



THE MARKET

In an increasingly sophisticated youth market, *Milo*, Australia's number one Energy Food Drink, has become an instantly recognisable icon for generations of Australians.

With a strong sporting tradition and focus on youth activity, *Milo* continues to gain high exposure across a broad range of age groups, with a predominance in the 8-14 year old youth market.

ACHIEVEMENTS

Since its introduction over 67 years ago, *Milo* has become a part of everyday life in Australia. With slogans that are as recognisable as the now famous 'green tin', *Milo* is now a part of Australian culture. The brand slogans 'It's marvellous what a difference *Milo* makes', 'You've gotta be made of *Milo*' and '*Milo* - You Can Do It', are as familiar to most Australians as the expression 'G'Day Mate'.

Worldwide, around 18 million cups or glasses of *Milo* are consumed each day. That represents an amazing 6.5 billion drinks per year. In Australia alone, children and adults consumed over 480 million glasses of *Milo* last year.

HISTORY

Since its launch at the Sydney Royal Easter Show in 1934, *Milo* energy food drink has established itself to become a staple at the table of generations



brand was to be positioned as a beverage that provided energy and helped build a strong and healthy body.

The *Milo* brand now enjoys the enviable market position of being a true, unquestionable Australian icon. This is obviously a position that bodes well for future growth.

Milo energy drink is a product that all Australians have grown up with, a product everyone can feel good about. *Milo* conjures up happy memories of childhood and reminds even grown ups of the good times in the kitchen with Mum. Familiarity with the product, combined with the sporting heritage associated with *Milo* and continuing quality marketing initiatives, have ensured continued success for the product and consistent growth in the marketplace.

THE PRODUCT

For most Australians, and now global consumers, *Milo* energy drink needs little introduction. Essentially a malt extract beverage, it has always been aligned with nutrition, energy and well-being. Considered by many to be an important component of a balanced diet, *Milo* contains some of the required daily vitamins and minerals.

The taste of *Milo* is the result of a combination of malt extract (made from malted barley and other cereals), full cream milk powder, cocoa, sugar, mineral salts and vitamins.

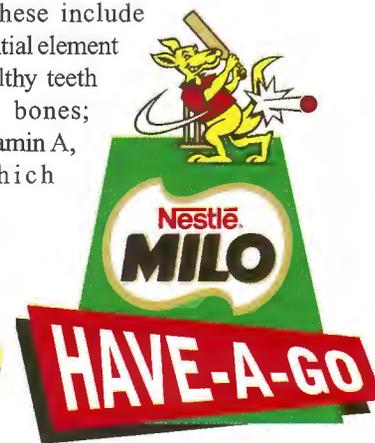
A glass of *Milo* and milk as part of a balanced diet contains essential nutritional components. These include calcium, an essential element for growing healthy teeth and bones; Vitamin A, which

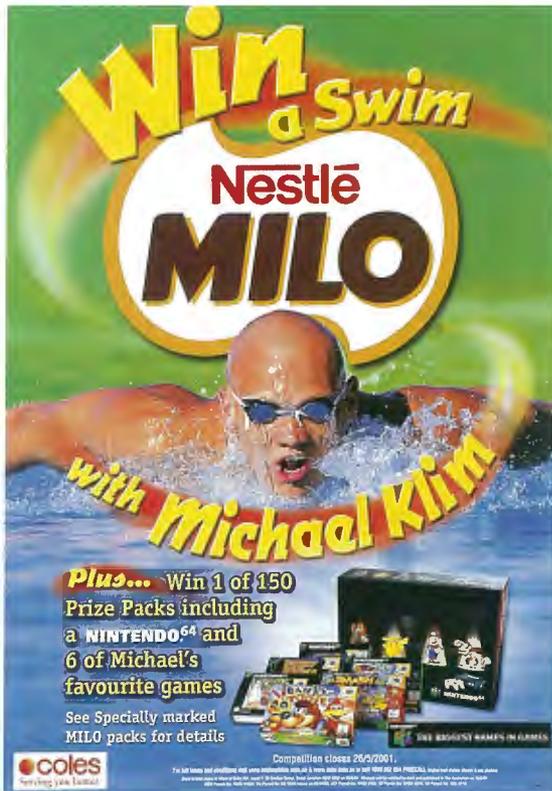
of Australians.

Milo energy drink was created by a Nestlé technology team, headed by the late Thomas Mayne of Sydney, New South Wales. It took the team almost four years of development and fine-tuning before they came up with the unique taste of *Milo*.

Since its creation, *Milo* has been manufactured at the Nestlé plant at Smithtown near Kempsey in New South Wales.

The name *Milo* is derived from the name of one of the great athletes of ancient Greek mythology. Milon, a champion athlete from Croton, an Archaean Greek colony in southern Italy, was famous for his feats of strength at the Pythian Games and the Olympics. A legend in his time, Milon's name was adopted (and slightly modified) because the *Milo*





makes for healthy skin and eyes; Vitamin B1, for energy and the functioning of the nervous system; Vitamin B2, also for healthy skin and energy; and Vitamin C, to improve iron absorption. As well as these vital, health-promoting constituents, *Milo* also contains iron, which is important in oxygen transport to help prevent fatigue; essential minerals, which are vital to ensure that children grow up strong and healthy; and malt extract with its energy producing carbohydrates.

RECENT DEVELOPMENTS

In 2001, Nestlé launched a major campaign to increase *Milo* brand visibility even further with a range of promotions featuring Australia's leading sporting personalities.

Australian cricket legends Brett and Shane Lee visited Woolworths' stores and gave personal tips on cricket and the importance of a healthy breakfast as the basis of good nutrition. Other cricket greats including Adam Gilchrist, Michael Slater and female cricket stars Belinda Clark and Melanie Jones, travelled throughout Australia to host Cricket Clinics for young cricket enthusiasts.

The *Milo* brand is also attracting enormous publicity from its association with Australian swimming. A recent sales promotion featuring Olympic swimming great Michael Klim gave participants a chance to 'Win a Swim with Michael

Klim'. Dual Olympic medallist Leisel Jones is the instantly identifiable public face of the *Milo* Swim Australia program.

Extending its association with sports, the *Milo* brand was linked with a remarkable opportunity for consumers to attend the 2001 Rugby League Grand Final. The promotion had Rugby League greats Reg Gasnier, John Raper and Graeme Langlands hosting the winners of a recent Franklin's supermarket consumer promotion to a Grand Final Breakfast and the game.

Milo energy drink has also been associated with track star Melinda Gainsford-Taylor, tennis legend Evonne Cawley and Aussie Rules Club 10 greats including Wayne Carey, Matthew Lloyd and Ben Cousins.

This ongoing association with Australian sport and sporting legends continues to increase the *Milo* brand's visibility to Australians of all ages.

The association with sport provides admirable role models for Australia's youth. Nestlé believes that, for a healthy lifestyle, every child should be encouraged to 'have a go' through active participation in their chosen sport.

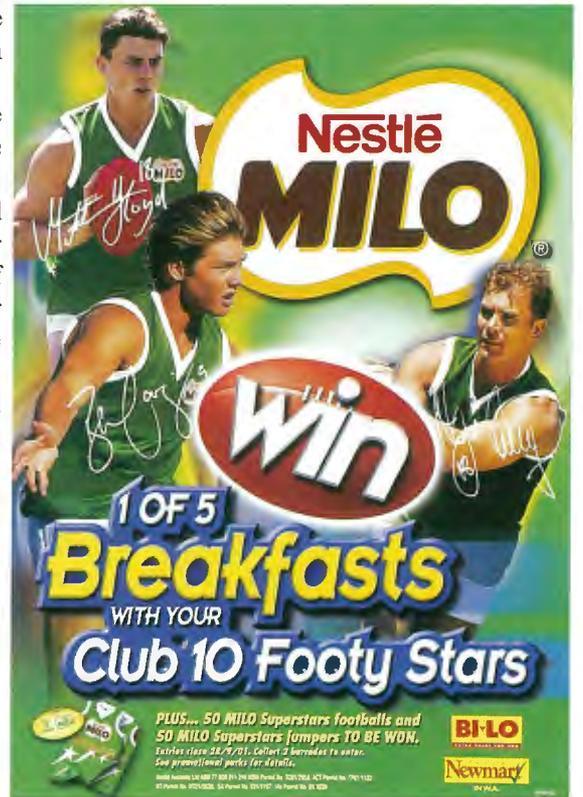


This message can often be conveyed best through sporting heroes such as those with whom the *Milo* brand is aligned.

PROMOTION

The *Milo* brand enjoys high visibility via its strong allegiance to sport. This support has been a natural adjunct to the core health and energy message.

Milo is associated with a wide range of sporting endeavours, with particular emphasis on the promotion of youth sports activities. This has made it an instantly recognisable name in sports promotion and produced high exposure for the *Milo* brand. *Milo* is involved in many programs aimed at



encouraging young people to adopt a more active lifestyle. These include *Milo* Cricket, with sponsorship of the Australian Cricket Board's national junior development programs; *Milo* Tennis, working with Tennis Australia to promote the game to the youth of Australia; and *Milo* Junior Snow programs. This includes sponsorship of junior snow programs in both the New South Wales and Victorian ski resorts. Additionally, the brand supports *Milo* Swim Australia, encouraging young people to learn to swim safely at registered Swim Centres.

BRAND VALUES

Since its introduction, *Milo* in milk has been established as an energy food drink that encourages a healthy lifestyle as it provides energy. As a result, the advertising campaigns that have been created to promote the *Milo* brand have always focused on health, energy and related themes.

The *Milo* brand has always been associated with the family. This combination of health, sport and family unity has been one of the factors that have made the brand so popular with both adults and children.

THINGS YOU DIDN'T KNOW ABOUT MILO

- *Milo* energy drink was created by a Nestlé technology team, headed by the late Thomas Mayne of Sydney, New South Wales.
- *Milo* is not only associated with top-level sports people but also with youngsters. The brand is associated with *Milo* Cricket, *Milo* Tennis, the *Milo* Junior Snow programs and *Milo* Swim Australia for young people.
- Worldwide, around 6.5 billion drinks of *Milo* are consumed per year. In Australia alone, children and adults drank over 480 million glasses of *Milo* last year.

