



Hindustan Unilever Limited

Hindustan Unilever Limited
Unilever House
B D Sawant Marg
Chakala, Andheri East
Mumbai 400 099

Tel: +91 (22) 3983 0000
Web: www.hul.co.in
CIN: L15140MH1933PLC002030

17th January, 2018

Stock Code BSE: 500696
NSE: HINDUNILVR
ISIN: INE030A01027

BSE Limited,
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (E),
Mumbai – 400 051

Dear Sir,

Sub: Investor Presentation

This is further to our letter dated 8th January, 2018, intimating a presentation to be made to analysts/investors on financial results of the Company for the quarter ended 31st December, 2017 after the Board Meeting.

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the presentation to analysts/investors on financial results of the Company for the quarter ended 31st December, 2017.

Please take the above information on record.

Thanking You.

Yours faithfully,
For Hindustan Unilever Limited



Dev Bajpai
Executive Director, Legal & Corporate Affairs
and Company Secretary
DIN:00050516 / FCS No: F3354

AGT

Hindustan Unilever Limited

DQ '17 Results Presentation : 17th January 2018



Surf
excel



daag achhe hain



Safe Harbor Statement

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

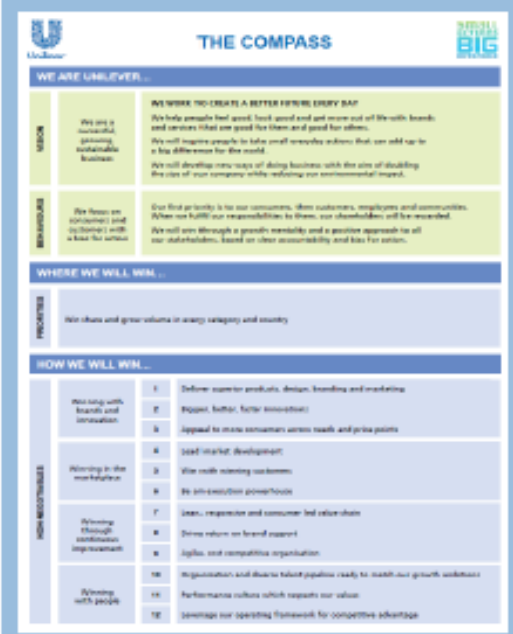


Agenda

1	Strategy
2	Business Context
3	Current Quarter Performance
4	Nine months results
5	Looking Ahead

Clear and compelling strategy

Strategic Framework



THE COMPASS

WE ARE UNILEVER...

VISION	We are a successful, growing, sustainable business.	WE WORK TO CREATE A BETTER FUTURE EVERY DAY We help people feel good, look good and get more out of life with brands and services that are good for them and good for others. We will inspire people to take small everyday actions that can add up to a big difference for the world. We will develop new ways of doing business with the aim of doubling the size of our company while reducing our environmental impact.
REALITIES	We focus on operations and (to date) with a bias for action.	Our first priority is to our consumers, then customers, employees and communities. When we fulfil our responsibilities to them, our shareholders will be rewarded. We will use thorough, proven methods and a positive approach to all our stakeholders, based on clear accountability and bias for action.

WHERE WE WILL WIN...

PROMISES
Win share and grow volume in every category and country.

HOW WE WILL WIN...

WINNING WITH BRANDS	1	Define superior products, design, branding and marketing
	2	Engage, build, foster relationships
	3	Appeal to more consumers across needs and price points
WINNING IN THE MARKETPLACE	4	Lead market development
	5	Win with existing customers
WINNING THROUGH SUSTAINABLE IMPROVEMENT	6	Be an execution powerhouse
	7	Lean, responsive and consumer led value chain
WINNING WITH PEOPLE	8	Drive return on brand investment
	9	Agile, cost competitive organisation
	10	Engagement and diverse talent pipeline ready to match our growth ambitions
	11	Performance culture which supports our values
	12	Ownership for operating framework for competitive advantage

Sustainable Living Plan



Goals

Consistent Growth

Competitive Growth

Profitable Growth

Responsible Growth



DQ'17: Market context

- Trade conditions are normalizing
- Gradual improvement in demand
- Input costs continue to inflate



DQ'17: Strong volume-led growth delivered

- ❑ **Comparable* Domestic Consumer Growth 17%; Underlying Volume Growth 11%**
 - Base quarter (DQ'16) impacted by demonetization

- ❑ **EBITDA at Rs. 1680 Crores up 24%; Comparable* margin up 110 bps**
 - Strong savings program sustained; Supports reduction of COGS*
 - A&P* spends stepped up

- ❑ **PAT (bei) at Rs. 1198 crores up 30%; Net Profit at Rs. 1326 crores up 28%**

'Accounting' impact of GST on HUL results

With effect from 1st July'17

With effect from 1st Oct'17

PRE GST

Net Excise Duty

Net Input taxes

Fiscal exemption/ refund

Excise a cost; Turnover gross of excise

Input tax credit availed partially.
Balance accounted in costs

Benefit of Indirect tax fiscal exemption and refund in excise duty cost

POST GST

Turnover in net of GST

Input taxes subsumed under GST and netted from turnover

- Costs lower as full input tax credit and full CENVAT in fiscal sites availed

Reported as Other Operating Income, consequent to the budgetary support scheme released in October'17

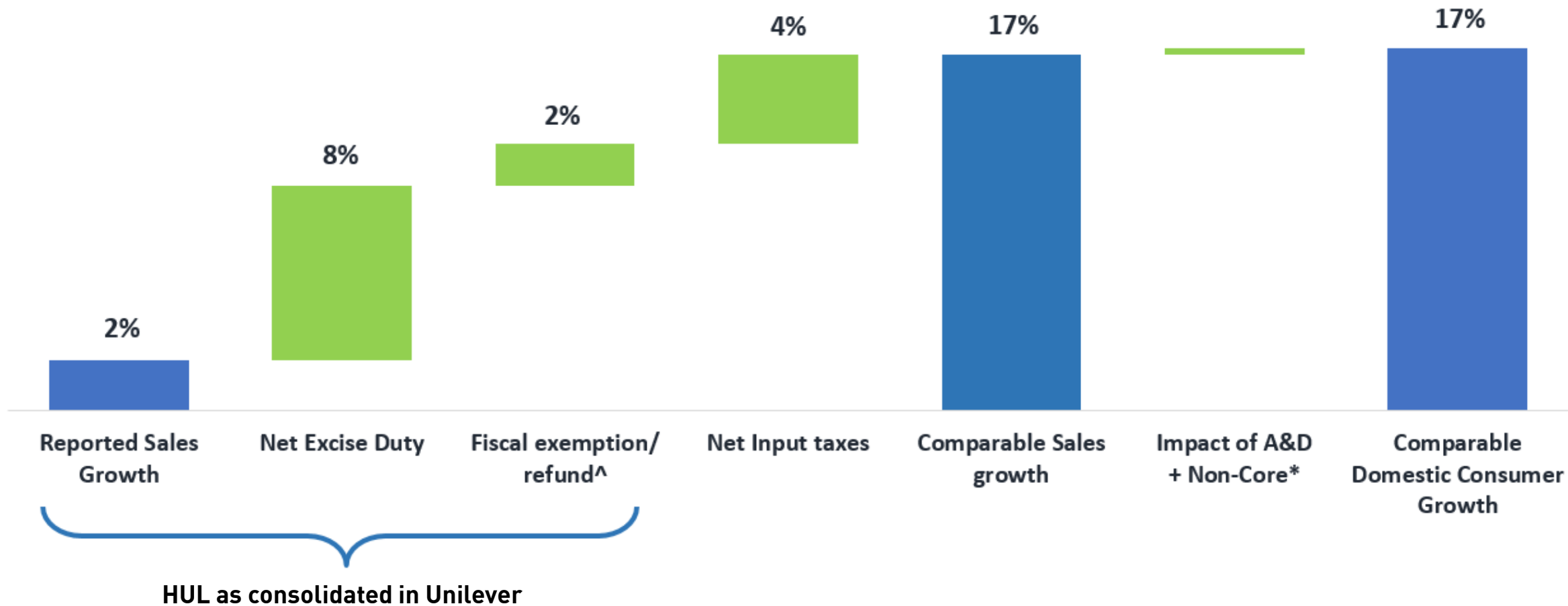
IMPACT POST GST

Reported Turnover: Lower
Absolute EBITDA: No impact
EBITDA margin: Higher
EPS: No impact

Reported Turnover: Lower
Absolute EBITDA: No impact
EBITDA margin: Higher
EPS: No impact

Reported Turnover: Lower
Absolute EBITDA: No impact
EBITDA margin: Higher
EPS: No impact

'Accounting' impact of GST on Growth

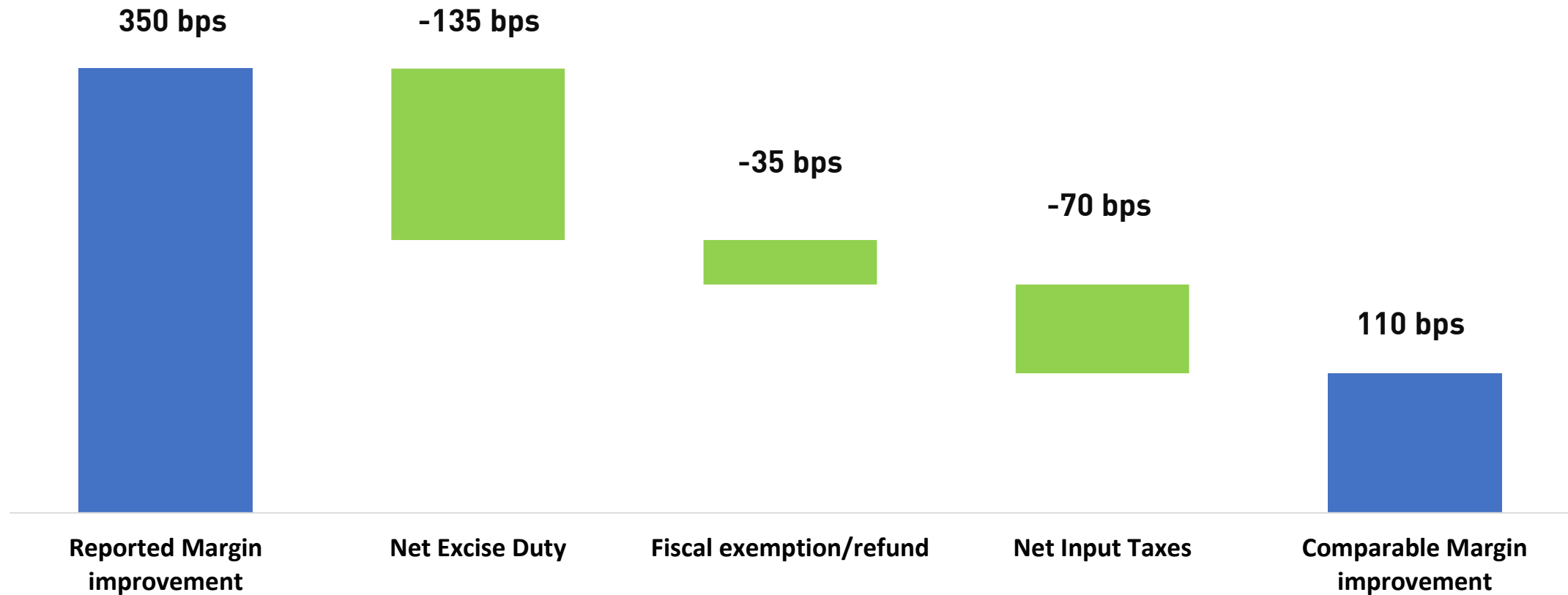


[^]2% includes impact of 6 months

*Exports + KCLL Traded Turnover 8



'Accounting' impact of GST on margins; No impact on absolute EBITDA





GST 15TH NOVEMBER CHANGES

Immediate steps taken

Objective: Ensure end consumer gets entire benefit from GST rate reduction with least disruption in trade

Trade actions and communication

- Modern Trade advised to pass on benefits to consumers with immediate effect; Implemented quickly
- > 1mn retailers communicated (through our Distributors) to pass on benefits on stocks accruing to them

New networks

- MRP reductions/ increase in grammage in ~ 800 SKUs
- Significant part of the networks already landed in the market

Extensive visibility

- In papers and in more than 10 languages





GST price reductions taken to pass on benefits

REMOVE TOUGH STAINS EASILY
SURF EXCEL EASY WASH
 500g = ₹52

Max. Retail Price (incl. of all taxes). Offer available till stocks last. Offer available in product states/territories only.

sunsilk
 hair on your side

HAIRSTYLES BHI NEW, AUR PRICE BHI NEW
 Now available at the post GST price of just ₹85/-

180ml shampoo.

POND'S

THANKS TO GST,
 SPOT-LESS FAIRNESS NOW AT AN IRRESISTIBLE PRICE

₹79/- - ₹64/-
 Get ₹15/- OFF
 WHITE BEAUTY™ fairness cream

AN ANTI-SPOT SOLUTION BY THE POND'S INSTITUTE. | POND'S.COM

Thanks to GST
DEEP CLEAN and MALODOUR REMOVAL
 gets more affordable!
 Now ~~₹52~~ ₹48*

1kg pack

THANKS TO GST
 GET OUR BEST EVER FAIRNESS AT AN IRRESISTIBLE PRICE

Fair & Lovely ADVANCED FAIRNESS CREAM

BRU

10%*
 10% EXTRA

Knorr Chinese Noodles
 Hot & Spicy

SPECIAL OFFER ₹15 ₹12

List of key SKUs with MRP reductions/ increase in grammage – published on HUL website

[Link to the document](#)



Transition impact

- ❑ As mentioned, implementation of this change was initiated immediately

- ❑ Due to paucity of time, entire benefit of the 15th November GST rate reductions on some of the pipeline stocks could not be passed on to the end consumers

- ❑ Therefore, an estimated value of Rs. 119 cr. was proactively disclosed to the CBEC on this count and we 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 December'17

Broad based volume led growth across segments

Segments	Reported Sales Growth* (%)	Comparable Sales Growth^ (%)
Home Care	3%	20%
Personal Care	0%	17%
Refreshment	7%	13%
Foods	8%	18%
HUL	2%	17%

- **Home Care:** Double digit volume growth across categories
- **Personal Care:** Broad based growth across Personal Products and Personal Wash
- **Refreshment:** Sustained robust performance
- **Foods:** Strong growth led by Kissan

*Reported Sales growth = Segment Turnover growth excluding Other Operational Income (Excludes impact of A&D)

^Comparable Sales growth = Segment Turnover growth excluding Other Operational Income but including Fiscal exemption/ refund and net of excise & input tax costs in base quarter (Excludes impact of A&D) 14



Continued focus on innovations and activations

12 HOUR MOISTURISATION FOR GLOWING SKIN

LAKME PEACH MILK MOISTURISER AND CRÈME

REINVENT

YOGA FOR YOUR LUNGS!

INDIA'S 1st Air Purifier certified to remove 99% of the 6 widest range of air pollutants in just 1 hour.

pureit AIR PURIFIER

KNOW MORE

POND'S

A CHILDREN'S DAY SPECIAL

Kissan PRESENTS

#RealTogetherness

A heart-warming story of friendship between a child and his grandfather

Watch the film on: [/kissanindia](#) Share your moments of #RealTogetherness on: [/kissanindia](#)

Knorr supports WFP

Food lovers. Stop posting. Start sharing.

#ShareTheMeal #Knorr

Surf excel #HAARKOHARAO

PLEASE TO LA FAIR RE EX

This winter, give your skin Pond's ki jhappi.

24 hour moisturisation + nourishment + protection

moisturising cold cream

INSIDE: 10 essential nutrients and moisturisers seep deep inside* to help nourish and moisturise the dry winter skin cells.

OUTSIDE: Makes skin beautifully soft and moisturised on the outside

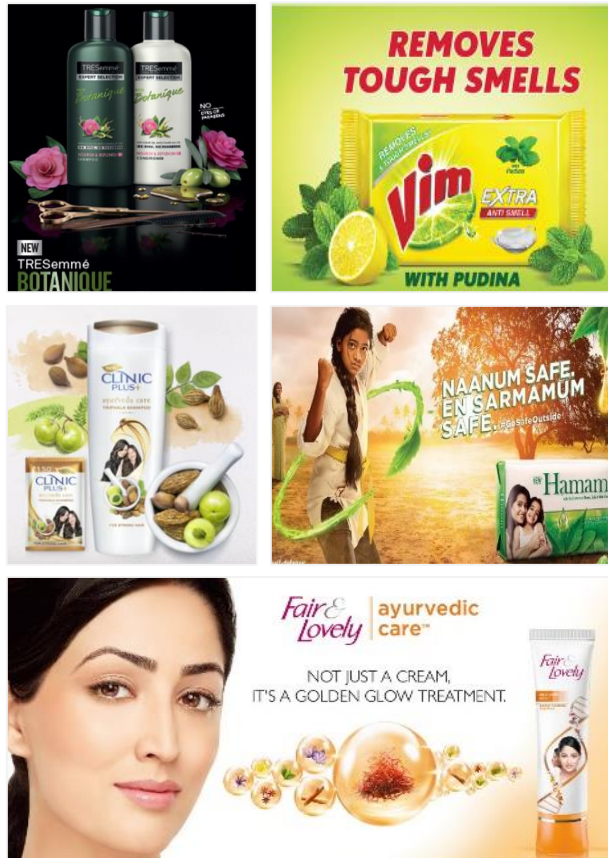
POND'S MOISTURISING COLD CREAM

A MOISTURISING BREAKTHROUGH BY THE POND'S INSTITUTE | POND'S.IN



Progressively building the naturals portfolio

Within the existing portfolio



Building a master brand



Building specialist brands





Home Care

Double digit volume growth across categories



- ❑ **Fabric Wash:** Robust double digit growth across key brands
- ❑ **Household Care:** Growth led by strong performance in Vim
- ❑ **Purifiers:** Pureit launches a range of Air purifiers



Active
wheel

Sunlight

Comfort



Domex

cif

Unilever
pureit



Personal Care

Broad based growth across Personal Products & Personal Wash



- ❑ **Personal Wash:** Robust growth across key brands
 - Dove & Pears lead category growth
- ❑ **Skin Care:** Growth driven by strong performance of Fair & Lovely
- ❑ **Hair Care:** Broad based volume led growth

LUX

Dove

Pears

Rexona

Hamam



NEW Fair & Lovely

POND'S

Vaseline

Citra

LAKMÉ

St. Ives

CLINIC PLUS+



TRESemmé

indulekha

closeup

Pepsodent

ayush therapy

AXE



Personal Care : Contd.

Broad based growth across Personal Products & Personal Wash



- ❑ **Colour Cosmetics:** Strong growth sustained
- ❑ **Oral Care:** Activations aid growth
- ❑ **Deodorants:** Performance led by Axe





Refreshment

Sustained robust performance



- ❑ **Tea:** Tea continues to deliver double- digit growth through our WiMI strategy and market development
- ❑ **Coffee:** Strong performance delivered
- ❑ **Ice Cream & Frozen Desserts:** Growth momentum continues





Foods

Strong growth led by Kissan



- ❑ **Kissan:** Broad based growth across Ketchups and Jam
- ❑ **Knorr:** Growth was led by a strong performance in Soups





A&P Strategy: Focused and more effective

Content

LUX GOLDEN ROSE AWARDS
WHERE STARS BECOME LEGENDS
—2017—
Celebrate THE Beautiful
PERFORMANCES BEHIND THE BEAUTIFUL FACES.

Kissan TIFFIN TIMETABLE
Har Din Naya Tiffin
Har Din Empty Tiffin

TIFFIN TIMETABLE

200 Recipes.
200 School Days.

BE BEAUTIFUL
presents
BRIDAL MAKEUP FOR A SANGEET

Data & Profiling

LAKME SALON

कनसंजुषा टेसल
180030000123
मिस्ट कॉल लगाओ,
मुफ्त मनोरंजन पाओ.

Hindustan Unilever
pureit
Pureit Customer Care Number
1860 210 1000

Strong data repository

Brand experiences

Knorr
#MERASOUPSNACK #KNORR
VISIT THE KNORR POP UP
AT THE LIL FLEA AND
EXPERIENCE THE FUN OF
MAKING YOUR OWN
SOUP SNACK
Served by
DATE - 15 - 17 DEC 17
TIME - 12 PM ONWARDS.
LOCATION - MMRDA GROUNDS, BKC, MUMBAI.

POND'S
AMONGST 150 MILLION INSTAGRAM
USERS, 35 MILLION POSTS ARE
ABOUT SELFIES!
#SELFIE STORY

Bridal looks by Lakme

Dazzling Diva
Shop now

#SUNILKINDIA
5 POST HAIR WASH TIPS
& TRICKS

Quality Wall's



Strong savings agenda aids YTD margins; Inflationary pressures building up

Our Program

Integrated in our culture



Ownership mindset



Organisation wide initiative

End to end program



Zero Based Approach



Blue sky thinking

Enhancing competitiveness



Market competitive business model



Cutting complexity; driving agility

Crude



MQ'16

DQ'17

Inflationary trends seen

DQ'17: Results Summary

Rs. Crores

Particulars	DQ'17	DQ'16 (Reported)	Growth %
Sales	8,323	8,124	2 [^]
EBITDA	1,680	1,355	24
Other Income	152	83	
Exceptional Items – Credit / (Charge)	(21)	153	
PBT	1,685	1,486	
Less : Tax	359	448	
PAT bei	1,198	920	30
Net Profit	1,326	1,038	28

- Comparable* Domestic Consumer Growth at 17%[^]
- Other Income up due to dividend income from subsidiary
- Exceptional income includes profit on sale of properties in base (Rs. 159 Crores)
- Tax amount low due to reversal of tax provisions of previous year



NINE MONTHS ENDING
31st DECEMBER 2017

Nine Months 2017-18 : Results Summary

Rs. Crores

Particulars	YTD DQ 17	YTD DQ 16 (Reported)	Growth %
Sales	25,616	25,122	2 [^]
EBITDA	5,228	4,396	19
PAT bei	3,726	3,129	19
Net Profit	3,886	3,307	18

- Comparable* Domestic Consumer Growth at 11%[^]
- Comparable* EBITDA margin improvement at 150 bps



Looking ahead

Near term expectations

- ❑ Gradual improvement in demand to sustain
- ❑ Further inflation in input costs

Our strategy

- ❑ Continue to remain agile in the face of uncertainty
- ❑ Focus on volume driven growth and improvement in operating margin
- ❑ Consistent, Competitive, Profitable, Responsible Growth



For more information and updates

Visit our website

<http://www.hul.co.in/investorrelations/>

December Quarter 2017 results

Hindustan Unilever Limited will release its financial results for December Quarter 2017 on Wednesday 17 January, 2018.

[View more](#)



HUL Investor App

