

## PRESS RELEASE

### Nestlé India – Q2, 2013

#### Steady on course – Maintains Healthy Growth

- **NET SALES** : Rs. 2,213.2 Crores
- **NET PROFIT** : Rs. 271.4 Crores
- Domestic Sales : Rs. 2,039.5 Crores
- 11.4% Organic growth
- Operating profit : 18.0 % of Net Sales
- Earnings per share Rs. 28.14
- Interim Dividend for 2013 of Rs.18.00 per equity share  
(180% of face value of share)

**NESTLÉ HOUSE, Gurgaon 26<sup>th</sup> July, 2013:** The Board of Directors of Nestlé India met today at Nestlé House and announced results for the Second Quarter of 2013.

Commenting on the results, Mr. A Helio Waszyk, Chairman and Managing Director, Nestle India said “I am satisfied that we have yet another quarter of double digit growth with healthy profitability. Key businesses including Noodles, Coffees, and Nutrition are doing well and the launch of ALPINO is an additional step in the premiumisation of our portfolio. Given the challenging environment, there is more work to be done in some businesses and I am confident that the team is well aligned and capable of delivering growth consistent with the economic environment”

#### NET SALES

Net Sales for the Quarter are Rs. 2,213.2 Crores and have increased by 11.4% over the same period of previous year. Net Domestic Sales have increased by 9.2%, mainly on account of net realisations and volume growth in certain product categories. Exports Sales grew by 46.9% mainly due to exports to affiliates.

#### NET PROFIT

Net Profit for the Quarter is Rs. 271.4 Crores, up from Rs. 246.0 Crores in the same period of 2012.

The Depreciation costs during the Quarter have increased over the same period last year due to expansion in production capacities over the last year and amortization of capitalised borrowing costs. Finance Costs, however, have reduced compared to the previous year. This is mainly due to a Government notification effective September 2012 that treats all exchange differences on long term foreign currency borrowings for fixed assets as capital expenditure. Tax Expense has increased mainly due to the change in income-tax surcharge from 5% to 10% effective 01.04.2013.

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**External Commercial Borrowing (ECB) for Capital Expenditure under approval from Reserve Bank of India**

During the Quarter there was no additional drawdown of loan from Nestle SA under the ECB approval from Reserve Bank of India. The total amount outstanding on this account continues to be US Dollar (USD) 192 million since June 2012. Its annualised cost over the loan period since inception, including interest and unrealised exchange differences, is 19.0%.



**Himanshu Manglik**  
**Nestlé India Limited**

Head Office: Nestlé House, Jacaranda Marg, M Block, DLF City Phase – II, Gurgaon 122 002 (Haryana)  
Registered Office: M-5A, Connaught Circus, New Delhi – 110 001  
Email ID: [investor@in.nestle.com](mailto:investor@in.nestle.com), Website: [www.nestle.in](http://www.nestle.in)