



Welcome to the Full-Year Results Conference

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.



Full-Year Results Conference

Paul Bulcke
Nestlé CEO

Executive Board



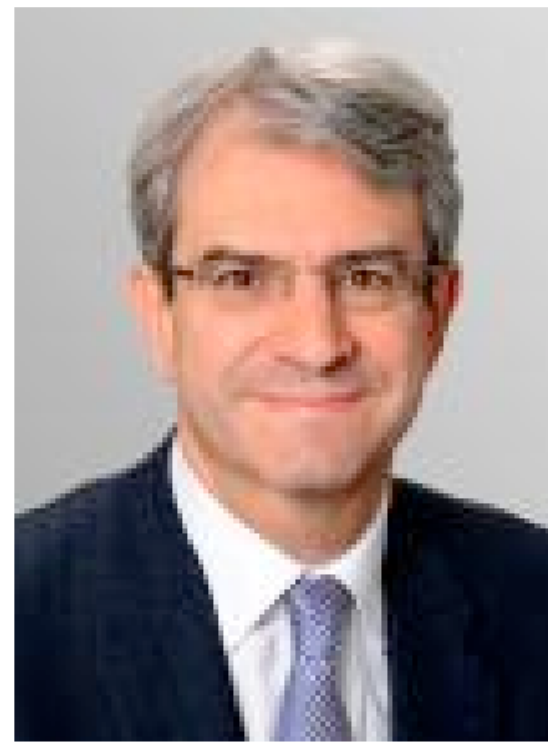
Paul Bulcke



Luis Cantarell



José Lopez



Laurent Freixe



Chris Johnson



Patrice Bula



Nandu Nandkishore



Wan Ling Martello



Stefan Catsicas



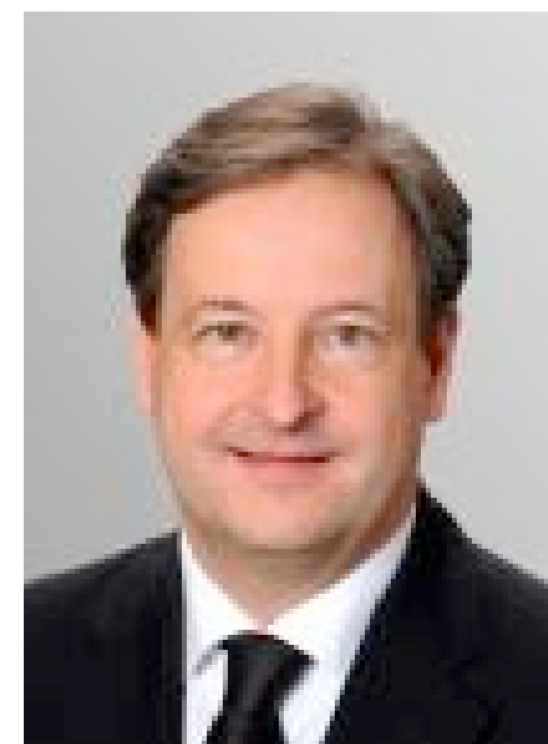
Marco Settembri



Peter Vogt



Martial Rolland



David Frick



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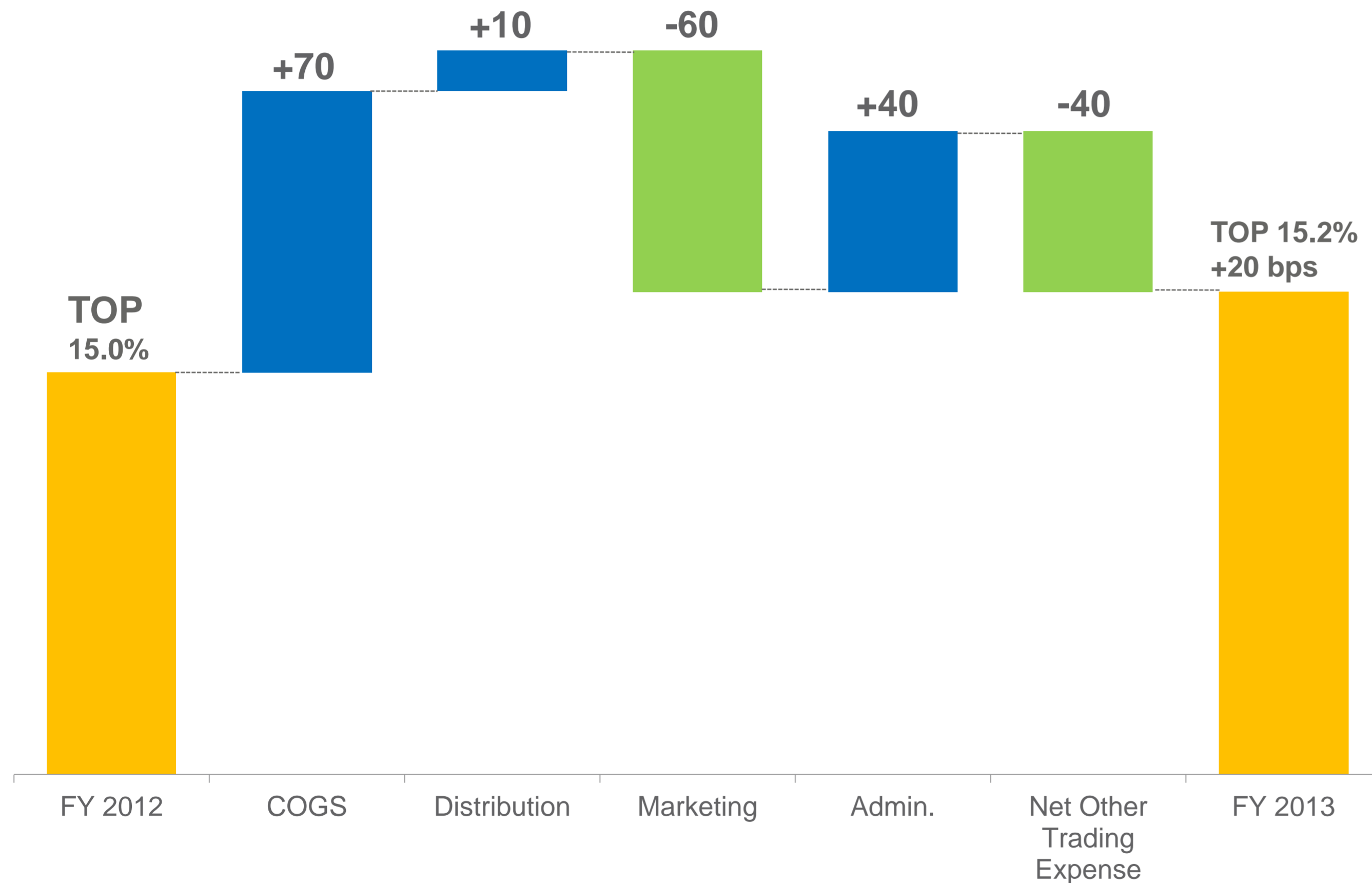
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Wan Ling Martello
Chief Financial Officer

2013 Highlights

<u>Sales</u> CHF 92.2 bn +4.6% OG +3.1% RIG	<u>Trading Operating Profit & Margin</u> CHF 14.0 bn 15.2%, +20 bps +40 bps in constant currencies	<u>Operating Cash Flow</u> CHF 15.0 bn
		<u>Underlying EPS in constant currencies</u> +11.0%

Trading Operating Profit Margin



**Trading operating profit margin
+40 bps
in constant currency**

**Consumer facing marketing
+16.3%
in constant currency**

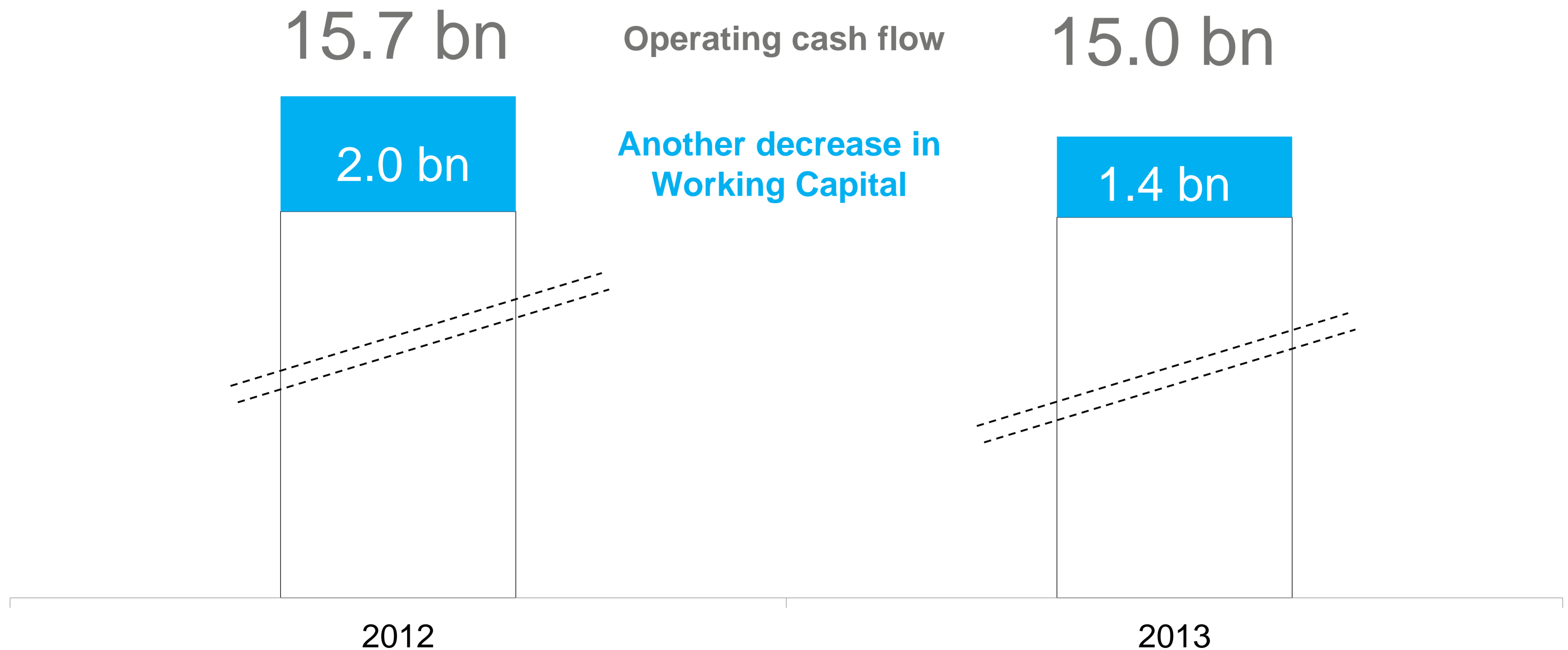
TOP = Trading Operating Profit

Income Statement

As % of sales

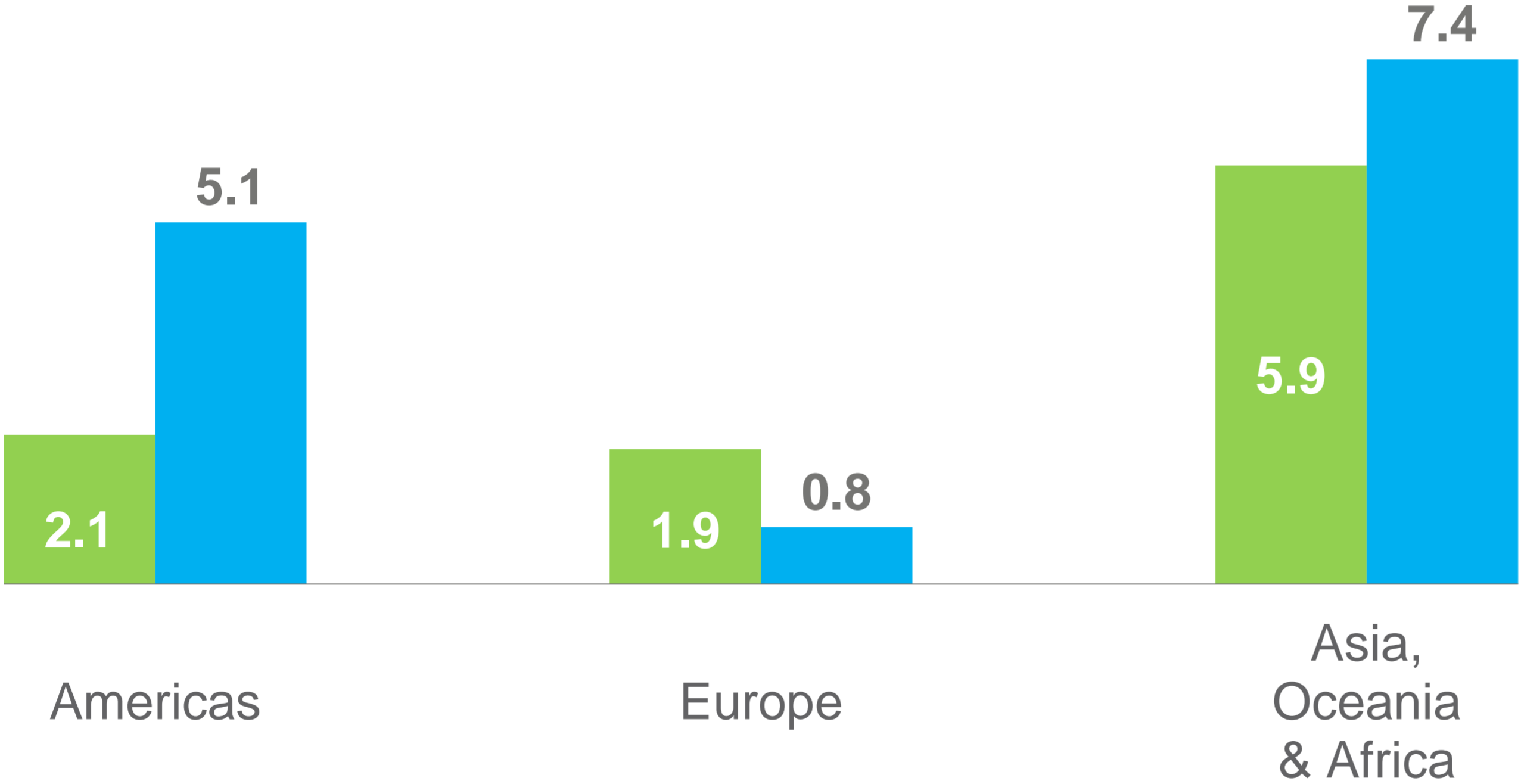
	Full Year 2012	Full Year 2013	Difference in basis points/% (rounded)
Trading operating profit	15.0	15.2	+20
Net other operating income/expense	(0.1)	(1.0)	-90
Operating profit	14.9	14.2	-70
Net financial income/expense	(0.8)	(0.7)	10
Profit before taxes and associates	14.1	13.5	-60
Taxes	(3.6)	(3.5)	10
Share of results of associates and joint ventures	1.4	1.3	-10
Profit for the year	11.9	11.3	-60
Attributable to non-controlling interests	0.5	0.4	-10
Attributable to shareholders of the parent	11.4	10.9	-50
Underlying EPS (CHF) constant currencies			+11.0%

Operating Cash Flow and Working Capital



Regional Growth

■ % RIG ■ % OG



Emerging Markets

+ 9.3% OG

Developed Markets

+1.0% OG

Sales

40.0

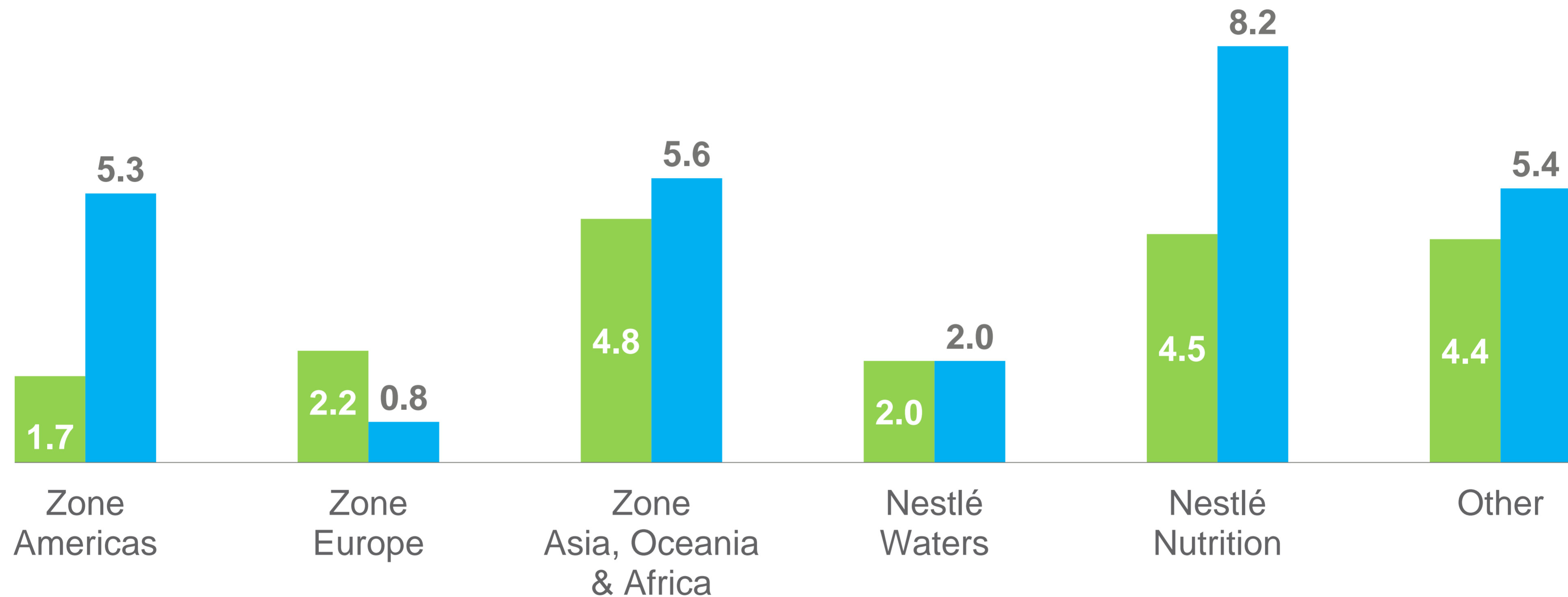
25.5

26.7

CHF bn rounded

Operating Segments Growth

■ % RIG ■ % OG



Sales

28.4

15.6

18.9

7.2

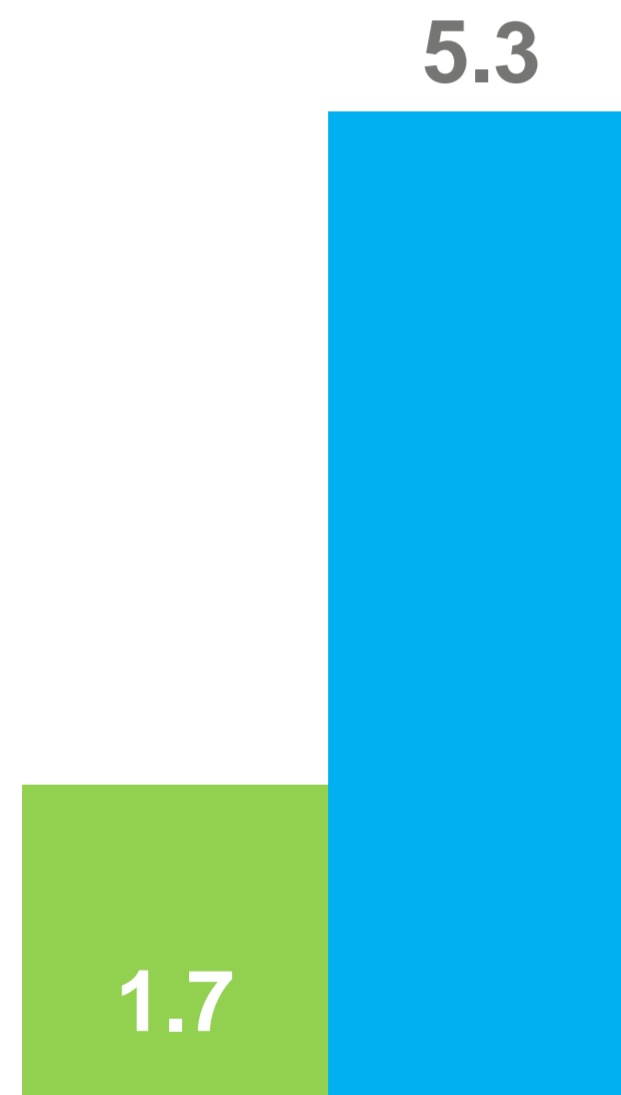
9.8

12.3

CHF bn rounded

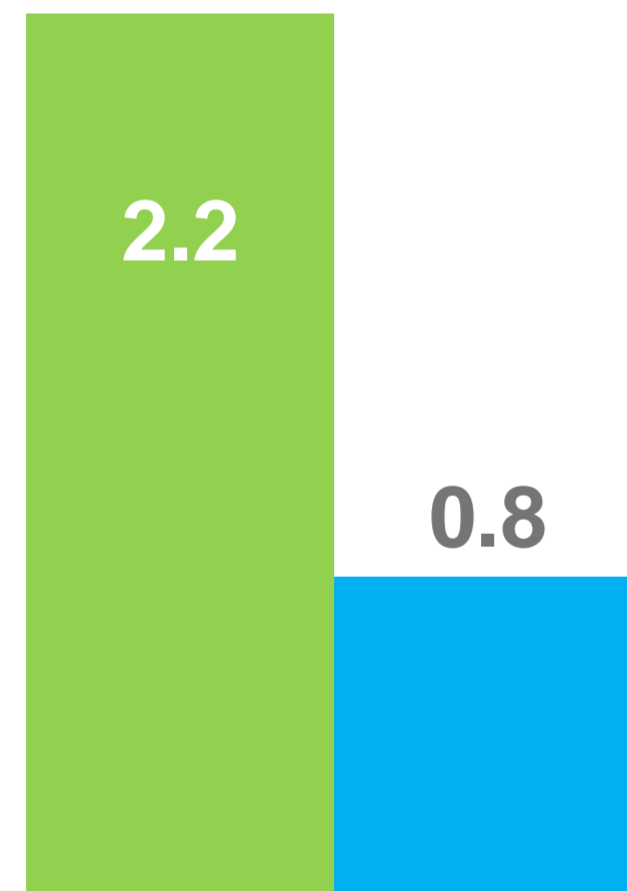
Zone Americas

■ % RIG ■ % OG



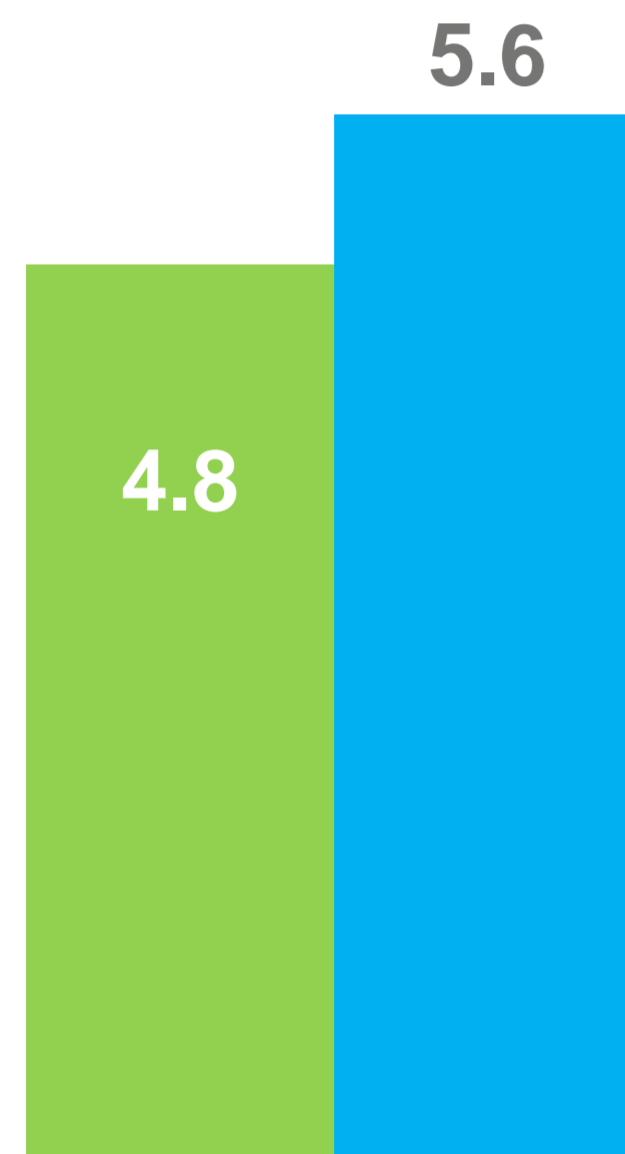
Zone Europe

■ % RIG ■ % OG



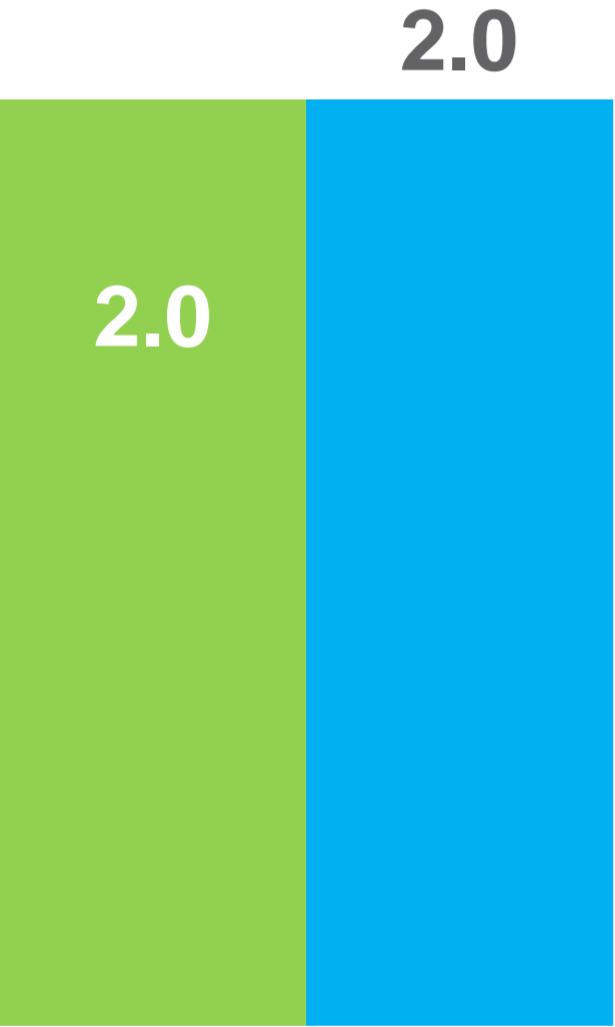
Zone Asia, Oceania and Africa

■ % RIG ■ % OG



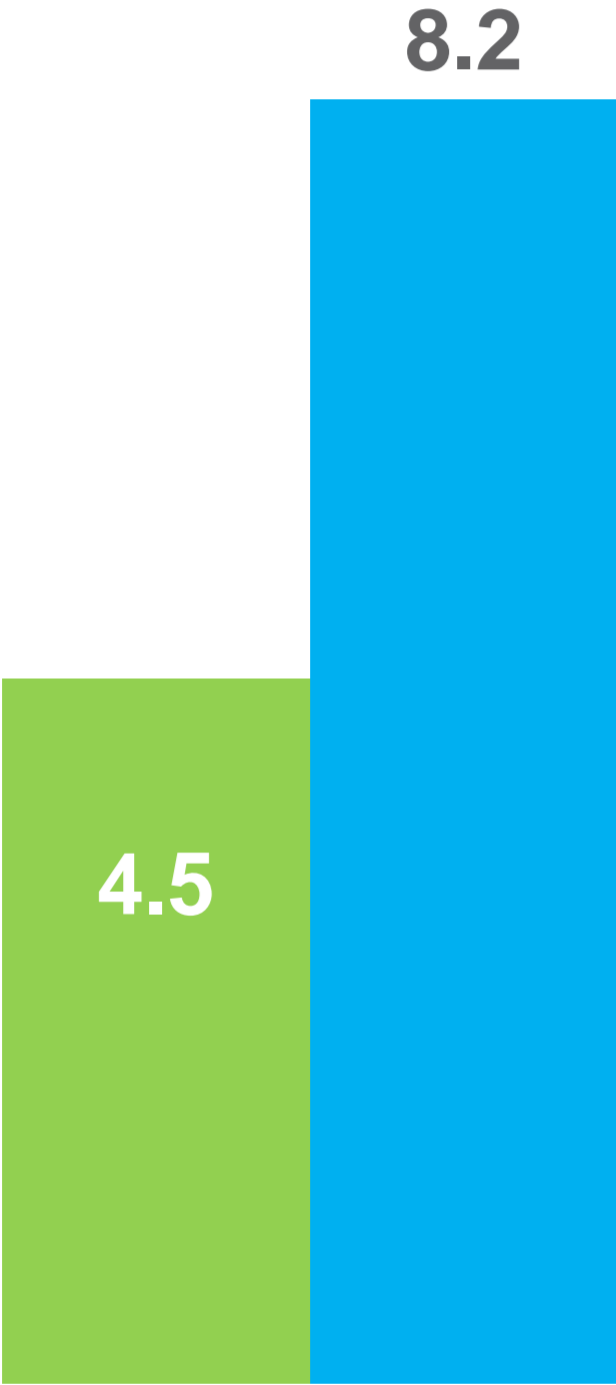
Nestlé Waters

■ % RIG ■ % OG



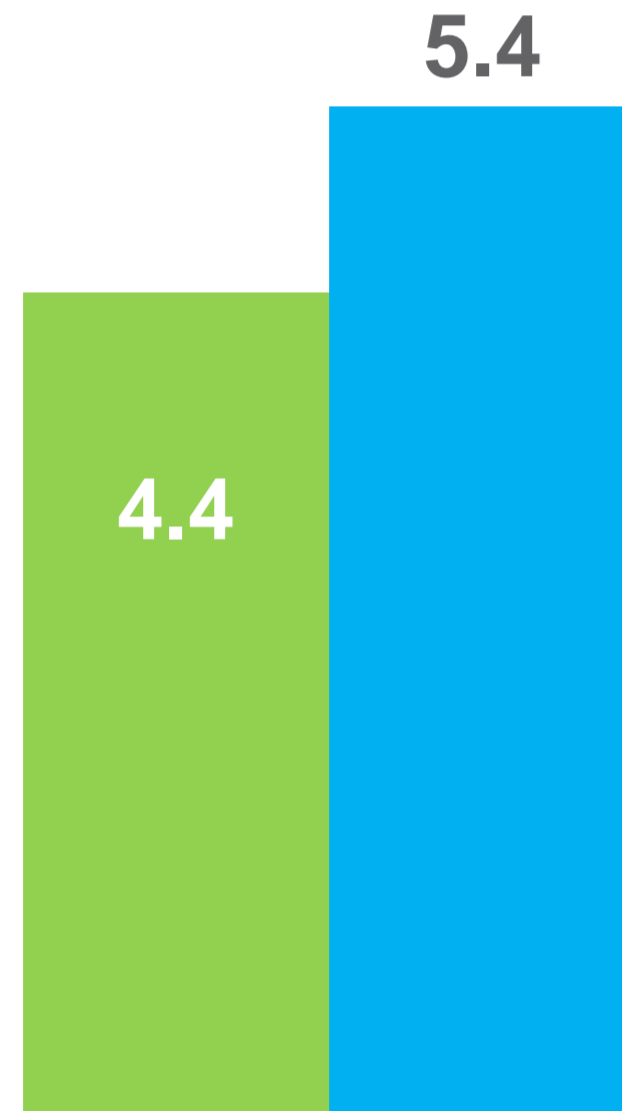
Nestlé Nutrition

■ % RIG ■ % OG



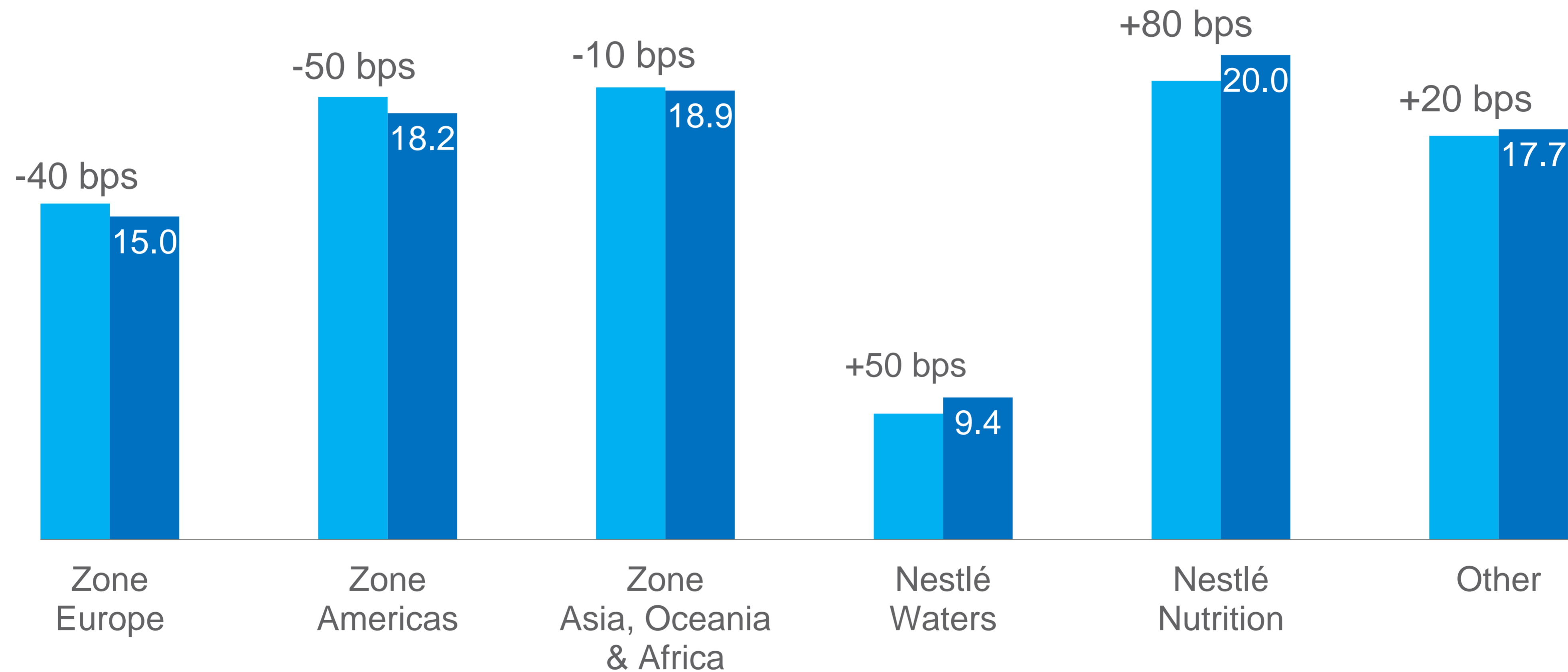
Other

■ % RIG ■ % OG



Operating Segments Margin Evolution

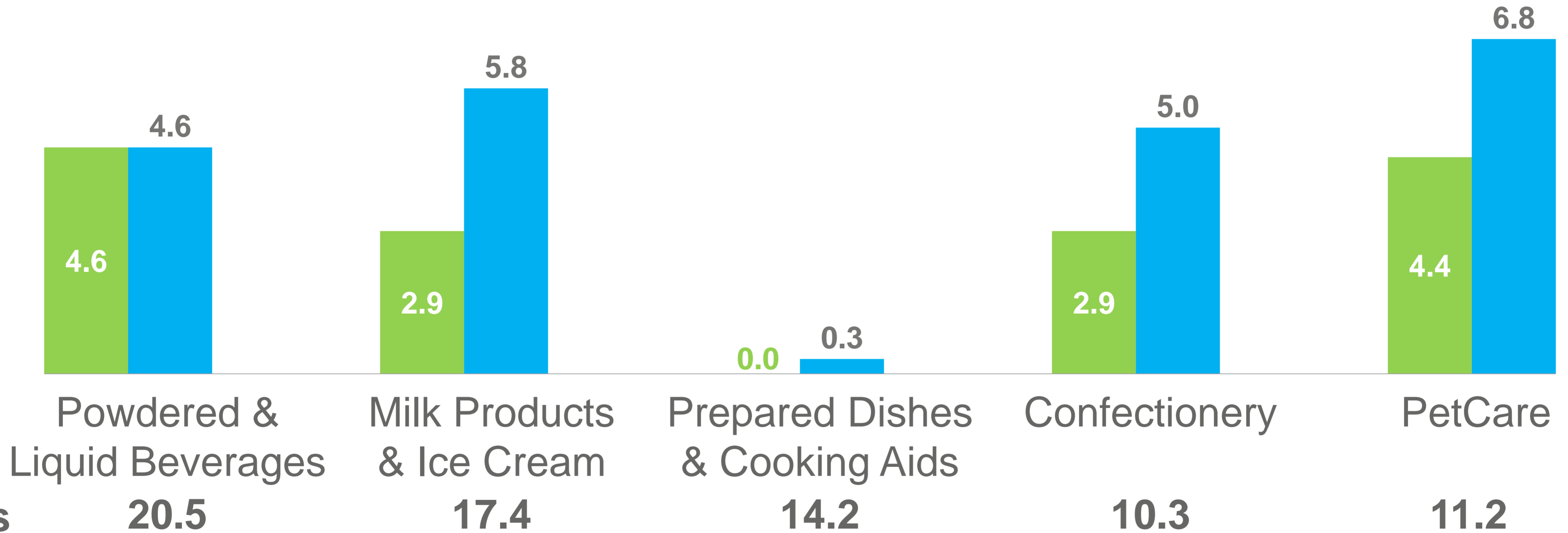
■ FY 2012 TOP% ■ FY 2013 TOP%



TOP = Trading Operating Profit

Product Groups Growth

■ % RIG ■ % OG



Sales
CHF bn rounded



NESPRESSO



Product Groups Margin Evolution

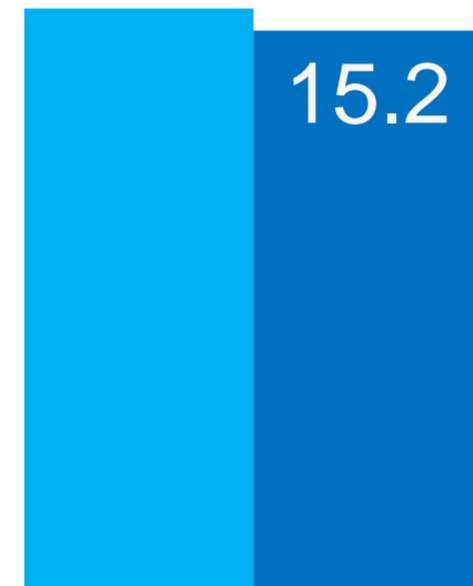
■ FY 2012 TOP% ■ FY 2013 TOP%

+70 bps



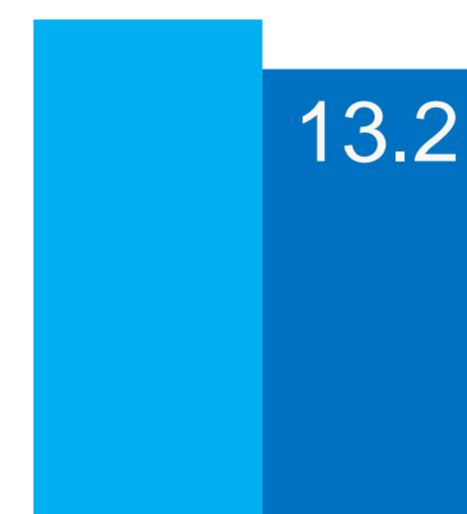
Powdered
& Liquid
Beverages

-40 bps



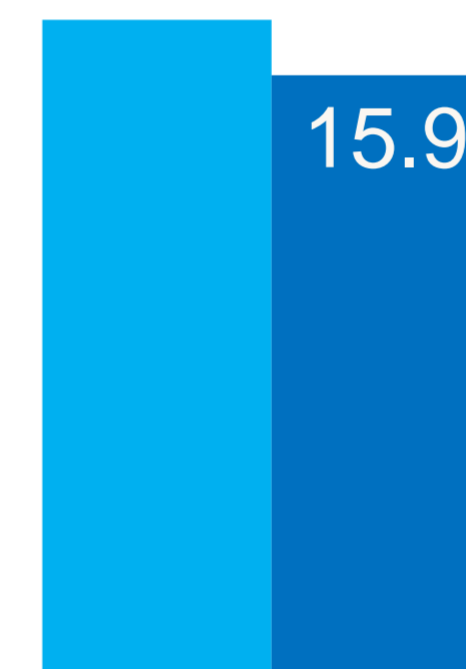
Milk Products
& Ice Cream

-90 bps



Prepared Dishes
& Cooking Aids

-100 bps



Confectionery

-60 bps



PetCare



TOP = Trading Operating Profit

2013 Full Year Summary

- **Grew in all businesses and regions**
- **Increased brand support globally**
- **Discipline in portfolio and cash management**
- **Improved margins**
- **Increased underlying EPS in constant currency**
- **Proposed dividend increase to CHF 2.15 per share**



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Paul Bulcke
Nestlé CEO

Driving our performance



Roadmap



Priorities



Focus areas

Nutrition, Health and Wellness



Nutrition, Health and Wellness



Innovation and renovation



Policies



Fortification

Nutrition, Health and Wellness



Good Food, Good Life®



Good question
How can I give my child the right nutrition for healthy growth?

Good to know
Nido 5+ has been enriched with vitamins and minerals for healthy growth. Nido 5+ is formulated with Calci-N, a natural calcium derived from milk, which helps to build and maintain strong bones.

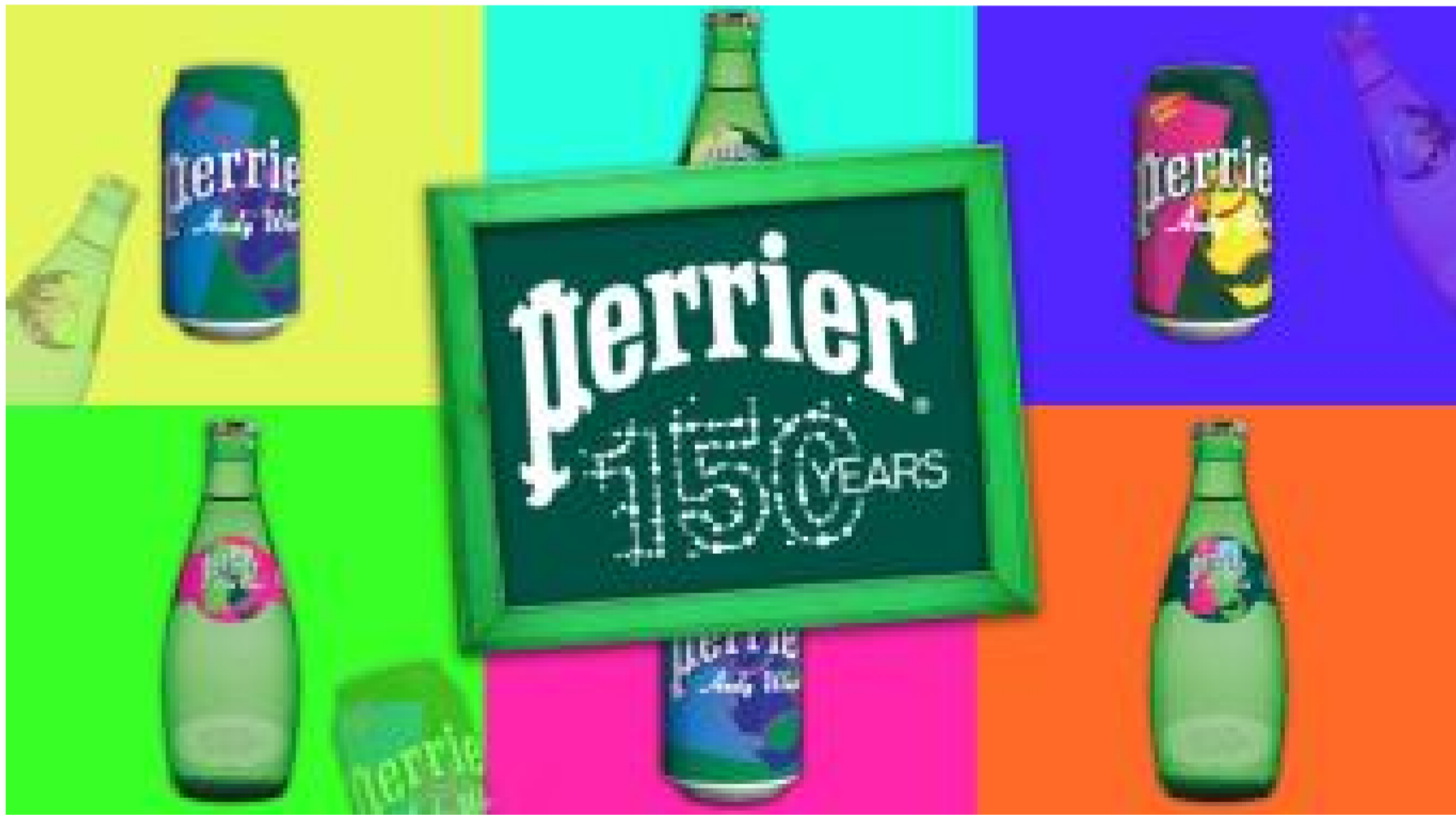
Good to remember
Clinical studies conducted by Nestlé Research clearly demonstrate that bone density is better maintained with Calci-N than other calcium salts.

Good to talk
www.nestle.com - 0800 456 457

Calci-N



Premiumisation



Unmatched product and brand portfolio

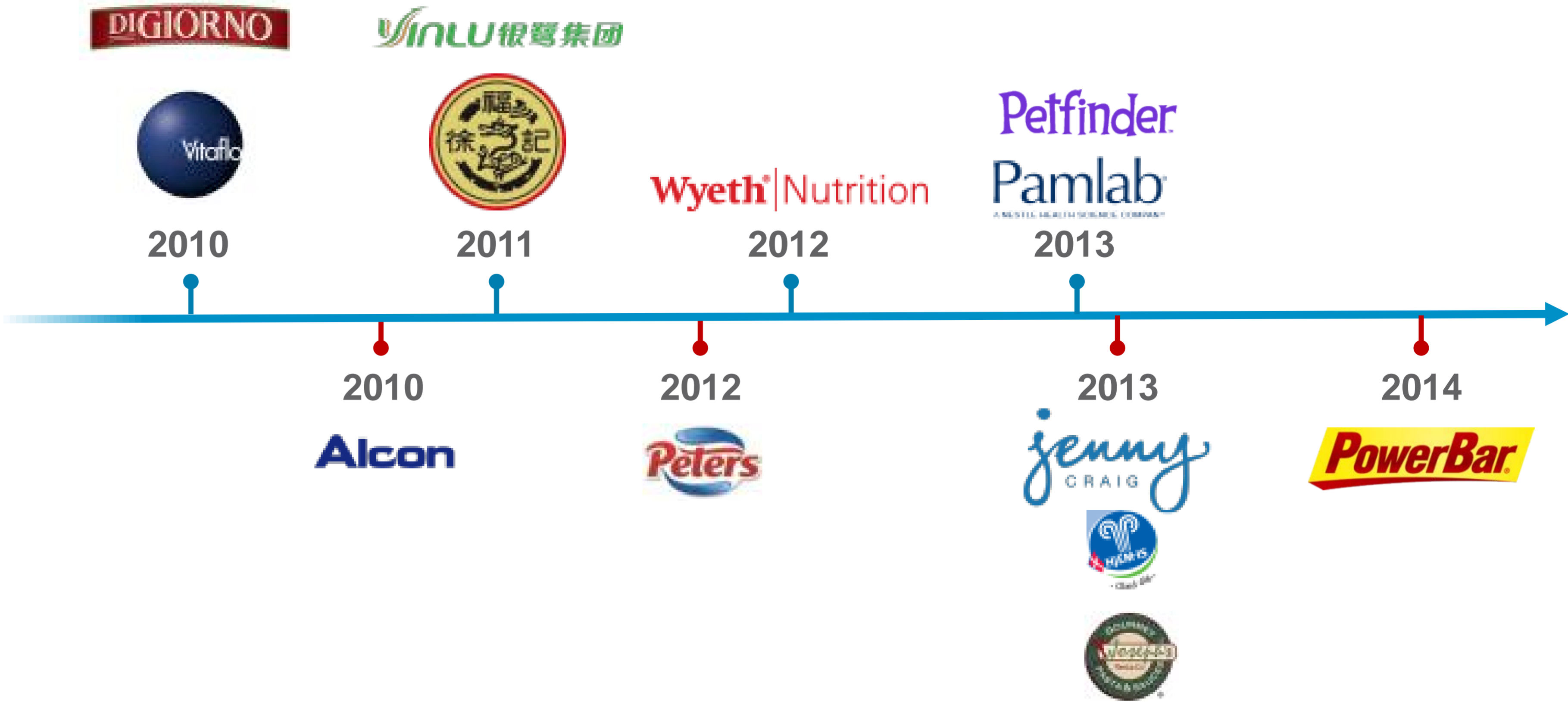


R&D and Innovation to strengthen our portfolio



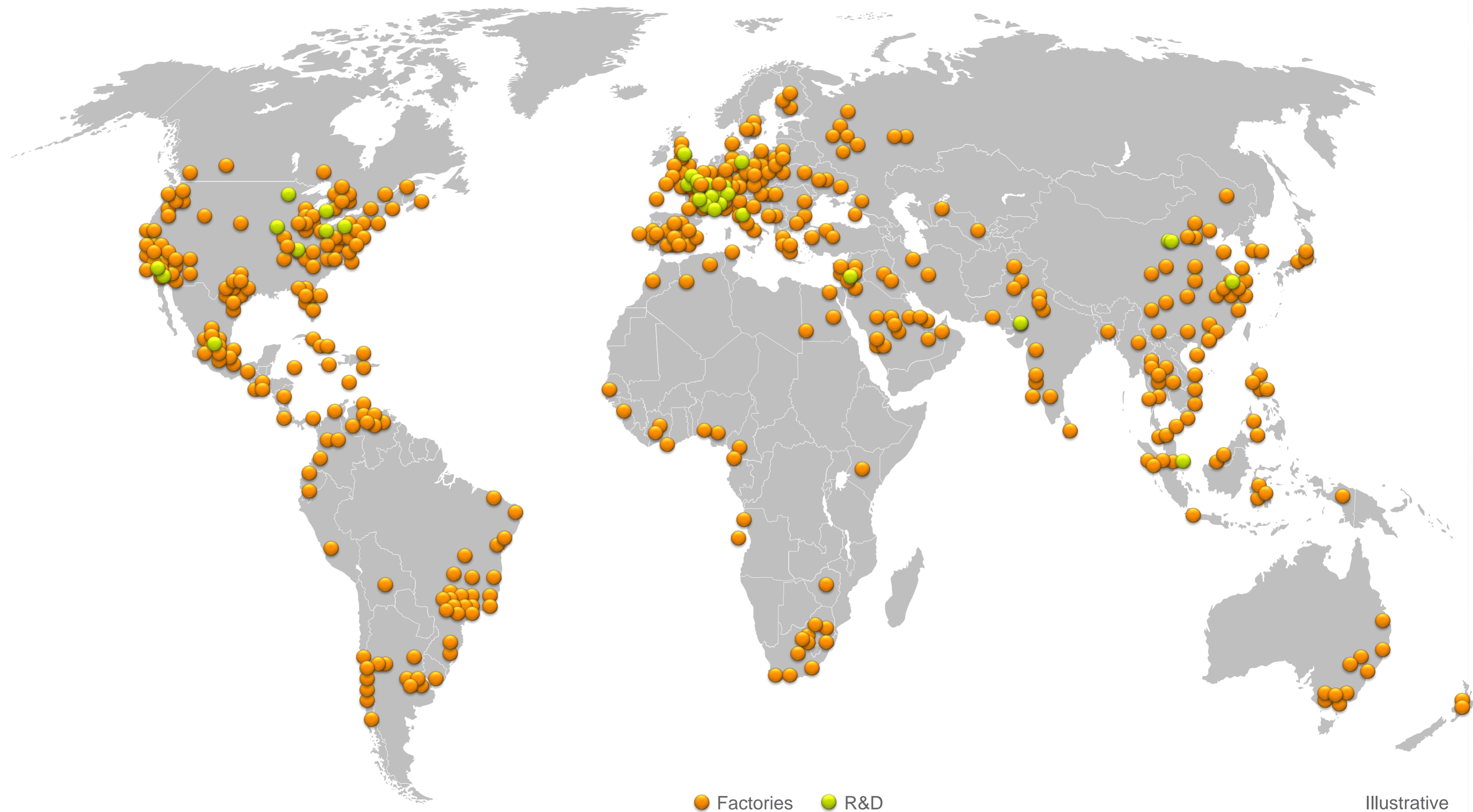
M&A
to strengthen
our portfolio

Acquisitions



Divestitures

A strong global footprint



Illustrative

Growing in
developed and
emerging
markets



Emerging

40.8 bn

44%

+9.3%

and

Sales (CHF)

% of Group Sales

Organic Growth



Developed

51.4 bn

56%

+1.0%

* Each region includes Zones, Nestlé Waters, Nestlé Nutrition, Nestlé Professional, Nespresso, NHSc and JVs; OG = Organic Growth, RIG = Real Internal growth

Driving our performance



Roadmap



Priorities



Focus areas

Expanding the boundaries of nutrition

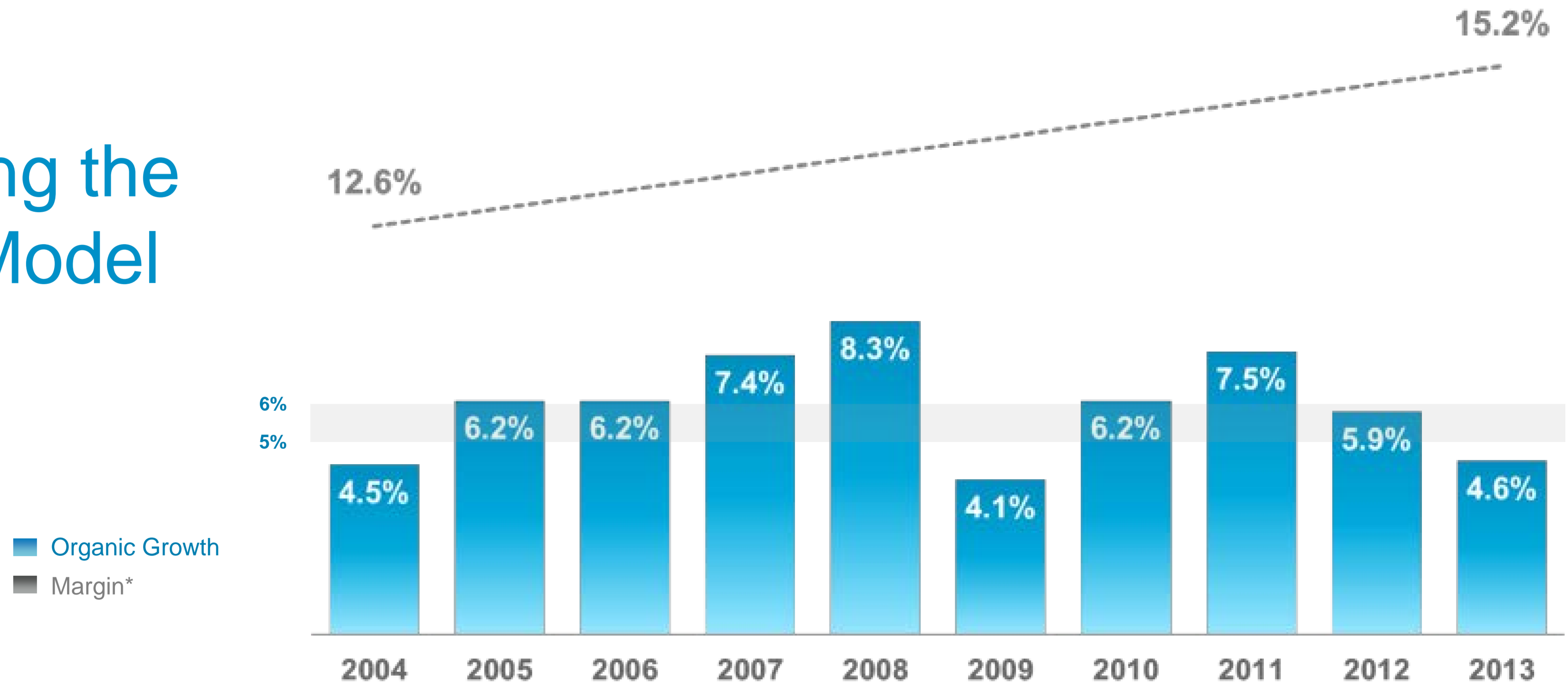
Nestlé Health Science

Expanding the boundaries of health & wellness

Nestlé Skin Health
Galderma

Average annual **Organic Growth** over last 10 years: **6.1%**
Average annual **Margin improvement** over last 10 years: **+30 bps**

Delivering the Nestlé Model



* Data corresponds to published figures (EBIT until 2010 and Trading Operating Profit since 2011)



Nestlé Good Food, Good Life



Appendix

Net Debt 2013

CHF bn



Americas

Europe

Asia, Oceania & Africa

Sales
(CHF)

40 bn

OG

+5.1%

RIG

+2.1%

26.1 bn

+0.8%

+1.9%

26.1 bn

+7.4%

+5.9%

Each region includes Zones, Nestlé Waters, Nestlé Nutrition, Nestlé Professional, Nespresso, NHSc ; OG = Organic Growth, RIG = Real Internal growth

Emerging

Developed

Sales (CHF)

40.8 bn

51.4 bn

% of Group Sales

44%

56%

OG

+9.3%

+1.0%

Translational Impact of Swiss Franc

Weighted Average Exchange Rates

CHF per	FY 2012	FY 2013	(%)
US Dollar (1)	0.94	0.93	-1.2
Euro (1)	1.21	1.23	+2.1
£ Sterling (1)	1.49	1.45	-2.5
Real (100)	47.96	42.99	-10.4
Mex. Peso (100)	7.14	7.26	+1.8
Yen (100)	1.17	0.94	-19.2

FX Impact on All Businesses

(%)	1Q13	HY13	9m 2013	FY13
Zone Americas	-2.6	-2.4	-4.4	-5.9
Zone Europe	+1.2	+1.3	+0.9	+0.5
Zone AOA	-1.0	-1.4	-3.7	-5.0
Nestlé Waters	+0.9	+0.8	-0.4	-1.2
Nestlé Nutrition	-1.9	-1.8	-3.9	-5.5
Other	+0.2	+0.3	-1.0	-1.7
Total	-0.9	-0.9	-2.5	-3.7