

Unilever First Half 2014 Results

Paul Polman / Jean-Marc Huët

July 24th 2014



Unilever®



SAFE HARBOUR STATEMENT



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

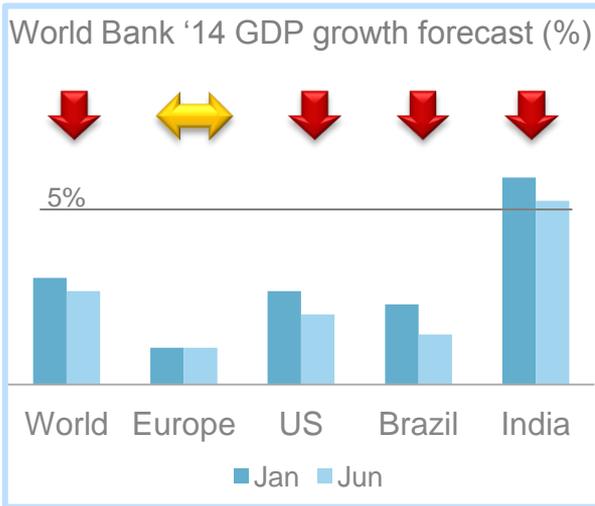
Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Among other risks and uncertainties, the material or principal factors which could cause actual results to differ materially are: Unilever’s global brands not meeting consumer preferences; Unilever’s ability to innovate and remain competitive; Unilever’s investment choices in its portfolio management; inability to find sustainable solutions to support long-term growth; customer relationships; the recruitment and retention of talented employees; disruptions in our supply chain; the cost of raw materials and commodities; the production of safe and high quality products; secure and reliable IT infrastructure; successful execution of acquisitions, divestitures and business transformation projects; economic and political risks and natural disasters; financial risks; failure to meet high ethical standards; and managing regulatory, tax and legal matters. Further details of potential risks and uncertainties affecting the Group are described in the Group’s filings with the London Stock Exchange, Euronext in Amsterdam and the US Securities and Exchange Commission, including the Group’s Annual Report on Form 20-F for the year ended 31 December 2013 and Annual Report and Accounts 2013. These forward-looking statements speak only as of the date of this announcement. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Paul Polman



The environment remains tough

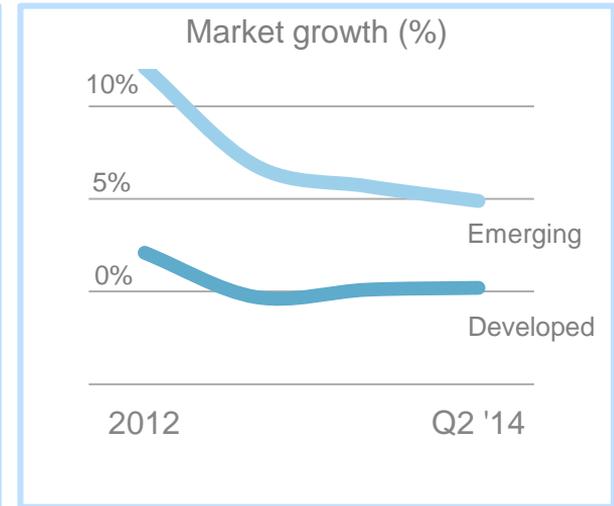
Overall weak economies



Volatility and uncertainty



Slower markets



H1 2014: Good quality top and bottom line growth



Growth ahead of our markets

% winning share

60%

Gross margin

Δ % turnover

+10 bps

Brand & Marketing Investment

Δ % turnover

+10 bps

Overheads

At constant rates (%)

+30 bps

Core Operating Margin

At constant rates (%)

+30 bps

0 bps

At current rates (%)

Building sustainable growth: Differentiated innovation



Dirt Is Good Dual action capsules



Launched in 3 European countries

REGENERATE Enamel Science™



Launched in the UK

Compressed deodorants



Now in 4 European countries

Building sustainable growth: Q2 2014 white space



Dirt Is Good



Launched in Saudi Arabia and Gulf

Clear



Launched in Japan

Lifebuoy



Launched in China

Building sustainable growth: Reshaping the portfolio



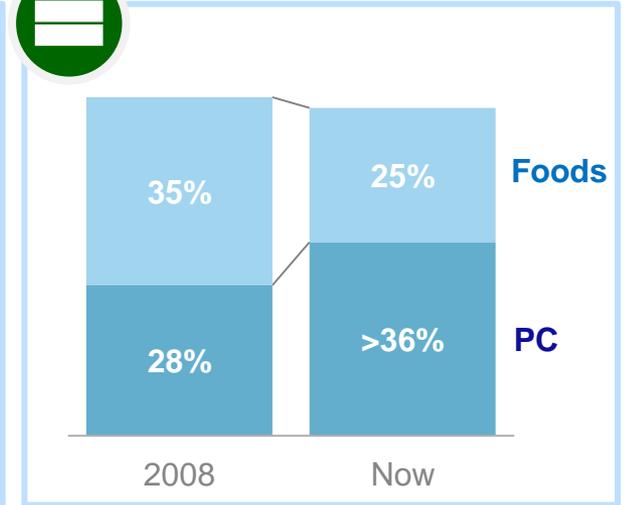
Disposals



Acquisitions



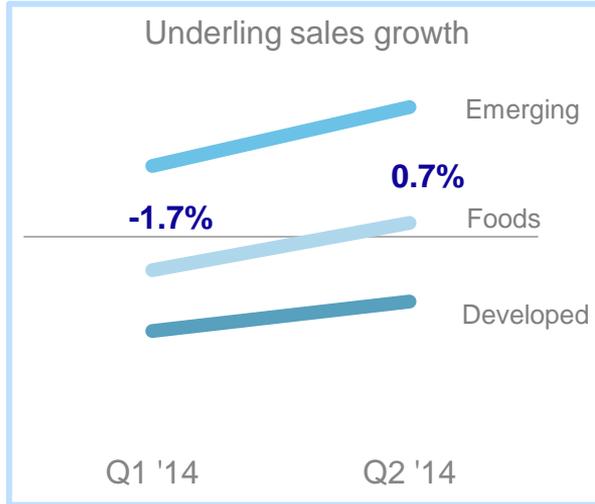
More Personal Care weighted



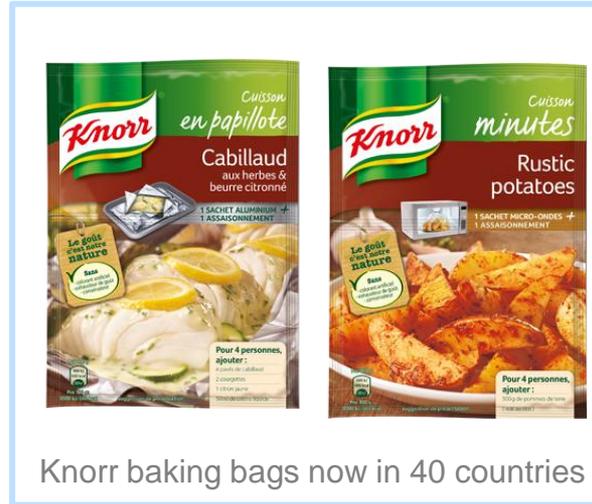
Building sustainable growth: Improving Foods



Growing in emerging: Improving in developed



Repositioning towards the growing segments



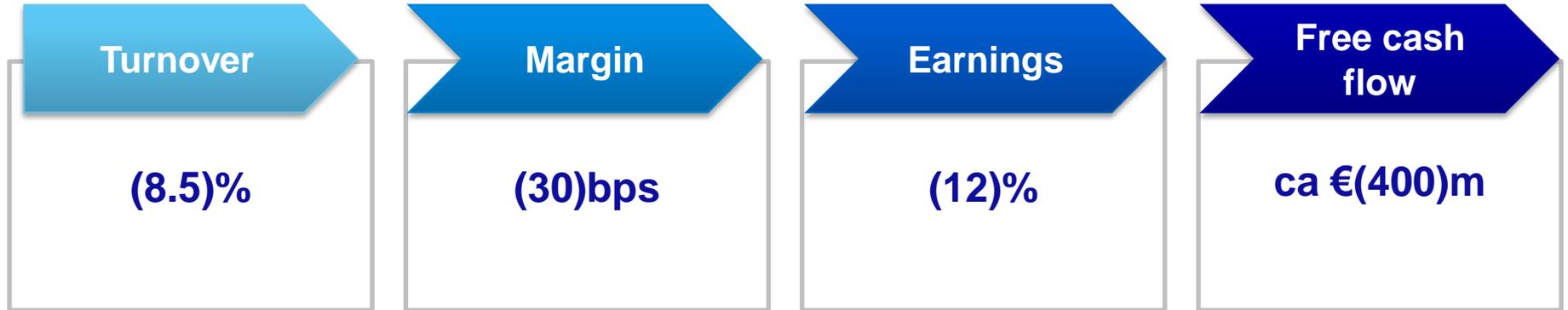
Spreads blended with butter



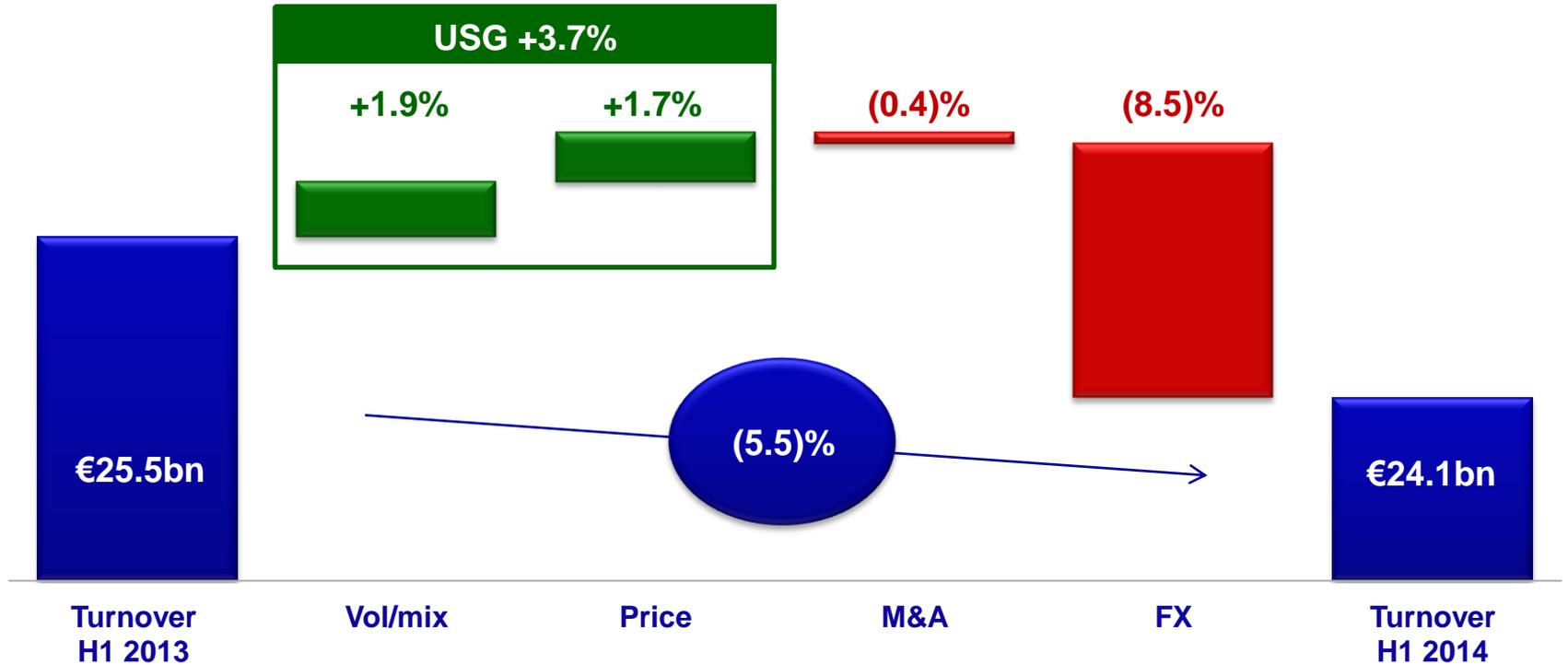
Jean-Marc Huët



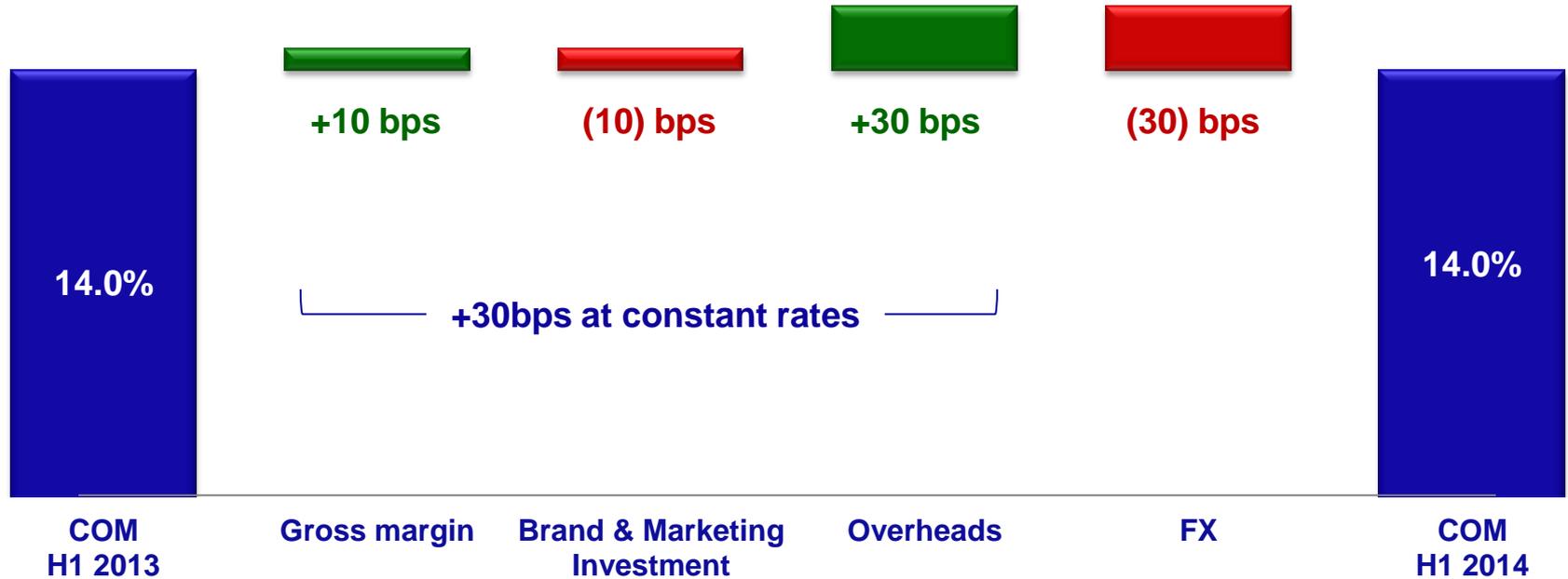
H1 2014: Impact of currency movements



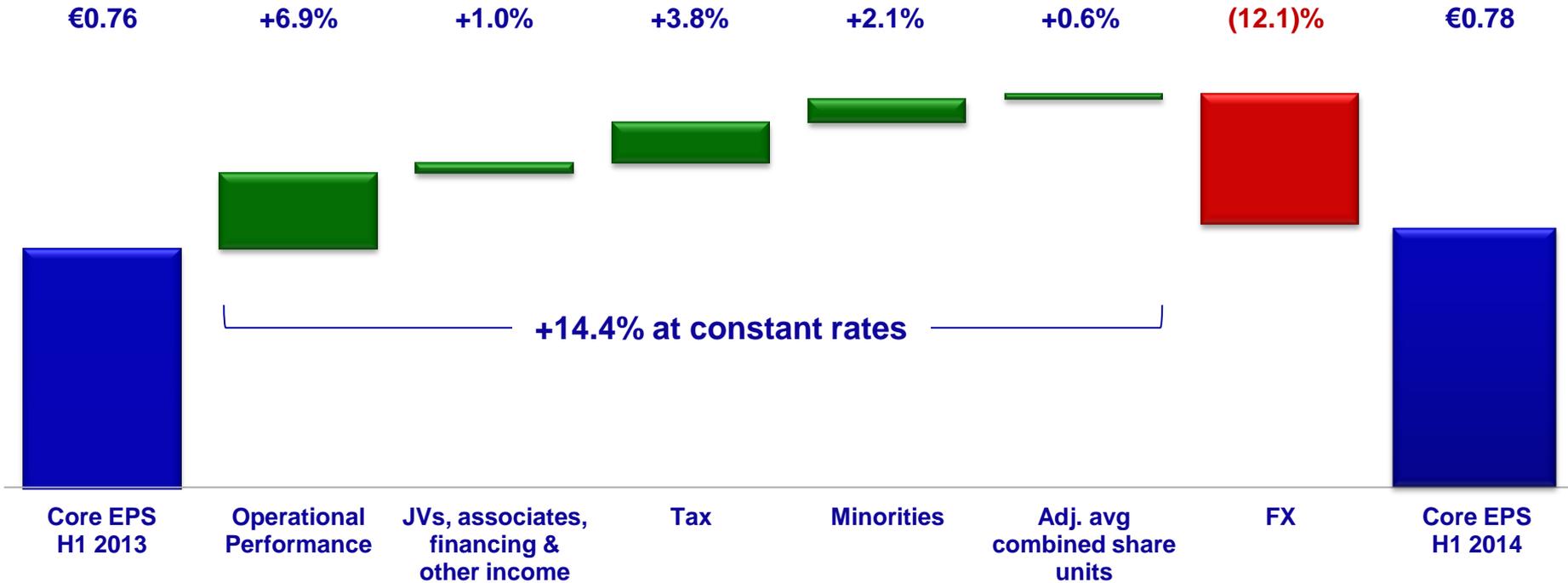
H1 2014: Solid underlying growth



H1 2014: Core Operating Margin 14.0%



H1 2014: Core EPS up 2.3% to €0.78



H1 2014: Converting operational performance into EPS



Competitive financing

Recent debt issuance



750m 7 yrs at **1.75%**

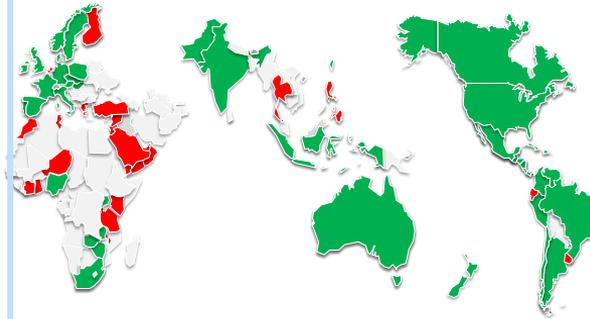


750m 5.5 yrs at **2.20%**



£250m 4.5yrs at **2.0%**

Reducing long term pension exposure



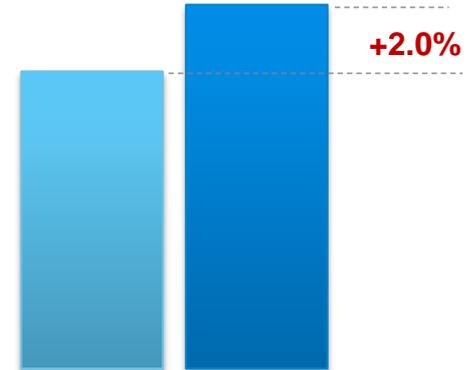
Reduced

Same

No pension

Simplifying capital structure: Leverhulme family estate

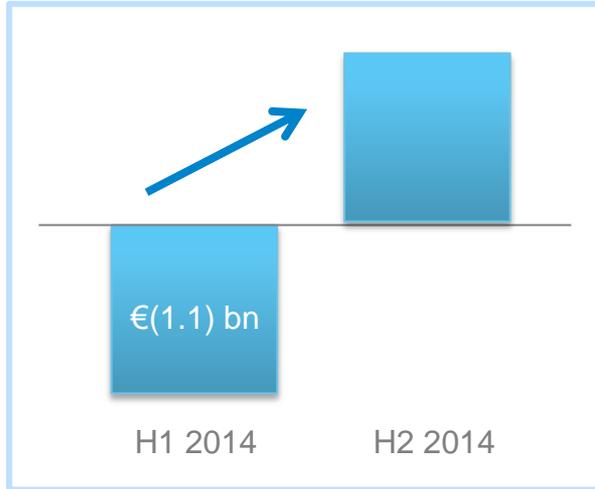
Annualised impact on core EPS



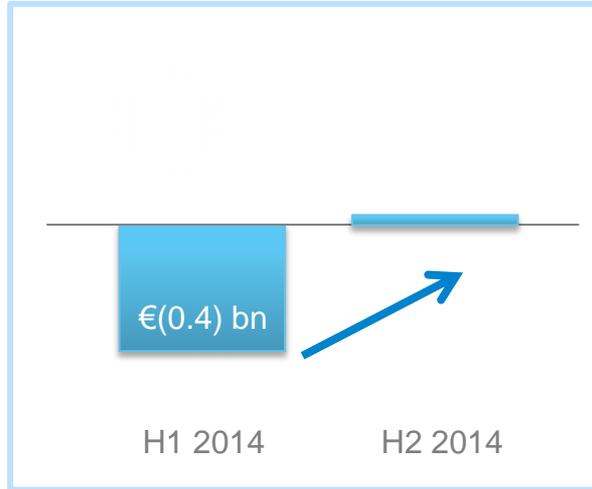
H1 2014: Free cash flow €0.8bn



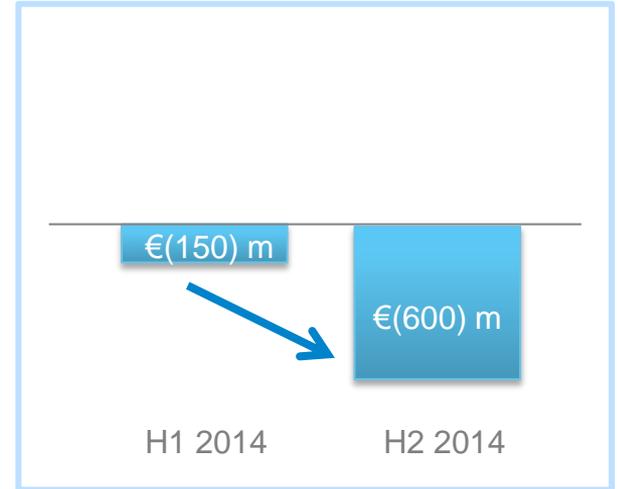
**Working capital outflow
will reverse in H2**



Forex impact mainly in H1



**Free cash flow includes tax
on disposal profits**



Full year FCF adjusted for tax on disposal profits expected to be similar to 2013

H1 2014: Balance Sheet



Net Debt
€9.3bn

Up €0.8bn

Pension deficit
€2.5bn

Up €0.5bn

Cash contribution
to pensions

€355m

FY expected to be €700m-€750m

Quarterly
dividend per share

€0.285

Paul Polman



2014 priorities remain unchanged



- Volume growth ahead of our markets**
- Steady and sustainable improvement in core operating margin**
- Strong cash flow**

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