

PRESS RELEASE

Nestlé India – Q3, 2011 Sustains Healthy Growth

- **Net Sales Rs. 1963.10 Crores**
- **Net Profit Rs.261.18 Crores**
- **Continuing Investment in Brands**
- **“Innovation and Renovation” of Product portfolio and expanding reach to drive growth**
- **Focus on Nestlé Continuous Excellence across all functions and businesses**
- **Capacity expansion work on track**

Commenting on the results Mr. Antonio Helio Waszyk, Chairman and Managing Director of Nestlé India said **“We have again for the 19th consecutive quarter delivered double digit profitable growth. Whilst we continue to build our position for the future, our expansion of manufacturing capacities is providing market share gains to our already strong market positions. In such a volatile and uncertain environment, optimization of portfolio; prioritization of sales channels; management of price coupled with Nestlé Continuous Excellence has further strengthened our position as the leading Nutrition, Health and Wellness food company in India. I am happy that our strategy is working, especially thanks to our people and business partners.”**

NESTLÉ HOUSE, Gurgaon 4th November, 2011: The Board of Directors of Nestlé India today announced results for the Third Quarter of 2011.

NET SALES

Net Sales for the Quarter are Rs.1963.1 Crores and have increased by 19.9% over the same period of 2010. Domestic Sales have increased by 20.7% on account of selling prices and volumes. Exports growth has been adversely impacted by the ban on exports of Milk powder and was 4.6%.

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NET PROFIT

Net Profit for the Quarter is Rs.261.18 Crores, up from Rs.218.6 Crores in same period of 2010.

The cost of materials for goods sold as percentage of Net Sales has decreased due to improved product/channel mix and Nestle Continuous Excellence initiatives, partially offset by the higher input cost inflation.

The increase in Tax Expense is higher than the increase in Profit before Tax due to the fact that after the first 5 years the Income Tax holiday of 100% of the profits from Pantnagar factory has been reduced. Effective April 2011 for the next 5 years, the Tax Holiday will continue at 30% of the profits of Pantnagar factory.



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