Innovation for the future

Nestlé’s Research and Development in Switzerland
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.
R&D at Nestlé: an incomparable science & technology resource

Worldwide 5,000 employees
R&D investment CHF 1.9 billion p.a.

1 Research Centre
23 Product Technology Centres and R&D Centres
280 User Groups
Successful innovations for 140 years ...

... with more than 1,400 Nestlé R&D employees in Switzerland and over CHF 350 million investments in R&D facilities in the last 20 years.
Nestlé’s R&D presence in Switzerland

- Nestlé Product Technology Centre Orbe
- Nestlé Research Centre Lausanne
- Nestlé Product Technology Centre Konolfingen
- NESTLÉ PROFESSIONAL Beverage Centre, Orbe
- Chocolate Centre of Excellence, Broc
Nestlé Research Centre opened in 1987; 700 employees

- Basic research, nutrition, health and quality.
- Over 250 scientific publications a year

Research areas:
- Nutrition and health
- Food science
- Interactions between food and consumer
- Bioanalysis

Health needs of consumers

- Allergy prophylaxis
- Growth & development
- Beauty from within
- Performance

- Protection
- Growth & Development
- Skin Health & Beauty
- Performance

- Weight Management
- Digestive Comfort
- Healthy Recovery
- Healthy Ageing

- Weight management
- Digestive comfort
- Recovery
- Healthy ageing
Product Technology Centre Orbe opened in 1959; 430 employees

The leading centre for:
• Nescafé
• Nespresso
• Dolce Gusto
• Nesquik and Incarom
• Breakfast cereals and cereal bars
• Infant cereals
NESTLÉ PROFESSIONAL Beverage Centre Orbe opened in 2007; 40 employees

Nestlé Professional global centre for beverage system solutions:
• Products (coffee, coffee blends, cocoa beverages)
• Product systems and vending machines

• Product & packaging innovation
• Advanced powder technology
• Ergonomic design of equipment
• Food safety and hygiene
• Nutritional benefits
Chocolate Centre of Excellence Broc (opening scheduled for 2009)

- Development of premium and luxury chocolate
- Partnership with the world’s best confectioners
- Chocolate science, cocoa cultivation and quality
- Sensory expertise
- Product and packaging design
Product Technology Centre Konolfingen opened in 1974; 250 employees

Innovative solutions in the areas of:
- Milk products
- Baby food
- Clinical special products
- Dietetic specialities
- Coffee whiteners
Konolfingen’s areas of competence:

- Nutritional solutions with scientifically documented consumer benefits
- Enzyme technology for better digestion and allergy prophylaxis
- Cutting-edge technology for conservative heat treatment and aseptic filling
- Process technology and hygienic design

Extension of test facilities
- Investment: CHF 40 million
- Completion: March 2010
From research to factory

From idea to process:
• Development of revolutionary technology for drying
• Production process for probiotic cultures

From process to industrial scale-up:
• State-of-the-art computer programs for the industrial scale-up of processes developed in the laboratory
• Interdisciplinary team of specialists from Research, Production, Quality Assurance and Nestlé Nutrition for development of the factory line

Safe production in the factory:
• Highly developed process control systems with state-of-the-art simulation technology for efficient operation of the complex systems