

Oando Plc

Investor Call

FYE 2014, Q1 2015 & H1 2015
Performance Review

Presented by Wale Tinubu - Group Chief Executive



This presentation does not constitute an invitation to underwrite, subscribe for, or otherwise acquire or dispose of any Oando Plc (the “Company”) shares or other securities.

This presentation includes certain forward looking statements with respect to certain development projects, potential collaborative partnerships, results of operations and certain plans and objectives of the Company including, in particular and without limitation, the statements regarding potential sales revenues from projects, the both current and under development, possible launch dates for new projects, ability to successfully integrate acquisitions or achieve production targets, and any revenue and profit guidance. By their very nature forward looking statements involve risk and uncertainty that could cause actual results and developments to differ materially from those expressed or implied. The significant risks related to the Company's business which could cause the Company's actual results and developments to differ materially from those forward looking statements are discussed in the Company's annual report and other filings. All forward looking statements in this presentation are based on information known to the Company on the date hereof. The Company will not publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, other than is required by law.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

All estimates of reserves and resources are classified in line with NI 51-101 regulations and Canadian Oil & Gas Evaluation Handbook standards. All estimates are from an Independent Reverses Evaluator Report having an effective date of 31st December 2014.

BOEs [or McfGEs, or other applicable units of equivalency] may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bbl [or an McfGE conversion ratio of 1 bbl: 6 Mcf] is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Reserves: Reserves are volumes of hydrocarbons and associated substances estimated to be commercially recoverable from known accumulations from a given date forward by established technology under specified economic conditions and government regulations. Specified economic conditions may be current economic conditions in the case of constant price and un-inflated cost forecasts (as required by many financial

regulatory authorities) or they may be reasonably anticipated economic conditions in the case of escalated price and inflated cost forecasts.

Possible Reserves: Possible reserves are quantities of recoverable hydrocarbons estimated on the basis of engineering and geological data that are less complete and less conclusive than the data used in estimates of probable reserves. Possible reserves are less certain to be recovered than proved or probable reserves which means for purposes of reserves classification there is a 10% probability that more than these reserves will be recovered, i.e. there is a 90% probability that less than these reserves will be recovered. This category includes those reserves that may be recovered by an enhanced recovery scheme that is not in operation and where there is reasonable doubt as to its chance of success.

Proved Reserves: Proved reserves are those reserves that can be estimated with a high degree of certainty on the basis of an analysis of drilling, geological, geophysical and engineering data. A high degree of certainty generally means, for the purposes of reserve classification, that it is likely that the actual remaining quantities recovered will exceed the estimated proved reserves and there is a 90% confidence that at least these reserves will be produced, i.e. there is only a 10% probability that less than these reserves will be recovered. In general reserves are considered proved only if supported by actual production or formation testing. In certain instances proved reserves may be assigned on the basis of log and/or core analysis if analogous reservoirs are known to be economically productive. Proved reserves are also assigned for enhanced recovery processes which have been demonstrated to be economically and technically successful in the reservoir either by pilot testing or by analogy to installed projects in analogous reservoirs.

Probable Reserves: Probable reserves are quantities of recoverable hydrocarbons estimated on the basis of engineering and geological data that are similar to those used for proved reserves but that lack, for various reasons, the certainty required to classify the reserves as proved. Probable reserves are less certain to be recovered than proved reserves; which means, for purposes of reserves classification, that there is 50% probability that more than the Proved plus Probable Additional reserves will actually be recovered. These include reserves that would be recoverable if a more efficient recovery mechanism develops than was assumed in estimating proved reserves; reserves that depend on successful work-over or mechanical changes for recovery; reserves that require infill drilling and reserves from an enhanced recovery process which has yet to be established and pilot tested but appears to have favorable conditions



05 Operational Update



17 Q1 2015 Financial Highlights



30 Strategic Overview

03 Asset Overview



07 FYE 2014 Financial Highlights



23 H1 2015 Financial Highlights



Asset Overview



		Description	Operational Assets
UPSTREAM	Exploration & Production	<ul style="list-style-type: none"> Largest indigenous producer in Nigeria OER Listed on the TSX 93.8% ownership of OER 	<ul style="list-style-type: none"> Producing assets: OMLs 60-63, OML 125, OML 56 & OML 13. Development & appraisal: OML 90, OML 122, OML 131, OML 134, and OML 145, Exploration: OPL 321, OPL 323, OPL 278, OPL 282, OPL 236, EEZ 5 and EEZ 12
	Energy Services	<ul style="list-style-type: none"> Largest swamp drilling fleet in Nigeria servicing IOCs 40% Market Share 	<ul style="list-style-type: none"> 4 swamp rigs (1 in contract, 3 awaiting commencement of operation) Drill bits and engineering services Total fluids management
MIDSTREAM	Gas & Power	<ul style="list-style-type: none"> First private sector company to enter gas distribution in Nigeria 	<ul style="list-style-type: none"> 2 Gas Pipeline franchises: <ul style="list-style-type: none"> - GNL: 120km Lagos(110 mmscf/d Capacity) - CHGC: 6km East 2 Independent Power Plant (IPP) <ul style="list-style-type: none"> - Akute IPP 12.15 MW - Alausa IPP 10.40 MW Compressed Natural Gas: 5mmscf/day capacity Central Processing Facility: 150kscm/day capacity
DOWNSTREAM	Terminals	<ul style="list-style-type: none"> Current Project <ul style="list-style-type: none"> - Apapa Single Port Mooring Jetty: 45,000 MT Dead Weight Tonnage Cargo Capacity 	<ul style="list-style-type: none"> Projects in development <ul style="list-style-type: none"> - Apapa Terminal upgrade - Badagry Terminal: New petroleum terminal of 210,000 MT storage capacity
	Supply & Trading	<ul style="list-style-type: none"> Largest indigenous supply and trading player in the Sub-Saharan region 15% market share in PMS importation 	<ul style="list-style-type: none"> Trading desks and operations in Nigeria, Bermuda, South Africa, East Africa & Dubai Trading consultants in the United Kingdom & Singapore
	Marketing	<ul style="list-style-type: none"> Large distribution footprint with access to over 1,500 trucks and 150m litres storage capacity 15% market share in Nigeria 	<ul style="list-style-type: none"> 400+ retail outlets; in Nigeria, Ghana & Togo 7 terminals (110ML) 3 Aviation fuel depots 3 lube blending plants (130m litres/annum) 7 LPG filling plants



Operational Update



Upstream Division



Exploration & Production



Energy Services



Gas & Power



Marketing



Supply & Trading



Terminals

- Completes 2014 year-end summary of reserves. Increases 2P reserves by 82% from 230.6 mmboe to 420.3 mmboe.
- 6 Months H1 2015 total production increased to 15 MMboe, as compared to 4 MMboe in the same period of 2014. The increase between the two periods is primarily from the newly acquired OMLs 60-63.
- Qua Ibo field (OML 13) commenced production in April, recognizing approximately 560 bbls/day of crude oil.
- Successfully completed the 45,000bbls/d, 51km Umugini evacuation pipeline which provides an alternative route for crude transport from the Ebendo field.
- Production on the Ebendo field increased by 68% from 950 bbls/day to 1,700 bbl/day, due to reopening of shut-in wells after the completion of the Umugini pipeline, as well as an 8% reduction in crude oil losses.

- Zero Loss Time Injury (LTI) on all operational rigs.
- OES Teamwork achieves 5 Years of Zero LTI in 2015.
- OES Passion achieves 3 Years of Zero LTI in 2015.
- OES Passion resumes 2 Year drilling contract with IOC.

- Completes Segment 1 of the Greater Lagos expansion project, representing 2.1 Km of the total 9 Km.
- Greater Lagos expansion project (Phase 4) is 77% complete and is expected to be completed by Q4 2015.
- Connected 10 new industrial customers to Gaslink and Gas Network Services.

- Entered into strategic partnership with Helios Investment Partners and Vitol group to divest 60% economic rights of Oando Downstream for \$461 total consideration.
- Renovated and upgraded key service stations nationwide.

- Geographical operational footprint increased with operations in East Africa and the Middle East.

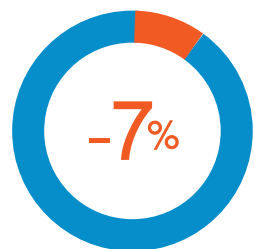
- Completed and commissioned 14 million litre PMS tank
- Commenced groundwork for the upgrade of Apapa Terminal 1.
- Connected multiple storage terminals with a combined storage capacity of 61,000 MT to the Apapa mid-stream jetty.



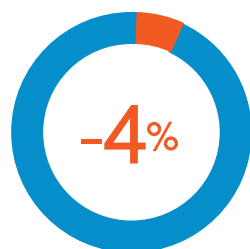
FYE 2014 Financial Highlights



FYE 2014 Profit & Loss Highlights Vs. FYE 2013



Turnover of
₦ **426** Bn



EBITDA of
₦ **46** Bn



Loss after tax of
₦ **184** Bn

N'Million	FYE 2014	FYE 2013	Variance
Turnover	425,693	456,984	(7%)
Gross Margin	69,575	59,433	17%
Non-interest Expenses	(87,762)	(33,331)	163%
Other Operating Income	63,980	21,400	199%
EBITDA	45,792	47,503	(4%)
Net Finance Costs	(32,105)	(23,647)	36%
Depreciation & Amortization	(22,595)	(16,144)	40%
Impairment of Assets	(167,317)	-	100%
Loss before Tax (LBT)	(176,224)	7,711	(2385%)
Loss after Tax (LAT)/Net Loss	(183,893)	1,397	(13264%)



Turnover

-7%

Turnover for the period was N31 Billion down from previous year.

Downstream: Reduced by N68Bn against prior year

PMS allocations in Q1 2014, dip in LPFO and bitumen sales in 2014 due to epileptic supplies from Kaduna refinery and uncompetitive import costs - N16.2Bn

Reduction in numbers of PMS cargoes imported due to non-availability of PPPRA in Q1 - N42.4Bn

Reduction in bitumen volumes due to poor collection of receivables - N2Bn

Midstream: Increased by N5.2Bn against prior year

Increase in volume of gas sold due to connection of new customers as well as downward revision of gas prices - N4.2Bn

The Impact of differential in average exchange rate on gas prices (N155.7/\$1 vs. N160/\$1) -N2.0Bn

OES: Reduced by N6.2Bn against prior year

Reduction in revenue from operating rigs, as 3 rigs were not fully operational - N5.5Bn

Decline in revenue from drill bits and fluids PSL - N0.7Bn

E&P: Increased by N44Bn against prior year

Increase in volume of production as a result of acquisition

Gross Margin

17%

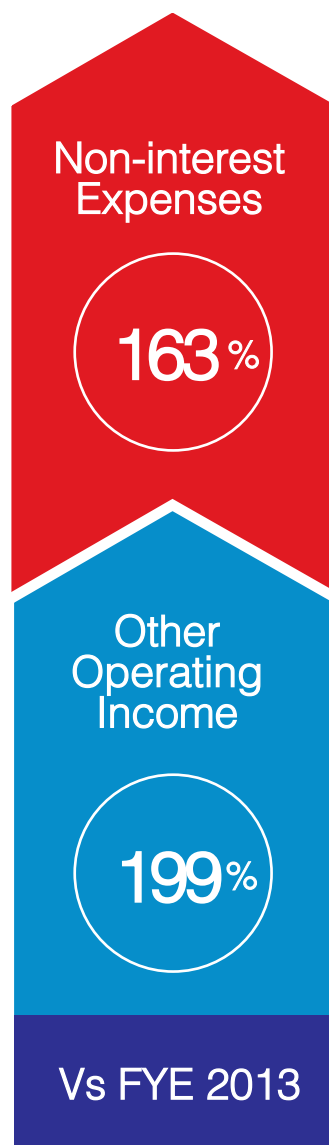
Vs FYE 2013

Gross Margin increased by N10.1Bn against prior year.

Cost of sales impact with respect to lower allocations and imports stated above: N53.3Bn

Increase in gas volume sold as explained in revenue above: N3.7Bn

Improved margins from revenues from COP acquisition: N24.4Bn



Non-interest expenses are 163% higher than prior year;

- The group recognised exchange loss of about N21.3Bn as a result of the devaluation of the naira, arising largely from dollar denominated loans and payables (DS: N7.3Bn; OPLC: N14Bn).
- Additional expenses (professional fees, consent fees, etc.) as a result of COP acquisition – N11.8Bn
- Fair value loss on convertible loan notes - N3.6Bn
- Compared to 2013, additional administrative expenses of COP also increased the level of operating expenses - N5.2Bn

Other operating income increased by 199% compared to previous year due to

- Largely based on fair value gain on the 2014 year end valuation of the of OER's hedge - N52 Bn

Impairment
of Assets

100%

Vs FYE 2013

13264%

Loss
After Tax

The following impairment loss of about N167 Bn was recognised during the year:

- Impairment loss on non-current asset – N114.3Bn. This includes:
 - OER Upstream asset (N76.9Bn),
 - OES rigs (N36.4Bn),
- Impairment loss on receivables – N17Bn. This includes:
 - OER underlift receivables (N13.4.Bn), JV receivable (N3.5Bn)

Loss After Tax was N183.9 Bn, 13264% below comparative period in prior year due to:

- Non-cash asset impairment charges for upstream division – N85.5Bn and N36B from the rig asset
- Increased interest expenses from borrowings to finance the COP acquisition – N13.2Bn
- Increased depreciation primarily as a result of the purchase of the upstream acquisition assets – N10.6 Bn
- Higher administrative expenses driven by increase in acquisition costs for COP, provision for bad debt expenses relating to network receivables (NNPC receivables on OML 125 and other JV receivables) foreign exchange loss, and fair value loss on financial instruments - N64 Bn

Reconciliation of 2014 Actual to Annual Financial Statements Oando

N'Million	FYE 2014	Discontinued Operations	2014 as reported	FYE 2013	Discontinued Operations	2013 as reported
Turnover	425,693	1,015	424,678	456,984	7,111	449,873
Gross Margin	69,575	393	69,182	59,433	144	59,289
Non-interest Expenses	(87,762)	(40)	(87,723)	(33,331)	(1,575)	(31,756)
Other Operating Income	63,980	(4,588)	68,568	21,400	16,268	5,132
EBITDA	45,792	(4,235)	(50,026)	47,503	14,837	32,666
Net Finance Costs	(32,105)	(666)	(31,439)	(23,647)	(7,814)	(15,833)
Depreciation & Amortization	(22,595)	(1)	(22,594)	(16,144)	(25)	(16,119)
Impairment of Assets	(167,317)	-	(167,317)	-	-	-
Loss before Tax (LBT)	(176,224)	(4,901)	(171,323)	7,711	6,998	713
Profit from discontinued operations		(4,611)	(4,611)	-	6,073	6,073
Loss after Tax (LAT)/Net Loss	(183,893)		(183,893)	1,397		1,397

Explanation of G&A in 2014 FYE - Impairments

N'Million	FYE 2014	FYE 2013
Depreciation	18,897	9,980
Impairments	167,317	858
Other G&A	85,661	30,559
	271,875	41,397

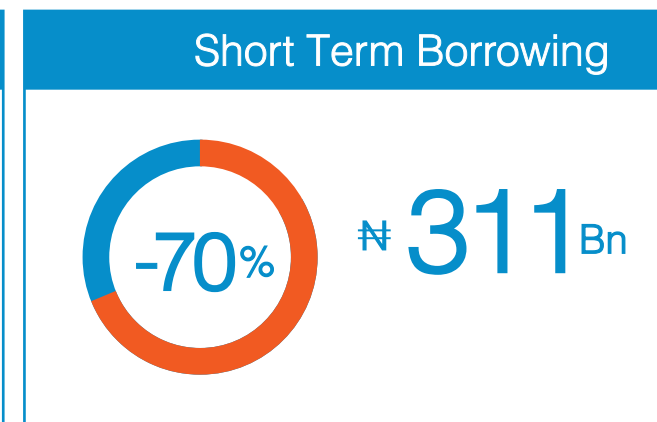
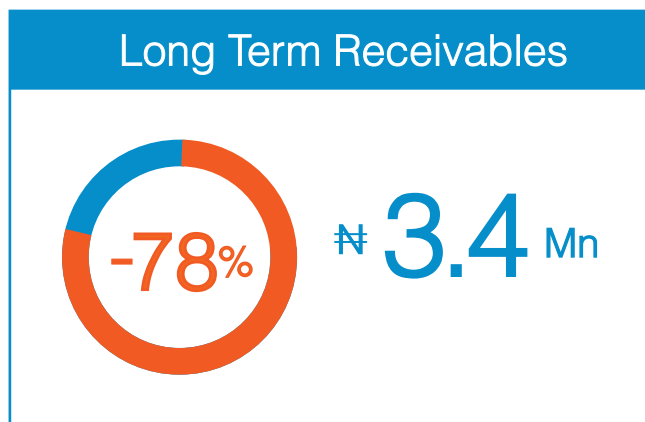
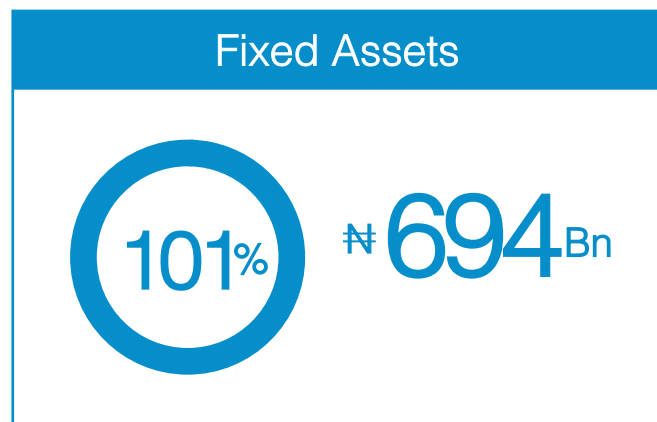
N'Million	FYE 2014
Impairment of Goodwill	696
Impairment of OES Rigs	36,361
Impairment of Upstream Assets - OER	10,205
Impairment of Exploration and Evaluation Asset - OER	83,652
Impairment of Losses on other Receivables	36,403
	167,317

Explanation of G&A in 2014 FYE - Other G&A

N'Million	FYE 2014	FYE 2013
Depreciation	18,897	9,980
Impairments	167,317	858
Other G&A	85,661	30,559
	271,875	41,397

N'Million	FYE 2014
Foreign Exchange Loss	29,972
COP acquisition fees and costs	19,532
Staff Cost	16,433
Rental & Travel	4,008
Fair value loss on convertible loan notes	3,584
Others	12,132
	85,661

Group Balance Sheet Highlights



N'Million	FYE 2014	FYE 2013	Variance
Non-current assets	690,038	344,119	101%
Long term receivables	3,427	15,413	(78%)
Stock	26,971	19,446	39%
Trade and other Debtors	140,652	143,739	(2%)
Bank and cash balances	41,634	27,686	50%
Trade and other Creditors	156,628	124,059	26%
Short Term Borrowings	311,014	183,413	70%
Long Term Borrowings	162,329	71,872	126%
Equity & Reserves	45,507	162,368	(72%)



Non Current Assets

101%

Non-current assets increased by (N345.9Bn) due to;

- Goodwill on acquisition of COP - N157Bn
- Upstream assets acquired from COP - 171Bn
- Increase in upstream asset investment - N29Bn
- Greater Lagos 4 (GL4) additions during the year – N1.5Bn

Long Term Receivables

-78%

Long term receivables decreased by 78% (N12 Billion) due to:

- Impairment of excess of underlift receivable due from NOAC on the joint venture – N13.4Bn

Increase in Short Term Borrowings

70%

Short Term Borrowings increased by 70% to N311 Billion due to:

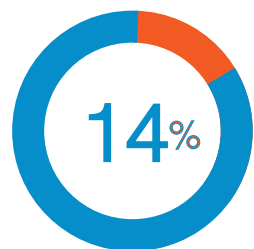
- Convertible loan notes issued to OODP convertible loan – N68Bn
- Increase in borrowings to finance the COP acquisition – N17.1 Bn
- Increased borrowing due to import requirements/Working capital Funding – N12.1Bn



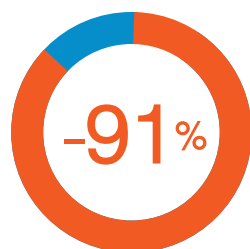
Q1 Financial Highlights



Q1 2015 Profit & Loss Highlights Vs. Q1 2014



Turnover of
₦97.1 Bn



EBITDA of
₦0.7 Bn



Loss after tax
₦21 Bn

N'Million	Q1 2015	Q1 2014	Variance
Turnover	97,070	85,269	14%
Gross Margin	20,458	14,462	41%
Non-interest Expenses	(23,289)	(7,425)	214%
Other Operating Income	3,559	1,040	242%
EBITDA	728	8,077	(91%)
Net Finance Costs	(12,623)	(4,711)	168%
Depreciation & Amortization	(7,578)	(3,425)	(121%)
Loss before Tax (LBT)	(19,473)	(59)	(32965%)
Loss after Tax (LAT)/Net Loss	(20,964)	(2,717)	(672%)



Turnover

14%

Turnover for the period was N97 billion, 14% higher than previous year mainly due to:

- Increased liftings from OHL as a result of COP acquisition (N17.6 Bn).
- This was negated by N3.5 Bn in OES due to non-operation of 2 rigs and N3.2 Bn in DS due to higher unit pump price in 2014 even though less volumes were sold due to late allocations from PPPRA

Gross Margin

41%

Gross Margin was N20.5 bn, a 41% increase against prior year

- Higher GM driven by acquisition of NOAC JV after the comparative period – N6.5 Bn
- Increase in volumes sold by Gaslink – N291 Mn
- Relative higher cost of sales in 2014 - N1.8 Bn.
- Negated by decline in OES' high cost of sales margin for drilling fluids (75% in 2015 as against 67% in 2014) – N2.8 Bn

Vs. Q1 2014

Non-Interest Expenses

-214%

Vs. Q1 2014

Non-Interest Expenses for the period was 187% above prior year due to:

- Unrealized exchange loss due to Naira devaluation – N13.5 Bn.
- Additional administrative expenses in relation to COP

Loss After Tax

-672%

Loss after tax was N21 Bn, 625% below comparative period 2014

- Reset of the commodity option in OER - N6.7 Bn
- Impact of devaluation of the naira of N13 Bn
- Increase in PLC's net finance cost of N689 Mn compared to budget due to exchange loss on foreign currency denominated borrowing costs.

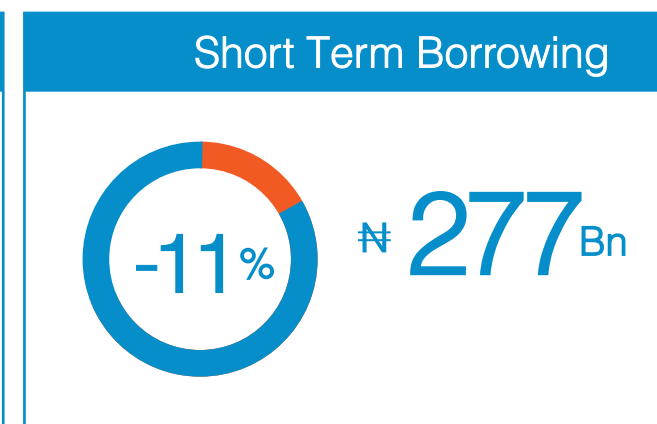
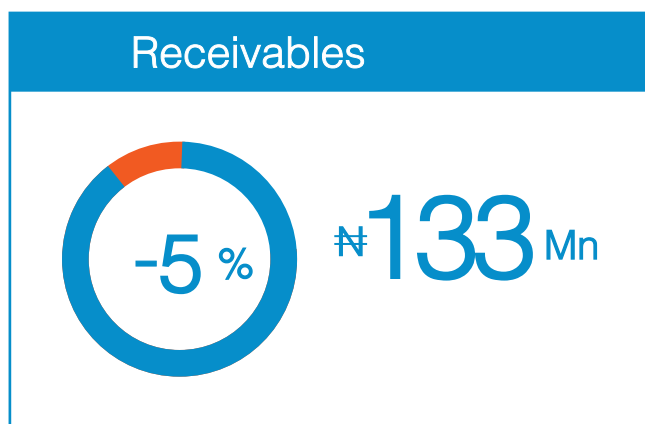
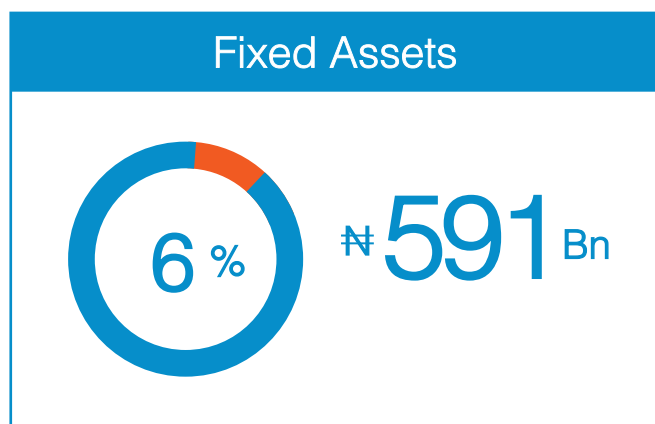
Reconciliation of Q1 2015 to Interim Financial Statement



N'Million	Q1 2015	Discontinued Operations	Q1 2015 as reported	Q1 2014	Discontinued Operations	Q1 2014 as reported
Turnover	97,070	64,042	33,028	85,269	67,268	18,001
Gross Margin	20,458	6,294	14,164	14,462	3,759	10,703
Non-interest Expenses	(23,289)	(8,621)	(14,669)	(7,421)	(3,351)	(4,069)
Other Operating Income	3,559	249	3,310	1,036	963	73
EBITDA	728	(2,077)	2,805	8,077	1,371	6,707
Net Finance Costs	(12,623)	433	(13,057)	(4,711)	901	(5,612)
Depreciation & Amortization	(7,578)	(821)	(6,757)	(3,425)	(745)	(2,680)
Loss before Tax (LBT)	(19,473)	(2,464)	(17,009)	(59)	1,527	(1,586)
Profit from discontinued operations	-	(2,689)	(2,689)	-	1,213	1,213
Loss after Tax (LAT)/Net Loss	(20,964)		(20,964)	(2,717)		(2,717)



Q1 2015 Group Balance Sheet Highlights



N'Million	Q1 2015	FYE 2014	Variance
PPE & Intangibles	591,053	559,747	6%
Stock	20,075	26,971	(26%)
Trade and other Debtors	133,157	140,652	(5%)
Bank and cash balances	31,299	41,634	(25%)
Trade and other Creditors	215,818	156,628	41%
Short Term Borrowings	277,402	311,014	(11%)
Long Term Borrowings	97,291	162,329	(40%)
Equity & Reserves	37,187	45,507	(18%)

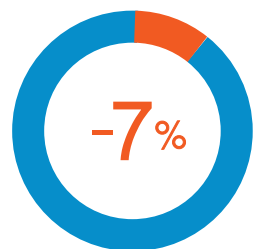




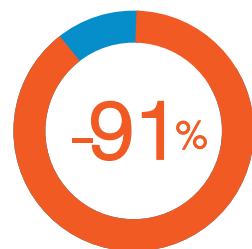
H1 Financial Highlights



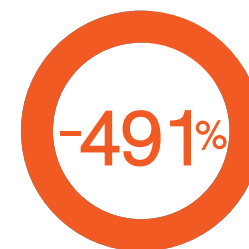
H1 2015 Profit & Loss Highlights Vs. H1 2014



Turnover of
₦180 Bn



EBITDA of
₦2.8 Bn



Loss After Tax of
₦35.1 Bn

N'Million	H1 2015	H1 2014	Variance
Turnover	180,028	194,558	(7%)
Gross Margin	37,085	50,506	(27%)
Non-interest Expenses	(32,686)	(20,871)	57%
Other Operating Income	(1,633)	1,177	(239%)
EBITDA	2,766	30,811	(91%)
Net Finance Costs	(23,546)	(11,212)	110%
Depreciation & Amortization	(17,727)	(7,065)	151%
Loss before Tax (LBT)	(38,506)	12,533	(407%)
Loss after Tax (LAT)/Net Loss	(35,126)	8,980	(491%)



Vs. H1 2014

Turnover

- 7 %

Turnover decrease of N70.7 Bn (28% negative variance)

- Loss of revenue in 2015 due to unit price differentials in PMS – N19.2 Bn.
- Loss of revenue from non-commencement of operations for Passion and Teamwork and a decline in business activities for drilling fluids and bits – N7 Bn.
- Net crude liftings from OHL (N11 Bn) (Jan-Jun 2014:Nil).
- Increase in gas sold in 2015 - N1.9 Bn.

N13.4 Bn decrease in gross margin against comparative period due to:

- Decline in OES' revenue as analyzed in the preceding slide and the high cost of sales margin for drilling fluids (75% in 2015 as against 67% in 2014) contributed to the reduction in GM against prior period of N7.5 Bn.
- Increase in volume sold by Gaslink (due to increased customer take up) and gas price from \$7.21/mscf to \$7.34/mscf – N1.3 Mn.
- Arbitrage on AGO and ATK's COGS in 2015 resulted in an increase of N2.6 Bn in the downstream segment.
- Higher GM driven by liftings from/acquisition of NAOC JV (Jan-Jun 2014:Nil) – N11.7 Bn

Vs. H1 2014

Gross Margin

-27 %

Net Interest Expenses

57%

Vs. H1 2014

Non-interest expenses increased compared to previous year

- Unrealized exchange loss due to Naira devaluation – N9.6 Bn detailed below:
DS – N2.1 Bn
OES – N2.0 Bn
OPLC – N5.5 Bn
- Increase in general admin expenses from COP – N1.4 Bn.
- The above was positively impacted by reduction in operating cost due to the decline in OES' business activities of N2.5 Bn.

Depreciation and amortization increased by 151% compared to prior year due to:

- Increased depreciation from OHL – N8.9 Bn
- Depreciation charge for current year represents YTD values for 4 rigs as against 3 rigs in 2014 – N155 Mn.

Depreciation & Amortization

151%

Vs. H1 2014

Other Operating Income

-239%

Decrease in other operating income driven by:

- Net hedge loss incurred in H1 2015 compared to a no hedge situation in prior year – N6.4 Bn
- This was positively impacted by income from Kwale IPP and ORPSL (2014:Nil) – N1.4 Bn.
- Reduction in plant throughput income, handling charges and exchange gain in current period – N2.1 Bn.
- Increase in PLC's exchange gain and other OOI compared to prior period – N4.2 Bn

Loss after tax was also impacted by:

- Reset of the commodity option, loss on valuation of financial instruments in OER and income from Kwale IPP (2014:Nil) – N4.9 Bn
- Higher finance costs driven by amortized transaction costs, accretion expenses, and finance charges negated by reduced interest on RBL and CF and interest income on Kwale IPP receivables – N6.5 Bn.
- The devaluation of the naira effectively increased the naira equivalent of interest paid on foreign currency denominated loans – N3.6 Bn.

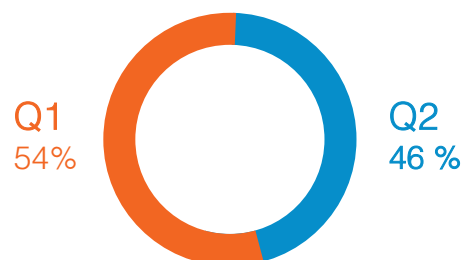
Loss After Tax

-491%

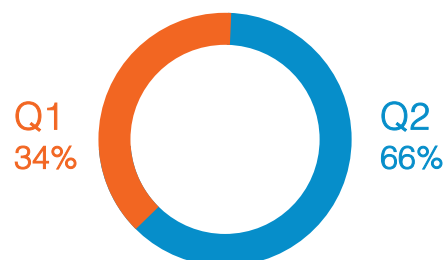
H1 Quarterly Contribution Breakdown

N'Million	Q2	Q1
Turnover	82,958	97,070
Gross Margin	16,171	19,741
Non-interest Expenses	(9,561)	(22,573)
Other Operating Income	(5,192)	3,559
EBITDA	1,417	728
Net Finance Costs	(10,922)	(12,623)
Depreciation & Amortization	(9,527)	(7,578)
Loss before Tax (LBT)	(19,033)	(19,473)
Loss after Tax (LAT)/Net Loss	(14,161)	(20,964)

Turnover of N180 Billion



EBITDA of N2.1 Billion



Loss after Tax of N35.1 Billion



Reconciliation of H1 2015 to Interim Financial Statements



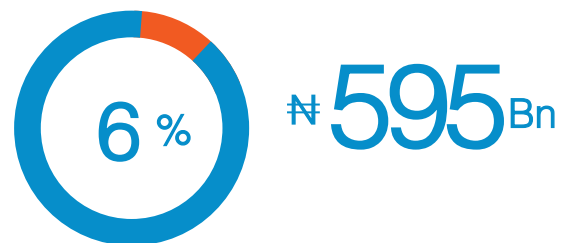
N'Million	H1 2015	Discontinued Operations	H1 2015 as reported	H1 2014	Discontinued Operations	H1 2014 as reported
Turnover	180,028	119,709	60,319	194,558	138,888	55,670
Gross Margin	37,085	12,219	24,867	50,506	9,668	40,838
Non-interest Expenses	(32,686)	(11,818)	(20,868)	(20,871)	(8,873)	(11,999)
Other Operating Income	(1,633)	690	(2,323)	1,177	3,231	(2,054)
EBITDA	2,766	1,091	1,676	30,811	4,026	26,785
Net Finance Costs	(23,546)	637	(24,83)	(11,212)	1,400	(12,613)
Depreciation & Amortization	(17,727)	(1,651)	(16,076)	(7,065)	(1,465)	(5,600)
Loss before Tax (LBT)	(38,506)	77	(38,583)	12,533	3,961	8,572
Profit from discontinued operations	-	(449)	(449)	-	3,237	3,237
Loss after Tax (LAT)/Net Loss	(35,126)		(35,126)	8,980		8,980



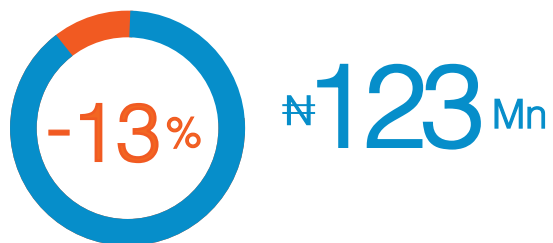
H1 2015 Group Balance Sheet Highlights



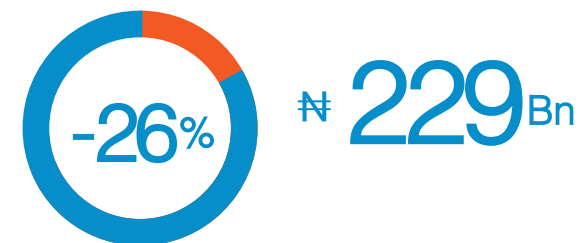
Fixed Assets



Receivables



Short Term Borrowing



N'Million	H1 2015	FYE 2014	Variance
PPE & Intangibles	595,343	559,747	6%
Stock	17,859	26,971	(34%)
Trade and other Debtors	122,750	140,652	(13%)
Bank and cash balances	26,927	41,634	(35%)
Trade and other Creditors	165,332	156,628	6%
Short Term Borrowings	229,139	311,014	(26%)
Long Term Borrowings	143,711	162,329	(11%)
Equity & Reserves	72,905	45,507	60%



Strategic Overview



Strategic Highlights

		Current: 2015	Midterm: 2017	Long Term: 2019
UPSTREAM	Exploration & Production	<ul style="list-style-type: none"> › Production of ~56kboepd (H1 2015 Average) › 2P Reserves of 420mmboe › Maintain production on OMLs 60 - 63 (Production Optimisation) › Maintain production levels on Abo field (OML 125) through drilling and completion as well as FPSO life extension › Maintain production levels from Ebendo (OML 56) through facility & pipeline enhancements › Complete facility enhancements to maintain production on Qua Ibo (OML13) 	<ul style="list-style-type: none"> › Production Target: > 80kboepd › Reserves Replacement Ratio Target of 1:1 › Organic Growth: Accelerated development programme on OMLs 60 - 63 › Inorganic Growth: Take advantage of indigenous status by participating in FGN bid rounds and IOC divestment programmes 	<ul style="list-style-type: none"> › Production Target: >100kboepd › 2P Reserves Target: >500mmboe
	Energy Services	<ul style="list-style-type: none"> › Actively engage swamp rig fleet active › Expand product offering in drilling & completion business › Execute a substantive MOU with an established international drilling company and jointly deploy additional drilling rigs 	<ul style="list-style-type: none"> › Deploy first offshore rig through JV company › Enter into additional partnerships and jointly deploy drilling rigs › Grow Drilling & Completion business market share › Divestment of up to 51% or potential listing 	<ul style="list-style-type: none"> › Enter into partnerships and jointly deploy deep-water drilling rigs › Divestment of an additional 25%
MIDSTREAM	Gas & Power	<ul style="list-style-type: none"> › Achieve mandates for the development of embedded power generation for Distribution Companies › Complete construction of Greater Lagos Pipeline (GL4) and Port Harcourt Pipeline Expansion projects › Grow aggregate gas pipeline utilization to average 75mmscf/d › Finalize feasibility for the ELPS-Ibadan-Ilorin-Jebba (EIIJ) gas transmission pipeline › Invest in acquisition of NIPP/Grid connected power utilities 	<ul style="list-style-type: none"> › Complete development and commence operation of 150MW embedded/grid power generation › Complete development and commence operation of at least 20mmscf/d Mini LNG business › Grow aggregate gas pipeline utilization portfolio to an average of 100mmscf/day › Commence phased development of EIIJ gas pipeline › Commence execution of at least 300mmscf/d Gas Processing Facility 	<ul style="list-style-type: none"> › Complete development & commence operation of 80MW embedded/grid power generation › Grow aggregate gas pipeline utilization/contracts to an average of 200mmscf/day › Commence phased development of gas distribution system in Tema industrial area (Ghana)
DOWNSTREAM	Terminals	<ul style="list-style-type: none"> › Completion of construction & commencement of operations of the Apapa Jetty and subsea pipelines in the Lagos Port › Commission 3rd party commercial & technical feasibility for the Eastern 4KT LPG Tank farm construction › Commencement of first phase for the Apapa Terminal upgrade 	<ul style="list-style-type: none"> › Commencement of commercial & technical feasibility for 360kt ONNE Energy Quadrant › Completion of 2nd phase and commencement of 3rd phase for the Apapa Terminal Upgrade › Commencement of FEED on Badagry Terminal facility 	<ul style="list-style-type: none"> › Commence JV partnerships in operational areas › Complete Apapa Terminal 1 upgrade › Construction of 360kt ONNE Energy Quadrant › Construction of Badagry Terminal facility
	Supply & Trading	<ul style="list-style-type: none"> › Focus on increasing market share in existing markets and achieving economies of scale 	<ul style="list-style-type: none"> › Diversifying markets, increasing West-African presence 	<ul style="list-style-type: none"> › Expansion into other African markets
	Marketing	<ul style="list-style-type: none"> › Conclude on process of Groups partial divestment › Maintain a minimum (25%) current white products market share of MOMAN › Position for a partial/fully deregulated gasoline market › Maintain LPG leadership strategy amongst MOMAN whilst growing national share from 17% to 20% 	<ul style="list-style-type: none"> › Business expansion and increased efficiencies › Expand white market share of the Majors to 30% › Grow non-fuel revenue 	<ul style="list-style-type: none"> › Explore further divestment (Group)

Q&A

www.oandopl.com

