

Unilever H1 2011 Results

Paul Polman – CEO Jean-Marc Huët – CFO
James Allison – Head of IR and M&A
August 4th 2011



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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 'expects', 'anticipates', 'intends', 'believes' 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, including, among others, competitive pricing and activities, economic slowdown, industry consolidation, access to credit markets, recruitment levels, reputational risks, commodity prices, continued availability of raw materials, prioritisation of projects, consumption levels, costs, the ability to maintain and manage key customer relationships and supply chain sources, consumer demands, currency values, interest rates, the ability to integrate acquisitions and complete planned divestitures, the ability to complete planned restructuring activities, physical risks, environmental risks, the ability to manage regulatory, tax and legal matters and resolve pending matters within current estimates, legislative, fiscal and regulatory developments, political, economic and social conditions in the geographic markets where the Group operates and new or changed priorities of the Boards. 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 2010. These forward-looking statements speak only as of the date of this document. 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.

Paul Polman – CEO



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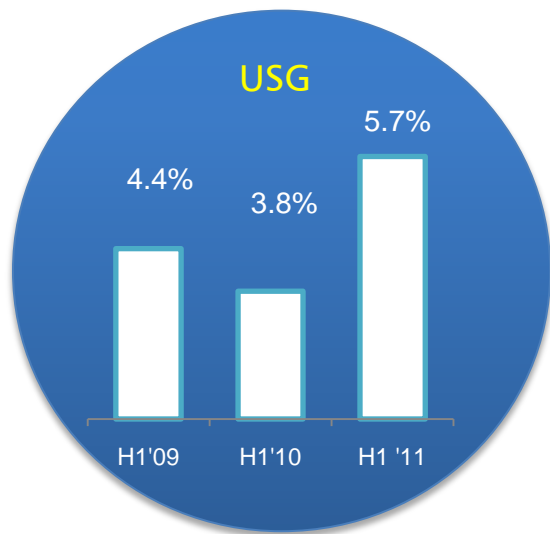
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Good performance against our priorities



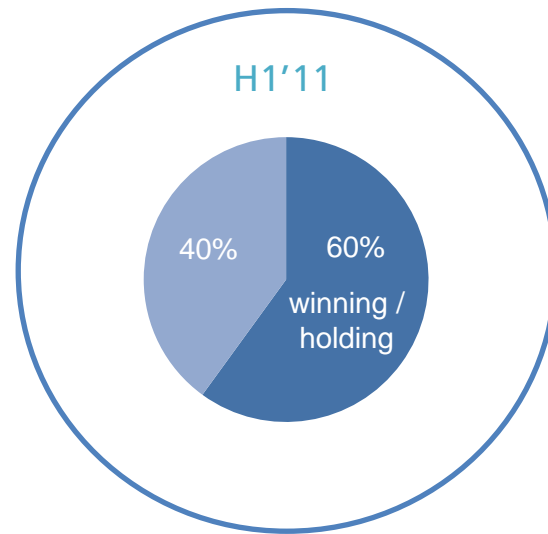
Strong sales growth



Volume growth remains robust



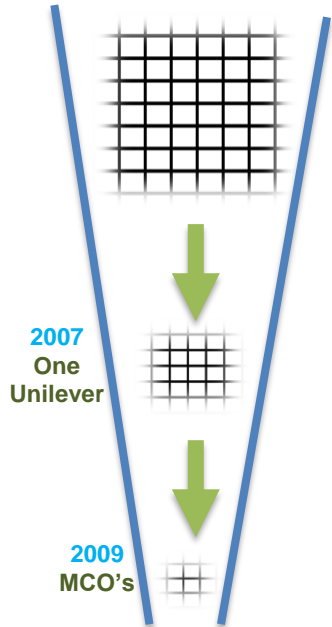
Gaining value share



Another step in the transformation



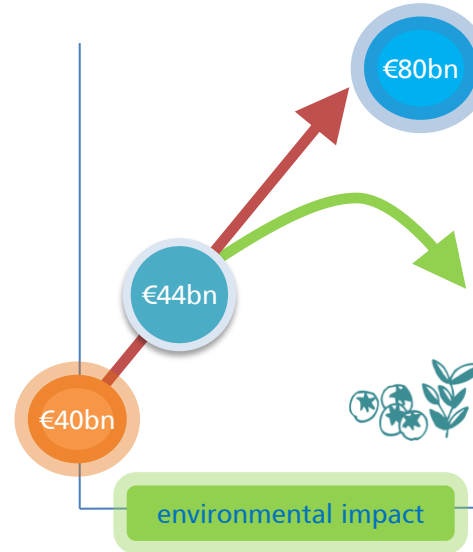
One Unilever



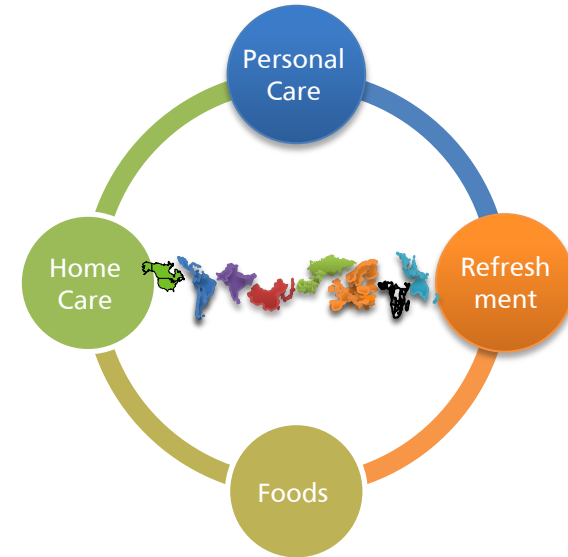
9 for 9

9 for 09	
1	Agree country & category strategies
2	Magnify innovations
3	Own market development
4	Improve sales fundamentals
5	Step change customer service
6	Win with winning customers
7	Win with local consumers through combined power of BB & BD
8	Drive up CASH and drive down COSTS
9	Simplify product / SKU range

The Compass



Innovation led organisation



A new organisation – 4 categories



Personal Care



Home Care



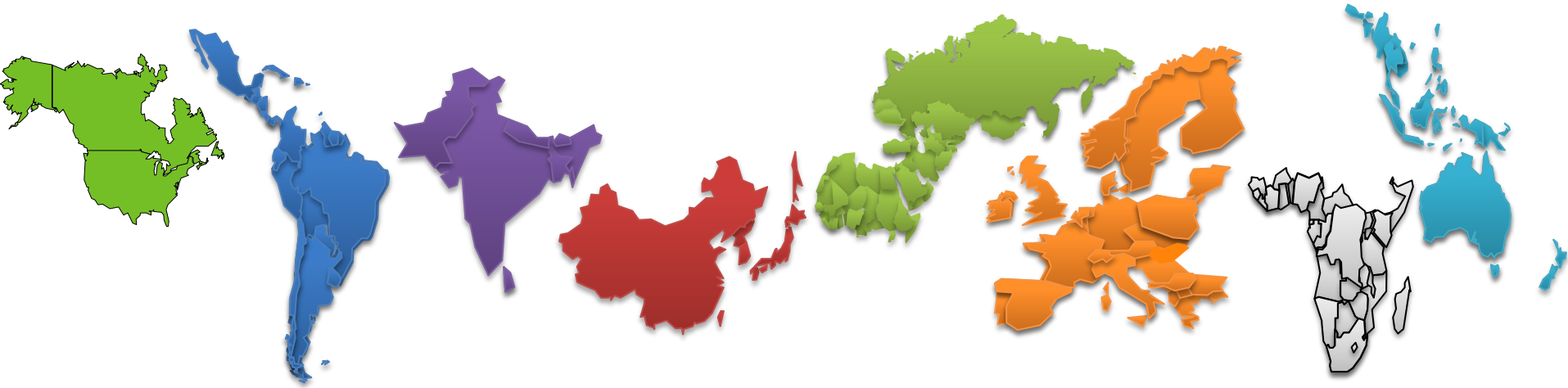
Refreshment



Foods

From 11 to 4 categories – driving strategy and innovation and leveraging scale

A new organisation – 8 clusters



North America

Latin America

South Asia

North Asia

NAMET & RUB

Europe

Africa South East Asia

From 22 MCO's to 8 mega clusters – focus around the consumer, faster and more cost effective

Jean-Marc Huët – CFO



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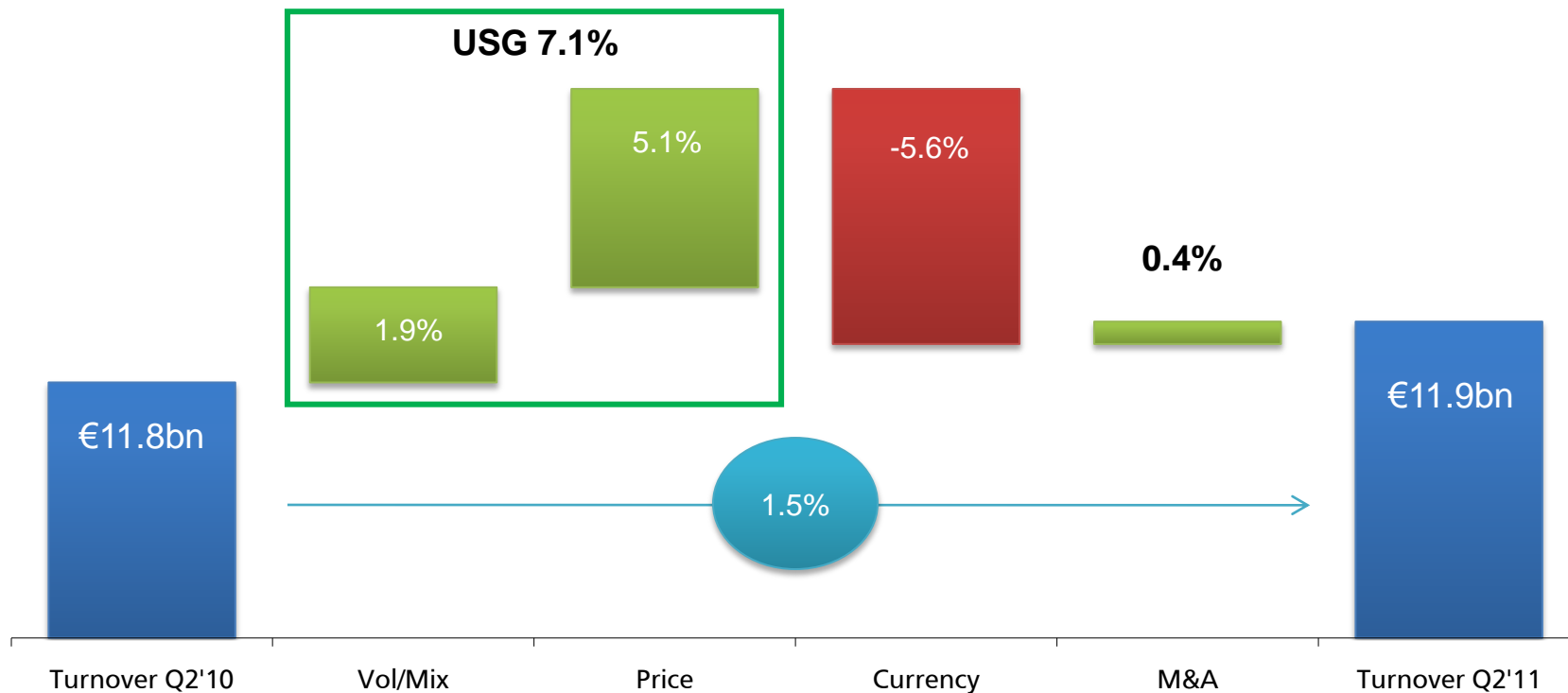
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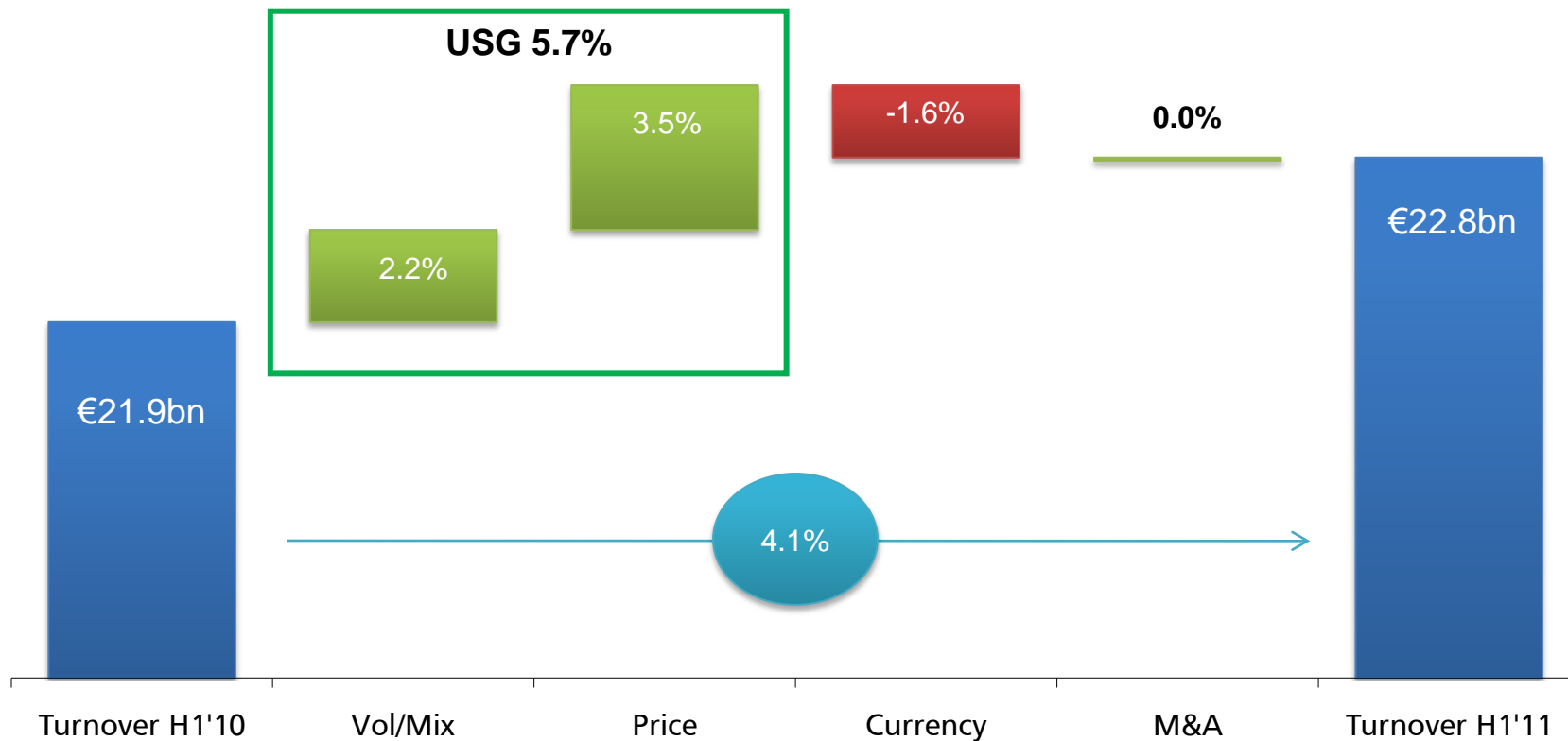
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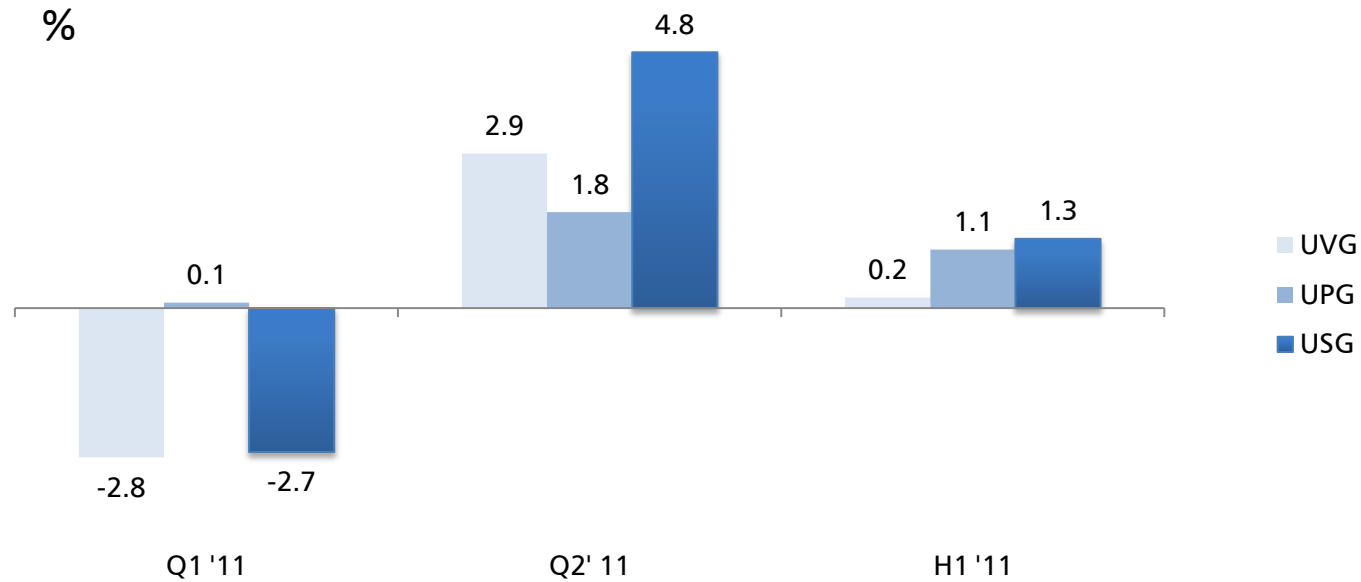
Q2'11: Highest growth since 2008



H1'11: Healthy balance between price and volume growth



H1'11: Western Europe stable over the first half

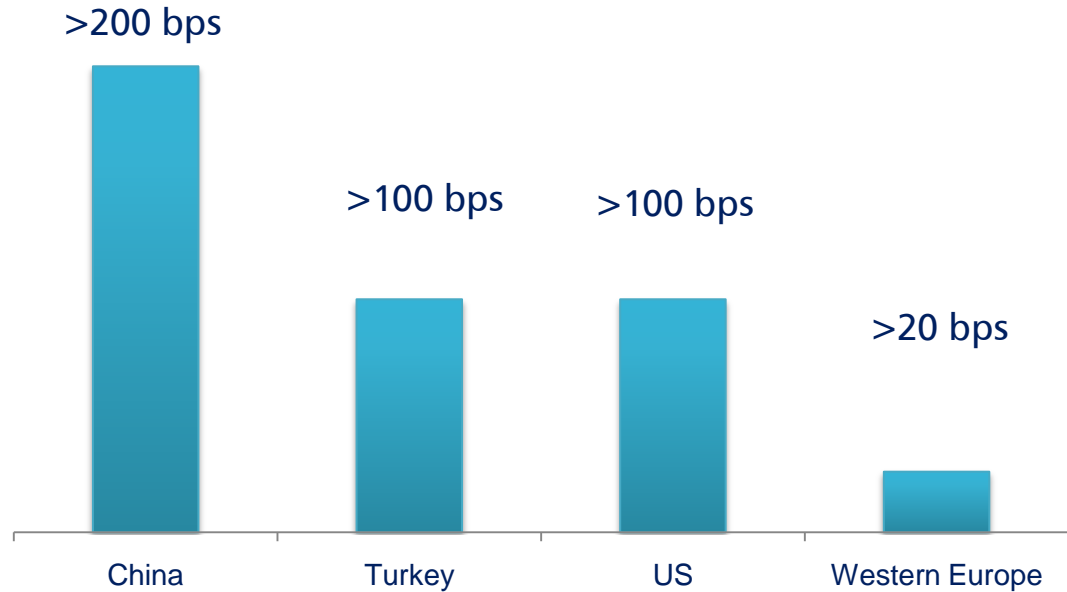


Growth in H1 in line with the market

We are winning where competition is intense - Hair



Value shares (L12 weeks)

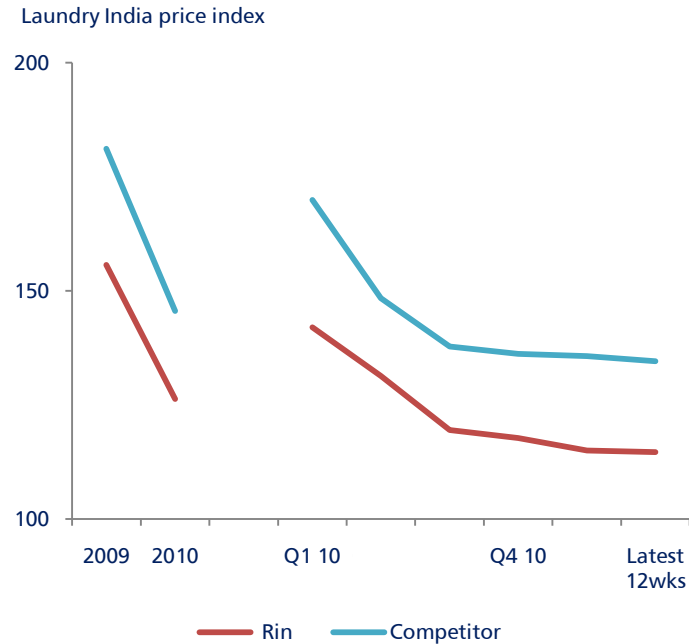


We are winning where competition is intense - Laundry



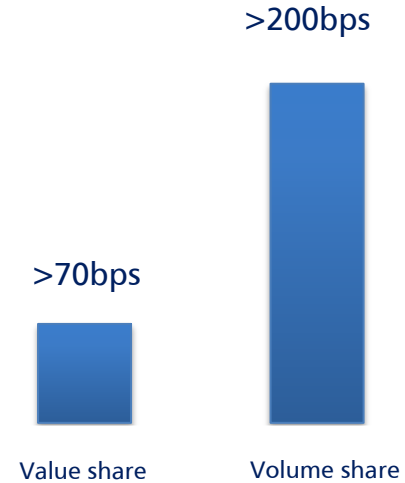
India Fabric Cleaning

Price competitiveness addressed



Delivering results

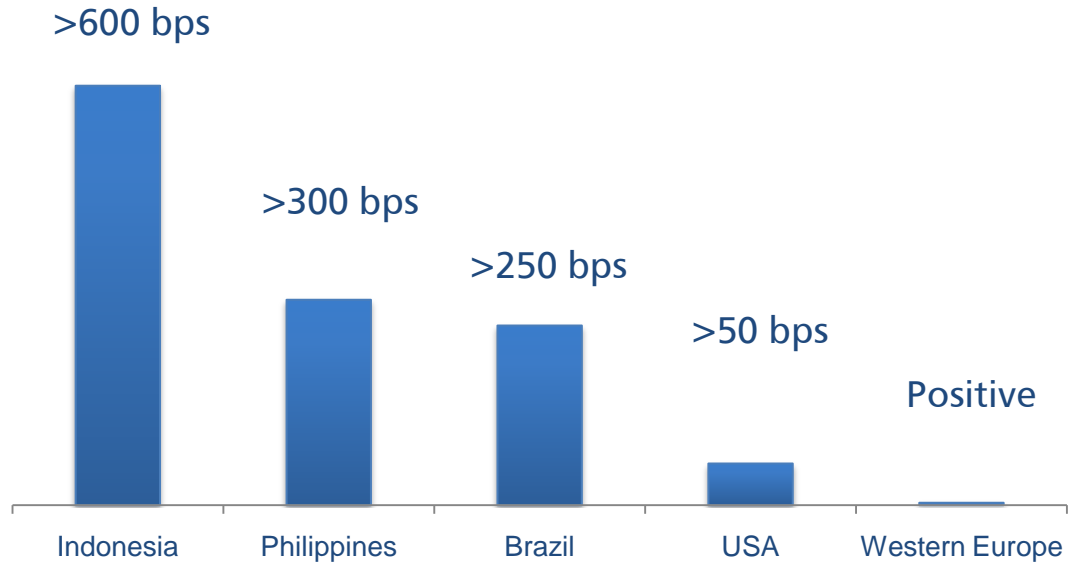
Latest 12 weeks



Winning globally in Ice Cream



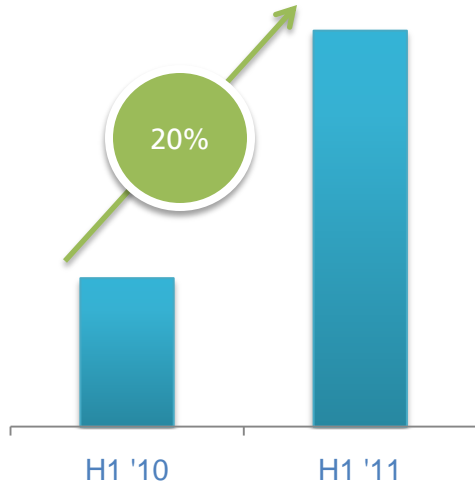
Value shares (L12 weeks)



Innovation underpins our growth



Bigger projects



Top 10 projects incremental turnover

Faster roll outs



100 countries in 12 months

Portfolio delivering more



Innovation rate > 30%

Radox – Spa range



Close Up – Fire Freeze



Lipton – Sun Tea



We continue to roll-out our brands into more markets



Axe - China



Café Zero – Benelux, Spain, Greece



Clear – Mexico



Integration work progressing well



Alberto Culver

Sara Lee

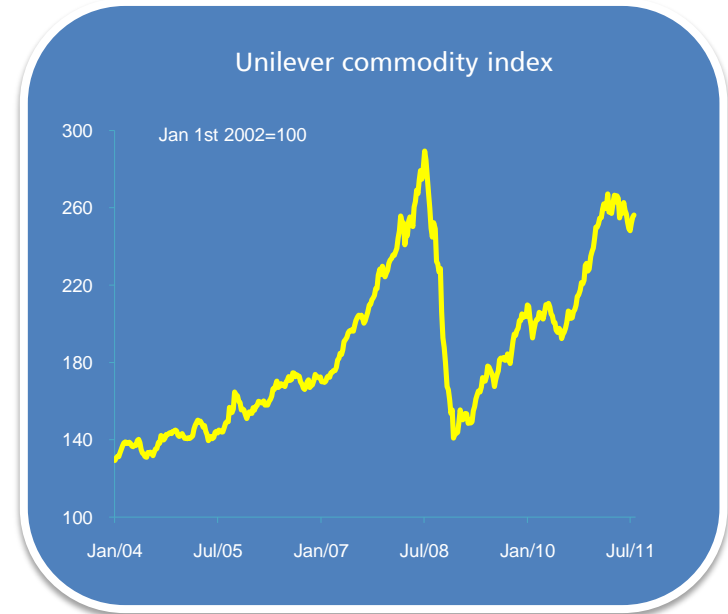


- Sara Lee integration nearing completion
 - Sanex disposal completed
 - Synergies in line with business case
- Colombia laundry acquisition completed
- Alberto Culver completed in May '11
 - Most countries fully integrated by end 2011
 - Synergies in excess of 10% turnover

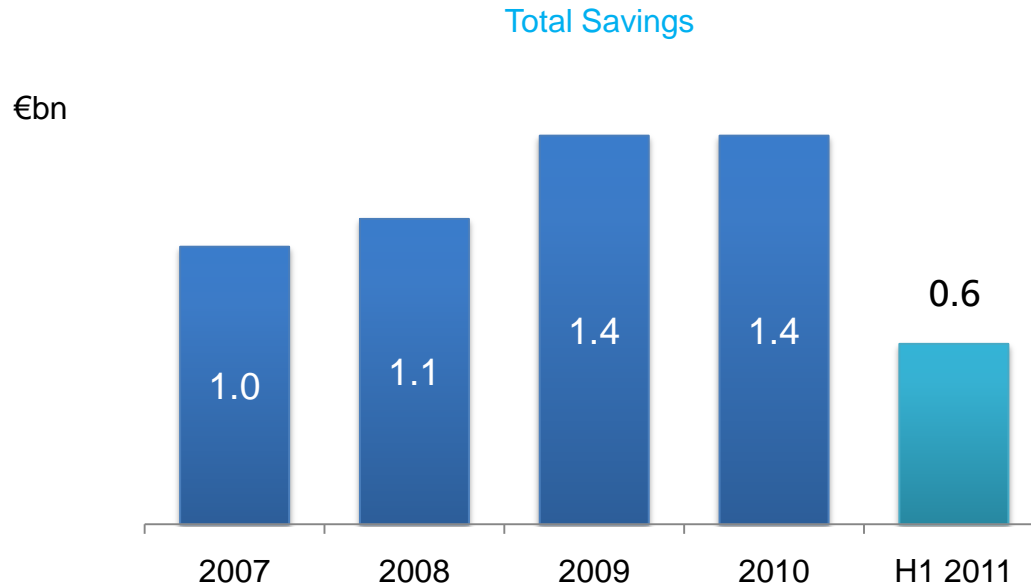
Commodity costs guidance unchanged 500-550 bps



- Crude oil unchanged at ~\$115 -\$120 p/b
- Edible oils softening but still very high
- Better positioned to manage volatility
- 90% of materials covered through year-end

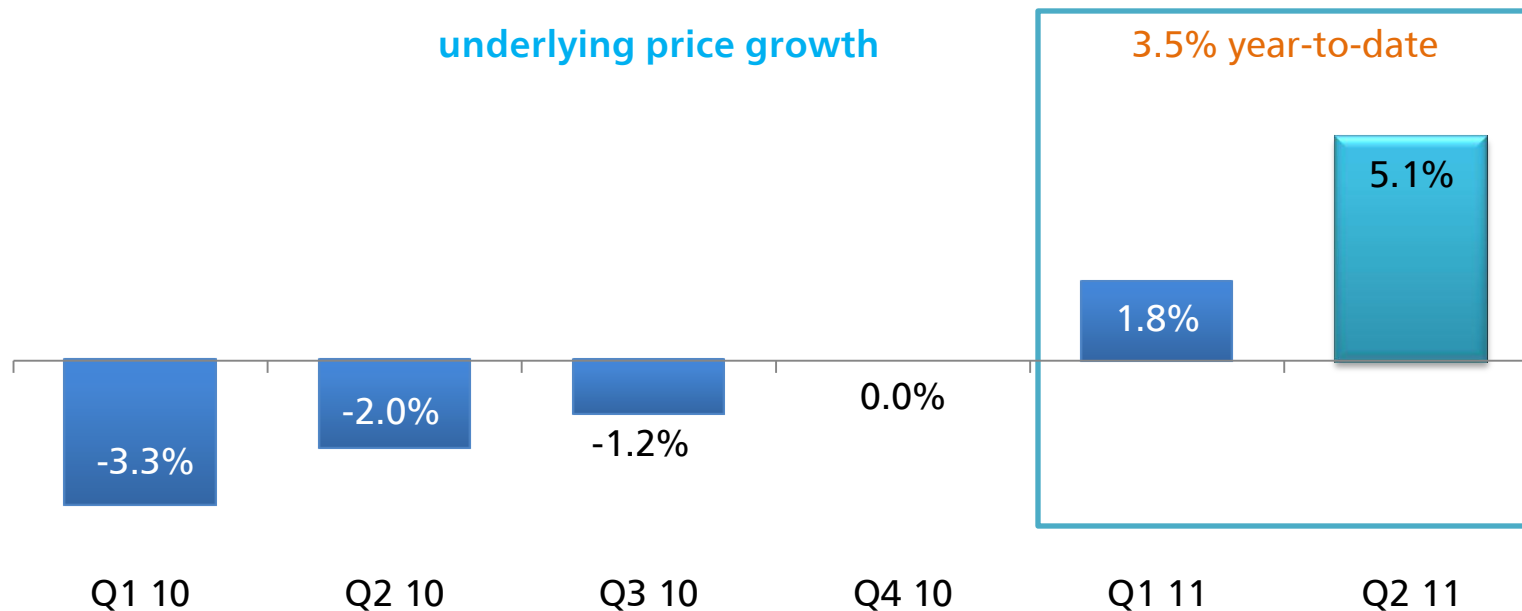


Full year savings programmes in excess of €1.3bn



Savings delivery to step-up further in the 2nd half

H1'11: Price growth has accelerated

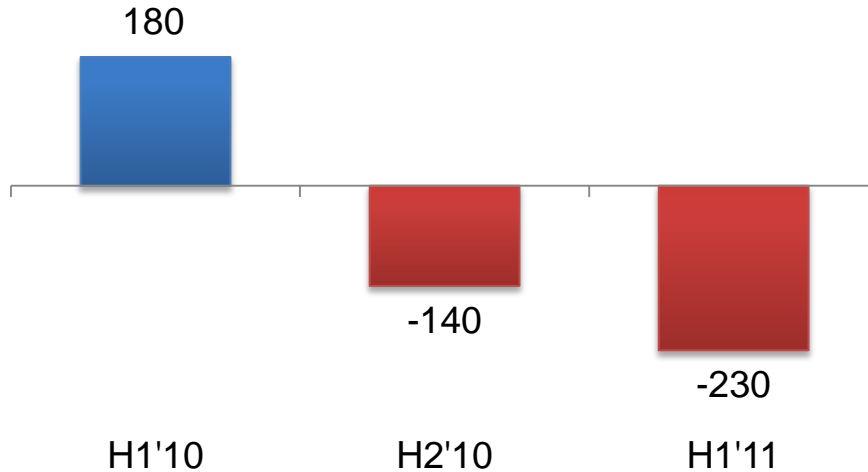


H2'11 underlying price growth at or slightly above the level seen in the 2nd quarter

Gross margin down



gross margin bps change



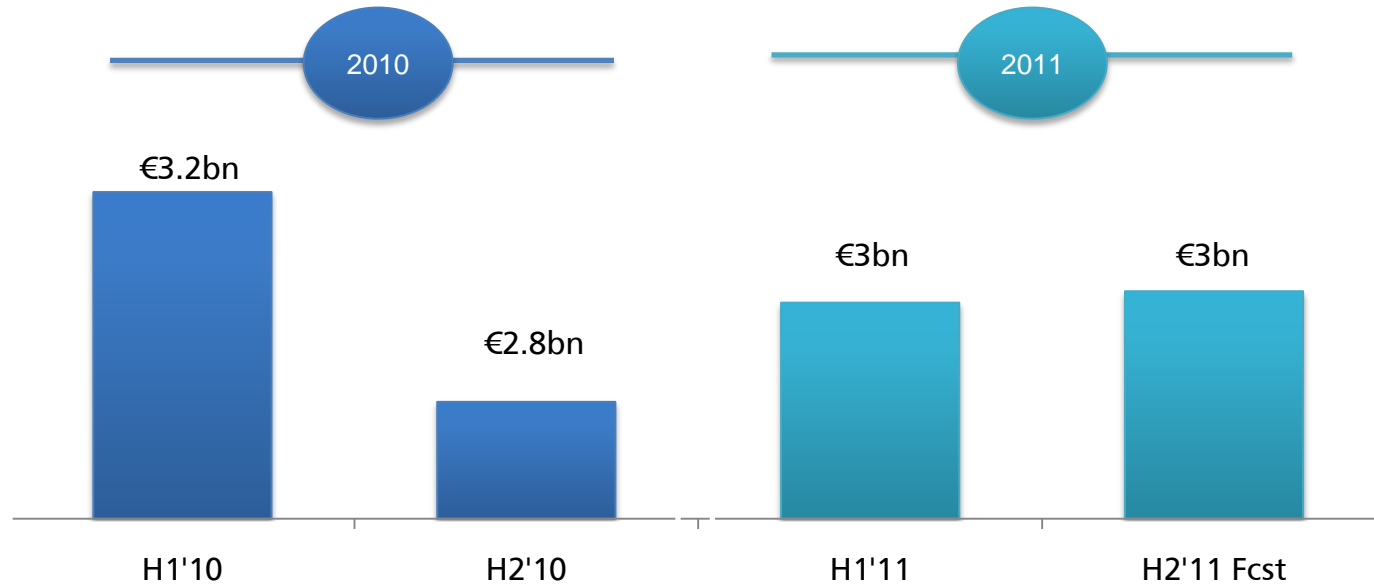
- Impact of commodities cost inflation ahead of pricing
- Higher factory and distribution costs
- Negative mix during H1 (e.g. Japan)

Year-on-year movement will improve as the year progresses

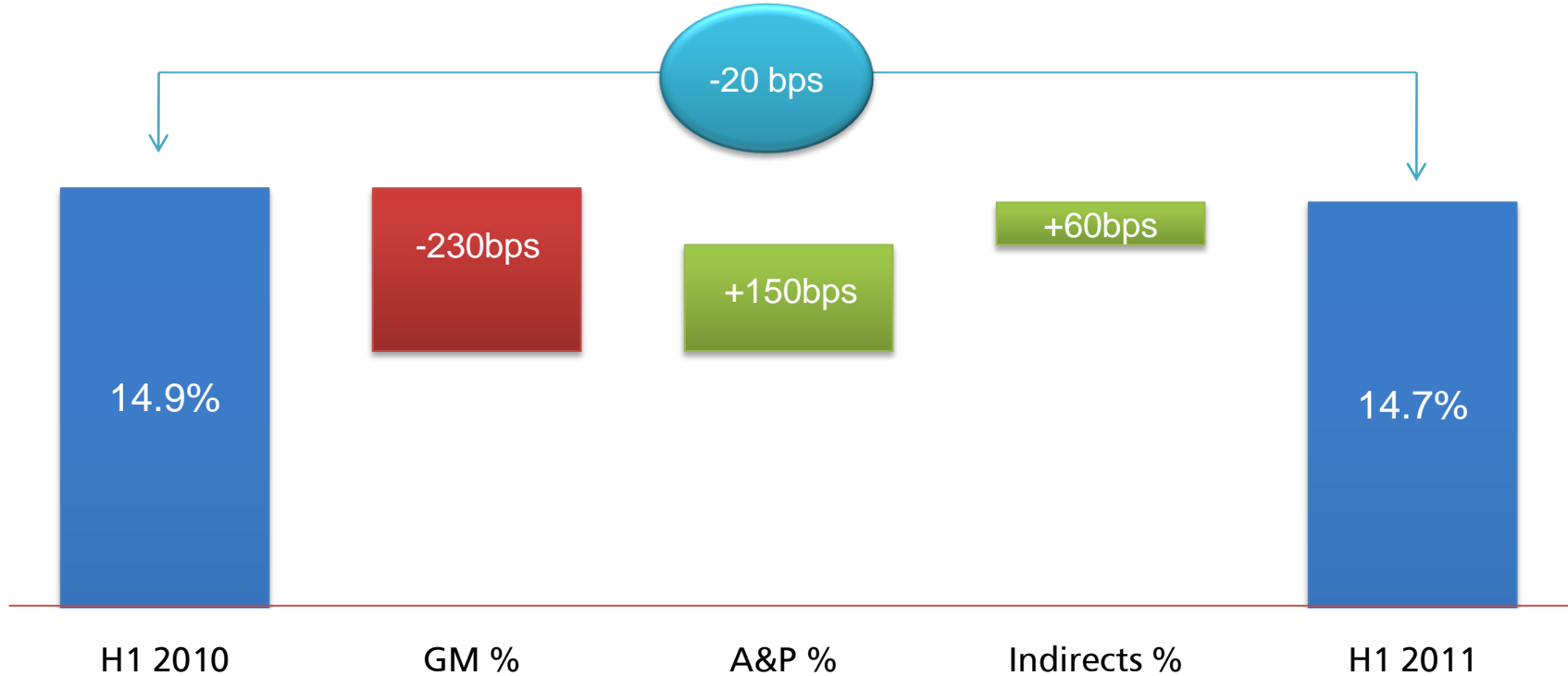
H1 '11: A&P investment – flat spend for the full year



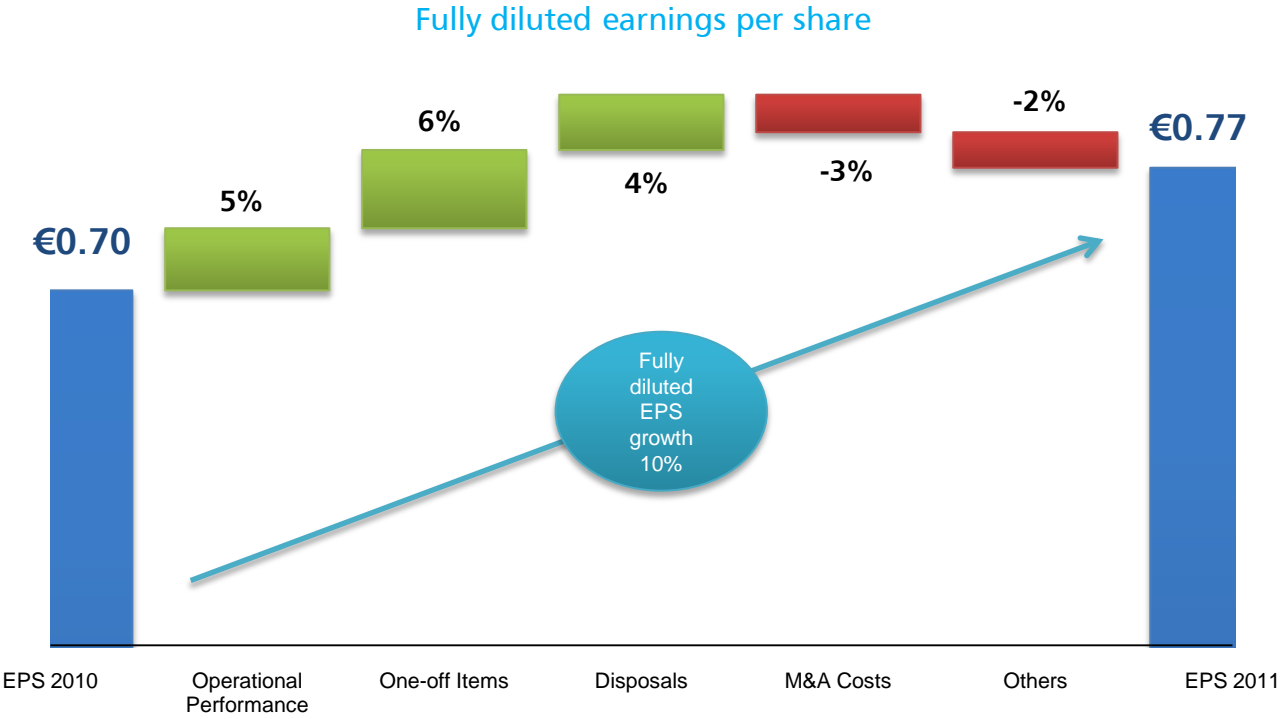
advertising and promotions trends €bn



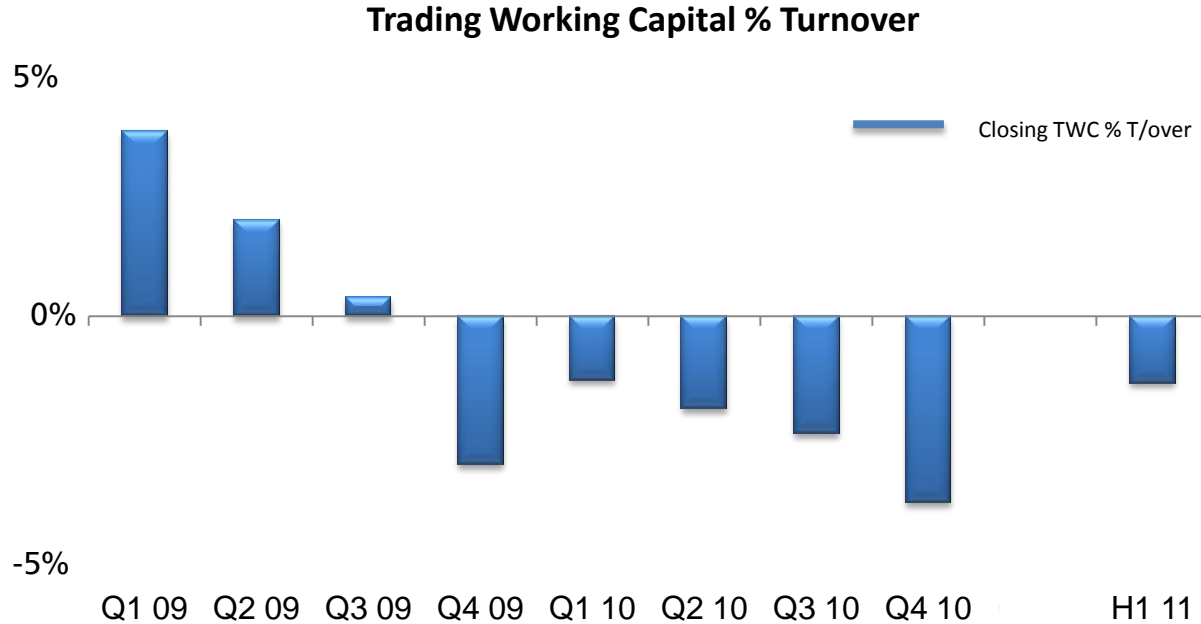
H1'11: Underlying operating margin down 20bps



H1 '11: Diluted earnings per share growth



7th consecutive quarter of negative working capital

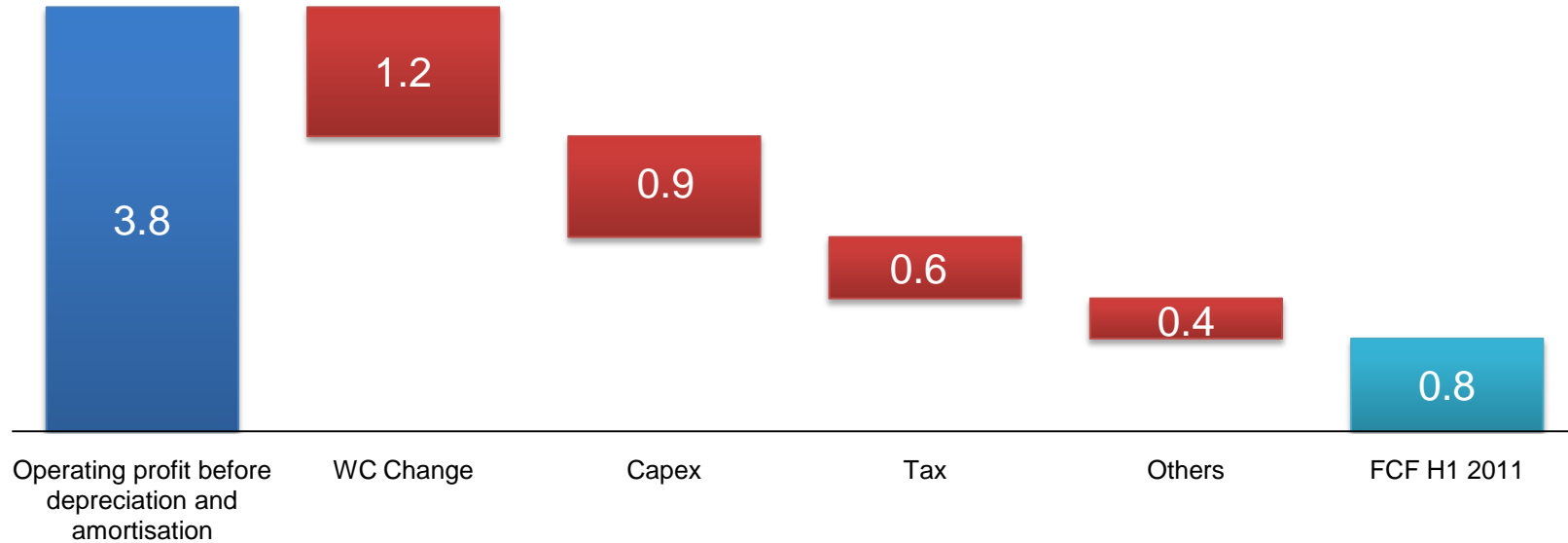


Working capital outflow of €1.2bn from end 2010

Free cash flow impacted by seasonal outflow of working capital



€bn



Balance sheet remains strong



Net Debt
€8.1bn
(€1.4bn increase
from 2010)

Pension Deficit
€1.5bn
(from €2.1bn at
end 2010)

**Cash Contributions
to Pensions**
€0.2bn

Quarterly Dividend
€0.225 per NV share

€2.7bn paid for Alberto Culver in May 2011

Paul Polman – CEO



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Good progress in a difficult environment

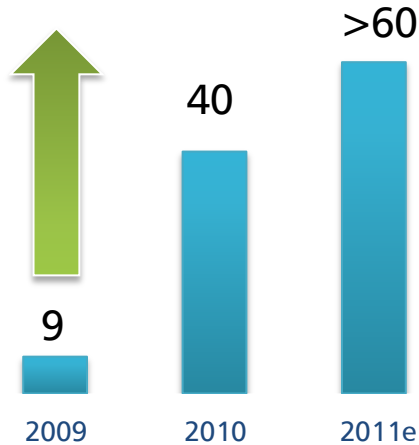


Filling white spaces



~ 130 new brands into markets

Faster roll outs



of projects launched in >10 markets

A new organisation

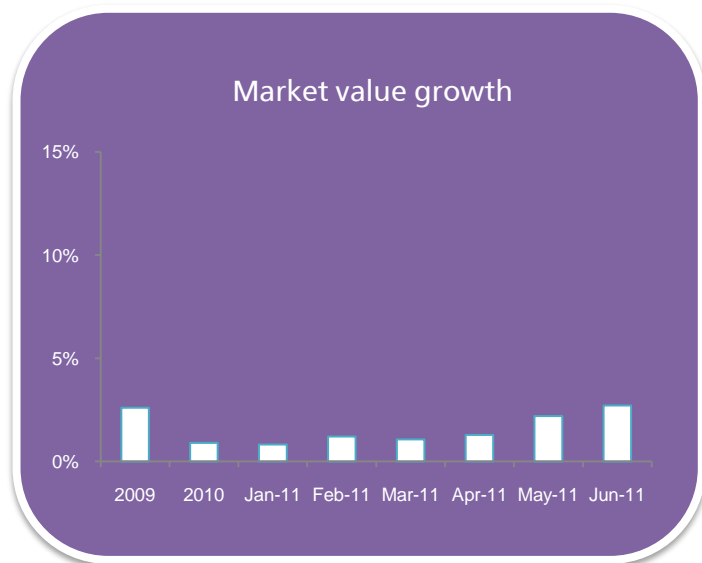


Performance culture

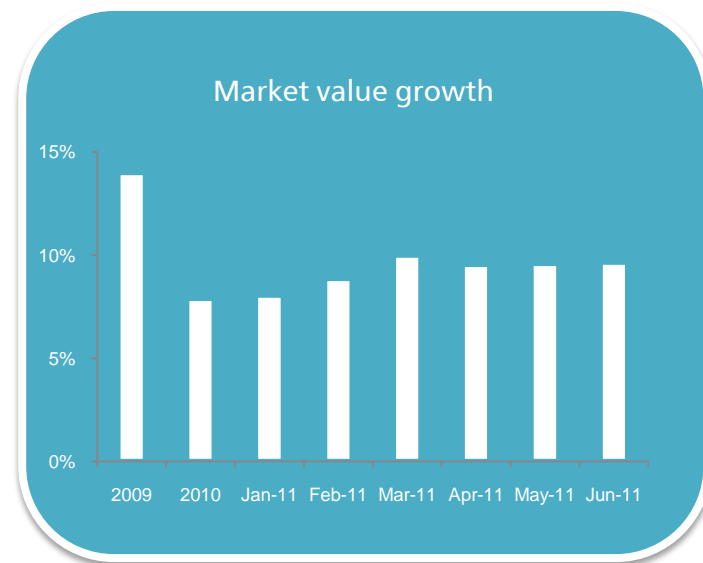
Consumer environment remains fragile: two speed economy



Developed markets



Emerging markets



Opportunities to raise the bar further



Sharper choices



New structure implementation



Sustainable Living Plan

IMPROVING HEALTH AND WELL-BEING	REDUCING ENVIRONMENTAL IMPACT	ENHANCING LIVELIHOODS				
<p>HEALTH AND HYGIENE By 2020 we will help more than a billion people to improve their hygiene habits and we will bring safe drinking water to 500 million people. This will help reduce the incidence of life-threatening diseases like diarrhoea.</p>	<p>NUTRITION We will continually work to improve the taste and nutritional quality of all our products. By 2020 we will double the proportion of our portfolio that meets the highest nutritional standards, based on globally recognised dietary guidelines. This will help hundreds of millions of people to achieve a healthier diet.</p>	<p>GREENHOUSE GASES Halve the greenhouse gas impact of our products across the lifecycle by 2020.*</p>	<p>WATER Halve the water associated with the consumer use of our products by 2020.**</p>	<p>WASTE Halve the waste associated with the disposal of our products by 2020.**</p>	<p>SUSTAINABLE SOURCING By 2020 we will source 100% of our agricultural raw materials sustainably.</p>	<p>BETTER LIVELIHOODS By 2020 we will link more than 500,000 smallholder farmers and small-scale distributors into our supply chain.</p>

Driving rigour and discipline in all areas of the business

Priorities unchanged



1. Drive volume growth ahead of the markets
2. Steady and sustainable underlying operating margin improvement
3. Strong cash flow

Above all, ensure our brands are managed for the long term health of the business

Questions



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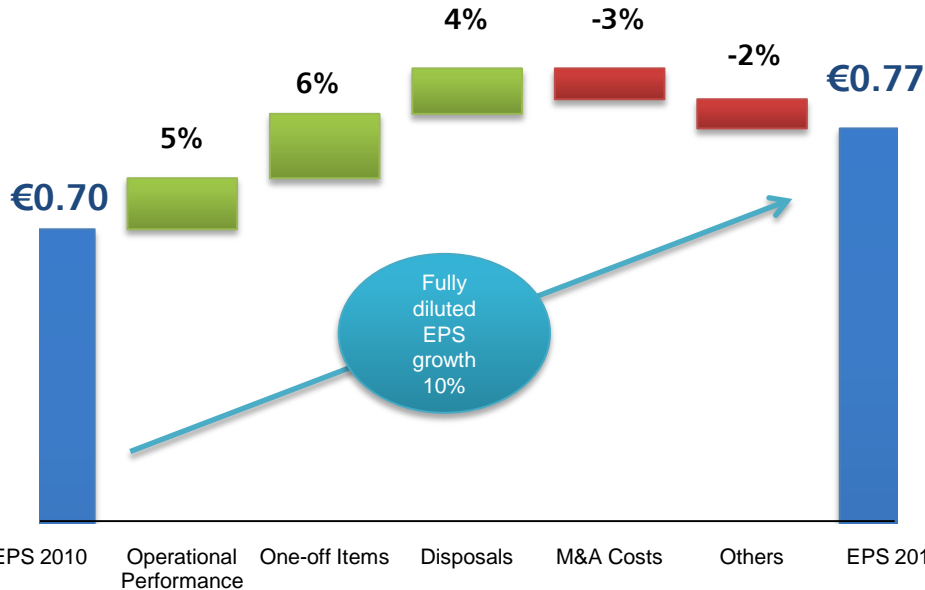
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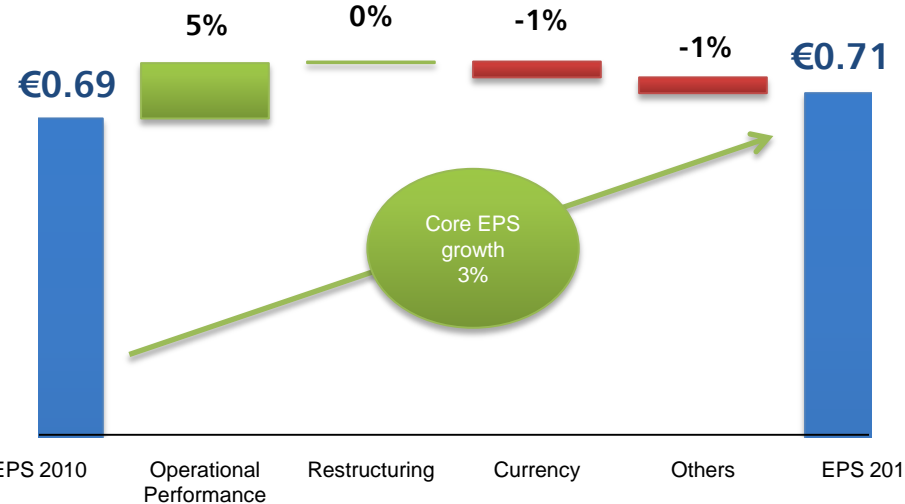
Appendix: H1'11 Diluted earnings per share growth



Fully diluted earnings per share



Core earnings per share (fully diluted)



Core earnings per share: net profit attributable to shareholders' equity minus the post tax impact of business disposals, impairments, acquisition and integration costs and other one-off items.