

1990

A N N U A L A C C O U N T S

English version in guilders



ANNUAL ACCOUNTS

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GENERAL INFORMATION

Introduction

This booklet contains the Unilever N.V. annual accounts for 1990, the Auditors' Report thereon, further statutory information, and the company balance sheet of Unilever PLC. The Unilever N.V. annual accounts comprise the company accounts of Unilever N.V. and the consolidated accounts of the Unilever Group, which incorporate the accounts of Unilever N.V. and Unilever PLC and their group companies. Currency figures are expressed in guilders, except where stated otherwise. In addition to the consolidated accounts of the Unilever Group, supplementary consolidated accounts have been presented for the N.V. and PLC parts of the Group in which group companies have been consolidated according to respective ownership.

This booklet is an English translation of the original Dutch publication. There is also an English version issued by PLC with currency figures expressed in pounds sterling and containing the Unilever PLC annual accounts for 1990 and the Auditors' Report thereon; it is identical with this booklet except for the difference in currency and for certain details which are required only in the Netherlands or in the United Kingdom and which are, therefore, not included in the N.V. or PLC versions respectively.

The Unilever N.V. Directors' Report for 1990, with figures expressed in guilders, is contained in a separate booklet entitled 'Unilever Annual Report 1990' which is available in Dutch and in an English translation. In addition there is an English version with figures translated into US dollars, as well as an English version issued by Unilever PLC with figures in pounds sterling.

The documents 'Unilever Annual Report 1990' and 'Unilever Annual Accounts 1990' in the Dutch language, with figures expressed in guilders, together comprise the full Annual Report and Accounts and further statutory information, drawn up in accordance with Dutch legislation. Copies of both documents and of all other versions thereof can be obtained without charge on application to Unilever N.V., External Affairs Department, P.O. Box 760, 3000 DK Rotterdam, or Unilever PLC, External Affairs Department, P.O. Box 68, Unilever House, London EC4P 4BQ.

Unilever

The two parent companies, Unilever N.V. and Unilever PLC, operate as nearly as is practicable as a single company, have the same Directors and are linked by agreements, including an Equalisation Agreement which is designed so that the position of the shareholders of both companies is as nearly as possible the same as if they held shares in a single company.

The Equalisation Agreement, amongst other things, provides for both companies to adopt the same principles of accountancy and requires as a general rule the dividends and other rights and benefits (including rights on liquidation) attaching to each Fl. 12 nominal of ordinary capital of N.V. to be equal in value at the relevant sterling/guilder rate of exchange to those attaching to each £1 nominal of ordinary share capital of PLC as if each such unit formed part of the ordinary capital of one and the same company.

Companies legislation

The accounts set out on pages 2 to 5 and 7 to 32 have been prepared under the historical cost convention and comply with Civil Code, Book 2 in the Netherlands and the United Kingdom Companies Act 1985. The requirements of the Seventh Directive of the European Community have been incorporated in the legislation of the Netherlands and the United Kingdom in 1990. By reason of the operational arrangements described above and the internal participating interests set out in note 19 to the consolidated accounts, N.V. and PLC and their group companies constitute a single group for consolidation purposes, and it is the accounts of the single group that meet Netherlands and United Kingdom legislative requirements for consolidated accounts.

Accounting standards

The accounts comply with Accounting Standards (SSAPs) in the United Kingdom, except for the treatment of deferred taxation as explained below, and with current Dutch accounting principles.

United Kingdom Accounting Standard SSAP 15 requires that no provision should be made for deferred taxation when it is probable, based on reasonable assumptions, that a liability will not crystallise. In this respect SSAP 15 is not in agreement with Dutch law as currently applied and, because of that and the Equalisation Agreement, full provision continues to be made for deferred taxation liabilities. The effects of this departure from SSAP 15 are shown in the notes to the accounts.

OECD Guidelines

In preparing our Report and Accounts we adhere to the disclosure recommendations of the OECD Guidelines for Multinational Enterprises.

ACCOUNTING POLICIES

Group companies

The Unilever Group accounts include the accounts of all companies which, under the relevant legislation of the Netherlands and the United Kingdom, are regarded as companies eligible for inclusion in the group consolidation of N.V. and PLC respectively.

The shares of Unilever United States, Inc. are owned as to 75% by N.V. and 25% by PLC. The assets and liabilities, turnover and results of Unilever United States, Inc. and its subsidiaries have been allocated between the N.V. and PLC parts of the Group in proportion to the respective shareholdings.

A list of principal group companies is given on pages 25 to 27.

Associated companies and trade investments

Associated companies and trade investments are companies, other than group companies, in which N.V. or PLC directly or indirectly has a shareholding on a long-term basis, for the purpose of securing a contribution to the Group's activities. In the case of associated companies N.V. or PLC is in a position to exercise significant influence.

The results of associated companies included in the consolidated accounts are for periods ending not earlier than 30th June.

A list of principal associated companies and trade investments is given on page 27.

Foreign currencies

Exchange differences arising in the accounts of individual companies from transactions denominated in foreign currencies are dealt with in the individual companies' profit and loss accounts. Those arising on trading transactions are taken to operating profit; those arising on cash, current investments and borrowings are considered similar in nature to the interest on the corresponding asset or liability and are, therefore, included with interest receivable or interest payable as appropriate.

In preparing the consolidated accounts in guilders, the profit and loss account and source and use of funds, and all movements in asset and liability values including the effect of acquisitions and disposals, are translated at average rates of exchange for the year. Exceptions to this convention apply to results and movements in hyper-inflation economies for which year-end rates of exchange are used. Balance sheet values at the year end, other than the ordinary share capital of PLC, are translated throughout at year-end rates of exchange.

The ordinary share capital of PLC is translated at the Equalisation Agreement rate of £1 = Fl. 12. The difference between the share capital value in guilders thus derived and the value derived by applying the year-end rate of exchange is taken up in Other reserves (see note 20 on page 19). The other effects of exchange rate changes during the year on the assets less liabilities at the beginning of the year are recorded as a movement in profit retained under the title of currency retranslation, as is the difference between profit for the year at average rates of exchange and at year-end rates of exchange.

A similar treatment of currency retranslation is applied to source and use of funds and to all other movement tables.

Fixed assets

No value is attributed to intangible assets. Purchased goodwill, being the difference between the price paid for new interests and the fair value of the Group's share of their net assets at the date of acquisition, is written off in the year as a movement in profit retained.

Tangible assets are stated at cost less depreciation. Depreciation is provided by the straight-line method at percentages of cost based on the expected average useful lives of the assets. Estimated useful lives by major class of depreciable assets are as follows, the range of lives within each class reflecting the diversity of the assets:

Freehold buildings (no depreciation on freehold land)	33 – 40 years
Leasehold land and buildings	*) 33 – 40 years
Plant and equipment	5 – 20 years
Motor vehicles	3 – 6 years
*) or life of lease if less than 33 years	

Fixed investments comprise interests in and loans to associated companies and other investments held on a continuing basis.

Interests in associated companies are stated in the consolidated balance sheet at the Group's share of their net assets; the Group's share of associated companies' profits and losses is included in the consolidated profit and loss account, and its share of their retained profits and reserves accrued since acquisition, or since the initial investment where a company has changed from being a group company to an associated company, is included in consolidated profit retained.

Trade investments are stated at cost less amounts written off and dividends from these shareholdings are accounted for when received.

Other fixed investments, which are stated at cost less amounts written off, consist of long-term shareholdings in companies that are not group companies, associates or trade investments and long-term loans other than to group companies, associates or trade investments.

Current assets

Stocks are stated at the lower of cost and estimated net realisable value, after provisions for obsolescence. Cost is mainly average cost. It comprises direct costs and, where appropriate, a proportion of production overheads.

Debtors are stated after deducting adequate provision for doubtful debts.

Current investments are liquid funds temporarily invested and are shown at their realisable value, the difference between this and cost being taken to interest receivable and similar income in the profit and loss account.

Pensions

The expected costs of providing retirement pensions and related benefits under defined benefit schemes, whether externally funded or provided for in the consolidated balance sheet, are charged to the profit and loss account over the periods benefiting from the employees' services. Variations from expected cost are normally spread over the average remaining service lives of current employees. Pension contributions by group companies to defined contribution schemes are charged to the profit and loss account as incurred.

Provisions are maintained in the consolidated balance sheet for liabilities arising under defined benefit pension schemes which are not externally funded. In relation to funded schemes any differences between the charge to the profit and loss account and contributions paid to each scheme are recorded as an asset (prepayment) or liability (provision) in the balance sheet.

Deferred taxation

Deferred taxation, calculated at current rates of tax unless future rates have been enacted, includes:

- (a) tax liabilities arising from the accelerated depreciation of tangible fixed assets for tax purposes;
- (b) tax liabilities relating to stock reliefs;
- (c) estimated future tax relief on the provisions for funded and unfunded pensions;
- (d) tax on short-term and other timing differences;
- (e) provision for taxation on the revaluation of the net assets of new interests acquired.

Provision is not regarded as necessary, and is not made, for taxation which would become payable if retained profits of group companies and associated companies were distributed to the parent companies, as it is not the intention to distribute more than the dividends the tax on which is included in the accounts.

The deferred taxation which would be necessary if SSAP 15 were applied is given for information in notes 6 and 17 on pages 11 and 17 respectively.

Research and development

Expenditure on research and development is charged against the profit of the year in which it is incurred.

Turnover

Turnover comprises sales of goods and services after deduction of discounts and sales taxes. It includes sales to associated companies but does not include sales by associated companies or sales between group companies.

The analysis of turnover by geographical area is stated on an origin basis. Turnover on a destination basis would not be materially different.

Inter-segment sales between operational segments and between geographical areas are not material.

Intra-group pricing for goods and services

International trade in own manufactured goods between group companies is relatively unimportant in relation to sales to third parties and associated companies. The preferred method for determining the transfer prices is to take the market price; where there is no market price, the two managements concerned engage in arm's length negotiations. Normally this will lead to a price fixed at ex-works cost plus an appropriate percentage for a profit mark-up. Where required the method employed is discussed and agreed with the government authorities of the countries concerned.

General services provided by central advisory departments and research laboratories are charged to group companies on the basis of fees under agreements approved where necessary by the government authorities of the countries concerned.

Where a central purchasing department buys goods for a group company for use in its production, then that company is either treated as the buyer in the contract or is given the benefit of the central purchasing department's contract price.

However, where a specialist buying service is provided directly by one unit for another, an appropriate commission is generally either included in the price or shown on the face of the relevant documents. In most of these cases the method applied is based on agreements with the taxation and other government authorities of the countries concerned.

Leases

Lease rental payments, which are principally in respect of operating leases, are charged to the profit and loss account on a straight-line basis over the lease term, or between rent reviews where these exist, except in cases where another systematic and rational basis is more appropriate.

Current cost information

Current cost information on tangible fixed assets is given in note 8 on page 12.

Change of accounting policy

In preparing the consolidated accounts average rates of exchange for currency translation of results and other movements, as described on page 4 under 'Foreign currencies', have been introduced with effect from 1st January, 1990. Previously year-end rates of exchange were used for these purposes. In 'Unilever Annual Accounts 1990' and 'Unilever Annual Report 1990' all relevant 1989 figures have been restated.

REPORT OF THE AUDITORS

Report of the auditors to the members of Unilever N.V.

We have audited the accounts expressed in guilders of Unilever N.V. for the year 1990 as set out on pages 2 to 5 and 7 to 29. The accounts comprise the company accounts of Unilever N.V. and the consolidated accounts of the Unilever Group which incorporate the accounts of Unilever N.V. and Unilever PLC and their group companies. Our audit was conducted in accordance with auditing standards generally accepted in the Netherlands.

In our opinion the accounts give a true and fair view of the state of affairs of Unilever N.V. and of the Unilever Group at 31st December, 1990 and of the profit and source and use of funds for the year then ended and also comply with the other Dutch legal requirements for accounts.

Coopers & Lybrand Dijker Van Dien
Rotterdam

Coopers & Lybrand Deloitte
London

As auditors of Unilever N.V.

As auditors of Unilever PLC

22nd March, 1991

A separate audit report has been issued to the members of Unilever PLC on the accounts of Unilever PLC and the consolidated accounts of the Unilever Group, in accordance with legal requirements in the United Kingdom. Those accounts are expressed in pounds sterling.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31st December

Fl. million

N.V.		PLC			Unilever Group	
1990	1989	1990	1989		1990	1989
46 845	45 499	25 272	25 673	Turnover	72 117	71 172
(42 412)	(41 304)	(23 061)	(23 320)	Operating costs	(65 473)	(64 624)
4 433	4 195	2 211	2 353	Operating profit	6 644	6 548
81	59	110	133	Income from fixed investments	191	192
(665)	(496)	(396)	(301)	Interest	(1 061)	(797)
3 849	3 758	1 925	2 185	Profit on ordinary activities before taxation	5 774	5 943
(1 302)	(1 439)	(683)	(839)	Taxation on profit on ordinary activities	(1 985)	(2 278)
2 547	2 319	1 242	1 346	Profit on ordinary activities after taxation	3 789	3 665
(115)	(124)	(69)	(75)	Outside interests in group companies	(184)	(199)
2 432	2 195	1 173	1 271	Profit on ordinary activities attributable to shareholders	3 605	3 466
(518)	—	(112)	—	Extraordinary item	(630)	—
1 914	2 195	1 061	1 271	Profit after extraordinary item attributable to shareholders	2 975	3 466
(15)	(15)	—	—	Preference dividends	(15)	(15)
(841)	(753)	(471)	(464)	Dividends on ordinary capital	(1 312)	(1 217)
1 058	1 427	590	807	Profit of the year retained	1 648	2 234
1 058	1 427	590	807	Movements in profit retained	1 648	2 234
(702)	(3 406)	(119)	(1 316)	Profit of the year retained	(821)	(4 722)
—	—	—	(21)	Goodwill: group companies and associates	—	(21)
75	(110)	(63)	(527)	Preference capital redemption	12	(637)
				Currency retranslation		
431	(2 089)	408	(1 057)	Net movements during the year	839	(3 146)
3 640	5 729	3 692	4 749	Profit retained – 1st January	7 332	10 478
4 071	3 640	4 100	3 692	Profit retained – 31st December	8 171	7 332

Combined earnings per share
(for details of calculation see page 24)

Guilders per Fl. 4 of ordinary capital
Pence per 5p of ordinary capital

On a SSAP 15 basis the figures would be:
Guilders per Fl. 4 of ordinary capital
Pence per 5p of ordinary capital

Fl. 12.86 Fl. 12.36
59.52p 53.15p

Fl. 13.78 Fl. 13.25
63.87p 56.91p

References in boxes relate to the notes on pages 10, 11 and 19.

CONSOLIDATED BALANCE SHEET

as at 31st December

Fl. million

N.V.		PLC			Unilever Group	
1990	1989	1990	1989		1990	1989
11 352	10 673	6 628	6 076	Fixed assets		
467	436	283	293	Tangible assets	8	17 980
				Fixed investments	9	750
11 819	11 109	6 911	6 369			18 730
				Current assets		
6 057	6 118	3 649	3 868	Stocks	10	9 706
7 430	7 405	3 222	3 176	Debtors	11	10 652
469	314	314	226	Current investments	12	783
1 330	619	605	486	Cash at bank and in hand	13	1 935
15 286	14 456	7 790	7 756			23 076
				Less:		22 212
2 404	2 704	810	1 370	Creditors due within one year		
9 845	9 494	4 547	4 504	Borrowings	14	3 214
				Trade and other creditors	15	14 392
3 037	2 258	2 433	1 882			5 470
14 856	13 367	9 344	8 251	Net current assets		4 140
				Total assets less current liabilities		24 200
						21 618
				Creditors due after more than one year		
4 160	3 338	1 556	1 252	Borrowings	14	5 716
673	708	120	203	Trade and other creditors	15	793
						4 590
3 359	3 168	743	628	Provisions for liabilities and charges		
1 914	1 580	957	899	Pensions and similar obligations	16	4 102
				Deferred taxation and other provisions	17	2 871
(1 236)	(1 015)	1 236	1 015	Intra-group N.V./PLC	18	—
1 011	1 039	334	331	Outside interests in group companies		1 345
						1 370
905	905	481	478	Capital and reserves		
52	52	130	73	Called up share capital	19	1 386
4 018	3 592	3 787	3 372	Share premium account		182
				Profit retained and other reserves	20	7 805
4 975	4 549	4 398	3 923			9 373
14 856	13 367	9 344	8 251	Total capital employed		24 200
						21 618

22nd March, 1991

References in boxes relate to the notes on pages 12 to 19.

CONSOLIDATED SOURCE AND USE OF FUNDS

for the year ended 31st December

Fl. million

N.V.		PLC		Unilever Group	
1990	1989	1990	1989	1990	1989
1 914	2 195	1 061	1 271	2 975	3 466
930	858	554	524	1 484	1 382
276	171	(116)	21	160	192
(31)	380	(21)	112	(52)	492
(443)	(359)	99	(315)	(344)	(674)
(616)	(1 228)	32	(283)	(584)	(1 511)
720	691	273	199	993	890
66	(35)	(66)	35	—	—
419	(286)	(30)	(143)	389	(429)
3 235	2 387	1 786	1 421	5 021	3 808
(2 218)	(2 272)	(1 327)	(1 309)	(3 545)	(3 581)
(1 127)	(3 839)	(140)	(1 462)	(1 267)	(5 301)
187	223	153	171	340	394
557	154	(201)	136	356	290
(55)	21	(25)	(14)	(80)	7
(2 656)	(5 713)	(1 540)	(2 478)	(4 196)	(8 191)
(779)	(726)	(442)	(391)	(1 221)	(1 117)
1 624	1 340	912	332	2 536	1 672
(536)	(202)	(549)	(175)	(1 085)	(377)
1 090	11	(1 090)	(11)	—	—
(5)	24	53	4	48	28
1 394	447	(1 116)	(241)	278	206
1 973	(2 879)	(870)	(1 298)	1 103	(4 177)
(685)	1 935	(1 744)	(564)	(2 429)	1 371
552	259	278	118	830	377
1 973	(2 879)	(870)	(1 298)	1 103	(4 177)
1 840	(685)	(2 336)	(1 744)	(496)	(2 429)
469	314	314	226	783	540
1 330	619	605	486	1 935	1 105
(2 404)	(2 704)	(810)	(1 370)	(3 214)	(4 074)
2 445	1 086	(2 445)	(1 086)	—	—

References in boxes relate to the note on page 20.

NOTES TO THE CONSOLIDATED ACCOUNTS

Fl. million

N.V.		PLC	
1990	1989	1990	1989
31 749	29 581	12 244	12 089
9 845	10 542	5 166	5 235
5 251	5 376	7 862	8 349
46 845	45 499	25 272	25 673
24 553	23 582	10 960	11 849
9 720	9 765	5 666	5 588
6 283	5 650	2 317	2 087
3 382	3 794	2 224	2 199
2 907	2 708	4 105	3 950
46 845	45 499	25 272	25 673
(26 764)	(26 664)	(16 196)	(16 703)
(10 756)	(10 162)	(4 305)	(4 272)
(4 892)	(4 478)	(2 560)	(2 345)
(42 412)	(41 304)	(23 061)	(23 320)
(6 376)	(6 202)	(3 272)	(3 277)
(8)	(7)	(13)	(10)
(468)	(422)	(44)	(203)
(28)	(38)	(14)	(14)
(1 140)	(1 100)	(230)	(230)
(5)	(7)	(4)	(4)
(8 025)	(7 776)	(3 577)	(3 738)
(20 727)	(20 811)	(13 160)	(13 590)
(930)	(858)	(554)	(524)
(166)	(154)	(48)	(52)
(313)	(265)	(108)	(87)
(10)	(10)	(8)	(7)
(12 241)	(11 430)	(5 606)	(5 322)
(42 412)	(41 304)	(23 061)	(23 320)
(776)	(789)	(549)	(520)
11	21	20	38
57	151	—	53
3 015	2 597	977	848
812	1 134	366	439
606	464	868	1 066
4 433	4 195	2 211	2 353
2 309	2 128	1 010	1 081
778	711	406	412
636	601	244	224
441	489	282	308
269	266	269	328
4 433	4 195	2 211	2 353

1 Turnover

Analysis by geographical areas:

Europe
North America
Rest of the World

Analysis by operations:

Food products
Detergents
Personal products
Speciality chemicals
Other operations

2 Operating costs

Cost of sales
Distribution and selling costs
Administrative expenses

These comprise:

Remuneration of employees
Emoluments of Directors as managers
Unilever pension costs: Defined benefit schemes
Defined contribution schemes
Social security costs
Superannuation of former Directors

Total staff costs
Raw materials and packaging
Depreciation
Lease rentals: Plant and machinery
Other tangible assets
Auditors' remuneration
Services and other costs

Costs included above:

Research and development
Exceptional items: Business disposals and reorganisations
Property sales

3 Operating profit

Analysis by geographical areas:

Europe
North America
Rest of the World

Analysis by operations:

Food products
Detergents
Personal products
Speciality chemicals
Other operations

Unilever Group

1990	1989
43 993	41 670
15 011	15 777
13 113	13 725
72 117	71 172
35 513	35 431
15 386	15 353
8 600	7 737
5 606	5 993
7 012	6 658
72 117	71 172
(42 960)	(43 367)
(15 061)	(14 434)
(7 452)	(6 823)
(65 473)	(64 624)
(9 648)	(9 479)
(21)	(17)
(512)	(625)
(42)	(52)
(1 370)	(1 330)
(9)	(11)
(11 602)	(11 514)
(33 887)	(34 401)
(1 484)	(1 382)
(214)	(206)
(421)	(352)
(18)	(17)
(17 847)	(16 752)
(65 473)	(64 624)
(1 325)	(1 309)
31	59
57	204
3 992	3 445
1 178	1 573
1 474	1 530
6 644	6 548
3 319	3 209
1 184	1 123
880	825
723	797
538	594
6 644	6 548

NOTES TO THE CONSOLIDATED ACCOUNTS

Fl. million

N.V.		PLC	
1990	1989	1990	1989
54	42	103	129
27	17	7	4
81	59	110	133
(1 020)	(896)	(512)	(542)
322	393	117	168
33	7	(1)	73
(665)	(496)	(396)	(301)
(910)	(810)	(411)	(471)
(1 281)	(1 418)	(637)	(788)
(21)	(21)	(46)	(51)
(1 302)	(1 439)	(683)	(839)
95	17	17	44
(73)	(206)	(80)	(66)
(105)	175	(45)	(88)
(178)	(31)	(125)	(154)
5	67	1	—
(16)	35	2	(4)
(11)	102	3	(4)
2 714	2 452	1 370	1 496
—	—	(425)	(391)
—	—	229	178
(1 281)	(1 418)	(441)	(575)
(1 281)	(1 418)	(637)	(788)
(818)	—	(172)	—
300	—	60	—
(518)	—	(112)	—

4 Income from fixed investments

Share of associated companies' profit before taxation
Income from other investments

5 Interest

Interest payable and similar charges
Interest receivable and similar income
Exchange differences

Interest payable on borrowings, the final repayment of which will be made within five years

6 Taxation on profit on ordinary activities

Parent and group companies
Associated companies

of which adjustments to previous years

Deferred taxation has been included on a full provision basis, as explained on page 3, in respect of:

Accelerated depreciation
Other

On a SSAP 15 basis these amounts would be:

Accelerated depreciation
Other

Profit on ordinary activities after taxation on a SSAP 15 basis would amount to

The charge for parent and group companies comprises:
United Kingdom Corporation Tax at 35% (1989: 35%)
less: double tax relief
plus: non-United Kingdom taxes

7 Extraordinary item

Extraordinary charge
Tax relief thereon

The extraordinary charge relates to a programme to strengthen the Group's competitive position in the light of the legislation leading to the Single European Market. It includes the costs associated with the closure of some facilities, the re-allocation of production and other re-organisation expenses. Restructuring expenditure outside this programme continues to be charged against operating profit.

Unilever Group

1990	1989
157	171
34	21
191	192
(1 532)	(1 438)
439	561
32	80
(1 061)	(797)
(1 321)	(1 281)
(1 918)	(2 206)
(67)	(72)
(1 985)	(2 278)
112	61
(153)	(272)
(150)	87
(303)	(185)
6	67
(14)	31
(8)	98
4 084	3 948
(425)	(391)
229	178
(1 722)	(1 993)
(1 918)	(2 206)
(990)	—
360	—
(630)	—

NOTES TO THE CONSOLIDATED ACCOUNTS

Fl. million

N.V.		PLC		Unilever Group	
1990	1989	1990	1989	1990	1989
8 Tangible assets					
Tangible assets at cost less depreciation:					
3 318	3 208	2 081	1 947	5 399	5 155
8 034	7 465	4 547	4 129	12 581	11 594
11 352	10 673	6 628	6 076	17 980	16 749
417	417	245	209	662	626
20	4	77	93	97	97
^{a)} includes: freehold land leasehold land (mainly short-term – less than 50 years)					
Tangible assets at current replacement cost would have been:					
26 100	25 237	15 719	14 919	41 819	40 156
(11 385)	(11 296)	(6 471)	(6 141)	(17 856)	(17 437)
14 715	13 941	9 248	8 778	23 963	22 719
(449)	(449)	(275)	(308)	(724)	(757)
1 484	1 692	843	877	2 327	2 569
472	538	171	281	643	819

	Land and buildings			Plant and machinery			Total		
	N.V.	PLC	Unilever Group	N.V.	PLC	Unilever Group	N.V.	PLC	Unilever Group
Movements during 1990									
Cost									
1st January	4 504	2 511	7 015	13 242	6 797	20 039	17 746	9 308	27 054
Currency retranslation	(176)	(84)	(260)	(515)	(245)	(760)	(691)	(329)	(1 020)
Expenditure	322	234	556	1 896	1 093	2 989	2 218	1 327	3 545
Disposals	(77)	(40)	(117)	(530)	(383)	(913)	(607)	(423)	(1 030)
Acquisition/disposal of group companies	74	96	170	15	161	176	89	257	346
Other adjustments	22	3	25	(25)	(1)	(26)	(3)	2	(1)
31st December ^{b)}	4 669	2 720	7 389	14 083	7 422	21 505	18 752	10 142	28 894
Depreciation									
1st January	1 296	564	1 860	5 777	2 668	8 445	7 073	3 232	10 305
Currency retranslation	(12)	27	15	(124)	(72)	(196)	(136)	(45)	(181)
Disposals	(39)	(16)	(55)	(381)	(254)	(635)	(420)	(270)	(690)
Acquisition/disposal of group companies	6	5	11	(58)	28	(30)	(52)	33	(19)
Other adjustments	3	(4)	(1)	2	14	16	5	10	15
Charged to profit and loss account	97	63	160	833	491	1 324	930	554	1 484
31st December	1 351	639	1 990	6 049	2 875	8 924	7 400	3 514	10 914
Net book value 31st December	3 318	2 081	5 399	8 034	4 547	12 581	11 352	6 628	17 980
^{b)} includes payments on account and assets in course of construction	107	83	190	587	403	990	694	486	1 180

NOTES TO THE CONSOLIDATED ACCOUNTS

Fl. million

N.V.		PLC		Unilever Group	
1990	1989	1990	1989	1990	1989
9 Fixed investments					
Associated companies					
115	84	184	191	299	275
105	113	51	56	156	169
247	239	48	46	295	285
467	436	283	293	750	729
Associated companies at share of net asset value:					
Shares listed on a recognised stock exchange					
12	12	142	149	154	161
103	72	42	42	145	114
115	84	184	191	299	275
63	63	431	453	494	516
Market value of listed shares					
Movements during the year:					
1st January					
84		191		275	
(13)		(43)		(56)	
26		18		44	
(2)		(6)		(8)	
33		57		90	
(13)		(33)		(46)	
115		184		299	
31st December					
Trade investments at cost less amounts written off:					
Shares listed on a recognised stock exchange					
74	71	15	6	89	77
31	42	36	50	67	92
105	113	51	56	156	169
230	229	25	33	255	262
Market value of listed shares					
Movements during the year:					
1st January					
113		56		169	
(2)		(1)		(3)	
17		18		35	
(23)		(22)		(45)	
105		51		156	
31st December					
Other investments and loans					
Securities listed on a recognised stock exchange					
51	18	16	5	67	23
196	221	32	41	228	262
247	239	48	46	295	285
51	18	16	5	67	23
Market value of listed securities					
Movements during the year:					
1st January					
239		46		285	
(6)		(5)		(11)	
66		17		83	
(52)		(10)		(62)	
247		48		295	
31st December					

NOTES TO THE CONSOLIDATED ACCOUNTS

Fl. million

N.V.		PLC	
1990	1989	1990	1989
2 418	2 643	1 593	1 697
352	320	215	225
3 287	3 155	1 841	1 946
6 057	6 118	3 649	3 868
5 442	5 469	2 373	2 390
1 096	1 102	382	461
635	540	271	266
7 173	7 111	3 026	3 117
82	95	145	26
175	199	51	33
257	294	196	59
7 430	7 405	3 222	3 176
58	78	246	187
411	236	68	39
469	314	314	226
814	469	562	442
516	150	43	44
1 330	619	605	486
1 853	1 995	485	938
4 711	4 047	1 881	1 684
6 564	6 042	2 366	2 622
2 404	2 704	810	1 370
881	769	152	342
1 524	1 680	720	407
118	108	65	31
1 637	781	619	472
4 160	3 338	1 556	1 252
1 565	1 703	350	838
263	278	112	61
332	335	101	92
226	232	95	80
106	103	6	12

10 Stocks

Raw materials and consumables	
Work in progress	
Finished goods and goods for resale	

11 Debtors

Amounts due within one year:

Trade debtors	
Other debtors	
Prepayments and accrued income	

Amounts due after one year:

Prepayments relating to funded pension schemes	
Other debtors	

Total debtors

12 Current investments

Listed on a recognised stock exchange	
Unlisted	

13 Cash at bank and in hand

On call and in hand	
Repayment notice required	

14 Borrowings

Bank loans and overdrafts	
Bonds and other loans	

The repayments fall due as follows:

Within 1 year ^{a)}	
After 1 year but within 2 years	
After 2 years but within 5 years	
After 5 years: By instalments	
Not by instalments	

^{a)} of which bank loans and overdrafts

Total amount due on borrowings repayable by instalments any of which are payable after 5 years

Secured borrowings – mainly bank loans and overdrafts

of which:

Secured against: Tangible fixed assets	
Other assets	

Unilever Group

1990	1989
4 011	4 340
567	545
5 128	5 101
9 706	9 986
7 815	7 859
1 478	1 563
906	806
10 199	10 228
227	121
226	232
453	353
10 652	10 581
304	265
479	275
783	540
1 376	911
559	194
1 935	1 105
2 338	2 933
6 592	5 731
8 930	8 664
3 214	4 074
1 033	1 111
2 244	2 087
183	139
2 256	1 253
5 716	4 590
1 915	2 541
375	339
433	427
321	312
112	115

NOTES TO THE CONSOLIDATED ACCOUNTS

Fl. million

N.V.		PLC		Unilever Group	
1990	1989	1990	1989	1990	1989
14 Borrowings (continued)					
Bonds and other loans					
Unilever N.V.					
229	228	—	—	229	228
155	176	—	—	155	176
225	225	—	—	225	225
200	200	—	—	200	200
198	185	—	—	198	185
332	—	—	—	332	—
500	—	—	—	500	—
417	321	—	—	417	321
2 256	1 335			2 256	1 335
Total Unilever N.V. (see also page 29)					
Unilever PLC					
—	—	55	65	55	65
—	—	178	169	178	169
—	—	325	—	325	—
—	—	98	111	98	111
—	—	142	86	142	86
—	—	89	65	89	65
		887	496	887	496
Total Unilever PLC*					
*Sterling equivalent in millions 273 (1989: 161) (see also page 32)					
Other group companies:					
USA					
254	290	84	95	338	385
158	180	53	60	211	240
190	215	63	71	253	286
101	114	34	40	135	154
79	95	26	31	105	126
98	114	33	37	131	151
197	197	66	65	263	262
148	139	50	46	198	185
99	—	33	—	132	—
190	215	64	74	254	289
507	—	169	—	676	—
—	388	—	129	—	517
118	519	39	174	157	693
316	246	280	366	596	612
2 455	2 712	994	1 188	3 449	3 900
4 711	4 047	1 881	1 684	6 592	5 731
839	1 001	460	532	1 299	1 533
Total other group companies					
Total bonds and other loans					
of which repayable within one year					

a) Swapped into floating rate Italian lire.

b) Swapped into floating rate guilders.

c) Swapped into floating rate US dollars and guilders.

d) Swapped into floating rate sterling.

e) Swapped into floating rate US dollars.

f) Swapped into fixed rate Japanese yen.

g) Swapped into fixed rate US dollars.

NOTES TO THE CONSOLIDATED ACCOUNTS

Fl. million

N.V.		PLC	
1990	1989	1990	1989
4 563	4 229	2 137	2 003
533	518	215	220
2 028	2 032	916	961
992	1 028	551	653
613	536	346	300
1 116	1 151	382	367
9 845	9 494	4 547	4 504
122	88	61	123
304	328	4	1
247	292	55	79
673	708	120	203
10 518	10 202	4 667	4 707
255	193	49	62
3 104	2 975	694	566
3 359	3 168	743	628
3 168		628	
(135)		4	
8		—	
496		58	
(220)		(174)	
42		227	
3 359		743	
28	20	298	10
1 812	1 798	1 053	984
143	142	14	15
(476)	(466)	(149)	(184)
(1 095)	(930)	(426)	(357)
384	544	492	458
—	—	(115)	(100)
124	222	79	110
1 406	814	501	431
1 914	1 580	957	899
1 580		899	
(61)		(41)	
20		50	
775		289	
(400)		(240)	
1 914		957	

15 Trade and other creditors

Amounts due within one year:

Trade creditors	6 700	6 232
Social security and sundry taxes	748	738
Accruals and deferred income	2 944	2 993
Taxation on profits	1 543	1 681
Dividends	959	836
Others	1 498	1 518

Amounts due after one year:

Accruals and deferred income	183	211
Taxation on profits	308	329
Others	302	371

Total creditors

16 Pensions and similar obligations

Amounts due within one year

Amounts due after one year

Movements during the year:

1st January	3 796	
Currency retranslation	(131)	
Acquisition/disposal of group companies	8	
Profit and loss account	554	
Payments	(394)	
Other adjustments	269	

31st December

These balances are predominantly provisions to meet obligations relating to unfunded schemes. Of the balances at 31st December, provisions and deferred income credits in connection with funded schemes were

17 Deferred taxation and other provisions

Deferred taxation on:

Accelerated depreciation	2 865	2 782
Stock reliefs	157	157
Pension provisions	(625)	(650)
Short-term and other timing differences	(1 521)	(1 287)

Advance Corporation Tax ^{a)}

Restructuring provisions related to acquisitions	203	332
Other provisions	1 907	1 245

Movements during the year:

1st January	2 479	
Currency retranslation	(102)	
Acquisition/disposal of group companies	70	
Profit and loss account	1 064	
Utilisations	(640)	

31st December

Unilever Group

1990	1989
6 700	6 232
748	738
2 944	2 993
1 543	1 681
959	836
1 498	1 518
14 392	13 998
183	211
308	329
302	371
793	911
15 185	14 909
304	255
3 798	3 541
4 102	3 796
3 796	
(131)	
8	
554	
(394)	
269	
4 102	
326	30
2 865	2 782
157	157
(625)	(650)
(1 521)	(1 287)
876	1 002
(115)	(100)
203	332
1 907	1 245
2 871	2 479
2 479	
(102)	
70	
1 064	
(640)	
2 871	

^{a)} Advance Corporation Tax is available for offset against future United Kingdom Corporation Tax liabilities.

NOTES TO THE CONSOLIDATED ACCOUNTS

Fl. million

N.V.		PLC		Unilever Group	
1990	1989	1990	1989	1990	1989
17 Deferred taxation and other provisions (continued)					
Movements in restructuring provisions related to acquisitions, included above:					
Fabergé and Elizabeth Arden:					
148		74		222	
(6)		(1)		(7)	
(22)		12		(10)	
(73)		(53)		(126)	
47		32		79	
Other acquisitions:					
74		36		110	
(5)		3		(2)	
52		38		90	
(42)		(30)		(72)	
(2)		—		(2)	
77		47		124	
7	12	3	9	10	21
18 Intra-group N.V./PLC					
(2 445)	(1 086)	2 445	1 086	—	—
1 108	43	(1 108)	(43)	—	—
101	28	(101)	(28)	—	—
(1 236)	(1 015)	1 236	1 015	—	—
19 Called up share capital					
265	265	—	—	265	265
640	640	481	478	1 121	1 118
905	905	481	478	1 386	1 383

Authorised		Nominal value per share	Number of shares issued	Issued and fully paid	
1990	1989			1990	1989
Fl. million				Fl. million	
75	75	Fl. 1 000	29 000	29	29
200	200	Fl. 1 000	161 060	161	161
75	75	Fl. 100	750 000	75	75
350	350			265	265

^{a)} The 4% cumulative preference capital of N.V. is redeemable at par at the Company's option either wholly or in part.

NOTES TO THE CONSOLIDATED ACCOUNTS

Authorised			Number of shares issued	Issued and fully paid	
1990	1989			1990	1989
		19 Called up share capital (continued)			
		Ordinary share capital			
		Unilever N.V.		Fl. million	
Fl. million		Ordinary (in Fl. 4 shares)	160 041 250	640	640
1 000	1 000	Ordinary (in Fl. 1 000 shares numbered 1 to 2 400)	2 400	2	2
2	2	Internal holdings eliminated in consolidation (Fl. 1 000 shares)		(2)	(2)
—	—				
<hr/>				640	640
1 002	1 002				
		Unilever PLC		£ million	
£ million		Ordinary (in 5p shares) ^{a)}	(1990) 803 772 110	40.2	
136.2			(1989) 796 674 759		39.8
	136.2	Deferred (in £1 stock)	100 000	0.1	0.1
0.1	0.1	Internal holdings eliminated in consolidation (£1 stock)		(0.1)	(0.1)
—	—				
<hr/>				40.2	39.8
136.3	136.3				
		Guilder equivalent in millions		481	478
		Combined ordinary share capital		1 121	1 118

^{a)} The increase in PLC ordinary shares and share premium account is due to the issue of shares under the PLC 1985 Sharesave Scheme and the PLC 1985 Executive Share Option Schemes.

Under the arrangements for the variation of the Leverhulme Trust, shares in a group company have been issued which are convertible at the end of the year 2038 into a maximum of 51 875 000 ordinary shares of PLC.

Internal holdings

The ordinary shares numbered 1 to 2 400 (inclusive) in N.V. and deferred stock of PLC are held as to one half of each class by N.V. Elma – a subsidiary of N.V. – and one half by United Holdings Limited – a subsidiary of PLC. This capital is eliminated in consolidation. It carries the right to nominate persons for election as Directors at General Meetings of shareholders. A nominal dividend of ¼% was paid on the deferred stock of PLC. The above-mentioned subsidiaries have waived their rights to dividends on their ordinary shares in N.V. The Directors of N.V. Elma are N.V. and PLC, who with Mr F.A. Maljers and Sir Michael Angus are also Directors of United Holdings Limited.

At 31st December, 1990 a subsidiary of N.V. held certificates (depository receipts) representing 429 994 (1989: 418 318) Fl. 4 ordinary shares of N.V. in connection with Unilever N.V. share options. The book value of these shares is eliminated in consolidation by deduction from profit retained and other reserves (see note 20 on page 19).

Share options

The Unilever Employee Share Trust has been established to purchase and hold PLC shares to satisfy options granted from 1990 onwards under the PLC 1985 Sharesave Scheme and the PLC 1985 Executive Share Option Schemes. The Trust is not a group company and is not consolidated in the group accounts. All costs and expenses of the Trust are recoverable from Unilever PLC and its UK subsidiaries and these costs and expenses are included in the results of the Group. The Trustee has agreed, until further notice, to waive dividends on the shares held, save for the nominal sum of 0.01p per 5p ordinary share. At 31st December, 1990 the Trust held 3 400 000 shares.

NOTES TO THE CONSOLIDATED ACCOUNTS

19 Called up share capital (continued)

Options granted to Directors and employees to acquire ordinary shares of N.V. and PLC and still outstanding at 31st December, 1990 were as follows:

	Number of shares	Option price per share	Date normally exercisable
N.V. Share Options (Shares of Fl. 4)	22 555	Fl. 70.24	1991-1995
	4 970	Fl. 80.30	1991-1995
	16 510	Fl. 84.60	1991-1996
	9 460	Fl. 104.70	1991-1997
	32 350	Fl. 103.10	1991-1997
	57 249	Fl. 113.60	1991-1993
	55 346	Fl. 114.90	1991-1993
	3 631	Fl. 114.20	1991-1993
	51 661	Fl. 129.30	1991-1994
	52 396	Fl. 138.10	1991-1994
	14 322	Fl. 139.30	1991-1994
	55 848	Fl. 147.50	1991-1995
	47 667	Fl. 154.40	1991-1995
PLC 1985 Executive Share Option Schemes (Shares of 5p)	31 950	£2.275	1991-1994
	611 060	£2.900	1991-1995
	748 390	£5.070	1991-1996
	883 756	£4.820	1991-1997
	788 424	£4.370	1991-1998
	918 804	£5.370	1992-1998
	618 402	£5.470	1992-1998
	24 753	£6.400	1992-1999
	909 611	£6.460	1993-1999
PLC 1985 Sharesave Scheme (Shares of 5p)	595 902	£2.048	1991
	1 017 360	£2.722	1991-1992
	1 311 820	£5.290	1992-1993
	1 192 260	£3.910	1993-1994
	2 957 171	£5.070	1994-1995
	3 469 154	£5.310	1995-1996

Fl. million

N.V.		PLC	
1990	1989	1990	1989
3 529	3 423	2 145	1 980
477	181	1 846	1 597
65	36	109	115
4 071	3 640	4 100	3 692
—	—	(350)	(355)
—	—	37	35
(53)	(48)	—	—
4 018	3 592	3 787	3 372
(9 329)	(8 626)	(5 189)	(5 069)

20 Profit retained and other reserves

Profit retained:

Parent companies

Other group companies

Associated companies

Other reserves:

Adjustment on translation of PLC's ordinary capital at £1 = Fl. 12

Capital redemption reserve

Book value of N.V. shares or certificates held by a group company in connection with N.V. share options

Cumulative goodwill written off to profit retained

Unilever Group

1990	1989
5 674	5 403
2 323	1 778
174	151
8 171	7 332
(350)	(355)
37	35
(53)	(48)
7 805	6 964
(14 518)	(13 695)

NOTES TO THE CONSOLIDATED ACCOUNTS

Fl. million

N.V.		PLC		Unilever Group	
1990	1989	1990	1989	1990	1989
21 Acquisition and disposal of group companies					
Acquisitions					
(575)	(1 089)	(39)	(349)	(614)	(1 438)
(702)	(3 406)	(115)	(1 312)	(817)	(4 718)
(1 277)	(4 495)	(154)	(1 661)	(1 431)	(6 156)
—	698	—	234	—	932
150	(42)	14	(35)	164	(77)
(1 127)	(3 839)	(140)	(1 462)	(1 267)	(5 301)
Disposals and intra-group transfers					
432	98	(212)	35	220	133
136	63	8	56	144	119
568	161	(204)	91	364	252
(11)	(7)	3	45	(8)	38
557	154	(201)	136	356	290

During 1990 the Unilever Group made a number of acquisitions. The net assets and results of all acquired businesses have been included in the consolidated accounts from the dates of acquisition. The following table sets out the effect of these acquisitions on the consolidated balance sheet.

	Balance sheets of acquired companies	Revaluations and reclassifications	Restructuring provisions and other adjustments	Fair values included in Group balance sheet
Acquisitions				
Net assets/(liabilities) acquired:				
Fixed assets	454	14	(13)	455
Intangibles	99	(99)	—	—
Current assets	635	9	(8)	636
Creditors due within one year	(359)	(2)	(1)	(362)
Creditors due after one year	(36)	1	—	(35)
Provisions for liabilities and charges:				
Pensions and similar obligations	(6)	—	(8)	(14)
Deferred tax	(2)	(42)	69	25
Other provisions	(7)	(3)	(80) ^{a)}	(90)
Outside interests in group companies	(9)	(4)	12	(1)
Total net assets acquired	769	(126)	(29)	614
Goodwill written off				817
Fair value of consideration				1 431

^{a)} Other provisions includes these amounts for anticipated restructuring costs (see also note 17 on page 16). No provisions have been made for future trading losses.

NOTES TO THE CONSOLIDATED ACCOUNTS

Fl. million

N.V.		PLC	
1990	1989	1990	1989
204	379	199	182
117	143	22	22
<hr/>		<hr/>	
1 516	1 472	1 045	965
517	411	170	147
2 033	1 883	1 215	1 112
<hr/>		<hr/>	
413	342	158	132
953	848	429	357
667	693	628	623
2 033	1 883	1 215	1 112
<hr/>		<hr/>	
423	403	116	170
<hr/>		<hr/>	
212	198	76	72
<hr/>		<hr/>	
736	705	632	570
246	36	132	87

Contingent liabilities

Contingent liabilities are not expected to give rise to any material loss. They include:

Guarantees
Bills discounted

Guarantees given by the parent companies or by group companies relating to liabilities included in the consolidated accounts are not included above.

A summary of guarantees given by each parent company is set out in the notes to the respective balance sheets on pages 29 and 32.

Litigation against companies in the Group and other contingent liabilities are not considered to be material in the context of these accounts.

Commitments

Long-term lease commitments, principally for operating leases, in respect of:

Land and buildings
Other tangible assets

The commitments fall due as follows:

Within 1 year
After 1 year but within 5 years
After 5 years

Other commitments

of which payable within one year

Exposure on third-party fixed price contracts outstanding at 31st December, mainly for commodities, was:

Purchase contracts
Sale contracts

The consolidated accounts do not anticipate the results of such contracts except that provision is made where a loss would be incurred if market prices at maturity were the same as those ruling at 31st December.

Unilever Group

1990 1989

403 561
139 165

2 561 2 437
687 558

3 248 2 995

571 474
1 382 1 205
1 295 1 316

3 248 2 995

539 573

288 270

1 368 1 275
378 123

NOTES TO THE CONSOLIDATED ACCOUNTS

N.V.		PLC	
1990	1989	1990	1989
78	75	35	36
21	20	14	12
48	47	105	106
147	142	154	154

Average number of employees

The average number of employees during the year was:
(in thousands)

Europe
North America
Rest of the World

Unilever Group

1990	1989
113	111
35	32
153	153
301	296

Outside interests in group companies

Outside interests in group companies include
Fl. 791 million (1989: Fl. 791 million) preference shares in
a group company which Unilever has the right and, if
called upon, the obligation to buy back after 1992 at this
value.

Profit and loss accounts - Parent companies

As the accounts of Unilever N.V. have been included in
the consolidated accounts its own profit and loss account
on page 28 - in accordance with Dutch legislation -
mentions only income from fixed investments after
taxation as a separate item.

As permitted by Section 230 of the United Kingdom
Companies Act 1985, Unilever PLC's profit and loss
account does not accompany its balance sheet on
page 31.

NOTES TO THE CONSOLIDATED ACCOUNTS

Pension schemes

In the majority of countries in which the Group operates, employees' retirement arrangements are provided by defined benefit schemes. These retirement arrangements are either externally funded, with the assets of the scheme held separately from those of the Group in independently administered funds, or are unfunded but with provisions maintained in the Group balance sheet. All are subject to regular actuarial review. Actuarial advice is provided by both external consultants and actuaries employed by the Unilever Group.

Valuations are usually carried out using prospective benefit methods the aims of which are to ensure that current and future charges remain a stable percentage of pensionable payroll. The principal actuarial assumptions adopted in the valuations usually assume that, over the long term, the annual rate of return on investments will be marginally higher than the annual increase in pensionable remuneration or in present and future pensions in payment.

The Group also operates a number of defined contribution pension schemes throughout the world. The assets of all the Group's defined contribution schemes are held in independently administered funds. The pension costs charged represent contributions payable by the Group to the funds.

Fl. million

N.V.		PLC		
1990	1989	1990	1989	
468	422	44	203	Pension cost for the year:
28	38	14	14	Defined benefit schemes
496	460	58	217	Defined contribution schemes
6 546	7 096	9 220	10 410	Defined benefit schemes:
				Market value of scheme assets at 31st December
3 332	3 148	445	618	Provisions in respect of unfunded schemes at 31st December
129%	128%	126%	114%	Level of funding at dates of last valuation, in aggregate

Unilever Group	
1990	1989
512	625
42	52
554	677
15 766	17 506
3 777	3 766
128%	121%

The levels of funding noted above represent the actuarial value of fund assets and the provisions held in the consolidated accounts at the dates of the most recent valuations expressed as a percentage of the aggregate benefits that had accrued to members at those dates, after allowing for future increases expected thereafter in pensionable remuneration and pensions in course of payment.

Pension cost and company contributions to defined benefit schemes have been falling in recent years in response to emerging surpluses in some funds. Cost and contributions are expected to continue at a reduced level for a number of years.

NOTES TO THE CONSOLIDATED ACCOUNTS

	Fl. million		£ million	
	1990	1989	1990	1989
Combined earnings per share				
<p>The calculation of earnings per share is based on the Unilever Group profit of the year on ordinary activities attributable to ordinary capital divided by the average number of share units representing the combined ordinary capital of N.V. and PLC in issue during the year, after deducting the shares held by an N.V. subsidiary and the Unilever Employee Share Trust. For the calculation of combined ordinary capital the rate of exchange £1 = Fl. 12 has been used, in accordance with the Equalisation Agreement.</p> <p>The calculations are:</p>				
Combined ordinary capital	1 119.7	1 118.2	93.3	93.1
Less: N.V. shares held by a subsidiary of N.V. in connection with N.V. share options	(1.7)	(1.7)	(0.1)	(0.1)
PLC shares held by the Unilever Employee Share Trust	(1.0)	—	(0.1)	—
	<u>1 117.0</u>	<u>1 116.5</u>	<u>93.1</u>	<u>93.0</u>
<p>The combined number of share units is therefore 279 240 896 (1989: 279 124 146) of Fl. 4 or alternatively 1 861 605 971 (1989: 1 860 827 639) of 5p.</p>				
Profit on ordinary activities attributable to shareholders	3 605	3 466	1 112	993
Less: preference dividends	(15)	(15)	(4)	(4)
Profit on ordinary activities attributable to ordinary capital	3 590	3 451	1 108	989
Divided by combined share units =	Fl. 12.86	Fl. 12.36	59.52p	53.15p
<p>On a SSAP 15 basis the calculations would be:</p>				
Profit on ordinary activities attributable to ordinary capital	3 848	3 697	1 189	1 059
Divided by combined share units =	Fl. 13.78	Fl. 13.25	63.87p	56.91p

The effects on combined earnings per share of (a) full conversion into PLC ordinary shares of the shares in a group company, exercisable in the year 2038 as described in note 19 on page 18, and (b) the exercise of share options, details of which are set out in note 19 on page 19, are not material.

PRINCIPAL GROUP COMPANIES

as at 31st December, 1990

Introduction

The companies listed below and on pages 26 and 27 are those which in the opinion of the Directors principally affect the amount of profit and assets shown in the Unilever Group accounts. The Directors consider that those companies not listed are not significant in relation to Unilever as a whole.

Full information as required by Articles 379 and 414 of Book 2, Civil Code, in the Netherlands has been filed by N.V. with the Commercial Registry in Rotterdam.

Particulars of PLC group companies and other significant holdings as required by the United Kingdom Companies Act 1985 will be annexed to the next Annual Return of PLC.

The main activities of the companies listed below are indicated according to the following key:

Holding companies	H
Margarine, edible fats and oils, dairy products	M
Other foods	F
Detergents	D
Personal products	P
Speciality chemicals	C
Packaging	PP
Agribusiness	A
UAC Group	U
Others	O

Unless otherwise indicated the companies are incorporated and principally operate in the countries under which they are shown.

The letters N.V. or PLC after the name of each country indicate whether in the country concerned the shares in the companies listed are held directly or indirectly by N.V. or by PLC.

The percentage of equity capital directly or indirectly held by N.V. or PLC is mentioned in the margin, except where it is 100%. Where the percentage of total issued capital directly or indirectly held differs from the percentage of equity capital directly or indirectly held, this is stated separately. All percentages are rounded down to the nearest whole number.

Principal group companies acquired during 1990 are indicated in the following list by ^{a)}.

Principal group companies

Europe

Austria – N.V.	
Nordsee Ges.m.b.H.	F
Österreichische Unilever Ges.m.b.H.	MFDP
Unifrost Ges.m.b.H.	F
Belgium – N.V.	
Hartog N.V.	F
Iglo-Ola N.V.	F
Lever N.V.	D
Union N.V.	MF
Denmark – N.V.	
Unilever Danmark A/S	MFDP
Finland – N.V.	
Suomen Unilever Oy	MFDP

France – N.V.		
99	Astra-Calvé S.A.	MF
99 ^{a)}	Boursin S.A.	M
99	CNF S.A.	U
99	Cogesal S.A.	F
99	Elida-Gibbs Fabergé S.A.	P
99	Française d'Alimentation et de Boissons S.A.	F
99 ^{a)}	Frigedoc S.A.	F
99	Lever S.A.	D
99	4P Emballages France S.A.	PP
99	Unilever France S.A.	H
Germany – N.V.		
	Chicogo Cosmetics G.m.b.H.	P
	Deutsche Unilever G.m.b.H.	
	(percentage of total issued capital held – 75)	H
	Elida-Gibbs G.m.b.H.	P
	Elizabeth Arden G.m.b.H.	P
	Fritz Homann Lebensmittelwerke G.m.b.H. & Co. K.G.	MF
	Langnese-Iglo G.m.b.H.	F
	Lever G.m.b.H.	D
	Meistermarken-Werke G.m.b.H., Spezialfabrik für Back- und Grossküchenbedarf	MF
	'Nordsee' Deutsche Hochseefischerei G.m.b.H.	F
	4P Folie Forchheim G.m.b.H.	PP
	4P Nicolaus Kempton G.m.b.H.	PP
	4P Rube Göttingen G.m.b.H.	PP
	4P Verpackungen Ronsberg G.m.b.H.	PP
	'Unichema' Chemie G.m.b.H.	C
	Union Deutsche Lebensmittelwerke G.m.b.H.	MF
Greece – N.V.		
51	'Elais' Oleaginous Products A.E.	MF
	Lever Hellas A.E.B.E.	FDP
Ireland – PLC		
74	Biocon Biochemicals Ltd.	C
	Elida Gibbs (Ireland) Ltd.	P
	H.B. Ice Cream Ltd.	F
	Lever Brothers (Ireland) Ltd.	D
	Paul and Vincent Ltd.	A
	W. & C. McDonnell Ltd.	MF
Italy – N.V.		
	Unil-It S.p.A.	MFDPC
The Netherlands – N.V.		
60	Barenbrug Beheer B.V.	A
	Van den Bergh en Jurgens B.V.	MF
	Crosfield Chemie B.V.	C
	Elida Gibbs B.V.	P
	Iglo-Ola B.V.	F
	Lever Industrial B.V.	D
	Lever Nederland B.V.	D
	Loders Croklaan B.V.	M
	Lucas Aardenburg B.V.	F
	Naarden International N.V.	H
	National Starch & Chemical B.V.	C
	Nederlandse Unilever Bedrijven B.V.	
	(percentage of total issued capital held – 99)	H
	Otarès B.V.	D
	Quest International Nederland B.V.	C
	Unichema Chemie B.V.	C
	Unilever N.V.	H
	Unilever Export B.V.	O
	UniMills B.V.	M
	UVG Nederland B.V.	F
	Vinamol B.V.	C
	Zeepfabriek de Fenix B.V.	D

PRINCIPAL GROUP COMPANIES

as at 31st December, 1990

Principal group companies (continued)

%		
	Portugal – N.V.	
74	Iglo Indústrias de Gelados, Lda.	F
60	Indústrias Lever Portuguesa, Lda.	DP
	Spain – N.V.	
	Agra S.A.	M
	Elida-Gibbs S.A.	P
99	Frijo S.A.	F
90	Industrias Revilla S.A.	F
	Lever España S.A.	D
	Pond's Española S.A. (PLC 25%)	P
	Unilever España S.A.	H
	Sweden – N.V.	
	Elida Robert Group AB	P
90	GB-Glace AB	F
	Lever AB	D
	Leverindus AB	D
55	Margarinbolaget AB (percentage of total issued capital held – 50)	M
	Novia Livsmedelsindustrier AB	F
	Unilever Sverige AB	H
	Switzerland – N.V.	
	Ardenexport S.A.	P
95	'Astra', Fett- und Oelwerke A.G.	M
	Chesebrough-Pond's (Genève) S.A. (PLC 25%)	P
	Elida Cosmetic A.G.	P
	Lever A.G.	DP
	Lever Sutter A.G.	D
	Meina Holding A.G.	H
	Sais	MF
	Unilever (Schweiz) A.G.	O
	Turkey – N.V.	
66	Elida Kozmetik Sanayi ve Ticaret A.Ş.	P
51	Lever-Iş Temizlik Maddeleri Sanayi ve Ticaret A.Ş.	D
65	Unilever-Iş Ticaret ve Sanayi Türk A.Ş.	MF
	United Kingdom – PLC	
	Birds Eye Wall's Ltd.	F
	BOCM Silcock Ltd.	A
	Brooke Bond Foods Ltd.	F
	Chesebrough-Pond's Ltd.	P
	Joseph Crosfield & Sons Ltd.	C
	Elida Gibbs Ltd.	P
	Elizabeth Arden Ltd.	P
	Laing National Ltd.	C
	Lever Brothers Ltd.	D
	Lever Industrial Ltd.	D
	H. Leverton Ltd.	U
	Lipton Export Ltd.	F
	Lipton Tea Company Ltd.	F
	Loders Croklaan Ltd.	M
	Marine Harvest Ltd.	A
	Mattessons Wall's Ltd.	C
	National Starch and Chemical Ltd.	F
	Plant Breeding International Cambridge Ltd.	A
	Quest International (Fragrances, Flavours, Food Ingredients) UK Ltd.	C
	Rimmel International Ltd.	P
	UAC Ltd.	U
	UAC International Ltd.	U
	UML Ltd.	O
	Unichema Chemicals Ltd.	C
	Unilever PLC	H
	Unilever Export Ltd.	O
	Unilever U.K. Central Resources Ltd.	O
	Unipath Ltd.	O
	Van den Berghs and Jurgens Ltd.	M
	Vinamul Ltd.	C
	John West Foods Ltd.	F

North America

%		
	Canada – PLC	
	Chesebrough-Pond's (Canada) Inc.	P
	Lever Brothers Limited	D
	Thomas J. Lipton Inc.	MF
	A & W Food Services of Canada Ltd.	F
	Unilever Canada Limited	H
	United States of America – N.V. (75%); PLC (25%)	
	Calvin Klein Cosmetics Company	P
	Chesebrough-Pond's Company	P
	Elizabeth Arden Company	P
	Lever Brothers Company	D
	Thomas J. Lipton Company	F
	National Starch and Chemical Company	C
	Ragú Foods Company	F
	Unilever Capital Corporation	O
	Unilever United States, Inc.	H
	Unipath Company	O
	Van den Bergh Foods Company	M

Rest of the World

%		
	Argentina – N.V.	
99	Lever y Asociados s.a.c.i.f.	MFDP
	Australia – PLC	
	Unilever Australia Ltd.	MFDP
	Bangladesh – PLC	
61	Lever Brothers Bangladesh Ltd.	FDPC
	Brazil – N.V.	
99	Indústrias Gessy Lever Ltda.	MFDP
	Chile – N.V.	
	Lever Chile S.A. (PLC 25%)	MFDP
	Colombia – N.V.	
	Compañía Colombiana de Grasas 'Cogra-Lever' S.A. (PLC 30%)	MDP
60	Plantaciones Unipalma de Los Llanos S.A.	A
	Côte d'Ivoire – PLC	
90	Blohorn S.A.	MDAPP
99	CFCI S.A.	U
67	Uniwax S.A.	U
	Gabon – PLC	
98	Hatton et Cookson S.A.	U
	Ghana – PLC	
70 ^{a)}	Lever Brothers Ghana Ltd.	MDPC
60	UAC of Ghana Ltd.	U
	Hong Kong – N.V.	
	Lever Brothers (China) Ltd.	MFDP
	India – PLC	
74	Doom Dooma India Ltd.	A
51	Hindustan Lever Ltd.	MDPCA
74	Tea Estates India Ltd.	A
	Indonesia – N.V.	
85	P.T. Unilever Indonesia	MFDP
	Japan – N.V.	
	Nippon Lever B.V. (incorporated in the Netherlands)	MFP
	– PLC	
	Lever Brothers Ltd. (incorporated in the United Kingdom)	D

PRINCIPAL GROUP COMPANIES/PRINCIPAL FIXED INVESTMENTS

as at 31st December, 1990

Principal group companies (continued)

%	Kenya – PLC	
88	Brooke Bond Kenya Ltd.	AO
	Consumer Products Kenya Ltd.	P
54	East Africa Industries Ltd.	MFDP
	Gailey & Roberts Ltd.	U
	Malawi – PLC	
	Lever Brothers (Malawi) Ltd.	MDPC
	Malaysia – PLC	
70	Lever Brothers (Malaysia) Sdn. Bhd.	MFDP
	Pamol Plantations Sdn. Bhd.	A
	Mexico – N.V.	
97	Anderson Clayton & Co. S.A. (PLC 12%)	MFA
	Pond's de Mexico S.A. de C.V. (PLC 25%)	P
	Morocco – PLC	
a)	Lever Maroc S.A.	DP
	Netherlands Antilles – N.V.	
	Unilever Becumij N.V.	O
	New Zealand – PLC	
	Unilever New Zealand Ltd.	FDPC
	Niger – PLC	
99	Niger-Afrique S.A.	U
	Pakistan – PLC	
69	Lever Brothers Pakistan Ltd.	MFDP
	Philippines – N.V.	
	Philippine Refining Company, Inc.	MFDP
	Sierra Leone – PLC	
87	UAC of Sierra Leone Ltd.	U
	Singapore – PLC	
	Unilever Singapore Private Ltd.	MFDP
	Solomon Islands – PLC	
60	Lever Solomons Ltd.	A
	South Africa – PLC	
	Unilever South Africa (Pty.) Ltd.	MFDP
	Sri Lanka – PLC	
	Lever Brothers (Ceylon) Ltd.	MDPCA
	Taiwan – N.V.	
95	Formosa United Industrial Corporation Ltd.	D
	Tanzania – PLC	
	UAC of Tanzania Ltd.	U
	Tchad – PLC	
78	Brasseries du Logone S.A.	U
	Thailand – N.V.	
	Lever Brothers (Thailand) Ltd.	MFDP
	Trinidad – PLC	
50	Lever Brothers West Indies Ltd.	MFDP
	Uganda – PLC	
	Gailey & Roberts (Uganda) Ltd.	U
	Uruguay – N.V.	
	Sudy Lever S.A.	D
	Venezuela – N.V.	
	Lever-Pond's S.A.	FDP
	Zaire – N.V.	
76	Plantations Lever au Zaïre s.a.r.l.	A
	Compagnie des Margarines, Savons et Cosmétiques au Zaïre s.a.r.l.	MDPC
	Zimbabwe – PLC	
	Lever Brothers (Private) Ltd.	MFDP

Principal fixed investments

Associated companies

Europe		
%	Denmark – N.V.	
50	Margarinefabrikken Alfa-Solo A/S	M
	Portugal – N.V.	
40	FIMA – Produtos Alimentares, Lda.	MF
Rest of the World		
%	China – PLC	
50	Shanghai Lever Co. Ltd.	D
50	Shanghai Pond's Ltd.	P
50	Shanghai Van den Bergh Ltd.	M
	El Salvador – N.V.	
50	Industrias Unisola S.A.	MFDP
	India – N.V.	
40	Pond's (India) Ltd. (PLC 10%)	P
	– PLC	
40	Lipton India Ltd.	F
40	Brooke Bond India Ltd.	F
	Korea – N.V.	
50	Aekyung Industrial Company Limited	DP
	Nigeria – PLC	
40	Lever Brothers Nigeria PLC	MFDP
14	Nigerian Breweries PLC	U
40	UAC of Nigeria PLC	U
	Saudi Arabia – PLC	
40	Binzagr Lever Ltd.	P
49	Binzagr Lipton Ltd.	F

Trade investments

Europe		
%	The Netherlands – N.V.	
37	Gamma Holding N.V. (percentage of total issued capital held – 35)	O
Rest of the World		
%	Nigeria – PLC	
14	Guinness Nigeria PLC	U

UNILEVER N.V. COMPANY ACCOUNTS

The balance sheet below includes the proposed profit appropriation.

Fl. million

	1990	1989
Balance sheet as at 31st December		
Fixed assets		
Fixed investments	1 908	1 914
Current assets		
Debtors	10 195	8 093
Current investments	72	187
Cash at bank and in hand	1 049	491
	11 316	8 771
Less: Creditors due within one year	6 420	5 050
Net current assets	4 896	3 721
Total assets less current liabilities	6 804	5 635
Creditors due after more than one year	2 135	1 073
Provisions for liabilities and charges	235	229
Capital and reserves		
Called up share capital:		
Preferential share capital	19 265	265
Ordinary share capital	19 642	642
	907	907
Share premium account	52	52
Profit retained and other reserves	3 475	3 374
	4 434	4 333
Total capital employed	6 804	5 635
Profit and loss account for the year ended 31st December		
Income from fixed investments after taxation	858	742
Other income and expense	106	162
Profit of the year	964	904

Pages 2 to 5, 7 to 27 and 29 contain the notes to the Unilever N.V. company accounts. For the information as required by Article 392 of Book 2, Civil Code, reference is made to pages 6 and 30.

The Board of Directors
22nd March, 1991

References in boxes relate to a note on pages 17 to 19.

UNILEVER N.V. NOTES TO THE COMPANY ACCOUNTS

Fl. million

	1990	1989		1990	1989
Fixed investments			Provisions for liabilities and charges		
Shares in group companies	1 908	1 914	Pension provisions	226	211
Shares in group companies are stated at cost in accordance with international accounting practice in various countries, in particular the United Kingdom. The cost of Unilever N.V. shares purchased and held by a subsidiary has been deducted from this heading.			Deferred taxation and other provisions	9	18
				<u>235</u>	<u>229</u>
Movements during the year:			of which due within one year	<u>22</u>	<u>30</u>
1st January	1 914				
N.V. shares held by a subsidiary	(6)		Ordinary share capital		
31st December	<u>1 908</u>		Shares numbered 1 to 2 400 are held by a subsidiary of Unilever N.V. and a subsidiary of Unilever PLC. Additionally, 429 994 Fl. 4 ordinary shares are held by another subsidiary. Full details are given in note 19 on page 18.		
Debtors			Share premium account		
Loans to group companies	5 096	3 454	For the application of Article 44 of the Income Tax Act 1964 only a small part, if any, of the premium shown in the balance sheet is available for issue of tax free bonus shares.		
Other amounts owed by group companies	5 072	4 549			
Other debtors	27	90	Profit retained and other reserves		
	<u>10 195</u>	<u>8 093</u>	Profit retained 31st December	3 529	3 423
of which due after one year	<u>1 367</u>	145	Cost of Unilever N.V. shares purchased and held by a subsidiary	(54)	(49)
Current investments			Balance 31st December	<u>3 475</u>	<u>3 374</u>
Listed stocks	—	6	Profit retained and Profit of the year shown in this balance sheet and the notes thereto are less than the amounts shown under these headings in the consolidated balance sheet and profit and loss account, mainly because only part of the profits of the group companies is distributed in the form of dividend.		
Unlisted stocks	72	181	Contingent liabilities are not expected to give rise to any material loss. They include:		
	<u>72</u>	<u>187</u>	Guarantees given for group and other companies, under which amounts outstanding at 31st December were as follows:		
The cost of current investments amounted to	<u>72</u>	<u>187</u>	For group companies	4 653	5 110
Cash at bank and in hand			For others	—	2
includes items for which notice of repayment is required amounting to	<u>636</u>	470		<u>4 653</u>	<u>5 112</u>
Creditors			Of the above, guaranteed also by Unilever PLC	<u>2 964</u>	<u>3 351</u>
Due within one year:					
Bank loans and overdrafts	9	20			
Bonds and other loans 14	378	262			
Loans from group companies	1 827	1 830			
Other amounts owed to group companies	3 433	2 268			
Taxation and social security	60	59			
Accruals and deferred income	66	41			
Dividends	618	541			
Other creditors	29	29			
	<u>6 420</u>	<u>5 050</u>			
Due after one year:					
Bonds and other loans 14	1 878	1 073			
Loans from group companies	257	—			
	<u>2 135</u>	<u>1 073</u>			
These include amounts due after five years:					
Bonds and other loans	832	379			

References in boxes relate to a note on pages 14 and 15.

UNILEVER N.V. FURTHER STATUTORY INFORMATION

Fl. million

The rules for profit appropriation in the Articles of Association (summary of Article 41)

The profit of the financial year is applied first to the reserves required by law or by the Equalisation Agreement, secondly to the covering of losses of previous years, if any, and thirdly to the reserves deemed necessary by the Board of Directors. Dividends due to the holders of the Cumulative Preference Shares, including any arrears in such dividends, are then paid; if the profit is insufficient for this purpose, the amount available shall be distributed to them in proportion to the dividend percentages of their shares. Any profit remaining thereafter is at the disposal of the General Meeting. Distributions from this remaining profit are made to the holders of the ordinary shares pro rata to the nominal amounts of their holdings.

Proposed profit appropriation

	1990	1989
Profit of the year	964	904
Preference dividends	(15)	(15)
Profit at disposal of the Annual General Meeting of shareholders	949	889
Proposed profit appropriation in accordance with Article 41 of the Articles of Association:		
Ordinary dividends	(843)	(755)
Profit of the year retained	106	134
Profit retained 1st January	3 423	3 289
Profit retained 31st December	3 529	3 423

Special controlling rights under the Articles of Association

See page 18.

UNILEVER PLC COMPANY BALANCE SHEET

as at 31st December

£ million

	1990	1989
Fixed assets		
Fixed investments	1 132	1 624
Current assets		
Debtors	808	575
Current investments	42	40
Cash at bank and in hand	—	41
	850	656
Less: Creditors due within one year	1 021	761
Net current liabilities	(171)	(105)
Total assets less current liabilities	961	1 519
Creditors due after more than one year	208	773
Provisions for liabilities and charges	—	28
Capital and reserves		
Called up share capital	19 40	40
Share premium account	40	24
Capital redemption reserve	20 11	11
Profit retained	662	643
	753	718
Total capital employed	961	1 519

Sir Michael Angus, Chairman

22nd March, 1991

References in boxes relate to the notes on pages 17 to 19.

UNILEVER PLC NOTES TO THE COMPANY BALANCE SHEET

£ million

	1990	1989		1990	1989
Fixed investments			Creditors		
Shares in group companies	1 122	1 068	Due within one year:		
Loans to group companies	—	551	Amounts owed to group companies	743	404
Other fixed investments	10	5	Bank loans and overdrafts	—	112
	<u>1 132</u>	<u>1 624</u>	Bonds and other loans	14 65	53
			Taxation and social security	94	79
			Dividends	106	98
			Other creditors	13	15
				<u>1 021</u>	<u>761</u>
Shares in group companies			Due after one year:		
Shares in group companies are stated at Directors' valuation made on the rearrangement of the Unilever Group in 1937, with bonus shares at par and other additions at cost or valuation, less amounts written off.			Bonds and other loans	14 208	108
			Amounts owed to group companies	—	665
				<u>208</u>	<u>773</u>
Movements during the year:			Bonds and other loans include amounts repayable after more than five years	108	108
1st January	1 068				
Additions	59		Provisions for liabilities and charges		
Disposals	(5)		Unfunded pension provisions	—	32
31st December	<u>1 122</u>		Deferred taxation	—	(4)
				<u>—</u>	<u>28</u>
Loans to group companies			Profit retained		
Movements during the year:			1st January	643	641
1st January	551		Goodwill written off	—	(37)
Transfer to another group company	(551)		Capital redemption reserve	—	(5)
31st December	<u>—</u>		Profit of the year	165	177
			Ordinary and deferred dividends	(146)	(133)
Other fixed investments – at cost			31st December	<u>662</u>	<u>643</u>
Listed on a recognised stock exchange	4	4	Profit retained and profit of the year shown in the balance sheet and the notes thereto are less than the amounts shown under these headings in the consolidated balance sheet and profit and loss account, mainly because only part of the profits of the group companies is distributed in the form of dividend.		
Unlisted	6	1			
	<u>10</u>	<u>5</u>	Contingent liabilities are not expected to give rise to any material loss. They include:		
Market value of listed shares	13	24	Guarantees given for group and other companies, under which amounts outstanding at 31st December were as follows:		
			For group companies	976	1 197
Debtors			For others	30	17
Due within one year:				<u>1 006</u>	<u>1 214</u>
Amounts owed by group companies	230	535	Of the above, guaranteed also by Unilever N.V.	912	1 088
Others	—	8			
	<u>230</u>	<u>543</u>			
Due after one year:					
Amounts owed by group companies	543	—			
Advance Corporation Tax	35	32			
	<u>808</u>	<u>575</u>			
Total debtors					
The Advance Corporation Tax borne by the parent company will be surrendered and set off against liabilities of the group companies where appropriate. The total of £35 million is recoverable against liabilities for 1991 and later years.					
Current investments					
Listed on a recognised stock exchange	42	40			
The cost of listed current investments amounted to	35	35			

References in boxes relate to a note on pages 14 and 15.