



2008 Full Year and Q4 Results


Paul Polman (CEO) and Jim Lawrence (CFO)
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2008 Key Messages



- Increasingly challenging environment
- Strong organic growth and margin improvement
- Good progress with change programme



2008 Highlights



- Strong organic growth +7.4%
- Underlying operating margin +10bps
- €5.3bn cash flow from operations
- €2.7bn additional commodity costs
- €1.9bn after tax cash proceeds from disposals
- €3.6bn cash returned to shareholders



Sales in 2008

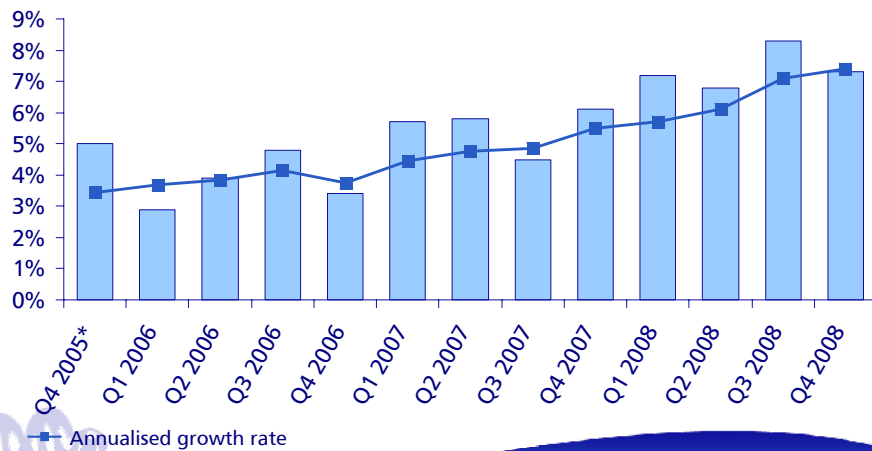


	2008	Q4
Turnover	€40.5bn	€10.2bn
Change	0.8%	2.6%
Acquisitions and disposals	(1.4)%	(2.7)%
Currency effect	(4.8)%	(1.6)%
Underlying sales growth	7.4%	7.3%
Volume	0.1%	(1.6)%
Price	7.2%	9.1%

Strong Organic Growth

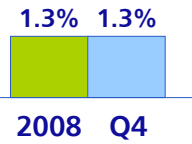


Underlying sales growth (%)



*days adjusted

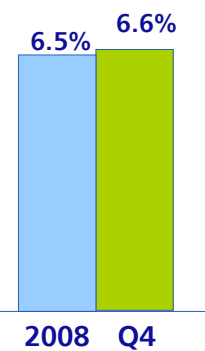
Western Europe



- Consistent organic growth
- Lower volumes in slowing markets
- Excellent progress with transformation
- Underlying margin up +70 bps



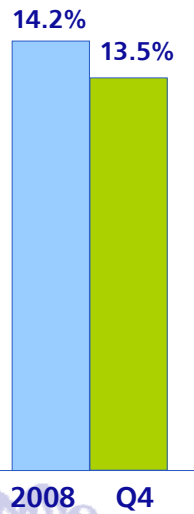
Americas



- US growth in line with market
- Some trade de-stocking in Q4
- Double-digit growth in Latin America
- Underlying margin flat



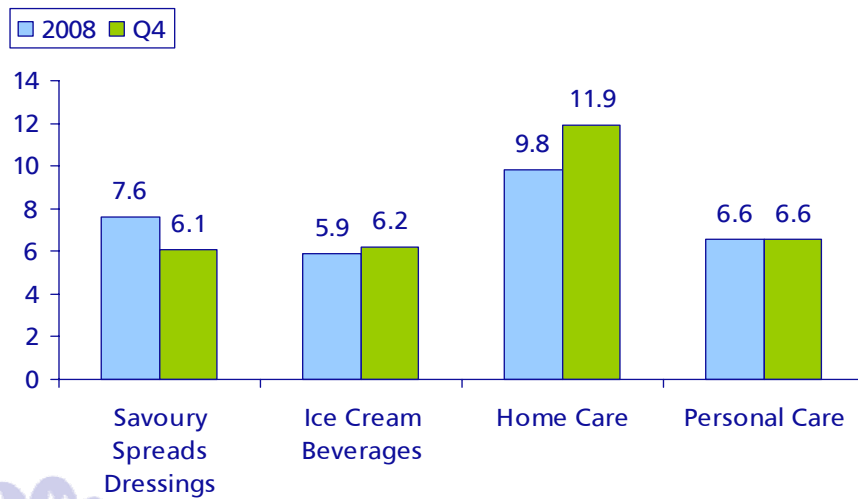
Asia Africa Central & Eastern Europe



- Key countries growing around +20%
- Volume growth +3.5%
- Some trade de-stocking in Q4
- Underlying margin down 20bps



Underlying Sales Growth by Category



2008 Drivers of Operating Profit*



Q4 Drivers of Operating Profit*



2008 Operating Margin Development



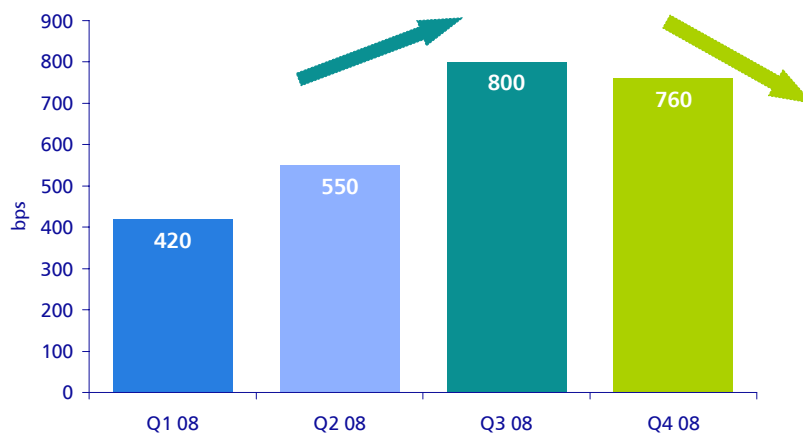
	2007	2008	Change
Operating margin	13.1%	17.7%	4.6%
Including RDIs*	(1.4)%	3.1%	4.5%
Underlying change			0.1%

Key drivers:

Cost/price/mix	(3.4)%
Savings	2.8%
A&P	0.7%

*Restructuring, disposals and one-off items

Commodity Cost Impact on Margin



2008 full year impact c. €2.7bn

Increased A&P Investment



- A&P investment up €50m in 2008
- Benefits from media efficiency programmes
- Media rates coming down across markets
- Share of advertising spend up



2008 Drivers of EPS Growth



	2007	2008	Change
EPS (€)	1.35	1.79	32%
Includes RDIs*, after tax	0.07	(0.36)	
Underlying growth in EPS			1%
Key drivers (%):			
Underlying growth in operating profit			6
Share buy-back			2
Currency			(4)
Tax rate (before RDIs*)			(3)



*Restructuring, disposals and one-off items

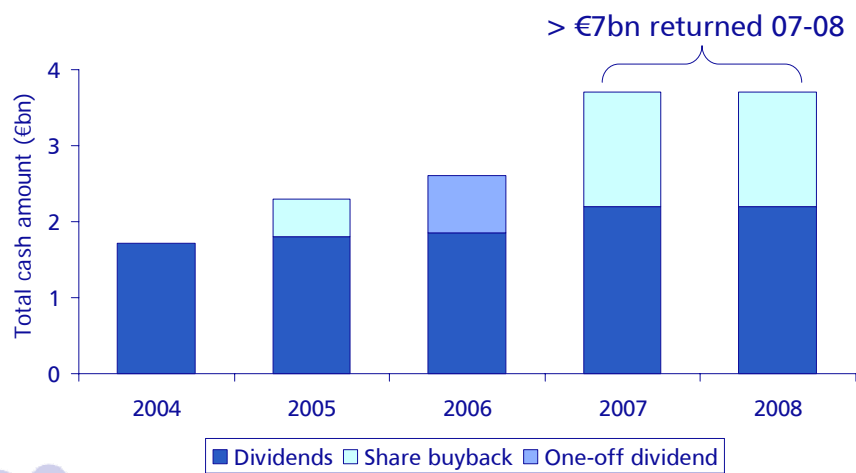
Balance Sheet and Cash Flow



- 'Strong single A' balance sheet
- Net debt reduced to €8.0bn
- Cash flow from operating activities €5.3bn
- Net pension liability increased to €3.4bn
- ROIC 15.7% boosted by disposal profits



Returning Cash to Shareholders



Move to Quarterly Dividends in 2010



- Aim for attractive, sustainable and growing dividend
- One dividend calendar and one set of exchange rates
- Requires shareholder approval at AGM's in May 2009
- No impact on total dividend available for shareholders
- More details available on www.unilever.com



Initial observations



- Good progress in recent years
- Tougher economic environment
- Markets are under pressure
- Consumer behaviour changing
- Retailers adjusting strategies



Good progress in recent years



- Focused brand portfolio
- More competitive cost structure
- Management layers reduced
- Leaner, faster organisation
- Better leveraging scale



We are well placed



- Strong brands and category positions
- Offerings covering all price points
- Foods and HPC portfolio advantage
- Balanced presence in D and D&E
- Restructuring savings to re-invest
- Strong balance sheet and cash flow



Stepping up performance



- Consistently grow volumes
- Focus energy externally
- Put consumers and customers at heart
- Use recession to galvanise faster action



Priorities for 2009



1. Reignite volume growth
2. Protect cash flow and margin



Priorities for 2009

Reignite volume growth



1. Strengthen our brands and portfolio
2. Sharpen our go to market capabilities
3. Evolve our organisation and culture



Priority 1: Reignite volume growth

Strengthen our brands and portfolio



- 30-day plans to close competitive gaps
- Drive innovation harder and faster
- Go for growth in developed markets
- Strengthen offerings in value segment
- Play to win in key developing markets



Priority 1: Reignite volume growth

Improve our go-to-market capability



- Cost efficient integrated supply chain
- Better customer service levels
- Focus on fast-growing customers
- Excel in shopper understanding



Priority 1: Reignite volume growth

Sharpen organisation and culture



- Strengthen leadership in key roles
- Sharpen rewards to drive performance culture
- Clarify responsibilities and accountabilities
- Drive external focus and speed



Priorities for 2009

Protect cash flow and margins



- Create new sense of urgency
- Leverage scale for buying synergies
- Better return on marketing spend
- Reduce overheads and working capital
- Cash flow generation and conversion



Use of cash



1. Reinvest in the business
2. Provide dividends to shareholders
3. Invest in acquisitions



Outlook



- Unpredictable economic environment
- Focus on short-term priorities
 1. Reignite volume growth
 2. Protect cash flow and margin
- Confident in long term value creation



Questions

