

KSE/N-1418**NOTICE****March 12, 2014**

Reproduced hereunder letter received from **SHELL PAKISTAN LIMITED**, for information of TREC Holders of the Exchange.

(Copy of the same is also available on our Website www.kse.com.pk).

pwc**A. F. FERGUSON & CO**

The Board of Directors
Shell Pakistan Limited
Shell House
6, Ch. Khaliqzaman Road
Karachi

March 12, 2014
D 1337

Dear Sirs

FREE RESERVES AS AT DECEMBER 31, 2013

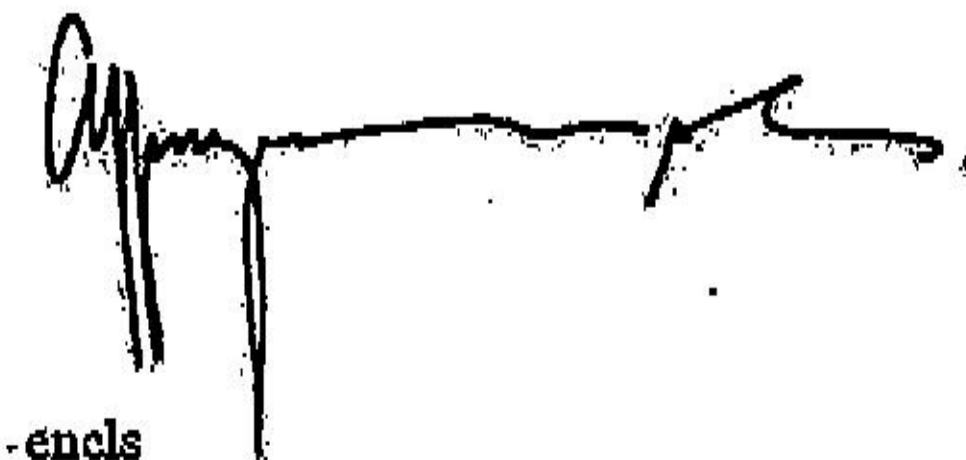
The authorised capital as at December 31, 2013 amounted to Rs. 1,000,000 thousand which the Company intends to increase to Rs. 1,500,000 thousand after due approval from the shareholders in the forthcoming annual general meeting.

In the light of above, as requested, we have ascertained, from the Company's audited financial statements for the year ended December 31, 2013, which have been approved by the Board of Directors and on which the auditor's report remains to be signed, that the Company's residual free reserves in terms of the meaning given to free reserves in the Companies (Issue of Capital) Rules, 1996 after the proposed issue of bonus shares of a face value of Rs. 214,025 thousand would be higher than twenty five percent of the enhanced paid up capital of Rs. 1,070,125 thousand subject to the aforementioned increase in authorised capital.

We have reviewed the contingent liabilities outstanding as at December 31, 2013 to determine the contingent loss, if any, falling within the scope of the paragraph 14 of the International Accounting Standard 37 "Provisions, Contingent Liabilities and Contingent Assets" and confirm that no such liabilities, apart from those already accounted for, are deductible from the aforementioned "Free Reserves" of the Company.

The Company's "Free Reserves" retained, after the aforementioned proposed bonus issue, do not include any reserve created as a result of revaluation of fixed assets or any intangible or fictitious assets such as preliminary expenses or goodwill.

Yours truly



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