

Nestlé USA

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Good Food, Good Life

Disclaimer

This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statement 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.

Nestlé in the U.S. : Aligned Behind Two Strategic Priorities

- 1 Combining Effectiveness with Efficiency



Driving Focus
and

Leveraging Scale via
Nestlé in the U.S.
Initiatives

- 2 Lead Nestlé Health & Wellness in the U.S.



Nestlé

Good Food, Good Life

GFGL: Importance to Our Consumer



Good Food, Good Life

Offering you
tastier & healthier choices
to embrace a
healthier life.



We Are Uniquely Positioned

We provide options for

Every part of your day

Every day of your life

FOR...

Everyone in your life

We Have A Portfolio That Can
Do It Better Than Anyone in the U.S.

...as we compete across multiple consumer usage occasions

Food Prepared at Home



We Have A Portfolio That Can
Do It Better Than Anyone in the U.S.

...as we compete across multiple consumer usage occasions

Food Prepared at Home

Food Away from Home



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Food Prepared at Home

Food Away from Home

Beverages



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Beverages

Indulgence & Snacking



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Food Prepared at Home

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Beverages

Indulgence & Snacking

Infant Nutrition



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Food Prepared at Home

Food Away from Home

Beverages

Indulgence & Snacking

Infant Nutrition

Specialty Nutrition



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...as we compete across multiple consumer usage occasions

Food Prepared at Home

Food Away from Home

Beverages

Indulgence & Snacking

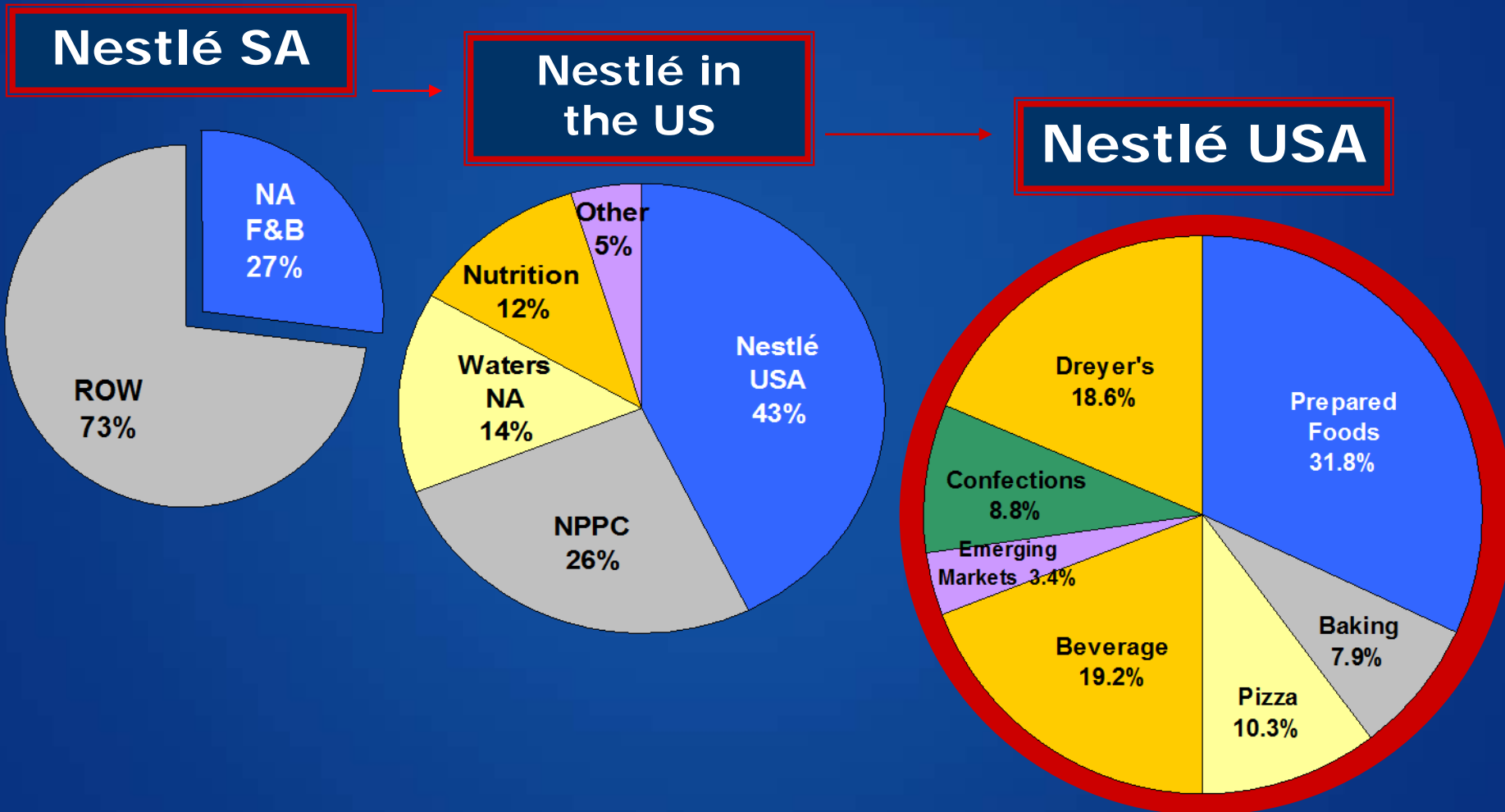
Infant Nutrition

Specialty Nutrition

Petcare



Nestlé USA is a Key Contributor to the Group



Nestlé USA's Product Portfolio Has Three Strategic Focuses

Food Prepared at Home
\$6.1 Billion

Brand

Market Share Ranking



Stouffer's

1

Lean Cuisine

1

Hot/Lean Pockets

1

Pizza

1

Toll House

1 & 2

Nestlé USA's Product Portfolio Has Three Strategic Focuses

Beverage
\$2.6 Billion

Brand

Market Share Ranking



Nescafé-Soluble

1

Coffee Mate

1

Nesquik

2

Juicy Juice

3

Nestlé USA's Product Portfolio Has Three Strategic Focuses

Indulgence & Snacking
\$3.3 Billion

Brand

Market Share Ranking



Dreyer's Premium

1

Dreyer's Super Premium

2

Dreyer's Frozen Snacks

1

Chocolate & Confections

3+

Product Portfolio Has Three Strategic Focuses

Food Prepared at Home
\$6.1 Billion



Beverage
\$2.6 Billion



Indulgence & Snacking
\$3.3 Billion



12 of these Brands, representing 70% of sales, are #1 or #2 in Market Share

Product Portfolio Has Three Strategic Focuses

Food Prepared at Home
\$6.1 Billion



Beverage
\$2.6 Billion



Indulgence & Snacking
\$3.3 Billion



4 of these Brands are Billion Dollar Brands just in the U.S.

What We're Doing With This Portfolio to Continue to Win in the Future

1

Executing on our promise to deliver **good food, good life** on all our products

2

Creating **operational gaps** versus competition

Executing on our promise to deliver Good Food, Good Life on all our products

Better Taste (60/40)

70% WINS

Better Nutrition (NF)



Better Communication (BCiA)



Consumer Leading Innovation



Creating Operating Gaps vs. Competition

Building Competitive Advantages in **Route to Market**

- Frozen DSD system (Pizza acquisition)
- Beverage RTD that delivers aseptic technology

New Nestlé DSD System

Bringing Together the Two Largest U.S. Frozen DSD Systems



+



=

Ice Cream's Pre-sell, Pre-pick Model

- \$2.2B in revenue
- 2,200 frontline full-time employees

Pizza's Rolling Inventory Model

- \$1.9B in revenue
- 1,500 frontline full-time employees

New Nestlé DSD System

Bringing Together the Two Largest U.S. Frozen DSD Systems

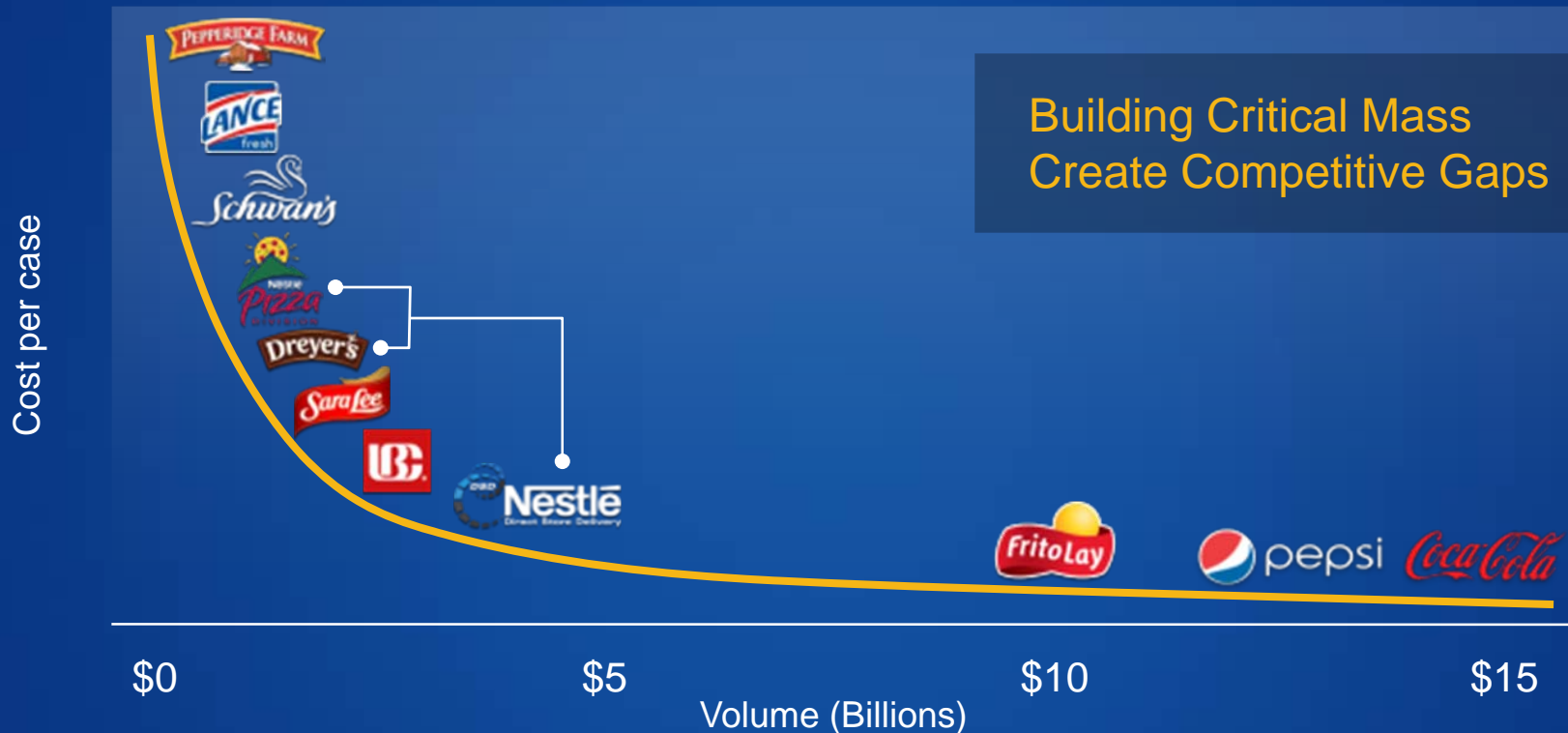


Nestlé's Best-in-class Frozen DSD System

- \$4.2B in revenue
- ~4,200 frontline full-time employees
- ~30 distribution centers, ~200 cross docks



Combined, We Have the Scale to Successfully Compete



NDSD will be the **fourth largest** company-owned DSD system in U.S. food industry and by far the **largest** in frozen

Ready-to-Drink - Aseptic: Creating Operational Gaps



Technology that provides a **competitive** advantage



A route-to-market **delighting** consumers wherever they want to consume



Attractive financial model

Route-to-Market

Create a **competitive advantage** utilizing aseptic products through our route-to-market that makes our brands available anywhere consumers want to consume them.

C-Store



+ 15,000 POD

Drug



+ 1,500 POD

Foodservice



+ 4,000 POD

Education



+ 100 POD

Recreation & Entertainment



+ 500 POD

Route-to-Market



Before



After

Creating Operating Gaps vs. Competition

Building Competitive Advantages in **Route to Market**

- Frozen DSD system (Pizza acquisition)
- Beverage RTD that delivers aseptic technology

Accelerating **Frozen Category Leadership**

- Lead consumer needs by innovating better than competition through focused R&D
- Creates opportunities with key customers by building ownable store territory

Pipeline of Consumer Driven Innovations



Sautés for Two



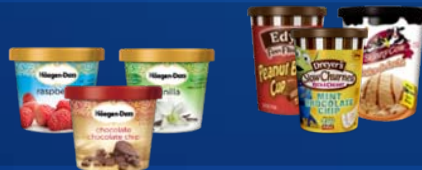
Market Creations



Side Shots



DiGiorno with.... (Breadsticks)



Portion Control - Cups

23% of Sales
from Innovation/
Renovation

Ownable Positioning in the Marketplace

Walmart Frozen



The territory you own

How to be relevant

Ways to execute

Nestlé USA Has Consistently Delivered the Nestlé Model

| | 2003-2009 |
|-------------------|-----------|
| Sales — OG% | 5.5% |
| EBIT — % | 100bps pa |
| ATNWC | -300bps |
| Market Share Gain | 9 of 12 |

...and expects to continue doing so.



Nestlé

Good Food, Good Life