Third quarter and nine months report 2014

- **Third quarter production increased 17 per cent compared with second quarter 2014. Total production amounted to 772,722 barrels corresponding to 8,399 barrels per day. The increase is mainly due to continued successful appraisal in the Lower Buah (including B4EW4) area and continued implementation of the water injection programme in the Farha South area**
- **Third quarter 2014 net sales of MSEK 296 compared to MSEK 245 in the second quarter 2014, an increase with 21 per cent quarter on quarter. The strong net sales development is primarily based on the production increase during the quarter**
- **Net result after tax during third quarter 2014 amounted to MSEK 167, and is up 56 per cent compared to MSEK 107 during second quarter 2014. Strong sales development and significant reduction of financial expenditures following the transition from net debt to net cash position during the end of the second quarter mainly explain the increase in net result**
- **Third quarter 2014 earnings per share before and after dilution of SEK 4.71 compared to SEK 3.02 during second quarter 2014**
- **The board of directors has decided to initiate a share repurchase programme**

Third quarter 2013	Second quarter 2014	**Third quarter 2014**	% Q3 2014 to Q2 2014	MSEK (unless specifically stated)	**Nine months 2014**	Nine months 2013	% 9m 2014 to 9m 2013
442,352	658,123	772,722	17%	Production, before government take (bbl)	2,039,427	1,210,673	68%
4,808	7,232	8,399	16%	Average daily production, before government take (bbl)	7,470	4,435	68%
213,397	350,059	399,352	14%	Net sales, after government take (bbl)	1,030,193	579,751	78%
102.13	105.89	107.57	2%	Average selling price per barrel, USD	106.72	105.64	1%
142	245	296	21%	Net sales of oil and gas	736	399	84%
60	134	173	29%	Operating result	390	233	67%
96	192	232	21%	EBITDA	553	331	67%
52	107	167	56%	Result for the period	332	196	69%
1.46	3.02	4.71	56%	Earnings per share before and after dilution, SEK	9.35	5.50	70%
174	(3)	(161)	5,267%	Net debt/(net cash)	(161)	174	N.m.
60	69	45	-35%	Investments	158	208	-24%

Dear Friends and Investors

We are proud to present another record quarter for Tethys Oil. In the third quarter 2014, we produced more oil than ever before which resulted in quarterly net sales of MSEK 296. Our EBITDA for the quarter amounted to MSEK 232 and our net result for the quarter amounted to MSEK 167. From the second to the third quarter, we have increased our oil production with 16 per cent, and we have been producing above 8,000 bopd every month in the third quarter. The crude production in September marks a new record of 8,404 bopd.

The drill bit also continues its work, both in the Lower Buah areas and within the Farha trend. The long awaited LE-1 exploration well has finished drilling and is currently being evaluated. And to complement the drill bit, a major seismic study in the central part of Block 4 is ongoing.

So from a company perspective, the third quarter was almost uninteresting steady she goes - more of the same and a new record sales and production. But the world around us did not stay the same. For the first time in years we have seen a significant movement in the oil price. This has not affected us yet, but our sales from December 2014 will be at a lower oil price. Is this a problem? For us no. Of course we will receive less cash with the lower oil price, but even at current oil prices, the company's focus on conventional and onshore activity yield ample cash flows. Our plans for the development of Block 3 and 4 do not change at these prices.

Our record financial position is not only sufficient to continue our work programmes, but also provides room to implement a buyback program. In effect, with almost MSEK 200 cash on hand at the end of the third quarter and an untapped credit line of MUSD 100 - a lower oil price may very well be more of an opportunity than a problem. I will not go as far as to say that we welcome a lower oil price, even temporarily, but it will create opportunities that were not around when prices were higher.

So stay with us - the future continues to be promising!

Stockholm in November 2014

Magnus Nordin
Managing Director

FINANCIAL AND OPERATIONAL REVIEW[1]

Production, reserves and net sales

Production

Tethys Oil's primary production comes from the Sultanate of Oman where the company has a 30 per cent interest in an onshore producing licence, Blocks 3 and 4. Through an indirect interest of 25 per cent of the Gargzdai licence in Lithuania, Tethys Oil has supplemental production.

Production from Blocks 3 and 4 onshore Oman derives from two fields - the Farha South and Saiwan East oil fields - and from the Lower Buah structures within Block 4 exploration areas. The production development has mainly been driven by continued implementation of the water injection programme on Farha South and even more importantly from the successful exploration and appraisal results from the Lower Buah structures. Production from Oman accounts for 99 per cent of total production.

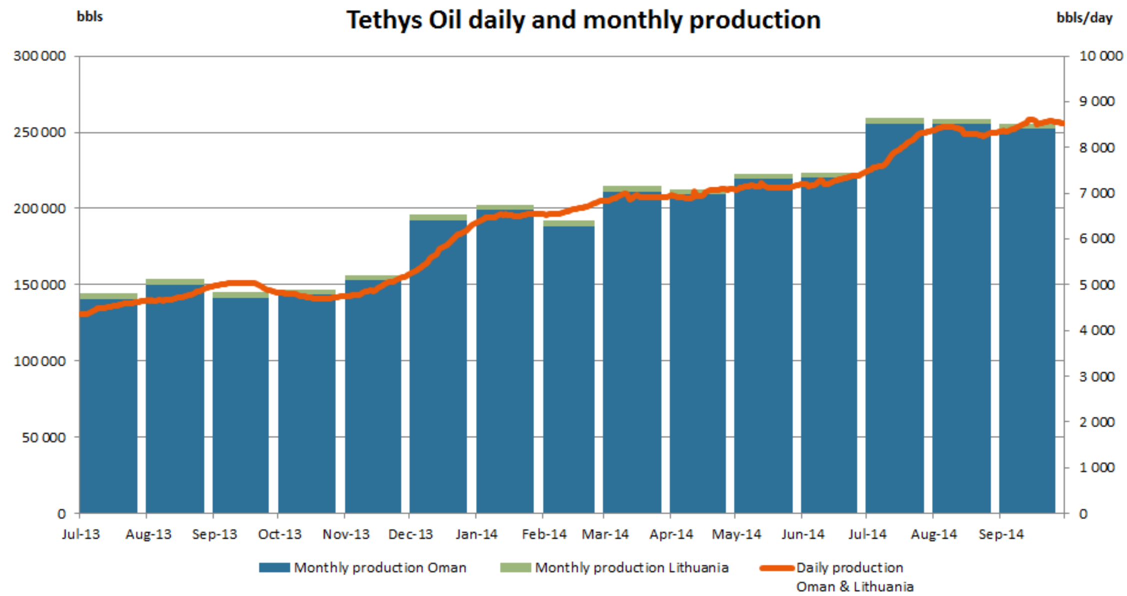
During the first nine months of 2014, the Blocks 3 and 4 Joint Venture's share of production has continued to be 52 per cent of total production, which is the highest possible share of production according to the terms of the EPSA. Tethys Oil's share of the Joint Venture is 30 per cent. For further information regarding Tethys Oil's share of production, please refer to the Annual Report 2013. The high share of production will remain as long as there are remaining recoverable costs, which are created through further investments in the blocks. The estimated recoverable costs as per 30 September 2014, net to Tethys Oil, amounts to MUSD 43.

Production from the Gargzdai licence in western Lithuania is in line with the previous quarter mainly due to infill wells, which have stabilized production. Tethys Oil's interest in Gargzdai is held indirectly through Odin Energi A/S, an associated Danish company.

Quarterly volumes, before government take	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013
Tethys' share of quarterly production, (bbl)					
Oman, Blocks 3&4					
Production	762,375	647,569	597,979	488,522	430,763
Average daily production	8,287	7,116	6,644	5,310	4,682
Lithuania, Gargzdai					
Production	10,347	10,554	10,603	10,507	11,589
Average daily production	112	116	118	114	126
Total production	**772,722**	**658,123**	**608,582**	**499,028**	**442,352**
Total average daily production	**8,399**	**7,232**	**6,762**	**5,424**	**4,808**

[1] The consolidated financial statements of the Tethys Oil Group (Hereafter referred to as "Tethys Oil" "Tethys" or the "Group"), where Tethys Oil AB (publ) (the "Company") with organisational number 556615-8266 is the parent company, are hereby presented for the first nine months 2014. Segments of the Group are geographical markets. The numbers in the tables in this report may not add exactly due to rounding.

Average daily and cumulative monthly production net to Tethys Oil during 2013 and 2014



Net sales

During the third quarter 2014, Tethys Oil sold 399,352 barrels of oil after government take from Block 3 and 4 in Oman compared to 350,059 during second quarter 2014. This resulted in net sales during the third quarter 2014 of MSEK 296 compared to MSEK 245 during the second quarter 2014. The average selling price per barrel amounted to USD 107.57 per barrel during the third quarter 2014 compared to USD 105.89 per barrel during the second quarter 2014.

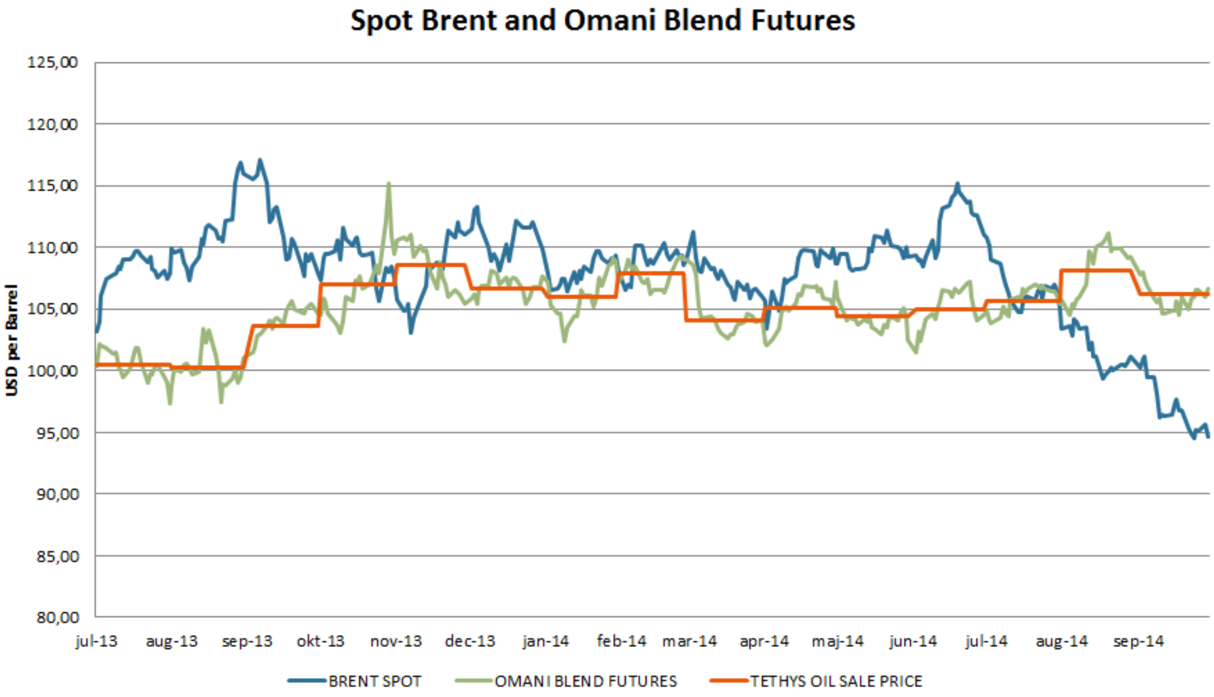
The growth in net sales between third and second quarter 2014 amounts to 21 per cent. This growth is explained by:

- 14 per cent growth in barrels sold
- 5 per cent strengthening of the US dollar in relation to SEK
- 2 per cent increase in the achieved oil price

The table below presents the over/underlift development during the year. The movement during the third quarter has been significantly lower compared to first and second quarter movement.

	30 September 2014	30 June 2014	31 March 2014	31 December 2013
Over-/(underlift)	(27,188)	(30,105)	(43,428)	(13,261)

The selling price received by Tethys Oil is determined for each calendar month based on the monthly average price of the two month future contract of Omani blend (see chart below) as traded on Dubai Mercantile Exchange. During the third quarter 2014, prices have been trading between high levels of USD 111.18 per barrel and low levels of USD 103.87 per barrel. Third quarter 2014 prices are in line with the previous quarters.



Source: EIA, Dubai Merchantile Exchange

Result

Tethys Oil reports a net result after tax for the third quarter 2014 of MSEK 167, representing earnings per share of SEK 4.71. The result for the third quarter 2014 is up 56 per cent compared to the second quarter 2014 mainly due to strong sales development, lower depletion, depreciation and amortisation ("DD&A") per barrel and significantly lower financial expenditures following the refinancing of the previous bond loan to a loan facility and the transition from a net debt position to a net cash position. The result for the first nine months 2014 is 155 per cent higher than the same period 2013, adjusted for the one-off bonus received from Mitsui during 2013, following the approval of the Field Development Plan.

Net profit from associated companies

Tethys Oil holds indirect interest in the three Lithuanian licences; Gargzdai, Rietavas and Raiseiniai. Tethys Oil holds a share in these licences through the interests in associated companies Jylland Olie and Odin Energi. Total result from Tethys Oils shares in associated companies Odin Energi and Jylland Olie during the third quarter 2014 amounted to MSEK 0.1 compared to MSEK 1 during the second quarter 2014.

Net financial result

The result for the first nine months 2014 has been impacted by net foreign exchange losses and interest on long term debt. The currency exchange effect of the group amounts to MSEK 13 and most of the effect relates to the stronger US dollar in relation to the Swedish krona. Currency translation differences between the parent company and subsidiaries are non-cash related items. Interest on long term debt amounted to MSEK 30 and other financial expenditures amounted to MSEK 15. The currency exchange effect and interest on long term debt is part of net financial result amounting to MSEK 57 for the third quarter. The financial result of the first nine months 2014 is affected by the bond redemption conducted during the second quarter 2014. The total expenditures related to the bond loan amounted during the first nine months 2014 to MSEK 34, where the extraordinary effect of the early redemption, including extra interest payment and expensing all associated costs with the bond financing, amounted to MSEK 23.

Depletion, depreciation and amortisation

DD&A for the third quarter 2014 amounted to MSEK 58 compared to MSEK 57 for the second quarter 2014 and is referable to depletion of oil and gas properties on Blocks 3&4. Despite higher production between the second and third quarter 2014, the DD&A amount is basically the same, due to the increase in reserves following the DeGolyer and MacNaughton reserves audit as per 30 June 2014. The result of this is a lower DD&A per barrel between the quarters.

Operating expenses
Operating expenses (OPEX) amounted during the third quarter 2014 to MSEK 57 compared to MSEK 46 during the second quarter 2014. Operating expenses are related to oil and gas production on Block 3 and 4 in Oman, for example expenses for trucking, tariffs, supervision and administration etc. Furthermore, over and underlift adjustments are made within the Operating expenses category, in accordance with Tethys Oil's accounting principles. Due to an underlift position as per 30 September 2014 amounting to 27,188 barrels, the Operating expenses during the third quarter 2014 have been reduced by MSEK 1. On a produced barrel level, the Operating expenditures development is presented below in USD per barrel.

Total OPEX, USD/barrel	Third quarter 2014	Second quarter 2014	First quarter 2014
	10.8	10.6	15.2

The increase in OPEX during the third quarter compared to the second quarter 2014 is in line with the production development and the OPEX per barrel level is in line between the second and third quarter. OPEX during the first quarter 2014 was affected by late incoming expenses from 2013, which amounted to MSEK 14.

Administrative expenses
Administrative expenses amounted to MSEK 8 for the third quarter 2014 compared to MSEK 8 during second quarter 2014. Administrative expenses are mainly salaries, rents, listing costs and external services.

Investments and work program
Omani assets
During the third quarter 2014, total investments amounted to MSEK 44 of which MSEK 43 relate to Blocks 3and4. A total of 8 wells were completed on the blocks during the third quarter. Two production wells were drilled on producing fault blocks in the Farha South field. Three wells were drilled in previously undrilled fault blocks along the Farha trend, of which one well discovered oil and has been put into production. The appraisal of the Lower Buah areas on Block 4 has continued with one new well. The well encountered oil and has been put into production. In addition, two water source wells for water injection system were completed during the quarter.

On the far field exploration front, LE-1 in the eastern part of Block 4 has finished drilling and the well is being evaluated. A major seismic study in central part of Block 4 is ongoing.

Discussions concerning the future of Block 15 are ongoing.

Summary of oil and gas interests (MSEK):

Country	Licence name	Tethys Oil, %	Total area, km²	Partners (operator in bold)	Book value 30 Sep 2014	Book value 31 Dec 2013	Investments Jan-Sep 2014
Oman	Block 15	40%	1,389	**Odin Energy**, Tethys Oil	5	0.2	4
Oman	Block 3,4	30%	34,610	**CCED**, Mitsui, Tethys Oil	1,116	1,011	164
France	Attila	40%	1,986	**Galli Coz**, Tethys Oil	-	-	-
France	Alès	37.5%	215	**Tethys Oil**, MouvOil	-	-	-
Lithuania	Gargzdai[2]	25%	884	Odin, GeoNafta, Tethys Oil	-	-	-
Lithuania	Rietavas[2]	30%	1,594	Odin, Tethys Oil, private investors	-	-	-
Lithuania	Raiseiniai[2]	30%	1,535	Odin, Tethys Oil, private investors	-	-	-
New ventures					-	0.2	-
Total			**42,794**		**1,121**	**1,012**	**169**

[2] *The interest in the three Lithuanian licences are indirectly held through a shareholding in two Danish private companies, which in turn hold shares in Lithuanian companies holding 100 per cent of the licences. The two Danish companies, Odin Energi and Jylland Olie, are not consolidated in Tethys Oils financial statements due to the ownership structure, which is why there are no oil and gas properties related to the licences. The ownership of Jylland Olie and Odin Energi are presented in the balance sheet under Shares in associated companies.*

Currency exchange effects
The book value of oil and gas properties includes currency exchange effects of MSEK 95, which are not cash related items and therefore not included in investments. For more information please see above under *Result – Net financial result*.

Lithuanian assets
Tethys Oil's interests in three Lithuanian licences are held through two private Danish companies. For more information regarding the ownership structure, please refer to note 8. As per 30 September 2014 the shareholding in the two associated Danish companies, Odin Energi and Jylland Olie, amounted to MSEK 167. The book value has been affected by a depletion of MSEK 8. The depletion is made by applying the unit of production method (for more information please see Annual report 2013 page 60), where the depletion rate is determined by the production to reserves rate. Starting in the second quarter 2014 the above mentioned method is applied to the producing Lithuanian assets.

Tethys Oil's share of net profit during the third quarter 2014 from Odin Energi and Jylland Olie, which indirectly hold the Lithuanian licences, amounted to MSEK 0.1 compared to MSEK 1 during second quarter 2014. The third quarter 2014 result was mainly generated from selling 10,665 barrels (Tethys Oil's indirect share) at an average price of USD 107 per barrel, compared to 13,761 barrels at an average price of USD 111 per barrel during the second quarter 2014. Tethys Oil expects part of the cash flow from the indirectly held Lithuanian interests to be distributed to Tethys Oil in form of a dividend. During the second quarter 2014, Tethys Oil received a dividend from the Lithuanian assets of MSEK 11.

The drilling of infill wells has continued on the Gargzdai licence during the third quarter. Two work-over rigs are used to change and reinstall pumps. Potential enhanced recovery methods are being evaluated.

On the Rietavas licence, the work programme continues. Focus has been on 2D seismic while analysis and interpretation of cores continues. A new 40 square kilometres seismic 3D study is being planned in the Silale area in the western part of the licence.

The reefal prospects on the Raiseiniai licence mapped by last year's 3D seismic study have been further investigated through inversion analysis and six reefal prospects have been identified. Three wells are planned to be drilled back to back later this year or early next year.

Liquidity and financing
Cash and bank as per 30 September 2014 amounted to MSEK 194 compared to MSEK 295 as per 31 December 2013. Net debt as per 30 September 2014 amounted to MSEK -161 (i.e. net cash position) compared to MSEK 127 as per 31 December 2013.

The decrease in liquidity is explained by the repayment of a bond loan with nominal value MSEK 400 which was conducted during the second quarter. The bond was replaced by a four-year, up to MUSD 100, senior revolving reserve based lending facility with BNP Paribas as facility agent. During the second quarter, Tethys exercised its option for early redemption of the bonds and redeemed all outstanding bonds. The early redemption price was 104.50 per cent of the nominal amount of the bonds plus accrued unpaid interest. The payment and redemption occurred 7 April 2014. The interest rate of the new credit facility is floating between LIBOR + 3.75 per cent to LIBOR + 4.00 per cent per annum, depending on the level of utilization of the facility. As per 30 September 2014, there was no outstanding debt, i.e. nothing was borrowed from the new credit facility.

The reduction of net debt during the first nine months 2014 is explained by the strong sales development on Blocks 3&4, which has been significantly higher than the oil and gas investments during the same period.

The development of Blocks 3&4continues, with a main focus on exploration, appraisal and a water injection programme to enhance production. Lead times to bring discoveries to production remain very short. Tethys Oil's share of the of the original total Joint Venture investment budget for 2014 on Blocks 3&4, amounted to around MSEK 400. Given the low investments in relation to budget so far during the nine months 2014, it seems unlikely that the full budget amount will be invested during 2014. Up until 30 September 2014 MSEK 164 has been invested in Blocks 3&4. Main reasons for investments being lower than budget are
- some infrastructure investments have been pushed forward as the successful Lower Buah appraisal programme has impacted infrastructure planning

- fewer wells have been drilled than anticipated in the budget due to, among other things, changes to the drilling programme following new data

Tethys Oil's operations in Lithuania is expected to continue to be self-financed from oil production on the Gargzdai licence and financed by available cash in the associated Lithuanian companies.

A large part of cash and cash equivalents are kept in USD which has appreciated against SEK during the third quarter. The currency exchange effect on cash and cash equivalents amounted during the third quarter 2014 to MSEK 15.

Derivative instruments

As per 30 September 2014, Tethys Oil holds oil price put options (Brent) amounting to MSEK 0.9. The total number of outstanding put options are 195,000, equalling 65,000 options per month from October to December 2014. The options will expire each month and all have strike price USD 90 per barrel, where one option equals the right to sell one barrel. The put options were acquired to secure oil price at USD 90 per barrel without limiting upside potential should oil prices be higher at each monthly lifting. The acquisition of put options was made to match expected expenditures 2014. The average premium paid was USD 1.37 per barrel. The value of the put options as per 30 June 2014 amounted to MSEK 0.2 and during the third quarter 2014, 195,000 options have expired.

Parent company

The Parent company reports a net result after tax for the third quarter 2014 amounting to MSEK -11 compared to MSEK -31 for the second quarter 2014. Administrative expenses amounted to MSEK 5 for the third quarter 2014 compared to MSEK 6 for the second quarter 2014. Net financial loss amounted to MSEK 4 during the third quarter 2014 compared to MSEK 23 for the second quarter 2014. The significant reduction of financial loss relate to the refinancing of the previous bond loan to a loan facility. The bond loan was held by the parent company and the new loan facility is held by the subsidiary Tethys Oil Blocks 3&4 Ltd.

Share data

As per 30 September 2014, the number of outstanding shares in Tethys Oil amount to 35,543,750, with a quota value of SEK 0.17. All shares represent one vote each. Tethys Oil does not have any incentive program for employees. There has been no change in the number of shares since 31 December 2013.

Risks and uncertainties

A statement of risk and uncertainties are presented in note 1, page 16.

Subsequent events

- A notice to an extra general meeting of shareholders on 14 November 2014 was announced. The background to the meeting is the board of directors' proposal of a long term incentive programme in order to retain and attract personnel
- The board of directors has decided to initiate a share repurchase programme

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

Third quarter 2013	Second quarter 2014	**Third quarter 2014**	**MSEK**	**Note**	**9 months 2014**	9 months 2013
142	245	296	Net sales of oil and gas		736	399
-36	-57	-58	Depletion, depreciation and amortisation		-164	-97
-	-0	-	Exploration costs	4	-	-1
-	-	-	Other income	6	-	65
-42	-46	-57	Operating expenses	5	-162	-115
2	-	-	Net profit/loss from associates		2	6
-	-0	-	Other losses/gains, net		-	-
-6	-8	-8	Administrative expenses		-23	-23
60	**134**	**173**	**Operating result**		**390**	**233**
-	-	2	Financial income and similar items		2	4
-8	-27	-8	Financial expenses and similar items	7	-60	-41
-						
-8	**-27**	**-6**	**Net financial loss/profit**		**-57**	**-38**
52	**107**	**167**	**Result before tax**		**332**	**196**
-	-	-	Income tax		-	-
52	**107**	**167**	**Result for the period**		**332**	**196**
			Other comprehensive result			
			Items that may be subsequently reclassified to profit or loss:			
5	50	95	Currency translation differences		114	-9
5	**50**	**95**	**Other comprehensive result for the period**		**114**	**-9**
57	**158**	**263**	**Total comprehensive result for the period**		**447**	**187**
35,543,750	35,543,750	35,543,750	Number of shares outstanding		35,543,750	35,543,750
35,543,750	35,543,750	35,543,750	Number of shares outstanding (after dilution)		35,543,750	35,543,750
35,543,750	35,543,750	35,543,750	Weighted number of shares		35,543,750	35,543,750
1.46	3.02	4.71	Earnings per share, SEK		9.35	5.50
1.46	3.02	4.71	Earnings per share (after dilution), SEK		9.35	5.50

CONSOLIDATED BALANCE SHEET IN SUMMARY

MSEK	Note	30 Sep 2014	30 June 2014	31 Dec 2013
ASSETS				
Non current assets				
Oil and gas properties	4	1,121	1,052	1,012
Office equipment		1	1	2
Investment in associates	8	167	171	184
		1,290	**1,224**	**1,198**
Current assets				
Other receivables		116	92	65
Prepaid expenses		18	18	1
Derivative instruments	7	1	0	5
Cash and cash equivalents		194	33	295
		329	**143**	**366**
TOTAL ASSETS		**1,619**	**1,367**	**1,563**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Share capital		6	6	6
Additional paid in capital		552	552	552
Other reserves		88	-8	-27
Retained earnings		901	734	569
Total shareholders' equity	9	**1,547**	**1,284**	**1,100**
Non current liabilities				
Bond issue	10	-	-	393
Loan facility		-	-	-
Provisions	11	33	30	29
		33	**30**	**422**
Current liabilities				
Accounts payable		1	1	1
Other current liabilities		37	51	25
Accrued expenses		1	0	15
		39	**52**	**41**
Total liabilities		**72**	**82**	**463**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,619**	**1,367**	**1,563**
Pledged assets	12	1,512	1,236	989
Contingent liabilities	13	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

MSEK	Share Capital	Paid in Capital	Other Reserves	Retained Earnings	Total Equity
Opening balance 1 January 2013	**6**	**552**	**-27**	**329**	**860**
Comprehensive income					
Result for the first quarter 2013	-	-	-	105	**105**
Result for the second quarter 2013	-	-	-	39	**39**
Result for the third quarter 2013	-	-	-	52	**52**
Result for the fourth quarter 2013	-	-	-	45	**45**
Year end result	**-**	**-**	**-**	**240**	**240**
Other Comprehensive income					
Currency translation differences first quarter 2013	-	-	-16	-	**-16**
Currency translation differences second quarter 2013	-	-	2	-	**2**
Currency translation differences third quarter 2013	-	-	5	-	**5**
Currency translation differences fourth quarter 2013	-	-	9	-	**9**
Total other comprehensive income	**-**	**-**	**0**	-	**0**
Total comprehensive income	**-**	**-**	**0**	**240**	**240**
Closing balance 31 December 2013	**6**	**552**	**-27**	**569**	**1,100**
Opening balance 1 January 2014	**6**	**552**	**-27**	**569**	**1,100**
Comprehensive income					
Result for the first quarter 2014	-	-	-	58	**58**
Result for the second quarter 2014	-	-	-	107	**107**
Result for the third quarter 2014	-	-	-	167	**167**
Period result	**-**	**-**	**-**	**332**	**332**
Other Comprehensive income					
Currency translation differences first quarter 2014	**-**	**-**	-31	**-**	**-31**
Currency translation differences second quarter 2014	**-**	**-**	50	**-**	**50**
Currency translation differences third quarter 2014	**-**	**-**	95	**-**	**95**
Total other comprehensive income	**-**	**-**	**114**	**-**	**114**
Total comprehensive income	**-**	**-**	**114**	**332**	**447**
Closing balance 30 September 2014	**6**	**552**	**88**	**901**	**1,547**

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

Third quarter 2013	Second quarter 2014	Third quarter 2014	MSEK	Note	Nine months 2014	Nine months 2013
			Cash flow from operations			
60	134	173	Operating result		390	233
-19	-22	-1	Interest paid	10	-43	-38
0	-	0	Income tax		0	0
0	0	0	Adjustment for exploration costs	4	0	1
33	50	57	Adjustment for depletion, depreciation and other non cash related items	4	155	95
74	**162**	**229**	**Total cash flow from operations before change in working capital**		**502**	**292**
-13	4	-24	Change in receivables		-51	-36
6	-20	-14	Change in liabilities		11	-46
68	**146**	**192**	**Cash flow from operations**		**462**	**209**
			Investment activity			
-59	-79	-44	Investment in oil and gas properties	4	-169	-202
-0	-	-	Oil and gas properties from cost oil repayment	6	-	-15
-	11	-	Dividend from associated companies	8	11	9
-	-0	0	Investment in other fixed assets		0	0
-60	**-69**	**-45**	**Cash flow from investment activity**		**-158**	**-208**
			Financing activity			
-	-400	-	Bond repayment		-400	-
-	-18	-2	Long term credit facility		-20	-
-	**-418**	**-**	**Cash flow from financing activity**		**-420**	**-**
8	**-341**	**145**	**Period cash flow**		**-116**	**1**
237	363	33	Cash and cash equivalents at the beginning of the period		295	248
0	11	15	Exchange gains/losses on cash and cash equivalents		15	-3
246	33	194	Cash and cash equivalents at the end of the period		194	246

PARENT COMPANY INCOME STATEMENT IN SUMMARY

Third quarter 2013	Second quarter 2014	Third quarter 2014	MSEK	Note	Nine months 2014	Nine months 2013
-	-	-	Net sales of oil and gas		-	-
-	-5	-4	Depletion, depreciation and amortisation		-8	-
2	3	2	Other income		7	4
2	0	0	Net profit/loss of associates	8	2	6
0	-0	0	Other losses/gains, net		0	0
-4	-6	-5	Administrative expenses		-15	-16
0	**-8**	**-7**	**Operating result**		**-16**	**-7**
4	2	2	Financial income and similar items		8	15
-8	-25	-6	Financial expenses and similar items	10	-55	-41
-1	-0	0	Write down of shares in group company		-1	-1
-6	**-23**	**-4**	**Net financial loss**		**-47**	**-27**
-5	**-31**	**-11**	**Result before tax**		**-63**	**-34**
-	-	-	Income tax		-	-
-5	**-31**	**-11**	**Loss for the period***		**-63**	**-34**
35,543,750	35,543,750	35,543,750	Number of shares outstanding	9	35,543,750	35,543,750
35,543,750	35,543,750	35,543,750	Number of shares outstanding (after dilution)	9	35,543,750	35,543,750
35,543,750	35,543,750	35,543,750	Weighted number of shares	9	35,543,750	35,543,750

* As there are no items in the parent company's other comprehensive income, no separate report on total comprehensive income is presented.

PARENT COMPANY BALANCE SHEET IN SUMMARY

MSEK	Note	30 Sep 2014	30 Jun 2014	31 Dec 2013
ASSETS				
Total non current assets		207	206	551
Total current assets		10	12	36
TOTAL ASSETS		**217**	**219**	**588**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity	9	116	126	179
Total non current liabilities	10	-	-	393
Total current liabilities		102	92	16
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**217**	**219**	**588**
Pledged assets	12	1	1	989
Contingent liabilities	13	-	-	-

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY IN SUMMARY

MSEK	Restricted equity		Non restricted equity			
	Share capital	Statutory Reserve	Share premium Reserve	Retained Earnings	Net result	Total Equity
Opening balance 1 January 2013	6	71	481	-194	-83	281
Transfer of prior year net result	-	-	-	**-83**	**83**	-
Comprehensive income						
Loss for the first quarter 2013	-	-	-	-	-15	**-15**
Loss for the second quarter 2013	-	-	-	-	-14	**-14**
Loss for the third quarter 2013	-	-	-	-	-5	**-5**
Loss for the fourth quarter 2013	-	-	-	-	-68	**-68**
Year end result	**-**	**-**	**-**	**-**	**-103**	**-103**
Total comprehensive income	**-**	**-**	**-**	**-**	**-103**	**-103**
Closing balance 31 December 2013	6	71	481	-277	-103	179
Opening balance 1 January 2014	6	71	481	-277	-103	179
Transfer of prior year net result	**-**	**-**	**-**	**-103**	**103**	**-**
Comprehensive income						
Loss for the first quarter 2014	**-**	**-**	**-**	**-**	-21	**-21**
Loss for the second quarter 2014	**-**	**-**	**-**	**-**	-31	**-31**
Loss for the third quarter 2014	**-**	**-**	**-**	**-**	-11	**-11**
Period result	**-**	**-**	**-**	**-**	**-63**	**-63**
Total comprehensive income	**-**	**-**	**-**	**-**	**-63**	**-63**
Closing balance 30 September 2014	6	71	481	-379	-63	116

NOTES

General information

Tethys Oil AB (publ) ("the Company"), organisation number 556615-8266, and its subsidiaries (together "the Group" or "Tethys Oil") are focused on exploration for and production of oil and natural gas. The Group has interests in licences in Oman, Lithuania and France.

The Company is a limited liability company incorporated and domiciled in Stockholm, Sweden. The Company is listed on NASDAQ OMX Stockholm.

Accounting principles

The nine months report 2014 of the Tethys Oil Group has been prepared in accordance with IAS 34 and the Annual Accounts Act. The nine months report 2014 of the Parent company has been prepared in accordance with the Annual Accounts Act and the Recommendation RFR 2 –"Accounting for legal entities", issued by the Swedish Financial Accounting Standards Council. The same accounting principles were used as described in the Annual report 2013.

Exchange rates

For the preparation of the financial statements for the reporting period, the following exchange rates have been used.

	30 September 2014		30 June 2014		31 December 2013	
Currency	2014 Average	2014 Period end	2014 Average	2014 Period end	2013 Average	2013 Period end
SEK/CHF	7.45	7.67	7.37	7.43	7.05	7.40
SEK/EUR	9.09	9.28	9.01	9.06	8.68	9.03
SEK/LTL	2.63	2.69	2.61	2.62	2.52	2.55
SEK/USD	6.70	7.17	6.57	6.69	6.52	6.58

Third quarter 2014 comparison with			Nine months 2014 comparison with
Third quarter 2013	Second quarter 2014	Effect of currency exchange rates on operating result, MSEK	Nine months 2013
21	14	Net sales of oil and gas	21
-4	-3	Depreciation, depletion and amortization	-4
-	-	Exploration costs	-
-	-	Other income	-
-5	-3	Operating expenses	-5
-	-	Net profit/loss from associate	-
-	-	Other losses/gains, net	-
-	-	Administrative expenses	-
11	**8**	**Summary of currency exchange rate effect on operating result**	**11**

The table above presents the currency exchange effect on operating result compared with the above comparative periods, by applying the average exchange rate of the respective comparative period on the second quarter and nine months 2014 accounts.

Fair value

The nominal value of accounts payables, cash and bank and accounts receivables is a fair approximation of those line items.

IAS 39 valuation categories and related balance sheet items

	30 September 2014		
MSEK	Financial assets and liabilities at fair value through profit or loss	Other receivables and cash and bank	Other liabilities
Other receivables	-	116	-
Prepaid expenses	-	18	-
Cash and bank	-	194	-
Derivative instruments*	1	-	-
Debt	-	-	33
Accounts payables	-	-	1
Other current liabilities	-	-	37

	31 December 2013		
MSEK	Financial assets and liabilities at fair value through profit or loss	Other receivables and cash and bank	Other liabilities
Other receivables	-	65	-
	-	18	-
Cash and bank	-	295	-
Derivative instruments*	5	-	-
Debt	-	-	422
Accounts payables	-	-	1
Other current liabilities	-	-	25

* Note that Derivative instruments are put options. These instruments can be sold and are categorized as level 2 in accordance with IFRS 7. The valuation is made based on available market prices of the Brent oil price.

Note 1) Risks and uncertainties

The Group's activities expose it to a number of risks and uncertainties which are continuously monitored and reviewed. The main risks and uncertainties are operational and financial risks described below.

Operational risk

At its current stage of development Tethys Oil is partly commercially producing oil and partly exploring for and appraising undeveloped known oil and/or natural gas accumulations. The operational risk is different in these different parts of Tethys Oil's operations. The main operational risk in exploration and appraisal activities is that the activities and investments made by Tethys Oil and its partners will not evolve into commercial reserves of oil and gas. The oil price is of significant importance to Tethys Oil in all parts of operations as income and profitability is and will be dependent on prices prevailing from time to time. Significantly lower oil prices will reduce current and expected profitability in projects and can make projects sub economic. Lower oil prices could also decrease the industry interest in Tethys Oil's projects regarding farmout or sale of assets. As per 30 September 2014, Tethys Oil owns 195,000 put options, equalling 65,000 options per month from October to December 2014. These put options have a strike price of USD 90 per barrel to secure oil price during 2014 without limiting any upside potential should market oil prices be higher. These put options therefore reduce the oil price risk during 2014 significantly.

Another operational risk factor is access to equipment in Tethys Oil's project. Especially in the drilling/development phase of a project the group is dependent on advanced equipment such as rigs, casing, pipes etc. A shortage of theses supplies can present difficulties for Tethys Oil to fulfil projects. Through its operations Tethys Oil is furthermore subject to political risk, environmental risk and the risk of not being able to retain key personnel.

Financial risk

By operating in several countries, Tethys Oil is exposed to fluctuations in a number of currencies. Income is and will also most likely be denominated in foreign currencies, US dollars in particular. Currently, Tethys Oil's investments are financed by cash flow from operations. The company has historically needed equity finance, debt finance and finance by asset divestments. It cannot be ruled out that additional capital could be needed to finance Tethys Oil's future operations and/or for acquisition of additional licences. The main risk is that this need may occur during less favourable market conditions.

A more detailed analysis of the Group's risks and uncertainties and how the Group addresses these risks, are given in the Annual report for 2013.

Note 2) Net sales of oil and gas

Third quarter 2013	Second quarter 2014	Third quarter 2014	Net sales	Nine months 2014	Nine months 2013
213,397	350,059	399,352	Barrels sold, bbl	1,030,193	579,751
142	245	296	Net sales, MSEK	736	399
102.13	105.89	107.57	Oil price, USD/bbl	106.72	105.64

Tethys Oil is selling all of its oil through Mitsui Energy Trading Singapore, which is part of Mitsui & Co Ltd. All oil sales come from Blocks 3 and 4 Oman and are made on a monthly basis.

Note 3) Segment reporting

The Group´s accounting principle for segments describes that operating segments are based on geographic perspective. The operating result for each segment is presented below.

	Group income statement Jan-Sep 2014							
MSEK	Dubai	France	Lithuania	Oman	Sweden	Switzerland	Other	Total
Net sales	-	-	-	736	-	-	-	**736**
Depreciation, depletion and amortisation	-	-	-8	-155	-	-	-	**-164**
Exploration costs	-	-	-	-	-	-	-	**-**
Other income	-	-	-	-	-	-	-	**-**
Operating expenses	-	-	-	-162	-	-	-	**-162**
Net profit/loss from associates	-	-	2	-	-	-	-	**2**
Other losses/gains, net	-	-	-	-	-	-	-	**-**
Administrative expenses	-4	-	-	-3	-15	-	-	**-23**
Operating result	**-4**	**-**	**-7**	**416**	**-16**	**-**	**-**	**390**
Total financial items								**-57**
Result before tax								**332**
Income tax								**-**
Result for the period								**332**

	Group income statement Jan-Sep 2013							
MSEK	Dubai	France	Lithuania	Oman	Sweden	Switzerland	Other	Total
Net sales	-	-	-	399	-	-	-	**399**
Depreciation, depletion and amortisation	-	-	-	-96	-	-	-	**-97**
Exploration costs	-	-1	-	-	-	-	-	**-1**
Other income	-	-	-	65	-	-	-	**65**
Operating expenses	-	-	-	-115	-	-	-	**-115**
Net profit/loss from associates	-	-	6	-	-	-	-	**6**
Other losses/gains, net	-	-	-	-	-	-	-	**-**
Administrative expenses	-4	-	-	-2	-16	-2	-	**-23**
Operating result	**-4**	**-1**	**6**	**251**	**-16**	**-2**	**-**	**233**
Total financial items								**-38**
Result before tax								**196**
Income tax								**-**
Result for the period								**196**

Note 4) Oil and gas properties

Country	Licence name	Phase	Expiration date	Remaining commitments	Tethys Oil	Partners (operator in bold)
Oman	Block 15	Exploration	Oct 2014	None	40%	**Odin Energy**, Tethys Oil
Oman	Block 3&4	Production	Jul 2040	None	30%	**CCED**, Mitsui, Tethys Oil
France	Attila	Exploration	2015[3]	None	40%	**Galli Coz**, Tethys Oil
France	Alès	Exploration	2015	MUSD 1.5[4]	37.5%	**Tethys Oil**, MouvOil
Lithuania	Gargzdai[5]	Production	No expiration date	None	25%	Odin, GeoNafta, Tethys Oil
Lithuania	Rietavas[5]	Exploration	Sep 2017	MLTL 6.2	30%	Odin, Tethys Oil, private investors
Lithuania	Raiseiniai[5]	Exploration	Sep 2017	MLTL 6.6	30%	Odin, Tethys Oil, private investors

MSEK	30 Sep 2014	30 Jun 2014	31 Dec 2013
Producing cost pools	1,116	1,049	1,011
Non-producing cost pools	5	3	0
Total oil and gas properties	**1,121**	**1,052**	**1,012**

MSEK	Asset type	Book value 30 Sep 2014	Other non – cash adjustments 1 Jan -30 Sep 2014	Currency exchange diff 1 Jan -30 Sep 2014	DD&A[6] 1 Jan – 30 Sep 2014	Exploration costs 1 Jan -30 Sep 2014	Investments 1 Jan -30 Sep 2014	Book value 1 Jan 2014
Country								
Oman Block 3&4	Producing	1,116	-	95	-155	-	164	1,011
Oman Block 15	Non-producing	5	-	0	-	-	4	0
France Attila	Non-producing	-	-	-	-	-	-	-
France Alès	Non-producing	-	-	-	-	-	-	-
New ventures	Non-producing	-	-	-	-	-	-	0
Total		**1,121**	**-**	**95**	**-155**	**-**	**169**	**1,012**

MSEK	Asset type	Book value 31 Dec 2013	Other non – cash adjustments 1 Jan -31 Dec 2013	Currency exchange diff 1 Jan -31 Dec 2013	DD&A[6] 1 Jan – 31 Dec 2013	Exploration costs 1 Jan -31 Dec 2013	Investments 1 Jan -31 Dec 2013	Book value 1 Jan 2013
Country								
Oman Block 3&4	Producing	1,011	[illegible]	-5	-137	–	263	890
Oman Block 15	Non-producing	0	–	-0	–	-51	25	27
France Attila	Non-producing	-	–	–	–	-1	1	–
France Alès	Non-producing	-	–	–	–	-0	0	–
Sweden Gotland	Non-producing	-	–	–	–	-2	0	2
New ventures	Non-producing	0	–	–	–	-1	1	0
Total		**1,012**	**0**	**-5**	**-137**	**-56**	**290**	**920**

3 In accordance with the licence terms, Tethys Oil has in connection with the licence extension filed a mandatory application of relinquishment of part of the licence which is still pending approval from French authorities.
4 Tethys Oil has a commitment towards the partner MouvOil and the French authorities to pay for seismic and drilling. The work is estimated to amount to MUSD 1.5.
5 The interest in the three Lithuanian licences are indirectly held through a shareholding in two Danish private companies, which in turn hold shares in Lithuanian companies holding 100 per cent of the licences. The two Danish companies, Odin Energi and Jylland Olie, are not consolidated in Tethys Oils financial statements due to the ownership structure, which is why there are no oil and gas properties related to the licences. The ownership of Jylland Olie and Odin Energi are presented in the balance sheet under Shares in associated companies.
6 Depletion, depreciation and amortisation

Investments Block 3&4, MSEK	1 Jan 2014 - 30 Sep 2014 9 months	1 Jan 2013 - 31 Dec 2013 12 months
Drilling - Exploration/Appraisal	55	58
Drilling – Development	70	103
G&G	20	67
Facilities	33	61
Pipeline	26	5
Mitsui repayment	-	16
Tethys sole cost	3	3
Other capex	-13	-1
Accruals	-31	-49
Total Investments Block 3&4	**165**	**263**

Oil & gas assets Block 3&4 Closing balances	30 Sep 2014	31 Dec 2013
Drilling - Exploration/Appraisal	185	120
Drilling – Development	451	350
G&G	140	110
Facilities	428	362
Pipeline	108	75
Mitsui repayment	151	135
Tethys sole cost	28	22
Other capex	31	28
Accruals	-29	1
Accumulated depletion	-374	-191
Total oil and gas properties Block 3&4	**1,116**	**1,011**

Note 5) Operating expenses

Third quarter 2013	Second quarter 2014	Third quarter 2014	Operating expenditures, MSEK	Nine months 2014	Nine months 2013
7	11	19	General & Administrative	30	14
22	25	34	Production cost Permanent Production Facilities	59	37
4	4	15	Well workovers	19	12
-1	1	-	Over- / Underlift	-1	-3
4	3	4	Other	7	7
6	1	-15	Accruals	34	35
-	0	-	Transferred costs from previous year	14	13
42	**46**	**57**	**Total**	**162**	**115**

Note 6) Other income

In accordance with the farmout agreement with Mitsui from 2010, Tethys Oil received from Mitsui a bonus amounting to MSEK 65 (MUSD 10) as commercial production exceeded 10,000 bopd for 30 consecutive days and following the approval of the Field Development Plan ("FDP") December 2012. The bonus was received during the first quarter 2013.

Parts of the administrative expenses in Tethys Oil are charged to oil and gas projects where the expenditures are capitalised. In case of Tethys Oil being the operator, these administrative expenditures are, through the above, also funded by the partners. The chargeout to the projects where Tethys Oil is operator is presented in the consolidated income statement as *Other income*. All other internal chargeouts are eliminated in the consolidated financial statements.

Note 7) Derivative instruments

As per 30 September 2014, Tethys Oil holds oil price put options (Brent) amounting to MSEK 0.9 compared to MSEK 0.2 as per 30 June 2014 and MSEK 4.8 as per 31 December 2013. The total numbers of put options are 195,000, equalling 65,000 options per month from October to December 2014. The options will expire for each month and all have strike price USD 90 per barrel. The put options were acquired to secure oil price at USD 90 per barrel without limiting upside potential should oil prices be higher.

The value of the put options are based on a fair market value at the end of a reporting period and any change to the previous valuation will be accounted for as a financial income or financial expenditure. The put options are acquired to secure oil price and thereby sales and hedge accounting in accordance with IAS 39 will not be applicable.

Note 8) Associates

Tethys Oil holds an indirect interest of three Lithuanian companies holding three licences; Gargzdai, Rietavas and Raiseiniai licences. The interest is held through two Danish private companies part of the Odin Group of companies, Odin Energi and Jylland Olie. The table below presents the ownership and the result from associates as per 30 September 2014.

Tethys Oil AB	Ownership		Ownership		Ownership
Odin Energi	50%	Jylland Olie	40%	Jylland Olie	40%
UAB Minijos Nafta	50%	UAB TAN Oil	75%	UAB TAN Oil	75%
Gargzdai licence	100%	Raiseiniai licence	100%	UAB LL Investicos	100%
				Rietavas licence	100%
Tethys Oil's indirect interest	**25%**		**30%**		**30%**

Tethys Oil's share of profit loss from associates MSEK	**UAB Minijos Nafta Nine months 2014**	**UAB TAN Oil Nine months 2014**
Gross revenue	22	0
Royalty	-2	-
Net revenue	**20**	**0**
Depreciation	-4	-0
Appraisal/development costs	-1	-0
Operating expenditures	-10	-
Administrative expenditures in Lithuanian company	-2	-0
Operating result	**4**	**-1**
Financial income	0	0
Financial expenditures	-0	-0
Profit before tax	**4**	**-1**
Tax	-1	-
Tethys share of net profit from associates	**3**	**-1**
Total share of net profit from associates	**2**	

MSEK	**30 Sep 2014**	**31 Dec 2013**
1 January	**184**	**188**
Acquisitions	-	-
Tethys share of net profit from associates	2	5
Dividend from associates	-11	-9
Depletion	-8	-
Balance end of period	**167**	**184**

For an overview of the ownership structure of Tethys Oil's interest in Lithuania, please see page 42 in the Annual Report 2013.

Note 9) Shareholders' equity

As per 30 September 2014, the number of outstanding shares in Tethys Oil amounts to 35,543,750 (35,543,750), with a quota value of SEK 0.17 (0.17). All shares represent one vote each. Tethys Oil does not have any incentive program for employees.

Note 10) Non current liabilities

In September 2012, Tethys Oil issued a secured three-year bond loan of MSEK 400. The bonds were issued at 100 per cent of the nominal value and run with a fixed interest rate of 9.50 per cent per year. The maturity dates of the bonds were 7 September 2015. The bonds were listed on NASDAQ OMX Stockholm. The transaction costs amounted to MSEK 12 and are depreciated during the maturity time of the bond.

In February 2014, it was announced that Tethys Oil signed a four-year, up to MUSD 100, senior revolving reserve based lending facility with BNP Paribas. Security for the facility is the interest in the Block 3&4 licence. In connection with the first drawdown of the facility, Tethys exercised its option for early redemption of the bonds and redeemed all outstanding bonds. The early redemption price was 104.5 per cent of the nominal amount of the bonds plus accrued unpaid interest. The payment and redemption occurred 7 April 2014.

The interest rate of the new credit facility is floating between LIBOR + 3.75 per cent to LIBOR + 4.00 per cent per annum, depending on the level of utilization of the facility. As per 30 September 2014 there was no outstanding debt, i.e. there was no borrowed amount from the new credit facility.

Note 11) Provisions

Tethys Oil estimates that Tethys Oil's share of site restoration regarding Block 3&4 amounts to MSEK 33 (29). As a consequence of this provision, oil and gas properties have increased with an equal amount.

Note 12) Pledged assets

As per 30 September 2014, pledged assets amounted to MSEK 1,512 (989). Pledged assets are mainly a continuing security with regard to the credit facility where Tethys Oil has entered into a pledge agreement. The pledge relates to all shares in the subsidiary Tethys Oil Block 3&4 Ltd for the benefit of the lenders in the credit facility and the value of the pledge is equal to the shareholders' equity value in Tethys Oil Block 3&4 Ltd. Of pledged assets, MSEK 1 (1) relate to a pledge in relation to office rental.

Note 13) Contingent liabilities

There are no outstanding contingent liabilities as per 30 September 2014, nor for the comparative period.

KEY RATIOS

Group

	Third quarter 2013	Second quarter 2014	Third quarter 2014	Nine months 2014	Nine months 2013
Operational items					
Production before government take, bbl	442,352	658,123	772,722	2,039,427	1,210,673
Production per day, bbl	4,808	7,232	8,399	7,470	4,435
Net sales after government take, bbl	213,397	350,059	399,352	1,030,193	579,751
Achieved oil price, USD/bbl	102.13	105.89	107.57	106.72	105.64
Items regarding the income statement and balance sheet					
Net sales, MSEK	142	245	296	736	399
EBITDA, MSEK	96	192	232	553	331
EBITDA-margin, %	67.61%	78.08%	78.38%	75.14%	82.96%
Operating result. MSEK	60	134	173	390	233
Operating margin. %	42.36%	54.56%	58.45%	52.91%	58.54%
Net result. MSEK	52	107	167	332	196
Net margin. %	36.42%	43.69%	56.44%	45.11%	49.04%
Cash and cash equivalents, MSEK	246	33	194	194	246
Shareholders' equity. MSEK	1,047	1,284	1,547	1,547	1,047
Balance sheet total. MSEK	1,509	1,367	1,619	1,619	1,509
Capital structure					
Solvency. %	69.39%	93.95%	95.58%	95.58%	69.39%
Leverage ratio. %	16.71%	-0.23%	-10.42%	-10.42%	16.71%
Adjusted equity ratio. %	69.39%	93.95%	95.58%	95.58%	69.39%
Interest coverage ratio. %	9.67	8.44	10.84	10.84	9.67
Investments. MSEK	60	69	45	158	208
Net debt/(net cash), MSEK	174	(3)	(161)	(161)	174
Profitability					
Return on shareholders' equity. %	5.43%	8.99%	12.64%	25.10%	20.51%
Return on capital employed. %	4.39%	9.46%	11.28%	25.26%	17.27%
Key figures per employee					
Average number of employees	19	17	17	18	19
Number of shares					
Dividend per share. SEK	n.a.	n.a.	n.a.	n.a.	n.a.
Cash flow used in operations per share. SEK	1.91	4.10	5.39	12.99	5.88
Number of shares on balance day. Thousands	35,544	35,544	35,544	35,544	35,544
Shareholders' equity per share. SEK	29.45	36.13	43.52	43.52	29.45
Weighted number of shares on balance day. Thousands	35,544	35,544	35,544	35,544	35,544
Earnings per share. SEK	1.46	3.02	4.71	9.35	5.50
Earnings per share after dilution. SEK	1.46	3.02	4.71	9.35	5.50

For definitions of key ratios please refer to the 2013 Annual Report.

The abbreviation n.a. means not applicable.

FINANCIAL CALENDAR:

Extra general meeting to be held in Stockholm 14 November 2014

Year-end report 2014 (January – December 2014) on 10 February 2015

Three month report 2015 (January – March 2015) on 5 May 2015

Annual meeting 2016 is planned to be held in Stockholm on 13 May 2015

Six month report 2015 (January – June 2015) on 18 August 2015

Nine month report 2015 (January – September 2015) on 3 November 2015

Stockholm, 4 November 2014
Tethys Oil AB (publ)
Org. No. 556615-8266

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Report of Review of Interim Financial Information

Introduction

We have reviewed the condensed interim financial information (interim report) of Tethys Oil AB as of 30 September 2014 and the nine-month period then ended. The board of directors and the managing director are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review 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, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do 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 interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Gothenburg, 4 November 2014

PricewaterhouseCoopers AB

Klas Brand
Authorized Public Accountant

Ulrika Ramsvik
Authorized Public Accountant