Lundin Petroleum AB (publ)

company registration number 556610-8055

6 Report for the SIX MONTHS ended 30 June 2009

HIGHLIGHTS

	1 Jan 2009- 30 Jun 2009 6 months	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Production in Mboepd, gross	**39.5**	39.7	27.7	27.6	32.4
Production in Mboepd, after minority	**39.0**	39.1	27.0	26.9	31.7
Operating income in MSEK	**2,839.5**	1,579.0	2,932.0	1,708.7	6,393.7
Net profit in MSEK	**154.1**	58.2	764.8	369.3	310.3
Net profit attributable to shareholders of the parent company in MSEK	**190.9**	49.3	768.5	379.9	560.0
Earnings/share in SEK[1]	**0.61**	0.16	2.43	1.20	1.77
Diluted earnings/share in SEK[1]	**0.61**	0.16	2.43	1.20	1.77
EBITDA in MSEK	**1,756.2**	992.3	1,669.9	943.5	3,878.4
Operating cash flow in MSEK	**1,824.1**	959.1	1,502.4	824.3	4,092.1

[1] Based on net result attributable to shareholders of the parent company.

Definitions

An extensive list of definitions can be found on the Lundin Petroleum website www.lundin-petroleum.com under the heading "Definitions".

Abbreviations

EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
CHF	Swiss franc
EUR	Euro
GBP	British pound
NOK	Norwegian krona
RUR	Russian rouble
SEK	Swedish krona
USD	US dollar
TSEK	Thousand SEK
TUSD	Thousand USD
MSEK	Million SEK
MUSD	Million USD

Oil related terms and measurements

boe	Barrels of oil equivalents
boepd	Barrels of oil equivalents per day
bopd	Barrels of oil per day
Mbbl	Thousand barrels (in Latin mille)
Mboe	Thousand barrels of oil equivalents
Mboepd	Thousand barrels of oil equivalents per day
Mbopd	Thousand barrels of oil per day

Dear fellow Shareholders,
We continue to see positive signs indicating the start of an economic recovery following last year's financial crisis. This is certainly evident in the Far East and in particular China where the government's stimulus package has had a marked effect on economic activity.

The recovery of commodity prices will primarily be driven by expectations of economic recovery despite the current negative data on inventory levels. Oil prices have stabilised in the USD 60 to USD 70 per barrel range and I believe it is unlikely that we will see a return to prices of below USD 50 per barrel which we saw earlier this year. Indeed when the economy does start to recover then I believe we will see further increases in the oil price. Price increases will be driven by a number of issues including the effects of declines from mature fields around the world, renewed demand, reduced investment as a result of the financial crisis and the fact that fossil fuels will remain the predominant source of energy.

Lundin Petroleum continues to focus upon increasing reserves and production as the primary drivers to create shareholder value. In the first six months of this year our production increased by over 44 percent to 39,000 boepd compared to the corresponding period last year following the start up of production from the Alvheim field, offshore Norway. Production will increase further from the Volund field, offshore Norway, which is expected to start-up shortly. Last year our reserves increased by 26 percent to 217.5 million barrels of oil equivalent (MMboe) and with a further addition of 47.5 MMboe from the Luno field, we will again deliver strong reserve growth in 2009. We have an exciting exploration drilling programme with wells ongoing in the Luno Area and expected shortly in the Russian northern Caspian. Any success will further increase reserves and have a material impact on the value of our company.

Financial Performance
Lundin Petroleum generated a net profit after taxes for the six months ended 30 June 2009 of MSEK 154.1 (MUSD 18.9). The result was negatively impacted by the write off of dry exploration well expenditures, lower oil prices achieved during the period and an unusually high effective tax rate. However despite oil prices reducing by almost 50 percent from the comparative period last year, the impact of increased production and lower operating costs resulted in a 21 percent increase in operating cash flow to MSEK 1,824.1 (MUSD 223.8). This strong operating cash flow coupled with headroom within our existing banking facilities provides the company with a sound liquidity position.

Production
Our production during the second quarter of 2009 was 39,100 boepd and continued our strong production performance from the first quarter of 2009. The Alvheim field, offshore Norway produced strongly during the quarter despite a 12 day planned shutdown. We expect that the Alvheim field will continue to outperform and despite increases to the Alvheim FPSO capacity there will be no spare handling capacity for Volund production until 2010. The first Volund development wells have been successfully drilled and will shortly be ready for production. We expect Volund to commence production during the first half of 2010 which will result in further production increases. Strong production from the United Kingdom also continued into the second quarter of 2009 with excellent facilities uptime and reservoir performance.

We maintain our production guidance of 35,000 to 42,000 boepd for 2009.

Exploration
Our extensive exploration drilling programme for 2009 is currently ongoing with a major focus on our activities in Norway and Russia.

In Norway the major area of focus is the Greater Luno Area where we are currently drilling the Luno extension well. The Luno field is already a commercial discovery where we hold a 50 percent interest in a field which we believe contains above 100 million barrels of oil equivalent. We will be drilling at least four exploration wells in the next 18 months in the Greater Luno Area targeting net prospective resources of close to 300 MMboe. We are very pleased to have welcomed StatoilHydro into some of our Greater Luno area licences. We are excited as to the potential of this area which we hope will become a major new producing region on the Norwegian Continental Shelf.

We also expect to commence drilling the Petrovskaya prospect in the Russian Northern Caspian during August 2009. This is a large four-way dip closure structure updip and on trend with the Morskaya field discovery which we made last year. The Russian sector of the northern Caspian is extremely prospective with a number of major discoveries made in recent years and I believe will soon become a major contributor to Russian oil and gas production.

In addition, we continue to grow our business in South East Asia. We are acquiring large 3D seismic programmes this year in Malaysia and Indonesia and are committed to organically building our reserve base through a targeted exploration programme in the area.

Our business continues to grow in respect of our production and reserves base. Our existing portfolio gives us the ability to grow even further through our exposure to major upside exploration potential and I am confident this will ultimately be reflected in increased shareholder value.

Best Regards,

C. Ashley Heppenstall
President and CEO

OPERATIONS

EUROPE

Norway

The net production to Lundin Petroleum for the six month period ended 30 June 2009 from the Alvheim field (Lundin Petroleum working interest (WI) 15%), offshore Norway, was 13,400 barrels of oil equivalent per day (boepd). The Alvheim field which came onstream in June 2008 has performed above expectations during the period. Production during the second quarter was negatively impacted by a planned 12 day shutdown associated with the replacement of valves on the Alvheim FPSO. Development drilling for Phase 1 of the Alvheim project has been successfully completed and Phase 2 which involves the drilling of a further 3 multi-lateral wells will commence in 2010 and is scheduled to be completed in 2011. The cost of operations for the Alvheim field averaged below USD 5 per barrel for the period.

The first two development wells on the Volund field (WI 35%) have been successfully completed using the Deep Sea Bergen rig. Volund is a sub-sea tie back to the Alvheim FPSO and it is anticipated that the completed wells will be cleaned up and ready for production in September 2009. However, despite the expansion of capacity on the Alvheim FPSO, the Alvheim field's outperformance is such that spare capacity on the Alvheim FPSO to accommodate Volund production is now not expected until the first half of 2010. Phase 2 of development drilling on the Volund field will commence in the second half of 2009. The Volund field is forecast to produce at a plateau rate of 8,700 boepd net to Lundin Petroleum.

The Luno discovery in PL338 (WI 50%) was drilled in 2007. In January 2009 the first Luno appraisal well was successfully completed confirming the extension of the Luno field to the north east. The well was tested at a flow rate of approximately 4,000 bopd. The results of the appraisal well have been incorporated into a reserve estimate prepared by our independent reserve auditor Gaffney Cline & Associates. The reserve report has assigned 95 million barrels of oil equivalent (MMboe) of gross proven and probable (2P) reserves to the Luno field. Conceptual development studies for the Luno field are ongoing with an objective to submit a development plan by the end of 2010.

In July 2009 a further exploration well in PL338 commenced drilling to test further resource potential to the south of the Luno field. This well is targeting the Luno Extension prospect which has gross recoverable prospective resource of 241 MMboe.

Lundin Petroleum has a major exploration acreage position in the Greater Luno Area covering licences PL359 (WI 40%), PL409 (WI 90%), PL410 (WI 70%) and PL501 (WI 40%). In April 2009 a farm out agreement was signed with StatoilHydro covering licences PL359, PL409 and PL410 whereby StatoilHydro acquired interests in these licences. StatoilHydro will pay a disproportionate share of the costs of the 3D seismic programme and exploration drilling to be carried out for PL359 and PL410. Four exploration wells are planned to be drilled in the Greater Luno Area in 2009/2010.

In March 2009 Lundin Petroleum acquired a 40 percent interest in PL301 offshore Norway from Talisman Energy. The licence contains the undeveloped Krabbe oil discovery.

The exploration well 2/5 -14S in PL006c (WI 75%) targeting the Hyme prospect was completed in April 2009 and the exploration well 25/10-9 in PL304 (WI 50%) targeting the Aegis prospect was completed in July 2009. Both wells were plugged and abandoned as dry holes.

United Kingdom

The net production to Lundin Petroleum was above forecast averaging 10,800 boepd during the six month period.

Net production from the Broom field (WI 55%) averaged 5,200 boepd during the six month period. Production from the Broom field was ahead of forecast during the period. Further Broom infill development drilling is being considered for 2010.

Production from the Heather field (WI 100%) averaged 1,600 boepd during the six month period. The Heather production was positively impacted in the second quarter by gas compressor uptime with a sustained period of two compressor operations.

Net production from the Thistle field (WI 99%) averaged 4,000 boepd during the six month period. Production during the period was positively impacted by good water injection performance as a result of improved facilities performance. Damaged power generation facilities have now been successfully replaced and will ensure the continued strong facilities uptime performance. The redevelopment of the Thistle field is ongoing with a rebuilt Thistle platform drilling rig now available to target numerous drilling and workover opportunities. During the period an agreement has been reached for the Thistle field to provide facilities services to the nearby South West and West Don fields which both came onstream in the first half of 2009. Thistle will receive a tariff for the service which is likely to commence in early 2010 which will have a material impact on the net Thistle operating costs.

France

The net production in the Paris Basin averaged 2,800 boepd and in the Aquitaine basin (WI 50%) averaged 700 boepd for the six month period.

The exploration well Vaxy-1 on the Pays du Saulnois licence (WI 50%) completed in 2008 has been suspended. A decision regarding a possible testing programme is still under discussion.

The Netherlands

The net gas production from the Netherlands averaged 2,200 boepd for the six month period.

In June 2009 Lundin Petroleum announced the sale of its 1.8 percent shareholding in NOGAT B.V. to Venture Production plc for a cash consideration of Euro 9 million (SEK 97.3 million) which was paid on completion in July 2009.

SOUTH EAST ASIA

Indonesia

Salawati Island and Basin (Papua)

The net production from Salawati (Salawati Island WI 14.5%, Salawati Basin WI 25.9%) was 2,600 boepd for the six month period.

Following the successful drilling of the South East Walio-1 exploration well, two further appraisal wells have been completed. The results of the wells will be incorporated into a revised South East Walio reserve estimate.

Lematang (South Sumatra)

The development of the Singa gas field (WI 25.9%) is ongoing with first gas production expected in 2009. A gas sales agreement is in place with PT PLN (PERSORO) an Indonesian electricity generating company to supply a gross contract volume of 133 Bscf.

Vietnam

The first exploration well on Block 06/94 (WI 33.33%) Tuong Vi-IX was plugged and abandoned as a dry hole. An additional 610 km^2 of 3D seismic is currently being acquired in the block. A further two exploration wells will be drilled in 2010.

Malaysia

A 2,150 km^2 3D seismic acquisition programme on Blocks PM308A (WI 35%), PM308B (WI 75%) and SB303 (WI 75%) is currently ongoing and will be completed in 2009.

Cambodia

The 3D seismic acquired in Block E (WI 34%), offshore Cambodia, indicates limited prospectivity.

RUSSIA

The net oil production from Russia for the six month period was 5,000 boepd and was in line with expectation.

During the first quarter of 2009 an extension to the Lagansky Block licence (WI 70%) was agreed with the Russian licensing agency Rosnedra.

In 2008 the first exploration well, Morskaya-1 drilled in the Lagansky Block in the northern Caspian resulted in a major oil discovery. It is estimated that the Morskaya discovery contains between 110 and 450 MMboe of recoverable resources from the part of the structure contained within the Lagansky Block. The Petrovskaya prospect is another structure on trend and updip of the Morskaya discovery containing an estimated 300 MMboe of gross potential resource. Preparation for the Petrovskaya exploration well is ongoing and it is expected that the well will be spudded in August 2009 from an island location close to the Volga shipping channel.

AFRICA

Tunisia
The net oil production from the Oudna field (WI 40%) averaged 1,500 boepd for the six month period. Production continues to outperform expectations with high facilities uptime.

Sudan
In 2008 three unsuccessful exploration wells were drilled in Block 5B. The results of the exploration drilling indicate that poor source rock quality is the likely reason for the negative drilling results. This is negative for the exploration potential in the southern Muglad Basin covering Block 5B and as a result the decision was taken not to enter the second exploration phase for Block 5B. As a result Lundin Petroleum has exited operations in Sudan.

Congo (Brazzaville)
Drilling will commence on Block Marine XI (WI 18.75%) in the third quarter of 2009 with two wells to be drilled. The first well Lyeke Marine-1 will be an exploration well targeting the post-salt Sendji prospect with gross unrisked potential of 73 MMboe followed by an appraisal of the Viodo discovery.

In Block Marine XIV (WI 21.55%) a 3D seismic survey has been completed and exploration drilling will commence in 2010.

Ethiopia/Kenya
In April 2009 Lundin Petroleum completed the sale of its Kenyan and Ethiopian assets to Africa Oil Corporation.

THE GROUP

Result
Lundin Petroleum reports a net profit for the six month period ended 30 June 2009 of MSEK 154.1 (MSEK 764.8) and MSEK 58.2 (MSEK 369.3) for the second quarter of 2009. Net profit attributable to shareholders of the Parent Company for the six month period ended 30 June 2009 amounted to MSEK 190.9 (MSEK 768.5) and MSEK 49.3 (MSEK 379.9) for the second quarter of 2009 representing earnings per share on a fully diluted basis of SEK 0.61 (SEK 2.43) for the six month period ended 30 June 2009 and SEK 0.16 (SEK 1.20) for the second quarter of 2009.

Operating cash flow for the six month period ended 30 June 2009 amounted to MSEK 1,824.1 (MSEK 1,502.4) and MSEK 959.1 (MSEK 824.3) for the second quarter of 2009 representing operating cash flow per share on a fully diluted basis of SEK 5.82 (SEK 4.74) for the six month period ended 30 June 2009 and SEK 3.06 (SEK 2.60) for the second quarter of 2009.

Earnings before interest, tax, depletion and amortisation (EBITDA) for the six month period ended 30 June 2009 amounted to MSEK 1,756.2 (MSEK 1,669.9) and MSEK 992.3 (MSEK 943.5) for the second quarter of 2009 representing EBITDA per share on a fully diluted basis of SEK 5.60 (SEK 5.27) for the six month period ended 30 June 2009 and SEK 3.17 (SEK 2.98) for the second quarter of 2009.

Changes in the Group
On 28 April 2009 Lundin Petroleum completed the sale of its 100% subsidiaries Lundin Kenya B.V. and Lundin East Africa B.V., holding the Group's Kenyan and Ethiopian assets, to Africa Oil Corporation for a consideration of a convertible loan of USD 23.7 million.

Revenue
Net sales of oil and gas for the six month period ended 30 June 2009 amounted to MSEK 2,775.6 (MSEK 2,885.2) and MSEK 1,545.9 (MSEK 1,686.3) for the second quarter of 2009 and are detailed in Note 1. Production for the six month period ended 30 June 2009 amounted to 7,145.4 (5,042.8) thousand barrels of oil equivalent (Mboe) representing 39.5 Mboe per day (Mboepd) (27.7 Mboepd) for the six month period ended 30 June 2009. The average price achieved for a barrel of oil equivalent for the six month period ended 30 June 2009 amounted to USD 49.35 (USD 97.58). The average Dated Brent price for the six month period ended 30 June 2009 amounted to USD 51.68 (USD 109.05) per barrel.

Other operating income for the six month period ended 30 June 2009 amounted to MSEK 63.9 (MSEK 46.7) and MSEK 33.1 (MSEK 22.4) for the second quarter of 2009. This amount includes tariff income from Norway, the United Kingdom, France and the Netherlands and income for maintaining strategic inventory levels in France. The Alvheim field in Norway receives a tariff for operating services from the Vilje field which is produced through the Alvheim FPSO. Compared to the comparative period, this income has offset the reduced tariff income from the Broom field in the United Kingdom.

Sales for the six month period ended 30 June 2009 were comprised as follows:

Sales Average price per boe expressed in USD	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
United Kingdom					
- Quantity in Mboe	1,754.7	1,049.0	1,782.4	878.7	3,523.3
- Average price per boe	53.51	59.60	107.74	118.91	96.41
France					
- Quantity in Mboe	652.1	310.7	653.5	307.2	1,325.8
- Average price per boe	51.81	58.23	112.53	130.10	92.63
Norway					
- Quantity in Mboe	2,453.7	1,283.9	277.4	224.8	2,385.0
- Average price per boe	53.14	58.68	124.65	133.51	90.45
Netherlands					
- Quantity in Mboe	405.4	185.3	434.0	214.0	839.1
- Average price per boe	55.74	46.83	66.25	71.12	70.90
Indonesia					
- Quantity in Mboe	279.0	178.6	259.5	139.3	483.4
- Average price per boe	51.72	57.51	97.42	102.04	92.92
Russia					
- Quantity in Mboe	1,094.2	524.5	1,066.8	523.0	1,985.4
- Average price per boe	30.45	36.66	68.90	77.06	62.85
Tunisia					
- Quantity in Mboe	261.4	–	354.5	261.9	441.0
- Average price per boe	46.52	–	122.55	135.91	116.22
Total					
- Quantity in Mboe	**6,900.5**	3,532.0	4,828.1	2,548.9	10,983.0
- Average price per boe	**49.35**	54.96	97.58	109.77	87.29

The oil produced in Russia is sold on either the Russian domestic market or exported into the international market. 37% of Russian sales for the six month period ended 30 June 2009 were on the export market at an average price of USD 46.02 per barrel with the remaining 63% of Russian sales being sold on the domestic market at an average price of USD 21.46 per barrel.

Production	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
United Kingdom					
- Quantity in Mboe	1,959.5	1,027.6	1,834.4	827.8	3,706.0
- Quantity in Mboepd	10.8	11.3	10.0	9.0	10.2
France					
- Quantity in Mboe	627.9	309.9	711.6	353.9	1,394.1
- Quantity in Mboepd	3.5	3.4	3.9	3.9	3.8
Norway					
- Quantity in Mboe	2,433.4	1,200.3	270.2	220.7	2,372.1
- Quantity in Mboepd	13.4	13.3	1.5	2.4	6.5
Netherlands					
- Quantity in Mboe	405.4	185.3	434.0	214.0	839.1
- Quantity in Mboepd	2.2	2.0	2.4	2.4	2.3
Indonesia					
- Quantity in Mboe	466.4	240.6	431.0	209.9	853.3
- Quantity in Mboepd	2.6	2.6	2.4	2.3	2.3
Russia					
- Quantity in Mboe	989.4	517.6	1,072.1	546.6	2,091.2
- Quantity in Mboepd	5.5	5.7	5.9	6.0	5.7
Tunisia					
- Quantity in Mboe	263.4	127.1	289.5	141.8	586.4
- Quantity in Mboepd	1.5	1.4	1.6	1.6	1.6
Total					
- Quantity in Mboe	**7,145.4**	3,608.4	5,042.8	2,514.7	11,842.2
- Quantity in Mboepd	**39.5**	39.7	27.7	27.6	32.4
Minority interest in Russia					
- Quantity in Mboe	94.9	50.4	127.1	62.1	239.9
- Quantity in Mboepd	0.5	0.6	0.7	0.7	0.7
Total excluding minority interest					
- Quantity in Mboe	**7,050.5**	3,558.0	4,915.7	2,452.6	11,602.3
- Quantity in Mboepd	**39.0**	39.1	27.0	26.9	31.7

Lundin Petroleum has fully consolidated the subsidiaries in Russia over which it has control, with the portion not owned by Lundin Petroleum shown as a minority interest. The average production for Russia for the six month period ended 30 June 2009 adjusted for Lundin Petroleum's share of ownership is 5.0 Mboepd (5.2 Mboepd).

The number of barrels produced differs from the number of barrels sold for a number of reasons. There are timing differences between sales and production in field areas such as Tunisia and Norway where production is into a Floating Production Storage Offloading vessel (FPSO). Sales are recorded when a lifting takes place and these can be at varying intervals and will not always be equal to the production at the end of a financial period. Sales in the United Kingdom are based upon production nominated in advance and may not represent the actual production for that month. A difference between nominated and actual production will result in a timing difference in an accounting period for which the accounting effect is reflected in the movements in the hydrocarbons inventory and the under/overlift position. Over time, the total sales will equal the production. There are permanent differences between production and sales in some of the field areas. The production reported for the United Kingdom is the platform production. This is the amount of crude oil that is produced from the field into the pipeline system that takes the crude to the onshore terminal. Once the field's crude oil enters the pipeline system it is commingled with the crude oil produced from other fields in the pipeline system that produce the blend of crude oil that is sold. The crude oil that is pumped into the pipeline system is tested against the blend of crude oil that arrives at the terminal and an adjustment is made to the number of barrels allocated to each field to reflect the relative quality of the crude oil input into the system. There is a quality adjustment of approximately minus five percent applied to the Heather/Broom field, offshore United Kingdom, crude oil produced. In Tunisia, a portion of the production is allocated to the Tunisian state as a royalty payment. In Indonesia, production is allocated under a Production Sharing Contract (PSC) where, as part of the commercial terms of the agreement, a part of the working interest production is allocated to the host country as a type of royalty payment.

Production cost

Production costs for the six month period ended 30 June 2009 amounted to MSEK 1,022.1 (MSEK 1,178.3) and MSEK 555.3 (MSEK 717.8) for the second quarter of 2009 and are detailed in Note 2. The reported cost of operations amounted to USD 14.82 per barrel (USD 24.06 per barrel) for the six month period ended 30 June 2009 and USD 15.15 per barrel (USD 24.71 per barrel) for the second quarter of 2009.

Production costs for the six month period ended 30 June 2009 expressed in US dollars were comprised as follows:

Production cost and depletion in TUSD	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Cost of operations	105,908	54,686	121,319	62,147	253,933
Tariff and transportation expenses	15,466	7,305	14,288	7,287	32,590
Royalty and direct taxes	17,110	9,744	45,317	26,480	80,738
Changes in inventory/overlift	-13,076	-1,918	11,476	23,018	-3,511
Total production costs	**125,408**	69,817	192,400	118,932	363,750
Depletion	85,485	43,527	62,228	30,536	157,823
Total	**210,893**	113,344	254,628	149,468	521,573

Production cost and depletion in USD per boe	**1 Jan 2009-30 Jun 2009 6 months**	1 Apr 2009-30 Jun 2009 3 months	1 Jan 2008-30 Jun 2008 6 months	1 Apr 2008-30 Jun 2008 3 months	1 Jan 2008-31 Dec 2008 12 months
Cost of operations	14.82	15.15	24.06	24.71	21.44
Tariff and transportation expenses	2.16	2.02	2.83	2.90	2.75
Royalty and direct taxes	2.39	2.70	8.99	10.53	6.82
Changes in inventory/overlift	-1.82	-0.52	2.28	9.15	-0.30
Total production costs	**17.55**	19.35	38.16	47.29	30.71
Depletion	11.96	12.06	12.34	12.14	13.33
Total cost per boe	**29.51**	31.41	50.50	59.43	44.04

Actual cost of operations for the six month period ended 30 June 2009 was 16 percent under forecast in US Dollar terms. This variance in USD terms was mainly attributable to favourable currency rates compared to the forecast. This had the largest impact on the United Kingdom operations where cost of operations was in line with forecast in GBP terms but was 18 percent lower than forecast in USD terms.

The cost of operations per barrel for the six month period ended 30 June 2009 was significantly lower than the first six months of 2008 as a result of the contribution of the Alvheim field at a cost of operations of less than USD 5 per barrel.

Royalty and direct taxes includes Russian Mineral Resource Extraction Tax (“MRET”) and Russian Export Duties. The rate of MRET varies in relation to world oil prices and is levied on the volume of Russian production. MRET averaged USD 8.26 (USD 20.81) per barrel for the six month period ended 30 June 2009. The rate of export duty on Russian oil is revised by the Russian Federation once every two months and is dependant on the price obtained for Russian oil on the export market. The export duty is levied on the volume of oil exported from Russia and averaged USD 15.83 (USD 46.09) per barrel for the six month period ended 30 June 2009. The royalty and direct taxes have decreased compared to the comparative period following the fall in crude prices impacting the cost of Russian MRET and export duty which makes up the majority of the overall expense.

As mentioned in the production section, there are both permanent and timing differences that result in sales volumes not being equal to production volumes during a period. Changes to the hydrocarbon inventory and under or overlift positions result from timing differences.

Depletion

Depletion of oil and gas properties for the six month period ended 30 June 2009 amounted to MSEK 696.7 (MSEK 381.1) and MSEK 344.4 (MSEK 182.5) for the second quarter of 2009 and is detailed in Note 3. The depletion charge is higher than the comparative period due to the higher production volumes produced in the six month period ended 30 June 2009.

The depletion rate per barrel in the six month period ended 30 June 2009 is in line with forecast and the comparative period.

Exploration costs

Exploration costs for the six month period ended 30 June 2009 amounted to MSEK 336.1 (MSEK 188.6) and MSEK 302.1 (MSEK 93.1) for the second quarter of 2009 and are detailed in note 4. Exploration and appraisal costs are capitalised as they are incurred. When exploration drilling is unsuccessful the costs are immediately charged to the income statement as exploration costs. All capitalised costs are reviewed on a regular basis and where there is uncertainty regarding the future of a project such capitalised costs are expensed.

During the first quarter of 2009, the costs associated with drilling the Paris Basin exploration wells Dordives 1-D and Vaxy-1 were expensed amounting to MSEK 21.7.

During the second quarter of 2009, the costs associated with drilling well 2/5-14S Hyme well in PL006c, Norway and the Tuong Vi-1X well on Block 6/94, Vietnam were expensed amounting to MSEK 219.2 and MSEK 60.1 respectively.

Sale of asset

Sale of assets for the six month period ended 30 June 2009 amounted to MSEK - (MSEK 91.0). The comparative period included the sale of the wholly owned subsidiary Lundin Latina de Petróleos S.A. to PetroFalcon in exchange for shares in PetroFalcon.

Other income

Other income for the six month period ended 30 June 2009 amounted to MSEK 4.4 (MSEK 0.9) and MSEK 3.5 (MSEK 0.5) for the second quarter of 2009 and represents fees and costs recovered by Lundin Petroleum from third parties as well as a gain on the sale of some other fixed assets of MSEK 2.5 in the second quarter of 2009.

General, administrative and depreciation expenses

General, administrative and depreciation expenses for the six month period ended 30 June 2009 amounted to MSEK 65.6 (MSEK 84.7) and MSEK 35.0 (MSEK 47.8) for the second quarter of 2009. Depreciation charges amounted to MSEK 11.8 (MSEK 10.1) for the six month period ended 30 June 2009.

Financial income

Financial income for the six month period ended 30 June 2009 amounted to MSEK 49.6 (MSEK 212.7) and MSEK 52.8 (MSEK 42.7) for the second quarter of 2009 and is detailed in Note 5. Interest income for the six month period ended 30 June 2009 amounted to MSEK 18.0 (MSEK 20.3) and includes interest received on bank accounts and accrued on the Norwegian tax refund totalling MSEK 16.0 (MSEK 17.9) as well as interest received on a loan to an associated company of MSEK 2.0 (MSEK 2.4).

Net exchange gains for the six month period ended 30 June 2009 amounted to MSEK 25.2 (MSEK 158.3) and MSEK 37.6 (MSEK 3.1) for the second quarter of 2009. This amount includes a loss of MSEK 110.1 (MSEK –) relating to the currency hedge contracts entered into in September 2008.

Exchange rate variations result primarily from fluctuations in the value of the USD currency against a pool of currencies which includes, amongst others, EUR, NOK, GBP and the Russian Rouble (RUR). Lundin Petroleum has USD denominated debt recorded in subsidiaries using a functional currency other than USD.

Dividend income received for the six month period ended 30 June 2009 amounted to MSEK 4.5 (MSEK 6.5) and relates to distributions received from an unconsolidated investment in a company owning an interest in the Dutch gas processing and transportation infrastructure (NOGAT).

Included in other financial income in the comparative period was an amount of MSEK 25.7 relating to the value of shares received from the associated company PetroFalcon for providing a guarantee of financing for a potential acquisition.

Financial expense

Financial expenses for the six month period ended 30 June 2009 amounted to MSEK 109.2 (MSEK 85.1) and MSEK 57.3 (MSEK 48.4) for the second quarter of 2009 and are detailed in Note 6. Interest expense for the six month period ended 30 June 2009 amounted to MSEK 47.0 (MSEK 55.0) and mainly relates to the bank loan facility.

The amortisation of financing fees for the six month period ended 30 June 2009 amounted to MSEK 9.3 (MSEK 4.1) and MSEK 4.8 (MSEK 2.0) for the second quarter of 2009. During the fourth quarter of 2007, Lundin Petroleum signed new credit facilities totalling USD one billion. The fees capitalised in relation to the new credit facilities are being amortised over the anticipated usage of the facility.

Result from share in associated company

The result from share in associated company for the six months ended 30 June 2009 amounted to MSEK -12.8 (MSEK 44.3) and consists of the 44.81 percent equity share of the result of PetroFalcon owned by Lundin Petroleum. The comparative period consists of the fair value adjustment to the investment in PetroFalcon arising from the sale of Lundin Petroleum's subsidiary, Lundin Latina de Petróleos SA.

Tax

The tax charge for the six month period ended 30 June 2009 amounted to MSEK 496.9 (MSEK 598.4) and MSEK 278.1 (MSEK 315.9) for the second quarter of 2009 and is detailed in Note 7.

The current tax credit of MSEK 6.7 for the six month period ended 30 June 2009 compared to a current tax charge of MSEK 251.4 for the comparative period comprises a current tax credit in Norway of MSEK 100.4 in relation to the exploration expenditures partially offset by current tax charges in France, Tunisia, the Netherlands, United Kingdom, Russia and Indonesia.

The deferred tax charge for the six month period ended 30 June 2009 amounted to MSEK 503.6 (MSEK 347.1) and consists of corporation tax amounting to MSEK 526.4 (MSEK 323.7) and petroleum tax amounting to MSEK -22.7 (MSEK 23.4). The deferred tax charge is higher for the first six months of 2009 as compared to the comparative period due to the increased Norway deferred tax charge on Alvheim revenues. In addition, as a result of the lower oil prices in 2009, there is more certainty in obtaining the Norway exploration tax refund and therefore this item has been accounted for in current tax with a corresponding increased charge in deferred tax.

The Group operates in various countries and fiscal regimes where corporate income tax rates are different from the regulations in Sweden. Corporate income tax rates for the Group vary between 20 percent and 78 percent. Due to the low oil price achieved during the first six months of 2009 certain areas of operation have incurred a pre-tax loss. The mixture of pre-tax profits and losses along with the difference in tax rates applied, has resulted in a disproportionately high effective tax rate. The effective tax rate for the Group for the six month period ended 30 June 2009 amounts to approximately 76 percent.

Minority interest

The net result attributable to minority interest for the six month period ended 30 June 2009 amounted to MSEK -36.8 (MSEK -3.7) and MSEK 8.8 (MSEK -10.6) for the second quarter of 2009 and relates primarily to the minority portion of the Russian subsidiaries which are fully consolidated.

BALANCE SHEET

Non-current assets

Oil and gas properties as at 30 June 2009 amounted to MSEK 21,883.1 (MSEK 20,996.2) and are detailed in Note 8. Development and exploration expenditure incurred for the six month period ended 30 June 2009 is as follows:

Development expenditure in MSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
United Kingdom	295.9	163.7	580.7	219.0	1,027.0
France	16.1	9.8	49.2	44.5	123.3
Norway	384.2	202.8	441.3	220.0	853.5
Netherlands	21.9	3.9	38.8	15.8	63.0
Indonesia	168.6	99.2	39.2	18.0	96.0
Russia	36.4	14.7	59.5	20.1	158.0
Tunisia	0.0	0.0	6.1	2.8	6.3
Development expenditures	**923.1**	494.1	1,214.8	540.2	2,327.1

Exploration expenditure in MSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
United Kingdom	9.1	4.3	60.4	29.7	175.2
France	19.9	3.0	3.4	1.4	45.7
Norway	777.7	288.1	405.8	150.1	932.5
Indonesia	45.1	19.2	8.9	3.9	58.6
Russia	105.3	54.6	182.9	117.4	541.7
Sudan	-12.3	-19.6	124.3	60.1	219.3
Ethiopia	7.8	3.5	17.6	8.6	16.8
Vietnam	58.1	54.2	28.0	24.7	47.3
Cambodia	4.2	0.6	15.2	1.6	63.2
Congo (Brazzaville)	35.8	15.0	6.4	2.8	22.5
Kenya	6.9	-0.1	7.9	3.9	55.9
Malaysia	58.5	46.6	7.6	7.4	49.8
Other	10.7	2.3	20.8	11.7	36.1
Exploration expenditures	**1,126.8**	471.7	889.2	423.3	2,264.6

Other tangible assets as at 30 June 2009 amounted to MSEK 120.2 (MSEK 128.0) and represents office fixed assets and real estate.

The book value for goodwill in relation to the acquisition of the Russian business in 2006 amounted to MSEK 910.7 (MSEK 929.8) as at 30 June 2009. The movement in book value results from a change in exchange rate used for the consolidation of the financial statements.

Financial assets as at 30 June 2009 amounted to MSEK 926.9 (MSEK 895.3) and are detailed in Note 9. Share in associated company amounted to MSEK 490.3 (MSEK 505.7) and relates to the 44.81 percent share in PetroFalcon. The movement in the six month period ended 30 June 2009 mainly relates to Lundin Petroleum's equity share of the result of PetroFalcon. Other shares and participations amounted to MSEK 8.9 (MSEK 121.6) as at 30 June 2009. The decrease is mainly the result of a reclassification of the 1.8 percent investment in NOGAT to current assets following the agreement in June 2009 to sell the investment in NOGAT to Venture Production plc. Capitalised financing fees as at 30 June 2009 amounted to MSEK 66.7 (MSEK 75.7) and relate to the costs incurred in establishing the bank credit facility and are being amortised over the period of estimated usage of the facility. Long-term receivables amounted to MSEK 188.9 (MSEK 22.3) and relate to an amount paid to BNP Paribas to fund a bank loan held in a Russian jointly controlled entity for an amount of MSEK 6.9 (MSEK 22.3) and the loan provided to Africa Oil Corporation for an amount of MSEK 182.0 (MSEK -). Other financial assets amounted to MSEK 172.1 (MSEK 169.9) and mainly represent VAT paid on costs in Russia that is expected to be recovered from VAT received on future project revenues.

The deferred tax asset as at 30 June 2009 amounted to MSEK 170.5 (MSEK 201.8).

Current assets
Receivables and inventories amounted to MSEK 2,299.6 (MSEK 1,680.6) as at 30 June 2009 and are detailed in Note 10. Inventories include hydrocarbons and consumable well supplies. The short-term loan receivable relates to the short term portion of the BNP Paribas funding described in financial assets above. Corporation tax receivables as at 30 June 2009 amounted to MSEK 627.0 (MSEK 461.3) and relate primarily to tax refunds due in Norway for exploration expenditure incurred during 2008 and 2009. Receivables and inventories as at 30 June 2009 include the 1.8 percent investment in NOGAT for an amount of MSEK 107.0 (MSEK -) following the agreement in June 2009 to sell the investment in NOGAT to Venture Production plc.

Cash and cash equivalents as at 30 June 2009 amounted to MSEK 567.7 (MSEK 448.9). Cash balances were held at 30 June 2009 to meet operational requirements.

Non-current liabilities
Provisions as at 30 June 2009 amounted to MSEK 6,683.0 (MSEK 6,087.3) and are detailed in Note 11. This amount includes a provision for site restoration of MSEK 762.5 (MSEK 700.2).

The provision for deferred tax as at 30 June 2009 amounted to MSEK 5,821.1 (MSEK 5,266.6) and is mainly arising on the excess of book value over the tax value of oil and gas properties and the deferred tax gross up of the excess purchase price allocated to the Russian assets acquired in 2006. In accordance with IFRS the amounts for deferred tax asset have been offset against the deferred tax liability where offsetable. The net deferred tax liability includes tax losses carry forward relating primarily to Norway and United Kingdom of MSEK 1,036.8 and MSEK 433.7 respectively.

The provision for derivative instruments amounted to MSEK 28.1 (MSEK 54.9) as at 30 June 2009 and relates to the long term portion of the fair value of the interest rate swap entered into on 8 January 2008.

Long term interest bearing debt amounted to MSEK 5,354.2 (MSEK 4,339.8) as at 30 June 2009. On 26 October 2007 a facility was entered into to repay the existing facility, to provide liquidity for the Company's operations and to enable the funding of potential new projects and acquisition opportunities. The financing facilities consist of a USD 850 million revolving borrowing base and letter of credit facility with a seven year term expiring 2014 and a USD 150 million unsecured corporate facility with a three year term expiring 2010. Under the USD 850 million facility, USD 35 million of Letters of Credit in support of future site restoration costs payable to former owners of the Heather field, offshore United Kingdom, have been issued. The cash drawings outstanding under the credit facility amounted to MUSD 699 as at 30 June 2009. The long term interest bearing debt also includes the long-term portion of a bank loan drawn by a jointly controlled entity in Russia.

Lundin Petroleum has, through its subsidiary Lundin Malaysia BV, entered into three Production Sharing Contracts (PSC) with Petroliam Nasional Berhad, the oil and gas company of the Government of Malaysia ("Petronas"), in respect of the licences PM308A, PM308B and SB303 in Malaysia. BNP Paribas, on behalf of Lundin Malaysia BV has issued bank guarantees in support of the work commitments in relation to these PSCs amounting to MUSD 107.5. In addition, BNP Paribas have issued additional bank guarantees to cover work commitments in Indonesia amounting to MUSD 15.0.

Current liabilities

Current liabilities as at 30 June 2009 amounted to MSEK 1,800.6 (MSEK 2,026.5) and are detailed in Note 12. The overlift position as at 30 June 2009 amounted to MSEK 69.5 (MSEK 106.8). Joint venture creditors as at 30 June 2009 amounted to MSEK 961.2 (MSEK 954.5) and relate to ongoing operational costs. Short-term interest bearing debt as at 30 June 2009 amounted to MSEK 41.3 (MSEK 53.9) and relates to the current portion of a bank loan drawn by a jointly controlled entity in Russia. Tax payables as at 30 June 2009 amounted to MSEK 84.3 (MSEK 123.4). The short term portion of the fair value of the interest rate swap entered into on 8 January 2008 and the currency hedging contracts entered into in September 2008 included in current liabilities as at 30 June 2009 amounted to MSEK 107.8 (MSEK 304.5).

LIQUIDITY

Lundin Petroleum has a secured revolving borrowing base facility of USD 850 million, of which USD 699 million has been drawn in cash and USD 35 million has been drawn as Letters of Credit. In addition Lundin Petroleum has an unsecured corporate facility for an amount of USD 150 million which remains undrawn as at 30 June 2009. With the undrawn credit lines and the operating cash flows being generated at the prevailing oil price levels Lundin Petroleum has sufficient liquidity to meet its financial commitments. The USD 850 million facility is a revolving borrowing base facility secured against certain cash flows generated by the company. The amount available under the facility is recalculated every six months based upon the calculated cash flow generated by certain producing fields at an oil price and economic assumptions agreed with the banking syndicate providing the facility. As part of the semi-annual redetermination process under the USD 850 million secured facility, a new borrowing base amount was calculated effective 1 July 2009 using prevailing oil prices. The borrowing base amount of approximately USD 1.1 billion, which is in excess of the facility size, was unanimously approved by the syndicate of banks providing the facility.

SUBSEQUENT EVENTS

In July 2009 Lundin Petroleum completed the sale of its 1.8 percent shareholding in NOGAT B.V. to a subsidiary of Venture Production plc for a cash consideration of EUR 9.0 million (SEK 97.3 million).

On 9 July 2009 Lundin Petroleum entered into a farm out agreement with Centrica Resources (Norge) AS in respect of 15 percent in licence PL363. Centrica will carry a share of Lundin Petroleum's historic and future well costs related to the first well to be drilled in the licence. Lundin Petroleum's interest in the licence will be 45 percent after the farm out to Centrica. The farm out agreement is subject to approval by Norwegian authorities.

In July 2009 Lundin Petroleum completed the exploration well 25/10-9 on the Aegis prospect (Aegis-1) located in Block 25/10 (PL304) in the North Sea sector of the Norwegian Continental Shelf. The well was plugged and abandoned as a dry hole. The cost related to this dry hole will be expensed during the third quarter of 2009.

Parent company

The business of the Parent Company is investment in and management of oil and gas assets. The net result for the parent company amounted to a loss of MSEK 7.4 (MSEK 7.4) for the six month period ended 30 June 2009 and MSEK 13.4 (MSEK 1.5) for the second quarter of 2009.

The result included general and administrative expenses of MSEK 26.9 (MSEK 22.3) for the six month period ending 30 June 2009 and MSEK 19.0 (MSEK 10.8) for the second quarter of 2009. Interest income derived from loans to subsidiary companies amounted to MSEK 3.9 (MSEK 5.8) for the six month period ended 30 June 2009. Net currency exchange losses amounted to MSEK 0.3 (MSEK 0.4) for the six month period ended 30 June 2009.

SHARE DATA

Lundin Petroleum AB's issued share capital at 30 June 2009 amounted to SEK 3,179,106 represented by 317,910,580 shares with a quota value of SEK 0.01 each.

The Annual General Meeting ("AGM") of Lundin Petroleum held on 13 May 2008 resolved to authorise the Board of Directors to decide on repurchases and sales of Lundin Petroleum shares on the Nasdaq OMX Nordic Exchange Stockholm ("OMX") during the period until the next AGM. The maximum number of shares that could be repurchased and held in treasury from time to time cannot exceed five percent of all shares of Lundin Petroleum. The purpose of the authorization was to provide the Board of Directors with an ability to optimise Lundin Petroleum's capital structure and thereby create added value for the shareholders and to secure Lundin Petroleum's costs in relation to the long term variable bonus retention programme.

On 16 September 2008 the Board of Directors, based on the authorization by the AGM held in 2008, resolved to mandate the management to execute repurchases of Lundin Petroleum shares on OMX. Under this mandate 3,625,300 shares were acquired during the second half of 2008. At 30 June 2009, Lundin Petroleum held 4,490,300 of its own shares.

The following incentive warrants have been issued under the Group's incentive programme for employees. The incentive warrants outstanding at the end of the period and their expiry date and exercise prices are shown below:

	Issued 2006	Issued 2007
Exercise price (SEK)	97.40	78.05
Number authorised	3,250,000	3,950,000
Number outstanding	–	1,433,250
Exercise period	15 June 2007- 31 May 2009	1 Dec 2008- 31 May 2010

On 31 May 2009 the exercise period for the 2006 incentive warrants expired with no warrants executed.

In addition to the incentive warrants detailed above, 642,500 incentive warrants were acquired and converted to Lundin Petroleum incentive warrants and another 371,500 incentive warrants in Lundin Petroleum were issued to officers of Valkyries Petroleum Corporation in connection with the acquisition of that company in 2006. The number of incentive warrants associated with the Valkyries acquisition outstanding at 31 March 2009 amounted to 275,000 with an exercise price of 97.40 SEK with exercise period up to 31 May 2009. The exercise period for these warrants expired during the second quarter of 2009 with no warrants executed.

In 2007 Lundin Petroleum implemented a Long-Term Incentive Plan (LTIP) consisting of a Share Option Plan and a Performance Share Plan. Employees had the choice to select the Share Option Plan, the Performance Share Plan or a 50/50 allocation of both. Both plans have a performance condition relative to Total Shareholder Return (TSR) attached to their allocation. The options under the Share Option Plan were to be issued between 0 and 100 percent of the options awarded and the shares under the Performance Share Plan will be issued between 50 and 100 percent of the award of shares. The period for the performance condition relating to the options expired on 30 November 2008 at which time 50 percent of the options awarded were issued as incentive warrants. Under the Performance Share Plan, Lundin Petroleum made a conditional award of 67,751 shares. In June 2007, Lundin Petroleum acquired 68,000 of its own shares to fully hedge its potential obligation under the Performance Share Plan.

In 2008 Lundin Petroleum implemented a new Long-Term Incentive Plan (LTIP) consisting of a Unit Bonus Plan which provides for an annual grant of units that will lead to a cash payment at vesting. The share price for determining the cash payment at the end of each vesting period will be the 5 trading day average closing Lundin Petroleum share price prior to and following the actual vesting date. In June 2008 Lundin Petroleum acquired 797,000 of its own shares to fully hedge its potential cash obligation under the 2008 LTIP.

The AGM held on 13 May 2009 approved the 2009 LTIP and renewed the authorisation for the Board of Directors to decide on repurchases and sales of Lundin Petroleum shares. The LTIP is related to the Company's share price and is divided into one plan for senior executives (being the President and Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer and the

Senior Vice President Operations) and one plan for other management.

The LTIP for senior executives includes the issuance of 4,000,000 phantom options with an exercise price of SEK 72.76 equal to 110 per cent of the average of the closing prices of the Company's shares on the Nasdaq OMX Nordic Exchange in Stockholm for the ten trading days immediately following the Annual General Meeting 2009. The phantom options will vest on the fifth anniversary of the date of grant and the recipient will be entitled to receive a cash payment equal to the average closing price of the Company's shares during the fifth year following grant, less the exercise price.

The LTIP for management other than senior executives includes the granting of 667,900 units that are converted into a cash award related to the Company's share price. The LTIP will be payable over a period of three years from award. The cash payment will be determined at the end of each vesting period by multiplying the number of units then vested by the share price.

ACCOUNTING PRINCIPLES

The financial statements of the Group have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Reporting, and the Swedish Annual Accounts Act (1995:1554). The accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2008.

The financial statements of the Parent Company are prepared in accordance with accounting principles generally accepted in Sweden, applying RFR 2.1 Reporting for legal entities and the Annual Accounts Act (1995:1554). RFR 2.1 requires the Parent Company to use similar accounting principles as for the Group, i.e. IFRS to the extent allowed by RFR 2.1. The Parent Company's accounting principles do not in any material respect deviate from the Group principles.

RISKS AND UNCERTAINTIES

The major risk the Group faces is the nature of oil and gas exploration and production itself. Oil and gas exploration, development and production involve high operational and financial risks, which even a combination of experience, knowledge and careful evaluation may not be able to fully eliminate or which are beyond the Company's control. Lundin Petroleum's long-term commercial success depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. A future increase in Lundin Petroleum's reserves will depend not only on its ability to explore and develop any properties Lundin Petroleum may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. In addition, there is no assurance that commercial quantities of oil and gas will be discovered or acquired by Lundin Petroleum. Other risks can be categorised into either Operational Risks or Financial Risks.

Operational risk

The Group faces a number of risks and uncertainties in the areas of operation which may have an adverse impact on its ability to successfully pursue its exploration, appraisal and development plans as well as on its production of oil and gas. A more detailed analysis of the operational risks faced by Lundin Petroleum is given in the Company's annual report for 2008.

Lundin Petroleum is, and will be, actively engaged in oil and gas operations in various countries. Risks may arise in changes in laws affecting foreign ownership, government participation, taxation, royalties, duties, rates of exchange and exchange control. Further, certain aspects of Lundin Petroleum's exploration and production programmes require the consent or favourable decisions of governmental bodies. In addition, Lundin Petroleum's exploration, development and production activities may be subject to political and economic uncertainties, expropriation of property and cancellation or modification of contract rights, taxation, royalties, duties, foreign exchange restrictions and other risks arising out of foreign governmental sovereignty over the areas in which Lundin Petroleum's operations are conducted, as well as risks of loss in some countries due to civil strife, acts of war, guerrilla activities and insurrection.

Financial risk

As an international oil and gas exploration and production company operating globally, Lundin Petroleum is exposed to financial risks such as fluctuations in oil price, currency rates, interest rates as well as liquidity and credit risks. The

Company shall seek to control these risks through sound management practice and the use of internationally accepted financial instruments, such as oil price, currency and interest rate hedges. Lundin Petroleum uses financial instruments solely for the purpose of minimising risks in the Company's business. A more detailed analysis of the financial risks faced by Lundin Petroleum and how it addresses these risks is given in the Company's annual report for 2008.

Derivative financial instruments

The Group entered into an interest hedging contract on 8 January 2008, fixing the LIBOR rate of interest at 3.75% p.a. on MUSD 200 of the Group's USD borrowings for the period January 2008 to January 2012. The interest rate contract relates to the current credit facility. Under IAS 39, the interest rate contract is effective and qualifies for hedge accounting. Changes in fair value of this contract are charged directly to equity. At 30 June 2009, a provision has been recognised in the balance sheet amounting to MSEK 28.1 (MSEK 54.9), representing the long-term portion of the fair value of the outstanding part of the interest rate contract and a current liability in the balance sheet amounting to MSEK 45.4 (MSEK 39.4) representing the short-term portion of the fair value of the outstanding part of the interest rate contract.

At the end of September 2008, the Group entered into the following currency hedging contracts for 2009 fixing the rate of exchange from USD into GBP, EUR, NOK and CHF. Under IAS 39, subject to hedge effectiveness testing, these hedges will be treated as effective and changes to the fair value will be reflected in equity. At 30 June 2009, a current liability has been recognised amounting to MSEK 62.5 (MSEK 265.1) representing the short-term portion of the fair value of the outstanding currency hedging contracts.

Buy	Sell	Average contractual exchange rate	Settlement period
MGBP 78.0	MUSD 139.8	USD 1.79: 1 GBP	2 Jan 2009 – 16 Dec 2009
MEUR 21.6	MUSD 31.6	USD 1.47: 1 EUR	2 Jan 2009 – 1 Dec 2009
MNOK 192.0	MUSD 33.7	NOK 5.70: 1 USD	2 Jan 2009 – 1 Dec 2009
MCHF 12.0	MUSD 11.2	CHF 1.07: 1 USD	2 Jan 2009 – 16 Dec 2009

EXCHANGE RATES

For the preparation of the financial statements for the six month period ending 30 June 2009, the following currency exchange rates have been used.

	Average	Period end
1 EUR equals SEK	10.8572	10.8125
1 USD equals SEK	8.1500	7.6500

Expressed in TSEK	Note	**1 Jan 2009-30 Jun 2009 6 months**	1 Apr 2009-30 Jun 2009 3 months	1 Jan 2008-30 Jun 2008 6 months	1 Apr 2008-30 Jun 2008 3 months	1 Jan 2008-31 Dec 2008 12 months
Operating income						
Net sales of oil and gas	1	2,775,564	1,545,945	2,885,240	1,686,269	6,269,130
Other operating income		63,915	33,078	46,732	22,409	124,607
		2,839,479	1,579,023	2,931,972	1,708,678	6,393,737
Cost of sales						
Production costs	2	-1,022,054	-555,273	-1,178,255	-717,836	-2,378,706
Depletion of oil and gas properties	3	-696,685	-344,373	-381,087	-182,471	-1,032,068
Exploration costs	4	-336,123	-302,087	-188,557	-93,137	-901,683
Impairment costs for oil and gas properties		–	–	–	–	-613,693
Gross profit		**784,617**	377,290	1,184,073	715,234	1,467,587
Sale of asset		–	–	91,034	–	130,547
Other income		4,362	3,487	934	504	3,000
General, administration and depreciation expenses		-65,595	-34,962	-84,735	-47,848	-139,665
Operating profit		**723,384**	345,815	1,191,306	667,890	1,461,469
Result from financial investments						
Financial income	5	49,616	52,806	212,726	42,727	488,774
Financial expenses	6	-109,160	-57,260	-85,111	-48,389	-1,038,417
		-59,544	-4,454	127,615	-5,662	-549,643
Result from share in associated company		**-12,791**	-5,124	44,329	23,008	29,298
Profit before tax		**651,049**	336,237	1,363,250	685,236	941,124
Tax	7	-496,933	-278,085	-598,432	-315,903	-630,837
Net result		**154,116**	58,152	764,818	369,333	310,287
Net result attributable to:						
Shareholders of the parent company		190,936	49,308	768,481	379,918	560,011
Minority interest		-36,820	8,844	-3,663	-10,585	-249,724
Net result		**154,116**	58,152	764,818	369,333	310,287
Earnings per share – SEK [1]		0.61	0.16	2.43	1.20	1.77
Diluted earnings per share – SEK [1]		0.61	0.16	2.43	1.20	1.77

[1] Based on net result attributable to shareholders of the parent company.

STATEMENT OF COMPREHENSIVE INCOME

Expressed in TSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Net result	**154,116**	58,152	764,818	369,333	310,287
Other comprehensive income					
Exchange differences foreign operations	-107,769	-597,082	-480,477	122,790	1,787,001
Cash flow hedges	316,438	270,993	8,075	42,812	-262,313
Available-for-sale financial assets	-5,694	-5,644	-8,604	-690	-20,917
Income tax relating to other comprehensive income	-142,828	-135,254	-2,059	-10,917	36,491
Other comprehensive income, net of tax	60,147	-466,987	-483,065	153,995	1,540,262
Total comprehensive income	**214,263**	-408,835	281,753	523,328	1,850,549
Total comprehensive income attributable to:					
Shareholders of the parent company	355,045	-333,603	371,783	520,270	1,800,021
Minority interest	-140,782	-75,232	-90,030	3,058	50,528
	214,263	-408,835	281,753	523,328	1,850,549

CONSOLIDATED BALANCE SHEET

Expressed in TSEK	Note	**30 June 2009**	31 December 2008
ASSETS			
Non-current assets			
Oil and gas properties	8	21,883,134	20,996,161
Other tangible assets		120,156	128,016
Goodwill		910,706	929,825
Financial assets	9	926,860	895,286
Deferred tax		170,540	201,843
Total non-current assets		**24,011,396**	23,151,131
Current assets			
Receivables and inventory	10	2,299,646	1,680,638
Cash and cash equivalents		567,733	448,855
Total current assets		**2,867,379**	2,129,493
TOTAL ASSETS		**26,878,775**	25,280,624
EQUITY AND LIABILITIES			
Equity			
Shareholders´ equity		11,786,049	11,430,988
Minority interest		1,254,913	1,396,046
Total equity		**13,040,962**	12,827,034
Non-current liabilities			
Provisions	11	6,682,958	6,087,340
Bank loans		5,354,230	4,339,769
Total non-current liabilities		**12,037,188**	10,427,109
Current liabilities	12	**1,800,625**	2,026,481
TOTAL EQUITY AND LIABILITIES		**26,878,775**	25,280,624
Pledged assets		4,944,530	4,605,804
Contingent liabilities		179,775	183,549

CONSOLIDATED STATEMENT OF CASH FLOW

Expressed in TSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Cash flow from operations					
Net result	154,116	58,152	764,818	369,333	310,287
Adjustments for non-cash related items	1,610,230	947,475	932,520	594,181	3,820,673
Interest received	14,069	9,395	25,065	16,822	50,151
Interest paid	-41,548	-28,724	-126,566	-75,636	-73,976
Income taxes paid	-127,179	-57,585	-187,014	4,125	-408,895
Changes in working capital	-555,089	-315,295	-405,632	-401,763	266,724
Total cash flow from operations	**1,054,599**	613,418	1,003,191	507,062	3,964,964
Cash flow used for investments					
Investment in associated company	–	–	-170,500	–	-170,500
Sale of other shares and participations	–	–	–	–	259,239
Change in other financial fixed assets	-455	12,306	201	2,076	21,149
Other payments	-15,583	-15,554	-1,012	-619	-1,334
Divestment of fixed assets	-4,501	-4,596	3,061	227	5,383
Investment in oil and gas properties	-2,049,902	-969,206	-2,103,978	-963,387	-4,591,836
Investment in office equipment and other assets	-9,721	-3,187	-17,342	-8,530	-36,630
Total cash flow used for investments	**-2,080,162**	-980,237	-2,289,570	-970,233	-4,514,529
Cash flow from financing					
Changes in long-term bank loan	1,096,918	453,776	982,928	129,437	548,019
Paid financing fees	-647	-303	-13,053	-13,053	-13,885
Purchase of own shares	–	–	-72,224	-72,224	-234,103
Proceeds from share issues	–	–	142,072	119,503	142,072
Dividend paid to minority	-351	-351	–	–	-646
Total cash flow from financing	**1,095,920**	453,122	1,039,723	163,663	441,457
Change in cash and cash equivalents	70,357	86,303	-246,656	-299,508	-108,108
Cash and cash equivalents at the beginning of the period	448,855	488,819	483,452	498,098	483,452
Currency exchange difference in cash and cash equivalents	48,521	-7,389	-22,383	15,823	73,511
Cash and cash equivalents at the end of the period	**567,733**	567,733	214,413	214,413	448,855

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Expressed in TSEK	Share capital	Additional paid-in-capital/ Other reserves	Retained earnings	Net result	Minority interest	Total equity
Balance at 1 January 2008	**3,155**	**5,562,123**	**3,183,718**	**956,953**	**1,346,164**	**11,052,113**
Transfer of prior year net result	–	–	956,953	-956,953	–	–
Total comprehensive income	**–**	**-396,698**	**–**	**768,481**	**-90,030**	**281,753**
Issuance of shares	24	142,048	–	–	–	142,072
Purchase of own shares	–	-72,232	–	–	–	-72,232
Transfer of share based payments	–	17,322	-17,322	–	–	–
Share based payments	–	–	8,600	–	–	8,600
Minority share in dividend	–	–	–	–	–	–
Balance at 30 June 2008	**3,179**	**5,252,563**	**4,131,949**	**768,481**	**1,256,134**	**11,412,306**
Total comprehensive income	**–**	**1,636,708**	**–**	**-208,470**	**140,558**	**1,568,796**
Issuance of shares	–	–	–	–	–	–
Purchase of own shares	–	-161,871	–	–	–	-161,871
Transfer of share based payments	–	–	–	–	–	–
Share based payments	–	–	8,449	–	–	8,449
Minority share in dividend	–	–	–	–	-646	-646
Balance at 31 December 2008	**3,179**	**6,727,400**	**4,140,398**	**560,011**	**1,396,046**	**12,827,034**
Transfer of prior year net result	–	–	560,011	-560,011	–	–
Total comprehensive income	**–**	**164,109**	**–**	**190,936**	**-140,782**	**214,263**
Issuance of shares	–	–	–	–	–	–
Purchase of own shares	–	–	–	–	–	–
Transfer of share based payments	–	30,894	-30,894	–	–	–
Share based payments	–	–	16	–	–	16
Minority share in dividend	–	–	–	–	-351	-351
Balance at 30 June 2009	**3,179**	**6,922,403**	**4,669,531**	**190,936**	**1,254,913**	**13,040,962**

Note 1. Segment information, TSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Operating income					
Net sales of:					
Crude oil					
- United Kingdom	759,177	499,131	1,162,501	619,513	2,200,178
- Netherlands	530	-4	4,251	4,251	4,561
- France	275,333	143,588	450,387	239,991	803,075
- Norway	982,281	571,051	211,623	183,118	1,330,259
- Indonesia	116,196	81,671	153,518	84,371	290,979
- Russia	271,575	153,220	450,115	242,088	816,039
- Tunisia	99,108	-3,002	266,064	216,898	335,153
	2,504,200	1,445,655	2,698,459	1,590,230	5,780,244
Condensate					
- United Kingdom	6,054	2,633	13,528	7,903	21,197
- Netherlands	2,620	1,653	3,502	2,359	7,442
- Indonesia	693	594	1,129	998	2,327
	9,367	4,880	18,159	11,260	30,966
Gas					
- Norway	80,279	29,397	135	53	80,475
- Netherlands	181,035	65,618	168,299	84,652	377,026
- Indonesia	683	395	188	74	419
	261,997	95,410	168,622	84,779	457,920
	2,775,564	1,545,945	2,885,240	1,686,269	6,269,130
Operating profit contribution					
- United Kingdom	131,025	149,007	431,034	238,367	646,034
- France	101,409	67,028	336,045	192,042	548,519
- Norway	483,189	168,242	147,401	140,285	1,102,027
- Netherlands	89,132	20,505	102,409	78,843	218,066
- Russia	16,267	21,129	60,132	18,460	-564,822
- Indonesia	5,894	-1,103	53,859	26,305	15,120
- Tunisia	3,424	-9,068	167,503	116,419	34,795
- Sudan	12,309	19,589	-118,942	-76,131	-482,965
- Vietnam	-60,139	-60,139	–	–	–
- Other	-59,126	-29,375	11,865	-66,700	-55,305
Total operating profit contribution	**723,384**	345,815	1,191,306	667,890	1,461,469

Note 2. Production costs, TSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Cost of operations	863,137	433,042	742,960	372,131	1,660,573
Tariff and transportation expenses	126,042	57,514	87,499	43,626	213,116
Direct production taxes	139,441	77,588	277,519	159,467	527,978
Change in inventory/ overlift position	-106,566	-12,871	70,277	142,612	-22,961
	1,022,054	555,273	1,178,255	717,836	2,378,706

Note 3. Depletion of oil and gas properties, TSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
United Kingdom	221,676	114,853	189,982	82,068	410,523
France	55,128	29,570	39,615	19,238	82,867
Norway	256,607	122,627	31,867	23,853	255,894
Netherlands	55,509	24,421	43,610	21,066	90,048
Indonesia	17,901	9,440	11,744	4,840	28,968
Russia	36,137	18,389	33,842	16,871	70,620
Tunisia	53,727	25,073	30,427	14,535	93,148
	696,685	344,373	381,087	182,471	1,032,068

Note 4. Exploration costs, TSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
United Kingdom	222	-15	45,172	-2,928	134,984
France	21,771	51	–	–	–
Russia	–	–	–	–	234,071
Sudan	-12,310	-19,589	118,940	76,131	482,738
Netherlands	516	396	–	–	10,135
Norway	230,265	230,265	–	–	–
Vietnam	60,138	60,138	–	–	–
Indonesia	29,128	28,737	2,357	1,405	4,078
Other	6,393	2,104	22,088	18,529	35,677
	336,123	302,087	188,557	93,137	901,683

Note 5. Financial income, TSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Interest income	17,985	11,959	20,304	9,441	55,988
Dividends received	4,471	1,479	6,460	2,811	12,022
Foreign exchange gain, net	25,209	37,627	158,301	3,075	–
Fair value adjustment pension	-947	19	815	815	815
Insurance proceeds	–	–	–	–	131,814
Gain on sale of shares	–	–	–	–	259,239
Other financial income	2,898	1,722	26,846	26,585	28,896
	49,616	52,806	212,726	42,727	488,774

Note 6. Financial expenses, TSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Loan interest expenses	46,968	23,680	54,981	31,373	107,774
Unwind site restoration discount	20,892	10,574	19,002	9,832	31,263
Result on interest rate hedge settlement	18,799	9,998	521	2,630	1,236
Amortisation of deferred financing fees	9,349	4,818	4,111	2,020	11,415
Foreign exchange loss, net	–	–	–	–	871,053
Other financial expenses	13,152	8,190	6,496	2,534	15,676
	109,160	57,260	85,111	48,389	1,038,417

Note 7. Tax, TSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Current tax	-6,708	64,667	251,378	166,628	-77,107
Deferred tax	503,641	213,418	347,054	149,275	707,944
	496,933	278,085	598,432	315,903	630,837

Note 8. Oil and gas properties, TSEK	**Book amount 30 Jun 2009**	Book amount 31 Dec 2008
United Kingdom	4,546,058	4,511,082
France	1,278,134	1,325,874
Norway	5,925,982	4,894,076
Netherlands	433,209	468,407
Indonesia	615,312	466,055
Russia	8,578,991	8,691,938
Tunisia	20,373	72,308
Congo (Brazzaville)	174,967	144,350
Vietnam	109,119	113,383
Ethiopia	–	87,619
Cambodia	78,482	76,085
Kenya	–	77,175
Malaysia	113,317	59,663
Others	9,190	8,146
	21,883,134	20,996,161

Note 9. Financial assets, TSEK	**Book amount 30 Jun 2009**	Book amount 31 Dec 2008
Share in associated company	490,308	505,721
Shares and participations	8,886	121,634
Capitalised financing fees	66,682	75,748
Long-term receivable	188,867	22,255
Other financial assets	172,117	169,928
	926,860	895,286

Note 10. Receivables and inventories, TSEK	**Book amount 30 Jun 2009**	Book amount 31 Dec 2008
Inventories	210,444	206,161
Trade receivables	872,777	581,978
Underlift	93,780	32,236
Short-term loan receivable	41,310	53,893
Corporation tax	626,965	461,293
Joint venture debtors	207,934	208,416
Investment in NOGAT	107,005	–
Derivative instruments	–	3,438
Other assets	139,431	133,223
	2,299,646	1,680,638

Note 11. Provisions, TSEK	**Book amount 30 Jun 2009**	Book amount 31 Dec 2008
Site restoration	762,482	700,206
Pension	10,273	10,140
Deferred taxes	5,821,140	5,266,552
Derivative instruments	28,100	54,896
Other	60,963	55,546
	6,682,958	6,087,340

Note 12. Current liabilities, TSEK	**Book amount 30 Jun 2009**	Book amount 31 Dec 2008
Trade payables	264,131	276,443
Overlift	69,536	106,844
Tax payables	84,284	123,429
Accrued expenses	143,000	102,837
Acquisition liabilities	47,540	44,708
Joint venture creditors	961,154	954,544
Short-term bank loans	41,310	53,893
Derivative instruments	107,847	304,459
Other liabilities	81,823	59,324
	1,800,625	2,026,481

PARENT COMPANY INCOME STATEMENT IN SUMMARY

Expressed in TSEK	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Operating income					
Other operating income	15,675	4,858	9,265	5,048	21,406
Gross profit	**15,675**	4,858	9,265	5,048	21,406
General and administration expenses	-26,904	-18,967	-22,272	-10,807	-25,638
Operating profit	**-11,229**	-14,109	-13,007	-5,759	-4,232
Result from financial investments					
Financial income	3,906	676	5,974	3,501	126,276
Financial expenses	-29	-12	-372	733	-22,863
	3,877	664	5,602	4,234	103,413
Profit before tax	**-7,352**	-13,445	-7,405	-1,525	99,181
Tax	–	–	–	–	-36,403
Net result	**-7,352**	-13,445	-7,405	-1,525	62,778

PARENT COMPANY BALANCE SHEET IN SUMMARY

Expressed in TSEK	**30 June 2009**	31 December 2008
ASSETS		
Non-current assets		
Financial assets	7,895,831	7,900,522
Total non-current assets	**7,895,831**	7,900,522
Current assets		
Receivables	6,562	9,928
Cash and cash equivalents	1,323	1,184
Total current assets	**7,885**	11,112
TOTAL ASSETS	**7,903,716**	7,911,634
SHAREHOLDERS´EQUITY AND LIABILITIES		
Shareholders´ equity including net result for the period	7,865,466	7,872,802
Provisions	36,402	36,403
Current liabilities	1,848	2,429
TOTAL EQUITY AND LIABILITIES	**7,903,716**	7,911,634
Pledged assets	4,944,530	4,605,804
Contingent liabilities	179,775	183,549

PARENT COMPANY CASH FLOW STATEMENT IN SUMMARY

Expressed in TSEK	**1 Jan 2009-30 Jun 2009 6 months**	1 Apr 2009-30 Jun 2009 3 months	1 Jan 2008-30 Jun 2008 6 months	1 Apr 2008-30 Jun 2008 3 months	1 Jan 2008-31 Dec 2008 12 months
Cash flow used for operations					
Net result	-7,352	-13,445	-7,405	-1,525	62,778
Adjustments for non- cash related items	243	1,530	243	-862	-44,611
Changes in working capital	3,157	5,778	-214	-3,100	-35,990
Total cash flow from/used for operations	**-3,952**	-6,137	-7,376	-5,487	-17,823
Cash flow used for investments					
Change in other financial fixed assets	4,520	7,021	-68,362	-43,671	-13,813
Investment in subsidiaries	–	–	–	–	113,328
Total cash flow from/used for investments	**4,520**	7,021	-68,362	-43,671	99,515
Cash flow from financing					
Purchase of own shares	–	–	-72,232	-72,232	-234,103
Proceeds from share issues	–	–	142,072	119,503	142,072
Total cash flow from/used for financing	**–**	–	69,840	47,271	-92,031
Change in cash and cash equivalents	568	884	-5,898	-1,887	-10,339
Cash and bank at the beginning of the period	1,184	1,169	8,861	4,548	8,861
Currency exchange difference in cash and cash equivalents	-429	-730	-277	25	2,662
Cash and cash equivalents at the end of the period	**1,323**	1,323	2,686	2,686	1,184

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Restricted Equity		Unrestricted equity			
	Share Capital	Statutory reserve	Other Reserves	Retained Earnings	Net result	Total equity
Balance at 1 January 2008	**3,155**	**861,306**	**5,157,307**	**1,821,289**	**34,667**	**7,877,724**
Transfer of prior year net result	–	–	–	34,667	-34,667	–
New share issuance	24	–	142,048	–	–	142,072
Purchase of own shares	–	–	-72,232	–	–	-72,232
Transfer of share based payments	–	–	17,322	-17,322	–	–
Share based payments	–	–	–	8,600	–	8,600
Currency translation difference	–	–	-920	–	–	-920
Net result	–	–	–	–	-7,405	-7,405
Balance at 30 June 2008	**3,179**	**861,306**	**5,243,525**	**1,847,234**	**-7,405**	**7,947,839**
New share issuance	–	–	–	–	–	–
Purchase of own shares	–	–	-161,871	–	–	-161,871
Transfer of share based payments	–	–	–	–	–	–
Share based payments	–	–	–	8,449	–	8,449
Currency translation result	–	–	8,202	–	–	8,202
Net result	–	–	–	–	70,183	70,183
Balance at 31 December 2008	**3,179**	**861,306**	**5,089,856**	**1,855,683**	**62,778**	**7,872,802**
Transfer of prior year net result	–	–	–	62,778	-62,778	–
New share issuance	–	–	–	–	–	–
Purchase of own shares	–	–	–	–	–	–
Transfer of share based payments	–	–	30,894	-30,894	–	–
Share based payments	–	–	–	16	–	16
Currency translation result	–	–	–	–	–	–
Net result	–	–	–	–	-7,352	-7,352
Balance at 30 June 2009	**3,179**	**861,306**	**5,120,750**	**1,887,583**	**-7,352**	**7,865,466**

Data per share	**1 Jan 2009-30 Jun 2009 6 months**	1 Apr 2009-30 Jun 2009 3 months	1 Jan 2008-30 Jun 2008 6 months	1 Apr 2008-30 Jun 2008 3 months	1 Jan 2008-31 Dec 2008 12 months
Shareholders' equity SEK per share [1]	37.60	37.60	35.90	35.90	36.49
Operating cash flow SEK per share [2]	5.82	3.06	4.74	2.60	12.96
Cash flow from operations SEK per share [3]	3.36	1.96	3.17	1.60	12.56
Earnings SEK per share [4]	0.61	0.16	2.43	1.20	1.77
Earnings SEK per share fully diluted [5]	0.61	0.16	2.43	1.20	1.77
EBITDA SEK per share fully diluted [6]	5.60	3.17	5.27	2.98	12.29
Dividend per share	–	–	–	–	–
Quoted price at the end of the financial period (regards the parent company), SEK	59.70	59.70	89.00	89.00	41.00
Numbers of shares issued at period end	317,910,580	317,910,580	317,910,580	317,910,580	317,910,580
Number of shares in circulation at period end	313,420,280	313,420,280	317,045,580	317,045,580	313,420,280
Weighted average number of shares for the period [7]	313,420,280	313,420,280	316,280,412	316,415,616	315,682,981
Weighted average number of shares for the period (fully diluted) [7]	313,420,280	313,420,280	316,694,551	316,829,755	315,682,981

1 the Group's shareholders' equity divided by the number of shares at period end.

2 the Group's operating income less production costs and less current taxes divided by the weighted average number of shares for the period.

3 cash flow from operations in accordance with the consolidated statement of cash flow divided by the weighted average number of shares for the period.

4 the Group's net result attributable to shareholders of the Parent Company divided by the weighted average number of shares for the period.

5 the Group's net result attributable to shareholders of the Parent Company divided by the weighted average number of shares for the period after considering the dilution effect of outstanding warrants.

6 the Group's EBITDA divided by the weighted average number of shares for the period after considering the dilution effect of outstanding warrants. EBITDA is defined as operating profit before depletion of oil and gas properties, exploration costs, impairment costs and gain on sale of assets.

7 the number of shares at the beginning of the period with new issue of shares weighted for the proportion of the period they are in issue.

KEY FINANCIAL DATA & FINANCIAL INFORMATION

Key data group	**1 Jan 2009- 30 Jun 2009 6 months**	1 Apr 2009- 30 Jun 2009 3 months	1 Jan 2008- 30 Jun 2008 6 months	1 Apr 2008- 30 Jun 2008 3 months	1 Jan 2008- 31 Dec 2008 12 months
Return on equity, % [8]	1	0	7	3	3
Return on capital employed, % [9]	4	2	9	5	11
Net debt/equity ratio, % [10]	39	39	34	34	35
Equity ratio, % [11]	49	49	53	53	51
Share of risk capital, % [12]	70	70	72	72	71
Interest coverage ratio, % [13]	1,052	1,050	2,580	2,284	973
Operating cash flow/interest ratio [14]	2,774	2,848	2,733	2,626	3,797
Yield [15]	–	–	–	–	–

8 the Group's net result divided by the Group's average total equity.

9 the Group's income before tax plus interest expenses plus/less exchange differences on financial loans divided by the average capital employed (the average balance sheet total less non-interest bearing liabilities).

10 the Group's net interest bearing liabilities in relation to shareholders' equity.

11 the Group's total equity in relation to balance sheet total.

12 the sum of the total equity and the deferred tax provision divided by the balance sheet total.

13 the Group's result after financial items plus interest expenses plus/less exchange differences on financial loans divided by interest expenses.

14 the Group's operating income less production costs and less current taxes divided by the interest charge for the period.

15 dividend in relation to quoted share price at the end of the financial period.

FINANCIAL INFORMATION

The Company will publish the following reports:

- The nine month report (January – September 2009) will be published on 11 November 2009.
- The year end report (January – December 2009) will be published in February 2010.

BOARD ASSURANCE

The Board of Directors and the President & CEO certify that the half-yearly financial report gives a fair view of the performance of the business, position and profit or loss of the Company and the Group, and describes the principal risks and uncertainties that the Company and the companies in the Group face.

Stockholm, 12 August, 2009

Lundin Petroleum AB (publ)
Org. Nr. 556610-8055

Ian H. Lundin
Chairman

C. Ashley Heppenstall
President & CEO

William Rand

Asbjørn Larsen

Lukas H. Lundin

Magnus Unger

Dambisa F. Moyo

REVIEW REPORT

We have reviewed the interim report for the period 1 January 2009 to 30 June 2009, for Lundin Petroleum AB (publ). The board of directors and the President & CEO are responsible for the preparation and presentation of this interim report 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.

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity, issued by FAR. 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 Standards on Auditing in Sweden, RS, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim report is not, 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.

Stockholm, 12 August, 2009

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