



Welcome to the Full-Year Results Press Conference

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.

Full-Year Results Press Conference

Paul Bulcke
Nestlé CEO





Jim Singh



Wan Ling Martello



Robin Tickle

Executive Board



Paul Bulcke



Werner Bauer



José Lopez



John J. Harris



Jim Singh



Laurent Freixe



Chris Johnson



Patrice Bula



Nandu Nandkishore



Wan Ling Martello



Marc Caira



Jean-Marc Duvoisin



Kurt Schmidt



David Frick



Luis Cantarell

Nestlé Group Highlights 2011

7.5 % Organic Growth
3.9 % Real Internal Growth



Increased Trading Operating Profit



Growth in all regions and categories



Positive 2012 outlook



Full-Year Results Press Conference

Jim Singh
Chief Financial Officer



Introductory Remarks

2011: strong performance in a volatile environment

- Growth driven by innovation & renovation, aligned with strategic growth drivers
- Our Billionaire Brands performed well: two-thirds held or gained share
- All regions delivered: emerging and developed
- We invested in our brands, capabilities & capacities – internal and M&A, EMs and DMs
- Our people demonstrated their agility & competitiveness in a challenging environment

2012: volatile environment continues: delivery of the Nestlé Model

**We are well-positioned to manage the challenges
and seize the opportunities in a volatile world**

2011: Strong Full Year Performance

	As reported		At constant exchange rates
Sales	83.6 bn		
Organic Growth	+7.5%		
Real Internal Growth	+3.9%		
Trading Operating Profit	12.5 bn		
Trading Operating Profit Margin <small>(vs. 2010 continuing operations)</small>	15.0%	+60 bps	+90 bps
Net Profit <small>(vs. 2010 continuing operations)</small>	9.5 bn	+8.1%	
Net Profit Margin <small>(vs. 2010 continuing operations)</small>	11.3%	+130 bps	
Underlying EPS <small>(vs. 2010 Group)</small>	3.08		+7.8%
Dividend <small>(proposed)</small>	1.95	+5.4%	

All figures in CHF

Translational Impact of Swiss Franc

Weighted Average Exchange Rates

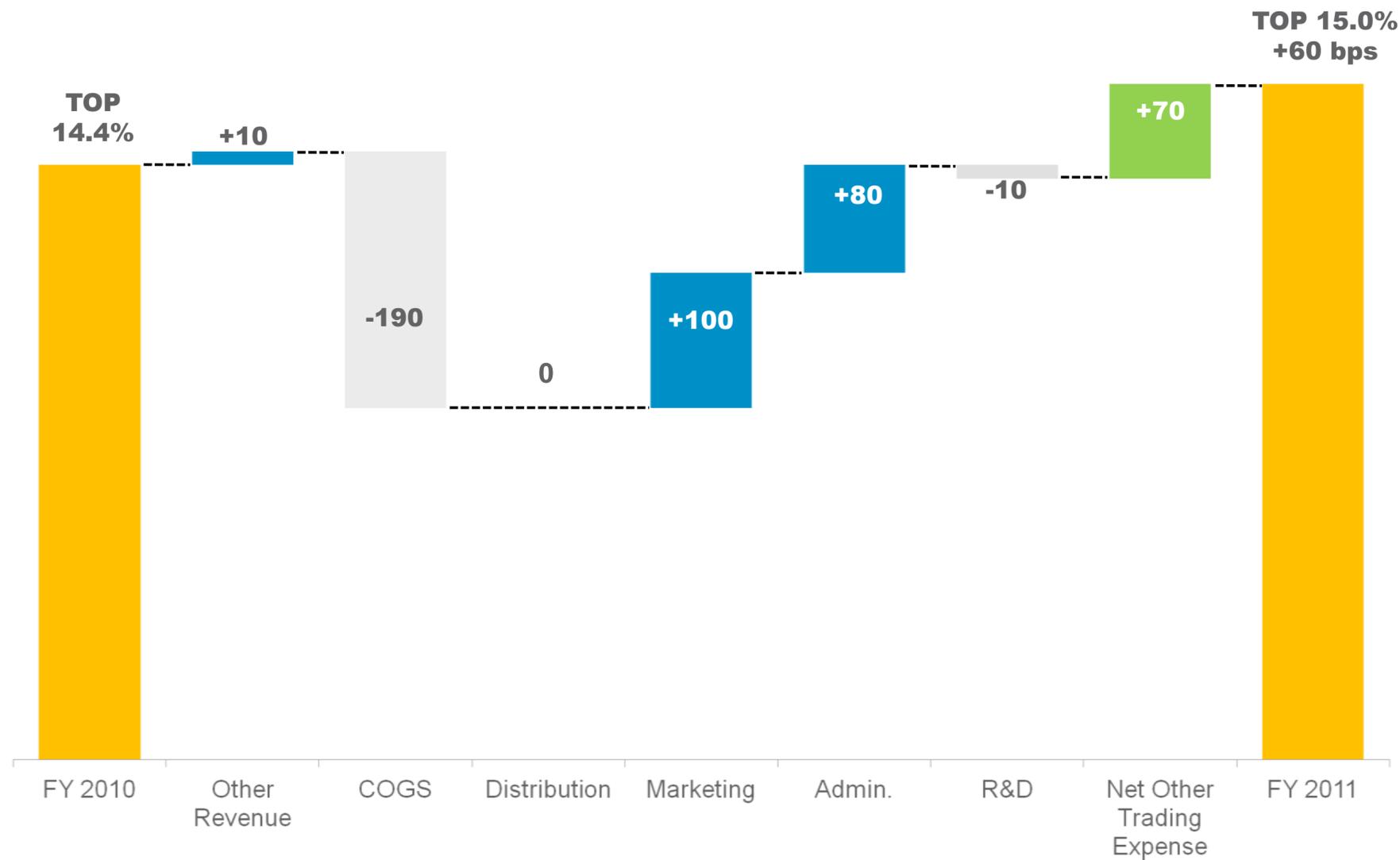
CHF per	FY 2010	FY 2011	(%)
US Dollar (1)	1.05	0.89	-15.1
Euro (1)	1.38	1.23	-10.6
£ Sterling (1)	1.61	1.42	-11.5
Real (100)	59.14	52.94	-10.5
Mex. Peso (100)	8.24	7.12	-13.6
Yen (100)	1.19	1.12	-5.6

Currency Impact on Translation

Sales	EBIT & Trading Operating Profit	Underlying EPS	Operating Cash Flow	Balance Sheet
-13.4%	-30 bps	-15%	-1.6 bn	-1.2 bn

Trading Operating Profit Margin Up 60 bps (+90 bps in constant currencies)

Continuing operations



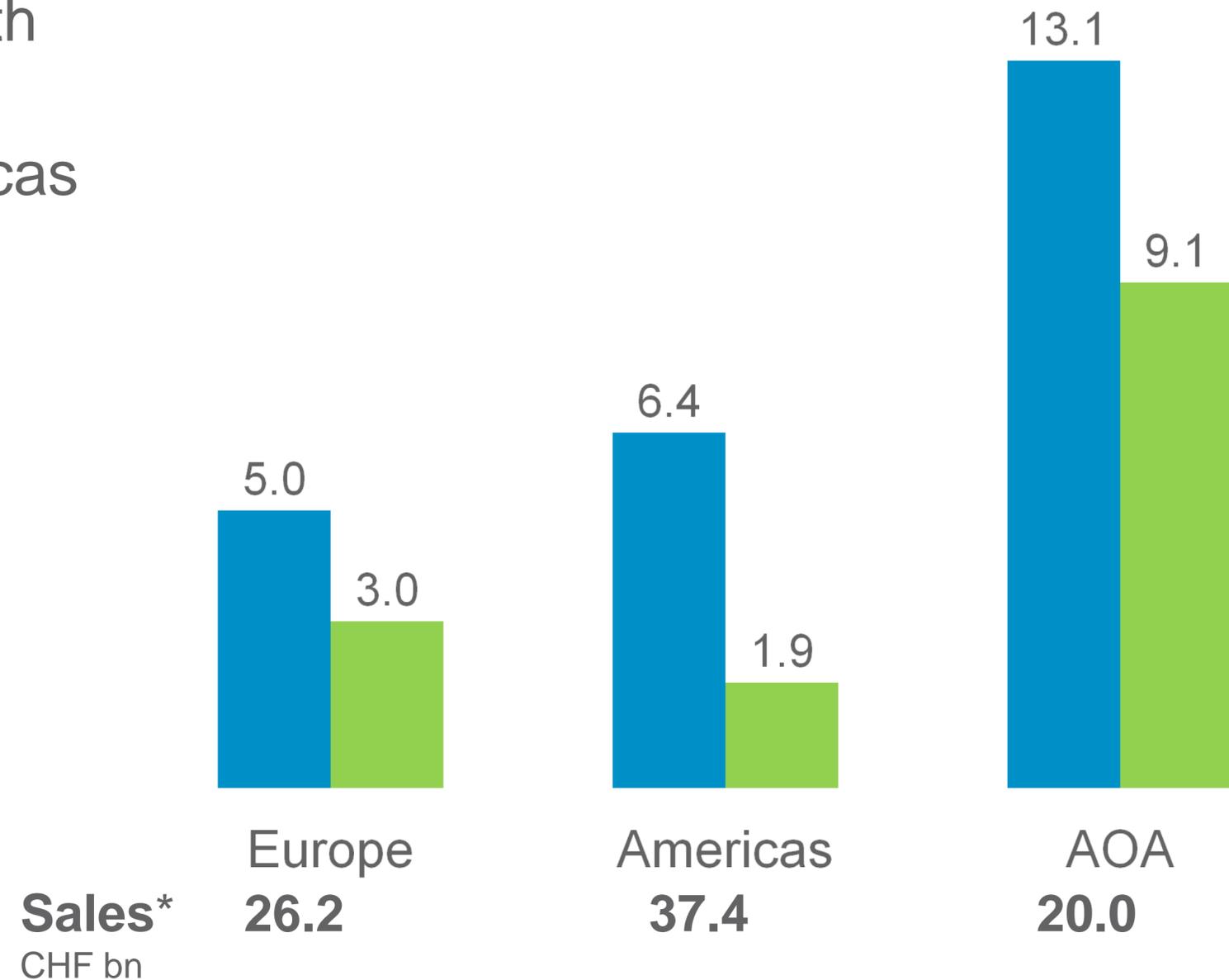
TOP = Trading Operating Profit

**Efficiencies,
growth leverage and price
mitigate input costs**

**Administrative costs
benefit from growth
leverage, efficiencies,
pension restructuring**

Regional Growth Continues

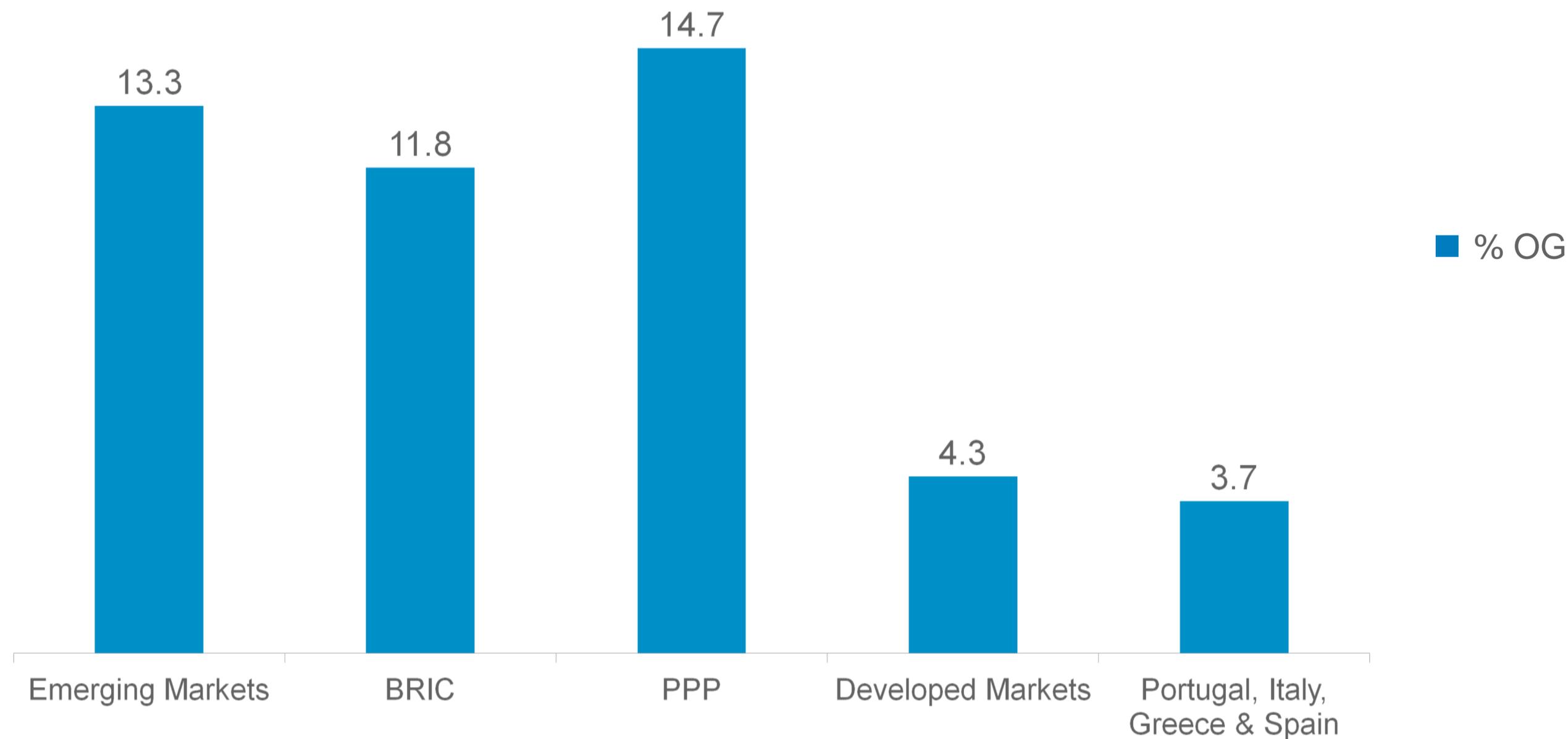
- Europe continues strong growth path
- Acceleration of growth in the Americas
- AOA maintains double-digit OG



* Each region includes Zones, Nestlé Waters, Nestlé Nutrition, Nestlé Professional, Nespresso, NHSc and JVs

■ % OG ■ % RIG

Wide-spread Growth with All Clusters Contributing



Including Hsu Fu Chi and Yinlu Emerging Markets now 41% of sales

Billionaire Brands: +7.7% Organic Growth Strengthened Market Positions

Over 20% 

10.1 to 20%         

7.6 to 10%     

5.1 to 7.5% 

3.1 to 5%     

0.0 to 3%    

Below 0%    

Organic Growth

Product Group Highlights

- **Powdered & Liquid beverages** had a strong year
- *Nescafé* a highlight
- **Milk & Ice cream:** double-digit growth in Dairy
Ice cream positive despite worst July
- **Prepared dishes & cooking aids** mixed
Maggi double-digit, US frozen prepared meals still subdued
- **Confectionery** growth driven by emerging markets
With share gains in UK, France, Japan amongst others
- **PetCare** gained share globally



2011: Summary

- **Delivered Nestlé Model in 2011**
- **Good year with strong performance in most regions & businesses**
- **Well-positioned with reinforced capabilities to build strong platforms for future growth**
- **Our up-coming innovation, increased capacities and aligned organisation position us well**
- **Outlook for 2012: delivery of the Nestlé Model**

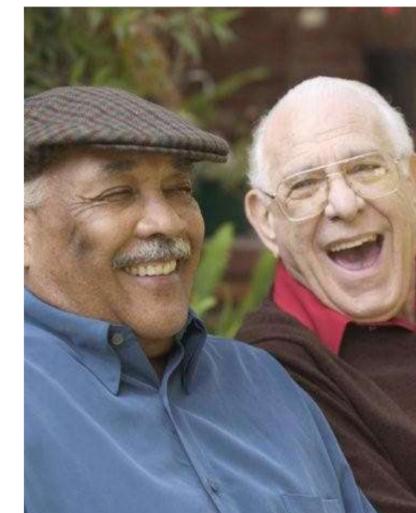
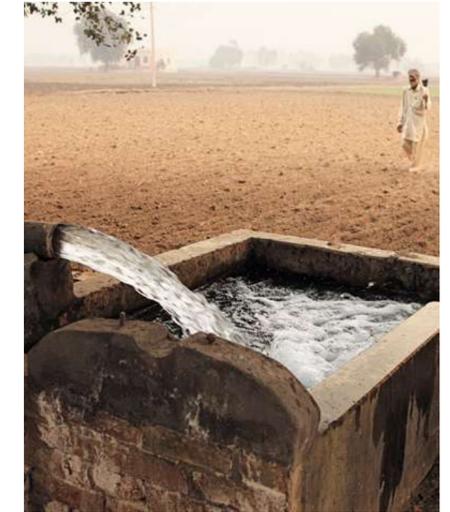
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Paul Bulcke
Nestlé CEO



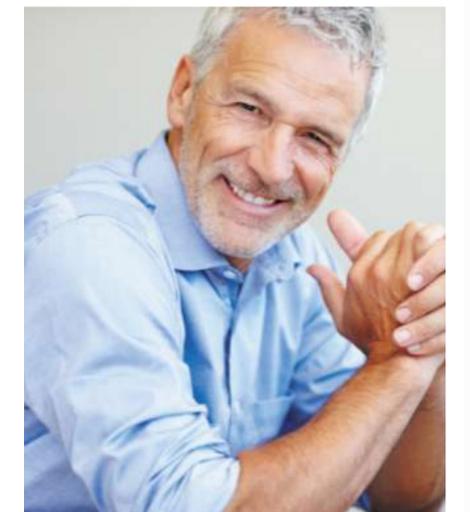
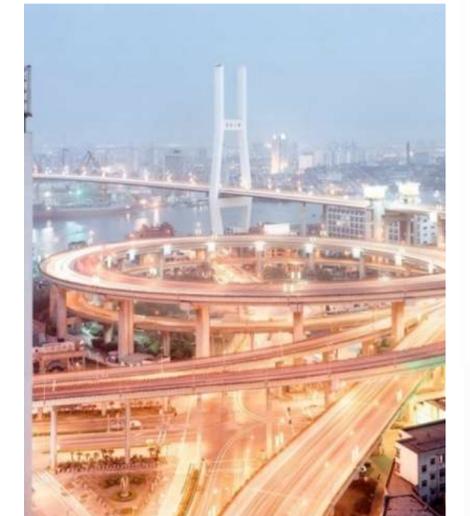
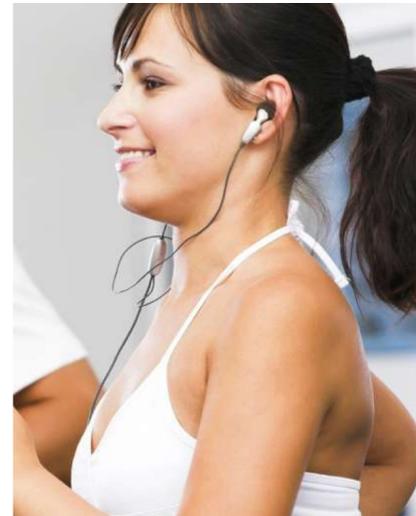
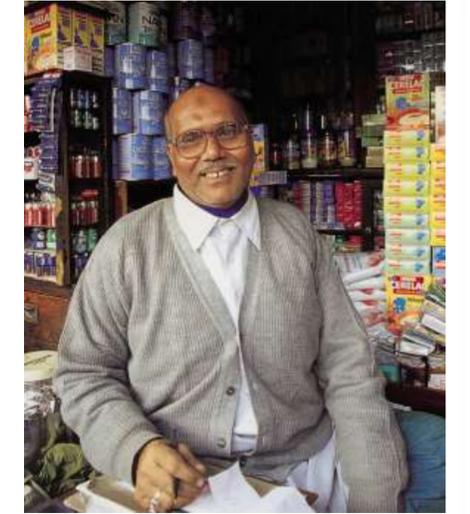
The New Reality

Challenges

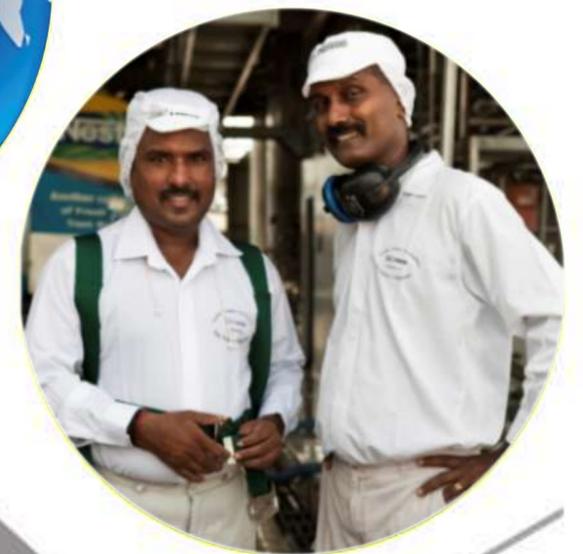


The New Reality

Opportunities



Competitive advantages – relevant more than ever



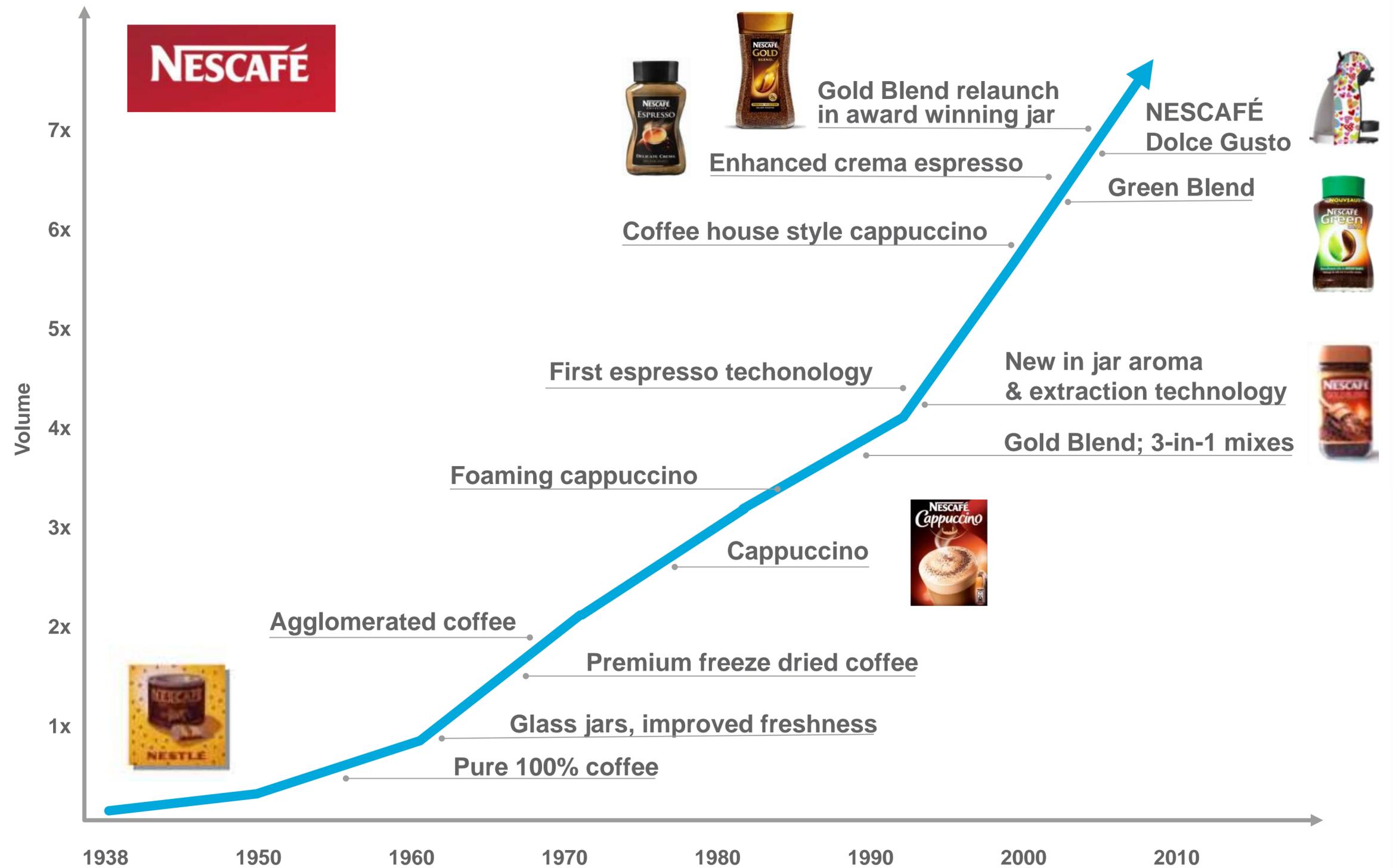
Unmatched product and brand portfolio

An unrivalled product portfolio...



Unmatched product and brand portfolio

... constantly innovated –
The Nescafé example



Unmatched product and brand portfolio

Strong global brands



NESPRESSO



Nestlé



lean cuisine



Unmatched product and brand portfolio

Strong regional and local brands



Unmatched
product
and brand
portfolio

Strong
local
brands



 **银鹭集团**



Unmatched
research &
development
capability

Industry
leading R&D
capabilities



Unmatched
research &
development
capability

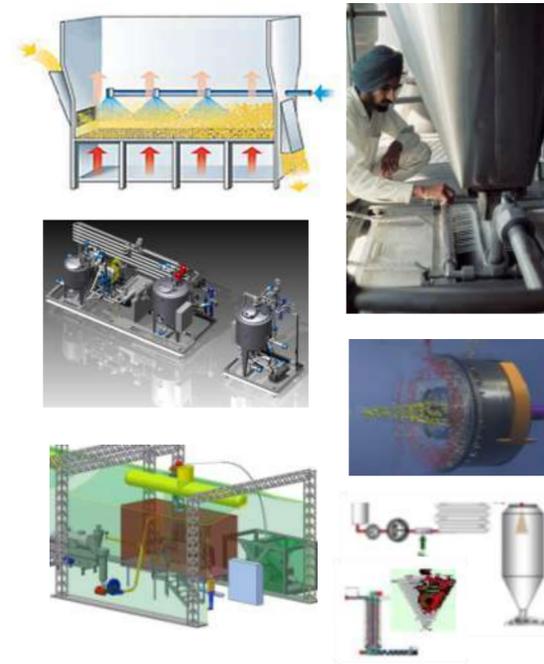
Pro-active
ownable
innovation

In-house
Fundamental
Research



Nestlé Institute
of Health Sciences
Nestlé Research
Centre

Proprietary
High-Tech
Development



27 Product
Technology and
R&D Centres

Dedicated
Engineering
Capability



Deployment to 460
factories

Unmatched research & development capability

Pro-active ownable innovation

Protection 	Skin Health & Beauty 
Growth & Development 	Weight Management 
Performance 	Digestive Comfort 
Healthy Ageing 	Healthy Recovery 

Science



 Fit at all ages	 Comfortable and refreshed
 Healthy and well	 Balanced and happy
 Alert and energetic	 Confident and relaxed

Consumer understanding

Unmatched
research &
development
capability

Systems
for value
creation



NESPRESSO

NESCAFÉ
Dolce
Gusto

SPECIAL.7
BY NESTLÉ

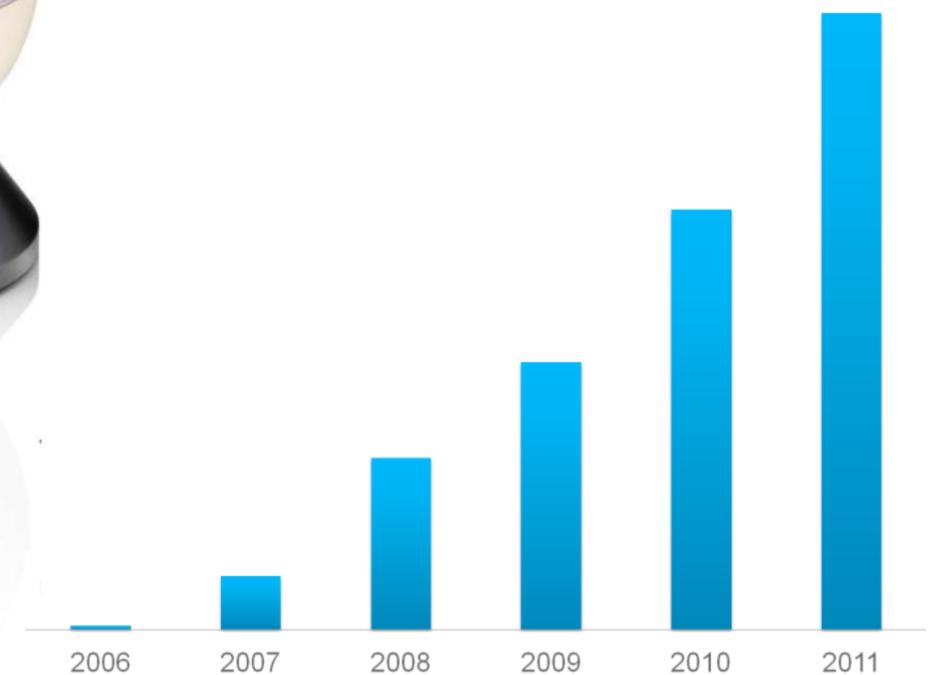
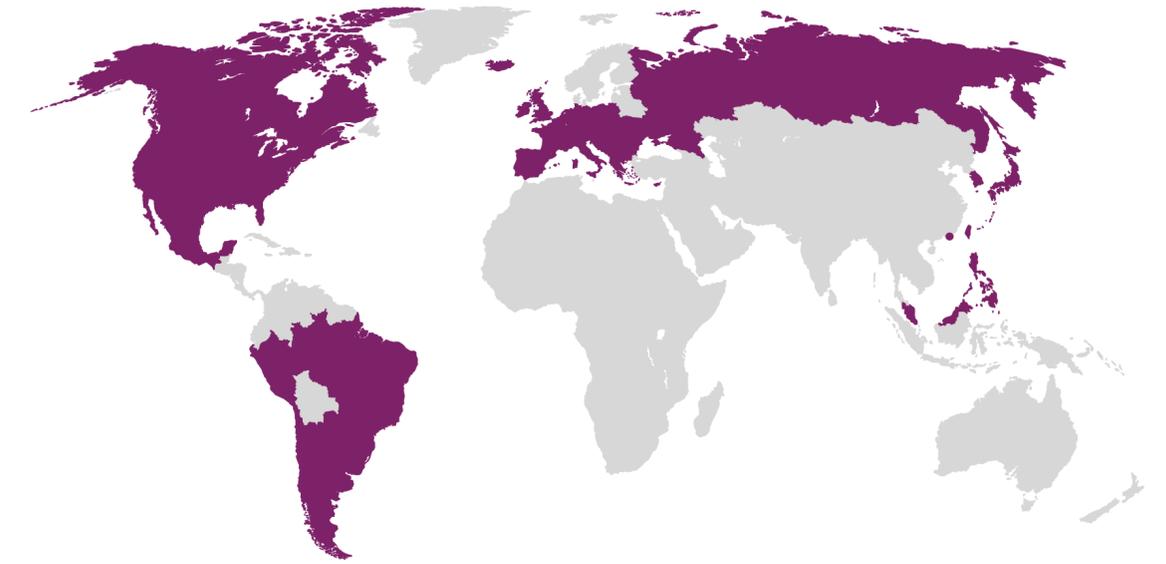
Nestlé
PROFESSIONAL

Nestlé
BabyNes
ADVANCED NUTRITION

NESCAFÉ
Barista
1979

Unmatched
research &
development
capability

Nescafé Dolce Gusto – A success story



Unmatched
research &
development
capability

Science in
Nestlé breaks
new ground
to lay the
foundation for
our future

Science-based nutritional solutions to deliver improved
personalised healthcare for medical conditions



Nestlé**Health**Science
NOURISHING PERSONAL HEALTH

Nestlé Institute of **Health** Sciences



Unmatched
geographic
presence

Close to the
consumer,
worldwide,
since many
decades



Unmatched
geographic
presence

The strength of localness in today's world



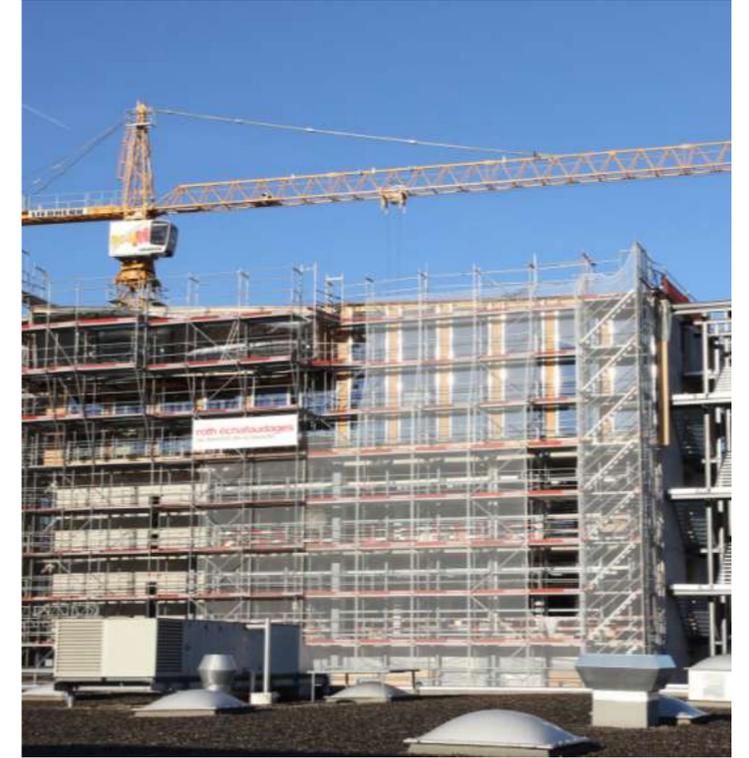
● R&D sites and Factories

illustrative



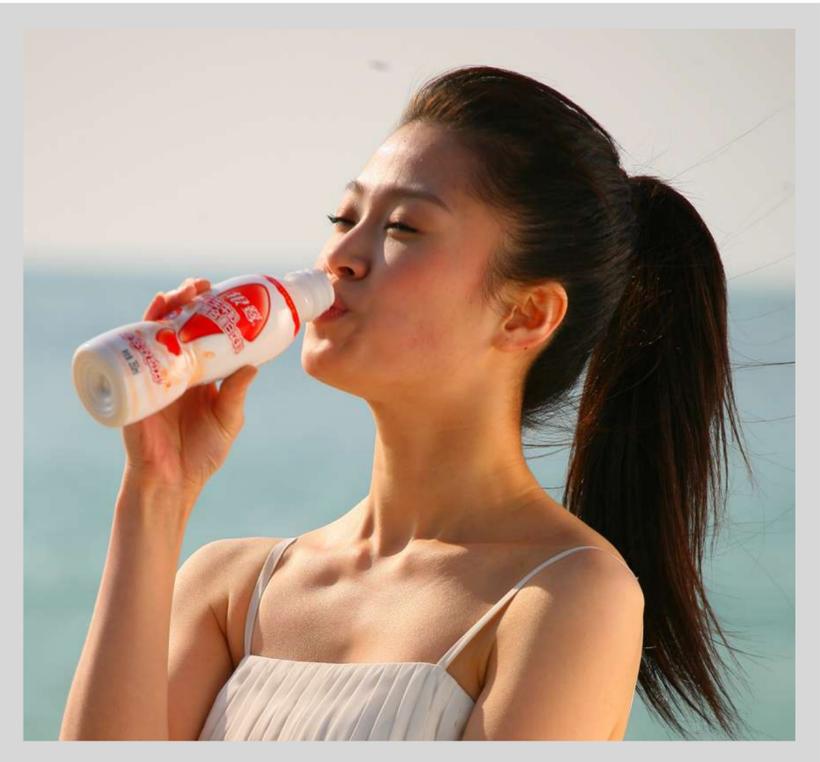
Unmatched
geographic
presence

Investing in
our future
capabilities



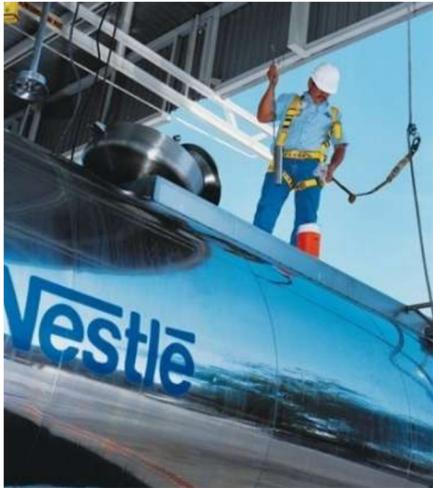
Unmatched geographic presence

Engaging with Chinese consumers



People,
culture,
values and
attitude

Strong values and principles – the basis for long-term success



Creating Shared Value



Nutrition



Water



Rural Development



- ← **Creating Shared Value for shareholders and society**
- ← **Preserving the environment for future generations**
- ← **Complying with the highest standards**

Nestlé Continuous Excellence



Nestlé

CONTINUOUS

DELIGHT CONSUMERS
DELIVER COMPETITIVE ADVANTAGE
EXCEL IN COMPLIANC

EXCELLENCE



Responsible use of resources

From 2001 to 2011

per tonne of manufactured product

Water consumption – 58%

Waste water generation – 64%

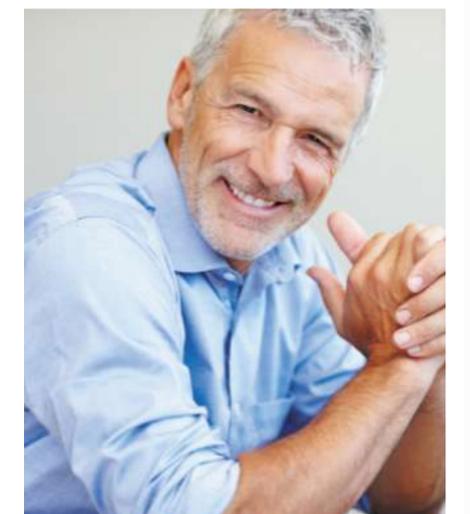
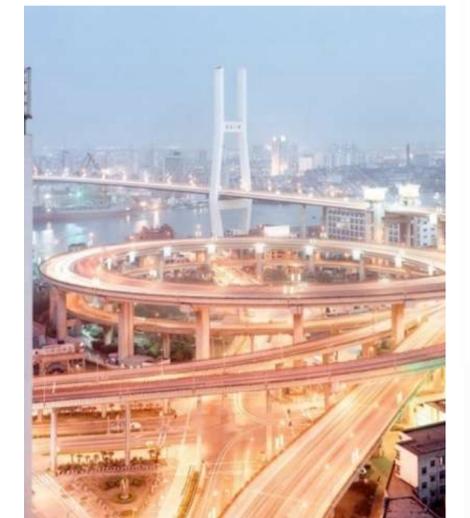
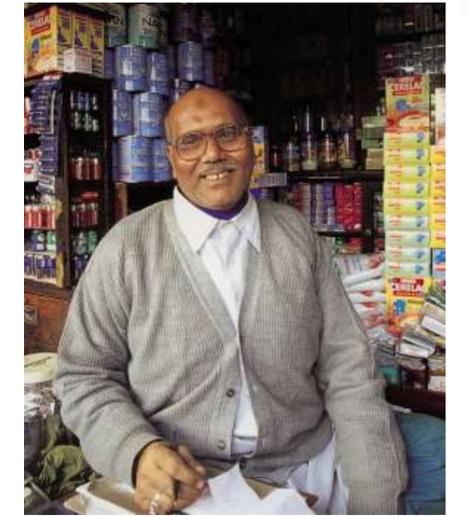
Energy consumption – 42%

Greenhouse gases – 52%

From 1991 to 2011

Packaging material – 557'000 tonnes

Nestlé: well positioned to seize the opportunities





Nestlé Good Food, Good Life



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Questions and Answers

