



2011 Full Year Roadshow

Paul Bulcke

Chief Executive Officer

Jim Singh

Chief Financial Officer

Wan Ling Martello

Chief Financial Officer
Designate

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.



2011 Full Year Roadshow

Jim Singh

Chief Financial Officer

Delivering progress sustainably in a New Reality



2011: Strong Full Year Performance

	As reported		At constant exchange rates
Sales	83.6 bn		
Organic Growth	+7.5%		
Real Internal Growth	+3.9%		
Trading Operating Profit	12.5 bn		
Trading Operating Profit Margin (vs. 2010 continuing operations)	15.0%	+60 bps	+90 bps
Net Profit (vs. 2010 continuing operations)	9.5 bn	+8.1%	
Net Profit Margin (vs. 2010 continuing operations)	11.3%	+130 bps	
Underlying EPS (vs. 2010 Group)	3.08		+7.8%
Dividend (proposed)	1.95	+5.4%	

All figures in CHF

Delivering the Nestlé Model in 2011

Former Nestlé Model

FY 2011

Organic growth 5-6%

+7.5%

Increased EBIT margin
in constant currencies

+10 bps

Improvement in capital efficiency

Enhanced Nestlé Model

FY 2011

Organic growth 5-6%

+7.5%

Increased trading operating
margin in constant currencies

+90 bps

Increased underlying EPS
in constant FX

+7.8%

Improvement in capital efficiency

10 years of the Nestlé Model

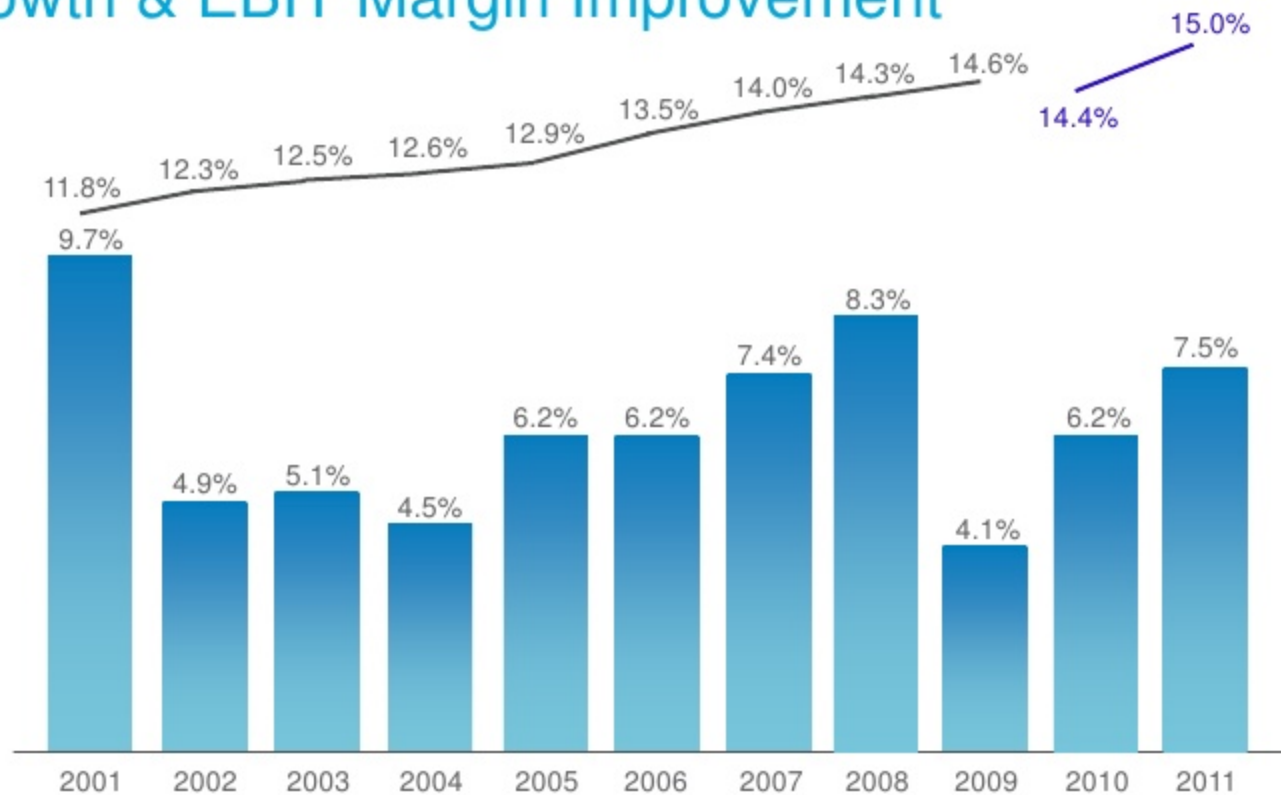
Driving Organic Growth & EBIT Margin Improvement

10-year annual averages

Organic Growth 6.4%

Real Internal Growth 3.6%

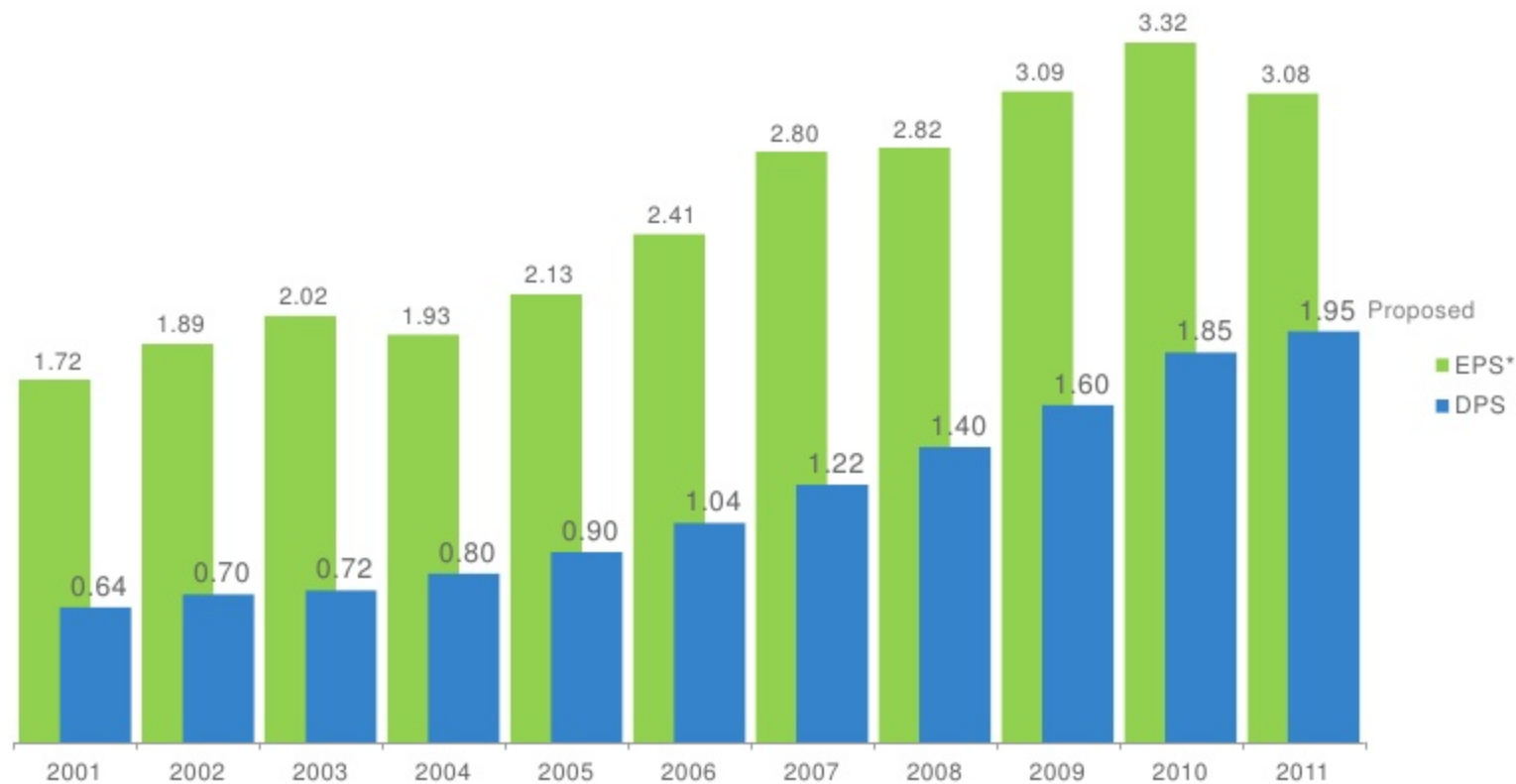
- Organic Growth
- EBIT margin *
- TOP margin



* Before net trading items

Data corresponds to published figures – not restated for accounting changes

Enhancing performance – EPS and DPS evolution



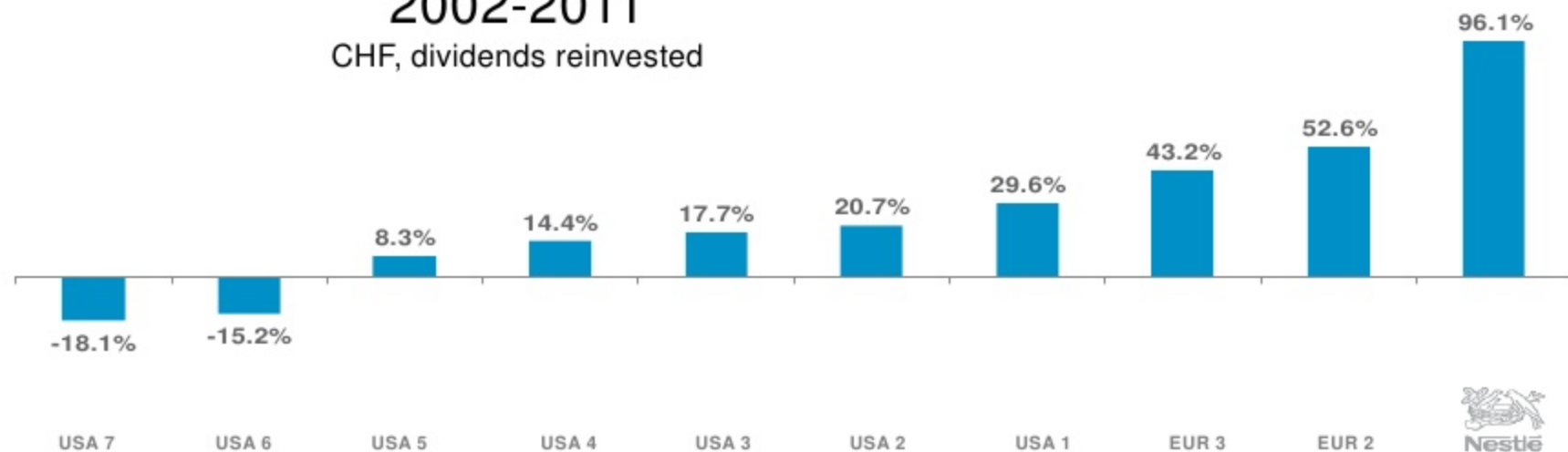
* Underlying EPS, excl. 2001 which is Basic EPS

All figures in CHF

A winning strategy driving superior shareholder returns

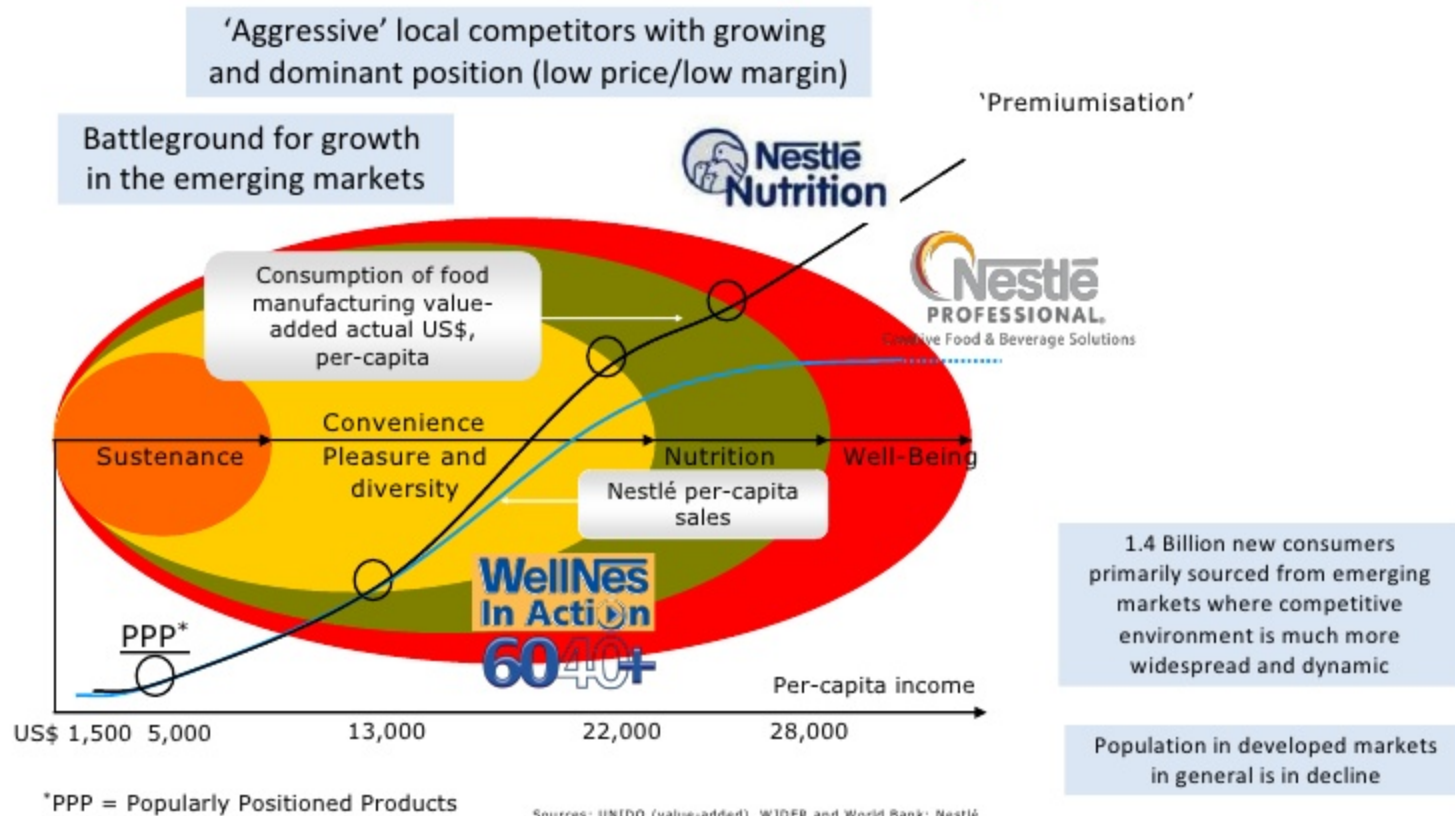
Nestlé SA Total Shareholder Returns 2002-2011

CHF, dividends reinvested



Source: Bloomberg

Growth opportunities – consumers increasingly focusing on Nutrition, Health and Wellness as per-capita income rises



The transformational opportunity

WHAT

Strategic Transformation

From traditional businesses into a Nutrition, Health and Wellness company

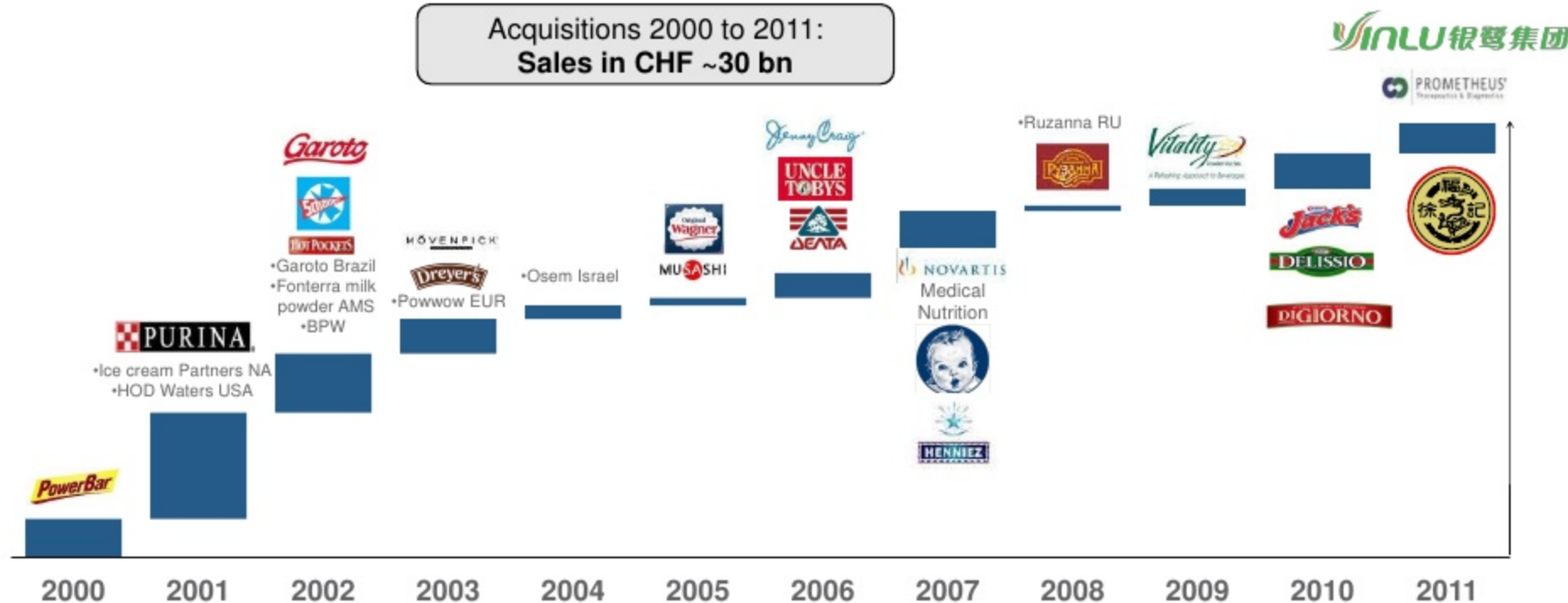
HOW

Organisational Transformation

Create an agile fleet of businesses/markets
Focus on demand generation
Leverage scale through an efficient support structure
Tackle under-performers

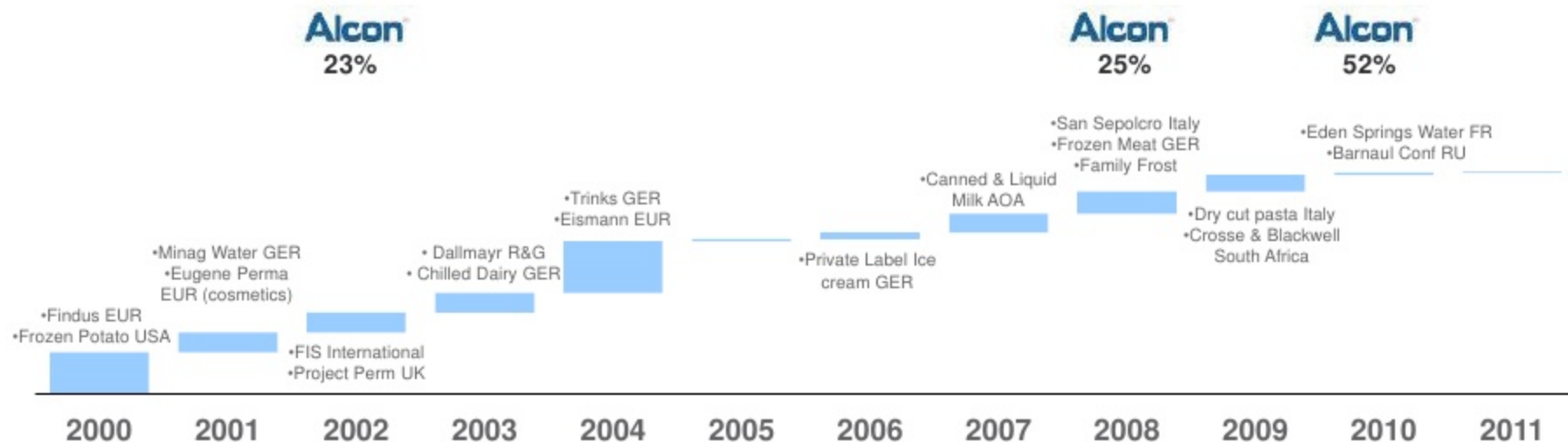
Significant acquisitions added new growth platforms and strengthened market leadership

Acquisitions 2000 to 2011:
Sales in CHF ~30 bn

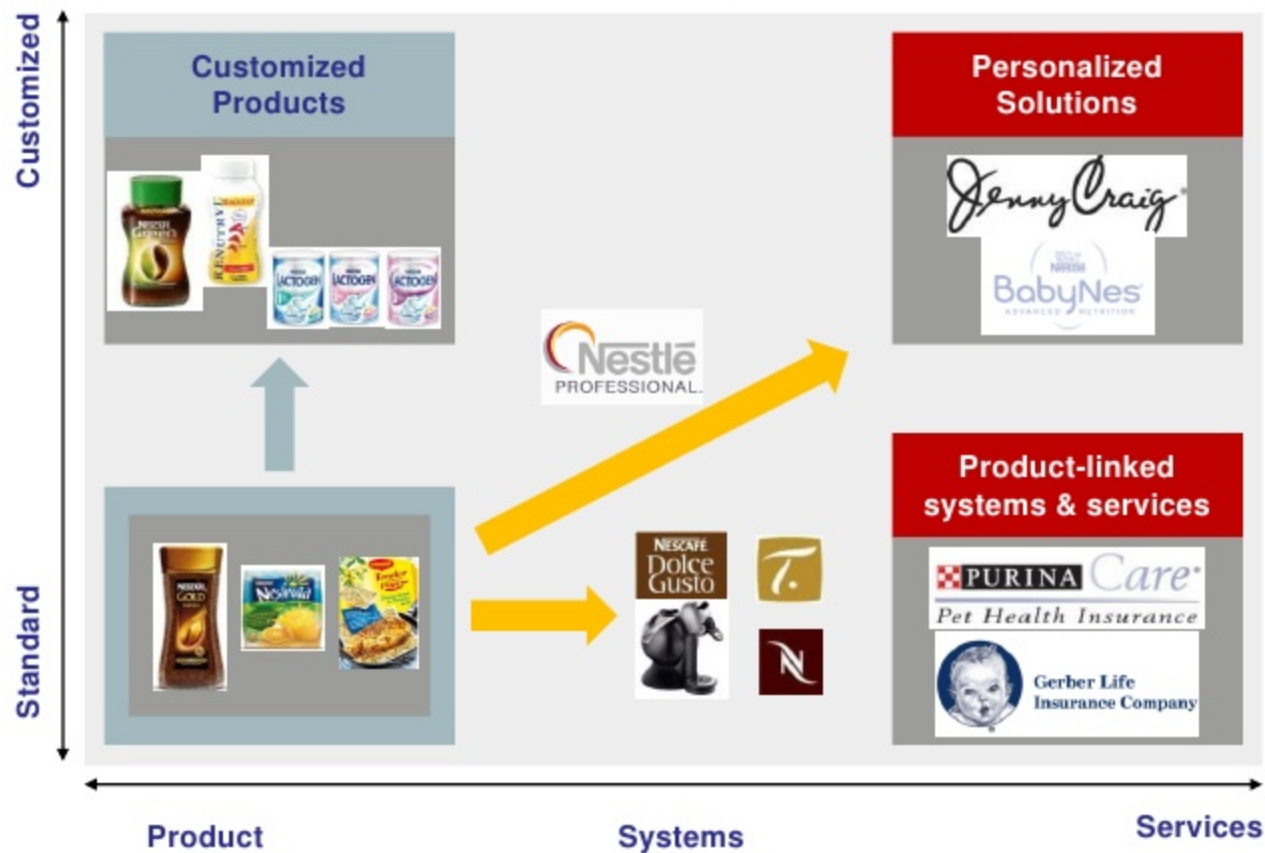


Significant divestitures rationalized the portfolio and eliminated non strategic and loss-making businesses

Divestitures 2000 to 2011:
Sales in CHF ~ -17 bn

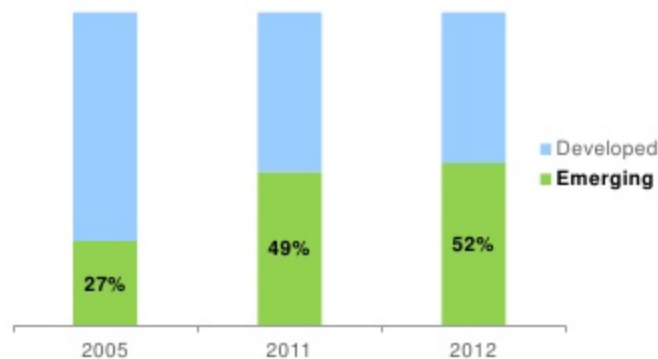


Nestlé Innovation Territory: expanding to new dimensions

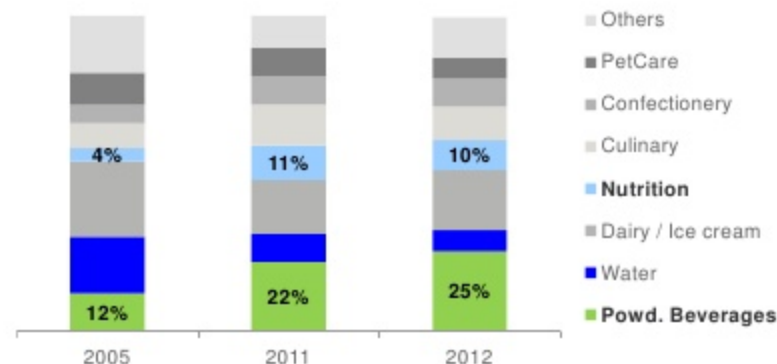


Capital expenditure driven by emerging markets, powdered beverages, nutrition and investments in capacity and new products & technology

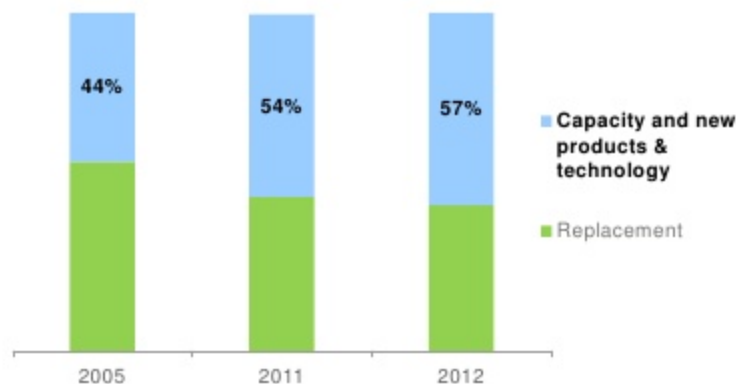
Split by Region



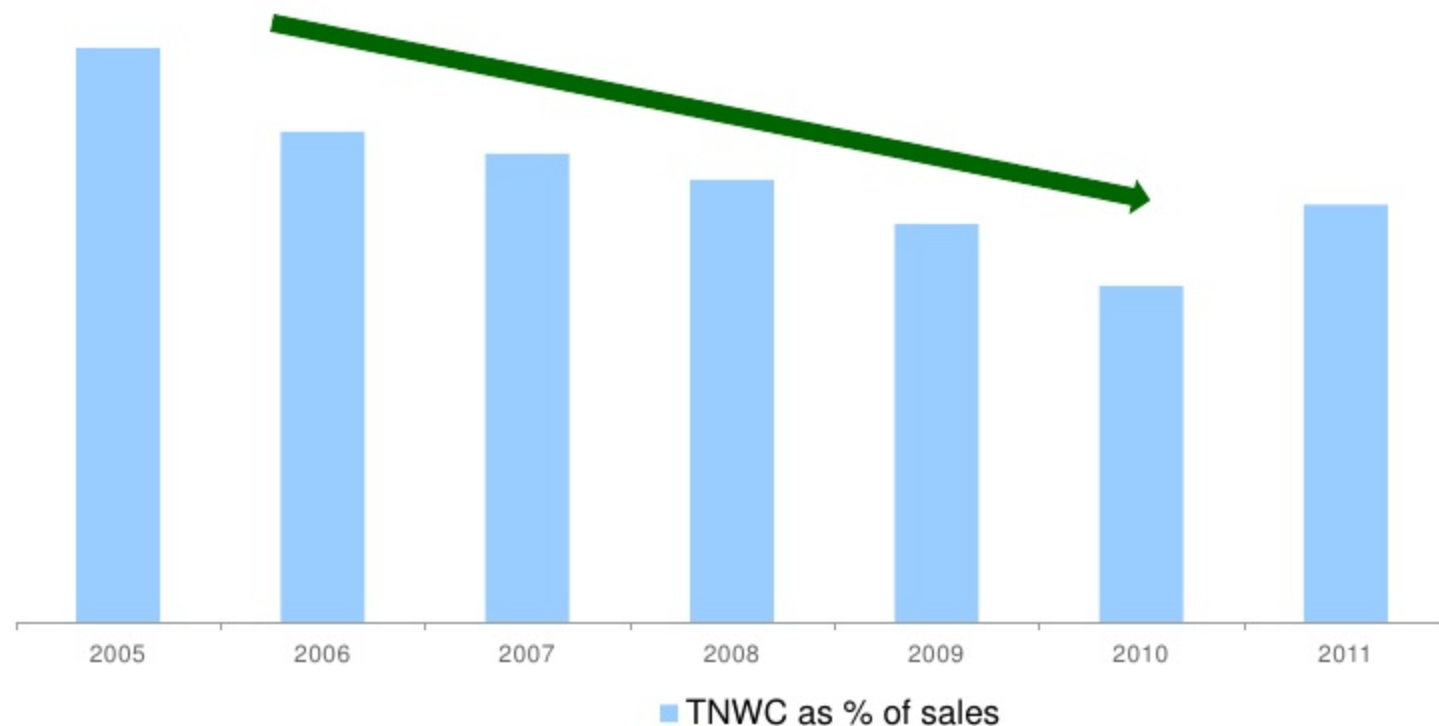
Split by Product Category



Split by Type



Trade Net Working Capital is an area of focus and improvement



Notes:

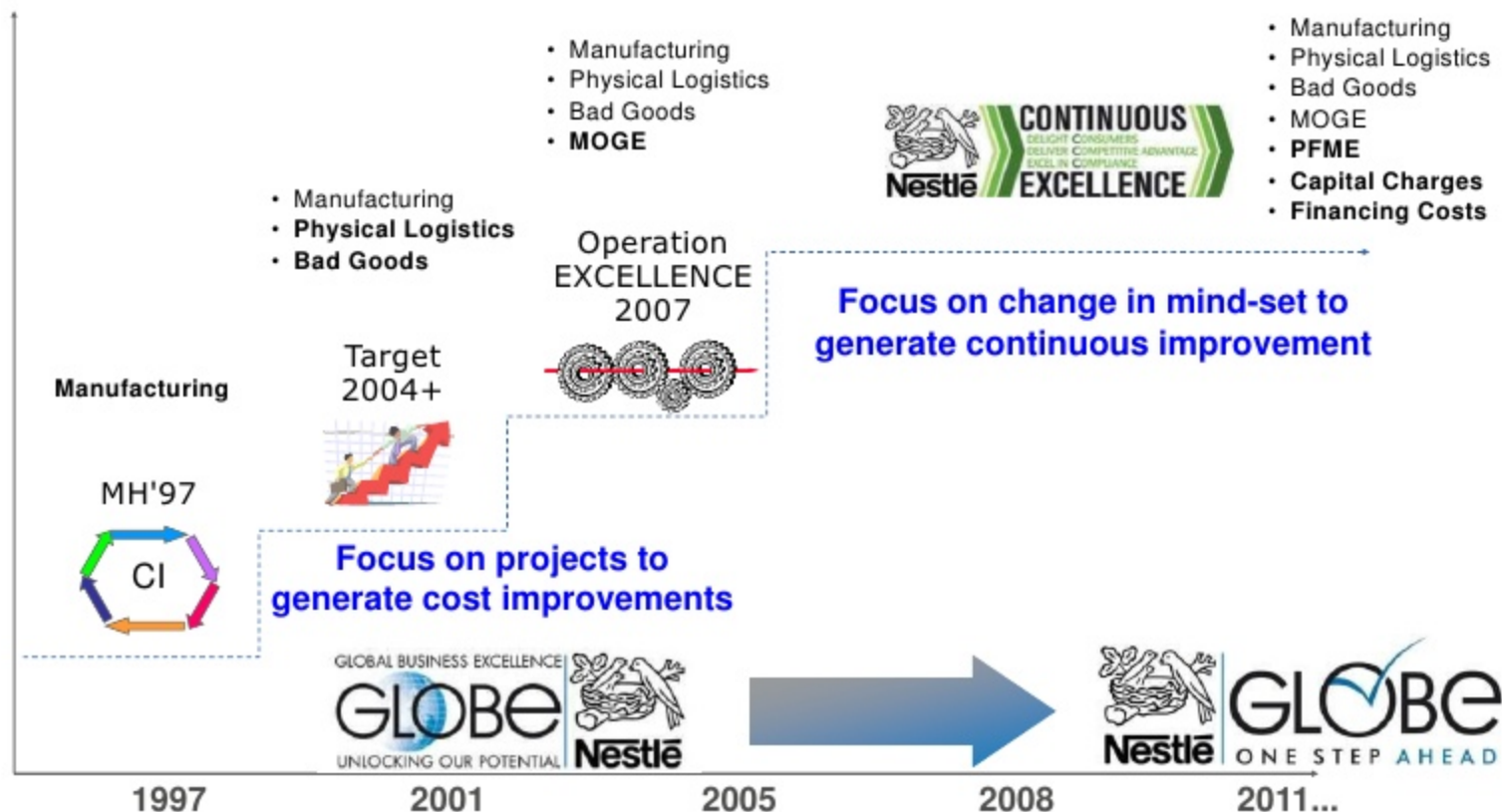
Like for like estimate

2010 and 2011 figures exclude Alcon, Hsu Fu Chi and Yinlu

Nestlé's Operational Efficiency

Delivering the highest quality, lowest cost & best customer service leveraging GLOBE

Performance



The Nestlé Model

- Organic growth 5-6%
- Increased trading operating margin in constant currencies
- Increased underlying EPS in constant currencies
- Improvement in capital efficiency



2011 Full Year Roadshow

Paul Bulcke
Chief Executive Officer

The New Reality

