SERICA ENERGY PLC

INTERIM 2015 REPORT TO SHAREHOLDERS

INTERIM REPORT FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015

The following Interim Report of the operations and financial results of Serica Energy plc ("Serica") and its subsidiaries (together the "Group") contains information up to and including 28 September 2015 and should be read in conjunction with the unaudited interim consolidated financial statements for the period ended 30 June 2015, which have been prepared by and are the responsibility of the Company's management and have not been reviewed by the Company's independent auditors.

References to the "Company" include Serica and its subsidiaries where relevant. All figures are reported in US dollars ("US$") unless otherwise stated.

The results of Serica's operations detailed in the interim financial statements are presented in accordance with International Financial Reporting Standards ("IFRS").

The Company's shares are listed on AIM in London. Although the Company delisted from the TSX in March 2015, the Company is a "designated foreign issuer" as that term is defined under National Instrument 71-102 - *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers.* The Company is subject to the foreign regulatory requirements of the Alternative Investment Market of the London Stock Exchange in the United Kingdom.

Serica is an oil and gas company with production, development and exploration activities based in the UK, Ireland, Namibia and Morocco, and an economic interest in an oilfield offshore Norway.

CHAIRMAN'S REVIEW

Serica has seen a remarkable transformation since the turn of the year. Low oil prices during 2015 to-date continue to strongly influence the market valuation of E&P companies and Serica is no exception. In responding to this backdrop we have been concentrating on strengthening the business so that it is ready to take advantage of the opportunities that a low oil price environment can offer. Serica is now very well placed to benefit from an upturn when it materialises. Our cash position is sound, we have no borrowings and no major commitments which cannot be funded from existing resources and the strong cash flows which we are now seeing following the acquisition of an 18% interest in the Erskine field in the UK North Sea.

I am delighted to report that the field has been performing well above expectations since the acquisition was completed on 4th June. Serica's share of production has averaged over 3,100 boepd since mid-year to 28 September 2015 with downstream infrastructure showing approximately 90% uptime over the period, a significant improvement over past performance. During September, when all five wells have been available, Serica's share of production has averaged over 4,100 boepd, increasing our confidence that the material investment in facilities downstream of the field over the past winter and efforts to improve facilities uptime will enable strong production performance to be maintained.

The approximate 50:50 split of oil and gas from Erskine mitigates the impact of low oil prices significantly. Gas prices have been relatively robust and the higher winter demand period is approaching. The US$9 million cash settlement received from BP upon completion included value for 55,000 barrels of oil overlift sold last autumn before prices fell, further offsetting our near-term oil price exposure for the period from completion to late July. The field is projected to deliver significant net cash flow to Serica even at prices well below current levels. The Erskine transaction therefore brings many valuable benefits to Serica, transforming our cash position and increasing our strategic options.

Now that Serica is formally on the Erskine licence we are working actively with partners Chevron and BG to find further ways of improving field performance, extending the life of facilities and reducing costs, all of which can add significantly to the value of Serica's field interest. The Erskine interest and associated access to nearby infrastructure represents a key stage in the unrolling of our core strategy in the area, where we already hold an approximate 33% interest in the Columbus discovery, adjacent to the Lomond platform through which Erkine produces, and a 15% interest in nearby block 22/19c. Three large HPHT prospects have been identified on 22/19c and Serica's costs on the first well, planned for 2017, will be fully carried by JX Nippon.

We see clear synergy between fields in the Erskine/Columbus area and real scope to improve the economics of both Erskine and Columbus by bringing new developments onstream through the efficient use of existing infrastructure and extending facilities life. With an interest now in this infrastructure and strong underlying production, Serica is well placed to move these ideas forward and we are discussing possibilities with other companies where the backdrop of low oil prices is helpful. These discussions include resolving the issues which have so far prevented the Columbus field from being developed and we are at an advanced stage in reaching agreement with BG to this end. It is our intention to use the position we have gained, our contacts, expertise and the benefits of our zero debt and tax status to expand Serica's now strong position in the North Sea in anticipation of a recovery in oil prices over the medium term, and we will be seeking partners with whom we can build on these advantages.

First Half 2015 Results
Analysis of our first half results is provided with the operations section that follows. In June, I reported to you the progress we have made this year on reducing our operating cost base and this has been partially reflected in these results with the full benefit to be felt during the second half of the year and thereafter. The interim results only include Erskine income for June, when production was gradually building-up following the eight

month shut-in for maintenance and up-grade. This does however provide some indication of the significant impact the field is expected to have following the return of all five wells to production at the beginning of September.

Forward Programme
The environment remains tough for upstream companies and we cannot put a timescale on industry recovery. However, experience tells us that such environments offer great opportunities to those bold and strong enough to take advantage. Completion of the Erskine deal demonstrates Serica's capability and resolve to be amongst the gainers. With cash balances of US$13.9 million at 30 June, strong cash flows from Erskine, minimal licence obligations, a beneficial tax position, a much reduced operating cost base and no borrowings, Serica is building an increasingly robust position from which to improve current asset performance and to grow the Company and its asset portfolio.

After settlement of the overlift position inherited at completion of the Erskine transaction our cash position at 28 September is approximately US$15.5 million, which excludes the net receipts of September production expected to be approximately US$3.5 million. We are aware, nevertheless, that we are reliant upon the continuing strong performance of a single income source with its associated risks. We therefore expect to concentrate our immediate efforts on production and near-term development opportunities within the UK North Sea where our existing tax losses can enhance the benefits of production revenues to Serica and we can improve the balance of our revenue stream.

On the exploration front our efforts are focused on retaining a portfolio of potentially high-impact prospects whilst restricting near-term spend. All current licence commitments have been fulfilled and, in the current low oil price scenario, we will only embark on material exploration expenditure where the downside risk and financing cost has been offset. Apart from the 22/19c well expected in 2017, in which we are fully carried, and the Doyle well currently awaiting a drilling decision where we are also carried, we recognise that it may take time to find suitable drilling partners for our other prospective acreage, particularly acreage lying in more frontier or deep water areas. We have more than fully met our work obligations in all these areas with no material commitments outstanding and are reviewing with the relevant government licensing authorities ways in which we can continue to move our exploration objectives forward pending longer term recovery in the sector.

In summary, even in this demanding business environment we are not short of opportunities to add value whether through improving the performance and utilisation of existing assets or seeking further acquisitions. Serica has the financial resources, an exciting asset mix and very low overhead to pursue different ways of releasing the value inherent in its portfolio and our existing position and our knowledge can be used to advantage. There is considerable opportunity to add value to Erskine by improving downstream performance, to realise the value of Columbus through field development, to enhance the value of our exploration assets through the drill bit, particularly where we are carried, and to extract full value of our tax position through further acquisitions, potentially in partnership with others. We plan to follow these objectives aggressively in 2015 and beyond.

REVIEW OF OPERATIONS

UK Operations

Production

Central North Sea: The Erskine Field - Blocks 23/26a (Area B) and 23/26b (Area B)

In June 2015 the Company announced the acquisition of an 18% interest in the producing Erskine Field.

The Erskine Field is a producing gas and gas condensate field operated by Chevron and is estimated by the Company to have remaining reserves net to the interest acquired of approximately 3.3 mmboe at June 2015. Fluids from the field are transported from the Erskine platform (a normally unmanned wellhead platform) to the BG-operated Lomond platform where they are processed and gas is delivered via the CATS pipeline system to the terminal at Teeside. Up to 60% of the gas is purchased by SSE on formula contract prices and the balance is sold in the market at spot prices. The condensate separated at the Lomond platform is delivered via the Forties pipeline to Cruden Bay and sold as crude oil.

The field was shut down in 2014 to undertake maintenance work on the processing and export equipment on the Lomond platform, which had a recent history of poor performance. However, since joining the asset partnership, Serica has seen a step-change in performance and has been encouraged by the efforts of both the Erskine and Lomond teams to reduce mechanical upsets and improve communications between teams. Serica has supported the Erskine operator in attending workshops and reviewing operations to provide further expertise on optimising performance. Serica is also working with the sub-surface team to monitor and review the reservoir model to improve short and long term forecasting and re-evaluate remaining reserves.

Erskine production resumed in May 2015 and, since restarting, oil and gas flow-rates have exceeded expectations. The field initially produced from four wells but since the beginning of September, after some well intervention work, it has been producing from five wells. The average net oil and gas production rate since July has been in excess of 3,100 boepd (up to 28 September 2015). Current rates are significantly exceeding this amount and have been in excess of 4,700 boepd on individual days in September, levels which were last achieved back in 2013. Work during the maintenance shut down has resulted in improved Lomond facility availability and performance, with production occurring on approximately 90% of days in July and August.

In summary, both the Erskine reservoir and the production facilities have been performing well since the restart and Serica is working with the Erskine operator and the host platform operator to find ways to further improve field and facilities performance.

Development

Central North Sea: The Columbus Field - Block 23/16f

Serica has a 50% interest as operator in Block 23/16f, which contains the Columbus Field. As an owner of Erskine, Serica is now in a much better position to take a view on the optimum off-take route for the Columbus Field. The performance of the Lomond Platform this year has been extremely encouraging and, with some further due diligence, a decision will be made on whether an export route for Columbus tying in directly to Lomond is economically viable. Once that decision is made, the front end engineering work can start on Columbus and a Field Development Plan can be submitted.

If the Lomond tie-back option proves not to be viable, there are alternative routes available and steps will be taken to expedite feasibility studies, should they be required.

In the current low oil price environment, low capital and operating cost solutions are being explored to ensure the commerciality of the project is preserved.

The Oil and Gas Authority ("OGA") has indicated that it recognises the importance of developing gas reserves in the Central North Sea and is working with infrastructure owners in the area to encourage better collaboration with potential third party businesses looking to develop their fields. As such, the OGA has agreed to grant an extension to the licence covering the Columbus Field Area in Block 23/16f to allow time for the Columbus owners to finalise an offtake route and agree commercial terms. The OGA has agreed an extension for up to two years, provided the project is on track after a year. This will allow the partnership time to complete detailed engineering work and to submit a Field Development Plan.

Independent consultant Netherland, Sewell & Associates, Inc ("NSAI") carried out a reserves report on the Columbus field for the end of 2013. This report estimated that the gross Proved plus Probable Reserves of the field are 66.0 bcf of gas and 4.5 mmbbl of liquids, a total of 15.5 mmboe. Serica holds a 50% interest in those Columbus reserves lying in Block 23/16f. After providing for reserves lying in the adjacent Block, NSAI estimates the Company's share of proved and probable reserves in the field to be 21.9 bcf of sales gas and 1.5 mmbbl of liquids, a net 5.2 mmboe to Serica. Until an offtake route has been finalised, and with effect from 31 December 2014, the directors of Serica consider it appropriate for these to be considered as Contingent Resources rather than the previous categorisation as Reserves.

Exploration

Central North Sea: Block 22/19c

Serica holds a 15% interest on the licence, operated by ENI and with JX Nippon as partner, and is fully carried on all associated costs up to and including the drilling of the first exploration well. Well planning is underway for a well that is likely to be drilled in 2017.

The most likely drilling target will be the Rowallan Prospect, which is a high pressure/high temperature ("HPHT") gas condensate prospect targeting similar reservoirs and geological structure to the large Culzean discovery. Culzean is located in nearby Block 22/25a and it was recently announced by the UK government that the field development had approval to go ahead.

In addition to the Rowallan Prospect, there are two more prospects located on block 22/19c, Dundonald and Sundrum. These prospects have similar structures and reservoirs to the Rowallan Prospect and as such would be significantly de-risked by a successful well on Rowallan. Serica has estimated P_{50} gross prospective resources for Rowallan on block to be over 140mmboe.

East Irish Sea: Blocks 113/26b and 113/27c - Doyle Prospect

Serica holds a 20% working interest in the licence and is carried for costs on an exploration well up to a gross cap of £11 million. The licence contains the Doyle gas prospect, which extends into the neighbouring block 113/22a, in which Serica also holds a 20% interest.

The Department of Energy and Climate Change ("DECC") has approved an extension to the licence up to the end of December 2015. Discussions are taking place between participants in the blocks with a view to sanctioning a well to test the prospect which would need a further licence extension.

East Irish Sea: Block 113/22a

The Doyle prospect in Block 113/27c is believed to extend into Block 113/22a and interpretation work is ongoing.

Southern North Sea: Blocks 47/2b (Split), 47/3g (Split), 47/7 (Split) & 47/8d (Part)

Serica has a 37.5% interest in these blocks which are operated by Centrica. These blocks are immediately adjacent to the producing York field, also operated by Centrica. Interpretation of newly acquired seismic data has confirmed a number of potential prospects on the licence and the participants are reviewing prospectivity.

Central North Sea: Block 15/21g and 15/21a (part) and East Irish Sea: Block 110/8b

Serica has given notice to relinquish these non-core licences.

Ireland

Frontier Exploration Licence 1/09: Blocks 5/17, 5/18, 5/22, 5/23, 5/27, and 5/28

In March 2015, Serica made a request to the Department of Communications, Energy and Natural Resource for a licence extension to July 2017. At the same time Serica also submitted a relinquishment proposal, retaining 39% of the licence area around the key prospects. All material work obligations have been completed. Serica is waiting for approval of this extension, which is expected imminently, and will continue to market this farm out opportunity.

Frontier Exploration Licence 4/13 - Blocks 11/10, 11/15, 12/1(part), 12/6 and 12/11(part)

The area covered by the licence FEL 4/13 contains the large pre-Cretaceous fault block prospect, Midleton and the Derryveagh Prospect, a deepwater fan supported by a seismic anomaly. The Derryveagh prospect overlies the Midleton prospect and so could be penetrated by a single dual objective well. No significant work obligations in the licence remain and Serica continues to seek farm in partners to take the licence forward.

Frontier Exploration Licence 01/06: Blocks 27/4 (part), 27/5 (part) and 27/9 (part)

Licence FEL 1/06 (Serica 50% interest and operatorship) contains three drill-ready oil and gas prospects. All material work obligations have been completed and Serica is actively looking for a farm in partner to enable an exploration well to be drilled.

Namibia

Luderitz Basin: Blocks 2512A, 2513A, 2513B and 2612A (part)

Serica has an 85% interest in a Petroleum Agreement in the Luderitz Basin, offshore Namibia. The highest ranked prospect on the licence, Prospect B contains P50 un-risked prospective recoverable oil resources of 623 million barrels (with a P90 to P10 range of 138 million to 2.81 billion barrels). There are a further 6 prospects and 2 leads on the licence.

Serica has significantly exceeded the work programme obligations relating to the licence as the result of a 3D seismic survey amounting to over US$50 million, largely funded by a third party, and is seeking a farm-in partner to participate in the drilling of a well. It is likely in the current environment that further time will be required to achieve this and ways in which this can be accomplished are under discussion.

Morocco

Sidi Moussa
Serica holds a 5% working interest in the Sidi Moussa licence. The operator is in discussions with the authorities to extend this licence to allow time for further interpretation work on the results of the 2014 well, which confirmed the presence of oil, and to define follow-up prospects.

Foum Draa
The Foum Draa licence has been relinquished following an assessment of the remaining prospectivity of the licence.

Norway

Serica has an economic interest in the development of the Vette (formerly Bream) field and is due a payment (related to oil price) at first production. The operator of the licence containing the Vette field (Premier) has announced a delay in the decision to submit a field development programme until 2016 as a result of the sharp fall in the oil price.

FINANCE REVIEW

Erskine acquisition

In June 2015 the Company completed the acquisition of an 18% interest in UK blocks 23/26a (Area B) and 23/26b (Area B) containing the Erskine Field, from BP.

Under the terms of the transaction, the base cash consideration to BP amounted to US$11.1 million in cash plus 13.5 million Serica new Ordinary Shares (the "Consideration Shares"), a reduced number of shares due to the impact of certain interim period adjustments. 25% of the cash consideration was settled at completion with the remaining 75% payable in three equal tranches on 1 July 2016, 1 July 2017 and 1 July 2018 respectively.

The net cash of US$9 million received by Serica at completion resulted from the impact of certain working capital and interim period adjustments between 1 January 2014, the Effective Date of the transaction, and the completion date. This cash is available to cover certain operational liabilities as they fall due.

The Consideration Shares allotted to BP on completion of the transaction rank pari passu with existing Serica Ordinary Shares. BP has agreed to hold the shares as an investment for a period not less than one year with any subsequent sales subject to standard orderly market provisions.

Provision for decommissioning at the end of field life has been provided for on the basis that Serica's estimate of decommissioning costs relating to the asset acquired will be met by BP, on an inflation adjusted basis, with Serica being responsible for any costs above this level. The terms of the Sale and Purchase Agreement also provide for certain future contingent payments to be made by Serica in the event that operating costs for the field fall below current projections.

The transaction provides Serica with an immediate and long term cash flow stream, is tax efficient for the Company, accelerating recovery of past tax losses in the UK, and is in line with Serica's strategy to unlock the value of its existing assets and build a platform from which it can generate future growth.

Following an extended period of shut-in for maintenance, the field recommenced production in late May 2015 and production performance has been strong in the period to date. The Company's overlift position was cleared in late July, and from that point the Company is earning full economic value from all its production streams of condensate, gas and associated NGLs. Production net to Serica in August and September totalled 210,000 boe which generates approximate sales revenues of US$8.4 million at an average price of US$40 per boe.

The field is still expected to generate good cash flow throughout 2016, even if oil prices remain at current levels. Assuming steady ongoing production through 2016, we expect operating costs to be in the order of US$30 per boe or below.

Results from operations

The completion of the Erskine acquisition on 4 June 2015 brings a significant new revenue stream comprising sales of oil, gas and other liquids. The Company accounts for its share of field revenues and costs post acquisition hence no comparative figures for 1H 2014 are recorded.

A high level summary of the income statement results for continuing and discontinued operations is given below.

Income statement – continuing operations

Serica generated a gross profit of US$1.1 million from its retained 18% interest in the Erskine Field reflecting performance from the date of completion, 4 June 2015, to the period end, 30 June 2015.

Sales revenues
The Company currently generates all its sales revenue from the Erskine field in the UK North Sea. Revenue is earned from gas, oil and NGL product streams.

In June, net Erskine field gas production averaged 5 mmscf per day together with average condensate production of 1,000 barrels per day. The June 2015 gas production was sold at prices averaging US$4.9 per mscf and generated US$0.6 million of revenue net to Serica. NGL products are derived from associated gas production and earned revenue of US$0.1 million net to Serica.

Although all the condensate production in the period was allocated against the overlift position inherited at acquisition, sales revenues include US$1.5 million arising from the significant reduction in oil overlift position (from 55,000 barrels at the acquisition date of 4 June to 32,000 barrels at the period end).

Cost of sales and depletion charges
Cost of sales is driven by production from the Erskine field and will typically comprise field operating costs and a depletion charge against the asset's net book amount.

The overall 1H 2015 charge of US$1.1 million comprised direct field operating costs of US$0.9 million and non cash depletion of US$0.2 million.

The US$ reported value of any movements in product over/underlift have been classified within revenue.

Other expenses and income
The Company generated a loss before tax from continuing operations of US$0.6 million for 1H 2015 compared to a loss before tax of US$2.6 million for 1H 2014.

Pre-licence expenditure of US$0.02 million for 1H 2015 has fallen from the 1H 2014 charge of US$0.3 million due to a reduced level of activity on new business in the year as the Company has increased its focus on its existing UK Central North Sea asset portfolio. Pre-licence costs included direct costs and allocated general administrative costs incurred on oil and gas activities prior to the award of licences, concessions or exploration rights.

Asset write offs of US$0.2 million in 1H 2015 relate to minor exploration and evaluation ("E&E") assets where no further prospectivity is envisaged. There were no asset write-offs from continuing operations in 1H 2014.

Administrative expenses of US$1.5 million for 1H 2015 decreased from US$2.2 million for 1H 2014. The Company has worked to reduce overhead in recent periods and expects savings achieved during the course of 1H 2015 to give further benefit in 2H 2015 and beyond.

No significant finance costs were incurred in either period although minor levels of interest are accruing on the long term liability payable to BP.

Income statement - discontinued operations

Following the cessation of production and the decommissioning of the Kambuna field facilities in the second half of 2013, the financial results of the Kambuna field business segment are disclosed within 'discontinued operations' in the financial statements and separate from the results of the retained core business segments.

This discontinued operation has no significant further activity and generated a profit of US$0.03 in 1H 2015. The loss of US$0.4 million in 1H 2014 comprised a final assessment for asset write offs and minor operator expense as residual matters are closed out.

Balance Sheet

During 1H 2015, total investments in E&E assets increased by US$1.2 million from US$57.8 million to US$59.0 million. Activity on the Company's exploration portfolio has been reduced in the period given the focus on the producing Erskine asset. In Africa, US$0.2 million was incurred in respect of the Luderitz basin licence interests in Namibia. US$0.5 million was incurred in the UK on the Greater York asset, Columbus development and other exploration licences. In Ireland, US$0.4 million was incurred on exploration work on the Rockall licences and US$0.1 million on the Slyne interest.

The property, plant and equipment balance of US$10.6 million as at 30 June 2015 entirely comprises the net book amount of the Erskine asset acquisition costs capitalised on completion of the transaction on 4 June.

Long-term other receivables of US$0.2 million are represented by the final amounts from Kambuna operations that are expected to be recovered from the Indonesian authorities.

Trade and other receivables at 30 June 2015 totalled US$1.5 million and include US$0.7 from June gas and LPG sales earned after the completion of the Erskine field interest acquisition on 4 June.

Cash and cash equivalents increased from US$9.9 million to US$13.9 million during the period. Serica received net cash of US$9 million from BP in June, which resulted from the impact of certain working capital and interim period adjustments between 1 January 2014, the Effective Date of the Erskine transaction, and the completion date. This cash inflow was partially offset by cash payments of US$1.8 million to settle liabilities from the 2H 2014 well drilled in Morocco, other E&E costs on work across the portfolio in the UK, Ireland and Namibia, and ongoing administrative costs and corporate activity. Cash receipts from Erskine field sales commenced in July 2015 and are not included in the period end balance.

Trade and other payables totalled US$7.9 million at 30 June 2015, and include capital and operational expenditure liabilities for the Erskine interest. The 2014 year-end balance of US$4.0 million included creditors and accruals of US$2.0 million from the Sidi Moussa well drilling in Morocco, which have been settled in 2015.

The US$2.1 million overlift liability as at 30 June 2015 reflects the overlift position of oil and two NGL products for the Erskine field. This non-cash liability has been settled in Q3 2015 through field production.

Long term liabilities of US$8.3 million as at 30 June 2015 comprise the outstanding consideration payable to BP following the acquisition of the Erskine producing asset. This is payable in three equal tranches of US$2.8 million on 1 July 2016, 1 July 2017 and 1 July 2018 respectively.

No provision for decommissioning liabilities for the Erskine field is recorded as at 30 June 2015 as the Company's current estimate for such costs is under the agreed capped level to be funded by BP.

Cash balances and future commitments

Current cash position, capital expenditure commitments and other obligations

At 30 June 2015, the Group held cash and cash equivalents of US$13.9 million. The Company received its first cash receipts from Erskine gas sales in July, and cash balances had increased to US$15.5 million as at 28 September following the receipt of the bulk of August sales revenue.

Erskine field commitments
Net revenues from the Erskine field are expected to assist Serica in building its cash resources over the coming months and years. The Group has obligations to pay to BP the three remaining 25% tranches of US$2.775 million (excluding interest) cash consideration on 1 July 2016, 1 July 2017 and 1 July 2018 respectively. This payable of US$8.3 million for the remaining cash consideration is classified as a long term liability as at 30 June 2015.

Management believe these are sufficient resources to meet the current committed programme for 2015 and 2016 but remains conscious that a single field income stream exposes it to operational and infrastructure risks and the consequent need for adequate working capital to cover associated fluctuations in revenue. The field has a history of intermittent production performance prior to the remedial work undertaken and operational expenditure continues during periods of field shut-down when no revenue is earned.

Non-Erskine commitments
The Group has no significant exploration commitments. The two exploration commitment wells on the Morocco licences have now been drilled. On the Company's Namibian licence, the value of work performed to date by the JV partners on the 3D Seismic acquisition programme has substantially exceeded the minimum obligation expenditure on exploration work of US$15.0 million covering the entire initial four-year period of the licence, ending in December 2015.

In the UK East Irish Sea, the Group's carry on the exploration well on the Doyle prospect is subject to a cap although no overrun is currently forecast. The Group has no significant commitments on its other exploration licences.

The Company will continue to give priority to the careful management of existing financial resources. Although a key objective for the Group is to get the Columbus development back on track, the Group would seek to use alternative means of finance to fund its share of development costs.

Other

Asset values and Impairment

At 30 June 2015 Serica's market capitalisation stood at US$27.7 million (£17.6 million), based upon a share price of £0.067, which was exceeded by the net asset value at that date of US$67.5 million. By 28 September 2015 the Company's market capitalisation had decreased to US$20.7 million. Management conducted a thorough review of the carrying value of the Group's assets and determined that no significant write-downs were required.

Additional Information

Additional information relating to Serica, can be found on the Company's website at www.serica-energy.com and on SEDAR at www.sedar.com

Approved on behalf of the Board
Antony Craven Walker
Chairman

29 September 2015

Forward Looking Statements

This disclosure contains certain forward looking statements that involve substantial known and unknown risks and uncertainties, some of which are beyond Serica Energy plc's control, including: the impact of general economic conditions where Serica Energy plc operates, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Serica Energy plc's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that Serica Energy plc will derive therefrom.

Serica Energy plc

Group Income Statement

For the period ended 30 June

Continuing operations	*Notes*	Six months ended 30 June 2015 US$000 (Unaudited)	Six months ended 30 June 2014 US$000 (Unaudited)	Year ended 31 Dec 2014 US$000 (Audited)
Sales revenue	4	2,186	-	-
Cost of sales	5	(1,067)	-	-
Gross profit		1,119	-	-
Pre-licence costs		(22)	(309)	(512)
Impairment and write off of E&E assets	8	(185)	-	(30,019)
Other asset write-offs		-	-	(250)
Administrative expenses		(1,525)	(2,241)	(4,296)
Foreign exchange gain/(loss)		81	154	(235)
Share-based payments		(96)	(174)	(337)
Operating loss from continuing operations		(628)	(2,570)	(35,649)
Finance revenue		2	16	26
Finance costs		(13)	-	-
Loss before taxation		(639)	(2,554)	(35,623)
Taxation charge for the period	11	-	-	-
Loss after taxation and loss for the period		(639)	(2,554)	(35,623)
Discontinued operations				
Profit/(loss) for the period	6	30	(376)	(453)
Loss for the period		(609)	(2,930)	(36,076)
Loss per ordinary share (EPS)				
Loss on continuing operations				
Basic and diluted EPS (US$)		(0.002)	(0.01)	(0.14)
Loss for the period				
Basic and diluted EPS (US$)		(0.002)	(0.01)	(0.14)

Total Statement of Comprehensive Income

There are no other comprehensive income items other than those passing through the income statement.

Serica Energy plc
Consolidated Balance Sheet

	Notes	30 June 2015 US$000 (Unaudited)	31 Dec 2014 US$000 (Audited)	30 June 2014 US$000 (Unaudited)
Non-current assets				
Exploration & evaluation assets	7	59,009	57,843	78,756
Property, plant and equipment	8	10,635	-	-
Other receivables		247	247	235
		69,891	58,090	78,991
Current assets				
Inventories		226	-	206
Trade and other receivables		1,515	2,352	2,460
Financial assets		-	-	434
Cash and cash equivalents		13,900	9,893	19,018
		15,641	12,245	22,118
TOTAL ASSETS		85,532	70,335	101,109
Current liabilities				
Trade and other payables		(7,916)	(3,998)	(1,789)
Overlift		(2,104)	-	-
Non-current liabilities				
Trade and other payables		(8,338)	-	-
TOTAL LIABILITIES		(18,358)	(3,998)	(1,789)
NET ASSETS		67,174	66,337	99,320
Share capital	9	229,308	227,958	227,958
Other reserves		20,730	20,634	20,471
Accumulated deficit		(182,864)	(182,255)	(149,109)
TOTAL EQUITY		67,174	66,337	99,320

Serica Energy plc
Statement of Changes in Equity

For the year ended 31 December 2014 and period ended 30 June 2015

Group

	Share capital US$000	Other reserves US$000	Deficit US$000	Total US$000
At 1 January 2014 (audited)	227,958	20,297	(146,179)	102,076
Loss for the period	-	-	(2,930)	(2,930)
Total comprehensive income	-	-	(2,930)	(2,930)
Share-based payments	-	174	-	174
At 30 June 2014 (unaudited)	227,958	20,471	(149,109)	99,320
Loss for the period	-	-	(33,146)	(33,146)
Total comprehensive income	-	-	(33,146)	(33,146)
Share-based payments	-	163	-	163
At 31 December 2014 (audited)	227,958	20,634	(182,255)	66,337
Loss for the period	-	-	(609)	(609)
Total comprehensive income	-	-	(609)	(609)
Share-based payments	-	96	-	96
Issue of shares	1,350	-	-	1,350
At 30 June 2015 (unaudited)	229,308	20,730	(182,864)	67,174

Serica Energy plc
Consolidated Cash Flow Statement
For the period ended 30 June

	Six months ended 30 June 2015 US$000 (Unaudited)	Six months ended 30 June 2014 US$000 (Unaudited)	Year ended 31 Dec 2014 US$000 (Audited)
Operating activities:			
Loss for the period	(609)	(2,930)	(36,076)
Adjustments to reconcile loss for the period to net cash flow from operating activities			
Net finance costs	11	(16)	(26)
Depletion and amortisation	155	-	-
Oil and NGL overlift reduction	(1,485)	-	-
Other asset write offs	-	-	250
Impairment of E&E assets	185	-	30,019
Other non-cash movements	(788)	(154)	235
Share-based payments	96	174	337
Decrease in receivables	884	2,374	2,856
Decrease in inventories	28	52	42
Decrease in payables	(440)	(882)	(688)
Cash generated from operations	(1,963)	(1,382)	(3,051)
Taxation paid	-	-	-
Net cash outflow from operations	(1,963)	(1,382)	(3,051)
Cash flows from investing activities:			
Purchase of E&E assets	(3,151)	(5,861)	(12,967)
Cash inflow arising on acquisition of oil & gas asset	9,089	-	-
Interest received	2	16	26
Net cash in/(out)flow from investing activities	5,940	(5,845)	(12,941)
Cash flows from financing activities:			
Gross proceeds from issue of shares	-	-	-
Fees from issue of shares	-	-	-
Finance costs paid	-	-	-
Net cash (out)/inflow from financing activities	-	-	-
Cash and cash equivalents			
Net increase/(decrease) in period	3,977	(7,227)	(15,992)
Effect of exchange rates on cash and cash equivalents	30	183	(177)
Amount at start of period	9,893	26,062	26,062
Amount at end of period	13,900	19,018	9,893

Serica Energy plc

Notes to the Unaudited Consolidated Financial Statements

1. Corporate information

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2015 were authorised for issue in accordance with a resolution of the directors on 29 September 2015.

Serica Energy plc is a public limited company incorporated and domiciled in England & Wales. The Company's ordinary shares are traded on AIM in London. The principal activity of the Company is to identify, acquire and exploit oil and gas reserves.

2. Basis of preparation and accounting policies

Basis of Preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

These unaudited interim consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards following the same accounting policies and methods of computation as the consolidated financial statements for the year ended 31 December 2014. These unaudited interim consolidated financial statements do not include all the information and footnotes required by generally accepted accounting principles for annual financial statements and therefore should be read in conjunction with the consolidated financial statements and the notes thereto in the Serica Energy plc annual report for the year ended 31 December 2014.

A number of new standards, amendments to existing standards and interpretations were applicable from 1 January 2015. The adoption of these amendments did not have a material impact on the Group's interim condensed consolidated financial statements for the period ended 30 June 2015.

Going Concern

The Directors are required to consider the availability of resources to meet the Group's liabilities for the foreseeable future. The financial position of the Group, its cash flows and capital commitments are described in the Financial Review above.

At 30 June the Company held net current assets of US$7.7 million, excluding non-cash overlift, but including cash resources of US$13.9 million with no borrowings outstanding. In addition, completion of the Erskine acquisition in early June brings to Serica a producing interest capable of generating robust continuing cash flow at current oil and gas prices. Existing resources plus Erskine revenues are expected to be sufficient to cover ongoing Erskine costs and the outstanding instalments of the acquisition price plus other operational, technical and administrative costs in the short to medium term.

Since acquisition in June, Erskine field production has been above expectations. However, in prior years production has been intermittent due largely to poor downstream infrastructure performance which the recent shut-in was designed to address. Mindful of the risks of reliance on revenues from a single field, management will seek to continue building Group cash reserves so as to improve its financial resilience. The strategy is to restrict near-term spend on administrative costs and exploration licences, only committing to exploration drilling where the costs are substantially carried by third parties. The Company's costs of the forthcoming well on 22/19c will be carried by a third party as will the bulk of the subsequent Doyle well.

Management continues to seek new business opportunities to add shareholder value and, where these can offer attractive returns, appropriate financing structures will be investigated. When the final decision to proceed with the Columbus development is made, the Group would consider a range of alternative means of finance to fund its share of development costs.

After making enquiries and having taken into consideration the above factors, the Directors have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the interim financial statements.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014.

The Group financial statements are presented in US dollars and all values are rounded to the nearest thousand dollars (US$000) except when otherwise indicated.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries Serica Holdings UK Limited, Serica Energy Holdings B.V., Serica Energy Corporation, Asia Petroleum Development Limited, Petroleum Development Associates (Asia) Limited, Serica Energy (UK) Limited, PDA Lematang Limited, Serica Glagah Kambuna B.V., Serica Foum Draa B.V., Serica Sidi Moussa B.V., Serica Energy Rockall B.V., Serica Energy Slyne B.V. and Serica Energy Namibia B.V.. Together, these comprise the "Group".

All inter-company balances and transactions have been eliminated upon consolidation.

3. Segmental Information

The Group's business is that of oil & gas exploration, development and production. The Group's reportable segments are based on the location of the Group's assets.

The following tables present revenue, profit and certain asset and liability information regarding the Group's geographical reportable segments for the periods ended 30 June 2015 and 2014. Costs associated with the UK corporate centre are included in the UK & Ireland reportable segment. Reportable information in respect of the Group's interest in the producing Kambuna field in Indonesia is disclosed as a separate segment, with income statement information for the Kambuna field in Indonesia additionally classified as 'discontinued'.

Period ended 30 June 2015	UK & Ireland US$000	Africa US$000		Continuing Total US$000	Discontinued US$000
Revenue	2,186	-		2,186	-
Operating and segment (loss)/profit	(443)	(185)		(628)	30
Finance costs				(13)	-
Finance revenue				2	-
(Loss)/profit before taxation				(639)	30
Taxation charge for the period				-	-
(Loss)/profit after taxation				(639)	30

	UK & Ireland US$000	Africa US$000	Kambuna US$000	Total US$000
Other segment information:				
Segmental assets	82,315	2,925	292	85,532
Unallocated assets				-
Total assets				85,532
Segment liabilities	(17,942)	(415)	(1)	(18,358)
Total liabilities				(18,358)

Period ended 30 June 2014	UK & Ireland US$000	Africa US$000	Continuing Total US$000	Discontinued US$000
Revenue	-	-	-	-
Operating and segment loss	(2,484)	(86)	(2,570)	(376)
Finance revenue			16	-
Loss before taxation			(2,554)	(376)
Taxation charge for the period			-	-
Loss after taxation			(2,554)	(376)

	UK & Ireland US$000	Africa US$000	Kambuna US$000	Total US$000
Other segment information:				
Segmental assets	87,805	7,175	729	95,709
Unallocated assets				5,400
Total assets				101,109
Segment liabilities	(1,318)	(426)	(45)	(1,789)
Total liabilities				(1,789)

Unallocated assets and liabilities comprise financing items (including cash on deposit).

4. Sales Revenue

Six months ended 30 June:	2015 US$000	2014 US$000
Gas sales	649	-
NGL sales	52	-
Oil sales	-	-
Reduction in liquids overlift	1,485	-
	2,186	-

5. Cost of sales

Six months ended 30 June:	2015 US$000	2014 US$000
Operating costs	912	-
Depletion	155	-
	1,067	-

6. Discontinued Operation

During 2012 and 2013, Serica's sole remaining interest in Indonesia was its 25% interest in the Glagah Kambuna Technical Assistance Contract ("TAC"). The TAC covered an area of approximately 380 square kilometres offshore North Sumatra and contained the Kambuna gas field.

Following the cessation of production and the decommissioning of the Kambuna field facilities in the second half of 2013, the financial results of the Kambuna field business segment are disclosed within 'discontinued operations' in the financial statements and separate from the results of the retained core business segments. The TAC was formally terminated on 31 December 2013 and the facilities handed over to Pertamina.

Results of discontinued operations
This discontinued operation has no significant further activity and generated a profit of US$0.03 in 1H 2015. The loss of US$0.4 million in 1H 2014 comprised a final assessment for asset write offs and minor operator expense as residual matters are closed out.

No revenue was earned in either the 1H 2014 or 1H 2015 period and there are no taxation components within discontinued operations.

Basic and diluted Earnings per ordinary share (EPS) on the result for 1H 2015 amounted to US$nil (1H 2014: US$0.002).

7. Exploration and Evaluation Assets

	Total US$000
Cost:	
At 1 January 2014 (audited)	74,609
Additions	4,147
At 30 June 2014 (unaudited)	78,756
Additions	9,106
Asset write-offs	(12,519)
At 1 January 2015 (audited)	75,343
Additions	1,351
Asset write-offs	(185)
At 30 June 2015 (unaudited)	76,509
Provision for impairment:	
At 1 January and 30 June 2014	-
Impairment charge for the period	(17,500)
At 31 December 2014	(17,500)
Impairment charge for the period	-
At 30 June 2015	(17,500)
Net Book Amount:	
30 June 2015	59,009
31 December 2014	57,843
30 June 2014	78,756

E&E asset write offs in the Income Statement in 1H 2015 consisted of a US$0.2 million charge cost incurred on the Sidi Moussa block in Morocco.

The aggregate impairment and write-off charge against E&E assets in 2014 was US$30.0 million and comprised an impairment charge of US$17.5 million against the Columbus asset in the UK & Ireland cash generating unit, and E&E asset write-offs of US$12.5 million of which US$7.4 million related to the costs incurred on the Sidi Moussa block in Morocco, US$5.0 million from the adjacent Foum Draa block and US$0.1 million in the UK.

8. Property Plant and Equipment

	Oil and gas properties	Computer / IT equipment	Fixtures, fittings and equipment	Total
	US$000	US$000	US$000	US$000
Cost:				
At 1 January 2014, 30 June 2014, and 31 December 2014	-	189	901	1,090
Acquisitions	10,790	-	-	10,790
Disposals	-	-	(901)	(901)
At 30 June 2015 (unaudited)	10,790	189	-	10,979
Depreciation and depletion:				
At 1 January 2014, 30 June 2014 and 31 December 2014	-	189	901	1,090
Charge for the period	155	-	-	155
Disposals	-	-	(901)	(901)
At 30 June 2015 (unaudited)	155	189	-	344
Net book amount:				
At 30 June 2015 (unaudited)	10,635	-	-	10,635
At 1 January 2015 (audited)	-	-	-	-
At 30 June 2014 (unaudited)	-	-	-	-
At 1 January 2014 (audited)	-	-	-	-

The property, plant and equipment balance of US$10.6 million as at 30 June 2015 entirely comprises the net book amount of the Erskine asset acquisition costs capitalised on completion of the transaction on 4 June 2015. This includes non-cash consideration in the form of 13,500,000 ordinary shares issued to BP at nominal value of US$0.10 each as part of the acquisition consideration (see note 9).

9. Equity Share Capital

The share capital of the Company comprises one "A" share of £50,000 and 263,179,039 ordinary shares of US$0.10 each. The "A" share has no special rights.

The balance classified as total share capital includes the total net proceeds (both nominal value and share premium) on issue of the Group and Company's equity share capital, comprising US$0.10 ordinary shares and one 'A' share.

Allotted, issued and fully paid:		Share	Share	Total
Group	Number	capital US$000	premium US$000	Share capital US$000
At 1 January 2014, 30 June 2014 and 31 December 2014	250,179,040	25,108	202,850	227,958
Shares issued (i)	13,500,000	1,350	-	1,350
At 30 June 2015	263,679,040	26,458	202,850	229,308

i) On 4 June 2015, the Company issued 13,500,000 ordinary shares at nominal value of US$0.10 each to BP as part of the acquisition of an 18% interest in UK blocks 23/26a (Area B) and 23/26b (Area B) containing the Erskine field.

As at 29 September 2015 the issued voting share capital of the Company is 263,679,039 ordinary shares and one "A" share.

10. Share-Based Payments

Share Option Plans

Following a reorganisation (the "Reorganisation") in 2005, the Company established an option plan (the "Serica 2005 Option Plan") to replace the Serica Energy Corporation Share Option Plan (the "Serica BVI Option Plan").

There are currently no options outstanding under the Serica BVI Option Plan and no further options will be granted under the Serica BVI Option Plan.

The Serica 2005 Option Plan is comprised of two parts, the basic share option plan and a part which constitutes an Enterprise Management Incentive Plan ("EMI Plan") under rules set out by the H.M. Revenue & Customs in the United Kingdom. Options granted under the Serica 2005 Option Plan can be granted, at the discretion of the Board, under one or other of the two parts but, apart from certain tax benefits which can accrue to the Company and its UK employees if options are granted under the part relating to the EMI Plan meeting the conditions of that part of the Serica 2005 Option Plan, all other terms under which options can be awarded under either part are substantially identical. The Serica 2005 Option Plan will govern all future grants of options by the Company to Directors, officers, key employees and certain consultants of the Group.

The Directors intend that the maximum number of ordinary shares which may be utilised pursuant to the Serica 2005 Option Plan will not exceed 10 per cent. of the issued ordinary shares of the Company from time to time, in line with the recommendations of the Association of British Insurers.

As at 30 June 2015, the Company has granted 21,832,460 options under the Serica 2005 Option Plan, 6,986,520 of which were outstanding. 2,007,500 of the 6,986,520 outstanding at 30 June 2015 under the Serica 2005 Option Plan are exercisable only if certain performance targets being met.

The Company calculates the value of share-based compensation using a Black-Scholes option pricing model (or other appropriate model for those Directors' options subject to certain market conditions) to estimate the fair value of share options at the date of grant. There are no cash settlement alternatives. The estimated fair value of options is amortised to expense over the options' vesting period. US$96,000 has been charged to the income statement in continuing operations for the six month period ended 30 June 2015 (2014 – US$174,000) and a similar amount credited to the share-based payments reserve, classified as 'Other reserve' in the Balance Sheet. US$nil has been charged to the income statement in discontinued operations for the period ended 30 June 2015 (2014 – US$nil).

The options granted in 2014 and 2015 were consistently valued in line with the Company's valuation policy. Assumptions made included a weighted average risk-free interest rate of 3%, no dividend yield, a weighted average expected life of three years, and a volatility factor of expected market price of in a range from 50-70%.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

Serica BVI Option Plan	**Number**	**WAEP Cdn$**
Outstanding as at 1 January 2014	1,900,000	1.46
Expired during the period	(1,000,000)	1.80
Outstanding at 30 June 2014	900,000	1.09
Expired during the period	(200,000)	1.00
Outstanding at 1 January 2015	700,000	1.11
Expired and cancelled during the period	(700,000)	1.11
Outstanding at 30 June 2015	-	-

Serica 2005 Option Plan		**£**
Outstanding at 1 January 2014	9,108,460	0.50
Expired during the period	(228,000)	0.32
Granted during the period	1,800,000	0.13
Outstanding at 30 June 2014 and at 31 December 2014	10,680,460	0.44
Expired and cancelled during the period	(5,193,940)	0.43
Granted during the period	1,500,000	0.07
Outstanding at 30 June 2015	6,986,520	0.37

On 16 January 2015, 600,000 share options under the Serica BVI Option Plan expired.

In May 2015, 100,000 share options under the Serica BVI Option Plan and 5,118,940 share options under the Serica 2005 Option Plan were cancelled. In June 2015, a further 75,000 share options under the Serica 2005 Option Plan were cancelled.

On 30 June 2015, 1,500,000 share options were granted to employees other than directors, all with an exercise cost of £0.066 and an expiry date of 29 June 2025.

Share Options

As at 30 June 2015, the following director and employee share options were outstanding:

Expiry Date	Amount	Exercise cost £
July 2015	825,190	384,122
November 2015	60,000	58,200
January 2016	135,000	139,725
January 2017	60,000	61,200
May 2017	210,000	218,400
March 2018	318,000	238,500
January 2020	1,155,000	785,400
April 2021	50,000	15,685
January 2022	1,123,330	240,112
October 2022	400,000	116,000
January 2023	300,000	81,750
November 2023	400,000	72,000
January 2024	450,000	58,500
June 2025	1,500,000	99,000

On 17 July 2015, 2,500,000 share options were granted to a director with an expiry date of 16 July 2025. Of these, 1,000,000 were granted with an exercise cost of £0.12, 1,000,000 with an exercise cost of £0.18 and 500,000 with an exercise cost of £0.24.

On 31 July 2015 825,190 share options expired.

11. Taxation

The major components of income tax in the consolidated income statement are:

Six months ended 30 June:	2015 US$000	2014 US$000
Current income tax charge	-	-
Deferred income tax credit	-	-
Total tax charge	-	-

12. Publication of Non-Statutory Accounts

The financial information contained in this interim statement does not constitute statutory accounts as defined in the Companies Act 2006. The financial information for the full preceding year is based on the statutory accounts for the financial year ended 31 December 2014, which are available at the Company's registered office at 52 George Street, London W1U 7EA and on its website at www.serica-energy.com and on SEDAR at www.sedar.com.

This interim statement will be made available at the Company's registered office at 52 George Street, London W1U 7EA and on its website at www.serica-energy.com and on SEDAR at www.sedar.com.

GLOSSARY

bbl	barrel of 42 US gallons
bcf	billion standard cubic feet
boe	barrels of oil equivalent (barrels of oil, condensate and LPG plus the heating equivalent of gas converted into barrels at a rate of 6,000 standard cubic feet per barrel)
boepd	barrels of oil equivalent per day
bpd	barrels of oil per day
HPHT	High Pressure High Temperature
mscf	thousand standard cubic feet
mmbbl	million barrels
mmboe	million barrels of oil equivalent
mmscf	million standard cubic feet
mmscfd	million standard cubic feet per day
NGL	Natural Gas Liquid
P_{10}	A high estimate that there should be at least a 10% probability that the quantities recovered will actually equal or exceed the estimate
P_{50}	A best estimate that there should be at least a 50% probability that the quantities recovered will actually equal or exceed the estimate
P_{90}	A low estimate that there should be at least a 90% probability that the quantities recovered will actually equal or exceed the estimate
Proved Reserves	Proved reserves are those Reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.
Probable Reserves	Probable reserves are those additional Reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved + probable reserves.
Possible Reserves	Possible reserves are those additional Reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved + probable + possible reserves
Reserves	Estimates of discovered recoverable commercial hydrocarbon reserves calculated in accordance with the Canadian National Instrument 51-101
Contingent Resources	Estimates of discovered recoverable hydrocarbon resources for which commercial production is not yet assured, calculated in accordance with the Canadian National Instrument 51-101
Prospective Resources	Estimates of the potential recoverable hydrocarbon resources attributable to undrilled prospects, calculated in accordance with the Canadian National Instrument 51-101
TAC	Technical Assistance Contract
tcf	trillion standard cubic feet