

Expanding the boundaries of nutrition



Luis Cantarell

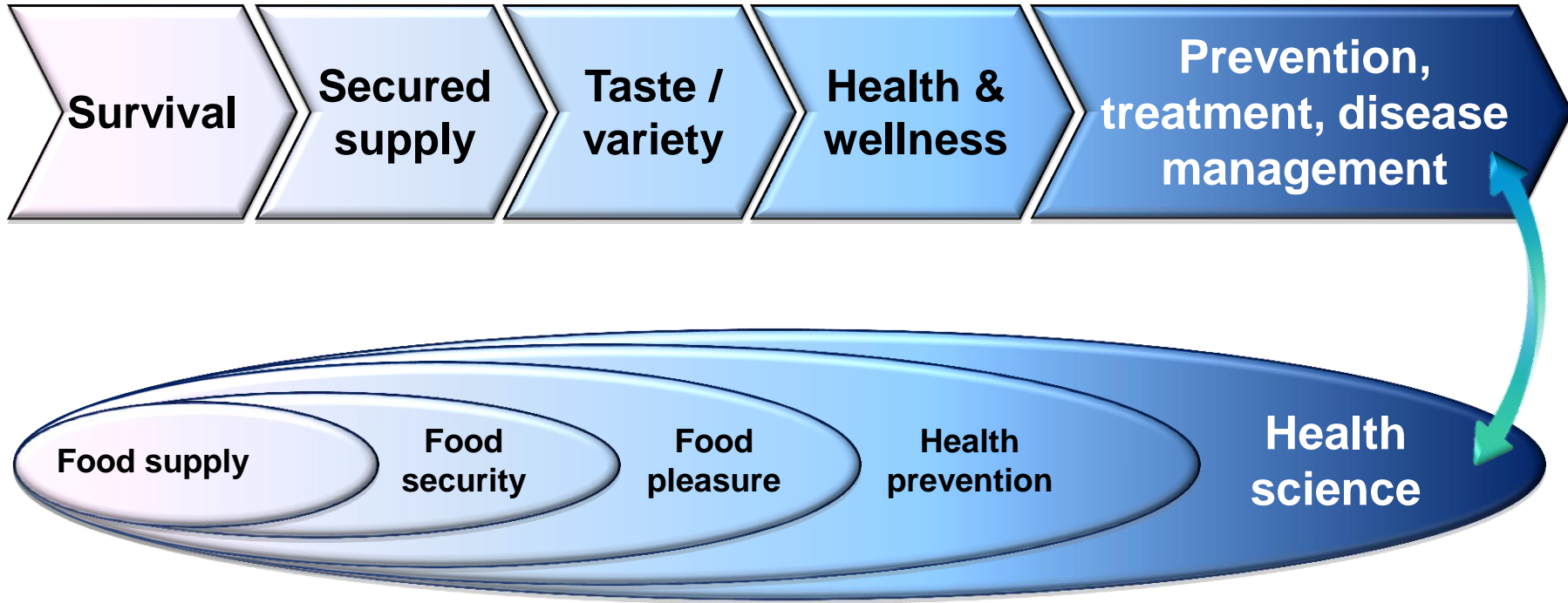
Nestlé Investor Seminar
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Disclaimer

This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.

Expanding the boundaries of nutrition...

What does it mean?



Nestlé – world leader in Nutrition, Health & Wellness

Enhancing the quality of life...

... with good food & beverages
... everywhere...



Nestlé

Good Food, Good Life

... with nutritional
solutions for disease
management



Nestlé Health Science

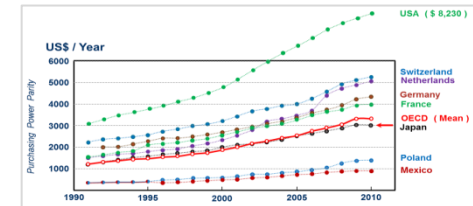
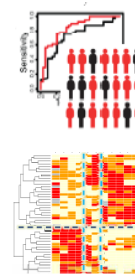
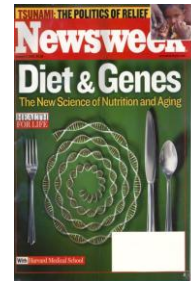
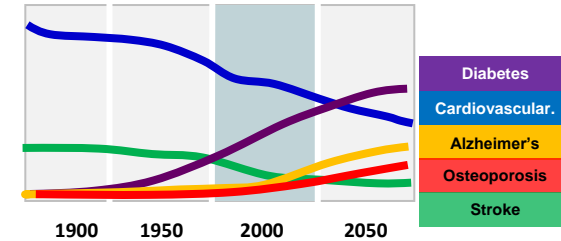


Nestlé Institute of
Health Sciences

Macroeconomic & socio-demographic trends

The New Reality

- Ageing population
- Rising chronic disease epidemics
- Scientific evolution
- Healthcare costs keep rising



Elevating the role of nutrition

The potential of nutrition is real



- **Educating** our stakeholders on the role of nutrition to achieve better outcomes



- Building the **evidence** through clinical and health economics data



- Creating a value message for payers on **cost effectiveness**



We have assembled a strong team

NHSc leadership team – diverse experience



Luis Cantarell
President & CEO



Dan Stroud
Chief Financial Officer



Michel Gardet
Global Business Head HCN



Cathy Kerzner
Head of Strategy & Marketing



Claudio Kuoni
General Counsel



Irène Corthésy
Head of R&D



Jean-Christophe Font
Head of Human Resources



Bruce McConnell
Head of Business Development



Thierry Trouvet
Head of Operations



Jean Zetlaoui
Chief Medical Officer



Marie-Françoise Rüttimeyer
Head of Communications

We have defined our territory

Ageing Medical Care	Critical Care / Surgery	Paediatric Medical Care
		
Medical Devices		
Diagnostics + Monitoring		
Brain Health	Metabolic Health	Gastrointestinal Health
		

HealthCare Nutrition business

Strong and growing...

- Sales: accelerated CAGR OG of 7.2% (2010-2012)
- Ranking: #1 or #2 in 11 of top 16 markets
- Industrial investment driving competitive advantage and operational efficiency
- Vitaflo: high double-digit growth and ongoing geographical expansion



... and we are continuing to innovate

- **Convenience and taste**



- **Unique technologies in tube feeding packaging**

- **Enteral nutrition connectors – enhancing patient safety**



- **Differentiated disease specific solutions**



Developing and building capabilities

Acquisitions, partnerships, investments



2011

- Diagnostics (Dx) core capability
- Gastrointestinal and oncology products (Rx)



2012

- Neurological disorders (e.g. Alzheimer's Disease)



* Minority interest



2013

- Chronic metabolic and neurologic conditions



2013

- Gastrointestinal disorders
- Traditional Chinese medicine library



** JV

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Nestlé Institute of Health Sciences innovation

Leading at the new frontiers



- Situated within the **EPFL** campus
 - linked to innovation network
- Laboratories: **15**
- Scientific recognition:
 - **43 publ.** and **3 grants** (2012/13)
- Employees: **110**
 - **63% Ph.D.**
 - **19 nationalities**
 - **Diverse backgrounds:** FDA, Novartis, BASF, Apple, ...

NIHS – Mission, strategic direction and deliverables

Metabolic health

Brain health

Gastrointestinal health

Ageing medical care

Critical care & surgery

Paediatric medical care



Competence areas

Systems & computation science

Molecular signalling & biomarkers

Mitochondria, cellular models

Micronutrients, microbiome analysis

Natural products screening

The Impact story

Immunonutrition in the management of disease...

Disease / patient need

- High complication rate after elective GI cancer surgery: **31%**
- Postoperative complications lead to prolonged hospitalisation & increased costs

Nutritional solution



IMPACT[®]
Immunonutrition

Clinically proven

- More than **2,500 patients** undergoing surgery for **GI malignancies**
- Clinical trials: **28**
- Immunonutrition reduces
 - risk of post-operative infections: **-36%**
 - length of hospital stay: **-2.6 days**
- Cost savings per patient **CHF2,600**

The Meritene story

Nutritional Supplements for adults / kids

Disease / patient need

- For kids and adults requiring special nutritional support due to:
 - Lack of appetite
 - Picky eaters
 - Illness
 - Ageing
 - Convalescence

Nutritional solution



Clinically proven

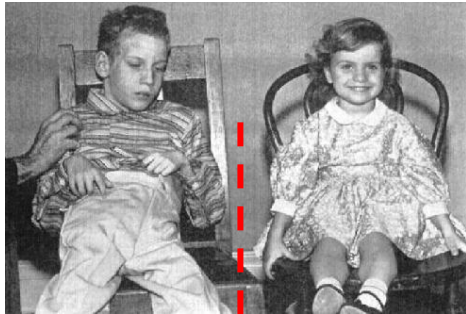
- Clinical evidence supporting oral nutritional supplements
- Level A of evidence in most clinical situations
- Recognised in peer publications (i.e. Lancet)

The PKU Story...

For inborn metabolic disorders

Disease / patient need

- Inborn error of metabolism



Two siblings with PKU. Only the **sister** had been diagnosed and treated since birth

Nutritional solution

Birth to 1 Year		PKU start
6 Months to 10 years		PKU squeeze
6 Months to 10 years		PKU gel
3 Years to Adult		PKU cooler system
3 Years to Adult		PKU express system

Clinically proven

- Nutritional therapy is the gold standard
- Vitaflo's portfolio offers "diet for life" solutions

Our unique innovation model

Utilising the innovation network

**Dx = Diagnostics,
prognosis &
monitoring**



Dx

**Science-based, targeted
nutritional solutions
to protect health &
manage chronic
diseases**

**Rx = Drug
treatment**



Rx

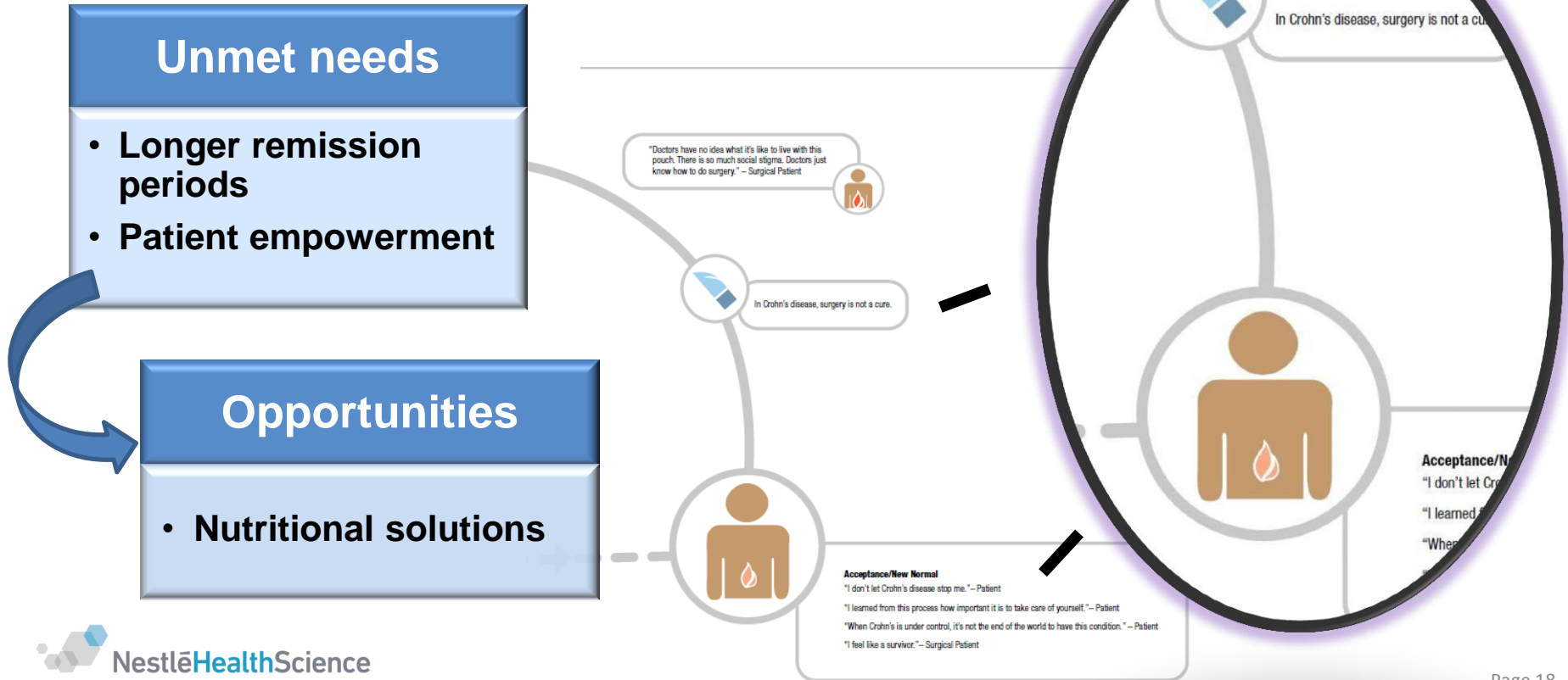
Nx

Nx = Nutrition



It starts with the patient

The "Patient Journey" – GI Example



Prometheus – diagnostic technology innovation

Personalising patient care

Launch 2012

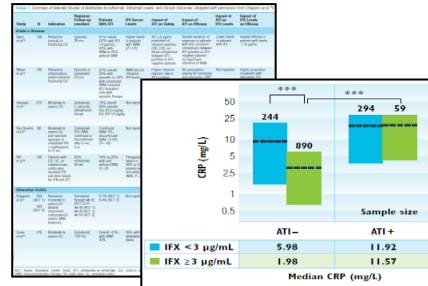
PROMETHEUS®
Anser™ IFX

Launch 2013

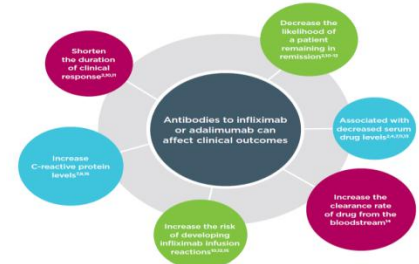
PROMETHEUS®
Anser™ ADA

Two new diagnostic launches covering the most broadly used biologic treatments for IBD (Inflammatory Bowel Disease)

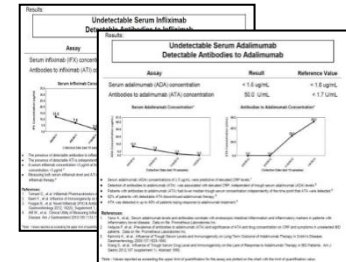
➤ Greater clarity in understanding loss of response



➤ Reports help inform GI specialists in their patient management decisions



➤ Backed by clinical evidence



10 years to become leader

Building a transformational business

We are executing on our strategy



NHSc Start

HealthCare
Nutrition



2 years to build leading organisation

Innovation network
Portfolio investments
HealthCare Nutrition



5 years to build product portfolio & pipeline

In-house new products
Innovation network
Portfolio investments
HealthCare Nutrition



10 years to become leader





NestléHealthScience



**A forward looking vision
An innovative approach
A coherent, phased strategy
A winning team!**

**Delivering good results today
and
ready for the future**