2014 First Quarter Sales

Wan Ling Martello
Chief Financial Officer
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.
First Quarter Sales 2014

- Sales of CHF 20.8 bn
- Organic Growth +4.2%
- Real Internal Growth +2.6%
- Strength of Swiss Franc impacted sales by -8.6%
- All geographies contributed to positive growth
- Outlook confirmed:

  Performance weighted to the second half, outperforming the market, with organic growth around 5%, and improvements in margins, underlying earnings per share in constant currencies and capital efficiency
Regional Growth

- Growth in all three regions
- Developed markets +0.6% OG
- Emerging markets +8.5% OG

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

Sales CHF 6.0 bn  OG  +4.1%  RIG  +0.9%

- North America
  - Growth driven by innovation
  - Subdued environment
  - PetCare remains a highlight

- Latin America
  - PetCare and Ambient Dairy growth momentum continued
  - Coffee accelerated, Mexico the highlight
  - Brazil double digit growth in most categories
  - Impacted by Easter timing
Zone Europe

Sales  CHF 3.5 bn  OG  -0.8%  RIG  +0.7%

- Western Europe
  - Slow start to the year in France, Germany and UK impacted by the late Easter
  - Spain and Portugal delivered positive growth
  - *Nescafé Dolce Gusto*, PetCare, Ice Cream and Frozen Pizza were highlights

- Eastern Europe
  - Continued growth in Russia
  - Impact of political and economic environment in other countries
Zone AOA

Sales CHF 4.4 bn OG +5.3% RIG +2.9%

- Emerging markets
  - Good growth in the Philippines, Middle East and Africa
  - Slow growth in China and India
  - Highlights were Milo, Nescafé and KitKat

- Developed markets
  - Good performance in Japan, slower in Oceania
Nestlé Waters

Sales  CHF 1.6 bn  OG  +6.2%  RIG  +8.1%

- Global category growth
- Developed markets grew in all segments:
  - Premium International brands
  - Regional spring waters
  - Nestlé Pure Life
- Emerging market growth accelerated
  - Nestlé Pure Life and strong local brands were highlights
Nestlé Nutrition

Sales CHF 2.3 bn  OG +6.4%  RIG +2.2%

- Slower growth partly due to difficult comparisons
- Emerging markets remained the drivers of growth
- Highlights included China and the Middle East
- Flagship brands drove infant formula growth
  - NAN
  - Lactogen
  - Illuma
Other

Sales  CHF 2.9 bn  OG  +6.4%  RIG  +5.3%

Nestlé Professional
- Highlights included the Middle East, Russia and a recovery in China
- Soft OOH environment in developed markets

Nespresso
- Strong growth momentum maintained in all markets
- Line extensions, geographic expansion and the revolutionary *VertuoLine* system in North America

Nestlé Health Science
- Good start to the year across all regions and businesses
<table>
<thead>
<tr>
<th>Products</th>
<th>Sales CHF bn rounded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Powdered &amp; Liquid Beverages</td>
<td>4.8</td>
</tr>
<tr>
<td>Milk Products &amp; Ice Cream</td>
<td>3.8</td>
</tr>
<tr>
<td>Prepared Dishes &amp; Cooking Aids</td>
<td>3.1</td>
</tr>
<tr>
<td>Confectionery</td>
<td>2.2</td>
</tr>
<tr>
<td>PetCare</td>
<td>2.7</td>
</tr>
</tbody>
</table>

Sales CHF bn rounded:
- Powdered & Liquid Beverages: 4.8
- Milk Products & Ice Cream: 3.8
- Prepared Dishes & Cooking Aids: 3.1
- Confectionery: 2.2
- PetCare: 2.7

% RIG: 5.3%, 2.6%, 7.9%, -1.9%, 2.7%, 4.7%, 5.4%
% OG: 5.3%, 2.6%, 7.9%, -1.8%, -3.3%, -0.5%, 4.7%, 5.4%
Summary

Solid organic growth in a tough trading environment
- Both Developed and Emerging Markets positive
- Execution of the Nestlé Roadmap
- Full-year outlook unchanged:

Performance weighted to the second half, outperforming the market, with organic growth around 5%, and improvements in margins, underlying earnings per share in constant currencies and capital efficiency
2014
First Quarter Sales

Discussion
## Currency Overview

### Weighted Average Exchange Rates

<table>
<thead>
<tr>
<th>Currency</th>
<th>Q1 2013</th>
<th>Q1 2014</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Dollar (1)</td>
<td>0.93</td>
<td>0.89</td>
<td>-4.2</td>
</tr>
<tr>
<td>Euro (1)</td>
<td>1.23</td>
<td>1.22</td>
<td>-0.5</td>
</tr>
<tr>
<td>£ Sterling (1)</td>
<td>1.44</td>
<td>1.48</td>
<td>+2.5</td>
</tr>
<tr>
<td>Real (100)</td>
<td>46.88</td>
<td>37.76</td>
<td>-19.5</td>
</tr>
<tr>
<td>Mex. Peso (100)</td>
<td>7.37</td>
<td>6.75</td>
<td>-8.4</td>
</tr>
<tr>
<td>Yen (100)</td>
<td>1.01</td>
<td>0.87</td>
<td>-13.6</td>
</tr>
</tbody>
</table>
## Fx Impact

<table>
<thead>
<tr>
<th>(%)</th>
<th>Q1 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone Americas</td>
<td>-12.5%</td>
</tr>
<tr>
<td>Zone Europe</td>
<td>-2.5%</td>
</tr>
<tr>
<td>Zone AOA</td>
<td>-10.1%</td>
</tr>
<tr>
<td>Nestlé Waters</td>
<td>-5.8%</td>
</tr>
<tr>
<td>Nestlé Nutrition</td>
<td>-10.0%</td>
</tr>
<tr>
<td>Other</td>
<td>-5.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>-8.6%</strong></td>
</tr>
</tbody>
</table>