



Nestlé

EXPANDS

OPERATIONS IN SOUTH AFRICA

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Nestlé South Africa, a multinational food and nutrition company enjoying a substantial market share in the country with factories and distribution centres in six of the country's nine provinces, including North West, Mpumalanga, the Western and Eastern Cape and Free State.

The company has embarked on the construction of a multi-million rand project situated 60 km north of Pretoria in a small town of Babelegi, North West Province. The construction commenced in the first quarter of 2011 with practical completion earmarked for the second quarter of 2012.

The scope of the project entails the construction of a 16 000 square metre cereal facility which will enable the production of Milo and Cheerio cereals, which are currently being imported. In addition, it also includes the expansion of Nestlé's existing

Babelegi factory which will be used for manufacturing Magi products such as bouillons, seasonings, instant soups, stocks, sauces and noodles.

The investment is aligned to the company's ambition of being the world's leading Nutrition, Health and Wellness Company while offering consumers quality, nutritious and affordable products. It will also benefit the local business community as most of the raw materials required will be sourced locally, thus providing a market for local business and emerging farmers.

Producing locally will have an invaluable impact on prices for both the end user and the organization. Some of the popular products include baby formula milk Nido and Nespray, as well as baby foods like Nestum and Cerelac and also they have been producing mineral water and wide range of



ice-creams as well.

The project has already resulted in the creation of sizable employment opportunities for the Babelegi community during construction and more permanent opportunities beckon. "A number of our employees will go to factories around the world for manufacturing training," stated Ravi Pillay, Nestlé's Corporate Affairs director.

The multi-national company endeavours to continue increasing its footprint in South Africa by building new facilities and upgrading newly acquired like soya venture in Potchefstroom, also in the North West. This forms part of the of the company's expansion drive in a country where they have been operating for decades.