



**Wimm-
Bill-
Dann**

Wimm-Bill-Dann Foods OJSC [NYSE: WBD]

Investor Presentation
9M 2006



Forward Looking Statements



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This presentation contains forward-looking statements that reflect Wimm-Bill-Dann's current views and estimates, which are based on many factors and assumptions.

Changes in such factors or assumptions could produce significantly different results.





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Who Is Wimm-Bill-Dann?

Russia's Largest Food Company with Growing CIS Business

Headquarters:	Moscow
Founded:	1992
Manufacturing:	33 production sites in Russia and the Commonwealth of Independent States (CIS)
Products:	A full range of diversified branded dairy products, juice, nectars, water and fast growing baby food
Listing:	WBD: NYSE - Level 3 ADR
Market Cap:	US \$2.1 Billion
Employees:	18,500
Market Position:	Russian dairy market leader
Revenue Structure:	Dairy ~74%; Beverages ~19%; Baby Food ~7%
Corporate Governance:	WBD assigned highest corporate governance score in Russia by Standard & Poor's Governance Services

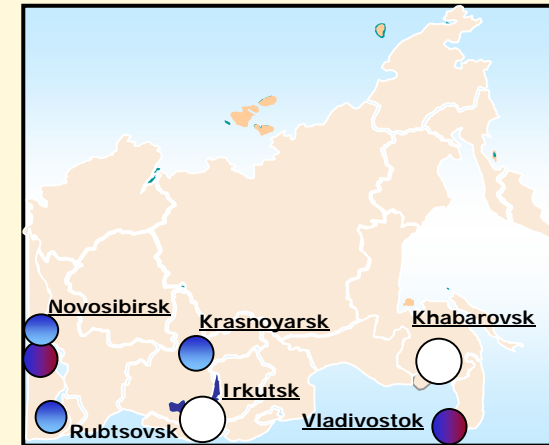
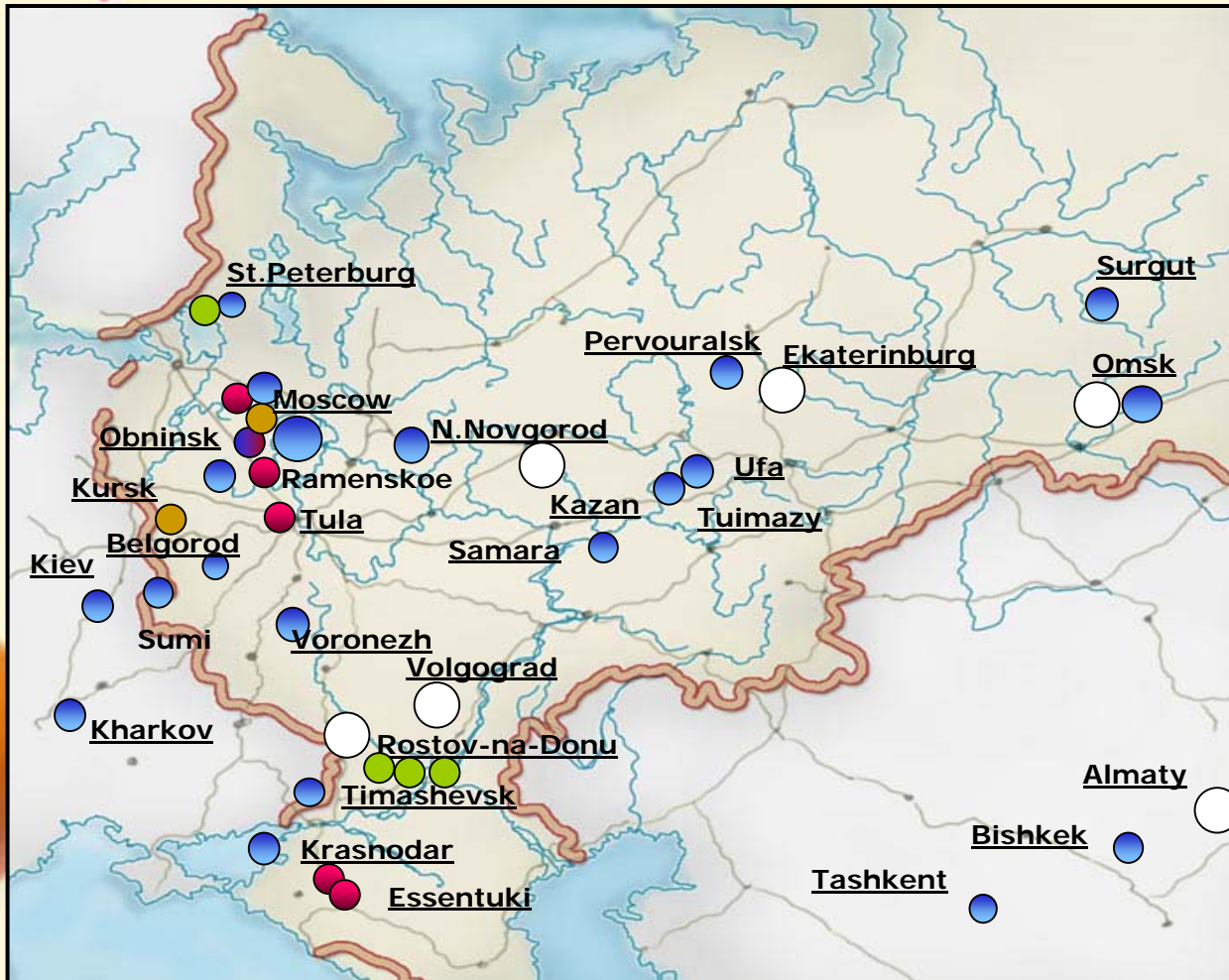




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Growing National & CIS Platform

33 Production facilities in Russia & CIS



- Dairy production sites
- Beverages production sites
- Dairy production sites with beverages lines
- Baby Food production sites
- Farms
- Large distribution centers



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Our Mission

Wimm-Bill-Dann helps the entire family live healthier by enjoying our nutritious and delicious food and beverage products everyday throughout their lives





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Wimm-Bill-Dann's Strengths and Opportunities...

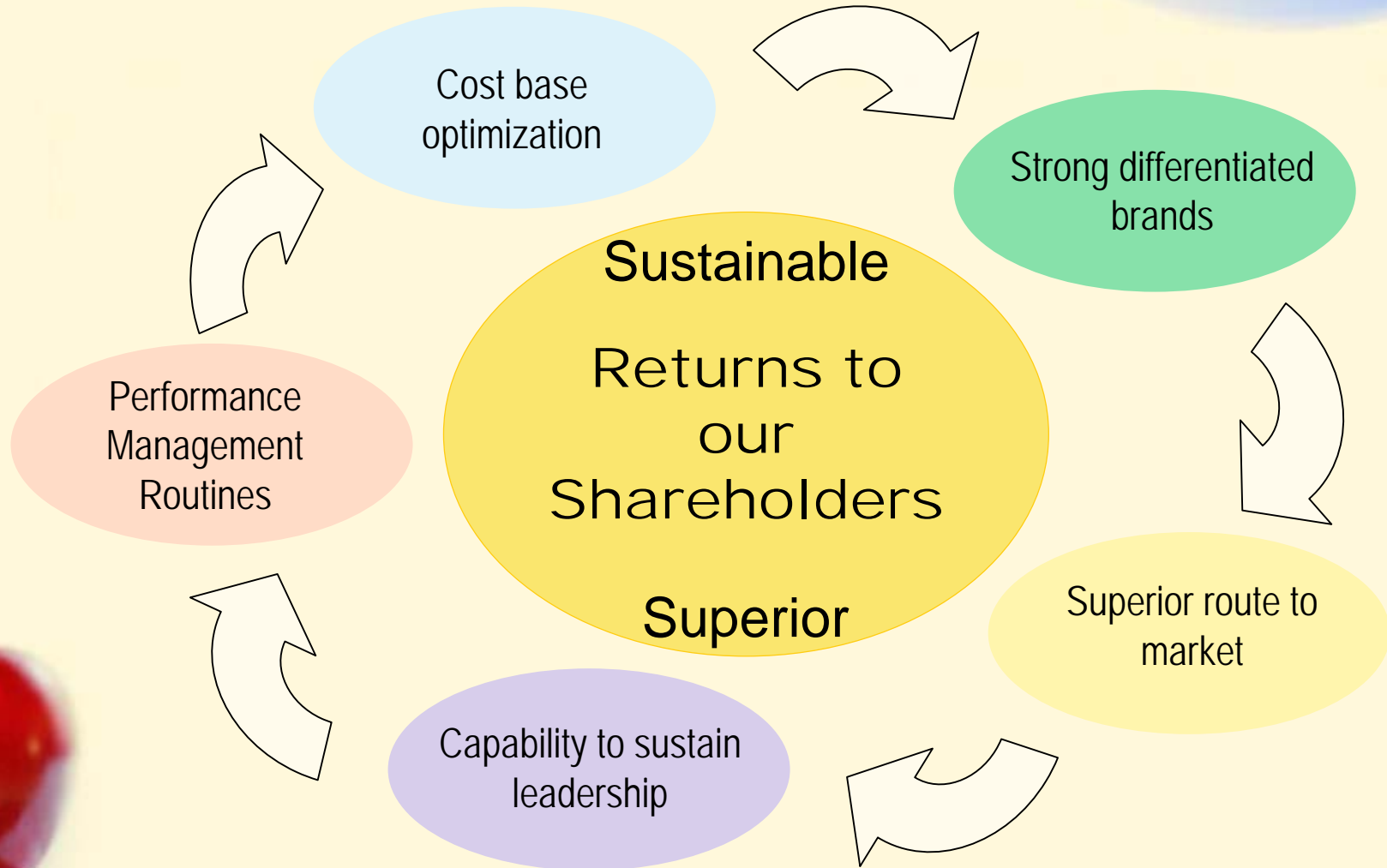
...for Sustainable and Profitable Growth





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Wimm-Bill-Dann's Strategic Imperatives



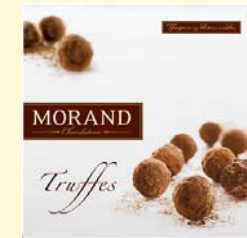


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Strategic Imperatives

Strong Differentiated Brands

- **Strong, differentiated brands backed by marketing programs => =>consistent image of Health & Wellness across all businesses**
- **Appointments:**
 - Group Head of Marketing and Innovation
 - Group Head of Quality Control
- **Innovations - newer, higher-margin products to win market share**
 - Morand truffles
 - Spoonable yogurt w/ natural fruits on the bottom
 - Curd dessert with caramel filling
- **National SKU Management – reviewing, unification, and reducing**





Strong Differentiated Brands

Innovations - higher-margin products



- Increase in volume +29%, in value +44% year-over-year in 9M 2006
- Portfolio expanding into 3 new taste launches:
 - Prunes-nuts for Neo 2 Bio drinkable yogurts and curd desserts
 - Dried apricots-nuts for Neo 2 Bio drinkable yogurts and curd desserts
 - Cereals for Neo Imunele



Strong Differentiated Brands



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Our market leaders in Dairy, Baby Food, Beverages





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Strategic Imperatives

Superior Route to Market

- Investing in own Sales Force
- Focus on trade marketing and POS marketing
- More control over distribution network
- Centralized Key Account Management for all businesses => economies of skill and scale in dealing with large customers
- Implementing new merchandising standards to focus on impulse high margin products
- Continued focus on regional markets & production





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Strategic Imperatives

Capability to Sustain Market Leadership

- **Grow leaders**
- **Building human capabilities, e.g. Account Management, Sales and Marketing**
- **Focus on recruitment of the best available talents**
- **Expanding our training programs – such as Corporate University**
- **Investing in internal and external training**
- **Promoting Health & Wellness lifestyle**





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Strategic Imperatives

Performance Management Routines

- Understandable and achievable KPIs
- KPI system implementation across all business units
- Semi-annual performance review and individual development plans for top 300 employees
- Sales personnel remuneration scheme enhancement
- Introduction of stock option program for top managers





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Strategic Imperatives

Cost Base Optimization

- **Centralization of functions**
 - Procurement
 - Production Planning in Dairy
- **Legal entities consolidation**
- **Shared services for back-office – Legal, IT**
- **Manning reduction by July 2007 y-o-y (-3000)**



9M 2006 Operational Highlights



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- **Profitable growth accelerates in 9M 2006**
- **Senior Appointments:**
 - Tony Maher appointed, new CEO (April)
 - Grant Winterton, Group Head of Marketing and Innovation (November)
 - Beverages BU Head, Head of Marketing, and Commercial Director, (3Q'06)
- **Regional dairy plants acquired:**
 - Surgut (3Q'06)
 - Ochakovo Dairy Plant - the 4th largest dairy producer in Russia and one of the largest dairy enterprises in Moscow (November)
 - Manros Dairy Company - the largest independent dairy manufacturer in Siberia and the Far East (October)
- **Successful completion of secondary offering of 10% of common stock on RTS by founders (November)**





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9M 2006 Financial Highlights (GAAP reported)

Profitable growth across all segments

	9M 2006	9M 2005	Change, %
	US\$mIn	US\$ mln	
Sales	1 252.6	1 025.9	22.1%
<i>Dairy</i>	928.5	735.1	26.3%
<i>Beverages</i>	241.5	227.1	6.3%
<i>Baby Food</i>	82.6	63.7	29.8%
Gross Profit	403.4	288.0	40.0%
Gross Profit Margin, %	31.2%	28.1%	410 bp
Selling and distribution expenses	(164.8)	(141.8)	16.3%
General and administrative expenses	(100.1)	(78.4)	27.6%
Operating income	113.0	61.4	84.1%
Net income	66.2	21.7	204.4%
Net profit margin, %	5.3%	2.1%	320 bp
EBITDA*	159.1	100.5	58.4%
EBITDA margin, %	12.7%	9.8%	290 bp
CAPEX excluding acquisitions	74.9	52.4	43%

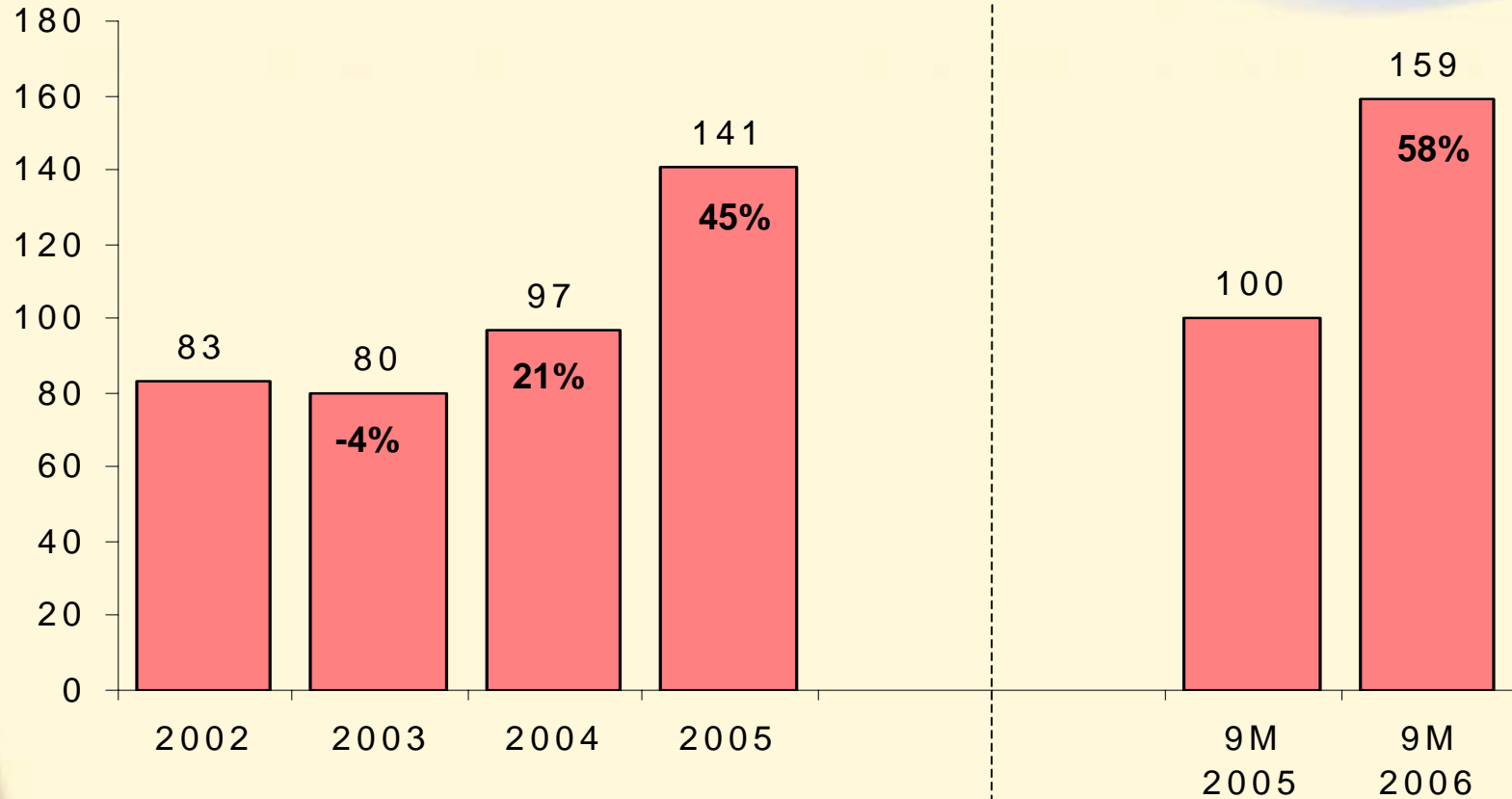
* Non-GAAP indicator: for reconciliation of EBITDA to US GAAP Net Income see www.wbd.com/f_reports/



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9M 2006 Financials

EBITDA, mIn USD

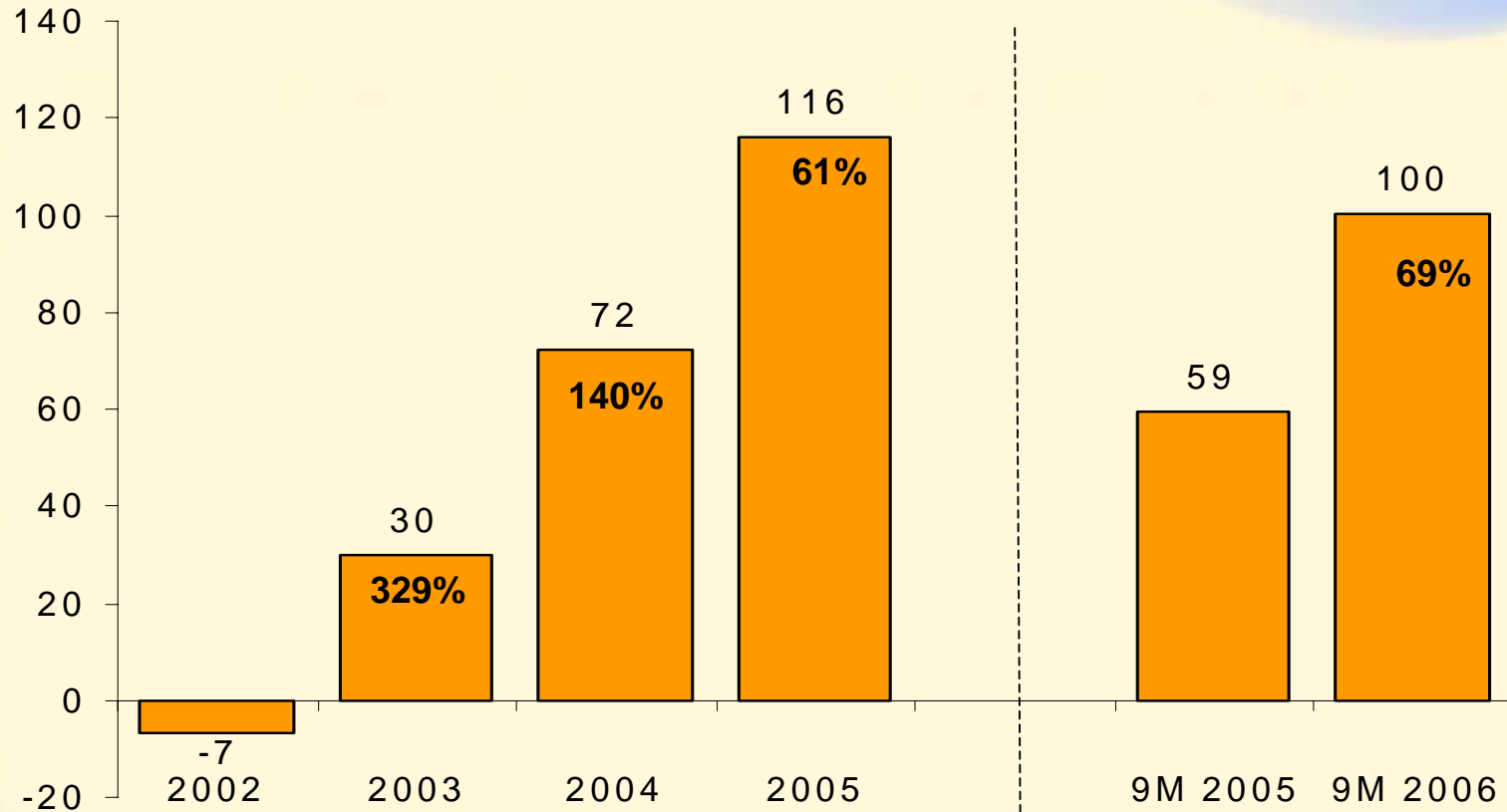




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9M 2006 Financials

Operating Cash flow, mln USD



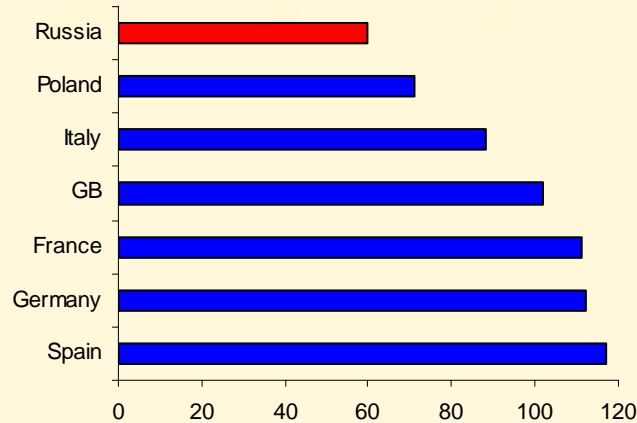


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Dairy – Market Overview

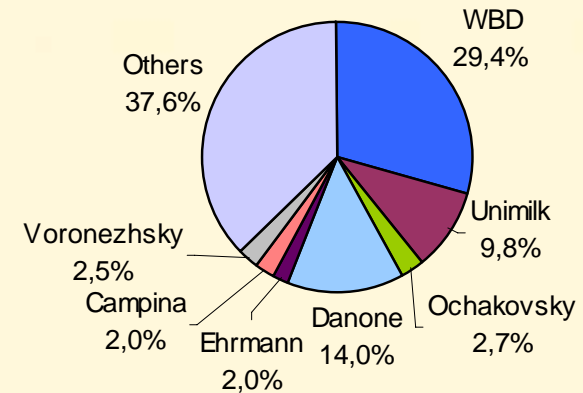
WBD remains clear market leader with room to grow

Dairy consumption, kg/person



Source: Datamonitor, Reuters Business Insight, GKS

Structure of Russian Dairy Market (9M 2006)



Source: ACNielsen Retail Audit; value terms

- Russian dairy consumption trails CEE & WE peers
- Market remains fragmented with many small producers
- Sustainable growth outlook in higher margin yogurts & desserts
- Continued growth in traditional segment in the regions
- WBD increases market share in 9M 2006 (29.4% + 3.3% vs. 9M 2005)

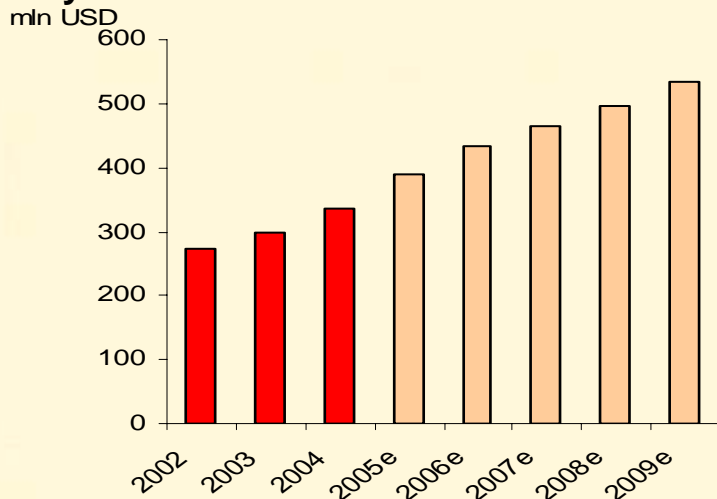


Baby Food – A ‘Young’ Market

More than 11% CAGR projected for Russian mkt up to 2009

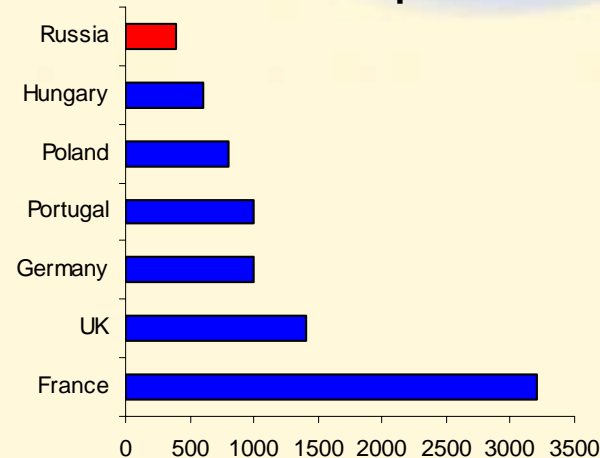


Baby Food – Estimated Mkt Value 2002-2009



Source: Euromonitor

Baby Food – Annual Per Capita Consumption (kg)



Source: Euromonitor

- Russian baby food consumption still trails CEE & WEE peers
- Additional disposable income drives market growth
- Our sales up 30% & margins up 41% year-over-year in 9M 2006
- Fragmented market - leadership by sub-segment (WBD in dairy)
- New niches & regional markets entry expected to continue in 2006-2007



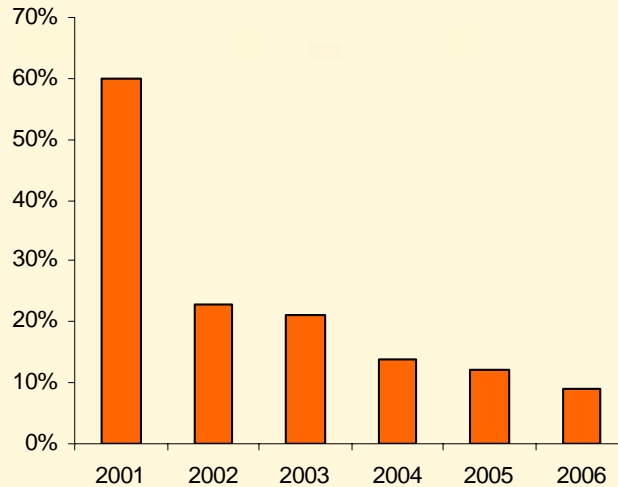
Beverages – Market Overview



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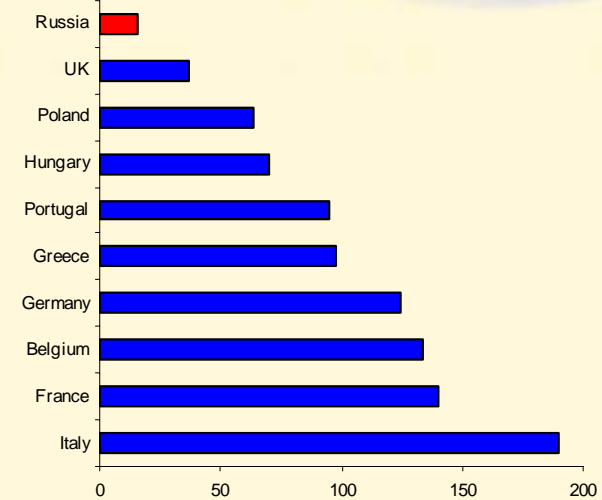
Challenging juice environment, opportunities in water

Juice Market Y-o-Y growth, volume %



Source: WBD

Bottled Water per capita (liters, 2005)



Source: ACNielsen Retail Audit; value terms

- WBD No. 3 in juice market in 3Q 2006 (19.4%)
- 4 domestic players control 85% of the market
- Regional growth driving market – dominated by lower-middle segment
- Bottled water market fragmented & few true mineral waters



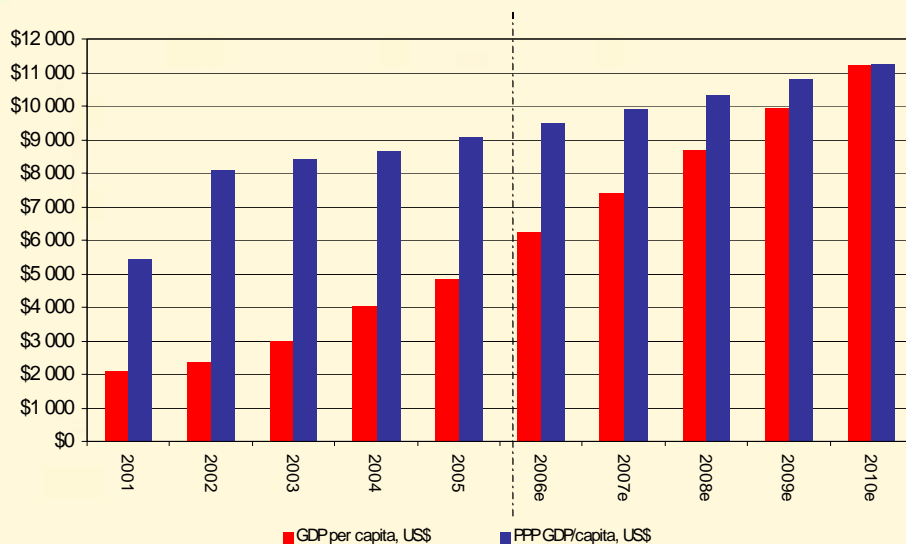


WBD – Russian Opportunities

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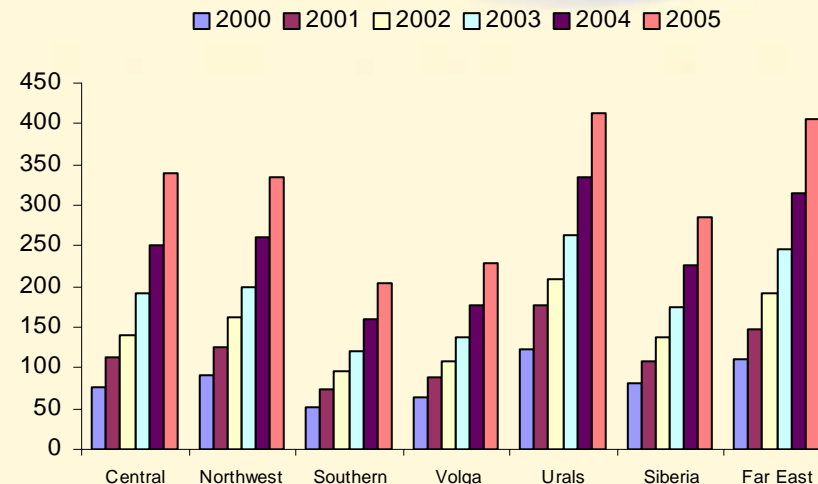
Rising incomes across Russia driving demand for WBD products

GDP per capita Trends to 2010 (US\$)



Source: GKS, RenCap

Avg. Monthly Nominal Wages by Region (US\$)



Source: GKS

- Current macro outlook for Russia remains strong
- Russian consumer income rising through all regions
- WBD loyalty in regions = consumers switch to higher margin products
- WBD's first-mover advantage persists as markets grow
- Stable operating environment aids long-term planning



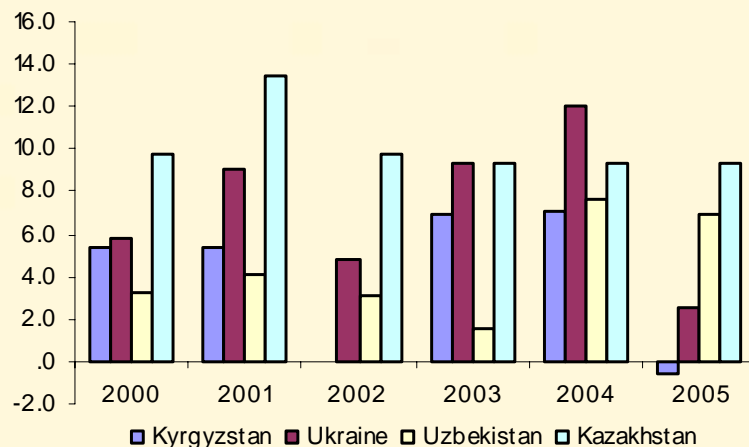


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WBD – CIS Opportunities

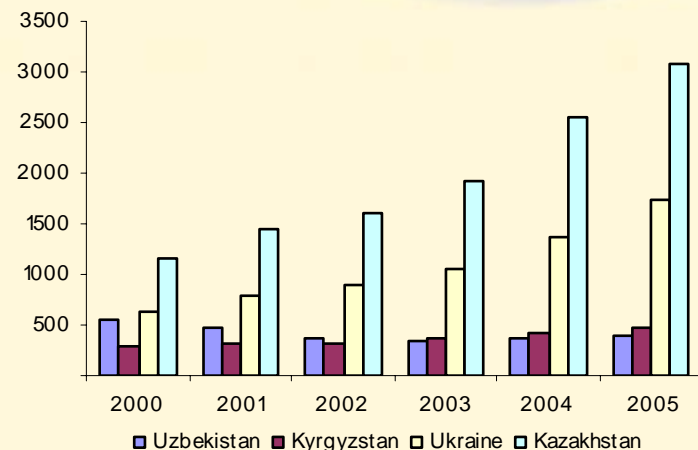
WBD Can Build on Production & Trade Presence in CIS

Selected CIS Markets GDP Change Y-o-Y



Source: Business Monitor Int'l

Selected CIS Markets GDP per capita (US\$)



Source: Business Monitor Int'l

- CIS economies are growing & aiming to diversify
- WBD has production presence in Ukraine, Kyrgyzstan & Uzbekistan
- WBD has strengthening sales presence in Kazakhstan
- Considerable unmet demand for modern dairy & beverage products
- CIS (excl. Russia) accounts for 9% of all Dairy Segment sales (2005) but 42% of population



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WBD – ADR Performance

Closing price of ADR on NYSE (US\$)



ADR price on 3 January 2006: \$25.33

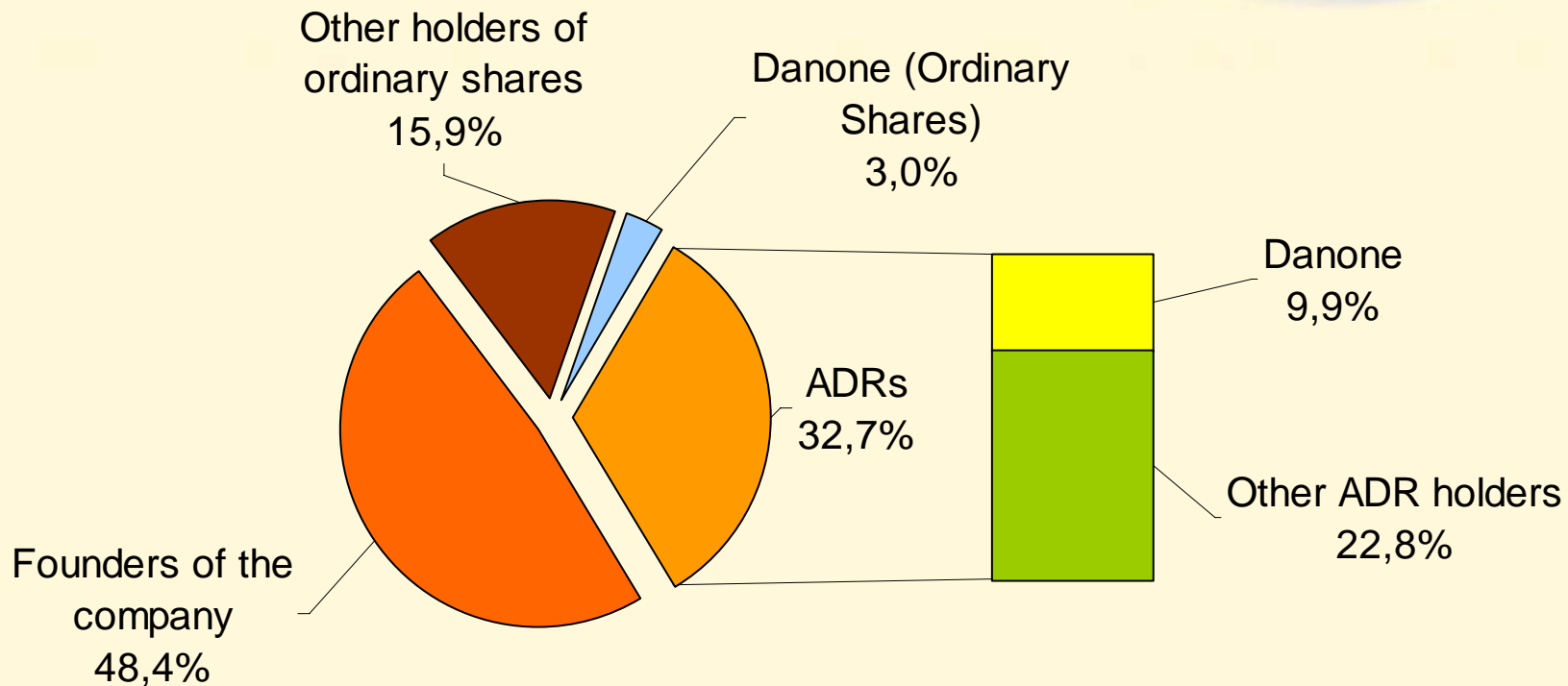
ADR price on 1 December 2006: \$50.22

WBD – Shareholder Structure



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As of 9 M 2006



Based on Company's List of affiliates from 30.09.2006 with later amendments

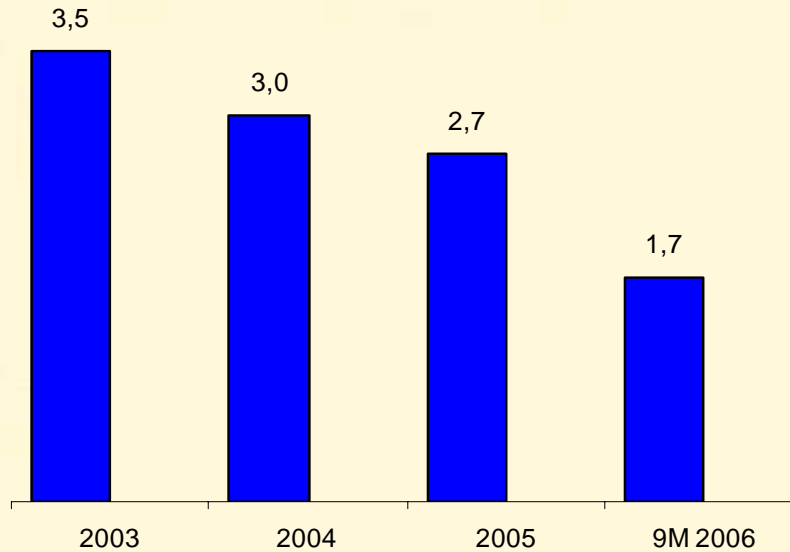


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Debt Levels & Ratings

Reduced Debt Ratios

Total Debt to EBITDA Ratio



Credit Ratings at Top of National Scale

	S&P	Moody's
Corporate credit rating		
Global Scale	B+	B1
National Scale	ruA+	
Outlook	Positive	
Debt rating		
USD Eurobond	B+	B2
RUR Domestic	ruA+	
Corporate governance	7+ (of 10)	
	<i>(Highest in Russia)</i>	





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Also see our re-launched IR site: www.wbd.com

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