



## Results – JQ '07

30th July 2007

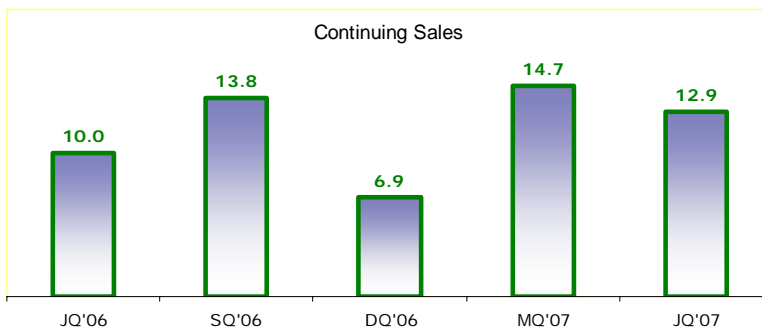
### Results Summary - JQ'07

- Net sales grows 12.9%
- FMCG business grows by 13.4%; HPC +11.1%, Foods +25.0%
- A&P spends lower by 2.7%
- PBIT grows 20.4%
- PAT (bei) grows by 24.4%
- Net Profit up 29.6% on account of exceptional Income

JQ'07 Results - 30<sup>th</sup> Jul '07

## Sales Performance

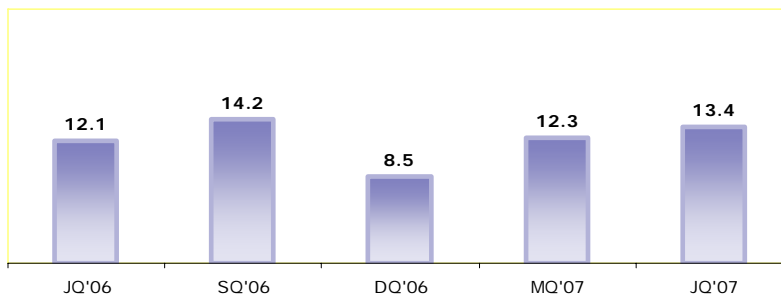
### Continuing Sales growth %



JQ'07 Results - 30<sup>th</sup> Jul '07

## FMCG Sales Growth

### FMCG Sales growth %



Underlying volume growth for JQ'07 = 5.8 %

JQ'07 Results - 30<sup>th</sup> Jul '07

## Sales summary

Rs Crores	JQ'07	JQ'06	Growth%
HPC	2541	2286	11.1
Foods	555	444	25.0
<b>FMCG</b>	<b>3097</b>	<b>2731</b>	<b>13.4</b>
Exports	333	329	1.3
Others	52	24	117.1
<b>Net Sales</b>	<b>3481</b>	<b>3083</b>	<b>12.9</b>

JQ'07 Results - 30<sup>th</sup> Jul '07

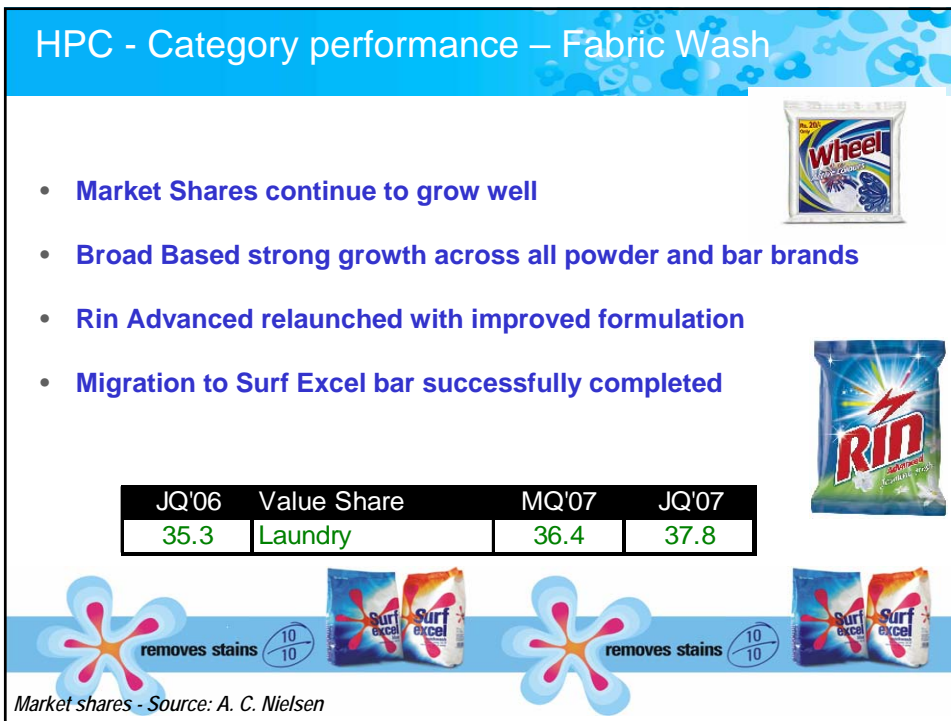
## Category Wise Sales growth

	<u>Growth %^^</u>
	<u>JQ'07</u>
<b>Soaps &amp; Detergents</b>	<b>14.6</b>
<b>Personal Products</b>	<b>5.2</b>
<b>Beverages</b>	<b>20.9</b>
<b>Processed Foods</b>	<b>38.2</b>
<b>Ice Cream</b>	<b>23.9</b>
<b>FMCG</b>	<b>13.4</b>

^ Excludes Other Segmental Income

\* Processed Foods includes impact of Modern merger

JQ'07 Results - 30<sup>th</sup> Jul '07



## HPC - Category performance - Personal Wash

- Market Shares decline marginally
- Category grows well
- Lux continues its growth momentum
- Dove and Hamam grow well
- Lifebuoy Skin-guard launched in current quarter



JQ'06	Value Share	MQ'07	JQ'07
54.6	Personal Wash	55.3	54.0



Market shares - Source: A. C. Nielsen

JQ'07 Results - 30<sup>th</sup> Jul '07

## HPC - Category performance - Shampoo

- Market Shares steady
- All Brands grow well
- Dove Hair Care Range and Clinic All Clear Variants for Men launched in current quarter



JQ'06	Value Share	MQ'07	JQ'07
48.0	Shampoo	46.9	47.5



Market shares - Source: A. C. Nielsen

JQ'07 Results - 30<sup>th</sup> Jul '07

## HPC - Category performance - Skin

- **Market Shares improving**
- **Planned pipeline stock rundown preparatory to Fair & Lovely relaunch**
- **Top End range of Pond's does well; Pond's Talc, Lakme Sun Expert launched in current Quarter**

JQ'06	Value Share	MQ'07	JQ'07
54.7	Skin	54.8	55.1



Market shares - Source: A. C. Nielsen



JQ'07 Results - 30<sup>th</sup> Jul '07

## HPC - Category performance - Toothpaste

- **Market Shares steady**
- **Close Up performs well**
- **Launch of Pepsodent Centre Fresh in the current quarter**

JQ'06	Value Share	MQ'07	JQ'07
30.2	Toothpaste	30.0	30.0



Market shares - Source: A. C. Nielsen



JQ'07 Results - 30<sup>th</sup> Jul '07

## Foods Topline

Tea	↑
Coffee	↑
Culinary	↑
Salt	↓
Atta	↑
Icecream	↑

Another quarter of impressive performance; 25% growth

JQ'07 Results - 30<sup>th</sup> Jul '07

## Foods - Category performance - Beverages

### Tea

- Strong growth momentum; All brands grow well
- Share gain over prior Qtr, though below previous year

JQ'06	Value Share	MQ'07	JQ'07
25.5	Tea	23.7	24.3



### Coffee

- Bru Instant continues to grow very strongly
- Shares hold

JQ'06	Value Share	MQ'07	JQ'07
47.7	Instant Coffee	40.7	47.4





Market shares - Source: A. C. Nielsen

JQ'07 Results - 30<sup>th</sup> Jul '07

## Foods - Category performance –Processed Foods

- Knorr and Kissan continue strong growth
- Atta grows well; Salt declines
- Knorr Chinese mixes launched in current quarter



## Foods - Category performance -Icecream

- Category continues to grow in strong double digits
- Launch of “Moo Range” of Ice Creams on the health Platform




JQ'07 Results - 30<sup>th</sup> Jul '07



## Water Update JQ'07

- Extension completed to all 6 states (TN, AP, Kar, Kerala, Mah & WB)
- 66 towns > 2 L pop now covered (DQ '06: 26)
- Consumer acquisition, brand building and consumer relationship capability being built up
- Production capacity doubled
- 2 million consumers now protected with Pureit water (4 L households)



JQ'07 Results - 30<sup>th</sup> Jul '07

## Key Innovations/Activations – FH'07

<p><b>Deos and mail Toiletries</b></p>  <p><b>AXE Vice Deodorant and After Shave</b></p>	<p><b>Personal wash</b></p>  <p><b>LUX Pinkful, Breeze Herbal and Lifebouy Skin gaurd</b></p>	<p><b>Laundry</b></p>  <p><b>Rin Advanced , Sunlight</b></p>
<p><b>Shampoos</b></p>  <p><b>Clinic All Clear Scalp Oil Control and Mens Range; Sunsilk Damage Repair Variant and Dove</b></p>		<p><b>Toothpaste</b></p>  <p><b>Pepsodent Centre Fresh</b></p>

JQ'07 Results - 30<sup>th</sup> Jul '07

### Key Innovations/Activations - FH'07

<b>Skin Creams</b>  <b>Lakme Sun Expert, Ponds White Beauty range, Aloe Vera Vaseline Body Lotion</b>	<b>Talc</b>  <b>Pond's Talc Relaunch</b>	<b>Colour Cosmetics</b>  <b>Lakme Freespirit Summer Range</b>	
<b>Tea</b>  <b>Red Label relaunch</b>	<b>Coffee</b>  <b>Bru Cappuccino</b>	<b>CPD</b>  <b>Knorr Chinese Mixes</b>	<b>Ice creams</b>  <b>Moo Range</b>

JQ'07 Results - 30<sup>th</sup> Jul '07

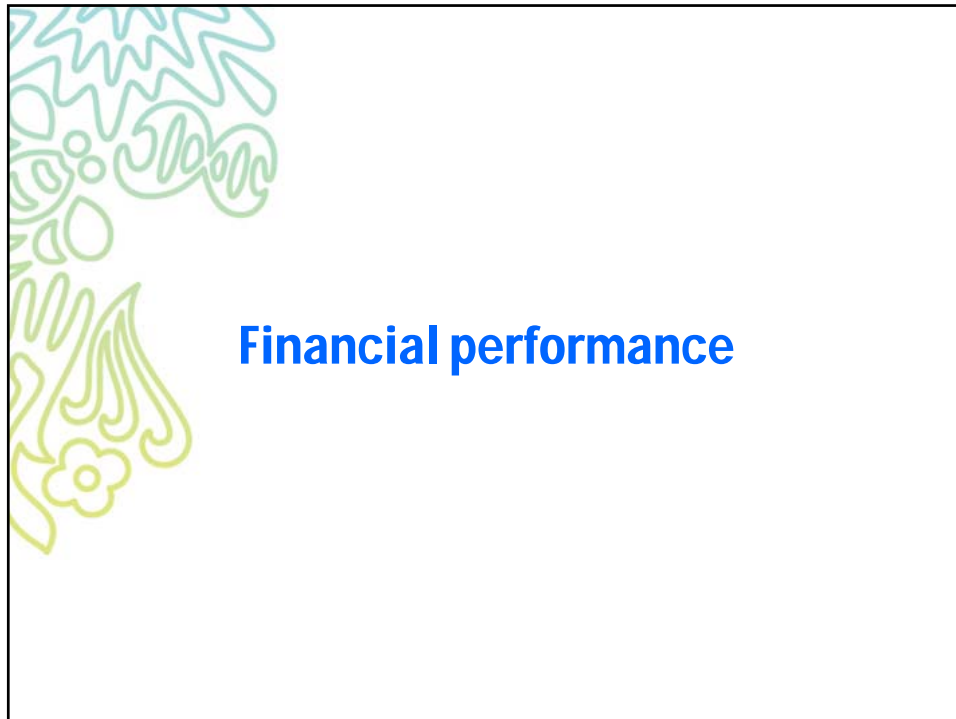
### Exports Topline

**FMCG** ↑

**Specialty (Non-FMCG)** ↓

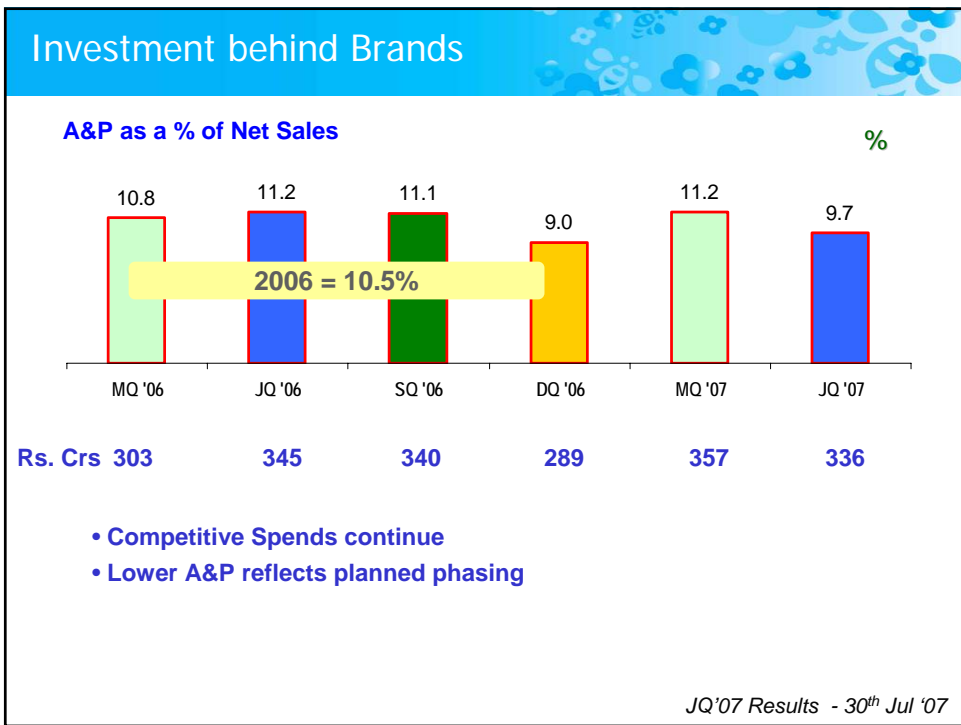
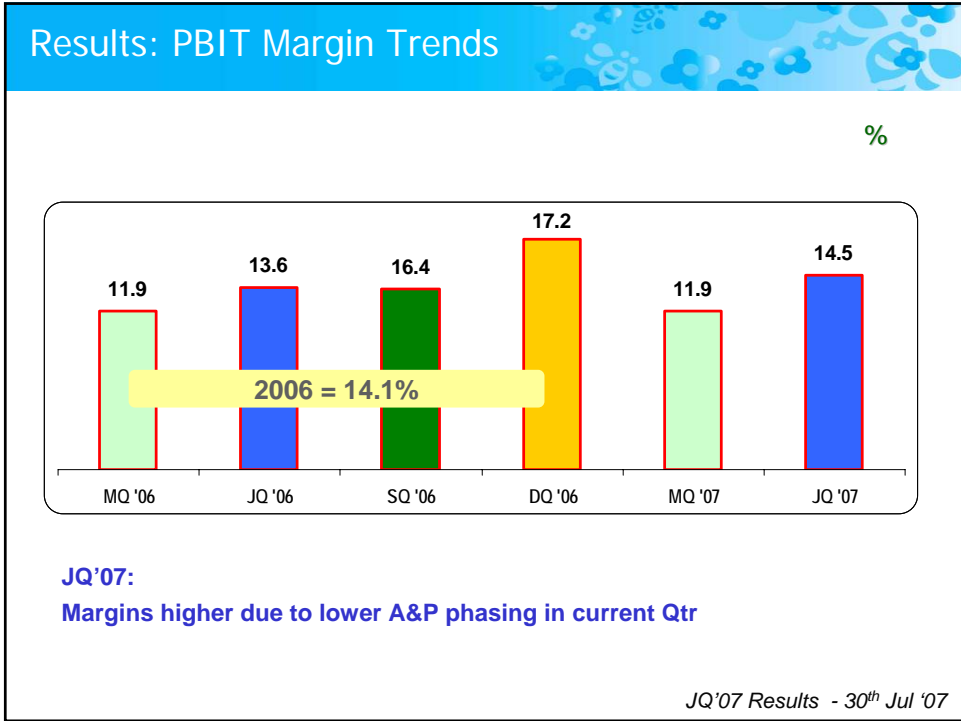
Exports grow 1.3%

JQ'07 Results - 30<sup>th</sup> Jul '07



Results			
Rs Crores	JQ'07	JQ'06	Growth%
<b>EBITDA</b>	<b>539</b>	<b>451</b>	<b>19.7</b>
<b>PBIT</b>	<b>506</b>	<b>421</b>	<b>20.4</b>
<i>PBIT margin (percentage)</i>	14.5	13.6	<b>↑</b>
Financial Income (Net)	68	42	61.6
<b>PBT</b>	<b>574</b>	<b>463</b>	<b>24.1</b>
<b>PAT (bei)</b>	<b>472</b>	<b>379</b>	<b>24.4</b>
Exceptional Items	21	1	
<b>Net Profit</b>	<b>493</b>	<b>381</b>	<b>29.6</b>

*JQ'07 Results - 30<sup>th</sup> Jul '07*



## Results - Exceptional items (Net of tax)

Rs crores

Item (Rs crores)	JQ'07
Property Sale	27.4
Restructuring Costs	(6.2)
Total	21.2

JQ'07 Results - 30<sup>th</sup> Jul '07

## Interim Dividend

- Board recommends an interim dividend of Rs 3.00 per share

Dividend Per Share of Re 1	2007	2006
Interim	3.00	3.00
Distribution Tax	0.51	0.42
<b>Total Interim Dividend</b>	<b>3.51</b>	<b>3.42</b>

JQ'07 Results - 30<sup>th</sup> Jul '07

## NESA Lockout

- NESA produces about 30% of Personal care Products
- Deteriorated Industrial Relations has led to lock out from 15<sup>th</sup> July 07
- All efforts on supply back up activated
- Any Loss on Fiscal Benefit is one time and will depend on when lock out is resolved
- All efforts to resolve the issue through due conciliation process on hand

*JQ'07 Results - 30<sup>th</sup> Jul '07*

## To sum Up..

- Double digit sales growth sustained in FMCG
- Competitive categories of Laundry and Shampoo deliver robust growth
- Broad based foods growth gains strong momentum
- Margins sustained despite increasing cost pressures
- Roll out of water progresses well

*JQ'07 Results - 30<sup>th</sup> Jul '07*

## Share Buy back

**Objectives:** Effectively utilise surplus cash  
 Leaner Balance Sheet: Improve key ratios – RONW, ROA

**Amount:** Rs. 630 crores (< 25% of Free reserves + Share Capital);

**Net Liquid Funds (30/06/2007):** Rs. 2261 Crs.

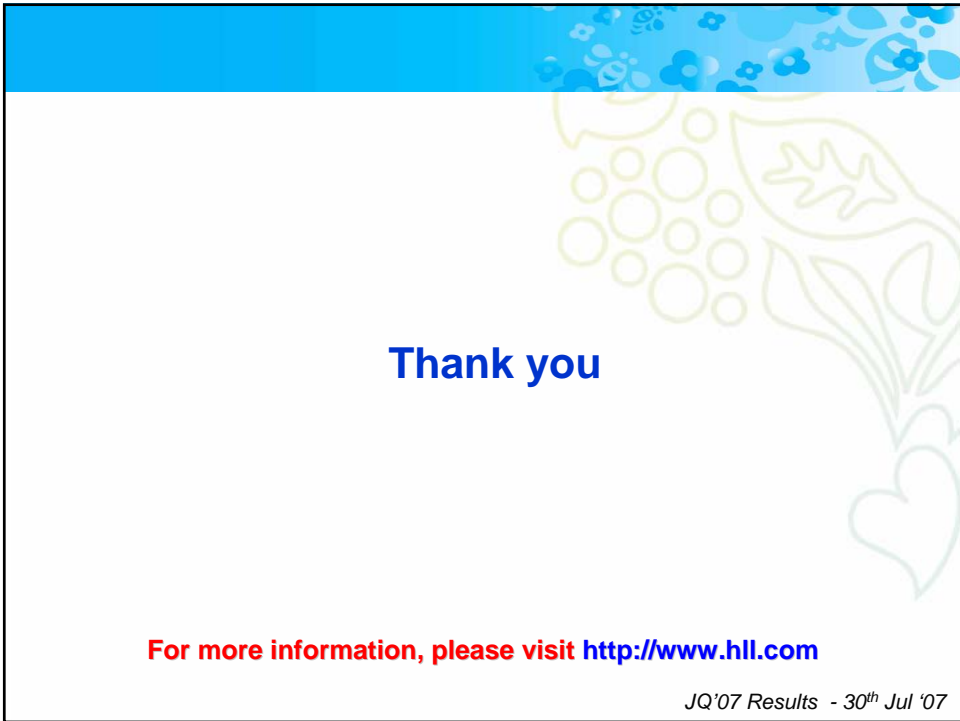
**Mechanism:** Open market purchase through the stock exchange (Tax Efficient)

Average BB Price	Rs.	200	210	220	230
No of Shares bought	Cr	3.2	3.0	2.9	2.7
% reduction in no. of shares		1.43%	1.36%	1.30%	1.24%

**UL Shareholding:** Current 51.42%

- Promoter will not participate as required by regulations
- UL shareholding will increase as a consequence of buyback


*JQ'07 Results - 30<sup>th</sup> Jul '07*



# Thank you


**For more information, please visit <http://www.hll.com>**

*JQ'07 Results - 30<sup>th</sup> Jul '07*



# HUL Results – JQ '07

30<sup>th</sup> July 2007



Hindustan Unilever Limited