



Hindustan Unilever Limited

RESULTS FOR DECEMBER QUARTER, 2011

STRONG 16 % TURNOVER GROWTH; NET PROFIT UP BY 18 %

Mumbai, February 6th, 2012: Hindustan Unilever Limited (HUL) announced results for the December Quarter 2011.

During the quarter, Domestic Consumer business grew at 16.5% with strong underlying volume growth of 9.1%. All segments delivered double digit growth.

Soaps and Detergents grew by 21% with growth ahead of the market

Laundry registered a strong performance with double digit growth across all brands. Rin Bar and Surf Excel quickwash were re-launched during the quarter with an improved formulation. The business continued its focus on driving upgradation. Skin Cleansing delivered strong double digit growth across premium, popular and mass segments. Lux benefited from the re-launch in September quarter and Lifebuoy from its strong proposition of germ protection. Dove continues to drive category premiumization.

Personal Products delivered broad based volume led growth of 14% with strong performance in Skin and Hair

In Skin care, Fair and Lovely (FAL), Vaseline and Ponds grew in double digits. FAL core grew strongly while Vaseline and Ponds continue to lead market development and build segments of the future. During the quarter, Dove Body lotion was launched and Lakme portfolio expanded with the introduction of Lakme Absolute - a high performance long wear makeup range.

Hair grew ahead of the market with double digit growth in Dove, Clinic Plus and Clear. Dove growth momentum accelerated and the business doubled during the quarter. Oral Care registered modest growth in a competitive environment. Pepsodent G was re-launched during the quarter in the fast growing advance care segment.

Beverages delivered competitive growth of 11% with both Tea and Coffee growing in double digits

In Tea, growth was led by the premium portfolio. Taj Mahal registered strong growth in Modern Trade and 3 Roses strengthened its proposition of health and taste. Coffee delivered strong growth nationally with innovations leading premiumization of the category. Bru Gold (100% coffee) was successfully launched during the quarter.

Packaged Foods grew by 14% and continued to lead market development

Kissan delivered strong growth benefiting from the relaunch in September quarter. Knorr soups performance was muted on account of slowdown in market while Knorr soupy noodles were in line with plans. Soups range was expanded during the quarter with noodle variants and 'Cup-a-Soup'. Kwaliti Walls continued its strong growth momentum with exciting innovations and increased coverage.

Strategy on water business is on track with expansion of Pureit portfolio. The "Go to Market" transformation is expected to be completed by March 2012.

Inflationary pressures during the quarter were primarily on account of currency depreciation. Cost pressures were managed dynamically through aggressive savings programmes coupled with judicious pricing. Cost of Goods Sold was up by 140 bps. Brand investment continued to be competitive with A&P at 11.8% of turnover.

Profit before interest and tax (PBIT) grew by 37% with PBIT margin improving by 230 bps. Profit after tax but before exceptional items, PAT (bei), grew by 30% to Rs. 762 crores during the quarter. Net Profit at Rs.754 crores grew by 18%

Harish Manwani, Chairman commented: "We have delivered another strong quarter of competitive growth with improvement in margins. The results, delivered against a backdrop of an uncertain economic environment, are reflective of the strength of our brands, consistency in our strategy and relentless focus on execution. We will continue to manage our business dynamically to deliver competitive, profitable and sustainable growth."



UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2011

(Rs. in lakhs)

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 Accounting year ended 31st March
2011	2010	2011			2011	2010	2011
585,273	502,701	552,216		1.a. Net Sales from Operations [sum of (i) to (iv)]	1,687,878	1,450,177	1,940,111
447,061	378,183	415,124		i) Domestic FMCG - HPC	1,275,509	1,081,067	1,443,457
96,401	85,565	97,347		ii) Domestic FMCG - Foods	290,461	253,003	347,151
543,462	463,748	512,471		Domestic FMCG - Total (i+ii)	1,565,970	1,334,070	1,790,608
33,496	28,890	28,886		iii) Exports	92,832	81,509	109,313
8,315	10,063	10,859		iv) Others	29,076	34,598	40,190
8,490	10,070	8,832		1.b. Other Operating Income	24,869	26,682	33,409
593,763	512,771	561,048		1. Total Income [1.a. + 1.b.]	1,712,747	1,476,859	1,973,520
502,396	445,906	484,090		2. Expenditure [sum of (a) to (g)]	1,474,615	1,288,099	1,725,672
(2,738)	(10,299)	(5,263)		a) Decrease/(increase) in stock in trade and work in progress	11,025	(9,536)	(29,053)
234,118	194,151	229,054		b) Consumption of raw/packing materials	674,581	542,428	752,926
76,128	73,064	76,311		c) Purchase of traded goods	229,418	206,984	281,813
27,412	23,104	28,731		d) Employees Cost	84,766	72,666	96,126
5,682	5,633	5,710		e) Depreciation/Amortisation	17,012	16,520	22,083
69,018	74,326	65,137		f) Advertising & Promotions	197,450	214,095	276,423
92,776	85,927	84,410		g) Other expenditure	260,363	244,942	325,354
91,367	66,865	76,958		3. Profit from Operations Before Other Income, Interest and Exceptional Items (1-2)	238,132	188,760	247,848
8,008	7,702	7,767		4. Other Income	20,835	19,597	25,194
99,375	74,567	84,725		5. Profit before Interest & Exceptional Items (3+4)	258,967	208,357	273,042
45	6	54		6. Interest expense	101	21	24
99,330	74,561	84,671		7. Profit after Interest but before Exceptional Items (5-6)	258,866	208,336	273,018
(1,238)	6,429	4,442		8. Exceptional Items - credit/(charge)	9,079	12,323	20,683
98,092	80,990	89,113		9. Profit from Ordinary Activities Before Tax (7+8)	267,945	220,659	293,701
(22,711)	(17,239)	(20,221)		10. Tax expense	(60,956)	(46,976)	(63,104)
75,381	63,751	68,892		11. Net Profit from Ordinary Activities After Tax [9+10]	206,989	173,683	230,597
-	-	-		12. Extraordinary Items	-	-	-
75,381	63,751	68,892		13. Net Profit for the period (11+12)	206,989	173,683	230,597
21,610	21,821	21,610		14. Paid up Equity Share Capital (face value Re. 1 per share)	21,610	21,821	21,595
				15. Reserves excluding Revaluation Reserve			241,730
				16. Earnings Per Share (EPS) -			
3.49	2.92	3.19		Basic Earnings per Share of Re. 1 (before Extraordinary Items) - Rs.	9.58	7.96	10.58
3.49	2.92	3.19		Diluted Earnings per Share of Re. 1 (before Extraordinary Items) - Rs.	9.57	7.95	10.56
3.49	2.92	3.19		Basic Earnings per Share of Re. 1 (after Extraordinary Items) - Rs.	9.58	7.96	10.58
3.49	2.92	3.19		Diluted Earnings per Share of Re. 1 (after Extraordinary Items) - Rs.	9.57	7.95	10.56
				17. Public Shareholding			
1,026,195,165	1,047,270,342	1,026,110,257		- Number of Shares	1,026,195,165	1,047,270,342	1,024,622,508
47.49%	47.99%	47.48%		- Percentage of Shareholding	47.49%	47.99%	47.45%
				18. Promoters and Promoter Group Shareholding			
				a) Pledged/Encumbered			
Nil	Nil	Nil		- Number of shares	Nil	Nil	Nil
NA	NA	NA		- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NA	NA	NA
NA	NA	NA		- Percentage of shares (as a % of the total share capital of the company)	NA	NA	NA
				b) Non-Encumbered			
1,134,849,460	1,134,849,460	1,134,849,460		- Number of shares	1,134,849,460	1,134,849,460	1,134,849,460
100.00%	100.00%	100.00%		- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%
52.51%	52.01%	52.52%		- Percentage of shares (as a % of the total share capital of the company)	52.51%	52.01%	52.55%

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED, UNDER CLAUSE 41 OF THE LISTING AGREEMENT

(Rs. in lakhs)

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 Accounting year ended 31st March
2011	2010	2011			2011	2010	2011
				Segment Revenue (Sales and Income from Services)			
264,597	219,293	259,255		- Soaps and Detergents	779,356	658,677	879,156
188,617	165,468	161,263		- Personal Products	512,950	438,504	584,410
67,038	60,221	65,326		- Beverages	193,220	171,005	234,397
30,641	27,003	33,184		- Packaged Foods	101,033	86,018	117,715
33,750	29,091	29,093		- Exports	93,477	82,038	109,965
9,821	11,105	11,607		- Others (includes Chemicals, Water, etc)	32,088	37,635	43,803
594,464	512,181	559,728		Total Segment Revenue	1,712,124	1,473,877	1,969,446
-	-	-		Less: Inter Segment Revenue	-	-	-
594,464	512,181	559,728		Net Segment Revenue	1,712,124	1,473,877	1,969,446
				Segment Results (Profit before tax and interest from ordinary activities)			
35,589	16,933	32,123		- Soaps and Detergents	91,318	66,818	83,406
48,812	47,685	39,403		- Personal Products	129,541	112,962	149,481
10,518	10,138	8,773		- Beverages	26,831	25,848	35,776
(597)	(1,664)	1,647		- Packaged Foods	2,788	2,474	3,233
4,462	2,268	2,402		- Exports	9,232	6,429	9,155
(1,027)	(1,847)	(780)		- Others (includes Chemicals, Water, etc)	(2,063)	(6,341)	(7,495)
97,757	73,513	83,568		Total Segment Results	257,647	208,190	273,556
(45)	(6)	(54)		Less: Interest Expense	(101)	(21)	(24)
380	7,483	5,599		Add/(Less): Other unallocable income net of unallocable expenditure	10,399	12,490	20,169
98,092	80,990	89,113		Total Profit Before Tax from ordinary activities	267,945	220,659	293,701
				Capital Employed (Segment assets less Segment liabilities)			
(48,307)	(53,023)	(37,574)		- Soaps and Detergents	(48,307)	(53,023)	(37,623)
6,098	(21,912)	6,426		- Personal Products	6,098	(21,912)	14,502
22,824	20,768	12,480		- Beverages	22,824	20,768	34,217
18,500	6,875	14,704		- Packaged Foods	18,500	6,875	13,131
14,460	21,412	15,449		- Exports	14,460	21,412	19,561
(4,854)	(4,402)	(5,045)		- Others (includes Chemicals, Water, etc)	(4,854)	(4,402)	(2,863)
8,721	(30,282)	6,440		Total Capital Employed in segments	8,721	(30,282)	40,925
376,562	386,536	391,240		Add: Unallocable corporate assets less corporate liabilities	376,562	386,536	222,467
385,283	356,254	397,680		Total Capital Employed in company	385,283	356,254	263,392

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

Notes:

1. Net sales grew by 16.4% during the quarter. Domestic Consumer Business (FMCG + Water) grew by 16.5% with a 18.2% growth in HPC and 12.7% growth in Foods businesses.
2. Operating Profit (Profit from Operations before Other Income, Interest and Exceptional Items) for the quarter at Rs.91367 lakhs (DQ'10: Rs. 66865 lakhs) grew by 36.6%.
3. Profit after tax from ordinary activities before Exceptional Items (PAT-bei) (refer note 5 below) for the quarter at Rs.76217 lakhs (DQ'10: Rs. 58671 lakhs) grew by 29.9%.
4. Other income includes interest income, dividend income and net gain on sale of other non trade investments.
5. Exceptional items in DQ'11 include restructuring costs of Rs. 1238 lakhs (DQ'10: Rs. 85 lakhs), profit on sale of properties Rs. Nil (DQ'10: Rs. 4922 lakhs), and profit on sale of long term trade investments Rs. Nil (DQ'10: Rs. 1592 lakhs).
6. Taxation for the quarter includes taxation adjustments of previous years amounting to a credit of Rs. Nil (DQ' 10: Rs. 171 lakhs). Taxation adjustments of previous years include, where applicable, interest, penalties, write back of excess tax provisions of earlier years, etc.
7. The Scheme of Arrangement (the 'Scheme') for transfer of the FMCG Exports Business Division (the 'demerged business undertaking') of the Company into its wholly owned subsidiary Unilever India Exports Limited ('UIEL'), has been sanctioned by the Hon'ble High Court of Bombay with the appointed date of 1st April, 2011 during the current quarter vide an order dated 18th November, 2011, certified copy of which was received on 5th December, 2011. The Scheme became effective from 1st January, 2012 (the 'effective date') upon filing of the said order with the Registrar of Companies of Mumbai. In accordance with the Scheme, the above transfer of demerged business undertaking will be accounted by the company as of the effective date by recording the transfer of the relevant assets and liabilities of the demerged business undertaking at their book values and the corresponding consideration received in the form of investment in the shares issued by UIEL. Accordingly, the financial results of the FMCG Exports Business Division continue to be reported as part of the Company's results for the current quarter.

Given below are the results of the FMCG Exports Business Division transferred to UIEL as per the Scheme, for each of the periods presented:

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 Accounting year ended 31st March
2011	2010	2011		2011	2010	2011
28403	24857	24568	Total Income	79488	70010	93928
24707	23009	21938	Total Expenses	71030	64546	86357
3696	1848	2630	Profit before Tax	8458	5464	7571
(860)	(393)	(603)	Tax Expense	(1948)	(1162)	(1592)
2836	1455	2027	Profit after Tax	6510	4302	5979

8. Investor complaints status:
All 18 complaints received during DQ'11 have been resolved. No complaints were pending for resolution either at the beginning or at the end of December 2011 quarter.
9. The Board of Directors at their meeting held on 31st October, 2011 had declared an Interim Dividend of Rs 3.50 per share of Re.1/- each, for the current financial year . The dividend was paid on 22nd November, 2011.
10. Previous period figures have been re-grouped/restated wherever necessary to conform to this period's classification.
11. The text of the above statement was approved by the Board of Directors at their meeting held on 6th February, 2012.

Limited Review: The Limited Review by the Statutory Auditors for the quarter as required under clause 41 of the Listing Agreement has been completed and the related Report is being forwarded to the Stock Exchanges. This Report does not have any impact on the above Results and Notes which need to be explained.

For more details, visit our website at <http://www.hul.co.in>

By Order of the Board

Place: Mumbai
Date: 6th February, 2012

Nitin Paranjpe
Managing Director & CEO

Notes on Segment Information

1. Segment Revenue, Results and Capital Employed figures represent amounts identifiable to each of the segments. Other "unallocable income net of unallocable expenditure" includes expenses on common services not directly identifiable to individual segments, corporate expenses, interest/ dividend/ other financial income (net) and exceptional items.

Capital Employed figures are as at 31st December 2011, 31st December 2010, 30th September 2011 and 31st March 2011. Unallocated corporate assets less corporate liabilities mainly represent investment of surplus funds and cash and bank.

2. Previous period figures have been re-grouped/restated wherever necessary to conform to this period's classification.