

Nine-month sales 2017



Disclaimer



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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.

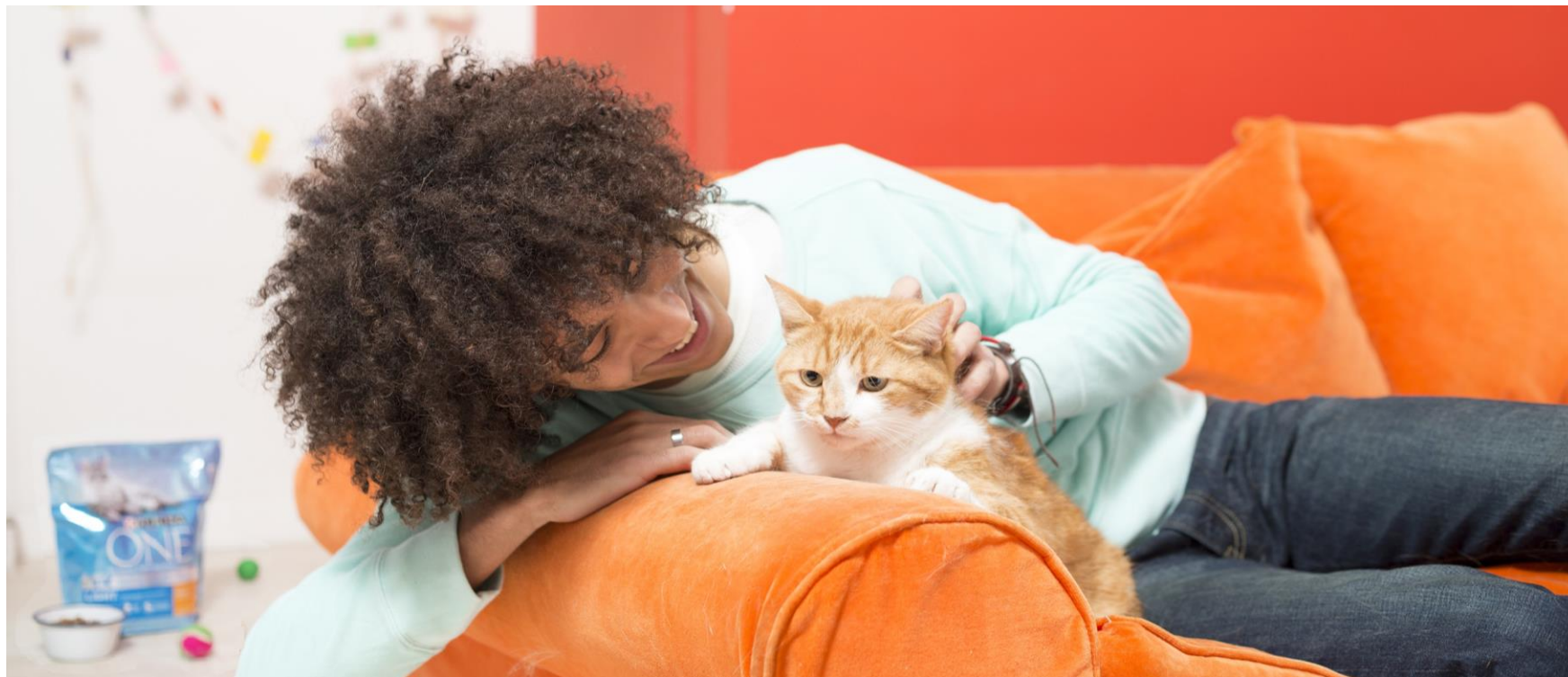
Nine-month sales 2017

Mark Schneider, CEO



Nine-month sales 2017

François-Xavier Roger, CFO



Nine-month performance highlights



Organic growth

+2.6%

Real internal
growth

+1.8%

+0.8% pricing

Net M&A

-2.6%

Foreign exchange

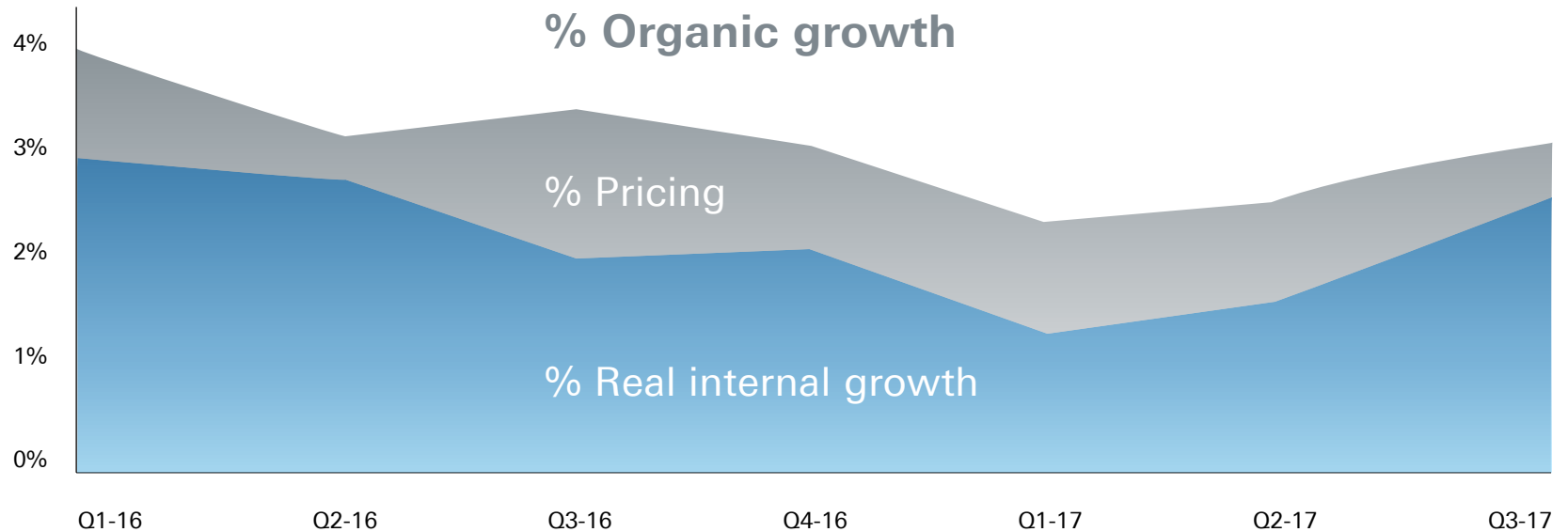
-0.4%

Sales (in CHF)

65.3 bn

-0.4% on a reported basis

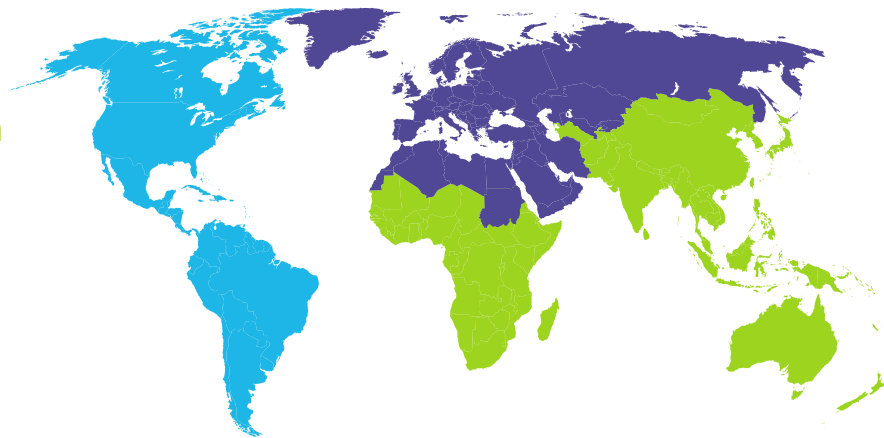
Resilient RIG in an environment of weak consumer demand



Acceleration of RIG across geographies



	AMS	EMENA	AOA
Sales (in CHF)	29.6 bn	18.8 bn	16.9 bn
RIG	0.9%	1.5%	3.6%
OG	1.7%	2.0%	4.9%

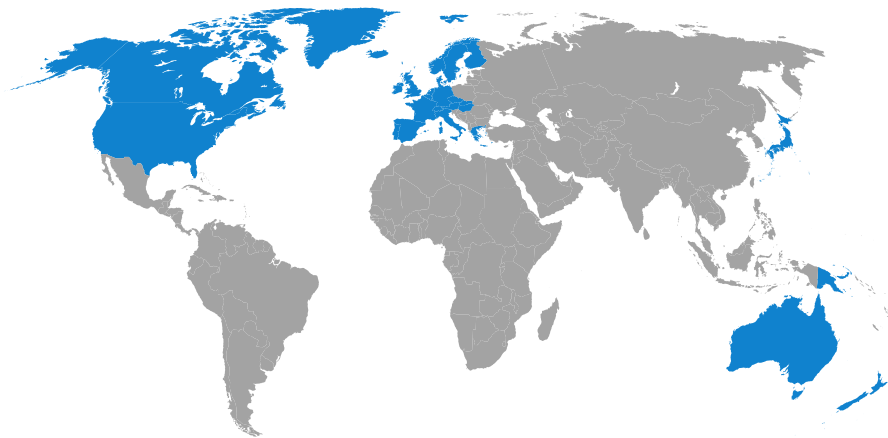


Each geography includes zones, Nestlé Waters, Nestlé Nutrition, Nestlé Professional, Nespresso, Nestlé Health Science and Nestlé Skin Health

Growth in developed and emerging markets



	Developed	Emerging
Sales (in CHF) % of group sales	37.1 bn 57%	28.2 bn 43%
RIG	1.0%	3.0%
OG	0.8%	5.1%



Zone AMS



Sales	CHF 20.5 bn
Real internal growth	+0.3%
Pricing	+1.0%
Organic growth	+1.3%

- Organic growth was stable, supported by stronger RIG in Latin America in the third quarter
- Pricing improved in North America but softened in Latin America
- North America had flat organic growth as it continued to face soft consumer demand
- Latin America benefitted from a significant improvement in RIG in Brazil in the third quarter

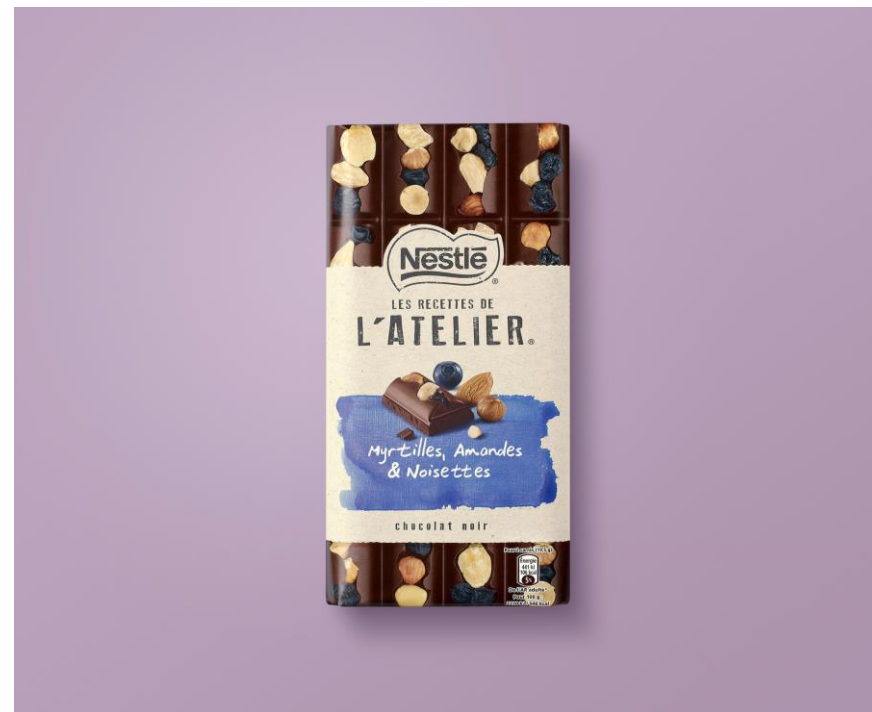


Zone EMENA



Sales	CHF 11.8 bn
Real internal growth	+1.4%
Pricing	+0.5%
Organic growth	+1.9%

- Good broad-based growth across most categories in third quarter
- Petcare continued to deliver solid performance with mid-single-digit growth
- Coffee grew well, led by Nescafé Dolce Gusto
- Confectionery and ambient culinary both improved in the third quarter with volume-driven growth



Zone AOA



Sales	CHF 11.9 bn
Real internal growth	+3.6%
Pricing	+1.7%
Organic growth	+5.3%

- Growth in China continued to improve in the third quarter
- Southeast Asia maintained mid-single-digit growth and sub-Saharan Africa held its double-digit growth
- Growth in South Asia region remained solid despite the introduction of GST in India
- Oceania and Japan delivered volume-based growth



Nestlé Waters



Sales	CHF 6.2 bn
Real internal growth	+2.1%
Pricing	+0.1%
Organic growth	+2.2%

- Softer organic growth due to negative third quarter in developed markets
- International sparkling brands continued to be accretive with volume-driven growth
- North America and Western Europe were affected by poor weather and faced difficult comparables
- Good momentum in emerging markets, led by Latin America



Nestlé Nutrition



Sales	CHF 7.7 bn
Real internal growth	+0.4%
Pricing	+0.6%
Organic growth	+1.0%

- Growth in China improved in the third quarter, helped by strong performances of NAN and illuma
- Growth in the U.S. remained subdued, but cereals performed well
- Brazil declined as price decreases were implemented to reflect local input cost deflation
- Sub-Saharan Africa and South Asia region delivered good RIG



Other businesses

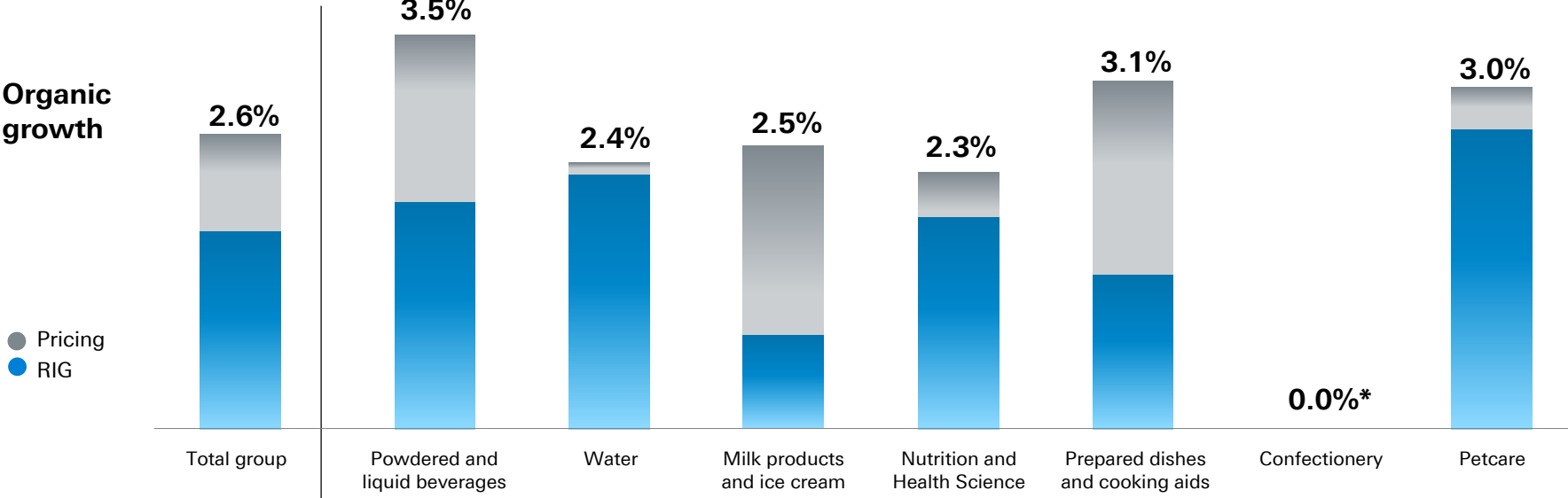


Sales	CHF 7.2 bn
Real internal growth	+5.0%
Pricing	+0.1%
Organic growth	+5.1%

- Nespresso held strong mid-single-digit organic growth, supported by double-digit growth in North America
- Nestlé Skin Health benefitted from the launch of product innovations across businesses
- Nestlé Health Science maintained mid-single-digit growth driven by medical nutrition



Growth by products



*comprised of +1.4% RIG and -1.4% pricing

Outlook 2017 confirmed



- Full-year organic growth to be around the level of the nine-month period
- Increase in underlying TOP margin by at least 20 basis points*
- Additional increase in restructuring and related expenses** of CHF 400-500 m
- As a result, TOP margin to decrease by 40-60 basis points*
- Growth in underlying EPS* and improved capital efficiency

* in constant currency

** such as impairments

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Discussion



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Supporting slides



9M-2017 Operating segments – quarterly summary



Q3-2017 sales

	Sales (CHF million)	RIG %	Pricing %	OG %
Zone AMS	7'176	1.2	0.1	1.3
Zone EMENA	4'021	3.0	0.6	3.6
Zone AOA	3'951	4.9	1.6	6.5
Nestlé Waters	2'125	-0.4	-0.5	-0.9
Nestlé Nutrition	2'527	1.6	-0.2	1.4
Other businesses	2'449	6.1	1.8	7.9
Total group	22'249	2.6	0.5	3.1

9M-2017 Operating segments – topline summary



	9M-2017 sales						Reported sales growth
	Sales (CHF million)	RIG %	Pricing %	OG %	Net M&A %	F/X %	%
Zone AMS	20'490	0.3	1.0	1.3	-0.7	1.4	2.0
Zone EMENA	11'821	1.4	0.5	1.9	-10.5	-0.8	-9.4
Zone AOA	11'853	3.6	1.7	5.3	-0.5	-2.8	2.0
Nestlé Waters	6'150	2.1	0.1	2.2	-0.4	-1.7	0.1
Nestlé Nutrition	7'711	0.4	0.6	1.0	-0.4	-0.4	0.2
Other businesses	7'247	5.0	0.1	5.1	-0.6	0.3	4.8
Total group	65'272	1.8	0.8	2.6	-2.6	-0.4	-0.4

9M-2017 Products – topline summary



	9M-2017 sales			
	Sales (CHF million)	RIG %	Pricing %	OG %
Powdered and liquid beverages	14'745	2.0	1.5	3.5
Water	5'758	2.3	0.1	2.4
Milk products and ice cream	9'891	0.8	1.7	2.5
Nutrition and Health Science	11'197	1.9	0.4	2.3
Prepared dishes and cooking aids	8'614	1.4	1.7	3.1
Confectionery	5'978	1.4	-1.4	0.0
Petcare	9'089	2.7	0.3	3.0
Total group	65'272	1.8	0.8	2.6

9M-2017 historical seven quarters



Period	RIG %	Pricing %	OG %
Q1-2016	3.0	0.9	3.9
Q2-2016	2.7	0.4	3.1
Q3-2016	1.9	1.3	3.2
Q4-2016	2.0	0.9	2.9
Q1-2017	1.3	1.0	2.3
Q2-2017	1.5	0.9	2.4
Q3-2017	2.6	0.5	3.1

9M-2017 currency overview



US Dollar	1	USD
Euro	1	EUR
Chinese Yuan Renminbi	100	CNY
Brazilian Reias	100	BRL
UK Pound Sterling	1	GBP
Mexican Pesos	100	MXN
Philippine Pesos	100	PHP
Canadian Dollar	1	CAD
Russian Ruble	100	RUB
Australian Dollar	1	AUD
Japanese Yen	100	JPY

Weighted average rate		
9M-2016	9M-2017	Variation in %
0.980	0.983	+0.4
1.094	1.095	+0.1
14.910	14.468	-3.0
27.832	30.972	+11.3
1.365	1.255	-8.1
5.362	5.213	-2.8
2.088	1.959	-6.2
0.743	0.753	+1.3
1.445	1.688	+16.8
0.727	0.753	+3.6
0.904	0.880	-2.7

Abbreviations



OG	Organic growth
RIG	Real internal growth
AMS	Zone Americas
EMENA	Zone Europe, Middle East, and North Africa
AOA	Zone Asia, Oceania, and sub-Saharan Africa
EPS	Earnings per share
COGS	Cost of goods sold
TOP	Trading operating profit
Underlying TOP	Trading operating profit before net other trading income / (expenses). Net other trading income / (expenses) includes restructuring, impairment and results on disposals of PP&E, onerous contracts and litigations.