

Full year 2006 sales up 42% at €580.5 million

Maurel & Prom's working interest production increased by 22% up to 45 452 b/d in 2006

Highlights of 2006

- 42% annual increase in sales (28% on a like-for-like basis) to **€580.5 million** compared with €407.7 million in 2005.
- 2006 sales slightly above Group forecasts (€555 million).
- Maurel & Prom's share in production of 45 452 b/d in 2006 compared with 37 265 b/d in 2005, an increase of 22% (before oil taxes).
- Selling price up 25%.
- 14% increase in quantities sold.
- Sharp increase in drilling activity through the Caroil subsidiary (+83%).

2006

Sales for 2006 were 42% higher than 2005. (28% on a like-for-like basis, excluding the Hocol subsidiary in Latin America)

<i>€ million</i>	2006	2005	<i>Change</i>
Oil production	537.3	381.9	+41%
<i>o/w Congo</i>	<i>287.4</i>	<i>231.7</i>	<i>+24%</i>
<i>o/w Latin America</i>	<i>249.9</i>	<i>150.2</i>	<i>+66%</i>
Drilling	39.6	21.6	+83%
Other activities	3.6	4.2	-14%
TOTAL	580.5	407.7	+42%

Total sales for 2006 were €580.5 million, slightly above Group forecasts (€555 million) and 42% higher than 2005.

This rise is mainly due to the oil business (+41%), particularly the increase in quantities sold (+14%) and the rise in selling prices (+25%).

Following the geographic diversification that took place in 2005 with Latin America, Group oil sales were as follows:

- 53% in Congo (compared with 61% in 2005)
- 47% in Latin America (compared with 39% in 2005)

In total over 12 months, Caroil's sales contribution increased by 83% to €39.6 million compared with €21.6 million for 2005. This is the result of the increased number of drilling rigs - nine at the end of 2006 compared with five in 2005. Two other rigs are currently being purchased.

Maurel & Prom's share before royalties of production of the Group's fields was 45 452 b/d in 2006, compared with 37 265 b/d in 2005, a 22% increase.

Maurel & Prom's share of oil production breaks down as follows:

- 61% in Congo (compared with 66% in 2005)
- 36% in Colombia (compared with 29% in 2005)
- 3% in Venezuela (compared with 5% in 2005)

CONGO

The change in Congo sales includes the following elements:

- **Transfer of 10% of the M'Boundi rights** to the SNPC in exchange for an extension of the rights on this permit from 2017 to 2030 reducing Maurel & Prom's share of production. This transfer represents a reduction of approximately 3 030 b/d⁽¹⁾ for 2006.
- **A 24% increase in operated production and 12% in Maurel & Prom share despite this transfer.**
- **Taxes in kind, therefore deducted from published sales**, change to **43.7%** (or an increase of 34% versus 2005 when it was 32.6%). This effect is due to the terms of the Production Sharing Agreement (PSA) and the desaturation of recoverable costs (cost oil).
- **A slight reduction (-3%) in quantities sold** due to the fiscal effect and the transfer of 10% of the M'Boundi rights.
- **The average selling price which was US\$62.7/b** for 2006, a 30% increase over the 2005 price (US\$48.2). This increase is a direct result of the **benchmark (Brent) price increase** and because, since January 1, 2006, the Company has been selling its production at **N'Kossa quality blend price** and no longer at the Djeno blend price as in 2005. N'Kossa quality, being an oil with 41° API, benefits from a US\$2.4 discount on average per barrel sold over the full year 2006 whereas Djeno quality (29° API) is subject to a larger discount (US\$6.25 on average per barrel sold in 2005).

Production operated by Maurel & Prom on the M'Boundi permit was 56 113 b/d on average during 2006, compared with 44 407 b/d in 2005 (a 26% increase).

¹ Barrels per day

COLOMBIA

The change in Colombia sales is the result of:

- **The inclusion of Hocol in Latin America for the full year** 2006 compared with 149 days in 2005.
- **The retrocession of the Tello concession** on February 14, 2006 which represented 9 000 b/d.
- **The increase in quantities sold** (+58%) after these perimeter changes.
- **The increase in average selling price** in Colombia which was US\$58.4/b for 2006, a US\$7.7 discount against WTI. It should be noted that Maurel & Prom benefited from the 17% increase in the benchmark (WTI) price, it being US\$66.1/b in 2006 as opposed to US\$56.6/b in 2005.

VENEZUELA

Maurel & Prom and the Venezuelan government are continuing their discussions to determine Maurel & Prom's percentage in the new mixed economy company. For reasons of prudence, no production has been booked since April 1, 2006. For information, Venezuela production was booked for 149 days in 2005.

Environmental data						
Q4 2006	Q4 2005	Change		2006	2005	Change
1.29	1.19	+8%	€/US\$ FX rate	1.26	1.24	+1%
59.6	56.9	+5%	Brent US\$/barrel	65.1	54.5	+19%
60.2	59.9	+0%	WTI US\$/barrel	66.1	56.6	+17%

Maurel & Prom share in production before royalties of 45 452 b/d in 2006 compared with 37 265 b/d in 2005 (+22%).

Congo	Units	2006 365d	2005 365d	Change
100% daily production operated by M&P	barrels/day	57 047	46 079	+24%
Daily production, Maurel & Prom share ⁽¹⁾	barrels/day	27 771	24 839	+12%
Taxes in kind (Royalties and Tax Oil) ⁽²⁾	%	43.9	32.6	+35%
Net production (entitlement)	barrels/day	15 629	16 745	-7%
Quantities sold (net of stock change)	Mboe*	5.75	5.95	-3%
Average selling price	US\$/ barrel	62.7	48.2	+30%

(1) including the transfer of 10% to the SNPC for 2006

(2) Royalties = 15%

* Millions of Barrels of Oil Equivalent

Colombia (acquired on August 4, 2005)	Units	2006 365d	2005 149d	Change
Daily production, Maurel & Prom share	barrels/day	16 507	26 355	-37%
Tax in kind (Royalties)	%	13.8	15.7	-12%
Net production (entitlement)	barrels/day	14 226	21 657	-34%
Quantities sold (net of stock change)	Mboe*	5.2	3.3	+58%
Average selling price	US\$/ barrel	58.4	49.8	+17%

* Millions of Barrels of Oil Equivalent

Venezuela (acquired on August 4, 2005)	Units	2006 90d	2005 149d	Change
Daily production, Maurel & Prom share	barrels/day	4 760	4 960	-4%
Tax in kind (Royalties)	%	0%	0%	-
Net production (entitlement)	barrels/day	4 760	4 960	-4%
Quantities sold (net of stock change)	Mboe*	0.4	0.7	-42%
Average selling price	US\$/ barrel	17.6	23.5	-25%

* Millions of Barrels of Oil Equivalent

Maurel & Prom Group	Units	2006 365d	2005 365d	Change
Daily production, Maurel & Prom share	barrels/day	45 452	37 265	+22%
Taxes in kind (Royalties and Tax Oil)	%	31.8	26.1	+22%
Net production (entitlement)	barrels/day	31 030	27 533	+13%
Quantities sold (net of stock change)	Mboe*	11.4	10.0	+14%
Average selling price	US\$/barrel	59.1	47.1	+25%

* Millions of Barrels of Oil Equivalent

4th QUARTER 2006

2006 4th quarter sales down 9% compared with the same period in 2005 (+47% on a like-for-like basis, excluding Hocol).

€ million	Q4 2006	Q4 2005	Change
Oil production	138.9	161.0	-14%
<i>o/w Congo</i>	88.8	63.2	+41%
<i>o/w Latin America</i>	50.1*	97.8	-49%
Drilling	12.8	5.9	+117%
Other activities	2.1	1.3	+62%
TOTAL	153.8	168.2	-9%

* following a change of accounting method, the Hocol Group's ancillary activities are no longer booked as sales but as "Other income" in the amount of US\$2.8 million in the 4th quarter 2006.

2006 4th quarter sales were €153.8 million compared with €168.2 million achieved in the 4th quarter 2005. This slowdown is explained by the following elements:

- **No contribution from Venezuela** since April 1, 2006, accounting for approximately 5 000 b/d pending the results of ongoing negotiations with PDVSA.
- **Retrocession of the Tello concession** that expired in Colombia on February 14, 2006 representing an average production of 9 000b/d.
- **Transfer of 10% of the M'Boundi rights** to the SNPC in exchange for an extension of the rights on this permit from 2017 to 2030. This transfer represents a reduction of approximately 3 000 b/d for the 4th quarter.
- **Natural depletion of the oil fields** (-2% in Congo).
- **Favourable stock effect** in Congo (compensation for 3rd quarter 2006).
- **Increased selling price** (+12% in Congo, +10% in Colombia)

In the 4th quarter 2006, Caroil's sales contribution was €12.8 million (an increase of 117% compared with the 4th quarter 2005).

Maurel & Prom share in production in the 4th quarter 2006 of 41 850 b/d compared with 60 574 b/d in the 4th quarter 2005.

Congo	Units	Q4 2006	Q4 2005	Change
100% daily production operated by M&P	<i>barrels/day</i>	55 821	57 017	-2%
Daily production, Maurel & Prom share	<i>barrels/day</i>	27 271	30 757	-11%
Taxes in kind (Royalties and Tax Oil) ⁽¹⁾	%	40.3	41.9	-4%
Net production (entitlement)	<i>barrels/day</i>	16 409	17 872	-8%
Quantities sold (net of stock change)	<i>Mboe*</i>	2.0	1.5	+33%
Average selling price	<i>US\$/ barrel</i>	57.4	51.1	+12%

(1) Royalties = 15%

* Millions of Barrels of Oil Equivalent

Colombia (acquired on August 4, 2005)	Units	Q4 2006	Q4 2005	Change
Daily production, Maurel & Prom share	barrels/day	14 579	24 908	-41%
Tax in kind (Royalties)	%	13.0	13.8	-6%
Net production (entitlement)	barrels/day	12 677	21 459	-41%
Quantities sold (net of stock change)	Mboe*	1.2	2.2	-45%
Average selling price (US\$/ barrel)	US\$/ barrel	53.0	48.2	+10%

* Millions of Barrels of Oil Equivalent

Venezuela (acquired on August 4, 2005)	Units	Q4 2006	Q4 2005	Change
Daily production, Maurel & Prom share	barrels/day	-	4 909	-
Tax in kind (Royalties)	%	-	0	-
Net production (entitlement)	barrels/day	-	4 909	-
Quantities sold (net of stock change)	Mboe*	-	0.5	-
Average selling price	US\$/ barrel	-	20.0	-

* Millions of Barrels of Oil Equivalent

Maurel & Prom Group	Units	Q4 2006	Q4 2005	Change
Daily production, Maurel & Prom share	barrels/day	41 850	60 575	-31%
Taxes in kind (Royalties and Tax Oil)	%	30.8	27.0	+14%
Net production (entitlement)	barrels/day	29 086	44 240	-35%
Quantities sold (net of stock change)	Mboe*	3.2	4.2	-24%
Average selling price	US\$/barrel	55.7	46.2	+21%

* Millions of Barrels of Oil Equivalent

This press release may contain forward-looking statements with respect to the financial condition, results of operations, business, strategy and plans of Maurel & Prom. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will or may occur in the future. These forward-looking statements are based on assumptions which we believe are reasonable but that could ultimately prove inaccurate and are subject to a number of risk factors, including but not limited to price fluctuations in crude oil; exchange rate fluctuations; uncertainties inherent in estimating quantities of oil reserves; actual future production rates and associated costs; operational problems; political stability; changes in laws and governmental regulations; wars and acts of terrorism or sabotage.

Coming next: Thursday March 29, 2007 : 2006 results.

INVESTOR RELATIONS

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