

PRESS RELEASE

Nestlé India Strong growth maintained in Q2

- NET SALES: Rs.1035.6 Crores UP 23.5 %
- NET PROFIT :Rs. 121.1 Crores UP 26.5 %
- Net Domestic Sales: Rs.944.2 Crores UP 24.8 %.
- Export Sales: Rs.91.4 Crores UP 11.4 %
- Net Sales for a quarter remains above Rs.1000 Crores mark
- Consumer Insight and Science based Nutrition drive product development
- Innovation and Renovation continues as planned
 - Nestlé NESVITA PRO HEART milk with Omega 3 to help manage cholesterol everyday
 - POLO XTRA STRONG with added menthol crystals- for real longer lasting freshness
 - MAGGI Cuppa Mania and MAGGI Pichkoo providing greater convenience and widening the net for consumers

Commenting on the performance during the Quarter, Mr.Martial Rolland, Chairman and Managing Director said "I am pleased with the continuing strong results. They reflect the passion and capability of our people to engage with consumers and the increasing strength of our brands to add value."

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

NET SALES

Total Net Sales for the quarter at Rs.1035.6 Crores 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%.



NET PROFIT

Net Profit for the quarter is Rs.121.1 Crores and grew by 26.5%. This has benefited from the tax holiday for Pantnagar factory. The Net Profit margin improved to 11.6% compared to 11.4% for the same quarter of 2007.

The EBIT margin for the quarter is 16.7% and has been largely impacted by the higher expenditure on advertising and sales promotion. EBIT in absolute value has increased by 17.6% over the same period last year. Commodity markets continue to be very challenging.

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