

## Decisions of the Nestlé Board of Directors

Vevey, 19 November 2010 – At its meeting on 18 November 2010, the Nestlé Board of Directors took the following two market-relevant decisions:

### Change to Nestlé's sales recognition policy

Nestlé will change its sales recognition policy in line with the generally accepted interpretation of the International Financial Reporting Standards (IFRS), effective 1 January 2011.

This change will reduce Nestlé reported sales by about 15% as expenses such as discounts as well as certain allowances and promotions for retailers will in future be deducted from proceeds of sales, leading to a corresponding increase in profit margins. The change will, however, have no impact on absolute net profit, earnings per share, cash flows or items on the Group's balance sheet.

The 2010 results will still be reported on the current basis since the change will not be effective before January 2011. Nestlé will communicate restated 2010 figures separately after the publication of the 2010 results to allow for comparability with subsequent results to be published from April 2011 onwards.

### Appointment to the Nestlé Executive Board

The Board appointed [Patrice Bula](#) Executive Vice President in charge of the Strategic Business Units, Marketing and Sales as well as Nespresso, effective 1 May 2011. He will succeed [Petraea Heynike](#), who is retiring at the end of April 2011 after a long and distinguished career of more than 38 years with Nestlé.

Patrice Bula, 54, currently Market Head for the Greater China Region, acquired extensive practical business experience in a global context over his past 30 years with Nestlé.

The Board thanks Petraea Heynike for her valuable contribution to the Company over the years.

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