

STERLING SUPPLEMENT TO THE UNILEVER THIRD QUARTER AND NINE MONTH RESULTS 2007

This document is a supplement to the Unilever third quarter and nine month 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 = £0.6765 for the first nine months of 2007 and €1 = £0.6843 for the first nine months of 2006. The balance sheet is translated at period-end rates of exchange. These were €1 = £0.6991 at 30 September 2007, €1 = £0.6712 at 31 December 2006 and €1 = £0.6775 at 30 September 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)

Third Quarter		Increase/ (Decrease)		£ million	Nine Months			
2007	2006	Current rates	Constant rates		2007	2006	Current rates	Constant rates
Continuing operations:								
6 964	6 875	1 %	4 %	Turnover	20 496	20 471	0 %	4 %
953	1 020	(7)%	(4)%	Operating profit	2 806	2 974	(6)%	(1)%
(160)	(60)			After (charging)/crediting:				
11	(3)			Restructuring	(321)	(161)		
				Business disposals and impairments	41	103		
(42)	(274)			Net finance costs	(137)	(435)		
34	22			Finance income	82	69		
(108)	(101)			Finance costs	(286)	(323)		
3	(204)			Preference shares provision	(7)	(204)		
29	9			Pensions and similar obligations	74	23		
16	11			Share in net profit/(loss) of joint ventures	55	35		
–	(1)			Share in net profit/(loss) of associates	34	3		
4	10			Other income from non-current investments	25	17		
931	766	22 %	24 %	Profit before taxation	2 783	2 594	7 %	11 %
(204)	(237)			Taxation	(568)	(686)		
727	529	38 %	40 %	Net profit from continuing operations	2 215	1 908	16 %	20 %
–	21			Net profit/(loss) from discontinued operations	51	87		
727	550	32 %	34 %	Net profit for the period	2 266	1 995	14 %	18 %
Attributable to:								
41	51			Minority interests	124	138		
686	499	38 %	39 %	Shareholders' equity	2 142	1 857	15 %	19 %
Combined earnings per share								
0.24	0.16	45 %	47 %	Continuing operations (Pounds)	0.73	0.61	18 %	23 %
0.23	0.16	44 %	46 %	Continuing operations – diluted (Pounds)	0.70	0.60	18 %	22 %
0.00	0.01			Discontinued operations (Pounds)	0.01	0.03		
0.00	0.01			Discontinued operations – diluted (Pounds)	0.02	0.03		
0.24	0.17	38 %	40 %	Total operations (Pounds)	0.74	0.64	15 %	20 %
0.23	0.17	38 %	40 %	Total operations – diluted (Pounds)	0.72	0.63	15 %	19 %

STATEMENT OF RECOGNISED INCOME AND EXPENSE

(unaudited)

£ million

	Nine Months	
	2007	2006
Fair value gains/(losses) on financial instruments net of tax	29	(377)
Actuarial gains/(losses) on pension schemes net of tax	761	4
Currency retranslation gains/(losses) net of tax	217	142
Net income/(expense) recognised directly in equity	1 007	(231)
Net profit for the period	2 266	1 995
Total recognised income and expense for the period	3 273	1 764
Attributable to:		
Minority interests	131	140
Shareholders' equity	3 142	1 624

CASH FLOW STATEMENT

(unaudited)

£ million

	Nine Months	
	2007	2006
<u>Operating activities</u>		
Cash flow from operating activities	2 343	2 621
Income tax paid	(589)	(491)
Net cash flow from operating activities	1 754	2 130
<u>Investing activities</u>		
Interest received	71	54
Net capital expenditure	(429)	(452)
Acquisitions and disposals	23	124
Other investing activities	143	38
Net cash flow from/(used in) investing activities	(192)	(236)
<u>Financing activities</u>		
Dividends paid on ordinary share capital	(1 027)	(915)
Interest and preference dividends paid	(224)	(273)
Change in financial liabilities	938	(825)
Share buy-back programme	(774)	–
Other movements on treasury stock	194	(3)
Other financing activities	(319)	(122)
Net cash flow from/(used in) financing activities	(1 212)	(2 138)
Net increase/(decrease) in cash and cash equivalents	350	(244)
Cash and cash equivalents at the beginning of the year	477	868
Effect of foreign exchange rate changes	50	206
Cash and cash equivalents at the end of period	877	830

BALANCE SHEET

(unaudited)

£ million	As at 30 September 2007	As at 31 December 2006	As at 30 September 2006
Non-current assets			
Goodwill and intangible assets	11 724	11 549	11 874
Property, plant and equipment	4 376	4 213	4 199
Pension asset for funded schemes in surplus	1 675	1 139	764
Deferred tax assets	671	849	931
Other non-current assets	849	755	745
Total non-current assets	19 295	18 505	18 513
Current assets			
Inventories	2 881	2 549	2 662
Trade and other current receivables	3 492	2 854	3 092
Current tax assets	183	84	62
Other financial assets	165	184	280
Cash and cash equivalents	1 095	697	976
Non-current assets held for sale	102	9	345
Total current assets	7 918	6 377	7 417
Current liabilities			
Financial liabilities	(3 562)	(2 992)	(3 970)
Trade payables and other current liabilities	(5 847)	(5 261)	(5 037)
Current tax liabilities	(416)	(388)	(299)
Provisions	(539)	(677)	(528)
Liabilities associated with non-current assets held for sale	(30)	–	(160)
Total current liabilities	(10 394)	(9 318)	(9 994)
Net current assets/(liabilities)	(2 476)	(2 941)	(2 577)
Total assets less current liabilities	16 819	15 564	15 936
Non-current liabilities			
Financial liabilities due after one year	3 457	2 938	3 496
Pensions and post-retirement healthcare benefits liabilities:			
Funded schemes in deficit	611	925	1 390
Unfunded schemes	1 635	2 281	2 705
Provisions	528	555	534
Deferred tax liabilities	899	673	631
Other non-current liabilities	329	358	326
Total non-current liabilities	7 459	7 730	9 082
Equity			
Shareholders' equity	9 006	7 537	6 576
Minority interests	354	297	278
Total equity	9 360	7 834	6 854
Total capital employed	16 819	15 564	15 936