

Press release

31 March 2015
 No. 03/15

2014 RESULTS

- **Net income: €50 million**
- **Net cash at 31 December 2014: €251 million**
- **Proposed dividend: €0.30 per share**

Jean-François Hénin, Chairman:

“The economic environment has impacted MPI in two different ways: while the decline in oil prices has had a negative impact on SEPLAT’s income and valuation, the change in exchange rates has resulted in a revaluation of the Group’s assets, particularly its cash.

These two items offset each other, enabling the Group to retain both its value and its potential.

Based on the Company’s earnings, MPI will recommend payment of a dividend of €0.30 per share at the next Shareholders’ Meeting on 22 May 2015.

Given this volatile environment, its large cash holdings mean that MPI retains all of its strategic mobility. “

<i>In € million</i>	2014	2013
Sales	0	0
Operating income	-3.8	29.0
Financial income	1.1	4.0
Income before tax	-2.6	32.9
Income taxes	-12.1	-1.7
Net income from consolidated companies	-14.8	31.2
Net income from equity associates	35.0	165.1
Effect of dilution	29.4	0
Consolidated net income	49.6	196.4
Cash at 31 December 2014	251	226

- **Key data for 2014**

The MPI Group operates through (i) its equity interests in Nigeria, mainly in SEPLAT Petroleum Development Company Plc ("SEPLAT") and (ii) the projects it has undertaken, primarily in Canada and Myanmar, in partnership with the Maurel & Prom Group through the joint investment company: Saint-Aubin Energie.

The Company consolidates its subsidiaries, SEPLAT (21.76%) and Saint-Aubin Energie (66.6%), using the equity method, with the treatment authorised by the accounting standard IAS.

MPI posted an operating loss of €3.8 million in 2014, after taking into account the operating costs inherent in the listing (statutory audit, financial communication, legal costs, etc.).

The revaluation of the holding company's cash in USD contributed to the recognition of a taxable income in France and a tax liability of €12 million as a result.

The income of €35 million from the equity associates primarily corresponds to MPI's share in SEPLAT for €46.1 million and Saint-Aubin Energie for a total of -€8.8 million.

Since the Company did not participate in the SEPLAT capital increase at the time of its IPO, its stake in SEPLAT was reduced from 30.1% to 21.76%, which led to the recognition of a dilution gain of €29.4 million.

At 31 December 2014, the Company held cash of €251 million, an increase of +€25 million over the previous year as detailed below.

- SEPLAT repayment of the shareholder loan for €35 million;
- Dividends paid: -€27 m;
- Dividends received: +€9 m;
- Investments in SAE: -€17 million;
- Impact of changes in EUR/USD exchange: +€30 million;
- Other: -€5 million.

- **Dividend**

The Board of Directors of the Company, which met on 30 March 2015, decided to recommend the payment of a dividend of €0.30 per share at the next Shareholders' Meeting on 22 May 2015.

- **Net asset value**

At 27 March 2015, the net asset value represents €4.96 per share. The table below analyses the value of the Group's assets on that date:

At 27/03/2015 after the market close	holding %	price	NAV in € million
SEPLAT	21.76%	135 p	222.0
SAINT-AUBIN ENERGIE*	66.67%		59.0
Cash			277.3
Treasury shares	3.95%	€3.07	14.0
Total asset value			572.3
NAV per share			€4.96
<i>Number of shares</i>			<i>115,336,534</i>

* estimated value of MPI's equity interest in Saint-Aubin Energie at 27 March 2015 unaudited (all past investments included)

- **2014 Activity**

SEPLAT (MPI 21.76%)

The following information has been taken from SEPLAT's press release of 26 March 2015.

Double market listing

Since 14 April 2014, SEPLAT's shares have been listed for trading simultaneously on the London Stock Exchange and the Nigerian Stock Exchange in Lagos. As a result of this share offering, the Company, which owned 30.1% of SEPLAT's share capital prior to the IPO, had its holding diluted to 21.76% of SEPLAT's share capital.

On 22 April 2014, SEPLAT used a portion of the IPO proceeds to pay off the outstanding balance of US\$48 million on the shareholder loan made by the Company on 25 June 2010. The rest of the proceeds from the issue will be mainly used to finance new acquisitions.

Production

Hydrocarbon production over 2014 averaged 30,823 barrels of oil equivalent per day, as the SEPLAT share. Crude production from the OMLs 4, 38 and 41 fields reached a new record in December 2014 at 76,000 barrels of oil per day.

The construction and installation work on the new gas processing plant (150 million cubic feet per day), located on the Oben field, was completed in late 2014, which raises SEPLAT's gas processing capacities in 2015 to 300 million cubic feet. SEPLAT plans to continue raising its gas processing capacities up to 450 million cubic feet of gas per day by 2017. The connection works at the Warri refinery have been completed, with 288,811 barrels carried to date, which allows SEPLAT to diversify the evacuation paths for the hydrocarbons produced.

SEPLAT is planning to produce an average of between 32,000 and 36,000 barrels of oil equivalent per day, as SEPLAT'S share, over 2015.

In response to the current environment, SEPLAT is reducing its share of investments for 2015 to production and development activities to US\$168 million.

Key data for SEPLAT for the 2014 financial year

In \$m	2014	2013	chg.
Revenues	775	880	-12%
Gross profit	459	549	-16%
Operating profit	290	479	-39%
Income before tax	252	458	-45%
Net income	252	550	-54%
Operating cash flow	353	458	-23%
SEPLAT share of production (boepd)	30,823	30,600	+1%
Sale price - oil (US\$/bbl)	97.21	110.7	-12%
Sale price - gas (US\$ per mscf)	1.9	1.7	+12%

Although production has increased, the non-budgeted production shutdown time (40 non-budgeted days out of 75 total shutdown days) had a negative impact on revenue growth. Sales in 2014 were down 12% from 2013 at US\$ 775 million, primarily because of falling oil prices in the second half. Net profit for the year was US\$ 252 million, taking into account non-recurring costs of US\$ 70 million related primarily to SEPLAT'S IPO and fund raising. Cash flows from operating activities, before the change in working capital requirements, was US\$ 353 million, greater than the US\$ 296 million in investments made over the year. Cash available and net debt at the end of the year totalled US\$ 285 million and US\$304 million respectively.

Reserves

SEPLAT'S share of P1+P2 reserves was estimated at 281 MMboe (139 MMbls of oil and 827 Bcf of gas) at 31 December 2014, which represents an increase of 24% over one year and a reserve replacement rate of 400%.

Debt refinancing

Early in 2015, SEPLAT announced that it was refinancing its debt by raising US\$ 700 million over seven years and US\$ 300 over three years. If acquisition opportunities arise, this line may be supplemented by another line in the same amount.

With these new lines of credit, SEPLAT was able to repay the existing debt of US\$ 552m, and the balance may also be used for any growth project.

Acquisition of interests in OML 53

On 5 February 2015, SEPLAT announced the closing of its acquisition of a 40% interest in OML 53 from Chevron Nigeria for US\$ 259 million. State-owned NNPC holds the remaining 60%.

SEPLAT values its share of recoverable volumes at 51 million barrels of oil and condensates and 611 billion cubic feet of gas, representing 151 million barrels of oil equivalent.

SEPLAT was named the operator of this onshore license in the Niger Delta.

Current oil production is 2,000 bopd at 100%, which represents around 800 bopd for SEPLAT's share.

Acquisition of an interest in OML 55

On 5 February 2015, SEPLAT announced the signature of an agreement for the acquisition of 56.25% of the Belemaoil company, a Nigerian vehicle dedicated to the purchase of a 40% interest in OML 55 from Chevron. State-owned NNPC holds the remaining 60%.

Thus, SEPLAT indirectly holds 22.5% in OML 55. The cost of this transaction for SEPLAT, after the purchase price adjustment, is US\$ 132 million.

The company estimates its share of recoverable volumes at approximately 20 million barrels of oil and condensates and 156 billion cubic feet of gas, representing 46 million barrels of oil equivalent.

SEPLAT was named the operator of this onshore license in the Niger Delta.

Total current oil production is approximately 8,000 bopd, representing around 1800 bopd for SEPLAT's share.

SEPLAT dividend

The SEPLAT Board of Directors is recommending the payment of a total dividend of US\$ 0.15 per share, including US\$ 0.06 per share already paid at the end of 2014. The final decision is up to the General Shareholders' Meeting to be held in Lagos in Nigeria on 2 June 2015.

SAINT-AUBIN ENERGIE (MPI, 66.67%)

Myanmar

In Myanmar, drilling on well SP-1X in block M2 (Saint-Aubin Energie 40%), operated by Petrovietnam, began on 27 December 2014 and ended in March 2015. The results from this well are now being analysed.

Canada

At Sawn Lake in Alberta, the pilot test of the Steam Assisted Gravity Drainage (SAGD) process, conducted on two wells to evaluate the technical and commercial feasibility of bitumen production through steam injection, continues. Production began in September 2014 and will continue until the summer of 2015 in order to collect the data necessary to assess the potential of the field.

On the island of Anticosti in Quebec, the stratigraphic drilling campaign was a technical and operational success. The Macasty target was reached at each of the five drilling locations, and the results from analysis of the samples were in line with or better than the partners' expectations. The drilling campaign, which consists of up to eighteen stratigraphic wells, was suspended during the winter. It is expected to resume in May 2015 and end early autumn 2015. In addition, the joint venture, Hydrocarbures Anticosti (Saint-Aubin Energie 21.7%) announced on 23 October 2014 the signature of a strategic partnership with Quebec-based company Gaz Métro, to develop the associated natural gas from the island of Anticosti.

Audit process is still underway. The certification report is in the process of being issued. The consolidated financial statements at 31 December 2014, approved by the Board of Directors on 30 March 2015, are available on the Company's website at www.mpienergy.com.

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Listing market: NYSE-Euronext – Compartment B – Cac All Shares – CAC PME

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MPI is eligible for the French “PEA PME” investment scheme.

This document may contain forward-looking statements about MPI's financial position, income, activities and industrial strategy. 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, terrorism and sabotage.