















**Limited Review Report on Unaudited Quarterly and Year-to-date Consolidated Financial Results of Hindustan Unilever Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To the Board of Directors of  
Hindustan Unilever Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Hindustan Unilever Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

















Hindustan Unilever Limited

**RESULTS FOR THE QUARTER ENDING 30<sup>th</sup> SEPTEMBER 2020**

**REPORTED TURNOVER UP BY 16%, PAT (BEI\*) UP BY 11%**

**Mumbai, 20<sup>th</sup> October 2020:** Hindustan Unilever Limited (HUL) announced its results for the quarter ending 30<sup>th</sup> September 2020.

Growth in the quarter was competitive and profitable with Reported Turnover Growth of 16% and Domestic Consumer Growth (excluding the impact of merger of GSK CH and acquisition of 'VWash') of 3%. The strength of our portfolio is demonstrated by the fact that 70% of our business is gaining penetration<sup>^</sup>. Health, Hygiene and Nutrition, forming c.80% of our portfolio grew in double digits.

**Home Care:** Household Care delivered strong performance across all segments led by continued penetration gains. We have stepped up our innovation intensity to address the 'clean living' needs of consumers; 'Domex' range is now available nationally. In Fabric Wash, we have reduced our prices to pass on benefits of lower commodity costs to consumers. Category consumption of Laundry has been adversely impacted due to confined living. Continued focus on driving market development has enabled us to grow our Liquids and Fabric Sensations segments strongly.

**Beauty & Personal Care:** Skin Cleansing grew in double digits on back of a very strong performance in 'Lifebuoy' and a good delivery in 'Lux'. Hand Sanitizers and Handwash segments continue to gain penetration and have delivered robust growths. Oral care grew in double digits with accelerated momentum in 'Close Up'. Hair Care also grew in double digits; our portfolio interventions along with repurposed communications are resonating well with consumers and driving salience. In Skin Care, 'Glow & Lovely' and 'Glow & Handsome' have successfully landed on shelves across the nation and we continue the journey towards a more inclusive vision of beauty. While the essential part of Skin Care saw pickup in demand, 'winter portfolio sell-in' was impacted due to muted trade sentiment and liquidity constraints.

**Foods & Refreshment:** Foods, Tea and Coffee sustained the high growth momentum and grew in double digits; our consumer-focused activations and innovations are leveraging the 'in-home consumption' trend. Our prudent and dynamic management of unprecedented inflation in Tea has enabled all our brands to grow in double digits and this positions us well. Performance of our Nutrition business was competitive and disrupted supply lines are now fully restored. In the quarter, we expanded 'Boost' nationally with the narrative of 'Play a bigger game' and launched a special film on 'Horlicks' to celebrate the deeper meaning of growth that stems from courage and confidence. While we saw sequential improvement, Ice Creams, Foods Solutions and Vending businesses continue to be impacted due to out-of-home consumption loss.

**Operating margins improve:** Our strong savings funnel, judicious and calibrated pricing in Tea, synergies in Nutrition have enabled us to successfully manage headwinds of commodity inflation and adverse mix. We have significantly increased our investments behind our brands and our spends continue to be competitive. Earnings before interest, tax, depreciation and amortization (EBITDA) at Rs. 2,869 Crores was up by 17%. Profit after tax (bei\*) at Rs. 2,035 Crores was up 11%, and Profit after tax at Rs. 2009 Crores increased by 9%.

**Interim dividend:** The Board of Directors has declared an interim dividend of Rs. 14 per share for year ending 31<sup>st</sup> March 2021.

**Sanjiv Mehta, Chairman and Managing Director commented:** "In the context of a challenging economic environment, our growth has been competitive and profitable. We continue to demonstrate execution prowess, agility, adaptability, resilience, and passion of our people. We have expanded our portfolio with consumer relevant innovations and have invested strongly behind our brands. Our operations and service levels are now back to pre-COVID levels and we have accelerated the pace of digitizing our operations under the 'Re-imagine HUL' agenda.

The economic outlook has improved given the various initiatives taken by the Government and Reserve Bank of India. In our sector, rural markets have been resilient but the demand in urban India especially in metropolitan cities has been muted. We believe that the worst is behind us and we are cautiously optimistic on demand recovery."

\*Before exceptional items <sup>^</sup>As per Kantar Worldpanel for MAT August 2020 on relative basis

