

Hindustan Unilever Limited

Results – JQ '08

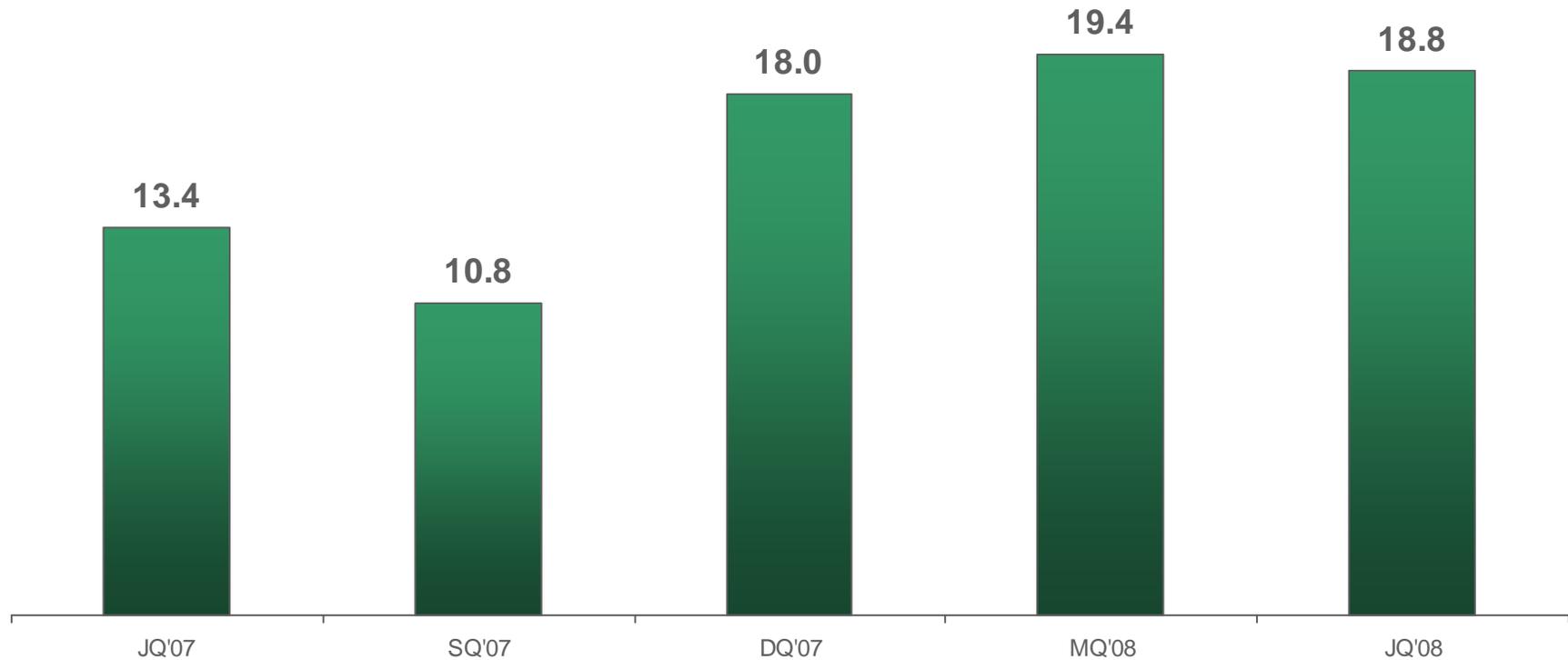
Analyst Meet

25th July 2008

Results Summary - JQ'08

- Net sales grows 21.1%
- FMCG business grows by 18.8%; ahead of aggregate market growth
 - HPC +19.8%, Foods +14.1%
- A&P spends up 30.5%, 70 bps increase.
- PBIT grows 20.7%
- PBIT margin maintained at 14.2% in the context of cost inflation and higher A&P investment.
- Net Profit grow by 13.2%

FMCG Sales Trend

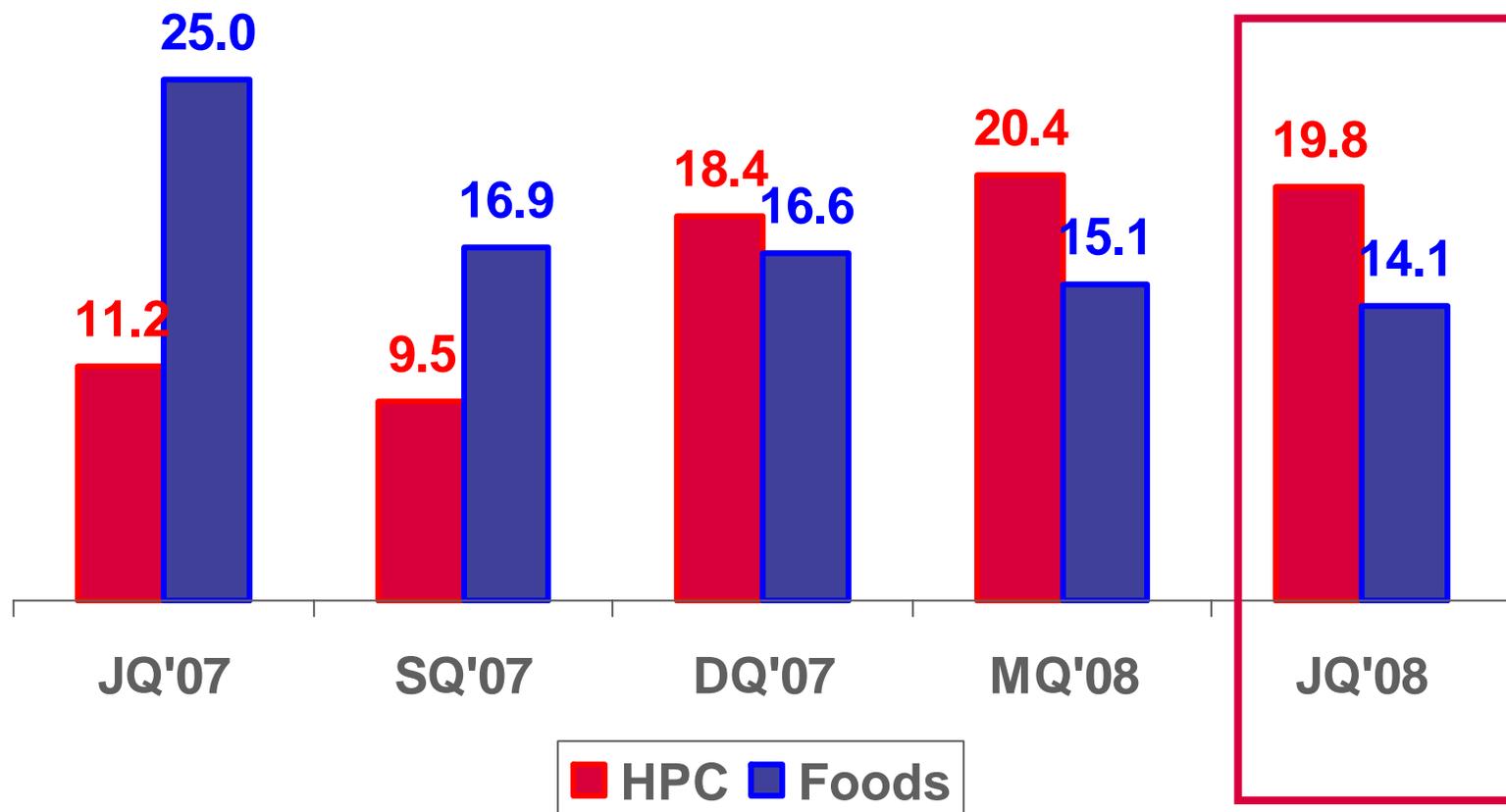


Underlying Volume Growth in JQ'08

8.3%

JQ'08 Results - 25th Jul'08

Sales Performance



Growth continues in both HPC and Foods, driven by underlying volume growth and inflation led price increases.

Category Wise Sales growth

	<u>Growth %</u>
	<u>JQ'08</u>
Soaps & Detergents	20.7
Personal Products	18.6
Beverages	15.5
Processed Foods	12.1
Ice Cream	15.5
<hr/>	
FMCG	18.8[^]

[^] Excludes Other Segmental Income

Underlying volume growth across categories

JQ'08 Results - 25th Jul'08

HPC Topline

Personal Wash



Laundry



Shampoo



Skin



Toothpaste



HPC Growth

19.8%

HPC - Category performance – Fabric Wash

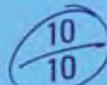
- Strong growth momentum in Laundry continues
 - Driven by volume and price across all brands.
 - Wheel Active Green launched in the quarter.
- Material cost inflation unabated driven by international crude oil price rise.
- Market share gains over last year and sequentially.



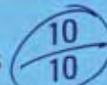
JQ'07	Value Share	MQ'08	JQ'08
36.5	Laundry	37.9	38.3



removes stains



removes stains



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

HPC - Category performance - Personal Wash

- **Strong growth ahead of market**
 - driven by underlying volume growth, price and better mix
 - Lifebuoy & Lux lead category growth
- **Launch of powerful mix in Lux Strawberry & Cream**
- **Inflationary impacts across raw materials, packaging and distribution costs**
- **Category market shares lower.**

JQ'07	Value Share	MQ'08	JQ'08
54.0	Personal Wash	54.3	52.7



Market shares - Source: A. C. Nielsen

JQ'08 Results - 25th Jul'08

HPC - Category performance - Shampoo

- Shampoo category grows well, driven by volume
- Category shares improve over MQ'08, though lower than last year.
 - Sunsilk performs well post relaunch, improving market share
 - Dove continues momentum, gaining robust all India footprint



JQ'07	Value Share	MQ'08	JQ'08
47.5	Shampoo	46.3	46.5



Market shares - Source: A. C. Nielsen



JQ'08 Results - 25th Jul'08

HPC - Category performance - Skin

- Skin Category grows strongly across all brands.
 - Volume driven growth in FAL, Ponds, Vaseline and Lakme.
- Top end Ponds range roll out growing well
 - Age Miracle range further expanded after MQ variant launch
- Market Shares decline



JQ'07	Value Share	MQ'08	JQ'08
55.1	Skin Creams (MAT)	54.0	53.4



Market shares - Source: A. C. Nielsen

JQ'08 Results - 25th Jul'08

HPC - Category performance - Toothpaste

- Category growth led by Close Up.
- Market Shares maintained

JQ'07	Value Share	MQ'08	JQ'08
30.0	Toothpaste	29.8	30.0



Market shares - Source: A. C. Nielsen



JQ'08 Results - 25th Jul'08

Foods Topline

Tea



Coffee



Culinary



Salt/Atta



Ice Cream



Foods growth

14.1%

Foods - Category performance - Beverages

- Tea grows strongly driven by underlying volume growth across brands
- Category shares improve



JQ'07	Value Share	MQ'08	JQ'08
22.3	Tea	22.9	23.2

- Bru achieves good growth both in core and variants
- Market Shares improve



JQ'07	Value Share	MQ'08	JQ'08
45.0	Coffee	44.2	46.9



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

JQ'08 Results - 25th Jul'08

Foods - Category performance – Processed Foods

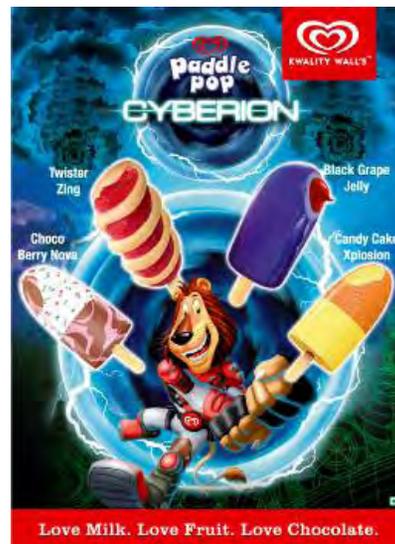
- Culinary division gaining scale with sustained high growth
- Knorr grows well, with both soups and mixes growing strongly.
- Kissan Jams and Ketchup continue growth momentum
- Kissan “Amaze” test market continues in 3 southern states.



JQ'08 Results - 25th Jul'08

Foods - Category performance - Icecream

- Ice cream grows well, driven by Take Home and Impulse Segment
- Extension of Paddle Pop range to India



JQ'08 Results - 25th Jul'08

Water Update

- Pure-it extended to ~ 364 towns in 20 states. Brand is now national;
 - Purifier and Battery kits sales gain momentum
- More than one million Pureit units sold till date



Exports

FMCG



Specialty (Non-FMCG)



Exports growth 17.5%
Significant improvement in mix/profitability



Financial performance JQ'08

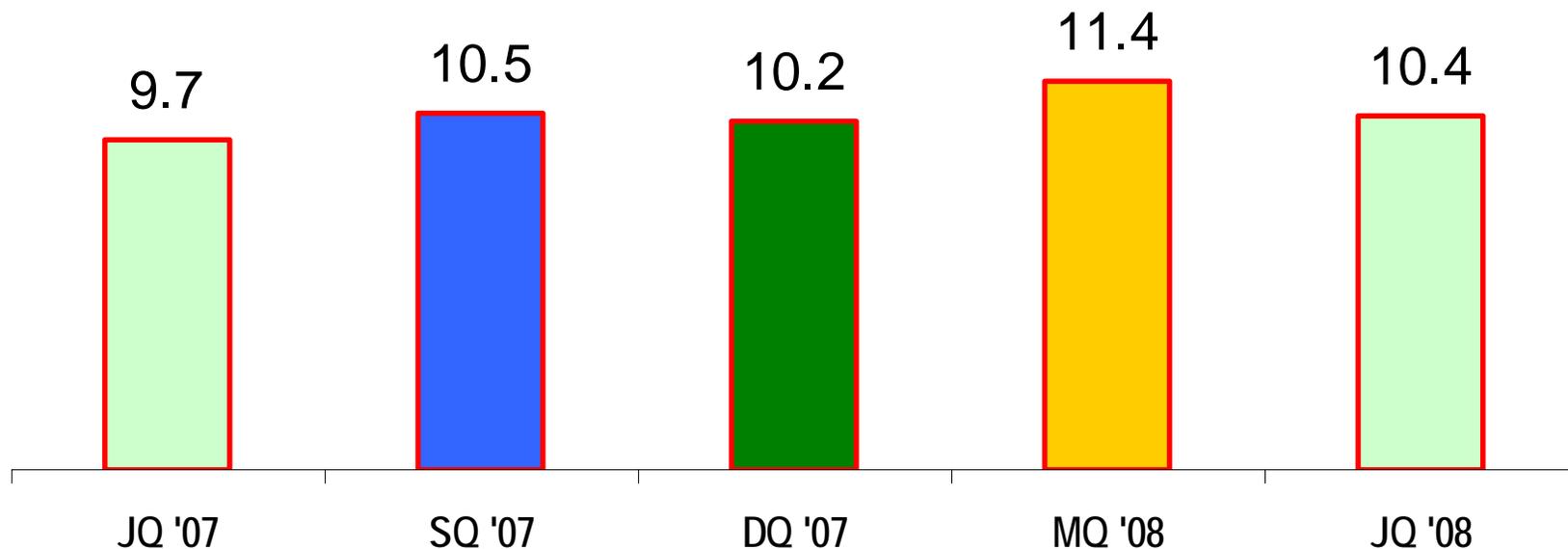
Results –JQ'08

Rs Crores	JQ'08	JQ'07	Growth%
Net Sales	4216	3481	21.1
EBITDA	635	528	20.3
PBIT	597	495	20.7
<i>PBIT margin (percentage)</i>	14.2	14.2	-
Exceptional Items	18.0	41.4	(56.4)
PBT	688	604	13.8
PAT (bei) and Net Profit	558	493	13.2

Investment behind Brands

A&P as a % of Net Sales

%

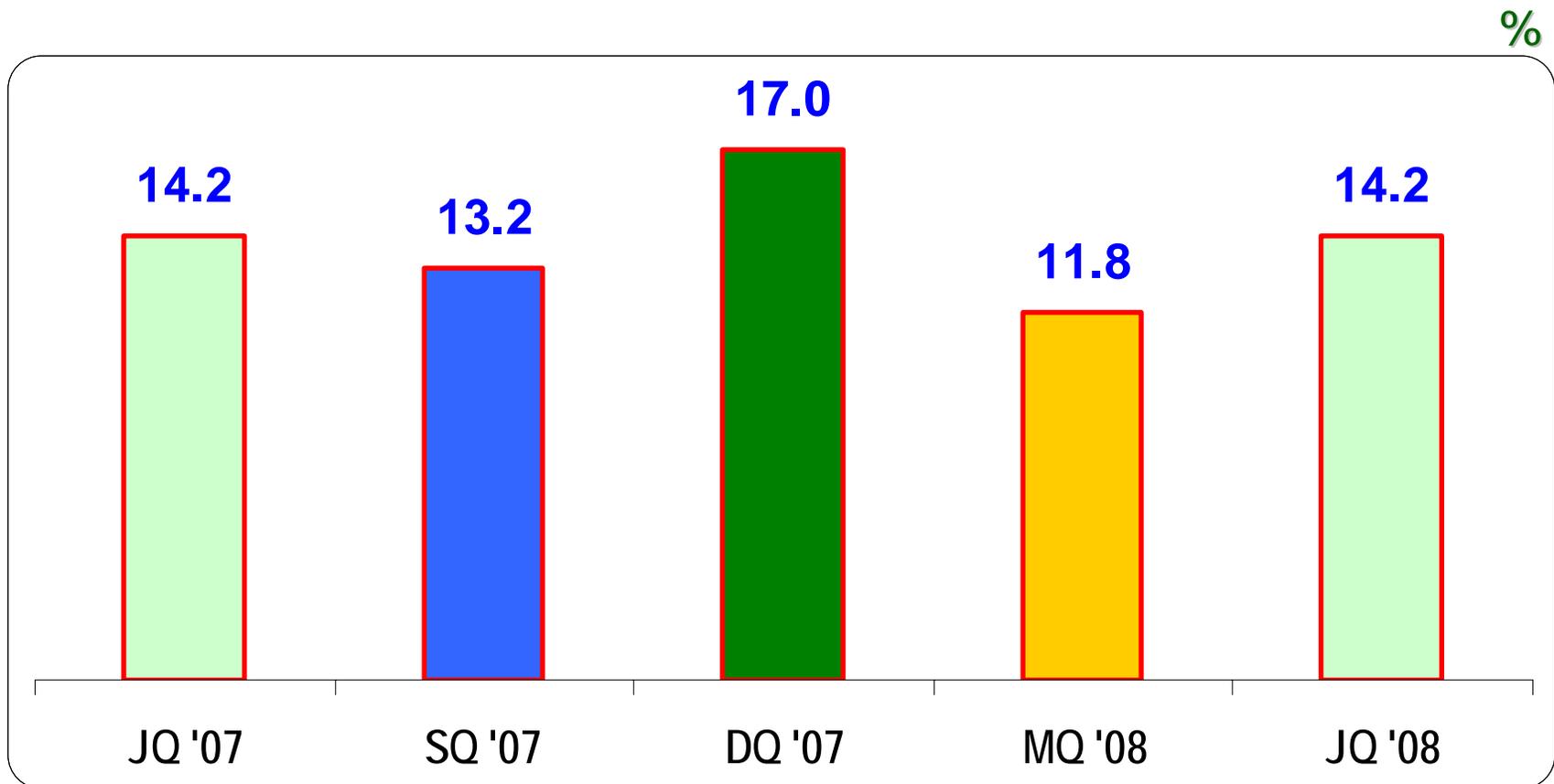


A&P spends grow 30.5%. Increase of 70 bps as a % of sales

Brand investments in new categories and innovations continue

JQ'08 Results - 25th Jul'08

Results: PBIT Margin Trends



JQ'08: PBIT margins maintained vs. JQ'07; Judicious price increases, cost management and improved mix, offset input cost inflation, investment in new categories and higher A&P.

Performance Summary - JQ'08

- Turnover growth ahead of market, driven by volume, price and mix
- Continued investment behind brands and new categories
- PBIT margins maintained, in the context of steep cost escalation & higher A&P investments
- In a high cost inflation scenario, business continues to be managed dynamically using all available levers- strong cost effectiveness , portfolio mix and judicious pricing

Key Innovations/Activations – JQ'08

CPD



Knorr Indian Soups

Ice Cream



Paddle Pop Range

Skin Creams



Extended Ponds Top End Range

Shampoos



Clinic Plus Multi Sachet

Deodorants



Shock & Recover

Personal Wash



Lux Strawberry & Cream

JQ'08 Results - 25th Jul'08

Results FH'08

Rs Crores	FH'08	FH'07	Growth%
Net Sales	8010	6666	20.2
EBITDA	1120	927	20.8
PBIT	1046	860	21.6
<i>PBIT margin (percentage)</i>	13.1	12.9	0.2
Exceptional Items	20.5	44.2	(53.6)
PBT	1159	1009	14.9
PAT (bei) and Net Profit	939	886	6.0

Dividend Per Share of Re 1	2008	2007
Interim Dividend	3.50	3.00
Distribution Tax	0.59	0.51
Total Interim Dividend	4.09	3.51

**2008 Accounting year change: 12 months ending Dec'08 to
15 months ending Mar'09**



Hindustan Unilever Limited

Results – JQ '08

Analyst Meet

25th July 2008



Thank you

For more information, please visit <http://www.hul.co.in>

JQ'08 Results - 25th Jul'08