



Nestlé Nutrition reports 6.4% growth in first quarter

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Nestlé Nutrition reported sales of CHF 2.3 billion with 6.4% organic and 2.2% real internal growth for the first quarter ended on March 31. Emerging markets, notably China and the Middle East were the main driver in growth of Nestlé Nutrition segment. Infant formula and cereals performed strongly, company said.

"Our flagship brands continued to do well, with NAN remaining a key growth driver for infant formula. Our premium offering Illuma also drove performance. In the United States we took a strategic decision to focus on value generation and optimising use of our assets, exiting some contracts which had an impact on growth," said Nestlé CEO Paul Bulcke.

Nestlé has reported growth of 4.2% in the first quarter report published. The company has reported first quarter organic growth as composed of 2.6% real internal growth and 1.6% pricing. Sales were CHF 20.8 billion, impacted by substantial negative foreign exchange of 8.6%, and acquisitions, net of divestitures, further reduced sales growth by 0.7%. Company reported growth in all geographies- 4.6% in the Americas, 0.3% in Europe and 7.3% in Asia, Oceania and Africa. The developed markets grew 0.6% and the emerging markets 8.5%.

Company stated that its Health Science segment had a good start to the year across all regions and businesses even though the pressure on public sector healthcare budgets continued to have an impact. Key brands driving growth included Boost, Peptamen and Alfamino.

"Our organic growth in the first months of the year was in line with expectations and driven by volume rather than price. The continued roll-out of new products, along with good execution, sustained this growth in difficult market conditions. We will keep up the pace of innovation, while further strengthening support for our brands. We confirm our outlook for the full year: performance weighted to the second half, outperforming the market, with organic growth around 5%," Paul Bulcke said.