



Building a Global Leader and Creating Value

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Head of PetCare
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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.

John Vella

Head of PetCare Global Strategic Business Unit



John Vella is Senior Vice President and Head of the Global PetCare Strategic Business Unit since 2009, responsible for setting the global strategic direction for Nestlé's pet care business.

John joined Carnation Company in the U.S. in 1980. Following Nestlé's acquisition of Carnation in 1985, he moved to a marketing position with Nestlé S.A. in Vevey, Switzerland.

John returned to the U.S. in 1989 and continued his career, progressing through several senior marketing positions. In 1999, John relocated to Sydney, Australia as Vice President and General Manager Friskies PetCare Oceania.

In 2001, John was named Vice President, Global Integration Nestlé Purina. John was then appointed Vice President responsible for North America's Cat Food Portfolio, adding Pet Snacks in 2006.

John is married and has three sons, a daughter, and a Golden Retriever named Sydney.

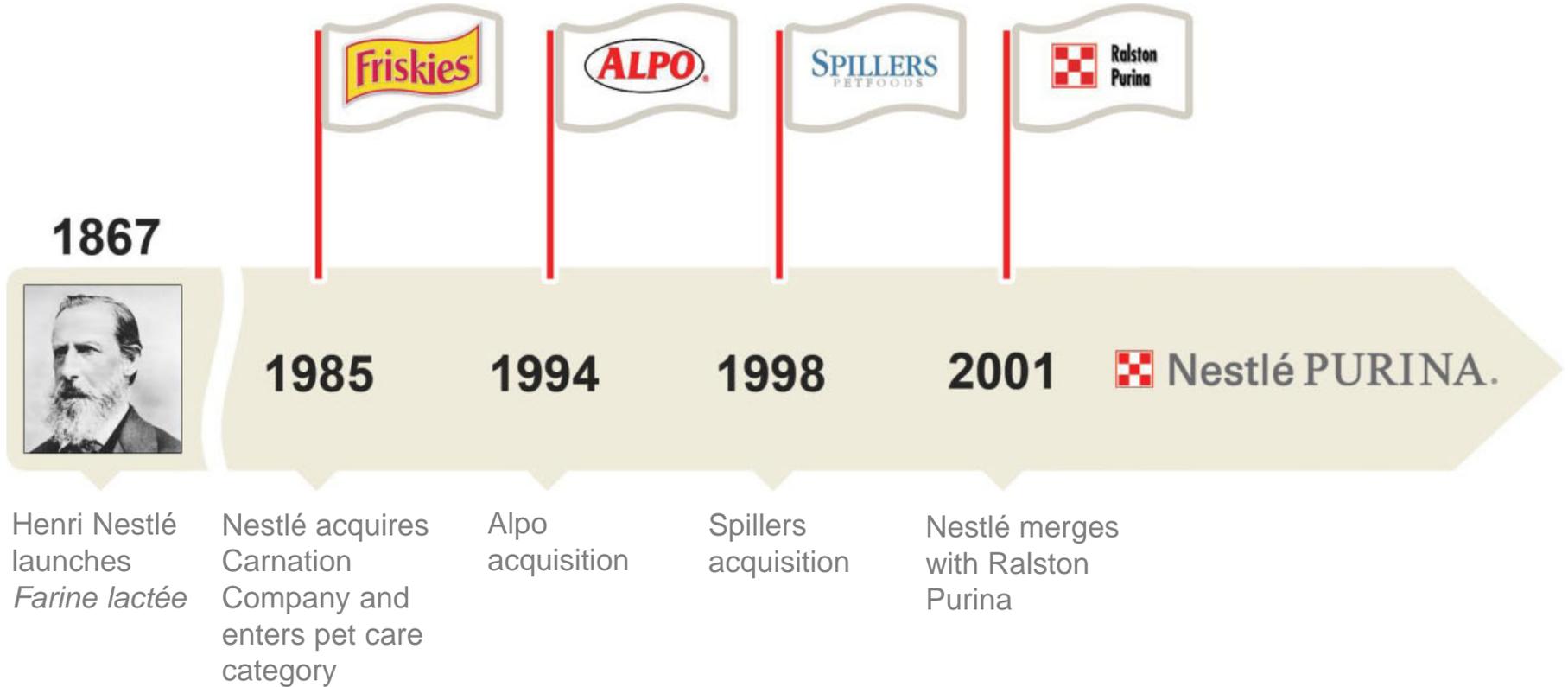


PetCare's importance to Nestlé

Building a Global Leader

Moving Beyond

PetCare is '29 years young' in Nestlé





Your Pet, Our Passion.®

Enriching the lives of pets and the people who love them



Pet care is a highly attractive category

For pets and the people who love them

- An intense emotional bond
- Pets as members of the family

For retailers

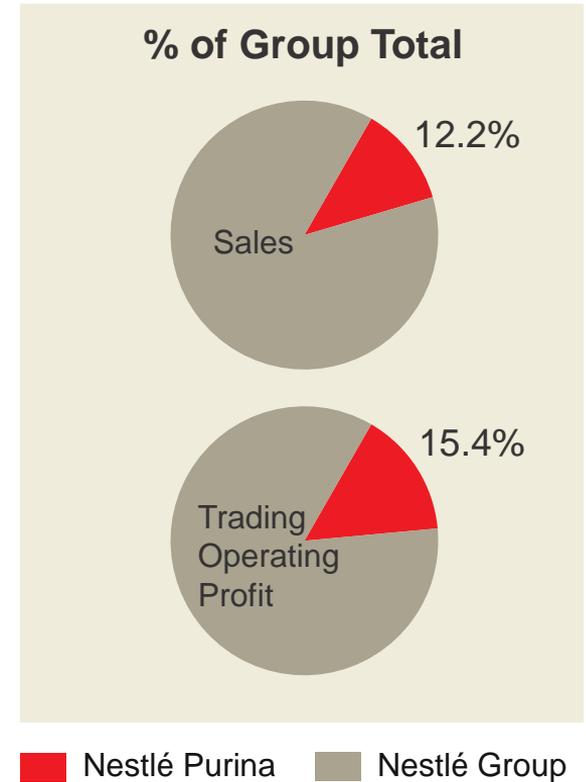
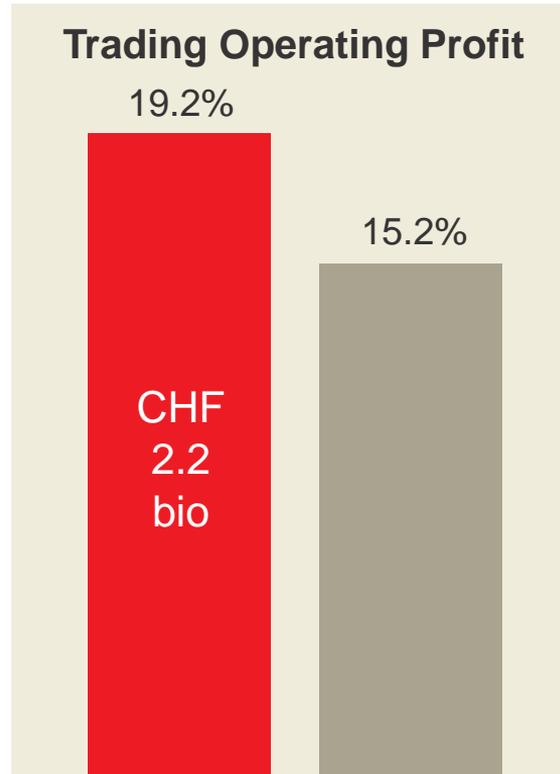
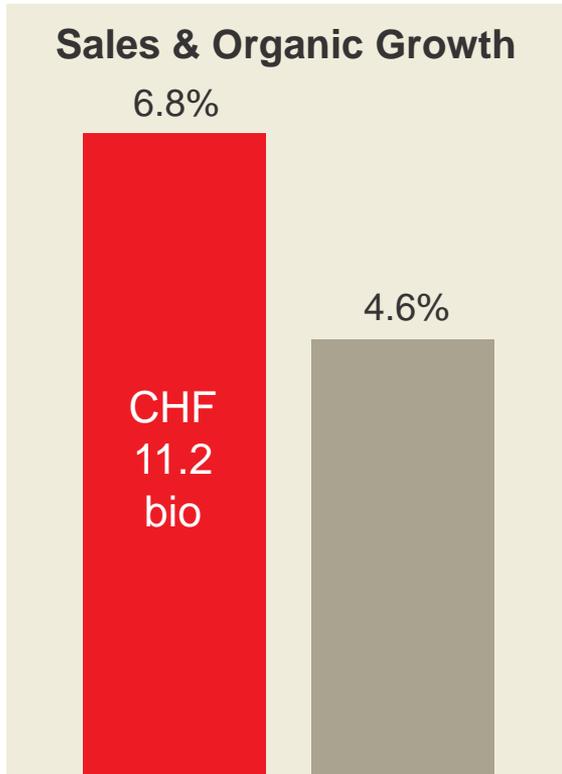
- High-value shoppers that drive in-store traffic and basket size

For Nestlé

- Highly aligned with Nestlé NHW principles
- Strong category growth with attractive margins
- Pet parents reliance on trusted brands
- R&D-led innovation drives growth



PetCare is an important contributor to Nestlé



Source: 2013 FY Results: Nestlé Purina TOP is before unallocated items / Nestlé Group is after.



PetCare's importance to Nestlé

Building a Global Leader

Moving Beyond

Making choices: the Nestlé Purina integration

Bolt It Together

Best Of Both

Move Beyond

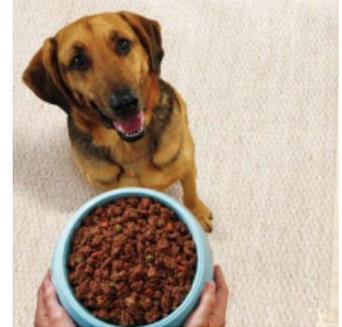
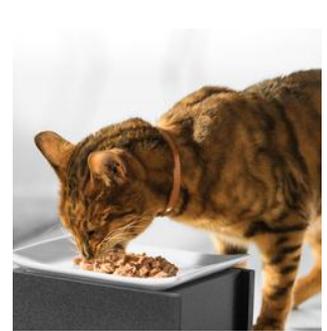


Starting with a deep understanding of involved pet owners

Nutrition and Health

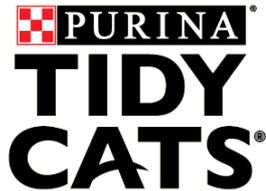
Relationship

Food Appeal

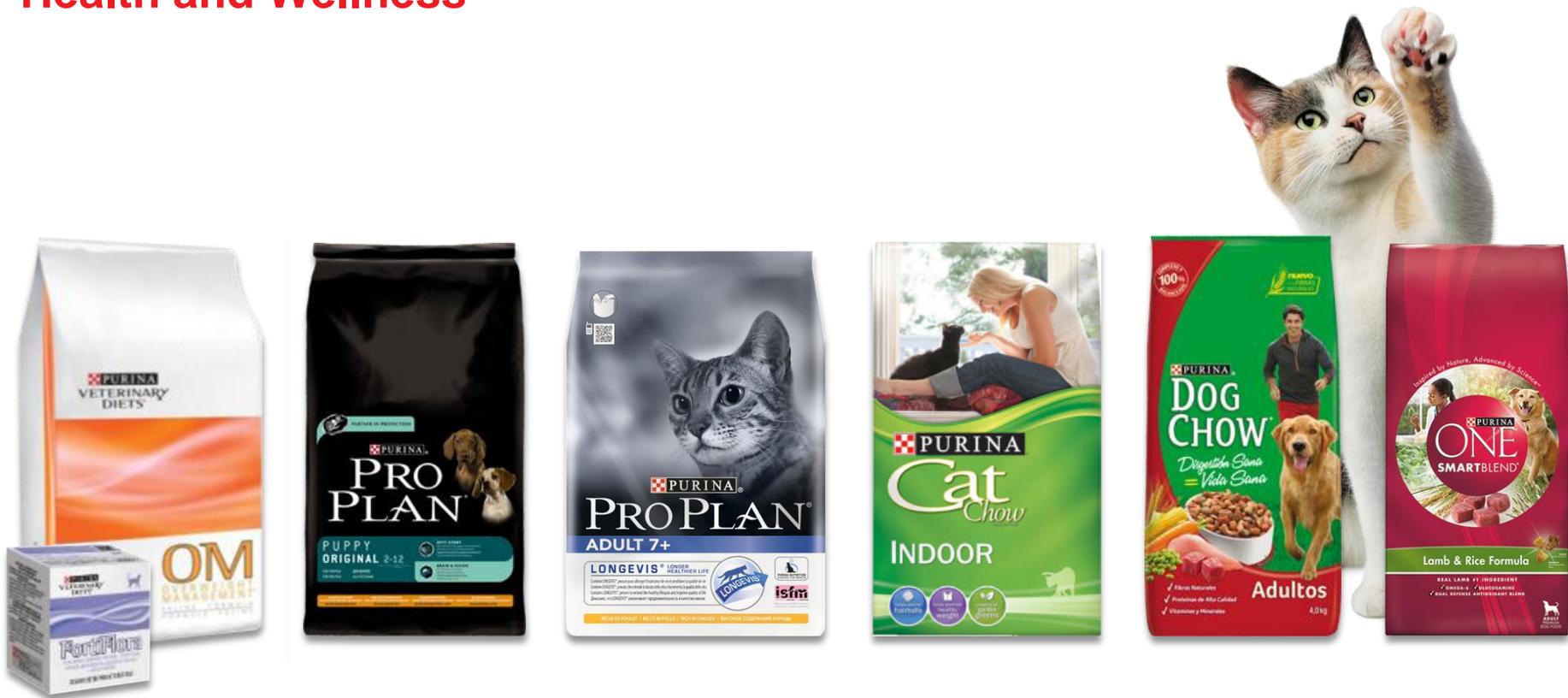


Built a brand portfolio that appeals to the breadth of consumer needs with products that help improve pets' lives

Billionaire brands



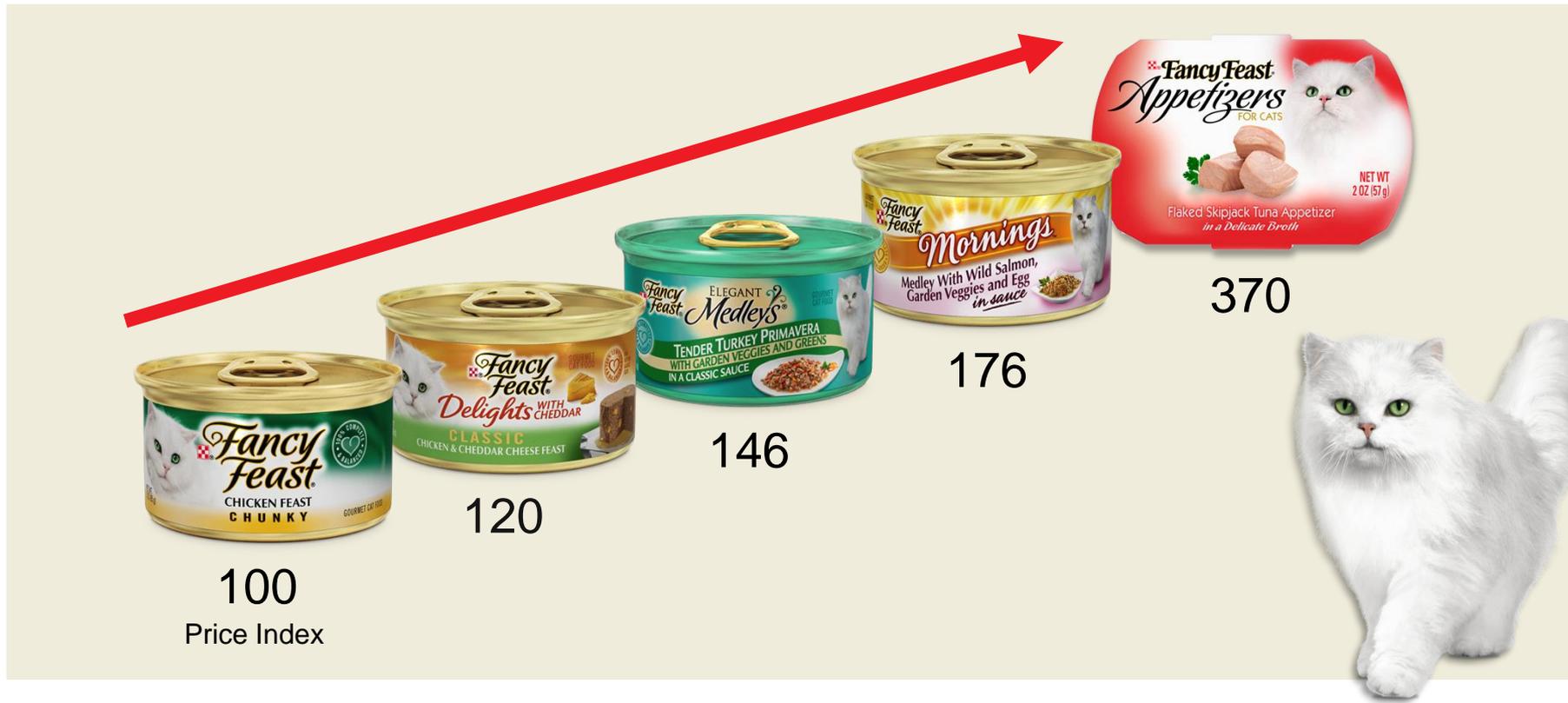
Innovated across the portfolio with a focus on Nutrition, Health and Wellness



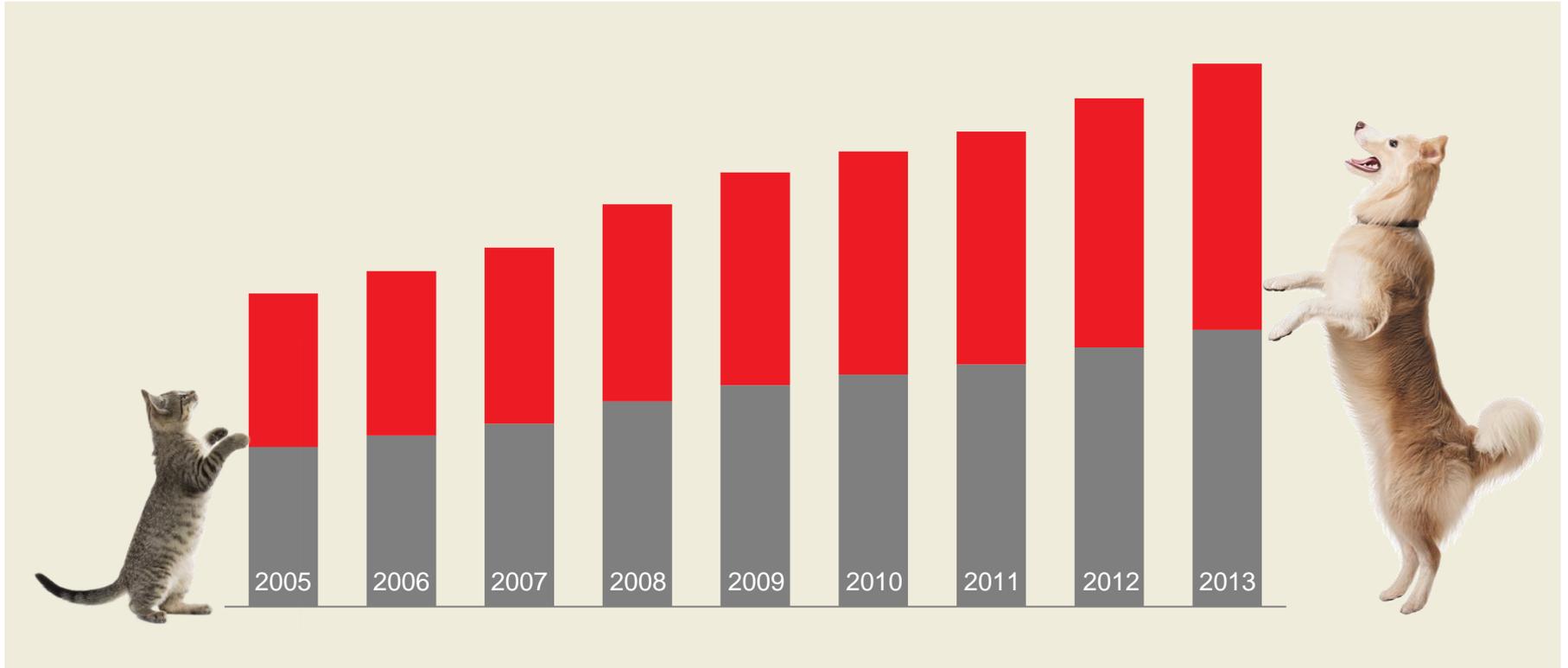
While delighting pets and owners with great tasting and appealing products



And capturing premiumization and affordable luxury opportunities



Consistently achieving strong sales growth via Innovation/Renovation



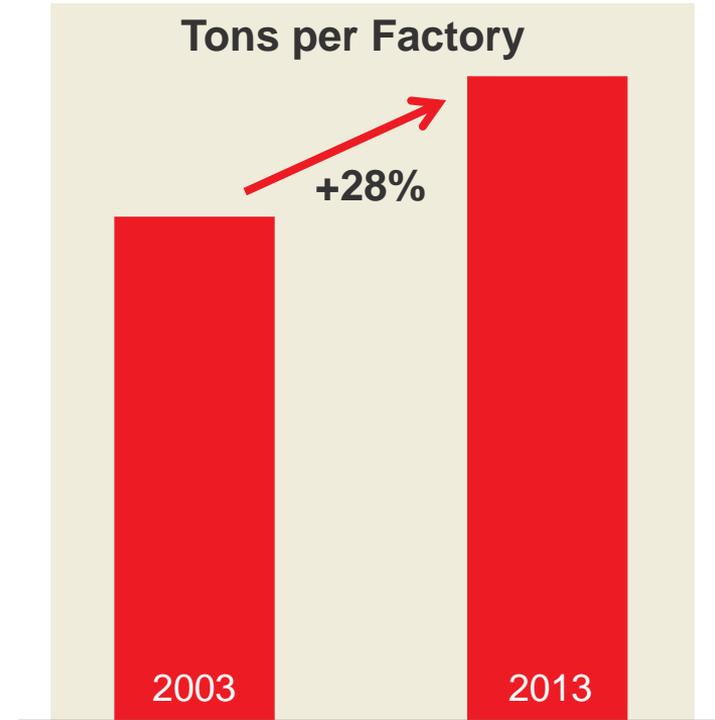
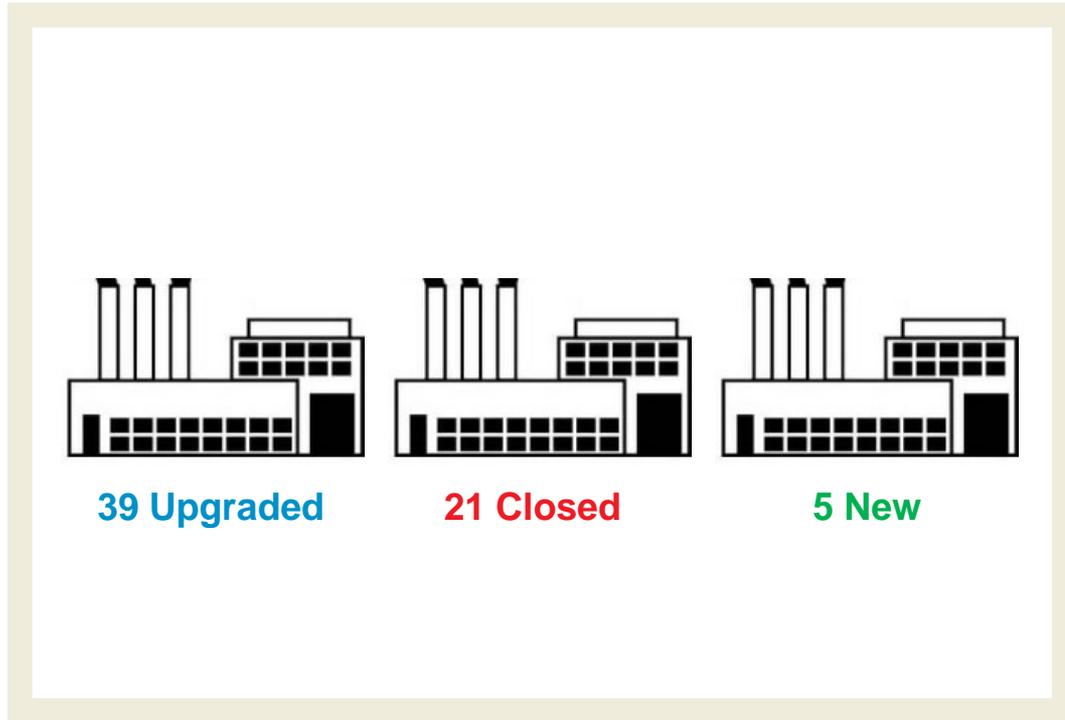
Sales at constant currency; Innovation / Renovation % as a rolling three year average.

Eliminated low margin business and reduced complexity

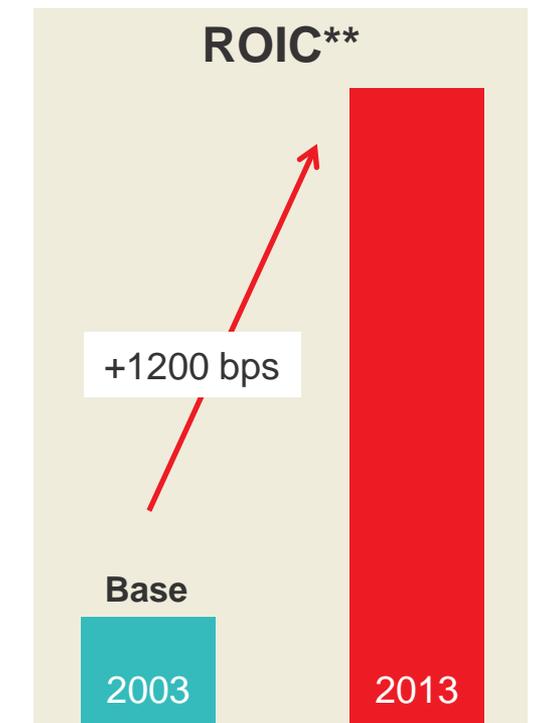
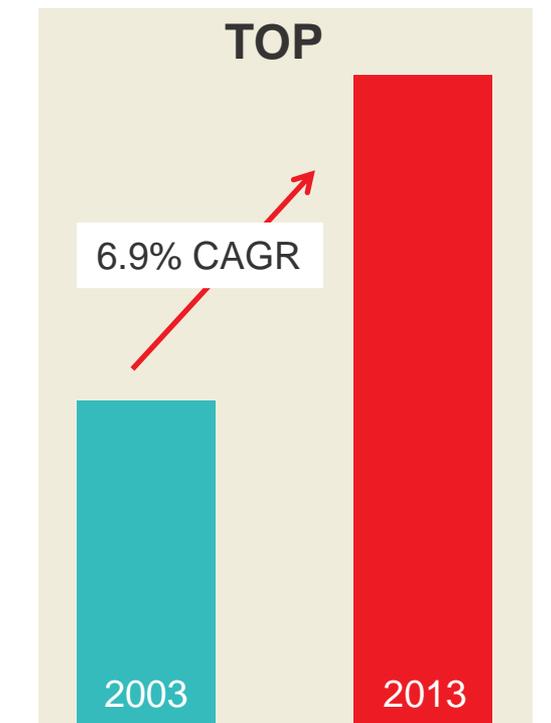
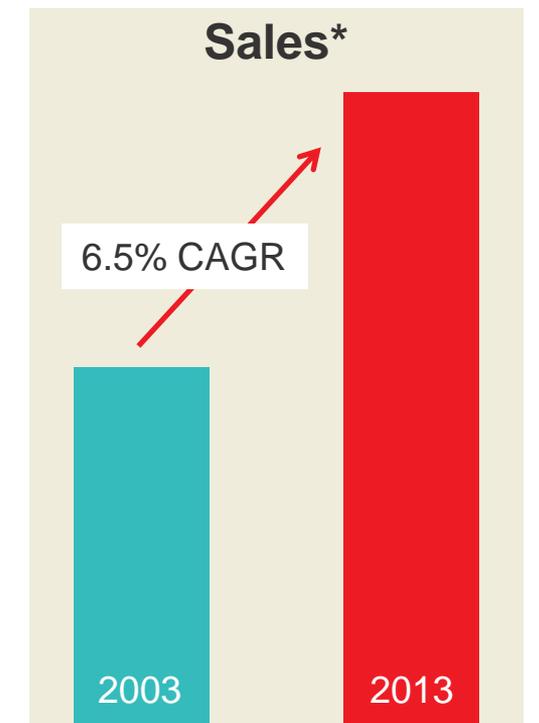


Sales figures are presented as reported.

Optimized pet food industrial footprint and improved operational efficiencies



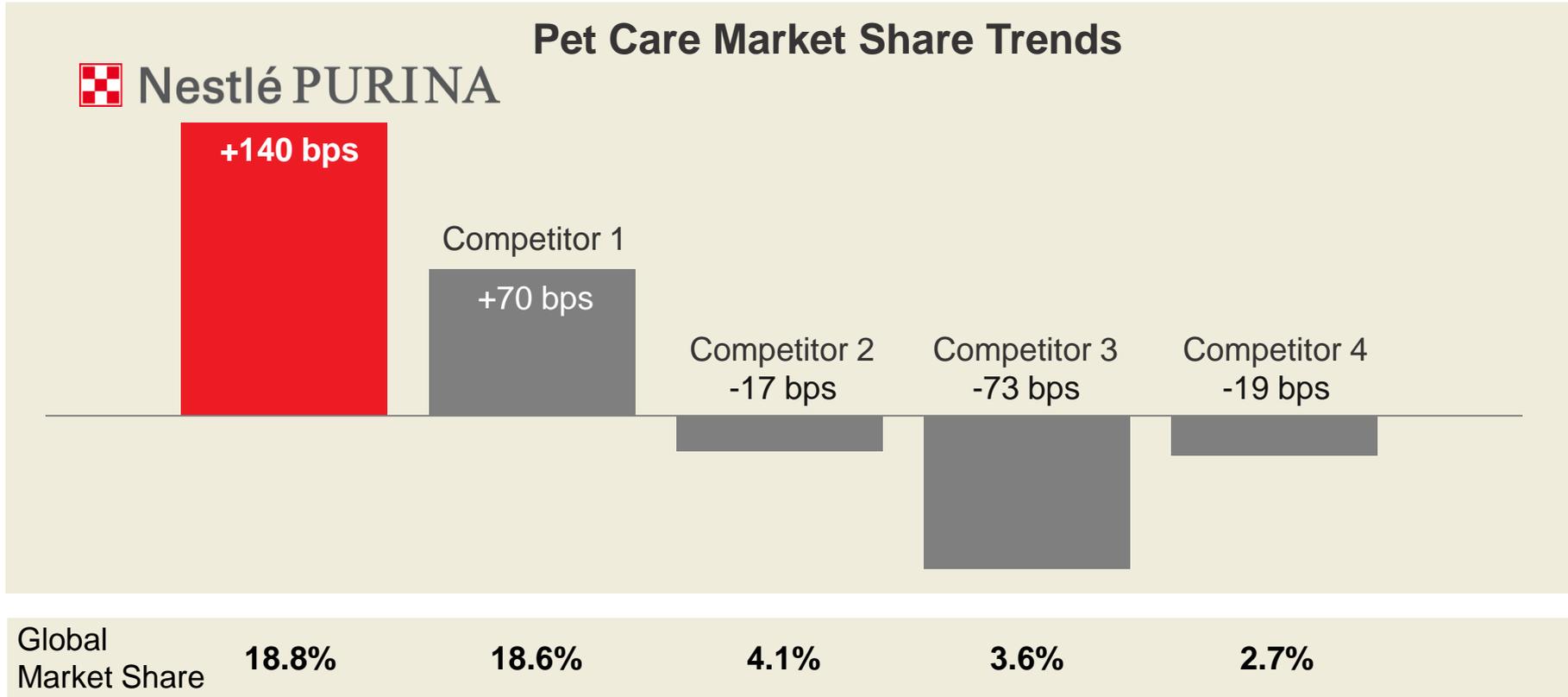
Delivering 10+ years of top and bottom line growth with strong improvement in return on invested capital



* At constant currency CHF bio.

** Including Goodwill.

And growing market share to become a global leader



Source: Euromonitor, 2007-12.



PetCare's importance to Nestlé

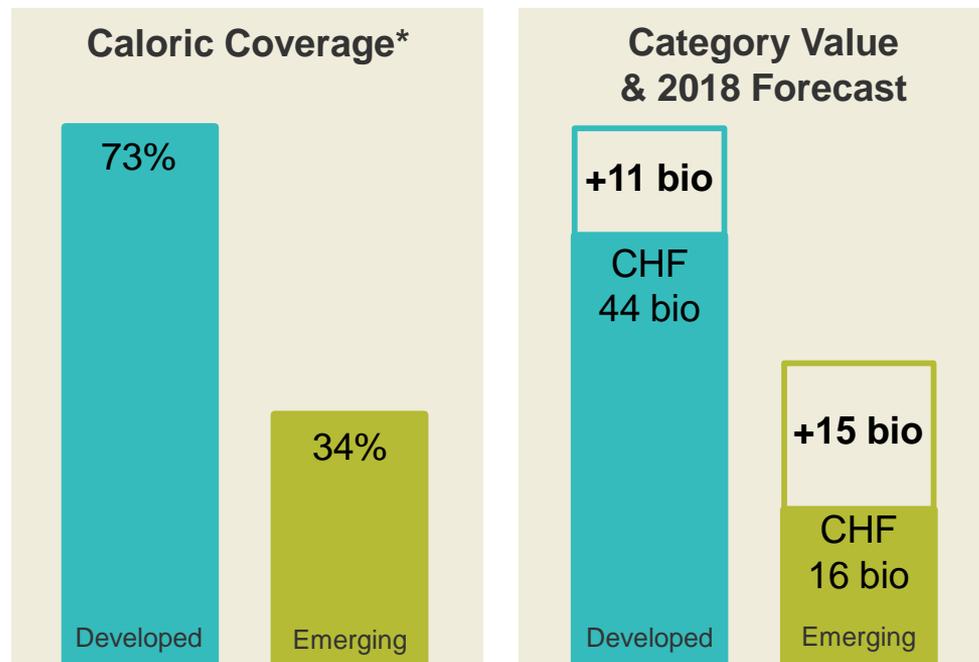
Building a Global Leader

Moving Beyond

- Category Growth
- Emerging Markets
- Innovation
- Creating Shared Value

Moving Beyond in an attractive and growing category

Developed *and* Emerging markets offer significant 'growth runways'



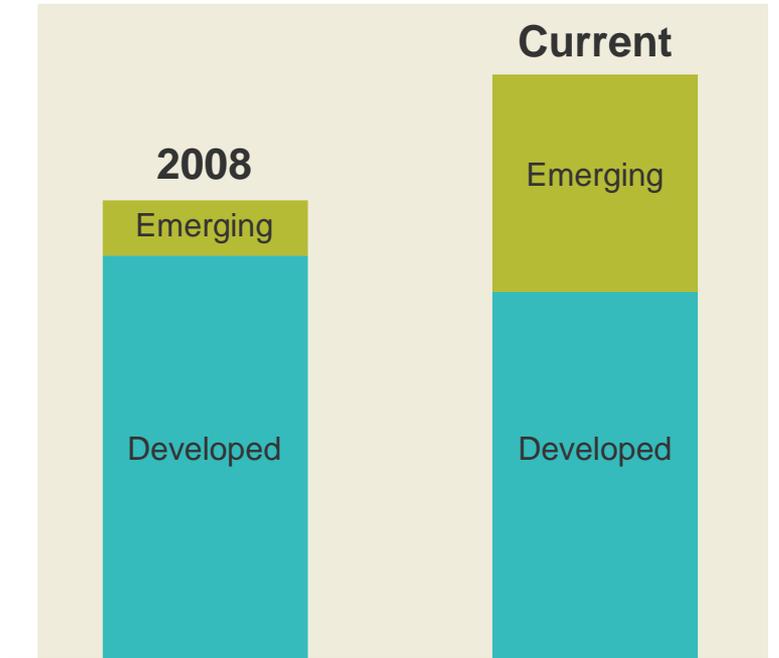
- 600 million pets growing +2% annually
- CHF 60 bio category is forecasted to grow +6% annually
- Consumption shifting from home prepared to 100% complete & balanced
- Emerging market category value is forecasted to double by 2018

* Refers to the percentage of overall pet nutrition that is derived from commercially prepared pet food.

Source: Euromonitor 2012 reported and 2018 projections.

Moving Beyond in emerging markets

Accelerating investments to grasp opportunities



Moving Beyond in emerging markets

Making nutrition accessible with a focused portfolio of relevant brands



Moving Beyond in emerging markets

Brand building and driving global growth across sales channels



Moving Beyond with innovation and NHW

Helping pets to live better and live longer



Healthy Weight Management



Bundled Health Benefits



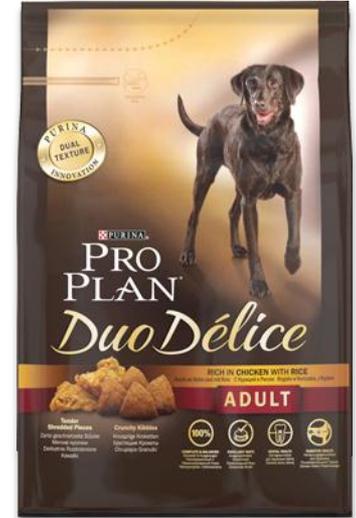
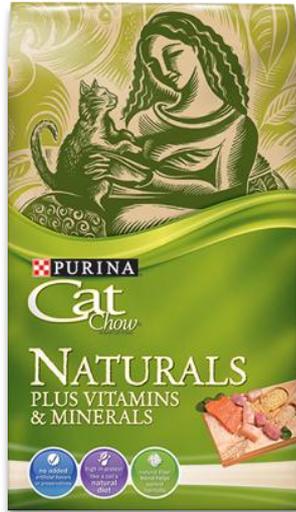
Healthy Aging



DHA

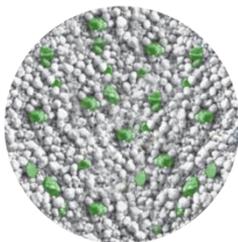
Moving Beyond with innovation and humanization

New and exciting products with pet and owner appeal



Moving Beyond with breakthrough technology

Reinventing traditional product segments



Weight Comparison

Purina® Tidy Cats®
LightWeight = Traditional clumping litter



Moving Beyond *and* Creating Shared Value

Bringing pets and people together by helping pets that need it most

Petfinder



The screenshot shows the Petfinder website's search interface. At the top, the Petfinder logo is displayed in purple, with the tagline 'Home of 161,245 adoptable pets from 12,470 adoption groups'. Below the logo is a navigation bar with links for 'FIND A PET TO ADOPT', 'ABOUT PET ADOPTION', 'DOG CARE', 'CAT CARE', 'ALL PET CARE', 'SHELTERS & RESCUES', 'HELPING PETS', and 'VIDEOS'. A search form is located below the navigation bar, featuring fields for 'Location' (with 'Atlanta, GA or 30303' as an example), 'Type' (set to 'Any'), 'Breed' (with a 'See All' link), 'Age' (set to 'Any'), and 'Gender' (set to 'Any'). A 'Find Pets' button is positioned to the right of the search fields. Below the search form, there is a 'Helping Pets' section. On the left, there is a featured article titled 'Fostering Cats' with a sub-headline '20 Questions to Ask Before You Foster a Cat' and a 'Read More' link. On the right, there is a promotional graphic for a mobile app with the text 'Grab your favorite brew...' and an image of a smartphone displaying the app's interface. Below the 'Helping Pets' section, there is a 'SEARCH OUR ARTICLES' section with a search input field and a 'Find' button.

Largest pet adoption website

- 20 million pets adopted since launch with millions of unique monthly visitors
- Facilitating adoptions across 14,000 animal shelters
- Opportunity for direct communication with highly involved pet lovers
- Nestlé's first major acquisition of a digital property

Moving Beyond *and* Creating Shared Value

Reducing our environmental impact

- Water consumption
- Waste
- Greenhouse gas emissions
- Renewable energy



Nestlé Purina factory in North America.

- Impact on ecosystem by creating products from a sustainable source





Nestlé Purina will continue to win in pet care

- ✓ Portfolio of **leading brands**, built on deep consumer insights
- ✓ Unsurpassed **knowledge of pet nutrition**
- ✓ **World Class R&D** to drive innovation
- ✓ Commitment to profitable growth in **emerging and developed markets**
- ✓ **Creating Shared Value** for all stakeholders, pets and their owners
- ✓ A passionate, globally focused **team**



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pets and the people
who love them**

