



FIRST QUARTER RESULTS 2008

KEY FINANCIALS

(unaudited)

€ million	First Quarter 2008		
	Current rates	Increase/(Decrease) Current rates	Constant rates
Turnover	9 571	0 %	6 %
Operating profit	1 815	39 %	46 %
Pre-tax profit	1 782	34 %	39 %
Net profit	1 407	34 %	39 %
EPS (Euros)	0.47	35 %	39 %

A STRONG START TO THE YEAR

Financial Highlights

- Underlying sales growth of 7.2%.
- Operating margin of 19.0%, including €517 million disposal profits. Underlying improvement in operating margin of 0.3 percentage points before restructuring and disposals.
- Earnings per share up 35%, boosted by the disposal profits.

Operational Highlights

- Broad-based growth across regions and categories, with Developing and Emerging markets particularly strong.
- Increasing contribution from pricing, up 4.8%, in response to rising commodity costs.
- Further progress with accelerated restructuring plan including the start-up of three multi-country organisations in Europe and steps to increase supply chain productivity.
- Sale of Boursin and extension of the Pepsi/Lipton JV completed in the first quarter. Acquisition of Inmarko, the leading Russian ice cream company, completed in April.

GROUP CHIEF EXECUTIVE COMMENT

"We have had a good start to the year, with strong organic growth across our categories and an underlying improvement in operating margin.

We continue to invest behind our brands, while taking the necessary pricing action to recover a sharp increase in commodity costs. We have a strong innovation programme for 2008, with many important initiatives already in the market. We expect our productivity and value improvement initiatives to continue to deliver excellent results.

The disciplined execution of our strategy, together with the combined advantage of strong brands, a product range serving consumer's everyday needs and our broad geographical footprint, leave us well placed to deliver competitive growth with an underlying improvement in operating margin in 2008, despite challenging conditions.

While it is early in the year, we now expect underlying sales growth in 2008 to exceed our 3-5% target range."

Patrick Cescau, Group Chief Executive

8 May 2008