

PRESS RELEASE

Nestlé India maintains momentum despite intense cost pressure Q1 Stays on Course

- **NET SALES** : Rs.1809.9 Crores
- **NET PROFIT** : Rs.255.7 Crores
- Domestic Sales: Rs.1711.9 Crores
- Export Sales : Rs.98.0 Crores
- Growth across businesses.
- New MAGGI Plant in Nanjangud, Karnataka starts production in record time
- Capacity expansions on track
- Interim Dividend of Rs.9.00 per equity share (nominal value Rs. 10/-)

Commenting on the First Quarter results for 2011, Mr. Antonio Helio Waszyk, Chairman and Managing Director of Nestlé India stated **“We have maintained the momentum, achieving double digit profitable growth for the 17th consecutive quarter. This is even more significant considering the unprecedented cost pressures and, more specifically the volatile commodity prices. While we continue to invest for the future, particularly in manufacturing capacity and our brands, our people have addressed the challenges by accelerating innovation as well as ensuring appropriate balance between savings from Nestlé Continuous Excellence and pricing.”**

NESTLÉ HOUSE, Gurgaon 21st April, 2011: The Board of Directors of Nestlé India today announced results for the First Quarter of 2011.

NET SALES


Net Sales for the Quarter are Rs.1809.9 Crores and have increased by 22.3 % over the same period of 2010. Domestic Sales have increased by 23.1% on account of volumes and selling prices. Exports have grown by 10.2%.

NET PROFIT

Net Profit for the Quarter is Rs.255.7 Crores, up from Rs.201.8 Crores in same period of 2010.

The cost of materials for goods sold in percentage of Net Sales has decreased mainly due to improved product/channel mix and reduction in free goods promotion partially offset by the increase in cost of commodities.

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Other expenditure includes special charges for the re-design of factory layout to expand the existing factory locations. The growth in depreciation is subdued as the increase in the depreciation of tangible fixed assets is substantially offset by the reduction in amortisation of management information systems as the same have been fully amortised.

DIVIDEND

In keeping with the needs for capital expenditure, the Board of Directors have maintained the first interim dividend by declaring on April 19, 2011, an interim dividend of Rs. 9.00 per equity share (nominal value Rs.10.00 per equity share) for the year 2011, amounting to Rs. 867.7 million. This will be paid on and from May 6, 2011 along with the final dividend for 2010 of Rs. 12.50 per equity share approved in the Annual General Meeting on April 19, 2011.



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, Website: www.nestle.in