

Directors Report

On behalf of the Board of Directors, I am pleased to present the un audited results of Oman Oil Marketing Company SAOG for the period ended 30th September 2010.

Performance Highlights:

| | Jan-Sep 2010 RO '000 | Jan-Sep 2009 RO '000 | Variance (%) |
|-----------------------------|-------------------------|-------------------------|-----------------|
| Sales | 156,834 | 124,522 | 25.9 |
| Profit after tax | 4,888 | 3,742 | 30.6 |
| Earnings per share | 0.076 | 0.058 | 30.6 |
| Net Assets per share | 0.415 | 0.349 | 18.9 |

Business segment:

The performance of the Company for the 9 month period recorded a strong growth as compared to the same period last year.

The Retail Business Unit continues to improve due to the opening of new service stations, and enhanced customer services with additional facilities offered at the filling stations. Year to date, 4 new filling stations had been commissioned. The maturity of new stations built last year continues to improve the average sales per station for the period under review.

The Commercial Business Unit performance has grown with year on year volume increased by more than 20%.

The acquisitions of new supply in the 3rd Quarter have further increased fuel of take at Muscat International Airport. This contributes positively to the performance of the business unit.

There has been a drop in demand of local lubricant products in Oman in the current quarter. Nevertheless the business unit continues to register positive growth in volume by 9% year on year.

Profit:

The Profit After Tax of the Company is RO 4.9 million (2009: RO 3.7 million) is largely due to higher sales volume for the period.

Capital Expenditure:

Last period's activity on new builds' has been stepped up further with the commissioning of 2 new sites during the period. It is projected that 5 new sites will be introduced in the last quarter.

Health, Safety, Security and Environment (HSSE):

There were no serious health, safety, security or environment issues in the period.

Business Developments/ Outlook:

- The outlook of the Sultanate economy is favourable, and as such the demand for oil product is expected to grow.
- The retail network development program will continue to focus on quality sites to ensure long term sustainability and profitability.

On behalf of the Board of Directors, I would once again like to express our gratitude and thanks to His Majesty Sultan Qaboos bin Said for his inspired leadership and progressive vision that continues to lead the country into growth and prosperity.

On behalf of the Board of Directors

Salim Abdullah Al Rawas
Chairman

Muscat
27th October 2010