



# Building a Business Through Brands

18 May 2004

Certain of the comments and materials in this presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Company. Actual results may differ materially from those included in these statements due to a variety of factors including, among others, those described in the company's filings with the Securities and Exchange Commission and in the transcript of this presentation, which will be accessible via our website at [www.unilever.com](http://www.unilever.com).

All numbers in the presentation are in Euros translated at average 2003 exchange rates with the exception of balance sheet, cash flow and dividend numbers which are expressed at year end rates.

Operating margins and earnings are all before exceptional items and goodwill amortisation, as this is the best measure to judge our underlying performance as we implement our Path to Growth strategy. Reconciliations between these measures and the equivalent GAAP measures are available on our website: [www.unilever.com](http://www.unilever.com)

## The foundations of branding



"To make cleanliness commonplace; To lessen work for women; To foster health and contribute to personal attractiveness, that life may be more enjoyable and rewarding for the people who use our products"

W. H. Lever, 1890

Brands exist for their usefulness to consumers...

- ...they provide certainty and reliability
  - ...often built initially on functional superiority
  - ...cement their position through an emotional chord
- Providing the basis for consumer demand driven growth

# A world of challenges & opportunities

Continuing trend of trade consolidation

Out of home and convenience formats growing more rapidly

Communication channels fragmenting

Retail own brands grow, but market share differs by category

Commoditisation of categories if the leader fails to innovate

Services growing faster than products

Consumer quest for increasing value

Brand proliferation and random extensions...  
85% of new launches fail

The world becoming a smaller place

## Global Scale - Local Touch



Marrying our local heritage with the scale benefits of Unilever

Path to Growth

## Brand focus: the essential catalyst for Path to Growth

Category portfolio choices have been made

Operating in those where we have leading positions

.....backed by strong consumer insight and technology

Chosen a brand portfolio to meet consumer needs

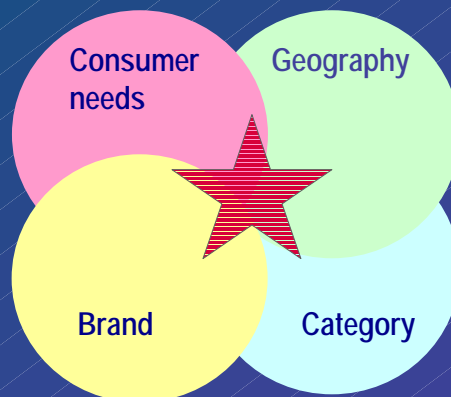
Created an operating framework marrying our heritage with access to the scale benefits of Unilever

Designed to deliver.... **Top third TSR**



## Brand & category & geography & consumer

Hit the sweet spot by combining all four elements



# Brand Key



# Brand Assassin's Charter: Arrogance



# Global scale - local touch



# Sunsilk - solving your hair dramas



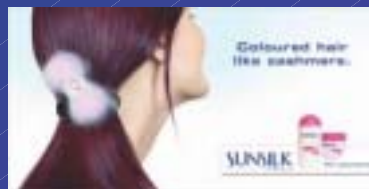
Anti Flat Europe



For coloured hair LATAM



Volumising India



For coloured hair Europe

## Axe - giving the edge in the mating game



Women like soft skin...  
...especially against their own.

## Domestos



# Bertolli

Pure and natural ingredients prepared in all their simplicity is the essence of great tasting Italian food

Francesco Bertolli -1865



## Brand Assassin's Charter: Greed

Salami slicing is my expertise

A cent here, a cent there, no-one will notice



# Cornetto unplugged?

A half billion dollar plus brand in 2003



cost saving opportunity or brand killer?

# Rexona

From this...



to this...



# Brand Assassin's Charter: Complacency



## Dove



Berliner Morgenpost "Thank you, Dove.....Finally no emaciated women, but real women.....We would like to see more of them"



## Flora/Becel

### Down with Cholesterol!



Flora pro.activ is a revolutionary new kind of spread. It dramatically lowers cholesterol levels.

It's a low fat spread containing a special ingredient... natural 'plant sterols' - which reduce the cholesterol the body absorbs from food.

Independent clinical trials prove that new Flora pro.activ lowers LDL cholesterol levels by 10-25% within 3 weeks as part of a healthy diet.



#### THE EXPERT'S OPINION:

INTERVIEW WITH DR. PETER ZOCK

Medical Director of the Swiss Heart Center, Zurich  
 Director of the Swiss Heart Center, Zurich

Dr. Zock is an expert in cardiovascular epidemiology and risk factors for cardiovascular disease. He is the scientific leader of the Swiss Heart Center's research group of the Swiss Heart Center. He has published numerous scientific papers and is a frequent speaker at international meetings. He is also a member of the Swiss Heart Center's advisory board.

**Becel Institute**  
 ENJOY HEALTHY LIVING



Two new ways to lower cholesterol.

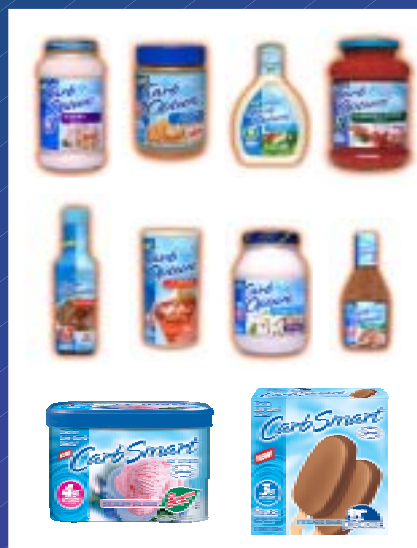
NEW! FLORA PRO-ACTIV IN MILK AND YOGURT.



# Brand Assassin's Charter : Myopia



# Carb Smart and Carb Options





## Brand focus drives Value Creation

A focused brand portfolio in markets with 'momentum' growth rate of around 4% - not yet delivering consistent performance

	1995	1999	2003
Operating Margin % (beia)	8.7	11.1	15.8
Operating Assets % sales	38	29	20
Tax Rate (beia) %	34	32	29
Free Cash Flow € billion	1.4	2.8	3.9
ROIC %	9.2	16.5	12.5

Cost of Capital down by 150 bps since 1995

Distribution to shareholders since 1995 is €17 billion

Sustained high single digit EPS growth over our first 70 years  
2000-2003 low double digit EPS (beia) growth

Unilever Brand





Unilever

[www.unilever.com/investor centre](http://www.unilever.com/investor centre)