



Your Pet, Our Passion.®

THE MARKET

Cats are mischievous, reserved and dignified. Their air of independent sophistication makes them seem aloof, but every cat lover knows just how deep and glorious a cat's love can be.

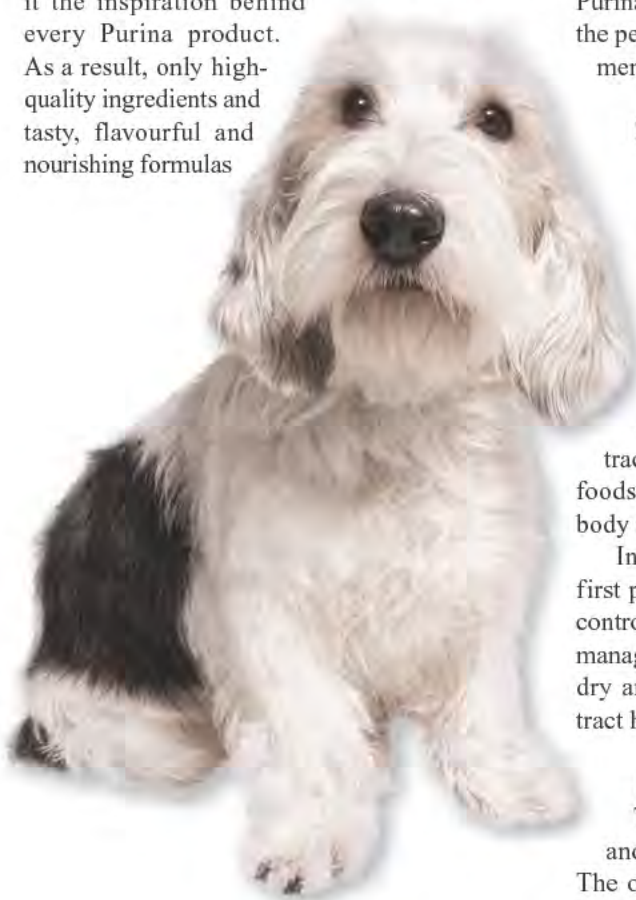
Dogs are the friends we can only aspire to be. They always run to greet us; they always patiently wait for us to return. And they always love us unconditionally.

Each year, more Canadians invite cats and dogs in their homes. About six out of ten households in Canada now include an animal companion. There are more than 12.7 million pets in Canada: 8 million cats and 4.7 million dogs. The number of both cats and dogs has seen double-digit growth since 1992. And the pet product industry has kept pace with this growing population: we spend about \$1.2 billion on our animal friends each year — more than we spend on other consumer packaged-goods categories such as soda, snacks, baby food and wine.

In a frantic, impersonal world, our pets have become increasingly important in our lives.

Given this profound connection, we increasingly demand the best when it comes to feeding these important family members.

Purina understands and celebrates the loving bond between people and their pets and makes it the inspiration behind every Purina product. As a result, only high-quality ingredients and tasty, flavourful and nourishing formulas



PURINA
Your Pet, Our Passion.®

"Let's talk about me. I'm an indoor cat. I get hairballs and may get less exercise than outdoor cats. And it's hard not to gain a little weight. I'd rather not have to cope with this. I'd rather just cope with being perfect."

Pets can't talk. That's why we never stop listening to them, and learning from them. For instance, because indoor cats tend to groom more, they can be prone to hairballs. They may also get less exercise. That's why we make a full line of indoor cat formulas that combine hairball control with weight maintenance. We're doing our best to get the word out. If she could, she'd tell you herself.

ONE helps maintain a healthy weight, controls the formation of hairballs, and reduces liver fat storage.

ONE helps maintain hairballs and maintains lean muscle mass. Promotes optimal nutrient absorption.

Cat Chow helps control constipation and weight maintenance. Controls a hairball's growth so that your cat can cope.

www.purina.ca

are included in Purina's family of brands. Always building on its history of excellence, Purina is a market leader.

ACHIEVEMENTS

Purina has established its reputation as a leader in the pet food market through a long term commitment to excellence, innovation and research.

Helping dogs and cats live long, healthy lives is Purina's first priority.

Purina was the first pet food company to conduct a lifelong study on dogs. The Purina Life Span Study found that feeding dogs to maintain ideal body weight could help delay the visible signs of aging and extend life by up to 15 percent — nearly two years for the Labrador Retrievers in this study. The company also developed a weight-management tracking tool for veterinarians and created dog foods with high protein levels to maintain lean body mass for dogs on a weight loss program.

In the field of cat nutrition, Purina was the first pet food company to offer formulas to help control hairballs, increase nutrient absorption and manage feline diabetes. Purina also launched both dry and wet cat foods to help maintain urinary tract health.

HISTORY

The history of Purina is filled with twists and turns and an occasional fork in the road. The one thread running through the company's

ongoing evolution is the ability to adapt to changing circumstances.

In 1894, William Danforth helped found Purina as a storefront that sold feed in St. Louis, Missouri. With a growing supply of high quality grain products, Danforth's company expanded its reach, selling a whole-wheat breakfast cereal to St. Louis grocers under the Purina brand. The company slogan "where Purity is paramount" was an inspiration for quality nutrition.



A well-known Dr. Ralston then entered the scene and by 1902, added his good name to the company's enterprises. The Ralston Purina name served the company through the World Wars, the Great Depression, technological changes and its evolution into a company focused on pet care products.

In Canada, Purina's agricultural feed production began in 1928. By the 1960s, Purina opened a new cereal manufacturing plant. Soon after, when the potential of the pet food market emerged, Purina's factories in Canada began making dry dog and cat food.

In 2001, Nestlé S.A. acquired Ralston Purina and merged Nestlé's Friskies PetCare business with Ralston Purina to produce a pet food giant on the global scene. Nestlé's portfolio of wet products, such as FANCY FEAST® and FRISKIES® brand cat foods, complemented Ralston Purina's portfolio of dry and semi-moist products, including DOG CHOW® and PRO PLAN® brand pet foods. It was a marriage that made the resulting Purina company a true one-stop shop, with a full array of dog and cat foods, and products for discerning pet lovers.

THE PRODUCT

After more than a century in the pet food business, Purina is an expert in the field of dog and cat nutrition. The company works closely with breeders and veterinarians and does its own extensive research to make sure that the company and brands it represents, continue to provide dogs and cats with the proper balance of nutrients and taste.

Today, the Purina portfolio of products consists of over 20 brands, appealing to the varied needs of consumers and pets across the country. Most widely recognized are the PRO PLAN®, PURINA ONE®, FANCY FEAST®, FRISKIES®, DOG CHOW® and CAT CHOW® brands of dog and cat foods. Purina is also a leader in the cat box filler category with MAXX® and KITTY LITTER® brands.

The highly successful BENEFUL® brand of dog food is also part of the Purina family of products. BENEFUL, introduced to the Canadian market through the BENEFUL dry dog food products, recently added a wet dog food to its lineup. BENEFUL Prepared Meals™ has made a major impact in the pet food market in both the U.S. and Canada. In this case, product innovation and packaging innovation have created a winner in the Purina brand stable: BENEFUL Prepared Meals™ offers real ingredients you can see in clear,



resealable packaging to help maintain freshness.

RECENT DEVELOPMENTS

While nutrition is important in the lives of dogs and cats, Purina understands that it is just one part of raising a healthy, happy pet. Which is why Purina is always looking for ways to help owners with pet health, behaviour and care.

Bringing home a new puppy or kitten can be exciting and overwhelming. There is much to learn and much to do. Recently, Purina launched the mypuppy.ca and mykitten.ca Web sites. With its focus on overall pet care, the puppy and kitten sites help in every stage of puppy and kitten ownership: thinking, preparing, choosing and raising a new pet. Topics range from "Are You Ready" and "First Year Puppy Costs" to "Litter Box Training" and "Teaching Your Kitten Tricks."

For dogs and cats of all ages, Purina developed the Pet Priority program. By

joining Pet Priority, pet owners receive emails and newsletters featuring exclusive offers, helpful hints and expert advice, catered specifically to the life stage of their dog or cat.

PROMOTION

People who love pets love knowing that they can change their pet's health for the better. The re-launch of PURINA ONE® in 2004 was a perfect opportunity to invite dog and cat owners to use the product for 30 days. The premise: in just a few weeks they should see a difference in the health of their pets: healthy-looking skin, a shiny coat and clean teeth. It worked — and the PURINA ONE® 30 Day Performance Challenge was born.

The PURINA ONE® 30 Day Performance Challenge uses a multi-media approach to capture the attention of pet owners across the country. Pet-owning radio personalities take the challenge with their own pets, highlighting results on their radio programs. Television, print ads and a redesigned Web site demonstrate the benefits of PURINA ONE® to both dogs' and cats' health. Direct Mail samples entice consumers to pick up a bag on their next store visit, where in-store displays greet them. The campaign continues to be a very successful and visible endorsement of Purina's commitment to the health and happiness of pets throughout North America.



BRAND VALUES

The PURINA® brand name has long been associated with trust, excellent quality and good value. Consumers consider Purina to be a "family member" and feel that Purina, more than other pet food manufacturers, understands that there is more to being a pet owner than feeding.

Purina rates higher amongst their consumers than do Kraft, Pepsi, Coca-Cola, McDonald's and Bell Canada, due in part to quality of products and services, history, credibility and innovation.

In a company where employees are encouraged to bring their four-legged friends to work, enriching the quality of pet lives is paramount and passion is celebrated. It's a company culture that inspires both its employees and its customers. It's no wonder that Purina has so many loyal consumers and continues to be the brand of choice for pet lovers across the country.

THINGS YOU DIDN'T KNOW ABOUT PURINA

- For over 35 years, Purina has honoured the special role pets play in our lives through the Purina Animal Hall of Fame™. The national awards program — one of the longest-running pet recognition programs in Canada — recognizes pets that have demonstrated exceptional bravery, loyalty and intelligence in saving a human life.
- William Danforth created the red and white checkerboard Purina logo in memory of a large family he once saw all dressed in red-and-white checked clothes. The material identified the family everywhere they went, and Danforth felt the same pattern would build brand recognition for Purina brand products. He was right!
- When Admiral Byrd prepared for his expedition to the South Pole, he asked Purina to develop a special formula for his sled dogs. It was so successful that he used Purina's expertise to develop food for two more dog sled expeditions.

