



Presentation on OGDCL Full-Year Results FY2009 (July 2008 – June 2009)



Thursday, August 13th 2009



Forward Looking Statements

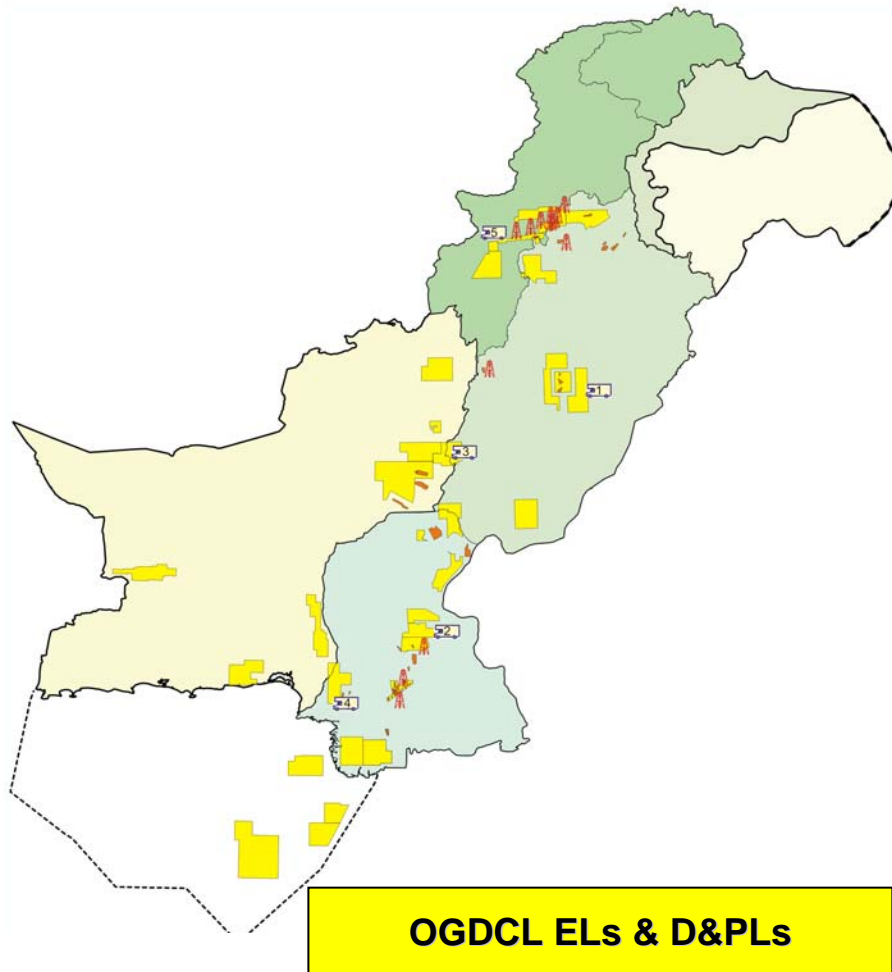
During the course of this conference call we may make forward-looking statements regarding future events or the future performance of the company. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific and risks exist that the predictions, forecasts, projections and other forward looking statements will not be achieved. You should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements.

When relying on forward looking statements you should carefully consider the political, economic, social and legal environment in which OGDCL operates. Such forward looking statements speak only as of the time of this call today. Accordingly OGDCL does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise, other than that as required by applicable laws, the listing rules or prospectus rules of the United Kingdom listing authority, the Pakistani Capital Market's authority or the Karachi Stock Exchange. The documents filed from time to time with these authorities may identify important factors that could cause actual results to differ materially from those contained in any forward-looking statements.

Overview



Location of Exploration Licences & Operations



As at 30th June 2009 (or as indicated below);

- Largest exploration and production company in Pakistan's oil and gas sector
- Largest exploration acreage in Pakistan, covering 30% of the total acreage awarded
- Largest portfolio of net hydrocarbon reserves in Pakistan
 - 45% of oil (as at 31 Dec 2008)
 - 35% of gas (as at 31 Dec 2008)
- OGDCL contributes 24% of Pakistan's total natural gas production, and 63% of its oil production
- Remaining Recoverable Reserves as at June 2009:
 - 625 MMboe on 1P basis (Oil 60 and Gas 565)
 - 1,065 MMboe on 2P basis (Oil 127 and Gas 938)
- 71 OGDCL fields – 100% Owned & Operated (41) and Non-Operated fields (30) as at December 2008
- Presence in and knowledge of all 4 provinces.



Full-Year FY08/09 Results Highlights

- Net sales up 3.9 % to Rs 130.830 billion.
- Operating profit margin and net profit margin stood at 59% and 42% respectively.
- Earnings per share of Rs 12.91 against Rs 10.31
- Net crude oil production of 41,019 barrels per day, net gas production was 1,001 MMcf per day, net LPG production 218 tons per day and net sulphur production was 64 tons per day.
- Payable final dividend of Rs 2.50 per share.
- Oil - average net realized price of US\$ 55.53 /bbl.
- Gas - average net realized price of Rs 174.78 / Mcf.
- 30 wells spudded and 02 new discoveries made.



Operational Update

- Crude oil production from Company's 100% owned fields and share in operated JV fields decreased by 3.3% (1,236 bopd) compared with last year. This decrease is mainly due to decline in production from our non-operated fields and a decline in Dhodak, Thora, Lashari, Bobi, Sono, Tando Alam and Chanda fields.
- Gas production during the year was slightly higher when compared to last year. Addition of gas from Nandpur-10, Dhodak Deep-1, Bahu-4 and Dakhni Deep-2 all contributed to cater for the natural decline from Dhodak and Uch gas Fields.
- Compared with actual numbers of last year, LPG production decreased by 35.6% mainly due to water break through at Dhodak field and operational problems at Bobi plant.

	FY2007/08	FY2008/09
Crude Oil (Barrels / day)	43,434	41,019
Gas (MMscf / day)	976	1,001
LPG (Metric Tons / day)	339	218
Sulphur (Metric Tons / day)	72	64
<i>Daily production has been worked out at 365 days / year. (2007-08: 366 days/year)</i>		



Operational Update

SINJHORO DEVELOPMENT PROJECT

The project will enhance OGDCL production capacity by 2,100 bopd, 31 MMcfd of gas and about 138 M.Tons/day of LPG. Tenders for development of the field were advertised on February 20, 2009 however, the bidding process is held up under the Sindh High Court.

KPD/TAY PROJECT

The expected production will be 278 MMcfd of gas, 4,700 bopd and 361 M.Tons/day of LPG. Tender for development of the fields were advertised on February 20, 2009, however the bidding process is held up since March 19, 2009 due to litigation.

QADIRPUR COMPRESSION PROJECT

The activities were held up due to litigation however, an alternate arrangement (Reciprocating Compressors) for a period of 3 years is being worked out. The Reciprocating Compressors are expected to start work by first quarter 2010.

QADIRPUR CAPACITY ENHANCEMENT PROJECT

Project completed.

UCH II DEVELOPMENT PROJECT

After the completion of the project, the sale gas from UCH gas field will be enhanced from 250 MMcfd to 410 MMcfd. Bidding process in connection with hiring of EPCC Contractor is in process. Locations for six wells have been marked on ground and drilling at Well No. 21 is in progress.

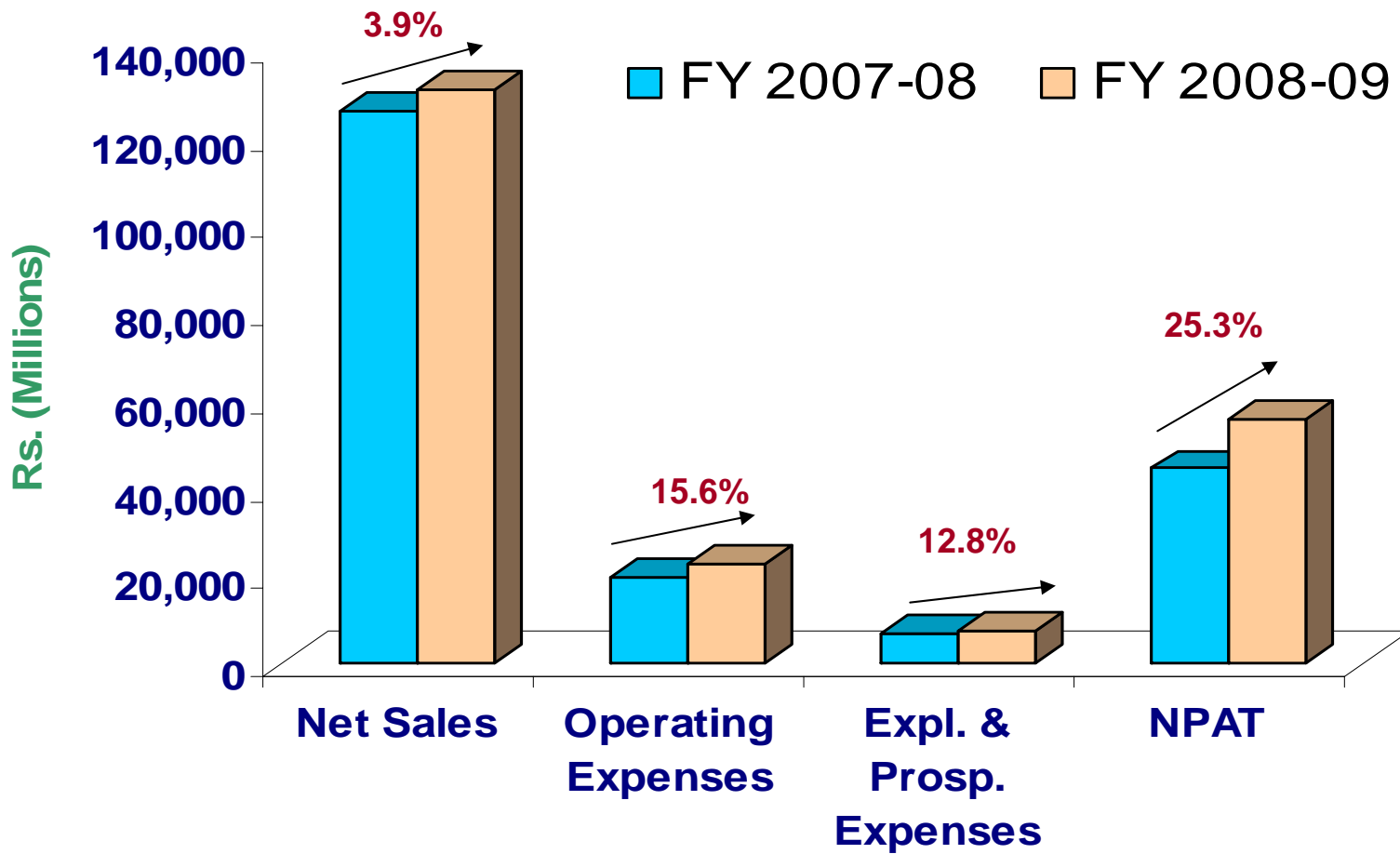
Exploration and Development Activities



- 30 wells spudded, comprising 14 exploratory / appraisal and 16 development wells
- As at June 30, 2009 OGDCL operated in 35 Exploration Blocks (22 blocks with 100% share and 13 blocks as operated JVs) including 4 Offshore Blocks, covering an area of 68,310.92 Sq. Kms. Exploration blocks relinquished during the year included Dhermund, Bagh-o-Bahar, Pakhiwala, Dhok Sultan, Offshore Indus Delta-A, Chakral, Zamurdan, Dhudial, Multan South and Kotra.
- OGDCL's exploratory efforts resulted into the following two gas/condensate discoveries during the year ended June 30, 2009. Kunnar South-1 and Pasakhi West Deep-1.
- 5,129 Linear Kms of 2D seismic survey and 1,128 Sq. Kms of 3D seismic survey completed during FY2008/09.
- Recently DGPC has advertised 53 new blocks. OGDCL is doing its utmost efforts to enhance its concession portfolio by participating in the current bidding round.
- Pakistan Basin Study Project has been successfully completed on April 30, 2009, which was commenced in October, 2005 by consultant, M/s Fugro Robertson (FRL) of UK.
- The Company is evaluating various opportunities for overseas exploration.



Financial Snapshot



Financials



In Pkr 000,000s	1H FY07/08	1H FY08/09	% Change	FY 2007/08	FY 2008/09	% Change
Net Sales	56,822	71,940	26.6	125,908	130,830	3.9
Operating profit margin (%)	59	63	7.3	59	59	-
EBITDA margin (%)	69	73	6.2	69	70	1.5
Net profit margin (%)	42	44	4.2	35	42	20.6
Profit after tax	24,093	31,781	31.9	44,338	55,540	25.3
Profit from operating activities	33,364	45,315	35.8	74,397	77,500	4.2
Earnings per share (Rs.)	5.60	7.39	31.9	10.31	12.91	25.3
Cumulative dividends per share (Rs.)	3.75	3.75	-	9.50	8.25	-

Summary



- Strategic focus on enhancing reserves and production base
- Expeditious completion of development projects
- Selective international expansion
- Following international best practices