ADVANCED PETROCHEMICAL COMPANY
(SAUDI JOINT STOCK COMPANY)

FINANCIAL STATEMENTS AND AUDITORS' REPORT
YEAR ENDED DECEMBER 31, 2010

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AUDITORS' REPORT

To the stockholders
Advanced Petrochemical Company
Dammam, Saudi Arabia.

Scope of Audit

We have audited the balance sheet of Advanced Petrochemical Company ("a Saudi Joint Stock Company"), as of December 31, 2010 and the related statements of income, stockholders' equity and cash flows for the year then ended, and notes 1 to 20 which form an integral part of these financial statements as prepared by the Company in accordance with Article 123 of the Regulations for Companies and presented to us with all the necessary information and explanations. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Unqualified Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2010, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting standards appropriate to the nature of the Company, and comply with the relevant provisions of the Regulations for Companies and the articles of the Company as these relate to the preparation and presentation of these financial statements.

Deloitte & Touche
Bakr Abulkhair & Co.

Nasser M. Al-Sagga
License No. 322
8 Safar, 1432
January 12, 2011

ADVANCED PETROCHEMICAL COMPANY
(SAUDI JOINT STOCK COMPANY)

BALANCE SHEET
AS OF DECEMBER 31, 2010

	Note	**2010 SR**	2009 SR
ASSETS			
Current assets			
Cash and cash equivalents	3	**456,614,085**	296,254,452
Short term investments		**-**	12,306,572
Trade receivables		**174,190,284**	271,896,345
Other receivables, advances and prepayments	4	**23,253,918**	31,522,862
Inventories	5	**165,909,731**	221,185,620
Total current assets		**819,968,018**	833,165,851
Non-current assets			
Property, plants and equipment	6	**2,418,666,920**	2,497,900,480
Intangible assets	7	**110,873,143**	82,735,690
Long term receivable	8	**15,000,000**	-
Total non-current assets		**2,544,540,063**	2,580,636,170
TOTAL ASSETS		**3,364,508,081**	3,413,802,021
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Accounts payable and other liabilities	9	**276,869,894**	261,434,464
Current portion of long term loans	10	**165,000,000**	140,000,000
Short term loan	10	**93,750,000**	93,750,000
Dividend payable		**1,571,518**	872,539
Total current liabilities		**537,191,412**	496,057,003
Non-current liabilities			
Long term loans	10	**1,005,000,000**	1,240,000,000
End-of-service indemnities	11	**11,007,957**	7,361,837
Total non-current liabilities		**1,016,007,957**	1,247,361,837
Stockholders' equity			
Share capital	1	**1,413,750,000**	1,413,750,000
Statutory reserve	16	**66,949,704**	34,117,989
Retained earnings	1	**330,609,008**	222,515,192
Total stockholders' equity		**1,811,308,712**	1,670,383,181
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		**3,364,508,081**	3,413,802,021

KHALIFA A. AL-MULHEM	ABDULLAH M. AL-GARAWI	FAHAD A. AL-MIS'HAL
Chairman of the Board	President & CEO	VP-Finance & Marketing, CFO

The accompanying notes form an integral part of these financial statements

STATEMENT OF INCOME
YEAR ENDED DECEMBER 31, 2010

	Note	**2010 SR**	2009 SR
Sales		**2,030,960,607**	1,466,827,746
Cost of sales		**(1,635,461,298)**	(1,262,451,367)
Gross profit		**395,499,309**	204,376,379
Selling and distribution expenses	13	**18,900,136**	16,733,279
General and administrative expenses	14	**18,427,213**	14,705,019
Operating income		**358,171,960**	172,938,081
Finance charges		**(32,233,221)**	(47,829,357)
Other income		**2,378,409**	2,015,189
NET INCOME		**328,317,148**	127,123,913
Earnings per share (note 17)			
Earnings per share from net income		**2.32**	0.90
Earnings per share from continuing main operations		**2.30**	0.89
Earnings per share from other operations		**0.02**	0.01
Weighted average number of shares		**141,375,000**	141,375,000

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Chairman of the Board	President & CEO	VP-Finance & Marketing, CFO

ADVANCED PETROCHEMICAL COMPANY
(SAUDI JOINT STOCK COMPANY)

STATEMENT OF STOCKHOLDERS' EQUITY
YEAR ENDED DECEMBER 31, 2010

	Note	Share capital SR	Statutory reserve SR	Retained Earnings SR	Total SR
January 1, 2009	1	1,413,750,000	21,405,598	182,290,271	1,617,445,869
Net income for the year		-	-	127,123,913	127,123,913
Transfer to statutory reserve	16	-	12,712,391	(12,712,391)	-
Dividends	1	-	-	(70,687,500)	(70,687,500)
Zakat and income tax for the year	12	-	-	(3,499,101)	(3,499,101)
December 31, 2009		1,413,750,000	34,117,989	222,515,192	1,670,383,181
Net income for the year		-	-	**328,317,148**	**328,317,148**
Transfer to statutory reserve	16	-	**32,831,715**	**(32,831,715)**	-
Dividends	1	-	-	**(176,718,750)**	**(176,718,750)**
Zakat and income tax for the year	12	-	-	**(10,672,867)**	**(10,672,867)**
December 31, 2010		**1,413,750,000**	**66,949,704**	**330,609,008**	**1,811,308,712)**

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Chairman of the Board	President & CEO	VP-Finance & Marketing, CFO

ADVANCED PETROCHEMICAL COMPANY
(SAUDI JOINT STOCK COMPANY)

STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31, 2010

	2010 SR	2009 SR
OPERATING ACTIVITIES		
Net income	**328,317,148**	127,123,913
Adjustments for:		
Depreciation and amortization	**211,426,326**	184,081,795
Finance charges	**32,233,221**	47,829,357
End-of-service indemnities	**4,675,353**	2,820,745
Loss on sale of property and equipment	**11,096**	-
Changes in:		
Trade receivables, other receivables, advances, prepayments and long term receivables	**90,975,005**	61,400,418
Inventories	**14,275,889**	(26,533,385)
Accounts payable and other liabilities	**16,634,423**	87,492,652
Cash from operating activities	**698,548,461**	484,215,495
End-of-service indemnities paid	**(1,029,233)**	(826,424)
Finance charges paid	**(33,396,910)**	(47,829,357)
Zakat and income tax paid	**(10,708,171)**	(1,236,507)
Net cash from operating activities	**653,414,147**	434,323,207
INVESTING ACTIVITIES		
Short term investments	**12,306,572**	(12,306,572)
Additions to property, plants and equipment	**(40,388,085)**	(10,757,018)
Increase in intangible assets	**(78,958,230)**	(22,807,573)
Proceeds from sale of property and equipment	**5,000**	-
Net cash used in investing activities	**(107,034,743)**	(45,871,163)
FINANCING ACTIVITIES		
Drawdown of short term loan	**93,750,000**	-
Repayment of short term loan	**(93,750,000)**	(93,750,000)
Repayment of long term loans	**(210,000,000)**	(145,000,000)
Dividends paid	**(176,019,771)**	(69,814,961)
Net cash used in financing activities	**(386,019,771)**	(308,564,961)
Net change in cash and cash equivalents	**160,359,633**	79,887,083
Cash and cash equivalents, beginning of the year	**296,254,452**	216,367,369
CASH AND CASH EQUIVALENTS, DECEMBER 31	**456,614,085**	296,254,452
Non-cash transactions		
Fixed type catalyst transferred from inventory to property, plants and equipments	**(41,000,000)**	-

KHALIFA A. AL-MULHEM	ABDULLAH M. AL-GARAWI	FAHAD A. AL-MIS'HAL
Chairman of the Board	President & CEO	VP-Finance & Marketing, CFO

The accompanying notes form an integral part of these interim financial statements

1. ORGANIZATION AND ACTIVITIES

Advanced Petrochemical Company (formerly Advanced Polypropylene Company) ("the Company") is a Saudi Joint Stock Company, registered in Saudi Arabia under commercial registration number 2050049604 dated 27 Sha'ban, 1426H (October 1, 2005). The share capital of the Company is SR 1,413,750,000, divided into 141,375,000 shares of SR 10 each. The Company's registered head office is at Dammam, Saudi Arabia.

In December, 2009 the Board of Directors ("BOD") of the Company proposed final dividend of SR 70.70 million, which was approved by stockholders in the general assembly meeting held on March 9, 2010.

In June 2010 the Board of Directors of the Company approved interim dividend of SR 106 million (2009: SR 70.7 million) and dividend payments commenced in August 2010. In December 2010, the Board of Directors of the Company resolved to recommend to the stockholders in the next general assembly meeting to pay a cash dividend for second half of 2010 of SR 141.4 million (2009: SR 70.6 million). After this recommendation, the total dividend for 2010 will become SR 247.4 million (2009: SR 141.2 million).

The principal activity of the Company is to manufacture polypropylene.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with the accounting standards issued by the Saudi Organization for Certified Public Accountants. The following is a summary of significant accounting policies applied by the Company:

Accounting convention
The financial statements are prepared under the historical cost convention.

Use of estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

Revenue recognition
For international markets, all products are sold to the marketers, while for local markets (Saudi Arabia and GCC countries) the products are sold through the Company. Upon delivery to the marketers, sales are recorded at provisional sales prices that are later adjusted based upon actual selling prices received by the marketers from third parties, after deducting the costs of shipping and marketing fees etc. Adjustments are made, as they become known to the Company. Sales in local markets are recognized upon delivery of products to customers.

Expenses
Selling and distribution expenses principally comprise of costs incurred in the distribution and sale of the Company's products. All other expenses are classified as general and administrative expenses.

General and administrative expenses include direct and indirect costs not specifically part of production costs as required under generally accepted accounting principles. Allocations between general and administrative expenses and cost of sales, when required, are made on a consistent basis.

Inventories
Inventories are stated at the lower of cost or net realizable value. Cost is determined for work in progress and finished goods, on a weighted average cost basis and includes cost of materials, labor and an appropriate proportion of direct overheads. All other inventories are valued on a weighted average cost basis.

Short term investments
Short term investments represent Islamic investments with maturities of less than 12 months from the balance sheet date.

Property, plants and equipment
Property, plants and equipment are stated at cost less accumulated depreciation. Expenditure on maintenance and repairs is expensed, while expenditure for betterment is capitalized. Depreciation is provided over the estimated useful lives of the applicable assets using the straight-line method. The estimated useful lives of the assets are as follows:

	Years
Plants	20
Capital spare parts	20
Buildings	33
Machinery and equipment	10
Furniture, fixtures and office equipment	4-8
Catofin catalysts	2-8
Laboratory and safety equipment	5
Vehicles	4
Leasehold improvements	10

Capital spare parts
Capital spare parts that are considered essential to ensure continuous plants operation, are classified under property, plants and equipment, and are depreciated using the straight line method in accordance with applicable rates. Spare parts are capitalized if they are not readily available in the market or unavailable, and their manufacturing requires an extended time to complete.

Intangible assets
Intangible assets comprise of establishment costs, listing costs and expenses incurred prior to commencement of commercially viable production which is expected to provide benefits in future periods. These costs also include plants testing and commissioning costs net of any proceeds from sale of off-spec production during the testing phase. Intangible assets are amortized over a period not exceeding seven years.

Planned turnaround costs are deferred and amortized over the period until the date of the next planned turnaround. Should an unexpected turnaround occur prior to the previously envisaged date of planned turnaround, then the previously unamortized deferred costs are immediately expensed and the new turnaround costs are amortized over the period likely to benefit from such costs.

Impairment
At each balance sheet date, the Company reviews the carrying amounts of its property, plants and equipment and intangible asset, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately.

No impairment loss has been recognized from inception till December 31, 2010.

End-of-service indemnities
End-of-service indemnities, required by Saudi Arabian Labor Law, are provided in the financial statements based on the employees' length of service.

Foreign currency translation
Transactions denominated in foreign currencies are translated into Saudi Riyals at exchange rates prevailing on the dates of such transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Saudi Riyals at exchange rates prevailing at the balance sheet date. Exchange gains or losses are credited or charged to statement of income.

Zakat and income tax
The Company is subject to the Regulations of the Department of Zakat and Income Tax (“DZIT”) in the Kingdom of Saudi Arabia. Zakat and income tax are provided on an accrual basis and charged to retained earnings. The zakat charge is computed on the Saudi stockholders’ share in the zakat base. Income tax is computed on the foreign stockholders’ share in the adjusted net income. Any difference in the estimate is recorded when the final assessment is approved, at which time the provision is cleared.

Leasing
Leases are classified as capital leases whenever the terms of the lease transfer substantially all of the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Rentals payable under operating leases are charged to statement of income on a straight-line basis over the term of the operating lease.

Borrowing costs
Borrowing costs directly attributable to the projects under construction are added to the cost of that asset until such time as the asset is ready for its intended use. Investment income earned on temporary investment of specific borrowings pending their expenditure on the project under construction is deducted from the borrowing costs eligible for capitalization.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and bank balances, demand deposits, and highly liquid investments with original maturity of three months or less. As at December 31, 2010 and 2009, cash and cash equivalents consist of cash and bank balances and Islamic investments of SR 283 million (2009: SR 186 million).

4. OTHER RECEIVABLES, ADVANCES AND PREPAYMENTS

	2010 SR	2009 SR
Advances to suppliers	**3,540,510**	15,906,037
Prepayments	**8,153,573**	7,865,475
Deposits	**6,123,199**	2,433,323
Others	**5,436,636**	5,318,027
	23,253,918	31,522,862

5. INVENTORIES

	2010 SR	2009 SR
Finished goods	**70,826,291**	108,678,931
Semi finished goods	**15,861,758**	6,473,956
Spare parts	**52,723,280**	40,415,121
Catalyst	**17,485,515**	52,143,481
Others	**9,012,887**	13,474,131
	165,909,731	221,185,620

The spare parts inventory primarily relates to plants and machinery and accordingly, this inventory is expected to be utilized over a period exceeding one year.

6. PROPERTY, PLANTS AND EQUIPMENT

	Plants SR	Capital spare parts SR	Buildings SR	Machinery & equipment SR	Furniture, fixtures & office equipment	Catalyst SR	Laboratory & safety equipment SR	Vehicles SR	Leasehold improvements SR	Total SR
Cost										
January 1, 2010	2,597,288,132	33,984,636	50,141,306	12,685,349	6,559,924	39,774,531	14,323,077	3,268,712	232,492	2,758,258,159
Additions	**27,165,013**	**1,412,709**	**5,084,187**	**4,250,708**	**105,290**	**42,244,654**	**384,524**	**741,000**	**-**	**81,388,085**
Disposals	-	-	-	**(25,385)**	-	-	-	-	-	**(25,385)**
December 31, 2010	**2,624,453,145**	**35,397,345**	**55,225,493**	**16,910,672**	**6,665,214**	**82,019,185**	**14,707,601**	**4,009,712**	**232,492**	**2,839,620,859**
Depreciation										
January 1, 2010	216,261,064	2,761,675	3,166,884	2,277,905	1,698,459	27,733,843	5,339,716	1,053,357	64,776	260,357,679
Charge for year	**130,529,650**	**1,769,715**	**2,123,265**	**2,716,134**	**1,088,722**	**17,980,247**	**3,636,674**	**737,183**	**23,959**	**160,605,549**
Disposals	-	-	-	**(9,289)**	-	-	-	-	-	**(9,289)**
December 31, 2010	**346,790,714**	**4,531,390**	**5,290,149**	**4,984,750**	**2,787,181**	**45,714,090**	**8,976,390**	**1,790,540**	**88,735**	**420,953,939**
Net book value										
December 31, 2010	**2,277,662,431**	**30,865,955**	**49,935,344**	**11,925,922**	**3,878,033**	**36,305,095**	**5,731,211**	**2,219,172**	**143,757**	**2,418,666,920**
December 31, 2009	2,381,027,068	31,222,961	46,974,422	10,407,444	4,861,465	12,040,688	8,983,361	2,215,355	167,716	2,497,900,480

The Company has leased land for plants and buildings from the Royal Commission for Jubail and Yanbu at a nominal rent. The lease is for a term of 30 years, effective 9 Jumada'I 1426H (June 16, 2005) and is renewable for a similar period under mutually agreed terms and conditions.

7. INTANGIBLE ASSETS

	2010 SR	2009 SR
January 1, 2010	**120,270,713**	97,463,140
Additions	**78,958,230**	22,807,573
December 31, 2010	**199,228,943**	120,270,713
Amortization		
January 1, 2010	**37,535,023**	9,282,204
Charge for year	**50,820,777**	28,252,819
December 31, 2010	**88,355,800**	37,535,023
Net book value		
December 31, 2010	**110,873,143**	82,735,690

8. LONG TERM RECEIVABLE

This represents portion of the share purchase cost, which under the Employee Share Ownership Program (ESOP) will be repaid to the Company over a period of time by the employees eligible for ESOP. The detailed implementation guidelines and rules of the plan have not yet been finalized by the Company. The Company at no point becomes the legal owner of these shares.

9. ACCOUNTS PAYABLE AND OTHER LIABILITIES

	2010 SR	2009 SR
Accounts payable	**127,318,760**	117,559,129
Accrued expenses	**132,978,447**	131,768,163
Advances from customers	**5,013,778**	-
Provision for zakat and income tax (note 12)	**11,458,259**	11,493,563
Retention payables	**100,650**	613,609
	276,869,894	261,434,464

10. BANK FACILITIES

Short term loan	**2010 SR**	2009 SR
Short term loan	**93,750,000**	93,750,000

The Company has obtained a short term working capital facility-Tawarq from a local bank of US$ 50 million (2009: US$ 50 million), equivalent to SR 187.5 million (2009: SR 187.5 million), which carries interest at LIBOR plus a margin and is renewable annually.

Long term loans	**2010 SR**	2009 SR
Saudi Industrial Development Fund ("SIDF") loan	**295,000,000**	380,000,000
Less: current portion	**40,000,000**	15,000,000
	255,000,000	365,000,000
GIB Murabaha	**875,000,000**	1,000,000,000
Less: current portion	**125,000,000**	125,000,000
	750,000,000	875,000,000
December 31	**1,005,000,000**	1,240,000,000

The Saudi Industrial Development Fund granted a loan to the Company for SR 400 million. This loan is secured by personal and corporate guarantees of some key shareholders and a mortgage on all present and future assets of the Company. The loan is payable in 13 unequal semi annual installments commencing 15 Sha'aban, 1431H (July 27, 2010). The loan agreement includes covenants to maintain financial ratios and restriction on capital expenditure during the loan period. SIDF charged a front-end fee of SR 28 million.

During 2007, the Company entered into a commercial facilities agreement (CFA) wherein the investment agent (Gulf International Bank) agreed to make to the purchaser (the Company) the facilities to finance the purchase of commodities from the nominated suppliers. On May 22, 2007, the agreement was transferred into a Murabaha agreement in order to be a Shar'iah compliant facility. The total Murabaha agreement is US$ 330 million (SR 1,238 million) comprising of a total facility of US$ 300 million (SR 1,125 million) and the total standby facility of US$ 30 million. The facility will be repaid in 18 successive equal semi annual installments where the first repayment date is the date falling 6 months after the project completion date or the date falling 18 months after the scheduled project completion date.

11. END OF SERVICE INDEMNITIES

	2010 SR	2009 SR
Opening balance	**7,361,837**	5,367,516
Provision for the year	**4,675,353**	2,820,745
Utilization of provision	**(1,029,233)**	(826,424)
December 31	**11,007,957**	7,361,837

12. ZAKAT AND INCOME TAX

The principal elements of the zakat base are as follows:

	2010 SR	2009 SR
Non-current assets	**2,544,540,063**	2,580,636,170
Non current liabilities	**1,016,007,957**	1,247,361,837
Share capital	**1,413,750,000**	1,413,750,000
Net income	**328,317,148**	127,123,913
Dividends paid	**176,019,771**	69,814,961
Spare parts	**52,723,280**	40,415,121

Some of these amounts have been adjusted in arriving at the zakat charge for the year.

The movement in zakat and income tax provision is as follows:

	2010 SR	2009 SR
Zakat		
Opening balance	**11,493,563**	9,230,969
Provision for the year	**11,109,510**	3,318,594
Over provision for prior year	**(785,392)**	-
Paid during the year	**(10,708,171)**	(1,056,000)
December 31	**11,109,510**	11,493,563

	2010 SR	2009 SR
Income tax		
Provision for the year	**348,749**	-
Under provision for prior year	-	180,507
Paid during the year	-	(180,507)
December 31	**348,749**	-

The charge for the year for zakat and income tax is as follows:

	2010 SR	2009 SR
Zakat for the current year	**11,109,510**	3,318,594
Income tax for the current year	**348,749**	-
Over provision for zakat in prior year	**(785,392)**	-
Under provision for income tax in prior year	-	180,507
Charged to retained earnings	**10,672,867**	3,499,101

Outstanding assessments
The Company has submitted its zakat and income tax returns up to the year ended December 31, 2009, settled zakat and income tax as per the return and obtained the required certificates and official receipts.

13. SELLING AND DISTRIBUTION EXPENSES

	2010 SR	2009 SR
Terminal and handling expenses	**18,555,690**	16,731,590
Others	**344,446**	1,689
	18,900,136	16,733,279

14. GENERAL AND ADMINISTRATIVE EXPENSES

	2010 SR	2009 SR
Salaries and related benefits	**12,753,148**	8,223,725
Professional charges	**2,044,418**	4,188,143
Depreciation	**662,677**	288,241
Rent expenses	**175,979**	169,404
Others	**2,790,991**	1,835,506
	18,427,213	14,705,019

15. OPERATING LEASE CONTRACT

The Company has leased land from the Royal Commission for Jubail and Yanbu, for building the plants and other facilities at an annual rent of SR 0.6 million. This lease expires in the 1456H, with an option for renewal.

Commitments for minimum lease payments under non-cancelable operating leases are as follows:

	2010 SR	2009 SR
Not later than one year	**650,335**	650,335
Year two	**650,335**	650,335
Year three	**650,335**	650,335
Year four	**650,335**	650,335
Year five	**650,335**	650,335
Later than five years	**13,657,025**	14,307,360
Net minimum lease payments	**16,908,700**	17,559,035

16. STATUTORY RESERVE

In accordance with Regulations for Companies in Saudi Arabia and articles of association, the Company has established a statutory reserve by the appropriation of 10% of net income until the reserve equals 50% of the share capital. This reserve is not available for dividend distribution.

17. EARNINGS PER SHARE

Earnings per share are computed by dividing net income for the year by the weighted average number of shares outstanding during the year ended December 31, 2010 amounting to 141.4 million shares (2009: 141.4 million shares).

Earnings per share from the continuing main operations are computed by dividing the operating income for the year by the weighted average number of shares outstanding.

Earning per share from other operations is computed by dividing the other income for the year by the weighted average number of shares outstanding.

18. CONTINGENCIES

	2010	2009
	SR	SR
Letters of guarantee (in favor of Saudi Aramco for the propane and gas sales supply agreements and others)	**325,387,500**	325,387,500

19. FAIR VALUES

The fair values of the Company's financial assets and liabilities approximate their carrying amounts.

20. COMPARATIVE FIGURES

Certain figures for the year ended December 31, 2009 have been reclassified to conform to the presentation in the current year.