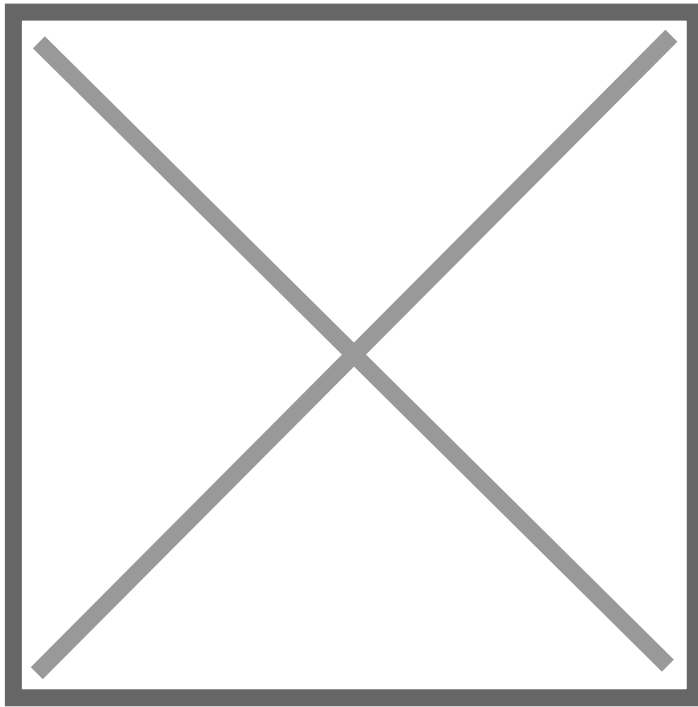


Unilever Posts Q1 Growth as Foods-McCormick Deal Reshapes Portfolio

04 May 2026 | News

Unilever announced in March an agreement to combine its Foods business with McCormick & Company



Unilever announced in March an agreement to combine its Foods business with McCormick & Company

“We have started the year well with volume-led growth driven by our Power Brands and a positive performance across all Business Groups, with broad-based momentum across emerging markets and a particularly strong performance in India,” said Fernando Fernandez, Chief Executive Officer of Unilever, as the company reported a solid first-quarter performance for 2026 and reaffirmed its full-year guidance.

The consumer goods major posted 3.8 per cent underlying sales growth for the first quarter, supported by 2.9 per cent volume growth and 0.9 per cent price growth, reflecting continued momentum across its Power Brands portfolio and strong performances across all business groups.

Fernandez highlighted that the company is continuing to execute its transformation strategy to build “a simpler, sharper Unilever with a structurally higher growth profile and a brand portfolio fit for the future.”

As part of this strategy, Unilever announced in March an agreement to combine its Foods business with McCormick & Company, creating what it described as a global flavour powerhouse while positioning Unilever as a pureplay Home and Personal Care (HPC) company.

Despite macroeconomic uncertainties, the company said its progress in strengthening brand equity and improving operational execution supports confidence in meeting full-year expectations.

For FY2026, Unilever expects underlying sales growth at the bottom end of its 4-6 per cent multi-year guidance range, with at least 2 per cent underlying volume growth and a modest improvement in underlying operating margin from 20.0 per cent in 2025.

Business segment performance

The Foods business reported 2.2 per cent growth, supported by continued strength in Hellmann's and improving performance from Unilever Food Solutions.

Home Care emerged as the strongest-performing segment, delivering 6.1 per cent underlying sales growth, driven primarily by volume gains in key emerging markets, including India and Brazil.

Beauty & Wellbeing posted 3.6 per cent growth, supported by continued strength in Dove and Vaseline, alongside momentum in prestige brands.

Personal Care recorded 3.7 per cent growth, with strong performance in deodorants and skin cleansing.

Emerging markets drive growth

Emerging markets remained the primary growth engine, posting 5.7 per cent underlying sales growth, including 7 per cent growth in India, recovery in Latin America, and continued progress in China and Indonesia.

Developed markets recorded 1.0 per cent growth, with North America offsetting softer conditions in Europe.

Turnover impacted by currency headwinds

Reported turnover for the quarter stood at €12.6 billion, down 3.3 per cent year-on-year, as positive underlying sales growth was offset by a 7.7 per cent negative currency impact.

Foods-McCormick deal to unlock synergies

The proposed Foods combination with McCormick is expected to generate approximately \$600 million in annual run-rate cost synergies, along with \$100 million in incremental cost and revenue synergies for reinvestment.

Unilever expects the transaction to complete by mid-2027, subject to shareholder and regulatory approvals.

The company said the separation would create no operational dis-synergies due to the Foods division's existing operational independence, although it anticipates €400-500 million in stranded costs to be offset through savings between 2027 and 2029.