



NESTLE INDIA LIMITED

Registered Office: M-5A, Connaught Circus, New Delhi – 110 001

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE 2008

(Rupees in Lakhs)

THREE MONTHS ENDED				SIX MONTHS ENDED		Accounting Year ended 31.12.2007 (Audited)
30.06.2008	30.06.2007			30.06.2008	30.06.2007	
97414	78726	1	DOMESTIC SALES	202185	160043	331741
2990	3039	2	LESS: EXCISE DUTY	7376	6672	14283
94424	75687	3	NET DOMESTIC SALES (1-2)	194809	153371	317458
9139	8201	4	ADD: EXPORT SALES	17845	16825	32977
103563	83888	5	TOTAL NET SALES (3+4)	212654	170196	350435
671	318	6	OTHER INCOME	1297	1013	2544
104234	84206	7	TOTAL INCOME (5+6)	213951	171209	352979
		8	EXPENDITURE			
1056	7		a) (INCREASE)/DECREASE IN STOCK IN TRADE & WORK – IN –PROGRESS	(2439)	(5187)	(6731)
49048	40431		b) CONSUMPTION OF RAW & PACKING MATERIAL	103460	86231	171760
1238	835		c) PURCHASE OF TRADED GOODS	2329	1516	3467
8018	6968		d) EMPLOYEES COST	15535	13429	26944
2236	1782		e) DEPRECIATION	4342	3575	7474
24701	19188		f) OTHER EXPENDITURE	49365	39724	85368
86297	69211		TOTAL (a+b+c+d+e+f)	172592	139288	288282
17266	14677	9	EARNINGS BEFORE INTEREST & TAX (EBIT) EXCLUDING OTHER INCOME (5-8)	40062	30908	62153
-	-	10	ADDITIONAL EMPLOYEES COSTS	-	7537	7537
-	-	11	IMPAIRMENT OF FIXED ASSETS (NET)	-	-	118
310	317	12	PROVISION FOR CONTINGENCIES (NET)	1306	(6783)	(5904)
138	37	13	INTEREST	147	56	85
17489	14641	14	PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX [7-(8+10+11+12+13)]	39906	31111	62861
		15	TAX EXPENSE			
5794	5440		a) CURRENT TAXES (incl. Fringe Benefits Tax)	12139	8310	19811
(414)	(368)		b) DEFERRED TAXES	(357)	2387	1669
5380	5072		NET TAXES (a+b)	11782	10697	21480
12109	9569	16	NET PROFIT (14-15)	28124	20414	41381
9642	9642	17	PAID UP EQUITY SHARE CAPITAL (FACE VALUE – RS 10 PER SHARE)	9642	9642	9642
-	-	18	RESERVES EXCLUDING REVALUATION RESERVES	-	-	32201
12.56	9.92	19	BASIC AND DILUTED EARNINGS PER SHARE (RS)	29.17	21.17	42.92
36785762	36785762	20	PUBLIC SHAREHOLDING	36785762	36785762	36785762
38.15%	38.15%		- NUMBER OF SHARES	38.15%	38.15%	38.15%
			- PERCENTAGE OF SHAREHOLDING			

Notes:

- Total Net Sales for the quarter have increased by 23.5% compared with the same period of 2007. Net Domestic Sales have increased by 24.8% and Export Sales have increased by 11.4%.

Contd..2

2. Other Income has increased largely due to higher liquidities supplemented by an increased rate of return.
3. The growth in EBIT for the quarter is 17.6%. The EBIT margin of 16.7% for the quarter has largely been impacted by higher expenditure on advertising and sales promotion. Commodity markets continue to be very challenging.

The growth in Net Profit for the quarter of 26.5% has been positively influenced by the tax holiday for Pantnagar factory and has improved the Net Profit margin to 11.6% from 11.4% in the same quarter of 2007.

4. Provision for Contingencies (Net) during the current quarter results mainly from matters relating to litigation/dispute in accordance with the Accounting Standard on Provisions, Contingent Liabilities and Contingent Assets (AS-29).
5. As the Company's business activity falls within a single primary business segment, namely Food, the disclosure requirements of Clause 41 of the Listing Agreement in terms of Accounting Standard on Segment Reporting (AS-17) are not applicable.
6. 14 Investor complaints were received during the quarter, all of which were disposed off during the quarter. No investor complaint was pending at the beginning or at the end of the quarter.
7. Previous period's figures have been regrouped/reclassified wherever necessary, to make them comparable.

THE ABOVE RESULTS AND THIS RELEASE HAVE BEEN REVIEWED BY AUDIT COMMITTEE OF THE BOARD AND APPROVED BY THE BOARD OF DIRECTORS AT THEIR MEETING HELD ON 31.07.2008.

By Order of the Board

Date: 31.07.2008
Place: Gurgaon


Martial G. Rolland
Chairman and Managing Director

The Limited Review as required under Clause 41 of Listing Agreement has been completed by Statutory Auditors. The Limited Review Report for the quarter ended June 30, 2008 does not have any impact on the above Results.

By Order of the Board

Date: 31.07.2008
Place: Gurgaon

Martial G. Rolland
Chairman and Managing Director

Email ID : investor@in.nestle.com Website : www.nestle.in

