

Initial Unaudited Financial Result as of 30 September 2014

Al Batinah Power Company SAOG (the “Company”) announces its initial unaudited financial results for the 9-month period ended 30 September 2014.

Pursuant to Article 3 of the Rules and Guidelines on Disclosure by Issuer and Insider Trading issued by the Capital Market Authority, the Company is pleased to disclose the following unaudited financial results for the 9-month period ended 30 September 2014, and a comparison with the same period of the preceding calendar year.

	9-month 2014 RO '000 Unaudited	9-month 2013 RO '000 Unaudited	Percentage Change *
Revenue	44,325	36,537	+21.3%
Direct cost	(23,189)	(17,153)	
Gross profit	21,136	19,384	+9.0%
Liquidated damages (net)	-	1,283	
	21,136	20,667	+2.3%
G&A Expenses	(885)	(320)	
Profit before interest and taxes	20,251	20,347	-0.5%
Finance Costs	(9,294)	(6,279)	
Net profit before tax	10,957	14,068	-22.1%
Taxes	(2,799)	(1,883)	
Net profit after tax	8,158	12,185	-33.0%

The above reported numbers represent initial unaudited financial results and are subject to approval and confirmation by the Company’s Audit Committee and Board of Directors.

* Important note: for purposes of comparison, the Company advises that it started operations in April 2013 and that its contractual tariff is highly seasonal (lower in October to March and higher in April to September). Therefore, while revenues for the 9-month period ended 30 September 2014 (9 months of operations) are higher than in the same period of 2013 (6 months of operations), the net profit is lower due to a blend of low and high tariff (while the same period in 2013 was not affected by low winter tariff) and further due to the one-off settlement of liquidated damages under the EPC Contract in 2013.