



Presentation on OGDCL Half Year Results FY2011 (July 2010 – December 2010)



Thursday, February 24, 2011



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

As at 31st December 2010 (or as indicated below);

- Largest exploration and production company in Pakistan's oil and gas sector
- Largest exploration acreage in Pakistan, covering 23% of the total acreage awarded
- Largest portfolio of net hydrocarbon reserves in Pakistan
 - 47% of oil (as at June 2010)
 - 36% of gas (as at June 2010)
- OGDCL contributes 23% of Pakistan's total natural gas production, and 56% of its oil production
- Remaining Recoverable Reserves on net basis**
 - 513 MMboe on 1P basis (Oil 37 and Gas 476)
 - 953 MMboe on 2P basis (Oil 104 and Gas 849)
- 76 OGDCL fields – 100% Owned & Operated (42) and Non-Operated fields (34)
- Presence in and knowledge of all 4 provinces

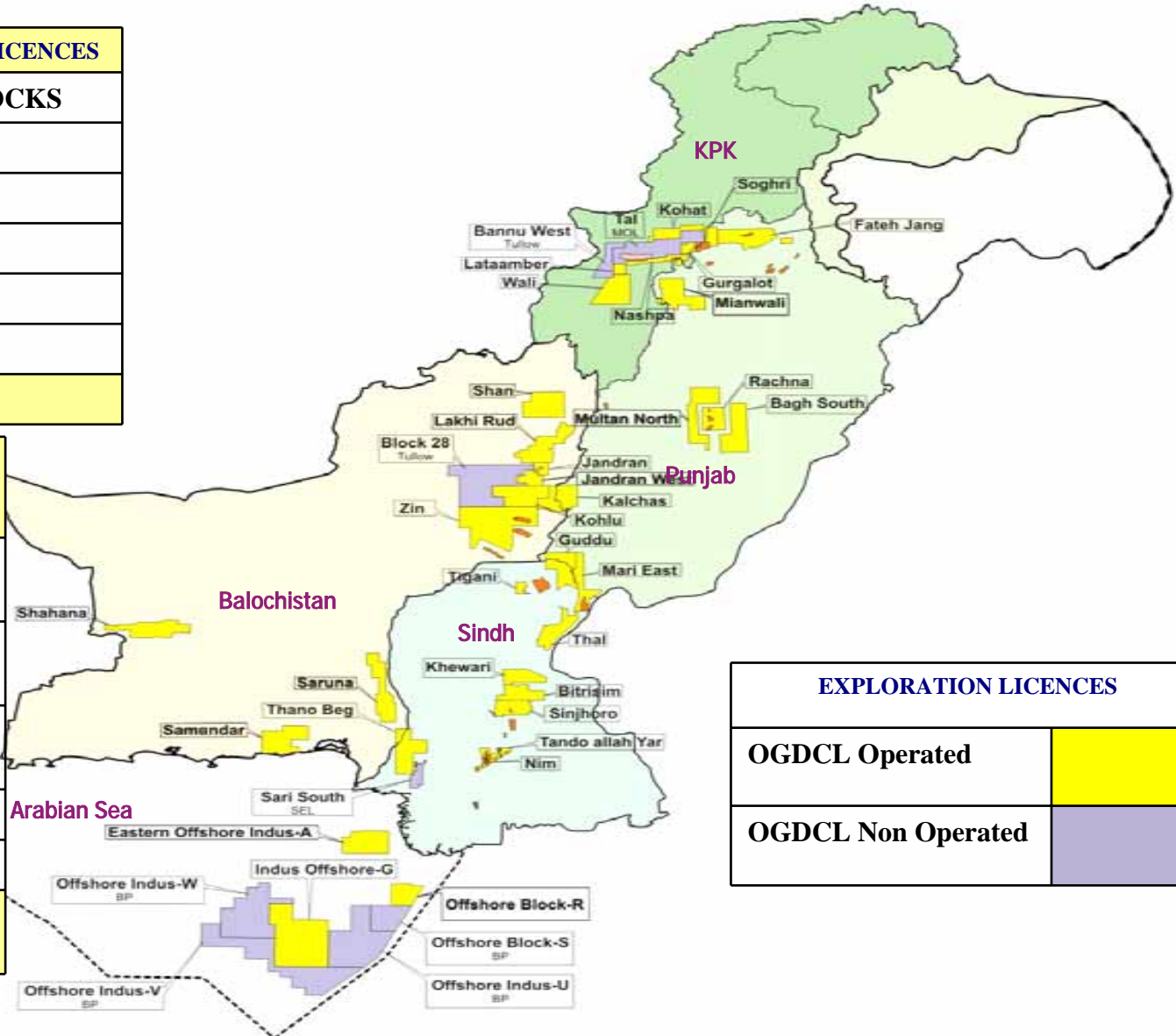
**** The reserves estimates are based on the latest available 3rd Party reserves evaluation carried out by DeGolyer & MacNaughton in Dec 2006, minus the production for the period Jan 2007-December 2010. The reserves will be revised after the receipt of ongoing 3rd Party Reserves Evaluation Study by M/s Tracs Intl of UK by June 2011.**

OGDCL Exploration Licenses



SUMMARY OF EXPLORATION LICENCES	
PROVINCE	NO. OF BLOCKS
Punjab	08
Sindh	09
Balochistan	10
KPK	05
Offshore	03
Total	35

SUMMARY OF NON OPERATED EXPLORATION LICENCES	
PROVINCE	NO. OF BLOCKS
Sindh	-
Balochistan	01
KPK	02
Offshore	04
Total	07



EXPLORATION LICENCES	
OGDCL Operated	
OGDCL Non Operated	

Half Year FY2010-11 Financial & Operational Performance



- Net revenues up by 11.6% to Rs 81.090 billion
- Operating profit margin and net profit margin stood at 62% and 39% respectively
- Earnings per share of Rs 7.35 against Rs 6.62
- Net crude oil production of 36,970 barrels per day, net gas production of 981 MMcf per day, net LPG production of 194 tons per day & net sulphur production of 68 tons per day
- Oil - average net realized price of US\$ 66.08 /bbl
- Gas - average net realized price of Rs 215.95 / Mcf
- 07 wells spudded and 02 new discoveries made

Operational Update - Production

- Compared with the preceding year, net gas production increased by 2.3%
- Net crude oil production decreased by 4.7% compared to corresponding period of preceding year
- LPG production during the year decreased by 2.5% mainly due to decline in production from Chanda, Kunnar and Dhodak field

	HY2009/10	HY2010/11
Crude Oil (Barrels / day)	38,787	36,970
Gas (MMscf / day)	960	981
LPG (Metric Tons / day)	199	194
Sulphur (Metric Tons / day)	64	68

Daily production has been worked out at 365 days / year.



Operational Update - Projects

SINJHORO DEVELOPMENT PROJECT

OGDCL has decided to develop the field by utilizing indigenous resources by relocating Dhodak Plant to Sinjhora

KPD/TAY PROJECT

OGDCL Management has decided to go for KPD-TAY integrated development project with LPG extraction plant

DAKHNI EXPANSION PROJECT

Complete delivery of the SRU unit was received at site in February / March 2010. All other equipment / packages have been received / installed at site

UCH II DEVELOPMENT PROJECT

Basic Engineering and tender documents to engage Engineering, Procurement, Construction and Commissioning (EPCC) contractor has been completed and Gas Sale Agreement (GSA) has been signed between OGDCL and UPL on January 20, 2011

JHAL MAGSI PROJECT

The tender notice was issued in the press on 22 July 2010 for pre-bid meeting on 06 September 2010. Bids were submitted / opened on 09 December 2010

QADIRPUR COMPRESSION PROJECT

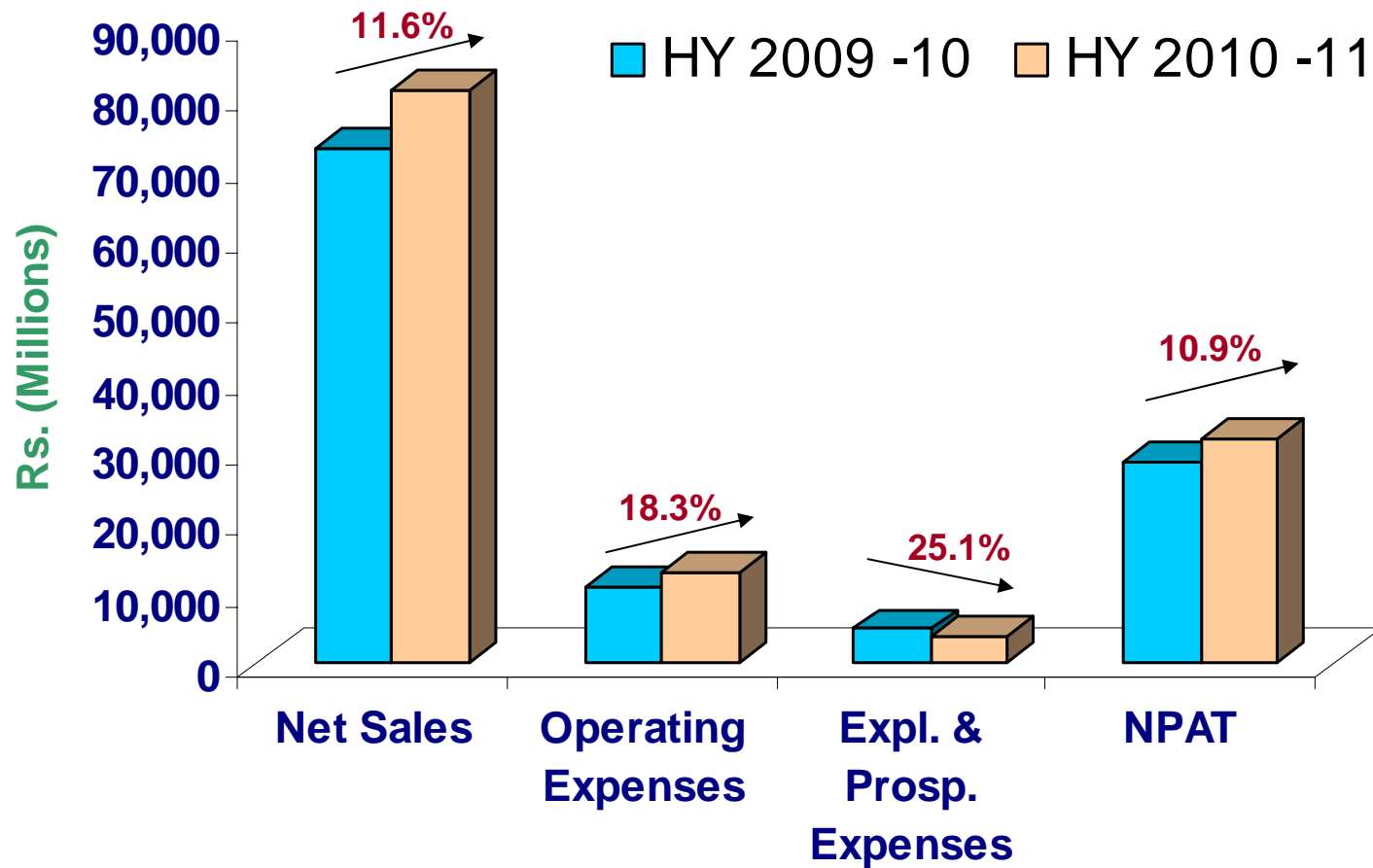
Fourteen (14) reciprocating compressors have successfully been installed & commissioned



Operational Update - Exploration

- Total 07 wells spudded, comprising of 02 exploratory and 05 development wells
- As at December 31, 2010 OGDCL operated in 35 Exploration Blocks (22 blocks with 100% share and 13 blocks as operated JVs) including 3 Offshore Blocks, covering an area of 63,581.12 Sq. Kms
- OGDCL's exploratory efforts resulted in two (02) gas/condensate discoveries during the period ended December 31, 2010
- 576 Linear Kms of 2D seismic survey and 116 Sq. Kms of 3D seismic survey completed during 1st Half FY2011

Financial Snapshot





Financial Highlights

In Pkr 000,000s	1Q 2009/10	1Q 2010/11	% Change	HY 2009/10	HY 2010/11	% Change
Net Sales	31,826	39,452	24.0	72,633	81,090	11.6
Operating profit margin (%)	62	60	(3.2)	61	62	1.8
EBITDA margin (%)	73	70	(4.7)	71	72	1.1
Net profit margin (%)	38	42	11.7	39	39	-
Profit after tax	12,066	16,710	38.5	28,493	31,598	10.9
Profit from operating activities	19,598	23,511	20.0	44,184	50,210	13.6
Earnings per share (Rs.)	2.81	3.89	38.4	6.62	7.35	10.9
Cumulative dividends per share (Rs.)	1.00	1.50	50.0	2.50	1.50	(40)

Summary

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