



Nestlé Good food, Good life

Half-year results 2025

Investor & analyst presentation



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, tariffs, commodities prices, competitive product and pricing pressures and regulatory developments.

Agenda

Key messages

Laurent Freixe

Half-year financial results

Anna Manz

Strategic progress

Laurent Freixe

Q&A

Laurent Freixe & Anna Manz



Key messages

Laurent Freixe, CEO



Consistent execution, improving growth foundations

- Delivered good H1 performance in challenging macroeconomic environment
- Continuing with actions to accelerate performance
- Executing our strategy and transforming the business
- Maintaining 2025 guidance, confident in the medium-term outlook

Broad-based sales growth, solid margin

Organic growth	UTOP margin	Underlying EPS growth in constant currency	Free cash flow (CHF)
2.9%	16.5%	-1.0%	2.3 bn

Half-year financial results

Anna Manz, CFO

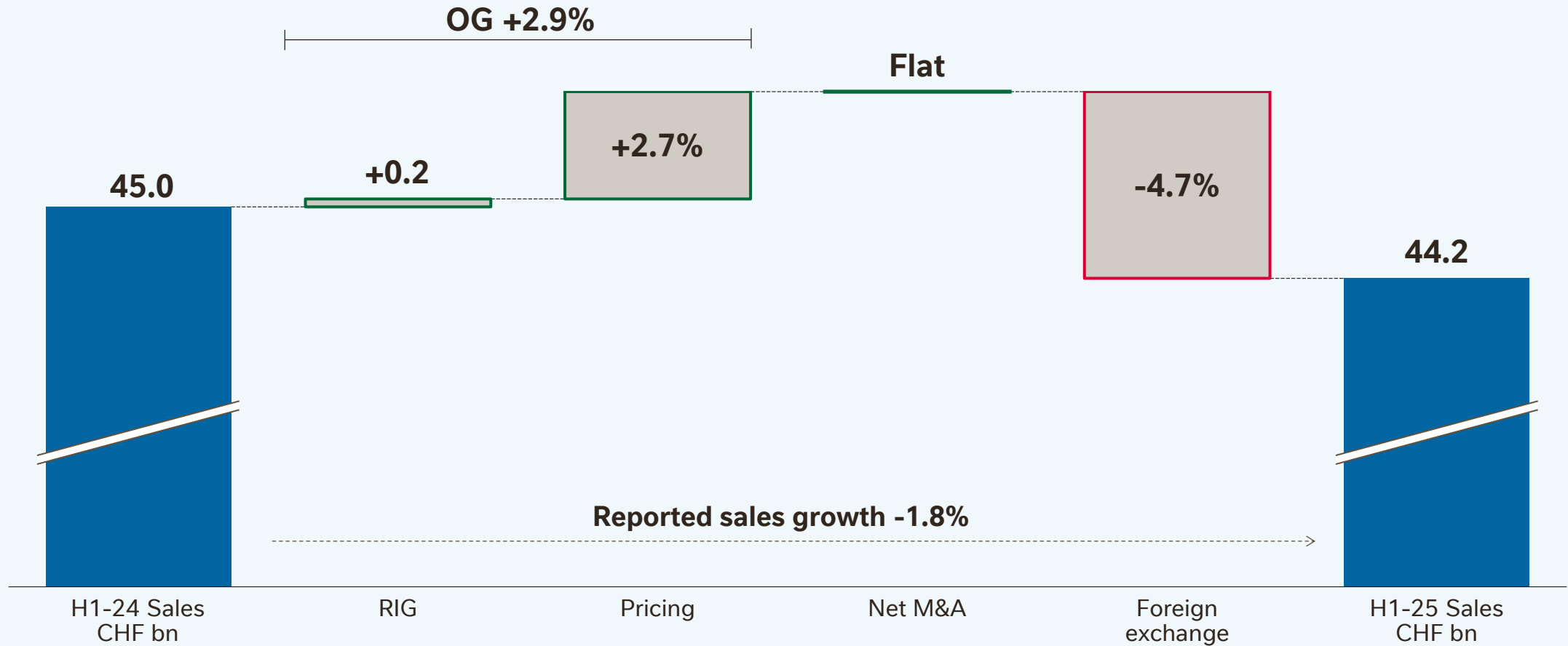


CFO key messages

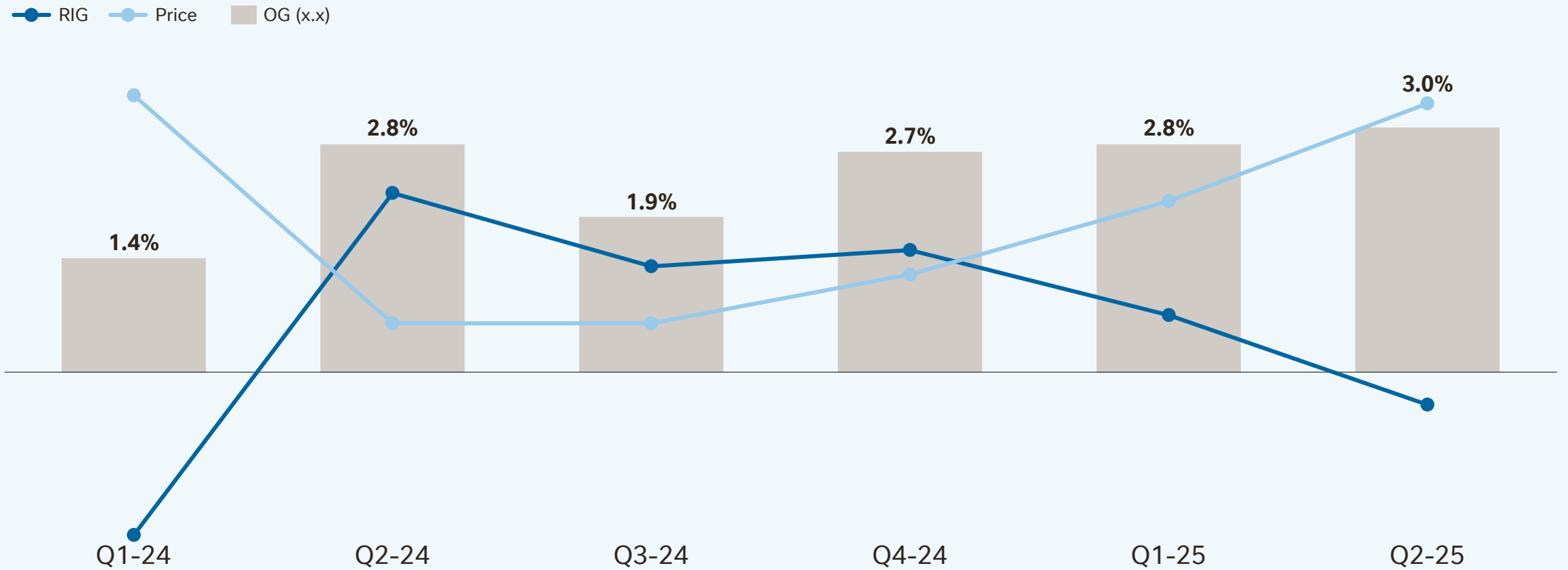
- Broad based OG, led by improved pricing across all categories
- Solid H1 UTOP margin, increased headwinds in H2
- Maintaining 2025 guidance, while recognizing uncertainty



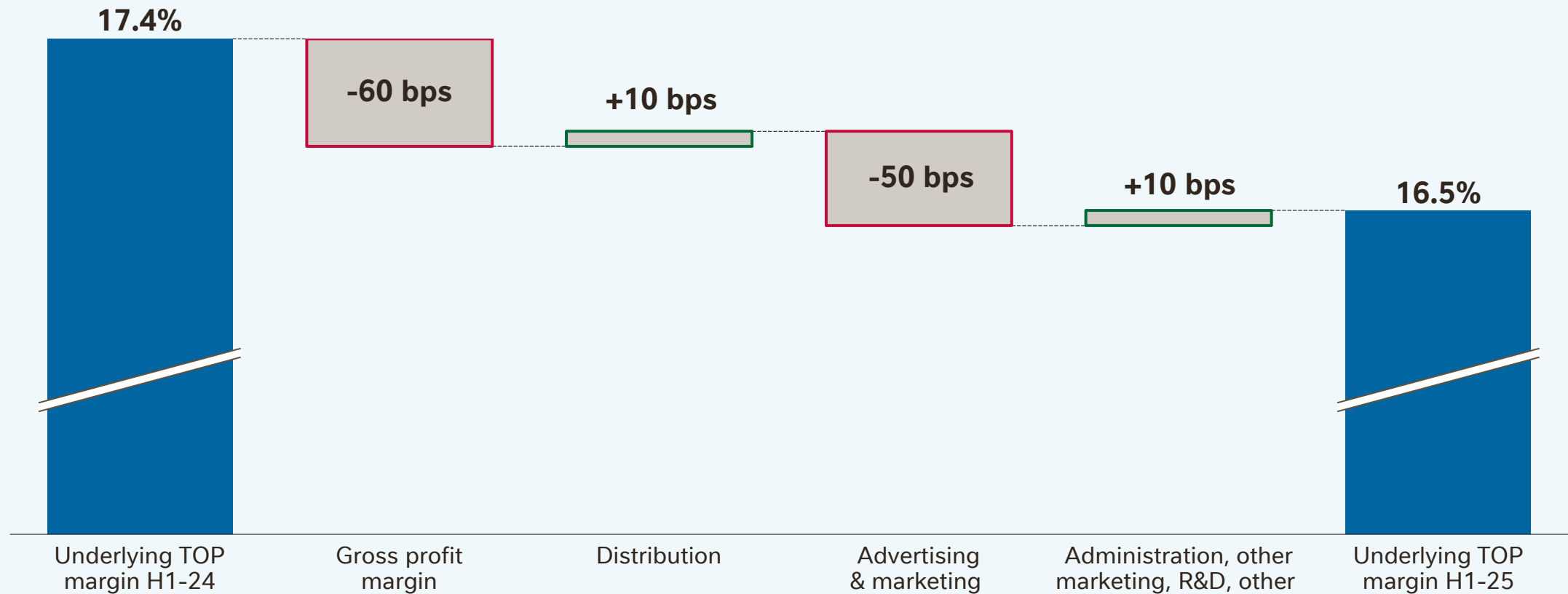
Improving organic sales growth, increased FX headwind



Organic growth driven by pricing

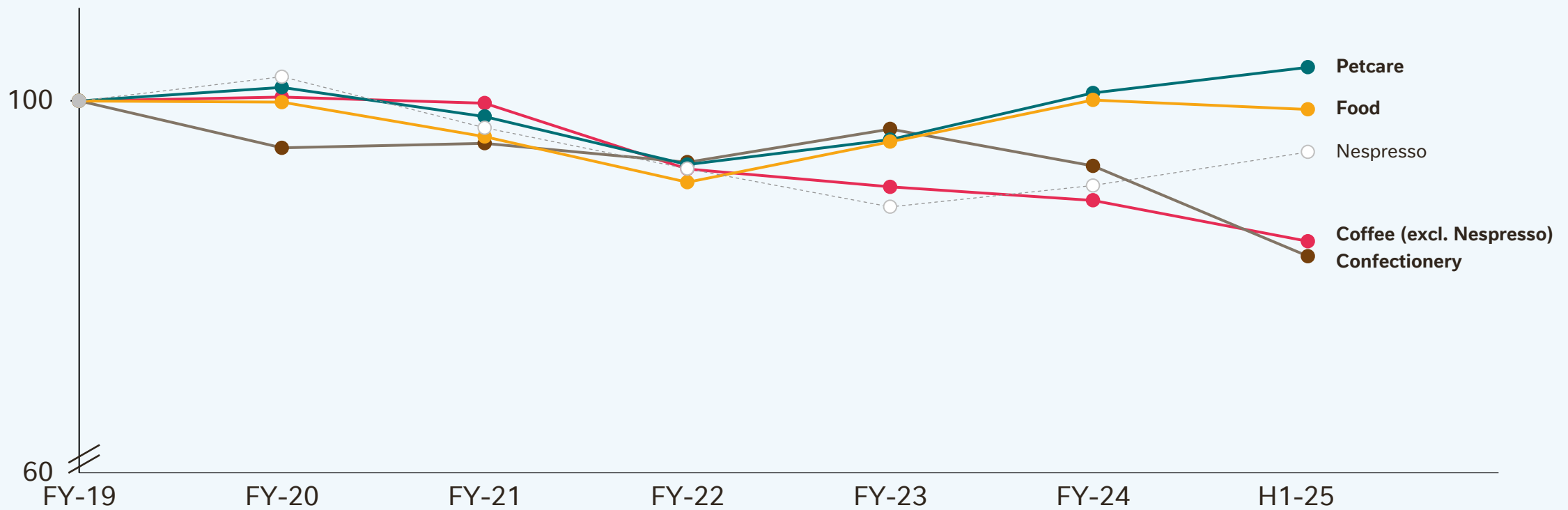


UTOP margin driven by COGS inflation and marketing investment



Gross margin pace of recovery differs by category

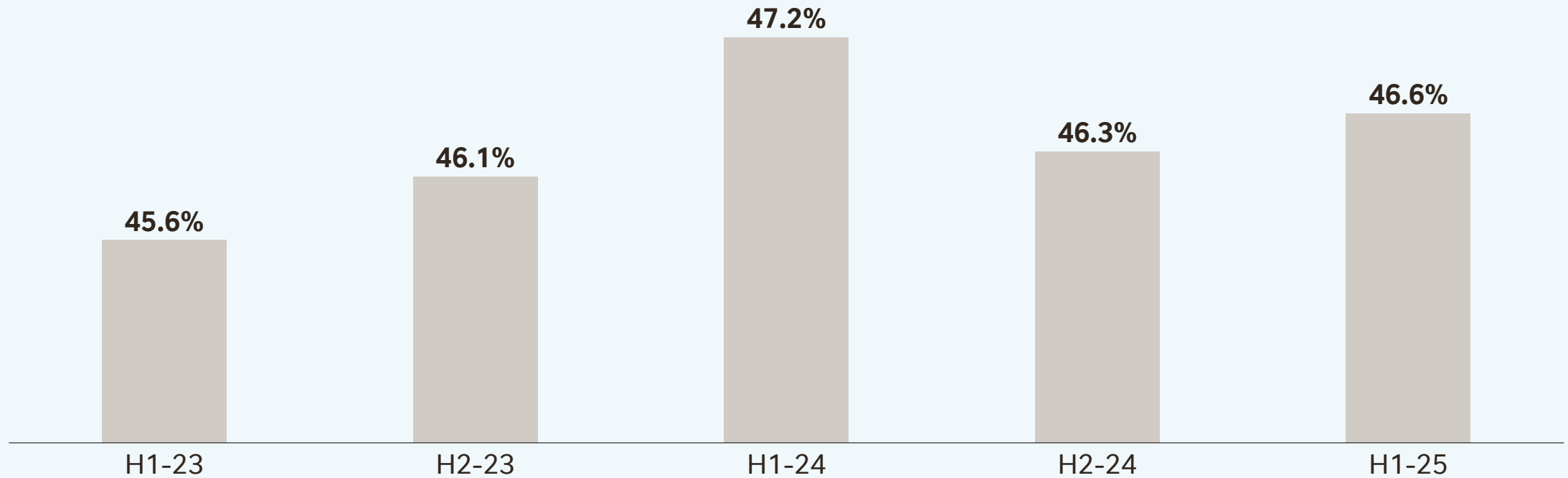
Gross profit margin by category, indexed



Note: Analysis excludes Nestlé Professional

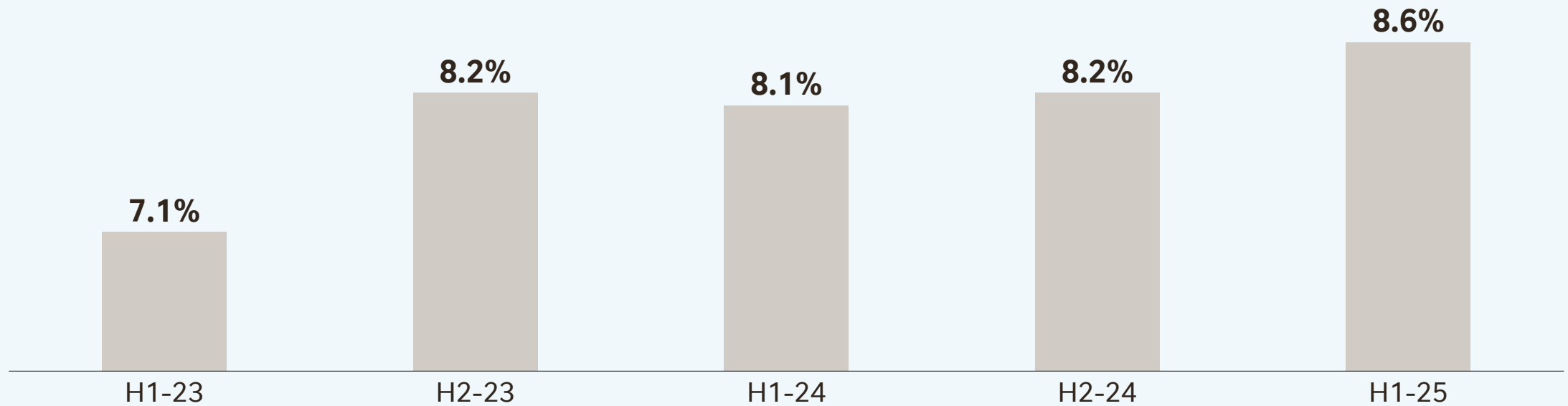
Gross margin decline driven by input cost inflation

Gross profit margin



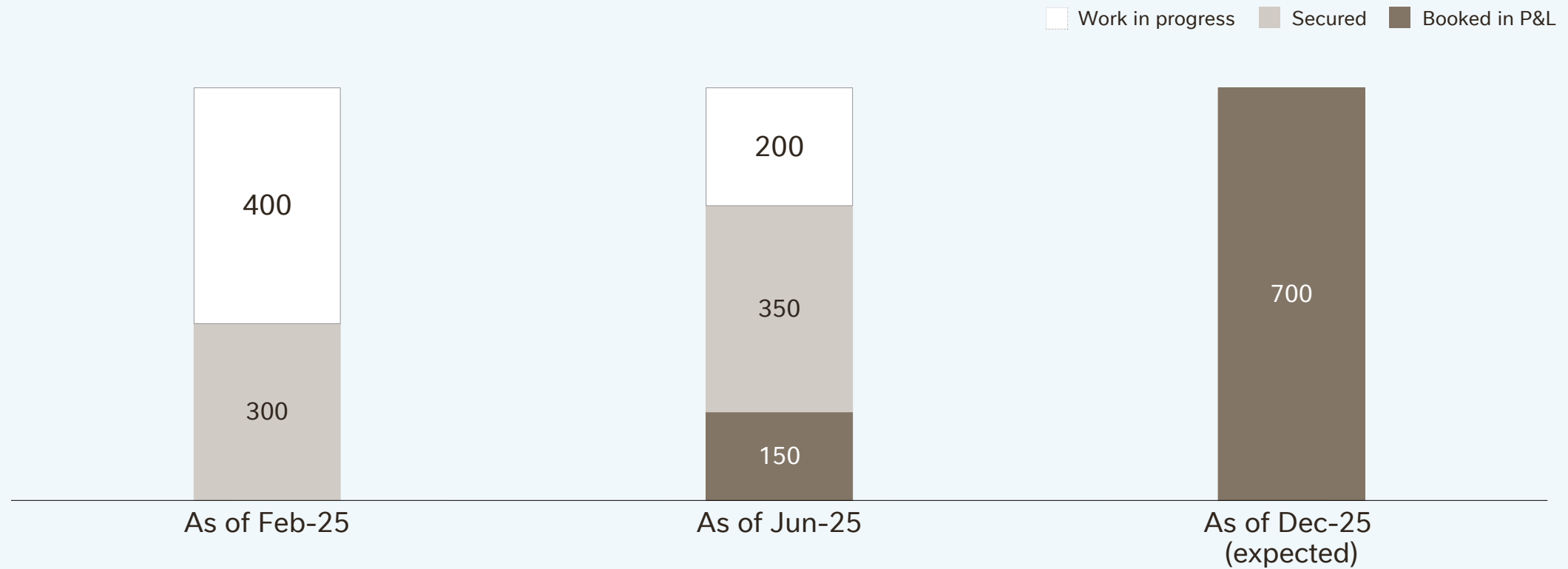
Increasing advertising & marketing investment to drive growth

Advertising and marketing expenses, % of sales



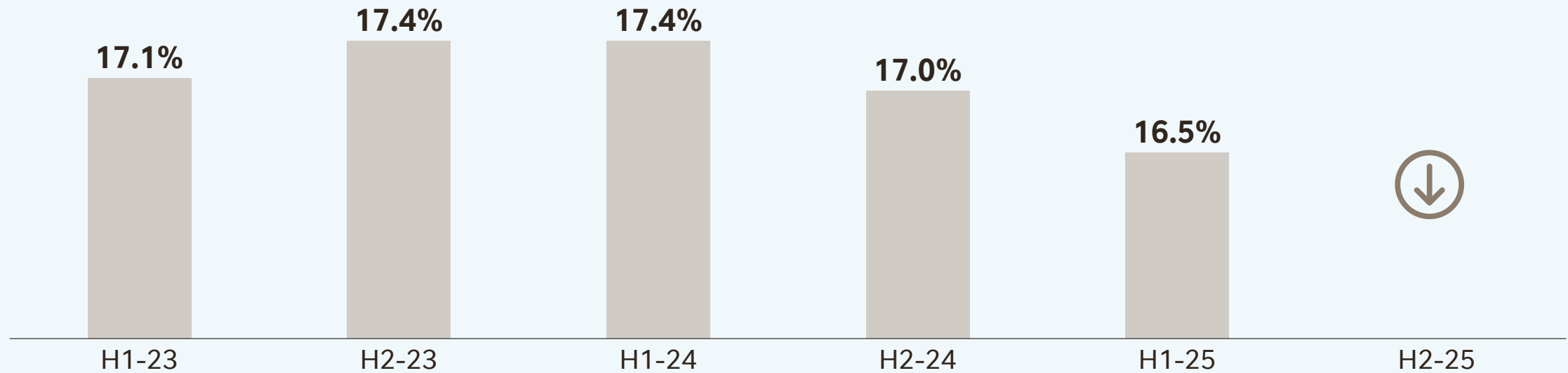
'Fuel for Growth' cost savings on track

2025 'Fuel for Growth' savings, CHF m



Full year UTOP margin expected to be at or above 16%

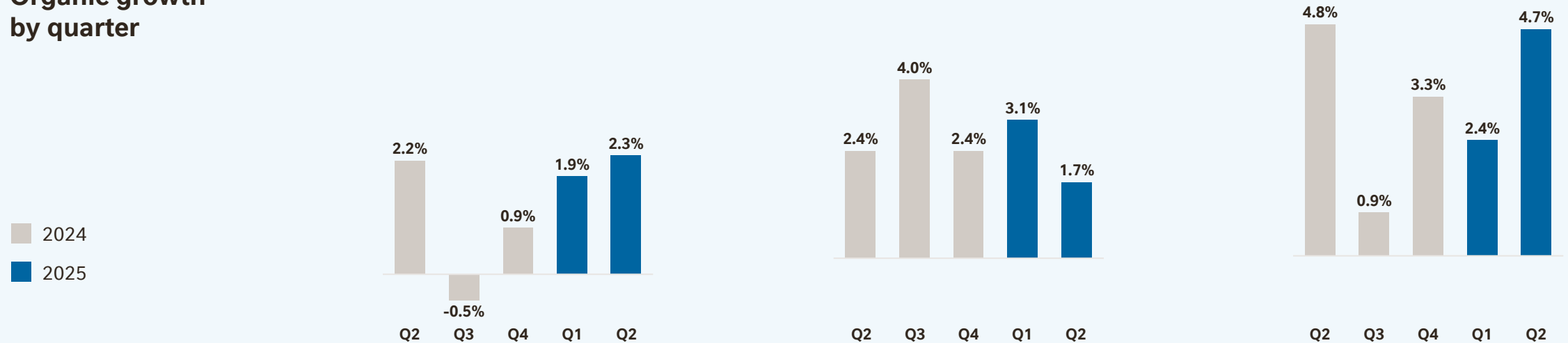
UTOP margin



H1-2025 Zone performance overview

	Zone Americas	Zone AOA	Zone Europe
Organic growth	2.1%	2.4%	3.5%
Real internal growth	-0.5%	-0.3%	-0.2%
Pricing	2.7%	2.6%	3.7%
UTOP margin	20.2%	21.5%	17.2%
vs. LY	-120 bps	-80 bps	-160 bps

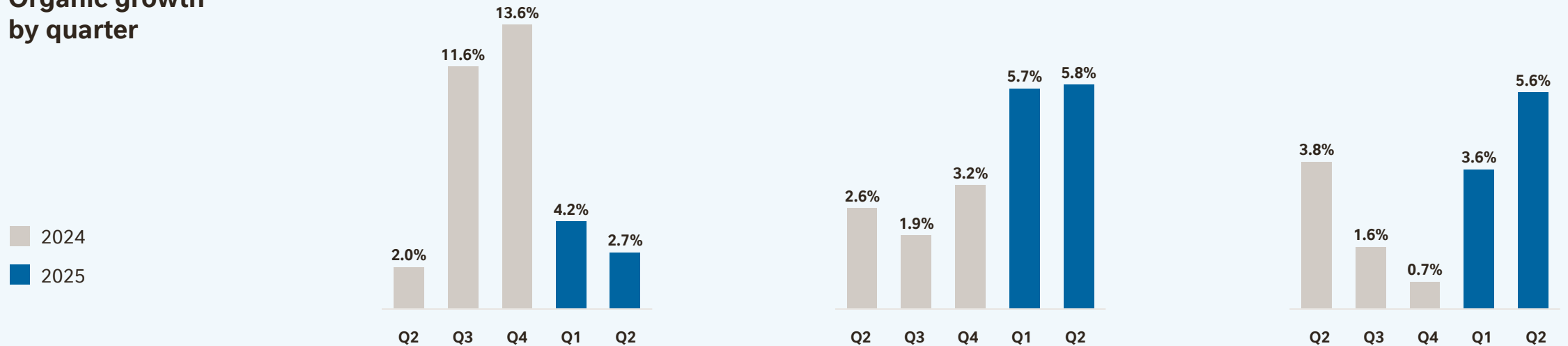
Organic growth by quarter



H1-2025 GMB performance overview

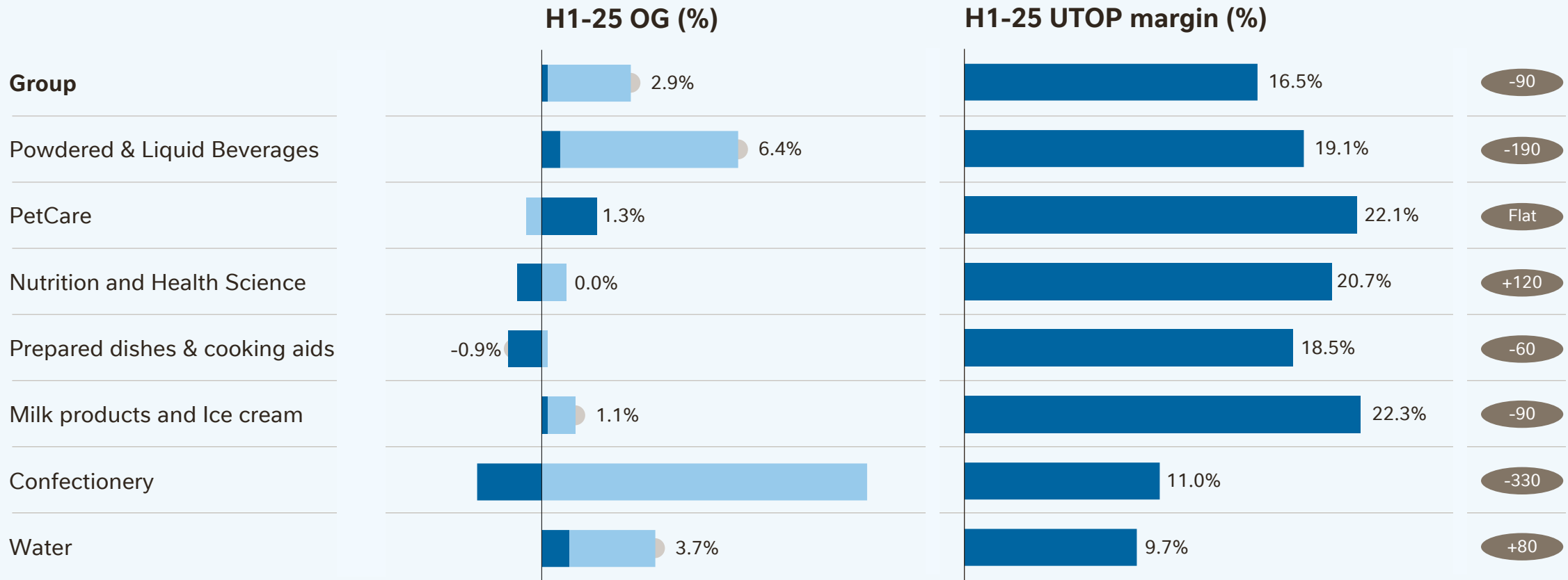
	Nestlé Health Science	Nespresso	Nestlé Waters & Premium Beverages
Organic growth	3.4%	5.8%	4.7%
Real internal growth	3.3%	2.0%	2.3%
Pricing	0.1%	3.8%	2.4%
UTOP margin	15.6%	21.9%	9.3%
vs. LY	+220 bps	+40 bps	Flat

Organic growth by quarter



H1-2025 Category performance overview

● OG ■ RIG ■ Pricing ● xx bps change vs. H1-24

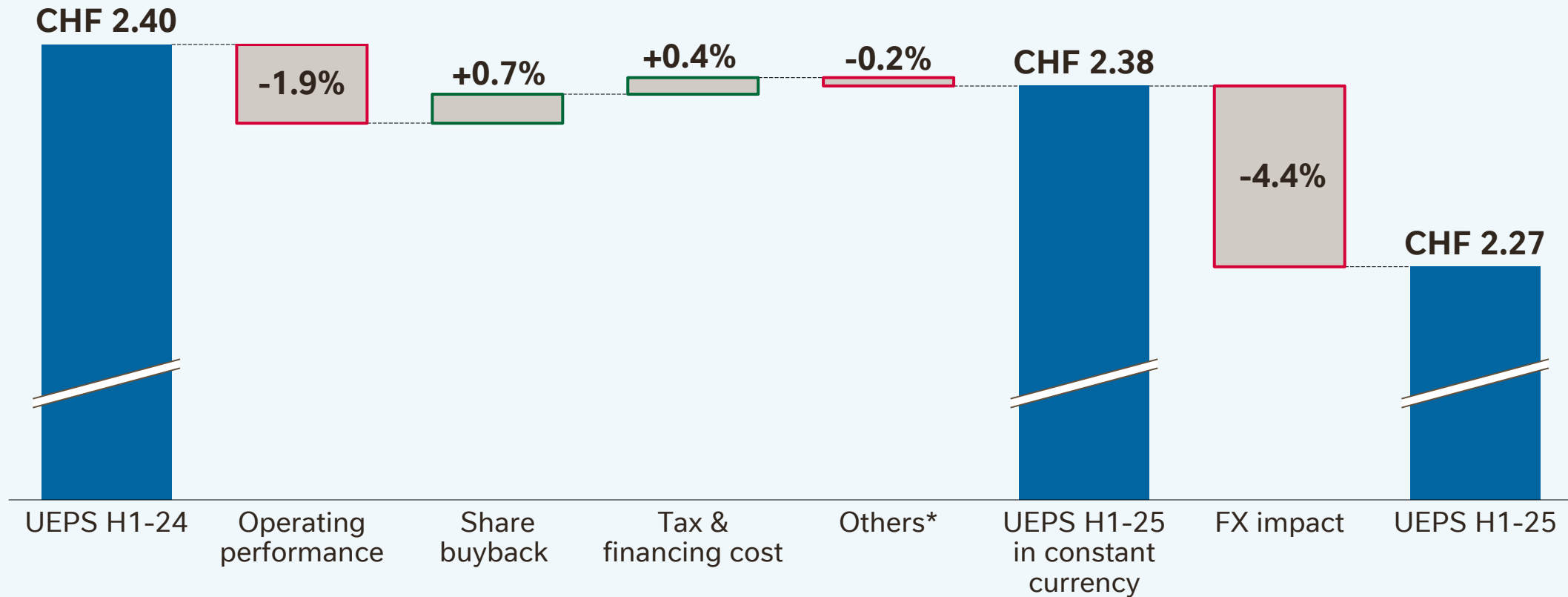


Net profit progression mainly driven by UTOP

	% of sales	H1-25 vs H1-24
Underlying trading operating profit	16.5%	-90 bps
Restructuring		+10 bps
Impairment of assets		+20 bps
Onerous contracts, litigations and other trading income/expenses		-20 bps
Trading operating profit	15.6%	-80bps
Gain/loss on disposals		+10 bps
Net financial expenses		-10 bps
Taxes		+10 bps
Income from associates / joint ventures		flat
Others		-30 bps
Net profit	11.5%	-100 bps



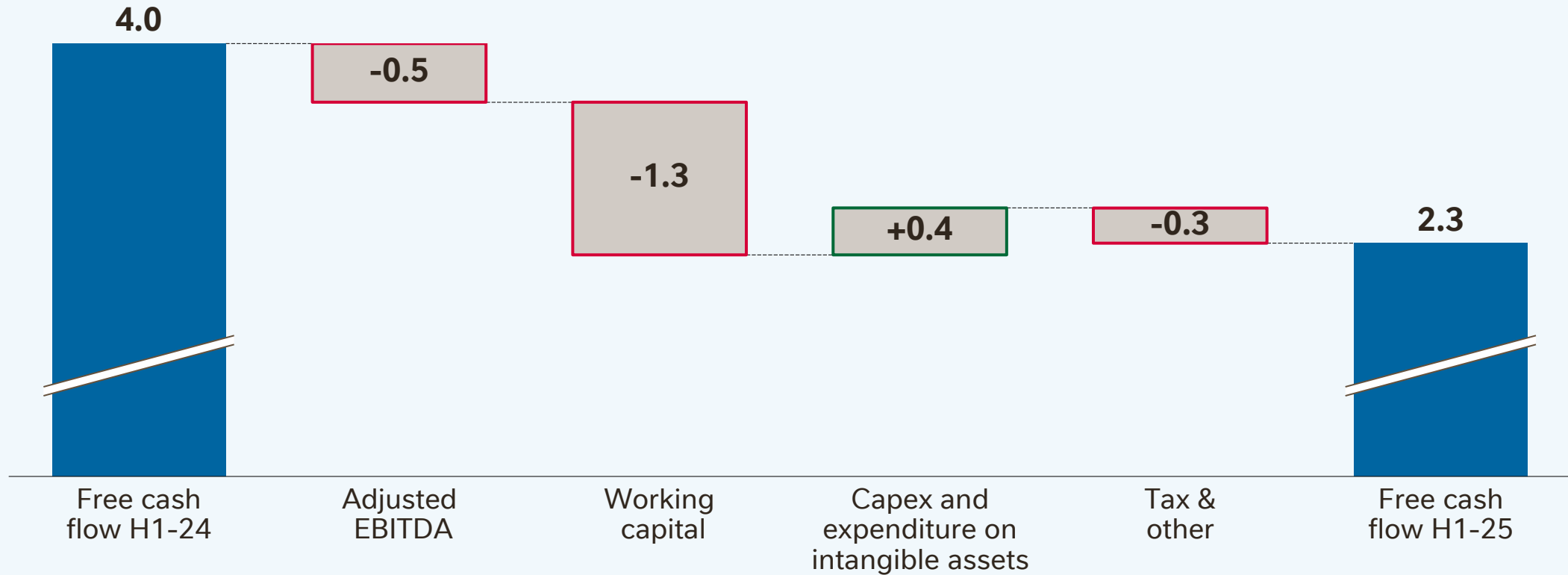
Underlying EPS -1.0% in constant currency, -5.4% on reported basis



* M&A line includes associates and joint ventures and non-controlling interests

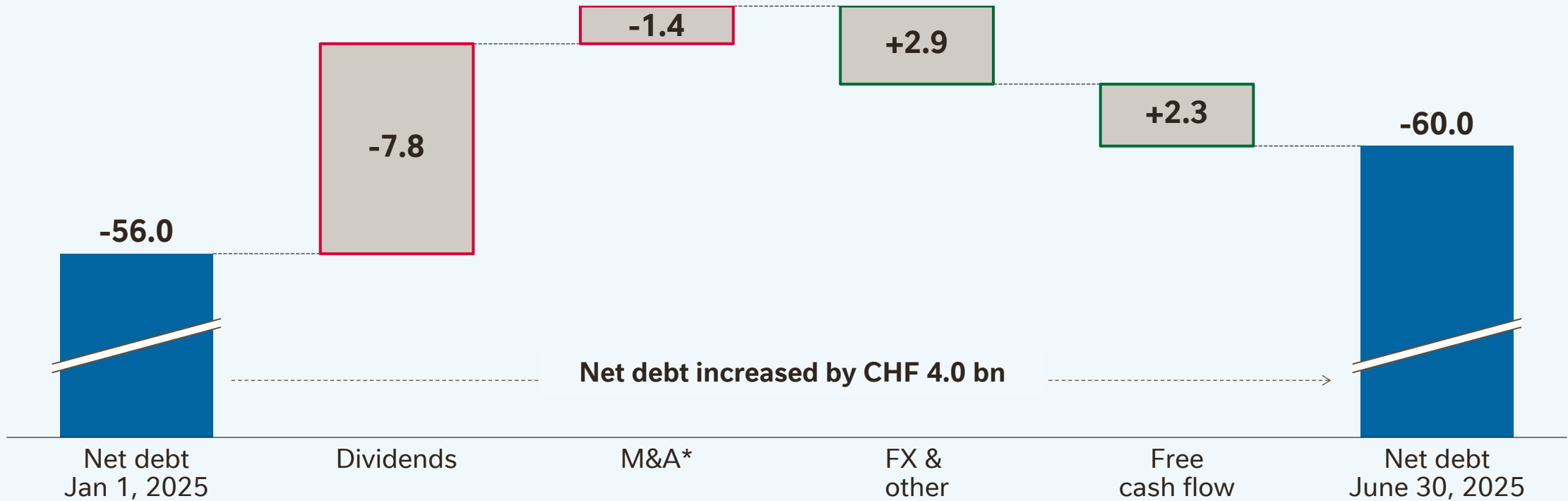
Free cash flow generation impacted by working capital

In CHF billion



First half movements in net debt

In CHF billion



* M&A line includes associates and joint ventures and non-controlling interests

Guidance maintained

	Reported		Guidance	
	FY-2024	H1-2025	2025	Medium-term
Organic sales growth	2.2%	2.9%	Improving compared to 2024	4%+ in normal market conditions
Underlying trading operating profit margin	17.2%	16.5%	At or above 16% as we invest for growth	17.0%+



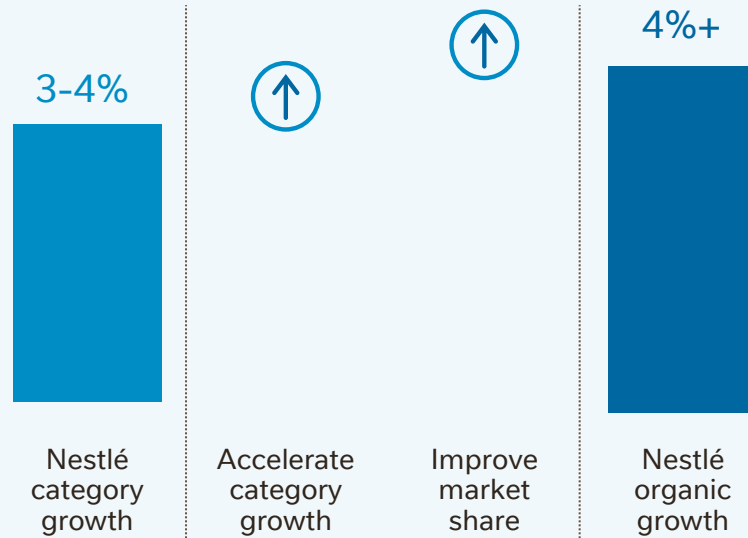
Strategic progress

Laurent Freixe, CEO

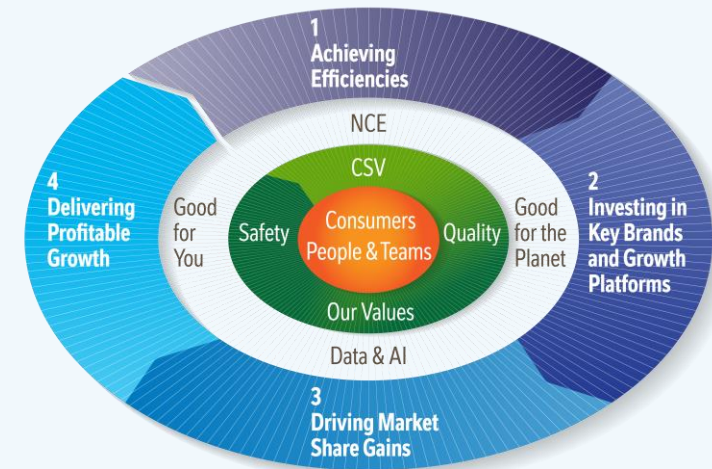


Executing on our strategy

Accelerate performance, transform for the future



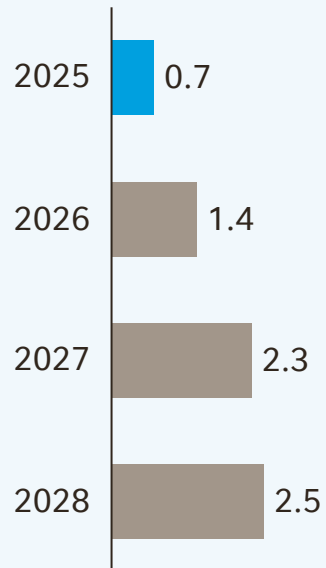
Nestlé Virtuous Circle is our framework



NCE = Nestlé Continuous Excellence, CSV = Creating Shared Value

'Fuel for Growth' plan on track

Phasing of savings, CHF bn



2025 'Fuel for Growth' initiatives - examples

	H1	H2 & beyond
Procurement	AI-powered procurement & supplier management	Streamlined sourcing for scalable value
	Deployment of global specifications catalogues	AI-enhanced demand and supply forecasting
	e-sourcing expansion and automation	
Operational efficiency	Simplification of Zone Europe operating mode	Expand use of service centers
	Leaner R&D organization	Automate reporting and forecasting
Commercial investments	Strategic revenue management	Customer investment management
	Advanced price pack architecture	Marketing return on investment tooling



Investing in the fundamentals of the value proposition

Unrivalled Product superiority

- Taste preference
- Proprietary science & technology

Unbeatable Value

- Strategic revenue management
- Pricing analytics

Unmissable Visibility

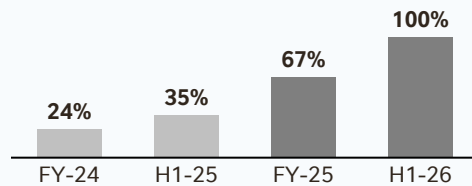
- Omni-channel
- Optimal availability

Unforgettable Brand Communications

- Distinctive creativity
- Optimal media spend

60/40 testing coverage

% of top-selling SKUs



Digital shelf score (DSS)

- Be available
- Be discoverable
- Be attractive

← Driven by data & technology →

Accelerating category growth and improving market share trends

Expand winners

- Global platforms
- Growing channels

Scale big bets

- Fewer, bigger, better
- Drive speed to impact

Address underperformers

- Progress in 18 underperforming cells

Build new growth platforms

- Capture opportunities in emerging trends



2025 sales, YTD in CHF m

>200

Market launches, YTD

65

Improvement in market share gap



+33%

Examples of progress:

- Coffee creamers, US
- Soluble coffee, Europe
- Frozen pizza, US
- MILO, ASEAN
- Biscuits, Brazil

Strengthening our model for sustainable growth in Greater China

Our footprint

38

years in market

>21k

employees in market

24

factories

> 25%

2024 e-intensity

8

categories with iconic global and local brands



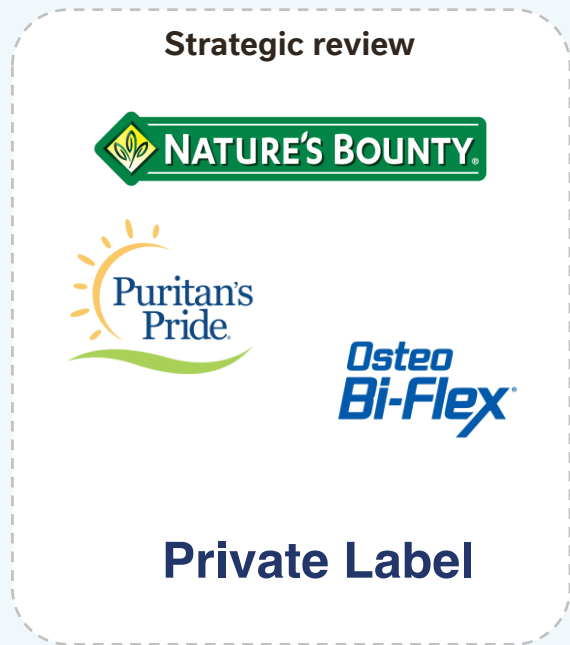
Steps to improve quality of growth

- **Driving sustainable growth** through demand generation
- **Accelerating** speed and agility
- **Changing** leadership

Sharpening focus in Nestlé Health Science

Nestlé Health Science (CHF 6.7bn, 2024 sales)

Vitamins, minerals & supplements (VMS), 38%*



Active nutrition, 29%*



Medical Nutrition, 33%*



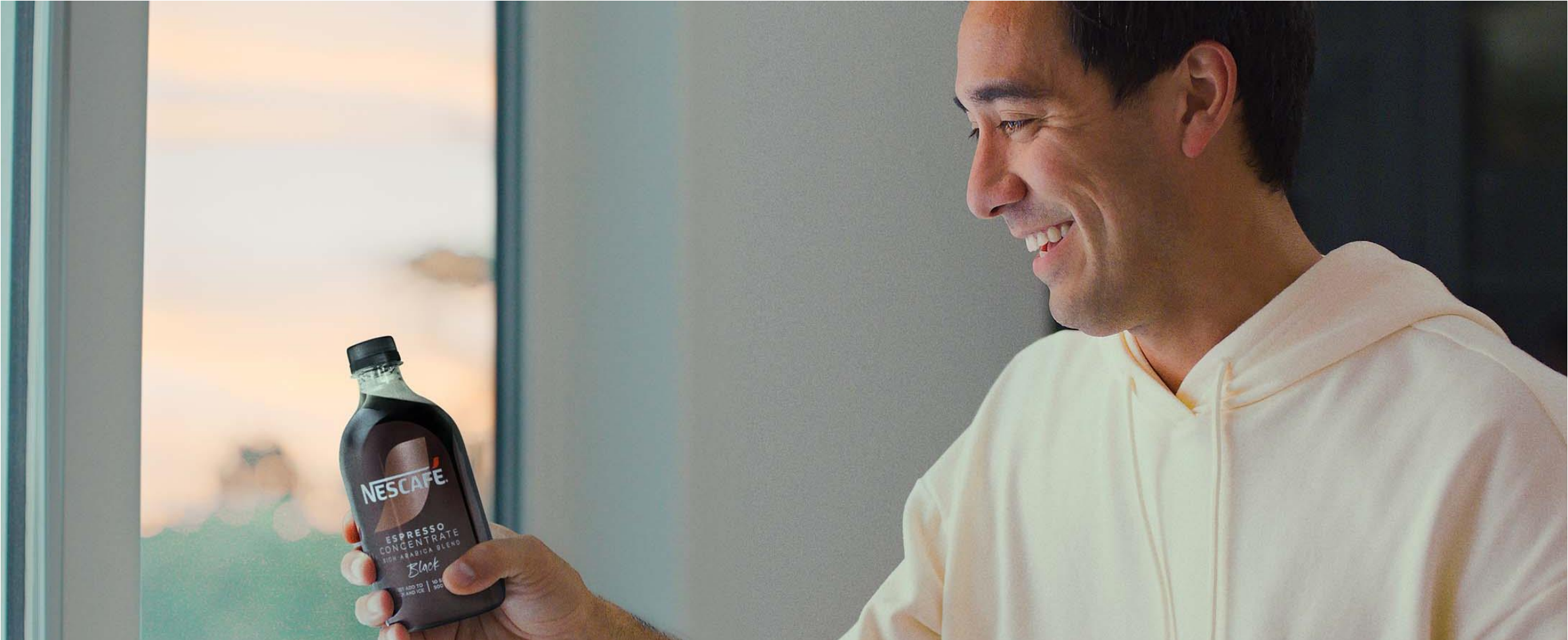
* 1) Percentage of 2024 sales 2) Non-exhaustive list of brands

Key takeaways

- Delivered good H1 performance in challenging operating environment
- Continuing with actions to accelerate performance
- Executing our strategy and transforming the business
- Maintaining 2025 guidance, confident in the medium-term outlook



Appendix



Q2-2025 historical eight quarters

Period	RIG %	Pricing %	OG %
Q3-2023	-0.3	6.3	6.0
Q4-2023	0.4	5.2	5.7
Q1-2024	-2.0	3.4	1.4
Q2-2024	2.2	0.6	2.8
Q3-2024	1.3	0.6	1.9
Q4-2024	1.5	1.2	2.7
Q1-2025	0.7	2.1	2.8
Q2-2025	-0.4	3.3	3.0



Q2-2025 Operating segments – topline summary

	Q2-2025 sales			
	Sales (CHF m)	RIG %	Pricing %	OG %
Zone AMS	8 315	-1.2	3.5	2.3
Zone AOA	4 903	-1.2	2.9	1.7
Zone Europe	4 114	0.2	4.5	4.7
Nestlé Health Science	1 632	1.9	0.8	2.7
Nespresso	1 577	1.4	4.4	5.8
Nestlé Waters & Premium Beverages	1 012	2.9	2.7	5.6
Other Businesses	74	-2.1	2.5	0.3
Total Group	21 627	-0.4	3.3	3.0



Q2-2025 Products – topline summary

	Q2-2025 sales			
	Sales (CHF m)	RIG %	Pricing %	OG %
Powdered and Liquid Beverages	6 184	0.7	6.8	7.5
Water	889	1.3	3.0	4.3
Milk products and Ice cream	2 288	-0.3	1.7	1.4
Nutrition and Health Science	3 580	-1.6	1.3	-0.4
Prepared dishes and cooking aids	2 391	-2.5	0.8	-1.7
Confectionery	1 770	-3.2	11.3	8.1
PetCare	4 525	1.1	-0.1	1.0
Total Group	21 627	-0.4	3.3	3.0



H1-2025 Operating segments – topline summary

	H1-2025 sales						Reported sales growth %
	Sales (CHF m)	RIG %	Pricing %	OG %	Net M&A %	FX %	
Zone AMS	16 954	-0.5	2.7	2.1	-0.1	-6.9	-4.9
Zone AOA	10 442	-0.3	2.6	2.4	-0.3	-3.6	-1.4
Zone Europe	8 467	-0.2	3.7	3.5	0.2	-2.2	1.5
Nestlé Health Science	3 225	3.3	0.1	3.4	-0.1	-3.7	-0.4
Nespresso	3 172	2.0	3.8	5.8	0.4	-3.7	2.4
Nestlé Waters & Premium Beverages	1 821	2.3	2.4	4.7	0.0	-4.0	0.6
Other Businesses	147	0.7	2.5	3.2	0.0	-2.3	0.8
Total Group	44 228	0.2	2.7	2.9	0.0	-4.7	-1.8



H1-2025 Operating segments including AMS & AOA breakdown

	2025 Performance								
	Q1-25			Q2-25			H1-25		
	RIG %	Pricing %	OG %	RIG %	Pricing %	OG %	RIG %	Pricing %	OG %
Zone AMS	0.1	1.7	1.9	-1.2	3.5	2.3	-0.5	2.7	2.1
North America	1.1	-1.0	0.1	0.2	0.4	0.5	0.6	-0.3	0.3
Latin America	-1.6	6.7	5.1	-3.9	9.8	5.9	-2.7	8.3	5.5
Zone AOA	0.7	2.4	3.1	-1.2	2.9	1.7	-0.3	2.6	2.4
AOA excluding Greater China	-0.3	3.8	3.5	0.5	4.7	5.2	0.1	4.2	4.3
Greater China	4.0	-2.3	1.7	-7.1	-3.1	-10.2	-1.5	-2.7	-4.2
Zone Europe	-0.6	3.0	2.4	0.2	4.5	4.7	-0.2	3.7	3.5
Nestlé Health Science	4.8	-0.7	4.2	1.9	0.8	2.7	3.3	0.1	3.4
Nespresso	2.6	3.2	5.7	1.4	4.4	5.8	2.0	3.8	5.8
Nestlé Waters & Premium Beverages	1.6	2.0	3.6	2.9	2.7	5.6	2.3	2.4	4.7
Other Businesses	3.9	2.5	6.4	-2.1	2.5	0.3	0.7	2.5	3.2
Total Group	0.7	2.1	2.8	-0.4	3.3	3.0	0.2	2.7	2.9



H1-2025 Products – topline summary

	H1-2025 sales			
	Sales (CHF m)	RIG %	Pricing %	OG %
Powdered and Liquid Beverages	12 308	0.6	5.8	6.4
Water	1 611	0.9	2.8	3.7
Milk products and Ice cream	4 830	0.2	0.9	1.1
Nutrition and Health Science	7 237	-0.8	0.8	0.0
Prepared dishes and cooking aids	5 051	-1.1	0.2	-0.9
Confectionery	3 962	-2.1	10.6	8.5
PetCare	9 229	1.8	-0.5	1.3
Total Group	44 228	0.2	2.7	2.9



H1-2025 Operating segments – sales and profit

	In CHF m						
	Sales	Underlying Trading Operating Profit	Trading Operating Profit	Net other trading income/ (expense)	Of which impairment of property, plant and equipment	Of which restructuring costs	Depreciation and amortization
Zone AMS	16 954	3 429	3 280	(149)	(9)	(18)	(614)
Zone AOA	10 442	2 246	2 159	(87)	(29)	(20)	(300)
Zone Europe	8 467	1 456	1 408	(48)	(20)	(48)	(386)
Nestlé Health Science	3 225	504	497	(7)	-	1	(158)
Nespresso	3 172	695	669	(26)	(13)	(7)	(141)
Nestlé Waters & Premium Beverages	1 821	170	132	(38)	(10)	(5)	(78)
Other businesses	147	(8)	(10)	(2)	(1)	-	(18)
Unallocated items	-	(1 205)	(1 250)	(45)	(1)	(4)	(104)
Total Group	44 228	7 287	6 885	(402)	(83)	(101)	(1 799)



H1-2025 Products – sales and profit

	In CHF m					
	Sales	Underlying Trading Operating Profit	Trading Operating Profit	Net other trading income/ (expense)	Of which impairment of property, plant and equipment	Of which restructuring costs
Powdered and Liquid Beverages	12 308	2 350	2 267	(83)	(26)	(27)
Water	1 611	156	118	(38)	(10)	(5)
Milk products and Ice cream	4 830	1 078	1 051	(27)	(1)	(8)
Nutrition and Health Science	7 237	1 500	1 437	(63)	(13)	(10)
Prepared dishes and cooking aids	5 051	935	892	(43)	(11)	(34)
Confectionery	3 962	436	389	(47)	(7)	(12)
PetCare	9 229	2 037	1 981	(56)	(14)	(1)
Unallocated items		(1 205)	(1 250)	(45)	(1)	(4)
Total Group	44 228	7 287	6 885	(402)	(83)	(101)



H1-2025 EPS reconciliation (1 of 2)

From underlying trading operating profit
to underlying net profit

	In CHF m	
	H1-2024	H1-2025
Underlying trading operating profit	7 841	7 287
Net financial income / (expense)	(744)	(759)
Adjusted taxes	(1 566)	(1 439)
Adjusted income from associates and joint ventures	890	881
Adjusted non-controlling interests	(150)	(122)
Underlying Net Profit	6 271	5 848
Weighted average number of shares outstanding (million)	2 609	2 573
Underlying EPS (in CHF)	2.40	2.27



H1-2025 EPS reconciliation (2 of 2)

From net profit to underlying net profit

	In CHF m	
	H1-2024	H1-2025
Net Profit	5 644	5 065
Restructuring costs	158	101
Impairments of property, plant & equipment, goodwill and int. assets	189	88
Net result on disposal of businesses	43	(11)
Other adjustment in Net other income/(expense)	0	285
Adjustment for income from associates and joint ventures	145	177
Tax effect on above items & adjustment of one-off tax items	111	163
Adjustment in non-controlling interests	(19)	(20)
Underlying Net Profit	6 271	5 848
Weighted average number of shares outstanding (million)	2 609	2 573
Underlying EPS (in CHF)	2.40	2.27



H1-2025 growth across developed and emerging markets

	Developed	Emerging
Sales (in CHF) % of Group sales	26.0 bn 59%	18.2 bn 41%
RIG	1.0%	-1.1%
Pricing	0.8%	5.6%
OG	1.8%	4.5%



H1-2025 currency overview

			Average rate		
			HY-2024	HY-2025	Variation in %
US Dollar	1	USD	0.889	0.863	-3.0%
Euro	1	EUR	0.961	0.942	-2.1%
Chinese Yuan Renminbi	100	CNY	12.324	11.895	-3.5%
Brazilian Real	100	BRL	17.500	14.980	-14.4%
Philippine Peso	100	PHP	1.563	1.510	-3.3%
UK Pound Sterling	1	GBP	1.125	1.118	-0.7%
Mexican Peso	100	MXN	5.193	4.318	-16.8%
Canadian Dollar	1	CAD	0.655	0.612	-6.5%
Japanese Yen	100	JPY	0.584	0.581	-0.6%
Australian Dollar	1	AUD	0.585	0.547	-6.6%
Indian Rupee	100	INR	1.069	1.002	-6.2%



Abbreviations

AMS	Americas
AOA	Asia, Oceania and Africa
GMB	Globally managed business
OG	Organic growth
OOH	Out-of-home
RIG	Real internal growth
RTD	Ready-to-drink
UEPS	Underlying Earnings Per Share
UTOP	Underlying Trading Operating Profit