

Corporate Governance Report

We are pleased to present the Corporate Governance Report of the Company for the year ended 31st December 2009

COMPANY'S PHILOSOPHY

The principles of Corporate Governance are the cornerstones of Oman Oil Marketing Company. We believe these principles distinguish a well managed company from other methods of management. These principles ensure transparency, integrity and accountability which are vital for the long and sustained growth of the Company.

Oman Oil Marketing Company has been practising these principles long before these were made mandatory for listed companies and fully supports the guidelines on Corporate Governance issued in June 2002 by the Capital Market Authority (CMA). The Company has a representation of five independent directors on its Board to complement and supplement the other four directors, the Executive Management and providing optimum mix of professionalism, knowledge and experience.

Our endeavour has always been to engage persons of eminence as directors who can contribute to corporate strategy, provide an external perspective and be a source of challenge and evaluation wherever appropriate. We have the good fortune of having directors whose contributions to the trade and industry are well acknowledged.

BOARD OF DIRECTORS

(a) Composition of the Board

The Board strength is currently nine Directors, and the maximum number permitted by the Articles of Association of the Company is nine directors. All the Directors are Non-Executive, Omani nationals and five are also independent.

Subject to the overall superintendence and control of the Board, the day to day management of the Company now vests in the Executive Management team headed by Eng. Omar Ahmed Salim Qatan, Chief Executive Officer and includes Mr. Raja Shahreen Othman, Mr. Hussain Jama Al Ishaqi, Mr Aminurddin bin Abdul Jalil, Mr. Ahmed Kamel Mahmud, Mr. Faisal Abdulaziz Said Al Shanfari, Mr. Nabeel Salim Said Al Ruwaidhi and Mr. Mohammed Amor Rashid Al Barwani as members.

The CEO is a permanent invitee to the Board meetings of the Company. The Company Secretary is Mr. Raja Shahreen Othman.

(b) Process of nomination of Directors

Directors are appointed for three years and retire by rotation and, if eligible, can offer themselves for re-election at the Annual General Meeting (AGM). There are arrangements for the filling of vacancies by the Board itself on a temporary basis. Individuals wishing to nominate themselves for election to Directorship to the Company's Board are required to complete and submit a nomination form to the Company at least ten working days before the Annual General Meeting (AGM) of the Company. Notice of the AGM is published in the leading English and Arabic dailies at least two weeks in advance.

The process as laid down in the Commercial Companies Law and by the Capital Market Authority (CMA) in conjunction with the Articles of Association of the Company is adhered to. The Company has an induction program for Directors, which covers the business environment and the Company businesses as well as specific Corporate Governance elements (e.g. Confidentiality, Disclosure of Interest).

(c) Disclosures regarding appointment or re-appointment of Directors

During the year 2009 five members of board of directors Ms. Assilah Zaher Al Harthy, Ms. Amal Suhail Bahwan, Mr. Khamis Mohammed Al Amry, Sheikh Ahmed Abdullah Al Rawas, Mr. Abdul Kader Darwish Al Balushi, whose tenure expired and were reappointed whilst

Mr. Nasser Saeed Al Balushi resigned from the board during the year and Mr. Saleem Pir Bakhsh Al Raisi replaced his position.

(d) Number of Board meetings

The Company held five Board meetings during the year ended December 31st 2009. These were on January 27th 2009; April 27th 2009; July 15th 2009; October 27th 2009 and 4nd November 2009 with the maximum interval between any two meetings not exceeding the CMA required interval of maximum of four months.

(e) Directors' attendance record and directorships held

See Table 1 for details.

Table 1: Details about Oman Oil Marketing's Board of Directors

Name of Director	Position	Board meetings held during the year *	Board meeting attended during the year	Whether attended last AGM	Directorships in other SAOG companies incorporated in Oman
Salim Abdullah Al Rawas ¹	Non Executive Chairman and Director	5	5	Yes	2
Mulham Bashir Al Jarf	Non Executive Deputy Chairman and Director	5	5	Yes	-
Assilah Zaher Al Harthy	Non Executive Director	5	4	Yes	-

Amal Suhail Bahwan ²	Non Executive and Independent Director	5	4	Yes	2
Khamis Mohammed Al Amry	Non Executive and Independent Director	5	3	Yes	-
HH Rawan Ahmed Al Said	Non Executive and Independent Director	5	5	Yes	1
Ahmed Abdullah Al Rawas ³	Non Executive Director	5	0	No	3
Abdul Kader Darwish Al Balushi	Non Executive and Independent Director	5	5	No	1
Saleem Pir Bakhsh Al Raisi	Non Executive and Independent Director	4	4	No	3
Nasser Saeed Mohammed Al Balushi	Non Executive and Independent Director	1	1	No	-

Notes:

* During the tenure in which director

1 Representing Oman Oil Company SAOC

2 Representing Suhail Bahwan group

3 Representing Dhofar International Development & Investment Holding Company SAOG

Independent Director is as defined in Article 1 of the Code of Corporate Governance.

(f) Information supplied to the Board

In order to facilitate proper governance, the following information amongst others is provided to the Board:

- Review of annual operating plans of businesses, capital budgets, updates
- Quarterly results of the Company and its operating divisions or business segments
- Key discussion points at meeting of audit committee
- Materially important show cause, demand, prosecution and penalty notices
- Fatal or serious accidents or dangerous occurrences
- Any materially significant effluent or pollution problems
- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company
- Any issue which involves possible public or product liability claims of a substantial nature
- Details of any joint venture or collaboration agreements
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant labour problems and their proposed solutions
- Significant development in the human resources and industrial relations fronts
- Sale of material nature of investments, subsidiaries, assets which is not in the normal course of business
- Material details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement and
- Non-compliance with any regulatory, statutory or listing requirements or shareholder services such as non-payment of dividend

The Board of Oman Oil Marketing Company (omanoil) is routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as a part of the agenda papers well in advance of the Board meetings

or are tabled in the course of the Board meetings or are tabled before the appropriate committees of the Board.

The Board has, as required under the Corporate Governance guidelines, adopted internal regulations – these include adoption of principles, policies and procedures and practices for doing business and conducting affairs.

(g) Materially significant related party transactions

There have been no materially significant related party transactions, pecuniary transaction or relationships between Oman Oil Marketing Company (omanoil) and its Directors for the year ended December 31st, 2009 that may have a potential conflict with the interests of the Company at large.

(h) Remuneration of Directors: sitting fees, salary, remuneration and perquisites

The remuneration policy is decided by the Board and approved in the Annual General Meeting with the intent of attracting and retaining the highest quality of industrialists/ professionals to provide the Company with the right kind of strategic directions and improve operational efficiencies. Non-executive directors are paid RO 500/- and RO 300/- respectively as sitting fees for every board and audit committee meeting attended. Apart from the sitting fees, non-executive directors are paid as remuneration such that the aggregate of such remuneration for the full Board does not exceed 5% of net adjusted profits for the year before appropriating such remuneration subject to maximum amount of RO 200,000/- . The fixed remuneration is pro-rated for the period directorship is held, if less than one year. The regulations laid down in the Commercial Companies Law and as laid down by the CMA in this respect are also complied with. Executive directors, if any, apart from their contractual benefits and performance linked pay (see section below) are not eligible for any sitting fees or fixed remuneration.

Table 2 gives the details of the remuneration package of Directors.

Table 2: Remuneration paid/payable to Directors during the year 2009

Omani Riyals

Name of Director	Sitting Fees	Total compensation	Remuneration *	Total
Salim Abdullah Al Rawas	2,500	N/A	9,000	11,500
Mulham Bashir Al Jarf	2,500	N/A	9,000	11,500
Assilah Zaher Al Harthy ¹	3,500	N/A	9,000	12,500
Amal Suhail Bahwan	2,000	N/A	9,000	11,000
Khamis Mohammed Al Amry	1,500	N/A	9,000	10,500
HH Rawan Ahmed Al-Said ¹	4,300	N/A	9,000	13,300
Ahmed Abdullah Al Rawas	0	N/A	9,000	9,000
Abdul Kader Darwish Al Balushi ¹	4,300	N/A	9,000	13,300
Saleem Pir Bakhsh Al Raisi	2,000	N/A	6,750	8,750
Nasser Saeed Mohammed Al Balushi	500	N/A	2,250	2,750

Notes:

1 includes sitting fees for Audit committee meetings

* The remuneration for the year ended December 31st 2009 will be paid to the non-executive directors after adoption of accounts by shareholders at the Annual General Meeting to be held on March 31st 2010 at 12 p.m.

(i) Directorships in other listed companies and memberships of other committees

Table 3 gives details of Board members' Directorships in other listed companies and memberships of other committees

Table 3: Particulars of Directorships in other SAOG Companies & memberships of other committees

Name of the Director	Other Directorships		Other Committee memberships	
	Name of the company	Position	Committee	Position
Salim Abdullah Al Rawas	Dhofar Insurance Dhofar University	Vice Chairman Director	N/A N/A	N/A N/A
Mulham Bashir Al Jarf	None	N/A	N/A	N/A
Assilah bint Zaher Al Harthy	None	N/A	N/A	N/A
Amal bint Suhail Bahwan	Oman Ceramics Co. National Pharmaceutical Industries Co.	Chairperson Vice Chairperson	N/A N/A	N/A N/A
Khamis bin Mohammed Al Amry	None	N/A	N/A	N/A
HH Rawan Ahmed Al-Said	National Bank of Oman	Vice Chairperson	Audit Risk Management	Chairperson Member Member

			Credit	
Ahmed Abdullah Al Rawas	Dhofar International Development & Investment Holding Company SAOG	Director	N/A	N/A
	Dhofar Cattle Feed Co SAOG	Vice Chairman	N/A	N/A
	Salalah Flour Mills Co SAOG	Vice Chairman	Audit	Chairman
Abdul Kader Darwish Al Balushi	Oman Ceramics Co	Director	Audit	Chairman
Saleem Pir Bakhsh Al Raisi	Oman Flour Mill SAOG	Director	N/A	N/A
	Muscat Gas Co. SAOG	Director	N/A	N/A
	Interior Hotel	Director	N/A	N/A
Nasser Saeed Mohammed Al Balushi	None	N/A	N/A	N/A

(j) Disclosures by the Board members

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

(k) Committees of the Board

1) Audit Committee

The audit committee of Oman Oil Marketing Company (omanoil) performs the following functions:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval for payment of any other services;
- Reviewing with management the annual financial statements before submission to the Board;
- Reviewing with management and external and internal auditors, the adequacy of internal control systems;
- Reviewing the adequacy of the internal audit function;
- Discussing with internal auditors any significant finding and follow-up on such issues;
- Reviewing the findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature and then reporting such matters to the Board;
- Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern;
- Reviewing the Company's financial and risk management policies; and
- Examining reasons for substantial default in the payment to depositors, bond holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
- Looks into the controls and security of the Company's critical IT applications and
- Meeting the internal and external auditors, at least once a year, in the absence of management

The Company continue to derive immense benefit from the deliberation of the Audit Committee comprising of three Non-Executive Directors (two of whom are independent) – Mr. Abdul Kader Darwish Al Balushi (Chairman), HH Rawan Ahmed Al Said, Ms. Assilah bint Zaher Al Harthy who are eminent professionals knowledgeable in finance, accounts and company law. The Board secretary also serves as the secretary to the Audit Committee and the CEO and Chief Internal Auditor are a permanent invitee to the meeting. The chairperson of the audit committee meeting, at the Board meeting, briefs the Board of the outcomes at the audit committee meeting, and these are discussed at the Board meeting.

The audit committee met six times during the year: January 26th 2009; March 17th 2009; April 26th 2009; July 14th 2009; October 25th 2009 and December 22th 2009. Table 4 gives the attendance record.

Table 4: Attendance record of audit committee members

Name of Director	No. of meetings*	Meetings attended
Abdul Kader Darwish Al Balushi	6	6
HH Rawan Ahmed Al-Said	6	6
Assilah Zaher Al Harthy	6	5

* During the tenure in which Director was a member of committee

The Company has an Internal Audit Department whose principal responsibility is to undertake regular and systematic reviews of the systems of controls so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively in the Company. The Audit Committee approves the internal audit plan prior to the commencement of a new financial year. The scope of the internal audit covers the audits of all units and operations.

Throughout the financial year, audit assignments and follow-ups were carried out on units of operations. These were carried out in accordance with the annual audit plan or as special ad-hoc audits at management's request. The resulting reports of the

audits undertaken were presented to the Audit Committee and forwarded to the parties concerned for their attention and necessary action.

The Management is responsible for ensuring that corrective actions on reported weaknesses and suggested improvements as recommended are taken within the required timeframe.

The Company's external auditors are Deloitte Touche Tohmatsu ("Deloitte & Touche"). Deloitte & Touche is an organization of member firms around the world devoted to excellence in providing professional services and advice. Deloitte & Touche is focused on client service through a global strategy executed locally in over 140 countries. With access to the deep intellectual capital of approximately 168,000 people worldwide, Deloitte & Touche delivers services in four professional areas: audit, tax, consulting, and financial advisory services.

Deloitte & Touche in the Middle East is among the region's leading professional services firms, providing audit, tax, consulting, and financial advisory services through 25 offices in 14 countries with over 1,700 partners, directors and staff. The Oman Practice currently has three Partners and over 65 professionals.

The fees payable to Deloitte & Touche for the year 2008 for audit and other services is as follows:

- Audit of Financial Statements RO 5,500/-
- Audit of Corporate Governance Report RO 500/-

The Audit Committee has reviewed, on behalf of the Board, the effectiveness of internal controls by meeting the internal auditor, reviewing the internal audit reports and recommendations and meeting the external auditor, reviewing the audit findings report and the management letter; this includes meeting the auditor in the absence of management. The Audit Committee and the Board are pleased to inform the shareholders that, in their opinion, an adequate and effective internal control system is in place.

2) Investment Committee

During the year, the Company sets up an Investment Committee which comprises of four (4) Non Executive Directors (two of whom are independent):

- a) Mr. Salim Abdullah Al Rawas – Chairman
- b) HH Rawan Ahmed Al Said
- c) Mr. Mulham Bashir Al Jarf
- d) Mr. Abdul Kader Darwish Al Balushi

The Board secretary also serves as the secretary to the Investment Committee and the Chief Executive Officer is a permanent invitee to the meeting.

The principle functions and duties of the Investment Committee are as follows:

- To deliberate, review and recommend for approval of the Board on the merits of any new businesses to be set up or acquired or any investment proposal submitted to the Company.
- To carry out any other functions as may be delegated and authorised by the Board.

There is no Investment Committee meeting held during the year.

MANAGEMENT & REMUNERATION

Recruitment and remuneration of the CEO is finalised by the Board or a sub-committee of the Board.

With respect to the selection of the key executives (other than contractors), a selection process applied within the Company is used. The job of each executive and each other salaried employee of the Company is assigned an internal “job level” designation, based on the person’s duties and responsibilities, the degree of special skill and knowledge required and other similar factors. Each job level is assigned a job rate. This job rate is determined with reference to surveys and other conditions. This system is in widespread use within the

industry and adjusted from time to time. The same applies for evaluation of staff where a comprehensive performance appraisal system is implemented.

The remuneration package of executives, other than those recruited as contractors, is made up of basic salary, annual bonus, contributions to Provident Fund/PASI and additional allowances and perquisites. The annual bonus is determined with reference to the extent of achievements against challenging performance targets. The targets taken into account include financial, operational, social and environmental objectives. Table 5 lists the names of the current senior management team.

Table 5: Senior Management Team

Name	Designation	Age	Qualification	Date of Joining the Company
Omar Ahmed Salim Qatan	Chief Executive Officer	55	Msc (Engineering) , MBA	1-Apr-06
Ahmad Kamel Mahmud	General Manager - Aviation & Marine	44	BSc in Mechanical Engineering	16-Dec-08
Aminurddin Bin Abdul Jalil	Senior General Manager - Sales & Marketing	44	MBA (Mktg), BBA (Political Science)	3-Feb-07
Raja Shahreen Othman	General Manager - Finance & Accounts	42	B.Com, CA, CPA	1-Nov-07

Faisal Abdulaziz Said Al Shanfari	General Manager – Engineering, Operations and HSSE	38	B.Eng (Mechanical)	11-Feb-08
Nabeel Salim Said Al Ruwaidhi	General Manager - Business Plan Dev & Corporate Affairs	36	B.Eng (Civil), M.Eng (Industrial)	6-Oct-08
Mohammed Amor Rashid Al Barwani	General Manager - HR, Admin, IT & Systems Optimisation	43	B.Eng (Electronics & Computer)	1-Dec-08
Hussain Jama Al Ishaqi	General Manager – Retail	41	MBA & MSc in Geographic Information for Development (GID	1-Oct-07

During the year 2009 the total cost of the top five executives of the Company was approximately RO 395,685/- (Bonus for 2008 paid in 2009 is included in this figure)

SHAREHOLDERS

(a) Means of communication with shareholders and investors

The Company has its own website and all vital information relating to the Company, its business and performance, including quarterly results and official press releases which are posted for all interested parties. The Company's website address is www.oomco.com. The detailed and full set of quarterly results are also posted on the Muscat Securities Market (MSM) website www.msm.gov.om as also made available to any shareholder requesting the same to the Company or the MSM.

The summary of quarterly, half-yearly and annual results of the Company's performance together with the Director's report outlining the business performance, current issues and concerns as also other communication to shareholders (notice of general meetings, dividend payment) are published in leading newspapers such as Times of Oman and Al Watan. The Directors scrutinise these announcements at their Board meetings prior to publication to ensure that they are accurate and present a clear assessment of the Company's affairs.

Furthermore, the Company entertains specific meetings with analysts and shareholders, upon request and as appropriate.

(b) Dividend policy

The Company's dividend policy is to remit the optimum amount of profit, in any operating year, to shareholders. If, in accordance with the business plans, funds and profits were likely to be available, the Company would like to pay a dividend. In line with this policy, the Company is expected to pay a dividend for the year 2009 in April 2010. The dividend payout would take into account major investment plans, working capital requirements or other constraints.

(c) Details of non-compliance by the Company

The Company has been fully compliant with all matters relating to the capital market and the listing arrangements and no penalties or strictures have been imposed on the Company by the CMA/MSM or any statutory authority during the period of this report.. The Company is also in full compliance with the Corporate Governance Code.

(d) General body meetings

The Company's Annual Report together with the Notice cum Agenda for the Annual General Meeting (AGM) contain sufficient written clarifications on each item on the

agenda of the AGM so that shareholders are suitably briefed on matters that are to be discussed to enable their effective participation thereat. The Directors encourage shareholders to attend and participate in the Annual General Meeting. Questions posed are, where possible, answered in detail either at the General Meeting itself or thereafter. Shareholders are welcomed to raise queries by contacting the Company at any time throughout the year and not just at the General Meetings.

Details of the last three Annual General Meetings are given in Table 6.

Table 6: Date, time and venue of the last three AGMs

Financial year (ended)	Date	Time	Venue
31 st December 2006	24 th March 2007	4.00 PM	Businessmen Hall, Capital Market Authority Building, Central Business District
31 st December 2007	22 nd March 2008	4.00 PM	Businessmen Hall, Capital Market Authority Building, Central Business District
31 st December 2008	31 st March 2009	4.00 PM	Businessmen Hall, Capital Market Authority Building, Central Business District

The Annual General Meeting for the financial year ended December 31st 2009 is scheduled to be held as per details below:

Date : March 31st 2010

Venue : Sindbad ballroom at Crown Plaza Hotel, Qurum.

Time : 12.00 PM

(e) Stock Data

Table 7 gives the monthly high and low prices and volumes of Oman Oil Marketing company (omanoil) shares at the Muscat Securities Market (MSM) for the year ended December 31st 2009.

Table 7: Monthly share price data and volumes at the Muscat Securities Market (MSM)

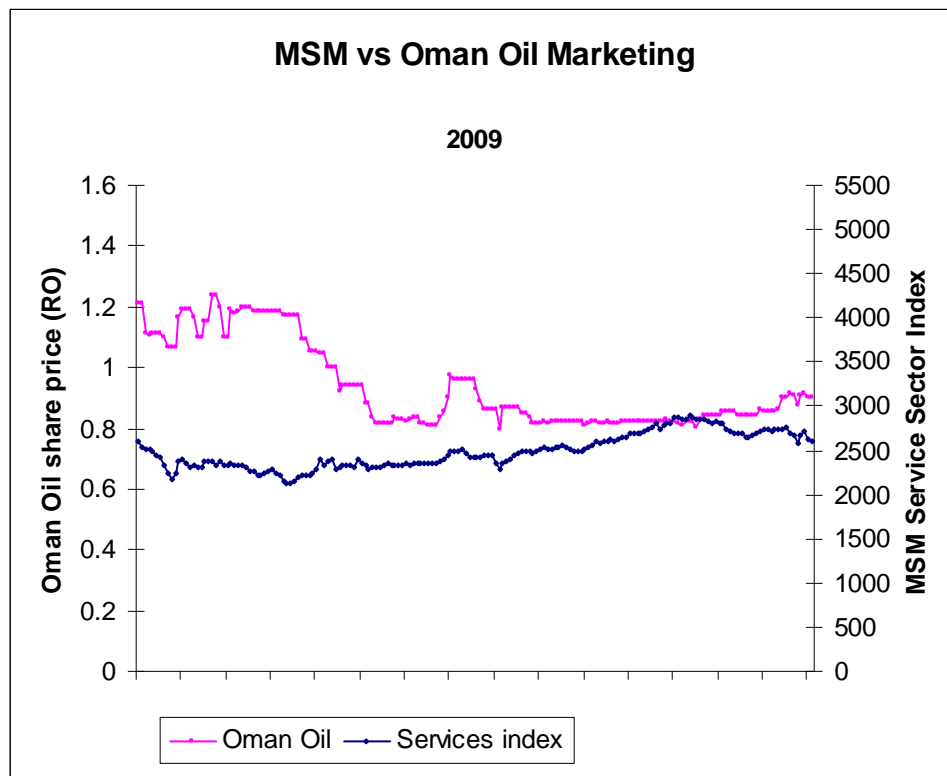
Month 2009	High	Low	Volume
January	1.194	1.050	304,781
February	1.263	1.100	365,100
March	1.210	1.067	86,227
April	1.200	0.900	161,658
May	0.960	0.802	307,005
June	0.994	0.800	909,062
July	0.926	0.777	859,584
August	0.850	0.780	210,951
September	0.840	0.810	232,500
October	0.870	0.800	1,652,942
November	0.925	0.820	182,058
December	0.920	0.870	552,980

Note: High and low are in Rial Omani per traded share. Volume is the total monthly volume of trade (in numbers) in Oman Oil Marketing shares on the MSM.

Performance in comparison to broad based service sector index of Muscat Securities Market

Chart A plots the performance of the Company's shares against the broad based Services sector index of the Muscat Securities Market (MSM) for the year 2009.

Chart A: MSM Service Sector Index vs. Oman Oil Marketing in 2009



Distribution of shareholding

Oman Oil Company SAOC holds 49% of the shares, whereas 51% of the shares are held by local investors or traded at the Muscat Securities Market. In line with the Commercial Companies Law and the Company's Articles of Association, 3,225,000 shares of the Company have a preferential characteristic, in that they are multi-vote shares. Oman Oil Company owning these multi-vote shares thereby is able to cast 34,830,000 votes (51.4%) at the General Meetings of the Company. However, this will not itself enable them to control an Extraordinary General Meeting of the Company. Table 8 gives the distribution pattern of shareholding of Oman Oil Marketing Company (omanoil) as on December 31st, 2009 whilst Table 9 lists the names of the top ten shareholders in the Company on the same date with the number of shares owned and percentage age of holding (*the top ten shareholders are determined based on holdings in single account and not multiple accounts*).

Table 8: Distribution of shareholding by size class as on December 31st 2009

	Shareholders		Shares	
Holdings	Number	% of Total	Number	% to Total
Up to 5000	912	75.6	1,372,746	2.1
5,001 - 10,000	121	10.0	894,083	1.4
10,001 - 20,000	39	3.2	574,760	0.9
20,001 - 30,000	22	1.8	558,029	0.9
30,001 - 40,000	15	1.2	511,516	0.8
40,001 - 50,000	11	0.9	499,845	0.8
50,001 - 100,000	31	2.6	2,247,498	3.5
100,001 - 200,000	13	1.1	1,656,777	2.6
200,001 - 300,000	25	2.1	6,656,596	10.3
300,001 - 500,000	6	0.5	2,413,981	3.7
500,001 - 1,000,000	6	0.5	4,414,065	6.8
1,000,001 - 2,000,000	3	0.2	3,846,171	6.0

2,000,001 and above	3	0.2	38,853,933	60.2
Total	1,207	100.0	64,500,000	100.0

Table 9: Top 10 shareholders as on 31st December 2009

Holdings	Shares	
	Number	% to Total
Oman Oil Company SAOC	31,605,000	49.00
Civil Services Pension Fund	4,023,933	6.24
Dhofar International Development & Investment Holding Co SAOG	3,225,000	5.00
Public Authority for Social Insurance	1,406,690	2.18
Oman Cement Co SAOG	1,237,190	1.92
BankMuscat SAOG	1,202,291	1.86
HSBC A/C Ministry of Defense Pension Fund	959,045	1.49
National Equity fund	888,487	1.38
Royal Guard Oman Pension Fund	678,823	1.05
Dhofar Bank SAOG	676,623	1.05
Total	45,903,082	71.17

Outstanding GDRs/ADRs/Warrants/Convertible instruments and their impact on equity

Not applicable for Oman Oil Marketing Company (omanoil)

Unclaimed Dividends

Under the Commercial Companies Law and CMA guidelines, dividends that are unclaimed for a period of more than six months from the date of payment statutorily get transferred

to the Investor Trust Fund administered by the Capital Market Authority. Table 10 gives the details of dividend payment since 2000 and the corresponding months when such unclaimed dividends were transferred to the stated Fund. The Company has no unclaimed dividends. All claims subsequent to the date of transfer for dividends not received need to be referred to the Muscat Depository and Securities Registration Company.

Table 10: Details of unclaimed dividend transferred to the Investor Trust Fund

Rial Omani

Year	Dividend				Month of transfer
	%	Total Amount	Amount Claimed	Unclaimed & transferred Amount	
2000	22	1,419,000	1,412,344	6,656	March-04
2001	25	1,612,500	1,601,071	11,429	March-04
2002	25	1,612,500	1,604,414	8,086	March-04
2003	26	1,677,000	1,662,844	14,156	January-05
2004	30	1,935,000	1,925,685	9,315	October-05
2005	45	2,902,500	2,893,469	9,031	October-06
2006	47.5	3,063,750	3,040,022	23,728	October-07
2007	47.5	3,063,750	3,039,924	23,826	October-08
2008	35.0	2,257,500	2,251,143	6,357	October-09
Total		19,543,500	19,430,916	112,584	

AUDITOR'S REPORT ON FACTUAL FINDINGS ON CORPORATE GOVERNANCE

As required, the Auditors' have issued a separate report on Factual Findings on the Company's Corporate Governance Report and application of corporate governance practices and which is annexed to this report.

ACKNOWLEDGEMENT BY THE BOARD

As required by the code of corporate governance the board of directors hereby confirm the following:

- That it is the responsibility of the Board to ensure that the financial statements are in accordance with applicable standards and rules
- That the internal control systems are adequate and efficient and that it has complied with all internal rules and regulations
- That there is no material items that effect the continuation of the company and its ability to continue its operations during the next financial year

Salim Abdullah Al Rawas
Chairman

Omar Ahmed Salim Qatan
CEO