Nestlé Good food, Good life

Half-Year Report
January–June 2025

Nestlé.
We unlock the power of food to enhance quality of life for everyone, today and for generations to come.

Letter to our shareholders

Dear fellow shareholders,

Foreword

The *Half-Year Report* contains certain financial performance measures not defined by IFRS Accounting Standards (hereinafter "IFRS"), which are used by management to assess the financial and operational performance of the Group. They include among others:

- Organic growth, Real internal growth and Pricing;
- Underlying trading operating profit margin and Trading operating profit margin;
- Net financial debt;
- Free cash flow; and
- Underlying earnings per share as reported and in constant currency.

Management believes that these non-IFRS financial performance measures provide useful information regarding the Group's financial and operating performance.

The *Alternative Performance Measures* document published under www.nestle.com/investors/publications defines these non-IFRS financial performance measures.

Introduction

We are executing our strategy to accelerate performance and transform for the future. We are accelerating our category growth and improving our market share, through better execution and increased investment, funded through a relentless pursuit of efficiency.

These actions are already delivering results, with broad-based growth and a robust profit performance in the first half. Where we are investing to accelerate category growth, we are growing four times faster than the Group, and our six innovation 'big bets' achieved sales of over CHF 200 million in the first half. At the same time, we are addressing our 18 key underperforming business cells, and the aggregate growth gap to market has improved by a third. We are also taking decisive measures to strengthen our business in Greater China and focus our Vitamins, Minerals and Supplements business on winning premium brands.

We have maintained our guidance for 2025, while recognizing increased macroeconomic risks and uncertainties. We remain confident that our actions to drive performance and transformation will deliver our medium-term growth and profit ambitions.

Group results

Group sales

Total reported sales decreased by 1.8% to CHF 44.2 billion. This includes a negative impact of 4.7% from foreign exchange, given the significant strengthening of the Swiss franc during the period. Organic growth was 2.9%. Pricing contribution was 2.7%, as we took action to address input cost inflation in coffee and cocoa-related categories. Real internal growth (RIG) was 0.2%, reflecting soft consumer demand and the short-term impact of consumers and customers adjusting to price increases.

By category, confectionery and coffee were the largest organic growth contributors, driven by pricing of 10.6% and 6.0%, respectively. Our focus in these two categories is on smart pricing action to fully address input cost increases where possible, while maintaining medium-term consumer penetration. In coffee, elasticity effects have been limited, and RIG was slightly positive and remained stable across the two quarters. Short-term elasticities in confectionery have been more pronounced than in coffee, which is consistent with historical trends. Outside confectionery and coffee, organic growth was more modest, led by PetCare and water, while growth in food was negative in the context of a category decline.

By geography, organic growth in developed markets was 1.8%, driven by RIG of 1.0% along with pricing of 0.8%. In emerging markets, organic growth was 4.5%, with pricing of 5.6% and RIG of –1.1%.

By channel, organic growth in retail sales was 2.6%. Organic growth of the out-of-home channel was 5.8%. E-commerce sales grew organically by 12.3%, reaching 20.2% of total Group sales.

Gross profit and operating profit

Gross profit was CHF 20.6 billion. The gross profit margin decreased by 60 bps to 46.6%, primarily driven by the impact of higher coffee and cocoa prices on cost of goods sold, which were not fully compensated by price increases.

Distribution expenses as a percentage of sales were 8.3%, slightly down versus the prior year at 8.4%. Marketing and administration expenses as a percentage of sales increased by 50 bps to 20.4%. This was driven by an increase in advertising and marketing expenses as a percentage of sales, up 50 bps to 8.6% as we continue to step up growth investments; administration expenses as a percentage of sales were flat at 11.8%. Research and development costs as a percentage of sales were slightly down versus the prior year at 1.8%.

Underlying trading operating profit was CHF 7.3 billion, a decrease of 7.1%. The underlying trading operating profit margin was 16.5%, a decrease of 90 bps on a reported basis or 80 bps in constant currency.

Restructuring and net other trading items was CHF 0.4 billion in the first half of both this year and the prior year. Trading operating profit decreased by 6.9% to CHF 6.9 billion. The trading operating profit margin was 15.6%, a decrease of 80 bps on a reported basis.

Net financial expenses and Income tax

Net financial expenses increased to CHF 759 million from CHF 744 million, reflecting a higher level of average net debt. The average cost of net debt was 2.5%, compared to 2.6% in the first half of 2024.

The Group reported tax rate was 26.4%, compared to 25.0% in the prior-year period. The increase was due to one-off tax charges reported in 2025. The underlying tax rate was 22.0%.

Net profit and Earnings per share

Net profit decreased by 10.3% to CHF 5.1 billion. Basic earnings per share decreased by 9.0% to CHF 1.97 driven by lower net profit, which was partially offset by the impact of the share buyback program, which concluded in December 2024.

Cash flow

Cash generated from operations decreased to CHF 6.2 billion from CHF 8.1 billion in the first half of 2024. Free cash flow was CHF 2.3 billion compared to CHF 4.0 billion in the same period last year, with the decrease primarily due to lower EBITDA and a negative contribution from working capital movements, partially offset by lower capex.

Net debt

Net debt was CHF 60.0 billion as at June 30, 2025, compared to CHF 56.0 billion as at December 31, 2024 and CHF 59.5 billion as at June 30, 2024. The increase largely reflected cash outflows for the dividend payment of CHF 7.8 billion, partially offset by a benefit from foreign exchange movements.

Acquisition of minority interests and JVs

During the first half of the year, we increased our ownership in two companies as follow-ons from earlier acquisitions. In China, we acquired all the outstanding minority interests of confectionery company Hsu Fu Chi, and in Nestlé Health Science we further increased our majority stake in Orgain, a leader in plant-based nutrition, where we had an option as part of the original acquisition structure. In South Korea we took control of our Purina business from the existing JV structure and integrated it into Nestlé South Korea.

2025 guidance

Our 2025 guidance is maintained, despite factoring in increased headwinds. Organic sales growth is expected to improve compared to 2024, strengthening over the year as we continue to deliver on our growth plans. UTOP margin is expected to be at or above 16.0%, as we invest for growth; this includes the negative impact from tariffs currently in place and current foreign exchange rates. Despite heightened risks from continuing macroeconomic and consumer uncertainties, we remain committed to investing for the medium term.

Operating segment review

Zone Americas (AMS)

Sales	CHF 17.0 billion
Organic growth	+2.1%
Real internal growth	–0.5%
Underlying trading operating profit margin	20.2%
Underlying trading operating profit margin	–120 basis points
Trading operating profit margin	19.3%
Trading operating profit margin	–150 basis points

Zone Americas delivered resilient performance despite a challenging macroeconomic environment and fragile consumer confidence. Growth was broad based across all key markets, and performance was strong in the out-of-home and e-commerce channels. In North America, organic growth and RIG were both positive in Q1 and Q2, with improving market share trends in frozen foods and coffee creamers. In Latin America, growth was pricing-led, with double-digit increases in coffee and confectionery partially offset by negative RIG.

Segment performance summary
- Organic growth was 2.1%, with –0.5% RIG and 2.7% pricing.
- Reported sales growth was down 4.9% to CHF 17.0 billion, including a –6.9% impact from foreign exchange movements.
- In North America, organic growth was 0.3%, with 0.6% RIG and –0.3% pricing. In Latin America, organic growth was 5.5%, with –2.7% RIG and 8.3% pricing.
- By market, growth was led by Brazil, along with Argentina and Venezuela (both with strong RIG), partially offset by the Central American and Caribbean regions.
- Market share gains were achieved in portioned and soluble coffee in North America and ready-to-drink beverages in Latin America. Market share developments in frozen food and in coffee creamers continued to improve.
- UTOP margin decreased by –120 bps to 20.2% driven by input cost inflation, increased consumer investment, and currency and tariff headwinds that offset pricing and efficiencies.

Key organic sales growth drivers by product category
- Beverages (including coffee and coffee creamers) delivered high single-digit broad-based growth, with strong pricing and positive RIG. *Nescafé* was the key driver, reflecting its strong value proposition especially for more stretched consumers, as well as good commercial execution.
- Confectionery grew double digits, led by *Tollhouse* in the US (double-digit RIG and pricing) and *Garoto* in Brazil (double-digit pricing, negative RIG), and supported by chocobakery expansion.
- Nestlé Professional grew at mid single-digit rate, with positive contributions across most segments, particularly in Latin America.
- In PetCare, growth was positive, with solid performance in cat, offset by weaker category dynamics impacting sales in mainstream dog brands and snacks.
- Frozen food declined at a slower pace, with improved share trends in *Stouffer's* and *DiGiorno*.
- Infant Nutrition recorded negative growth, with sales declines in *Gerber* and *Nido*.

Zone Asia, Oceania and Africa (AOA)

Sales	CHF 10.4 billion
Organic growth	+2.4%
Real internal growth	–0.3%
Underlying trading operating profit margin	21.5%
Underlying trading operating profit margin	–80 basis points
Trading operating profit margin	20.7%
Trading operating profit margin	–130 basis points

In Zone AOA, growth was broad based across markets, with the exception of Greater China. Most regions delivered positive organic growth, with the strongest contributions from Central & West Africa, the Philippines and South Asia. In Greater China, sales declined in Q2, as we began to adjust our business model to focus on driving consumer demand. By category, growth was strongest in confectionery, led by RIG and market share gains while implementing pricing actions. Growth was also strong in strategic focus areas of on-the-go ready-to-drink coffee and PetCare in emerging markets.

Segment performance summary
- Organic growth was 2.4%, with –0.3% RIG and 2.6% pricing.
- Reported sales decreased by 1.4% to CHF 10.4 billion, impacted by foreign exchange movements, which decreased sales by 3.6%.
- In Greater China, organic growth was –4.2%, with –1.5% RIG and –2.7% pricing.
- In Zone AOA, excluding Greater China, organic growth was 4.3%, with 0.1% RIG and 4.2% pricing.
- Key market share developments were gains in confectionery, PetCare and cocoa malt beverages and losses in coffee, Infant Nutrition and culinary.
- UTOP margin decreased by 80 bps to 21.5%, driven primarily by the impact on cost of goods sold from inflation in coffee and confectionery.

Key organic sales growth drivers by product category
- Confectionery grew at a high single-digit rate, driven by double-digit RIG for *KitKat* and *Milo* across all regions.
- Coffee posted low single-digit growth, led by pricing. The largest growth contributor was *Nescafé*.
- Culinary delivered low single-digit growth, led by solid sales momentum for *Maggi*, led by cooking aids and noodles.
- Nestlé Professional achieved mid single-digit growth, across geographies and categories led by coffee products and beverage solutions as well as confectionery.

- Infant Nutrition and dairy posted low single-digit growth, led by *NAN* and *Milo* across most geographies.
- PetCare posted negative growth, with strong growth in emerging markets more than offset by category softness in developed markets.

Zone Europe (EUR)

Sales	CHF 8.5 billion
Organic growth	+3.5%
Real internal growth	–0.2%
Underlying trading operating profit margin	17.2%
Underlying trading operating profit margin	–160 basis points
Trading operating profit margin	16.6%
Trading operating profit margin	–30 basis points

In Zone Europe, growth continued to be pricing-led, reflecting the inflationary environment for coffee and confectionery. Even as pricing increased through the half, RIG turned positive in Q2 after a decline in Q1, supported by an improvement in coffee and positive RIG in PetCare. For the Zone, growth was positive across most categories and markets, with market share gains in PetCare and soluble coffee.

Segment performance summary
- Organic growth was 3.5%, with –0.2% RIG and 3.7% pricing.
- Reported sales increased by 1.5% to CHF 8.5 billion, and included a –2.2% impact from foreign exchange movements.
- Across the Zone, growth was led by Türkiye, Iberia, Nordics and France.
- Market share gains were achieved in PetCare and soluble coffee, with losses in confectionery and food.
- UTOP margin decreased by 160 bps to 17.2%, driven by the impact of inflation on cost of goods sold in coffee and confectionery, and by higher marketing spend.

Key organic sales growth drivers by product category
- Coffee posted mid single-digit growth. RIG declined mid single-digit in Q1, but recovered to flat in Q2, even as pricing accelerated to double digits. Organic growth was led by soluble coffee, supported by very strong growth in RTD coffee.
- Confectionery posted mid single-digit growth, with *KitKat* and *Dessert* the main growth drivers. Pricing was double-digit while RIG declined mid single-digit.
- PetCare delivered low single-digit growth, led by *Felix*, *Purina ProPlan* and *Purina ONE*. Growth was RIG driven and broad based across markets.
- Sales in Nestlé Professional grew at a high single-digit rate, driven by beverage solutions.
- Infant Nutrition recorded flat growth, reflecting soft category trends, with *NAN* contributing positively to growth.
- Food saw a decline in sales, impacted by a challenging customer and competitive environment in some markets.

Nestlé Health Science

Sales	CHF 3.2 billion
Organic growth	+3.4%
Real internal growth	+3.3%
Underlying trading operating profit margin	15.6%
Underlying trading operating profit margin	+220 basis points
Trading operating profit margin	15.4%
Trading operating profit margin	+600 basis points

Organic growth slowed in Nestlé Health Science, following mixed performance across business segments. In VMS, growth was impacted by the discontinuation of some private label business and weaker performance in our mainstream brands, particularly *Puritan's Pride*. In Active Nutrition, we had strong growth momentum in *Orgain*. In Medical Nutrition, solid growth was driven by pediatric products.

Segment performance summary
- Organic growth was 3.4%, with 3.3% RIG and 0.1% pricing.
- Reported sales decreased by 0.4% to CHF 3.2 billion, including a negative foreign exchange impact of 3.7%.
- Market share was stable in both VMS and Medical Nutrition, with losses in Active Nutrition.
- UTOP margin increased by 220 bps to 15.6%, driven by positive mix effects.

Key organic sales growth drivers
- By geography, North America posted low single-digit growth, whilst Europe and other regions delivered mid single-digit growth.
- VMS reported low single-digit growth, as sales momentum in premium brands, particularly *Pure Encapsulations* and *Solgar*, was partially offset by declines in mainstream and value brands and the discontinuation of some private label activities.
- Active Nutrition posted low single-digit growth. Strong momentum for *Orgain* was partially offset by a weaker performance from *Vital Proteins*.

- Medical Nutrition delivered high single-digit growth, led by improved sales momentum for pediatric care products, including strong double-digit growth in the allergy range as well as *Compleat*.

Nespresso

Sales	CHF 3.2 billion
Organic growth	+5.8%
Real internal growth	+2.0%
Underlying trading operating profit margin	21.9%
Underlying trading operating profit margin	+40 basis points
Trading operating profit margin	21.1%
Trading operating profit margin	–20 basis points

Nespresso delivered solid growth, led by accelerating pricing across products, channels and geographies, along with positive RIG. Successful brand campaigns, innovation and strong performance from limited edition launches supported growth. *Vertuo* again delivered strong performance, particularly in North America, while the environment in Western Europe remains competitive.

Segment performance summary
- Organic growth was 5.8%, with 2.0% RIG and 3.8% pricing.
- Reported sales increased by 2.4% to CHF 3.2 billion, including a negative impact of 3.7% from foreign exchange movements.
- Market share continued to grow with momentum in North America and Asia, with strong RIG-led growth supported by innovation. Western Europe remains soft, with positive growth across many markets but continued strong competitive pressure.
- UTOP margin was up 40 bps to 21.9%, driven by the timing benefit of pricing versus input cost increases, as higher coffee prices flow through with some time lag given the length of the supply chain.

Key organic sales growth drivers
- By geography, sales in North America posted a strong double-digit rate. In Europe, growth was close to flat.
- By system, growth was driven by *Vertuo*, with strong sales growth and positive momentum across almost all geographies. Sales for out-of-home channels grew at a mid single-digit rate, led by the hotels, restaurants and catering (horeca) sector and positive machine placements.

Nestlé Waters & Premium Beverages (NW&PB)

Sales	CHF 1.8 billion
Organic growth	+4.7%
Real internal growth	+2.3%
Underlying trading operating profit margin	9.3%
Underlying trading operating profit margin	0 basis point
Trading operating profit margin	7.2%
Trading operating profit margin	–210 basis points

Growth was broad based across markets and strengthened in the second quarter. This was primarily driven by key growth platforms *Maison Perrier* and *Sanpellegrino* and robust sales in out-of-home channels. We are progressing with the strategic evaluation of the business.

Segment performance summary
- Organic growth was 4.7%, with 2.3% RIG and 2.4% pricing.
- Reported sales increased by 0.6% to CHF 1.8 billion, including a negative impact from foreign exchange of 4.0%.
- Market share moved into positive territory, led by strong gains for *S.Pellegrino*.
- UTOP margin was flat at 9.3%, as operational cost savings were offset by increased investment in our premium beverages growth platform.

Key organic sales growth drivers
- By geography, Southern Europe and AOA posted high single-digit growth, the Americas delivered mid single-digit growth and Northern Europe recorded low single-digit growth.
- Growth was strong in premium beverages, supported by the geographic expansion of *Maison Perrier* and the roll-out of new innovations under the *Sanpellegrino Ciao* and *Zero* ranges.
- Within waters, we saw solid growth from *S.Pellegrino* and *Acqua Panna*, with a weaker performance from *Perrier* due to the continued impact of supply constraints.

Category performance

In millions of CHF

	Total Group	Powdered & liquid beverages	Water	Milk products & Ice cream	Nutrition & Health Science	Prepared dishes & cooking aids	Confectionery	PetCare
Sales H1-2025	**44 228**	**12 308**	**1 611**	**4 830**	**7 237**	**5 051**	**3 962**	**9 229**
Sales H1-2024	45 045	12 041	1 621	5 189	7 637	5 260	3 845	9 452
Real internal growth (RIG)	0.2%	0.6%	0.9%	0.2%	–0.8%	–1.1%	–2.1%	1.8%
Pricing	2.7%	5.8%	2.8%	0.9%	0.8%	0.2%	10.6%	–0.5%
Organic growth	**2.9%**	**6.4%**	**3.7%**	**1.1%**	**0.0%**	**–0.9%**	**8.5%**	**1.3%**
UTOP H1-2025	**7 287**	**2 350**	**156**	**1 078**	**1 500**	**935**	**436**	**2 037**
UTOP H1-2024	7 841	2 529	145	1 202	1 492	1 003	548	2 086
UTOP Margin H1-2025	**16.5%**	**19.1%**	**9.7%**	**22.3%**	**20.7%**	**18.5%**	**11.0%**	**22.1%**
UTOP Margin H1-2024	17.4%	21.0%	8.9%	23.2%	19.5%	19.1%	14.3%	22.1%

Powdered and liquid beverages was the largest category growth contributor, with 6.4% organic growth. This was pricing led, as we took actions to address input cost inflation in coffee. RIG remained positive.

Confectionery organic growth of 8.5% was pricing driven and led by *KitKat* and continued momentum in chocobakery. RIG was negative, reflecting some short-term elasticity response to the price increases.

PetCare delivered 1.3% organic growth, reflecting a general slowdown in category growth. Growth was led by our billionaire brands, including *Purina Pro Plan*, *Felix*, *Purina ONE* and *Tidy Cats*. Our super-premium science brands continue to show strong momentum.

Water organic growth was 3.7%, led by strong growth for the *Maison Perrier* range.

Milk products and Ice cream posted 1.1% growth, led by dairy culinary brands *Nestlé* and *La Lechera*, with coffee creamers turning positive in Q2.

Nutrition and Health Science recorded flat growth. Within this, Nestlé Health Science delivered low single-digit growth. Infant Nutrition posted negative growth, as strong growth for *NAN* was more than offset by a sales decline in *Gerber*.

Prepared dishes and cooking aids posted slightly negative growth. This was driven by frozen food in North America, where growth improved but remains negative, partially offset by growth in ambient culinary products, especially *Maggi*.

Paul Bulcke
Chairman of the Board

Laurent Freixe
Chief Executive Officer

Key figures (consolidated)

Key figures in CHF

In millions (except for data per share)	January–June 2025	January–June 2024
Results		
Sales	44 228	45 045
Underlying trading operating profit *	7 287	7 841
as % of sales	16.5%	17.4%
Trading operating profit *	6 885	7 398
as % of sales	15.6%	16.4%
Profit for the period attributable to shareholders of the parent (Net profit)	5 065	5 644
as % of sales	11.5%	12.5%
Balance sheet and cash flow statement		
Total Equity [(a)]	29 047	33 542
Net financial debt *[/(a)]	60 019	59 526
Operating cash flow	4 872	6 970
Free cash flow *	2 307	3 978
Capital additions	2 168	2 789
Data per share		
Weighted average number of shares outstanding (in millions of units)	2 573	2 609
Basic earnings per share	1.97	2.16
Market capitalization	**202 831**	**238 156**

Principal key figures in USD and EUR (illustrative)

Income statement and cash flow statement figures translated at average rate;
Balance sheet figures at end-of-June exchange rate

In millions (except for data per share)	January–June 2025	January–June 2024	January–June 2025	January–June 2024
	in USD	in USD	in EUR	in EUR
Sales	51 244	50 651	46 976	46 853
Underlying trading operating profit *	8 442	8 817	7 739	8 156
Trading operating profit *	7 978	8 319	7 313	7 695
Profit for the period attributable to shareholders of the parent (Net profit)	5 868	6 346	5 379	5 870
Total Equity [(a)]	36 402	37 290	31 013	34 858
Basic earnings per share	2.28	2.43	2.09	2.25
Market capitalization	254 190	264 765	216 562	247 502

* Certain financial performance measures are not defined by IFRS Accounting Standards. For further details, refer to the document “Alternative Performance Measures” published under www.nestle.com/investors/publications.

(a) Situation as at June 30.

Consolidated income statement for the six months ended June 30, 2025

In millions of CHF	Notes	January–June 2025	January–June 2024
Sales	3	**44 228**	**45 045**
Other revenue		182	186
Cost of goods sold		(23 609)	(23 790)
Distribution expenses		(3 685)	(3 789)
Marketing and administration expenses		(9 043)	(8 981)
Research and development costs		(786)	(830)
Other trading income	5	73	57
Other trading expenses	5	(475)	(500)
Trading operating profit	3	**6 885**	**7 398**
Other operating income	5	183	222
Other operating expenses	5	(244)	(169)
Operating profit		**6 824**	**7 451**
Financial income		170	181
Financial expense		(929)	(925)
Profit before taxes, associates and joint ventures		**6 065**	**6 707**
Taxes		(1 602)	(1 677)
Income from associates and joint ventures	6	704	745
Profit for the period		**5 167**	**5 775**
of which attributable to non-controlling interests		102	131
of which attributable to shareholders of the parent (Net profit)		5 065	5 644
As percentages of sales			
Trading operating profit		15.6%	16.4%
Profit for the period attributable to shareholders of the parent (Net profit)		11.5%	12.5%
Earnings per share (in CHF)			
Basic earnings per share		1.97	2.16
Diluted earnings per share		1.97	2.16

Consolidated statement of comprehensive income for the six months ended June 30, 2025

In millions of CHF	January–June 2025	January–June 2024
Profit for the period recognized in the income statement	**5 167**	**5 775**
Currency retranslations, net of taxes	(3 132)	1 673
Changes in cash flow hedge and cost of hedge reserves, net of taxes	(335)	199
Share of other comprehensive income of associates and joint ventures	(272)	58
Items that are or may be reclassified subsequently to the income statement	(3 739)	1 930
Remeasurement of defined benefit plans, net of taxes	(131)	67
Fair value changes of equity instruments, net of taxes	32	(5)
Share of other comprehensive income of associates and joint ventures	(64)	17
Items that will never be reclassified to the income statement	(163)	79
Other comprehensive income for the period	**(3 902)**	**2 009**
Total comprehensive income for the period	**1 265**	**7 784**
of which attributable to non-controlling interests	76	141
of which attributable to shareholders of the parent	1 189	7 643

Consolidated balance sheet as at June 30, 2025

In millions of CHF	June 30, 2025	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	4 652	5 556
Short-term investments	863	2 315
Inventories	14 434	13 260
Trade and other receivables	10 654	11 251
Prepayments	846	543
Derivative assets	347	792
Current income tax assets	1 340	1 334
Assets held for sale	296	137
Total current assets	**33 432**	**35 188**
Non-current assets		
Property, plant and equipment	31 821	33 706
Goodwill	27 863	30 595
Intangible assets	17 272	19 245
Investments in associates and joint ventures	13 572	14 326
Financial assets	3 564	3 650
Derivative assets	316	84
Employee benefits assets and reimbursement rights	1 292	1 475
Deferred tax assets	991	995
Total non-current assets	**96 691**	**104 076**
Total assets	**130 123**	**139 264**

In millions of CHF	Notes	June 30, 2025	December 31, 2024
Liabilities and equity			
Current liabilities			
Financial debt		18 616	11 863
Derivative liabilities		649	408
Trade and other payables		19 141	21 807
Accruals		5 230	5 466
Provisions		798	865
Current income tax liabilities		2 364	2 435
Liabilities directly associated with assets held for sale		26	19
Total current liabilities		**46 824**	**42 863**
Non-current liabilities			
Financial debt		46 988	51 697
Derivative liabilities		112	307
Employee benefits liabilities		2 370	2 629
Provisions		1 035	1 086
Deferred tax liabilities		3 416	3 767
Other payables		331	222
Total non-current liabilities		**54 252**	**59 708**
Total liabilities		**101 076**	**102 571**
Equity			
Share capital	8	258	262
Treasury shares		(333)	(4 283)
Translation reserve		(29 895)	(26 788)
Other reserves		(584)	363
Retained earnings		59 380	66 363
Total equity attributable to shareholders of the parent		**28 826**	**35 917**
Non-controlling interests		221	776
Total equity		**29 047**	**36 693**
Total liabilities and equity		**130 123**	**139 264**

Consolidated cash flow statement for the six months ended June 30, 2025

In millions of CHF	Notes	January–June 2025	January–June 2024
Operating activities			
Operating profit	7	6 824	7 451
Depreciation and amortization		1 799	1 765
Impairment		88	189
Net result on disposal of businesses		(11)	43
Other non-cash items of income and expense		86	(108)
Cash flow before changes in operating assets and liabilities	7	**8 786**	**9 340**
Decrease/(increase) in working capital		(2 165)	(845)
Variation of other operating assets and liabilities		(385)	(380)
Cash generated from operations		**6 236**	**8 115**
Interest paid		(861)	(747)
Interest and dividends received		113	145
Taxes paid		(1 361)	(1 271)
Dividends and interest from associates and joint ventures		745	728
Operating cash flow		**4 872**	**6 970**
Investing activities			
Capital expenditure		(2 441)	(2 844)
Expenditure on intangible assets		(166)	(120)
Acquisition of businesses, net of cash acquired	2	(50)	(710)
Disposal of businesses, net of cash disposed of	2	(8)	—
Investments (net of divestments) in associates and joint ventures		(68)	(234)
Inflows/(outflows) from treasury investments		1 303	(485)
Investments (net of divestments) in long-term investments		(96)	—
Other investing activities		42	(28)
Investing cash flow		**(1 484)**	**(4 421)**
Financing activities			
Dividend paid to shareholders of the parent	8	(7 849)	(7 816)
Dividends paid to non-controlling interests		(98)	(93)
Acquisition of non-controlling interests		(1 190)	(7)
Purchase of treasury shares [(a)]		(135)	(2 592)
Inflows from bonds and other long-term financial debt		1 780	6 869
Outflows from bonds, lease liabilities and other long-term financial debt		(425)	(2 809)
Inflows/(outflows) from short-term financial debt		4 093	3 740
Financing cash flow		**(3 824)**	**(2 708)**
Currency retranslations		(470)	208
Increase/(decrease) in cash and cash equivalents		**(906)**	**49**
Cash and cash equivalents at beginning of year [(b)]		5 558	4 816
Cash and cash equivalents at end of period		**4 652**	**4 865**

(a) In January–June 2024, mostly relates to a share buyback program launched in 2022 and completed in 2024.
(b) Including CHF 2 million classified as held for sale as of December 31, 2024.

Consolidated statement of changes in equity for the six months ended June 30, 2025

In millions of CHF

	Share capital	Treasury shares	Translation reserve	Other reserves	Retained earnings	**Total equity attributable to shareholders of the parent**	Non-controlling interests	**Total equity**
Equity as at January 1, 2024	**267**	**(5 155)**	**(27 581)**	**(50)**	**68 261**	**35 742**	**645**	**36 387**
Profit for the period	—	—	—	—	5 644	**5 644**	131	**5 775**
Other comprehensive income for the period	—	—	1 662	257	80	**1 999**	10	**2 009**
Total comprehensive income for the period	—	—	1 662	257	5 724	**7 643**	141	**7 784**
Dividends	—	—	—	—	(7 816)	**(7 816)**	(93)	**(7 909)**
Movement of treasury shares	—	(2 485)	—	—	(14)	**(2 499)**	—	**(2 499)**
Equity compensation plans	—	139	—	—	(55)	**84**	(1)	**83**
Changes in non-controlling interests [(a)]	—	—	—	—	(157)	**(157)**	(4)	**(161)**
Reduction in share capital [(b)]	(5)	5 265	—	—	(5 260)	**—**	—	**—**
Total transactions with owners	(5)	2 919	—	—	(13 302)	**(10 388)**	(98)	**(10 486)**
Other movements [(c)]	—	—	—	(166)	25	**(141)**	(2)	**(143)**
Equity as at June 30, 2024	**262**	**(2 236)**	**(25 919)**	**41**	**60 708**	**32 856**	**686**	**33 542**
Equity as at January 1, 2025	**262**	**(4 283)**	**(26 788)**	**363**	**66 363**	**35 917**	**776**	**36 693**
Profit for the period	—	—	—	—	5 065	**5 065**	102	**5 167**
Other comprehensive income for the period	—	—	(3 107)	(605)	(164)	**(3 876)**	(26)	**(3 902)**
Total comprehensive income for the period	—	—	(3 107)	(605)	4 901	**1 189**	76	**1 265**
Dividends	—	—	—	—	(7 849)	**(7 849)**	(98)	**(7 947)**
Movement of treasury shares	—	(55)	—	—	(11)	**(66)**	—	**(66)**
Equity compensation plans	—	95	—	—	(20)	**75**	—	**75**
Changes in non-controlling interests [(a)]	—	—	—	—	(58)	**(58)**	(533)	**(591)**
Reduction in share capital [(b)]	(4)	3 910	—	—	(3 906)	**—**	—	**—**
Total transactions with owners	(4)	3 950	—	—	(11 844)	**(7 898)**	(631)	**(8 529)**
Other movements [(c)]	—	—	—	(342)	(40)	**(382)**	—	**(382)**
Equity as at June 30, 2025	**258**	**(333)**	**(29 895)**	**(584)**	**59 380**	**28 826**	**221**	**29 047**

(a) Movements reported under Retained earnings include put options for the acquisition of non-controlling interests, see Note 2.3.
(b) Reduction in share capital, see Note 8.
(c) Other movements in Other reserves relate mainly to cash flow hedge transactions.

Notes

1. Accounting policies

Basis of preparation
These Condensed Interim Financial Statements are the unaudited Condensed Interim Consolidated Financial Statements (hereafter "the Condensed Interim Financial Statements") of Nestlé S.A., a company registered in Switzerland, and its subsidiaries for the six-month period ended June 30, 2025. They have been prepared in accordance with International Accounting Standard IAS 34 – Interim Financial Reporting, and should be read in conjunction with the Consolidated Financial Statements for the year ended December 31, 2024.

The accounting conventions and accounting policies are the same as those applied in the Consolidated Financial Statements for the year ended December 31, 2024 (as described in Note 1 and highlighted with a gray background in the relevant Notes). Accounting policies not disclosed in the Consolidated Financial Statements for the year ended December 31, 2024 are disclosed in the Condensed Interim Financial Statements with a gray background.

The preparation of the Condensed Interim Financial Statements requires Group Management to exercise judgment and to make estimates and assumptions that affect the application of policies, reported amounts of revenues, expenses, assets and liabilities and disclosures. The key sources of estimation uncertainty within these Condensed Interim Financial Statements remain the same as those applied to the Consolidated Financial Statements for the year ended December 31, 2024.

Changes in presentation – Analyses by segment
As of January 1, 2025, the Group is organized into three geographical Zones following the combination of Zone North America and Zone Latin America to form Zone Americas and Zone Greater China becoming part of Zone Asia, Oceania and Africa, and three Globally Managed Businesses (GMB) with Nestlé Waters & Premium Beverages becoming a GMB, and therefore from that date the Group's reportable segments are:
- Zone Americas (AMS);
- Zone Asia, Oceania and Africa (AOA);
- Zone Europe (EUR);
- Nestlé Health Science;
- Nespresso; and
- Nestlé Waters & Premium Beverages (NW&PB).

Other business activities and operating segments continue to be combined and presented in Other businesses.

2024 comparatives have been restated (see Note 3).

Changes in IFRS Accounting Standards
In August 2023, the IASB issued Lack of Exchangeability (Amendments to IAS 21), which requires entities to estimate the spot exchange rate at a measurement date when a currency is not exchangeable into another currency. The Amendments to IAS 21 are effective for reporting periods beginning on or after January 1, 2025. The initial application of this amendment did not have a material impact on the Condensed Interim Financial Statements.

Changes in IFRS Accounting Standards that may affect the Group after December 31, 2025

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements. This standard sets out requirements for the presentation and disclosure of information in financial statements. IFRS 18 is effective for reporting periods beginning on or after January 1, 2027 and will apply retrospectively. The Group is currently evaluating all impacts this new standard will have on the presentation of the income statement and the Notes to the consolidated financial statements. It is too early to assess all impacts this standard will have on the financial statements.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2. Scope of consolidation, acquisitions of businesses and acquisitions of non-controlling interests

2.1 Change of scope of consolidation

Acquisitions

There were no significant acquisitions during the 2025 interim period nor during the 2024 comparative period.

During the first six months of 2024, among several other non-significant acquisitions, in March, the Group closed the acquisition of Grupo CRM, a premium chocolate player in Brazil.

Cash outflows of the 2025 interim period and of the 2024 comparative period are related to non-significant acquisitions or settlement of consideration payables for acquisitions in previous years.

Disposals

There were no significant disposals during the 2025 interim period nor during the 2024 comparative period.

Cash inflows of the 2025 interim period and of the 2024 comparative period are related to non-significant disposals.

2.2 Acquisitions of businesses

The major classes of assets acquired and liabilities assumed at the acquisition date are:

In millions of CHF	January–June 2025	January–June 2024
Inventories	3	16
Other assets	—	63
Property, plant and equipment	1	80
Intangible assets (a)	4	167
Financial debt	(1)	(85)
Other liabilities	—	(37)
Deferred taxes	—	(19)
Fair value of identifiable net assets/(liabilities) (b)	**7**	**185**

(a) In 2024, mainly intellectual property rights, customer lists, trademarks and trade names as well as franchise relationships, composed of CHF 43 million of finite life, and of CHF 124 million of indefinite life intangible assets.
(b) In 2025, mainly adjustments of provisional amounts of businesses acquired in the last 12 months.

The goodwill arising on acquisitions and the cash outflow are:

In millions of CHF	January–June 2025	January–June 2024
Fair value of consideration transferred	**5**	**753**
Fair value of identifiable net (assets)/liabilities	(7)	(185)
Goodwill	**(2)**	**568**

In millions of CHF	January–June 2025	January–June 2024
Fair value of consideration transferred	**5**	**753**
Cash and cash equivalents acquired	—	(29)
Consideration payable	—	(34)
Payment of consideration payable on prior-year acquisitions	45	20
Cash outflow on acquisitions	**50**	**710**

In 2024, the consideration transferred consists of payments made in cash with some consideration remaining payable.

2.3 Acquisitions of non-controlling interests

Acquisitions and disposals of non-controlling interests
The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity holders in their capacity as equity holders. For purchases of shares from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. The same principle is applied to disposals of shares to non-controlling interests.

During the first six months of 2025, the Group increased its ownership interests in certain subsidiaries, primarily in Hsu Fu Chi (full acquisition of the non-controlling interests) and Orgain (partial acquisition of the non-controlling interests), leading to a decrease of non-controlling interests amounting to CHF 451 million. The total consideration to non-controlling interests was in the form of cash of CHF 1194 million. Part of the consideration was recorded as a liability in previous years for CHF 686 million. The equity attributable to shareholders of the parent was negatively impacted by CHF 57 million.

During the first six months of 2024, there was no significant transaction with non-controlling interests.

3. Analyses by segment

3.1 Operating segments

Revenue and results

In millions of CHF	Sales (a)	Underlying trading operating profit (b)	Trading operating profit	Net other trading income/(expenses) (c)	of which impairment of property, plant and equipment	of which restructuring costs	Depreciation and amortization
January–June 2025							
Zone AMS	16 954	3 429	3 280	(149)	(9)	(18)	(614)
Zone AOA	10 442	2 246	2 159	(87)	(29)	(20)	(300)
Zone EUR	8 467	1 456	1 408	(48)	(20)	(48)	(386)
Nestlé Health Science	3 225	504	497	(7)	—	1	(158)
Nespresso	3 172	695	669	(26)	(13)	(7)	(141)
NW&PB	1 821	170	132	(38)	(10)	(5)	(78)
Other businesses (d)	147	(8)	(10)	(2)	(1)	—	(18)
Unallocated items (e)	—	(1 205)	(1 250)	(45)	(1)	(4)	(104)
Total	**44 228**	**7 287**	**6 885**	**(402)**	**(83)**	**(101)**	**(1 799)**

In millions of CHF	Sales (a)	Underlying trading operating profit (b)	Trading operating profit	Net other trading income/(expenses) (c)	of which impairment of property, plant and equipment	of which restructuring costs	Depreciation and amortization
January–June 2024 *							
Zone AMS	17 821	3 807	3 710	(97)	(13)	(55)	(577)
Zone AOA	10 591	2 366	2 334	(32)	(14)	(18)	(298)
Zone EUR	8 342	1 569	1 407	(162)	(80)	(70)	(361)
Nestlé Health Science	3 239	433	305	(128)	(20)	(13)	(159)
Nespresso	3 096	667	661	(6)	(1)	(2)	(138)
NW&PB	1 810	168	168	—	(3)	5	(74)
Other businesses (d)	146	(5)	(9)	(4)	(4)	—	(18)
Unallocated items (e)	—	(1 164)	(1 178)	(14)	—	(5)	(140)
Total	**45 045**	**7 841**	**7 398**	**(443)**	**(135)**	**(158)**	**(1 765)**

* 2024 figures restated following the combination of Zone North America and Zone Latin America to form Zone Americas and Zone Greater China becoming part of Zone AOA, as well as Nestlé Waters & Premium Beverages becoming a Globally Managed Business, as of January 1, 2025.

(a) Inter-segment sales are not significant.
(b) Trading operating profit before Net other trading income/(expenses).
(c) Included in Trading operating profit.
(d) Composed of businesses not under the direct control of the Zones or GMBs and Group procurement activities.
(e) Mainly corporate expenses as well as research and development costs.

Other information

In millions of CHF	January–June 2025		January–June 2024 *	
	Impairment of non-commercialized intangible assets (c)	Impairment of intangible assets (d)	Impairment of non-commercialized intangible assets (c)	Impairment of intangible assets (d)
Zone AMS	—	(1)	—	—
Zone AOA	—	—	—	—
Zone EUR	—	—	—	—
Nestlé Health Science	—	—	(13)	(39)
Nespresso	—	(4)	—	—
NW&PB	—	—	—	(2)
Other businesses (a)	—	—	—	—
Unallocated items (b)	—	—	—	—
Total	**—**	**(5)**	**(13)**	**(41)**

* 2024 figures restated following the combination of Zone North America and Zone Latin America to form Zone Americas and Zone Greater China becoming part of Zone AOA, as well as Nestlé Waters & Premium Beverages becoming a Globally Managed Business, as of January 1, 2025.

(a) Composed of businesses not under the direct control of the Zones or GMBs and Group procurement activities.
(b) Mainly corporate and research and development assets.
(c) Included in Operating profit.
(d) Included in Trading operating profit.

3.2 Products

Revenue and results

In millions of CHF						January–June 2025
	Sales	Underlying trading operating profit (a)	Trading operating profit	Net other trading income/(expenses) (b)	of which impairment of property, plant and equipment	of which restructuring costs
Powdered and Liquid Beverages	12 308	2 350	2 267	(83)	(26)	(27)
Water	1 611	156	118	(38)	(10)	(5)
Milk products and Ice cream	4 830	1 078	1 051	(27)	(1)	(8)
Nutrition and Health Science	7 237	1 500	1 437	(63)	(13)	(10)
Prepared dishes and cooking aids	5 051	935	892	(43)	(11)	(34)
Confectionery	3 962	436	389	(47)	(7)	(12)
PetCare	9 229	2 037	1 981	(56)	(14)	(1)
Unallocated items (c)	—	(1 205)	(1 250)	(45)	(1)	(4)
Total	**44 228**	**7 287**	**6 885**	**(402)**	**(83)**	**(101)**

In millions of CHF						January–June 2024 *
	Sales	Underlying trading operating profit (a)	Trading operating profit	Net other trading income/(expenses) (b)	of which impairment of property, plant and equipment	of which restructuring costs
Powdered and Liquid Beverages	12 041	2 529	2 433	(96)	(34)	(39)
Water	1 621	145	145	—	(2)	5
Milk products and Ice cream	5 189	1 202	1 183	(19)	2	(12)
Nutrition and Health Science	7 637	1 492	1 350	(142)	(23)	(27)
Prepared dishes and cooking aids	5 260	1 003	898	(105)	(52)	(52)
Confectionery	3 845	548	495	(53)	(14)	(22)
PetCare	9 452	2 086	2 072	(14)	(12)	(6)
Unallocated items (c)	—	(1 164)	(1 178)	(14)	—	(5)
Total	**45 045**	**7 841**	**7 398**	**(443)**	**(135)**	**(158)**

* 2024 figures restated following the combination of Zone North America and Zone Latin America to form Zone Americas and Zone Greater China becoming part of Zone AOA, as well as Nestlé Waters & Premium Beverages becoming a Globally Managed Business, as of January 1, 2025.

(a) Trading operating profit before Net other trading income/(expenses).
(b) Included in Trading operating profit.
(c) Mainly corporate expenses as well as research and development costs.

Other information

In millions of CHF	January–June 2025		January–June 2024 *	
	Impairment of non-commercialized intangible assets (b)	Impairment of intangible assets (c)	Impairment of non-commercialized intangible assets (b)	Impairment of intangible assets (c)
Powdered and Liquid Beverages	—	(4)	—	—
Water	—	—	—	(2)
Milk products and Ice cream	—	—	—	—
Nutrition and Health Science	—	—	(13)	(39)
Prepared dishes and cooking aids	—	—	—	—
Confectionery	—	(1)	—	—
PetCare	—	—	—	—
Unallocated items (a)	—	—	—	—
Total	**—**	**(5)**	**(13)**	**(41)**

* The new management organization as of January 1, 2025 had no impact on the above table.

(a) Mainly corporate and research and development assets.
(b) Included in Operating profit.
(c) Included in Trading operating profit.

3.3 Sales by geographic area (country and type of market)

In millions of CHF	January–June 2025	January–June 2024
AMS	**21 131**	**21 961**
United States	14 110	14 336
Brazil	2 017	2 151
Mexico	1 714	2 060
Other markets of geographic area	3 290	3 414
AOA	**12 134**	**12 245**
Greater China	2 470	2 639
Philippines	1 343	1 326
India	1 019	1 033
Other markets of geographic area	7 302	7 247
EUR	**10 963**	**10 839**
United Kingdom	1 701	1 690
France	1 659	1 725
Germany	951	1 016
Other markets of geographic area	6 652	6 408
of which Switzerland	498	509
Total sales	**44 228**	**45 045**
of which developed markets	26 047	26 196
of which emerging markets	18 181	18 849

3.4 Reconciliation from Underlying trading operating profit to Profit before taxes, associates and joint ventures

In millions of CHF	January–June 2025	January–June 2024
Underlying trading operating profit [(a)] **as per Note 3.1**	**7 287**	**7 841**
Net other trading income/(expenses) as per Note 5.1	(402)	(443)
Trading operating profit as per Note 3.1	**6 885**	**7 398**
Impairment of non-commercialized intangible assets	—	(13)
Net other operating income/(expenses) excluding impairment of non-commercialized intangible assets	(61)	66
Operating profit	**6 824**	**7 451**
Net financial income/(expense)	(759)	(744)
Profit before taxes, associates and joint ventures	**6 065**	**6 707**

(a) Trading operating profit before Net other trading income/(expenses).

4. Seasonality

The business of the Group is not highly cyclical. Seasonal evolutions in some countries or product groups are generally compensated within the Group.

5. Net other trading and operating income/(expenses)

5.1 Net other trading income/(expenses)

In millions of CHF	January–June 2025	January–June 2024
Other trading income	**73**	**57**
Restructuring costs	(101)	(158)
Impairment of property, plant and equipment and intangible assets	(88)	(176)
Litigations and onerous contracts	(209)	(79)
Miscellaneous trading expenses	(77)	(87)
Other trading expenses	**(475)**	**(500)**
Total net other trading income/(expenses)	**(402)**	**(443)**

5.2 Net other operating income/(expenses)

In millions of CHF	January–June 2025	January–June 2024
Profit on disposal of businesses	38	4
Miscellaneous operating income [(a)]	145	218
Other operating income	**183**	**222**
Loss on disposal of businesses	(27)	(47)
Impairment of non-commercialized intangible assets	—	(13)
Miscellaneous operating expenses	(217)	(109)
Other operating expenses	**(244)**	**(169)**
Total net other operating income/(expenses)	**(61)**	**53**

(a) Including CHF 74 million (2024: CHF 133 million) of hyperinflation adjustments.

6. Income from associates and joint ventures

This item mainly includes our share of the estimated results of our joint ventures, L'Oréal and other associates.

7. Cash flow before changes in operating assets and liabilities

In millions of CHF	January–June 2025	January–June 2024
Profit for the period	**5 167**	**5 775**
Income from associates and joint ventures	(704)	(745)
Taxes	1 602	1 677
Financial income	(170)	(181)
Financial expense	929	925
Operating profit	**6 824**	**7 451**
Depreciation of property, plant and equipment	1 606	1 521
Impairment of property, plant and equipment	83	135
Amortization of intangible assets	193	244
Impairment of intangible assets	5	54
Net result on disposal of businesses	(11)	43
Net result on disposal of assets	(27)	6
Non-cash items in financial assets and liabilities	121	(49)
Equity compensation plans	66	68
Hyperinflation adjustments	(74)	(133)
Non-cash items of income and expense	**1 962**	**1 889**
Cash flow before changes in operating assets and liabilities	**8 786**	**9 340**

8. Equity

8.1 Share capital

The most recent share buyback program of CHF 20 billion started on January 3, 2022 and was completed on December 23, 2024. The share capital changed in 2025 and 2024 as a consequence of this share buyback program. The cancellations of shares were approved at the Annual General Meetings on April 16, 2025 and April 18, 2024. The share capital was reduced by 43 480 000 shares from CHF 262 million to CHF 258 million in 2025 and by 50 000 000 shares from CHF 267 million to CHF 262 million in 2024.

At June 30, 2025, the share capital of Nestlé S.A. is composed of 2 576 520 000 registered shares with a nominal value of CHF 0.10 each.

8.2 Dividend

The dividend related to 2024 was paid on April 24, 2025, in accordance with the decision taken at the Annual General Meeting on April 16, 2025. Shareholders approved the proposed dividend of CHF 3.05 per share, resulting in a total dividend of CHF 7849 million.

9. Fair value of financial instruments

9.1 Fair value hierarchy

In millions of CHF	June 30, 2025	December 31, 2024
Derivative assets	70	446
Bonds and debt funds	431	1 392
Equity and equity funds	132	144
Other financial assets	34	35
Derivative liabilities	(183)	(50)
Prices quoted in active markets (Level 1)	**484**	**1 967**
Derivative assets	582	417
Bonds and debt funds	429	467
Equity and equity funds	863	931
Other financial assets	492	611
Derivative liabilities	(578)	(665)
Valuation techniques based on observable market data (Level 2)	**1 788**	**1 761**
Financial assets	288	247
Valuation techniques based on unobservable input (Level 3)	**288**	**247**
Total financial instruments at fair value	**2 560**	**3 975**

The fair values categorized in level 2 above were determined as follows:
– Derivatives are valued based on discounted contractual cash flows using risk-adjusted discount rates and relying on observable market data for interest rates and foreign exchange rates; and
– The other level 2 investments are based on a valuation model derived from the most recently published observable financial prices for similar assets in active markets.

There have been no significant transfers between the different hierarchy levels in the 2025 and the 2024 interim periods.

9.2 Carrying amount and fair value

As at June 30, 2025, the carrying amount of bonds issued is CHF 51.8 billion (December 31, 2024: CHF 53.0 billion), compared to a fair value of CHF 50.0 billion (December 31, 2024: CHF 50.5 billion). This fair value is categorized as level 2, measured on the basis of quoted prices.

For all other financial assets and liabilities, the carrying amount is a reasonable approximation of the fair value.

10. Bonds

In millions of CHF							January–June 2025
Issuer		Face value in millions	Coupon	Effective interest rates	Year of issue/ maturity	Comments	Amount
New issues							
Nestlé Finance International Ltd., Luxembourg	EUR	600	2.88%	3.01%	2025–2032		560
	EUR	500	3.50%	3.65%	2025–2045		461
	CNY	2 000	2.80%	2.82%	2025–2035	(a)	232
Nestlé Capital Corporation, USA	USD	100	4.33%	4.63%	2025–2030		85
	AUD	400	4.55%	4.62%	2025–2030	(a)	216
	AUD	400	5.25%	5.30%	2025–2035	(a)	216
Total new issues							**1 770**
Repayments							
Other bonds							(44)
Total repayments							**(44)**

(a) Subject to derivatives that create debts in the currency of the issuer.

11. Contingencies

With food safety as a primary goal, operating practices at some of Nestlé's natural mineral water production sites may not be in line with the applicable regulatory framework. The Group is currently engaging with the relevant authorities to ensure that its operating practices are fully compliant. The Group has not identified material liabilities as at the balance sheet date related to these practices. In this context, no material provisions were recognized nor were material contingent liabilities identified, as it is not possible to quantify any potential future liabilities related to these events.

12. Events after the balance sheet date

As at July 23, 2025, the Group has no subsequent events which either warrant a modification of the value of its assets and liabilities or any additional disclosure.

Principal exchange rates

CHF per		June 2025	December 2024	June 2024	January–June 2025	January–June 2024
				Ending rates		Average rates
1 US Dollar	USD	0.798	0.904	0.900	0.863	0.889
1 Euro	EUR	0.937	0.941	0.962	0.942	0.961
100 Chinese Yuan Renminbi	CNY	11.141	12.380	12.379	11.895	12.324
100 Brazilian Reais	BRL	14.573	14.594	16.288	14.980	17.500
100 Mexican Pesos	MXN	4.244	4.370	4.877	4.318	5.193
1 Pound Sterling	GBP	1.095	1.135	1.137	1.118	1.125
100 Philippine Pesos	PHP	1.417	1.563	1.534	1.510	1.563
100 Indian Rupee	INR	0.933	1.055	1.078	1.002	1.069

Notes

Shareholder information

Stock exchange listing
At June 30, 2025, Nestlé S.A. shares are listed on the SIX Swiss Exchange, Zurich (ISIN code: CH0038863350).
American Depositary Receipts (ISIN code: US6410694060) representing Nestlé S.A. shares are offered in the USA by Citibank, N.A., New York.

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As to information concerning the share register (registrations, transfers, dividends, etc.), please contact:
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The *Half-Year Report* is available online as a PDF in English, French and German.

www.nestle.com

October 16, 2025
2025 nine-months sales figures

February 19, 2026
2025 full-year results

The *Half-Year Report* 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, tariffs, commodities prices, competitive product and pricing pressures, and regulatory developments.

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