



Press release

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Financial update fourth quarter 2015

Tethys Oil's revenue amounted during the fourth quarter 2015 to MSEK 222. Tethys Oil's share of the production, before government take, from Blocks 3 and 4 onshore the Sultanate of Oman amounted in the fourth quarter to 997,904 barrels. The average achieved oil price during the quarter was USD 47.9 per barrel. All oil sales relate to Blocks 3 and 4 in Oman, where Tethys Oil holds 30 per cent of the licence.

As per the fourth quarter 2015, Tethys Oil has changed its accounting principles with regard to valuation of underlift and allocation and presentation of over- and underlift. The purpose of the change is to better align Revenue with the production development, have a more understandable Operating expenses category and thereby increase transparency and investors' understanding of the company. Both over- and underlift will, starting from the fourth quarter 2015, be valued at market value, whereas the previous accounting principles valued overlift to market price and underlift at cost. Both over- and underlift will be presented within Revenue instead of within Operating expense as was the previous accounting principle. As per the new accounting principles Revenue will be aligned and follow the production performance during the reporting period. There will be no changes to effects on operating result or net result with regard to overlift. The change in valuation will for individual quarters have an impact in case of underlift following the change in valuation to market value. The change in accounting principles will however over time have no impact. Historic financial data has been recalculated in line with the new accounting principles.

Tethys Oil's share Blocks 3 and 4	Net sales (MSEK)	Over-/underlift adjustment (MSEK)	Revenue (MSEK)	Average oil price (USD/bbl)	Net sales (bbl)*	Over-/underlift (bbl)**	Production (bbl)**
Q4 2015	151	70	222	47.9	366,746	22,725	997,904
Q3 2015	307	-52	255	61.8	584,399	-129,439	918,474
Q2 2015	265	-42	223	57.8	545,019	-22,647	848,939
Q1 2015	163	41	205	63.8	308,892	80,924	774,315
Q4 2014	310	-29	281	97.1	434,035	-12,828	757,730
Full year 2015	886	18	905	58.1	1,805,056	22,725	3,539,631
Full year 2014	1,046	-19	1,027	103.9	1,464,228	-12,828	2,765,654

* After government take

** Before government take

*** Volumes sold has not always correspond to Tethys Oil's share of production after government take during a period. The difference is called over-/underlift. The over-/underlift position is stated as per the end of each quarter. Overlift is stated as a negative number.

Tethys also has some production from Lithuania. The result from the Lithuanian production is reported in the Group's income statement as net profit/loss from associates.

The report for the fourth quarter 2015 will be disclosed on 9 February 2016.

For further information, please contact

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The information in this press release has been made public by the Company in accordance with the Securities Market Act and/or the Financial Instruments Trading Act.

Tethys Oil AB (publ)

Tethys Oil is a Swedish energy company focused on exploration and production of oil. Tethys Oil's core area is the Sultanate of Oman, where the company is one of the largest onshore oil concession holders with a current net production in excess of 11,000 barrels of oil per day. Tethys Oil also has exploration and production assets onshore Lithuania and France. The shares are listed on Nasdaq Stockholm (TETY).

Website: www.tethysoil.com