

REGENCY ASSETS MANAGEMENT LIMITED
Member of The Nigerian Stock Exchange

CORPORATE ANALYSIS AND PROJECTIONS

NESTLE NIGERIA PLC
FUNDAMENTAL ANALYSIS

FINANCIAL RESULT ANALYSIS
Year End DEC. 31

	2009	2008	2007	2006	2005
Turnover N'm	68,317	51,742	44,028	38,423	34,336
PAT (N'm)	9,784	8,332	5,442	5,660	5,303
Share Capital (N'm)	330	330	330	264	264
SH. Funds (N'm)	10,544	9,031	6,237	6,360	5,980
Reserves(N'm)	9,995	8,482	5,687	5,875	5,489
NET ASSETS	10,544	9,031	6,237	6,360	5,980
EPS (N=)	14.81	12.61	8.79	10.71	10.04
DPS(N=)	12.55	8.40	8.99	10.00	7.00
Price (year end)	239.50	191.44	276.72	235.00	187.00
P/ER	16.17	15.18	31.48	21.94	18.63
No of Shares	660.00	660.00	660.00	528.00	528.00
BOOK VALUE	15.98	13.68	9.45	12.05	11.33
Price to book ratio	14.99	13.99	29.28	19.51	16.51
Bonus Issue			1 for 4		

Turnover (N'b)
PAT (N'b)
Int. Div.(N'000)
NET ASSETS

QUARTERLY RESULT ANALYSIS 2010

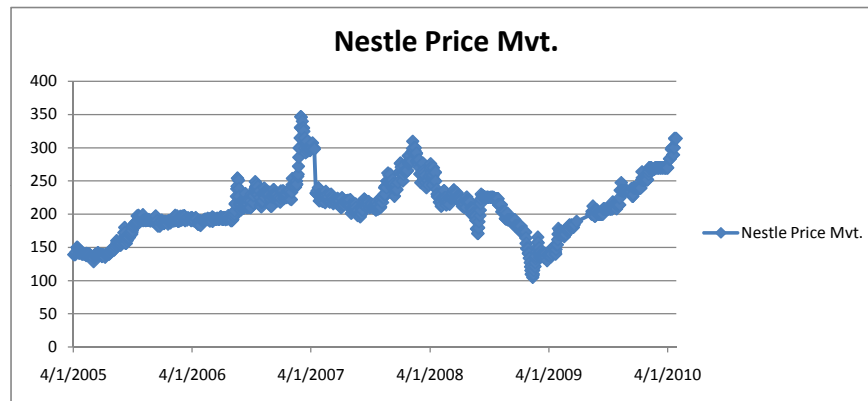
Q1		Q2		Q3	
Curr.	Last Year	Curr.	Last/Year	Curr.	Last/Y
17.62	14.19				
2.76	1.97				
N13.30 bill	N10.54 bill				

SHAREHOLDING STRUCTURE

Nestle CWA Ltd Ghan:	59.13%
Nestle SA Swiz.	3.17%
Nigerian Citizen	37.70%
	100.00%

TECHNICAL ANALYSIS

Price as at 4/26/2010	EPS	P/E Ratio	Book Val. Per Share	Price to Book Ratio	ROCE	52 weeks High	52 weeks Low	Margin in %	1st qter EPS	1st qter PER
314.00	N=14.81	21.20	20.15	15.59	92.79	N=314.00	N 161.72	94.16	N 16.73	18.77



SWOT ANALYSIS

<p align="center">STRENGTHS</p> <ol style="list-style-type: none"> Foreign Technical Partner wide distribution network. Good brand name. good dividend pay out Very good ROCE. 	<p align="center">WEAKNESS</p> <ol style="list-style-type: none"> Low book value.
<p align="center">OPPORTUNITIES</p> <ol style="list-style-type: none"> Good market share Growth in capital market. 	<p align="center">THREAT</p> <ol style="list-style-type: none"> Harsh economic policies

INVESTMENT CONSIDERATION

- Manufacturing, marketing and distribution of food products including purified water.
- Market leader in Food sector.
- Very good brand name. Good market perception
- 5yr consistent increase in B/S and P&L figures.
- Consistent payment of dividend in the last five years.
- The most highly priced stock on the NSE.
- Wide range of food consumer products
- Good distribution network
- Local and foreign sourcing of raw materials.
- General licence agreement with Societe des produits Nestec SA & Nestle SA Switzerland.

PROJECTIONS.

The stock is suitable for investment on long term basis

The reasons being:

- High dividend pay out resulting to good return on investment.
- Good product, high demand, and good market share for the company.
- Good management, the possibility for profit level to be increasing is high
- Although the stock price seem overpriced, the consistent increase in earnings may continue to strengthen the price.
- There is therefore high possibility for reasonable capital appreciation to investors.
- The low number of shares in issue is expected to create demand with resultant continue increase in price
- The stock is relatively stable and plays a great role in sustaining portfolios.