

Paris, 31st August 2011
No. 15-11

First Half 2011 Results

<i>In €m</i>	H1 2011	H1 2010*	Var	Key comments
Sales	254	80	+216%	Increase in Brent price and in production
Gross operating income	174	39	+343%	
Income from asset disposals	112	-	n/a	Impact from the sale of assets in Latin America
Operating income	254	-55	-	Change in the strategy : no write-off
Financial income	-85	104	-	€/ \$ fluctuation
Net consolidated income	90	51	+76%	Impact of financial losses and significant tax (€75m)

* restated for operations intended for sale (Caroil)

A gross operating income of €174m up by 343%

- Rise in the price of crude: +52 %
- Sales up: +216% to €254 million

Operating income of €254 million vs -€55m as of H1 2010

- Change in the strategy: no exploration write-off
- Income from oil production: €149m vs €24m, increase in production
- Proceeds from disposal in Latin America: €112 million
- Impact of US\$ decrease versus Euro on balance sheet : - €60m
- Tax: €75 million of which deferred tax of €36m
- Consolidated net income: €90m

Resulting in net debt reduction

- Group debt reduced in the six first months of the year

<i>in €m</i>	30 June 2011	31 December 2010
RBL	118	225
OCEANE	368	368
Bank loan	11	37
Share of SEPLAT debt	66	57
Others	0	2
Total Debt	563	689

- Cash at 30 June 2011: €152 million (€95m as of 31/12/2010)

In order to adapt to the economic and financial context, since 2009 the Group has reoriented its strategy to assessment and development of its resources, particularly in Gabon, Nigeria and Colombia. As a result, the Group now has:

- Continuously increasing production (20,638 boepd entitlements in Q2 2011);
- P2 reserves net of royalties assessed on 1 January 2011 of 277 Mboe (excluding Venezuela);
- Substantial identified resources;
- High-potential exploration territory of more than 75,000 km² ;
- Experienced teams from well-known oil companies.

In the first half of 2011, the Group continued rationalising its portfolio of assets by focusing its efforts on growing the portion aimed at production and reducing risks related to exploration.

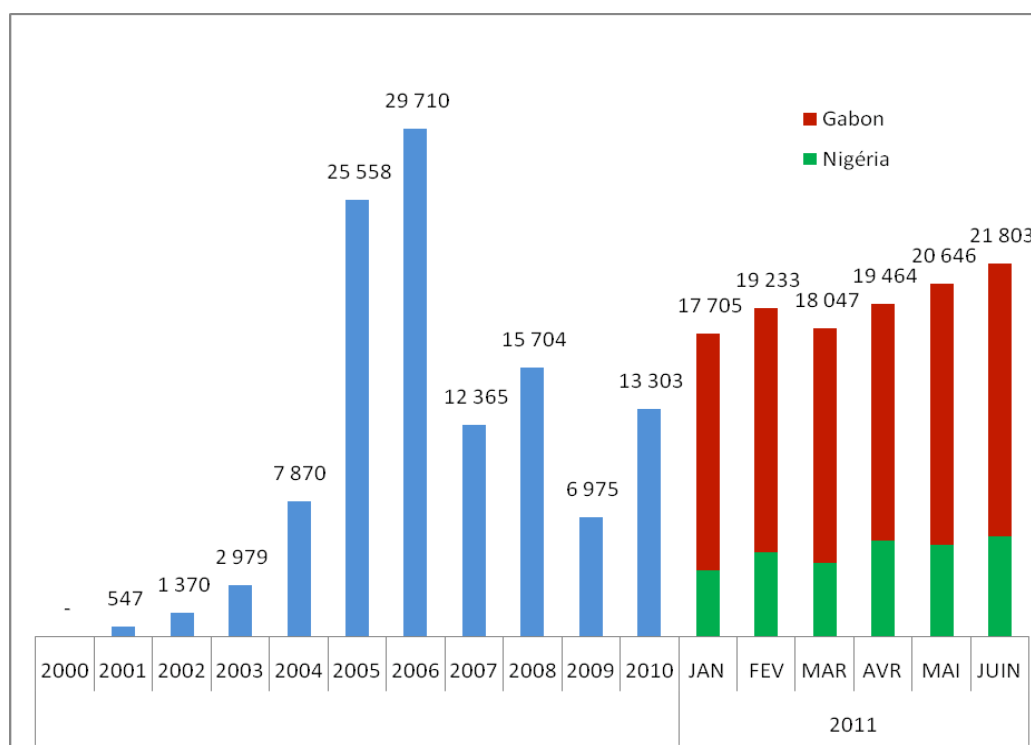
Group activity in first half 2011

The Group's activity in the first half of 2011 was in line with its strategy. It was marked by rapidly growing operational performance, reflecting its increased production and the continuing high crude oil prices.

Continuous increase in production

Ramping up of production

Increased production at OML 4, 38 and 41, the implementation of a well workover and reconnection programme in Nigeria, and the ramp-up of fields in Gabon allowed the Group to post average entitlements of 19,474 boepd in the first half of 2011 (20,638 boepd in Q2 2011).



In Gabon, assessment and development of the Omoc-North discovery (Onal exploration and operation permit) allowed two additional wells to be connected. These two projects as well as the implementation of a water injection programme at the Omko and Omgw fields should allow the Group to keep increasing production steadily throughout the second half of 2011.

The gross production of Nigerian fields is increasing significantly as a result of wells being reopened. This result is thanks to work coordinated by the operator SEPLAT throughout the past year.

The work involved:

- Analysing historical data;
- Optimising well operations;
- Workover and reopening existing wells;
- Reconnecting wells.

Combined with drilling at productive wells and optimising and modernising existing above-ground facilities, they will allow production at OML 4, 38 and 41 to increase steadily over the coming months.

Continuation of current developments

In Gabon, the Omoc and Omoc-N fields are being assessed. In the first half of 2011 two wells were connected to Onal evacuation facilities.

In Nigeria, efforts focused in the first half on existing wells. A programme of works on identified resources (classified as C1 and C2) should start in the second half of 2011.

Encouraging exploration results

New successes in Colombia

In Colombia, a stratigraphic well drilling programme began under the CPO 17 exploration permit (operator Hocol holding 50%, Maurel & Prom Colombia holding 50%). The purpose of the drilling was to assess various geological objectives in the permit.

The first well drilled to a depth of 864m showed the "in situ" presence of oil in the Oligocene sand formations. The works programme at this prospect includes several stratigraphic wells and at least one classic well to the Oligocene objective (Merlin-1) that could turn into a production test. Other major projects have now been defined thanks to the acquisition during 2010 of 618 km of 2D seismic data.

Following the Sabanero discovery in 2010, M&P and Pacific Rubiales's team will start during second half 2011 seismic acquisition and processing and vertical and horizontal drillings to evaluate and appraise this discovery.

Continuing exploration in Gabon

On 20 June 2011 in Gabon, the Group began drilling the OMSN-W prospect 20 km north of the Onal production centre. Drilling was still in progress on 30 June 2011. In August 2011 the well was plugged and abandoned.

Preparation for work in Peru and France

In Peru, civil engineering work should start in the second half in order to allow drilling in the first prospect in the first half of 2012. The work involves mapping and geological surveys as well as environmental impact assessments conducted jointly with local communities.

In France, the Marex company, a Lavignolle and Mios permit operator (M&P 25%) has drilled the CDN-1 well and has started civil engineering work for drilling the PEY-1 well, that started on 19th August 2011.

Continuing rationalisation of the asset portfolio

Strategic alliance with Pacific Rubiales Energy

On 31 March 2011, the Group announced the signing of an agreement to sell 49.99% of its stake in Maurel & Prom Colombia BV to Pacific Rubiales Energy.

With its strong growth and its expertise in the production and processing of heavy crude, Pacific Rubiales Energy has therefore been selected as a strategic partner to develop the Group's resources in Colombia, particularly those under the Sabanero permit.

This alliance should allow Maurel & Prom to rapidly monetise the hydrocarbon resources already identified under this permit, in particular those at Sabanero.

This partnership also allows the Group to fund all assessment, development and production set-up operations, as well as a very determined exploration programme by a strategic partner that enjoys remarkable experience in heavy oil production in Colombia.

Sale of Maurel & Prom Venezuela

On 21 March 2011 the Group signed an agreement whereby Maurel & Prom sold its subsidiary Maurel & Prom Venezuela, which owns 26.35% of Lagopetrol, to a company of the Integra Group (Argentina). This transaction was completed for a total of €37.5m. Given the uncertainty regarding the effective dates of settlement, the company decided to provision €12.5m (33%) the corresponding claim.

Sale of Caroil to Tuscany

On 21 June 2011, Maurel & Prom and Tuscany International Drilling Inc., a Canadian oil services company listed on the Toronto Stock Exchange, announced an agreement had been signed whereby Tuscany Rig Leasing S.A., a wholly-owned subsidiary of Tuscany, is absorbing all the stock of Caroil SAS, a Maurel & Prom drilling subsidiary.

Tuscany will pay Maurel & Prom the acquisition price on the following terms:

- US\$120 million in cash,
- 82.5 million Tuscany shares, listed on the Toronto Stock Exchange,
- 27.5 million stock options.

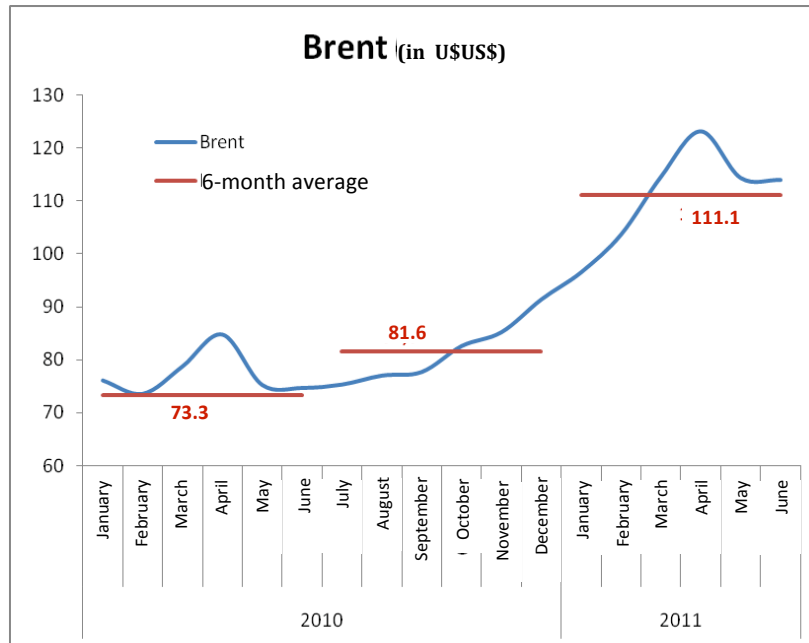
The agreement should be finalised in the third quarter of 2011.

Upon completion of the transaction, Maurel & Prom will hold approximately 29% of Tuscany share capital. By combining forces, Caroil and Tuscany intend to create a major player in oil services in the emerging markets of Latin America and Africa.

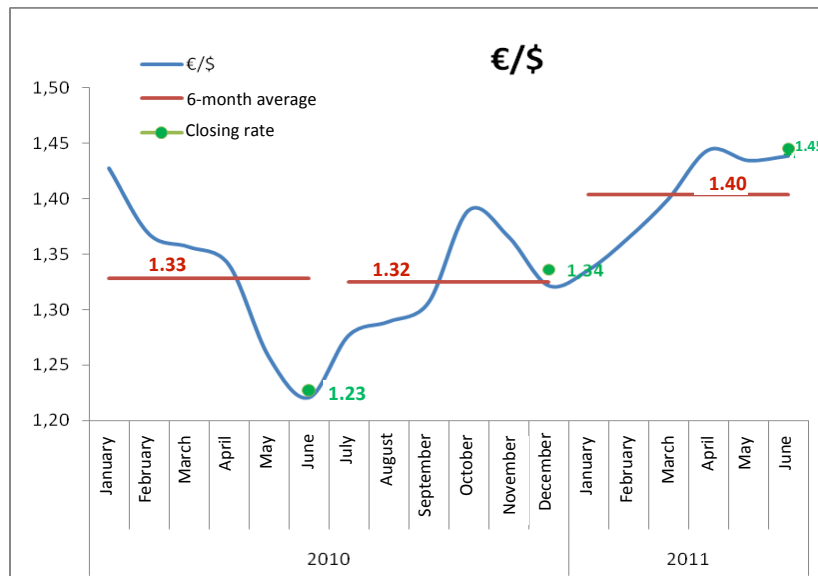
Financial position at 30 June 2011

Economic environment

The average cost of Brent in the first half of 2011 was \$111.1 (+52% versus first half 2010).



In the first half of 2011, the average €/€ exchange rate was 1.404. At 30 June 2011, the €/€ exchange rate was 1.4453, 8% higher than on 31 December 2010.



Key financial elements

The Group's activity, described above, as well as its economic and financial environment, is reflected in the following elements of the consolidated financial statements. The consolidated financial statements were approved by the Board of Directors on 30 August 2011.

In order to reflect the status of the sale of Caroil in the Group's consolidated financial statements as at 30 June 2011, Caroil's activity has been recognised under "Assets intended for sale".

Sales – Oil production

The Group's sales in the first half of 2011 were €253.6 million, versus €80.3 million in the first half of 2010, a increase of 216% (excluding Caroil).

The improvement in sales illustrates the ramping up of production at the Onal field in Gabon (+3.500 boepd in H1 2011 vs H1 2010), the incorporation over the entire period of the sales from the OMGW and OMBG fields in Gabon and the sales in Nigeria in the amount of €70.8 million in H1 2011.

In Tanzania, the Group achieved sales of €0.4 million at the Mnazi Bay field.

In early 2009, upon the signing of the Reserve Based Loan, the Group put instruments in place to hedge its operational cash flow based on the barrel price of oil. In the second half of 2011, 4,500 boepd were covered at a price of \$75.3/b while the average price of Brent was \$117/b. This produced a negative adjustment of €11.1 million in the second half of 2011.

Excluding the impact of hedges, the average selling price in H1 2011 was \$110.6/b. In Nigeria it was \$113.0/b and in Gabon \$109.8/b.

Operating income

Operating income from oil production improved markedly due to the growth in hydrocarbon sales. It was €149 million after amortisation of asset depletion, the rise in the depletion due directly to increased production.

In thousands of euros	30/06/2011	30/06/2010*
Sales	253,553	80,267
Gross margin	208,318	51,846
Gross operating surplus	174,488	39,368
Amortisations for depletion	-25,413	-15,783
Income from oil production	149,075	23,585
Exploration expenses	-5,296	-75,398
Income from oil production and exploration	143,779	-51,813
Income from asset disposals	111,638	2
Other operating elements	-1,328	-3,071
Operating income	254,089	-54,882

(* Restated for sold activities)

Exploration expenses at 30 June 2011 relate to the Marine III permit in the Congo and the Tangara permit in Colombia.

The Group's operating income was €254 million. It includes asset sales as follows:

- sale of 49.99% of Maurel & Prom Colombia: +€124 million;
- sale of Maurel & Prom Venezuela: -€13 million ; given the uncertainty regarding the effective dates of settlement, the company decided to provision €12.5m (33%) the corresponding claim.

Financial income

Financial income was -€84.8 million. It reflects the adverse exchange rates (-€59.7 million) linked to the re-valuation at closure of the Group's currency structural positions.

Note that this income component is volatile and depends on exchange rates at the close of the period. A 10% increase in the €/€ exchange rate would have an adverse impact of €81 million, whereas a 10% decline in the €/€ rate would have a favourable impact of €83 million.

It should be noted that the €/€ closing exchange rate was 1.34 at 31/12/2010 and 1.45 at 30/06/2011.

Interest expense on the OCEANE 2014 bond issue was €16.9 million. Interest expense on other borrowing was as follows:

- interest on SEPLAT financing by BNP Paribas and AFREXIM bank in the amount of €2.7 million;
- interest on the Standard Bank line of credit and the RBL in the amount of €3.7 million.

Net income

Maurel & Prom Group consolidated net income was €90 million after recording a tax expense of €75 million.

This corresponds to €23.6 million tax on the Maurel & Prom share of SEPLAT profits (Nigeria) and a €14.2 million tax assessment on State oil profits under the Omoueyi and Nyanga Mayombé permits in Gabon.

The deferred tax charge is mainly due to: the posting of the difference between the recognition of the recoverable costs, on a taxable base, and the posting in the consolidated statements under the Omoueyi permit -€37 million.

Balance sheet

The balance sheet total at 30 June 2011 was €1,747 million. The Group's share of equity capital was €864 million.

Group debt (IFRS) at 30 June 2011 consisted of:

- | | |
|--|--------------|
| - OCEANE: | €360 million |
| - Reserve Based Loan (RBL): | €118 million |
| - Bank borrowing (BGFI): | €11 million |
| - Bank borrowing (AFREXIM - SEPLAT share): | €66 million |

In January 2011 the RBL amounted to \$330 million. In May 2011, \$160 million of it was repaid as a result of AFREXIM refinancing the Seplat debt and BNP returning Maurel & Prom's loan guarantee. As at 30 June 2011, the amount drawn on the RBL was \$170 million (€118 million).

The Group also took out a line of credit at BGFI in April 2011 in the amount of €15 million, with €11 million of it drawn down as at 30 June 2011.

An additional line of credit signed at Standard Bank in the third quarter of 2010 was repaid in March 2011.

Investments

Exploration expenses as at 30 June 2011 amounted to €35.7 million. The main investments in the period related to:

- operations under the Omoueyi permit in Gabon, in the amount of €25 million;
- expenses paid out in Colombia up to the date of the sale, in the amount of €5.4 million;
- expenses incurred in Peru on the Block 116, in the amount of €1 million;
- work carried out on the Lavignolle-Mios permit, in the amount of €1 million.

Development and production investments during the period amounted to €38.3 million and related mainly to:

- development work carried out for the Onal field, in particular well-drilling at the Omoc-North discovery;
- work carried out in Nigeria, Maurel & Prom's share of which was €0.8 million.

Investments by Caroil in the first half of 2011 amounted to €3.2 million.

Cash flow

As at 30 June 2011, Maurel & Prom posted net cash of €152 million, up €56 million on 31 December 2010, mainly reflecting:

- repayment of the guarantee lodged with BNP, in the amount of €125 million;
- reduction in the level of drawdown on the RBL from €300 million at 31 December 2010 to €170 million at 30 June 2011, a reduction of -€81 million;
- repayment of a \$50 million (€35 million) relay loan at Standard Bank;
- partial repayment of the shareholder loan to SEPLAT, in the amount of €12 million;
- partial drawdown (€11 million) of a €15 million line of credit at BGFI;
- proceeds of €44 million from the sale of 50% of the Group's stake in Maurel & Prom Colombia;
- investments in the period: €74 million (exc. Caroil).

Events occurring after closing

Positive results of stratigraphic wells in Colombia

The drilling of the second and third stratigraphic wells under the CPO17 exploration permit (Hocol 50% operator, and Maurel & Prom 50% operator through its 50.01% owned subsidiary M&P Colombia) has showed the presence of oil.

The wells were drilled to 700m and 3,700m, respectively, south of the first positive stratigraphic well drilled under this permit (*See press release 13_11 of 26 July 2011*).

Update on drilling at OMSN-W in Gabon

In Gabon, the OMSN-W prospect was drilled under the Omoueyi permit, 20 kilometres north-east of the ONAL field. Drilling started on 20 June 2011.

The data received for this prospect indicates that the Grès de Base layer has good porosity and that it is saturated with oil to a height of 38 m. However, this formation shows no permeability and this

therefore prevents production. It was therefore decided to plug and abandon this well and subject it further technical analyses internally.

Update on CDN-1 drilling in France

The Caudos-Nord-1 drilling (CDN-1) began on 4 July 2011 under the Mios permit (Maurel & Prom 15%). It reached its final 2,680 m depth on 26 July.

The technical data recorded in the well enabled the Aptian and Purbeckian sandstone reservoirs to be investigated.

On the basis of the diagrammatic interpretations and the indices observed in the well, the permit operator decided to descend and to cement in place a 7" tubing in order to test the Aptian and Purbeckian reservoirs with "work-over" equipment.

On the Lavignolle license, the Peyrot-1D well was spudded the 19th August 2011.

Group consolidated financial statements

Group balance sheet

Assets

<i>In thousands of euros</i>	30/06/2011	31/12/2010
Intangible assets	556,832	520,625
Property, plant and equipment	569,265	722,845
Non-current financial assets	81,090	62,226
Investments accounted by equity method	0	39,991
Deferred tax assets	8,193	12,505
Non-current assets	1,215,380	1,358,192
Stocks	7,275	14,948
Trade receivables and related accounts	97,202	71,084
Other current financial assets	87,919	260,422
Other current assets	32,450	44,169
Income tax receivable	4	350
Current derivative instruments	4,814	3,931
Cash and cash equivalents	151,866	95,423
Current assets	381,530	490,327
Assets intended for sale, discontinued operations	150,147	0
Total Assets	1,747,057	1,848,519

Liabilities

<i>In thousands of euros</i>	30/06/2011	31/12/2010
Share capital	93,458	93,405
Additional paid-in capital	221,629	221,483
Consolidated reserves	538,956	740,179
Treasury shares	(79,750)	(81,501)
Net income, Group share	90,076	(138,776)
Equity, Group share	864,369	834,790
Non-controlling interests	1	1
Total shareholders' equity	864,370	834,791
Non-current provisions	6,201	5,687
Current bond borrowing	333,511	329,586
Other non-current borrowing and financial debt	117,623	210,574
Other creditors and sundry non-current liabilities	700	271
Non-current derivative instruments	30,352	14,395
Deferred tax liabilities	76,710	58,986
Non-current liabilities	565,097	619,499
Current bond borrowing	26,331	13,346
Other current borrowing and financial debt	77,127	125,307
Trade payables and related accounts	35,270	70,842
Income tax payable	30,990	16,128
Other creditors and sundry liabilities	92,326	120,988
Current derivative instruments	21,362	30,031
Current provisions	11,055	17,587
Current liabilities	294,461	394,229
Assets intended for sale, discontinued operations	23,129	0
Total Liabilities	1,747,057	1,848,519

Net income for the period

<i>In thousands of euros</i>	30/06/2011	30/06/2010*
Sales	253,553	80,267
Other income	476	215
Purchases and change in inventories	(9,018)	(10,973)
Other operating purchases and expenses	(36,693)	(17,663)
Tax expense	(27,982)	(7,657)
Compensation expenses	(5,848)	(4,821)
Amortisation charges	(25,413)	(15,783)
Depreciation of exploration and production assets	(5,296)	(75,398)
Provisions and impairment of current assets	(2,334)	(2,590)
Reversals of operating provisions	1,103	954
Gain (loss) on asset disposals	111,638	2
Other expenses	(97)	(1,435)
Operating income	254,089	(54,882)
Gross cost of debt	(23,198)	(12,386)
Income from cash	2,086	294
Net gain (loss) on derivative instruments	(5,101)	(692)
Net cost of debt	(26,213)	(12,784)
Other financial income and financial expenses	(58,581)	116,365
Financial income	(84,794)	103,581
Income before tax	169,295	48,699
Income tax	(74,705)	(16,956)
Net income from consolidated companies	94,590	31,743
Net income from equity associates	(326)	2,487
Net income from continuing operations	94,264	34,230
Net income from operations intended for sale	(4,188)	16,804
Net consolidated income	90,076	51,034
<i>Net income, Group share</i>	90,076	51,141
<i>Non-controlling interests</i>	0	(107)
Earnings per share		
Basic	0.78	0.44
Diluted	0.74	0.41
Earnings per share from operations intended for sale		
Basic	-0.04	0.15
Diluted	-0.04	0.12
Earnings per share from continuing operations		
Basic	0.82	0.30
Diluted	0.76	0.27

(*) Restated for operations intended for sale (see Note 15)

Total income for the period

In thousands of euros	30/06/2011	30/06/2010
Net income for the period	90,076	51,034
Other elements of total income		
Currency translation adjustment	(28,999)	57,750
<i>of which recycled through income</i>	<i>(12,054)</i>	
Derivative instruments	(4,464)	23,954
- <i>Change in fair value of unexpired hedges (in existence the previous year)</i>	<i>(1,666)</i>	<i>23,954</i>
- <i>Fair value of new hedges for the period recognised as equity</i>	<i>(3,354)</i>	
- <i>Fair value of the portion of hedges recycled through income</i>	<i>556</i>	
Total income for the period	56,613	132,738
- <i>Group share</i>	<i>56,613</i>	<i>132,845</i>
- <i>Non-controlling interests</i>	<i>0</i>	<i>(107)</i>

Cash Flow Statement

In thousands of euros	30/06/2011	30/06/2010*
Consolidated income from continuing operations before tax	168,969	51,184
- Net increase (reversals) of amortisation, depreciation and provisions	25,802	18,877
- Unrealised gains (losses) due to changes in fair value	3,550	166
- Exploration expenses	5,252	75,398
- Calculated expenses and income related to stock options and similar benefits	1,045	1,087
- Other calculated income and expenses	3,208	16,617
- Gains (losses) on asset disposals	(111,565)	(2)
- Income (loss) from equity associates	326	(2,487)
- Other financial items	6,333	(238)
Cash flow before taxes	102,920	160,602
Payment of tax due	(17,943)	(3,932)
Change in working capital requirements for operations	(61,279)	(305)
- Customers	(53,889)	(2,313)
- Suppliers	(16,979)	(11,730)
- Inventories	1,247	(307)
- Other	8,342	14,045
NET CASH FLOW FROM OPERATING ACTIVITIES	23,698	156,365
Disbursements for acquisitions of tangible and intangible assets	(73,981)	(175,433)
Proceeds from acquisitions of tangible and intangible assets	43,653	4
Disbursements for acquisitions of financial assets (non-consolidated securities)	(303)	(4,698)
Proceeds from disposal of financial assets (non-consolidated securities)	34	10,321
Change in loans and advances granted	131,553	(45,741)
Other cash flows from investing activities	2,397	17
Net proceeds from operations sold	(3,870)	51,796
NET CASH FLOW FROM OPERATING ACTIVITIES	99,483	(163,734)
Amounts received from shareholders as part of capital increases	199	(699)
Dividends paid	0	(11,532)
Proceeds from new loans	77,186	374
Interest paid	(6,340)	238
Borrowing repayments	(158,720)	(183,040)
Treasury share acquisitions	1,751	56
NET CASH FLOW FROM FINANCING ACTIVITIES	(85,924)	(194,603)
Impact of exchange rate movements	19,124	(98,058)
CHANGE IN NET CASH	56,381	(300,030)
Cash at start of period	95,375	427,544
CASH AND CASH EQUIVALENTS AT END OF PERIOD	151,758	127,514

(*) Restated for activities intended for sale (See Note 15)

For more information, go to www.maureletprom.fr

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