RABIGH REFINING AND PETROCHEMICAL COMPANY
(Saudi Joint Stock Company)

UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month and nine-month period ended 30 September 2008

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REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

The Shareholders
Rabigh Refining & Petrochemical Company
Rabigh, Saudi Arabia

We have reviewed the accompanying interim balance sheet of Rabigh Refining & Petrochemicals Company (the Company) as at 30 September 2008 and the related interim statements of income and cash flows for the three-month and nine-month periods then ended and the attached condensed notes from 1 to 13 which form an integral part of these interim condensed financial statements. These interim condensed financial statements are the responsibility of the Company's management and have been prepared by them and submitted to us together with all the information and explanations which we required. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

We conducted our review in accordance with auditing standard on interim financial reporting issued by the Saudi Organization for Certified Public Accountants. A review is limited primarily to analytical procedures applied to financial data and inquiries of Company personnel responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim condensed financial statements for them to be in conformity with accounting standards generally accepted in the Kingdom of Saudi Arabia appropriate to the circumstances of the Company.

For KPMG Al Fozan & Al Sadhan:

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Jeddah, October 20, 2008G
Corresponding to Shawal 21, 1429H

RABIGH REFINING AND PETROCHEMICAL COMPANY
(Saudi Joint Stock Company)

INTERIM BALANCE SHEET
As at 30 September 2008
(Expressed in Saudi Riyals)

	Note	30 September 2008 (Unaudited)	30 September 2007 (Unaudited)
ASSETS			
Current assets			
Cash and cash equivalents		1,267,381,316	1,591,261,831
Advances to suppliers		175,702,958	383,871,726
Prepayments and other current assets		131,204,734	49,124,693
Total current assets		**1,574,289,008**	**2,024,258,250**
Non-current assets			
Property, plant and equipment	3	570,899,392	--
Construction in progress	4	29,967,719,108	20,544,042,208
Long term investment	5	3,381,321,596	2,178,647,004
Total non–current assets		**33,919,940,096**	**22,722,689,212**
Total assets		**35,494,229,104**	**24,746,947,462**
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable		417,758,325	1,843,857,113
Accrued expenses and other current liabilities		606,474,795	535,382,141
Due to related parties	6	146,500,076	149,843,228
Total current liabilities		**1,170,733,196**	**2,529,082,482**
Non-current liabilities:			
Long-term loans	7	21,900,000,000	16,068,750,000
Loan from founding shareholders	8	2,250,000,000	--
Provision for deferred employee service awards		4,200,000	--
Employees' termination benefits		2,653,879	--
Total non-current liabilities		**24,156,853,879**	**16,068,750,000**
Total liabilities		**25,327,587,075**	**18,597,832,482**
EQUITY			
Share capital	9	8,760,000,000	6,570,000,000
Statutory reserve	9	2,409,000,000	--
Employee Share Ownership Plan	9	(31,500,000)	--
Accumulated losses		(970,857,971)	(420,885,020)
Total Shareholder's equity		**10,166,642,029**	**6,149,114,980**
Total liabilities and equity		**35,494,229,104**	**24,746,947,462**

The accompanying notes 1 to 13 form
an integral part of these financial statements.

RABIGH REFINING AND PETROCHEMICAL COMPANY
(Saudi Joint Stock Company)

INTERIM STATEMENT OF INCOME
For the three-month and nine-month periods ended 30 September 2008
(Expressed in Saudi Riyals)

	Three-month period ended		Nine-month period ended	
	2008	2007	2008	2007
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interest income	1,935,585	314,824	35,525,306	20,155,602
Foreign currency gain/(loss)	135,762	(24,784,872)	5,300,423	(36,519,848)
General and administrative expenses	(157,954,257)	(66,273,657)	(394,267,650)	(229,671,796)
Net loss for the period	**(155,882,910)**	**(90,743,705)**	**(353,441,921)**	**(246,036,042)**
Loss per share (Note 10)	**(0.18)**	**(0.14)**	**(0.41)**	**(0.44)**

The accompanying notes 1 to 13 form
an integral part of these financial statements.

RABIGH REFINING AND PETROCHEMICAL COMPANY
(Saudi Joint Stock Company)

INTERIM STATEMENT OF CASH FLOWS
For the nine-month period ended 30 September 2008
(Expressed in Saudi Riyals)

	30 September 2008 (Unaudited)	30 September 2007 (Unaudited)
Cash flows from operating activities:		
Net loss for the period	(353,441,921)	(246,036,042)
Depreciation	1,050,435	--
Employees' termination benefits provision	2,672,842	--
Provision for deferred employee service awards	4,200,000	--
Changes in operating assets and liabilities:		
Advances to suppliers	245,175,649	519,039,502
Prepayments and other current assets	(40,948,519)	(33,336,499)
Accounts payable	(496,778,220)	1,279,437,544
Accrued expenses and other liabilities	161,028,727	400,259,825
Total adjustments	(477,041,007)	1,919,364,330
Zakat paid	--	(13,086,668)
Employee termination benefits – paid	(18,963)	--
Net cash (used in)/provided by operating activities	(477,059,970)	1,906,277,662
Cash flows from investing activities:		
Property, plant and equipment	(571,949,828)	--
Construction in progress	(6,155,043,979)	(12,703,265,017)
Long term investment	(930,479,985)	(1,847,456,685)
Net cash used in investing activities	(7,657,473,792)	(14,550,721,702)
Cash flows from financing activities:		
Proceeds from issue of share capital (net)	4,567,500,000	3,945,000,000
Long-term loans	2,456,250,000	9,300,000,000
Loan from founding shareholders	2,250,000,000	--
Due to related parties, net of Zakat recovery	(57,789,191)	(1,089,562,128)
Net cash provided by financing activities	9,215,960,809	12,155,437,872
Net increase/(decrease) in cash and cash equivalents	1,081,427,047	(489,006,168)
Cash and cash equivalents at beginning of the period	185,954,269	2,080,267,999
Cash and cash equivalents at end of the period	1,267,381,316	1,591,261,831

The accompanying notes 1 to 13 form
an integral part of these financial statements.

1. GENERAL

1.1 Rabigh Refining and Petrochemical Company ("the Company" or "PetroRabigh") is a company registered in Saudi Arabia under Commercial Registration No. 4602002161 issued from Ministry of Commerce, Jeddah, on 15-08-1426H (September 19, 2005). The Company had been converted into a Joint Stock Company with an increased share capital of SAR 6,570 million under the revised Commercial Registration issued by the Ministry of Commerce, Riyadh with effective date of 22-10-1428H (November 03, 2007).

1.2 The Company launched an Initial Public Offering of 219 million shares, equivalent to 25% of its post-issue enlarged capital, at SAR 21 per share from 5 to 12 January 2008 ("the IPO") based on approval of application for admission of the shares to the Official List by the Capital Market Authority. The net proceeds from the IPO after deducting the offering expenses will be used by the Company to finance its operation. Following the successful IPO, the total authorized capital was increased from 657 million to 876 million shares at a par value of SAR 10 per share under the revised Commercial Registration issued by the Ministry of Commerce, Riyadh with effective date of 14-01-1429H (January 23, 2008).

1.3 The objects for which the Company is formed are the development, construction and operation of an integrated petroleum refining and petrochemical complex, including the manufacturing of refined petroleum products, petrochemical products and other hydrocarbon products.

1.4 These interim condensed financial statements are presented for the nine-month period from 1 January to 30 September 2008, with comparatives for the same nine-month period in 2007. The Company has been in the plant construction and pre-operational phase throughout these periods.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying interim condensed financial statements have been prepared in accordance with the Standard for Interim Financial Information issued by the Saudi Organization for Certified Public Accountants (SOCPA). The accounting policies adopted by the Company for the preparation of these interim condensed financial statements are consistent with those used for the preparation of the annual financial statements. Significant accounting policies adopted by the Company are summarized as follows:

(a) Basis of preparation

The interim condensed financial statements, expressed in Saudi Arabian Riyals, are prepared under the historical cost basis, using the accrual basis of accounting and the going concern concept.

The accompanying interim condensed financial statements include all adjustments comprising mainly of normal recurring accruals considered necessary by the Company's management to present a fair statement of financial position, results of operations and cash flows. These interim condensed financial statements should be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December, 2007.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Interest income

Interest income is recognized on an accrual basis and derived from short term investment placed in time deposits.

(c) Foreign currency

Transactions denominated in foreign currencies are translated into Saudi Riyals at the exchange rates prevailing at the date of the transactions. Differences in exchange rates between liability recognition and settlement dates are recognized as gains or losses in the statement of income. Balances of assets and liabilities in foreign currencies are revalued at prevailing exchange rates as at the balance sheet dates.

(d) Construction in progress

Construction in progress represents expenses incurred for the development, construction and preparation of the Company's integrated petroleum refining and petrochemical complex. All the costs which are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management, including interest on borrowings obtained to finance construction of the plant, are charged to construction in progress.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation. Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of each item of property, plant and equipment. The estimated useful lives are as follow:

	Years
Buildings	25
Plant and Machinery	6– 23
Roads and Infrastructure	15 – 25
Furniture and Fixtures	8
Tools and workshop equipment	5 – 20

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Finance costs on borrowings to finance the construction of the assets are capitalized during the period of time that is required to complete and prepare the asset for its intended use.

Expenditures for maintenance and repairs that do not materially extend the asset's life are included in expenses.

(f) Long-term investment

Long-term investment is recorded at cost.

(g) Employees' termination benefits

Employees' termination benefits, calculated in accordance with labour regulations of the Kingdom of Saudi Arabia, are accrued and charged to the statement of income.

(h) Cash and cash equivalents

Cash and cash equivalents consist of bank balances, cash on hand, and short-term deposits with original maturities of less than three months.

(i) Operating leases

Payments under operating leases are recognized in the statement of income on a straight-line basis over the lease terms.

(j) Zakat and Income Tax

Zakat and income tax are computed in accordance with Saudi Arabian fiscal regulations, are accrued and charged to retained earnings. Any reimbursements of Zakat and income tax from the shareholders are credited to retained earnings.

(Expressed in Saudi Riyals)

3. PROPERTY, PLANT AND EQUIPMENT - NET

	30 September 2008 (Unaudited)	30 September 2007 (Unaudited)
Buildings	101,824,233	--
Plant and Machinery	434,907,091	--
Tools and workshop equipment	21,930,007	--
Roads and Infrastructure	6,443,006	--
Furniture and Fixtures	5,795,055	--
	570,899,392	--

4. CONSTRUCTION IN PROGRESS

	30 September 2008 (Unaudited)	30 September 2007 (Unaudited)
Plants	24,466,966,436	17,635,569,435
Utilities	4,055,070,825	2,326,800,738
Interest on borrowings	1,445,681,847	581,672,035
	29,967,719,108	20,544,042,208

The Company expects to complete the plant construction by end of 2008 within the budgeted total cost of SAR 33 billion.

(Expressed in Saudi Riyals)

5. LONG TERM INVESTMENT

	30 September 2008	30 September 2007
Investment in RAWEC:		
- Equity participation	8,556,484	8,383,043
- Subordinated loans	49,788	--
- Long term loans	3,372,715,324	2,170,263,961
	3,381,321,596	2,178,647,004

The amount represents total drawdown as of 30 September 2008 and 30 September 2007 respectively for 1% equity on Rabigh Arabian Water and Electric Company ("RAWEC") based on Shareholders' Agreement and Equity Support Agreement. In addition, the Company provides loan finance under a Facilities Agreement.

6. DUE TO RELATED PARTIES

	30 September 2008	30 September 2007
Saudi Arabian Oil Company	63,593,899	98,870,367
Sumitomo Chemicals Company	82,906,177	50,972,861
	146,500,076	149,843,228

The above balances result principally from payments made by the founding shareholders on behalf of the Company in respect of seconded employees and other charges.

(Expressed in Saudi Riyals)

7. LONG TERM LOANS

The Company has entered into loan facility agreements, secured through guarantees of the founding shareholders, with various commercial banks and financial institutions in order to finance approximately 60% of the estimated costs of the Rabigh Development Project. The total facilities available under these term loan agreements and the amounts drawn down at each interim balance sheet date are:

	Total Facility	At 30 September 2008	At 30 September 2007
Japan Bank for International Cooperation	9,375,000,000	9,375,000,000	9,375,000,000
Commercial banks	6,525,000,000	6,525,000,000	6,150,000,000
Public Investment Fund	3,750,000,000	3,750,000,000	168,750,000
Islamic financial institutions	2,250,000,000	2,250,000,000	375,000,000
	21,900,000,000	21,900,000,000	16,068,750,000

The financing agreements include certain covenants, which, among other things, require certain financial ratios to be maintained. Repayments under the loan facilities are expected to commence in 2009 and will run up to 2021.

8. LOAN FROM FOUNDING SHAREHOLDERS

	30 September 2008 (Unaudited)	30 September 2007 (Unaudited)
Saudi Arabian Oil Company	1,125,000,000	--
Sumitomo Chemical Company	1,125,000,000	--
	2,250,000,000	--

8. LOAN FROM FOUNDING SHAREHOLDERS (continued)

Additional loans secured by the Company from the founding shareholders are availed of as part of the existing credit facility for the development, design, construction and operation of the project. Repayment of the principal and the accrued commission to the founding shareholders shall be made after December 2009 when the first repayment to the commercial banks and financial institutions' has been made as referred to in Note 7.

9. SHARE CAPITAL, STATUTORY RESERVE AND DIVIDENDS

The Company's share capital of SR 8.76 billion at 30 September 2008 (2007: SR 6.57 billion) consists of 876 million fully paid and issued shares of SR 10 each (2007: 657 million shares of SR 10 each).

The proceeds of the IPO issue of new shares at SR 21 per share have resulted in a share premium amount of SR 2,409 million, which has been transferred to Statutory Reserve in accordance with the Company's Articles of Association.

The Board of Directors has approved the implementation and operation of an Employee Share Ownership Plan ("ESOP"), which provides 5-year service awards to certain levels of staff.

In anticipation of this plan coming into force, the Company arranged for a commercial bank to subscribe for 1.5 million shares during the IPO at the offer price of SR 21 per share. These "ESOP shares" are held by the bank in trust for the staff that will become eligible for an award under the plan. Any of the ESOP shares that do not become issuable to eligible employees will be dealt with by the bank in accordance with PetroRabigh's instructions, and any disposal proceeds will be for the account of the Company.

The directors do not recommend the payment of any interim dividend, as the Company has not yet commenced its commercial operations.

10. LOSS PER SHARE

Loss per share for the nine-month period ended 30 September 2008 is computed by dividing the net loss for such period by the weighted-average number of ordinary shares outstanding during the nine-month period ended 30 September 2008 of 858 million shares (2007: 564 million shares).

11. CONTINGENCIES AND COMMITMENTS

Marine Terminal Lease

The Company entered into a marine terminal lease agreement for a period of 30 years with one of its founding shareholders, Saudi Arabian Oil Company ("Saudi Aramco"), on March 2, 2006. The agreement grants the Company certain exclusive rights in respect of the Rabigh Terminal Facilities and the Rabigh Terminal Site.

In consideration for the grant by Saudi Aramco to the Company of the right to occupy and use the site and facilities, the Company shall pay to Saudi Aramco rent in an amount equal to SAR 1 per square meter per annum for approximately 798,000 square meters of Rabigh Terminal Site and SAR 19 million per annum for the Rabigh Terminal Facilities from the date the Rabigh Refinery is transferred to the Company. At present, it is already transferred on 1 October, 2008 as scheduled.

Rabigh Refinery Complex Lease

In consideration further for the grant by Saudi Aramco to the Company of the right to access, occupy and use of the Rabigh Complex Site covering for approximately 11,700,000 square meters for a period of 99 years, the Company shall pay to Saudi Aramco rent in an amount equal to SAR 1 per square meter per annum starting from Rabigh Refinery transfer date.

Rabigh Community Lease

Saudi Aramco also grants for the benefit of the Company, its permitted successors and assignees, and their respective employees, licensees, contractors, agents and designees the exclusive right to access, occupy and use of the Rabigh Community for a period of 5 years at a rent of SAR 28.5 million per annum starting from Rabigh Refinery transfer date.

11. CONTINGENCIES AND COMMITMENTS (continued)

Operating Leases

The Company has entered into operating leases for office space and furniture, vehicles and living quarters.

Asset transfer

The Company has entered into Asset Transfer Agreement between PetroRabigh and Saudi Aramco dated 21 February 2006 for transfer of provisional assets covering capital assets, spare parts and hydrocarbon inventory. These assets have been already transferred to the Company by the Saudi Aramco for an amount of SAR 862.5 million effective 1 October 2008.

12. ZAKAT AND INCOME TAX

Following its review of the Company's Zakat declaration for 2006, the DZIT issued a deficiency tax assessment on December 4, 2007 amounting to approximately SAR 25 million. The Company is not in agreement with the DZIT assessment, and filed a preliminary objection with the DZIT on February 2, 2008. DZIT requested additional documents and the company have submitted its documents to its Tax and Zakat advisors for submission to DZIT.

Management believes its position regarding the DZIT adjustments to be robust in the area of interpretation, and that it is too soon to be able to estimate a probable settlement amount. Any settlement amount eventually agreed with DZIT will not impact upon the future earnings of the Company, as it will be recoverable from a founding shareholder - Saudi Arabian Oil Company.

13. BOARD APPROVAL

These interim condensed financial statements were approved by the Board Audit Committee as delegated by the Board of Directors on October 20, 2008.