

Challenging Environment, Resilient Performance



Oando year end result 2010 (Audited)

“ These results underscore the resilience of our integrated business model, which leverages scale, diversity and market leadership to consistently deliver in the face of our challenging operating environment.

In 2010, spurred on by a 128% subscription for our N21 billion Rights Issue and the execution of a N60 billion 5 year medium term note facility we recorded a number of significant milestones. In the Upstream division, we commissioned our first pipeline in the Obodeti-Obodugwa field and commenced production in OML 56; we deployed our second swamp rig into drilling operations, and signed a contract for delivery of a third with an International Oil major. Midstream; we commissioned our first IPP the 12.15MW Akute Power Plant and achieved 90% completion of our 128Km Eastern gas pipeline, whilst connecting our 110th customer on our Lagos gas pipeline. Downstream; our marketing and trading division extended its Leadership with the support of the Sovereign Debt Note programme, which guarantees prompt payment of petroleum subsidies.

We stand positioned to maximize the opportunities presented by the rapidly evolving legal framework of the upstream sector in Nigeria and will partially divest our marketing business to contribute to the financing of our investment drive in producing assets, whilst ramping up production in our existing portfolio. We look forward to the deployment of 2 additional swamp rigs into operations and in the midstream division, commission our 128km South Eastern pipeline as well as the commencement of the Greater Lagos phase 4 development.

As we roll out our pipeline of initiatives, 2011 and beyond, promises to be exciting years of growth and substantial value creation for our shareholders ”

Operational Highlights



Commenced production at Obodeti-Obodugwa field (OML 56)



OES Teamwork commenced drilling contract in April



OES Passion to execute Oando's third drilling contract



Commissioned 12.15MW Akute Power Plant



Achieved 90% completion of 128km Eastern gas pipeline

Wale Tinubu

Group Chief Executive, Oando PLC

	31-Dec-10 N'000	31-Dec-09 N'000	Increase/ Decrease
Turnover	378,930,011	336,859,678	12%
Earnings before interest, taxation, depreciation and amortization (EBITDA)	36,396,649	31,108,507	17%
Profit Before Tax	23,882,467	13,512,155	77%
Tax	9,507,501	3,415,176	178%
Profit After Tax	14,374,966	10,096,979	42%
Adjusted Earnings per 50k share (Kobo)	931	558	67%
Fixed assets	152,674,743	131,713,072	16%
Net Assets	95,004,784	53,319,124	78%
Number Of 50k shares issued and fully paid up ('000)	1,810,169,256	905,084,628	100%



Profit Before Tax of N23.9 billion



Profit After Tax of N14.4 billion



EBITDA of N36.4 billion

By order of the Board

Oredeji K. Delano
Company Secretary

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

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Oando ...the future is here