

RESULTS FOR DECEMBER QUARTER 2015

SUSTAINED VOLUME-LED PROFITABLE GROWTH: 6% UNDERLYING VOLUME GROWTH, OPERATING PROFIT (PBIT) UP 7%

Mumbai, January 15th, 2016: Hindustan Unilever Limited announced its results for the quarter ending 31st December 2015.

During the quarter, turnover grew at 3% with 6% underlying volume growth. The growth in the quarter continued to be impacted by the phasing out of Excise Duty incentives and price de-growth, as the benefit of lower commodity costs was passed on to consumers.

Soaps and Detergents: Robust volume growth offset by price deflation

The segment witnessed continued price deflation in the quarter given the benign input costs.

Skin Cleansing was driven by strong volume growth on Dove, Pears and Lifebuoy. The liquids portfolio registered another quarter of double digit growth.

In Laundry, growth momentum was sustained with both Surf and Rin growing volumes in double digit while Comfort Fabric Conditioners led market development of the category and delivered another quarter of high growth. Household Care performance was driven by Vim.

Personal Products: Healthy underlying performance

The reported growth of this segment was impacted by the delayed winter and the one-time realignment of channel spends undertaken with a view to driving its effectiveness in the marketplace

Skin Care delivered volume led growth driven by Fair and Lovely, Pond's and Lakme. Fair and Lovely continued to do well and saw an encouraging response to the BB cream. The performance of Pond's was led by premium skin lightening while Lakme growth was buoyed by premium innovations and facewash.

Hair Care maintained its strong volume led growth momentum, with Dove and TRESemmé leading the category performance.

In Oral Care, the overall performance was subdued. Close Up growth was driven by impactful activation while Pepsodent Clove and Salt continued to do well.

Lakme Colour Cosmetics sustained its strong innovation led growth across the core, Absolute and 9 to 5 ranges.

Beverages: Steady volume led growth

In Tea, Red Label, Taj Mahal and 3 Roses grew well, driven by focused in-market initiatives. Lipton Green Tea registered another quarter of high growth on sustained market development. In Coffee, Bru delivered double digit growth and achieved market leadership.

Packaged Foods: Ninth successive quarter of double digit growth

Sustained market development and recent innovations resulted in another quarter of double digit growth across all key brands. Kissan maintained its strong growth momentum across both Ketchups and Jams. Knorr growth was led by new variants of Instant Soups and a new range of Knorr Chef's Masalas was introduced at the quarter end. Ice Creams delivered another strong quarter, led by Magnum and sharper in-market execution on Kwality Walls.

Margin improvement sustained

Input costs were benign resulting in a 290 bps reduction in cost of goods sold. Brand investments were sustained at competitive levels and overall A&P was up 160 crores (+165 bps). Profit before interest and tax (PBIT) grew by 7% and PBIT margin improved by +60 bps. Profit after tax before exceptional items, PAT (bei), grew by 7% to Rs.1024 crores, despite the higher effective tax rate. Net Profit at Rs.971 crores was impacted by the exceptional income from the sale of properties in the base quarter and provisions for restructuring & select contested matters.

Harish Manwani, Chairman commented: "We have stepped up investment behind our brands and delivered another quarter of profitable volume led growth, consistent with our strategic intent. In an environment of moderating growth and benign input costs, we remain focused on innovation and market development to drive volumes competitively whilst improving operating margins. As channels and markets evolve, we continue to make strategic interventions to strengthen our portfolio and sharpen our executional capabilities to serve our consumers even better"





Hindustan Unilever Limited

HINDUSTAN UNILEVER LIMITED

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

Unaudited Results for the Quarter ended		Unaudited Results for the Quarter ended	Particulars	Unaudited Results for the Nine Months ended		Audited Results for the Year ended
31st December	2014	30th September		2015	2014	31st March
2015		2015				2015
7,82,286	7,57,918	7,81,964	1.a. Net Sales from Operations (Net of excise duty)	23,61,587	22,61,549	30,17,050
15,813	19,514	13,575	1.b. Other Operating Income	42,564	51,449	63,512
7,98,099	7,77,432	7,95,539	1. Total Income from operations (net) [1.a. + 1.b.]	24,04,151	23,12,998	30,80,562
6,63,234	6,51,590	6,70,567	2. Expenses [sum of (a) to (g)]	20,01,164	19,45,610	25,88,407
2,68,939	2,86,063	2,90,283	a) Cost of materials consumed	8,43,000	8,93,813	11,86,731
97,605	94,912	97,597	b) Purchases of stock-in-trade	2,97,426	2,78,397	3,69,796
7,670	3,824	2,068	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	13,935	7,450	5,828
40,164	44,179	38,082	d) Employee benefits expense	1,14,596	1,19,047	1,57,889
8,216	7,308	7,614	e) Depreciation and amortisation expense	23,323	21,617	28,669
1,13,779	97,712	1,14,504	f) Advertising & Promotions	3,43,622	2,84,705	3,87,494
1,26,861	1,17,592	1,20,419	g) Other expenses	3,65,262	3,40,581	4,52,000
1,34,865	1,25,842	1,24,972	3. Profit from operations before other income, finance costs and exceptional items (1-2)	4,02,987	3,67,388	4,92,155
13,961	12,007	17,016	4. Other income	41,838	51,998	61,839
1,48,826	1,37,849	1,41,988	5. Profit from ordinary activities before finance costs and exceptional items (3+4)	4,44,825	4,19,386	5,53,994
5	424	3	6. Finance costs	15	1,682	1,682
1,48,821	1,37,425	1,41,985	7. Profit from ordinary activities after finance costs but before exceptional items (5-6)	4,44,810	4,17,704	5,52,312
(7,961)	39,658	(1,214)	8. Exceptional items - net credit/ (charge)	(8,199)	48,490	66,430
1,40,860	1,77,083	1,40,771	9. Profit from Ordinary Activities Before Tax (7+8)	4,36,611	4,66,194	6,18,742
43,720	51,866	44,547	10. Tax expense	1,37,333	1,36,477	1,87,216
97,140	1,25,217	96,224	11. Net Profit from Ordinary Activities After Tax (9-10)	2,99,278	3,29,717	4,31,526
-	-	-	12. Extraordinary items	-	-	-
97,140	1,25,217	96,224	13. Net Profit for the period (11+12)	2,99,278	3,29,717	4,31,526
21,639	21,632	21,639	14. Paid up Equity Share Capital (face value Re. 1 per share)	21,639	21,632	21,635
4.49	5.79	4.45	15. Reserves excluding Revaluation Reserve as per balance sheet	13.83	15.24	3,50,776
4.49	5.79	4.45	16.i Earnings Per Share (EPS) before extraordinary items (of Re. 1/- each) (not annualised):	13.83	15.24	19.95
			(a) Basic - Rs.	13.83	15.24	19.94
			(b) Diluted - Rs.			
4.49	5.79	4.45	16.ii Earnings Per Share (EPS) after extraordinary items (of Re. 1/- each) (not annualised):	13.83	15.24	19.95
4.49	5.79	4.45	(a) Basic - Rs.	13.83	15.24	19.94
			(b) Diluted - Rs.			



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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Unaudited Results for the Quarter ended		Particulars	Unaudited Results for the Quarter ended 30th September 2015	Unaudited Results for the Nine Months ended 31st December		Audited Results for the Year ended 31st March 2015
2015	2014			2015	2014	
3,62,982	3,60,022	Segment Revenue (Sales and Other operating income)	3,81,657	11,30,080	11,20,290	14,87,661
2,59,293	2,45,455	- Soaps and Detergents	2,34,557	7,34,407	6,75,685	9,00,653
98,407	91,965	- Personal Products	95,255	2,85,152	2,85,534	3,63,149
46,954	41,988	- Beverages	50,709	1,58,457	1,41,497	1,89,180
29,463	35,350	- Packaged Foods	32,427	93,136	1,01,821	1,31,291
7,97,099	7,74,780	- Others (includes Exports, Water, Infant Care Products, etc.)	7,94,605	24,01,232	23,04,827	30,71,934
		Total Segment Revenue				
		Less: Inter Segment Revenue				
7,97,099	7,74,780	Net Segment Revenue	7,94,605	24,01,232	23,04,827	30,71,934
50,892	50,241	Segment Results (Profit before tax and interest from ordinary activities)	49,030	1,59,718	1,54,540	2,03,365
74,832	68,091	- Soaps and Detergents	61,185	2,07,316	1,79,982	2,42,435
17,280	14,100	- Personal Products	13,780	45,413	43,295	61,456
1,494	(2,126)	- Beverages	2,687	9,619	5,777	8,317
(3,531)	(376)	- Packaged Foods	1,043	(2,944)	(765)	(1,548)
1,40,967	1,29,930	- Others (includes Exports, Water, Infant Care Products, etc.)	1,27,725	4,19,122	3,82,829	5,14,025
(5)	(424)	Total Segment Results	(3)	(15)	(1,682)	(1,682)
(102)	47,577	Less: Finance Costs	13,049	17,504	85,047	1,06,399
1,40,860	1,77,083	Add/(Less): Other unallocable income net of unallocable expenditure	1,40,771	4,36,611	4,86,194	6,18,742
		Total Profit Before Tax from ordinary activities				
(50,035)	(49,817)	Capital Employed (Segment assets less Segment liabilities)	(35,559)	(50,035)	(49,817)	(12,333)
(72,353)	(77,545)	- Soaps and Detergents	(35,277)	(72,353)	(77,545)	(42,760)
26,200	5,234	- Personal Products	27,581	26,200	5,234	37,720
23,719	14,054	- Beverages	27,736	23,719	14,054	21,592
(5,291)	(375)	- Packaged Foods	(2,031)	(5,291)	(375)	(2,457)
(77,760)	(1,08,449)	- Others (includes Exports, Water, Infant Care Products, etc.)	(17,550)	(77,760)	(1,08,449)	1,762
5,83,825	6,11,479	Total Capital Employed in segments	5,92,989	5,83,825	6,11,479	3,70,716
5,06,065	5,03,030	Add: Unallocable corporate assets less corporate liabilities	5,75,439	5,06,065	5,03,030	3,72,478
		Total Capital Employed				

Notes on Segment Information:

1. Segment Revenue, Results and Capital Employed figures represent amounts identifiable to each of the segments. Other "unallocable income net of unallocable expenditure" mainly includes interest, dividend, gain on sale of investments (net), expenses on common services not directly identifiable to individual segments, corporate expenses and exceptional items.

Capital Employed figures are as at 31st December, 2015, 30th September, 2014, 31st March, 2015. Unallocable corporate assets less corporate liabilities mainly represent investment of surplus funds and cash and bank.

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

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Notes:

1. Net Sales grew by 3.2% during the quarter with Domestic Consumer Business (FMCG and Water) growing by 3.3%.
2. Operating Profit (Profit from Operations before Other Income, Finance costs and Exceptional Items) for the quarter at Rs. 134,865 lakhs (DQ'14: Rs. 125,842 lakhs) grew by 7.2%.
3. Profit after tax before Exceptional Items (refer note 6 below) for the quarter is at Rs.102,386 lakhs (DQ'14: Rs. 95,532 lakhs) grew by 7.2%.
4. Employee benefit expense for the base quarter DQ'14 included a one-time charge of an amount of Rs 3,853 Lakhs on account of provision for select contested matters; DQ'15: Nil.
5. Other income includes interest income, dividend income and net gain on sale of other non-trade current investments aggregating to Rs. 9,408 lakhs (DQ'14: Rs. 12,007 lakhs) and dividend income from trade non-current investments Rs 4,553 lakhs (DQ'14: Rs. Nil).
6. Exceptional items, net charge in DQ'15 includes profit on sale of surplus properties Rs. 3,691 lakhs (DQ'14: Rs. 40,729 lakhs) and provision towards restructuring & select contested matters of Rs. 11,652 lakhs (DQ'14: Rs. 1,071 lakhs).
7. During the quarter, the Company has signed an agreement with Mosons Group to acquire the trademarks "Indulekha" and "Vayodha", intellectual property, design and knowhow. The transaction is subject to fulfilment of certain conditions and the parties will work together to complete this over the next few months. The business continues to be operated by the Mosons Group till closing and there is no impact of this transaction on the financial results for the quarter/nine month ended 31 December 2015.
8. Previous period figures have been re-grouped/reclassified wherever necessary, to conform to this period's classification.
9. The text of the above statement was approved by the Board of Directors at their meeting held on 15th January, 2016.

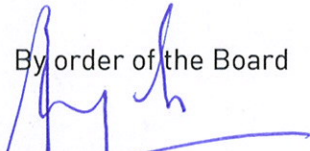
Limited Review: The Limited Review by the Statutory Auditors for the quarter as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed and the related Report is being forwarded to the Stock Exchanges. This Report does not have any impact on the above Results and Notes which need to be explained.

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: 15th January, 2016



By order of the Board


Sanjiv Mehta
Managing Director & CEO
[DIN: 06699923]