



## 2018 FIRST HALF YEAR RESULTS

**A SOLID, ALL-ROUND PERFORMANCE WITH SOME CHALLENGING MARKETS**

### Performance highlights (unaudited)

Underlying performance			GAAP measures		
		vs 2017			vs 2017
<b>First Half</b>					
Underlying sales growth (USG) <sup>(a)</sup>		2.5%	Turnover	€26.4bn	(5.0)%
USG excluding spreads <sup>(a)(b)</sup>		2.7%	Turnover excluding spreads <sup>(b)</sup>	€24.9bn	(4.8)%
Underlying operating margin	18.6%	80bps	Operating margin	17.0%	(50)bps
Underlying earnings per share	€1.22	7.8%	Earnings per share	€1.11	1.6%
<b>Second Quarter</b>					
USG excluding spreads <sup>(a)(b)</sup>		1.9%	Turnover excluding spreads <sup>(b)</sup>	€13.0bn	(4.5)%
Quarterly dividend payable in September 2018				€0.3872 per share	

(a) These amounts do not include any price growth in Venezuela. See pages 6-7 on non-GAAP measures for further details.

(b) Unilever announced its agreement to sell the spreads business on 15 December 2017, and has completed the sale on 2 July 2018.

### First half highlights

- Underlying sales growth excluding spreads 2.7% with volume 2.5% and price 0.2%
- Truckers' strike in Brazil adversely affected USG by around 60bps
- Emerging markets underlying sales growth 4.1% with volume 3.3% and price 0.8%
- Turnover decreased 5.0% including an adverse translational currency impact of (8.9)%
- Underlying operating margin up 80bps driven by increased gross margin and further reduced overheads
- Underlying earnings per share up 7.8% after a currency impact of (10.8)%, constant underlying EPS up 18.6%

### Paul Polman: Chief Executive Officer statement

"Our first half results show solid volume-driven growth across all three divisions, which was achieved despite the effects of an extended truckers' strike in Brazil, one of our biggest markets. Growth was driven by strong innovation and continued expansion in future growth markets. The margin improvement was of high quality and in line with our strategy, driven by further gross margin progression, increased investment behind our brands and strong savings delivery.

The Connected 4 Growth change programme, which makes our organisation more agile and resilient, is driving the step-up in our innovation and savings programmes. As part of the continued portfolio evolution, we have completed the exit from spreads on 2 July 2018. In anticipation of the disposal proceeds, we have already returned €3 billion as part of our €6 billion share buyback programme that will complete before the end of the year. We have also signed an agreement to acquire a 75% stake in the Italian personal care business **Equilibra**.

Our expectation for the full year is unchanged. We expect underlying sales growth in the 3% - 5% range, an improvement in underlying operating margin and strong cash flow. We remain on track for our 2020 goals."

19 July 2018