Leading in Pet Care

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Latin America and Caribbean

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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.
## Petcare Latin America and Caribbean: Key Numbers

<table>
<thead>
<tr>
<th>Market</th>
<th>7.5 bn USD</th>
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<tbody>
<tr>
<td>5.4 bn in Specialist</td>
<td>22.1% NPP LatAm Market Share</td>
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<tr>
<td>2.1 bn in Grocery</td>
<td>+30 bps vs. Last Year</td>
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### 159m Cats & Dogs

- **46m** Cats
  - +5% Last 5 Year CAGR
- **113m** Dogs
  - +5% Last 5 Year CAGR

Source: NPP Internal Estimate
Calorific Conversion* has driven category growth

Source: NPP Internal Estimate

(*) Refers to the percentage of overall pet nutrition that is derived from commercially prepared pet food.
Pet Care is a highly attractive category

1. FOR CONSUMERS
   - Explosion of choices and branded solutions
   - Intense emotional bond: 80% Involved owners

2. FOR RETAILERS
   - 96% category penetration
   - Highly involved consumers who are looking for specialized solutions

3. FOR NESTLE
   - Aligned with Nestlé NHW principles
   - Strong category growth with attractive margins
   - R&D-led innovation drives growth
Nestlé Purina growth well above main competitor

Avg. value growth vs. competitor: +610bps

Source: Based on Nielsen, IRI + internal estimates for Super Premium and Premium pet food segments
...And closing the market share gap

Source: Based on Nielsen, IRI + internal estimates
2015 Market Share - #1 position in 80% of sales

Source: Based on Nielsen, IRI + internal estimates
Focus on strategic brand portfolio has driven performance

% of total sales

2010 2015

- Strategic Brands: Avg. OG 33%
  - 2010: 57%
  - 2015: 69%

- Non Strategic Brands
  - 2010: 43%
  - 2015: 31%
Innovation & Renovation as a value creator

% Sales from Innovation and Renovation *
% Sales from Base Portfolio

2011: 26%
2012: 29%
2013: 49%
2014: 57%
2015: 58%

* Innovation & Renovation from last 3 years rolling.
Delivering sustained top and bottom line growth

<table>
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<tr>
<th></th>
<th>2010</th>
<th>2015</th>
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<tbody>
<tr>
<td>Sales*</td>
<td>$391M</td>
<td>$1,021M</td>
</tr>
<tr>
<td>TOP*</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2010</td>
<td>2015</td>
</tr>
<tr>
<td>Market Share%</td>
<td>17.4</td>
<td>22.1</td>
</tr>
</tbody>
</table>

(* Figures at constant exchange rates)
Drivers of future growth

1. Calorific conversion
2. Pet Culture
3. New Channels
.. Enabling $5bn category growth by 2020

Latino America Pet Food Category

$7.5 bn

2015

$5 bn
+11% p.a.

$12.5 bn

2020

Source: Based on Nielsen, IRI + internal estimates at constant XR
Why are we best positioned to capture the future growth

Product Innovation

Industrial Capabilities

Culture
Leveraging consumer insight and technology

Leading edge nutrition for each key moment of his life

**Life Stages**
- Optiplus
- Optifit
- Optiderma
- Optifortis
- Optiplus

**Special Needs**
- Optiplus
- Optifit
- Optiderma
- Optifortis
- Optiplus

Pro Plan Sales

OG: 22% p.a.

2005 2008 2010 2015
At Purina Dog Chow, we know that each dog is unique.
Consumer Insight Driven Innovation
Industrial Capabilities

Accelerated Capital Investment

Factories

New

2011 2012 2013 2014 2015

CAPEX
Culture

queremos más
In conclusion Pet Care in Latin America

1. VERY ATTRACTIVE CATEGORY
   Consumers across Latin America will continue turning to Pet Food in the next 5 years, growing 11% p.a.

2. PROFITABLE GROWTH AHEAD
   The conditions for accelerated and profitable growth remain solid for years to come

3. AMBITION: NEXT $1 BILLION+
   Nestlé Purina is investing in capabilities in order to deliver the next $1 billion+ of growth
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