



PRESS RELEASE

Nestlé India Q2 Strong Growth Continues - Net Sales up 21.3 %

- **NET SALES:** Rs.1466.7 Crores
- **NET PROFIT :** Rs.194.8 Crores
- Domestic Sales Rs. 1358.9 Crores
- Export Sales Rs. 107.8 Crores
- Commodity costs during the Quarter continued to be very high
- Focused consumer understanding and science/technology driven R&D generating strong Innovation and Renovation
 - **MAGGI** begins to roll out **Multigrainz Noodles**.
Also Introduces New ' Tricky Tomato' and ' Thrillin Curry '
 - **Nestlé Dahi** rolls out in affordable pouchs. Rs.10/- for 250 gms.
 - **MILKYBAR Crispy** at 5/- adds more crunch to confectionary portfolio
 - **MAGGI Pichkoo** sauce at 15/- adds 'Hot and Sweet' to portfolio
- Building brands.Reinforcing market leadership
 - **Deepika Padukone** brand ambassador for **NESCAFE**
 - 'Me and Meri MAGGI' advertising wins awards at Goa Festival
 - Happiness is key for wellness. **MAGGI Sauces** advertising engages with 'Hasaon, Khushi Phaelao ...India ko Healthy Banao!'
- Looking ahead - Foundation Stone for **New Plant** to manufacture Culinary Products at **Nanjangud**
- Nestlé **SAANJHAPAN 'Nutrition Awareness Program'** rolled out in **village schools** in Haryana, Goa
- Dr.Swati Piramal and Mr.Christian Schmid join the Board of Nestlé India.

Commenting on the Second Quarter results **Mr.Antonio Helio Waszyk, Chairman and Managing Director** of Nestlé India stated "Our strong sales growth during the quarter led by volumes reflects the consumer confidence in our Company and the strength of our brands and products. Despite the challenging environment of high commodities prices and food inflation, our long term strategy to prioritize volumes with selective and staggered price increases starts to show results while continuing to deliver healthy margins.

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We will continue to invest to strengthen our brands and will emphasize our cost optimization initiatives such as Nestle Continuous Excellence and Project LEAN. We expect the pressure on agro-based commodities to ease with a better monsoon, as well as our expectations for a pragmatic approach on the food taxation under the proposed GST regime."

NESTLÉ HOUSE, Gurgaon 2nd August, 2010: Nestlé India today announced its results for the Second quarter 2010. The Company again delivered healthy top-line and volume growth.

NET SALES

Net Sales for the Second Quarter 2010 were Rs. 1466.7 crores and have increased by 21.3 % over 2009. This is largely driven by volumes and limited price increases.

Domestic Sales have increased by 20.2% and the increase of 36.2 % In **Exports** is largely on account of sales to Russia, but has been adversely impacted by the appreciation of Indian Rupee against the US Dollar.

NET PROFIT

Net Profit at Rs. 194.8 Crores for the Quarter has increased by 20.3 % over the same period in 2009.

Materials costs continue to remain very high due to commodities prices, especially Milk Solids and Sugar. Other expenditure has also increased largely due to increase in fuel prices.

DR. SWATI PIRAMAL AND MR. CHRISTIAN SCHMID JOIN THE BOARD OF NESTLE INDIA

Dr.Swati A. Piramal has been appointed as a Non-Executive Director.

Dr.Swati A. Piramal is Vice Chairperson of Piramal Life Sciences Limited. She is currently the President of ASSOCHAM, as its first lady President. She has completed her MBBS Medical Degree from University of Bombay, Industrial Medicine from DIM College of Physicians & Surgeons, Bombay and Master of Public Health from Harvard, USA.

Dr. Piramal was a Member of the Committee set up by Shri Yashwant Sinha to transform India into a Knowledge Power. She founded the Gopikrishna Piramal Memorial Hospital in 1983, a charitable Hospital with services for the under-privileged, which helps treatment of Physically Handicapped children. Prime Minister had nominated Dr. Piramal Member on the Board of the Council of Scientific and Industrial Research (CSIR).


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Dr.Piramal has been conferred many awards including the award Chevalier de l' Ordre National du Merite (Knight of the Order of Merit) in 2006, from the French President Mr. Jacques Chirac, LakshmiPat Singhania-IIM, Lucknow National Leadership Award, in the category of Young Leader in the field of Science and Technology for the year 2006 from the Prime Minister of India, the Rajiv Gandhi Award for Outstanding Woman Achiever by Rajiv Gandhi Foundation in 2007 and recently, the Asian Women of Achievement Awards in the UK in 2010.

Mr. Christian Schmid currently Executive Vice President [Technical] at Nestlé India has been appointed as wholetime director of the Company. Mr. Christian Schmid comes with immense expertise in Technology and Process Efficiencies. He is responsible for amongst others the Manufacturing operations, Cost optimizations, Quality and Safety standards, all of which have a critical role in ensuring a competitive advantage for Nestlé India. He took over as the Head of Technical Division in August 2009 and before that was Group Technical Director at Nestlé UK. He is a process engineer from the Swiss Federal Institute of Technology and joined Nestlé in 1991 as a Productivity Specialist. He then moved to Russia where he was successively appointed Supply Chain Manager, Production Manager and Factory Manager. In April 2003, he joined Zone Europe as Assistant Technical Manager.



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