NWNA

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Disclaimer

This presentation contains forward looking statements which reflect Management’s current views and estimates. The forward looking statement 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.
Executive Summary

• NWNA has performed well historically and continues to do well

• The category is price deflationary and challenging

• Environmental noise is still there but having limited impact on NWNA

• Bottled Water is the most attractive growth segment of US beverages
## 3rd Largest U.S.A Non-Alcoholic Beverage Business

### 2009 FY All Beverages Manufacturer Ranking

<table>
<thead>
<tr>
<th>Companies</th>
<th>Liters (Bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1  Coca-Cola Company</td>
<td>31.0</td>
</tr>
<tr>
<td>2  PepsiCo, Inc.</td>
<td>26.0</td>
</tr>
<tr>
<td>3  NWNA</td>
<td>10.5</td>
</tr>
<tr>
<td>4  Dr. Pepper Snapple</td>
<td>9.6</td>
</tr>
<tr>
<td>5  Niagara</td>
<td>2.7</td>
</tr>
<tr>
<td>Others</td>
<td>142.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>222.7</strong></td>
</tr>
</tbody>
</table>

Source: Beverage Marketing
#1 Bottled Water Company

2009 BW Share by Key Manufacturer

<table>
<thead>
<tr>
<th>Manufacturer</th>
<th>Volume Share</th>
<th>Dollar Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>NWNA</td>
<td>32.7</td>
<td>35.5</td>
</tr>
<tr>
<td>Niagara (Private Label)</td>
<td>8.5</td>
<td>5.2</td>
</tr>
<tr>
<td>DS Waters</td>
<td>6.1</td>
<td>7.0</td>
</tr>
<tr>
<td>Pepsi</td>
<td>5.7</td>
<td>11.1</td>
</tr>
<tr>
<td>Coke</td>
<td>5.6</td>
<td>10.9</td>
</tr>
<tr>
<td>Crystal Geyser</td>
<td>5.3</td>
<td>4.5</td>
</tr>
</tbody>
</table>

Source: Beverage Marketing
NWNA Has Overcome Many Challenges

Sales ($M) 1.7 2.1 2.4 2.6 2.9 3.4 3.8 4.3 4.2 4.1 4.1

Source: Beverage Marketing
Share Growth Dependent On Competitive Price

PET Wholesale Dollars per 12L Case
All Outlets

NWNA PET All Outlet Share & Wholesale Price/12L Case

Source: Beverage Marketing
Coke & Pepsi Now Smaller Players

- Focus Is On Private Label

Competitive All Outlet PET Volume Share
2010 Beverage Marketing Projection

- NWNA 40.9%
- Private Label 33.5%
- Coke 7.4%
- Pepsi 8.0%
- Crystal Geyser 5.4%
- Others 4.8%

Source: Beverage Marketing – Branded PET share by manufacturer and Private Label.
Expanding Distribution Also Key to Share Growth

Today:
- #1 warehouse delivery CPG company in case volume
- 760,000 outlets reached
- 695,000 truckloads
- 646,000 customer orders
- +20 B bottles sold

NWNA’s direct delivery business also reaches 1.2 million customers with 1,778 trucks and 16.6 million deliveries/year.
We Expanded Production Capabilities And Reduced Supply Chain Costs

- 27 Factories Across US & Canada
- 8 International Brand Warehouses
- 100% Non-Union
NWNA Is Lowest Cost Producer In The Industry

- Reinvested cost savings into competitive pricing

**Manufacturing Costs**

- Scale
- Vertical integration
- High-speed lines
- Operating processes
- Cost reductions

**Logistics Costs**

*Manufacturing and logistics costs include both variable and fixed.*
Our Brand Portfolio Is a Competitive Advantage

Super Premium

Premium

Regional Brands
Spring & Sparkling (Heritage, Local Values)

Popular

Value

National Brand
Nestlé Pure Life (Family, Trust, Volume Generator)
We Are Differentiating Our Brands Which Is Critical To Both Customers and Consumers

Perrier
The Ultimate Refreshment When Things Get Hot

Acqua Panna
History is Served
From Tuscany for the Art of Dining

S. Pellegrino
Live in Italian
A Flair for Fine Living
Strong Brand Messages Reach General Market and Hispanics

• Selling Nestlé Good Food, Good Life:

Regional Spring Waters: Born Better.
When you start with something better, you get something better.

Nestlé Pure Life:
Healthy Family Hydration Commitment to healthier life for every family.

- # 1 North American Bottled Water brand
- Nestlé brand impressions at 8 billion

Hispanic and General Market Media
Nestlé Pure Life Is The #1 Bottled Water in USA

PET Gallons – US Market

Source: Beverage Marketing Corp. of New York
Sustainability Debate

Perceptions from Detractors

- Waste Oil & Resources
- Big Water User
- Big Carbon Footprint
- Major Contributor to Landfills
- Bottles Not Recycled
Key Facts

- Oil Use is 1/4 of 1% US Oil Consumption
- Water Usage is .001% Fresh Water Available
- 2/3 of 1% Landfill Waste
- All Beverages Represent 1% of a Person’s Carbon Footprint
  - NWNA Represents 3/100 of 1% of Carbon Generated Annually
- 70% of American Households Purchase BW Regularly
- 31% of Water Bottles Are Recycled
Sustainability Debate

How We Are Responding

• Focusing on Reducing Consumer Guilt Created By Poor Recycling Infrastructure
  - Light Weighting Packages Reduced Our Carbon Footprint by 15%
  - Making New Bottles from Old Ones
  - Encouraging Recycling
  - Advocating Extended Producer Responsibility with NGO’s, Government and Industry

• Recycling in the US is Fragmented Needing:
  - Leadership
  - Active participation by Industry
Bottled Water Category Recovering From the Recession

Bottled Water Category Volume Trends vs YA
Food, Pharmacy, Mass (x Walmart), C-Store Channels

1st Half +5.6% vs YA

Vol % Chg vs. YAG

2008
2009
2010

Bottled Water Category Trend
Food, Pharmacy & Mass x Wal-Mart, C-Store Channels

Vol % Chg vs. YAG

11.9 11.7
8.9 8.0
2.7 1.8 2.1 2.9 1.9 1.1
(6.2) (4.1) (2.1) (0.9) (0.6) (0.7)

Vol % Chg vs. YAG

(10.0) (5.0) (1.8) (3.0) (2.7) (2.9) (6.2) (3.7) (4.1) (16.2) (4.1) (2.1) (0.9) (0.6) (0.7)

Vol % Chg vs. YAG

4 WE 09/06/08 4 WE 10/04/08 4 WE 11/01/08 4 WE 12/27/08 4 WE 01/24/09 4 WE 02/21/09 4 WE 03/21/09 4 WE 04/18/09 4 WE 05/16/09 4 WE 06/13/09 4 WE 07/11/09 4 WE 08/08/09 4 WE 09/05/09 4 WE 10/03/09 4 WE 11/28/09 4 WE 12/26/10 4 WE 01/23/10 4 WE 02/20/10 4 WE 04/17/10 4 WE 05/15/10 4 WE 06/12/10 4 WE 07/10/10 4 WE 08/07/10
Bottled Water Growing As CSD’s Decline

Beverages 2010 1st Half
Volume % Change vs. YA

- RTD Tea: +11.7%
- Bottled Water (PET): +7.7%
- Sports Bev: +6.3%
- Fruit Bev: +0.3%
- Enhanced: -0.2%
- CSD’s: -4.8%

Source: Beverage Digest – Supermarket, Pharmacy, Walmart and C-Store channels
Optimistic About Bottled Water Future

- Health & Wellness Trends
- On-The-Go Lifestyle
- Municipal Water Infrastructure Issues
- Per Capita Consumption Growth Due to Decline of Sugared Beverages
Tremendous Potential for US Bottled Water Consumption

Total BW vs. Carbonated Soft Drinks
Liters per Capita - 2009

- USA: 172.1
- Mexico: 244.5
- Belgium: 135.3
- Germany: 89.4
- Israel: 46.2
- Spain: 172.4
- Switzerland: 127.0
- Greece: 38.7
- Italy: 38.7

BW vs CSD

USA
Mexico
Belgium
Germany
Israel
Spain
Switzerland
Greece
Italy
Turkey

Good Food, Good Life
**NWNA Growth Is Accelerating**
**We Are Optimistic About YE Results**

### NWNA 1st Half 2010

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume Growth</td>
<td>-2.0%</td>
<td>+4.8%</td>
</tr>
<tr>
<td>Sales Growth</td>
<td>-2.8%</td>
<td>+1.7%</td>
</tr>
<tr>
<td>Real Internal Growth (RIG)</td>
<td>-2.7%</td>
<td>+3.3%</td>
</tr>
<tr>
<td>Organic Growth</td>
<td>-4.0%</td>
<td>+0.7%</td>
</tr>
</tbody>
</table>

*August Estimate*