

1990

A N N U A L R E P O R T

English version in guilders



REPORT OF THE DIRECTORS

The greater part of Unilever's business is in branded consumer goods, primarily foods, drinks, detergents and personal products. Unilever's other major activities include speciality chemicals and agribusiness operations.

There are two parent companies: Unilever N.V. and Unilever PLC. The two companies operate as nearly as is practicable as a single entity, have the same Directors and are linked by a series of agreements which have the result that all shareholders participate in the prosperity of the whole business.

This review, therefore, deals with the operations and results of Unilever as a whole.

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CHAIRMEN'S FOREWORD



Sir Michael Angus

F.A. Maljers

Earnings per share rose by 11% at constant exchange rates. This is a good result in a year when unmistakable signs of recession were beginning to show in some of our major countries, making trading conditions more difficult than we have seen in recent years. Profit growth was largely a result of increased volume; operating margin remained at the 9.2% reached in 1989, although excluding property sales and other items not in the normal course of trading, it continued on an upward trend.

The business in Europe enjoyed an excellent year. In Germany, management responded promptly and successfully to the opportunities created by unification. There were also good results in most other European countries. We are particularly pleased by the on-going and significant improvement in our European performance, but we must now look forward to the Single European Market which will soon become a reality. We recognise that if Unilever is to remain competitive in the single market, there has to be considerable structural change as our businesses were founded and developed in a Europe of nation-states. The single market is a unique opportunity. Accordingly we are providing for the cost of the necessary restructuring by way of an extraordinary charge of Fl. 630 million.

Negotiations to extend our activities in Eastern Europe continue. These will take time and patience, but the goodwill is there and we believe that we shall soon be able to reach agreement in at least one of the Eastern European countries.

Some of our markets in the United States were flat and competitors gave no quarter. Nevertheless our companies were generally able to hold market shares and the aggregate dollar result from trading was at a similar level to last year. Operating profit was depressed by provision for major restructuring in T.J. Lipton in response to the lack of growth in some of its markets. We are confident that the benefits of this programme will quickly be seen in enhanced efficiency and profitability.

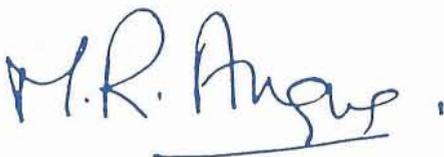
We are well satisfied with the performance of the Elizabeth Arden and Calvin Klein businesses in their first full year in Unilever. They have displayed an encouraging ability to grow profitably, both nationally and internationally.

Results in Latin America were universally good. Given the level of inflation and other problems in the region, our companies have done well to achieve such progress. We have supported them with investment, particularly to broaden and strengthen our foods business.

Further good progress was made in a number of African and Asian countries. In Japan, however, the progress of the last few years was set back by intense competition and the losses which ensued were disappointing.

We are very concerned about the fate of the Uruguay Round where a stalemate on agriculture brought the negotiations to a halt. Failure after more than four years of talks would not only imply wasted effort but would also raise the spectre of protectionism around the world. This should be avoided at all costs. We wholly support the efforts of the GATT to liberalise trade and to reduce the level of support and protection for agriculture.

1990 has not been without its difficulties but our sound record of profit growth has been maintained. Many uncertainties lie ahead in 1991. With a background of recent war and economic recession it is impossible to be confident about the short term. We are taking all the necessary measures to adapt to changing economic and market conditions. We aim to be the foremost company in meeting the daily needs of consumers in our chosen markets; with the expertise and dedication of all our personnel we will achieve that aim. Our thanks go to all Unilever's employees for their excellent performance and support.



Sir Michael Angus

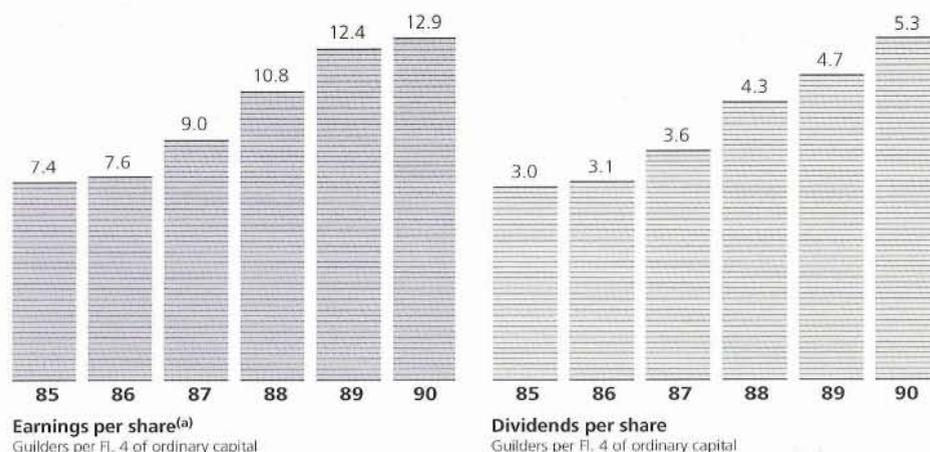


F.A. Maljers

Chairmen of Unilever

FINANCIAL HIGHLIGHTS

Year ended 31st December	1990	1989	Increase %
Results ^{a)}			
Fl. million			
Turnover	72 117	71 172	1
Operating profit	6 644	6 548	1
Profit before taxation	5 774	5 943	(3)
Profit on ordinary activities	3 605	3 466	4
Extraordinary item	(630)	—	—
Profit after extraordinary item	2 975	3 466	(14)
Key ratios ^{b)}			
	%	%	
Operating margin	9.2	9.2	
Profit after taxation as a percentage of turnover	5.3	5.1	
Return on capital employed	17.3	16.0	
Earnings per share ^{c)}			
Guilders per Fl. 4 of ordinary capital	12.86	12.36	4
Ordinary dividends			
Guilders per Fl. 4 of capital	5.27	4.72	12
Pence per 5p of capital	18.16	16.75	8



^{a)} With effect from 1st January, 1990 average rates of exchange have been adopted for currency translation of results. Previously year-end rates of exchange were used for this purpose. Throughout this booklet relevant 1989 figures have been restated, but not those of earlier years.

^{b)} For methods of calculation see note ^{d)} on page 37.

^{c)} Earnings per share are based on profit on ordinary activities. For further details see note ^{a)} on page 37.

In the more difficult conditions of 1990 operating profit of the Group increased by a creditable 10% at constant exchange rates. At the exchange rates current in each year this translated into a 9% improvement when operating profit is expressed in sterling but only 1% when expressed in guilders. The lower performance in guilders is due to currency effects, notably the lower average level of both sterling and dollar currencies against the guilder in 1990, when compared with 1989.

In Europe operating profit moved ahead strongly, up 16% when expressed in guilders and 25% when expressed in sterling. Most of our businesses contributed to this improvement, particularly those in Germany.

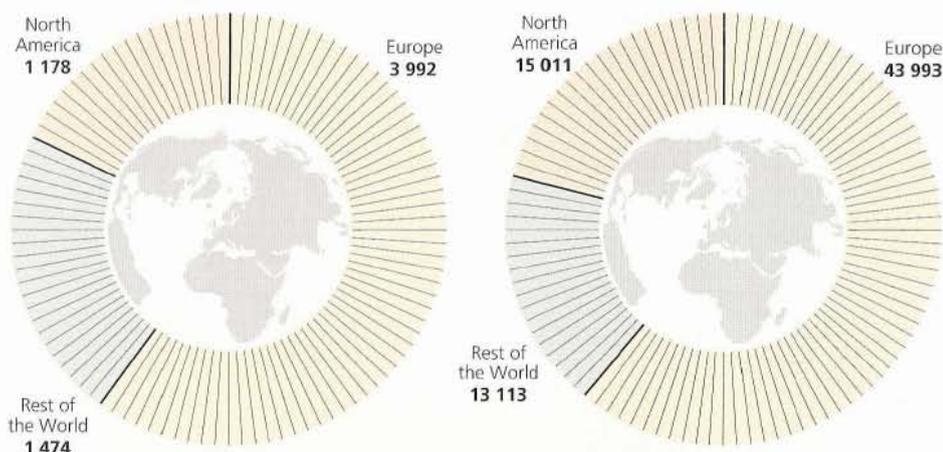
Operating profit in North America was 12% lower at constant exchange rates, but 25% lower when expressed in guilders and 19% lower when expressed in sterling. The results in guilders and sterling reflect a weaker dollar. Exceptional restructuring cost, notably in the Lipton business, was the major factor in the profit decline at constant rates.

In the Rest of the World operating profit was 4% lower in guilders but 4% higher in sterling. At constant rates of exchange the gain was 14%.

Exceptional profits arising from property sales were lower at Fl. 57 million (1989: Fl. 204 million). Other exceptional net gains, including business disposal profits offset by restructuring provisions, were marginally lower at Fl. 31 million (1989: Fl. 59 million).

Interest costs in 1990 rose substantially when compared with the previous year, reflecting the cost of major acquisitions part-way through 1989. However, the Group's average tax rate fell significantly in 1990, benefiting from the general trend towards lower rates. Profit on ordinary activities and earnings per share emerged 4% higher in guilders and 12% higher in sterling.

The extraordinary item, Fl. 630 million after tax, relates to a programme to strengthen the Group's competitive position in the light of the legislation leading to the Single European Market. Restructuring outside this programme continues to be charged against operating profit.



Operating Profit by Geographical Areas 1990
(Fl million)

Turnover by Geographical Areas 1990
(Fl million)

MARGARINE, EDIBLE FATS & OILS, DAIRY PRODUCTS



The business performed well in 1990 with growth in volume, profit and market share. In Western Europe the main markets continued their slow decline but this was compensated for by new business in eastern Germany, where brands such as *Rama* margarine have proved popular.

Interest in healthy eating continues to grow, and products which help to control cholesterol or are low in calories gained additional sales. In the United Kingdom we launched *Delight Extra Low* spread – the first product on the market to contain only a quarter of the fat normally found in margarine. In many countries we capitalised further on the popularity of the health brands like *Becel*, *Du darfst*, *Linera*, *Flora* and *Effi* by extending the ranges of foods marketed under these names. We now offer varieties ranging from milk based products to complete meals, and from biscuits to breakfast drinks. The *Du darfst* range in Germany offers almost 100 items of calorie reduced food.

The edible oil business grew substantially in 1990, helped by acquisitions in Mexico, Chile, Venezuela and Spain. We are now the largest supplier of branded olive oils in Europe.

Our cheese interests continue to grow in importance both through product launches and acquisitions. The Boursin business, acquired early in 1990, has been extended in Europe and *Country Crock* cheese spreads were launched nationally in Canada. We added to our range of 'heart health' cheese alternatives in Europe with the launches of *Becel Goud* in the Netherlands, and *Becel* processed cheeses in Switzerland, the Netherlands and Austria.

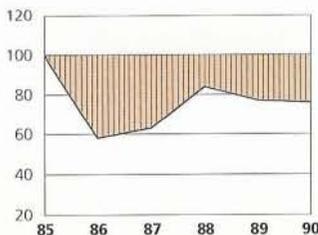
The business was strengthened in the important Latin American region, partly through acquisitions, although margins remained under pressure because of the difficult economic conditions in several key countries, notably Brazil and Mexico. In the United States, good results from *I Can't Believe It's Not Butter*, *Country Crock* and *Promise* underlined our market leadership in margarines and spreads and the profits of the consumer side of our operations increased.

We also provide a wide selection of products for use in the bakery and food service industries. In 1990, our high quality convenience products made good progress in both sectors where shortages of skilled staff create a receptive market. Our position in bakery materials was strengthened by acquisitions in Switzerland, Italy and the Netherlands. Overall, however, the industrial part of our business encountered difficult market conditions in Europe and North America and these constrained both volume and profit.



World raw material price developments Edible fats and oils

Indices are based on yearly average prices expressed in US dollars 1985=100





Boursin

*Fromage
À l'ail et fines Herbes*

*Fromage
à l'ail et
fines Herbes*
Boursin
Fromage au Poivre



du pain,
du vin,
du...



Boursin

À l'ail et fines Herbes

Le léger

35%
DE MATIÈRE GRASSE

FROZEN FOODS AND ICE CREAM



Our ice cream business grew significantly in both turnover and operating profit and in Northern Europe we achieved uniformly good results.

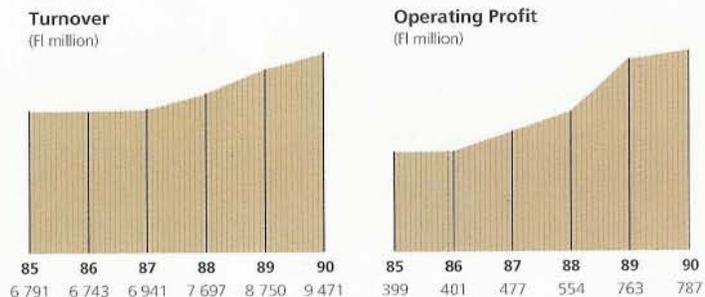
A feature of our operations was the development of new markets. Our ice cream products were introduced into eastern Germany, and we successfully entered the market in Turkey, where a new ice cream factory was commissioned ahead of schedule. Opportunities for growth outside Europe were also pursued, with good results achieved by the recently established business in Thailand. In North America, however, trading conditions were difficult, particularly in the North Eastern states where our operations are concentrated.

New products played an important part in the success of our ice cream business, with brands like *Sky* and *Magnum* establishing international popularity. In the future, high quality products such as these will be manufactured in specialised plants designed to supply international markets and, to this end, we undertook a major investment in our Heppenheim factory in Germany.

The European consumer market for quick frozen foods grew by some 5% in volume and 10% in value during the year and our operations reflected this growth.

Consumer interest in healthier eating endures and we have focused our marketing activities on brands offering particular nutritional benefits. A range of ready meals with high quality ingredients and low fat content was launched in Germany under the *Delite* name. The *Healthy Options* range, launched in the United Kingdom at the end of 1989, has also proved popular with its emphasis on well-balanced prepared meals.

Sales of both quick frozen vegetables and fish products improved and, in the case of fish products, this improvement was achieved despite price increases necessitated by the rising cost of raw materials.





Wall's
MAGNUM
WHITE

Wall's
MAGNUM



Langnese
MAGNUM
WHITE



Frisko
MAGNUM

Langnese
MAGNUM
WEISS

Wall's
MAGNUM

Frisko
MAGNUM

Langnese
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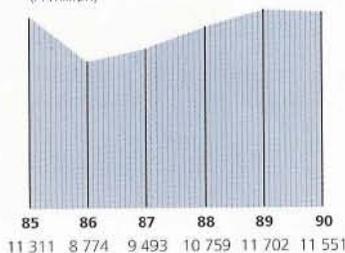
Langnese
MAGNUM
WEISS

Frisko
MAGNUM

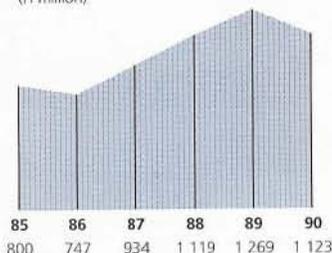


FOOD AND DRINKS

Turnover
(£ million)

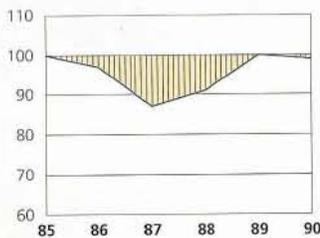


Operating Profit
(£ million)



World raw material price developments
Tea

Indices are based on yearly average prices expressed in US dollars 1985=100



In the important United Kingdom tea market we undertook several marketing initiatives, launching *PG Instant* tea granules and *PG Low Caffeine* tea. Iced tea has also been successfully introduced in several European markets.

Our tea operations in Central Asia, the Middle East and the Far East achieved good growth, but the market in the United States was static and this was reflected in the results. The acquisition of the Salada tea business served to strengthen our position in Canada.

The market for chilled prepared foods continued to grow. Homann, our German chilled salads company, and Pronto, a Belgian pasta business acquired in 1989, both made good progress as a result.

In the United Kingdom we retained our leading position in foods designed for microwave cooking such as *Batchelors Microchef* and the *John West* range of prepared meals. Microwaveable soups were introduced in Germany, France and Denmark with encouraging results. Instant soups maintained their significant market share, although European markets were depressed and there was strong competitive activity in the United States. In response to these competitive pressures, a programme of restructuring has been undertaken by our Lipton business in the United States to reinforce its continuing profitability.

The meat business produced mixed results. Our operations in the United Kingdom and Spain were below expectation but there were good results in Germany, the Netherlands and Belgium.

Ragù Italian-style pasta sauces provide a good example of our ability to market a brand internationally. Originally acquired as part of the Chesebrough-Pond's business in the United States, *Ragù* was introduced in Switzerland and Belgium in 1990, having already been established in the United Kingdom, Germany, Mexico and Australia. The brand continues to perform well in the United States and has successfully resisted competitive pressure.

Acquisitions in Mexico during 1990 have given us a significant position in the food market with the *Clemente Jacques* ranges of tomato based sauces, chilli products, marmalades and other processed foods and the *Mafer* brand of salted snack products.



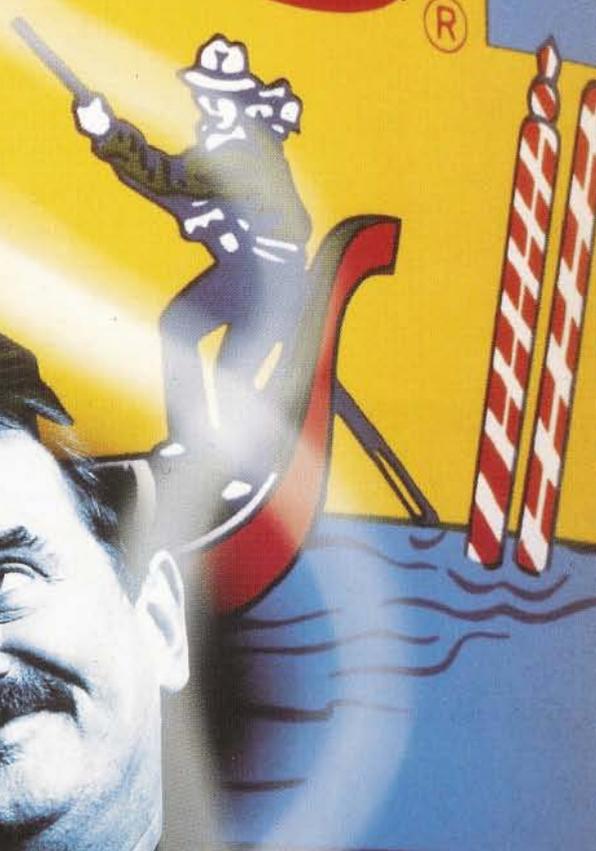
Note: This is the last time we shall be reporting our foods business in the form of the three product groups described on this and the preceding pages. On 1st September, 1990 responsibility for our foods business worldwide was assumed by the Foods Executive.

RAGÚ

Marca di



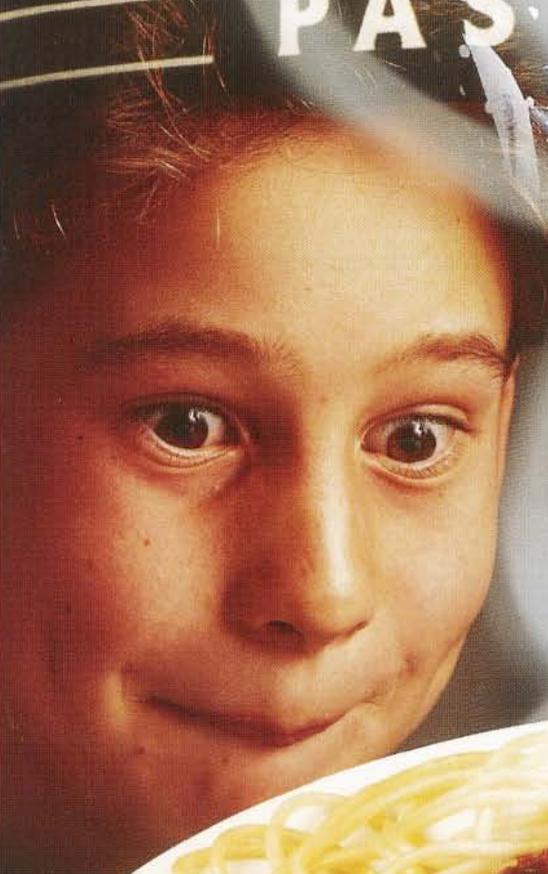
World



PAS



CE



DETERGENTS

It was an active year for our business in Europe both in terms of our organisation, with the development of Lever Europe, and product innovation.

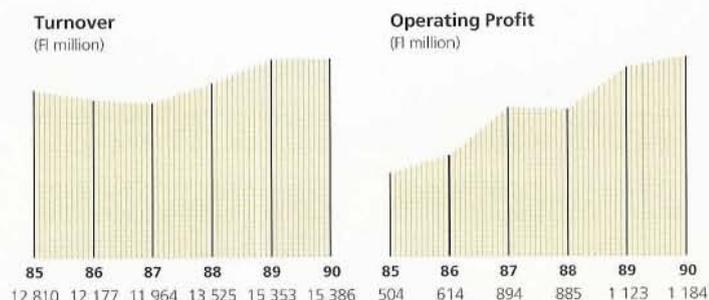
In Germany we launched three environmentally advanced products. The first, *Skip-Baukasten*, allows the consumer to adjust three separately packaged ingredients to suit specific wash requirements. The second is *Skip A.D.S.* This automatic dosing system has been developed with Bosch and Siemens and enables the new generation of micro-processor controlled washing machines to select the appropriate ingredients for each wash. The third, *Sun Progress*, is a highly concentrated machine dishwash powder which minimises environmental impact. Most of our product range is now available throughout the expanded German market and consumer response has been most satisfactory.

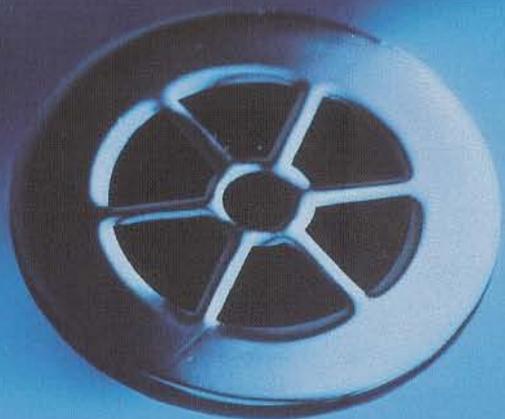
Elsewhere in Europe we continued to use our established brand names as vehicles for the introduction of new products such as *Persil* hand dishwash liquid and *Domestos* household cleaner, both in the United Kingdom. A luxury 'Silk' variant of *Comfort* fabric softener, launched in 1989, has proved successful.

In the United States we continued our policy of applying patented technology to produce higher margin products with improved performance and reduced environmental impact. Launches included *Wisk Power Scoop*, a concentrated washing powder, and *Lever 2000*, a toilet bar with skin care properties. These investments, combined with severe competitive pressures, served to depress results.

Elsewhere our detergents businesses made sound progress, with good results in Brazil, Chile and India. In Brazil we increased our share of the fabrics washing market and in India the *Wheel* range continued to expand. We entered the fabrics washing market in Japan with the sachet based *Surf* powder, and market shares in South East Asia improved. In the face of difficult economic conditions we increased or maintained our market shares in Africa and continued to develop Pan-African branding.

Our industrial and institutional cleaning business achieved record sales and profitability. Recent acquisitions have now been integrated successfully and two new businesses were acquired in Spain and Germany.





洗淨
子パワー

all new

レモン
ジフ

キズをつけずに、
きれいにピカピカに

レモン果汁配合



PERSONAL PRODUCTS

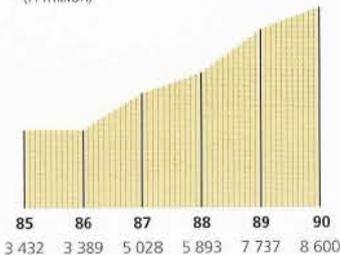
The expansion of our personal products business in recent years has made Unilever one of the leading companies in this important world market. The businesses we acquired during 1989 have performed well and we are now enjoying the benefits hoped for at the time of their acquisition.

Elizabeth Arden and Calvin Klein had a successful year in spite of difficult market conditions for prestige personal products and were active in adding to their ranges. In skin care, Unilever technology and Arden's marketing skills were combined to produce *Ceramide Time Complex Capsules*. Successful new fragrances have included Calvin Klein's *Eternity for Men*, *Red Door* from Elizabeth Arden and *Lagerfeld Photo*. Building on Unilever's global presence, Calvin Klein and Elizabeth Arden continue to expand their operations outside the United States.

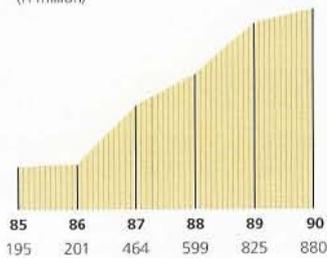
Modest market growth and strong competition limited the expansion of our mass market operations in Europe and North America. We nevertheless improved market shares by extending existing ranges of toothpastes, deodorants and hair and skin care products, and by increasing the emphasis on quality. We pursued the opportunities presented by the opening up of East European markets and have established a strong presence in the enlarged German market.

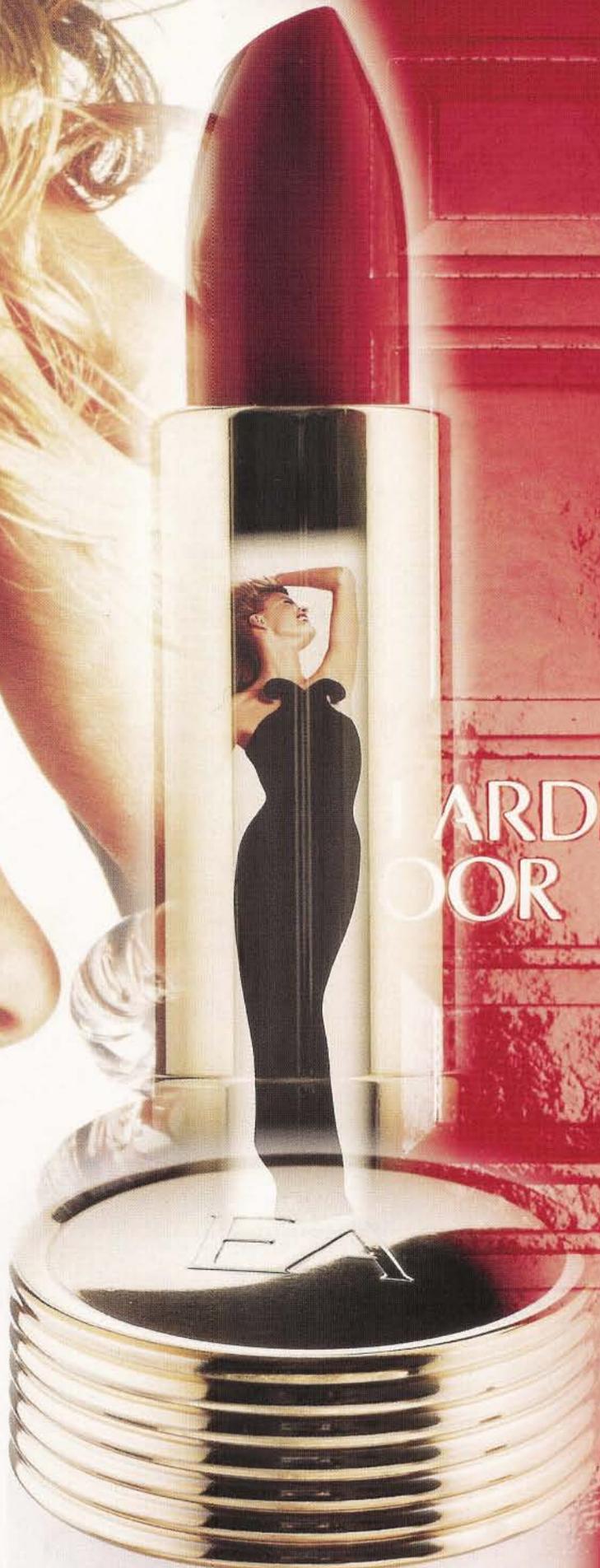
Elsewhere our business generally grew faster than the relevant markets, and results, especially in Central and East Asia and Latin America, reflected this progress. In these regions, personal products markets are growing rapidly and present us with considerable opportunities. This is especially the case in sectors such as shampoos and conditioners, skin care products and cosmetics, where we have considerable expertise. Our businesses have been successful in developing products suitable for transfer to other countries as well as adapting products from elsewhere to suit local conditions. This is a policy which we will continue.

Turnover
(£ million)



Operating Profit
(£ million)





ELIZABETH ARDEN
VISIBLE DIFFERENCE

VISIBLE
DIFFERENCE
REFINING
MOISTURE CREME COMPLEX
ELIZABETH ARDEN

NATUREL

SPECIALITY CHEMICALS

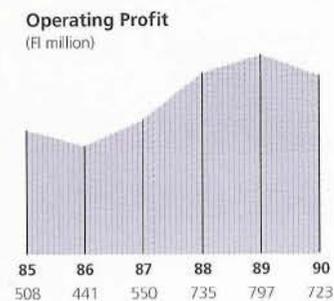
Our largest chemicals business, National Starch and Chemical Company, produced good results despite weaker economies in some countries. The adhesives businesses increased sales in most major markets and we expanded our resins operations in pressure polymers for textiles and coatings, with Vinamul performing well in Europe. The market for speciality starches for use in food products grew throughout Europe and in the United States we successfully launched new starch products for the paper industry.

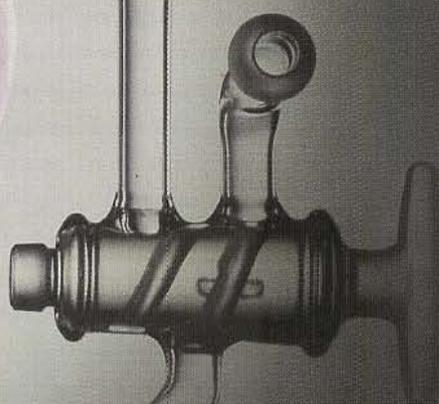
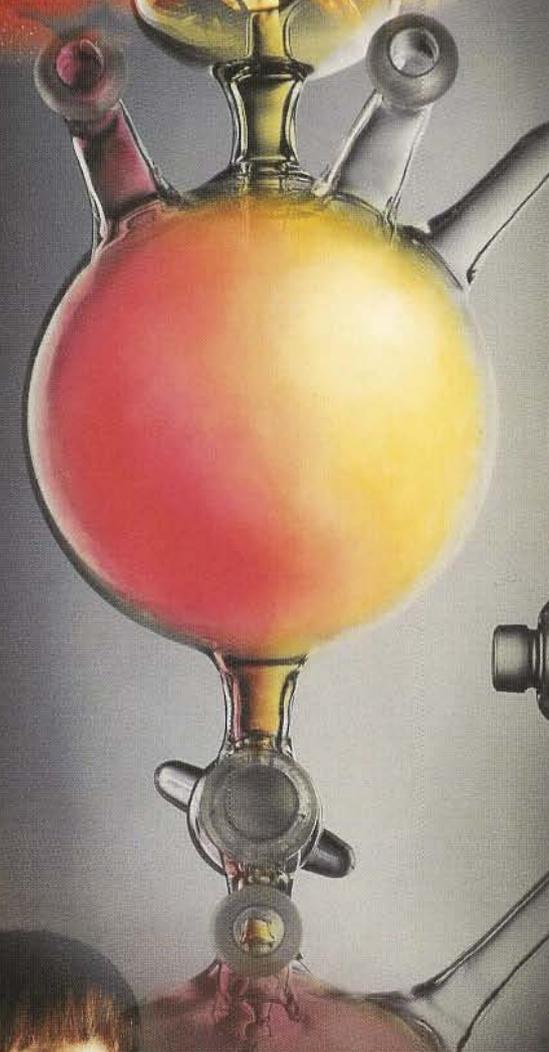
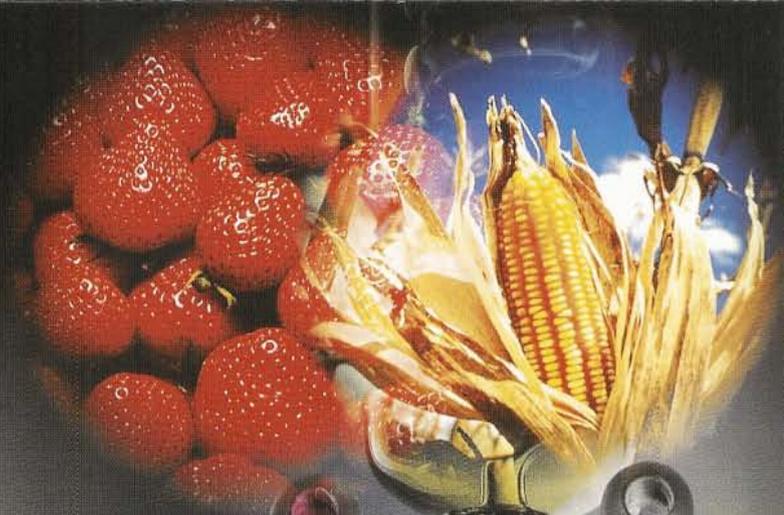
In flavours and fragrances, Quest International started the year well, but further progress was constrained as a result of a contraction in industrial markets in some countries and weakening demand for food ingredients in the United States. A new Fragrance Centre was opened at Ashford, in the United Kingdom. Biocon, our Irish based business acquired in 1989, had a successful year with its speciality enzymes for brewing and natural colorants for foods and cosmetics.

In spite of good performances in Malaysia and the United States, results at Unichema International suffered as a result of low world market prices for fatty acids and glycerine. Additional production capacity came on stream in the Netherlands and also in Malaysia, where we are now able to manufacture performance products from locally-produced palm oil.

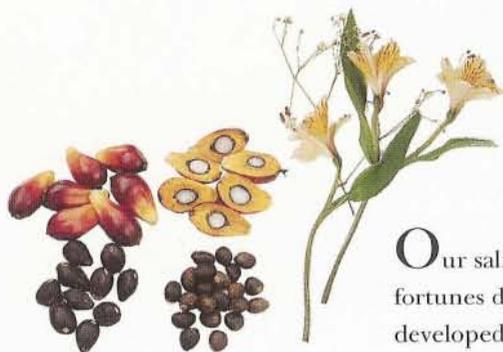
Crosfield increased volume during the year and the extra production capacity for silicas in the United States came fully on stream. Sales of disilicate for use in the new generation of phosphate-free dishwashing products have developed well. In the United States, we made an acquisition which strengthened our global petroleum catalyst business. The decline in the construction industry during 1990 depressed demand for our chemicals for building applications.

It has long been our policy to increase the use of renewable raw materials in our speciality chemicals business. Today, half our turnover is generated by products derived from such renewable resources. These include starch from corn or tapioca, flavours from plants or yeast cultures, and polymer building blocks from oil palms or soya beans.





AGRIBUSINESS



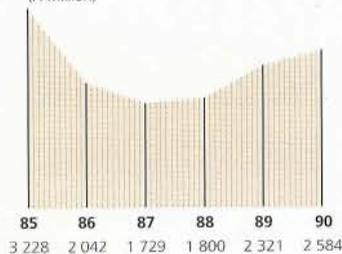
Our salmon farming operations in Chile and Scotland enjoyed contrasting fortunes during the year. Chile produced a sizeable harvest of good quality and developed new markets for year-round fresh salmon, notably in the United States. The Scottish farms, however, continued to suffer from fish mortalities and low prices and traded at a loss. The introduction of *Lochinvar* branded salmon products will move some of the production into the higher added value sectors of the market.

Our Planting Materials Group expanded its operations with acquisitions in the United States and Italy. The Group also developed several new high yielding and disease resistant varieties of seed.

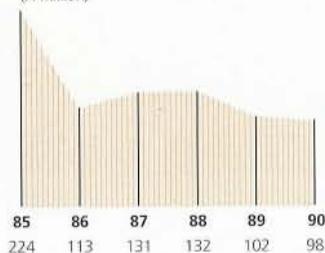
BOCM Silcock increased its market share in a UK animal feeds industry still troubled by overcapacity, making a number of small acquisitions which will contribute to a restructuring of the industry. The sale of the UAM merchanting business was completed at the year end.

Our plantations business had another good year. Increased production efficiency combined with high local market prices for tea and palm oil in some areas produced improved results.

Turnover
(£ million)



Operating Profit
(£ million)



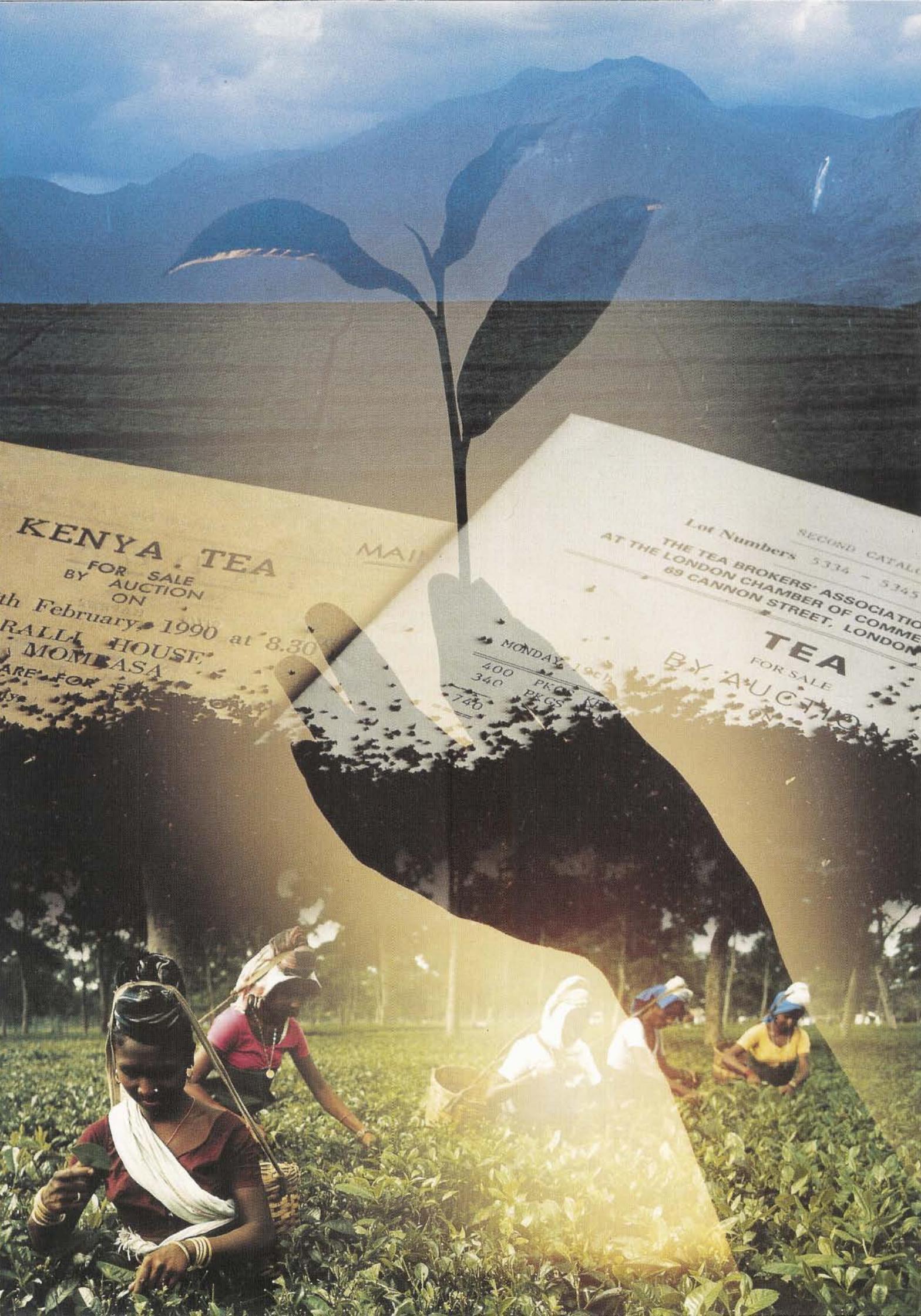
OTHER OPERATIONS

Our medical products business was re-launched under the Unipath name and achieved a substantial growth in sales. The expansion of *Clearblue One Step*, the leading in-home pregnancy testing kit, continued and it is now available in some 50 countries. The *Oxoid* range of microbiological products and the new *Cell-Dyn* haematology analyser made further progress.

The power applications business in the United Kingdom did well despite the recession in the construction industry and achieved improved results in Africa, winning several contracts for Aid/Loan projects. The West African textiles business was adversely affected by economic conditions in Côte d'Ivoire but performed well elsewhere. Our associated companies in Nigeria had another good year.

The Nordsee chain of fish restaurants and shops in Europe again recorded increased sales and profits, and the A&W restaurants in Canada performed well.

The 4P Packaging Group in Germany produced another year of growth and improved profits.



KENYA TEA

FOR SALE
BY AUCTION
ON

th February, 1990 at 8.30
RALLI HOUSE
MOMBASA

ARE FOR

MAIL

Lot Numbers SECOND CATALOGUE
5334 - 5345
THE TEA BROKERS' ASSOCIATION
AT THE LONDON CHAMBER OF COMMERCE
69 CANNON STREET, LONDON

TEA
FOR SALE
BY AUCTION
ON

MONDAY 12th Feb
400 PKGS KE
340 PKGS KE
740 PKGS KE

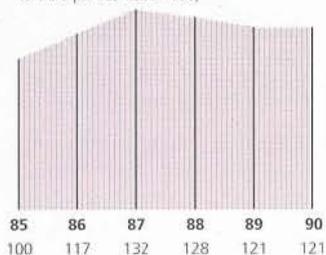


RESEARCH AND DEVELOPMENT

Research and development expenditure
(Fl million)



Research and development
(Expressed as a percentage of sales to third parties 1985=100)



Investment in effective research and development is the basis of innovation and competitive advantage for our business. It ensures the quality, safety and profitability of our products and processes. In 1990 this investment amounted to Fl. 1 325 million (Fl. 1 309 million in 1989). The benefits are to be found in all parts of our business, in the constant improvement of existing products as well as in new developments.

In the detergents area, new technologies are increasingly being exploited on a global basis. Super-concentrated washing powders have now been launched in Europe, the United States and the Far East. These products reduce the environmental impact of chemicals and packaging while maintaining the highest levels of cleaning performance. In another development, new liquids technology has enabled mild surfactants to be incorporated in facial wash products.

Gum health technology is of paramount importance for the dental business and we continue to invest heavily in research in this area. We launched our superior *Mentadent* toothpaste technology in fifteen countries during 1990 with a product which shows a 70% reduction in gum bleeding compared to conventional toothpastes.

There is a clear acceleration in the development of skin science. Consumers now expect products to deliver substantial functional benefits and our long-standing expertise in the biological sciences makes us well placed to meet these expectations. We have increased our research investment in this area to support the Elizabeth Arden business and the first fruits of this investment can now be seen. The *Ceramide Time Complex Capsules* are the first of what will become a range of new products based on patented technology.

In foods, the development and introduction of a very low fat spread is the result of work on particular emulsion technologies first begun in 1985. Other new food developments which reached the market in 1990 included cheese alternatives made from vegetable oils, and instant tea. New freeze drying technology has enabled this product to offer both convenience and an authentic taste.

In speciality chemicals, 1990 saw the development of a new process to produce 'bio-esters'. These emollients, which are derived from palm kernel oil, are well suited for use in skin creams, sun products and bath oils, particularly where more natural formulations are required.



APRIRE QUI

OFFERTA PROVA: SCONTI L.3000
IL PREZZO FINALE È QUELLO ESPOSTO

NUOVO **BIO** **Presto** **MICRO**
LAVATRICE

STESSO NUMERO DI LAVAGGI DI UN FUSTINO

SENZA FOSFATI



CERAMIDE TIME COMPLEX CAPSULES
CERAMIDE COMPLEXE ACTIF JEUNESSE

THE INTENSIVE SKIN TREATMENT FOR FACE AND THROAT
LE TRAITEMENT INTENSE POUR LE VISAGE ET LE COU

ELIZABETH ARDEN

60 CAPSULES TOTAL 97 FL.OZ. 28.7 ml e

THE ENVIRONMENT

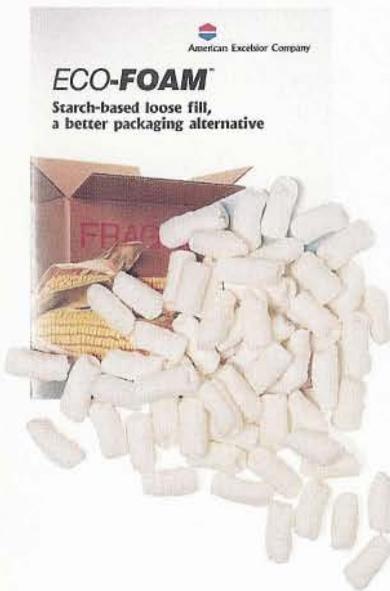
We have long recognised our responsibility to ensure that our products and operations are safe for the environment and we consider the environmental effects at every stage in the product life-cycle. Our commitment to providing exemplary levels of care and safety is set out in the Unilever Policy on the Environment. All Unilever businesses play an active role in implementing this policy by continuously working to improve the environmental impact of their operations.

Extensive scientific and technological resources are committed to achieving a continuous reduction of waste, energy consumption and effluent emissions. We are determined to respond to consumer preferences for products with positive environmental features such as naturalness, concentration, or the use of renewable resources and to anticipate such concerns wherever we can. A recent example is the development of an alternative to expanded polystyrene loose-fill packing material. *Eco-foam* is composed of over 95% corn starch, a renewable resource, and is water dispersible and biodegradable.

Many of our initiatives have been undertaken in the area of detergents. Some of these are described earlier in this Report and they range from establishing the most environmentally safe formulations for our products to initiatives to reduce the absolute quantity of material used.

In packaging, our companies continued their drive to improve environmental compatibility, increasingly using packs more amenable to recycling or re-use, minimising demands on natural resources and using renewable or recycled materials wherever possible. Continued collaboration with packaging suppliers has led to the introduction of lightweight bottles for edible oils and carton packs for liquid detergents.

Our approach is based on assessing the total environmental impact of our products and activities rather than responding to short-term market trends. It is a policy that we are confident will yield long-term environmental benefits and satisfy consumer preferences for environmental excellence.



PERSONNEL

Our employees are our most important asset. We seek to provide a context within which all our staff can realise their potential and thereby maximise their contribution to our success.

Effective communication within the business is vitally important if staff are to understand our strategies and aims. A policy of open communication includes company bulletins and magazines, presentations of management's objectives and an annual review of the year and plans for the future.

A high priority is given to training and individual development, with a wide programme of courses available for all staff – some residential, some office or factory based. All, however, are relevant in extending the skills and capacity of the employee who attends.

An increasingly competitive climate presents challenges enough, but the management of an international business adds an extra dimension, requiring people who can think and operate within a worldwide network while acting and delivering results locally.

We therefore actively continue our management recruitment activities in universities and polytechnics in all the countries in which we operate and are pleased to report a steadily increasing number of women being recruited. We have refined our practices for quickly confirming the potential of new recruits and for developing and diversifying the experience of those who are likely to progress.

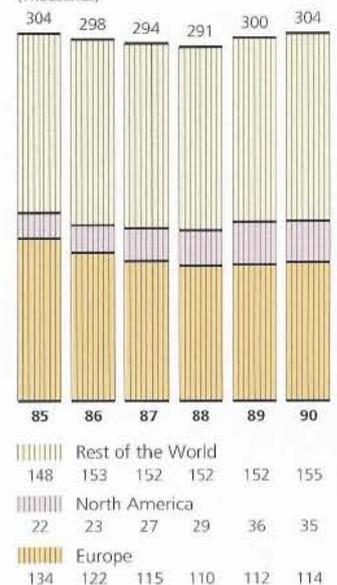
While a planned progression of job challenges is the prime vehicle for developing the high potential manager, formal training can provide added leverage. We therefore continuously update our range of international courses designed to fit with key stages in a manager's career.

Our personnel policies require that all employees' careers are determined solely upon merit. No employee will suffer because of his or her sex, race, ethnic origin or religious beliefs. These principles guide our operations around the world.

At the end of 1990 Unilever employed 304 000 people worldwide (1989: 300 000).



Number of group employees
(Thousands)



FINANCE



Net debt, that is total borrowing less cash and current investments, was reduced in 1990 from Fl. 7.0 billion to Fl. 6.2 billion. This was despite the heavy programme of capital investment and continued high level of acquisition activity; 56 transactions were completed at a cost of Fl. 1 267 million. In addition, we sold 16 businesses for Fl. 356 million. Investment in working capital, when expressed as a percentage of turnover, fell during the year.

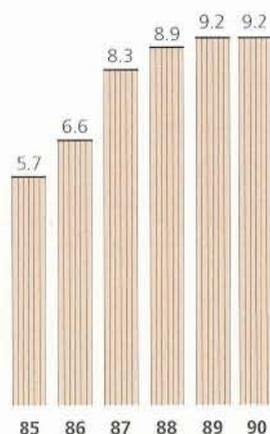
Long term debt was increased from Fl. 4.6 billion to Fl. 5.7 billion, rising as a percentage of total debt from 53% to 64%, and at the same time the average maturity was lengthened to almost six years. We tapped the international bond markets on six occasions, raising funds on favourable terms in a number of currencies. Three maturing Eurobonds were repaid. In addition, we continued to be active with our short term funding programmes, making significant use of swaps and other similar instruments. Our overall borrowing capability has been strengthened by the negotiation of a multi-currency standby agreement of Fl. 3.9 billion with a group of major banks.

Cash and current investments were increased during the year and reached Fl. 2.7 billion by year end. Most of these resources are concentrated in parent and finance companies.

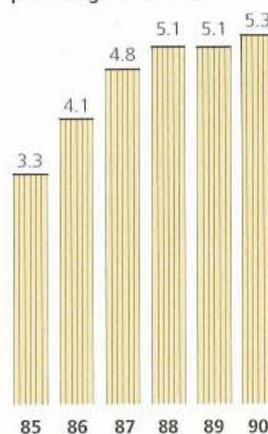
Interest costs in total have increased by Fl. 264 million due to the higher level of average debt carried in 1990, following the major acquisitions of Fabergé/Elizabeth Arden and Calvin Klein Cosmetics which took place in the second half of 1989.

Net gearing, that is net debt expressed as a percentage of the sum of net debt, capital, reserves and outside interests in group companies, strengthened to 36.7% in the year.

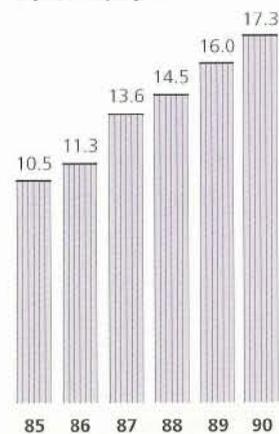
Operating margin



Profit after taxation as a percentage of turnover



Return on capital employed



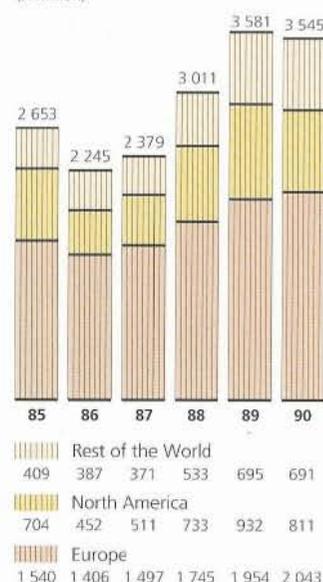
CAPITAL EXPENDITURE

Capital expenditure in 1990 amounted to Fl. 3 545 million (1989: Fl. 3 581 million). The tables on pages 34 and 35 give an analysis by geographical area and by operation for 1990 and earlier years. Capital expenditure in 1991 is likely to continue at a level comparable in total with that of 1990.

Projects totalling Fl. 3 520 million were approved in 1990 (1989: Fl. 4 080 million). These projects included:

- Austria** – Replacement of the existing edible oils refinery with a process involving new technology.
- Belgium** – New production line for chilled foods.
- Brazil** – New NSD powder factory.
- Germany** – New toilet soap production facilities.
- Indonesia** – Construction of an ice cream factory.
- Malaysia** – Expansion of plantations.
- Netherlands** – Replacement of the existing edible oils blending refinery with a pre-mix operation.
- United Kingdom** – Construction of a research centre.
– New production line for the preparation of microwaveable ready meals.
– Expansion of choc bar capacity.
– New plant for the production of fabric conditioners.
- United States** – Expansion of a tomato processing plant.
– New production facilities for concentrated powders.
– Construction of a micronised silica gel plant.

Capital expenditure
(Fl million)



DIRECTORS

F.A. Maljers

Aged 57. A member of Special Committee, Unilever's plural Chief Executive, since 1982. Appointed a Director in 1974 and Chairman of Unilever N.V. and Vice-Chairman of Unilever PLC in 1984.

Sir Michael Angus

Aged 60. A member of Special Committee since 1984. Appointed a Director in 1970 and Chairman of Unilever PLC and Vice-Chairman of Unilever N.V. in 1986.

R.W. Archer

Aged 61. A member of Special Committee since 1989. Appointed a Director in 1978. He will retire on 8th May, 1991.

J.I.W. Anderson

Aged 52. Corporate Development Director and responsible for Medical Products Group. Appointed a Director in 1988.

M. Dowdall

Aged 61. Detergents Co-ordinator. Appointed a Director in 1985. He will retire on 8th May, 1991.

P.V.M. Egan

Aged 60. Regional Director for Latin America and Central Asia. Appointed a Director in 1978.

H. Eggerstedt

Aged 53. Commercial Director and Regional Director for Continental Europe. Appointed a Director in 1985.

N.W.A. FitzGerald

Aged 45. A member of the Foods Executive with responsibility for Northern Europe. He will become Detergents Co-ordinator on 8th May, 1991. Appointed a Director in 1987.

A.S. Ganguly

Aged 55. Head of Research and Engineering Division. Appointed a Director in 1990.

W.K. Grubman

Aged 62. Chemicals Co-ordinator. Appointed a Director in 1986.

M.G. Heron

Aged 56. Personnel Director and Regional Director for the United Kingdom and Ireland. Appointed a Director in 1986.

C.M. Jemmett

Aged 54. Regional Director for Africa and Middle East. He will also assume responsibility for Agribusiness Co-ordination on 8th May, 1991. Appointed a Director in 1988.

A. Kemner

Aged 51. A member of the Foods Executive with responsibility for Southern Europe. Appointed a Director in 1989.

C. Miller Smith

Aged 51. Financial Director. Appointed a Director in 1989.

O.O.H. Müller

Aged 55. Agribusiness Co-ordinator. He will join the Foods Executive, as member responsible for Northern Europe, on 8th May, 1991. Appointed a Director in 1989.

J. Peelen

Aged 51. Regional Director for East Asia and the Pacific. Appointed a Director in 1987.

M.S. Perry

Aged 57. Personal Products Co-ordinator. He will become a member of Special Committee and a Vice-Chairman of Unilever PLC on 8th May, 1991. Appointed a Director in 1985.

M. Tabaksblat

Aged 53. Chairman of the Foods Executive and responsible for the United States food businesses. Appointed a Director in 1984.

Board Changes

As already announced, Mr R.W. Archer and Mr M. Dowdall will retire at the Annual General Meetings on 8th May, 1991 and will not be offering themselves for re-election.

Mr Archer joined Unilever in 1953. He was appointed a Director of Hindustan Lever in 1966 and Vice-Chairman in 1968. He served on the Overseas Committee from 1970 to 1974 and then as Treasurer and deputy Financial Director until 1978, when he was appointed a Director. He served as Commercial Director until 1983 and as Personnel Director until 1989 when he joined Special Committee.

Mr Dowdall joined Unilever in 1954 and worked in the detergents businesses in the UK and Germany prior to becoming Chairman of Lever France in 1975. He became Chairman of BOCM Silcock in 1980; deputy Detergents Co-ordinator in 1984 and Co-ordinator in 1985 when he was appointed a Director.

Their colleagues wish to record their gratitude to both gentlemen for their significant and valued contribution to the business over many years.

All the remaining Directors will retire from office, in accordance with the Articles of Association of N.V. and PLC, at the Annual General Meetings and will offer themselves for re-election. In addition Mr A. Burgmans has been nominated for appointment as a Director.

Mr Burgmans, aged 44, joined Unilever in the Netherlands in 1972 and served in the detergents businesses in the Netherlands, Indonesia and Germany before becoming Chairman in Indonesia in 1988. On appointment he will become Personal Products Co-ordinator.

ADVISORY DIRECTORS

The role of an Advisory Director to Unilever involves the giving of advice to the Board in general and to Special Committee in particular, on business, social and economic issues. Each Advisory Director is invited to serve on at least one of three Advisory Committees comprised of his colleagues. The three Committees are a Remuneration Committee, which reviews the remuneration policy for Directors and Senior Executives; an Audit Committee, which oversees financial reporting and control arrangements; and an External Affairs Committee.

F.H. Fentener van Vlissingen. Aged 57. Appointed in 1990. He was Chairman of the Board of Directors of SHV Holdings N.V. 1975-84 and is now Vice-Chairman of its Supervisory Council. He has been Managing Director of Flint Holding N.V. since 1984. He is also a member of the Supervisory Councils of ABN AMRO Holding N.V. and of AKZO.

Lord Haslam of Bolton. Aged 68. Appointed in 1986. He was Deputy Chairman of Imperial Chemical Industries 1980-83 and Chairman of Tate & Lyle and British Steel 1983-86. He was Chairman of British Coal 1986-90.

Sir Brian Hayes. Aged 61. Appointed in 1990. He held senior positions in the British Civil Service including Permanent Secretary of the Department of Trade and Industry 1985-89. He is a Director of Tate & Lyle and Guardian Royal Exchange.

F.-X. Ortoli. Aged 66. Appointed in 1985. He was a minister in the French Government 1967-72; President of the Commission of the European Communities 1973-76 and Vice President for Economic and Monetary Affairs 1977-84. He was Chairman of TOTAL Compagnie Française des Pétroles 1984-90 since which time he has been Honorary Chairman.

D.E. Petersen. Aged 64. Appointed in 1990. He was Chairman and Chief Executive Officer of Ford Motor Company 1985-90. He has served on the boards of Hewlett-Packard Co. and Dow Jones and Company, Inc. since 1987 and became a member of the Board of Directors of Boeing Company in 1990.

R. Prodi. Aged 52. Appointed in 1990. He has been Professor of Economics and Industrial Policy at the University of Bologna since 1974. He served as Minister of Industry 1978-79 in the Italian Government and was President of the IRI Group 1982-89.

H.O.C.R. Ruding. Aged 51. Appointed in 1990. He was Dutch Minister of Finance 1982-89. Other appointments have included Joint General Manager 1971-76 and Managing Director 1981-82 of Amsterdam-Rotterdam Bank; Executive Director of the International Monetary Fund 1977-80 and Chairman of its Policy Making Interim Committee 1985-89. He has been Chairman of the Netherlands Christian Federation of Employers since September 1990.

D. Spethmann. Aged 65. Appointed in 1978. He has been Chairman of the Executive Board of Thyssen, Duisburg since 1973 and of the Supervisory Board of Munich Re since 1978.

The Rt. Hon. the Viscount Leverhulme K.G. T.D. Aged 75. Grandson of William Lever, the founder of Lever Brothers. Lord Leverhulme was appointed Honorary Advisory Director of PLC for life on his retirement as an Advisory Director in 1985.

DIVIDENDS / AUDITORS

Dividends

The Boards have resolved to recommend to the Annual General Meetings on 8th May, 1991 the declaration of final dividends on the ordinary capitals in respect of 1990 at the rates shown in the table below, which are equivalent in value in terms of the Equalisation Agreement.

	N.V. – per Fl. 4 ordinary capital		PLC – per 5p ordinary capital	
	1990	1989	1990	1989
Interim	Fl. 1.44	Fl. 1.37	4.86p	4.51p
Final	Fl. 3.83	Fl. 3.35	13.30p	12.24p
Total	Fl. 5.27	Fl. 4.72	18.16p	16.75p

The N.V. final dividend will be payable as from 24th May, 1991 (or in the case of the New York shares on 6th June, 1991). The PLC final dividend will be paid on 22nd May, 1991 (or in the case of holders of American Depositary Receipts on 29th May, 1991) to shareholders registered on 19th April, 1991.

For the purpose of equalising dividends under the Equalisation Agreement, Advance Corporation Tax (ACT) in respect of any dividend paid by PLC has to be treated as part of the dividend. PLC's 1990 final dividend has been calculated by reference to the current rate of ACT; if the effective rate applicable to payment of the dividend is different the amount will be adjusted accordingly and a further announcement made to the shareholders of PLC.

Auditors

Resolutions will be proposed at the respective Annual General Meetings on 8th May, 1991 for the reappointment of Coopers & Lybrand Dijker Van Dien as auditors of N.V. and Coopers & Lybrand Deloitte as auditors of PLC. Their present appointments will end at the conclusion of the Annual General Meetings.

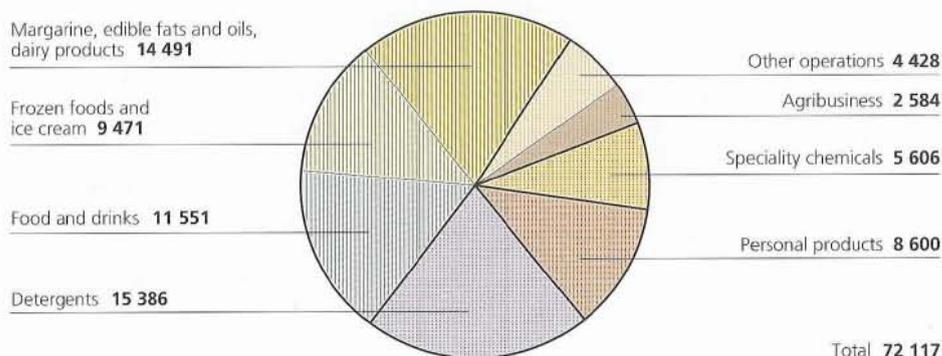
By Order of the Board
J.W.B. Westerburgen
S.G. Williams
Joint Secretaries of Unilever
22nd March, 1991

SALIENT FIGURES ^{a)}

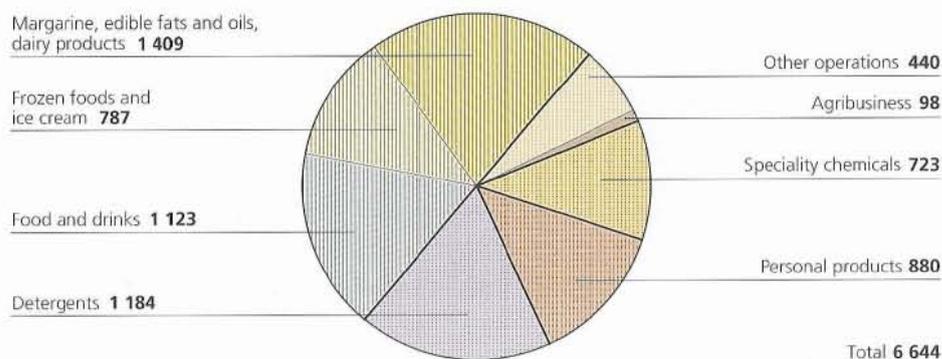
The following figures are largely extracted from the Unilever Group consolidated accounts for 1990 and earlier years, which have been prepared under the historical cost convention. They are in accordance with accounting principles generally accepted in the Netherlands and the United Kingdom, except that the treatment of deferred taxation, for which full provision is made, complies with Dutch legislation as currently applied rather than with generally accepted accounting principles in the United Kingdom.

The figures are expressed in guilders, except where stated otherwise. Fluctuations in exchange rates over time affect the financial statements of the Unilever Group in a single currency, with the result that trends reflected in the guilder statements can differ significantly from the trends shown in the pound sterling and US dollar statements contained in other versions of this booklet.

Turnover by operations 1990 (Fl million)



Operating profit by operations 1990 (Fl million)



a) With effect from 1st January, 1990 average rates of exchange have been adopted for currency translation of results and source and use of funds. Previously year-end rates of exchange were used for this purpose. Throughout this booklet relevant 1989 figures have been restated, but not those of earlier years. However, the effect of the change on profit on ordinary activities attributable to shareholders in 1988 would have been a decrease of Fl. 28 million to Fl. 2 993 million.

EXTRACTS FROM THE CONSOLIDATED PROFIT AND LOSS ACCOUNT OF THE UNILEVER GROUP

for the year ended 31st December

Fl. million	1985	1986	1987	1988	1989	1990
Turnover ^{a)}	66 771	55 363	55 111	61 961	71 172	72 117
Operating costs	(62 974)	(51 731)	(50 539)	(56 475)	(64 624)	(65 473)
Operating profit	3 797	3 632	4 572 ^{b)}	5 486	6 548	6 644
Income from fixed investments ^{c)}	302	166	152	184	192	191
Interest	(285)	(104)	(307)	(408)	(797)	(1 061)
Profit before taxation	3 814	3 694	4 417	5 262	5 943	5 774
Taxation	(1 591)	(1 429)	(1 777)	(2 094)	(2 278)	(1 985)
Profit after taxation	2 223	2 265	2 640	3 168	3 665	3 789
Outside interests in group companies	(159)	(121)	(124)	(147)	(199)	(184)
Profit on ordinary activities attributable to shareholders	2 064	2 144	2 516	3 021	3 466	3 605
Extraordinary items ^{d)}	—	—	82	—	—	(630)
Profit after extraordinary items attributable to shareholders	2 064	2 144	2 598	3 021	3 466	2 975
Preference dividends	(16)	(16)	(16)	(16)	(15)	(15)
Dividends on ordinary capital	(718)	(751)	(897)	(1 070)	(1 217)	(1 312)
Profit of the year retained	1 330	1 377	1 685	1 935	2 234	1 648

Movements in profit retained						
Profit of the year retained	1 330	1 377	1 685	1 935	2 234	1 648
Depreciation method change	—	—	475 ^{b)}	—	—	—
Goodwill	(152)	(572)	(4 407)	(649)	(4 722)	(821)
Preference capital redemption	—	—	—	—	(21)	—
Currency retranslation ^{e)}	(1 735)	(2 033)	144	172	(637)	12
Net movements during the year	(557)	(1 228)	(2 103)	1 458	(3 146)	839
Profit retained – 1st January	12 908	12 351	11 123	9 020	10 478	7 332
Profit retained – 31st December	12 351	11 123	9 020	10 478	7 332	8 171

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

^{b)} See note ^{a)} on page 32.

^{c)} Includes share of associated companies' profit before taxation:

1985	1986	1987	1988	1989	1990
230	117	122	158	171	157

^{d)} Extraordinary items in 1984 included an extraordinary charge, net of tax relief, of Fl. 356 million for losses arising, and provisions for estimated losses less surpluses, consequent on the decision to withdraw from certain activities. By 1987 the disposal programme had been substantially completed, with greater success than originally expected, and Fl. 82 million of the provision was released as extraordinary income in that year.

The extraordinary charge in 1990 relates to a programme to strengthen the Group's competitive position in the light of the legislation leading to the Single European Market. It includes the costs associated with the closure of some facilities, the re-allocation of production and other re-organisation expenses. Restructuring

expenditure outside this programme continues to be charged against operating profit.

^{e)} Exchange differences arising in the accounts of individual companies from transactions denominated in foreign currencies are dealt with in the individual companies' profit and loss accounts.

In preparing the consolidated accounts in guilders, the profit and loss account and source and use of funds are translated at average rates of exchange for the year (but see note ^{a)} on page 30); balance sheet values at the year end other than the ordinary share capital of PLC are translated at year-end rates of exchange.

The ordinary share capital of PLC is translated at the Equalisation Agreement rate of £1 = Fl. 12. The difference between the share capital value in guilders thus derived and the value derived by applying the year-end rate of exchange is taken up in other reserves.

The other effects of exchange rate changes during the year on the assets less liabilities at the beginning of the year are recorded as a movement in profit retained under the title of currency retranslation, as is the difference between profit for the year at average rates of exchange and at year-end rates of exchange. A similar treatment of currency retranslation is applied to source and use of funds.

EXTRACTS FROM THE CONSOLIDATED BALANCE SHEET OF THE UNILEVER GROUP

as at 31st December

Fl. million	1985	1986	1987	1988	1989	1990
Fixed assets						
Tangible assets	12 162	11 316	12 869 ^{a)}	15 166	16 749	17 980
Investment in Chesebrough-Pond's Inc.	—	6 438 ^{b)}	—	—	—	—
Fixed investments	1 246	795	734	751	729	750
Current assets						
Stocks	9 744	8 210	8 250	9 525	9 986	9 706
Debtors	8 259	7 327	8 045	9 256	10 581	10 652
Current investments	3 492	6 467	1 804	3 612	540	783
Cash at bank and in hand	2 398	3 997	1 593	1 508	1 105	1 935
	23 893	26 001	19 692	23 901	22 212	23 076
Less: Creditors due within one year						
Borrowings	3 919	7 146	1 169	3 749	4 074	3 214
Trade and other creditors	10 926	9 983	11 542	13 013	13 998	14 392
Unpaid acceptances from previous shareholders of Chesebrough-Pond's Inc.	—	6 438 ^{b)}	—	—	—	—
Net current assets	9 048	2 434	6 981	7 139	4 140	5 470
Total assets less current liabilities	22 456	20 983	20 584	23 056	21 618	24 200
Creditors due after more than one year						
Borrowings	2 587	2 678	2 946	3 311	4 590	5 716
Trade and other creditors	419	519	641	1 041	911	793
Provisions for liabilities and charges						
Pensions and similar obligations	2 978	3 166	3 364	3 579	3 796	4 102
Deferred taxation and other provisions	2 258	1 800	2 188 ^{a)}	2 198	2 479	2 871
Outside interests in group companies	684	563	1 300 ^{a)}	1 294	1 370	1 345
Capital and reserves						
Called up share capital	1 399	1 396	1 396	1 399	1 383	1 386
Share premium account	87	81	84	112	125	182
Profit retained and other reserves	12 044	10 780	8 665 ^{a)}	10 122	6 964	7 805
	13 530	12 257	10 145	11 633	8 472	9 373
Total capital employed	22 456	20 983	20 584	23 056	21 618	24 200

^{a)} Following a review of the Group's methods and rates of depreciating tangible fixed assets, changes were implemented in the accounting for depreciation with effect from 1st January, 1987. The changes increased the balance sheet values of tangible fixed assets, deferred taxation, outside interests in group companies, and profit retained by Fl. 886 million, Fl. 407 million, Fl. 4 million and Fl. 475 million respectively, and increased operating profit in 1987 by some Fl. 160 million.

^{b)} Unilever's offer for Chesebrough-Pond's Inc. was declared unconditional on 30th December, 1986 and legal ownership of 95.4% of the company's stock vested on that date, the company thus becoming a Unilever subsidiary. The Unilever investment in Chesebrough-Pond's Inc. was included in the 1986 Unilever Group accounts at cost and was consolidated with effect from 1st January, 1987.

EXTRACTS FROM THE CONSOLIDATED SOURCE AND USE OF FUNDS OF THE UNILEVER GROUP

for the year ended 31st December

Fl. million	1985	1986	1987	1988	1989	1990
Operating activities						
Profit after extraordinary items	2 064	2 144	2 598	3 021	3 466	2 975
Adjustments to reconcile profit after extraordinary items to the funds provided by operating activities:						
Depreciation	1 385	1 282	1 128	1 224	1 382	1 484
Changes in working capital	388	448	(682)	(799)	(1 295)	65
Others	314	253	296	424	255	497
Funds provided by operating activities	4 151	4 127	3 340	3 870	3 808	5 021
Investing activities						
Capital expenditure less disposals	(2 436)	(1 996)	(1 946)	(2 657)	(3 187)	(3 205)
Acquisition/disposal of group companies	402	(605)	(2 475)	(736)	(5 011)	(911)
Acquisition/disposal of fixed investments	62	26	81	(46)	7	(80)
Funds used in investing activities	(1 972)	(2 575)	(4 340)	(3 439)	(8 191)	(4 196)
Financing activities						
Dividends paid	(690)	(704)	(804)	(985)	(1 117)	(1 221)
Increase/(decrease) in borrowings due after more than one year	(473)	330	(359)	33	1 295	1 451
Sale of preference shares in a group company	—	—	787	—	—	—
Others	(17)	—	(14)	14	28	48
Funds used in financing activities	(1 180)	(374)	(390)	(938)	206	278
Increase/(decrease) in net liquid funds	999	1 178	(1 390)	(507)	(4 177)	1 103
Net liquid funds 1st January	323	1 971	3 318	2 228	1 371	(2 429)
Currency retranslation ^{a)}	649	169	300	(350)	377	830
Increase/(decrease) in net liquid funds	999	1 178	(1 390)	(507)	(4 177)	1 103
Net liquid funds 31st December	1 971	3 318	2 228	1 371	(2 429) ^{b)}	(496) ^{b)}
Of which:						
Current investments	3 492	6 467	1 804	3 612	540	783
Cash at bank and in hand	2 398	3 997	1 593	1 508	1 105	1 935
Borrowings due within one year	(3 919)	(7 146)	(1 169)	(3 749)	(4 074)	(3 214)

^{a)} See note ^{e)} on page 31.

^{b)} Net short term borrowings.

Statement from the auditors

We have issued an unqualified report dated 22nd March, 1991 on the full accounts of Unilever N.V., Unilever PLC and the Unilever Group for the year 1990, included in the document 'Unilever Annual Accounts 1990'.

Coopers & Lybrand Dijker Van Dien
Rotterdam

Coopers & Lybrand Deloitte
London

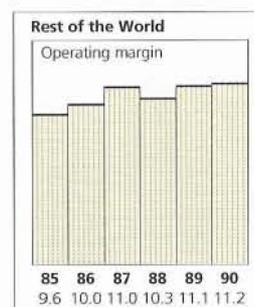
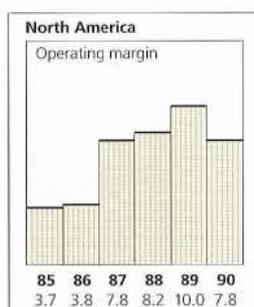
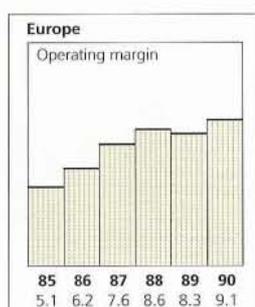
Auditors of Unilever N.V.

Auditors of Unilever PLC

22nd March, 1991

ADDITIONAL GEOGRAPHIC INFORMATION

Fl. million	1985	1986	1987	1988	1989	1990
Turnover						
Europe	42 919	34 368	34 456	37 347	41 670	43 993
North America	11 553	9 726	10 252	12 379	15 777	15 011
Rest of the World	12 299	11 269	10 403	12 235	13 725	13 113
	66 771	55 363	55 111	61 961	71 172	72 117
Operating profit						
Europe	2 179	2 138	2 626	3 205	3 445	3 992
North America	432	369	798	1 018	1 573	1 178
Rest of the World	1 186	1 125	1 148	1 263	1 530	1 474
	3 797	3 632	4 572	5 486	6 548	6 644
Operating margin %						
Europe	5.1	6.2	7.6	8.6	8.3	9.1
North America	3.7	3.8	7.8	8.2	10.0	7.8
Rest of the World	9.6	10.0	11.0	10.3	11.1	11.2
	5.7	6.6	8.3	8.9	9.2	9.2



Profit on ordinary activities attributable to shareholders

Europe	1 383	1 546	1 785	2 041	2 161	2 643
North America	159	97	223	346	527	299
Rest of the World	522	501	508	634	778	663
	2 064	2 144	2 516	3 021	3 466	3 605

Net operating assets ^{a)}

Europe	9 151	7 575	8 753	9 177	9 925	9 998
North America	3 941	3 385	3 459	4 982	6 163	5 741
Rest of the World	3 768	3 398	3 031	4 087	4 454	4 432
	16 860	14 358	15 243	18 246	20 542	20 171

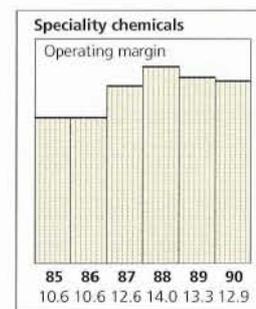
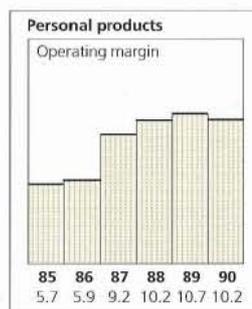
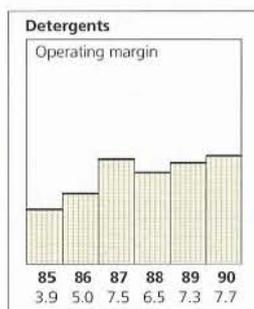
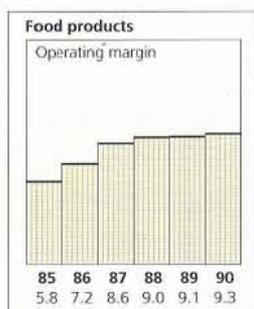
Capital expenditure

Europe	1 540	1 406	1 497	1 745	1 954	2 043
North America	704	452	511	733	932	811
Rest of the World	409	387	371	533	695	691
	2 653	2 245	2 379	3 011	3 581	3 545

^{a)} Net operating assets are tangible fixed assets, stocks and debtors less trade and other creditors (excluding taxation and dividends) and less provisions for liabilities and charges other than taxation and deferred purchase consideration.

ADDITIONAL SEGMENTAL INFORMATION

Fl. million	1985	1986	1987	1988	1989	1990
Turnover						
Food products	33 930	27 536	27 205	30 841	35 431	35 513
Detergents	12 810	12 177	11 964	13 525	15 353	15 386
Personal products	3 432	3 389	5 028	5 893	7 737	8 600
Speciality chemicals	4 785	4 192	4 371	5 260	5 993	5 606
Other operations	11 814	8 069	6 543	6 442	6 658	7 012
	66 771	55 363	55 111	61 961	71 172	72 117
Operating profit						
Food products	1 958	1 973	2 344	2 769	3 209	3 319
Detergents	504	614	894	885	1 123	1 184
Personal products	195	201	464	599	825	880
Speciality chemicals	508	441	550	735	797	723
Other operations	632	403	320	498	594	538
	3 797	3 632	4 572	5 486	6 548	6 644
Operating margin %						
Food products	5.8	7.2	8.6	9.0	9.1	9.3
Detergents	3.9	5.0	7.5	6.5	7.3	7.7
Personal products	5.7	5.9	9.2	10.2	10.7	10.2
Speciality chemicals	10.6	10.6	12.6	14.0	13.3	12.9
Other operations	5.3	5.0	4.9	7.7	8.9	7.7
	5.7	6.6	8.3	8.9	9.2	9.2



Capital expenditure						
Food products	1 056	999	1 051	1 227	1 459	1 575
Detergents	514	467	483	724	1 016	832
Personal products	102	116	137	200	223	272
Speciality chemicals	457	277	322	372	408	394
Other operations	524	386	386	488	475	472
	2 653	2 245	2 379	3 011	3 581	3 545

QUARTERLY RESULTS

Profit on ordinary activities attributable to shareholders and earnings per share, as published in the announcements of quarterly results for 1990, are set out below. With the exception of results from hyper-inflation economies, for which year-end or forecast year-end closing rates were used, these results were translated at the average rates of exchange current in each quarter, based on:

1st Quarter £1 = Fl. 3.16 and US\$1 = Fl. 1.90
2nd Quarter £1 = Fl. 3.16 and US\$1 = Fl. 1.90

3rd Quarter £1 = Fl. 3.33 and US\$1 = Fl. 1.79
4th Quarter £1 = Fl. 3.31 and US\$1 = Fl. 1.71

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year 1990	Year 1989
Profit on ordinary activities attributable to shareholders						
Fl. million	727	982	967	929	3 605	3 466
%	20	27	27	26	100	100
Earnings per share						
Guilders per Fl. 4 of ordinary capital	2.59	3.50	3.47	3.30	12.86	12.36
Pence per 5p of ordinary capital	12.32	16.60	15.61	14.99	59.52	53.15

The quarterly figures below for 1990 turnover, operating profit, profit before taxation, and profit on ordinary activities will be used as the previous year's comparatives in 1991 reporting of quarterly results at constant rates of exchange. They have been translated at the annual average rates of exchange for 1990, based on £1 = Fl. 3.24 and US\$1 = Fl. 1.82, except for hyper-inflation economies which have been translated at year-end closing rates. The comparable annual figures included for 1989 have been translated at the annual average rates of exchange for 1989, based on £1 = Fl. 3.49 and US\$1 = Fl. 2.13.

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year 1990	Year 1989
Turnover						
Fl. million						
Europe	10 308	11 300	11 422	10 963	43 993	41 670
North America	3 311	3 781	3 694	4 225	15 011	15 777
Rest of the World	2 872	3 307	3 346	3 588	13 113	13 725
	16 491	18 388	18 462	18 776	72 117	71 172
%	23	25	26	26	100	100
Operating profit						
Fl. million						
Europe	900	1 123	1 274	695	3 992	3 445
North America	179	280	226	493	1 178	1 573
Rest of the World	318	379	337	440	1 474	1 530
	1 397	1 782	1 837	1 628	6 644	6 548
%	21	27	28	24	100	100
Profit before taxation						
Fl. million	1 196	1 551	1 609	1 418	5 774	5 943
%	21	27	28	24	100	100
Profit on ordinary activities attributable to shareholders						
Fl. million	727	978	957	943	3 605	3 466
%	20	27	27	26	100	100

ADDITIONAL FINANCIAL DATA

	1985	1986	1987	1988	1989	1990
Earnings per share ^{a) b)}						
Guilders per Fl. 4 of ordinary capital	7.36	7.64	8.97	10.78	12.36	12.86
Pence per 5p of ordinary capital	27.59	35.51	40.54	44.68	53.15	59.52
Ordinary dividends ^{b)}						
N.V. – Guilders per Fl. 4 of capital	2.96	3.07	3.62	4.29	4.72	5.27
PLC – Pence per 5p of capital	7.72	10.23	12.09	13.40	16.75	18.16
Share prices ^{b)}						
N.V. per Fl. 4 ordinary share						
In Amsterdam (guilders) High	81	106	156	122	163	166
Low	63	69	90	100	117	133
PLC per 5p ordinary share						
In London (pence) High	275	442	718	514	729	732
Low	200	265	425	434	463	589
Market capitalisation (Fl. million) ^{c)}						
	21 525	27 745	28 406	32 195	43 524	42 023
Key ratios ^{d)}						
Return on shareholders' equity (%)	15.5	17.8	25.4	26.5	30.4	39.1
Return on capital employed (%)	10.5	11.3	13.6	14.5	16.0	17.3
Operating margin (%)	5.7	6.6	8.3	8.9	9.2	9.2
Profit after taxation as a percentage of turnover	3.3	4.1	4.8	5.1	5.1	5.3
Net gearing (%)	4.2	(5.3)	5.9	13.1	41.7	36.7
Net interest cover	14.4	36.7	15.4	13.9	8.5	6.4
Employees (group companies)						
Staff costs (Fl. million)	11 620	10 239	10 126	10 556	11 514	11 602
Number (in thousands) at 31st December	304	298	294	291	300	304

^{a)} The calculation of earnings per share is based on the Unilever Group profit of the year on ordinary activities attributable to ordinary capital divided by the average number of share units representing the combined ordinary capital of N.V. and PLC in issue during the year, less internal and certain trust holdings. For the calculation of combined ordinary capital the rate of exchange £1 = Fl. 12 has been used, in accordance with the Equalisation Agreement. This Agreement requires as a general rule that the dividends and other rights and benefits attaching to each Fl. 12 nominal of ordinary capital of N.V. shall be equal in value, at the relevant sterling/guilder rate of exchange, to those attaching to each £1 nominal of ordinary share capital of PLC as if each such unit formed part of the ordinary capital of one and the same company.

^{b)} The nominal values, earnings per share, ordinary dividends and share prices for the years 1985 and 1986 have been adjusted to reflect the sub-division of shares on 29th June, 1987.

^{c)} The calculation of the combined market capitalisation is based on the issued number of ordinary shares of N.V. and PLC, less internal and certain trust holdings, multiplied by the respective ordinary share price of N.V. (in Amsterdam) and PLC (in London) as at 31st December of each respective year. The rates of exchange used for translation from sterling to guilders are the respective year-end rates of exchange.

^{d)} Return on shareholders' equity is profit on ordinary activities attributable to ordinary shareholders expressed as a percentage of average capital and reserves attributable to ordinary shareholders during the year. The percentages quoted for 1985 to 1988 inclusive are based on the capital and reserves at the end of each year.

Return on capital employed is the sum of (a) profit on ordinary activities after tax and (b) interest (after tax) on borrowings due after more than one year, expressed as a percentage of average capital employed during the year. The percentages quoted for 1985 to 1988 inclusive are based on the capital employed at the end of each year.

Operating margin is operating profit expressed as a percentage of turnover.

Net gearing is borrowings less cash and current investments expressed as a percentage of the sum of capital and reserves, outside interests in group companies, and borrowings less cash and current investments.

Net interest cover is profit before net interest and taxation divided by net interest.

Return on shareholders' equity is substantially influenced by the Group policy of writing off purchased goodwill in the year of acquisition as a movement in profit retained. Return on capital employed and net gearing are also influenced but to a lesser extent.

SALIENT FIGURES IN VARIOUS CURRENCIES

1990 above 1989	Dutch Guilders	Sterling Pounds	Belgian Francs	German Marks	French Francs	Swiss Francs	ECU	US Dollars	Japanese Yen
Rates of exchange ^{a)} (one unit of currency = Fl.)		3.2400 3.4900	0.0545 0.0539	1.1270 1.1290	0.3345 0.3329	1.3130 1.3000	2.3160 2.3390	1.8200 2.1280	0.0126 0.0155
	In millions of currency							(billions)	
Turnover	72 117 71 172	22 258 20 393	1 322 372 1 319 937	63 993 63 014	215 573 213 780	54 911 54 755	31 140 30 426	39 620 33 444	5 732 4 601
Operating profit	6 644 6 548	2 051 1 876	121 831 121 424	5 896 5 797	19 861 19 666	5 059 5 037	2 869 2 799	3 650 3 077	528 423
Profit before taxation	5 774 5 943	1 782 1 703	105 883 110 227	5 124 5 262	17 261 17 853	4 397 4 573	2 493 2 541	3 172 2 793	459 384
Profit after taxation	3 789 3 665	1 169 1 050	69 475 67 961	3 362 3 245	11 326 11 007	2 885 2 819	1 636 1 567	2 081 1 722	301 237
Profit on ordinary activities attributable to shareholders	3 605 3 466	1 112 993	66 089 64 272	3 198 3 068	10 774 10 410	2 744 2 666	1 556 1 482	1 980 1 629	286 224
Ordinary dividends	1 312 1 217	405 349	24 070 22 589	1 165 1 078	3 924 3 659	999 937	567 521	721 572	104 79
Profit of the year retained	1 648 2 234	508 640	30 173 41 424	1 460 1 978	4 919 6 709	1 253 1 718	711 955	905 1 050	131 144
	In units of currency								
Earnings per share									
Per Fl. 4 of ordinary capital	12.86 12.36	396.91p 354.15p	235.81 229.23	11.41 10.94	38.44 37.13	9.79 9.51	5.55 5.28	7.06 5.81	1 022.05 798.97
Per 5p of ordinary capital	1.93 1.85	59.52p 53.15p	35.36 34.40	1.71 1.64	5.76 5.57	1.47 1.43	0.83 0.79	1.06 0.87	153.26 119.91

Movements between 1989 and 1990 will vary according to the currencies in which the figures are expressed.

^{a)} Rates of exchange are the respective average rates used in translating the salient figures in the various currencies.

LISTING DETAILS, MARKET CAPITALISATION, DATES FOR DIVIDEND AND INTEREST PAYMENTS

N.V.

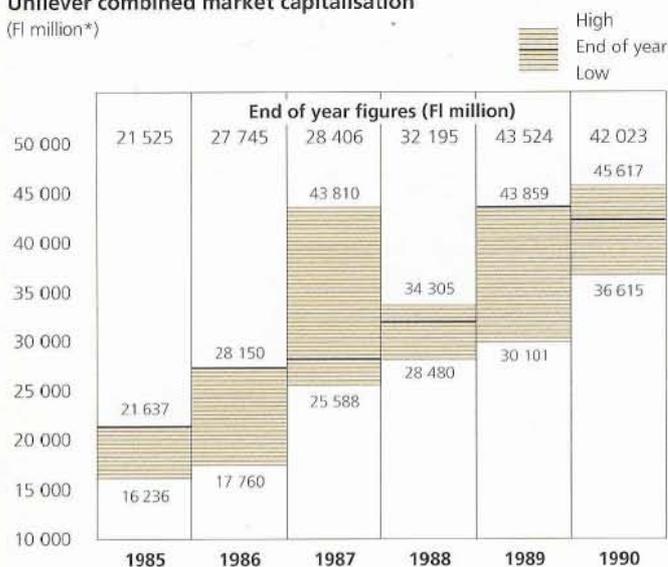
The shares or certificates (depository receipts) of Unilever N.V. are listed on the stock exchanges in Amsterdam, London, New York, and in Austria, Belgium, France, Germany, Luxembourg and Switzerland.

PLC

The shares of Unilever PLC are listed on The Stock Exchange, London and, as American Depository Receipts, in New York.

Unilever combined market capitalisation

(Fl million*)



*At year-end rates of exchange

Ordinary dividends

N.V. and PLC

Interim	Announced November Paid December
Final	Proposed February Paid May

Preferential dividends

N.V.

4% Preference	Paid 1st January
6% Preference	Paid 1st October
7% Preference	Paid 1st October

Loan stock interest

N.V.

6% 1972/91	Paid 15th January
8 $\frac{1}{8}$ % 1992	Paid 6th November
7 $\frac{3}{4}$ % 1993	Paid 5th February
12 $\frac{3}{4}$ % 1994	Paid 4th July
5 $\frac{3}{4}$ % 1995	Paid 17th April
3 $\frac{3}{4}$ % 1995	Paid 16th July
9 $\frac{1}{8}$ % 1997	Paid 4th September
9% 2000	Paid 2nd July

PLC

Unsecured Loan Stocks	Paid 30th June and 31st December
12 $\frac{1}{4}$ % 1994	Paid 23rd January

Interim announcements of results

First quarter results	Mid-May
First half-year results	Mid-August
Nine months results	Mid-November
Provisional results for the year	End February

FINANCIAL PUBLICATIONS

This booklet contains an English translation of the Unilever N.V. Directors' Report for 1990, together with extracts from the consolidated annual accounts for 1990 of the Unilever Group, comparative figures for earlier years, and further information of interest to shareholders. Except where stated otherwise currency figures are expressed in guilders and data is for the Unilever Group. There is also an English version with figures translated into US dollars. An English version of this booklet issued by Unilever PLC with figures expressed in pounds sterling and containing the Unilever PLC Directors' Report for 1990, is also available.

All these versions are identical, except for the differences in currencies and except that the PLC version contains some additional details which are not required by Dutch legislation.

The Unilever N.V. annual accounts for 1990 together with the auditors' report thereon and some additional information, are contained in a separate publication in Dutch, which is also available in an English translation entitled 'Unilever Annual Accounts 1990'. A Unilever PLC version of that booklet, with figures expressed in pounds sterling and containing the Unilever PLC annual accounts for 1990, is also available.

The original Dutch versions of the documents 'Unilever Annual Report 1990' and 'Unilever Annual Accounts 1990', with figures expressed in guilders, together comprise Unilever N.V.'s full annual report and accounts for 1990 and further statutory information, as drawn up by the Board of Directors of Unilever N.V. in accordance with Dutch legislation.

Both N.V. and PLC also make filings with the United States Securities and Exchange Commission (SEC) in the form required by United States legislation.

A booklet 'Unilever Charts', giving salient figures in graphs for the years 1980-1990, is available in separate guilder, pound sterling and US dollar versions.

Copies of all versions of the above-mentioned booklets and of the filings made with the SEC, as well as of the quarterly results publications can be obtained free of charge from Unilever N.V., External Affairs Department, P.O.Box 760, 3000 DK Rotterdam, the Netherlands, or from Unilever PLC, External Affairs Department, P.O.Box 68, London EC4P 4BQ, United Kingdom.