

# Unilever Trading Statement Q3 2014

Jean-Marc Huët / James Allison

October 23<sup>rd</sup> 2014



Unilever®



# Jean-Marc Huët



Unilever®



# SAFE HARBOUR STATEMENT



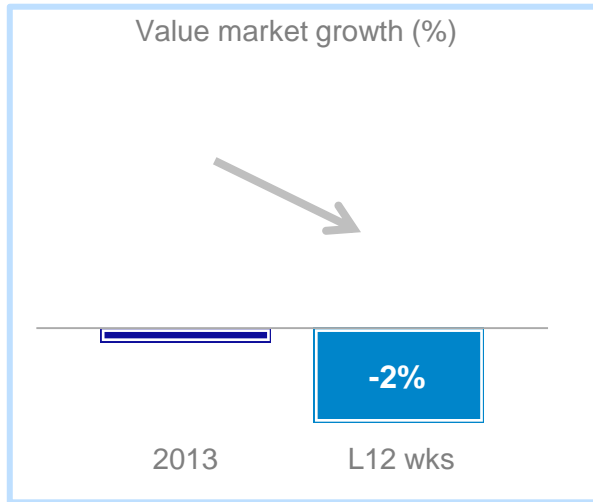
This announcement may contain forward-looking statements, including ‘forward-looking statements’ within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as ‘will’, ‘aim’, ‘expects’, ‘anticipates’, ‘intends’, ‘looks’, ‘believes’, ‘vision’, or the negative of these terms and other similar expressions of future performance or results, and their negatives, are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Unilever group (the “Group”). They are not historical facts, nor are they guarantees of future performance.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Among other risks and uncertainties, the material or principal factors which could cause actual results to differ materially are: Unilever’s global brands not meeting consumer preferences; Unilever’s ability to innovate and remain competitive; Unilever’s investment choices in its portfolio management; inability to find sustainable solutions to support long-term growth; customer relationships; the recruitment and retention of talented employees; disruptions in our supply chain; the cost of raw materials and commodities; the production of safe and high quality products; secure and reliable IT infrastructure; successful execution of acquisitions, divestitures and business transformation projects; economic and political risks and natural disasters; financial risks; failure to meet high ethical standards; and managing regulatory, tax and legal matters. Further details of potential risks and uncertainties affecting the Group are described in the Group’s filings with the London Stock Exchange, Euronext in Amsterdam and the US Securities and Exchange Commission, including the Group’s Annual Report on Form 20-F for the year ended 31 December 2013 and Annual Report and Accounts 2013. These forward-looking statements speak only as of the date of this announcement. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

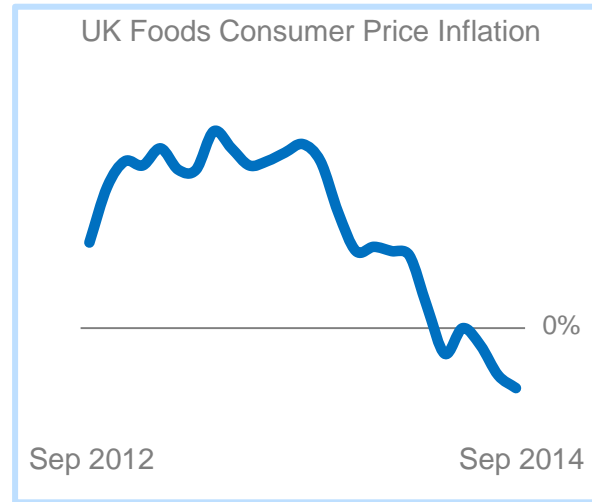
# Developed markets remain challenging



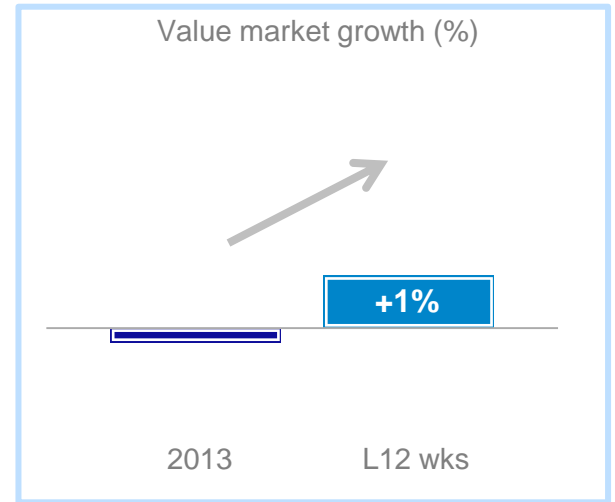
## Europe: market declining



## Pricing deflation in Europe



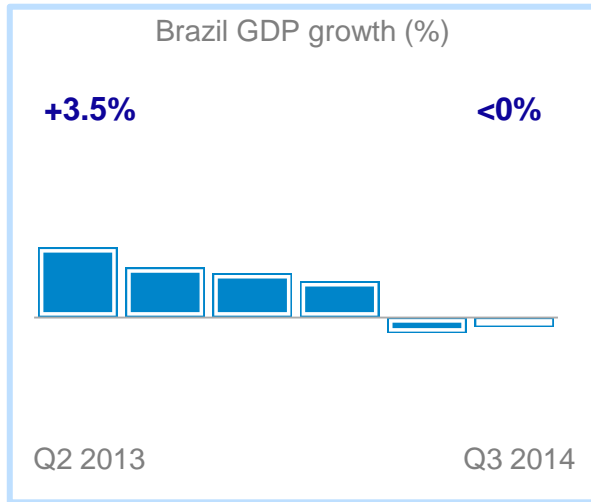
## North America: improving



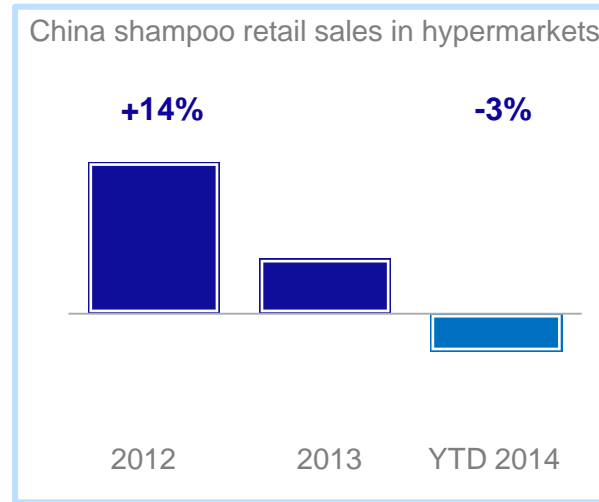
# Emerging markets have slowed even further



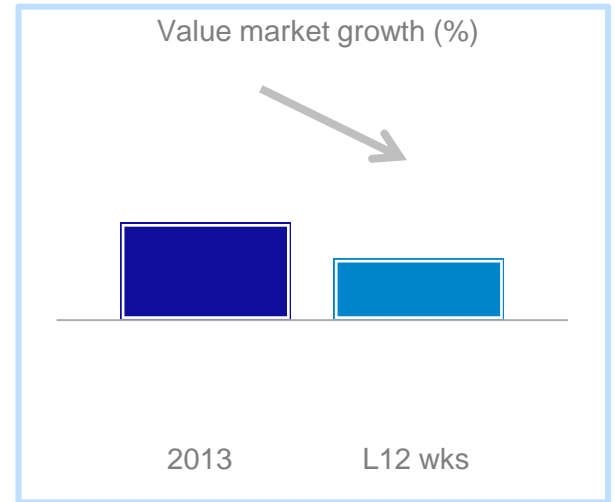
## Slowing economies



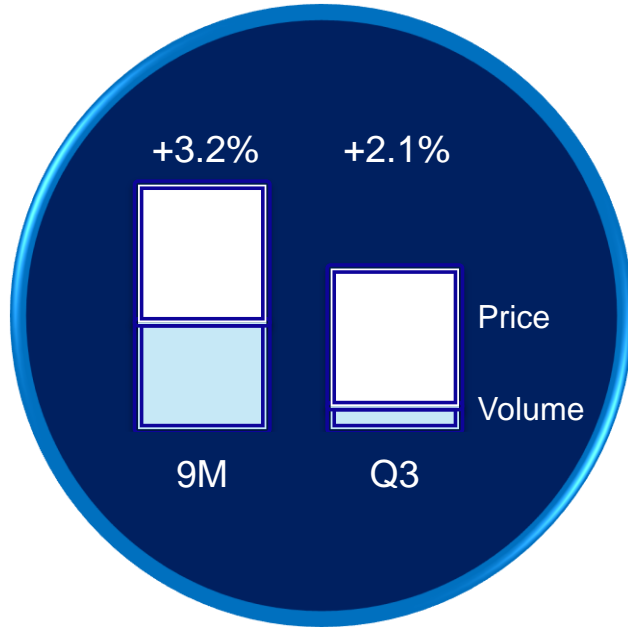
## Lower consumer spending



## Reduced market growth

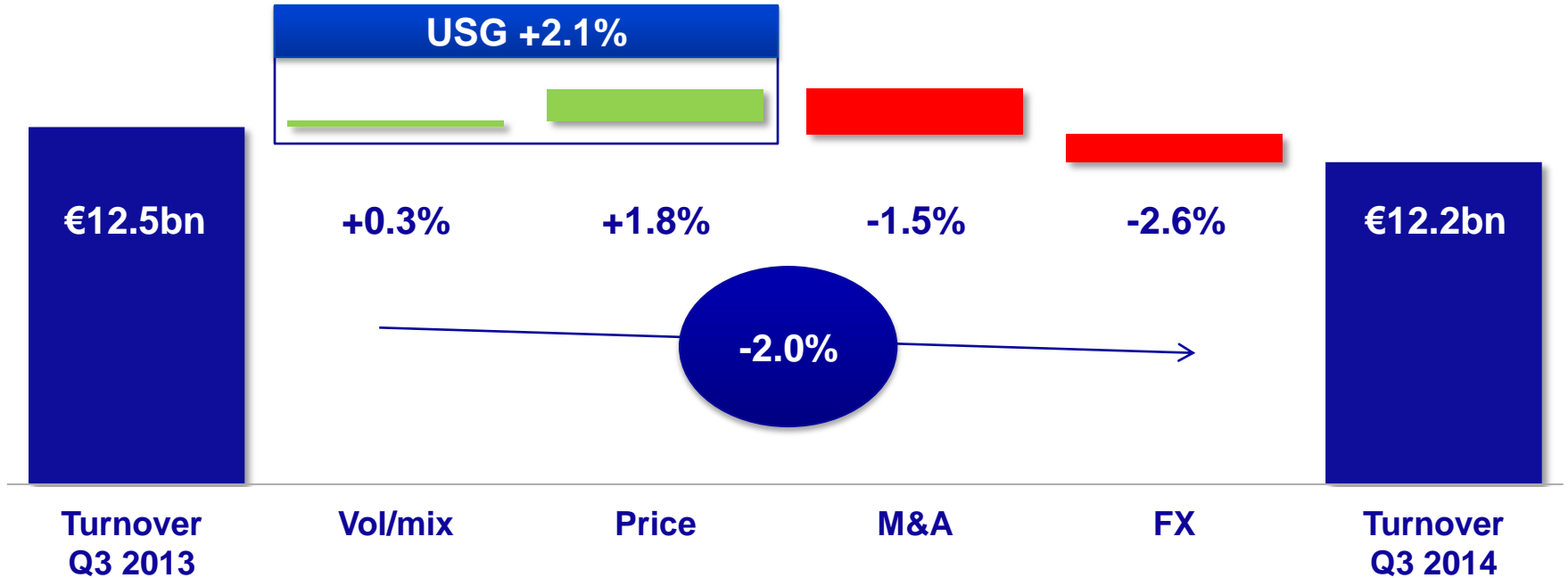


# Q3 2014: Competitive growth but a disappointing quarter



- ❑ Growth ahead of markets (value and volume)
- ❑ Gaining share in 60% of business
- ❑ USG run rate now at 3% adjusting for
  - ❑ Weather in Europe
  - ❑ De-stocking in China

# Q3 2014: Turnover analysis



# James Allison

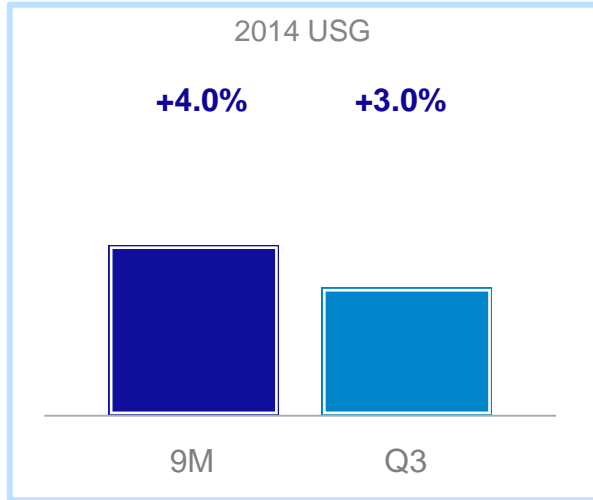




# Personal Care: Broad based growth



## Growth ahead of markets



## Premiumising the core



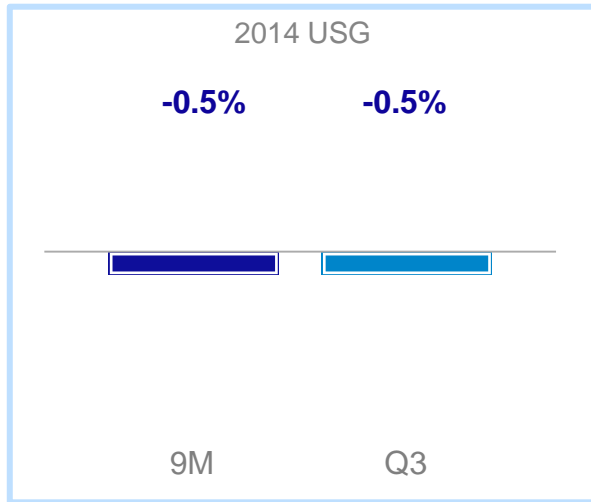
## Combining technology and brand purpose



# Foods: Stable performance



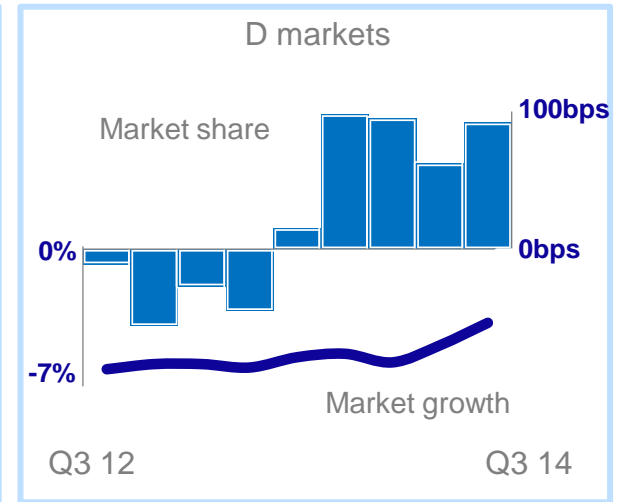
## Broadly stable in weak markets



## Continued Knorr growth



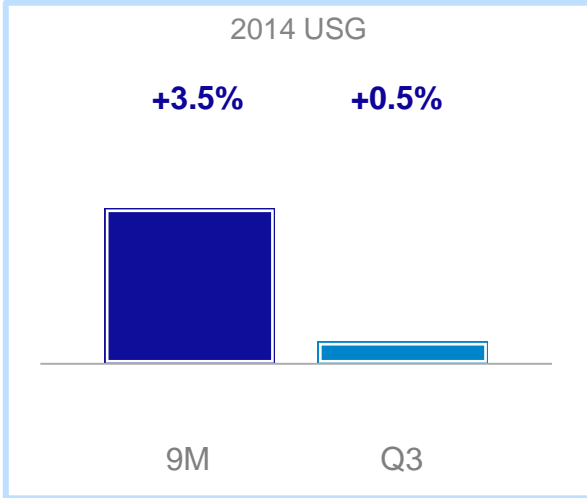
## Margarine decline despite share gains



# Refreshment: Growth ahead of markets



Q3 held back by weak ice cream sales in Europe



Premium segments growing



Ben & Jerry's Core

US tea solid growth

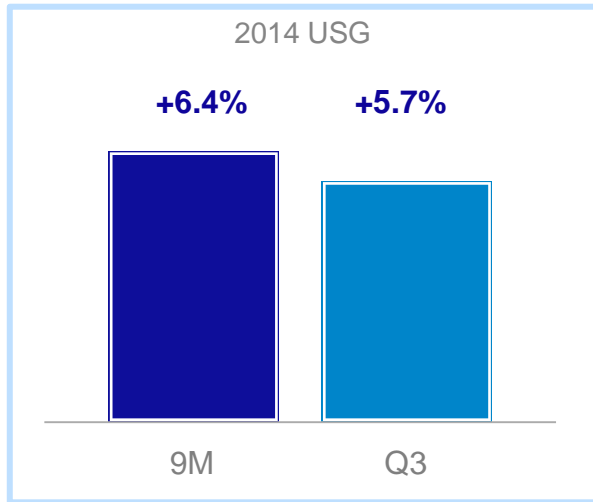


Lipton: #1 tea K-Cup brand

# Home Care: Continued strong growth



## Growth ahead of markets



## Building new segments



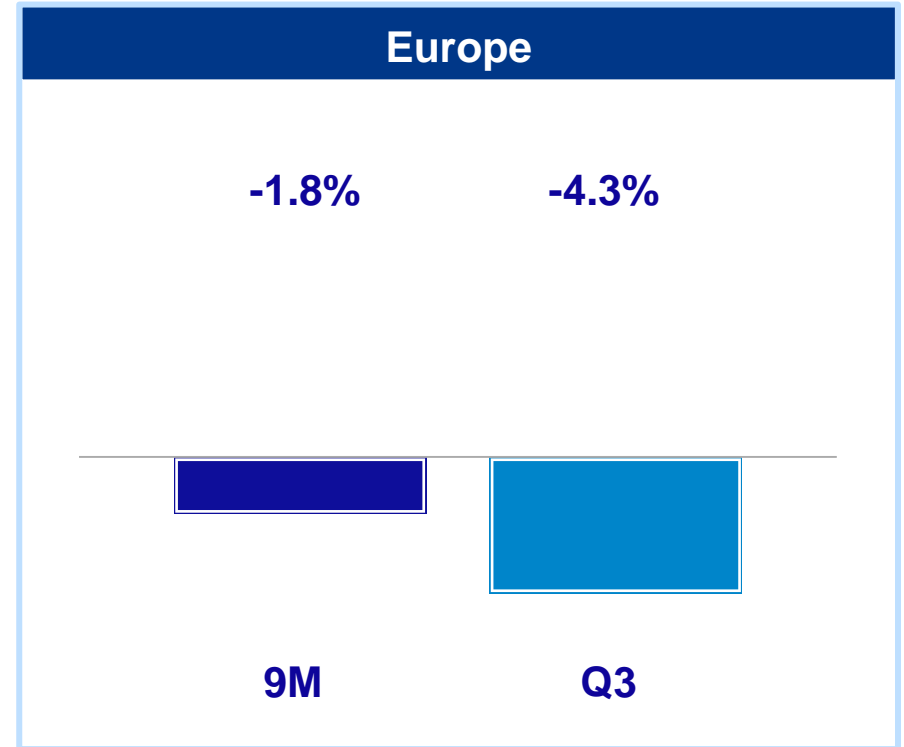
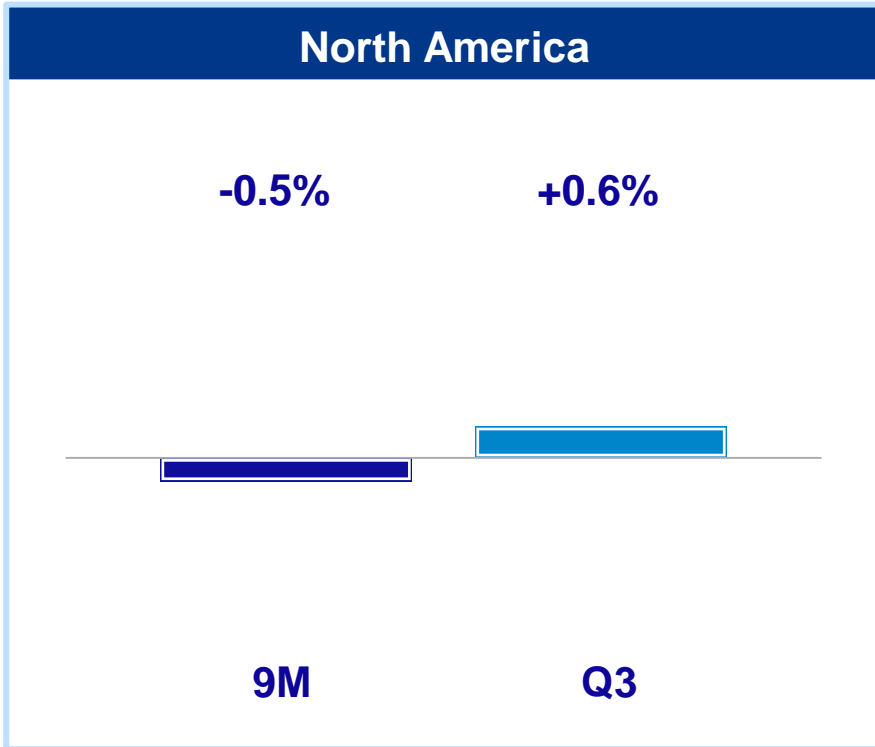
Omo stain removers in Brazil

## Expanding household care

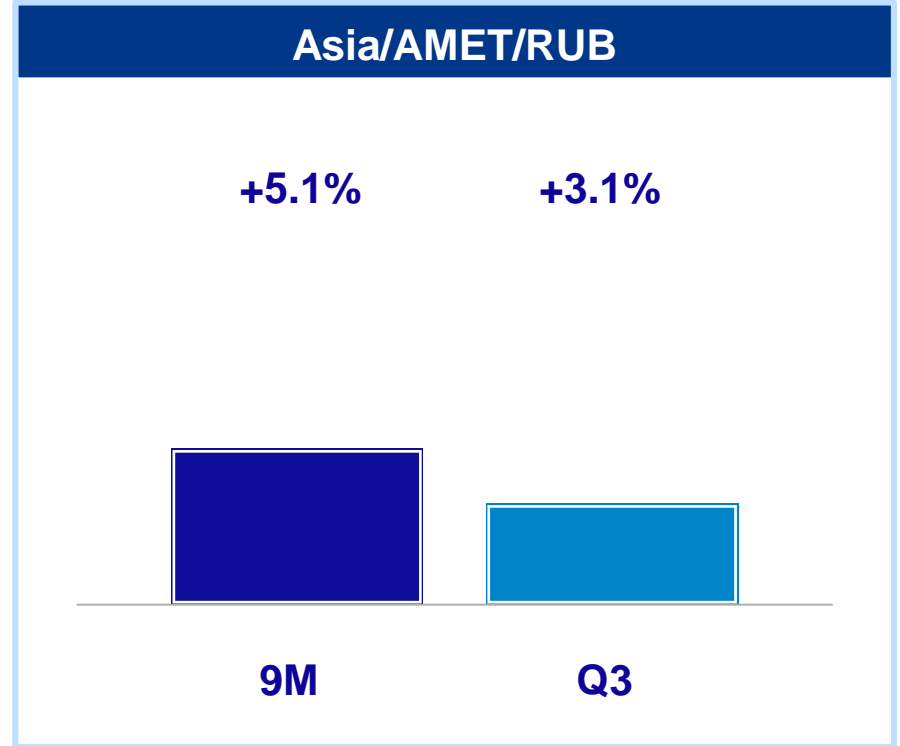
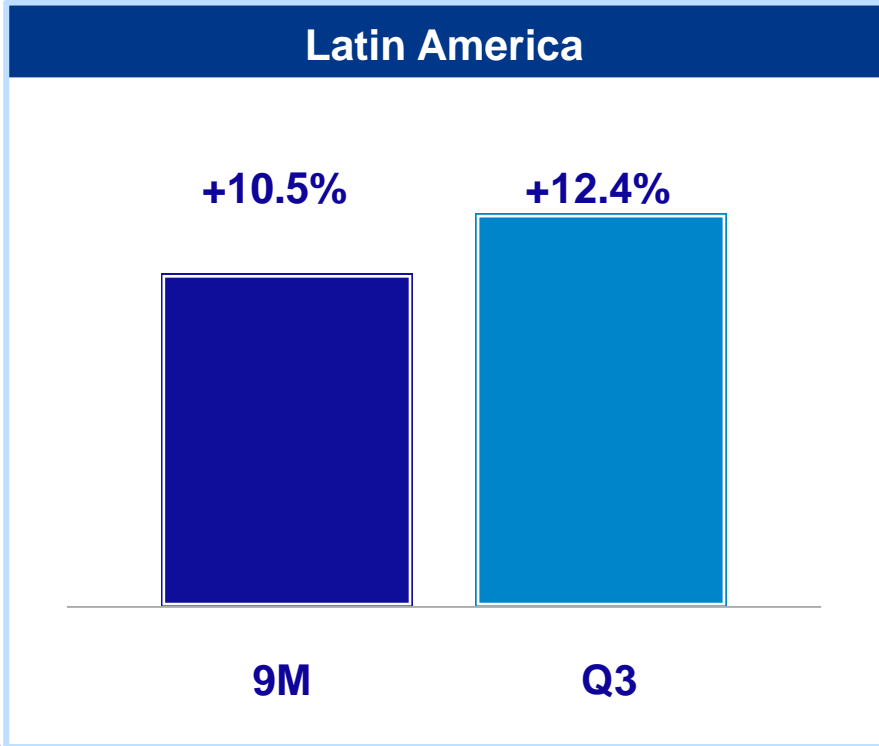


Sunlight Nature in Thailand

# Q3 2014: Developed markets overview



# Q3 2014: Emerging markets overview



# Jean-Marc Huët



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# Pursuing growth opportunities



## Growing premium segments



Maille dressings

## Entering white space



Omo in Saudi Arabia and Gulf

## Improving affordability



1 Euro and 1 Turkish Lira Cornetto



# Accelerating cost initiatives



## Improving productivity

Management and supporting functions

1,400 roles reduced



Productivity

## Project Half on track

Simplification: Project Half

Marketing Fit to Win

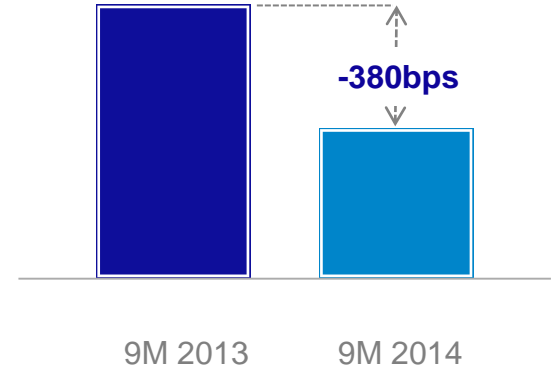
Enterprise Technology & Solutions



€500m savings

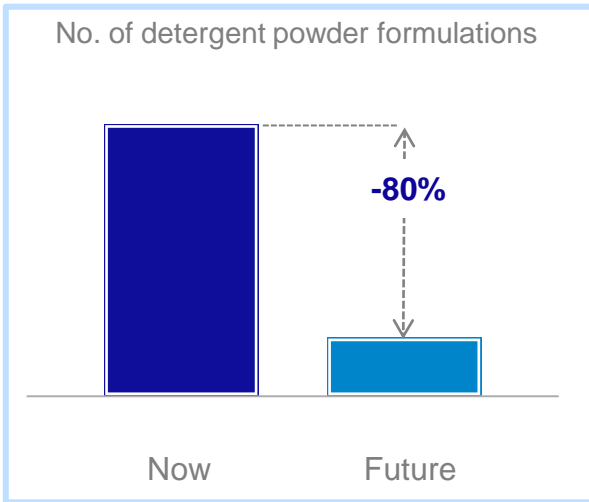
## Improving returns on Brand & Marketing Investment

Non-working media%

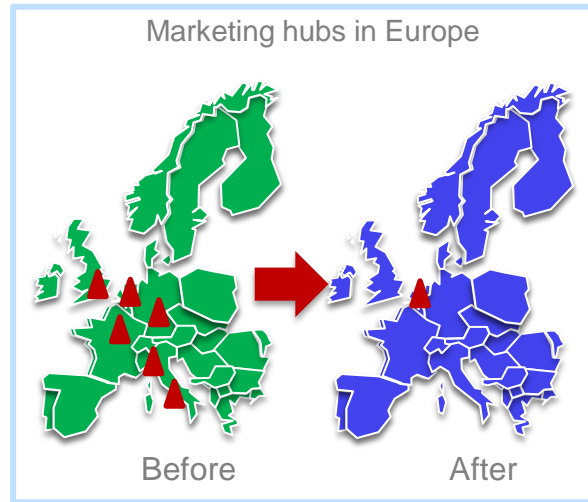


# Enhancing agility

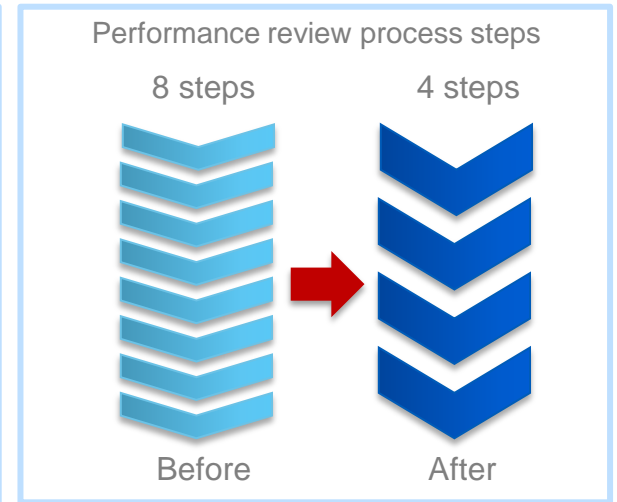
## Harmonisation



## Faster decision making



## Process simplification

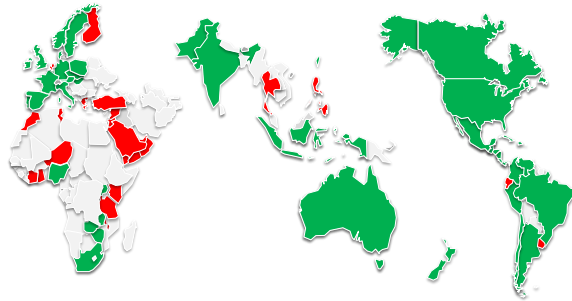


# Applying all the levers of earnings growth



## Financing and pension

Pension exposure



Reduced

Same

No pension

## Tax rate

2014 estimate

25%

## Corporate activities

Leverhulme family :core EPS **+2%\***

India ownership :from 52% to **67%**

Pakistan ownership :delisted

# 2014 objectives



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

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# Full year 2014: Estimated currency overview

