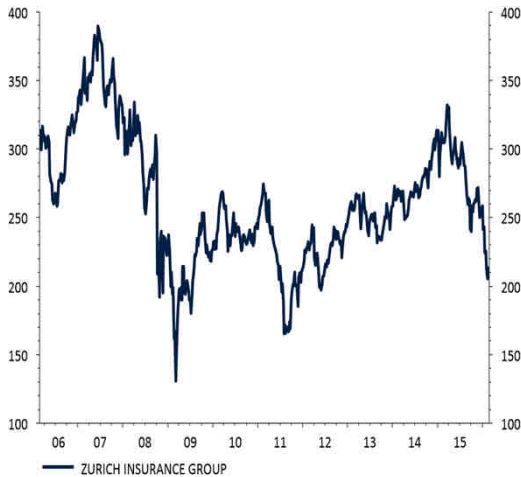


Stock Information

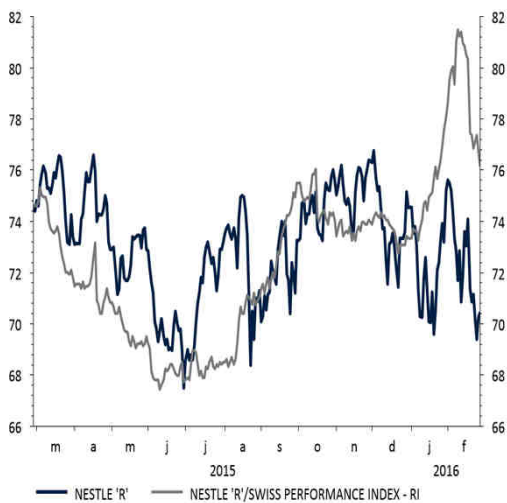
Price	03.06.2016	CHF	73.35
Market Capitalization		CHF (mn)	233'869
Average Daily Volume (last 3 months, 000s)			5'268.7
52 weeks High / Low			76.75 / 67.5
ISIN		CH0038863350	
Bloomberg Code		NESN VX	

10 Years Performance Record



Graphic IAM - Source Thomson Reuters

1 year relative performance



Graphic IAM - Source Thomson Reuters

Stock absolute and relative performance (in CHF)

In %	Absolute	Relative *
1 month	3.1	-0.5
3 months	6.9	4.1
YTD	1.6	7.6
2015	5.2	-4.5
2014	15.3	15.3

*relative to Swiss Performance Price Index

Description

World's leading producer of manufactured food products, Nestlé operates an impressive portfolio of brands in over 130 countries. For example: Nescafe, Nespresso and Nesquik in Division beverage, Perrier and Poland Spring mineral waters; Maggi and Buitoni.

Investment Case

The management has set a goal of applying the "Nestlé Model" which is to achieve a sales growth of about 5% to 6% per year while steadily improving profit margins. The strategy relies primarily on the development of food premium. Nestlé develops strongly its health and wellness food and has competitive advantage in that area. The company is well positioned in emerging markets. As long as emerging markets growth in sustainable, Nestlé should reach its targets.

Per Share (CHF)

	2013	2014	2015	2016e	2017e
Earnings	3.14	4.54	2.90	3.26	3.52
Variation		44.6%	-36.1%	12.4%	8.0%
Earnings (IBES)	3.14	4.54	3.38	3.63	3.89
P/E	20.8	16.1	25.7	21.9	20.3
Dividend	2.2	2.20	2.25	2.40	2.55
Payout ratio	68%	48%	78%	74%	72%
Dividend yield	2.9%	3.0%	3.1%	3.3%	3.5%

Strengths

- Global presence, particularly in emerging high-growth markets.
- Critical Mass.
- Awareness Group brands.

Weaknesses

- Bargaining power of customers (large retailers increasingly concentrated).

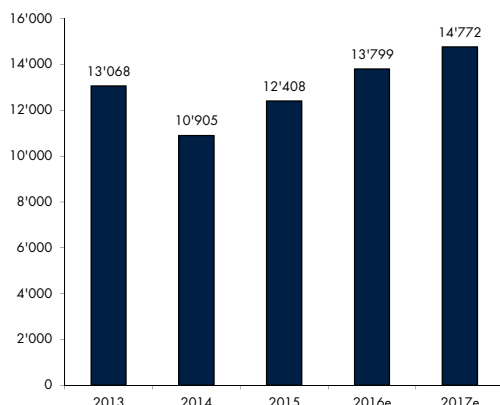
Opportunities

- The group's positioning in the premium brands, his effort in the health and well-being, as well as emergence of potential new customers in emerging countries should support growth in the medium term.

Threats

- Sensitivity to higher commodity prices (agricultural products and packaging).
- Exposure to the campaigns of activists (mineral water, powdered milk).

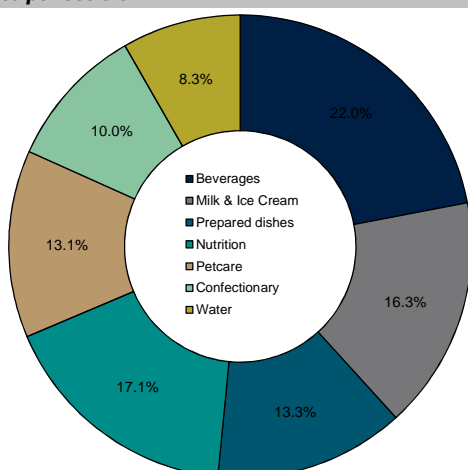
EBIT



*new disclosure since 2011

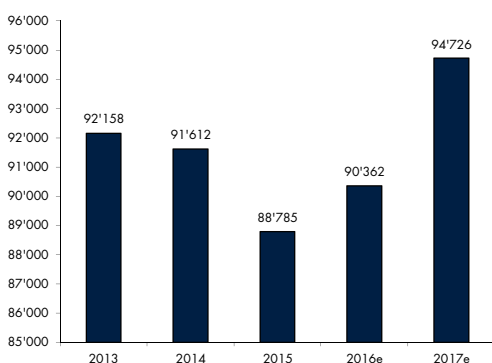
Graphic IAM - Source company/IAM

Sales per Sectors



Graphic IAM - Source company

Sales



*new disclosure since 2011

Graphic IAM - Source company/IAM

Key Figures (mn CHF), Dec 31st

	2013	2014	2015	2016e	2017e
Revenues	92'158	91'612	88'785	90'362	94'726
variation		-0.6%	-3.1%	1.8%	4.8%
Total operating expenses	-30'215	-30'293	-30'971	-31'391	-32'657
variation	1.0%	0.3%	2.2%	1.4%	4.0%
EBIT	13'068	10'905	12'408	13'799	14'772
variation	3.0%	-16.6%	13.8%	11.2%	7.1%
Pretax profit	12'438	10'268	11'784	13'140	14'123
variation	3.0%	-17.4%	14.8%	11.5%	7.5%
Net profit	9'181	6'901	8'479	9'494	10'247
variation	3.0%	-24.8%	22.9%	12.0%	7.9%
current assets	30'066	33'961	29'434	30'610	33'718
Non current assets	90'376	99'489	94'558	96'722	98'020
Total assets	120'442	133'450	123'992	127'333	131'737
Shareholder Equity	62'575	70'130	62'338	65'382	68'758

Performance Ratios

	2013	2014	2015	2015e	2016e
Operating Margin	14.2%	11.9%	14.0%	15.3%	15.6%
Net margin	10.0%	7.5%	9.6%	10.5%	10.8%
ROE	14.7%	9.8%	13.6%	14.5%	14.9%

Main Competitors (in CHF)

Name	Cap.	P/E 13	P/E 14e	Div. yield	Perf YTD
NESTLE 'R'	233869.2	21.7	20.2	3.1%	1.6%
UNILEVER (UK)	58716.8	22.0	20.4	2.8%	11.1%
DANONE	#REF!	20.8	19.0	2.5%	3.7%

Shareholders

Shareholder	Percentage
Free Float	100%
Blackrock Inc.	3.7%
Norges Bank	2.7%
Capital Group Company	2.2%

Management

Chairman : Peter Brabeck-Letmathe
CEO: Paul Bulcke