

Diversified Income - Unified Contribution

“ I am happy to announce a positive start to the year. The first quarter's success is attributable to the increase in earnings from the midstream and upstream businesses as new project initiatives continue to come on stream. Furthermore our downstream business has performed creditably in line with our financial expectations.

The quarter was heralded by our launching a major capital market transaction - a Rights Issue exercise which received overwhelming support from our shareholders and achieved a 28% oversubscription, the most successful in recent times. Our Gas and Power business commissioned its first captive power plant for Lagos State Water Corporation, and in so doing substantially reduced their operational costs. Furthermore, the project has major social consequences as clean potable water throughput has increased by 300%. Our Energy Services business deployed an additional swamp rig to commence operations with a major International Oil Company and our Exploration and Production business also increased production from our producing Oil and Gas assets.

2010 promises to be a year of tremendous growth for our company. In the downstream, our ability to substantially increase revenue has been assured by the introduction of the Sovereign Debt Note Program which guarantees all Petroleum Subsidy Fund (PSF) payables. In the Upstream, the Local content Policy initiative which promotes indigenous companies has been elevated into Law thus guaranteeing preferential terms, both fiscal and operational for Nigerian Corporates.

As we consolidate our leadership position in Nigeria's indigenous energy landscape, we look forward to consistently delivering superior results to our shareholders whilst championing these progressive initiatives of our enabling environment in their totality ”.

Wale Tinubu
Group Chief Executive, Oando PLC

First Quarter Result 2010 (Unaudited)



Results Highlights

- Turnover of N91.32 billion
- Profit Before Tax of N5.08 billion
- Profit After Tax of N3.13 billion

By order of the Board

Oredeji K. Delano
Company Secretary

Marketing | Supply & Trading | Gas & Power | Energy Services | Exploration & Production | Refining & Terminals

