MAUREL & PROM

Paris, 6th June, 2014
Press release

Offering by MAUREL & PROM of net share settled bonds convertible into new shares and/or exchangeable for existing shares (ORNANEs) for a nominal amount of approximately €220 million, which may be increased up to a maximum nominal amount of approximately €253 million

Proposed repurchase of outstanding 2014 OCEANEs, due 31st July, 2014, through a reverse bookbuilding process

<u>Launch of an offering of ORNANEs</u>

MAUREL & PROM (the "**Company**" or "**MAUREL & PROM**") launches today an offering of net share settled bonds convertible into new shares and/or exchangeable for existing shares (ORNANEs), due 1st July, 2019 (the "**Bonds**") for an initial nominal amount of approximately €220 million, which may be increased up to a maximum nominal amount of approximately €253 million no later than 9th June, 2014, if the over-allotment option granted to the Joint Lead Managers and Joint Bookrunners is exercised in full[1].

The purpose of the issue is to allow the Company to refinance its indebtedness and to extend the maturity of such indebtedness through the redemption, in an off-market repurchase as part of a reverse bookbuilding process, and as the case may be, in a market repurchase as part of a standing repurchase order of the bonds convertible into and/or exchangeable for new or existing shares due 31st July, 2014 (the "**2014 OCEANEs**"), whose outstanding principal amount is €297,355,234.80 as of the date of today. The net proceeds of the issue will be used to repurchase the 2014 OCEANEs (or, as the case may be, to finance their redemption at maturity) and the balance of this repurchase (or, as the case may be, of the redemption at maturity) will be financed with the Company's funds. These transactions

[1] Making use of the delegations conferred to it under the twelfth and fourteenth resolutions of the combined general shareholders' meeting of the shareholders of the Company dated 14th June 2012, the board of directors of the Company, during its meeting of 23 April 2014, has decided (i) to authorise the issuance by the Company, by way of a private placement, without preferential subscription right and without a priority subscription period. of the Bonds and (ii) to delegate to the General Manager, with the ability of sub-delegation to the fullest extent permitted by law, all powers in particular to issue the Bonds as well as to set the final terms and conditions of the Bonds.

are expected to enable the Company to continue to increase its financial flexibility for future investments.

The par value of the Bonds will include an issue premium between 33% and 40% over MAUREL & PROM's reference share price[2] on the regulated market of Euronext in Paris ("**Euronext Paris**").

The Bonds will bear interest at an annual nominal rate comprised between 1.625% and 2.375%, payable semi-annually in arrears on 1st January and 1st July of each year (or the following business day if such date is not a business day). The interest which shall be paid on 1st January, 2015 (or the following business day if such date is not a business day) will be calculated *prorata temporis* and will cover the interest period starting from the issue date and ending on 31st December, 2014 (included).

The Bonds will be issued at par on 11th, June 2014, the expected settlement date, and will be redeemed at par on 1st July, 2019 (or on the following business day if such date is not a business day). The Bonds may be redeemed earlier at the Company's option under certain conditions. In particular, the Bonds may be fully redeemed, at par together with accrued interest, earlier at the Company's option from 1st August, 2017 if the arithmetic average, calculated over a period of 20 consecutive trading days from among the 40 consecutive trading days preceding the publication of the early redemption notice, of the products of the Company's opening trading share price on Euronext Paris and the then prevailing conversion ratio (1 share per Bond, subject to adjustments) exceeds 130% of the nominal value of the Bonds.

In addition, the holders of Bonds may require the early redemption of the Bonds in the event of a change of control of the Company.

The Bonds give right to the issuance of new shares or the delivery of existing shares at any time from 11th, June (inclusive) until the eighteenth trading day (excluded) before the maturity date of the Bonds or, as the case may be, the relevant redemption date.

The conversion ratio will be equal, at the issue date of the Bonds, to 1 MAUREL & PROM share per Bond and may be later subject to adjustments.
The maximum theoretical dilution[3] that could result from the issuance of new shares upon exercise of the conversion right under the Bonds would represent 12.60% of the share

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[2] The reference share price will be equal to the volume-weighted average price of the Company's shares on Euronext Paris from the opening of the trading session on 6th June, 2014, day of the launch of the transaction, until the time at which the final terms of the Bonds will be determined on the same date.

[3] The dilution calculation is based on closing price of the Company's shares on Euronext Paris on 5th June 2014, i.e. €12.425 together with an issue premium of 33% provided that the greenshoe option has been exercised in full.

capital at the date hereof (10.83% on a diluted basis provided all the remaining 2014 OCEANEs have been amortized).

In the case of exercise of their conversion right, the holders of Bonds will have the right to receive, at the option of the Company, either an amount in cash, either an amount in cash together with an amount payable in new and/or existing shares of the Company. However, in order to optimize its financial structure upon exercise of the conversion right, the Company retains the option to deliver new and/ or existing shares only.
In addition, it is specified that, regarding the delivery of new shares, the Company will issue a number of shares that will represent no more than 9.99% of the share capital.

Pacifico SA and MACIF have stated that they do not intend to participate in the offering. To the best of the Company's knowledge, none of the other shareholders has stated its intention to participate in the offering.

In the context of the offering, the Company will undertake a lock-up agreement of 90 days, and Pacifico SA has undertaken to hold shares during 90 days, subject to certain exceptions.

The final terms of the issue are expected to be set on 6th June, 2014.

An application for the admission to trading of the Bonds on the Open Market ("*Freiverkehr*") of the Frankfurt Stock Exchange will be made.

This press release does not constitute a subscription offer and the offering of the Bonds does not constitute a public offering in any country including in France.

Repurchase of 2014 OCEANEs (ISIN: FR0010775098)

Concurrently to the private placement of the Bonds to institutional investors, the Company will collect indications of interest to sell from certain holders of the 2014 OCEANEs, at a price of €16.90 (with accrued interest included) per 2014 OCEANE, through a reverse bookbuilding process conducted by the Joint Lead Managers and Joint Bookrunners outside the United States of America. Based on the indications of interest received, the Company may decide to repurchase, in the context of off market transactions, the 2014 OCEANEs tendered, subject to the condition precedent of the settlement-delivery of the Bonds.

If applicable, the 2014 OCEANEs presented for redemption will be purchased after close of trading on Euronext Paris, on the trading day following the settlement-delivery date of the Bonds, i.e. on 12th June, 2014 according to the indicative timetable, and then will be cancelled in accordance with their terms of issuance and pursuant to applicable law. The bookbuilding for the Bonds and the reverse bookbuilding for the repurchase of the 2014

OCEANEs are independent from one to another. The allotments of the Bonds are not conditioned on indications of interests from holders of the 2014 OCEANEs.

If the off-market repurchase of 2014 OCEANEs represents more than 20% of the number of 2014 OCEANEs initially issued, the Company will, in order to ensure a fair treatment of all 2014 OCEANEs holders, place a standing repurchase order on the market in France during the five consecutive trading days following the day of the settlement-delivery date of the off-market repurchase of the 2014 OCEANEs (expected to occur on the day following the settlement date of the Bonds), i.e. according to the indicative timetable from 13th June, 2014 to 19th June, 2014 inclusive. The price offered per 2014 OCEANE through the standing repurchase order will be the same as for the 2014 OCEANEs repurchased through the reverse bookbuilding process. Immediately following the closing date of the reverse bookbuilding, the Company will publish a press release containing the terms of this standing repurchase order, if applicable.

The offering of the Bonds and the repurchase of the 2014 OCEANEs are led by Natixis acting as Global Coordinator, Joint Lead Manager and Joint Bookrunner and by BNP PARIBAS and Crédit Agricole Corporate and Investment Bank acting as Joint Lead Managers and Joint Bookrunners.

Registration document of the Company

The Company's 2013 registration document, which describes in particular the risk factors relating to the Company, was filed with the *Autorité des marchés financiers* (the "**AMF**") on 29th April, 2014 under n° D.14-0449 may be obtained on the Company's corporate website (www.maureletprom.fr) and on the AMF's web site (www.amf-france.org).

This press release does not constitute an offering of securities in the United States of America. The Bonds and the underlying shares may not be offered, sold or delivered in the United States of America absent registration or an exemption from registration requirements pursuant to the U.S. Securities Act of 1933, as amended. MAUREL & PROM does not intend to register the proposed offering in whole or in part in the United States of America or to conduct a public offering in the United States of America.

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MAUREL & PROM shares are listed on Euronext Paris – Segment A – CAC® mid 60 - SBF120®
- CAC® Mid & Small - CAC® All-Tradable - CAC® All-Share - CAC PME -
– Eligible PEA – PME
ISIN FR0000051070 / Bloomberg MAU.FP / Reuters MAUP.PA

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This press release may not be distributed directly or indirectly in the United States of America, in Australia, in Canada or Japan.

Information included in this press release does not constitute an offer of securities in the United States of America, in Australia, in Canada or Japan.

*No communication or information relating to the issue by MAUREL & PROM of net share settled bonds convertible into new shares and/or exchangeable for existing shares (the "**Bonds**") may be transmitted to the public in a country where there is a registration obligation or where an approval is required. No action has been or will be taken outside of France, in any country in which such action would be required. The issue or the subscription of the Bonds may be subject to legal and regulatory restrictions in certain jurisdictions and MAUREL & PROM assumes no liability in connection with the breach by any person of such restrictions.*

This press release is an advertisement and not a prospectus within the meaning of the Prospectus Directive (as defined hereinafter).

This press release is not an offer to the public, an offer to subscribe or designed to solicit interest for purposes of an offer to the public.

France
*The Bonds have not been and will not be offered or sold, directly or indirectly, to the public in France. Any offer or sales of the Bonds and distributions of any offering material relating to the Bonds have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) and/or a restricted circle of investors acting for their own account, as defined in, and in accordance with, Articles L411-2- II D.411-1 and D.411-4 of the French Monetary and Financial Code. In accordance with Article 211-3 of the AMF General Regulation, it is reminded that no prospectus will be submitted for approval to the AMF in respect of the issue of the Bonds.*

European Economic Area outside of France
*With respect to each Member State of the European Economic Area other than France which has implemented the Prospectus Directive (the "**Member State**"), no action has been undertaken or will be undertaken to make an offer to the public of Bonds requiring a publication of a prospectus in any Member State. As a result, Bonds may only be offered in Member States:*

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive; or

(b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to the provisions of the Prospectus Directive and the prior approval of the Joint Lead Manager(s) and Joint Bookrunner(s) appointed by the Company for the relevant transaction; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Bonds referred to in (a) to (c) above shall require MAUREL & PROM or any Joint-Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

*For the purposes of this paragraph, as defined in the Prospectus Directive (i) the expression an "**offer of Bonds to the public**" in relation to any Bonds in any Relevant Member State which has implemented the Prospectus Directive (as defined below) means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, (ii) the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and (iii) the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU, as implemented by the relevant Member State.*

United Kingdom

*This press release is only directed at (i) persons who are not located in the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"); or (iii) persons falling within Article 49(2)(a) to (d) (high net worth entities, non incorporated associations, etc.) of the Order, or (iv) persons to whom this press release may lawfully be communicated or caused to be communicated (all such persons mentioned in paragraphs (i), (ii), (iii) and (iv) above, together being referred to as "**Relevant Persons**").*

The Bonds are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Bonds will be engaged only with Relevant Persons. Any person that is not a Relevant Person should not act or rely on this press release or any of its contents.

This press release does not constitute a prospectus and has not been approved by the Financial Services Authority or by another United Kingdom regulatory authority falling within Section 85 of the Financial Services and Markets Act 2000.

United States of America

*This press release may not be published, distributed or transmitted in the United States of America (including its territories and dependencies, any State of the United States of America and the district of Columbia). This press release does not constitute any offer or solicitation to purchase for securities in the United States of America. The securities mentioned herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold in the United States of America, except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. The Bonds will be offered or sold only outside of the United States of America in offshore transactions in accordance with Regulation S of the Securities Act. MAUREL & PROM does not intend to register any portion of the proposed offering in the United States of America and no public offering will be made in the United States of America.*

Canada, Australia and Japan

The Bonds may not be offered, sold or purchased in Canada, Australia or Japan. The information contained in this press release does not constitute an offer of securities for sale in Canada, Australia or Japan.

The distribution or publication of this press release in certain countries may constitute a breach of applicable law. As a result, persons physically present in these countries, in which this press release is distributed or published, must inform themselves about and comply with these applicable laws.

Stabilization

In accordance with the terms of an underwriting agreement to be entered into between the Company and a banking syndicate, Natixis, acting as stabilizing manager (or any other institution acting on its behalf), will have the ability, but not the obligation, as from the time at which the final terms of the Bonds become public, i.e. on 6th June, 2014, to intervene so as to stabilize the market for the Bonds and/or possibly MAUREL & PROM's shares in accordance with applicable legislation. Such interventions may be interrupted at any time, if any, but at the latest on 9th June, 2014. Such interventions may stabilize the price of the Bonds and of the MAUREL & PROM's shares. Such interventions may affect the price of the Bonds and of the MAUREL & PROM's shares and could result in such prices being higher than those that might otherwise prevail.

Repurchase of 2014 OCEANEs

This press release does not constitute an invitation to participate in the repurchase of 2014 OCEANEs in any country in which, or to any person to whom, it is forbidden to make such an invitation in accordance with applicable laws and regulation. In particular, the 2014 OCEANEs repurchase is not offered and will not be offered, directly or indirectly to the United States of America in any form or mean whatsoever. Persons in possession of this press *release are summoned to inform themselves and to conform with all legal and regulatory restrictions.*

This press release has been issued by and is the sole responsibility of the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Joint Lead Managers and Joint Bookrunners or by any of their respective affiliates or agents as to, or in relation to, the accuracy or completeness of this press release or any other written or oral information made available to or publicly available to any interested party or its advisers, and any responsibility therefore is expressly disclaimed.