

Islamabad, October 25, 2019

FOR IMMEDIATE RELEASE

**OGDCL UN-AUDITED FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED
30TH SEPTEMBER 2019**

Oil and Gas Development Company Limited (OGDCL), (Ticker: OGDC), today announced its financial results for the first quarter ended 30th September 2019. Financial Statements were prepared in accordance with International Financial Reporting Standards;

Highlights of First Quarter (ended 30th September 2019) Results include:

- OGDCL's net sales registered at Rs 66.204 billion
- Net Profit before Taxation during the period was Rs 39.688 billion
- Net Profit after Taxation during the period was Rs 27.316 billion translating into Earnings per Share of Rs 3.35.
- The Board of Directors declared first interim cash dividend of Rs 2.50 per share
- Average net realized price of crude oil sold was US\$ 52.69/bbl as against US\$ 64.30/bbl during corresponding period last year. Average net realized price of natural gas sold was Rs 386.60/Mcf as against Rs 285.44/Mcf during corresponding period last year
- 556 L. Kms of 2D seismic data acquisition completed
- Two (2) new wells including one (1) exploratory / appraisal well namely Rangunwari-1, and one (1) development well namely Thora Deep-3 were spud during the period under review
- OGDCL's exploratory endeavors to locate hydrocarbon reserves yielded three (3) oil and gas discoveries namely Pandhi-1 in district Sanghar, Sindh province, Togh-1 and Chanda-5 in district Kohat, KPK province.
- Average net crude oil production of 40,729 barrels per day, net gas production of 1,044 MMcf per day and net LPG production of 771 M. Tons per day was achieved during the period under review

	1Q 2019-20 Rs (in billions)	1Q 2018-19 Rs (in billions)
Net Sales	66.204	61.799
Profit before Taxation	39.688	39.363
Profit after Taxation	27.316	26.735
Earnings per Share - Rs	6.35	6.22

MD / CEO's Statement

MD/CEO of OGDCL, Dr. Naseem Ahmad, commenting on the Company's first quarter financial results FY2019-20, stated:

"I am pleased to report on our very successful first quarter (July – September 2019) results. During the period under review, OGDCL continued to show strong financial results with Company's Sales Revenue as Rs 66.204 billion and Profit after Taxation as Rs 27.316 billion which led to Earnings per Share of Rs 6.35 compared with Rs 6.22 during the same period in preceding year. The Company also made three hydrocarbon discoveries during the period under review.

OGDCL's robust financial performance has been substantially driven by increase in wellhead prices, coupled with positive impact of exchange rate as well as increase in LPG production, when compared with the same quarter of preceding fiscal year. Furthermore, in line with its strategic objective to enhance hydrocarbon production, the Company is making all out efforts to explore new fields, develop already discovered fields and is fully focused on the expeditious completion of projects in the pipeline.

Lastly, it gives me immense pleasure to acknowledge and express my sincere thanks to the Management and employees of the Company at all levels for putting relentless and dedicated efforts in pursuit of achievement of Company goals. This bodes well for all our shareholders and helps us maximize shareholder's value."

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Notes to Editors

OGDCL, the largest petroleum Exploration and Production (E&P) Company in Pakistan, was listed on Pakistan Stock Exchange (PSX) of the country in November 2003 and its Global Depository Shares (GDS) were issued on London Stock Exchange in December 2006. It holds the largest portfolio of recoverable hydrocarbon reserves of Pakistan, at 23% of oil and 38% of gas, respectively, as at 30th June 2019. It contributed 29% of the country's total natural gas production and 47% of its total oil production during the three months period.

With a portfolio of 45 exploration licences, the Company has the largest exploration acreage in Pakistan, covering 38% of the total awarded acreage as of September 30, 2019. 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 118.386 billion for the year ended 30th June 2019.

SUMMARY RESULTS

Financial Summary:

Against the backdrop of decline in hydrocarbon production, OGDCL delivered stable financial performance for the quarter ended 30 September 2019 as Sales Revenue and Profit before Tax were Rs 66.204 billion (1Q 2018-19: Rs 61.799 billion) and Rs 39.688 billion (1Q 2018-19: Rs 39.363 billion) respectively. These financial results are primarily supported by steep rise in average exchange rate to Rs 158.28/US\$ from Rs 124.71/US\$ in the corresponding period. Moreover, increase in average realized price of gas to Rs 386.60/Mcf against Rs 285.44/Mcf in the comparative period lent strength to business financials.

However, Company's financial performance was impacted by increase in exploration and prospecting expenditure (two wells declared dry & abandoned against none in the comparative period) coupled with decrease in other income (exchange loss on revaluation of FC investment and deposits with banks). Nonetheless, OGDCL recorded Profit after Tax of Rs 27.316 billion (1Q 2018-19: Rs 26.735 billion) translating into Earnings per Share of Rs 6.35 (1Q 2018-19: Rs 6.22).

Dividend

Board announced 1st interim cash dividend of Rs 2.50 per share (25%) for the year ending 30 June 2020.

Exploration and Development Activities

OGDCL being the market leader in E&P sector of Pakistan holds the largest exploration acreage, which as of 30 September 2019 stood at 82,499 sq. kms representing 38% of the Country's total area under exploration. Business exploration portfolio currently comprises forty-five (45) owned and operated joint venture exploration licenses. Additionally, the Company possesses working interest in six (6) exploration blocks operated by other E&P companies.

With an aim to unlock value in the operated assets, OGDCL during the period under review acquired 556 Line kms of 2D seismic data (1Q 2018-19: 256 Line km). The Company's seismic data acquisition is 85% of total 2D seismic data acquired in the Country (source: PPIS). Moreover, 689 Line km of 2D seismic data was also processed/reprocessed using in-house resources.

In addition to the above, OGDCL during the reporting period spud two (2) wells comprising one (1) exploratory well; Rangunwari-1 and one (1) development well; Thora Deep-3. Moreover,

drilling and testing of seven (7) wells pertaining to previous fiscal years have also been completed, whereas total drilling recorded during the reporting period was 12,813 meters.

Discoveries

OGDCL's exploratory endeavors to locate hydrocarbon reserves yielded three (3) oil and gas discoveries namely Pandhi-1 in district Sanghar, Sindh province, Togh-1 and Chanda-5 in district Kohat, KPK province. Aforementioned discoveries have cumulative daily production potential of 22 MMcf of gas and 826 barrels of oil. Preliminary reserve estimates are 41.86 billion cubic feet of gas and 1.56 million barrels of oil, combined 9.30 million barrels of oil equivalent.

Development Projects

Name of Project	Location of Project	Working Interest	Completion Date	Current Status
Nashpa Compression	Karak, KPK	OGDCL 56.45% PPL 28.55% GHPL 15.00%	June 2020	Design review/HAZOP study completed and development work at project site by the EPCC contractor will start shortly.
Mela	Kohat, KPK	OGDCL 56.45% PPL 28.55% GHPL 15.00%	December 2019	Up-gradation of plant facilities at Mela field and laying of gas pipeline to Nashpa plant for LPG extraction are in progress.
Qadirpur Compression	Ghotki, Sindh	OGDCL 75.00% PPL 7.00% KUFPEC 8.50% PKPEL 4.75% PKPEL2 4.75%	December 2020	Turbine up-gradation contract is under finalization and procurement case of compressors is under technical and financial evaluation.
Uch Compression	Dera Bugti, Balochistan	OGDCL 100%	December 2021	Basic engineering/FEED work completed and tender documents prepared by the consultant ENAR are under review.

Production

OGDCL being the flagship carrier of E&P sector in Pakistan is making efforts to intensify field development activities, completion of ongoing development projects and utilization of latest production techniques so as to maintain and augment oil and gas output. In this respect, the Company during the three months period contributed around 47% and 29% of Country's total oil and gas production respectively (source: PPIS). Moreover, development well; Qadirpur-61 has been injected in the production system which yielded gross production of 154 MMcf in addition to installation of Electrical Submersible Pump at Pasahki-5 which produced a positive impact of 21,500 barrels.

During the period under review, OGDCL's crude oil, gas and LPG production was adversely affected owing to natural decline at Rajian, Tando Alam, Sinjhor and Qadirpur fields. Moreover,

annual turn around of plants at Nashpa, KPD-TAY, Chanda and Bobi fields in addition to turbine issues at UPL-I & II contributed towards lower hydrocarbon production in comparison to the corresponding period. Average net saleable production including share in NJV fields is as follows:

Products	Unit of Measurement	1Q 2019-20	1Q 2018-19
Crude oil	Barrels per day	37,560	40,729
Gas	MMcf per day	960	1,044
LPG	Tons per day	702	771
Sulphur	Tons per day	54	57