



Safe Harbour 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.

MQ'09 Results - 10th May'09

FMCG Markets : MQ'09

- **FMCG markets continue to grow, in challenging economic environment.**
 - Both Urban and Rural grow well
- **Signs of down trading in some categories**
 - Need to protect consumer value
- **Outlet consolidation and down stocking in organised retail**

MQ'09 Results - 10th May'09

Results Summary : MQ'09

- **FMCG business grows by 11.8%**
 - HPC +11.5%, Foods +13.2%
 - **Underlying volumes down (4.2%) largely due to impact of**
 - time lag in price corrections taking effect in market
 - Channel down stocking
- **Net sales grows 6.0% due to planned reduction in non core exports**
- **A&P grew by 2.6%; Higher media + 27%, offset by lower promotions**
- **PBIT grows 23.7%; PBIT margin 13.9%**
 - 200 bps margin expansion
- **PAT before exceptional items Rs 457 crores up by 20.4%**
- **Net Profit grew by 3.7% due to exceptional items in current quarter**

MQ'09 Results - 10th May'09

Results Highlights : FY '09

- **FMCG business grows 18.3%**
 - HPC 18.5 %, Foods + 17.0%; Underlying volumes grow +3.1%
- **Net sales grows 15.5%**
- **A&P grows by 11.2%;**
- **PBIT grew 18.8%; PBIT margin 14.5%**
 - expands 40 bps during period of unprecedented costs increases.
- **Strong growth in PAT before exceptional items at 15%.**
- **Net Profit after exceptional items grows 10.6%**

Nos. on comparable basis Apr'08-Mar'09 v/s Apr'07-Mar'08

MQ'09 Results - 10th May'09

March Quarter'09 in context

- **Focus on consumer value across portfolio**
 - Pricing actions implemented, particularly in mass segment
- **Issues impacting Top Line**
 - Time lag to land price corrections in market
 - Trade destocking during times of frequent price corrections
 - Outlet consolidation in Modern Trade
- **Sales & Distribution initiatives**
 - Urban Go-To-Market under implementation
 - Strengthening rural distribution coverage
- **Appreciating Rupee impact on mark to market**

MQ'09 Results - 10th May'09

Recent Launches



Surf Excel -
Relaunch



Dove Hair
Fall Therapy



Lux Almond
& Cream



Vaseline
Healthy White



Kissan Jams in Tubes



Close Up
Relaunch



Rin Matic



Extended
Ponds Top
End Range



Dove
Deos



Italian Gelato



Clinic All Clear
Soft & Silky



Ketchup Penny Packs

MQ'09 Results - 10th May'09

Key Actions.....(1)

- **Strengthen Brands & Portfolio**
 - Improve quality of our mixes
 - Right pricing to deliver better consumer value
- **30/60 days action plan for each category**
 - Results will be visible progressively

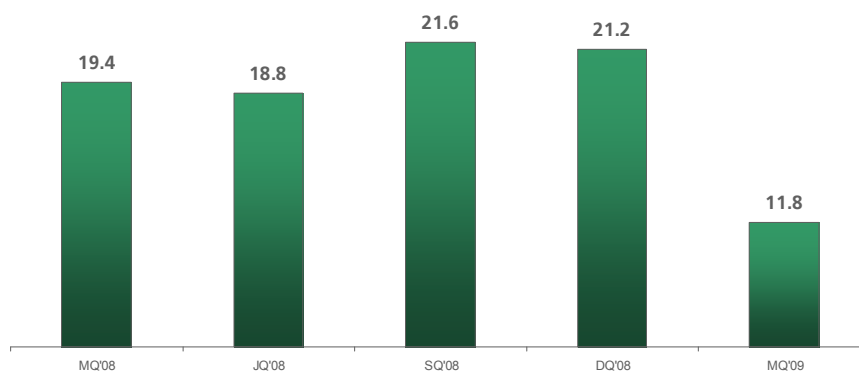
MQ'09 Results - 10th May'09

Key Actions.....(2)

- **Compress Execution Cycle time**
 - Drive consolidation and simplification through processes & technology. Eg: Urban Zero Inventory Model
- **Strengthening Front End Capability**
 - Improve quality of coverage in both Urban and Rural
 - Enhance execution and productivity by leveraging technology

MQ'09 Results - 10th May'09

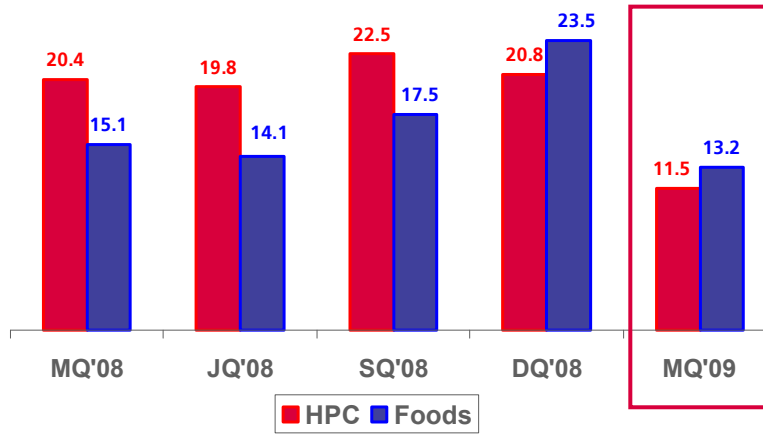
FMCG Sales Trend



Impact of price corrections yet to land in market

MQ'09 Results - 10th May'09

Sales Performance

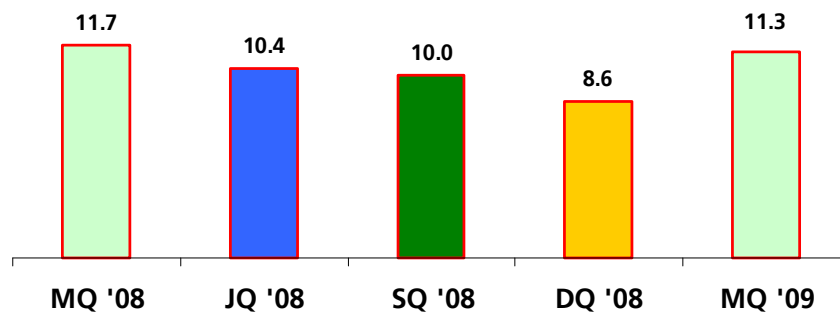


MQ'09 Results - 10th May'09

Investment behind Brands

A&P as a % of Net Sales

%



Media spends up 27%

MQ'09 Results - 10th May'09

Category wise Revenue growth

	<u>Growth %</u>
	<u>MQ'09</u>
Soaps & Detergents	15.8
Personal Products	1.9
Beverages	13.5
Processed Foods	7.5
Ice Cream	22.4
FMCG	11.8[^]

[^] Excludes Other Operational Income

MQ'09 Results - 10th May'09

HPC Topline

Personal Wash	↑
Laundry	↑
Shampoo	↑
Skin	↑
Toothpaste	↓

HPC Growth 11.5%

MQ'09 Results - 10th May'09

Soaps & Detergents category performance

- Growth in Laundry sustained
 - Surf and Rin lead category growth
 - Grammage increases actioned in Wheel;
- Lower input costs improve category margins
- Lower market shares reflect transition impact of higher priced stocks in pipeline

MQ'08	Value Share	DQ'08	MQ'09
37.8	Laundry	38.2	37.0

- In Soaps, Top line growth driven by carry forward impact of pricing and better mix
 - Lux leads category growth; Dove continues to grow rapidly
- Actions initiated to drive full portfolio and address pricing at bottom end

MQ'08	Value Share	DQ'08	MQ'09
54.3	Personal Wash	49.6	48.2

MQ'09 Results - 10th May'09

Personal Products category performance

- Moderate growth in shampoo category
 - Dove continues to do well, doubling volumes and grows shares
 - Sunsilk holds and Clinic All Clear being strengthened

MQ'08	Value Share	DQ'08	MQ'09
46.3	Shampoo	46.0	44.9

- In Skin, FAL, and Vaseline drive growth
- Trend towards category premiumisation continues;
 - Entry into Ponds' premium skin lightening
- Renewed investment behind talc

MQ'08	Value Share	DQ'08	MQ'09
55.4	Skin Care (MAT)	53.1	52.0

- In Oral, Close Up growth offset by Pepsodent decline
- Actions initiated to strengthen competitiveness in mass segment

MQ'08	Value Share	DQ'08	MQ'09
29.5	Toothpaste	29.1	28.0

Market shares - Source: A. C. Nielsen

MQ'09 Results - 10th May'09

Foods Topline

Tea
Coffee
Culinary
Salt/Atta
Ice Cream



Foods growth

13.2%

MQ'09 Results - 10th May'09

Beverages category performance

- Robust plans drive growth in Tea with all brands growing well
- Commodity prices continue to rule high

MQ'08	Value Share	DQ'08	MQ'09
22.9	Tea	22.7	23.4

- Instant Coffee registers good growth
- Actions taken to ensure right pricing for the mass segment

MQ'08	Value Share	DQ'08	MQ'09
42.7	Coffee	43.1	41.3

MQ'09 Results - 10th May'09

Processed Foods and Ice Cream category performance

Processed Foods

- Jams and Squashes grow well

Ice Creams

- Ice cream performs well, with strong volume growth
- Cups and Impulse lead category growth

MQ'09 Results - 10th May'09

Water Purifier – Business Update

- Pure-it is now a Rs 200 crores brand
 - 1 million units sold in FY09
 - Protecting over 2 million homes everyday
- Volume market leadership in South India
- Investment behind brand and infrastructure continues
- Overall the business is progressing as per plan

MQ'09 Results - 10th May'09

Exports

FMCG



Specialty (Non-FMCG)



Exports decline in non core and commodity segments.

MQ'09 Results - 10th May'09

In Summary

- Robust 18.3% FMCG growth for 12 months ending March
- MQ witnessed transition impact of price changes on pipeline stocks and trade de stocking
- Key actions being implemented to protect consumer value, enhance front end sales execution and reduction of cycle time
- These actions are progressively taking effect in the market place

MQ'09 Results - 10th May'09

Looking Ahead

- Drive business to deliver competitive, profitable growth
- Maintain competitiveness across all key brands and drive consumer value
 - Right pricing
 - Continued focus on Consumer insight and innovations
 - Sustain investment behind brands
- Accelerate responsiveness in a dynamic environment
 - Cycle time reduction
 - 30/60 days action plans

MQ'09 Results - 10th May'09



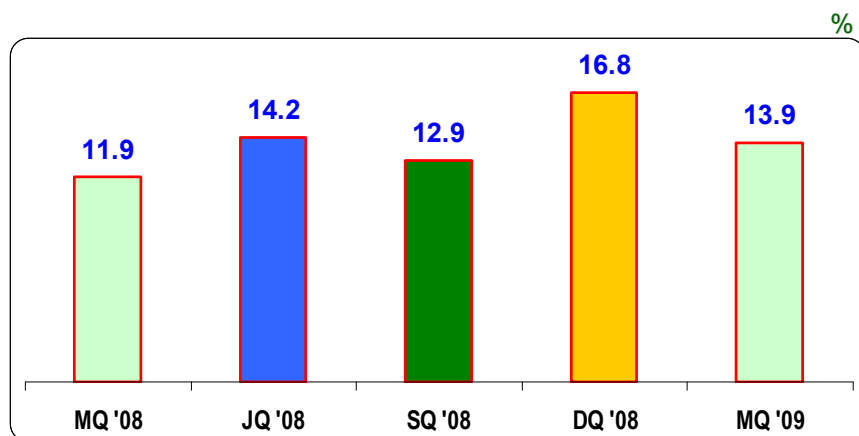
Financial performance MQ'09

Results: MQ'09

Rs Crores	MQ'09	MQ'08	Growth%
Net Sales	3988	3763	6.0
EBITDA	596	485	22.9
PBIT	555	449	23.7
<i>PBIT margin (percentage)</i>	13.9	11.9	-
Exceptional Items	(107.1)	2.5	-
PBT bei	573	469	22.2
PBT	466	471	(1.1)
PAT bei	457	379	20.4
Net Profit	395	381	3.7

MQ'09 Results - 10th May'09

Results: PBIT Margin Trends



PBIT margins improve 200 bps from better cost management and operating leverage

MQ'09 Results - 10th May'09

Results: Exceptional Items

Rs Cr

Particulars	MQ'09	MQ'08
Assets Sale	7	7
Restructuring Costs	(25)	(4)
Actuarial valuation of employee Benefits	(61)	
Others	(28)	
Total	(107)	3

MQ'09 Results - 10th May'09

Full Year Results

	15 months ending	12 months ending
Rs Crores	31-03-2009	31-12-2007
Net Sales	20239	13675
EBITDA	3040	2072
PBIT	2845	1934
<i>PBIT margin (percentage)</i>	14.1	14.1
Exceptional Items	(16.3)	161.4
PBT bei	3025	2146
PBT	3009	2308
PAT bei	2444	1741
Net Profit	2496	1925

MQ'09 Results - 10th May'09

Dividend FY 2008-09

Dividend Per Share of Re 1	2008-09	2007
Interim Dividend	3.50	3.00
Final Dividend	4.00	3.00
Special Dividend	-	3.00
Distribution Tax	1.28	1.50
Total Dividend	8.78	10.50

MQ'09 Results - 10th May'09

Thank you

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

MQ'09 Results - 10th May'09



Hindustan Unilever Limited

Results – MQ '09

10th May 2009