

ULVR Unilever plc

Unilever lifts volume outlook to at least 3% as Q3 sales grow 5.2%

Following the Q3 2026 Trading Statement · 28 October 2026

Q3 UNDERLYING SALES GROWTH 5.2% ▲ 2.9% volume and 2.3% price; nine months 4.9%	Q3 UNDERLYING VOLUME GROWTH 2.9% ▲ against 3.8% for the nine months	Q3 TURNOVER €13.3bn ▲ up 6.7% on €12,435m in Q3 2025	FOODS Q3 USG 0.1% volume (1.1%), the business being combined with McCormick
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Share price, past 12 months Daily close; latest price as at 16:29 on 27 October 2026 · Ticker Data API



Unilever's third-quarter trading statement today showed underlying sales growth of 5.2%, made up of 2.9% from volume and 2.3% from price, and the company raised its full-year volume expectation to at least 3%. Turnover rose 6.7% to €13.3 billion. The three businesses Unilever intends to keep after combining Foods with McCormick did the work: Home Care grew 9.1%, Personal Care 6.3% and Beauty & Wellbeing 5.7%, each with volume growth between 3.6% and 5.4%. Foods grew 0.1% on falling volume. Emerging markets grew 9.5%, led by 15% in India, while developed markets fell 0.9%. Second-half sales growth is now expected at around 5%, up from the 4% to 5% given in July, and the quarterly dividend of €0.4664 is 3.0% above a year ago.

The longer view is less settled than the headline. This is the third upgrade to the 2026 outlook since April, which gives management's sales guidance some credibility. But price growth has stepped up because commodity costs rose, not because of richer mix, and the margin guidance stays at a modest improvement on 2025's 20.0%. No profit, cash or debt figures were given, so whether higher prices have protected margins will not be visible until the full-year results on 11 February 2027. Before that, the Investor Event on 4 November should set out the shape of the group after Foods.

“We have delivered another quarter of competitive growth, led by continued strong volume delivery and a step up in price to offset the impact of higher commodity costs.”

Fernando Fernandez, Chief Executive Officer · Q3 2026 Trading Statement, 28 October 2026

The businesses Unilever is keeping carried the quarter

Unilever now reports four business groups, and the third quarter split them cleanly into three growing on volume and one standing still. Home Care, 23% of Q3 turnover, grew 9.1% with 5.4% volume, led by double-digit growth in fabric cleaning and in its two largest markets, India and Brazil. Personal Care grew 6.3%, with Dove up double-digit and the US up mid-single digit, helped by the FIFA World Cup 2026 sponsorship in deodorants. Beauty & Wellbeing grew 5.7%, with double-digit growth in Dove, Vaseline, Sunsilk, Clear and the prestige hair brand K18.

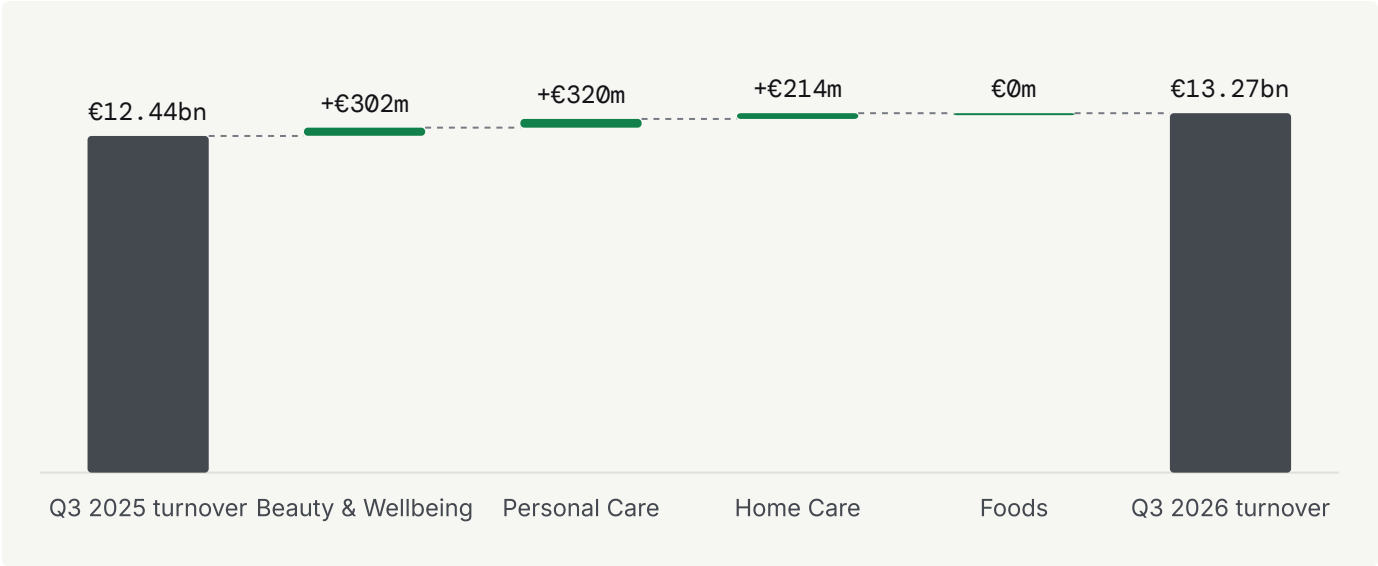
Foods, the business Unilever agreed in March 2026 to combine with McCormick, grew 0.1% with volume down 1.1%. Emerging markets and Unilever Food Solutions grew, but developed-market retail declined amid increased competition in US condiments and a weak position in premium and avocado mayonnaise. Separation work involves more than 200 employees across 20 cross-functional teams, regulatory filings were submitted on schedule, and Works Council consultation is under way. Completion still needs McCormick shareholder approval and regulatory clearance.

The weak spots inside the keepers deserve as much attention as the strong ones. Wellbeing fell high-single digit in the quarter, partly because Amazon Prime Day shipments landed in the second quarter, and is down 1.0% for the year to date. Liquid I.V. lost distribution and met private label in the club channel, and efforts to improve customer acquisition at Nutrafol remain at an early stage. Unilever expects Wellbeing to improve sequentially from here. In August it completed the sale of its Home Care businesses in Colombia, and it made no bolt-on acquisitions in the quarter.

FIGURE	VALUE	CHANGE
Home Care USG Q3 2026	9.1%	volume 5.4%, price 3.6%
Personal Care USG Q3 2026	6.3%	volume 3.8%, price 2.4%
Beauty & Wellbeing USG Q3 2026	5.7%	volume 3.6%, price 2.1%
Foods USG Q3 2026	0.1%	volume (1.1)%, price 1.3%
Power Brands USG Q3 2026	5.8%	volume 3.3%
Wellbeing year-to-date Nine months 2026	(1.0)%	

Sources: Q3 2026 Trading Statement, 28 Oct 2026

Where Q3 turnover growth came from



Each step is the change in that business group's Q3 turnover between 2025 and 2026, taken from the segment information table.

Price did more of the work than in the first half

Group underlying sales growth (USG, which strips out acquisitions, disposals and currency) was 5.2% in the quarter against 4.9% for the nine months. The mix behind it shifted. Volume, which in Unilever's definition includes changes in product mix as well as units sold, slowed to 2.9% from 3.8% over nine months, while price rose to 2.3% from 1.1%. The company says the price step-up was planned and reflects higher commodity costs, particularly in Home Care and Personal Care.

Geography sharpened the picture. Emerging markets, €8.0bn of the quarter's €13.3bn turnover, grew 9.5% with 6.0% volume, including 15% in India on 7% volume against a lower prior-year comparator, and 8.5% in Latin America. Developed markets fell 0.9%, with volume down 1.7%. North America declined 0.7% with volume down 2.5%, although Unilever says it continued to gain volume share there. Europe fell 1.7%, with both volume and price negative.

Reported turnover grew faster than underlying sales, at 6.7%, because acquisitions added 1.4%, disposals took off 0.6% and currency added 0.6%. Currency had been a heavy drag earlier in the year, subtracting 2.9% over nine months, so the quarter's small tailwind is a change of direction rather than a trend. By business group, Personal Care added €320m of turnover and Beauty & Wellbeing €302m, helped by acquisitions including Dr. Squatch, while Foods turnover was unchanged at €3,109m.

Q3 2026	VALUE	CHANGE
Group USG	5.2%	nine months 4.9%
Underlying price growth	2.3%	nine months 1.1%
Emerging markets USG	9.5%	volume 6.0%
Developed markets USG	(0.9)%	volume (1.7)%
North America volume	(2.5)%	USG (0.7)%
India USG	15%	7% volume
Currency impact on turnover	0.6%	(2.9)% over nine months
Turnover	€13.27bn	+6.7% on €12,435m

Cash conversion is the question a sales update cannot answer

Net debt, 30 June 2026	Statutory net profit, H1 2026	Operating cash flow (primary statements), FY2025
€26.0bn	€3.30bn	€10.8bn

With no profit, cash-flow or debt figures this quarter, the latest picture of the balance sheet comes from the first-half results on 28 July. Net debt was €26.0bn at the half-year. Free cash flow for the six months was €1.5bn, up from €1.1bn a year earlier but well short of statutory net profit of €3.3bn. The first half also included the completion of a €1.5bn share buyback, which bought 30,703,780 shares into treasury by early June.

The 2025 accounts leave a reconciliation to be done. The tagged cash-flow statement gives operating cash flow of €8.35bn, which less €1.42bn of capital expenditure leaves about €6.9bn, comfortably above the €4.45bn paid in dividends. A separate reading of the primary statements gives operating cash flow of €10.8bn, and the difference probably reflects how the Magnum Ice Cream demerger in December 2025 is treated, though the material does not settle it. The tagged debt figures, labelled in millions, are inconsistent with the €26.0bn half-year net debt and should not be read as showing negligible borrowing.

At the end of 2025, current liabilities of €21.7bn exceeded current assets of €17.1bn, and goodwill and intangibles of €34.8bn together were about twice equity of €17.6bn. Neither is unusual for a large branded consumer group that collects cash from retailers quickly, and the auditor's opinion for 2024 was unqualified with no going-concern uncertainty. Underlying operating profit of €10.1bn in 2025 against €9.0bn statutory shows that restructuring and similar costs are a recurring feature, which matters when the Foods separation is adding more of them. The full-year results on 11 February 2027 are the first chance to see working capital, separation costs and cash flow after the price increases.

FIGURE	VALUE	CHANGE
Free cash flow H1 2026	€1.5bn	+36% prior €1.10bn
Operating cash flow FY2025	€8.35bn	€9.52bn in 2024
Dividends paid FY2025	€4.45bn	
Current liabilities 31 Dec 2025	€21.7bn	current assets €17.1bn
Equity 31 Dec 2025	€17.6bn	goodwill €17.7bn, intangibles €17.1bn
Share buyback completed 30 Apr to 5 Jun 2026	€1.5bn	

Sources: 2026 First Half Results, 28 Jul 2026; Cash flow (tagged accounts), 2025-12-31; Balance sheet (tagged accounts), 2025-12-31; Completion of 2026 Share Buyback RNS, 5 Jun 2026; Primary statements (read from the report), 2025-12-31

“This progress gives us confidence that we will now deliver at least 3% volume growth for the full year.”

Fernando Fernandez, Chief Executive Officer · Q3 2026 Trading Statement, 28 October 2026

A third upgrade, with the margin promise left alone

Unilever has now raised its 2026 outlook twice since April. In April it expected USG at the bottom end of its 4% to 6% range with at least 2% volume. In July it moved the volume expectation up and guided second-half USG to 4% to 5%, led by pricing. It now expects at least 3% volume for the year and second-half USG of around 5%, while keeping full-year USG within 4% to 6%.

The margin guidance did not move. Unilever still expects a modest improvement in underlying operating margin on 2025's 20.0%, after a first-half margin of 20.3%, up 10 basis points. With price now rising to cover commodity costs, the unchanged margin wording is the clearest signal that stronger sales are not yet expected to turn into a better profit outcome than previously planned.

The volume floor is less demanding than it sounds. After 3.8% for the nine months, simple arithmetic on roughly equal quarters suggests fourth-quarter volume growth of well under 1% would meet it, so the upgrade also implies a softer final quarter. Home Care expects higher commodity costs to drive faster pricing for the rest of the year. Brent crude stood at \$111.38 a barrel on 27 October, up 22.7% over three months, which is the backdrop for that next round of price rises. Ticker's model of company tone read Unilever's recent statements as deteriorating going into today's release, an estimate that today's upgraded wording does not obviously bear out. The Investor Event in New York on 4 November and the full-year results on 11 February 2027 are the next two dates.

FIGURE	VALUE	CHANGE
FY2026 USG guidance FY2026	4% to 6%	unchanged range
FY2026 volume guidance FY2026	at least 3%	at least 2% in April
H2 2026 USG guidance H2 2026	around 5%	4% to 5% in July
2025 underlying operating margin FY2025	20.0%	modest improvement expected in 2026
H1 underlying operating margin H1 2026	20.3%	up 10bps
Brent crude 27 Oct 2026	\$111.38/bbl	+23% +over three months

Sources: Q3 2026 Trading Statement, 28 Oct 2026; Q3 2026 Trading Statement, 28 Oct 2026; Q1 trading statement, 30 Apr 2026; Q3 2026 Trading Statement, 28 Oct 2026; 2026 First Half Results, 28 Jul 2026; 2026 First Half Results, 28 Jul 2026; UK economy and markets data

A £107bn staple yielding less than gilts

Unilever's market value stood at £106.93bn in the price data accompanying the statement, on 2.19bn shares in issue. The shares closed at 4,892.5p on 27 October, the day before the statement, inside a 52-week range of 4,068p to 5,525.28p and close to where they started the year.

The declared quarterly dividend is £0.3907 per London-listed share. Four payments at that rate would come to about 156p, a yield of a little over 3% at the 27 October close. The UK 10-year gilt yielded 5.58% on 22 October, and UK CPIH inflation was 3.6% in September, so the dividend alone does not compete with government bonds for income. The case for the shares rests on growth in earnings and on what the group looks like after Foods leaves, which the 4 November event is meant to describe. The ex-dividend date for the Q3 payment is 12 November and payment follows on 18 December.

Recent dealings by senior staff are small and say little. Nine managers reinvested dividends in September, and the head of Foods sold 345 shares on Euronext Amsterdam at €54.79 on 23 September.

FIGURE	VALUE	CHANGE
Market capitalisation	£106.93bn	
52-week range	4068.00p - 5525.28p	
Q3 dividend per London share Q3 2026	£0.3907	+3% €0.4664, vs Q3 2025
UK 10-year gilt yield 22 Oct 2026	5.58%	+0.07 points over three months
CPIH inflation Sep 2026	3.60%	+0.80 points over three months
Shares in issue 30 Sep 2026	2,185,205,247	

Sources: Price & valuation data; Q3 2026 Trading Statement, 28 Oct 2026; UK economy and markets data; Total Voting Rights RNS, 1 Oct 2026

The shares arrived at the statement under a ceiling

Going into the statement, the shares were in a medium-term uptrend that had recovered part of a deep fall. The 27 October close of 4,892.5p was above the 20, 50, 100 and 200-day moving averages, and the 50-day average had crossed above the 200-day on 28 August, a pattern chart-readers call a golden cross. The shares had risen 15.8% over six months but were 11.5% below the February high of 5,525.28p, after a fall of 25.5% from that peak to the 4 June low.

The close sat almost exactly on a resistance level near 4,897p that had held three times since September, with further overhead levels at about 4,940p and 4,969p. Trading volume was not confirming the rise: on-balance volume, a running tally that adds volume on up days and subtracts it on down days, was below its 20-day average. Daily value traded averaged about £119m over 20 days.

The levels that matter next are on either side. A close above the 4,897p to 4,969p band on volume clearly above that £119m average would show buyers paying up for the raised guidance. Support lies at about 4,678p, 4.4% below the 27 October close, and then at about 4,429p. A close below 4,678p would break the recent pattern of higher lows.

FIGURE	VALUE	CHANGE
52-week range	4068.00p - 5525.28p	
Year-to-date performance	-0.1%	

Sources: Price & valuation data

The case for and against

FOR

The case for rests on the quality of the growth in the businesses Unilever is keeping. Home Care, Personal Care and Beauty & Wellbeing grew between 5.7% and 9.1% in the quarter, each with volume growth of 3.6% or more, and weighted by turnover their combined volume growth was a little above 4%. Emerging markets, the larger part of the group, grew 9.5% on 6.0% volume, and India and Brazil, the two largest Home Care markets, both grew double-digit in that business. Foods, the drag at 0.1%, is the business going to McCormick. Management has raised its sales and volume outlook three times this year and delivered the first-half margin it signalled, which makes its top-line guidance easier to trust. On this reading, the Investor Event on 4 November could show a faster-growing group once Foods leaves.

AGAINST

The case against starts with how the growth changed in the quarter. Volume slowed to 2.9% from a nine-month 3.8%, while price rose to 2.3% from 1.1% because commodity costs went up. Developed markets are shrinking, with North American volume down 2.5% and Europe negative on both price and volume. Brent at \$111.38 on 27 October and UK retail sales volume up only 0.8% year on year in September are a hard setting for further price rises. Management did not raise its modest margin guidance despite stronger sales, first-half free cash flow of €1.5bn trailed statutory net profit of €3.3bn, and net debt was €26.0bn. The Foods deal still needs McCormick shareholder approval and regulatory clearance, and until it closes the group carries separation costs alongside a flat business.

WHAT TO WATCH

Several dated tests will separate the two readings. The 4 November Investor Event should give targets for the group after Foods and some detail on separation costs. Fourth-quarter trading, reported on 11 February 2027, will show whether HPC and emerging-market volumes hold as commodity-led price rises reach shelves, and whether the full-year margin improves at all on 20.0%. The same results should allow the 2025 cash-flow figures to be reconciled and show free cash flow against dividends and buybacks. Any change to the timetable or terms of the McCormick combination, and Wellbeing's promised sequential improvement, are the other markers.

Risks

- ❗ Commodity-led price rises may cost volume: Q3 price growth rose to 2.3% as volume slowed to 2.9%, and developed-market volume already fell 1.7%.
 - ❗ Margins may not benefit from stronger sales, since guidance stays at a modest improvement on 20.0% and no profit or gross-margin figures were given.
 - ❗ The Foods combination with McCormick still needs McCormick shareholder approval and regulatory clearance, and delay would leave a business growing 0.1% inside the group with separation costs attached.
 - ❗ Currency is volatile: it added 0.6% to Q3 turnover but subtracted 2.9% over nine months, and emerging markets supply most of the growth.
 - ❗ Cash conversion is unproven, with H1 free cash flow of €1.5bn against €3.3bn statutory net profit, net debt of €26.0bn and conflicting 2025 operating cash-flow figures still to be reconciled.
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! Wellbeing is down 1.0% for the year to date, with private label entering the club channel for Liquid I.V. and Nutrafol's fixes at an early stage.

THE OTHER VIEW

A less generous reading treats the upgrade as mostly arithmetic. After 3.8% volume growth over nine months, a full-year floor of at least 3% requires very little from the fourth quarter, so raising it confirms what has already happened and implies a soft finish. The quarter itself moved the wrong way on composition: volume slowed, price accelerated, and the price rise was a response to higher input costs rather than to premium mix. Developed markets, where retailers and private label press hardest, shrank on volume, and Europe had negative price as well. The one forward statement about profit, the modest margin improvement, was left untouched despite a stronger sales line, which suggests the extra pricing is covering costs rather than adding to earnings. On this view the group is running to stand still on profitability while the story shifts to a post-Foods future that will not exist until the deal closes, and the first hard evidence on margins and cash arrives only on 11 February 2027.

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