

**Nestlé Pakistan Ltd.**

(Formerly Nestlé Milkpak Ltd.)

308-Upper Mall,  
P.O. Box: 874  
LAHORE-PAKISTANTEL : (92-42) 5737082-95  
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The Managing Director  
Karachi Stock Exchange  
(Guarantee) Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi.

Lahore: March 05, 2007

Dear Sir,

**FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2006**

We have to inform you that the Board of Directors of our Company, in their meeting held on March 05, 2007 at 9:00 a.m. at 308 - Upper Mall, Lahore recommended the following:

- Cash Dividend** : The directors have recommended a final dividend of 50% i.e. Rs 5 per share of Rs 10 each.
- The financial results of the Company are as follows:

	Year ended	
	(Rupees in thousand)	
	31 Dec. 2006	31 Dec. 2005
Sales-net	22,030,958	17,142,363
Cost of goods sold	(15,778,330)	(12,354,818)
Gross Profit	6,252,628	4,787,545
Distribution and selling expenses	(2,925,118)	(2,090,489)
Administration expenses	(687,092)	(576,715)
Operating profit	2,640,418	2,120,551
Finance cost	(447,774)	(180,108)
Other operating expenses	(263,921)	(356,528)
Other operating income	76,732	53,151
Profit before taxation	2,005,455	1,637,076
Provision for taxation	(642,165)	(484,145)
Profit after taxation	1,363,290	1,152,931
Earnings per share (Rs)	30.06	25.42

The Annual General Meeting of the Company will be held on 23.04.2007 at 11:00 a.m. at company office situated at 304-Upper Mall, Lahore.

The above entitlement will be paid to the shareholders whose name will appear in the register of members on 16-04-2007.

The share transfer books of the company will be closed from 17.04.2007 to 23.04.2007 (both days inclusive). The transfers received at 308-Upper Mall Lahore at the close of the business on 16.4.2007 will be treated in time for the purpose of the above enti

We will be sending you 300 copies of printed accounts for distribution amongst the members of the exchange 21 days before the date of AGM.

Yours truly,  
Nestlé Pakistan Ltd.,


(Raymond Franke)  
Chief Financial Officer