

Nestlé Malaysia Bhd

First Quarter Results 2014

Financial Analysts' Briefing 18th April 2014





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



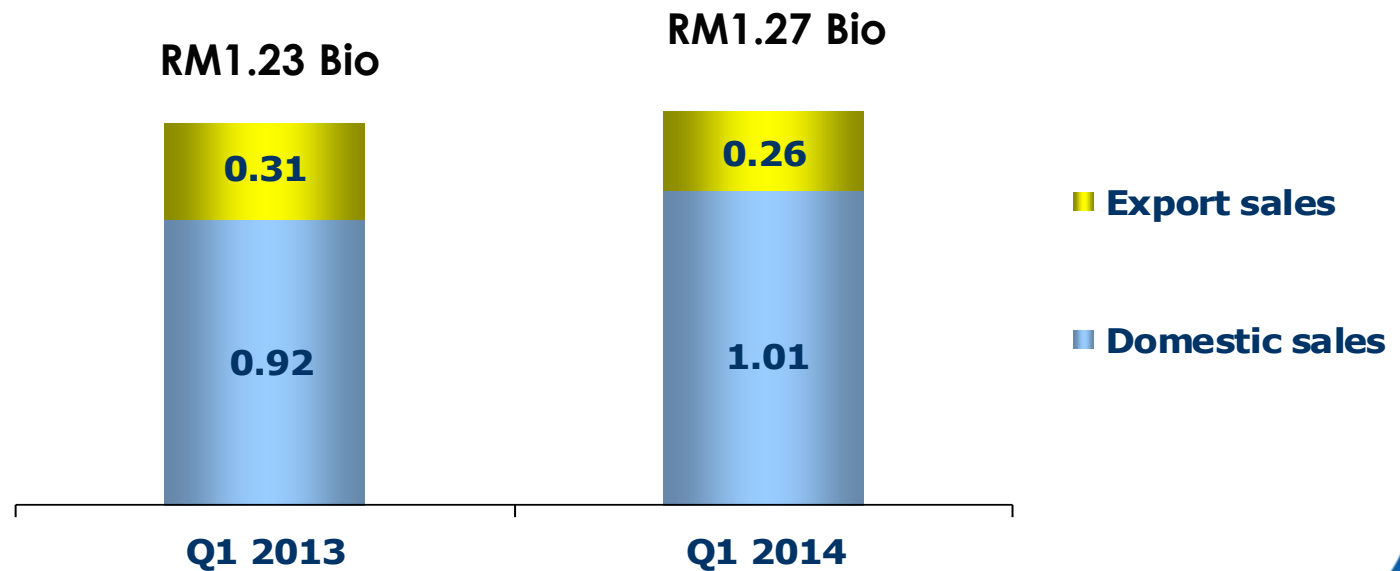
VALUE DRIVERS

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

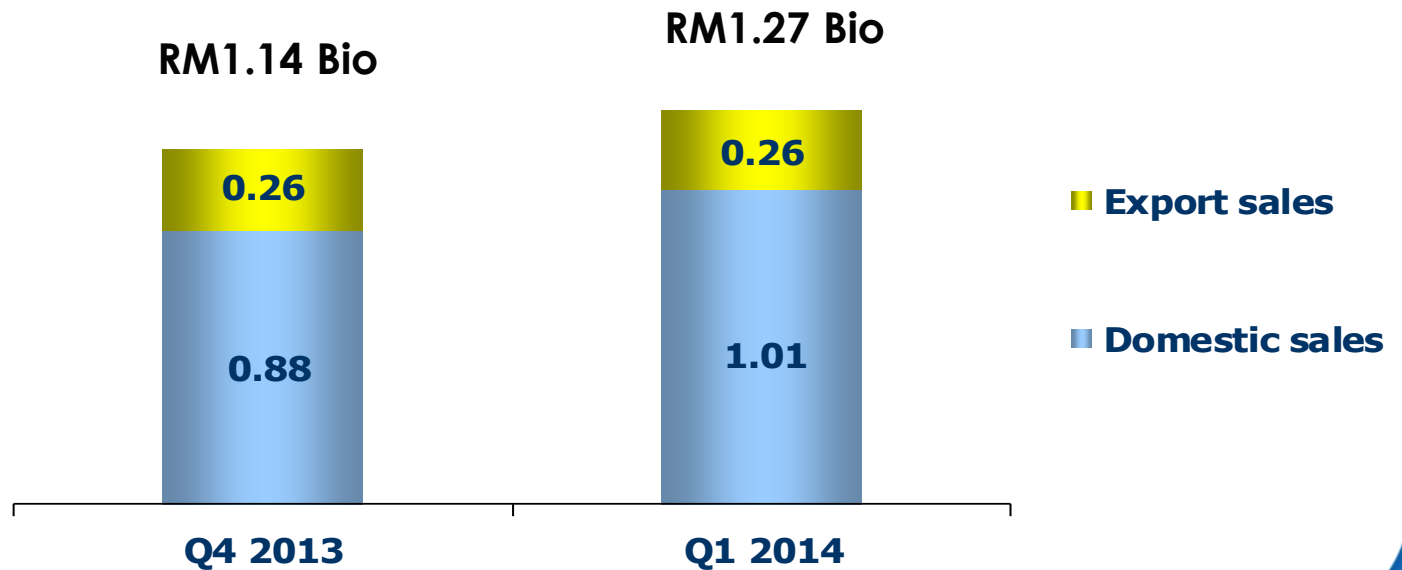
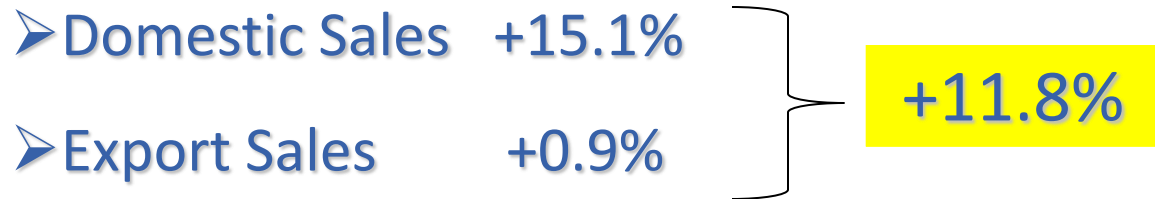
Sales Evolution

Q1 2014 vs Q1 2013

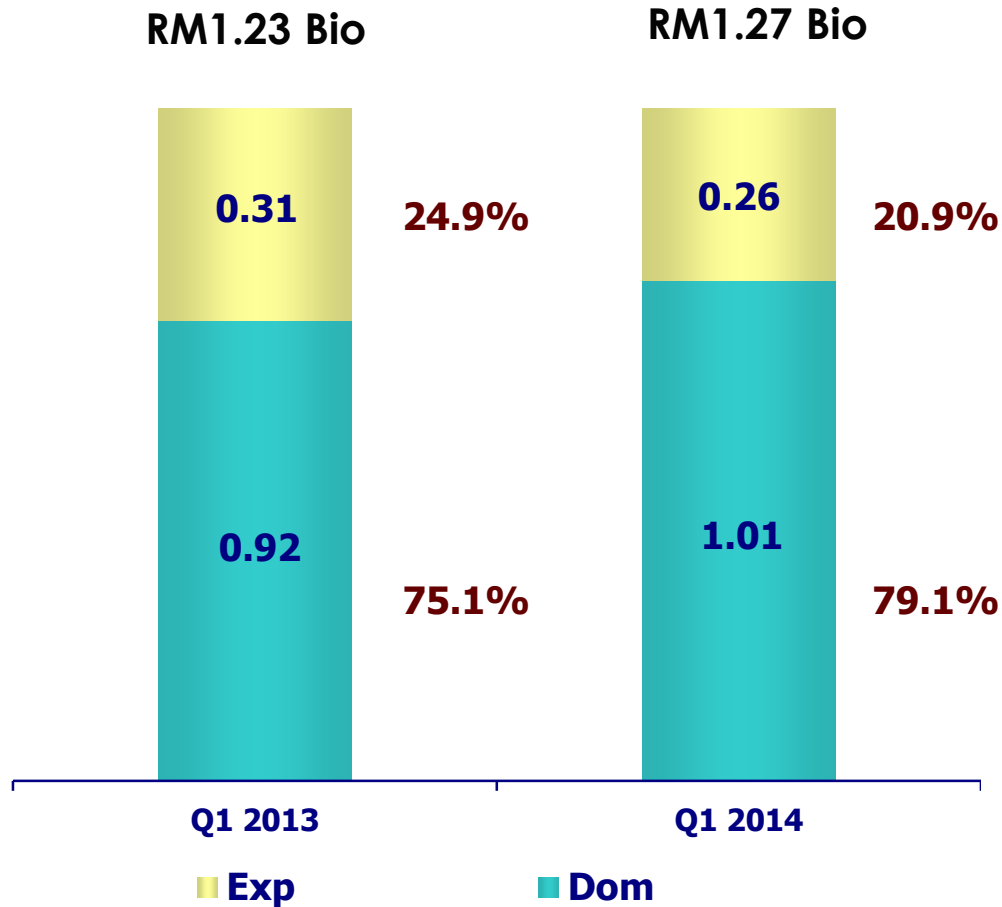


Sales Evolution

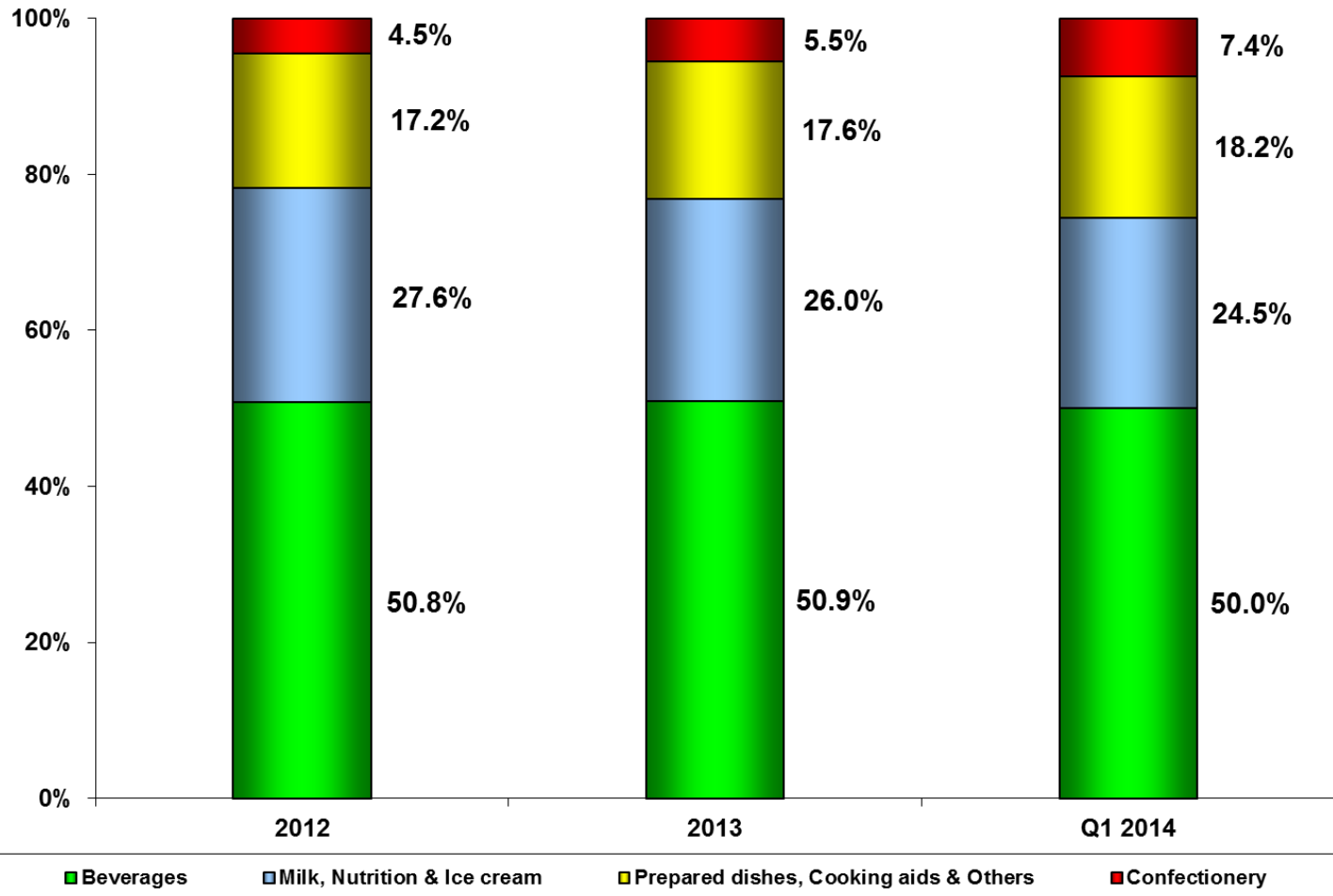
Q1 2014 vs Q4 2013



Channel Sales



Sales by Product Categories



List of New Products

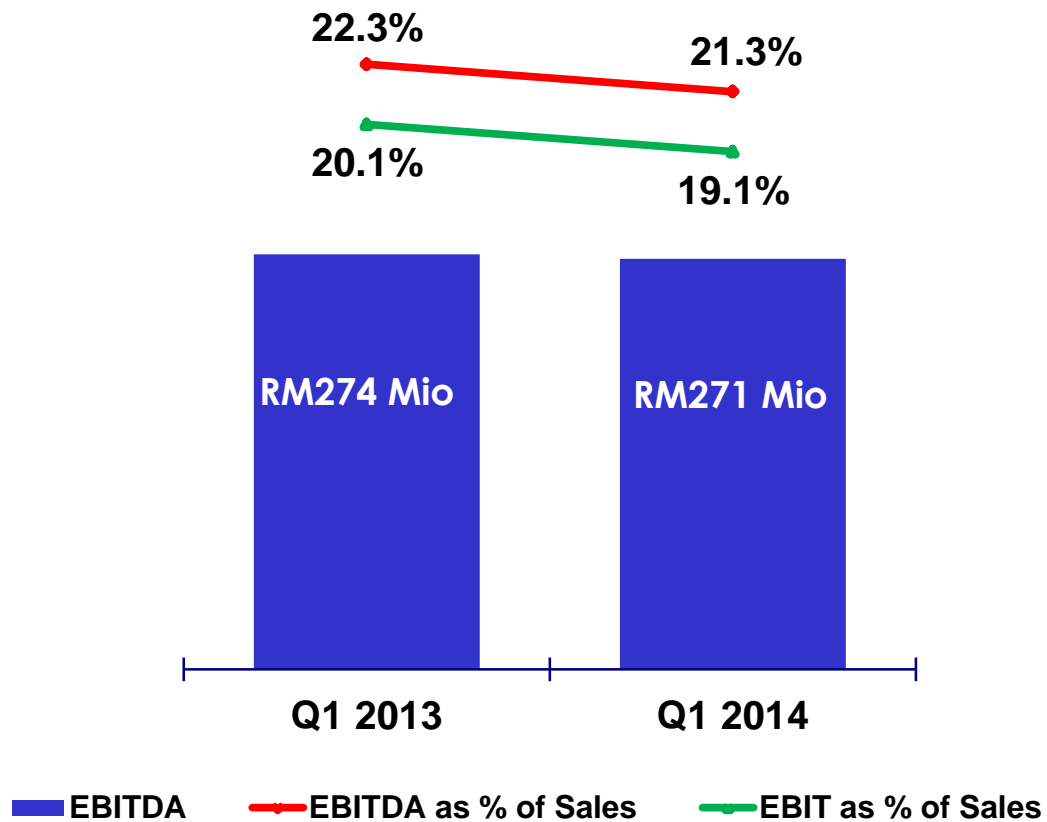
Q1'14

Products	
Ice Cream Goreng Chocolate	Jan'14
Ice Cream Goreng Vanilla	Jan'14
MAT KOOL Popz	Jan'14
Nestle Dolce Gusto Espresso Intenso	Jan'14
Nestle Dolce Gusto Milo	Mar'14

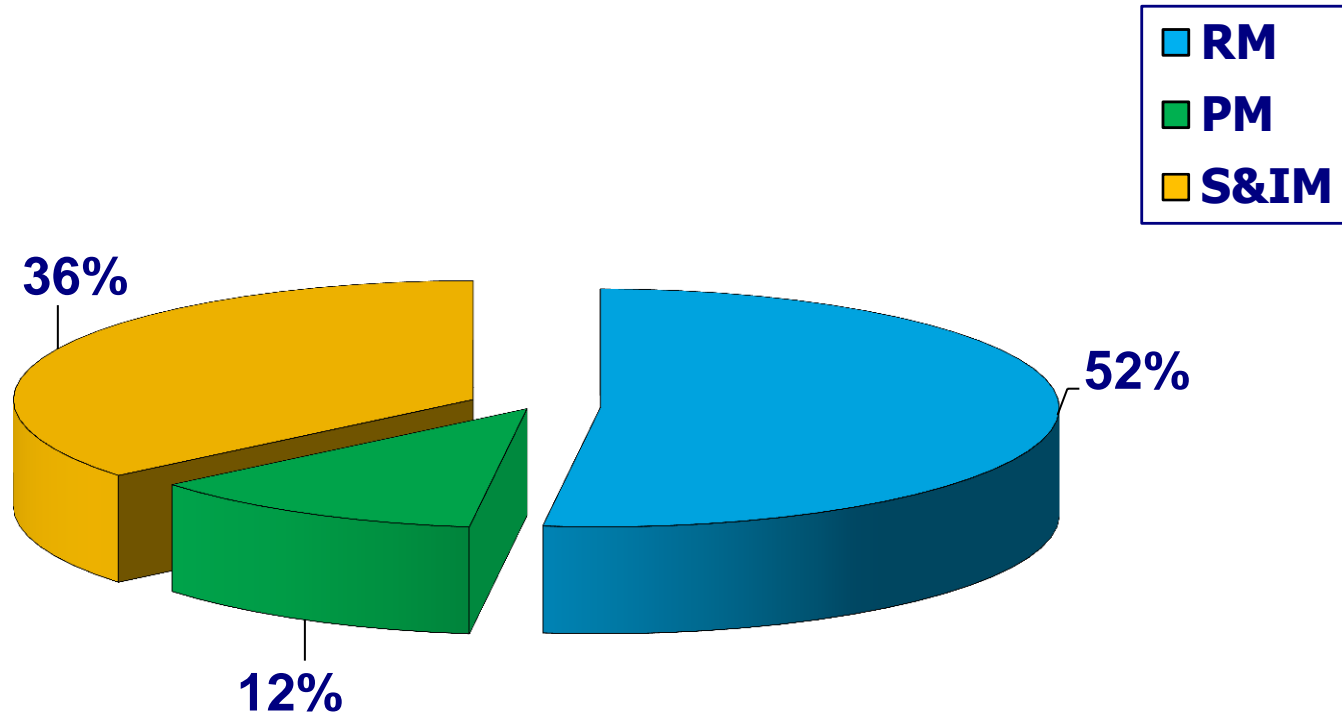


EBITDA MARGIN

Evolution of EBITDA



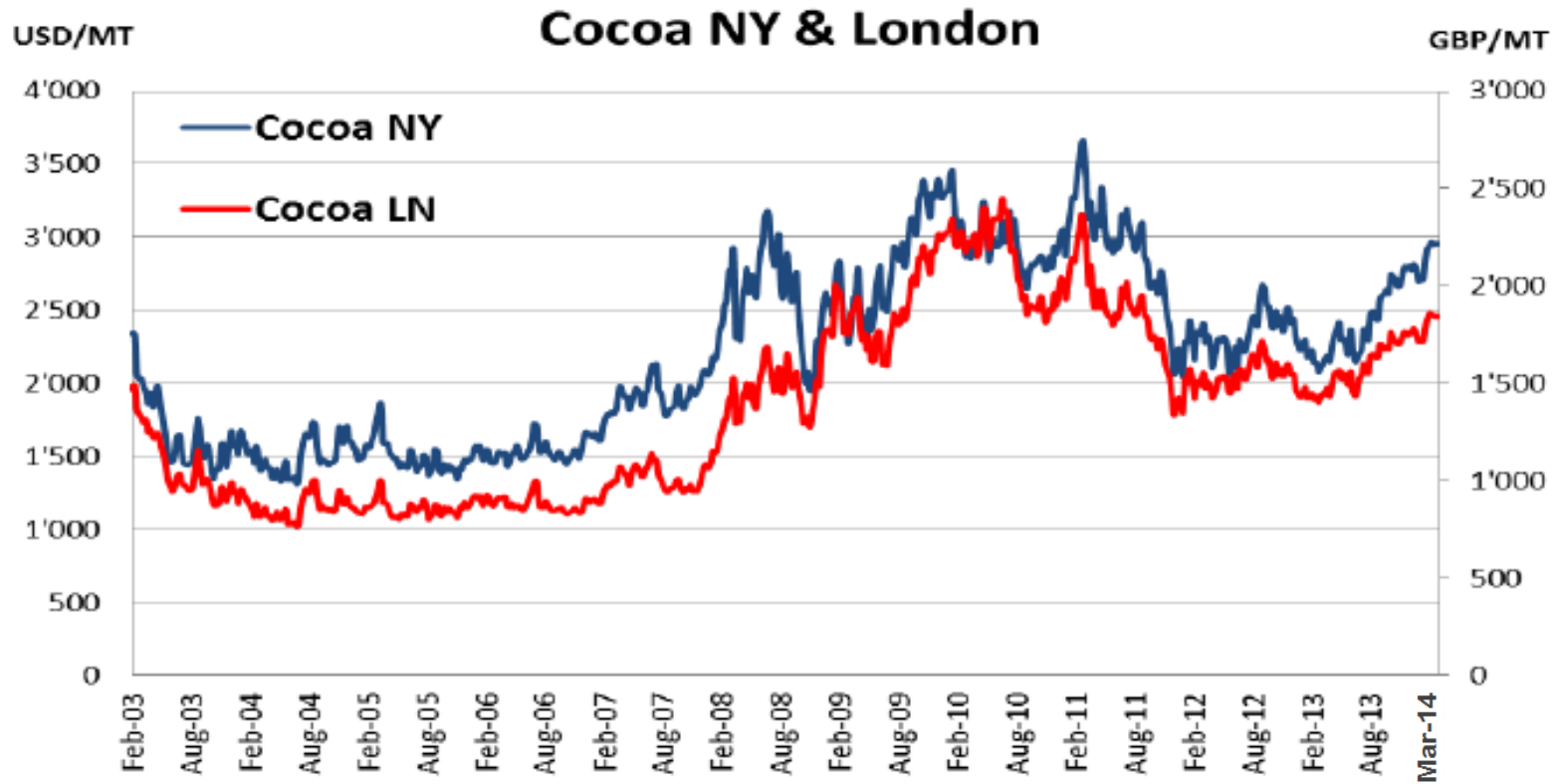
Breakdown of Material & Services Consumed Jan '14 – Mar'14



Total = RM 0.69 Bio.

COMMODITY UPDATES

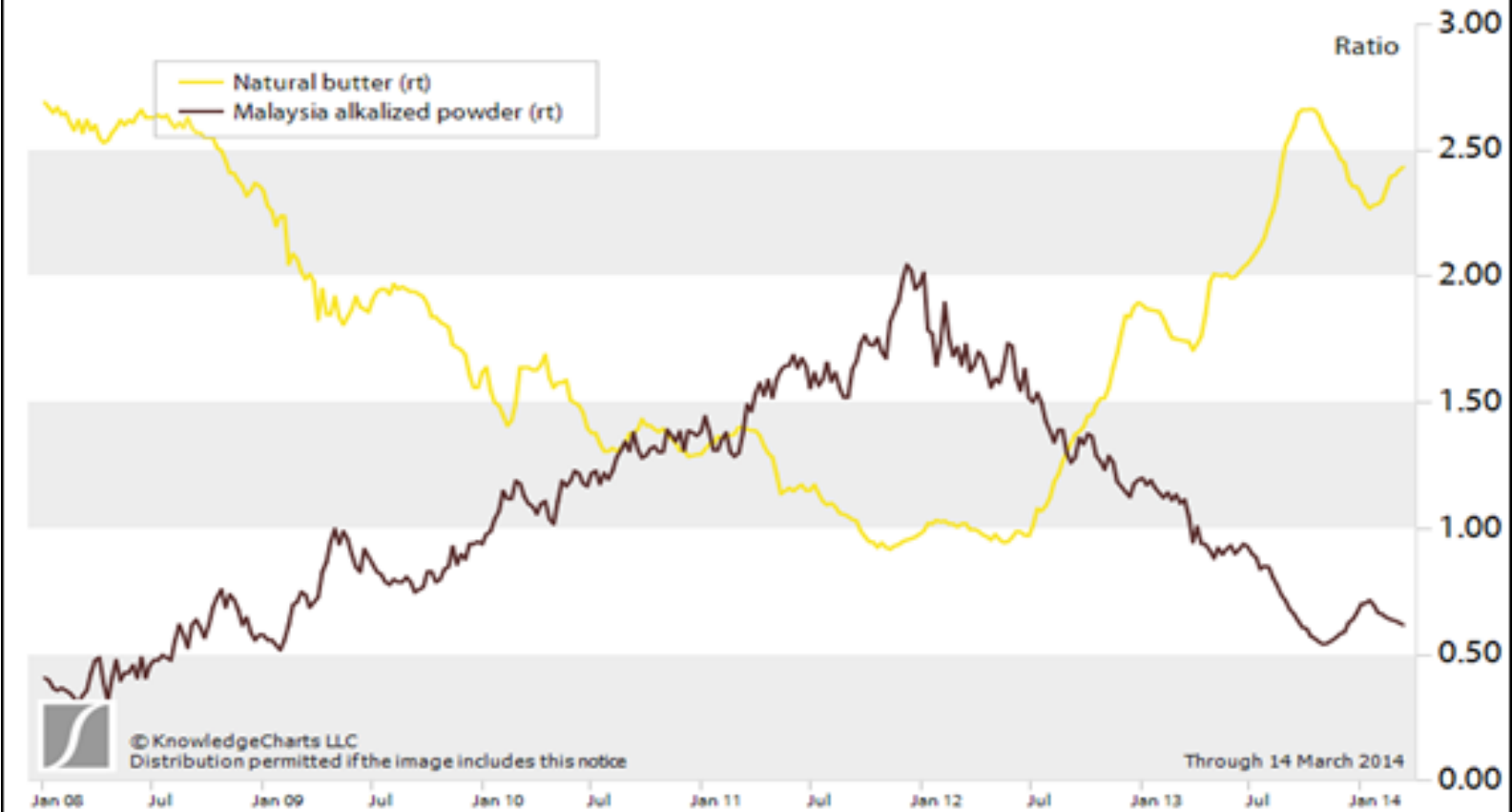
Cocoa Bean



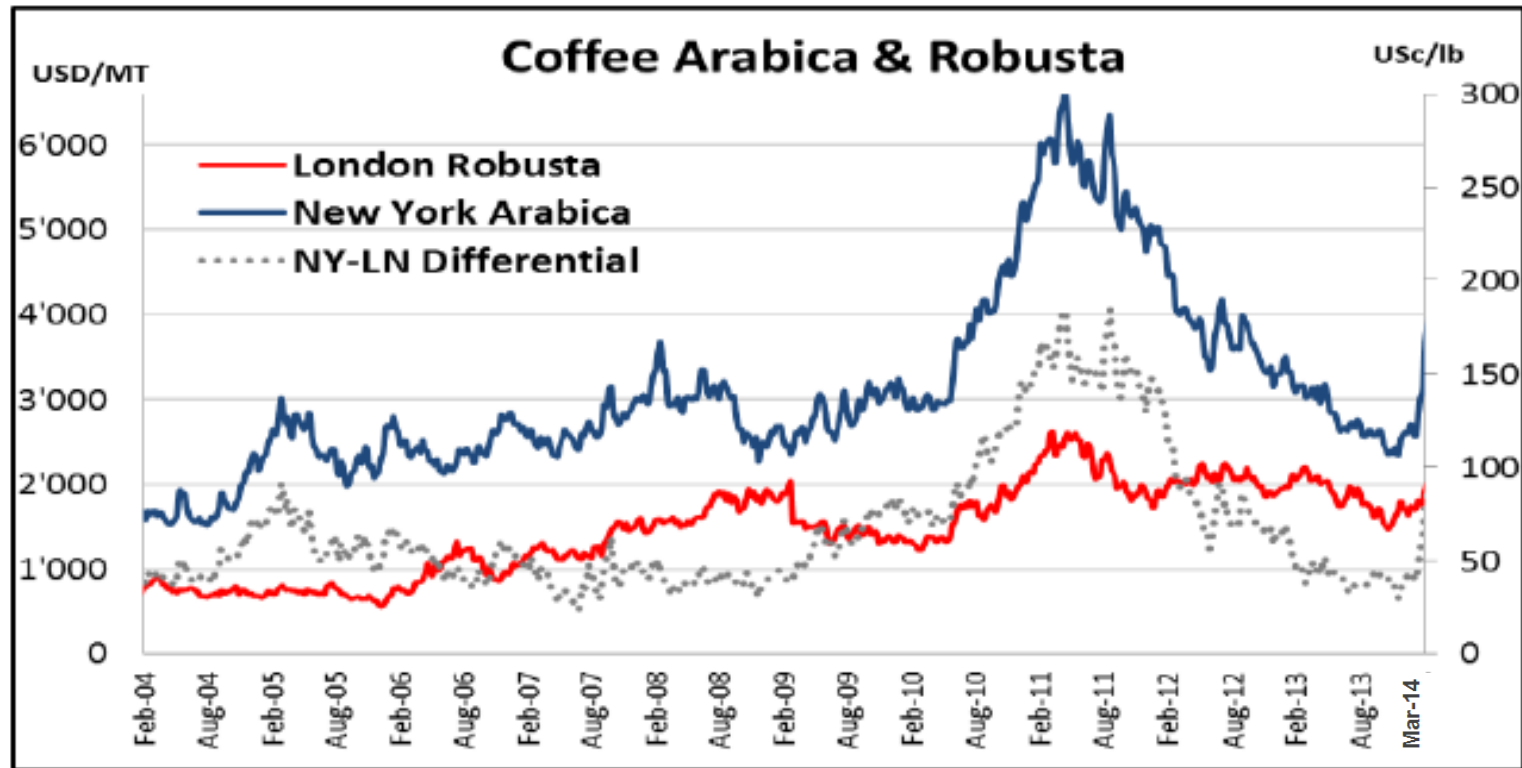
Cocoa Powder Ratio

Far East product ratios, £

FOB against London, six months forward

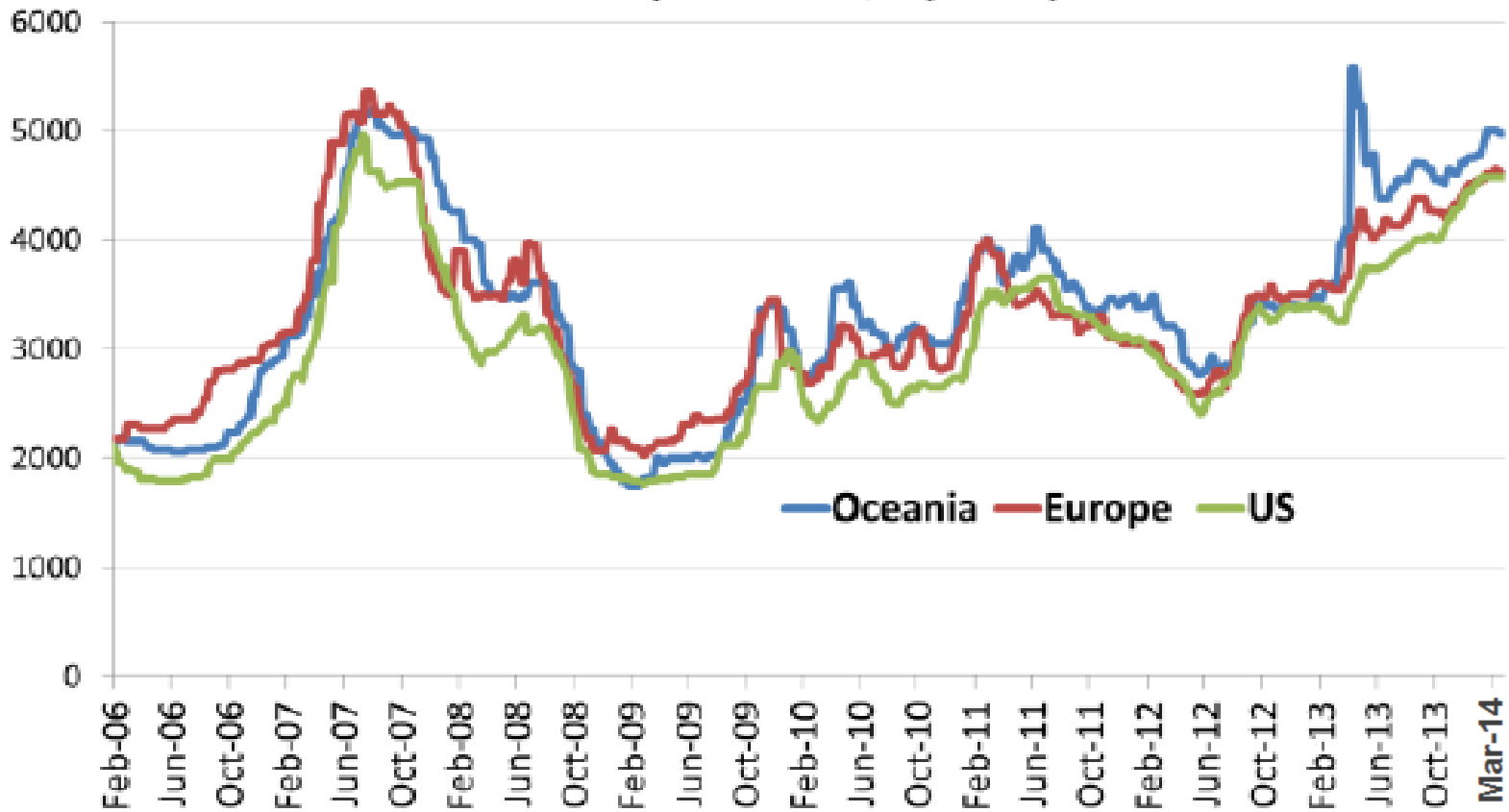


Coffee bean

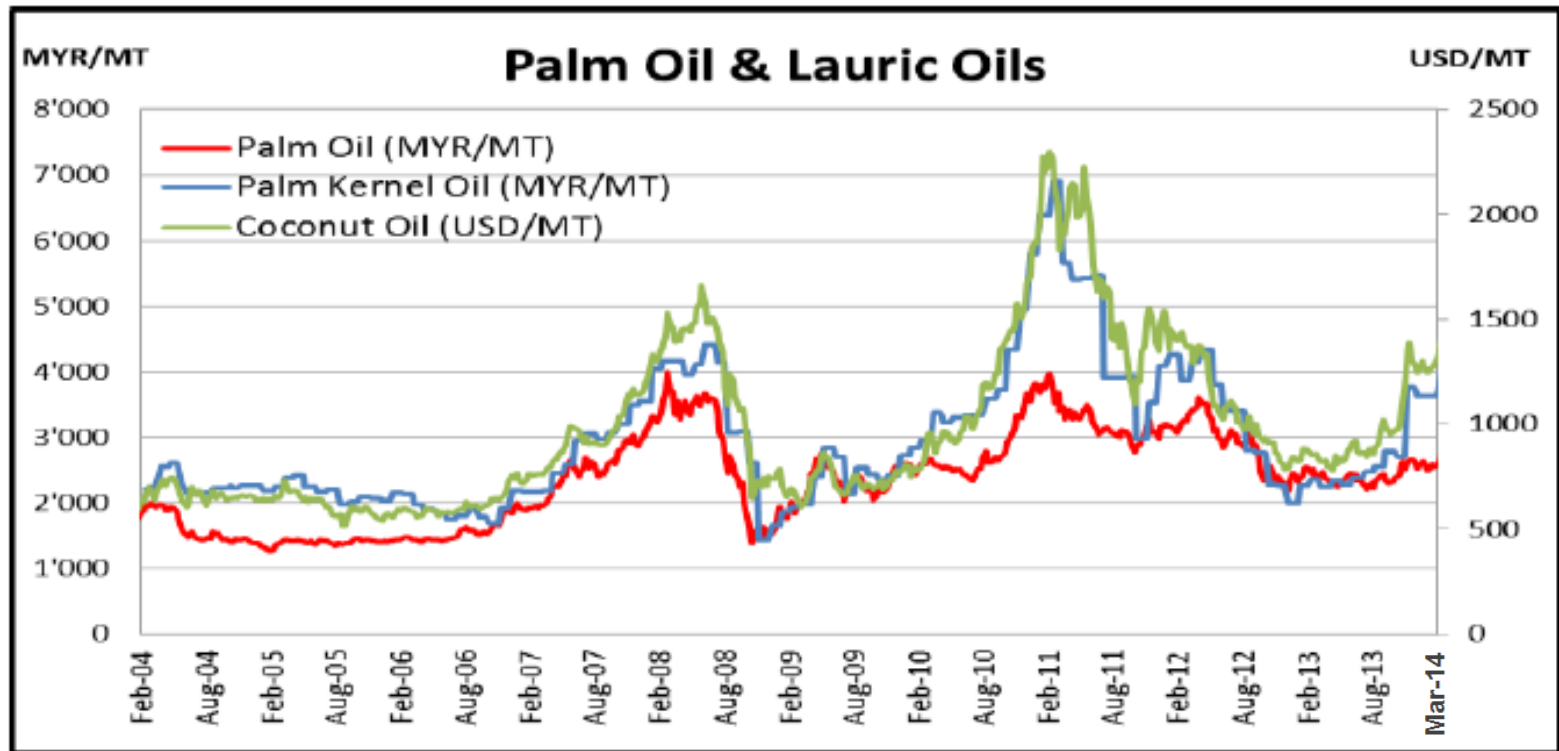


Milk Solids

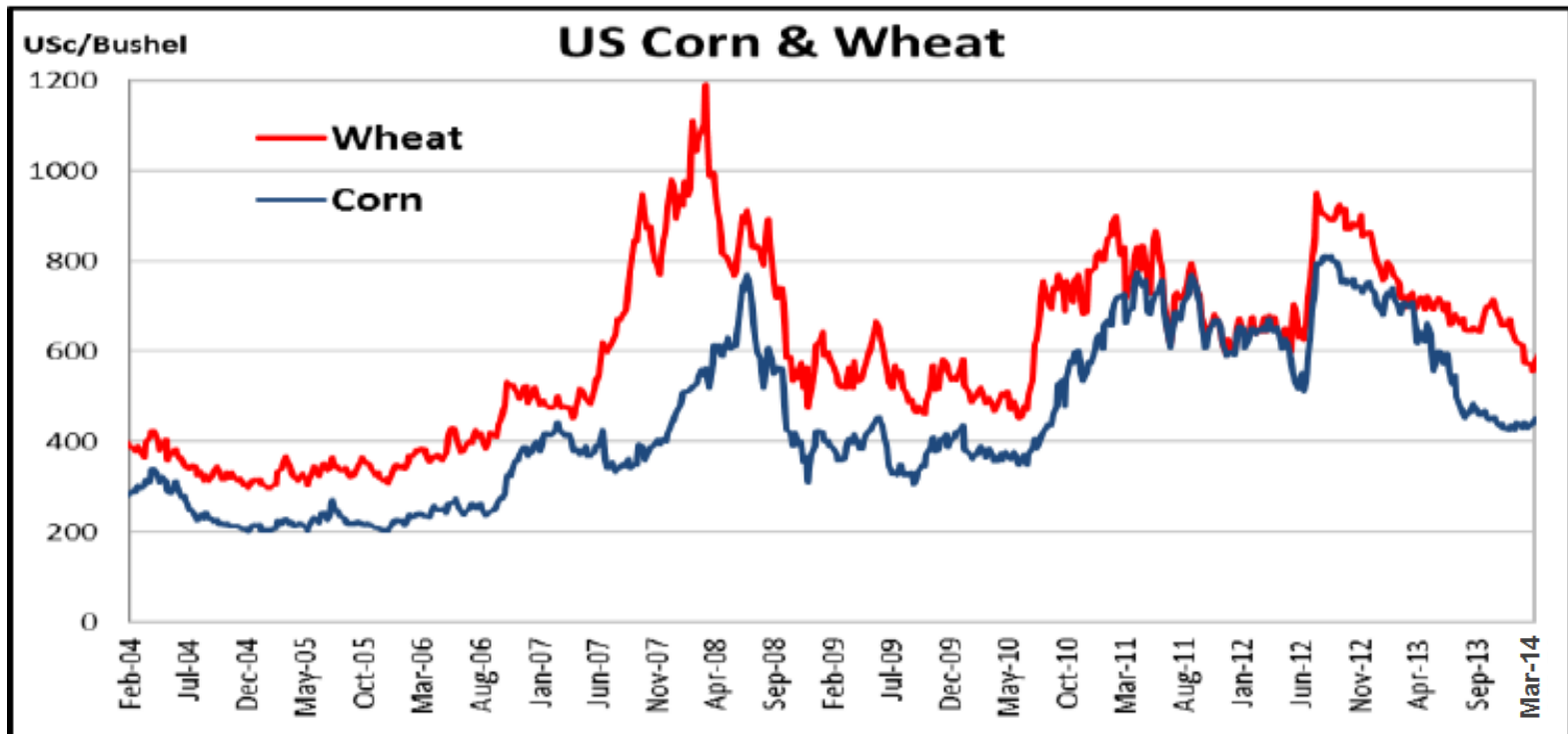
SMP prices USD/T (USDA)



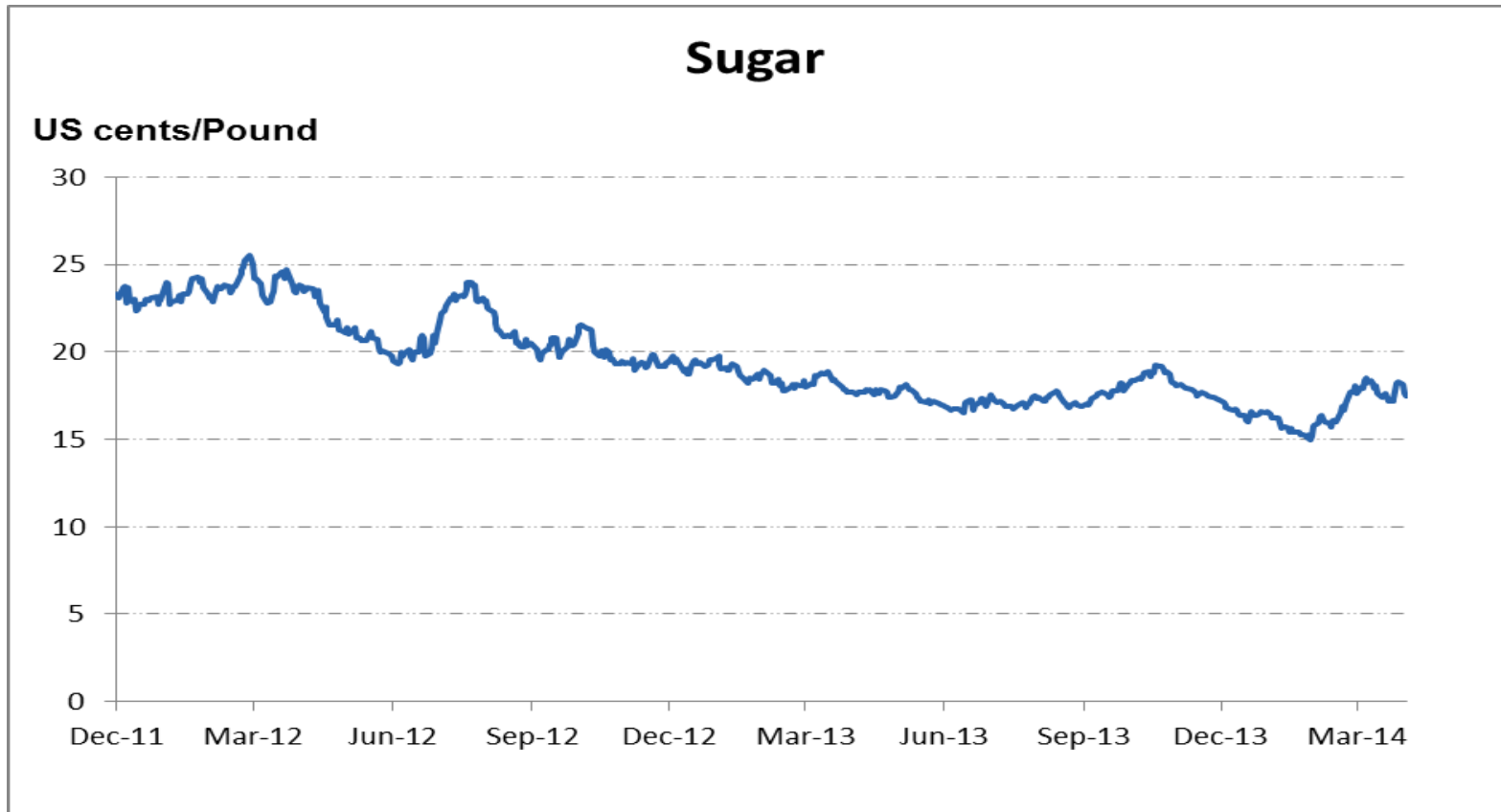
Crude Palm Oil



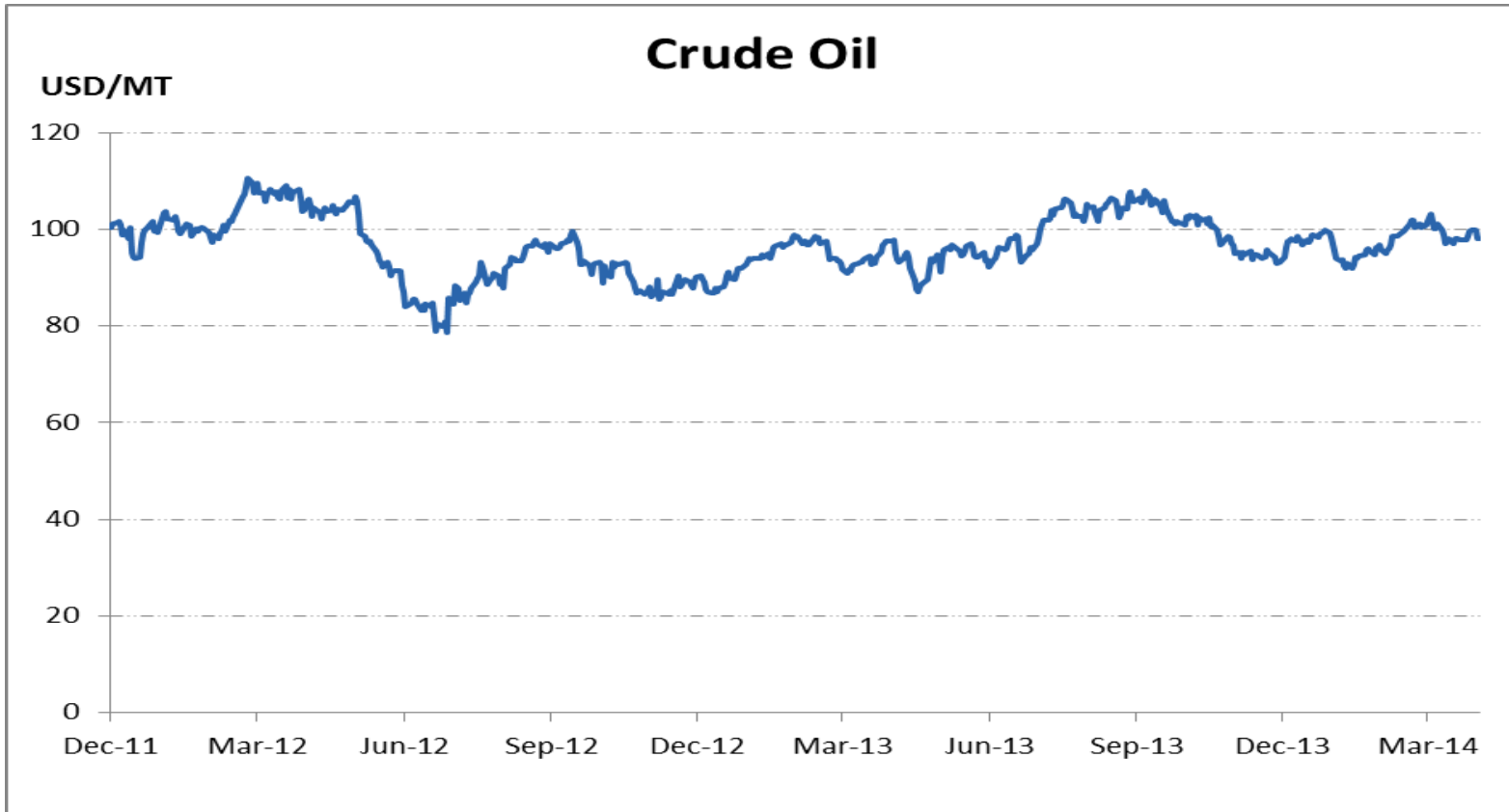
Wheat



Sugar

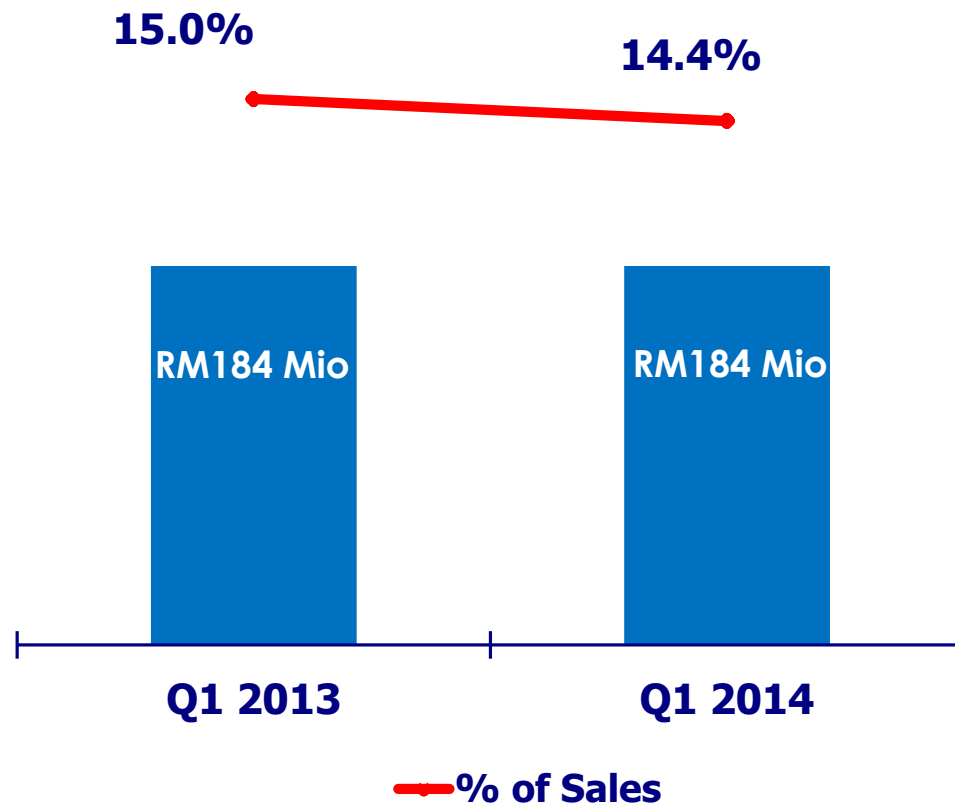


Crude Oil



NET PROFIT MARGIN

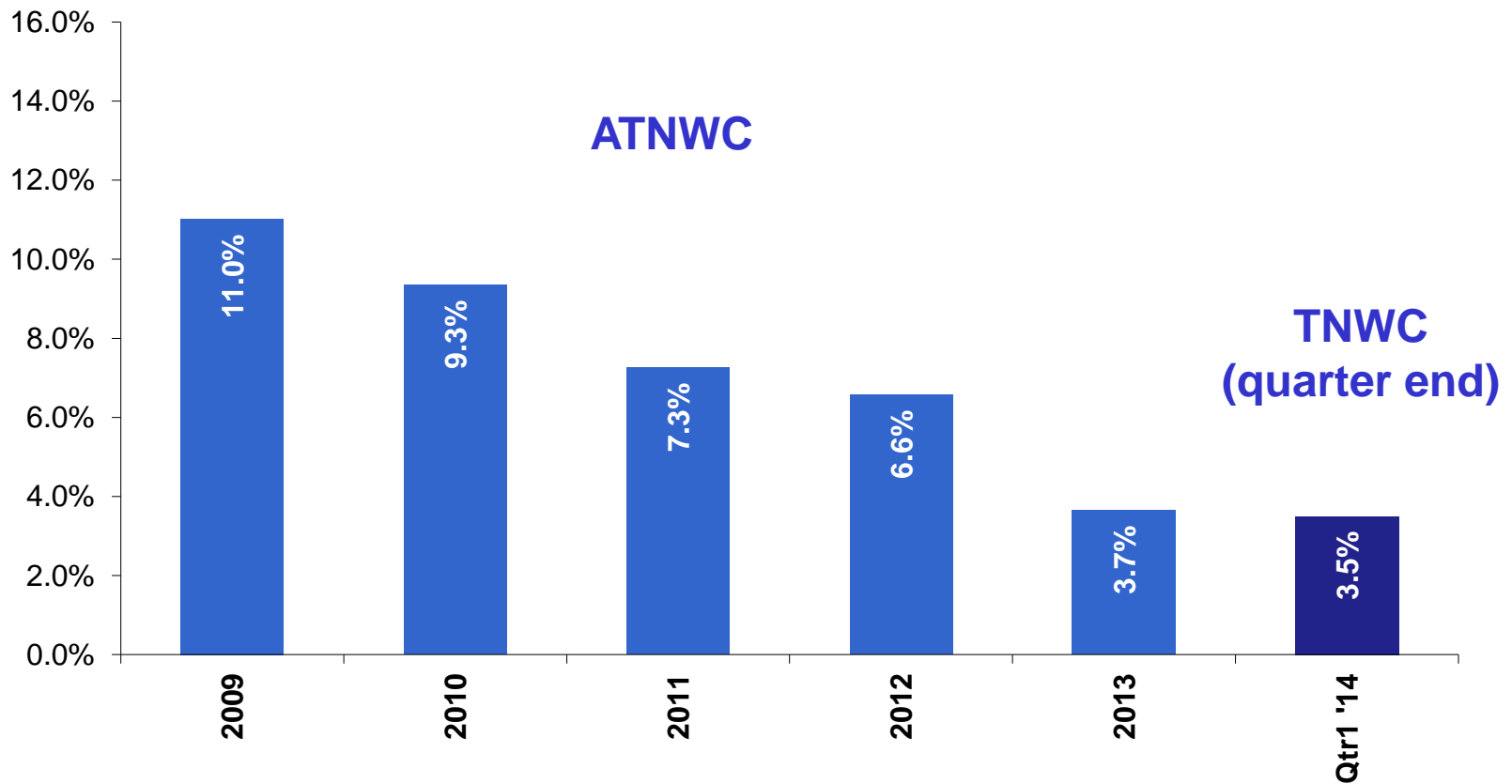
Net Profit Evolution



NESTLÉ MALAYSIA BERHAD
KEY FIGURES

<i>Amounts in RM mio</i>	Q1 2014	Q1 2013	% Change
Sales	1,273	1,227	3.7
Domestic	1,006	922	9.2
Export	266	306	(12.8)
Operating Profit/(Loss)	243	247	(1.5)
<i>% of Sales</i>	19.1	20.1	
Net Profit	184	184	(0.5)
<i>% of Sales</i>	14.4	15.0	
Operating Expenses	230	201	14.7
Current Assets	1,112	1,028	8.2
Inventories	394	384	2.8
<i>Inv (Days)</i>	14	14	
Trade Receivable	239	216	10.8
<i>TR (Days)</i>	15	13	
Capital Expenditure	28	9	195.1

MY Trade Net Working Capital



Cash Flow Q1 2014

	<u>RM (Mio)</u>	
	Q1 2014	Q1 2013
➤ Profit Before Tax adjusted for depreciation & interest	271	274
➔ (Increase) / Decrease in working capital	(104)	(81)
➔ Income tax & others	(37)	(35)
➤ Net cash from operating activities	130	158
➔ Capital Investments	(28)	(9)
➔ Others	2	1
➤ Cash Flow after Investing activities	<u>104</u>	<u>150</u>

Thank You