



OGDCL Half-Year Results FY2008

(July 2007 – December 2007)



27 February 2008



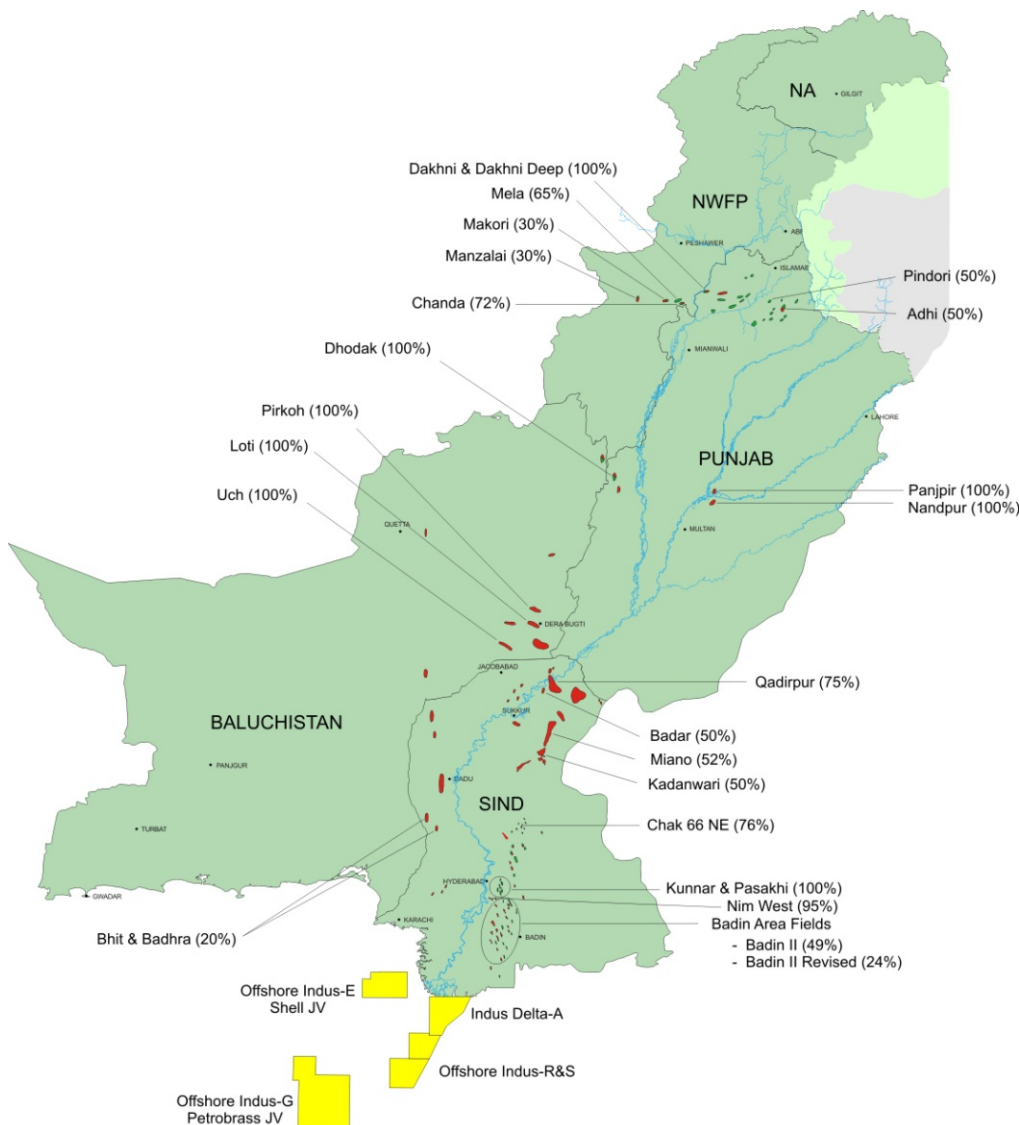
Forward Looking Statements

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 31st December 2007 (or as indicated);

- Largest exploration and production company in Pakistan's oil and gas sector
- Largest exploration acreage in Pakistan, covering 33.5% of the total acreage awarded
- Largest portfolio of net hydrocarbon reserves in Pakistan
 - 45% of oil (as of June 2007)
 - 34% of gas (as of June 2007)
- OGDCL contributes 25% of Pakistan's total natural gas production, and 61.5% of its oil production (on net basis)
- Reserves as at 31 Dec 2006 (D&M Certified):
 - 800 MMboe on 1P basis (Oil 96 and Gas 704)
 - 1,233 MMboe on 2P basis (Oil 156 and Gas 1,077)
- 95 OGDCL operated and non-operated fields
- 39 OGDCL operated fields in production
- Presence in and knowledge of all 4 provinces
- 40 development and production leases in 100% owned and operated concessions
- Offshore Well, Anne -1X, drilled by Shell in Offshore Indus E block came up dry. OGDCL has a 30% working interest in the Block.
- OGDCL has signed a cross assignment agreement with BP in other offshore Blocks in **February 2008**

1H FY07/08 Un-audited Results Highlights

- Consolidated



- Net sales up 14.4% to Rs 56.822 billion
- Operating profit margin and net profit margin stood at 59% and 42% respectively
- Earnings per share of Rs 5.60 against Rs 5.33
- Net crude oil production of 44,085 barrels per day, net gas production was 963 MMcf per day, net LPG production 382 tons per day and net sulphur production was 68 tons per day.
- Payable second interim dividend of Rs 2.00 per share
- Oil - average net realized price of US\$ 60.97 / bbl
- Gas - average net realized price of Rs 136.15 / Mcf
- 7 wells spudded and two new discoveries made till date.

1H FY07/08 Un-audited Results Highlights - OGDCL Only



- Net sales up 14.2% to Rs 56.568 billion
- Operating profit margin and net profit margin stood at 59% and 42% respectively
- Earnings per share of Rs 5.58 against Rs 5.37
- Net crude oil production of 44,085 barrels per day, net gas production was 943 MMcf per day, net LPG production 382 tons per day and net sulphur production was 68 tons per day.
- Payable final dividend of Rs 2.00 per share
- Oil - average net realized price of US\$ 60.97 /bbl
- Gas - average net realized price of Rs 137.50 / Mcf
- 7 wells spudded and two new discoveries made till date.



Operational Update

- During the first half, crude oil production increased by 4,507 barrels per day compared to first half of 2006-07. Crude oil production increased by 11% mainly due to production from Mela-1, Chanda-2 and Pasakhi North East-1.
- Gas production from fields including production from subsidiary company increased by 8%.
- LPG net production also increased by 4% during the period compared to same period last year.
- Delays expected in the development of Tando Allah Yar and Sinjhorro fields is being offset by oil and gas production from Mela and Pasakhi NE fields.
- Joint development of Kunnar Deep & Pasakhi Deep discoveries on a fast track basis is expected to add 280 MMscfd of gas and 2,800 bpd of condensate from September 2009.

	1H 06 / 07	1H 07 / 08
Crude oil (Barrels / day)	39,578	44,085
Gas (MMscf / day)	894	963
LPG (Metric Tons / day)	366	382
Sulphur (Metric Tons / day)	61	68
Daily production has been worked out at 365 days / year. Gas production includes 20 MMcfd from subsidiary company production. (1H 2006/07: 11 MMcfd)		

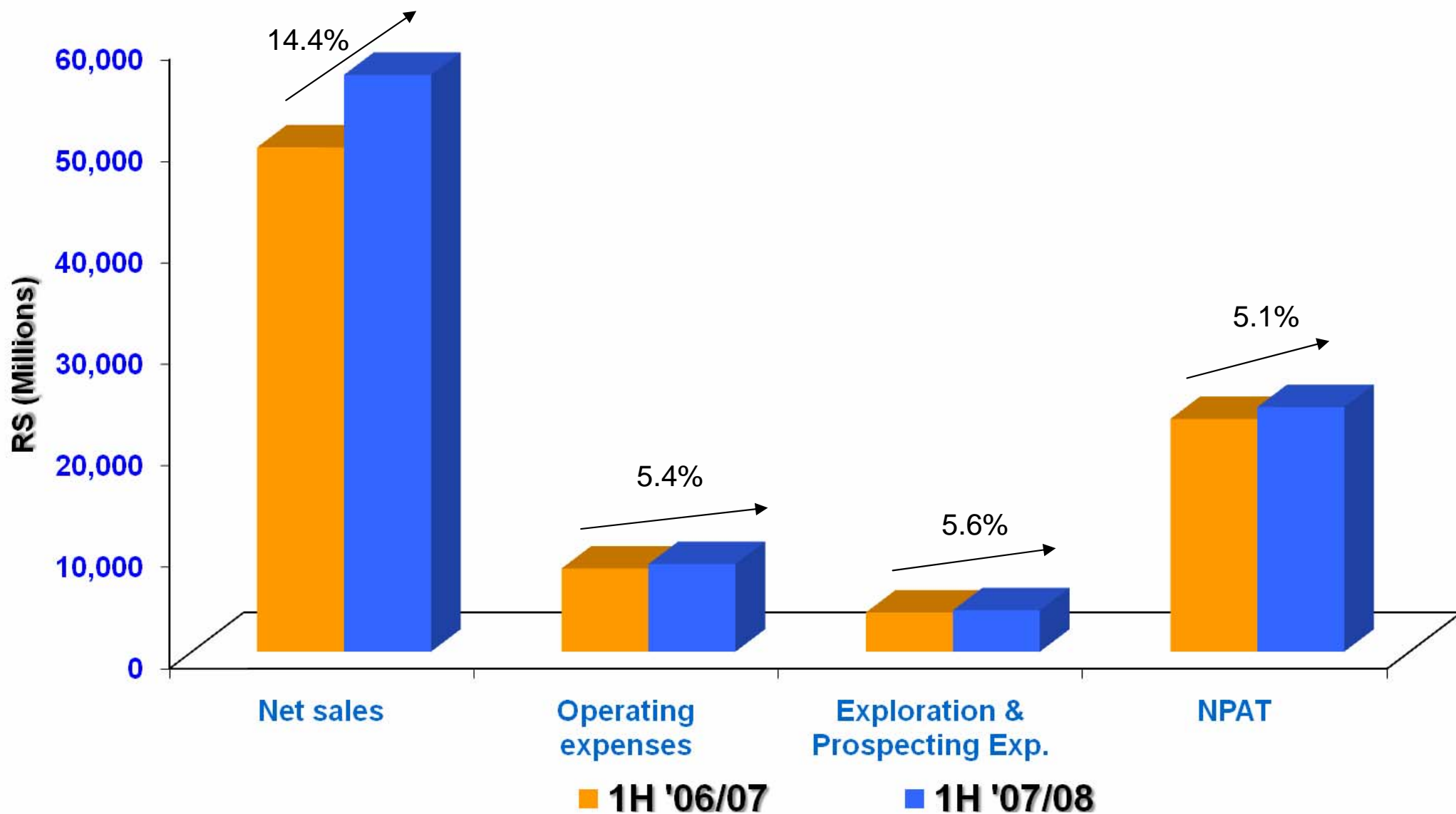
Exploration and Development Activity



- 7 wells spudded, comprising 3 exploratory / appraisal and 4 development wells
- Two new exploration blocks (Eastern Offshore Indus – A and Shaan) were added to OGDCL's existing blocks during the first half 2007/08.
- One discovery (Moolan-1) was made in 1H 2007/08. In Jan 2008, another discovery, Pasakhi East-1 was made. Initial testing results from both the wells produced a cumulative 21 MMscfd of gas and 385 bpd of condensate
- 915 Linear Kms of 2D seismic survey, 362 Sq. Kms of 3D seismic survey completed.
- Phase V and VI of the Basin Studies Project was completed. Phase VII is currently being undertaken. The Basin Study is expected to be completed by April 2008.
- Annual Turn Around (ATA) was completed at Qadirpur, Uch and Dhodak fields as part of scheduled annual maintenance.
- OGDCL participated in the 4th Bidding Round of Libya



Group's Financial Snapshot





Group's Financials

In Pkr 000,000s	1Q 06/07	1Q 07/08	% Change	1H FY 06/07	1H FY 07/08	% Change
Net Sales	25,322	27,927	10.3	49,676	56,822	14.4
Operating profit margin (%)	63	59	- 6.3	59	59	-
EBITDA margin (%)	73	69	- 5.0	70	69	- 1.1
Net profit margin (%)	48	44	- 6.6	46	42	- 8.1
Profit after tax	12,037	12,399	3.0	22,925	24,093	5.1
Profit from operating activities	15,944	16,484	3.4	29,236	33,364	14.1
Earnings per share	2.80	2.88	3.0	5.33	5.60	5.1
Interim dividend per share (Rs.)		1.75			-	



Company's Financials

In Pkr 000,000s	1Q 06/07	1Q 07/08	% Change	1H FY 06/07	1H FY 07/08	% Change
Net Sales	25,296	27,769	9.8	49,526	56,568	14.2
Operating profit margin (%)	64	60	- 6.3	59	59	-
EBITDA margin (%)	73	69	- 5.0	70	69	- 1.1
Net profit margin (%)	49	44	- 8.8	47	42	- 9.1
Profit after tax	12,328	12,337	0.1	23,113	24,002	3.8
Profit from operating activities	16,099	16,557	2.8	29,462	33,545	13.9
Earnings per share	2.87	2.87	-	5.37	5.58	3.8
Interim dividend per share (Rs.)		1.75			-	

Summary

- Focus on enhancing production

- Exploit offshore opportunities and develop in-house expertise
 - Cross Assignment Agreement with BP in Pakistan offshore blocks

- Selective international expansion

- Following international best practice