



2012 Half Year Results
Strong Cash Flow In H1 2012
On Track for Future Production Growth



Agenda



- § Overview & Strategy CEO, Amjad Bseisu
- § Financials CFO, Jonathan Swinney
- § Operations COO, Nigel Hares
- § Summary CEO, Amjad Bseisu

EnQuest's Strategy

Focused on development and production



Realising the untapped potential in maturing assets and in underdeveloped oil fields

Focus on Hubs

- § Maximising production and exploiting upside potential
- § Infill drilling
- § Extending field life
- § Hub focus reduces costs

Near Field Appraisal and Exploration

- § Relatively low risk and low cost
- § Commercialising and developing discoveries
- § Converting Contingent Resources into 2P reserves

Business Development

- § Adding to our existing asset base:
 - Acquisitions of assets and companies
 - Licence rounds
 - Farm ins

Building development and project execution capability

Strong Cash Flow in H1 2012

On Track For Future Production Growth



Production

- § Production of 20,253 Boepd
- § 2012 average full year production expected range between 20,000 Boepd and 24,000 Boepd
- § Six well drilling programme, three production wells now on stream, cash capex of \$504m

Project Execution & Business Development

- § Execution of the Alma/Galia development is on track
- § Drilling started in January 2012, FPSO preparation as planned, on schedule for first oil in Q4 2013
- § The proposed Kraken development pre-sanction process is also on track, for FDP in H1 2013
- § Material transaction flow in 2012
 - § 60% of Kraken
 - § Alma/Galia 35% farm out to KUFPEC

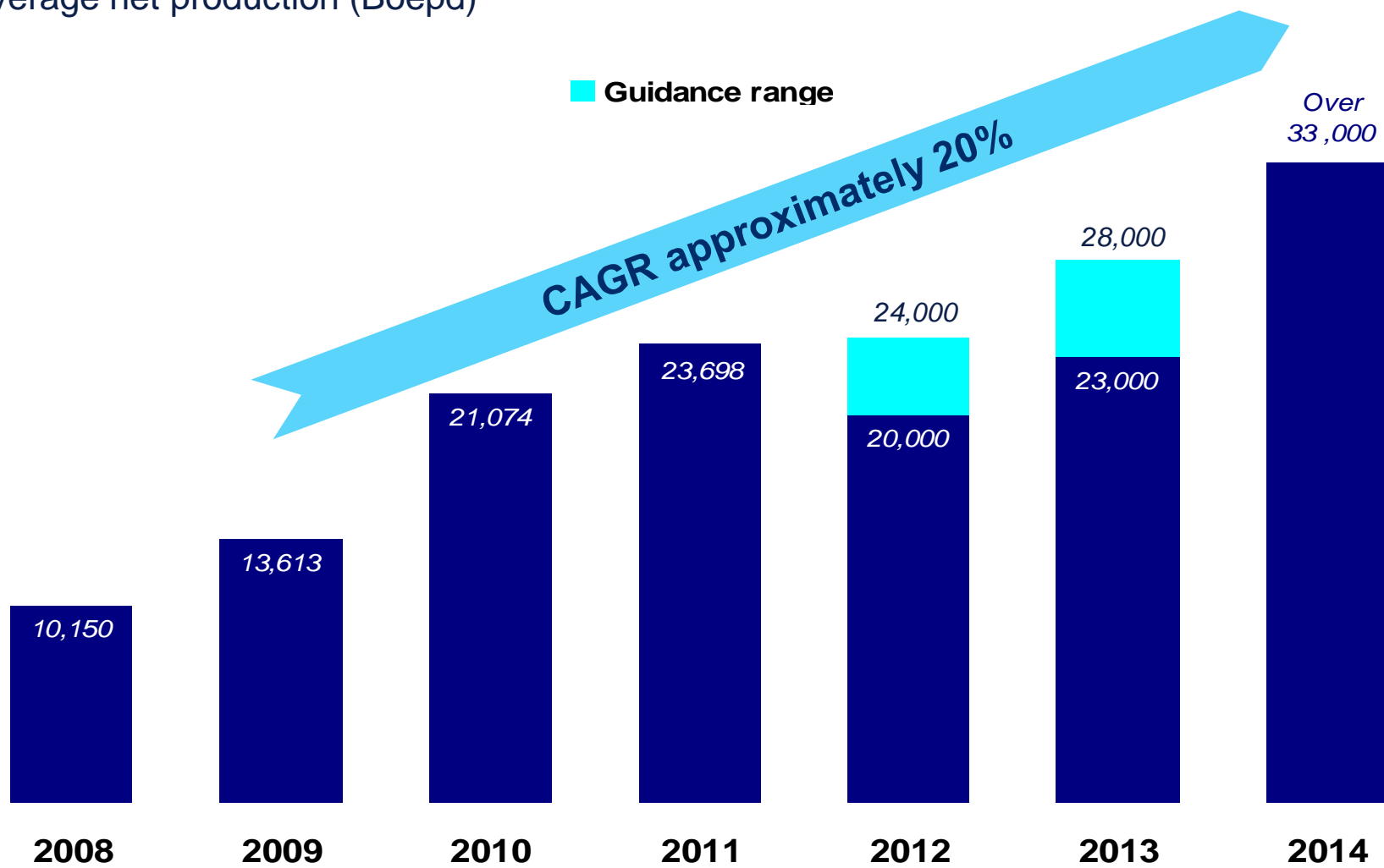
Financial Strength

- § \$240m cash flow from operations. Net cash of \$93m at the end of first half of 2012
 - § New credit facility for up to \$900m arranged in Q1 2012

On Track To Deliver Approximately 20% CAGR* Between 2009 and 2014**, based only on net 2P profiles



Average net production (Boepd)



* Compound annual growth rate

** Outlook adjusted for indicative production impact of Alma/Galia farm out

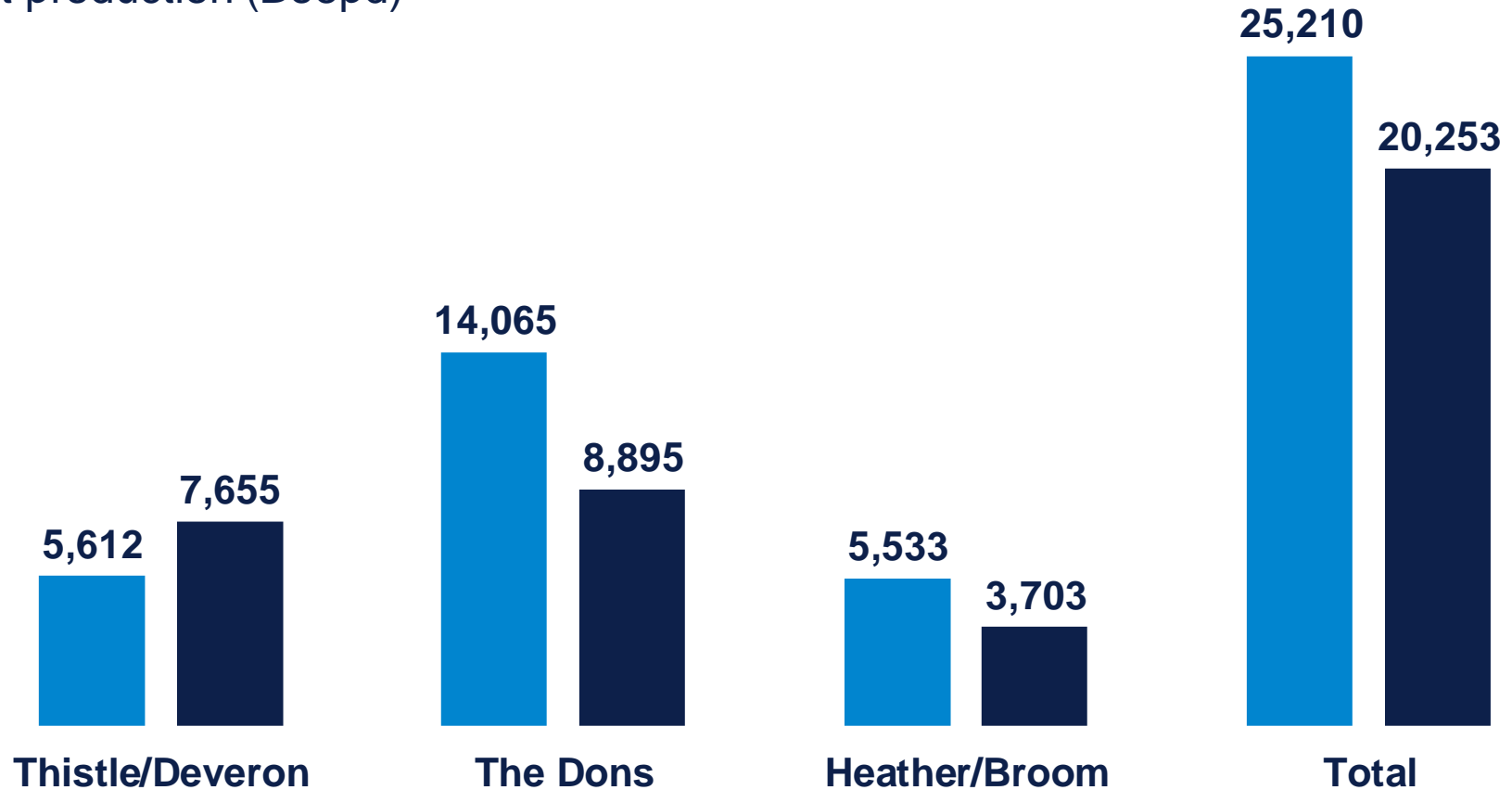
2012 Operational Results To The End of June

In line with expectations



■ 2011 ■ 2012

Net production (Boepd)



EnQuest's North Sea Assets

As at end of June 2012, includes acquisitions announced in 2012



The EnQuest Discovery 'Hopper'



Discovery WI's quoted here are based on acquisitions agreed in 2012	Project status	Unrisked net 2C resources MMboe
Kraken (60% WI)	Working towards FDP in H1 2013	60+/-
Kildrummy (60% WI)	Appraisal well in Q4 2012	} 60 to 80
C/S/T area	Working towards FDP in 2013	
Cairngorm (100% WI)	Appraisal well being planned in 2013	
Crawford/Porter	Reviewing development options, decision on next steps this year	
SW Heather	Ongoing evaluation	
Peik	Ongoing evaluation	
Pilot	Ongoing evaluation	

Consolidating IPO Positions & Building New Ones

Where we had grown asset interests to by the end of 2011



Crawford/Porter

From 19% to 51%

§ Acquired further 32% for carry up to \$55.8m. Development decision in 2012

Broom

From 55% to 63%

§ Acquired further 8% for \$7.5m

Crathes

From 0% to 40%

§ Farmed in to Crathes prospect, taking 40% interest and operatorship for zero consideration. Evaluating commerciality of Crathes, Scolty, Torphins area, following successful exploration

Kildrummy

From 0% to 40%

§ Agreed farm in to 40% of Kildrummy discovery for carry up to c.\$32m, assumed operatorship.

West Don

From 19% to 44.95%

§ Increased interest in West Don to 44.95% through the acquisition of Stratic

Cairngorm

First block

From 0% to 100%

§ Acquired 100% of part of the Cairngorm discovery, block 16/2b, through the acquisition of Stratic

Consolidating IPO Positions & Building New Ones

How we have grown our interests in 2012, so far...



Crawford/Porter

From 19% to 51%

§ Acquired further 32% for carry up to \$55.8m. Development decision in 2012

Broom

From 55% to 63%

§ Acquired further 8% for \$7.5m

Crathes

From 0% to 40%

§ Farmed in to Crathes prospect, taking 40% interest and operatorship for zero consideration. Evaluating commerciality of Crathes, Scolty, Torphins area, following successful exploration

Kildrummy

From 40% to 60%

§ Agreed farm in to 40% of Kildrummy discovery for carry up to c.\$32m, assumed operatorship. **Agreed acquisition of additional 20% from Eni for a deferred contingent cash consideration of \$3m**

Kraken

From 0% to 60%

§ **Acquired 60% of Kraken, 20% for up to \$90m and 25% from Nautical and 15% from First Oil, both through a development carry**

West Don

From 44.95% to 63%

§ Increased interest in West Don to 44.95% through the acquisition of Stratic

§ **Agreed to acquire a further 18.5% of West Don for \$34m**

Cairngorm

Second block

From 0% to 100%

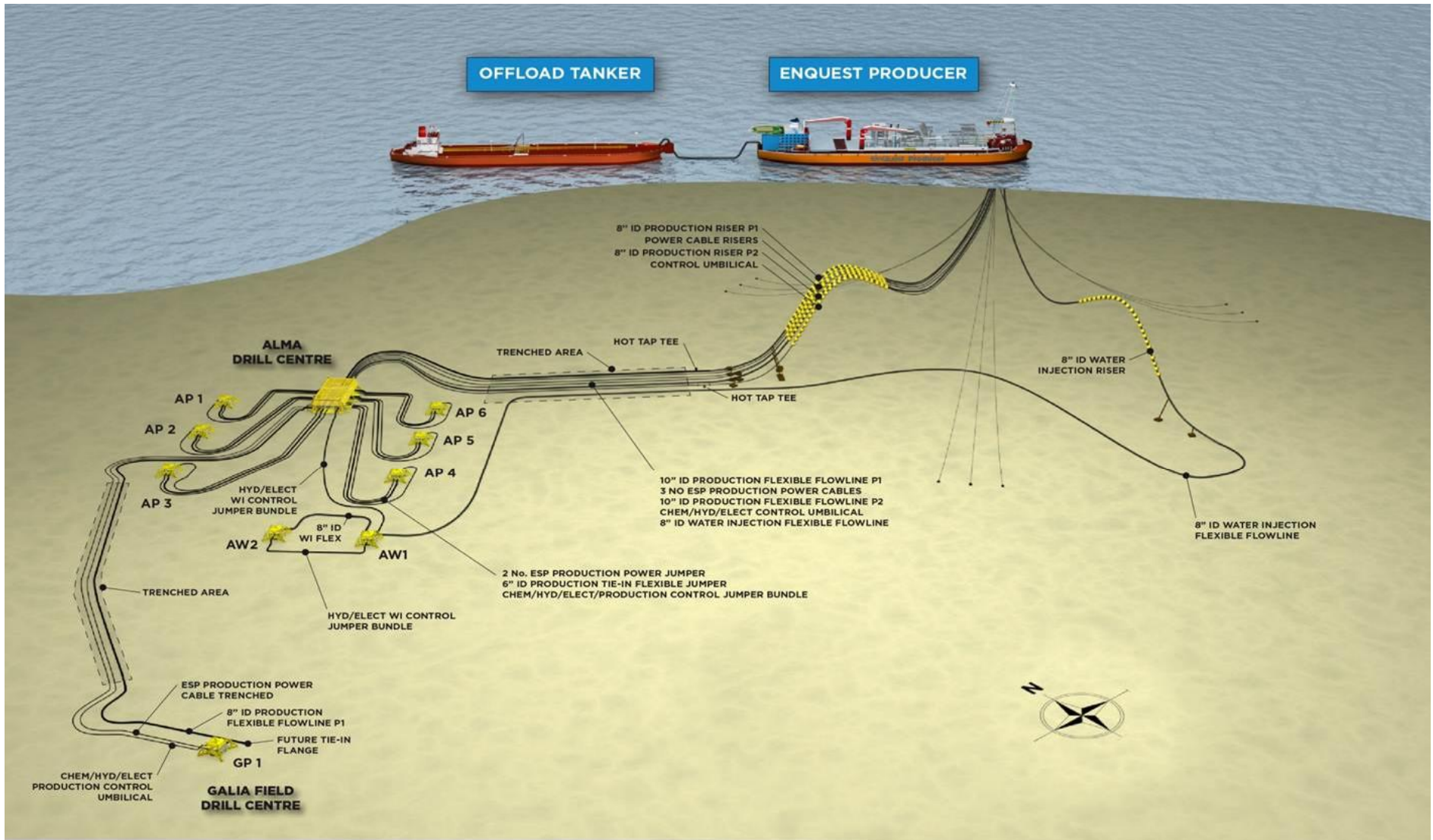
§ **Awarded first 50% of Cairngorm block 16/3d through 26th licensing round**

§ **Acquired second 50% of block 16/3d through swap for Dutch assets**

§ **Gives EnQuest 100% of the discovery, which strides blocks 16/2b & 16/3d**

Alma and Galia On Track For First Oil Q4 2013

Drilling operations completed on 3 wells to date, good results



ALMA AND GALIA FIELD DEVELOPMENT

Alma/Galia \$500M Farm Out

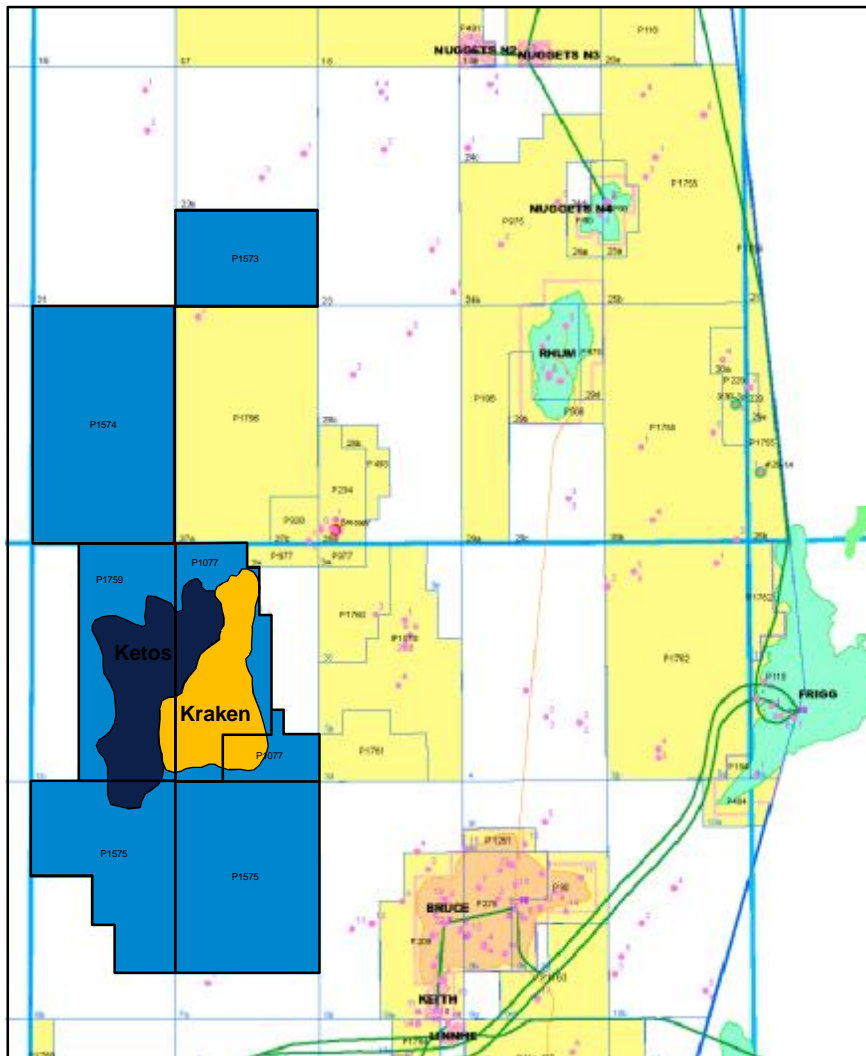
Agreed with KUFPEC, building on relationship since 2010



- § KUFPEC is taking a 35% stake for approximately 50% of project costs
- § KUFPEC to invest approximately \$500m in cash, comprised of:
 - § KUFPEC's pro-rata share of costs effective from 1 January 2012
 - § Up to \$182m in future contribution for past costs and development carry for EnQuest
- § EnQuest anticipates cost of the Alma/Galia development of approximately \$1bn
- § Farm out significantly enhances economics for EnQuest

Kraken On Track For FDP Submission In H1 2013

Sustainable reserves and production growth, asset diversification



- § In Q1 2012, EnQuest acquired 20% from Canamens
- § EnQuest then acquired a further 25% from Nautical and a further 15% from First Oil
 - § Over 99.9% shareholder support for the First Oil acquisition
- § EnQuest also acquired a 45% farm in option to block 9/1a, in return for paying up to 90% of the gross cost of two appraisal wells on the Ketos discovery
- § EnQuest also acquired more potential exploration upside in the surrounding area
- § A conventional rather than a heavy oil development

A blue-tinted photograph of a modern office building. The building features a glass facade on the left side and a light-colored facade with windows on the right. A logo is visible on the glass facade. The sky is dark blue with some clouds.

Jonathan Swinney
Chief Financial Officer



Results Summary

Half year to 30 June

Unless otherwise stated all figures are before exceptional items and depletion of fair value uplift and are in US dollars



US dollars	2012	2011	Change %
Export production (Boepd)	20,253	25,210	(19.7)
Average realised price per barrel (\$)	111.58	106.72	4.6
Revenue (\$ million)	440.1	511.4	(13.9)
Cost of sales (\$ million)	236.0	279.0	(15.4)
Production and transportation costs (\$/per boe)	31.62	29.12	8.6
Depletion of oil & gas properties (\$/per boe)	24.24	23.11	4.9
Gross profit (\$ million)	204.1	232.5	(12.2)
Operating profit (\$ million)	192.6	215.2	(10.5)
Profit after tax (\$ million)	129.3	69.0	87.4
EBITDA* (\$ million)	287.2	327.0	(12.2)
Cash flow per share (cents)	29.8	42.3	(29.6)
Earnings per share (cents)	15.8	2.8	464.3

* for definition basis, see results announcement

Summary Income Statement

Half year to 30 June



	2012	2012	2011
US dollars			
	Business performance \$m's	Reported* \$m's	Reported \$m's
Revenue	440	440	511
Cost of sales	(236)	(240)*	(288)
Gross profit	204	200*	223
Exploration and evaluation expenses	(9)	(9)	(5)
General and administration expenses	(8)	(8)	(8)
Net other income	6	6	2
Profit/(loss) from operations before tax and finance income/(costs)	193	189*	212
Net financial cost	(4)	(4)	(6)
Profit/(loss) before tax	189	185*	206
Income tax	(60)	(59)*	(183)
Profit/(loss) after tax	129	126*	23
Earnings per share (cents)		15.8*	2.8

* After impact of \$4m of depletion of fair value uplift and associated income tax

Group Taxation Position

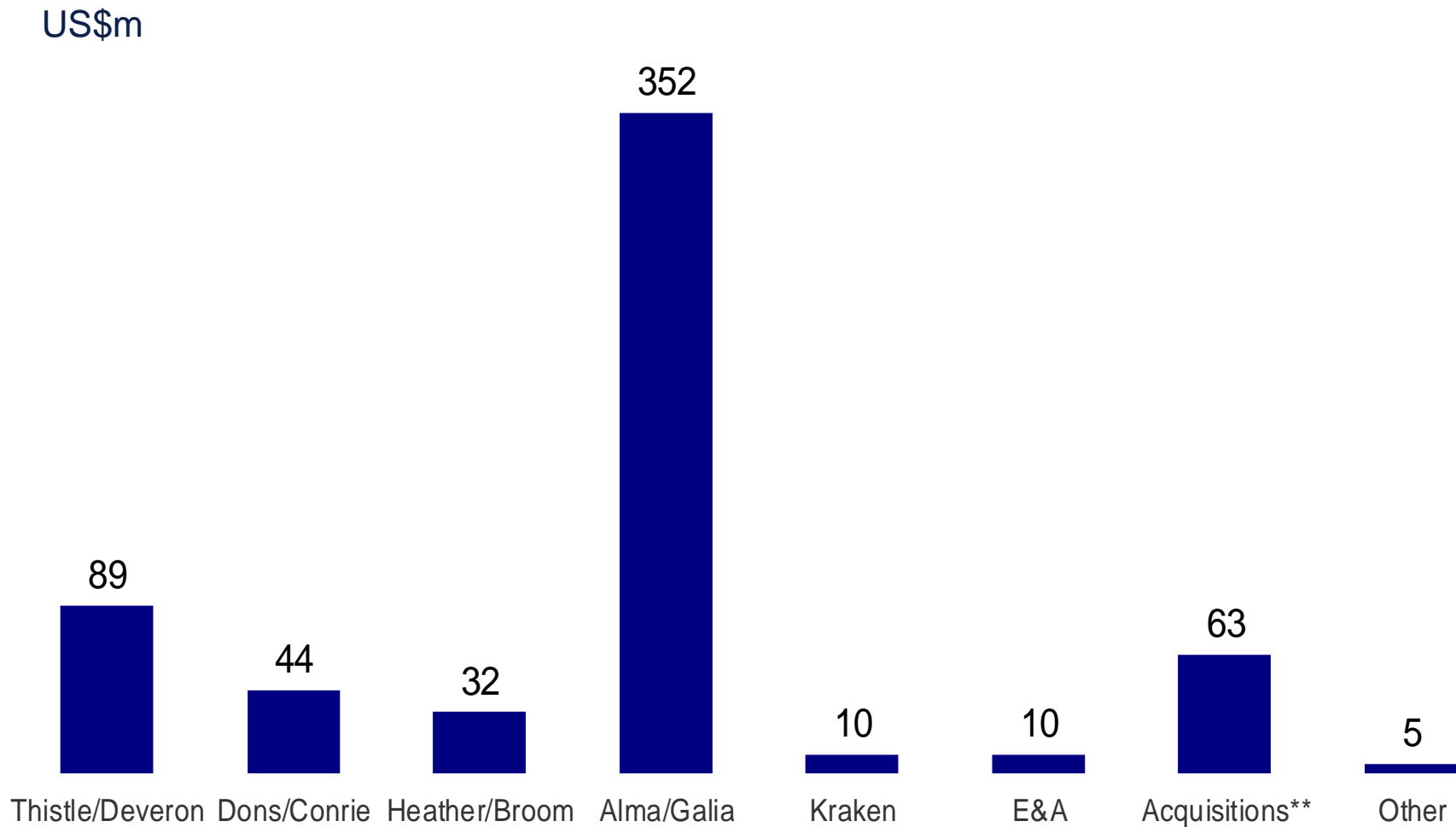


ETR	%	\$m's	UK tax losses	\$m's
Profit before tax		<u>185</u>	Recognised at 31 December 2011	180
			H1 2012 net losses	276
UK corporation tax rate	62.0	114	RFES	25
PRT	9.8	18	Prior year true up	20
RFES	(7.7)	(14)	Leasing structures	<u>79</u>
Leasing structures	(26.6)	(49)	Tax losses at 30 June 2012	580
Other items	(1.1)	(2)	H2 2012 net losses	<u>35</u>
Prior year true up	<u>(4.9)</u>	<u>(9)</u>	Estimated end 2012 position	<u>615</u>
H1 2012 tax charge	31.5	58	Additional estimated unrecognised losses end 2012	<u>59</u>

- § Effective tax rate ('ETR') is dependent upon realised oil price and production in H2 2012
- § Unrecognised UK tax allowances at end 2012 due to expenditure on Kraken discovery following acquisition from Canamens
- § No material cash tax liability expected until 2014

Capital Expenditure* \$605m

Half year to 30 June 2012



* Includes accrued expenditure

** Includes \$36m re acquisition of a 20% interest in Kraken and \$27m re acquisition of an 18.5% interest in West Don

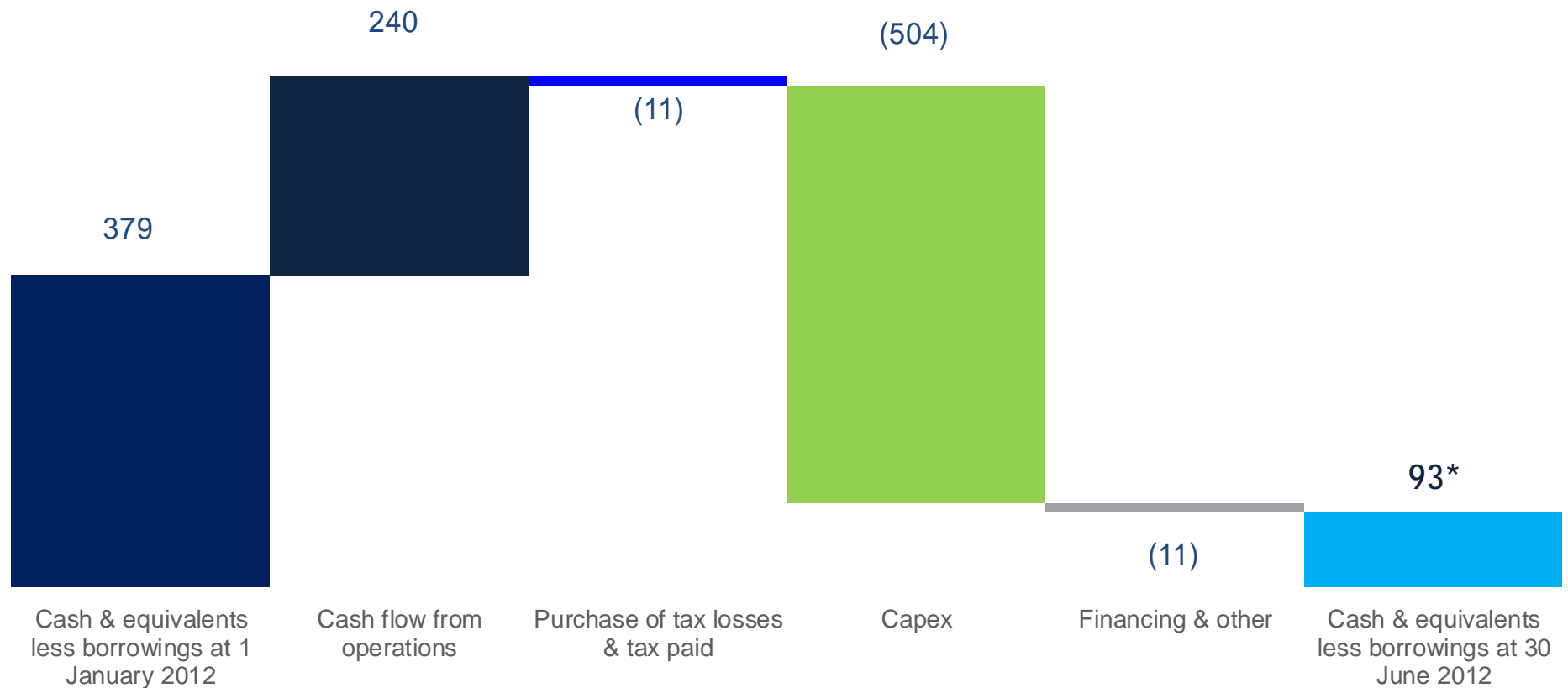
Cash Flow

Half year to 30 June 2012



Strong financial position, new \$900m facility

US\$m



* After borrowings of \$24m

Full Year 2012

- § Capex expectations of around \$800m
- § Absolute total production and transportation costs to be broadly similar to 2011
- § Depletion, dependent upon production mix, but anticipated to be similar to 2011, on a per barrel basis
- § G&A, similar to 2011
- § Finance costs
 - Guidance to be in the region of \$20m-\$21m
- § Tax
 - Effective rate expected to be 31.5%
 - No significant cash tax expected to be paid before 2014

A photograph of a construction worker wearing a white hard hat, safety glasses, and a high-visibility yellow and blue vest. The worker is positioned on the right side of the frame, looking towards the left. The background is a blurred blue bokeh effect. The text "Nigel Hares Chief Operating Officer" is overlaid on the left side of the image in white font.

Nigel Hares
Chief Operating Officer

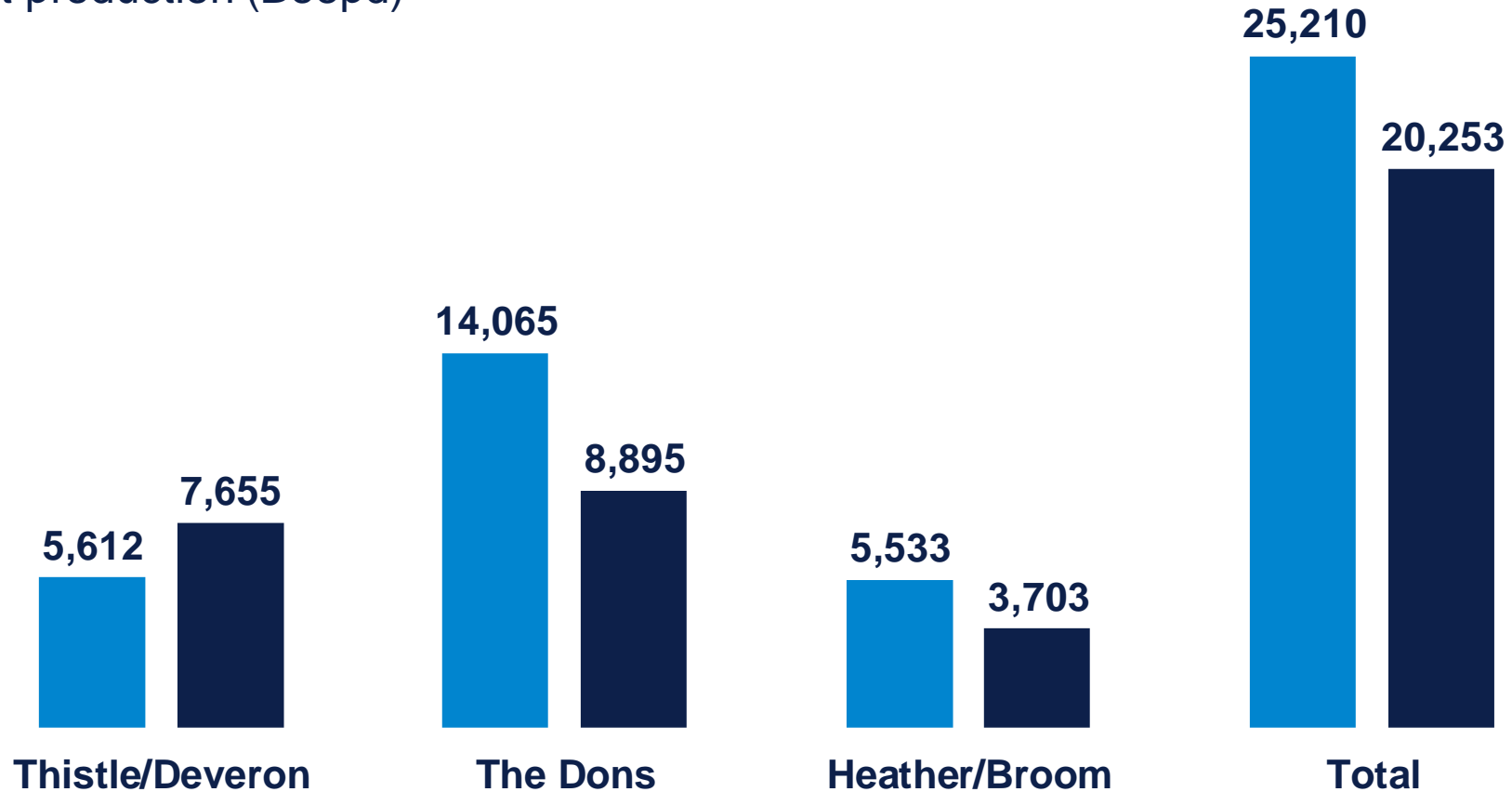
2012 Operational Results To The End of June

In line with expectations



■ 2011 ■ 2012

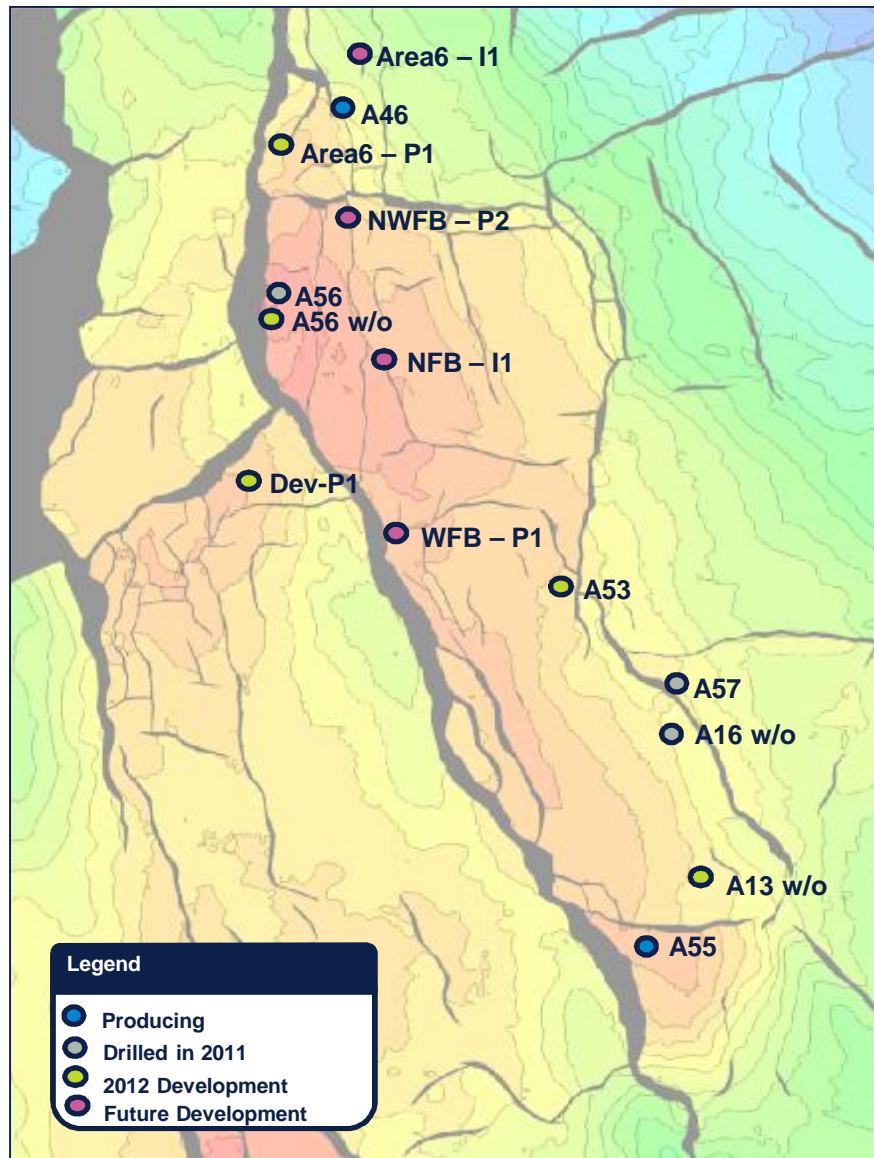
Net production (Boepd)



- ▲ New wells A57 & A58
- ▲ Improved water injection
- ▼ Natural decline
- ▼ Pipeline shutdown

- ▼ Natural decline of S5
- ▼ Pipeline shutdown
- ▲ Additional 18.5% WI

- ▼ Natural decline, BR2
- ▼ Pipeline shutdown



H1 2012

- § A58 (Dev-P1) well completed and on production, productivity at the higher end of pre-drill estimates
- § Well workover programme
- § Engineering design of facilities projects
- § 150,000 bwpd water injection
- § 10 day pipeline outage

H2 2012

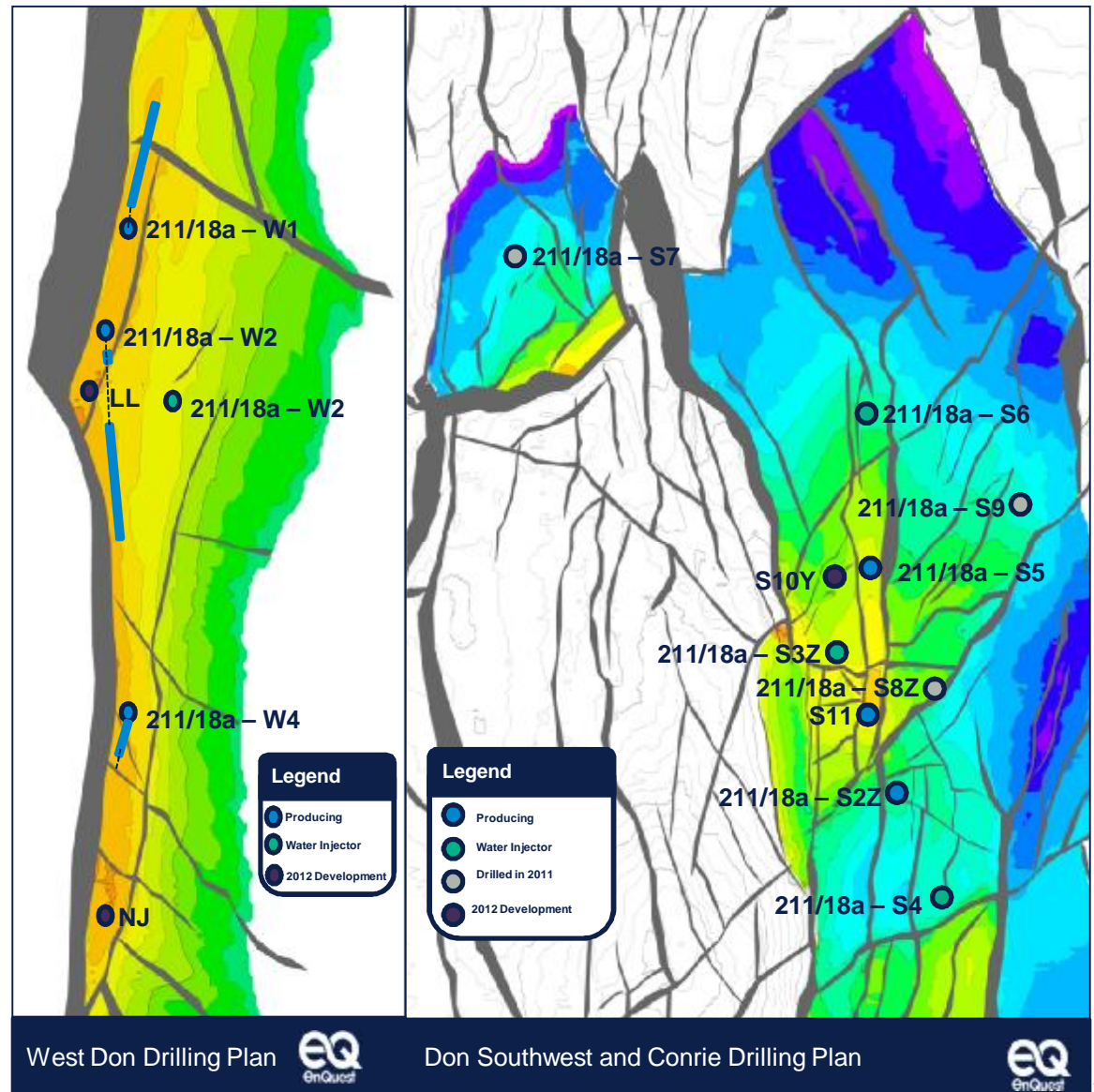
- § Area 6-P1 (ESP) production well
- § Well workover programme
- § Heavy lift late August, 30 MW generator to start up end 2012
- § Engineering design of facilities projects

H1 2012

- § S10 drilled, replaces S1
- § S11 drilled, new well
- § 10 day pipeline outage

H2 2012

- § S11 already on stream, performing as anticipated
- § S2Z workover
- § S10 due on stream end Sept'
- § West Don W2Z(LL) sidetrack
- § West Don W5(NJ) injection



Heather/Broom



H1 2012

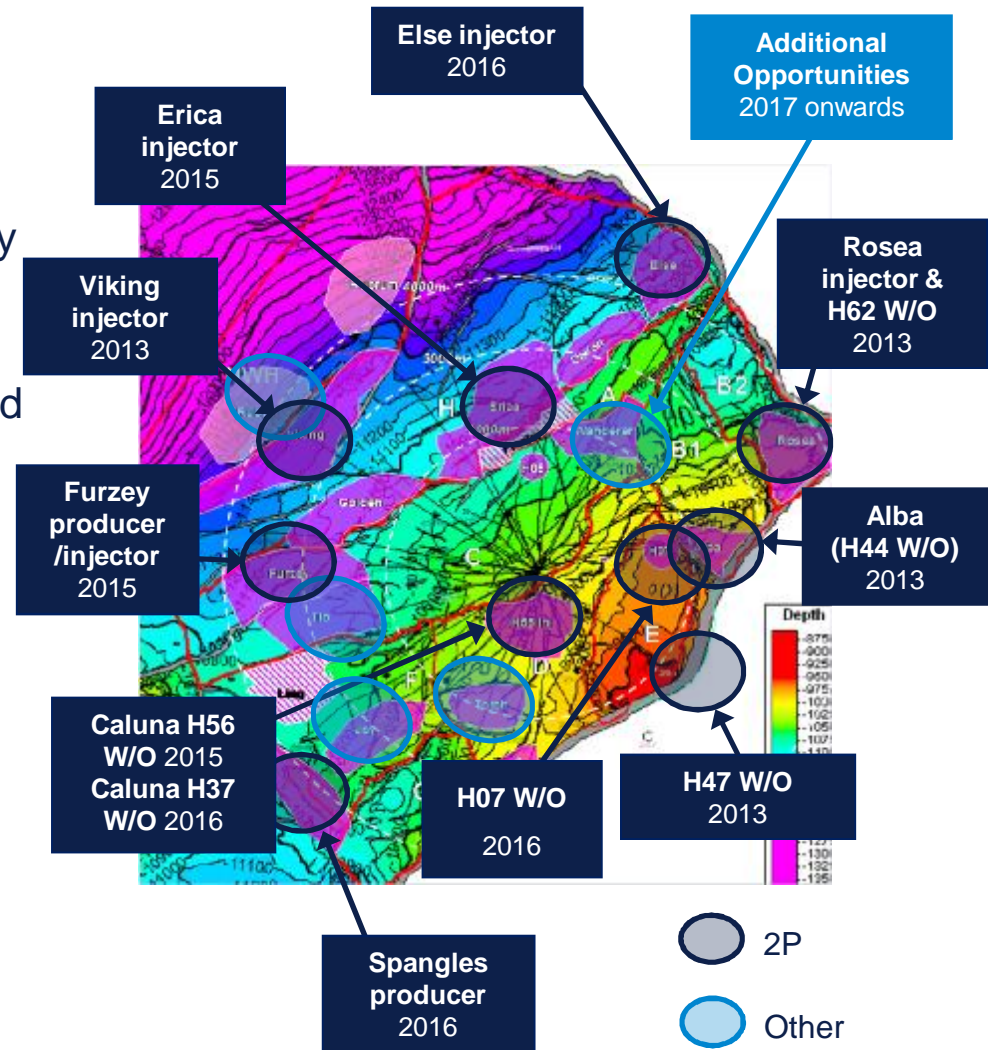
§ Lost 20 days production in June due to third party Ninian pipeline maintenance

H2 2012

- § Rig reactivation programme well underway
- § Complete rig upgrade
- § Commence rig operations around year end

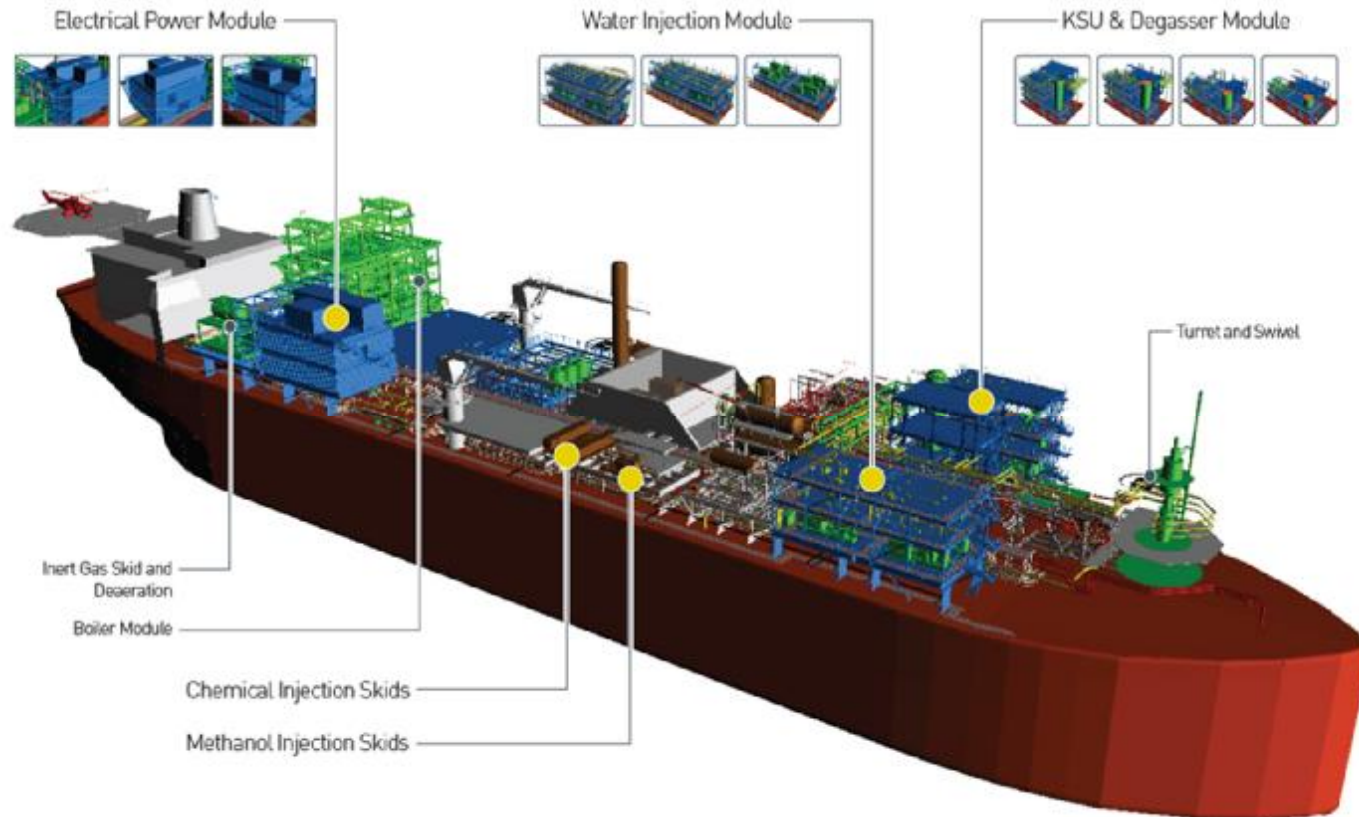
20 potential infill targets

9 targets selected for initial programme, with 14 MMboe reserves



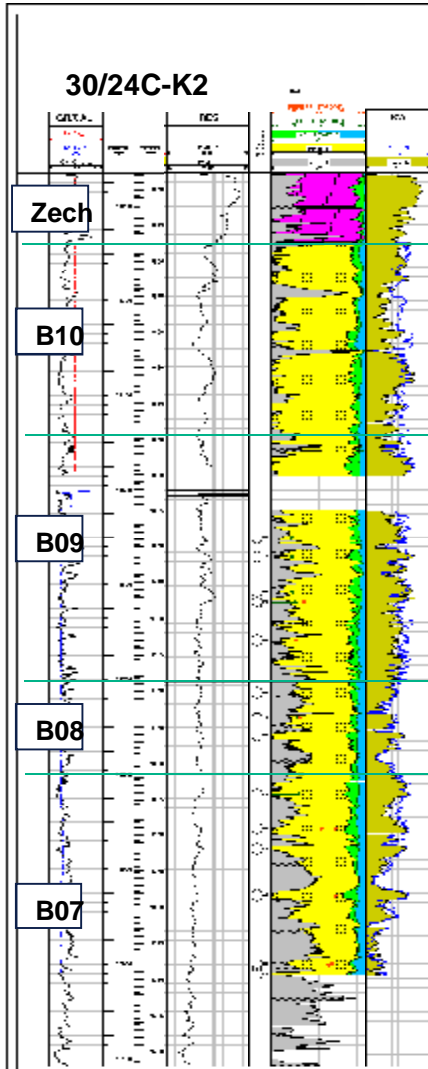
The Alma and Galia Development

On track for first oil Q4 2013

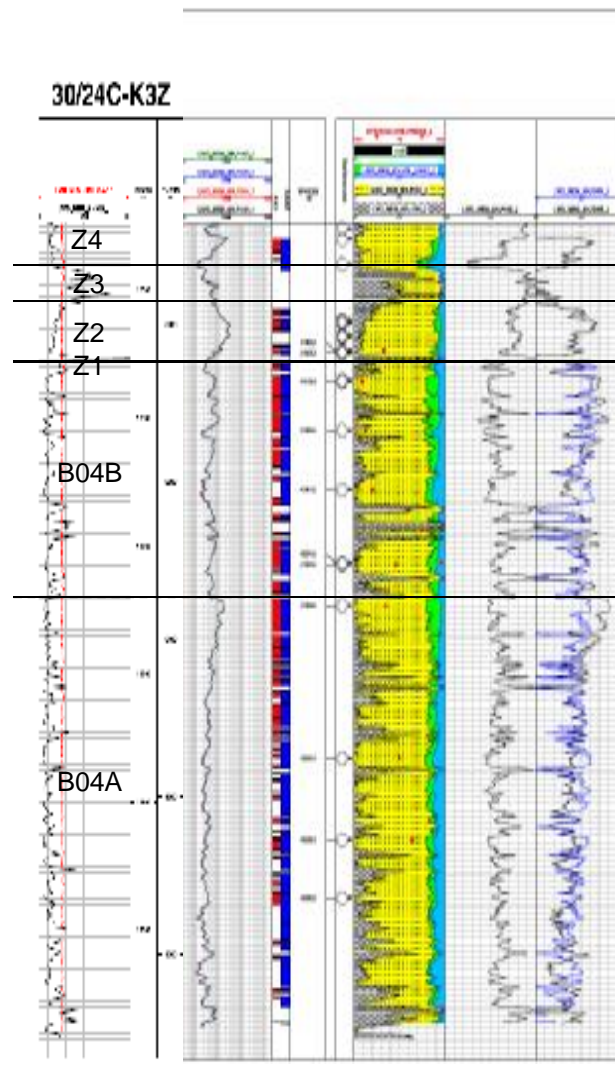


- § Modification and life extension works on the EnQuest Producer, the FPSO, now well underway
- § All subsea material and installation contracts placed
- § First construction campaign to be performed in Q3 2012
- § Galia FDP approval anticipated soon

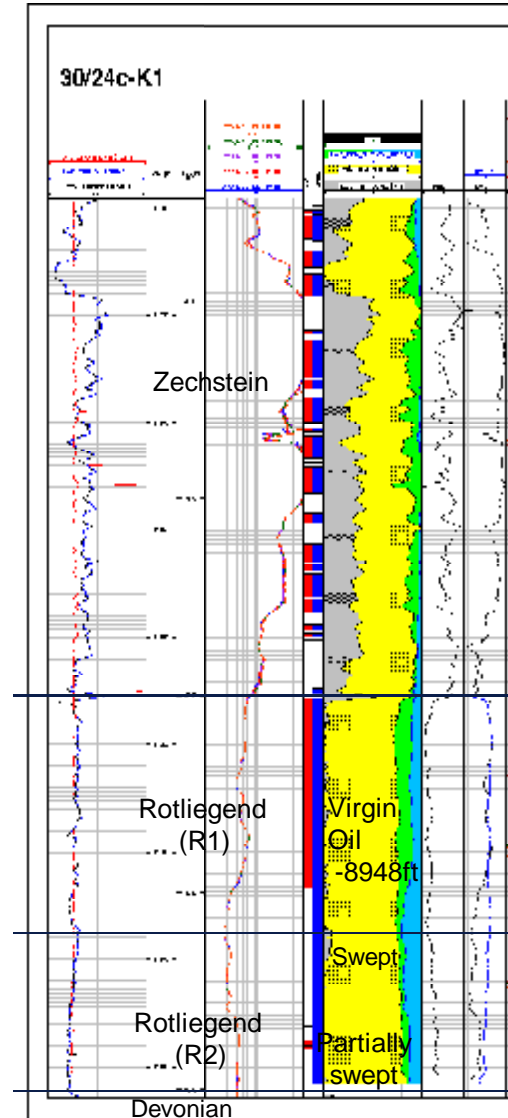
6ft high



18ft high

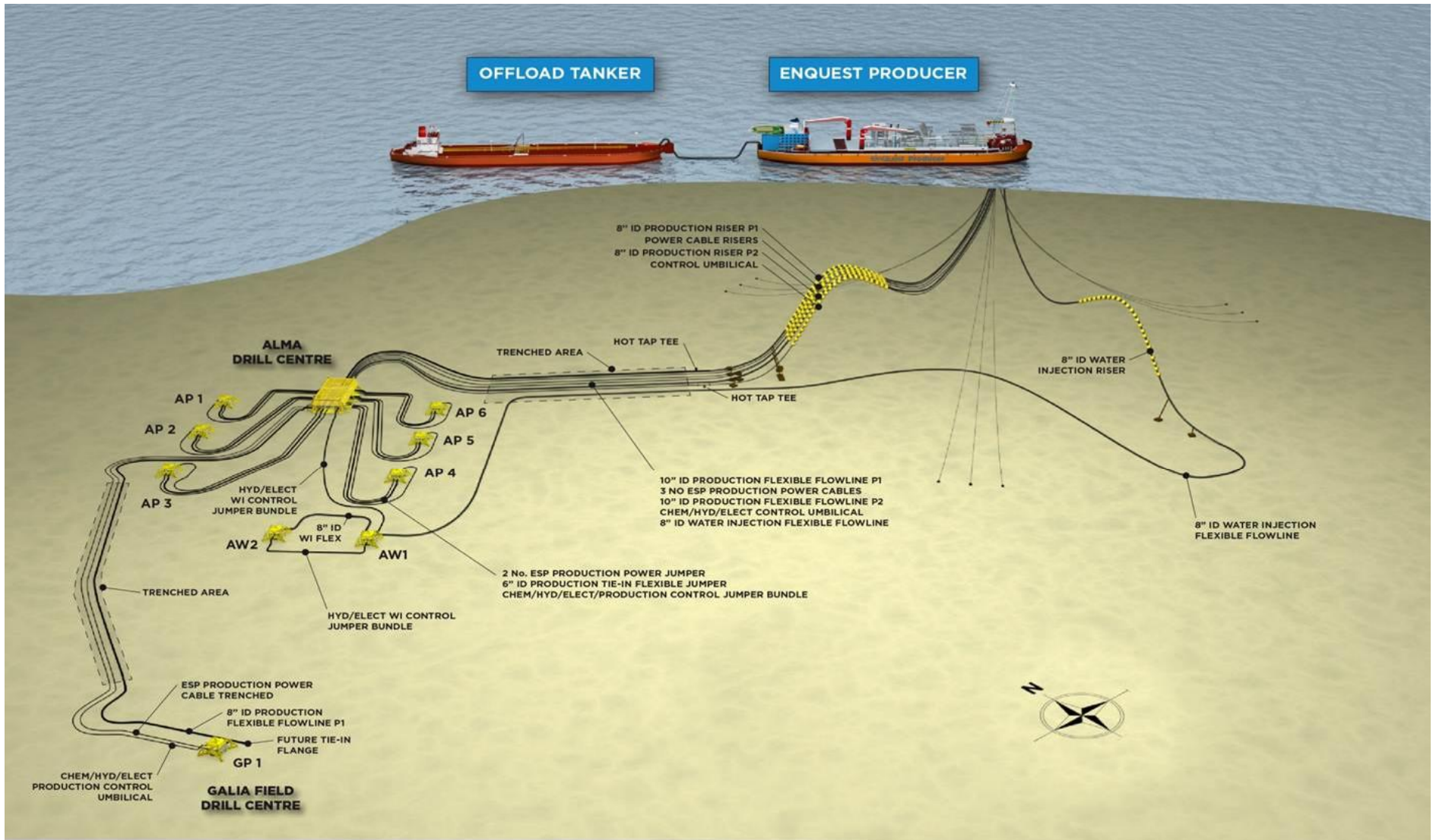


56ft high



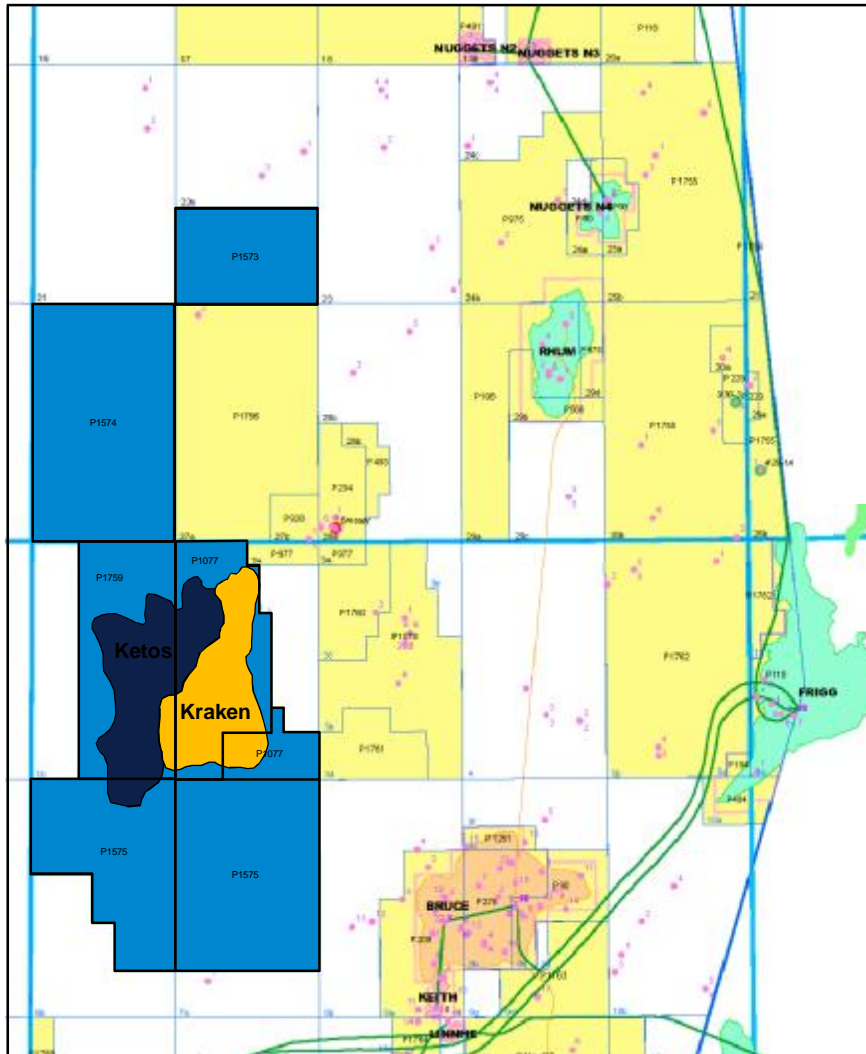
Alma/Galia

Project on schedule for Q4 2013 start up



ALMA AND GALIA FIELD DEVELOPMENT

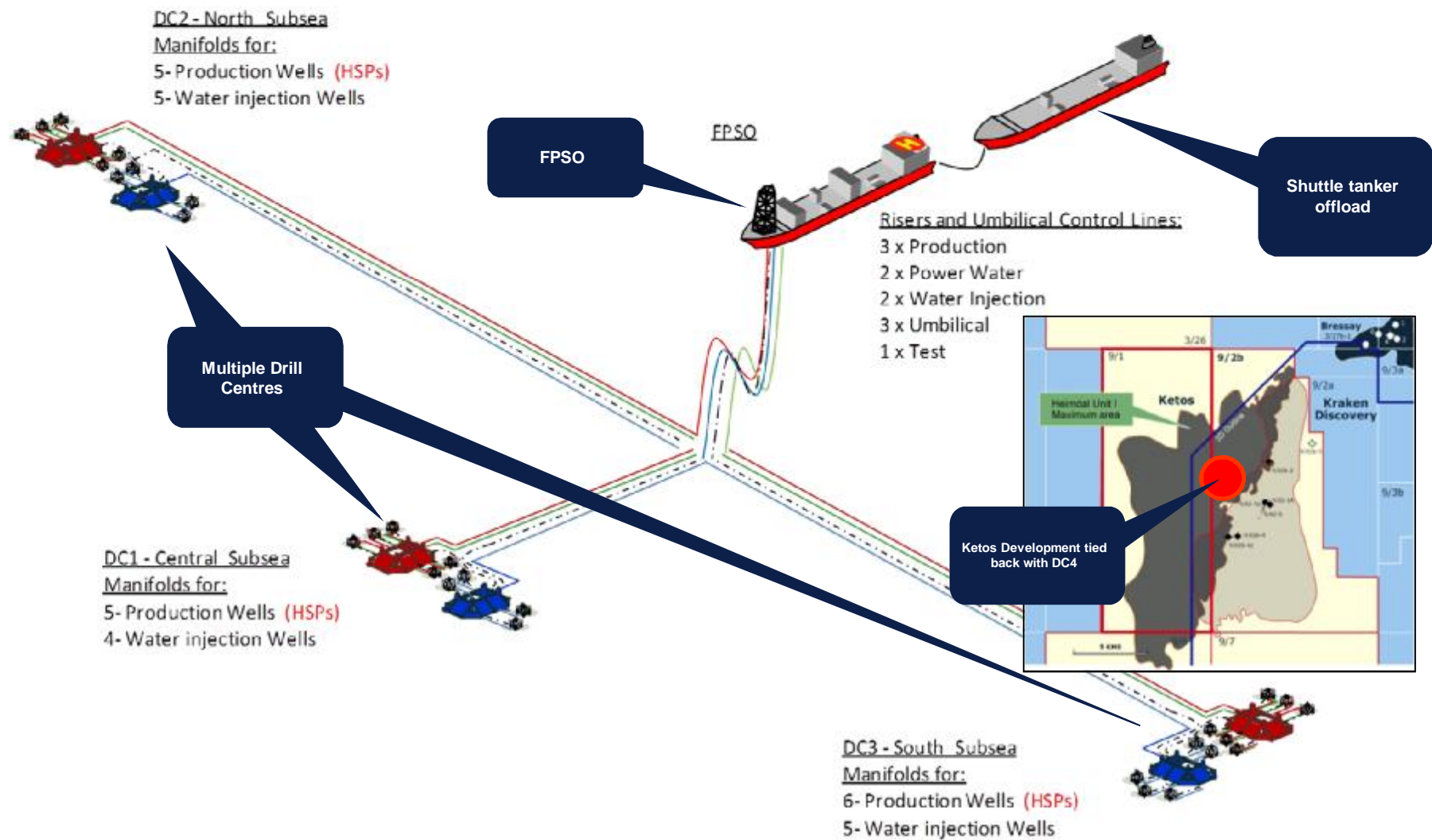
Kraken On Track For FDP Submission In H1 2013



- § In H1 2012, EnQuest has been working through the concept selection phase of the Kraken development
 - § Significant technical facilities and subsurface work underway
- § New 3D seismic survey material has been acquired with initial interpretation nearing completion
- § EnQuest is working as the field operator, the assumption of formal operatorship is pending DECC approval. EnQuest is working with partners to deliver FDP in H1 2013

The Kraken Discovery

Development Scheme Option Prior To EnQuest's Operatorship



2012 EnQuest Outline Programme

Three drilling strings (one platform rig, two mobile rigs)



	Q1	Q2	Q3	Q4
Thistle	Drilling (2 wells, 3 workovers)			
Heather	Rig reactivation			Rig operations
Dons	Drilling (4 wells)			
Alma/Galia	Drilling (batch drilling of 6 wells)			
Crawford/Porter	Development decision			
Crathes/Scolty	Development studies			
Exploration/ Appraisal		Tryfan		Kildrummy

EnQuest PLC Summary



Amjad Bseisu, CEO

Summary

Strong cash flow in H1 2012. On track for future production growth



Operations

- § Six well drilling programme, \$504m of cash capex invested
- § Production on track for full year annual average target
 - § Between 20,000 Boepd to 24,000 Boepd
- § Alma/Galia development on track for first oil in Q4 2013
- § Kraken development on track for FDP submission in H1 2013
- § Active business development programme set to make material contribution to year end reserves and resources

Organisation

- § Operations organisation developed at all levels, resources continue to strengthen
 - § Number of employees now almost four times level at IPO
 - § EnQuest has a powerful development capability
 - § The right people in the right places

Finance

- § EPS up fivefold, from 2.8 cents to 15.8 cents per share
- § Revenue of \$440m generated strong \$240m cash flow from operations
- § Net cash of \$93m
- § New \$900m credit facility

*A substantial exploitation
company in 2012
and beyond..*



**Technical
Skills**

Focus on Hubs

**Operational
Scale**

**Near Field Appraisal
and Exploration**

**Business
Development**

**Financial
Strength**

Income Statement

Half year to 30 June



US dollars	Business performance \$000's	Depletion of fair value uplift \$000's	2012	2011
			\$000's	\$000's
Revenue	440,086	-	440,086	511,425
Cost of sales	(235,992)	(4,091)	(240,083)	(288,199)
Gross profit	204,094	(4,091)	200,003	223,226
Exploration and evaluation expenses	(9,395)	-	(9,395)	(5,325)
Gain on disposal of asset held for sale	-	-	-	8,644
Impairment on investments	-	-	-	(10,629)
Well abandonment	-	-	-	8,194
General and administration expenses	(7,905)	-	(7,905)	(7,982)
Other income	16,292	-	16,292	4,349
Other expenses	(10,455)	-	(10,455)	(8,266)
Profit/(loss) from operations before tax and finance income/(costs)	192,631	(4,091)	188,540	212,211
Finance costs	(9,362)	-	(9,362)	(6,700)
Finance income	5,439	-	5,439	617
Profit/(loss) before tax	188,708	(4,091)	184,617	206,128
Income tax	(59,450)	1,289	(58,161)	(183,440)
Profit/(loss) for the period attributable to owners of the parent	129,258	(2,802)	126,456	22,688
Other comprehensive income for the period, after tax (Cash flow hedges)			1,453	(9,080)
Total comprehensive income for the period, attributable to owners of the parent			127,909	13,608
Earnings per share (cents)				
Basic & diluted			15.8	2.8

Balance Sheet

As at 30 June



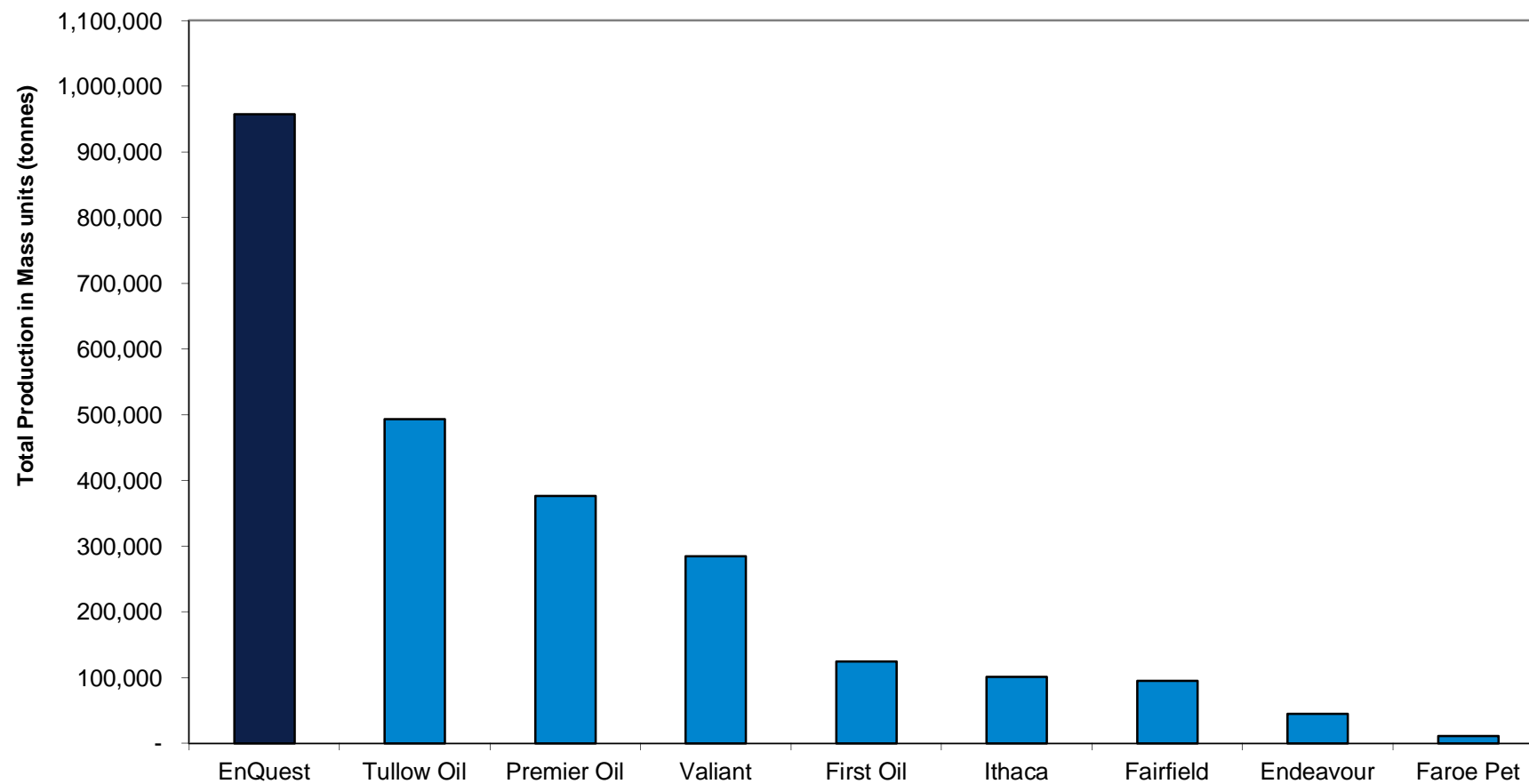
	2012	2011
	\$000's	\$000's
US dollars		
ASSETS		
Non-current assets		
Property, plant and equipment	1,724,723	1,273,558
Goodwill	107,760	107,760
Intangible oil and gas assets	123,402	24,347
Asset held for sale	1,254	1,254
Investments	6,734	6,734
Deferred tax asset	19,583	12,617
	1,983,456	1,426,270
Current assets		
Inventories	13,870	11,842
Trade and other receivables	185,007	126,554
Income tax receivable	-	2,618
Cash and short term deposits	117,041	378,907
Other financial assets	7,020	2,510
	322,938	522,431
TOTAL ASSETS	2,306,394	1,948,701
EQUITY AND LIABILITIES		
Equity		
Share capital	113,433	113,433
Merger reserve	662,855	662,855
Cash flow hedge reserve	(1,147)	(2,600)
Share based payment reserve	(2,495)	(5,961)
Retained earnings	292,937	166,481
TOTAL EQUITY	1,065,583	934,208
Non-current liabilities		
Borrowings	24,490	-
Obligations under finance leases	106	-
Provisions	229,743	181,237
Other financial liabilities	-	335
Deferred tax liabilities	638,261	590,010
	892,600	771,582
Current liabilities	348,211	242,911
TOTAL LIABILITIES	1,240,811	1,014,493
TOTAL EQUITY AND LIABILITIES	2,306,394	1,948,701

Largest UK Independent Producer in the UK North Sea

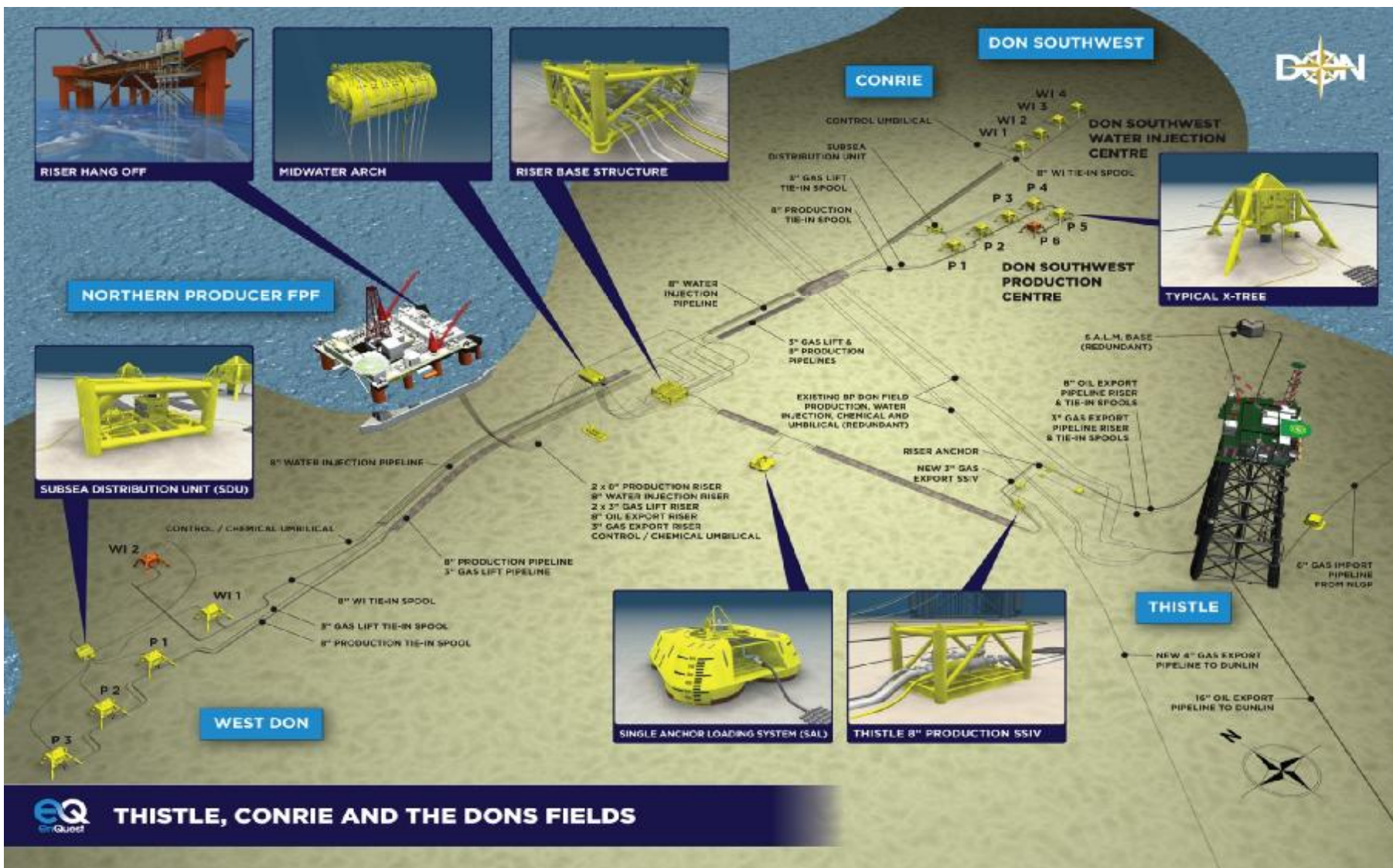
Government data for UK north sea independent producers



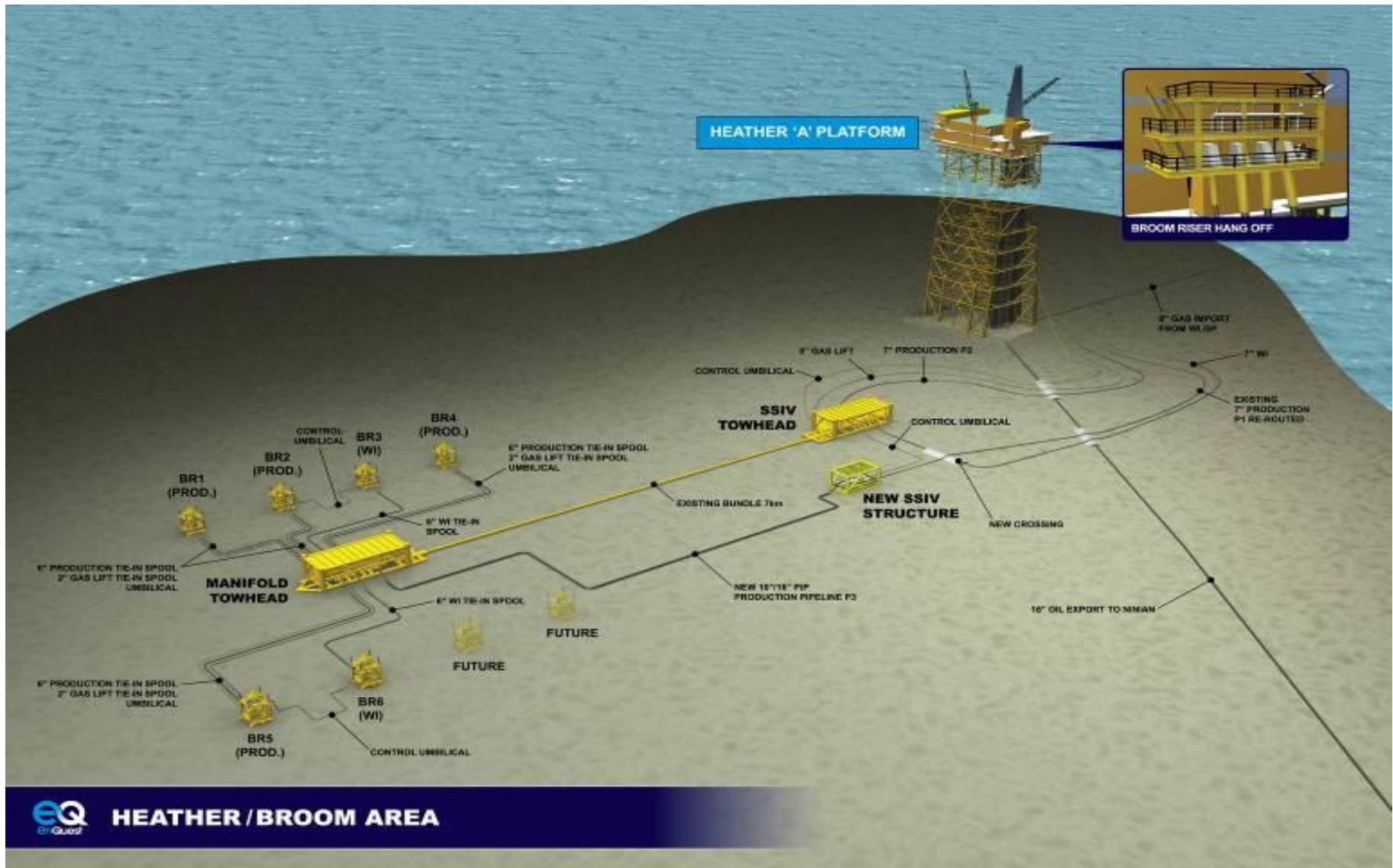
Total Production for the year ending April 2012



Thistle, Conrie and The Dons Infrastructure



Heather / Broom Infrastructure



HEATHER / BROOM AREA

Forward Looking Statements



This presentation may contain certain forward looking statements with respect to EnQuest's expectation and plans, strategy, management's objectives, future performance, production, costs, revenues and other trend information. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future. There are a number of factors which could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements and forecasts. The statements have been made with reference to forecast price changes, economic conditions and the current regulatory environment. Nothing in this presentation should be construed as a profit forecast. Past share performance cannot be relied on as a guide to future performance.