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FOR IMMEDIATE RELEASE

**OGDCL UN-AUDITED FINANCIAL RESULTS FOR THE NINE MONTHS ENDED
31ST MARCH 2017**

Highlights of the Nine Months ended 31st March 2017 include:

- OGDCL's net sales increased to Rs 126.630 billion compared to Rs 122.711 billion in the corresponding period last year
- Net profit before taxation registered to Rs 64.520 billion compared to Rs 61.924 billion in the corresponding period last year
- Net Profit after Taxation came to Rs 47.595 billion as against Rs 43.500 billion in the preceding period translating into Earnings per Share of Rs 11.07
- The Board of Directors declared third interim cash dividend for the year at Rs 1.50 per share.
- Operating profit margin and net profit margin were 40% and 38%, respectively.
- Average net realized price of crude oil sold was US\$ 43.76/bbl as against US\$ 38.83/bbl during corresponding period last year
- Average net realized price for natural gas sold was Rs 233.96/Mcf as against Rs 256.23/Mcf during corresponding period last year
- 3,293 Line Kms of 2D and 1,038 Sq. Kms of 3D seismic acquisition completed
- Thirteen(13) new wells including six (6) exploratory / appraisal wells and seven (7) development wells were spud during the nine months ended 31st March 2017
- Company's exploratory efforts yielded four (4) oil and gas discoveries namely Gundanwari-1, Mithri-1, Khamiso-1 and Chutto-1
- Net crude oil production of 43,989 barrels per day, net gas production of 1,051 MMcf per day, net LPG production 411 M.Tons per day and net Sulphur production of 39 M.Tons per day was witnessed during the period under review

	9 Months 2015-16 (Rs in million)	9 Months 2016-17 (Rs in million)
Net Sales	122,711	126,630
Profit before Taxation	61,924	64,520
Profit after Taxation	43,500	47,595
Earnings per Share - Rs	10.11	11.07

MD & CEO's Statement

Mr. Zahid Mir, MD & CEO, while commenting on OGDCL's Nine Months (July 2016 – March 2017) results stated:

"I am happy to share that OGDCL recorded improvements in its financial results for the period ended 31 March 2017 which is attributable mainly to increase in crude oil, LPG and sulphur production coupled with modest recovery in international oil prices in comparison to the preceding period. This ensued in enhanced Sales Revenue of Rs 126.630 billion by the Company during the period under review. Furthermore, the Company recorded increased Profit after Taxation of Rs 47.595 billion translating into Earnings per Share of Rs 11.07 for the reporting period.

OGDCL's intensified exploratory endeavours to locate new hydrocarbon reserves during the nine months period culminated in four (4) new oil and gas discoveries having cumulative daily production potential of 37 MMcf of gas and 300 barrels of oil. Moreover, in line with its production enhancement strategy, OGDCL's focus on completion of ongoing development projects and utilization of latest production techniques to augment oil and gas production from its own and operated JV fields resulted in production growth during the period under review. During the reporting period, OGDCL achieved its highest ever gross crude oil production of 50,354 barrels per day.

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 our workers alongwith effective discharge of our social obligations remain a business priority.

I would also take the opportunity to acknowledge the efforts and unwavering commitment of OGDCL employees and compliment them for successfully pursuing business targets."

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Notes to Editors

OGDCL, the largest petroleum Exploration and Production (E&P) Company in Pakistan, is a listed Company on Pakistan Stock Exchange and its Global Depository Shares (GDS) are traded at London Stock Exchange since December 2006. As at December 31, 2016 it held the largest portfolio of recoverable hydrocarbon reserves of Pakistan, of 32% of gas and 59% of oil, respectively. It contributed 28% of the country's total natural gas production and 52% of its total oil production from July 2016 to February 2017.

With a portfolio of 60 exploration licences, the Company has the largest exploration acreage in Pakistan, covering 33% of the total awarded acreage as of March 31, 2017. 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 59.971 billion for the year ended June 30, 2016.

SUMMARY RESULTS

Financial Results

OGDCL recorded improvements in its financial results for the period ended 31 March 2017 attributable mainly to aforesaid increase in crude oil, LPG and sulphur production coupled with modest recovery in international oil prices in comparison to the preceding period. The Company's average crude oil basket price recorded for the period under review was US\$ 48.81/barrel compared to US\$ 42.34/barrel in the corresponding period resulting in increased realized average crude oil price of US\$ 43.76/barrel against US\$ 38.83/barrel in the last period. However, decline in gas production and its realized price from Rs 256.23/Mcf to Rs 233.96/Mcf coupled with decrease in LPG and sulphur prices impacted the revenues. Furthermore, slight increase in the exchange rate to Rs 104.93 per US\$ from Rs 104.45 per US\$ in the comparative period positively impacted the business financials. Overall, enhanced Sales Revenue amounting Rs 126.630 billion (9M 2015-16: Rs 122.711 billion) is registered by the Company during the period under review.

During the nine months period, OGDCL reported higher operating expenditures on account of increase in salaries, wages and benefits, depreciation of property, plant and equipment, amortization of development and production assets, decommissioning and workover charges. On the other hand, increase in other income and share of profit in associate coupled with lower taxation owing to prior year tax payment in the preceding period lent further strength to the Company's financial performance. Resultantly, during the period under review, the Company recorded increased Profit after Taxation of Rs 47.595 billion (9M 2015-16: Rs 43.500 billion) translating into Earnings per Share of Rs 11.07 (9M 2015-16: Rs 10.11).

Dividend

The Board has announced third interim cash dividend of Rs 1.50 per share (15%) for the year ending 30 June 2017. This is in addition to the first and second interim cash dividends totalling Rs 2.50 per share (25%) already declared during the fiscal year.

Exploration and Development Activities

OGDCL being the market leader in E&P sector of Pakistan holds the largest exploration acreage, which as of 31 March 2017 stood at 115,604 sq. km covering 33% of the Country's total area under exploration (source: PPIS). The Company's exploration acreage spreads across all four (4) provinces of the Country and currently constitute sixty (60) owned and operated exploration licenses (ELs). Moreover, the Company possess working interest in five (5) blocks operated by other E&P companies.

OGDCL's endeavor for exploring new oil and gas reserves led the Company to report a stable performance on the exploration front. This is witnessed by the fact that the Company's seismic data acquisition recorded during July 2016-March 2017 is 3,293 Line km of 2D and 1,038 sq. km of 3D, representing 62% and 36% respectively of total seismic data acquisition in the Country (source: PPIS). The aforesaid seismic data has been gathered from the exploratory blocks viz., Mari East, Kulachi, Pezu, Ranipur, Khanpur, Dakhni, Nur-Baghla, Shaan, Zorgarh, Latamber, Kharan-3, Rasmalan, Rasmalan West, Samandar, Kohat, Baratai, Parkini-A & B and Pasni West. In addition, the Company carried out a geological field work of 216 Line km in Zhob and Lakh

Rud ELs. Moreover, 3,879 Line km of 2D and 4,191 sq. km of 3D seismic data of various blocks was processed/reprocessed using in-house resources.

During the period under review, OGDCL continued its drilling campaign to replenish and augment hydrocarbon reserves and to ensure business sustainability. In this pursuit, the Company spud thirteen (13) new wells comprising six (6) exploratory/appraisal wells namely Gundanwari-1, Ranipur-1, Chabaro-1, Kacha Khel-1, Thal West-2 and Thal East-3 and seven (7) development wells namely Mela-5, Chanda-4, Rajian-10, Nashpa-8, Qadirpur HRL-12 and Qadirpur-56 & 57. In addition, drilling of fifteen (15) ongoing wells from the previous fiscal year continued, out of which drilling and testing of thirteen (13) wells has been completed. During the reporting period, total drilling meterage accumulated to 55,949 meters.

Discoveries

OGDCL's intensified exploratory endeavors to locate new hydrocarbon reserves during the nine months period culminated in four (4) new oil and gas discoveries having cumulative daily production potential of 37 MMcf of gas and 300 barrels of oil. These discoveries include Gundanwari-1 and Mithri-1 in district Khairpur, Khamiso-1 in district Ghotki and Chutto-1 in district Hyderabad, Sindh province.

Development Projects

In an effort to enhance hydrocarbon production, OGDCL has undertaken a number of development projects which are at various stages of completion. The development projects include Uch-II, Kunnar Pasakhi Deep-Tando Allah Yar (KPD-TAY), Nashpa-Mela and Soghri. With commissioning of hot oil system, amine and dehydration unit, overall completion of Uch-II development project has been achieved on 12 January 2017 and currently the field is producing around 130 MMcf of gas per day. Regarding KPD-TAY, commissioning of gas processing units at phase-II is completed and supply of on-spec gas to SSGCL from phase-I has started with effect from 1 September 2016. After completion of performance test of the equipment and successful handover of the project by the contractor, KPD-TAY project will achieve full production capacity.

Under Nashpa-Mela development project, design phase and delivery of major equipment at site has been completed while installation and erection work is in progress. The project is expected to be completed by June 2017 leading to a daily incremental production of 1,100 barrels of crude oil, 10 MMcf of gas and 340 Tons of LPG. Under Soghri development project, amine unit has been shifted from Sinjhora field and other necessary equipment has been procured while hiring of the PC contractor is in progress. Upon completion of this project, daily incremental production of 20 MMcf of gas is anticipated.

Production

In line with its production enhancement strategy, OGDCL is focused on intensifying exploratory endeavors, completion of ongoing development projects and utilization of latest production techniques to augment oil and gas production from its own and operated JV fields. In this connection, the Company contributed around 52% and 28% of the Country's total oil and natural gas production respectively during July 2016-February 2017 (source: PPIS).

OGDCL during the nine months period injected eighteen (18) new wells in the existing production gathering system; Qadirpur HRL-11, Kunnar-11, Rajian-9, Nashpa-6 & 7, Unnar-1, Thora Deep-1 & 2, Pasakhi West Deep-1, Pasakhi East-1, TAY-2, 3 & 4, Dars-1, Dars Deep-1, Dars West-1,

Shah-1 and Qadirpur-56 which cumulatively yielded gross crude oil and gas production of 1,337,395 barrels and 9,348 MMcf respectively. Moreover, production testing has been completed at wells; Khamiso-1, Qadirpur-57, Sur Qammar-1, Dachrapur-3 and Chutto-1.

In order to arrest natural decline and revive production from mature wells, OGDCL during the reporting period carried out successful workover jobs with rig at wells; Palli Deep-1, Rajian-2, Kunnar-8 & 10, Pasakhi-5, Pasakhi Deep-6 and Sono-8. Likewise, carrying out of rig-less workover jobs to boost oil and gas volumes remained part and parcel of the production operations. Moreover to induce improvement in the current well flow parameters, pressure build-up survey jobs were completed at various wells of Uch, Bobi, Nashpa, Pasakhi, Sinjhoru and TAY fields. As part of preventive maintenance plan, Annual Turn Around (ATA) of plants were carried out at Sinjhoru, Chanda, Nashpa, Bobi, Uch and Dakhni/Soghri fields.

Despite natural decline in some of its mature producing fields, OGDCL witnessed an increase of 9% in its average daily net crude oil production compared to the preceding period thereby contributing towards economic growth of the Country. This is mainly due to higher production from Kunnar, KPD, Rajian, Nashpa and Sinjhoru fields coupled with startup of production from TAY field and increase in the production from non-operated JV fields. Likewise, the Company's average daily net saleable gas production remained stable despite production decline from non-operated JV fields mainly Kadanwari, Bhit, Badhra and Miano as well as from operated fields including Qadirpur, Mela and Jakhro. Regarding LPG, 23% production surge is recorded on account of production start-up from KPD and TAY fields in December 2016 and February 2017, respectively accompanied with production increase from Sinjhoru and non-operated JV fields.

OGDCL's efforts to boost hydrocarbon production resulted in the business recording its highest ever gross crude oil production of 50,354 barrels per day on 28 November 2016. During the period under review, average daily net saleable production of crude oil, gas, LPG and sulphur including share in both operated and non-operated JV fields is as follows:

Products	Unit of Measurement	9M 2016-17	9M 2015-16
Crude oil	Barrels per day	43,989	40,443
Gas	MMcf per day	1,051	1,061
LPG	Tons per day	411	336
Sulphur	Tons per day	39	19

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.