

## Disclaimer

This PDF is a section of the Unilever Annual Report and Accounts 2007 provided to Unilever's shareholders. It does not contain sufficient information to allow a full understanding of the results of the Unilever Group and the state of affairs of Unilever N.V., Unilever PLC or the Unilever Group. For further information the Unilever Annual Report and Accounts 2007 should be consulted.

Certain sections of the Unilever Annual Report and Accounts 2007 have been audited. Sections that have been audited are set out on pages 69 to 121, 125 to 126, 128 to 130 and 133 to 135. The auditable part of the Directors' Remuneration report as set out on page 49 has also been audited.

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

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

**Disclaimer** Except where you are a shareholder, this material is provided for information purposes only and is not, in particular, intended to confer any legal rights on you.

The Annual Report and Accounts does not constitute an invitation to invest in Unilever shares. Any decisions you make in reliance on this information are solely your responsibility.

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

Unilever accepts no responsibility for any information on other websites that may be accessed from this site by hyperlinks.

## Company accounts Auditor's report – Unilever N.V.

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

#### Report on the company accounts

We have audited the company accounts which are part of the Annual Report 2007 of Unilever N.V., Rotterdam, for the year ended 31 December 2007 which comprise the balance sheet, income statement and the related notes on pages 128 to 130. These company accounts have been prepared under the accounting policies set out therein.

We have reported separately on the consolidated accounts of the Unilever Group for the year ended 31 December 2007.

#### Directors' responsibility

The Directors are responsible for the preparation and fair presentation of the company accounts in accordance with United Kingdom accounting standards and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the Report of the Directors in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the company accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor's responsibility

Our responsibility is to express an opinion on the company accounts based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the company accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the company accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the company accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the company accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the company accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the company accounts give a true and fair view of the financial position of Unilever N.V. as at 31 December 2007, and of its result for the year then ended in accordance with United Kingdom accounting standards and with Part 9 of Book 2 of the Netherlands Civil Code.

#### Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the Report of the Directors is consistent with the company accounts as required by 2:391 sub 4 of the Netherlands Civil Code.

Rotterdam, The Netherlands, 10 March 2008  
PricewaterhouseCoopers Accountants N.V.

**Prof Dr J A van Manen RA**

## Company accounts Unilever N.V.

**Balance sheet** as at 31 December  
(after proposed appropriation of profit)

	€ million 2007	€ million 2006
<b>Fixed assets</b>		
Fixed investments	24 423	26 405
<b>Current assets</b>		
Debtors	3 215	6 007
Cash at bank and in hand	2	7
<b>Total current assets</b>	3 217	6 014
<b>Creditors due within one year</b>	(17 163)	(20 646)
<b>Net current assets/(liabilities)</b>	(13 946)	(14 632)
<b>Total assets less current liabilities</b>	10 477	11 773
<b>Creditors due after more than one year</b>	2 420	2 451
<b>Provisions for liabilities and charges (excluding pensions and similar obligations)</b>	40	336
<b>Net pension liability for unfunded schemes</b>	134	148
<b>Capital and reserves</b>	7 883	8 838
Called up share capital	275	275
Share premium account	20	20
Legal reserves	16	16
Other reserves	(2 437)	(1 228)
Profit retained	10 009	9 755
<b>Total capital employed</b>	10 477	11 773

**Profit and loss account** for the year ended 31 December

	€ million 2007	€ million 2006
Income from fixed investments after taxation	1 508	1 916
Other income and expenses	(102)	(69)
<b>Profit for the year</b>	1 406	1 847

For the information required by Article 392 of Book 2 of the Civil Code in the Netherlands, refer to pages 127 and 131. Pages 129 and 130 are part of the notes to the Unilever N.V. company accounts.

The company accounts of Unilever N.V. are included in the consolidated accounts of the Unilever Group. Therefore, and in accordance with Article 402 of Book 2 of the Civil Code in the Netherlands, the profit and loss account only reflects the income from fixed investments after taxation and other income and expenses after taxes. The company accounts of Unilever N.V. do not contain a cash flow statement as this is not required by book 2 of the Civil Code in the Netherlands.

**The Board of Directors**  
10 March 2008

## Notes to the company accounts Unilever N.V.

**Accounting information and policies****Basis of preparation**

The company accounts of Unilever N.V. comply in all material respects with legislation in the Netherlands. As allowed by Article 362.1 of Book 2 of the Civil Code in the Netherlands, the company accounts are prepared in accordance with United Kingdom accounting standards, unless such standards conflict with the Civil Code in the Netherlands which would in such case prevail.

The accounts are prepared under the historical cost convention as modified by the revaluation of financial assets classified as 'available-for-sale investments', 'financial assets at fair value through profit or loss', and 'derivative financial instruments' in accordance with the accounting policies set out below which have been consistently applied.

**Accounting policies**

The principal accounting policies are as follows:

**Fixed investments**

Shares in group companies are stated at cost less any amounts written off to reflect a permanent impairment. Any impairment is charged to the profit and loss account as it arises. In accordance with Article 385.5 of Book 2 of the Civil Code in the Netherlands, Unilever N.V. shares held by Unilever N.V. subsidiaries are deducted from the carrying value of those subsidiaries. This differs from the accounting treatment under UK GAAP, which would require these amounts to be included within fixed investments.

**Financial instruments and derivative financial instruments**

The company's accounting policies under United Kingdom generally accepted accounting principles (UK GAAP) namely FRS 25 'Financial Instruments: Presentation', FRS 26 'Financial Instruments: Measurement' and FRS 29 'Financial Instruments: Disclosures' are the same as the Unilever Group's accounting policies under International Financial Reporting Standards (IFRS) namely IAS 32 'Financial Instruments: Presentation', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures'. The policies are set out under the heading 'Financial instruments' in note 1 to the consolidated accounts on pages 73 and 74. NV is taking the exemption for not providing all the financial instruments disclosures, because IFRS 7 disclosures are given in note 17 to the consolidated accounts on pages 97 to 101.

**Deferred taxation**

Full provision is made for deferred taxation on all significant timing differences arising from the recognition of items for taxation purposes in different periods from those in which they are included in the company's accounts. Full provision is made at the rates of tax prevailing at the year end unless future rates have been enacted or substantively enacted. Deferred tax assets and liabilities have not been discounted.

**Own shares held**

Own shares held by the company are accounted for in accordance with Dutch law and UK GAAP, namely FRS 25 'Financial Instruments: Presentation'. All differences between the purchase price of the shares held to satisfy options granted and the proceeds received for the shares, whether on exercise or lapse, are charged to reserves.

**Retirement benefits**

Unilever N.V. has accounted for pensions and similar benefits under the United Kingdom Financial Reporting Standard 17 'Retirement benefits' (FRS 17). The operating and financing costs of defined benefit plans are recognised separately in the profit and loss account; service costs are systematically spread over the service lives of employees, and financing costs are recognised in the periods in which they arise. Variations from expected costs, arising from the experience of the plans or changes in actuarial assumptions, are recognised immediately in the statement of total recognised gains and losses. The costs of individual events such as past service benefit enhancements, settlements and curtailments are recognised immediately in the profit and loss account. The liabilities and, where applicable, the assets of defined benefit plans are recognised at fair value in the balance sheet. The charges to the profit and loss account for defined contribution plans are the company contributions payable and the assets of such plans are not included in the company balance sheet.

**Dividends**

Under Financial Reporting Standard 21 'Events after the Balance Sheet Date' (FRS 21), proposed dividends do not meet the definition of a liability until such time as they have been approved by shareholders at the Annual General Meeting. Therefore, we do not recognise a liability in any period for dividends that have been proposed but will not be approved until after the balance sheet date. This holds for external dividends as well as intra-group dividends paid to the parent company.

## Notes to the company accounts Unilever N.V.

**Fixed investments**

	€ million 2007	€ million 2006
Shares in group companies	24 428	26 241
PLC shares held in connection with share options	184	375
Less NV shares held by group companies	(189)	(211)
	24 423	26 405
Movements during the year:		
1 January	26 405	11 276
PLC shares held in connection with share options	(191)	(57)
NV shares held by group companies	22	27
Additions <sup>(a)</sup>	4 966	15 342
Decreases	(6 779)	(183)
31 December	24 423	26 405

(a) In 2006 Unilever decided to transfer its group financing activities into a separate financing entity, Unilever Finance International B.V., a 100% subsidiary of NV based in the Netherlands. The transfer was executed as a contribution in kind on issued shares.

**Debtors**

	€ million 2007	€ million 2006
Loans to group companies	2 262	3 269
Other amounts owed by group companies	847	2 288
Amounts owed by undertakings in which the company has a participating interest	–	43
Taxation	38	–
Prepayments and accrued income	12	335
Other	56	72
	3 215	6 007
Of which due after more than one year	2 250	2 312

**Cash at bank and in hand**

At 31 December 2007 there is no cash at bank and in hand for which payment notice is required (2006: nil).

**Creditors**

	€ million 2007	€ million 2006
<b>Due within one year:</b>		
Other amounts owed to group companies	15 743	17 244
Loans from group companies	1 258	1 248
Bonds and other loans	–	1 503
Taxation and social security	16	48
Accruals and deferred income	58	400
Other	88	203
	17 163	20 646
<b>Due after more than one year:</b>		
Bonds and other loans	2 244	746
Loans from group companies	–	1 521
Accruals and deferred income	52	60
Preference shares <sup>(a)</sup>	124	124
	2 420	2 451

(a) Information on the euro conversion of the preference shares is given in note 16 to the consolidated accounts on page 94.

Creditors due after five years amount to €870 million (2006: €1 630 million) (Article 375.2 of Book 2 of the Civil Code in the Netherlands).

**Ordinary share capital**

Shares numbered 1 to 2 400 are held by a subsidiary of NV and a subsidiary of PLC, each holding 50%. Additionally, 122 296 247 (2006: 72 484 322) €0.16 ordinary shares are held by NV and other group companies. Full details as well as information on the euro conversion and subsequent split of ordinary shares are given in note 22 to the consolidated accounts on page 109.

**Share premium account**

The share premium shown in the balance sheet is not available for the issue of bonus shares or for repayment without incurring withholding tax payable by the company. This is despite the change in tax law in the Netherlands, as a result of which dividends received from 2001 onwards by individual shareholders who are resident in the Netherlands are no longer taxed.

**Other reserves**

	€ million 2007	€ million 2006
1 January	(1 228)	(1 321)
Change in own shares held	(1 209)	93
31 December	(2 437)	(1 228)

**Profit retained**

	€ million 2007	€ million 2006
1 January	9 755	9 463
Profit for the year	1 406	1 847
Ordinary dividends – final 2005	–	(729)
Ordinary dividends – interim 2006	–	(382)
One-off dividend 2006	–	(432)
Ordinary dividends – final 2006	(775)	–
Ordinary dividends – interim 2007	(404)	–
Taxation charge	3	–
Fair value adjustments for cash flow hedges	–	(4)
Realised profit/(loss) on shares/certificates held to meet employee share options	15	(6)
Changes in present value of net pension liability	9	(2)
31 December	10 009	9 755

Profit retained shown in the company accounts and the notes thereto differs from the amount shown in note 24 to the consolidated accounts on page 111 mainly because of certain inter-company transactions which are eliminated in the consolidated accounts.

	€ million 2007	€ million 2006
Difference as at 1 January	1 351	742
Changes in equity of consolidated participations	(3 305)	(1 667)
Changes in accumulated intercompany results	1 560	2 276
Difference as at 31 December	(394)	1 351

**Provisions for liabilities and charges (excluding pensions and similar obligations)**

	€ million 2007	€ million 2006
Preference shares provision	3	300
Deferred taxation and other provisions	37	36
	40	336
Of which due within one year	40	332

**Contingent liabilities**

Contingent liabilities are not expected to give rise to any material loss and include guarantees given for group companies. The estimated total of such liabilities as at 31 December 2007 was some €5 204 million (2006: €4 635 million) of which €3 706 million (2006: €3 203 million) was also guaranteed by PLC. The fair value of such guarantees was not significant in either 2006 or 2007. The guarantees issued to other companies were immaterial.

NV has issued joint and several liability undertakings, as defined in Article 403 of Book 2 of the Civil Code in the Netherlands, for almost all Dutch group companies. These written undertakings have been filed with the office of the Company Registry in whose area of jurisdiction the group company concerned has its registered office.

## Further statutory and other information Unilever N.V.

**The rules for profit appropriation in the Articles of Association**  
(summary of Article 38)

The profit for the year is applied firstly to the reserves required by law or by the Equalisation Agreement, secondly to cover losses of previous years, if any, and thirdly to the reserves deemed necessary by the Board of Directors. Dividends due to the holders of the Cumulative Preference Shares, including any arrears in such dividends, are then paid; if the profit is insufficient for this purpose, the amount available is distributed to them in proportion to the dividend percentages of their shares. Any profit remaining thereafter shall be distributed to them in proportion to the dividend percentages of their shares. The General Meeting can only decide to make distributions from reserves on the basis of a proposal by the Board and in compliance with the law and the Equalisation Agreement.

**Proposed profit appropriation**

	€ million 2007	€ million 2006
Profit for the year (available for distribution)	<b>1 406</b>	1 847
Interim dividend already paid	<b>(404)</b>	(382)
One-off dividend 2006	–	(432)
To profit retained	<b>1 002</b>	1 033

**Post balance sheet event**

The directors propose a final dividend of €0.50 per share (totalling €796 million) out of the profits retained for the year ended 31 December 2007. The dividend will be submitted for formal approval at the Annual General Meeting to be held on 15 May 2008. In accordance with FRS 21, these financial statements do not reflect this dividend payable, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ended 31 December 2008. During 2007, a final dividend of €0.47 per share (totalling €775 million) was paid in respect of the dividend declared for the year ended 31 December 2006.

**Special controlling rights under the Articles of Association**

See note 22 to the consolidated accounts on page 109.

**Auditors**

A resolution will be proposed at the Annual General Meeting on 15 May 2008 for the reappointment of PricewaterhouseCoopers Accountants N.V. as auditors of NV. The present appointment will end at the conclusion of the Annual General Meeting.

**Corporate Centre**

Unilever N.V.  
Weena 455  
PO Box 760  
3000 DK Rotterdam  
The Netherlands

**S H M A Dumoulin**

Secretary of Unilever N.V.  
10 March 2008

## Company accounts Auditors' report – Unilever PLC

### Independent auditors' report to the shareholders of Unilever PLC on the parent company accounts

We have audited the parent company accounts of Unilever PLC for the year ended 31 December 2007 which comprise the balance sheet and the related notes. These parent company accounts have been prepared under the accounting policies set out therein. We have also audited the information in the Report of the Remuneration Committee that is described as having been audited.

We have reported separately on the consolidated accounts of the Unilever Group for the year ended 31 December 2007.

### Respective responsibilities of Directors and auditors

The Directors' responsibilities for preparing the parent company accounts in accordance with applicable United Kingdom law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 66. The Directors are also responsible for preparing the Annual Report, including the Report of the Remuneration Committee.

Our responsibility is to audit the parent company accounts and the part of the Report of the Remuneration Committee to be audited in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the shareholders of Unilever PLC as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the parent company accounts give a true and fair view and whether the parent company accounts and the part of the Report of the Remuneration Committee to be audited have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the parent company accounts.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited parent company accounts. The other information comprises only Report of the Directors and the Shareholder information. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the parent company accounts. Our responsibilities do not extend to any other information.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the parent company accounts and the part of the Report of the Remuneration Committee to be audited. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the parent company accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the parent company accounts and the part of the Report of the Remuneration Committee to be audited are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the parent company accounts and the part of the Report of the Remuneration Committee to be audited.

### Opinion

In our opinion:

- the parent company accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007;
- the parent company accounts and the part of the Report of the Remuneration Committee to be audited have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the parent company accounts.

10 March 2008

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London, United Kingdom

## Company accounts Unilever PLC

**Balance sheet** as at 31 December

	£ million 2007	£ million 2006
<b>Fixed assets</b>		
Intangible assets	20	23
Fixed asset investments	2 294	2 237
<b>Current assets</b>		
Debtors due within one year	1 565	134
Debtors due after more than one year	3	45
<b>Total current assets</b>	<b>1 568</b>	179
<b>Creditors due within one year</b>	<b>(2 286)</b>	(1 091)
<b>Net current assets/(liabilities)</b>	<b>(718)</b>	(912)
<b>Total assets less current liabilities</b>	<b>1 596</b>	1 348
<b>Provision for liabilities and charges (excluding pensions and similar obligations)</b>	<b>10</b>	7
<b>Capital and reserves</b>	<b>1 586</b>	1 341
Called up share capital	41	41
Share premium account	94	94
Capital redemption reserve	11	11
Other reserves	(281)	(353)
Profit retained	1 721	1 548
<b>Total capital employed</b>	<b>1 596</b>	1 348

As permitted by Section 230 of the United Kingdom Companies Act 1985, an entity profit and loss account is not included as part of the published company accounts for PLC. Under the terms of Financial Reporting Standard 1 (revised 1996) 'Cash Flow Statements' (FRS 1) a cash flow statement is not included, as the cash flows are included in the consolidated cash flow statement of the Unilever Group.

On behalf of the Board of Directors

**M Treschow** Chairman  
**P Cescau** Group Chief Executive

10 March 2008

## Notes to the company accounts Unilever PLC

**Accounting information and policies****Basis of preparation**

The accounts have been prepared in accordance with applicable United Kingdom accounting standards and the United Kingdom Companies Act 1985.

The accounts are prepared under the historical cost convention as modified by the revaluation of financial assets classified as 'available-for-sale investments', 'financial assets at fair value through profit or loss', and 'derivative financial instruments' in accordance with the accounting policies set out below which have been consistently applied.

**Accounting policies**

The principal accounting policies are as follows:

**Intangible assets**

Intangible assets comprise trademarks purchased after 1 January 1998 and are amortised in the profit and loss account over their expected useful lives of up to a maximum of 20 years. They are subject to review for impairment in accordance with United Kingdom Financial Reporting Standard 11 'Impairment of Fixed Assets and Goodwill' (FRS 11). Any impairment is charged to the profit and loss account as it arises.

**Fixed asset investments**

Shares in group companies are stated at cost less any amounts written off to reflect a permanent impairment. Any impairment is charged to the profit and loss account as it arises.

**Financial instruments**

The company's accounting policies under United Kingdom generally accepted accounting principles (UK GAAP) namely FRS 25 'Financial Instruments: Presentation', FRS 26 'Financial Instruments: Measurement' and FRS 29 'Financial Instruments: Disclosures' are the same as the Unilever Group's accounting policies under International Financial Reporting Standards (IFRS) namely IAS 32 'Financial Instruments: Presentation', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures'. The policies are set out under the heading 'Financial instruments' in note 1 to the consolidated accounts on pages 73 and 74. PLC is taking the exemption for not providing all the financial instruments disclosures, because IFRS 7 disclosures are given in note 17 to the consolidated accounts on pages 97 to 101.

**Deferred taxation**

Full provision is made for deferred taxation on all significant timing differences arising from the recognition of items for taxation purposes in different periods from those in which they are included in the company's accounts. Full provision is made at the rates of tax prevailing at the year end unless future rates have been enacted or substantively enacted. Deferred tax assets and liabilities have not been discounted.

**Shares held by employee share trusts**

Shares held to satisfy options are accounted for in accordance with UK GAAP, namely FRS 25 'Financial Instruments: Presentation' and Urgent Issues Task Force abstract 38 'Accounting for ESOP Trusts' (UITF 38). All differences between the purchase price of the shares held to satisfy options granted and the proceeds received for the shares, whether on exercise or lapse, are charged to other reserves.

**Dividends**

Under Financial Reporting Standard 21 'Events after the Balance Sheet Date' (FRS 21), proposed dividends do not meet the definition of a liability until such time as they have been approved by shareholders at the Annual General Meeting. Therefore, we do not recognise a liability in any period for dividends that have been proposed but will not be approved until after the balance sheet date. This holds for external dividends as well as intra-group dividends paid to the parent company.

## Notes to the company accounts Unilever PLC

<b>Fixed asset investments</b>	<b>£ million</b>	<b>£ million</b>
	<b>2007</b>	<b>2006</b>
Shares in group companies <sup>(a)</sup>	<b>2 294</b>	2 237

(a) The only movement in the year is an additional investment in a group company.

<b>Debtors</b>	<b>£ million</b>	<b>£ million</b>
	<b>2007</b>	<b>2006</b>
<b>Due within one year:</b>		
Amounts owed by group companies	<b>1 562</b>	80
Amounts owed by undertakings in which the company has a participating interest	<b>1</b>	28
Other	<b>2</b>	26
	<b>1 565</b>	134

<b>Due after more than one year:</b>		
Amounts owed by group companies	<b>3</b>	44
Other	<b>–</b>	1
	<b>3</b>	45

<b>Creditors</b>	<b>£ million</b>	<b>£ million</b>
	<b>2007</b>	<b>2006</b>
<b>Due within one year:</b>		
Amounts owed to group companies	<b>2 162</b>	914
Taxation and social security	<b>123</b>	151
Other	<b>1</b>	26
	<b>2 286</b>	1 091

<b>Provisions for liabilities and charges (excluding pensions and similar obligations)</b>	<b>£ million</b>	<b>£ million</b>
	<b>2007</b>	<b>2006</b>
Deferred taxation	<b>10</b>	7

**Ordinary share capital**

Information on the consolidation of ordinary shares is given in note 22 to the consolidated accounts on page 109.

<b>Other reserves</b>	<b>£ million</b>	<b>£ million</b>
	<b>2007</b>	<b>2006</b>
1 January	<b>(353)</b>	(385)
Change in book value of shares	<b>72</b>	32
31 December	<b>(281)</b>	(353)

<b>Profit retained</b>	<b>£ million</b>	<b>£ million</b>
	<b>2007</b>	<b>2006</b>
1 January	<b>1 548</b>	1 466
Profit for the year	<b>803</b>	893
Final dividend 2005 on ordinary and deferred shares	<b>–</b>	(385)
Interim dividend 2006 on ordinary and deferred shares	<b>–</b>	(200)
One-off dividend 2006	<b>–</b>	(226)
Final dividend 2006 on ordinary and deferred shares	<b>(412)</b>	–
Interim dividend 2007 on ordinary and deferred shares	<b>(218)</b>	–
31 December	<b>1 721</b>	1 548

**Contingent liabilities**

Contingent liabilities are not expected to give rise to any material loss and include guarantees given for group companies. The estimated total of such liabilities at 31 December 2007 was some £4 372 million (2006: £3 656 million) of which £2 720 million (2006: £2 150 million) was also guaranteed by NV. The fair value of such guarantees is not significant in either 2006 or 2007. The guarantees issued to other companies were immaterial.

**Remuneration of auditors**

The parent company accounts of Unilever PLC are required to comply with The Companies (Disclosure of Auditor Remuneration) Regulations 2005. Auditors' remuneration in respect of Unilever PLC is included within the disclosures in note 32 on page 121.

<b>Profit appropriation</b>	<b>£ million</b>	<b>£ million</b>
	<b>2007</b>	<b>2006</b>
Profit for the year (available for distribution)	<b>803</b>	893
Interim dividend already paid	<b>(218)</b>	(200)
One-off dividend 2006	<b>–</b>	(226)
To profit retained	<b>585</b>	467

**Post balance sheet event**

The directors propose a final dividend of 34.11p per share (totalling £430 million) out of the profits retained for the year ended 31 December 2007. The dividend will be submitted for formal approval at the Annual General Meeting to be held on 14 May 2008. In accordance with FRS 21, these financial statements do not reflect this dividend payable, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending 31 December 2008. During 2007, a final dividend of 32.04p per share (totalling £412 million) was paid in respect of the dividend declared for the year ended 31 December 2006.

## Further statutory and other information Unilever PLC

### Employee involvement and communication

Unilever's UK companies maintain formal processes to inform, consult and involve employees and their representatives. A high proportion of the United Kingdom sites are accredited to the Investors in People standard. Our sites also use tools such as Total Productive Maintenance which rely heavily on employee involvement, contribution and commitment.

A European Works Council, embracing employee and management representatives from countries within Europe, has been in existence for several years and provides a forum for discussing issues that extend across national boundaries.

The directors' reports of the United Kingdom group companies contain more details about how they have communicated with their employees during 2007.

### Equal opportunities and diversity

The heads of all operating companies and units in the UK have committed their businesses to achieving greater diversity. Every Unilever company in the United Kingdom has an equal opportunities policy and actively pursues equality of opportunity for all employees.

Our equal opportunities policy is designed, among other things, to ensure that people with disabilities, and other under-represented groups, are given the same training, development and prospects as other employees.

The company carries out regular employee monitoring surveys and has also conducted an equal pay audit. The company continues to review ways in which greater diversity can be achieved in recruitment and selection.

The company continues to put in place policies which promote the achievement of diversity in the business. We have policies on home working, flexible working, maternity and paternity leave, child care provision and career breaks, which help us to meet this objective.

### Charitable and other contributions

Unilever collates the cost of its community involvement activities using the London Benchmarking Group model. The model recommends the separation of charitable donations, community investment, commercial initiatives in the community and management costs relating to the programme of activity.

During 2007 UK group companies made a total contribution of £6.6 million, analysed as follows:

- Charitable donations: £1 million.
- Community investment: £1.24 million.
- Commercial initiatives in the community: £4.1 million.
- Management costs: £0.25 million.

No donation or contribution was made or expenditure incurred for political purposes.

### Supplier payment policies

Individual operating companies are responsible for agreeing the terms and conditions under which business transactions with their suppliers are conducted. The directors' reports of the United Kingdom operating companies give information about their supplier payment policies as required by the UK Companies Act 1985. PLC, as a holding company, does not itself make any relevant payments in this respect.

### Auditors and disclosure of information to auditors

A resolution will be proposed at the AGM on 14 May 2008 for the re-appointment of PricewaterhouseCoopers LLP as auditors of PLC. The present appointment will end at the conclusion of the AGM.

To the best of each of the Directors' knowledge and belief, and having made appropriate enquiries of other officers of the Unilever Group, all information relevant to enabling the auditors to provide their opinions on PLC's consolidated and parent company accounts has been provided. Each of the Directors has taken all reasonable steps to ensure their awareness of any relevant audit information and to establish that the company's auditors are aware of any such information.

### Authority to purchase own shares

At the AGM of PLC held on 16 May 2007, authority was given pursuant to Article 64 of the PLC Articles of Association to make market purchases of PLC ordinary shares of 3 1/9p each, to a maximum of 290 million shares. This authority will expire at the AGM on 14 May 2008, and a resolution will be proposed to renew the authority.

Details of shares purchased by an employee share trust and Unilever group companies to satisfy options granted under PLC's employee share schemes are given in the report of the Remuneration Committee on page 58 and in note 29 to the consolidated accounts on pages 117 to 119.

### Directors' report of PLC

For the purposes of Section 234 of the Companies Act 1985, the Directors' Report of Unilever PLC for the year ended 31 December 2007 comprises this page and the information contained in the report of the Directors on pages 2 to 63 which includes the Company's position on environment and corporate responsibility matters, the report of the Remuneration Committee in respect of Directors' interests in shares or debentures of the Group on pages 58 and 60, Dividends on page 86, Principal group companies and non-current investments on pages 125 and 126, significant shareholders of PLC as disclosed on page 137, and financial instruments and treasury risk management on page 97. The information required to be given pursuant to Section 992 of the UK Companies Act 2006 is covered elsewhere in this Annual Report.

### Business review

The UK Companies Act 2006 requires Unilever PLC to set out in this report a fair review of the business of the Group during the financial year ended 31 December 2007 including a description of the principal risks and uncertainties facing the Group and an analysis of the position of the Group's business at the end of the financial year, known as a 'Business review'.

The information that fulfils the current Business review requirements can be found on the following pages of this Annual Report which are incorporated into this report by reference:

- a description of the principal risks and uncertainties facing the Group see pages 13 and 14;
- the development and performance of the Group's business during the year see pages 15 to 32;
- the position of the Group's business at the end of the year see pages 25, 26 and 70;
- key performance indicators see page 6;
- other key indicators see pages 6 and 7;
- main trends and factors likely to affect the future development, performance and position of the Group see pages 13 and 14;
- environmental matters and policy, including the impact of the Group's business on the environment see page 12; and
- employee matters and policy see pages 9, 10 and 136.

In accordance with Section 463 of the UK Companies Act 2006, the Directors' responsibility for the Directors' report and the report of the Remuneration Committee, which responsibility shall be governed by English law, shall be owed only to PLC (to the extent envisaged in Section 463) and not to any other person.

### Corporate Centre

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### Unilever PLC Registrars

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### By Order of the Board

**S H M A Dumoulin**

Secretary of Unilever PLC

10 March 2008