Hindustan Unilever Limited

SQ'25 Results

23rd Oct 2025

Hindustan Unilever Limited

Safe harbour statement

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Priya Nair

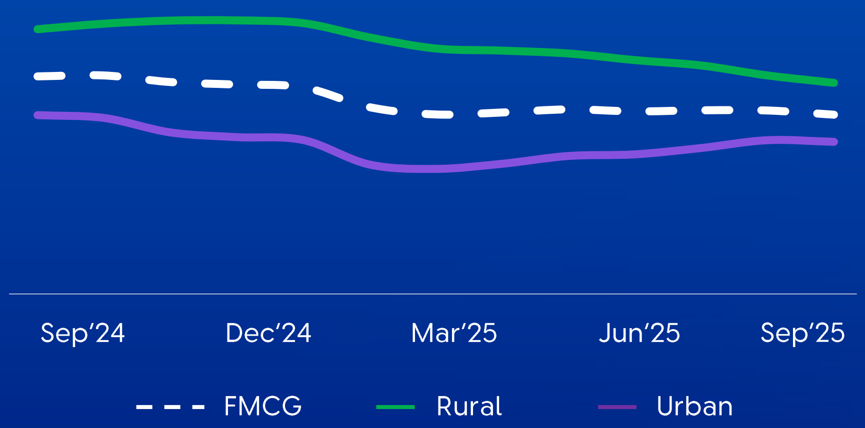
Chief Executive Officer
and Managing Director

Hindustan Unilever Limited

SQ'25: Operating context

Demand trends

FMCG volume growth trends (MAT)



Demand trend remains stable

Market backdrop

- Implementation of GST reforms expected to boost consumption growth
- Prolonged and intense monsoon conditions affected parts of the country
- Divergent commodity trends persisted for the quarter

Nielsen MAT volume growth as of Sep'25 (HUL relevant categories)

New Age GST Reforms

What changed

~40% portfolio transitioned to 5% GST

Our approach

Pricing & grammage actions taken	Revision across 1,200+ SKUs
Support extended to trade	Clear pricing comms rolled out

Agile execution to pass on entire benefit to consumers

Consumption tailwinds

- Disposable income
- Consumer sentiment
- Premiumisation upside

Augurs well for improving demand

Transitory business disruption

- Trade de-stocking
- Delayed consumer buying
- Pricing transitions

Adverse sales impact in the quarter

Performance highlights

	SQ'25	H1 FY'26
Turnover	₹ 16,061 cr.	₹ 32,384 cr.
Underlying Sales Growth	2%	3%
Underlying Volume Growth	Flat	2%
PAT Growth	4%	5%
EBITDA as a % of TO	23.2%	23.0%
PAT (bei) Growth	-4%	-4%

Interim dividend of ₹ 19 per share

Underlying Sales Growth (USG): Increase in turnover for the period, excluding any change resulting from acquisitions and disposals
Underlying Volume Growth (UVG): Volume growth including the impact of mix of turnover realisation of products sold
PAT bei: Profit After Tax before exceptional items

My reflections on HUL: Robust business model with enduring strengths

Competitive advantage

>85% business with #1 market position

Unbeatable portfolio

19 brands with an annual turnover >₹1,000 crores

Consumer intimacy

>80 bn interactions with consumers annually

Pioneer in market making

Category-defining innovations

Deep distribution moat

>9 mn retailors reached in the country

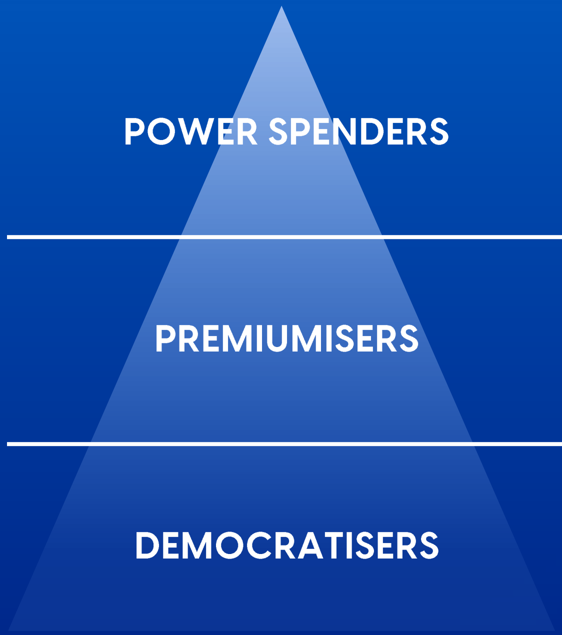
Talent powerhouse

#1 Employer of Choice across sectors

Employer of Choice - based on brand perception study by InsideIIM at target B-schools in 2025

Our key priorities: Focussed on volume-led growth

Radical segmentation of consumers



Deepening our segmentation of portfolio, channel & media play

Create modern, desirable brands

Modernising core & building more premium brands

Frontline marketing & sales machine

Accelerate future-proofing of our marketing & sales capabilities

Fewer, bigger bets

Continue to double down on high-growth demand spaces

AI Powered HUL | Continued efficiencies in cost base | Organisation, Talent and Culture

Ritesh Tiwari

Chief Financial Officer

Hindustan Unilever Limited

SQ'25: Consolidated results

Topline	Gross Margin	EBITDA	PAT
Underlying Sales Growth	Margin	Margin	INR
2%	50.9%	23.2%	₹2,694 cr.
Flat	-10 bps	-90 bps	4%
Underlying Volume Growth	Change YoY	Change YoY	Growth YoY

A&P at 10.3%, increased 80 bps year-on-year

Underlying Sales Growth (USG): Increase in turnover for the period, excluding any change resulting from acquisitions and disposals
Underlying Volume Growth (UVG): Volume growth including the impact of mix of turnover realisation of products sold

Home Care

₹5,664 cr. Revenue | 19% Margin

USG: Flat

UVG: Mid-single digit growth

- **Fabric Wash:** Mid-single digit volume growth driven by outperformance in liquids portfolio. Continued to strengthen market leadership powered by Unmissable Brand Superiority and multi-year market making initiatives
- **Household Care:** Double-digit volume growth fueled by premiumisation and market development actions. Liquids portfolio maintained its strong, competitive double-digit growth
- The category delivered a resilient volume growth on a strong base of high-single digit growth. Turnover growth was flat, offset by pricing actions taken in earlier periods

Segment Revenue = Segment Turnover + Other Operating Revenue
Segment Margin (EBIT) excludes exceptional items

Beauty & Wellbeing

₹3,732 cr. Revenue | 28% Margin

USG: 5% | **UVG: Flat**

- **Hair Care:** Turnover declined year-on-year reflecting transitory impact of GST rate rationalisation. Strengthened value and volume leadership
- **Skin Care and Colour Cosmetics:** High-single digit growth driven by momentum in Future Core and Market Makers portfolio, and well-executed winter loading. Focussed transformation efforts translated to double-digit growth in 6 big-bets and strengthened market position in Channels of the Future
- **Health & Wellbeing:** Triple-digit growth momentum sustained, driven by innovations and market expansion initiatives

Segment Revenue = Segment Turnover + Other Operating Revenue
Segment Margin (EBIT) excludes exceptional items

Personal Care

₹2,425 cr. Revenue | 20% Margin

USG: Flat

UVG: High-single digit decline

- **Skin Cleansing:** Delivered competitive performance in the quarter underpinned by double-digit growth in premium soaps. Bodywash continued to deliver competitive growth. Overall turnover growth was flat, impacted by GST transition

- **Oral Care:** Marginal decline led out of transitory GST impact. Closeup delivered low-single digit growth

Segment Revenue = Segment Turnover + Other Operating Revenue
Segment Margin (EBIT) excludes exceptional items

Foods

₹3,869 cr. Revenue | 16% Margin

USG: 3%

UVG: Low-single digit growth

- **Beverages:** Maintained double-digit growth momentum. Tea delivered high-single digit growth, driven by price and volume. Coffee continued to post robust double-digit growth
- **Lifestyle Nutrition:** Positive UVG trajectory sustained. Turnover declined, led by pricing actions taken to refine pack-price architecture
- **Packaged Foods:** GST transition posed temporary headwinds, resulting in a muted performance during the period. Maintained growth momentum in Market Makers portfolio
- **Ice Cream:** Turnover declined year-on-year, impacted by an extended monsoon season and GST transition

Segment Revenue = Segment Turnover + Other Operating Revenue
Segment Margin (EBIT) excludes exceptional items

SQ'25: Consolidated results summary

₹ in crores

Particulars	SQ'25	SQ'24	Growth
Sales	16,061	15,729	2%
EBITDA	3,729	3,793	
EBITDA Margin	23.2%	24.1%	-90 bps
Other Income (Net)	18	109	
Exceptional Items	184	(16)	
Profit Before Tax	3,570	3,542	1%
Tax	(876)	(947)	
Effective Tax Rate	24.5%	26.7%	
Profit After Tax	2,694	2,595	4%
PAT before exceptional items	2,482	2,594	-4%

H1 FY'26: Consolidated results summary

₹ in crores

Particulars	H1'26	H1'25	Growth
Sales	**32,384**	**31,252**	**4%**
EBITDA	7,447	7,537	
EBITDA Margin	**23.0%**	**24.1%**	**-110 bps**
Other Income (Net)	92	273	
Exceptional Items	57	(64)	
Profit Before Tax	6,873	7,071	-3%
Tax	(1,411)	(1,864)	
Effective Tax Rate	20.5%	26.4%	
Profit After Tax	**5,462**	**5,207**	**5%**
PAT before exceptional items	**5,008**	**5,240**	**-4%**

Near Term Outlook

Growth

- GST-related disruption continues into October; normal trading conditions anticipated early November onwards
- If commodity prices remain where they are, price growth to be in low-single digit
- Overall, we expect second half of FY'26 to be better than first half

Margin

- EBITDA margin is expected to remain at the current levels, excluding Ice Cream, to support investment in the business

Focus

- Competitive volume-led growth

Niranjan Gupta

- 2023: Chief Executive Officer, Hero MotoCorp
- 2017: Chief Financial Officer, Hero MotoCorp
- 2014: CFO, Aluminium & Power business, Vedanta Resources Plc
- 2008 - 2014: Leadership roles in Finance & Procurement, Unilever
- 1994 - 2007: Multiple roles across Finance & Procurement, HUL

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