Disclaimer

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The Summary Financial Statement in the Unilever Annual Review 2006 has been examined by our auditors.

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The information is given as of the dates specified, is not updated, and any forward-looking statements are made subject to the reservations specified on the final page of the Full Report.

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Adding vitality to life

2006 Annual Review

Highlights

Financial highlights

- Underlying sales growth of 3.8%
- Operating margin of 13.6%, up from 13.2% in 2005
- Net profit from continuing operations up 10%
- Net profit from total operations up by 26% including profit from sale of European frozen foods businesses
- Total regular dividend to rise by 6% for both NV and PLC. Additional one-off dividend of €750 million paid in the fourth quarter

Operational highlights

- Focus on personal care, developing and emerging markets, and Vitality delivering strong growth and share gains in priority areas
- Growth in Europe of 1%
- Market competitiveness restored. Market shares stable in aggregate
- Change programme delivering tangible results

Turnover(1)(2)

	€ million		£ million
2006	39 642	2006	27 028
2005	38 401	2005	26 255

Operating profit(1)(2)

	€ million		£ million
2006	5 408	2006	3 687
2005	5 074	2005	3 469

Dividends(2)(3)

	€ per Ordinary €0.16 share of NV		pence per Ordinary 3 1/9p share of PLC
2006	0.70	2006	47.66
2005	0.66	2005	45.13

(1) From continuing operations.
(2) For $ conversions, see the Summary Financial Statement on page 27.
(3) In addition, a one-off dividend of €0.26 per Ordinary NV share and 17.66p per Ordinary PLC share was paid in December 2006.

Highlights

Financial highlights

Operational highlights

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Important note

The two parent companies, Unilever N.V. (NV) and Unilever PLC (PLC), together with their group companies, operate effectively as a single economic entity (the Unilever Group, also referred to as Unilever or the Group). This Annual Review therefore deals with the operations and the results of the Unilever Group as a whole. The Unilever Annual Review (which contains the Summary Financial Statement) and Annual Report and Accounts are produced in Dutch and English.

Forward-looking statements

This document contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking statements including within the meaning of the US Private Securities Litigation Reform Act of 1995. For a description of factors that could affect future results, reference should be made to the full 'Cautionary statement' on the inside back cover.

Who we are A changing Unilever

Our mission is to add Vitality to life. We meet everyday needs for nutrition, hygiene and personal care with brands that help people feel good, look good and get more out of life.

Unilever is changing – from the way we are structured and the way we operate, to the choices we make and the priorities we set.

We have a reformed governance, a new structure and a 'One Unilever' programme creating consistency, delivering cost savings and enabling us to leverage our global scale. We are developing and implementing brilliant consumer marketing. We are strengthening our relationships with retail customers. And we are outsourcing transactional operations in IT, finance and human resources so that we can focus on growing global brands.

In supporting our growth strategy, these changes are all making an impact on performance. 2006 was a year of progress, showing consistent broad-based growth, with all regions and all categories contributing, and savings programmes delivered ahead of plan, helping to offset higher input costs.

Our investment priorities – personal care, developing and emerging markets, and Vitality – are fuelling this growth. For example, our Vitality mission is shaping and directing our brand development, our partnerships and the way in which we operate around the world.

On the following pages you will recognise many of our world-famous brands and see how our values – our desire to improve people's lives, our commitment to the communities in which we operate – are at the heart of our business. But you will also witness a new purpose, a new confidence and a new hunger to succeed.

Whether serving the world's most affluent consumers or those with very limited disposable income, we always remember that respect and reputation have to be earned. And retaining the trust and credibility that Unilever has built up over many years is critical to our success in helping people 'feel good, look good and get more out of life'.

www.unilever.com

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Our brands

Our brands are a trusted part of consumers' lives all around the world. From soups to soaps, mayonnaise to moisturiser, we have around 400 brands that help people feel good, look good and get more out of life.

Our €1 billion global brands

You'll find these brands all over the world. They are outstandingly successful, with every one achieving sales of over €1 billion a year.

- *Knorr*
- *Lux*
- *Surf*
- *Hellmann's/Calvé*
- *Omo (Rinso)*
- *Lipton*
- *Sunsilk*
- *Dove*
- *Rama*
- *Flora/Becel*
- *Heartbrand ice creams (Cornetto)*
- *Rexona*

Other global brands

These world-class brands are enjoyed by millions of people globally.

- *Radiant (Rin)*
- *Bertolli*
- *Axe*
- *Lifebuoy*
- *Slim•Fast*
- *Domestos*
- *Comfort*
- *Signal (Pepsodent)*
- *Vaseline*
- *Cif*
- *Pond's*

Some of our brands may be marketed under alternative names in certain countries.

Local favourites

Some of our brands are found in only a few countries. Here are a few of the most well known.

- *Bango*
- *Breyers*
- *Marmite*
- *Hertog*
- *Fair & Lovely*
- *Andrélon*
- *all*
- *PG Tips*

We employ people on every continent and invest heavily in research and development (R&D) to grow brands which are part of people's daily lives all over the world.

179 000

employees at the end of 2006

24

nationalities among our top 123 managers

around 100

countries in which we operate

€78m

contributed to communities around the world in 2006

8 years

as food industry category leader of the Dow Jones Sustainability Indexes

over €900m

spent on R&D worldwide

www.unilever.com

Chairman's report A message from Antony Burgmans

2006 was not only Antony Burgmans' last year as Chairman of Unilever, but also a year of accelerating change for the company. Much of that change has affected our corporate governance.

In 2006 we regained the initiative in the marketplace resulting in top line growth of 3.8% and a stabilisation of our market shares.

Many initiatives such as 'One Unilever' were accelerated and executed with great skill and discipline.

On behalf of the Boards I would like to thank Patrick and his team, as well as all our 179 000 employees around the world, for their hard work and commitment.

Although economic activity has been favourable, in other business areas (for example raw material prices) the going has been tough. Therefore the words of appreciation from the Boards are well deserved.

I would like to report back to you on a number of issues concerning the dual structure, Board composition and Board evaluation.

Dual structure

In 2005 three proposals were put forward to change Unilever's constitutional arrangements. All were approved by shareholders at the two Annual General Meetings (AGMs) which were held in May 2006.

As a result, we now have greater flexibility to allocate assets between the two parent companies. In addition, there is full transparency between our share prices since there is one-to-one equivalence in their economic interests in the Unilever Group. Finally, our shareholders have the right to nominate candidates to the Boards.

All of this means we have simplified the relationship between our NV and PLC shares, and strengthened several elements of Unilever's corporate governance. At the same time, the Group continues to benefit from its dual structure.

I would like to remind you that the dual structure refers to the legal framework of Unilever. When it comes to the day-to-day management of Unilever's operations the Group is run on the principle of one operating unit and as such the vast majority of employees are, quite properly, unaware of our legal structure.

Board succession

During 2006 we continued our search to identify candidates for the Boards who would strengthen its expertise and independence. We are very pleased that Genevieve Berger, Narayana Murthy and Hixonia Nyasulu have expressed their willingness to serve on Unilever's Boards; they will be proposed as Non-Executive Directors at the AGMs in May 2007. Genevieve is a Professor of Biophysics and Medical Imaging at Paris University VI and Chairman of the Advisory Board 'Health' for the EU Commission for Research. Narayana is co-founder and Chairman of Infosys Technologies Limited. Hixonia is a Non-Executive Director of Sasol Limited and Anglo Platinum and an Advisory Board Member of JP Morgan South Africa. Their appointments will bring further diversity of background and experience to the Boards and we hope that their nominations will be approved by shareholders.

"We are delighted that Michael Treschow has agreed to succeed me as the first independent Chairman of the Boards of Unilever."

In addition to welcoming these new members to the Boards, we will be saying goodbye to two of the Directors. First, Rudy Markham. Rudy retires after 39 years of distinguished service with Unilever during which time he has successfully occupied a number of senior executive positions. In 1998 he joined the Boards as Strategy and Technology Director, being appointed Financial Director, now Chief Financial Officer, in 2000. On behalf of the Boards I would like to acknowledge his outstanding career and thank him for the significant contribution he has made to our business throughout that time.

Secondly, Lynda Chalker. Lynda retires as a Non-Executive Director after three terms of three years. She has served as Chair of the Corporate Responsibility and Reputation Committee and throughout her time on the Boards we have benefited from her wise counsel and expert knowledge of developing markets.

On your behalf I thank them both for their service.

In addition, the Nomination Committee led by its Chairman David Simon was given the task of searching for a new Chairman as my successor. We are delighted that Michael Treschow has agreed to succeed me as the first independent Chairman of the Boards of Unilever, subject to his appointment as a Non-Executive Director at the AGMs. Michael is a businessman with a formidable track record gained in some of the world's most competitive consumer industries. He has also proved himself an effective Chairman at both Ericsson and Electrolux, and we trust that his appointment will be approved by shareholders.

When these changes are implemented we will have finalised a complete restructuring of our corporate governance arrangements. This change process was initiated in 2004 and it involved the elimination of Advisory Directors, the phase-out of the dual leadership system, the adoption of a one-tier

“It has been a privilege to serve in Unilever over the last 35 years.”

board structure and the appointment of a fully independent Chairman of the Boards. We feel we will have Boards in place which will measure favourably against the highest corporate governance standards.

Board evaluation

During 2006 a full and thorough evaluation of how the Boards functioned was conducted by a specialist outside firm. Taken as a whole, the outcome was positive as it confirmed that the changes we have made since 2004, the move from Advisory Directors to Non-Executive Directors and the splitting of the Chairman and Chief Executive roles, have strengthened our governance structure. In addition, the amount of time spent on Unilever Board matters compares very favourably with general practice.

These conclusions support our belief that all the alterations to our governance structure and proceedings have been beneficial to Unilever overall and that we meet the very high standards expected of a group of our size and complexity.

Conclusion

I realise I am writing to you for the last time after 35 years of service with Unilever.

The changes within Unilever over this period have been truly transformational both in terms of product portfolio and geographical spread. Our turnover in Western Europe has declined from 65% to 34% of Unilever sales. The expansion has been picked up by the developing countries which represent over 40% of our turnover.

Moreover, 35 years ago 25% of Unilever sales were outside the fast moving consumer goods sector. Spearheaded by disposals and acquisitions such as Chesebrough Pond’s and Bestfoods, Unilever turnover is now focused on around 400 brands, all in consumer goods categories. Especially spectacular has been the rise of turnover of our personal care business from 4% of sales in 1972 to 28% of sales today.

Perhaps the most impressive change since the early seventies is the step up of the quality and strength of our brand portfolio. We have come from a position of no brand achieving a turnover of over €1 billion, to today’s position of twelve billion-euro brands, representing around 55% of Unilever’s turnover.

All these changes together with the underpinning of our Vitality mission position our company favourably for future growth.

What has not changed over the last four decades is the way Unilever conducts its business: integrity first and foremost in all things we undertake together with a keen interest for the communities and environment in which we work.

It has been a privilege to serve in Unilever over the last 35 years.

Antony Burgmans
Chairman

How we have performed

We are grateful to those shareholders and other stakeholders who responded to our invitation on the Unilever website to post questions for Patrick Cescau. A number of their questions are reflected in the Q&A below.

Patrick Cescau
Group Chief Executive

Q. How do you look back on 2006?
A. We are on a journey to restore Unilever's competitiveness and growth potential. That journey is ongoing but I think we can look back on 2006 with some pride and satisfaction.

The improving top-line performance recorded during the year suggests that the wide-ranging changes we made to the business in 2004 and 2005 – both to our organisation and to our strategy – were the right ones for Unilever. They are putting us firmly on the road to sustained growth.

I also believe that we will look back on 2006 as the year when the business regained its confidence and self-belief after the setbacks of recent years. There is a new energy and optimism flowing through the Group.

Q. What pleased you most about the Group's performance last year?
A. The quality and the broad-based nature of our growth. All parts of the business – all regions and all categories – contributed to healthy underlying sales growth of 3.8%. Our cash flow position in 2006 was also strong, and it was a sign of the growing financial health of the business that we were able to return an additional €750 million to shareholders in the form of a one-off dividend.

Our performance was particularly strong in those areas we had identified as growth priorities and where we had invested accordingly – for example, in developing and emerging (D&E) markets and in our personal care business, which grew by an impressive 6.3%. This is particularly pleasing and encouraging because it suggests the strategy we are following – investing heavily in order to obtain leadership positions in high growth areas – is the right one to take us forward.

"Our performance was particularly strong in those areas we had identified as growth priorities and where we had invested accordingly."

I would also highlight our performance in Europe, which has been a tough market for us in recent years. Last year we re-doubled our efforts and this was rewarded in steadily improving results and a return to modest growth levels.

Q. Were there any areas where you had hoped to make greater progress during 2006?
A. Restoring Unilever's competitiveness has involved making a lot of changes to the business. In order to deliver sustained growth and create value for shareholders, we have reformed our governance, overhauled our organisation and put in place a whole new strategy to take the business forward.

Unilever Executive (UEx)

The Unilever Executive (UEx) is responsible for the performance of the Group, guided by the Group Chief Executive.

1 2 3 4 5 6 7

1 **Sandy Ogg**
Chief HR Officer

2 **Rudy Markham**
Chief Financial Officer

3 **Vindi Banga**
President Foods

4 **Kees van der Graaf**
President Europe

5 **Ralph Kugler**
President Home and Personal Care

6 **John Rice**
President The Americas

7 **Harish Manwani**
President Asia Africa

Patrick Cescau
(pictured on page 6)

Inevitably, changes on this scale are going to proceed at differing speeds. Overall I am satisfied with where we are at this stage in the transformation of the Group. Equally, I know that we have some challenges ahead, in particular delivering more profitable growth. While our operating margin in 2006 was satisfactory, we must strive for a better performance in the year ahead. We weren't helped in 2006 by higher than expected costs resulting from sharp increases in commodity prices, but that has merely served to highlight the importance of the measures we are taking to simplify our business and to squeeze out unnecessary costs.

Q. Since becoming Group Chief Executive you have embarked on a significant programme of organisational change and restructuring. Do you feel that you now have the right organisation in place to drive Unilever's growth?

A. It is the nature of things today that you have to keep the workings of any organisation under constant review. As a business, that is the only way to ensure you are best serving the interests of shareholders and other stakeholders. But yes, I do believe we are well advanced with the organisational changes needed to support the next stage of our development.

Indeed, we are already deriving significant benefits from the changes we have made, not least from our more streamlined governance and management structures. Furthermore, our 'One Unilever' programme continues to deliver both greater clarity and significant savings as it is steadily rolled out across the whole business. These are all helping to deliver the speed and the scale we need to compete more effectively and could be seen reflected last year in more global brand platforms, the faster roll-out of products and the launch of bigger and better innovations.

But we are not complacent. We know that we will have to quicken the pace of change even further in the year ahead if we are to meet our goal of moving from competing to winning in the marketplace.

Q. You have put the concept of 'Vitality' at the heart of the Group's mission. What evidence is there that it has had a direct impact on performance in 2006?

A. Vitality is about directing our business towards the increasing desire and emphasis on the part of consumers the world over to feel good, look good and to get more out of life. As a business whose brands deliver health, hygiene and nutritional benefits, we are perhaps uniquely well placed to respond to these evolving consumer trends.

To that end, Vitality is already directly impacting our performance. It is a key element in guiding us to those high growth spaces we now regard as critical to Unilever's long-term success. It is also perhaps the single biggest factor driving our innovation programme. The successful launch in the UK last year of *AdeZ* – a soya-based fruit drink – is a good example, one that can be traced directly to our Vitality mission and our determination to continue developing products with proven nutritional benefits.

"Our 'One Unilever' programme continues to deliver both greater clarity and significant savings as it is steadily rolled out across the whole business."

"Our long-term ambition is to be among the top third of our peer group. That is a stretching but achievable goal."

Q. What did you mean when you said last year that the successful brands of the future would be those that not only satisfied consumers' functional needs, but also addressed their concerns as citizens?

A. We have always believed that the health and prosperity of our business is linked to the health of the communities we serve, which is why we contributed €78 million to communities last year. However, we also know that consumers increasingly expect companies and brands to play a role in responding to their concerns as citizens around issues such as climate change, or helping to address poor nutrition and disease in some of the most impoverished parts of the world.

Working in partnership with governments, international agencies and NGOs is often the most effective way to help address these major global threats, and Unilever has already embarked on a number of such partnerships, including for example with UNICEF and with the United Nations World Food Programme.

However, individual brands can and do make a difference. The remarkable success of *Surf Excel* in India, for example, which is helping to reduce the amount of water used in laundry in some of the country's most water-stressed regions, is a good case in point. So is our success in combating iodine deficiency in parts of Africa through our iodised salt brand *Annapurna*. These and other initiatives demonstrate that it is possible to do good and do well, and they have convinced us that this is the right direction for Unilever to take.

Q. How do you intend to position Unilever so that it can benefit most from the huge rise in markets like China and India?

A. There is no doubt that the most significant growth opportunities for Unilever lie in the D&E economies, and not just in China and India. Already, D&E markets account for more than 40% of Unilever's turnover and that proportion is set to go on rising.

Our history in these countries, going back to the very origins of the Group, combined with our existing scale and reach across much of the developing world, means we are very well positioned to benefit from the shifts taking place in the global economy. Our performance in 2006 certainly gives grounds for optimism. Last year, we grew by nearly 8% in D&E markets. That included some spectacular performances, not least in China where growth of nearly 30% was powered directly by the changes we are making to the business.

Q. Unilever's first independent Non-Executive Chairman takes up position in May. What are your expectations?

A. I think it marks a significant stage in the life of the Group. It is the latest in a series of important governance reforms that are bringing us into line with best corporate practice. At the personal level, I am very much looking forward to working with Michael Treschow, who brings a wealth of relevant experience to bear. We are all excited by his appointment. At the same time, I would like to thank Antony Burgmans, our current Chairman, for his significant contribution to Unilever over the last 35 years. I would also like to thank two members of the Unilever Executive who have also made a significant contribution to Unilever over a long period who will leave us in 2007 – Rudy Markham and John Rice.

Q. What are your ambitions for Unilever as you look ahead to 2007 and beyond and what do you think will present the biggest challenges?

A. We have made clear that our long-term ambition is to be among the top third of our peer group in terms of total shareholder return (TSR). That is a stretching but achievable goal. In 2007 our aim is to continue delivering sustained underlying sales growth while at the same time improving our operating margin. We are all focused on that task.

One of the other key challenges we face in 2007 will be to ensure that we obtain an even greater return on the significant investment we have made in upgrading our skills and capabilities in those areas identified as critical to the long-term success of the business – marketing, customer management, and research and development. We have made enormous strides in each of these areas in recent years, but really have the opportunity now in 2007 to accelerate the level of performance.

Your questions for the 2007 Annual Review

www.unilever.com/annual_review/questions

Creating tomorrow's leaders

Talented people are given opportunities to develop at every level. However, our new senior leadership programme, launched in 2006, is aimed at those with potential to reach the top roles. The programme includes a bespoke business simulation, based on one of our skincare businesses. It provides an exceptional opportunity for senior managers rapidly to gain the breadth and depth of business and leadership understanding required for our business's most demanding roles.

"We invest heavily in world-class innovation in order to create global brand ideas that can be rolled out fast."

Highlights – Foods

- The underlying sales of our global Foods business accelerated to 2.9% in 2006
- Our products are healthier – we have made improvements to the nutritional profile of our products
- To help consumers make healthier choices we are placing our Choices logo on a number of packs globally

Vindi Banga
President Foods

We are passionate about developing great global brands and bringing them to market brilliantly. Our Foods and Home and Personal Care teams invest heavily in world-class innovation in order to create global brand ideas that can be rolled out fast. This involves close collaboration between our marketing and research teams, in order to develop breakthrough ideas that meet the changing needs of consumers the world over and fulfil our mission of adding Vitality to life.

A daily dose of antioxidants

Lipton, the world's biggest tea brand, is creating drinks that help people live healthier lives. The brand has been rolling out a communication programme to inform consumers of its antioxidant health benefits and is influencing the wider tea industry with its commitments to sustainability – for example, sustainable farming practices – and education and health. In 2006 Unilever Tea Kenya won a Global Business Coalition on HIV/AIDS award for its work on the education, prevention and treatment of HIV/AIDS in the workplace and beyond. The brand has shown consistent high growth over the past few years.

www.unilever.com/lipton

Faster roll-out

Changes to our structure, our 'One Unilever' programme and better collaboration across our business are helping us get new products to market faster than ever before, and this is having a big impact on brand growth.

Our Dirt is Good positioning including the *Omo* laundry brand now has sales of over €2.5 billion thanks to an alignment of the brand positioning and the rapid roll-out in Asia, where it delivered not only growth, but record market shares.

The new *Rama/Blue Band Idea!* spread was launched in 14 countries within only five months. *Idea!* is a breakthrough innovation with an advanced nutrient mix that supports children's mental development – an issue of interest to parents around the globe, both in developed and developing markets.

Dove Summer Glow self-tanning lotion was rolled out across four European countries in just a few weeks. It became our most successful personal care innovation in Europe in 2006, gaining sector leadership in most markets through an outstanding team effort involving marketing, supply chain, R&D and customer development.

Brands with global missions

Throughout 2006 we continued to build brands with global missions and distinctive points of view. Our brands aim to communicate ideas that can be expressed wherever and whenever consumers encounter them, and play an active role in consumers' lives.

Axe/Lynx is one of the best-known examples: the '*Axe/Lynx* effect' – giving guys the edge in the dating game – underpins all the brand's campaigns. In 2006 this led to an innovative launch for *Axe Click*, our most successful anti-perspirant variant since *Pulse*. More than 4 million consumers claimed a free hand-held clicker to keep track of the flirtatious looks they attracted as a result of using *Axe Click*, helping drive the brand's growth in France, Germany and Mexico.

Overall, our deodorants business continues to grow. *Rexona*, with its 'won't let you down' promise, played a big role in this success, and reached a major milestone by breaking the €1 billion sales barrier.

Flora/Becel has been fighting the spread of cardiovascular disease for over 40 years. Since 2003 the brand has joined forces with the World Heart Federation to educate consumers and encourage them to make heart-healthy changes to their diet and lifestyle. *Flora/Becel pro·activ* is the world's best selling cholesterol-lowering food brand and in 2006 the Three Week Challenge engaged with consumers in a number of countries to demonstrate to them the product's effectiveness in lowering cholesterol.

Throughout the year, the *Dove Campaign for Real Beauty* continued to challenge conventional definitions of beauty. The strength of this global mission led to great examples of regional execution. For example, the Evolution advertisement, which exposed some of the tricks of the beauty trade, prompted much media attention in North America and was downloaded from YouTube.com a million times in a two-week period.

The *Dove Self Esteem Fund* works in partnership with schools and organisations such as Girl Scouts of America and the Eating Disorders Association to inspire girls to feel more confident about the way they look. So far, *Dove* self esteem programmes have reached more than 750 000 young people and sales of *Dove* products are growing rapidly.

Lipton is committed to ensuring consumers everywhere are aware of the 'goodness of tea', which is rich in theanine and antioxidants, and has zero calories. Popular all over the world, *Lipton* is the leading global tea brand. In 2006 the brand grew strongly, with leaf tea increasing by around 5% and ready-to-drink products, including sales through our joint venture with Pepsi, up by 25%.

Research and development

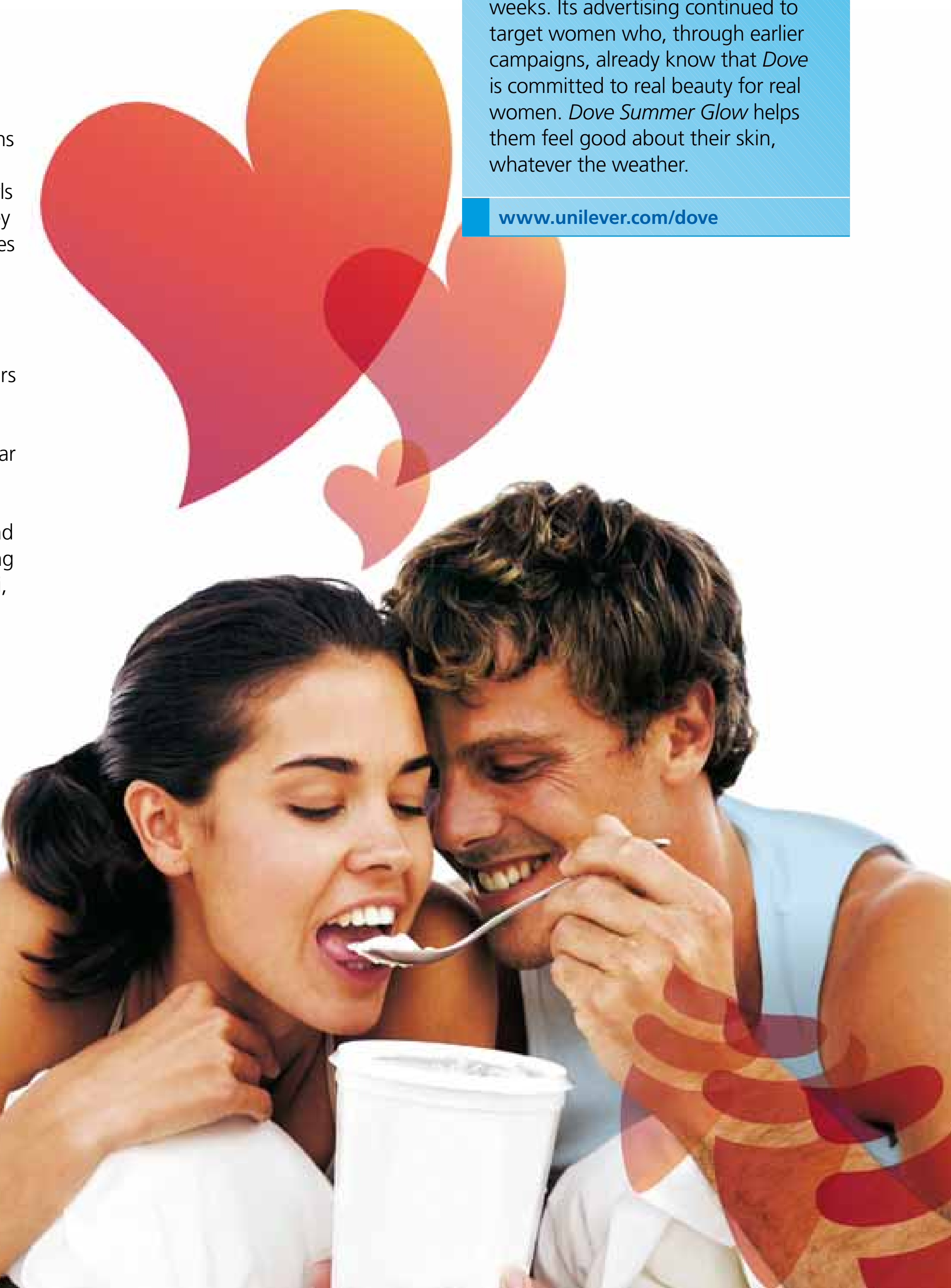
We currently employ more than 6 000 scientists and product developers in R&D worldwide, delivering total product solutions for Vitality innovations. In 2006 we spent over €900 million on R&D worldwide.

Following our Science & Technology Review, which looked at all aspects of our R&D activities, we are focusing resources on world-class R&D capabilities, working with clear innovation targets and concentrating on fewer – but bigger – projects, which in many cases involve patented technology. We have also embraced Open Innovation, which has involved creating new working relationships between our R&D teams, suppliers, customers, universities and other institutes worldwide.

Tanning the body beautiful

Dove Summer Glow self-tanning lotion keeps a body beautiful all year round. A great example of how a strong global platform can help a brand extend into new categories, *Dove Summer Glow* was launched in the US and rolled out in four European countries in a matter of weeks. Its advertising continued to target women who, through earlier campaigns, already know that *Dove* is committed to real beauty for real women. *Dove Summer Glow* helps them feel good about their skin, whatever the weather.

www.unilever.com/dove



Launched in Turkey in December, *Amaze Brainfood* is the result of four years of development, long-term clinical trials and €40 million of research. The range of lunchbox snacks and milk drinks contains one-third of the nutrients children need daily for brain development. It was developed through collaboration between our product development teams and the Unilever Food & Health Research Institute.

In the Asia skincare market, *Pond's* launched *Age Miracle*, a breakthrough patented innovation containing a plant extract called CLA (conjugated linoleic acid) which helps reduce signs of ageing and yields exceptional results in Asian complexions. *Age Miracle* has gone on sale across Asia, helping build *Pond's* profile in fast-growing D&E markets.

We also developed *Surf Excel*, which enables consumers to achieve the same laundry cleaning results with less rinsing – a big advantage in areas where water supply is limited.

Following the theme of 'less is more' in laundry, new technology helped create *all Small & Mighty* concentrated liquid detergents, which were launched in the US. *Small & Mighty* is three times more concentrated than regular detergents, so you get a full load clean with just one-third of the amount. That means fewer packaging materials, cheaper transport and less space needed for storage – good news for consumers, retailers and the environment. During 2007 *Small & Mighty* will be rolled out across Europe.

In June we submitted a dossier to the UK FSA (Food Standards Agency) to seek regulatory approval under the EC Novel Foods Regulation for the use of Ice Structuring Protein (ISP) in ice cream products in Europe. This breakthrough ISP technology enables a multitude of innovations in ice cream, including significantly healthier options and better quality ice cream.

New *Domestos 5x* contains a molecule called C-TAC which clings to the toilet bowl flush after flush, killing germs up to five times longer than any other bleach or toilet product. As part of its launch, consumers were supplied with a test strip to prove how long it remains effective. *Domestos 5x* is due to be launched in all key countries for the brand.

Healthy Heart brands spread vitality

The healthy heart foods market is growing fast. And backed by our Goodness of Margarine campaign, *Flora/Becel* continues to lead the way. Unilever has been a partner of the World Heart Federation since 2003, and works closely with them to increase awareness of cardiovascular disease. Throughout 2007, *Flora/Becel* is planning to take the message further than ever before, with its global Love Your Heart campaign which is intended to inspire and empower people to make heart-healthy choices.

www.unilever.com/becel_flora

New ways of working

We are always looking at new ways of working to drive business effectiveness. One example is in the area of business travel which can be time-consuming and tiring. Our current videoconferencing equipment is being upgraded to state-of-the-art facilities at five major Unilever sites worldwide and is expected to enable us to reduce travel. These facilities mean that complete teams can communicate effectively with one another across continents and time zones without anyone leaving the office – making better use of everyone's time and energy, and limiting time spent away from home.

Vitality

Our Vitality mission is at the heart of everything we do. It provides clear direction for meeting consumers' changing needs, and helps us identify major growth opportunities for our Foods and Home and Personal Care brands.

For example, *Knorr Vie* shots pack lots of nutrition into each handy 100ml bottle. These smoothie-style products made from fruit and vegetables provide half the minimum daily intake of fruit and vegetables recommended by the World Health Organization. Launched in 2005, they are now available in 12 European countries – over 100 million bottles have been sold so far.

AdeZ – our soya-based drink with fruit juices – delivers 35% of the daily recommended intake of vitamins B6 and C, magnesium and calcium. *AdeZ* provides the goodness of soya in a great tasting range of flavours. *AdeZ* started in South America and, with the launch in the UK, this successful product has now been brought to Europe.

When it comes to hygiene, *Lifebuoy* has already helped around 70 million people in India become more aware of the importance of hand-washing with soap to control the spread of diarrhoeal disease and respiratory infections. The brand has been working in partnership with organisations such as the World Bank and UNICEF to promote hand-washing in other countries and as part of its roll-out in Africa.

In early 2005 we made a commitment to reduce the amount of fats, salt and sugar in our products – a pledge which won the praise of the European Health Commissioner. Since then we have achieved our original targets: by the end of 2006 we had assessed more than 16 000 products and taken out more than 37 000 tonnes of trans and saturated fats, 3 000 tonnes of sodium and 17 000 tonnes of sugars – without compromising flavour. This work continues through our ongoing Nutrition Enhancement Programme.

A great example is the nutritional improvements to our ice cream products. We have removed artificial colours and flavours, increased the fruit content and reduced sugar levels in water ices across our kids' portfolio in Western Europe. It is an ongoing improvement process which will extend to more products and regions in the future.

Through our global partnership with the FDI World Dental Federation we are helping to improve oral health around the world with practical, sustainable community programmes. To support these initiatives we have developed a low-cost toothbrush, the *Pepsodent Fighter*, which retails at a price equivalent to just €0.20 and is proving a great success in India and Indonesia.

Meanwhile our Choices programme is helping busy shoppers make quick purchasing decisions for healthier eating. The front-of-pack stamp helps identify products which are in line with international recommendations for trans fats, saturated fats, salt and sugar. The programme has been launched in the Netherlands, Belgium and the US, and is now being rolled out globally to a total of 40 countries. We are also encouraging its adoption more widely in the foods industry.

Rexona becomes a €1 billion brand

Backed by a passion-packed advertising campaign linked to the energy and excitement of football and the 2006 World Cup, *Rexona* scored this year when annual sales passed the €1 billion mark for the first time. The goal now is to promote the brand's market-leading body-responsive deodorant, with its technology-based 'won't let you down' promise, and turn *Rexona* into an iconic brand worldwide for men and women.

www.unilever.com/rexona

"Our marketing and research teams develop breakthrough ideas that fulfil our mission of adding Vitality to life."

Highlights – Home and Personal Care

- Underlying sales growth of 4.7% was achieved in Home and Personal Care
- Annual sales in *Rexona* passed the €1 billion mark in 2006
- More than 750 000 young people have been reached by *Dove* self esteem programmes

Ralph Kugler
President Home and Personal Care

"We have done much work to make our business more competitive – underlying sales grew by 1% in the year – entirely from volume."

A single-minded drive to improve value, a strong innovation programme and the implementation of the 'One Unilever' programme combined to bring Europe back to growth. Market shares were broadly stable.

Highlights – Europe

at current rates of exchange

€ million	2006	2005	Change
Turnover	**15 000**	14 940	0.4%
Operating profit	**1 903**	2 064	(7.7)%
Operating margin	**12.7%**	13.8%	

£ million	2006	2005	Change
Turnover	**10 227**	10 215	0.1%
Operating profit	**1 298**	1 411	(8.0)%

$ million	2006	2005	Change
Turnover	**18 810**	18 586	1.2%
Operating profit	**2 387**	2 567	(7.0)%

at constant 2005 rates of exchange

	Change
Turnover	0.2%
Underlying sales	1.0%
Operating profit	(7.9)%

Kees van der Graaf
President Europe

Growth

We have done much work in Europe to make our business more competitive. In particular there has been a single-minded drive to improve the value we offer consumers, plus a strong innovation programme targeted at the core of our portfolio. Simultaneously, the implementation of our 'One Unilever' programme, the building of capabilities and changes in leadership are all resulting in better execution.

These differences, combined with improved consumer demand, returned the region to modest growth. Underlying sales grew by 1% in the year – entirely from volume. Market shares were broadly stable with gains in ice cream, soups, deodorants and body care. However, there were losses in laundry, hair care and tea.

The UK, our largest European business, returned to growth in the year with good results across most Foods and personal care ranges. Although laundry sales declined, there have been promising signs of progress in recent market shares with *Persil* regaining its position as the country's leading laundry brand.

The Netherlands had a strong year. A pioneer of 'One Unilever', it benefited from operating as a single company. Highlights were rapid growth for *Lipton*, *Dove*, *Rexona* and *Axe*.

France remained a difficult market with sales lower in spreads, laundry and hair care. New management is now in place and there was an improvement in the second half of the year.

Sales in Germany held up better in 2006. There was good growth for personal care brands but some turnover in *Lipton* ice tea was lost following changes in rules for bottle returns.

Central and Eastern Europe continued to do well, driven by double-digit growth in Russia.

The sale of the majority of our European frozen foods businesses to Permira was successfully completed during the year.

Innovation

Our 2006 innovation programmes have resulted in our Foods brands wholeheartedly embracing the concept of Vitality, with new products designed to deliver the health benefits that consumers seek. *Rama/Blue Band Idea!* – spreads with added nutrients

Feeling good about *Frusì*

Test-marketed in Ireland and Belgium in 2006, *Frusì* – our new frozen snack – is proving very popular. *Frusì* was created to provide guilt-free pleasure for people who take their health seriously. With *Frusì* they have the best of both worlds: real natural goodness without compromise on taste, pleasure or convenience. Sales of *Frusì* have beaten targets for market penetration and share, and repeat purchases. Following the success of this test-market, *Frusì* is being rolled out to more countries in 2007.

www.frusi.com

Work experience with a difference

As part of a graduate recruitment programme, Unilever Netherlands set an unusual work-experience challenge. Students spent two weeks in rural India on Hindustan Lever's Project Shakti, helping women in remote areas who have set up small businesses as direct-to-consumer retailers and measuring the project's success. By providing local women with training and business skills, Shakti creates a new distribution channel for our products while providing the women with opportunities to improve their income, standard of living and place in the community. It also helped open Dutch students' eyes to the wide variety of activities that take place across the Unilever world.

which are beneficial to children's mental development – was launched in 2006 and is being rapidly rolled out in 2007. Throughout 2007 cause-related promotional activities associated with these brands will support the United Nations World Food Programme, improving awareness of child hunger and raising funds to alleviate it.

A range of *Knorr* bouillon cubes with selected natural ingredients and a better, richer taste has been rolled out across the region, while *Vie* one-shot fruit and vegetable products are now available in 12 countries. Meanwhile, Latin America's *AdeS* drink, a healthy blend of fruit juices and soya, has been launched successfully in the UK as *AdeZ*.

Product launches with clear functional or emotional benefits in Home and Personal Care brands are being rolled out rapidly across the region. A range of new *Dove* launches included the moisturising self-tan *Dove Summer Glow*. Meanwhile in household care, *Domestos 5x* continues to kill germs even after several flushes and the cleaning power of *Cif* has been applied to a series of power sprays.

Profitability

The operating margin, at 12.7%, was 1.1 percentage points lower than a year ago, with higher net costs for restructuring, disposals and impairments, partially offset by a one-time gain of €120 million from changes to the UK pensions plan. Before these items, the operating margin would have been 0.6 percentage points lower than in 2005. Margins in Foods were lower than in 2005 as we absorbed significant increases in commodity costs which were only partly compensated by savings programmes.

Smooth performance from new *Comfort Crème*

Developed with 'empty nesters' in mind and launched in the UK in January 2006, *Comfort Crème* has shown thousands of older women that it's good to wear softer clothes that help you look and feel great. With its gold-topped bottles and fragrances of jojoba and sweet almond oil, *Comfort Crème* is now used in over a million UK households. Its success has overturned the idea that fabric conditioners are only popular with mothers with young children.

www.unilever.com/comfort

"Underlying sales growth accelerated progressively through the year, culminating at the end of the year at 3.7%."

Highlights – The Americas

at current rates of exchange

€ million	2006	2005	Change
Turnover	**13 779**	13 179	4.6%
Operating profit	**2 178**	1 719	26.7%
Operating margin	**15.8%**	13.0%	

£ million	2006	2005	Change
Turnover	**9 395**	9 010	4.3%
Operating profit	**1 484**	1 175	26.4%

$ million	2006	2005	Change
Turnover	**17 279**	16 395	5.4%
Operating profit	**2 731**	2 138	27.7%

at constant 2005 rates of exchange

	Change
Turnover	3.1%
Underlying sales	3.7%
Operating profit	25.0%

John Rice
President The Americas

Growth came from most countries and categories, and was generated from a healthy balance of both volume and price.

Wish-Bone Salad Spritzers count the calories

With each bottle able to dress more salad than a bottle twice its size – 26 salads in all – *Wish-Bone Salad Spritzers* are helping Americans count the calories. The easy-to-use bottles allow consumers to dress their salads perfectly with just one calorie per spray. Available in three flavours – Italian, Balsamic Breeze and Red Wine Mist – *Wish-Bone Salad Spritzers* are good for salads, vegetables – and waistlines.

www.unilever.com/wishbone

Growth

Overall, we have maintained share in the US in markets which are growing at around 3%. Underlying sales growth in the US was 2.4%, partly reflecting the effect of trade de-stocking in personal care brands during the first half of the year and in ice cream in the second half. *Degree*, *Dove* and *Axe* – our three main deodorants brands – all gained share. The launch of *Sunsilk* drove growth in haircare. In laundry we initiated the move to concentrated liquids but have lost further share in conventional detergents.

Bertolli frozen meals, *Lipton* ready-to-drink tea, in our joint venture with Pepsi, and *Slim•Fast* all gained share in the US with the latter making weight loss accessible, affordable and achievable for consumers everywhere. Our share for the year as a whole was also up in ice cream, although sales were down. The sector has been heavily promoted in recent years but in 2006 the level of promotional intensity reduced. As a result, the trade used up stocks and bought less.

Sales in Brazil picked up well after a slow start, with very good innovation-driven performances in hair, deodorants and laundry. Indeed, *Omo*'s brand share was at its highest level for many years.

Sales in Mexico were lower for the year, affected by a combination of a decline in the traditional retail trade and local low-priced competition. In addition, there were several operational issues which have since been addressed. The business returned to growth in the fourth quarter. Elsewhere there was good growth in Argentina, Central America and Venezuela. Taken together, sales in Latin America were ahead by 5.8% with Home and Personal Care brands continuing to do well. However, there was more modest growth in Foods brands due to tough local competition.

Innovation

New products introduced in the US included *Wish-Bone Salad Spritzers* with one calorie per spray, further development of the *Bertolli* premium frozen meal range, and *Lipton* pyramid tea bags. Across the region, new *Knorr* soups and bouillons cater for local tastes. The highly successful *AdeS* nutritional drink has been extended with a 'light' variant, new fruit flavours and the launch of soymilk in Brazil and Mexico.

We strengthened our hair portfolio with the launch of *Sunsilk*, improved both the *Suave* and *Dove* hair care lines and sold the Aquanet and Finesse brands. We had a good sales response to *all Small & Mighty* concentrated liquid detergents. These use reduced-size packaging to save water, cardboard and energy use in production, packaging and transport. They are also easier for consumers to carry, pour and store. We then applied *all Small & Mighty*'s product technology to fabric conditioners, creating *Snuggle Exhilarations* – a three-times more concentrated premium sub-range delivering superior fragrance. In Brazil, *Omo* has been further strengthened with a new top-performance product including baby and foam control variants.

Profitability

The operating margin, at 15.8%, was 2.8 percentage points higher than a year ago. There were lower costs for restructuring, disposals and impairments, and a one-time benefit in 2006 of €146 million from changes to US healthcare plans. In 2005 there was a gain on the sale of an office. Before these items the operating margin would have been 0.3 percentage points lower than last year. Innovation-driven marketing mix, pricing and productivity offset high commodity costs. Advertising and promotions were increased to support major brand launches.

One world, diverse people

Unilever employees whose skills are honed in D&E markets are reaching senior positions both at home and abroad, and 20% of our top 123 managers are from D&E regions. Andina/Central America, Argentina, Brazil, India, Indonesia, Japan, Mexico, Pakistan, the Philippines and South Africa all have either local nationals as their chairmen, or chairmen from within the D&E regions. Furthermore, 39% of all individuals on international secondment are from developing or emerging countries.

Need 'hairapy'? Get Sunsilk

Bad hair dramas are becoming a thing of the past for America's 20-something women. Launched nationwide in 2006 with a witty, $200 million campaign, the *Sunsilk* 'Get Hairapy' approach to the dramas of kinky, flat or frizzy hair is bringing this global brand to an entirely new market. Backed by innovative marketing, the campaign has led to more and more women solving their hair issues with some serious 'hairapy'.

www.unilever.com/sunsilk

"Markets remained buoyant in most of the key countries, with an underlying sales growth of 7.7%."

Highlights – Asia Africa

at current rates of exchange

€ million	2006	2005	Change
Turnover	**10 863**	10 282	5.7%
Operating profit	**1 327**	1 291	2.8%
Operating margin	**12.2%**	12.6%	

£ million	2006	2005	Change
Turnover	**7 406**	7 030	5.4%
Operating profit	**905**	883	2.5%

$ million	2006	2005	Change
Turnover	**13 622**	12 790	6.5%
Operating profit	**1 665**	1 606	3.6%

at constant 2005 rates of exchange

	Change
Turnover	6.8%
Underlying sales	7.7%
Operating profit	4.0%

Harish Manwani
President Asia Africa

Asia Africa had another good year. The introduction of new products, and a sharp focus on Vitality, helped sustain momentum through 2006.

Indonesia's bean goes *Bango*

In 2001, when Unilever signed a joint venture with Indonesia's Kecap company, *Bango* soy sauce had a national market share of less than 5%. Today, following an imaginative programme designed to preserve Indonesia's culinary heritage and enhance the livelihood of the country's soy bean farmers, the brand has sales of around €100 million – and is growing by 10% year on year. Unilever's guaranteed market, technical assistance and access to finance, combined with improved work opportunities for women and localised community involvement, have all helped develop the brand.

www.unilever.co.id/bango

Growth

Markets remained buoyant in most of the key countries though there was a slowdown in consumer spending in Thailand. Underlying sales growth of 7.7% was broadly based and our aggregate market shares remained stable.

India grew well across major sectors. A mix of global, regional and local brands is driving growth, notably *Wheel* and *Surf Excel* in laundry, and *Clinic* in haircare. A second year of excellent growth in China, stemmed from a combination of market growth, better distribution and innovations behind global brands such as *Omo*, *Lux* and *Pond's*, as well as the local toothpaste brand, *Zhonghua*. Indeed, Unilever Oral Care and *Zhonghua* exhibited at the FDI World Dental Federation Congress in China to showcase 'Live, Learn, Laugh' – Unilever's global partnership with the Federation to improve oral health globally.

Indonesia sustained good momentum, not only in the large Home and Personal Care ranges but also in Foods as a result of strong performances in ice cream and savoury. Thailand had a disappointing year through weak demand and intense competition. A major programme of activities is under way to correct this.

Australia experienced a much improved performance with share gains in a number of areas. In Japan, *Lux Super Rich* – the leading brand – performed well despite the launch of a competitor's major brand. However, *Dove* and *Mod's* lost share.

Savoury, ice cream, laundry and household care brands were the main drivers of strong growth in Turkey, while sales in Arabia were well ahead.

In South Africa, aggressive price promotions by a local competitor have reduced laundry sales, but there were strong growth and share gains in Foods.

Innovation

Innovation is increasingly being driven globally and regionally, rather than locally. The new *Sunsilk* range has been introduced in most major markets and in laundry, the Dirt is Good positioning is now in place across the region. *Pond's Age Miracle,* incorporating unique technology and designed specifically for Asian skin, has been launched in four countries. Meanwhile the latest global *Axe/Lynx* fragrance, *Click*, has been introduced in Australia and New Zealand.

Walking the talk

Hindustan Lever, Unilever's business in India, has a Personal Vitality Programme which assesses individual employees' body mass, blood pressure, cholesterol and blood sugar levels. And assistance is provided to those who have nutrition or health issues, or exercise requirements. Although voluntary, over 10 000 employees have taken part so far and each will be followed up annually to ensure they have every opportunity to improve their health.

As in the rest of the world, the Foods innovation programme focused on Vitality. *Moo*, a wholesome children's ice cream range based on the goodness of milk, has been very well received by mothers and children alike and has proven a real success story in South East Asia. Healthy green tea innovations are being rolled out extensively, while in South Africa marketing for *Rama* margarine now communicates the product's healthy oils. Addressing the needs of lower income consumers, low-priced *Knorr* stock cubes – already successful in Latin America – were also introduced in the region.

Profitability

The operating margin at 12.2% was 0.4 percentage points lower than a year ago. Before the impact of restructuring, disposals and impairments, the operating margin would have been in line with last year. The benefits to margin of strong volume growth and savings programmes were fully offset by higher commodity costs and other cost inflation which could not be fully recovered in pricing.

Dirt is Good for Asian sales

Right across Asia, from Pakistan to China, the Dirt is Good positioning with *Omo* (*Rinso*) has been washing well with consumers. Based on the simple premise that, for children, dirt and stains are a natural part of being active and learning through play, the campaign promotes the brand through community-endorsed playgrounds, outdoor games and competitions involving both children and parents. The campaign's success has led to *Omo* becoming Unilever's first-ever billion RMB (Renminbi) sales brand in China.

www.unilever.com/omo

How we are governed

High leadership standards

Strong, effective leadership is at the heart of our transformation programme and is the key to sustaining high levels of business performance. Our new global Standards of Leadership framework clearly sets out the behaviours needed to align 'hearts and minds', inspire people to achieve excellence in strategy execution and develop the skills and capabilities we need for the future.

Unilever constantly keeps its corporate governance arrangements under review. It is our practice to comply, where practicable, with the highest standards of applicable codes and respond to developments appropriately.

The Unilever Group

NV and PLC are the two parent companies of the Unilever Group, having separate legal identities and separate stock exchange listings for their shares, which are not interchangeable. However, with their group companies, they operate effectively as a single economic entity and constitute a single reporting entity for the purposes of presenting consolidated accounts.

In order to ensure unity of governance and management, they have the same Directors and are linked by a number of co-operation agreements. In particular, there is the Equalisation Agreement that regulates the mutual rights of the two sets of shareholders, including a formula for paying dividends. These features mean that all shareholders, whether of NV or PLC, share in the prosperity of the whole business.

Further details of these agreements are contained in the Annual Report and Accounts 2006 and are also available on www.unilever.com/investorcentre/corpgovernance

NV and PLC are holding and service companies. Unilever's businesses are carried out by their subsidiaries around the world. Shares in group companies are held ultimately by either NV or PLC, or jointly by the two companies, in varying proportions.

Unilever has divided its business into three regions, The Americas, Asia Africa and Europe which are responsible for delivering top and bottom line results, implementing proven brand mixes in their region and focusing on building capabilities with customers. The regions are complemented by two categories, Foods, and Home and Personal Care which are responsible for the brand development process including innovation, brand positioning and communication and category strategies.

Unilever policies

The implementation of and compliance with our governance structure is facilitated through a business orientated policy framework. Unilever policies are characterised by being universally applicable within the Unilever Group. They are mandatory in effect and have been developed to ensure consistency in key areas within our worldwide operations. They cover operational and functional matters, and govern how we run our business, in order to comply with applicable laws and regulations.

Unilever policies include: the Code of Business Principles, the Code of Ethics for Senior Financial Officers, the Compliance Manual for Listing Rules and Disclosure and Transparency Rules (including the Unilever Share Dealing Code), the Risk Management Policy, the Corporate Pensions Policy and the Accounting and Reporting Policy.

The Code of Business Principles is Unilever's statement of values and represents the standard of conduct we require from all of our employees. Our Code of Ethics applies to the senior executive, financial and accounting officers and comprises the standards prescribed by the US Securities and Exchange Commission (SEC). The Code of Business Principles Hotline provides for a confidential hotline, not only to ensure that employees can anonymously submit concerns regarding accounting and auditing issues but to handle all alleged violations of the Code of Business Principles. Copies of the Code of Business Principles, the Code of Ethics and the Share Dealing Code are posted on our website at www.unilever.com/investorcentre/corpgovernance

Unilever aims to share these standards and values with its suppliers and contractors through its Business Partner Code which, in turn, is based on its Code of Business Principles. It sets out standards on ten key points of business integrity, labour standards, consumer safety and the environment.

www.unilever.com/investorcentre/corpgovernance

Developments in corporate governance

Unilever constantly keeps its corporate governance arrangements under review. NV and PLC are subject to various corporate governance requirements and best practice codes, the most relevant being those in the Netherlands, the United Kingdom and the United States. It is Unilever's practice to comply, where practicable, with the highest level of these codes, and respond to developments appropriately.

Since 2004 we have strengthened our corporate governance by moving from Boards supported by Advisory Directors to a one-tier board structure comprising a majority of independent Non-Executive Directors, splitting the roles of Chairman and Chief Executive and now in 2007, subject to his appointment by shareholders, appointing Unilever's first independent Non-Executive Chairman.

In 2006 we had a Board evaluation by an independent third party who confirmed that the changes we had made had strengthened our governance arrangements. We believe that the alterations to our corporate governance have been beneficial to Unilever as a whole and that we meet the very high standards expected of a group of our size and complexity.

The Boards

Unilever's Directors are Directors of both NV and PLC. Taking into account their respective roles as Executive and Non-Executive Directors, collectively they are ultimately responsible for the management, general affairs, direction and performance of the business as a whole.

Directors are elected by shareholders at the AGMs of NV and PLC and make themselves fully accountable by submitting themselves for re-election each year. Our nomination procedures are designed to ensure that the same people are the Directors of both companies.

The Nomination Committee, based on the evaluation of the Boards, its Committees and its individual members, recommends to the Boards a list of candidates for nomination at both the AGMs of NV and of PLC. In addition, since 2006 shareholders have been able to nominate Directors to this list but to do so they must put a resolution to both the NV and PLC AGMs in line with local requirements for requisitioning a resolution. In order to ensure that the Boards remain identical anyone being elected a Director of NV must also be elected as a Director of PLC and vice versa. If an individual fails to be elected to both companies then they will be unable to take their place on the Boards.

Promoting diversity for growth

Diversity in Unilever is about inclusion, embracing differences, creating possibilities and growing together for better business performance. We embrace diversity in our workforce; this means giving full and fair consideration to all applicants and continuing development to all employees, regardless of gender, nationality, race, creed, disability, style or sexuality. Diversity plays a vital role in ensuring we understand consumers' needs.

The commitment to diversity is set right at the top of our business. An important legacy of our Chairman, Antony Burgmans, is that he is leaving the most diverse Unilever Board in our history. Going forward, Group Chief Executive Patrick Cescau will lead our global diversity board that will drive the diversity strategy within the business.

Unilever is one of the world's most culturally diverse companies with 24 different nationalities represented among our top 123 managers worldwide.

In 2006 we focused on practical diversity initiatives. These included the quarterly measurement and tracking of diversity against objectives and the integration of our diversity agenda into our people processes.

Gender continues to be the primary focus of our diversity strategy, as well as a way of improving business performance. Between 2000 and 2006, we have increased our female management profile from 25% to 33% and most of our senior leadership teams, such as Foods, Europe, The Americas and human resources, include female leaders.

The Boards currently comprise a Chairman, four Executive Directors and nine independent Non-Executive Directors. They meet at least seven times a year to consider material matters for NV, PLC and the Unilever Group. These matters include, for example, results announcements, the Annual Report and Accounts, dividends, corporate strategy, annual plans, risks and controls, major business transactions, and Board appointments and remuneration.

Unilever has a separate Chairman and Group Chief Executive. There is a clear division of responsibilities between their roles.

The Chairman is a Non-Executive Director and he is primarily responsible for leadership of the Boards, ensuring their effectiveness and setting their agendas. He is also responsible for ensuring that the Boards receive accurate, timely and clear information.

The Group Chief Executive has been entrusted, within the parameters set out in the Articles of Association of NV and PLC and the Governance of Unilever, with all the Boards' powers, authorities and discretions in relation to the operational management of Unilever.

The Non-Executive Directors share responsibility for the execution of the Boards' duties, taking into account their specific responsibilities, which are essentially supervisory. They, in particular, comprise the principal external presence in the Governance of Unilever and provide a strong independent element. Our Non-Executive Directors are chosen for their broad and relevant experience and international outlook, as well as their independence. In 2006 David Simon was appointed as Senior Independent Director and acted as their spokesman.

Key elements of their role and responsibilities as Non-Executive Directors include strategy, scrutiny of performance, controls, remuneration, succession planning, reporting to shareholders, governance and compliance. They also form the Audit Committee which is fully compliant with the applicable rules in the Netherlands, UK and the US, the Nomination Committee, the Remuneration Committee, and in majority the Corporate Responsibility and Reputation Committee. The Non-Executive Directors meet as a group, without the Executive Directors present, under the chairmanship of the Senior Independent Director. In addition they meet before each Board meeting with the Chairman, the Group Chief Executive and the Joint Secretaries.

Board induction and training

Upon election, Directors receive a comprehensive Directors' Manual and are briefed thoroughly on their responsibilities. Ongoing training is provided by way of site visits, presentations, circulated updates, teach-ins and agenda items at Board meetings on, among other things, Unilever's business, corporate governance, regulatory developments, and investor relations matters.

A more detailed corporate governance statement, as well as the annual reports of the Audit, Nomination, Remuneration, and Corporate Responsibility and Reputation Committees, is contained in the Unilever Annual Report and Accounts 2006. This Annual Report, our Code of Business Principles, NV's and PLC's Articles of Association and the Governance of Unilever are on our website www.unilever.com/investorcentre/corpgovernance The Governance of Unilever contains, amongst other things, our rules on 'Independence' of Directors and the remits of the Board Committees.

Executive Directors' service contracts

The Executive Directors are full-time employees of Unilever. Information about their remuneration can be found on pages 30 to 34 of this Annual Review. More detailed information can be found in the Report of the Remuneration Committee in the Annual Report and Accounts 2006 and on our website at www.unilever.com/investorcentre

The current Executive Directors are long-serving Unilever executives who can reasonably expect, subject to satisfactory performance, to be employed by Unilever until retirement. The Remuneration Committee takes the view that the entitlement of the Executive Directors to the security of 12 months' notice of termination of employment is in line both with the practice of many comparable companies and the entitlement of other senior executives within Unilever.

It is our policy to set the level of severance payments for Directors to no more than one year's salary, unless the Boards, at the proposal of the Remuneration Committee, find this manifestly unreasonable given circumstances or unless otherwise dictated by applicable law.

The Executive Directors submit themselves for re-election at the AGMs each year. The Nomination Committee carefully considers each nomination for re-appointment.

The Directors stop holding executive office on ceasing to be Directors. Those appointed prior to 2004 retire at the latest by the age of 62. Appointees from 2004 onwards retire at an age between 60 and 65, as decided by either them or Unilever.

We are currently updating our service contract to take into account recent changes in the law and best practice, for example, those relating to age limits for directors.

Compliance

Unilever is subject to the corporate governance requirements in the Netherlands, the UK and, as a foreign private issuer, in the US. All of these requirements were taken into account when structuring our Board arrangements, details of which are set out in the Governance of Unilever.

Details of our compliance with governance requirements in the Netherlands, UK and US are contained in the Annual Report and Accounts 2006 and can also be found on our website at www.unilever.com/investorcentre

In the US, we are fully compliant with the Listing Standards of the New York Stock Exchange (NYSE) applicable to foreign private issuers. Our corporate governance practices do not significantly differ from those followed by US companies listed on the NYSE.

Board changes

All existing Executive Directors, with the exception of Rudy Markham who is retiring, are proposed for re-election at the 2007 AGMs. Their biographical details are shown on pages 24 and 25.

All the existing Non-Executive Directors are proposed for re-election, with the exception of Antony Burgmans and Lynda Chalker who will be retiring at the 2007 AGMs.

In addition four new Non-Executive Directors will be proposed for election at the 2007 AGMs. These are Genevieve Berger, Narayana Murthy, Hixonia Nyasulu and Michael Treschow. Genevieve Berger is a Professor of Biophysics and Medical Imaging at Paris University VI and Chairman of the Advisory Board 'Health' for the EU Commission for Research. Narayana Murthy is co-founder and Chairman of Infosys Technologies Limited. Hixonia Nyasulu is a Non-Executive Director of Sasol Limited and Anglo Platinum and an Advisory Board Member of JP Morgan South Africa. Michael Treschow, who if appointed, will become Unilever's new independent Chairman, is currently Chairman of Ericsson and Electrolux. He will be stepping down as Chairman of Electrolux in April 2007. Their appointments will, should their nominations be approved by shareholders, bring further diversity of background and experience to the Boards.

Biographical details for the existing Non-Executive Directors are found on pages 24 and 25. Those for the new Non-Executive Directors are contained in the 2007 AGM Notices and on our website at www.unilever.com/investorcentre

Leadership in well-being

Maintaining health and fitness can be challenging for senior managers in demanding roles. During 2006, several senior leadership teams – including the Unilever Executive – took part in a well-being programme. Each received their own individual health and Vitality check, which was then used to design a personal plan to enhance their habits and practices in physical activity, nutrition and mental resilience. In 2007 a further ten leadership teams are expected to participate in a well-being programme.

Board of Directors

10 9 4 5 6 8 7

Executive Directors

1. Patrick Cescau
Group Chief Executive
Nationality: French. Aged 58. Group Chief Executive since April 2005. Joined Unilever 1973. Appointed Director 4 May 1999. Previous posts include: Chairman, Unilever PLC and Vice-Chairman, Unilever N.V. 2004-2005. Foods Director 2001. Financial Director 1999. Controller and Deputy Financial Director 1998-1999. President, Lipton USA 1997-1998. President and CEO, Van den Bergh Foods USA 1995-1997. Chairman, Indonesia 1991-1995. External appointments include: Non-Executive Director, Pearson plc and Conseiller du Commerce Extérieur de la France in the Netherlands.

2. Kees van der Graaf
President Europe
Nationality: Dutch. Aged 56. President Europe since April 2005. Joined Unilever 1976. Appointed Director 12 May 2004. Previous posts include: Foods Director 2004, Business Group President, Ice Cream and Frozen Foods 2001. Executive Vice-President, Foods and Beverages Europe 1998. Senior Vice-President, Global Ice Cream category 1995. External appointments include: Board member, ECR (Efficient Consumer Response) and Member, IAB (International Advisory Board of the City of Rotterdam). Member, Supervisory Boards of ANWB Club (Algemene Nederlandse Wielrijdersbond), and ANWB B.V.

3. Ralph Kugler[1]
President Home and Personal Care
Nationality: British. Aged 51. President Home and Personal Care since 1 April 2005. Joined Unilever 1979. Appointed Director 11 May 2005. Previous posts include: President Home and Personal Care Europe 2001. Business Group President, Latin America 1999. Chairman, Unilever Thai Holdings 1995. Chairman, Unilever Malaysia 1992. External appointments include: Non-Executive Director, InterContinental Hotels Group PLC.

4. Rudy Markham
Chief Financial Officer
Nationality: British. Aged 60. Chief Financial Officer since April 2005. Joined Unilever 1968. Appointed Director 6 May 1998. Previous posts include: Financial Director 2000. Strategy & Technology Director 1998. Business Group President, North East Asia 1996-1998. Chairman, Nippon Lever Japan 1992-1996. Chairman, Unilever Australasia 1989-1992. Group Treasurer 1986-1989. External appointments include: Non-Executive Director, Standard Chartered PLC and Legal & General Group Plc.

Non-Executive Directors

5. Antony Burgmans[1,2]
Chairman
Nationality: Dutch. Aged 60. Appointed 2005. Joined Unilever 1972. Appointed Director 8 May 1991. Previous posts include: Chairman, Unilever N.V. and Vice-Chairman, Unilever PLC 1999-2005. Vice-Chairman, Unilever N.V. 1998. Business Group President, Ice Cream and Frozen Foods – Europe and Chairman, Unilever Europe Committee 1996-1998. Responsible for South European Foods business 1994-1996. Personal Products Co-ordinator 1991-1994. External appointments include: Member, Supervisory Board of Akzo Nobel N.V. and Non-Executive Director, BP p.l.c.

6. The Rt Hon The Lord Brittan of Spennithorne QC, DL[1]
Nationality: British. Aged 67. Appointed 2000. Vice-Chairman, UBS Investment Bank and Chairman, UBS Limited. Member, International Advisory Committee of Total. Member, European Commission and Vice-President 1989-1999. Member, UK Government 1979-1986. Home Secretary 1983-1985 and Secretary of State for Trade and Industry 1985-1986.

2 14 12 11 1 3 13

7. The Rt Hon The Baroness Chalker of Wallasey[3]
Nationality: British. Aged 64. Appointed 1998. Non-Executive Director, Group 5 (Pty) Ltd. and Equator Energy Limited. Member, International Advisory Board of Lafarge S.A. and Merchant Bridge & Co Ltd. UK Minister of State at the Foreign and Commonwealth Office 1986-1997.

8. Professor Wim Dik[1,7]
Nationality: Dutch. Aged 68. Appointed 2001. Professor at Delft University of Technology. Chairman, Supervisory Boards of Tele Atlas N.V., Zesko Holding B.V. and N.V. Casema. Non-Executive Director, Aviva plc and LogicaCMG plc. Chairman and CEO, Koninklijke PTT Nederland (KPN) 1988-1998 and Koninklijke KPN N.V. (Royal Dutch Telecom) 1998-2000. Minister for Foreign Trade, Netherlands 1981-1982.

9. Charles Golden[7]
Nationality: American. Aged 60. Appointed 2006. Executive Vice-President, Chief Financial Officer and Director, Eli Lilly and Company 1996 to 2006. Non-Executive Director, Clarian Health Partners, Hillenbrand Industries, Inc. and Eaton Corporation. Member of Finance Committee, Indianapolis Museum of Art.

10. Byron Grote[7]
Nationality: American/British. Aged 58. Appointed 2006. Chief Financial Officer, BP p.l.c. Member of Advisory Council, Cornell University Johnson Graduate School of Management.

11. The Lord Simon of Highbury CBE[4,5,6]
Vice-Chairman
Nationality: British. Aged 67. Appointed 2000. Non-Executive Director, Suez Group. Senior Advisor, Morgan Stanley International. UK Government Minister 1997-1999. Group Chief Executive, BP p.l.c. 1992-1995 and Chairman 1995-1997.

12. Jean-Cyril Spinetta[2,9]
Nationality: French. Aged 63. Appointed 2006. Chairman and CEO of Air France – KLM S.A. Director, Saint-Gobain and Alitalia S.p.A. 2002-2006. Permanent representative of Air France on Board of Directors of Le Monde Enterprises S.A.

13. Kees Storm[8]
Nationality: Dutch. Aged 64. Appointed 2006. Chairman Executive Board AEGON N.V. 1993 to 2002. Chairman Supervisory Board KLM Royal Dutch Airlines N.V. Board member and Chairman of Audit Committee, InBev S.A. Board member and Audit Committee member, Baxter International Inc. Member, Supervisory Board, Pon Holdings B.V. Member, Supervisory Board, AEGON N.V.

14. Jeroen van der Veer[2,9]
Nationality: Dutch. Aged 59. Appointed 2002. Chief Executive Royal Dutch Shell plc. Former Member, Supervisory Board of De Nederlandsche Bank 2000-2004.

1 Member Corporate Responsibility and Reputation Committee
2 Member Nomination Committee
3 Chairman Corporate Responsibility and Reputation Committee
4 Chairman Nomination Committee
5 Chairman Remuneration Committee
6 Senior Independent Director
7 Member Audit Committee
8 Chairman Audit Committee
9 Member Remuneration Committee

This Summary Financial Statement is a summary of information contained in Unilever's financial statements, Report of the Directors and the Report of the Remuneration Committee as set out in the Unilever Annual Report and Accounts 2006.

This statement does not contain sufficient information to allow as full an understanding of the results and state of affairs of Unilever, and of its policies and arrangements concerning Directors' remuneration, as would be provided by the full Annual Report and Accounts.

Copies of the Unilever Annual Report and Accounts 2006, which are produced in both English and Dutch, can be accessed directly or ordered through www.unilever.com/investorcentre Shareholders may also elect to receive the Annual Report and Accounts for all future years by request to the appropriate share registrars. Further details are provided on page 36.

The auditors have issued unqualified audit reports on the full accounts and the auditable part of the Report of the Remuneration Committee. The United Kingdom Companies Act 1985 requires the auditors to report if the accounting records are not properly kept or if the required information and explanations are not received. They are also required to report whether the information in the Report of the Directors is consistent with the audited consolidated accounts. Their reports on the full financial statements and the auditable part of the Report of the Remuneration Committee contain no such statements.

The following Summary Financial Statement should be read together with the narrative set out earlier in this Annual Review which includes, to the extent applicable, any important future developments or post-balance sheet events.

Independent auditors' statement to the shareholders of Unilever PLC

We have examined the Summary Financial Statement in euros which comprises the summary consolidated income statement, summary consolidated statement of recognised income and expense, summary consolidated balance sheet and summary consolidated cash flow statement and Summary Report of the Remuneration Committee in euros set out on pages 28 to 34.

Respective responsibilities of directors and auditors

The Directors are responsible for preparing the Annual Review and Summary Financial Statement in accordance with applicable law.

Our responsibility is to report to you our opinion on the consistency of the Summary Financial Statement within the 2006 Annual Review with the full annual accounts, the Report of the Directors and the Report of the Remuneration Committee, and its compliance with the relevant requirements of section 251 of the United Kingdom Companies Act 1985 and the regulations made thereunder.

We also read the other information contained in the Annual Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Summary Financial Statement.

This statement, including the opinion, has been prepared for and only for the shareholders of Unilever PLC as a body in accordance with section 251 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this statement is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6, 'The auditors' statement on the Summary Financial Statement' issued by the Auditing Practices Board for use in the United Kingdom. Our reports on the Unilever Group full annual accounts describe the basis of our audit opinions on those financial statements and the Directors' Remuneration Report.

Opinion

In our opinion the Summary Financial Statement is consistent with the full annual accounts, the Report of the Directors and the Report of the Remuneration Committee of Unilever Group for the year ended 31 December 2006 and complies with the applicable requirements of section 251 of the Companies Act 1985, and the regulations made thereunder.

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London, United Kingdom
As auditors of Unilever PLC

6 March 2007

Independent auditor's report to the shareholders of Unilever N.V.

We have audited the Summary Financial Statement of the Unilever Group in euros for the year 2006, as set out on pages 28 and 29. The Summary Financial Statement has been derived from the financial statements for the year 2006 of the Unilever Group, as audited by us. We issued an unqualified auditor's report dated 6 March 2007 on those financial statements. The Summary Financial Statement is the responsibility of the Directors. Our responsibility is to express an opinion on the Summary Financial Statement based on our audit.

Scope

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Summary Financial Statement has been correctly derived from the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the Summary Financial Statement has been correctly derived from the financial statements. For an understanding of the Group's financial position and results and for an adequate understanding of the scope of our audit, the Summary Financial Statement should be read in conjunction with the financial statements from which the Summary Financial Statement have been derived and our auditor's report, dated 6 March 2007 thereon.

Rotterdam, The Netherlands, 6 March 2007
PricewaterhouseCoopers Accountants N.V.
Prof Dr J A van Manen RA

Unilever website

The maintenance and integrity of the Unilever website are the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the Netherlands and the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Reporting currency and exchange rates

The sterling and US dollar figures shown in this document have been provided for the convenience of users and do not form part of the audited accounts of the Unilever Group. These figures have been translated from euros using the following rates of exchange:

	Annual average rates		Year-end rates	
	2006	2005	**2006**	2005
€1 = £	**0.6818**	0.6837	**0.6712**	0.6864
€1 = $	**1.2540**	1.2440	**1.3170**	1.1840

The summary consolidated balance sheet is translated at year-end rates and the summary consolidated income statement and summary consolidated cash flow statement are translated at annual average rates.

Summary accounting policies

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, including interpretations from the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC), and with Book 2 of the Civil Code in the Netherlands and the United Kingdom Companies Act 1985.

The consolidated accounts are prepared under the historical cost convention unless otherwise stated in the Accounting information and policies as set out in note 1 to the Annual Report and Accounts.

As a result of the operational and contractual arrangements in place between NV and PLC, they form a single reporting entity for the purposes of preparing consolidated accounts. Accordingly, the accounts of the Unilever Group are presented by both NV and PLC as their respective consolidated accounts.

Combined earnings per share

At the Annual General Meetings of NV and PLC held on 8 May and 9 May 2006 respectively, shareholders approved proposals that the NV ordinary shares be split 3 to 1 and that the PLC ordinary shares be consolidated 9 to 20. Corresponding changes have also been made to the NV New York Registry shares and PLC ADRs.

These changes are aimed at improving transparency for investors and establishing a one-to-one equivalence in their economic interests in the Unilever Group. The combined earnings per share calculations are based on the combined average number of share units representing the combined ordinary shares of NV and PLC in issue during the period, less the average number of shares held as treasury stock.

Dividends

The Boards have resolved to recommend to the Annual General Meetings on 15 May and 16 May 2007 the declaration of final dividends on the ordinary capital of NV and of PLC respectively in respect of 2006 at the rates shown in the tables below.

The dividend information given below, including the comparative amounts for 2005, is expressed in terms of the nominal share values which have applied since 22 May 2006 following the split of NV shares and the consolidation of PLC shares which were approved at the 2006 AGMs.

IFRS requires that dividends approved after the balance sheet date are not reflected in the financial statements for the current reporting period. As a result, the final 2005 dividends are reflected in the financial statements for 2006, and the proposed final 2006 dividends, if approved by shareholders at the AGMs, will be reflected in the financial statements for 2007.

The proposed final dividends will be paid in accordance with the timetable set out on page 35. The additional one-off dividend was paid during December 2006.

NV	**2006**	2005
Per Ordinary €0.16 share of NV		
Interim	**€0.23**	€0.22
Final	**–**	€0.44
Proposed final	**€0.47**	–
	€0.70	€0.66
One-off	**€0.26**	–
Total	**€0.96**	€0.66

PLC	**2006**	2005
Per Ordinary $3^1/_9$p share of PLC		
Interim	**15.62p**	15.04p
Final	**–**	30.09p
Proposed final	**32.04p**	–
	47.66p	45.13p
One-off	**17.66p**	–
Total	**65.32p**	45.13p

Dividends for US shareholders

	Per Ordinary €0.16 share of NV		Per Ordinary $3^1/_9$p share of PLC	
	2006	2005	**2006**	2005
Interim	**$0.2934**	$0.2638	**$0.2983**	$0.2655
Final	**–**	$0.5613	**–**	$0.5583
Proposed final	**$0.6103**	–	**$0.6317**	–
	$0.9037	$0.8251	**$0.9300**	$0.8238
One-off	**$0.3316**	–	**$0.3372**	–
Total *	**$1.2353**	$0.8251	**$1.2672**	$0.8238

*Proposed final dividends have been translated into US dollars at the rate of exchange ruling on 7 February 2007 (€1 = $1.2987, £1 = $1.9718). These dividends will be paid using the exchange rates ruling on 15 May 2007 for NV and 16 May 2007 for PLC.

Summary consolidated income statement for the year ended 31 December

	€ million		£ million		$ million	
	2006	2005	**2006**	2005	**2006**	2005
Continuing operations						
Turnover	**39 642**	38 401	**27 028**	26 255	**49 711**	47 771
Operating profit	**5 408**	5 074	**3 687**	3 469	**6 783**	6 311
After (charging)/crediting:						
Restructuring	**(704)**	(328)	**(480)**	(224)	**(883)**	(408)
Business disposals, impairments and other	**196**	(249)	**134**	(170)	**246**	(310)
Gains on US healthcare and UK pensions	**266**	–	**181**	–	**334**	–
Net finance costs	**(721)**	(613)	**(491)**	(419)	**(904)**	(762)
Finance income	**128**	129	**87**	88	**160**	161
Finance costs	**(590)**	(689)	**(402)**	(471)	**(741)**	(857)
Preference shares provision	**(300)**	–	**(204)**	–	**(374)**	–
Pensions and similar obligations	**41**	(53)	**28**	(36)	**51**	(66)
Share of net profit/(loss) of joint ventures	**78**	47	**53**	32	**98**	59
Share of net profit/(loss) of associates	**36**	(25)	**25**	(17)	**46**	(32)
Other income from non-current investments	**30**	33	**20**	23	**36**	42
Profit before taxation	**4 831**	4 516	**3 294**	3 088	**6 059**	5 618
Taxation	**(1 146)**	(1 181)	**(782)**	(807)	**(1 438)**	(1 469)
Net profit from continuing operations	**3 685**	3 335	**2 512**	2 281	**4 621**	4 149
Net profit from discontinued operations	**1 330**	640	**907**	437	**1 668**	796
Net profit	**5 015**	3 975	**3 419**	2 718	**6 289**	4 945
Attributable to:						
Minority interests	**270**	209	**185**	143	**339**	260
Shareholders' equity	**4 745**	3 766	**3 234**	2 575	**5 950**	4 685
Combined earnings per share						
From continuing operations						
Basic earnings per share	**€1.19**	€1.07	**£0.81**	£0.73	**$1.49**	$1.34
Diluted earnings per share	**€1.15**	€1.04	**£0.78**	£0.71	**$1.44**	$1.29
From total operations						
Basic earnings per share	**€1.65**	€1.29	**£1.12**	£0.88	**$2.06**	$1.61
Diluted earnings per share	**€1.60**	€1.25	**£1.09**	£0.86	**$2.00**	$1.56

Summary consolidated statement of recognised income and expense for the year ended 31 December

	€ million		£ million		$ million	
	2006	2005	**2006**	2005	**2006**	2005
Fair value gains/(losses) net of tax:						
On cash flow hedges	**6**	14	**4**	10	**8**	17
On available-for-sale financial assets	**15**	–	**10**	–	**19**	–
Actuarial gains/(losses) on pension schemes net of tax	**853**	(49)	**582**	(34)	**1 070**	(61)
Currency retranslation gains/(losses) net of tax	**(335)**	513	**(379)**	250	**823**	(483)
Net income/(expense) recognised directly in equity	**539**	478	**217**	226	**1 920**	(527)
Net profit	**5 015**	3 975	**3 419**	2 718	**6 289**	4 945
Total recognised income and expense	**5 554**	4 453	**3 636**	2 944	**8 209**	4 418
Attributable to:						
Minority interests	**242**	249	**161**	165	**346**	263
Shareholders' equity	**5 312**	4 204	**3 475**	2 779	**7 863**	4 155

Summary consolidated balance sheet as at 31 December

	€ million		£ million		$ million	
	2006	2005	**2006**	2005	**2006**	2005
Goodwill	**12 425**	12 963	**8 340**	8 898	**16 363**	15 347
Intangible assets	**4 781**	5 092	**3 209**	3 495	**6 296**	6 029
Property, plant and equipment	**6 276**	6 492	**4 213**	4 456	**8 266**	7 686
Pension asset for funded schemes in surplus	**1 697**	1 036	**1 139**	711	**2 235**	1 226
Trade and other receivables due after more than one year	**252**	231	**169**	158	**1 152**	273
Deferred tax assets	**1 266**	1 703	**849**	1 169	**1 667**	2 017
Other non-current assets	**874**	841	**586**	577	**332**	996
Total non-current assets	**27 571**	28 358	**18 505**	19 464	**36 311**	33 574
Inventories	**3 796**	4 107	**2 549**	2 819	**5 001**	4 863
Trade and other current receivables	**4 290**	4 830	**2 879**	3 315	**5 649**	5 719
Current tax assets	**125**	124	**84**	85	**164**	147
Cash and cash equivalents	**1 039**	1 529	**697**	1 050	**1 368**	1 811
Other financial assets	**237**	335	**159**	230	**312**	396
Assets held for sale	**14**	217	**9**	149	**17**	258
Total current assets	**9 501**	11 142	**6 377**	7 648	**12 511**	13 194
Borrowings due within one year	**(4 362)**	(5 942)	**(2 928)**	(4 079)	**(5 745)**	(7 036)
Trade payables and other current liabilities	**(7 934)**	(8 228)	**(5 325)**	(5 647)	**(10 449)**	(9 742)
Current tax liabilities	**(579)**	(554)	**(388)**	(380)	**(761)**	(656)
Provisions	**(1 009)**	(644)	**(677)**	(442)	**(1 329)**	(762)
Liabilities associated with assets held for sale	**–**	(26)	**–**	(18)	**–**	(31)
Total current liabilities	**(13 884)**	(15 394)	**(9 318)**	(10 566)	**(18 284)**	(18 227)
Net current assets/(liabilities)	**(4 383)**	(4 252)	**(2 941)**	(2 918)	**(5 773)**	(5 033)
Total assets less current liabilities	**23 188**	24 106	**15 564**	16 546	**30 538**	28 541
Borrowings due after more than one year	**4 239**	6 457	**2 845**	4 432	**5 583**	7 645
Trade payables and other liabilities due after more than one year	**399**	389	**269**	267	**525**	461
Non-current tax liabilities	**272**	213	**182**	146	**359**	252
Pensions and post-retirement healthcare liabilities:						
Funded schemes in deficit	**1 379**	2 415	**925**	1 658	**1 816**	2 859
Unfunded schemes	**3 398**	4 202	**2 281**	2 884	**4 475**	4 975
Provisions	**826**	732	**555**	502	**1 088**	866
Deferred tax liabilities	**1 003**	933	**673**	641	**1 321**	1 105
Total non-current liabilities	**11 516**	15 341	**7 730**	10 530	**15 167**	18 163
Shareholders' equity	**11 230**	8 361	**7 537**	5 739	**14 789**	9 900
Minority interests	**442**	404	**297**	277	**582**	478
Total equity	**11 672**	8 765	**7 834**	6 016	**15 371**	10 378
Total capital employed	**23 188**	24 106	**15 564**	16 546	**30 538**	28 541

Summary consolidated cash flow statement for the year ended 31 December

	€ million		£ million		$ million	
	2006	2005	**2006**	2005	**2006**	2005
Cash flow from operating activities	**5 574**	5 924	**3 801**	4 051	**6 990**	7 370
Income tax paid	**(1 063)**	(1 571)	**(726)**	(1 074)	**(1 333)**	(1 954)
Net cash flow from operating activities	**4 511**	4 353	**3 075**	2 977	**5 657**	5 416
Interest received	**125**	130	**86**	89	**157**	162
Net capital expenditure	**(934)**	(813)	**(637)**	(556)	**(1 171)**	(1 011)
Acquisitions and disposals	**1 777**	784	**1 211**	536	**2 228**	975
Other investing activities	**187**	414	**128**	283	**235**	515
Net cash flow from/(used in) investing activities	**1 155**	515	**788**	352	**1 449**	641
Dividends paid on ordinary share capital	**(2 602)**	(1 804)	**(1 774)**	(1 233)	**(3 264)**	(2 244)
Interest and preference dividends paid	**(605)**	(643)	**(412)**	(440)	**(758)**	(800)
Change in borrowings and finance leases	**(3 281)**	(880)	**(2 238)**	(602)	**(4 114)**	(1 095)
Movement on treasury stock	**98**	(1 276)	**67**	(873)	**123**	(1 588)
Other financing activities	**(182)**	(218)	**(124)**	(149)	**(228)**	(271)
Net cash flow from/(used in) financing activities	**(6 572)**	(4 821)	**(4 481)**	(3 297)	**(8 241)**	(5 998)
Net increase/(decrease) in cash and cash equivalents	**(906)**	47	**(618)**	32	**(1 135)**	59
Cash and cash equivalents at the beginning of the year	**1 265**	1 406	**868**	994	**1 498**	1 921
Effect of foreign exchange rate changes	**351**	(188)	**227**	(158)	**572**	(482)
Cash and cash equivalents at the end of the year	**710**	1 265	**477**	868	**935**	1 498

During 2006 the Committee has reviewed the remuneration policy and practice of the past few years, and on the basis of this experience has decided to prioritise five strategic principles to serve as the platform for Unilever's approach to remuneration. This strategy is not only for our Executive Directors but for all Unilever's leadership levels. These principles, which improve the structure of our existing remuneration framework as explained in greater detail in the following pages, are that pay should be:

- robustly linked to performance;
- aligned with strategic priorities;
- aligned with shareholders' interests;
- market competitive; and
- finally, easy to understand and communicate.

Our overriding objective is to ensure that Unilever recruits and retains the best performers and then optimises the return on investment from the reward system for Unilever's leadership group. It is also our aim to manage the differing elements of total remuneration in a fully integrated manner.

The five principles will from 2007 provide the foundation of some important changes to executive remuneration that we are proposing for the level and structure of Unilever incentive plans. Our proposals have been the subject of consultation with our major shareholders and their representatives. In summary, these changes enhance variable rewards relative to fixed pay and simplify the share-based incentives.

The details of the proposed changes to Unilever's long-term incentive arrangements are described in the Notices to shareholders for the 2007 AGMs.

In short, we believe that we have developed an approach which incorporates the right mix and level of incentives for our leadership team which also aligns with shareholders' interests. It would also be more understandable and simpler to communicate to our staff.

The year 2006 showed a continuing improvement in top-line growth whilst trading contribution was proximate to but slightly below the targets we had set.

To remain competitive the base salaries for the Unilever Executive team were increased by an average of 3.9% from the beginning of 2006. Based on the performance over 2006 the annual incentive awards were on average 52% of salary across the Unilever Executive team. However, in industry ranked terms we are not yet in a pay-out position for the TSR Long-Term Incentive Plan.

In 2007, we are strengthening the linkage between business performance and executive rewards.

We hope to see continued improvement in business results in 2007, with the leadership team appropriately rewarded commensurate with these improved results.

David Simon Chairman of the Remuneration Committee
Jean-Cyril Spinetta
Jeroen van der Veer

Remuneration policy 2006

	Element	Payment vehicle	Indicative levels at face value as % of base pay	Plan objectives/Key drivers	Performance measures
Short-term (one year)	Base salary	Cash	Market competitive	Attraction and retention of key executives	Individual performance
Short-term (one year)	Annual incentive	Cash (75%) Shares (25%)	Executive Director: 60% on target (range of 0%-100%) Group Chief Executive: 90% on target (range of 0%-150%)	Delivery of trading contribution (Unilever's primary internal measure of economic value added) and top-line growth targets Individual responsibility for key Unilever business objectives	Trading contribution (Executive Director: 40%, Group Chief Executive: 50%) Underlying sales growth (Executive Director: 40%, Group Chief Executive: 50%) Individual contribution to Unilever business strategy (Executive Director: 20%, Group Chief Executive: 50%)
Long-term (three years)	Global Performance Share Plan	Shares	Grant level: around 25% Vesting level: 0%-200% of grant	Ungeared Free Cash Flow as the basic driver of Unilever shareholder returns Top-line growth as essential to Unilever's long-term value creation	Ungeared Free Cash Flow (50%) Underlying sales growth (50%)
Long-term (three years)	TSR Long-Term Incentive Plan	Shares	Grant level: around 60% Vesting level: 0%-200% of grant	Shareholder return at upper half of peer group with 20 other companies	Relative total shareholder return
Long-term (three years)	Share Matching Plan	Shares	25% of annual incentive earned in return for the deferral of 25% of bonus earned	Alignment with shareholders' interests	

A significant proportion of the Executive Directors' total reward is linked to a number of key measures of Group performance to create alignment with the strategy and business priorities.

Depending on the level of performance the variable component could vary between 0% and around 70% of the total reward package (excluding pensions).

Unilever's reward policy is benchmarked regularly against arrangements of other global companies based in Europe. This ensures that Executive Directors' reward levels remain competitive.

An internal comparison is made with the reward arrangements for other senior executives within Unilever to support consistent application of Unilever's executive reward policies.

Base salary

The Remuneration Committee reviews base salary levels annually, taking into account external benchmarks in the context of Group and individual performance.

Annual incentive

The annual incentive arrangement rewards Executive Directors for the delivery of trading contribution (Unilever's primary internal measure of economic value added) and top-line growth targets, as well as for their individual contribution to Unilever's business strategy.

In 2006 the Group Chief Executive had a maximum opportunity of 150% of base salary. The maximum level is only payable in the case of exceptional performance. The opportunity for other Executive Directors in 2006 was between 0% and 100%.

The performance criteria for the annual incentive are:

- trading contribution: this is Unilever's primary internal measure of economic value added. Increases reflect the combined impact of top-line growth, margin improvement and capital efficiency gains. It is well aligned with our objective of a progressive improvement in return on invested capital and with shareholder value creation;

- underlying sales growth: this focuses on the organic growth of Unilever's turnover; and

- individual business targets: these are tailored to each individual's responsibilities to deliver certain business objectives supporting the strategy. Individual contribution is assessed against robustly set measures and targets to ensure both objectivity and 'stretch'.

Achievement of targets is measured at the end of the year and the payment takes place the following March. Part of the annual incentive (25%) is delivered to the Executive Directors in the form of shares in NV and PLC, which are matched by a conditional award of 'matching shares', as further described under the section on long-term incentives below.

Long-term incentives

The long-term incentives for Executive Directors in 2006 consist of three elements, all of which are delivered in shares:

- Global Performance Share Plan;
- TSR Long-Term Incentive Plan; and
- Share Matching Plan (linked to the annual incentive).

Executive Directors are required to demonstrate a significant personal shareholding commitment to Unilever. Within five years of appointment, they are expected to hold shares worth 150% of their annual base salary. This reinforces the link between the executives and other shareholders.

Global Performance Share Plan (GPSP)

Under the GPSP conditional rights over shares in NV and PLC are awarded annually to Executive Directors. For Executive Directors the value of a grant of conditional shares will not exceed 50% of base salary. The number of shares actually received at the end of the performance periods of the three years depends on the satisfaction of the performance targets.

The performance measures for vesting are underlying sales growth (for 50% of the award) and ungeared free cash flow (for 50% of the award). These are key performance measures in Unilever's external reporting. Underlying sales growth focuses on the organic growth of Unilever's turnover. Ungeared free cash flow expresses the translation of profit into cash and thus longer-term economic value.

In respect of performance targets, there is a minimum and a maximum performance range for each of the two measures and associated vesting levels. Each year, the Remuneration Committee reviews the performance targets by taking account of market conditions and internal financial planning.

Total Shareholder Return (TSR) Long-Term Incentive Plan

This plan rewards Executive Directors for creating more value for Unilever's shareholders when compared with the investment returns generated by competitors.

Under this plan conditional rights over shares in NV and PLC are awarded annually to Executive Directors.

The level of conditional award in 2006 is as follows:

- Group Chief Executive: Shares in NV and PLC to the combined value of €800 000; and
- Other Executive Directors: Shares in NV and PLC to the combined value of €500 000.

Vesting is subject to Unilever's relative TSR performance. TSR measures the returns received by a shareholder, capturing both the increase in share price and the value of dividend income (assuming dividends are re-invested). Unilever's TSR performance is compared with a peer group of competitors over a three-year performance period. The TSR results are compared on a single reference currency basis.

No shares will vest if Unilever is ranked below position 11 of the TSR ranking table over the three-year period. Between 25% and 200% of the shares will vest if Unilever is ranked in the top half of the table.

Share Matching Plan (linked to the annual incentive)

The Share Matching Plan enhances the alignment with shareholders' interests and supports the retention of key executives. In addition, the necessity to hold the shares for a minimum period of three years supports the shareholding requirements set out on page 31.

The Executive Directors receive 25% of their annual incentive in the form of NV and PLC shares. These are matched with an equivalent number of matching shares. The matching shares will vest after three years provided that the underlying shares have been retained during this period and the Executive Director has not resigned or been dismissed.

The Remuneration Committee considers that there is no need for further performance conditions on the vesting of the matching shares because the number of shares is directly linked to the annual incentive (which is itself subject to demanding performance conditions). In addition, during the three-year vesting period the share price of NV and PLC will be influenced by the performance of Unilever. This, in turn, will affect the ultimate value of the matching shares on vesting.

Executive Directors' pensions

The Remuneration Committee has decided that from 2007 new Executive Directors will be members of the all-employee pension arrangement of their home country. Executive Directors appointed before 2007 have a defined benefit pension of two thirds final salary payable at retirement from age 60. Annual incentive is not pensionable except for Executive Directors appointed prior to the change of policy for Executive Directors in 2005 for whom annual incentive is pensionable up to a maximum of 20% of base salary.

Some of the Executive Directors serve as a non-executive on the Board of another company. Unilever requires that all remuneration and fees earned from outside directorships are paid directly to Unilever.

Commentary on Executive Directors' Remuneration paid in 2006

Base salary

In 2006 base salary levels were benchmarked against those paid in other major global companies based in Europe, excluding companies in the financial sector. The increases for 2006 reflect the change in market levels as well as individual and Group performance. The 2006 annual base salary levels for the Executive Directors are set out below:

Based in the UK	
Patrick Cescau	£972 500
Ralph Kugler	£587 500
Rudy Markham	£664 500
Based in the Netherlands	
Kees van der Graaf	€798 000

Annual incentive

The annual incentive awards for 2006 were subject to achievement of underlying sales growth and trading contribution targets in combination with individual key strategic business targets. The Committee measured the results against the targets set and determined the annual incentive amounts for 2006.

Long-term incentive arrangements

- Global Performance Share Plan
  The performance period of the first award ends on 31 December 2007 and therefore no award vested in 2006. The second award was made in 2006 for the performance period 2006-2008.
- TSR Plan
  The conditional shares awarded in 2003 lapsed in 2006 because the vesting was based on the TSR performance of Unilever (when ranked against its defined peer group with competitors) over the three-year performance period that ended 31 December 2005. For this period, Unilever was ranked 14 in this peer group and therefore no vesting occurred for this award in March 2006 and the shares lapsed.
- Share Matching Plan
  The matching shares originally granted in 2003 on a conditional basis vested in 2006, subject to fulfilment of the retention conditions.
- Executive Share Options
  The grants of executive share options made in 2003 became exercisable as from 2006. As the 2003 grant was based on Unilever's EPS performance, the options at vesting were subject to no further conditions.

Pensions

The Netherlands all-employee pension plan benefit basis was changed from final salary to career average earnings at 31 December 2006. This had a small impact on the accrued pension of the Netherlands-based Executive Director. During 2006, in line with the treatment adopted for other UK-based employees, individual contributions paid by Executive Directors in the UK are now paid through a salary sacrifice arrangement.

Non-Executive Directors

The Non-Executive Directors receive fees from both NV and PLC. No other remuneration is given in respect of their Non-Executive duties from either NV or PLC, such as annual incentives, share-based incentives or pension benefits.

The level of their fees reflects their commitment and contribution to the companies. The levels were increased in 2006 as a market analysis against Unilever's peers showed that Unilever had fallen behind in this area. The Remuneration Committee believes that the levels outlined below are fair in the light of the responsibilities carried out by Non-Executive Directors and in view of the need to attract and retain Non-Executive Directors of the appropriate calibre and standing. The current fee levels are set out below:

Non-Executive role	Fees payable by PLC	Fees payable by NV
Chairman	£175 000	€255 000
Senior Independent Director	£45 000	€65 000
Chairman of Audit Committee	£38 000	€55 000
Board Committee Chairman	£35 000	€50 000
Other Non-Executive Directors	£31 000	€45 000

An additional £5 000 per meeting will be paid to Non-Executive Directors who have to travel to meetings from outside Europe.

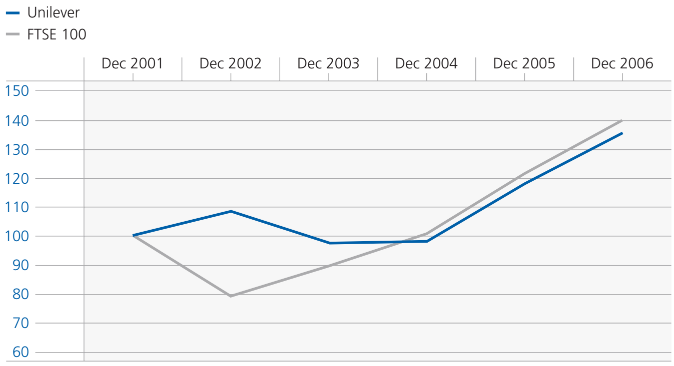
Other items

Unilever's share performance relative to broad-based equity indices

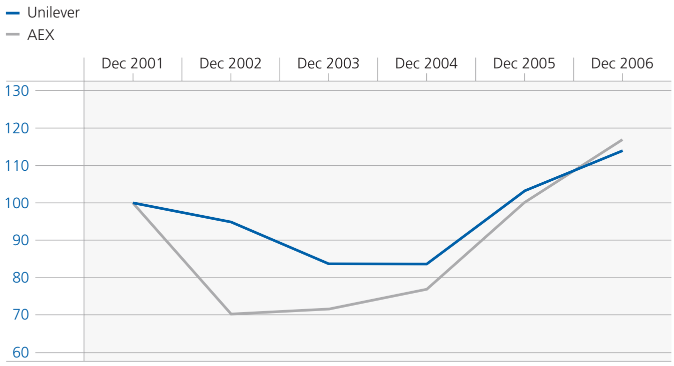
The UK Companies Act 1985 (schedule 7A) requires us to show Unilever's relative share performance, based on Total Shareholder Return, against a holding of shares in a broad-based equity index for the last five years. The Remuneration Committee has decided to show Unilever's performance against two indices, namely the FTSE 100 Index, London, and the Euronext AEX Index, Amsterdam as these are the most generally used indices in the UK and the Netherlands, where we have our principal listings.

Five-year historical TSR performance

Growth in the value of a hypothetical £100 holding over five years
FTSE 100 comparison based on 30 trading day average values



Growth in the value of a hypothetical investment over five years
AEX comparison based on 30 day average values



Remuneration for individual Executive Directors

The following table gives details of the remuneration received in 2006 (including the value of vested share match and options exercised at the end of the exercise period) by each Executive Director individually.

	Annual Emoluments 2006						Other income arising from long-term incentives and exercise of options in 2006				
Name and Base Country	Base salary '000	Allowances and other payments[1] '000	Benefits[2] '000	Bonus[3] '000	**Total 2006 '000**	Total 2005 '000	Option gains '000	Share match '000	TSR/LTIP '000	**Grand total 2006 '000**	Grand total 2005 '000
Current Executive Directors											
Patrick Cescau (UK)[4]	€1 426 [£973]	€109 [£74]	€51 [£35]	€1 141 [£778]	**€2 727 [£1 860]**	€2 544 [£1 738]	–	€213 [£145]	–	**€2 940 [£2 005]**	€2 742 [£1 873]
Kees van der Graaf (NL)	€798 [£544]	€14 [£9]	€23 [£16]	€367 [£250]	**€1 202 [£819]**	€1 119 [£765]	–	€85 [£58]	–	**€1 287 [£877]**	€1 173 [£802]
Ralph Kugler (UK)	€862 [£588]	€27 [£18]	€10 [£7]	€414 [£282]	**€1 313 [£895]**	€817 [£559]	–	€101 [£69]	–	**€1 414 [£964]**	€827 [£563]
Rudy Markham (UK)	€975 [£665]	€28 [£19]	€27 [£19]	€487 [£332]	**€1 517 [£1 035]**	€1 425 [£975]	€427[5] [£291]	€167 [£114]	–	**€2 111 [£1 440]**	€1 610 [£1 101]
Following notice period payments made to former Executive Directors											
Antony Burgmans (NL) Jan-May		**€674** [£459]			**€674** [£459]					**€674** [£459]	
André van Heemstra (NL) Jan		**€61** [£41]			**€61** [£41]					**€61** [£41]	

(1) Include: allowance in lieu of company car; blind trust fees compensation; compensation for loss of net income because part of the salary had to be paid in the Netherlands; entertaining allowance; allowance for cost on chauffeur driven cars and employers cost for the all-employee savings plan in the Netherlands. All allowances are taxable in the country of residence apart from the entertaining allowance which is currently tax free in the Netherlands. Also includes payments to Antony Burgmans and André van Heemstra following contractual obligations.

(2) Include: benefits for company car; medical insurance; private use chauffeur driven cars; and housing (for business use) instead of hotels. Included are benefits that are taxable in the country of residence. In addition, Unilever provides support to Executive Directors in relation to spouse's travel expenses when travelling together on company business. This amount is capped at 5% of base salary and for 2006 totalled €206 083 (including related taxes payable).

(3) Bonus of the year 2006. Include: the value of both the cash element and the element paid in shares of Unilever N.V. and PLC. In addition to the element of the bonus paid in shares each Executive Director is awarded, on a conditional basis, an equivalent number of matching shares.

(4) Group Chief Executive.

(5) All shares under option purchased and retained.

Figures have been translated into euros using the following exchange rate €1 = £0.6818 (2005: €1 = £0.6837).

The Summary Financial Statement was approved by the Boards of Directors on 6 March 2007.

A Burgmans	**P Cescau**
Chairman	Group Chief Executive

Shareholder information

Financial calendar and addresses

Annual General Meetings

NV	10.30 am 15 May 2007 Rotterdam
PLC	11.00 am 16 May 2007 London

Announcements of results

First Quarter	3 May 2007	Third Quarter	1 November 2007
First Half Year	2 August 2007	Final for Year	7 February 2008

Dividends on ordinary capital

Final for 2006 – announced 8 February 2007 and to be declared 15 May 2007 for NV and 16 May 2007 for PLC

	Ex-dividend date	Record date	Payment date
NV	17 May 2007	21 May 2007	21 June 2007
PLC	23 May 2007	25 May 2007	21 June 2007
NV – New York Registry Shares	17 May 2007	21 May 2007	21 June 2007
PLC – American Depositary Receipts	23 May 2007	25 May 2007	21 June 2007

Interim for 2007 – to be announced 1 November 2007

	Ex-Dividend date	Record date	Payment date
NV	2 November 2007	6 November 2007	5 December 2007
PLC	7 November 2007	9 November 2007	5 December 2007
NV – New York Registry Shares	2 November 2007	6 November 2007	5 December 2007
PLC – American Depositary Receipts	7 November 2007	9 November 2007	5 December 2007

Cumulative preference shares NV

	Announced date	Ex-dividend date	Record date	Payment date
4%	7 December 2007	10 December 2007	12 December 2007	2 January 2008
6% and 7%	7 September 2007	10 September 2007	12 September 2007	1 October 2007

Contact details

Rotterdam	London	New York
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Any queries can also be sent to us electronically via www.unilever.com/contactus

Unilever website

Shareholders are encouraged to visit our website, www.unilever.com which has a wealth of information about the Unilever Group. There is a section designed specifically for investors at www.unilever.com/investorcentre

Electronic communications

Shareholders of Unilever PLC can elect not to receive paper copies of the Annual Review and other shareholder documents but to be alerted by email to view these documents on our website. To register, or to find out more, please visit www.unilever.com/shareholderservices and select the e-communication option.

NV shareholders participating in the Shareholders Communication Channel will be able to appoint a proxy electronically to vote on their behalf at the AGM in 2007.

Dividend reinvestment plans

Unilever N.V. and Unilever PLC shareholders have the opportunity to reinvest their cash dividends in order to buy additional shares in those companies through its dividend reinvestment plans.

Shareholders in Unilever N.V., who hold their (depositary receipts for) ordinary shares in Euroclear Nederland through an admitted institution of Euronext Amsterdam, can participate in a dividend reinvestment plan arranged and administered by ABN AMRO Bank N.V. Further details of this plan can be found within the 'Dividends' section of our corporate website www.unilever.com or by contacting ABN AMRO Bank N.V. on + 31 (0) 76 57 99 600.

Shareholders in Unilever PLC are able to purchase additional shares at low commission rates through a dividend reinvestment plan that is administered by the registrars, Computershare Investor Services PLC. Further details of this plan can be found within the 'Dividends' section of our corporate website www.unilever.com or by contacting Computershare Investor Services on + 44 (0) 870 600 3977.

In addition, for holders of Unilever N.V. New York Registry Shares or Unilever PLC ADRs, it is possible through Citibank, N.A. to open an International Direct Investment Plan account that takes advantage of reduced brokerage commissions and service costs to purchase additional New York Registry Shares or ADRs, as appropriate, with cash dividends. Further details of the International Direct Investment Plan can be gained by contacting IDI Plan, Citibank, N.A., PO Box 43077, Providence, RI 02940-3077, USA or by calling toll free on 888 502 6356 if you are within the US or on +1 816 843 4281 from outside the US.

Quarterly results announcements

These are available on our website at www.unilever.com/investorcentre in English, with figures in euros, sterling or US dollars. In Dutch they are available at www.unilever.nl/onsbedrijf/beleggers

UK capital gains tax

The market value of PLC 3¹⁄₉p ordinary shares at 31 March 1982 would have been 34.58p per share. Since 1982, PLC ordinary shares have been sub-divided on two occasions and consolidated on two occasions. Firstly, with effect on 26 June 1987, the 25p shares were split into five shares of 5p each. Secondly, with effect on 13 October 1997, the 5p shares were split into four shares of 1.25p each. Thirdly, with effect on 10 May 1999, the shares were consolidated by replacing every 112 shares of 1.25p each with 100 shares of 1.4p each. Lastly, with effect on 22 May 2006, the shares were consolidated by replacing every 20 shares of 1.4p each with 9 shares of 3¹⁄₉p each.

Share registration

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www.unilever.com/investorcentre

Listing details

Unilever N.V. ordinary shares and depositary receipts for ordinary shares are listed on Euronext Amsterdam and as New York Registry Shares on the New York Stock Exchange. The ordinary shares, the depositary receipts for ordinary shares and the New York Registry Shares are exchangeable on 1:1. Unilever N.V. (depositary receipts for) cumulative preference shares are only listed on Euronext Amsterdam.

Unilever PLC ordinary shares are listed on the London Stock Exchange and as American Depositary Receipts on the New York Stock Exchange. Each ADR represents one underlying ordinary PLC share.

Further information relating to our shares can be found within the Investor Centre of www.unilever.com

Shareholder questionnaire

We would welcome your views on the Annual Review. We would also be grateful for your feedback on both the use by Unilever of the internet to communicate with shareholders and on our 'Unilever Shareholder Services' offering. A questionnaire in English is available on our website at www.unilever.com/shareholderquestionnaire Alternatively, if you would like a printed copy of the questionnaire, please write to Unilever PLC, Global Communications Department (Shareholder Questionnaire), PO Box 68, Unilever House, 100 Victoria Embankment, London EC4P 4BQ, United Kingdom.

The two parent companies, Unilever N.V. (NV) and Unilever PLC (PLC), together with their group companies, operate effectively as a single economic entity (the Unilever Group, also referred to as Unilever or the Group). This Annual Review therefore deals with the operations and the results of the Unilever Group as a whole. The Unilever Annual Review and Annual Report and Accounts are produced in Dutch and English.

The brand names shown in italics in this Annual Review are trademarks owned by or licensed to companies within the Unilever Group.

Unilever has adopted the euro as its principal reporting currency. The figures in this Annual Review are expressed in euros with translations, for convenience purposes, into sterling and US dollars.

In the commentary on pages 14 to 19, sales growth is stated on an underlying basis at constant exchange rates and excluding the effects of acquisitions and disposals. For further information, please refer to our website at www.unilever.com/investorcentre

The term shares as used in this document should, with respect to shares issued by NV be construed to include depositary receipts for shares issued by Foundation Unilever N.V. Trust Office, unless the context otherwise requires or unless it is clear from the context that this is not the case. The exchange rates used in the preparation of this Annual Review are given on page 27.

Cautionary statement

This document 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' or the negative of these terms and other similar expressions of future performance or results, including financial objectives to 2010, 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, consumption levels, costs, the ability to maintain and manage key customer relationships and supply chain sources, currency values, interest rates, the ability to integrate acquisitions and complete planned divestitures, 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 Annual Report and Accounts on Form 20-F. 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.

This document does not comply with accounting principles generally accepted in the United States (US GAAP) and should not therefore be relied upon by readers as such. The Group's Annual Report on Form 20-F for 2006 is separately filed with the US Securities and Exchange Commission and is available on our corporate website www.unilever.com. In addition, a printed copy of the Annual Report on Form 20-F is available, free of charge, upon request to Unilever United States, Inc., Investor Relations Department, 700 Sylvan Avenue, Englewood Cliffs, NJ 07632, USA.

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