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Quarterly Result Update

HINDUSTAN PETROLEUM CORPORATION LIMITED

November 6, 2018

Current Price: ₹ 233.25

STOCK DATA

BSE Code	500104
NSE Symbol	HINDPETRO
Reuters	HPCL.BO
Bloomberg	HPCL IN

VALUE PARAMETERS

52 W H/L(Rs)	450.00/163.45
Mkt. Cap.(Rs Cr)	35543.16
Latest Equity(Subscribed)	1523.82
Latest Reserve (cons.)	24008.23
Latest EPS (cons.) -Unit Curr.	47.78
Latest P/E Ratio -cons	4.88
Latest Bookvalue (cons.) -Unit Curr.	167.55
Latest P/BV - cons	1.39
Dividend Yield -%	7.29
Face Value	10

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 30/09/2018
Foreign	20.53
Institutions	16.54
Govt Holding	0.00
Non Promoter Corp. Hold.	54.83
Promoters	0.00
Public & Others	8.09

Financial Results

In Cr.

Particulars	Qtr Ending Sept. 18	Qtr Ending Sept. 17	Var. (%)
Net Sales	67247.84	47406.50	42
Budgeary support	270.13	123.94	118
Total Revenues	67517.97	47530.44	42
OPM (%)	3.10	6.10	
OP	2121.95	2913.45	-27
Other Income	413.41	511.50	-19
PBDIT	2535.36	3424.95	-26
Interest (Net)	200.69	156.34	28
PBDT	2334.67	3268.61	-29
Depreciation / Amortization	738.45	680.41	9
PBT	1596.22	2588.20	-38
Tax	504.24	853.46	-41
PAT	1091.98	1734.74	-37
EPS* (Rs)	28.70	45.50	

Hindustan Petroleum Corporation's Q2FY19, profit misses estimates

HPCL reported a profit of Rs 1091.98.21 crore in Q2FY'19 compared to profit of Rs 1734.74 crore in Q2FY'18, down by 37% while net sales rose 42% to Rs 67517.97 crore.

Budgetary support from the government was Rs 270.13 crore in Q2FY'19 compared to Rs 123.94 crore in Q2FY'18, up by 118% while discounts from the upstream companies were nil compared to nil in Q2FY'18.

HPCL sale of petroleum products (including exports) was up 5% to 9.14 million tonne during the quarter while the pipeline throughput rose 4% to 5.25 MMT. The crude throughput of HPCL was up 3% during the quarter ended September 2018 to 4.76 million tonne compared to corresponding previous year period.

Average Gross Refining Margins rose to USD 5.95 per barrel in H1FY'19 compared to USD 6.75 per barrel in H1FY'18.

Quarterly Results

HPCL sales rose 42% to Rs 67517.97 crore for the quarter ended September 2018 compared to corresponding previous year period. This included subsidy from the government of Rs 270.13 crore up by 118% on a y-o-y basis. Excluding compensation from the government net sales of the company rose 42% to Rs 67247.84 crore.

OPM of the company stood at 3.1% compared to 6.1% in the corresponding previous year period. As a result operating profits reported was down 27% to Rs 2121.95 crore.

Other income fell 19% to Rs 413.41 crore. Interest cost increased by 28% to Rs 200.69 crore. Depreciation rose 9% to Rs 738.45 crore. PBT was down 38% to Rs 1596.22 crore. Effective tax

Physical Performance (in MMT)

In Cr.

Particulars	Qtr Ended Sept. 18	Qtr Ended Sept. 17	Var. (%)
Crude Throughput	4.76	4.64	3
Domestic sales	8.82	8.37	5
Exports	0.32	0.36	-11
pipeline throughput	5.25	5.05	4

rate was down to 32% from 33%. Bottomline of the company fell 37% to Rs 1091.98 crore.

Half year ended results

For half year ended September 2018 HPCL sales rose 34% to Rs 135146.82 crore compared to corresponding previous year period. This included subsidy from the government of Rs 544.5 crore up by 65% on a y-o-y basis. Excluding compensation from the government sales of the company rose 34% to Rs 134602.32 crore.

OPM of the company stood at 3.9% compared to 4.5% in the corresponding previous year period. As a result operating profits reported rose 16% to Rs 5312.6 crore.

Other income fell 32% to Rs 719 crore. Interest cost increased by 31% to Rs 391.57 crore. Depreciation rose 7% to Rs 1444.85 crore. PBT rose 5% to Rs 4195.18 crore. Effective tax rate was flat at 33%. Bottomline of the company reported 6% increase to Rs 2811.19 crore.

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