



Good Food, Good Life



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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.



Paul Bulcke
Chief Executive

Building on...

Our 145 year commitment

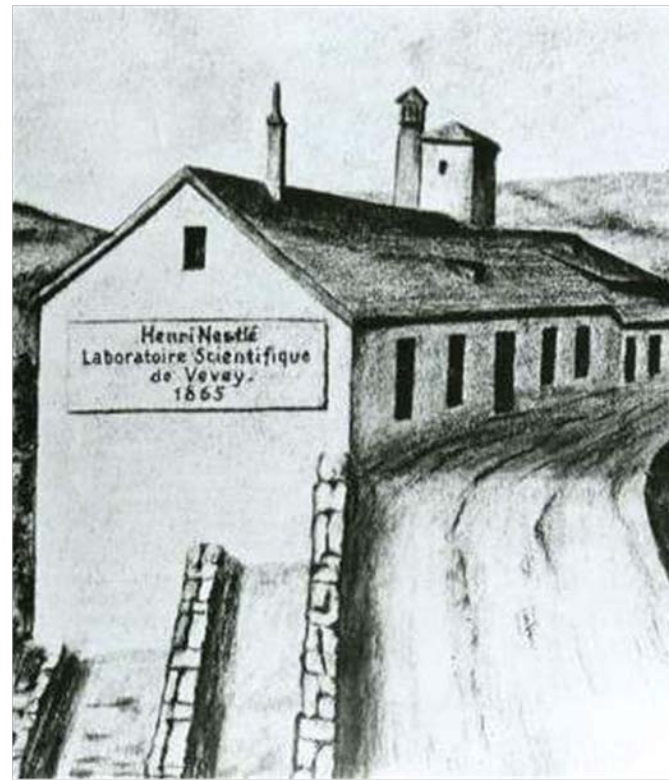
Our Nutrition, Health & Wellness strategy

Our special commitment to the first 1000 days

Building on our 145 year commitment...



Henri Nestlé



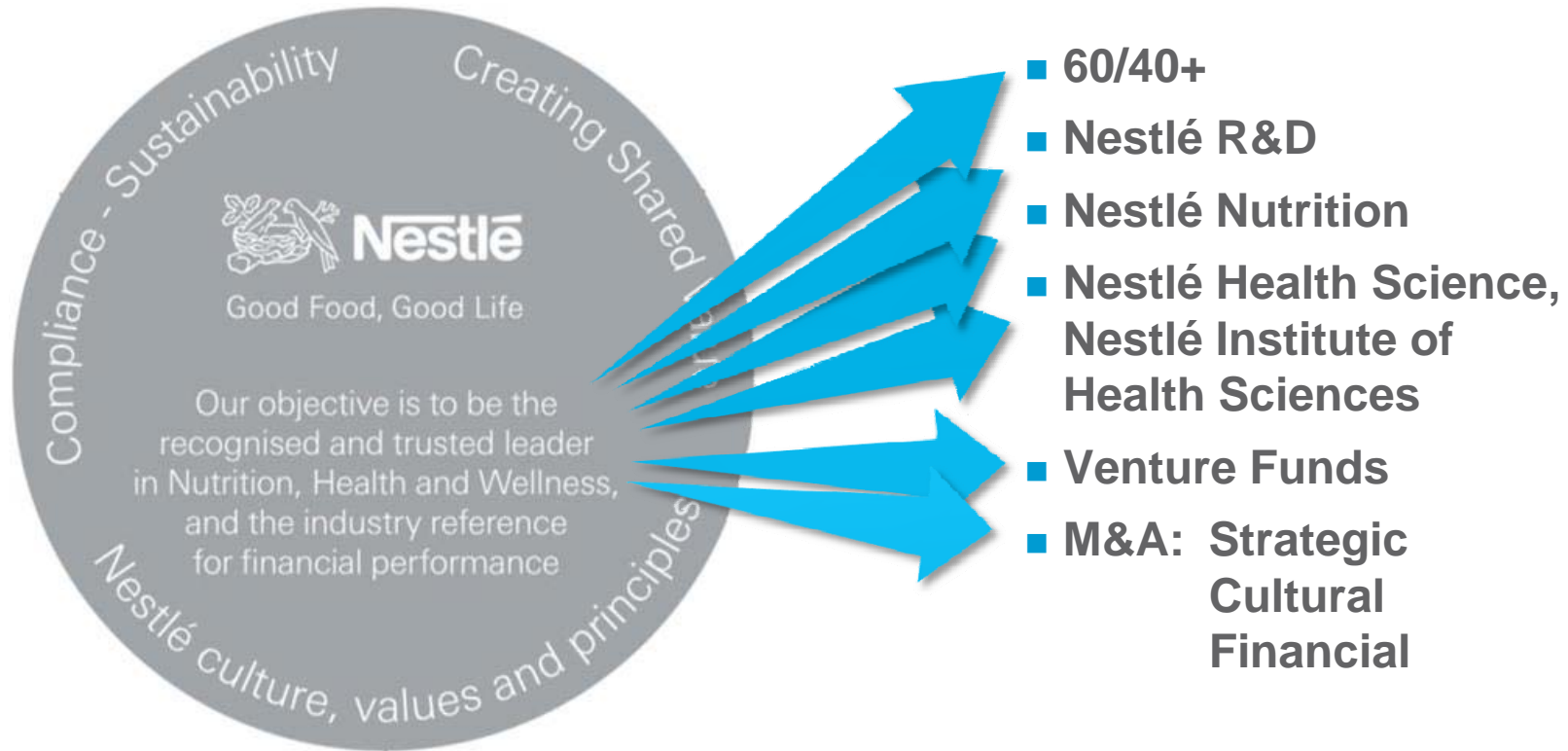
On our Nutrition, Health & Wellness strategy...



Aligned with the Nestlé Roadmap



Aligned with the Nestlé Roadmap



Building on our special commitment to the first 1000 days ...





Good Food, Good Life



Kurt Schmidt
Global Head
Nestlé Nutrition



- **The first 1000 days**
Critical nutritional milestones from conception through infancy
- **Science-based education & services** for the right nutritional choices
- **Breastfeeding**
The best form of nutrition in the first 6 months of life

The right start of a consumer journey with Nestlé
Start Healthy Stay Healthy

Pfizer Nutrition...

Strong fit with Nestlé

- Strategic
- Cultural
- Financial

Infant Nutrition

Our roots & the core of Nutrition, Health & Wellness

- Start of a new journey

Nestlé & Pfizer Nutrition nurturing a healthier generation

- Building a strong future on our core passion & roots

Nutrition, Health & Wellness

Nestlé & Pfizer Nutrition

Strong fit in attractive category

- **Infant Nutrition:** High value & high growth
- **Nestlé Nutrition:** Category pioneer & global leader
- **Pfizer Nutrition:** Dynamic & valuable business with exposure in growth markets

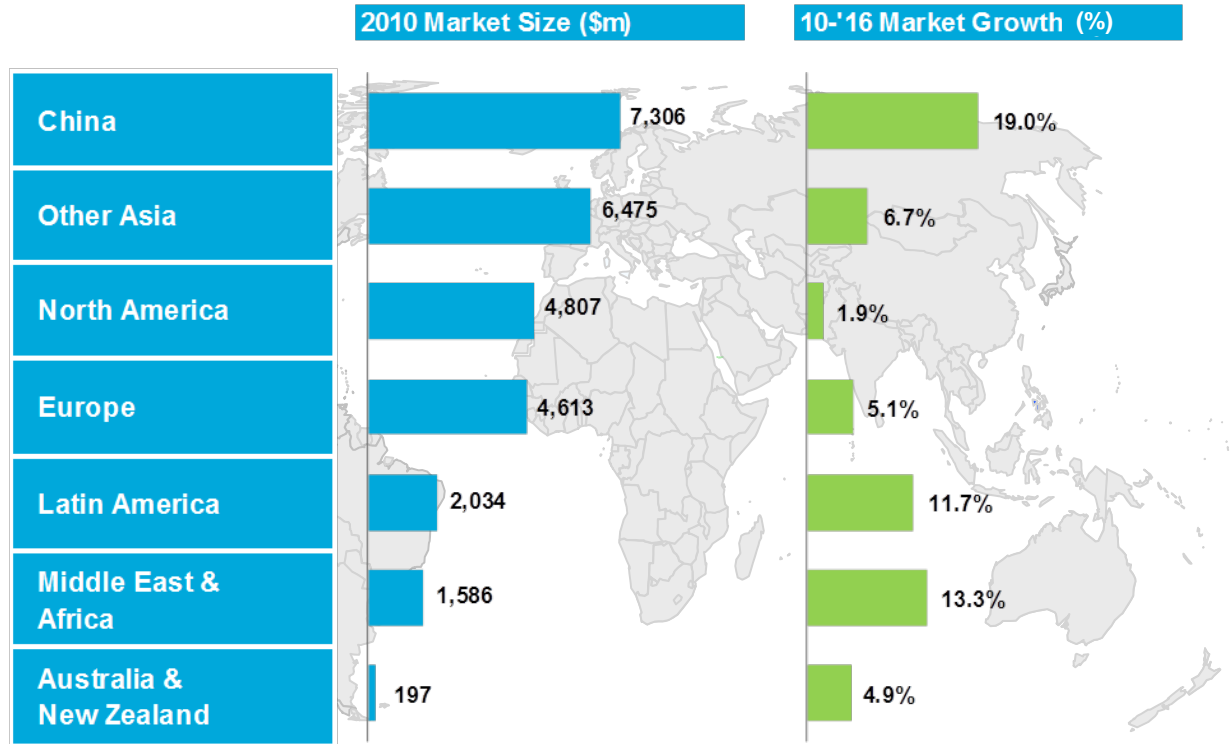
Strengthened position & a winning combination

Infant Nutrition is an attractive category

- **Large market: ~USD 30 bn**
- **High growth: ~10% p.a. globally**
- **Emerging markets: 73% of market, 13% growth p.a.**
 - Increasing births
 - Increasing affluence
 - Increasing awareness of benefits of good nutrition
 - Premiumisation & broader range of product benefits

Source: Euromonitor (Milk Formula)

Infant Nutrition is highly dynamic



Source: Euromonitor (Milk Formula)

Pfizer Nutrition

Dynamic player with strong geographic growth profile

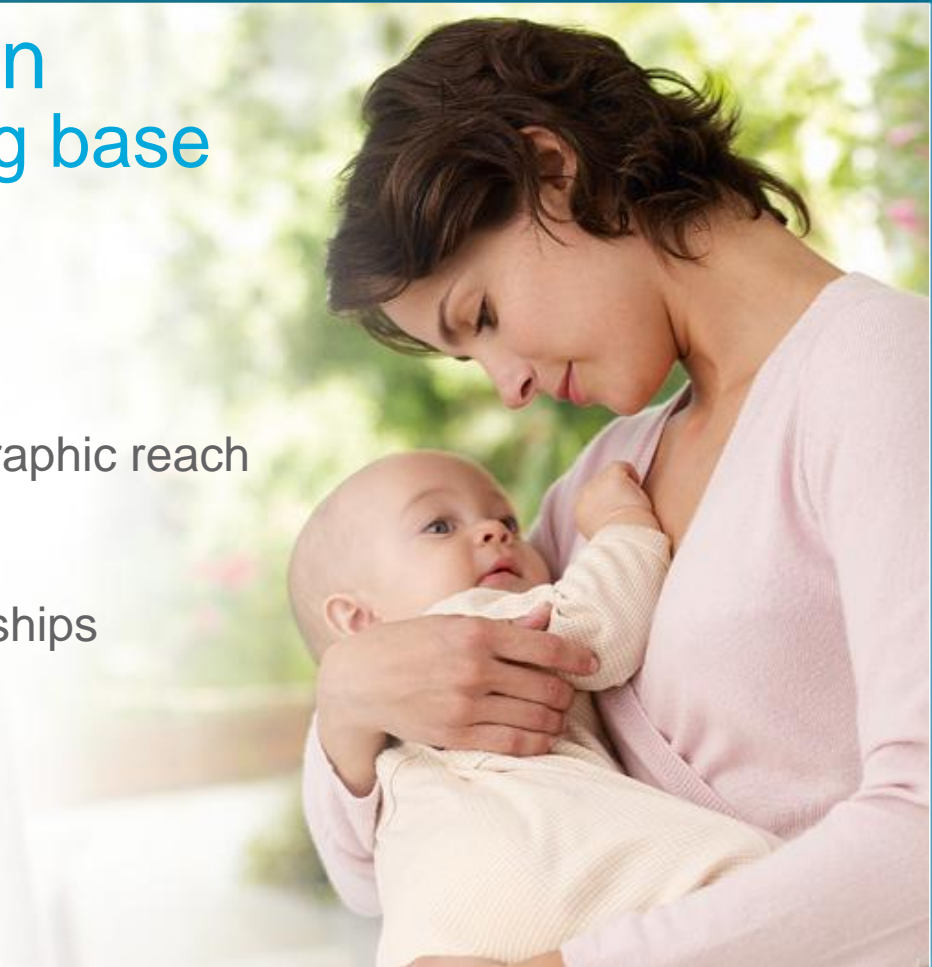
- **85% of sales in emerging markets**
 - Key markets include: China, Philippines, Thailand, Indonesia, Middle East, Mexico
- **Strong reputation & equity with Health Care Professionals**
- **High quality brand portfolio with strength in premium products**
- **Strong leadership team with proven track record**
- **Good and consistent financial performance**
- **5,400 employees, 5 factories and 3 R&D centres**

Nestlé & Pfizer Nutrition

Building on Nestlé's strong base

Nestlé Infant Nutrition today:

- Global leadership with broad geographic reach
- Leading global R&D network
- Strong medical & scientific partnerships
- Science-based innovation
- Focused stand-alone organisation



Nestlé Nutrition & Pfizer Nutrition

Enhanced presence in dynamic regions

Top 10 markets:

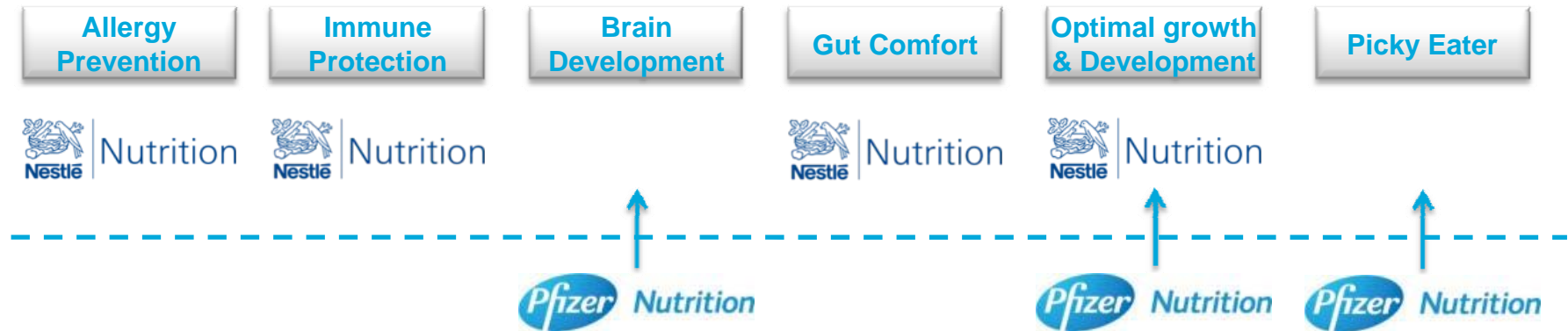
- 9 markets in the world's top 10 of highest absolute population growth
- 45%+ of the next 5 years' category growth will come from China/HK*

	Nestlé IF & GUMs	Nestlé IF & GUMs & Pfizer Nutrition
Sales 2011	USD 5bn+	USD 7bn+
% in Emerging Markets	83%	85%
% in Asia, Oceania & Africa	45%	55%
% in Leading Positions	65%	75%

*Euromonitor (Milk Formula)

Complementary benefits & platforms

Strength from entry level to super premium



- Enlarged business has a pioneering presence in key benefit platforms
- Strong presence in premium & super-premium products

Nestlé Nutrition & Pfizer Nutrition

Strong cultural fit

- Combined management teams with sustained, successful track record
- Leadership teams focused on science-based innovation
- Consistent focus on compliance, quality & safety; 'non-negotiable'
- Conviction that 'breast-feeding is best'
- Ethical approach to marketing

Summary

A great fit with capabilities & presence to win

- Enhances strong Nestlé business
- Positions Nestlé to benefit from population growth
- Expands our portfolio
- Leverages R&D:
 - Nestlé's into Pfizer Nutrition brands; Pfizer Nutrition's into Nestlé brands
- Combines strong management teams
- Benefits from 'Nestlé in the Market' scale, capabilities, systems, etc.



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Wan Ling Martello
Chief Financial Officer

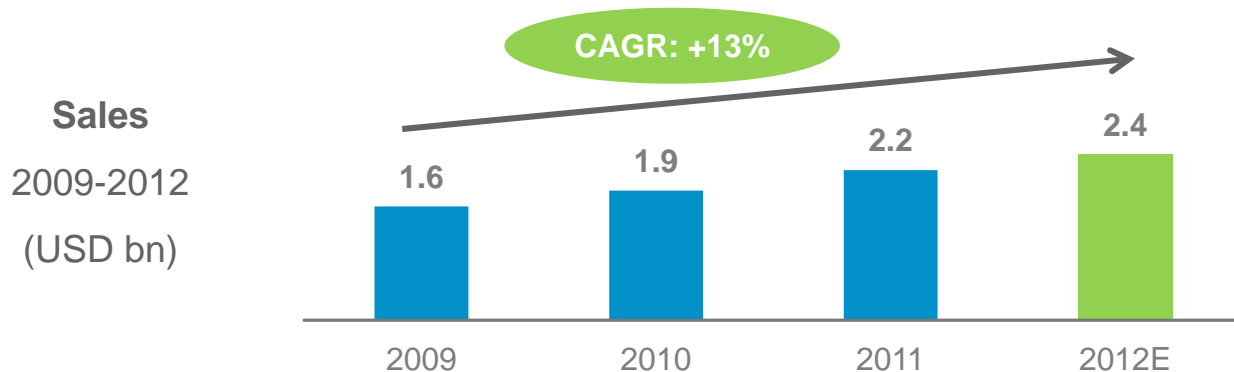
Pfizer Nutrition

- A high quality business
- Accretive to Nestlé Model
- Implementing Nestlé acquisition strategy

Creating shareholder value over time
by enhancing our positions & capabilities
to win in the world's most dynamic markets

Pfizer Nutrition – a high quality business

A track-record of dynamic growth

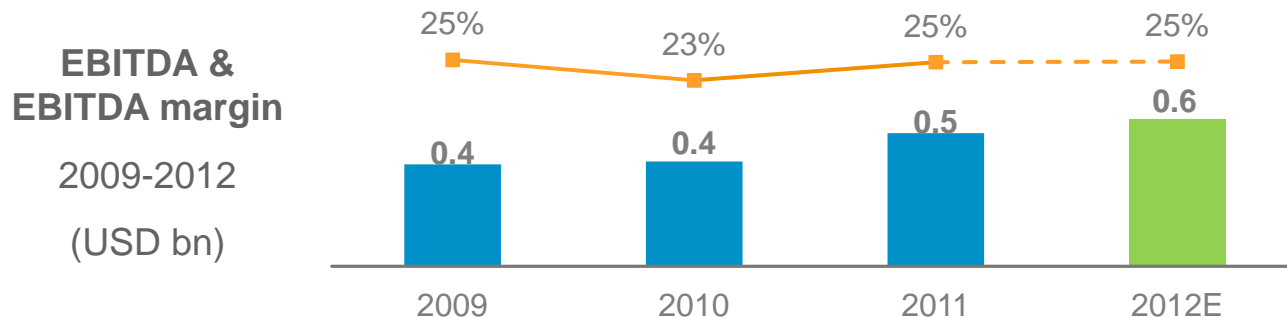


- 2012E Sales: USD 2.4bn
85% of which in Emerging Markets

2012: Nestlé estimate

Pfizer Nutrition – a high quality business

Healthy level of profitability



A proven track-record of profitable growth

2012: Nestlé estimate

Key transaction parameters

- Acquisition price: USD 11.85 bn
- Multiple (EV/EBITDA 2012E): 19.8x
15.6x post run rate synergies
- Full year cost synergies: USD 160 mn
- Financing: Cash & additional debt,
strong balance sheet maintained
- Closing subject to regulatory approvals

2012: Nestlé estimate

Pfizer Nutrition accretive to the Nestlé Model

- Organic Growth: Above Group's 5-6% OG guidance
- Margin: Immediate
- EPS: First full year
- Capital Efficiencies: ROIC to exceed cost of capital in year 4 to 5

Implementing Nestlé's acquisition strategy

Strategic	To be a category leader	✓	Leading positions globally
	Focused approach on value-added growth categories	✓	Category growing at 10%
	Strong brands in leadership positions	✓	High quality brands, strong market positions
Cultural	High degree of certainty of successful integration	✓	Operations complementary, good cultural fit
Financial	Generate value for shareholders	✓	Growth model & healthy returns
	Top & bottom line, & cash flow enhancing	✓	Accretive
	Maintain strong credit ratings & financial flexibility	✓	Strong credit ratings maintained



Good Food, Good Life

... captures the very essence
of Nestlé and the promise
we commit ourselves to
everyday, everywhere
as the leading Nutrition, Health
and Wellness Company

