SOCO International plc

("SOCO" or the "Company")

INTERIM RESULTS FOR THE HALF-YEAR TO 30 JUNE 2015

SOCO today announces its Interim Results for the six months ended 30 June 2015. The Company will host a conference call for institutional analysts at 9:30am today.

Ed Story, Chief Executive Officer, said:

"The main focus for 2015 has been the delivery of the H5 development with first oil now expected imminently, well ahead of the original September/October target. We continue to engage with our partners to optimise current performance of TGT and to progress towards further development of the field and are hopeful the start-up of H5 will serve as a catalyst to facilitate these efforts.

Despite a challenging oil price environment, significant capital expenditure to bring the H5 development to first oil and the $51 million in dividends paid to shareholders during the first half of the year, SOCO remains in a strong financial position providing us with the strategic flexibility to access attractive opportunities that fit the business model and our regional expertise. We are excited to have signed a Memorandum of Understanding together with SOVICO Holdings, a leading Vietnamese banking, finance, real estate and industrial holding company, and PetroVietnam regarding potential exploration Blocks 125-126 in Vietnam."

Operational Highlights

- Production averaged 11,856 BOEPD in 1H 2015; full year guidance has been revised to 11-12 KBOEPD, from 10.5-12 KBOEPD with the high end of the guidance dependent on H5 well performance and optimised reservoir management.
- The H5 development project is significantly ahead of original schedule with topsides having been installed on 15 July and first oil expected before mid August.
- The TGT/H5 drilling programme for 2015 was completed with five wells out of a planned 5-6 drilled.
- The TGT partners are working with the JOC to submit an updated RAR/FDP for the TGT field in Q3/Q4 respectively.
- An independent audit by Gaffney, Cline & Associates confirmed SOCO's management estimates of Commercial Reserves and Contingent Resources for TGT and CNV as of 31 December 2014.

Strategic Highlights

- Despite market conditions SOCO remains committed to its strategy of targeting cash returns to shareholders and pursuing future growth.
- SOCO retains its strong financial position, with no debt on the balance sheet, low operating costs and attractive Vietnam production economics providing strategic flexibility.
- On 29 July 2015, SOCO together with PetroVietnam and SOVICO Holdings signed a Memorandum of Understanding regarding potential exploration Blocks 125-126, offshore Vietnam.
- In June, SOCO paid a dividend of $51m in respect of 2014; the Board will decide on the level of future cash returns in light of the oil price, cash flow generation from Vietnam and expected capital expenditure at the time.
- As previously announced, SOCO is reviewing options to maximise value from its Africa portfolio including rationalisation and farm-out of all or part of its asset base in the region.

Financial Highlights

- Financial results in the first half were impacted by lower oil price and production, compared to the same period last year, as well as the revision of the Company's reserves as at 2014 year end.
- Revenue for 1H 2015 was $116.6 million (1H 2014: $246.4m); net profit for 1H 2015 was $5.9 million (1H 2014: $79.8m); operating cash flow for 1H 2015 was $45.3 million (1H 2014: $141.4m).
- SOCO is debt free; cash balance of $96.6 million as at 30 June 2015, down from $166.4 million (including liquid investments) as at 2014 year end, reflecting operating cash flow for the period, H5 development expenditures and the payment of the $51m dividend.
- 2015 firm capex guidance for the full year remains in the region of $90 million, with c.$70 million for Vietnam and c.$20 million for Africa.
- Cost savings have been implemented with further cost savings being targeted.
- The expected earn-out payment of $52.7 million from SOCO's disposal of its Mongolia interest in 2005 has been re-classified as a current asset at fair value of $50 million with receipt expected within 12 months.

ENQUIRIES:

SOCO International plc
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NOTES TO EDITORS:

SOCO is an international oil and gas exploration and production company, headquartered in London and traded on the London Stock Exchange. The Company has interests in Vietnam, the Republic of Congo (Brazzaville), the Democratic Republic of Congo (Kinshasa) and Angola, with production operations in Vietnam.

OPERATIONS REVIEW

Production of oil and gas by field

(BOEPD unless stated otherwise)

	1H 2015	1H 2014	FY 2014
GROSS BASIS			
TGT Field Production	**33,584**	**39,863**	**38,462**
Oil (BOPD)	30,715	35,885	34,875
Gas	2,869	3,978	3,587
NET BASIS			
TGT Production	**10,091**	**11,939**	**11,538**
Oil (BOPD)	9,229	10,751	10,464
Gas	862	1,188	1,074
CNV Production	**1,765**	**2,021**	**2,067**
Oil (BOPD)	1,205	1,403	1,423
Gas	560	618	644
Total Production	**11,856**	**13,960**	**13,605**
Oil (BOPD)	10,434	12,154	11,887
Gas	1,422	1,806	1,718

Te Giac Trang ("TGT") Field
(30.5% interest; operated by Hoang Long Joint Operating Company ("HLJOC"))

Production

TGT field production averaged 33.6 thousand barrels of oil equivalent per day ("KBOEPD") for 1H 2015, 10.1 KBOEPD net to SOCO. Production was slightly below the Company's expectations due to drilling delays. A lower level of production is expected during Q3 due to the FPSO shutdown for H5 hook-up and maintenance carried out in July (gross TGT production for the month was 24.7 KBOEPD) and the gradual expected ramp-up of production from the H5 platform.

With the anticipated start-up of H5 before mid August, SOCO has revised its production guidance range for full year 2015 from 10.5-12 KBOEPD to 11-12 KBOEPD.

The JOC and the TGT partners are finalising plans for the perforation intervals and sequence for the H5 wells and agreeing plans on the level of oil and water production from the existing wells on the H1/H4 platforms post H5 start-up. Production for the remainder of 2015 and achieving the high end of production guidance is dependent on: a) the scope of H5 perforations, b) H5 production performance and c) optimal reservoir management. The latter needs to achieve the optimal balance between maximising new production from the H5 platform, natural production decline rates and water-cut from the existing wells with total liquids handling capacity on the FPSO currently available to the TGT partners.

Reservoir Management

As part of the regular evaluation programme, the HLJOC has completed production logging on a selection of wells which is being evaluated to inform proposals for additional perforations and/or water shut-offs. A successful test of running and recovering a straddle liner was completed and a selection of wells on which to run this water shut-off procedure has been identified. A straddle liner was then successfully run on one well in 1H 2015 with demonstrated reduction in water production and increased oil production with the lessons learnt being reviewed for future wells.

2015 Drilling Programme

The TGT/H5 drilling programme for 2015 has been completed with five of the planned five-six wells drilled and completed in the period – three from the H4 platform and two from the H5 platform (bringing the total H5 wells drilled to five wells).

From the H4 platform, the TGT-20P, -21P and -26P wells were drilled this year. The -20P well, an H4 in-fill producer, encountered completion problems in the targeted Oligocene section and was completed in the Miocene instead. The subsequent -26P well was therefore modified and deepened to encounter the Oligocene and replace the -20P as an Oligocene producer. The TGT-21P was drilled as an H3N in-fill producer. These wells have been completed and are producing.

In addition to the three H5 producer wells already drilled in 2014 (TGT-22P, -23P and -24P), the TGT-25P development well and the -12X appraisal well were drilled in 1H 2015. The -25P well was also drilled to appraise the deeper Oligocene where it encountered higher than predicted pressure; the HLJOC is reviewing means to revisit this deep section in future drilling. The -12X appraisal well, targeting the previously undrilled H5N fault block, encountered only a minor oil column in the Miocene but nonetheless was completed ready for production. There was insufficient time to drill the H5S fault block appraisal well, TGT-14X, which will be drilled in the next drilling campaign.

As previously announced, in light of the current oil price environment and PetroVietnam's stated reduction in scope for 2015 expenditures, the drilling programme for this year remains limited to the completed firm 2015 programme pending approval of the revised RAR and submission of the revised FDP.

Updated TGT Reserve Assessment Report ("RAR") and Field Development Plan ("FDP")

The HLJOC partners are preparing an update to the TGT hydrocarbons in-place report, RAR, and the TGT FDP for submission to the Vietnamese authorities. The submission of the updated TGT RAR is now targeted for August 2015 and the updated TGT FDP in Q4 2015. The scope of the development programme in the updated FDP will to a large extent depend on the oil price outlook at the time and the HLJOC partners' alignment on a development path and appetite to commit capital.

Ca Ngu Vang Field ("CNV")
(25% interest; operated by Hoan Vu Joint Operating Company ("HVJOC"))

CNV production for 1H 2015 averaged 1.8 KBOEPD net to the Company's working interest. The HVJOC is reviewing means for increasing production through modifications to the process facilities on the reception platform at Bach Ho. Engineering studies have been initiated and technical options are expected to be presented to the partners by the end of Q3.

The lessons learnt and re-drilling programme for the CNV-7P well have been presented by the HVJOC. A further technical meeting among all the parties is expected shortly. However, while the cost of the well is included in the contingent budget for 2015, in SOCO's view, it is unlikely to be re-drilled this year.

Independent Reserves Audit

Following the revision of management estimates of Commercial Reserves and Contingent Resources announced at the 2014 full year results, SOCO commissioned an independent review of its producing assets. An independent audit by Gaffney, Cline & Associates was completed in June 2015 and confirmed SOCO's management estimates of Commercial Reserves and Contingent Resources for TGT and CNV as of 31 December 2014.

Africa Portfolio

SOCO is reviewing options to maximise value from its Africa portfolio including rationalisation and farm-out of all or part of its asset base in the region.

Marine XI: Having completed the analysis of the Lidongo X Marine-101 exploration well, SOCO is in dialogue with the Republic of Congo authorities regarding commercialisation options for the field. The government has requested that the results be presented as a Production Licence Application (PEX). This report is being

prepared and formal submission is expected by the end of Q3. Separately, seismic reprocessing following successful ENI discoveries on the neighbouring blocks is ongoing and expected to be completed by the end of 2015.

Mer Profonde Sud ("MPS"): The MPS well is currently planned for Q1 2016 with detailed well design work in progress.

Cabinda North: The authorities in Angola have issued a decree, gazetted on 21 April 2015, to extend the licence by three years. Discussions are ongoing amongst the partners to agree the composition of the new partnership, operator and work programme.

FINANCIAL RESULTS

First half 2015 revenue, profits and cash flows were in line with the Company's expectations, albeit significantly different from the first half of 2014. Results were impacted by lower production and oil price compared to the same period last year. Income statement profits were also impacted by an increase in non-cash depreciation, depletion and decommissioning ("DD&A") associated with the revision of the Company's reserves as announced in the 2014 year end results.

Operating cash flow was in line with expectations, however, lower production and oil price combined with first-half weighted H5 development expenditure resulted in negative free cash flow for 1H 2015.

Cost savings are underway both at the Vietnam JOC level and across SOCO's cost base. Capex and opex savings of c.10% have been reflected in this year's Vietnam expenditure programme. The Company continues to implement G&A cost savings – mostly in the African region and associated with the new ventures activities – amounting to c. 25% of the associated G&A. Further cost savings are being targeted across the organisation and at the JOC level.

Despite the challenging environment, first-half weighted capital expenditure programme and paying the $51 million dividend to shareholders during the first half, SOCO remains well financed with no debt on the balance sheet and $96.6 million of cash and cash equivalents as at 30 June 2015. This, along with SOCO's low operating costs and attractive Vietnam production economics with operating cash flow break-even oil price per barrel in the low $20s, affords the Group financial flexibility in the current challenging environment.

The financial asset related to the expected earn-out payment of $52.7 million from the disposal of the Company's Mongolia interest in 2005 has been re-classified as a current asset at the estimated fair value of $50.0 million as at 30 June 2015 with the expectation of receipt within 12 months.

Key financial metrics

	1H 2015	1H 2014
Oil and gas revenue ($m)	116.6	246.4
Oil price realised ($/bbl)	59.58	113.11
Gross profit ($m)	35.3	180.4
Operating profit ($m)	28.7	174.4
Profit for the period ($m)	5.9	79.8
Net cash from operating activities ($m)	45.3	141.4
Capital expenditure ($m)	61.9	60.1
Free cash flow ($m) [1]	(19.9)	64.8
Cash, cash equivalents and liquid investments ($m)	96.6	284.0

[1] Free cash flow is calculated as operating cash flow before movements in working capital and after payments for income taxes, capital expenditure and abandonment.

INCOME STATEMENT

Revenue

Oil and gas revenues in the first half of 2015 were $116.6 million, down from $246.4 million in the equivalent period last year, due to both lower oil prices and to a lesser extent lower production. In the current low oil price environment SOCO realised an average oil price of $59.58 per barrel versus $113.11 per barrel in the

first half of 2014. During the first six months of 2015 the Group achieved an average premium of over $1.50 per barrel to Brent which is expected to increase in the second half of the year as TGT oil sales are currently realising a premium of $2.80 per barrel. The Group's production during the period was 11,856 BOEPD down from 13,960 BOEPD in the first half of 2014 (see Operations Review section).

Cost of Sales

Cost of sales was $81.3 million for the six month period to 30 June 2015, up from $66.0 million in the first half of 2014, with the CNV field cost of sales equalling $14.8 million (1H 2014 – $6.8 million) and the TGT field cost of sales of $66.5 million in the current period (1H 2014 – $59.2 million).

Analysis of Cost of Sales

$ millions	**1H 2015**	**1H 2014**	**2014**
Operating costs	**22.9**	24.0	50.3
Inventory movements	**1.6**	(6.2)	1.5
Royalty	**8.6**	19.4	34.3
Export duty	**0.5**	5.1	7.6
DD&A	**47.7**	23.7	50.1
Total cost of sales	**81.3**	66.0	143.8
Per barrel costs, $			
Operating costs per barrel, $	**9.88**	8.47	9.04
DD&A costs per barrel, $	**22.23**	9.36	10.12

Most of the increase in cost of sales is due to higher DD&A charges following the revision of reserves in the 2014 year end results as DD&A is calculated on a unit of production basis.

Oil inventory movements, recorded at market value, increased cost of sales, period on period, by $7.8 million.

Direct operating costs for TGT were $18.9 million for this six month reporting period, slightly down from $19.1 million for 1H 2014, given the predominately fixed cost nature of the TGT field facilities. General and administration costs associated with the TGT field were down from $2.3 million in the first half of 2014 to $1.3 million in the current period reflecting the cost saving initiatives in Vietnam.

Direct operating costs associated with CNV were $2.4 million in the first half of 2015, up slightly from $2.3 million for the first half of 2014, while general and administration costs were $0.3 million in both periods.

Total Vietnam operating costs on a per barrel basis (excluding DD&A, inventory movements and sales related duties and royalties) were $9.88 per barrel compared with $8.47 per barrel in 1H 2014. The primary cause of the increase is related to the lower production volumes on the TGT field where the costs are predominately fixed.

Royalties on oil sales from TGT and CNV were consistent with lower revenue in the first half of 2015. Export duty arising on TGT oil sales was $0.5 million in the current period, down from $5.1 million in the first half of 2014, due to lower oil sales revenues and more cargoes being sold into the domestic market which are not subject to export duty. All CNV oil was sold into the domestic market for both the current period and equivalent period last year.

Administrative Expenses

Administrative expenses were $5.8 million in the period compared with $6.0 million in the equivalent period last year. The decrease is mainly due to reduced corporate costs following the closure of the Group's Calgary new ventures office, partially offset by reduced allocation of corporate resources to projects.

Exploration Expenses

During the period to 30 June 2015, exploration expenses comprised pre-licence costs in the amount of $0.8 million.

Operating Profit

Operating profit for the period was $28.7 million compared with $174.4 million for the first half of 2014.

Other Gains and Losses

The increase in other gains and losses in the first six months of 2015 to $4.6 million from $0.8 million in the equivalent period last year is mainly due to a higher gain in 2015 on the change in fair value associated with the subsequent payment amount tied to future production from the Group's divested Mongolia interest.

Tax

The tax expense decreased from $94.9 million in the six month period ending 30 June 2014 to $26.8 million in the current reporting period consistent with lower profit. The Group's effective tax rate in the current period is significantly higher than in 1H 2014 as the proportion of non-recoverable, non-deductible costs is higher due to lower oil sales revenues and following the 2014 year end reserves reduction and the resulting acceleration of DD&A.

BALANCE SHEET

Intangible assets increased by $5.5 million since 2014 year end, predominantly arising from continued activity in the Group's Africa region, including preparation for drilling a well on the MPS Block in 2016 and seismic reprocessing on the Marine XI Block, both offshore Congo Brazzaville.

Property, plant and equipment increased by $3.6 million since 2014 year end representing drilling and development activities on the TGT field offset by DD&A.

Other receivables of $27.2 million (31 December 2014 – $24.6 million) comprise abandonment security funds for TGT and CNV which have been established to ensure that sufficient funds exist to meet future abandonment obligations. The funds are operated by PetroVietnam and partners retain the legal rights to the funds pending commencement of abandonment operations.

Oil inventory was $4.5 million at 30 June 2015, reduced from $6.1 million at 2014 year end. Trade and other receivables at 30 June 2015 were $31.2 million, down from $39.6 million at year end 2014. The movements in oil inventory and trade receivables arise mainly due to the timing of oil sale liftings and the oil price realised.

The financial asset associated with the Mongolia subsequent payment amount (see Note 8 and above) has been reclassified as a current asset as it is now expected to be recovered within 12 months in accordance with the terms of the transaction.

SOCO's cash, cash equivalents and liquid investments totalled $96.6 million at 30 June 2015 (31 December 2014 – $166.4 million). This decrease since year end is mainly a result of net cash flows including the Group's TGT H5 development and drilling programme, the June 2015 dividend, offset by production operations in Vietnam.

Trade and other payables were $26.5 million at the current period end, down from $43.9 million at 31 December 2014 mainly due to the status of the ongoing work programmes, in particular in Vietnam associated with the TGT development. Tax payable of $10.3 million at the end of the reporting period, compared with $11.6 million at the end of 2014, is consistent with the timing of liftings in Vietnam where tax is paid on each cargo lifted.

Deferred tax liabilities have decreased to $195.0 million at 30 June 2015 from $200.2 million at 31 December 2014. Following the year end reserves revision and the associated increase in DD&A charges in the current period on both TGT and CNV, decelerated tax depreciation and other tax timing differences have caused the deferred tax liability to reverse.

Long term provisions comprise the Group's decommissioning obligations in Vietnam which have increased to $54.6 million as at 30 June 2015 from $51.1 million at 2014 year end. This reflects the development drilling activity at the TGT field.

CASH FLOW

Net cash flows from operating activities for the first six months of 2015 comprise the Group's continuing Vietnam operations and amounted to $45.3 million compared with $141.4 million in the first half of 2014. This decrease is mainly due to reduced realised oil prices and production volumes from the TGT and CNV fields including the associated impact on working capital movements, as described above.

Capital expenditure for the period ending 30 June 2015 was $61.9 million compared with $60.1 million in the equivalent period last year. Although similar in total, exploration expenditure was down by $22.2 million, period on period, due to reduced activity and cost savings in Africa, and Vietnam development expenditure was up by $24.0 million, period on period, mainly due to the H5 development.

Free cash flow before working capital movements for the period was negative at $19.9 million (year ended 31 December 2014 – $41.0 million and six months ended 30 June 2014 – $64.8 million), reflecting the first-half weighted H5 development project expenditure.

RELATED PARTY TRANSACTIONS

There have been no new material related party transactions in the period and there have been no material changes to the related party transactions described in Note 32 to the Consolidated Financial Statements contained in the 2014 Annual Report and Accounts.

RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of 2015 and could cause actual results to differ materially from expected and historical results. Risks and uncertainties, along with the mitigation measures in place to reduce risks to acceptable levels, that remain unchanged from those published in the 2014 Annual Report and Accounts are summarised below:

- Operational risk – associated with conducting exploration, drilling, construction and production operations in the upstream oil and gas industry.
- Empowerment risk – the conduct of international operations requires the delegation of a degree of decision making to partners, contractors and locally based personnel.
- Credit risk – in respect of the Group's short term financial assets at fair value through profit or loss arising on the Group's disposal of its Mongolia interest.
- Foreign currency risk – associated with cash balances held in non-US dollar denominations.
- Liquidity risk – associated with meeting the Group's cash requirements.
- Interest rate risk – applicable to the Group's cash balances and short-term financial assets.
- Commodity price risk – associated with the Group's sales of oil and gas.
- Regulatory risk – arising in countries where the Group has an interest, including compliance with and interpretation of taxation and other regulations.
- Contractual risk – in relation to contractual terms that may be subject to further negotiation at a later date.
- Capital risk management – in relation to Group financing.
- Reserves risk – associated with inherent uncertainties in the application of standard recognised evaluation techniques to estimate proven and probable reserves.
- Reputational risk – associated with the conduct of oil and gas activity in locations where social and environmental matters may be highly sensitive both on the ground and as perceived globally.

- Business conduct and bribery risk – the industry sector and certain countries where SOCO operates may be perceived as falling short of the standards expected by the UK Bribery Act.
- Political and regional risk – due to the location of the Group's projects, often in developing countries or countries with emerging free market systems.
- Health, safety, environment and social risks – arising due to the nature and location of the Group's activities.

Further information on the above principal risks and uncertainties facing the Group is included in the Risk Management section of the 2014 Annual Report and Accounts and in Note 4 to the Consolidated Financial Statements in that report in relation to reserves estimation risk and its impact on the Consolidated Financial Statements.

GOING CONCERN

The Group has a strong financial position and based on future cash flow projections should be able to continue in operational existence for the foreseeable future. Consequently the Directors believe that the Group is well placed to manage its financial and operating risks successfully and have prepared the Half Year Report on a going concern basis.

CORPORATE

Dividend

Following approval at the AGM, in June, the Company paid a final dividend of 10 pence per share (c.$51 million). The Board will decide on the level of future cash returns in light of the oil price, cash flow generation from Vietnam and expected capital expenditure at the time.

Completion of Legal Review of Allegations

As set out in SOCO's 2014 Preliminary Results and Annual Report and Accounts, SOCO commissioned an independent review by Clifford Chance LLP of allegations made in various quarters about SOCO's operations in Block V in the DRC. Clifford Chance found that the allegations were substantially inaccurate though it found non-material instances where payments were made in breach of Group policy. The Company has liaised with the relevant UK authorities throughout and Clifford Chance is advising on improvement of the Group's policies and processes for the future. A statement on the outcome of the review has also been released on the Company's website.

Rui de Sousa
Chairman

Ed Story
President and Chief Executive Officer

RESPONSIBILITY STATEMENT

We confirm to the best of our knowledge:

- The condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting;
- The interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- The interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transaction and changes therein).

By order of the Board
Roger Cagle
Deputy Chief Executive Officer
4 August 2015

DISCLAIMER

This Interim Report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The Half Year Report should not be relied on by any other party or for any other purpose.

The Half Year Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

INDEPENDENT REVIEW REPORT TO SOCO INTERNATIONAL PLC

We have been engaged by the Company to review the condensed set of financial statements in the half year financial report for the six months ended 30 June 2015 which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated balance sheet, the condensed consolidated statement of changes in equity, the condensed consolidated cash flow statement and related notes 1 to 10. We have read the other information contained in the half year financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half year financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half year financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half year financial report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half year financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half year financial report for the six months ended 30 June 2015 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
4 August 2015

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	**(unaudited) six months ended 30 Jun 15 $ million**	(unaudited) six months ended 30 Jun 14 $ million	year ended 31 Dec 14 $ million
Revenue	3	**116.6**	246.4	448.2
Cost of sales	4	**(81.3)**	(66.0)	(143.8)
Gross profit		**35.3**	180.4	304.4
Administrative expenses		**(5.8)**	(6.0)	(11.8)
Exploration expenses	5	**(0.8)**	-	(79.5)
Impairment of property, plant and equipment		**-**	-	(60.5)
Operating profit		**28.7**	174.4	152.6
Investment revenue		**0.2**	0.4	0.7
Other gains and losses		**4.6**	0.8	1.6
Finance costs		**(0.8)**	(0.9)	(2.2)
Profit before tax	3	**32.7**	174.7	152.7
Tax	6	**(26.8)**	(94.9)	(138.7)
Profit for the period		**5.9**	79.8	14.0
Earnings per share (cents)	7			
Basic		**1.8**	24.3	4.3
Diluted		**1.8**	24.2	4.2

The results are from continuing activities only.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(unaudited) six months ended 30 Jun 15 $ million	(unaudited) six months ended 30 Jun 14 $ million	year ended 31 Dec 14 $ million
Profit for the period	**5.9**	79.8	14.0
Items that may be subsequently reclassified to profit or loss:			
Unrealised currency translation differences	**1.5**	0.1	(1.8)
Total comprehensive income for the period	**7.4**	79.9	12.2

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	**(unaudited) 30 Jun 15 $ million**	(unaudited) 30 Jun 14 $ million	31 Dec 14 $ million
Non-current assets				
Intangible assets		**214.6**	243.5	209.1
Property, plant and equipment		**793.6**	808.7	790.0
Financial asset	8	**-**	44.2	45.0
Other receivables		**27.2**	21.6	24.6
		1,035.4	1,118.0	1,068.7
Current assets				
Inventories		**4.5**	13.7	6.1
Trade and other receivables		**31.2**	57.2	39.6
Tax receivables		**1.1**	1.1	1.1
Financial asset	8	**50.0**	-	-
Liquid investments		**-**	47.5	40.2
Cash and cash equivalents		**96.6**	236.5	126.2
		183.4	356.0	213.2
Total assets		**1,218.8**	1,474.0	1,281.9
Current liabilities				
Trade and other payables		**(26.5)**	(37.4)	(43.9)
Tax payables		**(10.3)**	(18.1)	(11.6)
		(36.8)	(55.5)	(55.5)
Non-current liabilities				
Deferred tax liabilities		**(195.0)**	(213.7)	(200.2)
Long term provisions		**(54.6)**	(44.4)	(51.1)
		(249.6)	(258.1)	(251.3)
Total liabilities		**(286.4)**	(313.6)	(306.8)
Net assets		**932.4**	1,160.4	975.1
Equity				
Share capital		**27.6**	27.6	27.6
Share premium account		**-**	11.2	-
Other reserves		**242.8**	227.8	239.5
Retained earnings		**662.0**	893.8	708.0
Total equity		**932.4**	1,160.4	975.1

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Called up share capital	Share premium account	Other reserves	Retained earnings	Total
	$ million	$ million	$ million	$ million	$ million
As at 1 January 2014	27.6	11.1	226.5	815.6	1,080.8
New shares issued	-	0.1	-	-	0.1
Share-based payments	-	-	(0.4)	-	(0.4)
Transfer relating to share-based payments	-	-	1.7	(1.7)	-
Unrealised currency translation differences	-	-	-	0.1	0.1
Retained profit for the period	-	-	-	79.8	79.8
As at 30 June 2014 (unaudited)	27.6	11.2	227.8	893.8	1,160.4
Distributions	-	-	-	(118.1)	(118.1)
Issue and redemption of B shares	-	(11.2)	11.2	-	-
Share-based payments	-	-	0.8	-	0.8
Unrealised currency translation differences	-	-	(0.3)	(1.9)	(2.2)
Retained loss for the period	-	-	-	(65.8)	(65.8)
As at 1 January 2015	**27.6**	**-**	**239.5**	**708.0**	**975.1**
Distributions	**-**	**-**	**-**	**(51.0)**	**(51.0)**
Share-based payments	**-**	**-**	**0.8**	**-**	**0.8**
Transfer relating to share-based payments	**-**	**-**	**2.4**	**(2.4)**	**-**
Unrealised currency translation differences	**-**	**-**	**0.1**	**1.5**	**1.6**
Retained profit for the period	**-**	**-**	**-**	**5.9**	**5.9**
As at 30 June 2015 (unaudited)	**27.6**	**-**	**242.8**	**662.0**	**932.4**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Note	**(unaudited) six months ended 30 Jun 15 $ million**	(unaudited) six months ended 30 Jun 14 $ million	year ended 31 Dec 14 $ million
Net cash from operating activities	9	**45.3**	141.4	251.2
Investing activities				
Purchase of intangible assets		**(9.4)**	(31.6)	(77.0)
Purchase of property, plant and equipment		**(52.5)**	(28.5)	(85.5)
Decrease in liquid investments [1]		**40.2**	32.6	39.9
Payment to abandonment fund		**(2.6)**	(6.6)	(9.6)
Net cash used in investing activities		**(24.3)**	(34.1)	(132.2)
Financing activities				
Share-based payments		**(0.9)**	(0.7)	(1.2)
Proceeds on issue of ordinary share capital		**-**	0.1	0.1
Distributions		**(51.0)**	-	(118.1)
Net cash used in financing activities		**(51.9)**	(0.6)	(119.2)
Net (decrease) increase in cash and cash equivalents		**(30.9)**	106.7	(0.2)
Cash and cash equivalents at beginning of period		**126.2**	129.9	129.9
Effect of foreign exchange rate changes		**1.3**	(0.1)	(3.5)
Cash and cash equivalents at end of period [1]		**96.6**	236.5	126.2

[1] Liquid investments comprise short term liquid investments of between three to six months maturity while cash and cash equivalents (which are presented as a single class of asset on the balance sheet) comprise cash at bank and other short term highly liquid investments of less than three months maturity that are readily convertible to a known amount of cash and which are subject to an insignificant risk of change in value. The combined cash and cash equivalents and liquid investments balance at 30 June 2015 was $96.6 million (31 December 2014 - $166.4 million and 30 June 2014 - $284.0 million).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information

The information for the year ended 31 December 2014 does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor's report on those accounts was not qualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The half year financial report is presented in US dollars because that is the currency of the primary economic environment in which the Group operates.

A final dividend of 10 pence per share was approved at the Annual General Meeting and subsequently paid to Shareholders on 19 June 2015. See Note 10 below.

The half year financial report for the six months ended 30 June 2015 was approved by the Directors on 4 August 2015.

2. Significant accounting policies

The half year financial report, which is unaudited, has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union and the disclosure requirements of the Listing Rules and using the same accounting policies and methods of computation as applied by the Company in its 2014 Annual Report and Accounts for the year ended 31 December 2014, except for the new accounting standards and interpretations effective as of 1 January 2015, as outlined below.

The condensed set of financial statements included in this half year financial report has been prepared on a going concern basis of accounting for the reasons set out in the Financial Results section of this report and in accordance with International Accounting Standard 34 Interim Financial Reporting, as adopted by the European Union, and the requirements of the UK Disclosure and Transparency Rules of the Financial Services Authority in the United Kingdom as applicable to interim financial reporting.

There have not been any new or amended standards and interpretations that would have a material impact on the financial information for the six months ended 30 June 2015.

3. Segment information

The Group has one principal business activity being oil and gas exploration and production. The Group's operations are located in South East Asia and Africa and form the basis on which the Group reports its segment information. There are no inter-segment sales. Segment results are presented below:

	SE Asia $ million	Africa $ million	Unallocated $ million	Group $ million
Six months ended 30 June 2015 (unaudited)				
Oil sales	**116.6**	-	-	**116.6**
Profit (loss) before tax	**34.2**	**(0.5)**	**(1.0)**	**32.7**
Six months ended 30 June 2014 (unaudited)				
Oil sales	246.4	-	-	246.4
Profit (loss) before tax	179.6	-	(4.9)	174.7
Year ended 31 December 2014				
Oil sales	448.2	-	-	448.2
Profit (loss) before tax	241.5	(79.2)	(9.6)	152.7

4. Cost of sales

	(unaudited) six months ended 30 Jun 15 $ million	(unaudited) six months ended 30 Jun 14 $ million	year ended 31 Dec 14 $ million
Operating costs	**22.9**	24.0	50.3
Inventory movements	**1.6**	(6.2)	1.5
Royalty	**8.6**	19.4	34.3
Export duty	**0.5**	5.1	7.6
DD&A	**47.7**	23.7	50.1
Total cost of sales	**81.3**	66.0	143.8

5. Exploration expenses

During the period to 30 June 2015, exploration expenses comprised pre-licence costs in the amount of $0.8 million. During the year ended 31 December 2014, exploration expenses comprised exploration costs, including costs associated with the Albertine Graben Block 5 in eastern DRC and costs associated with the early stages of new ventures, in the amount of $73.6 million written off in accordance with the Group's accounting policy on oil and gas exploration and evaluation expenditure. In accordance with IAS 37, a further $5.9 million was accrued in respect of anticipated future expenditure to complete the current work programme on Block V in the absence of plans to continue thereafter.

6. Tax

	(unaudited) six months ended 30 Jun 15 $ million	(unaudited) six months ended 30 Jun 14 $ million	year ended 31 Dec 14 $ million
Current tax	**32.0**	65.4	122.7
Deferred tax	**(5.2)**	29.5	16.0
	26.8	94.9	138.7

The Group's corporation tax is calculated at 50% of the estimated assessable profit for each period. During each period both current and deferred taxation have arisen in overseas jurisdictions only. The Group’s effective tax rate in the current period is significantly higher than the six months ended 30 June 2014 as the proportion of non-recoverable, non-deductible costs is higher due to lower oil sales revenues and following the year end 2014 reserves reduction and the resulting acceleration of DD&A.

7. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	(unaudited) six months ended 30 Jun 15 $ million	(unaudited) six months ended 30 Jun 14 $ million	year ended 31 Dec 14 $ million
Earnings	**5.9**	79.8	14.0

	Number of shares (million)		
	(unaudited) six months ended 30 Jun 15	(unaudited) six months ended 30 Jun 14	year ended 31 Dec 14
Weighted average number of ordinary shares for the purpose of basic earnings per share	**329.0**	328.4	328.6
Effect of dilutive potential ordinary shares - Share awards and options	**0.5**	0.7	1.3
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**329.5**	329.1	329.9

8. Financial asset

In 2005, the Group disposed of its Mongolia interest to Daqing Oilfield Limited Company. Under the terms of the transaction the Group will receive a subsequent payment amount of up to $52.7 million, once cumulative production reaches 27.8 million barrels of oil, at the rate of 20% of the average monthly posted marker price for Daqing crude multiplied by the aggregate production for that month. During the period the subsequent payment amount has been reclassified to current assets as a financial asset at fair value through profit or loss, as the timescale for the production of crude oil in excess of 27.8 million barrels is now expected to be within 12 months. The fair value of the subsequent payment amount was determined using a valuation technique as there is no active market against which direct comparisons can be made (Level 3 as defined in IFRS 7). Assumptions made in calculating the fair value include the factors mentioned above, risked as

appropriate, with the resultant cash flows discounted at a commercial risk free interest rate. The fair value of the financial asset at the date of completion of the sale was $31.5 million. As at 30 June 2015 the fair value was $50.0 million (31 December 2014 – $45.0 million and 30 June 2014 - $44.2 million) after accounting for the change in fair value of $5.0 million (31 December 2014 – $1.7 million and 30 June 2014 - $0.8 million) through other gains and losses for the period.

9. Reconciliation of operating profit to operating cash flows

	(unaudited) six months ended 30 Jun 15 $ million	(unaudited) six months ended 30 Jun 14 $ million	year ended 31 Dec 14 $ million
Operating profit	**28.7**	174.4	152.6
Share-based payments	**1.7**	0.8	1.6
Depreciation, depletion and amortisation	**47.8**	23.8	50.2
Impairment of property, plant and equipment	**-**	-	60.5
Exploration write off	**-**	-	79.5
Operating cash flows before movements in working capital	**78.2**	199.0	344.4
Decrease (increase) in inventories	**1.6**	(6.4)	1.2
Decrease in receivables	**0.5**	9.8	32.1
(Decrease) increase in payables	**(1.6)**	6.3	4.3
Cash generated by operations	**78.7**	208.7	382.0
Interest received	**0.2**	0.3	0.7
Interest paid	**-**	(0.1)	(0.2)
Income taxes paid	**(33.6)**	(67.5)	(131.3)
Net cash from operating activities	**45.3**	141.4	251.2

10. Dividend

On 19 June 2015, following approval at the Annual General Meeting, the Company paid a final dividend of 10 pence per share in total of $51.0 million to Shareholders.