



Hindustan Unilever Limited

Hindustan Unilever Limited
Unilever House
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Mumbai 400 099

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

25th October, 2017

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 ended 30th September, 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

ASJ



Free your hair
of pollution worries.
Reverse up to 100% of pollution damage*.



Hindustan Unilever Limited
SQ '17 Results Presentation : 25th Oct 2017

Dove
Environmental
Defence



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	First Half 2017-18 Performance
5	Looking Ahead

Clear and compelling strategy

Strategic Framework



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.
REALISATION	We focus on customers and solutions that have a low carbon footprint.	Our first priority is to our customers, 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 high performance.

WHERE WE WILL WIN...

PRIORITY
Win share and grow volume in every category and country

HOW WE WILL WIN...

WINNING WITH BRANDS AND INNOVATION	1	Define superior products, design, branding and marketing
	2	Engage, build, foster 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	Lead, respond and consumer led value chain
	8	Drive 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	Ownership for operating framework for competitive advantage

Sustainable Living Plan



Goals

Consistent Growth

Competitive Growth

Profitable Growth

Responsible Growth



SQ'17: Market context

- ❑ Trade:
 - Transition to GST impacted trade in early part of the quarter; Now recovering
 - Wholesale and CSD channels stabilizing gradually

- ❑ Consumer offtake stable

- ❑ Input costs starting to inflate



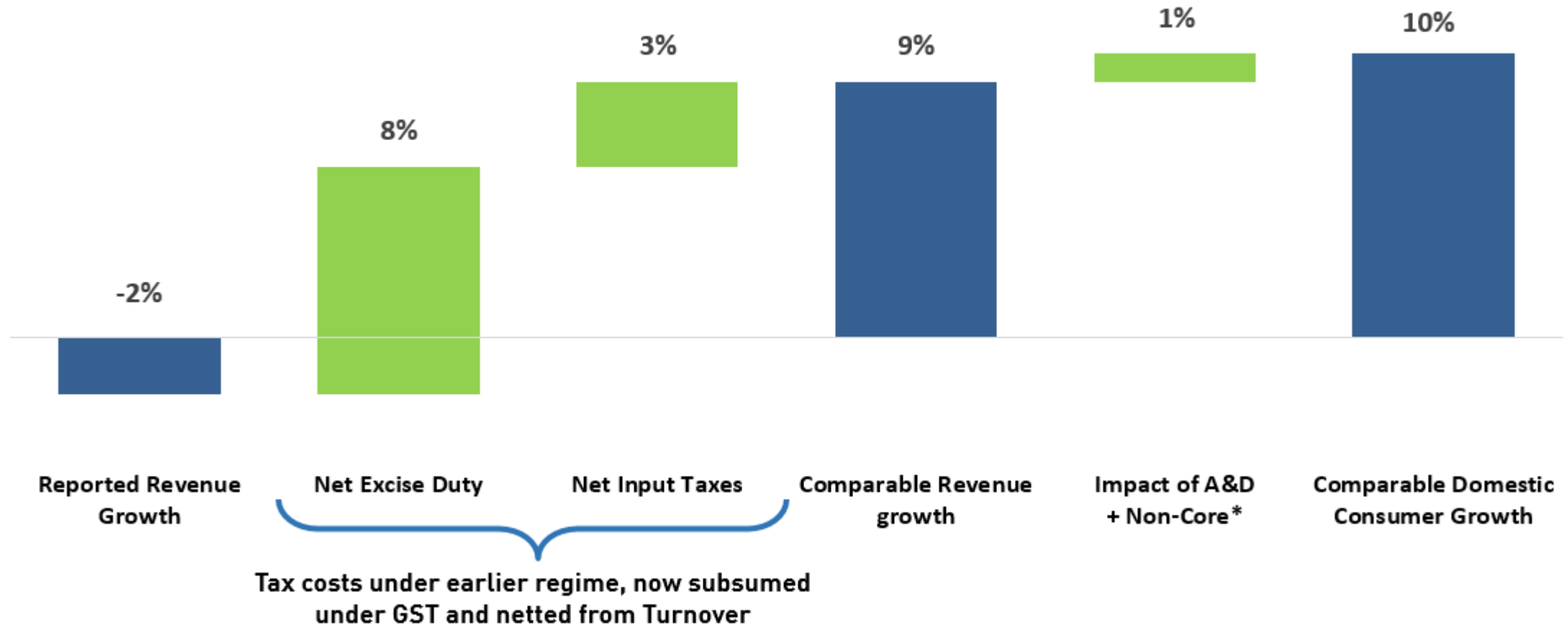
'Accounting' impact of GST

Net Excise Duty	
Pre GST	Post GST
Excise a cost; Turnover gross of excise	Turnover is net of GST
Impact Post GST	
HUL Local results	
Reported Turnover:	Lower
Absolute EBITDA:	No impact
EBITDA margin:	Higher
EPS:	No impact
HUL as consolidated in Unilever	
No impact (<i>HUL Turnover under IFRS is net of excise</i>)	

Net Input taxes	
Pre GST	Post GST
Input tax credit availed partially. Balance accounted in costs	Input taxes subsumed under GST and netted from turnover <ul style="list-style-type: none"> Costs lower as full input tax credit and full CENVAT in fiscal sites availed
Impact Post GST	
Local & HUL as consolidated in Unilever	
Reported Turnover:	Lower
Absolute EBITDA:	No impact
EBITDA margin:	Higher
EPS:	No impact

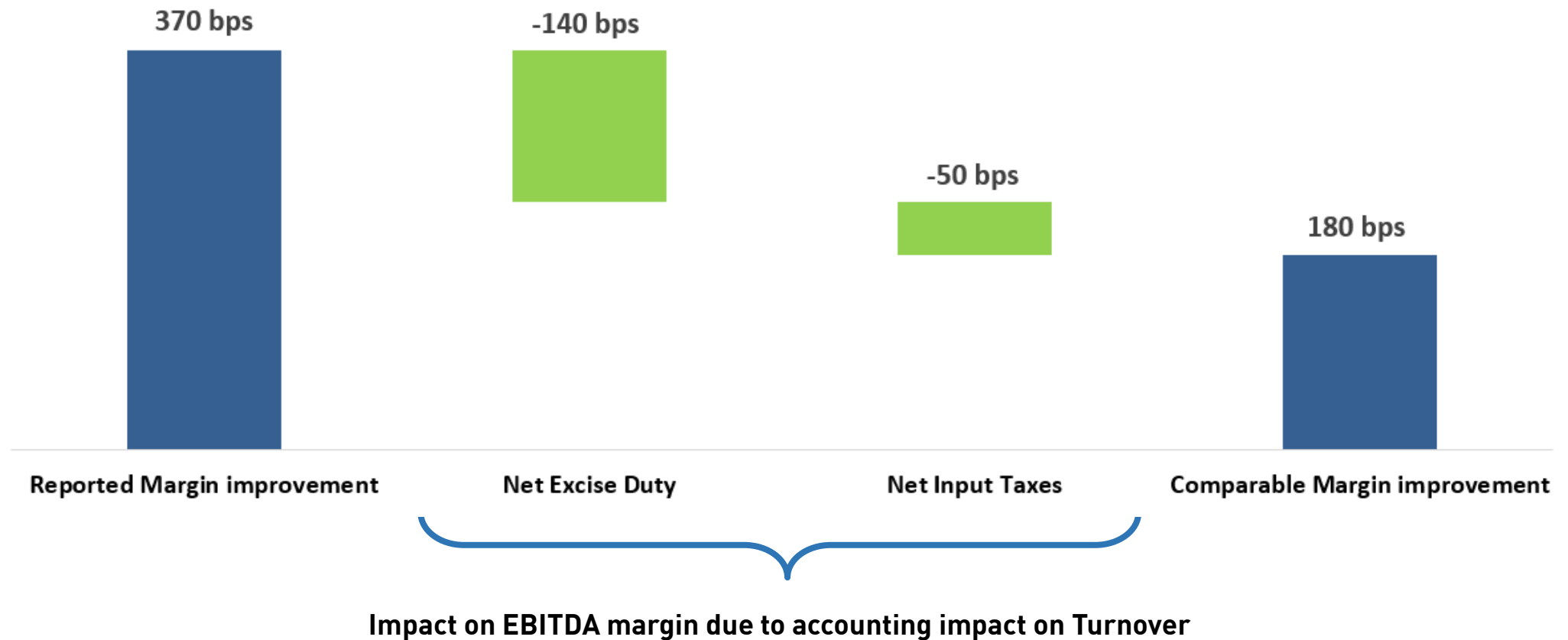


'Accounting' impact on Growth





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





SQ'17: Profitable volume-driven growth sustained

- ❑ **Comparable* Domestic Consumer Growth 10%**
 - Prices reduced by 3-4% to pass on net GST benefits
 - Underlying Volume Growth 4%

- ❑ **EBITDA at Rs. 1682 Crores up 20%; Comparable* margin up 180 bps**
 - High COGS* in base quarter
 - Sequential margins sustained due to strong savings program
 - A&P* spends stepped up to support innovations

- ❑ **PAT (bei) at Rs. 1236 crores up 14%; Net Profit at Rs. 1276 crores up 16%**



Price reductions taken to pass on net GST benefits

Personal Care

LUX BETTER BEFORE BEDTIME

THANKS TO GST,
Fragrant
BEAUTIFUL SKIN NOW AT AN IRRESISTIBLE OFFER.

Get ₹14 off on 4x100g packs

Now get fragrant beautiful skin with an attractive GST offer. Buy a 4x100g pack of Lux and get Rs. 14 off.

*Based on the benefit of reduction in the tax rate under the GST regime.

Dove

— Ankita, Gita and Swetha welcome GST.

Women of India welcome soft, smooth and glowing skin with more Dove.

Dove is passing on the GST benefit* to every woman. By giving her more Dove, more care. Get 33% more* on Dove.

Dove 33% FREE*
cream beauty bathing bar

Lifebuoy

Lifebuoy means bad news for germs. GST means good news for you!

Lifebuoy with Activ Silver pack of 4, now at just ₹94*

With GST, get great savings on Lifebuoy with Activ Silver, which offers our strongest protection* against infection-causing germs.

Lifebuoy 500g

LUX Total 10
Dove Deeply Nourishing
Pears Pure and Gentle

Creamy & Luxurious Bath with Body Wash at **JUST ₹99/-**

Pears

99% PURE GLYCERIN,
100% TRANSPARENCY.

Pears offers GST benefits* that all can see with 33% extra.

Transparent Pears is all about the goodness of 99% pure glycerin. As we benefit from GST, we pass on a big share of this goodness to you. So, make the most of GST and get younger looking skin with even more Pears. Stay you, stay young.

Pears 33% EXTRA

*Based on benefit of reduction in the tax rate under the GST regime. **Based on 100g pack. ***Based on 100g pack.

closeup EVER FRESH
closeup 12 HOURS FRESH BREATH
Pepsodent 12 HOUR PROTECTION
Pepsodent GERMI-CHECK

SAVE ₹10/-
FREE* 40% EXTRA



Price reductions taken to pass on net GST benefits : Contd.

Home Care

Surf excel products: 250g bottle (₹ 25), 1kg bottle (₹ 25), 2kg bottle (₹ 25), 4kg bottle (₹ 25), 6kg bottle (₹ 25), 8kg bottle (₹ 25), 10kg bottle (₹ 25), 12kg bottle (₹ 25), 15kg bottle (₹ 25), 20kg bottle (₹ 25), 25kg bottle (₹ 25), 30kg bottle (₹ 25), 35kg bottle (₹ 25), 40kg bottle (₹ 25), 45kg bottle (₹ 25), 50kg bottle (₹ 25), 55kg bottle (₹ 25), 60kg bottle (₹ 25), 65kg bottle (₹ 25), 70kg bottle (₹ 25), 75kg bottle (₹ 25), 80kg bottle (₹ 25), 85kg bottle (₹ 25), 90kg bottle (₹ 25), 95kg bottle (₹ 25), 100kg bottle (₹ 25).

Rin products: 25g FREE, BIG BAR ₹ 60, Stain breaker ₹ 27.

Foods & Refreshment

Taaza products: 250g Now at Rs. 75/-, 100g Now at Rs. 25/-.

Red Label products: ₹ 125/- only.

Kissan products: ₹ 15, CHOTU FRESH TOMATO 85g.

SIRF ILAICHI WAALI CHAI NAHI ILAICHI, ADRAK, LAUNG WAALI CHAI. Taaza Masala Chaska pe piye Adrak, Laung, Ilaichi ka taazgi bhara swaad. मसालेदार चाय चस्का लग जाए!



Broad based growth across segments

Segments	Reported Revenue Growth* (%)	Comparable Sales Growth^ (%)
Home Care	-1%	13%
Personal Care	-3%	8%
Refreshment	5%	10%
Foods	1%	11%
HUL	-2%	10%

- **Home Care:** Robust volume led growth sustained
- **Personal Care:** Broad based growth across Personal Products and Personal Wash
- **Refreshment :** Robust growth sustained
- **Foods:** Growth driven by Kissan

*Revenue Growth = Sales and Other Operating Income

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



Continued focus on innovations





Progressively building the naturals portfolio

Within the existing portfolio



Building a master brand



Building specialist brands





Home Care

Robust volume led growth sustained



- ❑ **Fabric Wash:** Broad based double-digit growth across the category
- ❑ **Household Care:** Growth led by strong performance in Vim bar
- ❑ **Water:** New range of purifiers (RO 2-in-1) launched





Personal Care

Broad based growth across Personal Products & Personal Wash



- ❑ **Personal Wash:** Broad based growth across key brands
 - Dove & Lux lead category growth
- ❑ **Skin Care:** Growth driven by buoyant winter sell-in
- ❑ **Hair Care:** Segment growth led by Dove; Indulekha hair oil witnesses strong growth

LUX

Dove

Pears®

Rexona

Hamam



NEW Fair & Lovely

POND'S

Vaseline

Citra

LAKMÉ

St. Ives

CLINIC PLUS+

sunsilk

TRESemmé

indulekha

closeup

Pepsodent

ayush therapy

AXE



Personal Care : Contd.

Broad based growth across Personal Products & Personal Wash



- ❑ **Colour Cosmetics:** Double-digit growth sustained
- ❑ **Oral Care:**
 - Performance remained subdued
 - Actions implemented during the quarter
 - GST led price reductions landed
 - Lever Ayush extended nationally
- ❑ **Deodorants:** Performance led by Axe

LUX

Dove

Pears

Rexona

Hamam



NEW Fair & Lovely

POND'S

Vaseline

Citra

LAKMÉ

St. Ives

CLINIC PLUS+



TRESemmé

indulekha

closeup

Pepsodent

ayush therapy

AXE



Refreshment

Robust growth sustained



- ❑ **Tea:** Continued strong broad based growth
 - Taj Mahal Tea relaunched during the quarter
- ❑ **Coffee:** Growth led by strong activations
- ❑ **Ice Cream & Frozen Desserts:** Festival sales drive robust volume led growth





Foods

Growth driven by Kissan



- ❑ **Kissan:** Strong growth driven by Ketchup
- ❑ **Knorr:**
 - ❑ Multiple new variants launched in Soups
 - ❑ International flavour variants launched in noodles in select markets

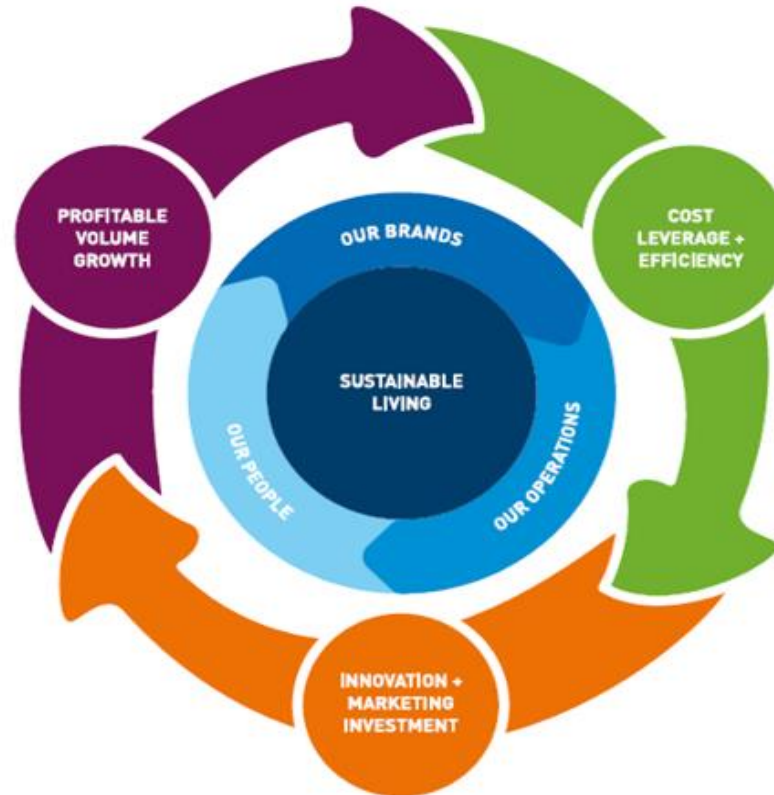




Levers to drive 4G Growth

Profitable Volume Growth

- Sustained focus on driving volumes
- Maximize Revenue realization (NRM)



Cost savings + Leverage

- Project Symphony
 - Zero Based Budgeting
- Cost ownership

Innovation + Marketing Investments

- Capability building
- Market development
- New brands



SQ'17: Results Summary

Rs. Crores

Particulars	SQ'17	SQ'16 (Reported)	Growth %
Sales	8,199	8,335	-2 [^]
EBITDA	1,682	1,405	20
Other Income	204	253	
Exceptional Items – Credit / (Charge)	36	18	
PBT	1,801	1,576	
Less : Tax	525	480	
PAT bei	1,236	1,082	14
Net Profit	1,276	1,096	16

- Comparable* Domestic Consumer Growth at 10%[^]
- Exceptional income includes profit on sale of equity shares in KCLL Rs. 46 cr.



FIRST HALF 2017-18



First Half 2017-18 : Results Summary

Rs. Crores

Particulars	FH'17-18	FH'16-17 (Reported)	Growth %
Sales	17,293	16,998	2 [^]
EBITDA	3,548	3,041	17
PAT bei	2,528	2,210	14
Net Profit	2,559	2,269	13

- Comparable* Domestic Consumer Growth at 8%[^]
- Comparable* EBITDA margin improvement at 170 bps

Interim Dividend

Particulars	FH'17-18 Interim	FH'16-17 Interim
Dividend Per Share (Rs.)	8.0	7.0
No. of Share (Cr.)	216	216
Total Dividend (Rs. Cr.)	1,732	1,515
Div. Dist. Tax (Rs. Cr.)	352	308
Total Div. Outflow (Rs. Cr.)	2,084	1,823



Looking ahead

Near term

- ❑ Expect gradual improvement in rural demand
- ❑ Trade conditions to continue to improve
- ❑ Input costs to inflate further

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

Welcome the new CFO



Mr. Srinivas Phatak

- Commercial Manager
- Head of Treasury
- GM Finance, Foods & Refreshment
- Head, Investor Relations
- VP Finance, Deodorants & Oral care categories
- VP Supply Chain Finance, Americas
- VP Finance Services



For more information & updates

Visit our website

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

September Quarter 2017 results

Hindustan Unilever Limited will release its financial results for September Quarter 2017 on Wednesday 25 October, 2017.

[View more](#)



HUL Investor App

