



Hindustan Unilever Limited

## **RESULTS FOR THE QUARTER ENDING 31<sup>st</sup> DECEMBER 2019**

### **5% UNDERLYING VOLUME GROWTH. 21% PAT (BEI\*) GROWTH**

**Mumbai, January 31<sup>st</sup>, 2020:** Hindustan Unilever Limited (HUL) announced its results for the quarter ending 31<sup>st</sup> December 2019.

Domestic Consumer Growth was 4% with Underlying Volume Growth at 5%. Reported EBITDA improvement was 335 bps (210 bps on comparable basis after adjusting for accounting impact of Ind AS 116 on leases). Profit after tax (bei\*) grew by 21%.

#### **Home Care**

Home Care continued its trajectory of good performance with double digit topline growth. In Fabric Wash, our focus on core and premiumization continues to yield strong results. During this quarter, we launched Comfort Perfume Deluxe in select geographies. Household Care saw good growth on the back of market development. Upgradation to liquid dishwash in urban areas continues to build momentum.

#### **Beauty & Personal Care**

Beauty and Personal care was impacted by a higher than expected slowdown to market growth and delayed winter. Hair and Color cosmetics performed well. In Personal wash, negative market growths coupled with the pricing actions to pass on benefits of lower commodity have impacted topline delivery. Skin care performance was impacted by delayed winter while we saw good growths in the non-winter part of the portfolio. We launched Love Beauty & Planet and new variants in Vaseline body lotions. Hair Care registered healthy performance across the portfolio. During this quarter, we launched the shampoo and conditioner range of Love Beauty & Planet and Indulekha Neemraj Oil. Color Cosmetics continues to tap into new opportunities by unlocking the rising aspirations of women across the country. We continue to step up innovations in this category. Oral Care delivered a steady quarter driven by Close Up.

#### **Foods & Refreshment**

Foods & Refreshment delivered robust growth across categories. Beverages saw broad-based growth in the quarter. Ice Cream and Frozen Desserts sustained focus on distribution expansion and building the innovation pipeline ahead of season. Foods registered good growth led by activations basis differentiated consumer insights. In this quarter, we launched Hellmann's Mayonnaise in Kolkata.

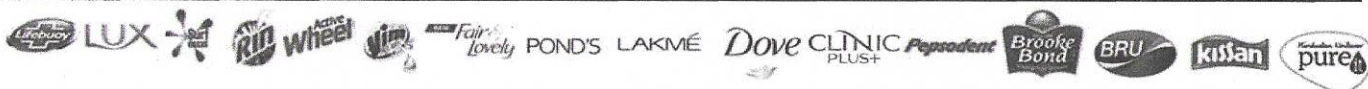
#### **Margin improvement sustained**

Margin expansion was driven by our savings agenda and leverage in other expenses. Earnings before interest, tax, depreciation and amortization (EBITDA) at Rs. 2445 Crores was up by 19% (14% on comparable basis after adjusting for accounting impact of Ind AS 116). Profit after tax (bei\*), at Rs. 1691 Crores was up 21%, and Profit after tax, at Rs. 1616 Crores increased by 12%.

Sanjiv Mehta, Chairman and Managing Director commented: This quarter witnessed an overall challenging market environment, mainly reflecting a sharp slowdown in rural and discretionary spends. In this tough environment, HUL has delivered a resilient performance which is reflective of the strength of our brands, consistency in strategy and execution prowess. Our continued focus on innovation and market development has helped sustain underlying volume growth at a steady 5%. We have also delivered a healthy margin improvement.

In the short term, demand outlook and market growth continue to be challenging. In this environment, we will continue to invest behind our brands and offer superior value to our consumers. We will continue to manage our business with agility by leveraging our data and tech capabilities. I remain confident of the medium to long term prospects of Indian FMCG sector and am hopeful that policy measures will spur the rural economy and drive consumption.

\*Before exceptional items





# Hindustan Unilever Limited

## STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED 31ST DECEMBER, 2019

(Rs in Crores)

Unaudited Results for the quarter ended 31st December		Unaudited Results for the quarter ended 30th September	Particulars	Unaudited Results for the nine months ended 31st December		Audited Results for the year ended 31st March
2019	2018	2019		2019	2018	2019
9,696	9,357	9,708	Revenue from operations			
112	201	144	Sale of products	29,388	27,851	37,660
140	106	180	Other operating revenue	386	428	564
9,948	9,664	10,032	Other income	467	546	664
			<b>TOTAL INCOME</b>	<b>30,241</b>	<b>28,825</b>	<b>38,888</b>
			<b>EXPENSES</b>			
2,793	3,199	3,229	Cost of materials consumed	9,183	9,921	13,240
1,561	1,337	1,447	Purchases of stock-in-trade	4,341	3,424	4,708
136	(118)	(191)	Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	99	(128)	12
454	465	430	Employee benefits expenses	1,336	1,345	1,747
25	7	31	Finance costs	80	21	28
232	133	237	Depreciation and amortisation expenses	683	390	524
			Other expenses			
1,163	1,186	1,198	Advertising and promotion	3,522	3,445	4,552
1,256	1,443	1,296	Others	3,758	3,956	5,328
7,620	7,652	7,677	<b>TOTAL EXPENSES</b>	<b>23,002</b>	<b>22,374</b>	<b>30,139</b>
2,328	2,012	2,355	<b>Profit before exceptional items and tax</b>	<b>7,239</b>	<b>6,451</b>	<b>8,749</b>
(99)	(62)	(47)	Exceptional items [net credit/ (charge)]	(139)	(156)	(227)
2,229	1,950	2,308	<b>Profit before tax</b>	<b>7,100</b>	<b>6,295</b>	<b>8,522</b>
			<b>Tax expenses</b>			
(606)	(510)	(374)	Current tax	(1,799)	(1,843)	(2,565)
(7)	4	(86)	Deferred tax credit/(charge)	(82)	46	79
1,616	1,444	1,848	<b>PROFIT FOR THE PERIOD (A)</b>	<b>5,219</b>	<b>4,498</b>	<b>6,036</b>
			<b>OTHER COMPREHENSIVE INCOME</b>			
			<b>Items that will not be reclassified subsequently to profit or loss</b>			
-	-	-	Remeasurements of the net defined benefit plans	-	-	(7)
-	-	-	Tax on above	-	-	3
			<b>Items that will be reclassified subsequently to profit or loss</b>			
(1)	1	-	Fair value of debt instruments through other comprehensive income	(1)	(1)	2
0	(1)	-	Tax on above	0	0	(1)
0	-	4	Fair value of Cash flow hedges through other comprehensive income	4	-	-
(0)	-	(1)	Tax on above	(1)	-	-
(1)	0	3	<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD (B)</b>	<b>2</b>	<b>(1)</b>	<b>(3)</b>
1,615	1,444	1,851	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B)</b>	<b>5,221</b>	<b>4,497</b>	<b>6,033</b>
216	216	216	<b>Paid up Equity Share Capital (Face value Re. 1 per share)</b>	216	216	216
			<b>Other Equity</b>			7,443
			<b>Earnings per equity share (Face value of Re. 1 each)</b>			
7.47	6.67	8.54	Basic (in Rs.)	24.11	20.78	27.89
7.47	6.67	8.54	Diluted (in Rs.)	24.11	20.78	27.88





**STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES**

(Rs in Crores)

Unaudited Results for the quarter ended 31st December		Unaudited Results for the quarter ended 30th September	Particulars	Unaudited Results for the nine months ended 31st December		Audited Results for the year ended 31st March
2019	2018	2019		2019	2018	2019
			<b>Segment Revenue (Sales and Other operating income)</b>			
3,456	3,148	3,371	- Home Care	10,292	9,374	12,876
4,412	4,539	4,543	- Beauty & Personal Care	13,544	13,262	17,655
1,865	1,728	1,847	- Foods & Refreshment	5,662	5,217	7,133
75	143	91	- Others (includes Exports, Infant & Feminine Care etc.)	276	426	560
<b>9,808</b>	<b>9,558</b>	<b>9,852</b>	<b>Total Segment Revenue</b>	<b>29,774</b>	<b>28,279</b>	<b>38,224</b>
			<b>Segment Results</b>			
629	446	595	- Home Care	1,923	1,537	2,156
1,252	1,165	1,315	- Beauty & Personal Care	3,925	3,507	4,727
334	261	294	- Foods & Refreshment	1,007	884	1,230
(2)	(3)	2	- Others (includes Exports, Infant & Feminine Care etc.)	2	(2)	(0)
<b>2,213</b>	<b>1,869</b>	<b>2,206</b>	<b>Total Segment Results</b>	<b>6,857</b>	<b>5,926</b>	<b>8,113</b>
(99)	(62)	(47)	Add/(Less): Exceptional Items [net credit/ (charge)]	(139)	(156)	(227)
(25)	(7)	(31)	Less: Finance Costs	(80)	(21)	(28)
			Add/(Less): Finance Income and Other unallocable income net of unallocable expenditure	462	546	664
<b>140</b>	<b>150</b>	<b>180</b>	<b>Total Profit Before Tax</b>	<b>7,100</b>	<b>6,295</b>	<b>8,522</b>
<b>2,229</b>	<b>1,950</b>	<b>2,308</b>				
			<b>Segment Assets</b>			
2,697	2,221	2,792	- Home Care	2,697	2,221	2,270
4,993	4,874	5,248	- Beauty & Personal Care	4,993	4,874	4,839
2,242	2,115	2,154	- Foods & Refreshment	2,242	2,115	2,179
93	127	106	- Others (includes Exports, Infant & Feminine Care etc.)	93	127	136
9,001	8,078	9,549	- Unallocable corporate assets	9,001	8,078	8,441
<b>19,026</b>	<b>17,415</b>	<b>19,849</b>	<b>Total Segment Assets</b>	<b>19,026</b>	<b>17,415</b>	<b>17,865</b>
			<b>Segment Liabilities</b>			
3,649	3,251	3,392	- Home Care	3,649	3,251	2,752
5,923	5,482	5,657	- Beauty & Personal Care	5,923	5,482	5,059
1,695	1,490	1,581	- Foods & Refreshment	1,695	1,490	1,311
52	75	50	- Others (includes Exports, Infant & Feminine Care etc.)	52	75	59
1,099	993	1,325	- Unallocable corporate liabilities	1,099	993	1,025
<b>12,418</b>	<b>11,291</b>	<b>12,005</b>	<b>Total Segment Liabilities</b>	<b>12,418</b>	<b>11,291</b>	<b>10,206</b>

**Notes on Segment Information:**

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

Segment Assets and Segment Liabilities are as at 31st December 2019, 30th September 2019, 31st March 2019 and 31st December 2018. Unallocable corporate assets less Unallocable corporate liabilities mainly represent investment of surplus funds and cash and bank balances.

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

Registered Office : Unilever House, B.D. Sawant Marg, Chakala, Andheri East, Mumbai 400 099.

CIN: L15140MH1933PLC002030. Tel : +91 (22) 3983 0000.

Email: levercare.shareholder@unilever.com



**Notes:**

1. Total sales grew by 4% during the quarter. Domestic consumer business grew by 4% during the quarter.
2. The Company adopted Ind AS 116 effective 1st April 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognized on the date of initial application (1st April 2019). Accordingly, previous period information has not been restated.
3. Earnings before interest, tax, depreciation and amortization (EBITDA) for the quarter at Rs. 2,445 crores (DQ 18: Rs.2,046 crores) grew by 19%. Comparable EBITDA after adjusting for accounting impact of IND AS 116 grew by 14%. Comparable EBITDA margin improved by 210 bps vs DQ 18.
4. Profit after tax before exceptional items for the quarter at Rs. 1,691 crores (DQ 18: Rs.1,401 crores) grew by 21%.
5. Exceptional items in DQ 19 includes profit from sale of surplus properties Rs. 2 crores (DQ 18: Rs. Nil), restructuring expenses Rs. 64 crores (DQ 18: Rs. 46 crores) and other acquisition and disposal related cost of Rs. 37 crores (DQ 18: Rs 16 crore).
6. Profit after tax for the quarter at Rs. 1,616 crores (DQ 18: Rs. 1,444 crores) grew by 12%.
7. On 3rd December 2018, the Board of Directors of Hindustan Unilever Limited (HUL), subject to obtaining requisite approvals from statutory authorities and shareholders, had approved a Scheme of Amalgamation between HUL and GlaxoSmithKline Consumer Healthcare Limited (GSK CH India). The Scheme of Amalgamation was filed with the National Company Law Tribunal (NCLT) seeking directions to hold shareholder's and creditor's meetings. Pursuant to the order dated 2nd May 2019 passed by the NCLT, the Tribunal Convened Meeting of the Equity Shareholders and Unsecured creditors of the Company was held on 29th June 2019. The Equity Shareholders and Unsecured Creditors of the Company, in their respective meetings, approved the Resolution as set out in the Notice of Tribunal Convened Meeting, approving the Scheme of Amalgamation with requisite majority. The Company filed the requisite Company Scheme Petition seeking sanction of the NCLT Mumbai Bench and the Hon'ble Tribunal vide its order dated 24th September, 2019 ("Order"), has sanctioned the aforesaid Scheme. This Order is subject to sanction of the Scheme by the Hon'ble National Company Law Tribunal, Chandigarh Bench.
8. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 31st January 2020.
9. The text of the above statement was approved by the Board of Directors at their meeting held on 31st January 2020. 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.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

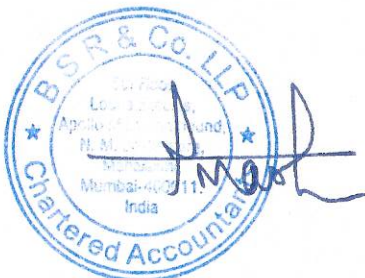
Place: Mumbai

Date: 31st January 2020



By order of the Board

Sanjiv Mehta  
Chairman and Managing Director  
[DIN: 06699923]







# Hindustan Unilever Limited

## CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED 31ST DECEMBER, 2019

Unaudited Results for the quarter ended 31st December		Unaudited Results for the quarter ended 30th September	Particulars	Unaudited Results for the nine months ended 31st December		Audited Results for the year ended 31st March
2019	2018	2019		2019	2018	2019
9,953	9,582	9,931	Revenue from operations			
25	30	26	Sale of products	30,081	28,561	38,579
125	229	148	Sale of services	79	76	105
105	73	118	Other operating revenue	412	472	626
10,208	9,914	10,223	Other income	368	437	550
			TOTAL INCOME	30,940	29,546	39,860
			EXPENSES			
2,893	3,319	3,331	Cost of materials consumed	9,478	10,275	13,707
1,573	1,352	1,472	Purchases of stock-in-trade	4,392	3,467	4,755
161	(127)	(192)	Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	134	(118)	12
487	501	462	Employee benefits expenses	1,434	1,443	1,875
27	9	34	Finance costs	88	26	33
248	143	254	Depreciation and amortisation expenses	731	421	565
			Other expenses			
1,171	1,207	1,200	Advertising and promotion	3,538	3,489	4,607
1,289	1,496	1,324	Others	3,835	4,067	5,474
7,849	7,900	7,885	TOTAL EXPENSES	23,630	23,070	31,028
2,359	2,014	2,338	Profit before exceptional items and tax	7,310	6,476	8,832
(100)	(58)	(48)	Exceptional items [net credit/ (charge)]	(141)	(164)	(228)
2,259	1,956	2,290	Profit before tax from continuing operations	7,169	6,312	8,604
			Tax expenses			
(621)	(518)	(379)	Current tax	(1,834)	(1,873)	(2,610)
(7)	6	(93)	Deferred tax credit/(charge)	(91)	47	66
1,631	1,444	1,818	Profit after tax from continuing operations (A)	5,244	4,486	6,060
(0)	0	(0)	Profit/(Loss) from discontinued operations before tax	(0)	0	0
(0)	0	(0)	Tax expenses of discontinued operations	(0)	0	0
1,631	1,444	1,818	Profit/(Loss) from discontinued operations after tax (B)	(0)	0	0
			PROFIT FOR THE PERIOD (A+B)	5,244	4,486	6,060
			OTHER COMPREHENSIVE INCOME			
			Items that will not be reclassified subsequently to profit or loss			
			Remeasurements of the net defined benefit plans	-	-	(8)
			Tax on above	-	-	3
			Items that will be reclassified subsequently to profit or loss			
(1)	(1)	-	Fair value of debt instruments through other comprehensive income	(1)	(2)	2
0	1	-	Tax on above	0	0	(1)
0	-	4	Fair value of cash flow hedges through other comprehensive income	4	-	-
(0)	-	(1)	Tax on above	(1)	-	-
(1)	0	3	OTHER COMPREHENSIVE INCOME FOR THE PERIOD (C)	2	(2)	(4)
1,630	1,444	1,821	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B+C)	5,246	4,484	6,056
			Net Profit attributable to			
1,627	1,440	1,814	a) Owners of the company	5,233	4,483	6,054
4	4	4	b) Non-controlling interest	11	3	6
			Other comprehensive income attributable to			
(1)	0	3	a) Owners of the company	2	(2)	(4)
	-	-	b) Non-controlling interest	-	0	(0)
			Total comprehensive income attributable to			
1,626	1,440	1,817	a) Owners of the company	5,235	4,481	6,050
4	4	4	b) Non-controlling interest	11	3	6
216	216	216	Paid up Equity Share Capital (Face value Re. 1 per share)	216	216	216
			Other Equity			
			Earnings per equity share from continuing operations (Face value of Re. 1 each)			
7.51	6.65	8.38	Basic (in Rs.)	24.17	20.71	27.97
7.51	6.65	8.38	Diluted (in Rs.)	24.17	20.71	27.96
			Earnings per equity share from discontinued operations (Face value of Re. 1 each)			
(0.00)	0.00	(0.00)	Basic (in Rs.)	(0.00)	0.00	0.00
(0.00)	0.00	(0.00)	Diluted (in Rs.)	(0.00)	0.00	0.00
			Earnings per equity share from continuing and discontinued operations (Face value of Re. 1 each)			
7.51	6.65	8.38	Basic (in Rs.)	24.17	20.71	27.97
7.51	6.65	8.38	Diluted (in Rs.)	24.17	20.71	27.96



**CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES**

(Rs in Crores)

Unaudited Results for the quarter ended 31st December		Unaudited Results for the quarter ended 30th September	Particulars	Unaudited Results for the nine months ended 31st December		Audited Results for the year ended 31st March
2019	2018	2019		2019	2018	2019
			<b>Segment Revenue (Sales and Other operating income)</b>			
3,456	3,147	3,370	- Home Care	10,290	9,372	12,874
4,448	4,579	4,580	- Beauty & Personal Care	13,654	13,368	17,800
1,865	1,728	1,847	- Foods & Refreshment	5,662	5,215	7,131
334	387	308	- Others (includes Exports, Infant & Feminine Care etc.)	966	1,154	1,505
<b>10,103</b>	<b>9,841</b>	<b>10,105</b>	<b>Total Segment Revenue</b>	<b>30,572</b>	<b>29,109</b>	<b>39,310</b>
			<b>Segment Results</b>			
629	446	595	- Home Care	1,923	1,535	2,156
1,263	1,166	1,315	- Beauty & Personal Care	3,942	3,519	4,751
334	262	294	- Foods & Refreshment	1,007	884	1,230
55	33	50	- Others (includes Exports, Infant & Feminine Care etc.)	158	127	178
<b>2,281</b>	<b>1,907</b>	<b>2,254</b>	<b>Total Segment Results</b>	<b>7,030</b>	<b>6,065</b>	<b>8,315</b>
(100)	(58)	(48)	Add/(Less): Exceptional Items [net credit/(charge)]	(141)	(164)	(228)
(27)	(9)	(34)	Less: Finance Costs	(88)	(26)	(33)
			Add/(Less): Finance Income and Other unallocable income net of unallocable expenditure	368	437	550
<b>2,259</b>	<b>1,956</b>	<b>2,290</b>	<b>Total Profit Before Tax</b>	<b>7,169</b>	<b>6,312</b>	<b>8,604</b>
			<b>Segment Assets</b>			
2,697	2,221	2,792	- Home Care	2,697	2,221	2,270
5,372	5,198	5,603	- Beauty & Personal Care	5,372	5,198	5,152
2,242	2,115	2,154	- Foods & Refreshment	2,242	2,115	2,179
591	683	585	- Others (includes Exports, Infant & Feminine Care etc.)	591	683	697
8,961	7,916	9,522	- Unallocable corporate assets	8,961	7,916	8,331
<b>19,863</b>	<b>18,133</b>	<b>20,656</b>	<b>Total Segment Assets</b>	<b>19,863</b>	<b>18,133</b>	<b>18,629</b>
			<b>Segment Liabilities</b>			
3,649	3,251	3,392	- Home Care	3,649	3,251	2,752
6,044	5,549	5,757	- Beauty & Personal Care	6,044	5,549	5,102
1,695	1,490	1,581	- Foods & Refreshment	1,695	1,490	1,311
282	353	286	- Others (includes Exports, Infant & Feminine Care etc.)	282	353	296
1,364	1,175	1,582	- Unallocable corporate liabilities	1,364	1,175	1,283
<b>13,034</b>	<b>11,818</b>	<b>12,598</b>	<b>Total Segment Liabilities</b>	<b>13,034</b>	<b>11,818</b>	<b>10,744</b>

**Notes:**

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

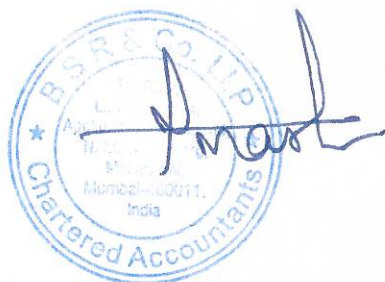
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**Notes:**

1. The Group adopted Ind AS 116 effective 1st April 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April 2019). Accordingly, previous period information has not been restated.
2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 31st January 2020.
3. The text of the above statement was approved by the Board of Directors at their meeting held on 31st January 2020. 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.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

By order of the Board

Place: Mumbai  
Date: 31st January 2020



Sanjiv Mehta  
Chairman and Managing Director  
[DIN: 06699923]

