

## HY08 Results

### Earnings Per Share

For the Half Year Ended June 30, 2008, Unilever Caribbean Limited (UCL) reported Earnings Per Share (EPS) of \$0.56, down 12.5 per cent or \$0.08 on the comparable Half Year period in FY07. According to the Chairman, the business challenge continued to be at the Gross Profit level, where rising global commodity prices continued to impact on raw and packaging material costs as well as increased production costs.

### Financial Highlights:

- Turnover, up 10.1 per cent or \$20.4 million to \$223.4 million
- Cost of Sales, up 13.8 per cent or \$17.1 million to \$141.0 million
- Gross Profit, up 4.2 per cent or \$3.3 million to \$82.4 million
- Operating Profit, down 3.6 per cent or \$0.8 million to \$22.4 million
- Profit After Taxation, down 12.4 per cent or \$2.1 million to \$14.7 million

### Dividends

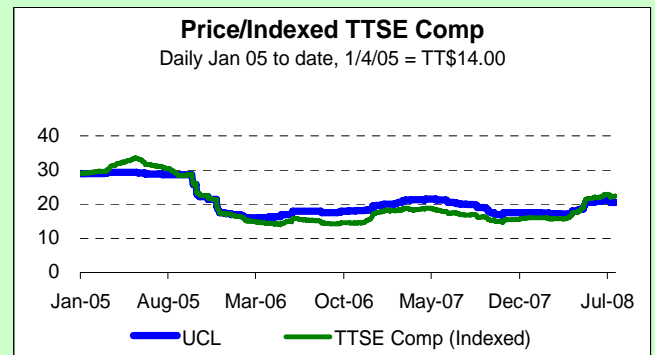
The Board of Directors has declared an interim dividend of \$0.28 per share, payable on September 5, 2008 to all shareholders whose names appear on the Register of Members as at August 15, 2008.

### Recommendation

The Chairman stated that taking into account the current uncertain industrial climate, the outlook for the remainder of the year is for some improvement over the first half but significant full year profit growth over last year appears unlikely.

The shares of UCL are currently trading at a price of \$20.52. At our forecasted EPS of \$1.40 and the current price, this share is trading at a price to earnings multiple of 14.7 times. At this time we recommend a **HOLD** on this share.

Date	23-Jul-08
Recommendation	<b>HOLD</b>
Price (TT\$)	20.52
Target Price (TT\$; 12 months)	19.60
52 week high - low (TT\$)	21.27 - 16.75
Market cap. (TT\$MM)	538.5
Float cap. (TT\$MM)	230.7



On 12/31/04 the TTSE Comp was at 1,074.

Period	YE08E	YE07A	YE06A	Chnge. %
((\$MM))				
Turnover	<b>416</b>	416	372	11.8%
Cost of Sales	<b>253</b>	252	222	13.5%

Gross Profit	<b>163</b>	164	151	8.6%
Operating Profit	<b>52</b>	55	40	37.5%
PAT	<b>37</b>	36	35	2.9%

EPS	<b>1.40</b>	1.38	1.33	3.8%
- Q1	<b>0.14</b>	0.31	0.27	14.8%
- Q2	<b>0.42</b>	0.33	0.36	-8.3%
- Q3		0.27	0.14	92.9%
- Q4		0.47	0.56	-16.1%

Period	Q308E	Q208A	Q207A	Chnge. %
((\$MM))				
Turnover		120	107	12.1%
Cost of Sales		44	39	12.8%

Gross Profit		76	68	11.8%
Operating Profit		16	12	33.3%
PAT		11	9	22.2%

EPS		0.42	0.33	27.3%
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### Research team

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