

Hindustan Unilever Limited – September Quarter 2009 Results

- **Domestic Consumer business grows 8%; Operating profit grows 16% and PBIT margins improve 140 bps**
 - o Double digit growth in Personal Products and Foods maintained
 - o Brand Investments stepped up by 320 bps
- **PAT before exceptional items (bei) grows 9.5%; PAT (bei) before mark to market charge grows 14.4%**
- **Interim Dividend of Rs 3.00 per share.**

Mumbai, October 31st 2009: Hindustan Unilever Limited (HUL) announced its results for September Quarter 2009. Domestic consumer sales including water grew 8%. FMCG sales grew by 7%, driven by strong growth in Personal Products and Foods. Soaps & Detergents grew modestly due to significant down trading in Detergents. Net Sales grew 5% with planned reduction in exports and underlying volume growth was 1% in the quarter.

HPC business grew 6%, driven by strong volume led growth in Personal Products. Soaps & Detergents grew 1% impacted by low growth in the mass segment. Surf grew well - driving premium laundry growth and competitiveness in the mass portfolio has been strengthened. The Personal wash portfolio has been rejuvenated with improved consumer value across all the brands. The premium soaps segment (Dove, Pears and Liril) grew strongly.

Personal Products grew strongly at 13%. In Hair category all brands grew well – Dove shampoo grew rapidly with the introduction of a new range, the relaunch of Clear and Clinic Plus was well received and Sunsilk continued to grow and develop the conditioner segment. Equally growth was broad based across all brands in the skin category – the premium face care portfolio was strengthened with a successful relaunch of Ponds White Beauty, while FAL equity is being strengthened with the launch of 'winter fairness' variant. In Oral, both Close Up and Pepsodent delivered good volume growth with Pepsodent being relaunched in this quarter.

Foods business grew at 13% driven by Tea, Coffee and Ice Cream. Beverages was up 18% with all brands in Tea growing well- Lipton Green Tea was introduced, Tea Bags were relaunched in the quarter; Instant Coffee growth was driven by low unit packs. In Processed Foods, investment in market and category development continued, with successful relaunch of Knorr soups. Ice-Cream continued its volume led growth.

Pure-It is making excellent progress and rapidly building a strong franchise across the country, with nearly 3 million households now protected. The business has expanded its reach to smaller towns and is focusing on product innovation and channel development.

Operating margin improved by 140bps, through a combination of carry forward impact of pricing, improved mix, step-up in cost saving programmes, and better operating leverage. PBIT grew 16.5% with operating margin improving to 14.3%, after absorbing

320 bps increase in brand investments. A&P expenditure grew by 38%, driven by relaunches, substantial step-up in media support and mix impact of higher Personal Products sales. Excluding the mark to market (MTM) charge on forex exposures, PAT (bei) grew by 14.4%. On a reported basis, PAT bei grew by 9.5%. Net Profit declined by 21.6% due to exceptional gains from property disposal in the prior year and exceptional charge, largely due to a provision related to the settlement signed with erstwhile workers of a closed unit, in the current period.

The Board declared an interim dividend of Rs 3.00 per share for the accounting year ending March 31, 2010.

Mr. Harish Manwani, Chairman commented: "We sustained good growth momentum in the Domestic Consumer business, driven by high quality innovations and sharper in market execution. Personal Products and Foods business continue to deliver strong growth across all our key brands. In Soaps and Detergents, we are actively strengthening our full portfolio and improving our competitiveness in the mass segment. We remain determined to profitably grow volumes and further strengthen our market leadership across categories."

About Hindustan Unilever Limited

HUL is India's largest Fast Moving Consumer Goods company, touching the lives of two out of three Indians. HUL's mission is to "add vitality to life" through its presence in over 20 distinct categories in Home & Personal Care Products and Foods & Beverages. The company meets everyday needs for nutrition, hygiene, and personal care, with brands that help people feel good, look good and get more out of life.

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