




NESTLÉ LANKA PLC

STATEMENT OF COMPREHENSIVE INCOME

For the Period Ended 30 September				Quarter Performance	
	2016 Rs.'000s	2015 Rs.'000s	Year to date % Variance	2016 Rs.'000s	2015 Rs.'000s
Revenue	27,827,117	26,237,308	6.1%	8,830,456	8,544,251
Cost of Sales	(16,987,339)	(16,268,325)	4.4%	(5,281,055)	(5,183,211)
Gross Profit	10,839,778	9,968,983	8.7%	3,549,401	3,361,040
Other Operating Expenses	(3,759)	(48)	7653.3%	(8,593)	(12,151)
Marketing, Selling and Distribution Expenses	(4,631,845)	(3,877,493)	19.5%	(1,608,929)	(1,467,821)
Administrative Expenses	(1,601,546)	(1,533,839)	4.4%	(526,609)	(504,562)
Results from Operating Activities	4,602,628	4,557,603	1.0%	1,405,270	1,376,506
Financial Income	26,440	26,115	1.2%	4,032	10,104
Financial Expenses	(32,559)	(28,802)	13.0%	(13,441)	(13,357)
Net Financing Income / (Expenses)	(6,119)	(2,687)	127.7%	(9,409)	(3,253)
Profit Before Taxation	4,596,509	4,554,916	0.9%	1,395,861	1,373,253
Income Tax Expenses	(1,057,855)	(1,071,139)	-1.2%	(322,778)	(347,109)
Profit for the Period	3,538,654	3,483,777	1.6%	1,073,083	1,026,144
Other comprehensive income for the period	-	-		-	-
Total Comprehensive Income	3,538,654	3,483,777		1,073,083	1,026,144
Basic Earnings Per Share (EPS.) Rs.	65.87	64.84		19.97	19.10

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


Shivani Hegde
Managing Director


Jagdish Kumar Singla
Director Finance & Control

08 November 2016

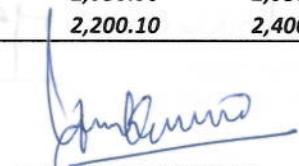


NESTLÉ LANKA PLC

STATEMENT OF FINANCIAL POSITION

AS AT :	30.09.2016	31.12.2015
	Rs. '000s	Rs. '000s
ASSETS		
Non-Current Assets		
Property Plant and Equipment	5,172,152	5,477,442
Capital Work-In-Progress	503,307	143,597
	5,675,459	5,621,039
Current Assets		
Inventories	3,615,334	3,322,433
Trade and Other Receivables	2,747,935	2,107,037
Amount Due from Related Parties	202,431	203,975
Cash and Cash Equivalents	79,485	867,563
	6,645,185	6,501,008
Total Assets	12,320,644	12,122,047
EQUITY AND LIABILITIES		
Equity		
Stated Capital	537,255	537,255
Retained Earnings	4,057,743	3,984,381
	4,594,998	4,521,636
Non-Current Liabilities		
Retirement Benefit Obligations	430,079	522,240
Deferred Tax Liabilities	747,586	699,452
	1,177,665	1,221,692
Current Liabilities		
Trade and Other Payables	3,884,315	4,137,446
Amount Due to Related Parties	759,379	713,686
Income Tax Payable	905,404	942,057
Dividends Payable	134,411	137,220
Bank Overdrafts	864,472	448,310
	6,547,981	6,378,719
Total Liabilities	7,725,646	7,600,411
Total Equity and Liabilities	12,320,644	12,122,047
<i>The figures are provisional and subject to audit</i>		
AS AT (Rs.) :	30.09.2016	30.06.2016
Net asset value per share-	85.53	65.55
Market value per share recorded during the quarter		
- Highest	2,410.00	2,445.00
- Lowest	2,030.00	2,030.00
- Last trade price (Date 30/09/2016 , 30/06/2016)	2,200.10	2,400.00


 Shivani Hegde
 Managing Director
 08 November 2016


 Jagdish Kumar Singla
 Director Finance & Control



NESTLÉ LANKA PLC
STATEMENT OF CASH FLOWS

<i>For the Period Ended 30 September</i>	2016	2015
	<i>Rs. '000s</i>	<i>Rs. '000s</i>
Cash Flow from Operating Activities		
<i>Profit before Taxation</i>	4,596,509	4,554,916
Adjustments for ;		
<i>Depreciation</i>	468,844	450,412
<i>Gain on sale of Property Plant and Equipment</i>	(20,480)	(23,098)
<i>Amortization of Staff Loan Interest</i>	13,018	13,291
<i>Interest Expense</i>	32,559	28,802
<i>Interest Income</i>	(22,846)	(18,856)
<i>Inventory Write Off</i>	80,039	94,810
<i>Provision for Impairment of Trade Receivable</i>	24,844	12,441
<i>Provision for Retirement Benefit Obligation</i>	79,042	74,168
Operating Profit before Working Capital Changes	5,251,529	5,186,886
Working Capital Changes		
<i>Increase in Inventories</i>	(372,567)	(85,448)
<i>Increase in Trade and Other Receivables</i>	(664,199)	(522,407)
<i>Decrease in Trade and Other Payables</i>	(207,810)	(395,163)
Cash Generated from Operations	4,006,953	4,183,868
<i>Interest Paid</i>	(32,559)	(28,802)
<i>Income Tax Paid</i>	(1,046,372)	(750,465)
<i>Retirement Benefit Obligation Paid</i>	(171,204)	(139,037)
Net Cash Flows Generated from Operating Activities	2,756,818	3,265,563
Cash Flow from Investing Activities		
<i>Purchase of Property, Plant and Equipment</i>	(544,105)	(379,521)
<i>Proceeds from Sale of Property, Plant and Equipment</i>	41,321	26,845
<i>Interest Received</i>	9,828	5,564
Net Cash Flows used in Investing Activities	(492,956)	(347,112)
Cash Flow from Financing Activities		
<i>Dividend Paid</i>	(3,468,102)	(3,007,209)
Net Cash Flows used in Financing Activities	(3,468,102)	(3,007,209)
Net Decrease in Cash and Cash Equivalents	(1,204,240)	(88,758)
<i>Cash and Cash Equivalent at beginning of Year</i>	419,253	77,161
<i>Cash and Cash Equivalent at End of Period</i>	(784,987)	(11,597)
Analysis of Cash and Cash Equivalents at the End of the Period		
<i>Cash in Hand and Balances with Bank</i>	79,485	274,321
<i>Bank Overdrafts</i>	(864,472)	(285,918)
	(784,987)	(11,597)

**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 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 9 months ended 30 September 2015</i>	-	3,483,777	3,483,777
<i>Second Interim Dividend for 2014</i>	-	(1,531,176)	(1,531,176)
<i>Final Dividend for 2014</i>	-	(1,504,313)	(1,504,313)
<i>Balance as at 30 September 2015</i>	537,255	3,360,596	3,897,851
<i>Net profit for the 3 months ended 31 December 2015</i>	-	640,547	640,547
<i>Other Comprehensive Expenses</i>	-	(16,762)	(16,762)
<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 9 months ended 30 September 2016</i>	-	3,538,654	3,538,654
<i>Interim Dividend for 2015</i>	-	(1,853,528)	(1,853,528)
<i>Final Dividend for 2015</i>	-	(1,611,764)	(1,611,764)
<i>Balance as at 30 September 2016</i>	537,255	4,057,743	4,594,998



NESTLÉ LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

Notes to the 30 September 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 (Rs. 995 Mio in YTD 2016 and Rs. 352 Mio in Q3 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 (Rs. 853 Mio in YTD 2015 and Rs. 285 Mio in Q3 2015). This adjustment has no impact on the profit or net assets of the company in both the reported periods.



NESTLÉ LANKA PLC

NOTES TO THE FINANCIAL STATEMENTS

Additional Notes and other information

- Public Holding Percentage: 9.18%. Number of Public shareholders - 5,286.
- Market capitalization of the Public Holding : Rs.10,848,070 (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 - State Street London C/O - SSBT - Fundsmith Emerging Equities Trust PLC	386,576	0.72
3	HSBC International Nominees Limited - SSBT - Wasatch Frontier Emerging Small Countries Fund	343,163	0.64
4	RBC Investor Services Bank - Coeli Sicav I-Frontier Markets Fund	238,500	0.44
5	Ms. Neesha Harnam	200,000	0.37
6	Northern Trust Company S/A 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 - Frank Russel Trust Company Comingled Benefit Funds Trust GNA-6QH3	128,076	0.24
9	HSBC International Nominees Limited - SSBT - Multipartner SICAV - WMP EM Established Leaders Fund	114,000	0.21
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	Colombo Investment Trust PLC	50,904	0.09
15	HSBC international Nominees Limited - BBH - Fidelity Funds	48,180	0.09
16	Mr. Bandaranayake Jayampathi Divale	44,100	0.08
17	Mr. Hirdaramani Anil Kumar Lalchand	42,500	0.08
18	Mrs. Merchant Asha Ajay	41,000	0.08
19	Mrs. Singh Jasbinderjit Kaur Piara	40,100	0.07
20	Mr. Maheswaran Radhakrishnan	36,671	0.07