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Dr Abdul Jaleel Al Khalifa: Good morning, ladies and gentlemen. It is an honour and a pleasure to present Dragon Oil's 2012 full-year results. With me is Mr Tarun Ohri, Dragon Oil's Director of Finance. As you know, 2012 was a year of challenge and success. The sand issues in April 2012 resulted in lowering our production rates for about a month or two, but the team, management and operations people, responded effectively. We mobilised equipment and teams to the field and got the sand issues resolved and production was back to normal in the second half of the year. We finished the year in 2012 with solid operational and financial results. In terms of reserves and resources, organic growth continued for a third consecutive year after 2011 and 2010. On the diversification front, we finally signed the contract for Block 9 in Iraq and we were announced as the winning party for two blocks in Afghanistan.

On marketing, we have secured a two-year contract for 2013 and 2014 and we continued to create and return value to shareholders via dividends and a share buyback in 2012. I am going to go through more details on all of these items and Tarun will cover the finance and results later on.

Moving to the production growth in 2012, we averaged 67,600 barrels in 2012, year-on-year 10% growth over 2011. We finished with December 2012 average of 73,500 barrels per day. I am glad to report that that average continues to prevail until now and this is a good sign for where we ought to be in 2013. The growth of production in the coming years will continue.

On the drilling results, we had three rigs operational. We had Rig 40 that drilled for part of the year and then we have Land Rig 1, which was operational until now and we have Jack-up 1, which was drilling all the year 2012 and the contract for its use has been renewed until May 2015.

We drilled 13 wells in 2012 and side-tracked two wells, a total of 15 wells. Rates varied between 1,000 to 3,000 with an average of about 1,900 barrels of oil per day.

On the reserve replacement, I am glad to report that we added 44 million barrels of 2P oil and condensate to our reserves. We finished the year at 677 million barrels with a total production of 25 million barrels in 2012. We still maintained 59 million barrels of contingent oil resources and on the gas side, there was no change in 2012. It's a very strong oil and gas reserve replacement pace and additional potential of delineation and additional evaluation of the field still exist, which will be complimentary to the drilling programme in the future years.

On the infrastructure side, both Zhdanov A and Zhdanov B are being constructed. Indeed Zhdanov A is ready and it's supposed to be mobilised to our waters in the first half of 2013 and hopefully it will be ready for drilling in the second half. Zhdanov B is being constructed and fabricated in our harbour area and it will be hopefully installed in the first half of 2013 and ready for drilling in the second half.

We continue to tender for future platforms and right now we have indeed selected contractors for Lam D and E and we are in the process of awarding that contract. We have also tendered for Lam G and Lam F, which are another two platforms in the Lam field.

On the crude oil storage capacity, we plan to add substantial storage capacity in the field to accommodate at least two weeks of daily production in the Cheleken area and we have finished the FEED and we are in the process of tendering this project. Hopefully it will be awarded in 2013.

On the P&A, we have plugged two wells so far and we are in the process of completing a minimum of four to six wells in 2013.

On our drilling fleet, Rig 40 is currently stacked on Lam 13 and we anticipate that this rig will be utilised to sidetrack some of the low rate producers in Lam 13 into potential zones, which are of some potential in that platform.

With regard to Jack-up 1, which is called Iran Khazar, it is already extended to May 2015 with the potential of 1-year extension later on. Land rig 1 which is currently drilling Lam 28, we anticipate that it will drill one more well in Lam 28 and then move to another platform to drill three more wells. Land rigs 2 and 3 have been awarded and we anticipate them to start drilling in the second half of 2013 in Zhdanov A and Zhdanov B.

Caspian driller is 99.5% complete; it is in the Astrakhan shipyard. It will be mobilised in the first half of 2013 to our waters and hopefully drill in the second half on Lam C or other platforms.

So indeed if things work as planned, which we hope they will, we are going to have four to five rigs by the end of 2013 and they will continue to be operational in 2014.

On the secondary oil recovery projects, the pilot water injection will commence in April 2013 in Lam 75. The well is already converted to an injector type well. All equipment is on the platform except for the water pump, which is currently being shipped from the US all the way to Hazar and we anticipate receiving it in March to be operational in April.

We have started partial water injection in one of the wells in Lam 13 and we expect this water injection to be full time in Lam 13 later this year. The water injection potential is huge in Lam area but we'd like to wait until we see the results in the second half of this year to come back to the market with more detailed analysis of the results and the potential applications in other parts of the field later on.

On gas monetisation, we have decided with the agency to increase the capacity of the gas treatment plant to 360 million standard cubic feet per day as compared to 220 before. We have kept the agreement. This will generate about 3,600 barrels of condensate on a daily basis on average. We are currently in the tendering stage and hopefully that will take two years to be ready in place, in late 2015 – early 2016. There isn't much progress done so far on our gas sales agreement of the dry gas.

On the diversification, the exploration period for the Tunisian Bargou Exploration Permit is extended for one more year. The rig is scheduled to spud the first well in late March of this year and our exploration manager currently in Tunisia visiting the site and visiting the people on-site with our colleagues from Cooper Energy and we anticipate those results to be available in the second half of this year and based on the results of this well, a decision will be made whether it is commercial, then we'll put in a development plan and embark on additional drilling and platform installations in that area.

On other areas of diversification, the contract for Block 9 in Iraq is already signed. The five-year exploration permit includes de-mining, seismic survey, followed by a 20-year development period at a fee of US$6.24 per barrel. We indeed, knowing as much as we do and our colleagues about the subsurface in Block 9 we don't anticipate going through a sequence of de-mining, seismic and drilling. We may be able to start drilling a wildcat sooner than this process and we are working with our friends in Iraq to make this doable hopefully this year or at least in 2014. The potential of this block is huge. It is indeed an extension of existing field on the other side of the border and therefore it's not a wild exploration frontier area but rather a simple delineation with an exploration upside.

We were also announced as a winning bidder for two blocks in Afghanistan with our consortium partners of Kuwait Energy, TPAO and the Ghazanfar Group in Afghanistan. The team visited the country twice. They are in the process of negotiating the contract details and hopefully it will be signed in the first half of 2013. We continue to look at other development and exploration assets in West, North Africa as well as in Asia. We did not as yet finalise any development deal but there is quite a few we are looking at right now.

On overall 2012 activities we had agreed a two years' contract with SOCAR to export the crude on FOB basis until the end of 2014. In the process, as you know, it took us some time this year to finalise this deal and we had been in contact with potential buyers who were not ready for this time of the year but they will be ready in the future and therefore we strongly believe that alternative routes will be available in two years and these are viable routes at a reasonable discount rate.

In 2012, a new board member, Thor Haugnaess, joined us as a Non-executive director, an independent director with a rich oil field service experience and he will join us at the AGM. Ali Al Hauwaj was appointed as exploration manager and he is currently in Tunisia following up with the Bargou wildcat work.

On returning values to shareholders, I am glad to announce that the board has agreed on a full year dividend of US$0.30 in 2012; this is a 50% increase over 2011 level, US$0.20, and we finished a US$200 million share buyback programme in 2012.

On the people, we recruited 235 new joiners in 2012. We ended up the year with about 1,400 professionals of 40 nationalities and a strong, talented team with a lot of operational and technical experience. We have also maintained our in-house and external conferences and training courses for our expats and locals in partnership with other schools and training institutions.

On the CSR activities, as you know, the polyclinic that was approved by the board in 2011 is almost ready and it will be inaugurated in 2013. This polyclinic will provide outpatient services for Hazar community and it is a state-of-the-art clinic, a great contribution to the community in Hazar and it will be followed with other CSR projects in the near future.

Let me now turn it over to Mr Tarun Ohri to cover the financial results.

Tarun Ohri: Thank you Jaleel and good morning everybody on the call today and welcome to the full-year presentation of the 2012 financial results. I will walk you through the key financial highlights and then we will talk about the details in the following slides. So if you look at revenue, our revenue for the second year was over US$1 billion and that was on the back of a 10% growth in production. We produced about 25 million barrels as compared to 22 million in 2011. The revenue is also based on stable realised oil prices, the average Brent in 2012 remained strong. Over the past two years the average has been well over US$110/barrel. So oil prices currently are also staying much above that level, currently trading at $118 and $119 dollars a barrel and we expect that these strong oil prices will continue in 2013 as well.

Our net profit for 2012 was US$600 million. Our dividend for the year was US$0.30 with a total payout of about US$147 million. So the payout ratio is about 25%, the yield is about 3.4% and in future the company expects to maintain a reasonable growth in dividend. So the 50% increase in the dividends sends a message that we have been able to self-finance our capital expenditure and yet add about US$200 million to our cash balance, which has grown from US$1.5 billion to US$1.7 billion at the end of the year.

Our dividend and share buyback programme: we spent about US$330 million giving back in dividends and buying shares worth US$200 million in the market. The diversification opportunities in Tunisia, Iraq and Afghanistan: we spent some money, about US$6-7 million in Tunisia with regard to our exploration efforts there.

Turning over to the 2012 results summary, our top-line revenue is based on lifting and these liftings are FOB Aladja, the realised price in 2012 was US$1 below our 2011 average of US$101 and the operating profit for the year was US$790 million. The operating profit and our gross profit are recognised on an entitlement basis and as you are aware the Production Sharing Agreement includes fiscal terms that allow the sharing of the crude oil between the host government and Dragon Oil. The entitlement barrels are based on the level of the oil price as well as the capital expenditure and operating cost spend during the year and they are adjusted by the operation of the PSA terms. As you are aware, regarding the cost incurred by Dragon Oil, we spent 100% of the costs for our entire working interest and we tried to manage the operating costs within predetermined limits. So our 2011 operating costs were about US$3.3 a barrel on working interest which went up to US$4 in 2012 and that impacted our net profit.

Our basic earnings per share were US$1.19. Our dividend was US$0.30 a share. Capital employed grew by about US$270 million to US$2.8 billion and that's a result of an increase in profits reduced by our share buyback activities and our dividend programme in 2012. Our net cash from operating activities is US$1 billion dollars and there is a small growth in cash from operating activities. We used about half a billion US dollars in investing activities, mainly on capital expenditure as well as interests in deposits and there is some movement of the deposits. Our cash balance at the end of the year was US$1.7 billion and we maintain a zero-debt position, which is our unique and distinguishing characteristic among the E&P companies.

Moving on to the income statement. In 2012, the Brent oil price traded at around US$112. We achieved a discount of 11% as compared to 9% in 2011. Cost of sales of US$329 million was mainly a composition of the depletion rate, a depletion charge of US$212 million and field costs of US$100 million and other costs. And the administrative costs of US$35 million comprise head office costs, which include CSR activities and asset evaluation in various geographies we look at.

Our finance income was US$18 million, there was an 18% increase as compared to previous years. The yield on deposits was 1.2%. The average cash balance held during the year was US$1.5 billion as compared to an average of US$1.2 billion in 2011. The finance, the income tax expense about US$209 million because of lower taxable profits and that resulted in a net profit of US$600 million. So we demonstrated a robust income statement despite a reduction of 5% in the entitlement rate.

Moving on to the cash flow, the cash generated from the operations has been robust and marginally higher than 2011 at US$1 billion. Our opening cash balance of US$1.5 billion excluded opening abandonment and decommissioning balance of US$279 million. The yield on bank deposits is about 1.2% and that is primarily because of the six-month LIBOR, which has been below 0.5% for a large part of the year. We spent money on capital expenditure, which was about US$372 million in cash, based on additions of US$382 million to assets. US$333 million was financing costs for dividends, for the share buyback programme as well as a small issue of share capital. The abandonment and decommissioning increased because we set aside amounts for abandonment and decommissioning every year from our revenues, i.e. the sales of our entitlement barrels, the amount set aside in 2012 was US$128 million and this was not included in the closing cash balance of US$1.7 billion. This cash is maintained in 10 banks and we monitor exposure in line with the ratings. So we ensure that the cash deposits are diversified and placed along international and banks in the UAE.

Moving on to the balance sheet. There is an increase in capital expenditure. That resulted in US$1.5 billion of asset. Our inventory, trade and other receivables at US$169 million, mainly trade receivables, which are realised after the year-end. We have talked about cash and term deposits of US$2 billion, out of which US$400 million is held specifically for abandonment and decommissioning activities in accordance with the provisions of the Production Sharing Agreement. If we look at our current liabilities of US$840 million, these comprise of abandonment and decommissioning liabilities of US$430 million, our payables, trade payables and accruals of about US$115 million and our current tax liability. So it's a large number, but the tax liability and abandonment and decommissioning liability comprise a large proportion as a result of compliance with the Production Sharing Agreement terms.

On the 2012 capital expenditure, the graph on Slide 22 shows the amount we spent on capital expenditure in 2012 versus 2011 and as you are aware there are limited contractors available in the Caspian region, it's a challenging environment and as we have stated previously we are diversifying our contractor base. Looking at capital expenditure in drilling, we spent about US$160 million completing 15 wells and on the infrastructure was about US$220 million, which was spent on platforms, blocks and infrastructure, including pipeline. We work closely with contractors to expedite projects, which are behind schedule and we expect a higher spend on infrastructure and drilling as we ramp up production going into 2014 and 15. With that, I'll hand it over to Dr Al Khalifa to speak about the outlook.

Dr Abdul Jaleel Al Khalifa: Thank you, Tarun. I would say that future years are quite promising, especially the coming two or three years. It is not without challenges. The challenges including relying on contractors to deliver on time, making sure that projects are executed on schedule and hoping that subsurface results bring in positive news as they did in the past. Now Dragon Oil is no stranger to those challenges. We lived with those challenges over the years as you know and we have always executed and delivered on target because we have always kept something that we can use and deliver on and it is usually beyond the expected schedule. Take for example ability to deploy artificial lift, which we plan to execute in the near future. The potential gain from water injection, which is not reflected in the plan now, our ability to sidetrack some of the wells into more promising sections of the reservoir, ability to bring in shallower targets, which were not anticipated at as high potential as we had seen in 2012.

So there are challenges, but hopefully we will aim to overcome those challenges and over-deliver in the future as we did in the past.

So in 2013, we continue to aim to drill 13 to 15 wells, possibly including two workovers for which we now have a work-over unit on the premises as well as coil tubing. We are looking at potential drilling using coil tubing, which is going to be supplemental to drilling rigs and workover units as well. Therefore, production growth in 2013 is anywhere between 10 to 15%. We have mentioned that it could be at the lower end of this range, to make sure that we don't over-promise the 15%. We will wait until we finish the first and second quarter and come back to the market with more firm guidance in 2013.

Water injection hopefully will bring positive news in Lam 75 and Lam 13 areas. With regard to rigs, we will mobilise the Caspian Driller hopefully in the first half of the year. We have awarded Land Rigs 2 and 3 and hopefully manage to get them to start drilling in the early part of second half of 2013 and therefore the capital expenditure allocated to drilling in the year is US$300 million.

On the platform installations, Zhdanov A and B platforms will be ready in the first half. Hopefully, by that time we will receive the two land rigs and the drilling will commence in the second half. We will award the contracts for the construction of Lam D and E platforms and we will hopefully award contracts for the construction of Lam G and F platforms as well because they are already being tendered. Again the capital expenditure allocated in 2013 for projects is another US$300 million.

On the gas treatment plant, the contract to build it will be awarded this year. Again the potential there is 360 million cubic feet per day processing capacity. Drilling in Tunisia is going to happen in the first half of the year as well as more progress on the exploration work in Iraq, hopefully with more firm schedule of drilling and seismic acquisition and potentially signing the contract in Afghanistan, while not mentioned here but we always hope to bring any positive news of acquisition of development assets in 2013.

With regard to the medium-term outlook, 2014 and 2015 will be more active on drilling because by then we will have Land Rigs 2 and 3 operational. We will have the Caspian Driller operational. The contract for the use of Jack-up Rig 1 is already extended and we are currently looking at adding another jack-up rig in 2014. So indeed we will have five to six rigs operational those two years and therefore drilling 20 wells is definitely easy and possible and a comfortable target in those two years. That will put the production growth at the higher end of our guideline, which is at 15% and it will deliver the 100,000 in 2015. Hopefully with a successful deployment and application of water injection Lam 75 and 13, there will be more news on how wide the application could be for the entire Lam area.

We will continue to source additional rigs, talking about another jack-up rig beside the Caspian Driller and hopefully by then, in 2015 we would have Lam D, E, G and F platforms in water.

The capital expenditure that we have allocated for the three years is US$1.5 to US$1.6 billion, 50/50 between drilling and infrastructure. The gas treatment plant hopefully will be ready in late in 2015-early 2016. We would have the drilling results in Iraq, Tunisia, hopefully Afghanistan and potentially two or three new areas on the development and exploration side within two or three years.

I want to thank you all for being patient with us over the years and I think we delivered over the past years and we will continue to deliver in the coming years on both the production and the diversification. We aim to maintain this steady growth until we reach our target of 100,000 with hopefully deploying new technologies and new ways of achieving our potential in the near future. Thank you.

Alex Holbourn, Bank of America Merrill Lynch: Thank you very much. Morning Abdul and Tarun. Just a few questions, mainly focused on Zhdanov. Given that you now seem confident on the arrival times for the two new platforms on the field, I'm just wondering how many wells are you hoping to drill from each of Platforms A and B, what flow rates are you anticipating and also what decline rates you're expecting whether they're in line with Lam West or Lam East or different from those? Thanks very much.

Dr Abdul Jaleel Al Khalifa: Thank you Alex. Zhdanov A and Zhdanov B are both land rigs platforms. Each one has eight land rig slots plus eight jack-up slots. So each platform has 16 slots, a total of 32 slots. Now, we plan to deploy land rigs on both of them and then potentially come back in the future with a jack-up rig to complete the additional eight and eight wells later. Now in 2013 we may be able to drill two wells from each platform, depending on the schedule of land rigs' arrival and so on. The flow rates – we are conservative and until we drill the wells in Zhdanov and find out what the full potential is, but it is safe to assume that it is around 1,500 barrels per day and the decline rate I would wait for the production of a few wells to happen and monitor their performance over six months to one year to come back with a firm decline rate, because we didn't have much of a history in Zhdanov from the newer wells. This is the first time we drill a few wells there. The only wells in production in Zhdanov are two or three wells at a lower rate and they are old wells and I cannot assume any potential decline.

Ritesh Gaggar, GMP Securities: Good morning, just a couple of questions firstly on capital expenditure. Last year your guidance for 2012 to 2015, capital expenditure was around US$1 billion in total, that was for the four years. But currently what you have guided for is for 2013 to 2015, that's three years, a total of US$1.5 billion. I can understand one of the reasons is possibly increase in higher number of wells that you are targeting but can you please provide some additional details on where do you plan to spend the increased capital expenditure versus last year's estimate?

Dr Abdul Jaleel Al Khalifa: If you look at the drilling fleet that we have right now, we are going to have two jack-ups plus two land rigs, these are firm in 2013 second half of the year and then full-year 2014. This is not contracts that are going to be late or platforms that are going to be behind schedule so we've always been accurate on the drilling expenditure, especially when the rigs arrive on location. Assuming Land Rig 1, 2 and 3 arrive on location in the second half, so the capital expenditure on the drilling is going to be more firm in 2014 and 15 and it will be in the US$300 million range because this is already a known drilling schedule. On the capital expenditure for the infrastructure and this is really where the challenge is, we put a schedule for platforms to be completed and commissioned. At times, the contractor can run behind schedule and this is why things are not as per plan on the infrastructure capital expenditure. Therefore, while we consider that there will be US$300 million and US$300 million for both facilities and drilling, we were assuming that US$500 million is a more reasonable target for the capital expenditure to be spent every year and therefore over three years, it will be a total of US$1.5 billion. We can add to this that the gas treatment plant is in the range of US$200 million or so and that is on top of other facilities and the drilling. And therefore, US$1.5 billion I would say is a very reasonable estimate and we are putting a lot of pressure on our contractors and our teams to make sure that we deliver on the execution of these projects because any delays could cause us delays in reaching our target.

Ritesh Gaggar: That's very helpful and these contracts are typically EPC contracts that you award to your contractors?

Dr Abdul Jaleel Al Khalifa: Yes.

Ritesh Gaggar: And one more thing on the water injection, I mean you have said that the potential is in the Lam area. Right now, with the full effect of the Lam 75 injector well that you will be planning, when do you expect to get an update on that in terms of your data points and then revising your model to firm up the bigger development of the larger part of the field by 2015 or 2016?

Dr Abdul Jaleel Al Khalifa: We hope that April is the start-up for this water injection because most equipment is there except the pump, which is coming soon. And therefore, we need six months beyond the start-up to make sure that the set and pressure response is measured in the opposite wells and thereby it will be the second half of 2013.

Farid Abasov, Standard Bank: I have two questions. One, I would like to elaborate more on the number of wells to be drilled in Zhdanov area. To be precise you are planning to drill 20 wells in 14/15 and how many of those 20 will be allocated to Zhdanov? I'm just trying to understand the 100,000 barrels per day production guidance. I mean, what assumption are you working on, on the Zhdanov site? This is the first question and second, I would really appreciate it if you could shed any light on your diversification policy in terms of the size of this prospect. Namely Iraq, I mean is there any number that you're working on in terms of prospective number and also in Afghanistan, I mean are you expecting to target gas structure? Is it, could be a combination of oil and gas, I mean any sort of light on the site and the prospect would really be appreciated. Thank you.

Dr Abdul Jaleel Al Khalifa: On the drilling in Zhdanov, in 2014 we will have two land rigs operational full-year on two platforms and each rig would drill anywhere between 4 to 5 wells. So it's 8 to 10 wells in Zhdanov and that will get about 10 to 15,000 barrels of production in 2014 in Zhdanov. And on the diversification front, Iraq as you know is mostly oil and I can't really speak of the prospective resources. We have numbers but we did not work out the details and hence I wouldn't give them now until we have firmed them up. But it is a substantial number. On Afghanistan it is two blocks. In one of them there is definitely a potential oil prospect and the other one is oil and/or gas. So it is a mix of oil and gas in both blocks in Afghanistan. Again, in our bid we have looked at an estimated resource potential in both blocks and based on which we came up with our proposal and bidding criteria but they are not at a stage where we can share the details with the market. We need until the end of 2013 for Iraq to come back with a detailed view of what is the expected resource base and a more definite plan of the exploration campaign and the work plan. For Afghanistan, if we sign the contract in the first half, again late 2013 will be a good time to come back with a fresh perspective estimate that could be changed later, but at least an update to the market.

Farid Abasov: Okay, thank you very much and just one more additional question. On the drilling cost per well, I would assume it will be in the same range as per Lam for Zhdanov within sort US$15 to 17 million or do you expect any major deviations there?

Dr Abdul Jaleel Al Khalifa: No, it really depends if you're talking about a land rig, the rates for land rigs are lower than for using a jack-up and therefore the cost per well is not going to be that high but the platform is already big so as a combination of a platform and a rig rate, you're talking about the same cost.

Gerry Hennigan, Goodbody: Good morning, just a couple of things. First of all, I'm not sure I picked this up or not, but did you say that your current production rate is in line with what you had achieved the average of in December? And in terms of the rigs, my understanding is that maybe one of the rigs that you had, I think it was the NIS rig, was off for maintenance at this stage. So is Land Rig 1 that you have outlined on Slide 8, is there a replacement for that and is it on a short-term lease or does it extend into 2014?

Dr Abdul Jaleel Al Khalifa: Okay, let me just clarify what I said on the December production rate. If you consider that our average for 2012 is 67,600 bopd and we had averaged in December 73,500, which is a good starting base for 2013, which we are hopefully going to add to with more wells and potentially there is a decline in some wells and so on, so what I wanted to say is that a guidance of 10 to 15% growth in 2013 is not a far stretch target for Dragon Oil, it's achievable. That was the message I wanted to say on the production growth.

The NIS will continue with us almost to the end of this year, maybe a little bit before then because it will drill the existing well and one more well in Lam 28 and then it will be mobilised to another platform to drill three more wells. So towards the end of 2013, we have to decide whether to let go or to keep it for future activities in the field.

Gerry Hennigan: But do you have an option to hold onto that rig if you wish?

Dr Abdul Jaleel Al Khalifa: We don't have an existing option but we can always talk to the Turkmen authority and to the contractor if we manage to strike an agreement whereby there is an application for it, I don't think it's impossible to do.

Gerry Hennigan: One other question if I can, maybe for Tarun. What should we model in terms of dividend growth from here on because obviously you've had a significant increase in the dividend from US$0.20 to US$0.30 but if I'm going forward here, what would be your guidance?

Tarun Ohri: I think the first three years since we introduced the maiden dividend and the increase in dividend has been steep but going forward, I think we'd expect a reasonable growth in dividend and we would like to sustain the quantum in terms of the amount of dividend we have despite fluctuations, the smaller fluctuations in oil price and in Turkmen production.

Gerry Hennigan: So will the market there be in terms of where the oil price is or should we guide it more in terms of where your production growth is going to be?

Tarun Ohri: I think the guidance more is on the basis of quantum of dividend in terms of dollars and that would be subject to moderate or modest growth in future.

Alexander Korneev, Prosperity Capital: I have two questions. One question is on your agreements with SOCAR. It looks like your marketing terms are getting less and less favourable and it looks like SOCAR is pocketing some good margins on trading. Have you tried to diversify maybe exports through Russia, what kind of netbacks compared to what you are getting currently by selling via SOCAR and the second question is what are your plans for your cash position? Are you planning to distribute partially that cash position through dividends or you are planning to keep pretty much everything towards M&A going forward?

Dr Abdul Jaleel Al Khalifa: Thank you, Alexander. On the marketing agreement with SOCAR, yes, it is less preferable than before and this is why we have taken the time to think of alternatives. There are potential alternatives now we could have diversified but there are issues with those alternatives. They are not more attractive commercially and they bring with them potential reliability issues. So as much as we like to diversify we wanted to maintain reliability of off-take because that can impact our operations right away. Now that said, the exercise we have done was quite informative and insightful because we came to know that potentially in late 2013 and 2014 a few reliable options will be made available in that region. Knowing that things take time to develop and knowing that the markets would like to maintain a stable outlook, we opted to go for two years because one year is too short, three years is too long and therefore we have managed to secure this two-year arrangement. It may not be as good as we wished, but this is a marketdetermined price and best we could have done is what we did. Now future would bring in hopefully positive news in terms of alternative routes. Cash position, we will maintain our dividends policy as Tarun discussed earlier. We anticipate that we do acquisitions in 2013. We have always aimed to do it in 2012. I would say we are looking at assets now and the range of acquisitions could be substantial and therefore I wouldn't have issue with our cash position because it can easily be deployed in acquisitions in the future. Now as time goes on, if acquisitions were not secured, then the board and the company have to decide what to do next with the cash.

Shola Labinjo, Tudor Pickering Holt: I just had a couple of questions. The first was on operations. So you talked about building storage capacity that would last as long as two weeks. I was just wondering what production rate that was based on. And then the other is on diversification. So you talked about moving beyond Afghanistan and Iraq and we know that you recently put in a bid for Oil Mill 30 in Nigeria. I was just wondering if you are still looking to put in further bids in Nigeria. Also, there have been recent comments about Dragon Oil looking at YPF and assets in Argentina. I was just wondering if this is an area of focus because when you mentioned the regions you were interested in, you didn't mention Argentina. Thank you.

Dr Abdul Jaleel Al Khalifa: Thank you, no, the storage capacity is based on 100,000 target daily rate and therefore it's going to be two weeks of course taking into consideration that some of the 100,000 is a government take, which they take via pipeline, oil tankers to the refinery in Turkmenbashi. So one would say two weeks of 50,000 production rate is what we are looking for as a storage capacity. Plus some standby tanks for lifting and continuous discharge from the treatment facility. So this is on the storage side. On the diversification, yes, we are looking beyond Afghanistan and Iraq and Argentina is in Latin America. We have not looked at Argentina or Latin America before. Now I can tell you that we as any other oil operator, if circumstances come to prove that there is a potential attractive acquisition, can expand to other locations globally, including Latin America. We are not yet at a stage where we can say we are diligently looking at assets there. There was a meeting between us and a delegation from Argentina visiting the Emirates and this is what the new business group is doing all the time. They are roaming around the globe, trying to find opportunities, talking to bankers, talking to their peers in other companies and the company is doing its best to ensure we get the best deal available. Is Latin America completely out of our domain? No, it's not completely out. It's not an area of focus like Africa or Asia but if things are made available and attractive we will consider them. As far as Nigeria specifically I wouldn't comment on that but I would say West

Africa and North Africa are areas of importance for us and we will continue to look at them.

Aaron Sweet, GMP Securities: I would like to clarify again on your recent renegotiation with SOCAR for the marketing of your oil. I know you stated earlier that volumes were sold on a free on-board basis prior to onward transportation through the Baku-Tbilisi-Ceyhan pipeline. You expressed the discount for the realised price negotiated with SOCAR is 14 to 17%. I would just like to know if this discount is negotiated on a percentage basis or if it is an absolute discount to Brent.

Dr Abdul Jaleel Al Khalifa: Let me just clarify one thing, it's an off-take FOB from our Aladja Jetty to Baku. Now, in the contract, there is no emphasis of the BTC or trucks or rails to Batumi or anywhere. For us, the security is off-take from our Aladja terminal on FOB basis and it is an absolute discount number, on today's price you're talking about 14 to 17% range, higher or lower in that range depending on the price. It is not a percentage of the quota price, no.

Kingsley Jibunoh, FirstEnergy: Good morning, gentlemen, and congrats, first of all, on the full-year results. The first question is at what trading range do you think you will be able to undertake a new share buy-back in 2013 and also I wanted to know when realistically do you think we can see a well drilled in Block 9 in Iraq. And lastly, the production from the water flood projects in Turkmenistan, when are you going to add that or revise your production guidance or do you already factor it in?

Dr Abdul Jaleel Al Khalifa: You are ahead of me on Iraq, because we have not finalised the work plan with our partners or with the government of Iraq yet. What I said is that the information we know about the block is quite rich and therefore it's not a normal frontier exploration area where you go and run 2D seismic and then run 3D seismic surveys and then data interpretation and then you decide on where to drill and then drill. What I am saying is that we may be able with our partners to work with the government of Iraq to ensure that we drill a well ahead of schedule, because the information we know is quite rich. It takes us and the consortium to agree on the plan and the government of Iraq to agree on that to make it happen. So that will be hopefully decided and once the decision is made we will share it with the market.

On the water flood results as I said, we're starting in April. Hopefully by September/October we would come to know how successful the application is in Lam 75 and where else in the field we can deploy it.

Kingsley Jibunoh: So the 100,000 barrels per day excludes any provision for the upside from the water flood project then?

Dr Abdul Jaleel Al Khalifa: Water injection impact is not included in the 100,000 target. 100,000 target is a simple extrapolation of the primary depletion production that we currently do. So any positive impact of water injection will be on top of the 100,000.

On the share buy-back, we did it in 2012. There is no decision on doing it again in 2013 and, therefore, I would leave it until the time comes that the Board decides to do it and then we'll come to the market.

Kingsley Jibunoh: Is there any trading range that you are considering, that's what I wanted to know.

Dr Abdul Jaleel Al Khalifa: No, I wouldn't say we decide based on a trading range. It is definitely something to consider but there are other things to be considered as well.

Tom Robinson, Nomura: Good morning, just a couple of questions please. First one is on the acquisition strategies. I know you're talking about various geographies but could you provide some detail on perhaps some of the other criteria that you use to screen new opportunities? That's the first one and then secondly on operating costs. I think you mentioned an increase to US$4 a barrel in 2012. How should we expect that to trend over the next couple of years? Thank you.

Dr Abdul Jaleel Al Khalifa: The other criteria for diversification are as we have always said that we wanted a sizeable asset of 50 million barrels or so of 2P reserves. We have looked at oil, we have looked at gas, we have looked at onshore, we have looked at shallow offshore. We have stayed away from deep offshore unless we are partnering with an active offshore, deep-water player, which is not the case now. As far as other criteria, I think we said geography, we have excluded Europe, North Americas, Russia and Ukraine. We have always said we are open to central Asia, the Middle East, North Africa, West Africa and South-East Asia and if anything happens to develop in Latin America, which is quite attractive, it will be considered.

Under operating costs, we anticipate that there could be a marginal increase in the operating costs in the US$4.5 per barrel range in the future. We are currently at

US$4/barrel. US$4.5/barrel is not too far. So one may consider US$4.5/barrel for future operating costs.

Caren Crowley, Davy: Good morning gentlemen. Just a couple of quick questions. You mentioned the potential to use artificial lift in the field. I am just wondering if you're referring to pumps there and if you could tell us a little bit more, for example if it is pumps, when are you thinking of installing them and I suppose what your expectations are around the effect from using the pumps. Probably I suppose it refers more to decline rates and whether they would moderate if using pumps is successful. The other thing as well I'm just wondering, you talk a lot about shallow targets in 2012, you know the results from shallow targets, but what about deeper drilling, is there potential there and do you actually need the Caspian Driller to be on-site and operating before you can explore the potential at a deeper level offshore Turkmenistan. Thanks.

Dr Abdul Jaleel Al Khalifa: With regard to artificial lift, there are various ways to do artificial lift. A simple way, which we are currently trying to deploy in the coming few months is using jet pumps and jet pumps will allow you to bring in the liquid level in the well bore to the surface at a higher rate and this is something deployable within months. It is not so far from achieving and we are currently in the process of deploying jet pumps in some platforms. The other wider application is electrical submersible pump, which would need a power supply that is not currently available on a permanent basis on the platforms. We have power, diesel-generated power but electrical submersible pump would need a much stronger power supply but it is something to consider for the future. Gas lift is definitely a choice in our case but we may be doing gas lift on a simplified basis and on a limited basis, so things that are easily deployable are jet pumps and gas lift. Using an electrical submersible pump is definitely something to consider in three to four years.

With regard to deeper targets and the drilling, you know that we have gone down to Channel 12 in some sections, we have been drilling to Channel 8 in the Red Sands before. The normal is that we go down to Channel 4 but the recent shallow wells are in Channel 2, CH2 we call it and therefore the potential is there. Now as you go deeper there are potential targets. It really depends on the well location itself. Now while CH2 is abundant and prevalent over the entire field, especially in Lam West area with regard to the A-sands, the shallower targets, Channel 4, CH4, is quite abundant in the entire Lam field. The remaining bottom sections, sometimes they are existing, sometimes they are not. Now in reality in the future we would like to go and deepen some of the existing shallow wells to deeper targets most of them can be deepened, which means you are going to add to one month of additional drilling in the well to explore CH4 and CH8 and potentially CH12 if it exists in that location.

Chris Jost, Goldman Sachs: It has been a couple of quarters since you fixed the wells with the sanding issues and I just wondered if we can assume now that the issue experienced last year is unlikely to return and that the issue was fairly localised to those particular wells or whether there's a chance that as some other wells get older they could also experience some similar problems and secondly, could you also just remind me of the currently anticipated recovery factor that your 2P reserves are based on please?

Dr Abdul Jaleel Al Khalifa: With regard to sanding I am glad to report that the normal sanding that we currently see in the field is well within the norm in the industry for clastic reservoirs in terms of volumes, quantity and frequency. Now, there is nothing to worry about in the sand right now. We have three de-sanders. Two of them in Lam 28, one in Lam 63. We are thinking to deploy more de-sanders in other platforms if we need them. We have got sand to clean in almost all the new wells and we are trying to test new practices for some of the new wells as well. So in summary, sand is not an issue any more. It is managed. Wells are cleaned on a 4-hour basis and chokes are set in terms of size and opening of the choke to make sure that sand flow is controlled.

Recovery factor depends from one location to the other but it is anywhere from 15% to 25%.

Dr Abdul Jaleel Al Khalifa: I want to thank you all for your insightful questions and the company aims to maintain the growth that we had experienced over the past number of years into the coming years, we feel the 100,000 target is a reasonable target by 2015. We have to meet the challenges of making sure that rigs and platforms are mobilised on time to make sure that development takes place in those areas. 2013 will bring in a lot of new results with regard to water injection, Zhdanov drilling results and Tunisia drilling results. Hopefully more action in both Iraq and Afghanistan and then on new acquisitions front. I do appreciate the support of our board and the Turkmen authorities, Turkmen agency, and our management and our employees in Dragon Oil and last but not least is our loyal shareholders who have always been supportive. Thank you all.