

COVER SHEET

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S.E.C. Registration Number

P	I	L	I	P	I	N	A	S	S	H	E	L	L	P	E	T	R	O	L	E	U	M	
C	O	R	P	O	R	A	T	I	O	N													

(Company's Full Name)

1	5	6	V	A	L	E	R	O	S	T	S	A	L	C	E	D	O	V	I	L	L	A	G	E
B	R	G	Y	B	E	L	-	A	I	R	M	A	K	A	T	I	C	I	T	Y				

(Business Address, No. Street City/Town/Province)

ANGELICA CASTILLO

Contact Person

+63 2 4994001

Company Telephone Number

1	2	3	1
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Month

Day

2018

Fiscal Year

1	7	-	C
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FORM TYPE

0	5	0	3
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Month

Day

3rd Tuesday of May
Annual Meeting as per By-Laws

CERTIFICATE OF PERMIT TO OFFER SECURITIES FOR SALE DATED 14 OCTOBER 2016
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Secondary License Type, If Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I. D.

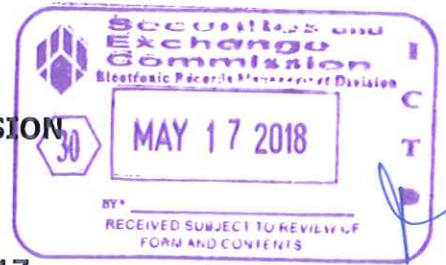
Cashier

STAMPS

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER



1. 16 May 2018
Date of Report (Date of earliest event reported)

2. SEC Identification Number 14829 3. BIR Tax Identification No. 000-164-757

4. Pilipinas Shell Petroleum Corporation
Exact name of issuer as specified in its charter

5. Makati City, Metro Manila, Philippines 6. (SEC Use Only)

Province, country or other jurisdiction Industry Classification Code:
of incorporation

7. Shell House, 156 Valero St., Salcedo Village, Brgy. Bel-Air, Makati City 1227
Address of principal office Postal Code

8. (632) 4994001
Issuer's telephone number, including area code

9. N/A
Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Shares	1,613,444,202

11. Indicate the item numbers reported herein: **Item 9**

RE: Pilipinas Shell hits industry-leading 27% return on capital and grows operational cash flow by 23% in Q1 2018 (Please refer to attached)

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: 16 May 2018


ELLIE CHRIS NAVARRA
Assistant Corporate Secretary



Pilipinas Shell Petroleum Corporation

Shell House

156 Valero St., Salcedo Village

1227 Makati City, Philippines

Tel +63 2 499 4001

Website <http://www.shell.com.ph>

Pilipinas Shell hits industry-leading 27% return on capital and grows operational cash flow by 23% in Q1 2018

In Q1 2018, Pilipinas Shell sustained delivery of its strategic priorities: (1) maximize cash generation while optimizing shareholder returns; (2) disciplined expansion and capital allocation; and (3) attractive dividend policy.

Pilipinas Shell's P2.3 billion net earnings at the end of Q1 translates to an industry-leading return on capital of 27% on a trailing 12-month basis, demonstrating the company's continuing prudent and effective utilization of shareholder capital. Operational cash flows also increased 23% to P3.5 billion year-on-year, mainly driven by total sales volume growth of 4%, higher premium fuel penetration and better working capital management.

While softer regional refining margins during the quarter contributed to the roughly 20% decrease in overall earnings, Pilipinas Shell's marketing business increased profitability by 13%. In retail, sales volumes were sustained while increasing premium fuel sales, closing the quarter with 27% V-Power penetration. Pilipinas Shell opened 4 new stations, ending the quarter with 1,047 retail sites.

The non-fuels retailing business sustained its double-digit growth closing the quarter with 21% growth. In the first quarter, Pilipinas Shell added 11 new Shell Select stores, 7 new deli2Go offers, and 9 new lube bays.

The Commercial segment's contribution to net earnings increased in double digits due to more premium grade offerings and strong performance of the lubricants and bitumen business.

We continue to reap the benefits from the North Mindanao Import Facility where we saw steady increase in supply reliability in the Visayas and Mindanao regions and sustained supply cost savings. The Tabangao Refinery also posted higher reliability building sufficient stocks in preparation for the scheduled maintenance in May.

Continuing strong cash generation and prudent deployment of capital provided more than sufficient funding for the superior 80% dividend payout on 2017 earnings.

"Pilipinas Shell's performance in the first quarter demonstrates the strength of our brand. Amidst the challenges brought by higher excise taxes, customers continue to patronize our products. We even saw an increase in V-Power uptake of 2% vs Q1 2017. We remain pleased with our marketing businesses which continue to demonstrate strong underlying performance both financially, and operationally," said Cesar Romero, Pilipinas Shell President and Chief Executive Officer.

"Pilipinas Shell continues to focus on effectively utilizing capital to generate superior returns. The Company continues to lead the industry with a return on average capital employed of 27%, from 24% in the previous year."

ENQUIRIES:

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