

# Unilever Trading Statement Q1 2015

Jean-Marc Huët / Andrew Stephen

16<sup>th</sup> April 2015



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# SAFE HARBOUR STATEMENT



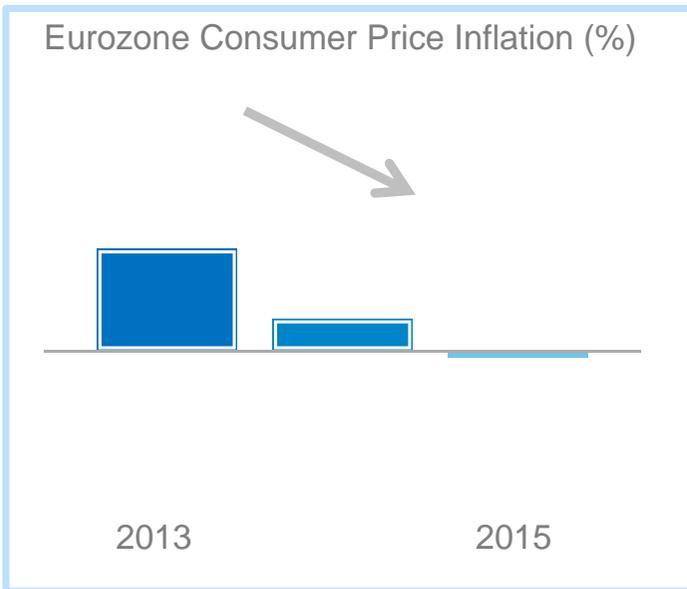
This announcement may contain forward-looking statements, including ‘forward-looking statements’ within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as ‘will’, ‘aim’, ‘expects’, ‘anticipates’, ‘intends’, ‘looks’, ‘believes’, ‘vision’, or the negative of 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 Amsterdam and the US Securities and Exchange Commission, including in the Group’s Annual Report on Form 20-F for the year ended 31 December 2014 and the Annual Report and Accounts 2014. 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.

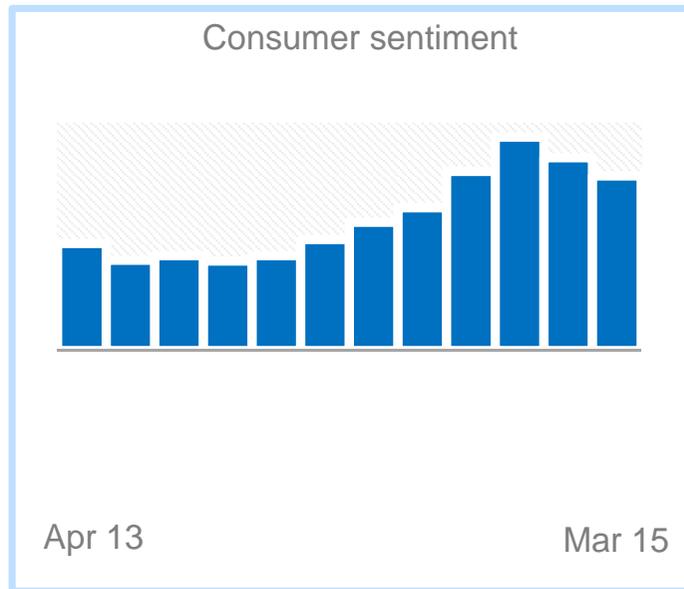


# Market conditions remain challenging

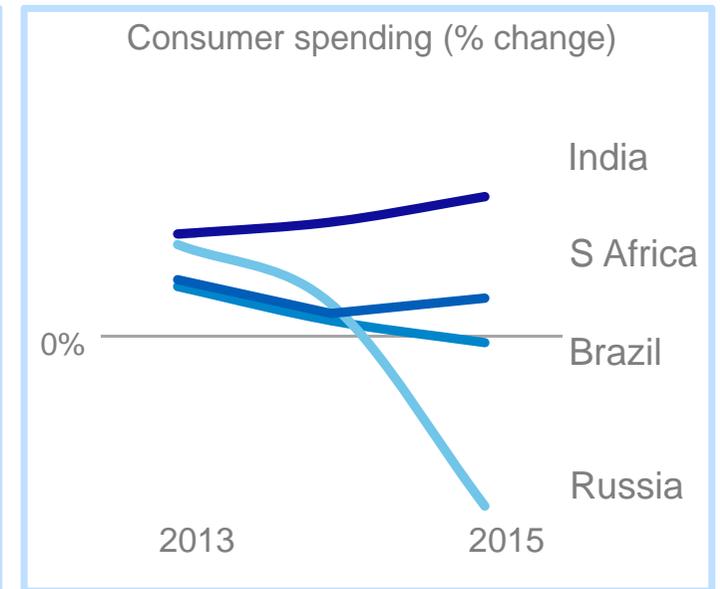
## Price deflation in Europe



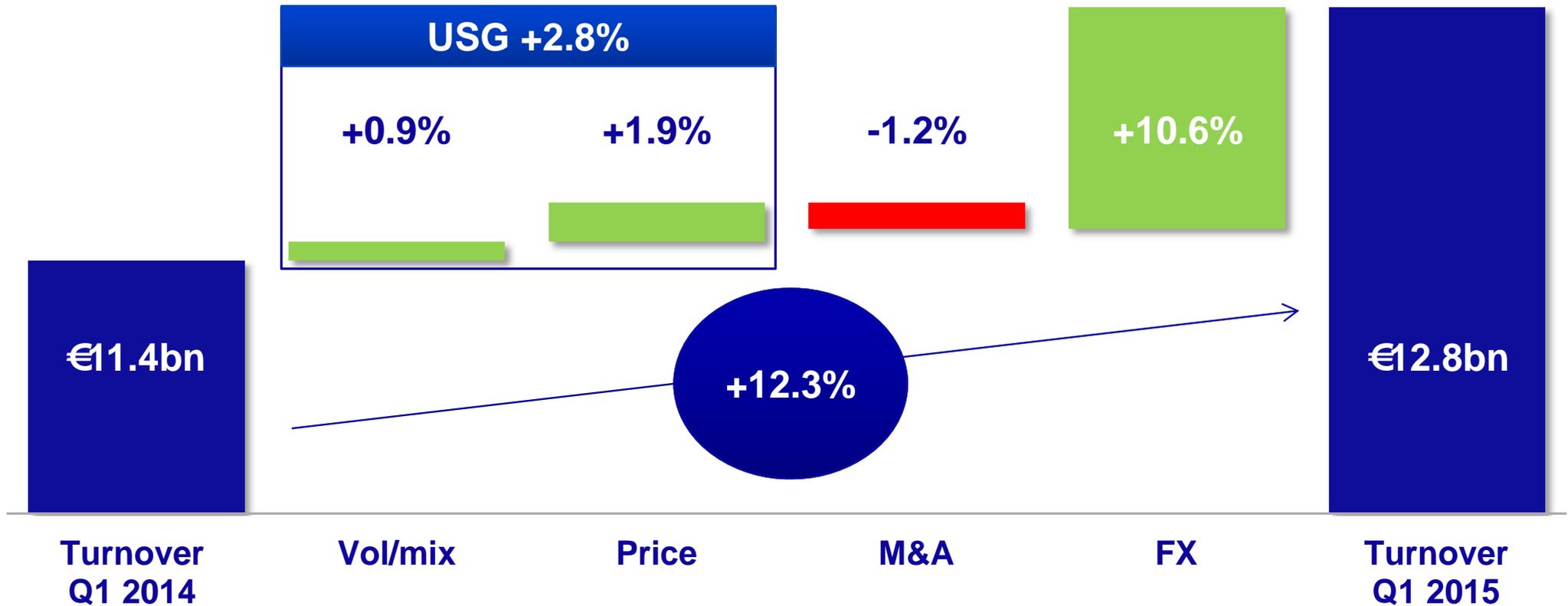
## Gradual recovery in the US



## Divergent Emerging Markets



# Q1 2015: Double-digit turnover growth



Andrew Stephen



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# Q1 2015: Broad-based growth



# Q1 2015: Emerging markets driving growth



## Emerging markets:

- Now approaching 60% of turnover
- Pricing to recover increased local costs
- Volume growth subdued in weak markets

## Developed markets:

- Pick-up in volume helped by Easter
- Price deflation in Europe
- Modest growth in North America

Jean-Marc Huët



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# Building growth momentum through innovation



## Sharper category strategies

Clear choices in allocating resources

## Building the core

E.g. new Dove Body Wash in Europe

## Expanding our brands

The **NEW** toothpaste to **BOOST YOUR MOUTH'S NATURAL DEFENCES.**

**60%\*** EXTRA POWER to fight the causes of cavities, gum problems and sensitivity.

SCANDINAVIAN BIO SCIENCE™

zendium

E.g. Zendium toothpaste in France

# Strengthening go-to-market capabilities



## IT enabled distributor system

## Extending distribution

## Growing e-commerce



The graphic for 'IT enabled distributor system' features three overlapping hexagonal shapes. The top-left hexagon contains a word cloud with terms like 'BIG DATA', 'ANALYTICS', 'TECHNOLOGY', and 'STORAGE'. The top-right hexagon shows a close-up of a smartphone. The bottom hexagon is a photograph of two people in a retail setting, one holding a tablet. Below the hexagons, the text 'Rolling out to SEA and Africa' is displayed.

Rolling out to SEA and Africa



The graphic for 'Extending distribution' shows a blue silhouette map of Southeast Asia, including countries like Thailand, Vietnam, and Indonesia. Below the map, the text 'E.g. SEA: €500m opportunity' is displayed.

E.g. SEA: €500m opportunity



The graphic for 'Growing e-commerce' features the words 'online' in purple and 'mobile' in blue. Below the text is a purple mouse cursor icon pointing at a smartphone. The smartphone screen displays a list of products with prices, such as 'Down Defrugal Antiprep... €3.99' and 'Down Defrugal Antiprep... €3.99'. Below the graphic, the text '40% target growth in 2015' is displayed.

40% target growth in 2015

# Sharpening execution



## Rolling out Perfect Stores



10 million by end 2015

## Improving sales and operations planning



Rolling out best practices

## Optimising pricing and assortment



1 Euro and 1 Turkish Lira Cornetto

# Our priorities for 2015 remain unchanged

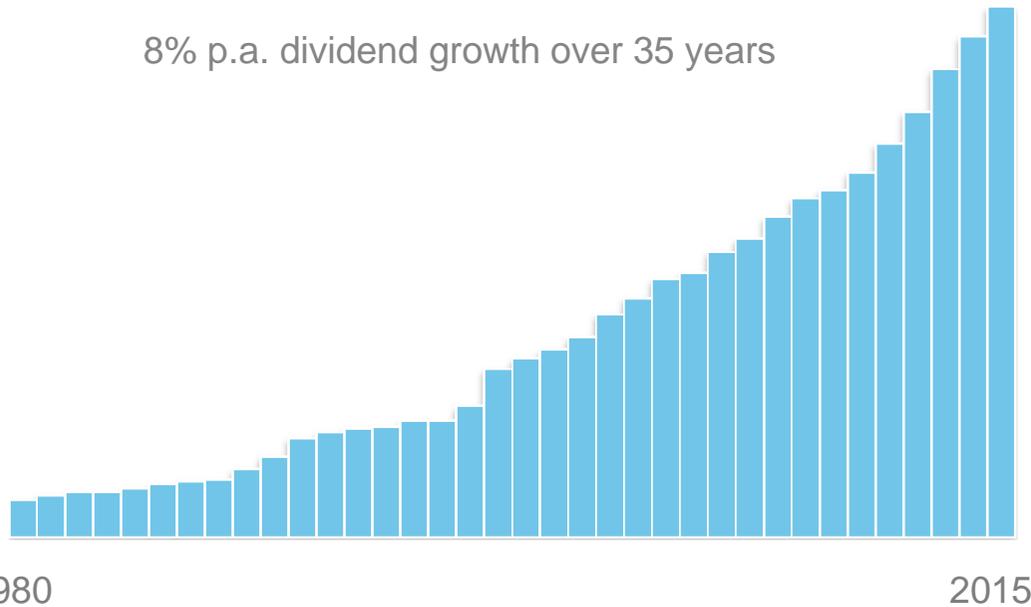


- Volume growth ahead of our markets**
- Steady and sustainable improvement in core operating margin**
- Strong cash flow**

# An attractive, growing and sustainable dividend



8% p.a. dividend growth over 35 years



2014:

- FX headwinds increased pay-out to 70%

2015

- 6% increase consistent with last year
- FX tailwinds should reduce pay-out ratio

**Creating long term value for shareholders**

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