

# Nestlé (Malaysia) Berhad

Financial Analysts' Briefing, February 22, 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**



1. SALES GROWTH
2. PROFIT MARGIN
3. WORKING CAPITAL INTENSITY
4. FIXED CAPITAL INTENSITY

**Financial**



5. INCOME TAX RATE
6. COST OF CAPITAL

**Strategic**



7. VALUE GROWTH DURATION

## VALUE DRIVERS

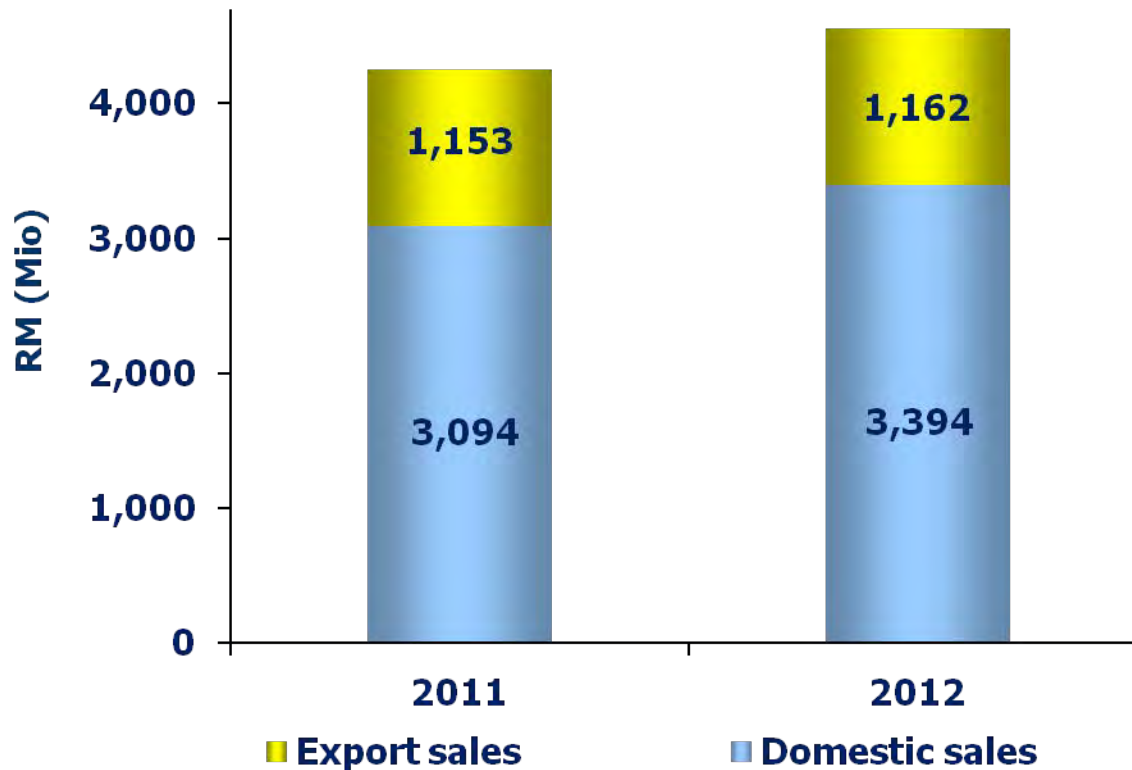
1. SALES GROWTH
2. PROFIT MARGIN
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# SALES GROWTH

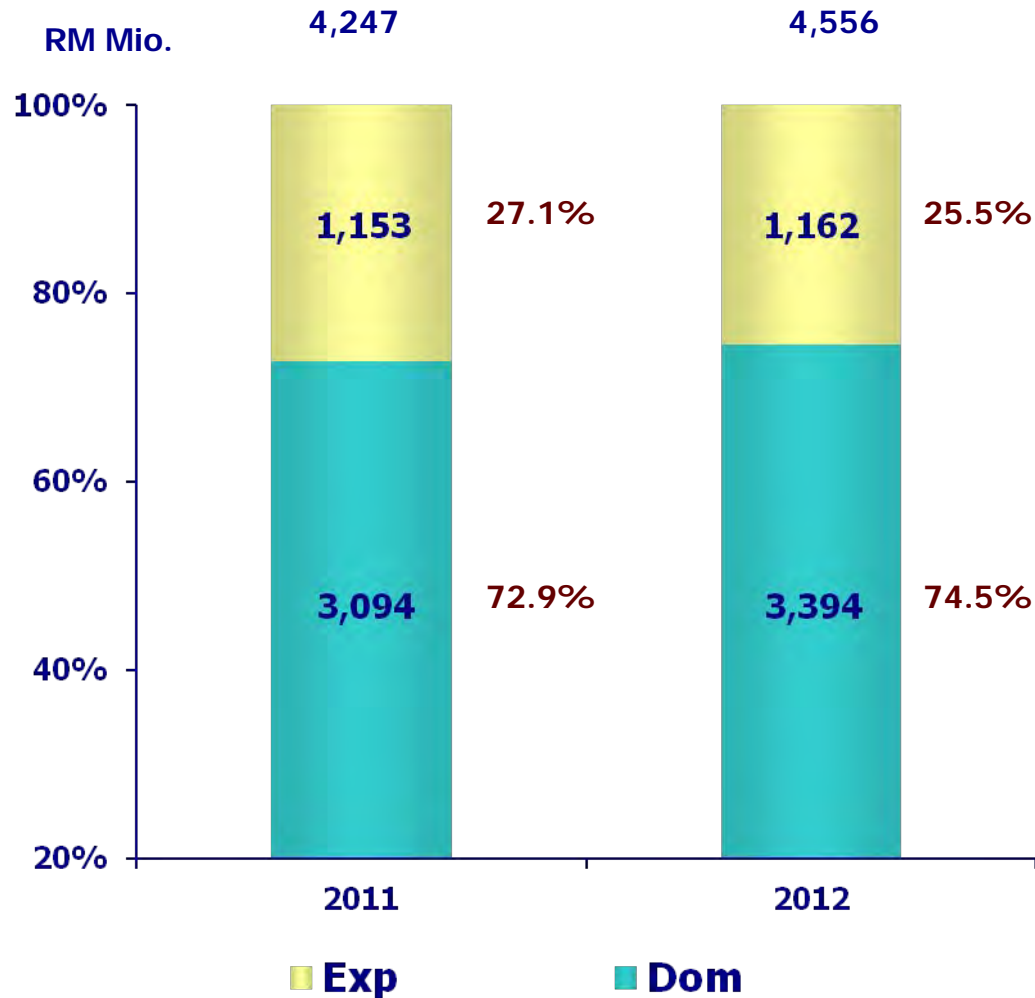


# Sales Evolution FY 2012

- Domestic Sales +9.7%
  - Export Sales +0.8%
- } +7.3%

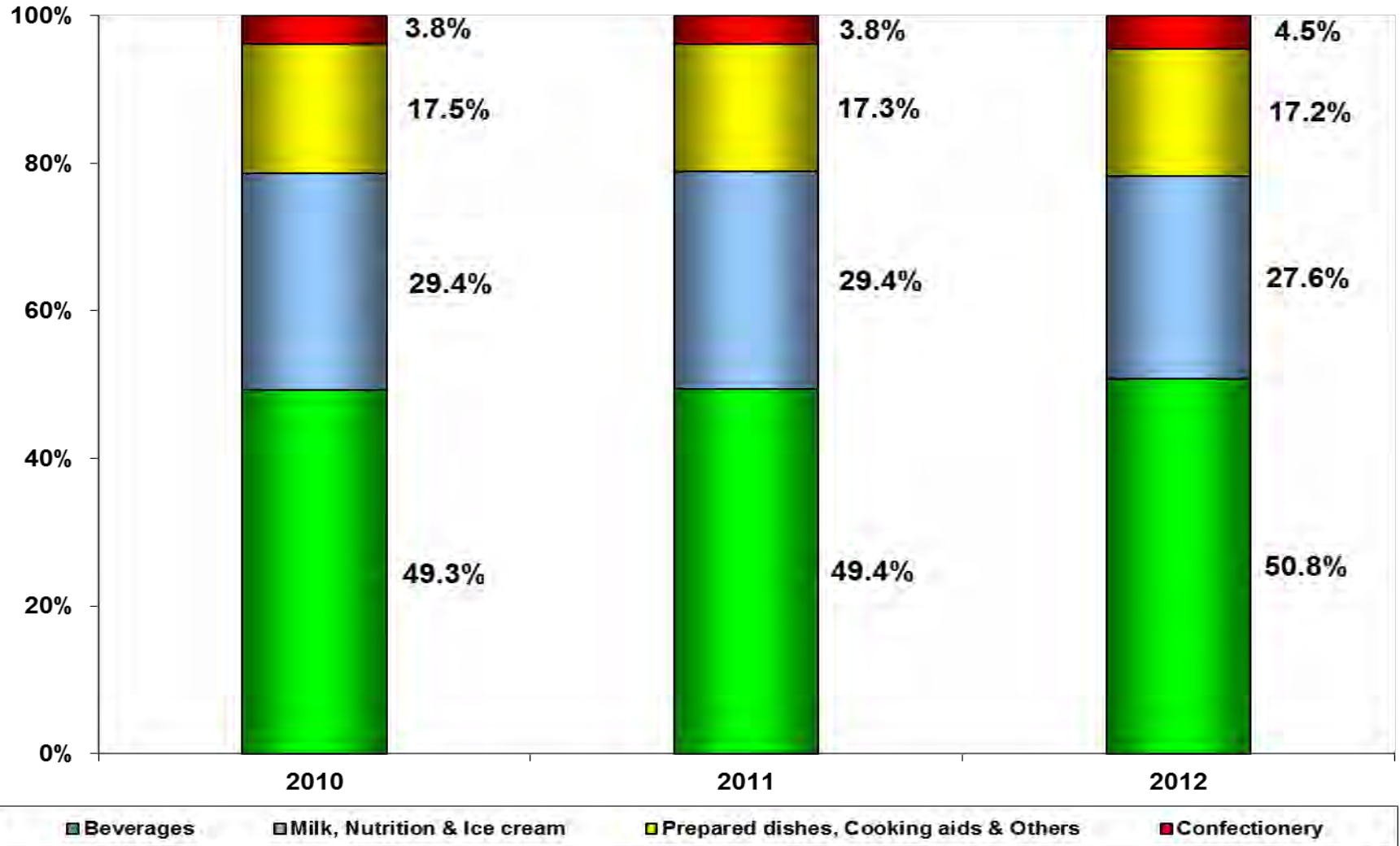


# Channel Sales



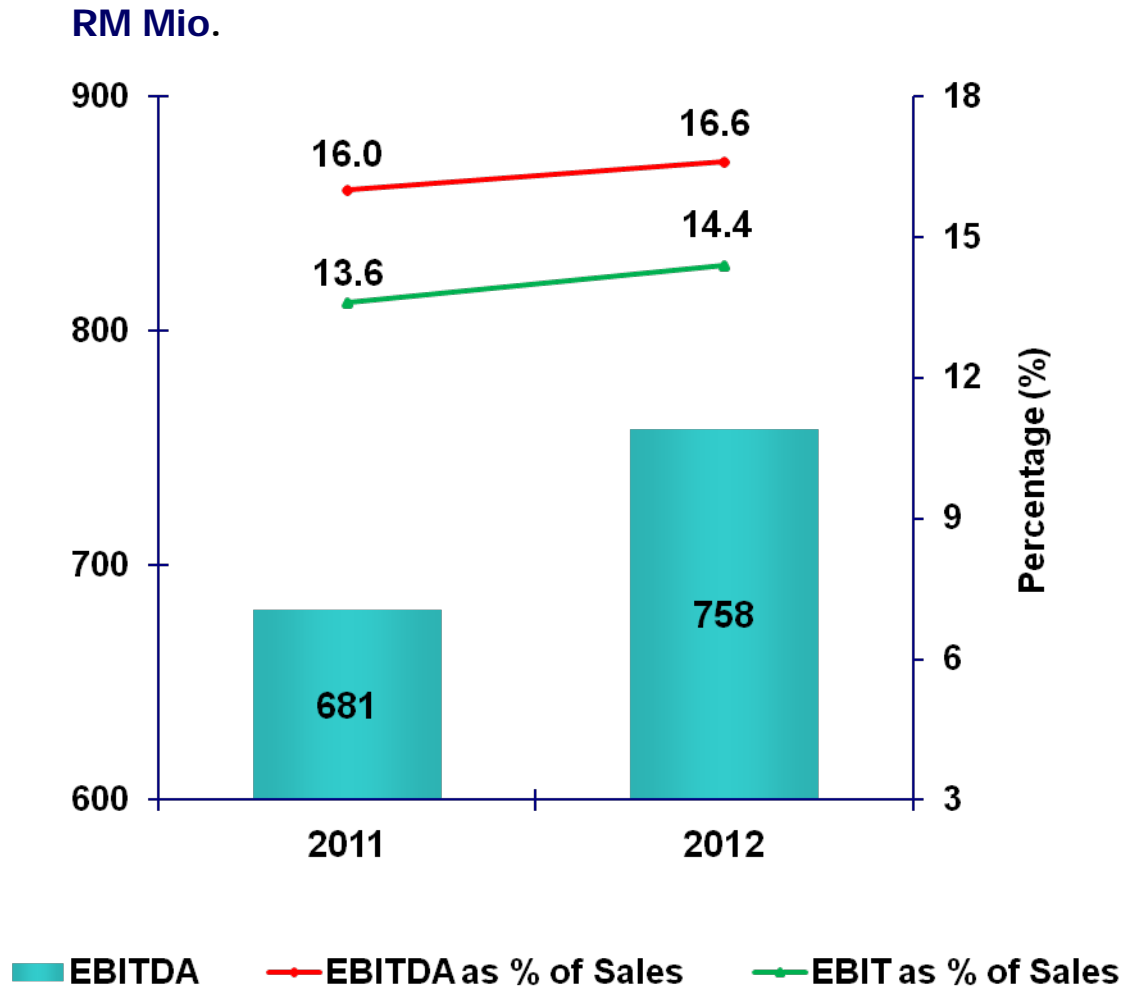


# Sales by Product Categories

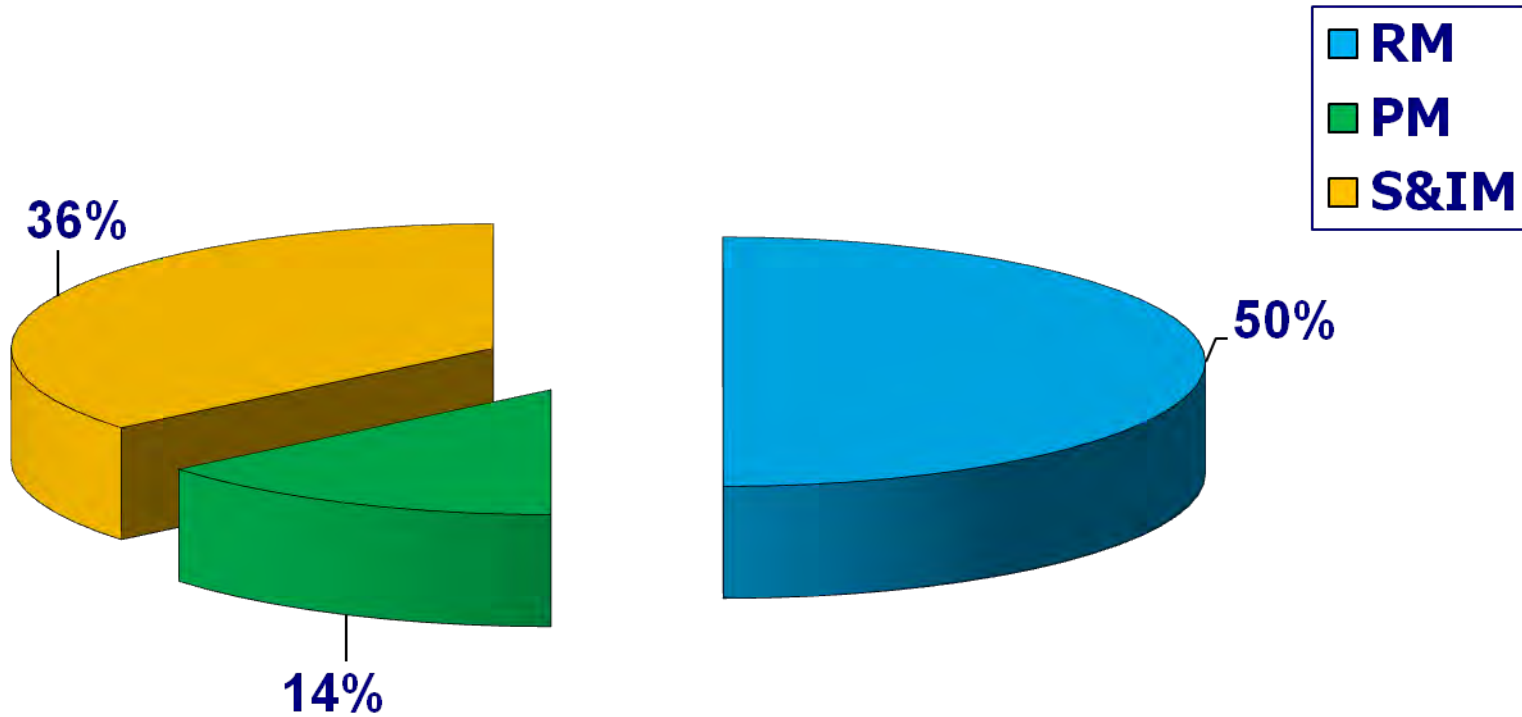


# EBITDA MARGIN

# Evolution of EBITDA

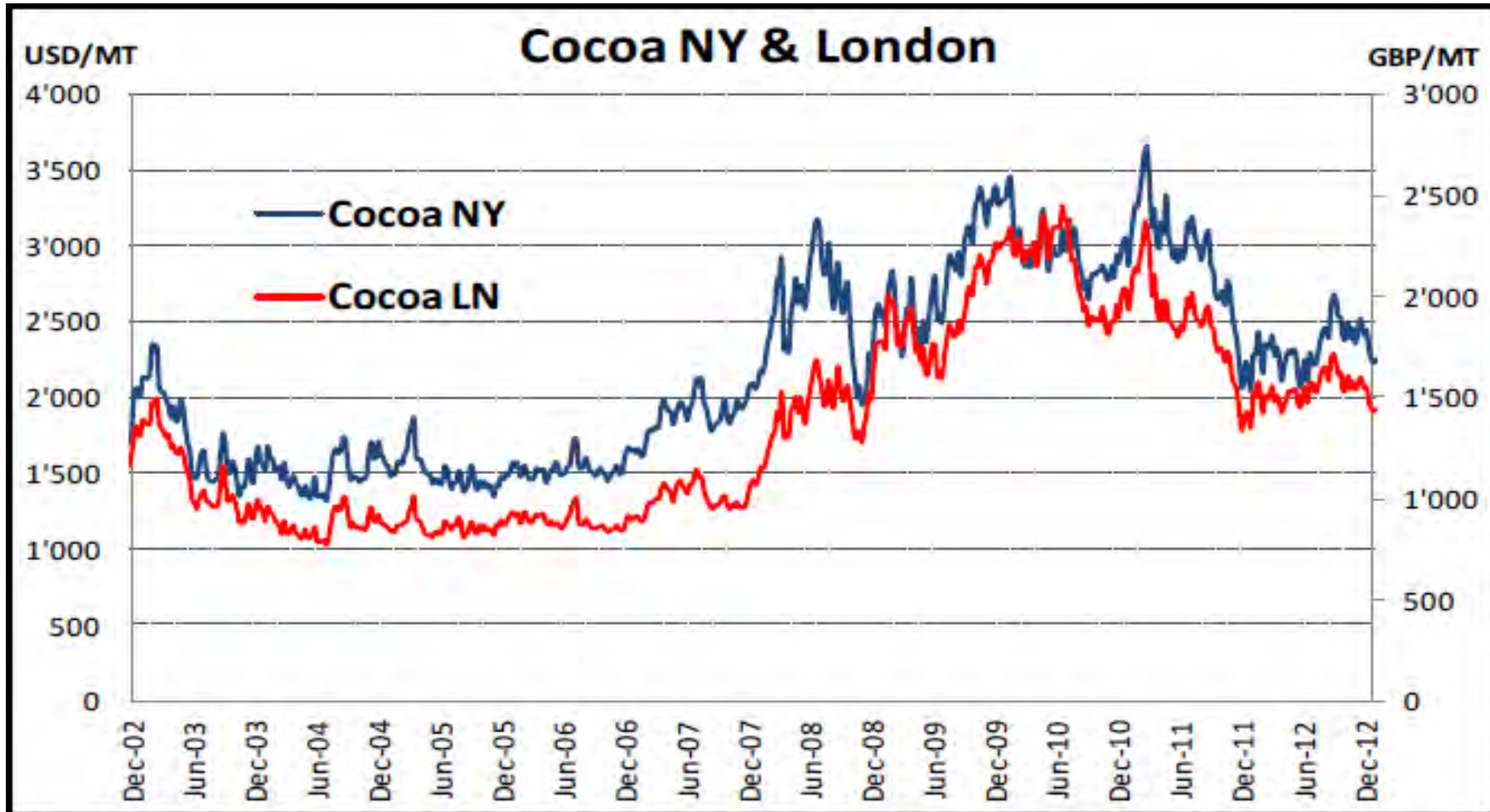


# Breakdown of Material & Services Consumed Jan '12 – Dec'12

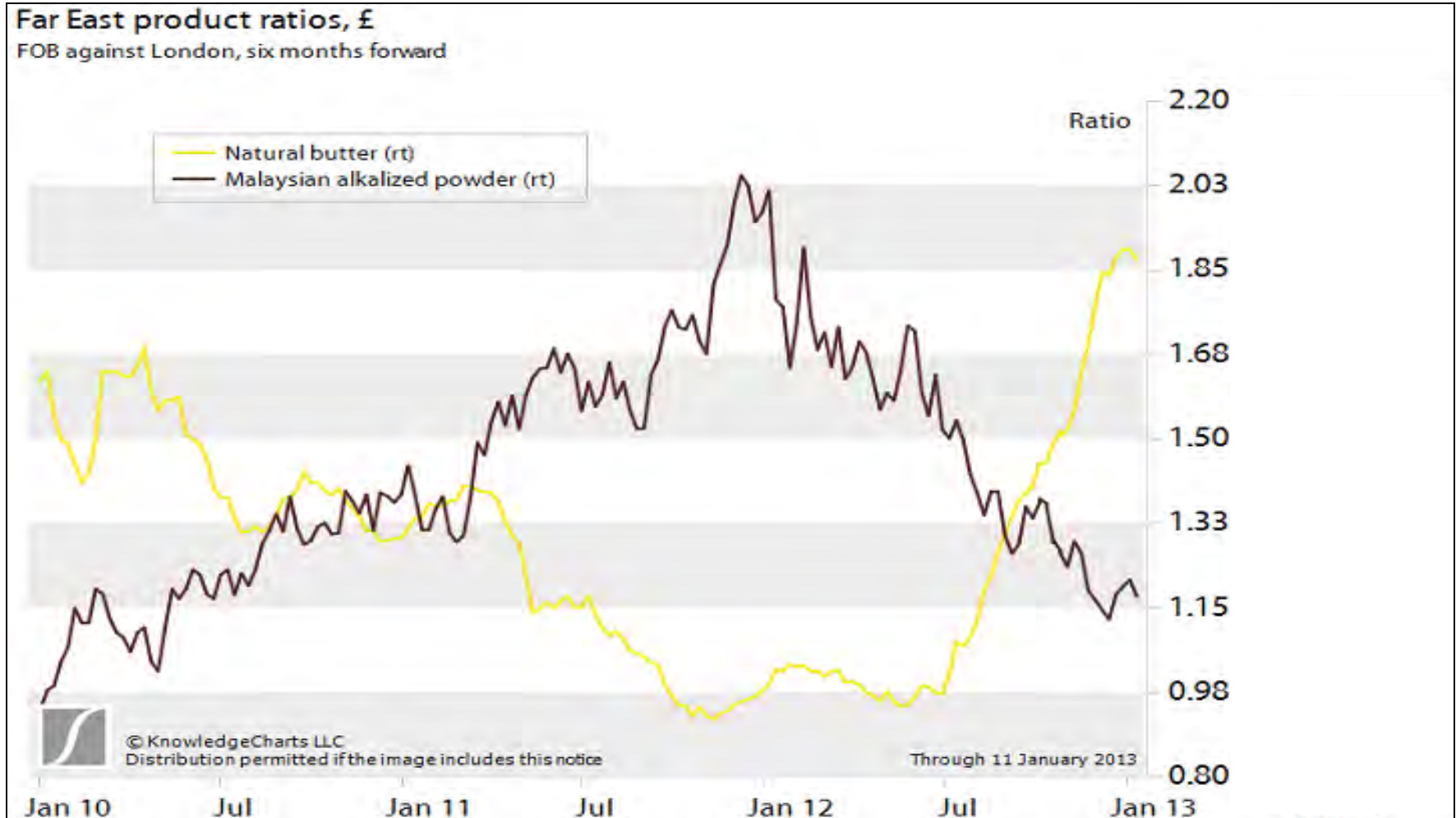


Total = RM 2.52 Bio.

# Cocoa Bean Price

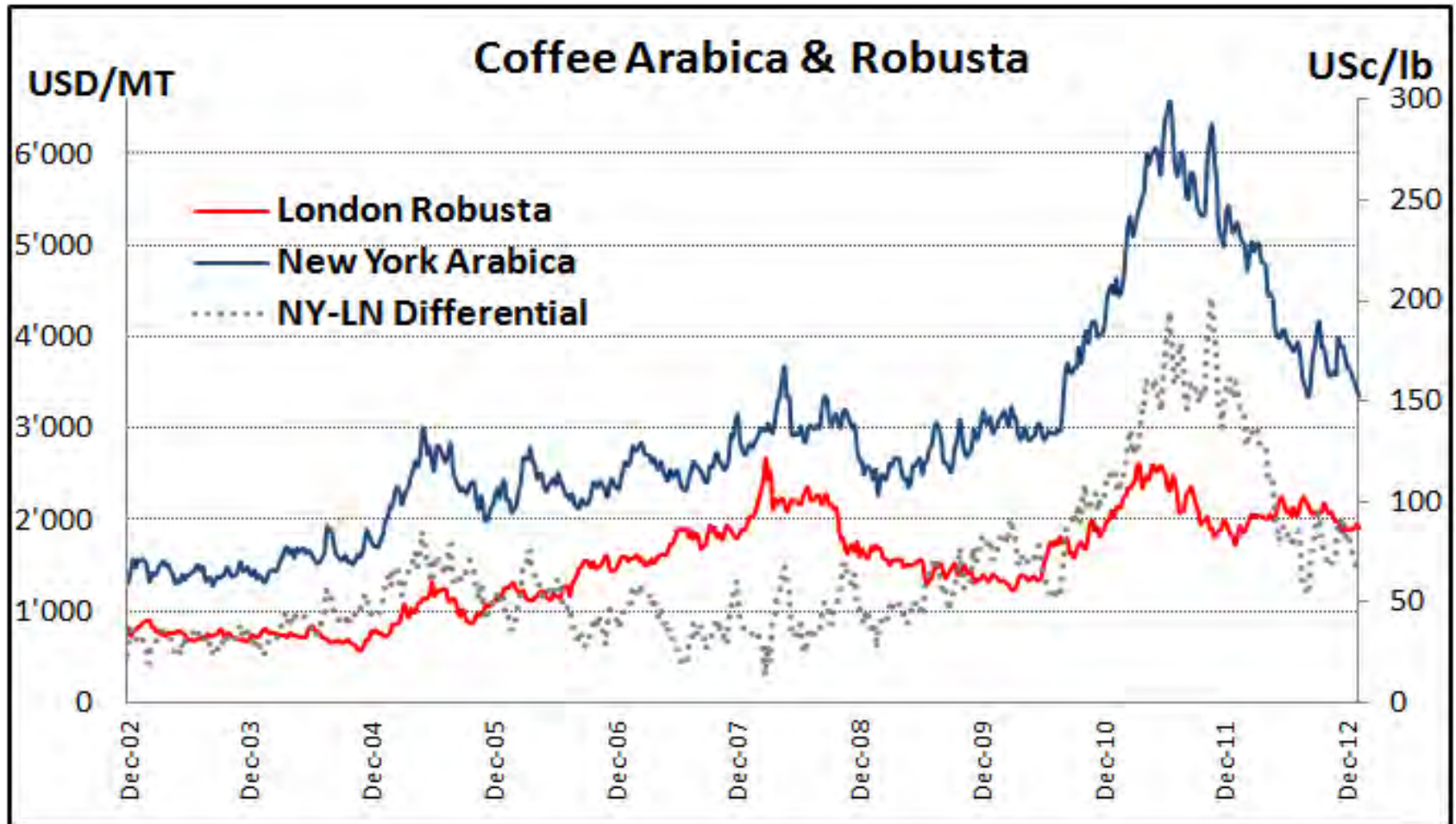


# Cocoa Powder Ratio

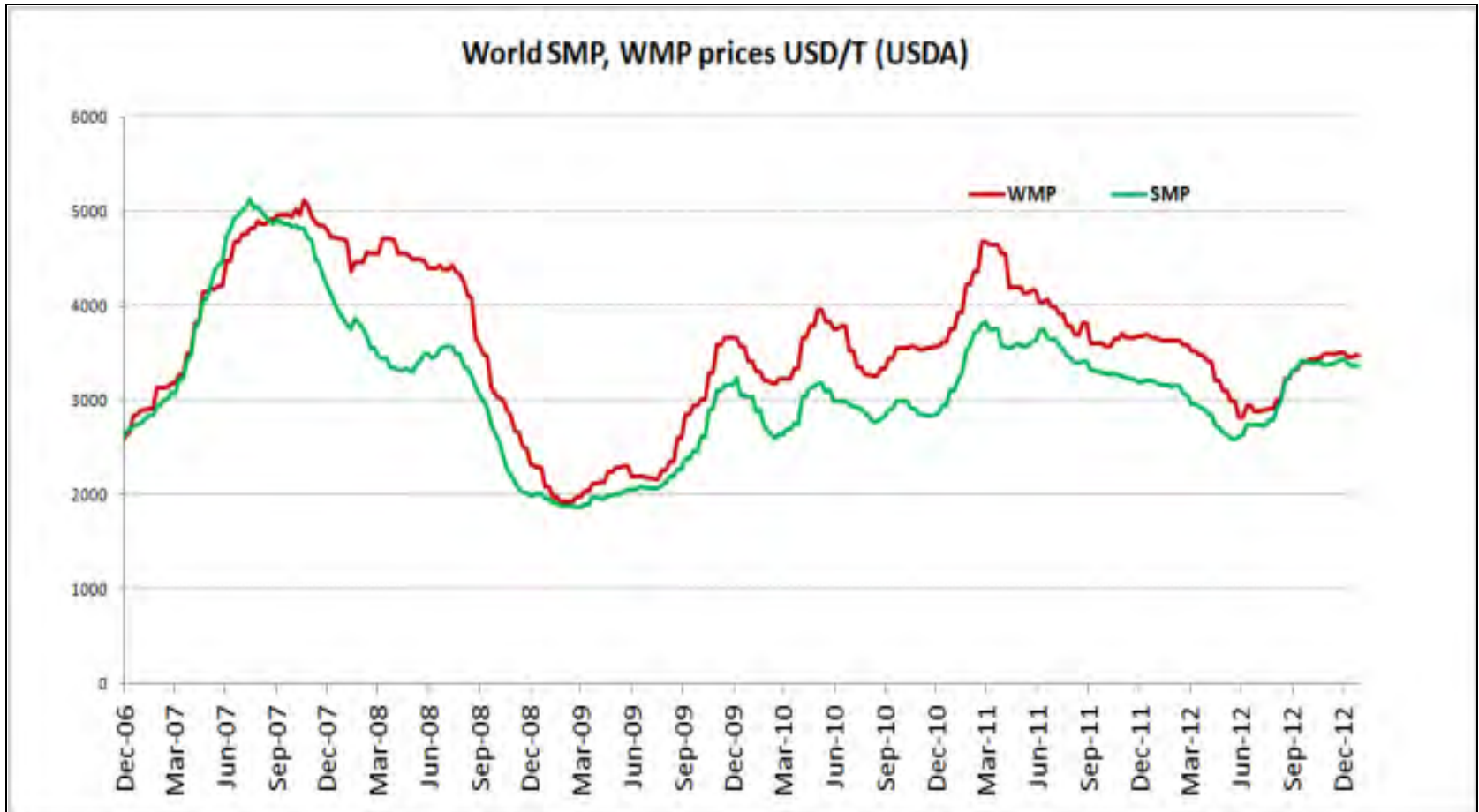




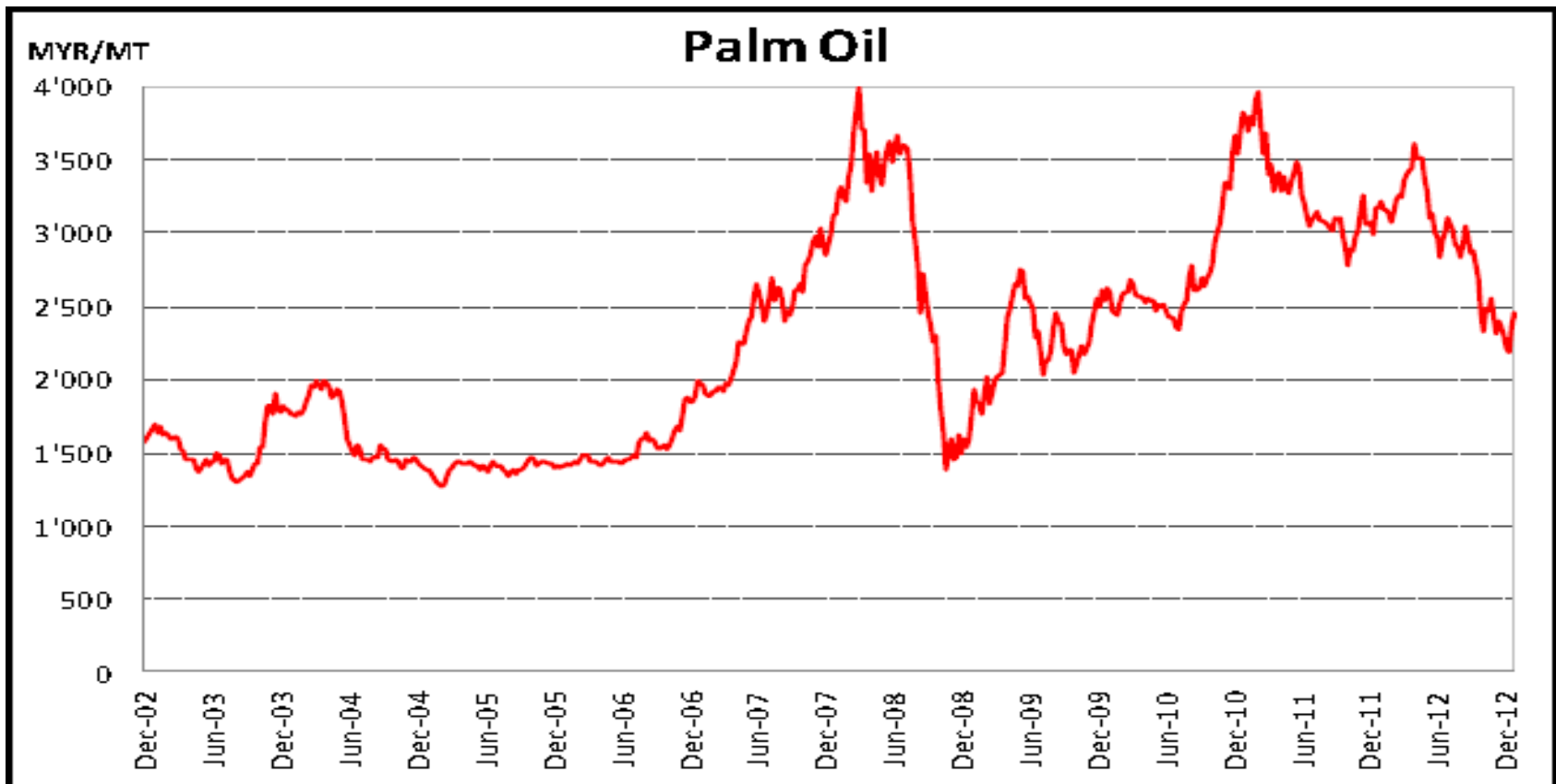
# Coffee bean



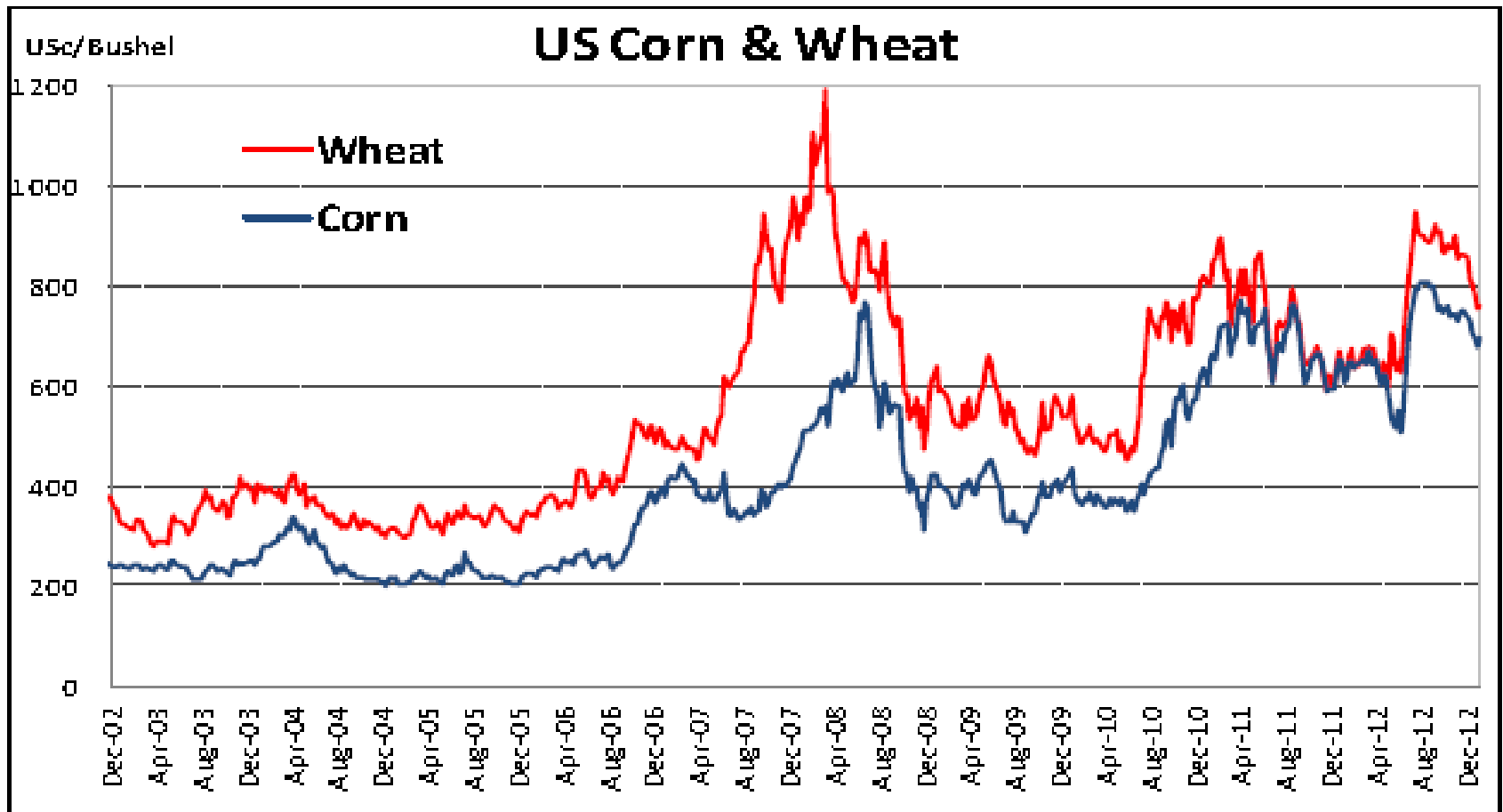
# Milk Solids



# Crude Palm Oil



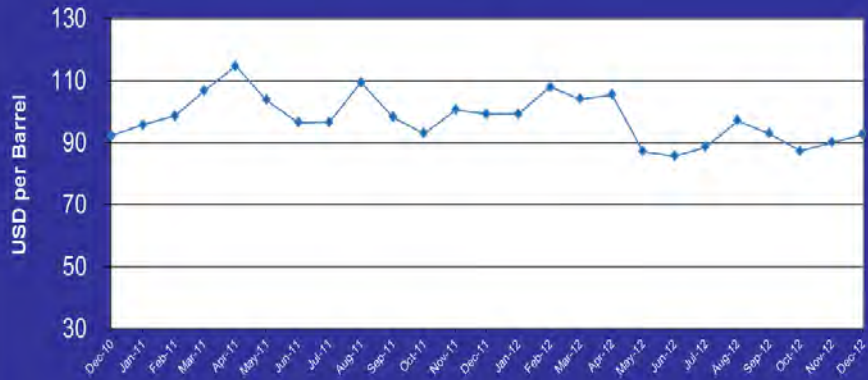
# Wheat



Above Graph is CBOT Wheat Futures (US cents/bushel)

# Major Commodities

## CRUDE OIL



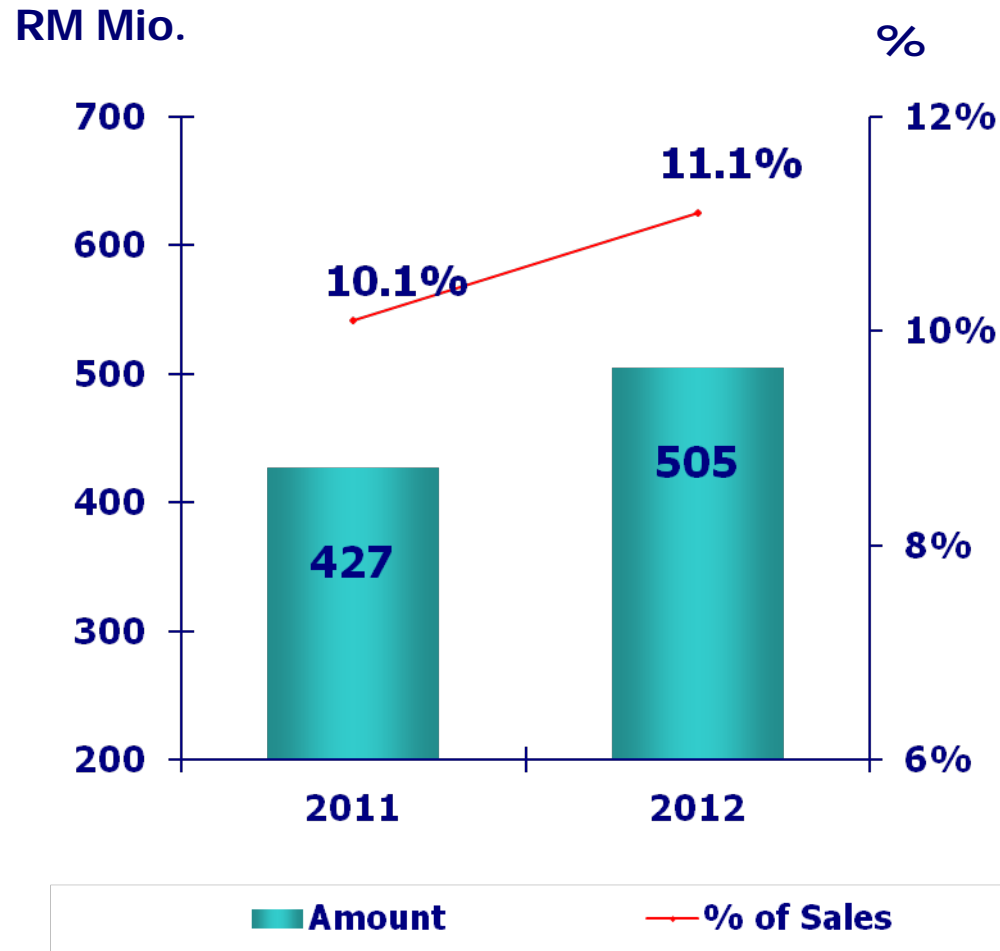
## SUGAR



# NET PROFIT MARGIN



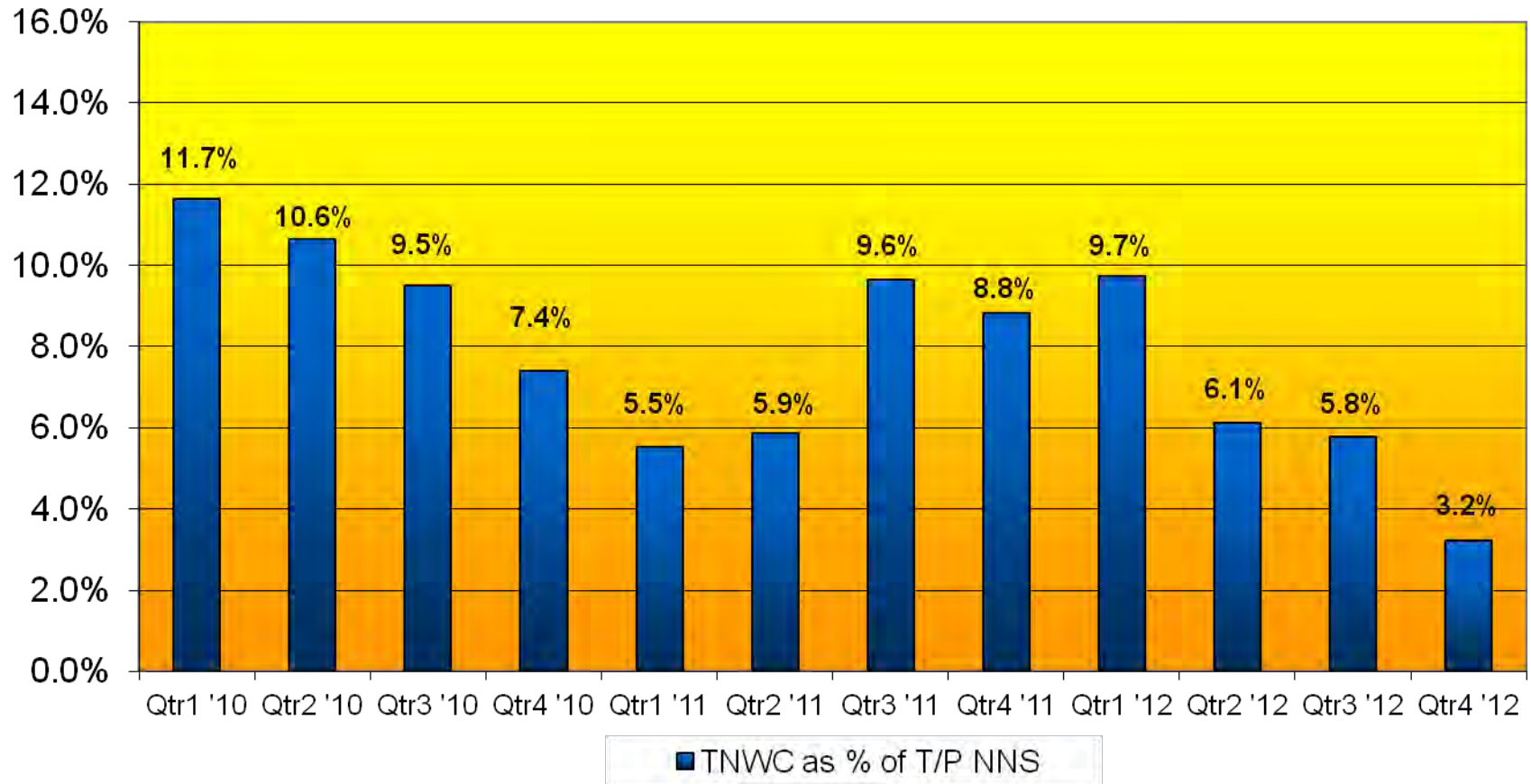
# Evolution of Net Profit Margins



# Key Figures

NESTLÉ MALAYSIA BERHAD FY 2012 KEY FIGURES			
<i>Amounts in RM mio</i>	2012	2011	% Change
Sales	4,556	4,247	7.3
Domestic	3,394	3,094	9.7
Export	1,162	1,153	0.8
Operating Profit/(Loss)	657	579	13.4
<i>% of Sales</i>	14.4	13.6	
Net Profit	505	427	18.3
<i>% of Sales</i>	11.1	10.1	
Operating Expenses	896	805	11.4
Current Assets	841	1,015	(17.2)
Inventories	411	518	(20.6)
<i>Days</i>	14	18	
Trade Receivable	165	205	(19.8)
<i>Days</i>	14	21	
Capital Expenditure	158	93	70.3

# MY Trade Net Working Capital (Individual Qtr position)



# Free Cash Flow FY 2012

	<u>MYR(Mio)</u>
➤ <b>Cash flow from operating activities</b>	<b>738</b>
➤ <b>(Less)/Add</b>	
➔ Decrease in working capital	180
➔ Income tax & others	(107)
➔ Capital investment	(158)
<b>Total impact</b>	<b><u>(85)</u></b>
➤ <b>Free Cash Flow FY 2012</b>	<b><u>653</u></b>
➤ <b>Free Cash Flow FY 2011</b>	<b><u>470</u></b>

# QUESTIONS



*Thank You*