



Persdienst

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News Release

Persbericht

News Release

News Release

THIRD QUARTER AND NINE MONTH RESULTS 2006 AND INTERIM DIVIDENDS

Broad-based growth. Margin development in line with our expectations.

FINANCIAL HIGHLIGHTS

(unaudited)

Third Quarter 2006			€ million	Nine Months 2006		
Current rates	Current rates	Constant rates		Current rates	Current rates	Constant rates
Continuing operations:						
10 122	2%	4%	Turnover	29 915	4%	3%
1 501	(3)%	(2)%	Operating profit	4 346	7%	5%
1 128	(20)%	(19)%	Pre-tax profit	3 789	4%	2%
779	(22)%	(21)%	Net profit from continuing operations	2 787	5%	4%
812	(45)%	(45)%	Net profit from total operations	2 915	(10)%	(11)%
0.25	(24)%	(24)%	EPS from continuing operations (Euros)	0.90	5%	4%
0.25	(47)%	(47)%	EPS from total operations (Euros)	0.94	(11)%	(12)%

KEY FEATURES

- Underlying sales growth of 4.8% in the quarter and 3.9% in the first nine months.
- Operating margin of 14.8% in the quarter and 14.5% in the first nine months.
- Increased investment in advertising and promotions behind key mid-year innovations.
- Pricing actions and productivity gains fully offset cost increases.
- Provision of €300 million taken for possible compensation payments relating to the 2005 conversion of preference shares, issued by Unilever N.V. in 1999.
- Interim dividend of €0.23 for NV and 15.62p for PLC.
- €750 million additional one-off dividend (€0.26 for NV and 17.66p for PLC), replacing 2006 share buy-back of €500 million. Share buy-back programme of €1.5 billion planned to commence in 2007.

GROUP CHIEF EXECUTIVE'S COMMENT

We continue to see good progress with another quarter of broad-based growth. All categories and regions grew, with a notable contribution from Europe. Stronger innovation and additional investment behind our priorities are driving the growth of our brands.

Pricing actions and continued productivity gains fully offset higher than expected input costs. The 'One Unilever' programme is making a substantial contribution to our cost competitiveness drive. Our global capability programme, now also extended to research and development, is progressing well.

During the quarter we announced the sale of frozen foods businesses in Europe at a good price and expect to complete it

shortly. Also we have announced today an increase in the cash to be returned to shareholders in 2006 and plans for additional returns through share buy-backs, starting in 2007.

I am pleased with the sustained improvement in the top line, maintaining the momentum of the first half. Looking ahead our priority is to improve our operating margin, while delivering our growth ambitions. We are confident we will achieve this through a combination of savings, mix improvement and appropriate pricing actions.

Patrick Cescau, Group Chief Executive

2 November 2006



In the following commentary, sales growth is stated on an underlying basis at constant exchange rates and excluding the effects of acquisitions and disposals. Turnover includes the impact of exchange rates and acquisitions and disposals. Unilever uses 'constant rate' and 'underlying' measures primarily for internal performance analysis and targeting purposes. Unilever believes that such measures provide additional information for shareholders on underlying business performance trends. Such measures are not defined under IFRSs or US GAAP and are not intended to be a substitute for GAAP measures of turnover, profit and cash flow.

TURNOVER

Turnover increased by 4.4% in the first nine months, with 3.9% underlying sales growth. Favourable currency movements added 1.4% with disposals accounting for the remainder of the change in turnover. In the third quarter underlying sales grew by 4.8%.

Pricing has made an increasing contribution with 0.9% in the first nine months and 1.2% in the quarter. All regions and categories grew in both the year to date and the quarter. A strong third quarter for European ice cream added 0.4% to overall third quarter growth and made up for a relatively weak start to the ice cream season.

OPERATING MARGIN

The operating margin for the first nine months at 14.5% was 0.3 percentage points higher than a year ago, while the quarter at 14.8% was 0.8 percentage points lower. Before the impact of restructuring, disposals and impairments, the operating margin would have been 0.7 percentage points lower for both the first nine months and the quarter.

Investment behind our brands has been stepped up in priority categories and regions. Advertising and promotions as a percentage of turnover increased by 0.6 points in the first nine months and by 0.8 points in the third quarter.

Gross margins were in line with last year in the first nine months. Higher commodity costs were fully offset by savings programmes, the benefits of volume growth and mix, and a positive contribution from pricing.

NET PROFIT AND EARNINGS PER SHARE

Net finance costs benefited from a lower level of net debt, an improved mix between countries and the effect of a higher asset base in our pension funds.

Finance costs for the quarter also included a €300 million provision relating to preference shares. In September 2006 investigators appointed by the Dutch Enterprise Chamber published their report into the issuance and subsequent conversion of Unilever N.V.'s 1999 Preference Shares. The Unilever Board

established a Committee, chaired by Professor Wim Dik, to consider the Company's response. The Committee has explored the possibility of a settlement. It is expected that the Board, which has as yet made no decision on this matter, will consider the Committee's recommendation shortly.

The tax rate was 26% for the first nine months compared with 28% last year. The lower rates this year include a better country mix and other improvements. In the third quarter the tax rate was 31%, which is adversely affected by a relatively low assumed rate for the tax credit on the preference share provision.

Share of net profit from joint ventures was ahead of last year due to continued growth in the partnerships between *Lipton* and Pepsi for ready-to-drink tea.

Net profit from continuing operations increased by 5% in the first nine months and decreased by 22% in the quarter, following the preference shares provision. Net profit, including discontinued operations, was down by 45% in the quarter, additionally reflecting the profit on disposal of UCI in the third quarter of last year.

EPS from continuing operations increased by 5% in the first nine months.

CASH FLOW

Net cash flow from operating activities was €0.3 billion higher than last year in the first nine months. Lower tax payments more than offset higher cash payments to pension schemes in the period. The seasonal outflow of working capital was in line with last year. Capital expenditure has been increased behind our innovation programme.

Net debt has been reduced by €1.3 billion since the start of the year.

BALANCE SHEET

The Euro strengthened against a number of currencies, most significantly the US dollar, reducing balance sheet values.

DIVIDENDS AND SHARE BUY BACKS

The sale of European frozen foods businesses is now expected to complete very shortly and for a price at the top end of our expectations. We have not invested any significant amounts in acquisitions. We have therefore decided to return an additional €250 million to shareholders this year over and above the originally planned €500 million share buy-back. The simplest way of achieving this is through a one-off dividend of €750 million to be paid at the same time as the normal interim dividend. Looking forward, we plan a share buy-back programme of €1.5 billion, commencing in 2007.

PERFORMANCE BY REGION

EUROPE (38% OF SALES)

Underlying sales grew by 1.4% in the first nine months, and by 3.5% in the third quarter. Growth is mainly volume driven and in aggregate across categories we are growing in line with our markets.

A key driver of the overall improvement has been the impact of Vitality-led innovation in savoury, spreads and leaf tea. Ice cream grew for the season overall, with a strong third quarter adding 1.4% to European growth in the quarter. This made up for lower ice cream sales in the first half year.

Personal care grew well through innovation and consumer activation. We have lost some share in laundry in competitive markets.

There were improvements in a number of key countries in the third quarter. The UK has returned to growth and France and Germany also performed better. The Netherlands continues to move ahead strongly and Russia is growing well.

The theme of Vitality runs clearly through the innovation programme. *AdeZ* drinks, combining the goodness of soya with the refreshment, taste and health of fruit juice have been launched in the UK, building on success in Latin America. A range of *Knorr* bouillon cubes with selected natural ingredients and a better, richer taste has been rolled out across the region and *Vie* 'one shot' fruit and vegetable drinks are now available in ten countries. 'Fresh' soups in pouches with premium ingredients and tasty recipes have been rolled out to a further seven countries.

Product launches in Home and Personal Care with clear functional or emotional benefits are being rolled out rapidly across the region. *Dove* 'Summer Glow', offers gentle self-tanning from a trusted brand and the latest *Axe* fragrance 'Click' is being introduced. New *Cif Power Cream* combines convenience with high performance.

The operating margin for the first nine months at 15.0% was 1.8 percentage points lower than last year. This includes the impact of input cost increases, competitive pricing, higher net costs for restructuring and disposals, and higher investment in advertising and promotions. These were only partly offset by savings programmes.

THE AMERICAS (35% OF SALES)

Underlying sales growth has accelerated progressively through the year, with 3.5% in the first nine months and 4.1% in the third quarter. This is mainly driven by volume gains with price increases adding 1.4% in the first nine months. Markets in the US continue to grow solidly. In the rest of the region Home and Personal Care markets are buoyant, with Foods somewhat slower.

Sales in the US have grown by around 3% in both the quarter and the year to date. We have gained market share in Foods, including further gains in ice cream and the continued success of *Bertolli* frozen meals and *Country Crock* side dishes. *Lipton* ready-to-drink tea has also achieved a substantial share gain, which is not consolidated in turnover but shows through in the profit from joint ventures. There has been good innovation-driven growth and share gains in deodorants and hair care, with sales of the newly launched *Sunsilk* on plan.

Sales in Brazil picked up in the third quarter with strong growth in personal care categories and laundry. Foods sales in Brazil grew only modestly in the face of slow markets and strong local price competition.

In Mexico, sales were below last year in both the quarter and the year to date. Home and Personal Care returned to growth in the quarter but Foods declined in sluggish markets.

There was strong growth elsewhere in the region with a number of countries growing more than 10%.

Products introduced this year in the US include further development of the *Bertolli* premium frozen meal range, *Wishbone* salad 'spritzers', with one calorie per spray, and *Lipton* pyramid tea bags. Launches under the *Breyers* ice cream brand include more creamy varieties of 'double churn'.

New *Knorr* soups and bouillons across the region cater for local flavour and tastes while sharing common product platforms. The highly successful *AdeS* nutritional drink has been extended with a 'light' variant, new fruit flavours and the launch of *Soymilk* in Brazil and Mexico.

We have strengthened our hair portfolio in the US. *Sunsilk*, with ranges tailored to tackle individual hair 'dramas', was launched in the middle of the year. This followed the successful relaunch of the *Suave* 'Professionals' range with improved margins. The *Dove* skin range has been further extended throughout the region including the 'glow' and 'no white marks' products which meet clear consumer needs. In Brazil, the *Omo* laundry brand has been further strengthened with a new top performance product and 'baby' and 'foam control' variants.

The operating margin for the first nine months, at 15.5% was 3.8 percentage points higher than last year which included the impairment charge for *Slim-Fast* in the second quarter. Before this, the operating margin was in line with last year. Price increases and savings programmes fully offset the impact of increased investment in advertising and promotions and higher input costs.

ASIA AFRICA (27% OF SALES)

Underlying sales grew by 8.0% in the first nine months and by 7.5% in the third quarter. While growth remains mainly volume driven, there was a further step up in price in the third quarter, to 2.3%, as we took action to mitigate the effects of higher input costs.

Markets remain generally buoyant and our aggregate market shares across the region remain stable, as we delivered good growth from strong positions across all categories.

India has sustained double-digit sales increases across almost all categories. A mix of global, regional and local brands are driving growth, notably *Surf*, *Wheel*, *Lux*, *Lifebuoy* and *Clinic*. Tea rebounded strongly after a weaker first half.

China has been very strong this year with another quarter of excellent growth. We have gained share in most categories through better distribution and innovation behind brands such as *Omo*, *Zonghua*, *Lux* and *Pond's*. *Lipton* teas also performed well.

Indonesia, Vietnam and Turkey have all sustained very good momentum through the year. Sales in South Africa slowed in the third quarter through low price

competition in laundry, but Foods and personal care continued to move ahead well.

In the developed markets, an improved performance in Australia has been sustained, while Japan remains difficult.

Increasingly, innovation activity has been driven globally and regionally rather than locally. The new *Sunsilk* range has been introduced in most major markets and in laundry the global 'Dirt is Good' positioning is now in place across the region. The latest *Axe/Lynx* fragrance, 'Click' has been introduced in Australia and New Zealand. *Lux* 'Super Damage Repair System' for hair has been launched in Japan and China.

In Foods, low unit priced *Knorr* bouillon cubes, already successful in Latin America, have been brought to the region and Green Tea innovations are being rolled out extensively. In South Africa, the new *Rama* brand communicates the healthy oils in the product, a theme being used elsewhere around the world.

The operating margin for the first nine months at 12.6% was 0.8 percentage points lower than a year ago, due to increased investment in advertising and promotions. Price increases and savings programmes offset the impact of higher input costs.

SAFE HARBOUR STATEMENT: This announcement may contain forward-looking statements, including 'forward-looking statements' within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as 'expects', 'anticipates', 'intends' or the negative of these terms and other similar expressions of future performance or results and their negatives are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Group. They are not historical facts, nor are they guarantees of future performance. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including, among others, competitive pricing and activities, consumption levels, costs, the ability to maintain and manage key customer relationships and supply chain sources, currency values, interest rates, the ability to integrate acquisitions and

complete planned divestitures, physical risks, environmental risks, the ability to manage regulatory, tax and legal matters and resolve pending matters within current estimates, legislative, fiscal and regulatory developments, political, economic and social conditions in the geographic markets where the Group operates and new or changed priorities of the Boards. Further details of potential risks and uncertainties affecting the Group are described in the Group's filings with the London Stock Exchange, Euronext Amsterdam and the US Securities and Exchange Commission, including the Annual Report and Accounts on Form 20-F. These forward-looking statements speak only as of the date of this document. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

CONDENSED INTERIM FINANCIAL STATEMENTS

INCOME STATEMENT

(unaudited)

Third Quarter				€ million	Nine Months			
2006	2005	Increase/ (Decrease) Current Constant rates rates			2006	2005	Increase/ (Decrease) Current Constant rates rates	
Continuing operations:								
10 122	9 935	2%	4%	Turnover	29 915	28 644	4%	3%
1 501	1 551	(3)%	(2)%	Operating profit	4 346	4 062	7%	5%
(74)	(81)			After (charging)/crediting:				
(4)	10			Restructuring	(235)	(130)		
				Business disposals and impairments	151	(245)		
(403)	(158)			Net finance costs	(638)	(461)		
33	21			Finance income	101	122		
(149)	(166)			Finance costs	(473)	(543)		
(300)	–			Preference shares provision	(300)	–		
13	(13)			Pensions and similar obligations	34	(40)		
17	13			Share in net profit/(loss) of joint ventures	51	32		
(2)	2			Share in net profit/(loss) of associates	4	(6)		
15	3			Other income from non-current investments	26	24		
1 128	1 411	(20)%	(19)%	Profit before taxation	3 789	3 651	4%	2%
(349)	(414)			Taxation	(1 002)	(1 005)		
779	997	(22)%	(21)%	Net profit from continuing operations	2 787	2 646	5%	4%
33	477			Net profit/(loss) from discontinued operations	128	593		
812	1 474	(45)%	(45)%	Net profit for the period	2 915	3 239	(10)%	(11)%
Attributable to:								
75	57			Minority interests	202	157		
737	1 417	(48)%	(48)%	Shareholders' equity	2 713	3 082	(12)%	(13)%
Combined earnings per share								
0.25	0.49	(47)%	(47)%	Total operations (Euros)	0.94	1.06	(11)%	(12)%
0.24	0.47	(47)%	(47)%	Total operations - diluted (Euros)	0.91	1.02	(11)%	(12)%
0.25	0.32	(24)%	(24)%	Continuing operations (Euros)	0.90	0.85	5%	4%
0.24	0.32	(24)%	(24)%	Continuing operations – diluted (Euros)	0.87	0.83	5%	4%

STATEMENT OF RECOGNISED INCOME AND EXPENSE

(unaudited)

€ million

	Nine Months	
	2006	2005
Fair value gains/(losses) on financial instruments net of tax	(551)	21
Actuarial gains/(losses) on pension schemes net of tax	6	14
Currency retranslation gains/(losses) net of tax	323	359
Net income/(expense) recognised directly in equity	(222)	394
Net profit for the period	2 915	3 239
Total recognised income and expense for the period	2 693	3 633
Attributable to:		
Minority interests	182	200
Shareholders' equity	2 511	3 433

MOVEMENTS IN EQUITY

(unaudited)

€ million

	Nine Months	
	2006	2005
Equity at 1 January	8 765	6 515
Total recognised income and expense for the period	2 693	3 633
Dividends	(1 268)	(1 229)
Conversion of preference shares	–	930
(Purchase)/sale of treasury stock	2	(600)
Share option credit	92	124
Dividends paid to minority shareholders	(170)	(166)
Currency retranslation gains/(losses) net of tax	(8)	15
Other movements in equity	10	–
Equity at the end of the period	10 116	9 222

BALANCE SHEET

(unaudited)

€ million	As at 30 September 2006	As at 31 December 2005	As at 1 October 2005
Non-current assets			
Goodwill and intangible assets	17 527	18 055	17 959
Property, plant and equipment	6 198	6 492	6 513
Pension asset for funded schemes in surplus	1 128	1 036	749
Deferred tax assets	1 373	1 703	1 520
Other non-current assets	1 099	1 072	1 207
Total non-current assets	27 325	28 358	27 948
Assets held for sale	509	217	133
Current assets			
Inventories	3 930	4 107	4 319
Trade and other current receivables	4 657	4 830	5 082
Other financial assets	320	335	356
Cash and cash equivalents	1 440	1 529	2 061
Total current assets	10 347	10 801	11 818
Current liabilities			
Borrowings due within one year	(5 735)	(5 942)	(6 101)
Trade payables and other current liabilities	(7 909)	(8 658)	(8 400)
Restructuring and other provisions	(780)	(644)	(658)
Total current liabilities	(14 424)	(15 244)	(15 159)
Net current assets/(liabilities)	(4 077)	(4 443)	(3 341)
Total assets less current liabilities	23 757	24 132	24 740
Non-current liabilities			
Borrowings due after one year	5 025	6 457	6 823
Pension liability for funded schemes in deficit	2 051	2 415	2 396
Pension liability for unfunded schemes	3 992	4 202	3 993
Restructuring and other provisions	788	732	706
Deferred tax liabilities	931	933	807
Other non-current liabilities	617	602	779
Total non-current liabilities	13 404	15 341	15 504
Liabilities held for sale	237	26	14
Equity			
Shareholders' equity	9 704	8 361	8 813
Minority interests	412	404	409
Total equity	10 116	8 765	9 222
Total capital employed	23 757	24 132	24 740

CASH FLOW STATEMENT

(unaudited)

€ million

	Nine Months	
	2006	2005
<u>Operating activities</u>		
Cash flow from operating activities	3 830	4 009
Income tax paid	(718)	(1 205)
Net cash flow from operating activities	3 112	2 804
<u>Investing activities</u>		
Interest received	79	156
Net capital expenditure	(660)	(509)
Acquisitions and disposals	182	740
Other investing activities	55	354
Net cash flow from/(used in) investing activities	(344)	741
<u>Financing activities</u>		
Dividends paid on ordinary share capital	(1 337)	(1 229)
Interest and preference dividends paid	(400)	(472)
Change in borrowings and finance leases	(1 205)	(333)
Purchase of treasury stock	(5)	(800)
Other financing activities	(178)	(165)
Net cash flow from/(used in) financing activities	(3 125)	(2 999)
Net increase/(decrease) in cash and cash equivalents	(357)	546
Cash and cash equivalents at the beginning of the year	1 265	1 406
Effect of foreign exchange rate changes	317	(142)
Cash and cash equivalents at the end of period	1 225	1 810

ANALYSIS OF NET DEBT

(unaudited)

€ million	As at 30 September 2006	As at 31 December 2005
	Total borrowings	(10 760)
Borrowings due within one year	(5 735)	(5 942)
Borrowings due after one year	(5 025)	(6 457)
Cash and cash equivalents as per balance sheet	1 440	1 529
Cash and cash equivalents as per cash flow statement	1 225	1 265
Add bank overdrafts deducted therein	215	265
Less cash and cash equivalents in assets/liabilities held for sale	–	(1)
Other financial assets	320	335
Derivatives and finance leases included in other receivables and other liabilities	(165)	33
Net debt	(9 165)	(10 502)

GEOGRAPHICAL ANALYSIS

(unaudited)

Continuing operations – Third Quarter

€ million	Europe	Americas	Asia Africa	Total
Turnover				
2005	3 805	3 409	2 721	9 935
2006	3 905	3 435	2 782	10 122
Change	2.6%	0.7%	2.3%	1.9%
Impact of:				
Exchange rates	0.1%	(2.7)%	(4.1)%	(2.0)%
Acquisitions	0.0%	0.2%	0.0%	0.1%
Disposals	(0.9)%	(0.8)%	(0.8)%	(0.8)%
Underlying sales growth	3.5%	4.1%	7.5%	4.8%
Price	0.3%	1.3%	2.3%	1.2%
Volume	3.1%	2.7%	5.0%	3.5%

Operating profit

2005	653	526	372	1 551
2006	591	547	363	1 501
Change current rates	(9.4)%	3.9%	(2.3)%	(3.2)%
Change constant rates	(9.3)%	5.2%	1.9%	(1.8)%

Operating margin

2005	17.2%	15.4%	13.7%	15.6%
2006	15.1%	15.9%	13.1%	14.8%
Includes restructuring, business disposals and impairments				
2005	(0.9)%	(0.6)%	(0.7)%	(0.7)%
2006	(1.1)%	(0.7)%	(0.5)%	(0.8)%

Continuing operations – Nine Months

€ million	Europe	Americas	Asia Africa	Total
Turnover				
2005	11 322	9 658	7 664	28 644
2006	11 385	10 331	8 199	29 915
Change	0.6%	7.0%	7.0%	4.4%
Impact of:				
Exchange rates	0.1%	3.9%	0.0%	1.4%
Acquisitions	0.0%	0.1%	0.0%	0.0%
Disposals	(1.0)%	(0.6)%	(1.0)%	(0.9)%
Underlying sales growth	1.4%	3.5%	8.0%	3.9%
Price	(0.1)%	1.4%	1.6%	0.9%
Volume	1.5%	2.1%	6.3%	3.0%

Operating profit

2005	1 906	1 132	1 024	4 062
2006	1 712	1 603	1 031	4 346
Change current rates	(10.1)%	41.5%	0.7%	7.0%
Change constant rates	(10.2)%	35.8%	0.5%	5.5%

Operating margin

2005	16.8%	11.7%	13.4%	14.2%
2006	15.0%	15.5%	12.6%	14.5%
Includes restructuring, business disposals and impairments				
2005	0.0%	(4.0)%	0.1%	(1.3)%
2006	(0.6)%	(0.2)%	0.1%	(0.3)%

Operating profit of discontinued operations – Third Quarter

€ million	Europe	Americas	Asia Africa	Total
2005	43	–	–	43
2006	43	–	–	43

Operating profit of discontinued operations – Nine Months

€ million	Europe	Americas	Asia Africa	Total
2005	192	20	–	212
2006	182	–	–	182

PRODUCT AREA ANALYSIS

(unaudited)

Continuing operations – Third Quarter

€ million	Savoury, dressings and spreads	Ice cream and beverages	Foods	Personal care	Home care and other	Home and Personal Care	Total
Turnover							
2005	3 322	2 082	5 404	2 760	1 771	4 531	9 935
2006	3 321	2 170	5 491	2 870	1 761	4 631	10 122
Change	0.0%	4.2%	1.6%	4.0%	(0.6)%	2.2%	1.9%
Impact of:							
Exchange rates	(1.8)%	(2.0)%	(1.9)%	(1.9)%	(2.7)%	(2.2)%	(2.0)%
Acquisitions	0.0%	0.1%	0.0%	0.3%	0.0%	0.2%	0.1%
Disposals	(1.2)%	(0.2)%	(0.8)%	(1.0)%	(0.5)%	(0.8)%	(0.8)%
Underlying sales growth	3.1%	6.5%	4.4%	6.8%	2.7%	5.2%	4.8%
Operating profit							
2005	501	393	894	493	164	657	1 551
2006	457	393	850	492	159	651	1 501
Change current rates	(8.8)%	(0.2)%	(5.0)%	0.0%	(2.9)%	(0.7)%	(3.2)%
Change constant rates	(6.9)%	0.1%	(3.8)%	1.7%	(0.7)%	1.1%	(1.8)%
Operating margin							
2005	15.1%	18.9%	16.6%	17.9%	9.2%	14.5%	15.6%
2006	13.8%	18.1%	15.5%	17.2%	9.0%	14.1%	14.8%

Continuing operations – Nine Months

€ million	Savoury, dressings and spreads	Ice cream and beverages	Foods	Personal care	Home care and other	Home and Personal Care	Total
Turnover							
2005	9 825	5 871	15 696	7 733	5 215	12 948	28 644
2006	10 058	6 162	16 220	8 336	5 359	13 695	29 915
Change	2.4%	4.9%	3.3%	7.8%	2.8%	5.8%	4.4%
Impact of:							
Exchange rates	1.1%	1.1%	1.1%	1.9%	1.4%	1.7%	1.4%
Acquisitions	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%	0.0%
Disposals	(1.4)%	(0.3)%	(1.0)%	(0.8)%	(0.5)%	(0.7)%	(0.9)%
Underlying sales growth	2.7%	4.1%	3.2%	6.5%	1.9%	4.7%	3.9%
Operating profit							
2005	1 588	589	2 177	1 346	539	1 885	4 062
2006	1 494	937	2 431	1 442	473	1 915	4 346
Change current rates	(5.9)%	59.1%	11.7%	7.2%	(12.2)%	1.6%	7.0%
Change constant rates	(6.6)%	58.8%	11.0%	4.4%	(14.3)%	(0.9)%	5.5%
Operating margin							
2005	16.2%	10.0%	13.9%	17.4%	10.3%	14.6%	14.2%
2006	14.9%	15.2%	15.0%	17.3%	8.8%	14.0%	14.5%

NOTES

(unaudited)

Basis of Preparation

The condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. These are the same accounting policies as those used for preparation of the Annual Report and Accounts for the year ended 31 December 2005.

The condensed interim financial statements, which comply with IAS 34, are shown at current exchange rates, while percentage year-on-year changes are shown at both current and constant exchange rates to facilitate comparison.

Discontinued operations

On 28 August 2006 Unilever announced that it had reached an agreement to sell the majority of its European Frozen Foods business to the Permira Funds for €1.7 billion. The deal is expected to be completed during the fourth quarter. The Unilever businesses being sold in this transaction include the frozen foods operations in Austria, Belgium, France, Germany, Ireland, the Netherlands, Portugal and the United Kingdom. The sale is expected to result in a one-off profit, after tax, in excess of €1 billion, which will be reported under the heading of discontinued operations.

The net cash flows attributable to the discontinued operations in respect of operating, investing and financing activities for the first nine months were €83 million, €13 million and €(1) million respectively (2005: €(9) million, €633 million and €(4) million). Earnings per

share for discontinued operations are given on page 13.

Taxation

The charge for the year to date includes €95 million (2005: €118 million) relating to United Kingdom taxation.

Exchange rate conventions

The income statement on page 5, the statement of recognised income and expense and the movements in equity on page 6 and the cash flow statement on page 8 are translated at rates current in each period.

The balance sheet on page 7 and the analysis of net debt on page 8 are translated at period-end rates of exchange.

Supplementary information in US dollars and sterling is available on our website at

www.unilever.com/ourcompany/investorcentre.

The financial statements attached do not constitute the full financial statements within the meaning of Section 240 of the UK Companies Act 1985. Full accounts for Unilever for the year ended 31 December 2005 have been delivered to the Registrar of Companies. The auditors' report on these accounts was unqualified and did not contain a statement under Section 237(2) or Section 237(3) of the UK Companies Act 1985.

INTERIM AND ONE-OFF DIVIDENDS

The dividend information given below, including the comparative amounts for 2005, is expressed in terms of the nominal share values which have applied since 22 May 2006 following the split of NV shares and the consolidation of PLC shares which were approved at the 2006 AGMs. The actual interim dividends paid in respect of shares under the earlier denominations are also given below.

The Boards have declared interim and one-off dividends in respect of 2006 on the ordinary shares at the following rates which are equivalent in value at the rate of exchange applied under the terms of the Equalisation Agreement between the two companies:

Unilever N.V.

	<u>2005</u>	<u>2006</u>
Interim dividend	€0.22	€0.23
One-off dividend		€0.26 <u>€0.49</u>

Unilever PLC

	<u>2005</u>	<u>2006</u>
Interim dividend	15.04p	15.62p
One-off dividend		<u>17.66p</u> <u>33.28p</u>

The NV dividends will be payable as from 4 December 2006, to shareholders registered at close of business on 2 November 2006.

The PLC dividends will be paid on 4 December 2006, to shareholders registered at close of business on 10 November 2006.

Dividend on New York shares of NV

The NV interim and one-off dividends, when converted at the Euro/Dollar European Central Bank rate of exchange on 1 November 2006, represent the following amounts per New York Share of €0.16 before deduction of Netherlands withholding tax.

	<u>2005</u>	<u>2006</u>
Interim dividend	\$0.2638	\$0.2934
One-off dividend		<u>\$0.3316</u> <u>\$0.6250</u>

The New York shares of NV will go ex-dividend on 3 November 2006; US dollar checks for the combined interim and one-off dividends, after deduction of Netherlands withholding tax at the appropriate rate, will be mailed on 1 December 2006, to holders of record of New York shares at the close of business on 7 November 2006. The dividend will be payable on 4 December 2006.

Dividend on American Depositary Receipts of PLC

Each American Depositary Receipt of PLC represents one 3 1/9p ordinary share of PLC. When converted at the Bank of England Sterling/Dollar rate of exchange on 1 November 2006, the interim and one-off dividends for holders resident in the US will therefore be as follows:

	<u>2005</u>	<u>2006</u>
Interim dividend	\$0.2655	\$0.2983
One-off dividend		<u>\$0.3372</u> <u>\$0.6355</u>

The American Depositary Receipts of PLC will go ex-dividend on 8 November 2006; US dollar checks for the combined interim and one-off dividends will be mailed on 1 December 2006 to holders of record of American Depositary Receipts at the close of business on 10 November 2006. The dividend will be payable on 4 December 2006.

Interim dividends paid in 2005

The actual interim dividends paid in 2005 were as follows:

€0.66 per €0.51 ordinary share of NV;
6.77p per 1.4p ordinary share of PLC;
US \$0.791472 per €0.51 New York share of NV; and
US \$0.4779 per 5.6p ADR of PLC.

Dividend reinvestment plans

It should be noted that the one-off dividend will automatically be re-invested along with the interim dividend for shareholders participating in the various Unilever dividend reinvestment plans (DRIP).

If those shareholders would prefer to receive the one-off and interim dividends as cash they will need to withdraw from the DRIP for this dividend. Shareholders will then need to re-join the DRIP after the receipt of the cash dividend if they wish for their future dividends to be re-invested. The last date on which a change of election must be received by the administrators of each DRIP plan is as follows:

Unilever N.V.	21 November 2006
Unilever PLC	13 November 2006
Unilever N.V. New York shares	6 November 2006
Unilever PLC ADRs	9 November 2006

For further information and queries on your participation we advise you to contact your bank, broker or DRIP Administrator.

EARNINGS PER SHARE

(unaudited)

Combined earnings per share

The combined earnings per share calculations are based on the average number of share units representing the combined ordinary shares of NV and PLC in issue during the period, less the average number of shares held as treasury stock.

In calculating diluted earnings per share, a number of adjustments are made to the number of shares, principally the following: (i) conversion into PLC ordinary shares in the year 2038 of shares in a group company under the arrangements for the variation of the Leverhulme Trust; (ii) conversion of the €0.05 NV preference shares (up to the point of conversion); and (iii) the exercise of share options by employees.

Earnings per share attributable to discontinued operations were as follows:

	<u>2006</u>	<u>2005</u>
Third Quarter:		
Basic EPS	€ 0.00	€ 0.17
Diluted EPS	€ 0.00	€ 0.15
Nine Months:		
Basic EPS	€ 0.04	€ 0.21
Diluted EPS	€ 0.04	€ 0.19

Earnings per share for total operations for the nine months

	<u>2006</u>	<u>2005</u>
Combined EPS		
Average number of combined share units	2 882 122	2 920 224
Net profit attributable to shareholders' equity	2 713	3 082
Combined EPS (Euros)	0.94	1.06
Combined EPS – Diluted		
Adjusted average number of combined share units	2 968 519	3 015 309
Adjusted net profit attributable to shareholders' equity	2 713	3 085
Combined EPS – diluted (Euros)	0.91	1.02
Earnings per share in US Dollars and Sterling		
Combined EPS (Dollars)	1.17	1.33
Combined EPS – diluted (Dollars)	1.14	1.29
Combined EPS (Pounds)	0.64	0.72
Combined EPS – diluted (Pounds)	0.63	0.70

DATES

The results for the fourth quarter and for the year 2006 will be published on 8 February 2007.

2 November 2006

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