

Initial unaudited financial result as of 30 September 2014

Al Suwadi 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	43,963	36,732	+19.7%
Direct cost	(21,837)	(16,642)	
Gross Profit	22,126	20,090	+10.1%
Liquidated damages (net)	-	8,972	
	22,126	29,062	-23.9%
General & administrative expenses	(899)	(299)	
Profit before interest and taxes	21,227	28,763	-26.2%
Finance Costs	(9,988)	(6,623)	
Net profit before tax	11,239	22,139	-49.2%
Taxes	(3,069)	(2,066)	
Net profit after tax	8,170	20,073	-59.3%

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