

Wimm-Bill-Dann Foods OJSC



Full-Year 2007 Investor Presentation



Safe Harbor Statement

Some of the information contained in this presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of Wimm-Bill-Dann Foods OJSC, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not intend to update these statements to conform them to actual results. We refer you to the documents Wimm-Bill-Dann Foods OJSC files from time to time with the U.S. Securities and Exchange Commission, specifically, the Company's most recent Form 20-F. These documents contain and identify important factors, including those contained in the section captioned "Risk Factors" in our Form 20-F, that could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, potential fluctuations in quarterly results, and risks associated with our competitive environment, acquisition strategy, ability to develop new products or maintain market share, brand and company image, operating in Russia, volatility of stock price, financial risk management, and future growth.

- **Introduction**
- **Part I: Delivering Growth**
Strategy Implementation in 2007
- **Part 2: Outlook for 2008 & Beyond**
Focus on Growth
- **Part 3: 2007 Financials**
- **Appendix: Ratings, Shareholder Structure & Contacts**

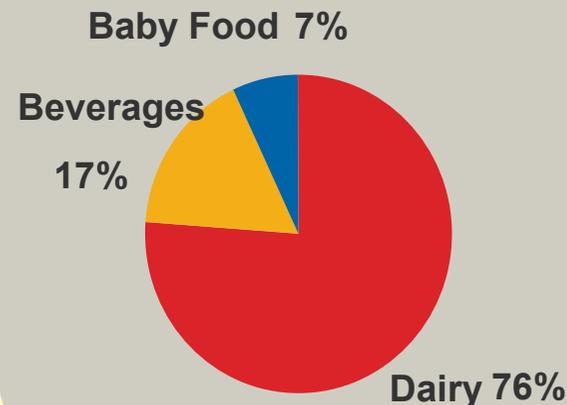


Wimm-Bill-Dann Snapshot

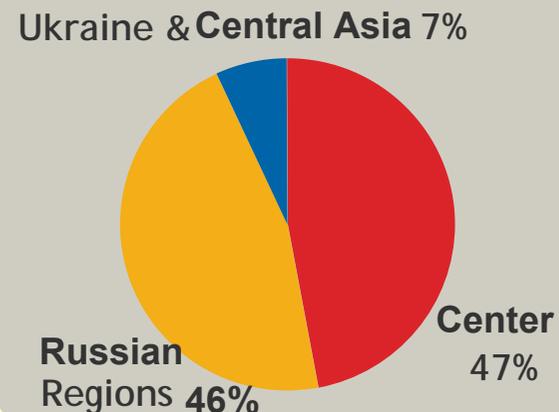
Our mission is to help the entire family live healthier by enjoying our nutritious and delicious food and beverage products everyday throughout their lives

- Largest Food and Beverage company in Russia and CIS
- 37 production sites
- We operate in 10 countries
- Serving needs of 280 mln. consumers
- Focus on fast growing Health and Wellness categories
- #1 in Dairy, #1 in Baby Food and #3 in Beverages
- Rapidly growing consumer income per capita, doubled from 2000 to 2006
- Significant per capita consumption growth potential
- Over 19,000 employees
- NYSE – Level 3 ADRs
- USD5.8 billion Market Cap as of 31 Dec 2007

2007 Sales by Segment



2007 Sales by Region



Our Geographic Reach

Ukraine

Population ~ 47 mln.
WBD: 3 Dairy sites;
< 5% of Group Revenue;
Leader in Dairy Market - 16.2%

Russia

Population ~ 142 mln.
WBD: 25 Dairy sites,
4 Baby Food sites,
2 Beverage sites, 5 Farms;
90% of Group Revenue;
Leader in Dairy and BF Markets

Ukraine

Russia

Kazakhstan

Uzbekistan

Kirgizstan

Caucasus

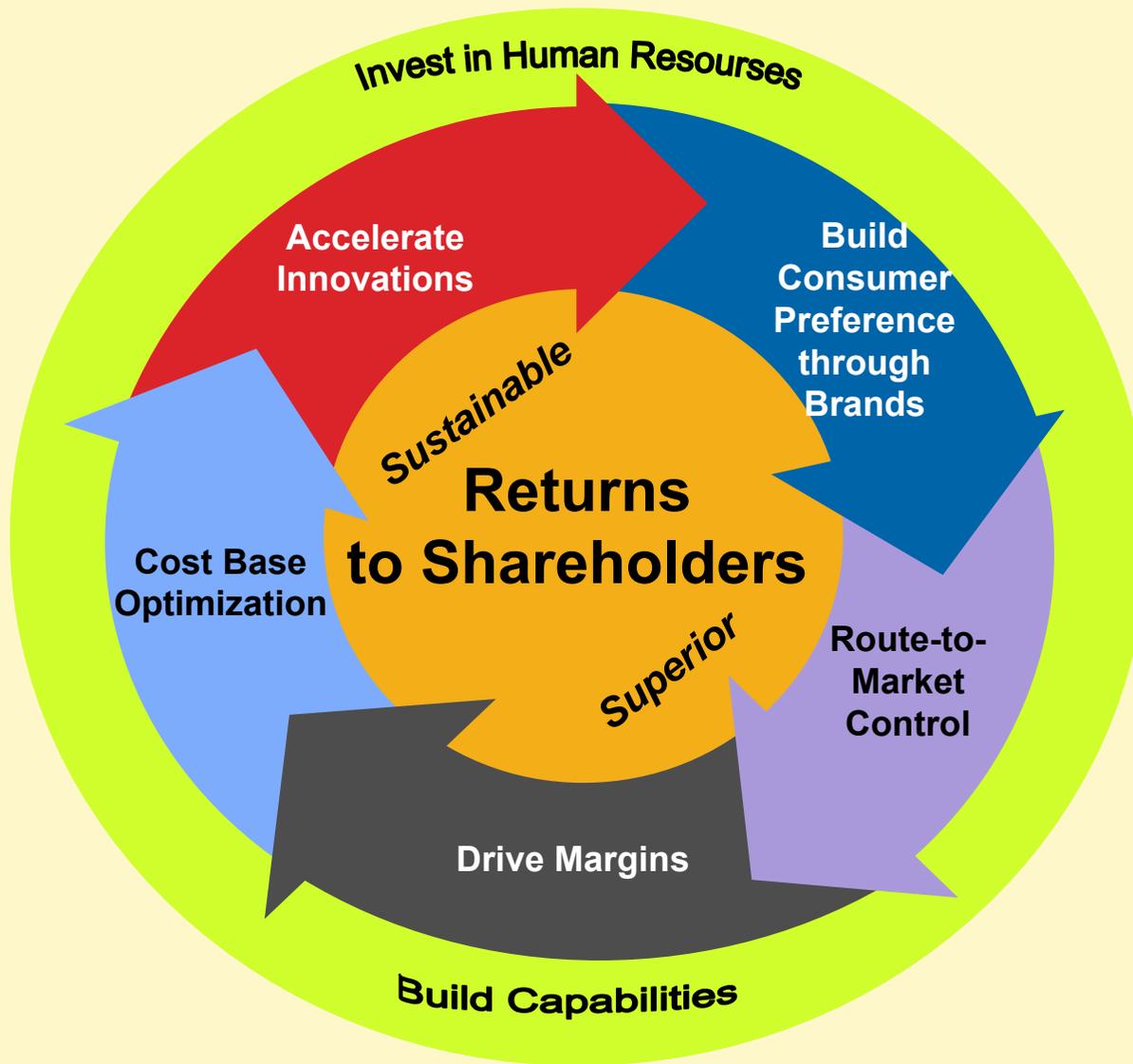
Population ~ 17 mln.
WBD: 1 Dairy site in
Georgia

Central Asia

Population ~ 60 mln.
WBD: 2 Dairy sites;
< 2% of Group Revenue

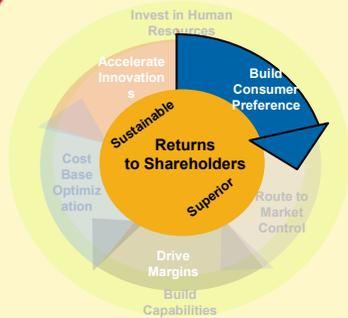
Potential CIS consumer base of more than 280 mln.

Our Core Strategic Imperatives



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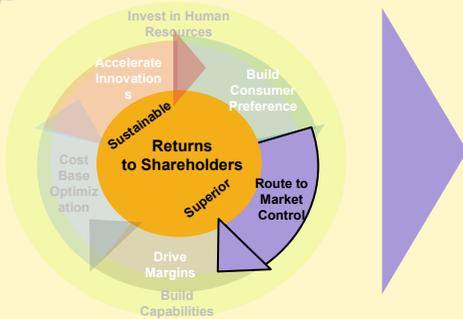
Build Consumer Preference through Brand Equity



- Visual identity for all juice brands strengthened
- Greater media investment with better quality advertising; approx. 6% of Revenue:
 - New advertising campaign for our flagship juice brand J-7
 - First advertising campaign for Agusha baby food
 - Domik v Derevne commercial – top 10% FMCG (TV Link test)



Improving Route-to-Market



- Centralized management of Key Accounts to leverage scale
- More control over distribution network – 6 trade branches opened
- Dairy merchandizing standards to create value
- Focus on impulse and high margin products -10,000 coolers installed and 8,000 model stores developed
- Distributors & sales employees incentivized to accelerate high-value products



Improving Route-to-Market

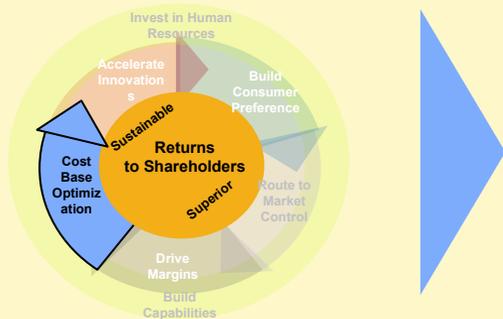


Improving Margins through Mix and Packaging



- Focus on raw materials conversion to high value
- From volume to value targets
- New higher margin products launched under core brands in Dairy and Baby Food
- New formats - smaller packages, multi-packs designed





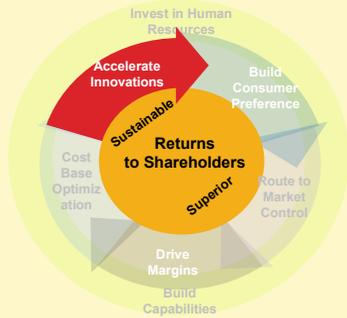
- Centralization of functions - Marketing and Innovation, Key Account Management, Procurement, Legal and Information Technology
- Consolidation of legal entities – halved to 34 from 68
- Labor force optimization – productivity improvement
- New ERP being implemented as of 2008
- World class efficiency targets
- Key Business Indicators tracked and managed



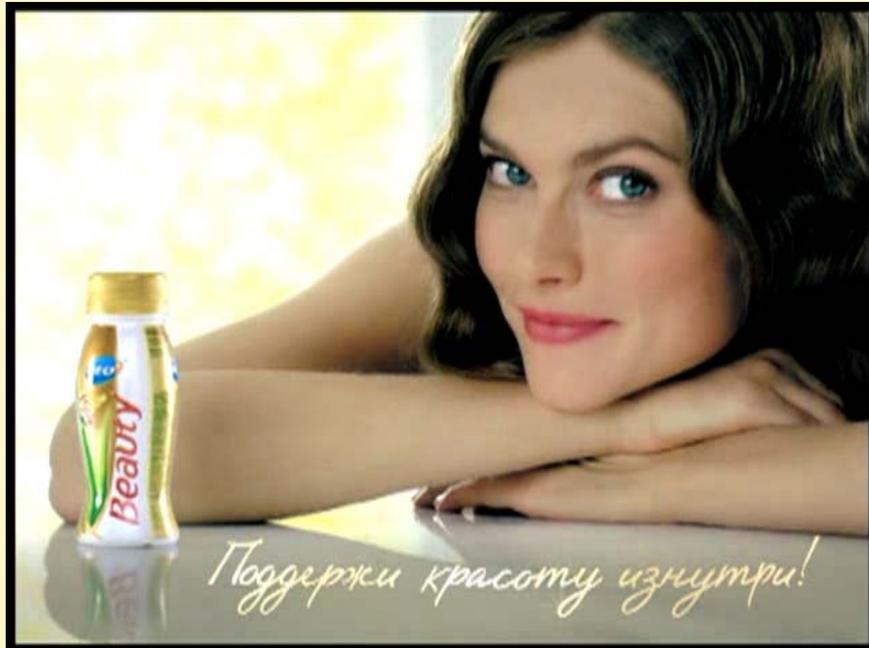
SLE. Отчет за месяц.

SLE по линиям за Март

ЛИНИЯ	ЦЕЛЬ SLE	SLE
ТВА-8_1	67%	71%
ТВА-8_2	67%	68%
ТВА-8_3	67%	69%
ТВА-8_4	67%	70%
ТВА-8_5	67%	71%



- Entering new categories, expanding proposition in baby food: meat & fish, fruit & vegetables purees, juices and water
- Creating new product niches – revolutionary Beauty value-added dairy
- Entering new geographies – Georgian Dairy plant as a base for modern dairy factory for Caucasus markets



Build People Capabilities



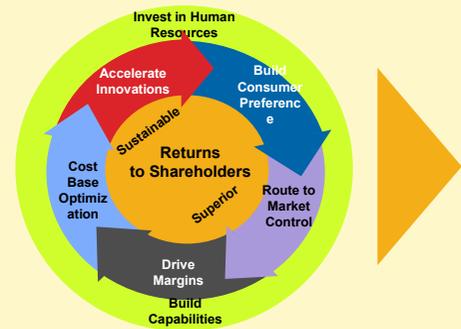
- Performance management routines
- Results linked remuneration system at all levels of organization
- Invest in training and building capabilities
- Introduction of culture surveys and “360 degree” assessments
- Introduction of stock option program for top managers



- Profitable growth of Baby Food Business:
 - WBD took volume market leadership in Baby food + 4.0 points in volume; + 3.5 points in value
 - EBITDA growth of 43% in Baby Food

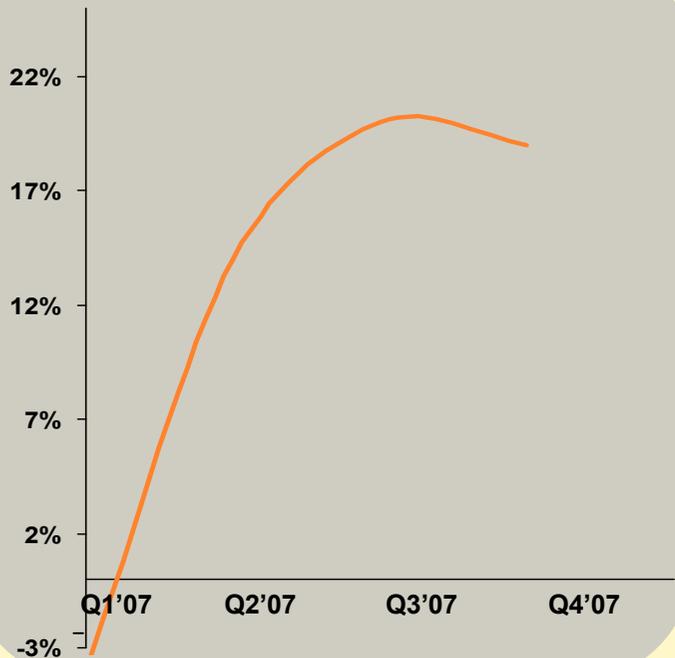
- New management team turned around Beverage Business:
 - EBITDA margin in Beverages grew from 8.6% to 13.3% of Revenue y-on-y
 - J-7 performance: -4%, +14%, +20%, +19% volume quarterly y-on-y growth

- Strong growth of Dairy Sales:
 - Significant increase in Dairy pricing leading to greater long-term value
 - EBITDA growth of 17% in Dairy

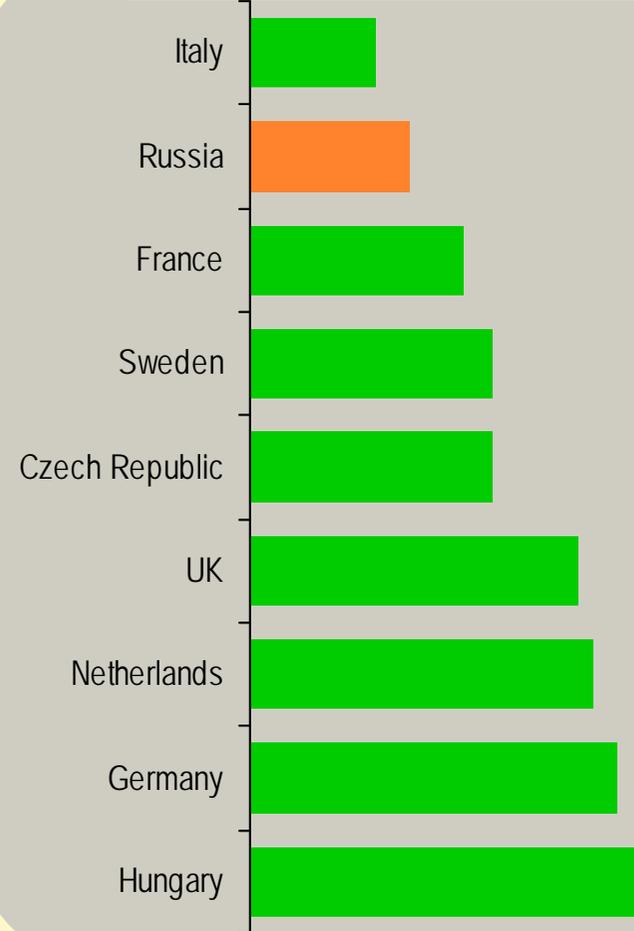


New Team Turned Around Beverage Business

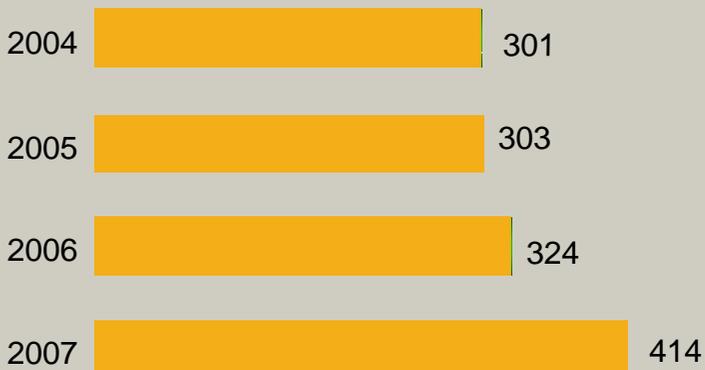
J-7 Sales growth by quarter, y-on-y



Annual Consumption, Ltr/Person



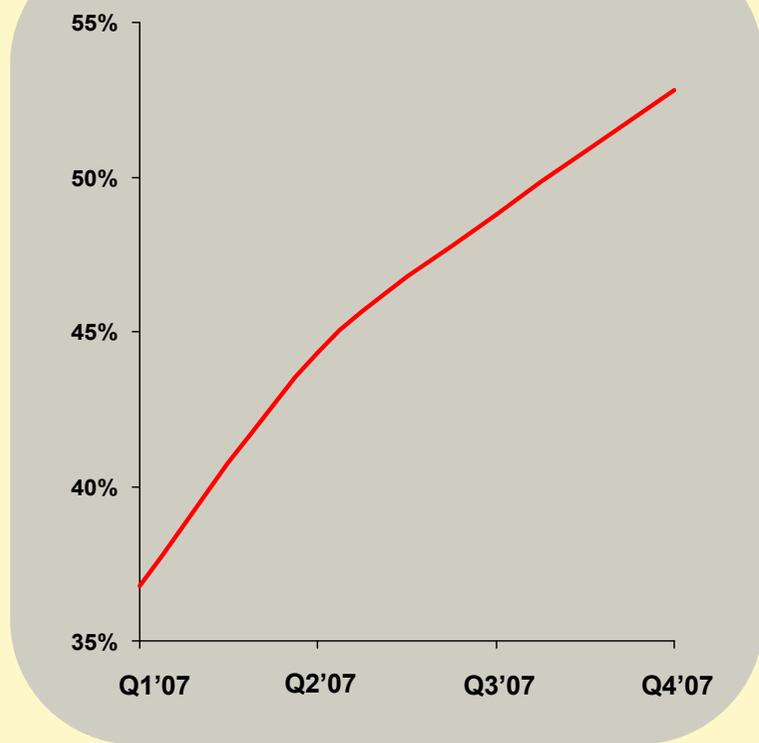
Beverage Sales, mln USD



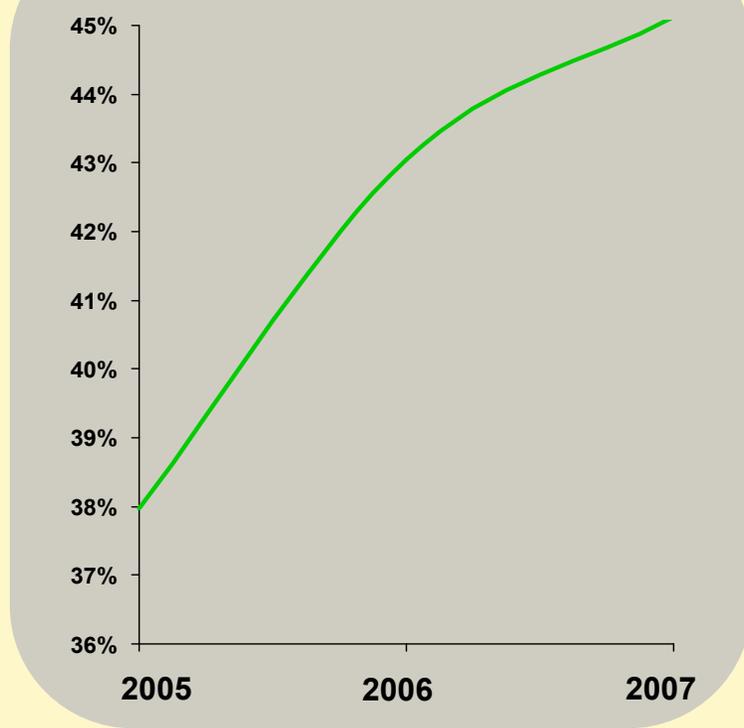
Source: Euromonitor, 2006

Profitable Growth of Baby Food Business

Sales growth by quarter, y-on-y



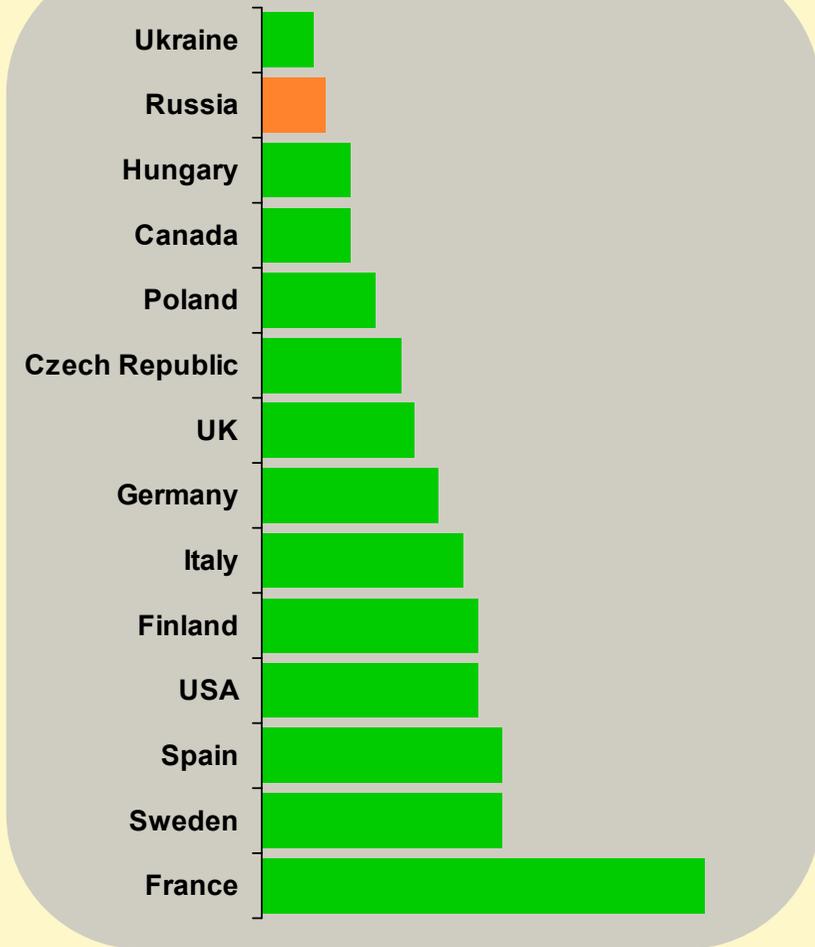
Gross margin, %





Leadership in Baby Food Market Achieved

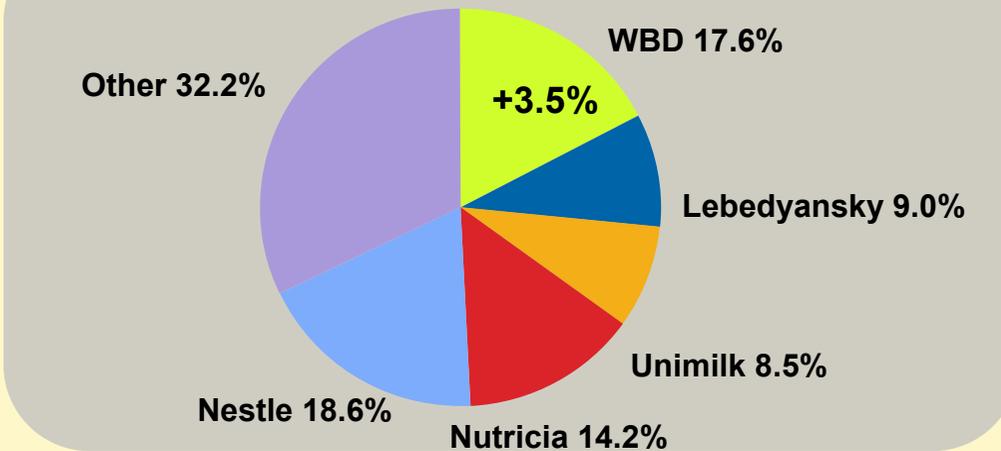
Annual Consumption, Ltr/Person



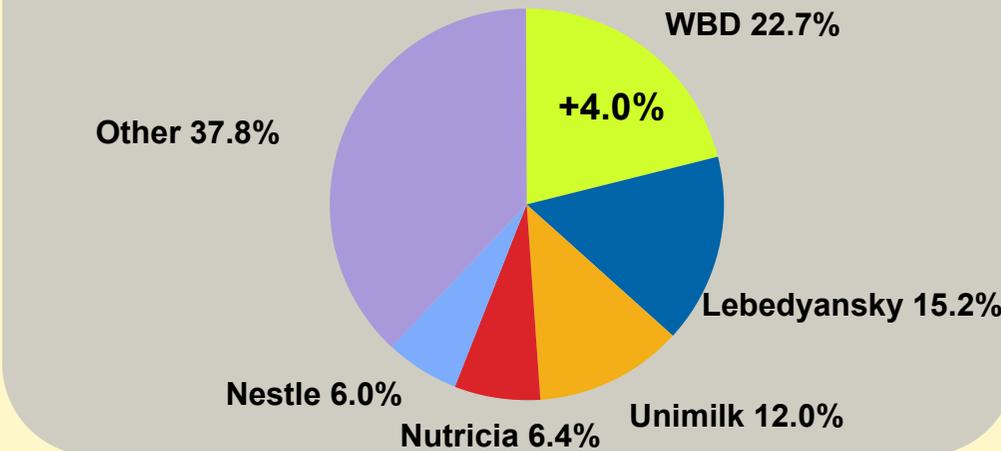
Source: Euromonitor, 2006

2007: № 1 in volume, № 2 in value

Market share, value



Market share, volume



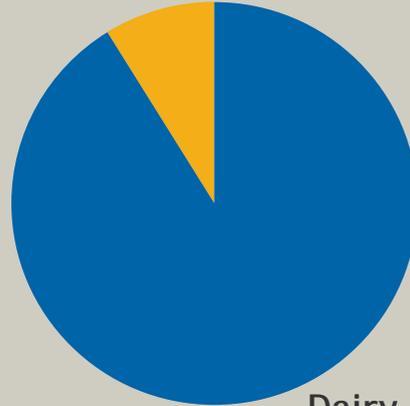
Source: MEMRB, brands for 0-3 y.o., Nov-Dec 2007

Entering New Higher Margin Segments in Baby Food



2006 Sales structure, vol.

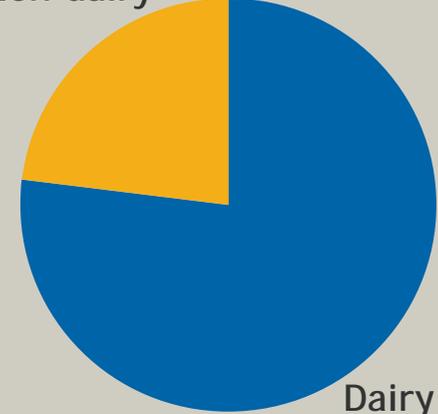
Non-dairy 9%



Dairy 91%

2007 Sales structure, vol.

Non-dairy 23%

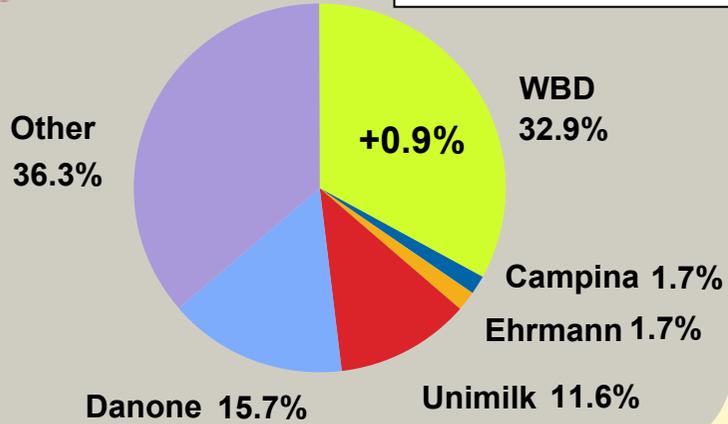


Dairy 77%

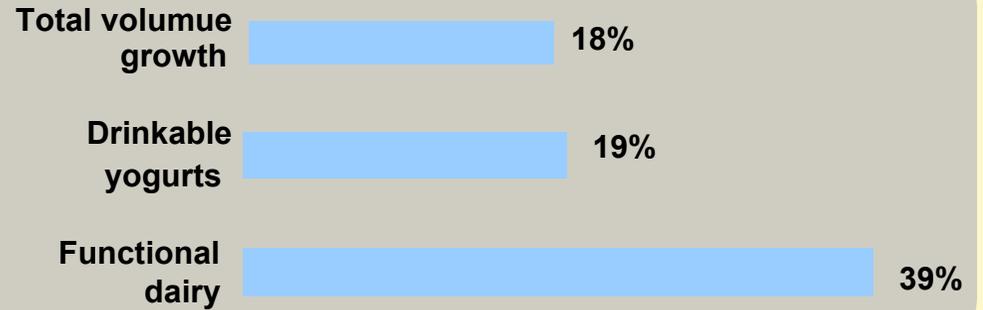


Strong Growth of Value-Added Dairy Sales

Russian Dairy Market, 2007*



Volume growth, tons



Y&D Annual Consumption, Kg/Person**

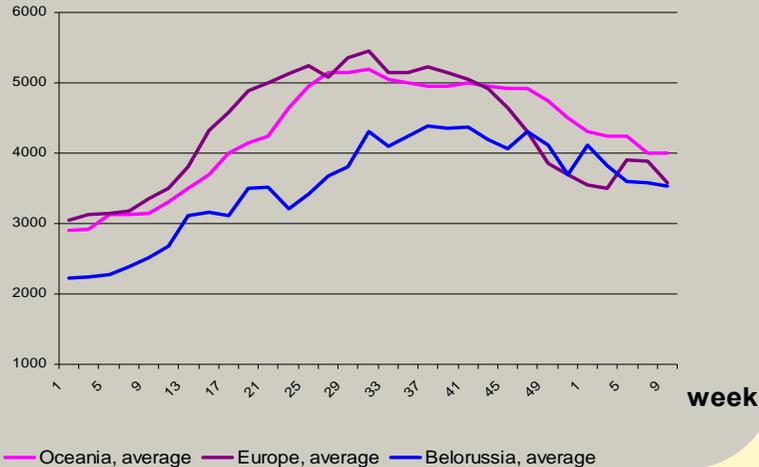


Source:
 * AC Nielsen, 24 cities, value terms, FM07- DJ 2008
 ** Euromonitor, 2006

Key Challenges 2007

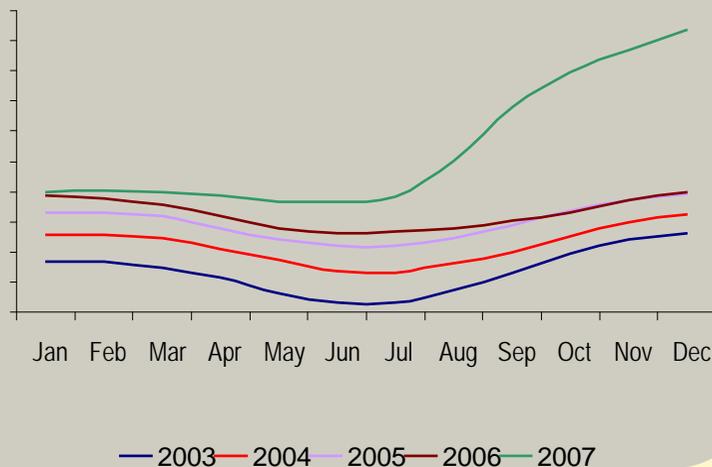
Skim milk price in 2007- 2008

US \$ per ton



Raw milk price grew significantly in 2007

RUR/Liter to scale



- Unprecedented rise in price of milk powder and raw milk world-wide and in Russia
- WBD's milk costs grew significantly:
 - Full year impact – \$194mln.
 - Q4 impact – \$94mln.
 - Mostly offset by strong volume growth, significant price recovery and increased productivity

2007: Raw Milk Challenge

Measures taken

- Long-term supply contracts & direct contracts with farmers
- Constantly monitoring milk powder world prices and adjusting buying policy
- Leasing equipment to farms
- Working with Russian government to develop plan for sector and increase investments
- Developing own farms – a mega-farm launched in St. Petersburg region (1Q'08), one more to be opened in Krasnodar, and two in Kuban

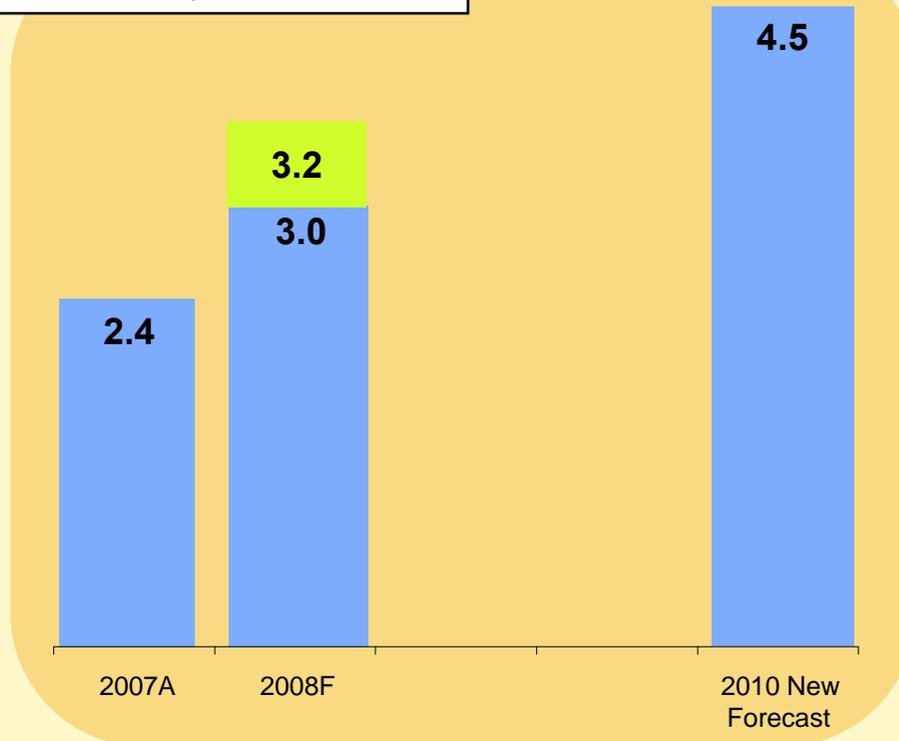


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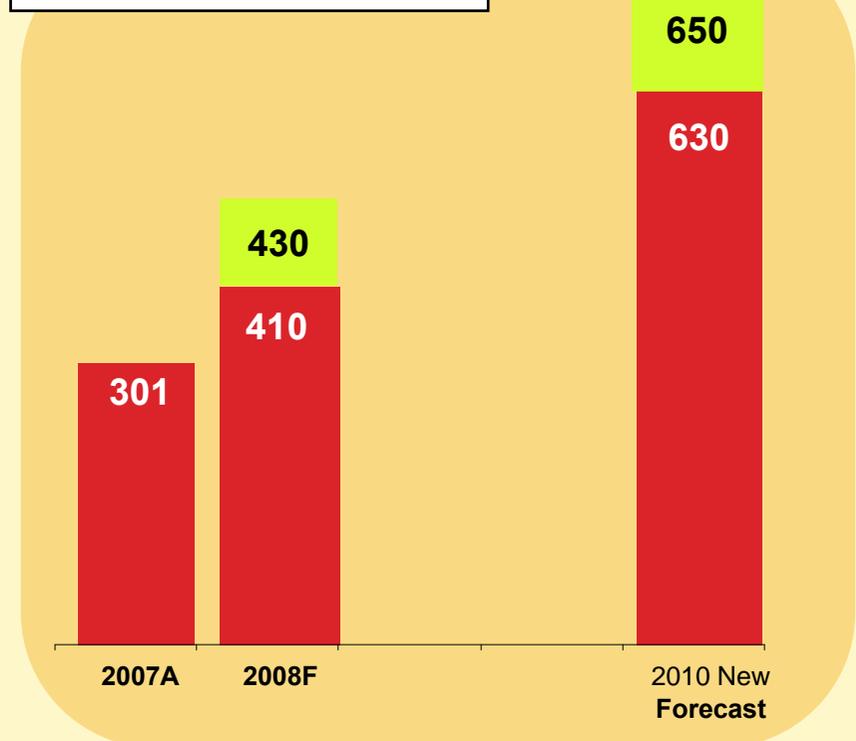
Our Goals for 2010

- Revenue over US\$4.5 bn
- EBITDA US\$630-650 mn
- Baby Food sales revenue around US\$500 mn
- Develop recognition as a leading international food company
- Top-10 brands by revenue in Russia's top-50 FMCG brands
- Substantially better route-to-market controls
- The best company to work for & attract top talent – employer of choice

Revenue, bln. USD



EBITDA, mln. USD





Building Foundation for Even Stronger WBD

- Continue tight focus on reducing costs
- Create nationwide sales force to win in-store
- Develop single supply-chain and strengthen raw material base
- Grow share of higher-value-added products in mix
- Investment in core brands
- Streamline and strengthen the organization



WBD New Organization Structure

The Benefits of Organizational Change Announced in February 2008

- Improve organizational focus
- Streamline the business
- Support growth objectives and build greater brand equity
- Opportunities remain to capture additional synergies
 - Emergence of a company-wide single sales force
 - Creation of a single supply-chain, including raw milk procurement and best practice manufacturing
 - Reduction of management layers

WBD Competitive Strengths

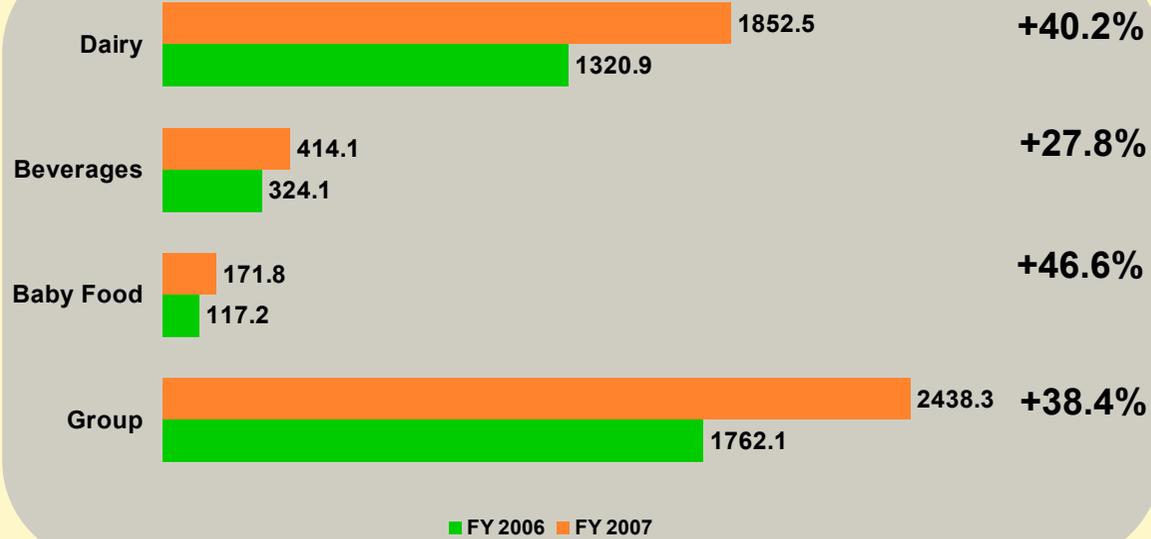
- Strong leadership in attractive segments
 - Deep understanding of Russian consumers' needs and tastes
 - Flexibility in expanding baby food and beverages production (at dairy sites)
 - Market leader in traditional and value-added dairy and baby food, supporting beverages in achieving better pricing and shelve space
- Building brands in high-value segments and improved route-to-market
 - 37 production sites across CIS - best value-for-money assets consolidated
 - Regional production - timely response to local demand
 - Local production prolongs shelf life
 - Saving on logistics and transportation
- Quality control and investment in innovation
 - Largest R&D department in the industry in Russia

WBD Competitive Strengths c'ntd

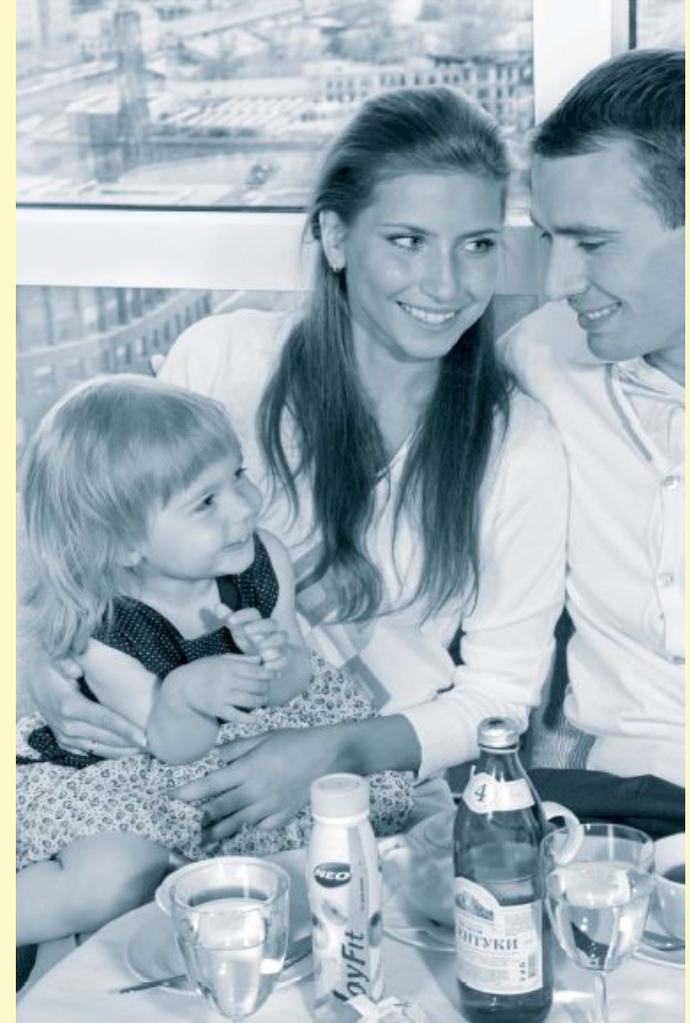
- Strategy to support margin improvement leveraging on economies of scale
 - Largest raw milk buyer in Russia
 - Own farms to supply quality milk
 - Established long-term and trusted relationships with suppliers
 - Centralized procurement for Dairy, BF and Beverages – lower purchasing prices
- Strong management team
 - Bringing best practices from multinational companies
 - Deep knowledge and understating of both Russian market and foreign benchmarks
 - Efficient and fast decision making – Moscow headquarters

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FY 2007 Sales, mln. USD



Group Net Income, mln. USD



*Underlying number – doesn't include the impact of special charges in 2006.



2007 Underlying Financials

USD Mln.	FY 2007	FY 2006	Change
Sales	2,438	1,762	38.4%
Gross Profit	783	568	37.9%
S&D Expenses	(388)	(246)	57.6%
<i>S&D Expenses, % of Sales</i>	<i>15.9%</i>	<i>14.0%</i>	<i>190bp</i>
G&A Expenses	(181)	(135)	34.5%
<i>G&A Expenses, % of Sales</i>	<i>7.4%</i>	<i>7.6%</i>	<i>(20bp)</i>
Operating Income	214	172	24.5%
Net Income	140	109	29.0%
EBITDA*	301	234	28.3%

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



2007 Reported Financials

USD Mln.	FY 2007	FY 2006	Change
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Gross Profit	783	568	37.9%
S&D Expenses	(388)	(246)	57.6%
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G&A Expenses	(181)	(135)	34.6%
<i>G&A Expenses, % of Sales</i>	<i>7.4%</i>	<i>7.6%</i>	<i>(20bp)</i>
Operating Income	214	156	37.5%
Net Income	140	95	46.8%
EBITDA*	301	218	37.9%

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Credit Ratings



STANDARD
& POOR'S

BB-



Ba3



Stock Market Acknowledged WBD Performance

USD/ADR

160

ADR price on 31 December 2007: \$131.04

140

120

100

80

60

40

20

ADR price on 03 January 2005: \$14.46

0

3-Jan-05

24-Jun-05

14-Dec-05

8-Jun-06

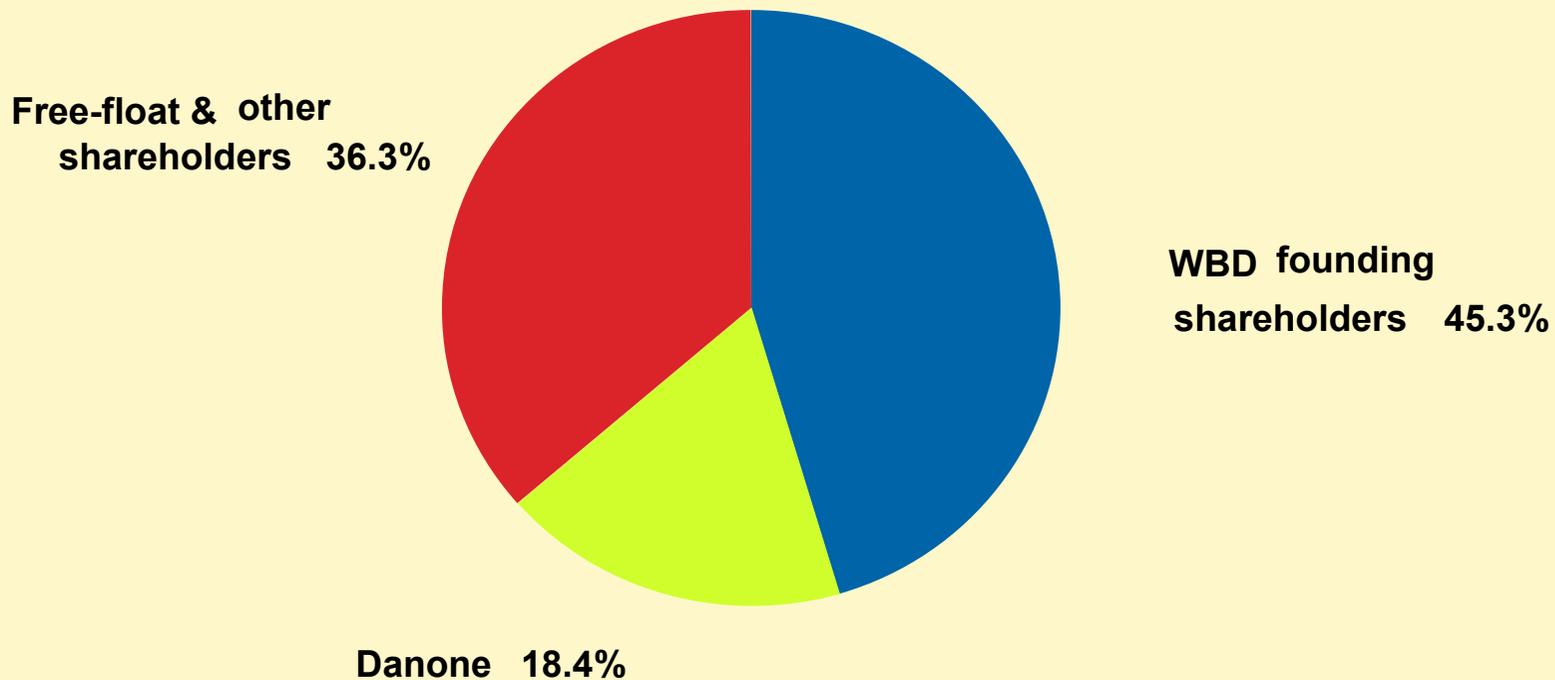
27-Nov-06

22-May-07

9-Nov-07



Our Shareholders Structure



Based on Company's list of affiliates from 31.12.07 w/ later amendments and Danone's SEC filings & public statements.



IR Contacts

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