OOREDOO Q.S.C.
(FORMERLY KNOWN AS QATAR TELECOM (QTEL) Q.S.C.)

CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

30 JUNE 2013

OOREDOO Q.S.C.
(FORMERLY KNOWN AS QATAR TELECOM (QTEL) Q.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for six months ended 30 June 2013

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Independent auditors' report on review of condensed consolidated interim financial statements to the Board of Directors of Ooredoo Q.S.C. (formerly known as Qatar Telecom (Qtel) Q.S.C.)

Introduction

We have reviewed the accompanying 30 June 2013 condensed consolidated interim financial statements of Ooredoo Q.S.C. (formerly known as Qatar Telecom (Qtel) Q.S.C.) ("the Company") and its subsidiaries (together referred to as "the Group"), which comprises:

- the condensed consolidated income statement for the six months period ended 30 June 2013;
- the condensed consolidated statement of comprehensive income for the six months period ended 30 June 2013;
- the condensed consolidated statement of financial position as at 30 June 2013;
- the condensed consolidated statement of cash flows for the six months period ended 30 June 2013;
- the condensed consolidated statement of changes in equity for the six months period ended 30 June 2013; and
- notes to the condensed consolidated interim financial statements

The Board of Directors of the Company is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim 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 statements 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 30 June 2013 condensed consolidated interim financial statements is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'

30 July 2013
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditors Registration No. 251

OOREDOO Q.S.C.
(FORMERLY KNOWN AS QATAR TELECOM (QTEL) Q.S.C.)

CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 June 2013

		For the three months ended 30 June		*For the six months ended 30 June*	
		2013	*2012*	***2013***	*2012*
		(Reviewed)		*(Reviewed)*	
	Note	***QR'000***	*QR'000*	***QR'000***	*QR'000*
Continuing operations					
Revenue		**8,700,401**	8,351,546	**17,142,013**	16,377,132
Operating expenses		**(2,810,131)**	(2,488,913)	**(5,550,900)**	(4,914,311)
Selling, general and administrative expenses		**(1,964,932)**	(1,902,116)	**(3,966,626)**	(3,677,182)
Depreciation and amortisation		**(1,937,517)**	(1,776,425)	**(3,893,398)**	(3,566,131)
Finance costs – net		**(507,870)**	(530,782)	**(991,309)**	(1,004,351)
Impairment of financial assets		**-**	(1,914)	**(39,913)**	(2,093)
Other income / (expense) – net		**(18,011)**	(169,248)	**79,834**	(147,377)
Share of results of associates – net of tax	9	**21,369**	4,919	**37,805**	12,507
Royalties and fees	5	**(89,985)**	(83,576)	**(175,032)**	(174,835)
Profit before income taxes		**1,393,324**	1,403,491	**2,642,474**	2,903,359
Income tax	11	**(199,654)**	(283,672)	**(376,897)**	(515,772)
Profit from continuing operations		**1,193,670**	1,119,819	**2,265,577**	2,387,587
Discontinued operation					
(Loss) / profit from discontinued operation – net of tax	20	**(139)**	(2,687)	**389**	(13,531)
Profit for the period		**1,193,531**	1,117,132	**2,265,966**	2,374,056
Attributable to:					
Shareholders of the parent		**922,962**	640,689	**1,731,392**	1,352,118
Non-controlling interests		**270,569**	476,443	**534,574**	1,021,938
		1,193,531	1,117,132	**2,265,966**	2,374,056
Basic and diluted earnings per share					
(Attributable to shareholders of the parent)	6	**2.88**	2.23	**5.41**	4.92
(Expressed in QR per share)					

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements

OOREDOO Q.S.C.
(FORMERLY KNOWN AS QATAR TELECOM (QTEL) Q.S.C.)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2013

		For the three months ended 30 June		*For the six months ended 30 June*	
		2013	*2012 (Reviewed)*	***2013***	*2012 (Reviewed)*
	Note	***QR'000***	*QR'000*	***QR'000***	*QR'000*
Profit for the period		**1,193,531**	1,117,132	**2,265,966**	2,374,056
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Net changes in fair value of available-for-sale investments	14	**6,070**	(86,726)	**60,927**	(52,345)
Effective portion of changes in fair value of cash flow hedges	14	**1,668**	90,051	**1,738**	176,823
Share of other comprehensive income of associates	14	**5,740**	-	**5,740**	1,443
Foreign currency translation differences	14	**(498,031)**	(1,167,530)	**(1,098,423)**	(1,229,814)
Other comprehensive (expense) / income – net of tax		**(484,553)**	(1,164,205)	**(1,030,018)**	(1,103,893)
Total comprehensive income for the period		**708,978**	(47,073)	**1,235,948**	1,270,163
Attributable to:					
Shareholders of the parent		**498,136**	(48,400)	**814,985**	737,099
Non-controlling interests		**210,842**	1,327	**420,963**	533,064
		708,978	(47,073)	**1,235,948**	1,270,163

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements

OOREDOO Q.S.C.
(FORMERLY KNOWN AS QATAR TELECOM (QTEL) Q.S.C.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 June 2013

	Note	***30 June 2013 (Reviewed) QR'000***	*31 December 2012 (Audited) (Restated) QR'000*
ASSETS			
Non-current assets			
Property, plant and equipment	7	**32,496,309**	32,436,114
Intangible assets and goodwill	8	**33,155,738**	34,746,171
Investment property		**63,806**	66,459
Investment in associates	9	**1,681,221**	1,873,384
Available-for-sale investments		**2,635,817**	2,633,650
Other non-current assets		**927,090**	908,160
Deferred tax assets		**69,103**	74,581
Total non-current assets		**71,029,084**	72,738,519
Current assets			
Inventories		**365,978**	358,767
Trade and other receivables		**6,586,073**	6,095,508
Bank balances and cash		**15,543,107**	15,006,026
Assets held for distribution		**-**	6,504
Total current assets		**22,495,158**	21,466,805
TOTAL ASSETS		**93,524,242**	94,205,324
EQUITY			
Share capital		**3,203,200**	3,203,200
Legal reserve		**12,434,282**	12,434,282
Fair value reserve		**1,167,928**	1,084,494
Employment benefit reserve		**(110,958)**	(110,958)
Translation reserve		**(242,745)**	757,096
Other statutory reserves		**825,245**	825,245
Retained earnings		**8,132,439**	9,596,491
Equity attributable to shareholders of the parent		**25,409,391**	27,789,850
Non-controlling interests		**7,598,166**	8,941,786
Total equity		**33,007,557**	36,731,636

Continued…………

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements

OOREDOO Q.S.C.
(FORMERLY KNOWN AS QATAR TELECOM (QTEL) Q.S.C.)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
At 30 June 2013

	Note	*30 June 2013 (Reviewed) QR'000*	*31 December 2012 (Audited) (Restated) QR'000*
LIABILITIES			
Non-current liabilities			
Interest bearing loans and borrowings	13	**33,458,585**	32,018,641
Employees benefits		**964,039**	928,385
Deferred tax liabilities		**1,270,057**	1,370,136
Other non-current liabilities		**2,541,383**	2,676,470
Total non-current liabilities		**38,234,064**	36,993,632
Current liabilities			
Interest bearing loans and borrowings	13	**8,073,288**	7,307,914
Trade and other payables		**11,778,036**	10,971,994
Deferred income		**1,754,558**	1,658,471
Income tax payable		**676,739**	505,019
Liabilities held for distribution		**-**	36,658
Total current liabilities		**22,282,621**	20,480,056
Total liabilities		**60,516,685**	57,473,688
TOTAL EQUITY AND LIABILITIES		**93,524,242**	94,205,324

....
Abdullah Bin Mohamed Bin Saud Al-Thani
Chairman

....
Ali Shareef Al-Emadi
Deputy Chairman

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements

OOREDOO Q.S.C.
(FORMERLY KNOWN AS QATAR TELECOM (QTEL) Q.S.C.)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 30 June 2013

	Note	*For the six months ended 30 June* 2013 (Reviewed) QR'000	2012 QR'000
OPERATING ACTIVITIES			
Profit before income taxes		**2,642,474**	2,903,359
Profit / (loss) – discontinued operation		**389**	(13,531)
Adjustments for:			
Depreciation and amortization		**3,893,444**	3,576,502
Dividend income		**(28,488)**	(71,001)
Impairment of financial assets		**39,913**	2,093
(Gain) / loss on disposal of available-for-sale investments		**(83,553)**	847
Gain on disposal of property, plant and equipment		**(52,703)**	(60,250)
Loss on disposal of a subsidiary		**1,071**	-
Finance costs – net		**991,512**	1,005,403
Provision for employees' benefits		**154,120**	119,731
Provision for trade receivables		**111,081**	107,957
Share of results of associates – net of tax		**(37,805)**	(12,507)
Operating profit before working capital changes		**7,631,455**	7,558,603
Working capital changes:			
Changes in inventories		**(7,211)**	34,816
Changes in trade and other receivables		**(601,646)**	37,393
Changes in trade and other payables		**760,747**	(811,537)
Cash from operations		**7,783,345**	6,819,275
Finance costs paid		**(983,763)**	(1,200,200)
Employees' benefits paid		**(99,371)**	(122,345)
Income tax paid		**(269,140)**	(552,026)
Net cash from operating activities		**6,431,071**	4,944,704
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	7	**(3,739,146)**	(3,019,050)
Acquisition of intangible assets	8	**(86,383)**	(72,159)
Net cash outflows from acquisition of a subsidiary	4.3	**-**	(111,932)
Additional investment in associates		**-**	(192)
Acquisition of available-for-sale investments		**(18,744)**	(109,324)
Proceeds from disposal of property, plant and equipment		**138,688**	112,805
Proceeds from disposal of available-for-sale investments		**146,749**	110,030
Proceeds from disposal of a subsidiary		**510**	-
Movement in restricted deposits		**(80,435)**	(6,135)
Movement in other non-current assets		**(55,633)**	74,506
Dividend received from an associate		**26,372**	-
Dividend received		**28,488**	71,001
Interest received		**163,189**	283,263
Net cash used in investing activities		**(3,476,345)**	(2,667,187)

Continued.............

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements

OOREDOO Q.S.C.
(FORMERLY KNOWN AS QATAR TELECOM (QTEL) Q.S.C.)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
For the six months ended 30 June 2013

	Note	***For the six months ended 30 June*** 2013	2012
		Reviewed	
	Note	***QR'000***	*QR'000*
FINANCING ACTIVITIES			
Proceeds from rights shares issued		**-**	6,856,615
Proceeds from interest bearing loans and borrowings		**9,487,423**	3,142,414
Repayment of interest bearing loans and borrowings		**(6,954,227)**	(2,359,995)
Acquisition of non-controlling interest		**(2,185,257)**	(3,701,385)
Additions to deferred financing costs		**(128,856)**	(30,740)
Dividend paid to shareholders of the parent		**(1,601,600)**	(528,000)
Dividend paid to non-controlling interests		**(1,160,762)**	(738,335)
Movement in other non-current liabilities		**(135,087)**	222,408
Net cash (used in) / from financing activities		**(2,678,366)**	2,862,982
NET INCREASE IN CASH AND CASH EQUIVALENTS		**276,360**	5,140,499
Effect of exchange rate fluctuations		**175,443**	201,202
Cash and cash equivalents at 1 January		**14,801,082**	21,050,888
CASH AND CASH EQUIVALENTS AT 30 JUNE	10	**15,252,885**	26,392,589

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements

OOREDOO Q.S.C.
(FORMERLY KNOWN AS QATAR TELECOM (QTEL) Q.S.C.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2013

		Attributable to shareholders of the parent									
	Note	***Share Capital***	***Legal reserve***	***Fair value reserve***	***Employee benefit reserve***	***Translation reserve***	***Other statutory reserves***	***Retained earnings***	***Total***	***Non – controlling interests***	***Total equity***
		QR'000	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***	***QR'000***
At 1 January 2013		3,203,200	12,434,282	1,084,494	-	757,096	825,245	9,585,735	27,890,052	8,999,618	36, 889,670
Impact of revision in IAS 19	21	-	-	-	(110,958)	-	-	10,756	(100,202)	(57,832)	(158,034)
At 1 January 2013 as restated		3,203,200	12,434,282	1,084,494	(110,958)	757,096	825,245	9,596,491	27,789,850	8,941,786	36,731,636
Profit for the period		-	-	-	-	-	-	1,731,392	1,731,392	534,574	2,265,966
Other comprehensive income		-	-	83,434	-	(999,841)	-	-	(916,407)	(113,611)	(1,030,018)
Total comprehensive income for the period		-	-	83,434	-	(999,841)	-	1,731,392	814,985	420,963	1,235,948
Transactions with shareholders of the Parent, recognised directly in equity											
Dividend paid	12	-	-	-	-	-	-	(1,601,600)	(1,601,600)	-	(1,601,600)
Transactions with non-controlling interest, recognised directly in equity											
Acquisition of non-controlling interests	4.1	-	-	-	-	-	-	(1,590,459)	(1,590,459)	(592,669)	(2,183,128)
Acquisition of non-controlling interests		-	-	-	-	-	-	(3,385)	(3,385)	1,256	(2,129)
Dividend paid		-	-	-	-	-	-	-	-	(1,160,762)	(1,160,762)
Other movements		-	-	-	-	-	-	-	-	(12,408)	(12,408)
At 30 June 2013 (Reviewed)		**3,203,200**	**12,434,282**	**1,167,928**	**(110,958)**	**(242,745)**	**825,245**	**8,132,439**	**25,409,391**	**7,598,166**	**33,007,557**

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements

OOREDOO Q.S.C.
(FORMERLY KNOWN AS QATAR TELECOM (QTEL) Q.S.C.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2013

	Notes	*Share Capital*	*Legal reserve*	*Fair value reserve*	*Employee benefit reserve*	*Translation reserve*	*Other statutory reserves*	*Retained earnings*	*Total*	*Non – controlling interests*	*Total Equity*
		Attributable to shareholders of the parent									
		QR'000	*QR'000*	*QR'000*	*QR'000*	*QR'000*	*QR'000*	*QR'000*	*QR'000*	*QR'000*	*QR'000*
At 1 January 2012		1,760,000	6,494,137	672,843	-	1,586,124	706,036	9,836,707	21,055,847	18,336,947	39,392,794
Impact of change in IAS 19		-	-	-	(52,359)	-	-	7,903	(44,456)	(25,772)	(70,228)
At 1 January 2012 as restated		1,760,000	6,494,137	672,843	(52,359)	1,586,124	706,036	9,844,610	21,011,391	18,311,175	39,322,566
Profit for the period		-	-	-	-	-	-	1,352,118	1,352,118	1,021,938	2,374,056
Other comprehensive income		-	-	124,970	-	(739,989)	-	-	(615,019)	(488,874)	(1,103,893)
Total comprehensive income for the period		-	-	124,970	-	(739,989)	-	1,352,118	737,099	533,064	1,270,163
Transactions with shareholders of the Parent, recognised directly in equity											
Dividends for 2011	12	-	-	-	-	-	-	(528,000)	(528,000)	-	(528,000)
Rights shares issued		915,200	5,941,415	-	-	-	-	-	6,856,615	-	6,856,615
Bonus shares issued	12	528,000	-	-	-	-	-	(528,000)	-	-	-
Transactions with non-controlling interest, recognised directly in equity											
Recognition of non-controlling interests		-	-	-	-	-	-	-	-	3,046	3,046
Acquisition of non-controlling interests	4.3	-	-	-	-	-	-	(2,614)	(2,614)	2,614	-
Acquisition of non-controlling interests	4.2.1	-	-	-	-	-	-	(118,755)	(118,755)	118,755	-
Acquisition of non-controlling interests	4.2.2	-	-	-	-	-	-	(2,623,679)	(2,623,679)	(1,077,706)	(3,701,385)
Dividend paid		-	-	-	-	-	-	-	-	(738,335)	(738,335)
Other movements		-	-	-	-	-	-	-	-	(19,835)	(19,835)
At 30 June 2012 (Restated)		3,203,200	12,435,552	797,813	(52,359)	846,135	706,036	7,395,680	25,332,057	17,132,778	42,464,835

The attached notes 1 to 21 form part of these condensed consolidated interim financial statements

1 REPORTING ENTITY

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 Company’s registered office is located at 100 Westbay Tower, Doha, 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.

In June 2013, the legal name of the Company was changed to Ooredoo Q.S.C. This change had been duly approved by the shareholders at the Company’s extraordinary general assembly meeting held on 31 March 2013 and the required legal and regulatory approvals have been obtained during the current quarter

The Company is the telecommunications service provider licensed by the Supreme Council of Information and Communication Technology (ictQATAR) to provide both fixed and mobile telecommunications services in the state of Qatar. As a licensed service provider, the conduct and activities of the Company are regulated by ictQATAR pursuant to Law No. 34 of 2006 (Telecommunications Law) and the Applicable Regulatory Framework.

The Company and its subsidiaries (together referred to as the “Group”) provides domestic and international telecommunication services in Qatar and elsewhere in the Asia and MENA region. Qatar Holding L.L.C is the ultimate Parent Company of the Group.

2 BASIS OF PREPARATION

The condensed consolidated interim financial statements for the six months ended 30 June 2013 have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting (“IAS 34”).

The condensed consolidated interim financial statements of the Group for the six months ended 30 June 2013 were authorised for issue by the Chairman and the Deputy Chairman of the Company on 30 July 2013.

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

The condensed consolidated interim 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 consolidated financial statements as at 31 December 2012. In addition, results for the six months ended 30 June 2013 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2013.

Risk management, judgements and estimates

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group’s annual consolidated financial statements for the year ended 31 December 2012.

Group's financial risk management objectives and policies are consistent with those disclosed in the Group’s annual consolidated financial statements as at and for the year ended 31 December 2012.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2012, except as noted below.

During the period, the Group has adopted the following standards and amendments effective for the annual period beginning on 1 January 2013. The standards and amendments do not have any material impact to the Group.

- IAS 1 – Presentation of items of other comprehensive income (amendment)
- IAS 28 (2011) – Investment in Associates and Joint ventures
- IFRS 7 and IAS 32 on offsetting financial assets and financial liabilities (2011) (amendment)
- IAS 34 – interim financial reporting and segment information for total assets and liabilities (amendment)
- IFRS 10 – Consolidated financial statements and IAS 27 Separate Financial Statements (2011)
- IFRS 11 – Joint Arrangements
- IFRS 12 – Disclosures of interests in other entities

During the period, the Group has adopted the following tnemdnema dna dradnats effective for the annual period beginning on 1 January 2013 which has material impact to the Group including extensive additional disclosures:

IAS 19 – Employee benefits (2011) (amendment)

The Group has retrospectively adopted IAS 19 (2011) with effect from 1 January 2013, the adoption requires all remeasurements to be recognised directly in other comprehensive income. Previously, the Group used to recognise actuarial gains and losses on a deferred basis under the corridor method on their defined benefit plans. Due to this change, the Group has restated its previously reported numbers wherever applicable (please refer note 21).

IFRS 13 Fair Value Measurement

The Group has prospectively adopted IFRS 13 with effect from 1 January 2013, it establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted.

The application of IFRS 13 has not materially impacted the fair value measurements carried out by the Group, however, requires specific disclosures on fair values which has been disclosed by the Group in note 19.

4 BUSINESS COMBINATIONS AND CHANGES IN NON-CONTROLLING INTERESTS

4.1 Acquisition of non-controlling interests up to 30 June 2013

Acquisition of non-controlling interest of Asiacell Communication PJSC ("Asiacell")
In February 2013, on conclusion of an Initial Public Offer (IPO) made by one of the Group subsidiaries Asiacell, the Group acquired an additional stake of 10.16%. With this, the Group's effective interest in Asiacell has increased from 53.90% to 64.06%.

As a result of this change in ownership interest, the Group recognised a decrease in non controlling interest amounting to QR 592,669 thousands and a decrease in retained earnings amounting to QR 1,590,459 thousands.

The consideration paid and effects of change in ownership interest were as follows:

	QR'000
Consideration paid for additional 10.16% interest	2,183,128
Less: share of net assets acquired	(592,669)
Consideration paid in excess of additional interest in carrying value of net assets	**1,590,459**

4.2 Acquisition of non-controlling interests up to 30 June 2012

4.2.1 Acquisition of non-controlling interest of Public Telecommunication Company Limited ("PTC")
In March 2012, the Group acquired the remaining 44.39% stake in Public Telecommunication Company Limited ("PTC") for a nominal consideration of QR 1 thereby increasing its ownership from 55.61% to 100%. The carrying amount of PTC's net assets on the date of acquisition was QR 226,200 thousands. The Group recognized an increase in non-controlling interests and a decrease in retained earnings of QR 118,755 thousands respectively, on account of this acquisition.

4.2.2 Acquisition of non-controlling interest of Raywood, Al-Rowad General Services Limited and Asiacell
In June 2012, the Group acquired remaining shares in Raywood and as a result, Raywood has become a 100% subsidiary. Further, the Group acquired additional interest in Asiacell through its subsidiary, Al-Rowad General Services Limited, with this, the Group's effective interest in Asiacell has increased from 30% to 53.9%. The carrying amount of Asiacell's share of net assets in the Group's financial statements on the date of change in ownership interest was QR 1,077,706 thousands. The Group recognised a decrease in non-controlling interest amounting to QR 1,077,706 thousands and a decrease in retained earnings amounting to QR 2,623,679 thousands.

The consideration paid and effects of change in ownership interest were as follows:

	QR'000
Consideration paid for additional 23.9% interest	3,925,118
Less: Receivable from acquired additional interest	(223,733)
Net cash out flow for additional 23.9% interest	3,701,385
Less: Share of net assets acquired	(1,077,706)
Consideration paid in excess of additional interest in carrying value of net assets	**2,623,679**

4 BUSINESS COMBINATIONS AND CHANGES IN NON-CONTROLLING INTERESTS (CONTINUED)

4.3 Acquisition of a subsidiary up to 30 June 2012

On 1st January 2012, the Group acquired through Raywood Inc., 49% of the voting shares of Midya Telecom Company Limited ("MTCL"), a limited liability company incorporated in Iraq with the license to provide telecommunication services. The acquisition was accounted for using the purchase method of accounting.

The cost of business combination amounted to QR 121,335 thousands with a resultant goodwill of QR 114,635 thousands. The net cash out flow on acquisition, net of cash acquired with the subsidiary of QR 9,403 thousands, amounted to QR 111,932 thousands.

The Group has the power to govern the financial and operating policies of MTCL by virtue of the shareholders agreement entered into between Raywood Inc., M-Tel for General Trading Limited and MTCL to appoint a majority of (4 out of 7) of Board of Directors through Raywood Inc. and accordingly MTCL is considered as a subsidiary of the Group.

In June 2012, Raywood became the 100% subsidiary of the Group. As a result of this change in ownership interest, the Group has recognised a decrease of QR 2,614 thousands in retained earnings. The consideration paid and effects of change in ownership interest were as follows:

	QR'000
Consideration paid for additional 19% interest	47,048
Less: payable to non controlling interest at Raywood	(47,048)
Net cash out flow for additional 19% interest	-
Less: share of net assets acquired	(2,614)
Consideration paid in excess of additional interest in carrying value of net assets	**2,614**

5 ROYALTIES AND FEES

	Note	*For the three months ended 30 June* 2013 QR'000	2012 (Reviewed) QR'000	*For the six months ended 30 June* 2013 QR'000	2012 (Reviewed) QR'000
Royalty to the Government of Sultanate of Oman	(i)	**32,411**	30,159	**63,268**	58,614
Industry fees	(ii)	**46,896**	43,434	**89,317**	94,680
Other statutory fees	(iii)	**10,678**	9,983	**22,447**	21,541
		89,985	83,576	**175,032**	174,835

i. 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.

ii. 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.

iii. 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

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 potential dilutive shares outstanding at any time during the period and, therefore, the dilutive earnings per share is equal to the basic earnings per share.

	For the three months ended 30 June 2013 QR'000	2012 (Reviewed) QR'000	*For the six months ended 30 June* 2013 QR'000	2012 (Reviewed) QR'000
Profit for the period attributable to shareholders of the parent (QR'000)	**922,962**	640,689	**1,731,392**	1,352,118
Weighted average number of shares (in thousands)	**320,320**	287,006	**320,320**	275,063
Basic and diluted earnings per share (QR)	**2.88**	2.23	**5.41**	4.92

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

Qualifying shares at 1 January	**320,320**	176,000	**320,320**	176,000
Effect of bonus share issue	**-**	52,800	**-**	52,800
Effect of right share issue	**-**	58,206	**-**	46,263
Weighted average number of shares	**320,320**	287,006	**320,320**	275,063

7 PROPERTY, PLANT AND EQUIPMENT

	30 June 2013 (Reviewed) QR'000	*31 December 2012 (Audited) (Restated)* QR'000*
Net book value at beginning of the period/year	**32,436,114**	32,993,274
Acquisition of a subsidiary	**-**	111,998
Additions	**3,739,146**	7,315,716
Disposals	**(85,957)**	(751,639)
Reclassification	**4,262**	17,753
Depreciation for the period/year	**(3,046,556)**	(5,981,408)
Impairment losses	**-**	(102,144)
Related to discontinued operation	**-**	(513)
Exchange adjustment	**(550,700)**	(1,166,923)
Carrying value at the end of the period/year	**32,496,309**	32,436,114

* Refer note 21 (i)

8 INTANGIBLE ASSETS AND GOODWILL

	30 June 2013 (Reviewed) QR'000	*31 December 2012 (Audited) QR'000*
Net book value at beginning of the period/year	**34,746,171**	36,741,077
Acquisition of a subsidiary	**-**	133,864
Additions	**86,383**	941,395
Amortisation for the period/year	**(844,189)**	(1,797,462)
Impairment losses	**-**	(282,976)
Disposals	**(28)**	(393)
Reclassification	**(4,262)**	(17,753)
Exchange adjustment	**(828,337)**	(971,581)
Carrying value at the end of the period/year	**33,155,738**	34,746,171

9 INVESTMENT IN ASSOCIATES

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

	30 June 2013 (Reviewed) QR'000	*31 December 2012 (Audited) QR'000*
Group's share of associates' statement of financial position :		
Current assets	**767,838**	920,834
Non-current assets	**2,383,850**	2,495,777
Current liabilities	**(860,573)**	(905,549)
Non-current liabilities	**(1,876,930)**	(1,970,060)
Net assets	**414,185**	541,002
Goodwill	**1,267,036**	1,332,382
Carrying amount of the investment	**1,681,221**	1,873,384

	For the three months ended 30 June		***For the six months ended 30 June***	
	2013	*2012*	***2013***	*2012*
	(Reviewed)		*(Reviewed)*	
	QR'000	*QR'000*	***QR'000***	*QR'000*
Group's share of associates' revenue and results:				
Revenues	**432,743**	441,845	**905,187**	886,925
Results – net of tax	**21,369**	4,919	**37,805**	12,507

10 CASH AND CASH EQUIVALENTS

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

	30 June 2013 (Reviewed) QR'000	*30 June 2012 (Reviewed) QR'000*
Bank balances and cash	**15,543,107**	26,597,668
Less: restricted deposits	**(290,222)**	(205,079)
Cash and cash equivalents	**15,252,885**	26,392,589

11 INCOME TAX

The income tax represents amounts recognised by subsidiary companies. The major components of the income tax expense for the period included in the condensed consolidated income statement are as follows:

	For the three months ended 30 June		*For the six months ended 30 June*	
	2013	*2012*	***2013***	*2012*
	(Reviewed)		*(Reviewed)*	
	QR'000	*QR'000*	***QR'000***	*QR'000*
Current income tax:				
Current income tax charge	**231,608**	242,297	**440,860**	456,010
Deferred income tax:				
Relating to origination and reversal of temporary differences	**(31,954)**	41,375	**(63,963)**	59,762
Income tax included in condensed consolidated income statement	**199,654**	283,672	**376,897**	515,772

12 DIVIDEND AND BONUS SHARES

Dividend:

	For the six months ended 30 June	
	2013	*2012*
	(Reviewed)	
	QR'000	*QR'000*
Declared and approved at the Annual General Meeting :		
Final dividend for 2012- QR 5 per share (2011: QR 3 per share)	**1,601,600**	528,000

Bonus shares:
During 2012, the Group issued bonus shares of 30% of the share capital as at 31 December 2011 amounting to QR 528,000 thousands.

13 INTEREST BEARING LOANS AND BORROWINGS

	30 June 2013 (Reviewed) QR'000	*31 December 2012 (Audited) QR'000*
Interest bearing loans and borrowings	**42,028,738**	39,765,230
Less: deferred financing costs	**(496,865)**	(438,675)
	41,531,873	39,326,555

Presented in the condensed consolidated statement of financial position as follows:

Non-current portion	**33,458,585**	32,018,641
Current portion	**8,073,288**	7,307,914
	41,531,873	39,326,555

13 INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

In January 2013, the Group issued a further QR 3.64 billion (USD 1 billion) under its GMTN programme established in December 2012 which is listed on the Irish Stock Exchange. The notes were issued in 2 tranches of QR 1,821 million each (USD 500 million), 15 year notes maturing in 2028 and QR1,821 million (USD 500 million), 30 year notes maturing in 2043 at an interest rate of 3.875% and 4.5% respectively.

In April 2013, one of the Group's subsidiaries, NMTC entered into a new three year revolver credit facility for QR 855 million (USD 235 million) of which QR 799 million (USD 219 million) was drawn down to cover working capital requirements. The facility carries interest of Central Bank of Kuwait rate plus 1% and has tenure of 3 years.

In April 2013, the Group availed a new revolving credit facility of QR 3.64 billion (USD 1 billion) from a club of banks. The facility was fully drawn in May 2013 for the repayment of previous loan of QR 4.55 billion (USD 1.25 billion) due in May 2013. The new facility shall be repaid after 4 years with an interest rate of 0.85% margin plus USD LIBOR.

14 COMPONENTS OF OTHER COMPREHENSIVE INCOME

	For the three months ended 30 June		***For the six months ended 30 June***	
	2013	*2012*	***2013***	*2012*
	(Reviewed)		*(Reviewed)*	
	QR'000	*QR'000*	***QR'000***	*QR'000*
Available-for-sale investments				
Gain arising during the period	**32,392**	(89,264)	**141,270**	(55,285)
Reclassification adjustments for (profit) / loss included in the consolidated income statement	**(26,322)**	624	**(83,553)**	847
Transfer to consolidated income statement on impairment	**-**	1,914	**3,210**	2,093
	6,070	(86,726)	**60,927**	(52,345)
Cash flow hedges				
Gain arising during the period	**1,896**	91,204	**1,975**	176,901
Deferred tax effect	**(228)**	-	**(237)**	(379)
Ineffective portion of cash flow hedges transferred to consolidated income statement	**-**	(1,153)	**-**	301
	1,668	90,051	**1,738**	176,823
Associates				
Share of changes in fair value of cash flow hedges	**5,740**	-	**5,740**	1,443
Translation reserve				
Foreign exchange translation differences	**(498,031)**	(1,167,530)	**(1,098,423)**	(1,229,814)
Other comprehensive expense for the period – net of tax	**(484,553)**	(1,164,205)	**(1,030,018)**	(1,103,893)

15 COMMITMENTS

Capital expenditure commitments	*30 June 2013 (Reviewed) QR'000*	*31 December 2012 (Audited) QR'000*
Property, plant and equipment		
Estimated capital expenditure contracted for at reporting date but not provided for:	**5,196,031**	4,027,236
Intangible assets		
For the acquisition of Palestine mobile license	**581,410**	581,383
Operating lease commitments		
Future minimum lease payments:		
Not later than one year	**171,891**	175,771
Later than one year and not later than five years	**500,490**	511,778
Later than five years	**188,916**	222,572
Total operating lease expenditure contracted for at the reporting date	**861,297**	910,121
Finance lease commitments		
Amounts under finance leases:		
Minimum lease payments:		
Not later than one year	**256,318**	252,976
Later than one year and not later than five years	**998,367**	953,073
Later than five years	**742,603**	835,920
	1,997,288	2,041,969
Less: unearned finance income	**(686,757)**	(736,298)
Present value of minimum lease payments	**1,310,531**	1,305,671
Present value of minimum lease payments:		
Current portion	**114,915**	110,322
Non-current portion	**1,195,616**	1,195,349
	1,310,531	1,305,671

16 CONTINGENT LIABILITIES

	30 June 2013 (Reviewed) QR'000	*31 December 2012 (Audited) QR'000*
Letters of guarantee	**281,509**	308,557
Letters of credit	**135,248**	113,911
Claims against the Group not acknowledged as debts	**1,541**	2,675

Litigations

Proceedings against Indosat MegaMedia relating to misuse of radio frequencies
In early 2012, the Attorney General's Office in Jakarta (the "AGO") initiated corruption proceedings against Indosat MegaMedia ("IM2"), a 99 per cent owned subsidiary of PT Indosat TBK, a subsidiary of the Group, for unlawful use of a radio frequency band allocation that had been granted to Indosat. These proceedings were initiated pursuant to a report from the Indonesian Telecommunication Consumer NGO, which alleged that IM2 had avoided paying certain taxes by unlawfully using Indosat's 3G spectrum which Indosat had acquired through a tender process in 2006.

On 8 July 2013, the Indonesia Corruption Court imposed a fine of QR 477 million (USD 131 million) against IM2 in a related case against the former President Director of IM2. Both the former President Director of IM2 and the AGO have lodged appeals to the High Court. The decisions and fines of the Corruption Court are suspended pending appeal. The AGO is currently investigating related cases against IM2, Indosat and its former CEO, and the AGO may transfer the proceedings to the Corruption Court.

Indosat, its former CEO, IM2 and its former President Director have each denied any wrongdoing, and are vigorously defending the cases and fines on the basis that IM2 was lawfully using Indosat's telecommunication network, rather than its radio frequency band, as alleged. Under a commercial agreement, Indosat gave IM2 access to its cellular network which uses the 2.1 GHz frequency band. IM2 holds a license to provide internet services to the public. In Indonesia licensed network operators are required by law to give access to service providers such as ISPs. The Ministry of Communication and Information Technology has issued formal letters to Indosat and to the AGO stating that the agreement between Indosat and IM2 conforms with prevailing law and regulations.

The Group views the allegations as being without merit. Accordingly, no liability or provision is made in these condensed consolidated interim financial statements in relation with this matter.

Tax demand notices against Asiacell
In connection with tax demand notices amounting to QR 245.8 million (equivalent to US$ 67.3 million) issued against one of the group subsidiaries, Asiacell Communication PJSC ("ACL") in 2012, the group has created a provision of QR 45.9 million (equivalent to US$ 12.6 million) during the period based on discussion with external lawyers and tax authorities. The Group believes that it has strong grounds to challenge the outstanding claim amount. The management assessed that 25% of total claim amount paid earlier under protest and recognised as advance tax paid is recoverable as at 30 June 2013.

In connection with tax demand notices relating to employees tax amounting to QR 109.2 million (equivalent to US$ 30 million) issued against ACL in 2012, the group has created a provision of QR 52.4 million (equivalent to US$ 14.4 million) during the period based on discussion with external lawyers and tax authorities. The Group believes that it has strong grounds to challenge the outstanding claim amount. The management assessed that 25% of total claim amount paid earlier under protest and recognised as advance tax paid is recoverable as at 30 June 2013

The positions of other material litigations reported at 31 December 2012 have not been significantly changed as at 30 June 2013.

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 enters into commercial transactions with Government related entities in the ordinary course of business in terms of providing telecommunication services, placement of deposits and obtaining credit facilities etc.

Transactions with directors and other key management personnel

Key management personnel comprise the Board of Directors and the 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 56,794 thousands for the three months ended 30 June 2013 (for the three months ended 30 June 2012: QR 47,847 thousands) and QR 100,781 thousands for the six months ended 30 June 2013 (for the six months ended 30 June 2012: QR 80,744 thousands) and end of service benefits amounted to QR 5,137 thousands for the three months ended 30 June 2013 (for the three months ended 30 June 2012: QR 2,179 thousand) and QR 12,820 thousands for the six months ended 30 June 2013 (For the six months ended 30 June 2012: QR 10,023 thousands). 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

Information regarding the Group's reportable segments is set out below in accordance with "IFRS 8 Operating Segments". IFRS 8 requires reportable segments to be identified on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker ("CODM") and used to allocate resources to the segments and to assess their performance.

The Group is engaged in a single line of business, being the supply of telecommunications services and related products. The majority of the Group's revenues, profits and assets relate to its operations in the MENA. Outside of Qatar, the Group operates through its subsidiaries and associates in 16 countries and major operations that are reported to the Group's CODM are considered by the Group to be reportable segment. Revenue is attributed to reportable segments based on the location of the Group companies. Inter-segment sales are charged at arms' length prices.

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

1. *Ooredoo Qatar (formerly "Qtel")* is a provider of domestic and international telecommunication services within the State of Qatar;

2. *Asiacell* 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 a provider of mobile telecommunication services in Oman and has been awarded a license to operate fixed telecommunication services; and

6. Others include some of the Group's subsidiaries which are providers of wireless and telecommunication services.

Management monitors the operating results of its operating subsidiaries 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 reportable segments. Transfer pricing between reportable segments are on an arm's length basis in a manner similar to transactions with third parties.

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 2013 and 2012:

For the three months ended 30 June 2013 (Reviewed)

	Ooredoo Qatar QR'000	*Asiacell QR'000*	*Wataniya QR'000*	*Indosat QR'000*	*Nawras QR'000*	*Others QR'000*	*Adjustments and eliminations QR'000*		*Total QR'000*
Revenue									
Third party	**1,626,825**	**1,768,049**	**2,445,786**	**2,188,682**	**492,506**	**178,553**	**-**		**8,700,401**
Inter-segment	**12,452**	**4,341**	**24,635**	**11,399**	**1,981**	**27,827**	**(82,635)**	**(i)**	**-**
Total revenue	**1,639,277**	**1,772,390**	**2,470,421**	**2,200,081**	**494,487**	**206,380**	**(82,635)**		**8,700,401**
Results									
Segment profit before tax	**394,887**	**684,101**	**529,357**	**(57,002)**	**93,435**	**(120,558)**	**(130,896)**	**(ii)**	**1,393,324**
Depreciation and amortisation	**174,298**	**255,562**	**417,660**	**841,639**	**92,716**	**24,746**	**130,896**	**(iii)**	**1,937,517**
Finance costs (net)	**281,834**	**942**	**15,603**	**205,029**	**5,758**	**(1,296)**	**-**		**507,870**

18 SEGMENT INFORMATION (CONTINUED)

For the three months ended 30 June 2012 (Reviewed)

	Ooredoo Qatar QR'000	*Asiacell QR'000*	*Wataniya QR'000*	*Indosat QR'000*	*Nawras QR'000*	*Others QR'000*	*Adjustments and eliminations QR'000*	*Total QR'000*
Revenue								
Third party	1,542,463	1,675,526	2,431,419	2,089,783	475,730	136,625	-	8,351,546
Inter-segment	24,393	13,944	30,428	7,775	1,697	30,999	(109,236) (i)	-
Total revenue	1,566,856	1,689,470	2,461,847	2,097,558	477,427	167,624	(109,236)	8,351,546
Results								
Segment profit before tax	389,366	630,568	479,800	61,991	118,652	(103,966)	(172,920) (ii)	1,403,491
Depreciation and amortisation	169,841	233,902	399,821	691,276	76,913	31,752	172,920 (iii)	1,776,425
Finance costs (net)	245,979	13,206	13,072	254,699	292	3,534	-	530,782

18 SEGMENT INFORMATION (CONTINUED)

For the six months ended 30 June 2013 (Reviewed)

	Ooredoo Qatar QR'000	*Asiacell QR'000*	*Wataniya QR'000*	*Indosat QR'000*	*Nawras QR'000*	*Others QR'000*	*Adjustments and eliminations QR'000*		*Total QR'000*
Revenue									
Third party	**3,183,440**	**3,483,505**	**4,805,887**	**4,355,577**	**965,166**	**348,438**	**-**		**17,142,013**
Inter-segment	**31,069**	**18,617**	**56,470**	**19,347**	**4,028**	**57,970**	**(187,501)**	(i)	**-**
Total revenue	**3,214,509**	**3,502,122**	**4,862,357**	**4,374,924**	**969,194**	**406,408**	**(187,501)**		**17,142,013**
Results									
Segment profit before tax	**799,242**	**1,285,421**	**1,020,283**	**(47,508)**	**189,465**	**(311,760)**	**(292,669)**	(ii)	**2,642,474**
Depreciation and amortisation	**350,690**	**504,331**	**837,924**	**1,675,357**	**182,444**	**49,983**	**292,669**	(iii)	**3,893,398**
Finance costs (net)	**550,273**	**2,666**	**26,500**	**404,963**	**9,491**	**(2,584)**	**-**		**991,309**

18 SEGMENT INFORMATION (CONTINUED)

For the six months ended 30 June 2012 (Reviewed)

	Ooredoo Qatar QR'000	*Asiacell QR'000*	*Wataniya QR'000*	*Indosat QR'000*	*Nawras QR'000*	*Others QR'000*	*Adjustments and eliminations QR'000*		*Total QR'000*
Revenue									
Third party	3,018,192	3,300,051	4,772,270	4,082,083	935,090	269,446	-		16,377,132
Inter-segment	50,570	27,360	59,326	13,876	3,757	58,130	(213,019)	(i)	-
Total revenue	3,068,762	3,327,411	4,831,596	4,095,959	938,847	327,576	(213,019)		16,377,132
Results									
Segment profit before tax	771,861	1,259,745	1,102,950	91,056	239,355	(216,248)	(345,360)	(ii)	2,903,359
Depreciation and amortisation	336,014	457,031	809,383	1,404,329	150,579	63,435	345,360	(iii)	3,566,131
Finance costs (net)	495,958	34,994	27,254	436,448	6,536	3,161	-		1,004,351

Notes:

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

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

	For the three months ended 30 June		***For the six months ended 30 June***	
	2013	*2012*	***2013***	*2012*
	QR'000	*QR'000*	***QR'000***	*QR'000*
Amortization of intangibles	**(130,896)**	(172,920)	**(292,669)**	(345,360)

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

18 SEGMENT INFORMATION (CONTINUED)

The following table presents segment assets of the Group's operating segments as at 30 June 2013 and 31 December 2012.

	Ooredoo Qatar QR'000	*Asiacell QR'000*	*Wataniya QR'000*	*Indosat QR'000*	*Nawras QR'000*	*Others QR'000*	*Adjustments and eliminations QR'000*	*Total QR'000*
Segment assets (i)								
At 30 June 2013 (Reviewed)	**18,469,128**	**8,951,668**	**26,051,853**	**22,055,427**	**2,946,385**	**3,128,532**	**11,921,249**	**93,524,242**
At 31 December 2012 (Restated)	18,192,813	8,432,088	25,917,717	23,278,311	2,924,356	3,127,418	12,332,621	94,205,324

Note:

(i) Goodwill amounting to QR 11,921,249 thousands (31 December 2012: QR 12,332,621 thousands) was not considered as part of segment assets as goodwill is managed on a group basis.

19 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value hierarchy
The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1: Quoted prices (unadjusted) prices in active markets for identical assets or liabilities that the Group can access at the measurement date
Level 2: Inputs other than quoted prices included within level 1 that are observable for the assets of liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

Financial assets

	30 June 2013 (Reviewed) QR'000	***Level 1 QR'000***	***Level 2 QR'000***	***Level 3 QR'000***
Available-for-sale investments	**2,497,976**	**1,099,797**	**1,323,353**	**74,826**
Derivative financial instruments	**13,905**	**-**	**13,905**	**-**
	2,511,881	**1,099,797**	**1,337,258**	**74,826**

	31 December 2012 (Audited) QR'000	*Level 1 QR'000*	*Level 2 QR'000*	*Level 3 QR'000*
Available-for-sale investments	2,487,224	1,180,177	1,237,923	69,124
Derivative financial instruments	26,397	-	26,397	-
	2,513,621	1,180,177	1,264,320	69,124

Financial liabilities

	30 June 2013 (Reviewed) QR'000	***Level 1 QR'000***	***Level 2 QR'000***	***Level 3 QR'000***
Derivative financial instruments	**14,987**	**-**	**14,987**	**-**

	31 December 2012 (Audited) QR'000	*Level 1 QR'000*	*Level 2 QR'000*	*Level 3 QR'000*
Derivative financial instruments	30,696	-	30,696	-

20 DISCONTINUED OPERATION

In December 2012, one of the Group's subsidiaries wi-tribe Limited - Jordan P.S.C. ceased its operations and accordingly this has been classified as a discontinued operation in accordance with IFRS 5. The consolidated income statements and statement of cash flow for the comparative period have been represented to disclose the discontinued operation separately from continuing operations.

	For the three months ended 30 June		*For the six months ended 30 June*	
	2013	*2012*	***2013***	*2012*
	(Reviewed)		*(Reviewed)*	
	QR'000	*QR'000*	***QR'000***	*QR'000*
Results of discontinued operations				
Revenue	**-**	4,832	**-**	9,429
Operating expenses	**(10)**	(2,460)	**855**	(4,813)
Selling, general and administrative expenses	**808**	(3,457)	**49**	(6,724)
Depreciation and amortization	**-**	(5,085)	**(46)**	(10,371)
Finance costs – net	**-**	3,483	**(203)**	(1,052)
Other income / (expense) – net	**134**		**805**	-
Results from operating activities	**932**	(2,687)	**1,460**	(13,531)
Loss on sale of discontinued operation	**(1,071)**	-	**(1,071)**	-
Profit / (loss) for the period	**(139)**	(2,687)	**389**	(13,531)

In May 2013, the Group has disposed one of its subsidiaries, wi-tribe Limited - Jordan P.S.C. for a net consideration of QR 510 thousands and derecognised net assets amounting to QR 1,581 thousands on the date of disposal. As a result, the Group has recognized a loss of QR 1,071 thousands on disposal of this subsidiary.

21 COMPARATIVE INFORMATION

(i) Restatement of comparative information

Restatement on account of revision to "IAS 19 - Employee Benefits"

The Group has adopted the amendments to "IAS 19 - Employee Benefits" from 1 January 2013 with retrospective effect. Previously, the Group used to recognise actuarial gains and losses on a deferred basis under the corridor method on their defined benefit plans (allowed under IAS 19 before amendments).

As a result of new amendment, previously deferred actuarial gains and losses pertaining to defined benefit plans of one of the Group's subsidiaries PT Indosat Tbk have been recognized through other comprehensive income. Accordingly, the previously reported numbers for 2012 have been restated as follows:

21 COMPARATIVE INFORMATION (CONTINUED)

(i) Restatement of comparative information (continued)

***Restatement on account of revision to "IAS 19 - Employee Benefits"* (continued)**

	Note	*As reported QR'000*	*Restatement impact QR'000*	*As restated QR'000*
Condensed consolidated interim financial statements				
Other non-current assets		936,991	(28,831)	908,160
Deferred tax assets		69,455	5,126	74,581
Employee benefit reserve	(a)	-	(110,958)	(110,958)
Retained earnings	(a)	9,585,735	10,756	9,596,491
Non-controlling interests	(a)	8,999,618	(57,832)	8,941,786
Employees benefits		746,503	181,882	928,385
Deferred tax liabilities		1,417,689	(47,553)	1,370,136

(a) These numbers have been retrospectively restated for all prior periods.

Restatement on account of reclassification of property, plant and equipments to investment property
During the period, the Group has reassessed usage of its head quarter building for both the years 2012 and 2013 since a portion of the building is being rented to an external party. In accordance with the criteria under IAS 40 "Investment property", the management has reclassified net book value amounting to QR 66,459 thousands from property, plant and equipment to investment property.

Accordingly, the previously reported numbers of property, plant and equipment for 2012 have been restated and reclassified to investment property. However, such reclassification does not result in any change in total non-current assets reported in 2012. The management has adopted the "cost model" under IAS 40 to account for its investment property and there is no change in accounting treatment and method of depreciation previously used while it was treated as property, plant and equipment with an exception to separate presentation in the financial statements.

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