



OGDCL Financial Year 2007 Results (July 2006 – June 2007)



22 August 2007

Forward looking statements



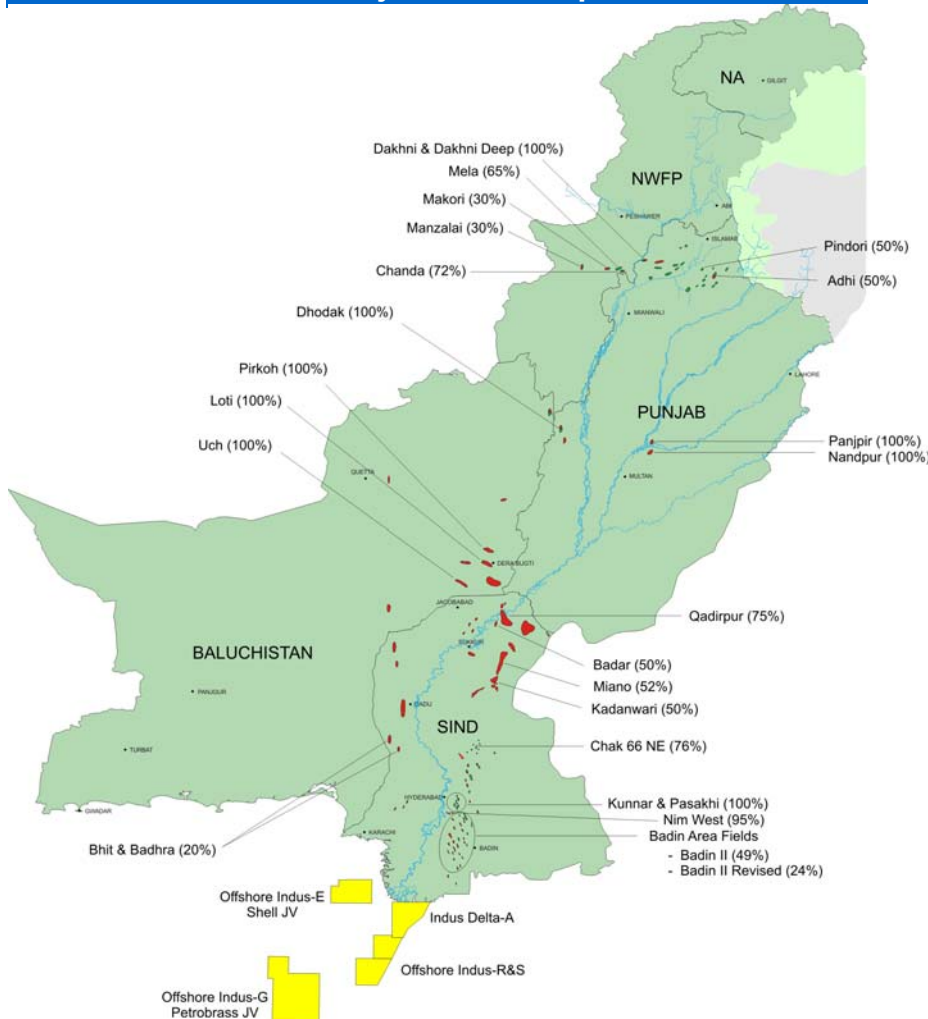
During the course of this conference call we may make forward-looking statements regarding future events or the future performance of the company. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific and risks exist that the predictions, 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.

Group overview



Location of Major OGDCL Operations



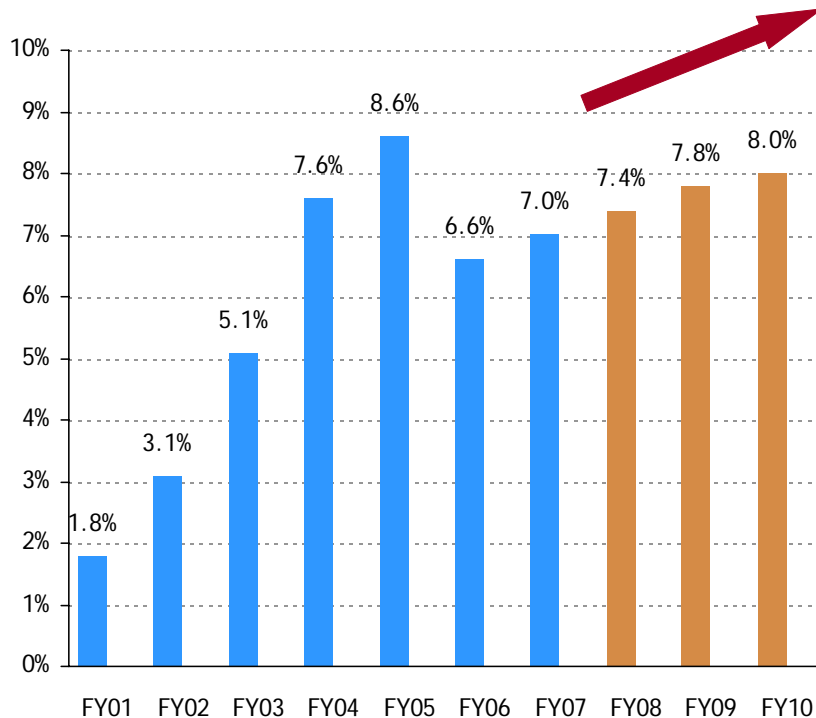
As of 30 June 2007 (or as indicated);

- Largest exploration and production company in Pakistan's oil and gas sector
- Largest exploration acreage in Pakistan, covering 33% of the total acreage awarded
- Largest portfolio of net recoverable hydrocarbon reserves in Pakistan
 - 30% of oil (as of Dec 2006)
 - 32% of gas (as of Dec 2006)
- OGDCL contributes 24% of Pakistan's total natural gas production, and 61% of its oil production (on net basis)
- Reserves as at 31 Dec 2006 (D&M Certified):
 - 1P (MMboe) Oil 96 and Gas 156
 - 2P (MMboe) Oil 704 and Gas 1,077
- 85 OGDCL operated and non-operated fields PLUS 8 discoveries under appraisal
- 38 OGDCL operated fields in production
- Presence in and knowledge of all 4 provinces
- 40 development and production leases in 100% owned and operated

Country backdrop



Pakistan Real GDP Growth Rate Trend



Source: Economic Survey / Ministry of Finance

- 6th most populous nation in the world, population of around 160 million
- GDP (Nominal): US \$144bn (FY07)
- GDP per capita: US \$909
- Country Rating: S&P – B+, Moody's – B2
- Strong privatisation programme to attract foreign investment (FI increased from US\$816m in FY03 to US\$8.4billion in FY07)
- Average GDP growth rate of 7.5% over the past three years
- Pakistan's energy demand and consumption continues to surpass domestic supplies

FY06/07 Audited results highlights - Consolidated



- Net sales up 3.5% to Rs 100.733 billion
- Operating profit margin and net profit margin stood at 56% and 45% respectively
- Earnings per share of Rs 10.52 against Rs 10.65
- Payable final dividend of Rs 3.50 per share
- Oil - average net realized price of US\$ 51.86 /bbl
- Gas - average net realized price of Rs 142.73 / Mcf
- 41 wells spudded and ten new discoveries made.

FY06/07 Audited results highlights - OGDCL only



- Net sales up 3.6% to Rs 100.261 billion
- Operating profit margin and net profit margin stood at 57% and 47% respectively
- Earnings per share of Rs 10.61 against Rs 10.69
- Payable final dividend of Rs 3.50 per share
- Oil - average net realized price of US\$ 51.86 /bbl
- Gas - average net realized price of Rs 144.12 / Mcf
- 41 wells spudded and ten new discoveries made during the year 2006/07.

Operational update



- Gas production at Pirkoh and Loti resumed
- Operational efficiencies driven through the completion of fourteen work-overs
- Chanda-2, Mela-1, Dakhni Deep-1, Rajian-4A, Pasahki North East-1, Chak Dim 5 South-1, Mithrao-1, Qadirpur-28, Qadirpur-26 and Dhodak-10A put into regular production
- Acceleration of operational activities at Qadirpur expected to provide 100mmcf/d extra production in 2008
- Delays expected to the development of Tando Allah Yar and Sinjhoru fields offset by oil and gas production from Mela field.

	FY 05 / 06	FY 06 / 07
Crude oil	38,966 Barrels/day	41,503 Barrels/day
Gas	946 MMcf/day	947 MMcf/day
LPG	353 Tons/day	386 Tons/day
Sulphur	59 Tons/day	66 Tons/day

Daily production has been worked out at 365 days / year. Gas production includes 19 MMcf/d from subsidiary company production. (2005-06: 23 MMcf/d from subsidiary company) .

High-level of exploration and development activity

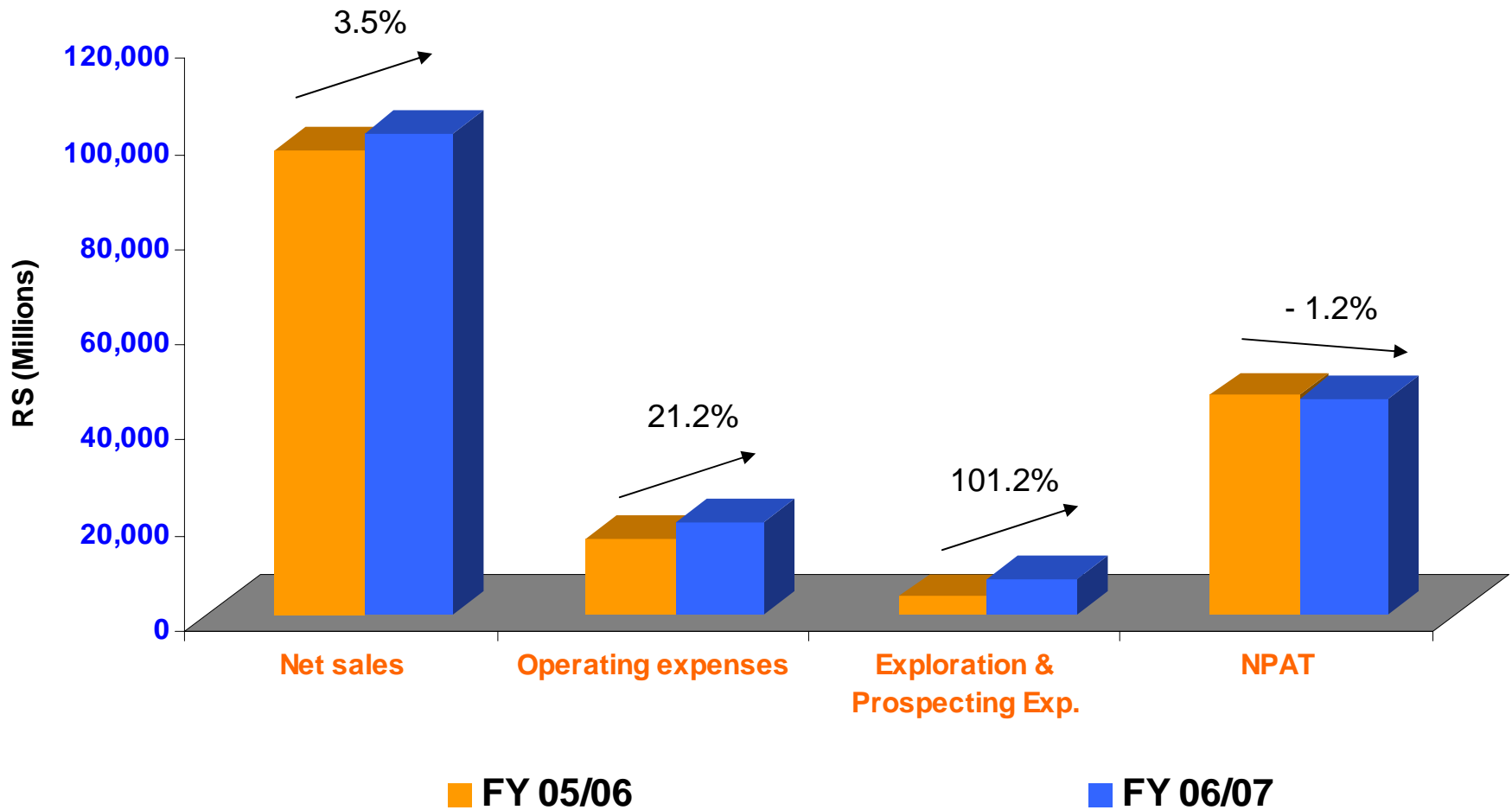


- 41 wells spudded, comprising 28 exploratory / appraisal and 13 development wells
- Ten new discoveries were made in FY 2007. These discoveries will add considerable amount of oil and gas to Company's reserve base. Some of the newly discovered fields including Mela have been put on regular production.
- 3,282 Linear Kms of 2D seismic survey, 661 Sq. Kms of 3D seismic survey completed. Phase IV of Basin Studies Project completed in October 2006. The completion of the remaining phases is expected by February 2008.

EXTRAORDINARY ITEMS

- Qadirpur gas prices discounts still to be agreed and finalized between the QP JV partners and DG(Gas)
- \$ 50 plus crude price issue with the refineries, discounts over 50 still unresolved

Group's Operations Snapshot



Group's Financials



In Pkr 000,000s	HY 06	HY 07	% Change	FY 05/06	FY 06/07	% Change
Net Sales	43,115	49,676	15.2	97,309	100,733	3.5
Operating profit margin (%)	63	59	- 6.3	63	56	- 10.7
EBITDA margin (%)	74	70	- 5.6	73	67	- 8.1
Net profit margin (%)	46	46	-	47	45	- 4.6
Profit after tax	20,020	22,925	14.5	45,803	45,254	- 1.2
Profit from operating activities	27,063	29,235	8.0	61,358	56,724	- 7.6
Earnings per share	4.65	5.33	14.6	10.65	10.52	- 1.2
Final dividend per share (Rs)					3.50	

Company's Financials



In Pkr 000,000s	HY 06	HY 07	% Change	FY 05/06	FY 06/07	% Change
Net Sales	42,668	49,526	16.1	96,755	100,261	3.6
Operating profit margin (%)	64	59	- 6.4	64	57	- 10.9
EBITDA margin (%)	74	70	- 5.6	73	68	- 7.8
Net profit margin (%)	48	47	- 1.9	48	46	- 4.2
Profit after tax	20,305	23,113	13.8	45,967	45,629	- 0.7
Profit from operating activities	27,103	29,461	8.7	61,663	57,443	- 6.8
Earnings per share	4.72	5.37	13.8	10.69	10.61	- 0.7
Final dividend per share (Rs)					3.50	

Summary



- Focus on enhancing production
- Maintain low cost operations whilst meeting international operating standards
- Exploit offshore opportunities and develop in-house expertise
 - Royal Dutch Shell
 - Petrobras
 - Possible JV with BP
- Selective international expansion
- Following international best practice