

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER/ NINE MONTHS ENDED ON DECEMBER 31, 2006

Rs. in Lacs

Sr. No.	Particulars	Unaudited for the Quarter		Unaudited for Nine Months		Audited for the Previous Year
		Ended on 31.12.2006	Ended on 31.12.2005	Ended on 31.12.2006	Ended on 31.12.2005	Ended on 31.03.2006
1	Net Sales/Income from Operations	3,279.91	2,448.82	8,963.79	6,417.63	9,424.42
2	Other Income	595.68	114.58	831.11	446.90	546.87
3	Increase/(Decrease) in Stock of Crude Oil	(719.32)	103.68	(263.30)	191.95	270.86
4	Total Income	3,156.27	2,667.08	9,531.60	7,056.48	10,242.15
5	Total Expenditure					
	a) Field Operating Expenses	401.94	444.60	1,286.46	1,304.78	1,706.24
	b) Corporate Expenses					
	- Staff Expenses	141.45	128.19	480.53	429.96	667.68
	- Legal and Professional Expenses	78.26	125.12	221.82	242.97	346.68
	- Other Expenses	94.47	142.88	452.00	390.47	498.04
	- Recovery of Expenses	(376.46)	(175.29)	(781.71)	(447.76)	(729.42)
		339.66	665.50	1,659.10	1,920.42	2,489.22
6	Interest and Financing Charges	166.81	40.32	347.91	136.95	181.87
7	Depreciation, Depletion and Amortisation	220.03	(97.32)	680.86	276.32	779.52
8	Provisions and Write offs (See Note 2 & 3)	1,305.88	-	5,082.42	-	4,186.35
9	Profit before Taxation (4-5-6-7-8)	1,123.89	2,058.58	1,761.31	4,722.79	2,605.19
10	Provision for Current Income Tax	780.00	592.00	2,370.00	1,674.00	1,680.00
11	Provision for Deferred Tax	(477.00)	99.50	(1,850.00)	(90.50)	(850.00)
12	Fringe Benefit Tax	2.00	2.84	12.00	13.00	26.00
13	Net Profit (9-10-11-12)	818.89	1,364.24	1,229.31	3,126.29	1,749.19
14	Paid up Equity Share Capital (See Note 4) (Face Value of Rs. 10/- each)	7,832.87	5,876.09	7,832.87	5,876.09	5,876.09
15	Reserves excluding Revaluation Reserve					18,240.68
16	Basic and Diluted EPS (Rs.) (Not Annualised) (See Note 4)	1.06	2.14	1.80	4.90	2.74
17	Aggregate of Public Shareholding					
	Number of Shares	57,040,460	43,457,557	57,040,460	43,457,557	43,457,557
	Percentage of Shareholding	72.84%	73.98%	72.84%	73.98%	73.98%

Notes :

- The Company is engaged in a single business segment of Hydrocarbons and, therefore, Segment Reporting as defined in Accounting Standard 17 is considered not applicable.
- As announced in the last quarter, Vinayaka-1 Exploratory Well in Block CY-OSN-97/1 did not encounter hydrocarbons and the Consortium decided to plug and abandon the well. The expenditure incurred upto December 31, 2006 towards drilling Vinayaka-1 (including allocated past survey cost, estimate of abandonment cost, demobilization cost etc.) totalling to an aggregate of Rs. 5,153.38 Lacs has been written off.

During the financial year 2005-06, the Company had written off the exploration cost of Rs. 3,140.01 Lacs for Lakhi-1 Exploratory Well in AAP-ON-2004/1 Block (Please refer Note 3 below) based on Operator's cost estimates. However, during the current quarter, the Company has received Audited Accounts of the Block as per which the cost of Lakhi-1 Exploratory Well is Rs. 3,052.65 Lacs. Hence, the differential amount of Rs. 87.36 Lacs has been written back during the current quarter.
- Provisions and write-offs for the year ended March 31, 2006 includes write-off of exploration cost of Rs. 396.57 Lacs for PRS-4 Exploratory Well in CB-ON-7 Block, Rs. 3,140.01 Lacs for Lakhi-1 Exploratory Well in AAP-ON-94/1 Block and Rs. 646.89 Lacs for CB-OS-1 Block.
- The Company's Rights Issue of 19,581,645 fully paid equity shares of Rs.10/- each at a premium of Rs.66/- per share aggregating to Rs. 14,882.05 lacs closed on October 06, 2006. The Company has allotted 19,567,733 equity shares. EPS for the quarter/nine months ended December 31, 2005 and year ended March 31, 2006 has been restated as per Accounting Standard 20 " Earnings Per Share " to reflect the effect of the above Rights Issue.
- With reference to the observations made in the Auditors' Report for the FY 2005-06 regarding three unaudited joint ventures' accounts, the Company has subsequently received Audited Accounts of two of them. The Company has not received the Audited Accounts of Block GN-ON-90/3 (Pranhita-Godavari) being under arbitration As none of the above joint ventures has entered the production phase there is no affect on the profit for the quarter.
- Figures for the previous periods have been recast / regrouped to make them comparable with the current period, wherever necessary.
- Details of Investors' Complaints for the quarter ended on December 31, 2006.

Unresolved at the beginning of the quarter	Nil
Received during the quarter	52
Resolved during the quarter	52*
Unresolved at the end of the quarter	Nil

* Includes 11 complaints for which the Company has sought additional / relevant information from the complainants.
- The above results were reviewed by the Audit Committee and approved by the Board at their respective meetings held on January 29, 2007 and the same have been subjected to a limited review by the Auditors.

BY ORDER OF THE BOARD
For Hindustan Oil Exploration Company Limited

Place : New Delhi
Date : January 29, 2007

Manish Maheshwari
Joint Managing Director