



## Hindustan Unilever Limited

### Q3FY26 Highlights

- Consolidated revenue grew 5.7% YoY to ₹16,197crs with 5% underlying volume growth.
- EBITDA grew 3% YoY to ₹3,788crs with a margin of 23.3%. Profit after tax before exceptional items grew 1% YoY. However, reported profit after tax increased by 121%, primarily driven by one-off impacts from portfolio transformation actions (Ice Cream Business demerger).
- Home Care: Stable volumes; competitive intensity persists, but margins are protected.
- Beauty & Personal Care: Gradual recovery; discretionary categories still lag mass segments.
- Foods & Refreshment: Continued traction, especially in staples and core food brands; premium categories recovering slowly.

### Concall Highlights

- Volume growth remains in the mid-single digit range, reflecting gradual recovery rather than a sharp rebound. Management reiterated that the demand recovery will be gradual, not V-shaped.
- Urban demand is stable but muted; rural demand continues to improve sequentially, aided by better agri sentiment and government support.
- **Home Care (36% of revenue; segmental margin 18.7%):** Home Care reported 3% USG with mid-single digit UVG. The category continued to witness negative price impact due to pricing actions taken during the year. Fabric Wash delivered mid-single digit UVG. The liquids portfolio accelerated its growth momentum and growing at a double-digit. Household Care strengthened its double-digit UVG trend, led by Vim liquid. During the quarter, HUL has intensified market-development efforts to drive penetration and consumer upgradation to premium powders by sharpening focus on the ₹99 Surf excel Easy Wash pack.
- **Beauty & Wellbeing (24% of revenue; segmental margin 26.1%):** Beauty & Wellbeing delivered 6% USG with low-single digit UVG. Hair Care reported volume-led double-digit growth and continued to strengthen its leadership position in the quarter. Growth was driven by outperformance in premium brands, Dove and TRESemmé. Skin Care and Colour Cosmetics saw a strong performance in light moisturisers and winter portfolio offset by subdued performance in the non-winter portfolio. The category maintained its strong double-digit growth momentum in Channels of the Future and continued to gain market share. Health & Wellbeing recorded another quarter of robust performance, with high double-digit growth. Minimalist expanded its skin and face portfolio with science-backed toners and serums for barrier support and advanced anti-ageing results, respectively.
- **Personal Care (14% of revenue; segmental margin ~17.8%):** Personal Care grew 6%. Skin Cleansing delivered mid-single digit growth, driven by strong double-digit growth in Pears and Dove. Bodywash portfolio continued to outperform and further strengthened its market leadership. Oral Care posted double-digit growth, led by outperformance in Closeup.
- **Foods & Refreshment (22% of revenue; segmental margin ~21%):** Foods delivered 6% USG led by high-single digit UVG. Tea delivered mid-single digit UVG, while revenue recorded low-single digit growth, reflecting the impact of price reductions taken in a deflationary commodity environment. Coffee continued its strong double-digit growth momentum supported by both price and volume. Lifestyle Nutrition grew in high-single digit driven by both Boost and Horlicks. Packaged Foods reported high-single digit growth

### Important Data

Nifty	25,471.10
Sensex	82,626.76
Close* (₹)	2,409.70
Market Cap (₹ crs)	5,41,580.79
52W High/Low	2750/2316
Shares o/s (crs)	234.96
BSE Code	500696
NSE Code	HINDUNILVR
Bloomberg Code	HUVR:IN

 Close\* as on 13<sup>th</sup> Feb 2026

### Shareholding Pattern (%) – Dec'25

Promoter	61.9
FII	10.7
DII	15.7
Public & Others	11.6

### Financials

Particulars	(₹ crs)		
	FY23	FY24	FY25
Revenues	60,580	61,896	62,175
YoY Growth	16%	2%	2.2%
EBITDA	14,148	14,659	14,851
EBITDA Margin	23%	24%	23.6%
PAT	10,143	10,282	10,671
PAT Margin	17%	17%	16.9%
EPS	43.2	43.8	45.4
PE	55.8	41.3	53.1

Source: Company, Way2Wealth

### Relative performance

Absolute Return (%)	1 Yr	3Yr	5 Yr
HUL	8	0	15
Nifty 50	12	43	71
Sensex	10	37	64

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led by volumes. The performance was broad-based across Ketchup, Mayonnaise, Soups and Unilever Foods Solutions.

- Competition remains elevated, particularly in value-led segments. HUL continues to focus on brand investment and market share protection, rather than chasing short-term volume at the cost of margins.
- The management maintained a cautiously optimistic stance. Near-term growth is likely to stay moderate, but structural drivers (income growth, consumption formalisation) remain intact.

#### Risk

- Slower recovery in demand
- Inflationary raw material prices

#### VIEW

HUL reported a 5.7% revenue growth in Q3, with volumes up 5% YoY, led by a broad-based growth across the categories. Volume growth is expected to sustain in the mid-single digit range, with revenue growth supported by low-single digit pricing. Competitive intensity remains elevated, constraining pricing power, though benign input costs and strong cost discipline should help protect margins.

With a strong brand portfolio, leadership in key categories, the premiumisation trend and a wide distribution network, HUL is well-positioned for a steady recovery. We believe the current valuation largely captures the company's earnings stability, strong cash flows, and market leadership.

At the current price of ₹2,409.70, the stock trades at 39x its TTM EPS of ₹61.8. We recommend a **HOLD stance on HUL for long-term investors**.

**Consolidated Financials**

(₹ crs)

Particulars	Q3FY26	Q3FY25	VAR	Q2FY26	VAR	9MFY26	9MFY25	VAR
Sale of Products	16,197.0	15,322.0	5.7%	15,715.0	3.1%	47,464.0	45,505.0	4.3%
Sale of Services	38.0	31.0		27.0		92.0	83.0	
Other Operating Income	206.0	203.0	1.5%	177.0	16.4%	561.0	550.0	2.0%
	16,441.0	15,556.0	5.7%	15,919.0	3.3%	48,117.0	46,138.0	4.3%
Other Income	139.0	232.0	-40.1%	147.0	-5.4%	487.0	708.0	-31.2%
<b>TOTAL INCOME</b>	<b>16,580.0</b>	<b>15,788.0</b>	<b>5.0%</b>	<b>16,066.0</b>	<b>3.2%</b>	<b>48,604.0</b>	<b>46,846.0</b>	<b>3.8%</b>
Cost Of Materials Consumed	4,874.0	4,693.0	3.9%	5,638.0	-13.6%	15,776.0	14,358.0	9.9%
Purchase of stock in trade	3,017.0	2,780.0	8.5%	2,257.0	33.7%	8,012.0	8,156.0	-1.8%
Stock Adjustment	100.0	127.0	-21.3%	(181.0)	-155.2%	(254.0)	(150.0)	69.3%
<i>RMC as a %age of sales</i>	48.7%	49.0%		48.5%		49.0%	48.6%	
Employee Benefit Expenses	914.0	712.0	28.4%	725.0	26.1%	2,328.0	2,132.0	9.2%
<i>EPC as a %age of sales</i>	5.6%	4.6%		4.6%		4.8%	4.6%	
Advertisement & Promotion	1,522.0	1,486.0	2.4%	1,632.0	-6.7%	4,752.0	4,566.0	4.1%
<i>Advertisement Expenses as a %age of sales</i>	9.3%	9.6%	-0.3%	10.3%		9.9%	9.9%	0.0%
Other Expenses	2,226.0	2,069.0	7.6%	2,063.0	7.9%	6,290.0	5,989.0	5.0%
<i>Other Expenses as a %age of sales</i>	13.6%	13.3%		13.0%		13.1%	13.0%	
<b>TOTAL EXPENDITURE</b>	<b>12,653.0</b>	<b>11,867.0</b>	<b>6.6%</b>	<b>12,134.0</b>	<b>4.3%</b>	<b>36,904.0</b>	<b>35,051.0</b>	<b>5.3%</b>
<b>EBIDTA</b>	<b>3,788.0</b>	<b>3,689.0</b>	<b>2.7%</b>	<b>3,785.0</b>	<b>0.1%</b>	<b>11,213.0</b>	<b>11,087.0</b>	<b>1.1%</b>
<i>EBIDTA Margins %</i>	<b>23.1%</b>	<b>23.8%</b>	<b>-0.7%</b>	<b>23.8%</b>		<b>23.3%</b>	<b>24.1%</b>	<b>-0.7%</b>
Finance Costs	88.0	109.0	-19.3%	124.0	-29.0%	334.0	303.0	10.2%
<b>PBDT</b>	<b>3,839.0</b>	<b>3,812.0</b>	<b>0.7%</b>	<b>3,808.0</b>	<b>0.8%</b>	<b>11,366.0</b>	<b>11,492.0</b>	<b>-1.1%</b>
Depreciation	337.0	318.0	6.0%	322.0	4.7%	985.0	935.0	5.3%
<b>PBT before exceptional items</b>	<b>3,502.0</b>	<b>3,494.0</b>	<b>0.2%</b>	<b>3,486.0</b>	<b>0.5%</b>	<b>10,381.0</b>	<b>10,557.0</b>	<b>-1.7%</b>
Exceptional items	(583.0)	538.0	-208.4%	219.0	-366.2%	(493.0)	474.0	-204.0%
<b>PBT</b>	<b>2,919.0</b>	<b>4,033.0</b>	<b>-27.6%</b>	<b>3,705.0</b>	<b>-21.2%</b>	<b>9,888.0</b>	<b>11,031.0</b>	<b>-10.4%</b>
Tax	801.0	1,006.0	-20.4%	911.0	-12.1%	2,238.0	2,851.0	-21.5%
<i>Tax Rate</i>	27.4%	24.9%		24.6%		22.6%	25.8%	
<b>Reported Profit After Tax from Continuing Operation</b>	<b>2,118.0</b>	<b>3,027.0</b>	<b>-30.0%</b>	<b>2,794.0</b>	<b>-24.2%</b>	<b>7,650.0</b>	<b>8,180.0</b>	<b>-6.5%</b>
<i>PATM %</i>	<b>12.9%</b>	<b>19.5%</b>		<b>17.6%</b>		<b>15.9%</b>	<b>17.8%</b>	
Profit/Loss from Discontinued Operation	0.0		#DIV/0!	(3.0)	-100.0%	(11.0)	0.0	#DIV/0!
<b>Adjusted Profit After Extra-ordinary item</b>	<b>2,118.0</b>	<b>3,027.0</b>	<b>-30.0%</b>	<b>2,791.0</b>	<b>-24.1%</b>	<b>7,639.0</b>	<b>8,180.0</b>	<b>-6.6%</b>
Other Comprehensive Income (Net of tax)- net credit / (charge)	4,485.0	(38.0)				4,415.0	17.0	
<b>Total Comprehensive Income</b>	<b>6,603.0</b>	<b>2,989.0</b>	<b>120.9%</b>	<b>2,791.0</b>	<b>136.6%</b>	<b>12,054.0</b>	<b>8,197.0</b>	<b>47.1%</b>
<b>EPS</b>	<b>9.0</b>	<b>12.9</b>	<b>-30.0%</b>	<b>11.9</b>	<b>-24.1%</b>	<b>32.5</b>	<b>34.8</b>	<b>-6.6%</b>
Equity	235.0	235.0		235.0		235.0	235.0	
Face Value	1.0	1.0		1.0		1.0	1.0	

Source: Company, Way2Wealth

**Segmental Performance**

(₹ crs)

Particulars	Q3FY26	Q3FY25	VAR	Q2FY26	VAR	9MFY26	9MFY25	VAR
<b>REVENUES</b>								
Revenue from Operations	16,441.0	15,556.0	5.7%	15,919.0	3.3%	48,117.0	46,138.0	4.3%
Home Care	5,887.0	5,739.0	2.58%	5,664.0	3.9%	17,328.0	17,143.0	1.08%
Mix %	35.8%	36.9%		35.6%		36.0%	37.2%	
Personal Care	2,370.0	2,243.0	5.7%	2,425.0	-2.3%	7,335.0	7,040.0	4.2%
Mix %	14.4%	14.4%		15.2%		15.2%	15.3%	
Foods & Refreshments	3,689.0	3,483.0	5.9%	3,547.0	4.0%	10,495.0	10,085.0	4.1%
Mix %	22.4%	22.4%		22.3%		21.8%	21.9%	
Beauty & Wellbeing	3,930.0	3,556.0	10.5%	3,732.0	5.3%	11,293.0	10,258.0	10.1%
Mix %	23.9%	22.9%		23.4%		23.5%	22.2%	
Others	565.0	535.0	5.6%	551.0	2.5%	1,666.0	1,612.0	3.3%
Mix %	9.6%	9.3%		9.7%		9.6%	9.4%	
Less : Inter Segment Revenues	0.0	0.0	-	0.0	-	0.0	0.0	#DIV/0!
<b>Total Segment Revenue</b>	<b>16,441.0</b>	<b>15,556.0</b>	<b>5.7%</b>	<b>15,919.0</b>	<b>3.3%</b>	<b>48,117.0</b>	<b>46,138.0</b>	<b>4.3%</b>
<b>Profit/Loss Before Interest and Tax</b>								
	3,451.0	3,371.0	2.4%	3,463.0	-0.3%	10,228.0	10,152.0	0.7%
Margin %	21.0%	21.7%		21.8%		21.3%	22.0%	
Home Care	1,100.0	1,086.0	1.3%	1,083.0	1.6%	3,312.0	3,336.0	-0.7%
Margin %	18.7%	18.9%	-0.2%	19.1%		19.1%	19.5%	-0.3%
Personal Care	421.0	401.0	5.0%	492.0	-14.4%	1,388.0	1,233.0	12.6%
Margin %	17.8%	17.9%	-0.1%	20.3%		18.9%	17.5%	1.4%
Foods & Refreshments	773.0	772.0	0.1%	721.0	7.2%	2,103.0	2,109.0	-0.3%
Margin %	21.0%	22.2%	-1.2%	20.3%		20.0%	20.9%	-0.9%
Beauty & Wellbeing	1,025.0	1,018.0	0.7%	1,061.0	-3.4%	3,085.0	3,142.0	-1.8%
Margin %	26.1%	28.6%	-2.5%	28.4%		27.3%	30.6%	-3.3%
Others	132.0	94.0	40.4%	106.0	24.5%	340.0	332.0	2.4%
Margin %	23.4%	17.6%		19.2%		20.4%	20.6%	
Less : Interest	88.0	109.0	-19.3%	124.0	-29.0%	334.0	304.0	9.9%
Other Un-allocable Expenditure	(7.0)	1.0		(3.0)		(11.0)	(7.0)	
Add : Other Un-allocable Income	139.0	232.0	-40.1%	147.0	-5.4%	487.0	708.0	-31.2%
Extra-Ordinary Income/Expense	(576.0)	538.0		219.0		(482.0)	481.0	
<b>Net Profit/Loss Before Tax</b>	<b>2,919.0</b>	<b>4,033.0</b>	<b>-27.6%</b>	<b>3,702.0</b>	<b>-21.2%</b>	<b>9,888.0</b>	<b>11,030.0</b>	<b>-10.4%</b>

Source: Company, Way2Wealth

**Coverage**

Date	Coverage	Report Price (₹)	Buy Range (₹)	Target Price (₹)
24-July-23	Quick Insight	2,604.0	2620 – 2670	3060 – 3080
23-Oct-23	Q2FY24	2,495.0		
26-Apr-24	Q4FY24	2,231.0		
25-July-24	Q1FY25	2,717.0		
25-Oct-24	Q2FY25	2,503.0		
28-Jan-25	Q3FY25	2,392.0		
25-Apr-25	Q4FY25	2,325.0		
04-Aug-25	Q1FY26	2,553.7		

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**Disclosure of Interest Statement: HINDUSTAN UNILEVER LTD as on 16 February 2026**

Name of the Security	HINDUSTAN UNILEVER LTD
Name of the analyst	Ashwini Sonawane
Analysts' ownership of any stock related to the information contained	NIL
Financial Interest	
Analyst :	No
Analyst's Relative : Yes / No	No
Analyst's Associate/Firm : Yes/No	No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

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