

Directors Report

On behalf of the Board of Directors, I am pleased to present the unaudited financial results of the company for the 3rd Quarter 2015 (January – Sept 2015):-

Performance Highlights:

	Jan-Sept 2015 RO '000	Jan-Sept 2014 RO '000	Variance (%)
Sales	277,969	264,647	5%
Profit after tax	8,876	8,301	7%
Earnings per share	0.138	0.129	7%
Net Assets per share	0.876	0.753	16%

Business segment:

Oman Oil Marketing sales for the nine months period rose to RO 278 million, 5% higher compared to last year.

The Retail Business unit sales volume grew driven by opening new filling stations during the period and maturing of existing stations.

The Commercial Business unit continued to perform positively with sales volume increased. This was achieved by securing new supply contracts as well as maintaining existing contracts.

The Aviation business sales have increased significantly compared to the same period of last year as a result of the demand from operating airlines at Muscat International Airport and new contracts.

The Lubricant business unit includes BP & Castrol products and Omanoil lubricant. The sales volume grew compared to the same period last year driven by continuous demand. The Omanoil lubricants brand continued to have better recognition in the local market with commendable volume.

Profit:

The Profit after Tax for the period is RO 8.9 million (2014: RO 8.3 million). This was achieved as a result of increase in the sales.

Capital Expenditure:

The company is continuing to develop and expand its filling station network in the Sultanate. As per the Company's plan, number of new stations will be commissioned during the end of this year, which is currently under construction at various stages of completion.

Health, Safety and Environment (HSE):

In the third quarter of 2015, no any recordable incidents were reported neither lost time incidents nor major road traffic accidents.

Business Developments/ Outlook:

- The demand for fuel continues and contributed positively on company's performance and the outlook for fuel demand in the sultanate is expected to be sustainable.
- The retail network development programme will continue focusing on quality sites to ensure long term sustainability and profitability.

On behalf of the Board of Directors and employees of the company, I would once again like to express our gratitude to His Majesty Sultan Qaboos bin Said for his inspired leadership and progressive vision that continues to lead the country along a road of growth and prosperity. And we pry Almighty Allah to bless him with health and wellness and longevity.

On behalf of the Board of Directors

Salim Abdullah Al Rawas
Chairman

Muscat
27th October 2015