Nestlé Good food, Good life

Press Release

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Half-year results 2025: Consistent execution, improving growth foundations

Laurent Freixe, Nestlé CEO commented: *"We are executing our strategy to accelerate performance and transform for the future. We are accelerating our category growth and improving our market share, through better execution and increased investment, funded through a relentless pursuit of efficiency.*

These actions are already delivering results, with broad-based growth and a robust profit performance in the first half. Where we are investing to accelerate category growth, we are growing four times faster than the Group, and our six innovation 'big bets' achieved sales of over CHF 200 million in the first half. At the same time, we are addressing our 18 key underperforming business cells, and the aggregate growth gap to market has improved by a third. We are also taking decisive measures to strengthen our business in Greater China and focus our Vitamins, Minerals and Supplements business on winning premium brands.

We have maintained our guidance for 2025, while recognizing increased macroeconomic risks and uncertainties. We remain confident that our actions to drive performance and transformation will deliver our medium-term growth and profit ambitions."

Results performance summary

In millions of CHF, unless stated	**H1-2025**	**H1-2024**	**Reported change**
- Real internal growth (RIG)	*0.2%*	*0.1%*	*10 bps*
- Pricing	*2.7%*	*2.0%*	*70 bps*
Organic growth	2.9%	2.1%	80 bps
Net acquisitions/(disposals)	0.0%	-0.4%	40 bps
Foreign exchange movements	-4.7%	-4.4%	-30 bps
Reported sales growth	-1.8%	-2.7%	90 bps
Sales	44,228	45,045	-1.8%
Underlying trading operating profit	7,287	7,841	-7.1%
Gross profit margin	46.6%	47.2%	-60 bps
Underlying trading operating profit margin	16.5%	17.4%	-90 bps
Net profit[1]	5,065	5,644	-10.3%
Basic EPS (CHF)	1.97	2.16	-9.0%
Underlying EPS (CHF)	2.27	2.40	-5.4%
Free cash flow	2,307	3,978	-42.0%

[1] Profit for the year attributable to shareholders of the parent

Financial highlights

- **Broad-based sales growth**
  - H1 organic sales growth (OG) of 2.9%, with real internal growth (RIG) of 0.2% and pricing of 2.7%.
  - Q2 OG of 3.0%, with RIG of -0.4% and pricing of 3.3%. OG improved compared to Q1 across most businesses.
  - Pricing actions taken through H1, with low elasticity in coffee and higher short-term impact in confectionery.
  - Decline in Greater China impacting Group Q2 OG by 70 bps and RIG by 40 bps.
- **Solid profit performance while stepping up investment**
  - Underlying trading operating profit (UTOP) margin of 16.5%, impacted by inflation in costs of goods sold, step-up in growth investments and currency headwinds.
  - Net profit of CHF 5.1 billion, basic earnings per share (EPS) down 9.0% to CHF 1.97, free cash flow of CHF 2.3 billion.

Operational and strategic progress

- **Investing in growth, with focused and consistent execution delivering results**
  - Marketing investment increased, with advertising and marketing expenses reaching 8.6% of sales in the first half of 2025.
  - Where we are investing to accelerate category growth, we are growing at four times the rate of overall group OG.
  - Rapid roll-out of six global innovation 'big bets' reaching combined sales of over CHF 200 million in H1 2025.
  - In 18 key underperforming business cells, aggregate growth gap to market improved by a third.
- **Good progress with CHF 2.5 billion *Fuel for Growth* cost savings program**
  - On track to achieve target of CHF 0.7 billion savings in 2025, with over CHF 150 million recognized in the P&L in H1 and an additional CHF 350 million already secured for H2.
- **Taking steps to strengthen growth profile in Greater China and Nestlé Health Science**
  - Taking action in Greater China to improve performance; measures will be a growth headwind for up to a year.
  - Focusing the Vitamins, Minerals and Supplements (VMS) business on premium brands, launching strategic review of our mainstream and value brands.
- **Simplifying our organization and digitally transforming our end-to-end processes**
  - Leveraging Nestlé's scale, single enterprise resource planning (ERP) core and data foundations, and expanding our AI platforms to support decision-making, execution and efficiency.

2025 guidance

- 2025 guidance maintained, despite factoring in increased headwinds.
- Organic sales growth expected to improve compared to 2024, strengthening over the year as we continue to deliver on our growth plans.
- UTOP margin expected to be at or above 16.0%, as we invest for growth; includes negative impact from tariffs currently in place and current foreign exchange rates.
- Despite heightened risks from continuing macroeconomic and consumer uncertainties, we remain committed to investing for the medium term.

Follow today's event live
09:00 CEST Analyst & investor call – video webcast
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Press release links
2025 half-year results press release - French (pdf)
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Reports published today
2025 half-year report (pdf)
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Operational and strategic review

Growth and investment

In the first half of 2025, organic growth was 2.9%, with 2.8% in Q1 and 3.0% in Q2. Pricing contribution increased to 2.7% in H1, as we took actions to address input cost inflation in coffee and cocoa-related categories. RIG was 0.2%, reflecting lower consumer demand and the short-term impact of consumers and customers adjusting to price increases. Sales declined in Greater China, negatively impacting the Group's second-quarter OG and RIG by 70 bps and 40 bps, respectively.

We have stepped up our investments in our value proposition: unrivalled product superiority, unbeatable value, unmissable visibility and unforgettable brand communications. For example, we have made a step change in rigor on consumer taste preference testing. Over the last three years, we have tested less than a quarter of top-selling SKUs that account for approximately half of group sales, whereas now we plan to test the remainder of them over the next twelve months and take corrective action if we do not have taste preference. We have also increased marketing investment, with advertising and marketing expenses as a percentage of sales up to 8.6% in H1 2025 compared to 8.1% in H1 2024.

The impact of these efforts can be seen in our progress on both improving our market share trends and in accelerating our category growth. The aggregate growth gap to market for our 18 key underperforming business cells has reduced by a third, with most cells improving their relative performance. These include coffee creamers US, soluble coffee Europe, frozen pizza US, *Milo* ASEAN and biscuits Brazil.

Where we are investing to accelerate category growth, we are growing four times faster than the Group. This includes platforms, such as ready-to-drink (RTD) coffee and pet therapeutics as well as the rapid roll-out of our six global innovation 'big bets': *NAN Sinergity*, *Nescafé* Espresso Concentrate, *Maggi* air fryer range, chocobakery, *Purina*'s gourmet pyramid-shaped cat food, and *Nescafé Dolce Gusto Neo*. We have completed 65 product-market launches to date – a step change in pace of rollout. In the first half of 2025, the six 'big bets' already achieved combined sales of over CHF 200 million, making good progress towards our ambition to reach at least CHF 100 million in annual sales in each big bet over the next three years.

Efficiency and productivity

Our *Fuel for Growth* program targets savings of CHF 0.7 billion in 2025, scaling to CHF 2.5 billion by the end of 2027. In H1, over CHF 150 million of savings were recognized in the P&L, and a further CHF 350 million savings have already been secured for H2, putting us well on track to achieve our 2025 target. Examples of savings achieved so far include AI-powered procurement and supplier management, spend consolidation and aggregation, and e-sourcing expansion and automation. These *Fuel for Growth* savings will come in addition to over CHF 1 billion per annum of ongoing efficiencies from existing initiatives.

Expected phasing of *Fuel for Growth* cost savings program:

In CHF billion	Achieved **H1-2025**	Expected **2025**	Expected **2026**	Expected **2027**
2025 non-recurring savings	0.1	0.3		
2025 recurring savings	0.05	0.4	0.4	0.4
2026 recurring savings			1.0	1.0
2027 recurring savings				0.9
Total in-period savings	**0.15**	**0.7**	**1.4**	**2.3**
Run-rate savings at end of 2027				2.5

Strengthening foundations

In Greater China, we are taking material steps to strengthen performance, including changes in leadership. In recent years, we have grown the business by expanding distribution. This model has become challenged by a weaker consumer and the deflationary environment. To deliver sustainable growth, we are now focusing on driving consumer demand by strengthening our value proposition. It will take up to a year to return to sustainable growth.

In Vitamins, Minerals and Supplements (VMS), we have launched a strategic review of our mainstream and value brands, including *Nature's Bounty*, *Osteo Bi-Flex*, *Puritan's Pride*, and US private label, which may result in the divestment of these brands. Our VMS business will focus on global premium brands, such as *Garden of Life*, *Solgar* and *Pure Encapsulations* where our capabilities in science, innovation and brand-building give us a distinct competitive edge.

We are simplifying our organization and digitally transforming our end-to-end processes, leveraging Nestlé's scale, single ERP core and enterprise data foundations. This will allow us to run the business with greater agility and precision, with connected data and technology to support decision-making, execution and efficiency. Our current areas of focus are consumer engagement, commercial investment decision-making and returns, procurement analytics and connected operations.

Financial review

Sales

Total reported sales decreased by 1.8% to CHF 44.2 billion. This includes a negative impact of 4.7% from foreign exchange, given the significant strengthening of the Swiss franc during the period. Organic growth was 2.9%. Pricing contribution was 2.7%, as we took action to address input cost inflation in coffee and cocoa-related categories. RIG was 0.2%, reflecting soft consumer demand and the short-term impact of consumers and customers adjusting to price increases.

By category, confectionery and coffee were the largest organic growth contributors, driven by pricing of 10.6% and 6.0%, respectively. Our focus in these two categories is on smart pricing action to fully address input cost increases where possible, while maintaining medium-term consumer penetration. In coffee, elasticity effects have been limited, and RIG was slightly positive and remained stable across the two quarters. Short-term elasticities in confectionery have been more pronounced than in coffee, which is consistent with historical trends. Outside confectionery and coffee, organic growth was more modest, led by PetCare and water, while growth in food was negative in the context of a category decline.

By geography, organic growth in developed markets was 1.8%, driven by RIG of 1.0% along with pricing of 0.8%. In emerging markets, organic growth was 4.5%, with pricing of 5.6% and RIG of -1.1%.

By channel, organic growth in retail sales was 2.6%. Organic growth of the out-of-home channel was 5.8%. E-commerce sales grew organically by 12.3%, reaching 20.2% of total Group sales.

Gross profit and operating profit

Gross profit was CHF 20.6 billion. The gross profit margin decreased by 60 bps to 46.6%, primarily driven by the impact of higher coffee and cocoa prices on cost of goods sold, which were not fully compensated by price increases.

Distribution expenses as a percentage of sales were 8.3%, slightly down versus the prior year at 8.4%. Marketing and administration expenses as a percentage of sales increased by 50 bps to 20.4%. This was driven by an increase in advertising and marketing expenses as a percentage of sales, up 50 bps to 8.6% as we continue to step up growth investments; administration expenses as a percentage of sales were flat at 11.8%. Research and development costs as a percentage of sales were slightly down versus the prior year at 1.8%.

Underlying trading operating profit was CHF 7.3 billion, a decrease of 7.1%. The underlying trading operating profit margin was 16.5%, a decrease of 90 bps on a reported basis or 80 bps in constant currency.

Restructuring and net other trading items was CHF 0.4 billion in the first half of both this year and the prior year. Trading operating profit decreased by 6.9% to CHF 6.9 billion. The trading operating profit margin was 15.6%, a decrease of 80 bps on a reported basis.

As % of sales	H1-2025	H1-2024	Reported change	Constant currency change
Sales	**100.0%**	**100.0%**	-	
Cost of goods sold	-53.4%	-52.8%	-60 bps	
Gross profit margin	**46.6%**	**47.2%**	**-60 bps**	
Other revenue	0.4%	0.4%	0 bps	
Distribution expenses	-8.3%	-8.4%	10 bps	
Marketing and administration expenses	-20.4%	-19.9%	-50 bps	
Research and development costs	-1.8%	-1.9%	10 bps	
Underlying trading operating profit margin	**16.5%**	**17.4%**	**-90 bps**	**-80 bps**
Other trading income	0.2%	0.1%	10 bps	
Other trading expenses	-1.1%	-1.1%	0 bps	
Trading operating profit margin	**15.6%**	**16.4%**	**-80 bps**	**-70 bps**
Other operating income	0.4%	0.5%	-10 bps	
Other operating expenses	-0.6%	-0.4%	-20 bps	
Operating profit margin	**15.4%**	**16.5%**	**-110 bps**	

Net financial expenses and income tax

Net financial expenses increased to CHF 759 million from CHF 744 million, reflecting a higher level of average net debt. The average cost of net debt was 2.5% compared to 2.6% in the first half of 2024.

The Group reported tax rate was 26.4%, compared to 25.0% in the prior year period. The increase was due to one-off tax charges reported in 2025. The underlying tax rate was 22.0%.

Net profit and earnings per share

Net profit decreased by 10.3% to CHF 5.1 billion. Basic earnings per share decreased by 9.0% to CHF 1.97 driven by lower net profit, which was partially offset by the impact of the share buyback program, which concluded in December 2024.

Cash flow

Cash generated from operations decreased to CHF 6.2 billion from CHF 8.1 billion in the first half of 2024. Free cash flow was CHF 2.3 billion compared to CHF 4.0 billion in the same period last year, with the decrease primarily due to lower EBITDA and a negative contribution from working capital movements, partially offset by lower capex.

Net debt

Net debt was CHF 60.0 billion as at June 30, 2025, compared to CHF 56.0 billion as at December 31, 2024 and CHF 59.5 billion as at June 30, 2024. The increase largely reflected cash outflows for the dividend payment of CHF 7.8 billion partially offset by a benefit from foreign exchange movements.

Acquisition of minority interests and JVs

During the first half of the year, we increased our ownership in two companies as follow-ons from earlier acquisitions. In China, we acquired all the outstanding minority interests of confectionery company Hsu Fu Chi, and in Nestlé Health Science we further increased our majority stake in Orgain, a leader in plant-based nutrition, where we had an option as part of the original acquisition structure. In South Korea we took control of our Purina business from the existing JV structure and integrated it into Nestlé South Korea.

Operating segment review

	Total Group	Zone Americas	Zone AOA	Zone Europe	Nestlé Health Science	Nespresso	Nestlé Waters & Premium Beverages	Other businesses
Sales H1-2025 (CHF m)	**44,228**	**16,954**	**10,442**	**8,467**	**3,225**	**3,172**	**1,821**	**147**
Sales H1-2024 (CHF m)	45,045	17,821	10,591	8,342	3,239	3,096	1,810	146
Real internal growth (RIG)	0.2%	-0.5%	-0.3%	-0.2%	3.3%	2.0%	2.3%	0.7%
Pricing	2.7%	2.7%	2.6%	3.7%	0.1%	3.8%	2.4%	2.5%
Organic growth	**2.9%**	**2.1%**	**2.4%**	**3.5%**	**3.4%**	**5.8%**	**4.7%**	**3.2%**
Net M&A	0.0%	-0.1%	-0.3%	0.2%	-0.1%	0.4%	0.0%	0.0%
Foreign exchange	-4.7%	-6.9%	-3.6%	-2.2%	-3.7%	-3.7%	-4.0%	-2.3%
Reported sales growth	**-1.8%**	**-4.9%**	**-1.4%**	**1.5%**	**-0.4%**	**2.4%**	**0.6%**	**0.8%**
UTOP H1-2025 (CHF m)	**7,287**	**3,429**	**2,246**	**1,456**	**504**	**695**	**170**	**-8**
UTOP H1-2024 (CHF m)	7,841	3,807	2,366	1,569	433	667	168	-5
UTOP margin H1-2025	**16.5%**	**20.2%**	**21.5%**	**17.2%**	**15.6%**	**21.9%**	**9.3%**	**-5.5%**
UTOP margin H1-2024	17.4%	21.4%	22.3%	18.8%	13.4%	21.5%	9.3%	-2.9%
UTOP margin YoY	*-90 bps*	*-120 bps*	*-80 bps*	*-160 bps*	*+220 bps*	*+40 bps*	*flat*	*-260 bps*

Zone Americas

Zone Americas delivered resilient performance despite a challenging macroeconomic environment and fragile consumer confidence. Growth was broad based across all key markets, and performance was strong in the out-of-home and e-commerce channels. In North America, organic growth and RIG were both positive in Q1 and Q2, with improving market share trends in frozen foods and coffee creamers. In Latin America, growth was pricing-led, with double-digit increases in coffee and confectionery partially offset by negative RIG.

Segment performance summary

- Organic growth was 2.1%, with -0.5% RIG and 2.7% pricing.
- Reported sales growth was down 4.9% to CHF 17.0 billion, including a -6.9% impact from foreign exchange movements.
- In North America, organic growth was 0.3%, with 0.6% RIG and -0.3% pricing. In Latin America, organic growth was 5.5%, with -2.7% RIG and 8.3% pricing.
- By market, growth was led by Brazil, along with Argentina and Venezuela (both with strong RIG), partially offset by the Central American and Caribbean regions.
- Market share gains were achieved in portioned and soluble coffee in North America and ready-to-drink beverages in Latin America. Market share developments in frozen food and in coffee creamers continued to improve.
- UTOP margin decreased by -120 bps to 20.2% driven by input cost inflation, increased consumer investment, and currency and tariff headwinds that offset pricing and efficiencies.

Key organic sales growth drivers by product category

- Beverages (including coffee and coffee creamers) delivered high single-digit broad-based growth, with strong pricing and positive RIG. *Nescafé* was the key driver, reflecting its strong value proposition especially for more stretched consumers, as well as good commercial execution.

- Confectionery grew double digit, led by *Tollhouse* in the US (double-digit RIG and pricing) and *Garoto* in Brazil (double-digit pricing, negative RIG), and supported by chocobakery expansion.
- Nestlé Professional grew at mid single-digit rate, with positive contributions across most segments, particularly in Latin America.
- In PetCare, growth was positive, with solid performance in cat, offset by weaker category dynamics impacting sales in mainstream dog brands and snacks.
- Frozen food declined at a slower pace, with improved share trends in *Stouffer's* and *DiGiorno*.
- Infant Nutrition recorded negative growth, with sales declines in *Gerber* and *Nido*.

Zone Asia, Oceania and Africa

In Zone AOA, growth was broad based across markets, with the exception of Greater China. Most regions delivered positive organic growth, with the strongest contributions from Central & West Africa, the Philippines and South Asia. In Greater China, sales declined in Q2, as we began to adjust our business model to focus on driving consumer demand. By category, growth was strongest in confectionery, led by RIG and market share gains while implementing pricing actions. Growth was also strong in strategic focus areas of on-the-go ready-to-drink coffee and PetCare in emerging markets.

Segment performance summary

- Organic growth was 2.4%, with -0.3% RIG and 2.6% pricing.
- Reported sales decreased by 1.4% to CHF 10.4 billion, impacted by foreign exchange movements, which decreased sales by 3.6%.
- In Greater China, organic growth was -4.2%, with -1.5% RIG and -2.7% pricing.
- In Zone AOA, excluding Greater China, organic growth was 4.3%, with 0.1% RIG and 4.2% pricing.
- Key market share developments were gains in confectionery, PetCare, and cocoa malt beverages and losses in coffee, Infant Nutrition, and culinary.
- UTOP margin decreased by 80 bps to 21.5%, driven primarily by the impact on cost of goods sold from inflation in coffee and confectionery.

Key organic sales growth drivers by product category

- Confectionery grew at a high single-digit rate, driven by double-digit RIG for *KitKat* and *Milo* across all regions.
- Coffee posted low single-digit growth, led by pricing. The largest growth contributor was *Nescafé*.
- Culinary delivered low single-digit growth, led by solid sales momentum for *Maggi*, led by cooking aids and noodles.
- Nestlé Professional achieved mid single-digit growth, across geographies and categories led by coffee products and beverage solutions as well as confectionery.
- Infant Nutrition and dairy posted low single-digit growth, led by *NAN* and *Milo* across most geographies.
- PetCare posted negative growth, with strong growth in emerging markets, more than offset by category softness in developed markets.

Zone Europe

In Zone Europe, growth continued to be pricing-led, reflecting the inflationary environment for coffee and confectionery. Even as pricing increased through the half, RIG turned positive in Q2 after a decline in Q1, supported by an improvement in coffee and positive RIG in PetCare. For the Zone, growth was positive across most categories and markets, with market share gains in PetCare and soluble coffee.

Segment performance summary

- Organic growth was 3.5%, with -0.2% RIG and 3.7% pricing.
- Reported sales increased by 1.5% to CHF 8.5 billion, and included a -2.2% impact from foreign exchange movements.
- Across the Zone, growth was led by Türkiye, Iberia, Nordics and France.
- Market share gains were achieved in PetCare and soluble coffee, with losses in confectionery and food.
- UTOP margin decreased by 160 bps to 17.2%, driven by the impact of inflation on cost of goods sold in coffee and confectionery, and by higher marketing spend.

Key organic sales growth drivers by product category

- Coffee posted mid single-digit growth. RIG declined mid single-digit in Q1, but recovered to flat in Q2, even as pricing accelerated to double-digits. Organic growth was led by soluble coffee, supported by very strong growth in RTD coffee.
- Confectionery posted mid single-digit growth, with *KitKat* and *Dessert* the main growth drivers. Pricing was double-digit while RIG declined mid single-digit.
- PetCare delivered low single-digit growth, led by *Felix*, *Purina ProPlan* and *Purina ONE*. Growth was RIG driven and broad based across markets.
- Sales in Nestlé Professional grew at a high single-digit rate, driven by beverage solutions.
- Infant Nutrition recorded flat growth, reflecting soft category trends, with *NAN* contributing positively to growth.
- Food saw a decline in sales, impacted by a challenging customer and competitive environment in some markets.

Nestlé Health Science

Organic growth slowed in Nestlé Health Science, following mixed performance across business segments. In VMS, growth was impacted by the discontinuation of some private label business and weaker performance in our mainstream brands, particularly *Puritan's Pride*. In Active Nutrition, we had strong growth momentum in *Orgain*. In Medical Nutrition, solid growth was driven by pediatric products.

Segment performance summary

- Organic growth was 3.4%, with 3.3% RIG and 0.1% pricing.
- Reported sales decreased by 0.4% to CHF 3.2 billion, including a negative foreign exchange impact of 3.7%.
- Market share was stable in both VMS and Medical Nutrition, with losses in Active Nutrition.
- UTOP margin increased by 220 bps to 15.6%, driven by positive mix effects.

Key organic sales growth drivers

- By geography, North America posted low single-digit growth, whilst Europe and other regions delivered mid single-digit growth.
- VMS reported low single-digit growth, as sales momentum in premium brands, particularly *Pure Encapsulations* and *Solgar*, was partially offset by declines in mainstream and value brands and the discontinuation of some private label activities.
- Active Nutrition posted low single-digit growth. Strong momentum for *Orgain* was partially offset by a weaker performance from *Vital Proteins*.
- Medical Nutrition delivered high single-digit growth, led by improved sales momentum for pediatric care products, including strong double-digit growth in the allergy range as well as *Compleat*.

Nespresso

Nespresso delivered solid growth, led by accelerating pricing across products, channels and geographies, along with positive RIG. Successful brand campaigns, innovation and strong performance from limited edition launches supported growth. *Vertuo* again delivered strong performance, particularly in North America, while the environment in Western Europe remains competitive.

Segment performance summary

- Organic growth was 5.8%, with 2.0% RIG and 3.8% pricing.
- Reported sales increased by 2.4% to CHF 3.2 billion, including a negative impact of 3.7% from foreign exchange movements.
- Market share continued to grow with momentum in North America and Asia, with strong RIG-led growth supported by innovation. Western Europe remains soft, with positive growth across many markets but continued strong competitive pressure.
- UTOP margin was up 40 bps to 21.9%, driven by the timing benefit of pricing versus input cost increases, as higher coffee prices flow through with some time lag given the length of the supply chain.

Key organic sales growth drivers

- By geography, sales in North America posted a strong double-digit rate. In Europe, growth was close to flat.
- By system, growth was driven by *Vertuo*, with strong sales growth and positive momentum across almost all geographies. Sales for out-of-home channels grew at a mid single-digit rate, led by the hotels, restaurants and catering (horeca) sector and positive machine placements.

Nestlé Waters & Premium Beverages

Growth was broad based across markets and strengthened in the second quarter. This was primarily driven by key growth platforms *Maison Perrier* and *Sanpellegrino* and robust sales in out-of-home channels. We are progressing with the strategic evaluation of the business.

Segment performance summary

- Organic growth was 4.7%, with 2.3% RIG and 2.4% pricing.

- Reported sales increased by 0.6% to CHF 1.8 billion, including a negative impact from foreign exchange of 4.0%.
- Market share moved into positive territory, led by strong gains for *S.Pellegrino*.
- UTOP margin was flat at 9.3%, as operational cost savings were offset by increased investment in our premium beverages growth platform.

Key organic sales growth drivers

- By geography, Southern Europe and AOA posted high single-digit growth, the Americas delivered mid single-digit growth and Northern Europe recorded low single-digit growth.
- Growth was strong in premium beverages, supported by the geographic expansion of *Maison Perrier* and the roll-out of new innovations under the *Sanpellegrino Ciao* and *Zero* ranges.
- Within waters, we saw solid growth from *S.Pellegrino* and *Acqua Panna*, with a weaker performance from *Perrier* due to the continued impact of supply constraints.

Category performance

	Total Group	Powdered & liquid beverages	Water	Milk products & ice cream	Nutrition & Health Science	Prepared dishes & cooking aids	Confec-tionery	PetCare
Sales H1-2025 (CHF m)	**44,228**	**12,308**	**1,611**	**4,830**	**7,237**	**5,051**	**3,962**	**9,229**
Sales H1-2024 (CHF m)	45,045	12,041	1,621	5,189	7,637	5,260	3,845	9,452
Real internal growth (RIG)	0.2%	0.6%	0.9%	0.2%	-0.8%	-1.1%	-2.1%	1.8%
Pricing	2.7%	5.8%	2.8%	0.9%	0.8%	0.2%	10.6%	-0.5%
Organic growth	**2.9%**	**6.4%**	**3.7%**	**1.1%**	**0.0%**	**-0.9%**	**8.5%**	**1.3%**
UTOP H1-2025 (CHF m)	**7,287**	**2,350**	**156**	**1,078**	**1,500**	**935**	**436**	**2,037**
UTOP H1-2024 (CHF m)	7,841	2,529	145	1,202	1,492	1,003	548	2,086
UTOP Margin H1-2025	**16.5%**	**19.1%**	**9.7%**	**22.3%**	**20.7%**	**18.5%**	**11.0%**	**22.1%**
UTOP Margin H1-2024	17.4%	21.0%	8.9%	23.2%	19.5%	19.1%	14.3%	22.1%

Powdered and liquid beverages was the largest category growth contributor, with 6.4% organic growth. This was pricing led, as we took actions to address input cost inflation in coffee. RIG remained positive.

Confectionery organic growth of 8.5% was pricing driven and led by *KitKat* and continued momentum in chocobakery. RIG was negative, reflecting some short-term elasticity response to the price increases.

PetCare delivered 1.3% organic growth, reflecting a general slowdown in category growth. Growth was led by our billionaire brands, including *Purina Pro Plan, Felix, Purina ONE* and *Tidy Cats*. Our super-premium science brands continue to show strong momentum.

Water organic growth was 3.7%, led by strong growth for the *Maison Perrier* range.

Milk products and Ice cream posted 1.1% growth, led by dairy culinary brands *Nestlé* and *La Lechera*, with coffee creamers turning positive in Q2.

Nutrition and Health Science recorded flat growth. Within this, Nestlé Health Science delivered low single-digit growth. Infant Nutrition posted negative growth, as strong growth for *NAN* was more than offset by a sales decline in *Gerber*.

Prepared dishes and cooking aids posted slightly negative growth. This was driven by frozen food in North America, where growth improved but remains negative, partially offset by growth in ambient culinary products, especially *Maggi*.

Annex

Second quarter performance tables

	Total Group	Zone Americas	Zone AOA	Zone Europe	Nestlé Health Science	Nespresso	Nestlé Waters & Premium Beverages	Other business es
Sales Q2-2025 (CHF m)	**21,627**	**8,315**	**4,903**	**4,114**	**1,632**	**1,577**	**1,012**	**74**
Sales Q2-2024 (CHF m)	22,953	9,182	5,247	4,094	1,728	1,593	1,031	78
Real internal growth (RIG)	-0.4%	-1.2%	-1.2%	0.2%	1.9%	1.4%	2.9%	-2.1%
Pricing	3.3%	3.5%	2.9%	4.5%	0.8%	4.4%	2.7%	2.5%
Organic growth	**3.0%**	**2.3%**	**1.7%**	**4.7%**	**2.7%**	**5.8%**	**5.6%**	**0.3%**

	Total Group	Powdered & liquid beverages	Water	Milk products & ice cream	Nutrition & Health Science	Prepared dishes & cooking aids	Confec-tionery	PetCare
Sales Q2-2025 (CHF m)	**21,627**	**6,184**	**889**	**2,288**	**3,580**	**2,391**	**1,770**	**4,525**
Sales Q2-2024 (CHF m)	22,953	6,194	920	2,584	3,957	2,634	1,802	4,862
Real internal growth (RIG)	-0.4%	0.7%	1.3%	-0.3%	-1.6%	-2.5%	-3.2%	1.1%
Pricing	3.3%	6.8%	3.0%	1.7%	1.3%	0.8%	11.3%	-0.1%
Organic growth	**3.0%**	**7.5%**	**4.3%**	**1.4%**	**-0.4%**	**-1.7%**	**8.1%**	**1.0%**