

Focused Energy, Consistent Performance

“ We are pleased to announce another resilient financial performance for the first half of our financial year, that validates our diversified business model. Overall, positive performance was recorded in the downstream, midstream and upstream divisions of the company.

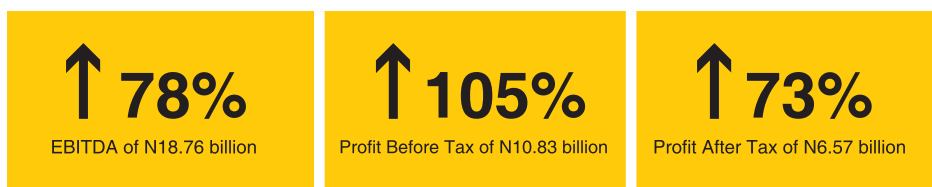
The Upstream division realised additional revenue from the newly deployed swamp rig and the steady ramp up in production from the oil & gas portfolio; our Midstream division commissioned our maiden Independent Power Plant (IPP) and additional connects on our gas pipeline network; whilst the Downstream division made the largest contributions to profitability with the recovery of outstanding payments from the Petroleum Support Fund (PSF), and an increase in throughput as a result of the implementation of the Sovereign Debt Note programme by Federal Government of Nigeria (FGN), which guarantees future subsidy re-imbursements.

Our focus for H2, 2010 will be to maximize current earnings from existing portfolio, whilst bringing on stream projects in the midstream and upstream to improve overall profitability. The Upstream division is expected to increase production as a result of the commissioning of the OML 56 pipeline and the deployment of the third swamp rig to commence operations in our oil services subsidiary; the Midstream division will commission and commence operations on its 128Km gas pipeline, which traverses the South East region of Nigeria; the Downstream division will be partly divested to release equity to the Group for investment in the Upstream division, with the support of the FGN's indigenous and local content industry reforms.

With these initiatives and barring unforeseen circumstances we are confident in our ability to deliver an outstanding financial year end performance.”

Wale Tinubu,
Group Chief Executive, Oando PLC

Half Year Result 2010 (Unaudited)



Results Highlights

- Turnover of N172.86 billion
- Operating Profit of N14.97 billion
- Earnings Per Share of N3.63

By order of the Board



Oredeji K. Delano
Company Secretary

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

