

Final Terms

Dated 22 January 2013

NESTLÉ HOLDINGS, INC.

Issue of USD 400,000,000 1.375 per cent. Notes due 24 July 2018

**Guaranteed by Nestlé S.A.
under the Debt Issuance Programme**

PART A – CONTRACTUAL TERMS

The Prospectus dated 10 May 2012 as supplemented from time to time referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a Member State) (each, a “Relevant Member State”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly, any person making or intending to make an offer of the Notes may only do so in:

- (i) circumstances in which no obligation arises for the Issuer or any Dealer or Bookrunner to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case in relation to such offer; or
- (ii) those Public Offer Jurisdictions mentioned in Paragraph 10 of Part B below, provided such person is one of the persons mentioned in Paragraph 10 of Part B below and that such offer is made during the Offer Period specified for such purposes therein.

Neither the Issuer nor any Dealer or Bookrunner has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Prospectus dated 10 May 2012 as supplemented by the Supplementary Prospectuses dated 10 August 2012 and 24 August 2012 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus as so supplemented including documents incorporated by reference. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus and the Supplementary Prospectuses are available for viewing on the Nestlé Group’s investor relations website, which can be found at www.nestle.com/investors and is available on the website of the London Stock Exchange plc at www.londonstockexchange.com/exchange/news/market-news/market-news-home.html.

1. (a) Issuer: Nestlé Holdings, Inc.
- (b) Guarantor: Nestlé S.A.
2. (a) Series Number: 69
- (b) Tranche Number: 1
3. Specified Currency or Currencies: United States Dollars (“USD”)
4. Aggregate Nominal Amount:
 - (a) Series: USD 400,000,000
 - (b) Tranche: USD 400,000,000
5. Issue Price: 99.576 per cent. of the Aggregate Nominal Amount
6. (a) Specified Denominations: USD 2,000 and integral multiples of USD 1,000 in excess thereof
- (b) Calculation Amount: USD 1,000
7. (a) Issue Date: 24 January 2013
- (b) Interest Commencement Date: Issue Date
8. Maturity Date: 24 July 2018
9. Interest Basis: 1.375 per cent. Fixed Rate (further particulars specified below)
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Not Applicable
13. (a) Status of the Notes: Senior
- (b) Status of the Guarantee: Senior
- (c) Date Board approval for issuance of Notes and Guarantee obtained: 24 April 2012 and 21 September 2012, respectively

14. Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions Applicable

- (a) Rate(s) of Interest: 1.375 per cent. per annum payable annually in arrear on each Interest Payment Date. The first Fixed Interest Period shall be the period commencing on, and including, the Interest Commencement Date and ending on, but excluding, 24 July 2013 (short first coupon)
- (b) Interest Payment Date(s): 24 July in each year from and including, 24 July 2013 up to, and including, the Maturity Date, adjusted in accordance with the Following Business Day Convention, with the Additional Business Centres for the definition of “Business Day” being New York, Zurich and London with no adjustment for period end dates
- (c) Fixed Coupon Amount(s): USD 13.75 per Calculation Amount (applicable to the Notes in definitive form) and USD 5,500,000 per Aggregate Nominal Amount of the Notes (applicable to the Notes in global form), payable on each Interest Payment Date, except for the amount of interest payable on the first Interest Payment Date falling on 24 July 2013
- (d) Broken Amount(s): USD 6.88 per Calculation Amount (applicable to the Notes in definitive form) and USD 2,750,000 per Aggregate Nominal Amount of the Notes (applicable to the Notes in global form), payable on the Interest Payment Date falling on 24 July 2013
- (e) Day Count Fraction: 30/360
- (f) Determination Date(s): Not Applicable
- (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: Not Applicable

16. Floating Rate Note Provisions Not Applicable

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| 17. Zero Coupon Note Provisions | Not Applicable |
| 18. Index Linked Interest Note Provisions | Not Applicable |
| 19. Dual Currency Interest Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 20. Issuer Call | Not Applicable |
| 21. Investor Put | Not Applicable |
| 22. Final Redemption Amount: | USD 1,000 per Calculation Amount |
| In cases where the Final Redemption Amount is Index Linked or other variable-linked: | Not Applicable |
| 23. Early Redemption Amount: | |
| Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(g)): | USD 1,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 24. Form of Notes: | Registered Notes: |
| | Registered Global Note registered in the name of a nominee for a common depository for Euroclear Bank SA/NV and Clearstream Banking, société anonyme exchangeable (free of charge) for security printed definitive Notes only upon an Exchange Event (as defined in the Registered Global Note) |
| | Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with Article 4 of the Belgian Law of 14 December 2005. |

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| 25. New Global Note: | No |
| 26. Additional Financial Centre(s) or other special provisions relating to Payment Days: | Not Applicable |
| 27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | No |
| 28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | Not Applicable |
| 29. Details relating to Instalment Notes: | Not Applicable |
| 30. Redenomination and Renominalisation: | Not Applicable |
| 31. Other terms or special conditions: | Not Applicable |
| 32. Swiss Notes: | Not Applicable |

DISTRIBUTION

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| 33. (a) If syndicated, names and addresses of the Bookrunners and underwriting commitments: | <p>BNP Paribas
10 Harewood Avenue
London NW1 6AA
Underwriting Commitment: USD 42,857,143.00</p> <p>Merrill Lynch International
2 King Edward Street
London EC1A 1HQ
Underwriting Commitment: USD 42,857,143.00</p> |
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Mitsubishi UFJ Securities International plc
Ropemaker Place
25 Ropemaker Street
London EC2Y 9AJ
Underwriting Commitment: USD 42,857,143.00

UBS Limited
1 Finsbury Avenue
London EC2M 2PP
Underwriting Commitment: USD 42,857,143.00

Banco Santander, S.A.
Ciudad Grupo Santander
Avda. Cantabria S/N Edificio Encinar
28660 Boadilla del Monte
Madrid-España
Underwriting Commitment: USD 22,857,142.80

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
Underwriting Commitment: USD 22,857,142.80

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
Underwriting Commitment: USD 22,857,142.80

Credit Suisse Securities (Europe) Limited
One Cabot Square
Canary Wharf
London E14 4QJ
Underwriting Commitment: USD 22,857,142.80

Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
Underwriting Commitment: USD 22,857,142.80

Goldman Sachs International
Peterborough Court
133 Fleet Street
London EC4A 2BB
Underwriting Commitment: USD 22,857,142.80

HSBC Bank plc
8 Canada Square
London E14 5HQ
Underwriting Commitment: USD 22,857,142.80

	J.P. Morgan Securities plc 25 Bank Street Canary Wharf London E14 5JP Underwriting Commitment: USD 22,857,142.80
	Société Générale Tours Société Générale 17, cours Valmy 92987 Paris La Défense Cedex France Underwriting Commitment: USD 22,857,142.80
	The Royal Bank of Scotland plc 135 Bishopsgate London EC2M 3UR Underwriting Commitment: USD 22,857,142.80
(b) Date of Syndication Agreement:	22 January 2013
(c) Stabilising Bookrunner (if any):	Mitsubishi UFJ Securities International plc
34. If non-syndicated, name and address of relevant Dealer:	Not Applicable
35. Total commission and concession:	0.25 per cent. of the Aggregate Nominal Amount
36. U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA – Not Applicable
37. Non-exempt Offer:	Applicable – see Paragraph 10 of Part B below
38. Additional selling restrictions:	Not Applicable
39. Spot Rate (if different from that set out in Condition 5(h)):	Not Applicable
40. Calculation Agent responsible for calculating the Spot Rate (if not the Agent):	Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdictions and admission to trading on the London Stock Exchange's regulated market and for listing on the official list of the UK Listing Authority of the Notes described herein pursuant to the Debt Issuance Programme of the Issuer.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms in connection with the issue of USD 400,000,000 1.375 per cent. Notes due 24 July 2018.

Signed on behalf of the Issuer:

Signed on behalf of the Guarantor:

By: LINDA J. BRODIE

By: JACQUES MARMIER

Linda J. Brodie
Duly authorised

Jacques Marmier
Duly authorised

By: WILLIAM T. FERIOLI

By: CLAUDIO MENGHI

William T. Ferioli
Duly authorised

Claudio Menghi
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and for listing on the official list of the UK Listing Authority with effect from the London Stock Exchange business day following the Issue Date.

2. RATINGS

The Issuer has not applied to Moody's France SAS ("**Moody's**") or Standard & Poor's Credit Market Services France SAS ("**S&P**") for ratings to be assigned to the Notes to be issued.

Ratings allocated to notes of this type issued under the Debt Issuance Programme generally are:

S&P: AA (stable)

An obligation rated 'AA (stable)' by S&P differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong. The reference "(stable)" means that the outlook for the rating is stable.

Moody's: Aa2 (stable)

An obligation rated 'Aa' by Moody's is judged to be of high quality and subject to very low credit risk. The modifier '2' indicates that the obligation ranks in the mid-range of its generic rating category. The reference "(stable)" means that the outlook for the rating is stable.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the relevant rating agency.

The meanings of ratings may be found on the websites of the rating agencies (www.standardandpoors.com and www.moodys.com) and may be updated by the rating agencies from time to time. The meanings above have been extracted from the websites of the rating

agencies as of the date hereof and have been reproduced by the Issuer in these Final Terms.

*Each of S&P and Moody's is established in the European Community and is registered under Regulation (EC) No 1060/2009 (as amended) (the **CRA Regulation**). As such S&P and Moody's is included in the list of credit ratings agencies published by the European Securities and Markets Authority (ESMA) on its website in accordance with such Regulation. The list of credit rating agencies registered and certified in accordance with the CRA Regulation published by ESMA) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.*

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Bookrunners, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

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| (i) Reasons for the Offer: | As set out in "Use of Proceeds" in the Prospectus dated 10 May 2012. |
| (ii) Estimated net proceeds: | USD 397,304,000 (following deduction of the Bookrunners' commission and concession). |
| (iii) Estimated total expenses: | USD 50,000 for legal, filing and miscellaneous expenses. |

5. YIELD (Fixed Rate Notes Only)

Indication of yield: 1.451 per cent. annually

Calculated as the yield to maturity (30/360 annually) on the Issue Date.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. HISTORIC INTEREST RATES (Floating Rate Notes Only)

Not Applicable.

7. PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING AND POST ISSUANCE INFORMATION (Index Linked Notes Only)

Not Applicable.

8. PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes Only)

Not Applicable.

9. OPERATIONAL INFORMATION

- (i) ISIN: XS0878581890
- (ii) Common Code: 087858189
- (iii) Swiss Security Number: Not Applicable
- (iv) Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable
- (v) Delivery: Delivery against payment
- (vi) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (vii) Intended to be held in a manner which would allow Eurosystem eligibility: No

10. TERMS AND CONDITIONS OF THE PUBLIC OFFER

The UK Listing Authority has provided the competent authorities in, inter alia, each of Austria, Belgium, Germany, Italy, Luxembourg and the Netherlands (together with the United Kingdom, the “Public Offer Jurisdictions”) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive. Copies of these Final Terms will be provided to the competent authorities in the Public Offer Jurisdictions.

The Issuer has agreed to allow the use of these Final Terms and the Prospectus dated 10 May 2012 as supplemented by the Supplementary Prospectuses dated 10 August 2012 and 24 August 2012 (together, the “Prospectus”) by each of the Bookrunners and any placers (authorised by any of the Bookrunners) involved in the offer (the “Placers”) in connection with possible offers of the Notes to the public in the Public Offer Jurisdictions during the Offer Period (as defined below).

Investors (as defined in the final paragraph on the first page of the Prospectus dated 10 May 2012) intending to acquire or acquiring the Notes from any Offeror (as defined in the final paragraph on the first page of the Prospectus dated 10 May 2012) should, as indicated in the legend, make appropriate enquiries as to whether that Offeror is acting in association with the Issuer. Whether or not the Offeror is described as acting in association with the Issuer, the Issuer's only relationship is with the Bookrunners and the Issuer has no relationship with or obligation to, nor shall it have any relationship with or obligation to, an Investor, save as may arise under any applicable law or regulation.

The Issuer is only offering to and selling to the Bookrunners pursuant to and in accordance with the terms of the Syndication Agreement. All sales to persons other than the Bookrunners will be made by the Bookrunners or persons to whom they sell, and/or otherwise make arrangements with, including the Placers. The Issuer shall not be liable for any offers and/or sales of Notes to, or purchases of Notes by, Investors at any time (including during the Offer Period) (other than in respect of offers and sales to, and purchases of Notes by, the Bookrunners and only then pursuant to the Syndication Agreement) which are made by Bookrunners or Placers or any other Offeror in accordance with the arrangements in place between any such Bookrunner, Placer or other Offeror and its customers. Any person selling Notes at any time during the Offer Period may not be a financial intermediary of the Issuer; any person selling Notes at any time after the Offer Period is not a financial intermediary of the Issuer.

Each of the Bookrunners has acknowledged and agreed, and any Placer will be required by the Bookrunners to acknowledge and agree, that for the purpose of offer(s) of the Notes the Issuer has passported the Prospectus into each of the Public Offer Jurisdictions and will not passport the Prospectus into any other European Economic Area Member State; accordingly, the Notes may only be publicly offered in Public Offer Jurisdictions during the Offer Period or offered to qualified investors (as defined in the Prospectus Directive, as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a Member State)) or otherwise in compliance with Article 3(2) of the Prospectus Directive as so amended in any other European Economic Area Member State pursuant to and in accordance with the Prospectus and the Final Terms (without modification or supplement); and that all offers of Notes by it will be made only in accordance with the selling restrictions set forth in the Prospectus and the provisions of these Final Terms and in compliance with all applicable laws and regulations, provided that no such offer of Notes shall require the Issuer or any Bookrunner to publish a prospectus pursuant to Article 3 of the Prospectus Directive as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a Member State) (or supplement a prospectus pursuant to Article 16 of the Prospectus Directive as so amended) or to take any other action in any jurisdiction other than as described above.

- (i) Offer Period: From the date of and following publication of these Final Terms being 22 January 2013 to 24 January 2013.
- (ii) Offer Price: The Issuer has offered and will sell the Notes to the Bookrunners (and no one else) at the Issue Price of 99.576 per cent. less a total commission and concession of 0.25 per cent. of the Aggregate Nominal Amount of the

Notes. Bookrunners and Placers will offer and sell the Notes to their customers in accordance with arrangements in place between each such Bookrunner and its customers (including Placers) or each such Placer and its customers by reference to the Issue Price and market conditions prevailing at the time.

- (iii) Conditions to which the offer is subject: Offers of the Notes are conditional on their issue and are subject to such conditions as are set out in the Syndication Agreement. As between Bookrunners and their customers (including Placers) or between Placers and their customers, offers of the Notes are further subject to such conditions as may be agreed between them and/or as is specified in the arrangements in place between them.
- (iv) Description of the application process: A prospective Noteholder will purchase the Notes in accordance with the arrangements in place between the relevant Bookrunner and its customers or the relevant Placer and its customers, relating to the purchase of securities generally. Noteholders (other than Bookrunners) will not enter into any contractual arrangements directly with the Issuer in connection with the offer or purchase of the Notes.
- (v) Description of possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants: Not Applicable
- (vi) Details of the minimum and/or maximum amount of application (whether in number of Notes or aggregate amount to invest): There are no pre-identified allotment criteria. The Bookrunners and the Placers will adopt allotment and/or application criteria in accordance with customary market practices and applicable laws and regulations and/or as otherwise agreed between them.
- (vii) Method and time limits for paying up the Notes and for delivery of the Notes: The Notes will be sold by the Issuer to the Bookrunners on a delivery against payment basis on the Issue Date. Prospective Noteholders will be notified by the relevant Bookrunner or Placer of their allocations of Notes and the settlement arrangements in respect thereof.

- (viii) Manner and date in which results of the offer are to be made public: Not Applicable
- (ix) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: Not Applicable
- (x) Details of any Tranche(s) reserved for certain countries: Not Applicable
- (xi) Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made: Prospective Noteholders will be notified by the relevant Bookrunner or Placer in accordance with the arrangements in place between such Bookrunners or Placers and its customers. Any dealings in the Notes which take place will be at the risk of prospective Noteholders.
- (xii) Amount of any expenses and taxes specifically charged to the Noteholders: Not Applicable
- (xiii) Name(s) and address(es), to the extent known to the Issuer, of the Placers in the various countries where the offer takes place: None known to the Issuer