

Notes:

1. Continuing sales grew by 6.9% during the quarter. FMCG sales grew by 8.5% driven by 8.0% growth in HPC business and 10.9% growth in Foods.
During the year continuing sales grew by 10.0% and FMCG sales grew by 12.8%. HPC sales grew 13.7% and Foods sales grew by 9.0%.
2. Operating profit (Profit before Interest and Tax) for December quarter grew by 11.3%; Profit before tax grew by 11.8%, while PAT grew by 10.2%. Net Profit declined by 1.9% due to the impact of exceptional items in the December quarter of 2005.
Operating profit for the year grew by 16.2%. Profit before tax grew by 16.0%; and PAT grew by 13.7%. Net profit for the year grew by 31.8% and EPS grew by 31.4%.
3. Exceptional items (net of tax) for December Quarter '06 comprise: Profit arising from disposal of 51% share in a subsidiary (Rs 36.74 crores); Reduction in liability for retirement benefits arising from impact of revised interest rates and lower annuity costs (Rs 21.89 crores); and restructuring costs in the foods business. (Rs 30.88 crores).
4. The results for the quarter are not comparable to those of DQ'06 to the extent of amalgamation of Vashisti Detergents Limited with the Company and the demerger and subsequent disposal of Doom Dooma and TEI plantation divisions.

Adjusting for the above, net sale for DQ'06 is Rs 3,156.10 (DQ'05: Rs 2,974.33 crores); Profit before interest and tax is Rs 541.41 crores (DQ'05: Rs 487.77 crores); PAT is Rs 482.13 crores (DQ'05: Rs 438.50 crores) and Net Profit is Rs 509.89 crores (DQ'05: Rs 520.86 crores).

Similarly, net sales for FY'06 is Rs 12,103.39 crores (FY'05: Rs 11,042.38 crores); Profit before interest and tax is Rs 1,706.33 crores (FY'05: Rs 1,479.68 crores); PAT is Rs 1,536.98 crores (FY'05: Rs 1,361.45 crores) and Net Profit is Rs 1,852.68 crores (FY'05: Rs 1,415.04 crores).

5. Provision for Taxation includes Fringe Benefit Tax of Rs 5 crores.
6. Investor complaints status

Complaints pending resolution as on 1 st October 2006	: 02
Complaints received during DQ' 06	: 49
Complaints resolved during DQ' 06	: 49
Being progressed for resolution as on 31 st December 2006	: 02
7. The Board of Directors at their meeting held on 20th February, 2007 recommended a final dividend of Rs 3/- per equity share of Re 1/- for the year 2006, subject to the approval of the shareholders. Together with the interim dividend of Rs 3/- per share the total dividend for the year works out to Rs 6/- per share. Distribution tax will be borne by the Company.
8. Previous period figures have been regrouped / restated wherever necessary to conform to this period's classification.
9. Notice is hereby given, pursuant to Section 154 of the Companies Act, 1956 that for the purpose of ascertaining the shareholders who would be eligible to receive the final dividend for the year 2006, the Register of Members of the Company will be closed from 24th April, 2007 to 7th May, 2007 (both days inclusive).
10. The text of the above statement was approved by the Board of Directors at their meeting held on 20th February 2007.

For more details, visit our website at <http://www.hll.com>

By order of the Board

Place: Mumbai
Date: 20th February, 2007

Managing Director & CEO

Notes on Segment Information

1. Adjusting for the disposal of Nihar brand, Personal Products segment revenue growth in DQ'06 is 5.3%.
2. Segment Revenue, Results and Capital Employed figures include the respective amounts identifiable to each of the segments. Other un-allocable expenditure includes expenses incurred on common services not directly identifiable to the individual segments and corporate expenses. Un-allocable expenditure (net) is net of income from investment of surplus funds and dividends from subsidiary companies.

Capital Employed figures are as at 31st December 2006 and 31st December 2005. Unallocated corporate assets less corporate liabilities mainly relate to investments.