

TESORO LOGISTICS LP

Solid growth visibility from organic projects and drop downs

Raising price target from \$30 to \$34 on new growth projects and first drop down.

We previously commented TSO's analyst day was a potential catalyst for TLLP, and it turned out to be so. TLLP announced \$80mm of new organic projects plus its first asset drop down (estimate \$65mm range). While 2012-2013 capex was roughly in line with our assumptions, expected returns exceed our previous estimates. We believe TLLP's announcements provide increased visibility on its strong growth prospects. We forecast TLLP to post 3-year distribution CAGR of 14.3%, among the highest in the MLP sector.

TLLP releases 2012 business plan, more Bakken growth, drop in 1Q. In conjunction with the parent's analyst day in New York, TLLP announced \$80mm of new organic projects and its first drop down. The organic projects are comprised of crude gathering and trucking expansions in the Bakken and refined product terminal expansions. The first TLLP drop down is the Martinez, CA crude oil marine terminal serving TSO's 166,000 bpd Golden Eagle refinery (TSO's largest refinery), expected to close in 1Q12. While management did not provide a purchase price (terms still being discussed), we assume a price tag of approximately \$65mm based on 8x multiple on EBITDA of \$8mm. Completing the transaction within its first year of being public enhances investor confidence in the drop down component of TLLP's growth story, in our opinion.

Raising price target on higher-than-expected EBITDA. Combining contributions from new growth projects (about \$19mm or 4x multiple) and the first drop down (\$8mm or 8x multiple estimate), TLLP guided 2013 EBITDA to \$100mm, which exceeds our previous \$88mm estimate. Our \$34 price target is based on 12-month distribution run rate of \$1.69 (previously \$1.58) and a 5% target yield (previously 5.25%).

TLLP: Quarterly and Annual EPS (USD)

2010		2011		2012			Change y/y		
FY Dec	Actual	Old	New	Cons	Old	New	Cons	2011	2012
Q1	N/A	0.00A	0.00A	-0.19A	0.40E	0.40E	0.40E	N/A	40%
Q2	N/A	0.25A	0.25A	0.25A	0.41E	0.41E	0.43E	N/A	64%
Q3	N/A	0.49A	0.49A	0.49A	0.49E	0.58E	0.48E	N/A	18%
Q4	N/A	0.40E	0.41E	0.40E	0.47E	0.55E	0.49E	N/A	34%
Year	N/A	1.14E	1.15E	0.99E	1.77E	1.93E	1.80E	N/A	68%
P/E	N/A		27.6			16.4			

Source: Barclays Capital
Consensus numbers are from Thomson Reuters

Barclays Capital does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report.

Investors should consider this report as only a single factor in making their investment decision.

PLEASE SEE ANALYST(S) CERTIFICATION(S) AND IMPORTANT DISCLOSURES BEGINNING ON PAGE 4.

Stock Rating	1-OVERWEIGHT Unchanged
Sector View	2-NEUTRAL Unchanged
Price Target	USD 34.00 raised 13% from USD 30.00

Price (09-Dec-2011)	USD 31.74
Potential Upside/Downside	+7%
Tickers	TLLP

Market Cap (USD mn)	922
Shares Outstanding (mn)	30.20
Free Float (%)	83.02
52 Wk Avg Daily Volume (mn)	0.2
Dividend Yield (%)	0.0
Return on Equity TTM (%)	34.24
Current BVPS (USD)	3.42

Source: FactSet Fundamentals

Price Performance	Exchange-NYSE
52 Week range	USD 31.89-21.07



Link to Barclays Capital Live for interactive charting

U.S. MLPs

Richard Gross
1.212.526.3143
richard.gross@barcap.com
BCI, New York

Brian J. Zarahn, CFA
1.415.263.4762
brian.zarahn@barcap.com
BCI, New York

Jerren Holder
1.212.526.3827
jerren.holder@barcap.com
BCI, New York

COMPANY SNAPSHOT

Tesoro Logistics LP

U.S. MLPs

Income statement (\$mn)	2010A	2011E	2012E	2013E	CAGR
EBITDA	na	54	78	100	NA
EBIT	na	31	67	87	NA
Pre-tax income	na	36	61	76	NA
Net income	na	36	61	76	NA
Reported EPS	na	\$1.15	\$1.93	\$2.18	NA
Diluted shares (m)	na	31	31	33	NA
Cash Distribution per Unit	na	\$1.38	\$1.57	\$1.84	NA

Balance Sheet and Cash flow (\$m)					CAGR
Cash	na	13	6	6	NA
Net PP&E	na	142	206	283	NA
Debt	na	52	159	224	NA
Operating cash flow	na	35	71	89	NA
Distributable cash flow	na	49	64	79	NA

Valuation and leverage metrics					Average
Distribution coverage ratio %	na	133.5	131.0	124.0	130
EV/EBITDA (x)	na	18.6	13.0	10.0	13.9
EV/EBITDA less MC, GP (x)	na	20.1	14.6	11.6	15.4
Price/DCF(x)	na	19.5	15.1	13.6	16.1
EBITDA/interest expense (x)	na	32.8	12.5	9.0	18.1
Debt/EBITDA (x)	na	1.0	2.0	2.2	1.8

Operating metrics (volumes in 000 bpd)					Average
Crude oil pipeline volumes	na	57.5	59.5	60.7	59.2
Trucking volume	na	23.2	23.8	24.5	23.9
Terminal volumes	na	133.3	139.8	141.1	138.1
Short-haul pipeline volumes	na	66.0	69.5	72.0	69.2
Storage capacity (000 bbls)	na	878.0	878.0	886.0	880.7

Stock Rating	1-OVERWEIGHT
Sector View	2-NEUTRAL
Price (09-Dec-2011)	\$31.74
Price Target	\$34
Ticker	TLLP

Investment case

TLLP is a high-growth, relatively low-risk crude oil/refined products pipeline MLP with an attractive mid-teens total return value proposition. Growth supported by organic projects, including the emerging Bakken Shale, and asset drop downs. Stability supported by long-term volume commitments from parent.

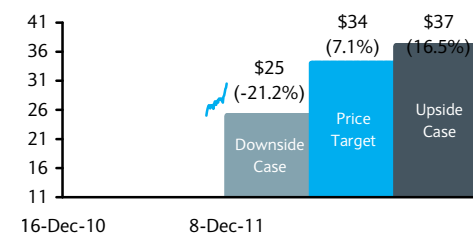
Upside case **\$37**

Could see upside from asset dropdown or third party acquisition over next 12 months, which could drive higher growth rate, increasing forward distribution estimate to \$1.70 and lowering target yield to 4.6%

Downside case **\$25**

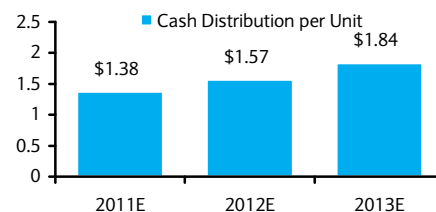
Weakening macro conditions or failure to generate expected returns on current growth projects could increase equity risk premium, increasing target yield to 6% and lowering forward distribution estimate to \$1.48.

Upside/downside scenarios



Source: FactSet

Cash Distribution per Unit



Source: Company data, Barclays Capital

Note: FY end Dec.

High return expansion projects support growth

On 12/5, TLLP announced \$80mm of new organic projects and its first drop down. Combining \$11.5mm of EBITDA from previously announced organic projects, \$18.5mm of EBITDA from the new organic projects and \$8mm from the drop down, 2013 EBITDA guidance is \$100mm, which is higher than our previous \$88mm estimate and up significantly from TLLP's current \$62mm run rate. The \$80mm of new organic projects are expected to be done at attractive multiples of 4X EBITDA and backed by long-term contracts with TSO.

New organic projects in Bakken and West Coast terminals

The \$80mm of new organic projects are comprised of crude gathering and truck volume expansions in the Bakken and refined product terminal expansions. In the Bakken, TLLP is adding approximately \$53mm of new projects to increase crude gathering capacity on its High Plains system and trucking capacity to accommodate TSO's growing demand for Bakken crude. Combining TSO's 10,000 bpd Mandan refinery expansion, 30,000 bpd Anacortes rail project and gathering expansions in the Bakken, TLLP's High Plains system is expected to add 50,000 bpd of new volumes by 2013, raising its total volumes to more than 100,000 bpd.

On the trucking side, TLLP is expanding its fleet and expects volumes to increase 10,000 bpd to 35,000 bpd by 2013. In addition, TLLP lengthened its trucking contract with TSO from 2 years to 5 years and increased minimum volume commitments from 22,000 bpd to 27,000 bpd in 2012 and 32,000 bpd in 2013.

The remaining new projects comprise approximately \$27mm for terminal expansions at Los Angeles, Stockton and Mandan. Including previously announced storage projects, TLLP will invest approximately \$40mm on terminal projects through 2013, which is expected to increase volumes by 40,000 bpd to approximately 185,000 bpd.

First drop down expected 1Q12, to be debt financed

Management announced the first drop down will be the Martinez, CA crude oil marine terminal serving TSO's 166,000 bpd Golden Eagle refinery (TSO's largest refinery). Expected close is 1Q12. While management did not provide a purchase price (terms still being discussed), we assume a price tag of approximately \$65mm based on 8x multiple on EBITDA of \$8mm.

The Martinez crude oil marine terminal is comprised of 145,000 bpd of wharf capacity, 425,000 bpd of storage capacity and interconnecting pipes. Similar to other TLLP assets, the Martinez terminal cash flows will be supported by a 10-year contract with TSO with minimum volume commitment for 90% of projected volumes of 70,000 bpd.

Given TLLP's high liquidity and low leverage, we expect the drop down and growth projects to be financed with debt.

ANALYST(S) CERTIFICATION(S)

We, Richard Gross and Brian J. Zarahn, CFA, hereby certify (1) that the views expressed in this research report accurately reflect our personal views about any or all of the subject securities or issuers referred to in this research report and (2) no part of our compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

IMPORTANT DISCLOSURES

For current important disclosures, including, where relevant, price target charts, regarding companies that are the subject of this research report, please send a written request to: Barclays Capital Research Compliance, 745 Seventh Avenue, 17th Floor, New York, NY 10019 or refer to <http://publicresearch.barcap.com> or call 1-212-526-1072.

The analysts responsible for preparing this research report have received compensation based upon various factors including the firm's total revenues, a portion of which is generated by investment banking activities.

Barclays Capital produces a variety of research products including, but not limited to, fundamental analysis, equity-linked analysis, quantitative analysis, and trade ideas. Recommendations contained in one type of research product may differ from recommendations contained in other types of research products, whether as a result of differing time horizons, methodologies, or otherwise.

Primary Stocks (Ticker, Date, Price)

Tesoro Logistics LP (TLLP, 09-Dec-2011, USD 31.74), 1-Overweight/2-Neutral

Guide to the Barclays Capital Fundamental Equity Research Rating System:

Our coverage analysts use a relative rating system in which they rate stocks as 1-Overweight, 2-Equal Weight or 3-Underweight (see definitions below) relative to other companies covered by the analyst or a team of analysts that are deemed to be in the same industry sector (the "sector coverage universe").

In addition to the stock rating, we provide sector views which rate the outlook for the sector coverage universe as 1-Positive, 2-Neutral or 3-Negative (see definitions below). A rating system using terms such as buy, hold and sell is not the equivalent of our rating system. Investors should carefully read the entire research report including the definitions of all ratings and not infer its contents from ratings alone.

Stock Rating

1-Overweight - The stock is expected to outperform the unweighted expected total return of the sector coverage universe over a 12-month investment horizon.

2-Equal Weight - The stock is expected to perform in line with the unweighted expected total return of the sector coverage universe over a 12-month investment horizon.

3-Underweight - The stock is expected to underperform the unweighted expected total return of the sector coverage universe over a 12-month investment horizon.

RS-Rating Suspended - The rating and target price have been suspended temporarily due to market events that made coverage impracticable or to comply with applicable regulations and/or firm policies in certain circumstances including when Barclays Capital is acting in an advisory capacity in a merger or strategic transaction involving the company.

Sector View

1-Positive - sector coverage universe fundamentals/valuations are improving.

2-Neutral - sector coverage universe fundamentals/valuations are steady, neither improving nor deteriorating.

3-Negative - sector coverage universe fundamentals/valuations are deteriorating.

Below is the list of companies that constitute the "sector coverage universe":

U.S. MLPs

AmeriGas Partners, L.P. (APU)	Atlas Pipeline Partners LP (APL)	Blueknight Energy Partners, L.P. (BKEP)
Boardwalk Pipeline Partners LP (BWP)	Breitburn Energy Partners L.P. (BBEP)	Buckeye Partners, L.P. (BPL)
Calumet Specialty Products Partners, L.P. (CLMT)	Chesapeake Midstream Partners LP (CHKM)	Constellation Energy Partners LLC (CEP)
Copano Energy LLC (CPNO)	Crosstex Energy LP (XTEX)	DCP Midstream Partners LP (DPM)
Eagle Rock Energy Partners LP (EROC)	El Paso Pipeline Partners, L.P. (EPB)	Enbridge Energy Partners (EEP)
Energy Transfer Equity LP (ETE)	Energy Transfer Partners LP (ETP)	Enterprise Products Prtns LP (EPD)
Exterran Partners LP (EXLP)	Ferrellgas Partners (FGP)	Global Partners LP (GLP)
Holly Energy Partners LP (HEP)	Inergy L.P. (NRGY)	Kinder Morgan Energy Prtnrs LP (KMP)
Linn Energy LLC (LINE)	Magellan Midstream Partners, LP (MMP)	Markwest Energy Partners, LP (MWE)
Niska Gas Storage Partners LLC (NKA)	NuStar Energy LP (NS)	Oiltanking Partners LP (OILT)
ONEOK Partners LP (OKS)	PAA Natural Gas Storage LP (PNG)	Plains All American Pipeline (PAA)
Regency Energy Partners LP (RGP)	Spectra Energy Partners, LP (SEP)	Suburban Propane Partners (SPH)

IMPORTANT DISCLOSURES CONTINUED

Sunoco Logistics Partners L.P. (SXL)	Targa Resources Partners LP (NGLS)	TC Pipelines, LP (TCLP)
Teekay Offshore Partners LP (TOO)	Tesoro Logistics LP (TLLP)	Vanguard Natural Resources (VNR)
Western Gas Partners LP (WES)	Williams Partners LP (WPZ)	

Distribution of Ratings:

Barclays Capital Inc. Equity Research has 2076 companies under coverage.

44% have been assigned a 1-Overweight rating which, for purposes of mandatory regulatory disclosures, is classified as a Buy rating; 56% of companies with this rating are investment banking clients of the Firm.

41% have been assigned a 2-Equal Weight rating which, for purposes of mandatory regulatory disclosures, is classified as a Hold rating; 50% of companies with this rating are investment banking clients of the Firm.

12% have been assigned a 3-Underweight rating which, for purposes of mandatory regulatory disclosures, is classified as a Sell rating; 38% of companies with this rating are investment banking clients of the Firm.

Guide to the Barclays Capital Price Target:

Each analyst has a single price target on the stocks that they cover. The price target represents that analyst's expectation of where the stock will trade in the next 12 months. Upside/downside scenarios, where provided, represent potential upside/potential downside to each analyst's price target over the same 12-month period.

Barclays Capital offices involved in the production of equity research:

London

Barclays Capital, the investment banking division of Barclays Bank PLC (Barclays Capital, London)

New York

Barclays Capital Inc. (BCI, New York)

Tokyo

Barclays Capital Japan Limited (BCJL, Tokyo)

São Paulo

Banco Barclays S.A. (BBSA, São Paulo)

Hong Kong

Barclays Bank PLC, Hong Kong branch (Barclays Bank, Hong Kong)

Toronto

Barclays Capital Canada Inc. (BCC, Toronto)

Johannesburg

Absa Capital, a division of Absa Bank Limited (Absa Capital, Johannesburg)

Mexico City

Barclays Bank Mexico, S.A. (BBMX, Mexico City)

Taiwan

Barclays Capital Securities Taiwan Limited (BCSTW, Taiwan)

Seoul

Barclays Capital Securities Limited (BCSL, Seoul)

Mumbai

Barclays Securities (India) Private Limited (BSIPL, Mumbai)

Singapore

Barclays Bank PLC, Singapore branch (Barclays Bank, Singapore)

IMPORTANT DISCLOSURES CONTINUED

Tesoro Logistics LP (TLLP)

USD 31.74 (09-Dec-2011)

Stock Rating

1-OVERWEIGHT

Sector View

2-NEUTRAL

Rating and Price Target Chart - USD (as of 09-Dec-2011)

Currency=USD



Date	Closing Price	Rating	Price Target
09-Nov-2011	26.16		30.00
08-Jun-2011	24.30	1-Overweight	28.00

[Link to Barclays Capital Live for interactive charting](#)

Barclays Bank PLC and/or an affiliate has been lead manager or co-lead manager of a publicly disclosed offer of securities of Tesoro Logistics LP in the previous 12 months.

Barclays Bank PLC and/or an affiliate has received compensation for investment banking services from Tesoro Logistics LP in the past 12 months.

Barclays Bank PLC and/or an affiliate trades regularly in the securities of Tesoro Logistics LP.

Barclays Bank PLC and/or an affiliate has received non-investment banking related compensation from Tesoro Logistics LP within the past 12 months.

Tesoro Logistics LP is, or during the past 12 months has been, an investment banking client of Barclays Bank PLC and/or an affiliate.

Tesoro Logistics LP is, or during the past 12 months has been, a non-investment banking client (securities related services) of Barclays Bank PLC and/or an affiliate.

Valuation Methodology: Our \$34 price target is based on a 12-month distribution run rate of \$1.69 and a 5% target yield.

Risks which May Impede the Achievement of the Price Target: Customer concentration, rising interest rates, acquisition integration risk, pipeline tariff rates subject to regulatory review, lower refined product demand, lower crude oil production in the Bakken Shale, more stringent energy regulations, construction cost overruns, change in MLP tax status.

DISCLAIMER:

This publication has been prepared by Barclays Capital, the investment banking division of Barclays Bank PLC, and/or one or more of its affiliates as provided below. It is provided to our clients for information purposes only, and Barclays Capital makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to any data included in this publication. Barclays Capital will not treat unauthorized recipients of this report as its clients. Prices shown are indicative and Barclays Capital is not offering to buy or sell or soliciting offers to buy or sell any financial instrument.

Without limiting any of the foregoing and to the extent permitted by law, in no event shall Barclays Capital, nor any affiliate, nor any of their respective officers, directors, partners, or employees have any liability for (a) any special, punitive, indirect, or consequential damages; or (b) any lost profits, lost revenue, loss of anticipated savings or loss of opportunity or other financial loss, even if notified of the possibility of such damages, arising from any use of this publication or its contents.

Other than disclosures relating to Barclays Capital, the information contained in this publication has been obtained from sources that Barclays Capital believes to be reliable, but Barclays Capital does not represent or warrant that it is accurate or complete. The views in this publication are those of Barclays Capital and are subject to change, and Barclays Capital has no obligation to update its opinions or the information in this publication.

The analyst recommendations in this publication reflect solely and exclusively those of the author(s), and such opinions were prepared independently of any other interests, including those of Barclays Capital and/or its affiliates. This publication does not constitute personal investment advice or take into account the individual financial circumstances or objectives of the clients who receive it. The securities discussed herein may not be suitable for all investors. Barclays Capital recommends that investors independently evaluate each issuer, security or instrument discussed herein and consult any independent advisors they believe necessary. The value of and income from any investment may fluctuate from day to day as a result of changes in relevant economic markets (including changes in market liquidity). The information herein is not intended to predict actual results, which may differ substantially from those reflected. Past performance is not necessarily indicative of future results.

This communication is being made available in the UK and Europe primarily to persons who are investment professionals as that term is defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005. It is directed at, and therefore should only be relied upon by, persons who have professional experience in matters relating to investments. The investments to which it relates are available only to such persons and will be entered into only with such persons. Barclays Capital is authorized and regulated by the Financial Services Authority ('FSA') and member of the London Stock Exchange.

Barclays Capital Inc., U.S. registered broker/dealer and member of FINRA (www.finra.org), is distributing this material in the United States and, in connection therewith accepts responsibility for its contents. Any U.S. person wishing to effect a transaction in any security discussed herein should do so only by contacting a representative of Barclays Capital Inc. in the U.S. at 745 Seventh Avenue, New York, New York 10019.

Non-U.S. persons should contact and execute transactions through a Barclays Bank PLC branch or affiliate in their home jurisdiction unless local regulations permit otherwise.

This material is distributed in Canada by Barclays Capital Canada Inc., a registered investment dealer and member of IIROC (www.iiroc.ca). To access Barclays Capital policy on the dissemination of research reports, please go to <http://www.barcap.com/Client-offering/Research/Research+Policy>.

Subject to the conditions of this publication as set out above, Absa Capital, the Investment Banking Division of Absa Bank Limited, an authorised financial services provider (Registration No.: 1986/004794/06), is distributing this material in South Africa. Absa Bank Limited is regulated by the South African Reserve Bank. This publication is not, nor is it intended to be, advice as defined and/or contemplated in the (South African) Financial Advisory and Intermediary Services Act, 37 of 2002, or any other financial, investment, trading, tax, legal, accounting, retirement, actuarial or other professional advice or service whatsoever. Any South African person or entity wishing to effect a transaction in any security discussed herein should do so only by contacting a representative of Absa Capital in South Africa, 15 Alice Lane, Sandton, Johannesburg, Gauteng 2196. Absa Capital is an affiliate of Barclays Capital.

In Japan, foreign exchange research reports are prepared and distributed by Barclays Bank PLC Tokyo Branch. Other research reports are distributed to institutional investors in Japan by Barclays Capital Japan Limited. Barclays Capital Japan Limited is a joint-stock company incorporated in Japan with registered office of 6-10-1 Roppongi, Minato-ku, Tokyo 106-6131, Japan. It is a subsidiary of Barclays Bank PLC and a registered financial instruments firm regulated by the Financial Services Agency of Japan. Registered Number: Kanto Zaimukyokuchō (kinsho) No. 143.

Barclays Bank PLC, Hong Kong Branch is distributing this material in Hong Kong as an authorised institution regulated by the Hong Kong Monetary Authority. Registered Office: 41/F, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.

This material is issued in Taiwan by Barclays Capital Securities Taiwan Limited. This material on securities not traded in Taiwan is not to be construed as 'recommendation' in Taiwan. Barclays Capital Securities Taiwan Limited does not accept orders from clients to trade in such securities. This material may not be distributed to the public media or used by the public media without prior written consent of Barclays Capital.

This material is distributed in South Korea by Barclays Capital Securities Limited, Seoul Branch.

All equity research material is distributed in India by Barclays Securities (India) Private Limited (SEBI Registration No: INB/INF 231292732 (NSE), INB/INF 011292738 (BSE), Registered Office: 208 | Ceejay House | Dr. Annie Besant Road | Shivsagar Estate | Worli | Mumbai - 400 018 | India, Phone: + 91 22 67196363). Other research reports are distributed in India by Barclays Bank PLC, India Branch.

Barclays Bank PLC Frankfurt Branch distributes this material in Germany under the supervision of Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).

This material is distributed in Malaysia by Barclays Capital Markets Malaysia Sdn Bhd.

This material is distributed in Brazil by Banco Barclays S.A.

This material is distributed in Mexico by Barclays Bank Mexico, S.A.

Barclays Bank PLC in the Dubai International Financial Centre (Registered No. 0060) is regulated by the Dubai Financial Services Authority (DFSA). Barclays Bank PLC-DIFC Branch, may only undertake the financial services activities that fall within the scope of its existing DFSA licence.

Barclays Bank PLC in the UAE is regulated by the Central Bank of the UAE and is licensed to conduct business activities as a branch of a commercial bank incorporated outside the UAE in Dubai (Licence No.: 13/1844/2008, Registered Office: Building No. 6, Burj Dubai Business Hub, Sheikh Zayed Road, Dubai City) and Abu Dhabi (Licence No.: 13/952/2008, Registered Office: Al Jazira Towers, Hamdan Street, PO Box 2734, Abu Dhabi).

Barclays Bank PLC in the Qatar Financial Centre (Registered No. 00018) is authorised by the Qatar Financial Centre Regulatory Authority (QFCRA). Barclays Bank PLC-QFC Branch may only undertake the regulated activities that fall within the scope of its existing QFCRA licence. Principal place of business in Qatar: Qatar Financial Centre, Office 1002, 10th Floor, QFC Tower, Diplomatic Area, West Bay, PO Box 15891, Doha, Qatar.

This material is distributed in Dubai, the UAE and Qatar by Barclays Bank PLC. Related financial products or services are only available to Professional Clients as defined by the DFSA, and Business Customers as defined by the QFCRA.

This material is distributed in Saudi Arabia by Barclays Saudi Arabia ('BSA'). It is not the intention of the Publication to be used or deemed as recommendation, option or advice for any action (s) that may take place in future. Barclays Saudi Arabia is a Closed Joint Stock Company, (CMA License No. 09141-37). Registered office Al Faisaliah Tower | Level 18 | Riyadh 11311 | Kingdom of Saudi Arabia. Authorised and regulated by the Capital Market Authority, Commercial Registration Number: 1010283024.

This material is distributed in Russia by OOO Barclays Capital, affiliated company of Barclays Bank PLC, registered and regulated in Russia by the FSFM. Broker License #177-11850-100000; Dealer License #177-11855-010000. Registered address in Russia: 125047 Moscow, 1st Tverskaya-Yamskaya str. 21.

This material is distributed in Singapore by the Singapore branch of Barclays Bank PLC, a bank licensed in Singapore by the Monetary Authority of Singapore. For matters in connection with this report, recipients in Singapore may contact the Singapore branch of Barclays Bank PLC, whose registered address is One Raffles Quay Level 28, South Tower, Singapore 048583.

Barclays Bank PLC, Australia Branch (ARBN 062 449 585, AFSL 246617) is distributing this material in Australia. It is directed at 'wholesale clients' as defined by Australian Corporations Act 2001.

IRS Circular 230 Prepared Materials Disclaimer: Barclays Capital and its affiliates do not provide tax advice and nothing contained herein should be construed to be tax advice. Please be advised that any discussion of U.S. tax matters contained herein (including any attachments) (i) is not intended or written to be used, and cannot be used, by you for the purpose of avoiding U.S. tax-related penalties; and (ii) was written to support the promotion or marketing of the transactions or other matters addressed herein. Accordingly, you should seek advice based on your particular circumstances from an independent tax advisor.

Barclays Capital is not responsible for, and makes no warranties whatsoever as to, the content of any third-party web site accessed via a hyperlink in this publication and such information is not incorporated by reference.

© Copyright Barclays Bank PLC (2011). All rights reserved. No part of this publication may be reproduced in any manner without the prior written permission of Barclays Capital or any of its affiliates. Barclays Bank PLC is registered in England No. 1026167. Registered office 1 Churchill Place, London, E14 5HP. Additional information regarding this publication will be furnished upon request.

