

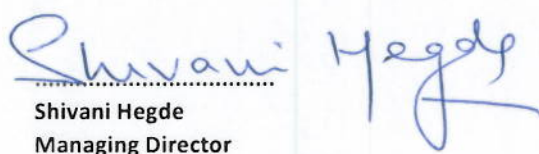


NESTLÉ LANKA PLC

STATEMENT OF COMPREHENSIVE INCOME

<i>For the Period Ended 31 March</i>	2016	2015	Year to date
	Rs. '000s	Rs. '000s	% Variance
Revenue	9,760,390	8,943,069	9.1%
Cost of Sales	(5,977,059)	(5,742,589)	4.1%
Gross Profit	3,783,331	3,200,480	18.2%
Other Operating Income / (Expense)	(10,744)	12,044	-189.2%
Marketing, Selling and Distribution Expenses	(1,600,863)	(1,189,175)	34.6%
Administrative Expenses	(529,739)	(522,125)	1.5%
Results from Operating Activities	1,641,985	1,501,224	9.4%
Financial Income	17,983	10,506	71.2%
Financial Expenses	(4,295)	(3,967)	8.3%
Net Financing Income	13,688	6,539	109.3%
Profit Before Taxation	1,655,673	1,507,763	9.8%
Income Tax Expenses	(380,281)	(349,340)	8.9%
Profit for the Period	1,275,392	1,158,423	10.1%
Basic Earnings Per Share (EPS.) Rs.	23.74	21.56	

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


Shivani Hegde
Managing Director


Jagdish Kumar Singla
Director Finance & Control

05 May 2016



NESTLÉ LANKA PLC

STATEMENT OF FINANCIAL POSITION

AS AT :	31.03.2016	31.12.2015
	Rs. '000s	Rs. '000s
Assets		
Non-Current Assets		
Property Plant and Equipment	5,338,647	5,477,442
Capital Work-in-Progress	168,608	143,597
	<u>5,507,255</u>	<u>5,621,039</u>
Current Assets		
Inventories	3,280,779	3,322,433
Trade and Other Receivables	2,509,723	2,107,037
Amount due from Related Parties	327,871	203,975
Cash and Cash Equivalents	395,629	867,563
	<u>6,514,002</u>	<u>6,501,008</u>
Total Assets	12,021,257	12,122,047
Equity and Liabilities		
Equity		
Stated Capital	537,255	537,255
Retained Earnings	3,406,245	3,984,381
	<u>3,943,500</u>	<u>4,521,636</u>
Non-Current Liabilities		
Retirement Benefit Obligations	430,588	522,240
Deferred Tax Liabilities	719,221	699,452
	<u>1,149,809</u>	<u>1,221,692</u>
Current Liabilities		
Trade and Other Payables	4,287,113	4,137,446
Amount due to Related Parties	776,863	713,686
Income Tax Payable	1,073,059	942,057
Dividends Payable	136,562	137,220
Bank Overdraft	654,351	448,310
	<u>6,927,948</u>	<u>6,378,719</u>
Total Liabilities	8,077,757	7,600,411
Total Equity and Liabilities	12,021,257	12,122,047
<i>The figures are provisional and subject to audit</i>		
AS AT (Rs.):	31.03.2016	31.12.2015
Net asset value per share-	73.40	84.16
Market value per share recorded during the quarter		
- Highest	2,100.00	2,240.00
- Lowest	1,903.30	2,000.00
- Last trade price (Date 31/03/2016 , 31/12/2015)	2,028.40	2,049.00

Shivani Hegde
Managing Director
05 May 2016

Jagdish Kumar Singla
Director Finance & Control



NESTLÉ LANKA PLC
STATEMENT OF CASH FLOWS

<i>For the Period Ended 31 March</i>	2016	2015
	<i>Rs. '000s</i>	<i>Rs. '000s</i>
Cash Flow from Operating Activities		
<i>Profit before Taxation</i>	1,655,673	1,507,763
Adjustments for ;		
<i>Depreciation</i>	158,497	148,304
<i>Gain on sale of Property Plant and Equipment</i>	(27,959)	(5,500)
<i>Amortization of staff loan interest</i>	4,552	4,707
<i>Interest Expense</i>	4,295	3,967
<i>Interest Income</i>	(13,676)	(9,160)
<i>Inventory write off</i>	19,921	27,559
<i>Provision for Impairment of Trade Receivable</i>	17,663	10,488
<i>Provision for Retirement Benefit Obligation</i>	26,348	24,723
Operating Profit before Working Capital Changes	1,845,314	1,712,851
Working Capital Changes		
<i>Decrease / (Increase) in Inventories</i>	21,733	(178,260)
<i>Increase in Trade and Other Receivables</i>	(544,245)	(675,568)
<i>Increase in Trade and Other Payables</i>	212,844	122,521
Cash Generated from Operations	1,535,646	981,544
<i>Interest Paid</i>	(4,295)	(3,967)
<i>Income Tax Paid</i>	(229,510)	(152,821)
<i>Retirement Benefit Obligation Paid</i>	(117,999)	(57,284)
Net Cash Flows Generated from Operating Activities	1,183,842	767,473
Cash Flow from Investing Activities		
<i>Purchase of Property, Plant and Equipment</i>	(44,713)	(46,479)
<i>Proceeds from Sale of Property, Plant and Equipment</i>	27,959	7,339
<i>Interest Received</i>	9,124	4,453
Net Cash used in Investing Activities	(7,630)	(34,687)
Cash Flow from Financing Activities		
<i>Dividend Paid</i>	(1,854,187)	(1,522,062)
Net Cash used in Financing Activities	(1,854,187)	(1,522,062)
Net Decrease in Cash and Cash Equivalents	(677,975)	(789,277)
<i>Cash and Cash Equivalent at beginning of year</i>	419,253	77,161
<i>Cash and Cash Equivalent at end of period</i>	(258,722)	(712,116)
Analysis of Cash and Cash Equivalents at the end of the period		
<i>Cash in Hand and Balances with Bank</i>	395,629	180,970
<i>Bank Overdraft</i>	(654,351)	(893,086)
	(258,722)	(712,116)



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 2015</i>	537,255	3,550,673	4,087,928
<i>Super Gain Tax</i>	-	(638,365)	(638,365)
<i>Adjusted Balance as at 01 January 2015</i>	537,255	2,912,308	3,449,563
<i>Net profit for the 3 months ended 31 March 2015</i>	-	1,158,423	1,158,423
<i>Second Interim Dividend for 2014</i>	-	(1,531,176)	(1,531,176)
<i>Balance as at 31 March 2015</i>	537,255	2,539,555	3,076,810
<i>Net profit for the 9 months ended 31 December 2015</i>	-	2,965,901	2,965,901
<i>Other Comprehensive Expenses</i>	-	(16,762)	(16,762)
<i>Final Dividend for 2014</i>	-	(1,504,313)	(1,504,313)
<i>Balance as at 31 December 2015</i>	537,255	3,984,381	4,521,636
<i>Balance as at 01 January 2016</i>	537,255	3,984,381	4,521,636
<i>Net profit for the 3 months ended 31 March 2016</i>	-	1,275,392	1,275,392
<i>Interim Dividend for 2015</i>	-	(1,853,528)	(1,853,528)
<i>Balance as at 31 March 2016</i>	537,255	3,406,245	3,943,500



NESTLÉ LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

Notes to the 31 March 2016 Quarterly 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.
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, other than the following;
As proposed in the 2016 Budget and subsequent circular issued by the Department of Inland Revenue, the Current Income Tax Rate of 28% will be reduced to 17.5%. However the Company has considered a tax rate of 28% for taxation provisions, as the new rate is not substantially enacted as of the reporting date.
4. Contingent Liability
There have been no material changes to the contingent liabilities since the last annual reporting period.
5. Comparative Information
The Company has netted off some Trade Related Expenses (LKR 323 Mio in Q1 2016) from revenue which were earlier reported as part of "Marketing, Selling and Distribution Expenses" for better presentation of the statement of comprehensive income. Comparative amounts have also been reclassified for consistency (LKR 279 Mio in Q1 2015). This adjustment has no impact on the total comprehensive income, profit or net assets of the company in both the reported period.



NESTLÉ LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

Additional Notes and other information

- Public Holding Percentage: 9.18%. Number of Public shareholders - 5,381.
- Market capitalization of the Public Holding : Rs.10,001,466 (Rs'000)
- 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	Nestlé S.A	48,793,746	90.82
2	HSBC International Nominees Limited - SSBT - Wasatch Frontier Emerging Small Countries Fund	436,962	0.81
3	HSBC International Nominees Limited - State Street London C/O - SSBT - Fundsmith Emerging Equities Trust PLC	369,389	0.69
4	RBC Investor Services Bank - Coeli Sicav I-Frontier Markets Fund	238,500	0.44
5	Ms. Neesha Harnam	200,000	0.37
6	HSBC International Nominees Limited - MSIP - Coupland Cardiff Funds PLC - CC Asian Evolution Fund	195,961	0.36
7	HSBC International Nominees Limited - SSBT - Deutsche Bank AG Singapore A/C 01	155,600	0.29
8	HSBC International Nominees Limited - SSBT - Julius Baer Multipartner WMP EM Established Leaders Fund	114,000	0.21
9	Estate of Late Mr. Radhakrishnan Mariapillai (Deceased)	110,000	0.20
10	Employees Provident Fund	100,000	0.19
11	HSBC International Nominees Limited - JPMCB NA - Fidelity Asian Values PLC	90,002	0.17
12	CB NY S/A Wasatch Frontier Emerging Small Countries CIT Fund	85,650	0.16
13	HSBC International Nominees Limited -UBS AG Singapore Branch (EX SBC)	85,000	0.16
14	HSBC International Nominees Limited - JPMCB - T.Rowe Price Institutional Frontier Markets Equity Fund	52,915	0.10
15	Colombo Investment Trust PLC	50,904	0.09
16	HSBC International Nominees Limited - BBH - Fidelity Funds	47,725	0.09
17	Mr. Bandaranayake Jayampathi Divale	44,100	0.08
18	Mr. Hirdaramani Anil Kumar Lalchand	42,500	0.08
19	Mrs. Merchant Asha Ajay	41,000	0.08
20	Mrs. Singh Jasbinderjit Kaur Piara	40,100	0.07