



Introduction

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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.

- Nestlé has the right strategy – building the world leader in Nutrition, Health & Wellness
- Performance has trending better over the last few years

Our mission is to build on that success
- to make Nestlé **The Reference**
for Nutrition, Health & Wellness
and **for Financial Performance**

Beyond 2008: Four competitive advantages



- Product and brand portfolio R/S
- Unmatched geographic presence R/S
- The industry's leading R&D capability 16/6
- People, culture, values, attitude 17/6

- Nutrition, Health & Wellness R/S, 16/6
- Emerging markets & PPP R/S
- Leadership in "out of home"
Nestlé Professional R/S
- Premiumisation 16/6

- Consumer communication R/S
- Whenever, wherever, however R/S
- Operational efficiency R/S, 16/6
- Innovation & Renovation 16/6

Deliver the strategy – **continuity**

- Nutrition, Health & Wellness \implies higher margin/growth categories
- Organisational Transformation \implies structural efficiencies & growth
- Key growth opportunities \implies above market growth

Build on the Competitive advantages – **to higher levels**

- Brand, presence, people, R&D \implies Profitable growth
- Leverage GLOBE, GNBS \implies Discipline & accountability
- Nestlé Continuous Excellence \implies swift, flawless execution

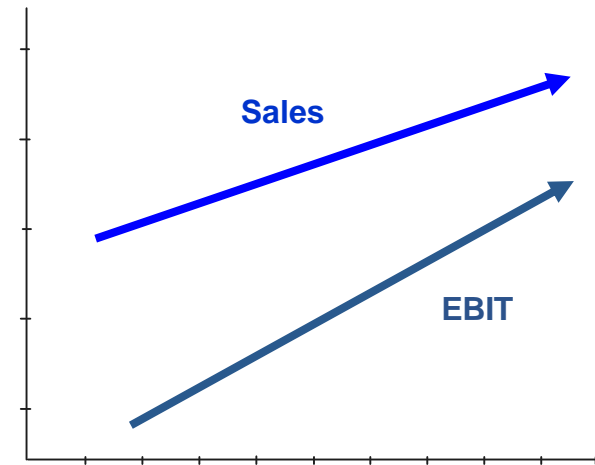
"The Result" – **enhanced financial performance**

- Achieve "the Nestlé Model" with greater capital efficiency

The Nestlé Investment Proposition “The Nestlé Model” – for the next 10 years



1. Long-Term Organic Growth Target **5 - 6%**
2. Continued year after year improvement of **EBIT margin**
3. Improving Capital efficiency / Business **ROIC / Cash returns to shareholders**



**Resulting in an industry outperforming,
long-term total shareholder return**

**Making Nestlé
The Reference for Financial Performance**

