Disclaimer

Notes to the Annual Review 2005 This PDF version of the Unilever Annual Review 2005 is an exact copy of the document provided to Unilever's shareholders. It is a short form document that contains extracts and summaries only of the information given in the Unilever Annual Report and Accounts 2005 ("the Full Report"). The Full Report should be referred to for a fuller understanding of the results and state of affairs of Unilever.

The Summary Financial Statement in the Unilever Annual Review 2005 has been examined by our auditors.

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2005

Unilever Annual Review and Summary Financial Statement

Unilever

Our corporate purpose

Unilever's mission is to add vitality to life. We meet everyday needs for nutrition, hygiene and personal care with brands that help people feel good, look good and get more out of life.

Our deep roots in local cultures and markets around the world give us our strong relationship with consumers and are the foundation for our future growth. We will bring our wealth of knowledge and international expertise to the service of local consumers – a truly multi-local multinational.

Our long-term success requires a total commitment to exceptional standards of performance and productivity, to working together effectively, and to a willingness to embrace new ideas and learn continuously.

To succeed also requires, we believe, the highest standards of corporate behaviour towards everyone we work with, the communities we touch, and the environment on which we have an impact.

This is our road to sustainable, profitable growth, creating long-term value for our shareholders, our people, and our business partners.

The two parent companies, Unilever N.V. (NV) and Unilever PLC (PLC), together with their group companies, operate effectively as a single economic entity (the Unilever Group, also referred to as Unilever or the Group). This Annual Review therefore deals with the operations and the results of the Unilever Group as a whole. The Unilever Annual Review and Annual Report and Accounts is produced in Dutch and English.

The brand names shown in *italics* in this Annual Review are trademarks owned by or licensed to companies within the Unilever Group.

Unilever has adopted the euro as its principal reporting currency. The figures in this Annual Review are expressed in euros with translations, for convenience purposes, into sterling and US dollars.

In the following commentary, sales growth is stated on an underlying basis at constant exchange rates and excluding the effects of acquisitions and disposals. For further information, please refer to our website at www.unilever.com/investorcentre

For NV share capital, the euro amounts shown in this document are representations in euros on the basis of Article 67c of Book 2 of the Civil Code in the Netherlands, rounded to two decimal places, of underlying share capital in Dutch guilders, which have not been converted into euros in NV's Articles of Association. Until conversion formally takes place by amendment of the Articles of Association, the entitlements to dividends and voting rights are based on the euro equivalent of the underlying Dutch guilders according to the official euro exchange rate.

The term shares as used in this document should, with respect to shares issued by N.V. be construed to include depositary receipts for shares issued by Stichting Administratiekantoor Unilever N.V., unless the context otherwise requires or unless it is clear from the nature of the notification that this is not the case.

The exchange rates used in the preparation of this Annual Review are given on page 28.

Cautionary statement

This document 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 'expects', 'anticipates', 'intends' 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 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, including, among others, competitive pricing and activities, consumption levels, costs, the ability to maintain and manage key customer relationships and supply chain sources, currency values, interest rates, the ability to integrate acquisitions and complete planned divestitures, physical risks, environmental risks, the ability to manage regulatory, tax and legal matters and resolve pending matters within current estimates, legislative, fiscal and regulatory developments, political, economic and social conditions in the geographic markets where the Group operates and new or changed priorities of the Boards.

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 the Annual Report and Accounts on Form 20-F. These forward-looking statements speak only as of the date of this document. 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.

Contents

Rama
Classic

NEW FRAGRANCE
axe
UNLIMITED
DEODORANT
BODYSPRAY
4 OZ (113g)

Financial highlights of the year

Turnover

€ million	
2005	39 672
2004	38 566

£ million	
2005	27 124
2004	26 151

$ million	
2005	49 352
2004	47 744

Operating profit

€ million	
2005	5 314
2004	4 239

£ million	
2005	3 633
2004	2 876

$ million	
2005	6 611
2004	5 249

Dividends[1]

€ per €0.51 Ordinary share of NV[2]	
2005	1.98
2004	1.89

pence per 1.4p Ordinary share of PLC[2][3]	
2005	20.31
2004	19.15

$ per €0.51 New York share of NV[2]	
2005	2.37
2004	2.42

$ per 5.6p American Depositary Receipt of PLC[2][3]	
2005	1.42
2004	1.43

[1] Dividends for each year comprise dividends declared or proposed for that year. Under IFRSs*, dividends are only recorded against the year in which they become payable.

[2] Rounded to two decimal places

[3] Actual dividends payable for 2005 on NV New York shares and American Depositary Receipts of PLC may differ from those shown above, which include final dividend values calculated using the rates of exchange ruling on 8 February 2006 (€1.00 = $1.1948, £1.00 = $1.7427).

* With effect from 1 January 2005, Unilever has adopted International Financial Reporting Standards (IFRSs) as adopted by the EU, with a transition date of 1 January 2004. For further details of this change please refer to page 29.

+3.1%

Underlying sales up 3.1%

- Unilever's total dividend increased by 5% (NV) and 6% (PLC).
- Market shares stable overall.
- Earnings per share up 37%, with 22% from continuing operations, benefiting from lower restructuring, disposal and impairment charges.
- Increased investment behind growth priorities, including additional €500 million on advertising and promotions.
- Operating margin at 13.4%. Productivity improvements and better mix more than offset higher input costs.

Unilever at a glance

With strong local roots in more than 100 countries across the globe, Unilever has a powerful portfolio of Foods and Home and personal care (HPC) brands. This includes twelve €1 billion brands and global leadership in many categories in which the company operates. Below are some of our innovations in 2005.

Foods

Europe

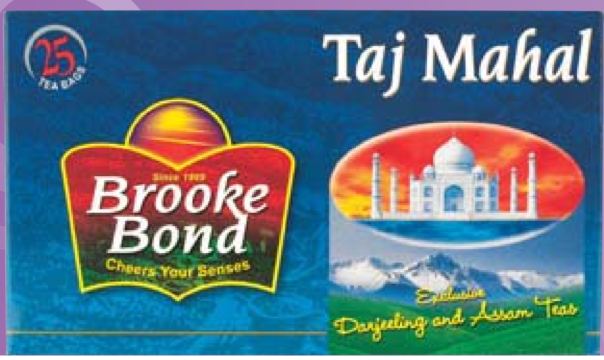
Knorr continues to break new ground. The latest example of this is its healthy fruit and vegetable mini shots which help you on your way to your daily fruit and vegetable needs.

The Americas

Bertolli has brought the authentic taste of Italy to frozen meals with its gourmet-standard Dinners for Two.

Asia Africa

The innovative redesign of the packaging of *Brooke Bond* in India made the brand more relevant to local consumers.



Home and personal care

Sunsilk new hair colour enhancement range in Europe was designed to increase the brand's appeal among young consumers.

all Small and Mighty concentrated liquid detergent in the US, the first of its kind and a major space saver for retailers.

The launch of *Pond's* whitening platform underlined Unilever's strength in the face care category across Asia.

Chairman's foreword

2005 was the first year when Patrick and I worked together as respectively Group Chief Executive and Chairman. I've been delighted with how successfully our combination has developed.

I'd like to congratulate Patrick and his Executive, as well as all the staff at Unilever, for the progress made during the year. Although there is still work to do to release the full growth potential of our powerful portfolio of brands, the business has stabilised its aggregate market share, a key objective in 2005.

To ensure the business has the best structure and governance processes to deliver long-term shareholder value in the top third of our peer group, I set myself three objectives at the start of last year. These were reviewing Unilever's dual NV/PLC structure, evaluating its corporate governance procedures and preparing for a series of Board departures over the next couple of years.

Dual structure strengths

The review of Unilever's structure, which I led with the support of two Non-Executive Directors, as well as a team of leading independent financial and legal advisers, involved over six months of hard work. As one independent adviser commented: "It was one of the most exhaustive and thorough reviews that I have seen undertaken."

Three important principles guided the review. First, Unilever's commercial operations should be advanced and not prejudiced by any change. Second, any change should have tangible benefits for shareholders. Lastly, any change should improve transparency and flexibility. These principles were designed to ensure that any resulting structure serves the best interests of both the business and our shareholders.

Based on these criteria and an in-depth analysis, the Boards unanimously concluded that Unilever's current dual structure, with some important changes, meets the needs of the business for the foreseeable future.

"It was one of the most exhaustive and thorough reviews that I have seen undertaken."

While this conclusion might seem somewhat unexpected in an age of constant change, it is totally consistent with the review's three guiding principles. The current structure has been and still serves as a framework by which we can benefit from the best of many cultures and influences.

Moving to a unitary structure would not only be costly and disruptive to the business but in our case would not yield the material advantages to justify it. As a result of changes made to our Boards and leadership structures at the beginning of 2005, Unilever already has operational and governance unity, with a single Chairman, a single Board with a majority of Non-Executive Directors, a single Group Chief Executive and one Executive team. The current structure does not hinder the operation of the business, its decision making ability or organisational efficiency. Unilever might also in moving to a unitary structure lose some of the fiscal flexibility that it has under its dual structure.

Changes

This does not mean, of course, that we cannot improve our existing arrangements. The Boards will be proposing to shareholders at the May 2006 AGMs three changes to enhance the balance sheet and capital structure flexibility, as well as strengthen elements of its corporate governance.

These include adapting Unilever's constitutional arrangements to allow greater flexibility for allocating assets between both parent companies. This will ensure that the Group continues to be able to return capital to shareholders and pay dividends in the most efficient manner. To simplify the relationship between our NV and PLC shares, and provide greater transparency, we also propose establishing a one-to-one equivalence in their underlying value by splitting the NV shares and consolidating the PLC shares. Finally, we intend to allow shareholders the right to nominate candidates to the Boards, taking into account the need to ensure the unity of management. Details of all these changes are set out in the Notices convening the AGMs.

Board succession

As I mentioned earlier, one of my objectives was to prepare for Board succession. Three Non-Executive Directors will be retiring in 2006 – Bertrand Collomb, Oscar Fanjul and Hilmar Kopper. I would like to thank them for their enormous contribution over the years. This presents us with both a challenge and an opportunity to re-populate the Boards with new members who can build on our retiring members' strengths and help take Unilever forward.

After a thorough search I am pleased to announce the nomination of four new Non-Executive Directors, all with extensive financial and business experience, to take over from the Board members retiring this year and Claudio Gonzalez who retired at the 2005 AGMs. These are Charles Golden, Executive Vice President and CFO of Eli Lilly and Company, Byron Grote, CFO of BP p.l.c., Jean-Cyril Spinetta, Chairman/CEO of Air France-KLM S.A. and Kornelis (Kees) Storm, former Chairman of the Executive Board of AEGON N.V.

We engaged the services of two highly reputable independent search firms to help us in this task and they are also leading the evaluation of potential candidates to succeed me as Chairman in 2007.

Governance study

During 2005, we also commissioned a review of Unilever's governance arrangements to ensure that these were best in class.

The review was conducted by independent consultants who concluded that our arrangements stood comparison with our peers. A full report was made to the Boards in the first quarter of 2006 and a range of minor changes in terms of the day to day operation of the Boards will be introduced during the balance of the year.

A particular pleasure for me this year has been to work with our social and environmental partners, for example with UNICEF's Child Nutrition programme and the World Business Council for Sustainable Development. Ensuring the vitality of the societies and environments in which we operate is essential for Unilever to sustain its long-term growth.

It is good to see that the many changes that were initiated over the last 12 months have not impeded the progress of Unilever in the market place. All this progress would not be possible without the commitment and the hard work of all our 206 000 employees. Without their dedication we could not add vitality to the lives of our consumers across the globe. On behalf of the Boards I would like to convey my thanks to all of them.

Antony Burgmans
Chairman

Review of Unilever's Structure

Based on an in-depth analysis. The Boards unanimously concluded that Unilever's current dual structure, with some important changes, meets the needs of the business for the foreseeable future.

The proposed changes are:

- To adapt Unilever's constitutional arrangements to allow greater flexibility to allocate assets between both parent companies. This will ensure that Unilever continues to be able to return capital to shareholders and to pay dividends in the most efficient manner.

- To simplify the relationship between our NV and PLC shares by establishing a one-to-one equivalence in their economic interest in the Unilever Group. This will create transparency between the quotations of our shares and will be achieved by a split of the NV shares and a consolidation of the PLC shares.

- To allow shareholders the right to nominate candidates to the Boards, taking into account the need to ensure the unity of management.

The Boards will be proposing resolutions in relation to these changes to shareholders at the AGMs in 2006.

Group Chief Executive

Here Patrick Cescau, Group Chief Executive, talks about performance in 2005 and looks ahead to what needs to be achieved over the next 12 months.

Q&A

Q: What was the key challenge for 2005?
A: At the start of 2005 it was clear what we had to do. We had to restore our competitiveness in the market and get the business growing again.

But we had to do it in a way that we can sustain for the long-term, creating value and unlocking our full potential.

Q: How did you set about tackling this challenge?
A: Our approach was simple – to focus on three things that matter.

First, to make our portfolio work harder for us, with sharper priorities and resource allocation. Secondly, better execution, especially in the areas of marketing and customer management. And, finally, create a more agile 'One Unilever' organisation, aligned behind a single strategy, with the right people in the right jobs, delivering quality and speed of execution.

Q: What were the priorities and why did you focus on these areas?
A: We focused on building on our strengths in developing and emerging (D&E) markets, vitality and Personal Care. They are areas of strength for Unilever where we have performed well, with good growth and profitability.

Regaining momentum in Europe was an equally important priority.

"Our mission is to help people feel good, look good and get more out of life and this underpins everything we do".

Q: Overall, what results have been achieved by following this approach?
A: We have made real progress. In 2005 underlying sales growth was 3.1%, significantly ahead of a flat 2004, and in line with our markets. Growth momentum has improved steadily throughout the year and has been driven by volume.

I'm also pleased to report that our growth rates improved across most of our major markets and in most categories. These figures are a real testament to the hard work of our people, the strength of our brands and the resilience of our business.

Restoring growth required a step up in investment behind our brands. In 2005, we invested an extra €500 million in advertising and promotions. We also invested significantly to reduce prices, especially in Europe, and offer better value to the consumer in selected categories and markets.

Our savings programmes generated more than €700 million in 2005 and helped fund the additional investment in our brands and absorb the impact of higher input costs.

Q: Why has Personal Care played a key role in the strategy?
A: Personal Care is one of our traditional strengths and accounts for around a quarter of sales, so it was vital we delivered real growth.

Over the last year or so, Personal Care has been achieving growth levels that are up with the best at more than 6%. And we have delivered broad-based share gain across most of our biggest markets and strong profitability.

Key to this success are our brands. The big global brands such as *Axe*, *Dove*, *Lux*, *Rexona* and *Sunsilk* all performed and delivered growth. Smaller, more local brands such as *Clear* and *Lifebuoy* also pulled their weight.

Q: What role has vitality played in the progress that's been achieved?
A: Vitality unites us as a mission and resonates with our customers and consumers.

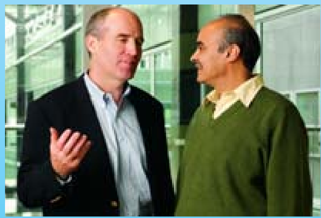
Our mission is to help people feel good, look good and get more out of life and this underpins everything we do.

It is the inspiration for innovations that are driving growth across the entire product portfolio. *Lipton* and *AdeS* – healthy and refreshing beverages; *Dove* – the Campaign for Real Beauty; and healthier choices in ice cream.

In Foods, for instance, our *Knorr Vie* mini shots, which help you on your way towards your daily fruit and vegetable needs, have done extremely well in Europe. We have revitalised *Lipton* in the US by stressing its natural health benefits with its 'AOX' antioxidant seal, and this has produced good share gain especially in the ready-to-drink market.

In HPC, our *Dove* campaign for Real Beauty, which offers consumers a broader, healthier view of female beauty, has played a central role in the brand's continued growth, while programmes to encourage hygienic handwashing in India have improved sales of *Lifebuoy*.

The Unilever Executive – closer to the marketplace



The Unilever Executive (UEx), headed by Group Chief Executive Patrick Cescau, is the top management team within the Group. The Group Chief Executive is accountable for all aspects of Unilever operations, managing business performance and overall profit responsibility for the Group.

The UEx team comprises three regional presidents (The Americas, Asia Africa and Europe), two category presidents (Foods and HPC), the Chief Financial Officer and the Chief Human Resources Officer.

The categories and regions have distinct but complementary roles. The regions are responsible for profit, implementing proven brand mixes in their region and single-mindedly focused on growth through excellent go-to-market execution. The categories are responsible for category strategy and brand development (including R&D and innovation).

The interdependence between the regions and the categories allows us to capitalise on our global scale while building on our deep roots in local markets.

Finance and HR ensure excellence in their functional areas and provide support to the regions, categories and Corporate Centre.

In 2005, Unilever's executive management completed the successful transition to become a smaller, more focused team, closer to the market and able to make speedier decisions.

The current members of the UEx, as photographed on this page, are (from the top):

- **Group Chief Executive, Patrick Cescau**
- **Chief Financial Officer, Rudy Markham**
- **President Asia Africa, Harish Manwani**
- **Chief Human Resources Officer, Sandy Ogg**
- **President Home and personal care, Ralph Kugler**
- **President Europe, Kees van der Graaf**
- **President The Americas, John Rice**
- **President Foods, Vindi Banga**

Q: You mentioned developing and emerging markets. Why are these so important to Unilever?
A: D&E are rapidly growing markets – the forecast is that they will account for 90% of the world's population by 2010. We have long-established local roots in these markets which gives us a competitive advantage and we need to capitalise on this opportunity.

In 2005 we delivered a strong performance in all major D&E markets in Foods, Home Care and Personal Care. And for the first time, our D&E sales, at 38%, exceeded our sales in Western Europe.

The reason for our success here is partly due to our well-established distribution strength in both the traditional and modern trade and also to our ability to adapt excellent global brand concepts, such as the *Omo* 'Dirt is Good' campaign, to local markets. In Turkey, for instance, this enabled us to regain market leadership with double-digit growth.

Q: But what has been achieved in Europe and North America?
A: Our sustained recovery in the US is great news for us. In one of the world's most competitive markets we grew by 3.2% with strong performances from both Foods and HPC.

Europe has been an area that needed our attention. A healthy European business matters to Unilever. It delivers a large proportion of our sales – 41% in 2005 – and is an important source of profit.

Looking at our performance, Central and Eastern Europe performed strongly in 2005 with Russia, for example, delivering around 20% growth. So the challenge is Western Europe. And the issue here is growth, not profitability.

Western Europe is an extremely tough competitive environment and to turn the business around we are having to do things differently. We have addressed pricing in selected markets and categories and by doing so are now offering consumers better value.

We are also increasing choice by extending our product portfolio – ice cream value ranges, for example, and by moving into a wider range of channels. And we are delivering innovation – new heart health ranges and *Sunsilk* styling are just two examples, which are being backed by increased marketing investment.

"Our 'One Unilever' programme is all about making us fit to compete."

Q: What are you doing to build capabilities across the business?
A: This is another area we are investing in. Customer management is a strategic priority and our team is implementing an improvement programme market by market, with outstanding results.

An important element of this programme is combining our Foods and HPC sales teams so that we can present a single, integrated face to our customers and leverage our scale. The programme developed in the USA has been rolled out in France, Germany and the Netherlands and will be extended to other markets in 2006.

By working closely with our customers such as Carrefour, Tesco and Wal-Mart we are increasing the value that we can gain by doing business together.

We are also improving our marketing capabilities. For example, we will craft more of our global brand mixes to the standards set by the best of our brands.

And we intend to get more out of the investment in our brands whether it be in advertising or in R&D.

Q: In 2004 you announced 'One Unilever' as a way of simplifying the business and generating savings. Has it achieved this?
A: Our 'One Unilever' programme is all about making us fit to compete. It has achieved a great deal in simplifying our business and leveraging our scale more effectively.

We have merged our operations in countries so that, at the end of 2005, almost 80% of our turnover is managed through 'One Unilever' organisations.

We will continue with its implementation in 2006 with our priorities being to put in place a single management team in all markets. Most of our top 20 markets report directly to UEx. There will be a further reduction in the management headcount and simplified, standardised business services up and running, with a substantial proportion outsourced.

By the end of 2006, 'One Unilever' will deliver €700 million savings and €1 billion by the end of 2007. But the biggest benefit for us is that we now have 'one face' for our customers and consumers, as well as being faster and more disciplined. In other words we are fit to compete.

Q: What is driving the decisions you are making relating to the portfolio?
A: In 2005 we reviewed and sharpened our portfolio strategy. It is an essential building block that gives us clarity – it identifies the best opportunities for sustainable long-term growth, enables us to make choices and to allocate resources according to those choices. It then allows us to drive disciplined execution.

We had to take decisive action on parts of our portfolio where we had reached a strategic cross-roads.

"Our number one priority in 2005 was restoring growth. In 2006, it is to sustain our growth and improve our margins."

The sale of UCI (Unilever Cosmetics International) and the recent announcement of our intention to sell the majority of our European frozen foods business were tough decisions. We made them because it was clear we would not be able to grow these businesses in the long-term which is fundamental to future value creation. We felt we had better opportunities to invest in and that these businesses would perform better in the hands of owners to whom they were a top priority.

As we move forward we will continue to invest behind our best growth opportunities, channelling more of our resources into building leading positions in high growth areas.

Q: Continuing to look forward, what are your priorities for 2006 and beyond?
A: Our priorities will not change. We will continue to build on the stronger focus we now have. UEx believes that the portfolio is in good shape; all parts of our business have an important role to play in delivering growth, but it's not always the same role.

Obviously I can't disclose all our intentions in detail. But I would like to give you some insight into our priorities for 2006.

You will not be surprised to hear that our plans include capitalising on the high-growth potential of D&E markets such as China, India and Russia. Or that in Personal Care, we will be building on our leading market positions in deodorants and personal wash. And that vitality will continue to be at the heart of our innovation programme.

Q: Unilever is now in better shape, with increased competitiveness and growth. What's your summary of 2005?
A: We have achieved a tremendous amount in 2005 – organisational change, improved capabilities and restored growth. Our people have much to make them proud.

The Unilever team has worked together to create a momentum that will help us rise to the challenges of the year ahead. There is still a great deal to do, but we know the categories segments, brands and countries that will drive growth. And we are now rigorously deploying our funds and resources behind our best opportunities.

We have the right structure to deliver and the processes in place to make sure that we execute against our priorities. Our people are clear about what they need to do.

We will build on what we achieved in 2005 and deliver the results we have promised for 2006. This will unlock more of the unique potential of Unilever. I passionately believe that we can now compete to win.

Unilever's change agenda

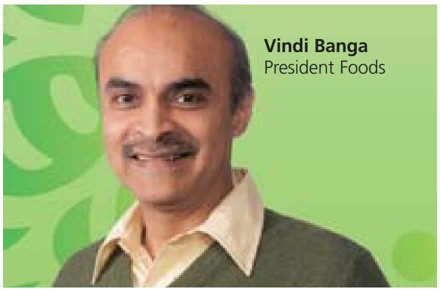
Unilever's change agenda focuses on the things that matter for unlocking Unilever's full potential.

- **Making our portfolio work harder** by channelling our resources to build more leadership positions in key markets and a more powerful presence in higher growth spaces.
- **Building capabilities**. Ensuring that we are excellent in marketing and customer management, not just in parts of the business but everywhere.
- **Fit to Compete**. Creating a simpler, more agile 'One Unilever' organisation, aligned behind our strategy, with the right people in the right jobs and capable of leveraging Unilever's scale more effectively.

Our number one priority in 2005 was restoring growth. In 2006, it is to sustain our growth and improve our margins.

Innovation across our business

Foods



Vindi Banga
President Foods

Embracing vitality

We're embracing vitality at the core of our Foods brands, ensuring they deliver the nutritional and health benefits that consumers are increasingly demanding, as well as that essential ingredient for success – great taste.

Becel/Flora pro·activ is a case in point. Originally launched as a spread to help people reduce their cholesterol, *Becel/Flora pro·activ* has extended rapidly into a range that includes milk drinks, yoghurt products and minidrinks. It's no longer just about cholesterol either, as there's now a mini-drink to help people control blood pressure. In fact, the brand has proved so effective in improving heart health, as part of a balanced diet, that the Netherlands' largest health insurer, VGZ, is rewarding its policy holders financially when they buy *Becel/Flora pro·activ* products.

To help consumers meet their daily nutritional requirements, we also launched *Knorr Vie* mini shots in Europe. Free of preservatives and other additives, these convenient natural drinks help you on your way towards your daily fruit and vegetable needs. Other advances included new fruit variants of our nutritionally rich, soya-based drink, *AdeS*, in Latin America. Like so many of our brands that have embraced vitality, *AdeS* has proved a success and will be extended to other markets. Our dedicated new vitality platforms group are actively creating numerous future opportunities such as the ones mentioned above.

Scientifically-validated claims

In all cases, whether we're communicating the health benefits of *Lipton* tea or the vitality credentials of *Hellmann's*, we only make health and nutrition claims for our brands that are supported by robust, scientifically-validated evidence. This approach is underpinned by a strict claims guidance framework, as well as a commitment to make nutritional information available to consumers.

Improving quality

Improved quality has been another theme of our innovations, reflected in the launch of our gourmet-standard *Bertolli* Dinner for Two frozen range, a major success in the US. *Knorr* has also produced exceptional results in the Netherlands and other European countries with its new, high-quality wet soups in pouches (also sold as *Unox*), as has our ice cream business with its new and intensely flavoured *Magnum Five Senses.*

Greater affordability

For developing and emerging markets, we've continued to make our products more affordable through packaging and price-per-serving with pioneering products such as *Knorr Cubitos* seasoning cubes (see page 22).

Healthier ways to eat out of home

While consumers increasingly look for ways to eat healthily out of home, they are not willing to sacrifice taste and convenience. This often challenges foodservice operators to offer food that meets all the needs of their customers. Our Unilever *Foodsolutions* business gives foodservice professionals products that deliver delicious taste, consistent quality, convenience and healthier menu options.

In 2005 we launched *Knorr* Coulis, a new innovative range of pure sauces made from freshly mashed vegetables. To be used as a warm or cold sauce or as a natural ingredient, *Knorr* Coulis creatively refines and decorates all types of dishes. With its pure, high quality ingredients, its fresh authentic taste and exciting colours it is a solution that brings chefmanship and vitality naturally together.

Highlights

- The growth of healthier innovations, such as *Becel/Flora pro·activ* and *Knorr Vie*, is a direct result of our vitality strategy.
- We completed our nutritional enhancement programme. Over 16 000 products have been assessed for levels of trans fats, saturated fats, sodium and sugars, and, where necessary, action has been taken to reduce them.
- Our R&D has been restructured to operate as a single, integrated organisation, enabling us to leverage our global scale and allocate resources more productively.

In the US, *Lipton* is emphasising tea's natural health benefits, including antioxidants, which has produced double-digit growth and increased its share of the ready-to-drink market.

Lipton has brightened up its performance by highlighting the brand's health benefits.

Committed to operating responsibly

We seek to manage and grow our business around the world in a responsible and sustainable fashion. The values and standards by which we expect to be judged are set out in our Code of Business Principles.

We aim to share these standards and values with our suppliers and contractors through our Business Partner Code which, in turn, is based on our Code of Business Principles. It sets out standards on ten key points of business integrity, labour standards, consumer safety and the environment.

The long-term success of our business is intimately linked with the vitality of the environment and the communities in which we operate. More than two-thirds of our raw materials come from agriculture, while water and other natural resources play an equally critical role in our business. To ensure we protect these key resources, we have clear, long-term eco-efficiency objectives and targets for our manufacturing operations, as well as three sustainability initiatives on water, agriculture and fish.

Over the last ten years, we have continued to improve our eco-efficiency performance across all of our seven key environmental parameters which we use to measure the emissions from our factories and set future reduction targets. In 2004 (latest available figures) we continued to improve on our 2003 performance but did not meet all our targets.

The strength of our commitment to sustainability is reflected in the fact that we remain the leading food company in the Dow Jones Sustainability World Index.

In 2005 we spent around €79 million on our voluntary initiatives in communities around the world. This increase on our 2004 contribution of €65 million is partly due to the overwhelming response of our business to the plight of the December 2004 Asian tsunami victims.

On the following pages you will find examples of our commitment to running a responsible business. More information can be found on our website at www.unilever.com/ourvalues

Innovation across our business continued

Home and personal care

Ralph Kugler
President Home and personal care

Embedding vitality

Vitality is now central to our HPC business.

The *Dove* Campaign for Real Beauty, *Omo* 'Dirt is Good' and *Lifebuoy* Handwashing campaign in Asia are tangible programmes that bring Unilever's vitality mission to life in our HPC brands.

The success of *Lifebuoy* in India and Indonesia contributed to the performance of our skin business in Asia, as did the launch of *Pond's* whitening platform, which underlines Unilever's strength in the face care sector across Asia.

Energising Personal Care

The new *Dove Cool Moisture* range was launched in North America while the *Dove* firming range was rolled out globally. We also extended the *Dove* Campaign for Real Beauty with the creation of the *Dove* Self-Esteem Fund for young women to educate and inspire girls on a wider definition of beauty.

In South Africa we relaunched *Vaseline* with a range of lotions and creams aligned with the new global packaging. We also launched South Africa's first mass-market male lotion, new *Vaseline* 'For Men'.

To grow our share of the male grooming market, we launched *Axe* shower gel in North America. Within just three years, *Axe* has become the leading deodorant brand in the US. We also launched *Rexona Sport for Men* with an award-winning advertising campaign called 'Stunt City'. *Rexona* is now the number one male deodorant brand in Russia and Ukraine.

In hair, the new *Sunsilk* colour enhancement range in Europe has been designed to increase the brand's appeal among young consumers. In oral care, the world's first centre-filled gel toothpaste was introduced in Vietnam.

Reinvigorating Home Care

Innovation has reinvigorated our laundry business. The *Omo* 'Dirt is Good' campaign was rolled out across most of Asia after its launch in Latin America and Europe, giving us near global coverage. In Europe, we introduced a new gel-layered detergent tablet that helped make *Skip* the fastest growing HPC brand in France by the end of 2005. A new whiteness shading technology in Latin America gave consumers more appealing whites with *Radiant*. The proprietary technology behind the innovation is ensuring we keep ahead of our key competitors. In North America, *all Small and Mighty* is leading the concentrated liquid detergent market. Its success illustrates how great mixes, which have both a consumer-winning innovation and a strong customer benefit, can be successful. In China, we continued to develop the fabric conditioners market where *Comfort* is the market leader.

The level of innovation in household care has been equally creative. *Cif*, for example, rolled out pioneering power cream sprays for the bathroom and kitchen. The traditional offer to the consumer of cream from *Cif* has now been enhanced with an attractive new proposition with the same power of the *Cif* cream in a spray. *Domestos*, meanwhile, extended its 'kill germ' power into a new territory with the sink and drain unblocker which now clears blockages up to twice as fast as the market leader.

Highlights

- The success of *all Small and Mighty* liquid detergent has underlined the power of stronger relationships with our customers.
- *Dove* and *Rexona* extended their leadership with launches such as *Dove Cool Moisture* and *Rexona* 'teens'.
- Technological breakthroughs have spearheaded the recovery of our Home Care business, as well as hair in Asia.
- To make greater inroads in the US skin market, we opened a new $23 million R&D facility in Connecticut.

With its unique clean-rinse formulation and extracts of cucumber and green tea, our new *Dove Cool Moisture* range has attracted new consumers to the brand.

We're refreshing our brands with smart, consumer-led innovations and enjoying the benefits, as *Dove* has shown.

Winning with health awareness programmes

Our *Close Up* toothpaste brand launched Project Smile to bring much-needed oral health care products and advice to people in rural Nigeria where only about 60% of the population use toothpaste. The campaign involved retailers of all sizes, including the very smallest, as partners. We created branded kiosks – tiny shops – to promote *Close Up* and these gave an opportunity to unemployed young people to make a living by creating new long-term outlets, as well as offering existing retailers a way to showcase their wares.

The success of the campaign meant it was quickly extended into towns and cities and over the year, sales rose by 35%.

Sharpening our edge in raw materials

Ensuring a sustainable supply of raw materials, such as palm oil, is essential for the long-term wealth of our business. Of course, due to the scale and complexity of this issue, we cannot do this alone. A multi-stakeholder approach is required.

That's why we co-founded the Roundtable on Sustainable Palm Oil (RSPO) in 2004. The RSPO, which includes palm oil growers and processors, consumer goods manufacturers, retailers, investors and a number of social and environmental non-governmental organisations, now has over 100 members. As the largest consumer goods company on the RSPO Board, we've gained significant insights. Key developments during 2005 included the adoption of the principles and criteria for Sustainable Palm Oil Production – elements of sustainability ensuring that production is economically viable, environmentally appropriate and socially beneficial.

Regional performance review

Europe

Kees van der Graaf
President Europe

Our priority in Europe is to regain momentum and improve competitiveness. The focus has been on enhancing the value to consumers of our products through keener pricing, improved quality and more and better innovation.

Marketing support has been raised to a more competitive level with additional spend deployed against our best opportunities. The organisation is being streamlined and we are building up stronger capabilities in customer management.

We have made progress over the last year. Volume has been slightly positive (compared with a 2% decline in 2004), but investment in pricing meant that underlying sales declined by 0.8% in the year.

Central and Eastern Europe performed well in buoyant markets, notably in Russia which was ahead by nearly 20%.

Western Europe was challenging, with continued weak consumer demand. Our businesses grew in the Netherlands and Spain, but declined by around 2% in France and Germany and by nearly 4% in the UK.

In Foods, we have held overall market share through the course of the year, with growth across all key categories apart from frozen foods. On 9 February 2006 we announced that we were putting up for sale the majority of our frozen foods business in Europe.

In Home and personal care we had a disappointing year and we have lost market share, particularly in the UK.

Overall, there was some pick-up in the fourth quarter but we are not yet where we want to be.

New product launches this year have included *Knorr Vie* mini shots, extensions of the *Becel/Flora pro·activ* heart health range, soups fortified with vitamins and low fat soups.

We have introduced a *Rexona Sport* variant in deodorants, *Axe* shower gel and *Sunsilk* hair styling products. We have further improved our Home Care product range with launches that address specific consumer needs, such as 'no-need-to-pre-treat' laundry detergents, *Sun* 4-in-1 dishwash and *Domestos* sink and drain unblocker.

The operating margin, at 14.2%, was 0.4 percentage points higher than last year. Increased advertising and promotions and pricing investment together with higher input costs were partly offset by productivity gains. Net restructuring, disposal and impairment costs, at 0.8% were 1.5 percentage points lower than in 2004.

Highlights Europe

at current rates of exchange

€ million	2005	2004	Change
Turnover	**16 211**	16 650	(2.6)%
Operating profit	**2 304**	2 303	0.0%
Operating margin	**14.2%**	13.8%	

£ million	2005	2004	Change
Turnover	**11 084**	11 290	(1.8)%
Operating profit	**1 575**	1 563	0.8%

$ million	2005	2004	Change
Turnover	**20 167**	20 612	(2.2)%
Operating profit	**2 867**	2 852	0.5%

	Change at constant 2004 rates
Turnover	(3.0)%
Underlying sales	(0.8)%
Operating profit	(0.2)%

Our Family Goodness range of margarines, *Rama*, *Blue Band* and *Doriana,* stress the natural goodness of vegetable oils. Recent developments to the range include an improved value price relationship and more modern packaging.

By returning to its 'roots', our margarines business is reinvigorating its competitiveness.

What's in our products
In 2005 we launched a searchable database where consumers can find out exactly what ingredients are used in our Home and personal care products in Europe.

Access to the database is through Unilever's website at www.Unilever.com/ourvalues Visitors select their country and preferred language before choosing a brand and product.

A single click then reveals the full list of ingredients. Allergy sufferers can check the presence of ingredients to which they could be sensitive. Further help is available through the brand carelines (telephone numbers are listed on the website) and there is additional information on our website about the chemicals Unilever uses in its products.

Promoting healthy hearts
Millions of people suffer from heart disease every year. The World Heart Federation (WHF) is committed to helping the prevention and control of heart disease and stroke and is made up of over 150 medical societies and heart charities from 100 low and middle-income countries. We are a key sponsor of World Heart Day each September and our *Becel/Flora* brand's partnership with the WHF means that we work together to increase public awareness of heart disease and its risk factors.

For example, in Greece our *Becel pro·activ* brand teamed up with the Cardiologists Foundation to bring free cholesterol testing, heart checks and health advice direct to people's homes and school halls on the remote Greek islands of the eastern Mediterranean. In Sweden, we ran a lecture tour on cholesterol, while in Finland our *Foodsolutions* business worked with the Finnish Heart Foundation to support national Heart Week with healthy food and recipes.

Regional performance review continued

The Americas

John Rice
President The Americas

Underlying sales grew by 4%, all coming from volume gains, broadly based across the region, underpinned by a successful innovation programme.

Consumer demand in the US showed a sustained recovery. Our sales in the US grew by 3.2%, accelerating through the year, and we gained market share in aggregate.

In Brazil and Mexico, a strong first half was followed by relatively weaker demand in the second half of the year. We grew in line with our markets in Home and Personal Care, but saw some share loss in Foods.

Growth in Personal Care across the region has been driven by good consumer response to our initiatives, including vitality innovation and consistent support. This has been particularly evident in the deodorants and personal wash categories, with strong double-digit growth for *Axe*, now the number one deodorant in the US, and for the *Dove* and *Rexona* brands.

Another strong Foods performance in the US was driven by further share gains in ice cream, continued good results from the extension of the *Country Crock* and *Bertolli* brands into new categories, and from *Lipton* Ready-to-Drink and speciality teas. *Slim•Fast* continued to regain share, but in a much contracted weight management market and sales were well below the previous year.

New launches in the US included the well received *Dove Cool Moisture* range and the extension of *Axe* into male shower gels. In Latin America our brands have also been very successful in connecting with younger consumers through *Rexona* 'teens' and innovative communication for *Axe*.

In the US we introduced *all Small and Mighty* laundry detergent, offering the convenience of the same cleaning power in a smaller bottle. We have invested in communication of our *Omo* laundry brands, under the 'Dirt is Good' campaign in southern Latin America.

In Foods, we strengthened the vitality credentials of our brands in the US with *Promise* heart health spread, *Ragú* organic and support for the anti-oxidant properties of *Lipton* teas. *AdeS* continued to build across Latin America with the distinctive nutrition benefits of 'soy with fruit'.

The operating margin at current rates of exchange was 13.0%, 5.7 percentage points higher than in 2004. Net charges for restructuring, disposal and impairment were 3.4%, which was 5.8 percentage points lower than in the prior year. Cost savings offset a higher level of advertising and promotions and increased input costs. There were also gains from the sale of an office in the US, in US healthcare plans and from currency effects on capital reductions.

Highlights The Americas

at current rates of exchange

€ million	2005	2004	Change
Turnover	**13 179**	12 296	7.2%
Operating profit	**1 719**	896	91.9%
Operating margin	**13.0%**	7.3%	

£ million	2005	2004	Change
Turnover	**9 010**	8 337	8.1%
Operating profit	**1 175**	607	93.5%

$ million	2005	2004	Change
Turnover	**16 395**	15 221	7.7%
Operating profit	**2 138**	1 109	92.8%

	Change at constant 2004 rates
Turnover	3.4%
Underlying sales	4.1%
Operating profit	83.6%

Online games and video blogs were just two ways that *Axe* (also sold as *Lynx*) grabbed the attention of young, testosterone-charged guys to become the top-selling deodorant in the US in 2005.

Axe has demonstrated how brilliant marketing can propel our brands to the top.

Differentiating our brands through social campaigning
The widely-discussed *Dove* Campaign for Real Beauty has played a key role in highlighting the need for a broader, more inclusive definition of beauty, beyond the stereotypical super-model image. With our *Dove* Self-Esteem Fund, which is a cornerstone of the brand's long-term growth strategy, we're going even further.

Together with partners such as the Girl Scouts in the US and the UK's Eating Disorder Association, we're funding educational 'Body Talk' programmes in schools to help young people develop stronger body-related self-esteem. By 2008, our aim is to have reached 1 million children.

Reaping the commercial advantages of recycling
An exclusive recycling partnership with a major Brazilian retailer, Pao de Acucar, has not only given Unilever's brands greater in-store prominence at no extra cost but also provided employment to more than 300 local people.

Under the award-winning scheme, a co-operative of local people collects, recycles and sells used packaging deposited at recycling stations outside the retailer's supermarkets. In addition to having Unilever's logo on the stations, our participating brands, *Hellmann*'s, *AdeS, Omo* and *Rexona,* appear on point-of-sale information and educational materials, raising their profile.

Regional performance review continued

Asia Africa


Harish Manwani
President
Asia Africa

We have capitalised on our leading positions and buoyant consumer demand across most of the region, growing underlying sales by nearly 9%, in a competitive environment, and increasing market share in key battlegrounds.

The growth was broad-based in terms of both categories and geographies. There were notable performances in all major developing and emerging countries, including a strong recovery in India with market share gains, and significant contributions from China, which was up by over 20%, and from South East Asia, South Africa, Turkey and Arabia. Japan returned to growth. After a weak first half, Australia improved in the second half of the year.

Most of the increase came from volume, but price growth gained momentum through the year, as we moved to selectively recover increased commodity costs, especially in Home Care.

Growth was underpinned by a range of innovations. In skin care in India, *Lux* has been strengthened with new soap bars from the global range and the introduction of limited editions. Innovations in *Pond's* included a new 'mud' range in China.

In hair care we launched *Dove* in Indonesia, a *Sunsilk* summer range across South East Asia, a new variant for *Lux Super Rich* in China and a strengthened *Sunsilk* range across several key markets in Africa and the Middle East.

New formulations for our laundry products include improved whiteness delivery for *Surf* in Indonesia and *Omo* for sensitive skin in Turkey.

In tea, we have substantially strengthened the *Brooke Bond* brand in India, while *Lipton* is benefiting from strong regional innovations, including Earl Grey and Green Tea variants in markets such as Turkey and Arabia.

The operating margin was 12.6%, 1.8 percentage points higher than in 2004. Increased investment in advertising and promotions was partly offset by productivity gains. The remaining difference was due to net restructuring, disposal and impairment charges which were insignificant in 2005 compared with a net charge of 2.9% in 2004.

Highlights Asia Africa

at current rates of exchange

€ million	**2005**	2004	Change
Turnover	**10 282**	9 620	6.9%
Operating profit	**1 291**	1 040	24.1%
Operating margin	**12.6%**	10.8%	

£ million	**2005**	2004	Change
Turnover	**7 030**	6 524	7.8%
Operating profit	**883**	706	25.1%

$ million	**2005**	2004	Change
Turnover	**12 790**	11 911	7.4%
Operating profit	**1 606**	1 288	24.7%

	Change at constant 2004 rates
Turnover	6.9%
Underlying sales	8.7%
Operating profit	24.7%

Omo strengthened its market leadership in Vietnam, thanks to a locally-inspired educational twist to our 'Dirt is Good' laundry campaign through sport and art activities.

Our ‘Dirt is Good’ campaign typifies our ability to bring a great global idea to life at a local level, with powerful results.

Driving extra savings through eco-efficiency

Using the same methodology employed in our highly successful Medusa water-conservation programme, we expect to reduce waste levels for disposal by 30% from our manufacturing sites in Asia Africa region between 2005 and 2006.

Under our new Triple ‘R’ (Reduce, Re-use, Recycle) programme, the sites are collaborating to share best practice and setting targets to reduce waste levels and disposal costs. In 2006, we’ll launch a similar initiative, Electra, to reduce energy consumption in Latin America.

Helping to combat HIV/AIDS

In some regions HIV/AIDS poses a serious risk to our employees and communities. Using the experience gained from dealing with AIDS in our own workplace over the last 25 years, we have worked in partnership to share our learning with international bodies such as the Global Business Coalition on HIV/AIDS.

More locally, we work with groups such as the South African Business Coalition on HIV/AIDS, with whom we co-developed a well-respected toolkit to help businesses tackle the disease effectively. In Kenya we have formed a partnership with the German aid agency GTZ to share good practice with the wider community, including schools and smallholder tea growers.

Corporate Governance

Unilever constantly keeps its corporate governance arrangements under review. It is our practice to comply, where practicable, with the highest standards of applicable codes, and respond to developments appropriately.

Sharper pricing, plus more affordable pack sizes, is helping brands like *Knorr* gain ground in developing and emerging markets.

Structures

Legal structure
NV and PLC are the two parent companies of the Unilever Group, having separate legal identities and separate stock exchange listings for their shares, which are not interchangeable. However, with their Group companies, they operate effectively as a single economic entity and constitute a single reporting entity for the purposes of presenting consolidated accounts.

In order to ensure unity of governance and management, they have the same Directors and are linked by a number of co-operation agreements. In particular, there is the Equalisation Agreement that regulates the mutual rights of the two sets of shareholders, including a formula for paying dividends. These features mean that all shareholders, whether of NV or PLC, share in the prosperity of the whole business.

Full details of these agreements are contained in the Annual Report and Accounts 2005 and are also available on www.unilever.com/investorcentre/corpgovernance

Knorr launched, in Russia, two affordably priced and packaged products – *Knorr Cubitos* cubes and *Knorr* seasoning powder sachets.

NV and PLC are holding and service companies. Unilever's businesses are carried out by their operating companies around the world. Shares in many Group companies are held ultimately by either NV or PLC, with the largest exception being that the US companies are owned by both.

Business structure

In 2005, we introduced a new, simpler business structure that comprised three regions, The Americas, Asia Africa and Europe and two categories, Foods, and Home and personal care. The regions are responsible for profit, implementing proven brand mixes in their region and focusing on building capabilities with customers. The categories are responsible for the entire brand development process including innovation, brand positioning and communication and category strategies.

Developments in corporate governance

Unilever constantly keeps its corporate governance arrangements under review. NV and PLC are subject to different corporate governance requirements and best practice codes, the most relevant being those in the Netherlands, the United Kingdom and the United States. It is Unilever's practice to comply, where practicable, with the highest level of these codes, and respond to developments appropriately.

In 2005 we also announced that we would undertake a thorough review of our corporate structure to see if any changes should be made. The review was led by the Chairman, Antony Burgmans, and included Non-Executive Directors, David Simon and Jeroen van der Veer. On 19 December 2005 the conclusions of the structure review were announced. The Boards decided that Unilever would retain its current structure, with some important changes.

The changes in our structure that the Boards are proposing to our shareholders at the AGMs in 2006 are:

- To adapt Unilever's constitutional arrangements to allow greater flexibility to allocate assets between both parent companies. This will ensure that Unilever continues to be able to return capital to shareholders and to pay dividends in the most efficient manner.

- To simplify the relationship between our NV and PLC shares by establishing one-to-one equivalence in their economic interest in the Unilever Group. This will create transparency between the quotations of our shares and will be achieved by a split of the NV shares and a consolidation of the PLC shares.

- To allow shareholders the right to nominate candidates to the Boards, taking into account the need to ensure the unity of management.

More information on these proposals can be found in the Notices to these AGMs which can be found at www.unilever.com/investorcentre/agms

The Boards

Unilever's Directors are directors of both NV and PLC. Taking into account their respective roles as Executive and Non-Executive Directors, collectively, they are ultimately responsible for the management, general affairs, direction and performance of the business as a whole.

Directors are elected by shareholders at the AGMs of NV and PLC and make themselves fully accountable by submitting themselves for re-election each year. Our nomination procedures are designed to ensure that the same people are the Directors of both companies.

Competing more effectively through our people

Our people's creativity, energy and passion drive our business. One of our ongoing goals is to help our business leaders connect to our people around the world and achieve a shared understanding of our business objectives and future challenges. In January 2006, at Unilever's leadership forum, Group Chief Executive, Patrick Cescau presented Unilever's change agenda, a set of common initiatives which will be adopted throughout Unilever. More information on this can be found on page 11. Further examples of how our people have helped create a more competitive Unilever are set out in the coloured panels on this page and the next.

Could it be U?
"Can you think of 101 new things to do with egg yolks and oil?" Questions like this, which appeared in one of our recent recruitment ads, lie at the heart of a new and competitively different strategy to win the battle for the world's top talent. We want to attract innovative individuals who relish real-life challenges. We're checking whether they can cut the mustard (*Colmans*, naturally) by putting eligible candidates through tough business games, among other initiatives.

The interests of shareholders are protected because they can remove the Directors and, ultimately, overrule our nominations. As mentioned, proposals will be made to the AGMs in 2006 to allow shareholders the right to nominate Directors.

The Boards currently comprise a Chairman, four Executive Directors and eight independent Non-Executive Directors. They meet at least seven times a year, to consider material matters for NV, PLC and the Unilever Group. These matters include, for example, results announcements, the Annual Report and Accounts, dividends, corporate strategy, annual plans, risks and controls, major business transactions, and Board appointments and remuneration.

Since the 2005 AGMs Unilever has had a separate Chairman and Group Chief Executive. There is a clear division of responsibilities between their roles.

The Chairman is primarily responsible for leadership of the Boards, ensuring their effectiveness and setting their agendas. He is also responsible for ensuring that the Boards receive accurate, timely and clear information.

The Group Chief Executive has been entrusted, within the parameters set out in the Articles of Association of NV and PLC and the Governance of Unilever, with all the Boards' powers, authorities and discretions in relation to the operational management of Unilever.

The Non-Executive Directors share responsibility for the execution of the Boards' duties, taking into account their specific responsibilities, which are essentially supervisory. They, in particular, comprise the principal external presence in the Governance of Unilever, and provide a strong independent element. Our Non-Executive Directors are chosen for their broad and relevant experience and international outlook, as well as their independence. In 2004 Bertrand Collomb was appointed as Senior Independent Director and acted as their spokesman. In 2005 he was appointed Vice-Chairman.

Key elements of their role and responsibilities as Non-Executive Directors include strategy, scrutiny of performance, controls, remuneration, succession planning, reporting to shareholders, governance and compliance. They also form the Audit Committee which is fully compliant with the applicable rules in the Netherlands, UK and the US, the Nomination Committee, the Remuneration Committee and the External Affairs and Corporate Relations Committee. The Non-Executive Directors meet as a group, without the Executive Directors present, under the chairmanship of the Senior Independent Director. In addition they meet before each Board meeting with the Chairman, the Group Chief Executive and the Joint Secretaries.

A more detailed corporate governance statement, as well as the annual reports of the Audit, Nominations, Remuneration and External Affairs and Corporate Relations Committees, are contained in the Unilever Annual Report and Accounts 2005. This Annual Report, our Code of Business Principles, NV's and PLC's Articles of Association and the Governance of Unilever are on our website www.unilever.com/investorcentre/corpgovernance The Governance of Unilever contains, amongst other things, our rules on 'Independence' of Directors and the remits of the Board Committees.

Growing by helping local economies to grow

Unilever's success depends on the economic health of the countries in which it operates. In an extensive research project with Oxfam GB and Novib (Oxfam Netherlands) 'Exploring the links between business and poverty reduction: A case study on Indonesia', we examined the impact our local business has on the country's economic well-being.

Unilever Indonesia employs about 5 000 direct employees and contract workers. The research found that indirectly, this manufacturing activity supports around 300 000 full-time equivalent jobs in our 'value chain' – the chain that stretches from raw materials suppliers, through manufacturing to distribution and retailing to consumers. Such employment and the wealth that it spreads around can make a significant contribution to reducing poverty.

Spreading vitality among our staff

During 2005, we encouraged greater vitality among our staff in a programme that encompassed the broad concepts of 'fitness of body' and 'fitness of heart, mind and spirit'. Designed to help them manage their personal energy and resilience in the face of change, as well as strike a good work-life balance, among other objectives, the first step of the programme was an Enjoy Nutrition campaign.

This campaign provided staff with important nutritional information, such as advice on how to reduce consumption of sugar, salt and unhealthy fats. We also piloted nutritional training for our chefs and external suppliers so our canteens and restaurants could offer healthier options.

Executive Directors' service contracts

The Executive Directors are full-time employees of Unilever. Information about their remuneration can be found on pages 32 to 36 of this Annual Review. More detailed information can be found in the Report of the Remuneration Committee in the Annual Report and Accounts 2005 and on our website at www.unilever.com/investorcentre

The current Executive Directors are long-serving Unilever executives who can reasonably expect, subject to satisfactory performance, to be employed by Unilever until retirement. The Remuneration Committee takes the view that the entitlement of the Executive Directors to the security of twelve months' notice of termination of employment is in line both with the practice of many comparable companies and the entitlement of other senior executives within Unilever.

The Remuneration Committee's aim is always to deal fairly with cases of termination while taking a robust line in minimising any compensation.

The Executive Directors submit themselves for re-election at the AGMs each year. The Nomination Committee carefully considers each nomination for re-appointment.

The Directors stop holding executive office on ceasing to be Directors. Those appointed prior to 2004 retire at the latest by the age of 62. Appointees from 2004 onwards retire at an age between 60 and 65, as decided by either them or Unilever.

Compliance

Unilever is subject to the corporate governance requirements in the Netherlands, the UK and, as a foreign private issuer in the US. All of these requirements were taken into account when structuring our Board arrangements, details of which are set out in the Governance of Unilever.

Details of our compliance with governance requirements in the Netherlands, UK and US are contained in the Annual Report and Accounts 2005 and can also be found on our website at www.unilever.com/investorcentre

In the US, we are fully compliant with the Listing Standards of the New York Stock Exchange (NYSE) applicable to foreign issuers. Our corporate governance practices do not significantly differ from those followed by US companies listed on the NYSE. However, the NYSE listing standards for US issuers require that all members of the Nomination Committee must (but not for foreign issuers such as Unilever) be independent. Our Chairman is not independent and he is a member of the Nomination Committee.

Board changes

All the existing Executive Directors are proposed for re-election at the 2006 AGMs. Their biographical details are shown on pages 26 and 27.

All the existing Non-Executive Directors are proposed for re-election, with the exception of Bertrand Collomb, Oscar Fanjul and Hilmar Kopper who will be retiring at the 2006 AGMs.

In addition four new Non-Executive Directors are to be proposed for election at the 2006 AGMs to replace the three Non-Executive Directors retiring at the 2006 AGMs and Claudio Gonzalez who retired at the 2005 AGMs. These are Charles Golden, Executive Vice President and CFO of Eli Lilly and Company, Byron Grote, CFO of BP p.l.c., Jean-Cyril Spinetta, Chairman/CEO of Air France-KLM S.A. and Kornelis (Kees) Storm, former Chairman of the Executive Board of AEGON N.V. Biographical details for the existing Non-Executive Directors are found on pages 26 and 27. Those for the new Non-Executive Directors are contained in the 2006 AGM Notices and on our website at www.unilever.com/investorcentre.

Strength in diversity

Our deep roots in over 100 countries worldwide give us a powerful competitive advantage, enabling us to adapt our global brands to local consumers' needs. To help us understand their needs more fully, we've introduced a diversity programme so that our staff reflect our consumers' diversity more closely in gender, ethnicity and many other ways.

Diversity is already very evident. For example, our top 1 000 managers span 45 nationalities. With new initiatives, including local Diversity Boards and tool kits, we hope to encourage diversity deeper into our organisation.

In Unilever we create an environment by embracing our differences that inspires people to contribute to our business. We encourage people to be themselves within a framework of shared values and goals. This means giving full and fair consideration to all applicants and continuing development to all employees, regardless of gender, nationality, race, creed, disability, style or sexuality.

Lifting the quality of our marketing worldwide

As 'One Unilever', we can now take a holistic view of our global marketing capability and manage and deploy our talent more strategically. Overseen by the new post of Chief Marketing Officer, we have developed Group-wide programmes to improve our skills, tools and career paths, with an unprecedented focus on brand building and development to support our new structure. Via our Marketing Academy, we have also adopted a more applied, business-led approach to training, underpinned by common toolsets and data.

Board of Directors

1 2 3 4 5 6 7

1. Oscar Fanjul[7]
Non-Executive Director
Nationality: Spanish. Aged 56. Appointed 1996. Vice-Chairman, Omega Capital. Director, Marsh & McLennan Companies, the London Stock Exchange and Acerinox S.A. Non-Executive Director, Lafarge. Member, Advisory Board of Sviluppo Italia S.p.A. and Senior Advisor of the Carlyle Group. International Advisor to Goldman Sachs and Trustee of the International Accounting Standards Committee Foundation. Chairman and CEO, Repsol 1986-1996.

2. Bertrand Collomb[4,5,6]
Non-Executive Vice-Chairman
Nationality: French. Aged 63. Appointed 1994. Chairman, Lafarge S.A. Director, Total S.A. and Atco. Member, Advisory Board of Banque de France.

3. Ralph Kugler*
President Home and personal care
Nationality: British. Aged 50. President Home and personal care since 1 April 2005. Joined Unilever 1979. Appointed Director 11 May 2005. Previous posts include: President Home and personal care Europe 2001. Business Group President, Latin America 1999. Chairman, Unilever Thai Holdings 1995. Chairman, Unilever Malaysia 1992. External appointments include: Non-Executive Director, InterContinental Hotels Group PLC.

4. Hilmar Kopper[8]
Non-Executive Director
Nationality: German. Aged 70. Appointed 1998. Chairman, Supervisory Board of DaimlerChrysler AG. Non-Executive Director, Xerox Corp. Chairman, German Advisory Board of Spencer Stuart. Member, Advisory Board of Sviluppo Italia S.p.A. Former CEO and former Chairman, Supervisory Board of Deutsche Bank AG.

5. Rudy Markham*
Chief Financial Officer
Nationality: British. Aged 59. Chief Financial Officer since April 2005. Joined Unilever 1968. Appointed Director 6 May 1998. Previous posts include: Financial Director 2000. Strategy & Technology Director 1998. Business Group President, North East Asia 1996-1998. Chairman, Nippon Lever Japan 1992-1996. Chairman, Unilever Australasia 1989-1992. Group Treasurer 1986-1989. External appointments include: Non-Executive Director, Standard Chartered PLC, Member, EAN International Management Board.

6. Jeroen van der Veer[1,9]
Non-Executive Director
Nationality: Dutch. Aged 58. Appointed 2002. Chief Executive Royal Dutch Shell plc. Former Member, Supervisory Board of De Nederlandsche Bank 2000-2004.

7. Antony Burgmans[1,2]
Chairman
Nationality: Dutch. Aged 59. Appointed 2005. Joined Unilever 1972. Appointed Director 8 May 1991. Previous posts include: Chairman, Unilever N.V. and Vice-Chairman, Unilever PLC 1999-2005. Vice-Chairman, Unilever N.V. 1998. Business Group President, Ice Cream and Frozen Foods – Europe and Chairman, Unilever Europe Committee 1996-1998. Responsible for South European Foods business 1994-1996. Personal Products Co-ordinator 1991-1994. External appointments include: Member, Supervisory Board of ABN AMRO Holding N.V., Non-Executive Director, BP p.l.c. and Member, International Advisory Board of Allianz AG.

* Member Unilever Executive (UEx)
1 Member Nomination Committee
2 Member External Affairs and Corporate Relations Committee
3 Chairman External Affairs and Corporate Relations Committee
4 Chairman Nomination Committee
5 Chairman Remuneration Committee
6 Senior Independent Director
7 Member Audit Committee
8 Chairman Audit Committee
9 Member Remuneration Committee

8 9 10 11 12 13

8. Professor Wim Dik[2,7]
Non-Executive Director
Nationality: Dutch. Aged 67. Appointed 2001. Professor at Delft University of Technology. Chairman, Supervisory Boards of Tele Atlas N.V. and N.V. Casema. Non-Executive Director, Aviva plc and LogicaCMG plc. Chairman and CEO, Koninklijke PTT Nederland (KPN) 1988-1998 and Koninklijke KPN N.V. (Royal Dutch Telecom) 1998-2000. Minister for Foreign Trade, Netherlands 1981-1982.

9. Patrick Cescau*
Group Chief Executive
Nationality: French. Aged 57. Group Chief Executive since April 2005. Joined Unilever 1973. Appointed Director 4 May 1999. Previous posts include: Chairman, Unilever PLC and Vice-Chairman, Unilever N.V. 2004-2005. Foods Director 2001. Financial Director 1999. Controller and Deputy Financial Director 1998-1999. President, Lipton USA 1997-1998. President and CEO, Van den Bergh Foods USA 1995-1997. Chairman, Indonesia 1991-1995. External appointments include: Non-Executive Director, Pearson plc and Conseiller du Commerce Extérieur de la France in the Netherlands.

10. The Rt Hon The Baroness Chalker of Wallasey[3]
Non-Executive Director
Nationality: British. Aged 63. Appointed 1998. Non-Executive Director, Freeplay Energy Group, Group 5 (Pty) Ltd and Equator Energy Limited. Member, International Advisory Board of Lafarge S.A. and Merchant Bridge & Co. Ltd. UK Minister of State at the Foreign and Commonwealth Office 1986-1997.

11. The Rt Hon The Lord Brittan of Spennithorne QC, DL[2]
Non-Executive Director
Nationality: British. Aged 66. Appointed 2000. Vice-Chairman, UBS Investment Bank and Chairman, UBS Limited. Member, International Advisory Committee of Total. Member, European Commission and Vice-President 1989-1999. Member, UK Government 1979-1986. Home Secretary 1983-1985 and Secretary of State for Trade and Industry 1985-1986.

12. Kees van der Graaf*
President Europe
Nationality: Dutch. Aged 55. President Europe since April 2005. Joined Unilever 1976. Appointed Director 12 May 2004. Previous posts include: Foods Director 2004, Business Group President, Ice Cream and Frozen Foods 2001. Executive Vice-President, Foods and Beverages Europe 1998. Senior Vice-President, Global Ice Cream category 1995. External appointments include: Board member, ECR (Efficient Consumer Response) and Member, IAB (International Advisory Board of the City of Rotterdam).

13. The Lord Simon of Highbury CBE[1,9]
Non-Executive Director
Nationality: British. Aged 66. Appointed 2000. Non-Executive Director, Suez Group. Senior Advisor, Morgan Stanley International. UK Government Minister 1997-1999. Group Chief Executive, BP p.l.c. 1992-1995 and Chairman 1995-1997.

Summary financial statement

This summary financial statement is a summary of information contained in Unilever's financial statements, Report of the Directors and the Report of the Remuneration Committee as set out in the Unilever Annual Report and Accounts 2005.

This statement does not contain sufficient information to allow as full an understanding of the results and state of affairs of Unilever, and of its policies and arrangements concerning Directors' remuneration, as would be provided by the full Annual Report and Accounts.

Copies of the Unilever Annual Report and Accounts 2005, which are produced in both English and Dutch, can be accessed directly or ordered through www.unilever.com/investorcentre Shareholders may also elect to receive the Annual Report and Accounts for all future years by request to the appropriate share registrars. Further details are provided on page 37.

The auditors have issued unqualified audit reports on the full accounts and the auditable part of the Report of the Remuneration Committee. The United Kingdom Companies Act 1985 requires the auditors to report if the accounting records are not properly kept, if the required information and explanations are not received, or if the Directors' Report is inconsistent with the audited consolidated accounts. Their reports on the full financial statements and the auditable part of the Report of the Remuneration Committee contain no such statements.

The following Summary Financial Statement should be read together with the narrative set out earlier in this Annual Review which includes, to the extent applicable, any important future developments or post-balance sheet events.

Auditors' statement to the shareholders of Unilever N.V. and Unilever PLC

We have examined the Summary Financial Statement in euros set out on pages 30 to 31.

Respective responsibilities of Directors and Auditors

The Directors are responsible for preparing the Annual Review and Summary Financial Statement 2005 in accordance with applicable law. Our responsibility is to report to you our opinion on the consistency of the Summary Financial Statement within the Annual Review with the full annual accounts, the Report of the Directors and the Report of the Remuneration Committee, and its compliance with the relevant requirements of Section 251 of the United Kingdom Companies Act 1985 and the regulations made thereunder. We also read the other information contained in the Annual Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies within the Summary Financial Statement.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The Auditors' Statement on the Summary Financial Statement' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In our opinion the Summary Financial Statement is consistent with the full annual accounts, the Report of the Directors and the Report of the Remuneration Committee of the Unilever Group for the year ended 31 December 2005 and complies with the applicable requirements of Section 251 of the United Kingdom Companies Act 1985 and the regulations made thereunder.

PricewaterhouseCoopers
Accountants N.V.
Rotterdam,
The Netherlands
As auditors of Unilever N.V.

PricewaterhouseCoopers LLP
Chartered Accountants
and Registered Auditors
London, United Kingdom
As auditors of Unilever PLC

28 February 2006

Unilever website

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

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

Reporting currency and exchange rates

The sterling and US dollar figures shown on pages 16, 18, 20 and 36 have been provided for the convenience of users and do not form part of the audited accounts of the Unilever Group. These figures have been translated from euros using the following rates of exchange:

	Annual average rates			Year-end rates		
	2005	2004	2003	**2005**	2004	2003
€1 = £	**0.6837**	0.6781	0.6912	**0.6864**	0.7069	0.7077
€1 = $	**1.2440**	1.2380	1.1260	**1.1840**	1.3660	1.2610

The balance sheet is translated at year-end rates and the income statement and cash flow statement are translated at annual average rates.

Accounting policies

The accounts have been prepared in accordance with International Financial Reporting Standards as adopted by the EU, including interpretations from the International Financial Reporting Interpretations Committee and the Standing Interpretations Committee and with Book 2 of the Civil Code in the Netherlands and the United Kingdom Companies Act 1985.

The accounts are prepared under the historical cost convention as modified by the revaluation of biological assets, financial assets classified as 'available-for-sale investments' and 'at fair value through profit or loss', and derivatives.

As a result of the operational and contractual arrangements in place between NV and PLC, they form a single reporting entity for the purposes of preparing consolidated accounts. Accordingly, the accounts of the Unilever Group are presented by both NV and PLC as their respective consolidated accounts.

International Financial Reporting Standards

Unilever has adopted International Financial Reporting Standards as adopted by the EU with effect from 1 January 2005, with a transition date of 1 January 2004.

The most important changes to our accounting policies are listed below. These changes also affect the 2004 comparative information in the 2005 consolidated financial statements with the exception of the changes in accounting for financial instruments and the presentation of assets held for sale, which have been applied prospectively from 1 January 2005.

Under IAS 36 we no longer apply systematic amortisation to goodwill and intangible assets with an indefinite life, but instead test these assets for impairment on at least an annual basis.

Under IAS 10 we no longer recognise a liability in any period for dividends which have been proposed but will not be approved until after the balance sheet date.

Under IAS 12 we recognise certain additional deferred tax balances arising on temporary differences between the tax base and the accounting base of balance sheet items. The most significant of these relates to intangible assets which were identified at the time of the Bestfoods acquisition, on which a deferred tax liability has been established via reserves.

Deferred tax balances arising in respect of pension assets and liabilities are no longer netted off against pensions balances. This has led to an overall reclassification of deferred tax balances in the balance sheet.

Under IAS 38 we capitalise and amortise purchased and internally developed software where the appropriate criteria are met.

From 1 January 2005 onwards, we present NV preference share capital as a liability rather than as part of equity, in accordance with IAS 32. Also from this date we have recognised all derivative financial instruments on the balance sheet at fair value. We measure certain non-derivative financial assets at fair value and apply hedge accounting methodology to all significant qualifying hedging relationships.

In the case of retirement benefits, the amendments to IAS 19 mean that the impact on Unilever has been restricted to certain valuation differences which did not have a significant impact on our reported numbers.

For further details of these and other reporting changes which have applied for 2005, please refer to our website at www.unilever.com/investorcentre

Turnover definition

Until 31 December 2004 promotional couponing and trade communication costs were included in the cost of advertising and promotions. From 1 January 2005 these costs are deducted from turnover and treated as part of the price element in the variance analysis of sales growth, together with other trade promotion costs which are already deducted from turnover. Comparatives have been restated to reflect this change.

Dividends

The Boards have resolved to recommend to the Annual General Meetings on 8 and 9 May 2006 the declaration of final dividends on the ordinary capital of NV and of PLC respectively in respect of 2005 at the rates shown in the tables below.

As noted above, IAS 10 requires that dividends approved after the balance sheet date are not reflected in the financial statements for the current reporting period. As a result, the final 2004 dividends are reflected in the financial statements for 2005, and the final 2005 dividends, if approved by shareholders at the AGMs, will be reflected in the financial statements for 2006.

The dividends will be paid in accordance with the timetable set out on page 37.

NV	2005	2004
Per €0.51 of ordinary capital		
Interim	**€0.66**	€0.63
Final	**€1.32**	€1.26
Total	**€1.98**	€1.89

PLC	2005	2004
Per 1.4p of ordinary capital		
Interim	**6.77p**	6.33p
Final	**13.54p**	12.82p
Total	**20.31p**	19.15p

Dividends for US shareholders

	Per €0.51 of NV ordinary capital		Per 5.6p of PLC ordinary capital	
	2005	2004	**2005**	2004
Interim	**$0.79**	$0.80	**$0.48**	$0.47
Final	**$1.58***	$1.62	**$0.94***	$0.96
Total	**$2.37**	$2.42	**$1.42**	$1.43

*Proposed final dividends translated into US dollars at the rate of exchange ruling on 8 February 2006 (€1 = $1.19, £1 = $1.74 (rounded to two decimal places)). These dividends will be paid using the exchange rates ruling on 8 May 2006 for NV and 9 May 2006 for PLC.

Summary information under US GAAP in US$ (unaudited)

Total operations:	2005	2004	2003
Net income attributable to shareholders (million)	**3 292**	3 325	4 287
Combined net income per share			
Per €0.51 of ordinary capital	**3.38**	3.42	4.39
Per 1.4p of ordinary capital	**0.51**	0.51	0.66
Combined diluted net income per share			
Per €0.51 of ordinary capital	**3.27**	3.28	4.27
Per 1.4p of ordinary capital	**0.49**	0.49	0.64
Shareholders' equity (million)	**17 751**	19 141	16 834

The Summary Financial Statement of Unilever has been prepared under accounting principles which differ in certain respects from those generally accepted in the US.

Key differences arise from the treatment of goodwill and certain intangible assets in prior years, derivative financial instruments, pensions and the recognition of certain restructuring costs and impairments. Further details of significant differences are given in the Unilever Annual Report and Accounts 2005.

Summary financial statement continued

Consolidated summary income statement for the year ended 31 December

	€ million		£ million		$ million	
	2005	2004	**2005**	2004	**2005**	2004
Continuing operations						
Turnover	**39 672**	38 566	**27 124**	26 151	**49 352**	47 744
Operating profit	**5 314**	4 239	**3 633**	2 876	**6 611**	5 249
Net finance costs	**(618)**	(630)	**(423)**	(428)	**(769)**	(780)
Share of net profit/(loss) of joint ventures	**47**	39	**32**	26	**59**	48
Share of net profit/(loss) of associates	**(25)**	2	**(17)**	1	**(32)**	2
Other income from non-current investments	**33**	54	**23**	37	**41**	67
Profit before taxation	**4 751**	3 704	**3 248**	2 512	**5 910**	4 586
Taxation	**(1 249)**	(810)	**(854)**	(549)	**(1 554)**	(1 003)
Net profit from continuing operations	**3 502**	2 894	**2 394**	1 963	**4 356**	3 583
Net profit from discontinued operations	**473**	47	**324**	31	**589**	58
Net profit	**3 975**	2 941	**2 718**	1 994	**4 945**	3 641
Attributable to:						
Minority interest	**209**	186	**143**	126	**260**	230
Shareholders' equity	**3 766**	2 755	**2 575**	1 868	**4 685**	3 411
Combined earnings per share						
From total operations						
Basic earnings per share:						
Per €0.51 of ordinary capital	**€3.88**	€2.83			**$4.82**	$3.50
Per 1.4p of ordinary capital	**€0.58**	€0.42	**39.77p**	28.79p	**$0.72**	$0.53
On a diluted basis the figures would be:						
Per €0.51 of ordinary capital	**€3.76**	€2.72			**$4.68**	$3.37
Per 1.4p of ordinary capital	**€0.56**	€0.41	**38.56p**	27.65p	**$0.70**	$0.51
From continuing operations						
Basic earnings per share:						
Per €0.51 of ordinary capital	**€3.39**	€2.78			**$4.22**	$3.44
Per 1.4p of ordinary capital	**€0.51**	€0.42	**34.78p**	28.29p	**$0.63**	$0.52
On a diluted basis the figures would be:						
Per €0.51 of ordinary capital	**€3.29**	€2.67			**$4.09**	$3.31
Per 1.4p of ordinary capital	**€0.49**	€0.40	**33.72p**	27.18p	**$0.61**	$0.50

Consolidated summary statement of recognised income and expense for the year ended 31 December

	€ million		£ million		$ million	
	2005	2004	**2005**	2004	**2005**	2004
Fair value gains/(losses) on financial instruments and cash flow hedges net of tax	**346**	n/a	**238**	n/a	**411**	n/a
Actuarial gains/(losses) on pension schemes net of tax	**(49)**	(480)	**(34)**	(325)	**(61)**	(594)
Currency retranslation gains/(losses) net of tax	**181**	80	**22**	64	**(877)**	669
Net income/(expense) recognised directly in equity	**478**	(400)	**226**	(261)	**(527)**	75
Net profit	**3 975**	2 941	**2 718**	1 994	**4 945**	3 641
Total recognised income and expense	**4 453**	2 541	**2 944**	1 733	**4 418**	3 716
Attributable to:						
Minority interests	**249**	167	**165**	112	**263**	230
Shareholders' equity	**4 204**	2 374	**2 779**	1 621	**4 155**	3 486

Consolidated summary balance sheet as at 31 December

	€ million		£ million		$ million	
	2005	2004	**2005**	2004	**2005**	2004
Goodwill and intangible assets	**18 055**	17 007	**12 393**	12 022	**21 376**	23 231
Property, plant and equipment	**6 492**	6 181	**4 456**	4 369	**7 686**	8 443
Pension asset for funded schemes in surplus	**1 036**	625	**711**	442	**1 226**	854
Deferred tax assets	**1 703**	1 491	**1 169**	1 054	**2 017**	2 037
Other non-current assets	**1 072**	1 064	**735**	752	**1 269**	1 453
Total non-current assets	**28 358**	26 368	**19 464**	18 639	**33 574**	36 018
Assets held for sale	**217**	n/a	**149**	n/a	**258**	n/a
Inventories	**4 107**	3 756	**2 819**	2 655	**4 863**	5 130
Trade and other current receivables	**4 830**	4 131	**3 315**	2 920	**5 719**	5 643
Other financial assets	**335**	1 013	**230**	716	**396**	1 384
Cash and cash equivalents	**1 529**	1 590	**1 050**	1 124	**1 811**	2 172
Total current assets	**10 801**	10 490	**7 414**	7 415	**12 789**	14 329
Borrowings due within one year	**(5 942)**	(5 155)	**(4 079)**	(3 644)	**(7 036)**	(7 042)
Trade payables and other current liabilities (incl. taxation)	**(8 658)**	(8 232)	**(5 942)**	(5 819)	**(10 251)**	(11 244)
Restructuring and other provisions	**(644)**	(799)	**(442)**	(565)	**(762)**	(1 091)
Total current liabilities	**(15 244)**	(14 186)	**(10 463)**	(10 028)	**(18 049)**	(19 377)
Net current assets/(liabilities)	**(4 443)**	(3 696)	**(3 049)**	(2 613)	**(5 260)**	(5 048)
Total assets less current liabilities	**24 132**	22 672	**16 564**	16 026	**28 572**	30 970
Borrowings due after more than one year	**6 457**	6 893	**4 432**	4 873	**7 645**	9 415
Pension liability for funded schemes in deficit	**2 415**	2 339	**1 658**	1 654	**2 859**	3 196
Pension liability for unfunded schemes	**4 202**	3 740	**2 884**	2 643	**4 975**	5 108
Restructuring and other provisions	**732**	565	**502**	399	**866**	772
Deferred tax liabilities	**933**	789	**641**	557	**1 105**	1 077
Other non-current liabilities (incl. taxation)	**602**	717	**413**	507	**713**	980
Total non-current liabilities	**15 341**	15 043	**10 530**	10 633	**18 163**	20 548
Liabilities held for sale	**26**	n/a	**18**	n/a	**31**	n/a
Shareholders' equity	**8 361**	7 264	**5 739**	5 135	**9 900**	9 923
Minority interests	**404**	365	**277**	258	**478**	499
Total equity	**8 765**	7 629	**6 016**	5 393	**10 378**	10 422
Total capital employed	**24 132**	22 672	**16 564**	16 026	**28 572**	30 970

Consolidated summary cash flow statement for the year ended 31 December

	€ million		£ million		$ million	
	2005	2004	**2005**	2004	**2005**	2004
Cash flow from operating activities	**5 924**	6 925	**4 051**	4 696	**7 370**	8 573
Income tax paid	**(1 571)**	(1 378)	**(1 074)**	(934)	**(1 954)**	(1 706)
Net cash flow from operating activities	**4 353**	5 547	**2 977**	3 762	**5 416**	6 867
Interest received	**130**	168	**89**	114	**162**	209
Net capital expenditure	**(813)**	(869)	**(556)**	(589)	**(1 011)**	(1 076)
Acquisitions and disposals	**784**	316	**536**	214	**975**	390
Other investing activities	**414**	265	**283**	179	**515**	328
Net cash flow from/(used in) investing activities	**515**	(120)	**352**	(82)	**641**	(149)
Dividends paid on ordinary share capital	**(1 804)**	(1 720)	**(1 233)**	(1 166)	**(2 244)**	(2 129)
Interest and preference dividends paid	**(643)**	(787)	**(440)**	(534)	**(800)**	(974)
Change in borrowings and finance leases	**(880)**	(2 890)	**(602)**	(1 959)	**(1 095)**	(3 577)
Purchase of treasury stock	**(1 276)**	(332)	**(873)**	(225)	**(1 588)**	(411)
Other financing activities	**(218)**	(209)	**(149)**	(142)	**(271)**	(260)
Net cash flow from/(used in) financing activities	**(4 821)**	(5 938)	**(3 297)**	(4 026)	**(5 998)**	(7 351)
Net increase/(decrease) in cash and cash equivalents	**47**	(511)	**32**	(346)	**59**	(633)
Cash and cash equivalents at the beginning of the year	**1 406**	1 428	**994**	1 011	**1 921**	1 801
Effect of foreign exchange rate changes	**(188)**	489	**(158)**	329	**(482)**	753
Cash and cash equivalents at the end of the year	**1 265**	1 406	**868**	994	**1 498**	1 921

Summary financial statement continued

Summary remuneration report

2005 was a year of far-reaching and important changes to the way Unilever is run. These changes have had an important impact on the work of the Remuneration Committee.

The most significant change was the ending of the dual chairmanship and the creation of the single chief executive role. At the AGMs in May 2005 Antony Burgmans was appointed to the new role of non-executive Chairman and Patrick Cescau took on the new role of Group Chief Executive. This change improved our governance and organisational effectiveness.

At the AGMs in May 2005 three Executive Directors retired after long and distinguished careers with Unilever. Clive Butler, Keki Dadiseth and André van Heemstra all agreed to retire to allow the creation of a new executive team. Each agreed to retire at the age of 60. Unilever continued to pay their base salary and benefits, in lieu of notice, for a maximum of one year, fulfilling its contractual obligations.

Anthony Burgmans stepped down as Executive Director at the 2005 AGMs and assumed the new role of Non-Executive Chairman. In fulfilment of contractual obligations he continues to receive his salary and benefits until June 2006. However, he is no longer entitled to any annual or long-term incentives. After June 2006, he will receive a fee for his services as Chairman.

Given the new Board structure and Unilever's longer-term strategy, the Committee reviewed the existing reward packages for each of the current Executive Directors during the year. Base salaries have been adjusted to reflect the new roles and responsibilities in line with the market. The revised salary levels are set out on page 34.

Annual incentives criteria for 2005 were underlying sales growth, trading contribution (Unilever's version of economic value added) and individual performance targets. Taking into account the actual delivery of sales growth and trading contribution in 2005, the annual incentive Executive Directors earned for 2005 were roughly half maximum levels.

No awards vested in 2005 for Executive Directors under the TSR plan as Unilever's TSR performance over the period 2002-2004 fell short of requirements.

Following shareholder approval, we operated the Global Performance Share Plan for the first time. Its clearly defined performance criteria focus management on top-line growth and cash flow generation. For 2006, we retained the same criteria as in 2005 for annual incentive, and we reviewed individual performance targets to ensure these reflect, next to corporate performance, each Executive Director's responsibility for delivering specific growth objectives.

All this was done to create the greatest possible alignment between the various elements of the remuneration package and Unilever's longer-term strategy.

Finally, we have revised the Report of Remuneration Committee to improve its transparency in respect of the arrangements.

Bertrand Collomb Chairman of the Remuneration Committee
David Simon
Jeroen van der Veer

Reward policy 2006 and beyond – Executive Directors

Main principles

It is the objective of Unilever's remuneration policy for Executive Directors to drive performance and to set reward in support of achievement of its goals. Therefore it is important to recruit key executives who can drive the business forward and achieve the highest results for shareholders. This is essential to the successful leadership and effective management of Unilever as a major global company. To meet this objective the Remuneration Committee follows three key principles, supported by shareholders:

- A significant proportion of the Executive Directors' total reward is linked to a number of key measures of company performance to create alignment with the strategy and business priorities;
- The reward policy is benchmarked regularly against arrangements of other global companies based in Europe. This ensures that Executive Directors' reward levels remain competitive; and
- An internal comparison is made with the reward arrangements for other senior executives within Unilever to support consistent application of Unilever's executive reward policies.

Each element of the Executive Directors' reward package focuses on supporting different business objectives. The Unilever reward policy table on page 33 provides an overview of all the elements of reward (excluding pension), the key drivers, the resulting performance measures and indicative levels. In setting targets for the performance measures, the Committee is guided by what needs to happen to drive underlying performance and this is reflected in the short-and long-term performance targets.

Depending on the level of performance, the variable component could vary between 0 and around 80% of the total reward package (excluding pensions).

Some of the Executive Directors serve as non-executive directors on the Boards of other companies. Unilever requires that all remuneration and fees earned from outside directorships are paid directly to Unilever.

Base salary

The Remuneration Committee reviews base salary levels annually, taking into account external benchmarks in the context of company and individual performance.

Unilever reward policy table

	Element	Payment Method	Indicative Levels at face value – as % of base pay	Plan Objectives/Key Drivers	Performance Measures
Short-term (one year)	Base Salary	Cash	Market Competitive	Attraction and retention of key executives	Individual performance
	Annual Incentive	Cash (75%) Shares (25%)	ED: 60% on target (range of 0 – 100%) GCE: 90% on target (range of 0 – 150%)	• Delivery of trading contribution (Unilever's primary internal measure of an added economic value) and top-line growth targets • Individual responsibility for key Unilever business objectives	• Trading contribution (ED: 40%, GCE: 50%) • Underlying sales growth (ED: 40%, GCE: 50%) • Individual contribution to Unilever business strategy (ED: 20%, GCE: 50%)
Long-term (three years)	Global Performance Share Plan	Shares	Grant level: c. 25% Vesting level: 0 – 200% of grant	• Ungeared free cash flow as the basic driver of Unilever shareholder returns • Top-line growth as essential to Unilever's long-term value creation	• Ungeared free cash flow (50%) • Underlying sales growth (50%)
	Total Shareholder Return	Shares	Grant level: c. 60% Vesting level: 0 – 200% of grant	Total Shareholder Return at upper half of peer group with 20 other companies	Relative Total Shareholder Return
	Share Matching Plan	Shares	25% of annual incentive paid	Alignment with shareholders' interests	

GCE = Group Chief Executive ED = Executive Director

Annual incentive

The annual incentive arrangement, rewards Executive Directors for the delivery of trading contribution (Unilever's primary internal measure of added economic value) and top-line growth targets, as well as for their individual contribution to Unilever's business strategy.

In 2005, shareholders approved changes to the corporate performance criteria for the annual incentive arrangement, to ensure continuing alignment with business priorities, and a maximum opportunity for the Group Chief Executive to 150% of base salary. The maximum level is only payable in the case of exceptional performance. The annual incentive opportunity for other Executive Directors remains between 0 and 100%.

The performance criteria for the annual incentive are now:

- Trading contribution (maximum 40%, for Group Chief Executive maximum 50%, of base salary). This is Unilever's primary internal measure of added economic value. Increases reflect the combined impact of top-line growth, margin improvement and capital efficiency gains. It is well aligned with our objective of a progressive improvement in return on invested capital and with shareholder value creation.
- Underlying sales growth (maximum 40%, for Group Chief Executive maximum 50%, of base salary). This focuses on the organic growth of Unilever's turnover.
- Individual business targets (maximum 20%, for Group Chief Executive 50%, of base salary). The individual performance targets are tailored to each individual's responsibilities to deliver certain business objectives supporting the strategy. Individual contributions are subject to robust measures and targets to ensure objectivity of achievement.

The annual incentive is calculated at the end of each financial year and payable in the following March. Part of the annual incentive (25%) is delivered to the Executive Directors in the form of shares in NV and PLC which are matched by a conditional award of 'matching shares', as further described under long-term incentives below.

Long-term incentives

In 2005 shareholders also approved the replacement of the Executive Option Plan with the Unilever Global Performance Share Plan. The long-term incentives for Executive Directors now consist of three elements, all of which are delivered in shares:

- Global Performance Share Plan
- Total Shareholder Return (TSR) Long-Term Incentive Plan
- Share Matching Plan (linked to the annual incentive)

Executive Directors are required to demonstrate a significant personal shareholding commitment to Unilever. Within five years of appointment, they are expected to hold shares worth 150% of their annual base salary. This reinforces the link between the Executive Directors and other shareholders.

Global Performance Share Plan (GPSP)

Under the GPSP, conditional rights over shares in NV or PLC are awarded annually to Executive Directors. For Executive Directors the value of the grant of conditional shares will not exceed 50% of base salary. The number of shares actually received at the end of the performance period of three years depends on the satisfaction of the performance targets.

The performance measures for vesting are underlying sales growth (for 50% of the award) and ungeared free cash flow (for 50% of the award). These are key performance measures in Unilever's external reporting. Underlying sales growth focuses on the organic growth of Unilever's turnover. Ungeared free cash flow expresses the translation of profit into cash and thus longer-term economic value.

In respect of performance targets, there is a minimum and a maximum performance range for each of the two measures and associated vesting levels. Each year, the Remuneration Committee reviews the performance targets by taking account of market conditions and internal financial planning. The Remuneration Committee conducted a review of these targets at the start of 2006 to ensure that those attaching to awards to be made in 2006 were appropriate and challenging.

TSR Long-Term Incentive Plan

The TSR plan rewards Executive Directors for creating more value for Unilever's shareholders when compared with the investment returns generated by competitors.

Under this plan conditional rights over shares in NV and PLC are awarded annually to Executive Directors.

The current level of conditional annual awards is as follows:

- Group Chief Executive: Shares in NV and PLC to the combined value of €800 000; and
- Other Executive Directors: Shares in NV and PLC to the combined value of €500 000.

Vesting is subject to Unilever's relative TSR performance. TSR measures the returns received by a shareholder, capturing both the increase in share price and the value of dividend income (assuming dividends are re-invested). Unilever's TSR performance is compared with a peer group of competitors over a three-year performance period. The TSR results are compared on a single reference currency basis.

No shares will vest if Unilever is ranked below position 11 of the TSR ranking table over the three-year period. Between 25% and 200% of the shares will vest if Unilever is ranked in the top half of the table.

Share Matching Plan (linked to the annual incentive)

The Share Matching Plan enhances the alignment with shareholders interests and supports the retention of key executives. In addition, the necessity to hold the shares for a minimum period of three years supports the shareholding requirements set out on page 33.

As mentioned earlier, the Executive Directors receive 25% of the annual incentive in the form of NV and PLC shares. These are matched with an equivalent number of matching shares. The matching shares will vest after three years provided that the underlying shares have been retained during this period and the Executive Director has not resigned or been dismissed.

The Remuneration Committee considers that there is no need for further performance conditions on the vesting of the matching shares because the number of shares is directly linked to the annual incentive (which is itself subject to demanding performance conditions). In addition, during the three-year vesting period the share price of NV and PLC will be influenced by the performance of Unilever which, in turn, will affect the ultimate value of the matching shares on vesting.

Executive Directors' pensions

Executive Directors are provided with a defined benefit final salary pension, which is consistent with the pension provision for other Unilever Netherlands and UK employees. The Executive Directors' arrangement provides a pension of a maximum of two-thirds of final pensionable pay if they retire at age 60 or later.

As stated in last year's report, the Remuneration Committee decided that annual incentive would no longer be part of pensionable pay for new Executive Directors appointed as from 2005. For Executive Directors appointed prior to 2005, annual incentive is pensionable up to a maximum of 20% of base salary.

Arrangements for current Executive Directors in 2005

Base salary

Following the AGMs in May 2005, the number of Executive Directors and their responsibilities changed substantially. The Committee therefore reviewed base salary levels in light of these changes. The salary levels were benchmarked against those paid in other major global companies based in Europe, excluding companies in the financial sector. The increases for 2005 reflect the change in the composition and the responsibilities of the Executive Directors, market levels as well as individual and company performance. The total salary figure compared with that for last year has reduced significantly as a consequence of the reduction in the number of Executive Directors. The current annual base salary levels for the Executive Directors are set out below:

Executive Director	Current Annual Base Salary Levels
Based in the UK	
P J Cescau	£935 000
R D Kugler	£570 000
R H P Markham	£645 000
Based in the Netherlands	
C J van der Graaf	€760 000

Annual incentive

The annual incentive awards for 2005 were subject to achievement of Underlying Sales Growth and Trading Contribution targets in combination with individual key strategic business targets. The Committee measured the results against the targets and determined the annual incentive amounts for 2005.

Long-term incentives

- Global Performance Share Plan
  The first award under this new plan was made to Executive Directors in 2005. The performance period of this award is 1 January 2005 to 31 December 2007 and therefore no award vested in 2005.

- TSR Plan
  Vesting of the conditional award made in 2002 was based on the TSR performance of Unilever (when ranked against its defined peer group with competitors) over the three-year performance period ended 31 December 2004. For this period, Unilever was ranked number 13 in the peer group and therefore no vesting occurred for this award in March 2005. Therefore these shares lapsed.

- Share Matching Plan
  The matching shares originally granted in 2000 and 2002 on a conditional basis, vested in 2005 subject to fulfillment of the retention conditions.

- Executive Options
  The grants of executive share options made in 2002 became exercisable as from 2005. As the size of the 2002 grants was based on Unilever's EPS performance, the options at vesting were subject to no further conditions.

Pensions

In response to changes in the pension tax regimes in both the Netherlands and the UK:

- The projected value of the Netherlands-based Executive Director's final benefit has been converted from a reasonable expectation to a vested benefit, consistent with the treatment adopted for other Netherlands senior executives with similar expectations.

- UK-based Executive Directors and other potentially affected employees have been informed that the company will offer them the option of capping their benefit provided by the Unilever UK Pension Fund at their personal Lifetime Allowance and receiving the balance of their benefit directly from the company.

For Executive Directors appointed since 2005 the annual incentive no longer forms part of the pensionable salary.

Arrangements for former Executive Directors in 2005

At the AGMs in May 2005, Antony Burgmans stepped down as Executive Director of the Boards of Unilever N.V. and PLC and was appointed in a new role as Non-Executive Chairman of both Boards. In line with the contract's provisions, Mr Burgmans is receiving salary and benefits until June 2006. From June 2006 he will start to receive a Chairman's fee. While he has received a pro-rated annual incentive payment for his service to the 2005 AGMs, he has no further annual incentive entitlements. Equally, he received no long-term incentive awards after the AGMs in May 2005 and will receive no further new awards. His existing long-term incentives are subject to relevant provisions in the plan rules. Mr Burgmans' retirement date will be June 2006, then being 59, and from this date he will receive a full pension as if he had retired at 60.

Messrs Butler, Dadiseth and Van Heemstra retired as Executive Directors at the AGMs in May 2005. Each has received a pro-rated annual incentive payment for service to the 2005 AGMs. None received any new long-term incentive awards in 2005 and their existing long-term incentives are subject to relevant provisions in the plan rules. Unilever is respecting its contractual obligations and has provided for each director to be paid their base salary and benefits for the maximum period of up to one year. Mr Butler and Mr Dadiseth have received their payments as lump sums. Mr Van Heemstra is receiving his payments on a monthly basis. They receive their full pension benefits at 60 as if they had retired on this date.

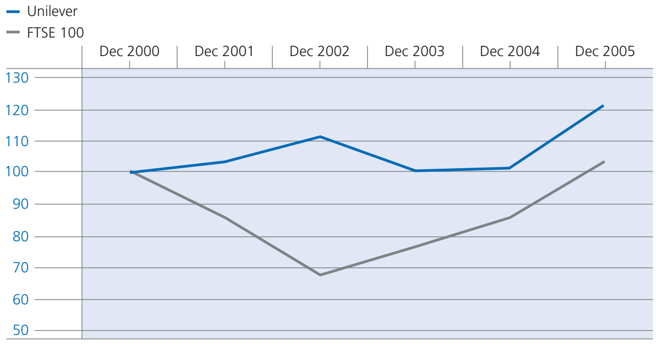
Other items

Unilever's share performance relative to broad-based equity indices

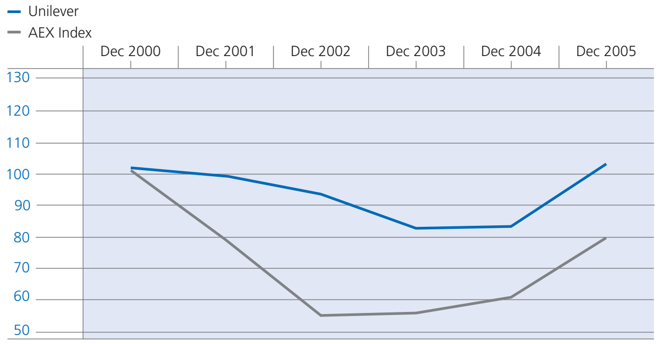
The UK Companies Act (Schedule 7A) requires us to show Unilever's relative share performance, based on TSR, against a holding of shares in a broad-based equity index for the last five years. The Remuneration Committee has decided to show Unilever's performance against two indices, namely the FTSE 100 Index London and the Euronext AEX index Amsterdam, as these are the most generally used indices in the Netherlands and the UK, where we have our principal listings.

Five-Year Historical TSR Performance

Growth in the Value of a Hypothetical £100 Holding Over Five Years
FTSE 100 Comparison Based on 30 Trading Day Average Values



Growth in the Value of a Hypothetical Investment Over Five Years
AEX Comparison Based on 30 Day Average Values



Non-Executive Directors

The Non-Executive Directors receive fees and (where appropriate) an attendance allowance from both NV and PLC. The current members receive no other remuneration in respect of their Non-Executive duties from either NV or PLC such as incentives or pension benefits.

The level of their fees reflects their commitment and contribution to the companies. The levels were last reviewed in 2004 against fees payable by comparable companies in the UK and continental Europe, to ensure Unilever's levels reflected current market practice and their increased responsibilities as Directors. The current fee levels are set out below:

Non-Executive Role	Fees payable by NV	Fees payable by PLC
Senior Independent Director	€48 000	£36 000
Committee Chairman	€38 000	£29 000
Other Non-Executive Directors	€32 000	£24 000

Summary financial statement continued

Remuneration for individual Executive Directors – 2005

Executive Directors' total remuneration for the year ended 31 December 2005 including other income arising from long-term incentives were €12 235 000 (2004: €21 329 000). The equivalent totals in pounds sterling were £8 365 000 (2004: £14 463 000). The details for each Executive Director for 2005 are set out in the table below. For convenience the amounts are shown both in euros and [in brackets] in pounds sterling.

	Annual Emoluments 2005[1]						Other income[2] arising from long-term incentives in 2005				
Name and Base Country	Base salary '000	Allowances and other payments[3] '000	Value of benefits in kind[4] '000	Annual incentive[5] '000	**Total annual emoluments 2005 '000**	Total annual emoluments 2004 '000	Gains on exercise of share options in 2005 '000	Value of vesting of matching shares in 2005 '000	Vesting of TSR/LTIP in 2005 (performance period 2002/2004) '000	**Total of annual emoluments and other income arising from long-term incentives in 2005 '000**	Total of annual emoluments and other income arising from long-term incentives in 2004 '000
Current Executive Directors											
Patrick Cescau[6] (UK)	**€1 336**	**€94**	**€98**	**€1 016**	**€2 544**	€1 779	–	**€198**	–	**€2 742**	€3 897
	[£914]	[£65]	[£66]	[£694]	[£1 738]	[£1 207]	–	[£135]	–	[£1 873]	[£2 643]
Kees van der Graaf (NL)	**€751**	**€7**	**€23**	**€338**	**€1 119**	€600	–	**€54**	–	**€1 173**	€600
	[£514]	[£5]	[£16]	[£231]	[£765]	[£408]	–	[£37]	–	[£802]	[£408]
Ralph Kugler[7] (UK)	**€556**	**€15**	**€7**	**€239**	**€817**	–	**€10**	–	–	**€827**	–
	[£380]	[£10]	[£5]	[£163]	[£559]	–	[£5]	–	–	[£563]	–
Rudy Markham (UK)	**€943**	**€22**	**€35**	**€425**	**€1 425**	€1 091	–	**€185**	–	**€1 610**	€1 644
	[£645]	[£15]	[£24]	[£290]	[£975]	[£740]	–	[£126]	–	[£1 101]	[£1 115]
Former Executive Directors (position changed in 2005)											
Antony Burgmans[8] (NL)	**€592**	**€913**	**€31**	**€266**	**1 802**	€1 732	–	**€241**	–	**€2 043**	€2 573
	[£404]	[£624]	[£21]	[£182]	[£1 232]	[£1 175]	–	[£164]	–	[£1 397]	[£1 745]
Former Executive Directors (retired in 2005)											
Clive Butler[9] (UK)	**€323**	**€776**	**€20**	**€145**	**€1 264**	€860	–	**€172**	–	**€1 436**	€1 484
	[£221]	[£531]	[£14]	[£99]	[£864]	[£583]	–	[£118]	–	[£981]	[£1 005]
Keki Dadiseth[10] (UK)	**€414**	**€583**	**€38**	**€186**	**€1 221**	€1 144	–	**€137**	–	**€1 358**	€1 659
	[£283]	[£398]	[£26]	[£128]	[£835]	[£775]	–	[£94]	–	[£928]	[£1 124]
André van Heemstra[11] (NL)	**€304**	**€431**	**€12**	**€137**	**€884**	€851	–	**€162**	–	**€1 046**	€1 645
	[£208]	[£295]	[£8]	[£94]	[£604]	[£577]	–	[£111]	–	[£715]	[£1 115]

(1) Annual emoluments includes base salary, allowances and other payments (see footnote 3) and the value of benefits in kind earned in respect of 2005. It also includes the annual incentive (both the cash element and the element paid in shares) payable in March 2006 relating to the performance year 2005. The value of the matching shares conditionally awarded in 2006 in respect of the performance year 2005 is not included as these form part of the long-term incentives and the value will be reported when they vest in 2009.

(2) Other income includes the gains realised in 2005 following the exercise of share options granted in earlier years. It also includes the value of the matching shares vested in 2005, which were originally granted in 2000 and 2002. No vesting occurred in 2005 with respect to the TSR LTIP shares granted in 2002 (performance period 2002 to 2004) as Unilever was ranked 13 in the peer group and therefore no value is reported here.

(3) Allowances include the following payments: allowances in lieu of company car, entertaining allowance, blind trust fees and allowance to compensate for loss of net income suffered because part of their income was paid in NL. All allowances are taxable in the country of residence of the Executive Director concerned apart from the entertaining allowance which is currently tax free in NL.
For the former Executive Directors who stepped down at the AGMs in 2005 the allowance figures includes the contractual entitlements.

(4) Includes the value of the following benefits in kind: benefits for company car, housing, medical insurance benefit and private use chauffeur driven cars.
Included are the taxable benefits which are taxable in the country of residence of the Executive Director

(5) Part of the annual incentive is paid in the form of shares in NV and PLC. The value of these shares is included in the figures of the annual incentive shown above. In addition to these shares, each Executive Director is awarded, on a conditional basis an equivalent number of matching shares which are not included above. The value of these matching shares, will be reported when they vest in 2009.

(6) Group Chief Executive from AGMs 2005.

(7) Appointed as an Executive Director on 11 May 2005. Remuneration shown above covers the period from date of appointment.

(8) Executive Director until May 11 2005. Base salary reflects payments up until May 2005. Under Allowance and other payments, following contractual provisions, received base salary between June-December 2005 (€828 000); June to December benefits (€18 000); allowances (€16 000). From June 2006, will receive a Chairmanship fee.

(9) Executive Director until May 11 2005. Base salary reflects payments up until May 2005. Under Allowance and other payments, the total amount received as a lump sum payment of €775 000 (comprising period June 2005 – June 2006) in accordance with contractual provisions.

(10) Executive Director until May 11 2005. Base salary reflects payments up until May 2005. Under Allowance and other payments, the total amount received as a lump sum payment of €557 000 (comprising period June 2005 – December 2005) in accordance with contractual provisions.

(11) Executive Director until May 11 2005. Base salary reflects payments up until May 2005. Under Allowance and other payments, the total amount received as monthly payments was €426 000 comprising salary June 2005 – December 2005, also for June 2005 – December 2005 €7 000 benefits and allowances €3 000 in accordance with contractual provisions.

Figures have been translated into euros using the following exchange rate: €1 = £0.6837.

The Summary Financial Statement was approved by the Boards of Directors on 28 February 2006.

A Burgmans
Chairman

P Cescau
Group Chief Executive

Shareholder information

Financial calendar

Annual General Meetings

NV	9.30 am Monday 8 May 2006 Rotterdam
PLC	11.00 am Tuesday 9 May 2006 London

Announcements of results

First Quarter	4 May 2006
First Half Year	3 August 2006
Third Quarter	2 November 2006
Final for Year (provisional)	8 February 2007

Dividends on ordinary capital

Final for 2005 – announced 9 February 2006 and to be declared 8 May 2006 for NV and 9 May 2006 for PLC

	Ex-Dividend Date	Record Date	Payment Date
NV	10 May 2006	09 May 2006	12 June 2006
PLC	17 May 2006	19 May 2006	12 June 2006
NV – New York Shares	10 May 2006	12 May 2006	12 June 2006
PLC – ADRs	17 May 2006	19 May 2006	12 June 2006

Interim for 2006 – to be announced 2 November 2006

	Ex-Dividend Date	Record Date	Payment Date
NV	03 Nov 2006	02 Nov 2006	04 Dec 2006
PLC	08 Nov 2006	10 Nov 2006	04 Dec 2006
NV – New York Shares	03 Nov 2006	07 Nov 2006	04 Dec 2006
PLC – ADRs	08 Nov 2006	10 Nov 2006	04 Dec 2006

Cumulative preference shares NV

	Announced Date	Ex-Dividend Date	Record Date	Payment Date
4%	08 Dec 2006	11 Dec 2006	08 Dec 2006	02 Jan 2007
6% and 7%	08 Sep 2006	11 Sep 2006	08 Sep 2006	02 Oct 2006

Unilever website

Shareholders are encouraged to visit our website, www.unilever.com which has a wealth of information about the Unilever Group. There is a section designed specifically for investors at www.unilever.com/investorcentre

Electronic communications

Shareholders of Unilever PLC can elect not to receive paper copies of the Annual Review and other shareholder documents by registering at www.unilever.com/shareholderservices Shareholders will then be alerted by email to view these documents on our website.

NV shareholders participating in the Shareholders Communication Channel will be able to appoint a proxy electronically to vote on their behalf at the AGM in 2006.

Quarterly results announcements

These are available on our website at www.unilever.com/investorcentre in English, with figures in euros, sterling or US dollars. In Dutch they are available at www.unilever.nl/onsbedrijf/beleggers

UK capital gains tax

The market value of PLC 1.4p ordinary shares at 31 March 1982 would have been 34.58p per share. Since 1982, PLC ordinary shares have been sub-divided on two occasions and consolidated once. Firstly, with effect on 26 June 1987, the 25p shares were split into five shares of 5p each. Secondly, with effect on 13 October 1997, the 5p shares were split into four shares of 1.25p each. Lastly, with effect on 10 May 1999, the shares were consolidated by replacing every 112 shares of 1.25p each with 100 shares of 1.4p each.

Listing details

NV The shares or certificates (depositary receipts) of NV are listed on the stock exchanges in Amsterdam, New York, Frankfurt and Zürich.

PLC The shares of PLC are listed on the London Stock Exchange and, as American Depositary Receipts (each evidencing four ordinary shares of 1.4p each), in New York.

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Designed and produced by Addison Corporate Marketing
Board photography by Jaap van den Beukel
Product photography by The Pack Shot Company
Main photography by Igor Emmerich
Printed by St Ives Westerham Press under ISO 14001 environmental accreditation.
All paper used in the production of this report is recyclable and bio degradable and contains 50% recovered fibre. The paper was manufactured under ISO 9002 and ISO 14001 environmental accreditation.

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