

NESTLÉ LAUNCHES FIRST FLOATING SUPERMARKET IN THE BRAZILIAN NORTH REGION

*Unprecedented Business Model will service the riverside communities in the Amazon
and will extend the company's presence in the Brazilian households*

Belém, June 17th, 2010 – Nestlé Brasil innovates with the launching of the first floating supermarket to service the riverside populations of the Amazon. Named *Nestlé Até Você a Bordo* (Nestlé Takes You Onboard), the boat shall start operations on July 1st. It will leave the port of Belém, will pass through 18 municipalities* which make up the region of Marajó Island to the city of Almeirim, right in the Baixo Amazonas (Amazon Lowlands) region, and will return to Belém. The entire trip will be made in approximately 18 days, and the boat will remain one day in each city. The estimate is to service a public of 800 thousand people/month, extending the presence of Nestlé brands in the Brazilian homes.

“We are going to pick up the customer where he is. It will be a service to the population of the Amazon, who has streets and avenues in the form of rivers. It is a project aligned with our concept of Regionalization, based on the different profiles of consumers. We deal with each region as a different area”, states Ivan Zurita, C.E.O. of Nestlé Brasil. Established by the Company since 2003, the Regionalization unit develops actions, programs and products specific to each one of the Brazilian regions, so as to meet the different profiles and needs of its consumers.

The *Nestlé Até Você a Bordo* (Nestlé Takes You Onboard) program has been conceived as another project to reach out the remote and low-income regions, just like the door-to-door sales system of the company, which currently counts on more than 7.5 thousand resellers and 220 micro-distributors in 15 States of the Country. With the floating supermarket, Nestlé aims at developing another trading channel which offers access to Nutrition, Health and Wellness to the remote communities in the North Region.



Whenever it docks, the boat will offer the population a market with several lines of Nestlé products – more than 300 items – a complete structure of sales, stock and operation management team. The floating supermarket, besides servicing with priority the riverside population, will also be the channel between the company, micro-distributors and the door-to-door reselling ladies who will have the boat as a reference of the business and supply of products.

To be recognized all over the trip, the boat has a visual logo of Nestlé and counts with access for disabled and elderly people. Eleven people, among the supermarket's employees and crew members, will work on a daily basis on the 27.5-meter long boat, which counts on three stock areas, besides the store space of 100 m².

By means of the new sales channel, Nestlé pursues to increase the business opportunities and share its value with society, by promoting additional revenues and social inclusion with the employments generated by it. It is also a portal to approach even more the relationship with consumers from classes C, D and E.

Strategic platform for the growth of Nestlé Group, development of businesses focused on the low-income consumers – estimated in more than 2.8 billion people in the world with earnings below US\$ 10.00/day – is augmenting focus on the creation of high-nutritional quality and accessible-price products. In Brazil, the area obtained a growth of 27% in 2009, with R\$ 1.3 billion in sales.

Nestlé Até Você (Nestlé Comes to You) – door-to-door sales system

Nestlé's door-to-door sales system already has more than 7.5 thousand resellers covering the country and 220 micro-distributors. With this model, 3.2 million households will be visited this year. Beginning in 2006, in the city of São Paulo, the system forecasts micro-distributors in poor neighborhoods, hiring women right from the communities to work selling Nestlé's products. With this activity, these women obtain a complementary income in their home budget, and become, in some cases, the main source of funds to the family.

Nestlé is responsible for guiding and training the resellers, supplying the micro-distributors, preparing incentive and loyalty programs, sales catalogs and other supporting activities. One of the main trainings offered to autonomous resellers explains concepts of Nutrition, Health and Well-Being in order that everyone knows, for example, the food function and also the right way to read products labels. Besides, in the business training, resellers get information on sales, customer approach, how to conquer new consumers, attitude, among other items.

* Foreseen Municipalities: Barcarena, Soure, Salvaterra, Cachoeira do Arari, Ponte das Pedras, Muaná, Limoeiro do Ajuru, São Sebastião da Boa Vista, Currálinho, Oeiras do Pará, Bagre, Breves, Melgaço, Portel, Gurupá, Porto de Moz, Almerim and Santarem.

About Nestlé – It is the world largest nutrition, health and wellbeing company, and operates in 83 countries with world-renowned brands. In Brazil, it installed its first factory in 1921, in São Paulo State city of Araras, to produce condensed milk Milkmaid, which would later be known as “Leite Moça” (in the Brazilian translation of “Milkmaid”) by millions of consumers.

The operation of Nestlé Brasil comprises the market segments of chocolate-powder, biscuits, coffee, cereals, morning cereals, water, chocolate, cuisine specialties, milk-made products, refrigerated food, ice-creams, child nutrition (infant formulae, infant cereals and nursery food for consumption), clinical and performance nutrition, soy-made products, pet food and services for the feeding market off-home companies and professionals.

Currently, the distribution network of the products covers more than 1,600 municipalities of several sizes. Nestlé Brasil and its sister companies are present in 98% of the Brazilian households, as per a survey made by Kantar Worldpanel. The Company has 30 industrial plants, located in the States of São Paulo, Minas Gerais, Bahia, Goiás, Rio de Janeiro, Rio Grande do Sul and Espírito Santo. It employs around de 18 thousand direct collaborators and generates another 220 thousand indirect employments, which collaborate in the manufacture, trading and distribution of over 1,000 items.

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