



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

14th May, 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

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 and year ended 31st March, 2018.

You are requested to take the above information on your record.

Thanking You.

Yours faithfully,

For Hindustan Unilever Limited

Dev Bajpai

Executive Director, Legal & Corporate Affairs
and Company Secretary

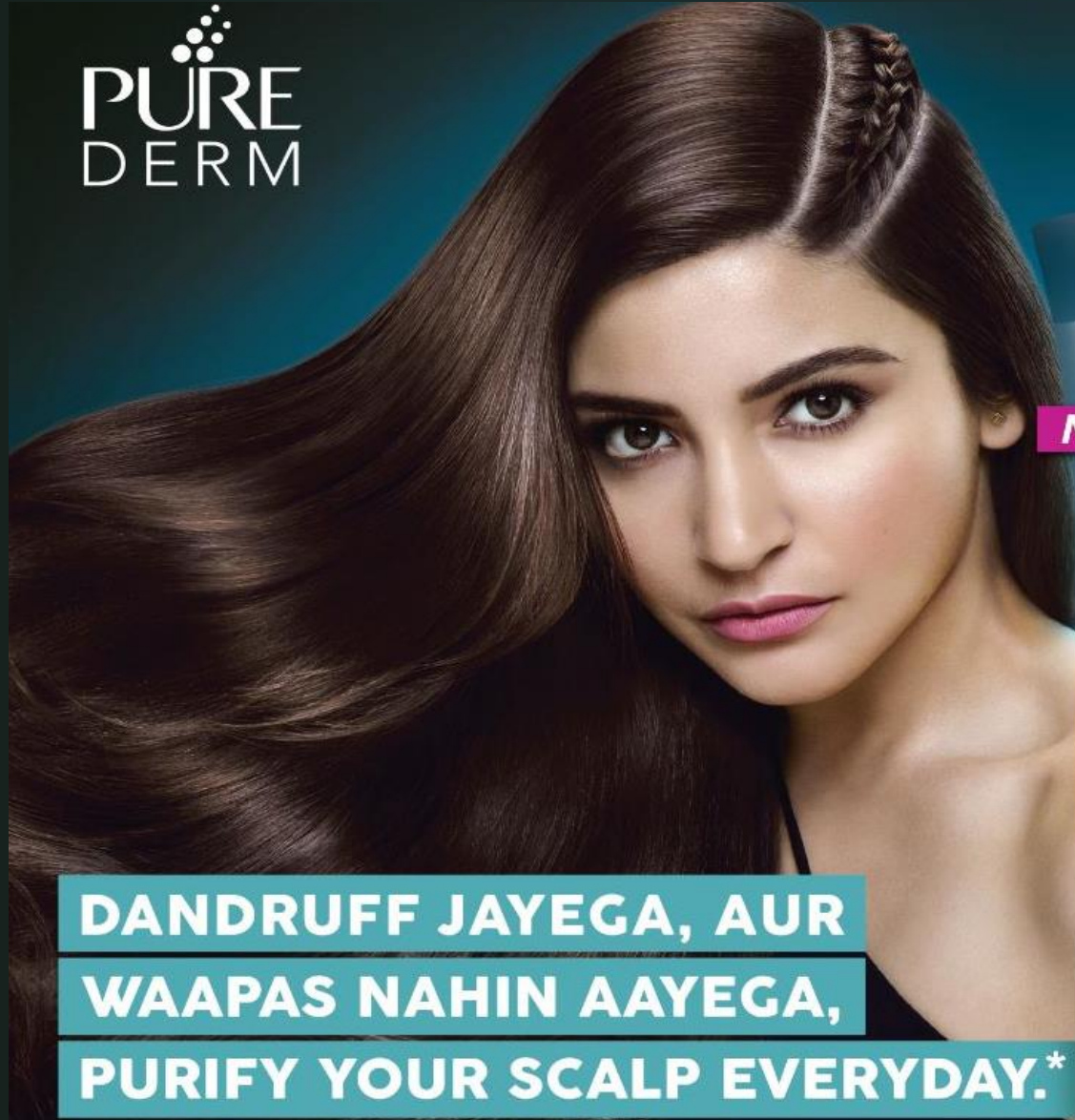
DIN:00050516 / FCS No.: 3354



Hindustan Unilever Limited

MQ '18 & FY' 17-18 Results Presentation : 14th May 2018

PURE
DERM



NEW

PURE
DERM

ANTI-DANDRUFF
SHAMPOO

DANDRUFF
PROTECT

OXY FUSED
MICRO BUBBLES

DANDRUFF JAYEGA, AUR

WAAPAS NAHIN AAYEGA,

PURIFY YOUR SCALP EVERYDAY.*



OXY-FUSED
MICRO BUBBLES

*Purification from dirt, grease and dandruff, action at epidermal level. No visible flakes with regular use.



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.

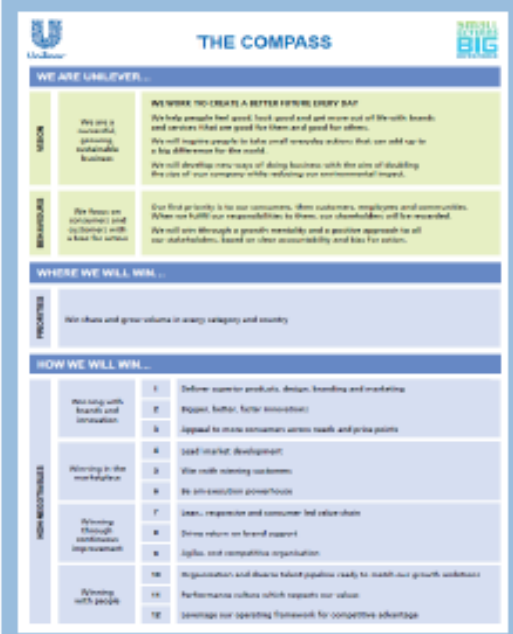


Agenda

1	Strategy
2	Business Context
3	Current Quarter Performance
4	Financial Year Performance
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 some) MNCs as a base 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 his for action.

WHERE WE WILL WIN...

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

HOW WE WILL WIN...

HOW WE WILL WIN...	Winning with brands and innovation	1	Define superior products, design, branding and marketing
		2	Proven, better, faster innovation
		3	Appeal to more consumers across needs and price points
Winning in the marketplace	4	Lead market development	
	5	Win with existing customers	
	6	Be an execution powerhouse	
Winning through sustainable improvement	7	Lean, responsive and consumer led value chain	
	8	Strong return on brand equity	
	9	Agile, cost competitive organisation	
Winning with people	10	Engagement and diverse talent pipeline ready to match our growth ambitions	
	11	Performance culture which supports our values	
		12	Strong and operating framework for competitive advantage

Sustainable Living Plan



Goals

Consistent Growth

Competitive Growth

Profitable Growth

Responsible Growth



MQ'18: Market Context

- ❑ Trade conditions have normalized
 - Pipelines now stable

- ❑ Gradual improvement in demand

- ❑ Input costs continue to inflate in select categories; crude led



MQ'18: Strong volume-led growth sustained

- ❑ **Comparable* Domestic Consumer Growth 16%; Underlying Volume Growth 11%**

- ❑ **EBITDA at Rs. 2048 Crores up 24%; Comparable* margin up 160 bps**
 - Strong savings program supports reduction of COGS*
 - A&P* spends stepped up on innovations and activations

- ❑ **PAT (bei) at Rs. 1409 crores up 26%; Net Profit at Rs. 1351 crores up 14%**

Recap: 'Accounting' impact of GST on HUL results

With effect from 1st July'17

With effect from 1st Oct'17

PRE GST

Net Excise Duty

Excise a cost; Turnover gross of excise

Net Input taxes

Input tax credit availed partially.
Balance accounted in costs

Fiscal exemption/ refund

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

POST GST

Turnover is 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

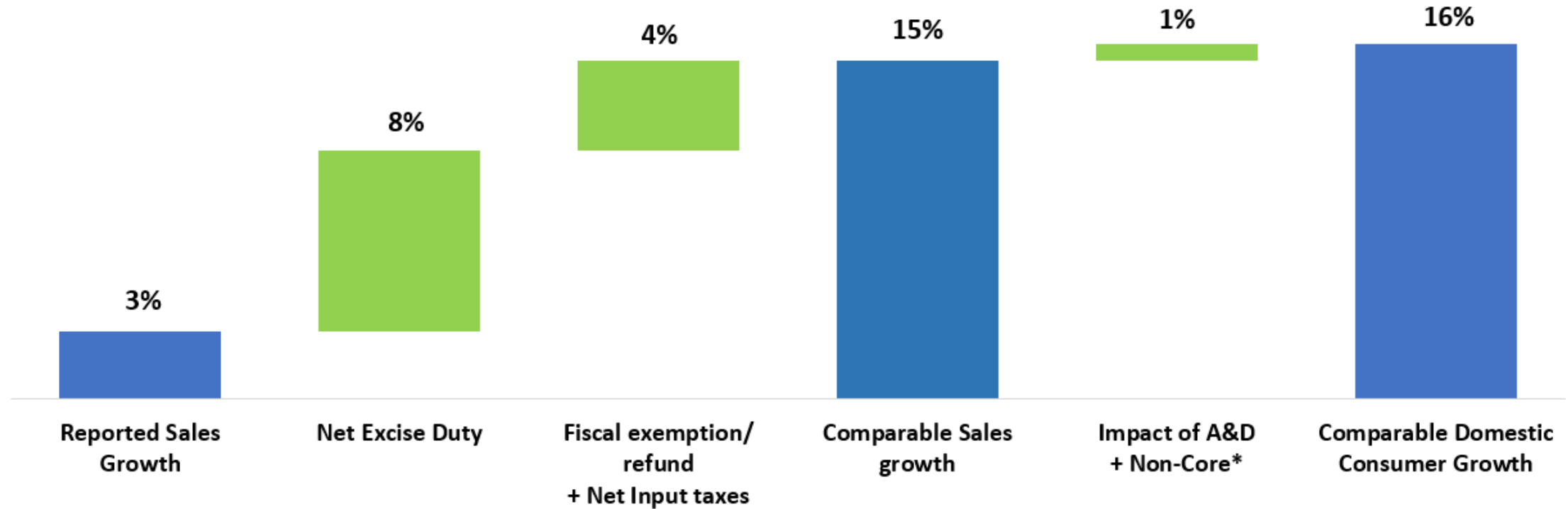
Reported Turnover: Lower
Absolute EBITDA: No impact
EBITDA margin: Higher
EPS: No impact

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





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



Volume led growth across segments

Segments	Reported Sales Growth* (%)	Comparable Sales Growth^ (%)
Home Care	4%	21%
Personal Care	0%	13%
Refreshment	9%	14%
Foods	2%	10%
HUL	3%	16%

- **Home Care:** Double-digit volume growth
- **Personal Care:** Broad based double-digit growth across Personal Products and Personal Wash
- **Refreshment:** Robust growth across categories
- **Foods:** Good growth in Kissan & Knorr

*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) 10



Continued focus on innovations and activations





Progressively building the naturals portfolio

indulekha®
Bringha Oil
 AYURVEDIC MEDICINE FOR HAIRFALL.
 HELPS GROW HAIR.*

*contains natural ingredients known to reduce hairfall and helps hair growth upto its natural potential

LEVER ayush

Solve your modern day lifestyle problems with
Sahi Ayurveda

NEW

INDULEKHA BRINGHA HAIRFALL* SHAMPOO

9 FULL BRINGHAJ PLANT EXTRACTS IN EVERY BOTTLE.
 NO ADDED COLOUR. NO ADDED FRAGRANCE.

*Hairfall due to breakage.

₹1.50* **new**

CLINIC PLUS+
 ayurveda care
 TRIPHALA SHAMPOO

FOR STRONG HAIR

Vim **ANTI SMELL**
 WITH PUDINA

REMOVES
5 TOUGHEST SMELLS

NEW TRESemmé **BOTANIQUE**
 INSPIRED BY NATURE

With an exquisite blend of essential oils, our professional quality formula nourishes and preps your hair for everyday healthy-looking hair. No dyes or parabens. BRING OUT YOUR NATURAL SHINE.

NEW 100% Better Skin Protection*

Lifebuoy
Turmeric
 and Honey

NATURE PROTECT

NEW 100% Better Skin Protection*

Lifebuoy
Neem
 and Aloe Vera

NATURE PROTECT

NEW **Hamam**
 with the fragrance of Saffron, Tabac, Rose Water

NEW **LUX**
Saffron Glow

For Bright Fragrant Skin
 Saffron Flowers & White Cream

closeup
 FRESH ATTRACTION
 NATURE BOOST

NEW **closeup**
 FRESH ATTRACTION
 NATURE BOOST
 CARDAMOM & TULSI

Lotus flower extract

Chandan

Kesar

Milk

TIL OIL

Manjistha

Fair & Lovely

Red Label Natural Care



Home Care

Double-digit volume growth



- ❑ **Fabric Wash:** Robust double-digit growth across key brands
 - Launched Comfort Pure - fabric conditioner for delicate baby skin
- ❑ **Household Care:** Growth led by strong performance in Vim
- ❑ **Purifiers:** Premium range continues to perform well



Personal Care

Broad based double-digit growth across Personal Products & Personal Wash



- ❑ **Personal Wash:** Premium range continues to perform remarkably well; growth in popular segment relatively muted
- ❑ **Skin Care:** Fair & Lovely and Pond's lead category growth
- ❑ **Hair Care:** Broad based volume led growth
 - New Anti-Dandruff range of shampoos under the Pure Derm brand launched



Personal Care : Contd.

Broad based double-digit growth across Personal Products & Personal Wash



- ❑ **Colour Cosmetics:** Robust growth sustained
 - Lakmé Nudes: A new range of products tailormade for Indian skin tones launched

- ❑ **Oral Care:** Close up growth driven by launch of new Naturals variant

- ❑ **Deodorants:** Growth led by launch of 'Axe Ticket' a pocket-sized perfume pack and national roll-out of Rexona anti-perspirants





Refreshment

Robust growth across categories



- ❑ **Tea:** Sustained delivery of double-digit growth through our WiMI strategy and market development
- ❑ **Coffee:** Strong volume led growth delivered
- ❑ **Ice Cream & Frozen Desserts:** Double-digit volume growth delivered on the back of geographic expansion
 - New Kwality Walls Sandwich, Cloud Bite & Cornetto variant launched going into the season





Foods

Good growth in Kissan and Knorr



- ❑ **Kissan:** Strong growth led by Ketchups
- ❑ **Knorr:** Instant Soups led growth
 - New Knorr pasta masalas in red & white sauce variants launched in select geographies
 - New range of noodles launched last quarter saw further geographic expansion



MQ'18: Results Summary

Rs. Crores

Particulars	MQ'18	MQ'17 (Reported)	Growth %
Sales	9003	8773	3 [^]
EBITDA	2048	1651	24
Other Income	100	83	
Exceptional Items – Credit / (Charge)	(64)	(1)	
PBT	1952	1619	21
Less : Tax	601	436	
PAT bei	1409	1118	26
Net Profit	1351	1183	14

- Comparable* Domestic Consumer Growth at 16%[^]
- Other Income up due to higher interest income in current quarter
- Exceptional item in current quarter includes true up of deferred consideration payable on account of Indulekha acquisition



FULL YEAR PERFORMANCE

FY' 17-18

FY 2017-18: Strong performance delivered

- ❑ **Comparable* Domestic Consumer Growth 12%; Underlying Volume Growth 6%**
- ❑ **EBITDA at Rs. 7276 Crores up 20%; Comparable* margin up 155 bps**
 - Enabled by our strong savings program and mix improvement
- ❑ **PAT (bei) at Rs. 5135 crores up 21%; Net Profit at Rs. 5237 crores up 17%**
- ❑ **EPS (Basic) growth at 17%**
- ❑ **Cash generation from operations[^] at Rs. 8126 cr. up 20%**

**Comparable basis – Adjusted for accounting impact of GST; See slides 24 and 25*

[^] (before tax) 20



Our enablers of growth

STRENGTHENING THE CORE

Ab karein 99.9% kitanuo ka safaya
Chamakte Rehna!

Reverse up to 100% of hair damage from pollution.
 New Dove Environmental Defence.
 Shampoo and Conditioner

NOW STARTING AT ₹95*

Fair & Lovely | ADVANCED MULTI VITAMIN
 FAIRNESS LIKE LASER LIGHT TREATMENT

DIALLING UP

Segments of the future

Growth ~2X HUL average

Innovations & Naturals

Naturals portfolio growing ~2.5X HUL average

WiMI: Central

Last 3 years growth ~1.5X All India Average

Brands with purpose

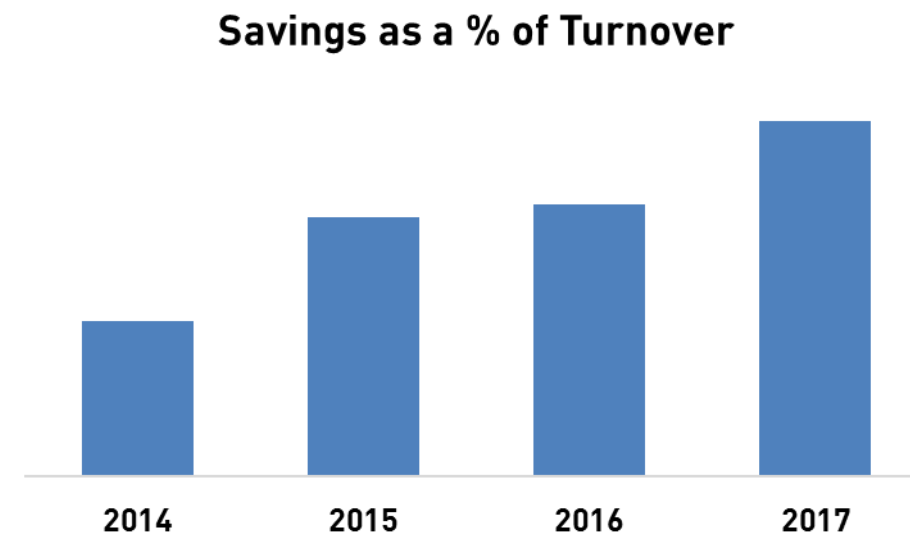
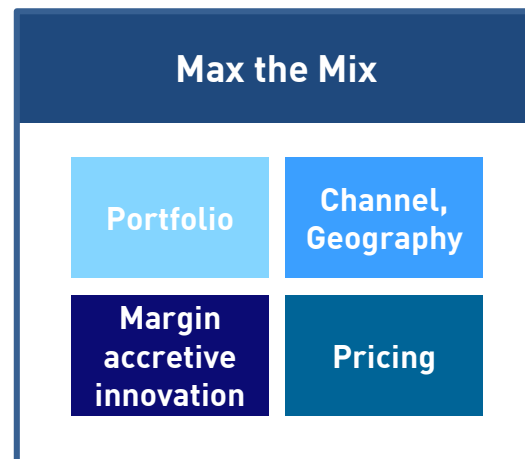
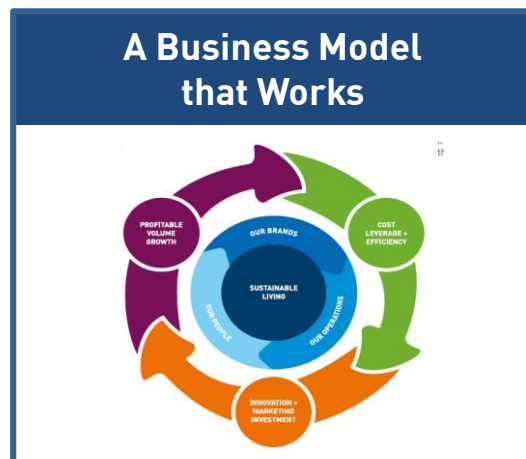
Fair & Lovely | Foundation

swachh aadat swachh bharat

एक उपक्रम, जल संवर्धनासाठी

A clear 'purpose' makes our brands 'Most Trusted' & grow faster

Fuel for growth: consistently driving margins



2017 savings: 1.7X savings of 2014

FY 2017-18 : Results Summary

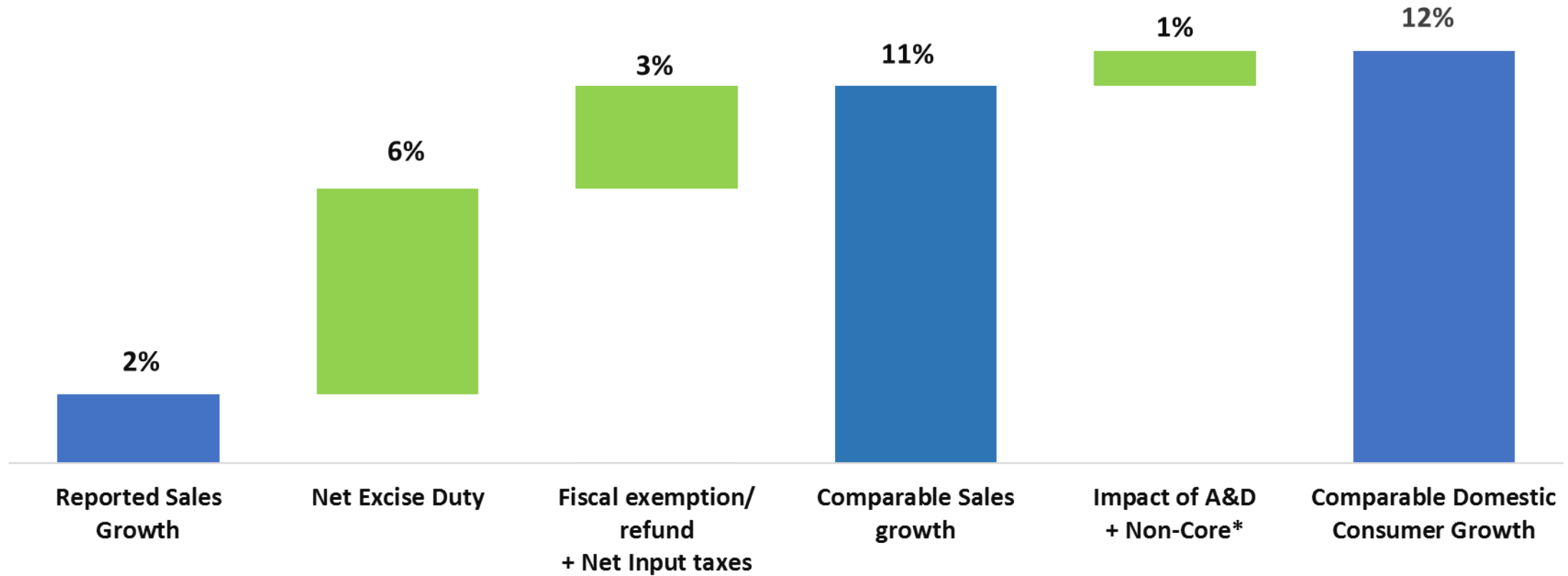
Rs. Crores

Particulars	FY'17-18	FY'16-17 (Reported)	Growth %
Sales	34,619	33,895	2 [^]
EBITDA	7,276	6,047	20
EBITDA margin (%)	21.02	17.84	
PAT bei	5,135	4,247	21
Net Profit	5,237	4,490	17

- Comparable* Domestic Consumer Growth at 12%[^]; underlying volume growth at 6%
- Comparable* EBITDA margin improvement at 155 bps

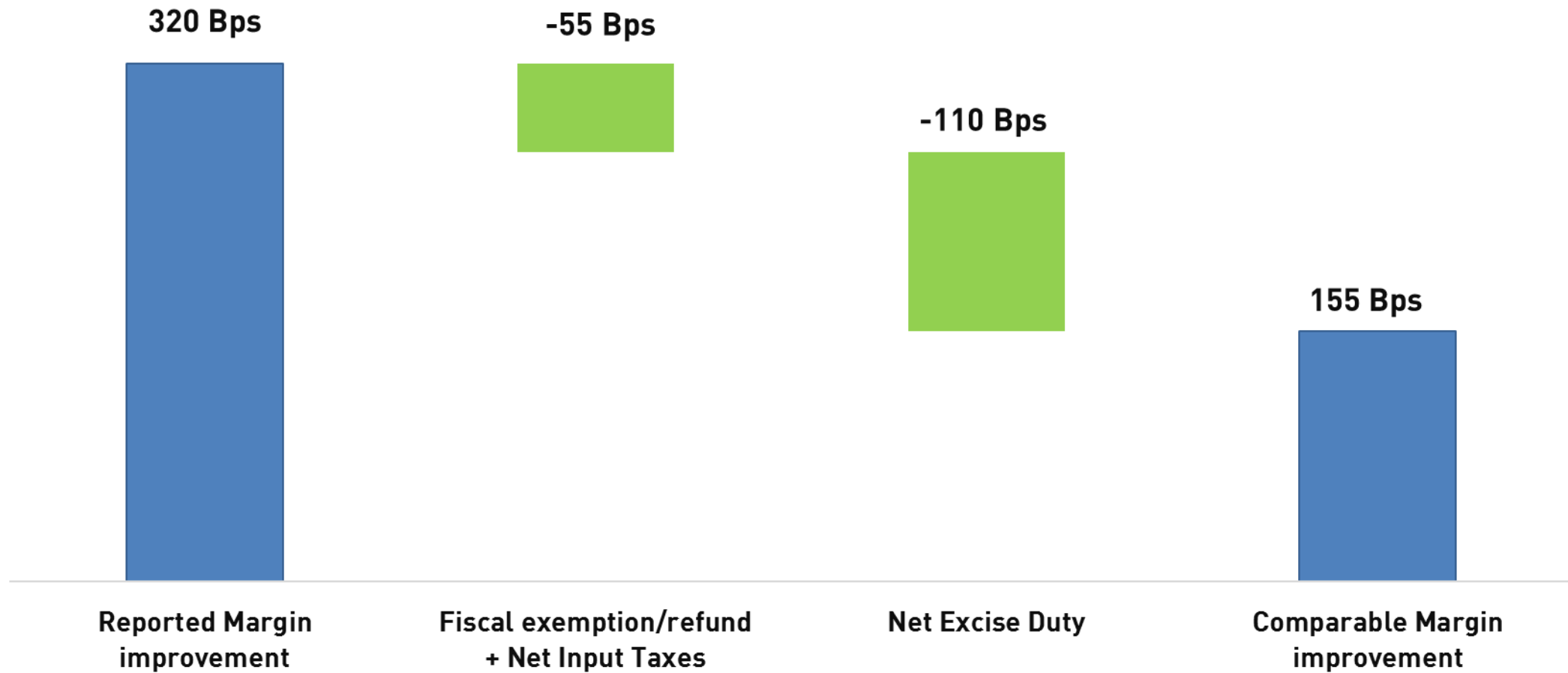


'Accounting' impact of GST on Growth





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





Broad based growth across segments

Segments	Reported Sales Growth* (%)	Comparable Sales Growth^ (%)	Operating Margin (%)
Home Care	3%	15%	14.6%
Personal Care	0%	10%	24.9%
Refreshment	8%	12%	17.1%
Foods	4%	11%	8.6%

**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) 26

Proposed Final Dividend

Particulars	FY'16-17	FY'17-18
Dividend Per Share	17	20
Interim	7	8
Final*	10	12
No. of Shares (Cr.)	216.43	216.45
Total Dividend (Rs. Cr.)	3679	4329
Div. Dist. Tax (Rs. Cr.)	715	848
Total Dividend Outflow (Rs. Cr.)	4394	5177

*Final Dividend number for FY 2017-18 is subject to approval by the shareholders at the AGM



Looking ahead

Near term

- ❑ Gradual improvement in demand
- ❑ Step up in competitive intensity anticipated
- ❑ Further inflation in input costs; crude and currency as key watch outs

Our strategy

- ❑ 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/>

March Quarter 2018 results

Hindustan Unilever Limited will release its financial results for March Quarter 2018 on Monday 14 May, 2018.

[> View more](#)

