

Unilever US: Investing back for growth



Kees Kruythoff

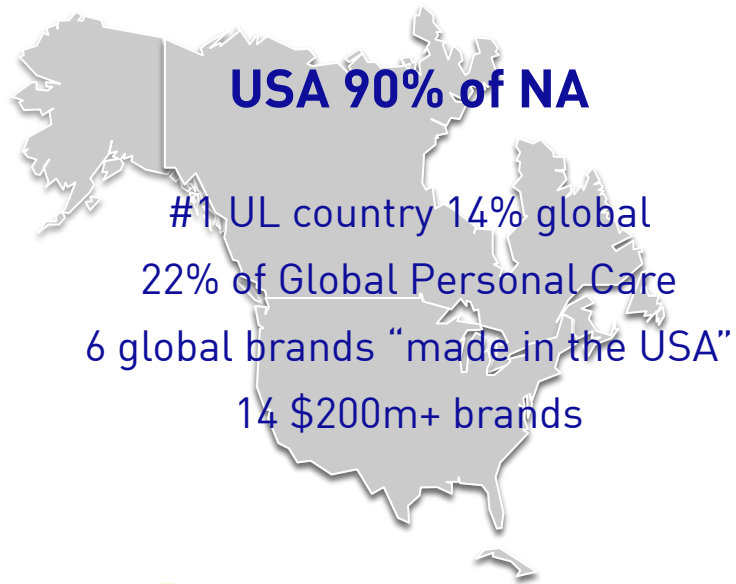
London 4th December 2014



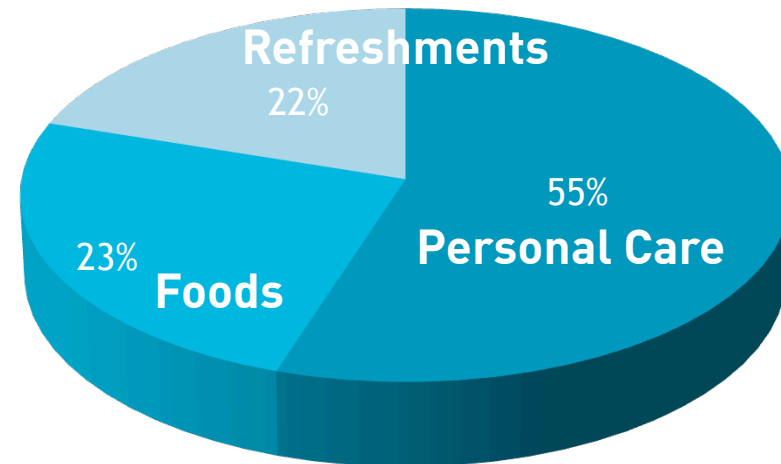
North America Business



€8B in Turnover



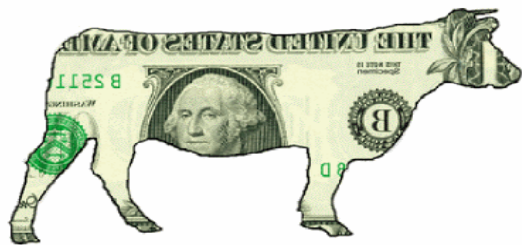
PC over half the business



Market leader in 7 out of 9 Categories

US Business 5 Years Back

Strategic Intent



Profit & Cash

'Off UL Strategy'

- Brand Portfolio
- Sub-scale in PC
- Go to Market

Not aligned

Consequences

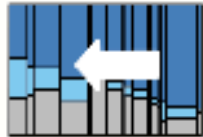
- Brands Equity mixed
- Cost / Quality / Service
- 1.7% Growth
- Share @ 24%

Underinvested

US: Investing Back for Growth



Portfolio Reshape



M&A
Personal Care
Premiumization

Win in the Marketplace

Granularity of Growth
Follow the shopper
Market development



Invest Back



Brand Equity
Quality
Infrastructure

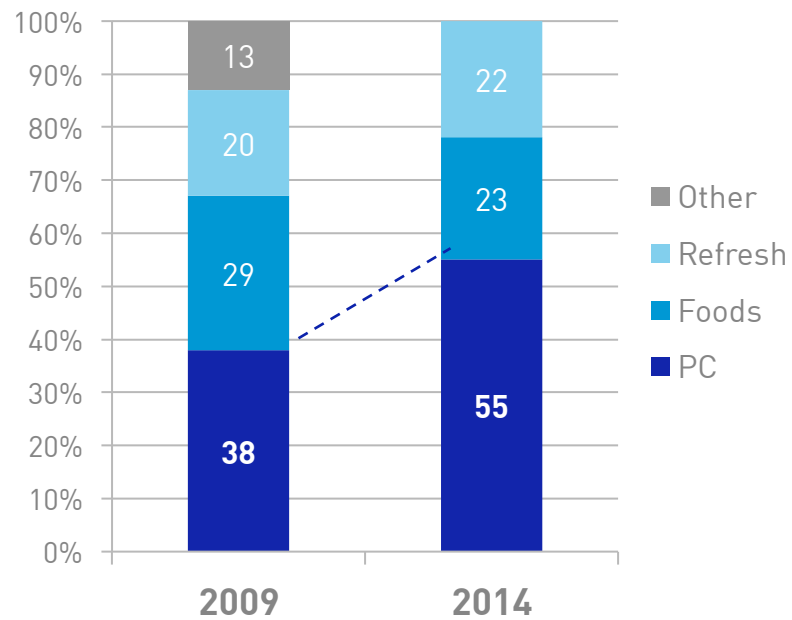
One team USA

Talent
Performance culture
Agility – Easy to Win



Portfolio Re-shape

Strategic Shift



M&A

Attractive In: €0.7B



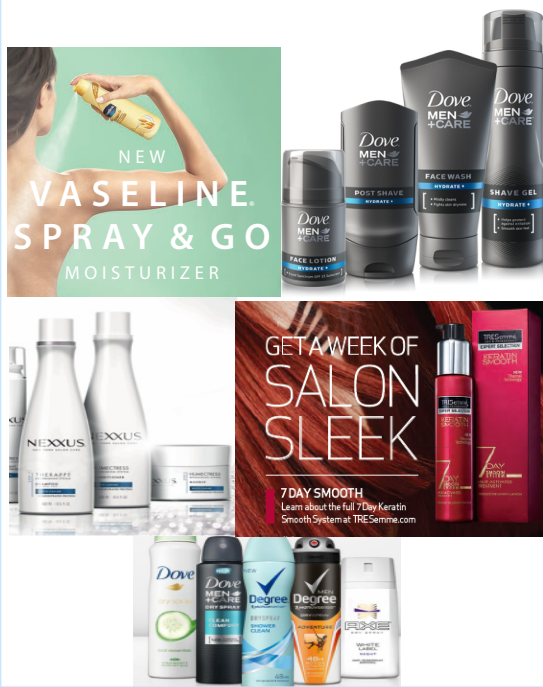
Local Foods Out €1.2B



Portfolio Premiumisation



Personal Care



Foods



Refreshments

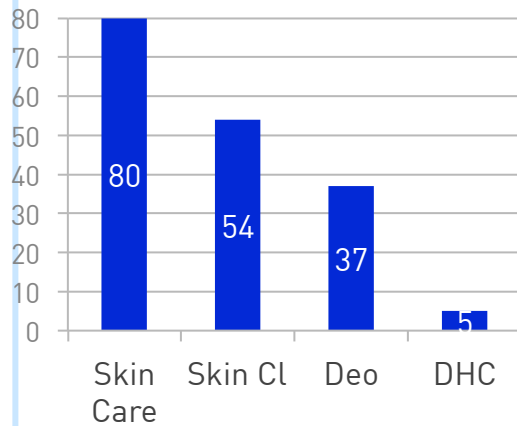


Winning in Personal Care



Broad & Consistent Share Gain

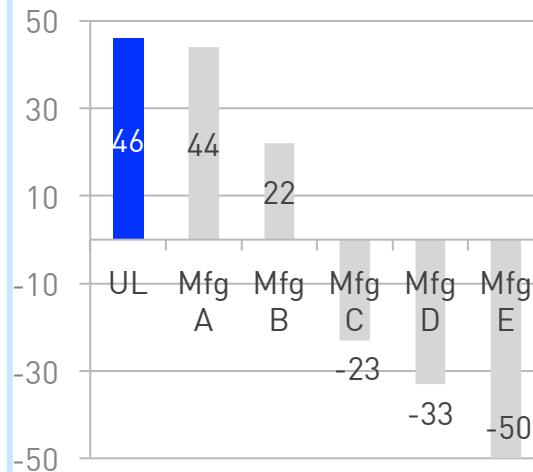
Bps chg '12-14



#1 Hair, Deo, Skin Cleansing

Fastest Growing

PC bps chg '12-14



Leadership:

Daily Hair Care

180 bps

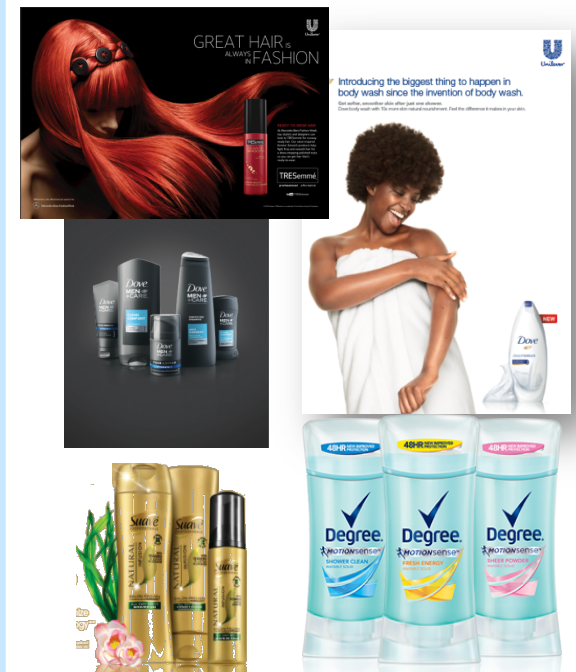
Deodorants:

540 bps

Skin Cleansing:

2330 bps

Key drivers



Spreads a Category in Transition



Innovation & New Technology



Made from the things you'd find ^{B7}



Lemon Juice



Vegetable oil



Vegetable fat



Yogurt



Salt

In a kitchen cupboard

Investment



25% increase BMI

Progress

- Customer Support
- Record high share
- Volume still down

Focused New Organization

Ice Cream: Turnaround



2013: Tough Year



Portfolio Clean up



contact us on +44(

2014: Turnaround

#1



200bps lead

Bolt-on M&A



Value Creation

- Strengthen Leadership
- Attractive Segments

Winning in the Marketplace



Core channels > half the growth



Drugstores



E-commerce

- Building capability
- Building the business
- Digital / Convergence



Discounters



- Strong portfolio
- 97% of winning share

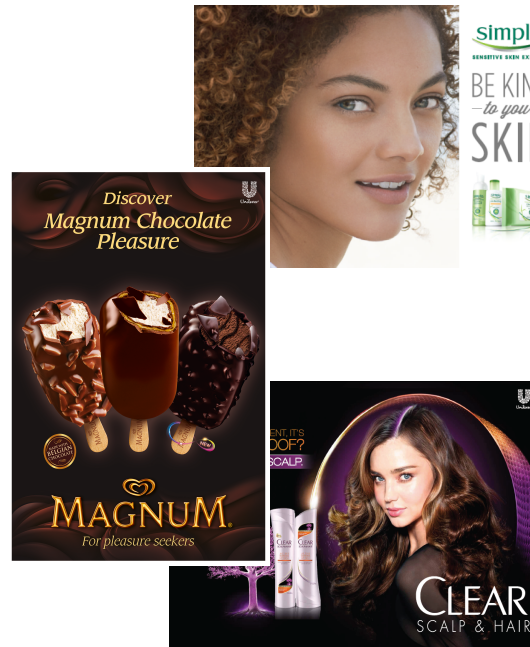
Investing back in brands



Equity in Core



Filling White Space



Brands with Purpose

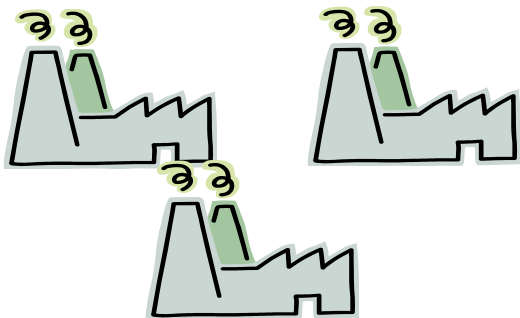
Growth +500 bps > total US



Investing Back - Infrastructure



Infrastructure



Radical streamlining

Factories 31 to 18
DCs 27 to 11

Customer Service



Journey toward competitive advantage

Order fill 91% to 95%

Product Quality

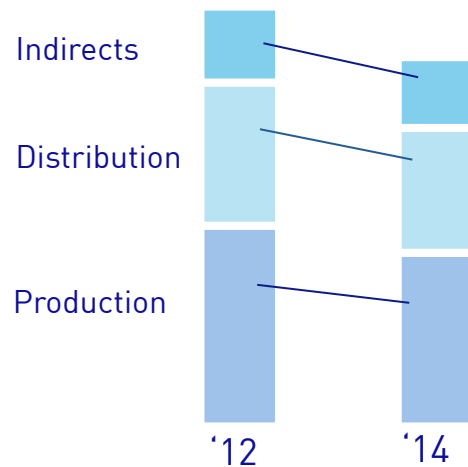


Halved Consumer Complaints

Continuous Improvements



SC controlled costs



Down 150bps

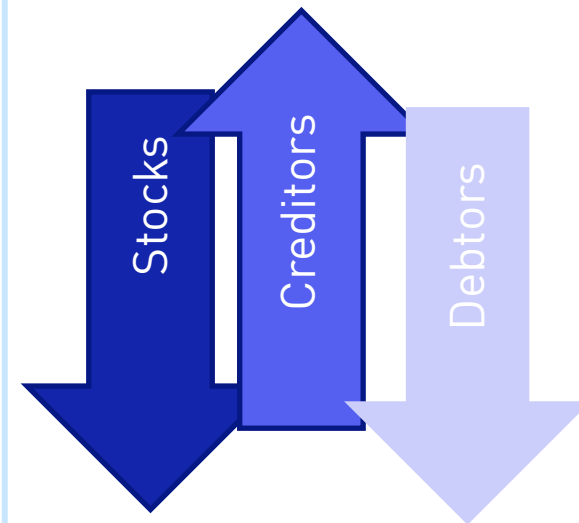
Overheads

*Right size
& shape*



Down 10%

Cash



CCC from +10 to -10 Days

Increasing Agility



Global Alignment



Unilever



US 2015/7
OUR ROADMAP TO WIN

Connected
Organization



One team USA



Project Half



4Gs: results to date



Consistent Growth

Competitive Growth

Profitable Growth

Responsible Growth





2009-2011

2012-2014

Consistent Growth

1,7%

0,9%

- Personal Care

3,3%

Competitive Growth

Share flat @ 24,2

Share @ 27,2%

- AC / Organic

170bps / 130bps

Gross Margin

+5bps

+130bps

Brand Investment

+40bps

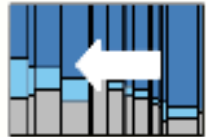
+150bps



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US Summary



- We are improving the portfolio both Organically and through A&D
 - Structural higher growth markets
- We are driving consistent competitive performance
 - Building strong leadership shares in stronger markets
- We are investing in Brands and Infrastructure to ensure that we will continue to win
- We created a low cost, agile organization Fit to Win
- All critical in a low growth environment and continued increased competitive intensity



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London 4th December 2014

