

UNILEVER N V
Form 20-F
March 07, 2014
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 20-F

(Mark one)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE
SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

OR

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

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(Address of principal executive offices)

T.E. Lovell, Group Secretary

Tel: +44(0)2078225252, Fax: +44(0)2078225464

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
N.V. New York registry shares each representing one ordinary share of nominal amount of 0.16 each	New York Stock Exchange

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 (§232.405 of this chapter) 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:

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U.S. GAAP

International Financial Reporting Standards
as issued by the International Accounting
Standards Board

Other

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

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CAUTIONARY STATEMENT

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 will, aim, expects, anticipates, intends, looks, believes, vision, or the negative terms and other similar expressions of future performance or results, 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. Among other risks and uncertainties, the material or principal factors which cause actual results to differ materially are: Unilever's global brands not meeting consumer preferences; Unilever's ability to innovate and remain competitive; Unilever's investment choices in its portfolio management; inability to find sustainable solutions to support long-term growth; customer relationships; the recruitment and retention of talented employees; disruptions in our supply chain; the cost of raw materials and commodities; the production of safe and high quality products; secure and reliable IT infrastructure; successful execution of acquisitions, divestitures and business transformation projects; economic and political risks and natural disasters; financial risks; failure to meet high and ethical standards; and managing regulatory, tax and legal matters. 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 in the Group's Annual Report on Form 20-F for the year ended 31 December 2013 and the Annual Report and Accounts 2013. 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.

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ANNUAL REPORT ON FORM 20-F 2013

UNILEVER N.V. AND UNILEVER PLC

MAKING SUSTAINABLE

LIVING COMMONPLACE

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References in this Report on Form 20-F are to certain references in the Group's Annual Report and Accounts 2013 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 2013 and specified information referenced therein, 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:

Operational highlights on page 2;
pages 4 to 7;

Five-year historical Total Shareholder Return (TSR) Performance on page 82;
pages 86 to 89;

pages 136 to 145; and

information on our website or any other website or social media site, including our Facebook, Twitter and LinkedIn pages.

This report on Form 20-F and the Group's Annual Report and Accounts 2013 (furnished separately on 7 March 2014 under Form 6-K) contain certain measures that are not defined by generally accepted accounting principles (GAAP) such as IFRS. We believe this information, along with comparable GAAP measurements, is useful to investors because it provides a basis for measuring our operating performance, ability to retire debt and invest in new business opportunities. Our management uses these financial measures, along with the most directly comparable GAAP financial measures, in evaluating our operating performance and value creation. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP. Non-GAAP financial measures as reported by us may not be comparable with similarly titled amounts reported by other companies. In addition, there are limitations on the usefulness of our reported non-GAAP financial measures.

We report on the following non-GAAP measures:

underlying sales growth;

underlying volume growth;

core operating profit and core operating margin (including acquisition and disposal related costs, gain/(loss) on disposal of group companies, impairments and other one-off costs (non-core items));

core earnings per share (core EPS);

free cash flow; and

net debt.

The information set forth under the heading Non-GAAP measures on pages 32 to 33 of the Group's Annual Report and Accounts 2013 furnished separately on 7 March 2014 under Form 6-K is incorporated by reference. Within these pages further information about the above measures can be found.

THE UNILEVER GROUP

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.

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The schedules below provide the Group's selected financial data for the five most recent financial years.

	million 2013	million 2012	million 2011	million 2010	million 2009
Consolidated income statement		(Restated) ^(a)	(Restated) ^(a)	(Restated) ^(a)	(Restated) ^(a)
Turnover	49,797	51,324	46,467	44,262	39,823
Operating profit	7,517	6,977	6,420	6,325	5,006
Net finance costs	(530)	(535)	(543)	(561)	(596)
Share of net profit/(loss) of joint ventures and associates and other income/(loss) from non-current investments	127	91	189	187	489
Profit before taxation	7,114	6,533	6,066	5,951	4,899
Taxation	(1,851)	(1,697)	(1,575)	(1,486)	(1,253)
Net profit	5,263	4,836	4,491	4,465	3,646
Attributable to:					
Non-controlling interests	421	468	371	354	289
Shareholders' equity	4,842	4,368	4,120	4,111	3,357
Combined earnings per share^(b)	2013	2012	2011	2010	2009
Basic earnings per share	1.71	1.54	1.46	1.46	1.20
Diluted earnings per share	1.66	1.50	1.42	1.42	1.16

^(a) For an explanation of the restatement see note 1 Accounting information and policies Recent accounting developments Adopted by the Group on page 95 of the

Group's Annual Report and Accounts 2013 furnished separately on 7 March 2014 under Form 6-K and incorporated here by reference.

^(b) For the basis of the calculations of combined earnings per share see note 7 Combined earnings per share on page 108 of the Group's Annual Report and Accounts

2013 furnished separately on 7 March 2014 under Form 6-K and incorporated here by reference.

	million 2013	million 2012	million 2011	million 2010	million 2009
Consolidated balance sheet		(Restated)	(Restated)	(Restated)	(Restated)
Non-current assets	33,391	34,042	33,245	28,706	26,224
Current assets	12,122	12,147	14,291	12,484	10,811

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Total assets	45,513	46,189	47,536	41,190	37,035
Current liabilities	17,382	15,815	17,929	13,606	11,599
Non-current liabilities	13,316	14,425	14,489	12,322	12,728
Total liabilities	30,698	30,240	32,418	25,928	24,327
Shareholders' equity	14,344	15,392	14,491	14,669	12,237
Non-controlling interests	471	557	628	593	471
Total equity	14,815	15,949	15,119	15,262	12,708
Total liabilities and equity	45,513	46,189	47,537	41,190	37,035
	million	million	million	million	million
Consolidated cash flow statement	2013	2012	2011	2010	2009
Net cash flow from operating activities	6,294	6,836	5,452	5,490	5,774
Net cash flow from/(used in) investing activities	(1,161)	(755)	(4,467)	(1,164)	(1,263)
Net cash flow from/(used in) financing activities	(5,390)	(6,622)	411	(4,609)	(4,301)
Net increase/(decrease) in cash and cash equivalents	(257)	(541)	1,396	(283)	210
Cash and cash equivalents at the beginning of the year	2,217	2,978	1,966	2,397	2,360
Effect of foreign exchange rates	84	(220)	(384)	(148)	(173)
Cash and cash equivalents at the end of the year	2,044	2,217	2,978	1,966	2,397
		2012	2011	2010	2009
Key performance indicators	2013	(Restated)	(Restated)	(Restated)	(Restated)
Underlying sales growth (%) ^(c)	4.3	6.9	6.5	4.1	3.5
Underlying volume growth (%) ^(c)	2.5	3.4	1.6	5.8	2.3
Core operating margin (%) ^(c)	14.1	13.7	13.5	13.6	12.5
Free cash flow (million) ⁽⁹⁾	3,856	4,333	3,075	3,365	4,072

Table of Contents**ITEM 3. KEY INFORMATION CONTINUED**

	2013	2012	2011	2010	2009
		(Restated)	(Restated)	(Restated)	(Restated)
Ratios and other metrics					
Operating margin (%)	15.1	13.6	13.8	14.3	12.6
Net profit margin (%) ^(d)	9.7	8.5	8.9	9.3	8.4
Net debt (million\$)	8,456	7,355	8,781	6,668	6,357
Ratio of earnings to fixed charges (times)	11.8	10.2	9.8	10.4	8.8

^(c) Non GAAP measures are defined and described on pages 32 and 33 of the Group s Annual Reports and Accounts 2013 furnished separately on 7 March 2014 under Form 6-K and incorporated here by reference. Reconciliations of non-GAAP measures to relevant GAAP measures are detailed below and should be read in conjunction with pages 32 and 33 of the Group s Annual Report and Accounts 2013.

^(d) Net profit margin is expressed as net profit attributable to shareholders equity as a percentage of turnover.

	2013	2012	2011	2010	2009
	vs				
Underlying sales growth (%)	2012	vs 2011	vs 2010	vs 2009	vs 2008
Underlying sales growth (%)	4.3	6.9	6.5	4.1	3.5
Effect of acquisitions (%)		1.8	2.7	0.3	0.6
Effect of disposals (%)	(1.1)	(0.7)	(1.5)	(0.8)	(3.0)
Effect of exchange rates (%)	(5.9)	2.2	(2.5)	7.3	(2.7)
Turnover growth (%)					