

**UN-AUDITED FINANCIALS FOR THREE MONTHS ENDED
MARCH 31, 2010**

OF

**M/S.OMAN FIBER OPTIC CO. S.A.O.G
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Oman Fiber Optic Co SAOG

Unaudited Financials for Three months ended March 31, 2010

Notes to the Financial Statements

1 Legal Status and Principal Activities

Oman Fiber Optic Co. S.A.O.G is registered in the Sultanate of Oman as a joint stock company. The company's principal activity is manufacturing, sale and service of Fiber Optic cables.

2 Significant Accounting Policies

(a) The accounting policies applied in these condensed interim financial statements are the same accounting policies as applied to Financial Statements of the company for the year 2009, as included in the audit report issued on February 11, 2010.

(b) The condensed interim financial statements for the three months ended March 31, 2010 are prepared as per IAS 34, which requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual figures may differ from these estimates and judgments. While preparing these condensed interim financial statements, the significant judgments made by the management in applying the accounting policies and the key sources of estimation, uncertainty were the same as those that applied to the financial statements as on December 31, 2009.

3 Dividend

During the three months, dividend of RO 0.250 per share amounting to RO 912,319 for the year 2009 was declared. In the year 2009, dividend of RO 0.210 per share amounting to RO 766,348 for the year 2008, was declared and paid.

4 Segment Reporting

The Company has two reportable segments that of optical fiber cables and copper cables; and cable laying services. The information set out below analysis the revenues over the two segments. However, it is not easily possible to accurately analyse certain costs over the two segments. Hence, the Management does not consider it appropriate to provide segment cost information.

(Figures in RO)

Description	2010	2009
Revenue from sale of Fiber optic cable and copper cables		
GCC countries including the Sultanate of Oman	1,271,820	1,975,788
Middle East, Africa and Asia	95,318	22,017
Revenue from Cable Laying services		
Sultanate of Oman	1,371,511	348,045
Total revenue	2,738,649	2,345,850
Less: Common costs	2,212,836	1,903,280
Net profit	525,813	442,570



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5 Statement of Compliance

The condensed interim financial statements have been prepared in accordance of IAS 34 "Interim Financial Reporting". They do not include all the information required for full annual financial statements and should be read in conjunction with the financial statements for the year ended December 31, 2009.

6 Related Party Transactions

Holders of 10% or more of the company's shares may include companies, individuals, or families. Families are included if the shares of the family members total 10% or more of the company's shares. Members of the family of an individual are those that may be expected to influence, or be influenced by, that person in their dealings with the company.

The nature of significant transactions involving related parties or holders of 10% or more of the company's shares, or their family members, and the amounts involved during the quarter were as follows:

	Three months ended March 31, 2010	Three months ended March 31, 2009
	<u>RO'000</u>	<u>RO'000</u>
Income/Revenue Transactions		
Sale to Oman Telecommunications Co	409	1,170
Purchases / Expense Transactions		
Bank Charges paid to Oman International Bank in which H.E. Dr Omar Zawawi has interest.	15	15
Goods and Services bought from companies in which H.E. Dr Omar Zawawi has interest	43	1
Meeting Attendance fee paid to Directors	3	4
	<u>61</u>	<u>20</u>
	<u><u>61</u></u>	<u><u>20</u></u>

6 Related Party Transactions (continued)

Loans, Advances, Receivables Due, Provisions & Write-offs

Loans, advances or receivables due from related parties or holders of 10% or more of the company's shares, or their family members, minus all provisions and write-offs which have been made on these accounts at any time, are further analysed as follows:

	As on March 31, 2010	As on Dec.31, 2009
	RO'000	RO'000
Trade Receivable from Omantel	1,659	2,511
Provisions	-	-
Write-offs	-	-
	1,659	2,511

7 Subsequent Events

There are no material events subsequent to the interim period ending March 31, 2010

8 Share capital

At the end of the reporting period, shareholders who own 10% or more of the Company's share capital and the number of shares they hold are as follows:

Name of the shareholder	As on 31 st March 2010		As on 31 st December 2009	
	No. of shares held	%	No. of shares held	%
Oman Telecommunications Company SAOG	947,433	25.96	947,433	25.96
Gulf Investment Corporation, Kuwait	912,319	25.00	912,319	25.00
H.E. Dr. Oman Abdulmunim Yousuf Al Zawawi	783,412	21.47	783,412	21.47
Oman and Emirates Investment Holding Company SAOG	580,467	15.91	580,467	15.91

9 Comparative figures

Comparative figures have been regrouped / reclassified wherever necessary.