

UNILEVER PLC
Form 6-K
November 10, 2008

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
REPORT OF FOREIGN ISSUER
Pursuant to Rule 13 a-16 or 15d-16 of the Securities Exchange Act of 1934
For the month of November, 2008
UNILEVER PLC

(Translation of registrant's name into English)
UNILEVER HOUSE, BLACKFRIARS, LONDON, ENGLAND
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F
Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T
Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T
Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby
furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNILEVER PLC

/s/ S.H.M.A. Dumoulin
(Signature)
S.H.M.A. DUMOULIN,
Group Secretary

Date: 10 November, 2008

INTERIM MANAGEMENT REPORT FOR HALF YEAR TO JUNE 2008**KEY FINANCIALS**

(Unaudited)

million	Current rates	Half Year 2008	
		Current rates	Increase/(Decrease) Constant rates
Continuing operations:			
Turnover	19 945	(1)%	6%
Operating profit	3 184	16%	24%
Pre-tax profit	3 135	14%	21%
Total operations:			
Net profit	2 385	5%	10%
EPS (Euros)	0.79	6%	12%

GOOD PERFORMANCE CONTINUES IN A CHALLENGING ENVIRONMENT. OUTLOOK CONFIRMED.**Financial Highlights of the Half Year**

Underlying sales growth of 7.0%

Operating margin of 16.0%, with an underlying improvement of 0.4 percentage points

Earnings per share up by 6%, or 12% at constant exchange rates

Operational Highlights

Broad-based growth in every category

Continued strong growth in Developing and Emerging (D&E) countries from both volume and pricing

Price-driven growth in Western Europe and North America

Cost increases recovered through determined pricing action and accelerating savings; efficiency programmes on track to deliver 1 billion of savings this year

Further significant progress with disposal programme, including Bertolli olive oil and North American laundry

GROUP CHIEF EXECUTIVE

Our performance in the first half year has been good in what has been a challenging environment. We have delivered 7% underlying sales growth and an underlying improvement in profitability while maintaining competitiveness. The changes already implemented in the business have made us nimbler and better able to respond to the market conditions. We are doing so against our clear priorities of maintaining competitiveness, improving margins and investing selectively to gain market share.

Edgar Filing: UNILEVER PLC - Form 6-K

Looking to the future, our strategy leverages our strong brands, broad geographic footprint and products that meet everyday needs across a wide range of price points. Our innovation programme focuses on opportunities in health and wellness, the use of superior technology, and rapid deployment into new markets. This continues to be the best route to long-term value creation.

For this year we confirm our outlook for delivering growth ahead of our 3-5% target range, with an underlying improvement in operating margin.

Patrick Cescau, Group Chief Executive

31 July 2008

1

UNILEVER HALF YEAR RESULTS 2008

In the following commentary we report underlying sales growth (abbreviated to USG or growth) at constant exchange rates, excluding the effects of acquisitions and disposals. Turnover includes the impact of exchange rates, acquisitions and disposals. Unilever uses constant rate and underlying measures primarily for internal performance analysis and targeting purposes. We also comment on trends in operating margins before RDIs (restructuring, disposals and impairments), and use the movements in Ungearing Free Cash Flow and Return On Invested Capital to measure progress against our longer-term value creation goals. Unilever believes that such measures provide additional information for shareholders on underlying business performance trends. Such measures are not defined under IFRS and are not intended to be a substitute for GAAP measures of turnover, operating margin, profit, EPS and cash flow. Please refer also to note 2 to the financial statements. Further information about these measures is available on our website at www.unilever.com/ourcompany/investorcentre

1. SUMMARY OF BUSINESS PERFORMANCE FOR THE FIRST HALF YEAR

Underlying sales growth was 7.0% in the half year. Prices increased by 6.1%.

Europe grew by 2.3% with all of the growth coming from pricing.

The Americas sustained its momentum with growth of 5.7% in the first half year. This was achieved against a strong comparator which included the impact of additional sales ahead of the systems change in the US in June last year. In Latin America growth accelerated in both value and volume including a good performance in Brazil.

Growth in Asia Africa was broad-based across countries with double-digit increases almost everywhere. In addition to pricing, volume growth was robust at 5.7%.

At a global level, all categories grew by more than 5%.

Advertising investment behind our brands was increased by some 100 million at constant rates of exchange in the first half year. With the benefit of higher sales, media efficiency programmes and fewer promotions, A&P as a percentage of sales was 0.4 points lower than in the first half of last year.

Commodity costs increased by around 1 billion in the first half. This is equivalent to 4.8 percentage points of sales. A combination of price increases and cost reduction programmes enables us to deliver an underlying improvement in operating margin of 0.4 percentage points.

2. FINANCIAL COMMENTARY

2.1 Turnover

Underlying sales growth was 7.0%. The euro strengthened against most currencies and this, together with a small net impact of acquisitions and disposals, led to turnover being 0.5% lower in the first six months.

2.2 Operating profit

Operating profit was 16% higher than last year and the operating margin of 16.0% was 2.3 percentage points higher, both being boosted by profits on disposals. Before restructuring and disposals there was an underlying improvement in operating margin of 0.4 percentage points.

2.3 Finance costs and tax

Finance costs of net borrowings were in line with last year.

The effective tax rate was 25% for the half year. This compares with 20% in the first half of last year, which included benefits from the favourable settlement of tax audits. The underlying tax rate, before restructuring and disposals, was 26% in the first half of this year. For the full year we expect the tax rate on this basis to be around 25%.

2.4 Joint ventures, associates and other income from non-current investments

Share of net profit from joint ventures and associates and other income from non-current investments contributed 92 million, which was 47 million below last year as a result of a lower level of one-time gains.

2.5 Net profit and earnings per share

Net profit was 5% higher in the first six months with a benefit from profits on disposals, but a negative impact from the stronger euro.

Earnings per share for the first six months were 0.79 which included a net gain of 0.07 from restructuring and disposals. This compares with 0.75 in the first six months of last year which included a negligible net impact from restructuring and disposals and benefited from the particularly low tax rate.

2.6 Share buy-backs

By the end of June we had bought back 53.6 million shares at a total purchase price of 1.1 billion, as part of the planned 2008 share buy-back of 1.5 billion.

2.7 Cash flow

Net cash flow from operating activities was 0.7 billion lower than last year. This was entirely due to a build-up of working capital in the first half year. Part of this came from the effect of commodity price inflation. In addition there were a number of temporary factors including the planned build-up of stocks during the change programme and calendar effects. The largely one-off nature of these, together with an intensified programme for working capital management across the business, is expected to result in a much improved cash flow in the second half year.

Restructuring costs were slightly higher than in the first half of 2007, but this was more than offset by lower cash contributions to pension funds and favourable tax rebates.

Net capital expenditure was also slightly higher than last year.

2.8 Balance sheet

Working capital increased from its normal seasonal low point at the start of the year. The increase was heightened by the factors referred to above in the commentary on cash flow movements.

The overall funding position of the Group's pension arrangements improved slightly with net liabilities for all schemes of 1.0 billion at the end of the half year, down from 1.1 billion at the end of 2007. Assets reduced by 2.1 billion due to the fall in market values and the appreciation of the euro against the currencies of investments. Liabilities fell by 2.2 billion, mainly due to the impact of higher discount rates, net of higher inflation assumptions and the strengthening of the euro.

3. OPERATIONAL REVIEW

3.1 Europe

	Half Year 2008			% Underlying Sales growth
	2008	2007	% Change	
Turnover (million)	7 511	7 585	(1.0)	2.3
Operating Margin (%)	20.1	14.1		
Impact of RDIs (%)*	3.5	(1.5)		

* Restructuring,
business
disposals and
other items

Growth

Underlying sales growth was 2.3%, slightly behind the growth of our markets.

Central and Eastern Europe maintained its growth of around 10% with growth in volumes and increased pricing. Russia made a particularly strong contribution.

Western Europe grew by 1.3% in the first half year. Increased prices were partly offset by lower volumes in ice cream. Germany grew modestly in the second quarter, with an improved performance in spreads, after a weak start to the year. Benelux showed continued strong growth in the Netherlands across most categories, and a pick-up in Belgium. In both the UK and Italy, savoury and dressings contributed to solid growth. Sales in France and Spain declined in difficult trading conditions and in both countries we have lost some share to private label brands.

Innovation

Hellmann's extra light mayonnaise made with free range eggs is part of a campaign to promote the goodness of mayonnaise in the UK, France and Italy. *Rama* flavoured creams have been launched in Germany and the Nordic countries. In tea, we have built further on the Rainforest Alliance certification, extended *Lipton* linea slimming teas and introduced *Lipton* clear green, a new generation of healthy tea. A strong programme for *Magnum* ice creams included new-look minis across the region, and the top-of-the-range temptation introduced to several new countries. A new range of *Axe* body washes and after shave balms has been launched in the UK, Germany and France and the latest global body spray *Axe* dark temptation across the region. The new upside-down deodorants for *Dove* and *Rexona* offer the smoothest ever roll-on with less packaging material. *Small & mighty* concentrated detergents are being rolled out across the region under the *Dirt is Good* brand. As well as offering consumer convenience, these also have a markedly better environmental footprint. In oral care we have launched *Signal* white now, the first instant whitening toothpaste.

Profitability

The first half year operating margin of 20.1% was 6.0 percentage points higher than last year, largely reflecting profits on disposals. Before restructuring and disposals there was an underlying improvement in margin of 1.0 percentage point. Gross margins were lower as we recovered cost increases in absolute terms but not yet sufficiently to maintain the percentage margin. However this was more than compensated by sharply lower overheads costs.

Accelerating change

As previously announced, Western Europe will be managed as a single region under a new President, Doug Baillie. This will allow the management to focus solely on driving improved performance in the region. Central and Eastern Europe will now be under the responsibility of Harish Manwani, President for Asia Africa, reflecting the priority on business building in developing and emerging markets. These changes will be reflected in the regional segmentation of Unilever's published results from the end of this year.

In the second quarter we completed the move to a single office location in Italy, and announced four factory rationalisations and the setting up of a new multi-country organisation for Central Europe. The move to a single SAP system for the region continues, with three quarters of our business now live and the full programme to be complete by the end of the year. In July we announced the disposal of the *Bertolli* olive oil business and three local bottled oil brands in Italy.

3. OPERATIONAL REVIEW (continued)**3.2 The Americas**

	Half Year 2008			% Underlying Sales growth
	2008	2007	Change	
Turnover (million)	6 453	6 751	(4.4)	5.7
Operating Margin (%)	13.7	14.6		
Impact of RDIs (%)*	(1.0)	(0.7)		

* Restructuring,
business
disposals and
other items

Growth

The good momentum in the business has been sustained, with underlying sales growth of 5.7% in the first six months, against a strong comparator due to the additional sales ahead of the systems implementation in the US at the end of the second quarter last year.

In the US all of the growth is coming from price, with consumer volumes lower than a year ago. Before the effect of the systems implementation last year, which reversed in July, our own sales in the US grew by about 4% in the first six months, slightly ahead of the market growth rate. Canada had a weak second quarter.

Our growth in Latin America has been strong across all the main countries, with a half year growth rate of 11%. There has been a good performance in Brazil and continued high growth in Mexico and elsewhere.

Innovation

New ranges of *Knorr* bouillons, sauces and soups have been launched in Brazil and Argentina with a clear Vitality positioning, featuring healthy ingredients. Under the *Hellmann's* brand we have introduced an olive oil mayonnaise in the US and a new milder tasting mayonnaise made with milk in Brazil and Mexico. *Bertolli* frozen meals in the US have been extended with a range of mediterranean garden dishes.

The latest global *Dove* range, go fresh, has been launched in the US, as well as a new cream oil variant, sleek satin. As in Europe, *Axe* has brought out body washes targeted at over 20s and the new dark temptation deodorant with a novel chocolate fragrance. In Laundry the new *Dirt is Good* mix with improved cleaning and longer-lasting freshness has been introduced to Latin America as well as a variant of *Surf* with fabric conditioner. New variants of 3 times concentrated liquid detergents have been launched in the US.

Profitability

The operating margin for the first half year was 13.7%, which was 0.9 percentage points lower than last year. Before the impact of restructuring and disposals, there was an underlying reduction in margin of 0.6 percentage points. We have fully recovered the impact of higher commodity costs in absolute terms, through a combination of savings and price increases, but this has not been enough to maintain the percentage margin.

Accelerating change

As part of the One Unilever programme, the move to a single head office for the US business in Englewood Cliffs and the closure of the Greenwich office has been completed. At the same time, the ice cream businesses in the US and Canada have been integrated into the respective One Unilever country organisations. In Latin America, the financial

shared services centre has been sold to Capgemini. We have also announced the disposal of olive oil sold under the *Bertolli* brand as part of a global agreement, and the sale of the North American laundry business.

3. OPERATIONAL REVIEW (continued)**3.3 Asia Africa**

	Half Year 2008			% Underlying Sales growth
	2008	2007	Change	
Turnover (million)	5 981	5 718	4.6	14.7
Operating Margin (%)	13.3	12.1		
Impact of RDIs (%)*	(0.2)	(0.6)		

* Restructuring,
business
disposals and
other items

Growth

Underlying sales growth was 14.7% in the first half year. While more of the growth in value is coming from pricing, volumes also continue to grow well, albeit at a slightly slower pace than last year. Our growth continues to be very broad-based and is ahead of the market. All of our top five D&E businesses in the region, and all our categories, grew at more than 10%.

In India, laundry contributed particularly strongly with good growth in all three of our brands, each positioned at a different income level. The new global *Sunsilk* mix is driving share gain in India as elsewhere in the region. China has sustained a growth rate of over 20%, with most of this coming from higher volumes including the build of *Clear* shampoo. Indonesia has shown continued strong growth momentum, particularly in personal care and ice cream. Turkey had another good, well balanced performance; however growth in South Africa came entirely from price, with volumes flat, largely as a result of supply chain constraints.

Performance in Japan and Australia was weak in more difficult consumer markets.

Innovation

We have launched *Lipton* milk tea in a number of new countries and introduced *Lipton* clear green teas in Turkey and Arabia. A strong programme for *Cornetto* ice cream includes a new choco disk variant and we have introduced *Magnum* chocolate indulgence in China and India. In Turkey we have launched *Knorr* eat in colour mealmakers and mayonnaise in a squeeze bottle.

Rexona is taking the first steps to building a market for deodorants in China. New versions of *Pond's* anti-ageing and skin-lightening creams and the new global *Sunsilk* range have been rolled out across the region. Innovations in laundry include *Surf* clean and fresh, *Surf* Excel multi-chamber sachets, the improved global *Dirt is Good* mix and concentrated fabric conditioners.

Profitability

The operating margin for the first six months was 13.3%, which was 1.2 percentage points higher than a year ago. Before the impact of restructuring and disposals there was an underlying improvement of 0.8 percentage points. Savings programmes and price increases have offset the impact of higher commodity costs and we have the benefit of increased scale from sales growth.

Accelerating change

The move to a single SAP system across the region is progressing to plan and we are setting up a regional supply chain team based in Singapore.

In the second quarter we announced the disposal of our palm oil business in Cote D'Ivoire and the acquisition of laundry soaps in the same country. We have also announced the disposal of Komili olive oil in Turkey. Both these transactions are subject to regulatory approval.

Central and Eastern Europe will be managed as part of this region. This reflects the focus on business building in these countries as part of Unilever's priority for Developing and Emerging markets. The change will be reflected in our reporting of business segments from the end of this year.

4. RISK MANAGEMENT

On pages 13 and 14 of our 2007 Report and Accounts we set out our assessment of the principal risk issues that would face the business through 2008. In our view, the nature and potential impact of such risks remains essentially unchanged as regards our performance over the second half of the year. As anticipated, commodity prices affecting the materials we buy have continued to show an upward trend in the first half of the year. We will continue to monitor this closely and to manage our response through a combination of pricing and savings programmes. In addition, there could be a further weakening of key economies. Whilst people's essential needs for food and hygiene would remain unchanged, we could experience impact in markets as individual consumers adjust their spending patterns. We manage the associated risks by ensuring that our brands remain competitive through appropriate pricing, marketing support and relevant innovation in our product portfolio across a wide range of price points.

5. OTHER INFORMATION

On 10 April 2008, Unilever entered into a settlement with Mars to bring an end to all claims made by Mars concerning Unilever's distribution arrangements for the sale of impulse ice cream. Prior to the settlement, Mars had initiated proceedings against Unilever in a number of European jurisdictions. The settlement does not imply any admission of liability on Unilever's part.

In April 2008 Unilever received a notice from the UK Office of Fair Trading requiring the production of documents in relation to an investigation into potential co-ordination of the retail prices of products in the grocery sector. A response to the notice was provided in June 2008. It is too early to gauge whether the investigation to which the notice relates will lead to a Statement of Objections being addressed to Unilever or its subsidiaries.

In June 2008, Unilever premises in Austria, Belgium, Italy, The Netherlands and Spain were the subject of unannounced inspections by the European Commission and/or national competition authorities. The inspections were in relation to the home care and/or personal care markets. A request for information relating to alleged anti-competitive behaviour in detergents markets in the EEA was subsequently received by Unilever in July 2008. It is too early to gauge whether the investigation that has been initiated will lead to a Statement of Objections being addressed to Unilever or its subsidiaries.

6. CAUTIONARY 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, including financial objectives to 2010, 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, the ability to complete planned restructuring activities, 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 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.

7. ENQUIRIES

Media: Media Relations Team

Investors: Investor Relations Team

Edgar Filing: UNILEVER PLC - Form 6-K

UK +44 20 7822 6805 tim.johns@unilever.com

+44 20 7822 6830

investor.relations@unilever.com

or +44 20 7822 6010 trevor.gorin@unilever.com

NL +31 10 217 4844 gerbert-van.genderen-stort@unilever.com

There will be a web cast of the results presentation available at:

www.unilever.com/ourcompany/investorcentre/results/quarterlyresults/default.asp

7

CONDENSED FINANCIAL STATEMENTS
INCOME STATEMENT

(unaudited)

	million	Half Year		Current rates	Increase/ (Decrease) Constant rates
		2008	2007		
Continuing operations:					
Turnover		19 945	20 054	(1)%	6%
Operating profit		3 184	2 745	16%	24%
<i>After (charging)/crediting:</i>					
<i>Restructuring, business disposals and other items (see note 3)</i>		181	(196)		
Net finance costs		(141)	(140)		
Finance income		51	71		
Finance costs		(259)	(278)		
Pensions and similar obligations		67	67		
Share in net profit/(loss) of joint ventures		74	57		
Share in net profit/(loss) of associates		8	51		
Other income from non-current investments		10	31		
Profit before taxation		3 135	2 744	14%	21%
Taxation		(750)	(539)		
Net profit from continuing operations		2 385	2 205	8%	14%
Net profit/(loss) from discontinued operations			76		
Net profit for the period		2 385	2 281	5%	10%
Attributable to:					
Minority interests		137	124		
Shareholders equity		2 248	2 157	4%	10%
Combined earnings per share					

Edgar Filing: UNILEVER PLC - Form 6-K

Continuing operations (Euros)	0.79	0.72	10%	16%
Continuing operations diluted (Euros)	0.77	0.70	10%	16%
Discontinued operations (Euros)		0.03		
Discontinued operations diluted (Euros)		0.02		
Total operations (Euros)	0.79	0.75	6%	12%
Total operations diluted (Euros)	0.77	0.72	6%	12%

STATEMENT OF RECOGNISED INCOME AND EXPENSE

(unaudited)

million	Half Year	
	2008	2007
Fair value gains/(losses) on financial instruments net of tax	(34)	14
Actuarial gains/(losses) on pension schemes net of tax	(126)	1 221
Currency retranslation gains/(losses) net of tax	(331)	194
Net income/(expense) recognised directly in equity	(491)	1 429
Net profit for the period	2 385	2 281
Total recognised income and expense for the period	1 894	3 710
Attributable to:		
Minority interests	91	131
Shareholders' equity	1 803	3 579

CASH FLOW STATEMENT

(unaudited)

million	Half Year	
	2008	2007
Operating activities		
Cash flow from operating activities	885	1 661
Income tax paid	(481)	(600)
Net cash flow from operating activities	404	1 061
Investing activities		
Interest received	64	62
Net capital expenditure	(491)	(444)
Acquisitions and disposals	403	72
Other investing activities	40	161
Net cash flow from/(used in) investing activities	16	(149)
Financing activities		
Dividends paid on ordinary share capital	(1 194)	(1 412)
Interest and preference dividends paid	(201)	(225)
Change in financial liabilities	2 081	1 905
Share buy-back programme	(1 085)	(663)
Other movements on treasury stock	(19)	219
Other financing activities	(89)	(309)

Net cash flow from/(used in) financing activities	(507)	(485)
Net increase/(decrease) in cash and cash equivalents	(87)	427
Cash and cash equivalents at the beginning of the year	901	710
Effect of foreign exchange rate changes	(152)	23
Cash and cash equivalents at the end of period	662	1 160

9

BALANCE SHEET

(unaudited)

million	As at 30 June 2008	As at 31 December 2007	As at 30 June 2007
Non-current assets			
Goodwill	12 015	12 244	12 439
Intangible assets	4 436	4 511	4 741
Property, plant and equipment	6 045	6 284	6 249
Pension asset for funded schemes in surplus	1 857	2 008	2 451
Deferred tax assets	966	1 003	782
Other non-current assets	1 245	1 324	1 215
Total non-current assets	26 564	27 374	27 877
Current assets			
Inventories	4 431	3 894	4 166
Trade and other current receivables	5 514	4 194	5 437
Current tax assets	241	367	254
Cash and cash equivalents	1 060	1 098	1 518
Other financial assets	259	216	292
Non-current assets held for sale	277	159	38
Total current assets	11 782	9 928	11 705
Current liabilities			
Financial liabilities	(5 947)	(4 166)	(5 367)
Trade payables and other current liabilities	(8 377)	(8 017)	(8 833)
Current tax liabilities	(457)	(395)	(614)
Provisions	(829)	(968)	(658)
Liabilities associated with non-current assets held for sale	(42)	(13)	
Total current liabilities	(15 652)	(13 559)	(15 472)
Net current assets/(liabilities)	(3 870)	(3 631)	(3 767)
Total assets less current liabilities	22 694	23 743	24 110
Non-current liabilities			
Financial liabilities due after one year	5 607	5 483	5 233
Non-current tax liabilities	231	233	226
Pensions and post-retirement healthcare benefits liabilities:			
Funded schemes in deficit	787	827	517
Unfunded schemes	2 084	2 270	3 097
Provisions	785	694	899
Deferred tax liabilities	1 260	1 213	1 088

Other non-current liabilities	168	204	256
Total non-current liabilities	10 922	10 924	11 316
Equity			
Shareholders' equity	11 344	12 387	12 245
Minority interests	428	432	549
Total equity	11 772	12 819	12 794
Total capital employed	22 694	23 743	24 110

NOTES TO THE FINANCIAL STATEMENTS

(unaudited)

1 ACCOUNTING INFORMATION AND POLICIES

The condensed interim financial statements are based on International Financial Reporting Standards (IFRS) as adopted by the EU and IFRS as issued by the International Accounting Standards Board, and have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting. The basis of preparation is consistent with that applied for the year ended 31 December 2007.

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

The income statement on page 8 and the statement of recognised income and expense and the cash flow statement on page 9 are translated at rates current in each period. The balance sheet on page 10 is translated at period-end rates of exchange.

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 2007 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.

Recent accounting developments

We are currently assessing the impact of the following revised standard or interpretation. These changes are not expected to have a material impact on the Group's results of operations, financial position or disclosures.

Amendment to IAS 38 Intangible Assets (effective from 1 January 2009) clarifies the accounting for advertising expenditure.

IFRIC 16 Hedges of a Net Investment in a Foreign Operation (effective from 1 October 2009).

The group has adopted the amendments to IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures with effect from 1 July 2008. Adoption of these amendments did not have a material effect on the financial statements of the group.

2 NON-GAAP MEASURES

In our financial reporting we use certain measures that are not recognised under IFRS or other generally accepted accounting principles (GAAP). We do this because we believe that these measures are useful to investors and other users of our financial statements in helping them to understand underlying business performance. Wherever we use such measures, we make clear that these are not intended as a substitute for recognised GAAP measures. Wherever appropriate and practical, we provide reconciliations to relevant GAAP measures.

The principal non-GAAP measure which we apply in our quarterly reporting is underlying sales growth, which we reconcile to changes in the GAAP measure turnover in notes 4 and 5. In note 8 we reconcile net debt to the amounts reported in our balance sheet and cash flow statement. We also comment on underlying trends in operating profit, by which we mean the movements recorded after setting aside the impact of restructuring, disposals and impairments, on the grounds that the incidence of these items is uneven between reporting periods. We specifically avoid referring to a measure of underlying operating profit, since such a term might imply that we did not regard the items involved, particularly restructuring costs, as an ongoing element of our business over the longer term. In addition, we report annually against two further non-GAAP measures: Ungear Free Cash Flow and Return on Invested Capital. Further information about these measures and their reconciliation to GAAP measures is given on our website at

www.unilever.com/investorcentre

3 SIGNIFICANT ITEMS WITHIN THE INCOME STATEMENT

In our income statement reporting we recognise restructuring costs, profits and losses on business disposals and certain other one-off items, which we collectively term RDIs. We disclose on the face of our income statement the total value of such items that arise within operating profit. In our operating review by geographic segment and in note 4 we highlight the impact of these items on our operating margin. The impact of these items, and of similar items arising within other elements of our income statement, on our reported net profit was as follows:

million	Half Year	
	2008	2007
RDI within operating profit:		
Restructuring	(330)	(241)
Business disposals	516	36
Other one-off items	(5)	9
	181	(196)
Tax effect of RDIs within operating profit:	(3)	72
RDI arising below operating profit:	24	137
Total impact of RDIs on net profit	202	13
The impact of RDIs on reported Earnings Per Share is given in note 10.		

NOTES TO THE FINANCIAL STATEMENTS (continued)

(unaudited)

4 SEGMENTAL ANALYSIS BY GEOGRAPHY

On 28 February 2008 Unilever announced a number of organisational changes. As part of these changes, our operations in Central and Eastern Europe will in future be managed within an enlarged region together with those in Asia and Africa, with Western Europe becoming a standalone region. Since these changes are taking place progressively during the remainder of 2008, we are continuing to report quarterly against our structure as it applied in 2007. In our fourth quarter reporting for 2008 we will provide additional analysis of our regional results against the new structure, including restated amounts for each of the quarters of 2008, and will report on the new basis thereafter.

Continuing operations Half Year

million	Europe	Americas	Asia Africa	Total
Turnover				
2007	7 585	6 751	5 718	20 054
2008	7 511	6 453	5 981	19 945
Change	(1.0)%	(4.4)%	4.6%	(0.5)%
Impact of:				
Exchange rates	(2.1)%	(8.6)%	(8.6)%	(6.2)%
Acquisitions	0.8%	%	0.2%	0.3%
Disposals	(1.9)%	(1.0)%	(0.3)%	(1.2)%
Underlying sales growth	2.3%	5.7%	14.7%	7.0%
Price	4.0%	6.3%	8.5%	6.1%
Volume	(1.6)%	(0.6)%	5.7%	0.8%
Operating profit				
2007	1 067	988	690	2 745
2008	1 510	882	792	3 184
Change current rates	41.6%	(10.8)%	14.9%	16.0%
Change constant rates	43.3%	(1.1)%	28.3%	23.7%
Operating margin				
2007	14.1%	14.6%	12.1%	13.7%
2008	20.1%	13.7%	13.3%	16.0%
<i>Includes restructuring, business disposals and other items</i>				
2007	(1.5)%	(0.7)%	(0.6)%	(1.0)%
2008	3.5%	(1.0)%	(0.2)%	0.9%

5 SEGMENTAL ANALYSIS BY PRODUCT AREA**Continuing operations Half Year**

million	Savoury, dressings	Ice cream	Personal care	Home care and other	Total
---------	-----------------------	-----------	------------------	------------------------------	-------

	and spreads	and beverages			
Turnover					
2007	6 752	4 055	5 610	3 637	20 054
2008	6 859	3 999	5 481	3 606	19 945
Change	1.6%	(1.4)%	(2.3)%	(0.8)%	(0.5)%
Impact of:					
Exchange rates	(5.0)%	(6.0)%	(7.5)%	(6.9)%	(6.2)%
Acquisitions	0.1%	1.4%	%	%	0.3%
Disposals	(1.8)%	(1.5)%	(0.1)%	(1.3)%	(1.2)%
Underlying sales growth	8.7%	5.1%	5.7%	8.0%	7.0%
Operating profit					
2007	983	517	925	320	2 745
2008	1 422	586	880	296	3 184
Change current rates	44.7%	13.4%	(4.9)%	(7.6)%	16.0%
Change constant rates	51.7%	19.4%	3.8%	1.9%	23.7%
Operating margin					
2007	14.6%	12.7%	16.5%	8.8%	13.7%
2008	20.7%	14.7%	16.1%	8.2%	16.0%

NOTES TO THE FINANCIAL STATEMENTS (continued)

(unaudited)

6 TAXATION

The effective tax rate for the first half year was 25% compared with 20% for the first half of 2007. The tax rate is calculated by dividing the tax charge by pre-tax profit excluding the contribution of joint ventures and associates.

7 RECONCILIATION OF NET PROFIT TO CASH FLOW FROM OPERATING ACTIVITIES

million	Half Year	
	2008	2007
Net profit	2 385	2 281
Taxation	750	546
Share of net profit of joint ventures/associates and other income from non-current investments	(92)	(139)
Net finance costs	141	140
Operating profit (continuing and discontinued operations)	3 184	2 828
Depreciation, amortisation and impairment	466	464
	(2)	(1)
Changes in working capital	140)	313)
Pensions and similar provisions less payments	(42)	(104)
Restructuring and other provisions less payments	(55)	(93)
Elimination of (profits)/losses on disposals	(565)	(182)
Non-cash charge for share-based compensation	54	69
Other adjustments	(17)	(8)
Cash flow from operating activities	885	1 661

8 NET DEBT

million	As at	As at
	30 June 2008	31 December 2007
Total financial liabilities	(11 554)	(9 649)
Financial liabilities due within one year	(5 947)	(4 166)
Financial liabilities due after one year	(5 607)	(5 483)
Cash and cash equivalents as per balance sheet	1 060	1 098
Cash and cash equivalents as per cash flow statement	662	901
Add bank overdrafts deducted therein	398	197
Financial assets	259	216
Net debt	(10 235)	(8 335)

On 21 February 2008 we issued Swiss franc notes to the value of CHF 600 million (360 million) in two tranches: CHF 250 million with an interest rate of 3.125% and maturing in January 2012, and CHF 350 million at 3.5% maturing in March 2015. On 21 May 2008 we issued 750 million fixed rate notes with a coupon rate of 4.875%, repayable in 2013.

9 MOVEMENTS IN EQUITY

million	Half Year	
	2008	2007
Equity at 1 January	12 819	11 672
Total recognised income and expense for the period	1 894	3 710
Dividends	(1 352)	(1 363)
Movement in treasury stock	(1 520)	(1 283)
Share-based payment credit	54	64
Dividends paid to minority shareholders	(95)	(97)
Currency retranslation gains/(losses) net of tax	(17)	(1)
Other movements in equity	(11)	92

Equity at the end of the period 11 772 12 794

During the first half year we purchased shares to the value of 1.1 billion under the share buy-back programme announced in March 2007.

NOTES TO THE FINANCIAL STATEMENTS (continued) (unaudited)**10 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 and (ii) the exercise of share options by employees.

Earnings per share for total operations for the first half year were calculated as follows:

	2008	2007
Combined EPS Basic	Millions of units	
Average number of combined share units	2 828.1	2 887.1
	million	
Net profit attributable to shareholders equity	2 248	2 157
Combined EPS (Euros)	0.79	0.75
Combined EPS Diluted	Millions of units	
Adjusted average number of combined share units	2 925.6	2 984.5
Combined EPS diluted (Euros)	0.77	0.72
Impact of RDIs on Earnings Per Share	million	
Total impact of RDIs on reported net profit (see note 3)	202	13
Impact of RDIs on basic earnings per share (Euros)	0.07	0.01
Earnings per share in US Dollars and Sterling		
Combined EPS (Dollars)	1.22	0.99
Combined EPS diluted (Dollars)	1.18	0.96
Combined EPS (Pounds)	0.62	0.50
Combined EPS diluted (Pounds)	0.60	0.49

The numbers of shares included in the calculation of earnings per share is an average for the period. During the period the following movements in shares have taken place:

	Millions
Number of shares at 31 December 2007 (net of treasury stock)	2 853.1
Net movements in shares under incentive schemes	6.0
Share buy-back	(53.6)
Number of shares at 30 June 2008	2 805.5

NOTES TO THE FINANCIAL STATEMENTS (continued)

(unaudited)

11 ACQUISITIONS AND DISPOSALS

On 14 November 2007 we announced that we had signed a definitive agreement with McCormick & Company, Incorporated to sell our Lawry's and Adolph's branded seasoning blends and marinades business in the US and Canada for 410 million. The transaction was completed on 31 July 2008. The combined annual turnover of the business is approximately 100 million.

Effective 1 January 2008, we entered into an expanded international partnership with Pepsico for the marketing and distribution of ready-to-drink tea products under the *Lipton* brand.

On 3 January 2008 we completed the sale of the Boursin brand to Le Groupe Bel for 400 million. The turnover of this brand in 2007 was approximately 100 million.

On 4 February 2008 we announced that we had signed an agreement to acquire Inmarko, the leading Russian ice cream company, for an undisclosed amount. The transaction was completed on 2 April 2008. The company had a turnover in 2007 of approximately 115 million.

On 19 June 2008 we announced that we had signed an agreement to sell our edible oil business in Côte d'Ivoire together with our interests in local palm oil plantations, Palmci and PHCI. At the same time we plan to acquire the soap business of Cosmivoire, an Ivorian producer with a market presence throughout Francophone West Africa. The deal is subject to approval by the regulatory authorities.

On 10 July 2008 we announced that we had signed an agreement to sell Komili, the market leading olive oil brand in Turkey, to Ana Gida, part of the Anadolu Group, for an undisclosed amount. The transaction, which is subject to regulatory approval, is expected to be completed by the end of 2008.

On 21 July 2008 we announced that we had signed an agreement with Grupo SOS for the disposal of our Bertolli olive oil and vinegar business, for a consideration of 630 million. The transaction is structured as a worldwide perpetual licence by Unilever of the *Bertolli* brand in respect of olive oil and premium vinegar. The transaction includes the sale of the Italian Maya, Dante and San Giorgio olive oil and seed oil businesses, as well as the factory at Inveruno, Italy. The transaction, which is subject to regulatory approval, is expected to be completed by the end of 2008.

On 28 July 2008 we announced that we had signed a definitive agreement to sell our North American laundry business in the US, Canada and Puerto Rico to Vestar Capital Partners, a leading global private equity firm, for a face value of US \$1.45 billion. The transaction was completed on 9 September 2008. The businesses sold include the *all*, *Snuggle*, *Wisk*, *Surf* and *Sunlight* fabric cleaning and fabric conditioning brands in the US, Canada and Puerto Rico, as well as Unilever's manufacturing facility in Baltimore. These businesses had a combined turnover in 2007 of approximately US \$1.0 billion.

12 EVENTS AFTER THE BALANCE SHEET DATE

Mr P Polman became an Executive Director of Unilever PLC and Unilever N.V. following approval by shareholders at a separate General Meeting and Extraordinary General Meeting of those companies held on 28 and 29 October 2008 respectively.

Dividends

The Boards have declared interim dividends in respect of 2008 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:

Per Unilever N.V. ordinary share: 0.26 (2007: 0.25)

Per Unilever PLC ordinary share: 20.55p (2007: 17.00p)

The NV and PLC interim dividends will be payable as from 3 December 2008, to shareholders registered at close of business on 7 November 2008, and went ex-dividend on 5 November 2008.

The NV interim dividend, when converted at the Euro/Dollar European Central Bank rate of exchange on 29 October 2008, represents US \$0.3320 per New York Share of 0.16 (2007: US \$0.3612) before deduction of

Netherlands withholding tax. The PLC interim dividend, when converted at the Bank of England Sterling/Dollar rate of exchange on 29 October 2008, represents US \$0.3301 per American Depositary Receipt (2007: US \$0.3525). The New York shares of NV and the American Depositary Receipts of PLC went ex-dividend on 5 November 2008. US dollar checks for the interim dividend will be mailed on 2 December 2008, to holders of record at the close of business on 7 November 2008. In the case of the NV New York shares, Netherlands withholding tax will be deducted at the appropriate rate. The interim dividend will be payable as from 3 December 2008.

NOTES TO THE FINANCIAL STATEMENTS (continued)

(unaudited)

13 GUARANTOR STATEMENTS

On 2 October 2000, Unilever N.V. and Unilever Capital Corporation filed a US \$15 billion Shelf registration, which is unconditionally and fully guaranteed, jointly and severally, by Unilever N.V., Unilever PLC and Unilever United States, Inc.

Provided below are the income statements, cash flow statements and balance sheets of each of the companies discussed above, together with the income statement, cash flow statement and balance sheet of non-guarantor subsidiaries. These have been prepared under the historical cost convention, and, aside from the basis of accounting for investments at net asset value (equity accounting), comply in all material respects with International Financial Reporting Standards. The financial information in respect of Unilever N.V., Unilever PLC and Unilever United States, Inc. has been prepared with all subsidiaries accounted for on an equity basis. The financial information in respect of the non-guarantor subsidiaries has been prepared on a consolidated basis.

million

	Unilever Capital Corporation subsidiary issuer	Unilever N.V parent issuer/ guarantor	Unilever PLC parent guarantor	Unilever United States Inc. subsidiary guarantor	Non- guarantor subsidiaries	Eliminations	Unilever Group
Income Statement							
Six months ended 30 June 2008							
Continuing operations:							
Turnover					19 945		19 945
Operating Profit		61	67	(10)	3 066		3 184
Finance income		53			(2)		51
Finance costs	(86)	(87)			(86)		(259)
Pensions and similar obligations		(4)		(16)	87		67
Intercompany finance costs	91	(12)	26	(31)	(74)		
Dividends			38		(38)		
Share of net profit/loss of joint ventures					74		74
Share of net profit/loss of associates					8		8
Other income from non-current investments					10		10
Profit before taxation	5	11	131	(57)	3 045		3 135
Taxation	(2)	(24)	(99)	(114)	(511)		(750)
Net profit from continuing operations	3	(13)	32	(171)	2 534		2 385
Net profit from discontinued operations							

Edgar Filing: UNILEVER PLC - Form 6-K

Equity earning of subsidiaries		2 261	2 216	399		(4 876)	
Net Profit	3	2 248	2 248	228	2 534	(4 876)	2 385
Attributed to:							
Minority interest					137		137
Shareholders equity	3	2 248	2 248	228	2 397	(4 876)	2 248

NOTES TO THE FINANCIAL STATEMENTS (continued)

(unaudited)

13 GUARANTOR STATEMENTS

million	Unilever Capital Corporation subsidiary issuer	Unilever N.V parent issuer/ guarantor	Unilever PLC parent guarantor	Unilever United States Inc. subsidiary guarantor	Non- guarantor subsidiaries	Eliminations	Unilever Group
Income Statement							
Six months ended 30 June 2007							
Continuing operations:							
Turnover					20 054		20 054
Operating Profit		103	179	(11)	2 474		2 745
Finance income		3	4		64		71
Finance costs	(82)	(61)	(1)		(134)		(278)
Pensions and similar obligations		(3)		(17)	87		67
Intercompany finance costs	91	15	9	(18)	(97)		
Dividends		22	44		(66)		
Share of net profit/loss of joint ventures					57		57
Share of net profit/loss of associates					51		51
Other income from non-current investments					31		31
Profit before taxation	9	79	235	(46)	2 467		2 744
Taxation	(3)	(40)	(81)	48	(463)		(539)
Net profit from continuing operations	6	39	154	2	2 004		2 205
Net profit from discontinued operations					76		76
Equity earning of subsidiaries		2 118	2 003	257		(4 378)	
Net Profit	6	2 157	2 157	259	2 080	(4 378)	2 281
Attributed to:							
Minority interest					124		124
Shareholders equity	6	2 157	2 157	259	1 956	(4 378)	2 157

NOTES TO THE FINANCIAL STATEMENTS (continued)

(unaudited)

13 GUARANTOR STATEMENTS

	million Unilever Capital Corporation subsidiary issuer	million Unilever N.V parent issuer/ guarantor	million Unilever PLC parent guarantor	million Unilever United States Inc. subsidiary guarantor	million Non- guarantor subsidiaries	million Eliminations	million Unilever Group
Balance Sheet As at 30 June 2008							
Goodwill and intangible assets		62	39		16 350		16 451
Property, plant and equipment				1	6 044		6 045
Pension asset for funded schemes in surplus					1 857		1 857
Deferred tax assets				619	347		966
Other non-current assets				10	1 235		1 245
Amounts due from group companies after one year	3 437	2 624	4		(6 065)		
Net assets of subsidiaries (equity accounted)		28 785	12 986	9 691	(26 319)	(25 143)	
Total non-current assets	3 437	31 471	13 029	10 321	(6 551)	(25 143)	26 564
Inventories					4 431		4 431
Amounts due from group companies within one year		1 734	1 184		(2 918)		
Trade and other current receivables		221	(4)	5	5 292		5 514
Cash and cash equivalents	1	2		(1)	1 058		1 060
Other financial assets					259		259
Current tax assets		2		28	211		241
Non-current assets held for sale					277		277
Total current assets	1	1 959	1 180	32	8 610		11 782
	(1 440)	(754)			(3 753)		(5 947)

Edgar Filing: UNILEVER PLC - Form 6-K

Financial liabilities within one year							
Amounts due to group companies within one year		(17 778)	(2 473)		20 251		
Trade payables and other current liabilities	(21)	(566)	(199)	(18)	(7 573)		(8 377)
Current tax liabilities	(2)	(17)	(179)	(2)	(257)		(457)
Provisions					(829)		(829)
Liabilities associated with non-current assets held for sale					(42)		(42)
Total current liabilities	(1 463)	(19 115)	(2 851)	(20)	7 797		(15 652)
Net current assets/(liabilities)	(1 462)	(17 156)	(1 671)	12	16 407		(3 870)
Total assets less current liabilities	1 975	14 315	11 358	10 333	9 856	(25 143)	22 694
Financial liabilities due after one year	1 770	2 728		(4)	1 113		5 607
Amounts due to group companies after one year							
Pension and post-retirement healthcare liabilities:							
Funded schemes in deficit				124	663		787
Unfunded schemes		133		673	1 278		2 084
Provisions		14		3	768		785
Deferred tax liabilities		59	14		1 187		1 260
Other non-current liabilities		37		256	106		399
Total non-current liabilities	1 770	2 971	14	1 052	5 115		10 922
Shareholders' equity attributable to:							
Unilever NV			7 167			(7 167)	
Unilever PLC		4 177				(4 177)	
Called up share capital		274	210				484
Share premium account		25	119				144
Other reserves	(1)	(3 915)	(1 207)	(220)	(937)	1 158	(5 122)
Retained profit	206	10 783	5 055	9 501	5 250	(14 957)	15 838
	205	11 344	11 344	9 281	4 313	(25 143)	11 344

**Total shareholders
equity**

Minority interests					428		428
--------------------	--	--	--	--	-----	--	-----

Total equity	205	11 344	11 344	9 281	4 741	(25 143)	11 772
---------------------	-----	--------	--------	-------	-------	----------	--------

Total capital employed	1 975	14 315	11 358	10 333	9 856	(25 143)	22 694
-----------------------------------	-------	--------	--------	--------	-------	----------	--------

NOTES TO THE FINANCIAL STATEMENTS (continued)

(unaudited)

13 GUARANTOR STATEMENTS

	million Unilever Capital Corporation subsidiary issuer	million Unilever N.V parent issuer/ guarantor	million Unilever PLC parent guarantor	million Unilever United States Inc. subsidiary guarantor	million Non-guarantor subsidiaries Eliminations	million Unilever Group
Balance Sheet						
As at 31 December 2007						
Goodwill and intangible assets		54	42		16 659	16 755
Property, plant and equipment				1	6 283	6 284
Pension asset for funded schemes in surplus					2 008	2 008
Deferred tax assets				685	318	1 003
Other non-current assets				12	1 312	1 324
Amounts due from group companies after one year	3 154	2 250	4		(5 408)	
Net assets of subsidiaries (equity accounted)		28 915	13 341	8 991	(27 594)	(23 653)
Total non-current assets	3 154	31 219	13 387	9 689	(6 422)	(23 653)
Inventories					3 894	3 894
Amounts due from group companies within one year		848	2 134		(2 982)	
Trade and other current receivables		80	(3)		4 117	4 194
Cash and cash equivalents	1	2		(2)	1 097	1 098
Other financial assets					216	216
Current tax assets		38		59	270	367
Non-current assets held for sale					159	159
Total current assets	1	968	2 131	57	6 771	9 928
Financial liabilities within one year	(1 024)				(3 142)	(4 166)
Amounts due to group companies within one year		(17 001)	(2 952)	(1)	19 954	
Trade payables and other current liabilities	(23)	(162)	3	(21)	(7 814)	(8 017)

Edgar Filing: UNILEVER PLC - Form 6-K

Current tax liabilities	(6)		(168)	(3)	(218)		(395)
Provisions		(24)		(1)	(943)		(968)
Liabilities associated with non-current assets held for sale					(13)		(13)
Total current liabilities	(1 053)	(17 187)	(3 117)	(26)	7 824		(13 559)
Net current assets/(liabilities)	(1 052)	(16 219)	(986)	31	14 595		(3 631)
Total assets less current liabilities	2 102	15 000	12 401	9 720	8 173	(23 653)	23 743
Financial liabilities due after one year	1 899	2 364			1 220		5 483
Amounts due to group companies after one year							
Pension and post-retirement healthcare liabilities:							
Funded schemes in deficit				8	819		827
Unfunded schemes		134		725	1 411		2 270
Provisions				1	693		694
Deferred tax liabilities		63	14		1 136		1 213
Other non-current liabilities		52		104	281		437
Total non-current liabilities	1 899	2 613	14	838	5 560		10 924
Shareholders' equity attributable to:							
Unilever NV			8 173			(8 173)	
Unilever PLC		4 214				(4 214)	
Called up share capital		274	210				484
Share premium account		25	128				153
Other reserves	(9)	(2 529)	(883)	(417)	(613)	1 039	(3 412)
Retained Profit	212	10 403	4 759	9 299	2 794	(12 305)	15 162
Total shareholders equity	203	12 387	12 387	8 882	2 181	(23 653)	12 387
Minority interests					432		432
Total equity	203	12 387	12 387	8 882	2 613	(23 653)	12 819
Total capital employed	2 102	15 000	12 401	9 720	8 173	(23 653)	23 743

NOTES TO THE FINANCIAL STATEMENTS (continued)

(unaudited)

13 GUARANTOR STATEMENTS

million

Cash flow statement	Unilever		Unilever PLC parent guarantor	Unilever United States Inc. Non-guarantor subsidiaries		Eliminations	Unilever Group
	Unilever Capital Corporation subsidiary issuer	N.V parent issuer/ guarantor					
Six months ended 30 June 2008							
Cash flow from operating activities		(66)	62	130	759		885
Income tax paid		27	(74)	(58)	(376)		(481)
Net cash flow from operating activities		(39)	(12)	72	383		404
Interest received	91	14	27		6	(74)	64
Net capital expenditure		(14)		1	(478)		(491)
Acquisitions and disposals					403		403
Other investing activities		745			(2 009)	1 304	40
Net cash flow from/(used in) investing activities	91	745	27	1	(2 078)	1 230	16
Dividends paid on ordinary share capital	(85)	(794)	(528)		213		(1 194)
Interest and preference dividends paid		(99)		(31)	(145)	74	(201)
Change in financial liabilities	(6)	1 119	559		1 713	(1 304)	2 081
Share buy-back programme		(1 077)	(8)				(1 085)
Other movement on treasury stock		145	(38)	(45)	(81)		(19)
Other financing activities					(89)		(89)
Net cash flow from/(used in) financing activities	(91)	(706)	(15)	(76)	1 611	(1 230)	(507)
Net increase/(decrease) in cash and cash equivalents				(3)	(84)		(87)
Cash and cash equivalents at beginning of year	1	2		(2)	900		901
Effect of foreign exchange rates				4	(156)		(152)
Cash and cash equivalents at end of year	1	2		(1)	660		662

NOTES TO THE FINANCIAL STATEMENTS (continued)

(unaudited)

13 GUARANTOR STATEMENTS

million

Cash flow statement	Unilever		Unilever PLC parent guarantor	Unilever United States Inc. Non-guarantor subsidiaries		Eliminations	Unilever Group
	Unilever Capital Corporation subsidiary issuer	N.V parent issuer/ guarantor					
Six months ended 30 June 2007							
Cash flow from operating activities		(33)	147	(27)	1 574		1 661
Income tax paid		(26)	(20)	5	(559)		(600)
Net cash flow from operating activities		(59)	127	(22)	1 015		1 061
Interest received	91	7	17		44	(97)	62
Net capital expenditure	1	(8)			(437)		(444)
Acquisitions and disposals					72		72
Other investing activities	(332)	692		60	(1 040)	781	161
Net cash flow from/(used in) investing activities	(240)	691	17	60	(1 361)	684	(149)
Dividends paid on ordinary share capital		(754)	(560)		(98)		(1 412)
Interest and preference dividends paid	(82)	(45)	(1)	(18)	(176)	97	(225)
Change in financial liabilities	342	746	360		1 238	(781)	1 905
Share buy-back programme		(663)					(663)
Other movement on treasury stock		80	53	(38)	124		219
Other financing activities					(309)		(309)
Net cash flow from/(used in) financing activities	260	(636)	(148)	(56)	779	(684)	(485)
Net increase/(decrease) in cash and cash equivalents	20	(4)	(4)	(18)	433		427
Cash and cash equivalents at beginning of year		7	4	(5)	704		710
Effect of foreign exchange rates				4	19		23
Cash and cash equivalents at end of year	20	3		(19)	1 156		1 160

