

Press release

Nestlé Health Science acquires US-based Pamlab to build up its Brain Health and Metabolic Health portfolio

Lutry, Switzerland, 26 February 2013 – Nestlé Health Science has agreed to acquire the business of **Pamlab**, a US-based company with an innovative portfolio of medical food products for use under medical supervision in the nutritional management of patients with mild cognitive impairment, depression and diabetic peripheral neuropathy.

Strategic fit

The acquisition further strengthens Nestlé Health Science's capacity to deliver personalised healthcare to address chronic medical conditions through nutrition, especially in the areas of metabolic health and brain health.

"The acquisition of the Pamlab business is aligned with our strategic ambition to provide science-based nutritional solutions for people with chronic medical conditions. Pamlab will particularly strengthen our brain health platform and provide us an additional foothold in metabolic health in the US," said Luis Cantarell, Nestlé Health Science President and Chief Executive Officer. "By leveraging our nutrition heritage and US operations with Pamlab's proven expertise in medical foods and strong sales force capabilities, together we can play a key role in helping to manage certain chronic diseases and improve the quality of patients' lives," he added.

Commercialised products that improve quality of life

Pamlab's portfolio of prescription medical food products for use under medical supervision includes *Metanx*[®], one of their key products that is formulated to meet the distinct nutritional requirements of patients with diabetes to help restore the metabolic processes associated with peripheral neuropathy. This serious condition is common among those with Type 2 Diabetes, where the patient's peripheral blood flow has been compromised and their nerves damaged.

Pamlab also makes *Deplin*[®], a medical food specifically formulated to provide necessary nutritional support for certain people on prescribed antidepressant therapy for clinical depression. *Deplin*[®] contains l-methylfolate, the active ingredient of folate, to help balance three neurotransmitters associated with mood: serotonin, dopamine and norepinephrine.

In addition, the company produces *CerefolinNAC*[®], a medical food to help address distinct metabolic nutritional needs associated with mild cognitive impairment.

A common purpose

"We are excited to join forces with Nestlé Health Science, and we share their commitment to personalized nutrition," said Eric Wingerter, Pamlab President and Chief Executive Officer. "With their support, we will accelerate the development and deployment of our innovative nutritional solutions for people with chronic metabolic and neurologic conditions. We are united by a common purpose and culture, founded upon a passion to make a difference to patients' lives."

Building on ambition towards science-based nutritional solutions

Nestlé Health Science's core business provides nutritional solutions for people with specific dietary needs related to illness or disease states in the area of ageing medical care, critical care and surgery, and paediatric medical care. The company is also developing new approaches to address the nutritional aspects of chronic diseases in the areas of gastrointestinal (GI) health, metabolic health and brain health.

In 2012 Nestlé Health Science formed **Nutrition Science Partners, Ltd**, a 50/50 joint venture with healthcare pharmaceutical group Chi-Med, to develop nutritional and medicinal products derived from botanical plants to address gastrointestinal disorders. This transaction is subject to regulatory approval.

Other acquisitions and partnerships include: **Prometheus Laboratories**, a U.S. firm specialising in diagnostics and licensed specialty pharmaceuticals in GI and oncology; **VitaFlo**, a provider of uniquely formulated nutritional solutions for infants, children and adults with genetic disorders that affect how food is processed by the body; and a minority investment in **U.S firm Accera**, specialising in medical foods intended for the dietary management of patients with mild to moderate Alzheimer's disease.

Terms of acquisition

The terms of Nestlé Health Science's acquisition of Pamlab are not being disclosed. This transaction is subject to regulatory approval.

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About Nestlé Health Science

Nestlé Health Science, a wholly-owned subsidiary of Nestlé, was formed in January 2011 to spearhead the development of science-based personalised nutritional solutions. Building on its core HealthCare Nutrition business, the company has ambitions to address chronic conditions in the area of Gastrointestinal Health, Metabolic Health and Brain Health. Nestlé Health Science offers nutritional solutions for people with specific dietary needs related to illnesses, disease states or the special challenges of different life stages. Nestlé Health Science employs around 3,000 people worldwide and has its headquarters in Lutry, Switzerland. For more information, please visit www.nestlehealthscience.com.

About Pamlab

Pamlab was founded by Sam and Judy Camp in 1987 and is a fully integrated biomedical company that employs approximately 400 people. Pamlab specialises in medical foods that are used under the medical supervision of health care providers to meet the distinct nutritional requirements of patients with diabetic neuropathy, dementia, depression, high-risk pregnancy and other medical conditions. Pamlab is committed to improving lives through the development and commercialization of products that enable physicians to provide greater individualized patient care. Pamlab's products are marketed and sold in the US, helping patients with diabetic peripheral neuropathy, dementia, depression, high-risk pregnancy and other medical conditions. Pamlab's corporate offices are located in Covington, Louisiana. For more information about Pamlab, please visit www.pamlab.com.

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