



# Leading in Pet Care

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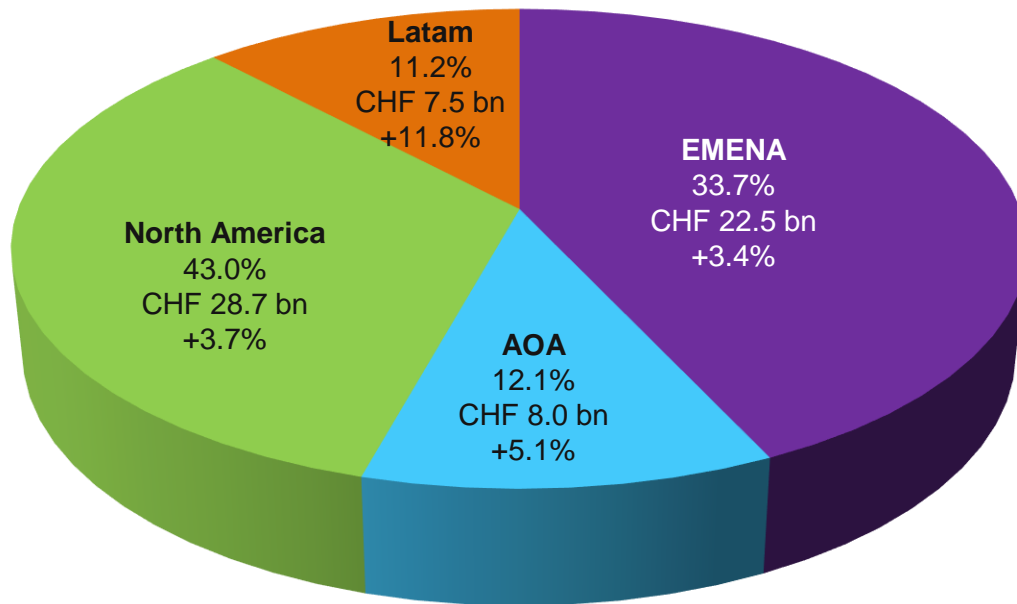
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Latin America and Caribbean

Nestlé Investor Seminar  
24 – 25 May, 2016

# Disclaimer

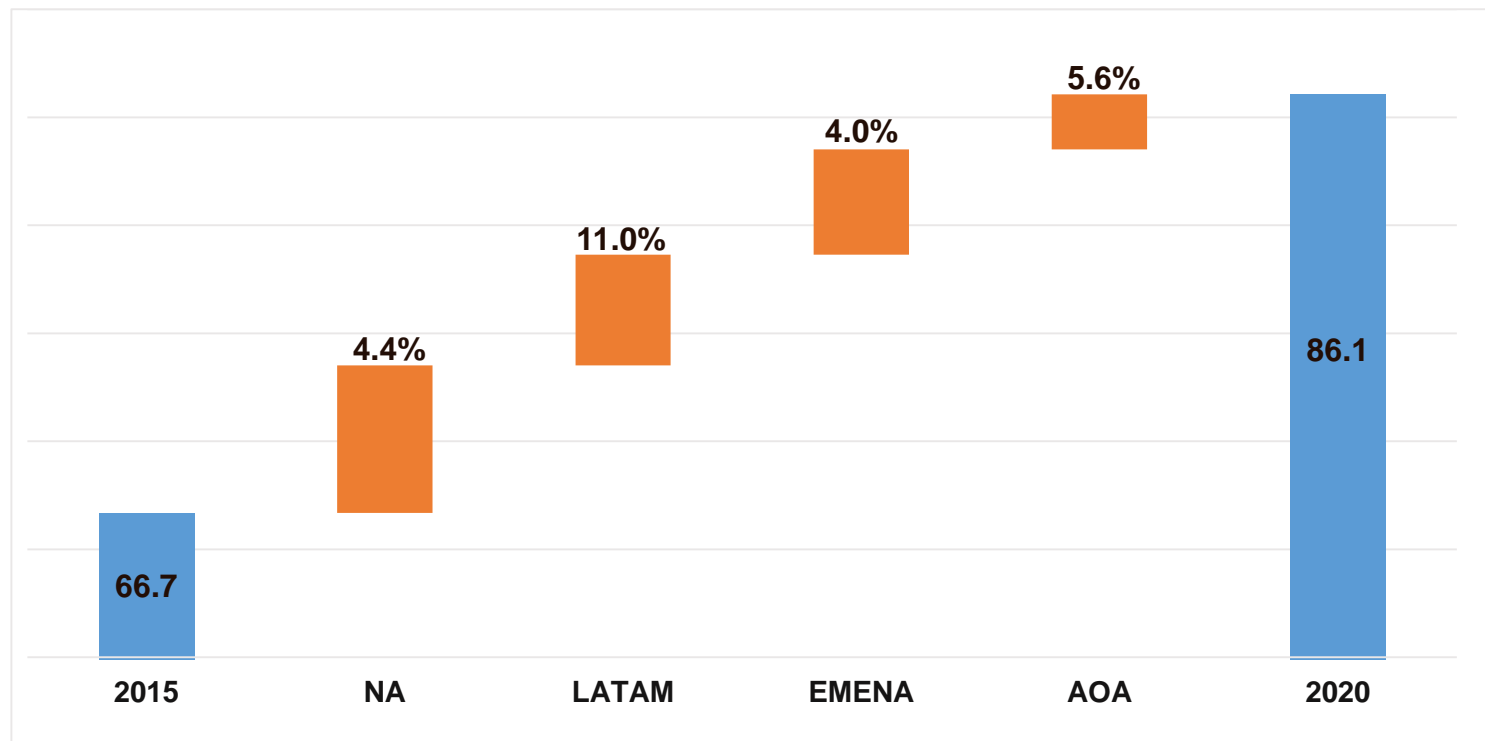
This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.

# The Global PetCare Category Expected to Grow at 5.2%



Total CHF 67 bn

# PetCare Category Expected Growth 2015-20





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# The EMENA Market: Key Numbers

Market  
**22.5 bn**

**14.7 bn** in Grocery

**7.8 bn** in Specialist

NPP EMENA Market Share

**22.5%**

**+98bps**

vs. Last Year  
(Grocery only)

**203m** Cats & Dogs



**113m**  
Cats

**1.5%**

Last 10 year  
CAGR



**90m**  
Dogs

**0.6%**

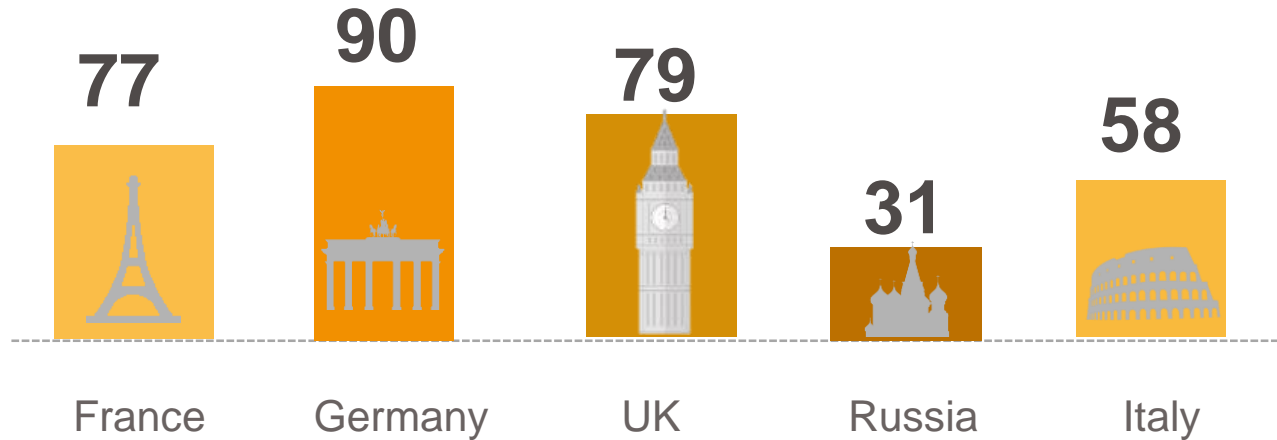
Last 10 year  
CAGR

Source: Nielsen

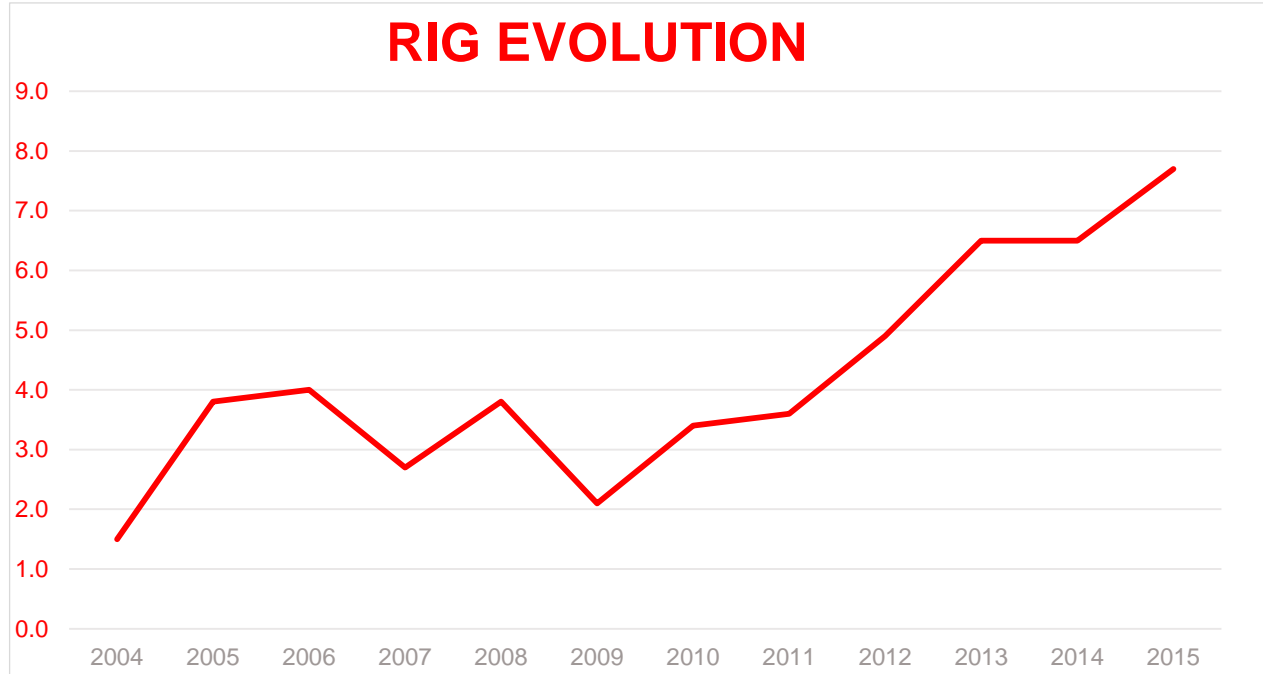
# Calorific coverage is still a major growth opportunity

## Calorific Coverage %

From 3% in Egypt to 93% in Belgium



# Accelerated growth and strong profit improvement



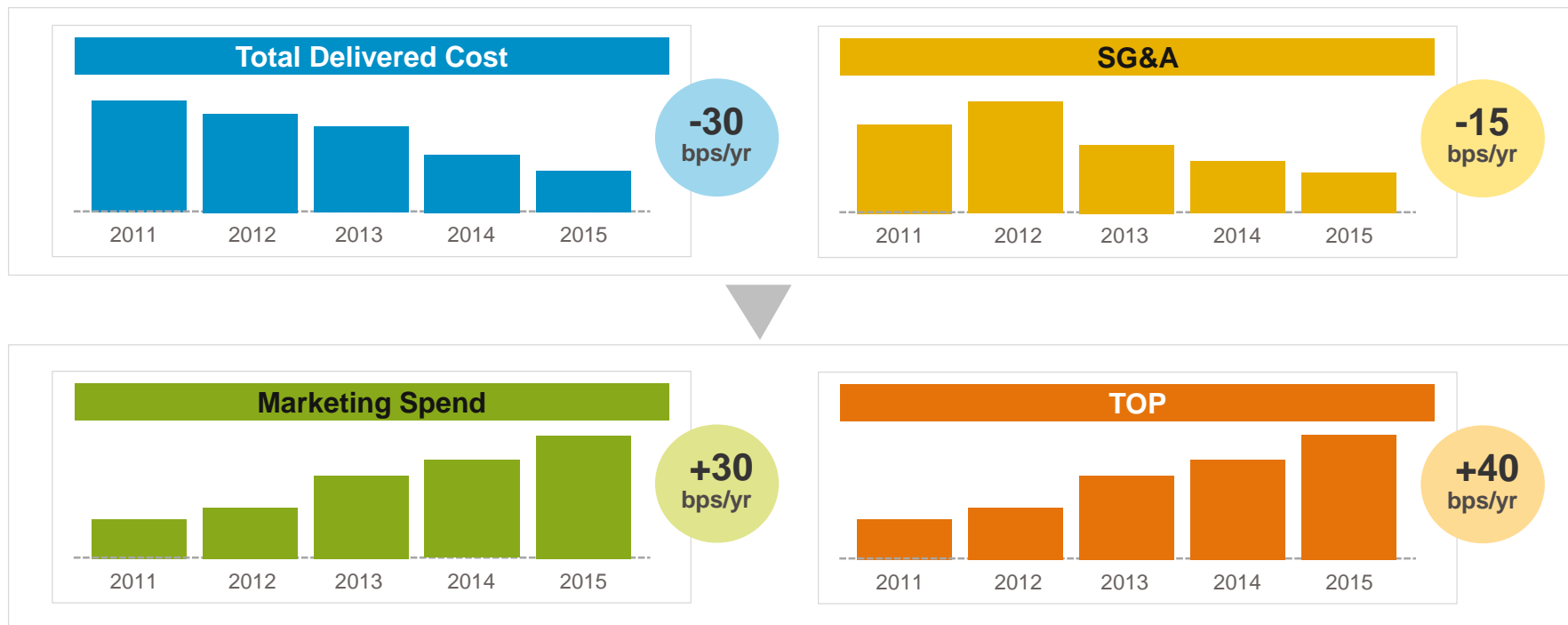
**TOP**

**+480 bps**

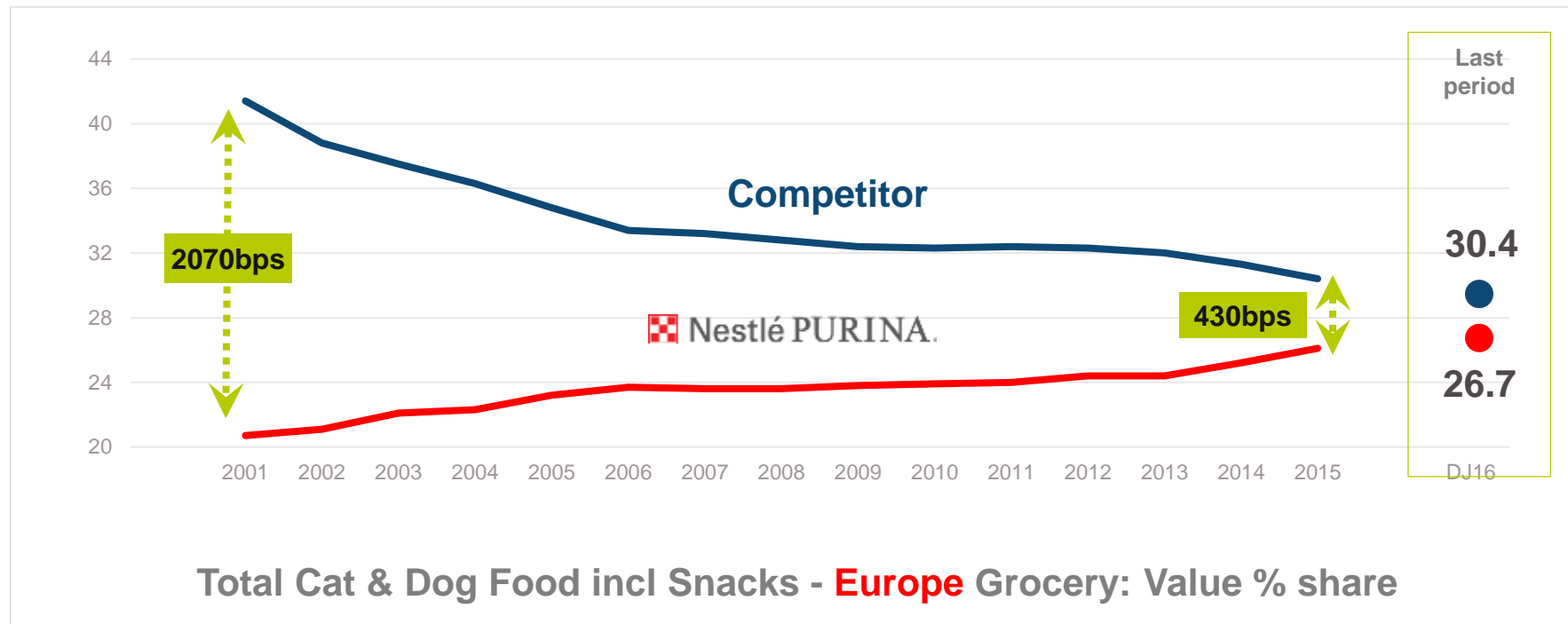
**(last 10 years)**



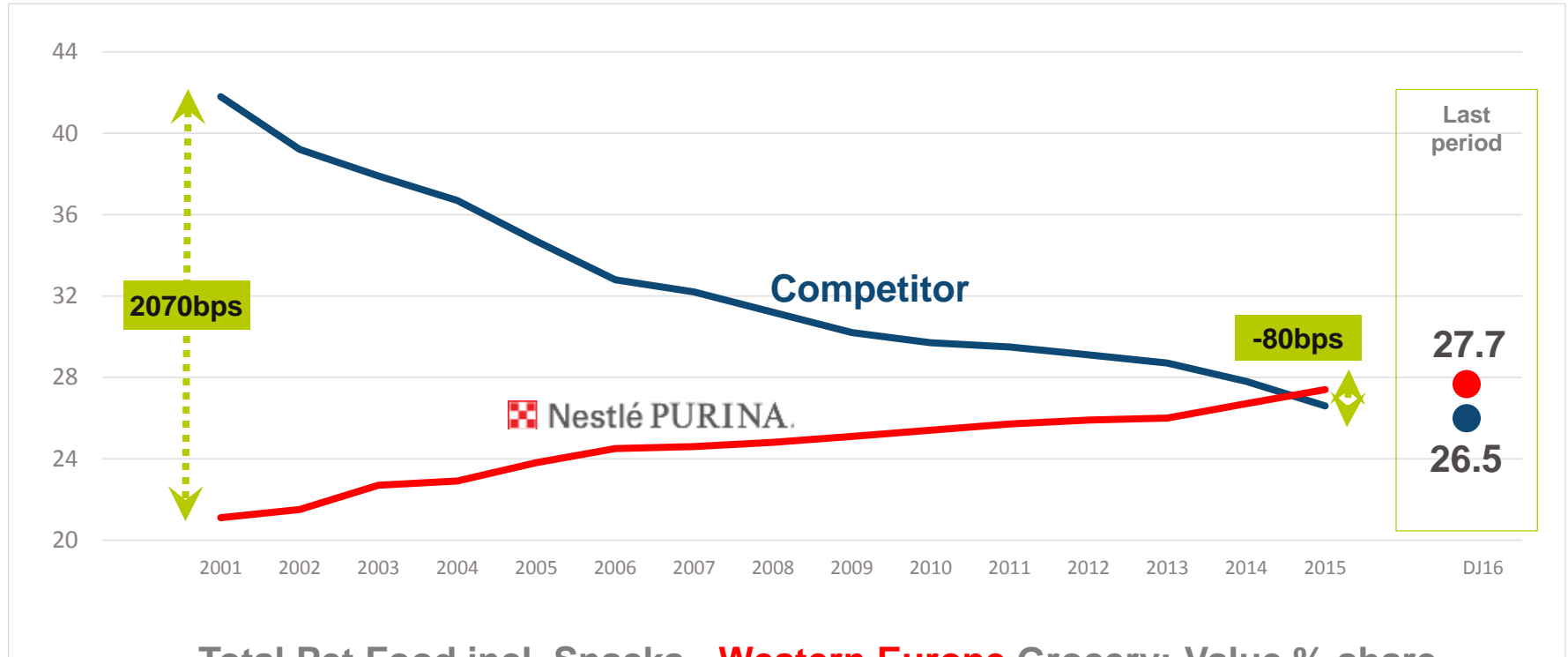
# Operational savings reinvested in our brands and profit



# European Share Growth: Leadership now a realistic goal

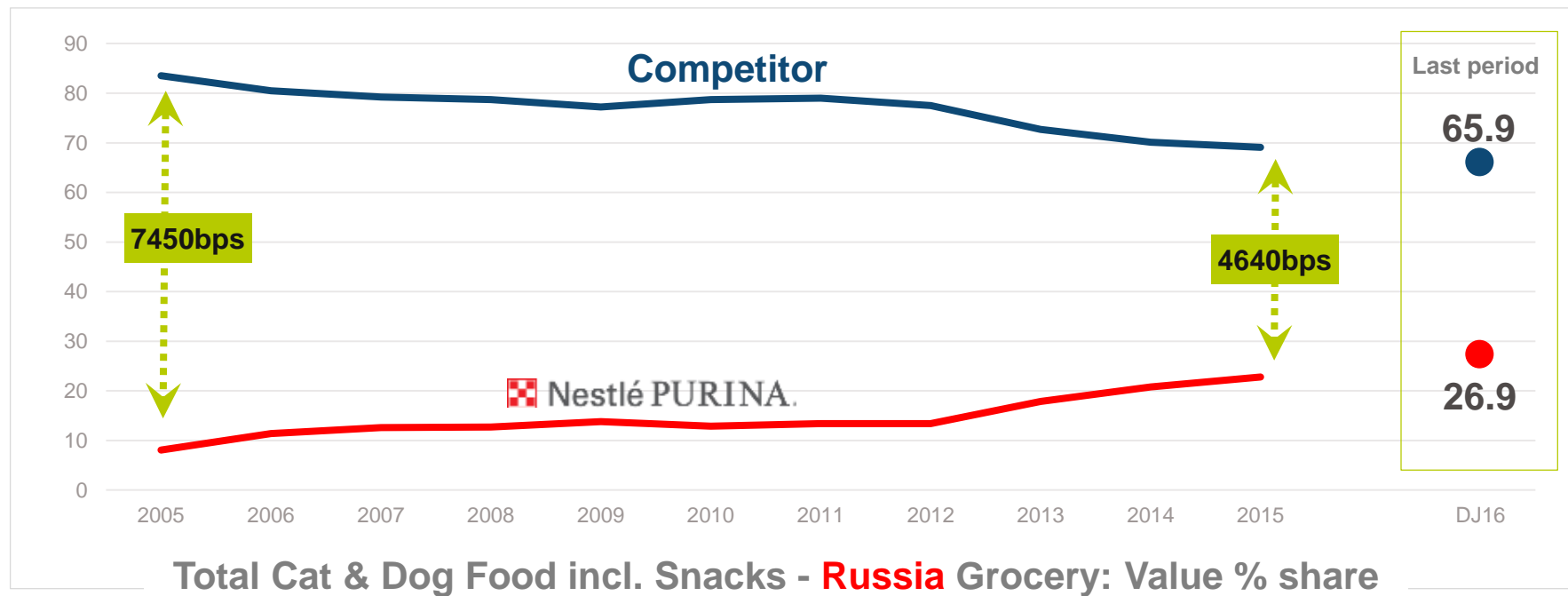


# 2015: NPP taking leadership in Western Europe



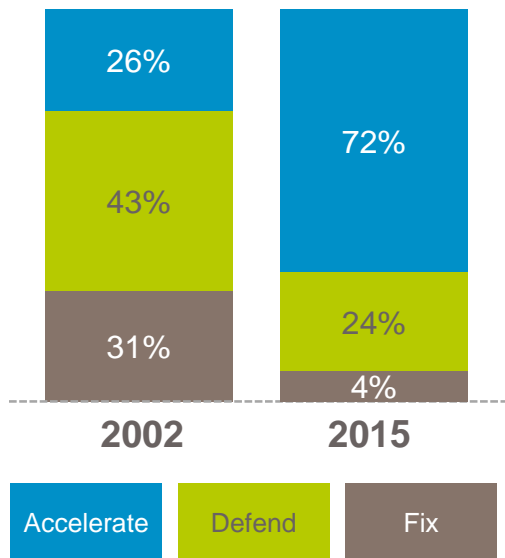
Total Pet Food incl. Snacks - **Western Europe** Grocery: Value % share

# Russia: critical for our European leadership ambition

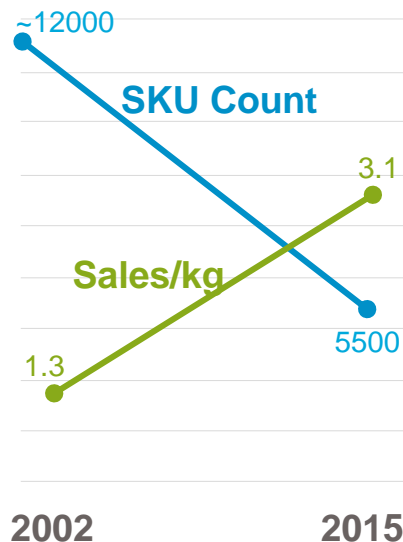


# Portfolio transformation : Key Drivers

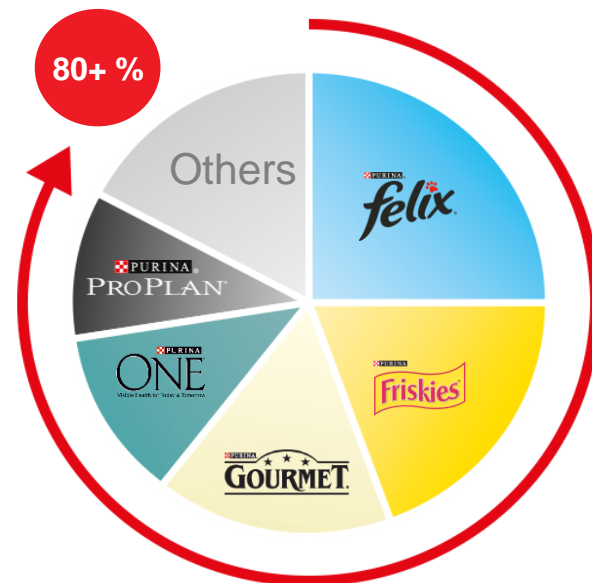
## Portfolio



## Simplification & Premiumization



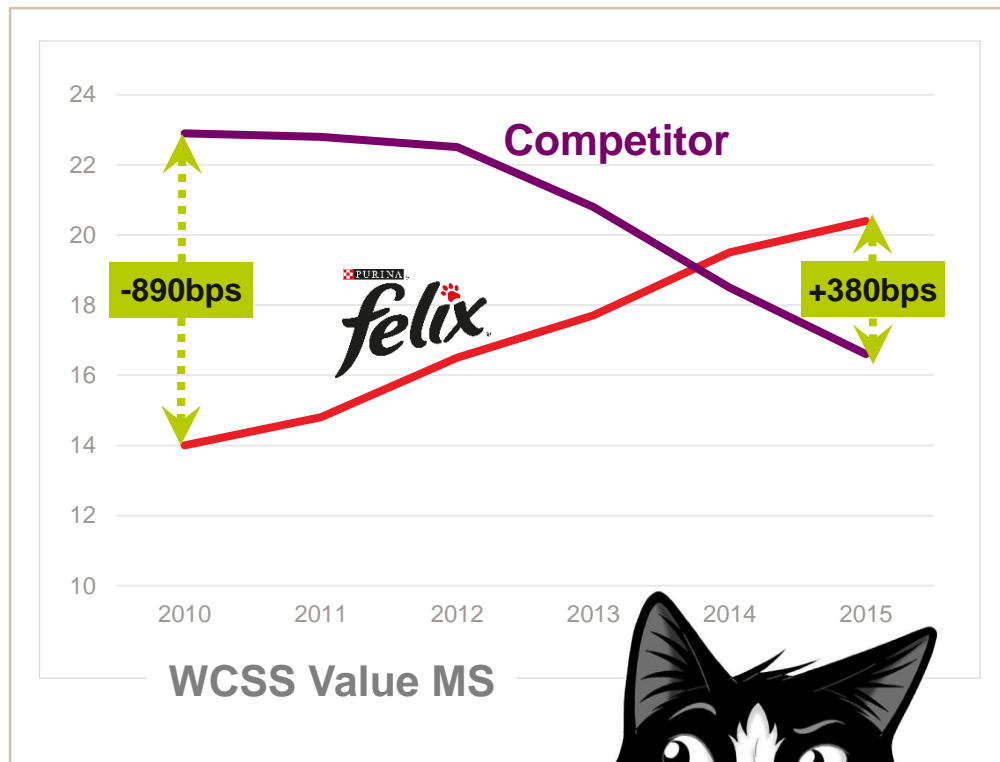
## 5 Power Brands



# FELIX has become our largest European brand



Sources: Nielsen GTC, 28 markets, JJ'15 update & Nielsen IDB database



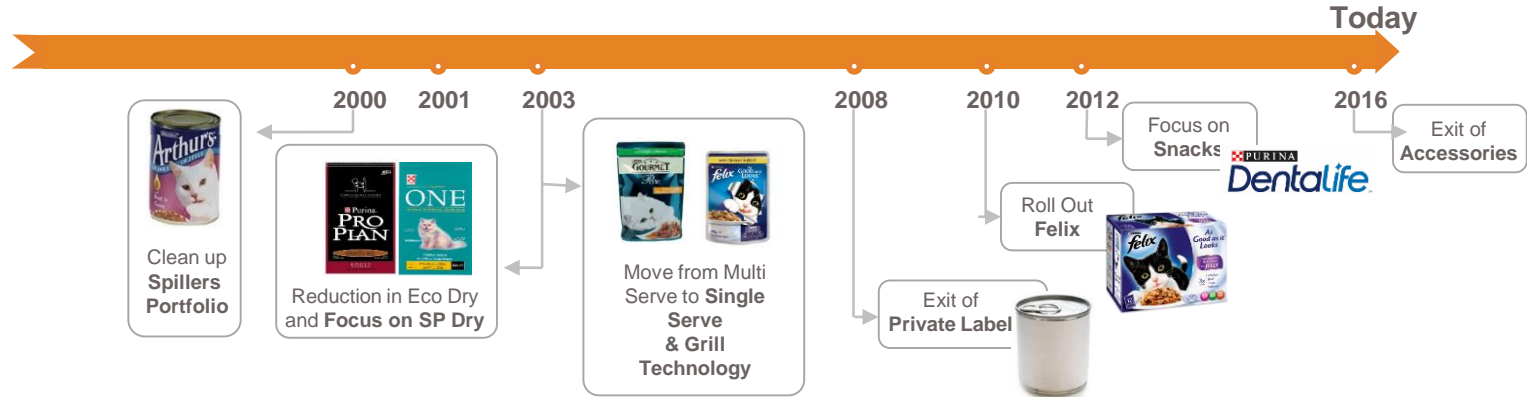
# A FELIX campaign



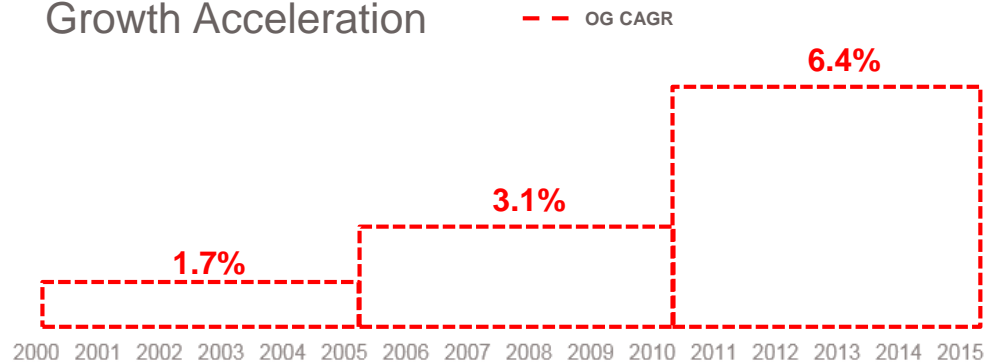




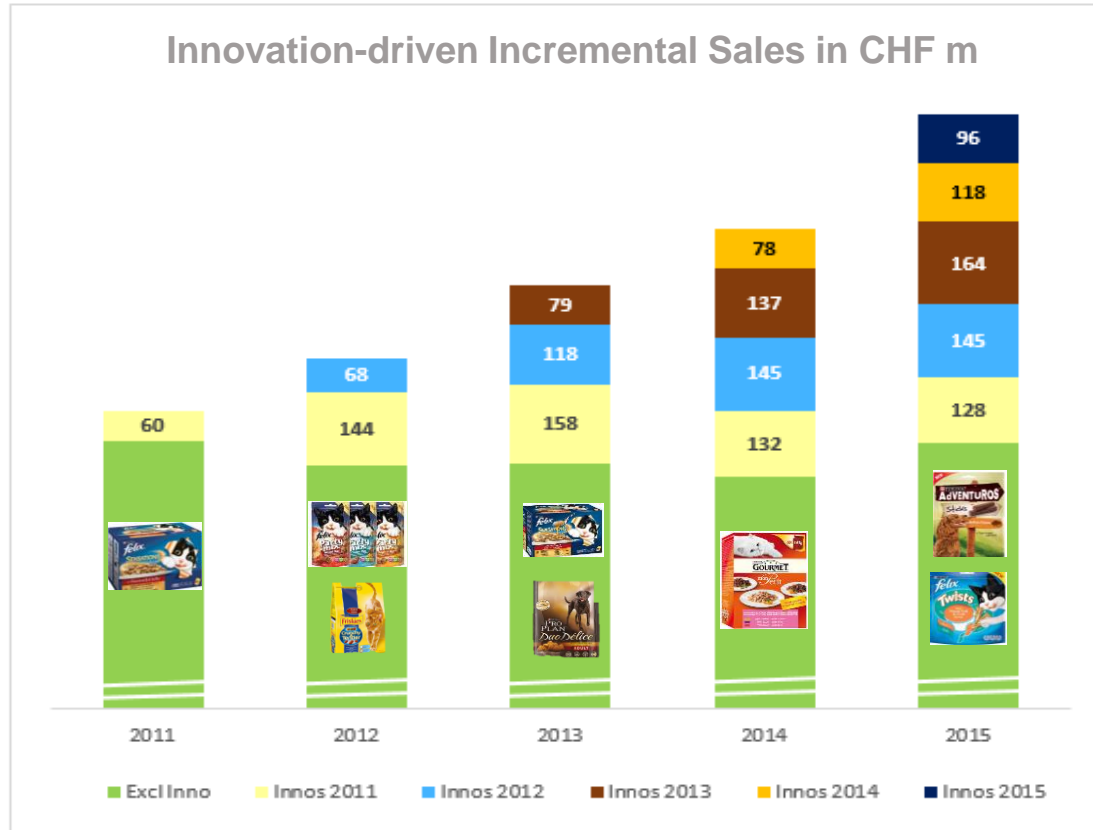
# Portfolio Transformation in Milestones



## Growth Acceleration



# Innovations bringing strong incremental value



# Premiumising innovation accelerates value growth

## Gourmet – premiumisation within the brand

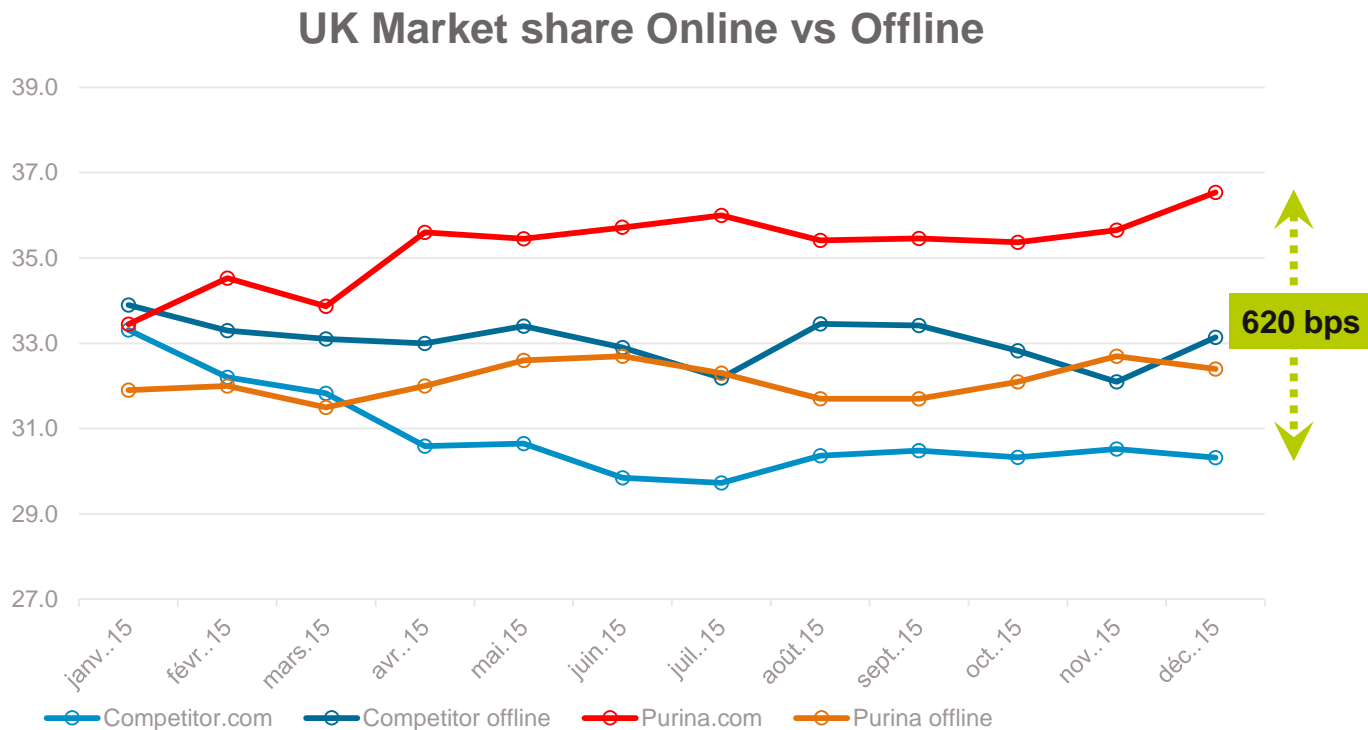
Each innovation builds greater consumer value







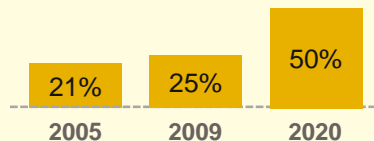



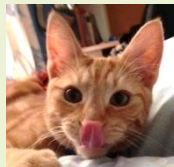

## Purina ONE – moving consumers towards more premium offers



# Digital acceleration as a competitive advantage



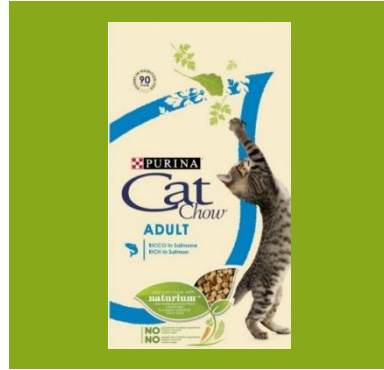
# Strong Innovation Pipeline Based on Health Benefit Platforms

	Challenge	Insights	Solutions								
<div></div> <div>Brain Health</div>	<p>Almost 50% of pets classified as aging (7yr+). Cognitive functions start to diminish.</p>	<div></div> <p>Pets play strong role with elderly people with physical activity, socialization &amp; mental functions.</p>	<p>Proprietary ingredient / active brain protection blend for enhancing pet alertness &amp; mental sharpness</p> <div></div>								
<div></div> <div>Obesity</div>	<p><b>% of Over-weight Dogs in UK</b></p>  <table><tr><th>Year</th><th>% of Over-weight Dogs</th></tr><tr><td>2005</td><td>21%</td></tr><tr><td>2009</td><td>25%</td></tr><tr><td>2020</td><td>50%</td></tr></table>	Year	% of Over-weight Dogs	2005	21%	2009	25%	2020	50%	<p>Pet weight-control is compromising emotional connection.</p> <div></div>	<p>Proprietary weight management program with visible weight loss</p> <div></div>
Year	% of Over-weight Dogs										
2005	21%										
2009	25%										
2020	50%										
<div></div> <div>Immunity</div>	<p>Cats are highly sensitive animals. Compromised <b>immune system</b> can lead to impaired quality of life</p>	<div></div> <p>Cat owners can't 'see' an immunity deficit but do witness the visible impact via digestive issues</p>	<p>Proprietary NRM (functional bacteria) with proven enhanced immune benefits</p> <div></div>								

# Our Natural Approach: 4 Pillars



**Purina Brand  
as a competitive  
advantage**



**Natural cues  
in existing  
Portfolio**



**Natural  
Brands**



**Customized  
natural foods**

# Building trust in Purina through our commitments

We believe that when people and pets bond, life becomes richer.

## Our Products



Lead the industry in pet nutrition and health research



Deliver accessible product information & pet care advice



Remove artificial colours from our products

## Environment & Society



Create job for young people below 30 years



Implement responsible sourcing



Improve environmental performance of our packaging

## Pet Wellbeing



Promote pet adoption through collaboration and partnerships



Help reduce pet obesity risk through collaborative prevention programmes

## Pet Role in Society



Champion pets in the workplace via 'Pets at Work' initiatives



Promote responsible pet ownership via our 'Pets at Schools' initiatives



# First *BETTER WITH PETS* Forum in Brussels





# We are starting a movement on social networks

**#WEAREBETTERWITHPETS**



A man with blonde hair, wearing a dark blue jacket and jeans, is running across a green lawn in a garden. A small black dog is running alongside him. The garden features a wooden fence, a large tree, and various plants and shrubs. The text "#WeAreBetterWithPets" is overlaid in white on the image.

**#WeAreBetterWithPets**

# 4 Key Takeaways

1

## 20 YEARS OF SUCCESS

20 Years of profitable growth and continuous market share gains.

2

## NHW COMPANY

Purina is a strong contributor to the Nestlé NHW ambition and to the Group's Premiumisation strategy.

3

## OUR AMBITION

is to be the most trusted name in Petcare, become a Market Leader in Grocery and continue to be a strong growth contributor.

4

## FUTURE GROWTH

will come from engaging pet owners with health enhancing solutions, underpinned by deeper corporate trust.