

Hindustan Unilever Limited

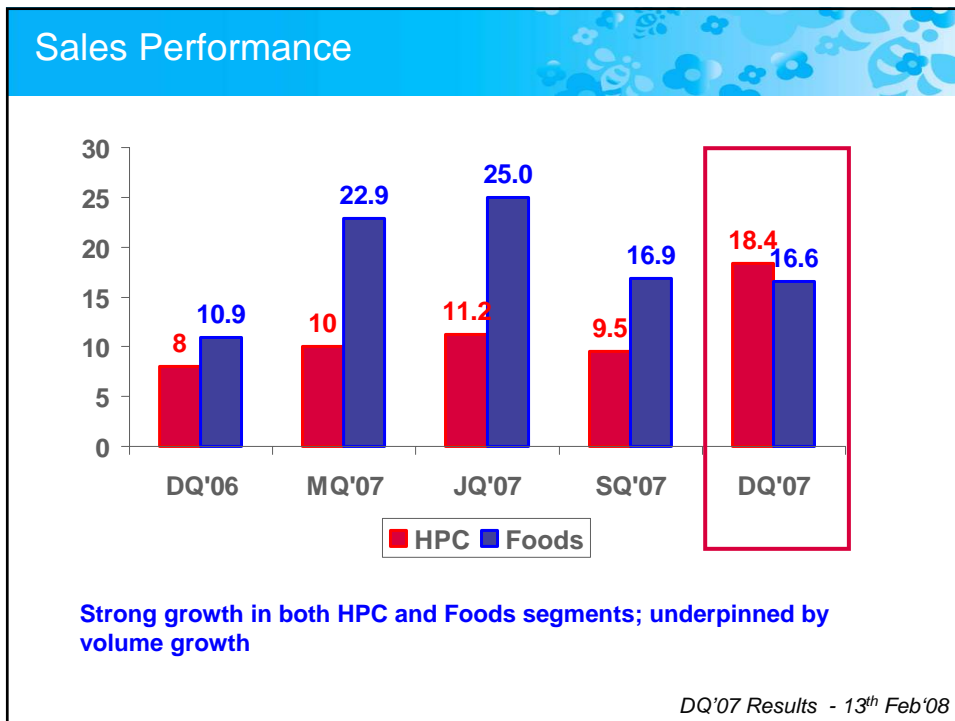
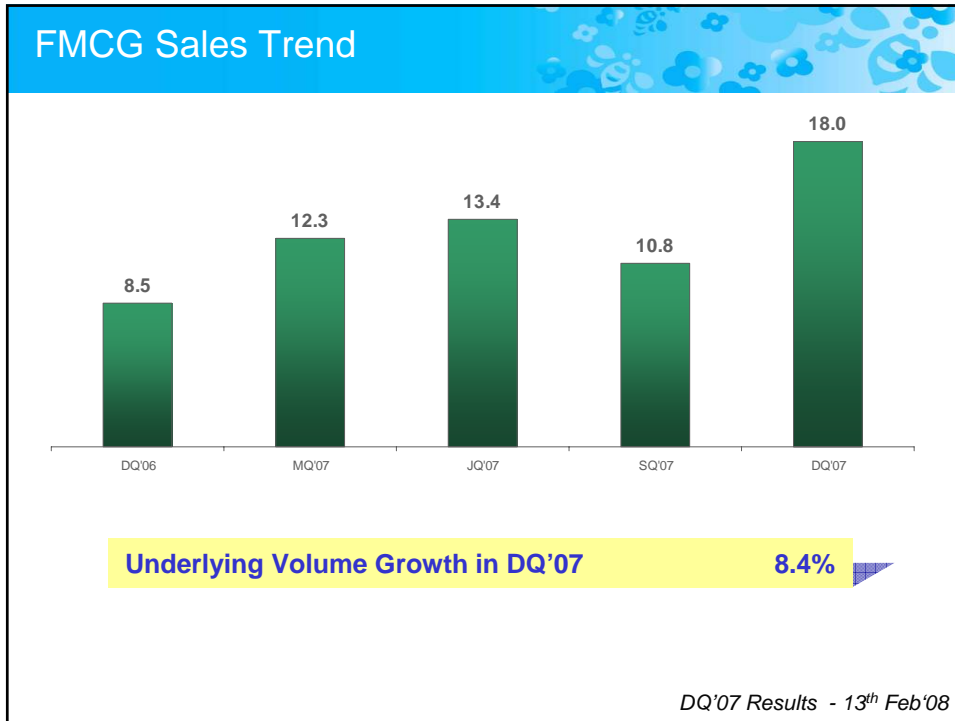
Results – DQ '07

Analyst Meet
13th Feb 2008

Results Summary - DQ'07

- Net sales grows 16.8%
- FMCG business grows by 18.0%; HPC +18.4%, Foods +16.6%
- A&P spends up 32.3%
- PBIT grows 18.3%
- PAT (bei) grows by 14.6%
- Net Profit up 23.5% on account of higher exceptional Items

DQ'07 Results - 13th Feb'08



Category Wise Sales growth	
	<u>Growth %^^</u>
	<u>DQ'07</u>
Soaps & Detergents	17.7
Personal Products	19.5
Beverages	10.2
Processed Foods	41.7*
Ice Cream	8.7
FMCG	18.0*

^ Excludes Other Segmental Income
* Includes impact of Modern merger

DQ'07 Results - 13th Feb'08



HPC - Category performance – Fabric Wash

- Strong gain in Market Shares
- Strong growth across segments driven equally by price and volume ; Surf, Rin & Wheel all grow in double digits
- Category profitability continues to improve
- Migration of Rin Supreme to Surf Excel successfully completed



DQ'06	Value Share	SQ'07	DQ'07
34.6	Laundry	37.0	37.5

removes stains 10/10

removes stains 10/10

Market shares - Source: A. C. Nielsen; Laundry shares restated by AC Nielsen in Oct '07

HPC - Category performance - Personal Wash

- Category shares lower than DQ'06; improve on a sequential basis
- Category grows well, driven by both volume and price; Lux & Lifebouy continue to perform well
- Cost Increase in vegetable oil continues unabated
- Lux variant - Crystal Shine launched towards end of SQ does well

DQ'06	Value Share	SQ'07	DQ'07
55.3	Personal Wash	53.2	54.3



Market shares - Source: A. C. Nielsen

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HPC - Category performance - Shampoo

- **Category shares lower than DQ'06; steady on a sequential basis**
- **Very Strong growth across brands in the category**
- **Premium Dove range continues to gain share**



DQ'06	Value Share	SQ'07	DQ'07
48.5	Shampoo	47.7	47.8



Market shares - Source: A. C. Nielsen

DQ'07 Results - 13th Feb'08

HPC - Category performance - Skin

- **Market Shares held**
- **Strong growth in category led FAL and Ponds**
- **Ponds Top End continues to expand distribution and improve off-take; Flawless white range launched in the current Qtr**



DQ'06	Value Share	SQ'07	DQ'07
54.7	Skin	55.0	54.5



Market shares - Source: A. C. Nielsen

DQ'07 Results - 13th Feb'08

HPC - Category performance - Toothpaste

- Market Shares decline
- Supply disruptions of SQ'07 have been restored
- Category grows modestly; Close Up growing strongly

DQ'06	Value Share	SQ'07	DQ'07
30.4	Toothpaste	30.0	29.5



Market shares - Source: A. C. Nielsen



DQ'07 Results - 13th Feb'08

Foods Topline

Tea



Coffee



Culinary



Salt



Atta



Icecream



Foods continues strong growth; 16.6% growth


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Foods - Category performance - Beverages

Tea

- Tea shares decline marginally
- Category grows well; driven by Premium Brands
- Taj Mahal Dessert Teas targeted at the top end consumer launched in DQ:





DQ'06	Value Share	SQ'07	DQ'07
22.9	Tea	23.4	22.7



Coffee

- Shares improve; company's strengthens its market leadership in the category
- Bru grows strongly in both Instant and Conventional segments




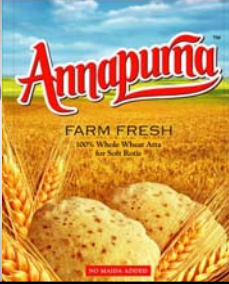
DQ'06	Value Share	SQ'07	DQ'07
42.9	Coffee	46.5	44.0

Market shares - Source: A. C. Nielsen; Tea shares restated by AC Nielsen in Oct '07 *DQ'07 Results - 13th Feb'08*

Foods - Category performance –Processed Foods

- Culinary division delivers strong growth; Knorr continues to see strong growth, post re-launch in 3 exciting ranges
- Atta declines but improves profitability; Salt returns to growth in the current Qtr.

Foods - Category performance -Icecream

Ice cream growth led by Southern Citadel Cities and festival activation in Eastern Region

Expansion and availability in MT/GT channels aids growth



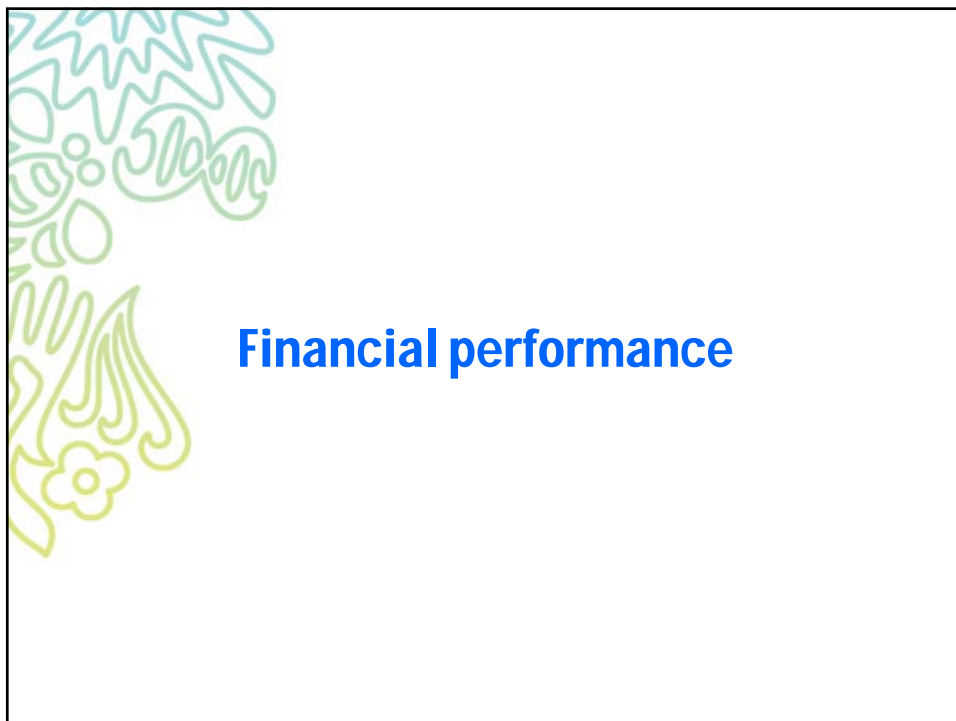
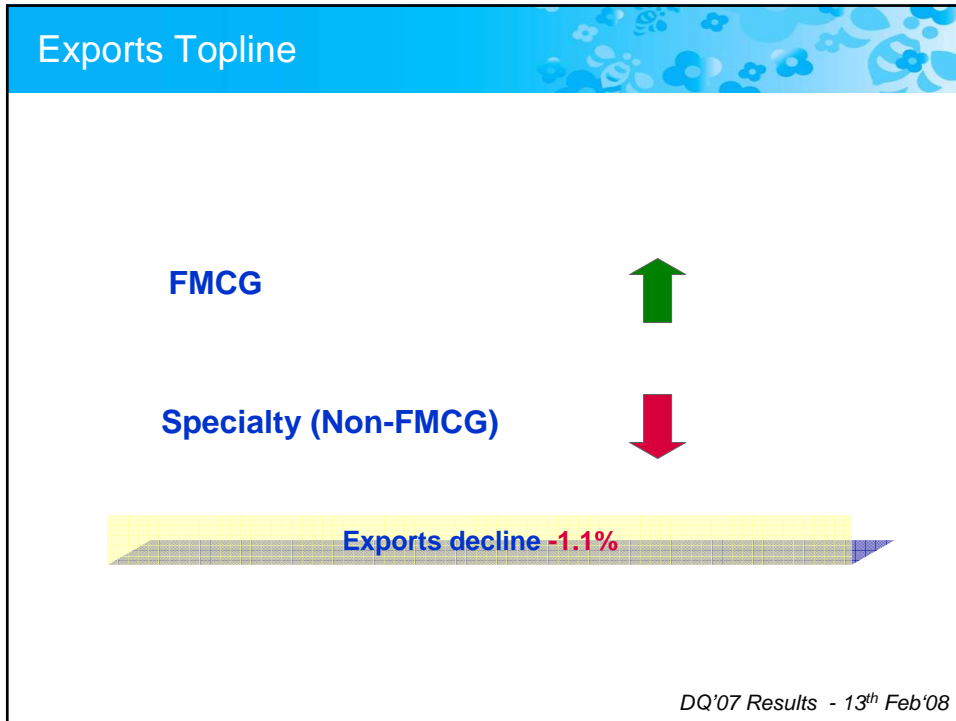
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Water Update

- **Pure-it extended to 210 towns in 10 states**
- **4 million consumers now protected with Pure-it**
- **Capacity expansion on course**



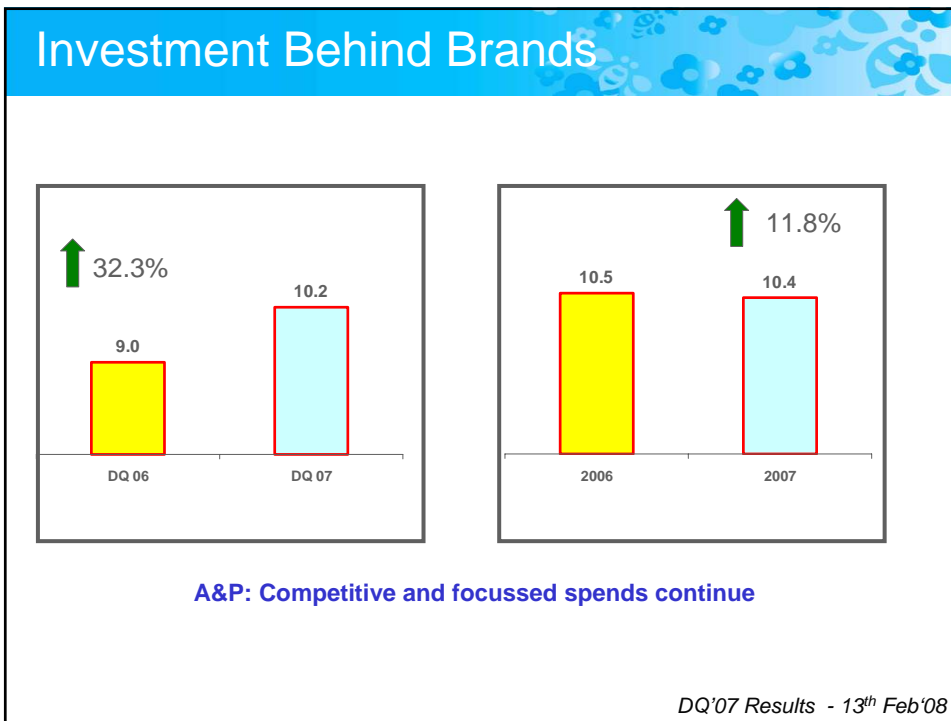
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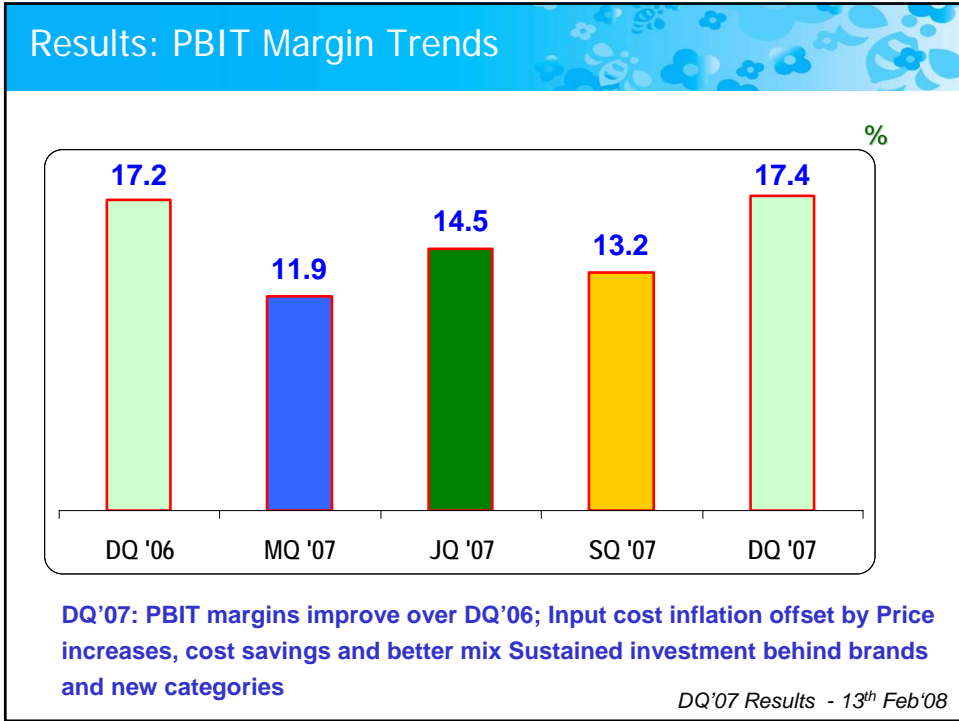


Results

Rs Crores	DQ'07	DQ'06	Growth%
EBITDA	679	577	17.7
PBIT	642	543	18.3
<i>PBIT margin (percentage)</i>	17.4	17.2	
Financial Income (Net)	42	28	51.3
PBT	684	571	19.9
PAT (bei)	554	483	14.6
Exceptional Items	78	28	
Net Profit	631	511	23.5

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Key Innovations/Activations – SH'07

Laundry



Surf Excelmatic

Skin Creams



FAL relaunch, 12 gm Sku Menz launch; launch of Pond's Flawless white

Shampoos



Clinic All Clear Relaunch, Dove Sachet launch, Clinic Plus Relaunch

Personal wash



Lux Crystal Shine

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Key Innovations/Activations – SH'07

Deos and mail Toiletries



AXE Relaunch

Oral



Close Up limited Edition;
Pepsodent Kids

Tea



Taj Indulgence

Colour Cosmetics



Lakme 9-5 range, Elle
18 Range Extension

CPD



Knorr Soups Relaunch

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HUL Results - 2007

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2007

2007 Highlights

- Double Digits top line growth (+13.3%)
- 3rd consecutive year of double digit FMCG growth;
Grows by 13.7%; HPC (+12.3%), Foods (+20.2%)
- Growth broadbased across all categories
- A&P spends higher by 11.8%
- PBIT grows by 15.4% with EBIT margin improving 30 bps
- PAT grows by 14.9%
- Net profit up 3.8% due to exceptional items in base
- EPS at Rs. 8.73 for the year

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2007

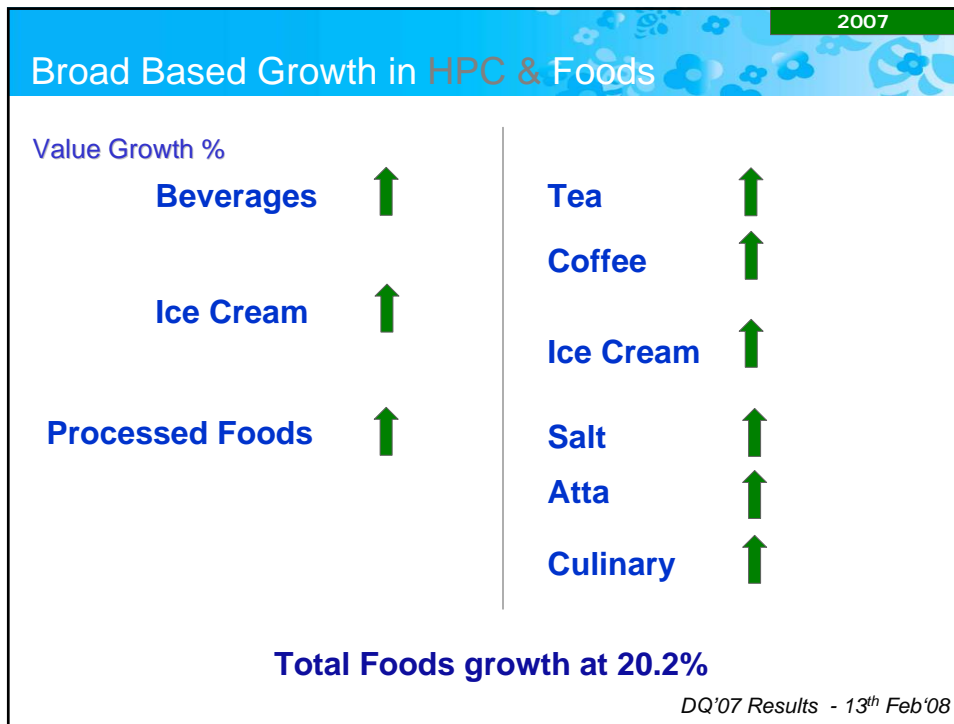
Broad Based Growth in HPC & Foods

Value Growth %

		HPC		
Soaps and detergents	↑		Laundry	↑
Personal Products	↑		Personal Wash	↑
			Shampoos	↑
			Skin	↑
			Toothpaste	↑

Total HPC growth at 12.3%

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2007

Category Wise Sales growth

	<u>Growth %^^</u>
	<u>2007</u>
Soaps & Detergents	13.8
Personal Products	9.9
Beverages	14.7
Processed Foods	40.2*
Ice Cream	17.9
FMCG	13.7*

^^ Excludes Other Segmental Income
* Includes impact of Modern merger

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Sales and Results - 2007		2007	
Rs Crores	2007	2006	Growth%
Sales	13718	12103	13.3
PBIT	1972	1709	15.4
PBT	2185	1862	17.3
PAT	1769	1540	14.9
Net Profit	1925	1855	3.8
EPS (Rs)	8.73	8.41	3.8

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Dividend		2007	
<ul style="list-style-type: none"> Board recommends a final 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	
Total Interim Dividend	3.51	3.42	
Platinum Jubilee Dividend	3.00	-	
Distribution Tax	0.51	-	
Total Platinum Jubilee Dividend	3.51	-	
Final	3.00	3.00	
Distribution Tax	0.51	0.42	
Total Final Dividend	3.51	3.42	
Total Distribution (Incl Tax)	10.53	6.84	

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To sum up..

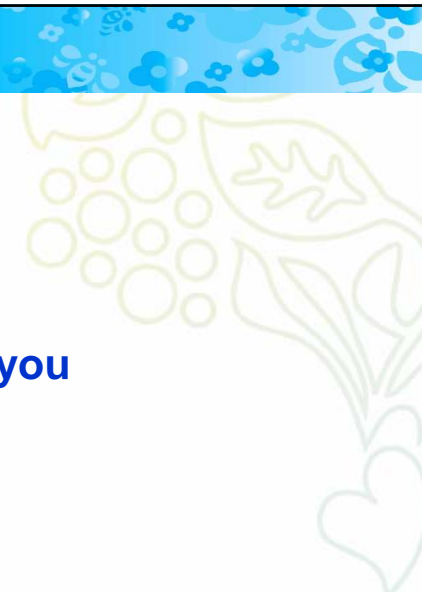
- **Double digit growth for the 3rd consecutive year**
- **HPC grows well; growth led by a strong performance in the competitive categories of laundry and hair**
- **Foods achieves strong all round growth**
- **Heightened Input cost inflation in 2007, managed by judicious price increases and cost effectiveness programmes**

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Looking ahead..

- **FMCG markets expected to maintain current growth levels**
- **Input cost inflation likely to continue; margins to be managed through pricing, buying efficiencies, cost effectiveness and mix improvement.**
- **Company to focus on competitive growth. Continued investment behind the core and new categories – Foods, Top end skin and water**


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Thank you

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


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HUL Results – DQ '07

Analyst Meet

13th Feb 2008



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