Paris, 31 March 2009
No. 15-09

2008 annual results

Activity in 2008

- **Net production up 27% to 15,704 b/d over 2008** (17,396 boepd including Venezuela)
- **2008 revenue up 33% to €385.2m**
- **Operating profit up 310% to €95.5m**
- **Net income up to €62.5m**, after recognition of financial loss of €4.9m
- **Investments of €539m**
  - Exploration works and studies: €219m
  - Development investment: €292m
  - Investments in oil services: €28m
- **Certified reserves net of royalties up substantially**
  - P1: 95 Mboe up by 93%
  - P1+P2: 210 Mboe up by 67%
  - Replacement rate for P1 reserves: 796%
  - Replacement rate for P1+P2 reserves: 1,362%
  - Objective 2010[1] : achievement of 89% as of 01/01/2009

Sale of Hocol Colombia

- **Sale of Hocol: memorandum signed on 10 March 2009 with Ecopetrol**
  - Sale price: US$748m + earn outs
  - Effective date: 1 January 2009

Strategy and activity action plan

- **Organic growth**
  - 45% success rate in exploration over 2008
  - Major discoveries in Gabon with the Omko and Ombg fields
  - Onal and Omko fields in Gabon on stream early 2009
  - 12 exploration wells to be drilled in 2009
- **External growth**
  - Acquisition of mining rights
  - Opportunities to be seized in a crisis environment
- **Growth resources**
  - Substantial equity and cash resources
  - Possibility of a financial operation on the market (a priori convertible bonds)
  - Drawable lines of credit

1 Reconstitution of the level of the reserves sold to Eni in 2007, i.e. 235 Mboe for the Group

Key indicators for the period [2]

The Group's oil and gas operations are particularly geared to exploration and the development of the Group's mining rights. Maurel & Prom also works to bring its discoveries rapidly on stream through ambitious development campaigns, relying on its drilling subsidiary Caroil, among others. In this respect, the Group's results for fiscal 2008 reflect the intensity of the exploration-appraisal and development activity, and current macroeconomic elements.

In €m	**2008**	**2007**
Revenue	**385.5**	**289.5**
Operating income	**95.5**	**23.3**
Income before tax	**90.6**	**(33.4)**
Net income	**62.5**	**(50.2)**
Net income –Group share	**62.5**	**766.1**
Net cash flow generated by operating activities	**192.8**	**97.0**
Cash at year end	**188.7**	**694.3**
Net earnings /share (€)	**0.55**	**6.78**

Financial summary of the period

In 2008, the oil industry was impacted by the strong volatility in oil prices. Over 2008, the average price for Brent and WTI rose 34% and 37% respectively compared with 2007. On the other hand, the decline in the US$/€ exchange rate (-7%) had a negative impact on revenue, thus attenuating the positive effect of higher oil prices.

Environmental data	**2008 12 mos.**	**2007 12 mos.**	*Change*
Exchange rate (€/US$)	**1.47**	1.39	*6%*
Brent (US$/barrel)	**97.0**	72.5	*34%*
WTI (US$/barrel)	**98.9**	72.4	*37%*

Production
The Group's entitled production over 2008 (including Venezuela) was 17,395 boepd.

Revenue
Consolidated revenue, which totalled €385.2m, rose 33% over the previous year because of the increase in entitled production and higher oil prices.

Operating income
This increase in operating profit was essentially generated by the improvement in margin rates and the stability of fixed costs. Operating income totalled €95.5m and was impacted

[2] Consolidated financial statement reviewed by the Board as of 30 March 2009, Audit in progress

by the following:

- write-offs amounting to €(55.8)m due to the intense exploration programme, with 25 wells drilled during the year, 11 dry wells;
- non-recurring income of €19.0m related to the first-time equity accounting of the Venezuelan company Lagopetrol;
- the depreciation of assets in Sicily for €(26)m;
- and the reversal of a provision on the dispute with Messier Partners for €6m.

It also includes €76.5m in amortization and depreciation, €11.3m in impairment of operating assets and €15.5m in provisions net of reversals.

In January 2009, Pebercan, in which the Company holds a 19.7% stake, announced that its subsidiary Peberco Limited and the Cuban company Cubapetroleo S.A. ("Cupet") had ended a production sharing contract with an original expiration date of 2018. In consideration, Peberco announced on 10 February that it had received the net flat amount of US$140m. Based on the partnership signed between Peberco and Sherrit International Oil & Gas, Sherrit will receive its share of this amount, which represents approximately US$60m. As a result, Maurel & Prom depreciated its stake in Perbercan by the amount of €9.1m.

Financial income

The Group's financial loss of €(4.9)m is characterised by the following:

- cost of net debt (OCEANEs and investment products) for €(11)m;
- unrealised gains and losses on derivative instruments for €(15)m and purchase of currency option hedges for €(10)m;
- income realised on crude derivatives purchased in 2008 for €100m; this amount corresponds to the purchase in December 08 of hedges on oil prices;
- provisions for dispute on financial instruments in the amount of €36.8 m. The Company states that information concerning complex structured transactions initiated individually and executed outside the Group's standards and procedures, and disputed by the Group, was provided in the half-year financial statements. As a precaution, the maximum risk was provisioned, without prejudice to the result of actions to dispute the transactions or obtain damages;
- currency translation losses for €(30)m), resulting from the decrease of the US dollar.

Consolidated net income

After taking into account the above items, the tax on corporations and the share of income/loss in equity associates (+€9.7m), net income from continuing operations improved significantly. It totalled €62.5m in 2008 compared with €(50.7)m for fiscal 2007, excluding recognition of the Congolese operations sold to Eni.

Balance Sheet

The balance sheet total amounted to €1,895m. Group share of shareholders' equity was €1.036m.

Investments

The total amount of the investments made in 2008 was €539m and can be analysed as follows:

€m	Colombia	Gabon	Tanzania	Congo	Other	TOTAL
Exploration	86	44	76	4	9	**219**
Development	73	217	0	2	1	**292**
Oil-related services	6	2	0	2	17	**28**
TOTAL	**165**	**263**	**76**	**8**	**27**	**539**

Cash flow

The Group's after-tax cash flow was €246m. Net cash flow generated by operating activities totalled €193m.

At 31 December 2008, Maurel & Prom had net cash of €189m, which did not include €63m for the receipts from the sale of hedges on 8 January 2009. The change of €(506)m in cash flow over the year 2008 primarily reflects:

A significant investment effort:

- Exploration expenses for €219m;
- Development investments for €292m;
- Investments in drilling activity for €28m.

Return to shareholders:

- A dividend payment of €137m;
- The acquisition of treasury stock for €34m.

Certified reserves

The intensity of the exploration-appraisal programme in 2008, with 25 wells completed over the year, significantly increased the Group's level of reserves. In 2008, the Group discovered an additional 52.5 Mboe of P1 reserves and an additional 90.6 Mboe of P1+P2 reserves net of royalties.

As of 1 January 2009, proven reserves (P1) totalled 95.3 Mboe (+93%) and proven and probable reserves (P1+P2) 209.6 Mboe (+67%).

At the entitled production level of 30,000 boepd, the Group has nine years of production in P1 reserves and 19 years of production in P1+P2 reserves. On this basis, the Replacement Rate of P1 Reserves is 796% and 1,362% for P1+P2 reserves as at 01/01/2009, compared with the Replacement Rate of 430% for P1+P2 Reserves at 01/01/2008.

Sale of Hocol Colombia to Ecopetrol for US$748 m

As a result of the sale of its Hocol subsidiary, Maurel & Prom will realise over four years a significant economic income of about US$500m, taking into account the market value as of March, 30th 2009 of the oil price earn-out.

The acquisition of Hocol was made on the basis of a purchase price of US$470m.

The sale price was US$748m, taking into account the US$196m of dividends (US$35m for the buy back of the 26.35% stake in Lagopetrol in Venezuela) and including the US$30m for the maket velue of the oil price earn-out. A second earn-out (max. US$50m) will be applying in case of success of the Huron-1 well on the Niscota permit (20%) in Colombia and sold to Ecopetrol.

The book gain can be determined only after future closing transactions. It will be adjusted depending of the earn-out. This book gain will be sharply different between company financial statements and the consolidated financial statements, which are already taking into account results from Hocol for last years.

Strategy of the Group

With the proceeds from this sale, Maurel & Prom will have cash to cover the repayment of its bond which matures early in 2010 and to pay a dividend to its shareholders on the earnings for 2008.

The Group also have resources to finance an ambitious programme of exploration, appraisal and exploration based on the major oil themes discovered by the Group in Gabon (Base and Kissenda sandstone), and through continued drilling in Colombia and Tanzania, the appraisal of the Omko field and the start of production on Onal and Omko.

Moreover, in addition to a US$255m bank facility based on its oil reserves, initially including the reserves of its Hocol subsidiary, which is currently being renegotiated to take into account the upcoming sale, the Company received authorisation from the Shareholders' Meeting on 24 February to go to the markets for financing.

Like the two disposal transactions involving the Congolese assets in 2007 and the Hocol subsidiary, the company's priority remains the discovery and development of oil and gas fields (Exploration).

On the basis of the reserves certified at 1 January 2009 by the firm of DeGolyer & MacNaughton, and after restatement to take into account the sale of Hocol, the Group's P1 and P2 reserves totalled 119 Mboe.

With the start-up of production from Onal in Gabon, and the prospects for developing the neighbouring fields (Omko), Maurel & Prom's production by the end of 2009 should reach a level closely equivalent to the level at the end of 2008 and up by one third compared to the 2007 entitled production.

Maurel & Prom repeats that Gabon will stay the production stable basis for the Group.

While no acquisition or merger is currently being studied, the company would take any opportunity that may arise.

Consolidated financial statements for fiscal 2008

I – Group Balance Sheet

Assets

In thousands of euros	31/12/2008	31/12/2007
Intangible fixed assets	681,766	554,922
Tangible fixed assets	728,294	389,954
Long-term investments	21,000	28,216
Holdings carried on an equity basis	37,701	3,138
Deferred tax assets	18,979	22,786
Non-current assets	**1,487,740**	**999,016**
Inventories	10,123	7,389
Trade receivables and related accounts	39,003	52,852
Other current financial assets	23,220	29,671
Other current assets	72,482	42,615
Tax assets payable	417	7,074
Financial instruments	70,734	5,430
Cash and cash equivalents	191,544	699,939
Current assets	**407,523**	**844,970**
Total Assets	**1,895,263**	**1,843,986**

Liabilities

In thousands of euros	31/12/2008	31/12/2007
Shareholders' equity	92,839	92,811
Issue, merger and share premiums	199,113	201,139
Consolidated reserves	768,005	52,385
Treasury stock	(86,016)	(54,296)
Group income	62,505	766,096
Group shareholders' equity	**1,036,446**	**1,058,135**
Minority interests	1	(342)
Total shareholders' equity	**1,036,447**	**1,057,793**
Non-current provisions	42,830	30,795
Non-current bond borrowings	0	336,932
Other non-current borrowings and loans	3,656	15,754
Trade payables and non-current related accounts	0	3,624
Non-current financial instruments	4,500	
Deferred taxes, liabilities	157,005	146,199
Non-current liabilities	**207,991**	**533,304**
Current bond borrowings	375,024	13,089
Other current borrowings and loans	16,008	16,145

Trade payables and related accounts	104,395	107,685
Tax liabilities payable	29,644	121
Other creditors and sundry liabilities	60,708	71,899
Financial instruments	14,861	22,274
Current provisions	50,185	21,676
Current liabilities	**650,825**	**252,889**
Total Liabilities	**1,895,263**	**1,843,986**

II – Group Income Statement

In thousands of euros	31/12/2008	31/12/2007
Revenue	385,213	289,548
Other income	15,773	4,440
Purchases and inventory variations	(33,511)	(23,579)
Other purchases and operating expenses	(79,770)	(78,392)
Taxes	(16,078)	(5,570)
Personnel expenses	(30,133)	(29,000)
Amortisation	(76,516)	(70,526)
Depreciation of exploration assets	(67,076)	(48,373)
Provisions and impairment of current assets	(27,961)	(9,578)
Reversals of operating provisions	12,457	1,989
Income from sale of assets	19,041	(110)
Other expenses	(5,928)	(7,538)
Operating income	**95,511**	**23,311**
Gross cost of borrowings	*(28,665)*	*(29,677)*
Cash flow generated	*14,350*	*29,337*
Net gains and losses on derivatives	*75,073*	*(17,941)*
Net cost of borrowings	60,758	(18,281)
Other financial income and financial expenses	(65,648)	(38,423)
Financial income (loss)	**(4,890)**	**(56,704)**
Net income before tax	**90,121**	**(33,393)**
Income tax	(37,810)	(16,763)
Net income of consolidated companies	**52,811**	**(50,156)**
Total share of net income(loss) of equity associates	9,694	(571)
Net income from continuing operations	**62,505**	**(50,727)**
Net income from discontinued operations	0	816,481
Net income of consolidated entity	**62,505**	**765,754**
Net income – Group share	*62,504*	*766,096*
Minority interests	*1*	*(342)*
Earnings per share		
Base	0.55	6.58
Diluted	0.47	6.79
Earning per share from discontinued operations		
Base	0.00	7.01
Diluted	0.00	7.01
Earnings per share from continuing operations		
Base	0.55	-0.44
Diluted	0.47	-0.22

III – Statement of Cash Flows

In thousands of euros	31/12/2008	31/12/2007
Consolidated income from continuing operations before taxes	**100,315**	**(33.963)**
- Net amortisation and provisions added (reversed)	132,480	78,721
- Unrealised gains and losses due to changes in fair value	(7,183)	32,205
- Write-offs and other depreciation	56,622	21,199
- Calculated expenses and income relating to stock options and similar	1,677	1,088
- Other calculated income and expenses	25,476	24,487
- Gains and losses from sales	(24,505)	(17)
- Share of income(loss) from equity associates	(9,694)	571
- Cash income	(14,811)	(28,904)
- Gross cost of borrowings	3,412	5.427
Cash flow before tax	**263 789**	**100 814**
Tax	(17,564)	(53,045)
Change in working capital requirement linked to operations	(53,410)	49,232
- Clients	11,001	(21,596)
- Trade	(11,725)	36,776
- Inventories	(2,094)	(790)
- Other	(50,592)	34,842
NET CASH FLOW GENERATED BY OPERATING ACTIVITIES	**192,815**	**97,001**
Disbursements relating to acquisitions of tangible and intangible fixed assets	(540,627)	(384,930)
Receipts relating to sales of tangible and intangible fixed assets	4,106	2,560
Disbursements relating to acquisitions of long-term investments (unconsolidated securities)	(919)	(847)
Receipts relating to sales of long-term investments (unconsolidated securities)	0	0
Acquisition of subsidiaries	(18)	0
Increased stake in equity associates	8,932	0
Change in loans and advances	(6,000)	(5,615)
Other cash flows relating to investment operations	105	0
NET CASH FLOW RELATING TO INVESTMENT OPERATIONS	**(534,421)**	**(388,832)**
Sums received from shareholders during the capital increases	62	2,904
Dividends paid	(137,080)	(143,738)
Receipts relating to new borrowings	11,847	437
Interest paid	(3,413)	(5,427)
Interest received	14,811	28,904
Repayment of loans	(22,230)	(35,772)
Acquisitions of treasury stock	(33,884)	(43,812)
NET CASHF LOW RELATING TO FINANCE OPERATIONS	**(169,887)**	**(196,504)**
Impact of changes in exchange rates	5,882	(23,544)
Net receipts on operations sold *	0	1,019,843
CHANGE IN NET CASH	**(505,611)**	**507,964**
Net cash flow at beginning of period	694,306	186,342
Cash flow and cash equivalents at year end generated byoperations sold	0	
CASH AND NET CASH EQUIVALENTS AT YEAR END	**188,695**	**694,306**

* Net operating cash flow minus investments and repayment of RBL

MAUREL & PROM

IV – Hocol sale

		in US$m	
		Economic result	*Cash flow and others*
04/08/2005	**Purchase of Hocol (Colombia + Venezuela)**	-470	-470
déc-08	**Allocation of a dividend**	110	110
déc-08	**Purchase of Lagopetrol from Hocol**		-35
janv-09	**Allocation of a dividend**	21	21
mars-09	**Allocation of a dividend**	65	65
Closing date (estimaed in June 09)	**Payment of the amount of the transaction**	748	748
	Not valued	exploration retained	
	Economic result before earn-outs	**474**	**439**
	Market value of the oil price earn-out	***30***	***30***

For more information: www.maureletprom.com

Communication:
INFLUENCES

Clémentine Dourne
✆ : 01 42 72 46 76
✉ : communication@agence-influences.fr

Catherine Durand-Meddahi
✆ : 01 42 72 46 76
✉ : communication@agence-influences.fr

Maurel & Prom is listed for trading on Euronext Paris – Compartment A - CAC mid 100 Index
Isin **FR0000051070** / Bloomberg **MAU.FP** / Reuters **MAUP.PA**

Upcoming meetings:

30/04/2009	**Revenue for first quarter 2009**
18/06/2009	**2009 Shareholders' Meeting**
30/07/2009	**Revenue for first half 2009**
27/08/2009	**Results for first half 2009**
10/09/2009	**Results for first half 2009 – SFAF presentation**
29/10/2009	**Revenue for third quarter 2009**