

RESULTS FOR THE QUARTER ENDING 31st DECEMBER 2017

17% COMPARABLE* DOMESTIC CONSUMER GROWTH, EBITDA UP 24%

Mumbai, January 17th, 2018: Hindustan Unilever Limited announced its results for the quarter ending 31st December 2017.

During the quarter, our Comparable* Domestic Consumer Growth was 17% and Underlying Volume growth was 11%. This was on a weak base comparator. Comparable* EBITDA margin was up 110 bps and Net Profit at Rs.1326 Crores grew by 28%.

Home Care: Double-digit volume growth across categories

Laundry saw robust double-digit growth across key brands. Growth in Household Care was led by a strong performance in Vim. The Purifiers business saw the launch of air purifiers under the Pureit brand.

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

Personal wash witnessed robust growth across key brands led by Dove and Pears. Growth in Skin Care was driven by the strong performance of Fair & Lovely. Hair Care witnessed broad based volume led growth. Indulekha brand has now been extended to include Indulekha Bringha shampoo, an 'Ayurvedic Medicine for Hairfall'. Colour cosmetics delivered yet another quarter of strong growth.

Foods: Strong growth led by Kissan

Kissan delivered broad based growth across Ketchups & Jams. Knorr growth was led by a strong performance in Soups.

Refreshment: Sustained robust performance

Tea continues to deliver double-digit growth. Coffee witnessed a strong performance and the growth momentum continued in Ice Cream and Frozen Desserts.

Margin improvement sustained: Comparable* EBITDA margin up by 110 bps

Cost of Goods Sold were lower, on the back of a strong savings program. Advertising and Promotion spends were stepped up to support innovations and market development activities. Earnings before interest, tax, depreciation and amortisation (EBITDA) at Rs. 1680 Crores was up by 24%. Profit after tax before exceptional items, PAT (bei), at Rs. 1198 Crores was up by 30%, Net Profit at Rs.1326 Crores, was up 28% for the quarter.

GST rate reduction in November'17

Effective 15th November, GST rates were reduced for some of our categories from 28% to 18%. While the implementation of this change was initiated immediately, it was not possible to pass on the entire benefit of this rate reduction on some of the pipeline stocks during the transition. An estimated value of Rs. 119 crores was proactively disclosed to the CBEC on this count and we have offered to pay this amount suo motu to the Government. This amount is not recognised as revenue and is accounted as a liability as on 31st December 17.

Harish Manwani, Chairman commented: "We have delivered another strong performance in the quarter, with broad based growth across categories and further improvement in margins. We remain positive about the mid-term outlook of the industry and will continue to invest strongly in our core brands and developing categories of the future. There are early signs of commodity cost inflation and we will further sharpen our focus on cost effectiveness programs and manage our business dynamically for competitiveness and sustained profitability."

*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

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HINDUSTAN UNILEVER LIMITED STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017

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Quarter ended 31st December	ended ember	the Quarter ended 30th Sep	Particulars	Unaudited Results for the Nine months ended	s for the nded	Audited Results for the Year ended
2017	2016	2017		2017 2017	2016	31St March
8,323	8,124	8,199	Revenue from operations Stile of products (including excess duty)	26.616	25, 129	200 50
287	193	110	Other operating revenue	505	479	503
152	83	204	Other income	469	443	528
8,742	8,400	8,513	TOTAL INCOME EXPENSES	26,590	26,044	35,013
3,188	2,574	2,885	Cost of materials consumed	8.877	8.245	11 363
268	1,021	1,061	Purchases of stock-in-trade	2,967	3,198	4.105
(13)	149	(11)	Changes in invertionies of finished goods (including stock-in-trade) and work-in-properties	(15)	218	156
•	612		Excise duy	683	1.924	2 597
481	403	435	Employee benefits expenses	1,345	1,232	1.620
10	5	œ	Finance costs	16	15	2
121	100	115	Depreciation and amortisation expenses	350	288	396
4 107	896	4 000	Other expenses		1.4.4	
1.407	1.312	CPC 1	Proventianing and promotory	3,035	2,816	3,470
7.036	7.067	6.748	TOTAL EXPENSES	94946	211/0	0,000
				207"17	£02'17	202'27
1,706	1,333	1,765	Profit before exceptional items and tax	5,331	4,535	6,155
(21)	153	38	Exceptional items [net credit/(charge)]	^(N)	242	241
1,685	1,486	1,801	Profit before tex	5,333	4,777	6,396
12007	146.01	1000	Tax expenses			
1001		liser		(234/1)	(1,482)	(1,885)
1,326	1,038	1,276	DRAFTED TAX CFED(CTARGE) PROPER FOR THE PERIOD (A)	3,886	3,307	(41) 4,490
	,		OTHER COMPREHENSIVE INCOME Items that will not be reclassified subsequently to profit or loss			
÷			Tax on above		:03	11
E o	£°	₽ĝ	trems that will be reclassified subsequently to profit or loss. Fair value of debt instruments through other comprehensive income Tax on above	6	(1)	÷ē
(1)	(1)	T	OTHER COMPREHENSIVE INCOME FOR THE PERIOD (B)	(2)	Ξ	(20)
1,325	1,037	1,277	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B)	3,884	3,306	4,470
216	216	216	Paid up Equity Share Capital (face value Re. 1 per share) Other Equity	216	216	216 6,274
6.13	4.80	5.90	Earnings per equity share (Face value of Re 1 each) Basic (in Re).	17 85	4.F. 2.R	100
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Unaudited Results for the	suits for the	Unsudited Results for		14. 14. 14.	ALMINIMUM I	
Quarter ended 31st December	ended ember	the Quarter ended 30th Sep	Parti culars	Unaudited Results for the Nine months ended	ults for the s ended	Audited Results for the Year ended
2017	2016	2017		2049	Shac	OTSK WAFCI
			Segment Revenue (Sales and Other operating income)		0107	1107
2,741	2,689	2,739	- Home Care	8.527	R 340	14 348
4,090	3,980	3,910	- Personal Care	12,368	12.230	18.304
300	279	282	- Foods	888	828	1 174
1,248	1,164	1,222	- Refreshments	3.816	3 548	
211	195	150	- Others (includes Exports, Infant & Feminine Care etc.)	829	617	
8,690	8,307	8,303	Total Segment Revenue	26,106	25,555	34,441
			Segment Results (Profit from ordinary activities before tax and interest)			
364	234	363	- Home Care	1 186	870	1 960
1,007	921	948	- Personal Care	3 034	2,005	077 C
11	8	17	- Foods	69	15	38
169	1/1	214	- Refreshments	638	1929	755
(11)	(16)	(8)	- Others (includes Exports, Infant & Feminine Care etc.)	(23)	1171	1161
1,530	1,336	1,556	Total Segment Results	4 903	4.344	2 906
(2)	(s)	(8)		(17)	(16)	
			Add/Less): Finance Income and Other unallocable income net of			
160	155	251	unallocable expenditure	447	482	492
1,685	1,486	1,801	Total Profit Before Tax from ordinary activities	5,333	4,777	6,396
2 DK1	1 044	BUC C	Segment Assets	100		
ion't	Land Contract	207.2	- PRUME LUNE	2,051	1,944	1,892
4,/30	3,767	4,623	- Personal Care	4,710	3,787	4,097
000	200	210	- F0005	305	308	300
105'1	1,446	1,453	- Refreshments	1,607	1,448	1,542
100	8	170	 Others (includes Exports, Infant & Ferninine Care etc.) 	159	188	164
7,213	6,160	7,304	- Unallocable corporate assets	7,213	6,150	6,756
15,945	13,783	16,068	Total Segment Assets	15,945	13,783	14,751
			Segment Liabilities			8
2,308	2,479	2,707	- Home Care	2,908	2,479	2,337
4,904	3,688	4,488	- Personal Care	4,904	3,688	
360	285	305	- Foods	350	285	264
1,011	815	880	- Refreshments	1,011	815	807
106	8	06	 Others (includes Exports, Infant & Feminine Care etc.) 	106	85	74
833	1,092	1,135	 Unallocable corporate liabilities 	833	1,092	974
10.212	8,454	9,626	Total Segment Liabilities	40.212	8.454	8.261

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

Segment Assets and Segment Liabilities are as at 31st December 2017, 30th September 2017, 31st December 2016 and 31st March 2017. Unallocable corporate assets less Unallocable corporate liabilities mainly represent investment of surplus funds and bank.

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

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Notes:

- According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the quarter ended 31st December, 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 31st December, 2017 is reported net of GST.
- 2. In compliance with IND AS 20 on Government Grants, the amount of budgetary support under Goods and Service 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 Income". In past periods these credits were netted off from the excise cost reported in the Statement of Profit and Loss.
- Comparable Domestic Consumer sales growth and comparable EBITDA margin improvement (mentioned in note 4 and 5 below) for DQ 17 has been arrived at by adjusting:
 - a) Excise Duty, other net input taxes from reported sales of DQ 16, and
 - b] GST Refunds to the reported sales of DQ 17.
- In view of the accounting impact as shared in note 1 to 3 above, while the Reported Net Sales grew by 2% during the quarter, Comparable Domestic Consumer sales grew by 17% during the quarter.
- Earnings before interest, tax, depreciation and amortization (EBITDA) for the quarter at Rs.1,680 crores (DQ 16: Rs 1,355 crores) grew by 24%. Comparable EBITDA margin improvement is 110 bps vs DQ 16.
- Profit After Tax before Exceptional Items for the quarter at Rs 1,198 crores (DQ 16: Rs 920 crores) grew by 30%.
- Exceptional items, net hit in DQ 17 includes restructuring expenses Rs.27 crores (DQ 16: Rs. 6 crores), profit
 on sale of surplus properties Rs.6 crores (DQ 16: Rs. 159 crores).
- 8. Profit After Tax for the quarter at Rs. 1,326 crores (DQ 16: Rs.1,038 crores) grew by 28 %.
- 9. Due to paucity of time, it was not possible to immediately pass on the benefit of the 15th November GST rate reductions on some of the pipeline stocks to the end consumers. An estimated value of Rs. 119 crores has been proactively disclosed to the CBEC on this count and we have offered to pay this amount suo motu to the Government. This amount is not recognised as revenue and is accounted as a liability as on 31st December 17.
- 10. Previous period figures have been re-grouped/re-classified wherever necessary.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 17th January, 2018.
- The text of the above statement was approved by the Board of Directors at their meeting held on 17th January, 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.hul.co.in and Financial Results under Corporates section of www.hul.co.in and Financial Results under Corporates section of www.hul.co.in and Financial Results under Corporates section of www.hul.co.in and Financial Results under Corporates section of www.hul.co.in and Financial Results under Corporates section of www.hul.co.in and wwww.hul.co.in and www.hul.

Place: Mumbai Date: 17th January, 2018



By order of the Board v Meh Managing Director & C [DIN: 06699923]