



The Year of Momentum

Q3 2005 Results



9 November 2005

Agenda

● Highlights

● Financials

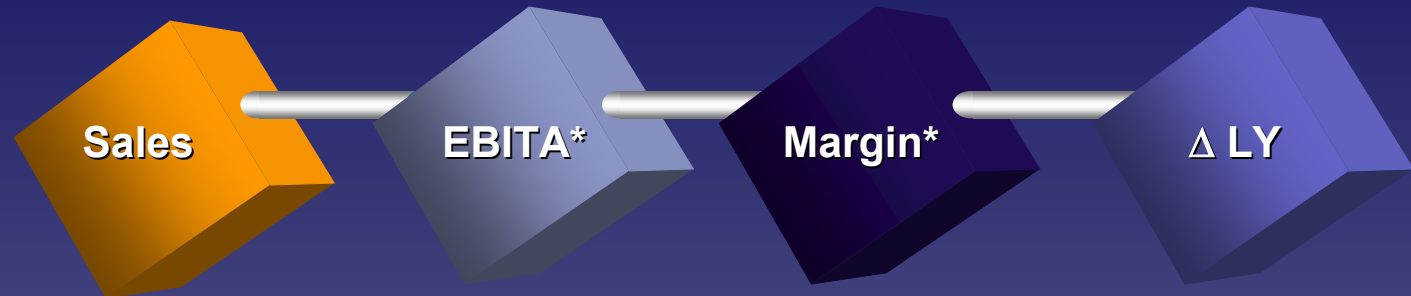
● Q & A






Highlights



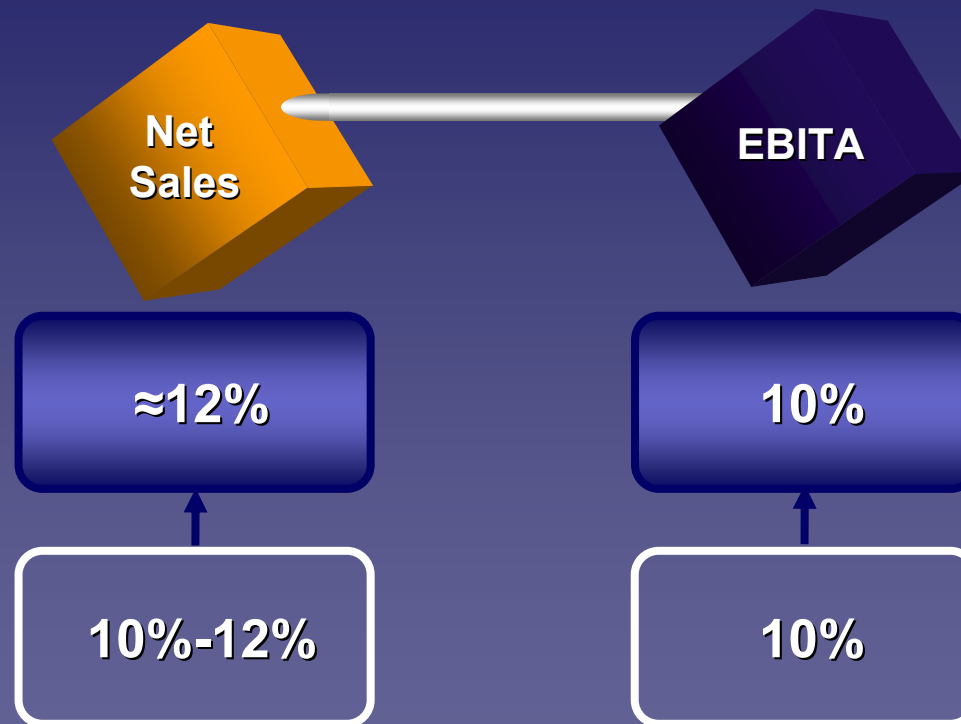
Q3 2005: A Great Quarter



	Sales	EBITA*	Margin*	Δ LY
	+13.4%	+19.9%	18.8%	+100 bps
	+14.0%	+23.9%	17.5%	+ 140 bps
	+12.2%	+10.9%	27.1%	(30) bps

*Excluding exceptionals

An Improved Outlook For 2005



Good Progress On Key Projects

Portfolio Transformation

- Finalized with closure of Brazil Baby Food

Stewardship in Key Country

- Increased share ownership from 82% to 98% in Indonesia
- Improved Corporate Governance implemented in Indonesia

Acquisition Update

- Integration of Mellin on-track, yearly savings of €15 mln identified

Numico Has Positive Momentum

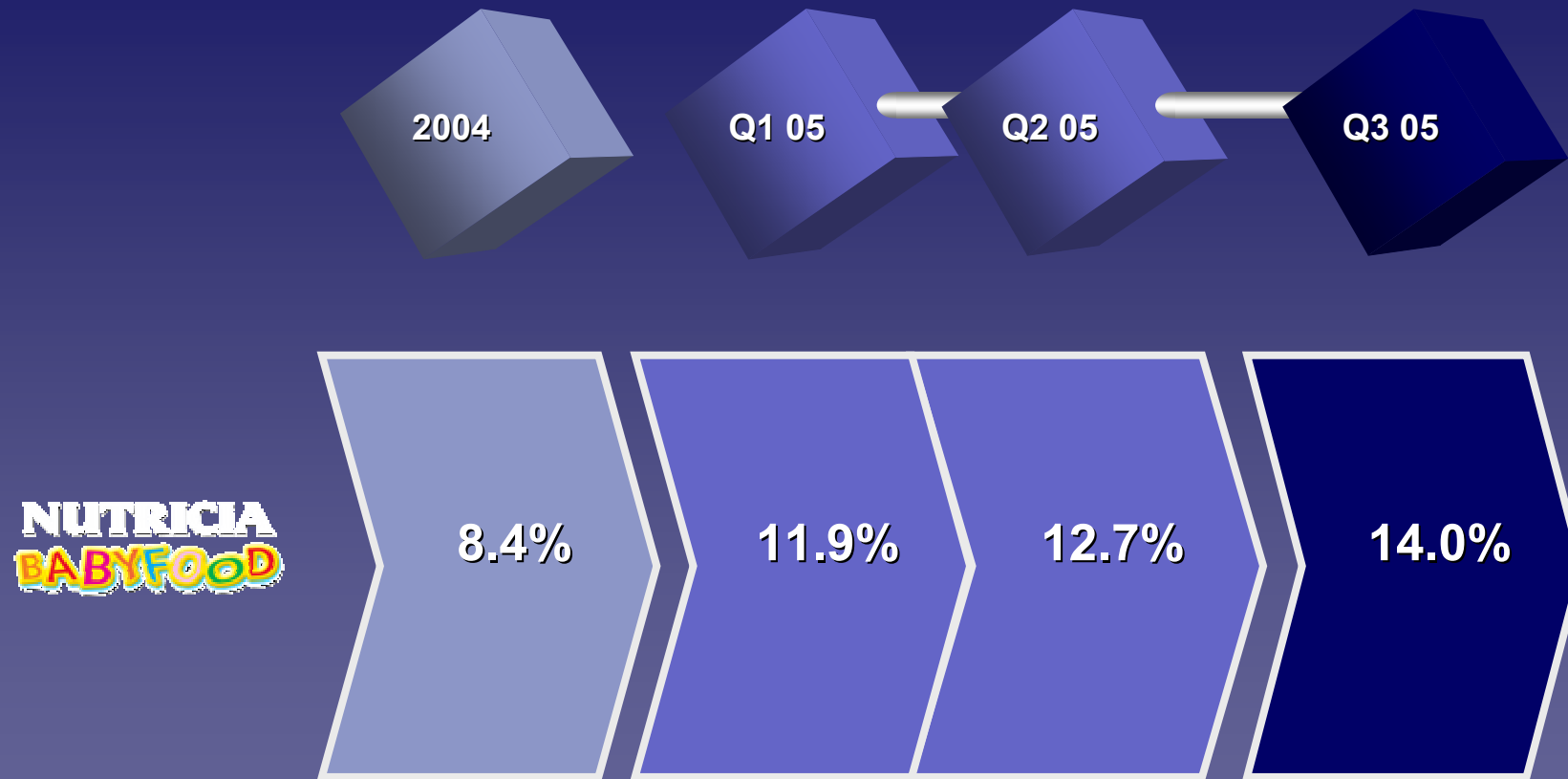


It Is The Right Time For Baby To Seize The Opportunity



- We are ready
- The consumer is ready
- There is a competitive window of opportunity

Baby's Momentum Is Building



Momentum Drivers

Growth from Renovation Today



27% of
total portfolio

Potential from Innovation Tomorrow



1.2% of
sales growth

Momentum Drivers

Western Europe



UK



Ireland

Net Sales* (%ly)



+ 14%

+ 15%

Marketing* (%ly)



+ 61%

+ 38%

Market share** (vs ly)



34.0%
(+4.4% pts)

58.3%
(+4.8% pts)

*Jan-Sept. 2005

** Nielsen value share latest period

Momentum Drivers

Central/Eastern Europe



Poland



Russia



Turkey

Net Sales* (%ly)



+ 24%

+ 31%

+ 69%

Marketing* (%ly)



+ 60%

+ 21%

+ 124%

Market share** (vs ly)



47.4%
(+3.9% pts)

16.0%
(-)

68.3%
(+6.0% pts)

*Jan-Sept. 2005

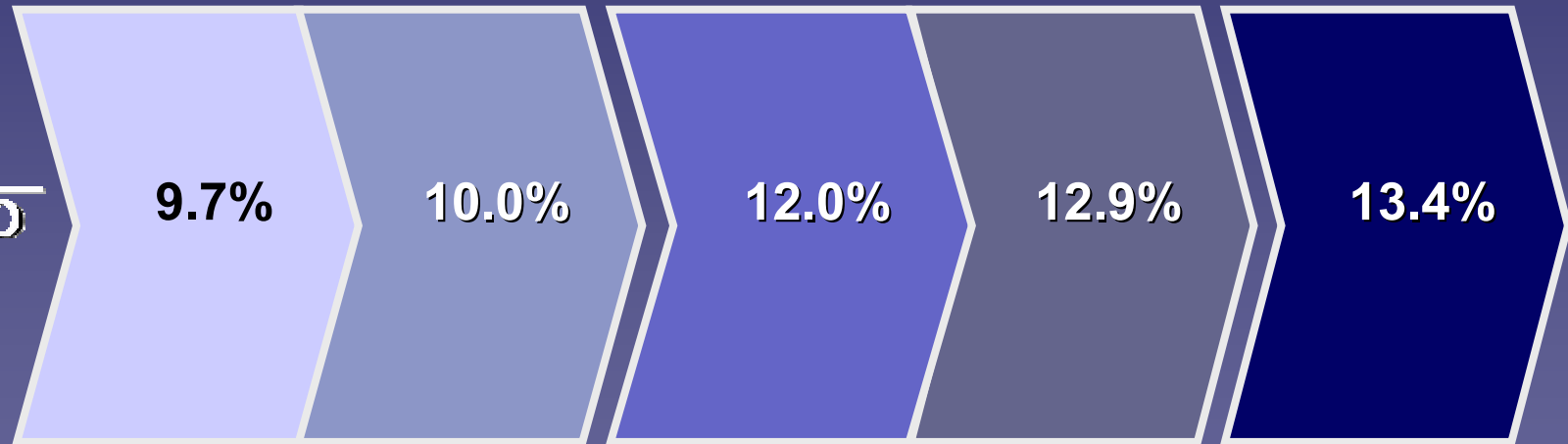
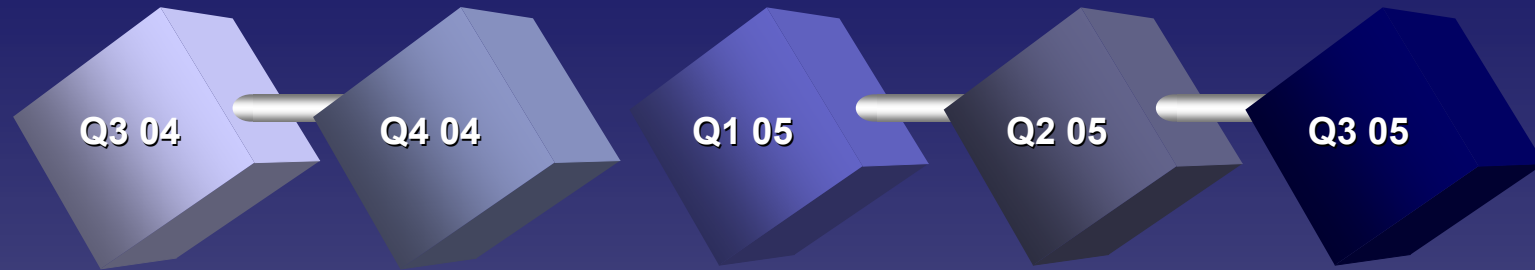
** Nielsen value share latest period



Q3 2005 Financials




Q3 2005: Record Organic Growth



Comparable basis and excluding discontinued business

Q3 2005: Strong Overall Growth



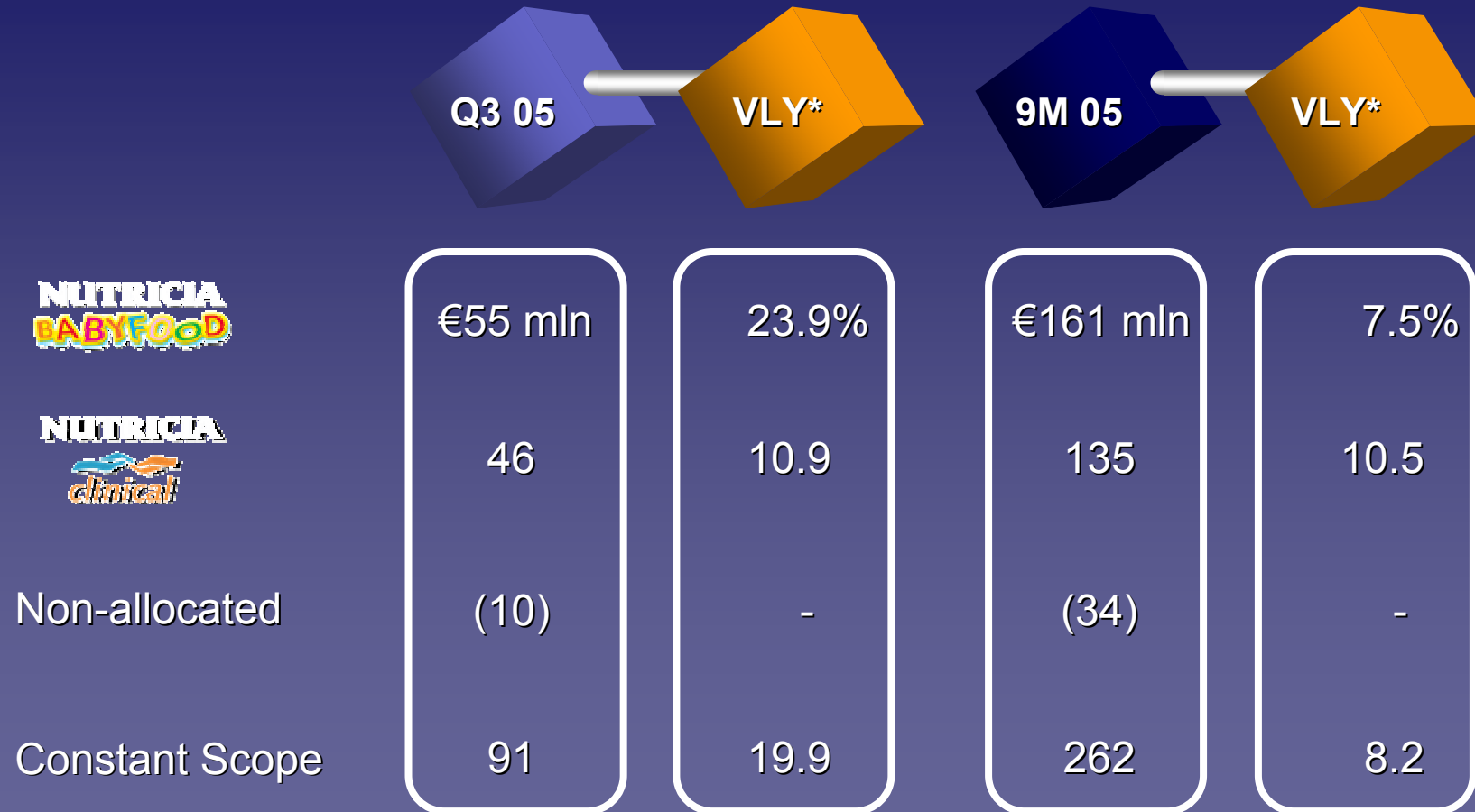
	€520 mln	21.1%	€98 mln	29.3%	18.7%
Acquisitions	39	-	7	-	-
Constant Scope	€481 mln	13.4%	€91 mln	19.9%	18.8%

Acceleration Driven by Baby



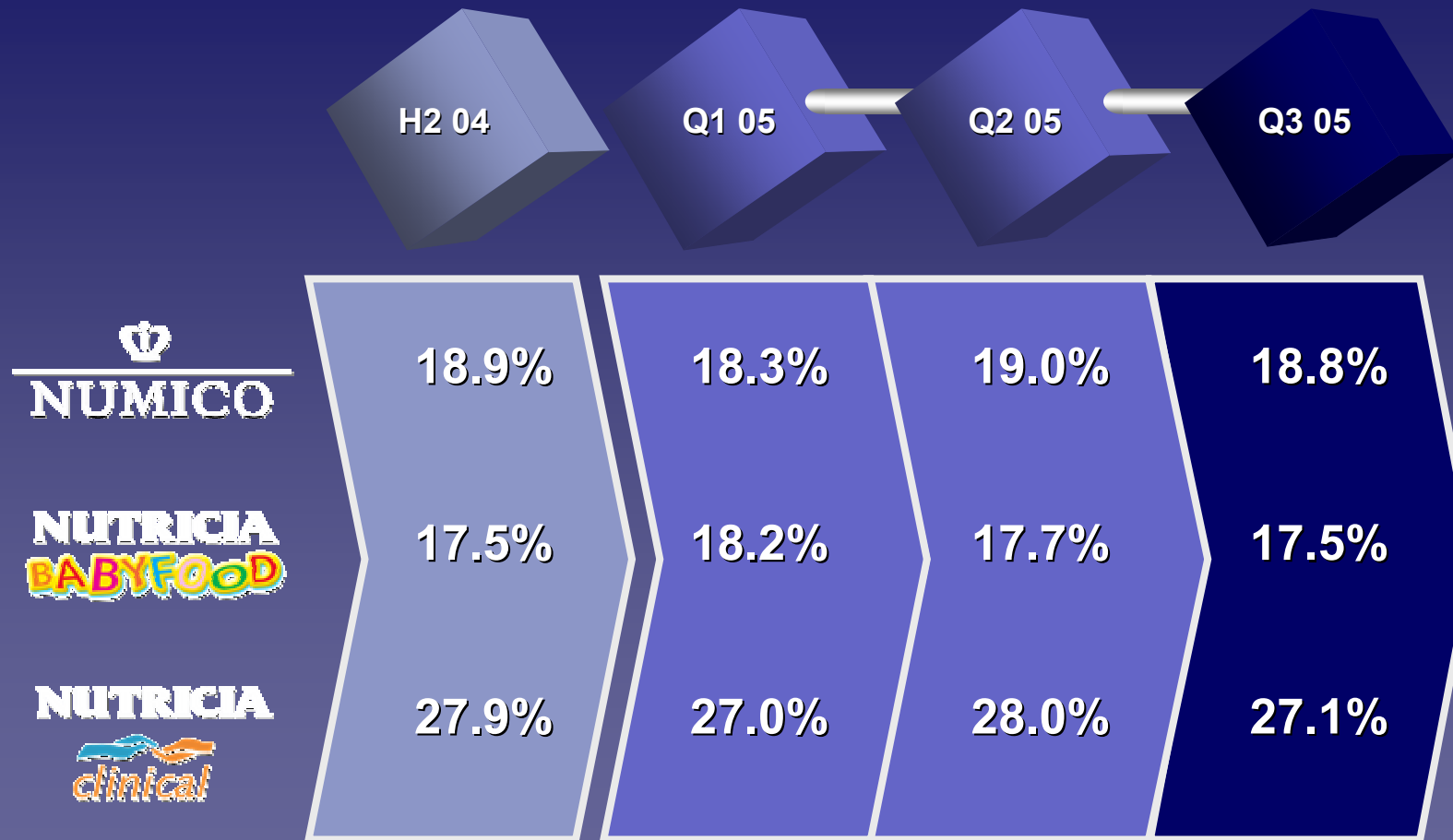
	Q3 04	Q4 04	Q1 05	Q2 05	Q3 05
NUTRICIA BABYFOOD	9.0%	9.0%	11.9%	12.7%	14.0%
NUTRICIA clinical	11.1%	12.2%	12.3%	13.3%	12.2%
NUMICO	9.7%	10.0%	12.0%	12.9%	13.4%

Strong Organic EBITA Growth



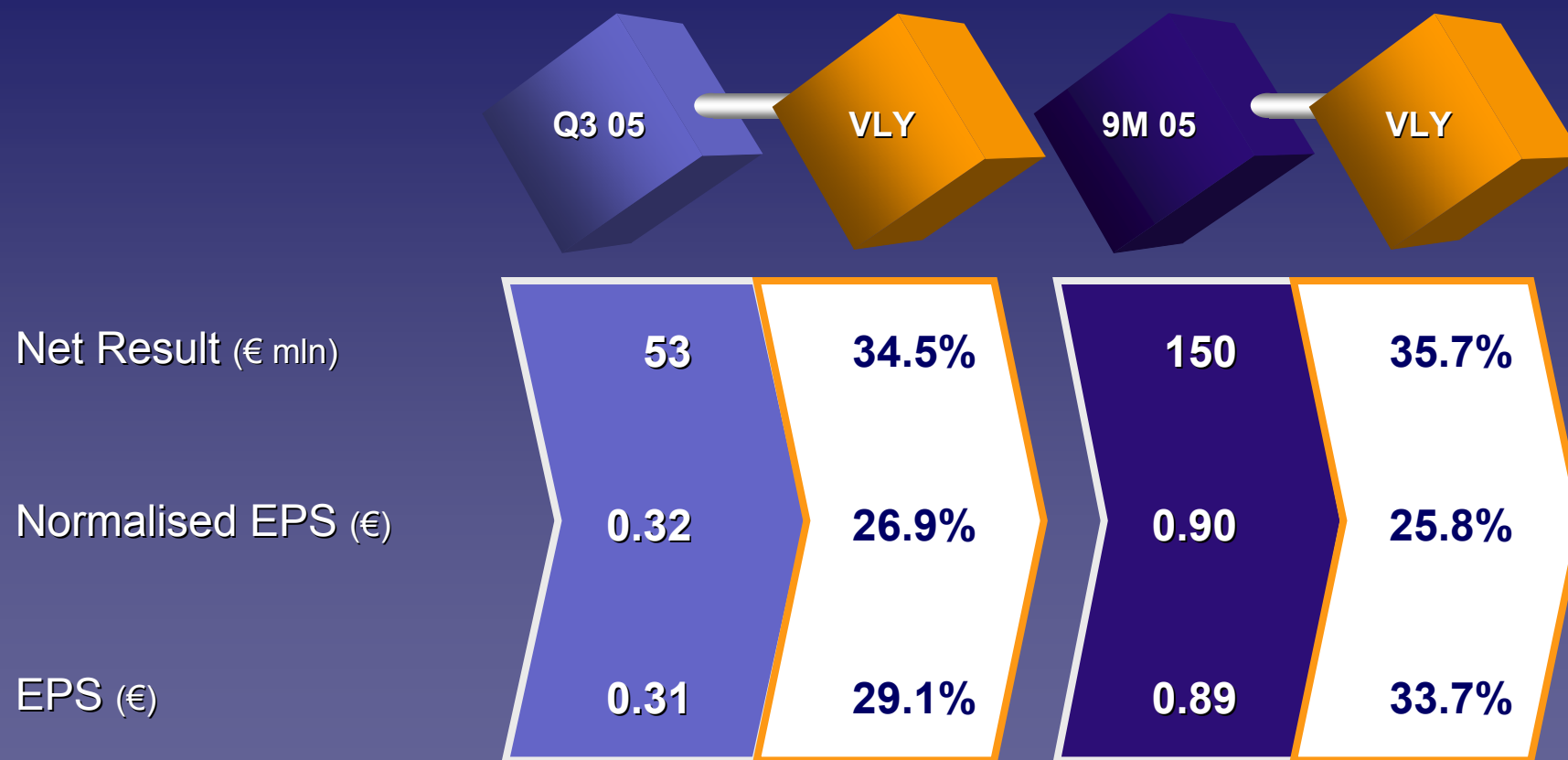
*Excluding exceptionals

Continued High Margins



At actual rates and excluding discontinued business and exceptionals

Strong Earnings Growth



At actual rates

Normalised excludes disc. business, exceptionals and result divestments

Strengthened Equity Position



Italian Integration Well Underway

- Combined businesses performing according to plan
- Integration will generate €15 mln annualized cost savings
- Restructuring costs of €11 mln in Q3 and €3 mln in Q4
(1 year pay-back)

Sales Growth and Margins Explained - Italy

- €15 mln of annualised cost savings in 2006:
 - Reduction in overheads (25%)
 - Improved supplier contracts and insourcing of production

- Savings will improve margins and will be reinvested:
 - Marketing, IT and people
 - Absorbs recent price reductions of IMF

- Reversal of declining sales trend for combined business into sales growth target of 7-9% at increased margins in 2007 for Numico Italy



Divisional Overview




NUMICO

NUTRICIA
BABYFOOD



We Continue To Invest In The Business

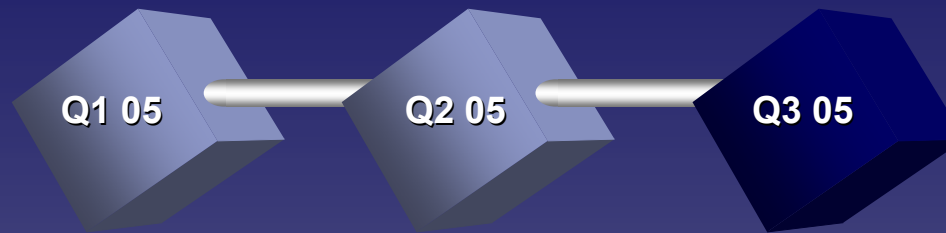


Marketing spend (€ mln)	32	36	40
% of sales	11.1	11.8	13.0
VLY (%)	10.5	5.0	18.5

All Regions Contribute To Accelerated Growth



Growth Is Primarily Volume-Driven



Volume	9.8%	8.0%	10.0%
Price / Mix	2.1%	4.7%	4.0%
Total	11.9%	12.7%	14.0%

Margins Remain Stable



Margin Drivers

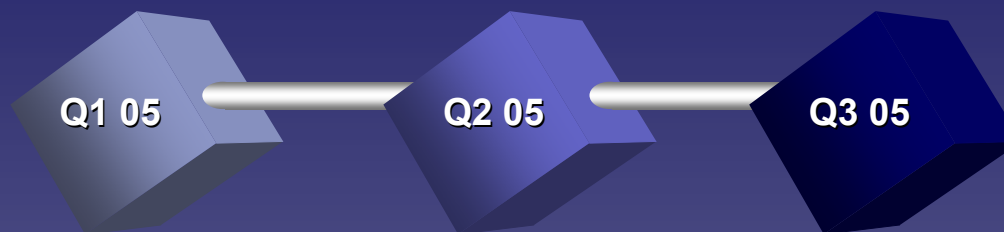
- Increase in marketing spend, using all of Focus savings in Q3
- Increased cost base in Indonesia – rupiah, fuel costs – most of which will be absorbed by price increases (Q4)


NUMICO

NUTRICIA



Continued Marketing Spend

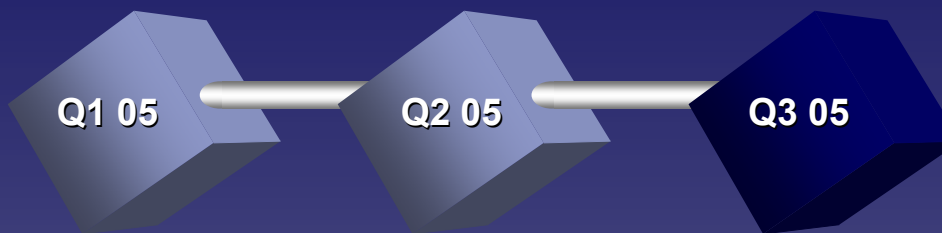


Marketing spend (€ mln)	10	12	12
% of sales	6.3	6.9	7.0
VLY (%)	13.4	16.4	16.2

Most Regions Contribute To Our Growth

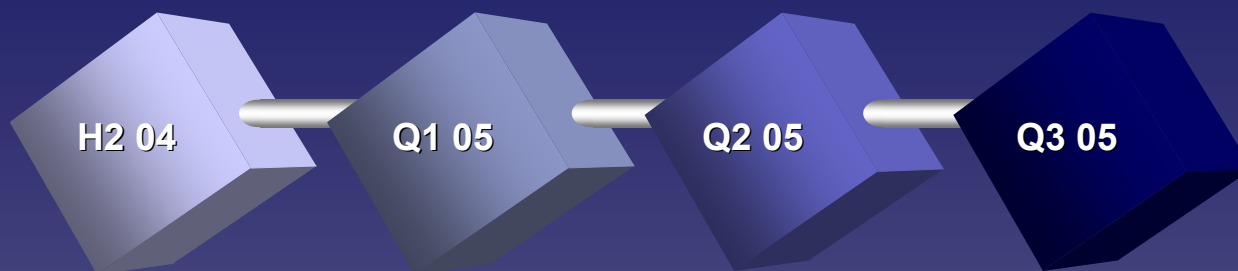


Our Growth is Driven by Volume



	Q1 05	Q2 05	Q3 05
Volume	9.7%	10.5%	11.1%
Price / Mix	2.6%	2.8%	1.1%
Total	12.3%	13.3%	12.2%

High Levels of Growth at Stable Margins



Marketing Spend (% of sales)

6.4%

6.3%

6.9%

7.0%

R&D (% of sales)

2.6%

2.5%

2.5%

3.2%

EBITA margin

27.9%

27.0%

28.0%

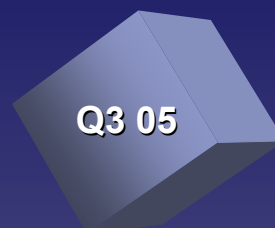
27.1%

Q3: Record Growth At Healthy Margins

	Sales	VLY	EBITA	VLY	Margin
NUTRICIA BABYFOOD	€311 mln	14.0%	€54 mln	23.9%	17.5%
NUTRICIA clinical	170	12.2	46	10.9	27.1
Non-allocated	-	-	(10)	-	-
Constant Scope	481	13.4	91	19.9	18.8
Acquisitions	39	-	7	-	-
NUMICO	€520 mln	21.1%	€98 mln	29.3%	18.7%

EBITA to Operating Result

in € mln



EBITA

Exceptional

Amortisation

Result divestments

Acquisition and
integration costs

Operating result

Q3 05

98

(2)

(2)

15

(15)

94

Price fixing fine

-

Additional proceeds received from Rexall

€11 mln (Mellin integration)

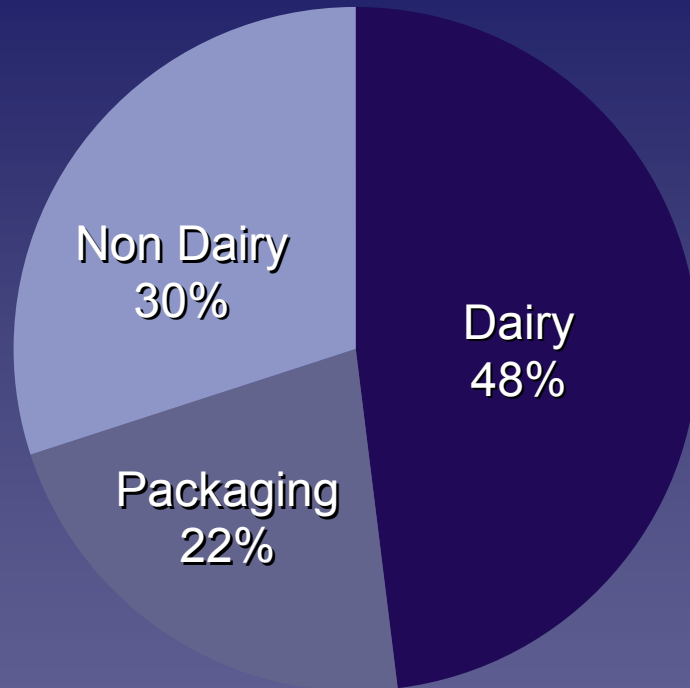
€ 4 mln (Sari Husada)

Significant Increase In Earnings

in € mln

	Q3 05	VLY	9M 05	VLY
Operating Result	94	23.1%	265	12.7%
Share in result jv's/ associates	1	-	2	-
Financial income and expenses	(14)	-	(43)	-
Tax	(25)	-	(67)	-
Net result	56	34.9%	157	34.7%

COGS Overview



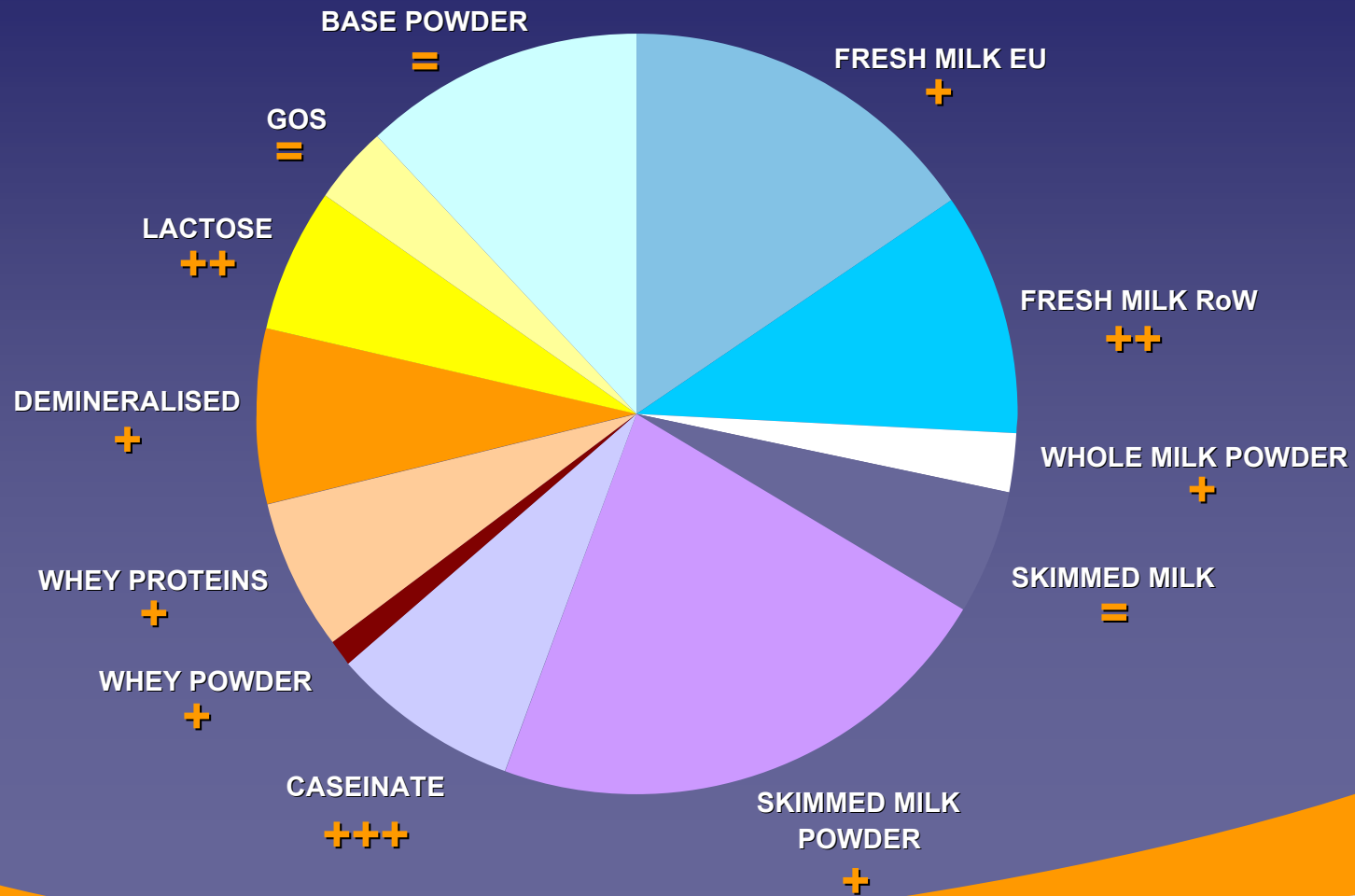
22% of Total Net Sales

2005 Price Trends

- Dairy – ↑↑
- Non-dairy – ↓
- Packaging – ↑
- Total increase ≈ €8-10 mln (2%)

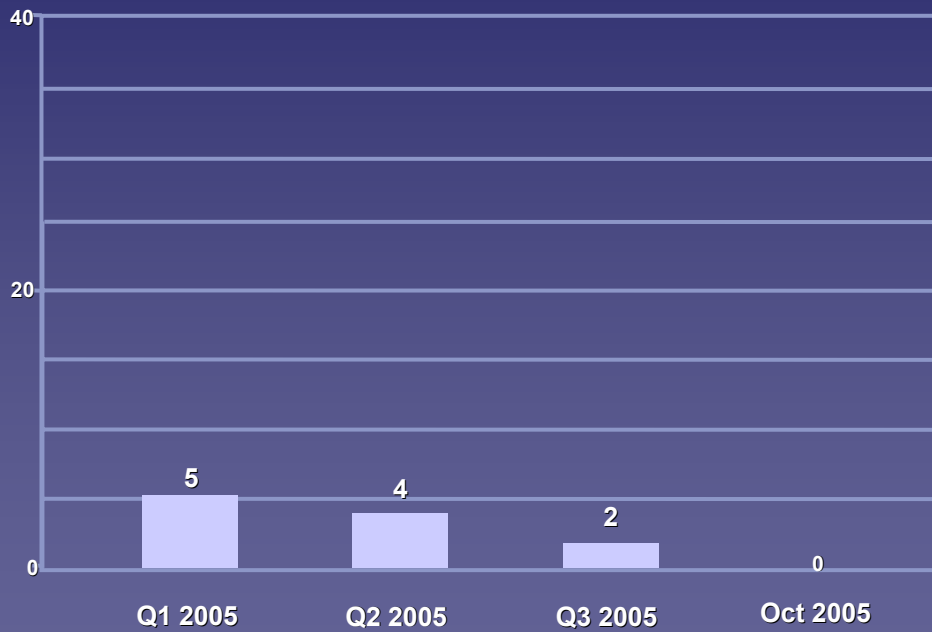
Dairy – A Diversified Portfolio

Total Increase 2005 vs. 2004 = 4.3%

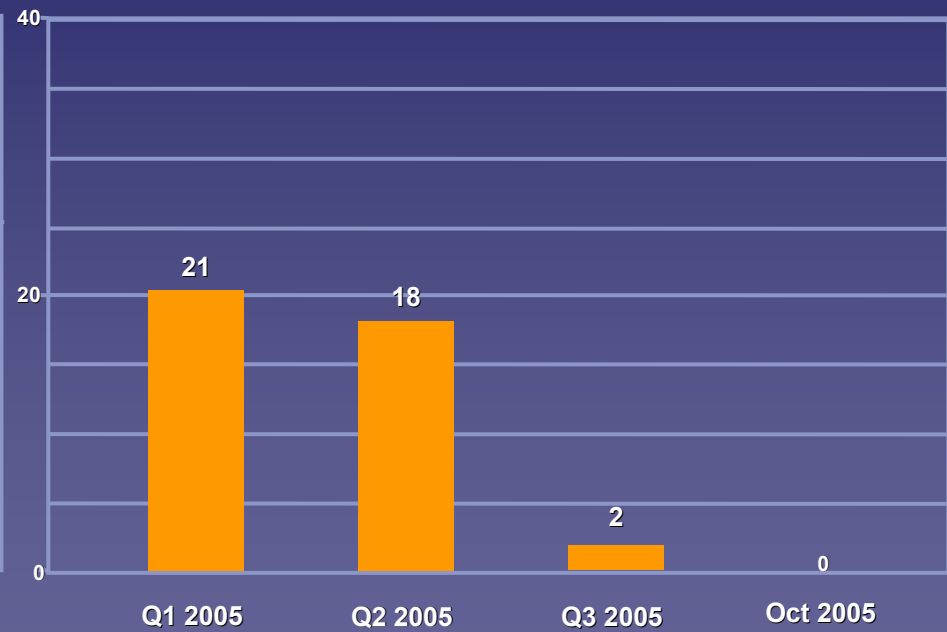


Minimal New Incoming Ephedra Claims

Rexall Sundown



GNC



53% of Ephedra Portfolio Now Resolved



Claims filed

150

53

Claims dismissed

22

48

Claims settled

15

80

No. of active claims

249

174

% portfolio resolved

19%

53%



Questions and Answers



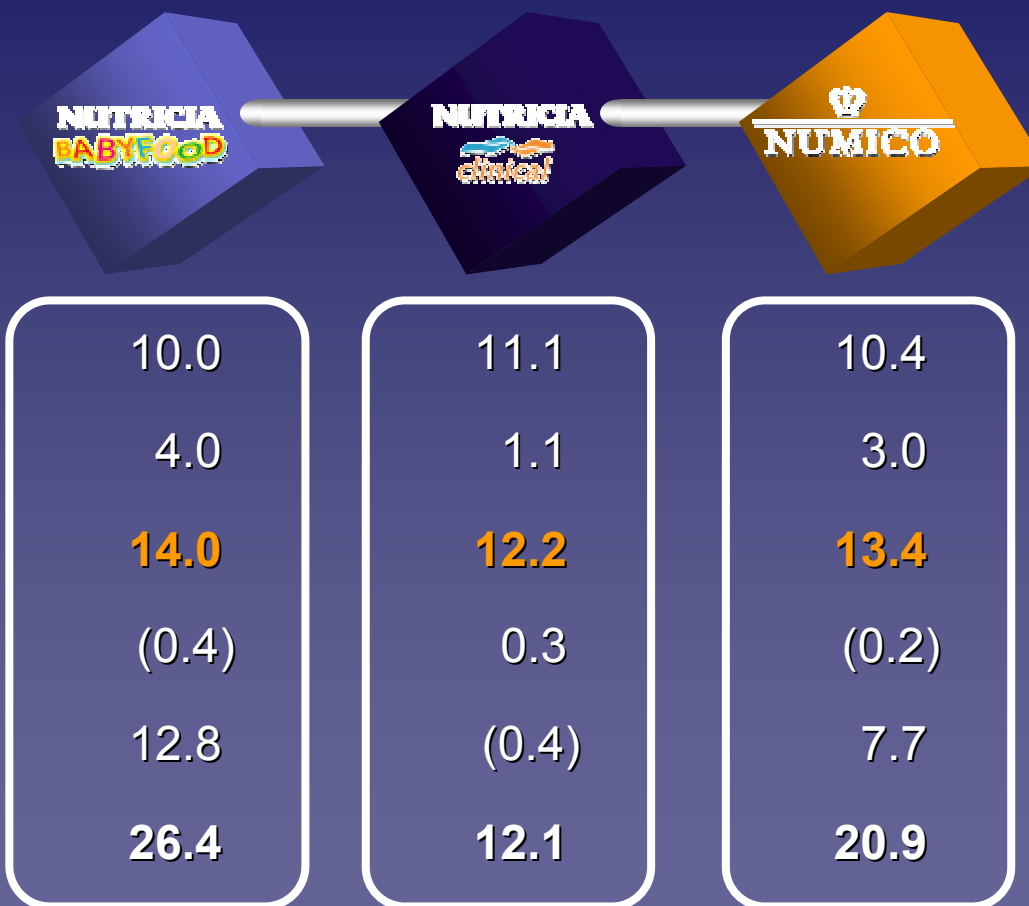


Appendix



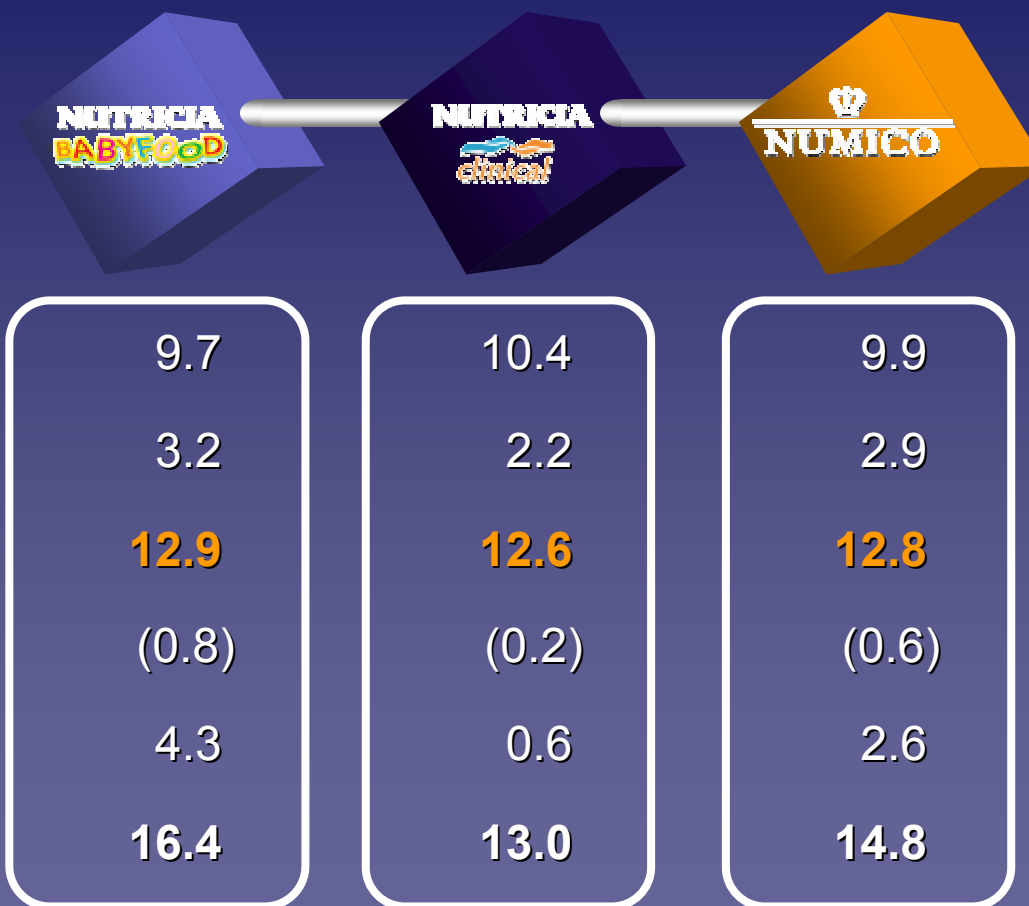
Strong Volume – Driven Organic Growth – Q3

in %



Strong Volume – Driven Organic Growth – 9M

in %



Balance Sheet

in € mln

	12/04	09/05
Intangible fixed assets	96	600
Tangible fixed assets	314	318
Financial fixed assets	25	20
Derivative fin. instruments	-	1
Deferred tax assets	404	404
Non-current assets	839	1,343
Stocks	173	218
Trade debtors	215	281
Other receivables	67	76
Cash and cash equivalents	220	163
Current assets	675	738
Non-current assets classified as held for sale	-	13
Total assets	1,514	2,094

Balance Sheet

12/04

09/05

in € mln

Shareholders' equity	(306)	73
Minority interests	30	19
Long term loans	1,140	1,184
Pensions and post employ. prov.	97	100
Other provisions	13	13
Derivative financial instruments	18	19
Deferred tax liabilities	88	85
Non-current liabilities	1,356	1,401
Trade creditors	172	222
Other creditors	181	187
Derivative financial instruments	-	2
Current tax liability	46	76
Short term loans	1	93
Short term provisions	34	21
Current liabilities	434	601
Total equity and liabilities	1,514	2,094