

The Journey So Far

12th November 2008



Englewood Cliffs
May 2005



Sao Paulo
December 2005



Warsaw
August 2006



London
March 2007



Mumbai
November 2007



Port Sunlight
November 2008

Agenda



Raising our growth profile

The journey to a more efficient Unilever

Managing through financial turmoil

Raising our growth profile

- Resources focused on growth priorities
- Enhanced through M&A activity
- Increased momentum growth rate
- Strong leadership positions and brands

Resources focused on growth priorities



Developing & Emerging Markets



Personal Care



Vitality

Resources focused on growth priorities



Developing & Emerging Markets



Personal Care

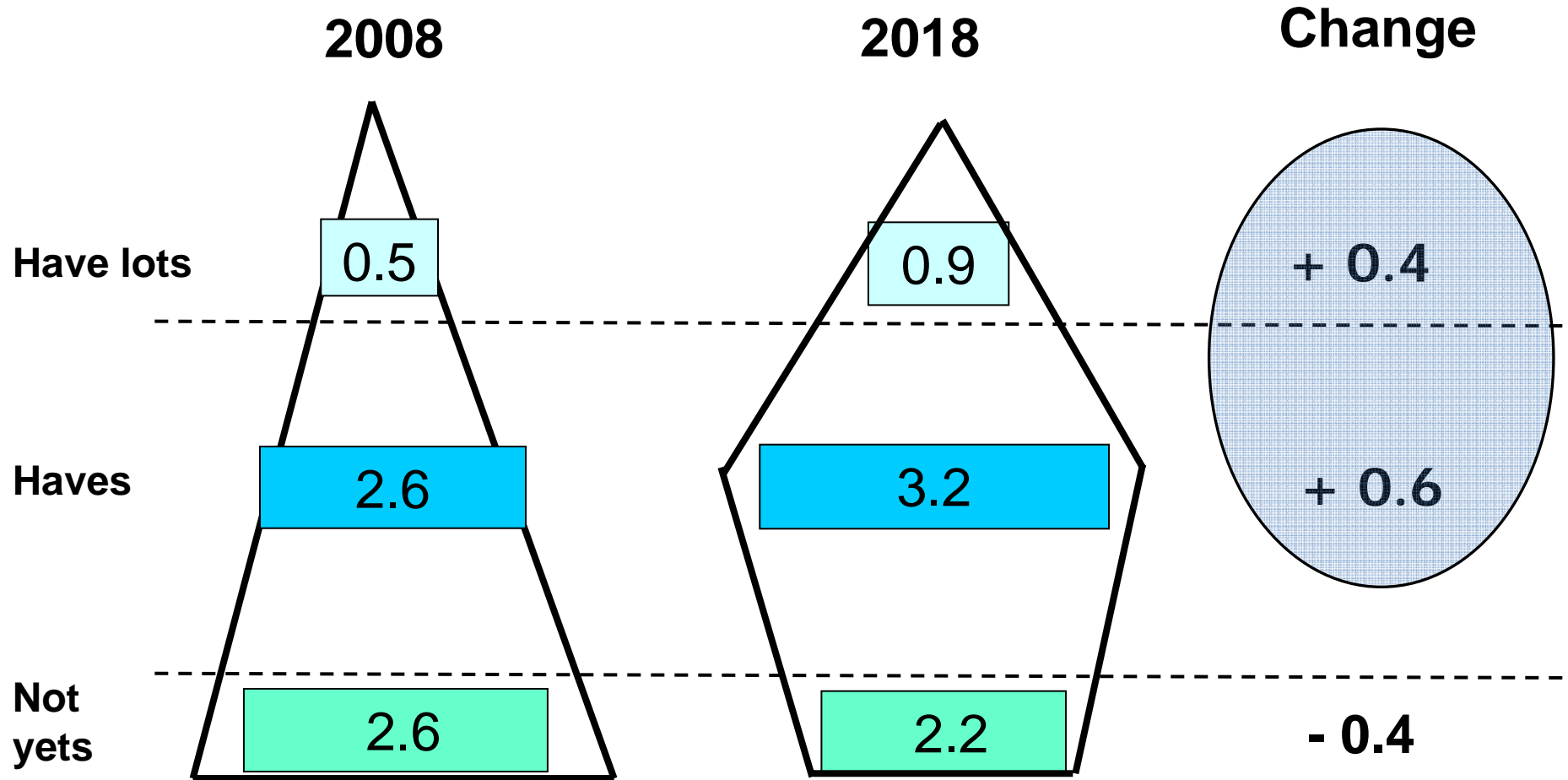


Vitality

The consumer pyramid...rapidly evolving into a diamond



Billions of people in D&E countries



Adding Vitality to life

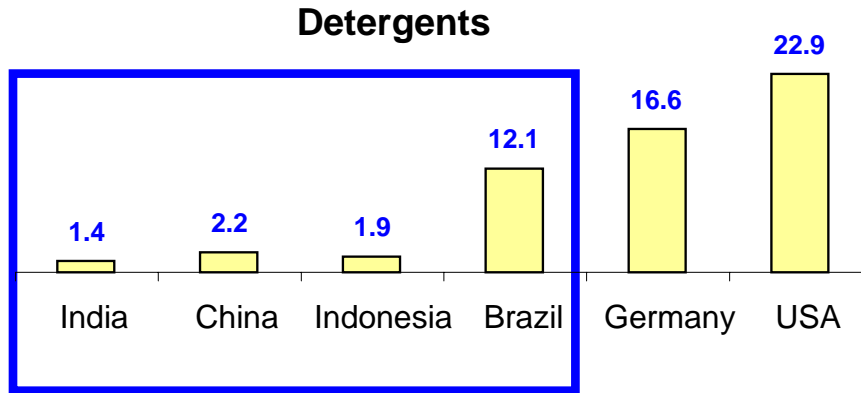
Source: Unilever estimates

Market development opportunity

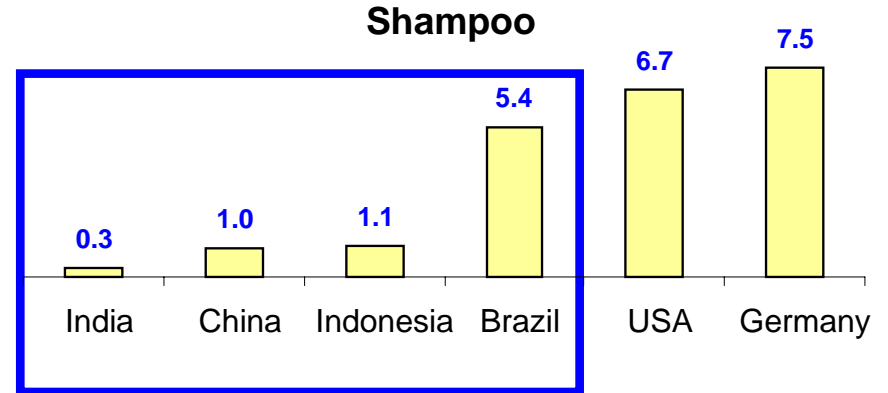


Per Capita Consumption (US \$ per year)

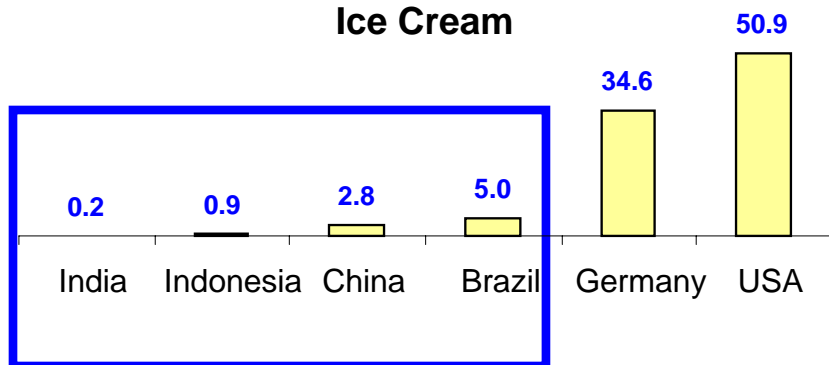
Detergents



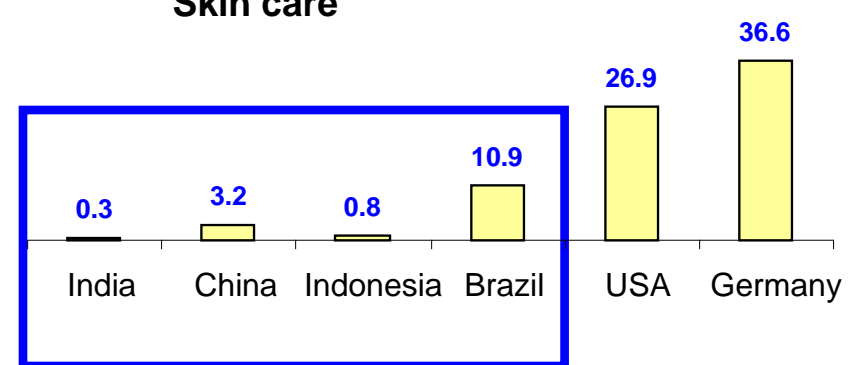
Shampoo



Ice Cream



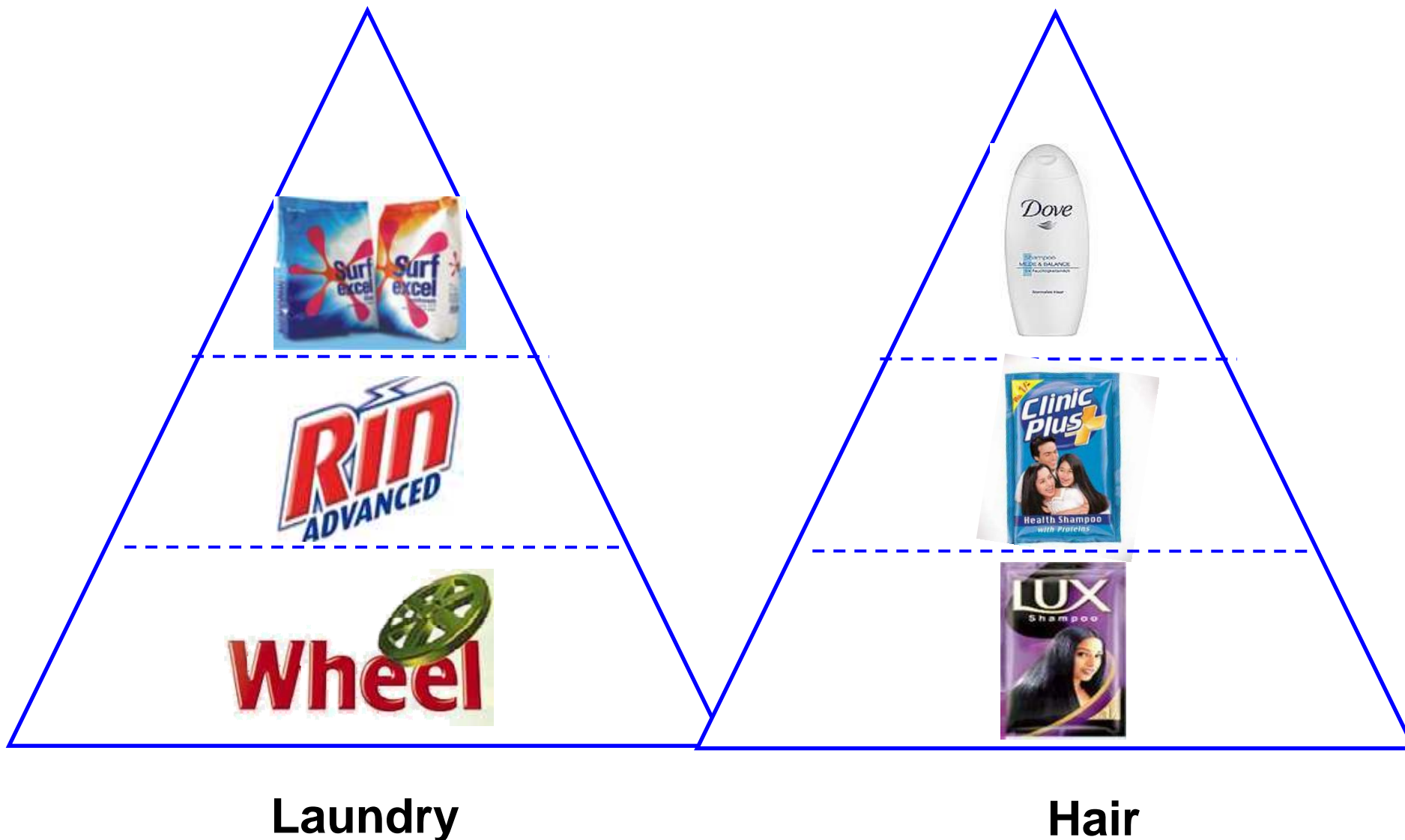
Skin care



Source : Euromonitor

Adding Vitality to life

Tiered portfolio - India

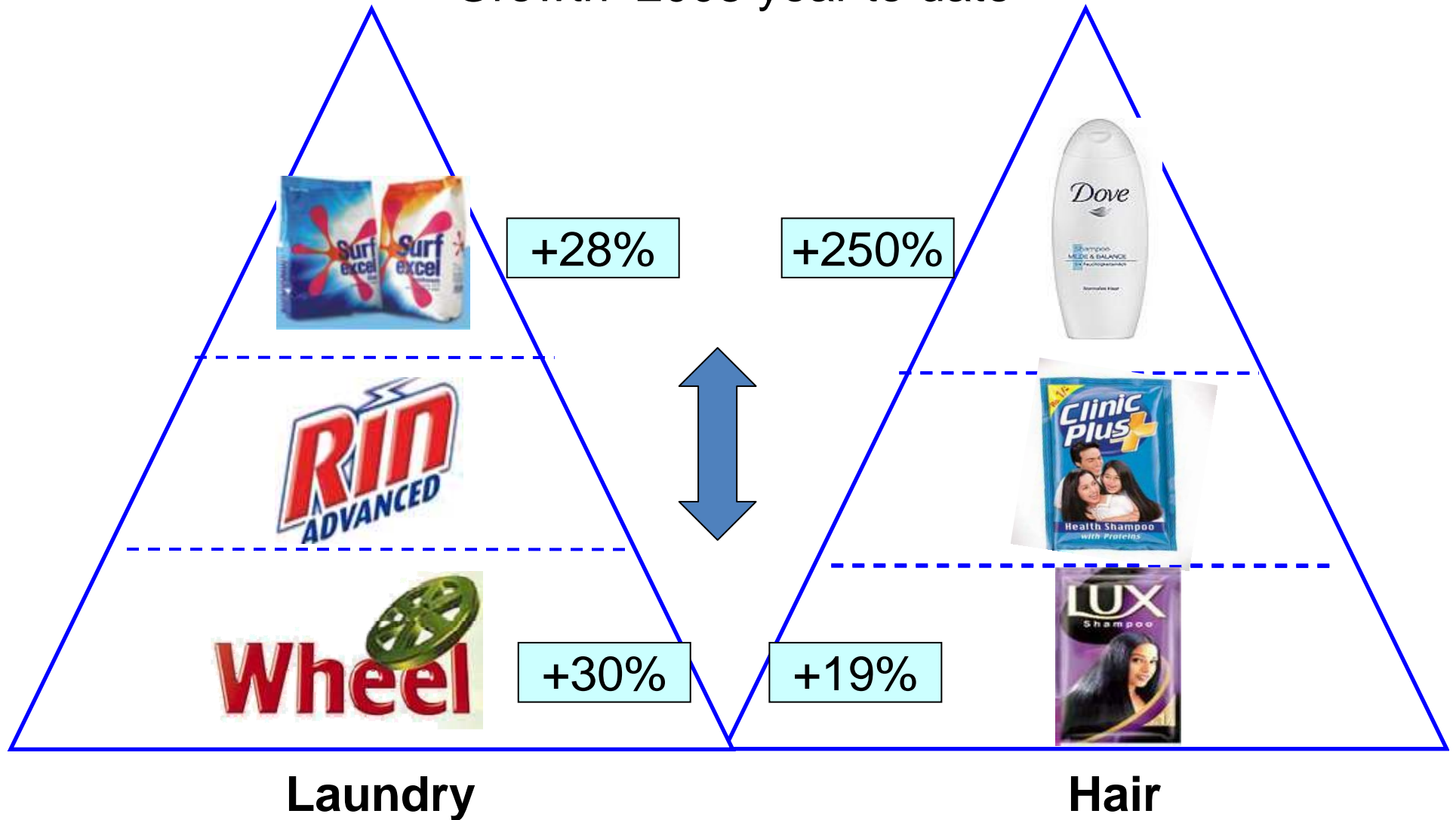


Adding Vitality to life

Growth at the top and bottom - India



Growth 2008 year to date



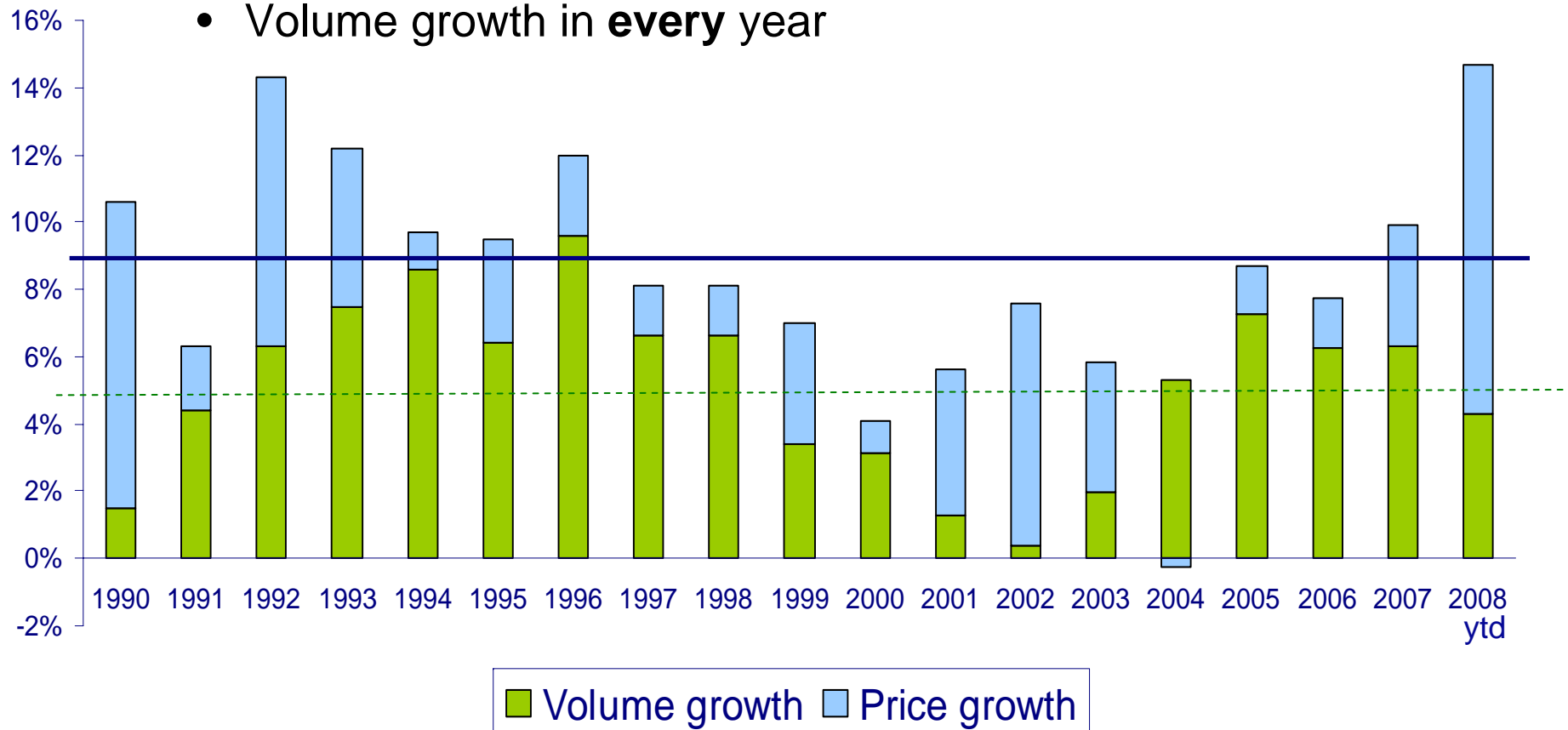
Adding Vitality to life

Long-term strength in D&E



Since 1990...

- Underlying sales growth **9% pa on average**
- Volume growth **5% pa on average**
- Volume growth in **every** year



*1990-2002 LATAM and Asia. From 2003 all countries excl NA, WE, Japan and Australia.

Long-term strength in D&E



Since 1990...

- Underlying sales growth **9% pa on average**
- Volume growth **5% pa on average**
- Volume growth in **every** year

- Hard currency growth of **7% on average**

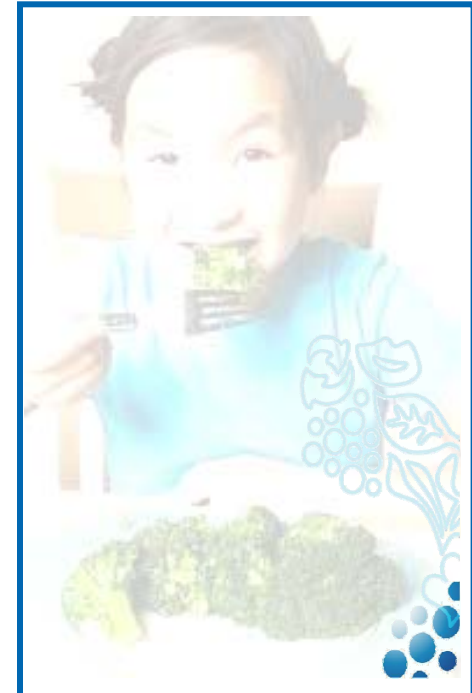
Resources focused on growth priorities



Developing & Emerging Markets



Personal Care



Vitality

Personal Care – attractive markets



- Brands communicating emotional and functional benefits
- Low private label penetration
- High margin structure

**People will use more.....
.....more people will use**



Adding Vitality to life

Personal Care – Unilever strength



- World number 1 in deodorants and mass skin care
- World number 2 in daily hair care
- 5 Billion Euro brands



Adding Vitality to life

Resources focused on growth priorities



Developing & Emerging Markets



Personal Care



Vitality

Adding Vitality to life

Health & Wellness in Foods



	Segment	Market growth CAGR '02-'07	Example
HEALTHIER FOODS	Functional Health	+ 10%	Heart Health – pro.activ
	Inherent Goodness	+ 5%	Goodness of sunflower, soy, tea
	Positive Choice	+ 7%	Lower salt, sugar, fat
	Market standard	+ 3%	No health claim

Raising our growth profile

- Resources focused on growth priorities
- Enhanced through M&A activity
- Increased momentum growth rate
- Strong leadership positions and brands

Shaping the portfolio - major disposals



Turnover € bn

2005	Prestige fragrances		0.5
2006	European Frozen Foods		1.2
2008	Cheese		0.1
	US Seasonings		0.1
	North America Laundry		0.7
	Olive Oil	Sale agreed 	0.4

2007-8 disposals:

- €1.5 bn turnover
- average 1.8x Sales Multiple

Shaping the portfolio - JV's & Acquisitions



Turnover € m

JV Extended

2007

RTD Tea



150

Acquisitions

2007

Indonesia Fruit Drinks



20

2008

Russia Ice Cream

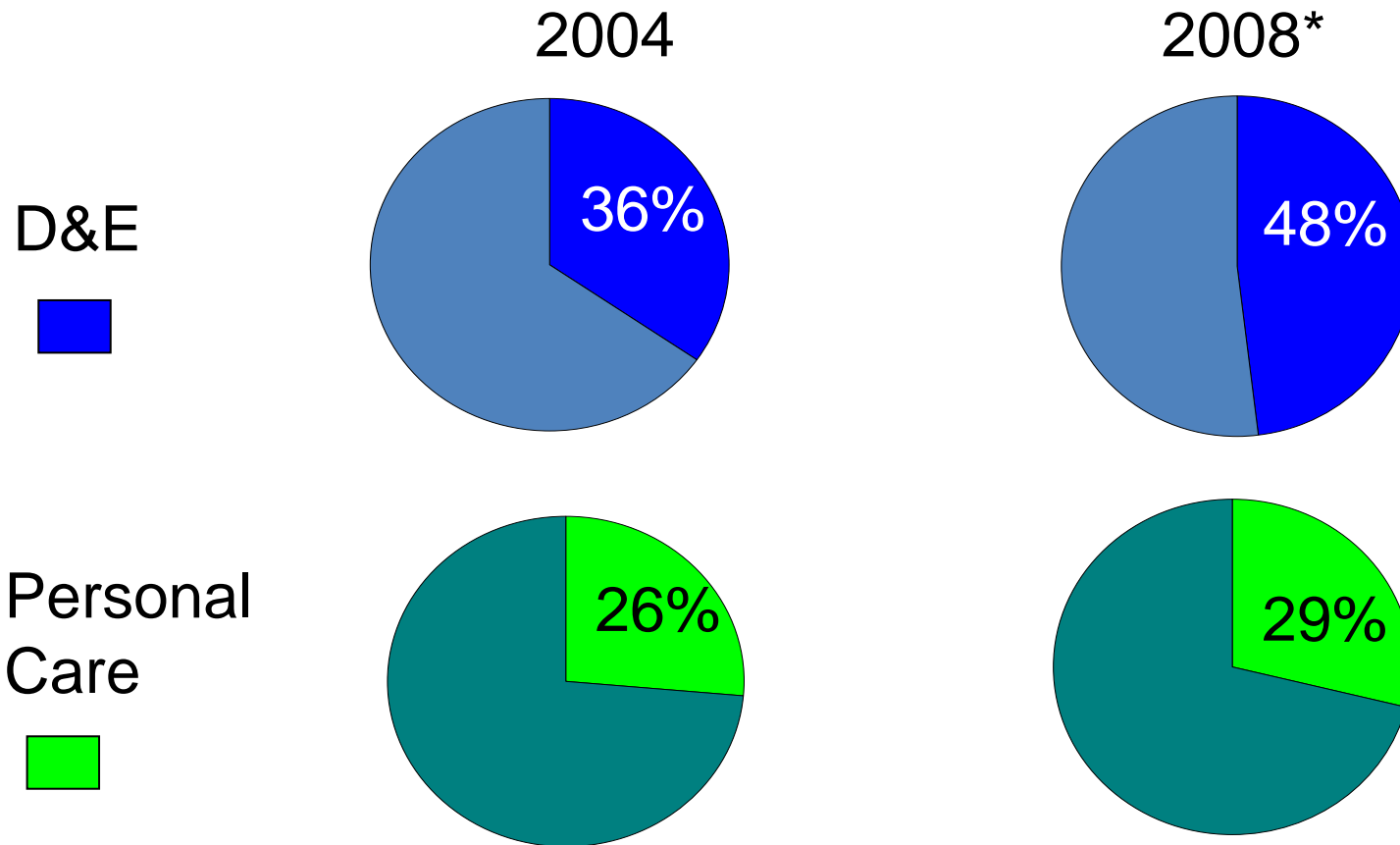


120

Raising our growth profile

- Resources focused on growth priorities
- Enhanced through M&A activity
- Increased momentum growth rate
- Strong leadership positions and brands

Improving portfolio shape



Foods portfolio addressing H&W opportunities

Impact on market weighted growth rate +100 bps

Raising our growth profile

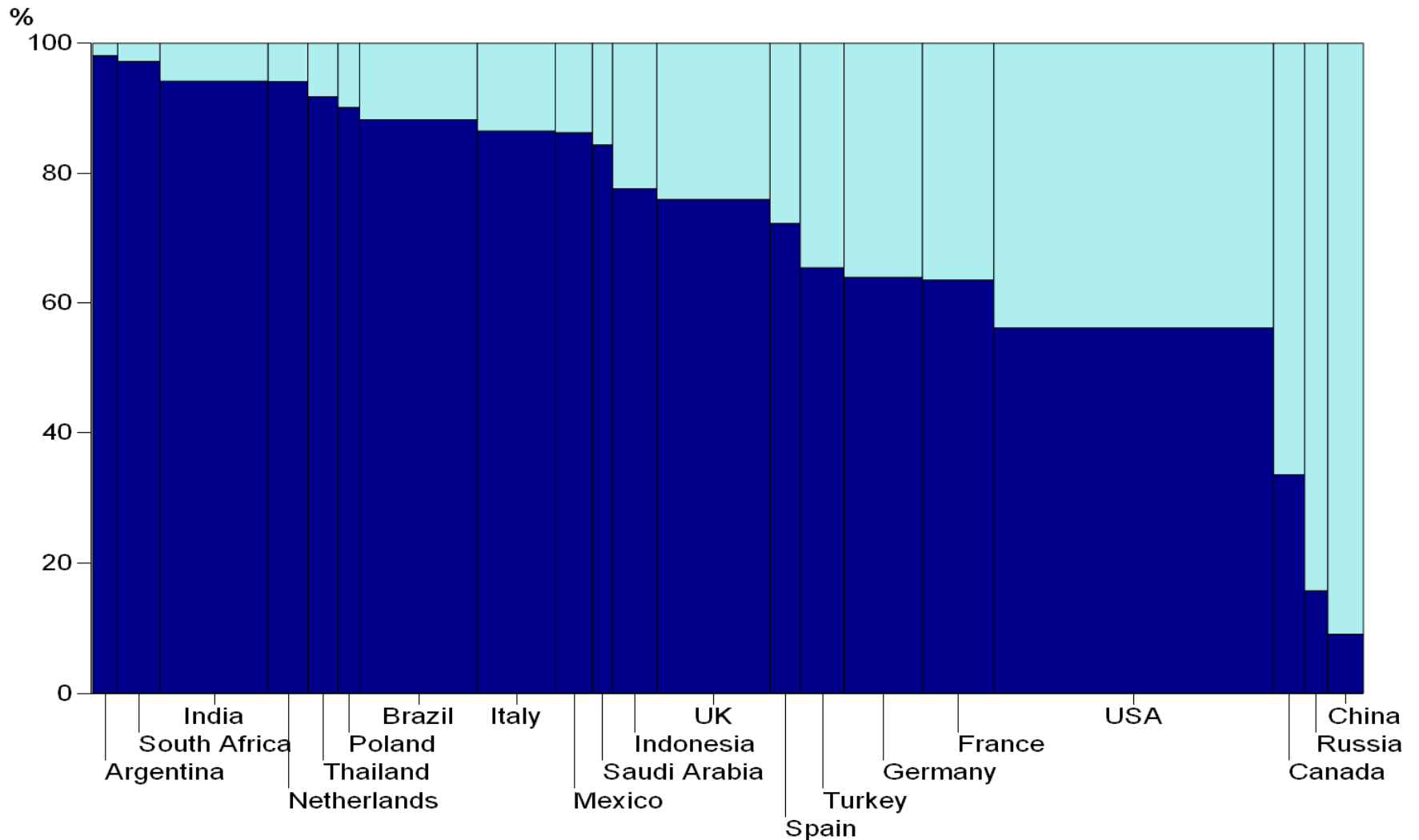
- Resources focused on growth priorities
- Enhanced through M&A activity
- Increased momentum growth rate
- Strong leadership positions and brands

Leading positions



Over 70% of turnover in leading category positions

Top 20 countries by turnover



Big global brands



Dove



LUX



Rexona



AXE

Surf



SUNSILK

Top 25 brands = $\frac{3}{4}$ of Unilever's sales

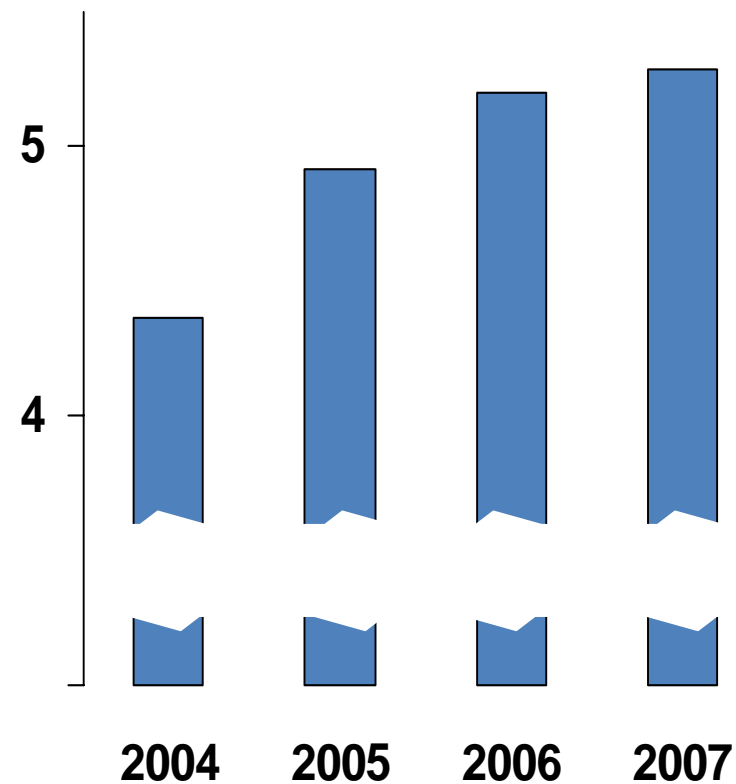
Increased investment behind brands



Advertising and promotions

+ € 1 billion since 2004

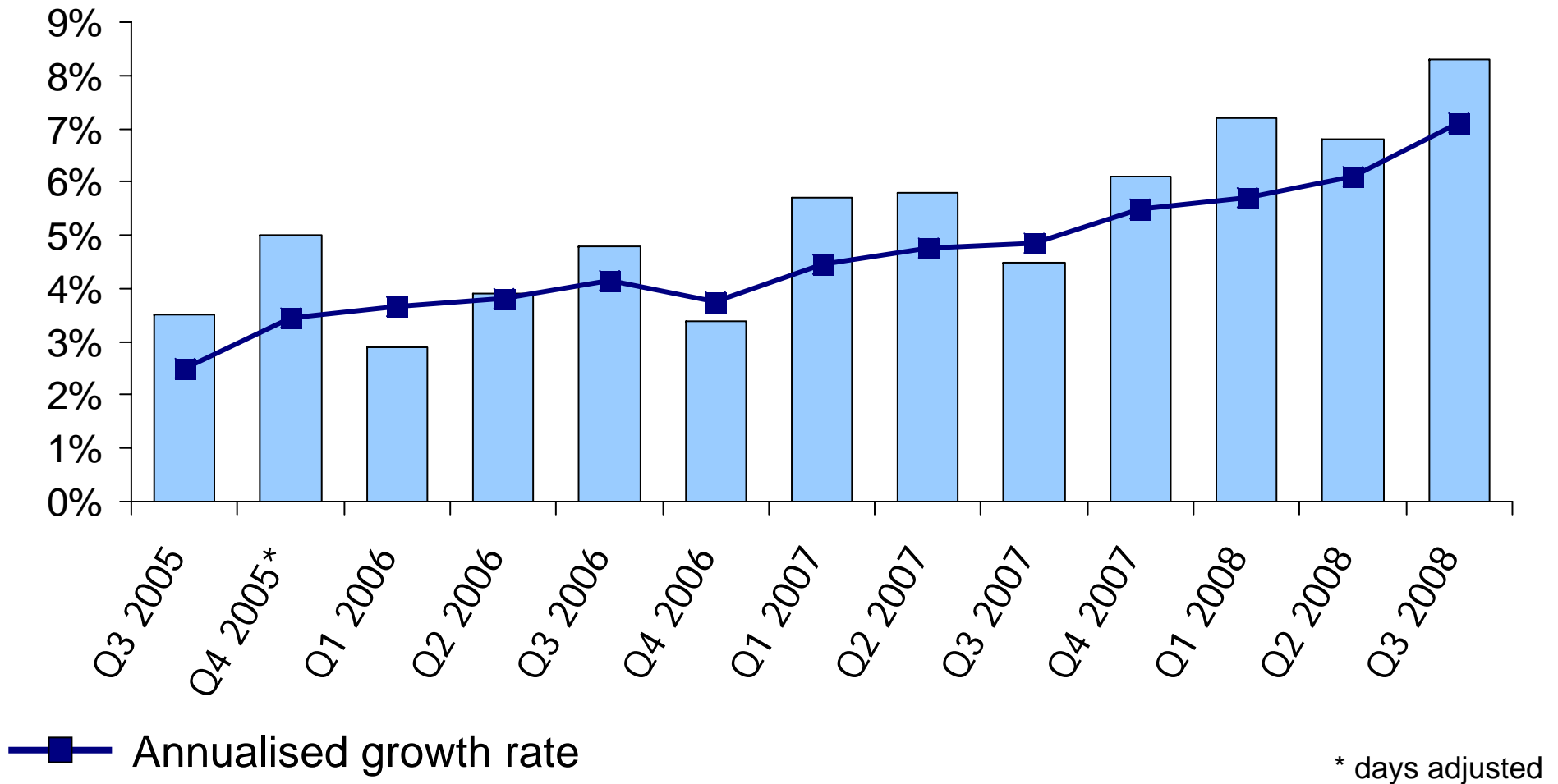
€billions



Improving organic growth



Underlying sales growth

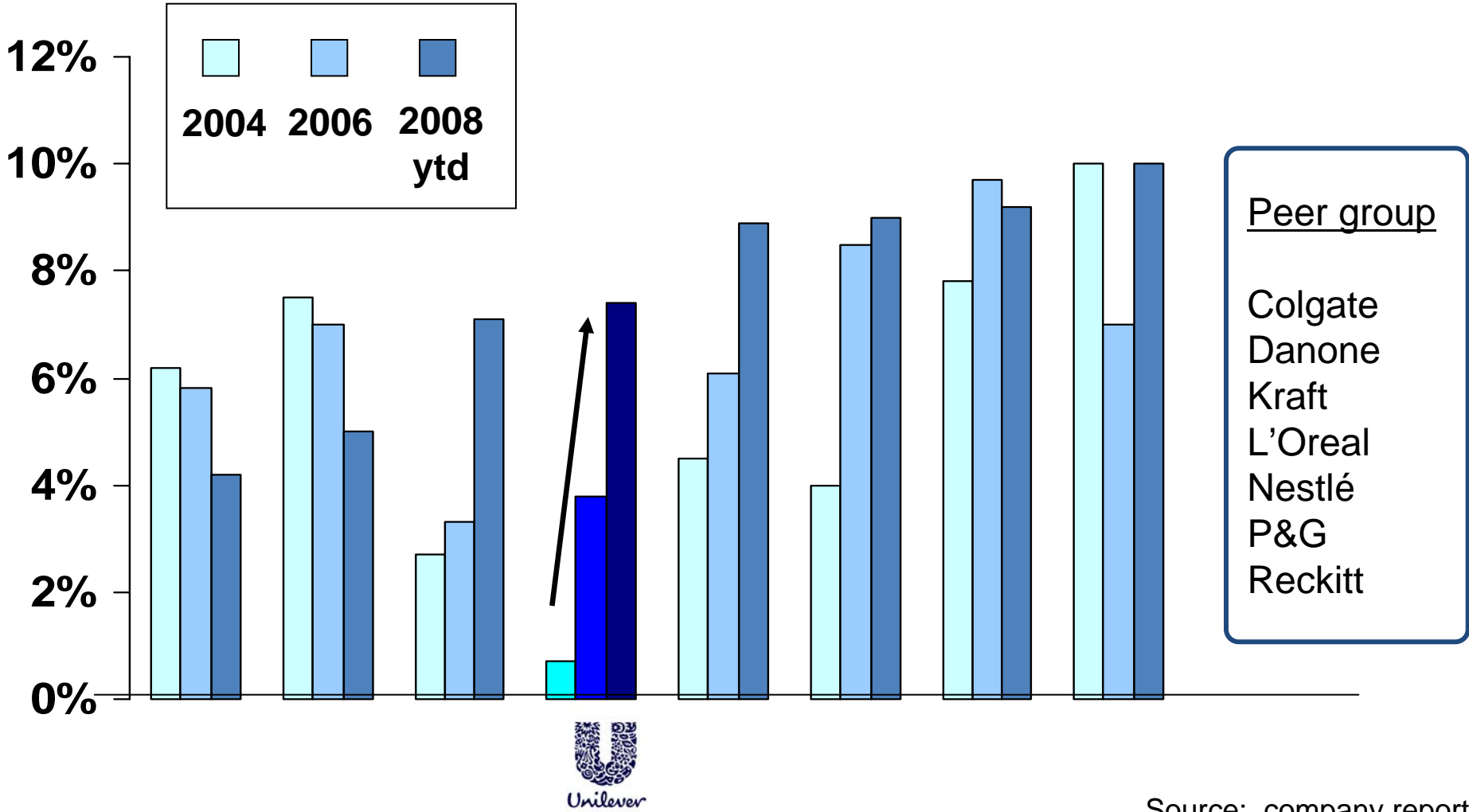


Adding Vitality to life

Most improved growth performance



Organic growth rate



Source: company reports

Agenda



Raising our growth profile

The journey to a more efficient Unilever

Managing through financial turmoil

To be.....

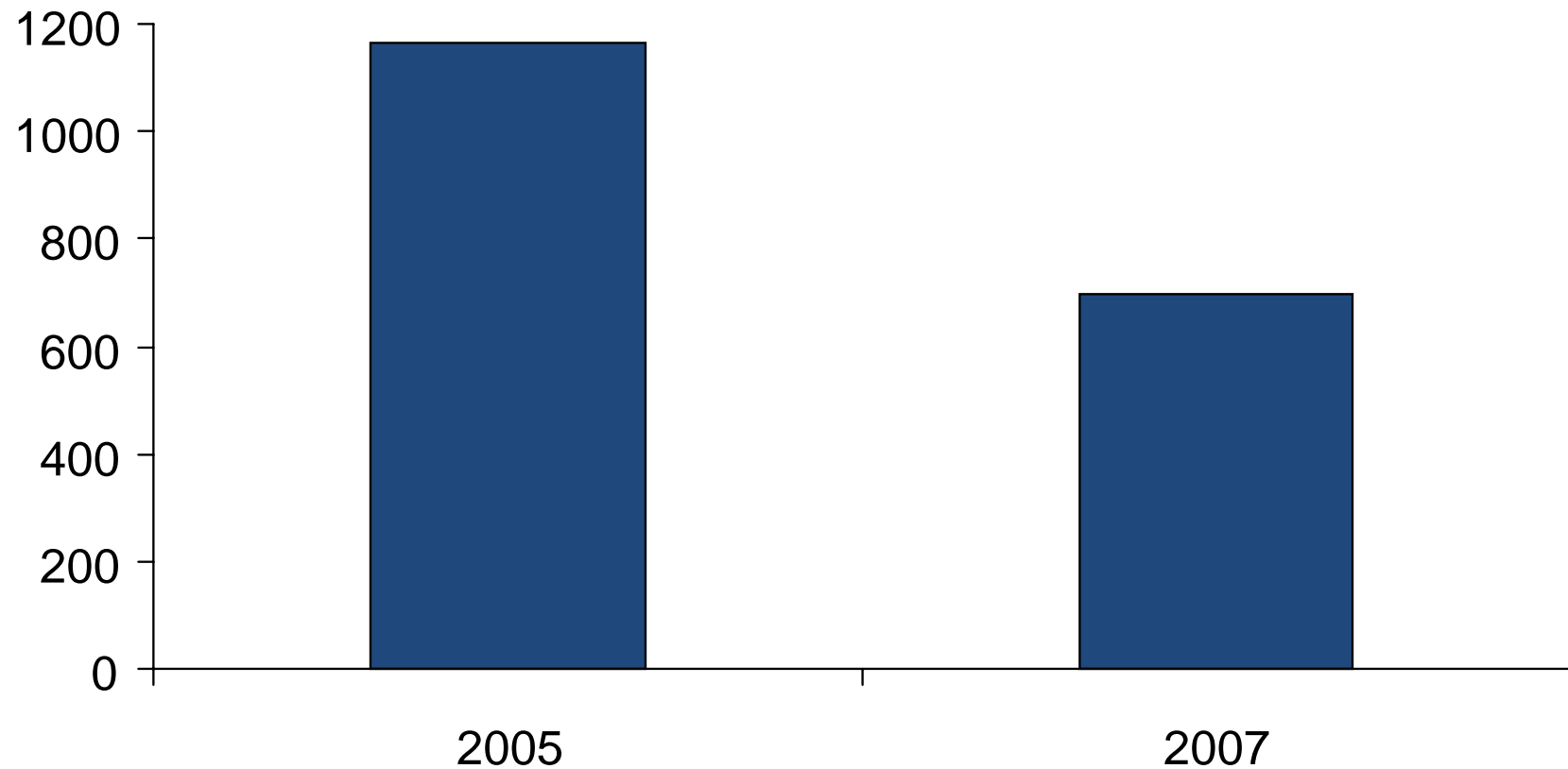
- **Simpler**
- **Faster**
- **More cost efficient**

..... than ever before

Streamlined management



Management headcount reduced by 40%

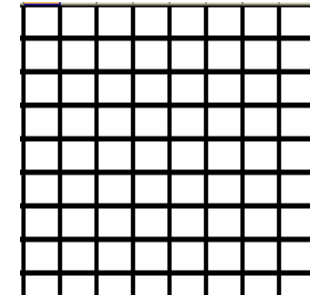


Top 3 levels of management

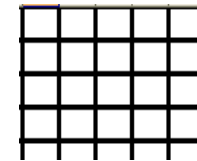
A simpler organisation



- From 100 countries x 20 categories



- To 25 MCOs x 10 categories



- Fewer interfaces between categories and operations
- Single category organisation

Managing a simpler business



- Fewer brands
- Harmonised packs and formulations
- Fewer SKUs
- Simplified regional supply chain
- Fewer, bigger innovation projects

Transformation programme on track



Plan 2007-
2010

Actual
to date

**Multi-country
organisations**

From 100 units
to 20-25 MCOs

29

Transformation programme on track



Plan 2007-
2010

Actual
to date

Multi-country organisations

From 100 units
to 20-25 MCOs

29

Factory closures / streamlining

50-60

Closures completed

17

Closures announced

8

Streamlining announced

30

Transformation programme on track



Plan 2007-
2010

Actual
to date

% to date

Headcount reduction

20,000

7,000

35%

Restructuring Savings

€1.5 bn

€0.5 bn

33%

Restructuring charges

€ 3 bn

€1.4 bn

47%

Delivery of 2008 savings target

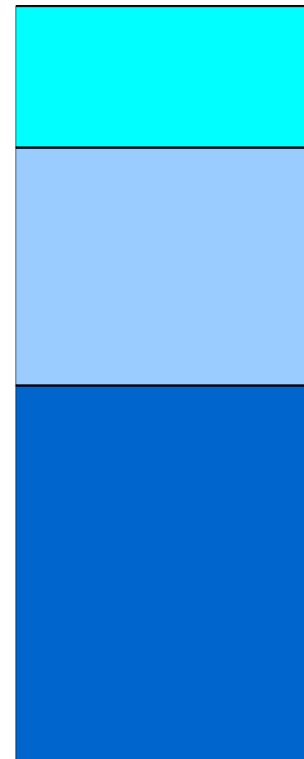


€ 800 million

Restructuring savings

Local efficiency programmes

Buying savings



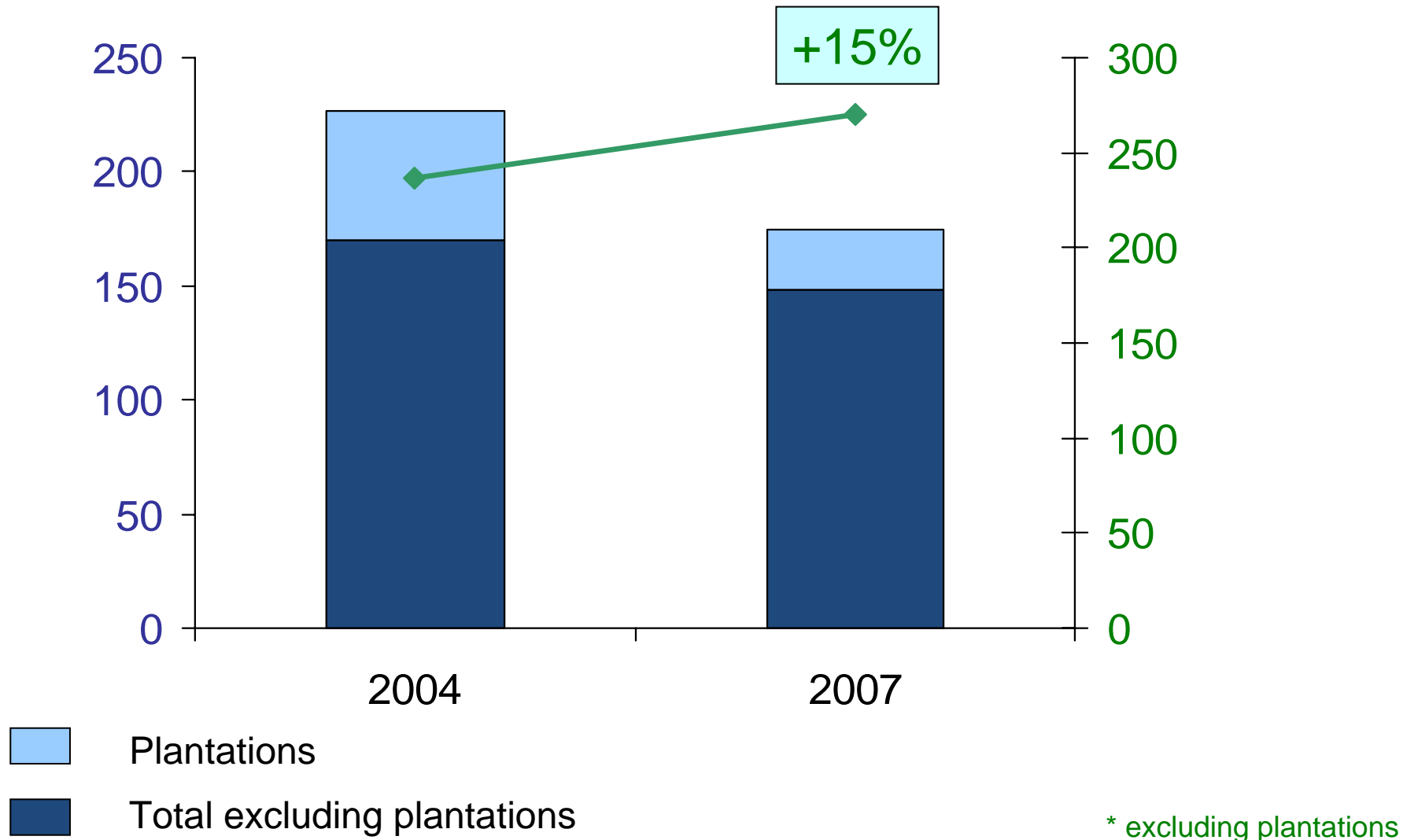
On track to exceed target of € 1 billion

Increasing employee productivity



Number of Employees

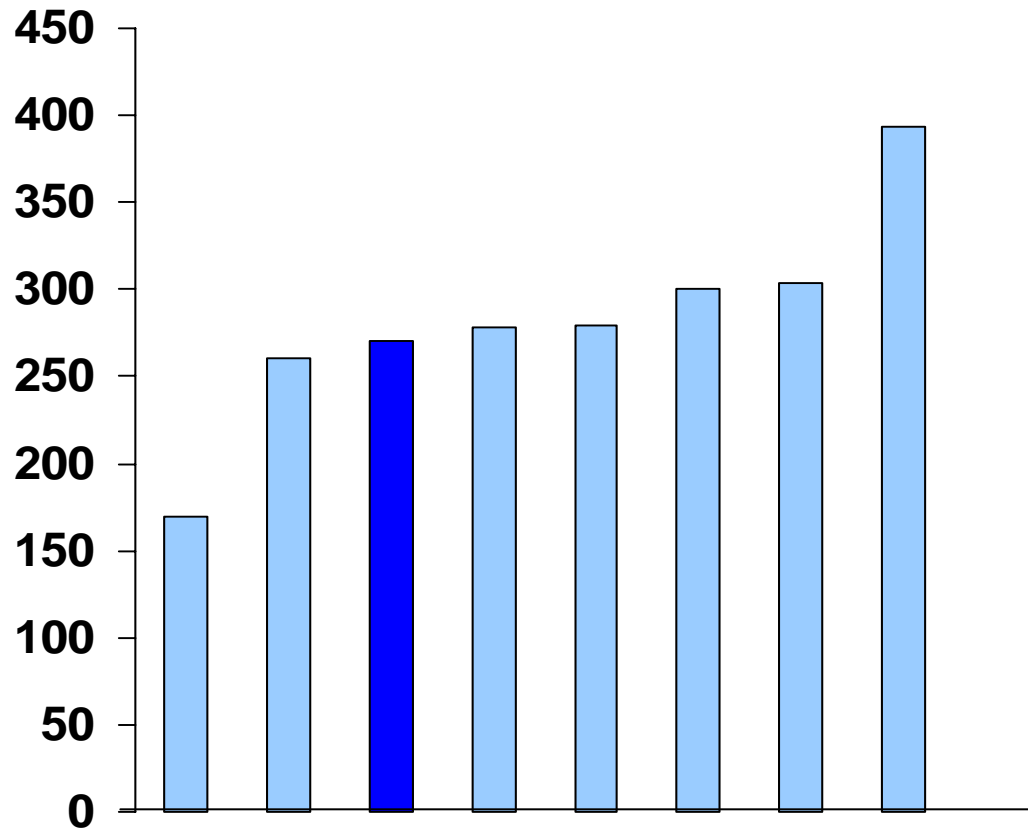
Turnover per employee* €000's



Employee productivity benchmarking



Turnover per employee* €000's



<u>Unilever:</u>	<u>€000's</u>
North America	500
W. Europe	340
Rest of world*	180
Total	270

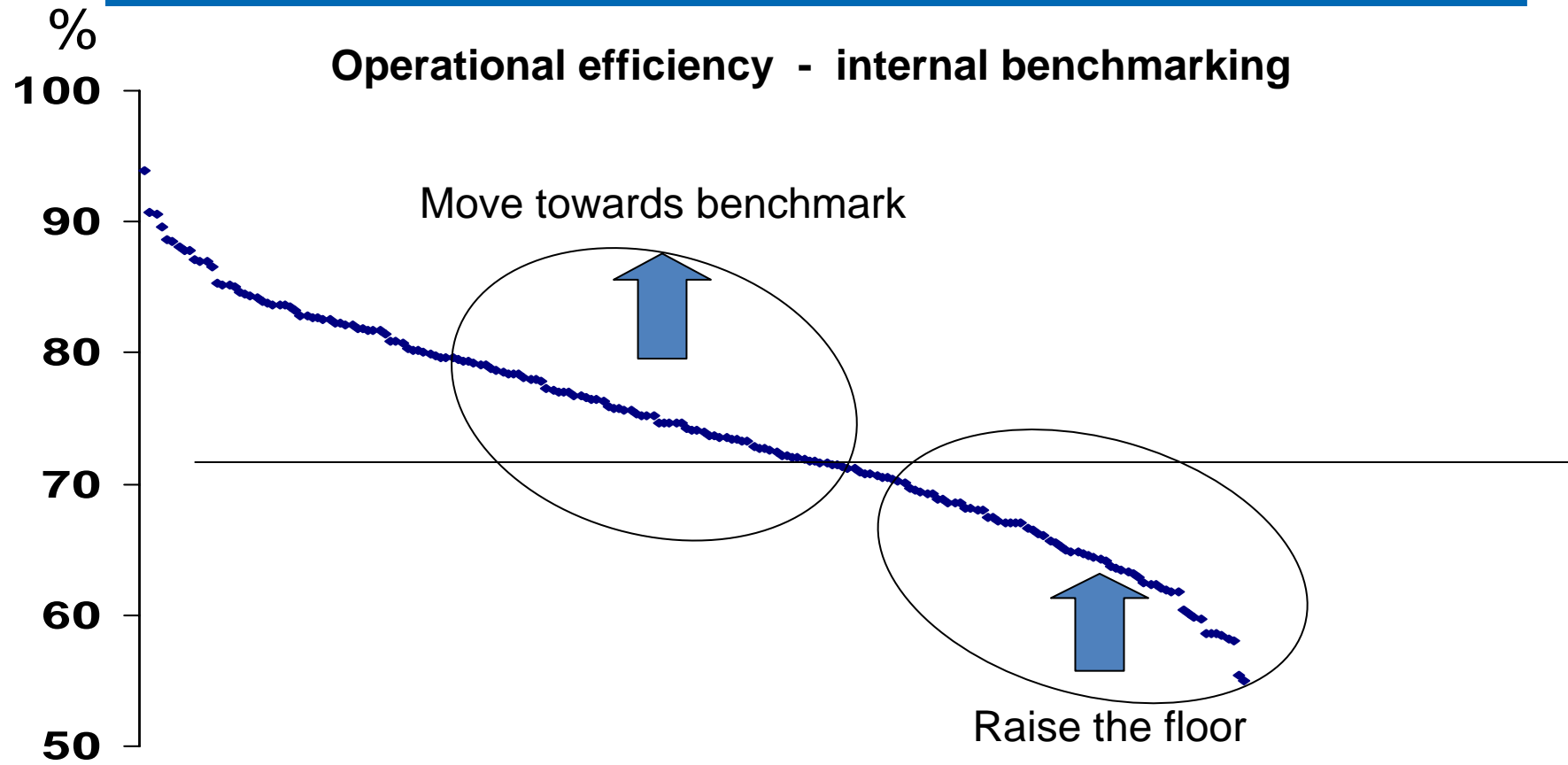
Peer group

- Colgate
- Danone
- Kraft
- L'Oreal
- Nestlé
- P&G
- Reckitt

*excluding plantations

Source: company reports 2007

Improving manufacturing efficiency



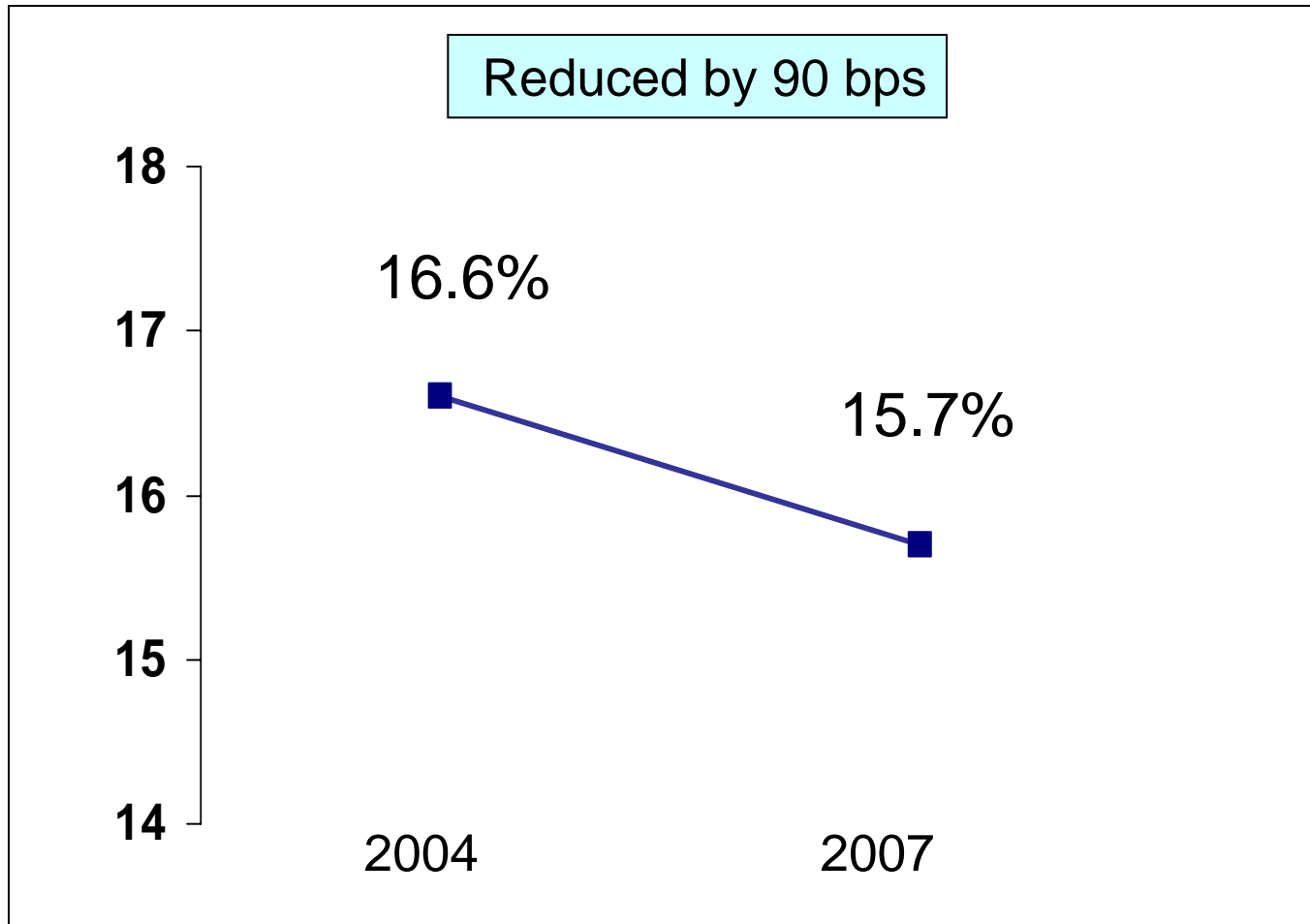
Improvement programmes:

- Total Productive Maintenance
- Leveraging scale - Virtual Site management
- Complexity reduction

Fixed asset productivity improvement



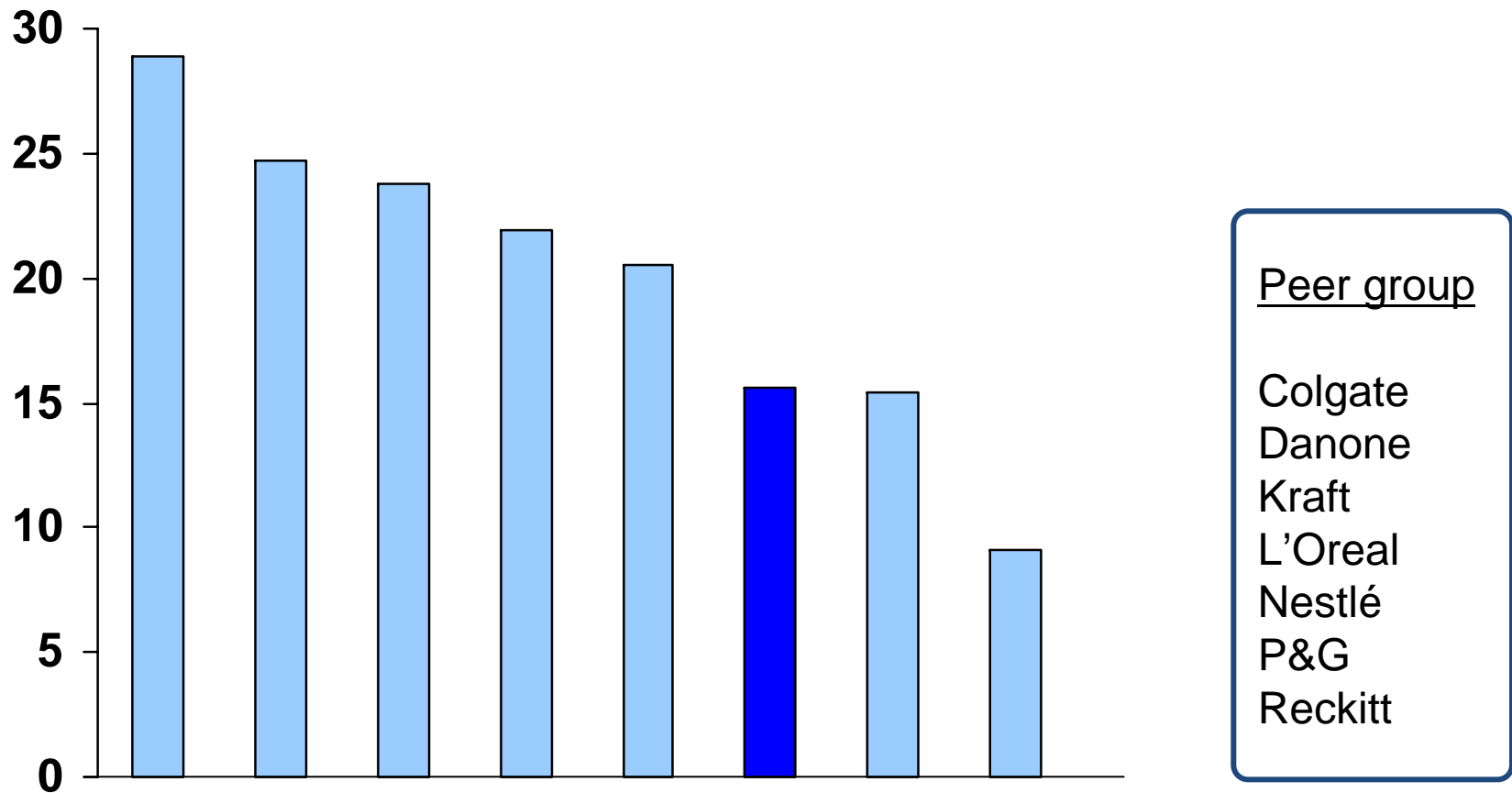
Fixed Assets as % of sales



Fixed asset productivity - benchmarking



Fixed Assets as % of sales

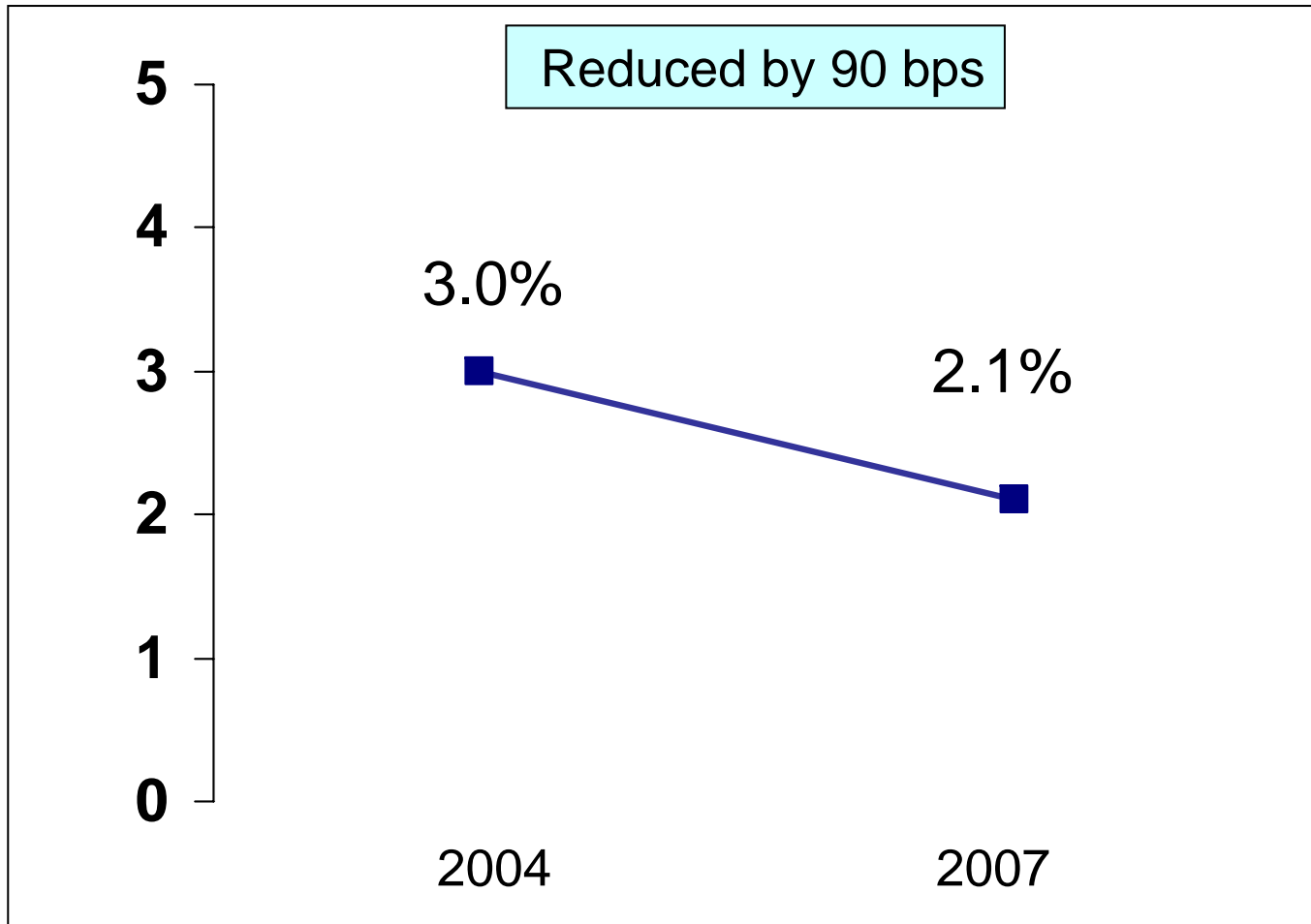


Source: company reports 2007

Working capital efficiency



Working Capital as % of sales



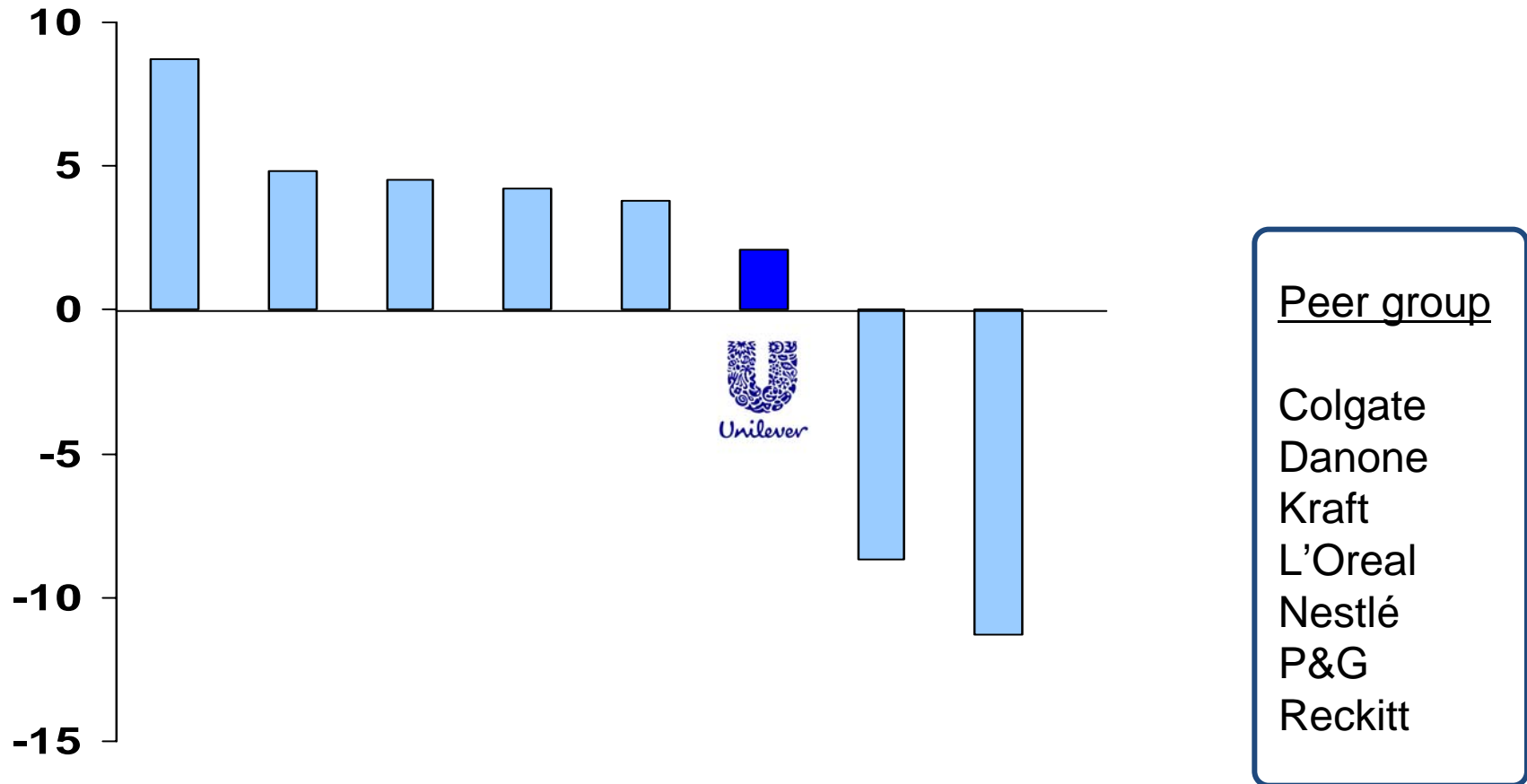
Average working capital %

Adding Vitality to life

Working capital efficiency – benchmarking



Working Capital as % of sales

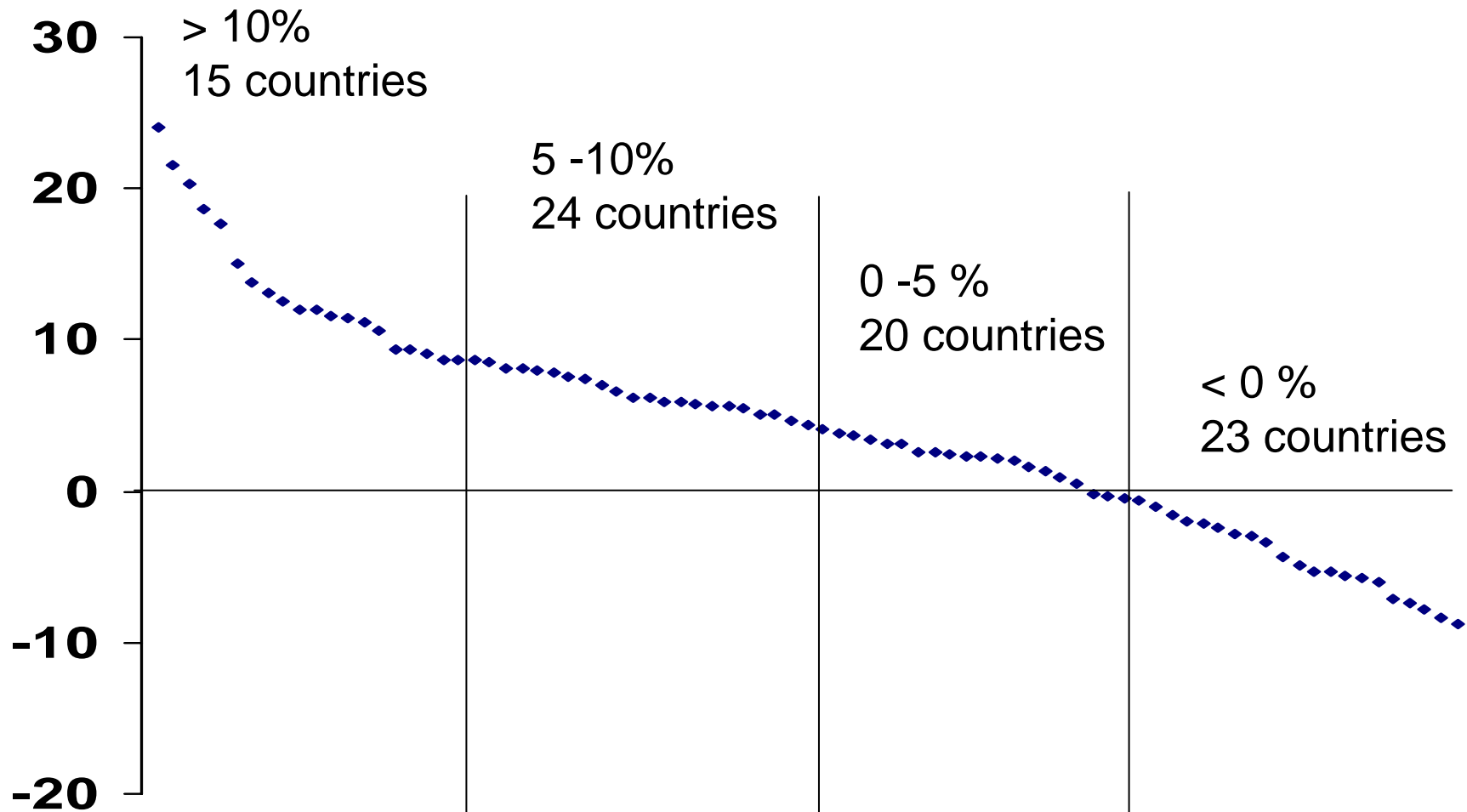


Source: company reports – average of mid-year and year-end 2007.

Working capital – internal benchmarking



Working capital as % of sales by country



Adding Vitality to life

Raising productivity in marketing spend



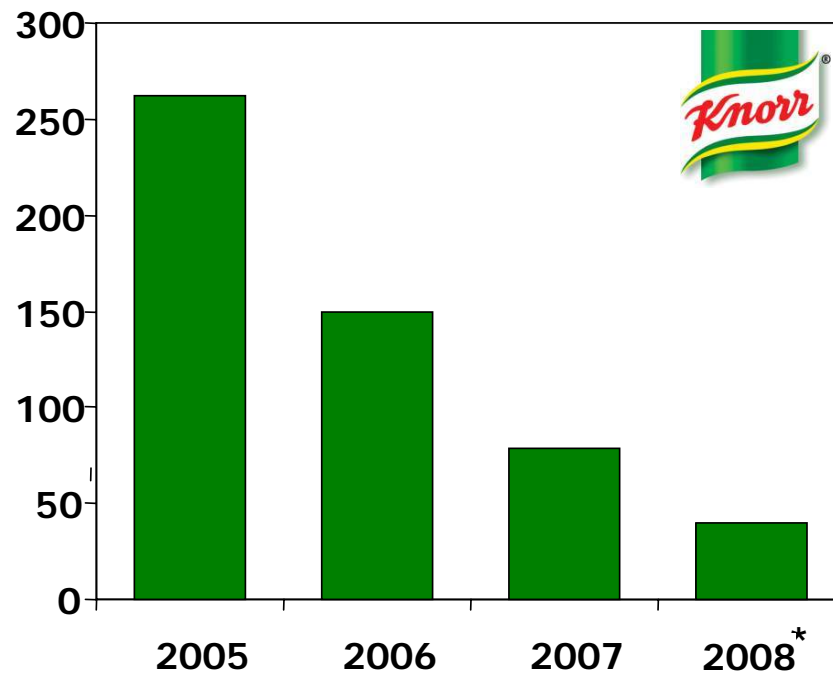
- Leveraging global scale
 - Better quality but fewer advertising films

Raising productivity in marketing spend

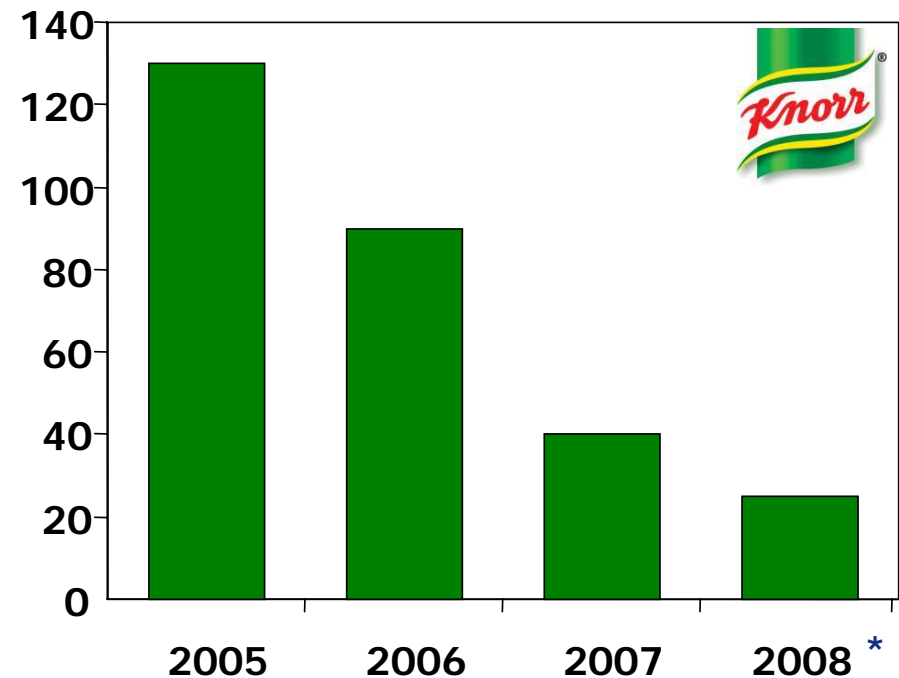


Knorr: leveraging global scale

Active innovation projects



TV productions



* Estimate

Raising productivity in marketing spend



- Leveraging global scale
 - Better quality but fewer advertising Films
- Improved tools
 - Media budgeting
 - Optimising promotional sell-out (OPSO)
 - Marketing mix modelling

Increased share of advertising spend



Share of advertising spend relative to competitors
2008 year to date vs a year ago

Savoury & Dressings



Spreads



Ice Cream



Beverages



Home Care



Personal Care

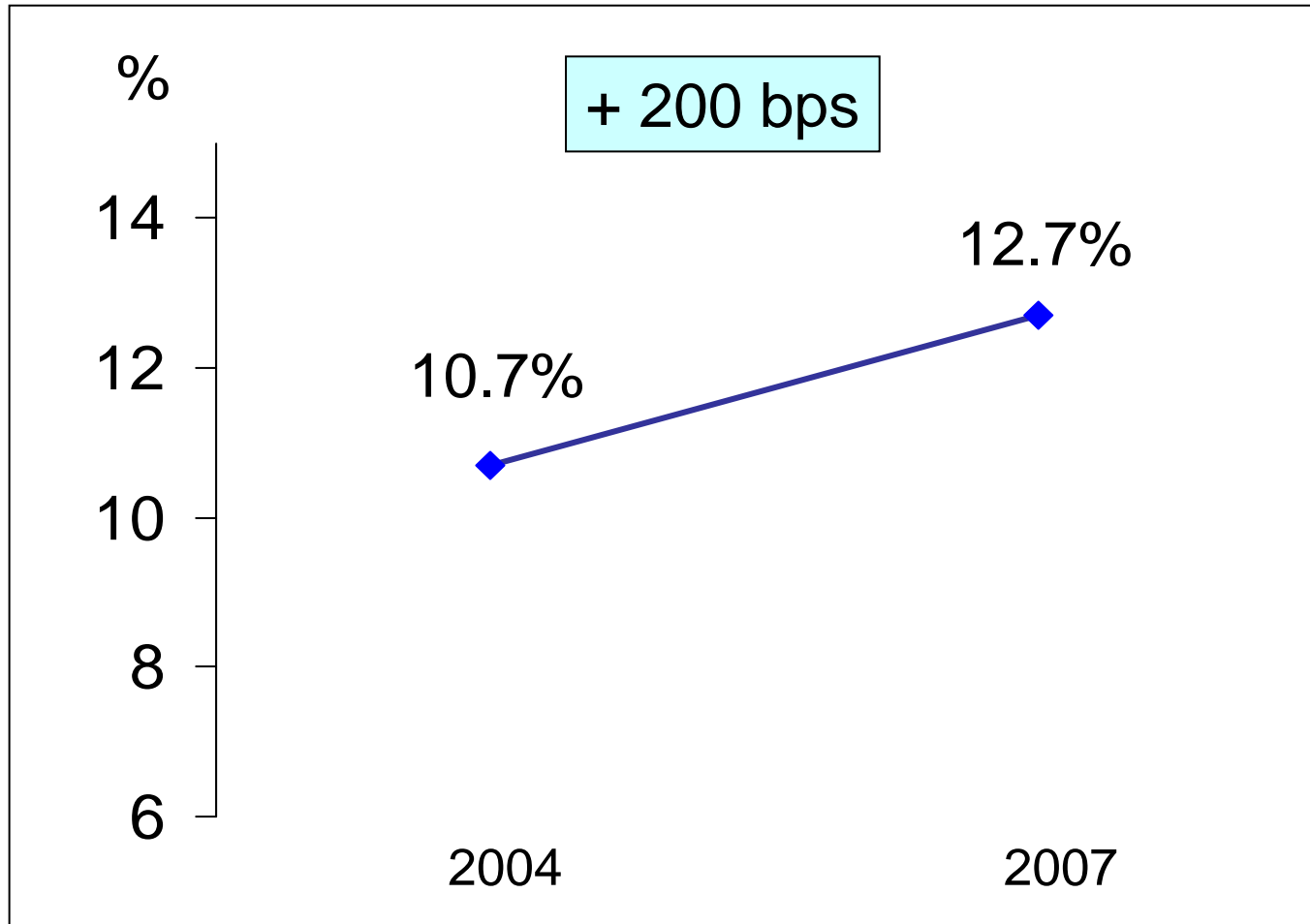


Total



Source: Mindshare

Return on invested capital



Invested capital includes all goodwill, including add back of goodwill written off

Agenda



Raising our growth profile

The journey to a more efficient Unilever

Managing through financial turmoil

- Changing consumer needs
- Financial health of:
 - Customers
 - Distributors
 - Suppliers
- Balance sheet optimisation

Strong single A credit rating

- Competitive cost of capital
- Maintain financial flexibility through credit crunch
- Access to commercial paper markets at attractive rates

- Investment within the business
- Bolt-on acquisitions
- Returns to shareholders:
 - Dividends
 - Share buy-backs

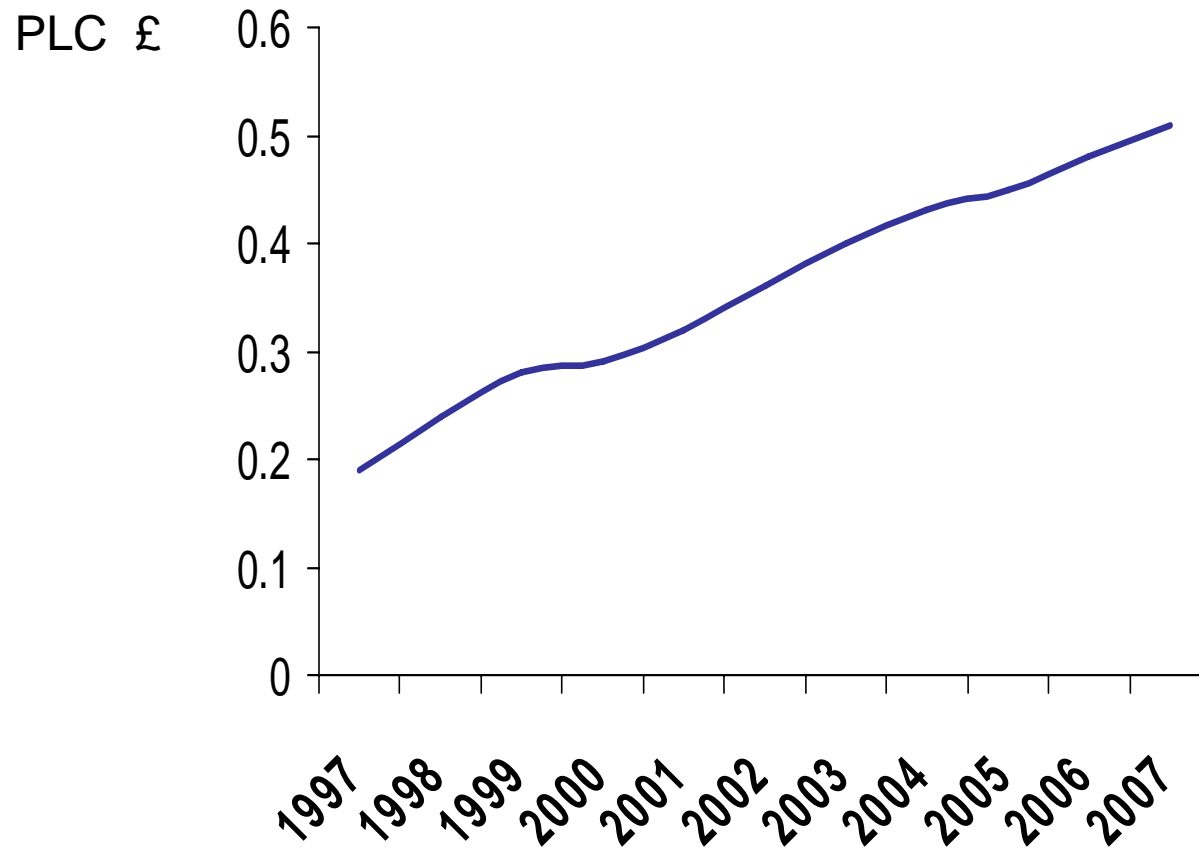
Increasing dividend



Dividend per share

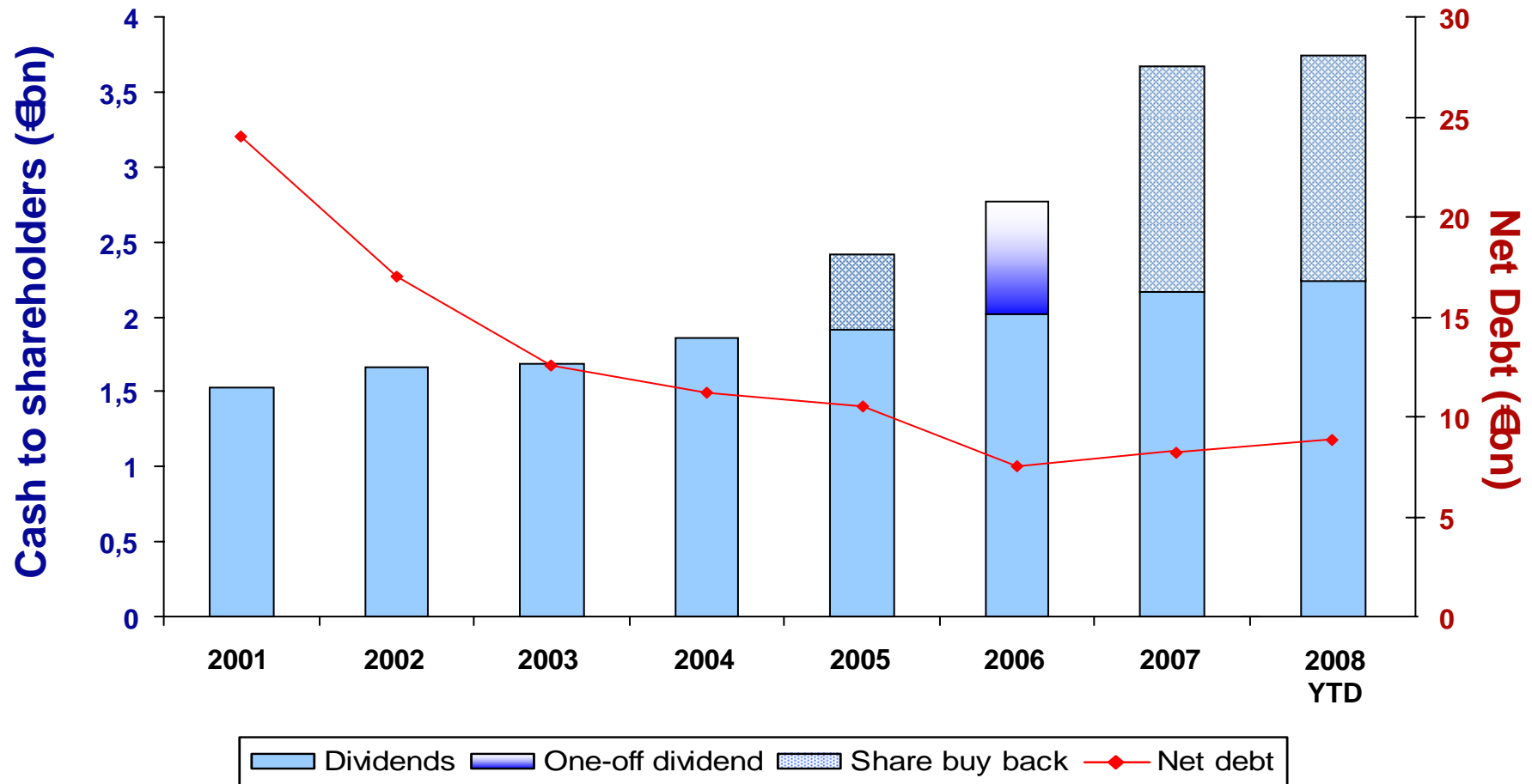
1997-2007

+ 10% p.a.



Note: Growth of weighted average of PLC, NV and NVNY also +10% p.a.

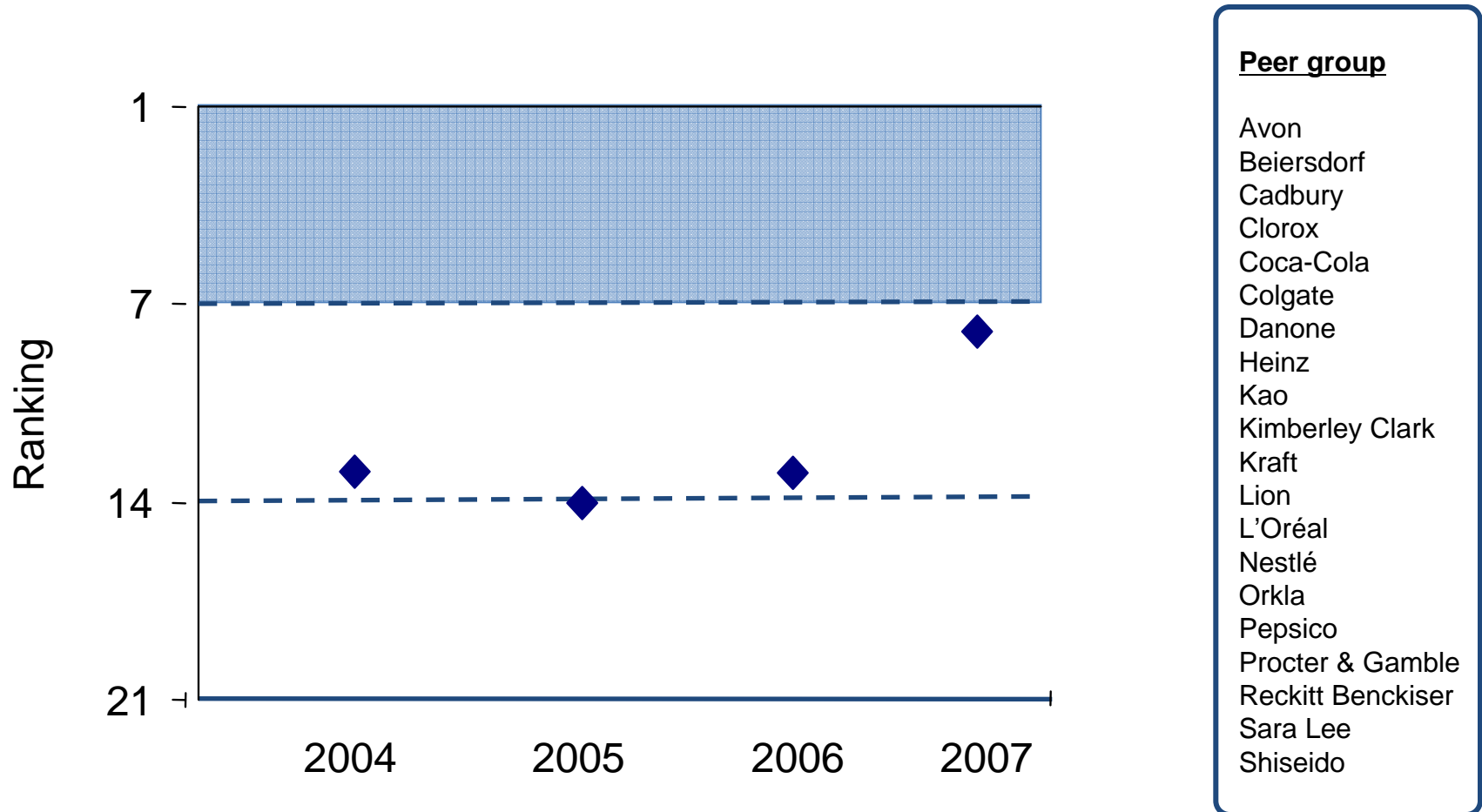
Cash returns to shareholders



Total Shareholder Return



Unilever's TSR position relative to the peer group over a rolling 3 year period



Summary



- Improved portfolio shape
- Good progress on the journey
 - Simpler
 - Faster
 - More cost efficient
- than ever before
- Strong financial management for competitive advantage

..... The journey continues !