Hindustan Unilever Limited

Hindustan Unilever Limited
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Mumbai 400 099

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

27th October, 2014

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: Outcome of the Board Meeting of 27th October, 2014

This is further to our letter dated 16th October, 2014, intimating the date of Board Meeting for consideration of unaudited financial results for the quarter ended 30th September, 2014.

Pursuant to the Listing Agreement, we would like to inform you that the Board of Directors in their meeting held today have:

(i) approved the unaudited financial results for the quarter ended 30th September, 2014. We attach herewith a copy of the approved unaudited financial results along with the limited review report of the auditors. A copy of the Press Release issued in this regard is also attached herewith.

We are arranging to publish these results in the newspapers as per the Listing Agreement.

(ii) declared an Interim Dividend of Rs. 6.00/- per equity share of face value of Re. 1/- each for the financial year ending 31st March, 2015. The record date for determining the entitlement for the aforesaid dividend is fixed at Monday, 3rd November, 2014 and that the dividend will be paid to the shareholders on or after 14th November, 2014.

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

CC : National Securities Depository Limited
: Central Depository Services (India) Limited

27/10 2014 15:38 FAX 91 22 28249457 HUL SHARES 002

Hindustan Unilever Limited

HINDUSTAN UNILEVER LIMITED

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2014

(Rs. in Lakhs)

Unaudited Results for the Quarter ended 30th September		Unaudited Results for the Quarter ended 30th June	Particulars	Unaudited Results for the Six Months ended 30th September		Audited Results for the year ended 31st March
2014	2013	2014		2014	2013	2014
746,554	674,720	757,078	1.a. Net Sales from Operations (Net of excise duty) [sum of (i) to (iii)]	1,503,632	1,343,469	2,740,829
580,046	524,201	591,300	i) Domestic FMCG - HPC	1,171,346	1,045,875	2,144,079
133,223	121,746	136,523	ii) Domestic FMCG - Foods	269,746	242,117	489,587
713,269	645,947	727,823	Domestic FMCG - Total (i+ii)	1,441,092	1,287,992	2,633,666
33,285	28,773	29,255	iii) Others	62,540	55,477	107,163
17,379	14,544	14,556	1.b. Other Operating Income	31,935	26,699	61,084
763,933	689,264	771,634	1. Total income from operations (net) [1.a. + 1.b.]	1,535,567	1,370,168	2,801,913
647,368	587,125	646,852	2. Expenses [sum of (a) to (g)]	1,294,020	1,166,113	2,380,442
297,468	292,303	310,282	a) Cost of materials consumed	607,750	554,826	1,115,981
93,339	81,227	90,146	b) Purchases of stock-in-trade	183,485	156,209	335,019
5,091	(26,538)	(1,465)	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	3,626	(15,763)	(16,638)
41,301	38,830	33,567	d) Employee benefits expense	74,868	70,998	143,595
7,637	6,392	6,672	e) Depreciation and amortisation expense	14,309	13,036	26,055
92,505	95,402	94,488	f) Advertising & Promotions	186,993	184,380	361,360
110,027	101,509	112,962	g) Other expenses	222,989	202,427	415,070
116,565	102,139	124,982	3. Profit from operations before other income, finance costs and exceptional items (1-2)	241,547	204,055	421,471
19,780	15,099	20,211	4. Other income	39,991	32,774	82,103
136,345	117,238	145,193	5. Profit from ordinary activities before finance costs and exceptional items (3+4)	281,538	236,829	483,574
633	628	625	6. Finance costs	1,258	1,250	3,603
135,712	116,610	144,568	7. Profit from ordinary activities after finance costs but before exceptional items (5-6)	280,280	235,579	479,971
4,868	3,343	3,964	8. Exceptional items - net credit/ (charge)	8,832	13,968	22,868
140,580	119,953	148,532	9. Profit from Ordinary Activities Before Tax (7+8)	289,112	249,547	502,839
41,764	28,573	42,847	10. Tax expense	84,611	56,242	116,090
98,816	91,380	105,685	11. Net Profit from Ordinary Activities After Tax (9-10)	204,501	193,305	386,749
-	-	-	12. Extraordinary items	-	-	-
98,816	91,380	105,685	13. Net Profit for the period (11+12)	204,501	193,305	386,749
21,632	21,626	21,631	14. Paid up Equity Share Capital (face value Re. 1 per share)	21,632	21,626	21,627
			15. Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year			306,011
4.57	4.23	4.89	16.i Earnings Per Share (EPS) before extraordinary items (of Re. 1/- each) (not annualised): (a) Basic - Rs.	9.45	8.94	17.88
4.57	4.22	4.88	(b) Diluted - Rs.	9.45	8.93	17.87
4.57	4.23	4.89	16.ii Earnings Per Share (EPS) after extraordinary items (of Re. 1/- each) (not annualised): (a) Basic - Rs.	9.45	8.94	17.88
4.57	4.22	4.88	(b) Diluted - Rs.	9.45	8.93	17.87
			A. PARTICULARS OF SHAREHOLDING			
			1. Public Shareholding			
708,737,237	708,156,159	708,694,942	- Number of Shares	708,737,237	708,156,159	708,283,434
32.76%	32.75%	32.76%	- Percentage of Shareholding	32.76%	32.75%	32.75%
			2. Promoters and Promoter Group Shareholding			
Nil	Nil	Nil	a) Pledged/Encumbered - Number of shares	Nil	Nil	Nil
NA	NA	NA	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	NA	NA	NA
NA	NA	NA	- Percentage of shares (as a % of the total share capital of the company)	NA	NA	NA
1,454,412,858	1,454,412,858	1,454,412,858	b) Non-Encumbered - Number of shares	1,454,412,858	1,454,412,858	1,454,412,858
100.00%	100.00%	100.00%	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100.00%	100.00%	100.00%
67.24%	67.25%	67.24%	- Percentage of shares (as a % of the total share capital of the company)	67.24%	67.25%	67.25%

B. INVESTOR COMPLAINTS	Quarter ended 30th September 2014
Pending at the beginning of the quarter	Nil
Received during the quarter	27
Disposed of during the quarter	27
Remaining unresolved at the end of the quarter	Nil

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

Unaudited Results for the Quarter ended 30th September		Unaudited Results for the Quarter ended 30th June	Particulars	Unaudited Results for the Six Months ended 30th September		Audited Results for the year ended 31st March
2014	2013	2014		2014	2013	2014
			Segment Revenue (Sales and Other operating income)			
375,510	338,077	384,758	- Soaps and Detergents	760,268	678,843	1,368,341
214,274	195,034	215,956	- Personal Products	430,230	383,372	812,091
89,913	83,542	83,656	- Beverages	173,569	159,279	331,186
45,131	39,798	54,378	- Packaged Foods	99,509	85,586	164,830
36,180	30,485	30,291	- Others (includes Exports, Water, Infant Care Products, etc)	66,471	58,393	115,630
761,008	686,936	769,039	**Total Segment Revenue**	1,530,047	1,365,473	2,792,078
-	-	-	**Less: Inter Segment Revenue**	-	-	-
761,008	686,936	769,039	**Net Segment Revenue**	1,530,047	1,365,473	2,792,078
			Segment Results (Profit before tax and interest from ordinary activities)			
51,119	47,389	53,180	- Soaps and Detergents	104,299	91,321	178,581
52,226	44,491	59,665	- Personal Products	111,891	91,307	206,806
15,570	14,167	13,625	- Beverages	29,195	28,035	58,069
1,998	1,331	5,905	- Packaged Foods	7,903	5,170	6,126
1,157	462	(1,545)	- Others (includes Exports, Water, Infant Care Products, etc)	(388)	154	(3,700)
122,070	107,840	130,830	**Total Segment Results**	252,900	215,987	445,882
(633)	(628)	(625)	**Less: Finance Costs**	(1,258)	(1,250)	(3,603)
19,143	12,741	18,327	**Add/(Less): Other unallocable income net of unallocable expenditure**	37,470	34,810	60,560
140,580	119,953	148,532	**Total Profit Before Tax from ordinary activities**	289,112	249,547	502,839
			Capital Employed (Segment assets less Segment liabilities)			
(37,767)	(45,445)	(43,424)	- Soaps and Detergents	(37,767)	(45,445)	(23,091)
(61,192)	(44,995)	(61,603)	- Personal Products	(61,192)	(44,995)	(47,509)
9,461	8,093	24,359	- Beverages	9,461	8,093	34,735
15,423	14,469	15,741	- Packaged Foods	15,423	14,469	17,428
(5)	(8,706)	(1,052)	- Others (includes Exports, Water, Infant Care Products, etc)	(5)	(8,706)	(2,160)
(74,080)	(76,584)	(65,979)	**Total Capital Employed in segments**	(74,080)	(76,584)	(20,597)
605,640	538,863	500,383	**Add: Unallocable corporate assets less corporate liabilities**	605,640	538,863	348,302
531,560	462,279	434,404	**Total Capital Employed**	531,560	462,279	327,705

Notes on Segment Information:

1. Segment Revenue, Results and Capital Employed figures represent amounts identifiable to each of the segments. Other "unallocable income net of unallocable expenditure" mainly includes interest, dividend, gain on sale of investments (net), expenses on common services not directly identifiable to individual segments, corporate expenses and exceptional items.

   Capital Employed figures are as at 30th September, 2014, 30th September, 2013, 30th June, 2014 and 31st March, 2014. Unallocable corporate assets less corporate liabilities mainly represent investment of surplus funds and cash and bank.

2. Previous period figures have been re-grouped/reclassified wherever necessary to conform to this period's classification.

Chartered Accountants

Hindustan Unilever Limited

HINDUSTAN UNILEVER LIMITED

(Rs. in Lakhs)

	Standalone Statement of Assets and Liabilities	As at 30th September, 2014	As at 31st March, 2014
	Particulars	Unaudited	Audited
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**		
	(a) Share capital	21,632	21,627
	(b) Reserves and surplus	509,928	306,078
	Sub-total - Shareholders' funds	**531,560**	**327,705**
2	**Non-current liabilities**		
	(a) Other long-term liabilities	31,333	27,882
	(b) Long-term provisions	103,963	83,869
	Sub-total - Non-current liabilities	**135,296**	**111,751**
3	**Current liabilities**		
	(a) Short-term borrowings	2,307	-
	(b) Trade payables	584,413	579,389
	(c) Other current liabilities	98,562	85,294
	(d) Short-term provisions	8,180	195,701
	Sub-total - Current liabilities	**693,462**	**860,384**
	TOTAL - EQUITY AND LIABILITIES	**1,360,318**	**1,299,840**
B	**ASSETS**		
1	**Non-current assets**		
	(a) Fixed assets	277,348	274,184
	(b) Non-current investments	64,650	63,617
	(c) Deferred tax assets (net)	17,404	16,173
	(d) Long-term loans and advances	62,855	60,551
	(e) Other non-current assets	-	68
	Sub-total - Non-current assets	**422,257**	**414,593**
2	**Current assets**		
	(a) Current investments	273,081	245,795
	(b) Inventories	253,282	274,753
	(c) Trade receivables	77,088	81,643
	(d) Cash and bank balances	269,367	222,097
	(e) Short-term loans and advances	60,308	53,768
	(f) Other current assets	4,935	7,191
	Sub-total - Current assets	**938,061**	**885,247**
	TOTAL - ASSETS	**1,360,318**	**1,299,840**

Notes:

1. Net Sales grew by 10.6% during the quarter. Domestic Consumer Business (FMCG + Water) grew by 10.4% with a 10.7% growth in Home and Personal Care and 9.4% growth in Foods businesses.

2. Operating Profit (Profit from Operations before Other Income, Finance costs and Exceptional Items) for the quarter at Rs. 116,565 lakhs (SQ'13: Rs. 102,139 lakhs) grew by 14.1%.

3. Profit after tax from ordinary activities before Exceptional Items net of tax and prior period tax adjustments (refer note 6) for the quarter at Rs. 95,697 lakhs (SQ'13: Rs. 88,300 lakhs) grew by 8.4%.

4. During the quarter, the Company has adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act 2013, applicable for accounting periods commencing 1st April 2014 or re-assessed useful life based on technical evaluation. Accordingly, depreciation of Rs 790 lakhs (net of deferred tax of Rs 407 lakhs) on account of assets whose useful life is already exhausted as on 1st April 2014 has been adjusted against Retained earnings. Depreciation for the quarter includes an amount of Rs 963 lakhs (including JQ'14: Rs 480 lakhs) consequent to the revision in useful life effective 1st April 2014.

5. Other income includes interest income, dividend income and net gain on sale of other non trade current investments aggregating to Rs. 9,825 lakhs (SQ'13: Rs. 9,636 lakhs) and dividend income from trade non-current investments Rs 9,955 lakhs (SQ'13: Rs. 5,463 lakhs).

6. Exceptional items, net credit in SQ'14 include profit on sale of surplus properties Rs. 4,925 lakhs (SQ'13: 3,837 lakhs) and restructuring expenses Rs. 57 lakhs (SQ'13: Rs 494 lakhs)

7. The Board of Directors at their meeting held on 27th October, 2014 have resolved to pay Interim Dividend of Rs. 6.00 per share of nominal value of Re.1/- for the financial year. The interim dividend will be payable on or after 14th November, 2014 and the record date for determining entitlement has been fixed as 3rd November, 2014

8. Previous period figures have been re-grouped/reclassified wherever necessary, to conform to this period's classification.

9. The text of the above statement was approved by the Board of Directors at their meeting held on 27th October ,2014

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.

By order of the Board

Sanjiv Mehta
Managing Director & CEO

Place: Mumbai
Date: 27th October 2014

B S R & Co. LLP
Chartered Accountants

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Apollo Mills Compound
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India

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Review report

To the Board of Directors of Hindustan Unilever Limited

We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Hindustan Unilever Limited ('the Company') for the quarter and six months ended 30 September 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 27 October 2014. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of un-audited financial results prepared in accordance with applicable accounting standards notified pursuant to Companies (Accounting Standards) Rules, 2006 which continue to apply under the section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/ W – 100022

Akeel Master
Partner
Membership No: 046768

27 October 2014

Hindustan Unilever Limited

RESULTS FOR SEPTEMBER QUARTER 2014

10% DOMESTIC CONSUMER SALES GROWTH, OPERATING PROFIT (PBIT) UP 14% IN SEPTEMBER QUARTER 2014

Mumbai, October 27th, 2014: Hindustan Unilever Limited announced its results for the quarter ending 30th September 2014.

During the quarter, the Domestic Consumer business grew at 10%, ahead of market, with 5% underlying volume growth.

Soaps and Detergents: Double digit broad based growth
In Skin Cleansing, growth was driven by Lifebuoy, Lux and Dove. The liquids portfolio delivered another strong quarter led by Lifebuoy Handwash.

In Laundry, the performance was led by the premium segment as Surf sustained its strong momentum and Rin growth further accelerated. Wheel growth continued to step-up since its re-launch at the end of last year.

Household Care growth was driven by Vim, with the liquids portfolio doing very well.

Personal Products: Healthy growth in a challenging context
In Skin Care, Fair and Lovely and Pond's delivered volume led double digit growth. Fair and Lovely continued to build momentum post its re-launch in SQ'13 while Pond's growth was led by premium skin lightening and talc. The facial cleansing portfolio sustained high growth.

Hair Care registered another quarter of volume led double digit growth, driven by the robust performance of Dove and Clinic Plus. TRESemmé added a new Spa Rejuvenation variant and continued to make very good progress.

Oral Care had a subdued quarter largely due to a strong comparator arising from the re-launch of Pepsodent in the base quarter. Close Up growth was driven by impactful activation and a good initial response on Diamond Attraction. Pepsodent saw the introduction of a new 'Salt and Clove' variant and the re-launch of Gum Care under the Expert Protection range.

Colour Cosmetics delivered its tenth successive quarter of innovation led double digit growth with Lakme continuing to strengthen its position in premium make up through exciting and contemporary innovations.

Beverages: Volume led growth in Tea and Coffee
Tea delivered another quarter of healthy volume growth, driven by strengthened brand equities across the portfolio and focused in-market activities. Lipton Green Tea sustained its market development thrust and growth momentum. Bru Coffee also registered double digit growth.

Packaged Foods: Fourth successive quarter of double digit growth
Market development continues to be the focus, resulting in double digit growth across all key brands. Kissan registered strong growth on both Ketchups and Jams, driven by impactful activation and Knorr growth was led by Instant Soups and Soupy Noodles. Ice Creams delivered another strong quarter, led by Magnum and through sharper in-market execution on Kwality Walls.

Water: Double digit growth
Pureit continued its growth momentum led by the premium segment. The response to Pureit Ultima (RO+UV), launched earlier in the year with superior functionality and aesthetics, has been very encouraging.

Profitable growth sustained
The operating environment remained challenging with low market growth across categories. Brand investments were sustained at competitive levels across segments, albeit lower than an exceptionally high base quarter. The impact of input cost inflation continued to be felt this quarter through higher consumption costs although commodities softened towards the end of the quarter. Profit before interest and tax (PBIT) grew by 14% and PBIT margin improved by +50 bps, despite the higher consumption costs, additional depreciation charge and phasing out of Excise Duty benefits. Profit after tax before exceptional items, PAT (bei), grew by 8% to Rs. 957 Crores while Net Profit at Rs.988 Crores, was up 8%, impacted by the increase in the effective tax rate.

The Board of Directors have declared an interim dividend of Rs 6.0 per equity share of face value Re. 1 each, for the year ending 31st March 2015.

Harish Manwani, Chairman commented: "In a low growth environment, our emphasis on market development and innovations have helped deliver another quarter of double digit growth and a healthy improvement in operating margins. The consistency of our performance is a reflection of the discipline and rigor with which we are executing our strategy. We will continue to manage our business dynamically for sustained competitive and profitable growth."