



Hindustan Unilever Limited

## RESULTS FOR THE QUARTER ENDING 31<sup>st</sup> MARCH 2018

**16% COMPARABLE\* DOMESTIC CONSUMER GROWTH, 11% UNDERLYING VOLUME GROWTH**

**Mumbai, May 14<sup>th</sup>, 2018:** Hindustan Unilever Limited announced its results for the quarter ending 31<sup>st</sup> March 2018.

During the quarter, our Comparable\* Domestic Consumer Growth was 16%^ with Underlying Volume growth at 11%. Comparable\* EBITDA margin was up 160 bps^ and Net Profit at Rs.1351 Crores grew by 14%.

### Home Care: Double-digit volume growth

Laundry saw robust double-digit growth across key brands. Comfort Pure - fabric conditioner for delicate baby skin, was launched. Household Care growth was led by strong performance in Vim.

### Personal Care: Broad-based double-digit growth across Personal Products and Personal Wash

Growth in Skin Care was led by Fair & Lovely and Pond's. Hair Care witnessed broad based volume led growth. Hair Care also saw the launch of Pure Derm – a new range of anti-dandruff shampoos. Colour cosmetics delivered yet another quarter of robust growth on the back of a strong innovations funnel. Growth in Oral Care and Deodorants was driven by new launches. In Personal Wash, growth was led by a sustained strong performance of the premium range.

### Foods: Good growth in Kissan and Knorr

Kissan delivered strong growth led by Ketchups. Knorr franchise was expanded with new Knorr Pasta masala variants being launched in select geographies.

### Refreshment: Robust growth across categories

Tea sustained double-digit growth by differentially leveraging the portfolio across the country and by driving market development. Coffee witnessed strong volume led growth. Ice Cream and Frozen Desserts grew in double-digits on the back of geographic expansion and exciting new launches including Kwality Walls Sandwich and Cloud Bite.

### Margin improvement sustained: Comparable\* EBITDA margin up by 160 bps^

Cost of Goods Sold were lower, supported by the strong savings program. Advertising and Promotion spends were stepped up to support innovations and marketing activations during the quarter. Earnings before interest, tax, depreciation and amortisation (EBITDA) at Rs. 2048 Crores was up by 24%. Profit after tax before exceptional items, PAT (bei), at Rs. 1409 Crores was up by 26%.

### Financial Year 2017-18

Comparable\* Domestic Consumer Growth was 12% with 6% Underlying Volume Growth and Comparable\* EBITDA margin improvement was 155 Bps. Profit after tax before exceptional items, PAT (bei), grew by 21% to Rs. 5135 cr. and Net Profit at Rs. 5237 cr. was up by 17%. Our strong track record of cash generation was sustained. The Board of Directors have proposed a final dividend of Rs. 12 per share, subject to the approval of the shareholders at the AGM. Together with the interim dividend of Rs. 8 per share, the total dividend for the financial year ending 31<sup>st</sup> March 2018 amounts to Rs. 20 per share.

Harish Manwani, Chairman commented: "Despite a step-up in competitive intensity, we have delivered another strong performance for the quarter and the year. Growth and improvement in profitability have been sustained through a combination of winning innovations and a relentless focus on operational efficiencies. We are particularly pleased with our track record of sustained margin improvement for the seventh consecutive year.

In the near term, we are seeing a gradual improvement in demand and this augurs well for the sector. We will continue to manage our business dynamically and will remain focused on our strategy of delivering consistent, competitive, profitable and responsible growth."

\*Comparable: Reflecting accounting impact of GST (Excise duty and net input taxes adjusted from sales of base quarter and GST refunds to the reported sales of current quarter) For details refer to Quarter Results filed with the Stock Exchanges.

^Reported Domestic Consumer Growth for the quarter was 3%; Reported improvement in EBITDA margin was 390 bps.





**HINDUSTAN UNILEVER LIMITED**  
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018

STANDALONE			Particulars	STANDALONE		CONSOLIDATED	
Audited Results for the quarter ended 31st March		Unaudited Results for the quarter ended 31st December		Audited Results for the year ended 31st March		Audited Results for the year ended 31st March	
2018	2017	2017		2018	2017	2018	2017
(Rs in Crores)							
8,003	8,773	8,323	<b>Revenue from operations</b>				
-	-	-	Sale of products (including excise duty)	34,619	33,896	35,474	34,964
94	113	267	Sale of services	-	-	97	97
100	83	152	Other operating revenue	599	592	667	698
8,197	8,969	8,742	<b>Other income</b>	569	526	384	369
			<b>TOTAL INCOME</b>	<b>35,787</b>	<b>35,013</b>	<b>36,622</b>	<b>36,128</b>
			<b>EXPENSES</b>				
3,514	3,116	3,188	Cost of materials consumed	12,481	11,383	12,927	11,948
855	968	768	Purchases of stock-in-trade	3,812	4,166	3,675	4,223
(56)	(62)	(51)	Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	(71)	156	(72)	144
-	673	-	Excise duty	660	2,597	693	2,597
400	388	491	Employee benefits expenses	1,745	1,620	1,880	1,743
4	6	5	Finance costs	20	22	26	35
123	108	121	Depreciation and amortisation expenses	478	396	520	432
			Other expenses				
1,070	853	1,107	Advertising and promotion	4,106	3,470	4,163	3,542
1,265	1,299	1,407	Others	5,167	5,068	5,303	5,224
7,191	7,349	7,036	<b>TOTAL EXPENSES</b>	<b>28,440</b>	<b>28,858</b>	<b>29,285</b>	<b>29,886</b>
2,016	1,620	1,706	<b>Profit before exceptional items and tax</b>	<b>7,347</b>	<b>6,155</b>	<b>7,337</b>	<b>6,242</b>
(84)	(1)	(21)	Exceptional items (net credit/charge)	(82)	241	(33)	237
1,952	1,619	1,685	<b>Profit before tax from continuing operations</b>	<b>7,265</b>	<b>6,396</b>	<b>7,304</b>	<b>6,479</b>
			<b>Tax expenses</b>				
(696)	(403)	(297)	Current tax	(2,148)	(1,855)	(2,216)	(1,947)
95	(33)	(62)	Deferred tax credit/(charge)	100	(41)	137	(30)
1,351	1,183	1,326	<b>Profit after tax from continuing operations (A)</b>	<b>5,237</b>	<b>4,490</b>	<b>5,225</b>	<b>4,502</b>
-	-	-	<b>Profit/(Loss) from discontinued operations before tax</b>	-	-	2	(13)
-	-	-	<b>Tax expenses of discontinued operations</b>	-	-	-	1
-	-	-	<b>Profit/(Loss) from discontinued operations after tax (B)</b>	-	-	2	(12)
1,351	1,183	1,326	<b>PROFIT FOR THE PERIOD (A+B)</b>	<b>5,237</b>	<b>4,490</b>	<b>5,227</b>	<b>4,490</b>
			<b>OTHER COMPREHENSIVE INCOME</b>				
			<b>Items that will not be reclassified subsequently to profit or loss</b>				
(18)	(32)	-	Remeasurements of the net defined benefit plans	(16)	(32)	(15)	(33)
5	11	-	Tax on above	5	11	5	11
			<b>Items that will be reclassified subsequently to profit or loss</b>				
1	3	(1)	Fair value of debt instruments through other comprehensive income	(2)	1	(2)	2
(9)	(1)	0	Tax on above	1	(0)	1	(0)
(10)	(19)	(1)	<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD (C)</b>	<b>(12)</b>	<b>(20)</b>	<b>(11)</b>	<b>(20)</b>
1,341	1,164	1,325	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B+C)</b>	<b>5,225</b>	<b>4,470</b>	<b>5,216</b>	<b>4,470</b>
			<b>Net Profit attributable to</b>				
1,351	1,183	1,326	a) Owners of the company	5,237	4,490	5,214	4,476
-	-	-	b) Non-controlling interest	-	-	13	14
			<b>Other comprehensive income attributable to</b>				
(10)	(19)	(1)	a) Owners of the company	(12)	(20)	(11)	(20)
-	-	-	b) Non-controlling interest	-	-	(0)	(0)
1,341	1,164	1,325	<b>Total comprehensive income attributable to</b>	<b>5,225</b>	<b>4,470</b>	<b>5,203</b>	<b>4,456</b>
-	-	-	a) Owners of the company	-	-	13	14
			b) Non-controlling interest	-	-	-	-
			<b>Earnings per equity share from continuing operations (Face value of Rs. 1 each)</b>				
6.24	5.47	6.13	Basic (in Rs.)	24.20	20.75	24.09	20.74
6.24	5.47	6.13	Diluted (in Rs.)	24.19	20.74	24.07	20.73
			<b>Earnings per equity share from discontinued operations (Face value of Rs. 1 each)</b>				
-	-	-	Basic (in Rs.)	-	-	0.01	(0.06)
-	-	-	Diluted (in Rs.)	-	-	0.01	(0.06)
			<b>Earnings per equity share from continuing and discontinued operations (Face value of Rs. 1 each)</b>				
6.24	5.47	6.13	Basic (in Rs.)	24.20	20.75	24.09	20.68
6.24	5.47	6.13	Diluted (in Rs.)	24.19	20.74	24.08	20.67



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**SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES**

*(Rs in Crores)*

STANDALONE			Particulars	STANDALONE		CONSOLIDATED	
Audited Results for the quarter ended 31st March		Unaudited Results for the quarter ended 31st December		Audited Results for the year ended 31st March		Audited Results for the year ended 31st March	
2018	2017	2017		2018	2017	2018	2017
3,102	3,004	2,741	<b>Segment Revenue (Sales and Other operating income)</b>				
4,096	4,075	4,090	- Home Care	11,629	11,346	11,626	11,346
299	295	300	- Personal Care	16,464	16,304	16,588	16,432
1,409	1,300	1,248	- Foods	1,165	1,124	1,165	1,124
191	201	211	- Refreshments	5,225	4,848	5,214	4,848
9,097	8,875	8,590	- Others (includes Exports, Infant & Feminine Care etc.)	721	819	1,630	1,960
			<b>Total Segment Revenue</b>	<b>35,204</b>	<b>34,441</b>	<b>36,223</b>	<b>35,710</b>
			<b>Segment Results (Profit before tax and interest)</b>				
509	389	354	- Home Care	1,694	1,259	1,694	1,260
1,066	984	1,007	- Personal Care	4,100	3,848	4,098	3,852
31	28	11	- Foods	100	85	100	85
256	219	169	- Refreshments	894	755	894	755
2	(4)	(11)	- Others (includes Exports, Infant & Feminine Care etc.)	(21)	(21)	144	200
1,864	1,616	1,530	<b>Total Segment Results</b>	<b>6,767</b>	<b>5,925</b>	<b>6,930</b>	<b>6,162</b>
(4)	(6)	(5)	Less: Finance Costs	(20)	(22)	(26)	(35)
92	9	160	Add/(Less): Finance Income and Other unallocable income net of unallocable expenditure	538	492	402	349
1,952	1,619	1,685	<b>Total Profit Before Tax</b>	<b>7,285</b>	<b>6,396</b>	<b>7,306</b>	<b>6,466</b>
			<b>Segment Assets</b>				
2,100	1,892	2,051	- Home Care	2,100	1,892	2,100	1,892
4,873	4,097	4,710	- Personal Care	4,873	4,097	5,185	4,456
312	300	305	- Foods	312	300	312	300
1,608	1,542	1,507	- Refreshments	1,608	1,542	1,608	1,542
156	164	159	- Others (includes Exports, Infant & Feminine Care etc.)	156	164	862	633
8,100	6,756	7,213	- Unallocable corporate assets	8,100	6,756	7,995	6,883
17,149	14,751	15,945	<b>Total Segment Assets</b>	<b>17,149</b>	<b>14,751</b>	<b>17,862</b>	<b>15,706</b>
			<b>Segment Liabilities</b>				
2,865	2,337	2,908	- Home Care	2,865	2,337	2,865	2,337
4,860	3,815	4,904	- Personal Care	4,860	3,815	4,925	3,851
329	254	350	- Foods	329	254	329	255
989	807	1,011	- Refreshments	989	807	989	807
92	74	106	- Others (includes Exports, Infant & Feminine Care etc.)	92	74	342	300
939	974	933	- Unallocable corporate liabilities	939	974	1,111	1,390
10,074	8,261	10,212	<b>Total Segment Liabilities</b>	<b>10,074</b>	<b>8,261</b>	<b>10,561</b>	<b>8,940</b>

**Notes on Segment Information:**

1. Segment Revenue, Results, Assets and Liabilities represent amounts identifiable to each of the segments. Other "unallocable income net of unallocable expenditure" mainly includes interest income, dividend income, income from current investments (net), expenses on common services not directly identifiable to individual segments, corporate expenses and unallocable exceptional items.

Segment Assets and Segment Liabilities are as at 31st March 2018, 31st December 2017 and 31st March 2017. Unallocable corporate assets less Unallocable corporate liabilities mainly represent investment of surplus funds and cash and bank.

2. Previous period figures have been re-grouped/re-classified wherever necessary, to conform to current period's classification.

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# HINDUSTAN UNILEVER LIMITED

AUDITED BALANCE SHEET AS AT 31st MARCH, 2018

(Rs in Crores)

Statement of Assets and Liabilities		STANDALONE		CONSOLIDATED	
		As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
<b>A</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
	Property, plant and equipment	3,776	3,654	4,080	3,968
	Capital work-in-progress	430	203	451	229
	Goodwill	0	0	0	0
	Other intangible assets	366	370	367	370
	Goodwill on consolidation	-	-	81	81
	Investments in subsidiaries, associates and joint ventures	254	254	-	-
	Financial assets				
	- Investments	2	6	2	6
	- Loans	404	352	184	168
	- Other financial assets	6	6	6	6
	Non-current tax assets (net)	439	311	635	461
	Deferred tax assets (net)	258	160	302	170
	Other non-current assets	78	70	84	75
	<b>Total Non-current assets</b>	<b>6,010</b>	<b>5,386</b>	<b>6,202</b>	<b>5,534</b>
<b>2</b>	<b>Current assets</b>				
	Inventories	2,359	2,362	2,513	2,541
	Financial assets				
	- Investments	2,855	3,519	2,871	3,788
	- Loans	-	-	4	-
	- Trade receivables	1,147	928	1,310	1,085
	- Cash and cash equivalents	573	572	649	628
	- Bank balances other than cash and cash equivalents mentioned above	2,800	1,099	2,836	1,200
	- Other financial assets	829	306	805	331
	Other current assets	560	507	656	552
	Assets held for sale	16	72	16	47
	<b>Total - Current assets</b>	<b>11,139</b>	<b>9,365</b>	<b>11,660</b>	<b>10,172</b>
	<b>TOTAL - ASSETS</b>	<b>17,149</b>	<b>14,751</b>	<b>17,862</b>	<b>15,706</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>EQUITY</b>				
	Equity share capital	216	216	216	216
	Other equity	6,859	6,274	7,065	6,528
	Non-controlling interest	-	-	20	22
	<b>Total - Equity</b>	<b>7,075</b>	<b>6,490</b>	<b>7,301</b>	<b>6,766</b>
<b>2</b>	<b>LIABILITIES</b>				
	<b>Non-current liabilities</b>				
	Financial liabilities				
	- Other financial liabilities	115	71	119	73
	Provisions	772	485	800	514
	Non-current tax liabilities (net)	384	296	558	432
	Other non-current liabilities	167	207	197	207
	<b>Total - Non-current liabilities</b>	<b>1,438</b>	<b>1,059</b>	<b>1,674</b>	<b>1,226</b>
	<b>Current liabilities</b>				
	Financial liabilities				
	- Borrowings	-	-	-	277
	- Trade payables	7,013	6,006	7,170	6,186
	- Other financial liabilities	203	181	214	195
	Other current liabilities	769	628	815	864
	Provisions	651	387	688	392
	<b>Total - Current liabilities</b>	<b>8,636</b>	<b>7,202</b>	<b>8,887</b>	<b>7,714</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>17,149</b>	<b>14,751</b>	<b>17,862</b>	<b>15,706</b>



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**Notes:**

1. According to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, revenue for the quarter ended 31st March, 2017 was reported inclusive of excise duty. Goods and Services Tax ("GST") has been implemented with effect from 1st July, 2017 which replaces Excise Duty and other input taxes. As per Ind AS 18, the revenue for the quarter ended 31st March, 2018 is reported net of GST.
2. In compliance with IND AS 20 on Government Grants, the amount of budgetary support under Goods and Services Tax, GST Refunds, to be received from the Government of India in relation to the existing eligible units under the different Industrial Promotion Schemes have been recognised as "Other Operating Income". In past periods these credits were netted off from the excise cost reported in the Statement of Profit and Loss.
3. Comparable Domestic Consumer sales growth and comparable EBITDA margin improvement (mentioned in note 4 and 5 below) for MQ 18 has been arrived at by adjusting:
  - a) Excise Duty, other net input taxes from reported sales of MQ 17, and
  - b) GST Refunds to the reported sales of MQ 18.
4. In view of the accounting impact as shared in note 1 to 3 above, while the Reported Net Sales grew by 3% during the quarter, Comparable Domestic Consumer sales grew by 16% during the quarter.
5. Earnings before interest, tax, depreciation and amortization (EBITDA) for the quarter at Rs. 2,048 crores (MQ 17: Rs. 1,651 crores) grew by 24%. Comparable EBITDA margin improvement is 160 bps vs MQ 17.
6. Profit After Tax before Exceptional Items for the quarter at Rs 1,409 crores (MQ 17: Rs 1,118 crores) grew by 26%.
7. Exceptional items, net cost in MQ 18 includes restructuring expenses Rs.16 crores (MQ 17: Rs. 5 crores), profit on sale of surplus properties Nil (MQ 17: Rs. 4 crores) and a one time charge on account of fair valuation of contingent consideration payable with respect to a past brand acquisition Rs.48 crores (MQ 17: Nil).
8. Profit After Tax for the quarter at Rs. 1,351 crores (MQ 17: Rs.1,183 crores) grew by 14 %.
9. For FY 2017-18 net comparable sales grew by 11%, Domestic Consumer Business (FMCG) grew by 12%, Earnings before interest, tax, depreciation and amortization (EBITDA) grew by 20%, Profit after tax from ordinary activities before Exceptional Items grew by 21% and profit after tax grew at 17%
10. The Board of Directors at their meeting held on Monday, 14th May, 2018 recommended a final dividend of Rs 12.00 per share of Rs 1 each, for the financial year ended 31st March, 2018. Together with the interim dividend of Rs 8.00 per share paid on 14th November, 2017, the total dividend for the financial year ended 31st March, 2018 works out to Rs 20.00 per share of Rs 1/- each. Final dividend, subject to approval of shareholders, will be paid on or after Friday, 29th June 2018
11. Due to paucity of time, it was not possible to immediately pass on the benefit of the 15th November GST rate reductions on some of the pipeline stocks to the end consumers. An estimated value of Rs. 124 crores has been proactively disclosed to the authorities on this count and we have offered to pay this amount suo motu to the Government. This amount is not recognised as revenue and is accounted as a liability as on 31st March 18.



*Amrith*

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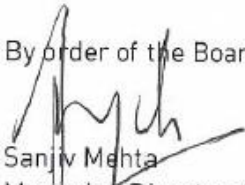


12. In addition to point 11 above, on behalf of our redistribution stockists, we have offered Rs. 36 crores towards additional realization which would have been made by them on their closing stock at the point of transition. This is only a pass through and has no impact on Company's financials.
13. Previous period figures have been re-grouped/re-classified wherever necessary.
14. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14th May, 2018.
15. The text of the above statement was approved by the Board of Directors at their meeting held on 14th May, 2018. The statutory auditors have expressed an unqualified report on the above results.

For more details on Results, visit Investor Relations section of our website at <http://www.hul.co.in> and Financial Results under Corporates section of [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

Place: Mumbai  
Date: 14<sup>th</sup> May, 2018

By order of the Board

  
Sanjiv Mehta  
Managing Director & CEO  
[DIN: 06499923]

