



Unilever Nigeria Plc
Unaudited Interim Financial Statements
For the Six Months ended 30 June 2015

Contents	Page
- Income statement	2 - 3
- Statement of other comprehensive income	4
- Statement of financial position	5 - 6
- Statement of changes in equity	7
- Statement of cash flows	8
- Notes to the financial statements	9
- Disclosures on securities transactions by Directors	18

Income Statement
For three months ended 30 June 2015

	Note	2015 N'000	2014 N'000
Revenue	6	13,810,842	15,445,983
Cost of sales		<u>(9,122,474)</u>	<u>(9,694,745)</u>
Gross profit		4,688,368	5,751,238
Selling and distribution expenses		(654,980)	(648,542)
Marketing and administrative expenses		(4,108,033)	(3,841,976)
Other income		<u>19,549</u>	<u>1,517</u>
Operating (loss)/profit		(55,096)	1,262,237
Finance income		75,606	21,553
Finance costs		<u>(791,182)</u>	<u>(296,249)</u>
(Loss)/profit before taxation		(770,672)	987,541
Taxation		<u>265,797</u>	<u>(273,597)</u>
(Loss)/profit for the period		<u>(504,875)</u>	<u>713,944</u>
Attributable to:			
Equity holders		<u>(504,875)</u>	<u>713,944</u>
(Loss)/earnings per share for profit attributable to equity holders:			
Basic and diluted (loss)/earnings per share (Naira)		<u>(0.13)</u>	<u>0.19</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

Income Statement
For six months ended 30 June 2015

	Note	2015 N'000	2014 N'000
Revenue	6	28,721,837	29,280,133
Cost of sales		<u>(18,971,714)</u>	<u>(18,280,715)</u>
Gross profit		9,750,123	10,999,418
Selling and distribution expenses		(1,274,154)	(1,289,417)
Marketing and administrative expenses	7	(6,979,323)	(7,025,860)
Other income	8	<u>70,239</u>	<u>6,189</u>
Operating profit		1,566,885	2,690,330
Finance income	9	136,276	64,851
Finance costs	10	<u>(1,609,091)</u>	<u>(677,846)</u>
Profit before taxation		94,070	2,077,335
Taxation	11	<u>(8,497)</u>	<u>(612,762)</u>
Profit for the period		<u><u>85,573</u></u>	<u><u>1,464,573</u></u>
Attributable to:			
Equity holders		<u><u>85,573</u></u>	<u><u>1,464,573</u></u>
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		<u><u>0.02</u></u>	<u><u>0.39</u></u>

The notes on pages 9 to 17 form an integral part of these financial statements.

Statement of Other Comprehensive Income For three months ended 30 June 2015

	Note	2015 N'000	2014 N'000
Items that will not be reclassified to income statement:			
Remeasurement on post employment benefit obligations		-	-
Tax effect		-	-
Other comprehensive income		-	-
(Loss)/profit for the period		<u>(504,875)</u>	<u>713,944</u>
Total comprehensive income		<u><u>(504,875)</u></u>	<u><u>713,944</u></u>
Attributable to:			
Equity holders		<u><u>(504,875)</u></u>	<u><u>713,944</u></u>

Statement of Other Comprehensive Income For six months ended 30 June 2015

	Note	2015 N'000	2014 N'000
Items that will not be reclassified to income statement:			
Remeasurement on post employment benefit obligations		-	-
Tax effect		-	-
Other comprehensive income		-	-
Profit for the period		<u>85,573</u>	<u>1,464,573</u>
Total comprehensive income		<u><u>85,573</u></u>	<u><u>1,464,573</u></u>
Attributable to:			
Equity holders		<u><u>85,573</u></u>	<u><u>1,464,573</u></u>

The notes on pages 9 to 17 form an integral part of these financial statements.

Statement of Financial Position
As at 30 June 2015

	Note	30 June 2015 N'ooo	31 December 2014 N'ooo
Assets			
Non-current assets			
Property, plant and equipment	12	27,688,298	24,830,779
Intangible assets		1,285,505	1,398,037
Other non- current assets		177,256	398,220
Employee loan receivable		126,013	128,348
Retirement benefit surplus	17	428,463	409,712
		<u>29,705,535</u>	<u>27,165,096</u>
Current assets			
Inventories	13	7,720,263	8,614,597
Trade and other receivables	14	8,730,259	8,544,431
Employee loan receivable		76,257	77,215
Cash and bank balances	15	3,799,155	1,334,916
		<u>20,325,934</u>	<u>18,571,159</u>
Total assets		<u>50,031,469</u>	<u>45,736,255</u>
Liabilities			
Current liabilities			
Trade and other payables	16	20,237,791	15,111,163
Income tax		492,924	212,770
Bank overdrafts	15	5,941,671	3,953,395
Loans and borrowings		9,470,159	12,060,749
Deferred income		32,756	32,756
		<u>36,175,301</u>	<u>31,370,833</u>
Non-current liabilities			
Deferred tax liabilities		2,341,595	2,853,240
Retirement benefit obligations	17	2,874,985	2,756,505
Long service award obligations	17	392,914	341,871
Other employee benefits		44,104	44,104
Deferred income		111,915	128,292
Loans and borrowings		904,604	762,602
		<u>6,670,117</u>	<u>6,886,614</u>
Total liabilities		<u>42,845,418</u>	<u>38,257,447</u>

Statement of Financial Position (continued)
As at 30 June 2015

	Note	30 June 2015 N'000	31 December 2014 N'000
Equity			
Ordinary share capital	20	1,891,649	1,891,649
Share premium	20	45,717	45,717
Retained earnings		<u>5,248,685</u>	<u>5,541,442</u>
Total equity		<u><u>7,186,051</u></u>	<u><u>7,478,808</u></u>
Total equity and liabilities		<u><u>50,031,469</u></u>	<u><u>45,736,255</u></u>

The financial statements on pages 2 to 17 were approved for issue by the Board of Directors on 16 July 2015 and signed on its behalf by:



His Majesty N.A. Achebe CFR, MNI
 Chairman
 FRC/2013/NIM/0000001568



Yaw Nsarkoh
 Managing Director
 FRC/2014/IODN/0000007035



Adesola Sotande-Peters
 Finance Director
 FRC/2015/ICAN/00000010834

The notes on pages 9 to 17 form an integral part of these financial statements.

**Statement of Changes in Equity
 For six months ended 30 June 2015**

	Share capital N'000	Share premium N'000	Retained earnings N'000	Total N'000
Balance at 1 January 2014	1,891,649	45,717	7,410,556	9,347,922
Total comprehensive income for the period				
Profit for the period	-	-	1,464,573	1,464,573
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	1,464,573	1,464,573
Transactions with owners				
Dividend declared	-	-	(4,729,120)	(4,729,120)
Balance at 30 June 2014	<u>1,891,649</u>	<u>45,717</u>	<u>4,146,009</u>	<u>6,083,375</u>
Balance at 1 January 2015	1,891,649	45,717	5,541,442	7,478,808
Total comprehensive income for the period				
Profit for the period	-	-	85,573	85,573
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	85,573	85,573
Transactions with owners				
Dividend declared	-	-	(378,330)	(378,330)
Balance at 30 June 2015	<u>1,891,649</u>	<u>45,717</u>	<u>5,248,685</u>	<u>7,186,051</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

Statement of Cash Flows For six months ended 30 June 2015

	Note	2015 N'000	2014 N'000
Cash flows from operating activities			
Cash generated from operations	18	8,961,293	56,921
Retirement benefits paid		(239,399)	(103,405)
Long service award obligations paid		(600)	-
Tax paid		(239,989)	(638,965)
Net cash flow from/(used in) operating activities		<u>8,481,305</u>	<u>(685,449)</u>
Cash flows from investing activities			
Interest received		136,276	64,851
Purchase of intangible assets		(4,027)	-
Purchase of property, plant and equipment	12	(3,777,292)	(1,605,341)
Proceeds from sale of property, plant and equipment		75,709	8,230
Net cash used in investing activities		<u>(3,569,334)</u>	<u>(1,532,260)</u>
Cash flows from financing activities			
Drawdown of long-term loan		13,400	412,572
Drawdown of short-term loan		-	4,000,000
Repayment of long-term loan		(121,987)	(32,276)
Repayment of short-term loan		(2,340,000)	-
Interest payment		(1,609,091)	(677,846)
Dividend paid		(378,330)	(4,729,120)
Net cash flow used in financing activities		<u>(4,436,008)</u>	<u>(1,026,670)</u>
Increase/(decrease) in cash and cash equivalents		475,963	(3,244,379)
Cash and cash equivalents at the beginning of the period		(2,618,479)	613,200
Cash and cash equivalents at the end of the period	15	<u>(2,142,516)</u>	<u>(2,631,179)</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

Notes to the financial statements	Page
General information	10
Basis of preparation	10
Significant accounting policies	10
Estimates	10
Financial risk management	10 - 11
Segment reporting	12 - 13
Marketing and administrative expenses	13
Other income	13
Finance income	13
Finance cost	13
Income taxes	13
Property, plant and equipment	14
Inventories	15
Trade and other receivables	15
Cash and cash equivalents	15
Trade and other payables	15 - 16
Retirement benefit obligations	16
Cash flows from operating activities	16
Related party transactions	17
Share capital and premium	17

1. General information

Unilever Nigeria Plc is incorporated in Nigeria under the Companies and Allied Matters Act 1990 as a public limited liability company and is domiciled in Nigeria. The Company's shares are listed on the Nigerian Stock Exchange (NSE). The Company is principally involved in the manufacture and marketing of foods and food ingredients, and home and personal care products. It has manufacturing plants in Lagos and Agbara.

2. Basis of preparation

These interim financial statements for the six months ended 30 June 2015 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with IFRS.

3. Significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

4. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2014.

5. Financial risk management

Financial risk factors

Unilever's activities expose it to a variety of financial risks: market risk (foreign exchange risk), credit risk and liquidity risk. Unilever's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Unilever's financial performance.

Risk management is carried out by a Treasury Department under policies approved by the Finance Director. Unilever's Treasury Department identifies, evaluates and manages financial risks in close co-operation with Unilever's operating units. These policies are mostly Unilever Global Policies adapted for local use.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the company's annual financial statements as at 31 December 2014. There have been no changes in the risk management structure since year end or in any risk management policy.

5.1. Financial risk factors

(a) Market risk

(i) Foreign exchange risk

Unilever is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro and USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities. The company manages this risk mainly by hedging foreign exchange currency contracts. At 30 June 2015, the unhedged financial assets and liabilities amounted to N1.5 billion (2014: N1.2 billion).

5. Financial risk management (continued)

5.1. Financial risk factors

(ii) Cash flow and fair value interest rate risk

Unilever's interest rate risk arises from bank overdrafts. Overdrafts issued at variable rates expose Unilever to cash flow interest rate risk. Borrowings issued at fixed rates expose Unilever to fair value interest rate risk.

Unilever analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, Unilever calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The following table shows the split in fixed and floating rate exposures:

	2015 N'000	2014 N'000
Fixed rate (bank loans)	10,374,763	12,823,351
Floating rates (bank overdrafts)	<u>5,941,671</u>	<u>3,953,395</u>
	<u><u>16,316,434</u></u>	<u><u>16,776,746</u></u>

(b) *Credit risk*

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only parties classified as "International Golden Circle" (preferred choice for the Unilever group) are accepted. Exposure limits to banks are set at a maximum of N6.2 billion. Risk control assesses the credit quality of wholesale customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

Concentration of credit risk with respect to trade receivables is limited, due to the company's customer base being large and diverse. Credit terms for customers are determined on individual basis. Credit risk relating to trade receivables is managed by reference to the customers' credit limit, inventory balance, cash position and secondary sales to final consumers.

(c) *Liquidity risk*

Liquidity risk is the risk that Unilever will face difficulty in meeting its obligations associated with its financial liabilities. Unilever's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine Unilever's credibility, impair investor confidence and also restrict the Unilever's ability to raise funds.

Where current liabilities exceed current assets, the company seeks to manage its liquidity requirements by maintaining access to bank lending which are renewable annually.

At the reporting date, Unilever held cash in bank of N1.4 billion (2014: N1.3 billion) that are expected to readily generate cash inflows for managing liquidity risk. Unilever also had N5.9 billion overdraft.

6. Segment reporting

The chief operating decision-maker has been identified as the Leadership Team (LT) of Unilever Nigeria Plc. The Leadership Team reviews Unilever's monthly financial and operational information in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The Leadership Team consider the business from a product category perspective. Unilever is segmented into Food Products (FP), Personal Care (HC) and Home Care (PC) products.

Foods – including sale of tea, savoury and spreads.

Personal Care – including sale of skin care and oral care products.

Home Care – including sale of fabric care, dish wash and water purifier.

There are no intersegmental sales and Nigeria is the company's primary geographical segment as it comprises 97% of the company's sales.

The Leadership Team assesses the performance based on operating profits for each operating segment that is reviewed. Total financing (including interest income and expense), income taxes and retirement benefit obligations are managed on an entity-wide basis and are not allocated to operating segments.

	Food Products N'000	Personal Care N'000	Home Care N'000	Total N'000
3 months ended 30 June 2015				
Revenue	6,796,491	4,260,280	2,754,071	13,810,842
Depreciation and amortisation	255,027	159,860	103,342	518,229
Segmental operating loss	(23,842)	(14,945)	(9,661)	(48,448)
Amortisation of prepaid benefit on employee loan				(6,648)
Finance income				75,606
Finance cost				(791,182)
Loss before taxation				<u>(770,672)</u>
3 months ended 30 June 2014				
Revenue	7,846,807	4,139,010	3,460,166	15,445,983
Depreciation and amortisation	272,973	143,879	120,340	537,192
Segmental operating profit	651,369	333,605	284,351	1,269,325
Amortisation of prepaid benefit on employee loan				(7,088)
Finance income				21,553
Finance cost				(296,249)
Profit before taxation				<u>987,541</u>
6 months ended 30 June 2015				
Revenue	13,794,666	8,940,394	5,986,777	28,721,837
Depreciation and amortisation	518,037	335,742	224,824	1,078,603
Segmental operating profit	759,057	491,948	329,424	1,580,429
Amortisation of prepaid benefit on employee loan				(13,544)
Finance income				136,276
Finance cost				(1,609,091)
Profit before taxation				<u>94,070</u>
6 months ended 30 June 2014				
Revenue	14,305,455	8,350,625	6,624,053	29,280,133
Depreciation and amortisation	499,131	291,362	231,120	1,021,613
Segmental operating profit	1,322,588	772,044	612,416	2,707,048
Amortisation of prepaid benefit on employee loan				(16,718)
Finance income				64,851
Finance cost				(677,846)
Profit before taxation				<u>2,077,335</u>

6. Segment reporting (continued)

Turnover by geographical location

	Domestic (within Nigeria) N'000	Export (outside Nigeria) N'000	Total N'000
3 months ended 30 June 2015	13,337,685	473,157	13,810,842
3 months ended 30 June 2014	14,774,051	671,932	15,445,983
6 months ended 30 June 2015	27,875,759	846,078	28,721,837
6 months ended 30 June 2014	28,260,626	1,019,507	29,280,133

The company has 107 customers, and no single customer accounted for more than 10% of the company's revenue.

7. Marketing and administrative expenses

	2015 N'000	2014 N'000
Brand and marketing	3,352,099	3,269,670
Overheads	2,914,571	3,036,045
Service Fees	712,653	720,145
	<u>6,979,323</u>	<u>7,025,860</u>

8. Other income

Other income represents profit on disposal of property, plant and equipment.

9. Finance income

	2015 N'000	2014 N'000
Interest on call deposits and bank accounts	122,732	48,133
Interest income from employee loans	13,544	16,718
	<u>136,276</u>	<u>64,851</u>

10. Finance cost

	2015 N'000	2014 N'000
Interest on third party bank loans	1,402,360	497,691
Interest cost on defined benefit plans	206,731	180,155
	<u>1,609,091</u>	<u>677,846</u>

11. Income Taxes

Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the period. The estimated average tax rate used for the six months ended 30 June 2015 is 9% (2014: 29.5%).

12. Property, plant and equipment (PPE)

	Capital work-in- progress N'000	Lease hold land N'000	Buildings N'000	Plant and machinery N'000	Furniture and equipment N'000	Motor vehicles N'000	Total N'000
Cost							
At 1 January 2014	6,542,174	67,615	3,713,522	21,326,483	701,586	690,744	33,042,124
Reclassification between PPE captions	-	-	(263,994)	264,339	(345)	-	-
Additions	4,023,867	-	-	-	-	-	4,023,867
Transfers	(7,521,516)	-	3,631,340	3,239,395	477,510	173,271	-
Disposals	-	-	-	(10,682)	(14,923)	(35,794)	(61,399)
Write off	(29,223)	-	-	-	-	-	(29,223)
At 31 December 2014	3,015,302	67,615	7,080,868	24,819,535	1,163,828	828,221	36,975,369
Additions	3,777,292	-	-	-	-	-	3,777,292
Transfers	(2,261,624)	-	350,119	1,721,492	186,924	3,089	-
Disposals	-	(20,350)	(432,747)	(1,364,402)	(619)	(145,421)	(1,963,539)
Write off	(6,044)	-	-	-	-	-	(6,044)
At 30 June 2015	4,524,926	47,265	6,998,240	25,176,625	1,350,133	685,889	38,783,078
Depreciation / impairment							
At 1 January 2014	-	31,532	714,549	8,394,305	207,988	468,812	9,817,186
Depreciation charge for the year	-	750	156,256	1,506,737	101,771	138,405	1,903,919
Impairment	-	-	-	466,445	-	-	466,445
Disposals	-	-	-	(7,594)	(10,045)	(25,321)	(42,960)
At 31 December 2014	-	32,282	870,805	10,359,893	299,714	581,896	12,144,590
Depreciation charge for the period	-	341	95,093	703,690	59,891	49,244	908,259
Disposals	-	(12,204)	(248,925)	(1,554,696)	(499)	(141,745)	(1,958,069)
At 30 June 2015	-	20,419	716,973	9,508,887	359,106	489,395	11,094,780
Net book value:							
At 1 January 2014	6,542,174	36,083	2,998,973	12,932,178	493,598	221,932	23,224,938
At 31 December 2014	3,015,302	35,333	6,210,063	14,459,642	864,114	246,325	24,830,779
At 30 June 2015	4,524,926	26,846	6,281,267	15,667,738	991,027	196,494	27,688,298

(i) *Leasehold land on finance lease*

The Company has non - cancellable finance lease agreements with the Federal Government of Nigeria which was paid once and in advance. There are no finance lease liabilities and no future finance charges to the income statement.

The lease terms are between 50 and 99 years. The following amounts represents owned land where the Company is a lessee under a finance lease:

	2015 N'000	2014 N'000
Cost		
At 1 January	67,615	67,615
Disposal	(20,350)	-
At 30 June/31 December	47,265	67,615
Accumulated depreciation		
At 1 January	32,282	31,532
Depreciation charge for the period	341	750
Disposal	(12,204)	-
At 30 June/31 December	20,419	32,282
Net book value:		
At 1 January 2014	35,333	36,083
At 30 June/31 December	26,846	35,333

13. Inventories

	2015 N'000	2014 N'000
Raw and packaging materials	3,472,745	3,811,735
Work in progress	441,478	389,386
Finished goods	3,019,313	3,702,760
Engineering spares and other inventories	<u>786,727</u>	<u>710,716</u>
	<u><u>7,720,263</u></u>	<u><u>8,614,597</u></u>

14. Trade and other receivables

	2015 N'000	2014 N'000
Trade receivables: gross	4,688,822	4,518,493
Less impairment	<u>(1,122,044)</u>	<u>(1,099,795)</u>
Trade receivables: net	3,566,778	3,418,698
Advances and prepayments	1,019,593	1,588,646
Other receivables	858,482	385,914
Due from related parties (Note 19(iii))	<u>3,285,406</u>	<u>3,151,173</u>
	<u><u>8,730,259</u></u>	<u><u>8,544,431</u></u>

Advances and prepayments include prepaid warehouse rents, insurance premium and advances to vendors.

15. Cash and cash equivalents

	2015 N'000	2014 N'000
Cash at bank and in hand	1,270,655	1,136,998
Fixed deposit	<u>2,528,500</u>	<u>197,918</u>
Cash and bank balances	3,799,155	1,334,916
Bank overdrafts	<u>(5,941,671)</u>	<u>(3,953,395)</u>
Cash and cash equivalents	<u><u>(2,142,516)</u></u>	<u><u>(2,618,479)</u></u>

Included in cash and cash equivalents are unclaimed dividends amounting to N2.3 billion (2014: nil) held in a separate bank account in accordance with guidelines issued by the Securities and Exchange Commission. This amount is restricted from use by the Company.

For the purposes of the statement of cash flows, cash and cash equivalents include bank overdrafts.

16. Trade and other payables

	2015 N'000	2014 N'000
Trade payables	5,505,669	5,083,218
Amount due to related companies (Note 19(iii))	5,732,716	4,308,103
Unclaimed dividend (Note 16(i))	2,739,741	414,560
Accrued liabilities	1,378,696	1,552,037
Accrued brand and marketing expenses	1,378,636	611,527
Accrued shipping and freight charges	567,276	728,848
Non trade payables	<u>2,935,057</u>	<u>2,412,870</u>
	<u><u>20,237,791</u></u>	<u><u>15,111,163</u></u>

16. Trade and other payables (continued)

	2015 N'000	2014 N'000
(i) Unclaimed dividend		
As at 1 January	414,560	414,560
Dividend declared	378,330	4,729,120
Dividend paid during the year	(378,330)	(4,729,120)
Unclaimed dividend transferred from registrar	<u>2,325,181</u>	<u>-</u>
As at 30 June/31 December	<u><u>2,739,741</u></u>	<u><u>414,560</u></u>

17. Retirement benefit obligations

The amounts recognised in the statement of financial position are determined as follows:

	2015 N'000	2014 N'000
Present value of funded retirement benefit obligations	(1,108,425)	(1,105,641)
Fair value of plan assets	<u>1,536,888</u>	<u>1,515,353</u>
Retirement benefit surplus	428,463	409,712
Present value of unfunded retirement benefit obligations	(2,874,985)	(2,756,505)
Long service award obligations	<u>(392,914)</u>	<u>(341,871)</u>
Net liability in the statement of financial position	<u><u>(2,839,436)</u></u>	<u><u>(2,688,664)</u></u>

The amounts recognised within the income statement were as follows:

	Current Service Cost N'000	Net Interest Cost N'000	Total N'000
3 months ended 30 June 2015	<u>94,349</u>	<u>101,152</u>	<u>195,501</u>
3 months ended 30 June 2014	<u>78,030</u>	<u>86,861</u>	<u>164,891</u>
6 months ended 30 June 2015	<u>184,038</u>	<u>206,731</u>	<u>390,769</u>
6 months ended 30 June 2014	<u>156,060</u>	<u>180,155</u>	<u>336,215</u>

18. Cash flows from operating activities

	2015 N'000	2014 N'000
Profit before tax	94,070	2,077,335
Adjustment for non-cash items:		
- Depreciation of fixed assets	908,259	905,338
- Assets write off	6,044	12,532
- Amortisation of intangible assets	116,558	116,274
- Profit on disposals on fixed assets	(70,239)	(6,189)
- Finance income (Note 9)	(136,276)	(64,851)
- Finance expense (Note 10)	1,609,091	677,846
- Net charge in retirement benefit obligations	339,128	336,215
- Change in employee loan receivable	3,293	9,456
- Long service award obligations	51,643	-
- Deferred income	(16,377)	69,159
- Other employee benefits	-	-
Changes in working capital:		
- Increase in trade and other receivables	(185,827)	(1,113,428)
- Decrease/(increase) in inventory	894,334	(1,118,153)
- Increase/(decrease) in trade and other payables	5,126,628	(1,916,048)
- Decrease in other non-current assets	<u>220,964</u>	<u>71,435</u>
Cash flows from operating activities	<u><u>8,961,293</u></u>	<u><u>56,921</u></u>

19. Related party transactions

(i) Sale of finished goods to related parties

	2015 N'000	2014 N'000
Unilever Ghana Limited	609,911	657,029
Unilever Cote D'Ivoire	236,167	362,478
	<u>846,078</u>	<u>1,019,507</u>

(ii) Purchases of finished goods for resale from related parties

	2015 N'000	2014 N'000
Unilever Ghana Limited	1,117,984	1,200,626
Unilever Market Development (Pty) Limited	199,522	314,451
Unilever Gulf FZE	-	13,997
Unilever Phillipines	160,727	94,845
Unilever Supply Chain Company, UK	-	-
	<u>1,478,233</u>	<u>1,623,919</u>

(iii) Outstanding related party balances as at 30 June were:

	2015 N'000	2014 N'000
<i>Receivables from related parties:</i>		
Unilever Cote D'Ivoire	1,531,962	1,342,622
Unilever Ghana Limited	1,637,702	1,584,259
Other related parties	115,742	224,292
	<u>3,285,406</u>	<u>3,151,173</u>

	2015 N'000	2014 N'000
<i>Payables to related parties:</i>		
Unilever UK Plc	1,846,222	1,390,543
Unilever Cote D'Ivoire	66,996	55,375
Unilever Ghana Limited	2,758,868	2,184,838
Unilever Asia Private	504,026	31,281
Other related parties	556,604	646,066
	<u>5,732,716</u>	<u>4,308,103</u>

20. Share capital and share premium

	Number of ordinary shares (thousands)	Ordinary shares N'000	Share premium N'000
Balance as at 31 December 2014 and 30 June 2015	<u>3,783,296</u>	<u>1,891,649</u>	<u>45,717</u>

The authorised number of ordinary shares is 6,053,274,000 with a par value of 50kobo per share. Of these, 3,783,296,250 ordinary shares have been issued and fully paid.

Disclosures on securities transactions by Directors

In accordance with the provisions of Section 14.4 of the Amended Post-Listings Rules of the Nigerian Stock Exchange (2014), the Directors of Unilever Nigeria Plc. hereby confirm that:

- 1.** A code of conduct regarding securities transactions by all Directors has been adopted by the Company.
- 2.** Specific enquiry of all Directors has been made during the reporting period and there is no incidence of non-compliance with the listing rules of the Nigerian Stock Exchange, and Unilever Nigeria's code of conduct, regarding securities transactions by Directors.