MAUREL & PROM

MAU LISTED NYSE EURONEXT

Paris, 10 August 2011
No: 14-11

First-half 2011 sales up strongly to €293 million (+123%)

Entitlements of 19,474 boepd in the first half of 2011

❖

Group sales in the first half of 2011 were €292.5 million, against €131.3 million in the same period the previous year, an increase of 123%.

Consolidated sales as at 30 June 2011 on a like-for-like basis

(In € m)	Q1 2011	Q2 2011	H1 2011	H1 2010	*Chg*
Exchange rate	*1.367*	*1.440*	*1.404*	*1.328*	
Oil production	**124.3**	**149.0**	**273.3**	**98.7**	*177%*
Congo	0	0.2	0.2	0	
Gabon	93.7	108.2	201.9	98.4	
Nigeria	30.5	40.3	70.8	0	
Tanzania	0.2	0.2	0.4	0.3	
Oil services	**21.6**	**17.4**	**39.0**	**51.0**	*-24%*
Sales	**145.9**	**166.4**	**312.3**	**149.7**	*109%*
Impact of hedges	-8.7	-11.1	-19.8	-18.4	
Consolidated sales	**137.2**	**155.3**	**292.5**	**131.3**	*123%*

Oil production

The increase in sales reflects the **increased production from the Onal field in Gabon** (+3,500 boepd in H1 2011 vs H1 2010 and +1,000 boepd in Q2 2011 vs Q1 2011), due to **consolidating the sales from the OMGW and OMBG fields in Gabon over the entire period**, as well as the **consolidation of Nigerian sales** in the amount of €70.8 million in H1 2011.

In **Nigeria**, one year after the final agreement for SEPLAT (M&P 45%) to acquire 45% of OML 4, 38 and 41, sales were booming thanks mainly to substantially increasing production (+40% since production increased) and higher sales prices. This outcome was the result of work coordinated by the operator SEPLAT throughout the past year.

The work undertaken related to:

- Analysing historical data received;
- Optimising well operation;
- Workover and reopening of existing wells;
- Reconnecting wells.

Combined with drilling works on productive wells and optimising and modernising existing above-ground facilities, they will enable the production level of the OML 4, 38 and 41 to be consistently increased in the coming months.

In **Gabon**, under the provisions of the Production Sharing Contract of the Omoueyi permit, Maurel & Prom as a crude-oil producer, with effect from 1 March 2011 was required to contribute to satisfying domestic market needs by delivering to Sogara a share of liquid hydrocarbons proportionate to its representative part of production in relation to total Gabon output. In first half 2011, 260,000 barrels (at 100%) were delivered to SOGARA (*Société Gabonaise de Raffinage*) (or around 8% of the total production of Omoueyi).

In **Tanzania**, the Group achieved €0.4 million sales for the Mnazi Bay field.

Impact of hedges

In early 2009, when securing financing for the Reserve Based Loan, the Group set up hedges of operating cash flows based on the price per barrel. In the second quarter of 2011, 4,500 boepd were hedged at a price of $75.3/b while the average price of Brent was $117/b. This resulted in a negative adjustment of €11.1 million in the second quarter of 2011.

Excluding the impact of hedges, the average sale price in H1 2011 was $110.6/b ($113.0/b in Nigeria and $109.8/b in Gabon.

Oil services

Caroil’s contribution to sales in the first half of 2011 (oil services) was €39.0 million versus €51.0 million in the same period in 2010. Expressed in US dollars, its contribution to sales was $54.7 million.

Caroil’s corporate revenue in the 1st half of 2011 was €49.4 million (US$69.4 million).

Caroil provided 12% of the Group's total business and 79% of its activity was with customers other than Maurel & Prom.

On 21 June 2011, Maurel & Prom and Tuscany International Drilling Inc., a Canadian oil company listed on the Toronto Stock Exchange (TSX) announced it had signed an agreement whereby Tuscany Rig Leasing S.A., a wholly-owned subsidiary of Tuscany, would absorb all the stock of Caroil SAS, a Maurel & Prom drilling subsidiary (See *Press Release no. 11-11 of 21 June 2011)*. The final agreement should be adopted during the second half of 2011.

In order to reflect the status of this transaction in the Group’s consolidated financial statements at 30 June 2011, Caroil’s activity will be posted under “Assets intended for sale”. Consequently, the Group’s consolidated sales as at 30 June 2011 will be restated for Caroil sales. The statements will show:

Consolidated sales at 30 June 2011 after the Caroil sale

(In € m)	Q1 2011	Q2 2011	H1 2011	H1 2010	Chg
Exchange rate	*1.367*	***1.440***	*1.404*	*1.328*	
Oil production	**124.3**	**149.0**	**273.3**	**98.7**	*177%*
Congo	0	0.2	0.2	0	
Gabon	93.7	108.2	201.9	98.4	
Nigeria	30.5	40.3	70.8	0	
Tanzania	0.2	0.2	0.4	0.3	
Sales	**124.3**	**149.0**	**273.3**	**98.7**	*177%*
Impact of hedges	-8.7	-11.1	-19.8	-18.4	
Consolidated sales	**115.6**	**137.9**	**253.5**	**80.3**	*216%*

❖

Environmental data	2011 6 months	2010 6 months	*Change*
Exchange rate (€/US$)	**1.404**	1.329	*+6%*
Exchange rate (US$/€)	0.71	0.75	*-5%*
Brent (US$/barrel)	**111.1**	77.3	*+44%*

In the first half of 2011 the Group benefited from Brent climbing to 44% higher than its price in the same period in 2010.

❖

Maurel & Prom entitlements 19,474 boepd at H1 2011

Resumed production at OML 4, 38 and 41, the implementation of a workover and reconnection programme in Nigeria and increased production of the oil fields in Gabon gave the Group an average 19,474 boepd entitlement in the first half of 2011 (20,638 boepd at Q2 2011).

The following table summarises the production data, in barrels per day, based on oil taxation and fields in production.

Country	Gross production			Maurel & Prom share of production			Entitlements			Production sold		
in boepd	Q1	Q2	H1 2011	Q1	Q2	H1 2011	Q1	Q2	H1 2011	Q1	Q2	H1 2011
Gabon	**17,338**	**18,684**	**18,016**	**14,783**	**15,925**	**15,359**	**13,968**	**15,046**	**14,510**	**13,883**	**14,646**	**14,266**
Banio	311	287	**299**	311	287	**299**	297	274	**285**	357	277	**317**
Onal	12,441	13,479	**12,963**	10,575	11,457	**11,019**	9,989	10,823	**10,408**	9,945	10,330	**10,138**
Omko	2,217	2,487	**2,353**	1,884	2,114	**2,000**	1,780	1,997	**1,889**	1,673	2,043	**1,859**
Omgw	2,207	2,245	**2,227**	1,876	1,909	**1,893**	1,772	1,803	**1,788**	1,780	1,848	**1,814**
Ombg	162	186	**174**	137	158	**148**	130	149	**140**	128	148	**138**
	Q1	Q2	H1 2011	Q1	Q2	H1 2011	Q1	Q2	H1 2011	Q1	Q2	H1 2011
Nigeria	**21,382**	**27,614**	**24,515**	**4,330**	**5,592**	**4,964**	**4,330**	**5,592**	**4,964**	**4,479**	**5,239**	**4,861**
Total	**38,720**	**46,298**	**42,531**	**19,113**	**21,517**	**20,323**	**18,298**	**20,638**	**19,474**	**18,362**	**19,885**	**19,127**

In the first half of the year, delineation and development work on the Omoc-Nord (Onal AEE) discovery connected two additional wells. Further work on Omoc-Nord plus the implementation of a water injection programme at the Omko and Omgw fields should allow the Group to continue steady production throughout the second half of 2011.

In Nigeria, gross production rose in line with the workover programme. Steady historical results plus new drilling will boost the Group overall production.

GLOSSARY

Gross production: production at 100%.

Working interest production: Gross production – partner’s share.

Mining royalties in Gabon: royalties are paid in foreign currencies in Gabon.

Entitlements: working interest production – in-kind royalties – in-kind State share of profit oil + corporation tax if the State's profit oil is paid in kind.

Production sold: entitlements -/+ stock.

Sale price: in Gabon, prices are set by the State based on the oil quality and benchmark prices. The mutually-agreed costs to achieve commercial viability are then deducted from these prices.

Sales: entitlements x sale price. Sales are recognised on the production extraction date.

Taxes and duties: profit oil due to the Gabonese State is paid in foreign currencies for the Banio field and in kind for the Onal, Omko, Omgw and Ombg fields. Corporation tax in Gabon is included in the State profit oil and systematically recognised under sales.

Second-quarter sales: sales for the second quarter are calculated by deducting sales for the first quarter from the figure for half-year sales.

Third-quarter sales: sales for the third quarter are calculated by deducting sales for the first half of the year from sales for the first nine months.

Fourth-quarter sales: sales for the fourth quarter are calculated by deducting sales for the first nine months of the year from aggregate sales for full 12 months.

For more information, visit www.maureletprom.fr

Communication:

INFLUENCES

✆ : 01 42 72 46 76

✉ : communication@agence-influences.fr

Next meetings:

31/8/2011	**2011 half-year earnings** (after close of trading)

This document may contain forward-looking statements regarding the financial position, results, business and industrial strategy of Maurel & Prom. By nature, forward-looking statements contain risks and uncertainties to the extent that they are based on events or circumstances that may or may not happen in the future. These projections are based on assumptions we believe to be reasonable, but which may prove to be incorrect and which depend on a number of risk factors such as fluctuations in crude oil prices, changes in exchange rates, uncertainties related to the valuation of our oil reserves, actual rates of oil production and related costs, operational problems, political stability, legislative or regulatory reforms, or even wars, acts of terrorism or sabotage.

Maurel & Prom is listed for trading on Euronext Paris – compartiment A – CAC® mid 60 - SBF120® - CAC® Mid & &Small - CAC® All-Tradable - CAC® All-Share

ISIN **FR0000051070** / Bloomberg **MAU.FP** / Reuters **MAUP.PA**