



Hindustan Unilever Limited

RESULTS FOR THE QUARTER ENDING 30th SEPTEMBER 2017

10% COMPARABLE* DOMESTIC CONSUMER GROWTH, 20% EBITDA GROWTH

Mumbai, October 25th, 2017: Hindustan Unilever Limited announced its results for the quarter ending 30th September 2017.

During the quarter, our Comparable* Domestic Consumer Growth was 10% and Underlying Volume growth was 4%. Comparable* EBITDA margin was up 180 bps and Net Profit at Rs.1276 Crores grew 16%.

While transition to GST impacted trade purchases in early part of the quarter, consumer offtake remained stable. Trade conditions continue to improve and the wholesale channel is steadily normalizing.

Home Care: Robust volume led growth sustained

Laundry saw robust double-digit growth across the category. Growth in Household Care was led by a strong performance in Vim Bar. The water business saw the launch of the new RO 2-in-1 range.

Personal Care: Broad-based growth across Personal Products and Personal Wash

Personal wash witnessed broad based growth across key brands. Growth in Hair Care was led by Dove; Indulekha continued its strong momentum and further strengthened its brand credentials by receiving clinical validation of being an ayurvedic medicine to prevent hair fall and also help grow hair. Colour cosmetics delivered yet another quarter of double-digit growth. Lever Ayush got off to a good start after its national launch last quarter.

Foods: Growth driven by Kissan

Kissan delivered strong growth driven by Ketchups. Knorr saw the launch of multiple new variants under both Soups & Noodles.

Refreshment: Robust growth sustained

Tea delivered yet another quarter of strong broad-based growth. Ice Cream & Frozen Desserts also delivered robust volume led growth.

Margin improvement sustained: EBITDA margin up by 180 bps

Advertising and Promotion spends were stepped up to support innovations. Sequential margins were sustained due to our strong savings program. Compared to corresponding period last year, Earnings before interest, tax, depreciation and amortisation (EBITDA) at Rs. 1682 Crores was up by 20%. Profit after tax before exceptional items, PAT (bei), at Rs. 1236 Crores was up by 14%, Net Profit at Rs.1276 Crores, was up 16% for the quarter.

The Board of Directors have declared an interim dividend of Rs. 8 per equity share of face value of Re. 1 each for the year ending 31st March 2018.

Harish Manwani, Chairman commented: "In a challenging business environment, we delivered a particularly strong overall performance. This reflects the strength of our brands and our relentless focus on execution in the market place. I am pleased that we were able to swiftly implement GST and quickly pass on the net benefit through price reductions to consumers across the country.

Despite short-term challenges, we are confident of the medium-term outlook for the FMCG industry and remain focused on driving consumer value and profitable volume driven growth."

*Comparable: Reflecting the accounting impact of GST (Excise and other tax costs under earlier regime, now subsumed under GST and netted from Turnover in base)





HINDUSTAN UNILEVER LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2017

STANDALONE		STANDALONE		STANDALONE	
Unaudited Results for the Quarter ended 30th September 2017	Unaudited Results for the Quarter ended 30th June 2017	Particulars		Unaudited Results for the Six months ended 30th September 2017	Audited Results for the Year ended 31st March 2017
8,199	9,094	Revenue from operations		17,293	33,895
110	128	Sale of products (including excise duty)		238	592
204	113	Other operating revenue		317	526
8,513	9,335	Other income		17,848	35,013
2,885	2,904	TOTAL INCOME		5,789	11,363
1,061	1,128	EXPENSES		2,189	4,166
(17)	52	Cost of materials consumed		35	68
-	693	Purchases of stock-in-trade		693	1,312
435	419	Changes in inventories of finished goods (including stock-in-trade) and work-in-progress		854	1,620
6	6	Excise duty		12	22
115	114	Employee benefits expenses		229	396
1,023	905	Finance costs		1,928	3,470
1,240	1,255	Depreciation and amortisation expenses		2,495	5,068
6,748	7,476	Other expenses		14,224	28,858
1,765	1,859	Advertising and promotion		3,624	6,155
36	(13)	Others		23	241
1,801	1,846	TOTAL EXPENSES		3,647	6,396
(537)	(618)	Profit before exceptional items and tax		(1,155)	(1,865)
12	55	Exceptional items (net credit/ (charge))		87	(41)
1,276	1,283	Profit before tax		2,559	4,490
-	-	Tax expenses		-	-
-	-	Current tax		-	-
-	-	Deferred tax credit/(charge)		-	-
-	-	PROFIT FOR THE PERIOD (A)		-	-
-	-	OTHER COMPREHENSIVE INCOME		-	-
-	-	Items that will not be reclassified subsequently to profit or loss		-	-
-	-	Remeasurements of the net defined benefit plans		-	-
-	-	Tax on above		-	-
1	(3)	Items that will be reclassified subsequently to profit or loss		(2)	1
(0)	1	Fair value of debt instruments through other comprehensive income		1	(0)
-	-	Tax on above		-	-
1	(2)	OTHER COMPREHENSIVE INCOME FOR THE PERIOD (B)		(1)	(20)
1,277	1,281	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B)		2,558	4,470
216	216	Paid up Equity Share Capital (face value Re. 1 per share)		216	216
-	-	Other Equity		-	6,274
5.90	5.93	Earnings per equity share (Face value of Re 1 each)		11.82	20.75
5.90	5.93	Basic (in Rs)		11.82	20.74
-	-	Diluted (in Rs)		10.48	20.74



HINDUSTAN UNILEVER LIMITED

(Rs in Crores)

Statement of Assets and Liabilities		As at 30th September, 2017	As at 31st March, 2017
Particulars		Unaudited	Audited
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	3,628	3,654
	Capital work-in-progress	460	203
	Goodwill	0	0
	Other intangible assets	365	370
	Investments in subsidiaries, associates and joint ventures	254	254
	Financial assets		
	Investments	2	6
	Loans	265	306
	Other financial assets	29	6
	Non-current tax assets (net)	311	311
	Deferred tax assets (net)	225	160
	Other non-current assets	70	70
	Sub-total - Non-Current Assets	5,609	5,340
2	Current assets		
	Inventories	2,185	2,362
	Financial assets		
	Investments	3,610	3,519
	Trade receivables	1,214	928
	Cash and cash equivalents	667	572
	Bank balances other than Cash and Cash equivalents above	1,463	1,099
	Other financial assets	338	306
	Other current assets	961	553
	Assets held for sale	21	72
	Sub-total - Current Assets	10,459	9,411
	TOTAL - ASSETS	16,068	14,751
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity Share capital	216	216
	Other equity	6,226	6,274
	Sub-total - Equity	6,442	6,490
2	LIABILITIES		
	Non-current liabilities		
	Financial liabilities		
	Other financial liabilities	74	71
	Provisions	708	485
	Non-current tax liabilities (net)	296	296
	Other non-current liabilities	152	207
	Sub-total - Non-current liabilities	1,230	1,059
3	Current liabilities		
	Financial liabilities		
	Trade payables	6,773	6,006
	Other financial liabilities	145	181
	Other current liabilities	822	628
	Provisions	331	387
	Current tax liabilities (net)	325	-
	Sub-total - Current liabilities	8,396	7,202
	TOTAL - EQUITY AND LIABILITIES	16,068	14,751

Notes:

1. According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the quarter ended 30th September, 2016 was reported inclusive of excise duty. Goods and Service Tax ("GST") has been implemented with effect from 1st July, 2017 which replaces Excise Duty and other input taxes. As per Ind AS 18, the revenue for the quarter ended 30th September, 2017 is reported net of GST. Comparable Domestic Consumer sales growth and comparable EBITDA margin improvement (mentioned in note 2 and 3 below) for SQ'17 has been arrived by adjusting Excise Duty and other net input taxes from revenue in SQ'16.
2. In view of the accounting impact as shared in note 1 above, the Reported Net Sales are lower by 2% during the quarter. Comparable Domestic Consumer sales grew by 10% during the quarter.
3. Earnings before interest, tax, depreciation and amortization (EBITDA) for the quarter at Rs.1,682 crores (SQ'16: Rs 1,405 crores) grew by 20%. Comparable EBITDA margin improvement is 180 bps vs SQ'16.
4. Profit After Tax before Exceptional Items for the quarter at Rs 1,236 crores (SQ'16: Rs 1,082 crores) grew by 14%
5. Exceptional items, net credit in SQ'17 includes profit on sale of equity shares in Kimberly Clark Lever Pvt. Ltd. Rs.46 crores (SQ'16: Rs Nil), restructuring expenses Rs.10 crores (SQ'16: Rs. 2 crores), profit on sale of businesses Rs. Nil (SQ'16: Rs. 20 crores)
6. Profit After Tax for the quarter at Rs. 1,276 crores (SQ'16: Rs.1,096 crores) grew by 16 %.
7. The Board has declared an interim dividend of Rs.8 per equity share of face value of Rs.1 each for the period ended 30th September, 2017 at its meeting held on 25th October, 2017.
8. Previous period figures have been re-grouped/re-classified wherever necessary.
9. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 25th October, 2017.
10. The text of the above statement was approved by the Board of Directors at their meeting held on 25th October, 2017. The statutory auditors have expressed an unqualified report on the above results.

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: 25th October, 2017



By order of the Board


Sanjiv Mehta
Managing Director & CEO
[DIN: 06599923]

