



Hindustan Unilever Limited

RESULTS FOR JUNE QUARTER 2012

19% DOMESTIC CONSUMER SALES GROWTH; PAT (bei) UP 48 % IN JUNE QUARTER 2012

Mumbai, July 23rd, 2012: Hindustan Unilever Limited announced its results for the quarter ending 30th June 2012.

During the quarter, the Domestic Consumer business grew at 19% with strong underlying volume growth of 9%. Both Home and Personal Care (HPC) and Foods registered double digit growth.

Soaps and Detergents grew 24%; broad based and ahead of market

Laundry sustained its robust growth trajectory with all brands growing in double digits across formats. Continued focus on driving upgradation saw the premium segment perform well with both Surf and Rin delivering double digit volume growth. Comfort fabric conditioners more than doubled during the quarter while Vim led the double digit growth in Household Care.

In Skin Cleansing, all segments and key brands grew in double digits. Dove and Pears continue to drive category premiumization while Lux accelerated its growth momentum. Liquids continued to build consumer franchise and grew strongly. The Axe brand was extended with the launch of the New Axe Bar Soap.

Personal Products grew 17%; led by double digit volume growth

In Skin Care, Fair & Lovely (FAL), Ponds and Lakme grew in double digits. FAL was relaunched during the quarter and Ponds performed well at the premium end led by Age Miracle. Other innovations include the introduction of Vaseline Heel Cream and relaunch of the Lakme Perfect Radiance range with revolutionary technology in skin lightening.

Hair delivered double digit growth across formats. Dove shampoo sustained its growth momentum with volumes more than doubling in the quarter. Hair conditioners continued to lead market development with sustained high growth.

In Oral Care, growth was stepped up to double digits. The Pepsodent Expert Protection range with advanced care benefits around whitening and sensitivity was launched towards the end of the quarter.

Beverages grew 7%; strong growth in Coffee

Tea growth was led by Modern Trade. Red Label delivered volume led double digit growth while emerging segments of Taj Mahal Tea Bags and Lipton Ice Tea grew well. Coffee sustained its growth momentum, with both Instant and Roast & Ground (R&G) doing well and the innovations in Bru continuing to lead category premiumization.

Packaged Foods grew 17%; driven by core

The growth in Kissan was led by volumes, with Ketchup posting its 11th consecutive quarter of double digit growth. While soups grew in double digits, actions are underway to step up growth in the rest of the Knorr portfolio. Kwality Walls had one of its strongest quarters on the strength of exciting innovations launched early in the season and continued focus on distribution expansion.

Water business on track

The Water business has delivered another quarter of strong growth. The portfolio was expanded with the launch of Pureit Advanced with patented germkill technology to provide the assurance of superior protection.

Inflationary pressures continue with currency offsetting commodity

Inflationary pressures during the quarter came primarily from currency depreciation. Cost pressures were managed dynamically through judicious pricing coupled with relentless focus on buying efficiencies and cost savings. Overall media intensity was up and A&P was maintained at competitive levels, higher by Rs 187 Crores (+160 bps) in the quarter.

Profit After Tax (bei) up 48%

Profit before interest and tax (PBIT) grew by 30% with PBIT margin improving 180 bps. Profit after tax but before exceptional items, PAT (bei), grew by 48% to Rs. 855 Crores during the quarter. Net Profit at Rs.1331 Crores grew 112% after accounting for an exceptional income of Rs 607 Crores arising from the sale of properties.

Harish Manwani, Chairman commented: "We have delivered another quarter of strong volume led growth with an improvement in margins. The environment continues to be challenging in terms of inflation and a general economic slowdown. In this context, we are implementing our strategy with even greater rigor and managing our business dynamically to remain competitive and cost efficient. We continue to drive innovation and execution to strengthen our core business while leading market development in the emerging categories."

