

FINAL TERMS

8 February, 2007

NESTLÉ HOLDINGS, INC.

Issue of NOK 1,000,000,000 4.750 per cent. Notes due 12 February, 2010

(the "Notes")

Guaranteed by Nestlé S.A.
under the Debt Issuance Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 4 August, 2006, which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Prospectus and the Supplementary Prospectus dated 15 January, 2007. The Prospectus and the Supplementary Prospectus are available for viewing on the Nestlé Group's investor relations website, which can be found at www.ir.nestle.com and are also available on the website of the London Stock Exchange plc at www.londonstockexchange.com/rns.

1. (a) Issuer: Nestlé Holdings, Inc.
(b) Guarantor: Nestlé S.A.
2. (a) Series Number: 36
(b) Tranche Number: 1
3. Specified Currency or Currencies: Norwegian Kroner ("NOK")
4. Aggregate Nominal Amount:
(a) Series: NOK 1,000,000,000
(b) Tranche: NOK 1,000,000,000
5. Issue Price: 101.275 per cent. of the Aggregate Nominal Amount
6. Specified Denominations: NOK 10,000 and NOK 50,000
7. (a) Issue Date: 12 February, 2007
(b) Interest Commencement Date: 12 February, 2007

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| 8. | Maturity Date: | 12 February, 2010 |
| 9. | Interest Basis: | 4.750 per cent. Fixed Rate (further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest Basis or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Not Applicable |
| 13. | (a) Status of the Notes: | Senior |
| | (b) Status of the Guarantee: | Senior |
| | (c) Date Board approval for issuance of Notes and Guarantee obtained: | 1 August, 2006 |
| 14. | Method of distribution: | Syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 15. | Fixed Rate Note Provisions | Applicable |
| | (a) Rate(s) of Interest: | 4.750 per cent. per annum payable annually in arrear |
| | (b) Interest Payment Date(s): | 12 February in each year from and including 12 February, 2008 up to and including the Maturity Date |
| | (c) Fixed Coupon Amount(s): | NOK 475 per NOK 10,000 in nominal amount and NOK 2375 per NOK 50,000 in nominal amount |
| | (d) Broken Amount(s): | Not Applicable |
| | (e) Day Count Fraction: | Actual/Actual (ICMA) |
| | (f) Determination Date(s): | 12 February in each year |
| | (g) Other terms relating to the method of calculating interest for Fixed Rate Notes: | None |
| 16. | Floating Rate Note Provisions | Not Applicable |
| 17. | Zero Coupon Note Provisions | Not Applicable |
| 18. | Index Linked Interest Note | Not Applicable |

Provisions

19. **Dual Currency Interest Note Provisions** Not Applicable

PROVISIONS RELATING TO REDEMPTION

20. **Issuer Call** Not Applicable
21. **Investor Put** Not Applicable
22. Final Redemption Amount of each Note: NOK 10,000 per Note of NOK 10,000 Specified Denomination and NOK 50,000 per Note of NOK 50,000 Specified Denomination
23. Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 6(h)): As set out in Condition 6(h)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on 60 days' notice given at any time
25. New Global Note: No
26. Additional Financial Centre(s) or other special provisions relating to Payment Days: TARGET Days, Oslo and New York
27. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No
28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable

29. Details relating to Instalment Notes:
- (a) Instalment Amount(s): Not Applicable
- (b) Instalment Date(s): Not Applicable
30. Redenomination and Renominalisation and/or Consolidation: Not Applicable
31. Other terms or special conditions: Not Applicable

DISTRIBUTION

32. (a) If syndicated, names and addresses of Managers and underwriting commitments: ABN AMRO Bank N.V. (as Joint-Lead Manager)
250 Bishopsgate
London EC2M 4AA
Underwriting commitment: NOK 500,000,000
Fortis Bank nv-sa (as Joint-Lead Manager)
Montagne du Parc 3
B-1000 Brussels
Underwriting commitment: NOK 500,000,000
- (b) Date of Syndication Agreement: 8 February, 2007
- (c) Stabilising Manager (if any): Not Applicable
33. If non-syndicated, name and address of relevant Dealer: Not Applicable
34. Total commission and concession: 1.375 per cent. of the Aggregate Nominal Amount (comprising combined management and underwriting commission of 0.250 per cent. of the Aggregate Nominal Amount and selling concession of 1.125 per cent. of the Aggregate Nominal Amount)
35. Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: TEFRA D

36. Additional selling restrictions: Not Applicable

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Debt Issuance Programme of the Issuer.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

Signed on behalf of the Guarantor:

By:.....

By:.....

Duly authorised

Duly authorised

PART B – OTHER INFORMATION

1. LISTING

(i) Listing:

London.

Application has been made to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 (the "UKLA") for the Notes to be admitted to the official list maintained by the UKLA with effect from 12 February, 2007.

(ii) Admission to trading:

Application has been made to the London Stock Exchange plc (the "London Stock Exchange") for the Notes to be admitted to trading on the London Stock Exchange's Gilt-Edged and Fixed Interest Market with effect from 12 February, 2007.

2. RATINGS

Ratings:

The Notes to be issued have not been specifically rated.

Ratings allocated to Notes issued under the Debt Issuance Programme generally are:

S & P: AAA

An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

Moody's: Aaa:

Obligations rated 'Aaa' are judged to be of the highest quality, with minimal credit risk.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any

time by the relevant rating agency.

The meanings of ratings may be found on the websites of the rating agencies (www.standardandpoors.com and www.moodys.com) and may be updated by the rating agencies from time to time. The meanings above have been extracted from the websites of the rating agencies as of the date hereof and have been reproduced by the Issuer in these Final Terms.

3. NOTIFICATION

The Financial Services Authority has provided the competent authorities in Belgium with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

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| (i) Reasons for the Offer: | The net proceeds from the issue of Notes will be applied by the Issuer for its general corporate purposes, and outside Switzerland as determined by the Swiss tax authorities. |
| (ii) Estimated net proceeds: | NOK 998,500,000 (following deduction of the Managers' commission and concession and estimated expenses) |
| (iii) Estimated total expenses: | NOK 500,000 |

6. YIELD (FIXED RATE NOTES ONLY)

Indication of yield: 4.288 per cent.

Calculated as the yield to maturity (on an Actual/Actual (ICMA) basis) on the Issue Date.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

7. **HISTORIC INTEREST RATES** (*FLOATING RATE NOTES ONLY*)

Not Applicable

8. **PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING** (*INDEX LINKED NOTES ONLY*)

Not Applicable

9. **PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT** (*DUAL CURRENCY NOTES ONLY*)

Not Applicable

10. **OPERATIONAL INFORMATION**

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| (i) | ISIN Code: | XS0283394962 |
| (ii) | Common Code: | 028339496 |
| (iii) | Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): | Not Applicable |
| (iv) | Delivery: | Delivery against payment |
| (v) | Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| (vi) | Intended to be held in a manner which would allow Euro system eligibility: | No |

11. **OFFER TO THE PUBLIC**

- (i) Conditions to which the offer is subject: The Joint-Lead Managers reserve the right to withdraw the present offer, if there are market or other disruptions not enabling a smooth placement or settlement of the Notes, as determined by the Joint-Lead Managers in their sole discretion.

Moreover, the offer of the Notes is subject to the conditions set out in the Syndication Agreement and Programme Agreement.

- (ii) Total amount of the offer: NOK 1,000,000,000
- Nevertheless, the Joint-Lead Managers reserve the right to close the subscription period earlier in the case of oversubscription. Such an event will be published through a notice on the following website: www.fortisbank.be (select “Invest” then “Bonds”).
- (iii) An offer to the public: An offer to the public will be made in Belgium from (and including) 20 January, 2007 to (and including) 8 February, 2007.
- In case of early termination of the subscription period due to oversubscription or to changes in market conditions as determined by the Joint-Lead Managers in their sole discretion, allotment of the Notes will be made based on objective allotment criteria according to which the subscriptions will be served in the chronological order of their receipt by the Joint-Lead Managers and, if required, the last subscriptions will be reduced proportionately in order to correspond with the total amount of Notes that will be issued. Any payments made in connection with the subscription of Notes and not allotted will be redeemed within 7 TARGET Days after the date of payment and no person shall be entitled to any interest in respect of such payments.
- By subscribing to or otherwise acquiring the Notes, the holders of the Notes are deemed to have knowledge of, and to accept, all the Conditions and the contents of these Final Terms.
- (iv) Minimum and/or maximum amount of application: Minimum: NOK 10,000
Maximum: Not Applicable
- (v) Method and time limits for paying for the securities and for the delivery of Payment of the Notes must be received on or before the Issue Date by debit of a

- the securities: cash account.
- The delivery of the Notes will take place as described in the Prospectus and these Final Terms. On or about the Issue Date, the relevant securities account of each Noteholder will be credited with the relevant amount of Notes purchased.
- (vi) Manner and date in which results of the offer are to be made public: Not Applicable
- (vii) Categories of potential investors to which the securities are offered: The offer will consist of an offer to the public in Belgium.
- (viii) Process for notification to applicants of amount allotted: Noteholders will be directly notified of the number of Notes which have been allotted to them as soon as possible after the Issue Date.
- (ix) Expected price and method of determination: Not Applicable
- (x) Expenses and taxes charged to the subscriber / purchaser: Expenses and taxes charged to the subscribers or purchasers of the Notes include:
- (a) Legal, administrative and other costs relating to the issue of the Notes amounting to NOK 500,000 (these costs are included in the pricing of the Notes);
 - (b) Costs for the subscribers relating to inscription of the Notes on a securities account (which will be free of charge at Fortis Bank nv-sa and ABN AMRO Bank N.V.(*)); and
 - (c) Tax on stock market transactions other than upon initial subscription of 0.070 per cent. capped at EUR 500 per transaction and per party.
- (*) The opening of a securities account in relation to the subscription of the Notes is free of charge at Fortis Bank nv-sa and ABN AMRO Bank N.V.. Investors must inform themselves well as to the costs

that could be charged to them by other financial institutions.