

# Unilever Roadshow

## Q1 2005 Results

*Handout Version*

This **presentation** may contain forward-looking statements, including 'forward-looking statements' within the meaning of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Group. They are not historical facts, nor are they guarantees of future performance. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Further details of potential risks and uncertainties affecting the Group are described in the Group's filings with the London Stock Exchange, Euronext Amsterdam and the US Securities and Exchange Commission, including the Annual Report & Accounts on Form 20-F. These forward-looking statements speak only as of the date of this **presentation**.



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## Early signs of progress...

- Improving growth momentum (c. +2% like for like)
- Market shares stabilising
- Personal Care growth strongest for six quarters (c. +5% like for like)
- D&E growth returning (c. +7% like for like )
- Vitality-inspired innovation making an impact
- Increased marketing investment, including A&P
- Strong contribution from savings programme, including “One Unilever”



...but still work to be done

- Sales growth rate remains below market growth
  - Market share still down year-on-year
  - Performance in Europe remains weak
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## Q1 2005 Underlying Sales Growth

	As reported	Estimated Like for Like
Europe	+3.1%	(2)%
Americas	+6.8%	+4%
Asia/Africa	+10.1%	+7%
	—	—
<b>Total</b>	<b>+6.0%</b>	<b>+2%</b>

## Q1 2005 Operating Margin Development

Q1 2005	15.3 %
Q1 2004	14.5 %
	<hr/>
Change	+80 bps

### Including

- €73m of disposal gains in the quarter
- substantially lower gross restructuring 05 vs 04\*

Drivers of operating margin in the quarter:

- Zero overall price growth
- Savings and mix broadly offset higher costs
- Increased A&P

*\*Exceptional items and restructuring now included in operating margin*

## Q1 2005 Key Financials

- EPS +25% benefiting from
  - one-off tax effects
  - restructuring and disposals
  - calendar effects
- Tax rate in the quarter 23%
- Net debt €10.1bn at quarter end

## Key Messages

- Early days... but signs of progress
- Trading environment :
  - Western Europe - remains weak
  - North America - shows some pick up
  - D&E - healthy growth
- 2005 Business Priorities
  - D&E
  - Personal Care
  - Vitality
  - Europe

} progress in Q1

more work to be done
- Driving harder and faster on savings
  - cautious re: ability to recover cost through price
  - sustained investment in market competitiveness
- Overriding focus on restoring profitable sustainable growth



# Maximising the Deodorant Portfolio

## AXE



Unlimited



Touch Grooming

## Rexona



Aloe Vera

Fresh Intense (D&E)



Crystal for Men

## Dove



Silk Dry

Sensitive



The Changing Room Effect

## Extending our Hair Brands into Styling



**Sunsilk Styling**

Europe



**Dove Styling**

North America

# Lux - Beyond a Bar of Soap

Bringing Out the Star in You across categories and markets

## Body Wash Europe



## Hair Care Japan



## Massage Bar Brazil



## After success in the UK Firming market...

- Real women proudly showing their curves
- Sparked the rise of the “firming market” in the UK.
- Sales uplift of 700%



# ...Dove campaigns for Real Beauty across the globe



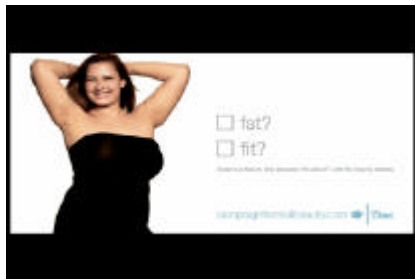
Brazil

UK



US

Argentina





## Building On Strengths - D&E

- Major contribution to growth in the quarter
  - €300m additional sales
  - 7% “like for like” USG
- Broad-based progress across countries and across Foods and HPC

## Drivers of Growth in D&E - Availability



## Drivers of Growth in D&E - Affordability



**Rama**  
affordable dairy cream  
alternatives



**Lifebuoy**  
discount soap bars with  
proven germ protection



**Rin/Surf**  
low price fabric cleaning  
sachets



**Knorr Cubitos**  
low unit-price seasoning  
cubes



**Sunsilk**  
individual wash and care  
sachets



**Rexona Compact**  
low price roll-on deodorant

## Drivers of Growth in D&E - Consumer Intimacy



**Rin Advanced**  
for superior  
whiteness  
(India)



**Ponds Skin  
Lightening  
Foam**  
for fairer skin without  
dryness and  
tightness  
(Malaysia)



**Rexona Ebony -**  
for black and mulatto  
skin (Brazil)

### Sunsilk - tailored solutions to local hair dramas



**Anti-Dandruff**  
solves dandruff  
without  
compromising on  
beauty  
(across Asia)



**Clean & Fresh**  
nourishes and  
deep cleanses, for  
women who wear  
a jilbab  
(Indonesia,  
Malaysia)



**For Hair That  
Breaks and  
Falls**  
for hair that  
grows sparse at  
the ends (Turkey)



**Anti Sponge**  
for Mestizo hair  
that is difficult to  
control (Latin  
America)



## New Avenues to a Healthy Heart - **pro.activ**

We have expanded the heart health benefits of the brand from our core spreads category....



...to milk and yoghurt....



...and daily yoghurt drinks...



...and created a €300m-plus business in 3 years

## Bursting with Fruit and Vegetable Goodness - **Knorr Vie**

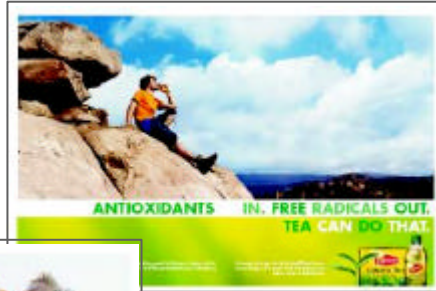
A delicious “smoothie” style drink of concentrated fruit and vegetable juices



At least half your daily recommended intake of fruit and vegetables crammed into one mini bottle

# “Tea Can Do That” Communication - Lipton

Lipton’s unique combination of health benefits,  
with antioxidants to fight free radicals



## Healthier Options, No Compromise on Taste - Hellmann's



**With Canola Oil**  
USA



**Cholesterol Free**  
Latin America



**Extra Light**  
UK and Ireland

# “Better For You” Indulgence - Ice Cream



Carte D'Or Light



Breyers Smart Range



Ben & Jerry's  
Body & Soul  
and Organic



Solero Orange Fresh  
0% fat



Popsicle  
Sugar Free



Klondike  
Slim-a-Bear



# Natural, Great Tasting Food, Simply Frozen- Iglo/Birds Eye/Findus



**Steam Fresh**



**"Naturalness" Communication**





## Regaining Momentum in Europe - Foods

- Gaining share in key categories
- Improved performance in most major countries
- Driven by innovation and growth of the core

### Growth through Innovation



Dairy Cream  
Alternatives

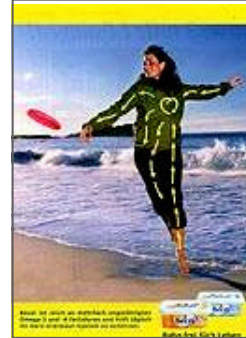


pro.activ



Magnum  
Five Senses

### Supporting the Core



Flora/Becel  
Spreads

# Regaining Momentum in Europe - HPC

Weak markets demand strong innovation



**New Dirt Is Good Communication**



**Dove Silk Dry Deodorant**



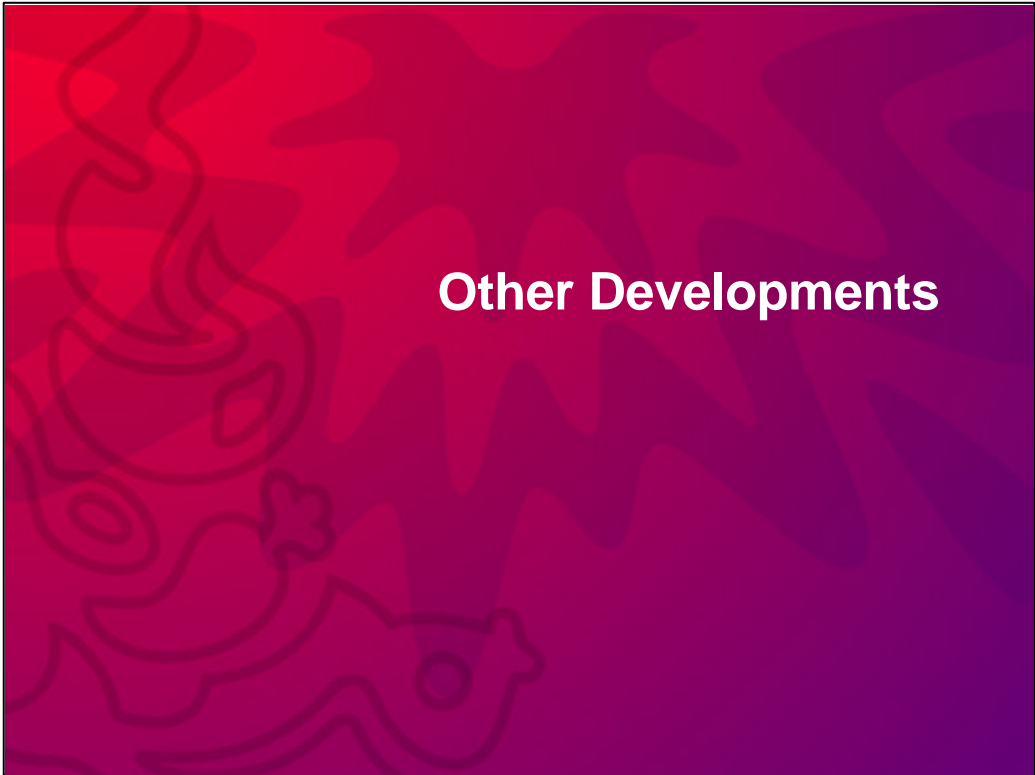
**Persil with the  
Essence of  
Comfort**



**Surf Tropical**





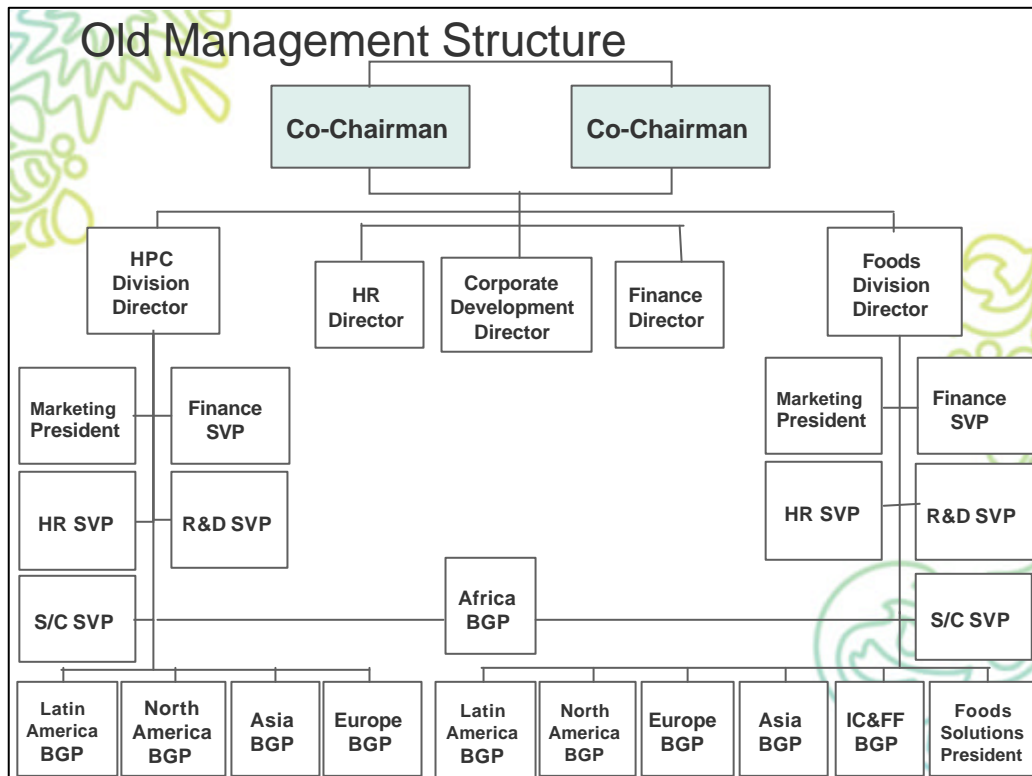
**Sunsilk Hair Styling**



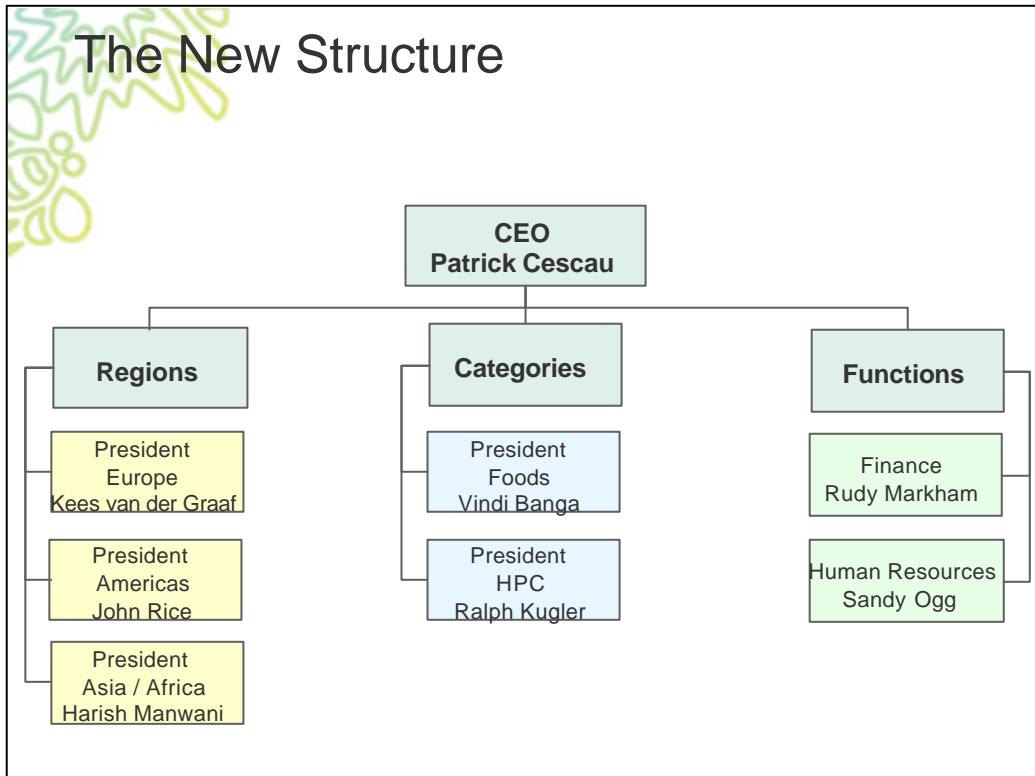


## Progress on Recent Developments

- Unilever Executive operational from April
  - Over 100 senior appointments announced since February
  - Corporate Structure Review team appointed and remit agreed by the board
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# The New Structure



# One Unilever in Action - Customer Management in the USA

