

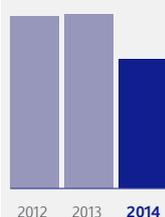
Additional performance metrics

Tracking our performance

In addition to its key performance indicators, Seplat also tracks performance against additional metrics that further assist in measuring progress.

Operating cash flow (US\$ million)

379



Delivering on our strategic pillars:

1 2 3 4

Definition

The Company's operating cash flow in the year before taking into account movements in working capital.

Relevance

An indicator of the cash generative potential of the Company's producing oil and gas blocks.

Progress

The Company's operating cash flow was mainly driven by production growth at OMLs 4, 38 and 41 during the year, although this was offset by lower realised oil prices.

Outlook

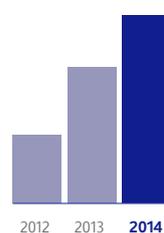
Strong current oil production levels and anticipated growth in gas production at OMLs 4, 38 and 41 will ensure robust cash flow generation in the future. Development of the recently acquired OML 53 and OML 55 will also augment future cash flow potential.

Risk management

Careful financial management and high levels of operating efficiency allow the Company to ensure positive cash generation from its operating activities.

Capital expenditure (US\$ million)

321



Delivering on our strategic pillars:

1 2 3 4

Definition

The total amount of capital expenditure made during the year, including acquisition costs.

Relevance

An indicator of the Company's level of investment activities in production, development and exploration, and appraisal activities.

Progress

The Company has continued to invest in the development of its portfolio of blocks onshore the Niger Delta and in particular has prioritised acceleration of gas capacity development to supply the domestic market.

Outlook

The Company will continue to invest in the development of its portfolio, allocating capital to the opportunities that offer the best returns and volume growth potential.

Risk management

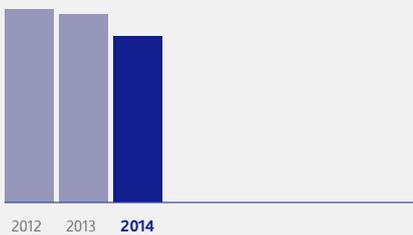
Project investments are monitored closely against budgets to minimise the risk of over-runs. The Company benchmarks every investment opportunity to ensure capital is deployed to only the highest return projects, and adheres to a price-disciplined acquisition strategy.

Strategic pillars

- 1 Maximise production and cash flows from operated assets
- 2 Move up 2C resources into 2P reserves category
- 3 Commercialise gas production
- 4 Pursue a focused acquisition and farm-in strategy
- 5 Be a highly responsible corporate citizen

Realised oil price (US\$/bbl)

97.2



Delivering on our strategic pillars:

1 3

Definition

The average oil price per barrel sold by the Company during the period.

Relevance

The Company's financial performance is closely linked to the oil price.

Progress

The Company did not have any hedges in place during 2014.

Outlook

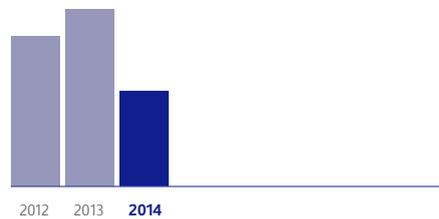
The Company presently sells the majority of its produced oil under the Forcados blend that has historically received a premium to a Brent marker price. Oil prices are expected to remain subject to macro economic volatility.

Risk management

The Company is assessing hedging strategies that could be implemented to help mitigate exposure to future oil price volatility.

Staff turnover (%)

1.4



Delivering on our strategic pillars:

1 2 3 4 5

Definition

The rate at which full time staff of Seplat choose to leave the Company voluntarily, expressed as a percentage of average full time headcount during the year.

Relevance

An indicator of the Company's ability to attract and retain personnel. The loss of people can result in a skills shortage, loss of knowledge and higher recruitment costs.

Progress

The Company has continued to develop its employment policies with the aim of attracting and retaining high calibre industry talent.

Outlook

The industry is expected to continue to face skills shortages in key areas with competition for high performing individuals amongst competitors being intense.

Risk management

The Company's policy is to provide industry-competitive benefits packages and provide progressive career opportunities to retain and attract high performing employees.

Risk management
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