



20 September 2004

UNILEVER TRADING UPDATE

- **Unilever is revising its earnings guidance reflecting a determination to return the business to growth. We now expect low single digit earnings per share growth (beia) for the full year 2004.**
- **Additional support planned for Q4 behind high quality market place initiatives.**
- **Trading in July/August below expectations:-**
 - substantially lower sales of Ice Cream and Ready to Drink Tea due to very poor weather in Northern Europe;
 - continued weak consumer confidence coupled with retail and competitive issues have led to a further decline in Home and Personal Care markets in Western Europe;
 - in Asia competition remains intense in Laundry and Hair markets in a number of key countries;
 - trading across the rest of the business is broadly in line with expectation.

We now expect the development of leading brands in Q3 to be below that seen in Q2.

In light of the lower sales and a weaker category mix, we expect gross margin to decline in the third quarter compared to last year.

EPS (beia) in the third quarter is now expected to be lower than the comparable quarter last year.

The protection of the health of our brands and a return to long term profitable growth remain our overriding priorities. Planned brand support activities for the rest of the year will therefore be maintained and in certain areas reinforced.

Our simplification and cost saving activities, outlined with our Q2 announcement are proceeding to plan.

Commenting on the revised guidance, Unilever Chairmen Antony Burgmans and Niall FitzGerald said:

“In the light of the poor July/August and the pressure on some of our market positions we do not consider it in the long term interest of the business to maintain our previous (low double digit) EPS guidance for 2004. We are stepping up our market place activity, including putting additional A&P funds behind a number of high priority market place initiatives.

Top line growth is key to long term sustainable value creation, and here the recent performance is unacceptable. We are determined to put this right and we are therefore moving forward with the simplification of our operations and, most importantly, increasing investment behind our brands.”

Antony Burgmans

Niall FitzGerald

Chairmen of Unilever

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Morning Teleconference

Start Time : 08:45(UK), 09:45(CET), 03:45(ET)
General Public : +44 (0) 1296 311 650 - PIN No. 533947
Replay: +44 (0) 1296 618 700 - PIN No. 394953

Afternoon Teleconference

Start Time : 15:30(UK), 16:30(CET), 10:30(ET)
General Public : +1 877 810 2615 PIN No. 85553210
Replay: +1 888 286 8010 or +1 617 801 6888 - PIN No. 95443044

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Unilever’s third quarter results will be published on Wednesday 27 October.

Financial numbers are quoted in Euros at constant rates of exchange, that is average 2003 rates.

EPS is quoted on a before exceptional items and amortisation of goodwill and intangible assets basis (EPS (beia)).

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