



Hindustan Unilever Limited

RESULTS FOR THE QUARTER ENDING 30th SEPTEMBER 2018

12% DOMESTIC CONSUMER GROWTH, 10% UNDERLYING VOLUME GROWTH

Mumbai, October 12th, 2018: Hindustan Unilever Limited announced its results for the quarter ending 30th September 2018.

Domestic Consumer Growth was 12% with Underlying Volume Growth at 10%. EBITDA margin was up 160 bps and Profit after tax (bei) at Rs.1522 Crores grew by 23%.

Home Care: Strong volume driven growth sustained

Stellar performance in Home Care continued with Fabric wash and Household care delivering double-digit growth. Domex 'Pick up the Brush' campaign was launched in South India and was well received. Our market development and premiumization initiatives are delivering good results.

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

Skin Care delivered good performance with our key brands registering robust growths. Men's Fair and Lovely relaunch was well received. Hair Care witnessed strong double-digit growth and TRESemmé was relaunched with superior fragrance and packaging. Colour cosmetics delivered yet another quarter of strong performance on the back of successful innovations; "Kareena Kapoor Khan by Lakmé Absolute" an exclusive makeup range was also launched during the quarter. Axe Ticket has performed well and is continuing to gain traction. Personal Wash saw robust growth across the premium portfolio with Dove and Pears performing well.

Foods & Refreshment: Robust growth across categories

Beverages delivered broad based double-digit growth for the quarter enabled by flawless execution of our WiMI strategy. Ice Cream and Frozen desserts and Foods performed well with double-digit growths. We acquired Adityaa Milk Ice cream during the quarter and the integration has commenced.

Margin improvement sustained: EBITDA margin up by 160 bps

Our well-established savings programme and leverage in other expenses has enabled us to mitigate material inflation and drive margin improvement. Earnings before interest, tax, depreciation and amortization (EBITDA) at Rs. 2019 Crores was up by 20%. Profit after tax (PAT), at Rs. 1525 Crores was up by 20%.

The Board of Directors has declared an interim dividend of Rs. 9 per share for the year ending 31st March 2019.

Sanjiv Mehta, Chairman and Managing Director commented: "We have delivered another strong performance in the quarter and also for the half year. Our focus on strengthening the core, leading market development and driving excellence in execution has enabled us to deliver competitive and profitable growth.

In the near term, we expect demand to be stable. Our strength of agility and responsiveness gives us confidence to navigate the headwinds arising from crude inflation and currency depreciation. Our strategic agenda remains one of delivering Consistent, Competitive, Profitable and Responsible growth."





HINDUSTAN UNILEVER LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTH ENDED 30TH SEPTEMBER, 2018

Unaudited Results for the quarter ended 30th September		Unaudited Results for the quarter ended 30th June 2018		Particulars		Unaudited Results for the six months ended 30th September		Audited Results for the year ended 31st March 2018	
2018	2017	2018				2018	2017	2018	
9,138	8,189	9,356		Revenue from operations		18,494	17,283	34,619	
96	110	131		Sale of products (including excise duty)		227	238	509	
305	204	135		Other operating revenue		440	317	589	
9,539	8,513	9,622		Other income		19,161	17,848	36,787	
3,343	2,885	3,379		EXPENSES		6,722	5,788	12,491	
1,182	1,061	905		Cost of materials consumed		2,087	2,188	3,812	
(90)	(17)	80		Purchases of stock-in-trade		(10)	35	(71)	
-	-	-		Changes in inventories of finished goods (including stock-in-trade) and work-in-progress		-	683	693	
438	435	442		Excise duty		880	854	1,745	
7	6	7		Employee benefits expenses		14	12	20	
130	115	127		Finance costs		257	229	478	
1,106	1,023	1,153		Depreciation and amortisation expenses		2,259	1,928	4,105	
1,236	1,240	1,277		Other expenses		2,513	2,495	5,167	
7,362	6,748	7,370		Advertising and promotion		14,722	14,224	28,440	
2,187	1,765	2,252		Other expenses		4,439	3,624	7,347	
(35)	38	(59)		Profit before exceptional items and tax		(94)	23	(62)	
2,152	1,801	2,193		Exceptional items (net credit/charge)		4,346	3,647	7,285	
(677)	(537)	(656)		Profit before tax		(1,333)	(1,155)	(2,148)	
50	12	(6)		Tax expenses		42	67	100	
1,525	1,276	1,529		Current tax		3,054	2,559	5,237	
				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					
				Items that will be reclassified subsequently to profit or loss					
				Fair value of debt instruments through other comprehensive income		(2)	(2)	(2)	
				Tax on above		1	1	1	
				OTHER COMPREHENSIVE INCOME FOR THE PERIOD (B)		(1)	(1)	(12)	
1,525	1,277	1,528		TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B)		3,053	2,658	6,225	
216	216	216		Paid up Equity Share Capital (Face value Re. 1 per share)		216	216	216	
				Other Equity				6,869	
7.04	5.90	7.06		Earnings per equity share (Face value of Re. 1 each)					
7.04	5.90	7.06		Basic (in Rs.)		14.11	11.82	24.20	
				Diluted (in Rs.)		14.11	11.82	24.19	

HINDUSTAN UNILEVER LIMITED

BSR & Co LLP

 Chartered Accountants

 Mumbai-400011

SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

STANDALONE		STANDALONE		(Rs in Crores)	
Unaudited Results for the quarter ended 30th September	Unaudited Results for the quarter ended 30th June	Unaudited Results for the six months ended 30th September	Audited Results for year ended 31st March	2018	2019
2018	2018	2018	2018		
3,080	3,146	6,226	5,786		11,629
4,316	4,407	8,723	8,278		16,464
1,704	1,526	3,489	3,180		6,487
134	128	283	272		624
9,234	9,303	18,721	17,516		36,204
Segment Revenue (Sales and Other operating income)					
- Home Care					
492	602	1,094	831		1,694
1,115	1,162	2,277	2,027		4,100
288	334	622	526		985
2	(2)	-	(11)		(12)
1,897	2,096	3,993	3,373		6,767
(7)	(7)	(14)	(12)		(20)
262	104	366	286		538
2,152	2,193	4,345	3,647		7,285
Segment Assets					
- Home Care					
2,058	2,021	2,058	2,203		2,100
4,753	4,721	4,753	4,623		4,873
1,908	1,712	1,908	1,781		1,936
140	141	140	157		140
8,818	10,570	8,818	7,304		8,100
17,677	19,165	17,677	16,068		17,149
Segment Liabilities					
- Home Care					
2,088	2,951	2,968	2,707		2,865
5,050	4,944	5,050	4,499		4,850
1,297	1,288	1,297	1,203		1,330
63	60	63	82		80
1,275	4,447	1,275	1,135		939
10,673	13,690	10,673	9,626		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 September 2018, 30th June 2018, 31st March 2018 and 30th September 2017. Unallocable corporate assets less Unallocable corporate liabilities mainly represent investment of surplus funds and cash and bank balances.

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



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HINDUSTAN UNILEVER LIMITED
UNAUDITED BALANCE SHEET AS AT 30TH SEPTEMBER, 2018

(Rs in Crores)

Statement of Assets and Liabilities		As at 30th September, 2018	As at 31st March, 2018
A	ASSETS		
1	Non-current assets		
	Property, plant and equipment	3,768	3,776
	Capital work-in-progress	452	430
	Goodwill	36	0
	Other intangible assets	409	366
	Investments in subsidiaries, associates and joint ventures	254	254
	Financial assets		
	- Investments	2	2
	- Loans	443	404
	- Other financial assets	25	6
	Non-current tax assets (net)	546	439
	Deferred tax assets (net)	297	255
	Other non-current assets	105	78
	Total Non-current assets	6,337	6,010
2	Current assets		
	Inventories	2,205	2,359
	Financial assets		
	- Investments	3,539	2,855
	- Trade receivables	1,093	1,147
	- Cash and cash equivalents	1,073	573
	- Bank balances other than cash and cash equivalents mentioned above	2,198	2,800
	- Other financial assets	728	829
	Other current assets	500	560
	Assets held for sale	4	16
	Total - Current assets	11,340	11,139
	TOTAL - ASSETS	17,677	17,149
B	EQUITY AND LIABILITIES		
1	EQUITY		
	Equity share capital	216	216
	Other equity	6,788	6,859
	Total - Equity	7,004	7,075
2	LIABILITIES		
	Non-current liabilities		
	Financial liabilities		
	- Other financial liabilities	136	115
	Provisions	817	772
	Non-current tax liabilities (net)	384	384
	Other non-current liabilities	195	167
	Total - Non-current liabilities	1,532	1,438
	Current liabilities		
	Financial liabilities		
	- Trade payables	7,324	7,013
	- Other financial liabilities	193	203
	Current tax liabilities (net)	300	-
	Other current liabilities	621	769
	Provisions	703	651
	Total - Current liabilities	9,141	8,636
	TOTAL - EQUITY AND LIABILITIES	17,677	17,149



Notes:

1. Sales grew by 11% during the quarter, Domestic Consumer sales grew by 12% during the quarter.
2. In compliance with IND AS 20 on Government Grants and consequent to clarifications published by The Institute of Chartered Accountants of India, the amount of budgetary support under GST (Goods and Service Tax) in relation to the existing eligible units under the different Industrial Promotion Schemes have been recognised as "Other Income" with effect from July 2018. In earlier periods these refunds were reported under "Other Operating Revenue" in the Statement of Profit and Loss. This has no impact on reported Profit Before Tax (PBT).
3. Earnings before interest, tax, depreciation and amortization (EBITDA) for the quarter at Rs. 2,019 crores [SQ 17: Rs. 1,682 crores] grew by 20%. EBITDA margin improvement is 160 bps vs SQ 17.
4. Profit After Tax before Exceptional Items for the quarter at Rs 1,522 crores [SQ 17: Rs 1,236 crores] grew by 23%.
5. Exceptional items, net cost in SQ 18 includes restructuring expenses Rs. 34 crores [SQ 17: Rs.10 crores], acquisition related cost Rs.1 crore [SQ 17: Rs. Nil] and profit from sale of equity shares in Kimberly Clark Lever Pvt. Ltd Rs. Nil [SQ 17: Rs. 46 crores].
6. Profit After Tax for the quarter at Rs. 1,525 crores [SQ 17: Rs.1,276 crores] grew by 20 %.
7. On 26th September, 2018 the Company completed the acquisition of ice-cream and frozen dessert business consisting of flagship brand 'Adityaa Milk' and front-end distribution network from Vijaykant Dairy and Food Products Limited (VDFPL) and its group company. The transaction is accounted as Business Combination as per Ind AS 103.
8. The Board has declared an interim dividend of Rs.9 per equity share of face value of Rs.1 each for the period ended 30th September, 2018 at its meeting held on 12th October, 2018. The record date for the purpose of determining the entitlement for payment of interim dividend is fixed as 26th October, 2018.
9. The Shareholders of the Company, had, at the Court Convened Meeting held on 30th June, 2016, approved the Scheme of Arrangement for transfer of the balance of Rs. 2,187.33 crores standing to the credit of the General Reserves to the Profit and Loss Account. The Company had accordingly filed a petition for sanction of the Scheme of Arrangement with the Hon'ble High Court of Mumbai [jurisdiction later changed to National Company Law Tribunal (NCLT)]. The Hon'ble National Company Law Tribunal, Mumbai Bench, vide it's order dated 30th August, 2018, has sanctioned the aforesaid Scheme of Arrangement. The Company has received the said Order on 27th September, 2018 and filed the Order and the Scheme with Registrar of Companies (ROC) on 5th October, 2018. Upon the Scheme becoming effective and subsequent to the reclassification of the amounts standing to the credit of the General Reserves to Profit and Loss account in the December Quarter, 2018, the amount so credited shall be paid out to the members of the Company, from time to time, by the Board of Directors at its sole discretion, in such manner, quantum and at such time as the Board may decide.
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 12th October, 2018.



12. The text of the above statement was approved by the Board of Directors at their meeting held on 12th October, 2018. 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.

By order of the Board

Place: Mumbai
Date: 12th October, 2018

Sanjiv Mehta
Chairman and Managing Director
[DIN: 06699923]

