



Nestlé

Investor Seminar 2014

The first 1,000 days:
Nestlé US Infant Nutrition

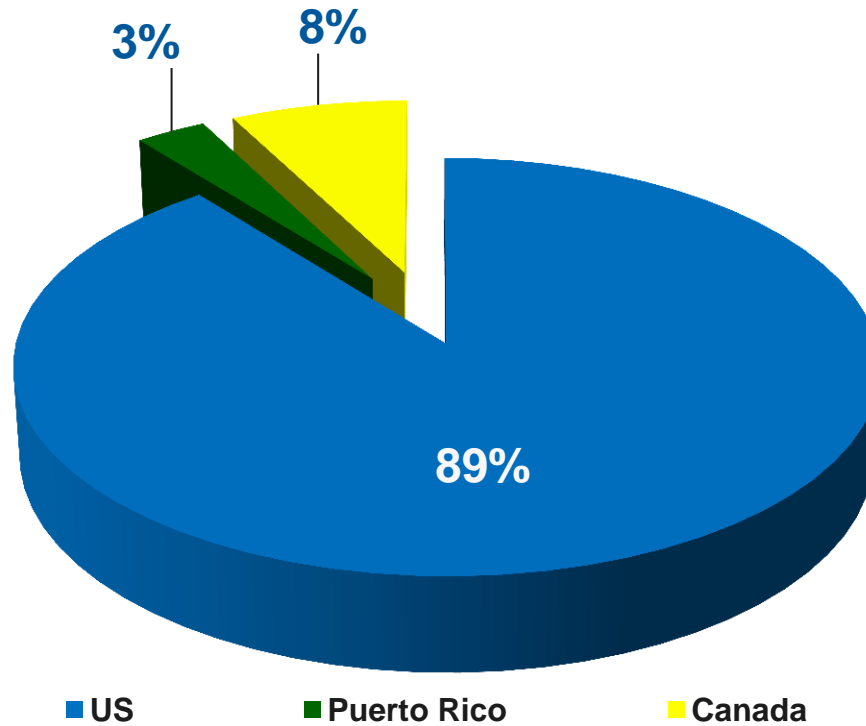
Gary Tickle, President and CEO
Nestlé Nutrition North America

June 3rd & 4th, Liberty Hotel, Boston, USA

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.

Nestlé Infant Nutrition in North America



Contribution of Sales

2600 Employees

4 Owned Production Facilities

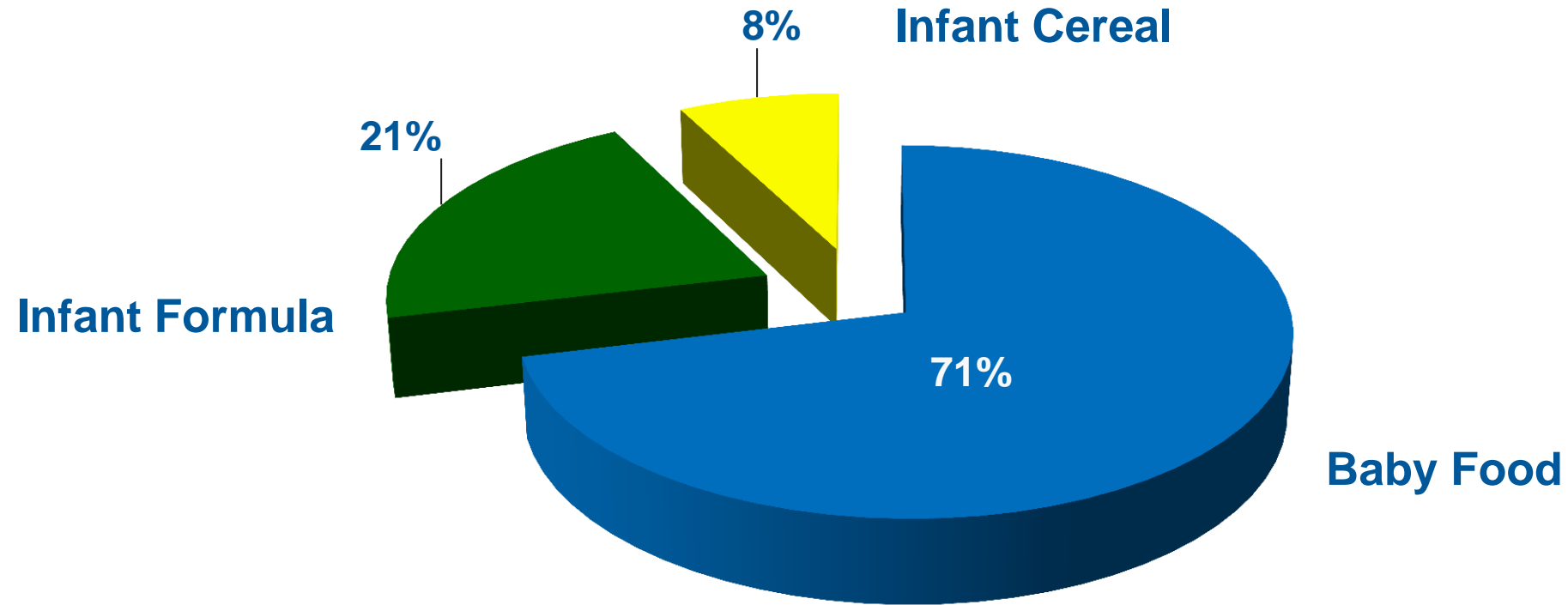
2 Brands

1 R&D Center

1 Parents Resource Center

2013 Sales of **\$1.4bn**

Nestlé Infant Nutrition – US only



2013 Sales of **\$1.2bn**

Our non-negotiable principles



- *Quality and Compliance*
- *Superiority of breast milk*
- WHO Code compliance, our infant nutrition cornerstone
- In 2011, Nestlé was included in the FTSE4Good Index for the first time

At Nestlé, our unwavering commitment to mothers and babies carries over to everything we do

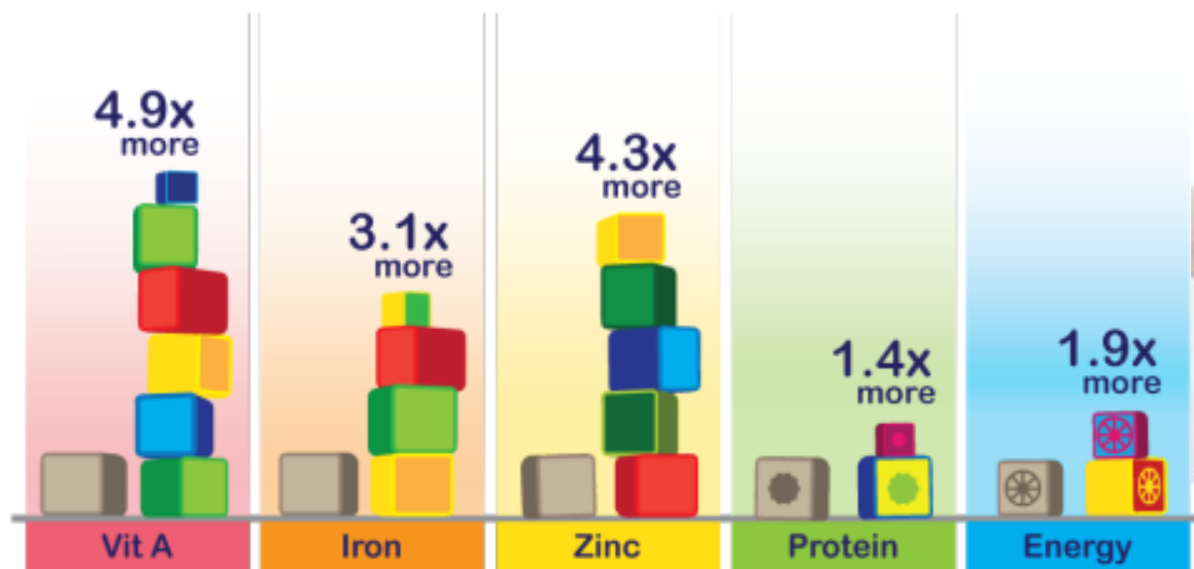


We believe...

- In Purpose Driven Branding; doing well, while doing good
- That Good Nutrition begins in the womb and is fundamental for the first 1,000 days
 - In the Primacy of Breastfeeding for the health and wellness of mom and baby
- That all products must deliver on Taste, Nutrition and Developmental Appropriateness
 - In holding ourselves to higher quality standards; products, people and processes

A child that starts healthy, is more likely to stay healthy

The first 1,000 days have a profound impact on a child's ability to develop their full potential



3x weight

2x height

In 3 years



Leveraging the strengths of global pioneers to build a better future

Henri Nestlé



1867

Over a century of scientific innovation
in early childhood nutrition



Dan & Dorothy Gerber



1927

85+ year old brand that stands for
happy, healthy babies

Gerber, a brand with unparalleled trust backed by Nestlé science



- Universal brand awareness ¹
- 8 out of 10 moms use Gerber ²
- Recognized Leader in early childhood nutrition



Nestlé as Founding Sponsor of American Academy of Pediatrics (AAP) Institute for Healthy Childhood Weight



SELECTION OF INFANT FORMULA FOR PRIMARY PREVENTION
Recommendation: For infants at increased risk of allergic disease who cannot be exclusively breastfed for the first 4 to 6 months, a hydrolyzed formula appears to offer advantages to prevent allergic disease and cow's milk protein allergy.

- Partially hydrolyzed whey formulas and extensively hydrolyzed casein formulas have a preventive effect on atopic dermatitis and cow's milk protein allergy when used instead of intact cow's milk protein formula.
- The evidence is not substantial to support soy formulas or amino acid formulas for prevention of allergies.
- The evidence is not conclusive to support the use of a formula over breastfeeding to prevent atopic disease.

Hydrolyzed Infant Formulas Clinically Shown to Reduce Allergy Risk	
Partially Hydrolyzed Whey	Gerber® Good Start® Gentle®
Extensively Hydrolyzed Casein	Wellmark®

Source: Cook, J. A systematic review of formula for food allergy. J. Allergy Clin. Immunol. 2004;113:1013-1020. The above is a registered trademark of Nestlé, a Swiss company.



With the backing of Nestlé's strong R&D and Quality Leadership



Rigorous Nestlé quality management from 'farm to spoon'

R&D Leadership



PTC Fremont, Michigan

Consumer Centric R&D



Leveraging a strong and diverse talent pool

Diverse Workforce

Global representation:
North & South America,
Europe, Australia and Asia



Global Opportunities to Develop Talent & Grow Business

9 Employees currently on assignment outside of US

24 International employees currently on assignment in the US

Nutrition & Science Credentials

105 Credentialed Nutritionists (RD, RN, LD and CLC)

50 Scientists

3 Medical Doctors

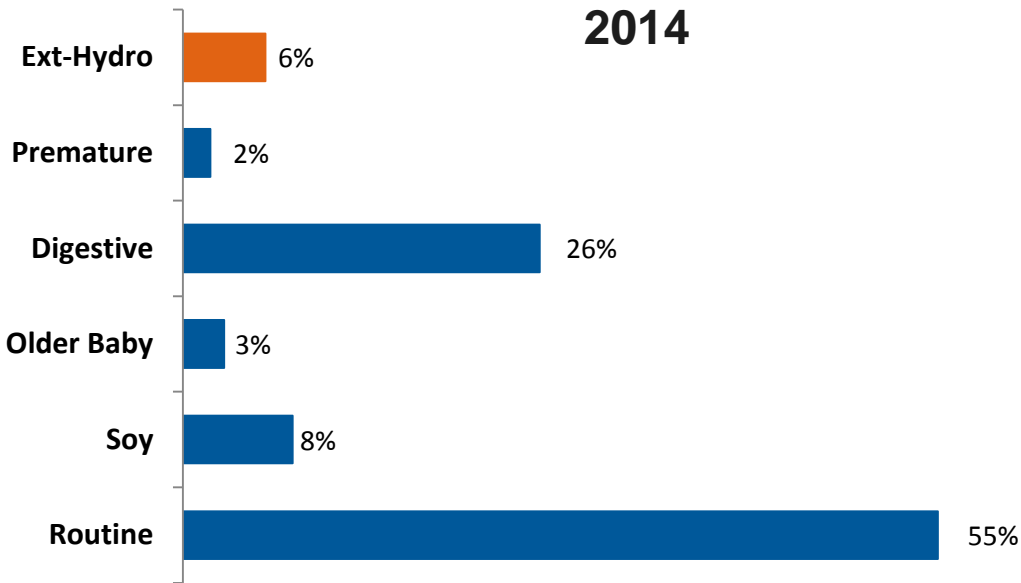
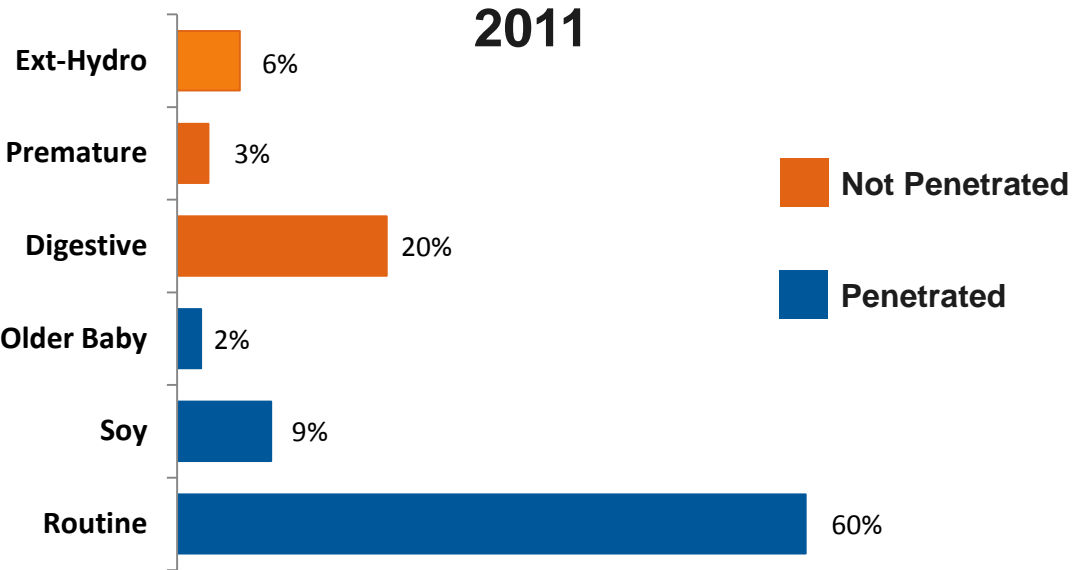
8 PhDs

The only Stage-Based Nutrition System across the first 1,000 days



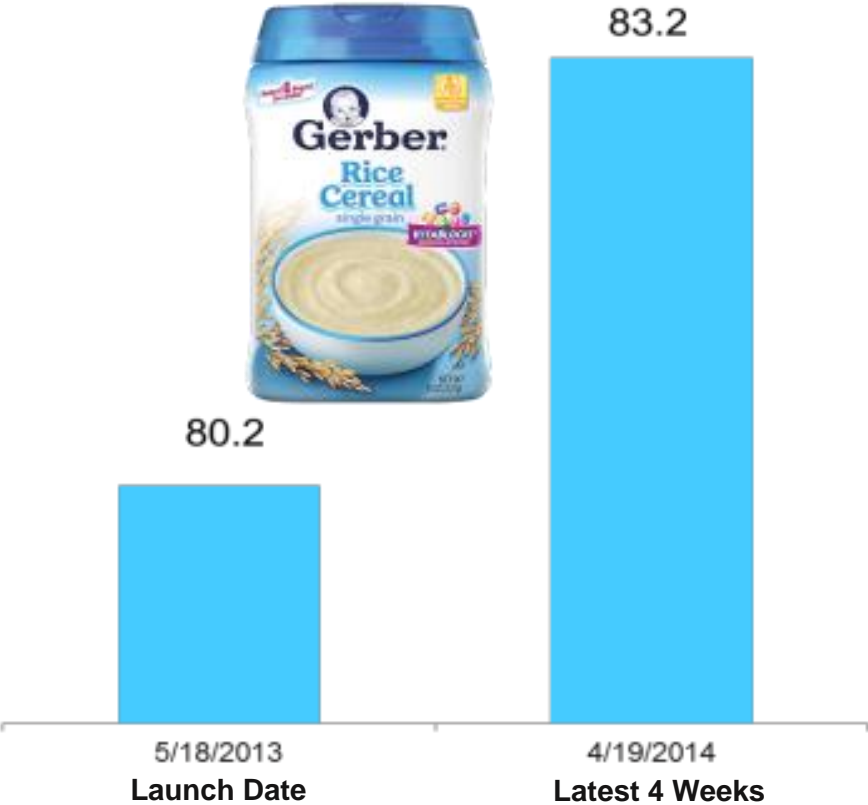
- Gentle: only Formula with FDA Qualified Health Claim
- Soothe: only Formula clinically shown to reduce crying time up to 50%
- Baby's #1 Food for Iron
- Only aseptically produced puree
- Gentle process preserves nutrients
- Category Pioneer
- Products developed for the nutritional & developmental of toddlers

Formula: Innovation creates greater access in US Infant Formula Market



Cereal: Strong share growth through innovation

Share +3 pts.
with Re-launch



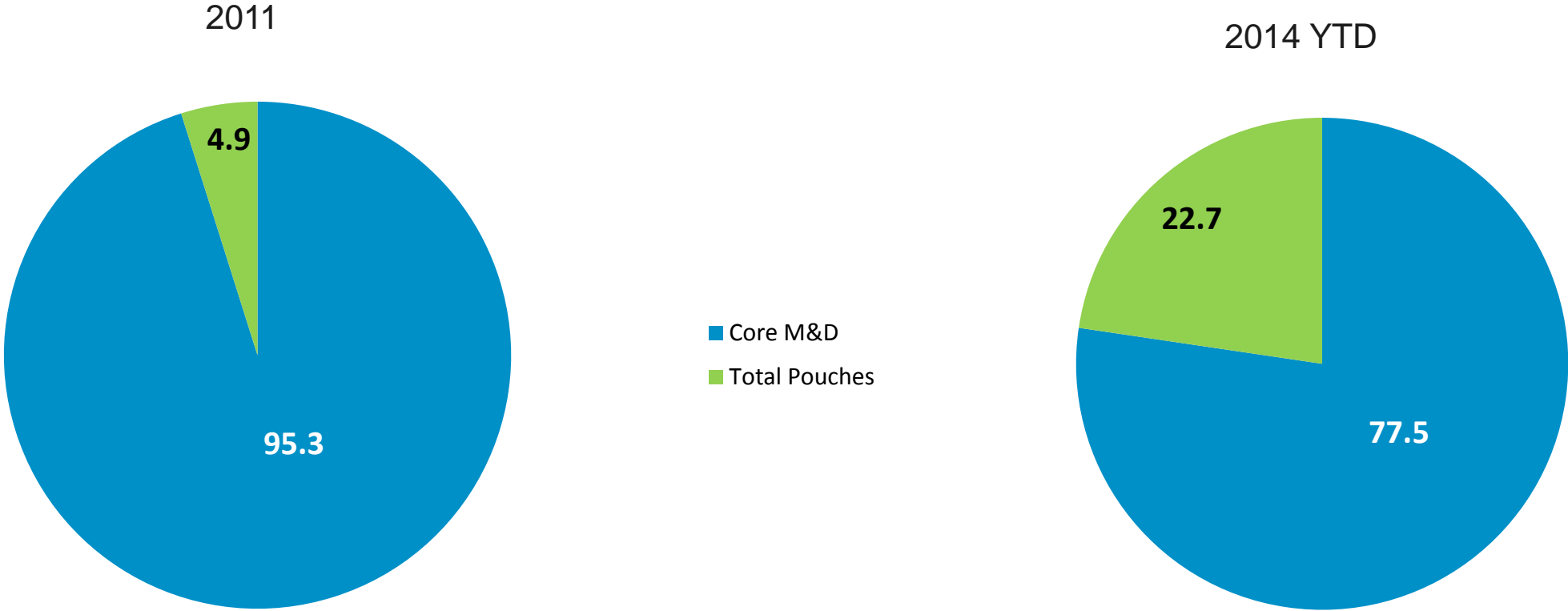
Strong Innovation Pipeline
Driving Up-Age Penetration

 crawler	 crawler	 toddler
		
1 st introduction to multiple textures	1 st introduction to creamy texture	Thicker texture, learn to self-feed
Learning to chew and swallow	Learning to chew and swallow	Mastering independent eating

Source: Nielsen Total US xAOC

Meals & Drinks: Nestlé and Gerber maintain leadership across all segments

M&D Category Mix



Graduates: Pioneered Up-Age nutrition and committed to evolve and grow



\$400m and over 70% market share

Nutritious Independent Eating While Making Mom's Life Easier

- ✓ Nutritionally adapted for toddlers
- ✓ Taste toddlers love
- ✓ Designed just right for learning to eat independently

The challenges facing the future of US children are real



1 in 3 children are overweight or obese

8.1% of 2-5 year olds are already obese³

7% of children (1-5 years of age) are iron deficient

85% Parents concerned about childhood obesity ¹

75% DO NOT worry that THEIR child will be overweight ²

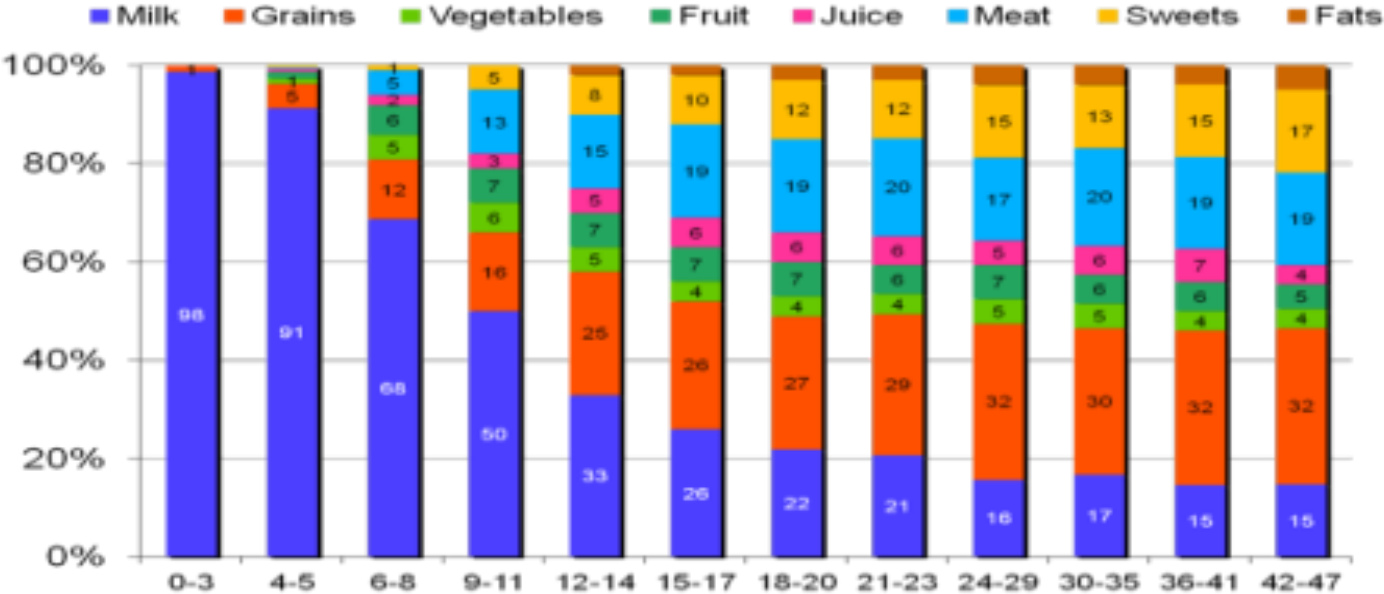
Our commitment to nurturing a healthier generation through pioneering research



Feeding Infant & Toddler Study
Ground-breaking dietary survey designed to understand nutrient intakes in the first 1,000 days

Dietary Patterns Emerge Early

By 18 months, diets are high in sweets & grains and low in fruits, vegetables & iron

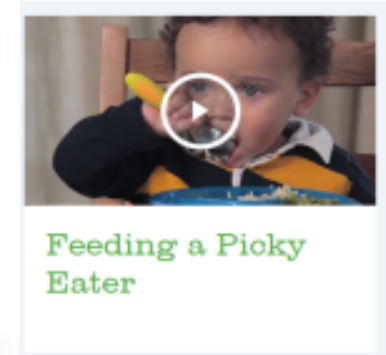


The First 1,000 Days: Our integrated education program provides science based nutrition services & practical advice



The program begins with a promise:
Provide mom with the building blocks,
the knowledge, and the confidence to know
she's doing it right, from the start...

...and it ends with mom & child able
to confidently live a well-balanced
and delicious nutritional life



MyGerber.com Video

Leading in community and stakeholder engagement

- FiTS
- Invited to Participate in B24 Project – Developing Dietary Guidelines for 0-24
- USDA Partner – My Plate
- Founding Sponsor of the AAP Institute to Battle Childhood Obesity
- Community Partnerships: “Nestlé Now”, Newark & Alabama

The future for Nestlé Infant Nutrition more important than ever

- Iconic, trusted and “mom owned” brand in Gerber
- Science, technology and consumer insight to support world class solutions
- Opportunity for continued category growth AND better health outcomes
- Passion and mission for a healthier future will nurture a strong future for Gerber and Nestlé in the USA

Nestlé & Gerber: Mom's partner through her child's critical first 1,000 days as she raises a happy, healthy baby

