



Hindustan Unilever Limited

Hindustan Unilever Limited
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CIN: L15140MH1933PLC002030

23rd January, 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 31st December, 2016.

Please take the above information on record.

Thanking You.

Yours faithfully,
For Hindustan Unilever Limited



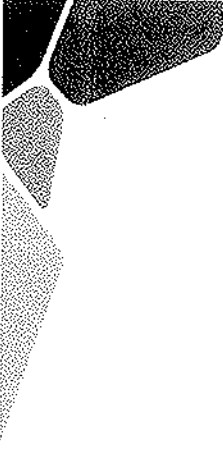
Dev Bajpai
Executive Director (Legal & Corporate Affairs)
and Company Secretary
Membership No. F3354

Hindustan Unilever Limited
DQ 2016 Results Presentation, 23rd January 2017



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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

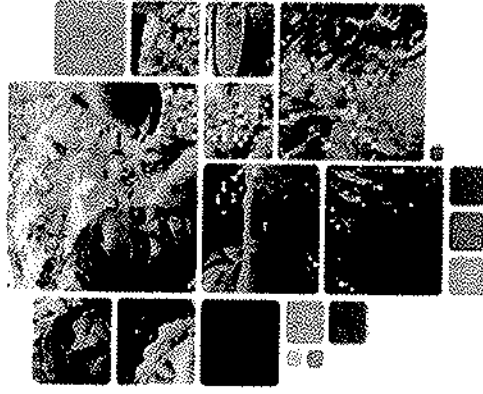
1	Strategy
2	Quarter Summary
3	Current Quarter Performance
4	Nine months results
5	Looking Ahead

Clear and compelling strategy

Strategic Framework

THE COMPANY	
Business Description The company is a leading provider of... (text continues)	Business Model The company generates revenue through... (text continues)
Market Position The company is a market leader in... (text continues)	Competitive Advantage The company's competitive advantage lies in... (text continues)
Key Objectives The company's key objectives are... (text continues)	Key Metrics The company's key metrics are... (text continues)

Sustainable Living Plan



Goals

Consistent Growth

Competitive Growth

Profitable Growth

Responsible Growth

DQ 2016: Summary

- ❑ **Uncertain market conditions**
 - In-quarter market growth adversely impacted by demonetisation
 - Input costs continue to inflate
- ❑ **HUL : Resilient performance in a challenging business environment**



DQ'16: Resilient performance in a challenging business environment

- ❑ Domestic Consumer business flat; underlying volume growth at -4%
 - Performance across categories impacted by adverse market conditions
- ❑ EBITDA at Rs. 1,355 Crores down 5%; margin down 70 bps
 - COGS higher due to rising input costs (+60 bps)
 - Competitive spends maintained across segments
 - Continued investments behind brands and market development
- ❑ PAT (bei) at Rs. 920 crores down 10%; Net Profit at Rs. 1,038 crores up 7%

Segmental Performance:

Impacted by reduced trade pipelines and lower consumer offtake

Segments	Sales Growth (%)
Home Care	1%
Personal Care	[3%]
Refreshment	8%
Foods	1%
Domestic Consumer*	0%

Sales growth = Segment Turnover growth excluding Other Operational Income

*Excludes impact of A&D

Impact of Demonetisation on our market

Consumers

- Purchase basket size reduces
- Frequency of shop visits increases
- Premiumisation trend sustains

Channels

- Most channels starting to recover after initial stress
- Large rural wholesale still under pressure
- Wholesale pipelines lower

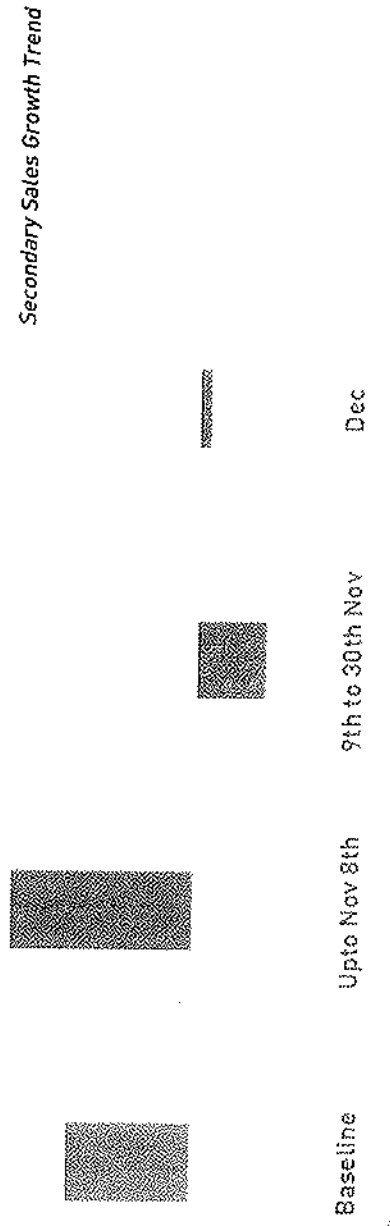
Geographies

- Recovery correlated to bank density
- South & West least impacted
- North & Central most impacted
- Urban recovers faster

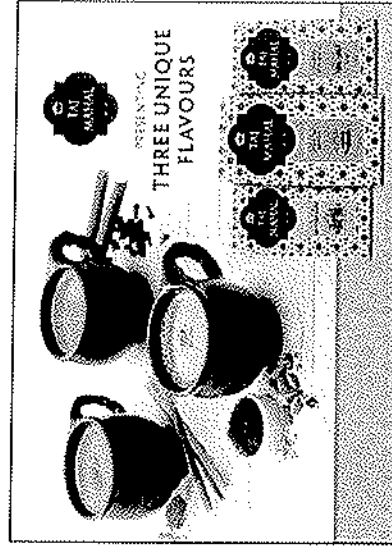
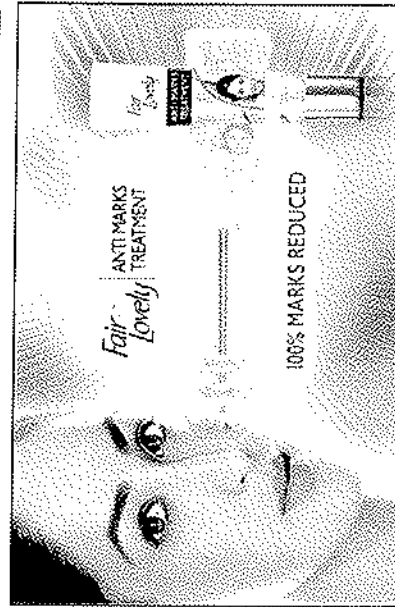
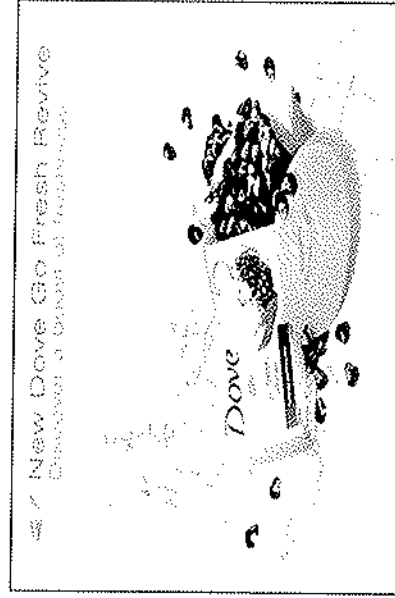
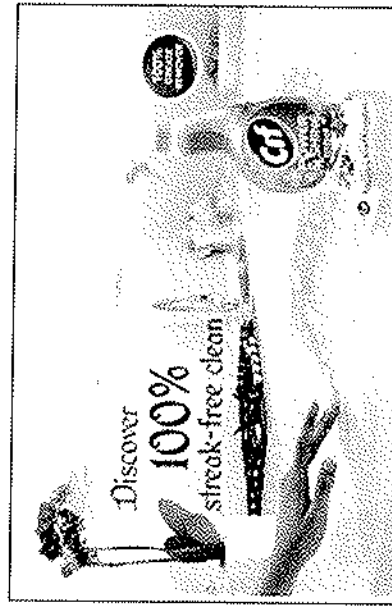
HUL's response to market challenges

Categories Continue to land breakthrough innovations Leverage WiMI	Distribution Expand sustainable direct coverage and assortment	Finance Support trade with extended credit	Supply Chain Agile response to volatile demand
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Gradual recovery underway



Continued focus on innovations



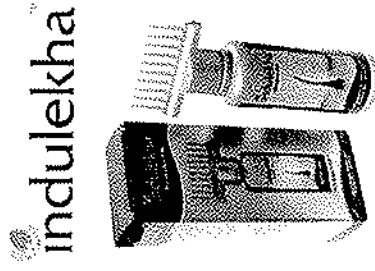
Building Naturals

Within the existing portfolio



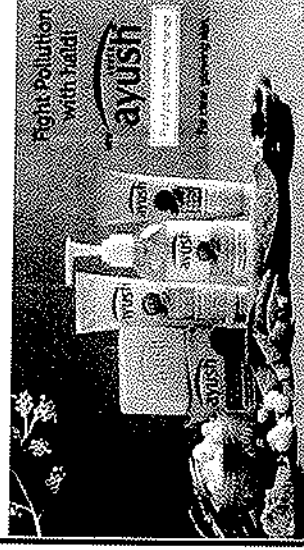
Natural variants well appreciated
by consumers

Extending to new geographies



Expanding Consumer
footprint

Building a master brand



LEVER Ayush launched in South
India across all channels



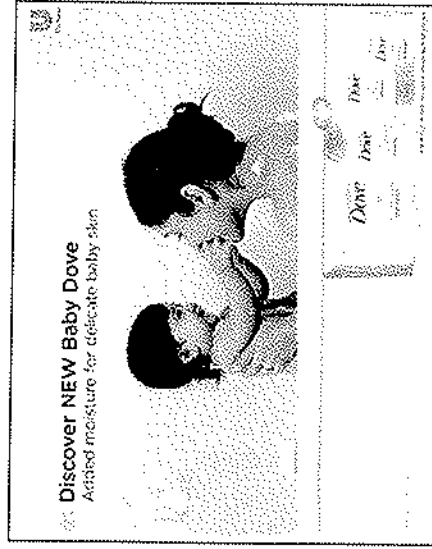
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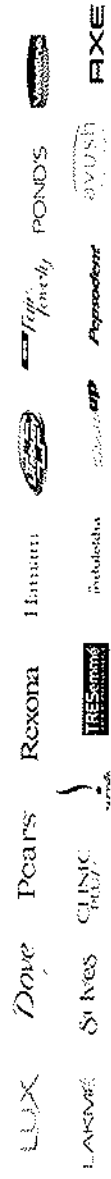




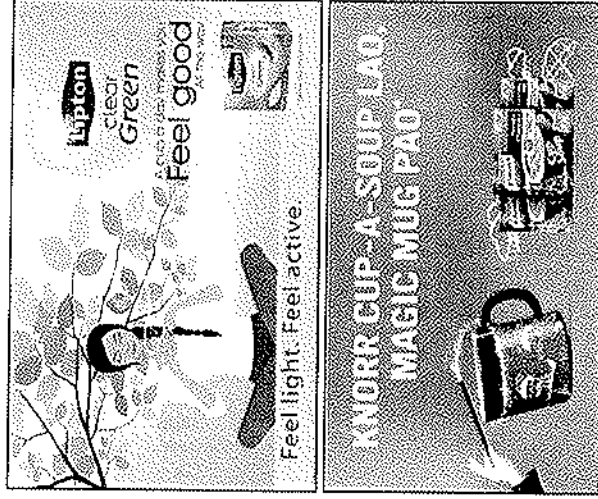

Personal Care



- ☐ Premium Personal Care continues its growth momentum across formats
- ☐ Personal Wash volumes impacted by calibrated price increases taken to manage steep rise in commodity costs
- ☐ Baby Dove well received



Foods & Refreshment



- ☐ Tea delivers broad based double-digit growth by leveraging WiMl
- ☐ Ice Cream & Frozen Desserts delivers robust activation-led growth
- ☐ Focus on market development continues in foods



DQ 2016: Results Summary

Rs. Crores

Particulars	DQ'16	DQ'15	Growth %
Sales	8,124	8,227	[1]*
EBITDA	1,355	1,430	(5)
Other Income	82	145	
Exceptional Items – Credit / (Charge)	153	[80]	
PBT	1,486	1,409	
Less : Tax	448	437	
PAT before	920	1,024	(10)
Net Profit	1,038	972	7

- Domestic Consumer growth at 0% [*Reported growth includes impact of A & D]
- Exceptional item includes profit on sale of properties (Rs. 159 Crores)
- Other income includes dividend from subsidiaries (DQ'16: Nil, DQ'15: Rs. 46 Crores)

NINE MONTHS ENDING 31ST DECEMBER 2016

Nine Months 2016-17: Results Summary

Rs. Crores

Particulars	YTD DQ 16	YTD DQ 15	Growth %
Net Sales	25,122	24,737	2
EBITDA	4,396	4,279	3
EBITDA margin (%)	17.5	17.3	+ 20 bps
PAT bel	3,129	3,077	2
Net Profit	3,307	3,023	9

- Domestic Consumer grows at 2%, underlying volume growth at -1%
- Modest and consistent improvement in operating margins sustained



Effective Tax Rate FY 2018

- ☐ Assam new unit ramp up more than offsets impact of:
 - Few existing units moving out of fiscal exemption
 - Changes in IT rules – R&D & Investment Allowance Reserve
- ☐ ETR to be lower by ~ 50 bps for FY 2018

Looking Ahead

Near term outlook:

- ❑ Market growth expected to improve gradually
- ❑ Rising trend in input costs to continue

Strategy unchanged:

- ❑ Focus on volume growth and improvement in operating margin
- ❑ Consistent, Competitive, Profitable, Responsible Growth

For more information & updates

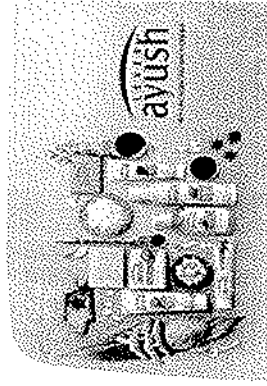
Visit our website

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

December Quarter
2016 results

Produce Growth, Create an Impact in
Business. Meet Us, December 2016
2017 or January 21, January 2017

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HUL Investor App

