

Nestlé House, Gurugram, 10th May 2018

Nestlé India Maintains Broad Based Growth Momentum

Nestlé India – Q1, 2018

- Total Sales of ₹ 2,737 Crores
- Domestic Sales Growth at 6.3%. Comparable Growth estimated at 13.4%.
- Profit from Operations at 22.7% of Sales
- Net Profit of ₹ 424 Crores
- Earnings Per Share of ₹ 43.98
- Interim Dividend declared ₹ 20.0 per equity share


The Board of Directors of Nestlé India met today at Nestlé House and approved the results for Q1 2018. Commenting on the results, **Mr. Suresh Narayanan, Chairman and Managing Director, Nestlé India** said, “I am happy that during the quarter we have sustained our growth momentum, which is backed by broad volume based growth across categories. This is in line with our strategy of broad based growth through increased penetration. This has been made possible by the dedication and energy of Team Nestlé, and their unrelenting commitment and efforts to offer the very best to our numerous consumers.

We are committed to a healthier future, and in line with our vision to introduce products rooted in nutrition, health and wellness, we will be adding Breakfast Cereals to our existing portfolio this year. This business complements our current portfolio by combining our expertise in food and this category globally.”

Highlights for the quarter ended 31 March 2018:

In accordance with Ind AS 18 on “Revenue” and Schedule III to the Companies Act, 2013, Sales for the period 1 January to 30 June 2017 were reported gross of Excise Duty and net of Value Added Tax (VAT)/ Sales Tax. Excise duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from 1 July 2017, VAT/Sales Tax, Excise duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales as per the requirements of Ind AS 18. This has resulted in lower reported sales in the current quarter in comparison to the sales reported under the pre-GST structure of indirect taxes. With the change in structure of indirect taxes, expenses are also being reported net of taxes. Accordingly, financial results for the quarter ended 31 March 2018 and in particular Sales, absolute expenses and ratios in percentage of Sales are not comparable with the corresponding quarter. Profit from Operations in percentage of Sales and Net Profit in percentage of Sales are positively impacted as the percentages have been calculated on lower reported sales.

- **Total Sales and Domestic Sales** for the year increased by 6.3% supported by increase in volumes. The growth rates are adversely impacted due to lower reported sales by the change in structure of indirect taxes and reduction in realisations to pass on the GST benefits. On a comparable basis, domestic sales growth is ‘estimated’ at 13.4%.



- **Profit from Operations in percentage of sales and Net Profit in percentage of Sales** are positively impacted by 130 bps and 90 bps respectively as the percentages have been calculated on lower reported sales.

Dividend:

The Board of Directors have declared an interim dividend for 2018 of ₹ 20.0 per equity share (Face value ₹10/- per equity share) amounting to ₹ 1,928.3 million, which will be paid on and from 1 June 2018.

For more information:

Ambereen Shah, Nestlé India, +91-9717022731

Shashank Kumar Nair, Nestlé India, + 91-9818077775

Nestlé India Limited, Head Office: Nestlé House, Jacaranda Marg, M Block, DLF City Phase – II, Gurugram 122 002 (Haryana)

Phone: +91-124-3321824, Fax: +91-124-2389381

Registered Office: 100 / 101, World Trade Centre, Barakhamba Lane, New Delhi – 110001

Corporate Identity Number: L15202DL1959PLC003786

Email ID: media.india@in.nestle.com; investor@in.nestle.com, Website: www.nestle.in

