

ANNUAL RESULTS

2010



1 GROUP STRATEGY



1 2010 key figures

1 Sales: €346m
+80%

2 Operating income before exploration write-offs: €111m
+136%

3 Exploration write-offs: €211m
+ 398%

4 P1+P2 reserves: 288 Mboe
+74%
+58% in Gabon

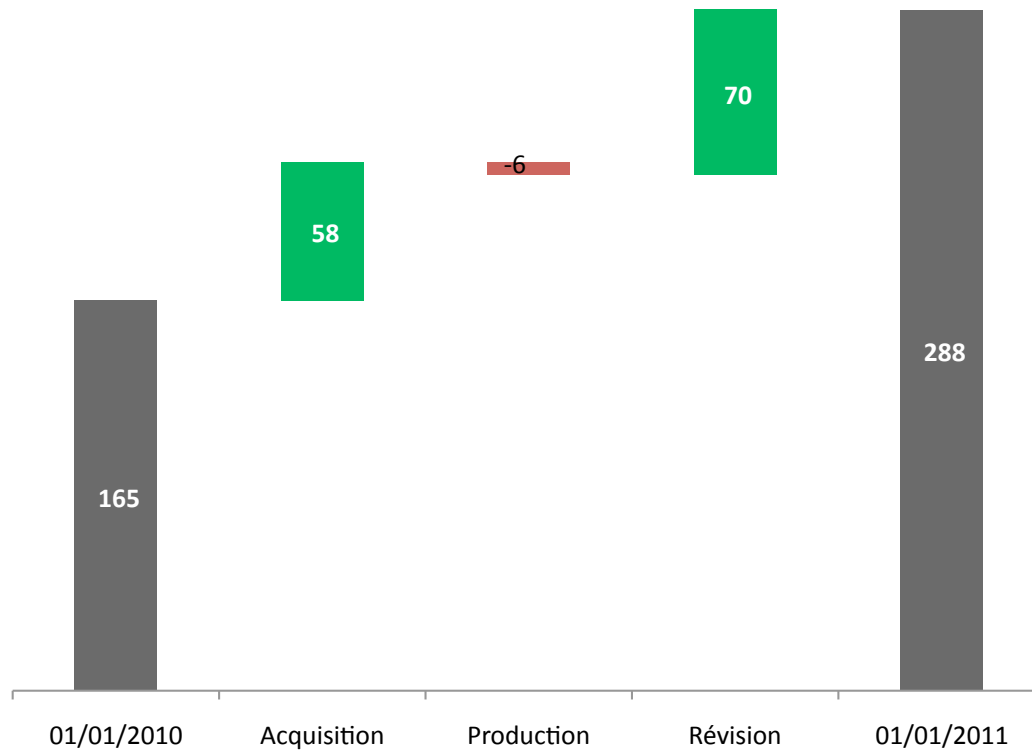


1 Change of the strategy

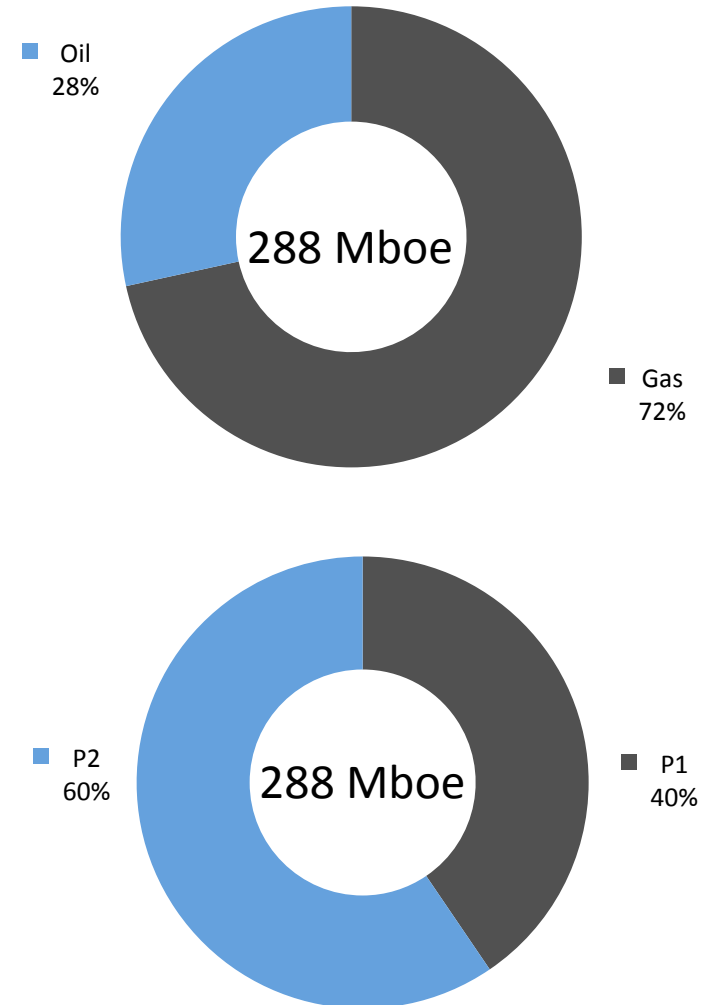
- **Sustained efforts to adapt the strategy to the economic environment...**
 - Continued increase in Group production in Gabon
 - Quick development of new discoveries
 - Acquisition of assets in Nigeria
 - Successful restart of exploration activity in Colombia
- **... resulting in contrasting impacts on the Group results...**
 - Strong increase in production and operating cash flow
 - Strong increase in reserves
 - Important resources corresponding to new discoveries
 - High appraisal potential
 - Important exploration write-offs
- **... and encouraging perspectives**
 - A better risk profile (production compared to exploration)
 - A well diversified portfolio (presence in key countries)
 - A higher value (quantity, price)

1 Certified P1+P2 reserves

Reserves P1+P2 net of royalties
in Mboe



Strong increase up to 288 Mboe



The Group's reserves correspond to commercially exploitable volumes of hydrocarbons revealed by exploration and delineation wells. P1+P2 reserves net of royalties have been certified by DeGolyer & MacNaughton for Gabon (31/7/2010 for Onal, Omko, Ombg and Omgw fields and 31/3/2011 for Omoc and Omoc-North fields) and Venezuela (1/1/2010), RPS-APA (2007) for Tanzania and Gaffney & Cline for Nigeria (1/1/2011).

1 Reserves details

P1+P2 reserves net of royalties at 1/1/2011

in Mboe

		01/01/2010	acquisition	production	revision	01/01/2011	P1	P2
	% retained							
ONAL	85%	87.2		-3.3	1.4	85.3	44.5	40.8
OMKO	85%	12.7		-0.3	0.8	13.2	7.5	5.7
OMBG	85%	4.2		-0.1		4.1	0.8	3.3
OMGW	85%	5.1		-0.6	3.9	8.4	4.0	4.4
OMOC-North	85%				27.5	27.5	9.8	17.7
OMOC	85%				34.7	34.7	12.3	22.4
BANIO	100%	0.5		-0.1		0.4	0.4	0.0
GABON (OIL)		109.7		-4.4	68.3	173.6	79.2	94.5
OIL + CONDENSATE	20.25%		27.3	-0.5	-0.1	26.7	8.5	18.2
GAS	20.25%		31.1		1.6	32.7	6.0	26.7
NIGERIA			58.4	-0.5	1.5	59.4	14.4	44.9
OIL	26.35%	5.7		-0.2		5.5	3.5	2.0
GAS	26.35%	4.8		-0.2		4.6	2.8	1.8
VENEZUELA		10.5		-0.4		10.1	6.3	3.8
MNAZI BAY - GAS	38.22%	44.6		-0.1		44.5	16.5	28.0
TANZANIA		44.6		-0.1		44.5	16.5	28.0
TOTAL OIL + CONDENSATES		115.4	27.3	-5.1	68.2	205.8	91.2	114.7
TOTAL GAS		49.4	31.1	-0.3	1.6	81.7	25.3	56.5
TOTAL		164.8	58.4	-5.4	69.8	287.5	116.5	171.2

Hydrocarbon resources (M&P share, net of royalties)

			Type of hydrocarbon	01/01/2011	Type of resource
				millions of barrels	
GABON	ONAL	85%	Oil	25	P3
	OMKO	85%	Oil	4	P3
	OMBG	85%	Oil	14	P3
	OMGW	85%	Oil	4	P3
	OMOC-North	85%	Oil	19	P3
	OMOC	85%	Oil	26	P3
COLOMBIA	Sabanero	100%	Oil	33	
	CPO-17	50%	Oil	in process of evaluation	C1+C2
NIGERIA	OML 4, 38, 41	20.25%	Oil + Condensate	53	C1+C2
	OML 4, 38, 41	20.25%	Gas	222 Bcf (40 Mboe)	C1+C2
TANZANIA	Mnazi Bay	38.22%	Gas	579 Bcf (103 Mboe)	P3
SICILY	Fiume Tellaro	60%	Gas	98 Mboe	P3
SUB-TOTAL			-	419 Mboe	-
TANZANIA	Bigwa Rufiji Mafia	60%	Gas	1,0 Tcf (184 Mboe) < x < 2,2 Tcf (388 Mboe)	GIIP

Resources are classified as volumes of hydrocarbons revealed by drilling which are not part of a development plan or sales agreement. Hydrocarbon resources have been evaluated by Gaffney & Cline in Nigeria (1/1/2011), GLJ in Colombia (1/1/2011) and Schlumberger (2011) for the Bigwa Rufiji Mafia permit in Tanzania. P3 reserves have been evaluated by DeGolyer & MacNaughton (31/3/2011) in Gabon, Ryder Scott in Sicily and by RPS-APA (2007) in Tanzania.

1 Cost of 1 barrel

EXPLORATION

	2007	2008	2009	2010	2007-2010
<i>In US\$m</i>					
Exploration expenses	174	322	320	326	1,142
Exploration write-offs	41	78	75	280	473
					41%
<i>in Mboe</i>					
Oil reserves increase	+15	+101	+5	+68	+189

Finding cost (before tax effects) 6.0 \$/b

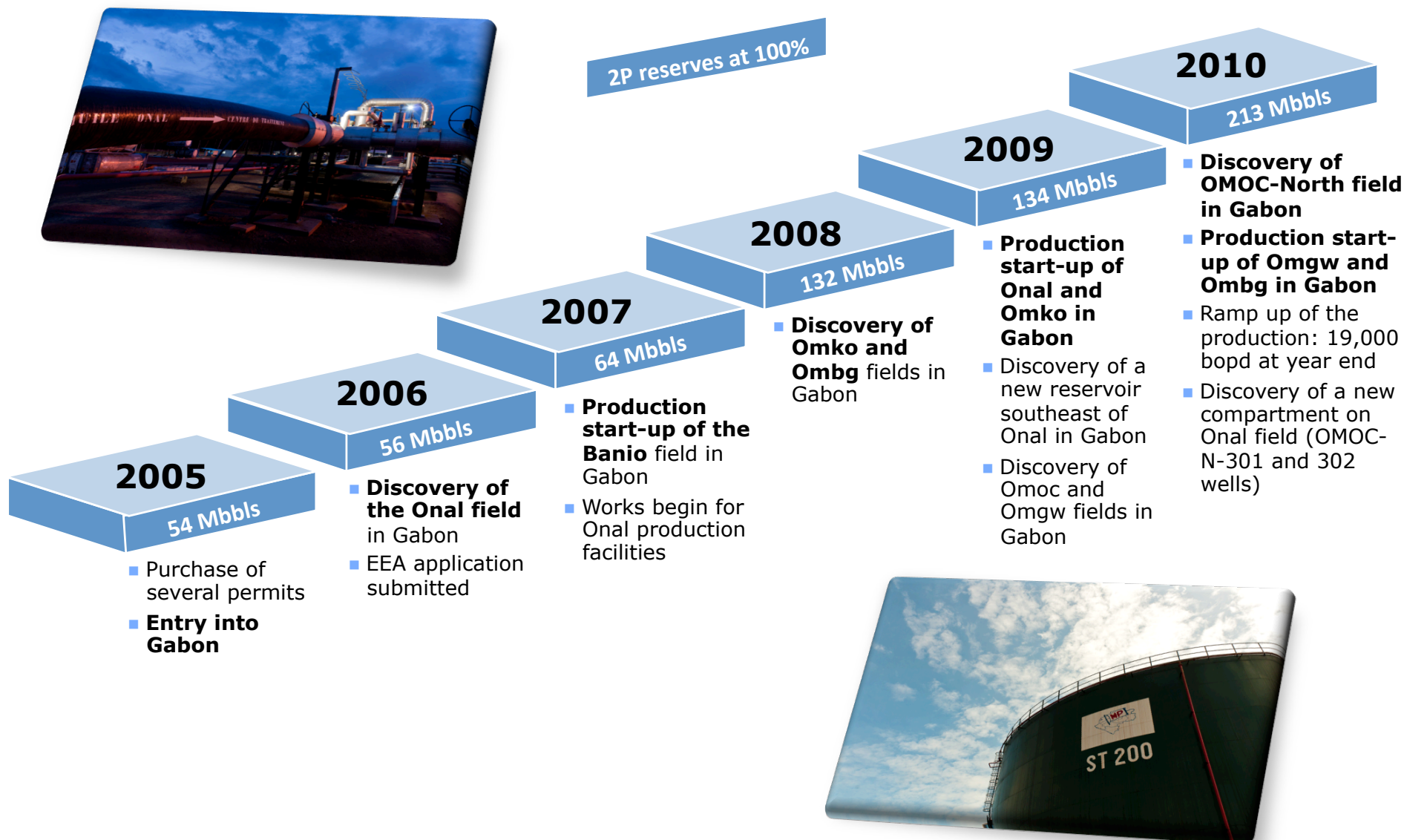
ACQUISITION

Nigeria acquisition (SEPLAT working interest)	US\$340m
Earn-out	US\$33m
P1+P2 oil reserves (SEPLAT WI)	76 Mboe
P1+P2 acquisition costs	4.9 \$/b
P1+P2+C1+C2 oil reserves and resources (SEPLAT WI)	226 Mboe
P1+P2+C1+C2 acquisition costs	1.65 \$/b



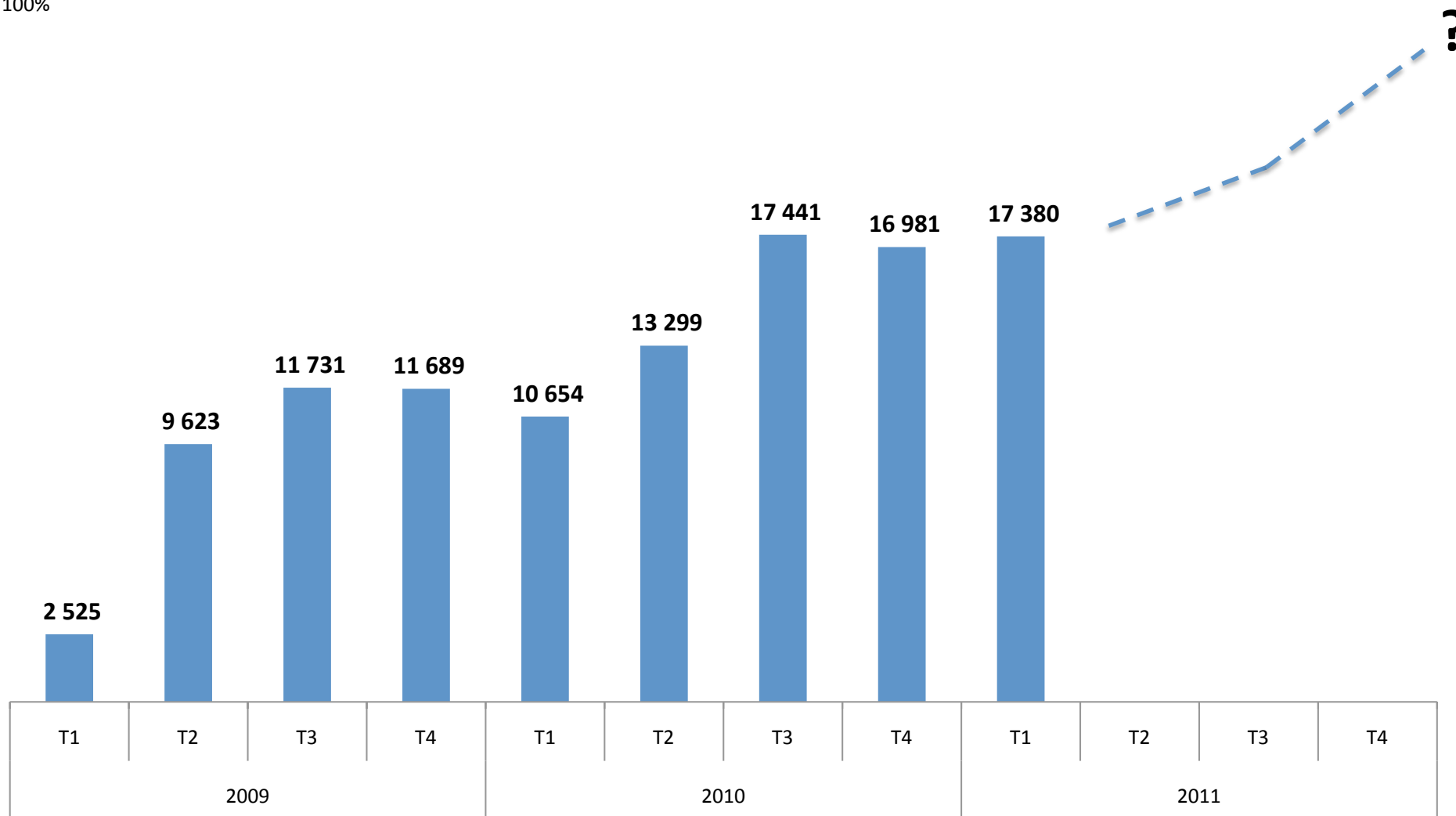
2 2010-2011 ACTIVITY

2 Gabon : a methodical strategy (1/2)

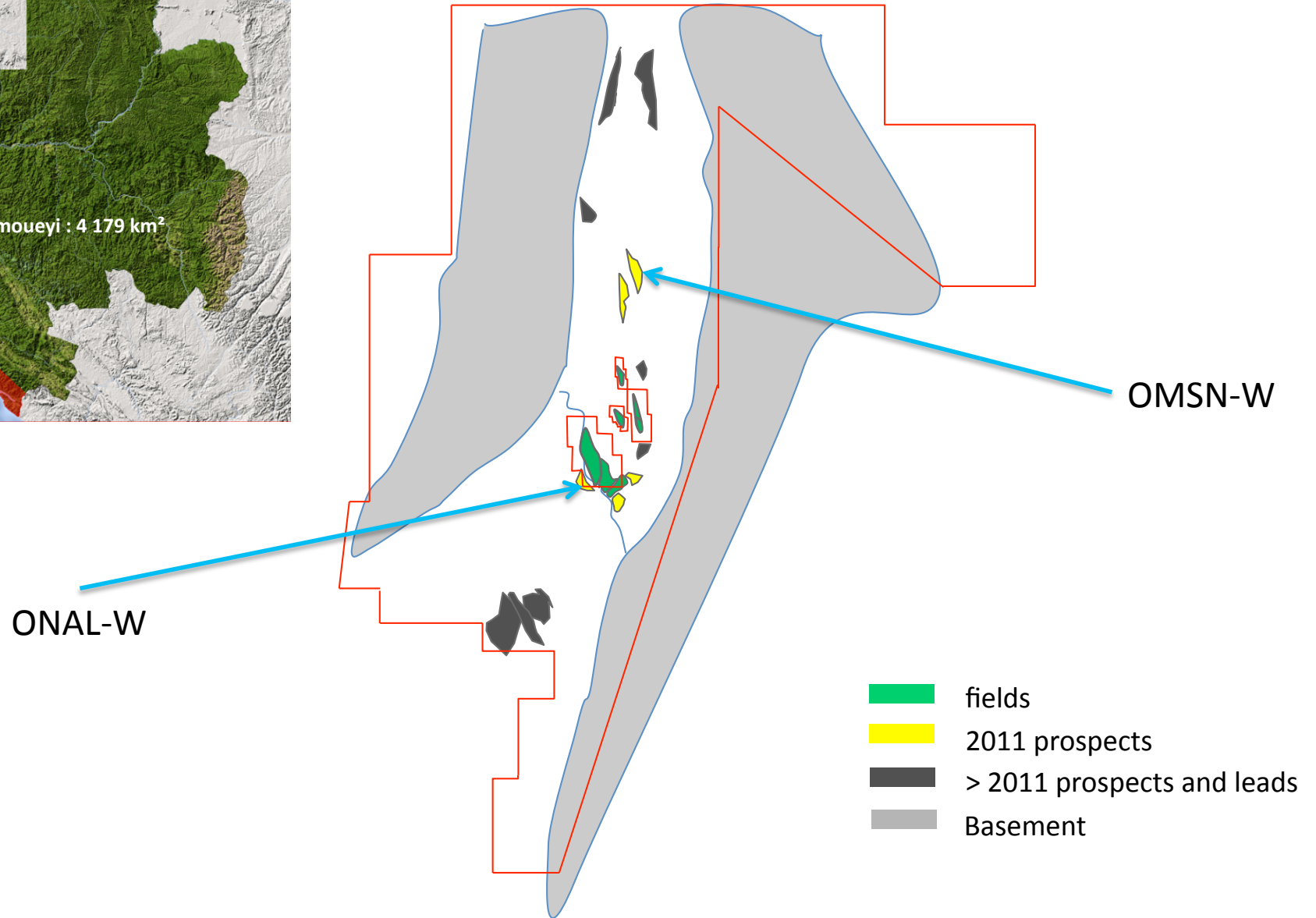


2 Gabon: gross production

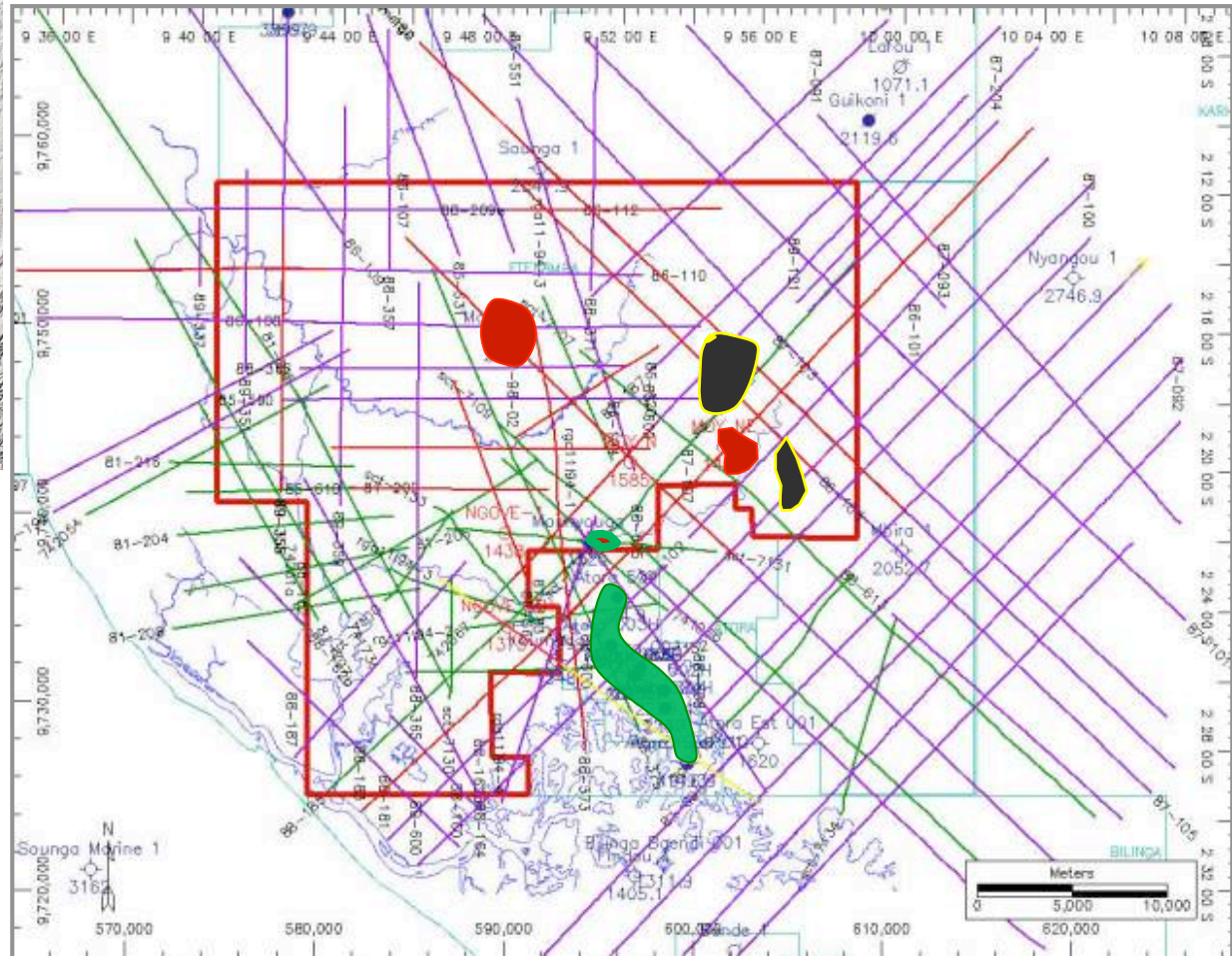
In bopd
100%







2 Omoueyi : fields and prospects

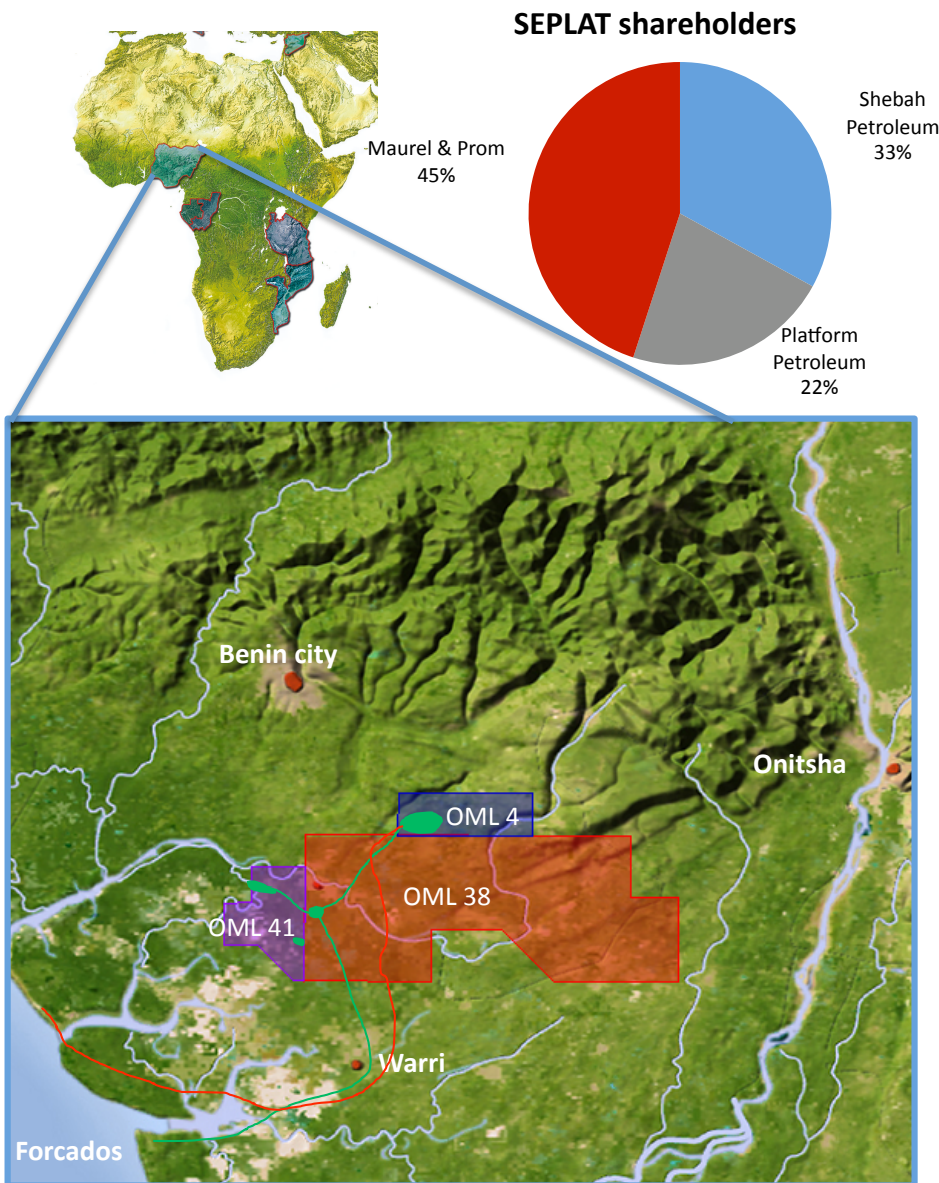


2 Etekamba



-  Gas field
-  Oil + Gas field
-  Oil field (ATORA)
-  Prospects to be drilled in 2011

2 Nigeria : progressive integration of assets



SEPLAT (M&P 45%) acquisition costs:
US\$340m + US\$33m earn-out (oil price)
o/w US\$153m from M&P
o/w US\$187m from credit line

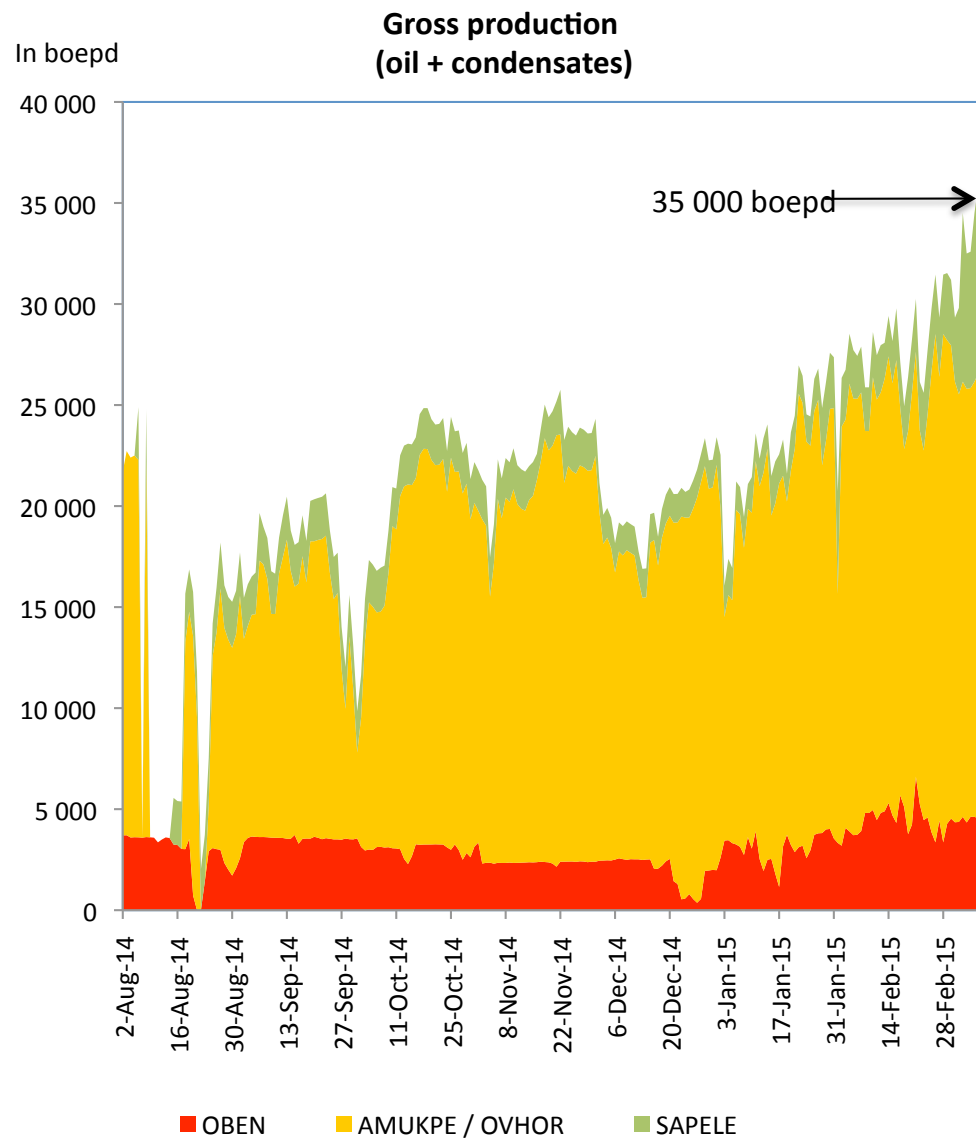
Oil reserves in SEPLAT (M&P 45%) working interest:
P1+P2 : 76 MMboe
C1+C2 : 150 MMboe

Gas reserves in SEPLAT (M&P 45%) working interest:
P1+P2 : 74 MMboe
C1+C2 : 95 MMboe

3D seismic > 90%
74 production wells
23 exploration wells (success rate > 50%)
9 appraisal wells

2

Nigeria : successful restart of the production



Premium vs Brent :

1.75\$

Royalties:

20% oil
7% gas

Opex:

US\$6/b

Transport & tariff:

US\$8/b

Income tax:

65.75%

Depreciable asset base (SEPLAT): US\$219m

DEC 2011: 40,000 boepd

Targeted field development strategy: 2 fields developed per year – from 2012

⇒ Increase production:

- Existing history
- 2 more production wells on Ovhor field
- 5 workovers on Sapele field
- Ovhor-2 connection
- First study on evacuation ways
- Studies to install water handling and treatment facilities

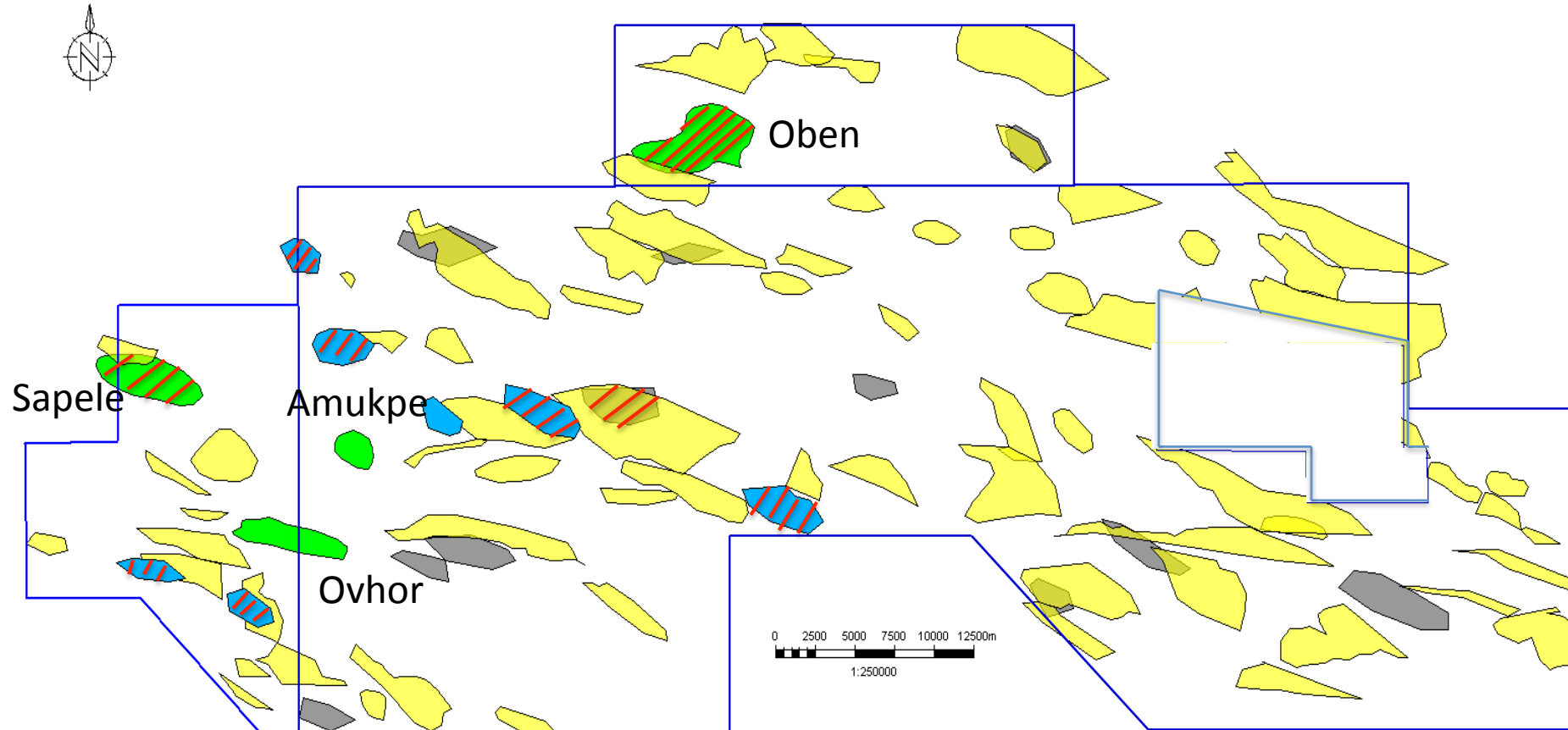
Target production of
40,000 boepd at end 2011

⇒ Conversion of C1+C2 to P1+P2

- Existing history
- 3 appraisal wells (Orogbo – Okporhuru – Okoporo)
- Rig less intervention
- Reprocess 3D seismic data to enhance quality and optimize appraisal drilling campaign

Target Production of
50,000 bpd at end of 2012
Conversion of C1+C2 to P1+P2

2 Nigeria issue: appraisal

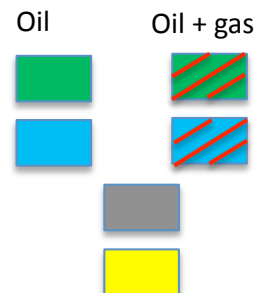


Fields

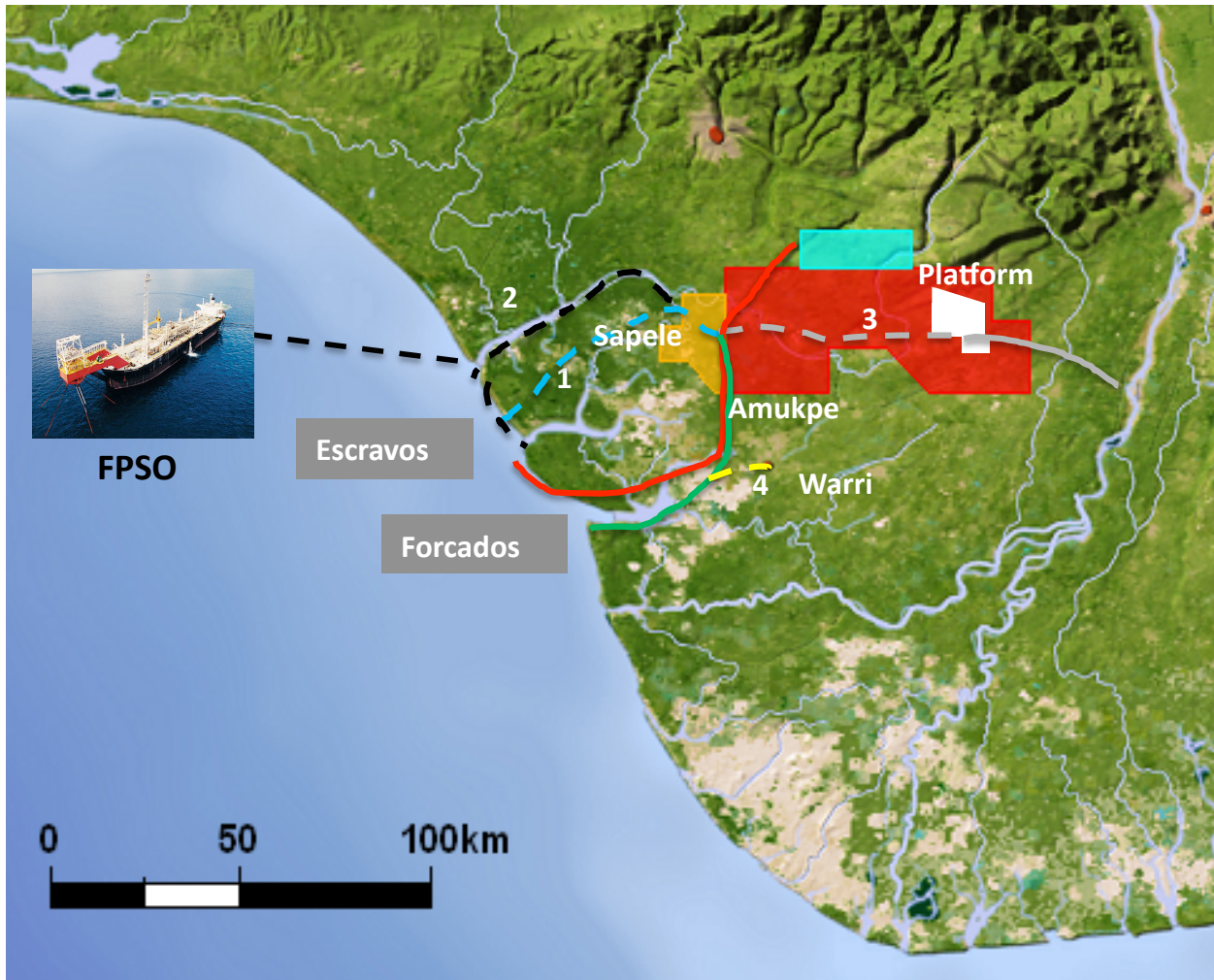
Unappraised fields, audited by Gaffney & Cline (C1+C2)

Unappraised fields, not audited by Gaffney & Cline

Prospects and leads





2 Nigeria issue: evacuation ways





Oil pipeline 

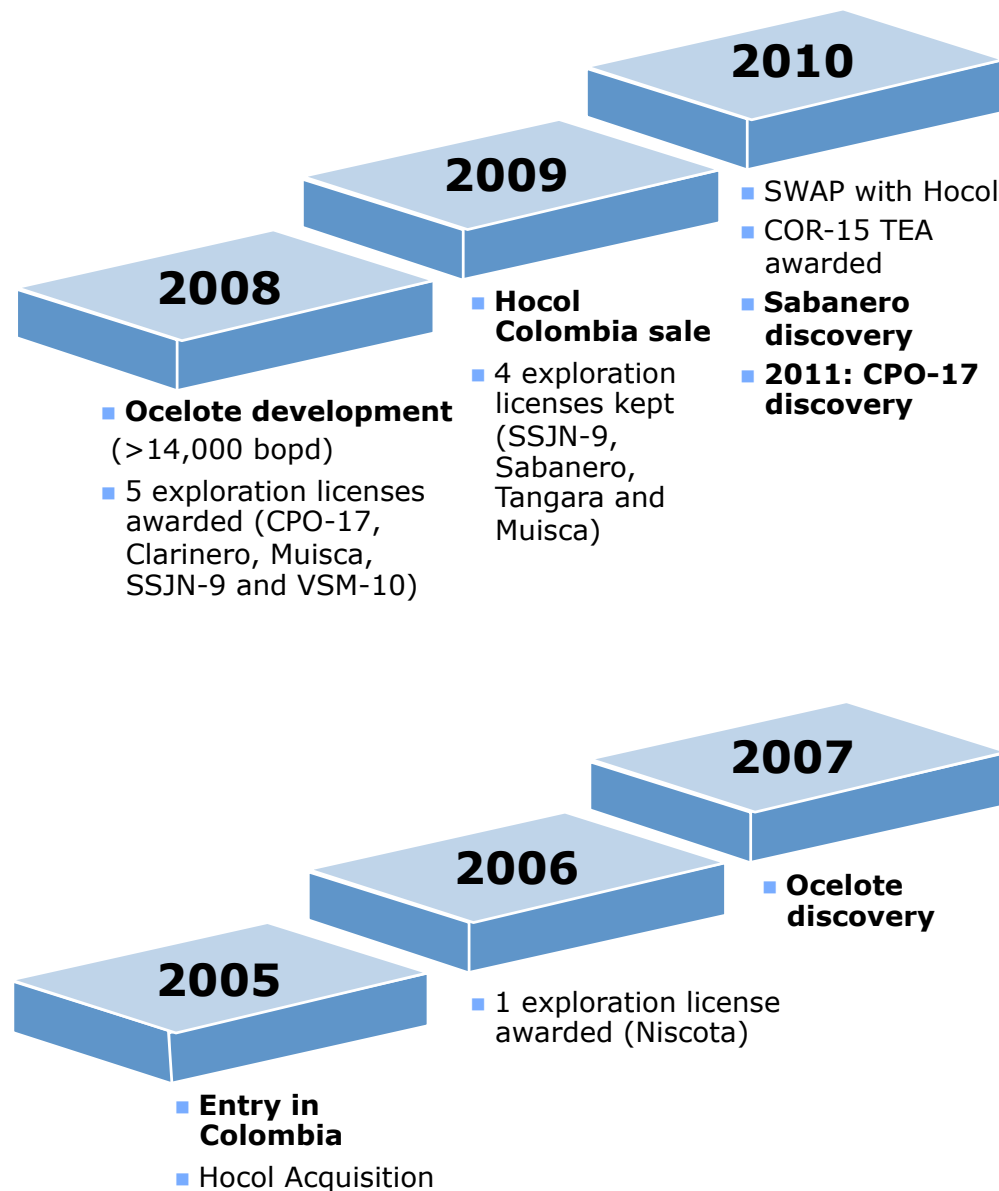
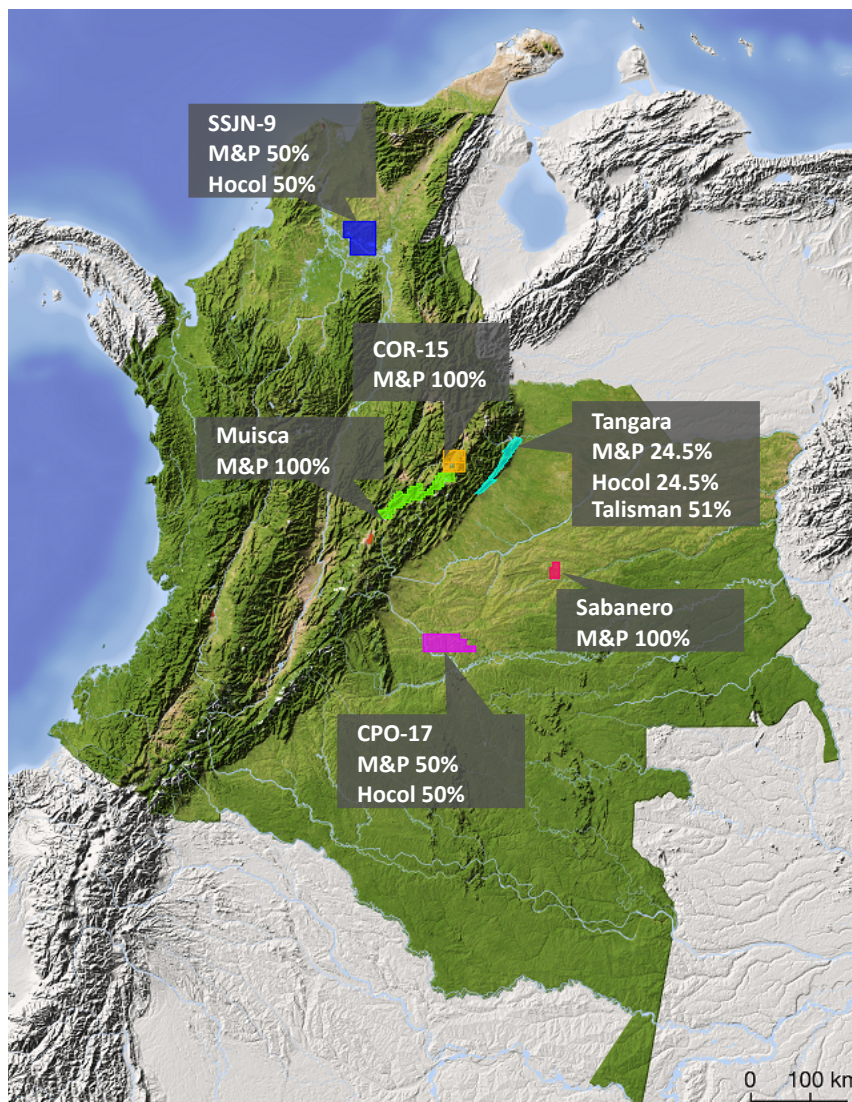
Gas pipeline 

Option 1 
Amukpe - Escravos
(Chevron + Pan Ocean)

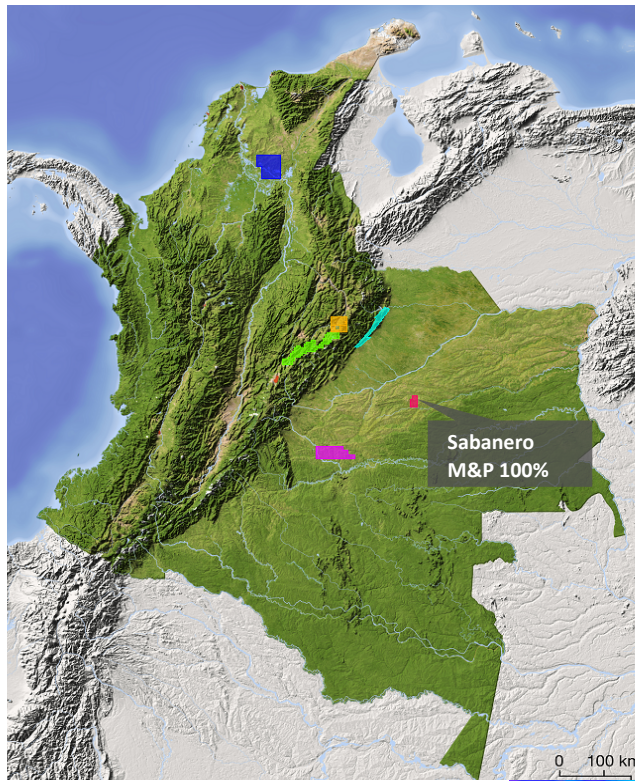
Option 2 
Sapele – Escravos or FPSO
(by barge)

Option 3 
30 km pipeline via Platform
and Agip

Option 4 
Rapele – Warri refinery

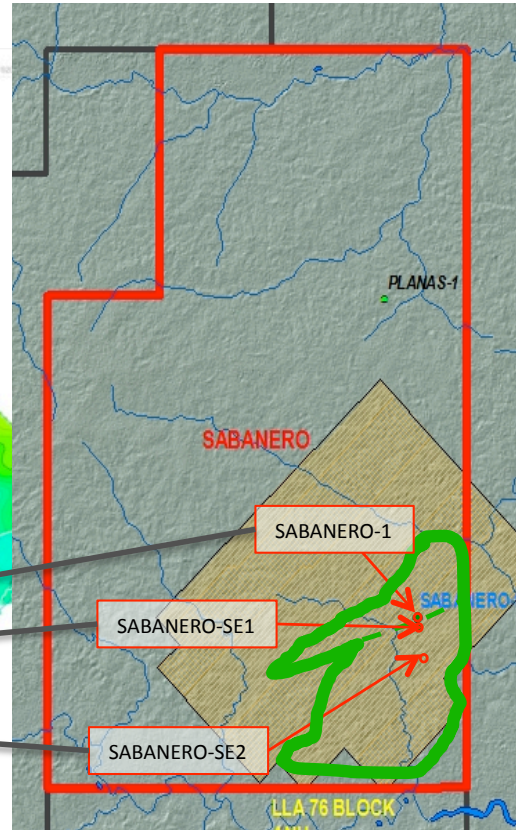
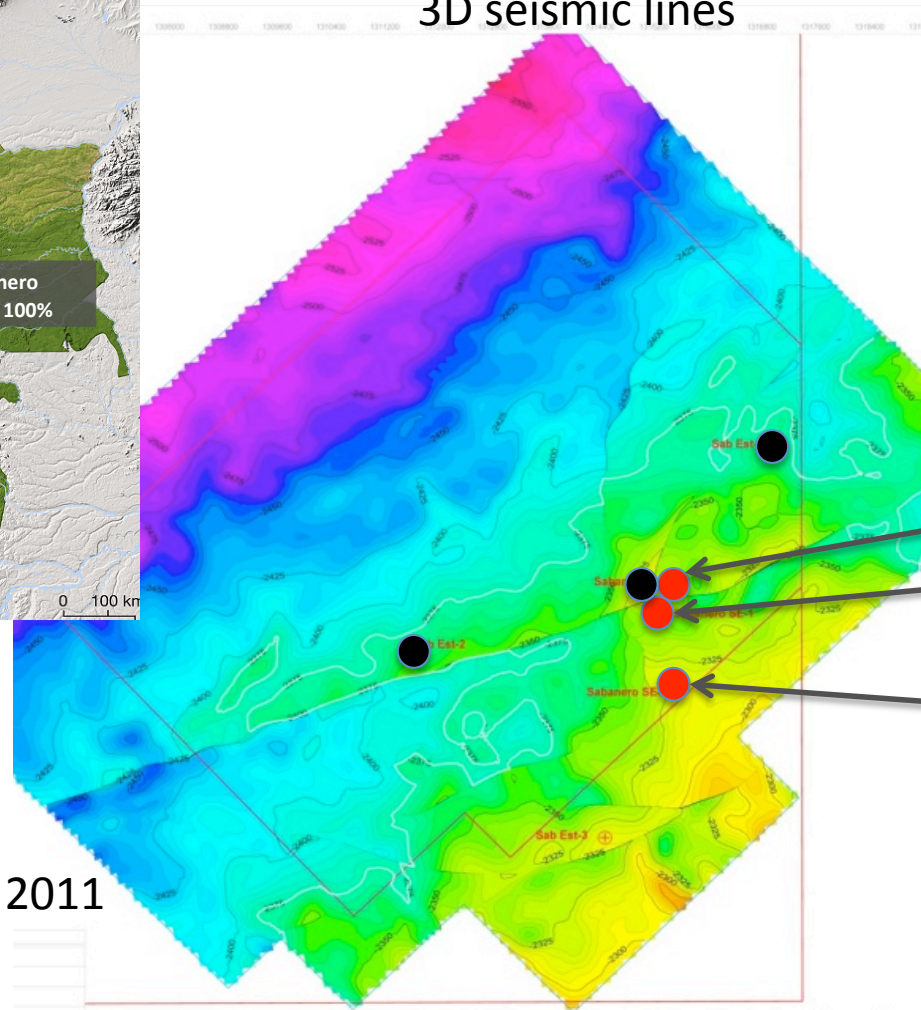


2 Sabanero discovery



Sabanero
M&P 100%

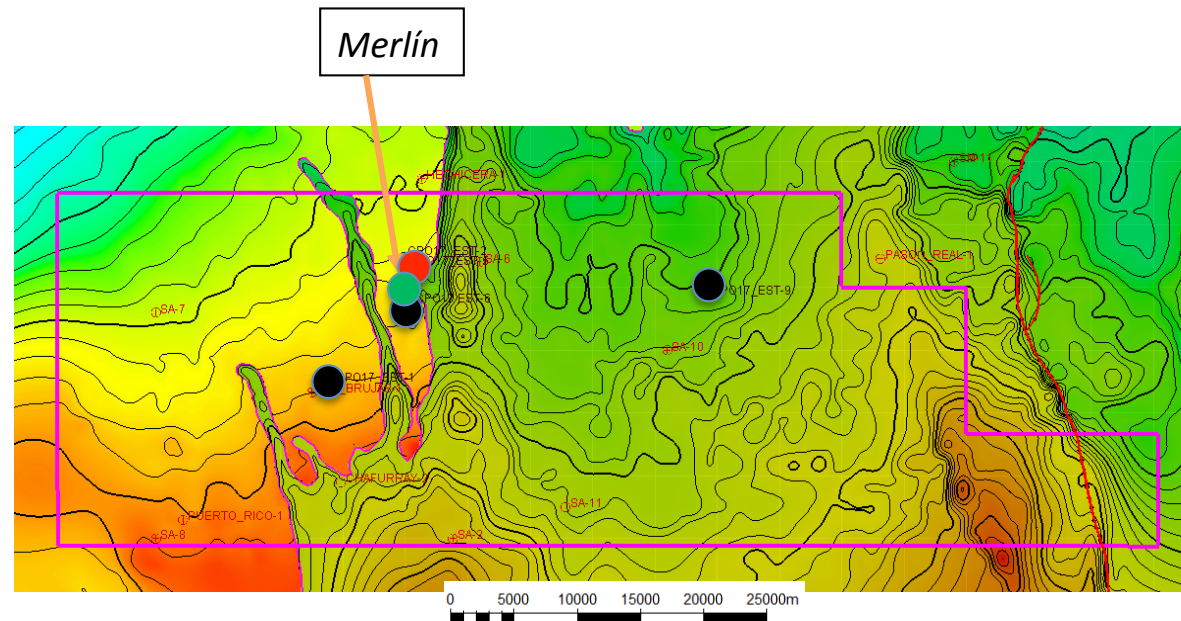
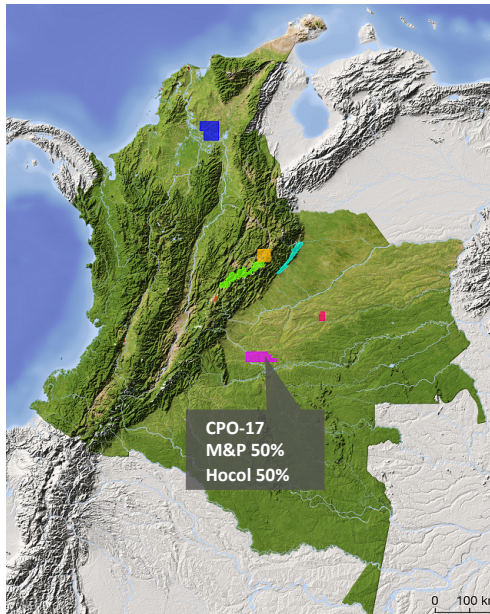
3D seismic lines



● Wells drilled in 2010

● Wells to be drilled in 2011

2 CPO-17 discovery



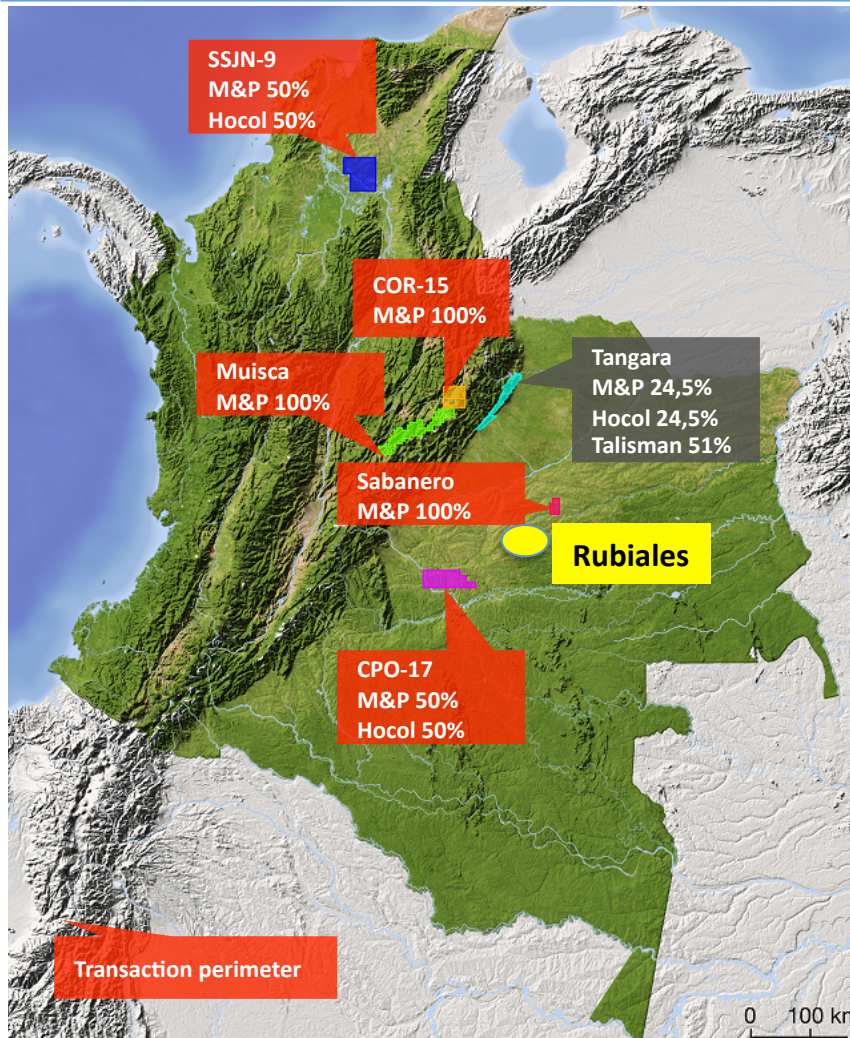
Stratigraphic wells :

- drilled with lighter mining-type equipment;
- lower cost drilling equipments;
- verification of seismic surveys;
- obtention of core samples;
- generally non testable.



- Successful stratigraphic well
- Stratigraphic wells to be drilled in 2011
- Prospects to be drilled in 2011

Acquisition of 50% of M&P interest in its exploration blocks (excl. Tangara):



- **Cash reimbursement: US\$66m as of 31/3/2011**
- **Full carry obligation on the exploration activity:**
 - Sabanero
 - SSJN-9, CPO-17 and Muisca up to US\$120m
 - COR-15 (award in progress)
- **Access to its existing and future transport infrastructure and capacity**
- **Alliance for the future acquisitions in the Sabanero area**

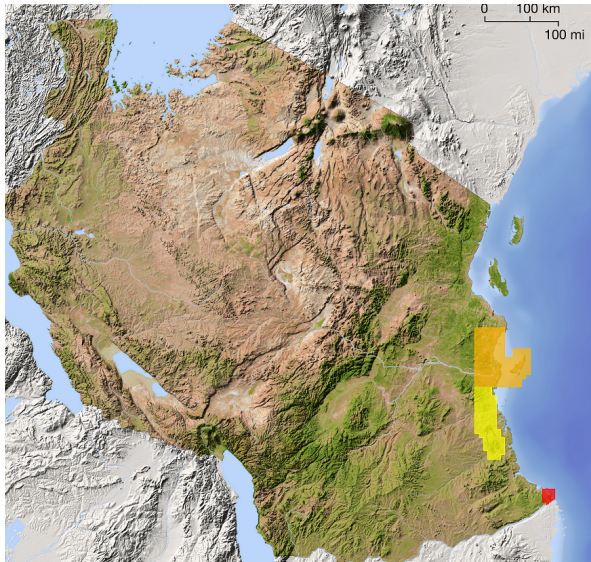
Pacific Rubiales Energy:

- founded in 2004
- listed in Toronto and Bogota

Rubiales field:

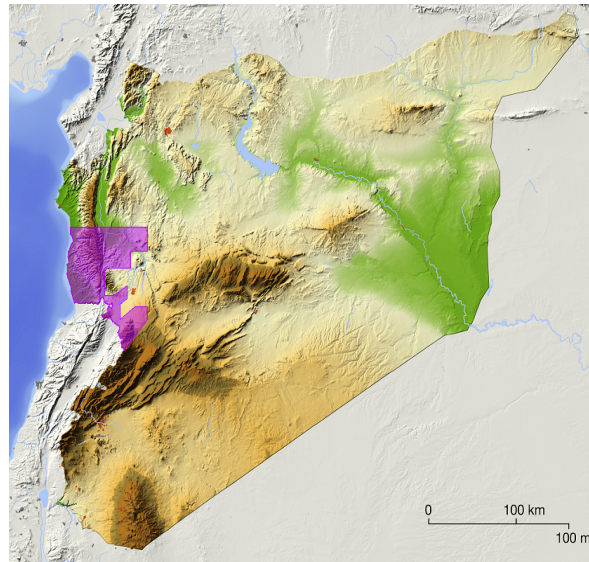
- From 24,784 bopd in 2007 to 265,000 bopd expected in 2011
- Recovery factor between 10% and 20%
- P1+P2 reserves in PRE shares: 178 Mboe
- 107 vertical wells
- 259 horizontal wells
- 25 water injector wells

2 Other countries



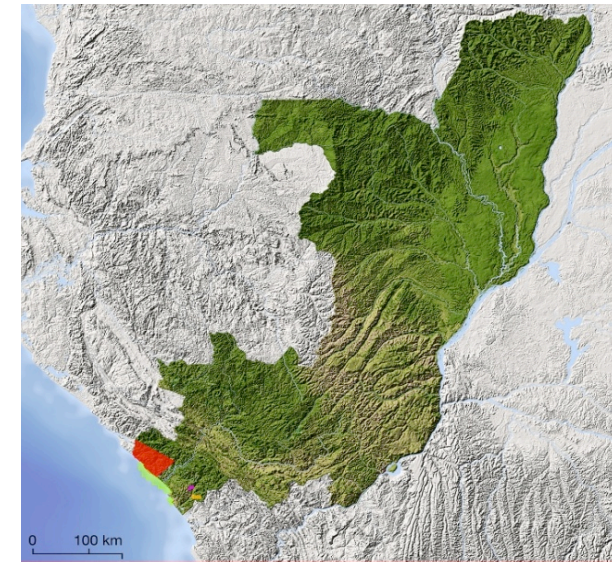
Tanzania:

- Resources on Mafia audited by Schlumberger: up to 4 Tcf
- Mandawa (M&P 90%) : Kianika-1 wells
- MNazi Bay : 3D seismic acquisition in 2011 (in study)



Syria:

- Draco-1 well
- Area reinterpretation



Congo:

- Marine III (M&P 75%): Mbafou & NGoumba
- Kouilou relinquishment
- Loufika and Zingali exploitation license (M&P 15%, Eni operator)

2 Oil services: Caroil

Rigs working for the Group
As of 31/12/2010: 3 rigs
As of 31/03/2011: 2 rigs

Colombia : 4 rigs

Cameroun : 1 rig

Gabon : 3 rigs

Congo : 5 rigs

RDC : 1 rig

Tanzania : 1 rig

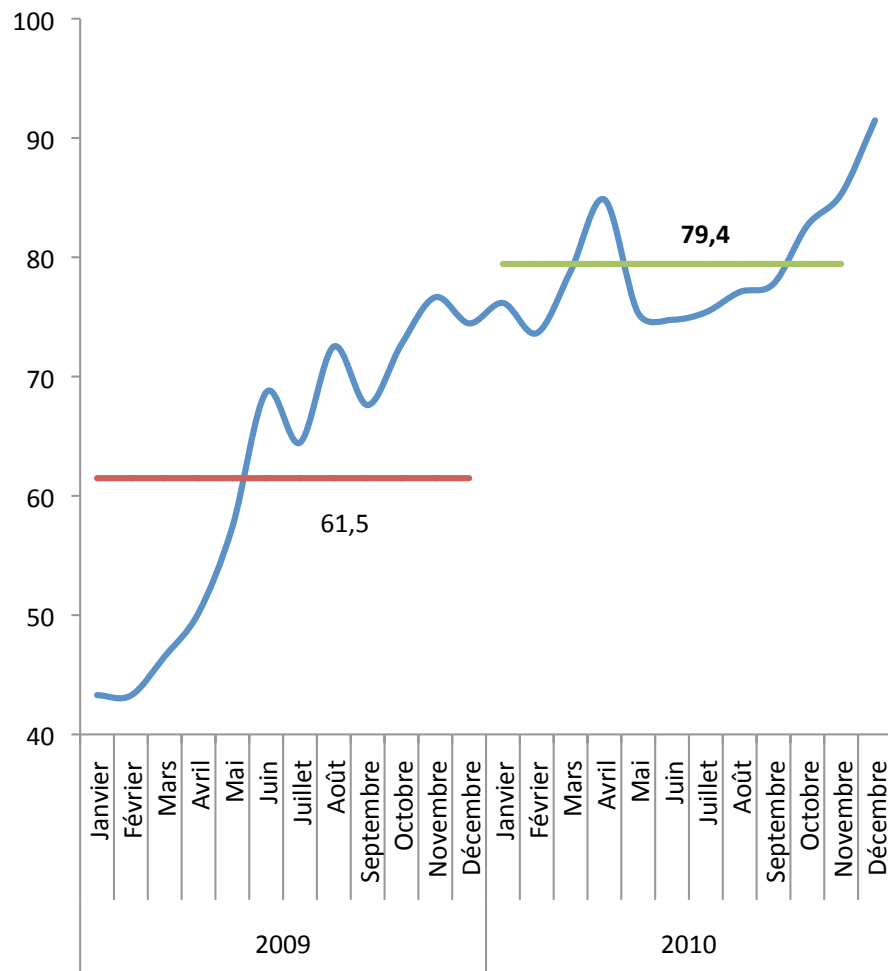
Averaged utilisation rate in 2010: 88%
Averaged day rate: \$36,500/day/rig



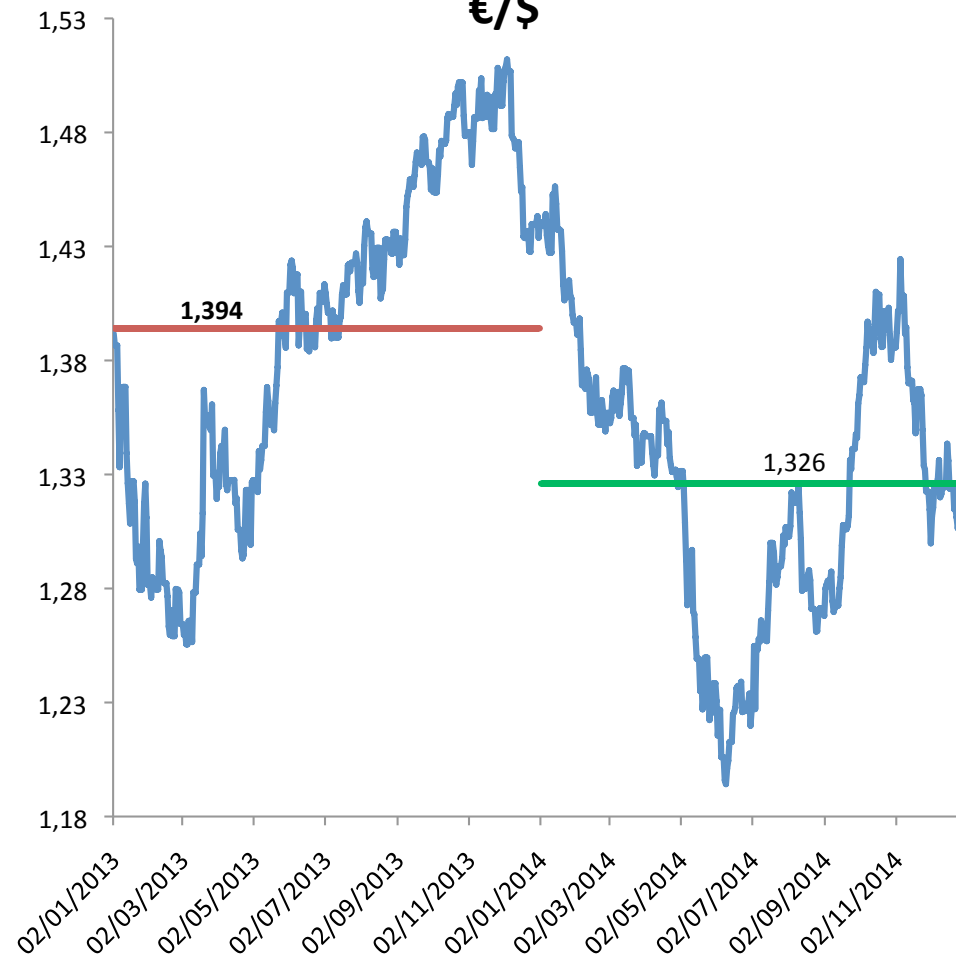
3 GROUP RESULTS

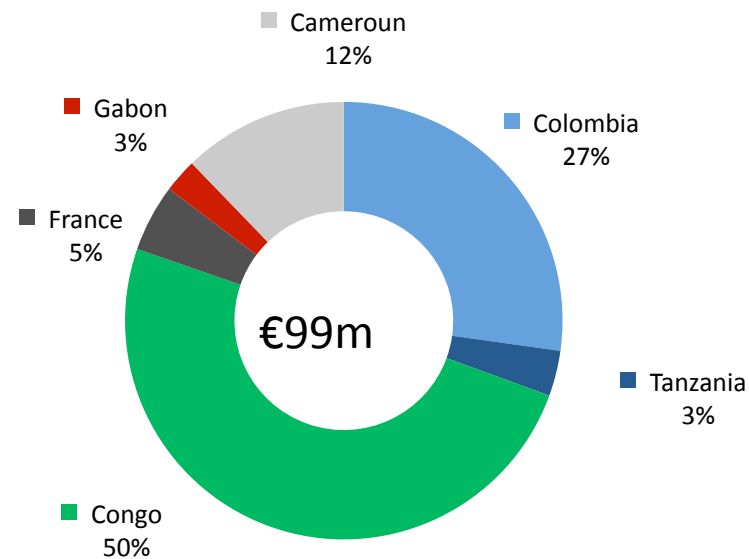
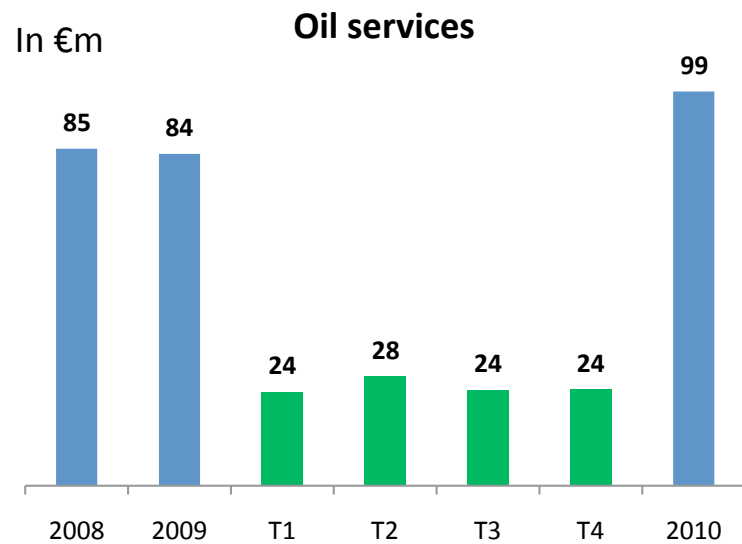
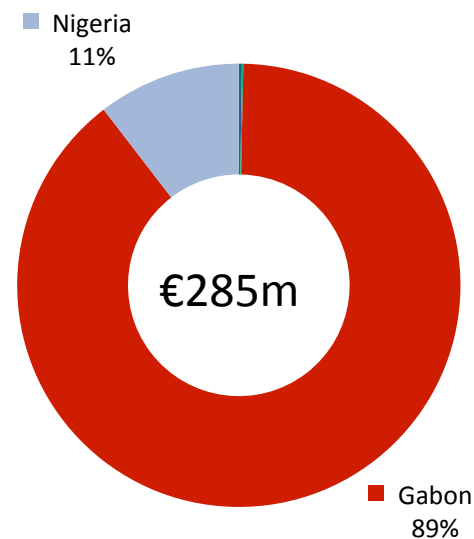
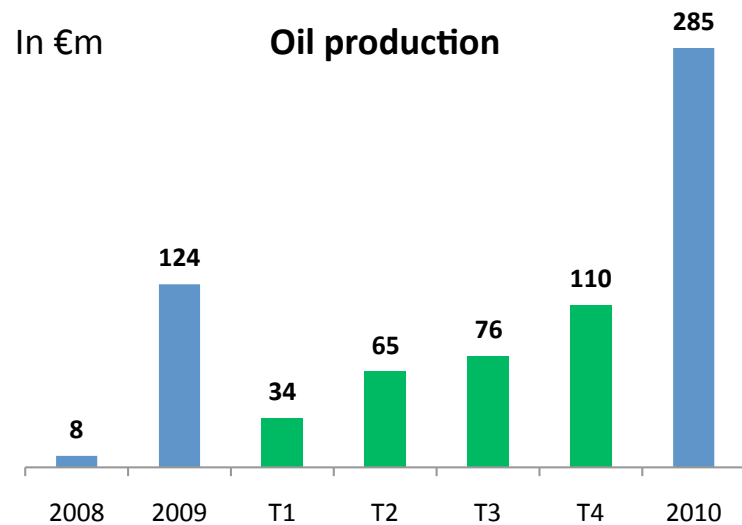
3 Economic Environment

Brent (\$)



€/€





3 Hedges

In bopd	H1 2010	H2 2010	2011	2012	2013	Sale price In \$/b
Hedge 1	750					71.0
Hedge 2	500	500				63.4
Hedge 3	1,000	1,000				57.0
Hedge 4	2,250	2,250				58.8
Hedge 5	500	500				55.0
Hedge 6	500	500	500			62.0
Hedge 7	2,000	2,000	2,000			62.2
Hedge 8			500	500		85.8
Hedge 9			500	500	500	86.7
Total in bopd	7,500	6,750	3,500	1,000	500	
Averaged price in \$/b	60.9	59.8	69.0	86.2	86.7	



Unfavorable impact of €38m in 2010
(Brent: US\$79,4 in 2010)

3 Operating income and write-offs

	2010	2009
Sales (in €m)	346	192
<i>Production</i>	285	124
<i>Oi services</i>	99	84
<i>Hedge</i>	-38	-16
Cost of sales	-116	-83
Gross margin	230	109
	66%	57%
<i>Taxes</i>	-24	-7
<i>Payroll</i>	-27	-20
Gross operating income	178	82
	52%	43%
<i>Depletion amortisation and impairment of production assets</i>	-68	-35
Income from oil production and services activities	111	47
<i>Tanzanian provisions</i>	-76	-
<i>Exploration write-offs</i>	-135	-56
<i>Others</i>	-9	-10
Operating income	-109	-20

Write-off details:

Syria :	1 well €12m
Congo :	3 wells €30m
Tanzania :	2 wells €37m
Gabon :	1 well €15m
Senegal :	€1m
Colombia :	2 wells €31m
Mozambique :	1 well €1m
Congo :	Zingali-Loufika €10m
Total :	€135m

3 Tanzanian provision details

In €m	Total capex 2006-2010	Exploration write-offs	Book value	Provision	31/12/2011 Value
Seismic	19		19		19
Mkuranga	22		22		22
Mbezi	13	13			
Minangu	11	11			
Mafia Deep	100		100	76	24
Mohoro	12	12	-		-
Others	5	2	3		3
	182	38	143	76	67

In case of a development: use of a great part of the Mafia Deep wells

Resources between 2 and 4 Tcf gas in place (100%).

3 Net debt and financial income

Grou d debt as of 31/12/2010 :

OCEANE 2014:	€298m
OCEANE 2015:	€70m
Bank facility: <i>(reimbursed on March, 7th 2011)</i>	\$50m
Banco de Occidente:	\$2m
Reserves Based Loan:	\$285m
SEPLAT debt (\$167m):	\$75m <i>(in M&P share)</i>

Closing exchange: 1.336 \$ for 1€

Debt in \$:	\$412m
Debt in €:	€368m

TOTAL Group debt in €M: €679m

Closing cash as of 31/12/2010: €95m
SEPLAT cash collateral: €125m, or \$167m
(release on March, the 31st 2011)

Group net debt as of 31/12/2010: €459m

In €m

2010

<i>OCEANE 2014</i>	-25.5
<i>OCEANE 2015</i>	-2.5
<i>Bank facility</i>	-4.1
<i>RBL</i>	-0.3
<i>SEPLAT financing</i>	-3.3
Gross cost of debt	-35.8
<i>Income from cash collateral</i>	+2.9
<i>Short term investments</i>	+1.1
<i>Derivatives</i>	-6.0
<i>Revaluation at the closing rate of the Group's currency positions</i>	+58.8
<i>Others</i>	-5.1
Financial income	16.0

3 Résultat net

	2010	2009
Sales	346	192
Income from oil production and services activities	111	47
<i>Tanzanian provisions</i>	-76	-
<i>Exploration write-offs</i>	-135	-56
<i>Others</i>	-9	-10
Operating income	-109	-20
Financial income	16	-25
Income before corporate tax	-93	-45
<i>Taxes</i>	-57	-12
Net income from consolidated companies	-150	- 56
Net income from equity associates	4	10
Net income from continuing activities	-145	- 46
Net income from discontinued operations	7	-5
Net consolidated income	-139	- 51

Corporate taxes:

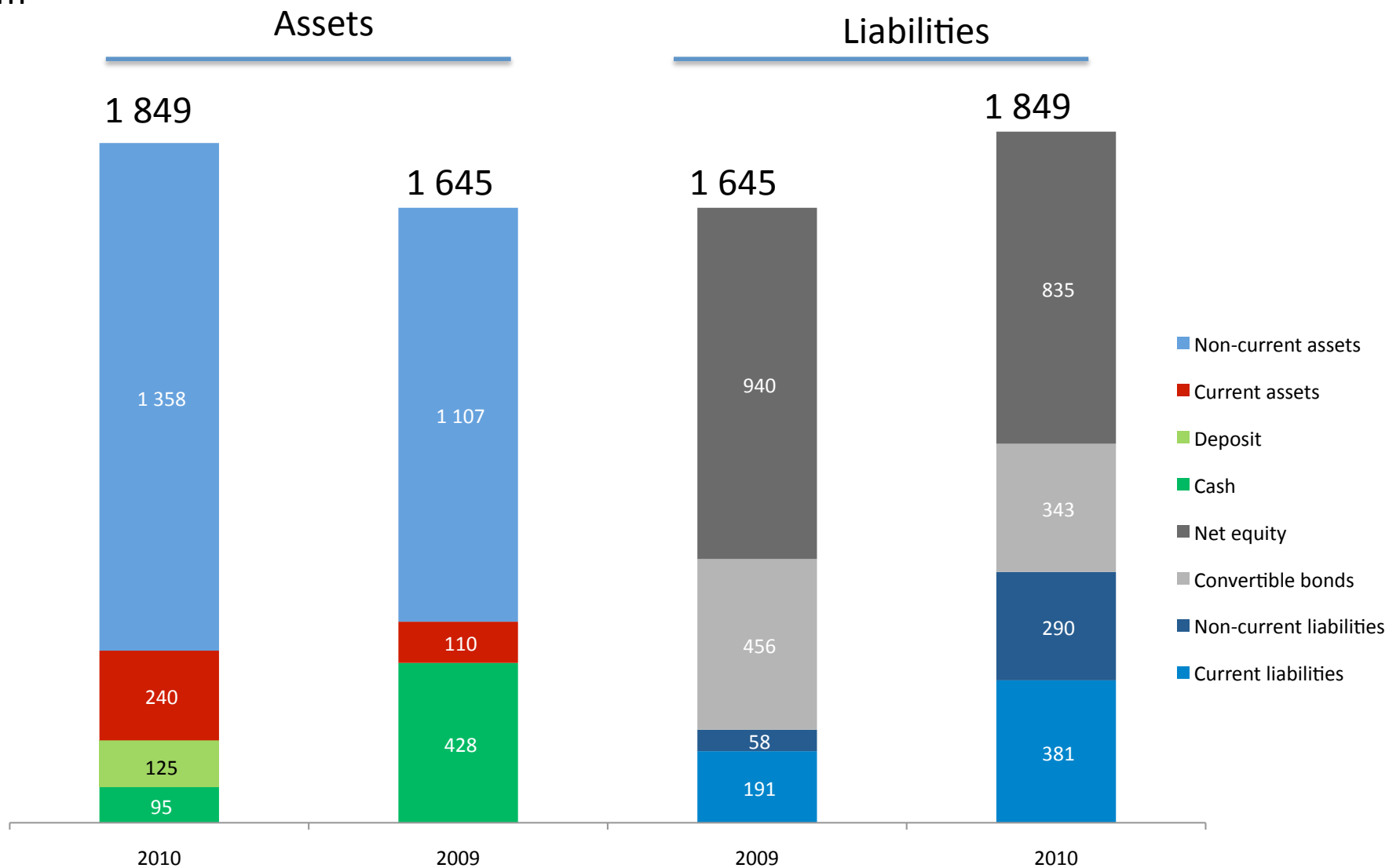
Income tax: €29.1m

Nigéria:	€5.5m
Gabon:	€17.8m
Caroil:	€5.8m

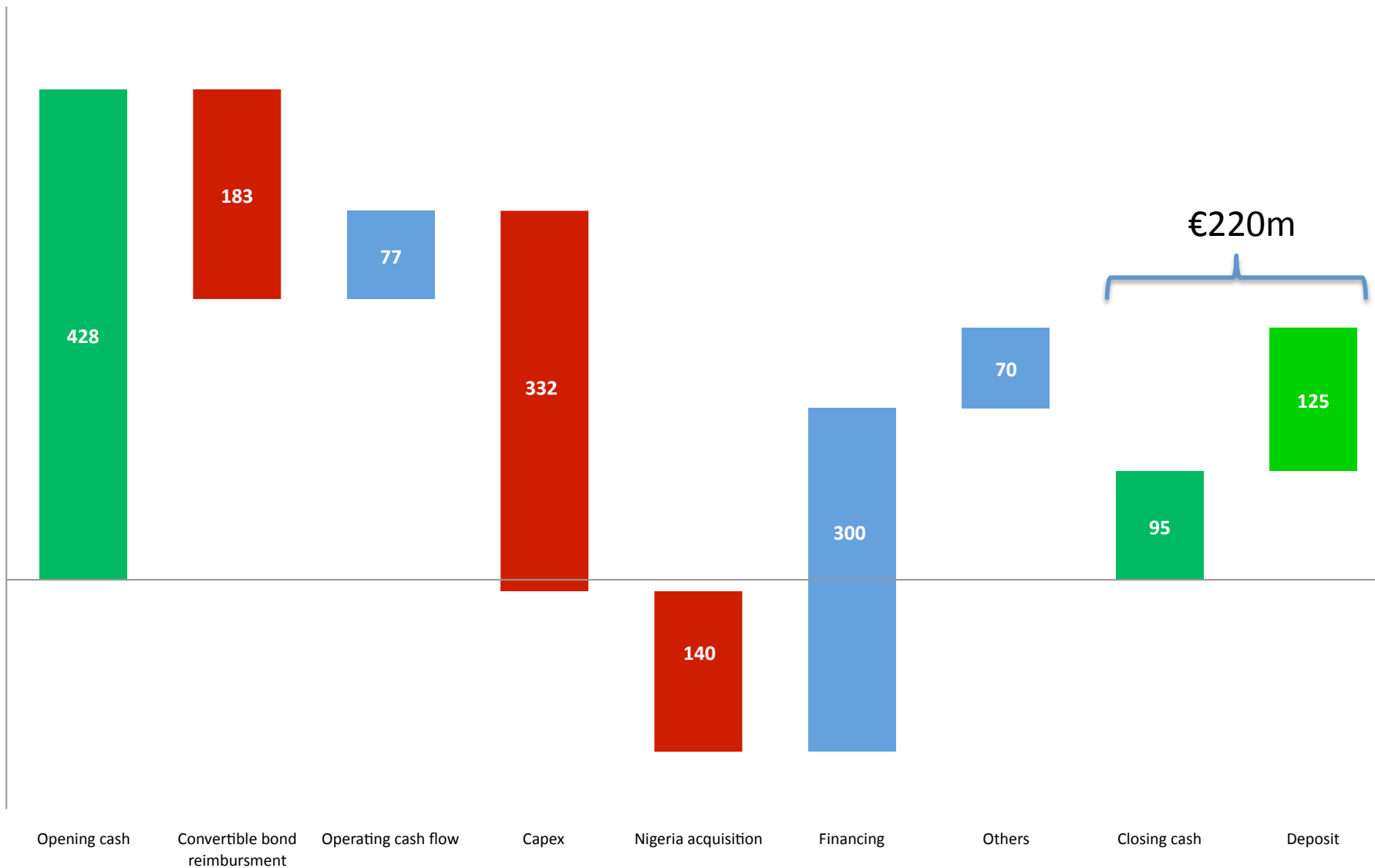
Deferred tax: €27.4m

3 Balance sheet

In €m



3 Cash flow

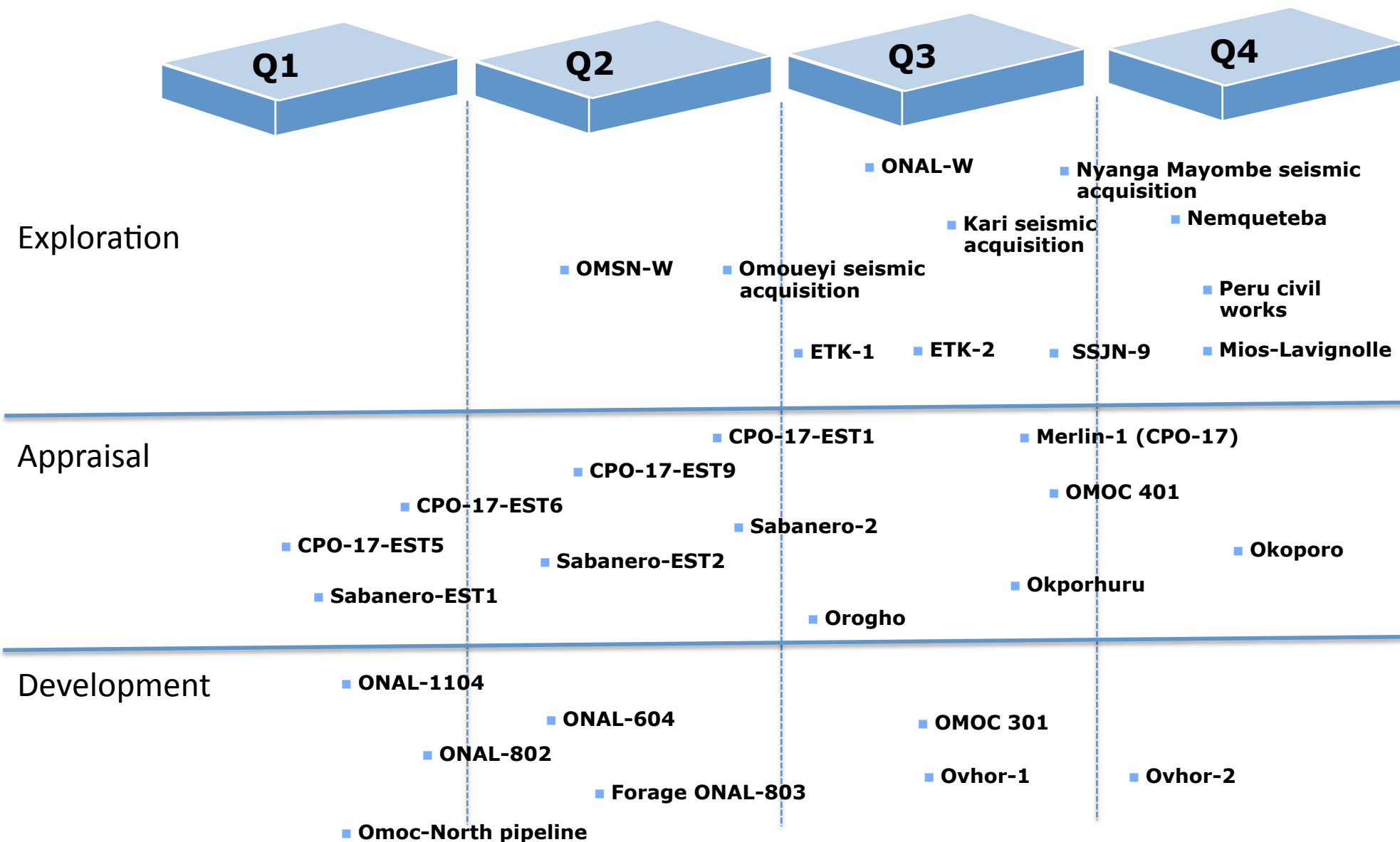




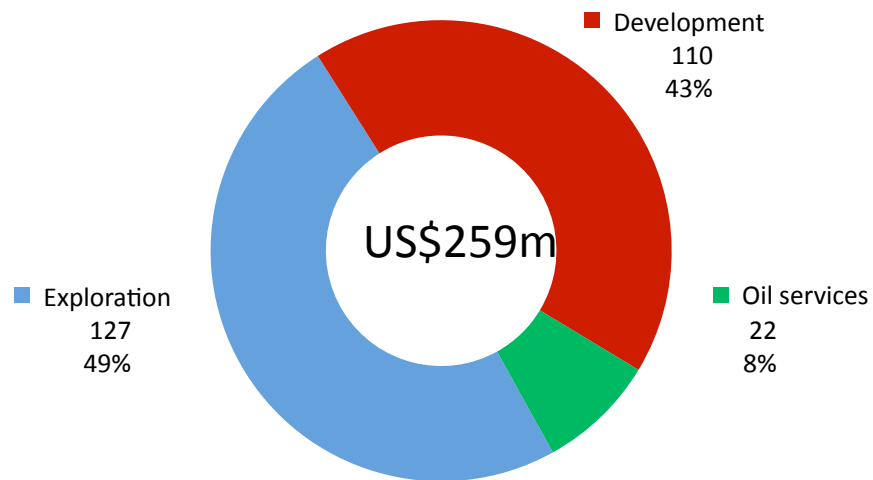


4 Two major growth vectors

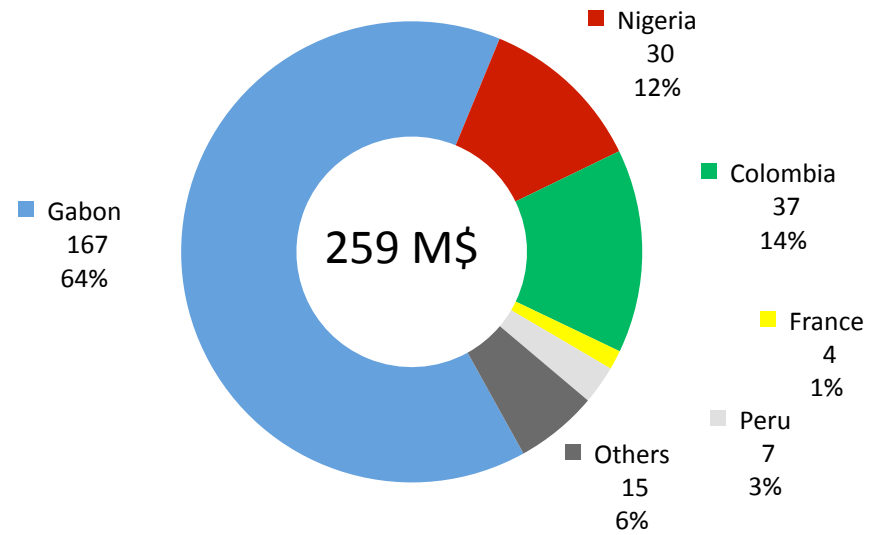
- In Gabon: a methodic strategical growth setting
 - + OMBG and OMGW first oil
 - + OMOC-North discovery
 - + Extension of water injection to Onal satellites
 - + Pursuit of step by step exploration
 - = Strong increase in reserves and production
- In Nigeria: asset acquisition
 - + Production progressive integration
 - + P1+P2 reserves integration
 - + Evaluation of the appraisal-exploration upsides
 - + Gas upside
 - = Strong increase in reserves and production
- In Colombia: successful restart of the exploration program
 - + Sabanero discovery
 - + First successful stratigraphic well on CPO-17
 - = Resources to develop, farm-out in progress
- In Tanzanie : a gas potential to develop, farm-out in progress



By country



By activity



Capex before any farm-out



5 CONCLUSION

Increase in oil price

Continued increase in production in Gabon and Nigeria

Opening cash: €220m

High level of diversified reserves (Gas/Oil, Gabon/Nigeria): 288 Mboe

72% oil, 28 % gas

40% P1, 60% P2

Diversified resources to appraise: 419 Mboe

Major natural gas resources in Tanzania, Nigeria and Sicily highlighted by the impact of recent events in Japan