

## STERLING SUPPLEMENT TO THE UNILEVER SECOND QUARTER AND HALF YEAR RESULTS 2007

This document is a supplement to the Unilever second quarter and half year results 2007 and is prepared for reference purposes only, Unilever's reporting currency is the Euro. The income statement, statement of recognised income and expense, movements in equity and cash flow statement are translated at rates current in each period. These rates were €1 = £0.67 for the first six months of 2007 and €1 = £0.69 for the first six months of 2006. The balance sheet is translated at period-end rates of exchange. These were €1 = £0.67 at 30 June 2007, €1 = £0.67 at 31 December 2006 and €1 = £0.69 at 1 July 2006. Certain items in the income statement and statement of recognised income and expense, notably currency retranslation recognised on the disposal of businesses, will not reflect the result which would arise if the reporting currency were to be sterling.

### INCOME STATEMENT

(unaudited)

Second Quarter				£ million	Half Year			
2007	2006	Increase/ (Decrease)			2007	2006	Increase/ (Decrease)	
		Current rates	Constant rates			Current rates	Constant rates	
<b>Continuing operations:</b>								
7 144	7 053	1 %	5 %	<b>Turnover</b>	13 532	13 596	0 %	5 %
980	986	(1)%	3 %	<b>Operating profit</b>	1 853	1 954	(5)%	0 %
(80)	(69)			After (charging)/crediting:	(161)	(111)		
7	24			Restructuring	30	106		
				Business disposals and impairments				
(48)	(78)			Net finance costs	(95)	(161)		
30	(13)			Finance income	48	47		
(100)	(74)			Finance costs	(188)	(222)		
22	9			Pensions and similar obligations	45	14		
21	12			Share in net profit/(loss) of joint ventures	39	24		
1	4			Share in net profit/(loss) of associates	34	4		
4	5			Other income from non-current investments	21	7		
958	929	3 %	6 %	<b>Profit before taxation</b>	1 852	1 828	1 %	6 %
(176)	(237)			Taxation	(364)	(449)		
782	692	13 %	17 %	<b>Net profit from continuing operations</b>	1 488	1 379	8 %	13 %
37	26			Net profit/(loss) from discontinued operations	51	66		
819	718	14 %	18 %	<b>Net profit for the period</b>	1 539	1 445	7 %	11 %
<b>Attributable to:</b>								
42	40			Minority interests	83	87		
777	678	15 %	18 %	Shareholders' equity	1 456	1 358	7 %	12 %
<b>Combined earnings per share</b>								
0.26	0.23	13 %	17 %	Continuing operations (Pounds)	0.49	0.45	8 %	13 %
0.25	0.22	11 %	15 %	Continuing operations – diluted (Pounds)	0.47	0.44	8 %	13 %
0.01	0.00			Discontinued operations (Pounds)	0.01	0.02		
0.01	0.01			Discontinued operations – diluted (Pounds)	0.02	0.02		
0.27	0.23	14 %	18 %	Total operations (Pounds)	0.50	0.47	7 %	12 %
0.26	0.23	12 %	16 %	Total operations – diluted (Pounds)	0.49	0.46	6 %	11 %

**STATEMENT OF RECOGNISED INCOME AND EXPENSE**

(unaudited)

£ million

	<b>Half Year</b>	
	<b>2007</b>	<b>2006</b>
Fair value gains/(losses) on financial instruments net of tax	9	4
Actuarial gains/(losses) on pension schemes net of tax	824	5
Currency retranslation gains/(losses) net of tax	146	(196)
<b>Net income/(expense) recognised directly in equity</b>	<b>979</b>	<b>(187)</b>
Net profit for the period	1 539	1 445
<b>Total recognised income and expense for the period</b>	<b>2 518</b>	<b>1 258</b>
<b>Attributable to:</b>		
Minority interests	89	87
Shareholders' equity	2 429	1 171

**MOVEMENTS IN EQUITY**

(unaudited)

£ million

	<b>Half Year</b>	
	<b>2007</b>	<b>2006</b>
Equity at 1 January	7 834	6 016
Total recognised income and expense for the period	2 518	1 258
Dividends	(920)	(870)
Movement in treasury stock	(865)	(10)
Share-based payment credit	43	43
Dividends paid to minority shareholders	(66)	(67)
Currency retranslation gains/(losses) net of tax	–	(2)
Other movements in equity	63	4
<b>Equity at the end of the period</b>	<b>8 607</b>	<b>6 372</b>

**BALANCE SHEET**

(unaudited)

<b>£ million</b>	<b>As at 30 June 2007</b>	<b>As at 31 December 2006</b>	<b>As at 1 July 2006</b>
<b>Non-current assets</b>			
Goodwill and intangible assets	11 557	11 549	12 079
Property, plant and equipment	4 204	4 213	4 255
Pension asset for funded schemes in surplus	1 649	1 139	762
Deferred tax assets	526	849	1 018
Other non-current assets	818	755	741
<b>Total non-current assets</b>	<b>18 754</b>	<b>18 505</b>	<b>18 855</b>
<b>Current assets</b>			
Inventories	2 803	2 549	2 698
Trade and other current receivables	3 657	2 854	3 462
Current tax assets	171	84	68
Other financial assets	196	184	239
Cash and cash equivalents	1 021	697	1 102
Non-current assets held for sale	26	9	338
<b>Total current assets</b>	<b>7 874</b>	<b>6 377</b>	<b>7 907</b>
<b>Current liabilities</b>			
Financial liabilities	(3 610)	(2 992)	(4 200)
Trade payables and other current liabilities	(5 942)	(5 261)	(5 189)
Current tax liabilities	(413)	(388)	(332)
Provisions	(443)	(677)	(344)
Liabilities associated with non-current assets held for sale	–	–	(160)
<b>Total current liabilities</b>	<b>(10 408)</b>	<b>(9 318)</b>	<b>(10 225)</b>
<b>Net current assets/(liabilities)</b>	<b>(2 534)</b>	<b>(2 941)</b>	<b>(2 318)</b>
<b>Total assets less current liabilities</b>	<b>16 220</b>	<b>15 564</b>	<b>16 537</b>
<b>Non-current liabilities</b>			
Financial liabilities due after one year	3 521	2 938	4 326
Pensions and post-retirement healthcare benefits liabilities:			
Funded schemes in deficit	348	925	1 598
Unfunded schemes	2 083	2 281	2 725
Provisions	605	555	543
Deferred tax liabilities	732	673	659
Other non-current liabilities	324	358	314
<b>Total non-current liabilities</b>	<b>7 613</b>	<b>7 730</b>	<b>10 165</b>
<b>Equity</b>			
Shareholders' equity	8 237	7 537	6 092
Minority interests	370	297	280
<b>Total equity</b>	<b>8 607</b>	<b>7 834</b>	<b>6 372</b>
<b>Total capital employed</b>	<b>16 220</b>	<b>15 564</b>	<b>16 537</b>

**CASH FLOW STATEMENT**

(unaudited)

£ million

	Half Year	
	2007	2006
<b>Operating activities</b>		
Cash flow from operating activities	1 121	1 301
Income tax paid	(406)	(299)
<b>Net cash flow from operating activities</b>	<b>715</b>	<b>1 002</b>
<b>Investing activities</b>		
Interest received	42	34
Net capital expenditure	(300)	(302)
Acquisitions and disposals	49	127
Other investing activities	109	31
<b>Net cash flow from/(used in) investing activities</b>	<b>(100)</b>	<b>(110)</b>
<b>Financing activities</b>		
Dividends paid on ordinary share capital	(953)	(820)
Interest and preference dividends paid	(152)	(191)
Change in financial liabilities	1 286	34
Movement on treasury stock	(300)	(9)
Other financing activities	(208)	(51)
<b>Net cash flow from/(used in) financing activities</b>	<b>(327)</b>	<b>(1 037)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>288</b>	<b>(145)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>477</b>	<b>868</b>
Effect of foreign exchange rate changes	16	194
<b>Cash and cash equivalents at the end of period</b>	<b>781</b>	<b>917</b>

**RECONCILIATION OF NET PROFIT TO CASH FLOW FROM OPERATING ACTIVITIES**

(unaudited)

£ million

	Half Year	
	2007	2006
Net profit	1 539	1 445
Taxation	368	476
Share of net profit of joint ventures/associates and other income from non-current investments	(93)	(35)
Net finance costs	95	164
<b>Operating profit (continuing and discontinued operations)</b>	<b>1 909</b>	<b>2 050</b>
Depreciation, amortisation and impairment	313	312
Changes in working capital	(886)	(798)
Pensions and similar provisions less payments	(70)	(118)
Restructuring and other provisions less payments	(63)	(63)
Elimination of (profits)/losses on disposals	(123)	(139)
Non-cash charge for share-based compensation	46	46
Other adjustments	(5)	11
<b>Cash flow from operating activities</b>	<b>1 121</b>	<b>1 301</b>

**ANALYSIS OF NET DEBT**

(unaudited)

£ million	As at	As at
	30 June 2007	31 December 2006
Total financial liabilities	(7 131)	(5 930)
Financial liabilities due within one year	(3 610)	(2 992)
Financial liabilities due after one year	(3 521)	(2 938)
Cash and cash equivalents as per balance sheet	1 021	697
Cash and cash equivalents as per cash flow statement	781	477
Add bank overdrafts deducted therein	240	220
Financial assets	196	184
<b>Net debt</b>	<b>(5 914)</b>	<b>(5 049)</b>

**GEOGRAPHICAL ANALYSIS**

(unaudited)

**Continuing operations – Second Quarter**

£ million	Europe	Americas	Asia Africa	Total
<b>Turnover</b>				
2006	2 756	2 392	1 905	7 053
2007	2 742	2 390	2 012	7 144
Change	(0.5)%	(0.1)%	5.6 %	1.3 %
<b>Impact of:</b>				
Exchange rates	(1.0)%	(5.9)%	(4.3)%	(3.6)%
Acquisitions	0.0 %	0.1 %	0.0 %	0.0 %
Disposals	(1.2)%	(0.4)%	(0.4)%	(0.7)%
<b>Underlying sales growth</b>	1.7 %	6.5 %	10.8 %	5.8 %
Price	(0.3)%	1.3 %	3.3 %	1.3 %
Volume	2.0 %	5.2 %	7.2 %	4.5 %

**Operating profit**

2006	370	382	234	986
2007	378	355	247	980
Change current rates	2.0 %	(7.2)%	5.5 %	(0.7)%
Change constant rates	3.3 %	(0.9)%	10.7 %	3.4 %

**Operating margin**

2006	13.5 %	16.0 %	12.3 %	14.0 %
2007	13.8 %	14.9 %	12.2 %	13.7 %

*Includes restructuring, business disposals and impairments*

2006	(1.6)%	0.4 %	(0.5)%	(0.6)%
2007	(1.7)%	(0.7)%	(0.5)%	(1.1)%

**Continuing operations – Half Year**

£ million	Europe	Americas	Asia Africa	Total
<b>Turnover</b>				
2006	5 138	4 737	3 721	13 596
2007	5 118	4 556	3 858	13 532
Change	(0.4)%	(3.8)%	3.7 %	(0.5)%
<b>Impact of:</b>				
Exchange rates	(1.4)%	(7.9)%	(6.5)%	(5.2)%
Acquisitions	0.1 %	0.1 %	0.1 %	0.1 %
Disposals	(1.6)%	(0.5)%	(0.5)%	(0.9)%
<b>Underlying sales growth</b>	2.6 %	4.9 %	11.3 %	5.8 %
Price	(0.5)%	1.0 %	3.1 %	1.1 %
Volume	3.1 %	3.8 %	7.9 %	4.6 %

**Operating profit**

2006	770	725	459	1 954
2007	720	667	466	1 853
Change current rates	(6.5)%	(8.0)%	1.5 %	(5.2)%
Change constant rates	(5.0)%	0.1 %	9.1 %	0.2 %

**Operating margin**

2006	15.0 %	15.3 %	12.3 %	14.4 %
2007	14.1 %	14.6 %	12.1 %	13.7 %

*Includes restructuring, business disposals and impairments*

2006	(0.4)%	0.0 %	0.5 %	0.0 %
2007	(1.5)%	(0.7)%	(0.6)%	(1.0)%

**Operating profit of discontinued operations (excluding profit/loss on disposals) – Second Quarter**

£ million	Europe	Americas	Asia Africa	Total
2006	35	–	–	35
2007	–	–	–	–

**Operating profit of discontinued operations (excluding profit/loss on disposals) – Half Year**

£ million	Europe	Americas	Asia Africa	Total
2006	82	–	–	82
2007	–	–	–	–

**PRODUCT AREA ANALYSIS**

(unaudited)

**Continuing operations – Second Quarter**

£ million	Savoury, dressings and spreads	Ice cream and beverages	Foods	Personal care	Home care and other	Home and Personal Care	Total
<b>Turnover</b>							
2006	2 296	1 623	3 919	1 900	1 234	3 134	7 053
2007	2 293	1 654	3 947	1 943	1 254	3 197	7 144
Change	(0.1)%	1.9 %	0.8 %	2.2 %	1.6 %	2.0 %	1.3 %
<b>Impact of:</b>							
Exchange rates	(3.4)%	(3.6)%	(3.4)%	(4.1)%	(3.6)%	(3.8)%	(3.6)%
Acquisitions	0.1 %	0.0 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Disposals	(0.5)%	(0.8)%	(0.6)%	(0.9)%	(0.7)%	(0.8)%	(0.7)%
<b>Underlying sales growth</b>	3.8 %	6.6 %	4.9 %	7.5 %	6.1 %	6.9 %	5.8 %
<b>Operating profit</b>							
2006	319	263	582	310	94	404	986
2007	356	273	629	261	90	351	980
Change current rates	11.8 %	3.4 %	8.0 %	(15.8)%	(5.1)%	(13.3)%	(0.7)%
Change constant rates	16.5 %	7.6 %	12.4 %	(12.4)%	0.0 %	(9.5)%	3.4 %
<b>Operating margin</b>							
2006	13.9 %	16.2 %	14.9 %	16.3 %	7.6 %	12.9 %	14.0 %
2007	15.5 %	16.5 %	15.9 %	13.4 %	7.1 %	11.0 %	13.7 %

**Continuing operations – Half Year**

£ million	Savoury, dressings and spreads	Ice cream and beverages	Foods	Personal care	Home care and other	Home and Personal Care	Total
<b>Turnover</b>							
2006	4 628	2 742	7 370	3 754	2 472	6 226	13 596
2007	4 556	2 736	7 292	3 786	2 454	6 240	13 532
Change	(1.5)%	(0.2)%	(1.0)%	0.8 %	(0.7)%	0.2 %	(0.5)%
<b>Impact of:</b>							
Exchange rates	(4.6)%	(4.8)%	(4.7)%	(5.7)%	(5.2)%	(5.5)%	(5.2)%
Acquisitions	0.1 %	0.1 %	0.1 %	0.1 %	0.0 %	0.1 %	0.1 %
Disposals	(0.6)%	(1.1)%	(0.8)%	(1.0)%	(1.1)%	(1.1)%	(0.9)%
<b>Underlying sales growth</b>	3.8 %	5.9 %	4.6 %	7.9 %	5.9 %	7.1 %	5.8 %
<b>Operating profit</b>							
2006	713	374	1 087	652	215	867	1 954
2007	663	349	1 012	624	217	841	1 853
Change current rates	(6.9)%	(6.8)%	(6.9)%	(4.3)%	0.4 %	(3.1)%	(5.2)%
Change constant rates	(2.2)%	(1.7)%	(2.0)%	1.5 %	7.4 %	2.9 %	0.2 %
<b>Operating margin</b>							
2006	15.4 %	13.6 %	14.7 %	17.4 %	8.7 %	13.9 %	14.4 %
2007	14.6 %	12.7 %	13.9 %	16.5 %	8.8 %	13.5 %	13.7 %

**EARNINGS PER SHARE FOR TOTAL OPERATIONS IN STERLING FOR THE HALF YEAR**

	<u>2007</u>	<u>2006</u>
<b>Combined EPS</b>		
Average number of combined share units	Thousands of units 2 887 050	2 881 632
Net profit attributable to shareholders' equity	£ million 1 456	1 358
Combined EPS (Pounds)	0.50	0.47
<b>Combined EPS – Diluted</b>		
Adjusted average number of combined share units	Thousands of units 2 984 506	2 966 729
Combined EPS - diluted (Pounds)	0.49	0.46