



PRESS RELEASE

Nestlé Managing Director welcomes PM's interest in processed milk industry

Lahore, Sept 24, 2013: Magdi Batato, Managing Director, Nestlé Pakistan, thanked the Prime Minister, Mian Nawaz Sharif for recognizing Nestlé's contribution to the Pakistani dairy industry during his recent visit to Turkey. While speaking at the Pak-Turkey Business and Investment Forum in Istanbul, the Prime Minister specifically highlighted Pakistan's top global ranking in the milk industry and used Nestlé's growth and investment in the industry as an example of the potential that exists.

Nestlé has established one of its largest milk reception facilities in Pakistan along with many milk production plants across the country, with the latest investment being the \$140 million milk drying plant in Sheikhpura that was inaugurated in 2013.

Thanking the Prime Minister for showing confidence in Nestlé and providing a conducive business environment, Magdi Batato, Managing Director, Nestlé Pakistan, reiterated the organization's commitment to Pakistan and its consumers. "We are in Pakistan for the long-term, and are part of its economy. We believe that we can create value for our shareholders by doing business in ways that specifically help address global and local issues in the areas of nutrition, water and rural development, having a positive impact on our consumers, employees and suppliers. This is what we call Creating Shared Value. We rely on the government to continue to provide a favorable policy and economic environment for the dairy industry. We remain committed to providing our consumers with high value and quality products."

Citing Turkey's example, Magdi said that there is a lot to be learnt from how the milk industry in Turkey has been supported through the right regulations to make it competitive (for instance, minimum pasteurization law). 70% of milk produced in Turkey is processed and packaged versus the packaged industry being just 4% of the milk market in Pakistan.

Pakistan also has great potential for exports in this industry but that is hampered by inefficiencies at the farm level which result in Pakistan not being able to compete in the international market. If such challenges are addressed, the industry will not only blossom domestically but Pakistan can become a major exporter of dairy products in the region. By installing the state of the art milk drying plant, Nestlé is looking forward to being able to further contribute to those exports.

Mr. Batato stressed that "Nestlé Pakistan will continue to play a leading role in the food and nutrition business." END

About Nestlé Pakistan

Nestlé Pakistan is the leading NHW Company in Pakistan; meeting and exceeding all the international standards in manufacturing of their products. Nestlé Pakistan believes in creating shared value for the communities in which it operates with the focus being on Nutrition, Water and Rural Development. Nestlé Pakistan works with more than 190,000 farmers for collecting milk and engages in a number of rural development programs for community development.

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