



Pakistan Oilfields Limited



Condensed Interim Financial Information

Six Months Period Ended December 31, 2016



Contents

Vision Mission	02
Corporate Information	03
Directors' Review	04
ڈائریکٹرز رپورٹ	08
Review Report to the Members	09
Separate Financial Information	
Balance Sheet	10
Profit and Loss Account	12
Statement of Comprehensive Income	13
Cash Flow Statement	14
Statement of Changes in Equity	15
Notes to the Financial Information	16
Consolidated Financial Information	25
Balance Sheet	26
Profit and Loss Account	28
Statement of Comprehensive Income	29
Cash Flow Statement	30
Statement of Changes in Equity	31
Notes to the Consolidated Financial Information	32
Exploration & Development Interest	40



VISION

To be the leading oil and gas exploration and production Company of Pakistan with the highest proven hydrocarbon reserves and production, and which provides optimum value to all stakeholders.

MISSION

We aim to discover and develop new hydrocarbon reserves and enhance production from existing reserves through the application of the best available technologies and expertise.

In achieving our aim, we will maximize the return to our shareholders, fully protect the environment, enhance the wellbeing of our employees and contribute to the national economy.



Corporate Information

Directors

Mr. Laith G. Pharaon

Alternate Director - **Mr. Bilal Ahmad Khan**

Mr. Wael G. Pharaon

Alternate Director - **Mr. Babar Bashir Nawaz**

Mr. Sajid Nawaz

Mr. Abdus Sattar

Mr. Tariq Iqbal Khan

Mr. Nihal Cassim

Mr. Shuaib A. Malik

Chairman & Chief Executive

Audit Committee

Mr. Abdus Sattar

Chairman

Mr. Babar Bashir Nawaz

Member

Mr. Nihal Cassim

Member

Mr. Tariq Iqbal Khan

Member

Mr. Bilal Ahmad Khan

Member

Human Resource and Remuneration (HR &R) Committee

Mr. Babar Bashir Nawaz

Chairman

Mr. Shuaib A. Malik

Member

Mr. Abdus Sattar

Member

Mr. Bilal Ahmad Khan

Member

Company Secretary / CFO

Syed Khalid Nafees

Auditors & Tax Advisors

A.F. Ferguson & Co.

Chartered Accountants

Legal Advisors

Khan & Piracha

Ali Sibtain Fazli & Associates

Registered Office

Pakistan Oilfields Limited

P.O.L. House, Morgah, Rawalpindi

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Website: www.pakoil.com.pk

Shareholder Enquiries

For enquiries about your shareholding, including information relating to dividends or share certificates, please:

E-mail to: cs@pakoil.com.pk or

Write to: The Company Secretary,
Pakistan Oilfields Limited
P.O.L. House, Morgah, Rawalpindi,
Pakistan.

Quarterly Report

The quarterly report can be downloaded from the Company's website:

www.pakoil.com.pk

printed copies can be obtained by writing to:

The Company Secretary,
Pakistan Oilfields Limited
P.O.L. House, Morgah, Rawalpindi,
Pakistan.



Directors' Review

In the name of ALLAH, The Most Gracious, The Most Merciful

Assalam-u-Alaikum!

The Directors have pleasure in presenting a brief review of the financial results and operations of the Company for the six months ending December 31, 2016.

Financial results

During the period, the Company made a profit after tax of Rs. 4,655.7 million (December 31, 2015: Rs. 3,671.4 million), which is higher by 26.8 % as compared to the corresponding period last year. The profit translates into earning per share of Rs. 19.68 (December 31, 2015: Rs. 15.52 per share). Net sales of Rs. 12,804 million are higher by 4.6%, mainly because of increased volumes of crude oil and increased gas prices in comparison to the corresponding period last year. Crude oil and LPG production increased by 7.6% and 11.89% respectively. During the period the Company made a consolidated profit after tax of Rs. 4,769.4 million (December 31, 2015: Rs. 3,684.9 million) which translate into consolidated earning per share of Rs. 20.07 (December 31, 2015: Rs. 15.50 per share).

Production

The following is a comparison of production from the Company's fields, including proportionate share from all operated and non-operated joint ventures:

		Six months period ended	
		Dec. 31, 2016	Dec. 31, 2015
Crude oil/Condensate	(US Barrels)	1,191,851	1,107,509
Gas	(Million Cubic Feet)	13,730	13,741
LPG	(Metric Tonnes)	28,376	25,361
Sulphur	(Metric Tonnes)	279	274
Solvent oil	(US Barrels)	9,202	14,679

The Company's share in production, including that from joint ventures, for the period under review averaged 6,476 barrels per day (bpd) of crude, 74.61 million standard cubic feet per day (mmscfd) of gas, 50 bpd of solvent oil, 154.21 metric tonnes per day (MTD) of LPG and 1.51MTD of Sulphur.

Exploration and development activities

Producing Fields

At Balkassar (100% owned by POL), evaluation of 2D/3D seismic data at basement level and 3D seismic data acquisition designing report has been completed.

At Tal block, (operated by MOL, where POL has a pre-commerciality share of 25%),

Mardankhel-1 well has been connected to the production line and is producing around 42 million cubic feet of gas and 3,845 barrels of condensate per day.

Mardankhel-2 well was spudded on September 09, 2016. Cementing job of casing at 10,892 ft is in progress. The prognosed target depth of the well is \pm 15,774 ft.

Mardankhel-3 well was spudded on June 02, 2016 and the target depth of 15,814 ft was achieved successfully. Presently, well testing is in progress.

Maramzai-4 well was spudded on August 21, 2016 and the target depth of 9,875 ft was achieved successfully. The well tested and produced 604 barrels of condensate and 23.57 million cubic feet of gas per day.

The rig has been moved to spud Makori East-06 (Development Well).



At Adhi field (operated by Pakistan Petroleum Limited, where POL has an 11% share),

Adhi-26: The well was spudded on July 04, 2016 and successfully achieved target depth of 11,522 ft. Presently, the well is under testing phase.

Adhi-28: The well was spudded on November 28, 2016 and drilling down to 6,988 ft is in progress.

Workover to deepen Adhi well-15 was carried out and the well was completed with the comingled production of 2,618 barrels of oil/condensate and 14.43 million cubic feet of gas per day.

Workover to deepen Adhi well-17 was carried out and the well was completed with the production of 600 barrels of oil and 0.996 million cubic feet of gas per day.

The new Adhi gas processing Plant-3, having a capacity of 30 mmscfd of gas, is expected to be fully functional by the next quarter.

At Ratana Field (Operated by Ocean Pakistan Limited, where POL has a 4.545% share), 3D seismic data acquisition in Ratana D&P Lease is in progress. 182.60 square kilometers out of a total of about 377 square kilometers have been recorded and further 3D acquisition in progress.

Exploration blocks

At Ikhlas Block (operated by POL with an 80% share), an exploratory well Jhandial -1 was spudded on August 22, 2016 and drilled down to 16,094 ft. at the close of reporting period. The prognosed target depth is around 17,988 ft. Reprocessing of about 400 line kilometers of 2D seismic data has been completed and interpretation is in progress to identify any drillable prospects.

At DG Khan block (operated by POL with a 70% share), the last acquired 2D seismic data identified new leads based on which about 264 line kilometers additional 2D seismic data acquisition has been planned to firm up the identified leads.

At Margala block (operated by MOL where POL has a 30% share), 2D seismic data acquisition of about 70 line kilometers has been completed to evaluate the potential in the exploration license.

At TAL block (operated by MOL where POL has a pre-commerciality share of 25%)

2D/3D seismic data interpretation is in progress to explore the possible deeper plays in TAL block. Acquisition of 870 sq. km. of gravity survey over western part of Manzalai has been resumed after security clearance and processing of acquired gravity data is in progress. The location of Mamikhel Deep-1 has been approved.

At Gurgalot block (operated by OGDCL where POL has a 20% share), Surqamar-1 was spudded on March 07, 2015 after conducting several side tracks due to fishing and mud loss problems and drilled down to a final depth of 16,299 ft. The initial results showed little amount of gas flow. Extensive testing is in progress to determine the full potential of the well. 3D seismic data acquisition in Gurgalot block to cover all the mapped leads has been planned.

Acknowledgement

The Board, on behalf of all of the directors, shareholders and employees of the Company, would like to place on record its sincere gratitude to respected Chairman Attock Group of Companies, Dr. Ghaith R. Pharaon who breathed his last on January 06, 2017. It was his vision, guidance, trust and confidence which enabled a moderate business set up to become one of the leading business groups of the country and thereby contributing significantly towards the economic development of the country. May Allah rest him in eternal peace and give fortitude and courage to his family to bear this loss. Ameen

The Board would like to extend its gratitude to all its stakeholders for their continuous support, which they have extended to Pakistan Oilfields Limited.

On behalf of the Board

Shuaib A. Malik
Chairman & Chief Executive

Rawalpindi
January 27, 2017

ڈی جی خان (۰ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) میں گذشتہ 2D ارضیاتی اعداد و شمار نے نئی راہیں متعین کی ہیں تقریباً ۲۶۴ لائن کلومیٹر پر اضافی 2D ارضیاتی اعداد و شمار حاصل کرنے کا منصوبہ بنایا گیا ہے تاکہ حاصل ہونے والے اعداد و شمار کی تصدیق کی جاسکے۔

مارگلہ (زیر انتظام مول، جہاں پی او ایل کا حصہ ۳۰ فی صد ہے) اس علاقے میں موجود امکانات کا جائزہ لینے کے لئے ۷۰ لائن کلومیٹر تک 2D ارضیاتی اعداد و شمار حاصل کر لئے گئے ہیں۔

تل (زیر انتظام مول، جہاں پی او ایل کا قبل از تجارتی پیداوار حصہ ۲۵ فی صد ہے) ممکن حد تک گہرائی کے علاقے دریافت کرنے کے لئے تیل میں 2D/3D ارضیاتی اعداد و شمار کو پرکھنے کا کام جاری ہے۔ سکیورٹی کلیئرنس ملنے اور کشتی نقل سے حاصل شدہ اعداد و شمار (gravity survey) پر عمل کے بعد منزلائی کے جنوبی حصے میں ۸۷۰ مربع کلومیٹر کے علاقے میں کشتی نقل کی مدد سے سروے کا آغاز کر دیا گیا ہے۔

مای نیل ڈیپ۔ ۱ کے محل وقوع کی منظوری دے دی گئی ہے۔

گرگلوٹ (زیر انتظام اوجی ڈی سی ایل، جہاں پی او ایل کا حصہ ۴۰ فی صد ہے) مارچ ۲۰۱۵ء کو سرفہر۔ ۱ کنویں کی کھدائی کا آغاز ہوا تھا۔ فشنگ اور مڈلاس (mud loss) جیسے مسائل کا سامنا کرنا پڑا جس کی وجہ سے متعدد ضمنی ٹریک کرنے کے بعد اب کھدائی گہرائی کے ہدف ۲۹۹،۱۶ فٹ تک مکمل ہو گئی ہے۔ ابتدائی نتائج کے مطابق کم مقدار میں گیس دریافت ہوئی وسیع پیمانے پر جانچ پڑتال کا عمل جاری ہے۔ گرگلوٹ بلاک میں پیمائش کردہ لیڈز کا احاطہ کرنے کے لئے 3D ارضیاتی اعداد و شمار کے حصول کی منصوبہ بندی کر لی گئی ہے۔

اظہار تشکر:

بورڈ آف ڈائریکٹرز نے تمام ڈائریکٹرز، حصص یافتگان اور ملازمین کی جانب سے چیئرمین انک گروپ آف کمپنیز ڈاکٹر غیث آر فرعون کو ہدیہ عقیدت پیش کرتے ہیں جو جنوری ۶، ۲۰۱۷ء کو خالق حقیقی سے جا ملے۔ یہ ان کی بصیرت، راہنمائی، یقین اور اعتماد ہی تھا جس نے ایک میانہ رو کاروبار کو ملک کے بہترین کاروباری سیٹ اپ میں تبدیل کیا جو ملک کی معیشت کی ترقی میں اہم کردار ادا کر رہا ہے۔ اللہ تعالیٰ مرحوم کے درجات بلند فرمائے اور ان کے خاندان کو یہ صدمہ صبر اور حوصلے کے ساتھ برداشت کرنے کی توفیق عطا فرمائے۔ (آمین)

پی او ایل بورڈ تمام سٹیک ہولڈرز کے تعاون کرنے پر ان کا شکریہ ادا ہے۔

منجانب بورڈ



شیعب اے ملک

چیئرمین و چیف ایگزیکٹو

راولپنڈی

جنوری ۲۷، ۲۰۱۷ء

دریافتی اور ترقیاتی سرگرمیاں:

پیداواری فیلڈز:

بلکسر۔ (۱۰۰ فی صد پی او ایل کی ملکیت) میں 2D/3D ارضیاتی اعداد و شمار (acquisition) کی تشخیص کا بنیادی کام پایہ تکمیل کو پہنچ چکا ہے۔ بلکسر 3D ارضیاتی اعداد و شمار کے ڈیزائن کی رپورٹ مکمل ہو چکی ہے۔

تل بلاک۔ (زیر انتظام مول، جہاں پی او ایل کا قبل از تجارتی پیداوار حصہ ۲۵ فی صد ہے)

مردان خیل ۱۔ کانواں پیداواری لائن سے منسلک کر دیا گیا ہے یہاں سے ۲۲ ملین کیوبک فٹ گیس اور ۳،۸۴۵ بیرل کنڈنسٹ روزانہ حاصل ہو رہا ہے۔
مردان خیل ۲۔ ستمبر ۲۰۱۶ء کو کنویں کی کھدائی کا آغاز ہوا تھا۔ کیسنگ پریسینٹنگ کا کام ۱۰،۸۹۲ فٹ پر جاری ہے۔ اس کنویں کی گہرائی کا ہدف اندازاً ۱۵،۷۷۷ فٹ تجویز کیا گیا ہے۔

مردان خیل ۳۔ جون ۲۰۱۶ء کو کنویں کی کھدائی کا آغاز ہوا تھا۔ گہرائی کا ہدف ۱۵،۸۱۲ فٹ حاصل کر لیا گیا ہے، اس وقت کنویں کی جانچ کا عمل جاری ہے۔
مارم زئی ۴۔ اگست ۲۰۱۶ء کو کنویں کی کھدائی کا آغاز ہوا تھا۔ گہرائی کا ہدف ۹،۸۷۵ فٹ حاصل کر لیا گیا ہے۔ جانچ کے بعد یہاں سے ۶۰۴ بیرل کنڈنسٹ اور ۲۳،۵۷۷ ملین کیوبک فٹ گیس روزانہ کی بنیاد پر حاصل ہو۔
رگ ملوڑی شرقی ۶۔ (ترقیاتی کنواں) کی کھدائی کے لئے وہاں منتقل کر دی گئی ہے۔

آہدی فیلڈ (زیر انتظام پاکستان پٹرولیم لمیٹڈ جہاں پی او ایل کا حصہ ۱۱ فی صد ہے)

آہدی ۲۶۔ جولائی ۲۰۱۶ء کو کنویں کی کھدائی کا آغاز ہوا تھا اور یہاں کھدائی کا ہدف ۱۱،۵۲۲ فٹ کامیابی سے حاصل کر لیا گیا ہے۔ یہ کنواں جانچ پڑتال کے مرحلے سے گزر رہا ہے۔

آہدی ۲۸۔ نومبر ۲۰۱۶ء کو کنویں کی کھدائی کا آغاز ہوا تھا اور اس وقت ۶،۹۸۸ فٹ پر کھدائی جاری ہے۔

آہدی ۱۵۔ کومزید گہرا کرنے کے لئے اس پر اضافی کام (workover) مکمل کیا گیا اور اب یہاں سے ۲،۶۱۸ بیرل خام تیل / کنڈنسٹ اور ۱۴،۴۳۳ ملین کیوبک فٹ گیس روزانہ حاصل ہو رہی ہے۔

آہدی ۱۷۔ کومزید گہرا کرنے کے لئے اس پر اضافی کام مکمل کیا گیا اب یہاں سے ۶۰۰ بیرل خام تیل اور ۰،۹۹۶ ملین کیوبک فٹ گیس روزانہ حاصل ہو رہی ہے۔

توقع ہے کہ آہدی میں ۳۰ ملین کیوبک فٹ گیس کی گنجائش کا حامل نیا گیس پروسنگ پلانٹ ۳ آئیندہ سہ ماہی میں اپنی پوری استعداد کے مطابق کام شروع کر دے گا۔
رتان فیلڈ (زیر انتظام اوٹن پاکستان لمیٹڈ، جہاں پی او ایل کا حصہ ۴۵ فی صد ہے) میں ۳۷۷ مرلے کلومیٹر پر 3D ارضیاتی اعداد و شمار پر کام جاری ہے۔ گل رقبہ ۳۷۷ مرلے کلومیٹر میں سے ۱۸۲،۶۰ مرلے کلومیٹر پر کام مکمل ہو چکا ہے جب کہ باقی پر کام جاری ہے۔

دریافتی قطعات (فیلڈز):

اخلاص (۸۰ فی صد حصص کے ساتھ پی او ایل کے زیر انتظام) میں اگست ۲۰۱۶ء کو دریافتی کنواں جنڈیال۔ ۱ کی کھدائی کا آغاز ہوا تھا اب یہاں ۱۶۰۹۴ فٹ پر کھدائی کا عمل جاری ہے۔ اس کھدائی کی گہرائی کا ہدف اندازاً ۹،۹۸۸ فٹ تجویز کیا گیا ہے۔ ۴۰۰ لائن کلومیٹر پر 2D ارضیاتی اعداد و شمار کا عمل مکمل کر لیا گیا ہے جب کہ قابل کھدائی عوامل کی نشاندہی کا عمل جاری ہے۔

ڈائریکٹرز رپورٹ

شروع اللہ کے نام سے جو مہربان نہایت رحم والا ہے

السلام علیکم!

ڈائریکٹرز کو دسمبر ۲۰۱۶ء کو اختتام پذیر شمالی مالیاتی نتائج اور کمپنی کے اموں کا خلاصہ پیش کرتے ہوئے فرحت محسوس ہو رہی ہے۔

مالیاتی نتائج:

اس عرصہ میں کمپنی نے بعد از ٹیکس ۶۵۵.۷ ملین منافع حاصل کیا جو الحمد للہ گزشتہ برس اسی دورانیے (دسمبر ۲۰۱۵ء : ۳۱ دسمبر ۲۰۱۶ء) کے مقابلے میں ۲۶۱.۸ فیصد زائد ہے۔ یہ منافع فی حصص آمدنی ۱۹.۶۸ روپے (دسمبر ۲۰۱۵ء : ۱۵.۵۲ روپے فی حصص) کو ظاہر کرتا ہے۔ خام تیل کی مقدار اور گیس کی قیمتوں میں اضافے کی وجہ سے خالص فروخت ۱۲،۸۰۴ ملین روپے رہی جو کہ گزشتہ برس کے اسی دورانیے کے مقابلے میں ۳۶ فی صد زائد رہی۔ خام تیل اور مائع پٹرولیم گیس کی پیداوار میں بالترتیب ۷.۶ فی صد اور ۱۱.۸۹ فی صد اضافہ ہوا۔ اس عرصے میں مجموعی (consolidated) طور پر کمپنی نے بعد از ٹیکس ۴،۷۶۹.۳ ملین روپے کا منافع کمایا (دسمبر ۲۰۱۵ء : ۳،۶۸۴.۹ ملین روپے) یہ منافع مجموعی فی حصص آمدنی ۲۰.۰۷ روپے (دسمبر ۲۰۱۵ء : ۱۵.۵۰ فی حصص) کو ظاہر کرتا ہے۔

پیداوار:

کمپنی کی اپنی اور دیگر انتظامی وغیر انتظامی مشترکہ منصوبوں سے حاصل شدہ متناسب پیداوار کا موازنہ درج ذیل ہے :

۳۱ دسمبر ۲۰۱۵ء	۳۱ دسمبر ۲۰۱۶ء		
۱،۱۰۷،۵۰۹	۱،۱۹۱،۸۵۱	(یو ایس بیرل)	خام تیل / (Condensate)
۱۳،۷۳۱	۱۳،۷۳۰	(ملین کیوبک فٹ)	گیس
۲۵،۳۶۱	۲۸،۳۷۶	(میٹرک ٹن)	مائع پٹرولیم گیس (LPG)
۲۷۴	۲۷۹	(میٹرک ٹن)	سلفر
۱۴،۶۷۹	۹،۲۰۲	(یو ایس بیرل)	ساولنٹ آئل

زیر جائزہ مدت میں کمپنی کی اوسطاً یومیہ پیداوار بشمول مشترکہ منصوبوں کے یوں رہی : خام تیل ۶،۴۷۶ بیرلز، گیس ۷۴.۶۱ ملین سینینڈر ڈی کیوبک فٹ، مائع پٹرولیم گیس ۱۵،۴۲۱ میٹرک ٹن، سلفر ۱۵۱ میٹرک ٹن اور ساولنٹ آئل ۵۰ بیرل۔



A. F. FERGUSON & CO.

Auditor's Report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Pakistan Oilfields Limited as at December 31, 2016 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the interim financial information for the six months period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for three months period ended December 31, 2016 and 2015 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2016.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the six months period ended December 31, 2016 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



Chartered Accountants
Islamabad

January 27, 2017

Engagement partner: M. Imtiaz Aslam



Condensed Interim Balance Sheet (Unaudited)

As at December 31, 2016

	Note	Dec. 31, 2016	June 30, 2016
Rupees ('000)			
SHARE CAPITAL AND RESERVES			
Authorised capital			
500,000,000 (June 30, 2016: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid-up capital 236,545,920 (June 30, 2016: 236,545,920) ordinary shares of Rs 10 each		2,365,459	2,365,459
Revenue reserves	4	27,711,077	27,786,277
Fair value gain on available-for-sale investments		2,165	1,995
		30,078,701	30,153,731
NON CURRENT LIABILITIES			
Long term deposits		838,242	831,115
Deferred liabilities	5	15,412,284	15,636,642
		16,250,526	16,467,757
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	6	6,448,286	5,550,547
Provision for income tax		4,082,346	3,545,221
		10,530,632	9,095,768
CONTINGENCIES AND COMMITMENTS			
	7		
		56,859,859	55,717,256



	Note	Dec. 31, 2016	June 30, 2016
Rupees ('000)			
FIXED ASSETS			
Property, plant and equipment	8	10,088,814	10,421,400
Development and decommissioning costs	9	14,266,770	14,584,913
Exploration and evaluation assets	10	1,641,097	900,813
		25,996,681	25,907,126
LONG TERM INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES	11	9,615,603	9,615,603
OTHER LONG TERM INVESTMENTS	12	6,145	5,975
LONG TERM LOANS AND ADVANCES		13,047	12,852
CURRENT ASSETS			
Stores and spares		4,102,114	4,236,485
Stock in trade		445,322	375,521
Trade debts	13	3,929,662	3,335,961
Advances, deposits, prepayments and other receivables	14	1,265,142	1,463,932
Cash and bank balances	15	11,486,143	10,763,801
		21,228,383	20,175,700
		56,859,859	55,717,256

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

Condensed Interim Profit and Loss Account (Unaudited)

For the six months period ended December 31, 2016

	Note	Three months period ended		Six months period ended	
		Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2016	Dec. 31, 2015
Rupees ('000)					
SALES		7,750,274	7,140,402	14,043,710	13,443,942
Sales tax		(669,563)	(649,130)	(1,238,809)	(1,200,782)
NET SALES	16	7,080,711	6,491,272	12,804,901	12,243,160
Operating costs	17	(2,092,518)	(2,323,370)	(4,117,217)	(4,467,621)
Excise duty and development surcharge		(67,958)	(68,893)	(129,970)	(133,299)
Royalty		(576,017)	(500,838)	(1,073,697)	(977,850)
Amortisation of development and decommissioning costs		(865,125)	(644,628)	(1,425,839)	(1,406,737)
		(3,601,618)	(3,537,729)	(6,746,723)	(6,985,507)
GROSS PROFIT		3,479,093	2,953,543	6,058,178	5,257,653
Exploration costs	18	(125,834)	(60,797)	(190,331)	(1,196,182)
		3,353,259	2,892,746	5,867,847	4,061,471
Administration expenses		(33,260)	(37,872)	(70,940)	(76,447)
Finance costs	19	(194,958)	(227,068)	(389,778)	(643,551)
Other charges	20	(211,688)	(158,591)	(383,358)	(251,806)
		(439,906)	(423,531)	(844,076)	(971,804)
		2,913,353	2,469,215	5,023,771	3,089,667
Other income	21	231,229	252,735	947,836	1,091,006
PROFIT BEFORE TAXATION		3,144,582	2,721,950	5,971,607	4,180,673
Provision for taxation	22	(806,334)	(458,419)	(1,315,889)	(509,274)
PROFIT FOR THE PERIOD		2,338,248	2,263,531	4,655,718	3,671,399
Earnings per share - Basic and diluted (Rs)		9.88	9.57	19.68	15.52

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.



Shuaib A. Malik
Chief Executive



Abdus Sattar
Director

**Condensed Interim Statement of Comprehensive Income (Unaudited)**

For the six months period ended December 31, 2016

	<u>Three months period ended</u>		<u>Six months period ended</u>	
	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>
	Rupees ('000)			
Profit for the period	2,338,248	2,263,531	4,655,718	3,671,399
Other Comprehensive Income				
Item that may be subsequently reclassified to profit or loss				
Fair value adjustment on available-for-sale investments - net of tax	170	17	170	17
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,338,418	2,263,548	4,655,888	3,671,416

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.

Shuaib A. Malik
Chief ExecutiveAbdus Sattar
Director



Condensed Interim Cash Flow Statement (Unaudited)

For the six months period ended December 31, 2016

Six months period ended

Dec. 31, 2016 Dec. 31, 2015
Rupees ('000)

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	12,377,985	12,698,087
Operating and exploration costs paid	(3,073,761)	(4,443,169)
Royalty paid	(938,301)	(918,342)
Taxes paid	(593,894)	(1,100,380)
Cash provided by operating activities	7,772,029	6,236,196

CASH FLOWS FROM INVESTING ACTIVITIES

Fixed assets additions	(3,098,625)	(2,108,224)
Proceeds from disposal of property, plant and equipment	10,142	12,284
Income on bank deposits and held-to-maturity investments	212,108	192,380
Dividend income received	555,675	340,879
Cash used in investing activities	(2,320,700)	(1,562,681)

CASH FLOWS FROM FINANCING ACTIVITIES

Dividend paid	(4,724,518)	(5,900,135)
Cash used in financing activities	(4,724,518)	(5,900,135)

EFFECT OF EXCHANGE RATE CHANGES

(4,469) 281,728

INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS

722,342 (944,892)

CASH AND CASH EQUIVALENTS AT JULY 01,

10,763,801 10,613,993

CASH AND CASH EQUIVALENTS AT DEC. 31,

11,486,143 9,669,101

Cash and cash equivalents comprises of cash and bank balances.

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

**Condensed Interim Statement of Changes in Equity (Unaudited)**

For the six months period ended December 31, 2016

	Share capital	Revenue reserves			Fair value gain/(loss) on available-for-sale investments	Total
		Insurance reserve	Investment reserve	Unappropriated profit		
Rupees ('000)						
Balance at June 30, 2015	2,365,459	200,000	1,557,794	28,239,206	2,059	32,364,518
Total comprehensive income for the period:						
Profit for the period	-	-	-	3,671,399	-	3,671,399
Other comprehensive income	-	-	-	-	17	17
	-	-	-	3,671,399	17	3,671,416
Transactions with owners:						
Final dividend @ Rs 25 per share - Year ended June 30, 2015	-	-	-	(5,913,648)	-	(5,913,648)
Total transaction with owners	-	-	-	(5,913,648)	-	(5,913,648)
Balance at December 31, 2015	2,365,459	200,000	1,557,794	25,996,957	2,076	30,122,286
Total comprehensive income for the period:						
Profit for the period	-	-	-	3,562,416	-	3,562,416
Other comprehensive income	-	-	-	17,299	(81)	17,218
	-	-	-	3,579,715	(81)	3,579,634
Transaction with owners:						
Interim dividend @ Rs 15 per share - Year ended June 30, 2016	-	-	-	(3,548,189)	-	(3,548,189)
Total transaction with owners	-	-	-	(3,548,189)	-	(3,548,189)
Balance at June 30, 2016	2,365,459	200,000	1,557,794	26,028,483	1,995	30,153,731
Total comprehensive income for the period:						
Profit for the period	-	-	-	4,655,718	-	4,655,718
Other comprehensive income	-	-	-	-	170	170
	-	-	-	4,655,718	170	4,655,888
Transaction with owners:						
Final dividend @ Rs 20 per share - Year ended June 30, 2016	-	-	-	(4,730,918)	-	(4,730,918)
Total transaction with owners	-	-	-	(4,730,918)	-	(4,730,918)
Balance at December 31, 2016	2,365,459	200,000	1,557,794	25,953,283	2,165	30,078,701

The annexed notes 1 to 26 form an integral part of this condensed interim financial information.

Shuaib A. Malik
Chief ExecutiveAbdus Sattar
Director

Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

For the six months period ended December 31, 2016

1. Legal status and operations

The Company is incorporated in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Morgah, Rawalpindi. The Company is principally engaged in exploration, drilling and production of crude oil and gas. Its activities also include marketing of Liquefied Petroleum Gas under the brand name POLGAS and transmission of petroleum. The Company is a subsidiary of The Attock Oil Company Limited, UK and its ultimate parent is Bay View International Group S.A.

2. Statement of compliance

This condensed interim financial information of the Company for the six months period ended December 31, 2016 has been prepared in accordance with the requirements of International Accounting Standard 34 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provision of or directives issued under the Companies Ordinance, 1984 shall prevail.

3. Accounting policies

The accounting policies and the methods for computation adopted for the preparation of this condensed interim financial information is the same as those applied in preparation of the financial statements for the year ended June 30, 2016.

Dec. 31, 2016	June 30, 2016
Rupees ('000)	

4. Revenue reserves

Insurance reserve	200,000	200,000
Investment reserve	1,557,794	1,557,794
Unappropriated profit	25,953,283	26,028,483
	27,711,077	27,786,277

5. Deferred liabilities

Provision for deferred income tax	5,989,719	5,804,849
Provision for decommissioning cost	9,414,389	9,821,240
Provision for staff compensated absences	8,176	10,553
	15,412,284	15,636,642

6. Trade and other payables

These include balance due to joint venture partners amounting to Rs 1,628,121 thousand (June 30, 2016: Rs 1,456,356 thousand) and balances due to related parties amounting to Rs 346,281 thousand (June 30, 2016: Rs 31,526 thousand).



Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

For the six months period ended December 31, 2016

Dec. 31, 2016	June 30, 2016
Rupees ('000)	

7. Contingencies and commitments

7.1 Contingencies:

- | | | |
|---|-------|--------|
| a) Guarantee issued by banks on behalf of the company | 9,329 | 28,755 |
| b) The Company is currently contesting applicability of super tax @ 3% of taxable profits from oil and gas operations under Petroleum Concession Agreements (PCAs) and has filed a writ petition in Islamabad High Court on the grounds that the Company being an exploration and production company falls under Special Tax Regime as granted under PCAs. Management based on legal advise is confident that the writ petition will be decided in favour of the company, accordingly no provision has been made in this respect in the financial statements for the years ended June 30, 2015 and June 30, 2016. | | |

Dec. 31, 2016	June 30, 2016
Rupees ('000)	

7.2 Commitments:

Capital expenditure commitments outstanding

-Share in joint ventures	7,724,115	9,828,653
-Own fields	1,916,716	2,081,931
-Letter of credit issued by banks on behalf of the company	66,393	157,138

8. Property, plant and equipment

Opening net book value	9,629,028	8,275,395
Additions during the period / year	528,484	2,783,492
Depreciation for the period / year	(787,062)	(1,423,822)
Disposals during the period / year	(2,362)	(6,037)
Closing net book value	9,368,088	9,629,028
Capital work in progress - at cost	720,726	792,372
	10,088,814	10,421,400

Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

For the six months period ended December 31, 2016

Dec. 31, 2016 June 30, 2016
 ————— Rupees ('000) —————

9. Development and decommissioning costs

Development cost

Opening net book value	12,649,020	10,790,695
Additions during the period / year	958,682	1,564,472
Well cost transferred from exploration and evaluation assets	944,410	2,696,587
Amortisation for the period / year	(1,320,396)	(2,402,734)
Closing book value	13,231,716	12,649,020

Decommissioning cost

Opening net book value	1,935,893	1,621,746
Additions during the period / year	48,606	248,290
Revision due to change in estimates	(844,002)	110,825
Amortisation for the period / year	(105,443)	(44,968)
Closing book value	1,035,054	1,935,893
	14,266,770	14,584,913

10. Exploration and evaluation assets

Balance brought forward	900,813	2,661,303
Additions during the period/ year	1,684,694	2,821,339
Well cost transferred to development costs	(944,410)	(2,696,587)
Dry and abandoned wells cost charged to the profit & loss account	-	(1,885,242)
	1,641,097	900,813



Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

For the six months period ended December 31, 2016

	December 31, 2016		June 30, 2016	
	Percentage holding	Amount Rupees ('000)	Percentage holding	Amount Rupees ('000)
11. Long term investments in subsidiary and associated companies -at cost				
Subsidiary company				
Unquoted				
Caggas (Private) Limited	51	1,530	51	1,530
Associated companies				
Quoted				
National Refinery Limited	25	8,046,635	25	8,046,635
Attock Petroleum Limited	7	1,562,938	7	1,562,938
Unquoted				
Attock Information Technology Services (Private) Limited	10	4,500	10	4,500
		9,615,603		9,615,603

Dec. 31, 2016 June 30, 2016
Rupees ('000)

12. Other long term investments

Available-for-sales investments - at market price	6,145	5,975
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13. Trade debts

These include Rs 2,174,651 thousand (June 30, 2016: Rs 1,186,086 thousand) receivable from related parties.

14. Advances, deposits, prepayments and other receivables

These include balances with joint venture partners amounting to Rs 339,362 thousand (June 30, 2016 : Rs 348,901 thousand) and balances with related parties amounting to Rs 66,006 thousand (June 30, 2016 : Rs 118,464 thousand).



Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

For the six months period ended December 31, 2016

Dec. 31, 2016 June 30, 2016
 ————— Rupees ('000) —————

15. Cash and bank balances

Bank balance on:		
Short term deposits	10,787,313	9,082,080
Interest/ mark-up bearing saving accounts	654,294	1,551,667
Current account	41,201	127,124
	11,482,808	10,760,871
Cash in hand	3,335	2,930
	11,486,143	10,763,801

Balance with banks include foreign currency balances of US \$ 68,291 thousand (June 30, 2016: US \$ 67,174 thousand).

Three months period ended Six months period ended
 Dec. 31, 2016 Dec. 31, 2015 Dec. 31, 2016 Dec. 31, 2015
 ————— Rupees ('000) —————

16. Net sales

Crude oil	3,174,792	2,634,774	5,593,952	5,152,198
Gas - 16.1	2,319,673	2,175,028	4,410,577	4,129,131
POLGAS -Refill of cylinders	1,554,577	1,626,932	2,736,136	2,850,336
Solvent oil	31,669	54,538	64,236	106,634
Sulphur	-	-	-	4,861
	7,080,711	6,491,272	12,804,901	12,243,160

16.1 The Company has signed the Supplemental Agreements with the Government of Pakistan (the Government) for conversion of Petroleum Concession Agreements (PCA) to Petroleum Exploration & Production Policy 2012 in respect of Ikhlas, DG Khan, Kirthar South, Margala, Margala North, Gurgalot and Tal Block. Price regimes prevailing in Petroleum Policy 2007, Petroleum Policy 2009 and Petroleum Policy 2012 shall be applicable correlated with the spud date of wells in the respective policies starting from November 27, 2007 and for future exploratory efforts under the above mentioned blocks.

In terms of supplemental agreements, draft statements specifying sums aggregating US \$ 34.39 million till June 30, 2015 due to the Company in respect of Mamikhel, Maramzai & Makori East discoveries in TAL block and Domial discovery in Ikhlas block have been submitted to the Government. The Government shall facilitate issuance of necessary gas price notifications and payments to be made to the parties within twelve months of the statements being finalized. Effect of adjustment arising from revision in sale price will be recognised upon finalization of the statements and issuance of gas price notifications by the Government.


Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

For the six months period ended December 31, 2016

	<u>Three months period ended</u>		<u>Six months period ended</u>	
	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>
	Rupees ('000)			
17. Operating costs				
Operating Cost				
- Own fields	310,167	256,420	603,772	486,293
- Share in joint ventures	486,191	751,898	1,145,188	1,452,843
Well workover	76,323	97,473	122,636	249,833
POLGAS-Cost of gas /LPG, Carriage etc.	841,059	833,002	1,534,489	1,607,839
Pumping and transportation cost	9,636	8,281	16,060	19,913
Depreciation	382,879	339,260	764,873	670,254
	2,106,255	2,286,334	4,187,018	4,486,975
Opening stock of crude oil and other products	431,585	204,319	375,521	147,929
Closing stock of crude oil and other products	(445,322)	(167,283)	(445,322)	(167,283)
	2,092,518	2,323,370	4,117,217	4,467,621
18. Exploration costs				
Geological & geophysical cost	125,834	60,797	190,331	70,261
Dry and abandoned wells cost charged to the profit & loss account	-	-	-	1,125,921
	125,834	60,797	190,331	1,196,182
19. Finance costs				
Provision for decommissioning cost				
- Unwinding of discount	189,604	192,922	379,208	385,843
- Exchange loss	4,668	33,033	9,337	256,004
Banks' commission and charges	686	1,113	1,233	1,704
	194,958	227,068	389,778	643,551
20. Other charges				
Workers' profit participation fund	167,842	144,077	317,359	221,684
Workers' welfare fund	43,846	14,514	65,999	30,122
	211,688	158,591	383,358	251,806



Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

For the six months period ended December 31, 2016

<u>Three months period ended</u>		<u>Six months period ended</u>	
Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2016	Dec. 31, 2015

Rupees ('000)

21. Other income

Income from financial assets

Income on bank saving accounts, deposits and held-to-maturity investments

132,158	103,143	214,431	216,875
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Exchange gain/(loss) on financial assets

8,565	33,578	(4,469)	281,728
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Dividend from investment in subsidiary and associated companies

-	-	555,675	340,879
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Other income

Rental income - net of related expenses

11,352	19,466	36,656	47,264
--------	--------	--------	--------

Rig income - net of related expenses

-	160	-	21,622
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Crude oil / Gas transportation income - net of related expenses

49,036	37,899	83,856	79,863
--------	--------	--------	--------

Gas processing fee

26,658	50,129	48,970	93,837
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Profit/(loss) on sale of property, plant and equipment

(572)	6,722	7,780	7,153
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Sale of stores and scrap

2,938	1,104	2,945	1,251
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Others

1,094	534	1,992	534
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231,229	252,735	947,836	1,091,006
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22. Provision for taxation

Current

774,460	71,419	1,131,019	229,844
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Deferred

31,874	387,000	184,870	279,430
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806,334	458,419	1,315,889	509,274
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Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

For the six months period ended December 31, 2016

<u>Three months period ended</u>		<u>Six months period ended</u>	
<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>

Rupees ('000)

23. Transaction with related parties

Aggregate transactions with related parties of the Company were as follows:

Sales of goods and services to:

Associated companies	2,298,721	2,133,860	4,344,240	4,316,075
Subsidiary company	5,294	5,122	10,566	10,316

Purchase of goods and services from:

Associated companies	282,547	243,315	487,202	473,986
Subsidiary company	1,507	1,671	3,090	2,931
Parent company	11,322	14,273	24,197	30,312

Dividend Paid

Parent company	2,495,559	3,119,449	2,495,559	3,119,449
Associated companies	7,591	6,610	7,591	6,610
Key management personnel	47,918	60,458	47,918	60,458

Dividend Received

Associated companies	-	-	545,348	327,970
Subsidiary company	-	-	10,327	12,909

Other related parties:

Remuneration of Chief Executive and key management personnel including benefits and perquisites	19,171	9,357	47,292	52,513
Contribution to staff retirement benefits plans				
Management Staff Pension Fund and Gratuity Fund	17,375	17,179	34,966	34,938
Approved Contributory Provident Funds	6,552	6,562	13,275	13,183
Contribution to Workers' Profit Participation Fund	167,842	144,077	317,359	221,684



Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

For the six months period ended December 31, 2016

24. Operating segments

The financial statements have been prepared on the basis of single reportable segment. Revenue from external customers for products of the Company is disclosed in note 16.

Revenue from two major customers of the Company constitutes 61% of the total revenue during the period ended December 31, 2016 (December 31, 2015: 62%).

25. Non-adjusting event after balance sheet date

The Board of Directors in their meeting held on January 27, 2017 have declared an interim cash dividend for the year ending June 30, 2017 @ Rs 15 per share, amounting to Rs 3,548,189 thousand.

26. Date of authorization

This condensed interim financial information was authorized for circulation to the shareholders by the Board of Directors of the Company on January 27, 2017.

A handwritten signature in black ink, appearing to read 'Shuaib A. Malik'.

Shuaib A. Malik
Chief Executive

A handwritten signature in black ink, appearing to read 'Abdus Sattar'.

Abdus Sattar
Director



**Condensed Interim Consolidated
Financial Statements (Unaudited)**
For the Six months period ended December 31, 2016



Condensed Interim Consolidated Balance Sheet (Unaudited)

As at December 31, 2016

	Note	Dec. 31, 2016	June 30, 2016
		Rupees ('000)	
SHARE CAPITAL AND RESERVES			
ATTRIBUTABLE TO OWNERS OF PAKISTAN OILFIELDS LIMITED			
Authorised capital		5,000,000	5,000,000
Issued, subscribed and paid-up capital		2,365,459	2,365,459
Capital reserves	5	1,481,887	1,022,499
Revenue reserves	6	30,826,427	31,270,183
Fair value gain on available-for-sale investments		2,165	1,995
		34,675,937	34,660,136
NON - CONTROLLING INTEREST		112,956	100,216
		34,788,893	34,760,352
NON CURRENT LIABILITIES			
Long term deposits		996,298	988,377
Deferred liabilities	7	15,425,335	15,649,693
		16,421,633	16,638,070
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	8	6,493,861	5,584,931
Provision for income tax		4,093,817	3,553,392
		10,587,678	9,138,323
CONTINGENCIES AND COMMITMENTS			
	9		
		61,798,204	60,536,745



	Note	Dec. 31, 2016	June 30, 2016
		Rupees ('000)	
FIXED ASSETS			
Property, plant and equipment	10	10,176,696	10,516,786
Development and decommissioning costs	11	14,266,770	14,584,913
Exploration and evaluation assets	12	1,641,097	900,813
Other intangible assets		121,708	71,941
		26,206,271	26,074,453
LONG TERM INVESTMENT IN ASSOCIATED COMPANIES	13	14,095,276	14,017,705
OTHER LONG TERM INVESTMENTS	14	6,145	5,975
LONG TERM LOANS AND ADVANCES		13,047	12,852
CURRENT ASSETS			
Stores and spares		4,102,452	4,236,489
Stock in trade		451,033	380,087
Trade debts	15	3,930,255	3,336,440
Advances, deposits, prepayments and other receivables	16	1,274,247	1,477,912
Short term investments		131,125	130,139
Cash and bank balances	17	11,588,353	10,864,693
		21,477,465	20,425,760
		61,798,204	60,536,745

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director



Condensed Interim Consolidated Profit and Loss Account (Unaudited)

For the Six months period ended December 31, 2016

	Note	Three months period ended		Six months period ended	
		Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2016	Dec. 31, 2015
Rupees ('000)					
SALES		7,954,361	7,447,816	14,437,271	13,914,524
Sales tax		(684,958)	(738,737)	(1,298,468)	(1,271,867)
NET SALES	18	7,269,403	6,709,079	13,138,803	12,642,657
Operating costs	19	(2,232,768)	(2,497,417)	(4,371,045)	(4,799,005)
Excise duty and development surcharge		(67,958)	(68,893)	(129,970)	(133,299)
Royalty		(576,017)	(500,838)	(1,073,697)	(977,850)
Amortisation of development and decommissioning costs		(865,125)	(644,628)	(1,425,839)	(1,406,737)
		(3,741,868)	(3,711,776)	(7,000,551)	(7,316,891)
GROSS PROFIT		3,527,535	2,997,303	6,138,252	5,325,766
Exploration costs	20	(125,834)	(60,797)	(190,331)	(1,196,182)
		3,401,701	2,936,506	5,947,921	4,129,584
Administration expenses		(40,280)	(44,028)	(84,462)	(89,811)
Finance costs	21	(195,110)	(227,276)	(390,039)	(643,909)
Other charges	22	(214,727)	(161,358)	(388,326)	(255,976)
		(450,117)	(432,662)	(862,827)	(989,696)
		2,951,584	2,503,844	5,085,094	3,139,888
Other income	23	233,997	255,447	397,865	756,176
		3,185,581	2,759,291	5,482,959	3,896,064
Share in profits of associated companies - net of impairment loss		112,828	165,343	623,157	316,088
PROFIT BEFORE TAXATION		3,298,409	2,924,634	6,106,116	4,212,152
Provision for taxation	24	(819,043)	(470,367)	(1,336,667)	(527,280)
PROFIT FOR THE PERIOD		2,479,366	2,454,267	4,769,449	3,684,872
Attributable to:					
Owners of Pakistan Oilfields Limited (POL)		2,465,504	2,441,824	4,746,786	3,666,122
Non - controlling interests		13,862	12,443	22,663	18,750
		2,479,366	2,454,267	4,769,449	3,684,872
Earnings per share - Basic and diluted (Rs)		10.42	10.32	20.07	15.50

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director



Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited)

For the six months period ended December 31, 2016

	<u>Three months period ended</u>		<u>Six months period ended</u>	
	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>
	Rupees ('000)			
PROFIT FOR THE PERIOD	2,479,366	2,454,267	4,769,449	3,684,872
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit & loss				
Actuarial loss on staff retirement benefit plan by associated companies - net of tax	-	(108)	(237)	(4,855)
Item that may be subsequently reclassified to profit & loss				
Fair value adjustments on available for sale investments	170	17	170	17
TOTAL COMPREHENSIVE INCOME	2,479,536	2,454,176	4,769,382	3,680,034
Attributable to:				
Owners of Pakistan Oilfields Limited (POL)	2,465,674	2,441,733	4,746,719	3,661,284
Non - controlling interests	13,862	12,443	22,663	18,750
	2,479,536	2,454,176	4,769,382	3,680,034

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director



Condensed Interim Consolidated Cash Flow Statement (Unaudited)

For the six months period ended December 31, 2016

Six months period ended

Dec. 31, 2016 Dec. 31, 2015
Rupees ('000)

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	12,711,858	13,098,724
Operating and exploration costs paid	(3,314,633)	(4,757,812)
Royalty paid	(938,301)	(918,342)
Taxes paid	(611,373)	(1,111,417)
Cash provided by operating activities	7,847,551	6,311,153

CASH FLOWS FROM INVESTING ACTIVITIES

Fixed assets additions	(3,099,095)	(2,112,018)
Proceeds from disposal of property, plant and equipment	10,718	12,368
Purchase of LPG quota	(61,900)	(81,501)
Income on bank deposits and held-to-maturity investments	220,934	199,387
Dividend received from associated companies	545,348	327,970
Cash used in investing activities	(2,383,995)	(1,653,794)

CASH FLOWS FROM FINANCING ACTIVITIES

Dividend paid	(4,724,518)	(5,900,135)
Dividend paid to non - controlling interest holders	(9,923)	(12,404)
Cash used in financing activities	(4,734,441)	(5,912,539)

EFFECT OF EXCHANGE RATE CHANGES

(4,469) 281,728

INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS

724,646 (973,452)

CASH AND CASH EQUIVALENTS AT JULY 01, 10,994,832 10,895,430

CASH AND CASH EQUIVALENTS AT DEC. 31, 11,719,478 9,921,978

Cash and cash equivalents comprises of cash, bank balances and short term investment.

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director



Condensed Interim Consolidated Statement of Changes in Equity (Unaudited) For the six months period ended December 31, 2016

Attributable to owners of Pakistan Oilfields Limited

	Capital Reserves			Revenue Reserves			Fair value gain/(loss) on available - for-sale investments	Total	Non-controlling interest	Total
	Share Capital	Bonus shares issued by subsidiary/ associated companies	Special reserve	Insurance Reserve	General Reserve	Unappropriated profit				
	Rupees ('000)									
Balance at June 30, 2015	2,365,459	59,754	476,539	200,000	4,352,325	26,610,422	2,059	34,066,558	94,870	34,161,428
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	3,666,122	-	3,666,122	18,750	3,684,872
Other comprehensive income	-	-	-	-	-	(4,855)	17	(4,838)	-	(4,838)
Transfer to special reserve by associated companies	-	-	-	-	-	3,661,267	17	3,661,284	18,750	3,680,034
Transfer to general reserve by associated companies	-	-	12,343	-	-	(12,343)	-	-	-	-
Transfer to general reserve by associated companies	-	-	-	-	750,000	(750,000)	-	-	-	-
Transactions with owners:										
POL dividends:										
Final cash dividend @ Rs 25 per share - Year ended June 30, 2015	-	-	-	-	-	(5,913,648)	-	(5,913,648)	-	(5,913,648)
Dividend to CAPGAS non-controlling interest holders:										
Final cash dividend @ Rs 37.5 per share - Year ended June 30, 2015	-	-	-	-	-	-	-	-	(12,403)	(12,403)
Total transactions with owners	-	-	-	-	-	(5,913,648)	-	(5,913,648)	(12,403)	(5,926,051)
Balance at December 31, 2015	2,365,459	59,754	488,882	200,000	5,102,325	23,595,698	2,076	31,814,194	101,217	31,915,411
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	6,426,979	-	6,426,979	14,530	6,441,509
Other comprehensive income	-	-	-	-	-	(32,767)	(81)	(32,848)	14	(32,834)
Transfer to special reserve by associated companies	-	-	-	-	-	6,394,212	(81)	6,394,131	14,544	6,408,675
Transfer to special reserve by associated companies	-	-	473,863	-	-	(473,863)	-	-	-	-
Transactions with owners:										
POL dividends:										
Interim dividend @ Rs 15 per share - Year ended June 30, 2016	-	-	-	-	-	(3,548,189)	-	(3,548,189)	-	(3,548,189)
Dividend to CAPGAS non-controlling interest holders:										
Second Interim dividend @ Rs 47 per share - Year ended June 30, 2016	-	-	-	-	-	-	-	-	(15,545)	(15,545)
Total transactions with owners	-	-	-	-	-	(3,548,189)	-	(3,548,189)	(15,545)	(3,563,734)
Balance at June 30, 2016	2,365,459	59,754	962,745	200,000	5,102,325	25,967,858	1,995	34,660,136	100,216	34,760,352
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	4,746,786	-	4,746,786	22,663	4,769,449
Other comprehensive income	-	-	-	-	-	(237)	170	(67)	-	(67)
Transfer to special reserve by associated companies	-	-	-	-	-	4,746,549	170	4,746,719	22,663	4,769,382
Transfer to General reserve by associated companies	-	-	459,388	-	-	(459,388)	-	-	-	-
Transfer to General reserve by associated companies	-	-	-	-	1,000,000	(1,000,000)	-	-	-	-
Transactions with owners:										
POL dividends:										
Final dividend @ Rs 20 per share - Year ended June 30, 2016	-	-	-	-	-	(4,730,918)	-	(4,730,918)	-	(4,730,918)
Dividend to CAPGAS non-controlling interest holders:										
Final cash dividend @ Rs 30 per share - Year ended June 30, 2016	-	-	-	-	-	-	-	-	(9,923)	(9,923)
Total transactions with owners	-	-	-	-	-	(4,730,918)	-	(4,730,918)	(9,923)	(4,740,841)
Balance at December 31, 2016	2,365,459	59,754	1,422,133	200,000	6,102,325	24,524,102	2,165	34,675,937	112,956	34,788,893

The annexed notes 1 to 28 form an integral part of this condensed interim financial information.

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director



Selected notes to and forming part of the Condensed Interim Consolidated Financial Information (Unaudited)

For the six months period ended December 31, 2016

1. Legal status and operations

Pakistan Oilfields Limited (POL), the holding company is incorporated in Pakistan as a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Morgah, Rawalpindi. The Company is principally engaged in exploration, drilling and production of crude oil and gas. Its activities also include marketing of liquefied petroleum gas under the brand name POLGAS and transmission of petroleum. The Company is a subsidiary of The Attock Oil Company Limited, UK and its ultimate parent is Bay View International Group S.A.

Cap Gas (Private) Limited, the subsidiary company is incorporated in Pakistan as a private limited company under the Companies Ordinance, 1984 and is principally engaged in buying, filling, distribution and dealing in Liquefied Petroleum Gas (LPG).

For the purpose of these accounts, POL and its consolidated subsidiary are referred as the Company.

2. Basis of consolidation

The consolidated financial information include the financial statements of POL and its subsidiary Cap Gas (Private) Limited with 51% holding (June 30, 2016: 51%).

Subsidiaries are those enterprises in which parent company directly or indirectly controls, beneficially owns or holds more than 50% of the voting securities or otherwise has power to elect and appoint more than 50% of its directors. The financial statements of the subsidiary are included in the consolidated financial statements from the date control commences until the date that control ceases.

The assets and liabilities of subsidiary company have been consolidated on a line by line basis and the carrying value of investments held by the parent company is eliminated against the subsidiary shareholders' equity in the consolidated financial statements.

Material intra-group balances and transactions have been eliminated.

Non-controlling interests are that part of the net results of the operations and of net assets of the subsidiary attributable to interests which are not owned by the parent company. Non-controlling interest are presented as a separate item in the consolidated financial statements.

3. Statement of compliance

This condensed interim financial information of the Company for six months period ended December 31, 2016 has been prepared in accordance with the requirements of International Accounting Standard 34 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provision of or directives issued under the Companies Ordinance, 1984 shall prevail.

Selected notes to and forming part of the Condensed Interim Consolidated Financial Information (Unaudited)

For the six months period ended December 31, 2016

4. Accounting policies

The accounting policies and the methods for computation adopted for the preparation of this condensed interim financial information is the same as those applied in preparation of the financial statements for the year ended June 30, 2016.

	Dec. 31, 2016	June 30, 2016
	Rupees ('000)	
5. Capital reserves		
Bonus shares issued by subsidiary/associated companies	59,754	59,754
Special reserve	1,422,133	962,745
	1,481,887	1,022,499
6. Revenue reserves		
Insurance reserve	200,000	200,000
General reserve	6,102,325	5,102,325
Unappropriated profit	24,524,102	25,967,858
	30,826,427	31,270,183
7. Deferred liabilities		
Provision for deferred income tax	5,997,507	5,812,637
Provision for decommissioning cost	9,414,389	9,821,240
Provision for Gratuity	5,263	5,263
Provision for staff compensated absences	8,176	10,553
	15,425,335	15,649,693

8. Trade and other payables

These include balances due to joint venture partners amounting to Rs 1,628,121 thousand (June 30, 2016: Rs 2,310,260 thousand) and balances due to related parties amounting to Rs 349,268 thousand (June 30, 2016: Rs 35,988 thousand).

	Dec. 31, 2016	June 30, 2016
	Rupees ('000)	

9. Contingencies and commitments

9.1 Commitments:

- Guarantee issued by banks on behalf of the company 9,329 28,755
- The Company is currently contesting applicability of super tax @ 3% of taxable profits from oil and gas operations under Petroleum Concession Agreements (PCAs) and has filed a writ petition in Islamabad High Court on the grounds that the Company being an exploration and production company falls under Special Tax Regime as granted under PCAs. Management based on legal advise is confident that the writ petition will be



Selected notes to and forming part of the Condensed Interim Consolidated Financial Information (Unaudited)

For the six months period ended December 31, 2016

	Dec. 31, 2016	June 30, 2016
	Rupees ('000)	
9.2 Capital expenditure commitments outstanding:		
- Share in Joint Ventures	7,724,115	9,828,653
- Own fields	1,916,716	2,081,931
- Letter of credit issued by banks on behalf of the company	66,393	157,138
10. Property, plant and equipment		
Opening net book value	9,724,414	8,363,419
Additions during the period/year	528,963	2,805,069
Depreciation for the period/year	(794,529)	(1,438,037)
Disposals during the period/year	(2,878)	(6,037)
Closing net book value	9,455,970	9,724,414
Capital work in progress - at cost	720,726	792,372
	10,176,696	10,516,786
11. Development and decommissioning costs		
Development cost		
Opening net book value	12,649,020	10,790,695
Additions during the period/year	958,682	1,564,472
Well cost transferred from exploration and evaluation assets	944,410	2,696,587
Amortization for the period/year	(1,320,396)	(2,402,734)
Closing net book value	13,231,716	12,649,020
Decommissioning cost		
Opening net book value	1,935,893	1,621,746
Additions during the period/year	48,606	248,290
Revision due to change in estimates	(844,002)	110,825
Amortization for the period/year	(105,443)	(44,968)
Closing net book value	1,035,054	1,935,893
	14,266,770	14,584,913
12. Exploration and evaluation assets		
Balance brought forward	900,813	2,661,303
Additions during the period/year	1,684,694	2,821,339
Well cost Transfer to development costs	(944,410)	(2,696,587)
Dry and abandoned wells cost charged to the profit & loss account	-	(1,885,242)
	1,641,097	900,813



Selected notes to and forming part of the Condensed Interim Consolidated Financial Information (Unaudited)

For the six months period ended December 31, 2016

Dec. 31, 2016 June 30, 2016
Rupees ('000)

13. Long term investment in associated companies - equity method

Beginning of the year	14,017,704	11,218,906
Share in profits of associated companies - net of impairment loss	623,157	3,264,157
Actuarial loss on staff retirement benefit plan	(237)	(50,080)
Dividend received during the period / year	(545,348)	(415,278)
End of the period / year	14,095,276	14,017,705

14. Other long term investments

Available-for-sale investments	6,145	5,975
--------------------------------	-------	-------

15. Trade debts

These include Rs 2,174,651 thousand (June 30, 2016: Rs 1,186,086 thousand) receivable from related parties.

16. Advances, deposits, prepayments and other receivables

These include balances due from joint venture partners amounting to Rs 339,362 thousand (June 30, 2016: Rs 348,901 thousand) and balances due from related parties amounting to Rs 66,006 thousand (June 30, 2016: Rs 118,464 thousand).

Dec. 31, 2016 June 30, 2016
Rupees ('000)

17. Cash and bank balances

Bank balance on:		
Interest/mark-up bearing saving accounts	753,914	1,617,147
Short term deposits	10,787,313	9,117,080
Current accounts	43,695	127,505
	11,584,922	10,861,732
Cash in hand	3,431	2,961
	11,588,353	10,864,693

Balance with banks include foreign currency balances of US \$ 68,291 thousand (June 30, 2016: US \$ 67,174 thousand).



Selected notes to and forming part of the Condensed Interim Consolidated Financial Information (Unaudited)

For the six months period ended December 31, 2016

	<u>Three months period ended</u>		<u>Six months period ended</u>	
	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>
	Rupees ('000)			
18. Net sales				
Crude oil	3,174,792	2,634,774	5,593,952	5,152,198
Gas - 18.1	2,319,673	2,175,028	4,410,577	4,129,131
POLGAS/Cap Gas - Refill of cylinders	1,743,269	1,844,739	3,070,038	3,249,833
Solvent oil	31,669	54,538	64,236	106,634
Sulphur	-	-	-	4,861
	7,269,403	6,709,079	13,138,803	12,642,657

18.1. The Company has signed the Supplemental Agreements with the Government of Pakistan (the Government) for conversion of Petroleum Concession Agreements (PCA) to Petroleum Exploration & Production Policy 2012 in respect of Ikhlas, DG Khan, Kirthar South, Margala, Margala North, Gurgalot and Tal Block. Price regimes prevailing in Petroleum Policy 2007, Petroleum Policy 2009 and Petroleum Policy 2012 shall be applicable correlated with the spud date of wells in the respective policies starting from November 27, 2007 and for future exploratory efforts under the above mentioned blocks.

In terms of supplemental agreements, draft statements specifying sums aggregating US \$ 34.39 million till June 30, 2015 due to the Company in respect of Mamikhel, Maramzai & Makori East discoveries in TAL block and Domial discovery in Ikhlas block have been submitted to the Government. The Government shall facilitate issuance of necessary gas price notifications and payments to be made to the parties within twelve months of the statements being finalized. Effect of adjustment arising from revision in sale price will be recognised upon finalization of the statements and issuance of gas price notifications by the Government.

	<u>Three months period ended</u>		<u>Six months period ended</u>	
	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>	<u>Dec. 31, 2016</u>	<u>Dec. 31, 2015</u>
	Rupees ('000)			
19. Operating costs				
Operating cost				
- Own fields	318,331	262,696	618,646	497,130
- Share in joint ventures	486,191	751,898	1,145,188	1,452,843
Well workover	76,323	97,473	122,636	249,833
POLGAS/Cap Gas -Cost of gas /LPG, carriage etc	962,974	983,059	1,752,789	1,899,340
Pumping and transportation cost	9,636	7,920	16,060	19,913
Depreciation	394,444	348,141	786,672	684,264
	2,247,537	2,451,187	4,441,991	4,803,323
Opening stock of crude oil and other products	436,264	216,657	380,087	166,109
Closing stock of crude oil and other products	(451,033)	(170,427)	(451,033)	(170,427)
	2,232,768	2,497,417	4,371,045	4,799,005

Selected notes to and forming part of the Condensed Interim Consolidated Financial Information (Unaudited)

For the six months period ended December 31, 2016

	Three months period ended		Six months period ended	
	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2016	Dec. 31, 2015
Rupees ('000)				
20. Exploration costs				
Geological and geophysical cost	125,834	60,797	190,331	70,261
Dry and abandoned wells cost charged to the profit & loss account	-	-	-	1,125,921
	125,834	60,797	190,331	1,196,182
21. Finance costs				
Provision for decommissioning cost				
- unwinding of discount	189,604	192,922	379,208	385,843
- exchange loss/(gain)	4,668	33,033	9,337	256,004
Banks' commission and charges	838	1,321	1,494	2,062
	195,110	227,276	390,039	643,909
22. Other charges				
Workers' profit participation fund	170,044	146,082	320,959	224,706
Workers' welfare fund	44,683	15,276	67,367	31,270
	214,727	161,358	388,326	255,976
23. Other income				
Income from financial assets				
Income on bank saving accounts, deposits and held-to-maturity investments	135,141	106,796	220,563	224,551
Exchange gain / (loss) on financial assets	8,565	33,578	(4,469)	281,728
Other income				
Rental income -net of related expenses	11,001	19,115	35,954	46,562
Rig income -net of related expenses	-	160	-	21,622
Crude oil / gas transportation income - net of related expenses	49,036	37,899	83,856	79,863
Gas processing fee	26,658	50,129	48,970	93,837
Profit/(loss) on sale of property, plant and equipment	(572)	6,723	8,356	7,237
Sale of stores and scrap	2,938	1,104	2,945	1,251
Others	1,230	(57)	1,690	(475)
	233,997	255,447	397,865	756,176

Selected notes to and forming part of the Condensed Interim Consolidated Financial Information (Unaudited)

For the six months period ended December 31, 2016

	Three months period ended		Six months period ended	
	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2016	Dec. 31, 2015
	Rupees ('000)			
24. Provision for taxation				
Current	787,169	83,367	1,151,797	247,850
Deferred	31,874	387,000	184,870	279,430
	819,043	470,367	1,336,667	527,280

25. Transactions with related parties

Aggregate transactions with related parties of the Company were as follows:

	Three months period ended		Six months period ended	
	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2016	Dec. 31, 2015
	Rupees ('000)			
Sales of goods and services to:				
Associated companies	2,298,721	2,133,860	4,344,240	4,316,075
Purchase of goods and services from:				
Parent company	11,322	14,273	24,197	30,312
Associated companies	282,547	243,315	487,202	473,986
Dividend paid during the period:				
Parent company	2,495,559	3,119,449	2,495,559	3,119,449
Associated companies	7,591	6,610	7,591	6,610
Key management Personnel	47,918	59,144	47,918	59,144
Dividend received during the period:				
Associated companies	-	-	545,348	327,970
Other related parties:				
Remuneration of Chief Executive and key management personnel including benefits and perquisites	23,911	19,358	56,744	52,513
Contribution to staff retirement benefits plans				
Management Staff Pension Fund and Gratuity Fund	18,323	17,179	46,344	36,788
Approved Contributory Provident Funds	7,026	7,025	14,223	14,108
Contribution to Workers' profit participation fund	170,044	146,082	320,959	224,706



Selected notes to and forming part of the Condensed Interim Consolidated Financial Information (Unaudited)

For the six months period ended December 31, 2016

26. Operating segments

The financial statements have been prepared on the basis of single reportable segment. Revenue from external customers for products of the Company is disclosed in note 18.

Revenue from two major customers of the Company constitutes 59% of the total revenue during the period ended December 31, 2016 (December 31, 2015: 62%).

27. Non-adjusting event after the balance sheet date

The Board of Directors in their meeting held on January 27, 2017 has declared an interim cash dividend @ Rs 15 per share, amounting to Rs 3,548,189 thousand for the year ending June 30, 2017.

28. Date of authorisation

This condensed interim financial information was authorized for circulation to the shareholders by the Board of Directors of the Company on January 27, 2017.

Shuaib A. Malik
Chief Executive

Abdus Sattar
Director

Shareholding in Exploration Licenses and D&P / Mining Leases

Exploration License	Operator	Interest %
Ikhlas	Pakistan Oilfields Limited	80.00
Kirthar South	Pakistan Oilfields Limited	85.00
D.G. Khan	Pakistan Oilfields Limited	70.00
Gurgalot	Oil & Gas Development Company Limited	20.00
Tal Block	MOL Pakistan Oil and Gas Co. B.V	25.00
Margala	MOL Pakistan Oil and Gas Co. B.V	30.00
Hisal	Pakistan Petroleum Limited	25.00

D&P / Mining Lease

Balkassar	Pakistan Oilfields Limited	100.00
Dhulian	Pakistan Oilfields Limited	100.00
Joyamair	Pakistan Oilfields Limited	100.00
Khaur	Pakistan Oilfields Limited	100.00
Meyal / Uchri	Pakistan Oilfields Limited	100.00
Minwal	Pakistan Oilfields Limited	82.50
Pariwali	Pakistan Oilfields Limited	82.50
Pindori	Pakistan Oilfields Limited	35.00
Turkwal	Pakistan Oilfields Limited	67.37
Adhi	Pakistan Petroleum Limited	11.00
Chaknaurang	Oil & Gas Development Company Limited	15.00
Kotra	Oil & Gas Development Company Limited	24.00
Bhangali	Ocean Pakistan Limited	7.00
Dhurnal	Ocean Pakistan Limited	5.00
Ratana	Ocean Pakistan Limited	4.545
Manzalai	MOL Pakistan Oil and Gas Co. B.V	25.00*
Makori	MOL Pakistan Oil and Gas Co. B.V	25.00*
Makori East	MOL Pakistan Oil and Gas Co. B.V	25.00*
Mamikhel	MOL Pakistan Oil and Gas Co. B.V	25.00*
Maramzai	MOL Pakistan Oil and Gas Co. B.V	25.00*

* Pre-Commerciality interest



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