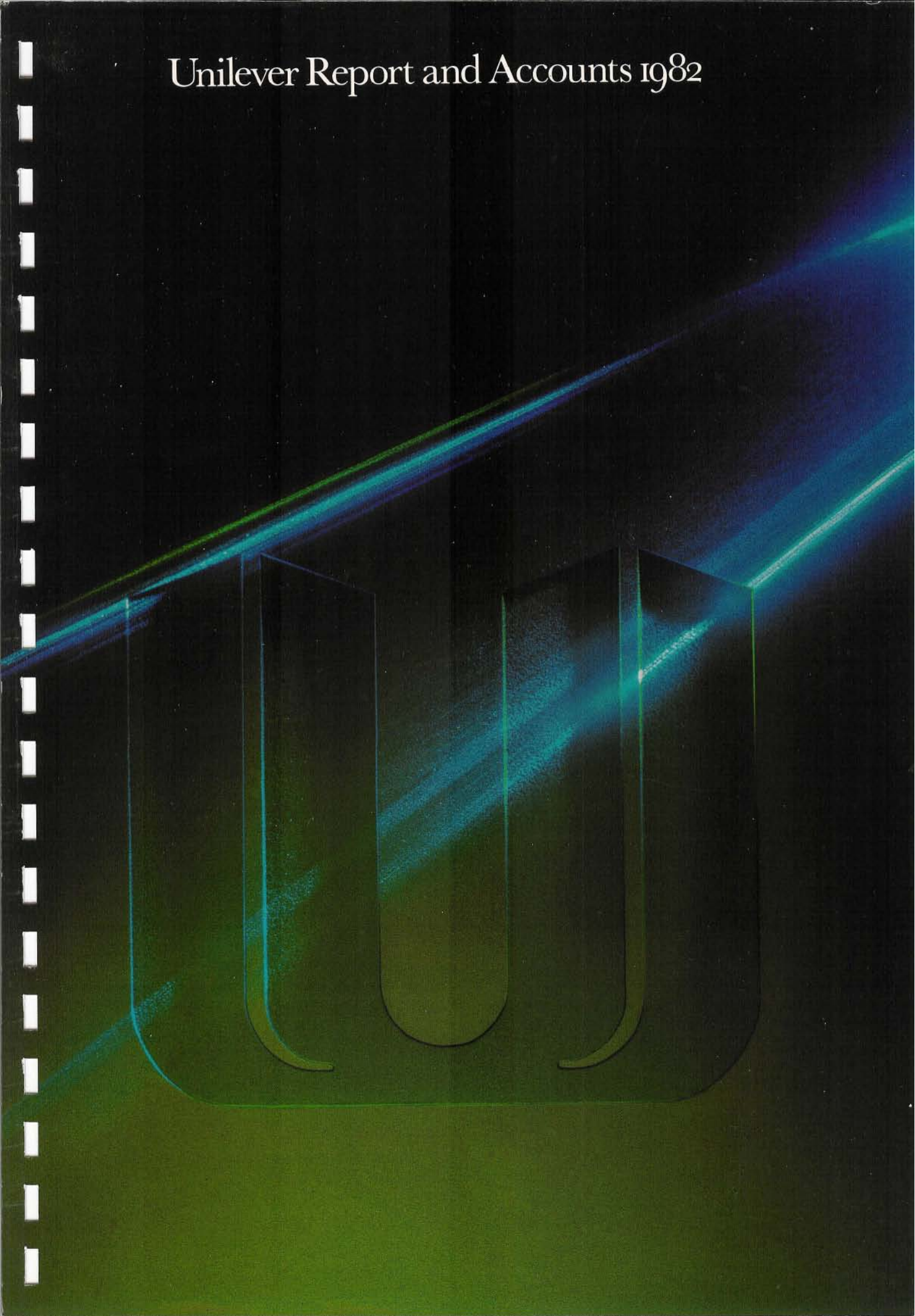


# Unilever Report and Accounts 1982



# Unilever N.V., Rotterdam Report and Accounts 1982

The Unilever group of companies provides a wide range of products and services in some 75 countries, employing about 280 000 people. In most of these countries the products are manufactured locally. Unilever has existed for more than 50 years as a group, but can trace its roots much further back than that.

There are two parent companies: Unilever N.V., Rotterdam, and Unilever PLC, London. They have identical Boards of Directors and are linked by agreements, one of which equalises the dividends payable on the ordinary capital of N.V. and of PLC, according to a formula set out elsewhere in this Report. Unilever operates as one group. The combined affairs of N.V. and PLC are, therefore, more important to shareholders than those of the two separate companies and the Report and Accounts deal, as usual, with the operations and results of Unilever as a whole: except where stated otherwise, all the figures are for N.V. and PLC combined.

The larger part of Unilever's business is in branded and packaged consumer goods: mainly foods, detergents and toilet preparations. The foods include margarine, other fats and oils, ice cream, frozen and other convenience products, meat, fish, tea and other drinks.

Unilever has other important activities, such as chemicals, paper, plastics and packaging, animal feeds, transport and tropical plantations. UAC International, a major Unilever company, has substantial interests in Africa and other parts of the world in diverse industrial ventures, and as merchants and specialist distributors.

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## Directors

H. F. van den Hoven  
*Chairman*

K. Durham  
*Vice-Chairman*

J. M. Goudswaard  
*Vice-Chairman*

Sir Geoffrey Allen  
M. R. Angus  
R. W. Archer  
P. V. M. Egan  
J. P. Erbé  
J. A. Houtzager  
J. Louden  
F. A. Maljers  
F. W. L. Mann  
H. Meij  
Jonkheer I. E. B. Quarles van Ufford  
C. F. Sedcole  
A. W. P. Stenham  
G. K. G. Stevens  
T. Thomas  
K. H. Veldhuis  
E. J. Verloop

### *Advisory Directors*

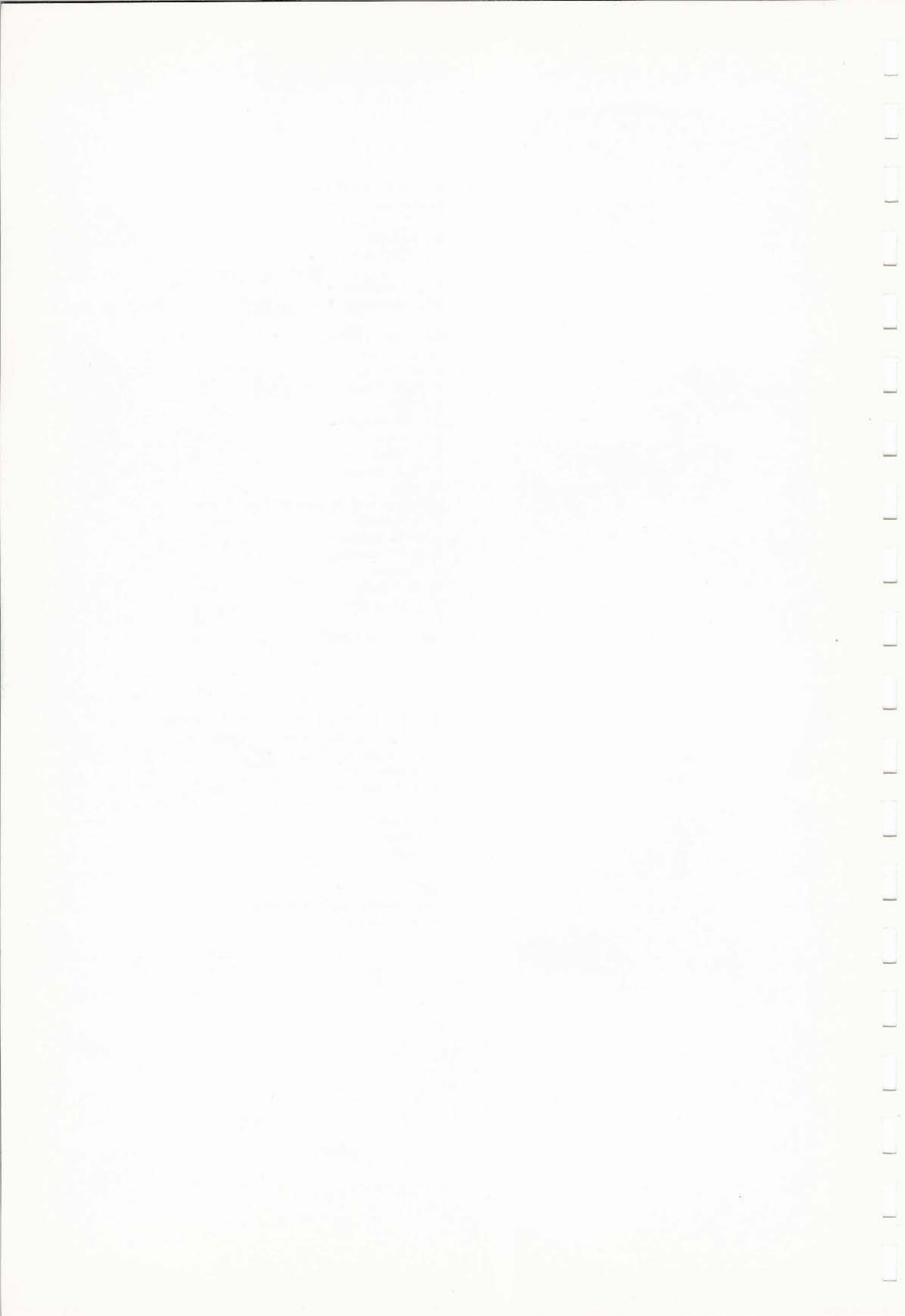
B. W. Biesheuvel  
T. Browaldh  
Fletcher L. Byrom  
Sir Eric Faulkner  
The Rt. Hon. the Lord Hunt of Tanworth  
The Rt. Hon. the Viscount Leverhulme  
P-P. Schweitzer  
D. Spethmann  
E. P. Wellenstein

### *Secretaries*

T. Drion  
J. D. Keir

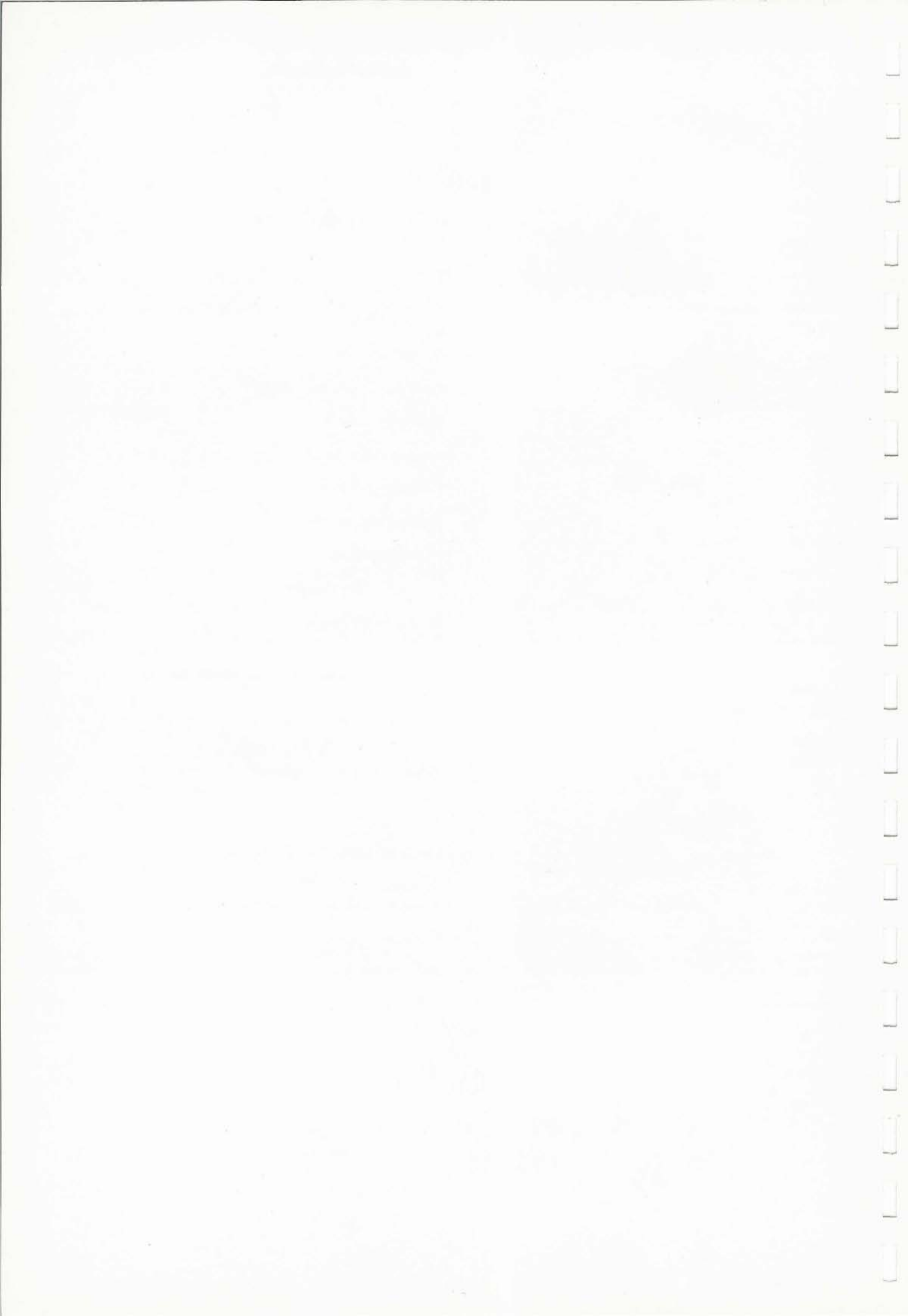
### *Auditors*

Price Waterhouse Nederland  
Coopers & Lybrand Nederland



## Financial highlights

	1981	1982
<b>ON AN HISTORICAL COST BASIS</b>		
<b>Results</b>		
Fl. million		
Sales to third parties	56 115	55 903
Operating profit	3 325	2 988
Profit before taxation	3 347	3 068
Profit after taxation	1 966	1 717
Profit attributable to ordinary capital	1 848	1 579
Ordinary dividends	586	578
Profit of the year retained	1 262	1 001
<b>Earnings per share</b>		
per Fl. 20 of capital (Fl.)	33.16	28.34
per 25p of capital (pence)	105.39	100.41
<b>Ordinary dividends</b>		
N.V.—per Fl. 20 of capital (Fl.)	12.04	12.04
PLC—per 25p of capital (pence)	26.87	28.83
<b>Shareholders' equity per share</b>		
per Fl. 20 of capital (Fl.)	217.62	220.23
per 25p of capital (pence)	691.60	780.97
	%	%
<b>Return on capital employed</b>	10.7	9.3
<b>ON A CURRENT COST BASIS</b>		
Fl. million		
Profit attributable to ordinary capital	998	759
<b>Earnings per share</b>		
per Fl. 20 of capital (Fl.)	17.90	13.62
per 25p of capital (pence)	56.90	48.19



At the conclusion of our review of 1981 we found no reason to be optimistic about world economic prospects for 1982. Events have confirmed this view, for 1982 has been generally no more favourable than was 1981. The industrialised world remained in the economic doldrums and there was a significant decline in growth in the developing countries. In a number of countries consumer expenditure was down, though perhaps relatively less for the types of products that we sell. Unemployment rose rapidly in many countries, notably in Western Europe and North America. A number of developing countries had severe balance of payments and debt service problems. Several countries imposed or tightened price and wage controls. The rapid increase in unemployment and accelerating structural changes in international competition have produced a new and dangerous surge towards protectionism throughout the world.

However, there were some more encouraging signs. Inflation rates have fallen quite significantly, especially in Europe, where the average rate weighted in relation to Unilever sales was 8.3% during 1982 compared with 10.2% during 1981. Interest rates have also been tending downwards and have fallen very markedly since the summer, though they remain high in real terms. The economic policies of a number of countries have shown a welcome realisation of the need to improve conditions for business enterprise. Salary and wage increases have moderated.

Against this background our results in guilders were 10% below last year, while in sterling they were only just above 1981. The difference arises from the change in the sterling/guilder rate of exchange at the end of 1982, as compared with 1981.

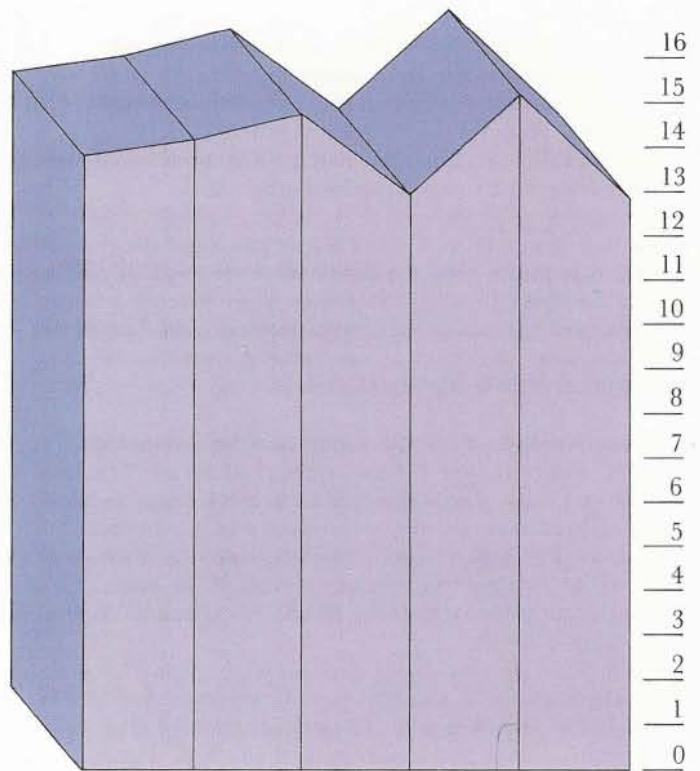
A significant factor affecting these results was the high level of restructuring costs, particularly in Europe. These costs, however, made a worthwhile contribution to an increase in productivity of 4% during 1982 in Unilever as a whole. A number of our operations improved their performance through steps taken in previous years to increase efficiency. Raw material prices on the whole continued to be low.

Sales volume was little changed compared with 1981. In highly competitive conditions advertising, launch and promotional expenditure was inevitably substantial in certain markets. It is even more important to maintain expenditure in difficult times, since it is an investment for the future, as is our research expenditure for new and better products.

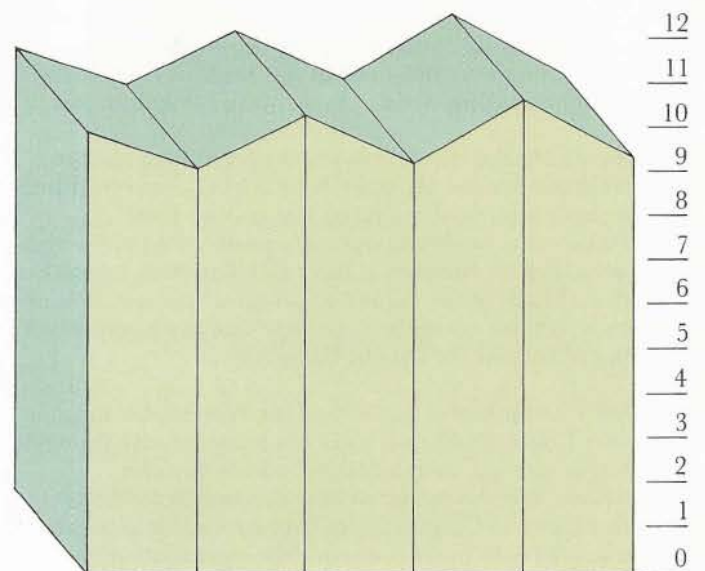
The charts show figures of performance both by geographical areas and by operations. Three other charts show respectively: return on shareholders' equity, capital employed and sales; value added; and earnings and dividends per share.

In Europe there was a satisfactory profit improvement in frozen products and personal products, but other consumer businesses, notably edible fats and dairy products, food and drinks, and detergents, had lower results than in 1981, in most of them because of restructuring costs. Amongst the industrial and service businesses, chemicals had results

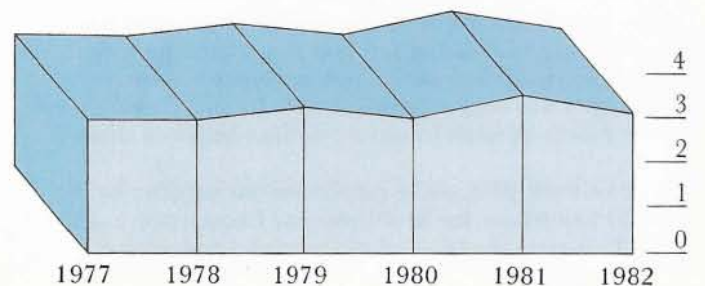
Profit as percentage of ordinary shareholders' equity



Profit as percentage of capital employed



Profit as percentage of sales to third parties





very much better than in 1981, thus showing good improvements for two years running, and transport recovered from last year's poor results. Paper, plastics and packaging, however, in conditions particularly unfavourable to its business, had a substantial loss in 1982 arising from its United Kingdom operations.

Our operations in the United States produced good results and considerable progress has been made towards putting Lever Brothers on a sound footing. They sharply reduced the losses of previous years, made two successful launches of major new products and are making a substantial investment in new research facilities.

Outside Europe and North America, sales volume and results, which included the new acquisitions in Chile and the Ivory Coast, compared well with 1981. Good profit improvements were achieved in Australia, Colombia, India, the Philippines and Thailand, and in Indonesia we were able to match last year's good results. In some other countries, notably Argentina, Brazil, Mexico and Nigeria, results were lower.

We supply goods by export to countries where we do not manufacture them locally. The depressed economic conditions affected this business in 1982 and results were well down on the good performance of 1981.

UAC International faced a very difficult business climate. Severe restraints were placed on imports and public expenditure in Nigeria, a very important country for us. UAC International's interests in the United Kingdom also had a less favourable year. In consequence, though excellent results were achieved in the Arabian Gulf, France and French-speaking Africa, results were below last year.

Investment for the future is as important as ever and we have kept our capital expenditure at a level about the same as last year's high figure. During the year we have undertaken or completed important projects in the United Kingdom, Brazil, Indonesia, Italy and Thailand, and other countries. Much of our capital expenditure is for increased efficiency; a good example is our new computer-controlled canning factory in the United Kingdom.

In 1982 we acquired some 80% of the Blohorn business in the Ivory Coast. Blohorn is a diverse business with interests in detergents, soap, margarine and edible fats and plantations. We also acquired the outstanding 50% share of Indus Lever in Chile hitherto held by outside interests. These acquisitions made a worthwhile contribution to our 1982 results.

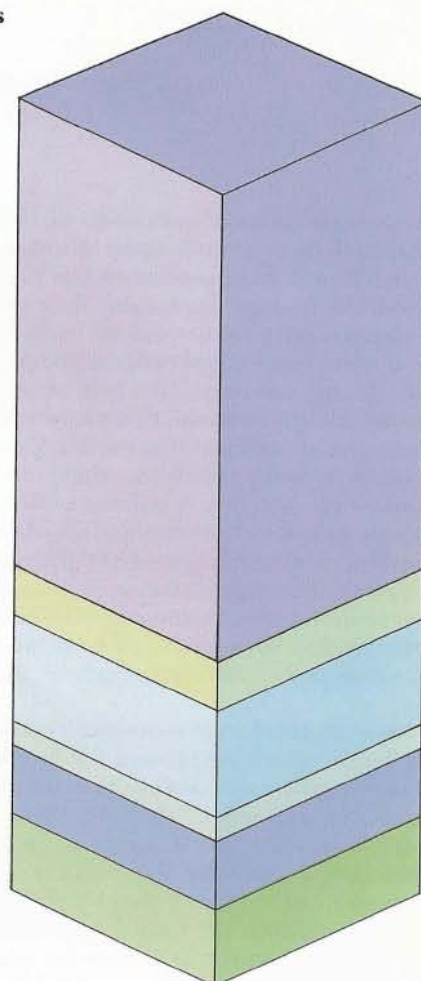
Our financial position remains strong and net liquid funds were higher than last year. Interest rates started the year high and stayed there until the middle of the year, when they fell sharply. During the year as a whole the U.S. dollar strengthened against most major currencies, whose exchange rates were relatively stable for much of the year; in the fourth quarter, however, sterling began to weaken.

As we do each year, we re-emphasise our support for the OECD Guidelines for Multinational Enterprises, and the ILO Tripartite Declaration of Principles concerning

### Sales to third parties 1982

Fl. million

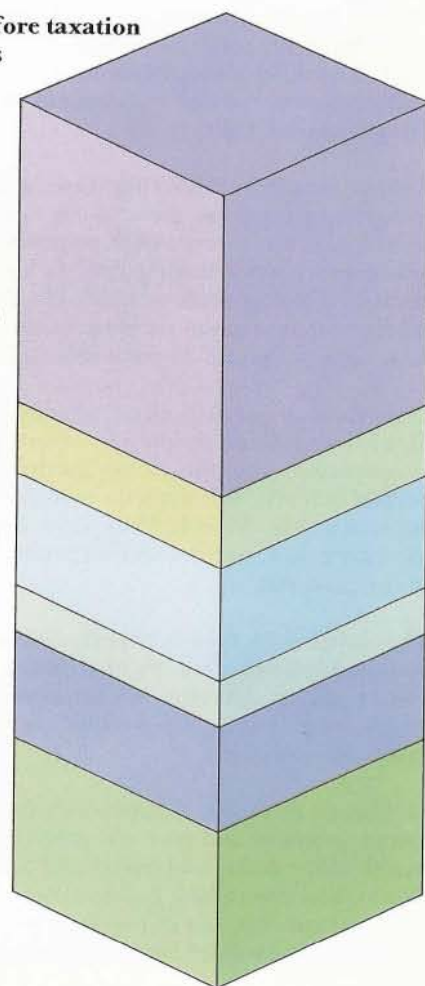
European Community countries	33 046
Other European countries	3 457
North America	7 565
Central and South America	1 682
Africa	4 818
Asia, Australia, New Zealand	5 335
<b>Total</b>	<b>55 903</b>



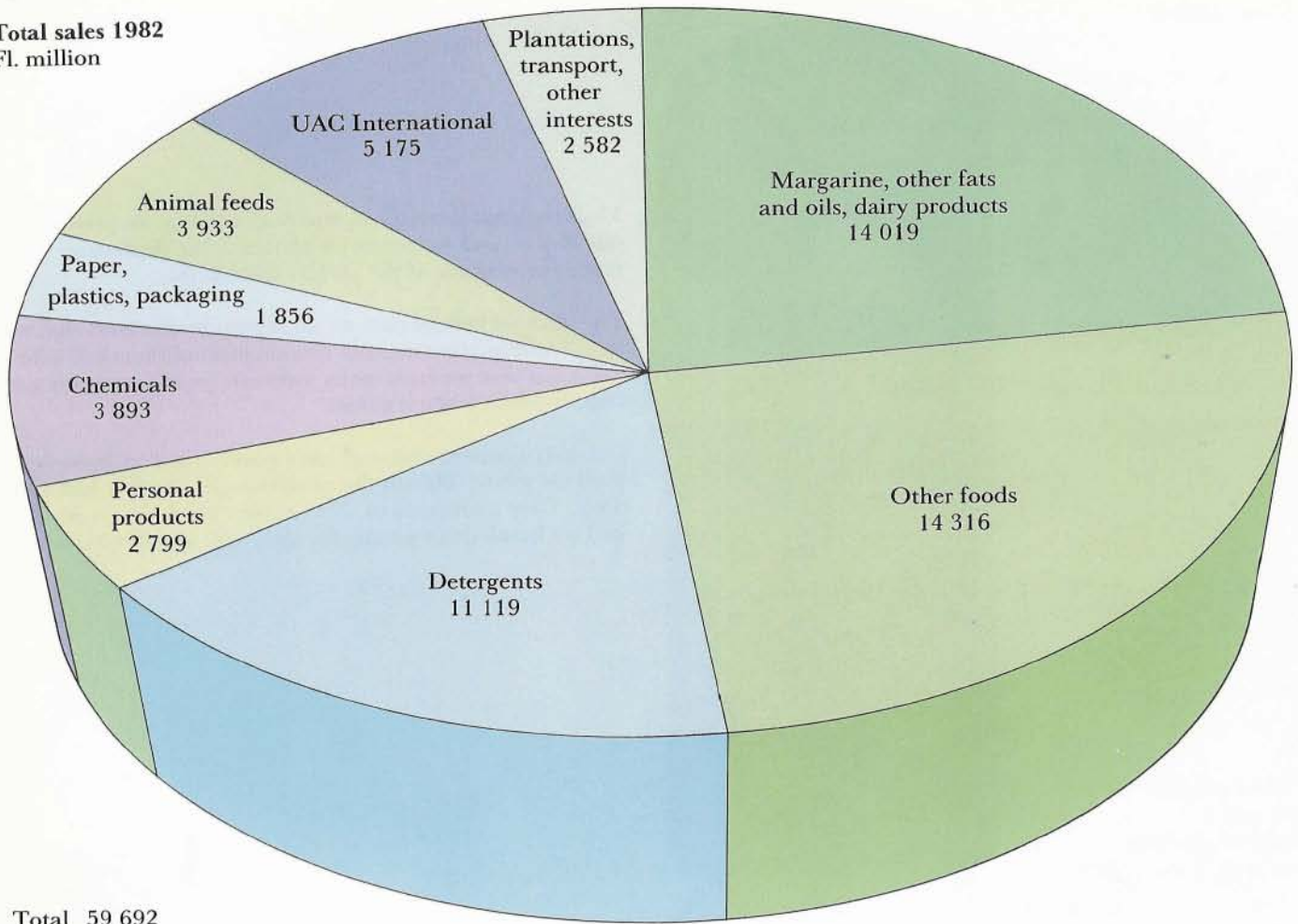
### Operating profit before taxation and outside interests

Fl. million

European Community countries	1 129
Other European countries	266
North America	428
Central and South America	176
Africa	406
Asia, Australia, New Zealand	583
<b>Total</b>	<b>2 988</b>

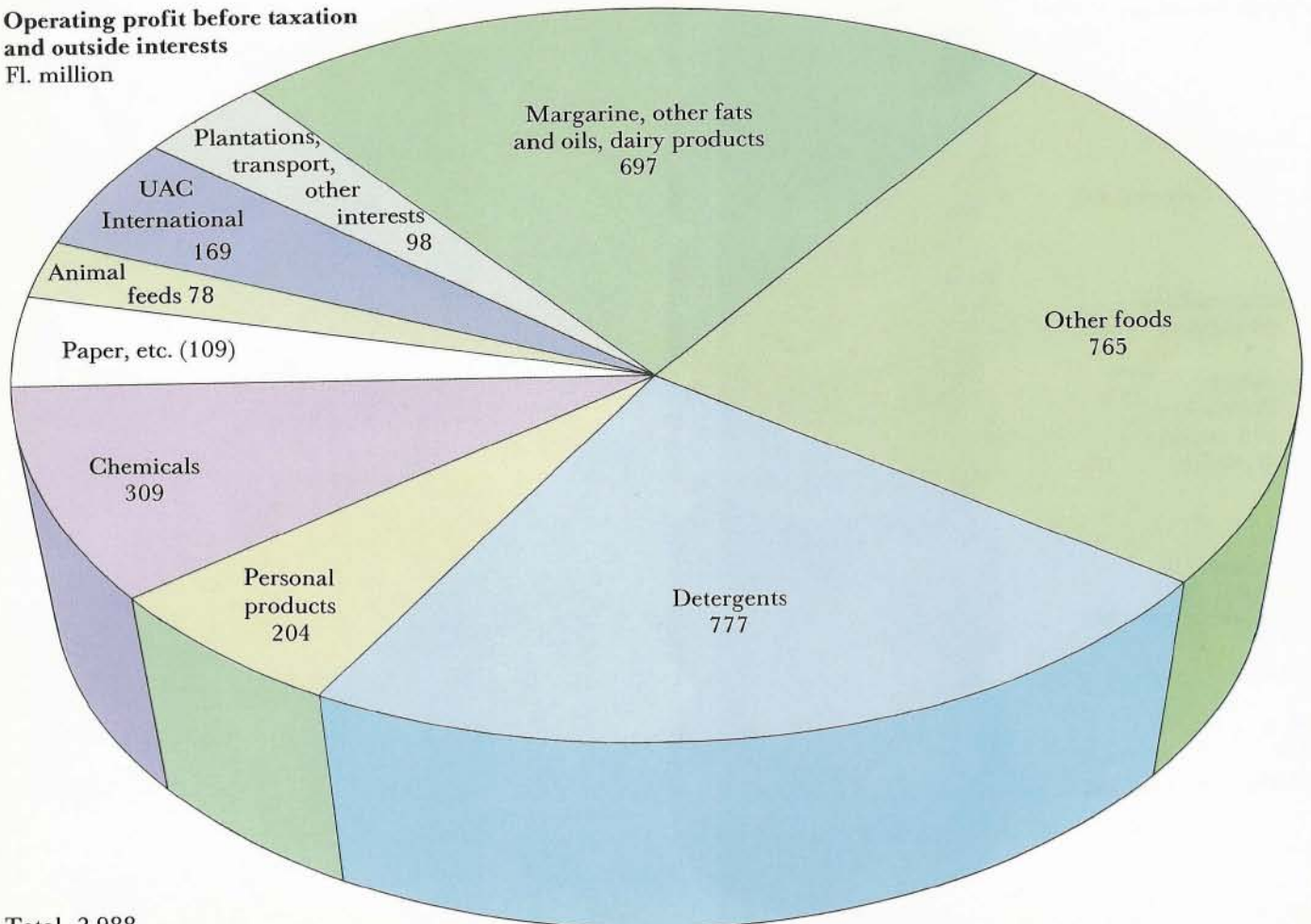


**Total sales 1982**  
Fl. million



Total 59 692

**Operating profit before taxation and outside interests**  
Fl. million



Total 2 988

## Value added

To employees  
in wages,  
salaries, pension  
contributions 68%

To governments  
in taxation 9%

To providers of  
capital  
— loans (interest) 4%

— shareholders  
(dividends) 4%

— outside  
shareholders  
and preference  
dividends 1%

Reinvested in  
business  
— depreciation 7%

— profit retained 7%



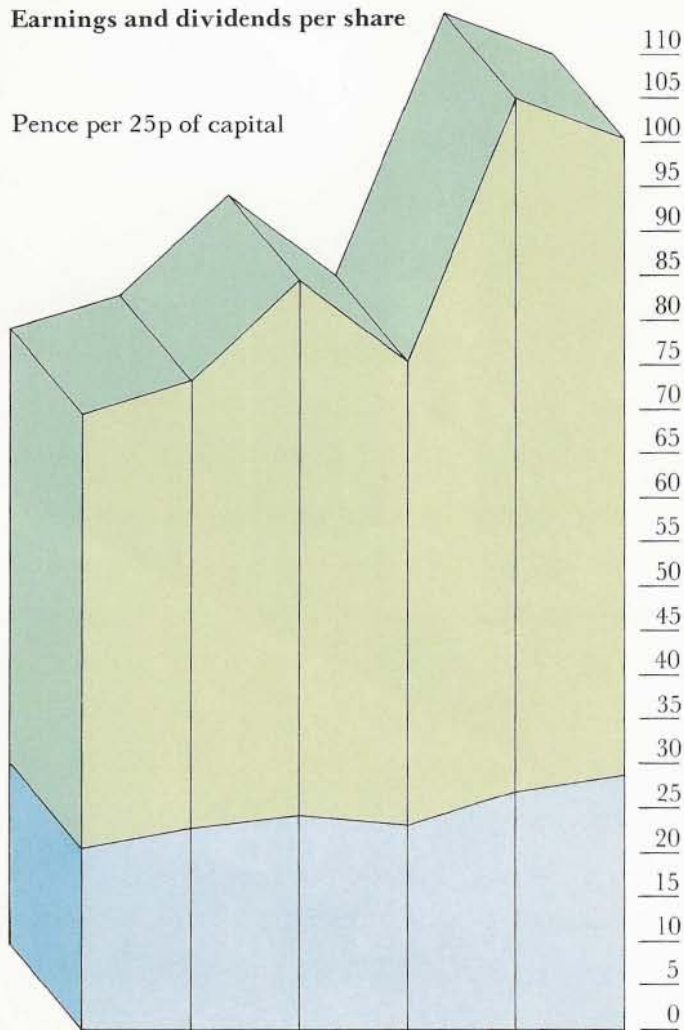
Multinational Enterprises and Social Policy. In preparing our Report and Accounts we adhere to the disclosure recommendations of the OECD Guidelines.

For 1983 we believe that we must plan on the basis that no significant improvement in economic conditions will take place but that we must make sure that we are ready for any improvement when it comes.

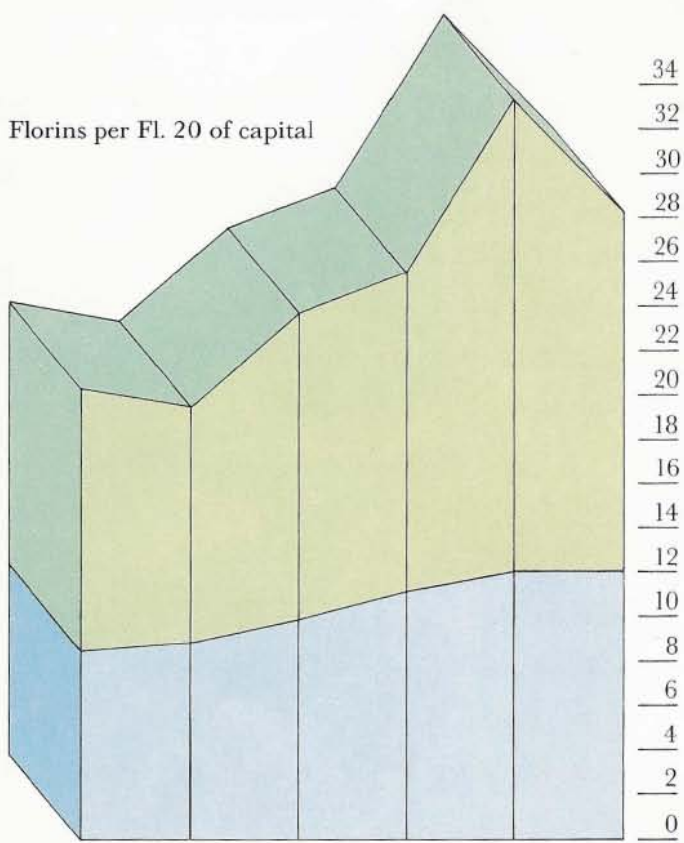
Our management and staff have never failed us, however hard the job or difficult the conditions in which it had to be done. They performed in 1982 as they have always done, and we thank them for their skill and devotion.

Earnings and dividends per share

Pence per 25p of capital



Florins per Fl. 20 of capital



1977 1978 1979 1980 1981 1982

Earnings Dividends



## Review of operations

### Margarine, other fats and oils, dairy products

Our margarine business had another satisfactory year. Turnover increased by 1% in volume, and we were able to maintain margins, mainly by improving efficiency.

In a number of European countries the margarine market continued to grow, notably in the United Kingdom and in the Mediterranean area. In Northern Europe margarine maintained its competitive position in relation to butter. Within the EC butter production increased by almost 9%, while consumption declined slightly. Though it does not solve the structural problem of surplus butter, the EC decided early in November to make available heavily subsidised butter for sale in consumer markets in the Community. While over 70% of these sales are made at the expense of fresh butter, this caused a temporary fall in margarine consumption. After the considerable success of 'Krona' in the United Kingdom, we launched similar margarines in other countries: in the Netherlands 'Morgen', in Germany 'Bonella', and in Ireland 'Krona'. In France a new maize oil margarine was launched under the brand name of 'Epi d'Or'. Our health margarines, particularly 'Flora' in the United Kingdom and 'Becel' in several countries on the Continent of Europe, showed good progress. In France 'Fruit d'Or' continued its growth. In the Netherlands and Germany our margarine sales fell because of price competition. In France price control adversely affected results. The business in table oils increased its share in a slightly growing market. In France particularly good progress was made with 'Fruit d'Or' and the new table oil 'Epi d'Or'.

In the United States we improved our market share and losses were substantially reduced through greater efficiency and increased sales.

Outside Europe and the United States our margarine sales also improved, particularly in Brazil, Japan and Turkey. In Turkey permission was obtained from the Government to build a second factory, which will provide additional capacity to serve an expanding market.

Sales of products for the bakery trade showed good progress, particularly because we were able to apply our successful European experience in Brazil, Colombia, the Philippines and Thailand.

Raw material prices decreased during the course of the year. This was mainly due to good crops of soya beans, European rapeseed and palm oil.

*Left: A machine supervisor inspects lids as they are put on to tubs of 'Epi d'Or', the new maize oil margarine launched in France.*

*Right: Also in France the Motta 'Carte d'Or' range of ice cream desserts continues to sell well.*

Results of our European oil mills continued to be depressed because of low profitability on soya beans. During the year we discontinued soya bean processing in two of our factories and thus incurred substantial reorganisation costs. In South Africa a new oil mill commenced production at the end of the year. Profits of our business in speciality fats for the food manufacturing industry were again low. In 1982 we took steps to improve efficiency in this business.

Turnover and results of processed cheese operations improved again, especially in Germany and Italy. The results of fresh dairy products were disappointing and the decision was taken to close a factory in Germany.

### Frozen products

There was little volume growth in the frozen foods market except in the United Kingdom. Our total volume was slightly up, but despite considerable efficiency improvements, margins remained under pressure. Profits rose in Germany, Ireland and Italy, but were disappointing elsewhere. In the Netherlands losses are still being incurred. Our share in the various markets remained generally stable, though it fell slightly in the United Kingdom and improved in Italy. Some promising new products were introduced. In the United Kingdom Birds Eye Wall's made good progress with oven crispy fish and



steakhouse grills. Stir fry vegetables and potato waffles, already successful in the United Kingdom, have been introduced in Germany. A new range of low calorie meals and pizzas under the 'Invito' brand name has made a good start in Italy.

The ice cream market in Europe showed only modest growth. Impulse sales of ice cream, which are an important part of the market, were depressed. Sales of lower priced ice cream through food shops for consumption at home showed a small increase. Our ice cream results improved in most markets, with good performances in France, Italy, Portugal and Spain. In the United Kingdom, however, Birds Eye Wall's ice cream results were disappointing. In Germany Langnese-Iglo made a good start with 'Maxim's', a new take-home range. In France the Motta 'Carte d'Or' range continued to sell well to both the grocery and catering trades. 'Viennetta', successfully introduced in the United Kingdom early in the year, was introduced in other markets. Outside Europe, Streets, our ice cream company in Australia, showed significantly improved results. In Malaysia we also did well in ice cream, but in Argentina and Brazil our ice cream businesses performed poorly.

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*Recently launched in Pakistan by Liptons, 'Tree Top' dates have proved very successful.*



Capital investments included, in Italy, the first computerised automated order picking system in a coldstore in Europe. In Germany we put in increased capacity and better facilities for the manufacture of snack products at our factory at Gross Reken.

#### **Fish, restaurants and retailing**

The results of Nordsee showed a substantial improvement over 1981. This was mainly because we reduced the fleet to six factory trawlers and three fresh fish trawlers and because we were able once again to fish in Canadian waters. We are pleased that, at last, a solution has been found to the fishery policy problems of the EC which, in 1982 as in previous years, adversely affected Nordsee.

The Nordsee Quick fish restaurants improved both volume and profits, despite lack of growth in the demand for fast food. The performance of Nordsee fish delicatessen shops was satisfactory. Progress in Hamburger Farm restaurants has been slow.

#### **Other food and drinks**

Profitable growth was difficult to achieve in 1982. Company and product performances were rather mixed and in total, partly because of restructuring costs, results were lower.

Our tea business showed improved volume and margins with particularly good growth in the export business from the United Kingdom. 'Yellow Label', our international brand, continued to improve its prominent position in world markets. After a difficult period better results were achieved in India. In Nigeria import restrictions limited progress but Lipton tea retained its leading market position.

The 'Cup-a-Soup' range of instant soup products was further extended in a number of countries. The range now has strong profitable shares in all our markets. In a declining canned and packet soup market we maintained volume in Europe.

Growth in the markets for mayonnaise and salad dressings was disappointing but we made progress in Italy and Spain, successfully launched a yoghurt-based dressing in the Netherlands, and introduced new ranges of dressings in both Austria and Belgium based on those successfully marketed by Thomas J. Lipton, Inc. in the United States.

In the United Kingdom Batchelors opened a new canning factory to reinforce their strong position in the canned pea market by using the most modern technology to reduce costs. In other markets they improved their position in the dried soup business and successfully relaunched an improved range of 'Vesta' packet meals.

We deeply regret that in Belgium during 1982 one person died and one suffered serious illness from botulinum poisoning through eating a can of salmon marketed by John West. Extensive investigations were undertaken in which John West and many others involved in the canning and sale of salmon co-operated fully. These investigations showed that the risk of contamination arose in the process of canning and was not confined to John West salmon or attributable to a fault on John West's part. This tragic accident had considerable repercussions in the canned salmon market from which John West suffered severely. Sales of North American canned salmon in the United Kingdom, Australia and a number of other countries were resumed in August after agreement with the health authorities on a stringent checking procedure for all packed stocks. New controls have been introduced by the United States and Canadian authorities for future supplies and John West's already rigorous quality controls have been further developed.

Thomas J. Lipton, Inc. in the United States maintained their record of progress, with good results in tea and with their new range of herbal tea products. In 1982 Thomas J. Lipton, Inc. acquired the right to market a range of drinks based on fruit juices under the 'Sunkist' name. Profits in both 'Cup-a-Soup' and dried soups continued to grow, but severe competition led to losses in salad dressings.

Rosella and Lipton in Australia had a satisfactory year and are now completing the construction of their new factory.

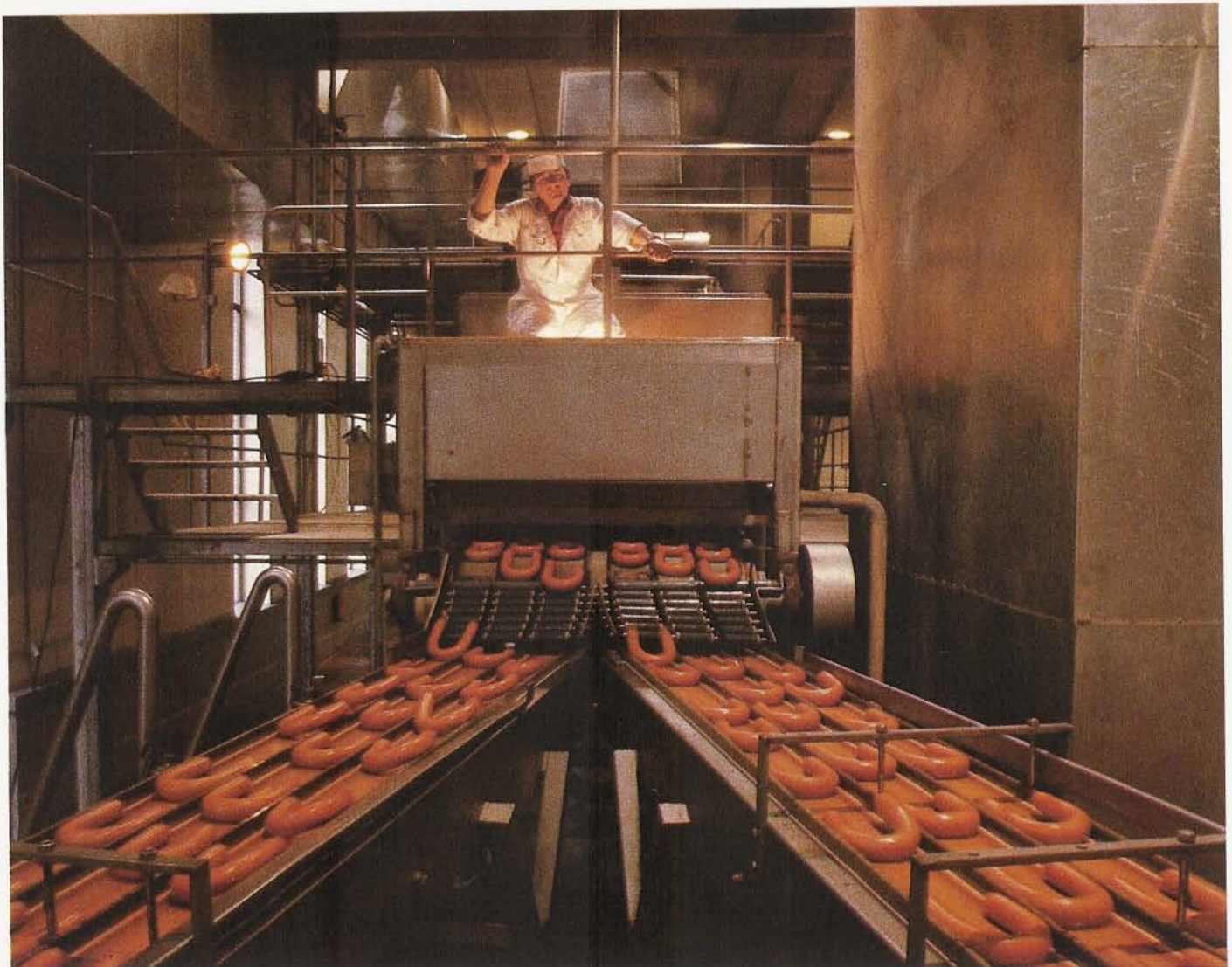
#### **Meat products**

The market in Europe was weak, though raw material prices were generally lower than expected. Our sales volume and results were lower than in 1981. The fortunes of individual companies, however, varied significantly. In the United Kingdom our companies showed an improvement in sales volume over the previous year; close attention to product quality and good control of expenses resulted in improved profits. During the year Mattessons expanded its Chippenham factory to keep up with continuing volume growth.

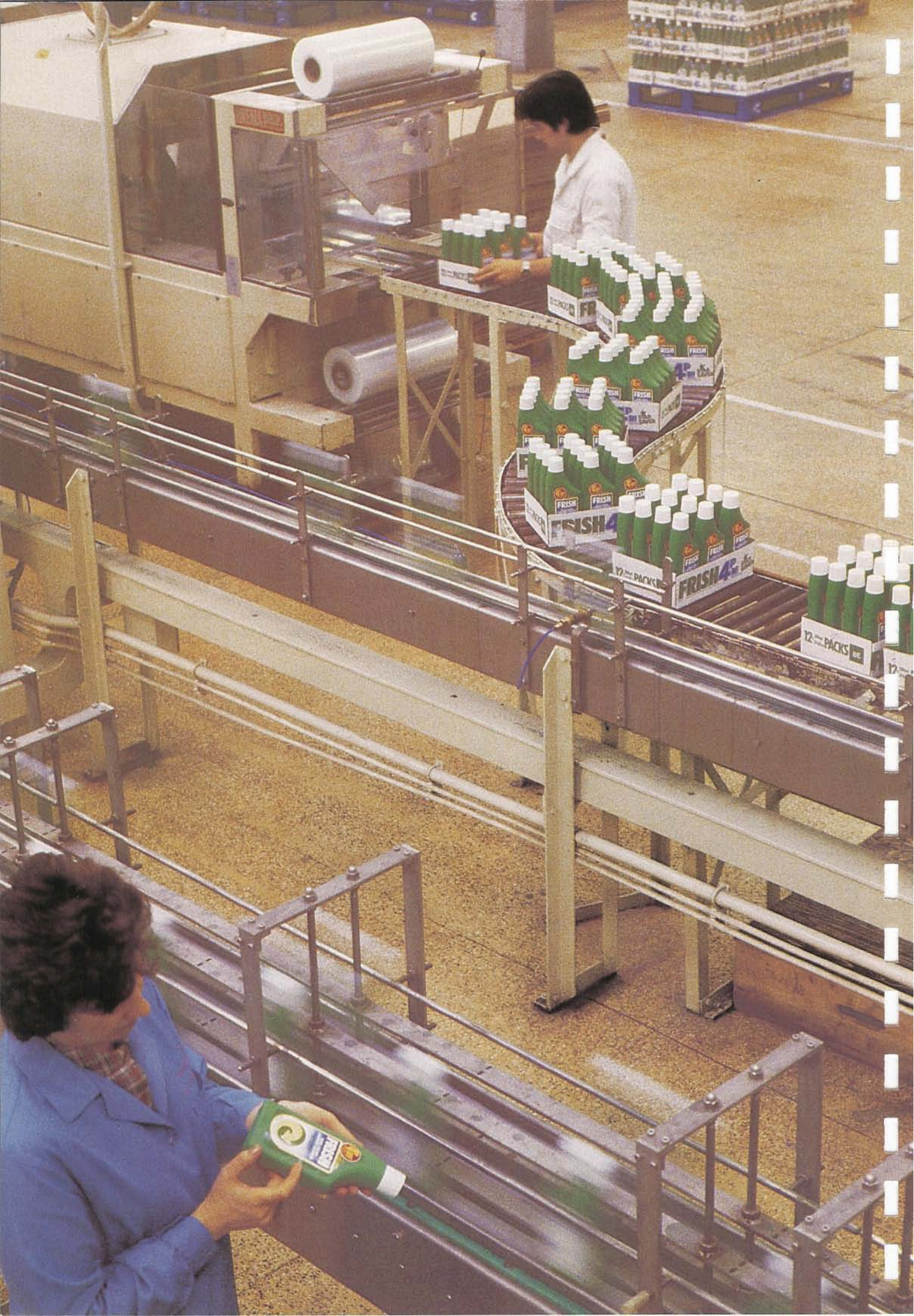
Our Dutch meat company is still facing considerable problems and its losses were higher than in 1981. Costs were saved by the closure of the slaughterhouse in Oss. However, sales volume in the domestic market suffered from the recession and from intensified price competition in the retail trade.

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*The curved sausages produced at the UVG factory at Oss in the Netherlands are a traditional Dutch favourite.*







Zwan Belgium's results were well below the general level of recent years and showed a loss. In order to improve the position, an amalgamation took place towards the end of the year with Hartog, another Unilever food company in Belgium. In Germany Schafft made encouraging progress in both sales volume and profit.

In Mexico our company Zwanenberg performed excellently.

### Detergents

In Europe the total market for detergent products continued to grow, but at a rate lower than in previous years. Competitive activity was at an extremely high level. Our total sales volume was slightly increased compared with 1981. Margins, however, were under pressure and total profit was a little lower than in 1981. In the laundry market our main washing machine brands for medium and lower temperature washing, such as 'Skip' in France and

'Omo' in Germany, made satisfactory progress. In the United Kingdom 'Persil Automatic' maintained its strong position despite competitive attacks by existing and new brands. Some ground, however, was lost with our less important brands. In the markets for fabric softeners, dishwashing and specialist household cleaning products we maintained or slightly strengthened our position. Significant sales growth in these categories was achieved in Italy.

In North America our volume grew satisfactorily and we were able to increase our share in several key markets because of the good performance of both existing and new brands, particularly 'Sunlight' washing-up liquid, which was launched nationally in the United States. Increased efficiency contributed to an improvement in profitability.

Outside Europe and North America, detergents volume fell short of expectations, although profits remained satisfactory. Results in India, Nigeria, South Africa and Zaïre showed noteworthy progress, but adverse operating conditions led to a downturn in Argentina and Brazil. The acquisition of Blohorn in the Ivory Coast now gives us strong representation in that market.

*Left: 'Frish', a new lavatory cleaner, has been successfully introduced by Lever Brothers in the United Kingdom market.*

*Below: The East Africa Industries stand was voted best in the 1982 Agriculture Society International Show at Nairobi, Kenya.*



Capital investment programmes in Europe included modernisation of fabrics powder manufacture in the United Kingdom and extension of production capacity for liquid products in Italy. Lever Brothers Company in the United States invested in improved processing facilities and a modern fabrics powder plant was installed in Canada. Investments in expansion of production capacity were made in Brazil, India, South Africa and Thailand.

#### Personal products

The world market for personal products again grew by some 2% in volume. The trend towards increased shampoo usage has continued, although the use of hairspray, creams and perfumery has fallen. Our share of the world market in the products we sell improved slightly.

Our total results were lower than in 1981 though results in Europe and in some countries outside Europe improved.

In most of the European countries our businesses made satisfactory progress with growth somewhat ahead of the

total market and with further improvements in productivity. Our deodorant share increased, particularly with 'Impulse' perfumed body spray. Sales volume of shampoos increased; 'Timotei' has made a satisfactory start in Germany and France and was launched in Austria. 'Clear' anti-dandruff shampoo gained ground in Italy and was launched in Germany. 'Denim' men's toiletries and 'Darling' eau de toilette improved sales and profits.

In North America the dentifrice market has been extravagantly competitive; our share fell despite heavy marketing and promotional support and losses were incurred. 'Impulse' deodorant was launched in April and has made a promising start.

Outside Europe and North America results in total were slightly better than those of 1981. Good progress was made in Australia and Indonesia but results for Argentina, the Philippines and our export operations were lower. New factories were commissioned in Argentina and Indonesia.

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*'Impulse' body spray, an important international brand development, was successfully launched in the United States.*



## Chemicals

The demand for products of the chemical industry continued to be depressed both in Europe and in North America and trading conditions became tougher. However, cost saving measures taken by our chemicals business during the last two years have resulted in significantly improved performance.

Unichema, the oleochemicals group, continued to eliminate surplus capacity and to invest in modernisation. While the market for bulk products continued to be very weak and highly competitive, speciality products such as catalysts registered growth. Further rationalisation and modernisation are under way to make this group more profitable in a static market plagued by over-capacity.

The resins and emulsions business has suffered severely from over-capacity in the industry. We have decided to disinvest from this business except for Vinyl Products in the United Kingdom. The other resins and emulsions businesses in Europe have been sold.

Crosfields have continued to improve productivity and profitability. The newly commissioned plant at Warrington has steadily increased its sales of silicas. Despite increased competition in Europe, we have maintained our position in

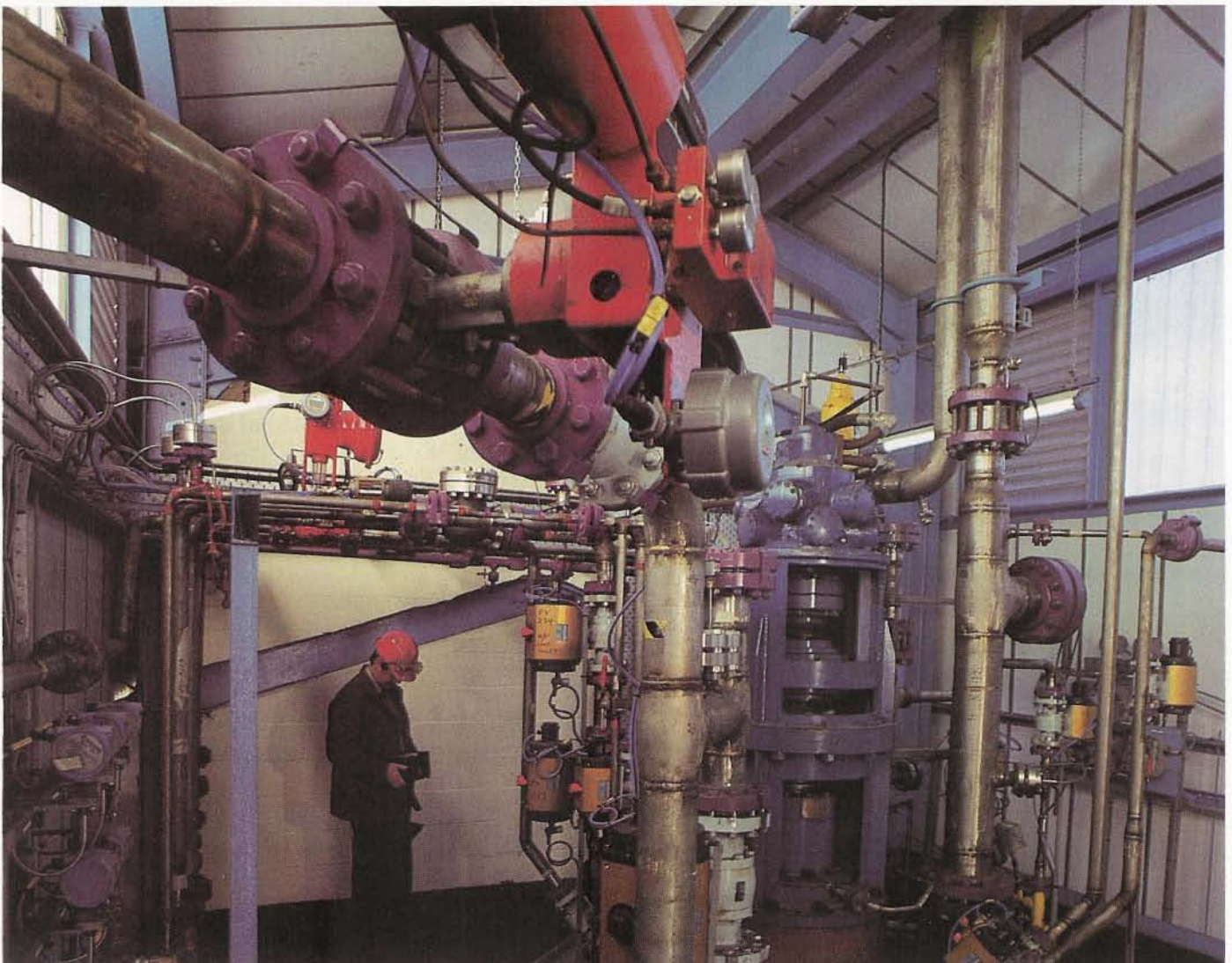
cracking catalysts. The concrete additives business has increased sales in the United Kingdom and the Middle East.

The fragrance and flavour business, PPF International, maintained profitability despite lower volume growth. Further investment is being made in research and development and in improvement of manufacturing facilities.

National Starch performed nearly as well as in 1981, even though in the United States the chemical industry was particularly affected by adverse economic conditions. While those parts of the business which are dependent on the demand from the textile and paper industries suffered, better results from others, including adhesives and resins in the United States, went some way towards offsetting this. During the year the shares in Delft National in the Netherlands not already held by National Starch were acquired.

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*In the course of 1982 Vinyl Products installed Europe's largest pressure emulsion polymerisation reactor at their Warrington plant in the United Kingdom. This plant uses high technology to produce the basis for emulsion paints and adhesives from low cost raw materials.*



### Paper, plastics and packaging

In Western Europe, demand for our products showed no improvement on the low level of the previous year and industry over-capacity affected margins.

For most of the year the value of sterling relative to other currencies worked particularly unfavourably for this part of our business in which some 50% of turnover depends on sales in and export from the United Kingdom. In addition, energy costs in the United Kingdom continue to be much higher than in Continental Europe and North America. Our exports to the United States and countries whose currencies are linked with the U.S. dollar were helped by the relative strength of the dollar.

We took vigorous steps to lower the cost base of our businesses. These steps inevitably involved high redundancy and restructuring costs.

The 4P packaging group, whose main operations are located in West Germany, achieved a small volume growth and, because restructuring costs were lower than in 1981, improved profits. 4P are directing their efforts into the higher growth sectors of their markets. Development projects and investment in high technology equipment are

beginning to bear fruit in terms of new sales opportunities and lower production costs. We closed the Austin carton factory in the United Kingdom and sold the Pakko business in Denmark to its management.

Though demand for cushioned vinyl floorcovering and vinyl wallcovering fell in most countries and particularly in the United Kingdom, Nairn maintained their market share and increased exports. However, a severe squeeze on margins in the United Kingdom and many other markets, combined with further restructuring costs, caused them to end the year in loss.

A substantial loss was made by Thames Board because of the depressed United Kingdom markets for cartonboards, unlined boards and case materials and the start-up costs at Workington. Falling demand in other countries reduced capacity utilisation and imports to the United Kingdom increased. Mounting losses caused by falling demand made it necessary to decide on the closure of the Warrington mill. Provision for this added to the loss in 1982.

There was no recovery in the United Kingdom corrugated case industry. Despite lower selling prices, Thames Case achieved a small increase in profits because of cost savings and lower raw material costs.

### Animal feeds

The market for cattle feed increased in the United Kingdom because of the severe winter conditions in the first quarter of 1982 and our compounds business had another good year with gains in volume and profits.

In the Republic of Ireland on the other hand the agricultural economy remained depressed, and with substantial over-capacity in the industry our compounds business continued to be in loss.

Our companies on the Continent of Europe also had a difficult year. A changing market in France has required a reduction in capacity and losses were again incurred in the Netherlands on guarantees given to farmers for the price of their products.

In the United Kingdom there was a recovery in the sales of nutritionally improved straw. Our companies in agricultural merchandising again did well with increased volume in the arable sector, particularly because of greater involvement in the developing rapeseed crop.

Our Scottish company which farms salmon experienced increased demand and has made good progress. Our poultry business in the United Kingdom is still operating in difficult trading conditions in an oversupplied market, but there was considerable improvement over 1981.

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*Left: A Beam Business Centre in the United Kingdom shows the range of modern office equipment handled by this UAC company.*

*Right: The Lagos Palm, which came into service with Palm Line in 1982, on her maiden voyage to West Africa in November.*





### **UAC International**

UAC International includes many diverse operations in Africa, the United Kingdom and elsewhere. This review of its activities includes those carried on by both subsidiaries and associated companies, of which the principal associated company is UAC of Nigeria.

Total profits for the year fell. The impact of the continuing United Kingdom recession was compounded by the stringent measures taken to curb imports and public expenditure in Nigeria. Earnings from operations in Nigeria and from United Kingdom exports were lower. Our businesses in French-speaking Africa again produced excellent results, as did those in France and the Arabian Gulf.

Despite difficult trading conditions and increased competition the brewery joint ventures in Nigeria performed well, aided by the extra capacity from the two new breweries. Raw materials supply difficulties limited output in Sierra Leone and Ghana. In Tchad the possibility of reopening the brewery at N'Djamena is being examined.

The building materials and electrical contracting businesses in Nigeria were merged. The United Kingdom builders' merchanting and garden centre operations again yielded modest profits.

Surgical equipment sales continued to expand. Profits from toilet preparations, pharmaceutical and photographic operations in Nigeria fell slightly.

The vehicle business in the United Kingdom slightly improved its results. The car distribution company Armstrong-Massey was sold.

In French-speaking Africa our textiles manufacturing and distribution interests again performed strongly and improved results also came from the motors and technical businesses. The electrical wholesaling companies in France increased their turnover and results.

The declining level of imports into Nigeria had a severe impact on Palm Line's results. We continued rationalisation of the fleet, selling two older ships and commissioning two new ones.

In the Nigerian timber extraction and manufacturing business a new overlay plant for particleboard was commissioned but retrenchment was necessitated by the depressed activity in the construction industry and because further forest concessions have not been granted. In the Solomon Islands civil disturbances interrupted our logging operations but profits were maintained.

Against the general trend the textiles distribution division in Nigeria did well. Textiles distribution was also profitable in Ghana but the textile factories there made heavy losses due to shortages of raw materials. Future control of the Ghana textile manufacturing operations in which we presently have a minority shareholding is uncertain. The management of the two factories concerned has been taken over by local Workers' Defence Committees and we are discussing the implications of this with the Ghana Government.

The office equipment businesses in Nigeria and the Arabian Gulf were profitable, but those in the United Kingdom remained affected by the depressed economic and market conditions, and further steps are being taken to improve results.

The Kingsway department stores in Nigeria, because of import curbs, had a disappointing year. In Ghana, however, Kingsway did better. The Ollivant general trading business had a very successful year in both countries, aided by its strength in the distribution and wholesaling of locally produced goods.

Market conditions depressed sales of mechanical, electrical and earthmoving equipment in the United Kingdom and Nigeria. However, we have continued to develop our profitable Detroit Diesel Allison distributorships in Australia and Singapore.

### **Plantations**

Production of all crops was in line with 1981, with the exception of Malaysia, where record yields of both palm oil and palm kernels were achieved as a result of the introduction of the oil palm pollinating insect from Cameroun.

Most world commodity prices fell sharply during the year and profits were reduced.

Rationalisation and modernisation plans continue in Zaïre and the Solomon Islands, and good progress has been made in the development of the new oil palm plantation in Colombia. The new oil palm clonal company at Bedford in the United Kingdom is now exporting clonal plants to Africa and South America for trial plantings.

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*The newly acquired SPD depot at Rotherham in the north of England, with 200 000 square feet of storage and garage space, made delivery of nine and a half million cases during 1982.*





### Transport

The transport market in Europe remained depressed throughout the year, affecting both volume of traffic and freight rates.

In spite of this, results have improved, principally through greater productivity and also through better utilisation of resources.

Norfolk Line took advantage of their increased shipping capacity to improve market share. The new ship and the introduction of a new type of trailer have enabled them to provide a better service and attract new clients.

The warehousing and distribution companies had better results, particularly in Belgium, Germany and Italy. Inland and coastal shipping has suffered from low freight rates.

SPD in the United Kingdom continues its restructuring in order to adapt to the changing needs of the distribution market. We have accelerated the reorganisation of our national depot network by taking over two major depots from a competitor in the north of England.

### Research and development

In 1982 our expenditure on research and development was Fl. 808 million (1981: Fl. 766 million), divided between our research facilities in the Netherlands and the United Kingdom and also in Germany, India and the United States, and company development laboratories in more than 40 countries throughout the world.

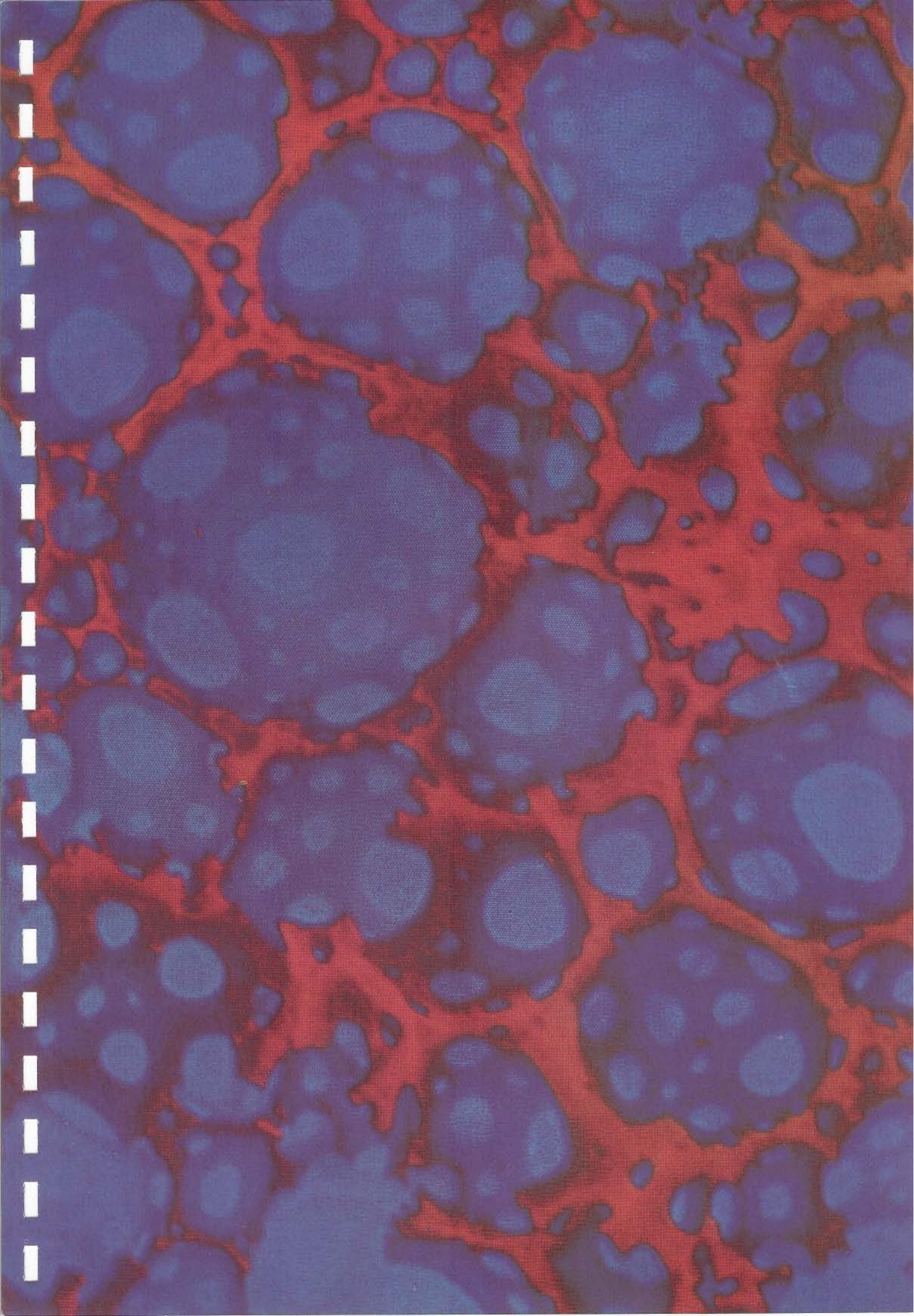
In the course of 1982 a Fl. 32 million extension was opened to the Port Sunlight laboratory, one of Unilever's three major research laboratories. This completed the plan to bring together and strengthen our research on detergents and personal products. In the United States a substantial investment in new research facilities is planned.

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*Right: Electron microscopy reveals the intricate structure of a new type of polymer invented at Unilever Research Laboratory, Port Sunlight.*

*Below: At the Unilever Research Laboratory at Vlaardingen, in the Netherlands, a small scale bioreactor is used to test the effect of using harmless micro-organisms in the production of substances such as enzymes and flavours.*





Three broad areas of science make up the technical base of Unilever — physico-chemical science, bioscience and manufacturing technology. Physical and chemical science was the original base of Unilever's technology, underlying the properties of the soaps and margarines which were the first products of our companies. Over the years advances in this area of science have been well utilised for the benefit of our products and processes, and we maintain a powerful research presence in the field which will continue to sustain a whole series of improvements and innovations.

In the past decade, however, although physico-chemical science has continued to progress, it has been somewhat overshadowed by the more spectacular advances in, and the publicity given to, the fields of bioscience and manufacturing technology. In both areas Unilever has moved to secure positions from which these advances can be recognised and exploited. Within our Research Division a strong bioscience programme has been created which is increasingly shifting towards the commercial exploitation of the emerging opportunities, both within and outside the

existing major areas of the business. Future examples will include enzyme processes for the transformation of vegetable fats, the improvement of polysaccharides as food ingredients, and the manufacture of flavour components. The plant tissue culture system for oil palms is being extended to coconut palms and we are working towards automation of the original system.

Manufacturing technology is an increasingly important part of our science base and has emerged as an area from which considerable benefits to the concern can be expected. Accordingly, our research and development engineers and scientists are now engaged in joint programmes to bring in the latest advances in microchip technology and to establish new systems to give greater flexibility and lower cost in the manufacture of high quality products. Computer aided engineering, programmable machines and new developments in information technology are finding application across all product groups and our development of line monitoring techniques is improving the quality and efficiency of packaging. The new cannery at Worksop in the United Kingdom and the meat factory at Oss in the Netherlands are examples where a number of emerging technologies have been brought together to create more efficient integrated production lines.

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*The fully computerised production line at Batchelors' cannery at Worksop, opened in 1982, makes this the most modern canning factory in the United Kingdom.*



### **Capital expenditure and projects**

On page 68 will be found figures for our capital expenditure in 1982 compared with previous years, analysed both by geographical areas and by operations. In guilders we spent about the same in 1982 by way of capital expenditure as we did in 1981.

In 1982 Board approval was given to capital projects totalling Fl. 2 064 million (1981: Fl. 2 094 million). Amongst these projects it is worth inviting particular attention to:

The substantial investment in enlarged and modern research facilities in the United States.

The new foods factory for Rosella/Lipton in Australia.

The installation of a new department for upgrading edible fats in our refinery in the Netherlands.

Other projects include:

The installation of autopalletisers to handle the output of high-speed packaging lines for detergents in the United Kingdom.

Capacity enlargement of the factory in southern Italy for liquid detergent production.

Capacity increase for a powder detergent tower in the United States.

Increasing the soap fitting capacity in Brazil by installing two additional centrifuges and replacing existing lye evaporators.

Replacing the existing tower at the factory in Indonesia with a seven-metre tower to meet expected increase in demand for washing powder.

Replacement and upgrading of the flavour manufacturing facilities in the United Kingdom.

Replacement with a new energy-efficient high pressure process of the plant in Germany producing hydrogen for the hydrogenation of fats and oils.

Construction of a low operating cost animal feeds mill in the United Kingdom.

Centralising and increasing capacity of UCSL Data Services with a new IBM central processing complex in the United Kingdom.

Construction and installation of a pilot plant in the Netherlands for processing powder detergents.

### Personnel

The table below shows the total number of our employees and the employees in our associated companies. It also shows the geographical distribution together with comparable figures for 1981.

	Parent companies and subsidiaries		Associated companies		Totals	
	1981	1982	1981	1982	1981	1982
(000's)						
European Community countries	151	142	3	3	154	145
Other European countries	15	14	1	1	16	15
North America	21	20	—	—	21	20
Central and South America	11	12	3	2	14	14
Africa	55	56	38	32	93	88
Asia, Australia, New Zealand	39	39	6	5	45	44
	292	283	51	43	343	326

Continuous competitive pressures and a lack of volume growth have re-emphasised the need for our operating companies and offices to control the number of employees at all levels very strictly and to adapt organisation and work structures to the changed business conditions.

The local consultation systems with employee representatives, whether legally prescribed or voluntarily adhered to, have been fully utilised and show the value of a continuous dialogue both in good and more difficult times, in order to obtain the necessary commitment for change at all levels. The methods and procedures used in this respect and the role of employee representatives vary from country to country, which makes local decision making and implementation absolutely essential. Where these consultation systems are used constructively by management and employees with the prosperity of the enterprise in mind they have proved useful. It is important to ensure that they do not inhibit quick decisions in response to market changes.

The continued depressed economic climate has once again led many governments in Europe and elsewhere to take steps which constrain wages and salaries. Such steps, if they result in rigidity, could cause us to lose some of our freedom of action to reward outstanding achievements or performances by individuals. In the situation of increased competition we welcome the efforts in a number of European countries to do away with automatic compensation clauses for increases in cost of living. We have continued and intensified our efforts to keep up recruitment of young graduates with clear management potential, notwithstanding redundancies in other parts of the business, as otherwise we would endanger our long-term future.

## Dividends

The proposed appropriations of the profits of N.V. and PLC are shown in the consolidated profit and loss accounts on page 34.

The Boards have resolved to recommend to the Annual General Meetings on 18th May, 1983 the declaration of final dividends on the Ordinary Capitals in respect of 1982 at the following rates, which are equivalent in value in terms of the Equalisation Agreement:

N.V.	
per Fl. 20 ordinary capital	
Interim	Fl. 4.44
Final	Fl. 7.60
<hr/>	
Total	Fl. 12.04 (1981: Fl. 12.04)

PLC	
per 25p ordinary share	
Interim	9.96p
Final	18.87p
<hr/>	
Total	28.83p (1981: 26.87p)

The N.V. final dividend of Fl. 7.60 will be payable as from 31st May, 1983 (or in the case of the New York shares on 10th June, 1983).

The PLC final dividend will be paid on 31st May, 1983 to shareholders registered on 3rd May, 1983.

For the purpose of equalising dividends under the Equalisation Agreement, Advance Corporation Tax (ACT) in respect of any dividend paid by PLC has to be treated as part of the dividend. PLC's 1982 final dividend has been calculated by reference to the current rate of ACT; if the effective rate applicable to payment of the dividend is different the amount will be adjusted accordingly and a further announcement made to the shareholders of PLC.

## Directors and Auditors

### Directors

Dr. J. M. Goudswaard, whose intention to retire has already been announced, will not offer himself for re-election at the Annual General Meeting.

In accordance with Article 21 of the Articles of Association all the remaining Directors named on page 3 will retire from office at the forthcoming Annual General Meeting and will offer themselves for re-election.

Dr. Goudswaard has served Unilever for 35 years. For almost half that time he has been a Director, having been elected in 1967. Since 1974 he has also been a Vice-Chairman of N.V.

In April 1977 he was created a Knight in the Order of the Netherlands Lion.

After a period as head of the business in the Philippines he served in Europe in national and continental group management and as Director responsible for Corporate Development. He was appointed Head of Personnel Division in 1974.

His colleagues wish to record their appreciation of the significant part he has played in the success of the business.

### Auditors

The auditors, Price Waterhouse Nederland, The Hague, and Coopers & Lybrand Nederland, Rotterdam, offer themselves for reappointment.

By Order of the Board

T. Drion  
J. D. Keir  
Secretaries

29th March, 1983

## Reports of the Auditors

### **N.V. Group<sup>1)</sup>**

To the Members of Unilever N.V.

We have examined the 1982 accounts of Unilever N.V. Based on this examination, in our opinion these accounts (set out on pages 31 to 47, 54, 55 and 60 to 63) together give a true and fair view of the state of affairs of the Company and the Group at 31st December, 1982 and of the profit and source and use of funds for the year then ended.

Price Waterhouse Nederland  
The Hague

Coopers & Lybrand Nederland  
Rotterdam

29th March, 1983

<sup>1)</sup> Signed by auditors authorised under Article 102 of Dutch Civil Code, Book 2.

### **PLC Group**

The following is the auditors' report on the accounts of the PLC Group expressed in pounds sterling, with page numbers amended as appropriate.

To the Members of Unilever PLC.

We have audited the accounts set out on pages 31 to 47 and 56 to 63 in accordance with approved Auditing Standards in the United Kingdom.

In our opinion the accounts and the notes relevant thereto together give, under the historical cost convention, a true and fair view of the state of affairs of the Company and the Group at 31st December, 1982 and of the profit and source and use of funds of the Group for the year then ended and comply with the Companies Acts 1948 to 1981.

Coopers & Lybrand  
London

Price Waterhouse  
London

29th March, 1983

## Accounts

### **Companies legislation**

The accounts, set out on pages 31 to 47 and 54 to 63, have been prepared on the historical cost convention and comply with Civil Code, Book 2 in the Netherlands and the United Kingdom Companies Acts 1948 to 1981.

Combined figures are given for the information of shareholders.

### **Equalisation Agreement**

N.V. and PLC are linked by a series of agreements of which the principal is the Equalisation Agreement. Amongst other things, this requires as a general rule the dividends and other rights and benefits (including rights on liquidation) attaching to each Fl. 12 nominal of Ordinary capital of N.V. to be equal in value at the relevant sterling/guilder rate of exchange to those attaching to each £1 nominal of Ordinary share capital of PLC as if each such unit formed part of the Ordinary capital of one and the same company.

### **Accounting standards**

The Equalisation Agreement further provides for both companies to adopt the same principles of accountancy. The accounts comply with Accounting Standards (SSAPs) in the United Kingdom, except for the treatment of deferred taxation as explained below, and with current Dutch accounting principles.

United Kingdom Accounting Standard SSAP 15 requires provision to be made for deferred taxation except in so far as the Directors are able to foresee on reasonable evidence that no liability is likely to arise. In this latter respect, however, it is not in agreement with Dutch law as currently applied and, because of this and the Equalisation Agreement, full provision continues to be made for deferred taxation liabilities. The effects of this departure from SSAP 15 are shown in the notes to the accounts.



## Accounting policies

### Foreign currencies

Gains and losses arising in each individual company as a result of changes in the relative value of currencies during the year are included in the local currency operating profit of the individual company concerned.

In consolidating subsidiary companies of N.V. into guilders and of PLC into sterling exchange rates current at the year-end are used for translation of sales and profit for the year and assets and liabilities at the year-end. The effect of exchange rate changes during the year, on the assets and liabilities at the beginning of the year, is shown as a movement in profit retained.

In arriving at the combined figures in guilders the sterling figures of PLC are translated at the year-end sterling/guilder exchange rate, except for the ordinary capital of PLC which is translated at the Equalisation Agreement rate of £1 = Fl. 12. The effect of restating the assets and liabilities of PLC at the beginning of the year is described as sterling/guilder realignment and is shown as a movement in profit retained.

### Consolidated companies (subsidiaries)

Subsidiaries included in the consolidated accounts of N.V. or PLC are those in which directly or indirectly N.V. or PLC either holds more than 50% of the equity capital or being a shareholder controls the composition of a majority of the Board of Directors.

Further, in accordance with Civil Code, Book 2 in the Netherlands, N.V.'s consolidated accounts include those companies in which N.V. holds directly or indirectly more than 50% of the total issued capital.

A list of principal subsidiaries is given on pages 60 to 63.

The majority of the UAC International group of companies close their financial year on 30th September. Anticipating a change to a calendar year-end in 1983 for all subsidiaries, other than those in Africa and the Arabian Gulf, their sales and results up to 31st December, 1982 have been included in these accounts.

### Associated companies

These are companies, not being consolidated companies, in which N.V. or PLC has significant shareholdings and participates in commercial and financial policy decisions. The sales and operating profits of associated companies are excluded from the consolidated profit and loss accounts, but the concern share of the results of these companies including interest due on loans is shown separately after operating profit.

The results relate to periods ending not earlier than 30th June.

The concern share of retained profits and reserves which has accrued since acquisition, or since the initial investment where a company has changed from a subsidiary to an associate, is included in consolidated profit retained.

The principal associated companies are listed on page 63.

### Trade investments

These are minority investments in companies not being consolidated or associated companies with which N.V. or PLC has a long-term trading relationship. There are some 200 such investments throughout the world.

Trade investments are shown at cost less amounts written off and dividends are accounted for when received. A statement summarising the interest in the results and net assets of all trade investments is given on page 45.

The principal trade investments are listed on page 63.

### Goodwill

No value is attributed to goodwill in the business.

The difference between the price paid for new interests and the fair value of the group share of the net tangible assets acquired is adjusted against profit retained in the year of acquisition.

The group share of any premium arising on the subscription for additional share capital of subsidiaries by outside shareholders is taken to profit retained in the year of issue.

### Fixed assets

Fixed assets are stated at cost, net of capital based grants. Depreciation is provided by the straight line method at percentages of cost related to the expected average lives of the assets.

The major classes of depreciable assets with their estimated useful lives are summarised below; the spread of lives recognises the diversity of the assets within each class:

Freehold buildings (no depreciation on freehold land)	33-40 years
Leasehold land and buildings (or life of lease if less than 33 years)	33-40 years
Plant and equipment	5-20 years
Motor vehicles	3- 6 years
Ships	10-20 years

### Current assets

Stocks are stated on the basis of the lower of cost and net realisable value, after provisions for obsolescence. Cost—mainly averaged cost—includes direct expenditure and, where appropriate, a proportion of manufacturing fixed costs.

Debtors are stated after deducting adequate provision for doubtful debts.

Marketable securities represent liquid funds temporarily invested and are shown at their realisable value.

### Pensions

Liabilities in respect of retirement and death benefits are provided for by payments to pension and provident funds and by making unfunded provisions. The amounts of the payments/charges are determined on an actuarial basis so that over the long term the funds and provisions will be adequate to meet the liabilities. The unfunded provisions represent the estimated present value of the future liability

for retirement and death benefits to past and present employees, other than benefits provided through pension and provident funds, after taking account of future charges.

#### **Loan capital**

Loan capital includes that proportion repayable within one year.

#### **Deferred liabilities**

Unfunded retirement provisions are as noted under Pensions above.

Deferred taxation, provided at the rates of tax applicable at the year-end, includes deferred tax on the accelerated depreciation of fixed assets for tax purposes, tax reliefs relating to stock values (except as noted below) and short-term timing differences, less the estimated future tax relief on the provisions for unfunded retirement benefits. Provision is also made for deferred taxation on the revaluation of the net tangible assets of new interests acquired.

Provision is not regarded as necessary, and is not made, for deferred taxation in respect of the following items:

- (a) United Kingdom stock relief except where clawback is likely on cessation of a business
- (b) tax which would become payable if retained profits of subsidiaries and associated companies were distributed to the parent companies, as it is not the intention to distribute more than the dividends, the tax on which is included in the accounts.

The deferred taxation provisions which would be released if SSAP 15 were applied are given for information in the notes to the accounts on pages 38 and 42.

#### **Research and development**

Expenditure on research and the development of new products is charged against profit of the year in which it is incurred.

#### **Inter-group pricing for goods and services**

International trade in own manufactured goods between Unilever companies is relatively unimportant. Such transactions represent under 7% of total turnover.

The preferred method for determining the transfer prices is to take the market price; where there is no market price, the two managements concerned engage in arm's length negotiations. Normally this will lead to a price fixed at ex-works cost plus an appropriate percentage for a profit mark-up. Where required the method employed is discussed and agreed with the government authorities of the countries concerned.

General services provided by central advisory departments and research laboratories are charged to Unilever companies on the basis of fees under agreements approved where necessary by the government authorities of the countries concerned.

Where a central purchasing department buys goods for a Unilever company for use in its production, then that company is either treated as the buyer in the contract or is given the benefit of the central purchasing department's contract price.

However, where a specialist buying service is provided directly by one unit for another, an appropriate commission is generally either included in the price or shown on the face of the relevant documents. In most of these cases the method applied is based on agreements with the taxation and other government authorities of the countries concerned.

## Consolidated profit and loss accounts

Unilever N.V. and Unilever PLC and their subsidiaries  
for the year ended 31st December

Fl. million		1981			1982	Fl. million	
PLC	N.V.	Combined			Combined	N.V.	PLC
23 294 (21 861)	32 821 (30 929)	<b>56 115</b> <b>(52 790)</b>	<b>Sales to third parties (1)</b> <b>Costs (2)</b>		<b>55 903</b> <b>(52 915)</b>	32 861 (31 107)	23 042 (21 808)
1 433	1 892	<b>3 325</b>	<b>Operating profit (3)</b>		<b>2 988</b>	1 754	1 234
			Concern share of associated companies' profit before taxation		<b>232</b>	35	197
204	57	<b>261</b>			<b>19</b>	6	13
9	2	<b>11</b>	Income from trade investments (4)		<b>(171)</b>	(171)	—
27	(277)	<b>(250)</b>	Interest (5)				
1 673 (788)	1 674 (695)	<b>3 347</b> <b>(1 483)</b>	<b>Profit before taxation</b>		<b>3 068</b> <b>(1 408)</b>	1 624 (756)	1 444 (652)
100	2	<b>102</b>	Taxation on profit of the year (6)		<b>57</b>	24	33
			Taxation adjustments previous years (7)				
985	981	<b>1 966</b>	<b>Profit after taxation (6)</b>		<b>1 717</b>	892	825
(49)	(69)	<b>(118)</b>	Outside interests and preference dividends (8)		<b>(138)</b>	(76)	(62)
936	912	<b>1 848</b>	<b>Profit attributable to ordinary capital</b>		<b>1 579</b>	816	763
			Combined earnings per share (9)				
			33.16 per Fl. 20 of capital (Fl.)	28.34			
			105.39 per 25p of capital (pence)	100.41			
(201)	(385)	<b>(586)</b>	Dividends on ordinary and deferred capital		<b>(578)</b>	(385)	(193)
735	527	<b>1 262</b>	<b>Profit of the year retained</b>		<b>1 001</b>	431	570
			<b>Movements in profit retained</b>				
735	527	<b>1 262</b>	Profit of the year retained		<b>1 001</b>	431	570
3	63	<b>66</b>	Goodwill		<b>(165)</b>	(138)	(27)
122	165	<b>287</b>	Effect of exchange rate changes (10)		<b>12</b>	(92)	104
(419)	—	<b>(419)</b>	Sterling/guilder realignment		<b>(676)</b>	—	(676)
441	755	<b>1 196</b>	Net additions to profit retained		<b>172</b>	201	(29)
6 070	3 910	<b>9 980</b>	Balance—1st January		<b>11 176</b>	4 665	6 511
6 511	4 665	<b>11 176</b>	Balance—31st December		<b>11 348</b>	4 866	6 482

The notes on pages 31 to 33 and 37 to 47 form part of these accounts.  
References between brackets relate to notes on pages 37 to 39.

## Consolidated balance sheets

Unilever N.V. and Unilever PLC and their subsidiaries  
as at 31st December

Fl. million			1981			1982			Fl. million		
PLC	N.V.	Combined				Combined	N.V.	PLC			
Capital employed											
24	265	289	<b>Preferential share capital (11)</b>			287	265	22			
6 768	5 357	12 125	<b>Ordinary shareholders' equity</b>			12 271	5 558	6 713			
549	640	1 189	Ordinary share capital (12)			1 189	640	549			
6 511	4 665	11 176	Profit retained (13)			11 348	4 866	6 482			
(292)	52	(240)	Other reserves (14)			(266)	52	(318)			
208	470	678	<b>Outside interests in subsidiaries</b>			692	440	252			
801	2 434	3 235	<b>Loan capital (15)</b>			3 126	2 358	768			
1 584	2 133	3 717	<b>Deferred liabilities (16)</b>			3 909	2 302	1 607			
(84)	84	—	Inter group—N.V./PLC			—	92	(92)			
9 301	10 743	20 044				20 285	11 015	9 270			
Employment of capital											
4 207	5 545	9 752	<b>Fixed assets (17)</b>			10 108	5 737	4 371			
626	199	825	<b>Associated companies (18)</b>			836	125	711			
151	63	214	<b>Trade investments (19)</b>			200	60	140			
90	623	713	<b>Other long-term assets (20)</b>			722	633	89			
4 098	4 291	8 389	<b>Working capital</b>			8 076	3 883	4 193			
3 987	4 876	8 863	Stocks (21)			8 390	4 580	3 810			
3 239	4 063	7 302	Debtors (22)			7 247	4 035	3 212			
(3 128)	(4 648)	(7 776)	Creditors (23)			(7 561)	(4 732)	(2 829)			
(373)	(538)	(911)	<b>Provision for taxation</b>			(931)	(509)	(422)			
(127)	(245)	(372)	<b>Dividends</b>			(372)	(246)	(126)			
629	805	1 434	<b>Net liquid funds</b>			1 646	1 332	314			
502	393	895	Marketable securities (24)			865	477	388			
920	1 456	2 376	Cash and deposits (25)			2 349	1 490	859			
(793)	(1 044)	(1 837)	Short-term borrowings			(1 568)	(635)	(933)			
9 301	10 743	20 044				20 285	11 015	9 270			

29th March, 1983

The notes on pages 31 to 33 and 37 to 47 form part of these accounts.  
References between brackets relate to notes on pages 40 to 46.

## Consolidated source and use of funds

Unilever N.V. and Unilever PLC and their subsidiaries  
for the year ended 31st December

Fl. million		1981			1982	Fl. million	
PLC	N.V.	Combined			Combined	N.V.	PLC
				<b>Funds generated from operations</b>			
1 673	1 674	3 347		Profit before taxation	3 068	1 624	1 444
				Elimination of items not involving a flow of funds:			
				Concern share of associated companies' profit before			
(168)	(23)	(191)		taxation, less dividends and interest received	(181)	(11)	(170)
391	707	1 098		Depreciation	1 153	736	417
87	168	255		Unfunded retirement benefits	272	212	60
(1)	14	13		Others	45	(27)	72
1 982	2 540	4 522			4 357	2 534	1 823
				<b>Funds from other sources</b>			
5	178	183		Loan capital issued/repaid	(11)	(25)	14
1 987	2 718	4 705		<b>Total sources</b>	4 346	2 509	1 837
(413)	(511)	(924)		Taxation payments during the year	(1 091)	(678)	(413)
(897)	(1 014)	(1 911)		Capital expenditure less disposals	(1 821)	(934)	(887)
1	67	68		Purchase/sale of subsidiaries (26)	(320)	(121)	(199)
				Purchase/sale of associated companies/trade			
	(18)	(18)		investments	(2)	3	(5)
(157)	(366)	(523)		Additional/reduced working capital*)	(100)	225	(325)
(180)	(384)	(564)		Dividends paid during the year	(580)	(399)	(181)
(17)	(55)	(72)		Other uses	(128)	(93)	(35)
(1 663)	(2 281)	(3 944)		<b>Total uses</b>	(4 042)	(1 997)	(2 045)
324	437	761		<b>Net increase/decrease in net liquid funds</b>	304	512	(208)
				*) of which			
(373)	(462)	(835)		Stocks	40	77	(37)
(261)	(638)	(899)		Debtors	(591)	(382)	(209)
477	734	1 211		Creditors	451	530	(79)
396	417	813		Net liquid funds 1st January as reported	1 434	805	629
(64)	(49)	(113)		Effect of exchange rate changes	(27)	15	(42)
(27)	—	(27)		Sterling/guilder realignment	(65)	—	(65)
305	368	673		Revised opening funds	1 342	820	522
324	437	761		Net increase/decrease in net liquid funds	304	512	(208)
629	805	1 434		<b>Net liquid funds 31st December</b>	1 646	1 332	314

The figures in the above statement are derived from movements between opening and closing balance sheet totals. Adjustments are, however, made to these movements to remove the effect of exchange rate changes (page 34), sterling/guilder realignment (page 34) and the purchase/sale of subsidiaries (note (26) on page 46).

The notes on pages 31 to 33 and 37 to 47 form part of these accounts. References between brackets relate to notes on page 46.

## Notes to the consolidated accounts

Fl. million				1982			Fl. million		
PLC	N.V.	Combined		Combined	N.V.	PLC			
			<b>(1) Sales to third parties</b>						
3 778	10 582	14 360	Margarine, other fats and oils, dairy products	14 019	10 330	3 689			
5 121	8 949	14 070	Other foods	14 316	9 213	5 103			
3 896	6 799	10 695	Detergents	11 119	7 150	3 969			
675	2 000	2 675	Personal products	2 799	2 099	700			
1 034	2 703	3 737	Chemicals	3 893	2 972	921			
977	977	1 954	Paper, plastics, packaging	1 856	976	880			
3 146	813	3 959	Animal feeds	3 933	782	3 151			
5 187	246	5 433	UAC International	5 175	2	5 173			
1 858	2 322	4 180	Plantations, transport, other interests	2 582	1 269	1 313			
25 672	35 391	61 063	Total sales	59 692	34 793	24 899			
(2 378)	(2 570)	(4 948)	Less: internal sales	(3 789)	(1 932)	(1 857)			
23 294	32 821	<b>56 115</b>		<b>55 903</b>	32 861	23 042			
			<b>(2) Costs</b>						
(14 078)	(16 865)	(30 943)	Raw materials, packaging and goods for resale	(30 222)	(16 432)	(13 790)			
(124)	(124)	(248)	Hire of plant and machinery	(243)	(121)	(122)			
(391)	(707)	(1 098)	Depreciation	(1 153)	(736)	(417)			
(10)	(12)	(22)	Auditors' remuneration	(22)	(12)	(10)			
(76)	(47)	(123)	Exceptional items (e.g. disposals and reorganisations)	(156)	(73)	(83)			
(3 806)	(6 533)	(10 339)	Remuneration of employees including social security contributions	(10 409)	(6 601)	(3 808)			
(5)	(7)	(12)	Emoluments of Directors as managers including contributions to pension funds for superannuation	(12)	(7)	(5)			
(2)	(3)	(5)	Superannuation of former Directors	(6)	(3)	(3)			
(3 369)	(6 631)	(10 000)	Other costs	(10 692)	(7 122)	(3 570)			
(21 861)	(30 929)	<b>(52 790)</b>		<b>(52 915)</b>	(31 107)	(21 808)			
			<b>(3) Operating profit</b>						
292	549	841	Margarine, other fats and oils, dairy products	697	440	257			
231	501	732	Other foods	765	560	205			
404	373	777	Detergents	777	394	383			
76	177	253	Personal products	204	132	72			
79	193	272	Chemicals	309	186	123			
(32)	40	8	Paper, plastics, packaging	(109)	17	(126)			
71	(9)	62	Animal feeds	78	(26)	104			
249	10	259	UAC International	169	—	169			
63	58	121	Plantations, transport, other interests	98	51	47			
1 433	1 892	<b>3 325</b>		<b>2 988</b>	1 754	1 234			
			<b>(4) Income from trade investments</b>						
2	1	3	From listed shares	4	2	2			
7	2	9	From unlisted shares	13	2	11			
—	—	—	Interest on loans	—	—	—			
—	(1)	(1)	Other profits/losses including disposals	2	2	—			
9	2	<b>11</b>		<b>19</b>	6	13			

## Notes to the consolidated accounts

Fl. million		1981			1982		Fl. million	
PLC	N.V.	Combined			Combined	N.V.	PLC	
				<b>(5) Interest</b>				
(81)	(236)	(317)		Interest on loan capital	(313)	(232)	(81)	
(116)	(233)	(349)		Interest paid on short-term borrowings	(322)	(212)	(110)	
224	192	416		Interest received including change in market value of marketable securities	464	273	191	
27	(277)	(250)			(171)	(171)	—	
				Interest on loan capital includes:				
(24)	(95)	(119)		Interest on loans, the final repayment of which will be made within 5 years	(168)	(114)	(54)	
				<b>(6) Taxation on profit of the year</b>				
(687)	(668)	(1 355)		Parent companies and their subsidiaries	(1 303)	(739)	(564)	
(101)	(27)	(128)		Associated companies	(105)	(17)	(88)	
(788)	(695)	(1 483)			(1 408)	(756)	(652)	
				The benefit of United Kingdom stock relief amounting to Fl. 77 million (1981: Fl. 91 million) has been included in the calculation of the taxation on the profit for PLC.				
(573)				The charge for PLC Parent and subsidiaries comprises:				
247				United Kingdom Corporation Tax (at 52%)			(367)	
(361)				less: double tax relief			193	
				plus: non United Kingdom taxes			(390)	
(687)							(564)	
				The close company provisions of the United Kingdom Income and Corporation Taxes Act, 1970 do not apply to PLC.				
				As explained on page 31 full provision is made for deferred taxation consisting of:				
(197)	(20)	(217)		Accelerated depreciation	(226)	(83)	(143)	
(4)	(44)	(48)		Stock reliefs	(43)	(35)	(8)	
51	63	114		Unfunded retirement benefits and other provisions	131	77	54	
(150)	(1)	(151)			(138)	(41)	(97)	
				On a SSAP 15 basis this provision would be adjusted by:				
168	26	194		Accelerated depreciation	153	50	103	
(37)	(13)	(50)		Other	(53)	(32)	(21)	
131	13	144			100	18	82	
1 116	994	2 110		Profit after taxation on a SSAP 15 basis would amount to	1 817	910	907	

## Notes to the consolidated accounts

Fl. million			1981			1982			Fl. million		
PLC	N.V.	Combined				Combined	N.V.	PLC			
<b>(7) Taxation adjustments previous years</b>											
100	4	104	Parent companies and their subsidiaries			50	24	26			
—	(2)	(2)	Associated companies			7	—	7			
100	2	<b>102</b>				<b>57</b>	24	<b>33</b>			
The 1981 figures for PLC include the additional stock relief benefit of Fl. 105 million, mainly applicable to 1980, arising from changes contained in the United Kingdom Finance Act 1981.											
<b>(8) Outside interests and preference dividends</b>											
(48)	(54)	(102)	Outside interests			(122)	(61)	(61)			
(1)	(15)	(16)	Preference dividends			(16)	(15)	(1)			
(49)	(69)	<b>(118)</b>				<b>(138)</b>	(76)	<b>(62)</b>			
<b>(9) Combined earnings per share</b>											
The calculation of earnings per share is based on the combined profit of the year attributable to ordinary capital divided by the combined number of share units representing the combined ordinary capital of N.V. and PLC of Fl. 1 189 million (as set out on page 40) less Fl. 75 million (1981: Fl. 75 million) being 74% (1981: 74%) of the ordinary capital held by the Leverhulme Trust on which the trustees have waived their rights to dividends; these dividends would otherwise flow back to the Company through a wholly-owned subsidiary which has a beneficial interest in the income of the Trust. For the calculation of combined ordinary capital the rate of exchange £1 = Fl. 12 has been used, in accordance with the Equalisation Agreement.											
The combined number of share units is therefore 55 719 254 (1981: 55 719 254) of Fl. 20 or alternatively 371 461 691 (1981: 371 461 691) of 25 pence.											
The calculations for 1981 and 1982 are therefore:											
Fl. 1 848 million			Profit attributable to ordinary capital (see page 34)			Fl. 1 579 million					
Fl. 33.16			Divided by units of Fl. 20 (see above) =			Fl. 28.34					
£391.5 million			Profit attributable to ordinary capital in sterling			£373.2 million					
105.39p			Divided by units of 25p (see above) =			100.41p					
Fl. 1 992 million			On a SSAP 15 basis the figures would be:			Fl. 1 679 million					
Fl. 35.75			Profit attributable to ordinary capital			Fl. 30.13					
			Divided by units of Fl. 20 (see above) =								
£422.1 million			Profit attributable to ordinary capital in sterling			£396.8 million					
113.63p			Divided by units of 25p (see above) =			106.88p					
<b>(10) Effect of exchange rate changes</b>											
96	155	251	On fixed assets			14	(56)	70			
26	10	36	Other			(2)	(36)	34			
122	165	<b>287</b>				<b>12</b>	(92)	<b>104</b>			



## Notes to the consolidated accounts

1981		1982	
Authorised	Issued and fully paid	Issued and fully paid	Authorised
Fl. million	Fl. million	Fl. million	Fl. million
75	29	29	75
200	161	161	200
75	75	75	75
350	265	265	350
£million	£million	£million	£million
0.2	0.2	0.2	0.2
3.5	3.5	3.5	3.5
1.2	1.2	1.2	1.2
0.2	0.2	0.2	0.2
5.1	5.1	5.1	5.1
	24	22	
	<b>289</b>	<b>287</b>	

The 4% cumulative preference capital of N.V. is redeemable at par at the Company's option either wholly or in part.

The rates shown for the preferential capital of PLC are before the reduction of three tenths which followed the introduction of the imputation system of taxation in the United Kingdom in April, 1973.

(12) Ordinary share capital		(12) Ordinary share capital	
Fl. million	Fl. million	Fl. million	Fl. million
1 000	640	640	1 000
2	2	2	2
	(2)	(2)	
1 002	640	640	1 002
£million	£million	£million	£million
136.2	45.8	45.8	136.2
0.1	0.1	0.1	0.1
	(0.1)	(0.1)	
	45.8	45.8	
	549	549	
	<b>1 189</b>	<b>1 189</b>	

### Internal holdings

Ordinary shares numbered 1 to 2 400 (inclusive) in N.V. and the deferred stock of PLC are held as to one half of each class by N.V. Elma—a subsidiary of N.V.—and one half by United Holdings Limited—a subsidiary of PLC. This capital is eliminated in consolidation. It carries the right to nominate persons for election as directors at general meetings of shareholders.

The Directors of N.V. Elma are N.V. and PLC, who with Mr. H. F. van den Hoven and Mr. K. Durham are also Directors of United Holdings Limited. The above-mentioned subsidiaries have waived their rights to dividends on their ordinary shares in N.V. A nominal dividend of ¼% was paid on the deferred stock of PLC.

# Notes to the consolidated accounts

Fl. million			1981			1982			Fl. million		
PLC	N.V.	Combined				Combined	N.V.	PLC			
			<b>(13) Profit retained</b>								
2 700	2 556	5 256	Parent companies			5 168	2 635	2 533			
3 373	2 045	5 418	Subsidiaries			5 632	2 206	3 426			
438	64	502	Associated companies			548	25	523			
6 511	4 665	11 176				11 348	4 866	6 482			
			<b>(14) Other reserves</b>								
42	52	94	Premiums on capital issued			90	52	38			
(334)	—	(334)	Adjustment on conversion of PLC's ordinary capital at £1 = Fl. 12			(356)	—	(356)			
(292)	52	(240)				(266)	52	(318)			
			<b>(15) Loan capital</b>								
			<b>Unilever N.V.</b>								
—	150	150	6% Bonds 1972/91			135	135	—			
—	100	100	8¾% Bonds 1981/85			75	75	—			
—	87	87	8½% Bonds 1981/87 (DM 79 million)			86	86	—			
—	247	247	9¼% Bonds 1987 (\$ 100 million)			263	263	—			
—	247	247	9¾% Bonds 1986/90 (\$ 100 million)			263	263	—			
—	137	137	4½% Bonds 1984/91 (Swiss Frs. 100 million)			132	132	—			
—	137	137	6¾% Bonds 1991 (Swiss Frs. 100 million)			132	132	—			
—	137	137	7½% Bonds 1993 (Swiss Frs. 100 million)			132	132	—			
—	1 242	1 242	Total Unilever N.V. (see page 54)			1 218	1 218	—			
			<b>Subsidiaries</b>								
—	41	41	Netherlands: 4½% Loans 1968/87			35	35	—			
—	80	80	9¾% Loans 1980/89			70	70	—			
—	150	150	9¼%–9¾% Loans 1985/87			150	150	—			
—	33	33	Germany: 4%–4½% Mortgage loans on ships 1982/89			24	24	—			
—	66	66	6%–6½% Bank loans 1979/90			66	66	—			
—	5	5	U.S.A.: 4½% Notes 1973/82			—	—	—			
—	74	74	7½% Notes 1982/97			76	76	—			
—	62	62	9½% Notes 1982/91			59	59	—			
—	64	64	8½%–9¾% Loans 1980/93			47	47	—			
—	617	617	A series of other loans			613	613	—			
—	2 434	2 434				2 358	2 358	—			
			<b>Unilever PLC</b>								
52	—	52	6¾% Debenture stock 1985/88			46	—	46			
10	—	10	5½% Unsecured loan stock 1991/2006	Ranking pari passu		9	—	9			
258	—	258	7¾% Unsecured loan stock 1991/2006			232	—	232			
320	—	320	Total Unilever PLC*)			287	—	287			
			<b>Subsidiaries</b>								
17	—	17	United Kingdom: 7½% Mortgage loan on ship 1980/86			12	—	12			
236	—	236	Bank loans 1982/87			207	—	207			
8	—	8	Canada: 6½% Debenture Series A 1985			8	—	8			
37	—	37	8¾% Debenture Series B 1993			37	—	37			
17	—	17	Australia: 7¾% Debentures 1982/87			11	—	11			
28	—	28	10½% Debentures 1985/89			25	—	25			
—	—	—	15¼%–16¼% Bank loans			31	—	31			
138	—	138	A series of other loans			150	—	150			
801	—	801				768	—	768			
801	2 434	3 235				3 126	2 358	768			
			67.9 *) Sterling equivalent in millions (see page 56)			67.9					

## Notes to the consolidated accounts

Fl. million		1981			1982		Fl. million	
PLC	N.V.	Combined			Combined		N.V.	PLC
<b>Loan capital</b> (continued)								
The repayments fall due as follows:								
48	195	243	Within 1 year	298	233	65		
26	257	283	After 1 year but within 2 years	299	197	102		
168	611	779	After 2 years but within 5 years	1 312	1 056	256		
264	1 153	1 417	After 5 years but within 10 years	743	664	79		
26	206	232	After 10 years but within 20 years	223	198	25		
269	12	281	After 20 years	251	10	241		
801	2 434	3 235		3 126	2 358	768		
572	1 943	2 515	Loans on which the final repayment will be made after 5 years amount to	1 819	1 438	381		
The debenture stock of PLC is secured by a floating charge on the assets of the company.								
Unless otherwise indicated the loans are fixed in the currency of the country in which they were raised.								
<b>(16) Deferred liabilities</b>								
461	1 200	1 661	Unfunded retirement benefits	1 854	1 378	476		
117	49	166	Taxation not due before 1st January, 1984	128	42	86		
(54)	—	(54)	Advance Corporation Tax—United Kingdom	(63)	—	(63)		
1 033	765	1 798	Deferred taxation	1 839	792	1 047		
27	119	146	Other liabilities not due before 1st January, 1984	151	90	61		
1 584	2 133	3 717		3 909	2 302	1 607		
Advance Corporation Tax is available for offset against future United Kingdom Corporation Tax liabilities.								
Deferred taxation consists of:								
1 338	544	1 882	Accelerated depreciation	2 013	626	1 387		
7	260	267	Stock reliefs	302	287	15		
(248)	(52)	(300)	Unfunded retirement benefits	(367)	(119)	(248)		
(64)	13	(51)	Short-term and other timing differences	(109)	(2)	(107)		
1 033	765	1 798		1 839	792	1 047		
On a SSAP 15 basis deferred taxation would be reduced by:								
(1 231)	(437)	(1 668)	Accelerated depreciation	(1 712)	(491)	(1 221)		
—	(141)	(141)	Stock reliefs	(166)	(166)	—		
197	(7)	190	Unfunded retirement benefits	242	47	195		
—	(63)	(63)	Short-term and other timing differences	(47)	(47)	—		
(1 034)	(648)	(1 682)		(1 683)	(657)	(1 026)		

# Notes to the consolidated accounts

Fl. million			1981			1982			Fl. million		
PLC	N.V.	Combined				Combined	N.V.	PLC			
<b>(17) Fixed assets</b>											
152	272	424	Land			444	270	174			
1 278	1 802	3 080	Buildings			3 128	1 825	1 303			
1 430	2 074	3 504	Total land and buildings*)			3 572	2 095	1 477			
2 341	3 245	5 586	Plant and equipment			5 908	3 437	2 471			
313	203	516	Motor vehicles			483	201	282			
123	23	146	Ships			145	4	141			
4 207	5 545	9 752				10 108	5 737	4 371			
*) Land and buildings											
1 191	1 973	3 164	— freehold			3 237	2 003	1 234			
158	8	166	— leasehold — long-term (50 years or over)			162	6	156			
81	93	174	— leasehold — short-term			173	86	87			
<b>Cost</b>											
159	297	456	Land			479	295	184			
1 767	2 733	4 500	Buildings			4 651	2 812	1 839			
4 032	7 308	11 340	Plant and equipment			12 029	7 725	4 304			
549	505	1 054	Motor vehicles			1 030	508	522			
154	228	382	Ships			385	210	175			
6 661	11 071	17 732				18 574	11 550	7 024			
<b>Depreciation</b>											
7	25	32	Land			36	25	11			
489	931	1 420	Buildings			1 523	988	535			
1 691	4 063	5 754	Plant and equipment			6 121	4 288	1 833			
236	302	538	Motor vehicles			547	307	240			
31	205	236	Ships			239	205	34			
2 454	5 526	7 980				8 466	5 813	2 653			
917	931	1 848	At 31st December, capital expenditure authorised by the Boards and not spent was			1 855	1 166	689			
290	246	536	Of these amounts commitments had been entered into for			506	275	231			

### Interests in land

In view of the fact that all Unilever's land and buildings are effectively used for the productive and distributive activities of the group and are not held for re-sale, the Directors take the view that any difference between their market value and the amount at which they are included in the balance sheet is not of such significance as to require that attention be drawn to it, as required by Section 16 of the United Kingdom Companies Act 1967.

# Notes to the consolidated accounts

Fl. million		1981			1982		Fl. million	
PLC	N.V.	Combined			Combined	N.V.	PLC	
<b>Fixed assets (continued)</b>								
<b>Movements during the year</b>								
<b>Cost</b>								
6 226	10 164	16 390		1st January	17 732	11 071	6 661	
(430)	—	(430)		Sterling/guilder realignment	(692)	—	(692)	
176	224	400		Exchange rate changes	14	(113)	127	
999	1 102	2 101		Expenditure	2 033	1 051	982	
(102)	(88)	(190)		Disposals—proceeds	(212)	(117)	(95)	
(224)	(375)	(599)		— depreciation	(595)	(398)	(197)	
2	31	33		New subsidiaries	312	113	199	
14	13	27		Other adjustments	(18)	(57)	39	
6 661	11 071	17 732		31st December	18 574	11 550	7 024	
<b>Depreciation</b>								
2 353	5 094	7 447		1st January	7 980	5 526	2 454	
(162)	—	(162)		Sterling/guilder realignment	(255)	—	(255)	
80	69	149		Exchange rate changes	—	(57)	57	
(224)	(375)	(599)		Disposals	(595)	(398)	(197)	
1	12	13		New subsidiaries	112	33	79	
15	19	34		Other adjustments	71	(27)	98	
391	707	1 098		Charged to profit and loss accounts	1 153	736	417	
2 454	5 526	7 980		31st December	8 466	5 813	2 653	
<b>Expenditure</b>								
13	6	19		Land	24	7	17	
227	139	366		Buildings	310	119	191	
617	818	1 435		Plant and equipment	1 425	802	623	
130	122	252		Motor vehicles	231	118	113	
12	17	29		Ships	43	5	38	
999	1 102	2 101			2 033	1 051	982	
<b>Proceeds of disposals</b>								
(20)	(18)	(38)		Land	(23)	(15)	(8)	
(30)	(12)	(42)		Buildings	(48)	(18)	(30)	
(20)	(19)	(39)		Plant and equipment	(65)	(41)	(24)	
(29)	(32)	(61)		Motor vehicles	(70)	(37)	(33)	
(3)	(7)	(10)		Ships	(6)	(6)	—	
(102)	(88)	(190)			(212)	(117)	(95)	
<b>Depreciation charged to profit and loss accounts</b>								
1	—	1		Land	1	—	1	
37	71	108		Buildings	117	73	44	
260	534	794		Plant and equipment	840	559	281	
86	83	169		Motor vehicles	170	87	83	
7	19	26		Ships	25	17	8	
391	707	1 098			1 153	736	417	

## Notes to the consolidated accounts

Fl. million		1981			1982	Fl. million	
PLC	N.V.	Combined			Combined	N.V.	PLC
			<b>(18) Associated companies</b>				
528	21	549	Listed shares at net asset value		625	22	603
94	163	257	Unlisted shares at net asset value		194	89	105
4	15	19	Loans		17	14	3
626	199	<b>825</b>			<b>836</b>	125	711
701	16	717	Market value of listed shares		641	12	629
95	161	256	Directors' valuation of unlisted shares		194	89	105
			Concern share of retained profits and reserves:				
379	61	440	1st January		502	64	438
(26)	—	(26)	Sterling/guilder realignment		(45)	—	(45)
18	10	28	Exchange rate changes		26	(17)	43
103	28	131	Concern share of profit after taxation		134	18	116
(36)	(34)	(70)	Dividends and interest		(51)	(24)	(27)
—	(1)	(1)	Other adjustments		(18)	(16)	(2)
438	64	502	31st December		548	25	523
			<b>(19) Trade investments</b>				
10	36	46	Listed shares		46	36	10
136	24	160	Unlisted shares		148	23	125
5	3	8	Loans		6	1	5
151	63	<b>214</b>			<b>200</b>	60	140
46	18	64	Market value of listed shares		79	30	49
196	37	233	Directors' valuation of unlisted shares		216	38	178
			Attributable share of:				
268	111	379	Net assets		387	118	269
23	6	29	Net profits after taxation		39	11	28
			Movements during the year:				
162	60	222	1st January		214	63	151
(11)	—	(11)	Sterling/guilder realignment		(16)	—	(16)
—	(1)	(1)	Exchange rate changes		(1)	(2)	1
1	6	7	Additions		9	4	5
(1)	(2)	(3)	Other adjustments		(6)	(5)	(1)
151	63	214	31st December		200	60	140

### (20) Other long-term assets

These are amounts not due within one year, less provisions. They include Fl. 265 million (1981: Fl. 249 million) of marketable securities held as security for, and eventual redemption of, the preference shares of National Starch and Chemical Holding Corporation. These shares are included in outside interests in subsidiaries.

## Notes to the consolidated accounts

Fl. million		1981			1982	Fl. million	
PLC	N.V.	Combined			Combined	N.V.	PLC
<b>(21) Stocks</b>							
1 614	2 367	3 981		Raw materials and stocks in process	3 647	2 154	1 493
1 282	2 113	3 395		Finished products	3 373	2 103	1 270
1 091	396	1 487		Merchandise and other stocks	1 370	323	1 047
3 987	4 876	<b>8 863</b>			<b>8 390</b>	4 580	3 810
<b>(22) Debtors</b>							
2 829	3 097	5 926		Trade	5 784	3 071	2 713
410	966	1 376		Other	1 463	964	499
3 239	4 063	<b>7 302</b>			<b>7 247</b>	4 035	3 212
<b>(23) Creditors</b>							
(2 022)	(2 273)	(4 295)		Debts to suppliers	(3 961)	(2 186)	(1 775)
(65)	(117)	(182)		Short-term portion of unfunded retirement benefits	(212)	(147)	(65)
(1 041)	(2 258)	(3 299)		Other	(3 388)	(2 399)	(989)
(3 128)	(4 648)	<b>(7 776)</b>			<b>(7 561)</b>	(4 732)	(2 829)
<b>(24) Marketable securities</b>							
222	81	303		Listed—at market value	500	156	344
280	312	592		Unlisted	365	321	44
502	393	<b>895</b>			<b>865</b>	477	388
<b>(25) Cash and deposits</b>							
283	599	882		On call	646	385	261
637	857	1 494		Repayment notice required	1 703	1 105	598
920	1 456	<b>2 376</b>			<b>2 349</b>	1 490	859
<b>(26) Purchase/sale of subsidiaries</b>							
Effect on the consolidated balance sheets:							
(3)	21	18		Fixed assets	159	32	127
—	(13)	(13)		Associated companies	(39)	(39)	—
—	—	—		Other long-term assets	12	4	8
(2)	33	31		Working capital	126	(7)	133
7	8	15		Net liquid funds	(49)	(17)	(32)
(4)	(46)	(50)		Outside interests	24	43	(19)
—	—	—		Loan capital	(40)	(16)	(24)
1	(13)	(12)		Deferred liabilities	(6)	17	(23)
1	(1)	—		Inter-group N.V./PLC	—	—	—
—	1	1		Provision for taxation	(28)	(17)	(11)
—	(10)	(10)		Net assets acquired/sold	159	—	159
Profit retained:							
2	6	8		Profit/loss on sale	(4)	(10)	6
(3)	(63)	(66)		Goodwill	165	131	34
(1)	(67)	(68)			320	121	199
1	67	<b>68</b>		Involving an inflow/outflow of funds amounting to	<b>(320)</b>	(121)	(199)

## Notes to the consolidated accounts

Fl. million			1981			1982			Fl. million		
PLC	N.V.	Combined				Combined	N.V.	PLC			
<p><b>Contingent liabilities</b> of the group are not expected to give rise to any material loss. They include:</p>											
546	162	708	Guarantees			708	122	586			
38	84	122	Bills discounted			125	78	47			
<p>Guarantees given by the parent companies or by group subsidiaries relating to liabilities included in the consolidated accounts are not included above.</p>											
<p><b>Secured liabilities</b></p>											
<p>Liabilities included in the consolidated accounts are:</p>											
152	200	352	Loan capital (mainly secured on fixed assets)			312	167	145			
75	67	142	Bank advances (mainly secured on other assets)			164	48	116			
2	82	84	Creditors			165	163	2			
229	349	578				641	378	263			
<p><b>Commitments</b></p>											
<p>Long-term commitments in respect of leaseholds, rental agreements, hire purchase and other contracts are mainly in respect of buildings and computers. They amount to:</p>											
1 249	1 445	2 694	Total			2 398	1 236	1 162			
111	196	307	of which: payable within one year			326	213	113			
<p>Exposures on third party fixed price contracts outstanding at 31st December for commodities, to which the bulk of contracts refer, are:</p>											
424	444	868	Purchase contracts (net)			932	407	525			
148	89	237	Selling contracts (net)			260	142	118			
<p>The consolidated accounts do not anticipate the results of such contracts except that provision is made where a loss would be incurred if market prices ruling at 31st December remained unchanged.</p>											
<p><b>Pensions</b></p>											
<p>At 31st December the book value of the assets of the funds amounted to</p>											
3 633	4 278	7 911				8 744	4 486	4 258			
<p>At 31st December provisions in the consolidated accounts to meet obligations under unfunded schemes amounted to</p>											
526	1 317	1 843				2 066	1 525	541			
<p>These provisions, together with the assets of the funds, are sufficient in total to cover all pensions in course of payment at their existing levels and all contractual entitlements to deferred benefits in respect of service to date.</p>											
<p>During the year contributions amounted to:</p>											
235	241	476	Group pension and provident funds			438	221	217			
110	409	519	State and other schemes			536	420	116			
345	650	995				974	641	333			
<p>In addition provisions were made for unfunded schemes amounting to</p>											
158	318	476				500	370	130			



## Current cost accounts

### **Report of the Auditors on the current cost accounts and information**

To the Members of Unilever N.V. and Unilever PLC.

We have examined the supplementary current cost accounts and information on pages 48 to 53.

In our opinion the current cost accounts on pages 48 to 52 have been properly prepared in accordance with the policies and methods set out in the notes to give the information required by the United Kingdom Statement of Standard Accounting Practice Number 16, and the information on page 53 has been properly prepared to summarise the effect on the current cost accounts of full provision for deferred taxation.

Price Waterhouse Nederland  
The Hague

Coopers & Lybrand Nederland  
Rotterdam

Coopers & Lybrand  
London

Price Waterhouse  
London

29th March, 1983

### **Comment**

The current cost accounts are given as supplementary information and include amounts relating to PLC translated into guilders at the year-end exchange rates. They have been examined by the Auditors whose report is given on this page.

The current cost accounts have been prepared in accordance with United Kingdom Accounting Standard SSAP 16.

To maintain consistency in the presentation, taxation is based, as in last year's current cost accounts, on United Kingdom Accounting Standard SSAP 15. This practice will be reviewed after finalisation of the text of the Dutch legislation implementing the European Community 4th Directive, which is expected to deal with the treatment of deferred taxation in current cost accounts. In the meantime provision for deferred taxation is made except in so far as the Directors are able to foresee on reasonable evidence that no liability is likely to arise.

Current cost information presented with full provision for deferred taxation is given on page 53.

## Current cost accounts—Accounting policies

### Accounting policies

The accounting policies set out on pages 32 and 33 have been followed in preparing the current cost accounts except where they are inconsistent with current cost principles as explained below.

### Fixed assets, depreciation and disposals

In general, the current replacement cost of fixed assets is determined by applying specific price indices in the country of location to the original cost of the assets, net of capital based grants received.

Land is stated at estimated market value based on current use.

The depreciation adjustment is the difference between depreciation on the historical cost of assets and on the current replacement cost of assets.

Amounts necessary to restate profits and losses on the disposal of assets by reference to the current rather than historical cost of the assets concerned are shown under 'other adjustments'. The disposals dealt with in this way are those treated as exceptional items in the historical cost accounts.

### Stocks and the cost of sales adjustment

Stocks are stated as in the historical cost accounts. The difference between current replacement cost and historical cost at the balance sheet date is not material.

The cost of sales adjustment identifies the extent to which the charge in the historical cost accounts for stocks consumed differs from the value to the business of those stocks. In general it is computed by identifying the effect of the price change during the year on the value of normal stock required for the operation of the business. The price change is established using specific prices or indices applicable to stocks in the country of location.

### Monetary working capital adjustment

The monetary working capital adjustment reflects the impact of price changes on the amounts needed for monetary working capital.

The adjustment is calculated by reference to the net balances of debtors and creditors associated with the day to day activities of the business, using indices appropriate to the country in which they are held.

### Associated companies

The concern share of the retained profit and reserves, and results for the year, of significant associated companies have been restated on a current cost basis consistent with that used for the consolidated companies.

### Trade investments

Trade investments are included at directors' valuation.

### Gearing adjustment

This takes credit for the proportion of the current cost adjustments to the profit and loss account which can be regarded as being financed by third parties. The gearing proportion is the average for the year determined separately for N.V. and PLC on a group basis. It is calculated as the ratio of net borrowing to net operating assets as shown on page 52.

### Taxation

The accounting treatment of taxation is explained in the comment on page 48.

### Outside interests in subsidiaries

The historical cost figures have been adjusted for the portion of the current cost adjustments attributable to outside interests.

### Reserves

The capital maintenance reserve includes the concern share of the revaluation surpluses on assets, the current cost adjustments and foreign exchange differences arising from translation of the opening assets and liabilities of N.V. into guilders and of PLC into sterling at the closing rates of exchange.

The sterling/guilder realignment has been apportioned between capital maintenance reserve and current cost profit retained.

## Consolidated current cost profit and loss accounts

Unilever N.V. and Unilever PLC and their subsidiaries  
for the year ended 31st December

Fl. million			1981			1982			Fl. million		
PLC	N.V.	Combined				Combined	N.V.	PLC			
23 294	32 821	56 115	<b>Sales to third parties</b>			55 903	32 861	23 042			
1 433	1 892	3 325	Historical cost operating profit			2 988	1 754	1 234			
			Adjustments required to obtain current cost operating profit:								
(302)	(289)	(591)	Depreciation			(607)	(305)	(302)			
(180)	(316)	(496)	Cost of sales			(343)	(176)	(167)			
(71)	20	(51)	Monetary working capital			(32)	—	(32)			
(61)	(22)	(83)	Other			(159)	(100)	(59)			
819	1 285	2 104	<b>Current cost operating profit</b>			1 847	1 173	674			
			Concern share of associated companies' current cost profit before taxation			196	31	165			
172	55	227	Income from trade investments			19	6	13			
9	2	11	Gearing adjustment			217	162	55			
60	185	245	Interest			(171)	(171)	—			
27	(277)	(250)									
1 087	1 250	2 337	<b>Current cost profit before taxation</b>			2 108	1 201	907			
(557)	(680)	(1 237)	Taxation (1)			(1 251)	(714)	(537)			
530	570	1 100	<b>Current cost profit after taxation</b>			857	487	370			
(48)	(54)	(102)	Outside interests and preference dividends			(98)	(51)	(47)			
482	516	998	<b>Current cost profit attributable to ordinary capital</b>			759	436	323			
			Combined current cost earnings per share								
			17.90 per Fl. 20 of capital (Fl.)			13.62					
			56.90 per 25p of capital (pence)			48.19					
(201)	(385)	(586)	Dividends on ordinary and deferred capital			(578)	(385)	(193)			
281	131	412	<b>Current cost profit of the year retained</b>			181	51	130			
			<b>Movements in current cost profit retained</b>								
281	131	412	Current cost profit of the year retained			181	51	130			
3	63	66	Goodwill			(165)	(138)	(27)			
(415)	—	(415)	Sterling/guilder realignment			(611)	—	(611)			
(131)	194	63	Net additions to current cost profit retained			(595)	(87)	(508)			
6 020	3 794	9 814	Balance—1st January			9 877	3 988	5 889			
5 889	3 988	9 877	Balance—31st December			9 282	3 901	5 381			

The notes on pages 48, 49 and 52 form part of these accounts.  
Reference between brackets relates to note on page 52.

## Consolidated current cost balance sheets

Unilever N.V. and Unilever PLC and their subsidiaries  
as at 31st December

Fl. million				1982			Fl. million			
PLC	N.V.	Combined		Combined	N.V.	PLC		Combined	N.V.	PLC
Capital employed										
24	265	289	Preferential share capital	287	265	22				
11 905	10 355	22 260	Ordinary shareholders' equity	22 612	10 749	11 863				
549	640	1 189	Ordinary share capital	1 189	640	549				
5 759	5 675	11 434	Capital maintenance reserve	12 407	6 156	6 251				
5 889	3 988	9 877	Current cost profit retained	9 282	3 901	5 381				
(292)	52	(240)	Other reserves	(266)	52	(318)				
324	706	1 030	Outside interests in subsidiaries	1 028	629	399				
801	2 434	3 235	Loan capital	3 126	2 358	768				
550	1 485	2 035	Deferred liabilities	2 226	1 645	581				
(84)	84	—	Inter-group—N.V./PLC	—	92	(92)				
13 520	15 329	28 849		29 279	15 738	13 541				
Employment of capital										
7 940	10 072	18 012	Fixed assets (2)	18 420	10 391	8 029				
1 015	245	1 260	Associated companies	1 409	177	1 232				
248	76	324	Trade investments	309	77	232				
90	623	713	Other long-term assets	722	633	89				
4 098	4 291	8 389	Working capital	8 076	3 883	4 193				
(373)	(538)	(911)	Provision for taxation	(931)	(509)	(422)				
(127)	(245)	(372)	Dividends	(372)	(246)	(126)				
629	805	1 434	Net liquid funds	1 646	1 332	314				
13 520	15 329	28 849		29 279	15 738	13 541				
Movements in capital maintenance reserve										
191	111	302	Cost of sales, monetary working capital and gearing adjustments	158	14	144				
5	(6)	(1)	Outside interests in the above adjustments	(10)	(6)	(4)				
1 119	1 006	2 125	Revaluation surpluses (3)	1 423	686	737				
206	192	398	Effect of exchange rate changes	—	(213)	213				
(314)	—	(314)	Sterling/guilder realignment	(598)	—	(598)				
1 207	1 303	2 510	Net additions during year	973	481	492				
4 552	4 372	8 924	Balance—1st January	11 434	5 675	5 759				
5 759	5 675	11 434	Balance—31st December	12 407	6 156	6 251				

The notes on pages 48, 49 and 52 form part of these accounts.  
References between brackets relate to notes on page 52.

## Notes to the consolidated current cost accounts

Fl. million			1981			1982			Fl. million		
PLC	N.V.	Combined				Combined	N.V.	PLC			
			<b>(1) Taxation</b>								
			The 1981 figures for PLC include the additional stock relief benefit of Fl. 105 million, mainly applicable to 1980, arising from changes contained in the United Kingdom Finance Act 1981.								
			<b>(2) Fixed assets</b>								
3 487	4 233	7 720	Land and buildings			7 806	4 272	3 534			
4 453	5 839	10 292	Plant, equipment, motor vehicles and ships			10 614	6 119	4 495			
7 940	10 072	18 012				18 420	10 391	8 029			
			Current replacement cost								
5 892	7 155	13 047	Land and buildings			13 208	7 159	6 049			
8 597	12 811	21 408	Plant, equipment, motor vehicles and ships			22 028	13 301	8 727			
14 489	19 966	34 455				35 236	20 460	14 776			
			Depreciation								
2 405	2 922	5 327	Land and buildings			5 402	2 887	2 515			
4 144	6 972	11 116	Plant, equipment, motor vehicles and ships			11 414	7 182	4 232			
6 549	9 894	16 443				16 816	10 069	6 747			
			<b>(3) Revaluation surpluses</b>								
1 028	994	2 022	Fixed assets			1 238	666	572			
67	11	78	Associated companies			180	14	166			
24	1	25	Trade investments			5	6	(1)			
1 119	1 006	2 125				1 423	686	737			
			<b>Financing of net operating assets</b>								
			The net current replacement cost of the net operating assets at 31st December amounted to:								
7 940	10 072	18 012	Fixed assets			18 420	10 391	8 029			
1 015	245	1 260	Associated companies			1 409	177	1 232			
248	76	324	Trade investments			309	77	232			
4 292	4 742	9 034	Working capital excluding financial items			8 492	4 318	4 174			
13 495	15 135	28 630				28 630	14 963	13 667			
			These were financed by:								
			Shareholders' interest								
11 929	10 620	22 549	Capital and reserves			22 899	11 014	11 885			
324	706	1 030	Outside interests in subsidiaries			1 028	629	399			
—	(249)	(249)	Less preference shares of National Starch and Chemical Holding Corporation			(265)	(265)	—			
127	245	372	Proposed dividends			372	246	126			
12 380	11 322	23 702				24 034	11 624	12 410			
			Net borrowing								
801	2 434	3 235	Loan capital			3 126	2 358	768			
550	1 485	2 035	Deferred liabilities			2 226	1 645	581			
(236)	(106)	(342)	Other			(756)	(664)	(92)			
1 115	3 813	4 928				4 596	3 339	1 257			
13 495	15 135	28 630				28 630	14 963	13 667			

## Consolidated current cost information

Fl. million			1981			1982			Fl. million		
PLC	N.V.	Combined	PLC	N.V.	Combined	Combined	N.V.	PLC	Combined	N.V.	PLC
<b>Summary of effect of adopting full provision for deferred taxation.</b>											
<b>Profit and loss account</b>											
819	1 285	2 104				1 847	1 173	674			
1 221	1 375	2 596				2 361	1 329	1 032			
(688)	(693)	(1 381)				(1 351)	(732)	(619)			
533	682	1 215				1 010	597	413			
(48)	(57)	(105)				(109)	(59)	(50)			
485	625	1 110				901	538	363			
(201)	(385)	(586)				(578)	(385)	(193)			
284	240	524				323	153	170			
<b>Balance sheet</b>											
24	265	289				287	265	22			
9 274	7 798	17 072				17 063	7 907	9 156			
266	575	841				856	531	325			
801	2 434	3 235				3 126	2 358	768			
3 064	4 153	7 217				7 690	4 562	3 128			
(84)	84	—				—	92	(92)			
13 345	15 309	28 654				29 022	15 715	13 307			
<b>Employment of capital</b>											
13 520	15 329	28 849				29 279	15 738	13 541			
(175)	(20)	(195)				(257)	(23)	(234)			
13 345	15 309	28 654				29 022	15 715	13 307			

The above figures differ from those on pages 50 and 51 where the United Kingdom method of accounting for deferred taxation has been adopted, in that:

- The taxation charge in the profit and loss account is that used in the historical cost accounts (see notes (6) and (7) on pages 38 and 39).
- Deferred taxation included in Deferred liabilities is that shown in the historical cost accounts (see note (16) on page 42) with the addition of tax provisions on revaluation surpluses arising on the uplift of assets to a current cost basis.

The gearing adjustments, outside interests in subsidiaries and figures for associated companies have been adjusted accordingly.

# Unilever N.V. balance sheet

as at 31st December

Fl. thousand	1981		1982	Fl. thousand
		<b>Capital employed</b>		
265 060		<b>Preferential share capital (11)</b>		265 060
		<b>Ordinary share capital and reserves</b>		
	642 565	Ordinary share capital (12)	642 565	
	52 166	Premiums on capital issued	52 166	
	2 555 639	Profit retained	2 634 717	
3 250 370				3 329 448
1 241 843		<b>Loan capital (15)</b>		1 217 841
41 608		<b>Deferred liabilities</b>		67 454
(19 446)		Inter-group—PLC		(15 440)
4 779 435				4 864 363
		<b>Employment of capital</b>		
		<b>Interests in subsidiaries</b>		
	2 060 319	Shares	2 060 319	
	2 816 019	Advances	2 783 342	
	(68 453)	Deposits	(125 096)	
4 807 885				4 718 565
449		<b>Other long-term assets</b>		336
		<b>Working capital</b>		
	29 068	Debtors	55 128	
	(90 718)	Creditors	(132 086)	
(61 650)				(76 958)
(36 311)		<b>Taxation</b>		30 923
(245 015)		<b>Dividends due or proposed</b>		(245 751)
		<b>Net liquid funds</b>		
	326 487	Cash and deposits	451 844	
	(12 410)	Short-term borrowings	(14 596)	
314 077				437 248
4 779 435				4 864 363
		<b>The Board of Directors</b>		
		29th March, 1983		

The notes on pages 31 to 33, 40, 41, 55 and 60 to 63 form part of these accounts.  
References between brackets relate to notes on pages 40 and 41.

# Unilever N.V. notes and profit and loss account

Fl. thousand	1981	1982	Fl. thousand
	<b>Premiums on capital issued</b>		
	For the application of Article 44 of the Income Tax Act, 1964, only a small part, if any, of the premium shown in the balance sheet is available for issue of tax free bonus shares.		
	<b>Profit retained</b>		
	2 458 561	1st January	2 555 639
	97 078	Profit of the year retained	79 078
	<b>2 555 639</b>	31st December	<b>2 634 717</b>
	<b>Loan capital</b> includes an amount of Fl. 54 346 repayable within one year (1981: Fl. 40 000).		
	<b>Deferred liabilities</b>		
	33 860	Unfunded retirement benefits	42 538
	7 748	Deferred taxation	24 916
	<b>41 608</b>		<b>67 454</b>
	<b>Interests in subsidiaries</b>		
	Shares in subsidiaries are stated at cost. Profit retained and profit of the year shown in this balance sheet and the notes thereto are less than the amounts shown under those headings in the consolidated balance sheet and profit and loss account, mainly because only part of the profits of the subsidiaries is distributed in the form of dividend.		
	<b>Debtors include:</b>		
	—	Prepaid expenses	201

## Profit and loss account

497 152	<b>Profit of the year</b>	479 151
	<b>Proposed profit appropriation</b>	
	in accordance with Article 41 of the Articles of Association	
497 152	Profit of the year	479 151
(14 694)	Preference dividends	(14 694)
482 458	Profit at disposal of the annual general meeting of shareholders	464 457
(385 380)	Ordinary dividends	(385 379)
97 078	Profit of the year retained	79 078



# Unilever PLC balance sheet

as at 31st December

£million	1981	1982	£million
	<b>Capital employed</b>		
5.1	<b>Preferential share capital (11)</b>		5.1
	<b>Ordinary and deferred capital and reserves</b>		
	45.8	Ordinary share capital (12)	45.8
	0.1	Deferred capital (12)	0.1
	8.8	Premiums on capital issued	8.8
	572.0	Profit retained and other reserves	599.0
626.7			653.7
67.9	<b>Loan capital (15)</b>		67.9
(16.1)	<b>Deferred liabilities</b>		(10.9)
(3.7)	Inter-group—N.V.		(4.6)
679.9			711.2
	<b>Employment of capital</b>		
0.5	<b>Fixed assets</b>		1.3
1.6	<b>Associated companies</b>		1.5
26.5	<b>Trade investments</b>		26.6
	<b>Interests in subsidiaries</b>		
	90.2	Shares	170.2
	629.2	Advances	631.1
	(148.7)	Deposits	(196.0)
570.7			605.3
	<b>Working capital</b>		
	5.3	Stocks	4.6
	23.0	Debtors	36.9
	(17.9)	Creditors	(19.1)
10.4			22.4
(28.7)	<b>Provision for taxation</b>		(8.6)
(26.8)	<b>Dividends due or proposed</b>		(29.9)
	<b>Net liquid funds</b>		
	90.1	Marketable securities	68.0
	78.1	Cash and deposits	82.3
	(42.5)	Short-term borrowings	(57.7)
125.7			92.6
679.9			711.2

K. Durham, Chairman  
H. F. van den Hoven, Vice-Chairman  
29th March, 1983

The notes on pages 31 to 33, 40, 41 and 57 to 63 form part of these accounts.

References between brackets relate to notes on pages 40 to 42.

# Unilever PLC notes

£million	1981		1982	£million	
		<b>Profit retained and other reserves</b>			
	65.7	Profit of the year		72.8	
	(0.3)	Preferential dividends		(0.3)	
	(42.5)	Dividends on ordinary and deferred capital		(45.5)	
	22.9	Profit of the year retained		27.0	
	549.1	1st January		572.0	
	<b>572.0</b>	31st December		<b>599.0</b>	
		<b>Deferred liabilities</b>			
	9.6	Unfunded retirement benefits		11.8	
	3.2	United Kingdom Corporation Tax		4.1	
	(31.6)	Advance Corporation Tax		(28.7)	
	2.7	Deferred taxation		1.9	
	<b>(16.1)</b>			<b>(10.9)</b>	
		The Advance Corporation Tax borne by the parent company will be surrendered and set off against liabilities of the subsidiary companies where appropriate. The total of £28.7 includes £13.9 recoverable against 1982 liabilities and £14.8 against those for later years.			
		<b>Fixed assets</b>			
	0.3	Land and buildings—freehold		0.5	
	0.2	Plant and equipment		0.8	
	<b>0.5</b>			<b>1.3</b>	
		Movements during the year	Cost	Depreciation	Net book value
		1st January, 1982	1.6	(1.1)	0.5
		Expenditure	0.8	—	0.8
		31st December, 1982	2.4	(1.1)	1.3
		At 31st December, capital expenditure authorised by the Board and not spent was			0.3
		Of this amounts commitments had been entered into for			0.1
		<b>Associated companies at cost:</b>			
	0.8	Listed shares			0.8
	—	Unlisted shares			—
	0.8	Loans			0.7
	<b>1.6</b>				<b>1.5</b>
	0.9	Market value of listed shares			1.5
	0.7	Directors' valuation of unlisted shares			0.8

# Unilever PLC notes

£million	1981	1982	£million
	<b>Trade investments at net book value at 31st December, 1947</b>		
	with additions at cost or valuation, less £0.5 written off:		
	26.5		26.5
	—		0.1
	<u>26.5</u>		<u>26.6</u>
	27.9		29.1
	<b>Interests in subsidiaries</b>		
	Shares in subsidiaries are stated at Directors' valuation made on the rearrangement of the Unilever Groups in 1937, with bonus shares at par and other additions at cost or valuation, less amounts written off.		
	Profit retained and profit of the year shown in this balance sheet and the notes thereto are less than the amounts shown under these headings in the consolidated balance sheet and profit and loss account, mainly because only part of the profits of the subsidiaries is distributed in the form of dividend.		
	<b>Marketable securities at market value</b>		
	31.3		59.5
	58.8		8.5
	<u>90.1</u>		<u>68.0</u>

## Unilever PLC notes

### Emoluments of Directors and senior employees

The table below shows the numbers of Directors of the Company (excluding the Chairmen), whose emoluments fell within the ranges shown.

	1981	1982
£15 001-£20 000	—	1
£20 001-£25 000	1	—
£25 001-£30 000	3	2
£30 001-£35 000	3	3
£35 001-£40 000	1	3
£40 001-£45 000	—	1
£45 001-£50 000	—	1
£50 001-£55 000	5	—
£55 001-£60 000	5	5
£60 001-£65 000	1	2
£65 001-£70 000	1	2
£70 001-£75 000	—	1

During 1982 there were five Directors who served for only part of the year (1981: nil).

As Chairman Sir David Orr received remuneration of £38 865 in 1982 (1981: £78 367). Mr. K. Durham received total remuneration of £82 066 in 1982 of which £56 250 (1981: nil) was attributable to his period of office as Chairman.

All contracts of service of Directors of the Company with the Company or any of its subsidiaries are determinable by the employing company without payment of compensation at less than one year's notice.

The number of employees of the Company and its subsidiaries employed wholly or mainly in the United Kingdom and receiving emoluments in excess of £30 000 were:

	1981	1982
£30 001-£ 35 000	116	101
£35 001-£ 40 000	58	72
£40 001-£ 45 000	40	45
£45 001-£ 50 000	25	31
£50 001-£ 55 000	14	22
£55 001-£ 60 000	15	11
£60 001-£ 65 000	6	7
£65 001-£ 70 000	3	11
£70 001-£ 75 000	—	3
£75 001-£ 80 000	1	1
£80 001-£ 85 000	—	—
£85 001-£ 90 000	1	—
£90 001-£ 95 000	—	—
£95 001-£100 000	—	1

## Principal subsidiaries

### Key

Holding companies	H
Margarine, other fats and oils, dairy products	M
Other foods	F
Detergents	D
Personal products	P
Chemicals	C
Paper, plastics, packaging	PP
Animal feeds	A
UAC International	U
Plantations	PL
Transport	T
Others	O

Those of N.V.'s principal subsidiaries included in the consolidated accounts which are held directly and for its own account are Nederlandse Unilever Bedrijven B.V., Lipoma B.V., Marga B.V., Mavibel (Maatschappij voor Internationale Beleggingen) B.V., Handelmaatschappij Noorda B.V., Saponia B.V. and Wemado B.V. in the Netherlands and Unilever United States, Inc. in the United States. With a few exceptions the other subsidiaries of N.V. are not held directly for its own account but through one or more of the above-mentioned subsidiaries.

PLC's principal subsidiaries are held through subsidiaries with the exception of Lipton Ltd., Unilever U.K. Holdings Ltd., Unilever (Commonwealth Holdings) Ltd. and UAC International Ltd. in the United Kingdom, Unilever Holdings Canada Limited in Canada, Blohorn S.A. in the Ivory Coast and the interests in Bangladesh, India, Malawi, Pakistan, Trinidad and Sedec s.a.r.l. in Zaïre.

The subsidiaries' registered offices are in the places mentioned.

The list of consolidated companies takes account of Article 320 (3) of the Dutch Civil Code, Book 2.

The percentage of equity held is 100% except where otherwise stated. Where the percentage of total issued capital held differs from the percentage of equity held, this is stated separately.

### % European Community countries

#### Belgium—N.V.

Hartog's Levensmiddelen N.V., Brussels	F
Iglo-Ola N.V., Brussels	F
N.V. Jacky, Antwerp	M
Lever N.V., Brussels	D
S.B.T. N.V., Vorst	T
Union N.V., Merksem-Antwerp	M

#### Denmark—N.V.

Uni-Dan A/S, Copenhagen	MFDP
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#### Germany—N.V.

Deutsche Unilever G.m.b.H., Hamburg	H
'Elbe' Transport G.m.b.H., Hamburg	T
Elida-Gibbs G.m.b.H., Hamburg	P

4P Folie Forchheim G.m.b.H., Forchheim	PP
Hartog Lebensmittelwerk G.m.b.H., Hamburg	F
75 Langnese-Iglo G.m.b.H., Hamburg	F
Lever Sunlicht G.m.b.H., Hamburg	D
Meistermarken-Werke G.m.b.H., Spezialfabrik für Back- und Grossküchenbedarf, Bremen	MF
4P Nicolaus Kempton G.m.b.H., Kempton	PP
4P Nicolaus Ronsberg G.m.b.H., Ronsberg	PP
99 'Nordsee' Deutsche Hochseefischerei G.m.b.H., Bremerhaven	F
4P Rube Göttingen G.m.b.H., Göttingen	PP
Scado G.m.b.H., Meppen	C
Schafft Fleischwerke G.m.b.H., Ansbach	F
'Unichema' Chemie G.m.b.H., Emmerich	C
Union Deutsche Lebensmittelwerke G.m.b.H., Hamburg	MF

#### France—N.V.

99 Astra-Calvé S.A., Courbevoie	MF
99 Compagnie Française de Nutrition Animale S.A., Tours	A
99 Elida Gibbs S.A., Paris	P
99 4P Emballages France S.A., Allonne	PP
99 Etablissements Fayard et Ravel S.A., Sainte-Sigolène	PP
99 Etablissements Rousset S.A., Vénissieux	M
99 Française d'Alimentation et de Boissons S.A., La Garenne-Colombes	F
99 La Roche aux Fées S.A., Vallet	M
99 Lever S.A., Paris	D
99 Motta-France S.A., Nanterre	F
99 Sheby S.A., Bezons	C
99 Unilever Export France S.A., Courbevoie	O

#### —PLC

81 CNF S.A., Paris	U
99 Niger France S.A., Paris	U

#### Greece—N.V.

Industrie Hellénique de Détergents S.A. (E.V.A.), Athens	D
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#### Ireland—PLC

Lever Brothers (Ireland) Ltd., Dublin	D
W. & C. McDonnell Ltd., Dublin	MF
Paul and Vincent Ltd., Dublin	A
HB Ice Cream Ltd., Dublin	F

#### Italy—N.V.

75 Algel S.p.A., Cisterna	F
75 Also S.p.A., Naples	F
75 Gelsi S.p.A., Turin	F
75 Sages S.p.A., Milan	F
Unil-It S.p.A., Milan	MFDP

#### The Netherlands—N.V.

Algemeen Vrachtkantoor B.V., Rotterdam	T
Bensdorp B.V., Bussum	F
Van den Bergh en Jurgens B.V., Rotterdam	MF
Koninklijke Maatschappij De Betuwe B.V., Tiel	F
Calvé-De Betuwe B.V., Delft	F
Croklaan B.V., Wormerveer	M
4P Drukkerij Reclame B.V., Rotterdam	PP
N.V. Koninklijke Stearine Kaarsenfabrieken 'Gouda-Apollo', Gouda	C
Iglo-Ola B.V., Utrecht	F

## Principal subsidiaries

Lever Industrial B.V., Maarssen	D	<b>Other European countries</b>	
Lever Sunlight B.V., Vlaardingen	D	<b>Finland—N.V.</b>	
Lipoma B.V., Rotterdam	H	Oy Leverindus AB, Turku	D
Lucas Aardenburg B.V., Hoogeveen	F	S.W. Paasivaara-Yhtymä Oy, Helsinki	M
Marga B.V., Rotterdam	H	Turun Saippua Oy, Turku	DP
Mavibel (Maatschappij voor Internationale Beleggingen) B.V., Rotterdam	H	<b>Austria—N.V.</b>	
Mengvoeder UT-Delfia B.V., Maarssen	A	Bensdorp Ges.m.b.H., Vienna	F
Nederlandse Unilever Bedrijven B.V., Rotterdam	H	Nordsee Ges.m.b.H., Vienna	F
Handelmaatschappij Noorda B.V., Rotterdam	H	Österreichische Unilever Ges.m.b.H., Vienna	MFDPPP
Norfolk Line B.V., The Hague	T		
75 Safial B.V., Rotterdam	H	75 Unifrost Nahrungsmittel Ges.m.b.H., Vienna	F
Saponia B.V., Rotterdam	H		
Scado B.V., Zwolle	C	<b>Portugal—N.V.</b>	
Exportslachterij Udemá B.V., Gieten	F	74 Iglo Indústrias de Gelados, Lda., Lisbon	F
Unichema Chemie B.V., Gouda	C	60 Indústrias Lever Portuguesa, Lda., Lisbon	DP
Unilever Export B.V., Rotterdam	O		
Unilever Financieringsmaatschappij B.V., Rotterdam	O	<b>Spain—N.V.</b>	
Unimills B.V., Zwijndrecht	M	Agra S.A., Lamiacó	M
UVG Nederland B.V., Oss	F	99 Frigo S.A., Barcelona	F
Wemado B.V., Rotterdam	H	Lever Ibérica S.A., Madrid	DP
Zeeppabriek de Fenix B.V., Zwolle	D	Unilever España S.A., Madrid	H
		<b>Sweden—N.V.</b>	
<b>United Kingdom—PLC</b>		Gibbs AB, Stockholm	P
Batchelors Foods Ltd., Sheffield	F	Leverindus AB, Nyköping	D
Birds Eye Wall's Ltd., Walton-on-Thames	F	55 Margarinbolaget AB, Stockholm (total issued capital held 50%)	M
BOCM Silcock Ltd., Basingstoke	A	Novia Livsmedelsindustrier AB, Kristianstad	F
BOCM Silcock (N.I.) Ltd., Belfast	A	Pierre Robert AB, Malmö	P
C.W.A. Holdings Ltd., London	U	Scado AB, Landskrona	C
Joseph Crosfield & Sons Ltd., Warrington	C	AB Sunlight, Nyköping	DP
Elida Gibbs Ltd., London	P	Svenska Unilever Förvaltnings AB, Stockholm	H
Ford & Slater Group Ltd., Leicester	U		
Kennedy's (Builders' Merchants) Ltd., Bournemouth	U	<b>Switzerland—N.V.</b>	
Lawson of Dyce Ltd., Aberdeen	F	95 'Astra', Fett- und Oelwerke A.G., Steffisburg	M
Lever Brothers Ltd., Kingston-upon-Thames	D	Elida Cosmetic A.G., Olten	P
Leverton Group Ltd., Windsor	U	Meina Holding A.G., Zürich	H
Lipton Ltd., London	F	Sais, Zürich	M
Loders & Nucoline Ltd., London	M	Sunlight A.G., Olten	DP
MacFisheries Ltd., Camberley	F	A. Sutter A.G., Münchwilen	D
Robert B. Massey & Co. Ltd., York	U	Unilever (Schweiz) A.G., Zürich	O
Mattessons Meats Ltd., London	F		
Midland Poultry Holdings Ltd., Craven Arms	A	<b>North America</b>	
Nairn International Ltd., London	PP	<b>Canada—PLC</b>	
Palm Line Ltd., London	U	Hygrade Foods Ltd., Toronto	F
PPF International Ltd., Ashford	C	Lever Brothers Limited, Toronto	MDP
S.P.D. Ltd., Watford	T	Thomas J. Lipton Inc., Toronto	F
Thames Board Ltd., Purfleet	PP	Monarch Fine Foods Company Limited, Toronto	MF
Thames Case Ltd., Purfleet	PP	A & W Food Services of Canada Ltd., Vancouver	F
UAC Ltd., London	U	Unilever Holdings Canada Limited, Toronto	H
U.A.C. Holdings Ltd., London	U		
UAC International Ltd., London	U	<b>United States of America—N.V.</b>	
UAC UK Holdings Ltd., London	U	Lawry's Foods, Inc., Los Angeles, California	F
UML Ltd., Port Sunlight	O	Lever Brothers Company, Portland, Maine	MFDPP
Unichema Chemicals Ltd., Bromborough	C	Thomas J. Lipton, Inc., Dover, Delaware	F
Unilever (Commonwealth Holdings) Ltd., London	H	National Starch and Chemical Corporation, Bridgewater, New Jersey	C
Unilever Export Ltd., Bristol	O	Unilever United States, Inc., Wilmington, Delaware	H
Unilever U.K. Central Resources Ltd., London	O		
Unilever U.K. Holdings Ltd., London	H	<b>Central and South America</b>	
United Agricultural Merchants Ltd., Basingstoke	A	<b>Argentina—N.V.</b>	
Van den Berghs and Jurgens Ltd., Burgess Hill	M	99 Lever y Asociados s.a.c.i.f., Buenos Aires	MFDPC
Vinyl Products Ltd., Carshalton	C		
T. Wall & Sons Ltd., London	F		
John West Foods Ltd., Liverpool	F		

## Principal subsidiaries

<b>Brazil—N.V.</b>					
99	Indústrias Gessy Lever Ltda., São Paulo	MFDPC			
<b>Chile—N.V.</b>					
	Indus Lever S.A.C.I., Santiago	MFDPC			
<b>Colombia—N.V.</b>					
	Compañía Colombiana de Grasas 'Cogra-Lever' S.A., Bogotá	MDP			
<b>Mexico—N.V.</b>					
	Zwanenberg de Mexico S.A., Mexico City	F			
<b>Netherlands Antilles—N.V.</b>					
	Mavibel International N.V., Willemstad	O			
	Unilever Becumij N.V., Willemstad	O			
<b>Trinidad—PLC</b>					
50	Lever Brothers West Indies Ltd., Port of Spain	MFDPC			
<b>Venezuela—N.V.</b>					
	Lever S.A., Caracas	FDP			
<b>Africa</b>					
<b>Gabon—PLC</b>					
99	Hatton et Cookson S.A., Libreville	U			
<b>Ghana—PLC</b>					
60	UAC of Ghana Ltd., Accra	U			
<b>Ivory Coast—PLC</b>					
80	Blohorn S.A., Abidjan	MDPlPP			
99	CFCI S.A., Abidjan	U			
68	Uniwax S.A., Abidjan	U			
<b>Cameroun—PLC</b>					
	Plantations Pamol du Cameroun Ltd., Lobe	PL			
<b>Kenya—PLC</b>					
54	East Africa Industries Ltd., Nairobi	MFDPC			
	Gailey & Roberts Ltd., Nairobi	U			
<b>People's Republic of the Congo (Brazzaville)—PLC</b>					
92	Société Commerciale du Kouilou Niari-Congo S.A., Brazzaville	U			
<b>Malawi—PLC</b>					
80	Lever Brothers (Malawi) Ltd., Limbe	MDPC			
<b>Niger—PLC</b>					
92	Niger-Afrique S.A., Niamey	U			
<b>Nigeria—PLC</b>					
60	Pamol (Nigeria) Ltd., Lagos	PL			
<b>Uganda—PLC</b>					
	Gailey & Roberts (Uganda) Ltd., Kampala	U			
<b>Sierra Leone—PLC</b>					
87	UAC of Sierra Leone Ltd., Freetown	U			
<b>Tanzania—PLC</b>					
	UAC of Tanzania Ltd., Dar es Salaam	U			
<b>Tchad—PLC</b>					
79	Brasseries du Logone S.A., Moundou				U
<b>Zaire—N.V.</b>					
58	Plantations Lever au Zaire s.a.r.l., Kinshasa				PL
	Compagnie des Margarines, Savons et Cosmétiques au Zaire s.a.r.l., Kinshasa				MDPC
99	Sedec s.a.r.l., Kinshasa				U
<b>Zambia—PLC</b>					
	K. B. Davies & Co. (Zambia) Ltd., Chingola				U
<b>Zimbabwe—PLC</b>					
	Lever Brothers (Private) Ltd., Harare				MFDPC
<b>South Africa—PLC</b>					
	Elida-Gibbs (Pty.) Ltd., Durban				P
	Lever Brothers (Pty.) Ltd., Durban				D
	Lipton (SA) (Pty.) Ltd., Durban				F
	Unilever South Africa (Pty.) Ltd., Durban				H
	Van den Bergh and Jurgens (Pty.) Ltd., Durban				M
<b>Asia, Australia, New Zealand</b>					
<b>Australia—PLC</b>					
	Rosella Foods Pty. Ltd., Richmond				F
	Streets Ice Cream Pty. Ltd., Sydney				F
	Unilever Australia Pty. Ltd., Sydney				MDPCPP
<b>Bangladesh—PLC</b>					
61	Lever Brothers Bangladesh Ltd., Chittagong				FDPC
<b>Philippines—N.V.</b>					
	Philippine Refining Company Inc., Manila				MFDPC
<b>India—PLC</b>					
51	Hindustan Lever Ltd., Bombay				MDPCA
<b>Indonesia—N.V.</b>					
85	P.T. Unilever Indonesia, Jakarta				MFDPC
<b>Japan—N.V.</b>					
79	Nippon Lever KK, Tokyo				MFDPC
<b>Malaysia—PLC</b>					
85	Lever Brothers (Malaysia) Sdn. Bhd., Kuala Lumpur				MFDPC
	Pamol Plantations Sdn. Bhd., Kluang				PL
<b>New Zealand—PLC</b>					
	Lever Brothers (New Zealand) Ltd., Petone				H
	Unilever New Zealand Ltd., Petone				FDPC
<b>Pakistan—PLC</b>					
66	Lever Brothers Pakistan Ltd., Karachi				MDPC
75	Lipton Pakistan Ltd., Karachi				F
<b>Singapore—PLC</b>					
	Lever Brothers Singapore Sdn. Bhd., Singapore				MDP
<b>Solomon Islands—PLC</b>					
60	Lever Solomons Ltd., Yandina				PL
	Lever's Pacific Timbers Ltd., Kolombangara				U

## Principal subsidiaries

<b>Sri Lanka—PLC</b>		
Lever Brothers (Ceylon) Ltd., Colombo	MDPC	
<b>Thailand—N.V.</b>		
Lever Brothers (Thailand) Ltd., Bangkok	MFDP	
<b>Turkey—N.V.</b>		
65 Unilever-İş Ticaret ve Sanayi Türk Limited Şirketi, Istanbul	M	

## Principal investments

	%	<b>Associated companies</b>	
		<b>European Community countries</b>	
		<b>Germany—N.V.</b>	
50		Fritz Homann Lebensmittelwerke G.m.b.H. & Co. K.G., Dissen	MF
		<b>Greece—N.V.</b>	
49		'Elais' Oleaginous Products S.A., Athens	M
		<b>Other European countries</b>	
		<b>Portugal—N.V.</b>	
40		FIMA—Fábrica Imperial de Margarina Lda., Lisbon	M
		<b>Central and South America</b>	
		<b>Colombia—N.V.</b>	
49		Plantaciones Unipalma de Los Llanos S.A., Bogotá	PL
		<b>El Salvador—N.V.</b>	
50		Industrias Unisola S.A., San Salvador	MFDP
		<b>Africa</b>	
		<b>Ghana—PLC</b>	
45		Lever Brothers Ghana Ltd., Accra	MDPC
		<b>Nigeria—PLC</b>	
14		Guinness (Nigeria) Ltd., Ikeja	U
40		Lever Brothers Nigeria Ltd., Apapa	MFDP
14		Nigerian Breweries Ltd., Apapa	U
40		UAC of Nigeria Ltd., Lagos	U
	%	<b>Trade investments</b>	
		<b>European Community countries</b>	
		<b>The Netherlands—N.V.</b>	
37		Gamma Holding N.V., Helmond (total issued capital held 34%)	O
		<b>United Kingdom—PLC</b>	
25		International Stores Ltd., London	O

The above list of principal investments represents those which in the opinion of the Directors principally affect the amounts of profit and assets shown in these accounts in relation to associated companies and trade investments. The Directors consider that those associated companies and trade investments not listed are not significant in relation to the group as a whole.



## Financial review 1977-1982

Fl. million	1977	1978	1979	1980	1981	1982
<b>Results</b>						
Sales to third parties	39 879	39 271	43 251	51 468	56 115	55 903
Costs	(37 563)	(36 924)	(40 682)	(48 554)	(52 790)	(52 915)
Operating profit	2 316	2 347	2 569	2 914	3 325	2 988
Concern share of associated companies' profit before taxation	257	256	179	200	261	232
Financial items	(176)	(172)	(192)	(214)	(239)	(152)
Profit before taxation	2 397	2 431	2 556	2 900	3 347	3 068
Taxation	(1 184)	(1 259)	(1 133)	(1 371)	(1 381)	(1 351)
Profit after taxation	1 213	1 172	1 423	1 529	1 966	1 717
Outside interests and preference dividends	(88)	(84)	(95)	(108)	(118)	(138)
Profit attributable to ordinary capital	1 125	1 088	1 328	1 421	1 848	1 579
Extraordinary items, less taxation and outside interests	—	—	486 <sup>4)</sup>	—	—	—
Profit after extraordinary items	1 125	1 088	1 814	1 421	1 848	1 579
Dividends on ordinary and deferred capital <sup>2)</sup>	(413)	(423)	(489) <sup>5)</sup>	(540)	(586)	(578)
Profit of the year retained	712	665	1 325	881	1 262	1 001
<b>Assets and liabilities</b>						
Preferential share capital	287	286	287	291	289	287
Ordinary shareholders' equity	8 142	7 735	9 049	10 949	12 125	12 271
Outside interests in subsidiaries	307	502	532	555	678	692
Loan capital	2 303	2 845	2 754	3 104	3 235	3 126
Deferred liabilities	2 267	2 696	2 629	3 370	3 717	3 909
Capital employed	13 306	14 064	15 251	18 269	20 044	20 285
Fixed assets	6 110	6 630	7 209	8 943	9 752	10 108
Associated companies	737	862	811	756	825	836
Trade investments	90	84	196	222	214	200
Other long-term assets	230	455	545	659	713	722
Working capital	5 707	6 022	6 902	7 956	8 389	8 076
Provision for taxation	(691)	(697)	(739)	(738)	(911)	(931)
Dividends	(396)	(443)	(309)	(342)	(372)	(372)
Net liquid funds	1 519	1 151	636	813	1 434	1 646
Employment of capital	13 306	14 064	15 251	18 269	20 044	20 285
<b>Source and use of funds</b>						
Funds generated from operations	2 996	3 139	3 344	4 076	4 522	4 357
Funds from other sources	(9)	601	(88)	206	183	(11)
Total sources	2 987	3 740	3 256	4 282	4 705	4 346
Taxation payments during the year	(608)	(729)	(746)	(1 073)	(924)	(1 091)
Capital expenditure less disposals	(1 235)	(1 211)	(1 413)	(1 937)	(1 911)	(1 821)
Purchase/sale of subsidiaries	(90)	(1 054)	(77)	(163)	68	(320)
Purchase/sale of associated companies/trade investments	(171)	(64)	33	(15)	(18)	(2)
Additional/reduced working capital	(496)	(574)	(881)	(205)	(523)	(100)
Dividends paid during the year	(371)	(372)	(654)	(544)	(564)	(580)
Other sources/uses	(178)	(75)	(139)	(235)	(72)	(128)
Total uses	(3 149)	(4 079)	(3 877)	(4 172)	(3 944)	(4 042)
Net increase/decrease in funds	(162)	(339)	(621)	110	761	304

	1977	1978	1979	1980	1981	1982
<b>Shareholders' equity per share</b>						
per Fl. 20 of capital (Fl.)	146	139	162	197	218	220.23
per 25p of capital (pence)	503	522	577	581	692	780.97
<b>Earnings per share<sup>1)</sup></b>						
per Fl. 20 of capital (Fl.)	20.19	19.53	23.83	25.49	33.16	28.34
per 25p of capital (pence)	69.47	73.44	84.71	75.41	105.39	100.41
<b>Earnings plus depreciation per share</b>						
per Fl. 20 of capital (Fl.)	33.63	33.47	39.21	43.71	52.87	49.03
per 25p of capital (pence)	115.70	125.85	139.38	129.31	168.03	173.91
<b>Ordinary dividends</b>						
N.V. per Fl. 20 of capital (Fl.)	8.56	8.80	9.88	11.12	12.04	12.04
PLC per 25p of capital (pence) <sup>2)</sup>	20.39	22.67	24.05	22.91	26.87	28.83
<b>Capital expenditure (Fl. million)</b>	1 368	1 358	1 574	2 200	2 101	2 033
<b>Depreciation (Fl. million)</b>	749	777	857	1 015	1 098	1 153
<b>Employees (subsidiaries)</b>						
Remuneration (Fl. million)	7 146	7 324	8 136	9 707	10 339	10 409
Number (000's)	327	316	309	300	292	283
<b>Ratios</b>						
Sales : capital employed	3.0	2.8	2.8	2.8	2.8	2.8
Sales per employee (Fl.)	121 954	124 275	139 971	171 560	192 175	197 537
Sales : working capital	7.0	6.5	6.3	6.5	6.7	6.9
Dividends : earnings	0.37	0.39	0.36	0.38	0.32	0.37
Gearing <sup>3)</sup>	0.29	0.33	0.30	0.30	0.28	0.26
Current assets : current liabilities	1.8	1.8	1.8	1.8	1.8	1.8
<b>Share prices</b>						
N.V. per Fl. 20 ordinary share						
in Amsterdam High	137	130	132	129	164	211
Low	118	111	112	102	123	143
PLC per 25p ordinary share						
in London High	596	602	680	512	652	805
Low	410	476	450	388	438	555

<sup>1)</sup> See notes on page 39.

<sup>2)</sup> Dividends are included at the amounts paid or to be paid to the shareholders. The PLC dividends shown are the amounts declared. In 1977 and 1978 the amounts paid were lower because of statutory dividend controls. The balance (together with deferred amounts from earlier years) was paid in August, 1979 on cessation of such controls.

<sup>3)</sup> Gearing is loan capital plus short-term borrowings divided by the sum of loan capital, short-term borrowings, preferential share capital, ordinary shareholders' equity and outside interests in subsidiaries.

<sup>4)</sup> Deferred taxation released in 1979 in respect of United Kingdom stock relief is attributable to:

1973	Fl. 160 million	1976	Fl. 115 million
1974		1977	Fl. 115 million
1975	Fl. 35 million	1978	Fl. 61 million

<sup>5)</sup> Includes additional dividends declared in respect of earlier years, due to change in rate of Advance Corporation Tax, amounting to Fl. 13 million.

## Sales, profit and capital employed by geographical areas

Fl. million	1977	1978	1979	1980	1981	1982
<b>Sales to third parties</b>						
European Community countries	26 095	26 353	28 638	32 953	34 239	33 046
Other European countries	2 532	2 598	2 894	3 327	3 704	3 457
North America	3 582	3 613	4 431	5 464	7 020	7 565
Central and South America	936	1 004	972	1 466	1 629	1 682
Africa	3 635	2 858	3 105	3 852	4 198	4 818
Asia, Australia, New Zealand	3 099	2 845	3 211	4 406	5 325	5 335
	39 879	39 271	43 251	51 468	56 115	55 903
<b>Operating profit before taxation and outside interests</b>						
European Community countries	1 300	1 464	1 489	1 471	1 472	1 129
Other European countries	198	151	192	252	311	266
North America	182	151	249	260	360	428
Central and South America	111	112	92	153	229	176
Africa	257	216	240	339	373	406
Asia, Australia, New Zealand	268	253	307	439	580	583
	2 316	2 347	2 569	2 914	3 325	2 988
<b>Profit attributable to ordinary capital</b>						
European Community countries	537	635	787	708	867	634
Other European countries	101	51	107	138	197	175
North America	108	70	92	98	155	194
Central and South America	78	70	38	69	97	49
Africa	185	168	170	242	278	289
Asia, Australia, New Zealand	116	94	134	166	254	238
	1 125	1 088	1 328	1 421	1 848	1 579
<b>Capital employed</b>						
European Community countries	8 545	8 867	9 692	11 547	12 036	11 617
Other European countries	1 107	1 075	1 194	1 366	1 536	1 516
North America	1 360	1 891	2 055	2 446	2 906	3 051
Central and South America	258	322	317	519	682	724
Africa	1 318	1 224	1 231	1 353	1 448	1 740
Asia, Australia, New Zealand	718	685	762	1 038	1 436	1 637
	13 306	14 064	15 251	18 269	20 044	20 285

In considering the figures on pages 66 and 67 the treatment of associated companies should be noted.

Sales include sales by subsidiaries to associated companies (sales by associated companies are excluded).

Operating profit does not include any contribution by associated companies but profit attributable includes the concern share of associated companies' profit after taxation. Capital employed includes the investment in associated companies on the basis shown in note (18) on page 45.

## Sales and profit by operations

Fl. million	1977	1978	1979	1980	1981	1982
<b>Sales</b>						
Margarine, other fats and oils, dairy products	11 502	11 248	12 092	13 381	14 360	14 019
Other foods	11 345	11 332	12 038	13 246	14 070	14 316
Detergents	6 897	6 412	7 265	9 410	10 695	11 119
Personal products	1 657	1 706	1 907	2 430	2 675	2 799
Chemicals	1 514	1 806	2 727	3 269	3 737	3 893
Paper, plastics, packaging	1 645	1 615	1 774	2 041	1 954	1 856
Animal feeds	2 524	2 444	2 934	3 875	3 959	3 933
UAC International	4 261	4 017	3 784	4 729	5 433	5 175
Plantations, transport, other interests	2 369	2 558	3 023	3 921	4 180	2 582
<b>Total sales<sup>1)</sup></b>	<b>43 714</b>	<b>43 138</b>	<b>47 544</b>	<b>56 302</b>	<b>61 063</b>	<b>59 692</b>
<b>Less: internal sales<sup>2)</sup></b>	<b>(3 835)</b>	<b>(3 867)</b>	<b>(4 293)</b>	<b>(4 834)</b>	<b>(4 948)</b>	<b>(3 789)</b>
<b>Sales to third parties</b>	<b>39 879</b>	<b>39 271</b>	<b>43 251</b>	<b>51 468</b>	<b>56 115</b>	<b>55 903</b>
<b>Operating profit before taxation and outside interests</b>						
Margarine, other fats and oils, dairy products	477	600	538	706	841	697
Other foods	484	577	713	700	732	765
Detergents	473	469	500	631	777	777
Personal products	136	60	105	170	253	204
Chemicals	112	132	228	214	272	309
Paper, plastics, packaging	82	42	32	23	8	(109)
Animal feeds	61	65	68	54	62	78
UAC International	283	268	210	217	259	169
Plantations, transport, other interests	208	134	175	199	121	98
	<b>2 316</b>	<b>2 347</b>	<b>2 569</b>	<b>2 914</b>	<b>3 325</b>	<b>2 988</b>
<b>Concern share of associated companies' profit before taxation<sup>3)</sup></b>						
UAC International	228	185	115	133	177	159
Other operations	29	71	64	67	84	73
	<b>257</b>	<b>256</b>	<b>179</b>	<b>200</b>	<b>261</b>	<b>232</b>

The movements in exchange rates have had a significant influence on the figures. When expressed in sterling as in the accounts of PLC the yearly percentage changes are different from those in guilders.

<sup>1)</sup> The sales figures reported for product groups are total sales, comprising sales to third parties and internal sales. Internal sales represent supplies of marketable products and services between one product group and another within the organisation.

<sup>2)</sup> The inclusion of internal sales in the total sales of the product groups properly reflects the sales to which the operating profit of these groups should be related. For the business as a whole only sales to third parties are used.

<sup>3)</sup> This heading was introduced into the profit and loss accounts in 1977 when UAC of Nigeria became an associated company and its results had to be excluded from operating profit. Since then some further companies have become associated companies, the largest being Lever Brothers Nigeria (mainly detergents, but also margarine, other foods and toilet preparations). The contribution shown above as 'Other operations' consists of several commodity groups with margarine and detergents the most significant.

## Capital expenditure

Fl. million	1977	1978	1979	1980	1981	1982
<b>Analysis by geographical areas</b>						
European Community countries	901	857	1 052	1 485	1 221	1 118
Other European countries	90	102	103	112	117	115
North America	97	125	179	189	208	254
Central and South America	48	55	55	145	110	65
Africa	119	81	79	124	163	201
Asia, Australia, New Zealand	113	138	106	145	282	280
	1 368	1 358	1 574	2 200	2 101	2 033
<b>Analysis by operations</b>						
Margarine, other fats and oils, dairy products	267	225	252	310	321	359
Other foods	361	364	378	529	561	484
Detergents	205	211	230	346	384	437
Personal products	71	50	49	70	84	85
Chemicals	57	101	133	171	146	132
Paper, plastics, packaging	92	112	177	177	152	78
Animal feeds	48	42	58	108	49	46
UAC International	98	95	90	94	92	125
Plantations, transport, other interests	169	158	207	395	312	287
	1 368	1 358	1 574	2 200	2 101	2 033

## Value added statement

Fl. million	1977	1978	1979	1980	1981	1982
<b>Sources</b>						
Sales to third parties	39 879	39 271	43 251	51 468	56 115	55 903
Other income	443	464	426	590	688	715
	40 322	39 735	43 677	52 058	56 803	56 618
Less cost of materials and services purchased	(29 654)	(28 809)	(31 674)	(37 815)	(41 337)	(41 335)
Value added <sup>1)</sup>	10 668	10 926	12 003	14 243	15 466	15 283
	%	%	%	%	%	%
Value added as a proportion of sales	27	28	28	28	28	27
<b>Disposal<sup>2)</sup></b>						
	%	%	%	%	%	%
To employees in wages, salaries, pension contributions	67	67	68	68	67	68
To governments in taxation	11	12	9	10	9	9
To providers of capital						
— loans (interest)	3	3	4	4	4	4
— shareholders (dividends)	4	4	4	4	4	4
— outside shareholders and preference dividends	1	1	1	1	1	1
Reinvested in business						
— depreciation	7	7	7	7	7	7
— profit retained	7	6	7 <sup>3)</sup>	6	8	7
	100	100	100	100	100	100

<sup>1)</sup> Figures of sales to third parties show in part the result of other people's work, namely the raw materials, products and services which the concern has purchased from outside, and in part the results of the efforts of the concern's workforce and the use of its physical and financial assets. This latter part is the value added by the concern and is expressed as turnover less goods and services purchased from outside.

<sup>2)</sup> This statement shows how the value added has been distributed by way of payment to employees, to governments, and to those who have provided capital, and indicates the proportion retained in the business.

<sup>3)</sup> Excludes the release of Fl. 486 million deferred taxation provision, relating to United Kingdom stock relief which was treated as an extraordinary item.

## Quarterly results

	1st quarter	2nd quarter	3rd quarter	4th quarter	Total year
<b>Sales to third parties</b>					
<b>1982</b>					
Fl. million	13 608	14 005	13 621	14 669	55 903
%	24	25	25	26	100
<b>1981</b>					
Fl. million	13 617	14 118	13 966	14 414	56 115
%	24	25	25	26	100
<b>Operating profit</b>					
<b>1982</b>					
Fl. million	732	905	846	505	2 988
%	25	30	28	17	100
<b>1981</b>					
Fl. million	797	1 002	895	631	3 325
%	24	30	27	19	100
<b>Profit before taxation</b>					
<b>1982</b>					
Fl. million	757	910	833	568	3 068
%	25	29	27	19	100
<b>1981</b>					
Fl. million	807	992	884	664	3 347
%	24	30	26	20	100
<b>Profit attributable to ordinary capital</b>					
<b>1982</b>					
Fl. million	385	465	423	306	1 579
%	24	30	27	19	100
<b>1981</b>					
Fl. million	367	644*)	494	343	1 848
%	20	35	27	18	100
<b>Earnings per share</b>					
<b>1982</b>					
per Fl. 20 of capital (Fl.)	6.91	8.35	7.59	5.49	28.34
per 25p of capital (pence)	24.50	29.61	26.92	19.38	100.41
<b>1981</b>					
per Fl. 20 of capital (Fl.)	6.59	11.56	8.86	6.15	33.16
per 25p of capital (pence)	20.94	36.77	28.16	19.52	105.39

The figures differ from those originally published due to results for both years having been recalculated at the year-end rates of exchange used for the respective years.

\*) The profit attributable to ordinary capital in the second quarter of 1981 includes the additional stock relief benefit of Fl. 105 million, mainly applicable to 1980, arising from changes contained in the United Kingdom Finance Act 1981.

## Salient figures in guilders and other currencies

1982 above 1981	Dutch Guilders	Sterling Pounds	Belgian Francs	German Marks	French Francs	Austrian Schillings	U.S. Dollars	Swiss Francs
<b>Rates of exchange</b> one unit = Fl.		4.23 4.72	0.0561 0.0643	1.1052 1.0970	0.3897 0.4321	0.1570 0.1569	2.6300 2.4700	1.3157 1.3700
	In millions of currency							
<b>Sales to third parties</b>	55 903 56 115	13 216 11 889	996 466 872 754	50 616 51 122	143 391 129 825	356 032 357 614	21 277 22 708	42 555 41 016
<b>Operating profit</b>	2 988 3 325	706 705	53 255 51 715	2 705 3 029	7 663 7 693	19 028 21 190	1 137 1 346	2 274 2 430
<b>Profit before taxation</b>	3 068 3 347	725 709	54 696 52 064	2 778 3 050	7 871 7 745	19 543 21 334	1 168 1 355	2 336 2 447
<b>Profit after taxation</b>	1 717 1 966	406 416	30 599 30 585	1 554 1 792	4 403 4 550	10 933 12 532	653 796	1 307 1 437
<b>Profit attributable to ordinary capital</b>	1 579 1 848	373 391	28 141 28 739	1 429 1 683	4 050 4 275	10 055 11 776	601 748	1 202 1 351
<b>Ordinary dividends</b>	578 586	137 124	10 303 9 110	523 533	1 483 1 355	3 682 3 733	220 237	440 429
<b>Profit of the year retained</b>	1 001 1 262	236 267	17 838 19 629	906 1 150	2 567 2 920	6 373 8 043	381 511	762 922
	In units of currency							
<b>Earnings per share<sup>1)</sup></b> per Fl. 20 of capital	28.34 33.16	669.43p 702.61p	505.14 515.78	25.64 30.21	72.72 76.72	180.50 211.34	10.78 13.42	21.54 24.24
per 25p of capital	4.25 4.97	100.41p 105.39p	75.77 77.37	3.85 4.53	10.91 11.51	27.08 31.70	1.62 2.01	3.23 3.64
<b>Ordinary dividends<sup>2)</sup></b> N.V.—per Fl. 20 of capital	12.04 12.04	284.63p 255.08p	214.62 187.25	10.89 10.98	30.90 27.86	76.69 76.74	4.58 4.87	9.15 8.79
PLC—per 25p of capital	1.22 1.27	28.83p 26.87p	21.74 19.73	1.10 1.16	3.13 2.93	7.77 8.08	0.46 0.51	0.93 0.93
<b>Shareholders' equity per share</b> per Fl. 20 of capital	220.23 217.62	5 206.46p 4 610.67p	3 925.65 3 384.69	199.27 198.26	565.12 503.49	1 402.73 1 386.89	83.74 88.06	167.39 159.07
per 25p of capital	33.03 32.64	780.97p 691.60p	588.85 507.70	29.89 29.74	84.77 75.52	210.41 208.03	12.56 13.21	25.11 23.86

Rates of exchange quoted above have been used in the preparation of the accounts and to convert figures in this table. The change in rates between 1981 and 1982 results in the percentage movement being different according to the currency in which it is expressed. The value of dividends received by shareholders in currencies other than guilders or sterling will be affected by fluctuations in the rates of exchange after the year-end.

<sup>1)</sup> See note on page 39.

<sup>2)</sup> See notes on pages 29 and 65.

## Capital and membership

During 1982 there was no change in the share capital of N.V. or PLC.

Changes in loan capital are shown in the Notes to the consolidated accounts on pages 41 and 42.

As most of N.V.'s share capital and all of its loan capital is held by the public in the form of bearer scrip, it is impossible to ascertain the number of holders. At the year-end PLC had 70 115 ordinary and 736 preferential shareholdings and 57 802 debenture and unsecured loan stockholdings.

The geographical spread of N.V.'s ordinary shareholdings based on the country of payment of the final dividend paid in 1981 and 1982 was:

	1981	1982
	%	%
The Netherlands	46	42
Switzerland	20	21
United Kingdom	15	19
United States	6	7
Germany	5	4
France	3	3
Belgium	3	2
Other countries	2	2
	100	100

In 1982, as in 1981, the holders of over 99% of PLC's ordinary shares had registered addresses in the United Kingdom.

The shares of Unilever N.V. are listed on the stock exchanges in Amsterdam, London, Antwerp, Brussels, Berlin, Düsseldorf, Frankfurt, Hamburg, Munich, Paris, Dublin, Luxembourg, Vienna, New York, Basle, Geneva, Lausanne and Zürich.

The shares of Unilever PLC are listed on The Stock Exchange in the United Kingdom and Ireland and as American Depositary Receipts in New York.

Both N.V. and PLC make filings with the United States Securities and Exchange Commission in the form required by United States legislation. Any shareholder who wishes to see a copy of the filings made with the SEC should apply in the case of N.V. to External Affairs Department, Unilever N.V., P.O. Box 760, 3000 DK Rotterdam, the Netherlands, or in the case of PLC to Unilever PLC, London.



## Dates for dividend and interest payments

Ordinary dividends	Interim	Announced mid-November. Payable second half of December.
	Final	Proposed early March. Payable end of May/early June.
7% and 6% Cumulative Preference dividends		Payable 1st October.
4% Cumulative Preference dividends		Payable 1st January.
6% Bonds 1972/91		Payable 15th January.
8 <sup>3</sup> / <sub>4</sub> % Bonds 1981/85		Payable 1st December.
8 <sup>1</sup> / <sub>2</sub> % Bonds 1981/87		Payable 1st May.
9 <sup>1</sup> / <sub>4</sub> % Bonds 1987		Payable 15th July.
4 <sup>1</sup> / <sub>2</sub> % Bonds 1984/91		Payable 7th June.
9 <sup>3</sup> / <sub>4</sub> % Bonds 1986/90		Payable 15th July.
6 <sup>3</sup> / <sub>4</sub> % Bonds 1991		Payable 26th August.
7 <sup>1</sup> / <sub>2</sub> % Bonds 1993		Payable 12th November.

If the above dates fall on a Sunday or a public holiday, the dividends and interest will be payable on the next working day.

### Interim announcements of results

First quarter results	Mid-May.
First half-year results	Mid-August.
Nine months results	Mid-November.
Provisional results for the year	Early March.