

Annual Review 1993

And Summary Financial Statement

English Version in Guilders



Unilever

The Unilever Group was established in 1930 when the Margarine Unie and Lever Brothers decided to merge their interests, whilst retaining their separate legal identities. Now known as Unilever N.V. (N.V.) and Unilever PLC (PLC) respectively, these are the parent companies of what is today one of the largest consumer goods businesses in the world, with its corporate centre located in London and Rotterdam.

Since 1930, N.V. and PLC have operated as nearly as is practicable as a single entity. They have the same directors and are linked by a series of agreements which have the result that all shareholders, whether in N.V. or PLC, participate in the prosperity of the whole business.

N.V. and PLC are therefore holding and service companies. They have agreed to co-operate in every way for the purpose of maintaining a common policy in every field of operations, to exchange all relevant information with regard to their businesses and to ensure that all group companies act accordingly.

The greater part of Unilever's business is in branded and packaged goods, primarily foods, detergents and personal products. The other major activity is in speciality chemicals.

Contents Directors' Report

- 1** Financial highlights
- 2** Chairmen's statement
- 4** Business overview
- 11** Organisation
- 12** Review of operations
- 26** Financial review
- 30** Directors and advisory directors

Summary Financial Statement

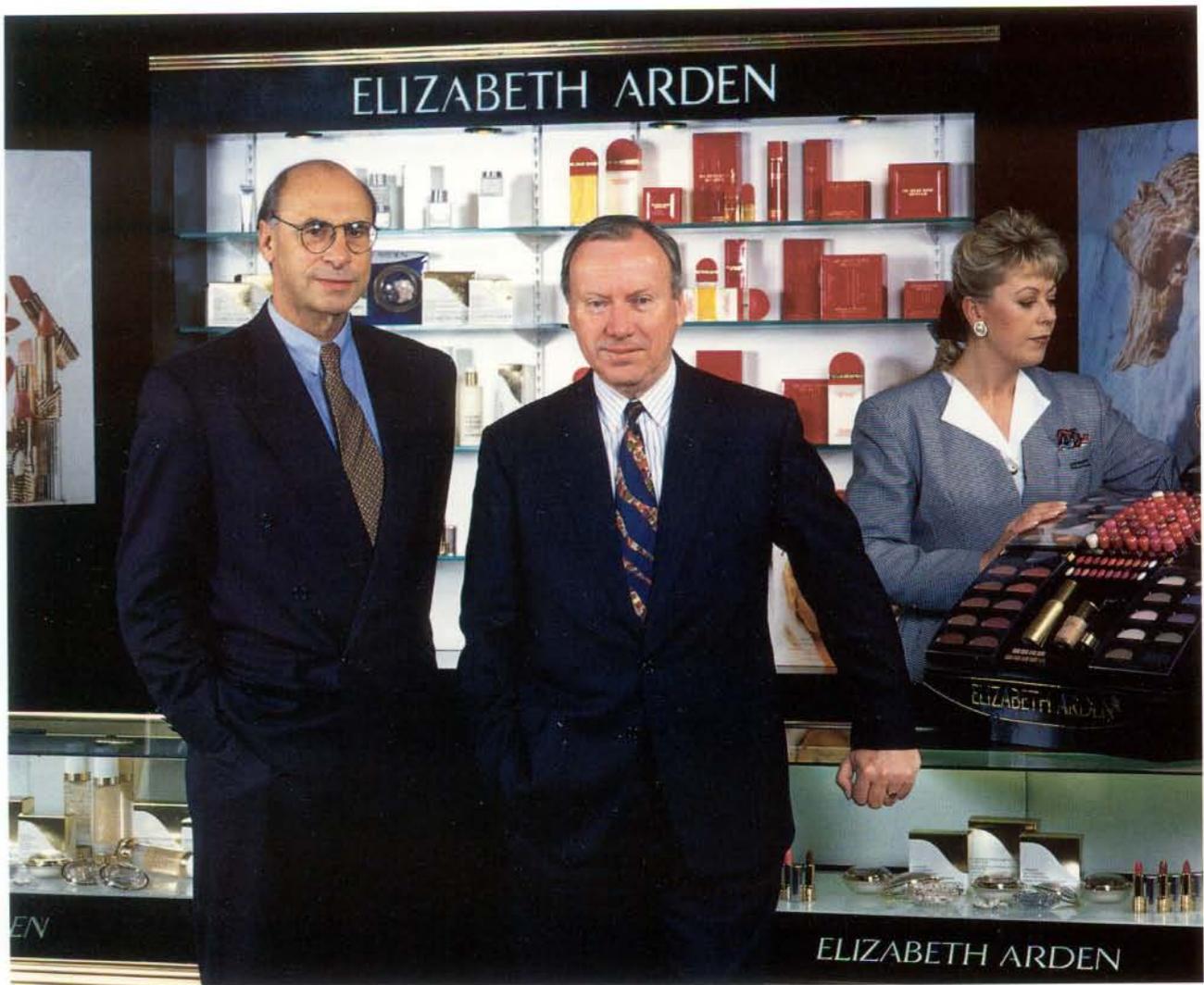
- 33** Introduction
- 33** Dividends
- 33** Statement from the auditors
- 34** Summary consolidated accounts
- 36** **Additional information**

Financial Highlights

	1993 at current rates	1993 at constant rates	1992	% Change at current rates	% Change at constant rates
Results (Fl. million)					
Turnover	77 626	80 929	76 570	1	6
Operating profit	5 397	5 726	6 576	(18)	(13)
Operating profit before exceptional items	6 763	7 130	6 809	(1)	5
Exceptional items	(1 366)	(1 404)	(233)		
Profit on ordinary activities before taxation	5 412	5 701	6 290	(14)	(9)
Net profit	3 612	3 772	4 002	(10)	(6)
Net profit before exceptional items (a)	4 271	4 461	4 154	3	7
Key ratios (a)					
Operating margin before exceptional items (%)	8.7		8.9		
Net profit margin before exceptional items (%)	5.5		5.4		
Return on capital employed (%)	15.5		16.8		
Net gearing (%)	20.6		19.5		
Net interest cover (times)	14.2		14.7		
Combined earnings per share (a)					
Guilders per Fl. 4 of ordinary capital	12.90		14.29	(10)	
Pence per 5p of ordinary capital	69.45		69.14	-	
Ordinary dividends					
Guilders per Fl. 4 of ordinary capital	5.88		5.78	2	
Pence per 5p of ordinary capital	25.03		21.33	17	

Fluctuations in exchange rates have a significant effect on Unilever's reported results. In order to highlight the currency impact, key 1993 comparisons are expressed both at the rates of exchange for the current year (current rates) and also at the same exchange rates as were used for 1992 (constant rates).

(a) For methods of calculation see note on page 36.



Floris Maljers and Sir Michael Perry, Chairmen of Unilever

We ended our review of 1992 on a mildly optimistic note, but forewarned by experience we were at the same time cautious about the prospect of any real improvement in the economic environment. In 1993, the economies of Europe by and large deteriorated, whilst the expected turnaround in the United States was slow to materialise. By contrast, most Asian countries and some in Latin America continued to grow apace.

Four consecutive years of varying degrees of recession in the major economies have intensified competition and made it imperative to operate with the highest level of efficiency in order to protect margins; hence the need for restructuring every year. Because of the

significant structural and technological changes now taking place in our markets, we have recognised in the 1993 accounts the need to accelerate the restructuring process by providing an amount which is significantly in excess of the average of recent years. This is destined in the main to ensure that our companies in Europe and North America remain sharp and competitive in their markets.

Net profit therefore declined by six per cent at constant rates of exchange. However, if we adjust for the effect of exceptional items, at the same constant rates there is an underlying growth in earnings of seven per cent, which we believe represents sound progress in very difficult trading conditions.

Underlying volume growth overall was 1.5 per cent, reflecting the sluggishness of the economies in Europe and North America where some three quarters of our sales are located.

Growth in both volume and profit remained more than satisfactory in the Rest of the World.

Despite a creditable performance in personal products, the overall result in the United States was disappointing. There was hardly any growth in most of our markets, indeed some contracted. Market shares had to be defended, in some cases at the expense of margin, and Lever US lost share in fabric detergents as competition intensified. Restructuring has already been initiated to secure the future of this business.

We continue to withdraw from activities which do not fit with the four core product groups. The sale of the investment in Gamma Holding marks a further step in this process. We anticipate that within two years activities classed as non strategic will account for little more than one per cent of sales.

There are more than enough opportunities to pursue in our core categories, especially as new markets with huge economic potential become accessible. Indeed there are more business building opportunities in hitherto closed markets than can be managed at once, so more than ever we have to set clear priorities. To this end we have sharpened our strategic planning processes in order to concentrate on those product categories and regions which offer the greatest potential for profitable growth. We firmly believe that a strategy of greater focus in the allocation of limited corporate resource will benefit long term shareholder value.

Unilever's strength has always been built on a substantial investment in brands. It is a cardinal principle that in boom or recession investment in underlying research, in product innovation and in marketing support will be consistent, in order to sustain and enhance the recognition and reputation of our brands in the minds of consumers as they exercise choice. Brand equities are the most valuable assets in our stewardship. They are the foundation of past success and the key to the future prosperity of the Group. It is our responsibility to ensure that our brands remain synonymous with quality and

value. Properly managed and supported, they have still greater potential. We believe strongly in the power of our brands as the engine of long term growth.

We have for some years called for the completion of the GATT negotiations and are pleased that agreement has finally been reached. Whatever the Treaty's limitations, it is an important confirmation that trade between nations is preferable to protectionism, a sentiment with which a company which operates worldwide can only concur.

There are no obvious signs that 1994 is going to be the year of economic upturn but we feel that a gradual, albeit uneven, improvement is the most likely scenario. We believe that the action we have taken in attacking the cost base and focusing on selected priorities, together with continuing attention to brands, will lead to accelerating growth in sales and profit.

We have made progress in a difficult year and that is due to the dedication and sheer professionalism of all who work for Unilever. It is our pleasure to thank them for their efforts and achievement.



Floris Maljers



Sir Michael Perry

Chairmen of Unilever

Business Overview

Regional highlights

Europe

Western Europe – Profitability, before exceptional items and at constant rates of exchange, was maintained, even though most economies remained in recession. This performance owes much to the restructuring of our businesses undertaken to benefit from the opening up of the Single Market. We have established European sourcing strategies for many of our categories and these, coupled with an emphasis on low production costs, have enabled us to maintain profitability even where markets are not growing. Although we are well represented in most categories throughout Europe there are still many opportunities to extend our presence, and to this end important acquisitions were made during the year.

In **Italy**, we announced our intention to acquire the Bertolli business which, once completed, will give us leadership in the branded olive oil market. In **France**, we moved to acquire Ortiz-Miko, an ice cream manufacturer with a significant business in France and interests in Belgium. Early in the year we announced a joint venture with BSN for the development of a range of yoghurt and ice cream products.

Central and Eastern Europe – 1993 saw a continuation of our policy of establishing a significant presence in the region for each of our

core businesses. The expansion of our business in **Poland** continued with the acquisition of an ice cream business and in **Russia** we have created a local holding company, UniRus, based in St Petersburg. Negotiations were opened for the acquisition of our first directly owned operation there, a personal products business, also based in St Petersburg, and these were successfully concluded early in 1994.

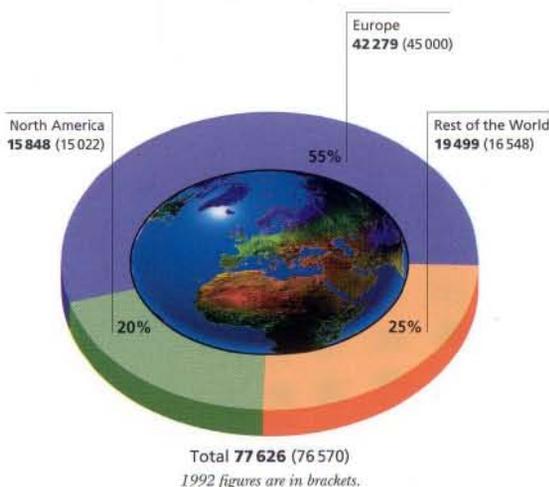
North America

Despite good performances in several businesses, most notably personal products, the overall result in North America was disappointing, with little volume growth and a decline in operating margin.

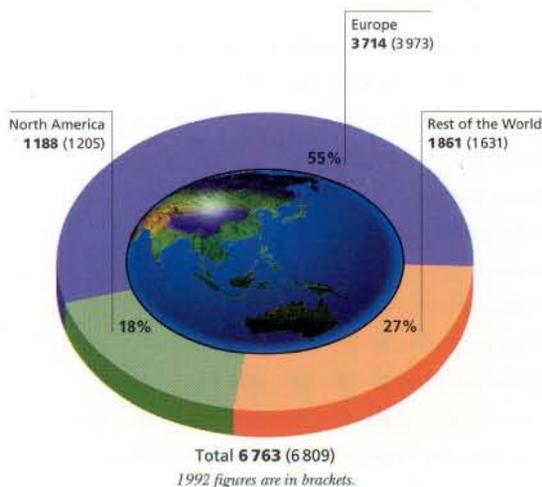
Ice cream made its first significant contribution to the result, helped by the acquisitions made during the year. In January, we completed the purchase of the Klondike ice cream business in the **United States**. This was followed in the autumn by the acquisition of the Breyers and Sealtest business. These acquisitions mean that we are now the leading manufacturer of ice cream in the United States.

Whilst the competitive environment remained fierce in most consumer markets, particularly detergents, the recovery in the United States economy was reflected in improved performances in our industrial businesses towards the end of the year.

Turnover by geographical area 1993
(Fl. million)



Operating profit before exceptional items by geographical area 1993
(Fl. million)



Rest of the World

The countries outside Europe and North America contain the most rapidly growing markets for most of our products and our results in recent years have reflected this. In 1993, the trend continued and both sales and operating profits grew strongly, especially in our detergents and personal products businesses. Our foods operations made considerable progress, assisted by acquisitions and the roll-out of ice cream and tea. As a result of this rapid growth, the Rest of the World now accounts for 25% of total sales and 27% of operating profit before exceptional items.

Africa and Middle East – Unilever has long been established in Africa, originally through our extensive trading operations. In recent years we have sought to switch the emphasis of our business there to our core activities and 1993 saw further progress in this regard. In the Middle East, our strategy has been to establish manufacturing and marketing operations in countries where we have previously been represented only through agencies.

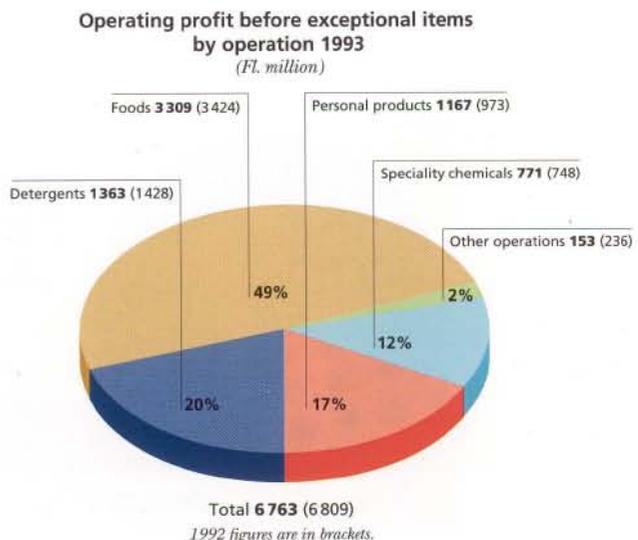
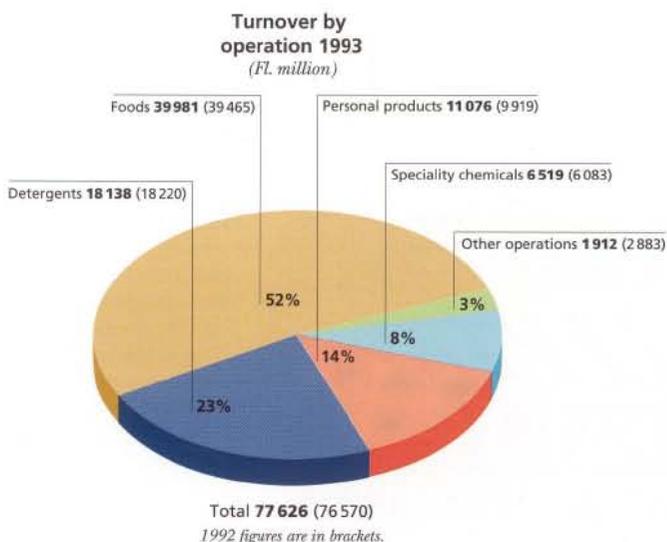
Growth in our core businesses was offset by shortfalls in our trading operations. Profitability advanced, a notable achievement given the difficult trading conditions prevailing in East and West Africa. In **Egypt**, we established Unilever

following an acquisition, and in **Saudi Arabia**, our on-shore joint venture completed its second full year of operations.

Latin America – Our interests have expanded rapidly in this fast growing region. It remains Unilever policy to secure significant representation in all our key product areas in all major countries. In **Brazil**, we completed the acquisition of Cica, Brazil's largest tomato products company. Our business in that country is now one of our largest.

In **Colombia and Venezuela**, we are establishing Unilever Andina, which is designed to take advantage of the growing economic interdependence of the Andean Pact countries. In **Chile**, we acquired two ice cream businesses, establishing a significant market position for the first time.

Central Asia – The continuing liberalisation of the economies in Pakistan and India provided an environment for economic growth and our companies benefited fully. In **India**, our shareholdings in Brooke Bond, Lipton and Pond's were increased to over 50% and we merged the Brooke Bond and Lipton businesses to form the largest food company in India. We acquired the Kissan food business and purchased a frozen desserts business.



Business Overview

East Asia and Pacific – East Asia has a larger proportion of young consumers than any other region and contains the world's fastest growing economies. Our businesses recorded excellent growth over the year. Our objective is to continue to grow our business in all major categories, with a special focus on building operations in **China**. During 1993, we entered into joint ventures for the manufacture of ice cream in Beijing, for tea in Guangzhou and for the construction of a fabric detergent factory in Shanghai. Most significantly we now have a 60% stake in a joint venture with China's largest toothpaste company. These activities mean that we are now actively engaged in seven joint ventures in China, covering most of our key consumer categories. In **South Korea** we re-organised our business interests, and now have full control of a major part of our earlier joint venture. **Japan** recorded strong growth and moved into profit, and we opened negotiations for investment into **Vietnam**.

Reducing costs

The pace of change in technologies and in consumer and competitive behaviour is increasing. This requires companies to become more flexible and more responsive to change, but it also provides the opportunities for companies willing to seize them. Our continuing growth in profitability has enabled Unilever to pursue its restructuring from a position of strength and in 1993 we undertook a major initiative to accelerate this process.

The programme will deliver significant annual

savings when completed. It comprises some 60 separate projects and will lead to a number of site closures and job reductions in management and non-management positions alike. All projects will have been initiated in 1994 and completed by the end of 1996. Opportunities will be sought to redeploy staff to alternative locations, to use natural wastage wherever possible and to offer early retirement or retraining as appropriate. Among the benefits that will result are more flexible and efficient factories capable of supplying a range of products to several distinct markets and improved communication and control systems employing the latest information technology.

Technology and innovation

Our investment in research and development has been steadily rising in recent years in line with sales. In 1993 it was Fl. 1 442 million, equivalent to just under 2% of turnover. Expenditure will rise further in coming years and we shall continue to monitor the benefits to the business from this investment.

The budget is distributed between large central research facilities in the United Kingdom, the Netherlands and the United States, and small development laboratories in over 40 countries throughout the world. Some 9 000 professional staff are currently involved in a broad range of research and development activities covering a wide spectrum of scientific and engineering disciplines. The process of focusing this effort and linking it to the needs of our product

Research and development expenditure (Fl. million)



Investment in research has steadily reduced the fat content of spreads. *Promise Ultra*, launched in the United States in 1993, has the lowest level yet achieved.

management groups continued during the year. This was aided by a formal process of managing innovation, employing teams from Research and Engineering Division and the relevant product management group. Increasingly research and development projects are commissioned by the product management groups to ensure that research is undertaken directly in the service of business priorities. Over and above this, Research and Engineering Division undertakes exploratory research relevant to the medium and long term needs of the product management groups.

A major effort in manufacturing research has been devoted to such areas as process modelling and production technology improvement. The emphasis here has been on reducing the costs of manufacture to ensure that we have the lowest possible costs of production. In addition, unique manufacturing processes are a source of competitive advantage, especially when patented.

An example during the year of the technology advance within one product category is that of our low calorie and low fat spreads. In the first quarter of 1993, *Promise Ultra* was launched with the lowest fat content yet achieved and has been enthusiastically received by consumers.

Other significant launches during the year of products that are the direct result of our research efforts include extensions of the premium skin care ranges offered by Elizabeth Arden, notably *Alpha Ceramides* in the *Ceramides* range. In detergents, further advances were made in concentrated liquids both for household and fabric cleaning. The recent history of the

Alpha Ceramides are the latest addition to Elizabeth Arden's *Ceramides* skin care range. The speed of the innovation process has resulted in a new product launch each year since the range was introduced.

detergent industry has been one of rapid technical innovation and this trend is set to continue.

Advertising and marketing

Competition in the sale of branded and packaged consumer products is intense. It is characterised by the substantial costs associated with the introduction of new products and the promotion of our brands. Our investment in advertising and promotion during 1993 rose to Fl. 9.1 billion.

Throughout the year we followed the deliberate policy of maintaining our investment in countries which are in recession. This policy is designed to ensure that, when recession ends,



Business Overview

our brands emerge with their competitive strengths enhanced.

However, it is the quality of advertising that will help determine brand success. Two years ago we announced a major change to the commission arrangements for our principal agencies whereby they are guaranteed base commissions with additional incentives for excellent work. The proposals are designed to ensure that we consistently receive the best advice and creativity.

Within the business greater emphasis was placed on the development of our brands during 1993. In February, the biennial conference of Unilever's senior executives was devoted to the subject of developing brand equities and the

initiatives developed there will now be applied by our managers worldwide.

Human resources

The skills, imagination and commitment of our employees will determine Unilever's success. It is essential that Unilever attracts, and retains, the best people at all levels.

In recruitment, Unilever operates a policy of equal opportunity and, in recent years, special effort has been devoted to recruiting more women into the business where this is appropriate. The policy has met with success and in many countries an equal number of male and female graduates are recruited into management grades. However, there are still too few women in the higher levels of management. Among the actions to address this issue has been the establishment of management networks of women in the business. In the United Kingdom, a "women in management" manager has been appointed, an initiative which, if successful, we intend to emulate elsewhere.

Continuous training and development is a key priority in securing Unilever's future. As well as formal training, 1993 saw the development of some further initiatives in providing opportunities to staff for self-improvement. These initiatives are essential to respond to changing work practices within most of our operations. Increasingly production and service teams will organise and regulate their own work. This less hierarchical method of working will improve morale but equally will impose on

Mentadent's unique new peroxide and baking soda product in the United States has proved so popular that production facilities have had to be expanded to meet demand.



employees the need for greater self-reliance and self-motivation.

It has long been a feature of our business that a large number of employees are in jobs which have an international dimension. During 1993, there were some 1 600 expatriates from around 45 countries working away from their home country. They play an invaluable role in transferring knowledge, skills and technology around the Group and around the world. Expatriation, however, is becoming more difficult to achieve, especially in Europe and North America where it is common for managers' partners to have careers of their own. It is therefore part of our equal opportunity policy to seek job opportunities for partners of potential expatriates.

The depth of the resource within Unilever's international management team was well demonstrated by our expansion in China. During the year, 80 expatriate managers were recruited from within Unilever, many of whom speak Mandarin or Cantonese. These managers have now formed links with Chinese universities, so as to ensure a supply of national graduate recruits in 1994 and beyond. The development of a highly skilled and well integrated team in China is of central importance to Unilever's success in that country. To this end, extensive training programmes for local employees have been established, with courses on general management, information technology, logistics and marketing.

At the end of 1993 Unilever employed 302 000 people worldwide (1992: 283 000).

Corporate responsibility

In all Unilever's operations, product safety, employee health and safety and environmental care are central elements in the development of company strategy.

It is the responsibility of each company to ensure that Unilever's corporate environmental policy is put into practice. This includes taking an active part in protecting the environment by continuous improvement in the environmental impact of operations, meeting or exceeding the requirements of legislation and responsible consumer opinion, and heightening employees' environmental awareness by suitable training.

During 1993, an Environment Group of senior managers and environmental specialists was created to improve the exchange of best practice and to give greater prominence to environmental activities within our business. Their first task has been to review our existing environmental policy to ensure that it conforms with the International Chamber of Commerce Charter on sustainable development.

Worldwide environmental auditing of manufacturing operations, under the authority of the Director of Research and Engineering, is well established, with an ongoing schedule of visits including both internal specialists and external consultants. Underpinning the audit programme is a comprehensive training scheme to ensure Unilever's personnel remain at the forefront of environmental best practice.

In 1993, there was further development of Unilever's commitment to Life Cycle Analysis.



Business Overview

This involves the evaluation of all aspects of manufacturing and commercial activities, including the purchase of raw materials and components, the manufacture, packaging and consumption of products and the examination of the aggregate effect of all these activities on the environment. This approach is an integral part of the development of Europe-wide environmental standards. Throughout the year, Unilever worked with the Society of Environmental Toxicology and Chemistry (SETAC) in developing the science, practice and application of Life Cycle Analysis.

Construction of a new £10 million Environment Centre was begun in the United Kingdom, to provide for the simulation of a range of waste treatment operations to study the effects of different chemicals on the environment. Due for completion in autumn 1994, the Centre will be available to companies worldwide.

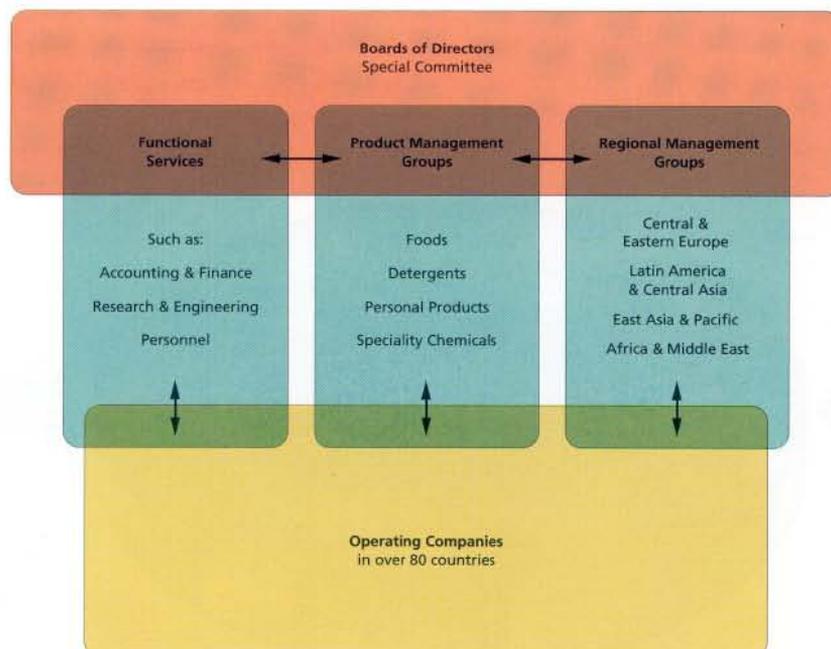
Unilever plays its full part in international bodies concerned with the establishment and maintenance of environmental standards by

industry. It is a founder member of the World Industry Council for the Environment, sponsored by the International Chamber of Commerce.

Unilever companies are closely involved in the communities in which they operate by virtue of the nature of their operations. It is Unilever policy for our companies to encourage their staff to make their own contribution to community life. Indeed the companies themselves are often similarly involved. The exact nature of this involvement depends very much on the society in which the company is operating, as patterns of charitable giving, and social customs, vary greatly throughout the world.

Around the world, Unilever companies support many hundreds of charitable and other philanthropic organisations engaged in work directly relevant to the community. In addition, many of our companies are notable local sponsors of artistic endeavour of all kinds. Encouraging creativity, whether it be in art, music or literature, is a further contribution to the creation of healthy societies.

Unilever's Organisational Structure



Organisation

Unilever's management structure is designed to derive the maximum benefit from international co-ordination of its activities, whilst giving individual companies responsibility for their own operations. The activities of the companies worldwide are co-ordinated by product management groups and regional management groups.

Product management groups

There are four of these, responsible for overall policy for the development, production and marketing of Unilever's products. In the case of foods, three directors are responsible for the performance of our business. Detergents and personal products are each headed by a single Unilever director. All are profit responsible for their businesses in both Western Europe and the United States, and act in an advisory capacity to companies in other parts of the world. Outside the consumer products area, Chemicals Co-ordination has global responsibility for speciality chemicals, again with the objective of ensuring both international and product synergy.

Regional management groups

Consumer products companies outside Western Europe and North America are organised within four regional management groups, each headed by a Unilever director. There are regional management groups for Central and Eastern Europe; Latin America and Central Asia; Africa and the Middle East; and East Asia and Pacific.

Functional services

These are the responsibility of members of the Boards, namely the Financial Director, the Research and Engineering Director and the Personnel Director.

In most countries where Unilever operates, a National Manager is responsible for contacts with local government, social policy, taxation and the provision of services. In North America, the President of Unilever United States fulfils this role.

The Boards of Directors

In addition to their specific operational responsibilities, Unilever's directors are jointly responsible for the conduct of the business as a whole. At present, there are fifteen directors of five nationalities. Each director is a director of N.V. and of PLC. All directors retire annually at the Annual General Meetings of N.V. and PLC and, if eligible, offer themselves for re-election at each Meeting.

The Special Committee

From among the directors a committee, known as the Special Committee, is appointed which comprises the Chairmen of the two parent companies, and, usually, a third member. This Committee is responsible for setting long-term strategies for the Group as a whole and for examining and approving strategies for the individual product and regional management groups and functional services. The Committee monitors the performance of the management groups and functional services and sets overall financial policy. It also approves all major appointments, particularly at subsidiary company chairman level. In performing these functions the Special Committee is responsible to the Boards of Directors as a whole.

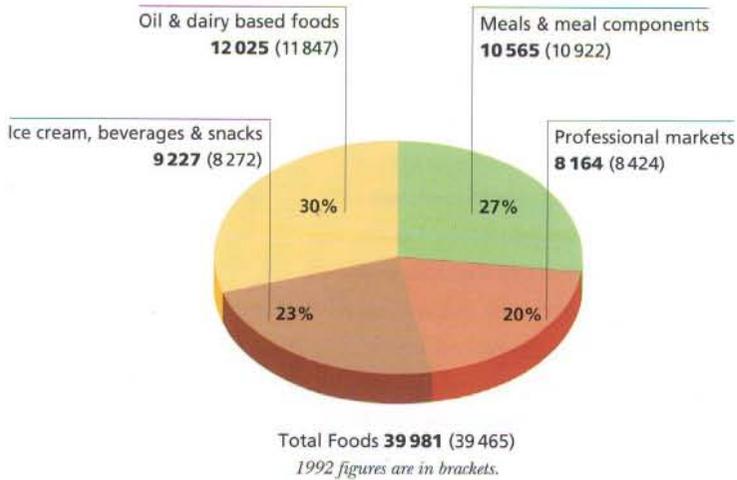
Advisory Directors

A vital factor in the arrangements between N.V. and PLC is their having the same directors. As the concept of the non-executive director, as recognised in the United Kingdom, is not a feature of corporate governance in the Netherlands, and the Supervisory Board, as recognised in the Netherlands, is unknown in the United Kingdom, it is not practicable to appoint non-executive directors who could serve on both Boards. However, a strong independent element has long been provided by Unilever's Advisory Directors. Although not formally members of the Boards, their appointment is provided for in the Articles of Association of both parents, and they perform similar functions to those generally assigned to non-executive directors. There are currently ten Advisory Directors of five nationalities.

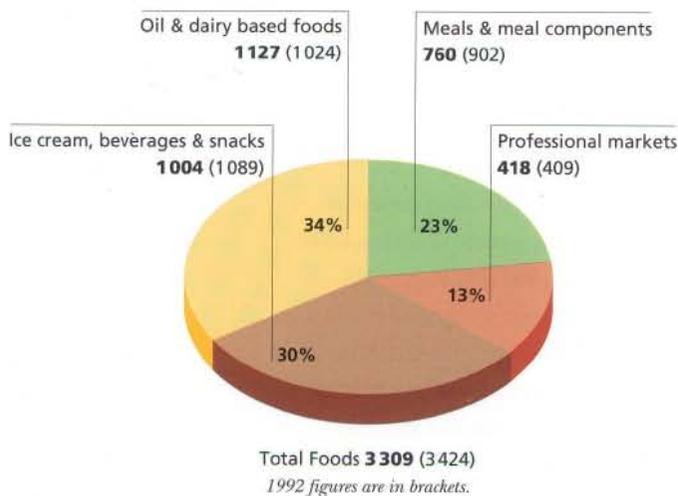
Foods

Over half of Unilever's total business consists of the manufacture and sale of packaged foods and drinks. These operations are predominantly in Europe, although in recent years there has been a considerable expansion of our activities in North America, both from organic growth and through acquisitions. We will continue to grow our established businesses, notably in Southern and Central Europe and the United States, but a key objective is the expansion of our foods businesses in the Rest of the World.

Turnover 1993
(Fl. million)



Operating profit before exceptional items 1993
(Fl. million)



The opportunities are considerable, and embrace products and brands specific to a country or region as well as those which have an international appeal. Among the existing categories in our portfolio well suited for international expansion are ice cream, tea based beverages and our vegetable and tomato based products.

This policy is already being pursued, as evidenced by the high level of acquisitions activity during the year. These acquisitions were concentrated in the product categories and geographical areas where we foresee a potential for rapid and profitable growth.

Our operations are reported under four headings: **Oil and dairy based foods; Ice cream, beverages and snacks; Meals and meal components** and **Professional markets**.

The proportion each of these represents of our total foods business is shown in the charts.

This Review of Operations is based on results at constant rates of exchange and before exceptional items.

Oil and dairy based foods

Unilever is the world's largest producer of margarines and our brand names, such as *Flora*, *Becel*, *Rama*, *Blue Band* and *Promise* are familiar to consumers in countries where bread is a staple food. Other categories in this group include: olive oils and seed oils, sold under various brands including *Dante*, *Gallo* and *Fruit d'Or*; dressings and other sauces such as *Bénédicta*, *Wishbone* and *Calvé*, and cheeses including *Boursin* and *Milkana*.

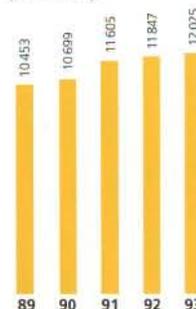
Fl. million	1993 at current rates	1993 at constant rates	1992 at constant rates	% Change at constant rates
Turnover	12 025	12 679	11 847	7
OPERATING PROFIT				
Before exceptional items	1 127	1 185	1 024	16
Operating profit	1 000	1 055	1 013	4

Our oil and dairy based foods business is our largest foods category in terms of turnover and operating profit, both of which advanced in 1993, most notably in the Rest of the World. Continued focus on costs is a major factor in improved operating margins.

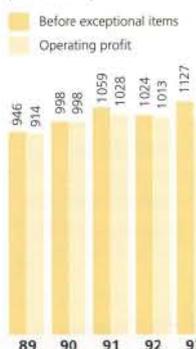
During 1993, the consumer trend to lower fat consumption resulted in a decline in the yellow fats market, particularly in the United States. We more than compensated for this, however, with an emphasis on new products based on market leading technology. As a consequence, our worldwide volume increased.

Market shares for margarines were maintained or enhanced in both Europe and North America, despite evidence of some consumers turning to lower priced alternatives. The policy of

Turnover
(Fl. million)



Operating profit
(Fl. million)



Rama, the long-established number one margarine brand in Germany, has now been introduced throughout Central Europe. *Sana* is the strong market leader in Turkey, while *Blue Band* is well-known internationally.



developing higher added value products, precisely targeted at consumer needs, was well illustrated in Europe by the success of *Yofresh*, a range of products containing yoghurt, in the Netherlands; and *Lätta*, a high quality low fat spread, in Germany. A new refinery was opened at Purfleet, United Kingdom during the summer, representing an investment of some Fl. 110 million.

Central Europe continued to provide growth for our margarine business, with the successful launch of *Rama* in Poland. We have already established market leadership in the Czech Republic, Hungary and Slovakia with this brand.

In the United States, where we are the market leader in margarines, our volumes declined at a much slower rate than the market and we achieved record market shares. This was assisted by a number of innovations, such as the launch of *Promise Ultra*. With this product the consumer is offered a spread which has many of the characteristics of margarine but is virtually fat free.

New technology is being used to improve our businesses in markets outside Europe and North America. For example, we have developed new manufacturing processes for margarines designed to ensure that products maintain the highest quality where distribution is over long distances in hot climates.

Our branded **olive oil** businesses, principally located in Southern Europe, increased volume and profitability, although margins have not yet reached a satisfactory level. Towards the end of 1993 we announced the planned acquisition of the well-known olive oil brand *Bertolli*. This

business has production and marketing operations in Italy and significant sales abroad, most notably in the United States where *Bertolli* is the leading imported olive oil brand. The joint venture we entered into in 1992 with Komili, the largest branded edible oil business in Turkey, performed in line with expectations.

Dressings and sauces recorded good volume growth throughout the period, particularly in Germany, Spain and Italy and overall profit increased. Conditions were more difficult in some other European countries and in the United States, where relatively high costs and strong competition restrained profitability.

Our **cheese** businesses continued to develop satisfactorily and 1993 saw *Boursin* become market leader in its category in France. Profitability increased in Germany as a result of cost reduction. The *Milkana* brand was launched in Egypt, where we foresee considerable growth.

The *Calvé* brand of mayonnaises and sauces is highly successful in the Netherlands and other European countries.

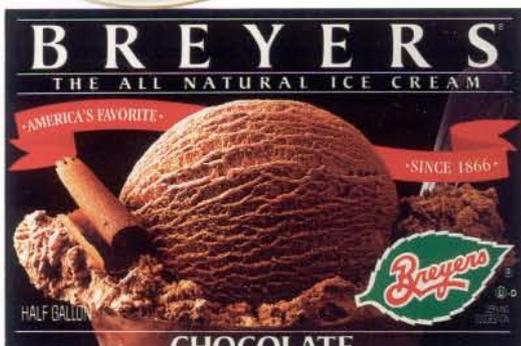


Ice cream, beverages and snacks

Unilever companies are the world's leading producers of ice cream. We manufacture a full range of impulse and take home products. Impulse brands include *Magnum*, *Cornetto* and *Sky* in Europe, and *Klondike* and *Popsicle* in North America. Those for home consumption are *Ranieri*, *Carte d'Or*, *Viennetta* and *Breyers*. Our beverages business is based on tea and offers consumers a wide choice of black leaf tea and specialist teas, instant teas, and ready-to-drink products through the *Lipton* and *Brooke Bond* houses. Our principal products in savoury snacks are *Peperami* and *Bi-Fi*, sold in Northern Europe.



In just five years *Magnum* has been introduced in 32 countries worldwide. In 1993, *Too Good To Be True* was introduced in Australia and Denmark, following success in the United Kingdom. The *Breyers* brand, a 1993 acquisition in the United States, has helped make Unilever market leader in the United States.



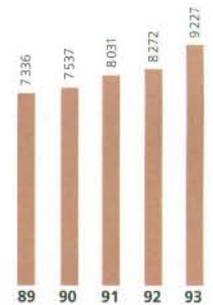
FL million	1993 at current rates	1993 at constant rates	1992	% Change at constant rates
Turnover	9 227	9 721	8 272	18
OPERATING PROFIT				
Before exceptional items	1 004	1 072	1 089	(2)
Operating profit	885	940	1 060	(11)

Ice cream is a high priority growth area for Unilever. It is an expanding consumer market which responds well to strong branding and innovation. During 1993, our core brands were successfully transferred to several new countries. This expansion led to an overall strengthening of our ice cream business, with volumes and profits ahead of last year, despite adverse summer weather in some major European markets. Our acquisitions policy was actively pursued and we announced seven acquisitions in this category.

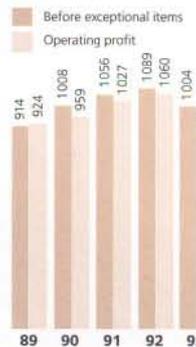
Among our existing brands, *Magnum* grew by 46% during the year, and was rolled out in a further seven markets. It is now available in 32 countries around the world. Of the new products, a notable success was *Too Good To Be True*, the virtually fat free product launched in the United Kingdom last year, which has now been introduced in Australia and Denmark. There is a growing demand for super premium quality ice cream and following its success in Italy, *Ranieri*, a luxury dessert ice cream, was launched in Germany and is now well established there. *Romantica*, a sophisticated ice cream gateau, has been successfully established in Ireland, Italy, Spain and the United Kingdom and will shortly be available across the rest of Europe. In March we signed a joint venture agreement with BSN to develop and market a new combination of yoghurt and ice cream, initially in France and Spain.

The existing market practices for distributing

Turnover
(FL million)



Operating profit
(FL million)



impulse ice creams in certain European countries are the subject of legal proceedings or investigations by regulatory authorities. It is currently impossible to predict whether their outcome will lead to changes in the distribution arrangements widely used in the industry.

In the United States, the Klondike business was acquired and fully integrated with the existing Good Humor business by mid-year. All the synergies expected from this acquisition were realised and by the year end the combined market shares had increased significantly. We followed this success with the acquisition of the Breyers and Sealtest business, which has annual sales approaching US\$ 500 million. This business has a strong position within the market for premium packaged ice cream and represents our first entry into this sector in the United States.

Here too we have moved rapidly to integrate the business with our existing operations.

Elsewhere our ice cream operations are expanding rapidly, both by acquisition and direct investment. During the year, we purchased businesses in Chile and India and we announced a major investment in China, where a new factory will come on stream in time for the 1994 season. Ice cream was also successfully launched in South Africa and the Gulf States.

Our **beverages** category is also a growth area. While the world market for black leaf tea showed only modest growth, the new ready-to-drink formats grew rapidly.

India remains our largest market for black teas and the merger of Brooke Bond and Lipton has provided a larger base from which to develop our operations. The *Red Label* brand was successfully relaunched, whilst the *Taaza* brand improved its share and *Lipton Yellow Label* was launched. In both India and Pakistan, margins and profitability increased. By contrast, our United Kingdom operations experienced an erosion of profits, reflecting a stronger response to the competitive market conditions. In the United States, the market is static but share was maintained, albeit at some cost to margins. Sales are encouraging in new markets, primarily Central Europe and the Middle East, where tea drinking is a feature of daily life.

Ready-to-drink tea is growing rapidly. It is meeting contemporary consumer tastes and creating a new sector of the soft drinks market. In the United States, our joint venture with Pepsico Inc. has established *Lipton Original* and *Lipton Brisk* as major players in this exciting category. *Liptonice* and *Lipton Ice Tea* are now present throughout Europe and have been rolled out into more than thirty countries, including much of East Asia and Australia.



Lipton Yellow Label, shown here from Saudi Arabia, is a market leader around the world and *Liptonice* is fast following in its path as it rolls out internationally.



Meals and meal components

Unilever is a major producer of meals and meal components in several different categories, notably frozen food where *Iglo* and *Birds Eye* are two of Europe's leading brands. Also included are our pasta and meal sauces categories: *Ragú* and *Chicken Tonight*. Other important categories include *Lipton* side dishes, the soups and bouillons *Cup-a-Soup*, *Recipe* and *Oxo* and meat and delicatessen products *Unox* and *Homann*.

A new range of frozen vegetable-based dishes was launched in Germany in 1993 under the well-established *Grüne Küche* brand name. The concept was first introduced in the United Kingdom with the successful *Country Club Cuisine* range.



Fl. million	1993	1993	1992	% Change
	at current rates	at constant rates	at constant rates	
Turnover	10 565	11 113	10 922	2
OPERATING PROFIT				
Before exceptional items	760	802	902	(11)
Operating profit	535	576	860	(33)

1993 saw the implementation of a new strategy for this group. Efforts were concentrated on sourcing, lower costs and a better understanding of consumers. As a result, several new introductions took place and market shares generally were either maintained or improved. This progress was against a background of strong activity from low priced brands and in an unfavourable economic environment.

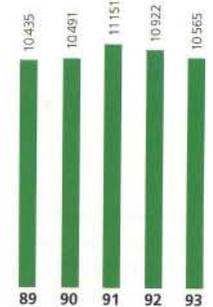
The decline in operating profit mainly reflects shortfalls in our United States sauces operations, due to severe competition, and continuing difficulties in some meat and delicatessen businesses.

Our **frozen foods** businesses are based in Europe. In 1993, they performed well in competitive markets. The product range is increasingly focused on vegetable products, fish and poultry, reflecting the shift in consumer tastes towards a lighter diet.

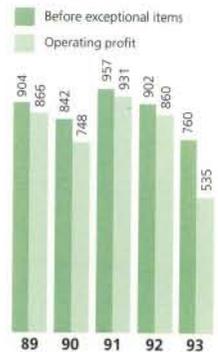
Based on the success of *Iglo Schlemmerfilet* in Germany, we launched *Fish Cuisine*, white fish steaks with savoury toppings, which are now on sale throughout the Benelux countries and in the United Kingdom.

Several innovative poultry products have been introduced in Europe, building on the success in the United Kingdom of *Birds Eye* chicken products under the *Steakhouse* brand. These are an example of providing dishes for home consumption similar to those available in family restaurants. In France, we have launched *Claire*, a range of coated chicken products, and the *Chick Sticks* variety has been extended to Germany.

Turnover
(Fl. million)



Operating profit
(Fl. million)



Country Club Cuisine, a range of vegetable based products, first introduced in the United Kingdom, is being extended as a concept to other European countries, for instance in Germany and Benelux.

Pizza is now a feature of family eating and a new range of frozen pizza has been promoted in Germany under the *Bistro* brand. In Italy, we have introduced *Saffrani*, an artisanal style pizza and *Crossa*, a new fast pizza designed for toasting. During 1993 we extended our manufacturing capacity for pizza in both Germany and Italy.

In **pasta sauces**, 1993 was a year of recovery for *Ragù* in the United States. The market share losses of recent years were in some measure regained and the business ended the year on a stronger note. In Europe, although we were not first to the market, the category performed well. In **meal sauces**, it was a disappointing year in the United States as the momentum of 1992 was not

maintained. *Chicken Tonight* has performed very well, however, in Europe and Australia where it was launched this year.

The Brazilian company Cica is now our second largest business in the **tomato and vegetables** category. The company had a successful year and is now fully integrated into our Brazilian operations. In India, the acquisition of Kissan has given us a strong position in prepared tomatoes and vegetables. These acquisitions mean we are now a leading world manufacturer of tomato products and can apply more effectively our skills in agronomy, product development and marketing.

Our **bouillon** business is concentrated in Europe but we also enjoy market leadership in Egypt and made a successful entry into the Nigerian market.

Conditions remained difficult for several of our **meat** operations, but there was some recovery in the Revilla business in Spain. In **prepared soups**, the *Batchelors*, *Royco*, *Unox* and *Lipton* brands recorded good performances in Europe and the United States.

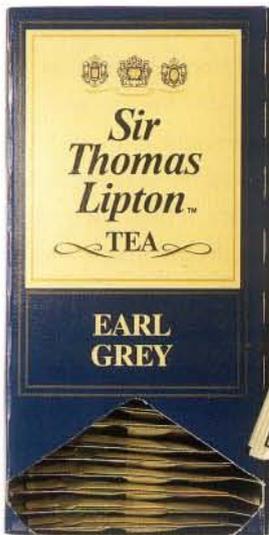
In **chilled prepared foods**, competitive pressure adversely affected our salads business in Germany. Similar pressure was felt throughout our delicatessen operations in Europe, principally from private label manufacturers, who are particularly strong in this category.

Cup-a-Soup, one of Unilever's best known worldwide brands, continues to prove popular; and innovative products like *Chicken Tonight* and *Fish Cuisine* have already met with international success.



Professional markets

Many food categories sold by Unilever in the grocery trade are also offered to professional users of food ingredients and semi-finished products such as bakeries, food service operations and food processing industries.



Fl. million	1993 at current rates	1993 at constant rates	1992 at constant rates	% Change at constant rates
Turnover	8 164	8 377	8 424	(1)
OPERATING PROFIT				
Before exceptional items	418	428	409	5
Operating profit	379	388	441	(12)

In Europe and the United States, we supply a full range of margarines, dressings and ice cream, as well as beverages, soups and portion packs, to the commercial and institutional food service sectors. Another major part of the business consists of bakery fats and materials sold under the *Masterline* name. Frozen bakery products, sweet and savoury confectionery items, as well as partly-baked bread, remain a successful and growing element of our portfolio. The combination of convenience and quality is much appreciated by bakers and food service outlets. Products supplied under the *Bon Vivant* brand include croissants, pastries, American cookies and muffins.

During the course of the year, we acquired three businesses serving the bakery trade in Europe. They were the Meniszez pre-baked bread and frozen dough activities in France, Diamalt's bread ingredients in Germany and Burton Son & Sanders' bakery sundries in the United Kingdom. The acquisition of Bake-Off in Sweden, in late 1992, proved a success.

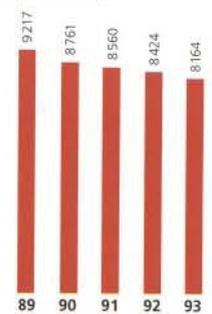
The prolonged recession in Europe has placed severe pressure on businesses supplying the catering trade, as tourism and consumer demand for eating out remained weak. This was clearly reflected in flat volumes; nevertheless, the benefits of increased focus on cost reductions have started to improve profits and margins.

The drive to increase efficiency in our manufacturing operations in Europe has continued. The aim of these changes is to reinforce our competitiveness so that we are well positioned to benefit when the European economies emerge from recession.

In the United States, we saw early signs of economic recovery. Our food service business had a good year, with increased volume, while cost reduction led to improved margins. The bakery products business had a better year but still faces some difficulties.

The fish restaurant chain Nordsee, in Germany, and the family restaurants A&W, operating in Canada, both performed well.

Turnover
(Fl. million)



Operating profit
(Fl. million)



The popularity of Unilever brands like *Boursin* has made portion packs attractive to caterers. Equally attractive to professional bakers is the combination of convenience and quality of the *Bon Vivant* range of frozen bakery products.

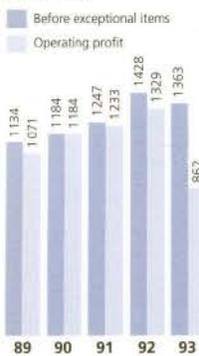
Detergents

Unilever's detergents operations are grouped into four categories: fabric detergents, such as *Omo*, *Skip* and *Surf*; products for personal washing, such as *Dove*, *Lux* and *Lifebuoy*; products which care for the home, including *Cif*, *Jif*, *Sunlight* and *Domestos*; and industrial cleaning products and systems. From its origins in Europe and North America, our business has grown internationally and we have extensive operations throughout the fast growing regions of the world, such as Latin America and South East Asia.

Turnover
(Fl. million)



Operating profit
(Fl. million)



Fl. million	1993 at current rates	1993 at constant rates	1992 at constant rates	% Change at constant rates
Turnover	18 138	18 965	18 220	4
OPERATING PROFIT				
Before exceptional items	1 363	1 473	1 428	3
Operating profit	862	974	1 329	(27)

Our worldwide detergents business increased both volume and operating profit during 1993. Behind this good result lie markedly contrasting performances in the various regions where we operate. There was no growth in the long established markets of Europe and North America, where the trading environment remained fiercely competitive. In contrast, in Latin America, India, Pakistan and parts of South East Asia, we achieved rapid and profitable growth and increased market share. This growth came both from our existing brands and the introduction of advanced products for these increasingly sophisticated markets.

This contrast was most marked in the **fabrics** category. In Europe, the overall market was static and our increased profit principally resulted

from our vigorous rationalisation programme. This programme was undertaken to enable us to take advantage of the creation of the Single Market in Europe and the benefits are now being felt.

In the United States, we lost market share and an already poor result was further affected by the launch costs of concentrated liquid detergents. Thus far this launch, under the brands *Wisk*, *all* and *Surf*, has fallen short of expectations. The performance of our United States fabrics business is unsatisfactory and a major rationalisation of our operations is being undertaken to improve efficiencies.

In contrast to Europe and North America, in the fast growing markets of Latin America and India, our sales of fabric detergents and conditioners grew strongly and we increased both market shares and profitability. A wide range of more advanced products has been introduced, including liquid and micro powder formulations. In South Africa, market share and profitability advanced in a declining market. As part of our policy of extending key brands to new markets, *Omo* has been launched in China, where construction of a major new factory in Shanghai is proceeding. The fabrics operations in India



In 1993, *Sun* was launched in France in a new tablet form for easy use in dishwashing machines.



made a good contribution to the results, as did the Guereño business in Argentina, which was acquired in 1992.

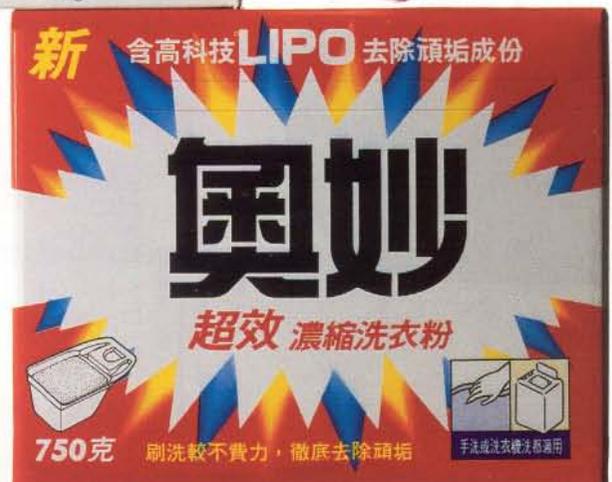
Our **personal wash** business has had an excellent year. *Dove* has now been introduced to over 50 countries and is now the leading toilet bar in Europe. In the United States, the brand retained market leadership in spite of competitive challenges. *Lux* toilet soap remains a very strong brand in many markets, including China and much of South East Asia. Considerable progress has been made in liquid personal wash products, and ranges of liquid soaps and shower gels have been developed by means of brand extension.

A significant announcement during the year was the proposed merger of Hindustan Lever and Tomco, a major producer of soaps in India, which will add brands such as *Haman* and *501* to the portfolio. There is still much potential in the Indian market. *Sunlight* and *Lifebuoy*, two of our longest standing brands, are enjoying great success following relaunches in their principal markets. *Lifebuoy* remains our largest selling soap brand, by volume, in India.

In **homecare**, the trend to specialist high added value products continued. We have benefited from this development by using our established brand names to offer a wider range of products. Micro liquids have been launched in Canada, the Netherlands and the United Kingdom, and *Cif* and *Jif* mousse products are now available in most markets in Europe. Argentina, India and South Africa all recorded markedly improved results in this category. Dishwash is also part of this category and our principal brand, *Sun*, was launched in six South American countries, where the dishwashing machine is becoming a more familiar piece of household equipment.

Unilever's detergents brands include many international names like *Dove* beauty bar, sold in more than 50 countries, *Omo*, seen here from China, and the latest homecare innovation, *Jif* micro liquid.

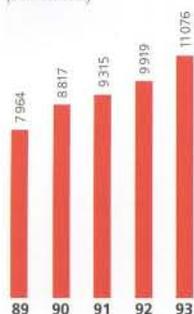
Our **industrial and institutional** detergents companies performed well in markets which are still feeling the effects of recession. We gained market share in Europe and are developing well in various countries in the Rest of the World. We have continued to capitalise on our superior technology to offer our customers a comprehensive cleaning, hygiene and maintenance service. Particularly successful were our innovations providing environmental benefits, such as the new *TASKI* floorcare machine range. Progress was also made with a new beverage hygiene system and a global consultancy for inflight catering accounts.



Personal Products

Unilever is a world leader in the marketing of personal care products. Our major international brands include: *Vaseline* and *Pond's* personal and skin care products; *Signal*, *Pepsodent*, *Close-Up* and *Mentadent* toothpastes; *Sunsilk* and *Timotei* hair care products; *Rexona* and *Impulse* deodorants; and the *Axe* and *Fabergé Brut* men's grooming ranges. We are well represented in prestige cosmetics, skin care and fragrances through the Elizabeth Arden and Calvin Klein Cosmetics businesses.

Turnover
(Fl. million)



Operating profit
(Fl. million)



Fl. million	1993 at current rates	1993 at constant rates	1992 at constant rates	% Change at constant rates
Turnover	11 076	11 244	9 919	13
OPERATING PROFIT				
Before exceptional items	1 167	1 192	973	23
Operating profit	935	939	967	(3)

Personal products has enjoyed an excellent year in all regions, but most notably in North America and the Rest of the World. Significantly, our operations have grown in both volume and profit as we have extended our full range of products throughout the world. By the end of the year, personal products had increased its proportion of Unilever's turnover from 13% to 14% and its proportion of operating profit from 14% to 17%.

Our European operations enjoyed modest growth despite weak demand and strong competition. In North America, the business recorded a good year. This performance demonstrated the success of the last year's restructuring and innovation programme. New trade terms have also facilitated a smoother flow of products to our customers. 1993 was another

year of strong performances from our businesses in Latin America and South East Asia.

Skin care is a rapidly growing category and the revitalised *Pond's* range enjoyed continued success around the world, growing by more than 20%. Additional products are being added to this range, such as the new anti-ageing moisturisers and skin smoothing capsules. In both Latin America and East Asia, the *Vaseline* and *Pond's* ranges had a good year. *Fair and Lovely* strengthened its position as the leading skin care product in India. Male grooming is also growing fast and we are well represented in this sector by *Axe* and the successfully relaunched *Fabergé Brut*.

In the **dental** field in Europe, there were extensions to the *Signal*, *Mentadent* and *Sanogyl* ranges. In the United States, we completed the national launch of a unique peroxide and baking soda product under the *Mentadent* name. This product has met with instant success and our Jefferson City plant has undergone a major expansion to meet demand.

Towards the end of the year, we announced agreement on a joint venture with China's largest toothpaste manufacturer, in which we have a 60% share. The business, which produces more than 550 million tubes of toothpaste each year, owns brands such as *Zhonghua* ("China") and *Maxam*. These are well known to Chinese consumers and *Maxam* is exported to several Asian and African countries. This is an important investment in a significant and rapidly growing market, and has added considerably to our position, not just in China, but in the global toothpaste market.



Product innovation was the principal feature of our operations in **hair care**. *Timotei* continued to grow throughout Europe, helped by the addition of new, functional variants. At the year end, a new range of products was launched in France under the *Mod's hair* name, associated with the renowned French stylists and the salon chain. In India, the successful launch of *Clinic Plus* now makes the *Clinic* brand the market leader. The *Clear* medicated shampoo range was extended to Brazil and Argentina, where our *Sedal* range of shampoos is market leader.

Our number one position in the European **deodorant** category was enhanced by good performances from *Rexona* and *Sure*.

Our leading position in the **prestige fragrance** sector was strengthened during the year by a series of successful launches. *Sunflowers*, a new, light fragrance from Elizabeth Arden, was launched in the United States, as was the new *Fendi* fragrance *Asja*. The continued success of *Elizabeth Taylor's White Diamonds* confirmed its position as a leading perfume in the United States. *Elizabeth Taylor's Fragrant Jewels Collection*, a major extension of the brand, was launched in

North America at Christmas. The new *Valentino Vendetta* fragrances were launched throughout Europe. Calvin Klein Cosmetics continued to be one of our most dynamic companies, with the successful launch of *Escape for Men* in the United States and further expansion into Europe. The company entered the French market for the first time with the launch of *Eternity*.

In **prestige skin care**, Elizabeth Arden products had another successful year and the *Ceramides* skin care range grew by 20%, assisted by the launch of *Ceramide Cream*.

Opposite: *Organics* is an innovative new range of hair care products introduced in Thailand. *Pond's Performance* capsules were among the successful new additions to the *Pond's* skin care range, which achieved 20% growth in 1993.

In prestige fragrances, 1993 saw the launch of Calvin Klein's *Escape for Men* and *Elizabeth Taylor's Fragrant Jewels Collection*. Elizabeth Arden's *Lip Spa* continued to build on its international success.



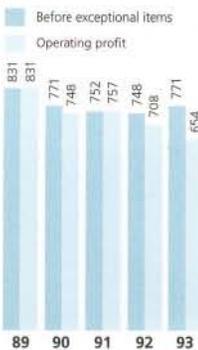
Speciality Chemicals

Unilever is a major manufacturer of speciality chemical products for a wide range of markets and applications, of which foods, detergents and personal products are the largest. The range of products is broad, covering adhesives, speciality resins and starches, fragrances, flavours and food ingredients. Also included are oleochemicals, silicates and silicas, speciality fats and medical diagnostics. The constituent businesses are managed on a global basis.

Turnover
(Fl. million)



Operating profit
(Fl. million)



Fl. million	1993 at current rates	1993 at constant rates	1992 at constant rates	% Change at constant rates
Turnover	6 519	6 603	6 083	9
OPERATING PROFIT				
Before exceptional items	771	775	748	3
Operating profit	654	654	708	(8)

The progress of our speciality chemicals business during 1993 was encouraging despite the adverse effect on results of economic conditions in a number of markets we operate in, notably Europe. The growth in profits largely benefited from the improvement in the United States economy. We continued to take measures to reduce costs, including some rationalisation of capacity and withdrawal from products and markets where there was little chance of profitable growth.

The performance of our largest business, **National Starch and Chemical**, which has its headquarters in the United States, improved in line with the economic recovery there. The company's principal businesses are adhesives and speciality starches and resins. The improvement in the United States was strongest in resins, but

adhesives and starch also increased both volumes and profits compared to the previous year. In Europe, by contrast, sales were weaker, especially in adhesives, with little sign of improvement by the year end. The business in Asia saw strong growth, and continues to reinforce its position to take full advantage of the considerable potential of this market. In South America, acquisitions in Argentina and Chile have helped to strengthen our position and establish critical mass in this increasingly important region.

Quest International manufactures flavours and ingredients for the food industry and fragrances for the household and personal product markets. Despite the generally unfavourable economic conditions in Europe, where half of its sales are made, the business has shown a marked improvement over 1992, with the fragrances division performing particularly well. Worldwide growth of sales into branded fine fragrances, together with some significant new commissions for consumer products, contributed to the improvement. The performance of the flavours

The *Clearblue One Step* home pregnancy test is sold in more than 50 countries worldwide and continues to increase its market shares.

NEW IMPROVED EASIER TO READ

CLEARBLUE ONE STEP

THE SIMPLEST HOME PREGNANCY TEST

RESULTS IN 3 MINUTES - TEST ANYTIME OF DAY

TWO TESTS

Other Operations

and food ingredient businesses was constrained by the European recession, but improved in the United States.

Unichema International, our oleochemicals business, has a European bias to its sales base, with consequent pressure on performance from the recession. Although there were encouraging developments in the sales of speciality products in North America and the Asia/Pacific region, the business has yet to show signs of an overall recovery.

By contrast, recovery at **Crosfield**, our silicates and silicas business, was reflected in increased profits following extensive restructuring and business rationalisation and good performances from speciality silicates and silica gels towards the end of the year.

Adverse market conditions, including severe price pressure, made this a difficult year for **Loders Croklaan**, our speciality fats business, and profitability declined.

For **Unipath**, our microbiological testing and medical diagnostic business, however, 1993 was a successful year with good operating profit growth. The *Clearblue* home pregnancy testing product has continued to grow its volumes and market shares.

Plantations

Our plantations and plant breeding operations, which were successfully integrated as one Plantations and Plant Science Group based in Cambridge, United Kingdom, last year, enjoyed a highly successful first year of operation.

Improved tea and palm oil prices helped them achieve higher than targeted results. Our strategy is to concentrate on tea and oil palm estates and, as a consequence, our interests in sisal and coconut oil were sold in 1993.

Trading activities

The West African textiles business was affected by a reduction in purchasing power in Nigeria and Côte d'Ivoire. The technical distribution business improved its performance over the previous year, as the intensity of recession eased in the construction industry. The breweries businesses, in which we hold a minority stake, had another good year despite political uncertainties in Nigeria, their main market.

National Starch and Chemical strengthened its performance in the United States, Asia and South America in 1993, while Quest International's flavours and fragrances business achieved a marked improvement over 1992.



Financial Review

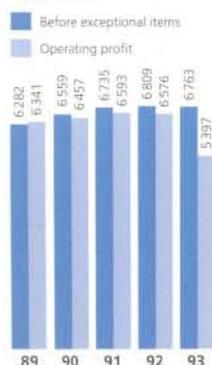
Unilever publishes its accounts in two currencies, guilders and pounds sterling. Fluctuations in exchange rates can cause trends to differ markedly in the two reporting currencies.

The figures quoted in this Financial Review are in guilders at current rates of exchange except where otherwise stated.

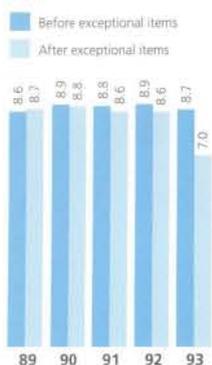
Turnover
(Fl. million)



Operating profit
(Fl. million)



Operating margin
(%)



Results

The 1993 results when compared to 1992 were particularly influenced by the changes which occurred within the European Exchange Rate Mechanism. These had the effect of reducing 1993 profits in guilders and increasing them in sterling.

Against a background of varying economic conditions in different regions, turnover increased by 1% to Fl. 77 626 million, whilst operating profit fell by 18% to Fl. 5 397 million. At constant rates of exchange, turnover increased by 6% and operating profit declined by 13%.

Within operating profit, exceptional items, mainly restructuring costs, increased from Fl. 233 million in 1992 to Fl. 1 366 million in 1993, as part of our ongoing efforts to improve efficiencies and take advantage of new technologies. Before exceptional items, operating profit grew by 5% at constant exchange rates. An analysis of performance by region and by product group is given in the Business Overview and Review of Operations on pages 4 to 10 and 12 to 25 respectively.

Acquisitions during the course of the year contributed Fl. 2 130 million to turnover and Fl. 177 million to operating profit. These included the change to subsidiary status of former associated companies in India. In 1992, subsequently discontinued agribusiness operations accounted for Fl. 757 million turnover and Fl. 25 million operating profit.

A new United Kingdom accounting standard (FRS 3) on reporting financial performance has been adopted in our 1993 Accounts. In accordance with the standard, certain types of

exceptional items are shown separately in the profit and loss account after operating profit and before interest. These non-operating exceptional items amounted to a profit of Fl. 245 million in 1993, comprising Fl. 94 million profit on disposal of properties and Fl. 151 million profit on sale of fixed investments. The largest element was the profit on the sale, towards the end of the year, of our remaining interest in Gamma Holding N.V., a textiles company in the Netherlands.

Net interest costs were lower at Fl. 409 million. At constant exchange rates, the average level of net debt during the year was similar to that in 1992, thanks to its lower level in the early part of the year. Average interest rates were however slightly higher, because of fluctuations in the geographic spread of borrowings, which were lower in the United States, but higher in Central Europe and Latin America where major investment is under way. Net interest cover, after exceptional items, decreased from 14.7 times to 14.2 times.

The taxation charge on current year profits as a percentage of profit before taxation was 35.1% compared to 36.7% in 1992. The overall effective tax rate is dependent on many factors, including the level of dividends from subsidiary companies, available tax reliefs in the various countries in which Unilever operates, and the geographic mix of profits. There were tax rate changes in 1993 in several countries, the most important being a reduction in Germany. Non-taxable profits were also higher and, in addition, there were higher tax credits relating to previous years arising from the settlement of prior years' tax liabilities and adjustments to deferred tax provisions.

Minority interests' share of net profits increased from Fl. 162 million to Fl. 184 million, owing to company amalgamations and the purchase of additional shareholdings which together resulted in a number of former associated companies becoming subsidiaries.

Net profit after exceptional items decreased by 6% at constant exchange rates. However, the

guilder's annual average exchange rate appreciated by a weighted average of 4% against all other Unilever currencies between 1992 and 1993, rising 11% against sterling, but falling 6% against the United States dollar. Consequently, net profit and earnings per share at the average exchange rates current in each year were down 10% in guilders.

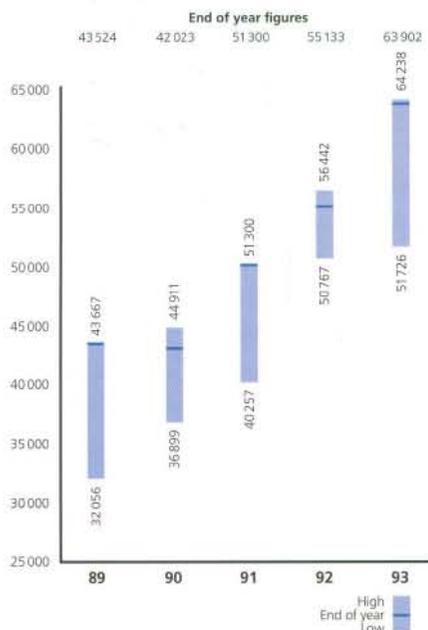
Dividends and market capitalisation

Dividends paid and proposed for the year on ordinary capital amounted to Fl. 1 494 million, an increase of 3%, in line with the growth in net profit before exceptional items and reflecting Unilever's stable dividend policy. The ratio of dividends to profit attributable to ordinary shareholders increased to 41.5% from 36.4% in 1992.

Profit of the year retained was Fl. 2 103 million.

Unilever's combined market capitalisation at 31 December 1993 was Fl. 63.9 billion, compared to Fl. 55.1 billion at the end of 1992.

Combined market capitalisation
(Fl. million)



Balance sheet

The impact of exchange rate movements on the balance sheet was less significant than on the profit and loss account and much lower than in 1992. Between the two balance sheet dates, the guilder strengthened against most other European currencies, but eased 4% against sterling and 6% against the United States dollar. This resulted in a currency gain in guilders of Fl. 105 million on the retranslation of net assets held in other currencies.

Unilever changed its accounting policy in respect of post-retirement health care benefits in 1993 in order to recognise the costs over the service lives of current employees entitled to benefit. A once-off charge of Fl. 602 million, net of deferred taxation relief, was made to profit retained to recognise the accrued liability at 1 January 1993.

After taking into account currency movements, the change in accounting policy and a net goodwill write-off of Fl. 752 million on acquisitions and disposals of businesses, total profit retained increased by Fl. 854 million to Fl. 12 318 million. Total capital and reserves increased by 7% to Fl. 13 504 million.

Cash flow

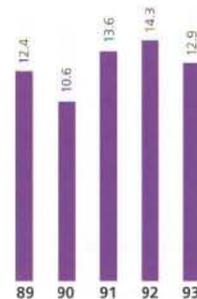
Strong emphasis continues to be placed on cash generation.

Cash flow from operating activities was Fl. 7 943 million compared to Fl. 8 334 million in 1992. 1993 saw an increase in working capital, after three successive years of reduction, which resulted in a cash outflow of Fl. 629 million compared to an inflow of Fl. 237 million in 1992.

After dividend payments of Fl. 1 593 million (1992: Fl. 1 499 million), net interest payments of Fl. 480 million (1992: Fl. 603 million) and taxation payments of Fl. 1 482 million (1992: Fl. 1 785 million), cash flow before investing activities was Fl. 4 447 million (1992: Fl. 4 536 million).

Capital expenditure rose significantly

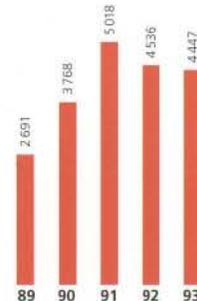
Earnings per share
Guilders per Fl.4 of
ordinary capital



Dividend per share
Guilders per Fl.4 of
ordinary capital



Net cash flow before investing activities
(Fl. million)



to Fl. 3 830 million, the largest increases occurring outside Europe and North America. Capital projects totalling Fl. 4 060 million were approved during the year, including major investments in foods in the United States, Australia, China, Pakistan and Chile, in detergents in Saudi Arabia, in personal products in the United States and in the construction of a new foods research laboratory in the United Kingdom.

A total of 24 businesses were acquired during the year, of which the largest were the Cica foods business in Brazil and the Breyers and Sealtest and Klondike ice cream businesses in the United States. This gave rise to a cash outlay on acquisitions of Fl. 1 624 million. Proceeds from disposals of Fl. 132 million were much lower than in 1992 (Fl. 1 239 million), which included the majority of the proceeds from the disposal of the 4P packaging group.

Towards the end of 1993, Unilever announced that it had reached agreements to acquire the Bertolli olive oil business in Italy and Ortiz-Miko, an ice cream and frozen foods company in France. Both agreements have now been approved by the relevant authorities and, subject to completion, will affect cash flow in 1994.

Net debt (borrowings less cash and current investments) at the end of the year was Fl. 3 898 million, an increase of Fl. 517 million compared to the end of 1992. The largest rise occurred in the Rest of the World. Net gearing increased marginally to 20.6% from 19.5% at the end of 1992.

Unilever's net debt fluctuates with the seasonality of the business, typically reaching a peak around the middle of the year. In 1993, it rose to Fl. 5 524 million at the end of June, as a result of dividend payments, borrowings to fund acquisitions and seasonal cash outflows during the first half of the year.

Finance and liquidity

Unilever enjoys a strong financial position, which assists our access to the major global debt markets and minimises the cost of borrowing. The result is a diverse funding base and flexibility in our borrowing activities.

Unilever finances its operating subsidiaries through a mixture of retained profits, bank borrowings and loans from parent and finance companies.

Long term borrowings decreased by Fl. 417 million to Fl. 4 230 million. Bonds and notes totalling Fl. 508 million were repaid on maturity during the year, and Fl. 195 million of sterling unsecured loan stock was retired early to take advantage of the fall in long term interest rates in the United Kingdom. Fl. 279 million of new finance was raised through the issue of a sterling Eurobond at 7% for 5½ years.

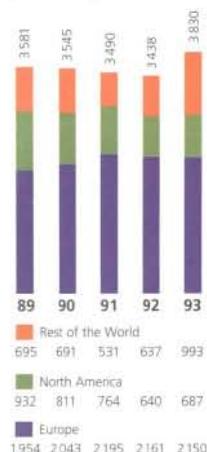
On 13 January 1994, Unilever repurchased Fl. 784 million of preference shares in a group company which it had contracted to buy back on that date.

The international bond markets are our main source of long term debt. Long term borrowings are raised at fixed interest rates in major trading currencies and, where appropriate, swapped to floating interest rates and the required currency at the time of issue. The maturity profile is fairly evenly spread over the period to the year 2000, with 68% repayable within five years, compared to 54% at the end of 1992. Bonds and notes totalling Fl. 705 million mature in 1994.

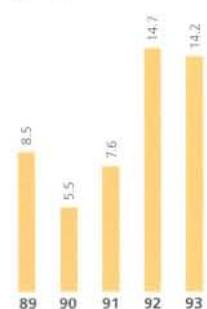
For short term finance, we are active in the commercial paper markets in the United States and Europe. In addition, bank borrowings are used by operating subsidiaries to fund local day to day requirements. At the end of 1993, total short term borrowings were Fl. 3 032 million, an increase of Fl. 278 million over the previous year.

Approximately half of our total borrowings are raised in US dollars, and the remainder in various currencies including sterling, guilders and Swiss francs.

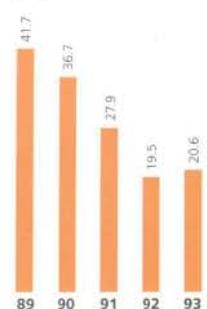
Capital Expenditure
(Fl. million)



Net interest cover
(times)



Net gearing
(%)



Cash and current investments were reduced by Fl. 656 million from their high level at the end of 1992 to Fl. 3 364 million. Most of these funds are concentrated in the parent and finance companies, and are mainly held in sterling, guilders and guilder-related currencies. A substantial quantity of liquid funds is always held centrally, conferring a high degree of flexibility to meet changing demands.

Unilever maintains a number of committed lines of credit as an insurance against a credit squeeze or similar circumstances. These principally consist of multi-currency facility agreements with nine banks, under which the Group may borrow up to £1 350 million for general financing purposes and for acquisitions. No funds have been drawn under these facilities.

Treasury and hedging policies

Unilever operates an interest rate management policy, the objectives of which are to minimise interest costs. Interest rates are fixed on a proportion of debt and investments for periods up to 10 years using interest rate instruments such as swaps and forward rate agreements. The proportion fixed is higher in the near term than the longer term, which serves to increase the predictability of interest costs in the short term while maintaining flexibility to benefit from movements in interest rates in the longer term.

In the last two years, we have benefited from high interest rates on our cash and current investments in Europe, together with low interest rates on our borrowings in the United States. We do not expect this situation to continue indefinitely, and indeed in the latter part of 1993 we have already seen a marked reduction in European interest rates.

The credit risk associated with financial instruments is controlled through dealing only with banks and other financial institutions with high credit ratings and by setting credit limits for each institution for each type of instrument.

Unilever does not actively manage its balance

sheet exposure to currency retranslation using financial instruments, but seeks to match assets and liabilities in the same currency. This is achieved by a combination of direct borrowing and hedging of loans made to subsidiaries by parent and finance companies. Over 70% of net assets are denominated in the currencies of the two parent companies.

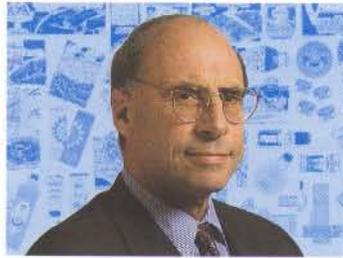
Foreign currency transactions are generally hedged, although some flexibility is allowed within overall exposure limits. Hedging is primarily achieved by the use of forward foreign exchange contracts and, to a lesser extent, currency options.

Equity investments and profits arising in foreign currencies are not hedged.

The treasury function within Unilever is not a profit centre but exists to serve the needs of the business operations and to manage financial risks. All significant areas of treasury activity are governed by policies and guidelines approved by the directors and are subject to a stringent system of authorities and regular monitoring.

Directors

Special Committee Unilever's Plural Chief Executive



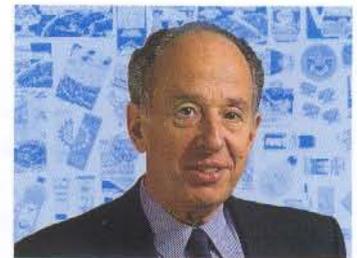
Floris Maljers

Aged 60. Chairman of Unilever N.V. and Vice-Chairman of Unilever PLC since 1984. Member of Special Committee since 1982. Appointed director 1974. Joined Unilever 1959. Previous posts include: Chairman, Unilever Colombia 65/67. Chairman, Unilever Turkey 67/70. Chairman, Van den Bergh en Jurgens, Netherlands 70/74. Edible Fats & Dairy Co-ordinator 74/82.



Sir Michael Perry

Aged 60. Chairman of Unilever PLC and a Vice-Chairman of Unilever N.V. since 1992. Member of Special Committee since 1991. Appointed director 1985. Joined Unilever 1957. Previous posts include: Chairman, Lever Brothers, Thailand 73/77. President, Lever y Asoc, Argentina 77/81. Chairman, Nippon Lever KK 82/83. Chairman, UAC International 85/87. Personal Products Co-ordinator 87/91.



Morris Tabaksblat

Aged 56. Member of Special Committee and a Vice-Chairman of Unilever N.V. since 1992. Also responsible for Central and Eastern Europe. Appointed director 1984. Joined Unilever 1964. Previous posts include: Managing Director, Lever, Brazil 77/81. Chairman, Lever Sunlight, Netherlands 81/84. Personal Products Co-ordinator 84/87. Chairman, Chesebrough-Pond's 87/88. Regional Director, North America 88/89. Chairman, Foods Executive 89/92.

Foods Executive



Foods - United States

Jan Peelen

Aged 54. Chairman, Foods Executive since 1993 and responsible for US foods businesses. Appointed director 1987. Joined Unilever 1966. Previous posts include: Chairman, Van den Bergh en Jurgens, Netherlands 79/83. President, Industrias Gessy Lever, Brazil 84/87. Regional Director, East Asia & Pacific 87/92.



Foods - North Europe

Okko Müller

Aged 58. Member of Foods Executive since 1991 and responsible for North European foods businesses. Appointed director 1989. Joined Unilever 1963. Previous posts include: Chairman, Lever Brothers, Malaysia 77/80. Chairman, Union Deutsche Lebensmittelwerke 81/89. Agribusiness Co-ordinator 89/91.



Foods - South Europe

Charles Miller Smith

Aged 54. Member of Foods Executive since 1993 and responsible for South European foods businesses. Appointed director 1989. Joined Unilever 1963. Previous posts include: Vice-Chairman, Hindustan Lever 79/80. Chemicals Co-ordination 80/83. Chairman, PPF International 83/86. President, Quest International 87/89. Financial Director 89/92.

Product Directors



Detergents

Niall FitzGerald

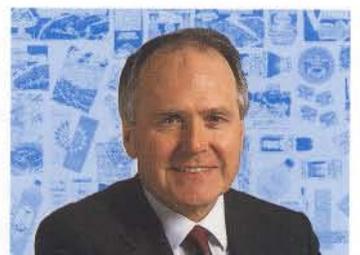
Aged 48. Detergents Co-ordinator since 1991. Appointed director 1987. Joined Unilever 1967. Previous posts include: Managing Director, Van den Bergh & Jurgens, South Africa 82/85. Unilever Treasurer 85/86. Financial Director 87/89. Edible Fats & Dairy Co-ordinator 89/90. Member, Foods Executive 89/91.



Personal Products

Antony Burgmans

Aged 47. Personal Products Co-ordinator since 1991. Also responsible for Marketing Projects Group. Appointed director 1991. Joined Unilever 1972. Previous posts include: Marketing and Sales Director, Lever, Netherlands 82/85. Marketing Director, Lever, Germany 85/87. Chairman, PT Unilever Indonesia 88/91.



Speciality Chemicals

Iain Anderson

Aged 55. Chemicals Co-ordinator since 1992. Appointed director 1988. Joined Unilever 1965. Previous posts include: Chairman, PPF International 81/83. Chemicals Co-ordination and Chairman, Medical Products Group 83/85. Chairman, Batchelors Foods 85/88. Corporate Development Director 88/92.

Board Changes

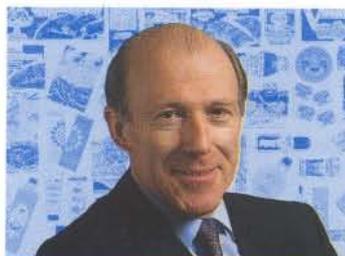
As already announced, Mr Floris Maljers will retire at the Annual General Meeting on 4 May 1994 and will not offer himself for re-election. His colleagues wish to record their appreciation of his outstanding record of service to Unilever, which includes being a director for 20 years and

Chairman of N.V. for 10 years. His leadership has been a significant factor in Unilever's success during a period of great change.

The remaining directors will retire from office, in accordance with the Articles of Association of N.V. and PLC, at the Annual General Meetings and offer themselves for re-election.

Also as already announced, the Boards intend to elect Mr Morris Tabaksblat, a member of Special Committee, to succeed Mr Floris Maljers as Chairman of N.V. and a Vice-Chairman of Unilever PLC and to elect Mr Niall FitzGerald as a Vice-Chairman of PLC, both with effect from the 1994 Annual General Meetings. Mr FitzGerald will continue as Detergents Co-ordinator.

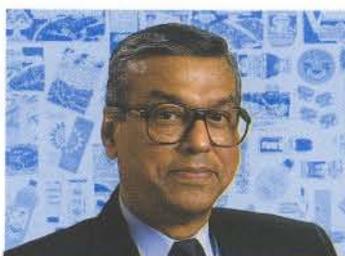
On 1 May 1994, Mr Roy Brown will assume responsibility for Central and Eastern Europe, in addition to his current role as Director of Africa and Middle East Region and Plantations Group, and Dr Iain Anderson will take over responsibility for North America Regional Management, in addition to his current role as Chemicals Co-ordinator.



Financial

Hans Eggerstedt

Aged 56. Financial Director since 1993. Also responsible for Information Technology Group. Appointed director 1985. Joined Unilever 1965. Previous posts include: Managing Director, Unilever Turkey 78/81. Chairman, Nordsee, Germany 81/83. Unilever Treasurer 83/85. Frozen Products Co-ordinator 85/90. Regional Director for Continental Europe 89/92. Commercial Director 90/92.



Research & Engineering

Ashok Ganguly

Aged 58. Research & Engineering Director since 1990. Also responsible for Patent Division. Appointed director 1990. Joined Unilever 1962. Previous posts include: Technical Director, Hindustan Lever 77/80. Chairman, Hindustan Lever 80/90.

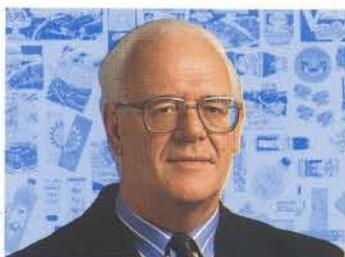


Personnel

Clive Butler

Aged 47. Personnel Director since 1993. Also Regional Director for Europe. Appointed director 1992. Joined Unilever 1970. Previous posts include: Chairman, Philippine Refining 83/86. President, Foods Division, Lever Brothers, USA 86/89. President, Van den Bergh Foods, USA 89/90. Foods Executive 90/92. Corporate Development Director 1992.

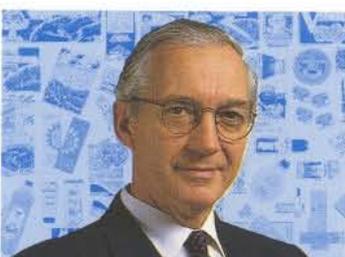
Functional Directors



Latin America & Central Asia

Christopher Jemmett

Aged 57. Regional Director, Latin America & Central Asia since 1992. Appointed director 1988. Joined Unilever 1958. Previous posts include: President, Unilever Japan KK 73/77. Chairman, BOGM Silcock 78/80. Overseas Committee 80/87. Chairman, UAC 87/88. Regional Director, Africa & Middle East 88/92. Agribusiness Co-ordinator 91/92.



East Asia & Pacific

Alexander Kemner

Aged 54. Regional Director, East Asia & Pacific since 1993. Appointed director 1989. Joined Unilever 1966. Previous posts include: Chairman, Van den Bergh en Jurgens, Netherlands 83/86. Deputy Food & Drinks Co-ordinator 86/89. Food & Drinks Co-ordinator 89/90. Member, Foods Executive 89/92.



Africa & Middle East

Roy Brown

Aged 47. Regional Director, Africa & Middle East since 1992. Also responsible for Plantations and Plant Science Group. Appointed director 1992. Joined Unilever 1974. Previous posts include: Chairman, Pamol Plantations, Malaysia 84/86. Operations Member, Agribusiness Co-ordination 86/87. Chairman, PBI Cambridge 87/89. Chairman, Lever Brothers, UK 90/92.

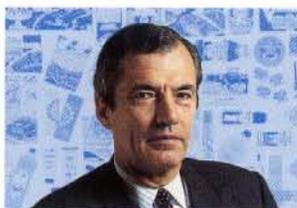
Regional Directors

Advisory Directors



Sir Derek Birkin

Aged 64. Appointed 1993. Chairman, Tunnel Holdings 75/82. Director, RTZ Corporation since 1982, Chief Executive 85/91 and Chairman since 1991. Director, Barclays Bank since 1990, Carlton Communications since 1992 and Merck & Co. Inc. (USA) since 1992.



Bertrand Collomb

Aged 51. Appointed 1994. French government administrator 66/75. Lafarge Group since 1975: Chief Executive Officer, Lafarge Corporation U.S. 87/88. Chairman and Chief Executive Officer, Lafarge Coppée since 1989. Member, European Round Table of Industrialists. Vice-Chairman, World Industry Council for the Environment.



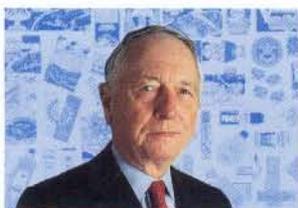
Frits Fentener van Vlissingen

Aged 60. Appointed 1990. Member, Executive Board SHV Holdings 67/75, and Chairman, 75/84. Managing Director, Flint Holding since 1984. Member, Supervisory Council of Amsterdam-Rotterdam Bank 74/91, of Akzo since 1984, and of ABN AMRO Bank since 1991.



Sir Brian Hayes

Aged 64. Appointed 1990. Permanent Secretary, Ministry of Agriculture, Fisheries and Food 79/83. Joint Permanent Secretary, Dept. of Trade and Industry 83/85 and sole Permanent Secretary 85/89. Director, Tate & Lyle and Guardian Royal Exchange since 1989.



James W. Kinnear

Aged 66. Appointed 1994. Vice-Chairman, Texaco Inc. 83/86, and President and Chief Executive Officer 87/93. Director, Corning Inc. since 1978 and ASARCO Inc. since 1990.



François-Xavier Ortoli

Aged 69. Appointed 1985. Cabinet Minister, France 67/72. President, Commission of European Communities 73/76 and Vice-President for Economic and Monetary Affairs 77/84. Chairman, TOTAL 84/90 and Honorary Chairman since 1990.



Karl Otto Pöhl

Aged 64. Appointed 1992. Secretary of State, German Ministry of Finance 72/77. Deputy President, Deutsche Bundesbank 77/79, and President 80/91. Partner, Sal. Oppenheim Bank since 1992.



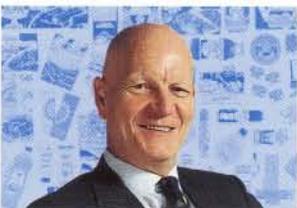
Onno Ruding

Aged 54. Appointed 1990. Member of Board, Amsterdam-Rotterdam Bank 81/82. Minister of Finance, the Netherlands 82/89. Chairman, The Netherlands Christian Federation of Employers 90/92. Vice-Chairman, Citicorp and Citibank since 1992.



Dieter Spethmann

Aged 67. Appointed 1978. Chairman, Executive Board of Thyssen, Duisburg 73/91. Chairman, Supervisory Board of Munich Re since 1978. Attorney at Law in private practice since 1991.



Lord Wright of Richmond G.C.M.G.

Aged 62. Appointed 1991. Permanent Under Secretary of State at the Foreign and Commonwealth Office and Head of the Diplomatic Service 86/91. Director of Barclays Bank, British Petroleum and De La Rue since 1991, and of BAA since 1992.

HONORARY ADVISORY DIRECTOR

The Rt. Hon. The Viscount Leverhulme K.G. T.D.

Aged 78. Grandson of William Lever, the founder of Lever Brothers. Appointed Honorary Advisory Director of PLC for life on his retirement as an Advisory Director in 1985.

The membership of the Advisory Committees is:

Remuneration Committee:

Mr F. H. Fentener van Vlissingen (Chairman), Sir Derek Birkin and Dr D. Spethmann.

Audit Committee:

Sir Brian Hayes (Chairman), Mr K. O. Pöhl and Dr O. Ruding.

External Affairs Committee:

Dr F.-X. Ortoli (Chairman), Mr J. W. Kinnear and Lord Wright of Richmond G.C.M.G.

The role of an Advisory Director to Unilever involves the giving of advice to the Boards in general, and to the Special Committee in particular, on business, social and economic issues. The three Committees of Advisory Directors are a Remuneration Committee, which reviews the remuneration policy for directors and senior executives and has responsibility for the Executive Share Option Schemes, an Audit Committee, which oversees financial reporting and control arrangements, and an External Affairs Committee.

Advisory Directors are formally appointed by the Boards, normally for a three year term. Their selection follows the identification of appropriate candidates by the Chairmen, and subsequent consultations between them and the other directors.

J.W.B. Westerburgen S.G. Williams

Joint Secretaries of Unilever
21 March 1994

Summary Financial Statement

Introduction

This Annual Review booklet and the separate booklet entitled 'Unilever Annual Accounts 1993' together comprise the full Annual Report and Accounts for 1993 of N.V. and PLC when expressed in guilders and pounds sterling respectively. This Summary Financial Statement is a summary of the Unilever Group's full annual accounts set out in 'Unilever Annual Accounts 1993'. That separate booklet also contains additional financial information and further statutory information.

For a full understanding of the results of the Group and state of affairs of N.V., PLC or the Group the full annual accounts, the auditors' report on those accounts and the directors' report should be consulted.

The following summarised financial statements should be read with the directors' report set out earlier in this review.

Dividends

The Boards have resolved to recommend to the Annual General Meetings on 4 May 1994 the declaration of final dividends on the ordinary capitals in respect of 1993 at the rates shown in the table below.

	1993	1992		1993	1992
N.V.			PLC		
Per Fl. 4 of ordinary capital			Per 5p of ordinary capital		
Interim	Fl. 1.48	Fl. 1.48	Interim	6.08p	5.20p
Final	Fl. 4.40	Fl. 4.30	Final	18.95p	16.13p
Total	Fl. 5.88	Fl. 5.78	Total	25.03p	21.33p

The N.V. final dividend will be payable as from 20 May 1994 (or in the case of the New York shares on 3 June 1994 to shareholders registered on 11 May 1994). The PLC final dividend will also be paid on 20 May 1994 (or in the case of holders of American Depositary Receipts on 27 May 1994) to shareholders registered on 14 April 1994.

For the purpose of equalising dividends under the Equalisation Agreement, Advance Corporation Tax (ACT) in respect of any dividend paid by PLC has to be treated as part of the dividend. PLC's 1993 final dividend has been calculated by reference to the rate of ACT which is due to come into force on 1 April 1994; if the effective rate applicable to payment of the dividend is different the amount will be adjusted accordingly and a further announcement made to the shareholders of PLC.

Statement from the auditors

In our opinion the Summary Financial Statement of the Unilever Group set out on pages 33 to 35 is consistent with the full accounts and directors' report for 1993 and complies with the requirements of Section 251 of the United Kingdom Companies Act 1985 and the regulations made thereunder. We have issued an unqualified audit report on the full accounts. The Companies Act requires the auditors to report if the accounting records are not properly kept or if the required information and explanations are not received. Our report on the full accounts contained no such statement.

Coopers & Lybrand
Registeraccountants
Rotterdam
As auditors of Unilever N.V.

Coopers & Lybrand
Chartered Accountants and Registered Auditors
London
As auditors of Unilever PLC

21 March 1994

Summary Consolidated Accounts

Fl. million

	Unilever Group	
	1993	1992
Profit and loss account <i>for the year ended 31 December</i>		
Turnover	77 626	76 570
Operating profit	5 397	6 576
Operating profit before exceptional items	6 763	6 809
Exceptional items	(1 366)	(233)
Income from fixed investments	179	171
Non-operating exceptional items	245	–
Interest	(409)	(457)
Profit on ordinary activities before taxation	5 412	6 290
Taxation on profit on ordinary activities	(1 616)	(2 126)
Profit on ordinary activities after taxation	3 796	4 164
Minority interests	(184)	(162)
Net profit	3 612	4 002
Attributable to: N.V.	2 485	2 936
PLC	1 127	1 066
Dividends	(1 509)	(1 465)
Profit of the year retained	2 103	2 537
Combined earnings per share		
Guilders per Fl. 4 of ordinary capital	12.90	14.29
Pence per 5p of ordinary capital	69.45	69.14

Directors

The directors of Unilever during 1993 are shown on pages 30 and 31. Their total emoluments for the year ended 31 December 1993 were Fl. 19 million (1992: Fl. 25 million).

Deferred taxation

The accounts are prepared in accordance with accounting principles generally accepted in the Netherlands and the United Kingdom except that the treatment of deferred taxation, for which full provision is made, complies with Dutch legislation as currently applied rather than with Accounting Standards in the United Kingdom.

Fl. million

Unilever Group

Balance sheet

as at 31 December

	1993	1992
Fixed assets	22 542	20 300
Current assets		
Stocks	9 901	9 178
Debtors	12 254	10 770
Cash and current investments	3 364	4 020
	25 519	23 968
Creditors due within one year		
Borrowings	(3 032)	(2 754)
Trade and other creditors	(16 785)	(15 586)
	5 702	5 628
Net current assets	5 702	5 628
Total assets less current liabilities	28 244	25 928
Creditors due after more than one year		
Borrowings	4 230	4 647
Trade and other creditors	782	621
Provisions for liabilities and charges	8 234	6 703
Minority interests	1 494	1 307
Capital and reserves	13 504	12 650
Attributable to: N.V.	8 472	8 084
PLC	5 032	4 566
Total capital employed	28 244	25 928

Cash flow statement

for the year ended 31 December

Net cash inflow from operating activities	7 943	8 334
Dividends from fixed investments	59	89
Interest paid less received	(480)	(603)
Dividends paid	(1 593)	(1 499)
Net cash outflow from returns on investments and servicing of finance	(2 014)	(2 013)
Taxation	(1 482)	(1 785)
Capital expenditure less disposals	(3 421)	(3 114)
Acquisition and disposal of group companies and fixed investments	(1 264)	357
Other	(383)	(125)
Net cash outflow from investing activities	(5 068)	(2 882)
Net cash (outflow)/inflow before financing	(621)	1 654
Net decrease in borrowings due after more than three months from date of advance	(357)	(689)
Issue of ordinary share capital	29	40
Issue of shares to minorities by group companies	85	-
Net cash outflow from financing	(243)	(649)
(Decrease)/increase in cash and cash equivalents	(864)	1 005

This Summary Financial Statement was approved by the Boards of Directors on 21 March 1994.

F.A. Maljers

Chairmen of Unilever

Sir Michael Perry

Additional Information

Methods of calculation used in the Financial Highlights (see page 1)

Net profit before exceptional items excludes the after tax effect of exceptional items in operating profit and non-operating exceptional items.

Operating margin before exceptional items is operating profit before exceptional items expressed as a percentage of turnover.

Net profit margin before exceptional items is net profit before exceptional items expressed as a percentage of turnover.

Return on capital employed is the sum of profit on ordinary activities after taxation, plus interest, after tax, on borrowings due after more than one year, expressed as a percentage of the average capital employed during the year.

Net gearing is net debt (borrowings less cash and current investments) expressed as a percentage of the sum of capital and reserves, minority interests and net debt.

Net interest cover is profit before net interest and taxation divided by net interest.

Combined earnings per share are net profit attributable to ordinary capital, divided by the average number of share units representing the combined ordinary capital of N.V. and PLC less internal and certain trust holdings.

Financial calendar

Annual General Meetings:

N.V.

10.30 a.m. Wednesday 4 May 1994
Concert- en Congresgebouw de Doelen
Entrance Kruisplein 30
Rotterdam

PLC

11.00 a.m. Wednesday 4 May 1994
The Queen Elizabeth II Conference Centre
Broad Sanctuary Westminster
London SW1P 3EE

Interim announcements of results:

First quarter Mid May
First half year Mid August

Nine months Mid November
Provisional for year Late February

Dividend payments:

Interim Announced November
 Paid December

Final Proposed February
 Paid May

Financial publications

Versions of this booklet are available, with figures expressed in guilders, in Dutch and English and, with figures expressed in pounds sterling, in English. The 'Unilever Annual Accounts 1993' booklet is available in the same versions.

Copies of all versions of both booklets can be obtained without charge on application to Unilever N.V., Corporate Relations Department, PO Box 760, 3000 DK Rotterdam or Unilever PLC, Corporate Relations Department, PO Box 68, Unilever House, Blackfriars, London EC4P 4BQ.

Corporate Centre

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

Unilever PLC Registered Office
Port Sunlight
Wirral Merseyside L62 4ZA

Unilever PLC
PO Box 68
Unilever House Blackfriars
London EC4P 4BQ

Unilever PLC Registrars
Barclays Registrars
PO Box 34 Octagon House Gadbrook Park
Northwich Cheshire CW9 7RD

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