

**Directors' Report for the Year ended 31 December 2005****Directors**

The Directors of the Company during the year were as follows :-

Mr N G Allen  
 Mr J C Bird (resigned 13 June 2005)  
 Mr A C Butler (resigned 11 May 2005)  
 Mr J D F Coombs  
 Mr C V Natraj  
 Mr R M Rivers  
 Mr J C Watts (appointed 13 May 2005)

**Review of Activities**

The principal activity of the Company is to supervise Unilever's activities in corporate venturing and to advise other Unilever companies on their venture capital investments.

The Company did not carry on any business during 2005; all its out-of-pocket expenses being borne by the parent company or a fellow subsidiary. The Directors do not envisage any change in the Company's position in 2006.

**Directors' Interests**

According to the Register of Directors' Interests, the notifiable interests of the Directors in office at 31 December 2005, in the share capital of the Company's ultimate holding company, Unilever PLC, were as follows :-

	<u>Unilever PLC</u>	<u>At 01.01.05</u> (1.4p shares)	<u>At 31.12.2005</u> (1.4p shares)
Mr N G Allen	Ordinary shares	8,337	9,186
Mr J D F Coombs	Ordinary shares	4,678	8,653
Mr C V Natraj	Ordinary shares	6,022	6,798
Mr R M Rivers	Ordinary shares	15,520	16,328
Mr J C Watts	Ordinary shares	4,504	4,662
	(On appointment)		



Options to acquire the number of Unilever PLC Ordinary shares listed below were granted, exercised and held as follows :-

		<u>At 01.01.05</u>	<u>Granted</u>	<u>Exercised</u>	<u>At 31.12.2005</u>
Mr N G Allen	(a)	64,888	1,100	Nil	65,988
	(b)	3,053	Nil	Nil	3,053
Mr J D F Coombs	(a)	27,500	Nil	Nil	27,500
	(b)	3,848	Nil	3,573	275
Mr C V Natraj	(a)	58,460	Nil	Nil	58,460
Mr R M Rivers	(a)	240,604	4,000	Nil	244,604
Mr J C Watts	(a)	33,000	Nil	Nil	33,000
		(On appointment)			
	(b)	Nil	3,054	Nil	3,054
		(On appointment)			

(a) under the Unilever 1985 and 1997 Executive Share Option Schemes and subject to the Rules of those Schemes.

(b) under the Unilever PLC 1985 Sharesave Scheme and subject to the Rules of that Scheme.

The Directors, in common with all employees of Unilever PLC and its UK subsidiaries, have a beneficial interest in the undermentioned Unilever PLC ordinary shares acquired by the Unilever Employee Share Trusts for the purpose of satisfying share options granted to employees.

	<u>At 01.01.05</u>	<u>At 31.12.2005</u>
Mr J C Watts	48,431,333 (On appointment)	43,232,118
The directors	48,888,961	43,232,118

#### **Directors' Conditional Share Awards under Total Shareholder Return – Long-Term Incentive Plan**

Conditional Share Awards under Total Shareholder Return – Long-Term Incentive Plan of ordinary shares in Unilever PLC were outstanding, granted or vested in 2005 as shown in the table below:

	<u>At 01.01.2005</u>	<u>Granted</u> (1)	<u>Lapsed</u>	<u>At 31.12.2005</u>
Mr J C Watts	13,882	Nil	Nil	13,882

- 1) The end date of the final performance period in respect of the conditional award made in 2005 is 31 December 2007.
- 2) The conditional award made in March 2002 did not vest in May 2005 as the performance criteria were not met.

**Global Performance Share Plan**

The following conditional shares were outstanding, awarded or vested during 2005 under the Global Performance Share Plan:

	<u>At 1.1.2005</u>	<u>Granted</u> <u>(1)</u>	<u>At 31.12.2005</u>
Mr N G Allen	-	3,670	3,670
Mr C V Natraj	-	4,700	4,700
Mr R M Rivers	-	8,415	8,415
Mr J C Watts	-	4,700	4,700

- (1) Each award of performance shares is conditional and vests subject to certain conditions (free cash flow performance and top-line growth performance) three years after the date of the award. The 2005 awards are subject to the performance period 1 January 2005 to 31 December 2007.

**BY ORDER OF THE BOARD**

**B S Macaulay**  
Secretary

Date: ...3 May 2006.....

## BALANCE SHEET – 31 DECEMBER 2005

	<u>2005</u> £	<u>2004</u> £
<b>Total Assets less current liabilities</b>		
Amount due from Holding Company after more than one year	<u>1</u>	<u>1</u>
<b>Capital and Reserves</b>		
Called up Share Capital		
Ordinary Shares of £1 each		
Authorised	<u>100</u>	
Allotted, called up and fully paid	<u>1</u>	<u>1</u>
<b>Equity shareholders' funds</b>	<u>1</u>	<u>1</u>

A Profit and Loss Account is not annexed to these Accounts as the Company has not traded for its own account. All transactions in its name have been carried on by a fellow subsidiary in whose accounts all profits and losses arising therefrom are recorded. The Directors received no remuneration.

The ultimate parent company is Unilever PLC and the immediate holding company is Unilever PLC. Copies of the Unilever group accounts can be obtained from Unilever PLC, Corporate Relations Department, PO Box 68, Blackfriars, London EC4P 4BQ.

For the period ended 31 December 2005 the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985. No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibility for:

- a) Ensuring the company keeps accounting records which comply with section 221
- b) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

N G Allen  
Director

Date .....  .....

3 May 2006