



# Presentation on OGDCL Full Year Results FY2011 (July 2010 – June 2011)



*Friday, August 12, 2011*



# Forward Looking Statements

During the course of this conference call presentation 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

As at June 30th 2011 (or as indicated below);

- Largest exploration and production company in Pakistan's oil and gas sector
- Largest exploration acreage in Pakistan, covering 22% of the total acreage awarded
- Largest portfolio of net hydrocarbon reserves in Pakistan
  - 48% of oil (as at December 2010)
  - 37% of gas (as at December 2010)
- OGDCL contributes 22% of Pakistan's total natural gas production, and 56% of its oil production
- Remaining Recoverable Reserves on net basis\*\*
  - 492 MMboe on 1P basis (Oil 31 and Gas 461)
  - 932 MMboe on 2P basis (Oil 98 and Gas 834)
- 77 OGDCL D&PLs – 100% Owned & Operated (45) and Non-Operated fields (32)
- Presence in and knowledge of all 4 provinces

**\*\*** The reserves estimates are based on the latest available 3<sup>rd</sup> Party Reserves Evaluation Study carried out by M/s DeGolyer & MacNaughton in Dec 2006, and updated in-house minus the production till June 2011. The reserves will be revised after the finalization of ongoing 3<sup>rd</sup> Party Reserves Evaluation Study by M/s Tracs Intl of UK by September 2011.

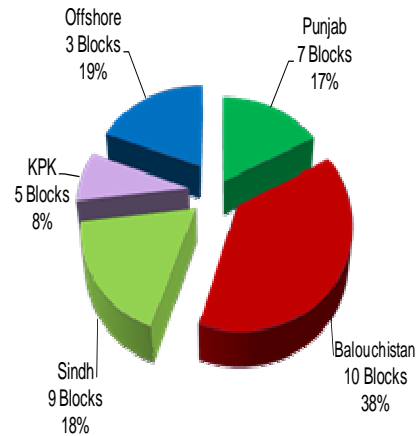
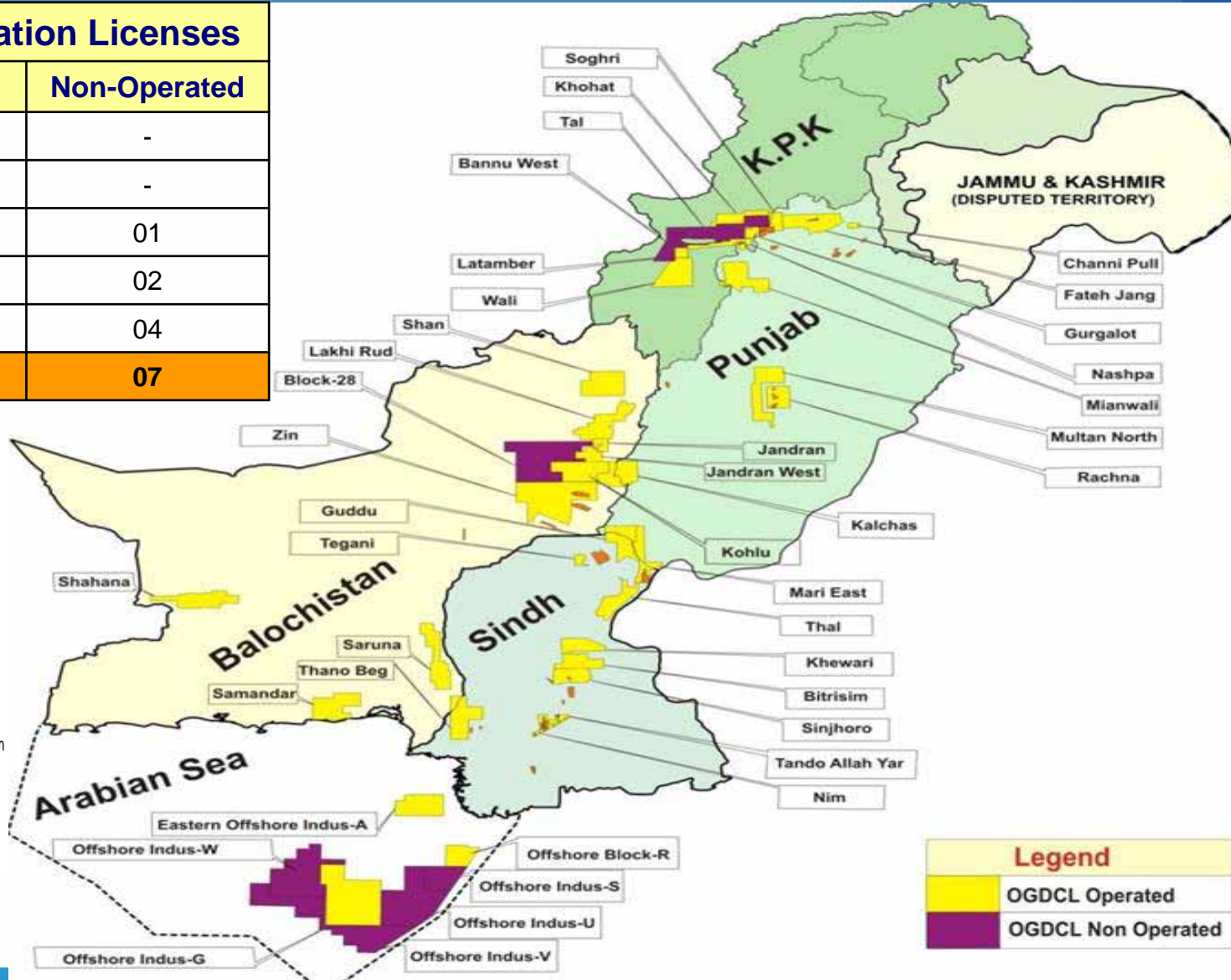
# OGDCL Exploration Licenses

Status as on June 30, 2011



## Summary Of Exploration Licenses

Provinces	Operated	Non-Operated
Punjab	07	-
Sindh	09	-
Balochistan	10	01
K.P.K	05	02
Offshore	03	04
<b>Total</b>	<b>34</b>	<b>07</b>



## Province wise Acreage

61,084.07 Sq kms

### Legend

<span style="display:inline-block; width:15px; height:15px; background-color:yellow; border:1px solid black;"></span>	OGDCL Operated
<span style="display:inline-block; width:15px; height:15px; background-color:purple; border:1px solid black;"></span>	OGDCL Non Operated

# Full Year FY2011 Financial & Operational Performance



- Net revenues up by 9.2% to Rs 155.631 billion
- Earnings per share of Rs 14.77 against Rs 13.76
- Oil - average net realized price of US\$ 72.05 / bbl
- Gas - average net realized price of Rs 214.03 / Mcf
- Operating profit margin and net profit margin stood at 56% and 41% respectively
- Payable final dividend of Rs 2.50 per share
- Net crude oil production of 37,370 Barrels per day, net gas production of 1,013 MMcf per day, net LPG production of 195 M.Tons per day & net sulphur production of 73 M.Tons per day
- 21 wells spudded and 02 new discoveries made



# Operational Update - Exploration

- Total 21 wells spudded, comprising of 10 exploratory/appraisal and 11 development wells
- As at June 30, 2011 OGDCL operated in 34 Exploration Blocks (22 blocks with 100% share and 12 blocks as operated JVs) including 3 Offshore Blocks, covering an area of 61,084 Sq. Kms
- OGDCL's exploratory efforts resulted in 2 oil and gas/condensate discoveries during the period ended June 30, 2011
- 1,500 L. Kms of 2D seismic survey and 660 Sq. Kms of 3D seismic survey completed during FY2011



# Operational Update - Production

- Compared with the preceding year, net gas production increased by 3.85%
- Net crude oil production decreased by 1.85% compared to preceding year
- LPG production during the year decreased by 3.41% mainly due to decline in production from non-operated fields.

	<b>FY2009/10</b>	<b>FY2010/11</b>
<b>Crude Oil (Barrels / day)</b>	<b>38,075</b>	<b>37,370</b>
<b>Gas (MMscf / day)</b>	<b>976</b>	<b>1,013</b>
<b>LPG (Metric Tons / day)</b>	<b>202</b>	<b>195</b>
<b>Sulphur (Metric Tons / day)</b>	<b>70</b>	<b>73</b>
<i>Daily production has been worked out at 365 days / year.</i>		



# Operational Update - Projects

## **SINJHORO DEVELOPMENT PROJECT**

The project will be completed in two phases by itself. The first phase will be completed by January 2012 and the second phase will be completed by April 2012 adding 3,000-3,500 Bpd, 25-30 MMCFD and 120-140 MTPD of LPG.

## **KPD/TAY INTEGRATED DEVELOPMENT PROJECT**

OGDCL will setup the project in two phases by itself. The project is expected to be completed by August 2013. The expected production from the project will be 284 MMCFD of sales gas, 4,400 Bpd of oil, 387 MTPD of LPG and 400 Bpd of NGL.

## **DAKHNI EXPANSION PROJECT**

Dakhni Expansion project is expected to be completed by December 2011. The incremental production after expansion will be 12 MMCFD of gas, 720 bpd of condensate, 80 MTPD of Sulphur and 12 MTPD of LPG.





# Operational Update - Projects

## **QADIRPUR COMPRESSION PROJECT**

Performance test of the 14 installed compressors shall be carried out by end September 2011.

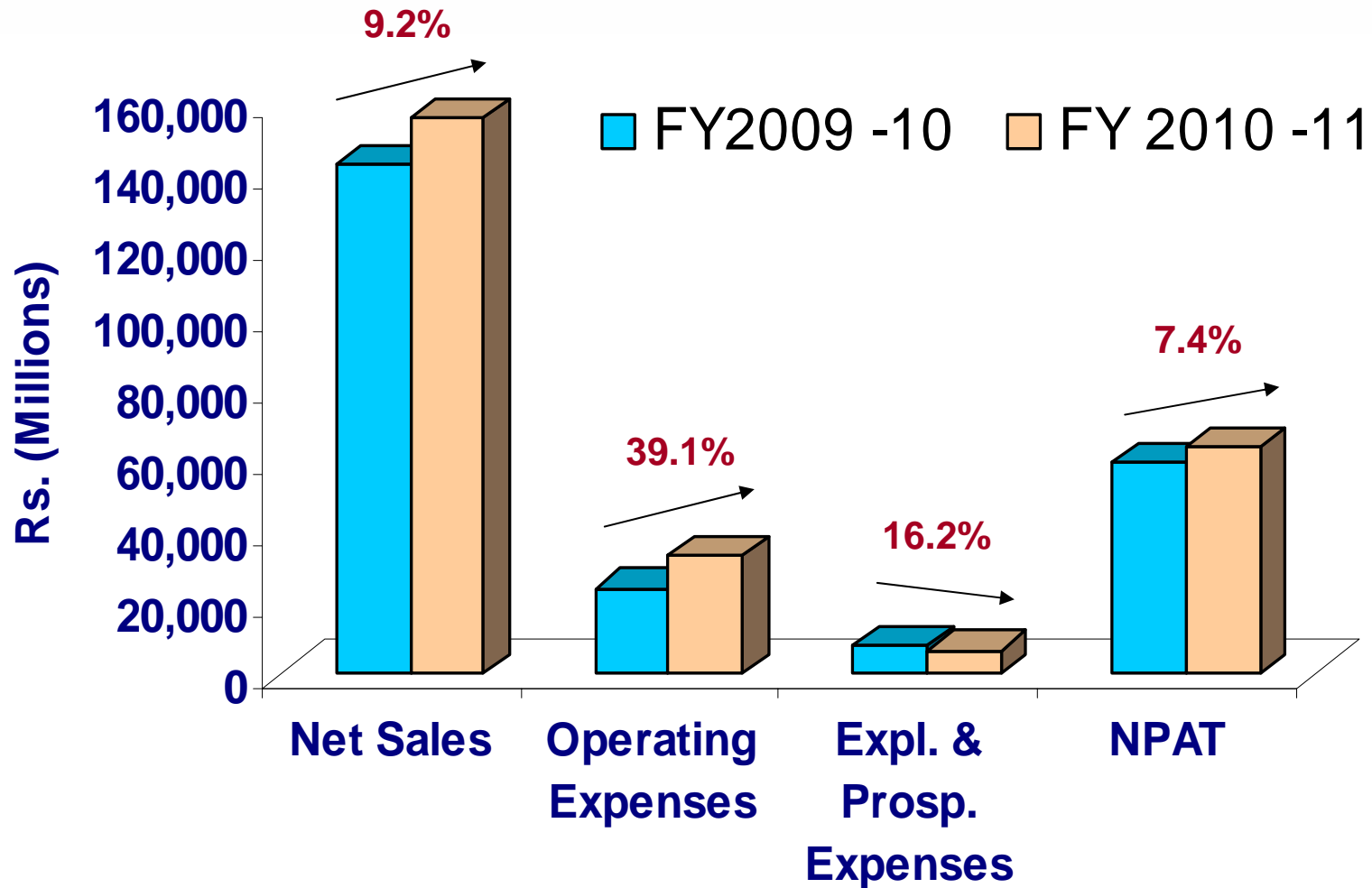
## **JHAL MAGSI PROJECT**

The project will be undertaken after 3rd party reservoir certification.

## **UCH II DEVELOPMENT PROJECT**

12 wells have already been drilled. After completion of the project, additional 160 MMCFD of sales gas to Uch Power Limited (UPL) will be supplied. Gas Sale Agreement (GSA) is signed up with UPL and is effective from 30 April 2011.

# Financial Snapshot





# Financial Highlights

In Pkr 000,000s	1H 2009/10	1H 2010/11	% Change	FY 2009/10	FY 2010/11	% Change
Net Sales	72,633	81,090	11.6	142,572	155,631	9.2
Operating profit margin (%)	61	62	1.8	60	56	(5.8)
EBITDA margin (%)	71	72	1.1	71	71	-
Net profit margin (%)	39	39	-	42	41	(1.7)
Profit after tax	28,493	31,598	10.9	59,177	63,527	7.4
Profit from operating activities	44,184	50,210	13.6	85,188	87,600	2.8
Earnings per share (Rs.)	6.62	7.35	10.9	13.76	14.77	7.4
Cumulative dividends per share (Rs.)	2.50	1.50	(40.0)	5.50	5.50	-

# Summary

- Focus on enhancing
  - Reserves base
  - Current production
- Expeditious completion of development projects
- Following international best practices
- To become the best corporate citizen