

## *Financial Overview*

**Lundin**



*Capital Market Day Presentation, 30th January 2007*  
*Lundin Petroleum*

|                      | USD/boe |
|----------------------|---------|
| Margin               | 18.85   |
| G & A                | -1.15   |
| Financial Items, net | -1.75   |
| Profit before tax    | 15.95   |
| Tax                  | -8.85   |
| Profit after tax     | 7.10    |

## 2007 Netback

**Lundin**

|                      | USD/boe |
|----------------------|---------|
| Margin               | 18.85   |
| G & A                | -1.15   |
| Financial Items, net | -1.75   |
| Profit before tax    | 15.95   |
| Tax                  | -8.85   |
| Profit after tax     | 7.10    |
| Operating Cashflow   | 26.90   |

|                      | USD/boe |
|----------------------|---------|
| Margin               | 18.85   |
| G & A                | -1.15   |
| Financial Items, net | -1.75   |
| Profit before tax    | 15.95   |
| Tax                  | -8.85   |
| Profit after tax     | 7.10    |
| Operating Cashflow   | 26.90   |
| EBITDA               | 28.50   |

➤ **2007 effective rate of tax = 55%**

|                         | USD/boe     |
|-------------------------|-------------|
| Current tax charge      | 2.75        |
| Deferred tax charge     | 6.10        |
| <b>Total tax charge</b> | <b>8.85</b> |

## **+/- 1 USD per barrel** **MUSD**

|                 |           |
|-----------------|-----------|
| <b>Profit</b>   | <b>5</b>  |
| <b>Cashflow</b> | <b>6</b>  |
| <b>EBITDA</b>   | <b>11</b> |

## **10% movement in USD exchange rate** **MUSD**

|                 |           |
|-----------------|-----------|
| <b>Profit</b>   | <b>10</b> |
| <b>Cashflow</b> | <b>19</b> |
| <b>EBITDA</b>   | <b>24</b> |

## Forecast Expenditure 2007

**Lundin**

|                              | MUSD |
|------------------------------|------|
| ➤ Capital expenditure        | 290  |
| ➤ Exploration expenditure    | 230  |
| ➤ Other fixed assets         | 3    |
| ➤ General and admin expenses | 13   |
| ➤ Financial items            | 24   |

|  | MUSD       |
|--|------------|
| <b>Lundin Loan Facility</b>                  | <b>315</b> |
| <b>Heather Letter of Credit</b>              | <b>35</b>  |
| <b>Cash Drawable Portion of Facility</b>     | <b>280</b> |
| <b>Loan Balance drawn @ 31 December 2006</b> | <b>185</b> |
| <b>Cash Balances @ 31 December 2006</b>      | <b>45</b>  |
| <b>Net Debt Position @ 31 December 2006</b>  | <b>140</b> |

- In addition, there is a Russia facility of 25 MUSD (net) in RFE. Drawings @ 31/12/06 were 23 MUSD.***



➤ **Oil** → **No Hedges**

➤ **Interest rate**

| Hedged amount  | Interest rate | Expires | Trade date |
|----------------|---------------|---------|------------|
| USD 40,000,000 | 2.32%         | 3/07    | 3/04       |

➤ **Currency** → **No Hedges**