

## Update on second quarter 2016 financial results

**Lundin Petroleum AB (Lundin Petroleum) will recognise a net foreign exchange loss of approximately MUSD 64 and expense capitalised financing fees of MUSD 22 (pre-tax) for the second quarter of 2016.**

The profitability for the second quarter of 2016 will be impacted by a net foreign currency exchange loss mainly related to the revaluation of loan balances and the expensed capitalised financing fees. These items will have no impact on the reported operating cash flow or EBITDA for the period.

### Foreign Exchange

Lundin Petroleum will recognise a net foreign exchange loss of approximately MUSD 64 in its income statement for the second quarter of 2016. The Norwegian Krone and Euro weakened against the US Dollar by approximately 1 and 2 percent respectively during the second quarter of 2016 and the foreign exchange loss mainly relates to the revaluation of loan balances at the prevailing exchange rates at the end of the reporting period.

### Capitalised Financing Fees

Lundin Petroleum will charge capitalised financing fees of MUSD 22 to the income statement for the second quarter of 2016. The charge relates to the unamortised portion of the capitalised financing fees incurred in establishing the previous financing facilities prior to the refinancing in the first half of 2016 and the cancellation of the short term revolving credit facility of MUSD 300. The charge will be partly offset by a deferred tax credit of MUSD 11 which will also be recognised in the income statement for the second quarter of 2016.

*Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of worldclass assets primarily located in Europe and South East Asia. The Company is listed on NASDAQ Stockholm (ticker "LUPE"). Lundin Petroleum has proven and probable reserves of 716.2 million barrels of oil equivalents (MMboe) as at 1 January 2016.*

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This information is information that Lundin Petroleum AB is required to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact persons set out above, at 08.30 CET on 20 July 2016.

### **Forward-Looking Statements**

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable securities legislation). Such statements and information (together, "forward-looking statements") relate to future events, including the Company's future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and/or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities. Ultimate recovery of reserves or resources are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations and assumptions will prove to be correct and such forward-looking statements should not be relied upon. These statements speak only as on the date of the information and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, operational risks (including exploration and development risks), productions costs, availability of drilling equipment, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, and financial risks. These risks and uncertainties are described in more detail under the heading "Risks and Risk Management" and elsewhere in the Company's annual report. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive. Actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are expressly qualified by this cautionary statement.