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Enjoy silky skin like never before.

For The First Time With
Silk Protein Extract



Results SQ'11 – Investor Presentation

November 1, 2011

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Agenda

Strategy

Business Environment

Current Quarter Performance

Looking ahead

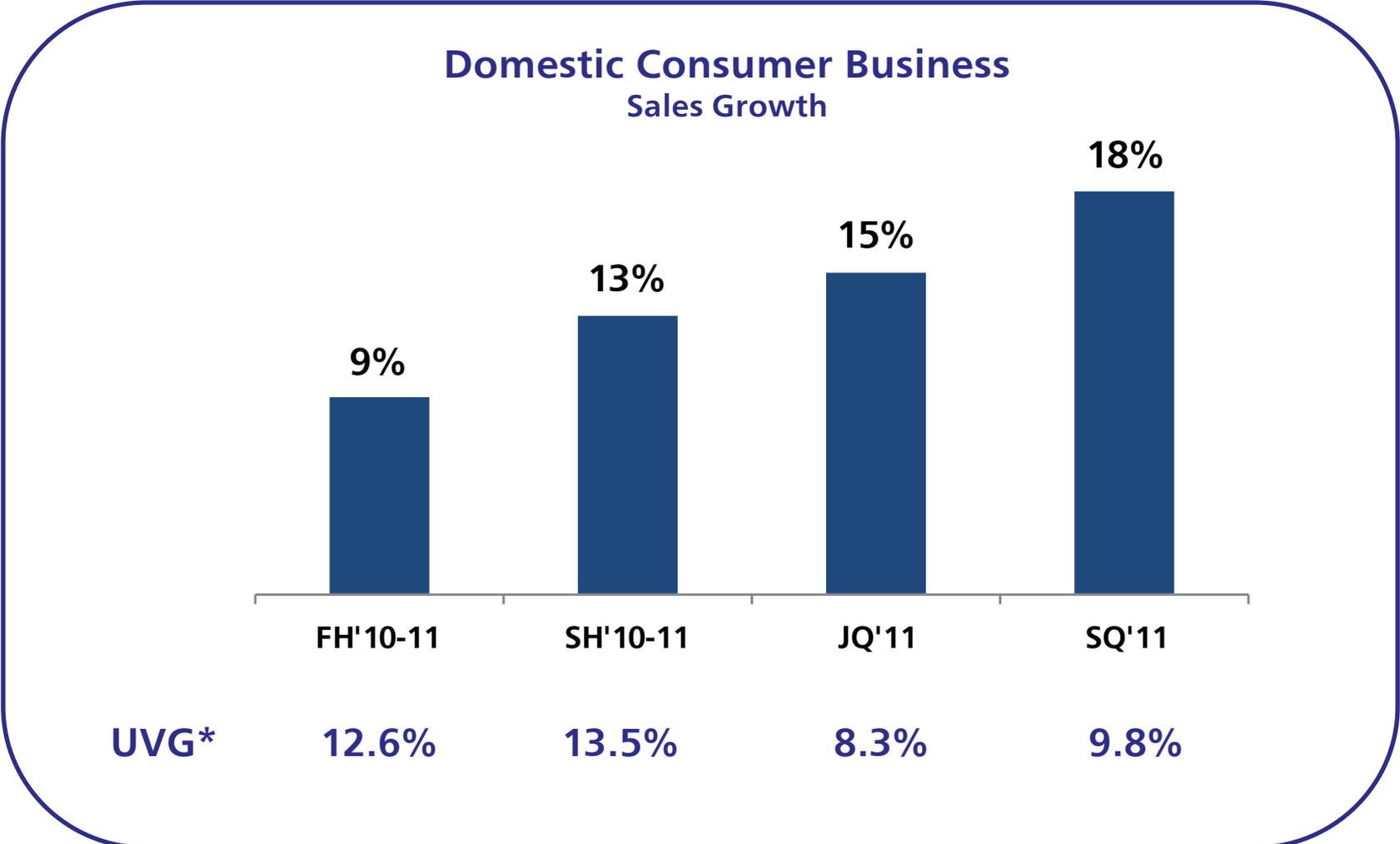
Business Environment – SQ'11

- **FMCG market grows in double digits**
 - **Growth in Soaps & Detergents led by pricing**
- **High competitive intensity**
- **Inflationary pressures continue**

Competitive & profitable growth in a challenging environment

- **Domestic Consumer business grows 18.5%**
 - Strong 9.8% UVG* with good price growth
 - Double digit growth across all FMCG segments
 - Strong performance in Modern Trade and Rural
- **Operating profit grows by 30.1%; up 130 bps**
 - Growth driving leverage benefits across the value chain
 - Inflation managed through judicious pricing and focus on buying efficiencies & CEPs
 - COGS^ up by 340 bps; high input costs in Soaps & Detergents
 - Competitive brand investment maintained across segments
- **PAT (bei) at Rs.652 crore, grows by 22.3%; Net Profit Rs.689 crore, up by 21.7%**
- **Interim dividend of Rs.3.50 per share**

Accelerated growth momentum; sustained volume growth



*UVG: Underlying Volume Growth;

All segments grow in double digits

	<u>Growth% SQ'11</u>
Soaps & Detergents	22%
Personal Products	18%
Beverages	15%
Packaged Foods	21%
<hr/>	
Domestic FMCG	20%^
Domestic Consumer	18.5%*

Winning with Brands: Continued focus on innovations



Lux relaunch with silk protein extract



Comfort: New variant with anti bacterial action



Vim relaunch with "100 Nimbuon ki Shakti"



Fair & Lovely Future Tube: Aspirational & affordable



Face Wash: Range expansion across brands



Dove: Nourishing Oil Care range with Vita Oils



Relaunch of Lakme Fruit Moisture Range



Pond's White Beauty Naturals



Now more accessible with Re.1 sachet



Vaseline relaunch: Multi layer moisture



Vaseline Lip Therapy with 4 new variants



Deo range expanded with Axe Provoke

Winning with Brands: Continued focus on innovations



Kissan range relaunched: Helping moms in providing goodness and nutritive value to their kids



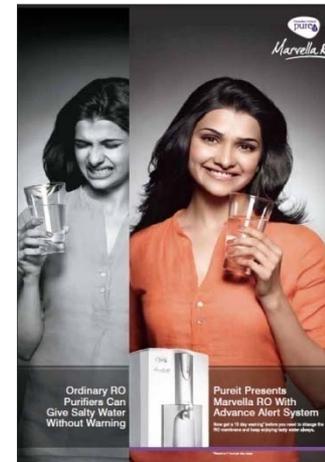
Knorr Soupy Noodles: Accessible Rs.5 pack



Unique green tea experience with 3 flavours



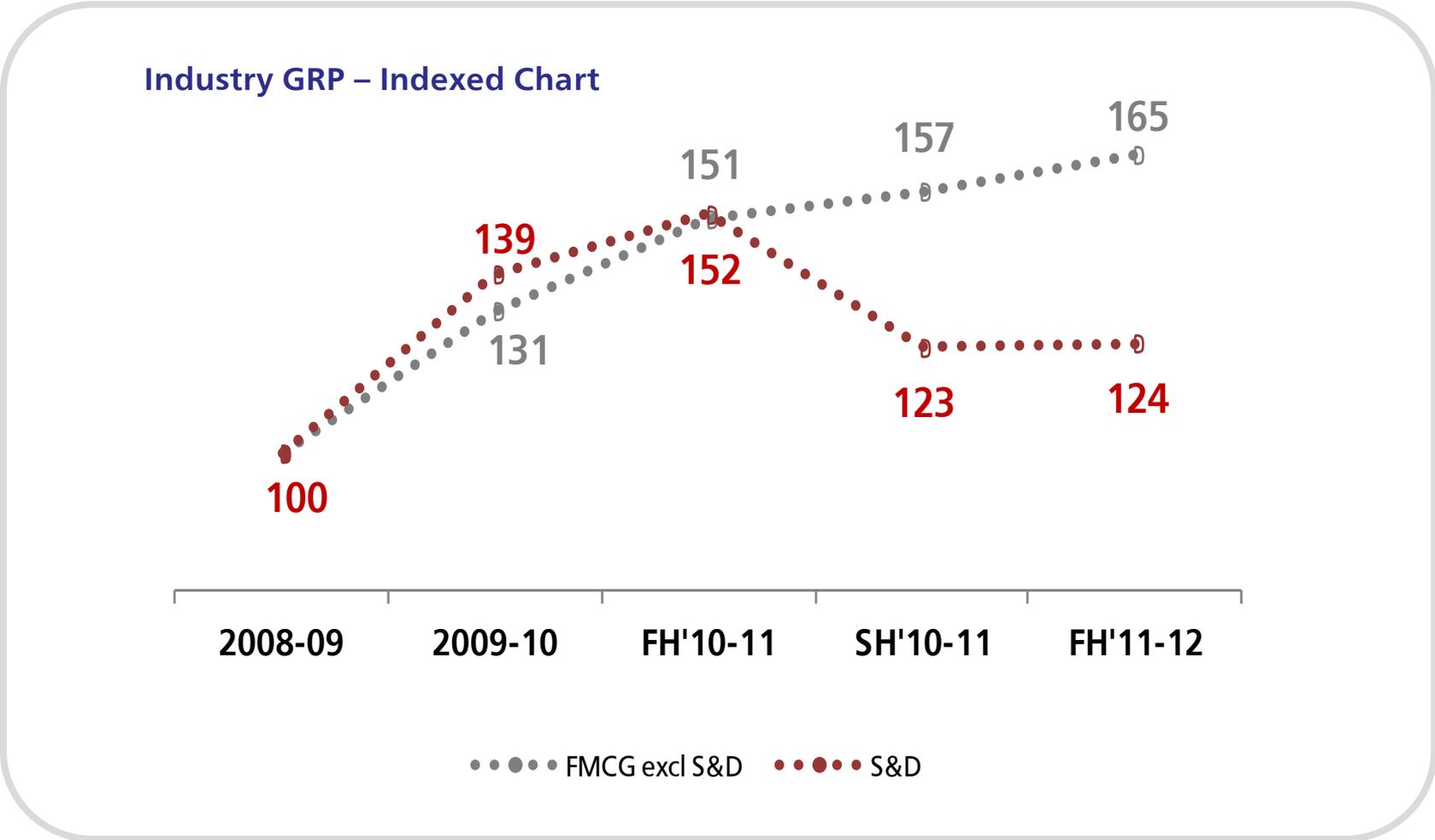
Taj Mahal Tea Bags: 7 flavours for 7 days



Pureit Marvella: Entry into "RO" segment



High media intensity continues



S&D: Soaps and Detergents

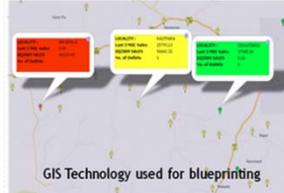
Source: Mindshare & HUL internal estimates

A&P remains competitive across segments

Category	Competitive SOV/ SOM*	Brand investment
Personal Products		
Packaged Foods		
Beverages		
Soaps & Detergents		

- A&P spends maintained at Rs.651 crore; lower by 200 bps
 - Spends increased in Personal Products, Beverages and Packaged Foods
 - Recalibrated in Soaps & Detergents in line with industry
 - Focus on ROMI continues

Winning in the Market: Rural delivers strong growth



Coverage expansion

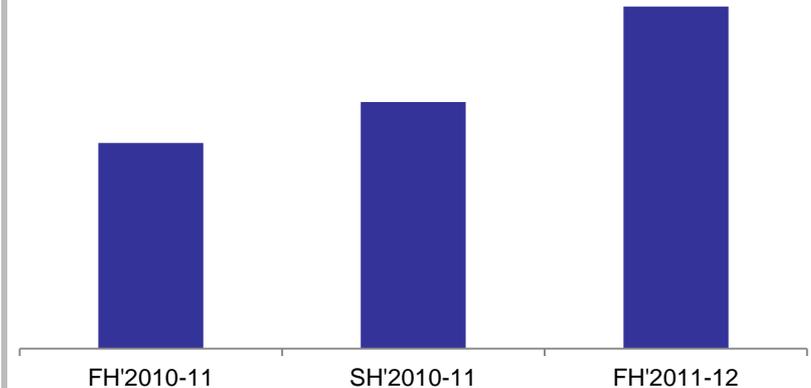


Shakti & Shaktiman



Rural activation: Khushiyon ki Doli

Indexed Business Size



Winning in the Market: Modern Trade accelerates



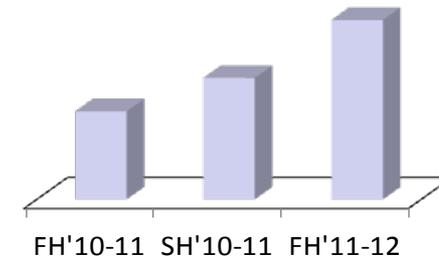
Focus on Customer Service

HUL



No.1 Supplier of Choice
eQ^ scores highest in industry

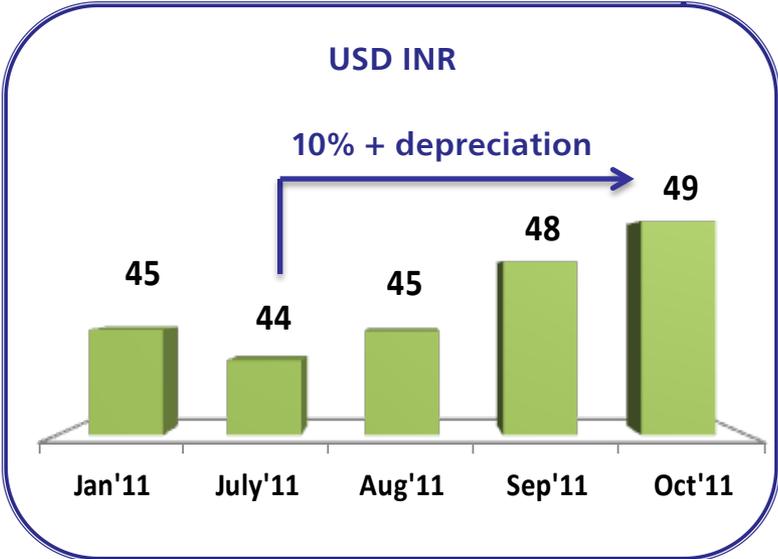
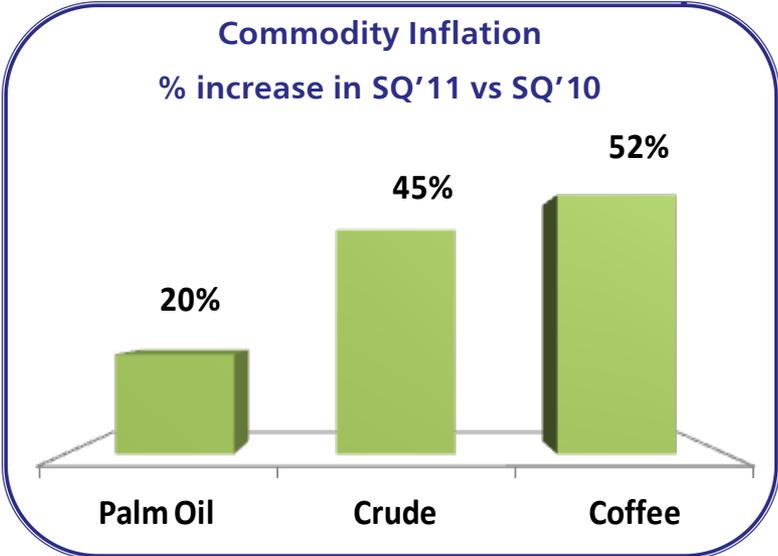
Indexed Business Size



Increasing Market Share

2008 2009 2010 2011*

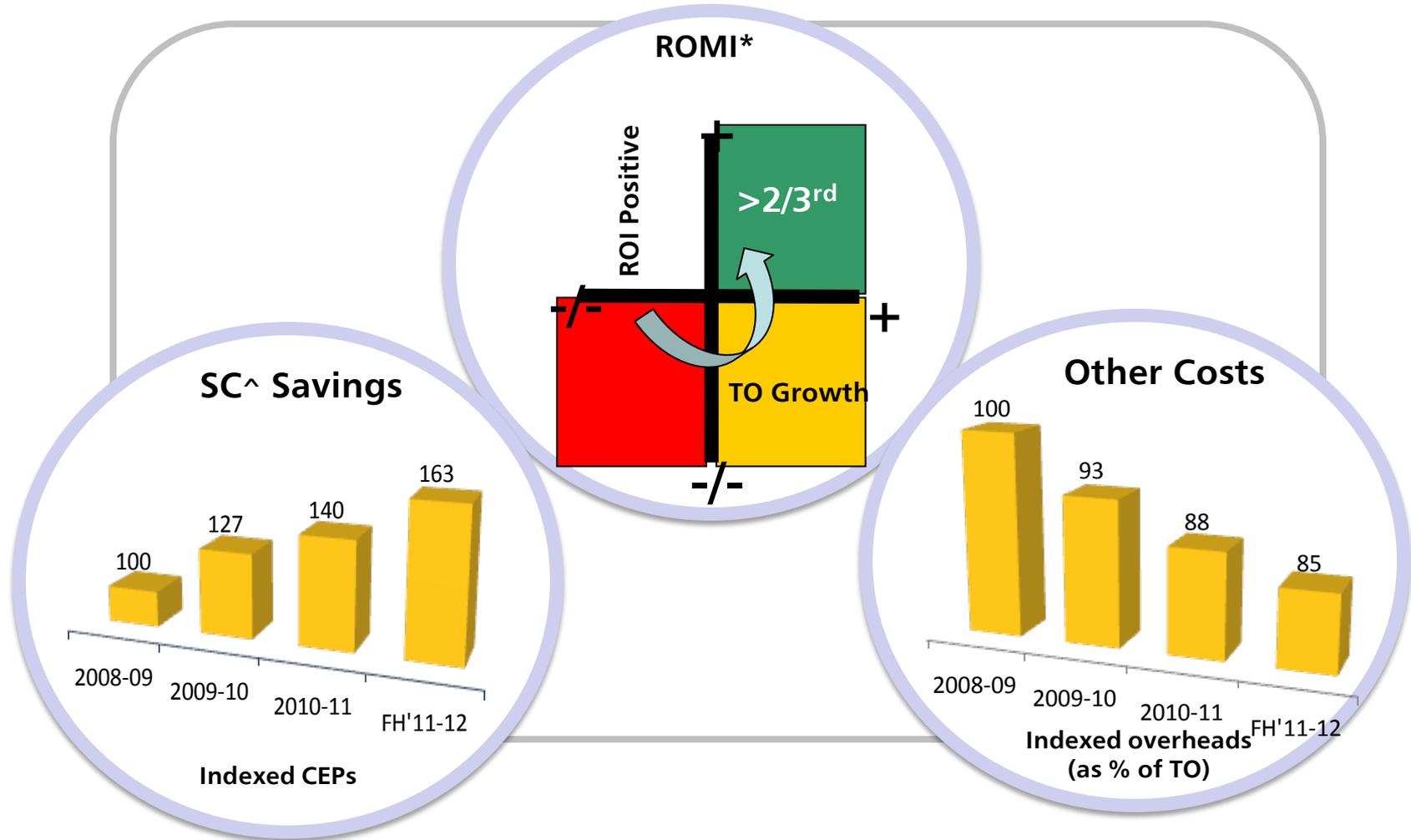
Inflationary pressures remain high



- Prices moderate from recent highs
- Currency depreciation to have an adverse impact going forward

Average market prices (Source: Market Rate), HUL rates may be different

Winning through continuous improvement: Stepping up savings



*ROMI: Return on Marketing Investment; ^SC: Supply Chain

Category Highlights

Home Care : Broad based competitive growth

- **Laundry: Growth ahead of market**
 - All brands grow in double digits; fair mix of volume and price
 - Rin growth momentum continues
 - Strong traction in premium portfolio; Comfort range expanded with the launch of anti bacterial variant
- **Household Care: Vim delivers strong double digit growth**
 - Vim relaunched with superior product and stronger proposition “100 nimbuon ki shakti ke saath”



Skin Cleansing: Strong performance in core & emerging segments

- Double digit growth, ahead of the market
- Lux and Lifebuoy grow in double digits; featured in top 5 most trusted brands*
- Lux relaunched during the quarter with superior product
- Premium portfolio sustains growth momentum
 - 10th consecutive quarter of double digit growth
 - Market development delivers strong growth in liquids portfolio



Superior products with salient advertising & activation



Lux relaunch with silk protein extract: Silky skin like never before



Dove 7 days no make up: activated across different media

Skin Care: Growth momentum accelerates

- Growth ahead of market
- Strong double digit growth in Fair & Lovely, Pond's and Vaseline
- Focus on leading market development continues
 - Face Wash: New range launched under Dove; business doubles
 - Pond's White Beauty Naturals range introduced
 - Vaseline: Building Hand & Body Care; delivers 8th consecutive quarter of strong double digit growth



Skin Lightening



Face Wash



Premium Skin Lightening



Hand & Body Care

Innovations in SQ'11



**Fair & Lovely unique tube innovation:
Aspirational & affordable**



**Vaseline moisturiser relaunched:
Multi layer moisture**



**Pond's White Beauty Naturals with
Camellia leaf extracts for spotless, fair skin**



**Face Wash: Range expansion
across brands & benefits**



**Vaseline Lip Therapy
with 4 new variants**



**Lakme Fruit Moisture Range: Nutritive
moisture technology with deep cell action**

Hair & Oral Care:

Good growth amidst heightened competitive intensity

- Hair delivers double digit growth led by volumes
 - Dove: growth momentum accelerates
 - Nourishing Oil Care range launched with Vita Oils
 - Increased accessibility with Re.1 sachet
- Oral care: growth stepped up, both brands grow in double digit



Dove: now available at Re.1



Nourishing Oil Care Range



Beverages: Sustained growth

- Tea delivers broad based growth
 - Strong performance in premium and popular segments; all brands grow in double digits
 - Leading market development with Tea bags; new range of flavored tea bags launched under Taj
- Coffee performs well amidst high commodity prices
 - Both instant and conventional coffee grow in double digits
 - Continues to drive premiumization with modern & contemporary portfolio



Unique green tea experience with 3 flavours



7 flavours for 7 days



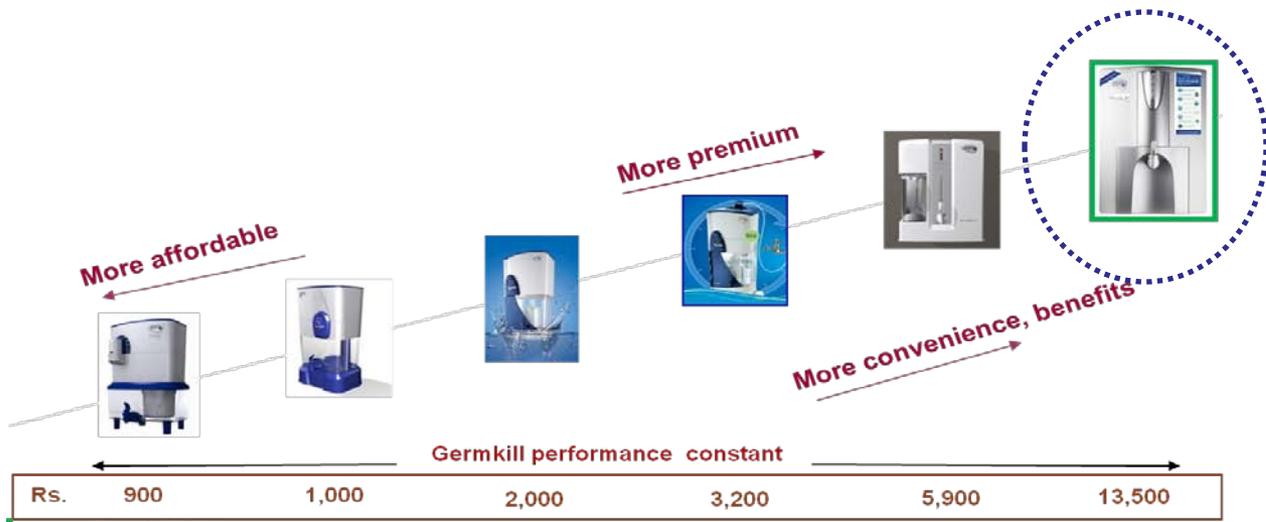
Packaged Foods: Leading market development

- Double digit growth in Kissan and Knorr
 - Kissan range relaunched with “100% Real” proposition
 - Knorr Soupy Noodles driving penetration with Rs. 5 pack
- Kwality Walls continues strong growth momentum
 - Led by innovations and distribution
 - “Cornetto Luv Reels” driving engagement through digital media



Pureit: Business strategy on track

- Pureit now straddles the entire consumer pyramid
 - Entry into large "RO Water Purifier" segment with Pureit Marvella RO
- GTM* progressing as per schedule, to be completed by year end
 - Distribution across modern electronic retail chains scaled up
- Pureit wins Golden Peacock Innovation Management Award - 2011



* GTM: Go to Market Model Innovation during SQ'11

SQ'11 – Results

Rs Cr

Particulars	SQ'11	SQ'10	Growth%
Net Sales	5522	4681	18.0
PBITDA	827	647	27.8
PBIT	770	592	30.1
<i>PBIT margin (%age)</i>	13.9	12.6	
PBT bei	847	668	26.7
Exceptional Items	44	40	-
PBT	891	709	25.7
PAT bei	652	534	22.3
Extraordinary Items (net of Tax)	-	-	
Net Profit	689	566	21.7

SQ'11 – Exceptional Items

Particulars	Rs Cr	
	SQ'11	SQ'10
Assets Sale	47	26
Sale of long term investment		20
Restructuring Cost	(3)	(3)
Others		(3)
Total	44	40

First Half FY'12 – Results

Rs Cr

Particulars	FH'11-12	FH'10-11	Growth%
Net Sales	11026	9475	16.4
PBITDA	1581	1328	19.1
PBIT	1468	1219	20.4
<i>PBIT margin (%age)</i>	13.3	12.9	
PBT bei	1595	1338	19.3
Exceptional Items	103	59	-
PBT	1699	1397	21.6
PAT bei	1231	1055	16.7
Extraordinary Items (net of Tax)	-	-	
Net Profit	1316	1099	19.7

Interim Dividend

Rs.

Particulars	FY 2012	FY 2011
Interim Dividend Per Share	3.5	3.0
Nb. of Shares (Cr)	216	218
Total Dividend (Rs Cr)	756	655
Div. Dist. Tax (Rs Cr.)	123	109
Total Div. Outflow (Rs Cr.)	879	763

SQ'11 summary

- **Strong 18.5%* growth in a challenging environment**
 - Broad based and ahead of market
- **Operating margins up by 130 bps; PAT (bei) at Rs. 652 crore grows by 22.3%; Net Profit at Rs.689 crore up by 21.7%**
- **Sustained focus on continuous improvement**
- **Brand investments maintained at competitive levels**
- **Interim dividend of Rs.3.50 per share for FY 2011-12**

Looking ahead

Headwinds

- Uncertain global economic environment
- Inflation and adverse impact of rupee depreciation
- Competitive intensity

Tailwinds

- Strong monsoon augurs well
- Diverse portfolio straddling the pyramid
- Differentiated capabilities for competitive advantage

FMCG Markets will continue to grow

