

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 2011.

Performance Highlights:

	Jan-Sep 2011 RO '000	Jan-Sep 2010 RO '000	Variance (%)
Sales	205,293	156,834	30
Profit after tax	6,244	4,888	25
Earnings per share	0.097	0.076	25
Net Assets per share	0.496	0.415	

Business segment:

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

Year on year, the Retail Business unit volume has grown by more than 20% 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 contracts 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 dropped in demand of local lubricant products in Oman and export market in the current quarter. Nevertheless the business unit continues to register positive growth in volume by 40% year on year.

Profit:

The Profit After Tax of the Company is RO 6.2 million (2010: RO 4.9 million) is largely due to higher sales volume for the period.

Capital Expenditure:

Last period's activity on new builds' has been stepped up. 7 (seven) new sites are planned to be introduced in the final quarter.

Health, Safety, Security and Environment (HSSE):

There was 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
26th October 2011