The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Shell Pakistan Limited
Shell House
6, Ch. Khaliquzzaman Road
Karachi-75530
Tel +92 (21) 111 888 222
P.O. Box 3901 Karachi

April 20, 2017

Dear Sir,

FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2017

This is to inform you that the Board of Directors of our Company in their meeting held at 11:30 hrs. on Thursday, April 20, 2017 recommended the following:

(i) **CASH DIVIDEND**

A final cash dividend for the quarter ended March 31, 2017 at the rate of Rs. **NIL** per share i.e. **NIL** %. This is in addition to the interim dividend at the rate of Rs. **NIL** per share i.e. **NIL**%.

(ii) **BONUS SHARES**

Issue Bonus Shares in the proportion of **NIL** share(s) for every **NIL** share(s) held i.e. **NIL** %. This is in addition to the Interim Bonus Shares already issued @ **NIL** %.

(iii) **RIGHT SHARES**

NIL % Right Shares at par/at a discount/premium of Rs. **NIL** per share in proportion of **NIL** share(s) for every **NIL** share(s). The entitlement of right shares being declared simultaneously will be/will not be applicable on Bonus Shares as declared above.

(iv) **ANY OTHER ENTITLEMENT/CORPORATE ACTION**

NIL

(v) **ANY OTHER PRICE-SENSITIVE INFORMATION**

NIL

Registered in Pakistan No. 2687
Registered Office Shell House
6, Ch. Khaliquzzaman Road, Karachi-75530

FINANCIAL RESULTS

The financial results of the company for the quarter ended March 31, 2017 are as follows:

	March 31, 2017	March 31, 2016
	(Rupees '000)	
Sales	57,933,110	56,668,370
Other revenue	249,232	239,796
	58,182,342	56,908,166
Sales tax	(9,257,983)	(14,232,400)
Net revenue	48,924,359	42,675,766
Cost of products sold	(44,796,059)	(40,697,208)
Gross profit	4,128,300	1,978,558
Distribution and marketing expenses	(1,297,485)	(1,114,585)
Administrative expenses	(939,812)	(965,199)
Other expenses	(208,581)	(13,406)
Other income	90,182	167,103
Operating profit	1,772,604	52,471
Finance costs	(50,650)	(30,275)
	1,721,954	22,196
Share of profit of associate - net of tax	174,275	138,525
Profit before taxation	1,896,229	160,721
Taxation	(500,146)	(139,461)
Profit for the period	1,396,083	21,260
Other comprehensive income	-	-
Total comprehensive income for the period	1,396,083	21,260
	(Rupees)	
Earnings per share	13.05	0.20

Yours faithfully,
Shell Pakistan Limited

Andalib Alavi
Secretary

Chief Executive's Review
For the quarter ended March 31, 2017

Our Performance

Dear Shareholders,

On behalf of the Board of Directors of Shell Pakistan Limited, I am pleased to share the results of your Company for the quarter ended March 31, 2017. Our Company delivered a profit after tax of Rs. 1,396 million in Q1 2017 which is significantly higher compared to a profit after tax of Rs. 21 million in the same period last year. These results have been made possible through a highly committed team driving aggressive business plans focused on operational excellence and sustainable growth.

Due to continued oil price volatility, your Company was constantly exposed to inventory losses driven by price volatility and compliance to regulatory requirements of maintaining strategic stock levels in the country. With Shell's global supply chain network we continue to leverage efficiencies to mitigating potential losses.

We continue to drive towards creating and sustaining a culture that builds on our commitment to business principles, safety of people and protecting the environment. Customers continue to be at the heart of everything we do as we bring our Global technology leadership for higher quality and cleaner energy solutions to Pakistan to enhance the customer experience across our network through our superior products and services.

Receivables & financing costs
The results of your Company continue to be affected by the financial burden resulting from overdue 'receivables' from the Government of Pakistan, and your Company continues to incur financing cost on bank borrowings required to fund these receivables. As at 31st March 2017, total outstanding receivables stand at Rs. 4,639 million. The Company's management is in engagement with relevant Government authorities for the recovery of receivables to ensure we enhance shareholder returns, drive for efficient business, and invest in growth opportunities in Pakistan.

Fuel margins
Despite recent moves to link main grade Motor gasoline and diesel margins based on CPI, margins continue to be amongst the lowest in the region. We continue to advocate and push for further deregulation of the downstream value chain in Pakistan to drive for more investments in the downstream sector.

Going forward
The management remains committed to maintaining focus on further improving the financial performance of your Company and driving towards credible, competitive and affordable business plans that deliver top quartile business performance. We thank our shareholders, customers and staff for their sustained support and trust in the Company, and look forward to taking this Company to newer heights.

Jawwad Cheema,
Chief Executive