



Presentation on OGDCL Half-Year Results FY2009 (July 2008 – December 2008)



Thursday, February 26th 2009



Forward Looking Statements

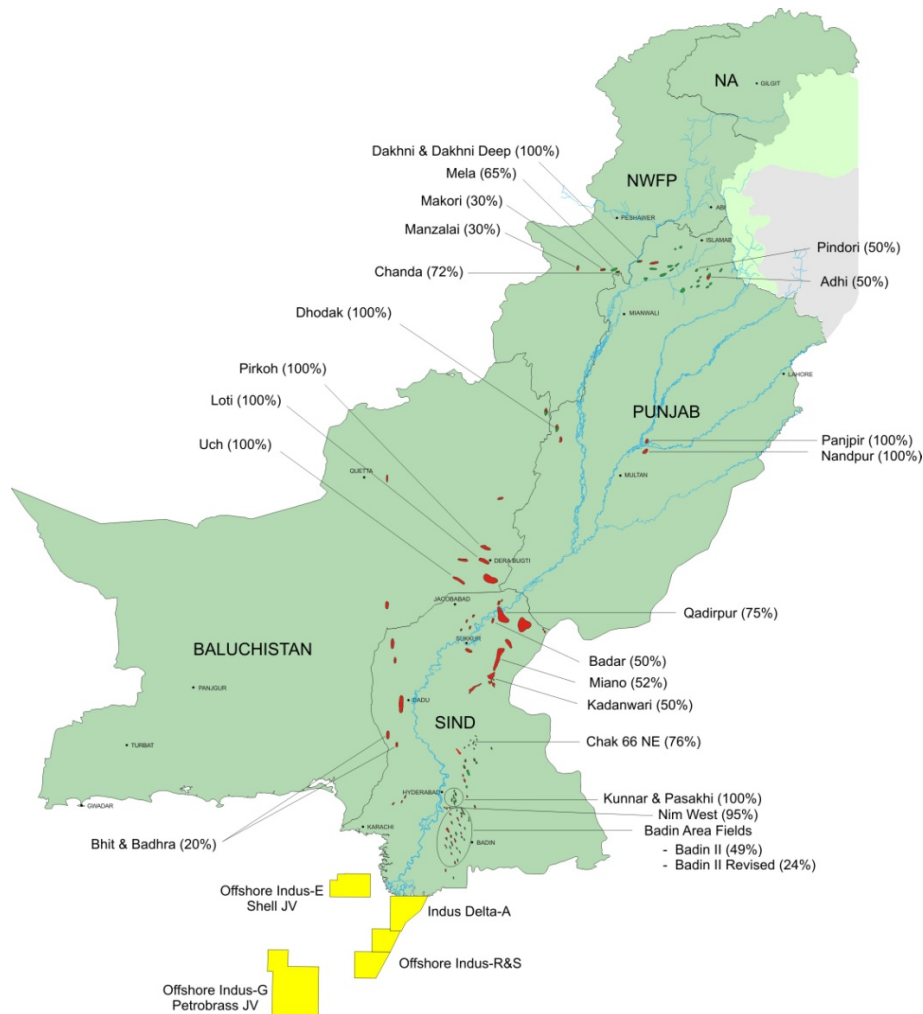
During the course of this conference call we may make forward-looking statements regarding future events or the future performance of the company. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific and risks exist that the predictions, 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 at 31st December 2008 (or as indicated below);

- Largest exploration and production company in Pakistan's oil and gas sector
- Largest exploration acreage in Pakistan, covering 30.19% of the total acreage awarded
- Largest portfolio of net hydrocarbon reserves in Pakistan
 - 46% of oil (as at 30 June 2008)
 - 36% of gas (as at 30 June 2008)
- OGDCL contributes 24% of Pakistan's total natural gas production, and 62% of its oil production (on net basis)
- Reserves as at December 31, 2008:
 - 659 MMboe on 1P basis (Oil 65 and Gas 594)
 - 1,092 MMboe on 2P basis (Oil 125 and Gas 967)
- 71 OGDCL fields – 100% Owned & Operated (41) and Non-Operated fields (30)
- Presence in and knowledge of all 4 provinces.

Half Year FY08/09 Results Highlights

- Consolidated



- Net sales up 26.6 % to Rs 71.941 billion.
- Operating profit margin and net profit margin stood at 63 % and 44% respectively.
- Earnings per share of Rs 7.39 against Rs 5.60.
- Net crude oil production of 41,573 barrels per day, net gas production was 964 MMcf per day, net LPG production 229 tons per day and net sulphur production was 66 tons per day.
- Payable final dividend of Rs 1.75 per share.
- Oil - average net realized price of US\$ 69 /bbl.
- Gas - average net realized price of Rs 169.57 / Mcf.
- 14 wells spudded and 01 new discovery made.

Half Year FY08/09 Results Highlights

- OGDCL Only



- Net sales up 26.8% to Rs 71.719billion
- Operating profit margin and net profit margin stood at 63% and 45% respectively
- Earnings per share of Rs 7.46 against Rs 5.58
- Net crude oil production of 41,573 barrels per day, net gas production was 949 MMcf per day, net LPG production 229 tons per day and net sulphur production was 66 tons per day.
- Payable second interim dividend of Rs 1.75 per share.
- Oil - average net realized price of US\$ 69 / bbl
- Gas - average net realized price of Rs 170.95 / Mcf
- 14 wells spudded and 01 new discoveries made.



Operational Update

- During the HY2008/09, crude oil production decreased by 2,512 barrels per day compared to HY2007/08. Crude oil production decreased by 5.7% mainly due to decrease in production from Dhodak, Pindori, Thora, Lashari, Bobi and Chanda fields.
- Gas production remained stable, in fact shows a slight increase of 0.1% when compared to same period last year. Addition of gas from Nandpur-10, Dhodak Deep-1, Bahu-4 and Dakhni Deep-2 all contributed to cater for the natural decline from Dhodak and Uch gas Fields.
- LPG net production decreased by 40.1% compared to same period last year, mainly due to water break in Dhodak field.

	HY2007/08	HY2008/09
Crude oil (Barrels / day)	44,085	41,573
Gas (MMscf / day)	963	964
LPG (Metric Tons / day)	382	229
Sulphur (Metric Tons / day)	68	66
<small>Daily production has been worked out at 365 days / year. Gas production includes 15 MMcfd from subsidiary company production. (HY 2007/08: 20 MMcfd)</small>		



Operational Update

TAY & SINJHORO PROJECT

Due to the litigation OGDCL could not develop the field from last two (02) years. Press Advertised on 20-Feb- 09 for the development of the fields on fast track basis.

KPD PROJECT

Project put on HOLD as per instructions by GoP. Press Advertised on 20-Feb-2009 for the joint development of the fields on fast track basis.

QADIRPUR COMPRESSION PROJECT

Activities were held up due to litigation in Sindh High Court. Activities restarted to complete the Compression project.

QADIRPUR CAPACITY ENHANCEMENT PROJECT

Project completed.

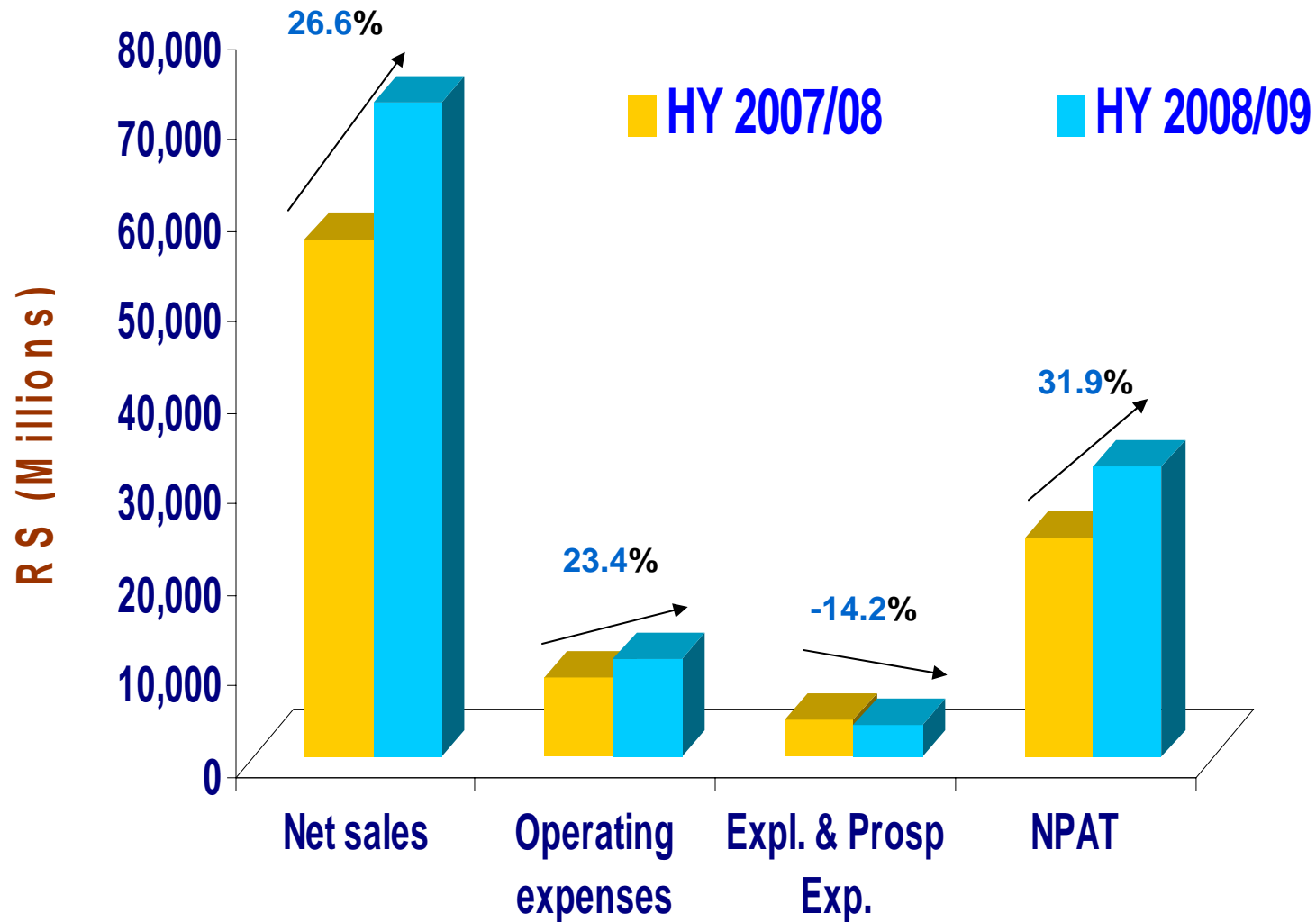
Exploration and Development Activities



- 14 wells spudded, comprising 05 exploratory / appraisal and 09 development wells
- As at December 31, 2008, OGDCL operated in 40 Exploration Blocks (26 blocks with 100% share and 14 blocks as operated JVs) including 5 Offshore Blocks, covering an area of 76,779.49 Sq. Kms. During July-December 2008, OGDCL surrendered four exploration blocks namely Dhermund, Bagh-o-Bahar, Pakhiwala and Dhok Sultan.
- A Gas/Condensate field at Kunnar South-1 was discovered by the Company during the period under review. This field is located in District Tando Allah Yar of Sindh Province and has been tested to produce 250 barrels per day of Condensate and 15 MMcf per day of Gas.
- 724 Linear Kms of 2D seismic survey and 581 Sq. Kms of 3D seismic survey completed during HY2008/09.
- Annual Turn Around (ATA) was completed at Qadirpur, Uch, Dakhni, Kunnar, Bobi, and Chanda fields as part of scheduled annual maintenance.
- Final reports of Pakistan Basin Study Project have been received. The consultant, M/s Fugro Robertson will be giving a presentation on the study in the first week of March.
- The Company is currently evaluating opportunities for overseas exploration in identified focus areas.



Group's Financial Snapshot





Group's Financials

In Pkr 000,000s	1Q FY07/08	1Q FY08/09	% Change	HY 2007/08	HY 2008/09	% Change
Net Sales	27,927	41,384	48.2	56,822	71,941	26.6
Operating profit margin (%)	59	64	8.9	59	63	7.3
EBITDA margin (%)	69	74	6.6	69	73	6.2
Net profit margin (%)	44	46	3.3	42	44	4.2
Profit after tax	12,399	18,980	53.1	24,093	31,782	31.9
Profit from operating activities	16,484	26,612	61.4	33,364	45,316	35.8
Earnings per share	2.88	4.41	53.1	5.60	7.39	31.9
Cumulative dividends per share (Rs.)	1.75	2.00	14.3	3.75	* 2.00	-46.7

* First Interim Dividend 2008-09

Company's Financials



In Pkr 000,000s	1Q FY07/08	1Q FY08/09	% Change	HY 2007/08	HY 2008/09	% Change
Net Sales	27,769	41,282	48.7	56,568	71,719	26.8
Operating profit margin (%)	60	65	8.2	59	63	6.7
EBITDA margin (%)	69	74	6.5	69	73	6.2
Net profit margin (%)	44	46	3.5	42	45	5.4
Profit after tax	12,337	18,976	53.8	24,002	32,069	33.6
Profit from operating activities	16,557	26,642	60.9	33,545	45,376	35.3
Earnings per share	2.87	4.41	53.8	5.58	7.46	33.6
Cumulative dividends per share (Rs.)	1.75	2.00	14.3	3.75	* 2.00	-46.7

* First Interim Dividend 2008-09

Summary



- Focus on enhancing production
- Expeditious completion of development projects post litigation scenario
- Exploit offshore opportunities and develop in-house expertise
- Selective international expansion
- Following international best practice