

UNILEVER N V
Form 6-K
November 04, 2010

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

REPORT OF FOREIGN ISSUER

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of November, 2010

UNILEVER N.V.

(Translation of registrant's name into English)

WEENA 455, 3013 AL, P.O. BOX 760, 3000 DK, ROTTERDAM, THE NETHERLANDS
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports
under cover Form 20-F or Form 40-F.

Form 20-F..X.. Form 40-F.....

Indicate by check mark if the registrant is submitting the Form 6-K in paper
as permitted by Regulation S-T Rule 101(b)(1): _____

Indicate by check mark if the registrant is submitting the Form 6-K in paper
as permitted by Regulation S-T Rule 101(b)(7): _____

Indicate by check mark whether the registrant by furnishing the information
contained in this Form is also thereby furnishing the information to the
Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No ..X..

If "Yes" is marked, indicate below the file number assigned to the registrant
in connection with Rule 12g3-2(b): 82- _____

Exhibit 99 attached hereto is incorporated herein by reference.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNILEVER N.V.

/S/ T.E. LOVELL
By T.E. LOVELL
SECRETARY

Date: 4 November 2010

EXHIBIT INDEX

EXHIBIT NUMBER	EXHIBIT DESCRIPTION
99	Notice to Euronext, Amsterdam dated 4 November 2010 3rd Quarter Results

Exhibit 99

ANOTHER QUARTER OF SOLID PROGRESS

Third Quarter highlights

- Underlying volume growth 4.8%. Underlying sales growth 3.6% with underlying price growth improving to (1.2)%; in-quarter pricing was flat for the third successive quarter.
- Advertising and promotions spend flat at constant exchange rates.
- Underlying operating margin up 20bps. Lower gross margin, primarily due to increased commodity costs. Indirects significantly down, partly due to phasing which will reverse in the fourth quarter.

Nine Months highlights

- Turnover up 10.9% at €33.4 billion.
- Underlying volume growth 6.0%. Underlying sales growth 3.8% and underlying price growth (2.1)%.
- Underlying operating margin up 30bps with higher gross margins offset by significant investment in advertising and promotions, up 100bps.
- Operating Profit up 21% reflecting improved underlying operating profit, lower restructuring and the favourable impact of foreign exchange.
- Fully diluted earnings per share €1.13 up 29%.

Chief Executive Officer

"We have delivered another quarter of solid progress driven by our emerging markets business which again reported high levels of volume growth. This reflects the strength of our position in these markets where competitive activity is intense. Overall volume growth remained strong on the back of stronger innovations and the extension of our brands into new markets. In-quarter pricing was flat with increased prices in some categories offset by others where downward adjustments were needed to stay competitive. Over the course of the first nine months we have significantly increased the investment in our brands and are spending in line with the timing of our in-market activities.

These results confirm again that our strategy to focus on the consumer and to accelerate growth is working. Our priorities remain to drive profitable volume growth and strong cash flow along with steady and sustainable improvement in underlying operating margin for the year as a whole. We continue to expect underlying price growth to turn positive towards the end of the year."

Third Quarter 2010

Key Financials (unaudited)
Current rates

Nine Months 2010

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€11,548m	+13.2%	Turnover	€33,443m	+10.9%
+3.6%		Underlying sales growth*	+3.8%	
€1,812m	+21%	Operating profit	€4,878m	+21%
€1,347m	+21%	Net profit	€3,556m	+29%
€0.43	+19%	Diluted Earnings per share	€1.13	+29%

Fourth Quarterly Interim Dividend €0.208 per share

(*) Underlying sales growth is a non-GAAP measure, see note 2 on Page 11 for further explanation of non-GAAP measures used.

4 November 2010

OPERATIONAL REVIEW: REGIONS

	Third Quarter 2010				Nine Months 2010					
	(unaudited) Turnover	USG	Volume	Price	Change in Underlying Op Margin	Turnover	USG	Volume	Price	Change in Underlying Op Margin
	€m	%	%	%	bps	€m	%	%	%	bps
Unilever Total	11,548	3.6	4.8	(1.2)	20	33,443	3.8	6.0	(2.1)	30
Asia Africa CEE	4,598	6.7	8.8	(2.0)	(40)	13,266	7.5	10.6	(2.9)	(10)
Americas	3,774	3.9	4.3	(0.4)	(10)	10,973	3.8	5.1	(1.3)	(10)
Western Europe	3,176	(0.3)	0.6	(0.9)	160	9,204	(0.8)	1.3	(2.1)	140

The third quarter results reflect solid progress, particularly given the combined headwinds of slow economic growth, weak consumer confidence in many markets and higher commodity costs. Whilst market growth continues to be sluggish in the developed economies, the emerging markets continue to grow strongly albeit more slowly than the levels seen earlier in the year. Volume share improved in an environment of continuing high levels of competitive activity. In-quarter pricing was flat for the third successive quarter and gross margin declined in the face of higher input costs although this was partially mitigated by our strong cost savings initiatives. Advertising & promotions spend was flat at constant exchange rates against the high comparators in the prior year quarter. Indirects were significantly lower in the quarter, reflecting the benefits of our savings programmes and phasing effects, some of which will reverse in the fourth quarter.

The transformation of the organisation continues with the establishment of the global supply chain organisation and the announcement of the proposed acquisition of Alberto Culver. We expect to complete the acquisition of Sara Lee's personal care business during the fourth quarter of 2010.

Asia Africa CEE

The region grew ahead of the market and volume shares continue to improve, with particularly strong performances in South East Asia, Saudi Arabia, South Africa and India where the actions taken to respond to competitive pressure resulted in an improved performance across the portfolio. Turkey also performed strongly, notably in ice cream.

Asia and Africa continue to be the engine of growth in the region with double digit volume growth in the year-to-date. CEE markets remain stagnant but here too we continue to gain volume share.

Underlying operating margin was down, reflecting lower gross margins in the quarter and the continuing investment behind our brands. The rollout of the regional IT platform progressed well, with the new platform deployed and running in China, Hong Kong, Taiwan, Australia and New Zealand.

The Americas

Volume growth in North America was over 2%, a solid performance given the difficult market conditions. In the US, our performance in deodorants, hair, ice cream and frozen ready meals was particularly encouraging with good performance from recent innovations. We have gained volume share within the margarine segment but our share in spreads was weaker as a consequence of margarine losing share to butter.

In the quarter, Latin American markets grew strongly and we gained volume share whilst delivering underlying sales growth at around 7% with a positive contribution from pricing. The performance in Mexico was strong and broad-based across the portfolio. Year-to-date Brazil remains the key driver of volume growth in Latin America with pricing now progressively improving.

Western Europe

Volume growth in Western Europe was positive in the quarter and we continue to gain volume share. Underlying price growth in the third quarter improved from the previous quarter but was still negative year-on-year due to the high level of promotional intensity in many of our markets. Conditions in Greece, Spain and Ireland remain difficult.

Our ice cream business performed well, contributing strong underlying sales growth and share gains on the back of a successful innovation programme. Deodorants also continued to progress well.

Operating margin was again positive, primarily reflecting the benefits of the cost saving programmes.

OPERATIONAL REVIEW: CATEGORIES

(unaudited)	Third Quarter 2010		Nine Months 2010	
	Turnover	USG	Turnover	USG
	€m	%	€m	%
Unilever Total	11,548	3.6	33,443	3.8
Savoury, Dressings & Spreads	3,564	1.7	10,474	0.8
Ice Cream & Beverages	2,457	6.1	6,951	5.4
Personal Care	3,546	4.5	10,246	6.7
Home Care & other	1,981	2.7	5,772	2.5

Q3 growth was solid across the portfolio with strong innovation led growth in ice cream and deodorants, partially offset by a decline in spreads. Innovation impact continues to increase as we successfully launch bigger and better

innovations, more quickly across more markets. Magnum Gold?! has now been successfully launched in 29 countries and Dove Men+Care is now in 30 countries. In hair, Dove Damage Therapy has been launched successfully and is being extended into more markets. Beyond new innovations, we are increasingly expanding our powerful brands into new markets. The expansion of Lifebuoy into new markets is driving double digit global growth of the brand and the expansion of Cif into new markets in Asia has also delivered strong growth.

Savoury, Dressings and Spreads

Savoury growth continued to improve with volumes holding up well as price became positive. PF Chang restaurant quality frozen meals are driving North American growth and the Knorr cook-in bags are performing well in CEE, Turkey and Australasia. The Knorr Jelly bouillon is growing on the back of distribution extension in China and the Knorr Soupy noodles range is making good progress in India.

Although the spreads business remained weak, the Pro-activ brand is improving on the back of a new campaign which emphasises the core heart health benefits. Dressings benefitted from a strong quarter in the Americas. The free range egg/healthy ingredients campaign is doing well in all regions.

Ice Cream and Beverages

Strong ice cream growth was very encouraging, especially given the unfavourable summer weather in Europe. This reflects disciplined in-market execution and a strong innovation programme. Improved sales and market shares in the United States were driven by Klondike, Ben & Jerry's and new product launches. Fruttare goes from strength-to-strength in Latin America and we have also launched successfully in South East Asia. The launch of Magnum Mini helped drive strong growth in Turkey. Inmarko in Russia innovated across the price points and progressed well.

Tea growth remains healthy but slowed from previous quarters. There were good performances in the UK and India, both improving shares. The relaunch of Lipton Milk Tea in China has been received positively. Ades soy beverages are achieving strong double digit growth in Latin America, reflected in strengthening market shares.

Personal Care

Deodorants continue to deliver strong results and global shares continued to improve. Dove Men+Care has been launched across Europe with encouraging results. Rexona continues to make good progress helped by the success of Rexona Clinical and the relaunches in Japan and India. Sustained growth in Hair reflected a strong performance in both North and Latin America and the success of the Dove Damage Therapy launch. The Lux Hair relaunch in Japan and China has been received well and shows strong momentum.

Skin reflects the continuing success of Dove Nutrium Moisture and Dove Men+Care. The rollout of Lifebuoy continues to do well and is now in 33 markets. Vaseline Sheer Infusion has not met expectations but the Vaseline brand is growing well in emerging markets. In oral we have now rolled out Pepsodent anti-cavity to 25 countries and are supporting with the successful 'brush day and night' campaign. Signal White Now continues to do well and is now in 30 markets with multiple launches completed in Q3 2010.

Home Care and other

Laundry performance continues to improve with underlying price less negative and volumes holding up well despite sustained high levels of competitive intensity. The relaunches of Wheel and Rin have helped deliver market share improvements in India and the rollout of liquids continues to drive share gains across a number of markets. We have continued the rollout of the Surf brand into new markets.

The good performance in household cleaning reflects a combination of superior products, strong advertising and relevant innovations. Cif has achieved market leadership in multi-purpose and kitchen cleaners in Vietnam only 5 months after launch. Domestos continues to do well in Italy and growth in India reflects strength across the household cleaning portfolio.

ADDITIONAL COMMENTARY ON THE FINANCIAL STATEMENTS - NINE MONTHS

Finance costs and tax

The cost of financing net borrowings in the nine months was €321 million, little changed on the previous year as the benefit of lower net debt was offset by the adverse impact of currency. The interest rate on net borrowing was 6.2% reflecting the low interest rates on cash deposits. The charge for pensions financing was a credit of €12m compared with a net charge of €131m in the prior year.

The effective tax rate was 25.3% compared with 26.5% for 2009 primarily reflecting the geographical mix of profits.

Joint ventures, associates and other income from non-current investments

Net profit from joint ventures and associates, together with other income from non-current investments contributed €160 million compared to €119 million last year. The main factors behind the increase were the partial redemption of a portion of the preferred shares that had been held as consideration for the sale of Unilever's US laundry business in 2008 and a fair value adjustment on the warrants in Johnson Diversey, both in the first quarter of 2010.

Earnings per share

Fully diluted earnings per share at €0.43 for the quarter were 19% higher than the same period in 2009. The principal drivers for the increase were improved underlying operating profit, lower restructuring charges, lower pensions costs and the favourable impact of foreign exchange.

Fully diluted earnings per share for the nine months were €1.13, up 29% on the previous year.

Restructuring

Restructuring in the nine months was around 120 bps of Turnover, at €403 million. This reflects action being taken to make the business fit to compete in the current environment. Full year restructuring, excluding the impact of acquisitions and disposals, is expected at similar levels of turnover.

Cash Flow and Net Debt

Close management attention led to further reductions in average trading working capital as a percentage of turnover, which was negative for the fourth successive quarter. Total working capital increased against a very low starting point at the end of 2009.

Capital expenditure increased by €285 million to €1.1 billion, representing 3.3% of Turnover. This primarily reflects the investment required to support the strong volume growth of the business in emerging markets.

Free cash flow at €2.5 billion was lower than the prior year by €0.5 billion. Higher operating profits were offset by an increase in the absolute level of working capital, higher tax payments and the additional investment in capital expenditure. Free cash flow for the same period in 2009 benefited from a €0.5 billion working capital inflow.

Net debt at €6.1 billion was down from €6.4 billion as at 31st December 2009, as internal cash generation post dividends was partially offset by the impact of foreign exchange rates on net debt.

Pensions

The net pensions deficit was €3.5bn at the end of September up from €2.6bn at the end of 2009. This is mainly due to the impact of lower corporate bond rates on the calculation of the pension liabilities, partially offset by good asset returns over the year to end September.

Unilever NV Preference Shares

The cancellation of the 4% preference shares took place in August. It remains our intention to launch a tender offer in respect of the 6% and 7% preference shares in due course.

COMPETITION INVESTIGATIONS

As previously reported, in June 2008 the European Commission initiated an investigation into potential competition law infringements in the European Union in relation to consumer detergents. The investigation is ongoing although no statement of objections against Unilever has been issued to date.

In December 2009, as previously reported, Unilever received separate statements of objection from the French competition authority and from the Italian competition authority in connection with investigations into certain product markets in France and Italy respectively. In April 2010, Unilever received a statement of objections from the Dutch competition authority in relation to its investigation into certain product markets in The Netherlands. An earlier decision by the Greek authority fining Unilever in relation to alleged restrictions on parallel trade within certain of its contracts with retailers in Greece is under appeal.

In addition and as previously disclosed, Unilever is involved in a number of other ongoing investigations by national competition authorities. These include investigations in Belgium, France, Germany and Greece. These investigations are at various stages and concern a variety of product markets.

Substantial fines can be levied as a result of competition and antitrust investigations especially at the European Union level. Fines imposed by the European Commission in other sectors for violations of the competition rules have amounted to hundreds of millions of euros. It is too early reliably to estimate the total amount of fines to which Unilever will be subject as a result of all of these investigations. However, provisions have been made, to the extent appropriate, in relation to the national investigations.

It is Unilever's policy to co-operate fully with the competition authorities in the context of all ongoing investigations. In addition, Unilever reinforces and enhances its internal competition law compliance procedures on an ongoing basis.

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, 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.

ENQUIRIES

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There will be a web cast of the results presentation available at:
www.unilever.com/ourcompany/investorcentre/results/quarterlyresults/default.asp

INCOME STATEMENT (unaudited)

Third Quarter		Nine Months	
	€ million	2010	2009
Increase/ (Decrease)			
2010 2009			