29 August 2013

SOCO International plc
("SOCO" or the "Company")

INTERIM RESULTS
for the half-year to 30 June 2013
and proposed return of 40 pence per share in cash to shareholders

Key Highlights

- Production record for the third consecutive reporting period with the first half of 2013 averaging 17,135 barrels of oil equivalent per day ("BOEPD") net to the Company's working interest (12,197 BOEPD for the same period last year and 14,757 BOEPD for 2012).
- The Te Giac Trang ("TGT") 10X exploration/appraisal well has commenced testing with the first test averaging 6,179 barrels of oil per day ("BOPD") over a gross 190 metre interval in the Oligocene "C".
- First phase sustained test of the TGT Floating Production Storage and Offloading ("FPSO") vessel averaged greater than 60,000 BOPD. Second phase to test maximum sustainable handling capacity to take place later this year.
- The Lideka East Marine 1 well intersected 50 metres of net pay and testing is now in progress.
- Record after tax profit of $105.4 million up from $97.2 million for the same period last year.
- Net cash and liquid investments as at 30 June 2013 equalled $361.3 million (31 December 2012: $211.3 million).
- Proposed return of 40 pence per share in cash to shareholders by means of a B and C share scheme - subject to shareholder approval.

Ed Story, Chief Executive Officer, commented:
"We are delighted to be announcing a return of 40 pence per share to shareholders, with subsequent returns targeting 50 per cent of annual free cash flow. This, and our record levels of production and profit are a testament to the company's strategy and the execution thereof. We are excited about the early test results of the TGT-10X well and encouraged thus far by the Lideka East Marine 1 discovery in Congo (Brazzaville). We look forward to updating the markets as soon as possible on further developments in the drilling programmes.

We will continue to focus on maximising shareholder value through a combination of an active exploration and appraisal programme primarily through organic growth but which may be complemented with selective acquisitions that are consistent with our risk appetite and financial discipline."

ENQUIRIES:

SOCO International plc
Roger Cagle, Deputy Chief Executive Officer
Tel: 020 7747 2000

Pelham Bell Pottinger
Rollo Crichton-Stuart
Elizabeth Snow
Tel: 020 7861 3232

NOTES TO EDITORS:

SOCO is an international oil and gas exploration and production company, headquartered in London, traded on the London Stock Exchange and a constituent of the FTSE 250 Index. The Company has interests in Vietnam, the Republic of Congo (Brazzaville), the Democratic Republic of Congo (Kinshasa) and Angola, with production operations in Vietnam.

SOCO holds its interests in Vietnam, all in the Cuu Long Basin offshore, through its wholly-owned subsidiaries, SOCO Vietnam Ltd and OPECO Vietnam Limited. SOCO Vietnam Ltd holds a 25% working interest in Block 9-2, which is operated by the Hoan Vu Joint Operating Company and holds a 28.5% working interest in Block 16-1, which is operated by the Hoang Long Joint Operating Company. OPECO Vietnam Limited holds a 2% interest in Block 16-1.

SOCO holds its interests in the Republic of Congo (Brazzaville) through its 85% owned subsidiary, SOCO Exploration and Production Congo SA ("SOCO EPC"). SOCO EPC holds a 40.39% interest in the Marine XI Block located offshore in the shallow water Lower Congo Basin and is designated operator of the Block. SOCO EPC also holds a 100% interest in a one-year exploration licence over the Nanga II A Block, located onshore, adjacent to the coast.

SOCO holds its interests in the Democratic Republic of Congo (Kinshasa), all onshore, though its 85% owned subsidiary, SOCO Exploration and Production DRC Sprl ("SOCO E&P DRC"). SOCO E&P DRC holds a 65% working interest in the Nganzi Block, situated 50 kilometres from the west coast, and an 85% working interest in Block V, situated in the southern Albertine Graben in eastern DRC. SOCO E&P DRC is designated operator of both Blocks.

SOCO holds its interests in the Angolan enclave of Cabinda through its 80% owned subsidiary, SOCO Cabinda Limited, which holds a 17% participating interest in the Production Sharing Agreement for the Cabinda Onshore North Block.

CHAIRMAN AND CHIEF EXECUTIVE'S STATEMENT

The Company has long espoused its approach to the Exploration and Production ("E&P") business as being analogous to the disciplined approach employed by leading major international oil companies in which the majority of SOCO's executives and leading technical employees began their respective careers. The focus is on risk management and disciplined allocation of capital.

Having fulfilled many of our expectations and goals, this approach has provided the opportunity to initiate the Company's first return of cash to shareholders. The Directors of the Company are proposing the return of 40 pence per outstanding share via a B/C share scheme subject to the approval of shareholders. A separate announcement detailing the particulars of this return of cash immediately follows the release of these Interim Results.

This return of cash is intended to be the first of a sustainable annual payout to shareholders with subsequent returns targeting 50 per cent of the Company's annual free cash flow. The intent is to offer an annual shareholder return in a manner which is tax efficient to shareholders.

The successful execution of the Company's strategy has positioned SOCO to be able to make cash returns to shareholders whilst retaining its gearing to exploration growth where an individual well result can have a significant impact. We think this makes the Company truly unique.

Year to date, we have had success on the two important wells we have drilled thus far whilst the results are still out on the remaining two scheduled. The Te Giac Trang ("TGT") 10X well, the first well on the undrilled H5 fault block in the TGT field, intersected 117 metres of net pay. Three separate drill stem tests are programmed, with the first test flowing at an average rate of 6,179 BOPD and 1.13 million cubic feet of gas per day ("MMSCFD") further underscoring our ultimate expectations in this world class field.

The Lideka Marine East 1 ("LDKEM-1") well offshore Congo Brazzaville has provided us with our first taste of drilling success in our African portfolio. The well encountered a 50 metre interval of net pay and testing is now underway.

The first of two scheduled wells onshore in the Cabinda North Block in Angola is drilling ahead at approximately 410 metres and is expected to take a further 45 to 60 days before reaching its target depth ("TD").

First half 2013 after tax profit from operations set another record at $105.4 million up from $97.2 million for the same period last year. Capital expenditures were $30.9 million for the first half of 2013 ($62.5 million in the first half of 2012) and the Company's remaining convertible bonds were redeemed at par for $47.8 million leaving the Group debt free. As at 30 June 2013 the Group had cash, cash equivalents and liquid investments totalling $361.3 million (up from $258.5 million at year end 2012).

Total production net to the Group's working interest during the six months ending 30 June 2013 averaged 17,135 barrels of oil equivalent per day ("BOEPD"), an increase of approximately 40% compared with the 12,197 BOEPD achieved in the same period during 2012.

OPERATIONS

VIETNAM

SOCO's Block 16-1 and Block 9-2 projects in Vietnam are located offshore in the oil rich Cuu Long Basin, which is a shallow water, near-shore area defined by several high profile producing oil fields, the largest of which, Bach Ho, is located between the two Blocks and has produced more than one billion barrels of oil to date. The projects are operated through non-profit Joint Operating Companies ("JOC"s) wherein each participating party owns shares equivalent to its respective interests in the Petroleum Contracts governing the projects.

SOCO's interests are held through its wholly-owned subsidiaries, SOCO Vietnam Ltd and OPECO Vietnam Limited. SOCO Vietnam Ltd holds a 25% working interest in Block 9-2, which is operated by the Hoan Vu JOC ("HVJOC") and holds a 28.5% working interest in Block 16-1, which is operated by the Hoang Long JOC ("HLJOC"). OPECO Vietnam Limited holds a 2% interest in Block 16-1. SOCO's partners on both Blocks are PetroVietnam, the national oil company of Vietnam, and PTTEP, the national oil company of Thailand.

Block 16-1

Te Giac Trang ("TGT")

Production

The TGT field is currently producing from two 16 slot platforms (some of which are designed to handle two wells) with 16 producing wells. The field continues to perform in line with expectations, with field production averaging 50,227 BOPD in the first half of 2013, 14,967 BOPD net to the Group's working interest (10,019 BOPD for the first six months of 2012 and 12,618 BOPD for the full year average 2012). Sales of TGT crude currently realise a premium of approximately $4 per barrel to the Brent benchmark crude price.

Floating, Production, Storage and Offloading Vessel ("FPSO") Capacity Testing and Maintenance

Following the agreement of the owner and operator of the FPSO and approval from the relevant Vietnamese authorities, the HLJOC completed the first phase of a multi-stage test of the TGT FPSO oil production handling capacity beyond the 55,000 BOPD contractual minimum quantity.

The first phase of the capacity test, in which the FPSO successfully processed sustained production of over 60,000 BOPD, confirmed our expectations based on the detailed pre-test simulations that only minor modifications to the low pressure separator system would be required. Although the Thang Long JOC began producing into the FPSO in May of 2013, production problems in August limited that JOC's ability to contribute to the second phase FPSO testing, as did delays to the TGT infield drilling programme resulting from the extended time on the TGT-10X well. Consequently, the second phase testing will commence later this year, when these issues have been mitigated.

At the beginning of August 2013, the entire FPSO system was shut in for seven days in order to carry out all the annual maintenance and to replace the gas seals in the turret, which had been leaking.

2013 Drilling Programme

The TGT-10X exploration/appraisal well spudded on 20 June 2013 on the H5 fault block, the most significant undrilled fault block on the TGT field. The well is located approximately six kilometres south of the H4 Well Head Platform.

The TGT-10X encountered approximately 117 metres of net pay section (circa 250 metres gross pay) having reached 4,226 metres Measured Depth ("MD"). The well was drilled into the Oligocene D2 section and encountered higher formation pressure than predicted. Attempts to run a liner over the Miocene and Oligocene reservoir horizons experienced difficulties and upon assessment of the quality of the hole, it was agreed to redrill the reservoir section in which to run the liner. Whilst this added additional time to the programme, the fresh hole section reduced the risk of issues arising during the testing phase. Testing commenced this week and will comprise three separate tests; one will be conducted on the Oligocene which will be in two parts, and two separate tests will be carried out on the Miocene.

The first test, over a gross 190 metre section in the Oligocene "C", produced from the initial flow period at an average of 6,179 BOPD and 1.13 MMSCFD of 41.1 API oil. This test is ongoing.

Block 9-2

Ca Ngu Vang ("CNV")

Production on Block 9-2 from the CNV field averaged 2,168 BOEPD net to the Group's working interest (25%) during the first six months of 2013 (2,178 BOEPD first six months of 2012 and 2,139 BOEPD full year average for 2012).

HVJOC has received the required approvals from the Vietnamese Government authorities for the updated Full Field Development Plan for CNV which includes the CNV-7P development well, which will allow us to access the thus far undrilled south-western corner of the field. The outcome of this well, with additional production history, should enable us to update the reserves position in the field.

It is planned to commence drilling the CNV-7P well during the second quarter of 2014 and for this to come onstream as a production well by mid-2014.

AFRICA

REPUBLIC OF CONGO (BRAZZAVILLE)

The Group's interests in Congo (Brazzaville) are held through its 85% owned subsidiary, SOCO Exploration & Production SA ("SOCO EPC").

Marine XI

The Marine XI Block is located offshore in the shallow waters of the Lower Congo Basin, offshore Congo (Brazzaville). SOCO EPC holds a 40.39% interest in Marine XI and is the designated operator of the Block.

Lideka East Prospect

The Lideka East Marine-1 well ("LDKEM-1") targeted a post-salt structure, up-dip from the Lideka Marine-1 well which found shows of oil in the Sendji Formation. SOCO had mapped a four-way dip closed structure, interpreting the shows in Lideka Marine-1 to be associated with a possible oil-water contact in the structure. LDKEM-1 spudded on 20 July 2013, and was drilled to a total depth of 2008 metres. Oil is present in both the Upper Sendji and intra-Sendji 3 intervals, indicated by oil shows and wireline logs. Based on initial evaluation, there is 50 metres of net pay within the overall interval from 1,223-2,008 metres. Preparations are underway to drill-stem test the intra-Sendji 3 at a depth of 1,495-1,544 metres.

Although the reservoir quality is less than the pre-drill estimate (17% porosity rather than 22%) and the water saturation higher than expected, the DST will enable further evaluation of the reservoir and fluid characteristics of the discovery.

Additionally, the indicated oil reservoir in the Upper Sendji between 1,223-1,325 metres, will be further evaluated and mapped, noting that there is untested updip potential continuing eastward from the drilled location.

Nanga II A

The Group was awarded the original one-year exploration licence over the Nanga II A Block, located adjacent to the coast onshore Congo (Brazzaville) near the M'Boundi producing field, under a "Prospection Decree" issued in October 2012. The Group has recently applied to the Congolese authorities for a further year's extension to the exploration licence.

During the first half of 2013, work has been ongoing to evaluate aeromagnetic data and reprocess several 2D seismic lines previously acquired over the Block before determining whether or not to proceed with a limited 3D seismic survey on the area. Following completion of the preliminary evaluation, the Group will determine whether to enter into a production sharing contract.

DEMOCRATIC REPUBLIC OF CONGO (KINSHASA)("DRC")

SOCO holds its interests in the DRC through its 85% owned subsidiary SOCO Exploration and Production DRC Sprl ("SOCO E&P DRC").

Block V

Block V is a 7,500 square kilometre area located onshore in the southern Albertine Graben of eastern DRC, in the North Kivu region adjacent to the border with Uganda. Block V encompasses an area of the Virunga National Park, a World Heritage Site, and includes part of Lake Edward.

The Government of the DRC commissioned an aerial survey and baseline studies over Block V in September 2011 as part of its wider objective of performing a Strategic Environmental Evaluation. Accordingly, SOCO's work programme has been agreed in close collaboration with the Congo Environmental Studies Group (also known as "Groupe d'Etudes Environnementales du Congo" or "GEEC") and the Congolese Wildlife Authority (also known as "Institut Congolais pour la Conservation de la Nature" or "ICCN").

Whilst the viability of the aeromag survey is in question due to the current security situation, the work programme includes various environmental baseline studies (for example, fish and mollusc studies on Lake Edward). Preparation is underway for the environmental studies to commence shortly, first with a lake bathymetry survey on Lake Edward which is planned to start within the next couple of weeks.

SOCO has authorised a number of social projects in the region and these are also expected to commence shortly. The priorities for these projects are being determined in close collaboration with the relevant national and local authorities and medical care support agencies.

Nganzi

The Nganzi Block is an 800 square kilometre area situated onshore in the geological North Congo Basin in the Bas Congo region of western DRC. SOCO E&P DRC holds a 65% participating interest in the Nganzi Block and is the designated operator.

In the Nganzi Block, depth migrated reprocessing of the data from the 2D seismic acquisition was completed in July. Following interpretation, the partners will make a drill or drop decision later this year.

ANGOLA

SOCO holds its interests in the Angolan enclave of Cabinda through its 80% owned subsidiary, SOCO Cabinda Limited, which holds a 17% participating interest in the Production Sharing Agreement for the Cabinda Onshore North Block.

Cabinda North

Although discussions continue with the minority partner regarding the possible sale of SOCO's majority interest in SOCO Cabinda Limited, there is no certainty that a transaction will occur. Meanwhile, final preparations have been underway during the year at the Dinge 20-6 and Dinge 20-7 well locations prior to the commencement of the two well exploration programme. The first well commenced on 9 August 2013 and is currently drilling at 410 metres. The Dinge 20-6 well is planned to test the Vovo Sands in the pre-salt section onshore Cabinda North in the area of the Dinge discovery. The target sands were deposited in a lacustrine environment above the middle Bucomazi which is a world class source rock.

The sands were tested previously in the 1970s by three wells. A lack of seismic prevented a fuller evaluation of the reservoir heterogeneity issues. The current locations have been selected following a Block wide seismic acquisition and evaluation campaign that was completed last year. The Vovo sands of the Dinge Field are in an equivalent stratigraphic position to the Mengo-Kundji-Bindi reservoirs of the Republic of Congo 17 kilometres northwest and on trend.

FINANCIAL RESULTS

INCOME STATEMENT

Operating results

Revenue

Oil and gas revenues in the first half of 2013 were $324.0 million, up from $263.2 million in the equivalent period last year, mainly due to additional production from the TGT H4 well head platform ("WHP") which was installed in July 2012. The Group's working interest share of production during the period was 17,135 BOEPD up from 12,197 BOEPD in the first half of 2012. In the first six months of 2012 cost recoupment associated with the Group's cost carry of PetroVietnam on Block 16-1 was fulfilled by receiving higher entitlement volumes totalling 13,682 BOEPD from TGT and CNV. For the reporting period the Group realised an average oil price of $112.45 per barrel of oil sold (period to 30 June 2012, $120.68 per barrel).

Cost of Sales

Cost of sales in the period was $88.7 million for the six month period to 30 June 2013, up from $55.0 million in the first half of 2012. This increase is mainly associated with the TGT field where cost of sales was $80.5 million including an inventory credit, recorded at market value, of $2.8 million (1H 2012 $50.3 million including an inventory credit of $11.4 million). Production operating costs for TGT were $22.6 million for this six month reporting period and consistent with the costs for the period to 30 June 2012 ($19.1 million) prior to the start-up of production from the H4 WHP.

Cost of sales associated with the CNV field was $8.2 million, including an inventory charge of $0.7 million (first half of 2012 - $4.7 million, including an inventory credit of $2.6 million). Production operating costs associated with CNV were $2.1 million in the first half of 2013, down slightly from $2.3 million for the first half of 2012 mainly due to less workover activity.

Royalties on oil sales from TGT and CNV in the current period totalled $25.4 million consistent with higher revenue compared with $18.5 million in the first half of 2012. Export duty arising on TGT oil sales amounted to $10.8 million in the current period, up from $8.0 million in the first half of 2012. CNV oil was sold into the domestic market for both the current period and equivalent period last year and was not subject to export duty. Depreciation, depletion and decommissioning costs (DD&A) were $27.3 million in the first half of 2013 compared with $19.0 million in the equivalent period last year reflecting the production and cost basis of the TGT development.

Operating costs on a per barrel basis (excluding DD&A, inventory movements and sales related duties and royalties) were approximately $7.90 per barrel compared with approximately $10.50 per barrel in the first half of 2012. The primary cause of the decrease is related to the higher production volumes on the TGT field which has dedicated production and processing facilities on the floating production storage and offloading vessel, the costs of which are predominately fixed.

On a per barrel entitlement basis, DD&A increased from approximately $7.60 per barrel in the first half of 2012 to $8.80 per barrel in the six months ended June 2013 reflecting the higher cost basis of the TGT development.

Administrative costs for the first six months increased from $4.9 million in 2012 to $5.7 million in 2013. The increase is primarily due to higher staff costs mainly associated with additions to the SOCO corporate team.

Operating Profit

Operating profit for the period was $229.6 million arising from the Group's production operations in Vietnam compared with $203.3 million for the first half of 2012.

Tax

The tax expense increased from $104.7 million in the six month period ending 30 June 2012 to $123.3 million in the current reporting period consistent with the higher profit in the current period mainly arising from TGT field production. As costs carried by the Group for PetroVietnam on Block 16-1 were recouped during the first half of 2012, there was an element of non-taxable income associated with cost recoupment in the first half of 2012 which contributed to the increase in the effective tax rate for the Group from 51.9% in H1 2012 to 53.9% in the same period of 2013.

BALANCE SHEET

Intangible assets increased by $54.1 million since year end 2012 and by $44.9 million since 30 June 2012. The increase in the six months to 30 June 2013 arises predominantly as the Cabinda asset has been reclassified to intangible from assets held for sale ($36.3 million – see below). Additionally, exploration activity continued in the Group's Africa region, including preparation for drilling offshore Congo Brazzaville and onshore Cabinda. Property, plant and equipment decreased by $17.6 million since 2012 year end and by $8.0 million over the last 12 months due to DD&A charges offset mainly by TGT field development and appraisal activities.

Oil inventory was $13.2 million at 30 June 2013, down from $23.0 million at 30 June 2013, and up from $11.1 million at year end 2012. Trade and other receivables at 30 June 2013 were $53.6 million, up from $43.8 million at 30 June 2012, and down from $72.2 million at year end 2012. The movements in oil inventory and trade receivables arise mainly due to the timing of oil sale liftings and the oil price realised.

SOCO's cash, cash equivalents and liquid investments totalled $361.3 million at 30 June 2013 (31 December 2012 -$258.5 million and 30 June 2012 - $224.4 million). This increase is a result of cash inflows from production operations in Vietnam. This was offset by the Group's TGT development programme, exploration activity in Africa and the Company's purchase and cancellation of its remaining convertible bonds which had a par value of $47.8 million (see below).

Trade and other payables were $29.5 million at the current period end, up from the balance of $20.8 million at 30 June 2012 and down from $34.3 million at 31 December 2012 mainly due to the status of the ongoing work programmes, in particular in Vietnam associated with the TGT development. Tax payable of $17.2 million at the end of the reporting period compared with $9.9 million at 30 June 2012 and $21.4 million at the end of 2012 is consistent with the timing of liftings in Vietnam where tax is paid on each cargo lifted.

As at 31 December 2012, the Group's only debt was the convertible bonds with a par value of $47.8 million. On 16 May 2013 these remaining bonds were purchased at par value and cancelled. The liability component of the debt at 31 December 2012 was $47.2 million (30 June 2012 - $46.4 million). Further details of the bonds, which were originally issued in 2006 at a par value of $250 million, are in Note 7 to the half year financial report and in Note 23 to the 2012 Annual Report and Accounts.

Deferred tax liabilities have increased to $152.0 million at 30 June 2013 from $75.3 million at 30 June 2012 and $113.3 million at 31 December 2012 mainly due to accelerated tax depreciation and other tax timing differences associated with Block 16-1, Vietnam. Long term provisions comprise the Group's decommissioning obligations in South East Asia which have increased to $42.8 million from $33.3 million at 30 June 2012 and from $42.7 million at year end 2012. This reflects the installation of additional facilities and development well drilling activity at the TGT field.

CASH FLOW

Net cash flows from operating activities for the first six months of 2013 comprise the Group's continuing Vietnam operations and amounted to $181.6 million compared with $160.3 million in the first half of 2012. This increase is mainly due to the higher contribution of production from the TGT field including the associated impact on working capital movements, as described above.

Capital expenditure for the period ending 30 June 2013 was $30.9 million compared with $62.5 million in the equivalent period last year. The lower capital spend in the current period reflects the installation of the H4 WHP in the first half of 2012 on the TGT field with the continuing TGT development programme expecting to incur costs primarily in the second half of 2013. Cash used in financing activities of $47.8 million was for the purchase of the remaining convertible bonds whereas in the first half of 2012 most of the $33.4 million cash out flow was for the purchase of own shares into treasury.

PRODUCTION

During the first half of 2013 the Group's production, net to the Group's working interest, of 17,135 BOEPD comprised oil production from the TGT field of 14,967 BOPD and oil and gas production from the CNV field of 2,168 BOEPD compared with the first half of 2012 when production of 12,197 BOEPD comprised oil production from the TGT field of 10,019 BOPD and oil and gas production from the CNV field of 2,178 BOEPD.

RELATED PARTY TRANSACTIONS

There have been no 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 2012 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 2013 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 2012 Annual Report and Accounts are summarised below:

- Operational risk – associated with conducting exploration, drilling and construction 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 financial asset at fair value through profit or loss arising on the Group's disposal of its Mongolia interest and short term financial assets.
- 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, debt and financial asset.
- 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 2012 Annual Report and Accounts and in Note 4 to the Consolidated Financial Statements in that report.

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

Capital distribution to Shareholders

SOCO's Board has recommended a cash return to shareholders via the implementation of a B/C Share scheme and has recommended that shareholders vote to approve the scheme at a General Meeting of the Company that is scheduled for 25 September 2013.

Option to sell majority interest in SOCO Cabinda Limited to minority interest holder

In September 2012, SOCO announced that it had entered into a conditional agreement with Quill Trading Corporation ("Quill") wherein the Group was to sell its 80% majority interest in SOCO Cabinda Limited ("SOCO Cabinda") to Quill, the holder of the remaining 20% interest. SOCO Cabinda has a 17% participating interest in the Cabinda North Block, onshore the Angolan enclave of Cabinda. Quill paid a non-refundable deposit to the Company for the option to acquire SOCO's entire shareholding in SOCO Cabinda. Consequently, as at 31 December 2012 SOCO Cabinda was classified as held for sale. Although discussions continue with Quill regarding the possible sale of SOCO's majority interest, there is no certainty that a transaction will occur. Accordingly, SOCO Cabinda has been reclassified as an intangible asset.

OUTLOOK

The success of the TGT 10X exploration/appraisal well on the only previously undrilled fault block in the producing TGT field underscores our confidence in the long term cash generating potential of this asset. It is yet early days in the overall field development with four to five appraisal wells and multiple recompletions scheduled over the coming years.

We have had meaningful drilling success in our African portfolio for the first time, yet it is still a very immature exploration area for us. This success, along with positive results on neighbouring fields, renews our optimism about the potential of this venture.

The Company remains focused on maximising shareholder value and will continue to examine all avenues of achieving this priority. Accordingly, we will continue our active exploration and appraisal programme across our current portfolio and may complement this organic growth with selective acquisitions which are consistent with our risk appetite and financial discipline.

Going forward, it is also the Company's intent to provide annual cash returns in a manner which is tax efficient to shareholders. The distribution policy will target a return of approximately fifty per cent of annual free cash flow, taking into consideration the Company's prospects, existing cash position and significant known or expected capital requirements.

We believe that this offers a uniquely attractive combination of growth and returns for shareholders.

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
Chief Financial Officer
28 August 2013

DISCLAIMER

This Half Year 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 2013 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 2013 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, UK
28 August 2013

Condensed consolidated income statement

	Notes	(unaudited) six months ended 30 Jun 13 $ million	(unaudited) six months ended 30 Jun 12 $ million	year ended 31 Dec 12 $ million
Revenue	3	**324.0**	263.2	621.6
Cost of sales		**(88.7)**	(55.0)	(161.1)
Gross profit		**235.3**	208.2	460.5
Administrative expenses		**(5.7)**	(4.9)	(12.3)
Operating profit		**229.6**	203.3	448.2
Investment revenue		**0.6**	0.4	1.0
Other gains and losses		**0.6**	0.6	1.5
Finance costs		**(2.1)**	(2.4)	(5.1)
Profit before tax	3	**228.7**	201.9	445.6
Tax	4	**(123.3)**	(104.7)	(238.6)
Profit for the period		**105.4**	97.2	207.0
Earnings per share (cents)	5			
Basic		**32.1**	29.2	62.7
Diluted		**32.0**	29.1	62.6

The results are from continuing activities only.

Condensed consolidated statement of comprehensive income

	(unaudited) six months ended 30 Jun 13 $ million	(unaudited) six months ended 30 Jun 12 $ million	year ended 31 Dec 12 $ million
Profit for the period	**105.4**	97.2	207.0
Items that may be subsequently reclassified to profit or loss:			
Unrealised currency translation differences	**0.1**	(0.1)	(0.2)
Total comprehensive income for the period	**105.5**	97.1	206.8

Condensed consolidated balance sheet

	Notes	(unaudited) 30 Jun 13 $ million	(unaudited) 30 Jun 12 $ million	31 Dec 12 $ million
Non-current assets				
Intangible assets		**253.8**	208.9	199.7
Property, plant and equipment		**799.0**	807.0	816.6
Financial asset	7	**42.7**	41.3	42.1
		1,095.5	1,057.2	1,058.4
Current assets				
Inventories		**13.2**	23.0	11.1
Trade and other receivables		**53.6**	43.8	72.2
Tax receivables		**0.7**	0.5	0.6
Assets classified as held for sale	6	**-**	-	36.3
Liquid investments		**30.1**	-	50.0
Cash and cash equivalents		**331.2**	224.4	208.5
		428.8	291.7	378.7
Total assets		**1,524.3**	1,348.9	1,437.1
Current liabilities				
Trade and other payables		**(29.5)**	(20.8)	(34.3)
Tax payables		**(17.2)**	(9.9)	(21.4)
Convertible bonds	8	**-**	(46.4)	(47.2)
Liabilities associated with assets classified as held for sale	6	**-**	-	(1.6)
		(46.7)	(77.1)	(104.5)
Non-current liabilities				
Deferred tax liabilities		**(152.0)**	(75.3)	(113.3)
Long term provisions		**(42.8)**	(33.3)	(42.7)
		(194.8)	(108.6)	(156.0)
Total liabilities		**(241.5)**	(185.7)	(260.5)
Net assets		**1,282.8**	1,163.2	1,176.6
Equity				
Share capital		**27.6**	27.6	27.6
Share premium account		**73.0**	73.0	73.0
Other reserves		**106.0**	107.8	105.5
Retained earnings		**1,076.2**	954.8	970.5
Total equity		**1,282.8**	1,163.2	1,176.6

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 2012	27.5	72.7	140.8	857.1	1,098.1
New shares issued	0.1	0.3	-	-	0.4
Purchase of own shares into treasury	-	-	(32.6)	-	(32.6)
Share-based payments	-	-	0.2	-	0.2
Transfer relating to share-based payments	-	-	(0.4)	0.4	-
Transfer relating to convertible bonds	-	-	(0.2)	0.2	-
Unrealised currency translation differences	-	-	-	(0.1)	(0.1)
Retained profit for the period	-	-	-	97.2	97.2
As at 30 June 2012	27.6	73.0	107.8	954.8	1,163.2
New shares issued	-	-	-	-	-
Purchase of own shares into treasury	-	-	(0.3)	-	(0.3)
Share-based payments	-	-	(1.0)	-	(1.0)
Acquisition of non-controlling interest in subsidiary undertaking	-	-	-	(95.0)	(95.0)
Transfer relating to share-based payments	-	-	(0.7)	0.7	-
Transfer relating to convertible bonds	-	-	(0.3)	0.3	-
Unrealised currency translation differences	-	-	-	(0.1)	(0.1)
Retained profit for the period	-	-	-	109.8	109.8
As at 1 January 2013	**27.6**	**73.0**	**105.5**	**970.5**	**1,176.6**
Share-based payments	**-**	**-**	**0.7**	**-**	**0.7**
Transfer relating to convertible bonds	**-**	**-**	**(0.2)**	**0.2**	**-**
Unrealised currency translation differences	**-**	**-**	**-**	**0.1**	**0.1**
Retained profit for the period	**-**	**-**	**-**	**105.4**	**105.4**
As at 30 June 2013	**27.6**	**73.0**	**106.0**	**1,076.2**	**1,282.8**

Condensed consolidated cash flow statement

	Notes	(unaudited) six months ended 30 Jun 13 $ million	(unaudited) six months ended 30 Jun 12 $ million	year ended 31 Dec 12 $ million
Net cash from operating activities	9	**181.6**	160.3	334.8
Investing activities				
Purchase of intangible assets		**(17.7)**	(22.2)	(47.6)
Purchase of property, plant and equipment		**(13.2)**	(40.3)	(62.3)
Decrease (increase) in liquid investments [1]		**19.9**	-	(50.0)
Investment in subsidiary undertakings		**-**	-	(95.0)
Proceeds of disposal of subsidiary	6	**-**	-	4.0
Net cash used in investing activities		**(11.0)**	(62.5)	(250.9)
Financing activities				
Purchase of own shares into treasury		**-**	(32.6)	(32.9)
Share-based payments		**-**	(0.3)	(1.9)
Repayment / Repurchase of convertible bonds	8	**(47.8)**	(0.9)	(0.9)
Proceeds on issue of ordinary share capital		**-**	0.4	0.4
Net cash used in financing activities		**(47.8)**	(33.4)	(35.3)
Net increase in cash and cash equivalents		**122.8**	64.4	48.6
Cash and cash equivalents at beginning of period		**208.5**	160.1	160.1
Effect of foreign exchange rate changes		**(0.1)**	(0.1)	(0.2)
Cash and cash equivalents at end of period [1]		**331.2**	224.4	208.5

[1] Liquid investments comprise short term liquid investments of between three to six months maturity while cash and cash equivalents comprise cash at bank and other short term highly liquid investments of less than three months maturity. The combined cash and cash equivalents and liquid investments balance at 30 June 2013 was $361.3 million (June 2012 - $224.4 million).

Notes to the condensed consolidated financial statements

1 General information

The information for the year ended 31 December 2012 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.

The Directors do not recommend the payment of a dividend, however the Company has announced its intent to provide a cash return to shareholders. See Note 10 below.

The half year financial report for the six months ended 30 June 2013 was approved by the Directors on 28 August 2013.

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 2012 Annual Report and Accounts for the year ended 31 December 2012, except for the new accounting standards and interpretations effective as of 1 January 2013, 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.

The Group has adopted the following new and amended IFRS and IFRIC interpretations as of 1 January 2013 for the historical information presented for the six months ended 30 June 2013:

- IAS 1 Presentation of Items of Other Comprehensive Income (Amendment)
- IAS 19 Employee Benefits (Amendment)
- IAS 27 Separate Financial Statements (as revised in 2011)
- IAS 28 Investments in Associates and Joint Ventures (as revised in 2011)
- IFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities (Amendment)
- IFRS 13 Fair Value Measurement

The new and amended standards and interpretations had no material impact on the financial information for the six months ended 30 June 2013.

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 2013 (unaudited)				
Oil sales	**324.0**	**-**	**-**	**324.0**
Profit (loss) before tax	**234.7**	**-**	**(6.0)**	**228.7**
Six months ended 30 June 2012 (unaudited)				
Oil sales	263.2	-	-	263.2
Profit (loss) before tax	207.8	-	(5.9)	201.9
Year ended 31 December 2012				
Oil sales	621.6	-	-	621.6
Profit (loss) before tax	459.4	-	(13.8)	445.6

4 Tax

	(unaudited) six months ended 30 Jun 13 $ million	(unaudited) six months ended 30 Jun 12 $ million	year ended 31 Dec 12 $ million
Current tax	**84.6**	66.9	162.8
Deferred tax	**38.7**	37.8	75.8
	123.3	104.7	238.6

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.

5 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 13 $ million	(unaudited) six months ended 30 Jun 12 $ million	year ended 31 Dec 12 $ million
Earnings	**105.4**	97.2	207.0

	Number of shares (million)		
	(unaudited) six months ended 30 Jun 13	(unaudited) six months ended 30 Jun 12	year ended 31 Dec 12
Weighted average number of ordinary shares for the purposes of basic earnings per share	**328.2**	332.7	330.2
Effect of dilutive potential ordinary shares - Share awards and options	**0.8**	1.2	0.7
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**329.0**	333.9	330.9

6 Option to sell majority interest in SOCO Cabinda Limited to non-controlling interest holder

In September 2012, SOCO announced that it had entered into a conditional agreement with Quill Trading Corporation ("Quill") wherein the Group was to sell its 80% majority interest in SOCO Cabinda Limited ("SOCO Cabinda") to Quill, the holder of the remaining 20% interest. SOCO Cabinda has a 17% participating interest in the Cabinda North Block, onshore the Angolan enclave of Cabinda. Quill paid a non-refundable deposit to the Company for the option to acquire SOCO's entire shareholding in SOCO Cabinda. Consequently, as at 31 December 2012 SOCO Cabinda was classified as held for sale. Although discussions continue with Quill regarding the possible sale of SOCO's majority interest, there is no certainty that a transaction will occur. Accordingly, SOCO Cabinda has been reclassified as an intangible asset.

7 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. The subsequent payment amount is included in non-current assets as a financial asset at fair value through profit or loss. The timescale for the production of crude oil in excess of 27.8 million barrels and the price of Daqing marker crude oil are factors that cannot accurately be predicted. However, based upon the Directors' current estimates of proven and probable reserves from the Mongolia interests and the development scenarios as discussed with the buyer, the Directors believe that the full subsequent payment amount will be payable. 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 most significant input assumption is whether or not the 27.8 million barrel threshold will be achieved, and subsequent payment amounts received, to which a probability has been assigned. However, the fair value is not materially sensitive to reasonably possible changes in this assumption, or any other input assumptions. The fair value of the financial asset at the date of completion of the sale was $31.5 million. As at 30 June 2013 the fair value was $42.7 million (31 December 2012 – $42.1 million and 30 June 2012 - $41.3million) after accounting for the change in fair value of $0.6 million (31 December 2012 – $1.5 million and 30 June 2012 - $0.7 million) through other gains and losses for the period.

8 Convertible bonds

On 16 May 2013, the remaining convertible bonds, with a par value of $47.8 million, were purchased at par value and cancelled. Interest of 4.5% was paid semi-annually up to that date. The liability component of the bonds at December 2012 was $47.2 million (June 2012 - $46.4 million) following the repurchase of bonds with a par value of $0.9 million in the first half of 2012.

9 Reconciliation of operating profit to operating cash flows

	(unaudited) six months ended 30 Jun 13 $ million	(unaudited) six months ended 30 Jun 12 $ million	year ended 31 Dec 12 $ million
Operating profit	**229.6**	203.3	448.2
Share-based payments	**0.7**	0.5	1.1
Depreciation, depletion and amortisation	**27.4**	19.0	45.3
Operating cash flows before movements in working capital	**257.7**	222.8	494.6
Increase in inventories	**(2.1)**	(12.8)	(0.9)
Decrease (increase) in receivables	**20.1**	27.8	(3.9)
(Decrease) increase in payables	**(5.8)**	(7.1)	2.5
Cash generated by operations	**269.9**	230.7	492.3
Interest received	**0.5**	0.4	1.0
Interest paid	**(1.1)**	(1.2)	(2.4)
Income taxes paid	**(87.7)**	(69.6)	(156.1)
Net cash from operating activities	**181.6**	160.3	334.8

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 that are readily convertible to a known amount of cash and which are subject to an insignificant risk of change in value.

10 Return of Cash to Shareholders

The Board is recommending, subject to shareholder approval, that a return of cash of 40 pence per share is paid to shareholders, which amounts to approximately £133 million. Eligible shareholders will be offered the option of a capital rather than an income treatment of their distribution. The Circular to shareholders will be posted on 29 August 2013 and, if approved by shareholders in the general meeting, cash will be distributed in October 2013.