



# Hindustan Unilever Limited

Hindustan Unilever Limited  
Unilever House  
B D Sawant Marg  
Chakala, Andheri East  
Mumbai 400 099

Tel: +91 (22) 3983 0000  
Web: www.hul.co.in  
CIN: L15140MH1933PLC002030

3rd May, 2019

Stock Code BSE: 500696  
NSE: HINDUNILVR  
ISIN: INE030A01027

BSE Limited,  
Corporate Relationship Department,  
2nd Floor, New Trading Wing,  
Rotunda Building, P.J. Towers,  
Dalal Street,  
Mumbai – 400 001

National Stock Exchange of India Ltd  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block,  
Bandra – Kurla Complex,  
Bandra (E),  
Mumbai – 400 051

Dear Sir,

**Sub: Investor Presentation**

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the presentation to analysts/investors on financial results of the Company for the quarter and year ended 31st March, 2019.

You are requested to take the above information on your record.

Thanking You.

Yours faithfully,

**For Hindustan Unilever Limited**

**Dev Bajpai**

Executive Director, Legal & Corporate Affairs  
and Company Secretary

DIN:00050516 / FCS No.: 3354

AS5





Hindustan Unilever Limited

# Hindustan Unilever Limited

## MQ '19 & FY' 18-19 Results Presentation : 3<sup>rd</sup> May 2019



# Safe Harbor Statement

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.



Hindustan Unilever Limited

# Sanjiv Mehta

Chairman & Managing Director



# Clear and compelling strategy

## Purpose-led, Future-Fit



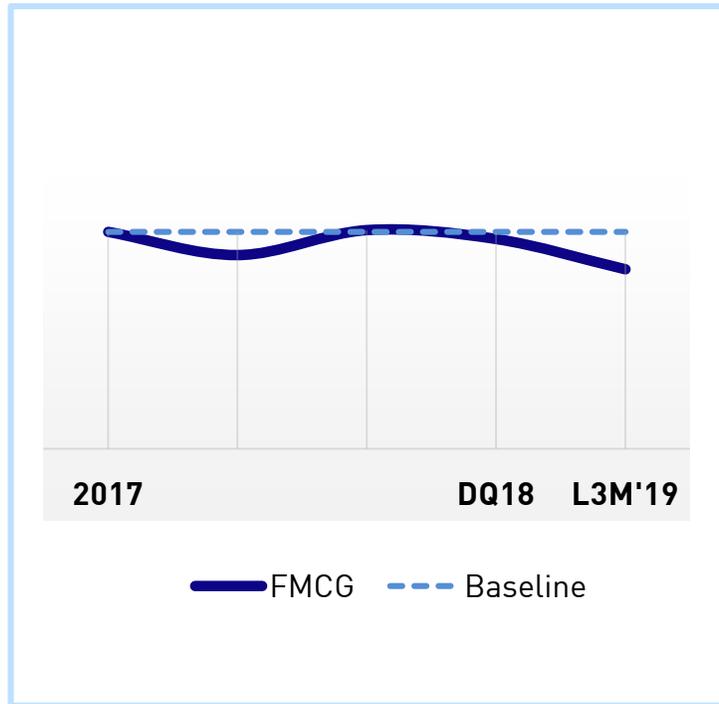
## Growth



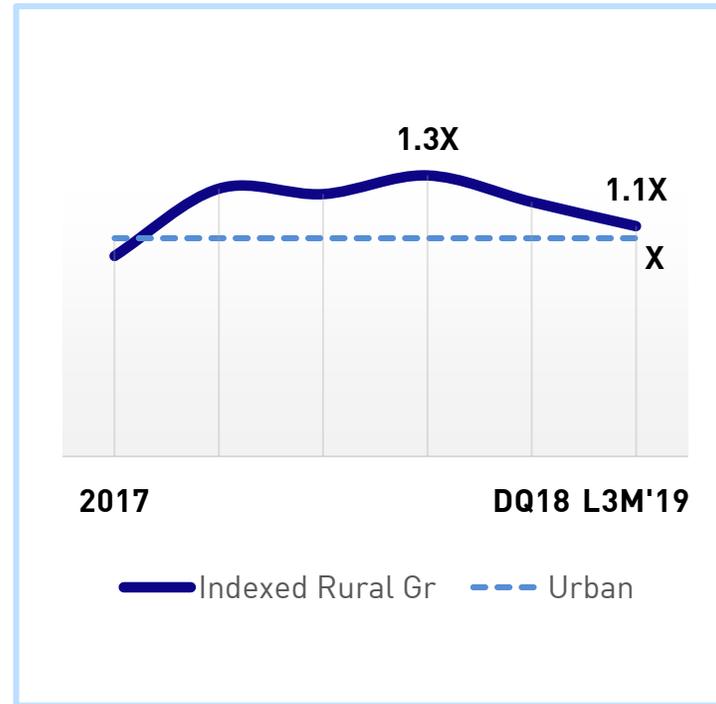
**Consistent, Competitive,  
Profitable, Responsible  
Growth**

# Market Context

## Market growth



## Rural vs Urban



## Macro Environment

A collage of four icons representing macro environment factors:

- GDP:** Green 3D letters 'GDP' on a calculator and financial documents.
- WAGE RATE:** An orange bar chart with a line graph above it, showing fluctuating trends.
- GRUNCH:** A stylized orange '₹' symbol with a blue bolt and nut, with the word 'GRUNCH' below it.
- GENERAL ELECTION 2019:** A graphic featuring the Indian Parliament building and the year '2019'.

# Performance Summary

## MQ'19

Domestic Consumer  
Growth

+9%

Underlying Volume  
Growth

+7%

EBITDA Margin

24%

EBITDA  
Improvement

+90 bps

## FY 2018 - 19

Domestic Consumer  
Growth\*

+12%

Underlying Volume  
Growth

+10%

EBITDA Margin

23%

EBITDA  
Improvement\*\*

+130 bps

## M&A



Merger proposal pending  
regulatory approvals

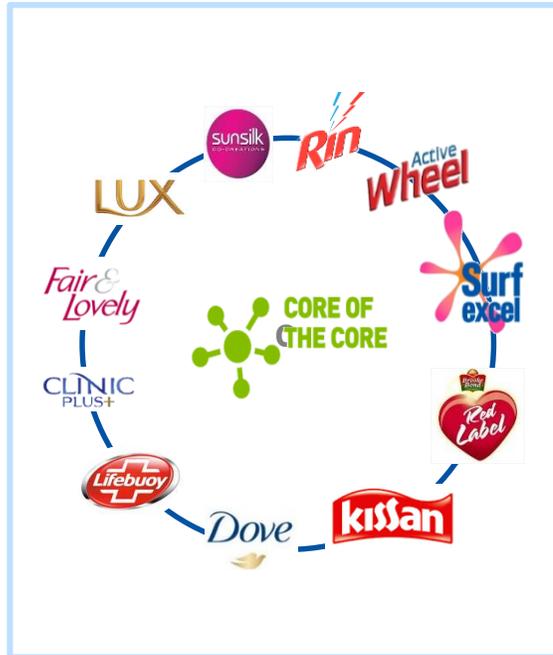
GlaxoSmithKline  
Consumer Healthcare

\*Reported growth 9%; Comparable growth arrived after adjusting for accounting impact of GST

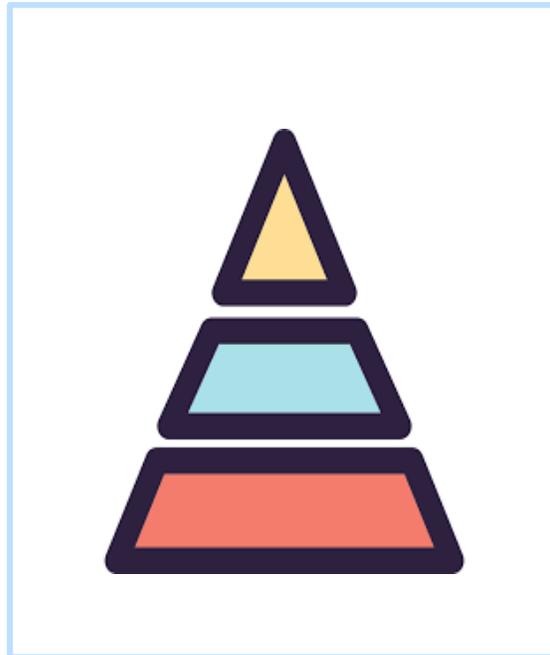
\*\* Reported EBITDA improvement of 190bps; Comparable EBITDA improvement arrived after adjusting for accounting impact of GST 6

# Our performance drivers

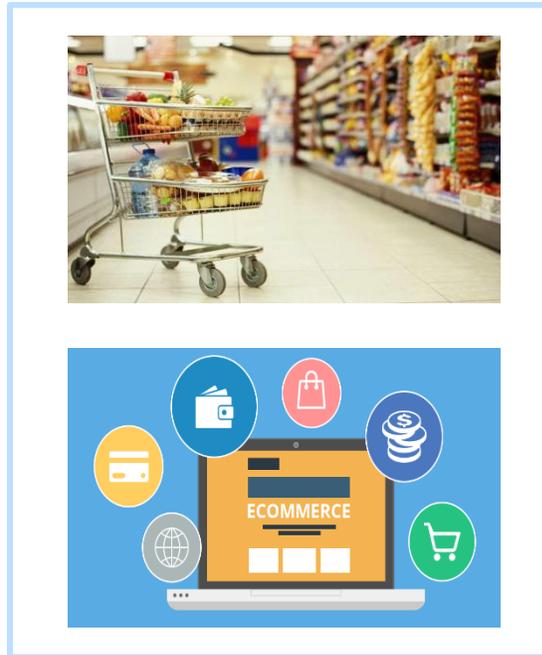
## Focus on Core



## Driving premiumization & Market Development



## Channels of Future



## Flawless Execution



Re-imagine HUL: Build Digital Capabilities across the Value Chain

# Srinivas Phatak

## Chief Financial Officer



# MQ'19: Solid sales and margin delivery in the quarter

## Growth

Domestic Consumer Growth

**+9%**

**+7%**

Underlying Volume Growth

## EBITDA

EBITDA Growth

**+13%**

**+90 bps**

Margin Improvement

## PAT (bei)

PAT (bei) Growth

**+13%**

**1,590cr**

PAT (bei)

## Net Profit

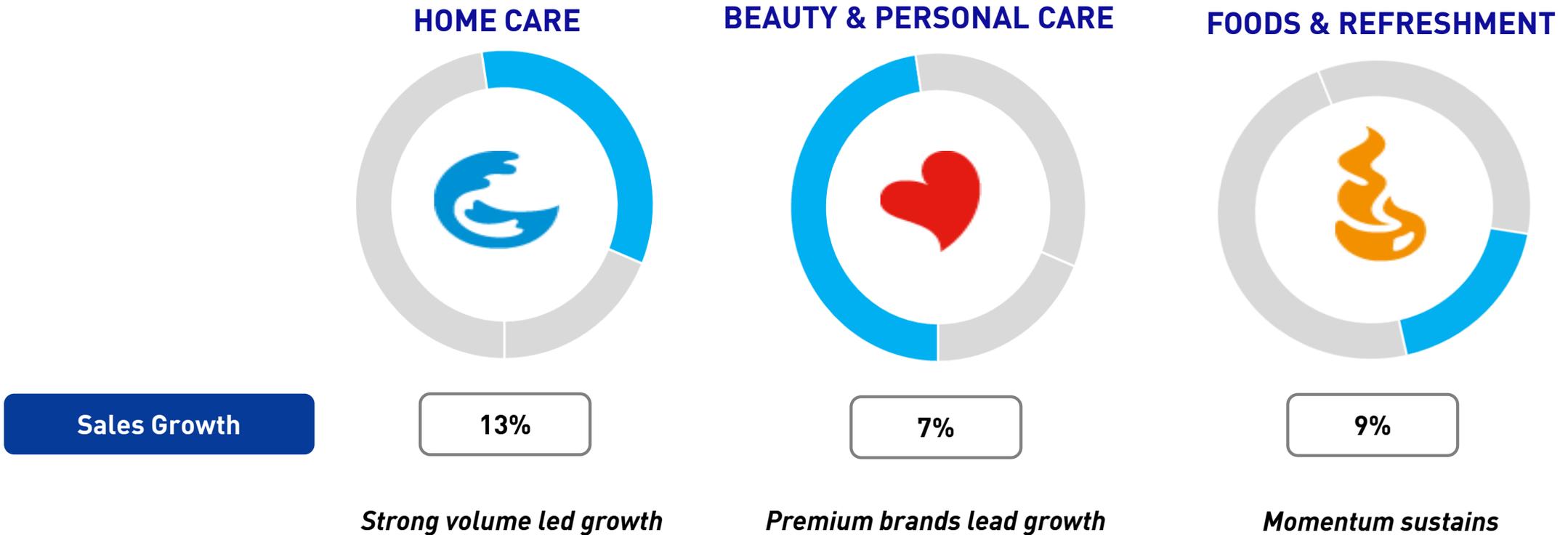
PAT Growth

**+14%**

**1,538cr**

PAT

# Broad based growth across divisions



# Innovations and activations in the quarter



# Home Care

Strong volume led growth



- ❑ **Fabric Wash:** Growth driven by premiumization and market development initiatives
  - Launched *Surf Excel Easy Wash liquid* nationally
- ❑ **Household Care:** Sustained double digit growth performance driven by Liquids upgradation and increased penetration on bars
  - Launched *access pack of Domex liquid* in Tamil Nadu to aid market development
- ❑ **Purifiers:** Steady progress on reshaping portfolio and Go to Market model re-design

# Beauty & Personal Care

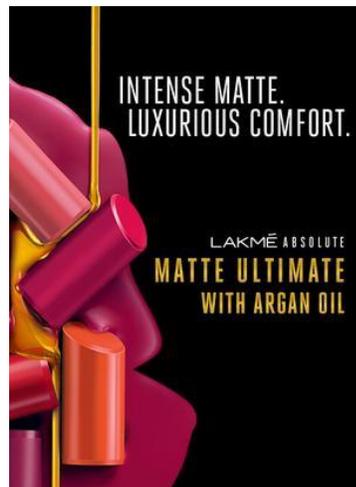
Premium brands lead growth



- ❑ **Personal Wash:** Premium brands performed well; Popular segment delivery below expectations
  - Launch of Liril body wash & bar variants – strong freshness proposition
- ❑ **Skin Care:** Double digit growth on the back of steady performance across the portfolio
  - Relunched FAL with renewed communication and product; launched *Pond's Sun Protect*
- ❑ **Hair Care:** Good growth delivery across brands
  - Launched new *Dove Nourishing secrets* nationally with natural ingredients

# Beauty & Personal Care : Contd.

Premium brands lead growth



- ❑ **Colour Cosmetics:** Consistent delivery; focus on “emerging trends” drives performance
  - Launched *Lakmé Absolute Matte Ultimate with Argan Oil* nationally
- ❑ **Oral Care:** Momentum on Close Up and Ayush Oral Care continues to build
- ❑ **Deodorants:** Focus on market development in highly competitive market
  - *Axe Signature Dark Temptation* launched nationally

# Foods & Refreshment

Momentum sustains



- ❑ **Beverages:** Consistent, secular growth led by WiMI actions
  - Purpose led campaigns underpin brand communication and drive salience
- ❑ **Ice Cream & Frozen Desserts:** Strong performance across all formats
  - Exciting range of innovations launched for season
- ❑ **Foods :** Steady growth sustained; good performance in Kissan range

# Segmental Performance

## HOME CARE



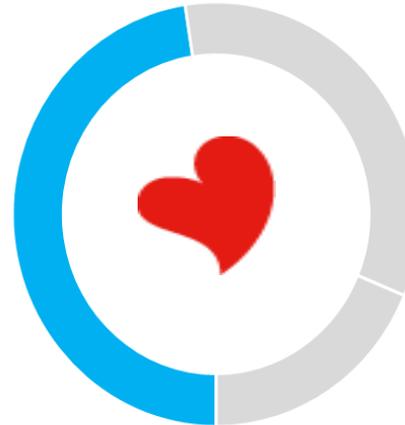
Segmental Revenue Growth\*

13%

Segmental Margins\*\*

18%

## BEAUTY & PERSONAL CARE



7%

28%

## FOODS & REFRESHMENT



10%

18%

\*Segment Revenue Growth = Segment Turnover growth including Other Operational Income (Excludes impact of A&D)

\*\* Segment Margins (EBIT) excludes exceptional items 16

## MQ'19: Results summary

Particulars	MQ'19	MQ'18	Growth %
Sales	9809	9003	9
EBITDA	2321	2048	13
Other Income	118	100	
Exceptional Items – Credit / (Charge)	(71)	(64)	
PBT	2227	1952	14
Less : Tax	689	601	
PAT bei	1590	1409	13
Net Profit	1538	1351	14

- Domestic Consumer Growth at 9%
- EBITDA improvement 90bps
- Exceptional Item in current quarter includes true up of deferred consideration payable on account of Indulekha acquisition



# **FULL YEAR PERFORMANCE**

## **FY' 18-19**

# FY 2018 - 19: Strong performance delivered

## Growth

Comparable\* Domestic  
Consumer Growth

**+12%**

**+10%**

Underlying Volume  
Growth

## EBITDA

EBITDA Growth

**+19%**

**130 bps**

Comparable\*\* Margin  
Improvement

## Margin

Net Profit Growth

**+15%**

**+18%**

PAT (bei) Growth

## EPS

EPS (Basic) Growth

**+15%**

**Rs. 28**

EPS (basic)

## Cash

Cash from operations^

**+8413 crs.**

*\*Reported growth 9%; Comparable growth arrived after adjusting for accounting impact of GST*

*\*\* Reported EBITDA improvement of 190bps; Comparable EBITDA improvement arrived after adjusting for accounting impact of GST*

*^ (before tax)* 19

# Segmental Performance

## HOME CARE



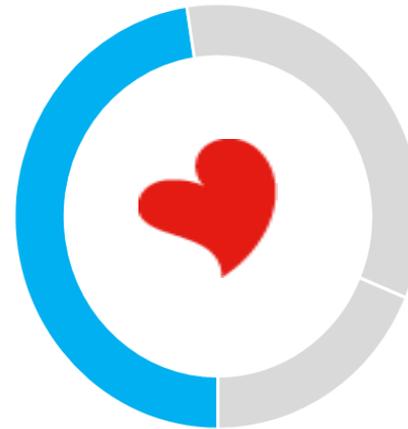
Comparable Revenue Growth\*

15%

Segmental Margins\*\*

17%

## BEAUTY & PERSONAL CARE



10%

27%

## FOODS & REFRESHMENT



11%

17%

\*Comparable Segment Revenue Growth = Segment Turnover growth including Other Operational Income (Excludes impact of A&D) adjusted for GST impact

\*\* Segment Margins (EBIT) excludes exceptional items 20

# FY 2018-19: Results summary

*Rs. Crores*

Particulars	FY 18-19	FY 17-18	Growth %
Sales	37,660	34,619	9 <sup>^</sup>
EBITDA	8,637	7,276	19
EBITDA Margin (%)	22.9	21.0	
PAT bei	6,080	5,135	18
Net Profit	6,036	5,237	15

- Comparable\* Domestic Consumer Growth at 12%<sup>^</sup>; underlying volume growth at 10%
- Comparable\*\* EBITDA margin improvement at 130 bps

*\*Reported growth 9%; Comparable growth arrived after adjusting for accounting impact of GST*

*\*\* Reported EBITDA improvement of 190bps; Comparable EBITDA improvement arrived after adjusting for accounting impact of GST*

# Proposed Final Dividend

Particulars	FY'17-18	FY'18-19
Dividend per share	20	<b>22</b>
Interim	8	<b>9</b>
Final*	12	<b>13</b>
No. of Shares (Cr.)	216.45	<b>216.47</b>
Total Dividend (Rs. Cr.)	4329	<b>4762</b>
Dividend Distribution Tax (Rs. Cr.)	848	<b>958</b>
Total Dividend Outflow (Rs. Cr.)	5177	<b>5720</b>

*\*Final Dividend number for FY 2018-19 is subject to approval by the shareholders at the AGM*

# Looking ahead

## Near term

- ❑ Near term market growth has moderated given macro economic indicators
- ❑ Commodities and currency will continue to be volatile

## Our strategy

- ❑ Company well positioned and our strategy remains unchanged
- ❑ Consistent, Competitive, Profitable, Responsible Growth



# For more information and updates

Visit our website

## March Quarter 2019 results

Hindustan Unilever will release its financial results for March Quarter 2019 on Friday 3rd May, 2019.

[> March Quarter 2019](#)

