

Nestlé House, Gurugram, 2nd August 2019

Nestlé India delivers strong volume & mix led growth, announces ninth factory in India to come up in Gujarat

Nestlé India – Q2 2019

- Total Sales of ₹ 2,983 Crore
- Total Sales Growth at 11.4%. Domestic Sales Growth at 13.1%.
- Profit from Operations at 21.0% of Sales
- Net Profit of ₹ 438 Crore
- Earnings Per Share of ₹ 45.41
- Interim Dividend declared:
 - ₹ 23.0 per share out of 2019 profits
 - ₹ 180.0 per share Special Interim Dividend out of the profits of previous years

The Board of Directors of Nestlé India met today at Nestlé House and approved the results for the second quarter of 2019. Commenting on the results, **Mr. Suresh Narayanan, Chairman and Managing Director, Nestlé India** said, "I am pleased to share that with this quarter, we have now delivered 10 straight quarters of volume & mix led growth. Our continuing momentum is a testimony to the unrelenting efforts of our employees, partners and other stakeholders, as well as to our quest for consumer relevant, science based innovation and renovation.

This quarter saw a consistent innovation and renovation thrust with the launch of the new MAGGI Veg Atta Noodles, new MAGGI Veg Oats Noodles, MAGGI Fusian Noodles range, CEREGROW Organic Selection and NESTEA Iced Tea in Tetrapaks. We are proud of our strong performances in MAGGI, KITKAT and MUNCH among others. However, environment continues to be challenging with headwinds in commodity prices and softer demand conditions.

Nestlé is proud of its presence in India for 107 years and in line with our commitment to 'Make in India', we will soon commence construction of our newest, and ninth factory in India, at Sanand, Gujarat. This state of the art, environmentally sustainable factory for MAGGI Noodles will involve an initial investment of nearly ₹ 700 crore over the next two years, generate employment for about 400 people, where we are keen to embrace diversity through at least 50% women employees. This marks a significant step in enhancing our manufacturing footprint in India."

Highlights for the quarter ended

Total Sales increased by 11.4%. **Domestic Sales** increased by 13.1% largely driven by volume & mix and positively influenced by sales to CSD and sale of surplus fat. Export Sales dropped by 13.9% due to lower coffee exports to Turkey.



Dividend:

The Board of Directors have declared interim dividend comprising of ₹ 23 per equity share (Face value Rs. 10/- per equity share) for 2019 amounting to ₹ 2,217.6 million out of current year profits, and a special interim dividend of ₹ 180 per equity share (Face value ₹ 10/- per equity share) out of the accumulated profits of previous years (surplus in the profit and loss account). The total amount of ₹ 203 per equity share will be paid on and from 23 August 2019. The distribution will be out of the current treasury position after adequately providing for future requirements. This cash payout will reduce the future generation of 'other income' and will improve the overall capital efficiency.

For more information:

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