



2014 FIRST HALF YEAR RESULTS

SOLID GROWTH IN CHALLENGING MARKETS

First half highlights

- **Underlying sales growth 3.7%** with emerging markets up 6.6%
- **Underlying volume growth 1.9%** and price up 1.7%
- **Turnover decreased by 5.5% to €24.1 billion** with currency down (8.5)%
- **Core operating margin stable at 14.0% at current exchange rates**, up 30bps at constant exchange rates
- **Operating profit up 13%** reflecting profits on disposal
- **Core earnings per share up 2% to €0.78**

Second quarter highlights

- **Underlying sales growth 3.8%** with underlying volume growth 1.9% and price up 1.9%

Paul Polman: Chief Executive Officer statement

“The first half again shows consistent top and bottom line progress despite significant headwinds. Our markets have been challenging and we have experienced a further slow-down in the emerging countries whilst developed markets are not yet picking up.

We continued to grow ahead of our markets driven by strong innovations such as **Ben & Jerry’s Cores**, compressed deodorants in Europe, **REGENERATE Enamel Science** in oral and **Skip Dual Action** capsules. At the same time we continue to invest for the long term with our programme to take our brands into new countries with the launches of **Lifebuoy** in China, **Omo** in Arabia and **Clear** in Japan.

We made further progress in strengthening our portfolio with the acquisition of a majority stake in **Qinyuan**, the Chinese water purification business, and the disposals of the Ragu and Bertolli pasta sauces brands in the United States and, more recently, the Slim.Fast business.

In a tougher cost environment, project Half is on track and is enabling us to drive cost savings and simultaneously increase organisational agility.

We remain focused on achieving another year of profitable volume growth ahead of our markets, steady and sustainable core operating margin improvement and strong cash flow.”

Key Financials (unaudited) Current Rates	First Half 2014	
Underlying Sales Growth (*)	3.7%	
Turnover	€24.1bn	-5.5%
Operating Profit	€4.4bn	+13%
Net Profit	€3.0bn	+12%
Core earnings per share (*)	€0.78	+2%
Diluted earnings per share	€0.97	+17%
Quarterly dividend payable in September 2014 €0.285 per share		

(*) Underlying sales growth and core earnings per share are non-GAAP measures (see pages 6 and 7).