



# Presentation on OGDCL Half-Year Results (FY2014) Conference Call (July 2013 – December 2013)



*Monday, March 3, 2014*



# 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 December 31, 2013 (or as indicated below)

- Largest exploration and production company in Pakistan's oil and gas sector, having the largest exploration acreage in Pakistan.
- Largest portfolio of remaining recoverable hydrocarbon reserves in Pakistan
  - 58% of oil (as at June 2013)
  - 42% of gas (as at June 2013)
- OGDCL contributes 28% of Pakistan's total natural gas production, and 52% of its total oil production
- Remaining Recoverable Reserves on net basis\*
  - 522 MMboe\*\* on 1P basis (Oil 45 and Gas 477)
  - 977 MMboe\*\* on 2P basis (Oil 102 and Gas 875)
- 72 OGDCL D&PLs\*\*\* – 100% Owned & Operated (57) and Non-Operated fields (15)\*\*\*\*
- Presence in and knowledge of all 4 provinces
- Average net crude oil production of 40,215 bpd, Average net gas production of 1,136 MMcfd., Average net LPG production of 148 MTPD & Average net sulphur production of 90 MTPD
- 7 wells spudded and 01 new discovery

*\*The reserves are based on the latest available 3<sup>rd</sup> Party Reserves Evaluation Study by M/s Tracs Intl of UK. The production for the period of July 2010 to Dec 2013 has been deducted from the remaining recoverable reserves number*

*\*\* MMboe: Million Barrels of Oil Equivalent , 1 Barrel of Oil = 5.7 Mscf*



*\*\*\* D&PL = Development & Production Lease*

*\*\*\*\* Non-Operated Joint Venture Leases also include 24 Subleases falling under Badin II, Badin II (Revised) and Badin III Leases*

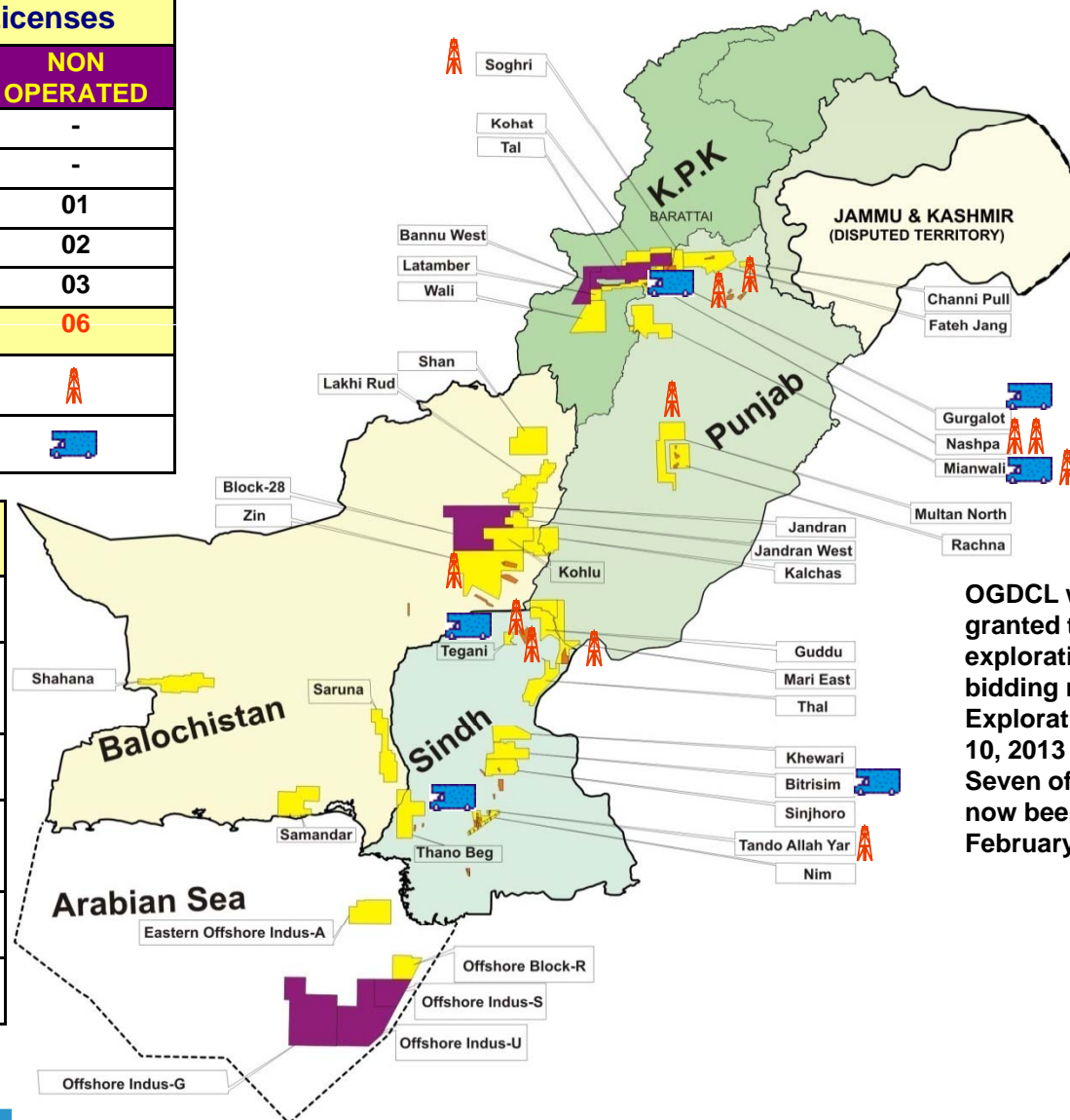
# OGDCL Exploration Licenses

Status as on Feb 20, 2014



Summary of Exploration Licenses		
PROVINCE	OGDCL OPERATED	NON OPERATED
Punjab	09	-
Sindh	11	-
Balochistan	12	01
KPK	06	02
Offshore	02	03
<b>Total</b>	<b>40</b>	<b>06</b>
Drilling Activities		
Seismic Acquisition		

SEISMIC OPERATIONS		
Crew	Area	Mode
SP-1	Khewari South	3D
SP-2	Mianwali	2D
SP-3	Nashpa South	2D
SP-4	Thano Beg	2D
SP-5	Channi Pul	3D



OGDCL was provisionally granted twenty nine (29) new exploration blocks in the last bidding round of Petroleum Exploration Rights in March 10, 2013. Seven of the above 29 have now been formally Granted in February 2014.

# Financial & Operational Performance

Half Year FY2014



- Net revenues up by 14.1% to Rs 126.17 billion
- Earnings per share of Rs 15.63 against Rs 11.46
- Oil - average net realized price of US\$ 87.45/bbl
- Gas - average net realized price of Rs 278.62/Mcf
- LPG - average net realized price of Rs 84,927/M.Ton
- Operating profit margin and net profit margin stood at 62% and 53% respectively
- Final dividend of Rs 2.0 per share



## Operational Update - Exploration

- Seven (7) wells were spud, comprising of two (2) exploratory/appraisal and five (5) development wells
- As at December 30, 2013 OGDCL operated in 33 Exploration Blocks (21 blocks with 100% share and 12 blocks as operated JVs) including 2 Offshore Blocks, covering an area of 51,807 Sq. Kms
- OGDCL's exploratory efforts resulted in one (01) oil and gas/condensate discovery during the period under review
- 962 L. Kms of 2D seismic survey and 433 Sq. Kms of 3D seismic survey completed during six months ended December 31, 2013



# Operational Update - Production

- Compared with preceding year, net crude oil production increased by 2.5%
- Net gas production showed a modest increase of 5.9% compared to corresponding period of preceding year

	<b>HY2012-13</b>	<b>HY2013-14</b>
<b>Crude Oil (Barrels / day)</b>	<b>39,245</b>	<b>40,215</b>
<b>Gas (MMscf / day)</b>	<b>1,073</b>	<b>1,136</b>
<b>LPG (Metric Tons / day)</b>	<b>160</b>	<b>148</b>
<b>Sulphur (Metric Tons / day)</b>	<b>49</b>	<b>90</b>
<i>Daily production has been worked out at 365 days / year.</i>		

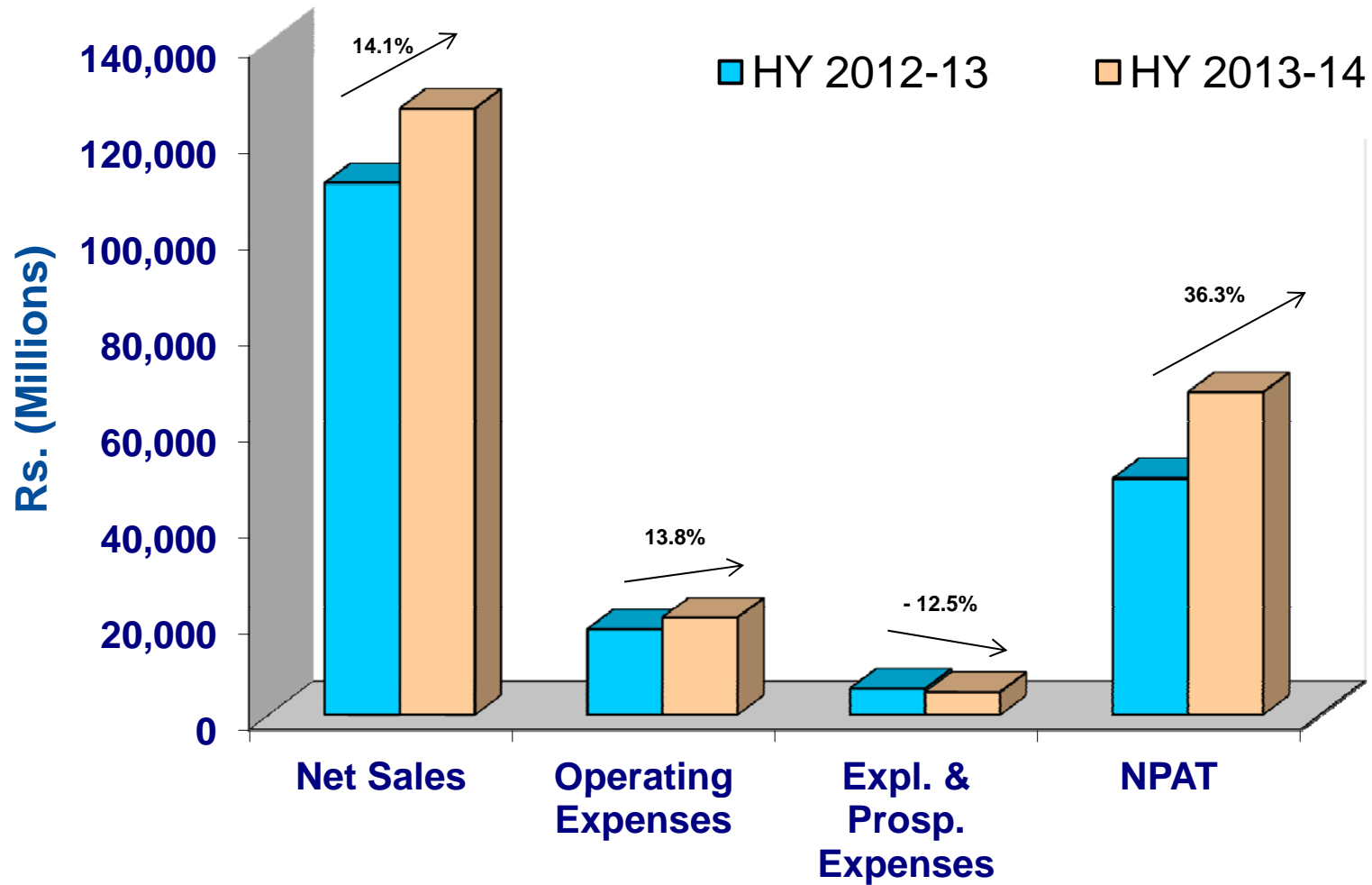


# Operational Update - Development Projects

Projects	Working Interest Ownership (%)	Location	Expected Cumulative Total Production
<b>KPD-TAY Integrated Development Project</b>	KPD OGDCL - 100% TAY OGDCL - 77.5% GHPL - 22.5%	Hyderabad Sindh	Gas (MMCFD) 230 Oil (BPD) 5,100 LPG (MTD) 410 (December 2014)
<b>Sinjhero</b>	OGDCL- 62.5% OPI - 15.0% GHPL - 22.5%	Sanghar Sindh	Gas (MMCFD) 25 Oil (BPD) 3,000 LPG (MTD) 120 (April 2014)
<b>Uch-II Development Project</b>	OGDCL - 100%	Dera Bugti Balochistan	Gas: 160 MMCFD (March 2014)
<b>Jhal Magsi Development Project</b>	OGDCL - 56% POL - 24% GHPL - 20%	Jhal Magsi Balochistan	Gas: 15 MMCFD (October 2014)
<b>Nashpa / Mela Development Project</b>	OGDCL-56.45% PPL - 28.55% GHPL - 15.0%	Karak & Kohat, KPK	Gas (MMCFD) 80 Oil (BPD) 23,500 LPG (MTD) 340 (July 2015)



# Financial Snapshot – Hull Year FY2014



# Financial Highlights - Full Year FY2013



<b>Rs in Million</b>	<b>1Q 2012-13</b>	<b>1Q 2013-14</b>	<b>% Change</b>	<b>HY 2012-13</b>	<b>HY 2013-14</b>	<b>% Change</b>
<b>Net Sales</b>	<b>53,795</b>	<b>62,416</b>	<b>16.0</b>	<b>110,626</b>	<b>126,170</b>	<b>14.1</b>
<b>Operating Profit Margin (%)</b>	<b>63</b>	<b>62</b>	<b>(1.6)</b>	<b>61</b>	<b>62</b>	<b>1.6</b>
<b>Net Profit Margin (%)</b>	<b>48</b>	<b>54</b>	<b>12.5</b>	<b>45</b>	<b>53</b>	<b>17.8</b>
<b>Profit after Tax</b>	<b>25,656</b>	<b>33,588</b>	<b>30.9</b>	<b>49,308</b>	<b>67,227</b>	<b>36.3</b>
<b>Profit from operating activities</b>	<b>33,782</b>	<b>38,605</b>	<b>14.3</b>	<b>67,426</b>	<b>78,325</b>	<b>16.2</b>
<b>Earnings per share (Rs.)</b>	<b>5.97</b>	<b>7.81</b>	<b>30.8</b>	<b>11.46</b>	<b>15.63</b>	<b>36.4</b>
<b>Cumulative Dividends per share (Rs.)</b>	<b>1.75</b>	<b>2.00</b>	<b>12.5</b>	<b>3.75</b>	<b>4.00</b>	<b>6.7</b>

# Summary



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