

Annual Accounts 1993

And Additional Financial Information
English Version in Guilders



Unilever

Unilever | Annual Accounts 1993

This booklet and the separate booklet entitled 'Unilever Annual Review 1993' together comprise the full Annual Report and Accounts for 1993 of Unilever N.V. (N.V.) and Unilever PLC (PLC) when expressed in guilders and pounds sterling respectively.

Contents Annual Accounts

- 2** General information
- 3** Statement of directors' responsibilities in relation to the annual accounts
- 3** Report of the auditors
- 4** Accounting policies
- 6** Unilever Group consolidated accounts
- 21** Principal group companies and fixed investments
- 24** N.V. – company accounts and further statutory information
- 27** PLC – company accounts, further statutory information and other information

Additional Financial Information

- 32** Unilever Group five year record
- 37** Quarterly results
- 38** Additional information for United States investors
- 40** Listing details, dates for dividend and interest payments

General information

Unilever

The two parent companies, N.V. and PLC, operate as nearly as is practicable as a single entity, have the same directors and are linked by a series of agreements, including an Equalisation Agreement, which is designed so that the position of the shareholders of both companies is as nearly as possible the same as if they held shares in a single company.

The Equalisation Agreement provides for both companies to adopt the same principles of accountancy and 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 rate of exchange to the dividends and other rights and benefits attaching to each £1 nominal of ordinary share capital of PLC, as if each such unit of capital formed part of the ordinary capital of one and the same company.

Consolidation

By reason of the operational and contractual arrangements referred to above and the internal participating interests set out in note 18 on page 14, N.V. and PLC and their group companies constitute a single group under Netherlands and United Kingdom legislation for the purposes of presenting consolidated accounts. Accordingly the accounts of the Unilever Group are presented by both N.V. and PLC as their respective consolidated accounts. These accounts are supplemented in note 30 on page 20 by additional information for the N.V. and PLC parts of the Group in which group companies are consolidated according to respective ownership.

Companies legislation

The consolidated accounts of the Unilever Group have been prepared under the historical cost convention and comply with Book 2 of the Civil Code in the Netherlands and the United Kingdom Companies Act 1985. The company accounts, the notes to those accounts and the further statutory information given for each of N.V. and PLC comply with legislation in the Netherlands and the United Kingdom respectively.

Accounting standards

The accounts comply with applicable Dutch accounting principles and, except for the matter referred to below, with United Kingdom Accounting Standards.

United Kingdom Statement of Standard Accounting Practice Number 15 (SSAP 15) requires that no provision should be made for deferred taxation when it is probable, based on reasonable assumptions, that a liability will not crystallise. In this respect SSAP 15 is not in agreement with Dutch law as currently applied and, because of that and the Equalisation Agreement, full provision continues to be made for deferred taxation. The effects of this departure from SSAP 15 are shown in the notes to the accounts.

As explained under 'Group companies' on page 4, in order to give a true and fair view, the disclosure of capital and reserves differs from the presentation specified by the United Kingdom Companies Act 1985.

OECD Guidelines

In preparing the annual accounts Unilever adheres to the disclosure recommendations of the OECD Guidelines for Multinational Enterprises.

Publications

Versions of this booklet and of the separate booklet 'Unilever Annual Review 1993' are available, with figures expressed in guilders, in Dutch and English and, with figures expressed in pounds sterling, in English.

Both N.V. and PLC make filings with the United States Securities and Exchange Commission in the form required by United States legislation.

A booklet 'Unilever Charts' gives salient figures for the years 1983-1993, expressed in graphical form.

Copies of all these publications can be obtained without charge on application to Unilever N.V., Corporate Relations Department, PO Box 760, 3000 DK Rotterdam or to Unilever PLC, Corporate Relations Department, PO Box 68, Unilever House, Blackfriars, London EC4P 4BQ.

Statement of directors' responsibilities in relation to the annual accounts

The directors are required by Book 2 of the Civil Code in the Netherlands and the United Kingdom Companies Act 1985 to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Unilever Group, N.V. and PLC as at the end of the financial year and of the profit for the financial year.

The directors consider that in preparing the accounts on pages 2 to 30, the Group, N.V. and PLC have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed, with the exception of the matter referred to under 'Accounting standards' on page 2.

The directors have responsibility for ensuring that N.V. and PLC keep accounting records which disclose with reasonable accuracy the financial position of the Companies and which enable them to ensure that the accounts comply with the relevant legislation.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This statement, which should be read in conjunction with the 'Report of the auditors' set out below, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the accounts.

Report of the auditors

Report of the auditors to the shareholders of Unilever N.V. and Unilever PLC

We have audited the accounts set out on pages 2 to 30.

Respective responsibilities of directors and auditors

As described above, the directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands and the United Kingdom. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the most important estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Unilever Group, Unilever N.V. and Unilever PLC at 31 December 1993 and of the profit, total recognised gains and cash flows of the Group for the year then ended. In our opinion the accounts of the Unilever Group, and of Unilever N.V. and Unilever PLC respectively, have been properly prepared in accordance with Book 2 of the Civil Code in the Netherlands and the United Kingdom Companies Act 1985.

Coopers & Lybrand
Registeraccountants
Rotterdam
As auditors of Unilever N.V.

Coopers & Lybrand
Chartered Accountants and Registered Auditors
London
As auditors of Unilever PLC

21 March 1994

Accounting policies

Group companies

Group companies are those companies in whose share capital N.V. or PLC holds an interest directly or indirectly, and whose consolidation is required for the accounts to give a true and fair view. A list of principal group companies is given on pages 21 to 23.

In order that the consolidated accounts should present a true and fair view, it is necessary to differ from the presentational requirements of the United Kingdom Companies Act 1985 by including amounts attributable to both N.V. and PLC shareholders in the capital and reserves shown in the balance sheet. Net profit and profit of the year retained are presented on a combined basis on page 6, with the net profit attributable to N.V. and PLC shareholders shown separately. Movements in profit retained are analysed between those attributable to N.V. and PLC shareholders in note 19 on page 16. The Companies Act would require presentation of the capital and reserves attributable to PLC and N.V. shareholders as minority interests in the respective consolidated accounts of N.V. and PLC. This presentation would not give a true and fair view of the effect of the Equalisation Agreement referred to on page 2, under which the position of all shareholders is as nearly as possible the same as if they held shares in a single company.

Foreign currencies

Exchange differences arising in the accounts of individual companies are dealt with in their respective profit and loss accounts. Those arising on trading transactions are taken to operating profit; those arising on cash, current investments and borrowings are classified as interest.

In preparing the consolidated accounts, the profit and loss account, cash flow statement and all movements in assets and liabilities are translated at annual average rates of exchange. The balance sheet, other than the ordinary share capital of N.V. and PLC, is translated at year-end rates of exchange. In the case of hyper-inflation economies, the accounts in local currency are adjusted to remove the influences of inflation before being translated.

The ordinary share capital of N.V. and PLC is translated at the rate of £1 = Fl. 12 contained in the Equalisation Agreement. The difference between this and the value derived by applying the year-end rate of exchange is taken to other reserves (see note 20 on page 16).

The effects of exchange rate changes during the year on net assets at the beginning of the year are recorded as a movement in profit retained, as is the difference between profit of the year retained at average rates of exchange and at year-end rates of exchange.

Intangible assets

No value is attributed to intangible assets. Purchased goodwill, being the difference between the price paid for new interests and the fair value of the Group's share of their net assets at the date of acquisition, is written off in the year as a movement in profit retained.

On any subsequent disposal of a business previously acquired, purchased goodwill written off on acquisition is reinstated in arriving at the profit or loss on disposal.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided by the straight-line method at percentages of cost based on the expected average useful lives of the assets. Estimated useful lives by major class are as follows:

Freehold buildings (no depreciation on freehold land)	33 – 40 years
Leasehold land and buildings	*33 – 40 years
Plant and equipment	5 – 20 years
Motor vehicles	3 – 6 years

* or life of lease if less than 33 years

Current cost information is given in note 6 on page 11.

Fixed investments

Fixed investments comprise interests in and loans to associated companies, trade investments and other investments held on a continuing basis. A list of principal fixed investments is given on page 23.

Associated companies and trade investments are companies, other than group companies, in which N.V. or PLC directly or indirectly has a shareholding on a long-term basis for the purpose of securing a contribution to the Group's activities. In the case of associated companies, N.V. or PLC is in a position to exercise significant influence.

Interests in associated companies are stated in the consolidated balance sheet at the Group's share of the underlying net assets. The Group's share of associated companies' profits and losses is included in the consolidated profit and loss account. Trade and other fixed investments are stated at cost less amounts written off.

Current assets

Stocks are stated at the lower of cost and estimated net realisable value, after provisions for obsolescence. Cost is mainly average cost. It comprises direct costs and, where appropriate, a proportion of production overheads.

Debtors are stated after deducting adequate provision for doubtful debts.

Current investments are liquid funds temporarily invested and are shown at their realisable value. The difference between this and their original cost is taken to interest in the profit and loss account.

Financial instruments

Changes in the value of forward foreign exchange contracts are recognised in the results in the same period as changes in the values of the underlying assets and liabilities they are intended to hedge. Interest payments and receipts arising from interest rate derivatives such as swaps and forward rate agreements are matched to those arising from underlying debt and investment positions.

Accounting policies

Retirement benefits

The expected costs of providing retirement pensions under defined benefit schemes, as well as the costs of other post-retirement benefits, are charged to the profit and loss account over the periods benefiting from the employees' services. Variations from expected cost are normally spread over the average remaining service lives of current employees.

Contributions to defined contribution pension schemes are charged to the the profit and loss account as incurred.

Liabilities arising under defined benefit schemes are either externally funded or provided for in the consolidated balance sheet. Any difference between the charge to the profit and loss account in respect of funded schemes and the contributions paid to each scheme is recorded in the balance sheet as a prepayment or provision.

Attention is drawn to note 29 on page 19 on post-retirement health benefits.

Deferred taxation

Full provision is made for deferred taxation, at the rates of tax prevailing at the year-end unless future rates have been enacted, on all significant timing differences arising from the recognition of items for taxation purposes in different periods to those in which they are included in the Group's accounts.

Provision is not made for taxation which would become payable if retained profits of group companies 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 on a SSAP 15 basis is given for information in notes 5 and 15 on pages 10 and 13 respectively.

Research and development

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

Turnover

Turnover comprises sales of goods and services after deduction of discounts and sales taxes. It includes sales to associated companies but does not include sales by associated companies or sales between group companies.

The analysis of turnover by geographical area is stated on the basis of origin. Turnover on a destination basis would not be materially different.

Inter-segment sales between operational segments and between geographical areas are not material.

Intra-group pricing for goods and services

The preferred method for determining transfer prices between group companies 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 group 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 group 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.

Leases

Lease rental payments, which are principally in respect of operating leases, are charged to the profit and loss account on a straight-line basis over the lease term, or between rent reviews where these exist, except where another basis is more appropriate.

Presentation of results

The presentation of the accounts has been changed to comply with United Kingdom Financial Reporting Standard Number 3 'Reporting Financial Performance'. The results from turnover down to operating profit are analysed between continuing and discontinued operations, with the results of acquisitions during the current year shown separately as a component of continuing operations. Certain non-operating exceptional items are shown separately in the profit and loss account below operating profit and before interest. A statement of total recognised gains and losses has been introduced. Figures for previous years are presented on a comparable basis.

In order to assist understanding of the 1993 results, exceptional items, which include significant charges for accelerated restructuring, have been highlighted as a component of operating profit.

	Fl. million	
	1993	1992
Consolidated profit and loss account		
Turnover 1	77 626	76 570
Continuing operations	75 496	75 813
Acquisitions	2 130	
	77 626	
Discontinued operations	—	757
Operating costs 2	(72 229)	(69 994)
Operating profit 1	5 397	6 576
Continuing operations	6 586	6 784
Exceptional items 3	(1 366)	(233)
	5 220	6 551
Acquisitions	177	
	5 397	
Discontinued operations	—	25
Income from fixed investments 7	179	171
Non-operating exceptional items 3	245	—
Interest 4	(409)	(457)
Profit on ordinary activities before taxation	5 412	6 290
Taxation on profit on ordinary activities 5	(1 616)	(2 126)
Profit on ordinary activities after taxation	3 796	4 164
Minority interests	(184)	(162)
Net profit	3 612	4 002
Attributable to: N.V. 19	2 485	2 936
PLC 19	1 127	1 066
Preference dividends	(15)	(15)
Dividends on ordinary capital	(1 494)	(1 450)
Profit of the year retained	2 103	2 537
Statement of total recognised gains and losses		
Net profit	3 612	4 002
Currency retranslation	105	(455)
Total recognised gains	3 717	3 547
Change in accounting policy 29	(602)	
Total recognised gains since last annual accounts	3 115	
Combined earnings per share 27		
Guilders per Fl. 4 of ordinary capital	12.90	14.29
Pence per 5p of ordinary capital	69.45	69.14
On a SSAP 15 basis the figures would be:		
Guilders per Fl. 4 of ordinary capital	12.88	14.87
Pence per 5p of ordinary capital	69.35	71.93

	Fl. million	
	1993	1992
Fixed assets		
Tangible fixed assets 6	21 923	19 537
Fixed investments 7	619	763
	22 542	20 300
Current assets		
Stocks 8	9 901	9 178
Debtors 9	12 254	10 770
Current investments 10	1 645	995
Cash at bank and in hand 11	1 719	3 025
	25 519	23 968
Creditors due within one year		
Borrowings 12	(3 032)	(2 754)
Trade and other creditors 13	(16 785)	(15 586)
	5 702	5 628
Net current assets		
	5 702	5 628
Total assets less current liabilities	28 244	25 928
Creditors due after more than one year		
Borrowings 12	4 230	4 647
Trade and other creditors 13	782	621
Provisions for liabilities and charges		
Pensions and similar obligations 14	5 631	4 345
Deferred taxation and other provisions 15	2 603	2 358
Minority interests 16	1 494	1 307
Capital and reserves 17	13 504	12 650
Attributable to: N.V.:		
Called up share capital 18	905	905
Share premium account	52	52
Profit retained 19	7 652	7 220
Other reserves 20	(137)	(93)
	8 472	8 084
PLC:		
Called up share capital 18	487	486
Share premium account	216	179
Profit retained 19	4 666	4 244
Other reserves 20	(337)	(343)
	5 032	4 566
Total capital employed	28 244	25 928

	Fl. million	
	1993	1992
Net cash inflow from operating activities 22	7 943	8 334
Returns on investments and servicing of finance		
Dividends from fixed investments	59	89
Interest received	496	538
Interest paid	(976)	(1 141)
Dividends paid	(1 429)	(1 375)
Dividends paid to minority shareholders	(164)	(124)
Net cash outflow from returns on investments and servicing of finance	(2 014)	(2 013)
Taxation	(1 482)	(1 785)
Investing activities		
Capital expenditure	(3 830)	(3 438)
Disposal of tangible fixed assets	409	324
Single European Market restructuring	(167)	(173)
Acquisition of group companies 21	(1 624)	(886)
Disposal of group companies 21	132	1 239
Acquisition/disposal of fixed investments	228	4
Purchase/sale of current investments maturing after more than three months from date of investment	(216)	48
Net cash outflow from investing activities	(5 068)	(2 882)
Net cash (outflow)/inflow before financing	(621)	1 654
Financing activities		
Increase in borrowings due after more than three months from date of advance 23	2 360	1 471
Decrease in borrowings due after more than three months from date of advance 23	(2 717)	(2 160)
Issue of ordinary share capital 23	29	40
Issue of shares to minorities by group companies	85	—
Net cash outflow from financing	(243)	(649)
(Decrease)/increase in cash and cash equivalents	(864)	1 005
Cash and cash equivalents 1 January	1 859	978
Currency retranslation	(120)	(124)
(Decrease)/increase in cash and cash equivalents	(864)	1 005
Cash and cash equivalents 31 December	875	1 859
Of which:		
Cash at bank and in hand	1 719	3 025
Current investments maturing within three months from date of investment	415	150
Borrowings due within three months from date of advance	(1 259)	(1 316)

1 Segmental information

Fl. million	1993			1992
	Continuing operations	Acquisitions	Total	Total
Turnover				
By geographical area:				
Europe	42 108	171	42 279	44 302
North America	15 547	301	15 848	15 022
Rest of the World	17 841	1 658	19 499	16 489
	<u>75 496</u>	<u>2 130</u>	<u>77 626</u>	<u>75 813</u>
Discontinued operations			–	757
			<u>77 626</u>	<u>76 570</u>
By operation:				
Foods	38 104	1 877	39 981	39 465
Detergents	18 012	126	18 138	18 220
Personal products	10 982	94	11 076	9 919
Speciality chemicals	6 486	33	6 519	6 083
Other operations	1 912	–	1 912	2 126
	<u>75 496</u>	<u>2 130</u>	<u>77 626</u>	<u>75 813</u>
Discontinued operations			–	757
			<u>77 626</u>	<u>76 570</u>
Operating profit				
By geographical area:				
Europe	2 927	6	2 933	3 833
North America	664	18	682	1 193
Rest of the World	1 629	153	1 782	1 525
	<u>5 220</u>	<u>177</u>	<u>5 397</u>	<u>6 551</u>
Discontinued operations			–	25
			<u>5 397</u>	<u>6 576</u>
By operation:				
Foods	2 647	152	2 799	3 374
Detergents	855	7	862	1 329
Personal products	920	15	935	967
Speciality chemicals	651	3	654	708
Other operations	147	–	147	173
	<u>5 220</u>	<u>177</u>	<u>5 397</u>	<u>6 551</u>
Discontinued operations			–	25
			<u>5 397</u>	<u>6 576</u>

There were no discontinued operations in 1993. Discontinued operations in 1992 represent the withdrawal from those agribusiness operations which did not support the Group's core businesses.

	1993	1992
Net operating assets		
By geographical area:		
Europe	10 232	9 627
North America	6 095	6 621
Rest of the World	5 500	4 543
	<u>21 827</u>	<u>20 791</u>
By operation:		
Foods	11 438	10 058
Detergents	4 372	4 707
Personal products	2 136	2 315
Speciality chemicals	3 545	3 447
Other operations	336	264
	<u>21 827</u>	<u>20 791</u>

Net operating assets are tangible fixed assets, stocks and debtors less trade and other creditors (excluding taxation and dividends) and less provisions for liabilities and charges other than deferred taxation and deferred purchase consideration. Fl. 189 million (1992: Fl. 406 million).

	Fl. million	
	1993	1992
2 Operating costs		
Cost of sales	(44 153)	(43 893)
Continuing operations	(42 626)	(43 344)
Acquisitions	(1 527)	
	(44 153)	
Discontinued operations	—	(549)
Distribution and selling costs	(18 248)	(17 395)
Continuing operations	(18 006)	(17 332)
Acquisitions	(242)	
	(18 248)	
Discontinued operations	—	(63)
Administrative expenses	(9 828)	(8 706)
Continuing operations	(9 644)	(8 587)
Acquisitions	(184)	
	(9 828)	
Discontinued operations	—	(119)
	(72 229)	(69 994)
These comprise:		
Remuneration of employees	(10 676)	(10 733)
Emoluments of directors as managers	(19)	(25)
Pension costs:		
Defined benefit schemes	(520)	(404)
Defined contribution schemes	(46)	(52)
Post-retirement health benefits	(130)	(68)
Social security costs	(1 516)	(1 562)
Superannuation of former directors	(5)	(6)
Total staff costs	(12 912)	(12 850)
Raw materials and packaging	(34 324)	(34 537)
Advertising and promotion	(9 148)	(8 475)
Depreciation	(1 880)	(1 727)
Lease rentals: Plant and machinery	(273)	(260)
Other tangible assets	(547)	(547)
Audit fees	(17)	(17)
Other costs	(13 128)	(11 581)
	(72 229)	(69 994)
Costs included above:		
Research and development	(1 442)	(1 430)
3 Exceptional items		
Included in administrative expenses		
Restructuring	(1 444)	(283)
Other including business disposals	78	50
	(1 366)	(233)
By geographical area:		
Europe	(781)	(131)
North America	(506)	(12)
Rest of the World	(79)	(90)
	(1 366)	(233)
By operation:		
Foods	(510)	(50)
Detergents	(501)	(99)
Personal products	(232)	(6)
Speciality chemicals	(117)	(40)
Other operations	(6)	(38)
	(1 366)	(233)

	Fl. million	
	1993	1992
3 Exceptional items (continued)		
Non-operating exceptional items		
Profit in continuing operations on disposal of: Properties	94	—
Fixed investments	151	—
Loss on disposal of discontinued operations	—	(236)
less: provision in the prior year	—	236
	245	—
4 Interest		
Interest payable and similar charges	(977)	(1 098)
Interest receivable and similar income	586	646
Exchange differences	(18)	(5)
	(409)	(457)
Interest payable on borrowings the final repayment of which will be made within five years	(818)	(905)
5 Taxation on profit on ordinary activities		
Parent and group companies (a)	(1 564)	(2 074)
Associated companies	(52)	(52)
	(1 616)	(2 126)
Of which:		
Adjustments to previous years	286	183
Taxation on non-operating exceptional items	(39)	—
(a) United Kingdom Corporation Tax at 33% (1992: 33%)	(408)	(468)
less: double tax relief	139	189
plus: non-United Kingdom taxes	(1 295)	(1 795)
	(1 564)	(2 074)
Deferred taxation has been included on a full provision basis for:		
Accelerated depreciation	(139)	(131)
Other	159	(57)
	20	(188)
On a SSAP 15 basis the above would be:		
Accelerated depreciation	2	39
Other	11	(46)
	13	(7)
Profit on ordinary activities after taxation on a SSAP 15 basis would be	3 789	4 345

	Fl. million	
	1993	1992
6 Tangible fixed assets		
Tangible fixed assets at cost less depreciation:		
Land and buildings (a)	6 431	5 708
Plant and machinery	15 492	13 829
	21 923	19 537
(a) includes: freehold land	843	731
leasehold land (mainly short-term – less than 50 years)	183	140
Tangible fixed assets at current replacement cost would have been:		
Gross	47 137	43 176
Depreciation	(20 227)	(18 815)
Net	26 910	24 361
On a current replacement cost basis the depreciation charge in the profit and loss account would have been increased by	(688)	(730)
At 31 December, capital expenditure authorised and not spent amounted to	2 394	2 564
Of these amounts, commitments had been entered into for	873	754
	Land and buildings	Plant and machinery
Movements during 1993		
Cost		
1 January	7 833	23 580
Currency retranslation	219	460
Expenditure	666	3 164
Disposals	(257)	(1 379)
Acquisition/disposal of group companies	305	659
Other adjustments	(2)	(19)
31 December (b)	8 764	26 465
Depreciation		
1 January	2 125	9 751
Currency retranslation	60	199
Disposals	(109)	(960)
Acquisition/disposal of group companies	60	181
Charged to profit and loss account	179	1 701
Other adjustments	18	101
31 December	2 333	10 973
Net book value 31 December	6 431	15 492
(b) includes payments on account and assets in course of construction	418	1 463

	Fl. million	
	1993	1992
7 Fixed investments		
Associated companies	347	375
Other fixed investments	272	388
	619	763
Income from fixed investments		
Share of associated companies' profit before taxation	157	135
Income from other fixed investments	22	36
	179	171
Associated companies		
Shares listed on a recognised stock exchange	171	166
Unlisted shares	176	209
	347	375
Market value of listed shares	283	884
Movements during the year:		
1 January	375	
Currency retranslation	21	
Additions/disposals	(29)	
Changes to subsidiaries	(83)	
Share of profit after taxation	105	
Dividends	(42)	
31 December	347	
Other fixed investments		
Shares and securities listed on a recognised stock exchange	39	145
Unlisted shares	233	243
	272	388
Market value of listed shares and securities	67	293
Movements during the year:		
1 January	388	
Currency retranslation	4	
Additions/reductions	(120)	
31 December	272	

	Fl. million	
	1993	1992
8 Stocks		
Raw materials and consumables	3 961	3 707
Work in progress	504	468
Finished goods and goods for resale	5 436	5 003
	9 901	9 178
9 Debtors		
Due within one year:		
Trade debtors	8 913	7 729
Other debtors	1 738	1 699
Prepayments and accrued income	804	754
	11 455	10 182
Due after one year:		
Prepayments to funded pension schemes	455	364
Other debtors	344	224
	799	588
Total debtors	12 254	10 770
10 Current investments		
Listed on a recognised stock exchange	1 549	927
Unlisted	96	68
	1 645	995
11 Cash at bank and in hand		
On call and in hand	1 428	1 465
Repayment notice required	291	1 560
	1 719	3 025
12 Borrowings		
Bank loans and overdrafts	1 918	1 525
Bonds and other loans	5 344	5 876
	7 262	7 401
The repayments fall due as follows:		
Within 1 year (a)	3 032	2 754
After 1 year but within 2 years	687	802
After 2 years but within 5 years	2 205	1 719
After 5 years: By instalments	49	80
Not by instalments	1 289	2 046
	4 230	4 647
(a) of which bank loans and overdrafts	1 637	1 281
Total amount due on borrowings repayable by instalments any of which are payable after 5 years	250	269
Secured borrowings – mainly bank loans and overdrafts	380	389
Of which:		
Secured against: Tangible fixed assets	281	295
Other assets	99	94

	Fl. million	
	1993	1992
12 Borrowings (continued)		
Bonds and other loans		
N.V.		
12¼% Notes 1994 (Italian Lire)	168	185
5¼% Bonds 1995 (a)	200	199
3¼% Bonds 1995 (Swiss Frs.) (b)	195	188
9¾% Bonds 1997 (French Frs.)	327	331
9% Bonds 2000 (a)	500	500
Other	267	629
Total N.V. (see page 25)	1 657	2 032
PLC		
12¼% Notes 1994 (c)	287	276
7¾% Notes 1998 (c)	287	—
Other	112	304
Total PLC	686	580
Sterling equivalent in millions (see page 28)	239	210
Other group companies		
U.S.A.		
7¾% Bonds 1994 (ECU) (d)	250	251
5¼% Notes 1995 (Swiss Frs.) (e)	195	188
8% Notes 1996	482	458
8¾% Notes 1998	289	273
9¼% Notes 2000 (d)	775	731
Other	462	908
Other loans	548	455
Total other group companies	3 001	3 264
Total bonds and other loans	5 344	5 876
Of which repayable within one year	1 395	1 473

Swapped into:

- floating rate guilders
- floating rate United States dollars and guilders
- floating rate sterling
- floating rate United States dollars
- fixed rate United States dollars

The Group's principal lines of credit are multi-currency facility agreements with nine banks under which the Group may borrow up to 1 January 1996 funds aggregating £1 350 million for general financing purposes or for acquisitions. These lines of credit were undrawn at 31 December 1993.

In addition, there are extensive facilities available to Unilever subsidiaries in most countries to meet the day to day needs of operating companies.

	Fl. million	
	1993	1992
13 Trade and other creditors		
Due within one year:		
Trade creditors	7 839	7 112
Social security and sundry taxes	802	718
Accruals and deferred income	3 157	2 895
Taxation on profits	1 441	1 403
Dividends	1 138	1 043
Others	2 408	2 415
	16 785	15 586
Due after one year:		
Accruals and deferred income	147	105
Taxation on profits	404	276
Others	231	240
	782	621
Total creditors	17 567	16 207
14 Pensions and similar obligations		
Provisions in respect of:		
Unfunded pension schemes	4 001	4 001
Funded pension schemes	265	344
Post-retirement health benefits	1 365	—
	5 631	4 345
Due within one year	433	347
Due after one year	5 198	3 998
	5 631	4 345
Movements during the year:		
1 January	4 345	
Currency retranslation	49	
Change in accounting policy 29	952	
Profit and loss account	696	
Payments	(545)	
Other adjustments	134	
31 December	5 631	
15 Deferred taxation and other provisions		
Deferred taxation on:		
Accelerated depreciation	3 243	3 054
Stock reliefs	144	144
Pension and similar provisions	(950)	(524)
Short-term and other timing differences	(1 935)	(1 465)
Advance Corporation Tax (a)	(124)	(121)
Deferred taxation	378	1 088
Restructuring provisions related to acquisitions	157	103
Other provisions	2 068	1 167
	2 603	2 358

(a) Advance Corporation Tax is available for offset against future United Kingdom Corporation Tax liabilities.

	Fl. million	
	1993	1992
15 Deferred taxation and other provisions (continued)		
Movements in deferred taxation:		
1 January	1 088	
Currency retranslation	1	
Change in accounting policy 29	(350)	
Acquisition/disposal of group companies	(368)	
Profit and loss account	(20)	
Reclassifications and other movements	27	
31 December	378	
On a SSAP 15 basis provision for deferred taxation would be	25	38
Movements in restructuring provisions related to acquisitions:		
1 January	103	
Currency retranslation	3	
Acquisition/disposal of group companies	117	
Profit and loss account	(4)	
Utilisation	(62)	
31 December	157	
Movements in other provisions:		
1 January	1 167	
Currency retranslation	61	
Acquisition/disposal of group companies	15	
Profit and loss account	1 385	
Utilisation	(560)	
31 December	2 068	
16 Minority interests		
Minority interests include Fl. 784 million (1992: Fl. 788 million) preference shares in a group company which were repurchased on 13 January 1994 at this value.		
17 Capital and reserves		
Profit of the year retained	2 103	2 537
Goodwill movements	(752)	(557)
Currency retranslation	118	(504)
Change in book value of N.V. shares or certificates held by group companies in connection with N.V. share options	(42)	(31)
Issue of shares under share option schemes	29	40
Net movement during the year	1 456	1 485
Change in accounting policy 29	(602)	—
Capital and reserves – 1 January	12 650	11 165
Capital and reserves – 31 December	13 504	12 650

18 Called up share capital

Authorised			Nominal value per share	Number of shares allotted	Allotted, called up and fully paid
1993	1992				1993 1992
Fl. million		Preferential share capital			Fl. million
75	75	N.V.			
200	200	7% Cumulative Preference	Fl. 1 000	29 000	29 29
75	75	6% Cumulative Preference	Fl. 1 000	161 060	161 161
		4% Cumulative Preference (a)	Fl. 100	750 000	75 75
350	350				265 265
Fl. million		Ordinary share capital			Fl. million
1 000	1 000	N.V.			
2	2	Ordinary	Fl. 4	160 041 250	640 640
—	—	Ordinary (shares numbered 1 to 2 400)	Fl. 1 000	2 400	2 2
		Internal holdings eliminated in consolidation (Fl. 1 000 shares)			(2) (2)
1 002	1 002				640 640
		Total N.V. share capital			905 905
£ million		PLC			£ million
136.2	136.2	Ordinary: (1993)	5p	811 634 649 (b)	40.6 40.5
0.1	0.1	(1992)	5p	809 473 678	0.1 0.1
—	—	Deferred	£1 stock	100 000	(0.1) (0.1)
		Internal holdings eliminated in consolidation (£1 stock)			
136.3	136.3	Total PLC share capital			40.6 40.5
		Guilder equivalent in millions			487 486

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

(b) The increase in PLC ordinary shares and share premium account is due to the issue of shares under the PLC 1985 Sharesave Scheme and the PLC 1985 Executive Share Option Schemes.

Under the arrangements for the variation of the Leverhulme Trust, shares in a group company have been issued which are convertible at the end of the year 2038 into a maximum of 51 875 000 ordinary shares of PLC.

Internal holdings

The ordinary shares numbered 1 to 2 400 (inclusive) in N.V. and 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. A nominal dividend of 1/4% was paid on the deferred stock of PLC. The above-mentioned subsidiaries have waived their rights to dividends on their ordinary shares in N.V.

The directors of N.V. Elma are N.V. and PLC, who with Mr. M. Tabaksblat and Sir Michael Perry are also directors of United Holdings Limited. Mr. F.A. Maljers was a director of United Holdings Limited until 8 March 1994 when he was succeeded by Mr. M. Tabaksblat.

18 Called up share capital (continued)

Share options

At 31 December 1993 De Duif B.V. and Unilever United States, Inc., subsidiaries of N.V., held certificates (depository receipts) representing 733 127 (1992: 545 571) Fl. 4 ordinary shares of N.V. in connection with Unilever N.V. share options. The book value of these shares is eliminated in consolidation by deduction from other reserves (see note 20 on page 16).

Trusts exist in the United Kingdom and Ireland to purchase and hold PLC shares to satisfy options granted under the respective share option schemes. The trusts are not group companies and are not consolidated in the group accounts. Costs and expenses of the trusts are recoverable from PLC and its subsidiaries and these costs and expenses are included in the results of the Group. The trustee of each trust has agreed, until further notice, to waive dividends on the shares held, save for the nominal sum of 0.01p per 5p ordinary share. At 31 December 1993 the trusts together held 14 619 164 (1992: 13 397 980) shares.

Options granted to directors and employees to acquire ordinary shares of N.V. and PLC and still outstanding at 31 December 1993 were as follows:

	Number of shares	Range of option prices per share	Date normally exercisable
N.V. Share Options			
(Shares of Fl. 4)	5 380	Fl. 70.24	1994-1995
	3 425	Fl. 103.10	1994-1997
	7 118	Fl. 129.30 – Fl. 139.30	1994
	31 801	Fl. 147.50 – Fl. 154.40	1994-1995
	140 309	Fl. 157.20 – Fl. 168.20	1994-1996
	184 201	Fl. 185.00 – Fl. 187.20	1994-1997
	179 193	Fl. 197.10 – Fl. 221.40	1994-1998
	66 800	US\$ 102.75	1994-2002
	114 900	US\$ 107.25	1994-2003
PLC 1985 Executive Share Option Schemes (Shares of 5p)			
	66 845	£2.90	1994-1995
	155 520	£5.07	1994-1996
	51 113	£4.82	1994-1997
	118 224	£4.37	1994-1998
	397 691	£5.37 – £5.47	1994-1998
	24 753	£6.40	1994-1999
	731 604	£6.46 – £6.63	1994-1999
	1 082 908	£7.30 – £7.35	1994-2000
	234 515	£8.26	1994-2001
	842 099	£9.07	1995-2001
	185 432	£10.46	1995-2002
	649 471	£10.14	1996-2002
	49 432	£11.10	1996-2003
PLC 1985 Sharesave Scheme			
(Shares of 5p)	124 414	£3.91	1994
	2 221 178	£5.07	1994-1995
	2 661 675	£5.31	1995-1996
	2 924 958	£5.84	1996-1997
	4 551 089	£7.26	1997-1998
	2 259 140	£9.13	1998-1999

Fl. million	N.V.		PLC	
	1993	1992	1993	1992
19 Profit retained				
Net profit	2 485	2 936	1 127	1 066
Preference dividends	(15)	(15)	—	—
Dividends on ordinary capital	(938)	(923)	(556)	(527)
Profit of the year retained	1 532	1 998	571	539
Goodwill movements	(586)	(509)	(166)	(48)
Currency retranslation	(80)	43	185	(498)
Net movement during the year	866	1 532	590	(7)
Change in accounting policy 29	(434)	—	(168)	—
Profit retained – 1 January	7 220	5 688	4 244	4 251
Profit retained – 31 December	7 652	7 220	4 666	4 244
Of which retained by:				
Parent companies	3 986	3 814	2 387	2 200
Other group companies	3 580	3 300	2 095	1 895
Associated companies	86	106	184	149
	7 652	7 220	4 666	4 244
Cumulative goodwill written off	(10 800)	(10 214)	(5 503)	(5 337)
20 Other reserves				
Adjustment on translation of PLC's ordinary capital at £1 = Fl. 12	—	—	(370)	(374)
Capital redemption reserve	—	—	33	31
Book value of N.V. shares or certificates held by group companies in connection with N.V. share options	(137)	(93)	—	—
	(137)	(93)	(337)	(343)

21 Acquisition and disposal of group companies

The net assets and results of acquired businesses are included in the consolidated accounts from their respective dates of acquisition. The following table sets out the effect of acquisitions in 1993 on the consolidated balance sheet.

Acquisitions	Balance sheets of acquired companies	Revaluations and reclassifications	Restructuring provisions and other adjustments	Fair values at date of acquisition
Fixed assets	724	(53)	—	671
Intangible assets	106	(106)	—	—
Current assets	657	6	—	663
Creditors	(526)	(25)	—	(551)
Provisions for liabilities and charges:				
Pensions and similar obligations	—	(28)	—	(28)
Deferred taxation	(3)	326	50	373
Other provisions	—	—	(117)	(117)
Minority interests	(114)	28	—	(86)
Total net assets acquired	844	148	(67)	925

	Fl. million	
	1993	1992
21 Acquisition and disposal of group companies (continued)		
Acquisitions		
Net assets acquired	(925)	(404)
Goodwill written off	(749)	(552)
Consideration	(1 674)	(956)
Deferred consideration	61	77
Cash and cash equivalents of companies acquired	(11)	(7)
Movement in cash and cash equivalents	(1 624)	(886)
Disposals		
Net assets sold	98	760
Attributable goodwill	28	84
Profit on sale	20	(183)
Consideration	146	661
Deferred consideration	17	584
Cash and cash equivalents of companies sold	(31)	(6)
Movement in cash and cash equivalents	132	1 239
Of which:		
Discontinued operations	—	1 001
Other disposals	132	238
22 Net cash inflow from operating activities		
Operating profit	5 397	6 576
Adjustments to reconcile operating profit to net cash flow from operating activities:		
Depreciation	1 880	1 727
Changes in working capital: Stocks	(351)	(393)
Debtors	(1 073)	(542)
Creditors	795	1 172
Retirement benefit provisions less payments	151	188
Other provisions less payments	908	95
Other adjustments	236	(489)
	7 943	8 334
23 Analysis of changes in financing during the year		
Borrowings due after more than three months from date of advance:		
1 January	6 085	6 748
Currency retranslation	173	26
Acquisition/disposal of group companies	102	—
Net cash outflow	(357)	(689)
31 December	6 003	6 085
Share capital and share premium:		
1 January	1 622	1 607
Currency retranslation	9	(25)
Cash inflow	29	40
31 December	1 660	1 622

	Fl. million	
	1993	1992
24 Contingent liabilities		
Contingent liabilities are not expected to give rise to any material loss. They include:		
Guarantees	640	593
Bills discounted	94	99
Guarantees given by the parent companies or by group companies relating to liabilities included in the consolidated accounts are not included above.		
Litigation against companies in the Group and other contingent liabilities, including obligations under environmental legislation in various countries, are not considered to be material in the context of these accounts.		
25 Commitments		
Long-term lease commitments, principally for operating leases, in respect of:		
Land and buildings	2 956	3 052
Other tangible assets	662	864
	3 618	3 916
The commitments fall due as follows:		
Within 1 year	644	719
After 1 year but within 5 years	1 634	1 732
After 5 years	1 340	1 465
	3 618	3 916
Other commitments:		
Commitments under agreements at 31 December to acquire group companies	918	—
Other	272	379
	1 190	379
Of which payable within one year	1 029	198
Exposure on third-party fixed price contracts at 31 December, mainly for commodities:		
Purchase contracts	1 325	1 269
Sale contracts	325	260
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 at maturity were the same as those ruling at 31 December.		
26 Average number of employees		
The average number of employees during the year was, in thousands:		
Europe	105	107
North America	32	32
Rest of the World	157	148
	294	287

27 Combined earnings per share

The calculations of combined earnings per share are based on the Unilever Group net profit attributable to ordinary capital divided by the average number of share units representing the combined ordinary capital of N.V. and PLC in issue during the year, after deducting the shares held by N.V. subsidiaries and the Unilever employee share trusts. For the calculation of combined ordinary capital the rate of exchange £1 = Fl. 12 has been used, in accordance with the Equalisation Agreement.

The calculations are:

	Thousands of Fl. 4 share units		Thousands of 5p share units	
	1993	1992	1993	1992
Average ordinary capital: N.V.	160 041	160 041	1 066 942	1 066 942
PLC	121 614	121 261	810 761	808 403
less: N.V. shares held by subsidiaries of N.V.				
in connection with N.V. share options	(686)	(504)	(4 574)	(3 357)
PLC shares held by the Unilever employee share trusts	(2 150)	(1 791)	(14 336)	(11 943)
Combined average number of share units	278 819	279 007	1 858 793	1 860 045
	Fl. million		£ million	
Net profit	3 612	4 002	1 296	1 291
less: Preference dividends	(15)	(15)	(5)	(5)
Net profit attributable to ordinary capital	3 597	3 987	1 291	1 286
Divided by combined share units =	Fl. 12.90	Fl. 14.29	69.45p	69.14p
On a SSAP 15 basis the calculations would be:				
Net profit attributable to ordinary capital	3 591	4 148	1 289	1 338
Divided by combined share units =	Fl. 12.88	Fl. 14.87	69.35p	71.93p

The effects on combined earnings per share of (a) full conversion into PLC ordinary shares of the shares in a group company which are convertible in the year 2038 as described in note 18 on page 14, and (b) the exercise of share options, details of which are set out in note 18 on page 15, are not material.

28 Pension schemes

In the majority of countries in which the Group operates, employees' retirement arrangements are provided by defined benefit schemes. These are either externally funded, with the assets of the scheme held separately from those of the Group in independently administered funds, or are unfunded but with provisions maintained in the Group balance sheet. All are subject to regular actuarial review. Actuarial advice is provided by both external consultants and actuaries employed by the Unilever Group.

Valuations are usually carried out using prospective benefit methods, the aims of which are to ensure that current and future charges remain a stable percentage of pensionable payroll. The principal actuarial assumptions adopted usually assume that, over the long term, the annual rate of return on investments will be higher than the annual increase in pensionable remuneration or in present and future pensions in payment.

The market value of the assets of externally funded defined benefit schemes at 31 December 1993 was Fl. 21 458 million (1992: Fl. 17 167 million). The level of funding of all defined benefit schemes at the dates of the last valuations, in aggregate, was 118% (1992: 125%). The levels of funding represent the actuarial value of fund assets and the provisions held in the consolidated accounts at the dates of the most recent valuations expressed as a percentage of the aggregate benefits that had accrued to members at those dates, after allowing for future increases expected thereafter in pensionable remuneration and pensions in the course of payment.

Pension costs and company contributions to defined benefit schemes have been reduced in recent years by the amortisation of surpluses in some funds. This situation is expected to continue for a number of years, although there will be a gradual increase in costs and contributions as the level of surpluses declines.

The Group also operates a number of defined contribution schemes throughout the world. The assets of all the Group's defined contribution schemes are held in independently administered funds. The pension costs charged to the profit and loss account represent contributions payable by the Group to the funds.

29 Post-retirement health benefits

Group companies provide post-retirement health care benefits to a number of retired employees in certain countries, principally the United States, under several different plans which are predominantly unfunded.

The Group changed its accounting policy in 1993 from recognising the costs of providing these benefits as they are incurred to an accruals basis, in order that such costs are charged to the periods benefiting from the employees' services. In assessing the liability, advice has been obtained from independent actuaries. The valuations assume that medical cost inflation will fall from current levels over the next few years.

The effect of the change in accounting policy is a charge of Fl. 602 million, net of deferred tax relief of Fl. 350 million, to recognise the accrued obligation at 1 January 1993, which has been dealt with as an adjustment to profit retained at that date. The additional annual costs in 1993 as a result of the change are Fl. 78 million. In view of the immaterial effect on profits, comparative figures for prior years have not been restated.

30 Summarised accounts of the N.V. and PLC parts of the Group

The following summarised accounts present the profit and loss account and balance sheet of the Unilever Group analysed between the N.V. and PLC parts of the Group according to respective ownership.

Fl. million	N.V.		PLC	
	1993	1992	1993	1992
Profit and loss account				
<i>for the year ended 31 December</i>				
Turnover	54 112	53 267	23 514	23 303
Operating profit	3 503	4 607	1 894	1 969
Income from fixed investments	73	62	106	109
Non-operating exceptional items	228	—	17	—
Interest	(239)	(220)	(170)	(237)
Profit on ordinary activities before taxation	3 565	4 449	1 847	1 841
Taxation on profit on ordinary activities	(985)	(1 411)	(631)	(715)
Profit on ordinary activities after taxation	2 580	3 038	1 216	1 126
Minority interests	(95)	(102)	(89)	(60)
Net profit	2 485	2 936	1 127	1 066
Balance sheet				
<i>as at 31 December</i>				
Fixed assets	15 213	13 718	7 329	6 582
Current assets				
Stocks and debtors	15 095	13 718	7 060	6 230
Cash and current investments	2 019	3 079	1 345	941
	17 114	16 797	8 405	7 171
Creditors due within one year				
Borrowings	(1 995)	(2 107)	(1 037)	(647)
Trade and other creditors	(11 700)	(11 002)	(5 085)	(4 584)
Net current assets	3 419	3 688	2 283	1 940
Total assets less current liabilities	18 632	17 406	9 612	8 522
Creditors due after more than one year				
Borrowings	2 977	3 246	1 253	1 401
Trade and other creditors	621	505	161	116
Provisions for liabilities and charges	6 182	5 149	2 052	1 554
Intra-group – N.V./PLC	(644)	(560)	644	560
Minority interests	1 024	982	470	325
Capital and reserves	8 472	8 084	5 032	4 566
Total capital employed	18 632	17 406	9 612	8 522

The companies listed below and on pages 22 and 23 are those which in the opinion of the directors principally affect the amount of profit and assets shown in the Unilever Group accounts. The directors consider that those companies not listed are not significant in relation to Unilever as a whole.

Full information as required by Articles 379 and 414 of Book 2, Civil Code, in the Netherlands has been filed by N.V. with the Commercial Registry in Rotterdam.

Particulars of PLC group companies and other significant holdings as required by the United Kingdom Companies Act 1985 will be annexed to the next Annual Return of PLC.

The main activities of the companies listed below are indicated according to the following key:

Holding companies	H
Foods	F
Detergents	D
Personal products	P
Speciality chemicals	C
Other operations	O

Unless otherwise indicated the companies are incorporated and principally operate in the countries under which they are shown.

The letters N.V. or PLC after the name of each country indicate whether in the country concerned the shares in the companies listed are held directly or indirectly by N.V. or by PLC.

The percentage of equity capital directly or indirectly held by N.V. or PLC is mentioned in the margin, except where it is 100%. Where the percentage of total issued capital directly or indirectly held differs from the percentage of equity capital held, this is stated separately. All percentages are rounded down to the nearest whole number.

Principal group companies and fixed investments acquired during 1993 are indicated in the following lists by (a).

Principal group companies

Europe

%	
Austria – N.V.	
Nordsee Ges.m.b.H.	F
Österreichische Unilever Ges.m.b.H.	FDP
Unifrost Ges.m.b.H.	F
Belgium – N.V.	
Unilever Belgium N.V.	FDPO
Czech Republic – N.V.	
Unilever ČSFR spol. sr. o.	FDP
Denmark – N.V.	
Unilever Danmark A/S	FDP
Finland – N.V.	
Suomen Unilever Oy	FDP
France – N.V.	
99 Astra-Calvé S.A.	F
99 Boursin S.A.	F
99 CNF S.A.	O
99 Cogesal S.A.	F
99 Elida-Gibbs Fabergé S.A.	P
99 Française d'Alimentation et de Boissons S.A.	F
99 Frigedoc S.A.	F
99 Lever S.A.	D
99 Unilever France S.A.	H

Europe (continued)

%	
Germany – N.V.	
Deutsche Unilever GmbH	H
(percentage of total issued capital held – 75)	
Elida-Gibbs GmbH	P
Fritz Homann Lebensmittelwerke GmbH & Co. KG	F
Langnese-Iglo GmbH	F
Lever GmbH	D
Lever Sutter GmbH	D
Meistermarken-Werke GmbH,	
Spezialfabrik für Back- und Grossküchenbedarf	F
National Starch and Chemical GmbH	C
'Nordsee' Deutsche Hochseefischerei GmbH	F
'Unichema' Chemie GmbH	C
Union Deutsche Lebensmittelwerke GmbH	F
Greece – N.V.	
51 'Elais' Oleaginous Products A.E.	F
Lever Hellas A.E.B.E.	FDP
Hungary – N.V.	
80 Unilever Magyarország Beruházási Kft	FP
Unilever Magyarország Élelmiszer-és Mosószergyártó Rt	FD
Ireland – PLC	
Elida Gibbs (Ireland) Ltd.	P
H.B. Ice Cream Ltd.	F
Lever Brothers (Ireland) Ltd.	D
Quest International Ireland Ltd.	C
Van den Bergh Foods Ltd.	F
W. & C. McDonnell Ltd.	F
Italy – N.V.	
Unil-It S.p.A.	FDPC
The Netherlands – N.V.	
Crosfield B.V.	C
Elida Andréon B.V.	P
Iglo-Ola B.V.	F
Im. van den Berg B.V.	F
Lever Nederland B.V.	D
Lever Otariès B.V.	D
Loders Croklaan B.V.	F
Molco Wijchen B.V.	F
National Starch & Chemical B.V.	C
Nederlandse Unilever Bedrijven B.V.	H
Quest International Nederland B.V.	C
Unichema Chemie B.V.	C
* Unilever N.V.	H
Unilever Export B.V.	O
UniMills B.V.	F
UVG Nederland B.V.	F
Van den Bergh en Jurgens B.V.	F
Vinamul B.V.	C
Zeeppabriek de Fenix B.V.	D
Poland – N.V.	
99 Algida-Iglo Sp z o.o	F
Lever Polska S.A.	FDP
SZPT-Van den Bergh Foods Sp z o.o	F
Portugal – N.V.	
74 Iglo Indústrias de Gelados, Lda.	F
60 Indústrias Lever Portuguesa, Lda.	DP
Slovakia – N.V.	
Unilever Slovensko spol. sr. o.	FDP

* See 'Consolidation' on page 2.

Principal group companies

Europe (continued)

%	
Spain – N.V.	
	Agra S.A. F
	Elida-Gibbs S.A. P
99	Frigo S.A. F
90	Industrias Revilla S.A. F
	Lever España S.A. D
	Unilever España S.A. H
Sweden – N.V.	
	Elida Robert Group AB P
90	GB Glace AB F
	Lever AB D
	Leverindus AB D
	National Starch and Chemical AB C
	Unilever Sverige AB H
	Van den Bergh Foods AB F
Switzerland – N.V.	
	Elida Cosmetic A.G. P
	Elizabeth Arden International S.A. P
	Elotex A.G. C
	Lever A.G. D
	Lever Sutter A.G. D
	Lipton-Sais F
	Meina Holding A.G. H
	Unilever (Schweiz) A.G. O
Turkey – N.V.	
68	Elida Kozmetik Sanayi ve Ticaret A.Ş. P
90	Lever Temizlik Maddeleri Sanayi ve Ticaret A.Ş. D
51	Unikom Sanayi ve Ticaret A.Ş. F
	Unilever Sanayi ve Ticaret Türk A.Ş. F
United Kingdom – PLC	
	Birds Eye Wall's Ltd. F
	Brooke Bond Foods Ltd. F
	Calvin Klein Cosmetics (UK) Ltd. P
	Chesebrough-Pond's Ltd. P
	Elida Gibbs Ltd. P
	Elizabeth Arden Ltd. P
	Joseph Crosfield & Sons Ltd. C
	Laing National Ltd. C
	Lever Brothers Ltd. D
	Lever Industrial Ltd. D
	H. Leverton Ltd. O
	Lipton Ltd. F
	Loders Croklaan Ltd. F
	National Starch and Chemical Ltd. C
	Plant Breeding International Cambridge Ltd. O
	Quest International (Fragrances, Flavours, Food Ingredients) UK Ltd. C
	Rimmel International Ltd. P
	UAC Ltd. O
	UAC International Ltd. O
	UML Ltd. O
	Unichema Chemicals Ltd. C
*	Unilever PLC H
	Unilever International Market Development Company Ltd. O
	Unilever U.K. Central Resources Ltd. O
	Unipath Ltd. C
	Van den Bergh Foods Ltd. F
	Vinamul Ltd. C
	John West Foods Ltd. F

* See 'Consolidation' on page 2.

North America

%	
Canada – PLC	
	A & W Food Services of Canada Ltd. F
	Chesebrough-Pond's (Canada) Inc. P
	Lever Brothers Limited D
	Thomas J. Lipton Inc. F
	Unilever Canada Limited H
United States of America – N.V. (75%); PLC (25%)	
	Calvin Klein Cosmetics Company P
	Chesebrough-Pond's Company P
	Elizabeth Arden Company P
	Lever Brothers Company D
	Thomas J. Lipton Company F
	National Starch and Chemical Company C
	Unilever Capital Corporation O
	Unilever United States, Inc. H
	Van den Bergh Foods Company F

Rest of the World

%	
Argentina – N.V.	
99	Unilever de Argentina SA FDPC
Australia – PLC	
	Unilever Australia Ltd. FDPCO
Bangladesh – PLC	
61	Lever Brothers Bangladesh Ltd. FDPC
Brazil – N.V.	
99	Indústrias Gessy Lever Ltda. FDPC
99(a)	Cica S.A. F
Chile – N.V.	
	Lever Chile S.A. (PLC 25%) FDP
China – PLC	
70	Unilever Shanghai Co. Ltd. D
60	Unilever (Shanghai) Toothpaste Co. Ltd. P
85	Wall's (Beijing) Ltd. F
Colombia – N.V.	
	Compañía Colombiana de Grasas 'Cogra-Lever' S.A. (PLC 40%) FDP
60	Plantaciones Unipalma de Los Llanos S.A. O
Côte d'Ivoire – PLC	
90	Blohorn S.A. FDO
67	Uniwax S.A. O
Dubai – PLC	
50	Severn Exports Free Zone Establishment O
	Unilever Gulf Free Zone Establishment O
Egypt – PLC	
60	Fine Foods Egypt Ltd. F
75	Lever Egypt DP
Ghana – PLC	
66	Unilever Ghana Ltd. FDPCO
Hong Kong – N.V.	
	Unilever Hong Kong Ltd. FDP
India – PLC	
51 #	Brooke Bond India Ltd. FO
51	Hindustan Lever Ltd. FDPCO
51 #	Lipton India Ltd. FO
51 #	Pond's India Ltd. P

Associates in 1992.

Principal group companies

Rest of the World (continued)

% Rest of the World (continued)		
Indonesia – N.V.		
85	P.T. Unilever Indonesia	FDPC
Japan – N.V.		
	Nippon Lever B.V. (incorporated in the Netherlands)	FP
Japan – PLC		
	Lever Brothers Ltd. (incorporated in the United Kingdom)	D
Kenya – PLC		
88	Brooke Bond Kenya Ltd.	O
54	East Africa Industries Ltd.	FDPC
72	Elida-Pond's Kenya Ltd.	P
	Gailey & Roberts Ltd.	O
Korea – N.V.		
50	Haepyo – Unilever Co. Ltd.	F
	Unilever Korea	DP
Malawi – PLC		
	Lever Brothers (Malawi) Ltd.	FDPC
Malaysia – PLC		
70	Lever Brothers (Malaysia) Sdn. Bhd.	FDPC
	Pamol Plantations Sdn. Bhd.	O
Mexico – N.V.		
97	Anderson Clayton & Co. S.A.	FO
	Pond's de Mexico S.A. de C.V.	P
Morocco – PLC		
	Lever Maroc S.A.	DP
Netherlands Antilles – N.V.		
	Unilever Becumij N.V.	O
New Zealand – PLC		
	Unilever New Zealand Ltd.	FDPC
Niger – PLC		
59	Société de Produits Chimiques de Niger S.A.	D
Pakistan – PLC		
69	Lever Brothers Pakistan Ltd.	FDPC
Philippines – N.V.		
	Unilever Philippines (PRC), Inc.	FDPC
Saudi Arabia – PLC		
49 #	Binzagr Lever Ltd.	P
49 #	Binzagr Lipton Ltd.	F
Singapore – PLC		
	Unilever Singapore Private Ltd.	FDP
South Africa – PLC		
	Unilever South Africa (Pty.) Ltd.	FDPC
Sri Lanka – PLC		
	Unilever Ceylon Ltd.	FDPCO
Taiwan – N.V.		
98	FUIC Ltd.	DP
Tanzania – PLC		
	Brooke Bond Tanzania Ltd.	O
	UAC of Tanzania Ltd.	O
Tchad – PLC		
78	Brasseries du Logone S.A.	O
Thailand – N.V.		
	Lever Brothers (Thailand) Ltd.	FDPC
Trinidad – PLC		
50	Lever Brothers West Indies Ltd.	FDPC
Uganda – PLC		
	Gailey & Roberts (Uganda) Ltd.	O

Associates in 1992.

Rest of the World (continued)

% Rest of the World (continued)		
Uruguay – N.V.		
	Sudy Lever S.A.	D
Venezuela – N.V.		
	Unilever de Venezuela S.A.	FDP
Zaire – N.V.		
	Compagnie des Margarines, Savons et Cosmétiques au Zaire s.a.r.l.	FDPC
76	Plantations Lever au Zaire s.a.r.l.	O
Zimbabwe – PLC		
	Lever Brothers (Private) Ltd.	FDPC

Principal fixed investments

Associated companies

Europe

% Europe		
France – N.V.		
50	Société Yoghourts et Glaces	F
The Netherlands – N.V.		
49	Mora B.V.	F
Portugal – N.V.		
40	FIMA – Produtos Alimentares, Lda.	F
40	Victor Guedes – Indústria e Comércio S.A.	F

North America

% North America		
United States of America – N.V. (75%); PLC (25%)		
50	The Pepsi/Lipton Tea Partnership	F

Rest of the World

% Rest of the World		
China – PLC		
50	Shanghai Lever Co. Ltd.	D
50	Shanghai Pond's Co. Ltd.	P
50	Shanghai Van den Bergh Co. Ltd.	F
El Salvador – N.V.		
50	Industrias Unisola S.A.	FDP
Nigeria – PLC		
40	Lever Brothers Nigeria PLC	FDPC
14	Nigerian Breweries PLC	O
40	UAC of Nigeria PLC	O

Trade investments

Rest of the World

% Rest of the World		
Nigeria – PLC		
14	Guinness Nigeria PLC	O

	Fl. million	
	1993	1992
Balance sheet <i>as at 31 December</i>		
Fixed assets		
Fixed investments	2 134	2 182
Current assets		
Debtors	10 383	11 009
Cash at bank and in hand	337	1 064
	10 720	12 073
Creditors due within one year	(6 537)	(7 910)
Net current assets	4 183	4 163
Total assets less current liabilities	6 317	6 345
Creditors due after more than one year	1 214	1 394
Provisions for liabilities and charges	296	272
Capital and reserves	4 807	4 679
Called up share capital:		
Preferential share capital 18	265	265
Ordinary share capital 18	642	642
	907	907
Share premium account	52	52
Profit retained and other reserves	3 848	3 720
Total capital employed	6 317	6 345
Profit and loss account <i>for the year ended 31 December</i>		
Income from fixed investments after taxation	1 008	930
Other income and expense	120	153
Profit of the year	1 128	1 083

Pages 4 to 23 and 25 contain the notes to the N.V. company accounts. For the information required by Article 392 of Book 2, Civil Code, reference is made to pages 3 and 26.

As the accounts of N.V. have been included in the consolidated accounts, the above profit and loss account mentions only income from fixed investments after taxation as a separate item. The balance sheet above includes the proposed profit appropriation.

The Board of Directors

21 March 1994

References relate to a note on pages 14 and 15.

	Fl. million	
	1993	1992
Fixed investments		
Shares in group companies	2 134	2 182
Shares in group companies are stated at cost in accordance with international accounting practice in various countries, in particular the United Kingdom. The cost of N.V. shares purchased and held by subsidiaries has been deducted from this heading.		
Movements during the year:		
1 January	2 182	
Transfer of shares to group companies	(4)	
N.V. shares held by subsidiaries	(44)	
31 December	2 134	
Debtors		
Loans to group companies	4 988	5 891
Other amounts owed by group companies	5 327	5 012
Other	68	106
	10 383	11 009
Of which due after one year	492	939
Cash at bank and in hand		
includes items for which notice of repayment is required of	213	662
Creditors		
Due within one year:		
Bank loans and overdrafts	31	8
Bonds and other loans 12	443	638
Loans from group companies	1 756	2 822
Other amounts owed to group companies	3 463	3 615
Taxation and social security	60	60
Accruals and deferred income	74	64
Dividends	709	693
Other	1	10
	6 537	7 910
Due after one year:		
Bonds and other loans 12	1 214	1 394
These include amounts due after five years:		
Bonds and other loans	500	500

References relate to a note on page 12.

	Fl. million	
	1993	1992
Provisions for liabilities and charges		
Pension provisions	279	259
Deferred taxation and other provisions	17	13
	296	272
Of which due within one year	20	16

Ordinary share capital

Shares numbered 1 to 2 400 are held by a subsidiary of N.V. and a subsidiary of PLC. Additionally, 733 127 Fl. 4 ordinary shares are held by other subsidiaries. Full details are given in note 18 on pages 14 and 15.

Share premium account

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.

Profit retained and other reserves

Profit retained 31 December	3 986	3 814
Cost of N.V. shares purchased and held by subsidiaries	(138)	(94)
Balance 31 December	3 848	3 720

Profit retained and profit of the year shown in the company accounts 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 group companies is distributed in the form of dividends.

Contingent liabilities

These are not expected to give rise to any material loss and include guarantees given for group and other companies, under which amounts outstanding at 31 December were:

Group companies	4 126	4 514
Other	68	80
	4 194	4 594
Of the above, guaranteed also by PLC	2 398	2 867

The rules for profit appropriation in the Articles of Association (summary of Article 41)

The profit of the financial year is applied first to the reserves required by law or by the Equalisation Agreement, secondly to the covering of losses of previous years, if any, and thirdly to the reserves deemed necessary by the Board of Directors. Dividends due to the holders of the Cumulative Preference Shares, including any arrears in such dividends, are then paid; if the profit is insufficient for this purpose, the amount available is distributed to them in proportion to the dividend percentages of their shares. Any profit remaining thereafter is at the disposal of the General Meeting. Distributions from this remaining profit are made to the holders of the ordinary shares pro rata to the nominal amounts of their holdings.

	Fl. million	
	1993	1992
Proposed profit appropriation		
Profit of the year	1 128	1 083
Preference dividends	(15)	(15)
Profit at disposal of the Annual General Meeting of shareholders	1 113	1 068
Ordinary dividends	(941)	(925)
Profit of the year retained	172	143
Profit retained – 1 January	3 814	3 671
Profit retained – 31 December	3 986	3 814

Special controlling rights under the Articles of Association

See note 18 on page 14.

Auditors

A resolution will be proposed at the Annual General Meeting on 4 May 1994 for the reappointment of Coopers & Lybrand as auditors of N.V. The present appointment will end at the conclusion of the Annual General Meeting.

J.W.B. Westerburgen
S.G. Williams

Joint Secretaries of Unilever N.V.
21 March 1994

Corporate Centre

Unilever N.V.
Weena 455
PO Box 760
3000 DK Rotterdam

£ million

	1993	1992
Balance sheet		
<i>as at 31 December</i>		
Fixed assets		
Fixed investments	1 182	1 154
Current assets		
Debtors due after one year	665	644
Debtors due within one year	244	133
	909	777
Creditors due within one year	(994)	(879)
Net current liabilities	(85)	(102)
Total assets less current liabilities	1 097	1 052
Creditors due after more than one year	138	138
Capital and reserves	959	914
Called up share capital 18	41	41
Share premium account	75	65
Profit retained	832	797
Capital redemption reserve 20	11	11
Total capital employed	1 097	1 052

As permitted by Section 230 of the United Kingdom Companies Act 1985, PLC's profit and loss account does not accompany its balance sheet.

On behalf of the Board of Directors

Sir Michael Perry Chairman
F. A. Maljers Vice-Chairman

21 March 1994

	£ million	
	1993	1992
Fixed investments		
Shares in group companies	1 175	1 143
Other fixed investments	7	11
	1 182	1 154

Shares in group companies

Shares in group companies are stated at directors' valuation made on the rearrangement of the Unilever Group in 1937, with bonus shares at par and other additions at cost or valuation, less amounts written off.

Movements during the year:

1 January	1 143	
Additions	32	
	1 175	
31 December		1 175

Other fixed investments at cost:

Listed on a recognised stock exchange	—	4
Unlisted	7	7
	7	11

Market value of listed shares	—	63
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Debtors

Due after one year:

Amounts owed by group companies	627	607
Advance Corporation Tax	38	37
	665	644

Due within one year:

Amounts owed by group companies	219	122
Other	25	11
	244	133

Total debtors	909	777
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The Advance Corporation Tax borne by the parent company will be surrendered and set off against liabilities of group companies where appropriate. The total of £38 million is recoverable against liabilities for 1994 and later years.

	£ million	
	1993	1992
Creditors		
Due within one year:		
Amounts owed to group companies	655	502
Bonds and other loans 12	101	72
Taxation and social security	77	161
Dividends	151	128
Other	10	16
	994	879

Due after one year:

Bonds and other loans 12	138	138
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Profit retained

1 January	797	775
Goodwill written off	(4)	(5)
Profit of the year	239	197
Dividends on ordinary and deferred shares	(200)	(170)
	832	797
31 December		832

Contingent liabilities

These are not expected to give rise to any material loss and include guarantees given for group and other companies, under which amounts outstanding at 31 December were:

Group companies	912	1 137
Other	103	91
	1 015	1 228

Of the above, guaranteed also by N.V.	835	1 039
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References relate to a note on page 12.

Emoluments of directors

All directors' contracts of service with the Unilever Group are determinable by the employer at not less than three years' notice. Contracts generally terminate at the conclusion of the Annual General Meeting next before or next after the director's 62nd birthday.

All directors served for the whole of the year. In 1992 five directors served for only part of the year.

The emoluments of the Chairman, Sir Michael Perry, and the highest paid director who served mainly in the United Kingdom were as follows:

	£		
	1993	1992	
	Chairman	Highest paid director	Chairman (a)
Salary and taxable benefits	599 220	705 781	426 018
Performance related payments	63 600	91 411	269 084
Total	662 820	797 192	695 102
Company pension scheme contributions	27 900	-	36 000

(a) Sir Michael Perry was also the highest paid director in 1992.

The emoluments of all the directors were as follows:

	£	
	1993	1992
Salaries and taxable benefits	5 968 317	5 999 883
Performance related payments	767 528	2 056 096
Total	6 735 845	8 055 979
Company pension scheme contributions	108 333	878 780

The amounts for salaries and taxable benefits include payments by both N.V. and PLC and compensation payments with regard to overseas duties.

The performance related element comprises an annual bonus scheme and, in 1992, payments under an incentive scheme related to Unilever's share price which matured during that year. These schemes are supervised by the Remuneration Committee.

The bonus scheme is based on performance, with a maximum possible award of 40% of actual salary. Bonuses are dependent in part on the achievement of corporate targets and in part on the achievement of previously agreed individual performance objectives. In addition, the bonuses of directors with specific profit responsibilities are partly dependent on the achievement of targets within their areas of responsibility.

All directors are members of the normal Unilever pension schemes, in respect of which there are currently both company and employee contribution holidays. The directors are also members of the early retirement schemes for senior managers, and the figures given in the table above represent contributions in respect of these schemes. The benefits received by directors under the schemes are, in almost all respects, the same as for other members.

Emoluments of directors (continued)

The amounts shown in the table below relate to payments by both PLC and N.V. and their group companies to those directors who served mainly in the United Kingdom. The table shows the number of those directors (including the Chairman) whose emoluments fell within the bands stated.

	1993	1992
£130 001 – £135 000	-	1
£155 001 – £160 000	-	1
£220 001 – £225 000	-	1
£260 001 – £265 000	1	-
£300 001 – £305 000	1	-
£335 001 – £340 000	-	1
£345 001 – £350 000	1	-
£355 001 – £360 000	-	1
£375 001 – £380 000	1	1
£380 001 – £385 000	1	-
£395 001 – £400 000	1	1
£410 001 – £415 000	-	1
£415 001 – £420 000	-	1
£440 001 – £445 000	-	2
£470 001 – £475 000	1	-
£520 001 – £525 000	-	1
£660 001 – £665 000	1	-
£695 001 – £700 000	-	1
£795 001 – £800 000	1	-

Directors' interests: Contracts

There has not been any contract of significance with PLC or any group company during the year in which a director of PLC had a material interest.

Directors' interests: Other

The Register of directors' interests in the share and loan capital of PLC and its subsidiaries will be open for inspection at the Annual General Meeting. According to the Register, the only interests of those who were directors at the end of 1993 and of their families, were as shown in the tables below.

	1 January	31 December
PLC (ordinary shares)		
Sir Michael Perry	21 599	21 599
(a)	43 908 210	43 908 210
R.D. Brown	1 398	-
C.M. Jemmett	2 130	2 130
Hindustan Lever Limited (ordinary shares)		
A.S. Ganguly	4 450	4 450
Lipton India Limited (ordinary shares)		
A.S. Ganguly	836	836
Stepan Chemicals Limited (ordinary shares)		
A.S. Ganguly	50	50
Margarine Union (1930) Limited (shares)		
Sir Michael Perry	600	600
(a)		

(a) Held jointly as trustee with no beneficial interest.

Directors' interests: Other (continued)

The directors, in common with all employees of PLC and its United Kingdom subsidiaries, have a beneficial interest in the undermentioned PLC ordinary shares of 5p each acquired by the Unilever Employee Share Trust for the purpose of satisfying options granted from 1990 onwards under the PLC 1985 Executive Share Option and Sharesave Schemes.

	1 January	31 December
All directors	13 241 265	14 463 461

The only changes in the interests of the directors and of their families in PLC ordinary shares of 5p each between 31 December 1993 and the signing of the Report and Accounts were that:

- the holding of the Unilever Employee Share Trust has been reduced to 14 377 585;
- Sir Michael Perry acquired 51 285 shares on the exercise of options and sold them all on the same day;
- Mr. N.W.A. FitzGerald acquired 48 202 shares on the exercise of options and sold 38 874 shares on the same day;
- Dr. A.S. Ganguly acquired 73 195 shares on the exercise of an option and sold them all on the same day; and
- Mr. C.M. Jemmett acquired 67 986 shares on the exercise of options and, separately, sold 2 130 shares.

Options to acquire PLC ordinary shares of 5p each were granted, exercised and held as follows:

	1 January	Granted	Exercised	31 December
Sir Michael Perry (b)	151 303	–	–	151 303
(c)	3 047	–	–	3 047
F.A. Maljers (c)	3 098	–	–	3 098
J.I.W. Anderson (b)	88 280	–	–	88 280
(c)	3 163	–	–	3 163
R.D. Brown (b)	64 995	209	4 972	60 232
(c)	2 776	–	–	2 776
A. Burgmans (c)	2 959	–	–	2 959
A.C. Butler (b)	62 513	–	–	62 513
(c)	2 582	–	–	2 582
H. Eggerstedt (c)	3 163	–	–	3 163
N.W.A. FitzGerald (b)	101 749	–	–	101 749
(c)	3 098	–	–	3 098
A.S. Ganguly (b)	101 201	–	–	101 201
(c)	3 066	–	–	3 066
C.M. Jemmett (b)	150 599	–	–	150 599
(c)	3 098	–	–	3 098
A. Kemner (c)	2 130	–	–	2 130
C. Miller Smith (b)	82 806	–	16 380	66 426
(c)	3 143	–	–	3 143
O.O.H. Müller (c)	3 163	–	–	3 163
J. Peelen (c)	2 130	755	–	2 885
M. Tabaksblat (c)	3 098	–	–	3 098

(b) PLC 1985 Executive Share Option Schemes.

(c) PLC 1985 Sharesave Scheme.

Options to acquire N.V. ordinary shares of Fl. 4 each were held as follows:

	31 December	31 December
Sir Michael Perry	6 161	A.S. Ganguly 2 240
F.A. Maljers	34 062	C.M. Jemmett 1 961
J.I.W. Anderson	6 194	A. Kemner 15 738
R.D. Brown	3 221	C. Miller Smith 6 052
A. Burgmans	13 269	O.O.H. Müller 21 432
A.C. Butler	2 240	J. Peelen 15 799
H. Eggerstedt	25 252	M. Tabaksblat 22 744
N.W.A. FitzGerald	1 960	

See also note 18 on page 15.

Directors' interests: Other (continued)

Directors and other senior managers only receive options under the N.V. Share Option and PLC 1985 Executive Share Option Schemes if they have achieved a satisfactory level of performance. Replacement options are only granted if the Remuneration Committee is satisfied that there has been sufficient improvement in the performance of the Group over the two to three years preceding the grant and that grants are being made to individuals in the light of their performance and potential for future contribution to the business.

Non-audit services

Fees payable to the United Kingdom auditors for the provision of non-audit services were £1 million (1992: £1 million).

Interests in land

The majority of Unilever's land and buildings are used for the productive and distributive activities of the Group and are not held for resale. 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 would be required by Schedule 7 (Part I) of the United Kingdom Companies Act 1985.

Employee involvement and disabled persons

Unilever companies in the United Kingdom continue to be committed to good communications with their employees and progress has continued during the year in developing systems of involvement suitable to their particular needs. The directors' reports of United Kingdom group companies to which the legal requirements apply contain more details about how they have communicated with their employees during 1993.

Such companies are also required to describe the policy which has been applied during the financial year in respect of disabled persons. Their directors' reports contain statements describing the positive approach of group companies to the employment, and continued employment, of disabled persons. These policies are regularly reviewed.

The Company introduced share option schemes for senior executives and senior expatriate executives during 1985 together with a savings related share option scheme open to all eligible employees. Further details appear in note 18 on page 15.

Charitable and other contributions

During the year group companies made financial contributions of £2 million to United Kingdom charitable organisations and assisted them with a further £3 million of support in other forms. No contribution was made for political purposes.

Income and Corporation Taxes Act 1988

The close company provisions of the United Kingdom Income and Corporation Taxes Act 1988 do not apply to PLC. There has been no change in this respect since the end of the financial year.

Profit appropriation

The proposed appropriation of the profit of PLC is as follows:

	£ million	
	1993	1992
Interim and recommended final dividends	200	170
Profit of the year retained	39	27

Capital and membership

At 31 December 1993 PLC had 113 566 ordinary shareholdings. All the classes of Unsecured Loan Stock 1991/2006 were redeemed during 1993.

The following table analyses the registered holdings of PLC's 5p ordinary shares at 31 December 1993.

	Number of shares	Number of holdings	%	Total shares held	%
1 – 1 000	72 725	64.04	36 538 865	4.50	
1 001 – 2 500	24 851	21.88	40 903 525	5.04	
2 501 – 5 000	9 434	8.31	33 838 877	4.17	
5 001 – 10 000	3 474	3.06	24 569 470	3.03	
10 001 – 25 000	1 535	1.35	23 942 190	2.95	
25 001 – 50 000	528	0.47	19 158 211	2.36	
50 001 – 100 000	344	0.30	24 851 155	3.06	
100 001 – 1 000 000	562	0.49	174 182 548	21.46	
Over 1 000 000	113	0.10	433 649 808	53.43	
	113 566	100.00	811 634 649	100.00	

Substantial interests in the share capital of PLC

The Register maintained by PLC pursuant to Section 211 of the Companies Act 1985 shows that at the date of signing the Report and Accounts 43 908 210 ordinary shares in PLC, representing approximately 5 per cent of the issued ordinary capital, were held jointly by Sir Kenneth Durham, The Rt. Hon. the Viscount Leverhulme, Sir Michael Angus, Mr C.F. Sedcole and Sir Michael Perry – as trustees of the Leverhulme Trust and the Leverhulme Trade Charities Trust.

The Register also shows the following interests in PLC's Ordinary and Deferred capital on that date:

Holder	Class	Approximate % held
Prudential Corporation plc	Ordinary	5
N.V. Elma	Deferred	50
United Holdings Limited	Deferred	50

Corporate Centre

Unilever PLC
PO Box 68 Unilever House Blackfriars London EC4P 4BQ

Unilever PLC Registered Office
Port Sunlight Wirral Merseyside L62 4ZA

United Kingdom capital gains tax – market value

To assist in the computation of United Kingdom capital gains tax, the market value of PLC ordinary 5p shares at 31 March 1982 was £1.235.

Corporate Governance

PLC is required, as a company that is incorporated in the United Kingdom and listed on the London Stock Exchange, to state whether or not it has complied for the period after 30 June 1993 with the Code of Best Practice published in 1992 by the Committee on the Financial Aspects of Corporate Governance. PLC already complies, except as stated below.

As explained on page 11 of the Annual Review 1993, the arrangements which exist between the two parent companies, N.V. and PLC, make it impracticable for PLC to have 'non-executive' directors. The Articles of Association of PLC make provision for the appointment of Advisory Directors who perform many of the functions of 'non-executive' directors. Details of the Advisory Directors, their role and the arrangements for their appointment are given on page 32 of the Annual Review.

In order to bring its procedures into line with the Code, the company will, prior to the 1994 Annual General Meeting:

- (i) establish a procedure to enable directors to take independent professional advice if necessary; and
- (ii) confirm that the removal of a Company Secretary is a matter for the Board as a whole.

The provisions of the Code which relate to the reporting by the directors on internal control and going concern are not yet in force, as the necessary guidance has not been finalised.

The auditors of PLC have confirmed to the directors that they concur with this statement insofar as it relates to those matters which the London Stock Exchange has specified that the auditors should review.

Auditors

A resolution will be proposed at the Annual General Meeting on 4 May 1994 for the reappointment of Coopers & Lybrand as auditors of PLC. The present appointment will end at the conclusion of the Annual General Meeting.

By Order of the Board

J.W.B. Westerburgen
S.G. Williams

Joint Secretaries of Unilever PLC
21 March 1994

Unilever PLC Registrars
Barclays Registrars
PO Box 34 Octagon House Gadbrook Park Northwich
Cheshire CW9 7RD

Fl. million	1989	1990	1991	1992	1993
Consolidated profit and loss account					
Turnover	73 157	73 658	76 438	76 570	77 626
Operating profit ^(a)	6 341	6 457	6 593	6 576	5 397
Operating profit before exceptional items	6 282	6 559	6 735	6 809	6 763
Exceptional items	59	(102)	(142)	(233)	(1 366)
Income from fixed investments	192	191	232	171	179
Non-operating exceptional items ^(b)	207	(803)	76	—	245
Interest	(797)	(1 061)	(911)	(457)	(409)
Profit on ordinary activities before taxation ^(a)	5 943	4 784	5 990	6 290	5 412
Taxation on profit on ordinary activities	(2 278)	(1 625)	(1 997)	(2 126)	(1 616)
Profit on ordinary activities after taxation	3 665	3 159	3 993	4 164	3 796
Minority interests	(199)	(184)	(187)	(162)	(184)
Net profit	3 466	2 975	3 806	4 002	3 612
Dividends	(1 232)	(1 327)	(1 402)	(1 465)	(1 509)
Profit of the year retained	2 234	1 648	2 404	2 537	2 103
Combined earnings per share ^(c)					
Guilders per Fl. 4 of ordinary capital	12.36	10.60	13.57	14.29	12.90
Pence per 5p of ordinary capital	53.15	49.04	61.67	69.14	69.45
Ordinary dividends					
N.V. – Guilders per Fl. 4 of ordinary capital	4.72	5.27	5.56	5.78	5.88
PLC – Pence per 5p of ordinary capital	16.75	18.16	18.94	21.33	25.03

(a) The presentation of the profit and loss account has been changed in accordance with United Kingdom Financial Reporting Standard Number 3. Amounts previously reported as extraordinary items are now included in non-operating exceptional items, as are certain exceptional items, mainly property disposals, which were previously included in operating profit. As a result, compared to the figures previously reported, profit on ordinary activities before taxation has been reduced by Fl. 990 million for 1990 and increased by Fl. 76 million for 1991, and operating profit has been reduced by Fl. 207 million for 1989 and Fl. 187 million for 1990.

(b) Non-operating exceptional items for 1990 include a charge of Fl. 990 million to realign the Group's activities in Europe as a result of the legislation leading to the Single European Market.

In 1991, non-operating exceptional items include a profit of Fl. 327 million on the disposal of the 4P Group, which represented Unilever's exit from packaging, and a charge of Fl. 251 million on withdrawal from those agribusiness activities which did not support the Group's core businesses.

(c) For the basis of the calculations of combined earnings per share see note 27 on page 18.

Fl. million	1989	1990	1991	1992	1993
Consolidated balance sheet					
Fixed assets	17 478	18 730	19 780	20 300	22 542
Current assets					
Stocks	9 986	9 706	9 261	9 178	9 901
Debtors	10 581	10 652	11 270	10 770	12 254
Cash and current investments	1 645	2 718	3 147	4 020	3 364
	22 212	23 076	23 678	23 968	25 519
Creditors due within one year					
Borrowings	(4 074)	(3 214)	(2 581)	(2 754)	(3 032)
Trade and other creditors	(13 998)	(14 392)	(15 429)	(15 586)	(16 785)
Net current assets	4 140	5 470	5 668	5 628	5 702
Total assets less current liabilities	21 618	24 200	25 448	25 928	28 244
Creditors due after more than one year					
Borrowings	4 590	5 716	5 406	4 647	4 230
Trade and other creditors	911	793	523	621	782
Provisions for liabilities and charges	6 275	6 973	7 023	6 703	8 234
Minority interests	1 370	1 345	1 331	1 307	1 494
Capital and reserves	8 472	9 373	11 165	12 650	13 504
Total capital employed	21 618	24 200	25 448	25 928	28 244
Consolidated cash flow statement					
Net cash inflow from operating activities		7 763	9 270	8 334	7 943
Dividends from fixed investments		81	105	89	59
Interest paid less received		(1 099)	(1 042)	(603)	(480)
Dividends paid		(1 357)	(1 485)	(1 499)	(1 593)
Net cash outflow from returns on investments and servicing of finance		(2 375)	(2 422)	(2 013)	(2 014)
Taxation		(1 620)	(1 830)	(1 785)	(1 482)
Capital expenditure less disposals		(3 130)	(3 246)	(3 114)	(3 421)
Acquisition and disposal of group companies and fixed investments		(988)	(425)	357	(1 264)
Other		(162)	(346)	(125)	(383)
Net cash outflow from investing activities		(4 280)	(4 017)	(2 882)	(5 068)
Net cash inflow/(outflow) before financing		(512)	1 001	1 654	(621)
Net increase/(decrease) in borrowings due after more than three months from date of advance		1 166	(469)	(689)	(357)
Issue of ordinary share capital		52	39	40	29
Issue of shares to minorities by group companies		—	—	—	85
Net cash inflow/(outflow) from financing		1 218	(430)	(649)	(243)
Increase/(decrease) in cash and cash equivalents		706	571	1 005	(864)

There was a change in 1992 from a source and use of funds to a cash flow statement to comply with United Kingdom Financial Reporting Standard Number 1. Figures on the new basis are not available for 1989.

Fl. million	1989	1990	1991	1992	1993
Turnover					
Europe	41 964	44 183	45 422	45 000	42 279
North America	15 777	15 011	15 738	15 022	15 848
Rest of the World	15 416	14 464	15 278	16 548	19 499
	73 157	73 658	76 438	76 570	77 626
Operating profit ^(a)					
Europe	3 308	3 804	4 098	3 842	2 933
North America	1 504	1 179	1 110	1 193	682
Rest of the World	1 529	1 474	1 385	1 541	1 782
	6 341	6 457	6 593	6 576	5 397
Operating margin (%)					
Europe	7.9	8.6	9.0	8.5	6.9
North America	9.5	7.8	7.0	7.9	4.3
Rest of the World	9.9	10.2	9.1	9.3	9.1
	8.7	8.8	8.6	8.6	7.0
Net operating assets ^(b)					
Europe	9 925	9 998	10 336	9 627	10 232
North America	6 163	5 741	6 029	6 621	6 095
Rest of the World	4 454	4 432	4 258	4 543	5 500
	20 542	20 171	20 623	20 791	21 827
Capital expenditure					
Europe	1 954	2 043	2 195	2 161	2 150
North America	932	811	764	640	687
Rest of the World	695	691	531	637	993
	3 581	3 545	3 490	3 438	3 830
Employees (average in thousands)					
Europe	111	113	112	107	105
North America	32	35	34	32	32
Rest of the World	153	153	152	148	157
	296	301	298	287	294

(a) See note (a) on page 32.

(b) See note 1 on page 9.

Fl. million	1989	1990	1991	1992	1993
Turnover					
Foods	37 441	37 488	39 347	39 465	39 981
Detergents	16 326	16 138	17 219	18 220	18 138
Personal products	7 964	8 817	9 315	9 919	11 076
Speciality chemicals	6 265	5 884	6 198	6 083	6 519
Other operations	5 161	5 331	4 359	2 883	1 912
	73 157	73 658	76 438	76 570	77 626
Operating profit ^(a)					
Foods	3 231	3 289	3 488	3 374	2 799
Detergents	1 071	1 184	1 233	1 329	862
Personal products	817	880	797	967	935
Speciality chemicals	831	748	757	708	654
Other operations	391	356	318	198	147
	6 341	6 457	6 593	6 576	5 397
Operating margin (%)					
Foods	8.6	8.8	8.9	8.5	7.0
Detergents	6.6	7.3	7.2	7.3	4.8
Personal products	10.3	10.0	8.6	9.8	8.4
Speciality chemicals	13.3	12.7	12.2	11.7	10.0
Other operations	7.6	6.7	7.3	6.9	7.7
	8.7	8.8	8.6	8.6	7.0
Net operating assets ^(b)					
Foods		9 549	9 565	10 058	11 438
Detergents		4 128	4 144	4 707	4 372
Personal products		2 246	2 397	2 315	2 136
Speciality chemicals		3 357	3 421	3 447	3 545
Other operations		891	1 096	264	336
		20 171	20 623	20 791	21 827
Capital expenditure					
Foods	1 459	1 640	1 801	1 656	1 860
Detergents	1 016	832	675	786	792
Personal products	223	272	264	259	353
Speciality chemicals	408	394	392	454	560
Other operations	475	407	358	283	265
	3 581	3 545	3 490	3 438	3 830

(a) See note (a) on page 32.

(b) See note 1 on page 9. This analysis is not available for 1989.

	1989	1990	1991	1992	1993
Share prices					
N.V. per Fl. 4 ordinary share					
In Amsterdam (guilders) High	163	166	176	196	227
Low	117	133	142	177	185
PLC per 5p ordinary share					
In London (pence) High	729	732	902	1 119	1 248
Low	463	589	657	874	947
Combined market capitalisation ^(a) (Fl. million)					
	43 524	42 023	51 300	55 133	63 902
Key ratios ^(b)					
Return on shareholders' equity (%)	30.4	32.2	36.3	32.3	27.8
Return on capital employed (%)	16.0	14.7	16.4	16.8	15.5
Profit after taxation as a percentage of turnover (%)	5.0	4.3	5.2	5.4	4.9
Net interest cover (times)	8.5	5.5	7.6	14.7	14.2
Net gearing (%)	41.7	36.7	27.9	19.5	20.6
Net debt (Fl. million)					
	7 019	6 212	4 840	3 381	3 898
Rates of exchange					
Annual average £1 = Fl.	3.49	3.24	3.30	3.10	2.79
Year-end £1 = Fl.	3.08	3.25	3.20	2.76	2.87
Employees (group companies)					
Staff costs (Fl. million)	11 824	11 844	12 765	12 850	12 912
Average number (000's)	296	301	298	287	294

(a) The calculation of combined market capitalisation is based on the issued number of ordinary shares of N.V. and PLC, less internal and certain trust holdings, multiplied by the respective ordinary share prices of N.V. (in Amsterdam) and PLC (in London) as at 31 December of each year.

(b) Return on shareholders' equity is net profit attributable to ordinary shareholders expressed as a percentage of the average capital and reserves attributable to ordinary shareholders during the year.

Return on capital employed is the sum of profit on ordinary activities after taxation, plus interest, after tax, on borrowings due after more than one year, expressed as a percentage of the average capital employed during the year.

Net interest cover is profit before net interest and taxation divided by net interest.

Net gearing is net debt (borrowings less cash and current investments) expressed as a percentage of the sum of capital and reserves, minority interests and net debt.

Return on shareholders' equity is substantially influenced by the Group's policy of writing off purchased goodwill in the year of acquisition as a movement in profit retained. Return on capital employed and net gearing are also influenced but to a lesser extent.

Net profit and combined earnings per share, as published in the announcements of quarterly results for the Unilever Group for 1993, are set out below. These results were translated at the average rates of exchange current in each quarter, based on:

1st Quarter £1 = Fl. 2.72 and US\$1 = Fl. 1.84 3rd Quarter £1 = Fl. 2.83 and US\$1 = Fl. 1.87
 2nd Quarter £1 = Fl. 2.78 and US\$1 = Fl. 1.81 4th Quarter £1 = Fl. 2.82 and US\$1 = Fl. 1.92

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year
Net profit					
Fl. million	802	1 066	1 158	586	3 612
%	22	30	32	16	100
Combined earnings per share					
Guilders per Fl. 4 of ordinary capital	2.86	3.81	4.14	2.09	12.90
Pence per 5p of ordinary capital	15.80	20.58	21.94	11.13	69.45

The quarterly figures shown below for 1993 turnover, operating profit, profit before taxation and net profit will be used as the previous year's comparatives in 1994 reporting of quarterly results for the Unilever Group at constant rates of exchange. They have been translated at the annual average rates of exchange for 1993, based on £1 = Fl. 2.79 and US\$1 = Fl. 1.85.

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year
Turnover					
Fl. million					
Europe	10 083	11 041	10 874	10 281	42 279
North America	3 397	3 891	4 130	4 430	15 848
Rest of the World	4 454	4 804	4 735	5 506	19 499
	17 934	19 736	19 739	20 217	77 626
%	24	25	25	26	100
Operating profit					
Fl. million					
Europe	786	1 036	1 122	(11)	2 933
North America	57	222	335	68	682
Rest of the World	442	443	427	470	1 782
	1 285	1 701	1 884	527	5 397
%	24	31	35	10	100
Profit before taxation					
Fl. million	1 225	1 654	1 825	708	5 412
%	23	30	34	13	100
Net profit					
Fl. million	815	1 062	1 166	569	3 612
%	23	29	32	16	100

The following is a summary of the approximate effect on the Unilever Group's net profit, combined earnings per share and capital and reserves of the application of United States generally accepted accounting principles (US GAAP).

	Fl. million	
	1993	1992
Net profit as reported in the consolidated profit and loss account	3 612	4 002
Adjustments net of taxation where applicable:		
Goodwill	(435)	(383)
Interest	22	28
Pensions	(25)	(11)
Current investments	(22)	9
Deferred taxation	—	(17)
	(460)	(374)
Cumulative effect of accounting changes:		
Deferred taxation	131	—
Post-retirement health benefits	(607)	—
Net decrease	(936)	(374)
Approximate net income under US GAAP	2 676	3 628
Approximate combined net income per share under US GAAP		
Before cumulative effect of accounting changes:		
Guilders per Fl. 4 of ordinary capital	11.25	12.95
Pence per 5p of ordinary capital	60.58	62.74
After cumulative effect of accounting changes:		
Guilders per Fl. 4 of ordinary capital	9.54	12.95
Pence per 5p of ordinary capital	51.38	62.74
Capital and reserves as reported in the consolidated balance sheet	13 504	12 650
Adjustments net of taxation where applicable:		
Goodwill	10 775	10 096
Interest	755	701
Pensions	146	169
Current investments	(55)	(30)
Deferred taxation	—	(130)
Dividends	1 138	1 043
Net increase	12 759	11 849
Approximate capital and reserves under US GAAP	26 263	24 499
Net gearing under US GAAP (%) ^(a)	13	12

(a) See note (b) on page 36.

The following is a summary of the more important differences between Unilever's accounting principles and those applicable in the United States.

Goodwill

Unilever charges goodwill, defined as the difference between the price paid for new interests and the fair value of its share of the net tangible assets acquired, directly to profit retained. Under US GAAP goodwill is capitalised and charged to operating costs over its estimated life of up to 40 years.

Interest

Unilever treats all interest as a charge to the profit and loss account of the current period. US GAAP requires that interest incurred during the construction periods of tangible fixed assets be capitalised and depreciated accordingly.

Pensions

Unilever policy for the recognition of retirement benefits is summarised under Accounting Policies on page 5. US GAAP requires a standardised method to be used for measuring net periodic pension cost.

Current investments

Unilever accounts for current investments, which are liquid funds temporarily invested, at their realisable value. Under US GAAP current investments are included at cost.

Deferred taxation

Unilever provides in full for deferred taxation using the liability method. From 1 January 1993, a similar policy has been adopted for reporting under US GAAP, with the result that the divergence from Unilever accounting principles is now not material. The effect of this change on the cumulative earnings at 1 January reported under US GAAP is required to be credited to net income.

Post-retirement health benefits

As discussed in note 29 on page 19, Unilever has changed its method of accounting for post-retirement health benefits in 1993 to one which is consistent with US GAAP. In the Unilever accounts, the previously unrecognised liability at 1 January 1993 has been treated as an adjustment to profit retained, whereas under US GAAP it is required to be charged to net income.

Dividends

Final ordinary dividends and the related United Kingdom Advance Corporation Tax are provided for in the Unilever accounts in the financial year in respect of which they are subsequently recommended by the Boards of Directors for approval by the shareholders. Under US GAAP such dividends are not provided for until they become irrevocable.

Listing details**N.V.**

The shares or certificates (depository receipts) of N.V. are listed on the stock exchanges in Amsterdam, London, New York, and in Austria, Belgium, France, Germany, Luxembourg and Switzerland.

PLC

The shares of PLC are listed on The Stock Exchange, London and, as American Depository Receipts, in New York.

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	Late February

Dates for dividend and interest payments**Dividends on ordinary capital**

N.V. and PLC	Interim	Announced November Paid December
	Final	Proposed February Paid May

Preferential dividends

N.V.	4% Preference	Paid 1 January
	6% Preference	Paid 1 October
	7% Preference	Paid 1 October

Loan stock interest

N.V.	12 $\frac{3}{4}$ % 1994	Paid 4 July
	5 $\frac{3}{4}$ % 1995	Paid 15 April
	3 $\frac{3}{4}$ % 1995	Paid 15 July
	9 $\frac{7}{8}$ % 1997	Paid 4 September
	9% 2000	Paid 2 July

