

Hindustan Unilever Limited – December Quarter 2008 Results

- **Net sales grow by 17%; FMCG grows 21%**
- **Profit before Interest, Tax and Exceptional Items grows 15%**
- **PAT from ordinary activities**
 - **before exceptional items grows by 13%**
 - **after exceptional items grows by 1%, due to higher exceptional gains in DQ'07 (base)**

Mumbai, January 25th 2009: Hindustan Unilever Limited (HUL) announced its results for December Quarter 2008. Net Sales grew by 17% and FMCG by 21% with underlying volume growth of 2%. Strong volume growth in Personal Products and Foods business was partly offset by the impact of slowdown in Soaps and Detergents, due to high input cost led price growth and market volume contraction in Detergents.

HPC Business grew 21% driven by price growth in Soaps and Detergents and all round volume growth in Personal Products. Laundry business grew strongly across all brands and growth in Personal Wash was led by Lux, Lifebuoy, Dove and Pears. Shampoo category continued growth momentum with robust volume growth, led by Sunsilk. Growth in Skin category was driven by Fair & Lovely and Close Up in the Oral category. Dove range of deodorants was launched in this quarter and Surf Excel Quickwash was re-launched.

Foods business grew by 23% with a strong performance across Beverages, Processed foods and Ice-Cream. Tea, Processed Foods and Ice-Cream all delivered strong volume growth. Gelato range of Ice-Creams was launched in this quarter.

Pure-It water business now has a national footprint with availability across more than 700 towns. Performance in this new category is tracking in line with plans.

Input cost inflation has started receding and if sustained, will reflect in lower consuming cost. However, impact of high input cost inflation continued in this quarter. Year -to-date investment behind brands continues at 10.1% of turnover, growing at 16%. Spends during the quarter remain competitive, although marginally lower by 1.3% over DQ'07. In a difficult economic environment, PBIT (bei) grew 15.1% and PAT (bei) grew 12.7%. PBIT margin for the quarter at 16.8% of Sales, was 20 bps below December quarter 2007. Profit

after Tax (PAT) from ordinary activities, after accounting for exceptional items grew 1%, due to higher base effect.

Mr. Harish Manwani, Chairman commented: "We continue to deliver strong top line and operating profit growth. Softening commodity prices augur well for the business as we sustain our focus on delivering superior consumer value. In the current economic scenario, market development and consumer spending are being monitored closely to manage the business dynamically. We remain determined to leverage our strong portfolio and scale to deliver competitive and profitable growth."

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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