



NUMICO



Q1 2005 Results:

***Year of Momentum
Phase I***

3 May 2005

Agenda

- The Year of Momentum – Update
- Financial Performance Q1 2005
- Questions & Answers

2005 - The Year of Momentum

- Continue to accelerate growth
- Further strengthen organisation
- Execute innovations
- Continue to provide fuel to auto-finance growth

A Great Start to the Year

BABYFOOD

11.9%


clinical

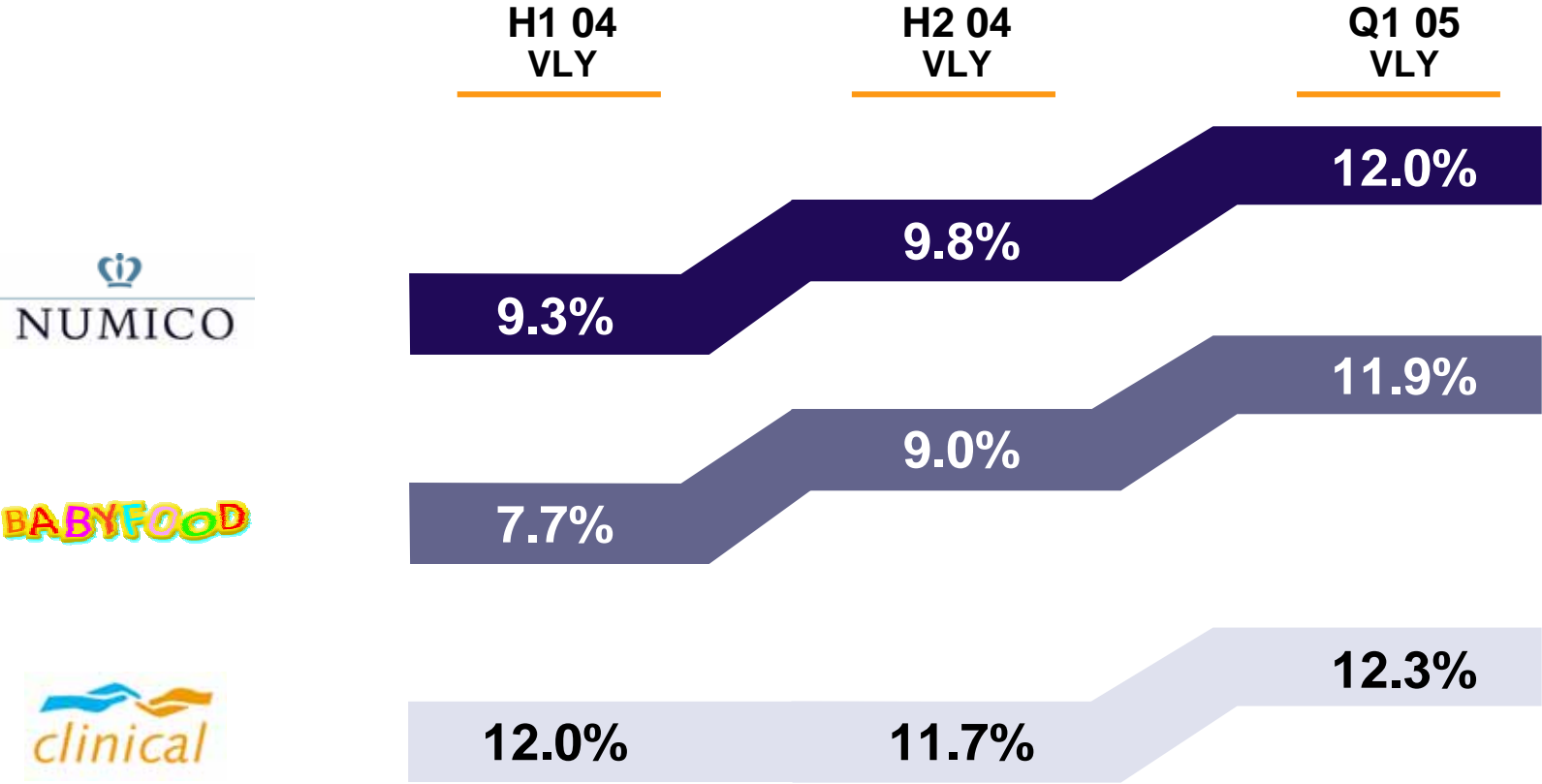
12.3%


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12.0%

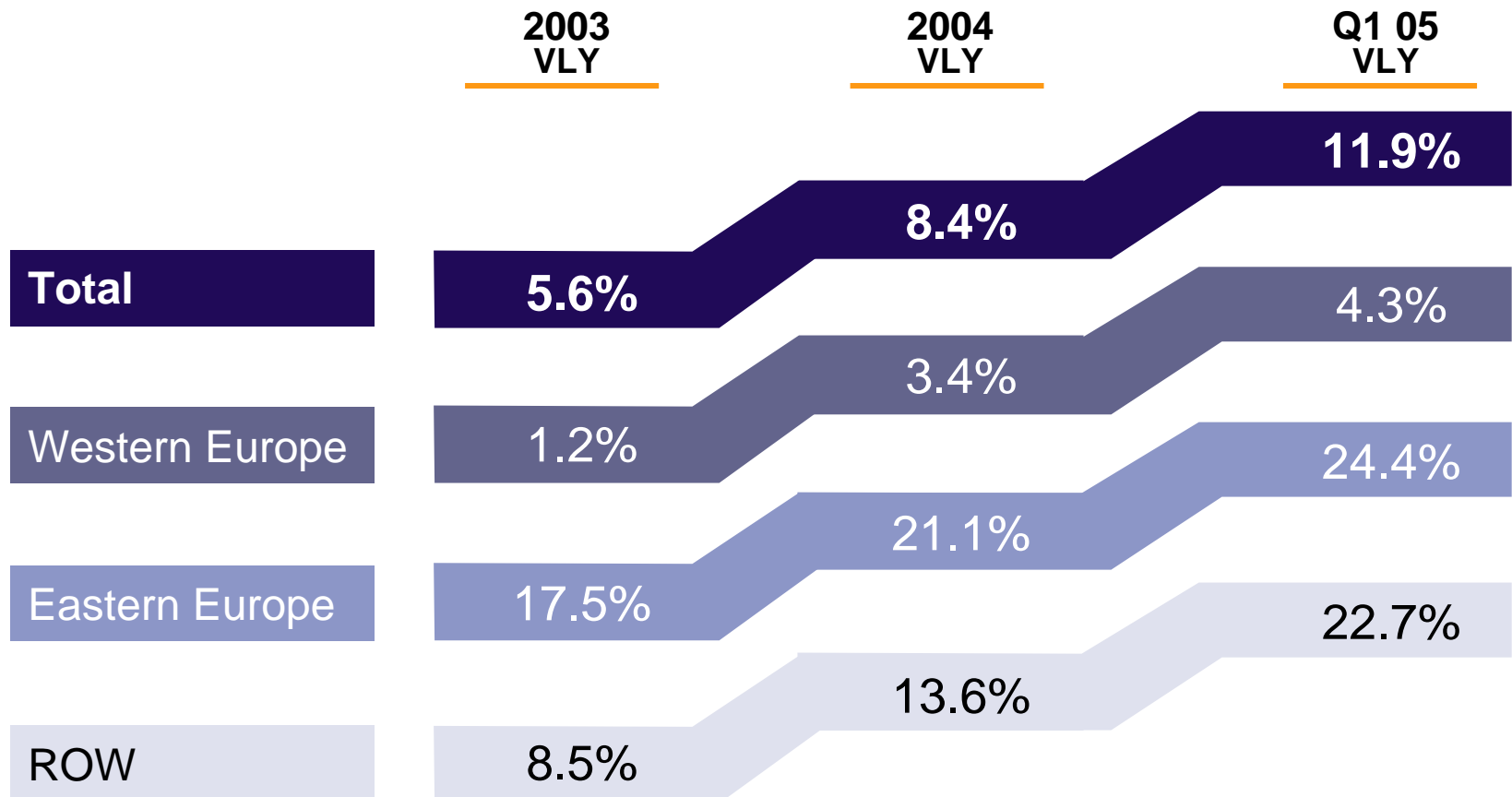
- Confirmation of Full year 2005 Targets

Continued Acceleration of Growth



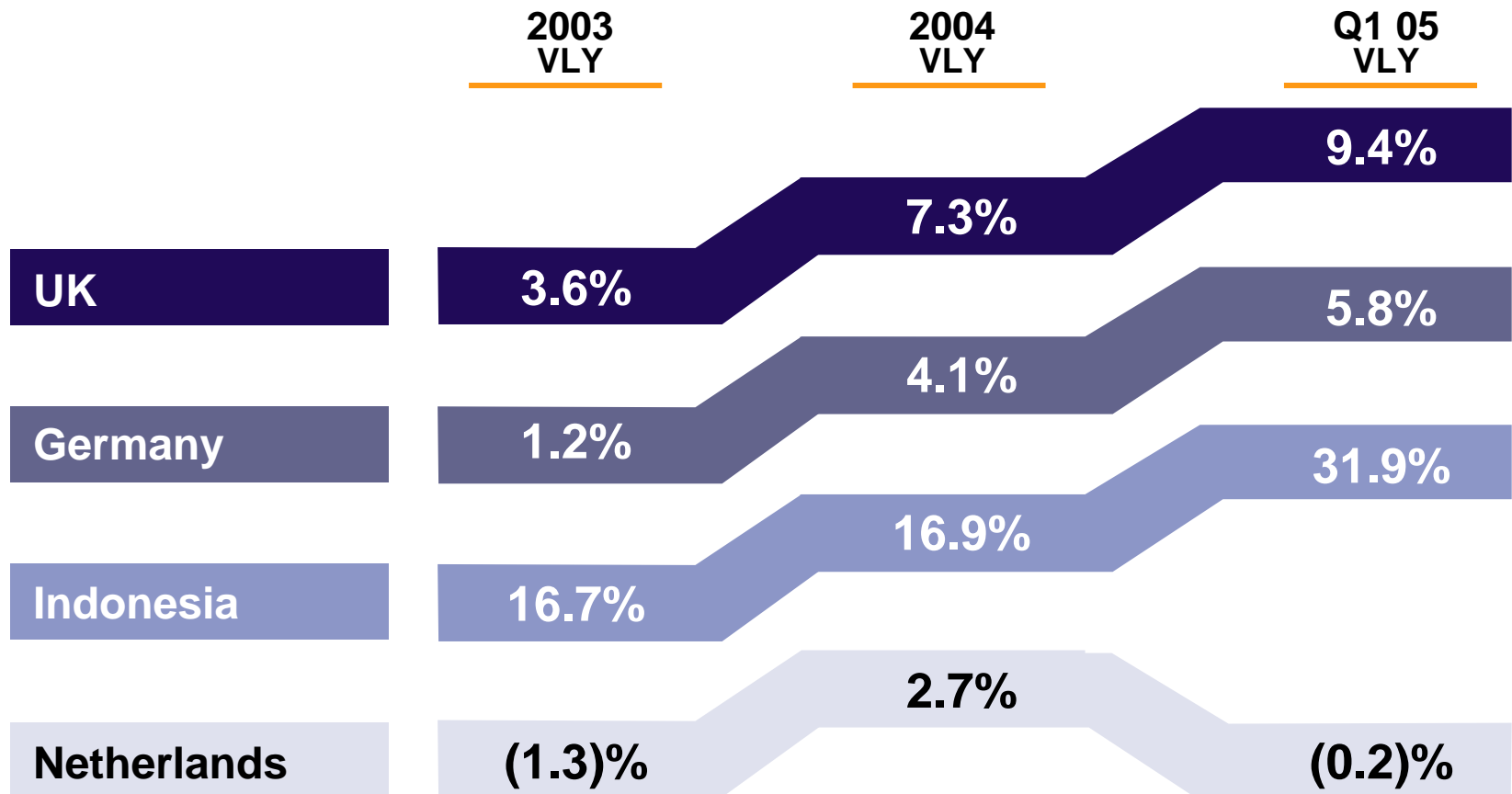


Improved Growth in all Regions






Accelerated Growth in Most of Key Markets





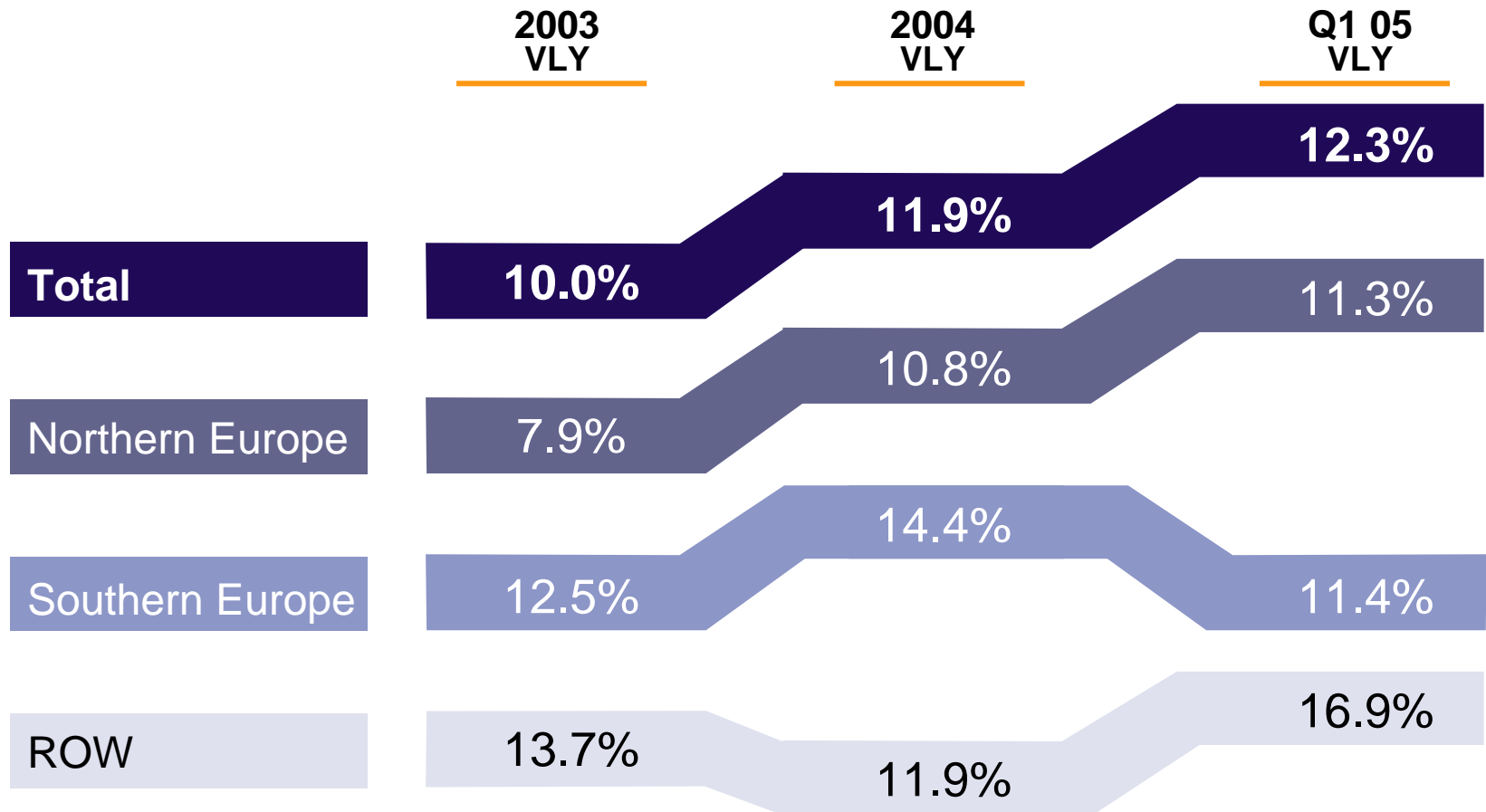
Good Market Share Development in Key Markets

	2003	2005 Q1	Market Position
UK	27.5%	30.5%	#1 
Netherlands	65.2%	65.0%	#1
Germany	18.4%	18.9%	#3
Indonesia	24.1%	25.8%	#1

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Continued Levels of High Growth in All Regions



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Market Share Increases in all Key Markets

	2003	2005 Q1	Market Position
UK	37.0%	38.4%	#2
Germany	21.0%	24.5%	#2 
Netherlands	84.0%	85.0%	#1
France	27.3%	29.4%	#1 

Further Strengthen Organization

- Appointed 9 new general managers in 2005 to date (all with marketing/sales background)


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- UK 18/3 (Kodak)
- Germany 1/3 (Johnson & Johnson)
- France 1/5 (Danone)
- Poland 11/4 (Reckitt Benckiser)
- Sari Husada 1/5 (Coca-Cola)
(Indonesia)
- Italy 11/4 (Internal)
- Ireland 1/6 (Danone)

clinical

- Italy 1/4 Angelini
- Brazil 1/1 Astra Zeneca

Execute Innovations - EaZypack

		Launch date	Weighted Distribution	Service level
UK		21/3/05	85%	98%
Ireland		21/3/05	80%	99%
Poland		18/4/05	N.A.	N.A.
NL/Belgium		1/9/05		

Execute Innovations – Plastic Bottles

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Launched
date

% Sip Feed
Q1 05

Service level

UK



Nov. 2004

54%

97%

France



Feb. 2005

33%

95%

Continue to Provide Fuel to Auto-Finance Growth

Project Focus

- Closing of last two plants in Q2:
 - Friedrichsdorf in May
 - Wells in June

Clinical

- The closure of the two Clinical plants will be completed by July (3-5 months ahead of schedule)

Areas of Focus

- Improve growth in selected countries
- Continue to strengthen and upgrade organisation
- Indonesia

**Financial
Performance
1st Quarter 2005**



Financial Highlights: Q1 2005

*Comparable basis**

- Total net sales up 12.0%; EBITA margin at 18.3%
- Nutricia Baby net sales up 11.9%; EBITA margin at 18.2%
- Nutricia Clinical net sales up 12.3%; EBITA margin at 27.0%

Financial Highlights: Q1 2005

At actual rates

- Net result up 58.0% at EUR 43 mln; up 27.0% excluding one-off provision (IAS 37) taken in Q1 04
- Earnings per share up 62.5% at EUR 0.26
- Trade working capital improved 170 bps to 13.9% of net sales (VLY)
- Shareholders' equity improved by EUR 45 mln to EUR (261) mln

Acceleration of Growth: Q1 2005

*Comparable basis**

BABYFOOD

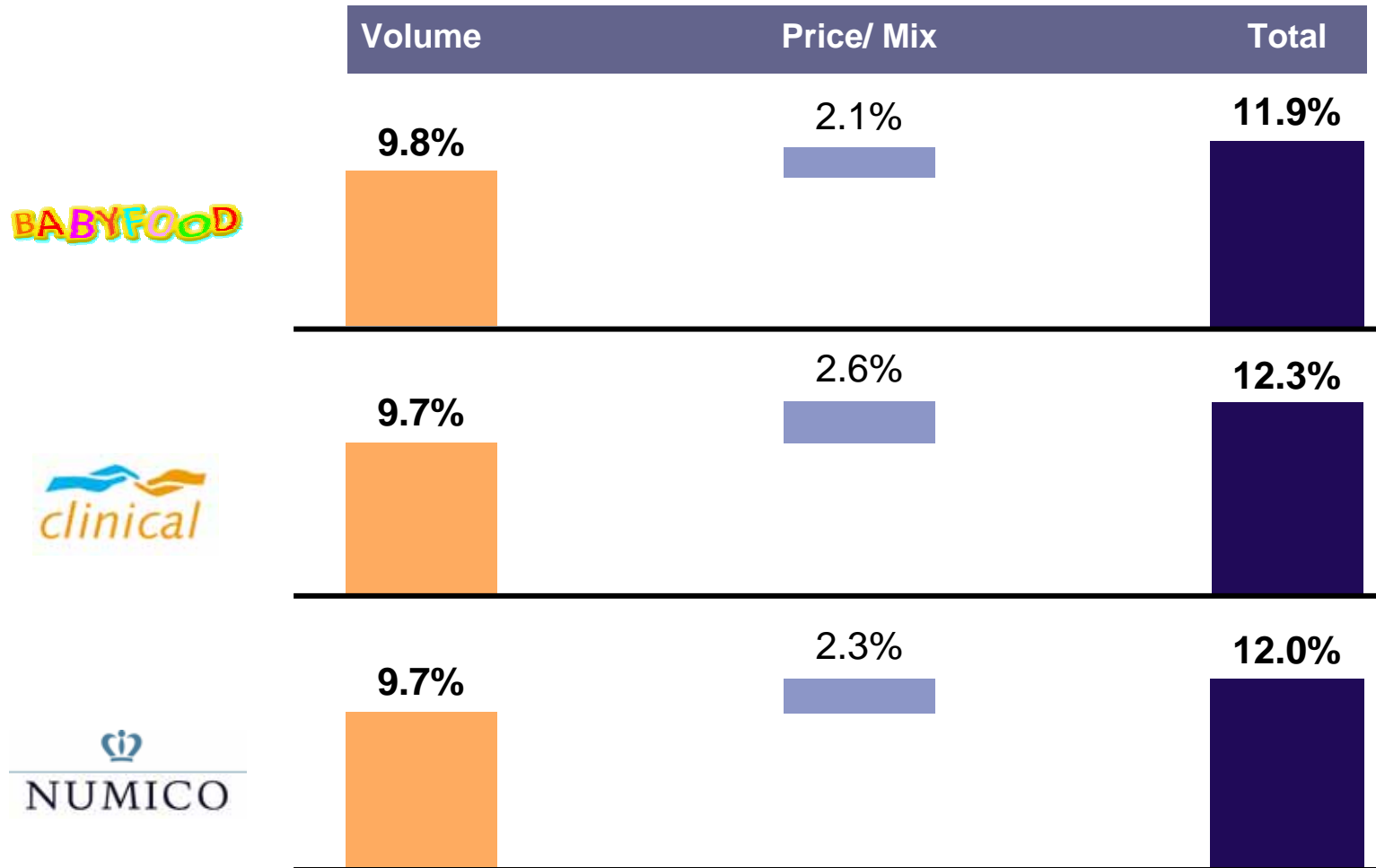
 clinical

Total Continued

	Q1 04	Q2 04	Q3 04	Q4 04	Q1 05
BABYFOOD	6.5%	8.9%	9.0%	9.0%	11.9%
clinical	13.0%	11.2%	11.1%	12.2%	12.3%
Total Continued	8.7%	9.7%	9.7%	10.0%	12.0%

*Also excludes discontinued business and exceptionals and based on IFRS

Q1 Sales Growth: Primarily Volume Driven



Stable EBITA Margin Development

*At actual rates**

BABYFOOD

 clinical

Total Continued

	Q1 04	Q2 04	Q3 04	Q4 04	Q1 05
BABYFOOD	19.8%	20.7%	16.8%	18.3%	18.2%
clinical	26.8%	29.1%	28.8%	26.9%	27.0%
Total Continued	20.0%	21.1%	18.7%	19.1%	18.3%

*Excludes discontinued business and exceptionals and based on IFRS

Exceptional Start to the Year by



- Accelerated growth driven by Western Europe (+4.3%) and RoW (+22.7%), continued high performance in Eastern Europe (+24.4%)
- Easier comparables versus Q1 2004
- Stable margins over last six months as anticipated – decline vs. Q1 04 due to project Focus, EaZypack launch and China losses
- Selected project Focus-related costs anticipated for Q2 as restructuring draws to a close by summer

NUTRICIA BABYFOOD

Comparable basis, in € mln*

	<u>Q1 05</u>	<u>VLY</u>
Net Sales	289	11.9%
A&P	32	10.5%
(as % of sales)	11.1%	
EBITA	53	3.3%
EBITA Margin	18.2%	(150) bps

Continued Strong Growth Performance by

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- Strong sales performance at 12.3%, particularly fuelled by excellent results in the UK and continued great performance in Germany
- Somewhat slower growth in Southern Europe, specifically in France due to difficult comparables
- Continued trends in terms of channel and product mix
- Stable margins – last six months impacted by plastic bottles

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Comparable basis*, in € mln

	Q1 05	VLY
Net Sales	155	12.3%
A&P	10	13.4%
(as % of sales)	6.3%	
EBITA	41	12.3%
EBITA Margin	27.0%	0 bps

* Also excludes discontinued business and exceptionals and based on IFRS

Non-Allocated Costs

- Non-allocated costs higher than expected at EUR 12.8 mln
 - Hiring – GMs and Marketing
 - Charity – Tsunami
 - Fire in Chinese plant

From EBITA to Operating Result

Comparable basis, in € mln

	<u>Q1 05</u>	<u>Q1 04</u>	<u>VLV</u>
EBITA (excl. one-off provisions)	81	79	4.9%
IAS 37 - Provisions	-	(9)	-
EBITA	81	70	18.6%
Amortisation	(1)	(1)	-
Result Divestment	1	1	-
Operating Result	81	70	18.3%

From Operating Result to Earnings Per Share

At actual rates, in € mln

	<u>Q1 05</u>	<u>Q1 04</u>	<u>VLY</u>
Operating result	81	70	15.5%
Share in result jv's and associates	1	-	-
Financial income & expenses	(16)	(30)	(47.0)%
Tax	(20)	(11)	-
Net result	46	29	56.9%
Attributable to:			
- Minority interests	3	2	-
- Equity holders	43	27	58.0%
Earnings per share	0.26	0.16	62.5%
Fully diluted EPS	0.25	0.16	56.3%

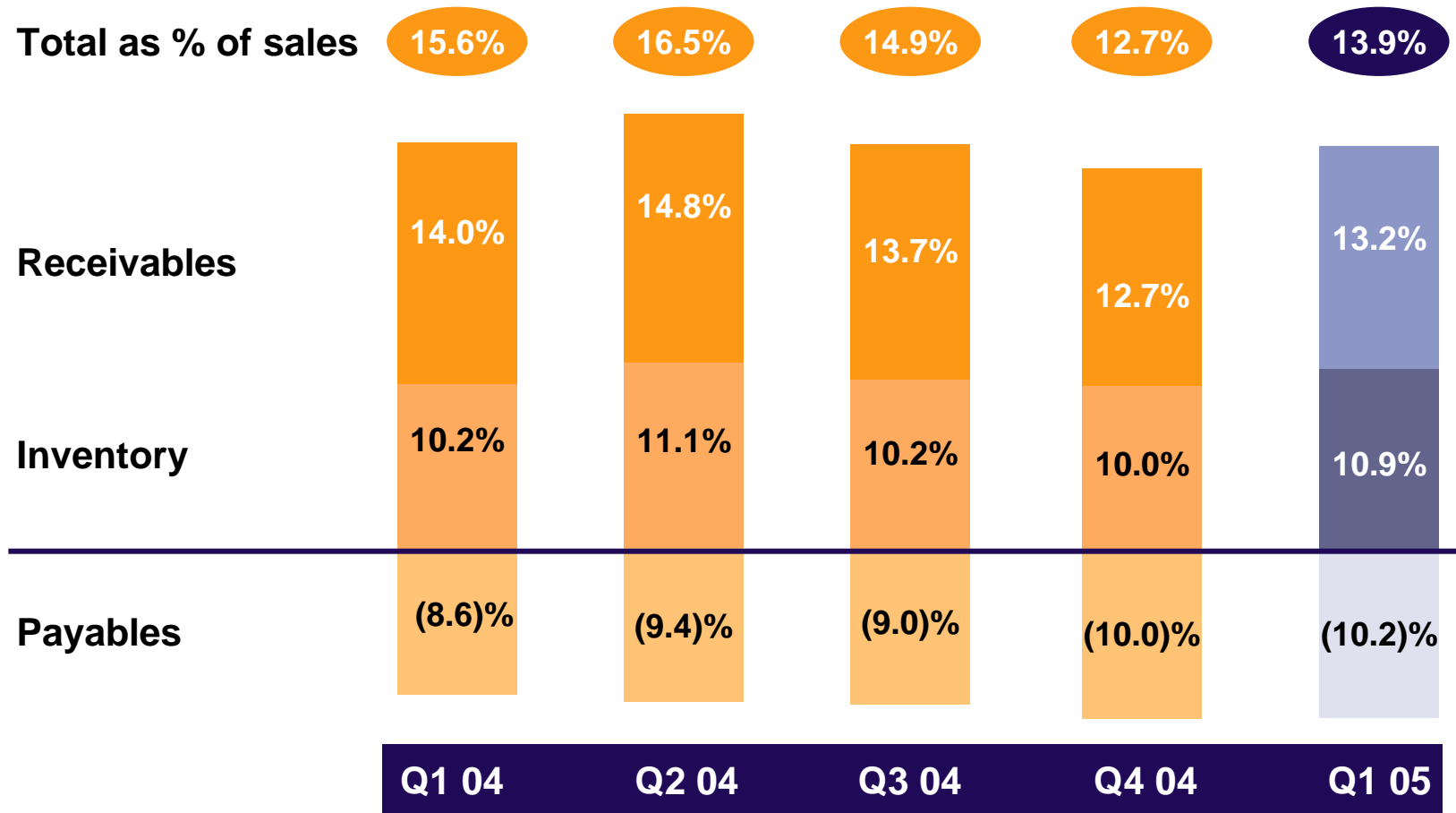
Financial Income and Expenses

At actual rates, in € mln

	<u>Q1 05</u>	<u>Q1 04</u>
Financial income and expenses	(10)	(13)
IFRS adjustments		
IAS 32 - convertible loans	(6)	(10)
IAS 39 - result on derivatives	(2)	(10)
Other	2	3
Financial income and expenses (IFRS)	(16)	(30)

Trade Working Capital

Comparable basis



Cash Flow Statement

At actual rates, in € mln

	Q1 05	Q1 04	VLY
Operating result	81	70	15.5%
Depreciation/Impairment	7	9	
Amortisation	1	-	
Movement provisions	(2)	4	
Net change in trade WC	(17)	(39)	
Net change in non trade WC	(16)	(11)	
Other	1	(2)	
Net CF from operations	55	31	77.4%
Interest paid	(1)	(3)	
Income tax paid	(21)	(18)	
Net CF from operational activities	33	10	230.0%
Capital expenditure	(19)	(9)	
Other	8	2	
Free cash flow	22	3	

Net Debt

At actual rates, in € mln



	31 March 2005	31 Dec. 2004
Convertibles	977	977
Credit facility	175	230
Other loans	3	3
Cash and equivalents	(181)	(220)
Net debt	974	990
IAS 32 - Convertibles	(64)	(69)
IAS 39 - Interest Rate Swap	19	18
Total net debt IFRS	929	939

Changes in Shareholders' Equity Since Q4 2004

At actual rates, in € mln

Shareholders' equity at 31/12/04	(306)
Net result	43
Direct IFRS equity movements	2
Currency translation effects	3
Other	(3)
Shareholders' equity at 31/03/05	(261)

Ephedra: Overview

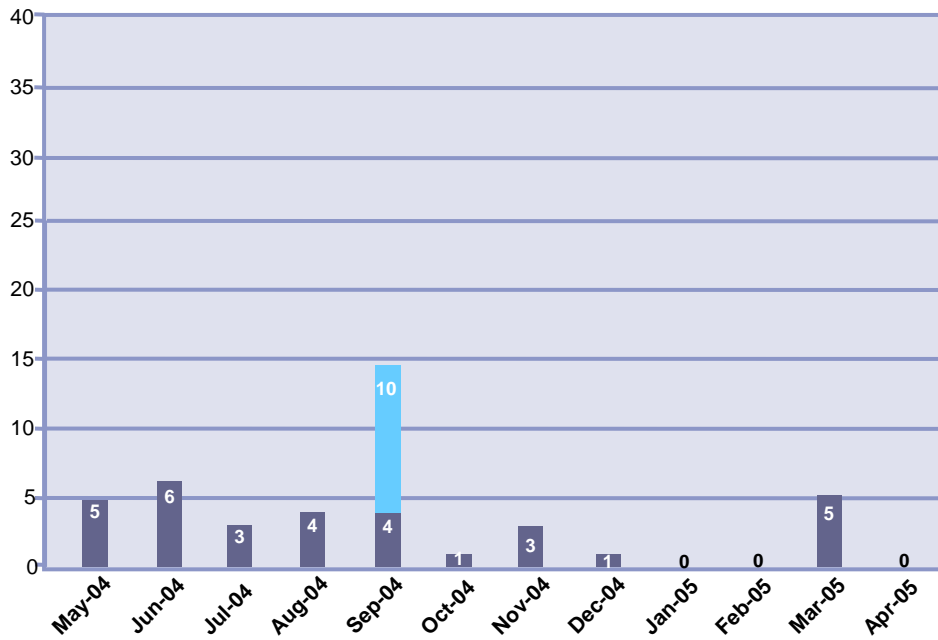
	Settled	Dismissed	Outstanding
	6	14	72
	72*	22	163

- Tentative settlement reached in 36 cases related to GNC
- Settlement amount is covered by product liability insurance

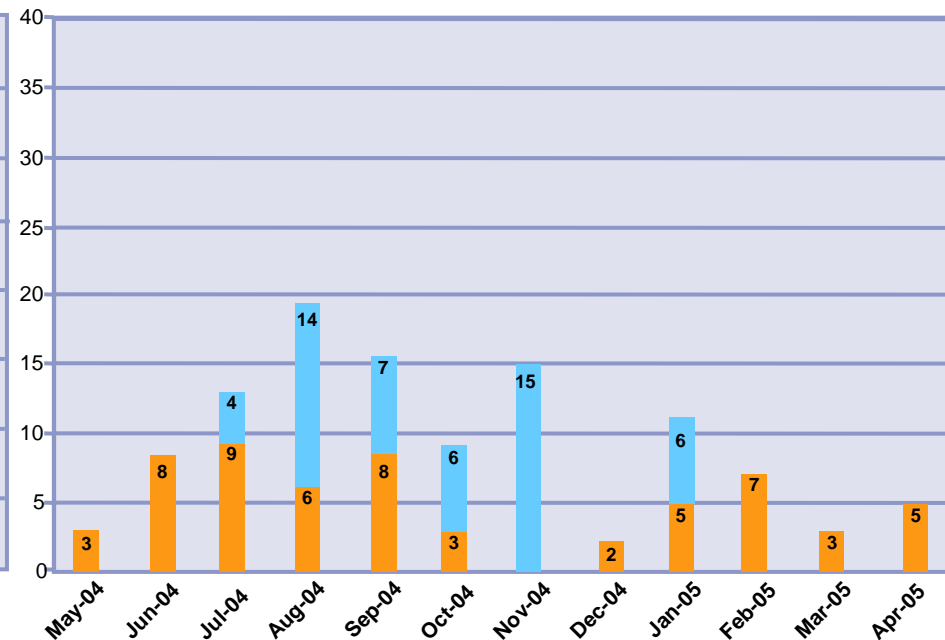
Ephedra: Overview

Declining Trend in Claims Filed

Rexall Sundown



GNC



■ Non-regular filings driven by change in Mississippi law as per 1-9-04 or conversion of cases of bankrupt manufacturers

Areas of Focus

- Take necessary measures to decrease non-allocated costs despite anticipated expenses needed to strengthen organisation
- Complete sale of loss-making Chinese activities in Q2 as announced earlier this year

Questions & Answers



Appendix



Balance Sheet

At actual rates, in € mln

	<u>31 March 2005</u>	<u>31 Dec. 2004</u>
Intangible fixed assets	99	96
Tangible fixed assets	309	314
Financial fixed assets	24	25
Deferred tax assets	404	404
Non-current assets	836	839
Stocks	189	173
Trade debtors	230	215
Other receivables	87	67
Cash & cash equivalents	181	220
Current assets	687	675
Non-current assets classified as held for sale	7	-
Total assets	1,530	1,514

Balance Sheet

At actual rates, in € mln

	<u>31 March 2005</u>	<u>31 Dec. 2004</u>
Shareholders' equity	(261)	(306)
Minority interests	31	30
Long term loans	1,090	1,140
Pensions and post employ. prov.	96	97
Other provisions	13	13
Derivative financial instruments	19	18
Deferred tax liabilities	87	88
Non-current liabilities	1,305	1,356
Trade creditors	177	172
Other creditors	202	181
Current tax liability	43	46
Short term loans	1	1
Short term provisions	32	34
Current liabilities	455	434
Total equity and liabilities	1,530	1,514