



PRESS RELEASE

Nestlé India delivers Strong Results for Q3

- **NET SALES** : Rs.1107.6 Crores; **UP 22.2%**
- **NET PROFIT** : Rs.131.8 Crores; **UP 13.5%**
- **Net Domestic Sales**: Rs.1031.1 Crores; **UP 23.0%**.
- **Export Sales**: Rs.76.5 Crores; **UP 11.6%**
- **Net Sales for the third consecutive quarter remains above Rs.1000 Crores mark**
- **Approves Second Interim Dividend for 2008 and Special Dividend, aggregating Rs. 22/- per share of face value of Rs.10/- each**
- **Innovation and Renovation strengthens strong brands further**
 - **Nestlé MILKYBAR CHOO fortified with Calcium**
 - **MAGGI Healthy Soups reinforce Taste Bhi Health Bhi**
 - **'Probiotic Dahi' and 'Pro-Heart Milk with Omega 3' make Nestlé NESVITA the healthier alternative**
- **Nestlé India - receives 'NDTV Profit Business Leadership Award' for 2008**
- **Nestlé India- Outstanding Export Performance for instant tea for 2006-07[Ministry of Commerce and Industry]**
- **Nestlé India -rated 'Best in Class' in FMCG for corporate reputation, and the goodwill it has in business and social contexts [TNS Survey]**

NESTLE HOUSE, Gurgaon 31st October, 2008: The Board of Directors' of Nestlé India today approved the results for the Third Quarter of 2008.

NET SALES

Net Sales for the quarter at Rs.1107.6 Crores have increased by 22.2% over the same period of 2007. Domestic Sales at Rs.1031.1 Crores have increased by 23.0% and Export Sales at Rs.76.5 Crores have increased by 11.6%.

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NET PROFIT

Net Profit for the quarter at Rs.131.8 Crores has increased by 13.5% over the same period of 2007.

Higher volumes and staggered increases in selling prices partially offset steep increase in prices of commodities as well as Fuels/Energies. The steep increase in commodity prices especially impacted the cost of Milk Solids, Green Coffee, Vegetable Fats, Wheat Flour and Sugar.

DIVIDENDS

The Directors approved dividends aggregating Rs.22/- per equity share, to be paid on 26th November, 2008. This comprises the Second Interim Dividend of Rs. 14.50 per equity share declared by the Board of Directors today and the Special Dividend of Rs.7.50 per equity share under the now approved Scheme of Arrangement between the Company and the shareholders and creditors.

First Interim Dividend for 2008 of Rs.8.50 per equity share was paid on 9th May, 2008.

The aforesaid Scheme of Arrangement, envisaged reduction of an amount of Rs.43.24 Crores lying in the Share Premium Account of the Company and return of an amount of Rs.43.08 Crores, which was voluntarily transferred to its General Reserve Account during the years 1981 to 1996, in excess of the prescribed 10% of the profits of the Company, for consequent distribution to the shareholders. After applicable corporate dividend tax and rounding off of the amount to the nearest half Rupee, Special Dividend of Rs.7.50 per equity share, is being distributed to the shareholders.



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