

PRESS RELEASE

Hindustan Unilever Limited – June Quarter 2010 Results

Double digit volume growth sustained at +11%

Mumbai, July 27th 2010: Hindustan Unilever Limited (HUL) announced its results for June Quarter 2010. During the quarter, Net Sales grew 7.1%, with Domestic Consumer Business growing 8% driven by sustained double digit volume growth of 11%.

Both Detergents & Personal Products grew double digit in volume. HPC business grew 5.2% during the quarter. Decisive actions to defend the Company's market leadership were implemented, delivering accelerated volume growth, especially in Laundry. All three brands in Laundry grew well. Rin was relaunched with an improved formulation towards the end of the quarter. Personal Wash regained volume momentum, post portfolio rejuvenation and continued brand support. Premium soaps portfolio grew strong double digits; Dove became accessible to more consumers with the launch of Rs 20 price point pack.

Personal Products grew 11%, with volumes also growing in double digits. In Shampoo, leadership was further strengthened with growth ahead of the market. Conditioners portfolio continues to be built with great success. In Oral, the germicheck credentials of Pepsodent were strengthened with a new communication, while Close up continued to perform well. Skin Care growth was broad based and well ahead of market, driven by the relaunch of Fair & Lovely and growing contribution from Pond's White Beauty & Vaseline Healthy White. The male grooming portfolio continued to be strengthened with the launch of Vaseline Menz and Max Fairness under Fair & Lovely. The expanded facial cleansing portfolio performed very well.

Foods business including Beverages grew 13%. All segments in Foods viz Tea, Coffee, Processed Foods and Ice creams grew well during the Quarter. With the successful launch and national roll out of Brooke Bond Sehatmand, Tea grew in double digits despite a weak market growth. Knorr Soupy Noodles received a very good consumer response with volume above expectations. Kissan and Annapurna brands grew in strong double digits with robust volume growth. Ice-cream grew 18%, crossing the Rs 100 cr milestone during the quarter.

Pure-it continued its strong growth momentum, boosted by a successful launch of Pure-it Compact at Rs 1000, which maintains the highest standards of germ kill efficacy. The business expanded its retail coverage and further enhanced service levels.

Cost saving programs and buying efficiencies continued to deliver strongly, reducing cost of goods sold by 60 bps. A&P investments were stepped up by 310 bps to 15.7% of sales, behind brand building, defending leadership positions and simultaneously building new categories. Consequently, operating margins were lower by 190 bps. PBIT declined by 6.7%. Effective tax management restricted PAT (bei) decline to 3.1%. Net Profit at Rs 533 crs was lower by 1.8%.

Harish Manwani, Chairman commented: "Despite an intensely competitive environment, we have sustained double-digit volume growth. We continue to invest fully to defend our strong leadership positions and build competitive growth momentum through bigger and better innovations. We are simultaneously leading market development of emerging categories and strengthening organisational capabilities to win with consumers, channels and segments of the future."

About Hindustan Unilever Limited

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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Hindustan Unilever Limited
HINDUSTAN UNILEVER LIMITED

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2010

Rs. Lakhs

| | Unaudited Results for the Quarter ended 30th June | | Audited Results for the Accounting year ended |
|--|---|---------------|---|
| | 2010 | 2009 | 31st March 2010 |
| 1.a. Net Sales From Operations [sum of (i) to (iv)] | 479389 | 447568 | 1752380 |
| i) Domestic FMCG - HPC | 358317 | 340582 | 1314964 |
| ii) Domestic FMCG - Foods | 84206 | 74284 | 306236 |
| Domestic FMCG - Total (i+ii) | 442523 | 414866 | 1621200 |
| iii) Exports | 26298 | 25558 | 100017 |
| iv) Others | 10568 | 7144 | 31163 |
| 1.b. Other Operational Income | 8232 | 2695 | 20153 |
| 1. Total Income [1.a. + 1.b.] | 487621 | 450263 | 1772533 |
| 2. Expenditure [sum of (a) to (g)] | 424877 | 383009 | 1515939 |
| a) (Increase)/decrease in stock in trade and work in progress | 11107 | 22716 | (2272) |
| b) Consumption of raw/packing materials | 168326 | 156131 | 660887 |
| c) Purchase of goods | 65227 | 52318 | 229174 |
| d) Employees Cost | 25061 | 25040 | 93630 |
| e) Depreciation/Amortisation | 5350 | 4249 | 18403 |
| f) Advertising & Promotions | 75121 | 56111 | 239143 |
| g) Other expenditure | 74685 | 66444 | 276974 |
| 3. Profit from Operations Before Other Income, Interest and Exceptional Items (1-2) | 62744 | 67254 | 256594 |
| 4. Other Income | 4213 | 3354 | 14811 |
| 5. Profit before Interest & Exceptional Items (3+4) | 66957 | 70608 | 271405 |
| 6. Interest expense | 8 | 517 | 698 |
| 7. Profit after Interest but before exceptional Items (5-6) | 66949 | 70091 | 270707 |
| 8. Exceptional Items - (loss)/gain | 1850 | 276 | 5545 |
| 9. Profit Before Tax (7+8) | 68799 | 70367 | 276252 |
| 10. Tax expense | (15478) | (16425) | (61637) |
| 11. Net Profit After Tax from ordinary activities [9+10] | 53321 | 53942 | 214615 |
| 12. Extraordinary Items (net of tax Rs.Nil; JQ09: Rs.111 Lakhs) - gain/(loss) | - | 377 | 5588 |
| 13. Net Profit (11+12) | 53321 | 54319 | 220203 |
| 14. Paid up Equity Share Capital (face value Re 1 per share) | 21821 | 21805 | 21817 |
| 15. Reserves excluding Revaluation Reserve | | | 236468 |
| 16. Earnings Per Share (EPS) - | | | |
| Basic Earnings per Share of Re 1 (before Extraordinary Items) - Rs. | 2.44 | 2.47 | 9.84 |
| Diluted Earnings per Share of Re 1 (before Extraordinary Items) - Rs. | 2.44 | 2.47 | 9.83 |
| Basic Earnings per Share of Re 1 (after Extraordinary Items) - Rs. | 2.44 | 2.49 | 10.10 |
| Diluted Earnings per Share of Re 1 (after Extraordinary Items) - Rs. | 2.44 | 2.49 | 10.08 |
| 17. Public Shareholding | | | |
| - Number of Shares | 1,047,230,942 | 1,045,690,600 | 1,046,837,321 |
| - Percentage of Shareholding | 47.99% | 47.96% | 47.98% |
| 18. Promoters and Promoter Group Shareholding | | | |
| a) Pledged/Encumbered | | | |
| - Number of shares | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | NA | NA | NA |
| - Percentage of shares (as a % of the total share capital of the company) | NA | NA | NA |
| b) Non-Encumbered | | | |
| - Number of shares | 1,134,849,460 | 1,134,849,460 | 1,134,849,460 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100.00% | 100.00% | 100.00% |
| - Percentage of shares (as a % of the total share capital of the company) | 52.01% | 52.04% | 52.02% |

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED, UNDER CLAUSE 41 OF THE LISTING AGREEMENT

| | Rs. Lakhs | | |
|--|---|---------------|---|
| | Unaudited Results for the Quarter ended 30th June | | Audited Results for the Accounting year ended |
| | 2010 | 2009 | 31st March 2010 |
| Segment Revenue (Sales and Income from Services) | | | |
| - Soaps and Detergents | 226446 | 221153 | 826564 |
| - Personal Products | 136551 | 122551 | 504790 |
| - Beverages | 53784 | 49958 | 214243 |
| - Processed Foods | 21111 | 17210 | 73078 |
| - Ice Creams | 10464 | 8859 | 23100 |
| - Exports | 26477 | 25747 | 100525 |
| - Others (includes Chemicals, Water etc) | 11258 | 7941 | 34672 |
| Total Segment Revenue | 486091 | 453419 | 1776972 |
| Less : Inter segment revenue | - | (385) | (385) |
| Net Segment Revenue | 486091 | 453034 | 1776587 |
| Segment Results (Profit/(Loss) before tax and interest) | | | |
| - Soaps and Detergents | 24875 | 38147 | 118527 |
| - Personal Products | 33879 | 26986 | 129652 |
| - Beverages | 6953 | 7033 | 31975 |
| - Processed Foods | 1055 | (128) | 444 |
| - Ice Creams | 1532 | 1548 | 1269 |
| - Exports | 2269 | 2054 | 5858 |
| - Others (includes Chemicals, Water etc) | (2661) | (2794) | (7202) |
| Total Segment Results | 67902 | 72846 | 280523 |
| Less : Interest Expense | (8) | (517) | (698) |
| Add/(Less) : Other unallocable expenditure net of unallocable income | 905 | (1962) | (3573) |
| Total Profit Before Tax from ordinary activities | 68799 | 70367 | 276252 |
| Capital Employed (Segment assets less Segment liabilities) | | | |
| - Soaps and Detergents | (62178) | 8050 | (29472) |
| - Personal Products | (10920) | (11984) | 15475 |
| - Beverages | 14215 | 18078 | 24965 |
| - Processed Foods | (344) | (1158) | (1530) |
| - Ice Creams | 1594 | 4029 | 4857 |
| - Exports | 19149 | 22412 | 18892 |
| - Others | (8743) | (7290) | (4997) |
| Total Capital Employed in segments | (47227) | 32137 | 28190 |
| Add : Unallocable corporate assets less corporate liabilities | 359610 | 229356 | 230162 |
| Total Capital Employed in company | 312383 | 261493 | 258352 |

Notes:

1. Net sales grew by 7.1 % during the quarter. FMCG sales grew by 6.7% with a 5.2% growth in HPC and 13.4% growth in Foods businesses.
2. Operating Profit (Profit from Operations before Other Income, Interest and Exceptional Items) for the quarter at Rs. 62744 lakhs (JQ'09: Rs. 67254 lakhs) declined by 6.7%.
3. Profit after tax from ordinary activities before Exceptional Items (refer note 6 below) and Forex MTM (refer note 4 below) for the quarter at Rs. 51237 lakhs (JQ'09: Rs. 55859 lakhs) declined by 8.3 %.
4. Other Operational Income includes a credit of Rs. 1322 lakhs for JQ'10 (JQ'09: charge of Rs. 3181 lakhs) on account of foreign exchange Mark to Market (MTM) valuation of open forward contracts & monetary items (viz. foreign currency receivables & payables) in line with AS -11.
5. Other income includes interest income, dividend income and net gain on sale of other non trade investments.
6. Exceptional items in JQ'10 include profit on sale of properties Rs. 1849 lakhs (JQ'09: Rs. 518 lakhs), profit on sale of long term trade investments Rs. 441 lakhs (JQ'09: Rs. nil) and restructuring costs of Rs. 440 lakhs (JQ'09: Rs. 242 lakhs).
7. Extraordinary items (net of tax) for JQ' 09 is on account of profit arising on disposal of a subsidiary , Shamnagar Estates Private Limited (Shamnagar Property).
8. The Board of Directors in their meeting held on 11th June 2010 approved buyback of Company's equity shares at a price not exceeding Rs. 280 per share and upto an aggregate amount of Rs. 630 crores. The approval of the shareholders for the buyback was obtained through postal ballot, the results of which were declared on 26th July,2010.
9. Investor complaints status
All 21 complaints received during JQ'10 have been resolved to the satisfaction of the investors.
No complaints were pending for resolution either at the beginning or at the end of June Quarter – 2010.
10. Previous period figures have been re-grouped/restated wherever necessary to conform to this period's classification.
11. The text of the above statement was approved by the Board of Directors at their meeting held on 27th July, 2010.

Limited Review : The Limited Review by the Statutory Auditors for the quarter as required under clause 41 of the Listing Agreement has been completed and the related Report is being forwarded to the Stock Exchanges. This Report does not have any impact on the above Results and Notes which needs to be explained.

For more details, visit our website at <http://www.hul.co.in>

By order of the Board

Place: Mumbai
Date: 27th July, 2010

Nitin Paranjpe
Managing Director & CEO

Notes on Segment Information

1. Segment Revenue, Results and Capital Employed figures represents amount identifiable to each of the segments. Other unallocable expenditure net of unallocable income includes expenses on common services not directly identifiable to individual segments, corporate expenses, interest/dividend/ other financial income (net) and exceptional items.

Capital Employed figures are as at 30th June 2010, 30th June 2009 and 31st March 2010. Unallocated corporate assets less corporate liabilities mainly represent investments of surplus funds.

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