



## North Sea Risk / Reward Matrix

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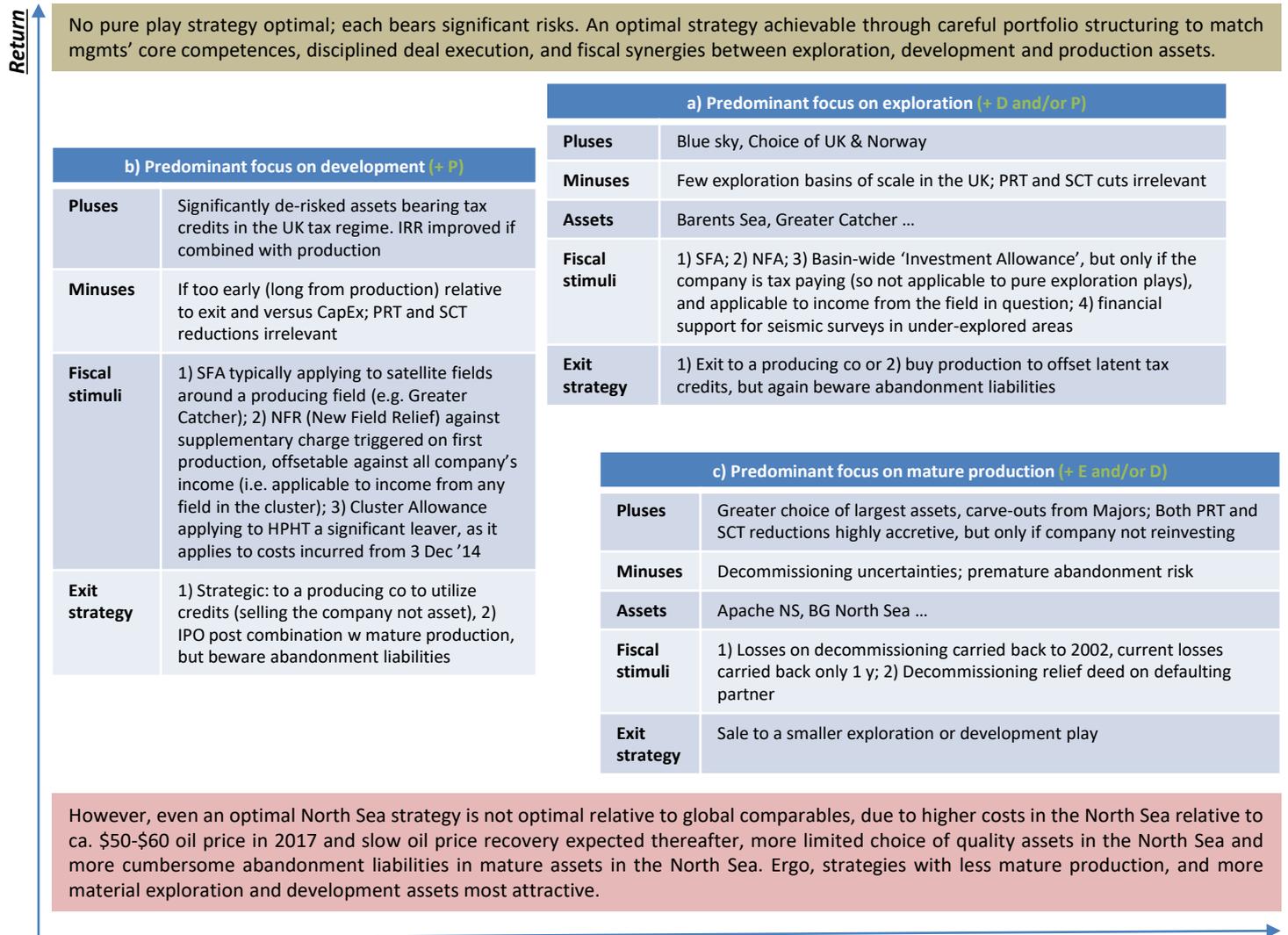
# Private equity risk / reward matrix in the North Sea

Larger publicly listed E&Ps including North Sea portfolios available following the oil price fall

In addition, set of fiscal stimuli 2015: A) supplementary charge (SCT) reduced by 10% in addition to 2% reduction last year, restored to the pre-2011 rate of 20%; B) Petroleum Revenue Tax (PRT) reduced to 35%, C) Further Cluster & Investment Allowances to apply beyond CapEx expected. However, even the creators of the North Sea rescue plan sombre

Ergo, increasing importance of more careful portfolio selection, management selection, M&A execution skills and financial engineering beyond the basic tax credit game, in order to utilize the full set of fiscal stimuli.

Attention to complementary geographies required



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