



1H 2015 Interim Results

5 August 2015

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Steady Progress in 2015

Operational Highlights

- 2015 H1 average production of 11.9 KBOEPD
- Full year guidance revised to 11-12 KBOEPD
- H5 significantly ahead of original schedule with first oil expected before mid August
- TGT/H5 drilling programme complete with five wells drilled
- Updated RAR/FDP for TGT expected to be submitted in Q3/Q4 respectively
- Independent audit by Gaffney, Cline & Associates confirmed management estimates of Commercial Reserves and Contingent Resources for TGT and CNV as of 31 December 2014

Strategic Highlights

- Strong financial position, with no debt on the balance sheet and attractive Vietnam production economics providing strategic flexibility
- \$51m dividend paid in respect of 2014; Board will decide on future returns in light of oil price, cash flow generation and capital expenditure at the time
- Memorandum of Understanding signed with PetroVietnam and SOVICO Holdings regarding potential exploration Blocks 125-126, offshore Vietnam
- Reviewing options for Africa portfolio including rationalisation and farm-out of all or part of asset base

SOCO remains committed to its strategy of targeting cash returns to shareholders and future growth

H5 Development Project Ahead of Schedule

- H5 progressing well with topsides installed on 15 July and hook-up and commissioning ongoing
- First oil now expected before mid August, significantly ahead of September/October target
- Five wells drilled and completed, awaiting perforation
 - Four producer wells TGT-22P, -23P, -24P and -25P on H5 fault block
 - Appraisal well TGT-12X on H5N fault block

H5 Topside Sail-away

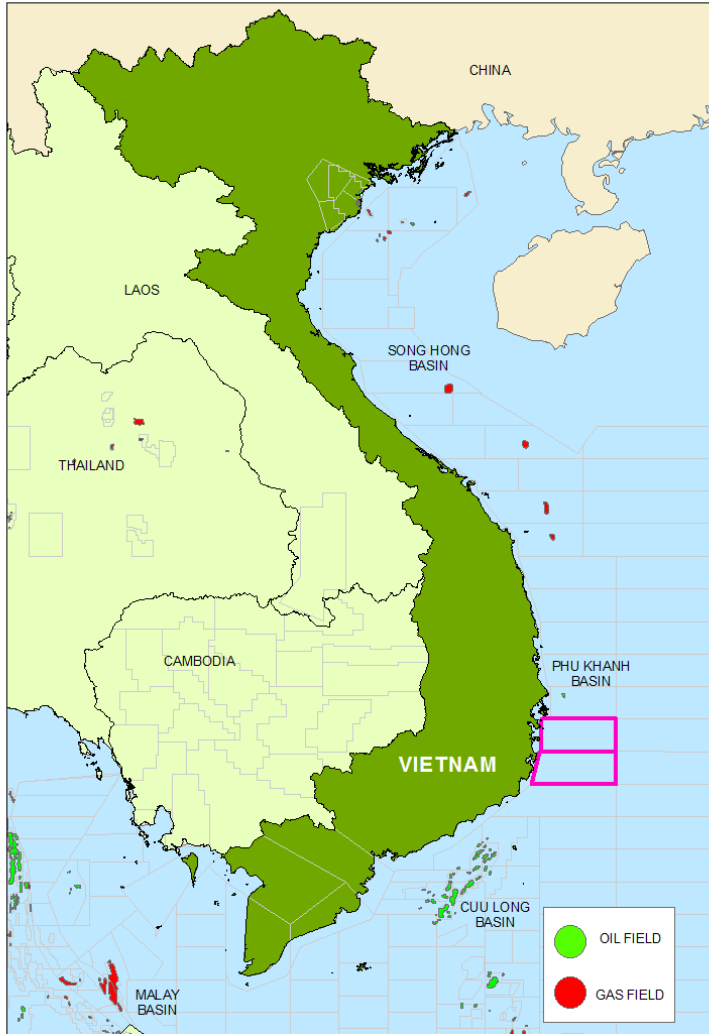


H5 Topside Installation



MoU with SOVICO Holdings and PetroVietnam

Blocks 125-126



Highlights

- Shallow to deep water with multiple structural and stratigraphic plays observed on the available seismic data
- Geological observations indicate:
 - Good potential for source, expulsion and migration of oil
 - Numerous reservoir and seal intervals likely
- Oil discovery at 124-CMT-1X indicates there is an oil system in this basin

MoU Signing (29 July)



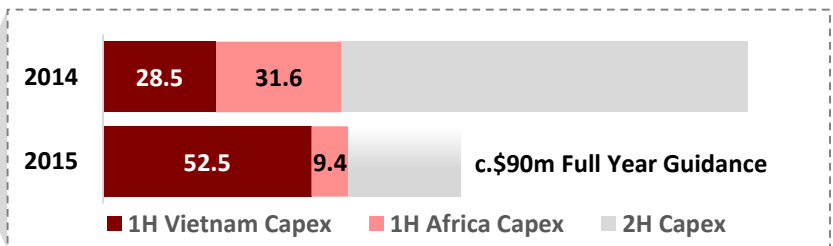
1H 2015 Financial Summary – Income Statement Items

US\$ millions, unless otherwise stated

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	1H 2015	1H 2014	FY 2014	Commentary																																				
Sales revenue	116.6	246.4	448.2	<ul style="list-style-type: none">1H 2015 production of 11,856 BOEPD (1H 2014: 13,960 BOEPD)1H 2015 realised oil price of \$59.58/bbl (1H 2014: \$113.11/bbl)1H 2015 premium of >\$1.5/bbl, expected to increase in 2H																																				
Cost of sales	(81.3)	(66.0)	(143.8)	<div><div>US\$ millions, unless otherwise stated</div><table><tr><th></th><th>1H 2015</th><th>1H 2014</th><th>FY 2014</th></tr><tr><td>Operating costs</td><td>22.9</td><td>24.0</td><td>50.3</td></tr><tr><td>Inventory movements</td><td>1.6</td><td>(6.2)</td><td>1.5</td></tr><tr><td>Royalty</td><td>8.6</td><td>19.4</td><td>34.3</td></tr><tr><td>Export duty</td><td>0.5</td><td>5.1</td><td>7.6</td></tr><tr><td>DD&A</td><td>47.7</td><td>23.7</td><td>50.1</td></tr><tr><td>Total</td><td>81.3</td><td>66.0</td><td>143.8</td></tr><tr><td>Operating costs per barrel, \$</td><td>9.88</td><td>8.47</td><td>9.04</td></tr><tr><td>DD&A costs per barrel, \$</td><td>22.23</td><td>9.36</td><td>10.12</td></tr></table></div>		1H 2015	1H 2014	FY 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	81.3	66.0	143.8	Operating costs per barrel, \$	9.88	8.47	9.04	DD&A costs per barrel, \$	22.23	9.36	10.12
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Gross profit	35.3	180.4	304.4																																					
Administrative expenses	(5.8)	(6.0)	(11.8)	<ul style="list-style-type: none">Reduced corporate costs following new ventures office closure																																				
Exploration costs written off	(0.8)	-	(79.5)	<ul style="list-style-type: none">FY 2014 includes Block V, Nanga II and new ventures																																				
Impairment of PP&E	-	-	(60.5)	<ul style="list-style-type: none">FY 2014 reflects CNV impairment																																				
Operating profit	28.7	174.4	152.6	<ul style="list-style-type: none">1H 2015 includes \$5.0 million gain on fair value of financial asset associated with Mongolia disposal																																				
Profit after tax	5.9	79.8	14.0																																					

1H 2015 Financial Summary – Cash Flow Items

US\$ millions, unless otherwise stated

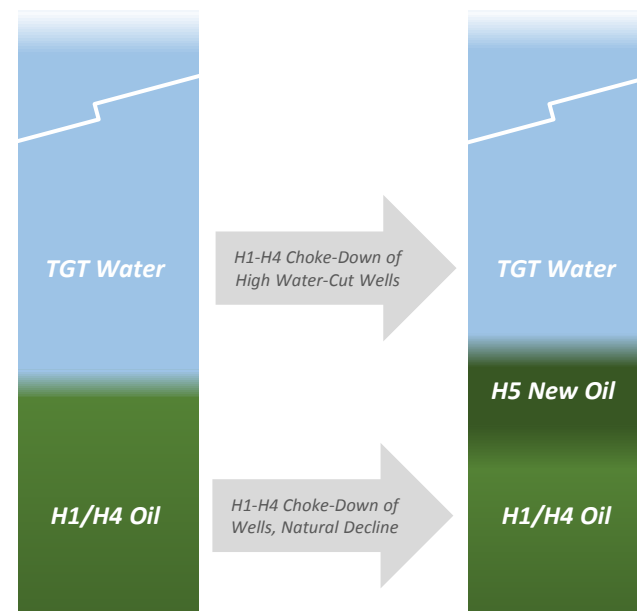
	1H 2015	1H 2014	FY 2014	Commentary
Operating cash flow before working capital, interest and tax	78.2	199.0	344.4	
Change in working capital	0.5	9.7	37.6	▪ 2014 includes positive impact from receivables of \$32m
Cash taxes	(33.6)	(67.5)	(131.3)	
Net cash from operating activities	45.3	141.4	251.2	
Capital expenditure	(61.9)	(60.1)	(162.5)	 <p>2014: 28.5 (1H Vietnam Capex), 31.6 (1H Africa Capex), 100.9 (2H Capex) 2015: 52.5 (1H Vietnam Capex), 9.4 (1H Africa Capex), 98.1 (2H Capex) c.\$90m Full Year Guidance</p>
Payment to abandonment fund	(2.6)	(6.6)	(9.6)	
Free cash flow ⁽¹⁾	(19.9)	64.8	41.0	▪ Free cash flow excludes movements in working capital
Cash, cash equivalents and liquid investments	96.6	284.0	166.4	
Distributions to Shareholders	51.0	-	119.2	▪ 2015 dividend paid in June
Distributions (pence per share)	10	-	22	

(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.

Production

- 1H 2015 production averaged 11.9 KBOEPD
 - TGT 10.1 KBOEPD (33.6 KBOEPD gross)
 - CNV 1.8 KBOEPD
- Full year guidance revised to 11-12 KBOEPD from 10.5-12 KBOEPD
- H5 perforation plans and level of oil and water production from existing wells post H5 start-up being finalised
- High end of production guidance dependent on
 - Scope of H5 perforations
 - H5 production performance
 - Optimal reservoir management
- Needs optimal balance between new H5 production, natural production decline and water-cut from existing wells with FPSO total liquids capacity currently available to TGT

TGT Field Production



1H 2015

Post H5 Start-up

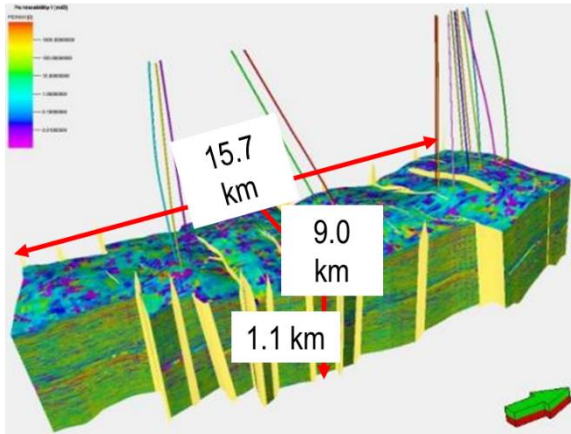
■ H1-H4 Oil Prod. ■ H5 Oil Prod. ■ TGT Water Prod.

H5 expected to add c.11-12 KBOPD of oil, partially offset by choke-down and decline in H1/H4 wells

Ability to increase production from water shut-offs and future perforations

Delivering TGT Full Field Potential

Large Areal Extent of TGT



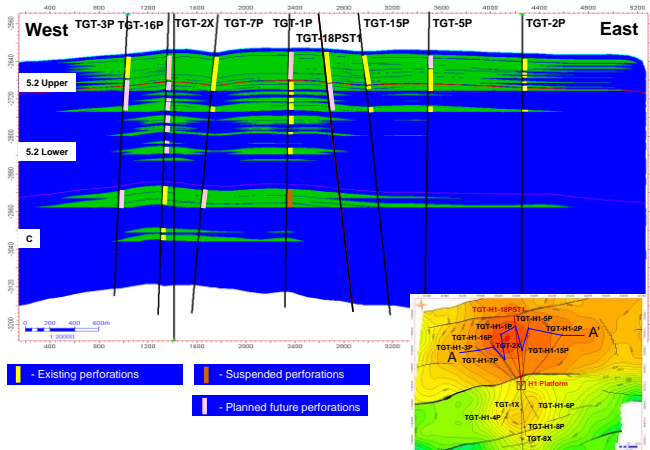
Updated RAR/FDP

- Updated RAR/FDP to be submitted in Q3/Q4
- Expected to include additional wells and potential facilities debottlenecking

Reservoir Management

- Successful run of straddle liner demonstrates water shut-off procedure with additional well candidates identified
- Engaging with JOC on additional water shut-offs and perforations

Cross Section Through H1.1 Block



Facilities

- Engineering work on options to increase handling capacity and accelerate production

ERCE Dynamic Model

- ERCE model best tool to understand TGT
- Model history match update ongoing; will include H5
- Updated results to inform SOCO discussions with partners on future development

Africa: Focusing on High Impact Options

Licence	Status
Marine XI	<ul style="list-style-type: none"> • Analysis of the Lidongo X Marine-101 exploration well completed • SOCO in dialogue with Congo authorities regarding commercialisation • Seismic reprocessing ongoing and expected to be completed by end 2015
Mer Profonde Sud	<ul style="list-style-type: none"> • MPS well currently planned for Q1 2016 • Detailed well design work in progress
Cabinda North Block	<ul style="list-style-type: none"> • Decree issued to extend the licence by three years • Discussions ongoing to agree composition of the new partnership, operator and work programme

SOCO is reviewing options to maximise value from Africa portfolio including potential rationalisation

2015 Outlook

- Production guidance for 2015 revised to 11-12 KBOEPD from 10.5-12 KBOEPD
- TGT partners working with the JOC to submit updated RAR/FDP for TGT in Q3/Q4 respectively
 - Scope of updated FDP will depend on oil price outlook and partner alignment on development path and appetite to commit capital
- Cost savings have been implemented with further cost savings being targeted
 - Capex and opex savings at JOC level reflected in budget
 - New ventures office closed and significant reduction in Africa G&A
- Focus on receiving \$52.7 million earn-out payment from disposal of Mongolia interest in 2005
- Working with SOVICO Holdings and PetroVietnam towards formalisation of exploration Blocks 125-126
- Ongoing review of options to maximise value from Africa portfolio

Track Record of Realising Value

Asset Sales	Oct 1999	Aug 2001	Feb 2002	Nov 2004	Apr 2005	Feb 2008	Jul 2010
	▪ UK Onshore – \$18 million	▪ Russia – \$50 million	▪ Vietnam farm-out	▪ Tunisia – \$25 million	▪ Mongolia – \$93 million	▪ Yemen – \$465 million	▪ Thailand – \$105 million



Capital Markets	May 1997	May 2006	Jan 2010	2006-2012	May 2013	Oct 2013	2014	2015
	▪ IPO – \$65 million	▪ Issue of convertible bonds – \$250 million	▪ Equity placing – \$166 million	▪ Share buybacks – \$54 million	▪ Convertible bonds full redemption	▪ Cash Return to Shareholders – \$213 million	▪ Cash Return to Shareholders – \$119 million	▪ Cash Return to Shareholders – \$51m

***SOCO is committed to shareholder value creation through cash returns and growth
Decisions on future cash returns will be made in light of market conditions and trading performance at the time***

(1) Includes share buybacks of \$54m and cash returns of \$213.3m in 2013, \$119.2m in 2014 and \$51.0m in 2015



SOCO International plc
48 Dover Street
London W1S 4FF
United Kingdom

Tel: 020 7747 2000
Fax: 020 7747 2001

Registered No: 3300821

www.socointernational.com