

Nestlé

**NESTLÉ LANKA PLC
INTERIM FINANCIAL STATEMENTS
31 MARCH 2018**

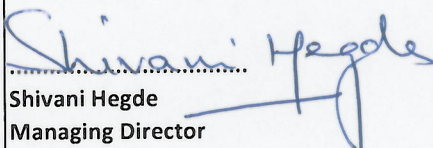


NESTLÉ LANKA PLC

STATEMENT OF COMPREHENSIVE INCOME

<i>For the Period Ended 31 March</i>	2018 <i>Rs. '000s</i>	Restated 2017 <i>Rs. '000s</i>	Year to date % Variance
Revenue	9,618,835	9,387,912	2.5%
Cost of Sales	(6,062,980)	(6,018,223)	0.7%
Gross Profit	3,555,855	3,369,689	5.5%
Other Operating Expenses	(14,530)	(17,984)	-19.2%
Marketing, Selling and Distribution Expenses	(1,685,706)	(1,663,692)	1.3%
Administrative Expenses	(595,894)	(566,375)	5.2%
Results from Operating Activities	1,259,725	1,121,638	12.3%
Financial Income	8,561	10,197	-16.0%
Financial Expenses	(18,655)	(15,041)	24.0%
Net Financing Expenses	(10,094)	(4,844)	108.4%
Profit before Taxation	1,249,631	1,116,794	11.9%
Income Tax Expenses	(305,933)	(254,096)	20.4%
Profit for the Period	943,698	862,698	9.4%
Other Comprehensive Income / (Expenses) for the period	-	-	
Total Comprehensive Income	943,698	862,698	
Basic Earnings Per Share (EPS.) Rs.	17.57	16.06	

Figures in brackets indicate deductions.
The figures are provisional and subject to audit.


Shivani Hegde
Managing Director


Gurcharan Grover
Director Finance & Control

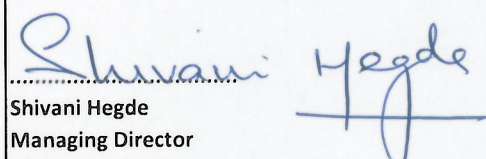
07 May 2018

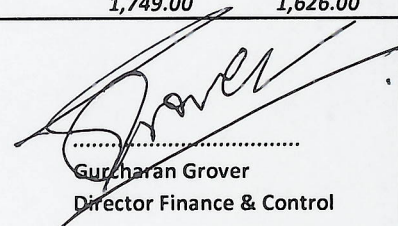
**Nestlé****NESTLÉ LANKA PLC****STATEMENT OF FINANCIAL POSITION**

AS AT :	31.03.2018	Restated 31.12.2017	Restated 01.01.2017
	Rs.'000s	Rs.'000s	Rs.'000s
ASSETS			
Non-Current Assets			
Property Plant and Equipment	5,258,273	5,365,507	5,633,264
Capital Work-In-Progress	3,031,948	2,485,503	455,619
Other Non Current Assets	340,282	319,211	320,493
	8,630,503	8,170,221	6,409,376
Current Assets			
Inventories	3,502,458	2,869,614	3,935,497
Trade and Other Receivables	3,842,147	3,646,578	2,409,092
Amount Due from Related Parties	605,318	761,444	247,957
Cash and Cash Equivalents	163,600	128,678	393,328
	8,113,523	7,406,314	6,985,874
Total Assets	16,744,026	15,576,535	13,395,250
EQUITY AND LIABILITIES			
Equity			
Stated Capital	537,255	537,255	537,255
Retained Earnings	3,864,341	4,263,780	4,931,931
	4,401,596	4,801,035	5,469,186
Non-Current Liabilities			
Retirement Benefit Obligations	458,596	454,190	464,750
Deferred Tax Liabilities	851,739	839,404	802,306
Medium and Long Term Provisions	190,220	190,220	-
Non Current Financial Debts	6,569	11,894	35,088
	1,507,124	1,495,708	1,302,144
Current Liabilities			
Trade and Other Payables	4,839,521	4,770,211	4,368,214
Amount Due to Related Parties	1,107,541	1,220,045	899,085
Current Tax Payable	562,138	529,404	806,163
Dividends Payable	166,927	167,932	151,061
Current Financial Debts	4,159,179	2,592,200	399,397
	10,835,306	9,279,792	6,623,920
Total Liabilities	12,342,430	10,775,500	7,926,064
Total Equity and Liabilities	16,744,026	15,576,535	13,395,250

The figures are provisional and subject to audit

AS AT (Rs.):	31.03.2018	31.12.2017
Net asset value per share-	Rs. 81.93	Rs. 89.36
Market value per share recorded during the quarter		
- Highest	1,899.00	1,740.00
- Lowest	1,630.00	1,600.00
- Last trade price (Date 30/03/2018 , 29/12/2017)	1,749.00	1,626.00


 Shivani Hegde
 Managing Director
 07 May 2018


 Gurcharan Grover
 Director Finance & Control



NESTLÉ LANKA PLC
STATEMENT OF CASH FLOWS

<i>For the Period Ended 31 March</i>	2018	<i>Restated</i> 2017
	<i>Rs. '000s</i>	<i>Rs. '000s</i>
Cash Flow from Operating Activities		
Profit before Taxation	1,249,631	1,116,794
Adjustments for ;		
Depreciation	180,491	177,847
Gain on sale of Property Plant and Equipment	(4,617)	(2,250)
Amortization of Staff Loan Interest	6,749	7,405
Interest Expense	18,955	12,068
Interest Income	(7,209)	(8,383)
Provision for Obsolete Inventories and Inventory Written Off	47,828	50,638
Provision for Impairment of Trade Receivable	7,992	14,949
Provision for Retirement Benefit Obligation	26,040	25,665
Operating Profit before Working Capital Changes	1,525,860	1,394,733
Working Capital Changes		
(Increase) / Decrease in Inventories	(680,671)	538,450
Increase in Trade and Other Receivables	(203,561)	(650,218)
Decrease / (Increase) in Amounts due from Related Parties	156,126	(93,428)
Increase / (Decrease) in Trade and Other Payables	69,310	(364,880)
(Decrease) / Increase in Amounts due to Related Parties	(112,505)	45,123
Cash Generated from Operations	754,559	869,780
Interest Paid	(71,396)	(12,068)
Income Tax Paid	(260,865)	(293,845)
Retirement Benefit Obligation Paid	(21,633)	(18,453)
Net Cash Flows Generated from Operating Activities	400,665	545,414
Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment	(578,852)	(171,251)
Proceeds from Sale of Property, Plant and Equipment	16,209	2,118
(Purchase) / disposal of other non current financial assets (net)	(21,071)	(9,994)
Interest Received	460	978
Net Cash Flows used in Investing Activities	(583,254)	(178,149)
Cash Flow from Financing Activities		
Payment of Non Current Financial Debt	(5,325)	(17,019)
Dividend Paid	(1,344,142)	(2,149,402)
Net Cash Flows used in Financing Activities	(1,349,467)	(2,166,421)
Net Decrease in Cash and Cash Equivalents	(1,532,056)	(1,799,156)
Cash and Cash Equivalent at beginning of Year	(2,463,523)	(6,068)
Cash and Cash Equivalent at End of the Period	(3,995,579)	(1,805,224)
Analysis of Cash and Cash Equivalents at the End of the Period		
Cash in Hand and Balances with Bank	163,600	158,931
Current Financial Debts	(4,159,179)	(1,964,155)
	(3,995,579)	(1,805,224)

**Nestlé****NESTLÉ LANKA PLC****STATEMENT OF CHANGES IN EQUITY**

	<i>Stated Capital</i>	<i>Retained Earnings</i>	<i>Total</i>
	<i>Rs.'000s</i>	<i>Rs.'000s</i>	<i>Rs.'000s</i>
<i>Balance as at 01 January 2017, As previously Reported</i>	537,255	4,945,319	5,482,574
<i>Impact of Change in Accounting Policy - SLFRS 16 Leases</i>	-	(13,388)	(13,388)
<i>Adjusted Balance as at 01 January 2017</i>	537,255	4,931,931	5,469,186
<i>Net profit (Restated) for the 3 months ended 31 Mar 2017</i>	-	862,698	862,698
<i>Interim Dividend for 2016</i>	-	(2,149,019)	(2,149,019)
<i>Balance as at 31 March 2017</i>	537,255	3,645,610	4,182,865
<i>Net profit (Restated) for the 9 months ended 31 Dec 2017</i>	-	2,773,143	2,773,143
<i>Final Dividend for 2016</i>	-	(2,149,019)	(2,149,019)
<i>Other Comprehensive Expenses</i>	-	(5,954)	(5,954)
<i>Balance as at 31 December 2017</i>	537,255	4,263,780	4,801,035
<i>Balance as at 01 January 2018</i>	537,255	4,263,780	4,801,035
<i>Net profit for the 3 months ended 31 March 2018</i>	-	943,698	943,698
<i>Interim Dividend for 2017</i>	-	(1,343,137)	(1,343,137)
<i>Balance as at 31 March 2018</i>	537,255	3,864,341	4,401,596



NESTLÉ LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

Notes to the 31 March 2018 Quarterly Financial Statements

1. The Accounting policies and methods of computation followed in the Interim Accounts is the same as that of the latest year end Financial Statements, other than following :

SLFRS 16 - Leases

- The Company has early adopted SLFRS 16 - *Leases* from 1 January 2018, using the full retrospective approach with restatement of comparative information and has no material impact on the Company's results and the financial position.

SLFRS 15 - Revenue from Contracts with Customers

- The Company has adopted SLFRS 15 - *Revenue from Contracts with Customers* from 1 January 2018, using the full retrospective approach, and has no material impact on the Company's results and the financial position.

2. The Stated Capital consists of 53,725,463 Ordinary shares.

3. Events Occurring After the Reporting Date

There were no material events occurring after the reporting date that require adjustment or disclosure in the financial statements.

4. Contingent Liability

There have been no material changes to the contingent liabilities since the last annual reporting period.

5. Comparative information has been reclassified where necessary, to confirm to current year's presentation.



NESTLÉ LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

Additional Notes and other information

- Public Holding Percentage: 9.18%. Number of Public shareholders - 5,389.
- Float Adjusted Market capitalization : Rs. 8,626,064 (Rs'000)
- The Directors of the company hold no shares in the Company except for Mr. Mahendra Dayananda, who holds 1,000 shares as at period closing.

Names and the number of shares held by the 20 major shareholders, and the percentages of such shares.

No	Names	No. of Shares	%
1	Nestlé S.A	48,793,746	90.82
2	Citi Bank New York S/A Norges Bank Account 2	488,155	0.91
3	RBC Investor Services Bank - Coeli Sicav I-Frontier Markets Fund	308,500	0.57
4	Deutsche Bank AG-London	250,000	0.47
5	SEB AB-Tundra Frontier Opportunities Fund	206,537	0.38
6	Ms. Neesha Harnam	200,000	0.37
7	Sri Lanka Insurance Corporation Ltd - Life Fund	180,466	0.34
8	HSBC International Nominees Limited - SSBT - Deutsche Bank AG Singapore A/C 01	155,600	0.29
9	HSBC International Nominees Limited - SSBT - Frank Russel Trust Company Comingled Benefit Funds Trust GNA-6QH3	128,076	0.24
10	HSBC International Nominees Limited - BBH - Fidelity Funds	107,209	0.20
11	Employees Provident Fund	100,000	0.19
12	Mrs. Singh Jasbinderjit Kaur Piara	69,300	0.13
13	HSBC International Nominees Limited -UBS AG Singapore Branch (EX SBC)	56,147	0.10
14	Colombo Investment Trust PLC	50,904	0.09
15	HSBC International Nominees Limited - SSBT - Russell Investments Institutional Funds Public Limited Company	49,151	0.09
16	Mrs. Merchant Asha Ajay	45,000	0.08
17	Mr. Hirdaramani Anil Kumar Lalchand	42,500	0.08
18	Mr. Maheswaran Radhakrishnan	36,671	0.07
19	Miss. Radhakrishnan Andal	36,667	0.07
20	Miss. Radhakrishnan Meenambigai Priyadarshini	36,667	0.07