

# Nestlé (Malaysia) Berhad

Financial Analysts' Briefing,  
November 11, 2013





# Agenda

Introduction & overview

Financials

Questions & answers



# 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.



# **FINANCIALS**

# Focus on 7 value drivers

**Operational**



**Financial**



**Strategic**



## VALUE DRIVERS

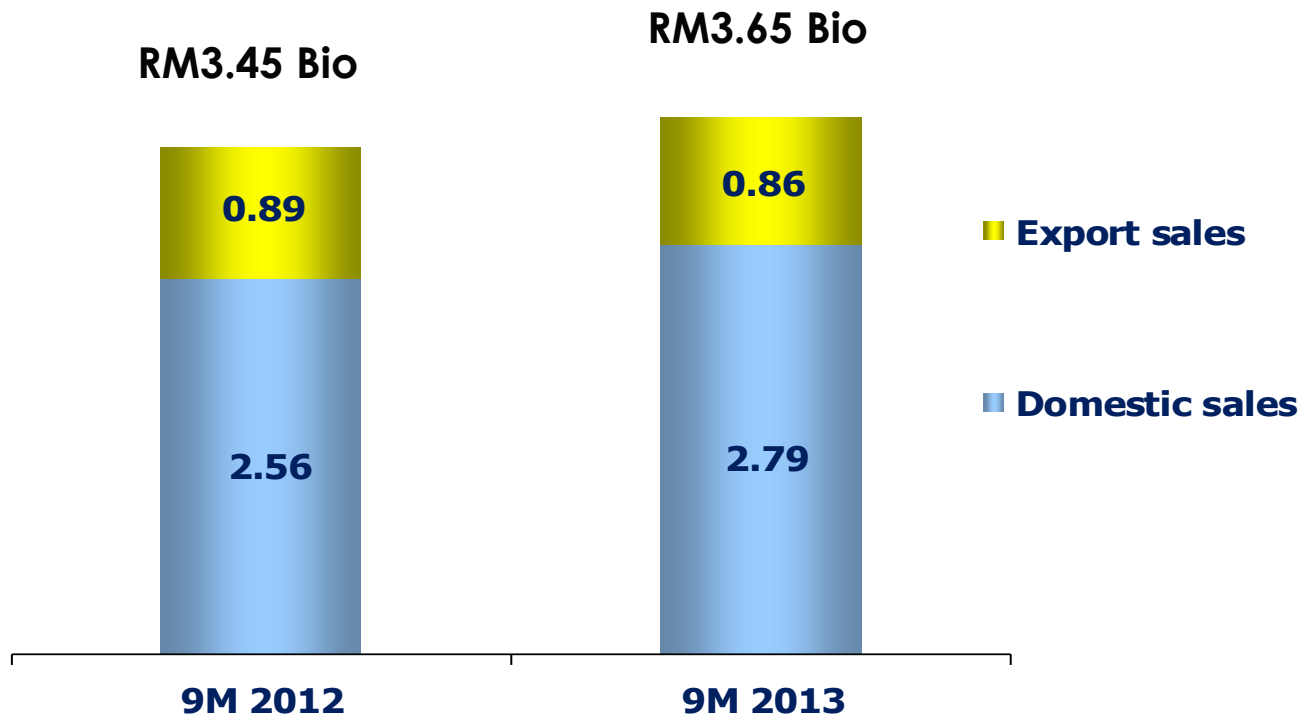
1. SALES GROWTH
2. PROFIT MARGIN
3. WORKING CAPITAL INTENSITY
4. FIXED CAPITAL INTENSITY
5. INCOME TAX RATE
6. COST OF CAPITAL
7. VALUE GROWTH DURATION



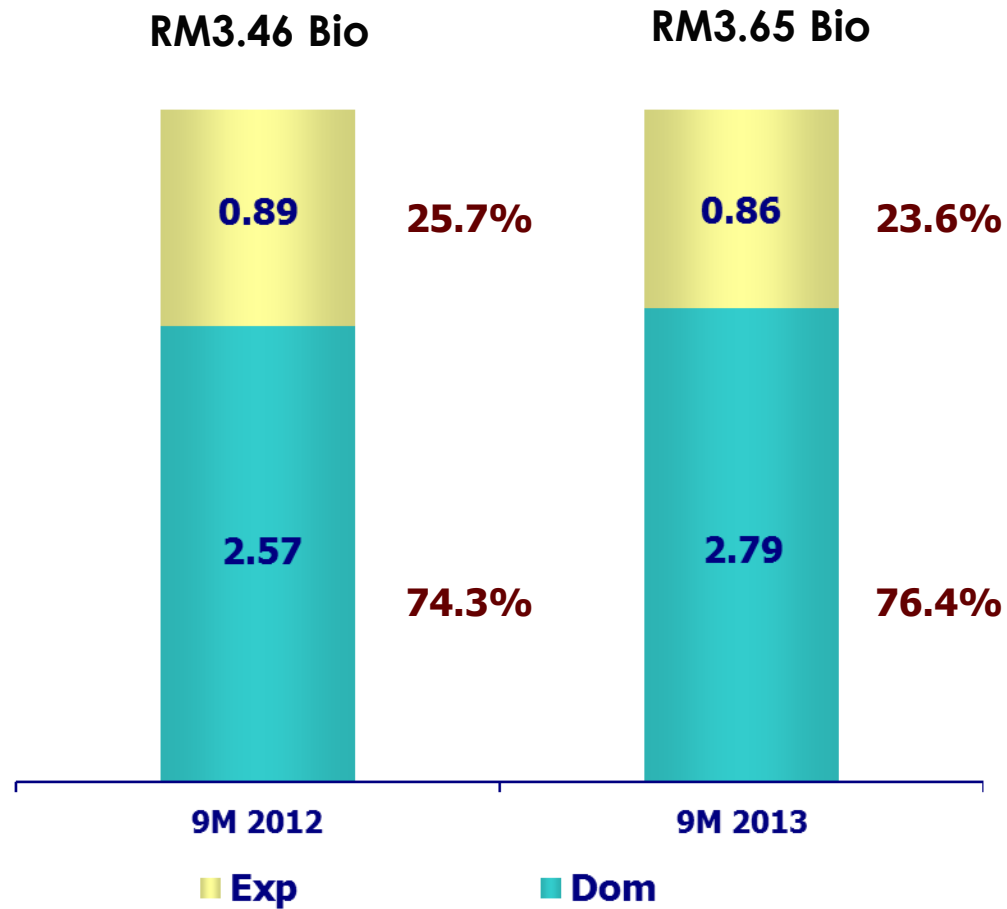
**SALES GROWTH**

# 9M 2013 Sales Evolution

- Domestic Sales +8.6%
  - Export Sales -3.0%
- +5.6%**

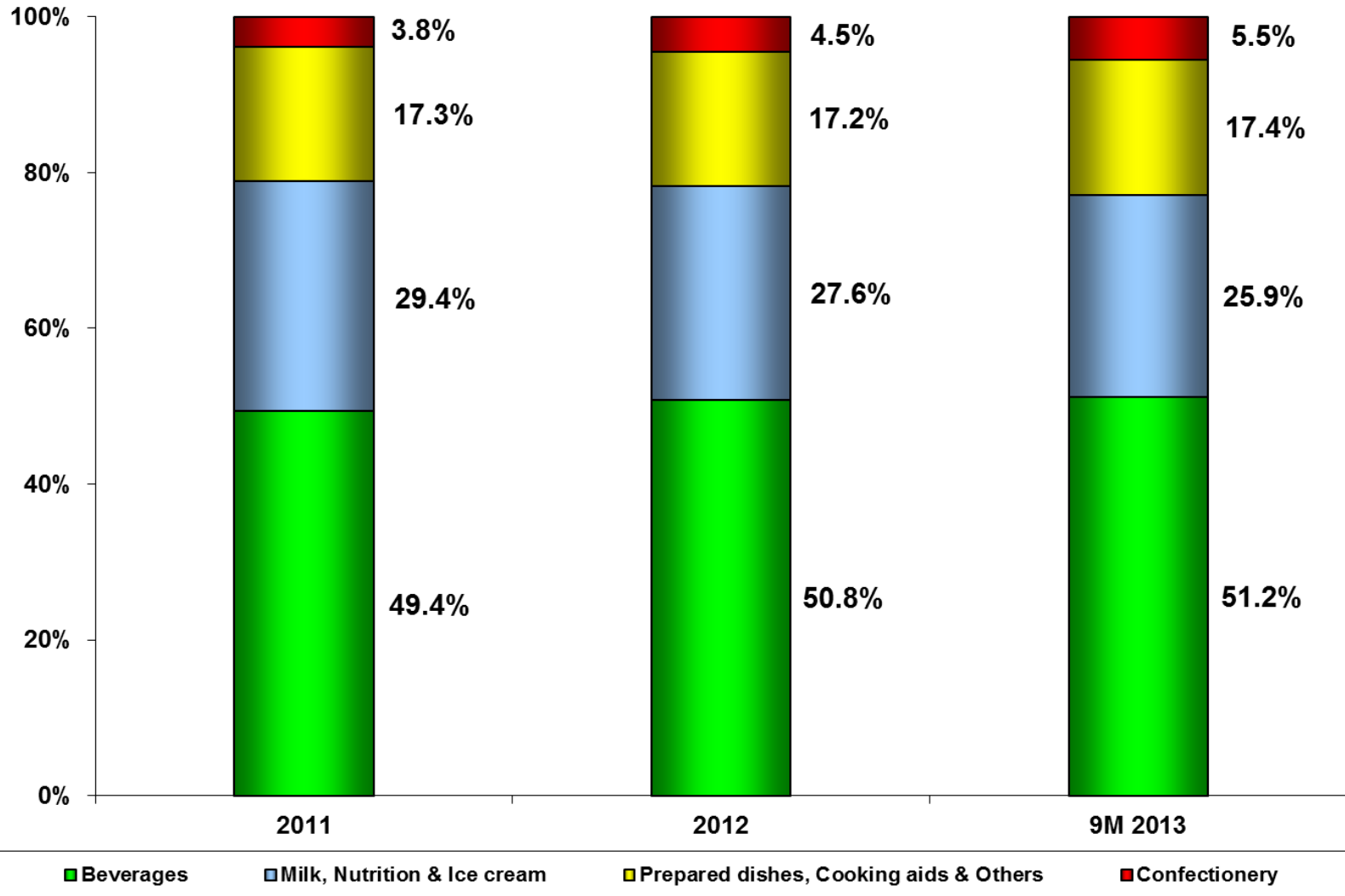


# Channel Sales





# Sales by Product Categories



# New Products Qtr 3 2013



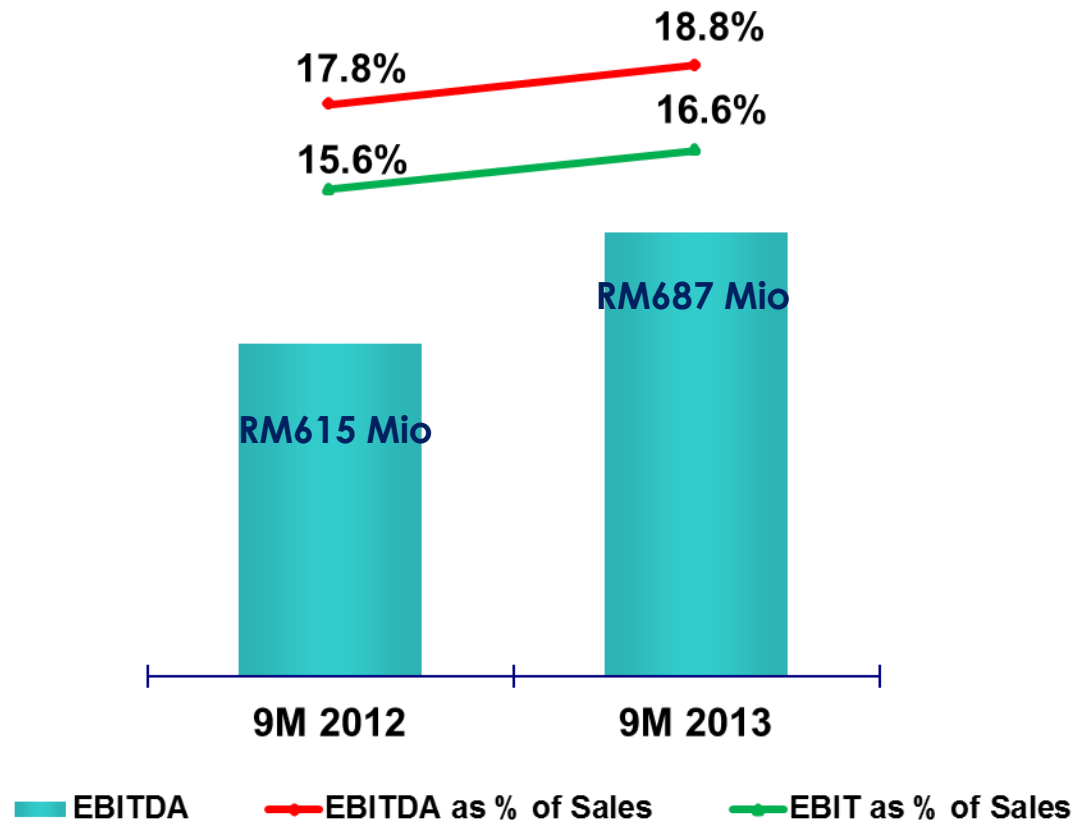
Q3'13

Products	
MAGGI 2-Minn Big Curry	Aug'13

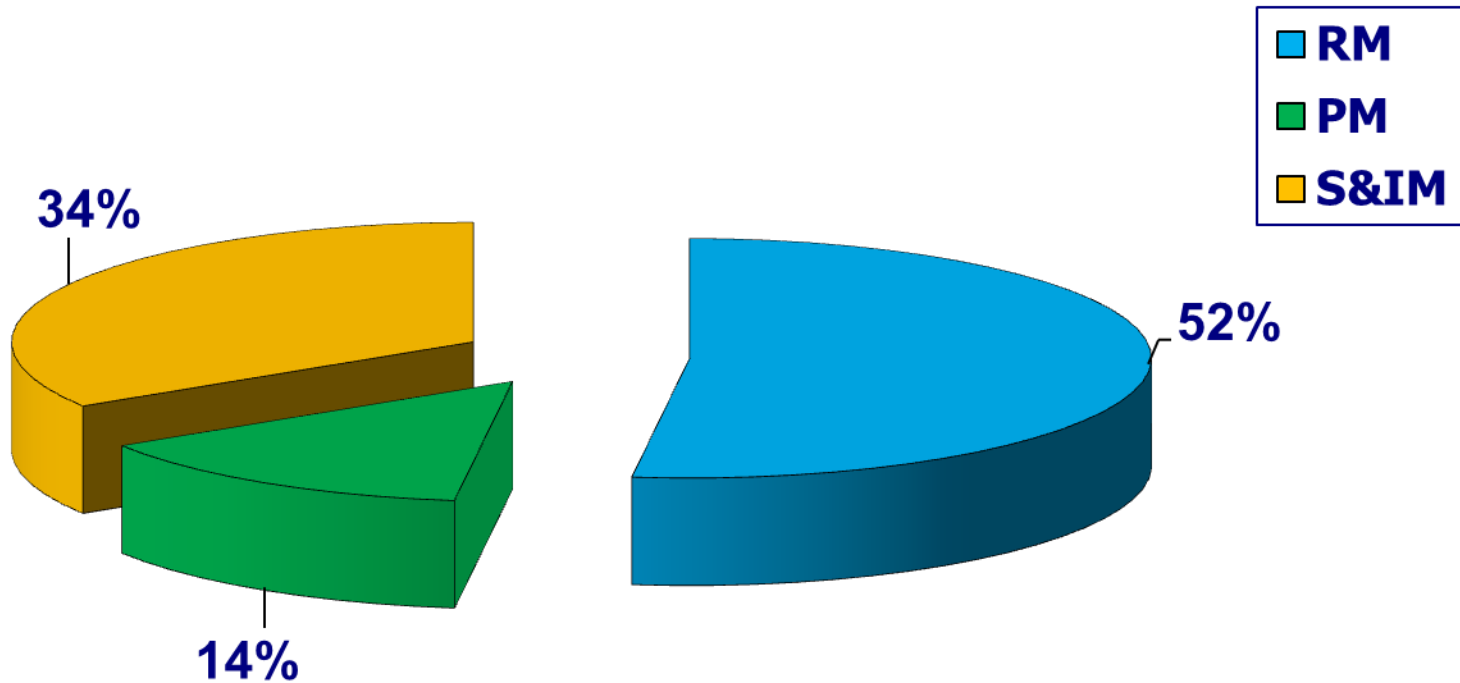


# **EBITDA MARGIN**

# Evolution of EBITDA

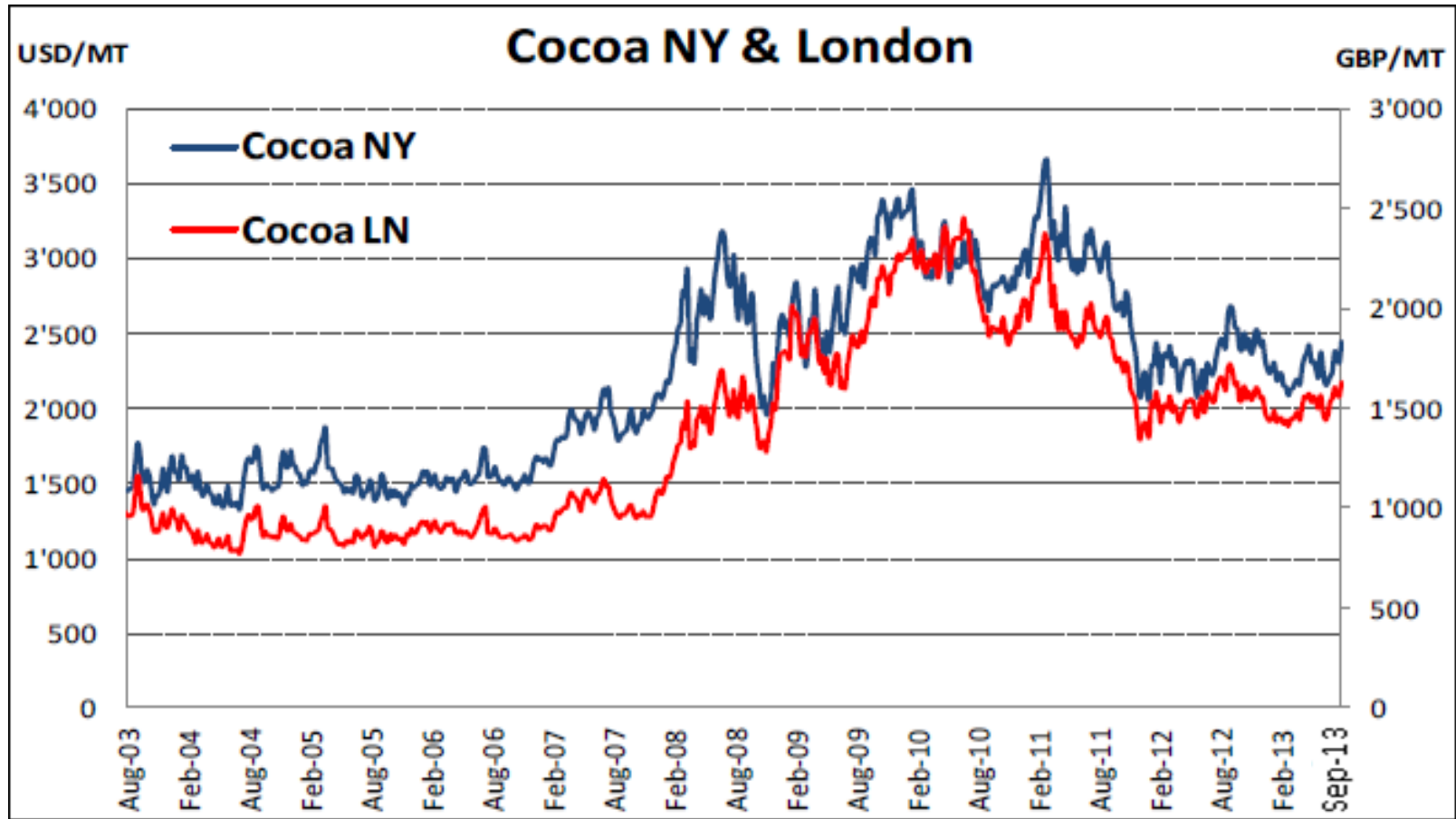


# Breakdown of Material & Services Consumed Jan '13 – Sep'13

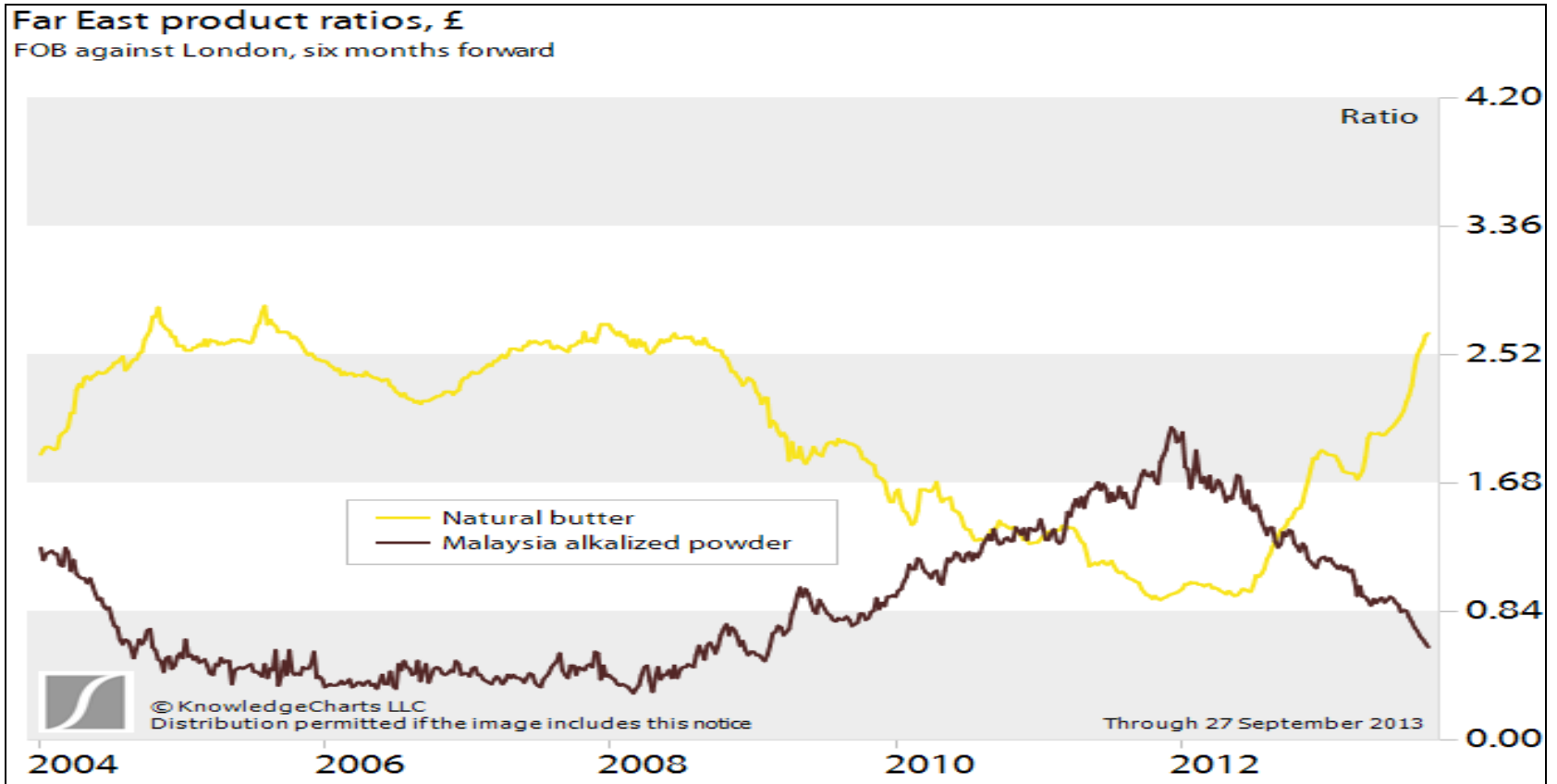


**Total = RM 2.00 Bio.**

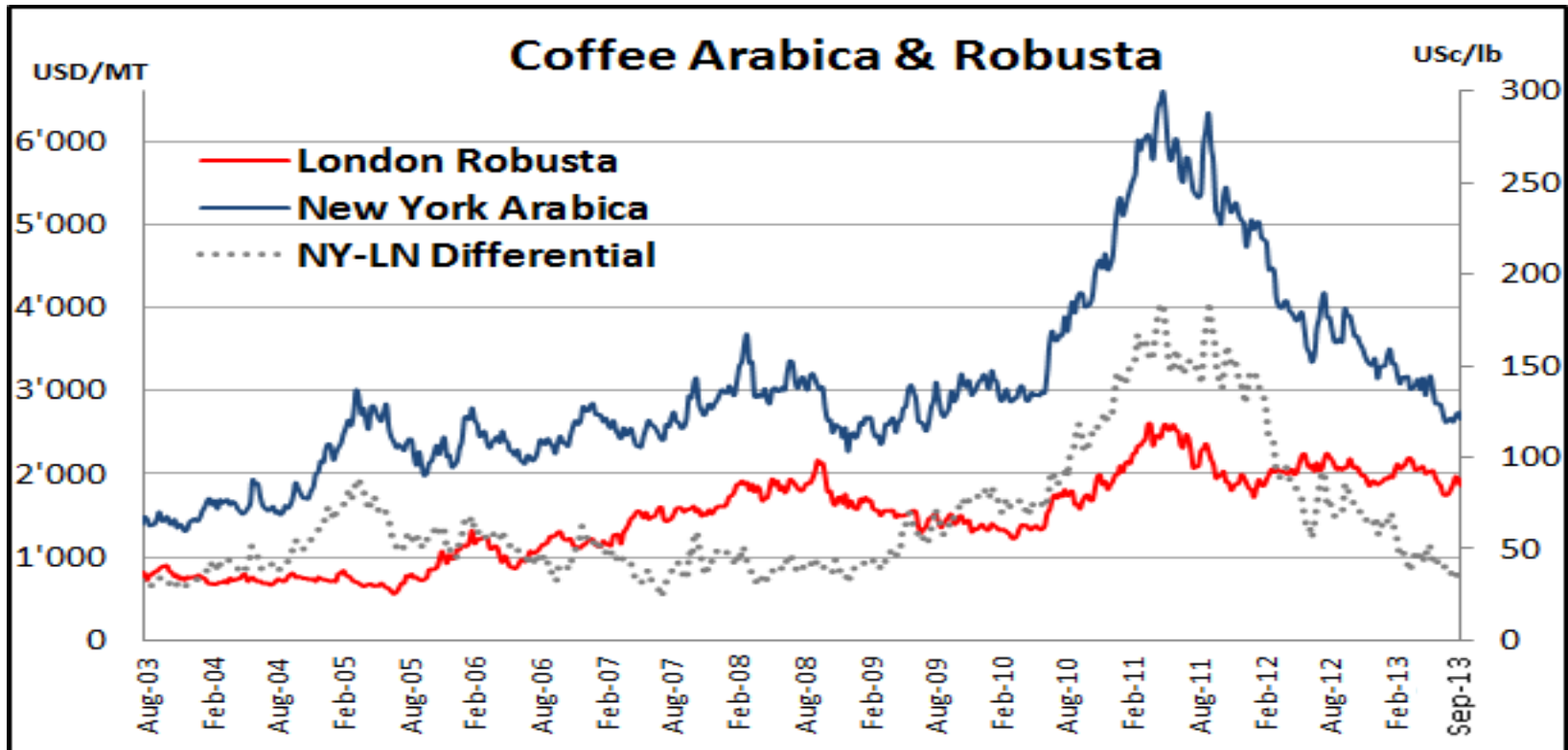
# Cocoa Bean Price



# Cocoa Powder Ratio

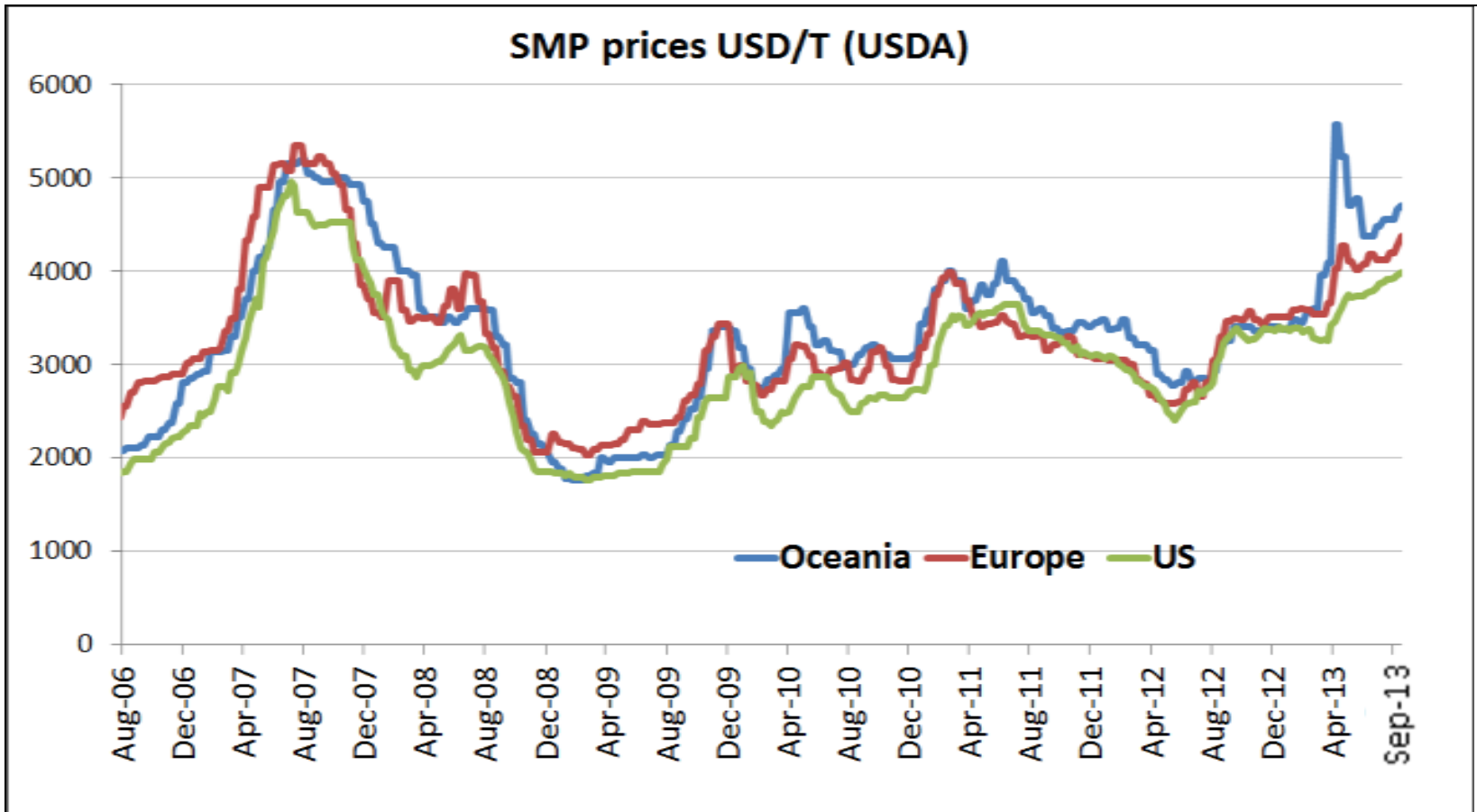


# Coffee bean

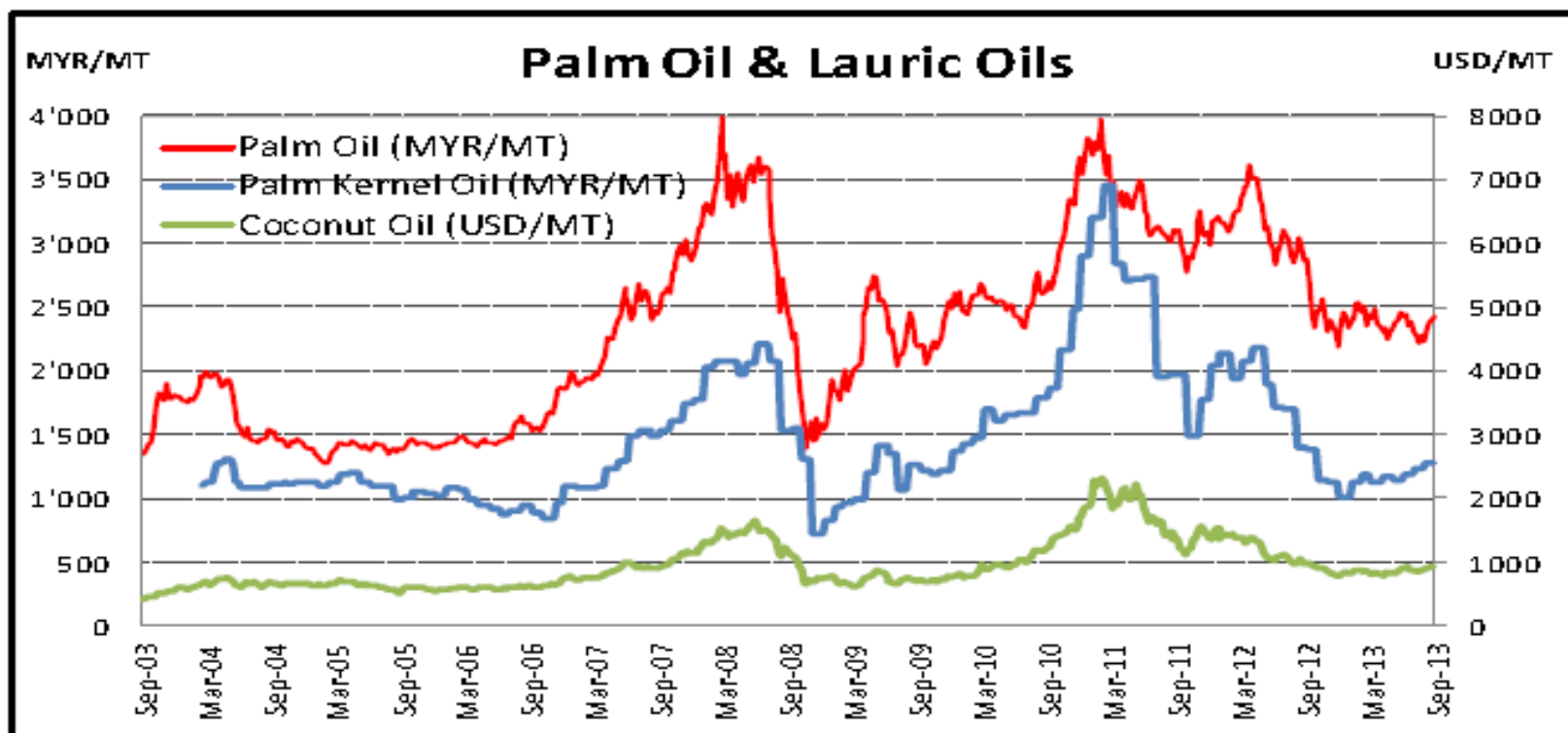




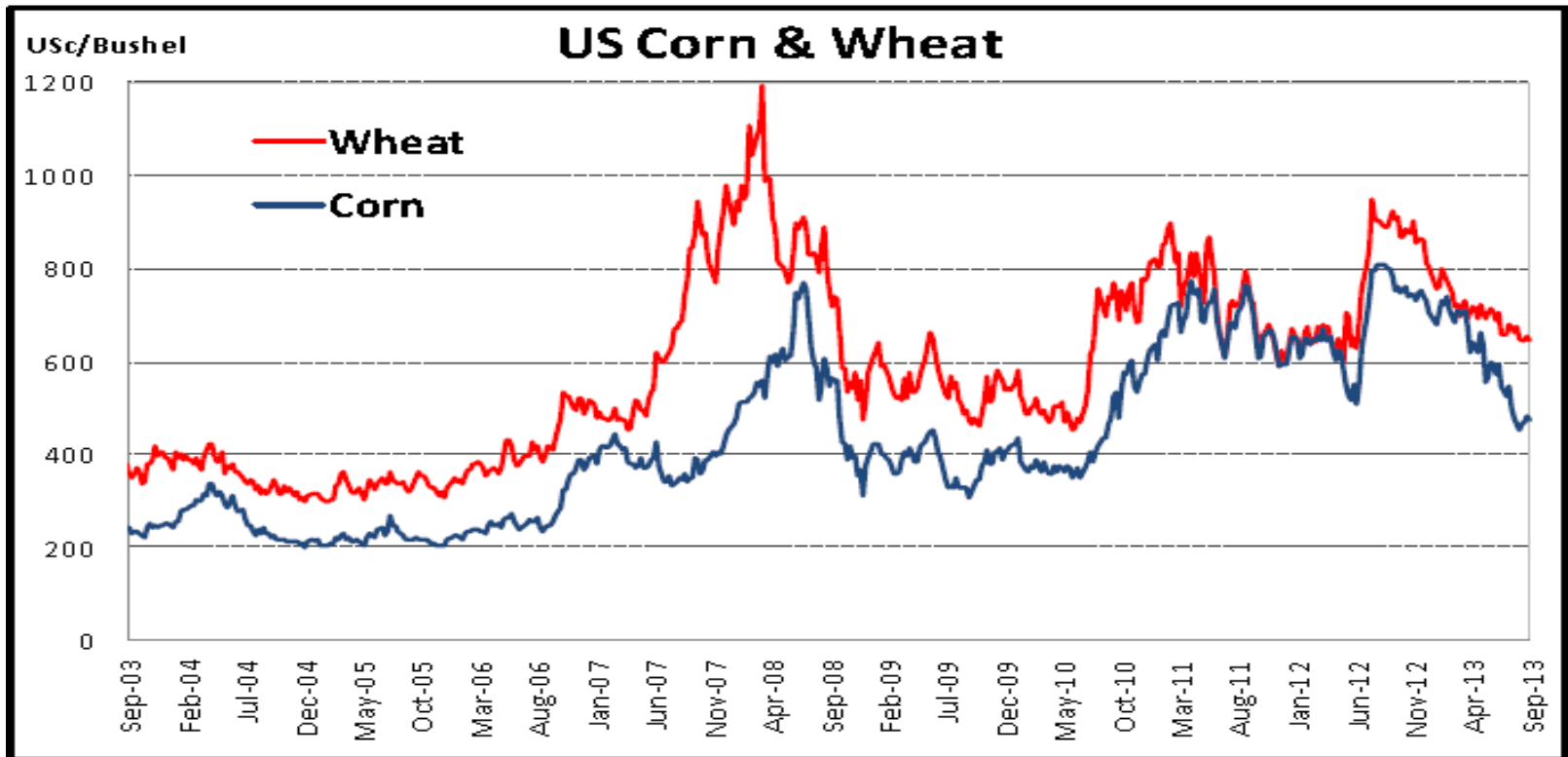
# Milk Solids



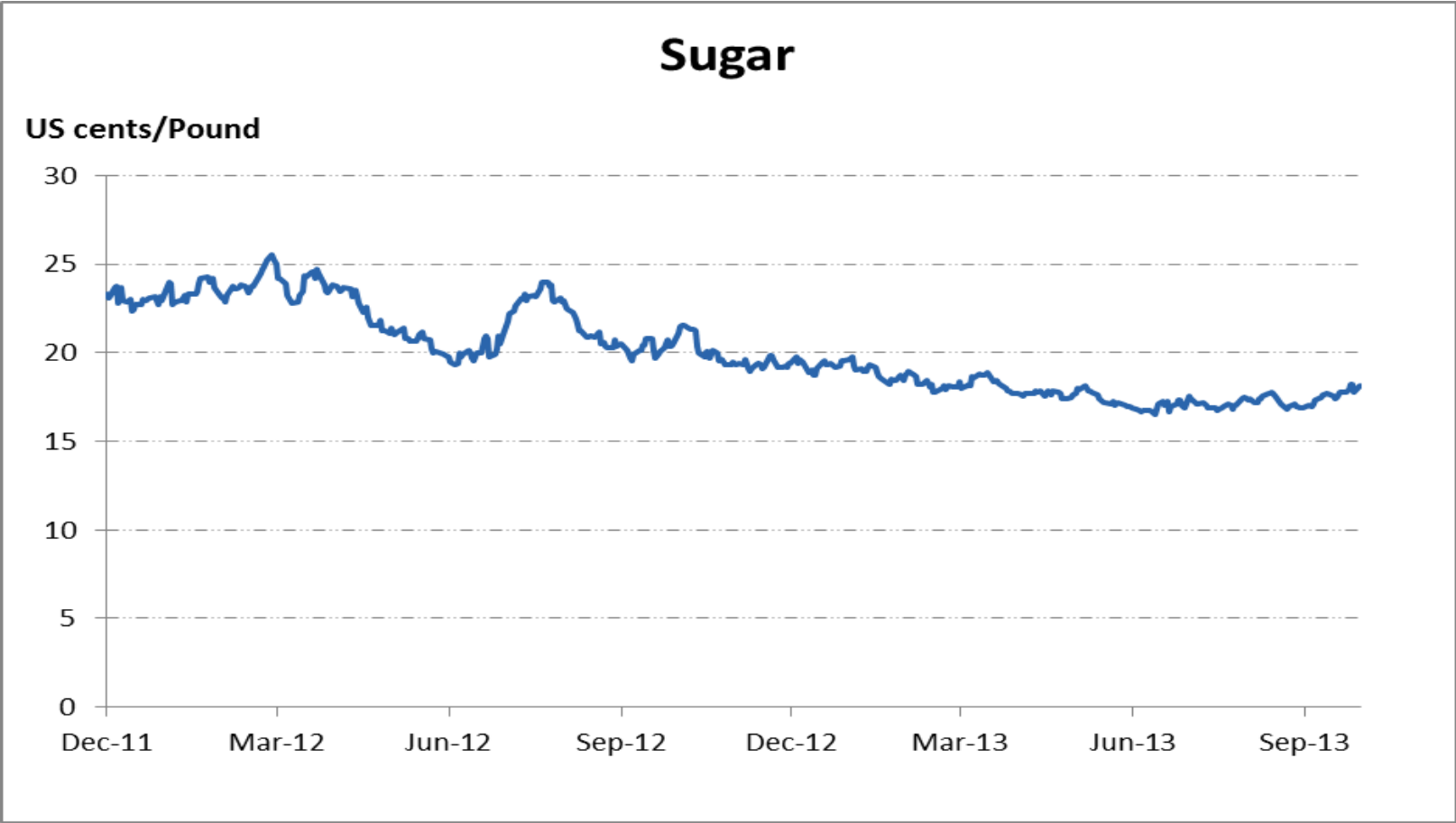
# Crude Palm Oil



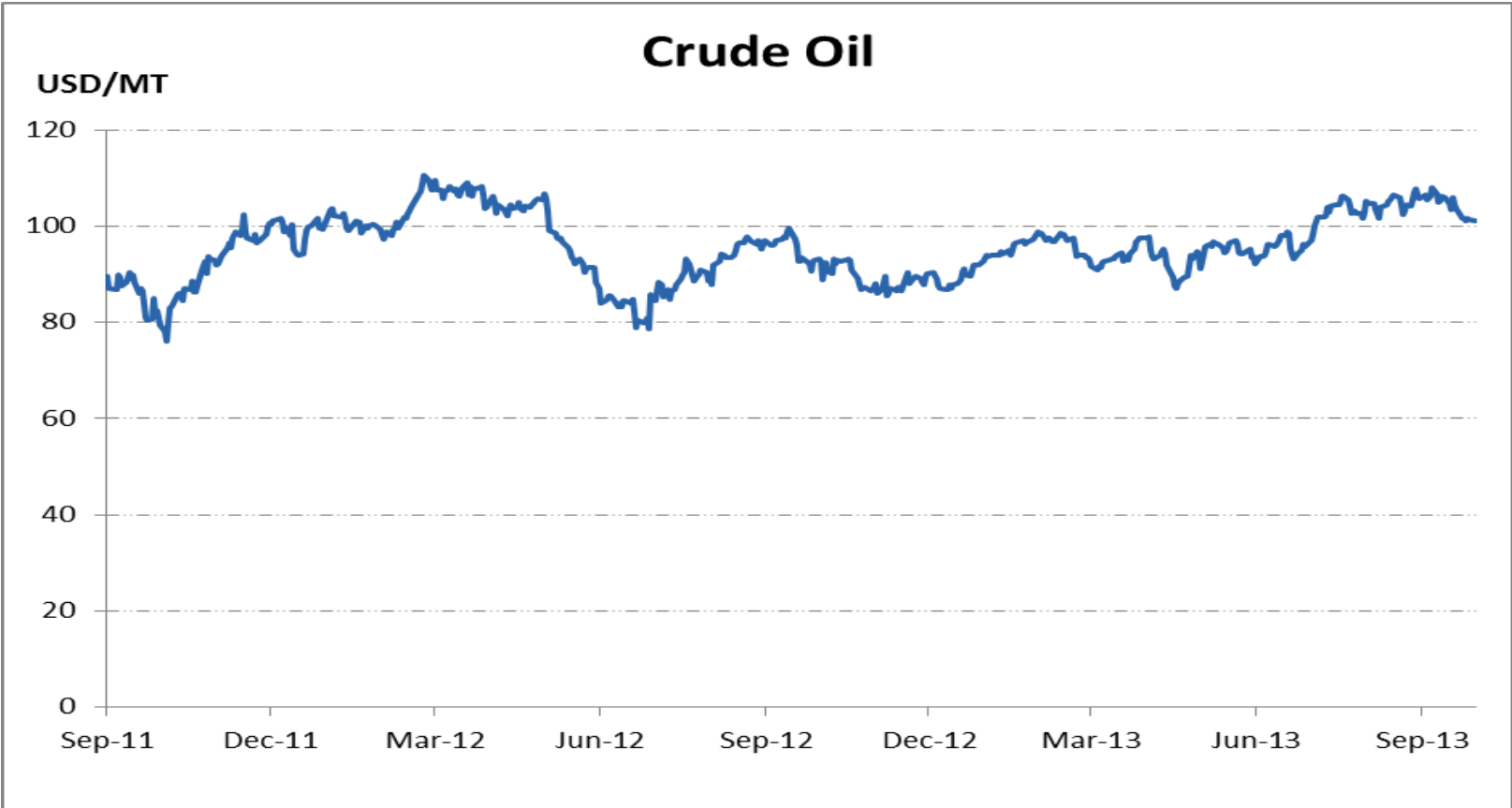
# Wheat



# Sugar



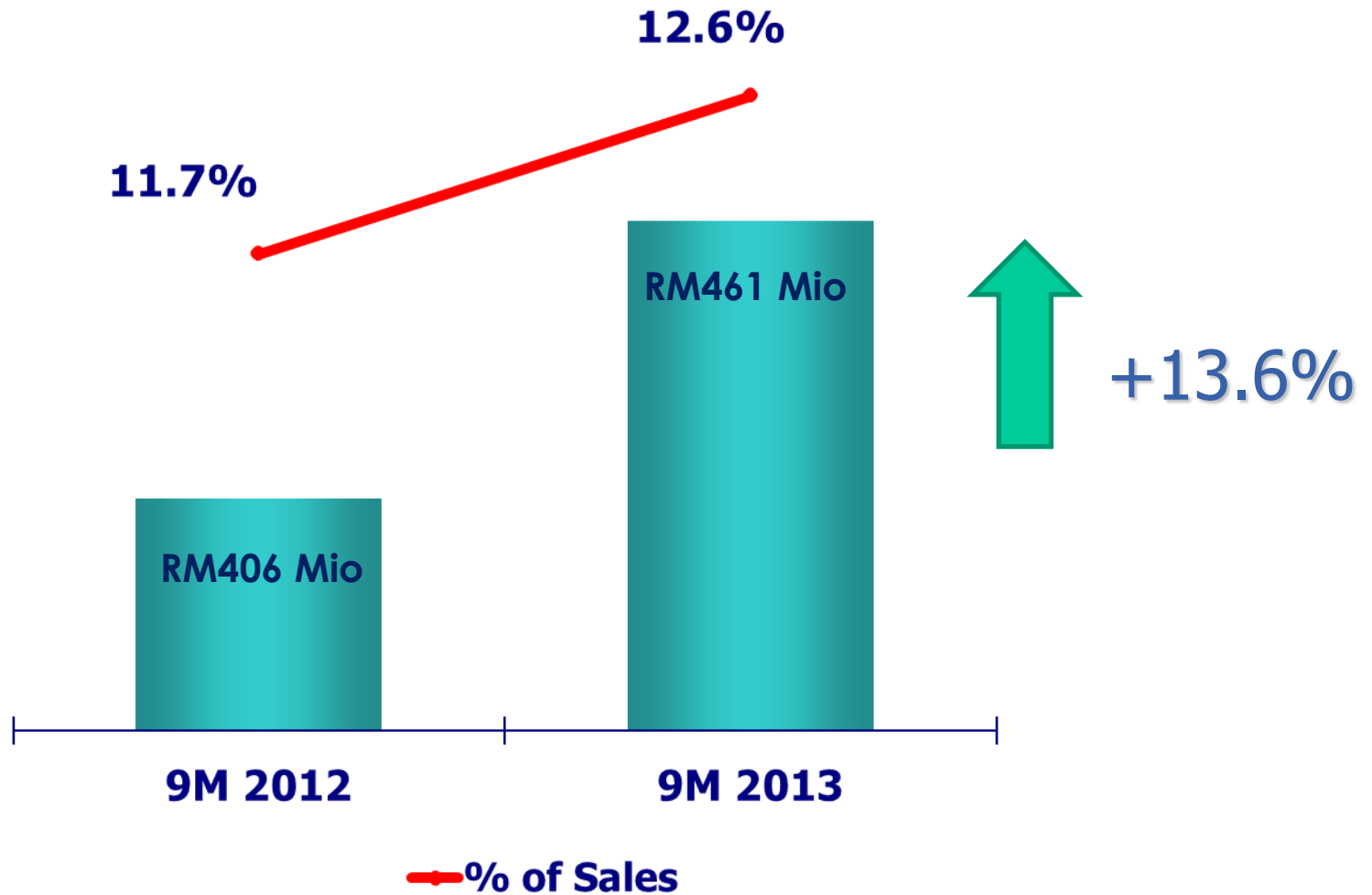
# Crude Oil





# **NET PROFIT MARGIN**

# Net Profit Evolution

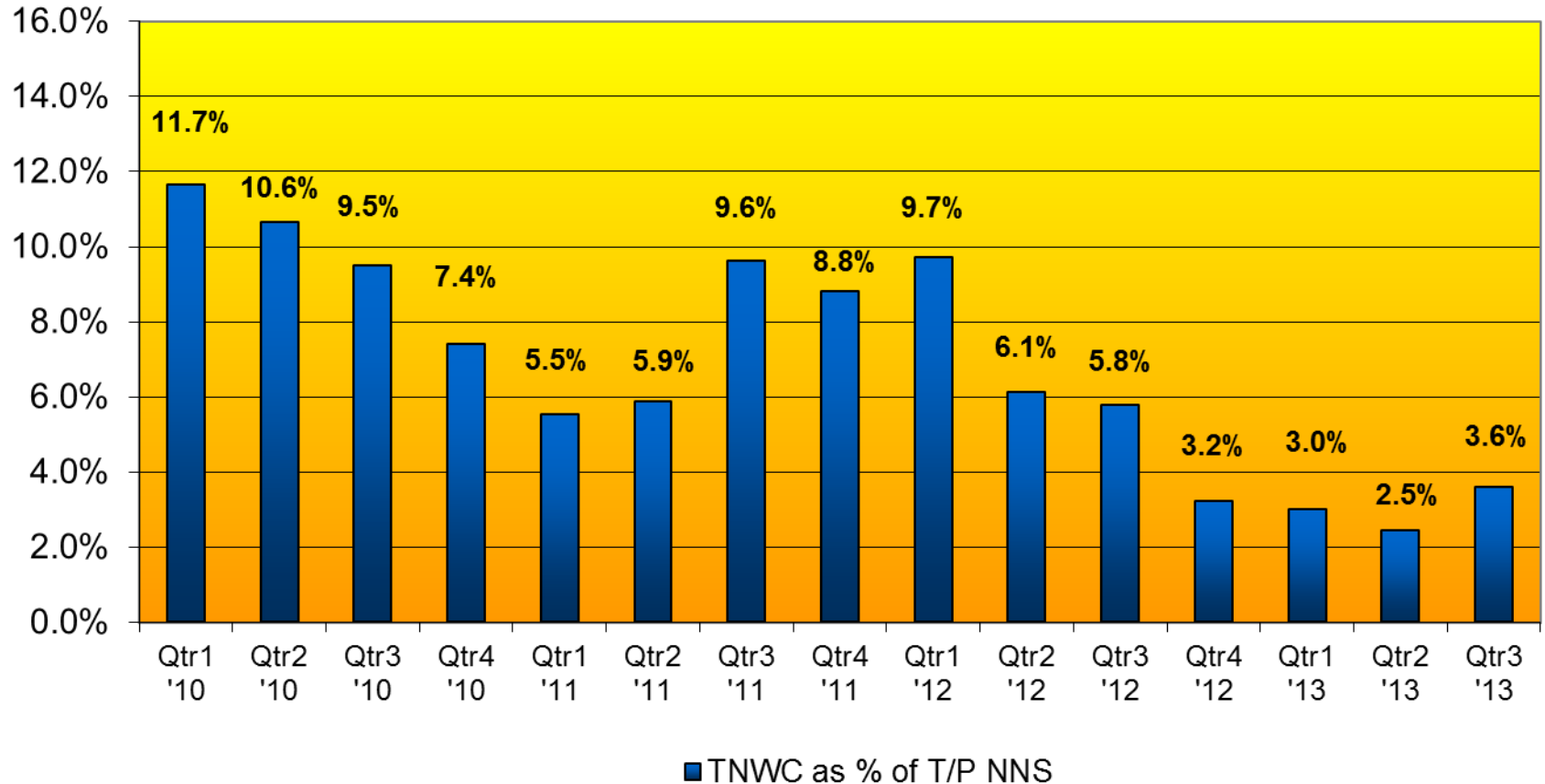


# Key Figures

NESTLÉ MALAYSIA BERHAD			
KEY FIGURES			
<i>Amounts in RM mio</i>	9M 2013	9M 2012	% Change
<b>Sales</b>	<b>3,650</b>	<b>3,457</b>	<b>5.6</b>
<b>Domestic</b>	<b>2,789</b>	<b>2,569</b>	<b>8.5</b>
<b>Export</b>	<b>861</b>	<b>887</b>	<b>(3.0)</b>
<b>Operating Profit/(Loss)</b>	<b>606</b>	<b>540</b>	<b>12.1</b>
<i>% of Sales</i>	<b>16.6</b>	<b>15.6</b>	
<b>Net Profit</b>	<b>461</b>	<b>406</b>	<b>13.6</b>
<i>% of Sales</i>	<b>12.6</b>	<b>11.7</b>	
<b>Operating Expenses</b>	<b>695</b>	<b>618</b>	<b>12.6</b>
<b>Current Assets</b>	<b>1,021</b>	<b>982</b>	<b>4.0</b>
<b>Inventories</b>	<b>393</b>	<b>386</b>	<b>2.0</b>
<i>Days</i>	<b>13</b>	<b>14</b>	
<b>Trade Receivable</b>	<b>226</b>	<b>187</b>	<b>20.6</b>
<i>Days</i>	<b>15</b>	<b>15</b>	
<b>Capital Expenditure</b>	<b>65</b>	<b>43</b>	<b>52.6</b>



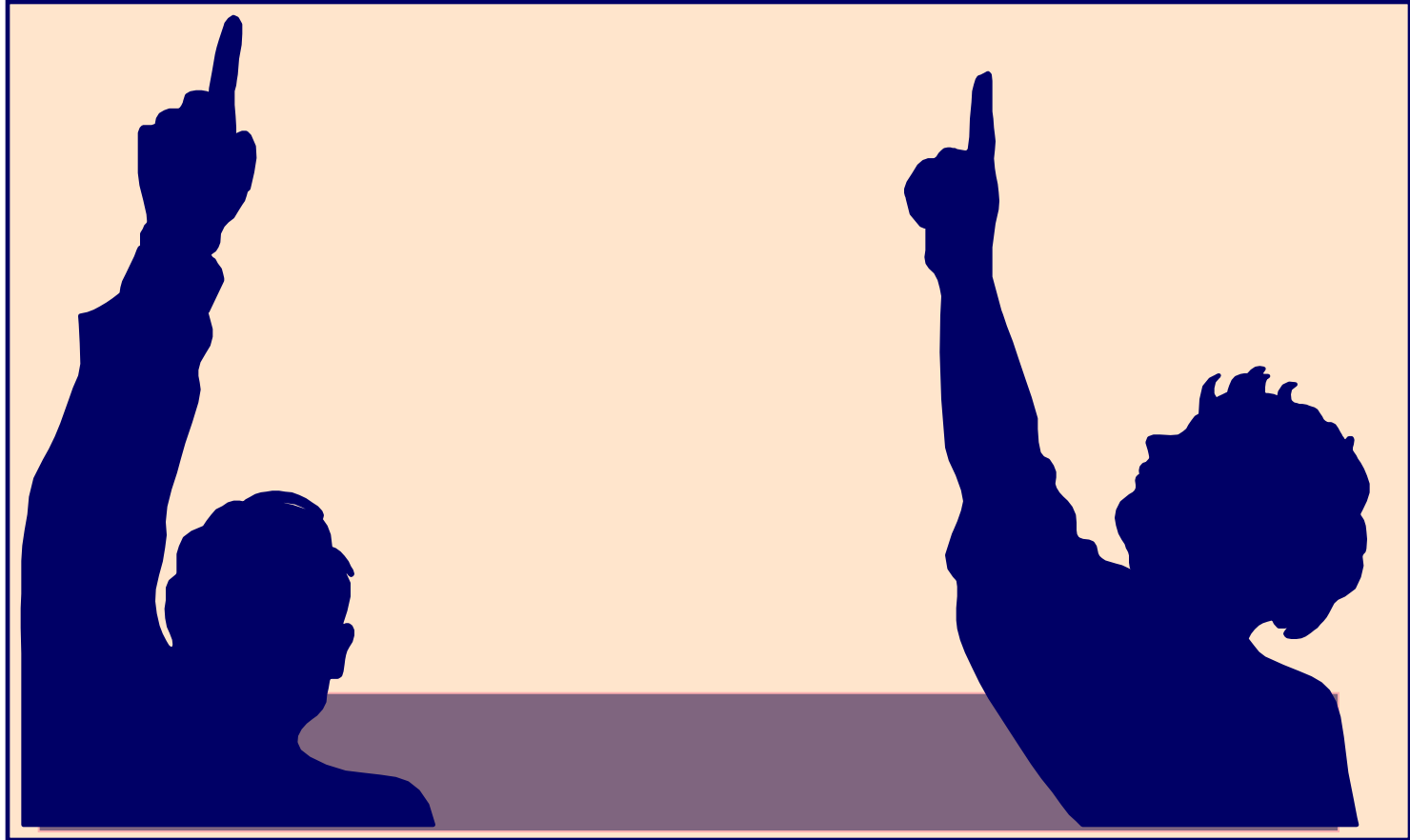
# MY Trade Net Working Capital (Individual Qtr position)



# Free Cash Flow 9M 2013

	<u>RM (Mio)</u>	
	Sep'13	Sep'12
➤ <b>Profit Before Tax adjusted for depreciation &amp; interest</b>	<b>687</b>	<b>615</b>
➤ (Increase) / Decrease in working capital	(44)	40
➤ Income tax & others	(115)	(76)
➤ <b>Net cash from operating activities</b>	<b>528</b>	<b>579</b>
➤ <b>Capital Investments</b>	<b>(65)</b>	<b>(76)</b>
➤ Others	5	2
➤ <b>Cash Flow after Investing activities</b>	<b><u>468</u></b>	<b><u>505</u></b>

# QUESTIONS



***Thank You***