

Nestlé® reports 2.8% organic growth in Q1 2025

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Nestlé® announced its financial results for the first quarter of 2025, reporting organic sales growth of 2.8 per cent, underpinned by real internal growth (RIG) of 0.7 per cent and pricing of 2.1 per cent, despite ongoing macroeconomic and consumer uncertainty.

Sales for the period reached CHF 22.6 billion, compared to CHF 22.1 billion in the same quarter last year. Growth was broad-based across markets and product categories, with notable momentum in key "billionaire brands" and early success in innovations such as Nescafé® Espresso Concentrate.

"We have made further progress in delivering our strategy," said Laurent Freixe, CEO of Nestlé®. "In a challenging environment, our teams are driving efficiencies and investing for growth to accelerate our categories and improve market share."

Confectionery and coffee led category growth, with organic increases of 8.9 per cent and 5.1 per cent respectively, driven largely by pricing actions taken to counter input cost inflation, particularly in coffee and cocoa. PetCare delivered 1.6 per cent organic growth, reflecting softer market conditions but continued market share gains globally.

By region, the Zone AOA (Asia, Oceania, Africa) posted the strongest reported growth at 3.6 per cent, followed closely by Zone Europe at 2.5 per cent. Meanwhile, Nestlé® Health Science and Nespresso both posted solid gains, with organic growth of 4.2 per cent and 5.7 per cent, respectively.

Nestlé® continued its organisational transformation initiatives, simplifying structures, especially in Zone Europe, and enhancing R&D capabilities. Progress also continued under its "Fuel for Growth" program, which remains on track to deliver

CHF 0.7 billion in cost savings during 2025, mainly through procurement efficiencies.

The company also reported encouraging early improvements in 18 targeted underperforming business areas.

Nestlé reaffirmed its 2025 guidance, expecting organic sales growth to strengthen over the year. The underlying trading operating profit (UTOP) margin is projected to be at or above 16.0% as the company continues to balance investments for growth with disciplined cost management.

Despite an uncertain environment, Freixe emphasised the company's focus: "Our 277,000 committed colleagues are fully engaged in executing our strategy to deliver sustained, profitable growth."