



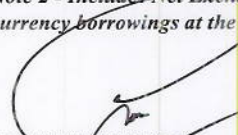
**NESTLE LANKA PLC**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31 MARCH 2013**


<i>For the three months ended 31st March</i>	<i>2013</i>	<i>2012</i>	<u>Year to date</u> <i>% Variance</i>
	<i>Rs. '000s</i>	<i>Rs. '000s</i>	
<i>Revenue</i>	7,747,292	7,260,017	6.71%
<i>Cost of Sales</i>	(5,033,321)	(4,872,130)	3.31%
<i>Gross Profit</i>	<u>2,713,971</u>	<u>2,387,887</u>	13.66%
<i>Other Operating Expense (Note 1)</i>	(4,856)	(239,871)	-97.98%
<i>Marketing, Selling and Distribution Expenses</i>	(1,120,655)	(1,091,493)	2.67%
<i>Administrative Expenses</i>	(469,598)	(416,614)	12.72%
<i>Results from Operating Activities</i>	1,118,862	639,910	74.85%
<i>Financial Income</i>	12,145	8,084	50.23%
<i>Financial Expenses</i>	(13,896)	(53,460)	-74.01%
<i>Net financing Expense (Note 2)</i>	(1,751)	(45,376)	-96.14%
<i>Profit Before Taxation</i>	<u>1,117,111</u>	<u>594,534</u>	87.90%
<i>Income Tax Expenses</i>	(203,087)	(132,717)	53.02%
<i>Profit for the Period</i>	<u><u>914,024</u></u>	<u><u>461,816</u></u>	97.92%
<i>Basic Earnings per share (EPS.) Rs.</i>	17.01	8.60	

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

*Note 1 - Includes Net Exchange Loss of 7.2 Mio (2012 Q1 250 Mio) incurred on foreign currency purchases during the quarter.*

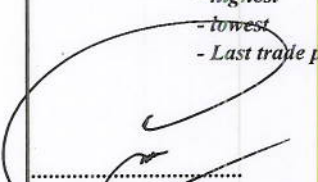
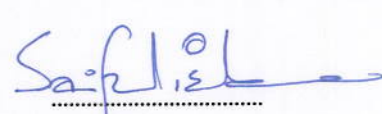
*Note 2 - Includes Net Exchange Loss of 0.7 Mio (2012 Q1 50 Mio) incurred on revaluation of foreign currency borrowings at the quarter end.*

  
.....  
**GANESAN AMPALAVANAR**  
**MANAGING DIRECTOR**  
14-May-13

  
.....  
**S.S. ISLAM**  
**FINANCE DIRECTOR**

**NESTLE LANKA PLC**  
**STATEMENT OF FINANCIAL POSITION**



<i>As at :</i>	<b>31.03.2013</b>	<b>31.12.2012</b>
	<b>Rs. '000s</b>	<b>Rs. '000s</b>
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property Plant & Equipment	4,694,606	4,888,450
Capital Work-in-Progress	34,418	4,545
Intangible Assets	2,790	11,159
	<u>4,731,814</u>	<u>4,904,154</u>
<b>Current Assets</b>		
Inventories	1,864,390	1,872,334
Trade & Other Receivables	2,009,886	1,253,528
Amount due from Related Parties	219,374	205,864
Cash & Cash Equivalents	248,335	407,409
	<u>4,341,985</u>	<u>3,739,135</u>
<b>Total Assets</b>	<u><u>9,073,799</u></u>	<u><u>8,643,289</u></u>
<b>Equity &amp; Liabilities</b>		
<b>Equity</b>		
Stated Capital	537,255	537,255
Revenue Reserves	2,534,028	3,231,768
	<u>3,071,283</u>	<u>3,769,023</u>
<b>Non-Current Liabilities</b>		
Retirement Benefit Obligation	532,149	520,200
Deferred Tax	291,738	274,219
	<u>823,887</u>	<u>794,419</u>
<b>Current Liabilities</b>		
Trade & Other Payables	2,909,418	2,292,368
Amount due to Related Parties	843,190	681,748
Current Tax Payable	509,559	499,161
Dividends Payable	77,086	76,991
Bank Overdraft	839,376	529,579
	<u>5,178,629</u>	<u>4,079,847</u>
	<u>6,002,516</u>	<u>4,874,266</u>
<b>Total Equity and Liabilities</b>	<u><u>9,073,799</u></u>	<u><u>8,643,289</u></u>
<i>The figures are provisional and subject to audit</i>		
<i>As at</i>	<b>31.03.2013</b>	<b>31.12.2012</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Net asset value per share-</b>	<b>57.17</b>	<b>70.15</b>
<b>Market value per share recorded during the quarter</b>		
- highest	<b>1,800.00</b>	<b>1,700.00</b>
- lowest	<b>1,500.00</b>	<b>1,152.10</b>
- Last trade price (Date 28/03/2013)	<b>1,680.00</b>	<b>1,593.50</b>
 ..... <b>GANESH AMPALAVANAR</b> <b>MANAGING DIRECTOR</b> 14-May-2013	 ..... <b>S.S. ISLAM</b> <b>FINANCE DIRECTOR</b>	

**NESTLE LANKA PLC**  
**CASH FLOW STATEMENT**



<i>For the three months ended 31st March</i>	<b>2013</b>	<b>2012</b>
	<b>Rs. '000s</b>	<b>Rs. '000s</b>
<b>Cash Flow from Operating Activities</b>		
Profit before Taxation	1,117,111	594,534
<b>Adjustments for ;</b>		
Depreciation	135,616	115,173
Amortisation	8,369	8,370
(Gain)/ Loss on sale of Property Plant & Equipment	8,029	(14)
Amortisation of staff loan interest	4,572	4,262
Interest Expense	14,647	3,871
Interest Income	(12,145)	(8,084)
Provision for Obsolete Inventory	(1,265)	-
Inventory write Off	25,356	13,573
Provision for Impairment of Trade Receivable	26,743	13,893
Provision for Retirement benefit Obligation	36,598	37,500
<b>Operating Profit before Working Capital Changes</b>	<b>1,363,631</b>	<b>783,077</b>
<b>Working Capital changes</b>		
Increase in Inventories	(16,147)	(516,355)
Increase in Trade & Other Receivables	(796,611)	(305,652)
Increase in Trade & Other Payables	778,492	149,464
<b>Cash Generated from Operations</b>	<b>1,329,365</b>	<b>110,534</b>
Interest Paid	(14,647)	(3,871)
Income tax paid	(175,171)	(137,076)
Retirement Benefit Obligation paid	(24,649)	(40,335)
<b>Net Cash flows Generated from Operating Activities</b>	<b>1,114,898</b>	<b>(70,747)</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Property, Plant & Equipment	(33,519)	(375,011)
Proceeds from sale of Property, Plant & Equipment	53,845	14
Interest Received	7,573	3,822
<b>Net Cash used in Investing Activities</b>	<b>27,899</b>	<b>(371,175)</b>
<b>Cash flow from Financing Activities</b>		
Dividend Paid	(1,611,668)	-
<b>Net Cash used in financing Activities</b>	<b>(1,611,668)</b>	<b>-</b>
<b>Net Increase / (Decrease) in cash and cash Equivalents</b>	<b>(468,871)</b>	<b>(441,922)</b>
Cash and Cash Equivalent at beginning of year	(122,170)	70,209
Cash and Cash Equivalent at end of year	<b>(591,041)</b>	<b>(371,713)</b>
<b>Analysis of cash and cash Equivalents at the end of the year</b>		
Cash in hand & balances with Bank	248,335	305,674
Bank borrowings	(839,376)	(677,387)
	<b>(591,041)</b>	<b>(371,713)</b>



**NESTLE LANKA PLC**  
**STATEMENT OF CHANGES IN EQUITY**

<i>For the three months ended 31st March</i>	<i>Stated Capital</i> <i>Rs. '000s</i>	<i>Revenue Reserve</i> <i>Rs. '000s</i>	<i>Total</i> <i>Rs. '000s</i>
<i>Balance as at 01.01.2012</i>	537,255	2,806,053	3,343,308
<i>Net profit for the 3 months ended 31.03.2012</i>		461,816	461,816
<i>Balance as at 31.03.2012</i>	537,255	3,267,869	3,805,124
<i>Final Dividend for 2011</i>		(2,551,953)	(2,551,953)
<i>Net profit for the 9 months ended 31.12.2012</i>		2,515,852	2,515,852
<i>Balance as at 31.12.2012</i>	537,255	3,231,768	3,769,023
<i>Net profit for the 3 months ended 31.03.2013</i>		914,024	914,024
<i>Interim Dividend for 2012</i>		(1,611,764)	(1,611,764)
<b><i>Balance as at 31.03.2013</i></b>	<b>537,255</b>	<b>2,534,028</b>	<b>3,071,283</b>

**NESTLE LANKA PLC**  
**NOTES TO THE ACCOUNTS**

**Notes to the 31.03.2013 Quarterly Statements**

1. The Accounting policies & methods of computation followed in the Interim Accounts is the same as that of the latest year end financial statements.
2. The Stated Capital consists of 53,725,463 Ordinary shares.
3. Material Events subsequent to the end of the interim period  
Directors have proposed Rs. 24.00/= per share final dividend for 2012 which will be approved by the shareholders at the Annual General Meeting to be held in May.
4. Under the Distributor Financing Scheme (Financing Facility provided by the bank to the distributors), the bank would accept the liability, only upto the full recourse provided by them to the company's customers. As at 31st March 2013, an amount of 789 Mio ( 31.12.2012 - 552 Mio) had been granted to the distributors by the bankers, which in the event where distributors default, the company would be liable.
6. Comparative information has been reclassified where necessary, to conform to current year's presentation.



**NESTLE LANKA PLC**  
**ADDITIONAL NOTES TO THE ACCOUNTS**

Public Holding Percentage: 9.18%

The Directors of the company hold no shares in the Company except for Mr. Mahendra Dayananda, who holds 1000 shares as at period closing.

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

<u>No</u>	<u>Names</u>	<u>No. of Shares</u>	<u>%</u>
1	Nestle S.A	48,793,746	90.82
2	HSBC International Nominees Ltd –MSIP- Coupland Cardiff Funds PLC	813,363	1.51
3	Miss Neesha Harnam	200,100	0.37
4	HSBC International Nominees Ltd –Wasatch Frontier Emerging Small Countries Fund	185,607	0.35
5	HSBC International Nominees Ltd –SSBT-Deutsche Bank AG Singapore A/C No. 1	155,600.00	0.29
6	Employees Provident Fund	141,800	0.26
7	AVIVA NDB Insurance PLC A/C 07	138,700	0.26
8	Estate of Late Mr.Mariapillai Radhakrishnan	110,000	0.20
9	HSBC Intl Nom Ltd – UBS Ag Singapore Branch	90,000	0.17
10	RBC Investor services bank Julius bear Multipartner	81,100	0.15
11	Freudenberg Shipping Agencies Limited	60,000	0.11
12	Mr.Jayampathi Divale Bandaranayake	56,750	0.11
13	Colombo Investment PLC	50,904	0.09
14	Mr. Hirdaramani Anil Kumar Lalchand	42,500	0.08
15	Mrs. Asha Ajay Merchant	39,600	0.07
16	Dr. Subash Chawla	39,000	0.07
17	Mellon Bank N A	35,905	0.07
18	Mrs. Jasbinderjit Kaur Piara Singh	34,700	0.06
19	Pershing LLC S/A Averbach Grauson & Co.	33,500	0.06
20	Aardwolf Limited	33,000	0.06