

Nestlé Skin Health Is Created Targeting Global Skin Health Needs

Tuesday 11th February, 2014 - (Lausanne, Switzerland). Today, Nestlé S.A. (Nestlé) announced the creation of Nestlé Skin Health S.A., a global leader focused on meeting the world's increasing skin health needs with a scientifically-proven broad range of innovative products. The company will be formed by the acquisition of 50% of Galderma Pharma S.A. (Galderma), subject to regulatory clearance. Galderma was established in 1981 as a dermatology-focused, Swiss-based joint-venture between Nestlé and L'Oréal S.A. (L'Oréal) and had sales of CHF 2.0 billion in calendar year 2013.

Nestlé chairman Peter Brabeck-Letmathe said "Building on Nestlé's historic strengths as a science based Nutrition, Health & Wellness Company and through the recent creation of Nestlé Health Science S.A., the company has reinforced its strategic direction to offer nutritional solutions from food & beverage to scientific products for a healthier life. By creating Nestlé Skin Health S.A. and by leveraging Galderma's current portfolio, formulations and innovative research, Nestlé will now be able to provide science-based solutions for skin conditions. We strive to have a portfolio of innovative products that meet the full spectrum of people's skin health needs over the course of their lives and to provide a holistic approach to people's health." The establishment of Nestlé Skin Health will allow the emergence of a global leader that will leverage Galderma's and Nestlé's commercial operations throughout the world. Galderma's Scientific Division, with laboratories located in France, Sweden, United States, Japan and Switzerland, will become part of Nestlé Skin Health and will actively collaborate with Nestlé's global R&D network. Galderma's 33 commercial subsidiaries around the world will continue to deliver scientifically-defined and medically-proven products to patients and healthcare providers around the world under the Galderma brand and organization.

Nestlé CEO Paul Bulcke said that "Nestlé Skin Health will have a broad commercial and R&D platform able to deliver state of the art solutions focused on maintaining, treating and restoring the health of the skin. The new company will be particularly effective working across different trade channels to help people meet their skin health needs at a time when access to medical care is getting more challenging due to resource constraints." He added "Nestlé will contribute its Bübchen line of baby care products to Nestlé Skin Health and provide Galderma access to innovative technologies from Nestlé's R&D as well to help develop Nestlé Skin Health's future portfolio."

Nestlé Skin Health will have a full range of products for the skin, hair and nail including self-medication drugs, quasi-drugs such as medicated soaps or sunscreens, therapeutic skin care products, nutraceuticals, prescription drugs and medical devices. Nestlé Skin Health, a wholly-owned subsidiary of Nestlé, will become operational as soon as regulatory requirements and competition authority clearance have been provided. Humberto C. Antunes, who currently serves as President and CEO of Galderma, will lead Nestlé Skin Health reporting to the company's new Board of Directors. Peter Brabeck-Letmathe will become Chairman and Paul Bulcke Vice-chairman of the new Board of Directors of Nestlé Skin Health, based in Switzerland.

On behalf of Galderma, Humberto C. Antunes, CEO explained "this is good news for patients, consumers and healthcare providers, and the thousands of Galderma employees throughout the world. As part of Nestlé Skin Health, Galderma's medical heritage and portfolio can be

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expanded to meet the full range of skin health needs, creating a new world leader focused on improving people's lives."

The skin, the largest organ in the human body, plays an important role in how we perceive ourselves and how others perceive us. Improving skin health has a proven impact on well-being and quality of life and these aspects, together with preventing, treating and curing medical conditions related to the skin, are what Nestlé Skin Health aspires to address.

About Nestlé Skin Health

Responding to increasing consumer needs, Nestlé will extend its activities to include the field of specialized, medical skin treatments through the creation of Nestlé Skin Health S.A., a global leader focused on meeting the world's increasing skin health needs with a scientifically-proven broad range of innovative products. Nestlé Skin Health S.A. will be managed as a wholly-owned subsidiary of Nestlé S.A., with its own Board of Directors, located in Lausanne, Switzerland. Upon the approval and completion of Nestlé's acquisition of the 50% stake of Galderma from L'Oréal, Galderma will form the foundation of Nestlé Skin Health S.A.

About Galderma

A global company exclusively dedicated to dermatology

Galderma is a global company founded in 1981 committed to delivering innovative medical solutions to meet the dermatological needs of people throughout their lifetime while serving healthcare professionals around the world. The company has 33 wholly-owned affiliates with a worldwide network of distributors and more than 5,000 employees. Galderma's extensive product portfolio is available in 80 countries and treats a range of dermatological conditions including: acne, rosacea, onychomycosis, psoriasis & steroid-responsive dermatoses, pigmentary disorders, skin cancer and medical solutions for skin senescence.

With approximately 19% of revenues invested each year to discover and develop new products and access innovative technologies, the company is one of the world's leading investors in dermatology R&D. Five state-of-the-art R&D centers and five manufacturing sites are dedicated to providing a wide range of innovative medical solutions which meet the highest standards of safety and efficacy.

Strategic brands include Epiduo, Oracea, Clobex, Differin, Mirvaso, Rozex/MetroGel, Silkis/Vectical, Tri-Luma, Loceryl, Cetaphil, Metvix, Azzalure, Restylane and Emervel.

For more information, please visit Galderma's website www.galderma.com.

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