

Nigeria's Leading Energy Group

End of year result 2008 (Audited)

Diversity Driven Performance

"We are pleased to report a resilient performance in 2008 reflecting the Group's solid fundamentals. Irrespective of the depressed macroeconomic environment and devaluation of the Naira during the last quarter, consistent value creation was assured by the robustness of our diversified business model.

Year 2008 will go down as a milestone in our upstream diversification programme as we emerged Nigeria's first indigenous company with producing deepwater assets by the acquisition of 15% equity in OML 125 & 134 and also witnessed our first contribution to the bottom line from the upstream division.

We improved market share in our traditional downstream area of dominance via efficient supply chain management and relentless nationwide distribution; increased our gas distribution franchise via new customer connects unto our network; and increased our state of the art rig fleet to three units.

Our financial objectives for 2009 are clear: generate sustainable organic growth and improve our margins. Accordingly, we will be prioritising the completion of our ongoing 124km pipeline construction in the southeast; the completion of our first captive power plant in Lagos; the deployment of our rig fleet on term contracts to the international oil companies; whilst marching onwards with our drive to secure proven and producing reserves. Cash flow generation will be further intensified as we continue to maximize our well earned leadership in the downstream.

We therefore approach 2009 confident that the sacrifices made during favorable economic climes by investing in a truly diversified earnings platform, will maintain our positive year-on-year growth and profitability even in the face of difficult economic conditions."

Wale Tinubu, Group Chief Executive, Oando PLC

| | 31-Dec-08 N'000 | 31-Dec-07 N'000 | Increase/ Decrease |
|--|--------------------|--------------------|-----------------------|
| Turnover | 339,420,435 | 185,892,083 | 83% |
| Earnings before interest, taxation, depreciation and amortization (EBITDA) | 27,203,266 | 9,591,369 | 184% |
| Profit Before Tax | 10,742,611 | 6,813,728 | 58% |
| Tax | 2,399,286 | 1,333,313 | 80% |
| Profit After Tax | 8,343,325 | 5,480,415 | 52% |
| Attributable to Shareholders | 8,339,273 | 4,755,009 | 75% |
| Earnings per 50k share (Kobo) | 922 | 724 | 27% |
| Fixed assets | 127,844,641 | 73,931,831 | 73% |
| Net Assets | 44,878,733 | 47,416,277 | -5% |
| Number Of 50k shares issued and fully paid up (Millions) | 904.88 | 754.07 | 20% |

↑ EBITDA of N27.20 billion
184%

↑ Profit Before Tax N10.74 billion
58%

↑ Earnings Per Share N9.22k
27%

UPSTREAM



MIDSTREAM



DOWNSTREAM



By order of the Board

Oredeji K. Delano
Company Secretary

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

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Oando ...the future is here