Unilever Q4 2010 Results
February 3rd 2011
Paul Polman, CEO. Jean-Marc Huët, CFO.
James Allison, Head of IR and M&A.
Paul Polman
Chief Executive Officer
Safe Harbour Statement

This announcement may contain forward-looking statements, including ‘forward-looking statements’ within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as ‘expects’, ‘anticipates’, ‘intends’, ‘believes’ 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, economic slowdown, industry consolidation, access to credit markets, recruitment levels, reputational risks, commodity prices, continued availability of raw materials, prioritisation of projects, consumption levels, costs, the ability to maintain and manage key customer relationships and supply chain sources, consumer demands, currency values, interest rates, the ability to integrate acquisitions and complete planned divestitures, the ability to complete planned restructuring activities, 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 20-F Report and the Annual Report and Accounts 2009. 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.
Strong Volume Growth in Difficult Markets

underlying volume growth highest in +30 years

volume share bps change moving average total

+60% of our business is growing or holding value share

source: AC Nielsen/IRI/CCR/Kantar/Intage/Aztec
Broad Based Volume Growth

emerging markets

all of our categories grew volume in 2010
We have Delivered Against our Priorities

**Volume Growth**
- Accelerated

<table>
<thead>
<tr>
<th>Year</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.1%</td>
<td>2.3%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

**Underlying Operating Margin**
- Increased

<table>
<thead>
<tr>
<th>Year</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.1%</td>
<td>0.2%</td>
<td>0.2%</td>
</tr>
</tbody>
</table>

**Free Cash Flow**
- Delivered

<table>
<thead>
<tr>
<th>Year</th>
<th>FY08</th>
<th>FY09</th>
<th>FY10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.4</td>
<td>4.1</td>
<td>3.4</td>
</tr>
</tbody>
</table>

Free Cash flow: net cash flow from operating activities – net interest - net capex
Bigger, Better, Faster Innovation

Innovations now typically go to 30+ markets in under 12 months
Q4 10: Strong Top Line Growth

- **Turnover Q4'09**: €9.7bn
- **Turnover Q4'10**: €10.8bn

**Growth Analysis**:

- **USG 5.1%**
  - Vol/Mix: 5.1%
  - Price: 0.0%
  - Currency: 8.0%
  - Acq/Disp: -1.4%

**Growth**:

- +12% growth
2010: Strong Underlying Sales Growth

- **USG 4.1%**
  - Vol/Mix: 5.8% (-1.6%)
  - Price: 7.3%
  - Currency: -0.5%

- Turnover 2009: €39.8bn
- Turnover 2010: €44.3bn

+11% growth
Bigger, Better, Faster Innovation
Turnover > €50m during year 1

Axe Hair
Signal White Now
P.F. Chang’s
Bigger, Better, Faster Innovation

Clear

Axe New Variants

AdeS
Q4 10: Home Care Innovations

DiG re-launch – China, Turkey

Sunlight re-launch – AACEE
Q4 10: Food Innovations

Café Zero – Western Europe

Season & Shake – UK
Q4 10: Brands into New Markets

Clear – Chile

Dove Hair - China

Proven to heal damage at the heart of your hair.
NEW Dove Intense Repair with Fiber Actives.
Q4 10: Brands into New Markets

**Knorr Soups** - Bangladesh

**Magnum** – United States and Indonesia
Q4 10: Positive in-quarter Price Growth

underlying price growth

Q3 09: -0.2%
Q4 09: -3.1%
Q1 10: -3.3%
Q2 10: -2.0%
Q3 10: -1.2%
Q4 10: 0.0%
2010: Gross Margin Up 10bps

**gross margin bps change by quarter**

- **Q1 09**: -190
- **Q2 09**: -25
- **Q3 09**: 290
- **Q4 09**: 310
- **Q1 10**: 240
- **Q2 10**: 120
- **Q3 10**: -150
- **Q4 10**: -140
2010: Strong Savings Delivery at €1.4bn

Total Savings
€bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Savings</th>
</tr>
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<tbody>
<tr>
<td>2007</td>
<td>1.0</td>
</tr>
<tr>
<td>2008</td>
<td>1.1</td>
</tr>
<tr>
<td>2009</td>
<td>1.4</td>
</tr>
<tr>
<td>2010</td>
<td>1.4</td>
</tr>
</tbody>
</table>

2010 Savings

- Buying Savings: €0.8bn
- Restructuring Savings: €0.4bn
- Regional / Local Initiatives: €0.3bn
Higher, Volatile Commodity Costs

Unilever Commodity Index

Commodities inflation
% increase vs. a year ago

- Palm Oil: 75%
- Sunflower Oil: 60%
- Brent Crude: 40%
2010: A&P Up 30bps

A&P 2010
€5.6bn (*)

+ €330m during 2010

+ €370m during 2009

advertising and promotions bps change by quarter

Q1 09 Q2 09 Q3 09 Q4 09 Q1 10 Q2 10 Q3 10 Q4 10

-110 50 130 240 220 140 -60 -170

Constant currency
2010: Underlying Operating Margin up 20bps

- GM %: 14.8%
- A&P %: -30bps
- Indirects %: 40bps
- 2010: 15.0%
Q4 10: Underlying Operating Margin down 20bps

-140bps

170bps

-20 bps

-50bps

13.0%

2009

GM %

A&P %

Indirects %

12.8%

2010
2010: Double Digit Diluted Earnings per Share Growth

Fully Diluted EPS Growth 25%

<table>
<thead>
<tr>
<th>EPS 2009</th>
<th>Operational Performance</th>
<th>Restructuring</th>
<th>Currency</th>
<th>Pension / Fin Costs</th>
<th>Disposals</th>
<th>Tax / Others</th>
<th>One-off Items</th>
<th>EPS 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>€1.17</td>
<td>7%</td>
<td>10%</td>
<td>7%</td>
<td>5%</td>
<td>3%</td>
<td>5%</td>
<td></td>
<td>€1.46</td>
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</table>

One-off Items 2010:
- M&A one-off items: -€0.02
- Other one-off items: -€0.04
- Disposals: €0.16
2010: Cash Conversion Cycle down 17 days (MAT)

Trading Working Capital % Turnover

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Cash Conversion Cycle</th>
<th>Stocks</th>
<th>Debtors</th>
<th>Creditors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 09</td>
<td>5%</td>
<td>61 days</td>
<td>34 days</td>
<td>91 days</td>
</tr>
<tr>
<td>Q2 09</td>
<td>5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3 09</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4 09</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1 10</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2 10</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3 10</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4 10</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

MAT 2010
- Cash Conversion Cycle: 3 days
- Stocks: 61 days
- Debtors: 34 days
- Creditors: 91 days
<table>
<thead>
<tr>
<th>Component</th>
<th>Value (€bn)</th>
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</thead>
<tbody>
<tr>
<td>Operating profit before depreciation and amortisation</td>
<td>6.3</td>
</tr>
<tr>
<td>WC Change</td>
<td>0.2</td>
</tr>
<tr>
<td>Capex</td>
<td>1.7</td>
</tr>
<tr>
<td>Tax</td>
<td>1.3</td>
</tr>
<tr>
<td>Others</td>
<td>0.1</td>
</tr>
<tr>
<td>FCF 2010</td>
<td>3.4</td>
</tr>
</tbody>
</table>
Balance Sheet

- Net Debt
  - €6.7bn
  - (€0.3bn increase from 2009)

- Pension Deficit
  - €2.1bn
  - (from €2.6bn at end 2009)

- Cash Contributions to Pensions
  - €0.7bn

- Quarterly Dividend
  - €0.208 per NV share
The Environment in 2011

- Difficult environment, particularly in the Developed world
- Emerging market growth continues
- Inflationary pressures and rapid rise in many key commodities
- Expecting a more rational approach in terms of pricing
- Unilever is stronger and better placed to tackle these issues
The Organisation now Aligned

€40bn

€80bn

€44bn

environmental impact
Sharpening the Portfolio through M&A

- **Hair TIGI**
- **Personal Care Sara Lee**
- **Hair/Skin Alberto Culver**
- **Hair T&G**
- **Ice Cream Greece/Denmark**
- **Frozen Italy and Tomatoes Brazil Disposal**
A More Competitive Unilever

volume share up

bps

MAT '09  10

MAT '10  20

highest ever innovation rate

FY 2009  30%

FY 2010  33%
### World Number 1
- Savoury
- Dressings
- Tea
- Ice Cream
- Spreads
- Deodorants
- Mass Skin

### World Number 2
- Laundry
- Daily Hair Care

### Local Strength
- Oral Care
- Household Cleaning

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Number 1 and 2 in more than 80% of the business
~100 Brands into New Markets in 2010
Winning in the Market Place

Oral Care Market Development Model

France

Indonesia

Nigeria
Winning through Continuous Improvement

Global functions now in place

- Supply Chain
- Buying
- Enterprise Support

Better equipped to manage volatile commodities

We are faster, more disciplined, with strong savings programmes and a leaner cost structure
Winning with People

Consumer and Customer Focus

Bias for Action

A New Unilever: Faster, More Confident

Pepsodent Philippines
6 weeks from sign off to on-shelf availability
Unilever Long Term Focus

1. To drive volume growth ahead of the markets

2. Steady and sustainable underlying operating margin improvement

3. Strong cash flow
Questions