



OIL & GAS DEVELOPMENT COMPANY LIMITED

No. CS04-08(KSE/LSE/ISE)
September 11, 2012

1.	The General Manager Karachi Stock Exchange (G) Limited, Stock Exchange Building Stock Exchange Road Karachi Fax No: 021-111-573-329, 2437560.	2.	The Secretary Lahore Stock Exchange (G) Limited, 19-Khayaban-e-Iqbal Lahore Fax. No. 042-111441441
3.	The Secretary Islamabad Stock Exchange (G) Ltd, 55-B, 15E, Towers, Jinnah Avenue, Islamabad Fax No. 051-111473329	4.	London Stock Exchange Plc. 10 Paternoster Square, London EC4M 7LS Tel: (44) 20 7334 8907

SUBJECT: INVESTMENT IN PRIVATELY PLACED TERM FINANCE CERTIFICATES (PPTFCs)
WORTH RS 82 BILLION

Dear Sir,

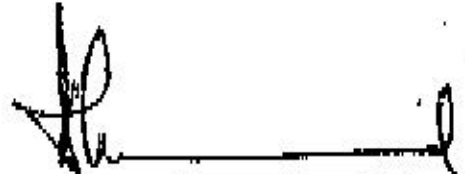
For partial resolution of circular debt issue prevailing in energy sector, the Government of Pakistan has approved issuance of Privately Placed Term Finance Certificates (PPTFCs) amounting to Rs 82 billion by Power Holding (Private) Limited (PHPL). These have been subscribed by Oil and Gas Development Company Limited (OGDCL) in order to settle its overdue receivables from oil refineries and gas companies.

As per Investor Agreement executed between OGDCL and PHPL, the TFCs have been floated for a period of seven (7) years including grace period of three (3) years. The investment of OGDCL in TFCs is placed at interest rate of KIBOR + 1%, payable semi-annually. Interest payment will start from the sixth (6th) month of investment. The principal shall be repaid in eight (8) equal installments starting from the 42nd month of date of transaction. OGDCL has adjusted its receivables by Rs 82 billion (as per mapping plan) from refineries and other companies with TFCs, secured by Sovereign Guarantee, covering the principal, markup and / or any other amount becoming due for payment in respect of investment made in TFCs. The National Bank of Pakistan (NBP) has executed the transaction on September 10, 2012 as Trustee.

3. The above is being provided to you in compliance with the requirements of Clause No. (xx) of the Code of Corporate Governance.

Thanking you,

Yours sincerely,


(Ahmed Hayat Lak)
Company Secretary

HEAD OFFICE: OGDC House, Jinnah Avenue, Blue Area, Islamabad, PAKISTAN.
Ph: (92-51) 2623072, 920023553, 920023508, Fax: (92-51) 9209762
Website: www.ogdcl.com