



Sui Southern Gas Company Limited

Confidential
Under Sealed Cover

The Secretary
Pakistan Stock Exchange Limited
Stock Exchange Building
Karachi

BS/STOCK/16
20 June 2016

Dear Sir,

FINANCIAL STATEMENTS FOR THE
QUARTER ENDED 31 MARCH 2016

We have to inform you that the Board of Directors of the Company in its meeting held on 18 June 2016 at 02:00 pm at SSGC Head Office Building, Gulshan-e-Iqbal, Karachi, recommended the following:

1	Cash Dividend	NIL
2	Bonus Issue	NIL
3	Right Shares	NIL
4	Any Other Entitlement/Corporation Action	NIL
5	Any Other Price-Sensitive Information	NIL

The financial results as approved by the Board of Directors of the Company are enclosed as Annexure A & B.

Significant information as disclosed in note 1.3.2

In respect of determination of revenue requirement of the Company for the year ended June 30, 2016, OGRA in its decision dated December 18, 2015, treated certain incomes as operating income instead of non-operating income and allowed UFG benchmark at 4.5% provisionally subject to the finalisation of UFG study. Being aggrieved, the Company filed a petition in the Court against decision of OGRA dated December 18, 2015, and the Court granted stay order on May 16, 2016 on the lines of interim order passed for the year ended June 30, 2015 i.e, allowing UFG benchmark at 7% and royalty income from Jamshoro Joint Venture Limited, Profit from Meter Manufacturing, Late Payment Surcharge and Sale of Gas Condensate as non-operating income. The Company has applied to OGRA for revision of estimated revenue requirement for the year ended June 30, 2016 based on the decision of the Court but revised determination has not been received till the date of approval of this unconsolidated condensed interim

Sui Southern Gas Company Limited

SSGC House, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi

financial information. Meanwhile, this unconsolidated condensed interim financial information for the nine months ended March 31, 2016 has been prepared based on OGRA decision dated December 18, 2015.

Despite stay from Court for current year income from LPG and NGL has been considered as operating income in this unconsolidated condensed interim financial information based on the reasons mentioned in paragraph 1.3.1.2.

Had OGRA revised the estimated revenue requirement and this unconsolidated condensed interim financial information been prepared in accordance with the OGRA's decisions dated September 24, 2010, the Company would have reported loss for the nine months amounting to Rs. 6,306 million.

Thanking you.

Yours Sincerely,


Shoaib Ahmed
Company Secretary

Encl: a.a.

cc: Head of Operations
Central Depository Co. of Pakistan
CDC House, 99-B,
Block "B", S.M.C.H.S.
Main Shahrah e Faisal, Karachi

cc: The Commissioner
Securities & Exchange Commission
of Pakistan
7-NIC Building, Jinnah Avenue
Blue Area, Islamabad

Annexure "A"

Sui Southern Gas Company Limited Unconsolidated Condensed Interim Profit and Loss Account (Un-audited) For the nine months period ended March 31, 2016

		Nine months period ended		Quarter ended	
		March 31, 2016	March 31, 2015	'March 31, 2016	'March 31, 2015
Note		------(Rupees in '000)-----			
Sales		160,671,392	133,236,917	50,292,182	41,904,045
Sales tax		(23,334,531)	(17,267,405)	(7,363,058)	(5,209,004)
		<u>137,336,861</u>	<u>115,969,512</u>	<u>42,929,124</u>	<u>36,695,041</u>
Gas development surcharge		(20,198,984)	4,081,239	(6,143,258)	3,035,622
Net sales		<u>117,137,877</u>	<u>120,050,751</u>	<u>36,785,866</u>	<u>39,730,663</u>
Cost of sales	15	(124,065,695)	(126,788,825)	(38,283,773)	(41,759,622)
Gross loss		<u>(6,927,818)</u>	<u>(6,738,074)</u>	<u>(1,497,907)</u>	<u>(2,028,959)</u>
Administrative and selling expenses		(2,824,433)	(2,714,244)	(900,370)	(890,401)
Other operating expenses	16	(2,027,033)	(1,948,063)	(773,969)	(393,073)
		<u>(4,851,466)</u>	<u>(4,662,307)</u>	<u>(1,674,339)</u>	<u>(1,283,474)</u>
		<u>(11,779,283)</u>	<u>(11,400,381)</u>	<u>(3,172,245)</u>	<u>(3,312,433)</u>
Other operating income	17	<u>1,555,976</u>	<u>1,725,008</u>	<u>585,064</u>	<u>412,267</u>
Operating loss		<u>(10,223,307)</u>	<u>(9,675,373)</u>	<u>(2,587,181)</u>	<u>(2,900,166)</u>
Other non-operating income	18	<u>5,111,836</u>	<u>8,616,641</u>	<u>802,565</u>	<u>2,050,998</u>
Finance cost	19	(8,574,395)	(7,247,137)	(3,148,241)	(2,524,111)
Loss before taxation		<u>(13,685,867)</u>	<u>(8,305,869)</u>	<u>(4,932,858)</u>	<u>(3,373,279)</u>
Taxation	20	<u>4,140,747</u>	<u>3,234,200</u>	<u>1,455,339</u>	<u>1,364,326</u>
Loss for the period		<u>(9,545,120)</u>	<u>(5,071,669)</u>	<u>(3,477,519)</u>	<u>(2,008,953)</u>
Basic and diluted loss per share		(10.84)	(5.76)	(3.95)	(2.28)

The annexed notes from 1 to 27 form an integral part of these unconsolidated condensed interim financial information

Annexure "B"

Sui Southern Gas Company Limited
Consolidated condensed interim profit and loss account (Un-audited)
For the nine months period ended March 31, 2016

		Nine months period ended		Quarter ended	
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Note		----- (Rupees in '000) -----			
Sales		160,671,392	133,236,917	50,292,182	41,904,045
Sales tax		(23,334,531)	(17,267,405)	(7,363,058)	(5,209,004)
		137,336,861	115,969,512	42,929,124	36,695,041
Gas development surcharge		(20,198,984)	4,081,239	(6,143,258)	3,035,622
Net sales		117,137,877	120,050,751	36,785,866	39,730,663
Cost of sales	15	(124,065,695)	(126,788,825)	(38,283,773)	(41,759,622)
Gross loss		(6,927,818)	(6,738,075)	(1,497,907)	(2,028,960)
Administrative and selling expenses		(2,870,591)	(2,787,557)	(909,420)	(915,062)
Other operating expenses	16	(2,027,032)	(1,943,477)	(773,968)	(388,487)
		(4,897,623)	(4,731,034)	(1,683,388)	(1,303,548)
		(11,825,441)	(11,469,108)	(3,181,295)	(3,332,508)
Other operating income	17	1,664,055	2,052,584	594,783	550,495
Operating loss		(10,161,386)	(9,416,524)	(2,586,512)	(2,782,013)
Other non-operating income	18	5,230,852	8,461,125	823,185	1,878,857
Finance cost	19	(8,576,640)	(7,245,267)	(3,150,202)	(2,522,313)
Loss before taxation		(13,507,174)	(8,200,666)	(4,913,529)	(3,425,469)
Taxation	20	4,127,323	3,194,289	1,451,609	1,329,656
Loss for the period		(9,379,851)	(5,006,377)	(3,461,921)	(2,095,813)
Basic and diluted loss per share		(10.65)	(5.68)	(3.93)	(2.38)

The annexed notes from 1 to 27 form an integral part of these unconsolidated condensed interim financial information.