenue	1,435,111	1,229,183	1,703,945	1,969,652	449,448	102,987	(120,597)	6,769,729
Results								
Segment profit before tax	441,394	467,238	301,763	48,152	141,192	(140,412)	(220,381) ⁽ⁱⁱ⁾	1,038,946
Depreciation and amortisation	157,118	167,571	309,944	643,626	55,684	13,398	220,381 ⁽ⁱⁱⁱ⁾	1,567,722

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2011

18 SEGMENT INFORMATION (CONTINUED)

For the six months ended 30 June 2011 (Reviewed)

	<i>Qtel</i> <i>QR'000</i>	<i>ACL, Iraq</i> <i>QR'000</i>	<i>Wataniya</i> <i>QR'000</i>	<i>Indosat</i> <i>QR'000</i>	<i>Nawras</i> <i>QR'000</i>	<i>Others</i> <i>QR'000</i>	<i>Adjustments and</i> <i>eliminations</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
Revenue								
Third party	2,809,120	2,793,764	4,580,856	4,176,635	950,986	134,676	-	15,446,037
Inter-segment	53,159	37,095	65,728	11,048	2,778	109,465	(279,273) ⁽ⁱ⁾	-
Total revenue	2,862,279	2,830,859	4,646,584	4,187,683	953,764	244,141	(279,273)	15,446,037
Results								
Segment profit before tax	854,387	934,590	2,638,171	415,368	266,694	(307,643)	(565,336) ⁽ⁱⁱ⁾	4,236,231
Depreciation and amortisation	304,477	395,383	794,687	1,404,447	126,082	41,339	565,336 ⁽ⁱⁱⁱ⁾	3,631,751

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2011

18 SEGMENT INFORMATION (CONTINUED)

For the six months ended 30 June 2010 (Reviewed)

	<i>Qtel</i> <i>QR'000</i>	<i>ACL, Iraq</i> <i>QR'000</i>	<i>Wataniya</i> <i>QR'000</i>	<i>Indosat</i> <i>QR'000</i>	<i>Nawras</i> <i>QR'000</i>	<i>Others</i> <i>QR'000</i>	<i>Adjustments and eliminations</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
Revenue								
Third party	2,795,243	2,367,492	3,279,534	3,825,172	897,129	79,811	-	13,244,381
Inter-segment	43,117	36,097	23,726	5,261	4,145	98,182	(210,528) ⁽ⁱ⁾	-
Total revenue	2,838,360	2,403,589	3,303,260	3,830,433	901,274	177,993	(210,528)	13,244,381
Results								
Segment profit before tax	1,449,280	885,108	566,507	230,518	300,872	(253,464)	(459,846) ⁽ⁱⁱ⁾	2,718,975
Depreciation and amortisation	307,026	329,698	620,367	1,265,616	111,998	30,723	459,846 ⁽ⁱⁱⁱ⁾	3,125,274

(i) Inter-segment revenues are eliminated on consolidation.

(ii) Segment profit before tax does not include the following:

	<i>For the three months ended</i> <i>30 June</i>		<i>For the six months ended</i> <i>30 June</i>	
	<i>2011</i> <i>(Reviewed)</i> <i>QR'000</i>	<i>2010</i> <i>QR'000</i>	<i>2011</i> <i>(Reviewed)</i> <i>QR'000</i>	<i>2010</i> <i>(Reviewed)</i> <i>QR'000</i>
Amortisation of additional intangibles identified in PPA	(320,449)	(220,381)	(565,336)	(459,846)
	(320,449)	(220,381)	(565,336)	(459,846)

(iii) Amortisation relating to intangibles identified from business combinations was not considered as part of segment expense.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 June 2011

18 SEGMENT INFORMATION (CONTINUED)

The following table presents segment assets of the Group's operating segments as at 30 June 2011 and 31 December 2010.

	<i>Qtel</i> <i>QR'000</i>	<i>ACL, Iraq</i> <i>QR'000</i>	<i>Wataniya</i> <i>QR'000</i>	<i>Indosat</i> <i>QR'000</i>	<i>Nawras</i> <i>QR'000</i>	<i>Others</i> <i>QR'000</i>	<i>Adjustments and eliminations</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
Segment assets (i)								
At 30 June 2011 (Reviewed)	<u>28,946,426</u>	<u>8,478,839</u>	<u>29,324,506</u>	<u>24,834,321</u>	<u>2,462,726</u>	<u>1,353,955</u>	<u>11,579,947</u>	<u>106,980,720</u>
At 31 December 2010 (Audited)	<u>29,312,421</u>	<u>7,838,815</u>	<u>25,126,862</u>	<u>24,634,552</u>	<u>2,754,167</u>	<u>1,311,131</u>	<u>10,420,628</u>	<u>101,398,576</u>
Capital expenditure (ii)								
At 30 June 2011 (Reviewed)	<u>285,410</u>	<u>534,629</u>	<u>765,654</u>	<u>932,315</u>	<u>141,179</u>	<u>44,625</u>	<u>-</u>	<u>2,703,812</u>
At 31 December 2010 (Audited)	<u>1,323,468</u>	<u>1,351,582</u>	<u>1,366,259</u>	<u>2,216,969</u>	<u>701,264</u>	<u>176,076</u>	<u>-</u>	<u>7,135,618</u>

Notes:

- (i) Goodwill amounting to QR 11,579,947 thousand (31 December 2010: QR 10,420,628 thousand) was not considered as part of segment assets as goodwill is managed on a group basis.
- (ii) Capital expenditure consists of additions to property, plant and equipment and intangibles excluding goodwill and assets from business combinations.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
At 30 June 2011

19 COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to the presentation in the current period's interim condensed consolidated financial statements. However, such reclassifications did not have any effect on the net profit, total assets and equity of the comparative period.