

WIMM BILL DANN FOODS OJSC

Form 6-K

December 26, 2007

FORM 6-K

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**Report of Foreign Issuer
December 17, 2007**

**Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934**

Commission file number: 001-31232

WIMM-BILL-DANN FOODS OJSC

(Exact name of Registrant as specified in its charter)

Russian Federation

(Jurisdiction of incorporation or organization)

16, Yauzsky Boulevard

Moscow 109028

Russian Federation

(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

WIMM-BILL-DANN FOODS OJSC ANNOUNCES
IMPRESSIVE REVENUE AND NET PROFIT GROWTH
FOR NINE MONTHS 2007
AGAINST CHALLENGING GLOBAL COST ENVIRONMENT

Moscow, Russia December 14, 2007 Wimm-Bill-Dann Foods OJSC [NYSE:WBD] today announced its financial results for nine months and the third quarter ended September 30, 2007.

Highlights of nine months 2007:

- **Group sales saw impressive 40.4% growth to US\$1,758.3 million**
- **Gross profit increased 43.4% to US\$578.4 million**
- **Underlying* operating income rose 30.2% to US\$168.3 million**
- **Underlying net income increased 33.4% to US\$105.6 million**
- **Underlying EBITDA(1) increased 30.9% to US\$229.4 million**
- **Earnings per share grew to US\$2.40 from US\$1.50**

Commenting on the results, Tony Maher, Wimm-Bill-Dann's chief executive officer said, "We are very pleased with the strong results we achieved for the first nine months of 2007 especially in the most challenging raw material cost environment. Despite a sharp rise in raw milk prices, we continued to improve our EBITDA margin to 13.5% in the third quarter of 2007 compared to 12.7% in the second quarter of 2007. During the nine months of 2007 net profit growth was a solid 33.4% and we continued to show impressive revenue growth of 40.4% at the group level.

Our beverages business continues to progress well realizing a solid 28.6% sales increase and a significant margin improvement to 40.4% in the first nine months of 2007 from 34.4% in the same period last year. Our dairy division delivered strong results during first nine months of 2007 with sales increasing 43.1% to US\$1,328.7 million, while gross margins decreased only slightly a significant achievement given the sharp rise in the price of raw milk. Our baby food division continued to gain momentum with sales increasing 44.0% to US\$119.0 million while gross margins expanded to 44.4% from 41.3% in the prior year period.

In conclusion, I am pleased with our performance for the 9 month period as we continue to successfully execute on our strategy and deliver on our commitment to improve our route-to-market and invest in building consumer preference in our brands. I am confident that Wimm-Bill-Dann is well positioned to continue to achieve consistently strong results and significant value for our customers and stockholders.

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- * Underlying term here and after means that numbers do not include the impact of special charges.
(1) Note: See Attachment A for definitions of EBITDA and EBITDA margin and reconciliations to net income.

Key Financial Indicators of Nine Months 2007 vs. 2006 (Excluding Special Charges)

	9M 2007 US\$ mln	9M 2006 US\$ mln	Change
Sales	1,758.3	1,252.6	40.4%
<i>Dairy</i>	<i>1,328.7</i>	<i>928.5</i>	<i>43.1%</i>
<i>Beverages</i>	<i>310.6</i>	<i>241.5</i>	<i>28.6%</i>
<i>Baby Food</i>	<i>119.0</i>	<i>82.6</i>	<i>44.0%</i>
Gross profit	578.4	403.4	43.4%
Selling and distribution expenses	(281.7)	(164.8)	70.9%
General and administrative expenses	(129.5)	(100.1)	29.4%
Operating income	168.3	129.2	30.2%
Financial income and expenses, net	(15.4)	(10.3)	50.1%
Net income	105.6	79.2	33.4%
EBITDA	229.4	175.2	30.9%
CAPEX excluding acquisitions	127.7	74.9	70.5%

Key Financial Indicators of 3Q 2007 vs. 2006

	3Q 2007 US\$ mln	3Q 2006 US\$ mln	Change
Sales	610.5	439.0	39.1%
<i>Dairy</i>	470.3	333.5	41.0%
<i>Beverages</i>	98.5	77.8	26.6%
<i>Baby Food</i>	41.7	27.7	50.6%
Gross profit	200.6	149.8	33.9%
Selling and distribution expenses	(95.8)	(52.8)	81.5%
General and administrative expenses	(43.2)	(37.4)	15.5%
Financial income and expenses, net	(2.9)	(4.7)	(38.5)%

	Including Special Charges			Excluding Special Charges		
	3Q 2007 US\$ mln	3Q 2006 US\$ mln	Change	3Q 2006 US\$ mln	Change	
Operating income	59.9	37.9	57.8%	54.1	10.7%	
Net income	39.8	19.4	104.9%	32.4	22.7%	
EBITDA	82.2	54.2	51.7%	70.4	16.8%	
CAPEX excluding acquisitions	58.6	29.0	102.5%			

Dairy

Sales in the Dairy Segment increased 43.1% to US\$1,328.7 million in the first nine months of 2007 from US\$928.5 million in the same period of 2006. Acquisitions made in late 2006 contributed US\$116.4 million to overall sales growth in the Segment. Top-line growth was driven mainly by a healthy balance of volume and pricing. The average dollar selling price rose 15.9% to US\$1.05 per kg in the first nine months of 2007 from US\$0.91 per kg in the same period of 2006. This increase was driven primarily by average ruble price growth. The latter part of the year saw an unprecedented rise in the price of raw milk, both globally and in Russia. Our raw milk cost increased 34.3% year-on-year in ruble terms (41.2% in dollar terms) in the third quarter and 17.3% year-on-year in ruble terms (24.0% in dollar terms) in the first nine months of 2007. Despite such a sharp rise in the price of raw milk, the gross margin in the Dairy Segment decreased only slightly to 30.1% in the first nine months of 2007 from 30.8% for the same period last year.

Beverages

Sales in the Beverages Segment increased 28.6% to US\$310.6 million in the first nine months of 2007 from US\$241.5 million in the same period last year, driven mainly by volume growth and selling price increase. The average selling price increased 16.3% to US\$0.83 per liter in the first nine months of 2007 from US\$0.71 per liter in the first nine months of 2006. Despite continued raw materials cost pressure, the gross margin in the Beverages Segment increased to 40.4% in the first nine months of 2007 from 34.4% in the first nine months of 2006, driven by continued efficiency improvements and better pricing and discount management in all regions.

Baby Food

Sales in the Baby Food Segment increased 44.0% to US\$119.0 million in the first nine months of 2007 from US\$82.6 million in the same period last year. This was driven primarily by volume growth. The average selling price rose 7.1% to US\$1.86 per kg in the first nine months of 2007 from US\$1.74 per kg in the first nine months of 2006. The gross margin in the Baby Food Segment increased to 44.4% from 41.3%, owing to the launch of our own production facility in Kursk and a decreased share of co-packing in the overall sales.

Key Cost Elements

In line with our previous communications, improving our route-to-market and continued investment in top-line growth through marketing led to an increase in selling and distribution expenses to 16.0% of sales during the first nine months of 2007 compared to 13.2% of sales in the first nine months of 2006. General and administrative expenses fell to 7.4% of sales in the first nine months of 2007 compared from 8.0% of sales in the first nine months of 2006.

In the first nine months of 2007, financial expenses increased 50.1% year-on-year to US\$15.4 million, primarily due to higher interest expenses. Our effective tax rate decreased to 29.3% in the first nine months of 2007 from 33.4% in the same period of 2006.

Net Income

Underlying net income increased 33.4% to US\$105.6 million in the first nine months of 2007 from US\$79.2 million in the first nine months of 2006.

Note: The Company has filed 20-F for FY 2006 to the SEC. The report can be also downloaded from our web site www.wbd.com

*Attachment A**Reconciliation of EBITDA and EBITDA margin to US GAAP Net Income*

EBITDA is a non-U.S. GAAP financial measure. The following table presents reconciliation of EBITDA to net income (and EBITDA margin to net income as a percentage of sales), the most directly comparable U.S. GAAP financial measure.

	9 months ended September 30, 2007		9 months ended September 30, 2006	
	US\$ mln	% of sales	US\$ mln	% of sales
Net income	105.6	6.0%	66.2	5.3%
Add: Depreciation and amortization	61.1	3.5%	46.0	3.7%
Add: Income tax expense	44.7			