

Unilever First Half 2012 Results  
Paul Polman – CEO Jean-Marc Huët – CFO  
James Allison – Head of IR and M&A  
July 26<sup>th</sup> 2012



# Safe Harbour Statement



This announcement may contain forward-looking statements, including 'forward-looking statements' within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as 'will', 'aim', 'expects', 'anticipates', 'intends', 'believes', 'vision', or the negative of these terms and other similar expressions of future performance or results, and their negatives, are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Group. They are not historical facts, nor are they guarantees of future performance.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Among other risks and uncertainties, the material or principal factors which could cause actual results to differ materially are; Unilever's global brands not meeting consumer preferences; increasing competitive pressures; Unilever's investment choices in its portfolio management; finding sustainable solutions to support long-term growth; customer relationships; the recruitment and retention of talented employees; disruptions in our supply chain; the cost of raw materials and commodities; secure and reliable IT infrastructure; successful execution of acquisitions, divestitures and business transformation projects; economic and political risks and national disasters; the sovereign debt crisis in Europe; financial risks; requirement for additional pension contributions; and failure to meet high product safety and ethical standards; managing regulatory, tax and legal matters. Further details of potential risks and uncertainties affecting the Group are described in the Group's filings with the London Stock Exchange, Euronext Amsterdam and the US Securities and Exchange Commission, including the Group's Annual Report on Form 20-F for the year ended 31 December 2011 and the Annual Report and Accounts 2011. These forward-looking statements speak only as of the date of this announcement. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

# The environment remains very challenging



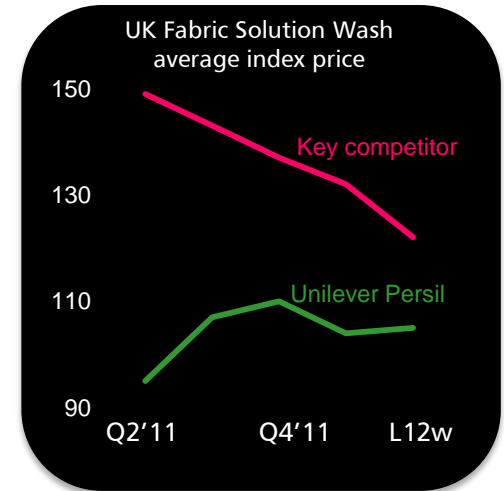
### Market growth slowing



### Currencies more volatile



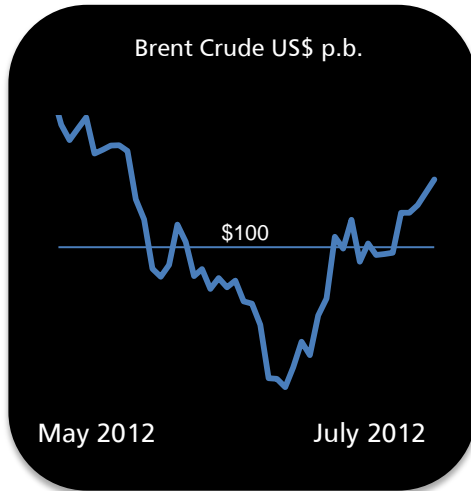
### Competition still fierce



# Commodity cost volatility continues



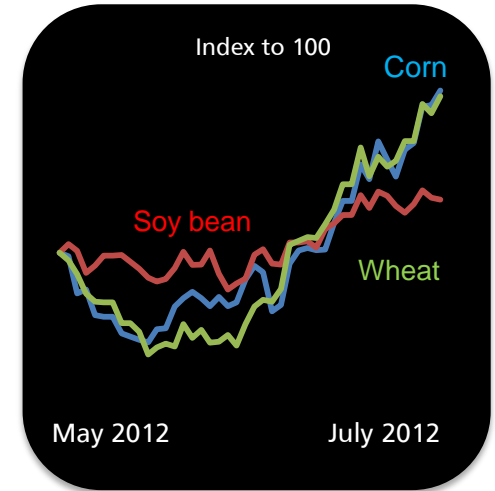
Crude oil back over \$100



Drought conditions in the US



Commodities edging up

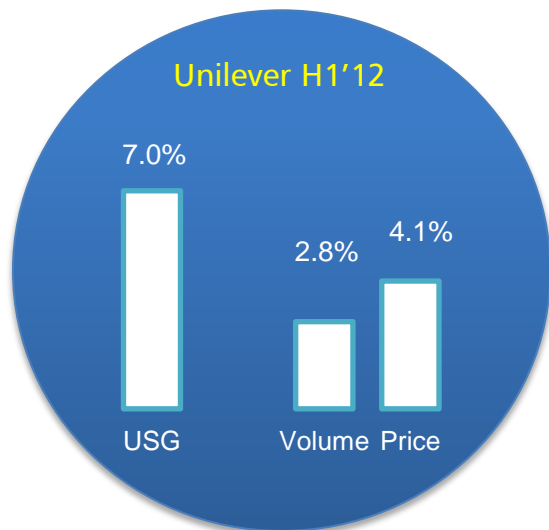




# Consistent strong results



## Balanced growth



## D&E: consistent performance

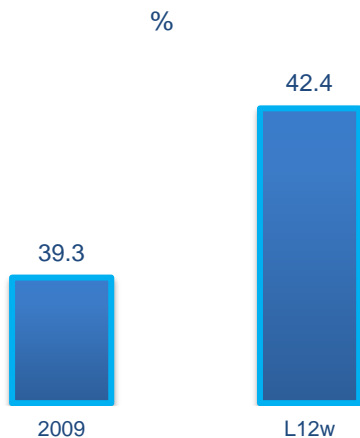


On track to break the €50bn mark in 2012

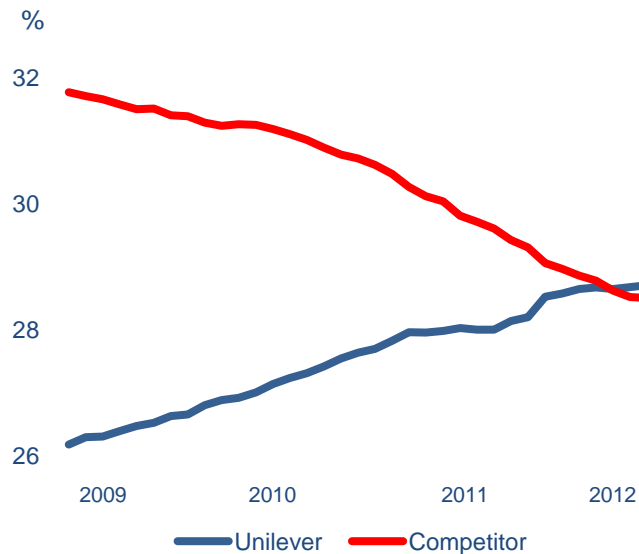
# Good progress in Personal Care



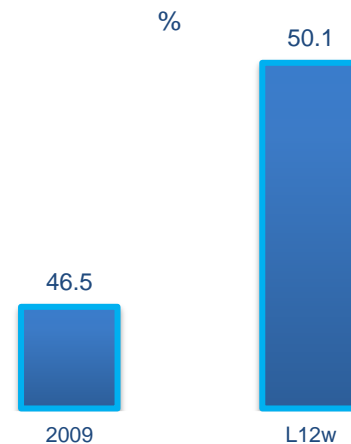
### Value share – Deodorants global



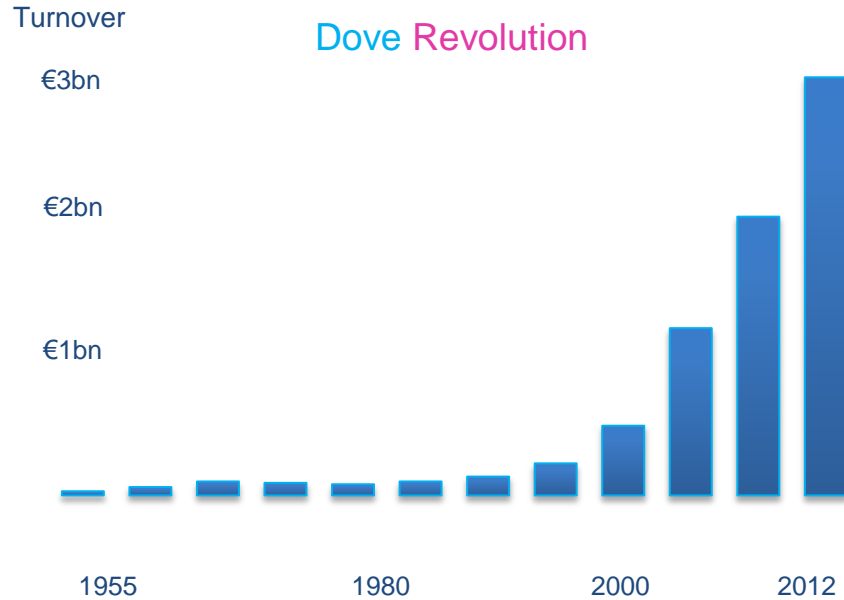
### Value shares - Hair care US



### Value shares – Toilet Soaps US



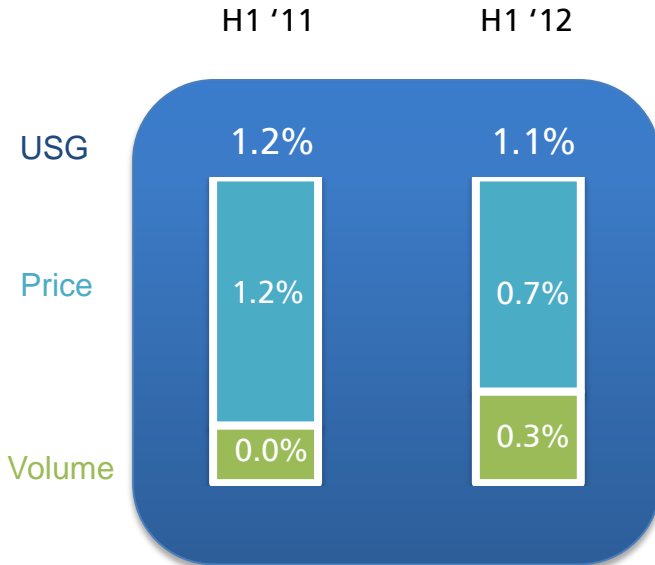
# Dove momentum continues - now more than €3bn turnover



50 years to reach €1bn; 11 years to add another €2bn



# Europe: Competitiveness improving



- Deteriorating economic and retail environment
- Selective investment in good growth opportunities
- Gaining volume and value share
- Iron discipline in costs – making tough choices

# A new Unilever: Clearer choices, better innovation



Magnum – our next €1bn brand

Knorr Jelly – €100m by year-end

M&A: TRESemmé Brazil > €100m year 1



Allocating A&P resources behind brands and categories with higher growth potential

# A new Unilever: Sustainable Living



## Consumer facing innovation



## Customer joint activities



## Raw materials



# A new Unilever: A mindset of continuous improvement



Complexity:  
Tea formulations reduced 27%



Enterprise Support  
↑ Service ↓ Cost

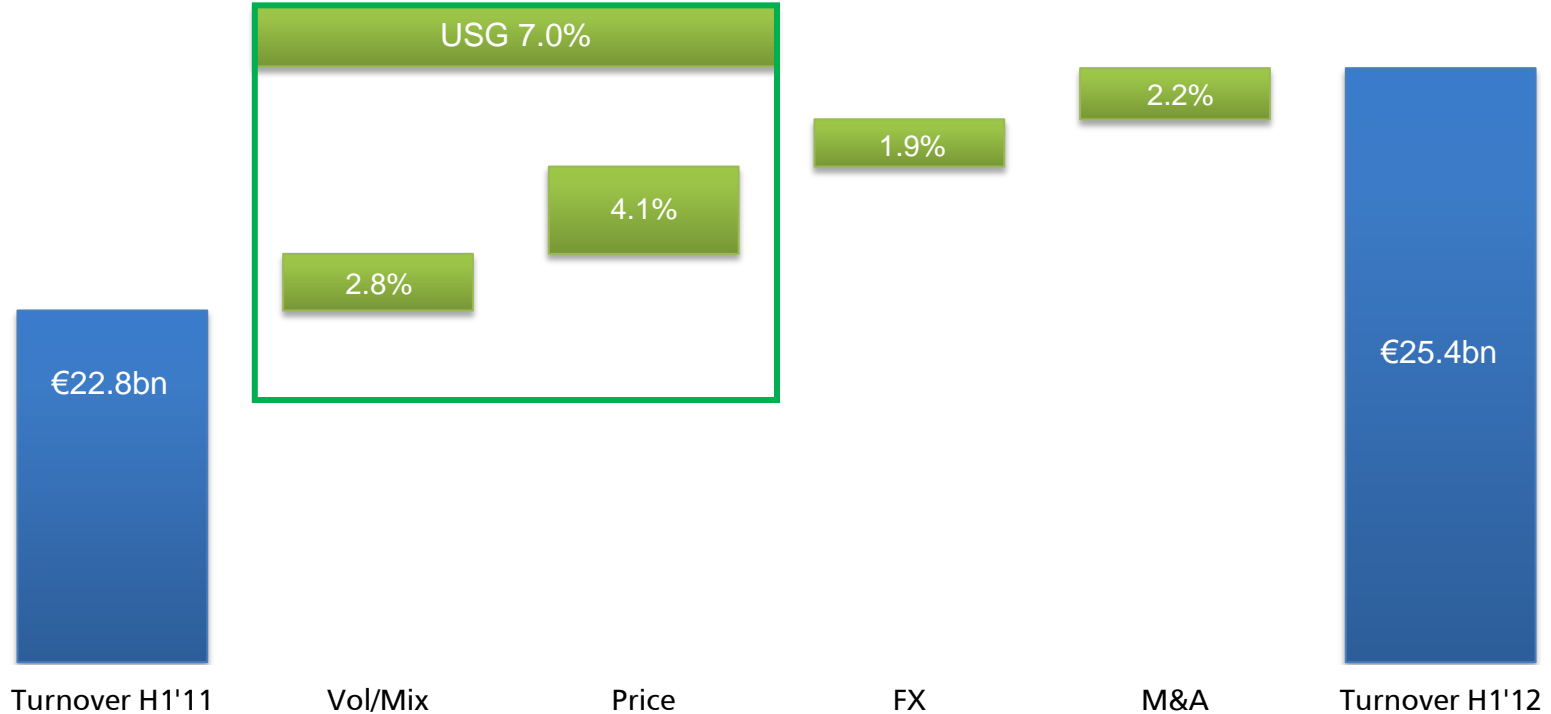


Consistent record of  
supply chain savings

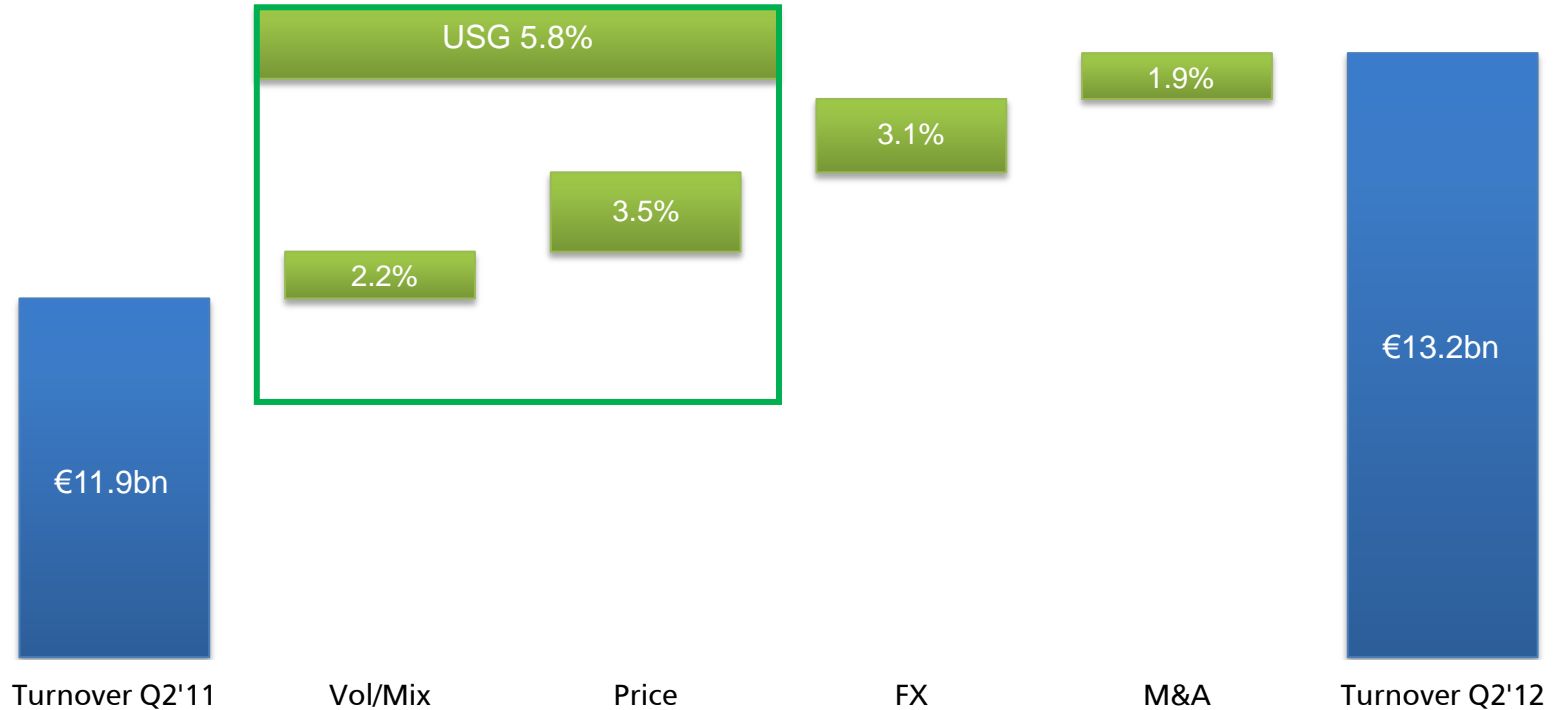




# H1 2012 -11.5% Turnover growth: healthy balance of volume and price



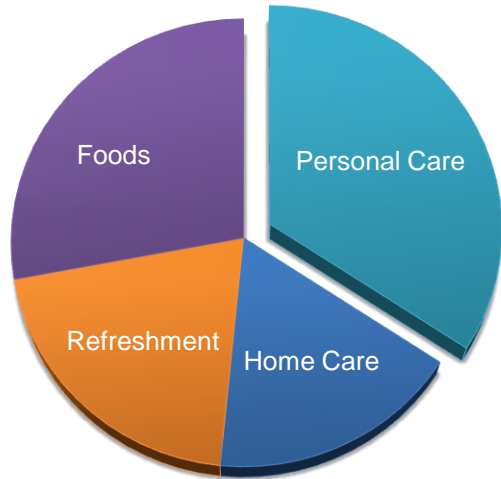
# Q2 2012 – 11% Turnover growth with positive FX and M&A



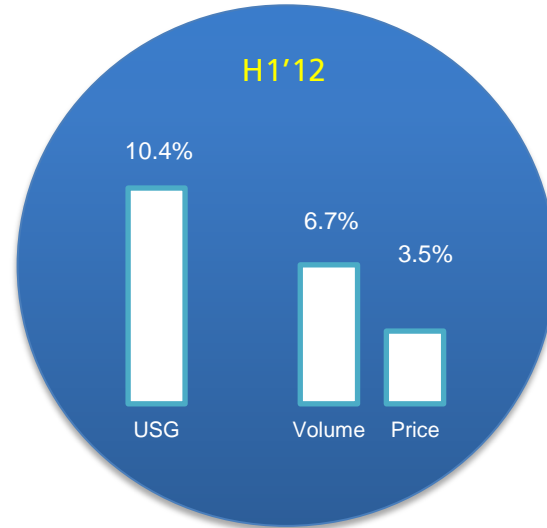
# Personal Care: Performing strongly



1/3<sup>rd</sup> of Unilever's turnover



Strong growth



Innovations reach >60 markets within 12 months





# Foods: Solid growth driven by price



Volumes impacted by relative pricing



Roll out of innovations continues



Market development campaigns



# Home Care: Strong momentum continues



### Underlying sales growth



### Key markets gaining share



### Innovation driving share gains



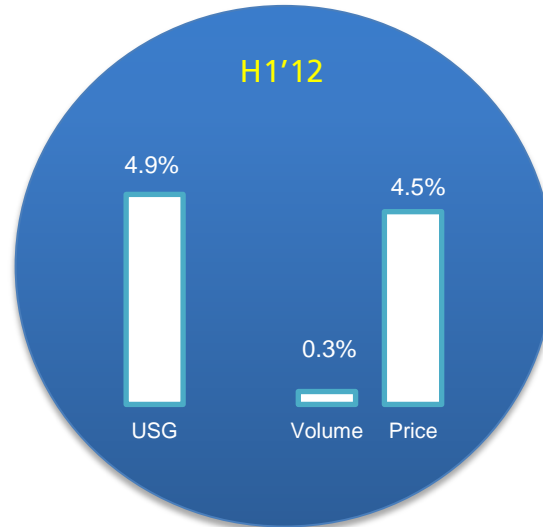
# Refreshment: Growth driven by Ice Cream



Cornetto film China 280m views



Refreshment volumes impacted by weather



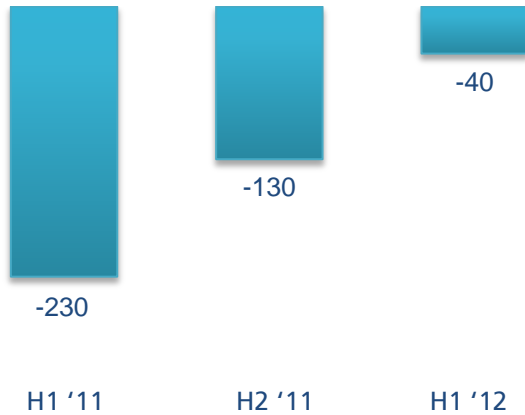
B&J's scoop shop – Japan



# H1 2012 - Gross margin at 39.7%



gross margin bps change

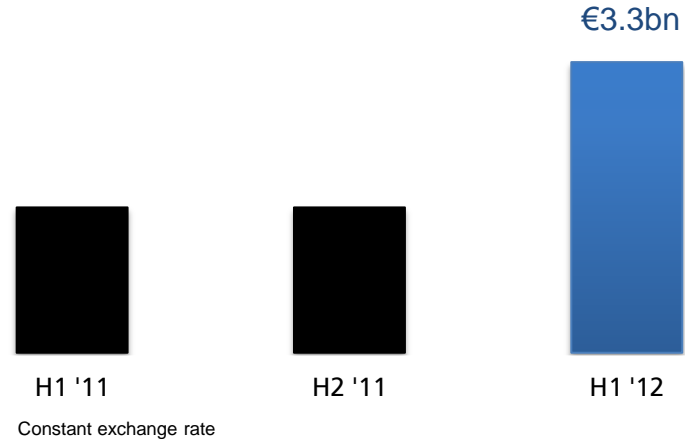


- Commodity cost inflation higher than mid-single digit
- Sequential improvement in gross margin continues
- Full year 2012 gross margin expected to be modestly higher

# H1 2012 – Again A&P investment up €320m

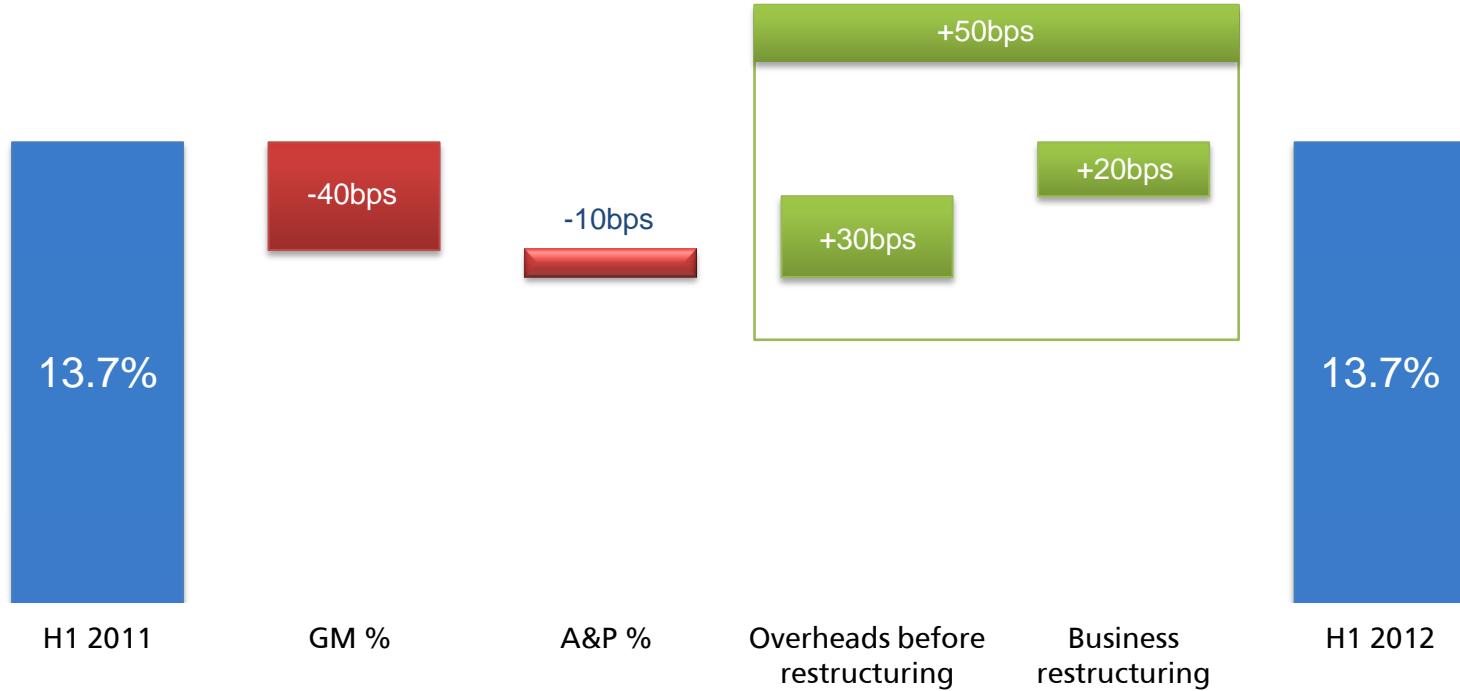


A&P €bn

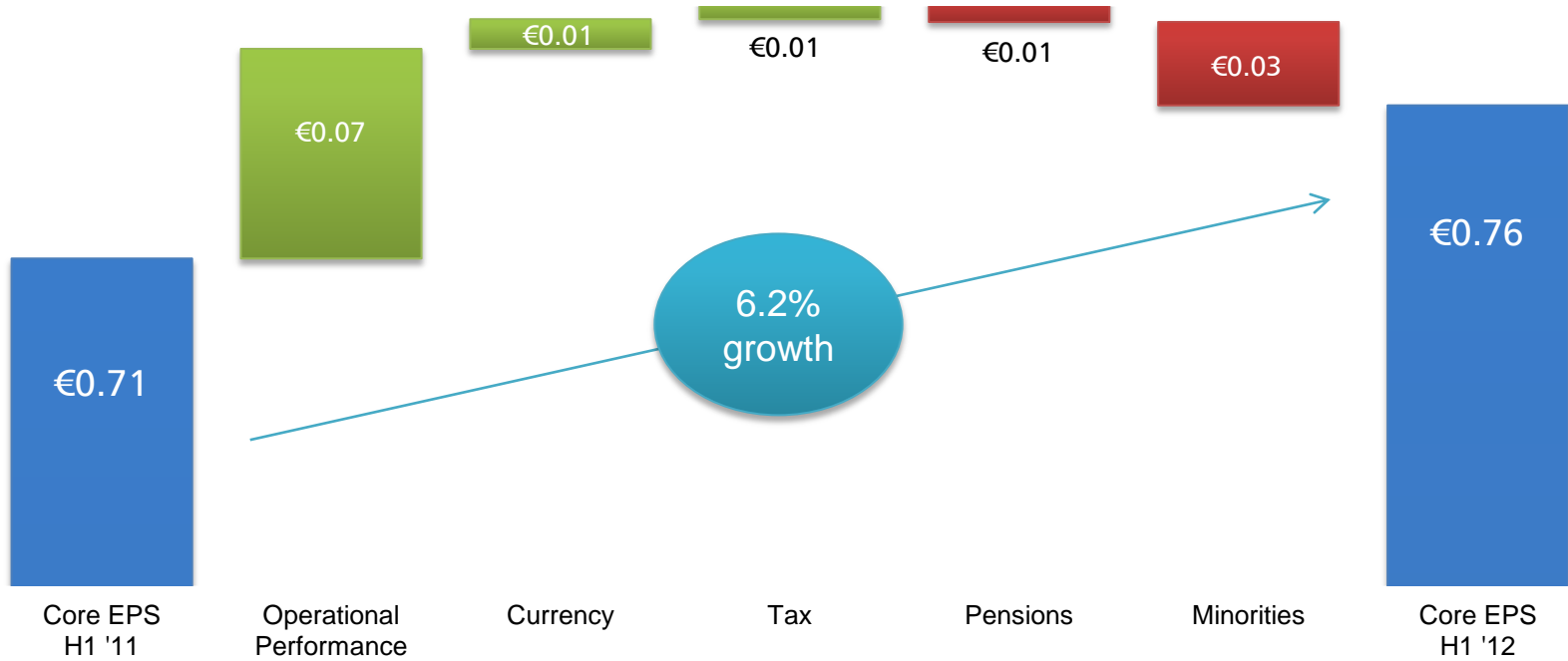


- Strong support behind our brands
- Digital advertising up 50% year-to-date
- 2012 A&P will increase at least in line with turnover

# H1 2012 - Core operating margin flat



# H1 2012 - Core earnings per share €0.76



Net Debt  
€9.2bn

Up €0.4bn

Pension deficit  
€4.1bn

Up €0.9bn

Cash contribution to  
pensions  
€0.3bn

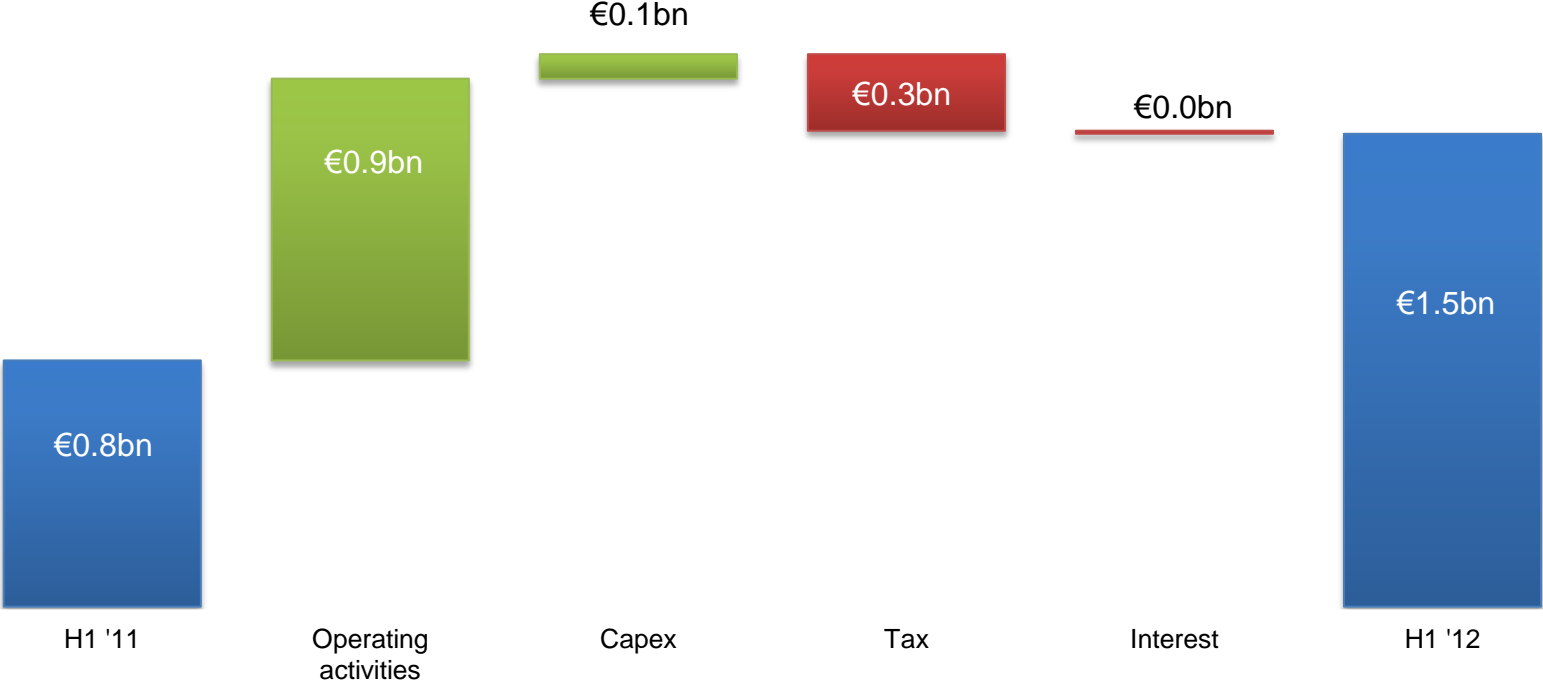
Full year expected €0.7bn

Quarterly dividend  
per share

€0.2430



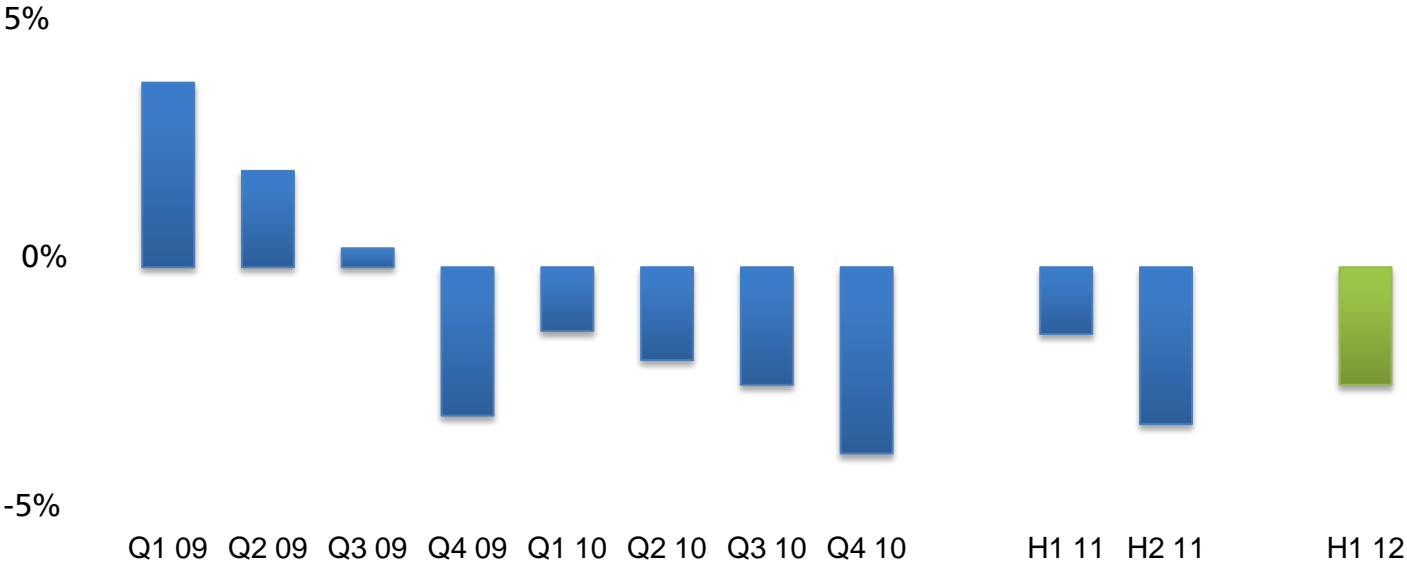
# H1 2012 - Free cash flow up €0.7bn



# Trading working capital negative for 11 quarters



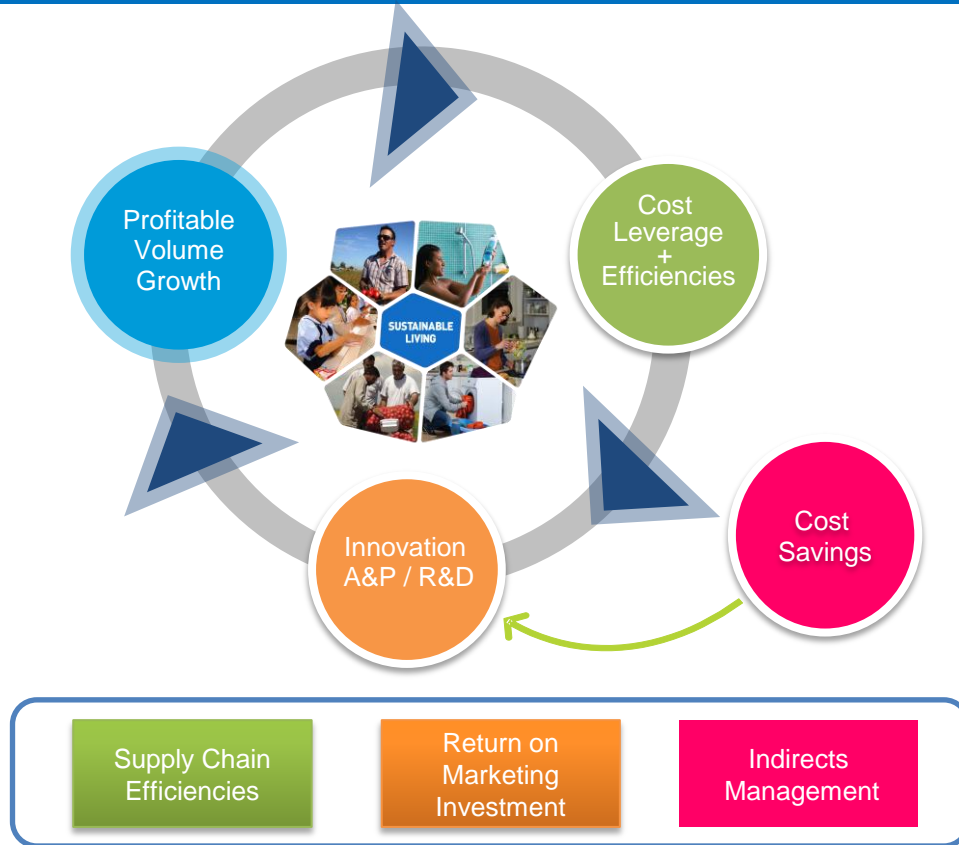
Trading Working Capital % Turnover (closing)



# Paul Polman – CEO



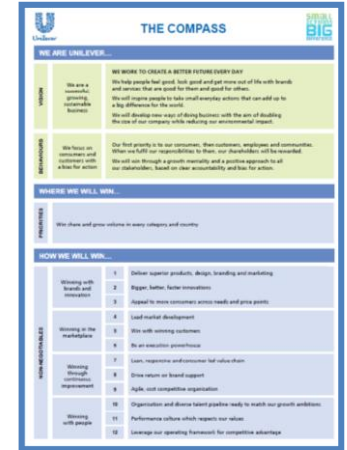
# Driving the virtuous circle of growth, each and every year



# Our priorities remain unchanged



1. Volume growth ahead of the market
2. Steady and sustainable core operating margin improvement
3. Strong cash flow



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# H1 2012: Fully diluted earnings per share €0.75

