

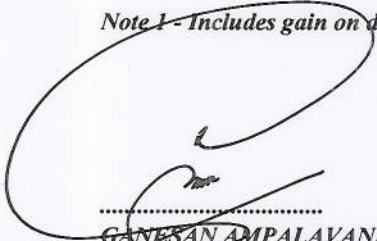
NESTLÉ LANKA PLC
STATEMENT OF COMPREHENSIVE INCOME



<i>For the three months ended 31st March</i>			<u>Year to date</u>
	2014 Rs. '000s	2013 Rs. '000s	<u>% Variance</u>
Revenue	8,597,139	7,747,292	11.0%
Cost of Sales	(5,476,066)	(5,033,321)	8.8%
Gross Profit	3,121,073	2,713,971	15.0%
Other Operating Income/ (Expense) (Note 1)	33,233	(4,856)	784.4%
Marketing, Selling and Distribution Expenses	(1,284,781)	(1,120,655)	14.6%
Administrative Expenses	(483,801)	(469,598)	3.0%
Results from Operating Activities	1,385,724	1,118,862	23.9%
Financial Income	17,571	12,145	44.7%
Financial Expenses	(4,323)	(13,896)	-68.9%
Net Financing Income/ (Expense)	13,248	(1,751)	856.6%
Profit Before Taxation	1,398,972	1,117,111	25.2%
Income Tax Expenses	(295,982)	(203,087)	45.7%
Profit for the Period	1,102,990	914,024	20.7%
Basic Earnings per share (EPS) Rs.	20.53	17.01	

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

Note 1 - Includes gain on disposal of assets of 26.7 Mio for Jan to March (loss of 8 Mio for Jan to Mar 2013).


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GANESAN AMPALAVANAR
MANAGING DIRECTOR
5-May-14


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S.S. ISLAM
FINANCE DIRECTOR

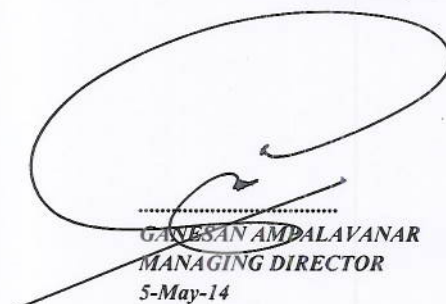
NESTLÉ LANKA PLC
STATEMENT OF FINANCIAL POSITION

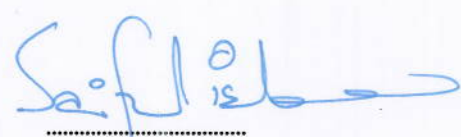


As at :	31.03.2014 Rs. '000s	31.12.2013 Rs. '000s
Assets		
Non-Current Assets		
Property Plant & Equipment	4,436,543	4,571,813
Capital Work-in-Progress	343,147	238,328
Intangible Assets	-	-
	<u>4,779,690</u>	<u>4,810,141</u>
Current Assets		
Inventories	2,276,096	2,603,655
Trade & Other Receivables	2,039,968	1,628,213
Amount due from Related Parties	302,447	227,586
Cash & Cash Equivalents	356,628	706,541
	<u>4,975,139</u>	<u>5,165,995</u>
Total Assets	<u><u>9,754,829</u></u>	<u><u>9,976,136</u></u>
Equity & Liabilities		
Equity		
Stated Capital	537,255	537,255
Revenue Reserves	3,062,178	3,678,403
	<u>3,599,433</u>	<u>4,215,658</u>
Non-Current Liabilities		
Retirement Benefit Obligation	453,881	469,430
Deferred Tax	477,941	459,590
	<u>931,822</u>	<u>929,020</u>
Current Liabilities		
Trade & Other Payables	3,104,713	2,974,834
Amount due to Related Parties	757,590	800,077
Current Tax Payable	763,190	618,678
Dividends Payable	96,640	87,716
Bank Overdraft	501,441	350,153
	<u>5,223,574</u>	<u>4,831,458</u>
	6,155,396	5,760,478
Total Equity and Liabilities	<u><u>9,754,829</u></u>	<u><u>9,976,136</u></u>

The figures are provisional and subject to audit

As at	31.03.2014 Rs.	31.12.2013 Rs.
Net asset value per share-	67.00	78.47
Market value per share recorded during the quarter		
- highest	2,249.90	2,300.00
- lowest	1,900.00	1,850.00
- Last trade price (Date 31/03/2014)	1,997.90	2,100.70


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GANESAN AMDALAVANAR
MANAGING DIRECTOR
5-May-14


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S.S. ISLAM
FINANCE DIRECTOR

CASH FLOW STATEMENT*For the three months ended 31st March*

	2014 Rs. '000s	2013 Rs. '000s
Cash Flow from Operating Activities		
Profit before Taxation	1,398,972	1,117,111
Adjustments for ;		
Depreciation	136,148	135,616
Amortisation	-	8,369
(Gain)/ Loss on sale of Property Plant & Equipment	(26,713)	8,029
Amortisation of staff loan interest	6,729	4,572
Interest Expense	4,036	14,647
Interest Income	(17,561)	(12,145)
Provision for Obsolete Inventory	(26,274)	(1,265)
Inventory write Off	46,110	25,356
Provision for Impairment of Trade Receivable	2,777	26,743
Provision for Retirement benefit Obligation	42,698	36,598
Operating Profit before Working Capital Changes	1,566,921	1,363,631
Working Capital changes		
Decrease/(Increase) in Inventories	307,723	(16,147)
Increase in Trade & Other Receivables	(489,393)	(796,611)
Increase in Trade & Other Payables	87,392	778,492
Cash Generated from Operations	1,472,644	1,329,365
Interest Paid	(4,036)	(14,647)
Income tax paid	(133,119)	(175,171)
Retirement Benefit Obligation paid	(58,247)	(24,649)
Net Cash flows Generated from Operating Activities	1,277,242	1,114,898
Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment	(105,697)	(33,519)
Proceeds from sale of Property, Plant & Equipment	26,713	53,845
Interest Received	10,832	7,573
Net Cash used in Investing Activities	(68,152)	27,899
Cash flow from Financing Activities		
Dividend Paid	(1,710,291)	(1,611,668)
Net Cash used in financing Activities	(1,710,291)	(1,611,668)
Net Increase / (Decrease) in cash and cash Equivalents	(501,201)	(468,871)
Cash and Cash Equivalent at beginning of year	356,388	(122,170)
Cash and Cash Equivalent at end of year	<u>(144,813)</u>	<u>(591,041)</u>
Analysis of cash and cash Equivalents at the end of the year		
Cash in hand & balances with Bank	356,628	248,335
Bank borrowings	(501,441)	(839,376)
	<u>(144,813)</u>	<u>(591,041)</u>

STATEMENT OF CHANGES IN EQUITY

For the three months ended 31st March

	<i>Stated Capital</i>	<i>Revenue Reserve</i>	<i>Total</i>
	<i>Rs. '000s</i>	<i>Rs. '000s</i>	<i>Rs. '000s</i>
<i>Balance as at 1 January 2013</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)
<i>Balance as at 31 March 2013</i>	537,255	2,534,028	3,071,283
<i>Net profit for the 9 months ended 31.12.2013</i>		2,433,579	2,433,579
<i>Final Dividend for 2012</i>		(1,289,204)	(1,289,204)
<i>Balance as at 31 December 2013</i>	537,255	3,678,403	4,215,658
<i>Net profit for the 3 months ended 31.03.2014</i>		1,102,990	1,102,990
<i>Interim Dividend for 2013</i>		(1,719,215)	(1,719,215)
<i>Balance as at 31.03.2014</i>	537,255	3,062,178	3,599,433

Notes to the 31.03.2014 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.*
There were no material events subsequent to the end of the Interim period upto the date on which we submitted the quarterly statements to CSE, which would require adjustments or disclosure in the Financial Statements.
- 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 2014, an amount of 401 Mio (31.12.2013 - 472 Mio) had been granted to the distributors by the bankers, which in the event where distributors default, the company would be liable.*
- 5 *Comparative information has been reclassified where necessary, to conform to current year's presentation.*

Additional Notes and other information

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

No	Names	No. of Shares	%
1	Nestle S.A	48,793,746	90.82
2	HSBC International Nominees Ltd –MSIP- Coupland Cardiff Funds PLC-CC Asian Evolution Fund	896,631	1.67
3	HSBC Intl Nom Ltd – SSBT- Wasatch Frontier Emerging Small Countries Fund	311,631	0.58
4	Miss Neesha Harnam	200,000	0.37
5	HSBC International Nominees Ltd –SSBT-Deutsche Bank AG Singapore A/C No. 1	155,600	0.29
6	Estate of Late Mr. Mariapillai Radhakrishnan	110,000	0.20
7	Employees Provident Fund	100,000	0.19
8	Pictet and CIE (Europe) S.A.S/A THS Kingsway Fund-Frontier Consumer	98,982	0.18
9	HSBC Intl Nom Ltd – UBS AG Singapore Branch	85,000	0.16
10	AIA Insurance Lanka PLC	81,375	0.15
11	HSBC Intl Nom Ltd-SSBT-Julius Baer Multipartner-WMP EM Established Leaders Fund	61,100	0.11
12	Mr. Jayampathi Divale Bandaranayake	56,750	0.11
13	Colombo Investment Trust 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	CB NY S/A Wasatch Frontier Emerging Small Countries CIT Fund	39,455	0.07
17	Mellon Bank N A- Commonwealth Pen Pub School	35,905	0.07
18	Mrs. Jasbinderjit Kaur Piara Singh	34,700	0.06
19	Mascons (Pvt) Ltd	30,000	0.06
20	Mr. Sashimaal Ruhash Fernando	29,896	0.06