



Hindustan Unilever Limited

RESULTS FOR THE QUARTER ENDING 30th JUNE 2018

16% COMPARABLE* DOMESTIC CONSUMER GROWTH, 12% UNDERLYING VOLUME GROWTH

Mumbai, July 16th, 2018: Hindustan Unilever Limited announced its results for the quarter ending 30th June 2018.

During the quarter, our Comparable* Domestic Consumer Growth was 16%^ with Underlying Volume growth at 12%. Comparable* EBITDA margin was up 100 bps^ and Net Profit at Rs.1529 crores grew by 19%.

The financial results for the quarter have been prepared in compliance with the Indian Accounting Standards (Ind AS). The company has integrated Foods and Refreshment divisions in this quarter. Accordingly, the Company will report its results in the following three operating segments viz. Home Care, Beauty & Personal Care and Foods & Refreshment, along with a residual segment for 'Others'.

Home Care: Robust growth sustained

Growth momentum in Home Care continues with key brands delivering double digit growth. During the quarter, Domex liquids was relaunched in South India and Domex powders extended to new geographies.

Beauty & Personal Care: Broad-based growth across Personal products and Personal wash

Skin Care, registered strong double digit growth on the back of Fair & Lovely and Pond's performance. Hair Care witnessed another double digit growth quarter, led by the premium portfolio and continued robust performance of Indulekha. Colour cosmetics delivered yet another quarter of strong double digit growth with continued rollout of successful innovations; Lakmé 9 to 5 Naturale range of makeup and skincare products infused with aloe vera were launched during the quarter. Deodorants delivered impressive growth with Axe Ticket gaining traction. In Personal Wash, Dove and Pears sustained their high growth trajectory.

Foods & Refreshment: Strong growth led by Tea and Ice Cream & Frozen Desserts

Tea delivered broad based double-digit growth across key brands. In Coffee, Bru Kannadigara was introduced in select geographies to cater to local taste preferences. Ice Cream and Frozen Desserts grew in double-digits during the season, on the back of innovations and geography expansion. Foods registered double digit growth led by Kissan and Knorr. We also launched the Lever Ayush breakfast range in Tamil Nadu.

Margin improvement sustained: Comparable* EBITDA margin up by 100 bps^

Cost of Goods Sold were lower on account of mix, judicious pricing and a strong savings program. Advertising and Promotions were stepped up to support innovations, activations and respond to competitive actions in the market place. Earnings before interest, tax, depreciation and amortisation (EBITDA) at Rs. 2251 Crores was up by 21%. Profit after tax before exceptional items, PAT (bei), at Rs. 1567 Crores was up by 21%.

Sanjiv Mehta, Chairman and Managing Director commented: "We have delivered another strong performance in the quarter, with double digit volume growth across all three divisions and further improvement in margins. This quarter also saw the integration of Foods and Refreshment divisions which will help us increase organisational agility and better serve local consumers while harnessing the advantages of global scale.

In the near term, we see gradual improvement in demand and our focus will continue to be on innovations and market development. Crude volatility and currency led inflation are key risks going ahead and we will continue to manage our business dynamically while driving operational efficiencies. Our strategic agenda remains one of delivering Consistent, Competitive, Profitable and Responsible growth."

*Comparable: Reflecting accounting impact of GST (Excise duty and net input taxes adjusted from sales of base quarter and GST refunds to the reported sales of current quarter) For details refer to Quarter Results filed with the Stock Exchanges.

^Reported Domestic Consumer Growth for the quarter was 3%; Reported improvement in EBITDA margin was 350 bps.





HINDUSTAN UNILEVER LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2018

(Rs in Crores)

Particulars	STANDALONE			
	Unaudited Results for the quarter ended 30th June		Audited Results for the	
	2018	2017	quarter ended 31st March 2018	year ended 31st March 2018
Revenue from operations				
Sale of products (including excise duty)	9,356	9,094	9,003	34,619
Other operating revenue	131	128	94	599
Other Income	135	113	100	569
TOTAL INCOME	9,622	9,335	9,197	35,787
EXPENSES				
Cost of materials consumed	3,379	2,904	3,514	12,491
Purchases of stock-in-trade	905	1,128	855	3,812
Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	80	52	(55)	(71)
Excise duty	-	693	-	693
Employee benefits expenses	442	419	400	1,745
Finance costs	7	6	4	20
Depreciation and amortisation expenses	127	114	128	478
Other expenses				
Advertising and promotion	1,153	905	1,070	4,105
Others	1,277	1,255	1,265	5,167
TOTAL EXPENSES	7,370	7,476	7,181	28,440
Profit before exceptional items and tax	2,252	1,859	2,016	7,347
Exceptional items (net credit/ (charge))	(59)	(13)	(64)	(62)
Profit before tax	2,193	1,846	1,952	7,285
Tax expenses				
Current tax	(656)	(618)	(696)	(2,148)
Deferred tax credit/(charge)	(8)	55	95	100
PROFIT FOR THE PERIOD (A)	1,529	1,283	1,351	5,237
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of the net defined benefit plans	-	-	(16)	(16)
Tax on above	-	-	5	5
Items that will be reclassified subsequently to profit or loss				
Fair value of debt instruments through other comprehensive income	(2)	(3)	1	(2)
Tax on above	1	1	(0)	1
OTHER COMPREHENSIVE INCOME FOR THE PERIOD (B)	(1)	(2)	(10)	(12)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B)	1,528	1,281	1,341	5,225
Paid up Equity Share Capital (Face value Re. 1 per share)	216	216	216	216
Other Equity				6,859
Earnings per equity share (Face value of Re. 1 each)				
Basic (in Rs.)	7.06	5.93	6.24	24.20
Diluted (in Rs.)	7.06	5.93	6.24	24.19



SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs in Crores)

Particulars	STANDALONE			
	Unaudited Results for the quarter ended 30th June		Audited Results for the	
	2018	2017	quarter ended 31st March 2018	year ended 31st March 2018
Segment Revenue (Sales and Other operating income)				
- Home Care	3,146	3,047	3,102	11,629
- Beauty & Personal Care	4,407	4,368	4,098	16,464
- Foods & Refreshment	1,785	1,654	1,735	6,487
- Others (includes Exports, Infant & Feminine Care etc.)	149	144	164	624
Total Segment Revenue	9,487	9,213	9,097	35,204
Segment Results				
- Home Care	602	448	509	1,694
- Beauty & Personal Care	1,162	1,079	1,066	4,100
- Foods & Refreshment	334	295	287	985
- Others (includes Exports, Infant & Feminine Care etc.)	(2)	(5)	2	(12)
Total Segment Results	2,096	1,817	1,864	6,767
Less: Finance Costs	(7)	(6)	(4)	(20)
Add/(Less): Finance Income and Other unallocable income net of unallocable expenditure	104	35	92	538
Total Profit Before Tax	2,193	1,846	1,952	7,285
Segment Assets				
- Home Care	2,021	1,999	2,100	2,100
- Beauty & Personal Care	4,721	4,328	4,873	4,873
- Foods & Refreshment	1,712	1,726	1,936	1,936
- Others (includes Exports, Infant & Feminine Care etc.)	141	158	140	140
- Unallocable corporate assets	10,570	8,587	8,100	8,100
Total Segment Assets	19,165	16,798	17,149	17,149
Segment Liabilities				
- Home Care	2,951	2,463	2,865	2,865
- Beauty & Personal Care	4,944	4,051	4,860	4,860
- Foods & Refreshment	1,288	1,119	1,330	1,330
- Others (includes Exports, Infant & Feminine Care etc.)	60	66	80	80
- Unallocable corporate liabilities	4,447	3,935	939	939
Total Segment Liabilities	13,690	11,634	10,074	10,074

Notes on Segment Information:

1. Segment Revenue, Results, Assets and Liabilities represent amounts identifiable to each of the segments. Other "unallocable income net of unallocable expenditure" mainly includes interest income, dividend income, income from current investments (net), expenses on common services not directly identifiable to individual segments, corporate expenses and unallocable exceptional items.

Segment Assets and Segment Liabilities are as at 30th June 2018, 30th June 2017 and 31st March 2018. Unallocable corporate assets less Unallocable corporate liabilities mainly represent investment of surplus funds and cash and bank.

2. Previous period figures have been re-grouped / re-classified wherever necessary, to conform to this period's classification.

Registered Office : Unilever House, B.D. Sawant Marg, Chakala, Andheri East, Mumbai 400 099.

CIN: L15140MH1933PLC002030. Tel : +91 (22) 3983 0000.

Email: levercare.shareholder@unilever.com



Amash

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Notes:

1. According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the quarter ended 30th June, 2017 was reported inclusive of excise duty. Goods and Services Tax ("GST") has been implemented with effect from 1st July, 2017 which replaces Excise Duty and other input taxes. As per Ind AS 115, the revenue for the quarter ended 30th June, 2018 is reported net of GST.
2. In compliance with Ind AS 20 on Government Grants, the amount of budgetary support under Goods and Services Tax, GST Refunds, to be received from the Government of India in relation to the existing eligible units under the different Industrial Promotion Schemes have been recognised as "Other Operating Revenue" with effect from October 2017. In earlier periods these credits were netted off from the excise cost reported in the Statement of Profit and Loss.
3. Comparable Domestic Consumer sales growth and comparable EBITDA margin improvement (mentioned in note 4 and 5 below) for JQ 18 has been arrived at by adjusting:
 - a) Excise Duty, other net input taxes from reported sales of JQ 17, and
 - b) GST Refunds to the reported sales of JQ 18.
4. In view of the accounting impact as shared in note 1 to 3 above, while the Reported Net Sales grew by 3% during the quarter, Comparable Domestic Consumer sales grew by 16% during the quarter.
5. Earnings before interest, tax, depreciation and amortization (EBITDA) for the quarter at Rs. 2,251 crores (JQ 17: Rs. 1,866 crores) grew by 21%. Comparable EBITDA margin improvement is 100 bps vs JQ 17.
6. Profit After Tax before Exceptional Items for the quarter at Rs 1,567 crores (JQ 17: Rs 1,292 crores) grew by 21%.
7. Exceptional items, net cost in JQ 18 includes profit from sale of surplus properties Rs. Nil (JQ 17: Rs. 4 crores) and provision towards restructuring and few contested matters Rs.59 crores (JQ 17: Rs. 17 crores).
8. Profit After Tax for the quarter at Rs. 1,529 crores (JQ 17: Rs.1,283 crores) grew by 19 %.
9. The Company has integrated its Foods and Refreshments segments into one "Foods & Refreshment" and also regrouped its Food Solutions business into this segment (earlier reported under "Others"). Consequently, the business has been re-organised into three divisions viz. Home Care, Beauty & Personal Care, Foods & Refreshment and residual segment for 'Others'. Changes have also been made in Company's Management Committee for this purpose. Accordingly, the Company has reported its segmental results for these divisions. This change complies with the Ind AS segment reporting principles. The comparative figures for the previous periods for segment reporting have been restated to conform to the new segments, refer Annexure 1 attached herewith.
10. Previous period figures have been re-grouped/re-classified wherever necessary.
11. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 16th July, 2018.
12. The text of the above statement was approved by the Board of Directors at their meeting held on 16th July, 2018. The statutory auditors have expressed an unqualified report on the above results.



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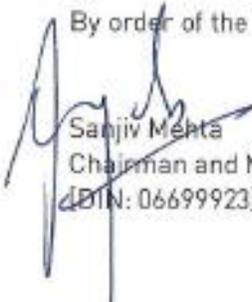
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For more details on Results, visit Investor Relations section of our website at <http://www.hul.co.in> and Financial Results under Corporates section of www.nseindia.com and www.bseindia.com.

Place: Mumbai
Date: 16th July, 2018

By order of the Board



Sanjiv Mehta
Chairman and Managing Director
[DIN: 06699923]



RESTATED IND-AS SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs In Crores)

Particulars	Standalone				Audited Results for the Year ended 31st March 2018
	Unaudited Results for the Quarter ended 30th June 2017	Unaudited Results for the Quarter ended 30th September 2017	Unaudited Results for the Quarter ended 31st December 2017	Audited Results for the Quarter ended 31st March 2018	
Segment Revenue (Sales and Other operating income)					
- Home Care	3,047	2,739	2,741	3,102	11,629
- Beauty & Personal Care	4,368	3,910	4,090	4,096	16,464
- Foods & Refreshment	1,554	1,526	1,572	1,735	6,487
- Others (includes Exports, Infant & Feminine Care Products, etc)	144	128	187	164	624
Total Segment Revenue	9,213	8,303	8,590	9,097	35,204
Segment Results					
- Home Care	448	363	354	509	1,694
- Beauty & Personal Care	1,079	948	1,007	1,066	4,100
- Foods & Refreshment	295	231	172	287	985
- Others (includes Exports, Infant & Feminine Care Products, etc)	(5)	(6)	(3)	2	(12)
Total Segment Results	1,817	1,556	1,530	1,864	6,767
Less: Finance Costs	(6)	(6)	(5)	(4)	(20)
Add/(Less): Other unallocable income net of unallocable expenditure	35	251	160	92	536
Total Profit Before Tax	1,846	1,801	1,685	1,952	7,285
Segment Assets					
- Home Care	1,999	2,203	2,051	2,100	2,100
- Beauty & Personal Care	4,328	4,623	4,710	4,873	4,873
- Foods & Refreshment	1,726	1,781	1,826	1,936	1,936
- Others (includes Exports, Infant & Feminine Care Products, etc)	158	157	145	140	140
- Unallocable corporate assets	8,597	7,304	7,213	8,100	8,100
Total Segment Assets	16,798	16,068	15,945	17,149	17,149
Segment Liabilities					
- Home Care	2,463	2,707	2,908	2,865	2,865
- Beauty & Personal Care	4,051	4,499	4,904	4,860	4,860
- Foods & Refreshment	1,119	1,203	1,376	1,330	1,330
- Others (includes Exports, Infant & Feminine Care Products, etc)	66	82	91	80	80
- Unallocable corporate liabilities	3,935	1,135	933	939	939
Total Segment Liabilities	11,634	9,626	10,212	10,074	10,074

Note on Segment Information:

1. Segment Revenue, Results, Assets and Liabilities represent amounts identifiable to each of the segments. Other "unallocable income net of unallocable expenditure" mainly includes interest income, dividend income, income from current investments (net), expenses on common services not directly identifiable to individual segments, corporate expenses and unallocable exceptional items.

