

Three-month sales 2017



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.

Three-month sales 2017

Mark Schneider, CEO



Three-month sales 2017

François-Xavier Roger, CFO



Three-month performance highlights



Sales (in CHF)

21.0 bn

+0.4% on a reported basis

Organic growth

+2.3%

Real internal
growth

+1.3%

+1.0% pricing

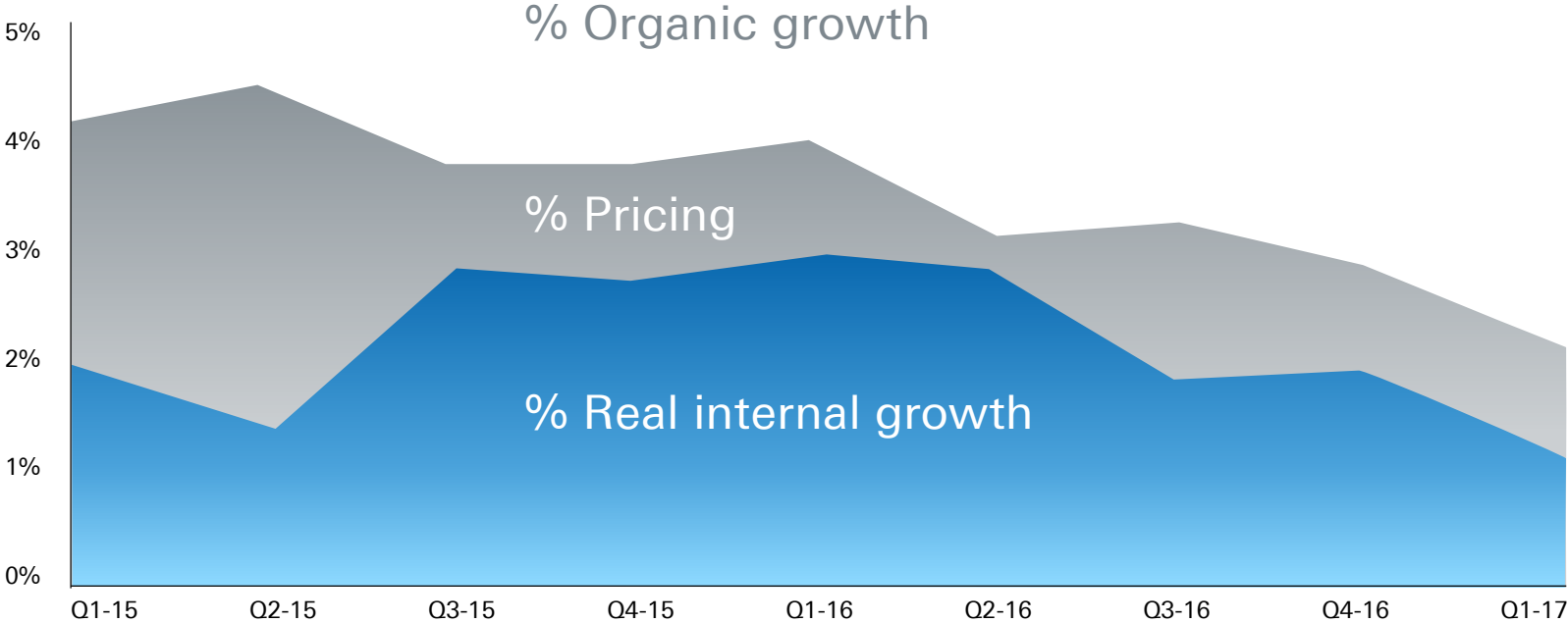
Net M&A

-1.5%

Foreign exchange

-0.4%

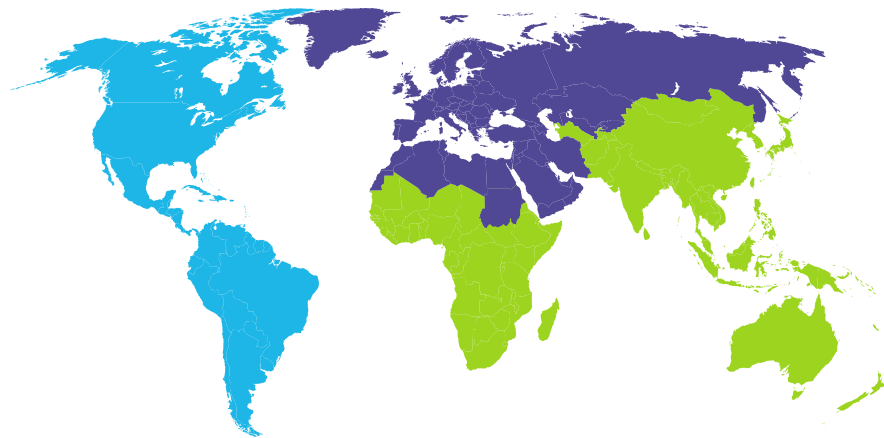
RIG impacted by calendar effects, pricing increased moderately



Broad-based organic growth across geographies



	AMS	EMENA	AOA
Sales (in CHF)	9.2 bn	6.2 bn	5.6 bn
RIG	-0.2%	1.4%	3.5%
OG	1.2%	1.8%	4.6%

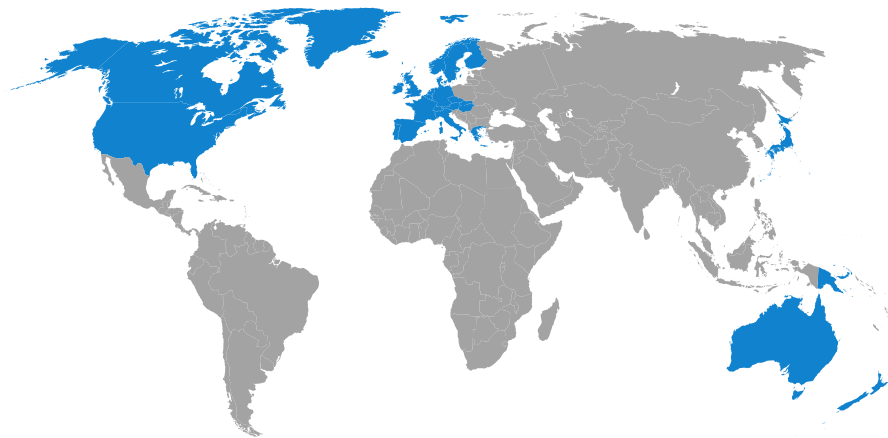


Each geography includes zones, Nestlé Waters, Nestlé Nutrition, Nestlé Professional, Nespresso, Nestlé Health Science and Nestlé Skin Health

Growth in developed and emerging markets



	Developed	Emerging
Sales (in CHF) % of group sales	11.8 bn 56%	9.3 bn 44%
RIG	1.0%	1.6%
OG	0.8%	4.3%



Zone AMS



Sales	CHF 6.4 bn
Real internal growth	-1.4%
Pricing	1.8%
Organic growth	0.4%

- Organic growth was supported by positive pricing in both North America and Latin America
- North America faced an environment of soft consumer demand
- Latin America was affected by negative growth in Brazil but petcare grew well across the region



Zone EMENA



Sales	CHF 4.0 bn
Real internal growth	1.7%
Pricing	0.0%
Organic growth	1.7%

- All three sub-regions sustained positive organic growth and RIG
- Western Europe: pricing remained negative but the trend improved
- Central and Eastern Europe: both RIG and pricing were positive
- Middle East and North Africa: mid single-digit organic growth was largely based on RIG



Zone AOA



Sales	CHF 4.0 bn
Real internal growth	3.0%
Pricing	1.5%
Organic growth	4.5%

- The zone's organic growth accelerated for the fourth consecutive quarter
- South-East Asia was the largest contributor to the zone's RIG
- India, Japan, and Sub-Saharan Africa also delivered good growth
- China had negative organic growth due to *Yinlu* and the earlier timing of Chinese New Year



Nestlé Waters



Sales	CHF 1.8 bn
Real internal growth	2.6%
Pricing	0.5%
Organic growth	3.1%

- Volume-driven growth in both developed and emerging markets
- *Perrier* continued to be a highlight sustaining double-digit RIG
- *Nestlé Pure Life* was accretive to the segment's organic growth, as were local brands *Poland Spring*, *Ice Mountain*, *Contrex*, and *Buxton*



Nestlé Nutrition



Sales	CHF 2.6 bn
Real internal growth	-0.4%
Pricing	1.5%
Organic growth	1.1%

- Price increases had a mild adverse effect on RIG in the short-term
- China improved with continued strong growth in the super premium range
- Good organic growth in South-East Asia



Other Businesses

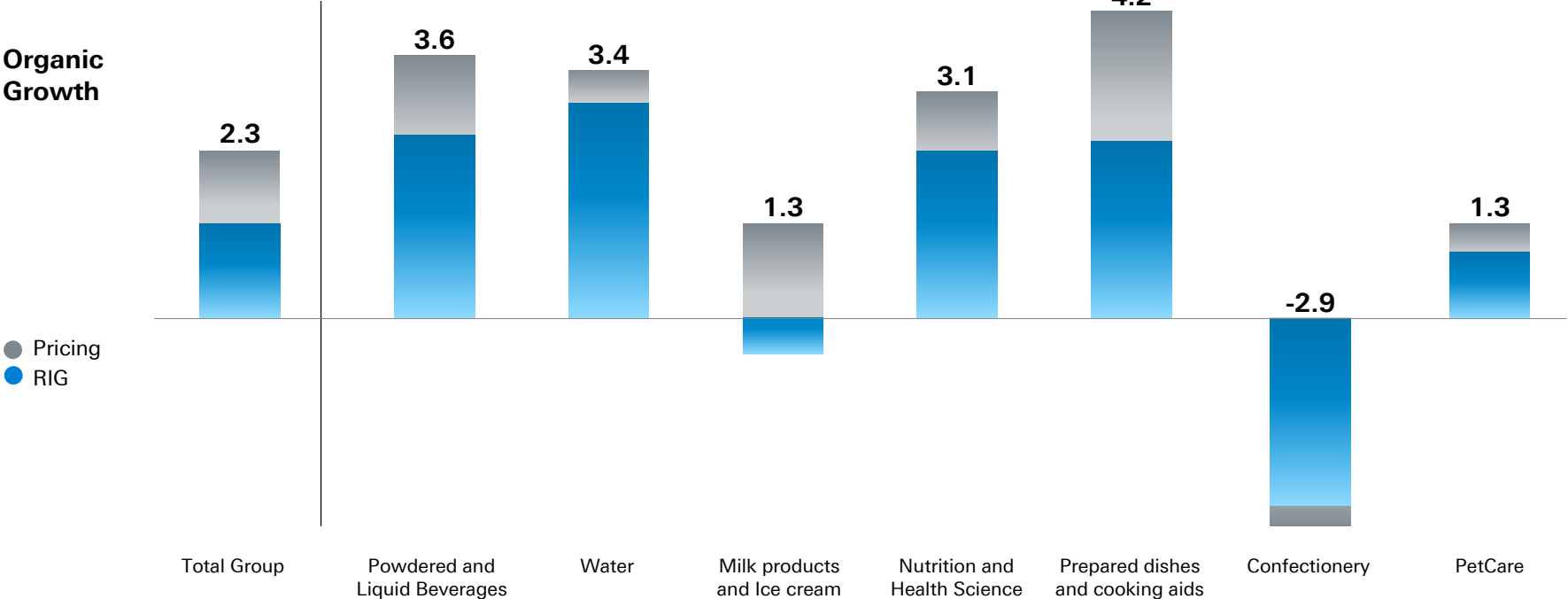


Sales	CHF 2.3 bn
Real internal growth	6.4%
Pricing	-0.6%
Organic growth	5.8%

- Nespresso: mid single-digit organic growth driven by North America
- Nestlé Health Science: growth was led by a strong performance in medical nutrition
- Nestlé Skin Health: benefited from favorable comparables as well as new product launches



Growth by product group



Outlook 2017 confirmed



- Organic growth between 2% and 4%
- Increased restructuring costs to drive future profitability
- As a result, stable trading operating profit margin* in 2017
- Underlying EPS* growth and improved capital efficiency

*in constant currency

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Discussion



Three-month sales 2017

Appendix



Effective as from 1 January 2017:

- Nestlé Professional is reported as a regionally managed business included in the Zones, and no longer a globally managed business as part of Other Businesses. 2016 comparative sales (in CHF) have been restated accordingly.
- Venezuela is excluded from organic growth, real internal growth, and pricing to better reflect the underlying business performance of Latin America.

Restated sales figures



in millions of CHF	January-March 2016 Restated*	January-March 2016 as Published
	Sales	Sales
By operating segment		
Zone EMENA	4'284	3'990
Zone AMS	6'238	5'835
Zone AOA	3'918	3'554
Nestlé Waters	1'779	1'779
Nestlé Nutrition	2'588	2'588
Other businesses ^(a)	2'127	3'188
Total	20'934	20'934
By product		
Powdered and Liquid Beverages	4'722	4'722
Water	1'670	1'670
Milk products and Ice cream	3'217	3'217
Nutrition and Health Science	3'518	3'518
Prepared dishes and cooking aids	2'915	2'915
Confectionery	1'967	1'967
PetCare	2'925	2'925
Total	20'934	20'934

* Following the change of business structure, effective as from 1 January 2017, for Nestlé Professional from a globally managed to a regionally managed business.

(a) Mainly Nespresso, Nestlé Health Science, and Nestlé Skin Health after restatement*

3M-2017 results summary by operating segment



	Sales				Reported sales growth		
	Sales (CHF mio)	RIG %	Pricing %	OG %	Net M&A %	F/X %	Reported sales growth %
Zone AMS	6'398	-1.4	1.8	0.4	-0.8	3.0	2.6
Zone EMENA	3'988	1.7	0.0	1.7	-5.9	-2.7	-6.9
Zone AOA	3'955	3.0	1.5	4.5	-0.5	-3.0	1.0
Nestlé Waters	1'802	2.6	0.5	3.1	-0.2	-1.8	1.1
Nestlé Nutrition	2'591	-0.4	1.5	1.1	-0.4	-0.5	0.2
Other Businesses	2'288	6.4	-0.6	5.8	1.6	0.2	7.6
Total Group	21'022	1.3	1.0	2.3	-1.5	-0.4	0.4

3M-2017 results summary by product



Sales

	Sales (CHF mio)	RIG %	Pricing %	OG %
Powdered and Liquid Beverages	4'809	2.2	1.4	3.6
Water	1'697	3.0	0.4	3.4
Milk Products and Ice cream	3'086	-0.5	1.8	1.3
Nutrition and Health Science	3'650	2.3	0.8	3.1
Prepared Dishes and cooking aids	2'859	2.4	1.8	4.2
Confectionery	1'950	-2.6	-0.3	-2.9
Petcare	2'971	0.9	0.4	1.3
Total Group	21'022	1.3	1.0	2.3

3M-2017 historical 5 quarters



Period	RIG %	Pricing %	OG %
Q1-2016	3.0	0.9	3.9
Q2-2016	2.7	0.4	3.1
Q3-2016	1.9	1.3	3.2
Q4-2016	2.0	0.9	2.9
Q1-2017	1.3	1.0	2.3

3M-2017 currency overview



US Dollar	1	USD
Euro	1	EUR
Chinese Yuan Renminbi	100	CNY
Brazilian Reias	100	BRL
UK Pound Sterling	1	GBP
Mexican Pesos	100	MXN
Philippine Pesos	100	PHP
Canadian Dollar	1	CAD
Russian Ruble	100	RUB
Australian Dollar	1	AUD
Japanese Yen	100	JPY

Weighted average rate

	3M-2016	3M-2017	Variation in %
	0.99	1.00	+1.1%
	1.10	1.07	-2.3%
	15.21	14.58	-4.1%
	25.58	32.00	+25.1%
	1.42	1.24	-12.6%
	5.51	4.94	-10.4%
	2.10	2.01	-4.6%
	0.72	0.76	+4.6%
	1.33	1.71	+28.4%
	0.72	0.76	+6.1%
	0.86	0.88	+2.3%

Abbreviations



OG	Organic growth
RIG	Real internal growth
AMS	Zone Americas
EMENA	Zone Europe, Middle East, and North Africa
AOA	Zone Asia, Oceania, and sub-Saharan Africa
EPS	Earnings per share