



**Wimm-
Bill-
Dann**

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

Investor Presentation
1H 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.





Who is Wimm-Bill-Dann?

Russia's Largest Food Company with Growing CIS Business



Headquarters:	Moscow
Founded:	1992
Manufacturing: Independent	31 production sites in Russia and the Commonwealth of States (CIS)
Products:	A full range of diversified branded dairy products, over 150 types of juice, nectars, water and fast growing baby food
Listing:	WBD: NYSE - Level 3 ADR
Market Cap:	US \$2.0 Billion
Employees:	18,500
Market Position:	Russian dairy market leader
Revenue Structure:	Dairy ~75%; Beverages ~20%; Baby Food ~5%
Corporate Governance:	WBD assigned highest corporate governance score in Russia by Standard & Poor's Governance Services

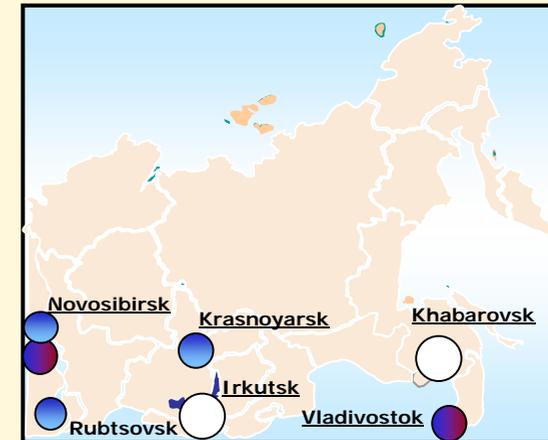
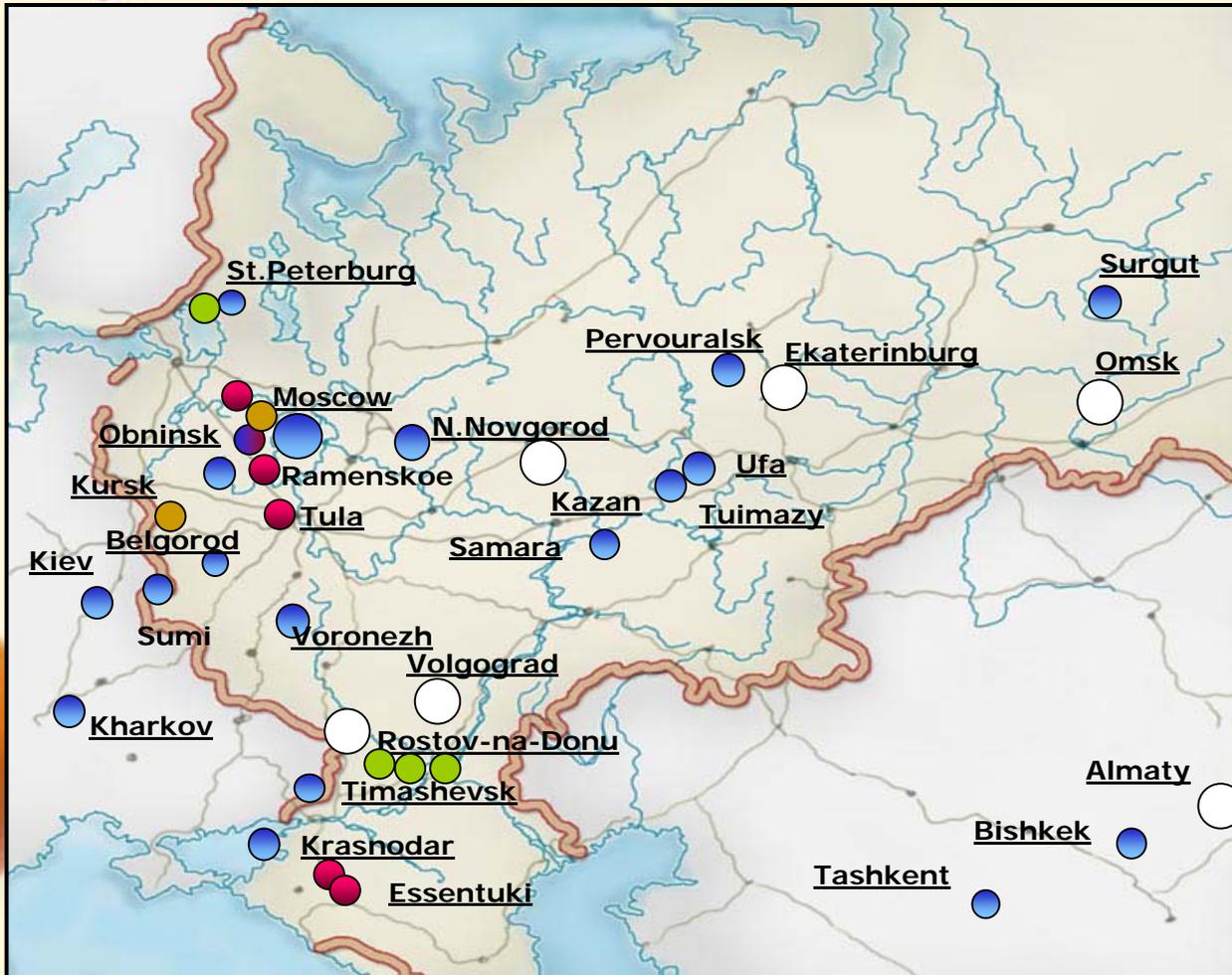




Growing National & CIS Platform

31 Production facilities in Russia & CIS

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

1H 2006 Operational Highlights



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- Profitable growth continues in 1H 2006
- New CEO Tony Maher appointed
- Beverage segment turnaround plan in place
- Optimization of the corporate structure
- Baby food segment continues rapid growth
- Dividend payments approved for 2002-2004, 1Q'06, future policy determined
- New regional dairy plants – Pervouralsk & Surgut (3Q'06) acquired
- New Head, new Head of Marketing, and new Commercial Director appointed in Beverages segment (3Q'06)
- New Group Head of Marketing and Innovation appointed





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1H 2006 Financial Highlights

Profitable growth across all segments

	1H 2006	1H 2005	Change, %
	US\$mIn	US\$ mln	
Sales	813.6	681.7	19.4%
<i>Dairy</i>	595.0	479.5	24.1%
<i>Beverages</i>	163.7	159.5	2.6%
<i>Baby Food</i>	55.0	42.6	28.9%
Gross Profit	253.8	187.8	35.2%
Selling and distribution expenses	112.0	98.3	13.9%
General and administrative expenses	62.9	53.5	17.6%
Operating income	75.1	30.8	143.5%
Net income	46.7	8.3	465.2%
Adjusted EBITDA*	104.9	56.6	85.3%
CAPEX including acquisitions	50.4	38.9	30.1%

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



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New Team – New Horizons

Working to ensure sustainable market leadership and profitable growth



Tony Maher – CEO: 30-year veteran of Coca-Cola system, former Regional Director for CIS & a number of WE markets for CCHBC, served as COB of Multon. Appointed April 2006.

Visited all WBD facilities, launched wide-range review of beverages business & cost structures in all businesses.

Silviu Popovici – Head of Beverages: veteran of global companies BMS & Coca-Cola in EE, Russia & Ukraine. Most recently head of CCHBC in Ukraine, fastest growing Coca-Cola market in the world. Appointed August 2006.

Grant Winterton – Group Head of Marketing & Innovation: extensive experience in marketing and sales with Wella Haircare, Australian National Dairies, Campbell Soup Co and Coca-Cola in Australia, Russia, Ukraine, Belarus and China.



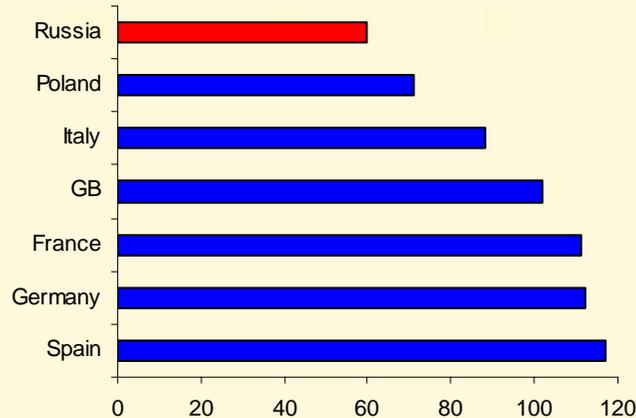


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Dairy – Market Overview

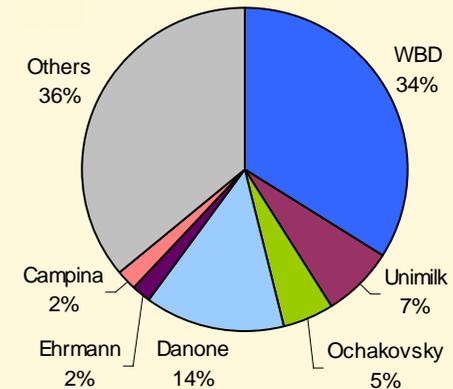
WBD remains clear market leader with room to grow

Dairy consumption, kg/person



Source: Datamonitor, Reuters Business Insight, GKS

Structure of Russian Dairy Market (2005)



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 maintains market share in 2005 (34.0% vs 33.8% in 2004)

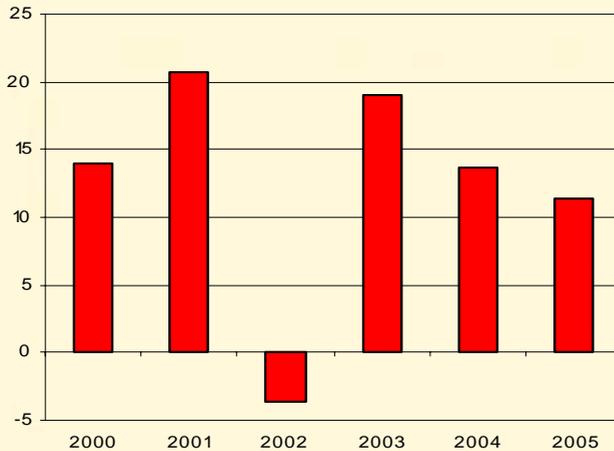


Dairy – Raw Milk Challenge

WBD is working to ensure predictable supply, smoothing out seasonality

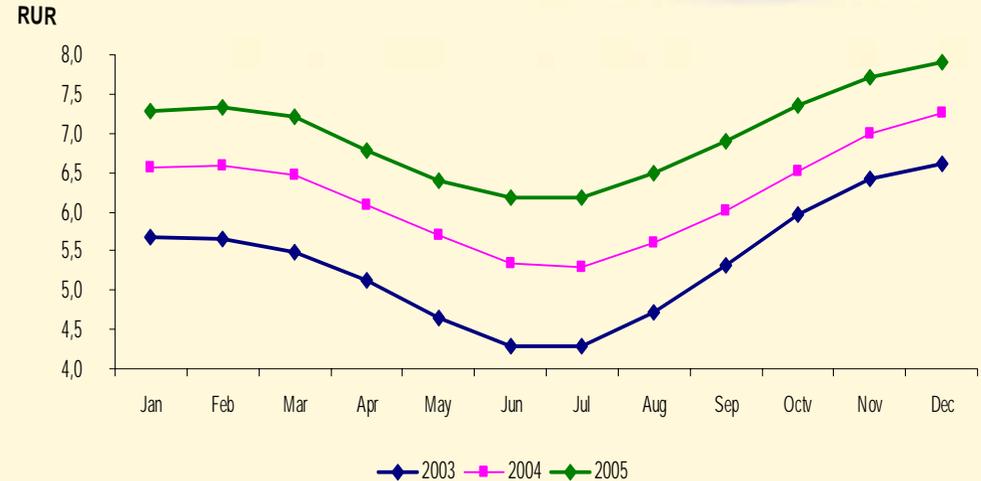
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Milk producer ruble prices change y-o-y



Source: GKS

WBD Raw Milk Purchase Price (rubles/ liter)



Source: WBD

- Move toward long-term supply contracts & direct contracts with farmers
- Milk Rivers program leases milking & refrigeration equipment to farms
- Working with Russian government to develop plan for sector and increase investments
- Agro SBU established to gauge vertical integration



Dairy – Successful Regional Strategy

Regional, CIS markets provide long-term basis for growth

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Dairy Segment – Regional Sales (2005)



Source: WBD

Dairy Segment – Regional Sales (1H 2006)



Source: WBD

- All regions profitable since 2005
- Fastest growth in Urals, Ukraine & Siberia
- Diversification – Central region now less than half of dairy sales
- Product portfolio optimized – from 340 to 221 SKUs in Central region
- Market leadership achieved in Ukraine, South, Urals & Volga in 1H 2006



Dairy – New High Margin Products

Continued launch of innovative products to ensure leadership



New products under existing umbrella brands

Ads – new products with enduring values

- La Frut smoothie launched in 2005
- Dairy drink based on Chinese recipe
- Chudo-lunch with spoon
- New ready-to-eat dairy porridges

= New products for the Russian market using trusted brands



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Dairy – Cheese Brands Strengthened

Increased capacity and strong brand in cheese segment



Lamber hard cheese #1 domestic mid-market brand

- New line at Rubtsovsk dairy plant doubles Lamber production
- Lamber challenging imports on price & quality basis
- New brand & packaging for Happy Milkman soft cheeses
- Cheese accounted for 4% of dairy in 1H 2006



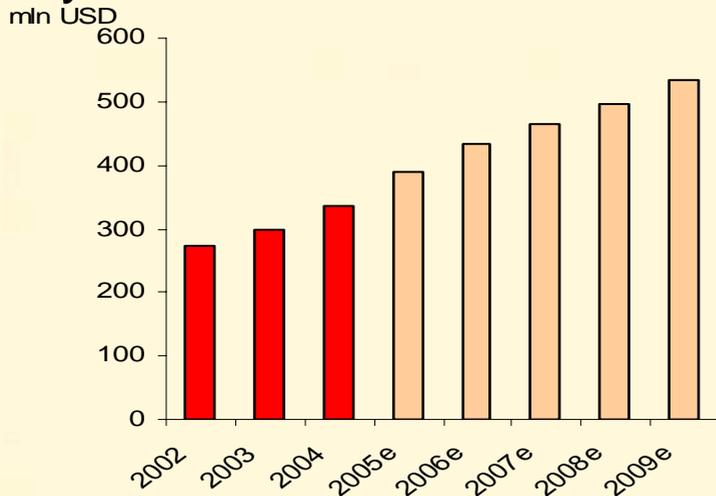
Baby Food – A ‘Young’ Market

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



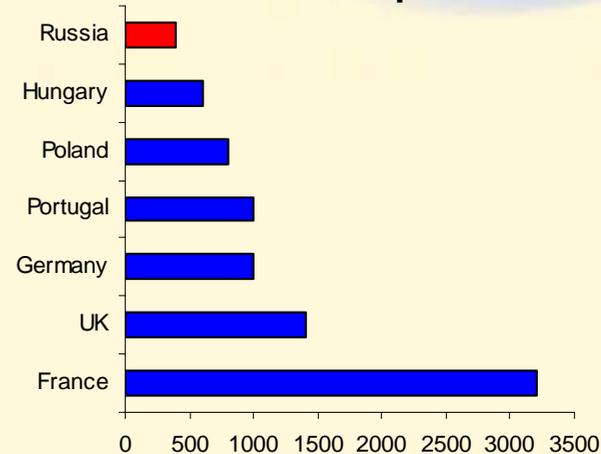
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Baby Food – Estimated Mkt Value 2002-2009



Source: Euromonitor

Baby Food – Annual Per Capita Consumption (kg)



Source: Euromonitor

- Russian baby food consumption still trails CEE & WEE peers
- Companies establishing leadership by sub-segments (WBD in dairy)
- New niches & regional markets entry expected to continue in 2006-2007
- Regional market potential largely untapped
- CIS markets also have strong long-term potential (i.e. Ukraine)



Baby Food – New Segment Delivers



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Strong margins & leadership in dairy baby food sub-segment



Agusha – Symbol of Quality & Trust for Parents

- Sales up 29% & margins up 42% y-on-y in 1H 2006
- Portfolio expanding into juice, vegetable & meat products
- 56% market share in dairy baby foods
- Kursk baby food plant re-launch anticipated in 4Q'06
- Agusha brand platform for new baby food product launches

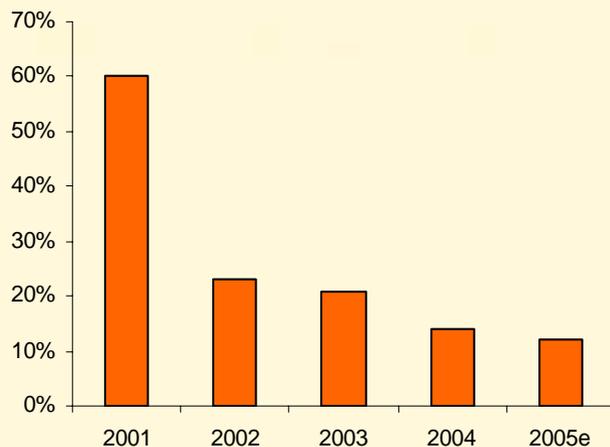


Beverages – Market Overview

Challenging juice environment, opportunities in water

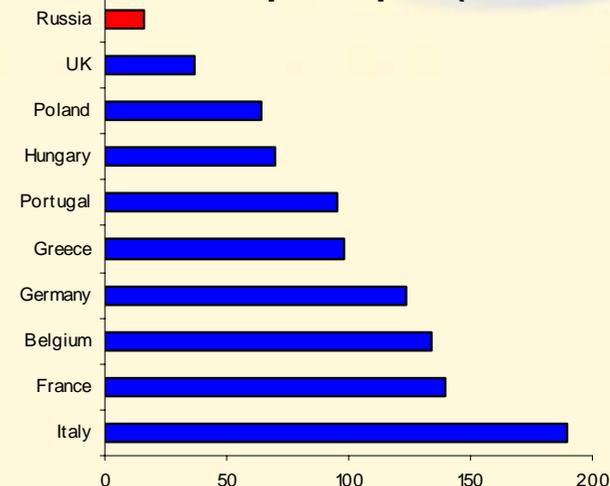
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Juice Market Y-o-Y growth, volume %



Source: WBD

Bottled Water per capita (liters, 2005)



Source: ACNielsen Retail Audit; value terms

- **WBD No.3 in juice market in 2005 (24%)**
- **4 domestic players control 90% of the market**
- **‘Commodification’ of juice market in Moscow, St Petersburg**
- **Regional growth driving market – dominated by lower-middle segment**
- **Bottled water market fragmented & few true mineral waters**



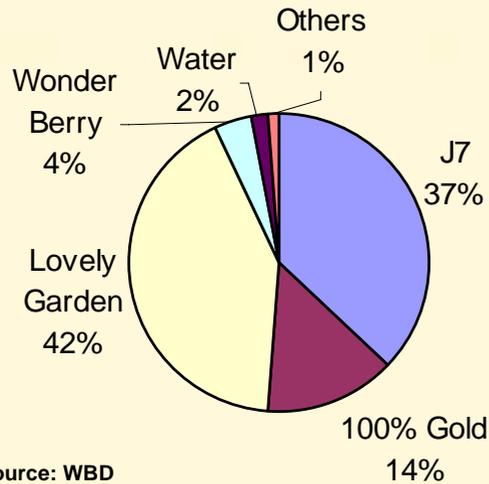


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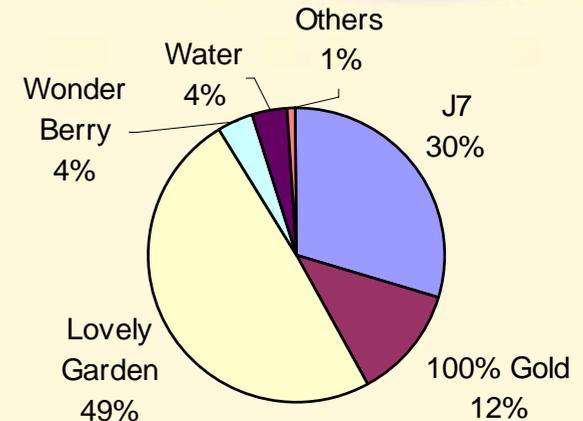
Beverages – WBD Restructuring

Strong regional presence, re-invigorated brands key

Beverages – Sales by Brand (2005)



Beverages – Sales by Brand (1H 2006)



- Major promotion campaign to re-invigorate brands
- New flavors, PET packaging for Lovely Garden – regional leader
- Essentuki water production upped, Novoessentukskaya brand added

Beverages – Turnaround Plan

Developing strategy for long-term restructuring of business



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- No.1 focus for CEO
- No options off the table
- New team being put in place – new Head & Head of Marketing
- Continued focus on regional markets & production
- R&D team exploring new products
- Cost structure under tight scrutiny
- Historic strength & trust in core brands platform for next stage



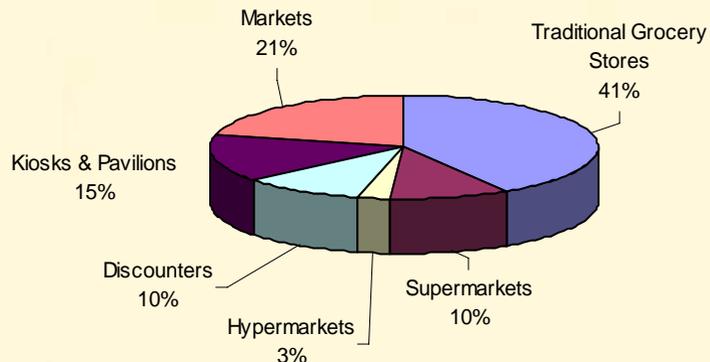


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WBD – Challenges Ahead

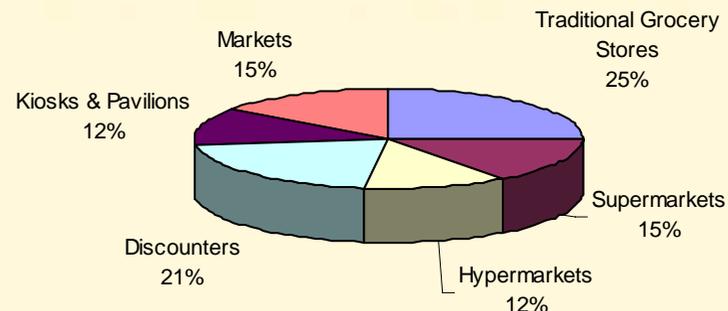
Growing strength of retailers & cost growth remain issues

Russian Retail Landscape – end 2005



Source: GKS, Renaissance Capital

Russian Retail Landscape – end 2010 (forecast)



Source: Renaissance Capital

- Growth of hypermarkets & supermarkets putting pressure on producers
- Retail chains reduce intermediaries but have strong pricing power
- Side effects of economic growth: higher wages, higher tariffs
- New TV advertising rules reduce airtime, driving up rates
- Continued market entry by multinational food co's
- Consolidation among Russian players increases competition



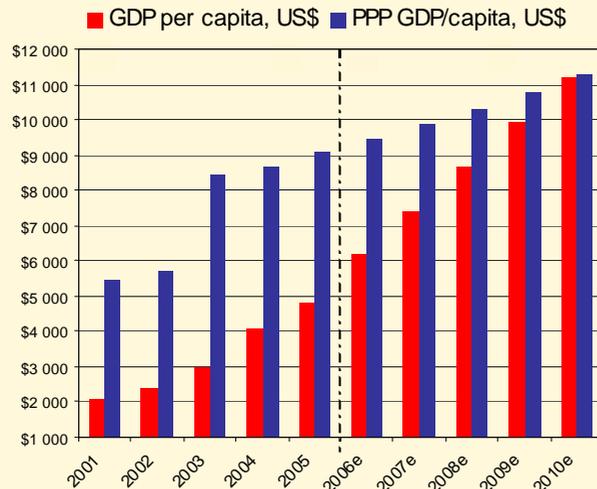


WBD – Russian Opportunities

Rising incomes across Russia driving demand for WBD products

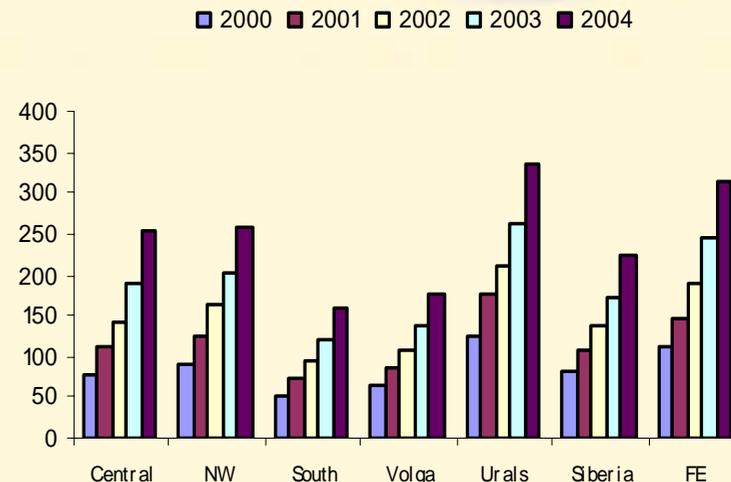


GDP per capita Trends to 2010 (US\$)



Source: GKS, RenCap

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



Source: GKS

- Current macro outlook for Russia remains strong
- Russian incomes rising across 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



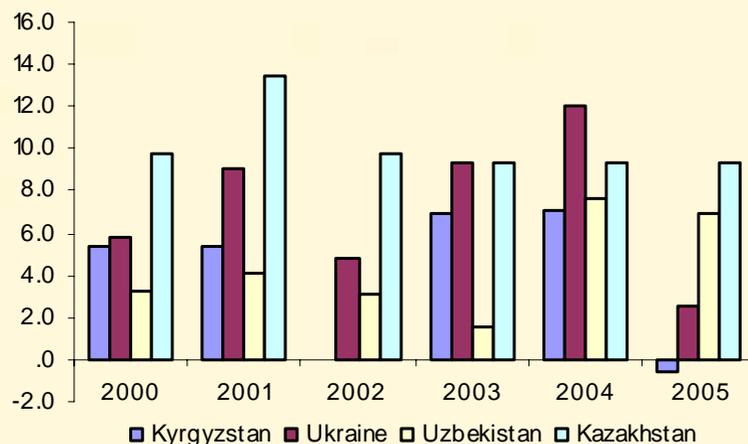


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WBD – CIS Opportunities

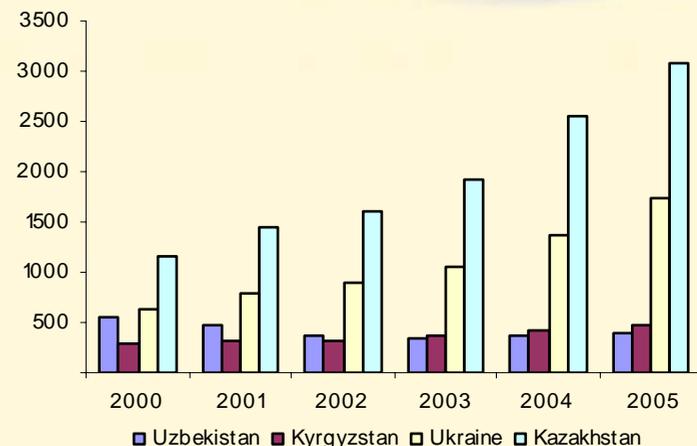
WBD Can Build on Production & Trade Presence in CIS

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 accounts for 9% of all Dairy Segment sales (2005)



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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 15 September 2006: \$46.10

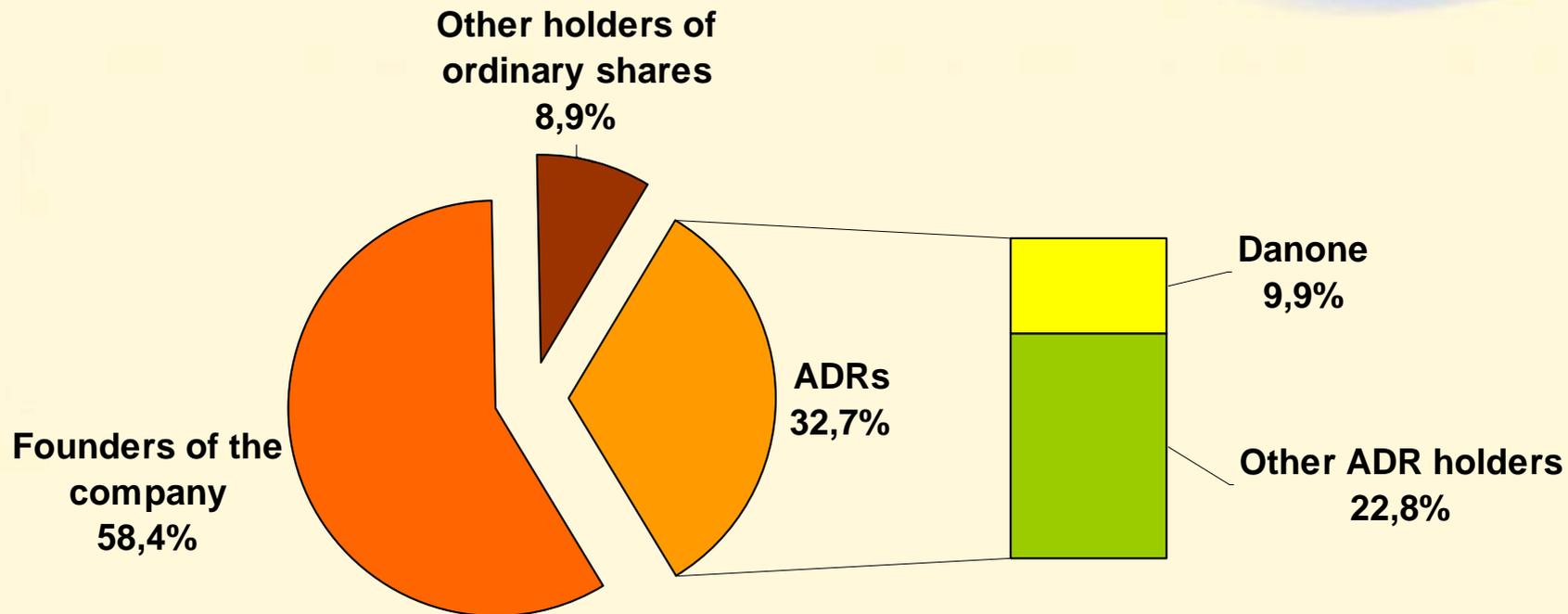




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WBD – Shareholder Structure

As of 1H 2006



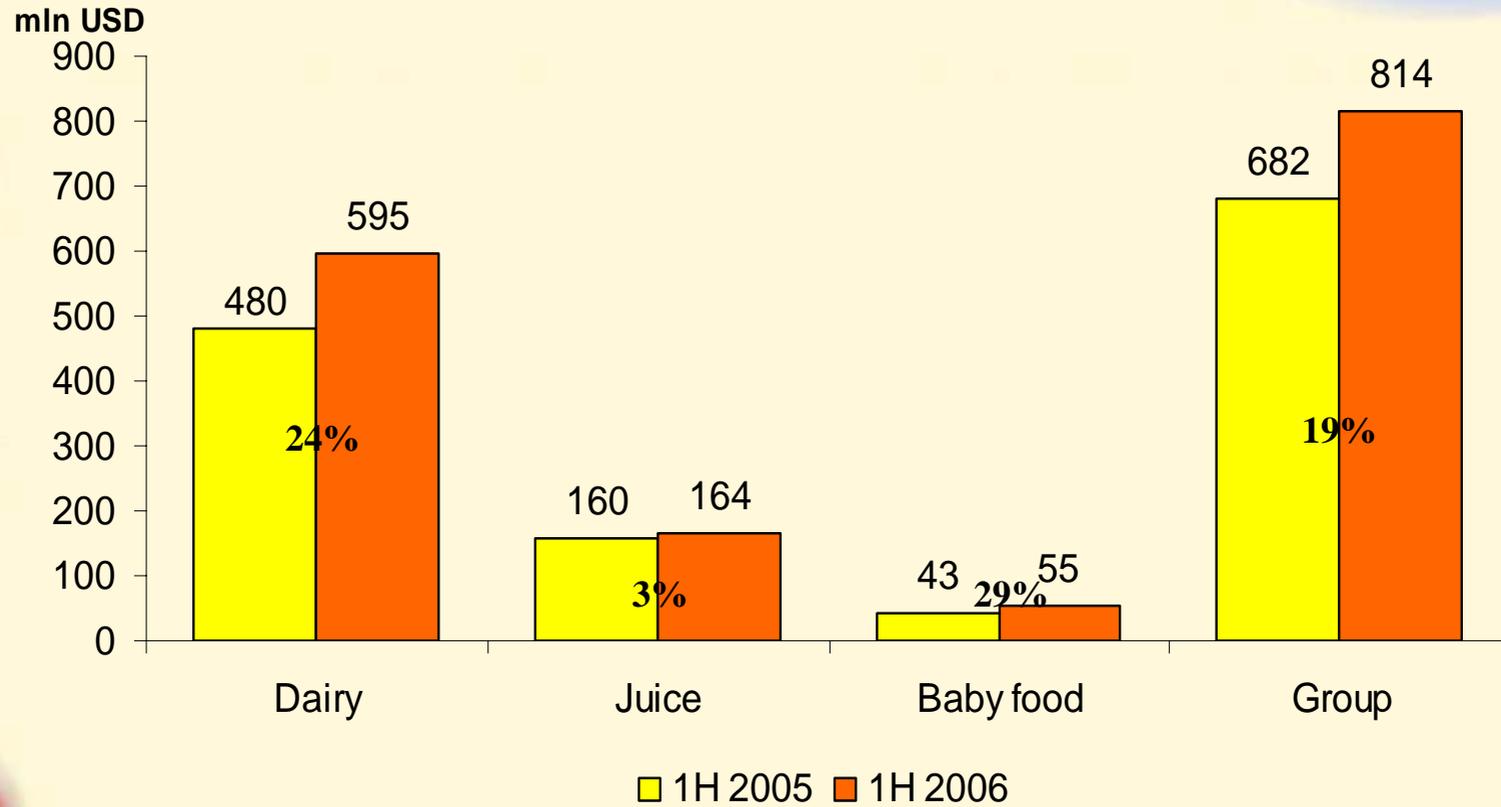
Based on Company's List of affiliates from 31.12.2005 with later amendments
(http://www.wbd.ru/content/files/aff_list_300605.pdf)



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6m 2006 Financials

Sales growth by segment

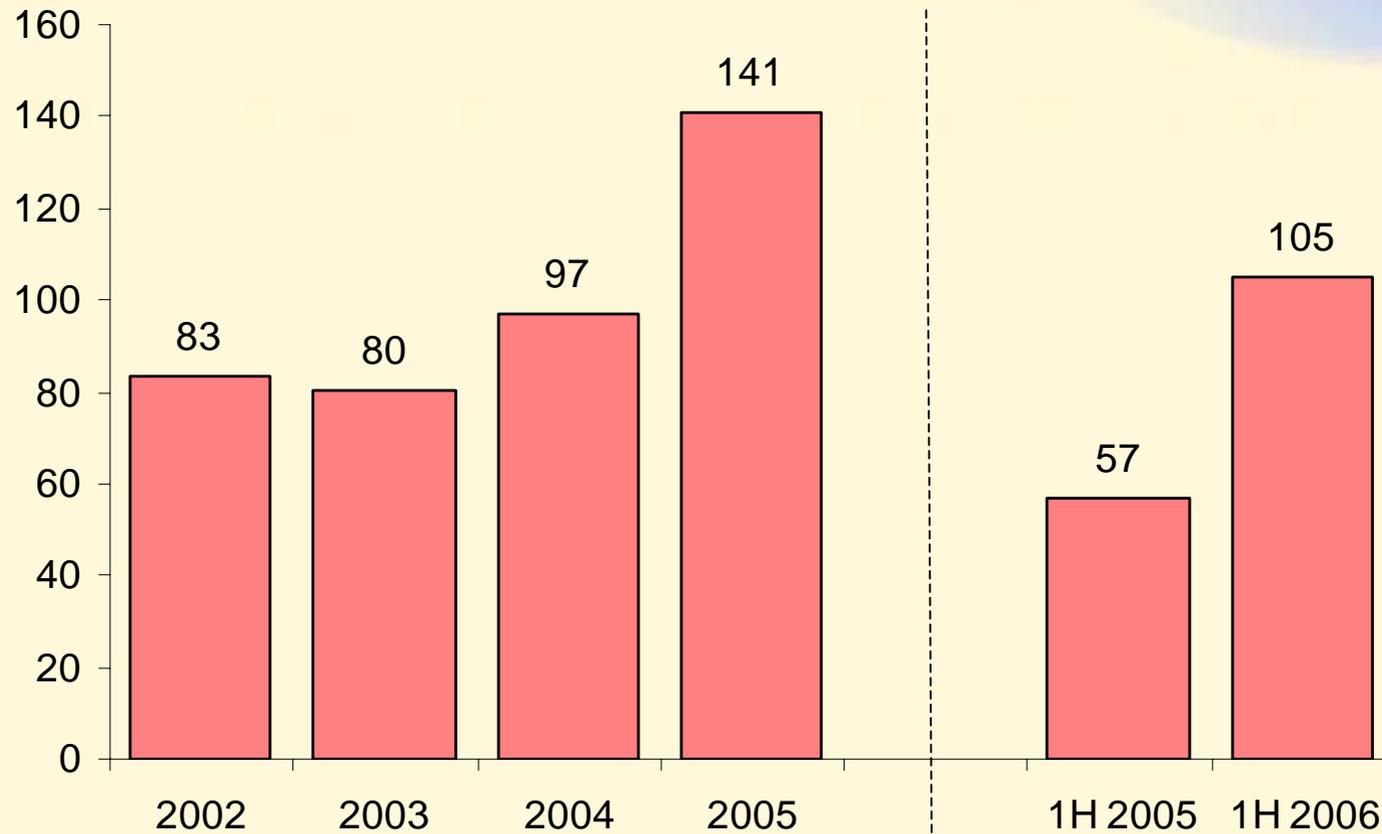




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6m 2006 Financials

EBITDA, mln USD

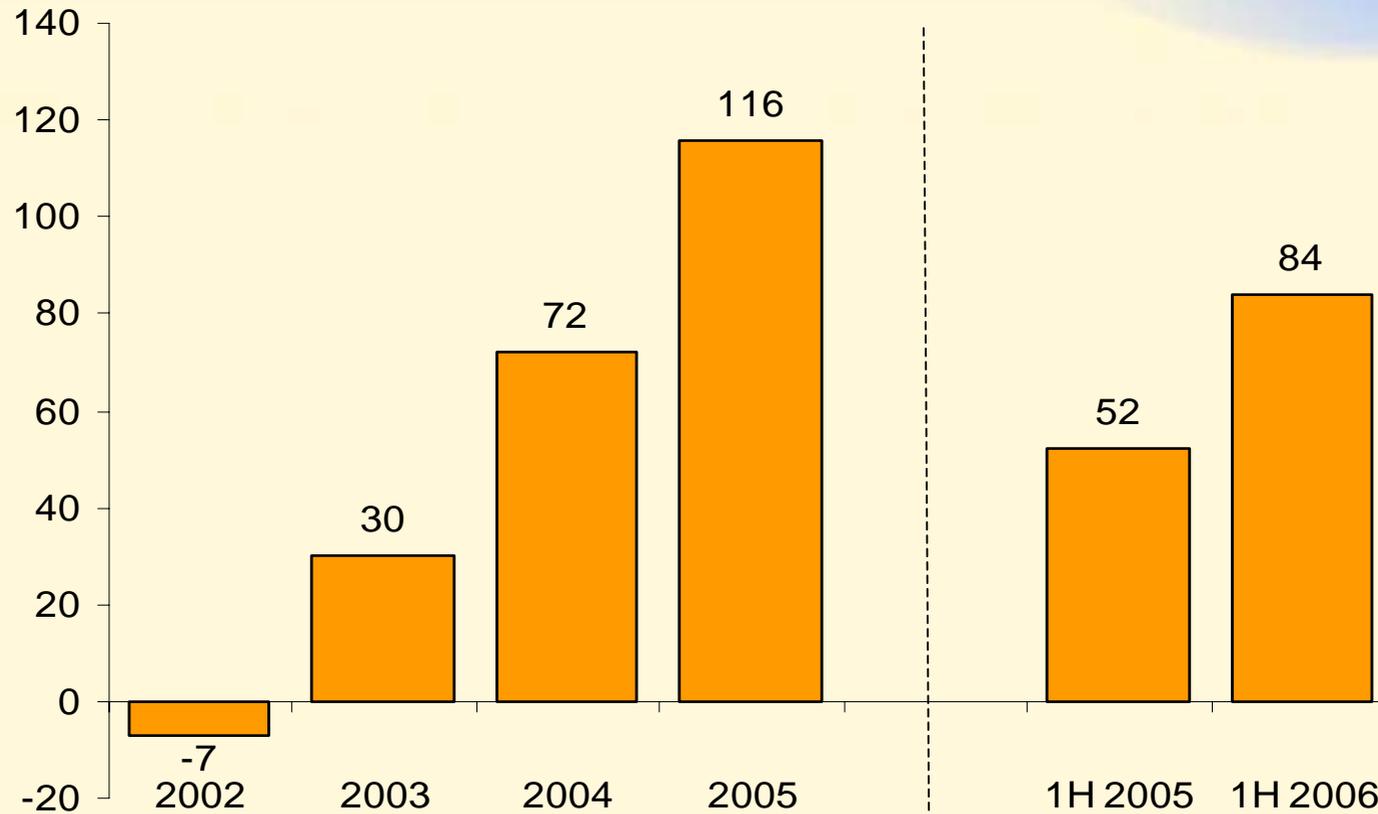




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6m 2006 Financials

Operating Cash flow, mln USD



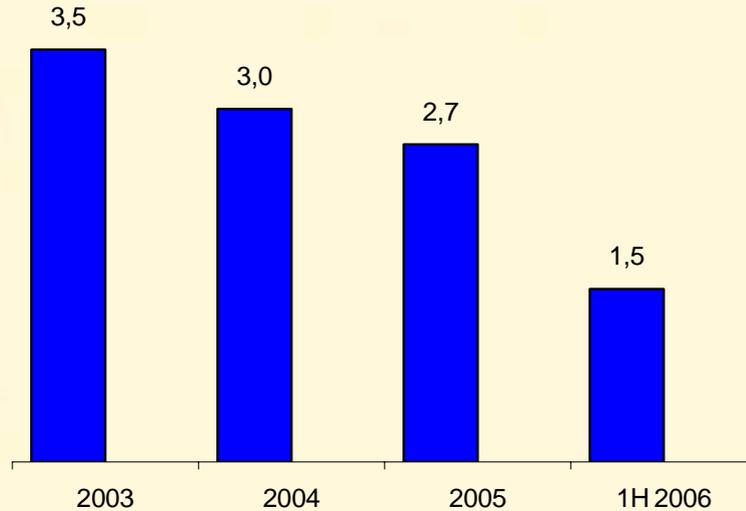


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Debt Levels & Ratings

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+	
Debt rating		
USD Eurobond	B+	B3
RUR Domestic	ruA+	
Corporate governance	7+ (of 10)	





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

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