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FOR IMMEDIATE RELEASE

**OGDCL UN-AUDITED FINANCIAL RESULTS FOR THE NINE MONTHS
ENDED 31ST MARCH 2018**

Highlights of the Nine Months ended 31st March 2018 include:

- OGDCL's net sales increased to Rs 147.712 billion compared to Rs 126.630 billion in the corresponding period last year
- Net profit before taxation registered to Rs 80.165 billion compared to Rs 64.520 billion in the corresponding period last year
- Net Profit after Taxation came to Rs 56.821 billion as against Rs 47.595 billion in the preceding period translating into Earnings per Share of Rs13.21
- The Board of Directors declared third interim cash dividend for the year at Rs 2.75 per share.
- Operating profit margin and net profit margin were 45% and 38%, respectively.
- Average net realized price of crude oil sold was US\$ 51.63/bbl as against US\$ 43.76/bbl during corresponding period last year
- Average net realized price for natural gas sold was Rs 254.76/Mcf as against Rs 233.96/Mcf during corresponding period last year
- 1,582 Line Kms of 2D and 461 Sq. Kms of 3D seismic acquisition completed
- Thirteen (13) new wells including eight (8) exploratory / appraisal wells and five (5) development wells were spud during the nine months ended 31st March 2018
- Company's exploratory efforts yielded four (4) oil and gas discoveries namely; Bhambara-1, Tando Allah Yar South West-1, Umair-1, and Dhok Hussain-1.
- Net crude oil production of 41,509 barrels per day, net gas production of 1,020 MMcf per day, net LPG production 682 M.Tons per day and net Sulphur production of 56 M.Tons per day was witnessed during the period under review

	9 Months 2017-18 (Rs in million)	9 Months 2016-17 (Rs in million)
Net Sales	147,712	126,630
Profit before Taxation	80,165	64,520
Profit after Taxation	56,821	47,595
Earnings per Share - Rs	13.21	11.07

MD & CEO's Statement

Mr. Zahid Mir, MD & CEO, while commenting on OGDCL's Nine Months (July 2017 – March 2018) results stated:

“It gives me great pleasure to report that OGDCL witnessed improved financial results for the period ended 31 March 2018 as its Sales Revenue and Profit before Tax climbed to 147.712 billion and Rs 80.165 billion showing an impressive growth of 17% and 24% respectively over the corresponding period last year. The Company thus recorded Profit after Tax of Rs 56.821 billion translating into Earnings per Share of Rs 13.21.

On the operational front, OGDCL during July 2017 - March 2018 continued with its seismic data activities acquiring 1,582 Line km of 2D and 461 sq. km of 3D seismic data. Moreover, the Company spud a total of 13 wells with eight exploratory wells and five development wells. I am happy to state that OGDCL's exploratory endeavours to discover new hydrocarbon reserves yielded 4 oil and gas discoveries having expected cumulative daily production of 47 MMcf of gas and 749 barrels of oil. Furthermore, OGDCL's progressive efforts resulted in the completion of Nashpa development project whereby LPG was brought into production on 14 February 2018.

I assure you that OGDCL remains steadfast in its resolve to carry on aggressive exploratory efforts, focus on completion of ongoing development projects and maintaining financial discipline to continue the track record of delivering industry leading performance while ensuring maximization of the shareholder value for the benefit of us all.

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Notes to Editors

OGDCL, the largest petroleum Exploration and Production (E&P) Company in Pakistan, is listed on the Pakistan Stock Exchange and its Global Depository Shares (GDS) are traded in the London Stock Exchange since December 2006. As at December 31, 2017 it held the largest portfolio of recoverable hydrocarbon reserves of Pakistan, of 31% of gas and 57% of oil, respectively. It contributed 28% of the country's total natural gas production and 47% of its total oil production from July 2017 to February 2018.

With a portfolio of 48 exploration licences, the Company has the largest exploration acreage in Pakistan, covering 27% of the total awarded acreage as of March 31, 2018. Currently, all production volumes are being realized from onshore areas of Pakistan, however, the Company also has working interests in Pakistan's offshore exploration blocks.

OGDCL had a net Profit after Tax of Rs 63.803 billion for the year ended June 30, 2017.

SUMMARY RESULTS

Financial Results

OGDCL witnessed improved financial results for the period ended 31 March 2018 as its Sales Revenue and Profit before Tax climbed to 147.712 billion (9M 2016-17: Rs 126.630 billion) and Rs 80.165 billion (9M 2016-17: Rs 64.520 billion) showing growth of 17% and 24% respectively. Financial performance is primarily supported by increase in average basket price of crude oil which during the nine months period stood at US\$ 57.73/barrel against US\$ 48.81/barrel in the comparative period leading to higher average realized price of US\$ 51.63/barrel against US\$ 43.76/barrel in the last period.

In addition to the above, OGDCL recorded improvement in the realized price for gas and LPG averaging Rs 254.76/Mcf and Rs 54,922/ton compared with Rs 233.96/Mcf and Rs 43,185/ton respectively in the preceding period. Moreover, OGRA's wellhead price notification impact with respect to Mamikhel, Marmzai and Makori East fields amounting Rs 3.677 billion complemented by increase in LPG production and positive exchange rate variance lent further strength to financials.

However, OGDCL's financial performance during the nine months period is slightly influenced by increase in operating expenditures by 2.5% vs last year same nine months period. This increase mainly representing an increase in salaries, wages and benefits and depreciation of property, plant and equipment and lower signature bonus period over period. Overall, the Company during the period under review recorded Profit after Tax of Rs 56.821 billion (9M 2016-17: Rs 47.595 billion) translating into Earnings per Share of Rs 13.21 (9M 2016-17: Rs 11.07).

Dividend

The Board has announced third interim cash dividend of Rs 2.75 per share 27.5% for the year ending 30 June 2017. This is in addition to the first and second interim cash dividends totalling Rs 4.75 per share (47.5%) already declared during the fiscal year.

Exploration and Development Activities

OGDCL holds the largest exploration acreage in the Country which as of 31 March 2018 stood at 92,182 sq. km representing 27% of the Country's total area under exploration (source: PPIS). Business exploratory assets spread across all four (4) provinces of the Country and currently constitute forty eight (48) owned and operated joint venture exploration licenses. Additionally, the Company possesses working interest in five (5) blocks operated by other exploration and production companies.

OGDCL during July 2017 - March 2018 continued with its seismic data activities acquiring 1,582 Line km of 2D (9M 2016-17: 3,293 Line km) and 461 sq. km of 3D (9M 2016-17: 1,038 sq. km) seismic data. The Company's 2D and 3D seismic data acquisition represents 39% and 63% of total seismic data acquired in the Country respectively (source: PPIS). Aforesaid seismic data is gathered from exploratory blocks viz., Lakhi Rud, Rakshan, Kulachi, Pezu, Gurgalot, Soghri, Guddu, Wali and Pasni West. Moreover, 3,927 Line km of 2D and 2,307 sq. km of 3D seismic data has been processed/ reprocessed using in-house resources.

Moreover, during the period under review OGDCL spud eight (8) exploratory wells namely Qadir Wali-1, Shawa X-1, Urs-1, Ganjo Takkar-1, Umair-1, Khirun-1, Nur West-1 and Sheikhan Bhutta-1 and five (5) development wells namely Mela-6, Kunnar West-2, Pasahki North-3 and Qadirpur HRL-13 & 14. Furthermore, drilling and testing of eleven (11) ongoing wells pertaining to the previous fiscal year have been completed. During the nine months period, drilling carried out at the aforesaid wells aggregated to 59,688 meters. With respect to locating unconventional oil and gas reserves, shale/tight gas evaluation, special flush cutting and coring programs have been incorporated in the Company's current and future drilling campaigns.

Discoveries

OGDCL's exploratory endeavors to discover new hydrocarbon reserves yielded four (4) oil and gas discoveries having expected cumulative daily production of 47 MMcf of gas and 749 barrels of oil. These discoveries include Bhambara-1 in district Sukkur, Tando Allah Yar South West-1 in district Hyderabad, Umair-1 in district Ghotki, Sindh province and Dhok Hussain-1 in district Kohat, KPK province. Preliminary reserves estimate attributable to aforesaid discoveries is 116.87 billion cubic feet of gas and 1.40 million barrels of oil combined 20.45 million barrels of oil equivalent.

Development Projects

OGDCL's progressive efforts during the period under review mainly resulted in the completion of Nashpa development project whereby LPG was brought into production on 14 February 2018. Moreover, Nashpa compression project is expected to be completed in June 2019. At present, Nashpa field on daily basis producing around 18,980 barrels of oil/NGL, 75 MMcf of gas and 180 Tons of LPG.

Apart from the above, OGDCL plans to up-grade plant facilities at Mela field along with laying of gas pipeline to Nashpa plant for the purpose of LPG extraction which is anticipated to be completed by June 2019. Whereas at Jhal Magsi field, government has reallocated gas to the Company for sale to third party through competitive bidding.

Production

OGDCL with its continuous effort and commitment toward production enhancement, injected seventeen (17) new operated wells in the production system during the reporting period. Injected wells include Pakhro-1, Chanda-4, Dachrapur-3, Kunnar South-1, Tando Allah Yar-1, Chandio-1, Moolan-1, Resham-1, Nandpur-10, Pasakhi North-3, Khamiso-1, Daru-1, Kunnar Deep-10, Qadirpur-25A & 58, Qadirpur-HRL 12 & 14. During the current period, injected wells cumulatively yielded gross crude oil and gas production of 359,267 barrels and 9,624 MMcf respectively. During July 2017-February 2018, the Company contributed around 47% and 28% of the Country's total oil and natural gas production respectively.

In order to enhance/revive production from the mature wells, OGDCL during the period under review carried out successful workover jobs at Pasakhi-1, 2 & 7 and Kunnar-9 & 10 along with rig-less workover jobs (49 in numbers) were carried out at various wells to boost oil and gas production volumes.

During July 2017 - March 2018 average daily net crude oil production of OGDCL clocked at 41,509 barrels per day, witnessed natural decline in mature producing fields impacted crude oil production in comparison to the corresponding period last year by 6%. While average daily net saleable gas production during the period is 1,020 MMcf per day which in comparison to the preceding period is lower by 3% mainly on account of natural decline at various fields.

Regarding LPG, OGDCL witnessed 66% production surge owing to production startup from Nashpa field in conjunction with production increase from KPD-TAY and non-operated JV fields. During the period under review, average daily net saleable hydrocarbon production comprising crude oil, gas, LPG and Sulphur including share in both operated and non-operated JV fields is as follows:

Products	Unit of Measurement	9M 2017-18	9M 2016-17
Crude oil	Barrels per day	41,509	43,989

Gas	MMcf per day	1,020	1,051
LPG	Tons per day	682	411
Sulphur	Tons per day	56	62

Moving forward, OGDCL remains steadfast in its resolve to carry on aggressive exploratory efforts, focus on completion of ongoing development projects and maintaining financial discipline to continue the track record of delivering industry leading performance while ensuring that health and safety of the workers and fulfilling social obligations remain a business priority.