

Notes:

1. Total sales grew by 8.7% during the quarter. FMCG sales grew by 12.1 % driven by 13.9% growth in HPC business and 3.9% growth in Foods.
2. Operating profit (Profit before Interest and Tax) for the quarter increased by 21.9%. Profit before tax was higher by 19.3%, while PAT grew by 26.2% and the net profit increased by 35.1%.
3. Exceptional items (net of tax) for June Quarter '06 comprise: profit on disposal of a brand (Rs. 3.32 crores), profit on sale of an investment (Rs. 2.42 crores), provision for diminution in value of investments in a subsidiary (Rs. 3.80 crores), and provision for voluntary retirement scheme (Rs. 0.61 crores).
4. The results for the quarter are not comparable to those of JQ '05 to the extent of integration of subsidiaries (International Fisheries Limited, Lipton India Exports Limited, Merryweather Food Products Limited, TOC Disinfectants Limited, and Lever India Exports Limited) with the Company, the demerger and subsequent disposal of Doom Dooma and TEI plantation divisions, and the amalgamation of Vashisti Detergents Limited with the Company.

Adjusting for the above, net sales for JQ'06 is Rs. 3,052.07 crores (JQ'05: Rs. 2,818.92 crores); Profit before interest and tax is Rs. 409.39 crores (JQ'05: Rs. 348.09 crores); PAT is Rs. 370.00 crores (JQ'05: Rs. 303.03 crores) and Net Profit is Rs. 371.33 crores (JQ'05: Rs. 284.21 crores).

Similarly, net sales for H1'06 is Rs 5,824.32 crores (H1'05: Rs 5,307.13 crores); Profit before interest and tax is Rs 734.22 crores (H1'05: Rs 619.02 crores); PAT is Rs 656.99 crores (H1'05: Rs 568.68 crores) and Net Profit is Rs 807.20 crores (H1'05: Rs 541.39 crores).

5. Provision for Taxation includes Fringe Benefit Tax of Rs. 10.00 crores.
6. Investor complaints status

Complaints pending resolution as on 1 st April 2006	: 07
Complaints received during JQ' 06*	: 56
Complaints resolved during JQ' 06	: 59
Being progressed for resolution as on 30th June 2006	: 04

* Essentially relating to non receipt of dividend/interest warrants
7. Previous period figures have been regrouped wherever necessary to conform to this period's classification.
8. Notice is hereby given, pursuant to Section 154 of the Companies Act, 1956 that the Company has fixed 9th August, 2006 as the RECORD DATE for the purpose of ascertaining the shareholders who would be entitled to receive the interim dividend for the year 2006.

The Board of Directors at their meeting held on 30th July, 2006 has resolved to pay Interim Dividend of Rs 3/- per share of Re.1/- for the year 2006. The dividend will be payable on 22nd August, 2006.

9. The text of the above statement was approved by the Board of Directors at their meeting held on 30th July 2006.

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.hll.com>

By order of the Board

Place: Bangalore
Date: 30th July 2006

Managing Director & CEO

Notes on segmental information

1. Adjusting for the disposal of Nihar brand, Personal Products segment revenue growth in JQ'06 is 15.1%
2. Segment Revenue, Results and Capital Employed figures include the respective amounts identifiable to each of the segments. Other un-allocable expenditure includes expenses incurred on common services not directly identifiable to the individual segments and corporate expenses. Un-allocable expenditure (net) is net of income from investment of surplus funds and dividends from subsidiary companies.

Capital Employed figures are as at 30th June 2006 and 30th June 2005. Unallocated corporate assets less corporate liabilities mainly relate to investments