

# Disclaimer

## **Notes to the Annual Report & Accounts and Form 20-F 2002**

This PDF version of the Unilever Annual Report & Accounts and Form 20-F 2002 is an exact copy of the document provided to Unilever's shareholders.

Certain sections of the Unilever Annual Report & Accounts and Form 20-F 2002 have been audited. Sections that have been audited are set out on pages 66 to 112, 118 to 133 and 135 to 136. The auditable part of the directors' remuneration report as set out on page 60 has also been audited.

The maintenance and integrity of the Unilever website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters. Accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially placed on the website.

Legislation in the United Kingdom and the Netherlands governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Disclaimer**

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This Annual Report & Accounts and Form 20-F does not constitute an invitation to invest in Unilever shares. Any decisions you make in reliance on this information are solely your responsibility.

The information is given as of the dates specified, is not updated, and any forward-looking statements are made subject to the reservations specified on page 2 of the Report.

Unilever accepts no responsibility for any information on other websites that may be accessed from this site by hyperlinks.

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## Share capital

NV's issued share capital on 31 December 2002 was made up of:

- €291 503 709 split into 571 575 900 ordinary shares of €0.51 each
- €1 089 072 split into 2 400 ordinary shares numbered 1 to 2 400, known as special shares
- €130 854 115 split into several classes of cumulative preference shares.

PLC's issued share capital on 31 December 2002 was made up of:

- £40 760 420 split into 2 911 458 580 ordinary shares of 1.4p each
- £100 000 of deferred stock.

For NV share capital, the euro amounts quoted in this document are representations in euros on the basis of Article 67c of Book 2 of the Civil Code in the Netherlands, rounded to two decimal places, of underlying amounts in Dutch guilders, which have not been converted into euros in NV's Articles of Association or in the Equalisation Agreement. Until conversion formally takes place by amendment of the Articles of Association, the entitlements to dividends and voting rights are based on the underlying Dutch guilder amounts.

## Unity of management

In order to ensure unity of management, NV and PLC have the same directors. We achieve this through our nomination procedure. Only the holders of NV's special shares can nominate candidates for election to the NV Board, and only the holders of PLC's deferred stock can nominate candidates for election to the PLC Board. The current directors, who have agreed to act on the recommendations of the Nomination Committee, can ensure that both NV and PLC shareholders are presented with the same candidates for election as directors, because the joint holders of both the special shares and the deferred stock are NV Elma and United Holdings Limited, which are subsidiaries of NV and PLC.

NV and PLC both act as directors of NV Elma and of United Holdings Limited. The Chairmen of NV and PLC are additional directors of United Holdings Limited.

## Equalisation Agreement

To ensure that NV and PLC operate for all practical purposes as a single company, we have an Equalisation Agreement.

Under the Equalisation Agreement NV and PLC adopt the same financial periods and accounting policies. Neither company can issue or reduce capital without the consent of the other. If one company had losses, or was unable to pay its preference dividends, we would make up the loss or shortfall out of:

- the current profits of the other company (after it has paid its own preference shareholders)

- then its own free reserves
- then the free reserves of the other company.

If either company could not pay its ordinary dividends, we would follow the same procedure, except that the current profits of the other company would only be used after it had paid its own ordinary shareholders and if the directors thought it appropriate.

So far NV and PLC have always been able to pay their own dividends, so we have never had to follow this procedure. If we did, the payment from one company to the other would be subject to any United Kingdom and Netherlands tax and exchange control laws applicable at that time. The Equalisation Agreement also makes the position of the shareholders of both companies, as far as possible, the same as if they held shares in a single company. To make this possible we compare the ordinary share capital of the two companies in units: a unit made up of €5.445 nominal of NV's ordinary capital carries the same weight as a unit made up of £1 nominal of PLC's ordinary capital. For every unit (€5.445) you have of NV you have the same rights and benefits as the owner of a unit (£1) of PLC. NV's ordinary shares currently each have a nominal value of €0.51, and PLC's share capital is divided into ordinary shares of 1.4p each. This means that a €5.445 unit of NV is made up of 10.7 NV ordinary shares of €0.51 each and a £1 unit of PLC is made up of 71.4 PLC ordinary shares of 1.4p each. Consequently, one NV ordinary share equates to 6.67 ordinary shares of PLC.

When we pay ordinary dividends we use this formula. On the same day NV and PLC allocate funds for the dividend from their parts of our current profits and free reserves. We pay the same amount on each NV share as on 6.67 PLC shares calculated at the relevant exchange rate. For interim dividends this exchange rate is the average rate for the quarter before we declare the dividend. For final dividends it is the average rate for the year. In arriving at the equalised amount we include any tax payable by the company in respect of the dividend, but calculate it before any tax deductible by the company from the dividend.

In principle, issues of bonus shares and rights offerings can only be made in ordinary shares. Again we would ensure that shareholders of NV and PLC received shares in equal proportions, using the ratio of €5.445 NV nominal share capital to £1 PLC nominal share capital. The subscription price for one new NV share would have to be the same, at the prevailing exchange rate, as the price for 6.67 new PLC shares.

Under the Equalisation Agreement (as amended in 1981) the two companies are permitted to pay different dividends in the following exceptional circumstances:

- if the average annual sterling/euro exchange rate changed so substantially from one year to the next that to pay equal dividends at the current exchange rates, either NV or PLC would have to pay a dividend that was unreasonable (ie, substantially larger or smaller in its own currency than the dividend it paid in the previous year).

- the governments of the Netherlands or the United Kingdom could in some circumstances place restrictions on the proportion of a company's profits which can be paid out as dividends; this could mean that in order to pay equal dividends one company would have to pay out an amount which would breach the limitations in place at the time, or that the other company would have to pay a smaller dividend.

In either of these rare cases, NV and PLC could pay different amounts of dividend if the Boards thought it appropriate. The company paying less than the equalised dividend would put the difference between the dividends into a reserve: an equalisation reserve in the case of exchange rate fluctuations, or a dividend reserve in the case of a government restriction. The reserves would be paid out to its shareholders when it became possible or reasonable to do so, which would ensure that the shareholders of both companies would ultimately be treated the same.

If both companies go into liquidation, NV and PLC will each use any funds available for shareholders to pay the prior claims of their own preference shareholders. Then they will use any surplus to pay each other's preference shareholders, if necessary. After these claims have been met, they will pay out any equalisation or dividend reserve to their own shareholders before pooling the remaining surplus. This will be distributed to the ordinary shareholders of both companies, once again on the basis that the owner of €5.445 nominal NV ordinary share capital will get the same as the owner of £1 nominal PLC ordinary share capital. If one company goes into liquidation, we will apply the same principles as if both had gone into liquidation simultaneously.

In addition to the Equalisation Agreement, NV and PLC have agreed to follow common policies, to exchange all relevant business information, and to ensure that all group companies act accordingly. They aim to co-operate in all areas, including in the purchase of raw materials and the exchange and use of technical, financial and commercial information, secret or patented processes and trade marks.

#### More information about our constitutional documents

Under the Articles of Association of NV and the Memorandum and Articles of Association of PLC both companies are required to carry out the Equalisation Agreement with the other. Both documents state that the agreement cannot be changed or terminated without the approval of both sets of shareholders.

For NV the necessary approval is as follows:

- at least one half of the total issued ordinary capital must be represented at an ordinary shareholders meeting, where the majority must vote in favour; and
- (if they would be disadvantaged or the agreement is to be terminated), at least two thirds of the total issued preference share capital must be represented at a preference shareholders meeting, where at least three quarters must vote in favour.

For PLC, the necessary approval must be given by:

- the holders of a majority of all issued shares voting at a general meeting; and
- the holders of the ordinary shares, either by three quarters in writing, or by three quarters voting at a general meeting where the majority of the ordinary shares in issue are represented.

The Articles of NV establish that any payment under the Equalisation Agreement will be credited or debited to the profit and loss account for the financial year in question.

The PLC Articles state that the Board must carry out the Equalisation Agreement and that the provisions of the Articles are subject to it.

We are advised by Counsel that these provisions oblige the Boards to carry out the Equalisation Agreement, unless it is amended or terminated with the approval of the shareholders of both companies. If the Boards fail to enforce the agreement shareholders can compel them to do so under Netherlands and United Kingdom law.

#### General Meetings and voting rights

General Meetings of shareholders of NV and PLC are held at times and places decided by the Boards. NV meetings are held in Rotterdam and PLC meetings are held in London.

To be entitled to attend and vote at NV General Meetings you must be a shareholder on the Record Date, which may be set by the directors and must be not more than 7 days before the meeting. In addition you must, within the time specified in the Notice calling the meeting, either

- (if you have registered shares) advise NV in writing that you intend to attend; or
- (if you have bearer shares) deposit your share certificates at the place specified in the Notice.

You can vote in person or by proxy, and you can cast one vote for each €0.05 nominal amount you hold of NV preference shares, ordinary shares or New York registry shares. NV Elma and United Holdings Limited, the holders of the special shares, and other group companies of NV which hold preference or ordinary shares, are not permitted to vote, by law.

For information on the rights of Nedamtrust certificate holders see page 141.

To be able to vote by proxy at PLC General Meetings you must lodge your Form of Appointment of Proxy with PLC's Registrars 48 hours before the meeting, either in paper or electronic format. You can cast one vote for each PLC ordinary 1.4p share you hold. United Holdings Limited, which owns half of the deferred stock, is not permitted to vote at General Meetings.

If you are a holder of NV New York shares or PLC American Depository Receipts of shares, you will receive a proxy form enabling you to authorise and instruct ABN AMRO N.V. or JPMorgan Chase Bank respectively to vote on your behalf at the shareholders' meeting of NV or PLC.

Resolutions are usually adopted at NV and PLC shareholder meetings by an absolute majority of votes cast, unless there are other requirements under the law or the NV or PLC Articles. There are special requirements for resolutions relating to the alteration of NV or PLC's Articles of Association or the Equalisation Agreement, or to the liquidation of NV or PLC.

According to NV's Articles, shareholders who together represent at least 10% of the issued capital of NV can propose resolutions for inclusion in the agenda of any General Meeting. They can also requisition Extraordinary General Meetings to deal with specific resolutions. However, following the recommendations of the Committee of Corporate Governance, the board of directors has confirmed that shareholders may propose resolutions if:

- they individually or together hold 1% of the issued capital; or
- they hold shares or depository receipts worth at least €226 890.

They must submit the request at least 60 days before the date of the General Meeting, and it will be honoured unless, in the opinion of the Board of Directors, it is against the interests of the company.

Under United Kingdom company law,

- shareholders who together hold shares representing at least 5% of the total voting rights of PLC; or
- at least 100 shareholders who hold on average £100 each in nominal value of PLC capital

can require PLC to propose a resolution at a General Meeting.

There are no limitations on the right to hold NV and PLC shares.

## Directors

The directors of NV are able to vote on transactions in which they are materially interested so long as they are acting in good faith. In general PLC directors cannot vote in respect of contracts in which they know they are materially interested, unless, for example, their interest is shared with other shareholders and employees.

The borrowing powers of NV directors are not limited by the Articles of Association of NV. PLC directors have the power to borrow up to three times the Adjusted Capital and Reserves of PLC without the sanction of an ordinary resolution.

The Articles of Association of NV and PLC do not require directors of NV, or full-time employed directors of PLC, to hold shares in NV or PLC. Directors of PLC who are not employed full-time by NV or PLC must hold either £1 000 in nominal value of PLC ordinary shares, or €5 445 in nominal value of NV ordinary shares. The remuneration arrangements applicable to directors as employees contain requirements for the holding and retention of shares (see Remuneration report on page 55).

## Mutual guarantee of borrowings

There is a contractual arrangement between NV and PLC under which each will, if asked by the other, guarantee the borrowings of the other. They can also agree jointly to guarantee the borrowings of their subsidiaries. We use this arrangement, as a matter of financial policy, for certain significant public borrowings. The arrangements enable lenders to rely on our combined financial strength.

## Combined earnings per share

Because of the Equalisation Agreement and the other arrangements between NV and PLC we calculate combined earnings per share for NV and PLC (see note 7 on pages 79 and 80).

We base the calculation on the average amount of NV and PLC's ordinary capital in issue during the year. For the main calculation we exclude shares which have been purchased to satisfy employee share options. We also calculate a diluted earnings per share figure, where we include these shares, as well as certain PLC shares which may be issued in 2038 under the arrangements for the variation of the Leverhulme Trust (see below).

The process by which we calculate earnings per share is as follows. First we convert the average capital of NV and PLC into units using the formula contained in the Equalisation Agreement: one unit equals 10.7 NV shares or 71.4 PLC shares. We add these together to find the total number of units of combined share capital. Then the amount of net profit in euros which is attributable to ordinary capital is divided by this total number of units to find the amount per combined unit. Finally we convert the combined unit back into NV and PLC ordinary shares, to show the amount per one share of each. The amount per unit is divided by 10.7 to find the amount per €0.51 share, and by 71.4 to find the amount per 1.4p share.

Despite the Equalisation Agreement, NV and PLC are independent corporations, and are subject to different laws and regulations governing dividend payments in the Netherlands and the United Kingdom. We assume in our combined earnings per share calculation that both companies will be able to pay their dividends out of their part of our profits. This has always been the case in the past, but if we did have to make a payment from one to the other it could result in additional taxes, and reduce our combined earnings per share.

### Leverhulme Trust

The first Viscount Leverhulme was the founder of the company which became PLC. When he died in 1925, he left in his will a large number of PLC shares in various trusts. The High Court of Justice in England varied these trusts in 1983, and established two independent charitable trusts:

- the Leverhulme Trust, which awards grants for research and education, and
- the Leverhulme Trade Charities Trust, for the benefit of members of trades which the first Viscount considered to have particular associations with the business.

The major assets of both these trusts are PLC ordinary shares.

When the will trusts were varied in 1983 the interests of the beneficiaries of his will were also preserved. Four classes of special shares were created in Margarine Union (1930) Limited, a subsidiary of PLC. One of these classes can be converted at the end of the year 2038, into a maximum of 157 500 000 PLC ordinary shares of 1.4p each. These convertible shares replicate the rights which the descendants of the Viscount would have had under his will. This class of the special shares only has a right to dividends in specified circumstances, and no dividends have yet been paid. PLC guarantees the dividend and conversion rights of the special shares.

The first Viscount wanted the trustees of the trusts he established to be directors of PLC. On 28 February 2003 the trustees of both the charitable trusts and the will trust were:

- Sir Michael Angus – former Chairman of PLC
- Sir Michael Perry – former Chairman of PLC
- Mr N W A FitzGerald – Chairman of PLC
- Dr J I W Anderson – former director
- Dr A S Ganguly – former director

On 28 February 2003, in their capacity as trustees of the two charitable trusts, they held approximately 5.38% of PLC's issued ordinary capital.

### N.V. Nederlandsch Administratie- en Trustkantoor (Nedamtrust)

Nedamtrust is an independent trust company under the Netherlands' law, which has an agreement with NV to issue depositary receipts against NV shares. We do not control Nedamtrust – it is a wholly owned subsidiary of N.V. Algemeen Nederlands Trustkantoor ANT (ANT). Five Dutch financial institutions hold 45% of ANT's shares between them – they have between 5% and 10% each, and the rest of its shares are owned by a large number of individual shareholders.

As part of its corporate objects Nedamtrust is able to:

- issue depositary receipts;
- carry out administration for the shares which underlie depositary receipts it has issued; and
- exercise voting rights for these underlying shares.

The depositary receipts issued by Nedamtrust against NV shares are known as Nedamtrust certificates. They are in bearer form, and are traded and quoted on the Euronext Stock Exchange and other European stock exchanges. Nedamtrust has issued certificates for NV's ordinary and 7% cumulative preference shares, and almost all the NV shares traded and quoted in Europe are in the form of these certificates. The exception is that there are no certificates for NV's 4%, 6% and €0.05 cumulative preference shares.

If you hold Nedamtrust certificates you can attend or appoint a proxy at NV shareholders' meetings. If you wish to vote at a meeting, on your request Nedamtrust will give you a power of attorney to vote. If you hold Nedamtrust certificates with a bank or broker in the Netherlands and have notified the Shareholders Communication Channel (see page 45), you will receive a proxy form enabling you to authorise and instruct Nedamtrust to vote at the NV shareholders' meeting on your behalf. Nedamtrust is obliged to follow these instructions.

For shares for which Nedamtrust does not receive instructions, Nedamtrust's Board decides on the best way to vote the NV ordinary and preference shares it holds at shareholders' meetings. Trust companies in the Netherlands will not usually vote to influence the operations of companies, and in the past Nedamtrust has always followed this policy. However, if a change to shareholders' rights is proposed Nedamtrust will let shareholders know if it intends to vote, at least 14 days in advance if possible. It will do this by advertising in the press, but it will not necessarily say which way it is planning to vote.

As a holder of Nedamtrust certificates you can exchange your Nedamtrust certificate at any time for the underlying ordinary or preference share (or vice versa).

Hitherto the majority of votes cast by ordinary and preference shareholders at NV meetings have been cast by Nedamtrust.

Nedamtrust's NV shareholding fluctuates daily – its holdings on 28 February 2003 were:

- Ordinary shares of €0.51: 471 163 741 (82.43%)
- 7% Cumulative Preference Shares of €453.78: 9 820 (33.86%)
- 6% Cumulative Preference Shares of €453.78: 6 (0.00%)
- 4% Cumulative Preference Shares of €45.38: 23 (0.00%)

### Material modifications to the rights of security holders

On 10 May 1999 the share capitals of NV and PLC were each consolidated (see notes to NV and PLC Dividends tables on page 147). Otherwise there have been no material modifications to the rights of security holders.

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## Significant shareholders of NV

As far as we are aware the only holders of more than 5% of any class of NV shares (apart from Nedamtrust, see page 141) are Nationale Nederlanden N.V. and Aegon Levensverzekering N.V. The voting rights of such shareholders are the same as for other holders of the class of share indicated. Details of such holdings on 28 February 2003 are as follows:

Nationale Nederlanden N.V.

- 13 709 019 (2.40%) ordinary shares (€6 967 387)
- 20 670 (71.26%) 7% Cumulative Preference Shares (€9 377 595)
- 120 092 (74.56%) 6% Cumulative Preference Shares (€54 493 740)
- 504 440 (67.26%) 4% Cumulative Preference Shares (€22 890 489)
- 21 013 355 (9.94%) 5 euro cents Cumulative Preference Shares (€953 545)

Aegon Levensverzekering N.V.

- 458 560 (0.08%) ordinary shares (€233 056)
- 4 998 (17.23%) 7% Cumulative Preference Shares (€2 266 768)
- 29 540 (18.34%) 6% Cumulative Preference Shares (€13 404 668)
- 157 106 (20.95%) 4% Cumulative Preference Shares (€7 129 159)

Some of the above holdings are in the form of depositary receipts against NV shares issued by Nedamtrust (see page 141). There have been no material changes to the holdings of significant shareholders of NV during the three years up to and including 2002.

## Significant shareholders of PLC

The following table gives details of shareholders who held more than 3% of PLC's shares or deferred stock on 28 February 2003. The voting rights of such shareholders are the same as for other holders of the class of share indicated. We take this information from the register we hold under section 211 of the UK Companies Act 1985.

Title of class	Name of holder	Number of shares held	Approximate % held
Deferred Stock	Naamlooze Vennootschap Elma	£50 000	50
	United Holdings Limited	£50 000	50
Ordinary shares	Trustees of the Leverhulme Trust and the Leverhulme Trade Charities Trust	156 815 034	5
	The Capital Group Companies, Inc.	145 115 954	4
	Fidelity Management and Research Company	87 795 464	3

The holding by The Capital Group Companies, Inc. is on behalf of affiliated investment management companies and that of Fidelity Management and Research Company is on behalf of FMR Corp. and its direct and indirect subsidiaries and Fidelity International Limited (FIL) and its direct and indirect subsidiaries. These holdings were first notified to PLC in November 2000 and September 2002 respectively. In September 2002 Brandes Investment Partners, which had held 7% in 2000, 6% in 2001 and a reducing percentage during 2002, ceased to be a significant shareholder of PLC. In May 2000 the Prudential Corporation plc ceased to be a significant shareholder of PLC. Otherwise, there have been no changes to the holdings of significant shareholders of PLC during the three years up to and including 2002.

## Analysis of PLC registered holdings

At 31 December 2002 PLC had 95 424 ordinary shareholdings.

The following table analyses the registered holdings of PLC's 1.4p ordinary shares at 31 December 2002:

Number of shares	Number of holdings	%	Total shares held	%
1 – 1 000	34 689	36.35	19 324 029	0.67
1 001 – 2 500	27 247	28.55	45 212 563	1.55
2 501 – 5 000	16 019	16.79	57 395 093	1.97
5 001 – 10 000	9 594	10.05	67 603 418	2.32
10 001 – 25 000	4 970	5.21	74 898 667	2.57
25 001 – 50 000	1 130	1.18	39 066 620	1.34
50 001 – 100 000	597	0.63	43 007 387	1.48
100 001 – 1 000 000	863	0.91	275 360 264	9.46
Over 1 000 000	315	0.33	2 289 590 539	78.64
	95 424	100.00	2 911 458 580	100.00

## Unilever N.V.

Under the Dutch External Financial Relations Act of 28 May 1980 the Government, the Minister of Finance and the Central Bank of Netherlands are all authorised to issue regulations relating to financial transactions involving Dutch residents, if a non-Dutch resident is also involved, or if the transactions are conducted in a foreign currency. If regulations are issued in the future, we could be in need of a licence for this type of transaction. To date no regulations of this type have been issued.

## Unilever PLC

None.

## Nature of the trading market

The principal trading markets upon which Unilever shares are listed are the Euronext Stock Exchange for NV ordinary shares and the London Stock Exchange for PLC ordinary shares. NV ordinary shares trade in the form of Nedamtrust Certificates and almost all the shares are in bearer form. PLC ordinary shares are all in registered form.

In the United States, NV ordinary shares in registered form and PLC American Depositary Receipts, representing four PLC ordinary shares, are traded on the New York Stock Exchange. JPMorgan Chase Bank of New York acts for NV and PLC as issuer, transfer agent and, in respect of the American Depositary Receipts, depository.

The NV ordinary shares are also listed on the stock exchanges in London, France, Germany and Switzerland. These shares were also listed in Belgium until 31 December 2002 and in Luxembourg until 24 January 2003.

At 28 February 2003 there were 7 963 registered holders of NV ordinary shares and 901 registered holders of PLC American Depositary Receipts in the United States. We estimate that approximately 21% of NV's ordinary shareholdings were in the United States (approximately 33% in 2001), based on the distribution of the 2002 interim dividend payments, whilst most holders of PLC ordinary shares are registered in the United Kingdom – approximately 99% in both 2002 and 2001.

The high and low trading prices for the separate stock exchange listings are shown in the tables on the following page.

NV and PLC are separate companies with separate stock exchange listings and different shareholders. You 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. This happens for various reasons, including changes in exchange rates. However, over time the prices of NV and PLC shares do stay in close relation to each other, in particular because of our equalisation arrangements.

If you are a shareholder of NV, you have an interest in a Netherlands legal entity, your dividends will be paid in euros (converted into US dollars if you have shares registered in the United States) and you will be subject to Netherlands tax. If you are a shareholder of PLC, your interest is in a United Kingdom legal entity, your dividends will be paid in sterling (converted into US dollars if you have American Depositary Receipts) and you will be subject to United Kingdom 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. (See Taxation for US residents on pages 145 and 146 and Equalisation Agreement on pages 138 and 139.)

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## Share prices at 31 December 2002:

The share price of the ordinary shares at the end of the year was for NV €58.55 and \$61.71 and for PLC 591p and \$38.25.

## Monthly high and low prices for the last six months of 2002:

	July	August	September	October	November	December
NV per €0.51 ordinary share in Amsterdam (in €)						
High	67	62	62	65	64	59
Low	50	57	58	60	59	56
NV per €0.51 ordinary share in New York (in \$)						
High	66	61	60	64	65	62
Low	50	56	56	59	58	58
PLC per 1.4p ordinary share in London (in pence)						
High	610	616	599	632	633	593
Low	473	555	568	578	573	562
PLC per American Share in New York (in \$)						
High	37	38	37	39	39	38
Low	30	34	35	36	36	35

## Quarterly high and low prices for 2002 and 2001:

	2002	1st	2nd	3rd	4th
NV per €0.51 ordinary share in Amsterdam (in €)					
High	68	68	72	67	65
Low	62	62	63	50	56
NV per €0.51 ordinary share in New York (in \$)					
High	60	60	67	66	65
Low	54	54	57	50	58
PLC per 1.4p ordinary share in London (in pence)					
High	592	592	659	616	633
Low	545	545	554	473	562
PLC per American Share in New York (in \$)					
High	35	35	39	38	39
Low	32	32	32	30	35
	2001	1st	2nd	3rd	4th
NV per €0.51 ordinary share in Amsterdam (in €)					
High	68	68	71	71	66
Low	56	56	59	55	56
NV per €0.51 ordinary share in New York (in \$)					
High	65	65	60	63	58
Low	50	50	52	52	50
PLC per 1.4p ordinary share in London (in pence)					
High	574	574	605	610	573
Low	478	478	497	480	485
PLC per American Share in New York (in \$)					
High	35	35	35	35	34
Low	28	28	29	28	28

## Annual high and low prices for 2000, 1999 and 1998:

		2000	1999	1998
NV per €0.51 ordinary share in Amsterdam (in € <sup>(a)</sup> )				
High	71	71	74	77
Low	42	42	49	49
NV per €0.51 ordinary share in New York (in \$)				
High	64	64	88	89
Low	40	40	50	59
PLC per 1.4p (1998: 1.25p) ordinary share in London (in pence)				
High	584	584	695	702
Low	335	335	401	457
PLC per American Share in New York (in \$)				
High	35	35	47	46
Low	22	22	27	32

(a) Amounts previously reported in guilders have been restated and are now reported in euros using the fixed conversion rate of €1.00 = Fl. 2.20371 that became effective on 1 January 1999.

The following notes are provided for guidance. US residents 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:

## Netherlands

### Taxation on dividends

Dividends of companies in the Netherlands are subject to dividend withholding tax of 25%. 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 United States resident;
- 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 Netherlands withholding tax on dividends from 25% to 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).

The entire dividend (including the withheld amount) will be dividend income to the United States shareholder not eligible for the dividends received deduction allowed to corporations. However, the Netherlands withholding tax will be treated as a foreign income tax that is eligible for credit against the shareholder's United States income taxes.

Where a United States resident or corporation 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 the Netherlands income tax or corporation tax, as appropriate, and the Netherlands tax on dividends will generally be applied at the full rate of 25%. This tax will be treated as foreign income tax eligible for credit against the shareholder's United States income taxes.

Under a provision of the Netherlands Dividend Tax Act 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 the Netherlands tax authorities. For dividends paid on or after 1 January 1995, the United States tax authority may take the position that the Netherlands withholding tax eligible for credit should be limited accordingly.

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 Netherlands corporation. An agreement published by the US Internal Revenue Service on 20 April 2000 in release IR-INT-2000-9 between the United States and the Netherlands tax authorities describes the eligibility of these US organisations for benefits under the Convention.

A United States trust, company or organisation that is operated exclusively for religious, charitable, scientific, educational or public purposes, is now subject to an initial 25% withholding tax rate. Such an exempt organisation is entitled to reclaim from the Netherlands Tax Authorities a refund of the Netherlands 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 a Unilever shareholder resident in any country other than the United States or the Netherlands, any exemption from, or reduction or refund of, the Netherlands dividend withholding tax 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.

### Taxation on capital gains

Under the Convention, if you are a United States resident or corporation and you have capital gains on the sale of shares of a Netherlands 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

Under the Estate and Inheritance Tax Convention between the United States and the Netherlands of 15 July 1969, United States individual residents 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 Netherlands company by a person who is not a resident or a deemed resident of the Netherlands is generally not subject to Netherlands gift tax. 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.

# 146 Taxation for US residents

## 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.

If you are a shareholder resident in the United Kingdom you are entitled to a tax credit against your liability for United Kingdom income tax, equal to 10% of the aggregate amount of the dividend plus tax credit (or one-ninth of the dividend). For example, a dividend payment of £9.00 will carry a tax credit of £1.00.

If you are a shareholder resident in the US, the dividend actually declared is taxable in the US as ordinary income and is not eligible for the dividends received deduction allowable to corporations. The dividend is foreign source income for US foreign tax credit purposes.

In addition, under the current income tax Convention between the US and the UK (the 'Convention'), a US shareholder eligible for the benefits of the Convention may elect to be treated for US tax purposes only as having received an additional taxable dividend. The additional deemed dividend is equal to one-ninth of the actual cash dividend received (an additional dividend of £1 in the above example). The shareholder will be eligible to claim a US foreign tax credit in the amount of the additional deemed dividend. The tax credit may, subject to certain limitations and restrictions, reduce the shareholder's US Federal income tax liability. The procedure for making this election is described in IRS Revenue Procedure 2000-13.

On 24 July 2001, the US and the UK signed a new income tax Convention (the 'New Convention'). Under the New Convention, US shareholders would not be entitled to make the election described in the preceding paragraph. These provisions of the New Convention will apply to US shareholders beginning on the first day of the second month following the date on which the New Convention is ratified by the US and the UK.

However, US shareholders may elect to remain subject to all the provisions of the current Convention for a period of 12 months after the date on which the New Convention would otherwise be applicable. It is uncertain when the New Convention will be ratified.

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

The exception is 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.

### 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.

Our interim ordinary dividends are normally announced in November and paid in December. Final ordinary dividends are normally proposed in February and, if approved by shareholders at the Annual General Meetings, paid in May or June.

The following tables show the dividends paid by NV and PLC for the last five years. NV dividends are per €0.51 (1998: Fl. 1) ordinary share and PLC dividends are per 1.4p (1998: 1.25p) ordinary share and per depositary receipt of 5.6p (1998: 5p). Dividends for NV have been translated into US dollars at the exchange rates prevailing on the dates of declaration. Dividends for PLC up to and including the interim dividend for 2001 have been translated into US dollars at the exchange rates prevailing on the date of payment of the sterling dividends. Following a change in practice, starting with the final dividend for 2001, PLC dividends have been translated into US dollars at the rate prevailing on the date of declaration of the dividend.

The interim dividend is normally 35% of the previous year's total normal dividend per share, based on the stronger of our two parent currencies over the first nine months of the year. Equalisation of the interim dividend in the other currency takes place at the average exchange rate of the third quarter. Equalisation of the final dividend takes place at the average exchange rate for the full year.

The dividend timetable for 2003 is shown on page 150.

### NV Dividends

	2002	2001	2000	1999	1998
Interim dividend per €0.51 (1998: Fl. 1)	€0.55	€0.50	€0.48	Fl. 0.88	Fl. 0.81
Exchange rate Fl. to \$				2.1173	1.8717
Exchange rate € to \$	0.9820	0.9097	0.8646		
Interim dividend per €0.51 (1998: Fl. 1) (US registry)	\$0.540100	\$0.454850	\$0.415008	\$0.415624	\$0.432762
Normal final dividend per €0.51 (1998: Fl. 1)	€1.15	€1.06	€0.95	Fl. 1.91	Fl. 1.70
Special final dividend per Fl. 1					Fl. 14.50
Final exchange rate Fl. to \$				2.4725	2.0861
Final exchange rate € to \$	1.0735	0.9088	0.8827		
Normal final dividend per €0.51 (1998: Fl. 1) (US registry)	\$1.234525	\$0.963328	\$0.838565	\$0.772497	\$0.814918
Special final dividend per Fl. 1 (US registry)					\$6.950769

Note 1: For the purposes of illustration, the US dollar dividends shown above are those paid on the €0.51 (1998: Fl. 1) ordinary shares of NV registered in New York. The above exchange rates were those ruling on the dates of declaration of the dividend.

Note 2: The final euro dividend for 2002 is payable on 9 June 2003. The dollar dividend will be calculated with reference to the exchange rates prevailing on 7 May 2003.

Note 3: On 10 May 1999 the share capital was consolidated on the basis of 100 new ordinary shares with a nominal value of Fl. 1.12 (now €0.51) for every 112 existing ordinary shares with a nominal value of Fl. 1.

### PLC Dividends

	2002	2001	2000	1999	1998
Interim dividend per 1.4p (1998: 1.25p)	5.21p	4.65p	4.40p	3.93p	2.95p
Exchange rate \$ to £1	1.5580	1.4527	1.4622	1.6002	1.6745
Interim dividend per 5.6p (1998: 5p)	\$0.3247	\$0.2702	\$0.2573	\$0.2515	\$0.1976
Normal final dividend per 1.4p (1998: 1.25p)	10.83p	9.89p	8.67p	8.57p	7.75p
Special final dividend per 1.25p					66.13p
Normal final exchange rate \$ to £1	1.6173	1.4591	1.4355	1.4732	1.5921
Special final exchange rate \$ to £1					1.5984
Normal final dividend per 5.6p (1998: 5p)	\$0.7006	\$0.5772	\$0.4978	\$0.5050	\$0.4935
Special final dividend per 5p					\$4.2280

Note 1: If you are a United States resident and received dividends before 6 April 1999, under the Anglo-United States taxation treaty, you received an amount equal to the total of the declared dividend, plus the United Kingdom tax credit less withholding tax. If you are a United States resident and received dividends after 5 April 1999, you simply received the declared dividend; see Taxation for US residents on pages 145 and 146.

Note 2: The final sterling dividend for 2002 is payable on 9 June 2003. The dollar dividend will be calculated with reference to the exchange rates prevailing on 7 May 2003.

Note 3: It is not possible to make a direct comparison between PLC dividends paid before and after 6 April 1999 because of the abolition of United Kingdom ACT (Advance Corporation Tax) from that date (see note 1 above).

Note 4: On 10 May 1999 the share capital was consolidated on the basis of 100 new ordinary shares with a nominal value of 1.4p for every 112 existing ordinary shares with a nominal value of 1.25p.

# 148 Cross reference to Form 20-F

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\*Filed with the United States Securities and Exchange Commission.

Unilever's agent in the United States is Mr R Soiefer, Vice-President, Secretary and General Counsel, Unilever United States, Inc., 390 Park Avenue, New York, NY 10022-4698.

The following is intended to provide a general guide, particularly for United States readers, as to the meanings of various terms which may be used in this report. Please refer also to page 115 for definitions of specific accounting measures as they are applied by Unilever.

<b>Term used in this report</b>	<b>US equivalent or brief description</b>
Accounts	Financial statements
Associate	A business which is not a subsidiary or a joint venture, but in which the Group has a shareholding and exercises significant influence
Called up share capital	Ordinary shares, issued and fully paid
Creditors	Accounts payable/Payables
Creditors: amounts due after more than one year	Long-term accounts payable
Creditors: amounts due within one year	Current accounts payable
Debtors	Accounts receivable/Receivables
Finance lease	Capital lease
Freehold	Ownership with absolute rights in perpetuity
Gearing	Leverage
Group, or consolidated accounts	Consolidated financial statements
Interest payable	Interest expense
Interest receivable	Interest income
Joint venture	A business which is jointly controlled by the Group and one or more external partners
Nominal value	Par value
Operating profit	Net operating income
Profit	Income (or earnings)
Profit and loss account	Income statement
Profit attributable to ordinary shareholders	Net income attributable to ordinary shareholders
Profit retained	Retained earnings
Provisions	Long-term liabilities other than debt and specific accounts payable
Reconciliation of movements in shareholders' funds	Statement of changes in stockholders' equity
Reserves	Stockholders' equity other than paid-up capital
Share capital	Capital stock or common stock
Share option	Stock option
Share premium account	Additional paid-in capital relating to proceeds of sale of stock in excess of par value or paid-in surplus
Shareholders' funds	Stockholders' equity
Shares in issue	Shares outstanding
Statement of total recognised gains and losses	Comprehensive income
Stocks	Inventories
Tangible fixed assets	Property, plant and equipment
Turnover	Sales revenues

# 150 Financial calendar and addresses

## Annual General Meetings

<b>NV</b>	10:30 am Wednesday 7 May 2003 Rotterdam
<b>PLC</b>	11:00 am Wednesday 7 May 2003 London

## Announcements of results

First Quarter	2 May 2003	Third Quarter	29 October 2003
First Half Year	30 July 2003	Final for Year (provisional)	12 February 2004

## Dividends on ordinary capital

Final for 2002 – announced 13 February 2003 and to be declared 7 May 2003

	Ex-dividend date	Record date	Payment date
NV	9 May 2003	8 May 2003	9 June 2003
PLC	14 May 2003	16 May 2003	9 June 2003
NV – New York Shares	14 May 2003	16 May 2003	9 June 2003
PLC – ADRs	14 May 2003	16 May 2003	9 June 2003

Interim for 2003 – to be announced 29 October 2003

	Ex-dividend date	Record date	Payment date
NV	30 October 2003	29 October 2003	1 December 2003
PLC	5 November 2003	7 November 2003	1 December 2003
NV – New York Shares	5 November 2003	7 November 2003	1 December 2003
PLC – ADRs	5 November 2003	7 November 2003	1 December 2003

## Preferential dividends

### NV

4% Cumulative Preference	Paid 1 January
6% Cumulative Preference	Paid 1 October
7% Cumulative Preference	Paid 1 October
€0.05 Cumulative Preference	Paid 9 June and 9 December

## Contact details

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Shareholders are encouraged to visit our website [www.unilever.com](http://www.unilever.com), which has a wealth of information about the Unilever Group.

There is a section designed specifically for investors at [www.unilever.com/investorcentre](http://www.unilever.com/investorcentre). It includes detailed coverage of the Unilever share price, our quarterly and annual results, performance charts, financial news and analyst communications. It also includes transcripts of our investor relations speeches and copies of Unilever results presentations.

You can also view this year's and prior years' Annual Review and Annual Report & Accounts and Form 20-F documents at [www.unilever.com/investorcentre/financialreports](http://www.unilever.com/investorcentre/financialreports).

PLC shareholders can elect not to receive paper copies of the Annual Review, the Annual Report & Accounts and Form 20-F, and other shareholder documents by registering at [www.shareview.co.uk](http://www.shareview.co.uk) if they prefer to view these on our website.

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## Publications

Copies of the following publications can be obtained without charge from Unilever's Corporate Relations Departments.

#### Unilever Annual Review 2002

Including Summary Financial Statement. Available in English or Dutch, with financial information in euros, sterling and US dollars.

#### Unilever Annual Report & Accounts and Form 20-F 2002

Available in English or Dutch, with figures in euros. It includes the Form 20-F that is filed with the United States Securities and Exchange Commission.

#### Quarterly Results Announcements

Available in English or Dutch, with figures in euros; supplements in English, with sterling or US dollar figures, are available.