



NUMICO

Press Release
First Quarter Results 2007

Good Start to the Year – Excellent Performance by Clinical Outlook Reconfirmed

2 May 2007

Financial Highlights First Quarter 2007 *(on a comparable basis)*¹

- Total sales up 9.6%; EBITA margin at 18.9%
- Baby Food sales up 8.0%; EBITA margin at 18.8%
- Clinical Nutrition sales up 14.1%; EBITA margin at 26.2%
- Normalised profit for the period up 18.1% and basic EPS up 16.7% (at reported rates)²
- Reconfirmed outlook of 10 – 12% organic sales growth and EBITA margin up 10 – 20 bps

CEO Statement

“Numico's first quarter 2007 sales growth of 9.6% continues a consistent record of positive performance across our Baby Food and Clinical Nutrition Divisions.

The Baby Food division grew by 8.0% in Q1 2007, against record-high sales growth comparables of Q1 2006. Eastern Europe continues to perform well, as does Asia-Pacific. The underlying trend for Western Europe is encouraging, with good performances in key growth markets and French market recovery completed by Q3 2007.

Clinical Nutrition achieved excellent sales growth of 14.1%, reflecting the recovery of the German market coupled with strong overall performance. Nutricia Clinical is also making important progress in the development of a nutritional product for patients with HIV. This product has entered phase III trials, which are expected to be completed by the end of 2010.

We will continue to review and respond to the steep material price increases in the dairy arena. Based on current assessments of future price developments in our raw material portfolio, we intend to offset raw material price upcharges through price increases and additional cost savings programmes. Consequently, we feel confident to reconfirm total sales growth of between 10% - 12% in 2007, with EBITA margin improvement of between 10 and 20 bps.”

(€ mln)	First Quarter		% change	
	2007	2006	comp. ¹	Actual
Sales	674	633	9.6	6.5
EBITA	127	118	9.1	7.8
Normalised profit for the period	74	63	-	18.1
Normalised EPS² (€)	0.39	0.33	-	16.7
Profit for the period	74	47	-	56.6
Basic EPS (€)	0.39	0.25	-	54.8
Diluted EPS (€)	0.37	0.24	-	52.0

¹ 'Comparable basis' is at constant scope of consolidation and constant exchange rates and excluding exceptionals (please refer to appendix 5)

² 'Normalised' excludes discontinued businesses and exceptionals after tax (appendix 4)

OUTLOOK 2007

Based on the strong potential of the markets in which Numico operates, the company reconfirms that it expects total sales to grow organically between 10 - 12% and the EBITA margin to improve between 10 and 20 bps in 2007. The outlook reflects the current expectations on the impact of raw material price developments.

As indicated at the start of 2007, Numico's performance in the second half of 2007 will be impacted by the sharp rise in certain milk and milk-related ingredients, which primarily impacts the Baby Food division. Numico intends to offset the rise in raw material prices through price increases and additional cost savings programmes.

These targets are all based on constant scope of consolidation, constant exchange rates, excluding exceptionals and barring unforeseen circumstances.

FINANCIAL REVIEW *(on a comparable basis³)*

First Quarter 2007

Reported sales increased 6.5% to €674 mln in the first quarter of 2007. This growth consisted of 9.6% organic growth, driven by 8.0% organic growth in Baby Food and 14.1% in Clinical Nutrition. Change in business scope and currency translation effects negatively impacted reported growth by (1.3)% and (1.8)%, respectively.

(€ mln)	Sales			EBITA	EBITA margin
	Q1 07	Q1 06	change ³	Q1 07	Q1 07
Baby Food	485	457	8.0	91	18.8
Clinical Nutrition	184	173	14.1	48	26.2
Non-allocated	-	-	-	(13)	-
Numico continued	669	630	9.6	126	18.9
Business to be divested	5	3	-	1	-
Total Numico	674	633	-	127	-

Numico's EBITA margin remained stable at 18.9% compared to the first quarter of 2006, despite an increase in A&P and R&D spend of 17% and 14%, respectively.

Normalised profit for the period and normalised earnings per share amounted to €74 mln and €0.39, up 18.1% and 16.7%, respectively.

REVIEW BY ACTIVITY *(on a comparable basis³)*

Baby Food

Baby Food sales increased 8.0% to €485 mln in the first quarter of 2007. This performance was mainly driven by Eastern Europe and a good performance in Asia Pacific. The underlying trend for Western Europe is encouraging with good performances in our key growth markets and French market recovery will be completed by Q3 2007.

The EBITA margin was 18.8% or only 20 bps lower than the very strong margin performance of the Baby Food division in the first quarter of 2006 and despite a strong increase in A&P spend.

Clinical Nutrition

Sales in Clinical Nutrition grew by 14.1% to €184 mln in the first quarter of 2007. This growth reflects the recovery of the German market as well as a strong performance across Europe, most notably in the UK, France, Spain and the Nordics. The markets outside Europe also performed very well with particularly strong performances in Turkey and Brazil. All product categories contributed to this result with strong growth coming from certain key disease specific areas such as GI Allergy. The EBITA margin was 26.2%.

³ Based on constant scope of consolidation and constant exchange rates and excludes exceptionals (please refer to appendix 5)

UPDATE ON HIV/AIDS PROJECT

Numico is continuing its development of a proprietary nutritional product for individuals with HIV who are not yet on pharmaceutical therapy (so called “pre-HAART” patients). The product is designed as Food for Special Medical Purposes (FSMP) in Europe and as Medical Food in the US. The HIV nutritional product is aimed to slow down the decline in health status – including the number of CD4 blood cells – of pre-HAART patients. The product consists of a combination of nutritional modules targeted at improving gut health, gut permeability and the immunological status of HIV patients. An international Advisory Board of key opinion leaders and experts in the HIV field has endorsed both the potential of the product and the set-up of the trials programme.

Clinical trials with HIV patients to date have confirmed the safety and tolerance of the individual nutritional modules and preliminary results on gut health and immune status are encouraging. Based on these results, we have moved into a multi-centre, multi-country, phase III clinical trial with pre-HAART HIV patients. The trial is expected to include up to 1,000 patients in 8 – 10 countries and is expected to be completed by the end of 2010.

OTHER FINANCIAL INFORMATION

Cash Flow

Total trade working capital as a percentage of sales improved 370bps to 8.6% compared to the first quarter of 2006. Capital expenditure amounted to €42 mln, or 6% of sales in the first quarter of 2007.

Cash generated from operations was €95 mln in the first quarter of 2007, driven by the strong increase in operating profit. Free cash flow at €(4) mln takes into account €18 mln paid for shares of minority shareholders of Sari Husada, which has successfully received approval to delist from the Indonesian Stock Exchange.

Net Debt and Finance Costs

Net debt remained relatively constant at €1,415 mln in the first quarter of 2007. Net finance costs amounted to €(20) mln in the first quarter of 2007 compared to €(28) mln in the first quarter of 2006, driven by lower interest expenses as a result of ongoing deleveraging and less negative foreign exchange impacts. More information can be found in appendix 6.

Shareholders' Equity

Shareholders' equity improved by €88 mln to €957 mln in the first quarter of 2007. The improvement was mainly driven by retained earnings of €74 mln. An overview of the movements in shareholders' equity can be found in appendix 4.

A live and on demand audio web cast of the conference call for analysts and investors will start at 10:00 hrs CET on Wednesday 2 May 2007. The related presentation slides will be available on our website (www.numico.com) at 7:30 hrs CET.

Appendix 1

Consolidated income statement *(at actual rates)*

(€ mln)	First Quarter		
	2007	2006	% change
Sales	674	633	6.5
Other revenues	4	3	-
Total revenues	679	636	6.8
Cost of raw materials and consumables	(205)	(207)	(0.9)
Personnel costs	(145)	(140)	3.6
Advertising and promotion costs	(76)	(70)	9.8
General and administrative costs	(113)	(108)	4.1
Depreciation	(13)	(11)	22.6
Amortisation and impairment	(4)	(4)	6.5
Other income	0	1	-
Operating profit	123	97	26.4
Net finance costs	(20)	(28)	(29.0)
Share in profit of joint venture	-	1	-
Profit before tax	103	70	47.1
Income tax expense	(28)	(21)	32.6
Profit from continued operations	74	49	53.5
Net loss from discontinued operations	-	(1)	
Profit for the period	74	48	56.3
<i>Attributable to:</i>			
Equity holders	74	47	56.6
Minority interest	0	0	-
Basic earnings per share (€)	0.39	0.25	54.8
Diluted earnings per share (€)	0.37	0.24	52.0

Number of shares outstanding

(mln)	First quarter	
	2007	2006
At period-end	192.75	190.23
Period average	192.35	190.13
Diluted	212.40	210.55

Appendix 2

Consolidated balance sheet

(€ mln)		
	31 March 2007	31 Dec. 2006
Intangible assets	2,142	2,132
Property, plant and equipment (PPE)	450	438
Financial assets	9	12
Deferred income tax assets	292	303
Derivative financial instruments	-	-
Non-current assets	2,893	2,885
Inventories	291	252
Trade receivables	321	312
Other receivables	91	89
Cash and cash equivalents	235	280
Current assets	938	933
Non-current assets held for sale	22	23
Total assets	3,853	3,841
Capital and reserves attributable to equity holders	957	869
Minority interest	3	4
Total equity	960	873
Borrowings	1,410	1,491
Employee benefits	101	101
Provisions	4	6
Deferred income tax liabilities	377	377
Derivative financial instruments	32	30
Other financial liabilities	76	67
Non-current liabilities	2,000	2,072
Trade payables	385	374
Other payables	233	251
Borrowings	200	171
Provisions	16	14
Current income tax liabilities	58	80
Derivative financial instruments	1	6
Current liabilities	893	896
Total equity and liabilities	3,853	3,841

Appendix 3

Consolidated cash flow statement

(€ mln)	First Quarter	
	2007	2006
Operating profit	123	97
<u>Adjustments:</u>		
Depreciation	13	11
Amortisation and impairment	4	4
Movement in provisions	-	5
Net change in trade working capital	(37)	(29)
Net change in non-trade working capital	(15)	1
Other	7	5
	(28)	(3)
Cash generated from operations	95	94
Interest received	3	4
Interest paid	(11)	(14)
Income tax paid	(36)	(5)
	(44)	(15)
Cash flow from operating activities	51	79
<u>Investing activities</u>		
Proceeds of sale of PP&E	3	1
Capital expenditures	(42)	(31)
Acquisition EAC Nutrition	-	(1,190)
Investments in subsidiaries	(18)	-
Loan repayments received from third parties	2	-
Cash flow from investing activities	(55)	(1,220)
<u>Financing activities</u>		
Use / (redemption) of credit facility	(80)	(145)
Use / (redemption) of other ST loans	14	-
Use / (redemption) of commercial paper	47	69
Issued shares	10	3
Cash flow from financing activities	(9)	(73)
Exchange rate differences	-	5
Change in cash (equivalents) and bank overdrafts	(13)	(1,209)
Cash (equivalents) and bank overdrafts 1 January	234	1,426
Bank overdrafts 1 January	(46)	(31)
Cash (equivalents) and bank overdrafts 31 March	221	217
Bank overdrafts 31 March	(14)	(17)
Free cash flow*	(4)	49

* Cash flow from operating activities minus cash flow from investing activities and excluding payments relating to acquisitions

Appendix 4

Reconciliation from organic growth to reported growth

(in %)	Baby	Clinical	Total
Organic sales growth	8.0	14.1	9.6
Acquisitions / divestments	0.3	(7.3)	(1.7)
Currency translation effect	(2.2)	(0.7)	(1.8)
Growth continued business	6.1	6.1	6.1
Business to be divested			0.4
Reported sales growth			6.5

Reconciliation of EBITA to operating profit

(in € mln)	Q1 07	Q1 06
EBITA as reported	127	118
Exceptionals	0	(17)
Amortisation and impairment	(4)	(4)
Operating profit as reported	123	97

Reconciliation of profit for the period to normalised profit

(in € mln)	Q1 07	Q1 06
Profit attributable to equity holders	74	47
Net loss from discontinued operations	-	1
Exceptionals (net of tax)	(0)	14
Normalised profit attributable to equity holders	74	63

Movements in shareholders' equity

(€ mln)	
Shareholders' equity at 1 January 2007	869
Profit for the period	74
Net result charged directly to equity	(6)
Issued share capital – stock options	10
Cost of stock options	7
Other movements	3
Shareholders' equity at 31 March 2007	957

Appendix 5

Information by activity – First quarter 2007

SALES	First quarter		% change	
<i>(in € mln)</i>	2007	2006	comparable	actual
Baby Food	485	457	8.0	6.1
Clinical Nutrition	184	173	14.1	6.1
Sales continued business	669	630	9.6	6.1
Businesses to be divested	5	3	-	-
Total Sales	674	633	-	6.5

EBITA	First quarter		% change	
<i>(in € mln)</i>	2007	2006	comparable	actual
Baby Food	91	88	6.2	3.1
Clinical Nutrition	48	45	13.1	6.7
Non-allocated	(13)	(13)		
EBITA continued business	126	121	9.1	4.5
Businesses to be divested	1	(3)	-	-
Total EBITA	127	118	-	7.8

EBITA margin	First quarter		change in bps	
	2007	2006	comparable	Actual
Baby Food	18.8	19.3	(20)	(50)
Clinical Nutrition	26.2	26.0	(20)	20
EBITA margin continued business	18.9	19.2	0	(30)
Total EBITA as a % of sales	18.8	18.6	30	20

Appendix 6

Net debt

<i>(in € mln)</i>	31 March 2007	31 Dec. 2006
Convertible loans	351	351
Bank loans	625	705
Senior notes	470	474
Other loans	191	128
Cash and cash equivalents	(221)	(234)
Sub total net debt	1,416	1,424
Financial instruments and cross currency swaps	(1)	(6)
Total net debt	1,415	1,418

Net finance costs

<i>(in € mln)</i>	2007	2006			
	Q1	Q4	Q3	Q2	Q1
Interest expenses	(20)	(21)	(22)	(24)	(24)
Interest income	4	3	5	5	4
Net interest expenses	(17)	(18)	(17)	(19)	(20)
Other	(1)	(1)	(1)	(1)	0
Sub-total financial income and expenses	(18)	(19)	(19)	(20)	(20)
Financial instruments and currency translation effects	(2)	(3)	(3)	1	(7)
Total net finance costs	(20)	(22)	(22)	(19)	(28)

Appendix 7

GENERAL INFORMATION

This interim financial report has been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Commission. All accounting policies have been consistently applied to the 2006 comparatives. It is to be noted that totals might deviate from the sum of the individual inputs due to rounding.

WARNING ABOUT FORWARD-LOOKING STATEMENTS

Some statements in this document are forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. These forward-looking statements involve known and unknown risks, uncertainties and other factors that are outside of our control and impossible to predict and may cause actual results to differ materially from any future results expressed or implied.

These forward-looking statements are based on current expectations, estimates, forecasts and projections and our beliefs and assumptions about future events. Forward-looking statements include, without limitation, statements concerning Numico's results or financial position and the other factors discussed in the company's annual report. An overview of the most important financial factors that may affect Numico's results are provided in the company's most recent Annual Report.

Given these uncertainties, no assurance can be given as to Numico's future results or financial position. You are cautioned not to put undue reliance on these forward-looking statements, which only speak as of the date of this document and are neither predictions nor guarantees of future events or circumstances. Numico does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.