

UNILEVER N V  
Form 20-F  
March 05, 2010

**Table of Contents**

**SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 20-F**

**(Mark one)**

- o REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**
- OR**
- þ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
- FOR THE FISCAL YEAR ENDED DECEMBER 31, 2009**
- OR**
- o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
- OR**
- o SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of event requiring this shell company report**  
**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**  
**Commission file number 001-04547**  
**UNILEVER N.V.**

(Exact name of Registrant as specified in its charter)  
**The Netherlands**

(Jurisdiction of incorporation or organization)  
**Weena 455, 3013 AL, Rotterdam, The Netherlands**

(Address of principal executive offices)  
**S. G. Williams, Group Secretary**  
**Tel: +44(0)2078226991, Fax: +44(0)2078226108**  
**Unilever House, 100 Victoria Embankment, London EC4Y 0DY UK**

(Name, telephone number, facsimile number and address of Company Contact)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
<b>N.V. New York registry shares each representing one ordinary share of the nominal amount of 0.16 each</b>	<b>New York Stock Exchange</b>

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

**The total number of outstanding shares of the issuer's capital stock at the close of the period covered by the annual report was: 1,714,727,700 ordinary shares**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act:

Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934:

Yes  No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large Accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting  
Standards

Other

as issued by the International Accounting  
Standards Board

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act):

Yes  No

**Table of Contents**

**Cautionary statement**

This announcement may contain forward-looking statements, including forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as expects, anticipates, intends, believes or the negative of these terms and other similar expressions of future performance or results, including any financial objectives, and their negatives are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Group. They are not historical facts, nor are they guarantees of future performance. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including, among others, competitive pricing and activities, economic slowdown, industry consolidation, access to credit markets, recruitment levels, reputational risks, commodity prices, continued availability of raw materials, prioritisation of projects, consumption levels, costs, the ability to maintain and manage key customer relationships and supply chain sources, consumer demands, currency values, interest rates, the ability to integrate acquisitions and complete planned divestitures, the ability to complete planned restructuring activities, physical risks, environmental risks, the ability to manage regulatory, tax and legal matters and resolve pending matters within current estimates, legislative, fiscal and regulatory developments, political, economic and social conditions in the geographic markets where the Group operates and new or changed priorities of the Boards. Further details of potential risks and uncertainties affecting the Group are described in the Group's filings with the London Stock Exchange, Euronext Amsterdam and the US Securities and Exchange Commission, including the 20-F Report and the Annual Report & Accounts 2009. These forward-looking statements speak only as of the date of this announcement. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

---

Form 20-F

**Contents**

<u>Item 1</u>	<u>Identity of Directors, Senior Management and Advisers</u>	2
<u>Item 2</u>	<u>Offer Statistics and Expected Timetable</u>	2
<u>Item 3</u>	<u>Key Information</u>	2
<u>Item 4</u>	<u>Information on the Company</u>	7
<u>Item 4A</u>	<u>Unresolved Staff Comments</u>	7
<u>Item 5</u>	<u>Operating and Financial Review and Prospects</u>	7
<u>Item 6</u>	<u>Directors, Senior Management and Employees</u>	9
<u>Item 7</u>	<u>Major Shareholders and Related Party Transactions</u>	10
<u>Item 8</u>	<u>Financial Information</u>	10
<u>Item 9</u>	<u>The Offer and Listing</u>	11
<u>Item 10</u>	<u>Additional Information</u>	12
<u>Item 11</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	14
<u>Item 12</u>	<u>Description of Securities Other than Equity Securities</u>	14
<u>Item 13</u>	<u>Defaults, Dividend Arrearages and Delinquencies</u>	15
<u>Item 14</u>	<u>Material Modifications to the Rights of Security Holders and Use of Proceeds</u>	15
<u>Item 15</u>	<u>Controls and Procedures</u>	15
<u>Item 16</u>	<u>Reserved</u>	16
<u>Item 17</u>	<u>Financial Statements</u>	16
<u>Item 18</u>	<u>Financial Statements</u>	17
<u>Item 19</u>	<u>Exhibits</u>	25
	<u>EX-1.1</u>	
	<u>EX-4.1</u>	
	<u>EX-4.2</u>	
	<u>EX-4.3</u>	
	<u>EX-12.1</u>	
	<u>EX-13.1</u>	
	<u>Ex-15.1</u>	
	<u>Ex-15.2</u>	

Unilever Annual Report on Form 20-F 2009

---

**Table of Contents**

Form 20-F

References set forth below are to certain references that include pages incorporated therein, including any page references incorporated in the incorporated material, unless specifically noted otherwise.

The following pages and sections of the Group's Annual Report and Accounts 2009, regardless of their inclusion in any cross-reference below, are hereby specifically excluded and are not incorporated by reference into this report on Form 20-F: Page 1, Operational Highlights on pages 2 and 3, pages 4 to 8, pages 10 to 21, Principal risk factors on pages 30 to 34, pages 64 to 66, Additional Statutory Disclosures on Page 73, and pages 133 to 143.

This 20-F Report and the Group's Annual Report and Accounts 2009 (furnished separately on 5 March 2010 under Form 6-K) contain certain measures that are not defined under IFRS. We report underlying sales growth (abbreviated to USG or growth) at constant exchange rates, excluding the effects of acquisitions and disposals. Turnover includes the impact of exchange rates, acquisitions and disposals. Unilever uses constant rate and underlying measures primarily for internal performance analysis and targeting purposes. We also comment on trends in underlying operating margins (meaning before the impact of restructuring, disposals, and other one-off items, which we collectively term RDIs) and use the movements in Ungeared Free Cash Flow and Return On Invested Capital to measure progress against our longer-term value creation goals. We may also discuss net debt, for which we provide an analysis in the notes to the financial statements. Unilever believes that such measures provide additional information for shareholders on underlying business performance trends. Such measures are not intended to be a substitute for GAAP measures of turnover, operating profit, EPS and cash flow. Further information about certain of these measures is available under the heading Financial Review 2009 on pages 44 to 46 of the Group's Annual Report and Accounts 2009.

Unilever N.V. (NV) is a public limited company registered in the Netherlands, which has listings of shares and depositary receipts for shares on Euronext Amsterdam and of New York Registry Shares on the New York Stock Exchange. Unilever PLC (PLC) is a public limited company registered in England and Wales which has shares listed on the London Stock Exchange and, as American Depositary Receipts, on the New York Stock Exchange.

The two parent companies, NV and PLC, together with their group companies, operate as a single economic entity (the Unilever Group, also referred to as Unilever or the Group). NV and PLC and their group companies constitute a single reporting entity for the purposes of presenting consolidated accounts. Accordingly, the accounts of the Unilever Group are presented by both NV and PLC as their respective consolidated accounts.

This document contains references to our website. Information on our website or any other website referenced in this document is not incorporated into this document and should not be considered part of this document. We have included any website as an inactive textual reference only.

**Item 1 Identity of Directors, Senior Management and Advisers**

Not applicable.

**Item 2 Offer Statistics and Expected Timetable**

Not applicable.

**Item 3 Key Information**

**A. Selected financial data**

The information set forth under the heading Unilever Group Financial record on pages 129 and 130 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**Dividends**

The information set forth under the headings Dividend record on page 130 and Financial calendar on page 146 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

2 Unilever Annual Report on Form 20-F 2009

---

**Table of Contents****Exchange rates**

Unilever reports its financial results and balance sheet position in euros. Other currencies which may significantly impact our financial statements are sterling and US dollars. Average and year-end exchange rates for these two currencies for the last five years are given below.

Year end	2009	2008	2007	2006	2005
1 = US \$	1.433	1.417	1.471	1.317	1.184
1 = £	0.888	0.977	0.734	0.671	0.686
Average					
1 = US \$	1.388	1.468	1.364	1.254	1.244
1 = £	0.891	0.788	0.682	0.682	0.684

On 1 March 2010 the exchange rates between euros and US dollars and between euros and sterling as published in the Financial Times in London were as follows: 1.00 = US \$1.348 and 1.00 = £0.902.

Noon Buying Rates in New York for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York were as follows:

Year end	2009	2008	2007	2006	2005
1 = US \$	1.433	1.392	1.460	1.320	1.184
Average					
1 = US \$	1.394	1.473	1.371	1.256	1.245
High					
1 = US \$	1.510	1.601	1.486	1.333	1.348
Low					
1 = US \$	1.255	1.245	1.290	1.186	1.167

High and low exchange rate values for each of the last six months:

	September 2009	October 2009	November 2009	December 2009	January 2010	February 2010
High						
1 = US \$	1.479	1.503	1.509	1.510	1.454	1.3955
Low						
1 = US \$	1.424	1.453	1.466	1.424	1.387	1.3476

**Share capital**

The information set forth under the heading "Note 22 Share capital" on page 119 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**B. Capitalisation and indebtedness**

Not applicable

**C. Reasons for the offer and use of proceeds**

Not applicable

**Table of Contents**

Form 20-F

**D. Risk factors**

The information set forth under the heading Note 15 Financial instruments and treasury risk management on pages 104 to 110 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**Risk factors**

Risks and uncertainties that could cause actual results to vary from those described in this document, or that could impact on our future performance or our ability to meet our published targets, are identified below. This list is not intended to be exhaustive and there may be other risks and uncertainties that are not mentioned below that could impact our future performance or our ability to meet published targets. The risks and uncertainties discussed below should be read in conjunction with the Group's consolidated financial statements and related notes and the portions of the Report of the Directors that are incorporated by reference from the Group's Annual Report and Accounts 2009 (furnished separately on 5 March 2010 on Form 6-K) and other information included in or incorporated by reference in this Report on Form 20-F.

<b>Principal risks</b>	<b>Description of risk</b>
<p><b>Economic</b></p> <p>Economic slowdown could adversely impact the markets in which we operate by reducing the ability of consumers to buy our products. If we are unable to respond to changing consumer demand our cashflow, turnover, profits, profit margins and the carrying value of our brands could be adversely affected.</p>	<p>Unilever's business is dependent on continuing consumer demand for our brands. Reduced consumer wealth driven by adverse economic conditions may result in our consumers becoming unwilling or unable to purchase our products, which could adversely affect our cash flow, turnover, profits and profit margins. For example, in 2008 the economic downturn adversely impacted our business by reducing the demand for some of our products. In addition we have a large number of global brands, some of which have a significant carrying value as intangible assets: adverse economic conditions may reduce the value of those brands which could require us to impair their balance sheet value.</p> <p>During economic downturns access to credit could be constrained: this happened in 2008 and 2009. This could impact the viability of our suppliers and customers and could temporarily inhibit the flow of day-to-day cash transactions with suppliers and customers via the banks.</p> <p>Adverse economic conditions may affect one or more countries within a region, or may extend globally. The impact on our overall portfolio will depend on the severity of the economic slowdown, the mix of countries affected and any government response to reduce the impact such as fiscal stimulus, changes to taxation and measures to minimise unemployment.</p>
<p><b>Markets</b></p> <p>Unilever operates globally in</p>	<p>Unilever operates globally in competitive markets where the activities of other multinational companies, local and regional companies and customers which have a significant private label business may adversely affect our market shares, cash flow, turnover, profits and/or profit margins.</p>



competitive markets where the activities of competitors may adversely impact our market shares and therefore place our cashflow, turnover, profits and/or profit margins under pressure. Further, we derive significant revenues from Developing & Emerging (D&E) markets which are typically more volatile than developed markets. Social, political and/or economic developments could adversely impact our business.

49% of Unilever's turnover in 2009 came from D&E markets including Brazil, India, Indonesia, Turkey, South Africa, China, Mexico and Russia. These markets are typically more volatile than developed markets, so we are continually exposed to changing economic, political and social developments outside our control, any of which could adversely affect our business. Failure to understand and respond effectively to local market developments could put at risk our cash flow, turnover, profit and/or profit margins.

**Principal risks**

**Description of risk**

**Brand**

Unilever is a branded goods business and our success is dependent on producing superior innovations that meet the needs of our consumers. Failure to achieve this could damage our reputation and hence our growth prospects and future profitability.

Unilever's vision is to help people feel good, look good and get more out of life with brands and services that are good for them and good for others. This is achieved by designing and delivering superior branded products/services at relevant price points to consumers across the globe. Failure to provide sufficient funding to develop new products, lack of technical capability in the R&D function, lack of prioritisation of projects and/or failure by operating management to successfully and quickly roll out the products may adversely impact our cash flow, turnover, profit and/or profit margins and may impact our reputation.

**Table of Contents****Customer**

Increasing competitive pressure from and consolidation of customers could adversely impact our cashflow, turnover, profits and/or profit margins.

Maintaining successful relationships with our customers is key to ensuring our brands are successfully presented to our consumers and are available for purchase at all times. Any breakdown in the relationships with customers could reduce the availability to our consumers of existing products and new product launches and therefore impact our cash flow, turnover, profits and/or profit margins.

The retail industry continues to consolidate in many of our markets. Further consolidation and the continuing growth of discounters could increase the competitive retail environment by increasing customers purchasing power, increasing the demand for competitive promotions and price discounts, increase cross-border sourcing to take advantage of pricing arbitrage and thus adversely impact our cash flow, turnover, profits and/or profit margins. Increased competition between retailers could place pressure on retailer margins and increase the counterparty risk to Unilever.

**Financial/Treasury**

Our global operations expose us to changes in liquidity, interest rates, currency exchange rates, pensions and taxation, which may have a negative impact on our business.

As a global organisation Unilever's asset values, earnings and cashflows are influenced by a wide variety of currencies, interest rates, tax jurisdictions and differing taxes. If we are unable to manage our exposures to any one, or a combination, of these factors, this could adversely impact our cash flow, profits and/or profit margins. A material and significant shortfall in net cash flow could undermine Unilever's credit rating, impair investor confidence and hinder our ability to raise funds, whether through access to credit markets, commercial paper programmes, long-term bond issuances or otherwise. In times of financial market volatility, we are also potentially exposed to counterparty risks with banks.

We are exposed to market interest rate fluctuations on our floating rate debt. Increases in benchmark interest rates could increase the interest cost of our floating rate debt and increase the cost of future borrowings. Our inability to manage the interest cost effectively could have an adverse impact on our cash flow, profits and/or profit margins.

Because of the breadth of our international operations we are subject to risks from changes to the relative value of currencies which can fluctuate widely and could have a significant impact on our assets, cash flow, turnover, profits and/or profit margins. Further, because Unilever consolidates its financial statements in euros it is subject to exchange risks associated with the translation of the underlying net assets of its foreign subsidiaries. We are also

subject to the imposition of exchange controls by individual countries which could limit our ability to import materials paid by foreign currency or to remit dividends to the parent company.

Certain businesses have defined benefit pension plans, most now closed to new employees, which are exposed to movements in interest rates, fluctuating values of underlying investments and increased life expectancy. Changes in any or all of these inputs could potentially increase the cost to Unilever of funding the schemes and therefore have an adverse impact on profitability and cash flow.

In view of the current economic climate and deteriorating government deficit positions, tax legislation in the countries in which we operate may be subject to change, which may have an adverse impact on our profits.

**Principal risks**

**Description of risk**

**Consumer and environmental safety**

Our industry is subject to focus on social and environmental issues, including sustainable development, product safety and renewable sources. If we fail to meet applicable standards or expectations with respect to these issues, our reputation could be damaged and our business adversely affected.

Unilever has developed a strong corporate reputation over many years for its focus on social and environmental issues, including promoting sustainable development and utilisation of renewable resources. The Unilever brand logo, now displayed on all our products and advertising, increases our external exposure. Should we fail to meet high product safety, social, environmental and ethical standards across all our products and in all our operations and activities it could impact our reputation, leading to the rejection of products by consumers, damage to our brands including growth and profitability, and diversion of management time into rebuilding our reputation.

We aim to grow our business while reducing our environmental impact. The environmental measures that we regard as most significant are those relating to the amounts of CO<sub>2</sub> from energy that we use, the water we consume as part of our production processes and the amount of waste that we generate for disposal. Failure to design products with a lower environmental footprint could damage our reputation and hence long-term cash flow, turnover, profits and/or profit margins.

**Table of Contents**

Form 20-F

**Operations**

Our input costs are subject to fluctuation and we are reliant on efficient suppliers and regional/global supply chains to produce and deliver our products to our customers.

Our ability to make products is dependent on securing timely and cost-effective supplies of production materials, some of which are globally traded commodities. The price of commodities and other key materials, labour, warehousing and distribution fluctuates according to global economic conditions, which can have a significant impact on our product costs. For example, in 2008 we saw unprecedented increases in many of our commodity costs, including edible oils and crude oil. If we are unable to increase prices to compensate for higher input costs, this could reduce our cash flow, profits and/or profit margins. If we increase prices more than our competitors, this could undermine our competitiveness and hence market shares.

Further, two-thirds of the raw materials that we buy come from agriculture. Changing weather patterns, water scarcity and unsustainable farming practices threaten the long-term viability of agricultural production. A reduction in agricultural production may limit our ability to manufacture products in the long term.

We are dependent on regional and global supply chains for the supply of raw materials and services and for the manufacture, distribution and delivery of our products. We may be unable to respond to adverse events occurring in any part of this supply chain such as changes in local legal and regulatory schemes, labour shortages and disruptions, environmental and industrial accidents, bankruptcy of a key supplier or failure to deliver supplies on time and in full, which could impact our ability to deliver orders to our customers. Any of the foregoing could adversely impact our cash flow, turnover, profits and/or profit margins and harm our reputation and our brands.

**People and talent**

Our success depends on attracting, developing and retaining talented people within our business. Any shortfall in recruitment or retention could adversely affect our ability to deliver our strategy and compete in our markets.

Attracting, developing and retaining talented employees is essential to the delivery of our strategy. If we fail to determine the appropriate mix of skills required to implement our strategy and subsequently fail to recruit or develop the right number of appropriately qualified people, or if there are high levels of staff turnover, this could adversely affect our ability to operate successfully, and hence grow our business and effectively compete in the marketplace.

**Legal and regulatory**

Unilever is subject to many local, regional and global jurisdictions. Failure to comply with local laws and regulatory regimes could expose Unilever to litigation, penalties, fines and/or imprisonment of its executives.

Unilever is subject to local, regional and global rules, laws and regulations, covering such diverse areas as product safety, product claims, trademarks, copyright, patents, employee health and safety, the environment, corporate governance, listing and disclosure, employment and taxes. Important regulatory bodies in respect of our business include the European Commission and the US Food and Drug Administration. Failure to comply with laws and regulations could leave Unilever open to civil and/or criminal legal challenge and, if upheld, fines or imprisonment imposed on us or our employees. Further, our reputation could be significantly damaged by adverse publicity relating to such a breach of laws or regulations and such damage could extend beyond a single geography.

**Principal risks**

**Description of risk**

**Restructuring and change management**

Ongoing restructuring initiatives involve significant changes to our organisation. If we are unable to successfully implement these changes in a timely manner, we may not realise the expected benefits from the restructuring.

In recent years Unilever has launched global and regional restructuring programmes to help simplify our organisational structure, leverage common platforms, realise benefits from our regional and global scale and outsource business processes. Implementation of such programmes requires significant effort and attention from management and employees to complete to the agreed timescale and realise the anticipated benefits. In the event that we are unable to successfully implement these changes in a timely manner or at all, or effectively manage third-party relationships and/or outsourced processes, we may not be able to realise some or all of the anticipated expense reductions. In addition, because some of the restructuring changes involve important functions, any disruption could harm the operations of our business, our reputation and/or relationship with our employees.

**Other risks (Four)**

Unilever is exposed to varying degrees of risk and uncertainty related to other factors including physical risks, legislative, environmental, fiscal, tax and regulatory developments, legal matters, insurance and resolution of such pending matters within current estimates, our ability to integrate acquisitions and complete planned divestitures, terrorism and economic, political and social conditions in the environments where we operate and new or changed priorities of the Boards. All these risks could materially affect the Group's business, our turnover, operating profits, net profits, net assets and liquidity. There may be risks which are unknown to Unilever or which are currently believed to be immaterial.

**Table of Contents**

**Item 4 Information on the Company**

**A. History and development of the Company**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

The Unilever Group on page 2;

Our business on pages 25 to 29;

Financial Review 2009 on pages 37 to 46;

Financial Review 2008 on pages 47 to 49;

The Unilever Group on page 50;

Note 26 Acquisitions and disposals on pages 123 and 124; and

Shareholder information on pages 144 to 147.

**B. Business overview**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Our business on page 25;

Our brands on pages 27 and 28;

Operating environment (paragraphs 4, 5 and 6 only) on page 27;

Intellectual property and Laws and regulation on page 29; and

Note 2 Segment information on pages 87 to 88.

**C. Organisational structure**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

The Unilever Group on page 2;

Organisation on page 26 and 27; and

Principal group companies and non-current investments on page 131 and 132.

**D. Property, plant and equipment**

We have interests in properties in most of the countries where there are Unilever operations. However, none is material in the context of the Group as a whole. The properties are used predominantly to house production and distribution activities and as offices. There is a mixture of leased and owned property throughout the Group. There are no environmental issues affecting the properties which would have a material impact upon the Group, and there are no material encumbrances on our properties. Any difference between the market value of properties held by the Group and the amount at which they are included in the balance sheet is not significant. We believe our existing facilities are satisfactory for our current business and we currently have no plans to construct new facilities or expand or improve our current facilities in a manner that is material to the Group.

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Note 10 Property, plant and equipment on pages 95 and 96; and

Principal group companies and non-current investments on pages 131 and 132.

**Item 4A Unresolved Staff Comments**

Not applicable.

**Item 5 Operating and Financial Review and Prospects**

**A. Operating results**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Key indicators 2009 Performance and portfolio (first table and first second and third paragraphs) on page 25;

Outlook on page 30;

Financial Review 2009 and Financial Review 2008 on pages 37 to 49; and

Currency risks on page 104.

Unilever Annual Report on Form 20-F 2009 7

---

**Table of Contents**

Form 20-F

**B. Liquidity and capital resources**

**(i) Information regarding the Group's liquidity**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Finance and liquidity and Treasury on pages 39 and 40;

Liquidity management on page 104;

Liquidity risk on pages 105 and 106;

Capital management on pages 109 and 110;

Going concern on page 76;

Cash flow on page 41;

Consolidated cash flow statement on page 82;

Note 28 Reconciliation of net profit to cash flow from operating activities on page 126; and

Note 14 Financial assets and liabilities on pages 99 to 103.

**(ii) Information regarding the type of financial instruments used, the maturity profile of debt, currency and interest rate structure**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Note 14 Financial assets and liabilities on pages 99 to 103; and

Note 15 Financial instruments and treasury risk management on pages 104 to 110.

**(iii) Information regarding the Group's material commitments for capital expenditure**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Note 25 Commitments and contingent liabilities on pages 121 to 122; and

Note 10 Property, plant and equipment on pages 95 and 96.

**C. Research and development, patent and licences, etc**

The information set forth under the heading Bigger better faster innovations on page 9 and Note 3 Gross profit and operating cost (first table) on page 89 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**D. Trend information**

Please refer also to Item 3D Risk Factors on pages 4 to 6 of this report

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Outlook on page 30;

Financial Review 2009 on pages 37 to 46; and

Financial Review 2008 on pages 47 to 49.

**E. Off-balance sheet arrangements**



The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Off-balance sheet arrangements on page 41;

Note 15 Financial instruments and treasury risk management on pages 104 to 110; and

Note 25 Commitments and Contingent liabilities (last two paragraphs only) on page 121.

**F. Tabular disclosure of contractual obligations**

The information set forth under the heading Contractual obligations at 31 December 2009 on page 41 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**G. Safe harbour**

This document may contain forward-looking statements, including forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as expects, anticipates, intends, believes or the negative of these terms and other similar expressions of future performance or results, including any financial objectives, and their negatives are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Group. They are not historical facts, nor are they guarantees of future performance. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including, among others, competitive pricing and activities, economic slowdown, industry consolidation, access to credit markets, recruitment levels, reputational risks, commodity prices, continued availability of raw materials, prioritisation of projects, consumption levels, costs, the ability to maintain and manage key customer relationships and supply chain sources, consumer demands, currency values, interest rates, the ability to integrate acquisitions and complete planned divestitures, the ability to complete planned restructuring activities, physical risks, environmental risks, the ability to manage regulatory, tax and legal matters and resolve pending matters within current estimates, legislative, fiscal and regulatory developments, political, economic and social conditions in the geographic markets where the Group operates and new or changed priorities of the Boards. Further details of potential risks and uncertainties affecting the Group are described in the Group's filings with the London Stock Exchange, Euronext Amsterdam and the US Securities and Exchange Commission, including the 20-F Report and the Annual Report and Accounts 2009. These forward-looking statements speak only as of the date of this document. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

8 Unilever Annual Report on Form 20-F 2009

---

**Table of Contents**

**Item 6 Directors, Senior Management and Employees**

**A. Directors and senior management**

**(i) Name, experience and functions**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Unilever Executive on page 24, Board of Directors on pages 22 and 23; and Chairman and Chief Executive Officer, Executive Directors, Non-Executive Directors and Committees on pages 52 to 54.

**(ii) Activities outside the issuing company**

The information set forth under the headings Board of Directors on pages 22 and 23, Unilever Executive on page 24 and Executive Directors Outside Appointments on page 52 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**(iii) Age**

The information set forth under the headings Board of Directors on pages 22 and 23 and Unilever Executive on page 24 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**(iv) Family relationship**

The information set forth under the heading Executive Directors (paragraph 5) on page 52 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**(v) Other arrangements**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Executive Directors (paragraph 5) on page 52; and

Non-Executive Directors Independence (paragraph 6) on page 53.

**B. Compensation**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Executive Directors on page 67;

The supporting policies on page 68;

Our remuneration practices on pages 69 and 70;

Directors Remuneration Report on page 70;

Executive Directors remuneration in 2009 on pages 71 to 72;

Non-Executive Director s on page 73;

Note 29 Share-based compensation plans on pages 126 to 127;

Note 4 Staff and management costs Key management compensation on page 90; and

Note 19 Pension and similar obligations on pages 113 to 117.

**C. Board practices**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Board of Directors on pages 22 to 23;

Appointment of Directors on page 50;

Executive Directors (paragraphs 2 and 3) on page 52;

Non-Executive Directors on pages 52 and 53;

Committees on pages 53 and 54;

Report of the Audit Committee on page 63; and

Directors Remuneration Report on pages 67 to 70.

**D. Employees**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Note 4 Staff and management costs Average number of employees during the year on page 90; and

Our employees on page 28.

We believe our relationship with our employees and any labour unions of which they may be part is satisfactory in all material respects.

**E. Share ownership**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Directors Remuneration Report on page 70;

Executive Directors remuneration in 2009 on pages 71 to 72;

Non-Executive Directors on page 73; and

Note 29 Share-based compensation plans on pages 126 and 127.

Unilever Annual Report on Form 20-F 2009 9

---

**Table of Contents**

Form 20-F

**Item 7 Major Shareholders and Related Party Transactions**

**A. Major shareholders**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Foundation Unilever NV Trust office and Margarine Union (1930) Limited on pages 58 and 59; and

Analysis of shareholding on pages 144 and 145.

The principal trading markets upon which Unilever shares are listed are Euronext Amsterdam for NV depositary receipts of ordinary and preference shares and the London Stock Exchange for PLC ordinary shares. NV ordinary shares mainly trade in the form of depositary receipts for shares.

In the United States, NV New York Registry Shares and PLC American Depositary Receipts are traded on the New York Stock Exchange. Citibank, N.A. acts for NV and PLC as issuer, transfer agent and, in respect of the PLC American Depositary Receipts, depositary.

There have not been any significant trading suspensions in the past three years.

At 1 March 2010 there were 5,844 registered holders of NV New York Registry Shares and 879 registered holders of PLC American Depositary Receipts in the United States. We estimate that approximately 15% of NV's ordinary shares were held in the United States (approximately 17% in 2008), while most holders of PLC ordinary shares are registered in the United Kingdom approximately 99% in 2009 and in 2008.

NV and PLC are separate companies with separate stock exchange listings and different shareholders. Shareholders cannot convert or exchange the shares of one for shares of the other and the relative share prices on the various markets can, and do, fluctuate. Each NV ordinary share represents the same underlying economic interest in the Unilever Group as each PLC ordinary share (save for exchange rate fluctuations).

If you are a shareholder of NV, you have an interest in a Dutch legal entity, your dividends will be paid in euros (converted into US dollars if you have shares registered in the United States) and you may be subject to tax in the Netherlands. If you are a shareholder of PLC, your interest is in a UK legal entity, your dividends will be paid in sterling (converted into US dollars if you have American Depositary Receipts) and you may be subject to UK tax. Nevertheless, the Equalisation Agreement means that as a shareholder of either company you effectively have an interest in the whole of Unilever. You have largely equal rights over our combined net profit and capital reserves as shown in the consolidated accounts.

The information set forth under the heading Equalisation Agreement on pages 56 and 57 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**B. Related party transactions**

The information set forth under the heading Note 30 Related party transactions on page 128 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

Transactions with related parties are conducted in accordance with agreed transfer pricing policies and include sales to joint ventures and associates. Other than those disclosed in the Group's Annual Report and Accounts (and incorporated herein as above), there were no related party transactions that were material to the Group or to the related parties concerned that are required to be reported in 2009 or the two preceding years.

**C. Interest of experts and counsel**

Not applicable.

**Item 8 Financial Information**

**A. Consolidated statements and other financial information**

Please refer also to Item 18 Financial Statements on pages 17-25 of this report.

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Financial statements on page 76 and pages 79 to 128 (excluding Note 31 on page 128);

Legal proceedings on pages 29 and 122; and

Dividend record on page 130 and Financial calendar on page 146.

**B. Significant changes**

The information set forth in note 32 on page 128 of the Group's Annual Report and Accounts furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

10 Unilever Annual Report on Form 20-F 2009

---

**Table of Contents****Item 9 The Offer and Listing****A. Offer and listing details**

Please refer to information given above under Item 7A Major shareholders .

**Share prices at 31 December 2009**

The share price of the ordinary shares at the end of the year were as follows:

NV per 0.16 ordinary share in Amsterdam	22.75
NV per 0.16 ordinary share in New York	\$32.33
PLC per 3 <sup>1</sup> / <sub>9</sub> ordinary share in London	£19.94
PLC per 3 <sup>1</sup> / <sub>9</sub> ordinary share in New York	\$31.90

**Monthly high and low prices for the most recent six months:**

		September 2009	October 2009	November 2009	December 2009	January 2010	February 2010
NV per 0.16 ordinary share in Amsterdam (in )	High	19.69	21.39	21.61	22.88	22.94	22.79
	Low	18.80	19.33	20.37	21.09	21.81	20.97
NV per 0.16 ordinary share in New York (in US \$)	High	28.86	31.20	32.11	32.80	32.93	31.41
	Low	27.00	28.36	30.47	31.03	30.58	28.98
PLC per 3 <sup>1</sup> / <sub>9</sub> ordinary share in London (in £)	High	17.78	18.72	18.44	20.15	19.95	19.47
	Low	16.21	17.60	17.75	18.21	18.91	18.18
PLC per 3 <sup>1</sup> / <sub>9</sub> ordinary share in New York (in US \$)	High	28.68	30.68	31.01	32.19	32.31	31.21
	Low	26.71	28.29	29.53	29.78	30.52	28.84

**Quarterly high and low prices for 2009 and 2008**

		2009	1st	2nd	3rd	4th
NV per 0.16 ordinary share in Amsterdam (in )	High		18.11	17.97	19.88	22.88
	Low		13.59	14.42	17.13	19.33
NV per 0.16 ordinary share in New York (in US \$)	High		25.16	25.19	28.86	32.80
	Low		17.04	18.70	23.93	28.36
PLC per 3 <sup>1</sup> / <sub>9</sub> ordinary share in London (in £)	High		16.69	15.33	17.78	20.15

Edgar Filing: UNILEVER N V - Form 20-F

	Low	12.30	12.68	14.27	17.60
PLC per 3 <sup>1</sup> / <sub>9</sub> ordinary share in New York (in US \$)	High	24.06	24.88	28.68	32.19
	Low	17.04	18.36	23.26	28.29
	2008	1st	2nd	3rd	4th
NV per 0.16 ordinary share in Amsterdam (in €)	High	25.61	22.30	20.85	20.55
	Low	19.86	17.60	17.10	16.20
NV per 0.16 ordinary share in New York (in US \$)	High	37.18	34.53	30.37	28.77
	Low	29.94	27.90	26.81	21.27
PLC per 3 <sup>1</sup> / <sub>9</sub> ordinary share in London (in £)	High	19.47	17.86	16.30	16.01
	Low	15.16	13.85	13.35	12.49
PLC per 3 <sup>1</sup> / <sub>9</sub> ordinary share in New York (in US \$)	High	38.02	34.89	30.21	28.35
	Low	29.90	27.71	26.15	20.22

**Annual high and low prices**

		2009	2008	2007	2006	2005
NV per 0.16 ordinary share in Amsterdam (in €)	High	22.88	25.61	25.72	20.84	20.27
	Low	13.59	16.20	18.89	16.53	16.13
NV per 0.16 ordinary share in New York (in US \$)	High	32.80	37.18	37.31	27.32	24.02
	Low	17.04	21.27	24.94	20.72	20.89
PLC per 3 <sup>1</sup> / <sub>9</sub> ordinary share in London (in £)	High	20.15	19.47	19.24	14.28	13.39
	Low	12.30	12.49	13.20	11.25	10.83
PLC per 3 <sup>1</sup> / <sub>9</sub> ordinary share in New York (in US \$)	High	32.19	38.02	38.25	27.95	23.67
	Low	17.04	20.22	25.57	20.66	20.34

Unilever Annual Report on Form 20-F 2009 11

**Table of Contents**

Form 20-F

**B. Plan of distribution**

Not applicable.

**C. Markets**

The information set forth under the heading "The Unilever Group" on page 2 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**D. Selling shareholders**

Not applicable.

**E. Dilution**

Not applicable.

**F. Expenses of the issue**

Not applicable.

**Item 10 Additional Information**

**A. Share capital**

Not applicable.

**B. Memorandum and articles of association**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

Corporate governance on pages 50 to 62; and

Note 22 Share capital on page 119.

**C. Material contracts**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Financial Review 2009 Acquisition and disposals on page 42;

Financial Review 2008 Acquisition and disposals on page 49; and

Foundation agreements on pages 56 and 57.

**D. Exchange controls**

Under the Netherlands Act on Financial Supervision (Wet op het financieel toezicht (Wft)) the Minister of Finance is authorised to issue regulations relating to financial transactions. To date no regulations of this type have been issued which are applicable to Unilever N.V.

There are currently no exchange controls affecting PLC shareholders.

**E. Taxation**

**Taxation for US persons holding shares in NV**

The following notes are provided for guidance. US persons should consult their local tax advisers, particularly in connection with potential liability to pay US taxes on disposal, lifetime gift or bequest of their shares. A US person is a US individual citizen or resident, a corporation organised under the laws of the United States, or any other legal person subject to US federal income tax on its worldwide income.

**Taxation on dividends in the Netherlands**

As of 1 January 2007 dividends of companies in the Netherlands are in principle subject to dividend withholding tax of 15%. Where a shareholder is entitled to the benefits of the current Income Tax Convention (the Convention) concluded on 18 December 1992 between the United States and the Netherlands, when dividends are paid by NV to:

a corporation organised under the laws of the United States (or any territory of it) having no permanent establishment in the Netherlands of which such shares form a part of the business property; or

any other legal person subject to United States Federal income tax with respect to its worldwide income, having no permanent establishment in the Netherlands of which such shares form a part of the business property,



these dividends qualify for a reduction of withholding tax on dividends in the Netherlands from 15% to 5% if the beneficial owner is a company which directly holds at least 10% of the voting power of NV shares and to 0% if the beneficial owner is a qualified Exempt Organisation as defined in Article 36 of the Convention.

Where a United States person has a permanent establishment in the Netherlands, which has shares in NV forming part of its business property, dividends it receives on those shares are included in that establishment's profit. They are subject to income tax or corporation tax in the Netherlands, as appropriate, and tax on dividends in the Netherlands will generally be applied at the full rate of 15%. This tax will be treated as foreign income tax eligible for credit against the shareholder's United States income taxes.

Under the Convention, qualifying United States organisations that are generally exempt from United States taxes and that are constituted and operated exclusively to administer or provide pension, retirement or other employee benefits may be exempt at source from withholding tax on dividends received from a Dutch corporation. A Competent Authority Agreement between the US and Dutch Tax Authorities on 6 August 2007, published in the US as Announcement 2007-75, 2007-2 Cumulative Bulletin 540, describes the eligibility of these US organisations for benefits under the Convention and procedures for claiming these benefits.

12 Unilever Annual Report on Form 20-F 2009

---

## **Table of Contents**

A United States trust, company or organisation that is operated exclusively for religious, charitable, scientific, educational or public purposes is subject to an initial 15% withholding tax rate. Such an exempt organisation is entitled to reclaim from Tax Authorities in the Netherlands a refund of the Dutch dividend tax, if and to the extent that it is exempt from United States Federal Income Tax and it would be exempt from tax in the Netherlands if it were organised and carried on all its activities there.

If you are an NV shareholder resident in any country other than the United States or the Netherlands, any exemption from, or reduction or refund of, dividend withholding tax in the Netherlands may be governed by the Tax Regulation for the Kingdom of the Netherlands or by the tax convention, if any, between the Netherlands and your country of residence.

### **United States taxation on dividends**

If you are a United States person, the dividend (including the withheld amount) up to the amount of our earnings and profits for United States Federal income tax purposes will be ordinary dividend income. Dividends received by an individual during taxable years before 2011 will be taxed at a maximum rate of 15%, provided the individual has held the shares for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date, that NV is a qualified foreign corporation and that certain other conditions are satisfied. NV is a qualified foreign corporation for this purpose. Dividends received by an individual for taxable years after 2010 will be subject to tax at ordinary income rates. The dividends are not eligible for the dividends received deduction allowed to corporations.

For US foreign tax credit purposes, the dividend is foreign source income, and withholding tax in the Netherlands is a foreign income tax that is eligible for credit against the shareholder's United States income taxes. However, the rules governing the US foreign tax credit are complex, and additional limitations on the credit apply to individuals receiving dividends eligible for the 15% maximum tax rate on dividends described above.

Any portion of the dividend that exceeds our United States earnings and profits is subject to different rules. This portion is a tax free return of capital to the extent of your basis in our shares, and thereafter is treated as a gain on a disposition of the shares.

Under a provision of the Dividend Tax Act in the Netherlands, NV is entitled to a credit (up to a maximum of 3% of the gross dividend from which dividend tax is withheld) against the amount of dividend tax withheld before remittance to tax authorities in the Netherlands. The United States tax authority may take the position that withholding tax in the Netherlands eligible for credit should be limited accordingly.

### **Taxation on capital gains in the Netherlands**

Under the Convention, if you are a United States person and you have capital gains on the sale of shares of a Dutch company, these are generally not subject to taxation by the Netherlands. An exception to this rule generally applies if you have a permanent establishment in the Netherlands and the capital gain is derived from the sale of shares which form part of that permanent establishment's business property.

### **Succession duty and gift taxes in the Netherlands**

Under the Estate and Inheritance Tax Convention between the United States and the Netherlands of 15 July 1969, individual US persons who are not Dutch citizens who have shares will generally not be subject to succession duty in the Netherlands on the individual's death, unless the shares are part of the business property of a permanent establishment situated in the Netherlands.

A gift of shares of a Dutch company by a person who is not a resident or a deemed resident of the Netherlands is generally not subject to gift tax in the Netherlands. A non-resident Netherlands citizen, however, is still treated as a resident of the Netherlands for gift tax purposes for ten years and any other non-resident person for one year after leaving the Netherlands.

### **Taxation for US persons holding shares in PLC**

The following notes are provided for guidance. US persons should consult their local tax advisers, particularly in connection with potential liability to pay US taxes on disposal, lifetime gift or bequest of their shares. A US person is a US individual citizen or resident, a corporation organised under the laws of the United States, or any other legal person subject to US federal income tax on its worldwide income.

### **United Kingdom taxation on dividends**

Under United Kingdom law, income tax is not withheld from dividends paid by United Kingdom companies. Shareholders, whether resident in the United Kingdom or not, receive the full amount of the dividend actually declared.

**United States taxation on dividends**

If you are a US person, the dividend up to the amount of our earnings and profits for United States Federal income tax purposes will be ordinary dividend income. Dividends received by an individual during taxable years before 2011 will be taxed at a maximum rate of 15%, provided the individual has held the shares for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date, that PLC is a qualified foreign corporation and certain other conditions are satisfied. PLC is a qualified foreign corporation for this purpose. Dividends received by an individual for taxable years after 2010 will be subject to tax at ordinary income rates. The dividend is not eligible for the dividends received deduction allowable to corporations. The dividend is foreign source income for US foreign tax credit purposes.

Any portion of the dividend that exceeds our United States earnings and profits is subject to different rules. This portion is a tax free return of capital to the extent of your basis in our shares, and thereafter is treated as a gain on a disposition of the shares.

**UK taxation on capital gains**

Under United Kingdom law, when you sell shares you may be liable to pay capital gains tax. However, if you are either:

an individual who is neither resident nor ordinarily resident in the United Kingdom; or

a company which is not resident in the United Kingdom;

you will generally not be liable to United Kingdom tax on any capital gains made on disposal of your shares.

Two exceptions are: if the shares are held in connection with a trade or business which is conducted in the United Kingdom through a branch or an agency; and if the shares are held by an individual who has left the UK for a period of non-residence of less than five tax years having been resident for at least four of the seven tax years prior to leaving the UK.

**Table of Contents**

Form 20-F

**UK inheritance tax**

Under the current estate and gift tax convention between the United States and the United Kingdom, ordinary shares held by an individual shareholder who is:

domiciled for the purposes of the convention in the United States; and

is not for the purposes of the convention a national of the United Kingdom;

will not be subject to United Kingdom inheritance tax on:

the individual's death; or

on a gift of the shares during the individual's lifetime.

The exception is if the shares are part of the business property of a permanent establishment of the individual in the United Kingdom or, in the case of a shareholder who performs independent personal services, pertain to a fixed base situated in the United Kingdom.

**F. Dividends and paying agents**

Not applicable.

**G. Statement by experts**

Not applicable.

**H. Documents on display**

The information set forth under the heading "Shareholder information" on pages 146-147 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**Unilever Annual Report on Form 20-F 2009**

Filed with the SEC on the SEC's website. Printed copies are available, free of charge, upon request to Unilever PLC, Investor Relations Department, Unilever House, 100 Victoria Embankment, London EC4Y 0DY United Kingdom.

**Documents on display in the United States**

Unilever files and furnishes reports and information with the United States SEC. Such reports and information can be inspected and copied at the SEC's public reference facilities in Washington DC, Chicago and New York. Certain of our reports and other information that we file or furnish to the SEC are also available to the public over the internet on the SEC's website.

**I. Subsidiary information**

Not applicable.

**Item 11 Quantitative and Qualitative Disclosures About Market Risk**

Please refer also to Item 3D "Risk Factors" of this report.

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Outlook on page 30;

Note 13 Trade and other receivables on page 98;

Note 14 Financial assets and liabilities on pages 99 to 103;

Note 15 Financial instruments and treasury risk management on pages 104 to 110; and

Note 16 Trade payables and other liabilities on page 110.

**Item 12 Description of Securities Other than Equity Securities**

**D.3 Transfer Agent Fees and Charges**

The Unilever Group has appointed Citibank, N.A. ( "Citibank" ) as both its transfer agent and registrar pursuant to the New York Registered Share program for Unilever N.V. and as its depositary pursuant to its American Depositary Receipt program for Unilever PLC.

## Edgar Filing: UNILEVER N V - Form 20-F

Although items 12.D.3 and 12.D.4 are not applicable to Unilever N.V. the following fees, charges and transfer agent payments are listed, as any fee arrangement with Citibank will cover both programmes.

Under the terms of the Transfer Agent Agreement for the Unilever N.V. New York Registered Share program, a New York Share (NYS) holder may have to pay the following service fees to the transfer agent:

Issuance of NYSSs: Up to US 5¢ per NYS issued.

Cancellation of NYSSs: Up to US 5¢ per NYS cancelled.

An NYS holder will also be responsible to pay certain fees and expenses incurred by the transfer agent and certain taxes and governmental charges such as:

Fees for the transfer and registration of Shares charged by the registrar and transfer agent for the Shares in the Netherlands (i.e., upon deposit and withdrawal of Shares).

Expenses incurred for converting foreign currency into US dollars.

Expenses for cable, telex and fax transmissions and for delivery of securities.

Taxes and duties upon the transfer of securities (i.e. when shares are deposited or withdrawn from deposit).

Fees and expenses incurred in connection with the delivery or servicing of shares on deposit.

14 Unilever Annual Report on Form 20-F 2009

---

**Table of Contents**

Transfer agent fees payable upon the issuance and cancellation of NYSs are typically paid to the transfer agent by the brokers (on behalf of their clients) receiving the newly-issued NYSs from the transfer agent and by the brokers (on behalf of their clients) delivering the NYSs to the transfer agent for cancellation. The brokers in turn charge these transaction fees to their clients.

Note that the fees and charges an investor may be required to pay may vary over time and may be changed by us and by the Transfer Agent. Notice of any changes will be given to investors.

**D.4 Transfer Agent Payments Fiscal Year 2009**

In 2009, we received the following payments from Citibank, N.A., the Transfer Agent and Registrar for our New York Registered Share program:

Reimbursement of listing fees (NYSE/NASDAQ):	\$ 281,140.00
Reimbursement of settlement infrastructure fees (including DTC feeds):	\$ 28,336.50
Reimbursement of proxy process expenses (printing, postage and distribution):	\$ 248,742.96
Reimbursement of legal fees:	\$ 1,764.00
Tax reclaim services:	\$ 100,000.00
Program-Related Expenses (that include expenses incurred from the requirements of the Sarbanes-Oxley Act of 2002):	\$ 690,016.54

**Indirect payments**

As part of its service to the Company, Citibank, N.A. has agreed to waive fees for the standard costs associated with the administration of the New York Registered Share Program, associated operating expenses and investor relations advice estimated to total \$150,000.

**Item 13 Defaults, Dividend Arrearages and Delinquencies****A. Defaults**

There has been no material default in the payment of principal, interest, a sinking or purchase fund instalments or any other material default relating to indebtedness of the Group.

**B. Dividend arrearages and delinquencies**

There have been no arrears in payment of dividends on, and material delinquency with respect to, any class of preferred stock of any significant subsidiary of the Group.

**Item 14 Material Modifications to the Rights of Security Holders and Use of Proceeds**

Not applicable.

**Item 15 Controls and Procedures**

The information set forth under the headings Auditors Report United States on Item 18 of this report, Risk management approach on pages 35 and 36 and Risk management and control on page 62 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**Management's report on internal control over financial reporting**

In accordance with the requirements of Section 404 of the US Sarbanes-Oxley Act of 2002, the following report is provided by management in respect of the Company's internal control over financial reporting (as defined in rule 13a-15(f) or rule 15d-15(f) under the US Securities Exchange Act of 1934):

Unilever's management is responsible for establishing and maintaining adequate internal control over financial reporting for the Group;

Unilever's management has used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework to evaluate the effectiveness of our internal control over financial reporting. Management believes that the COSO framework is a suitable framework for its evaluation of our internal control over financial reporting because it is free from bias, permits reasonably consistent qualitative and quantitative measurements of internal controls, is sufficiently complete so that those relevant factors that would alter a conclusion about the effectiveness of internal controls are not omitted and is relevant to an evaluation of internal control over financial reporting;

Management has assessed the effectiveness of internal control over financial reporting as of 31 December 2009, and has concluded that such internal control over financial reporting is effective; and

PricewaterhouseCoopers LLP and PricewaterhouseCoopers Accountants N.V., who have audited the consolidated financial statements of the Group for the year ended 31 December 2009, have also audited the effectiveness of internal control over financial reporting as at 31 December 2009 and have issued an attestation report on internal control over financial reporting. For the Auditors' Report please refer to Item 18.

Unilever Annual Report on Form 20-F 2009 15

---

**Table of Contents**

Form 20-F

**Item 16 Reserved****A. Audit Committee financial expert**

The information set forth under the heading "Audit Committee" on pages 53 and 54 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**B. Code of Ethics**

The information set forth under the following headings of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference:

Foundation and principles on page 35; and

Requirements in the United States on page 62.

**C. Principal accountant fees and services**

The information set forth under the heading "Report of the Audit Committee" on page 63 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

	<b>million 2009</b>	million 2008	million 2007
Audit fees <sup>(a)</sup>	<b>(18)</b>	(21)	(20)
Audit-related fees <sup>(b)</sup>		(1)	(2)
Tax fees	<b>(2)</b>	(2)	(2)
All other fees	<b>(1)</b>	(2)	(1)

(a) Excludes (1) million of out of pocket expenses and (1) million fees paid in respect of services supplied for associated pension schemes.

(b) Includes other audit services which comprises audit and similar work that regulations or agreements with third parties requires the auditors to undertake.

**D. Exemptions from the Listing Standards for Audit Committees**

Not applicable.



**E. Purchases of equity securities by the issuer and affiliated purchasers**Share purchases during 2009

	Total number of shares purchased	Average price paid per share	Of which numbers of shares purchased as part of publicly announced plans <sup>(a)</sup>	million Maximum value that max yet be purchased as part of publicly announced plans
January				
February				
March	57,435	13.31		
April				
May				
June				
July				
August				
September				
October				
November				
December				
Total	57,435	13.31		

(a) Shares were also purchased to satisfy commitments to deliver shares under our share-based plans as described in note 29 on pages 133 and 134.

**F. Change in Registrant's Certifying Accountant**

Not applicable.

**G. Corporate governance**

The information set forth under the heading "Corporate governance" on pages 50 to 62 of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**Item 17 Financial Statements**

The company has responded to Item 18 in lieu of this item.

16 Unilever Annual Report on Form 20-F 2009

**Table of Contents**

**Item 18 Financial Statements**

The information set forth under the heading "Financial statements" on page 76 and pages 79 to 128 (excluding Note 31 on page 128) of the Group's Annual Report and Accounts 2009 furnished separately on 5 March 2010 under Form 6-K is incorporated by reference.

**Report of Independent Registered Public Accounting Firm**

In our opinion, the consolidated income statements and the related consolidated balance sheets, consolidated cash flow statements, consolidated statements of comprehensive income and consolidated statements of changes in equity set forth under the heading "Financial Statements" on pages 79 to 128 (excluding Note 31 on page 128) of Unilever Group's Annual Report and Accounts 2009 and the summarised presentation of the NV and PLC parts of the Group and the Guarantor financial information included in Item 18 of this Form 20-F present fairly, in all material respects, the financial position of the Unilever Group at 31 December 2009 and 2008 and the results of its operations and cash flows for each of the three years in the period ended 31 December 2009, in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and in conformity with IFRS as adopted by the European Union. Also, in our opinion the Group maintained, in all material respects, effective internal control over financial reporting as of 31 December 2009, based on criteria established in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Group's Directors and management are responsible for these consolidated financial statements.

The Group's management are responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying

Management's report on internal control over financial reporting included in Item 15 of this Form 20-F. Our responsibility is to express opinions on these consolidated financial statements and on the Group's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the consolidated financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall consolidated financial statements presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Edgar Filing: UNILEVER N V - Form 20-F

Rotterdam, The Netherlands, 2 March 2010  
PricewaterhouseCoopers Accountants N.V.  
As auditors of Unilever N.V.

PricewaterhouseCoopers LLP  
London, United Kingdom  
As auditors of Unilever PLC

R A J Swaak RA

2 March 2010  
Unilever Annual Report on Form 20-F 2009 17

---

**Table of Contents**

Form 20-F

**Summarised presentation of the NV and PLC parts of the Group (audited)**

NV and PLC and their group companies constitute a single entity for the purposes of presenting consolidated accounts. The following supplemental information shows the consolidated income statement and balance sheet of the Group analysed according to the relative legal ownership of the individual entities by NV or PLC.

	<b>million</b> <b>NV</b> <b>2009</b>	million NV 2008	million NV 2007	<b>million</b> <b>PLC</b> <b>2009</b>	million PLC 2008	million PLC 2007
<b>Income statement</b> for the year ended 31 December						
<b>Continuing operations:</b>						
<b>Turnover</b>	<b>21,917</b>	22,108	24,100	<b>17,906</b>	18,415	16,087
<b>Operating profit</b>	<b>2,700</b>	4,033	2,891	<b>2,320</b>	3,134	2,354
Net finance costs	<b>(259)</b>	(170)	(249)	<b>(334)</b>	(87)	(3)
Share in net profit of joint ventures	<b>61</b>	49	67	<b>50</b>	76	35
Share in net profit of associates	<b>(5)</b>	(3)	(2)	<b>9</b>	9	52
Other income from non-current investments	<b>350</b>	12	27	<b>24</b>	76	12
<b>Profit before taxation</b>	<b>2,847</b>	3,921	2,734	<b>2,069</b>	3,208	2,450
Taxation	<b>(715)</b>	(971)	(601)	<b>(542)</b>	(873)	(527)
<b>Net profit from continuing activities</b>	<b>2,132</b>	2,950	2,133	<b>1,527</b>	2,335	1,923
Net profit from discontinued operations			71			9
<b>Net profit</b>	<b>2,132</b>	2,950	2,204	<b>1,527</b>	2,335	1,932
Attributable to:						
Minority interest	<b>60</b>	16	41	<b>229</b>	242	207
Shareholders equity	<b>2,072</b>	2,934	2,163	<b>1,298</b>	2,093	1,725

18 Unilever Annual Report on Form 20-F 2009

**Table of Contents**

	<b>million NV 2009</b>	million NV 2008	<b>million PLC 2009</b>	million PLC 2008
<b>Balance sheet</b> as at 31 December				
Goodwill and intangible assets	<b>10,984</b>	10,298	<b>6,063</b>	5,793
Property, plant and equipment	<b>3,365</b>	3,020	<b>3,279</b>	2,937
Pension asset for funded schemes in surplus	<b>700</b>	396	<b>59</b>	29
Deferred tax assets	<b>435</b>	598	<b>303</b>	470
Other non-current assets	<b>572</b>	931	<b>445</b>	495
<b>Total non-current assets</b>	<b>16,056</b>	15,243	<b>10,149</b>	9,724
Inventories	<b>2,133</b>	2,228	<b>1,445</b>	1,661
Trade and other current receivables	<b>1,931</b>	2,189	<b>1,498</b>	1,634
Cash and cash equivalents	<b>2,004</b>	2,066	<b>638</b>	495
Other financial assets	<b>844</b>	746	<b>301</b>	120
Assets held for sale	<b>10</b>	21	<b>7</b>	15
Total current assets	<b>6,922</b>	7,250	<b>3,889</b>	3,925
Financial liabilities	<b>(1,472)</b>	(3,673)	<b>(807)</b>	(1,169)
Trade payables and other current liabilities	<b>(5,358)</b>	(5,069)	<b>(3,542)</b>	(3,132)
Provisions	<b>(262)</b>	(520)	<b>(158)</b>	(237)
Liabilities associated with assets held for sale	<b>0</b>	0	<b>0</b>	0
<b>Total current liabilities</b>	<b>(7,092)</b>	(9,262)	<b>(4,507)</b>	(4,538)
<b>Net current assets/(liabilities)</b>	<b>(170)</b>	(2,012)	<b>(618)</b>	(613)
<b>Total assets less current liabilities</b>	<b>15,886</b>	13,231	<b>9,531</b>	9,111
Financial liabilities due after one year	<b>5,532</b>	4,997	<b>2,160</b>	1,366
Pensions and post-retirement healthcare liabilities				
Funded schemes in deficit	<b>635</b>	952	<b>884</b>	868
Unfunded schemes	<b>902</b>	941	<b>920</b>	1,046
Provisions	<b>510</b>	458	<b>219</b>	188
Deferred tax liabilities	<b>671</b>	619	<b>93</b>	171
Other non-current liabilities	<b>185</b>	240	<b>170</b>	124
<b>Non-current liabilities</b>	<b>8,435</b>	8,207	<b>4,446</b>	3,763

Edgar Filing: UNILEVER N V - Form 20-F

Intra-group NV/PLC	<b>(5,727)</b>	(6,107)	<b>5,727</b>	6,107
Shareholders equity	<b>13,128</b>	11,091	<b>(1,063)</b>	(1,143)
Minority interest	<b>50</b>	40	<b>421</b>	384
<b>Total equity</b>	<b>13,178</b>	11,131	<b>(642)</b>	(759)
<b>Total capital employed</b>	<b>15,886</b>	13,231	<b>9,531</b>	9,111

Unilever Annual Report on Form 20-F 2009 19

---

**Table of Contents**

Form 20-F

**Guarantor statements (audited)**

On 18 November 2008, NV and Unilever Capital Corporation (UCC) filed a US Shelf registration, which is unconditionally and fully guaranteed, jointly and severally, by NV, PLC and Unilever United States, Inc. (UNUS). This superseded the previous NV and UCC US Shelf registration filed on 2 October 2000, which is unconditionally and fully guaranteed, jointly and severally, by NV, PLC and UNUS. Of the US Shelf registration, US \$4.25 billion of Notes were outstanding at 31 December 2009 (2008: US \$2.75 billion; 2007: US \$2.75 billion) with coupons ranging from 3.650% to 7.125%. These Notes are repayable between 1 November 2010 and 15 November 2032.

Provided below are the income statements, cash flow statements and balance sheets of each of the companies discussed above, together with the income statement, cash flow statement and balance sheet of non-guarantor subsidiaries. These have been prepared under the historical cost convention, and, aside from the basis of accounting for investments at net asset value (equity accounting), comply in all material respects with International Financial Reporting Standards. The financial information in respect on NV, PLC and UNUS has been prepared with all subsidiaries accounted for on an equity basis. The financial information in respect of the non-guarantor subsidiaries has been prepared on a consolidated basis.

	million Unilever Capital Corporation	million Unilever N.V. parent issuer/ guarantor	million Unilever PLC parent guarantor	million Unilever United States Inc. subsidiary guarantor	million Non- guarantor subsidiaries	million Eliminations	million Unilever Group
Income statement for the year ended 31 December 2009							

**Continuing operations:**

<b>Turnover</b>					<b>39,823</b>		<b>39,823</b>
<b>Operating profit</b>		<b>91</b>	<b>37</b>	<b>(31)</b>	<b>4,923</b>		<b>5,020</b>
Finance income					<b>75</b>		<b>75</b>
Finance costs	<b>(183)</b>	<b>(159)</b>	<b>(24)</b>		<b>(138)</b>		<b>(504)</b>
Pensions and similar obligations		<b>1</b>		<b>(61)</b>	<b>(104)</b>		<b>(164)</b>
Intercompany finance costs	<b>185</b>	<b>52</b>	<b>(36)</b>	<b>(10)</b>	<b>(191)</b>		
Dividends		<b>1,321</b>	<b>1,112</b>		<b>(2,433)</b>		
Share of net profit/(loss) of joint ventures					<b>111</b>		<b>111</b>
Share of net profit/(loss) of associates					<b>4</b>		<b>4</b>
Other income from non-current investments					<b>374</b>		<b>374</b>
<b>Profit before taxation</b>	<b>2</b>	<b>1,306</b>	<b>1,089</b>	<b>(102)</b>	<b>2,621</b>		<b>4,916</b>
Taxation	<b>(1)</b>	<b>(34)</b>	<b>(1)</b>	<b>(245)</b>	<b>(976)</b>		<b>(1,257)</b>
<b>Net profit from continuing activities</b>	<b>1</b>	<b>1,272</b>	<b>1,088</b>	<b>(347)</b>	<b>1,645</b>		<b>3,659</b>

Net profit from discontinued operations							
Equity earnings of subsidiaries		2,387	2,571	643		(5,601)	
<b>Net profit</b>	<b>1</b>	<b>3,659</b>	<b>3,659</b>	<b>296</b>	<b>1,645</b>	<b>(5,601)</b>	<b>3,659</b>
Attributable to:							
Minority interest					289		289
Shareholders' equity	<b>1</b>	<b>3,659</b>	<b>3,659</b>	<b>296</b>	<b>1,356</b>	<b>(5,601)</b>	<b>3,370</b>

20 Unilever Annual Report on Form 20-F 2009

---



**Table of Contents**

	million Unilever Capital Corporation subsidiary issuer	million Unilever N.V. parent issuer/ guarantor	million Unilever PLC parent guarantor	million Unilever United States Inc. subsidiary guarantors	million Non- guarantor subsidiaries	million Eliminations	million Unilever Group
Continuing operations:							
<b>Turnover</b>					40,523		40,523
<b>Operating profit</b>	(1)	381	114	(19)	6,692		7,167
Finance income		1			105		106
Finance costs	(167)	(146)			(193)		(506)
Pension and similar obligations		1		(27)	169		143
Intercompany finance costs	196	42	42	(4)	(276)		
Dividends		1,473	1,160		(2,633)		
Share of net profit/(loss) of joint ventures					125		125
Share of net profit/(loss) of associates					6		6
Other income from non-current investments					88		88
<b>Profit before taxation</b>	28	1,752	1,316	(50)	4,083		7,129
Taxation	(11)	(41)	(134)	(619)	(1,039)		(1,844)
<b>Net profit from continuing activities</b>	17	1,711	1,182	(669)	3,044		5,285
Net profit from discontinued operations							
Equity earnings of subsidiaries		3,316	3,845	1,637		(8,798)	
<b>Net profit</b>	17	5,027	5,027	968	3,044	(8,798)	5,285
Attributable to:							
Minority interest					258		258
Shareholders equity	17	5,027	5,027	968	2,786	(8,798)	5,027

**Income statement**

for the year ended 31 December 2008

Continuing operations:

<b>Turnover</b>					40,187		40,187
-----------------	--	--	--	--	--------	--	--------

Edgar Filing: UNILEVER N V - Form 20-F

<b>Operating profit</b>	(1)	23	(36)	(22)	5,281		5,245
Finance income		4	4		139		147
Finance costs	(182)	(112)	(1)		(262)		(557)
Pension and similar obligations		(6)		(33)	197		158
Intercompany finance costs	201	38	48	(12)	(275)		
Dividends		1,536	1,154		(2,690)		
Share of net profit/(loss) of joint ventures					102		102
Share of net profit/(loss) of associates					50		50
Other income from non-current investments					39		39
<b>Profit before taxation</b>	18	1,483	1,169	(67)	2,581		5,184
Taxation	(7)	(91)	(89)	(52)	(889)		(1,128)
<b>Net profit from continuing activities</b>	11	1,392	1,080	(119)	1,692		4,056
Net profit from discontinued operations					80		80
Equity earnings of subsidiaries		2,496	2,808	611		(5,915)	
<b>Net profit</b>	11	3,888	3,888	492	1,772	(5,915)	4,136
Attributable to:							
Minority interest					248		248
Shareholders equity	11	3,888	3,888	492	1,524	(5,915)	3,888

Unilever Annual Report on Form 20-F 2009 21

**Table of Contents**

Form 20-F

	million Unilever Capital Corporation subsidiary issuer	million Unilever N.V. parent issuer/ guarantor	million Unilever PLC parent guarantor	million Unilever United States Inc. subsidiary guarantor	million Non- guarantor subsidiarie	million Eliminations	million Unilever Group
<b>Balance sheet</b> at 31 December 2009							
Goodwill and intangible assets		44	26		16,977		17,047
Property, plant and equipment					6,644		6,644
Pension asset for funded schemes in surplus				35	724		759
Deferred tax assets				495	243		738
Other non-current assets				13	1,004		1,017
Amounts due from group companies after one year	3,264	3,242			(6,506)		
Net assets of subsidiaries (equity accounted)		30,824	16,709	11,017	(33,116)	(25,434)	
<b>Total non-current assets</b>	<b>3,264</b>	<b>34,110</b>	<b>16,735</b>	<b>11,560</b>	<b>(14,030)</b>	<b>(25,434)</b>	<b>26,205</b>
Inventories					3,578		3,578
Amounts due from group companies within one year		1,668	421	2,015	(4,104)		
Trade and other current receivables		44	1	10	3,374		3,429
Current tax assets		28		26	119		173
Other financial assets					972		972
Cash and cash equivalents		14		(3)	2,631		2,642
Assets held for sale					17		17
<b>Total current assets</b>		<b>1,754</b>	<b>422</b>	<b>2,048</b>	<b>6,587</b>		<b>10,811</b>
Financial liabilities	(1,229)	(33)			(1,017)		(2,279)
Amounts due to group companies within one year	(6)	(16,939)	(4,157)		21,102		
Trade payables and other current liabilities	(37)	(176)	(13)	(24)	(8,163)		(8,413)
Current tax liabilities	(1)	(15)	(69)	(4)	(398)		(487)
Provisions					(420)		(420)

<b>Total current liabilities</b>	<b>(1,273)</b>	<b>(17,163)</b>	<b>(4,239)</b>	<b>(28)</b>	<b>11,104</b>		<b>(11,599)</b>
<b>Net current assets/(liabilities)</b>	<b>(1,273)</b>	<b>(15,409)</b>	<b>(3,817)</b>	<b>2,020</b>	<b>17,691</b>		<b>(788)</b>
<b>Total assets less current liabilities</b>	<b>1,991</b>	<b>18,701</b>	<b>12,918</b>	<b>13,580</b>	<b>3,661</b>	<b>(25,434)</b>	<b>25,417</b>
Financial liabilities due after one year	<b>1,728</b>	<b>3,213</b>	<b>838</b>		<b>1,913</b>		<b>7,692</b>
Amounts due to group companies after one year		<b>3,299</b>		<b>3,256</b>	<b>(6,555)</b>		
Pensions and post-retirement healthcare liabilities					<b>1,519</b>		<b>1,519</b>
Funded schemes in deficit					<b>620</b>		<b>1,822</b>
Unfunded schemes		<b>90</b>		<b>2</b>	<b>712</b>		<b>729</b>
Provisions		<b>15</b>			<b>733</b>		<b>764</b>
Deferred tax liabilities		<b>16</b>	<b>15</b>		<b>84</b>		<b>355</b>
Other non-current liabilities		<b>3</b>			<b>268</b>		
<b>Total non-current liabilities</b>	<b>1,728</b>	<b>6,636</b>	<b>853</b>	<b>3,962</b>	<b>(298)</b>		<b>12,881</b>
Shareholders' equity attributed to:							
NV			<b>13,128</b>			<b>(13,128)</b>	
PLC		<b>(1,063)</b>				<b>1,063</b>	
Called up share capital		<b>274</b>	<b>210</b>		<b>(1)</b>		<b>484</b>
Share premium account		<b>25</b>	<b>106</b>	<b>97</b>	<b>(97)</b>		<b>131</b>
Other reserves	<b>(9)</b>	<b>(3,629)</b>	<b>(2,271)</b>	<b>936</b>	<b>(1,966)</b>	<b>1,039)</b>	<b>(5,900)</b>
Retained profit	<b>272</b>	<b>16,458</b>	<b>892</b>	<b>8,585</b>	<b>5,551</b>	<b>(14,408)</b>	<b>17,350</b>
<b>Total shareholders' equity</b>	<b>263</b>	<b>12,065</b>	<b>12,065</b>	<b>9,618</b>	<b>3,488</b>	<b>(25,434)</b>	<b>12,065</b>
Minority interest					<b>471</b>		<b>471</b>
<b>Total equity</b>	<b>263</b>	<b>12,065</b>	<b>12,065</b>	<b>9,618</b>	<b>3,959</b>	<b>(25,434)</b>	<b>12,536</b>
<b>Total capital employed</b>	<b>1,991</b>	<b>18,701</b>	<b>12,918</b>	<b>13,580</b>	<b>3,661</b>	<b>(25,434)</b>	<b>25,417</b>

22 Unilever Annual Report on Form 20-F 2009

**Table of Contents**

	million Unilever Capital Corporation subsidiary issuer	million Unilever N.V. parent issuer/ guarantor	million Unilever PLC parent guarantor	million Unilever United States Inc. subsidiary guarantors	million Non- guarantor subsidiarie	million Eliminations	million Unilever Group
<b>Balance sheet at 31 December 2008</b>							
Goodwill and intangible assets		51	23		16,017		16,091
Property, plant and equipment				1	5,956		5,957
Pension asset for funded schemes in surplus					425		425
Deferred tax assets				777	291		1,068
Other non-current assets				15	1,411		1,426
Amounts due from group companies after one year	3,960	2,919			(6,879)		
Net assets of subsidiaries (equity accounted)		28,829	12,788	9,534	(30,789)	(20,362)	
<b>Total non-current assets</b>	3,960	31,799	12,811	10,327	(13,568)	(20,362)	24,967
Inventories					3,889		3,889
Amounts due from group companies within one year		2,570	611		(3,181)		
Trade and other current receivables		61	(2)	5	3,759		3,823
Current tax assets		24		80	130		234
Other financial assets					632		632
Cash and cash equivalents	(3)	7		(4)	2,561		2,561
Assets held for sale					36		36
<b>Total current assets</b>	(3)	2,662	609	81	7,826		11,175
Financial liabilities	(1,755)	(772)			(2,315)		(4,842)
Amounts due to group companies within one year		(17,181)	(3,351)		20,532		
Trade payables and other current liabilities	(24)	(153)	(7)	(18)	(7,622)		(7,824)
Current tax liabilities	(11)	(15)	(101)	2	(252)		(377)
Provisions					(757)		(757)
Liabilities associated with assets held for sale							

Edgar Filing: UNILEVER N V - Form 20-F

<b>Total current liabilities</b>	(1,790)	(18,121)	(3,459)	(16)	9,586		(13,800)
<b>Net current assets/(liabilities)</b>	(1,793)	(15,459)	(2,850)	65	17,412		(2,625)
<b>Total assets less current liabilities</b>	2,167	16,340	9,961	10,392	3,844	(20,362)	22,342
Financial liabilities due after one year	1,923	3,080		(2)	1,362		6,363
Amounts due to group companies after one year		3,089		666	(3,755)		
Pensions and post-retirement healthcare liabilities							
Funded schemes in deficit				449	1,371		1,820
Unfunded schemes		85		712	1,190		1,987
Provisions		41		3	602		646
Deferred tax liabilities		64	13		713		790
Other non-current liabilities		33		122	209		364
<b>Total non-current liabilities</b>	1,923	6,392	13	1,950	1,692		11,970
Shareholders' equity attributed to:							
NV			(1,143)			1,143	
PLC			11,091			(11,091)	
Called up share capital			274	210			484
Share premium account		25	96				121
Other reserves	(1)	(4,551)	(1,918)	(101)	(2,479)	2,581	(6,469)
Retained profit	245	15,343	469	8,543	4,207	(12,995)	15,812
<b>Total shareholders' equity</b>	244	10,817	8,869	8,652	1,728	(20,362)	9,948
Minority interest					424		424
<b>Total equity</b>	244	10,817	8,869	8,652	2,152	(20,362)	10,372
<b>Total capital employed</b>	2,167	17,209	8,882	10,602	3,844	(20,362)	22,342

Unilever Annual Report on Form 20-F 2009 23

**Table of Contents**

Form 20-F

	million Unilever Capital Corporation subsidiary issuer	million Unilever N.V. parent issuer/ guarantor	million Unilever PLC parents guarantor	million Unilever United States Inc. subsidiary guarantor	million Non- guarantor subsidiaries	million Eliminations	million Unilever Group
<b>Cash flow statement for the year ended 31 December 2009</b>							
Cash flow from operating activities	13	153	(55)	71	6,551		6,733
Income tax		(86)	(42)	(52)	(779)		(959)
<b>Net cash flow from operating activities</b>	<b>13</b>	<b>67</b>	<b>(97)</b>	<b>19</b>	<b>5,772</b>		<b>5,774</b>
Interest received	186	48	13	(10)	27	(191)	73
Net capital expenditure		(6)			(1,252)		(1,258)
Acquisitions and disposals					(139)		(139)
Other investing activities		403			(292)	(50)	61
<b>Net cash flow from/(used in) investing activities</b>	<b>186</b>	<b>445</b>	<b>13</b>	<b>(10)</b>	<b>(1,656)</b>	<b>(241)</b>	<b>(1,263)</b>
Dividends paid on ordinary share capital		118	189		(2,413)		(2,106)
Interest and preference dividends paid	(167)	(142)	(59)		(340)	191	(517)
Change in borrowings and finance leases	(31)	(612)	(82)	3	(895)	50	(1,567)
Share buy-back programme							
Other movement in treasury stocks		131	36	(11)	(53)		103
Other finance activities					(214)		(214)
<b>Net cash flow from/(used in) financing activities</b>	<b>(198)</b>	<b>(505)</b>	<b>84</b>	<b>(8)</b>	<b>(3,915)</b>	<b>241</b>	<b>(4,301)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1</b>	<b>7</b>		<b>1</b>	<b>201</b>		<b>210</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>(3)</b>	<b>7</b>		<b>(4)</b>	<b>2,360</b>		<b>2,360</b>
Effect of foreign exchange rate changes	2				(175)		(173)

<b>Cash and cash equivalents at the end of the year</b>	<b>14</b>		<b>(3)</b>	<b>2,386</b>		<b>2,397</b>
<b>Cash flow statement</b>						
for the year ended 31 December 2008						
Cash flow from operating activities	73	(527)	568	5,212		5,326
Income tax	(10)	(162)	(533)	(750)		(1,455)
<b>Net cash flow from operating activities</b>	<b>63</b>	<b>(689)</b>	<b>35</b>	<b>4,462</b>		<b>3,871</b>
Interest received	196	3	31	151	(276)	105
Net capital expenditure		(2)		(1,099)		(1,099)
Acquisitions and disposals				2,265		2,265
other investing activities	(675)	(2,665)		843	2,641	144
<b>Net cash flow from/(used in) investing activities</b>	<b>196</b>	<b>(674)</b>	<b>(2,634)</b>	<b>2</b>	<b>2,160</b>	<b>1,415</b>
Dividends paid on ordinary share capital		297	271	(2,654)		(2,086)
Interest and preference dividends paid	(166)	(111)		(482)	276	(487)
Change in borrowings and finance leases	(34)	1,490	3,315	(1,080)	(2,641)	1,050
Share buy-back programme		(1,225)	(278)			(1,503)
Other movement in treasury stocks		165	15	(37)		103
Other finance activities				(207)		(207)
<b>Net cash flow from/(used in) financing activities</b>	<b>(200)</b>	<b>616</b>	<b>3,323</b>	<b>(44)</b>	<b>(4,460)</b>	<b>(3,130)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(4)</b>	<b>5</b>		<b>(7)</b>	<b>2,162</b>	<b>2,156</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1</b>	<b>2</b>		<b>(2)</b>	<b>900</b>	<b>901</b>
Effect of foreign exchange rate changes				5	(702)	(697)
<b>Cash and cash equivalents at the end of the year</b>	<b>(3)</b>	<b>7</b>		<b>(4)</b>	<b>2,360</b>	<b>2,360</b>





**Table of Contents**

	million Unilever Capital Corporation subsidiary issuer	million Unilever N.V. parent issuer/ guarantor	million Unilever PLC parents guarantor	million Unilever United States Inc. subsidiary guarantor	million Non- guarantor subsidiaries	million Eliminations	million Unilever Group
<b>Cash flow statement for the year ended 31 December 2007</b>							
Cash flow from operating activities	(8)	(10)	(54)	(67)	5,327		5,188
Income tax		(131)	(21)	(58)	(1,102)		(1,312)
<b>Net cash flow from operating activities</b>	(8)	(141)	(75)	(125)	4,225		3,876
Interest received	201	33	54		131	(273)	146
Net capital expenditure		(14)		2	(971)		(983)
Acquisitions and disposals					(50)		(50)
other investing activities	(921)	1,375	(84)	190	(706)	410	264
<b>Net cash flow from/(used in) investing activities</b>	(720)	1,394	(30)	192	(1,596)	137	(623)
Dividends paid on ordinary share capital		357	232		(2,771)		(2,182)
Interest and preference dividends paid	(177)	(95)	(1)	(12)	(540)	273	(552)
Change in borrowings and finance leases	906	(6)	(235)		1,083	(410)	1,338
Share buy-back programme		(1,500)					(1,500)
Other movement in treasury stocks		291	105	(57)	103		442
Other finance activities		(305)			(250)		(555)
<b>Net cash flow from/(used in) financing activities</b>	729	(1,258)	101	(69)	(2,375)	(137)	(3,009)
<b>Net increase/(decrease) in cash and cash equivalents</b>	1	(5)	(4)	(2)	254		244
<b>Cash and cash equivalents at the beginning of the year</b>		7	4	(5)	704		710
Effect of foreign exchange rate changes				5	(58)		(53)

**Cash and cash equivalents at the end  
of the year**

1

2

(2)

900

901

**Item 19 Exhibits**

Please refer to the exhibit list located immediately following the signature page for this Form 20-F as filed with the SEC on 5 March 2010.

Unilever Annual Report on Form 20-F 2009 25

---

**Table of Contents**

**SIGNATURES**

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

Unilever N.V.

(Registrant)

/s/ S. G. Williams

S. G. WILLIAMS,  
Group Secretary

Date: 5 March, 2010

---

**Table of Contents**

20-F Exhibits

**UNILEVER NV 20-F EXHIBIT LIST**

Exhibit Number Description of Exhibit

- 1.1 Articles of Association of Unilever NV
  - 2.1 Indenture dated as of August 1, 2000, among Unilever Capital Corporation, Unilever N.V., Unilever PLC, Unilever United States, Inc. and The Bank of New York, as Trustee, relating to Guaranteed Debt Securities 1
  - 2.2 Trust Deed dated as of July 22, 1994, among Unilever N.V., Unilever PLC, Unilever Capital Corporation, Unilever United States, Inc. and The Law Debenture Trust Corporation p.l.c., relating to Guaranteed Debt Securities 2
  - 4.1 Equalisation Agreement between Unilever N.V. and Unilever PLC
  - 4.2 Service Contracts of the Executive Directors of Unilever NV
  - 4.3 Letters regarding compensation of Executive Directors of Unilever NV
  - 4.4 Unilever North America 2002 Omnibus Equity Compensation Plan 3
  - 4.5 The Unilever NV International 1997 Executive Share Option Scheme 4
  - 4.6 The Unilever Long Term Incentive Plan 5
  - 4.7 Global Share Incentive Plan 2007 6
  - 7.1 Computation of Ratio of earnings to fixed charges and Return on invested capital 7
  - 8.1 List of Subsidiaries 8
  - 12.1 Certifications of the Chief Executive Officer and Financial Director/Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
  - 13.1 Certifications of the Chief Executive Officer and Financial Director/Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
  - 15.1 Annual Report and Accounts sections incorporated by reference
  - 15.2 Consent of PricewaterhouseCoopers Accountants N.V. and PricewaterhouseCoopers LLP  
Certain instruments which define rights of holders of long-term debt of the Company and its subsidiaries are not being filed because the total amount of securities authorized under each such instrument does not exceed 10% of the total consolidated assets of the Company and its subsidiaries. The Company and its subsidiaries hereby agree to furnish a copy of each such instrument to the Securities and Exchange Commission upon request.
- 1 Incorporated by reference to the Form 6-K

furnished to the  
SEC on  
October 23,  
2000.

- 2 Incorporated by reference to Exhibit 2.2 of Form 20-F filed with the SEC on March 28, 2002.
- 3 Incorporated by reference to Exhibit 99.1 of Form S-8 filed with the SEC on February 27, 2003.
- 4 Incorporated by reference to Exhibit 4.5 of Form 20-F filed with the SEC on March 28, 2002.
- 5 Incorporated by reference to Exhibit 4.7 of Form 20-F filed with the SEC on March 28, 2002.
- 6 Incorporated by reference to Exhibit 4.7 of Form 20-F filed with the SEC on March 26, 2008.
- 7 The required information is set forth on page 130 of the Annual Report and Accounts.
- 8 The required information is set forth on

pages 131 to  
132 of the  
Annual Report  
and Accounts.