



RESULTS FOR THE QUARTER ENDING 31st DECEMBER 2016

DOMESTIC CONSUMER BUSINESS FLAT; NET PROFIT UP 7%

Mumbai, January 23rd, 2016: Hindustan Unilever Limited announced its results for the quarter ending 31st December 2016.

Under challenging market conditions, our Domestic Consumer business was flat. EBITDA margin was down 70 bps and Net Profit after Tax, (PAT) at Rs.1038 Crores grew 7%.

During the quarter, the squeeze in liquidity resulted in reduced trade pipelines and lower consumer offtake. The impact was varied across segments, channels and geographies. We responded to these adverse market conditions with speed by rejigging our supply chain, supported our channel partners by extending credit and enhanced our direct distribution coverage. We also sustained our brand building spends and our innovation initiatives. Despite the short term challenges of the quarter, the premium part of our portfolio continued to perform well.

Home Care:

Premium laundry performed well with sustained double digit growth in Surf. Home Care Liquids had another good quarter.

Personal Care:

Premium Personal Care continued its growth momentum across formats. Personal Wash volumes were impacted due to calibrated price increases to manage steep inflation in commodity costs. Baby Dove range of products have been well received by consumers.

This quarter we launched 'LEVER Ayush' - an exclusive Personal Care range of high performance products based on Ayurveda and supported by modern science. The LEVER Ayush range comprises of soaps, shampoos, tooth pastes, hand washes and face washes and has been launched across South India.

Refreshment:

Tea delivered broad based double-digit growth led by a differentiated region wise focus. Ice Cream & Frozen Desserts delivered robust activation-led growth.

Foods:

Focus on market development continued. The recently launched premium range of Kissan Jams is progressing well in the market place.

EBITDA margins down 70 bps

Cost of Goods Sold was higher by 60 bps due to rising input costs. Brand investments were maintained at competitive levels across segments. Earnings before interest, tax, depreciation and amortisation (EBITDA) was down by 5%. While Profit after tax before exceptional items, PAT (bei), at Rs. 920 Crores was down 10%, Net Profit at Rs.1038 Crores, was up 7% for the quarter on higher exceptional income.

Harish Manwani, Chairman commented: "The gradual recovery of the market was temporarily impacted by adverse liquidity conditions. However our performance demonstrated resilience and agility in this challenging environment. There are early signs of normalisation and our focus continues to remain on innovation led volume growth and improvement in margins. Our strategic agenda of delivering Consistent, Competitive, Profitable and Responsible growth remains unchanged."





Hindustan Unilever Limited

HINDUSTAN UNILEVER LIMITED

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015

Unaudited Results for the Quarter ended 31st December	Unaudited Results for the Quarter ended 30th September	Particulars	Unaudited Results for Nine months ended 31st December		Audited Results for the Year ended 31st March
			2015	2016	
2015	2016				
8,124.48	8,226.55	1.a. Sales from Operations	8,335.12	24,736.68	32,929.38
193.46	158.13	1.b. Other Operating Income	145.14	479.04	561.90
8,317.94	8,384.68	1. Total Income from operations (net) [1.a. + 1.b.]	8,480.26	25,162.32	33,491.28
7,062.70	7,036.66	2. Expenses (sum of (a) to (h))	7,170.14	21,493.06	28,062.89
2,573.97	2,689.63	a) Cost of materials consumed	2,754.46	8,246.48	11,267.04
1,021.22	976.05	b) Purchases of stock-in-trade	1,087.63	3,198.08	3,951.15
149.45	76.70	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	119.95	217.60	87.11
611.96	620.73	d) Excise Duty	1,924.17	1,822.51	2,430.31
409.26	396.92	e) Employee benefits expense	1,231.77	1,130.23	1,572.80
100.20	82.16	f) Depreciation and amortisation expense	287.99	233.23	320.75
885.12	920.75	g) Advertising & Promotions	2,616.25	2,734.52	3,599.97
1,311.52	1,273.72	h) Other expenses	3,770.72	3,659.75	4,833.76
1,255.24	1,348.02	3. Profit from operations before other income, finance costs and exceptional items (1-2)	1,310.12	4,107.96	5,428.39
82.44	145.07	4. Other income	252.83	442.86	563.81
1,337.68	1,493.09	5. Profit from ordinary activities before finance costs and exceptional items (3+4)	1,562.95	4,550.82	5,992.20
4.56	4.49	6. Finance costs	4.94	15.45	15.27
1,333.12	1,488.60	7. Profit from ordinary activities after finance costs but before exceptional items (5-6)	1,558.01	4,535.37	5,976.93
153.05	(79.61)	8. Exceptional items - net credit / (charge)	18.24	242.06	(81.99)
1,486.17	1,408.99	9. Profit from Ordinary Activities Before Tax (7+8)	1,576.25	4,777.43	5,946.13
448.24	437.33	10. Tax expense	480.65	1,470.00	1,809.60
1,037.93	971.66	11. Net Profit from Ordinary Activities After Tax (9-10)	1,095.60	3,307.43	4,136.53
		12. Extraordinary Items			
1,037.93	971.66	13. Net Profit for the period (11+12)	1,095.60	3,307.43	4,136.53
(1.14)	(0.42)	14. Other Comprehensive Income (Net of tax)- net credit / (charge)	0.04	(0.85)	(1.99)
1,036.79	971.24	15. Total Comprehensive Income (13+14)	1,095.64	3,306.58	4,124.54
216.43	216.39	16. Paid up Equity Share Capital (face value Re. 1 per share)	216.43	216.43	216.39
		17. Reserves excluding Revaluation Reserve as per Balance Sheet			6,062.74
4.80	4.49	18.I Earnings Per Share (EPS) before extraordinary items (of Re. 1/- each) (not annualised):			
4.79	4.49	(a) Basic - Rs.	5.06	15.28	19.12
		(b) Diluted - Rs.	5.06	15.28	19.11
4.80	4.49	18.II Earnings Per Share (EPS) after extraordinary items (of Re. 1/- each) (not annualised):			
4.79	4.49	(a) Basic - Rs.	5.06	15.28	19.12
		(b) Diluted - Rs.	5.06	15.28	19.11



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SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Unaudited Results for the Quarter ended 31st December		Unaudited Results for the Quarter ended 30th September	Particulars	Unaudited Results for Nine months ended 31st December		Audited Results for the year 31st March
2016	2015	2016		2016	2015	2016
2,689.06	2,661.66	2,777.00	Segment Revenue (Sales and Other operating Income)	8,342.03	8,014.35	10,812.52
3,980.17	4,090.48	4,027.95	- Home Care	12,229.71	12,241.18	16,011.44
278.50	277.20	277.82	- Personal Care	828.55	807.70	1,095.71
1,164.12	1,076.44	1,169.17	- Foods	3,548.21	3,306.18	4,482.00
195.40	268.91	218.08	- Refreshments	617.31	763.74	1,052.80
8,307.25	8,374.69	8,470.02	- Others (includes Exports, Infant & Feminine Care etc.)	25,565.81	25,133.15	33,454.47
			Total Segment Revenue			
234.24	235.64	280.04	Segment Results (Profit before tax and interest from ordinary activities)	870.14	750.34	1,052.65
920.81	990.70	922.57	- Home Care	2,864.74	2,899.68	3,802.33
26.14	34.91	13.71	- Personal Care	56.82	72.66	110.77
171.29	159.53	172.59	- Foods	535.94	485.06	679.38
(16.55)	(6.39)	9.14	- Refreshments	(16.88)	(4.23)	9.29
1,335.93	1,414.39	1,398.05	- Others (includes Exports, Infant & Feminine Care etc.)	4,310.76	4,203.51	5,654.42
(4.56)	(4.49)	(4.94)	Total Segment Results	(15.45)	(15.69)	(15.27)
154.80	(0.91)	183.14	Less: Finance Costs	482.12	222.49	306.98
1,486.17	1,408.99	1,576.25	Add/(Less): Finance Income and Other unallocable income net of unallocable expenditure	4,777.43	4,412.31	5,946.13
			Total Profit Before Tax from ordinary activities			
1,943.88	1,677.19	1,881.89	Segment Assets	1,943.88	1,677.19	1,781.39
3,767.22	3,139.38	4,010.18	- Home Care	3,767.22	3,139.38	3,278.59
307.84	275.59	329.95	- Personal Care	307.84	275.59	318.52
1,445.72	1,529.91	1,430.22	- Foods	1,445.72	1,529.91	1,664.47
168.26	266.54	163.03	- Refreshments	168.26	266.54	192.22
6,150.04	6,797.54	6,510.75	- Others (includes Exports, Infant & Feminine Care etc.)	6,150.04	6,797.54	6,684.38
13,782.96	13,686.15	14,326.02	- Unallocable corporate assets	13,782.96	13,686.15	13,919.57
			Total Segment Assets			
2,479.27	2,303.31	2,291.56	Segment Liabilities	2,479.27	2,303.31	2,044.97
3,687.75	4,010.30	3,515.28	- Home Care	3,687.75	4,010.30	3,437.37
294.90	314.94	279.30	- Personal Care	294.90	314.94	285.88
815.12	1,096.76	712.50	- Foods	815.12	1,096.76	777.07
85.14	152.34	70.75	- Refreshments	85.14	152.34	62.59
1,091.93	643.71	1,376.15	- Others (includes Exports, Infant & Feminine Care etc.)	1,091.93	643.71	1,032.56
8,454.11	8,521.36	8,245.64	- Unallocable corporate liabilities	8,454.11	8,521.36	7,640.44
			Total Segment Liabilities			

Notes on Segment Information:

1. Segment Revenue, Results, Assets and Liabilities represent amounts identifiable to each of the segments. Finance Income and Other "unallocable income net of unallocable expenditure" mainly includes interest, dividend, income from 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 2016, 30th September 2016, 31st December 2015 and 31st March, 2016. Unallocable corporate assets less Unallocable corporate liabilities mainly represent investment of surplus funds and cash and bank.

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

Chartered Accountants

Apollu Mills Compound,

Lodha Excelis,

N M Joshi Marg, Registered Office : Unilever House, B.D. Sawant Marg, Chakala, Andheri East, Mumbai 400 099. CIN : L15140MH1937PLC000006. Tel.: +91 (22) 3983 0000. Email: levercare.shareholder@unilever.com

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India



Notes:

1. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of Companies Act, 2013 read with the relevant rules thereunder and in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5th July 2016.
2. Net Sales growth was -1% during the quarter. Domestic Consumer Business (FMCG) growth (excluding the impact of acquisition in the current year and disposal in base year) was 0% for the quarter.
3. Earnings before Interest, tax, depreciation and amortization (EBITDA) for the quarter is at Rs.1,355.44 crores (DQ'15: Rs. 1,430.18 crores) down by 5 %.
4. Profit After Tax before Exceptional Items for the quarter is at Rs.919.86 crores (DQ'15: Rs.1,024.12 crores) down by 10 %.
5. Exceptional items, net credit in DQ'16 includes profit on sale of surplus properties Rs.159.00 crores (DQ'15: 36.91) and restructuring expenses Rs.5.95 crores (DQ'15: Rs.116.52 crores).
6. Profit After Tax for the quarter is at Rs.1037.93 crores (DQ'15: Rs.971.66 crores) up by 7 %.
7. The reconciliation of Net profit for the quarter, 9 months ended 31st December 2015 and year ended 31st march 2016 as prepared under Indian Generally Accepted Accounting Principles (IGAAP) with total comprehensive income as restated under Ind AS are summarised below:

[Rs. in Crores]			
Particulars	Unaudited Results for the Quarter ended 31st December 2015	Unaudited Results for Nine months ended 31st December 2015	Audited Results for the Year ended 31st March 2016
Reconciliation of Net Profit as reported earlier:			
Net Profit for the period (as per IGAAP)	971.40	2,992.78	4,082.37
Benefit/(Charge):			
(Increase)/Decrease in cost due to fair value accounting of share based payments	0.06	0.80	0.52
Income accounted from unrecognised Plan asset in IGAAP reversed in Ind AS	(6.09)	(17.32)	(23.58)
Expected return on plan assets now recognised in Ind AS	7.28	21.84	28.51
Actuarial loss on Defined Benefit plans reclassified to Other Comprehensive Income	-	-	3.60
Fair value gains on Financial Instruments	0.11	44.01	70.46
One-time gain on discounting of non-current provisions	-	-	5.68
Unwinding of discounted non-current provisions/liabilities	(0.97)	(3.13)	(2.37)
Deferred Tax impact of above adjustments	(0.13)	(15.99)	(28.66)
Net profit for the period (as per Ind-AS)	971.66	3,022.99	4,136.53
Add: Other Comprehensive Income (Net of Tax)	(0.42)	(1.16)	(11.99)
Total Comprehensive Income	971.24	3,021.83	4,124.54

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 23rd January, 2017. The statutory auditors have expressed an unqualified report on Limited Review of 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: 23rd January, 2017



By order of the Board

Sanjiv Mehta
Managing Director & CEO
[DIN: 06699923]