



SWITZERLAND: Analysts upbeat on Nestlé CEO move

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Analysts have expressed confidence that the man set to become Nestlé's new chief executive will continue to drive the company forward.

Late yesterday, Nestlé said it had lined up Paul Bulcke - the head of the company's Americas business - as the man to replace Peter Brabeck-Letmathe as CEO.

The news was initially met with surprise in analyst circles after wide speculation that Nestlé CFO Paul Polman would take the top job. The markets also seemed to react with caution; shares in Nestlé dipped 3.6% after the announcement.

However, one analyst, **James Amoroso** of Swiss broker Helvea, said the market reaction was due to uncertainty over whether Polman would stay at the company.

Amoroso said Nestlé had since confirmed Polman - formerly of Procter & Gamble - would stay at the company. **Amoroso** added that the combination of Polman as CFO and Bulcke as the new CEO would stand Nestlé in good stead.

"[Polman's] decision to stay will be a great relief for the market and for Nestlé," **Amoroso** said. "The result? Bulcke with almost 30 years of Nestlé; Polman with almost 30 years of P&G; the former focused on the markets and operations, the latter focused on the systems, organisation and resources, knowing instinctively what the former needs.

"Nestlé's transformational change will continue, and now possibly even faster."

Under Nestlé's plans, Bulcke will take the job on 10 April next year, while Brabeck-Letmathe will continue as a non-executive chairman. Bulcke's successor will be unveiled on 18 October.

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