

## UNILEVER SECOND QUARTER AND HALF YEAR RESULTS 2002

(Unaudited)

**Growth of leading brands improved in the second quarter and with a strong marketing programme we expect a further increase in the second half year. This, together with a robust increase in profitability, enables us to raise our earnings outlook for the full year.**

### FINANCIAL HIGHLIGHTS

#### Constant exchange rates (2001 average)

Second Quarter 2002		€Millions	Half Year 2002	
13,352	- %	Turnover *	25,642	-1 %
1,998	+14 %	Operating profit * – beia **	3,823	+16 %
1,364	-8 %	Pre-tax profit	2,326	+12 %
658	-25%	Net profit	1,121	- %
1,077	+31 %	Net profit – beia **	2,004	+33 %
<u>Per NV share (€0.51), Euro</u>				
0.66	-25 %	Earnings per share (EPS)	1.12	+1 %
1.09	+32 %	EPS (beia) **	2.02	+34 %
<u>Per PLC share (1.4p), Euro cent</u>				
9.89	-25 %	EPS	16.77	+1 %
16.32	+32 %	EPS (beia) **	30.28	+34 %

\* Includes our share of Joint Ventures

\*\* before exceptional items and amortisation of goodwill and intangibles

When expressed in **current rates of exchange**, earnings per share (beia) were up 25% for the quarter and 29% for the half year, while earnings per share fell by 28% in the quarter and by 3% for the half year.

### KEY FEATURES FOR THE QUARTER

- **Sales growth of the leading brands reached 4.5% for the last twelve months with 4.4% in the quarter. They now represent 88% of our business.**
- **Operating margin (beia) moved strongly ahead to 15% in the quarter, up by 190 basis points.**
- **Net interest fell by 18% to €32 million through a combination of lower rates, the benefits of strong cash flow from operations and disposal proceeds.**
- **EPS (beia) grew by 32% due to improvements in profitability and a lower tax rate.**
- **Lower pre-tax profit and EPS are explained by a substantial exceptional profit in the second quarter of last year.**

## CHAIRMEN'S COMMENT & OUTLOOK

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"We have now reached the mid-point in the Path to Growth strategy and we continue to be confident about delivering our programme on time and in full.

Savings from restructuring and global buying are comfortably on plan and together with an improving mix, deliver excellent progress in operating margin. Brand focus continues apace with 88% of our turnover now attributable to leading brands. These brands are showing great resilience in a tough economic environment and will drive accelerating top line growth as we move into the second half of Path to Growth.

On the completion of Path to Growth and looking beyond 2004, we will be absorbing the normal costs of business restructuring within our operating margin target of 16% plus. These costs are expected to be in the range of 0.5% to 1% of sales.

The second quarter saw an expected increase in the rate of underlying sales growth. Home and Personal Care leading brand growth returned to levels in line with those needed to achieve the Path to Growth targets. In key areas of Foods there has been a pick-up in the rate of growth as we put increasing levels of innovation and investment behind our leading brands now that the key customer and brand management elements of the Bestfoods integration are behind us.

We expect leading brands to be 90% of our business by the year-end and to sustain their growth for the year in the range of 4.5% and 5.0%, while managing through the economic cycle in some developing and emerging markets. Given the strong increase in profitability and whilst retaining the capacity for an increased level of marketing investment to support accelerating innovation in the second half, we are raising our outlook for the year's EPS (beia) growth to the mid teens."

N W A FitzGerald  
Chairman, Unilever PLC

A Burgmans  
Chairman, Unilever N.V.

31 July, 2002