

Notes:

1. Total sales grew by 14.4% during the quarter. FMCG sales grew by 15.8% driven by 17.3% growth in HPC business and 9.1% growth in Foods.
During the year continuing sales grew by 11.5%. HPC sales grew 13.9% and Foods sales grew by 7.8%.
2. Operating profit (Profit before Interest and Tax) for December quarter grew by 13.5%; Profit before tax grew by 14.5%, while PAT grew by 22.7%. Net profit grew by 56.1% due to the impact of exceptional items (see note 3 below).
Operating profit for the year grew by 1.1%. Profit before tax grew by 6.6%; and PAT grew by 12.9%. Net profit and EPS for the year grew by 17.6%.
3. Exceptional items (net of tax) for December Quarter '05 comprise: profit on transfer of Doom Dooma and TEI plantation divisions to subsidiaries (Rs. 89.2 crores), profit on disposal of trade investment (Rs. 43.7 crores), one time reduction in tax liability on account of integration of TOCDL, an erstwhile subsidiary, with the Company (Rs. 23.2 crores), provision towards impairment of tangible / intangible assets of a business (Rs. 25.3 crores), provision for diminution in value of investments in subsidiaries / joint venture (Rs. 32.4 crores), costs arising out of termination of sourcing arrangement (Rs. 10.2 crores), and compensation under the Voluntary retirement scheme (Rs. 6.1 crores).
4. The results for the quarter and the year are not comparable to those of the previous year due to the integration of subsidiaries - International Fisheries Limited, Lipton India Exports Limited, Merryweather Food Products Limited w.e.f 1st January 2005; TOC Disinfectants Limited, and Lever India Exports Limited w.e.f. 1st April 2005, and the transfer of Doom Dooma and TEI plantation divisions to subsidiaries w.e.f 1st April 2005.

Adjusting for above, net sales for DQ'05 is Rs 2,937.8 crores (DQ'04: Rs 2,580.2 crores); Profit before interest and tax is Rs 473.3 crores (DQ'04: Rs 429.7 crores); PAT is Rs 425.3 crores (DQ'04: Rs 357.3 crores) and Net Profit is Rs 507.4 crores (DQ'04: Rs 333.5 crores)

Similarly, net sales for FY'05 is Rs 10,973.4 crores (FY'04: Rs 9,869.7 crores); Profit before interest and tax is Rs 1,436.1 crores (FY'04: Rs 1,452.2 crores); PAT is Rs 1,321.7 crores (FY'04: Rs 1,196.4 crores) and Net Profit is Rs 1,375.0 crores (FY'04: Rs 1,194.5 crores).

5. Provision for Taxation includes Fringe Benefit Tax of Rs 12.07 crores.
6. Investor complaints status

Complaints pending resolution as on 1 st December 2005	: 07
Complaints received during DQ' 05*	: 82
Complaints resolved during DQ' 05	: 79
Being progressed for resolution as on 31st December 2005	: 10

* Essentially relating to non receipt of dividend/interest warrants
7. The Board of Directors at the meeting held on 14th February, 2006 recommended a final dividend of Rs 2.50 per equity share of Re. 1 for the year 2005, subject to the approval of the shareholders. Together with the interim dividend of Rs. 2.50 per share the total dividend for the year works out to Rs. 5.00 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, and include the impact of note 4 above.
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 2005, the Register of Members of the Company will be closed from 3rd May 2006 to 16th May 2006 (both days inclusive).

10. The text of the above statement was approved by the Board of Directors at their meeting held on 14th February 2006.

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

By order of the Board

Place: Mumbai
Date: 14th February 2006

Vice -Chairman

Notes on Segment Information

1. 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 2005 and 31st December 2004. Unallocated corporate assets less corporate liabilities mainly relate to investments.