



2010 Nine Months Sales

Roddy Child-Villiers
Head of Investor Relations

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.

Introduction

- **Good growth momentum maintained**
 - Group and F&B organic growth unchanged from H1
- **A broad-based top line performance**
 - all geographies & global businesses
 - all product groups contribute
- **F&B guidance unchanged**

organic growth of around 5%, combined with an improvement in EBIT margin in constant currencies

Total F&B: A strong broad-based performance globally

- **Positive RIG/OG in all regions**

A broad-based performance in developed & emerging markets

- **Americas & Europe**

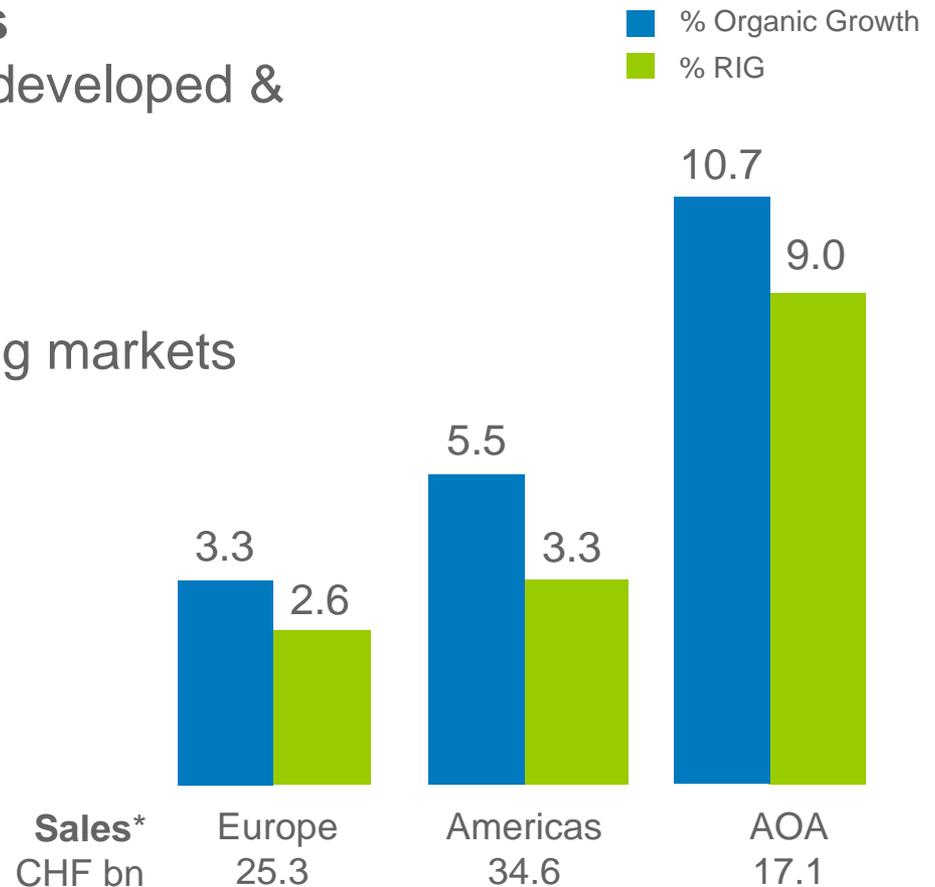
Growth in developed & emerging markets

- **AOA**

Emerging markets growing double-digit

- **Emerging markets**

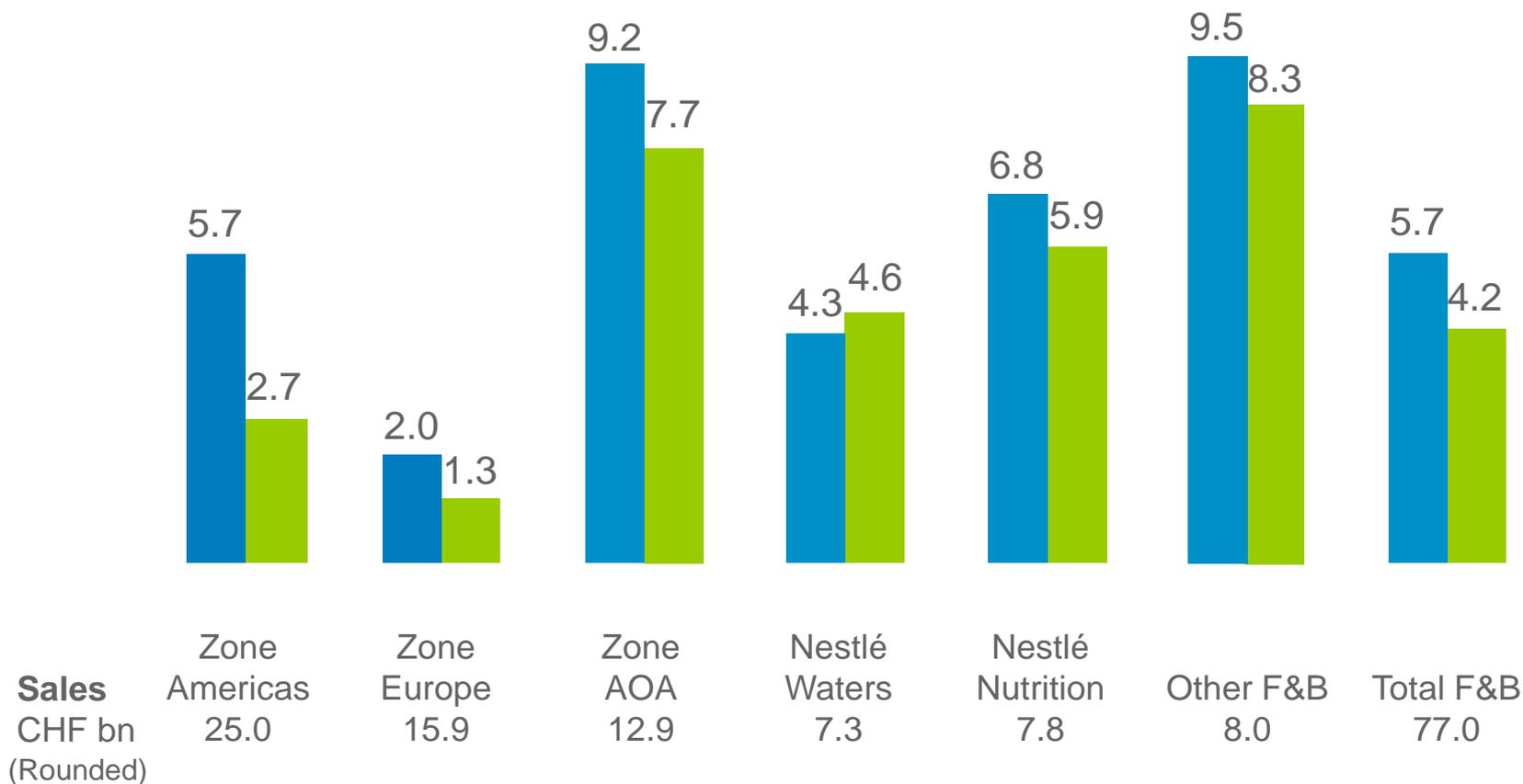
11% OG; BRIC higher



*each region includes Food & Beverages, Nestlé Waters, Nestlé Nutrition, Nestlé Professional, Nespresso and F&B JVs

Operating segments: Positive RIG/OG everywhere

■ % Organic Growth
■ % RIG



Zone Americas



- Good growth in most regions & categories
- LA: continued strength: Soluble, PetCare, Milk, Powdered Beverages, Biscuits; Chocolate

- Good performances in NA, particularly Chocolate, Sugar, Soluble coffee, Pizza & Chilled Culinary
- Frozen NA: single & nutrition market contracting; Family & value more resilient



Sales: CHF 25.0 bn

■ % Organic Growth ■ % RIG

Zone Europe



- Overall, momentum maintained from H1
- Western Europe: growth in all major markets and categories, except ice cream
- PIIGS positive overall; Greece impacted by strike

- Eastern Europe: subdued due to Russian chocolate market, but early signs of recovery
- Stronger categories: Soluble coffee, PetCare, Chilled, Frozen & Ambient Culinary



Sales: CHF 15.9 bn

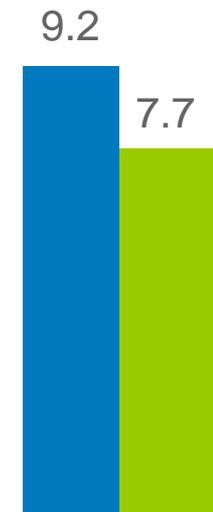
■ % Organic Growth ■ % RIG

Zone AOA



- Emerging markets growing double-digit: strong momentum in Asia & Africa
- Japan RIG positive, driven by Nescafé innovations

- Popularly Positioned Products are accretive to emerging market growth
- Stronger categories: Ambient Culinary, RTD & Powdered Beverages, Dairy, Chocolate



Sales: CHF 12.9 bn

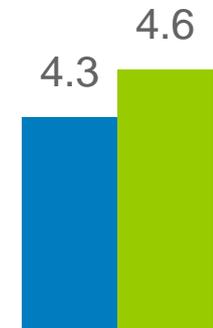
■ % Organic Growth ■ % RIG

Nestlé Waters



- Bottled water market returning to growth
RIG accelerating
- Europe: growth continued; share gains
- North America: a strong acceleration in the 3rd quarter; share gains

- Emerging markets: double-digit growth



Sales: CHF 7.3 bn

■ % Organic Growth ■ % RIG

Nestlé Nutrition



- Infant Nutrition (IN): high single-digit growth
- IN: double-digit in emerging markets, particularly strong in Russia, China, South Asia, Indochina, Middle East...
- IN: good growth in the US; positive trends in Europe
- Healthcare accelerates slightly

- *Jenny Craig* growth remains subdued; European launches start well



Sales: CHF 7.8 bn

■ % Organic Growth ■ % RIG

Other Food & Beverages



- **Constituents a little slower in the quarter** (except BPW)
- **Nespresso:** strong growth continues
France double-digit despite new entrants

- **Nestlé Professional:**
Mid single-digit growth; Double-digit in AOA;
Above-market performance in Americas & Europe
- **F&B joint ventures:** Positive organic growth



Sales: CHF 8.0 bn

■ % Organic Growth ■ % RIG

Powdered & Liquid Beverages



- **Soluble coffee: positive in all zones**
RIG is the driver in all Zones
Nescafé Dolce Gusto & Green Blend going well
- **Powdered Beverages: high single-digit OG**
Particularly strong in AOA and the Americas

- **Ready-To-Drink Beverages: double-digit OG**
Americas & AOA growth drivers:
Nescafé, Nescau & Milo



Sales: CHF 15.0 bn

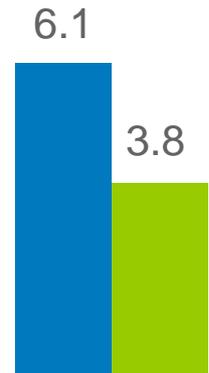
■ % Organic Growth ■ % RIG

Milk Products, including Ice cream



- **Milk Products: high single-digit growth**
Strong performance in emerging markets
Good innovation pipeline across all categories
Dairy creamers growing well
New launches in CoffeeMate

- **Ice cream**
US: snacks performing well; packaged subdued
Europe: stronger performance in France, Switzerland, Russia
Emerging markets performing well: PPPs



Sales: CHF 15.5 bn

■ % Organic Growth ■ % RIG

Prepared Dishes & Cooking Aids



- **Frozen Food**
Good performances from Pizza in North America & Europe
US Frozen still weak, especially "nutritional" segment



- **Chilled Culinary**
Good momentum

- **Ambient Culinary**
Performing well in key markets/regions
Share gains in Europe



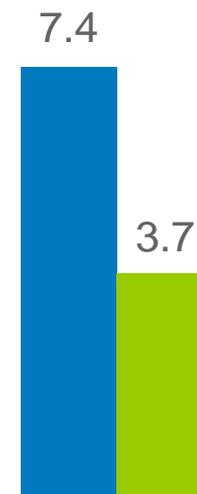
Sales: CHF 13.2 bn

■ % Organic Growth ■ % RIG

Confectionery



- A good level of RIG & organic growth
- Western Europe is performing well
UK, France, Switzerland, KitKat
- Double-digit OG in the Americas
The US: Wonka extension
Latin America: Brazil, Mexico
- Double-digit in AOA
emerging markets



Sales: CHF 8.5 bn

■ % Organic Growth ■ % RIG

PetCare



- Slight dip-in growth from H1
- **Zone Americas**
North: tough comparatives
LatAm: double-digit growth
- **Europe & AOA**
Good momentum maintained



Sales: CHF 9.7 bn

■ % Organic Growth ■ % RIG

Summary

- We are growing both in emerging markets and in the developed world
- The growth is aligned with the strategic priorities of the 4x4x4 Nestlé Roadmap
- 2010 outlook unchanged: organic growth around 5%, together an improvement in the EBIT margin in constant currencies



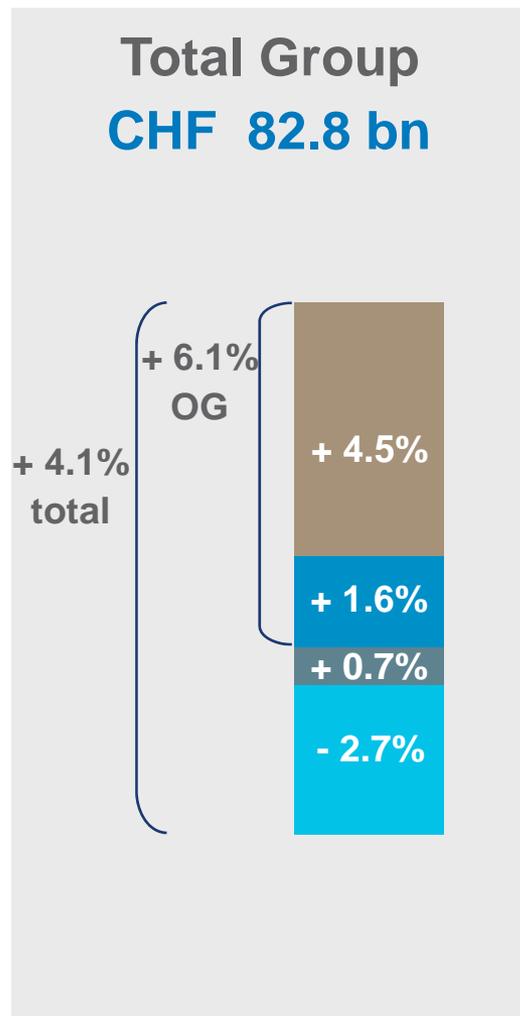
Question & Answers



Appendix



Key elements of sales



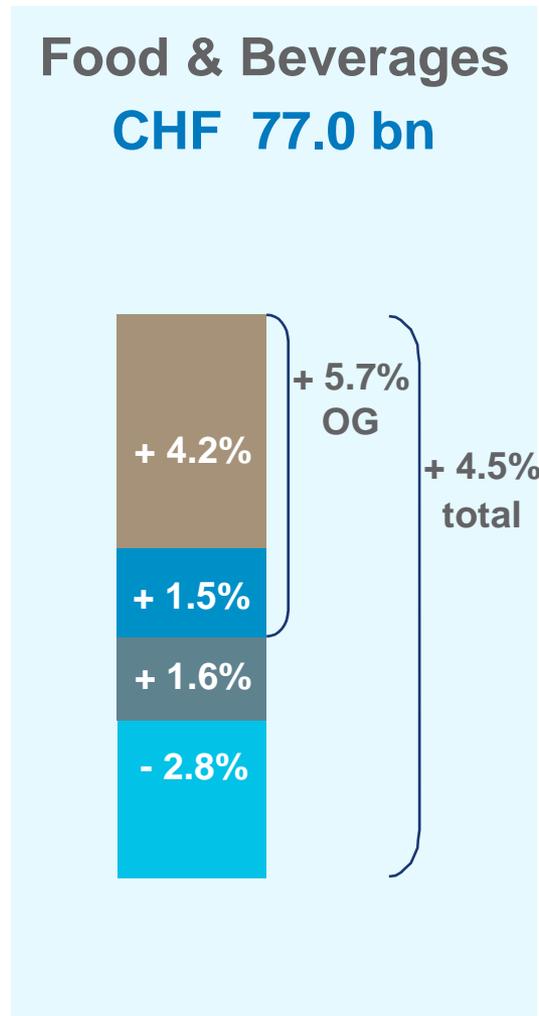
RIG

Pricing

Acq./Div.

Exchange Rates

OG = Organic Growth
RIG = Real Internal Growth



Weighted average exchange rates

CHF per	9M 2009	9M 2010	(%)
US Dollar (1)	1.11	1.07	- 3.5
Euro (1)	1.51	1.40	- 7.3
£ Sterling (1)	1.70	1.63	- 4.1
Real (100)	53.44	59.85	+ 12.0
Mex. Peso (100)	8.12	8.39	+ 3.3
Yen (100)	1.17	1.19	+ 2.2

Weighted Average Exchange Rates

Operating segment FX impact on sales

(%)	1Q10	HY10	9M10	FY10
Zone Europe	- 0.7	- 2.8	-5.3	
Zone Americas	- 4.9	- 2.5	-3.2	
Zone AOA	+ 0.5	+ 3.1	+2.4	
Nestlé Waters	- 4.6	- 3.0	-4.2	
Nestlé Nutrition	- 3.6	- 1.9	-2.9	
Other F&B	- 1.1	- 1.3	-3.1	
Total F&B	- 2.6	- 1.5	-2.8	



2010 Nine Months Sales